B

Babcock and Wilcox, Ltd. Accounts, 864, 868
Bah Lias Rubber Estates, Ltd. Meeting, 414
Balaghat Gold Mines, Ltd. Meeting, 948
Balances of Payments. International trade, 1913–27, 970
Balderston (C. C.). "*Managerial Profit-sharing*" (R), 1218
Baldwins, Ltd. Accounts, 935, 954
Balfour Committee. Final report, 555
Balfour Note and Mr. Snowden, 842
Ballington Hosiery, Ltd. Issue, 300
Baltimore and Ohio Railroad. Accounts, 513
Bangrin Tin Dredging Co., Ltd. Accounts, 1356: meeting, 1417
Bankruptcy in 1927, 14
BANKS. General.
Anglo-French Banking Corporation, Ltd. Accounts, 372
Anglo-International Bank. Accounts, 598, 600; meeting, 650
Annual addresses, charactoristics of, 1929, 207–8
Balance-sheets, 1928, 149, 219; *Supp.*, May 11
Bank for Russian Trade, Ltd. Accounts, 600
BANKING SUPPLEMENT, May 11
Bank of England. Gold stocks, diminution in, 146
New directors, 153
Note amalgamation, 2, 6, 303
Policy in 1928, 5–6; policy in 1929, 90, 398, 448, 505
Rate raised, 273, 275, 350, 430
Rate since 1848, *Supp.*, May 11
Weekly return, 35, 78, 133, 189, 258, 310, 366, 416, 472, 538, 594, 654, 767, 820, 882, 950, 1014, 1081, 1137, 1185, 1255, 1317, 1368, 1421, 1485
Bank of Scotland. Accounts, 757, 773; meeting, 760
Barclays. Accounts, 74; meeting, 98, 120–4
Barclays (Dominion, Colonial and Overseas). Meeting, 125
Barclays in Canada, 16, 120
Blydenstein and Co. Accounts, 372
British banking and London money market in 1928, *Supp.*, May 11
British West Africa, Ltd. Meeting, 1471
Cash holdings and the public, 206
Chartered Bank of India, Australia and China. Accounts, 599; meeting, 703
Cheques, increased use of, 1926–8, 12
Clearing returns, 35, 78, 133, 189, 206, 258, 259, 310, 366, 416, 422, 472, 538, 594, 600, 654, 717, 767, 820, 827, 882, 950, 1015, 1082, 1137, 1185, 1256, 1317, 1368, 1374, 1421, 1485; *Supp.*, 8, 16, 24, 32, 40, 48
Commercial Bank of the Near East, Ltd. Meeting, 819
Comparative statements, *Supp.*, May 11
Cook (Thos.) and Son, Ltd. Accounts, 1086
Deposits and trade, 149–50
District Bank, Ltd. Meeting, 248
Eastern Bank, Ltd. Meeting, 704
Glyn, Mills, Currie and Co. Accounts, 74
Hambros. Accounts, 1190: meeting, 1130
History of British banking (R.), 1051
Japhet and Co., Ltd. Accounts, 545
Labour policy, 1280
Lloyds. Accounts, 193: meeting, 301
London Merchant Bank, Ltd. Meeting, 306
Manchester and County. Accounts, 74
Martin's Bank, Ltd. Meeting, 1929, 240
Midland. Accounts, 131: meeting, 176
National Bank, Ltd. Meeting, 1929, 239
National Provincial. Accounts, 193: meeting, 244
Night safes, 235
Notes in circulation (various countries), *Supp.*, 6, 14, 22, 30, 38, 46
Notices, 39, 81, 136, 192, 262, 313, 370, 422, 598, 657, 719, 771, 824, 886, 954, 1018, 1085, 1140, 1189, 1260, 1320, 1371, 1425, 1489
Ottoman Bank. Meeting, 1469
Overseas rates, 1928, 6
Profits and dividends, 1926–8, 70; *Supp.*, May 11
Rates, 37, 80, 135, 191, 260, 312, 368, 418, 475, 541, 597, 656, 718, 769, 822, 884, 952, 1017, 1084, 1139, 1188, 1258, 1318, 1370, 1423, 1487; *Supp.*, 8, 16, 24, 32, 40, 48
Safes for home, 794
Shares, 1928, *Supp.*, May 11
Statistics, Mr. McKenna on, 149–50, 176–9
Swiss Bank Corporation. Accounts, 372
Union Bank of Scotland. Accounts, 935, 954: meeting, 943
Westminster. Accounts, 193: meeting, 235
Westminster. Home safes, 794
Williams, Deacons. Accounts, 193: meeting, 251
Banks (Sir R. M.). "*The Conservative Outlook*" (R), 1218
Bankside Investment Trust, Ltd. Issue, 355
Barclay, Perkins and Co., Ltd. Issue, 514: accounts, 1489
Barker, John and Co. Accounts, 407, 771: meeting, 818
Baru (Java) Estates, Ltd. Issue, 372
"Beacon" Brown Flour Co. Issue, 759
Beard (M. R.). "*American Labour Movement*" (R), 1403
Beecham's Pills, Ltd. Accounts, 1491
Beet sugar subsidy, 566
Beira Rly. Co., Ltd. Accounts, 600
BELGIUM. Banks. National Bank returns, 36, 79, 134, 190, 259, 311, 367, 417, 474, 539, 655, 718, 768, 821, 883, 951, 1015, 1082, 1138, 1256, 1318, 1369, 1422, 1486
Economic report, 107, 630, 925, 1286, 1395
Economic position of the Congo, 107
Bengal Iron Co., Ltd. Accounts, 662
Berkeley Property and Investment Co., Ltd. Issue, 1124
Berry's Insulating and Building Products, Ltd. Issue, 645
Bills. London as cheap market, 123
Birmingham Small Arms Co. Accounts, 954, 957: meeting, 1078
BIRTH RATE, 496
Supply of juvenile labour, 1105
Blackett, Sir Basil. Appointed to Cable-Wireless Communications Co., 71
On the War Loan, 456
Bleachers' Association, Ltd. Accounts, 1355, 1371: meeting, 1476
Blue Bird Petrol, Ltd. Accounts 169, 1060
Bognor Gas and Electricity Co. Issue, 588
Booth's Distilleries, Ltd. Meeting, 1418
Boots Pure Drug Co., Ltd. Accounts, 1191, 1260, 1263: meeting, 1312
Borax Consolidated. Accounts, 352, 355: meeting, 413
Bovril, Ltd. Accounts, 407, 420: meeting, 469
Argentine Estates of. Issue, 459
Bowley (Dr. A. L.). Numerical importance of foreign trade, 277–8
Wages, new index number, 330–1
Bradford Dyers. Accounts, 407, 420
Brakpan Mines, Ltd. Accounts, 963, 996
BRAZIL. Bank. Accounts, 1303
Coffee trade, 1057
Economic report, 402, 1126
Finance, 1303
Finance: borrowing status, 402, 632; President's report, 1126
Brazilian Traction, Light and Power Co. Accounts, 1322; merger, 264
Britannic Assurance Co., Ltd. Accounts, 498; meeting, 522
British Aluminium Co., Ltd. Meeting, 708; accounts, 720
British-American Tin Corporation. Formation of, 1409
British American Tobacco Co., Ltd. Meeting, 1929, 128
British Assets Trust, Ltd. Accounts, 511
British Automatic Co., Ltd. Control of, 264, 305
British Automatic Refrigerators, Ltd. Issue, 699
British Automobile Traction Co. Accounts, 1926–28, 296, 314
British Broadcasting Corporation. Public finance and, 283; report, 1105
British Carbocite Smokeless Fuel, Ltd. Issue, 119
British Columbia Power Corporation, Ltd. Accounts, 1928, 197, 317, 372
British Controlled Oilfields. 1928 accounts, 172
British Cotton and Wool Dyers' Association, Ltd. Accounts, 1120, 1142
British Dardelet Threadlock Corporation. Issue, 588
British Electric Traction Co., Ltd. Accounts, 1322; meeting, 1417
BRITISH EMPIRE. General review of conditions, 1033
Status of Dominions, 624
British Enka Artificial Silk Co. Accounts, 774; meeting, 817
British Filograph Co., Ltd. Issue, 1180
British, Foreign and Colonial Corporation, Ltd. Meeting, 579
British and Foreign Marine Insurance Co., Ltd. Meeting, 626
British and German Trust, Ltd. Meeting, 464
British Hosiery Trust, Ltd. Meeting, 1928, 33
British Insulated Cables, Ltd. Accounts, 659; meeting, 707
British Match Corporation, Ltd. Accounts, 1059, 1064; meeting, 1134
British Metal Corporation. Accounts, 586
British Oak Insurance. Accounts, 1450
British Oil and Cake Mills, Ltd. Accounts, 771, 774
British Oil Lighting and Heating, Ltd. Meeting, 1929, 75
British Overseas and General Investment Co. Issue, 1302
British Portland Cement Manufacturers, Ltd. Accounts, 598
British Power and Light Corporation (1929), Ltd. Issue, 1124
British Quarrying Co., Ltd. Issue, 514
British Rubber Estates of Java, Ltd. Meeting, 1246
British Shareholders Trust, Ltd. Accounts, 1088: meeting, 1128
British South Africa Co. Accounts, 420
British Thomson-Houston Co., Ltd. Meeting, 1071
BROADCASTING. Politics, 791; *see also* British Broadcasting Corporation.
Brocklehurst-Whiston Amalgamated, Ltd. Issue, 939
Brown (John) and Co., Ltd. Accounts, 1429
Brunner (C. T.). "*Problem of Motor Transport*" (R), 65
Bryant (A.). "*Spirit of Conservatism*" (R), 1112
Buchanan - Dewar, Ltd. Accounts, 1143
BUDGET, 1929. Analysis of the accounts, 836
Markets and, 862
Prospects, 557
The Sinking Fund and, 835
The surplus and, 731, 836
Buenos Ayres (Province of) Waterworks Co., Ltd. Meeting, 1247
BUILDING SOCIETIES. Finances, 915
BULGARIA. *Supp.* May 4. 16 pp. (articles on modern Bulgaria, public finance, the National Bank, banking, agriculture, transport, industry, foreign trade)
Banks. National Bank returns, 37, 79, 260, 368, 418, 474, 540, 595, 655, 769, 822, 884, 952, 1016, 1083, 1138, 1187, 1258, 1423, 1487
Development of, 972
Economic report, 396
Finance, 1927–28, 456
BULLION. Movements, 1928. 97
Weekly returns, 38, 81, 136, 192, 262, 313, 369, 419, 476, 541, 598, 657, 770, 823, 885, 953, 1017, 1084, 1140, 1188, 1259, 1319, 1371, 1424, 1488
Burma Corporation, Ltd. Meeting, 1928, 186

Burmah Oil Co. Accounts, 1226, 1260: meeting 1358
Burton, Montague, Ltd. Issue, 514
Bush (W. J.) and Co., Ltd. Meeting, 1246
Bwana M'Kubwa Copper Mining Co. Statement, 1929, 197

C

Cable manufacturing companies. Financial position, 451
Cable, Telephone and General Trust, Ltd. Purchase of Bogota Telephone Co., 1190
Cable-Wireless merger, 805, 1176, 1465
Cable-Wireless Communications Co. Appointment of Sir Basil Blackett, 71
Cables and Wireless, Ltd. Formation of, 805
Calcutta Electric Supply Corporation, Ltd. Meeting, 1080
Calcutta Tramways Co., Ltd. Meeting, 1366
Caledonian Insurance Co. Accounts, 850
Callender's Cable and Construction Co., Ltd. Accounts, 1225, 1260: meeting, 1310
Cammell, Laird and Co., Ltd. Accounts, 828, 863, 868
CANADA. Bank returns, 36, 259, 368, 473, 768, 950, 1186, 1485
Banks. Bank of Montreal. Accounts, 1322: issue, 195
Barclays in, 16
Canadian Bank of Commerce annual meeting, 1929, 239, 264
Dominion Bank accounts, 1928, 264
Nova Scotia accounts, 423
Royal Bank accounts, 1928, 264
Customs regulations and British preferential rates, 1041
Economic report, 21, 108, 289, 397, 572, 687, 856, 983, 1110, 1215, 1346, 1401
Finance: British investments, 406, 448
Budget, 687
Business loans and U.S.A., 448
Foreign relations, U.S.A., 97–8, 108, 337
Grain grading, 21, 787
Immigration policy, 289
Newsprint industry, 52–3
Railways, Canadian National. Accounts, 827, 888
Railways, rivalry in development schemes, 219
St. Lawrence waterway project, 97–8
Shipping losses, 1340
Timber resources, 1210
Transport. Hudson Bay route, 1388, 1444
Canada Life Assurance Co. Accounts, 851
Canadian (Third) General Investment Trust, Ltd. Issue, 998
Canadian Government Merchant Marine, Ltd. Accounts, 1340
Canadian National Railways. Accounts, 1042
Canadian Pacific Rly. Accounts, 586, 698: issue, 888
Canadian Western Lumber Co. Accounts, 264
Canning Town Glass Workers, Ltd. Accounts, 660
CAPITAL. Export of 496, 504–5, 565, 575
Investment trusts and export of, 51–2
Issues and company promotion, 1115
Issues and real capital, 858
Issues and yield, 1913–28, 226–7
Issues, new, 295, 458, 675–7, 995, 1225, 1296, 1442
Issues, public response to recent, 756
Issues. Weekly report, 31, 73, 118, 172, 232, 298, 354, 408, 458, 513, 586, 643, 698, 759, 812, 866, 938, 997, 1062, 1123, 1180, 1227, 1302, 1357, 1414, 1467; monthly *Supp.*, 8, 16, 24, 32, 40, 48
Mobility of, and Free Trade, 91–2, 163, 219, 385, 399
Price of new, 226–7
Car and General Insurance Corporation, Ltd. Accounts, 979
Carmelite Trust, Ltd. Accounts, 1374: meeting, 1416
CATTLE. Metropolitan weekly prices, 44, 88, 144, 202, 269, 322, 379, 428, 484, 549, 607, 668, 726, 780, 832, 896, 961, 1028, 1092, 1148, 1196, 1268, 1328, 1379, 1436, 1496
Cawnpore Electric Supply Corporation, Ltd. Meeting, 1135
Celanese Corporation of America. Accounts, 584
Censorship. Literary, 492
Central Argentine Rly. Co. Issue, 644
Central Electricity Board. First report, 1100: Issue, 1174, 1179, 1180
Central Mining and Investment Corporation, Ltd. Accounts, 1121: meeting, 1236
Ceylon Amalgamated Tea and Rubber Estates, Ltd. Issue, 813
Ceylon Consolidated Estates, Ltd. Meeting, 765
Champion Reef Gold Mines of India, Ltd. Meeting, 880
Channel tunnel, 154
"Chartered" Co. Accounts, 406
Charterhouse Caterers, Ltd. Issue, 998
Chemical and Metallurgical Corporation. Accounts, 1062
CHEMICAL INDUSTRY. Germany, 1043
Chemical and Wood Industries, Ltd. Issue, 893, 939
Cheviot Rubber, Ltd. Meeting, 1182
CHICAGO. Grain market, 1403
CHILDREN. Health report, 1927, 56
Sub-normal, 1043
CHILE. Banks. Central Bank returns, 80, 135, 191, 312, 418, 540, 597, 656, 769, 884, 952, 1017, 1187, 1423, 1487
Economic situation, 930
Finance. Budget, 441
—General situation, 930
—Loan, 586
Nitrate industry. New scheme, 30
—Situation, 930
Tacna-Arica dispute, 1040
CHINA. British relations in Canton, 155
Economic report, 869: *Supp.*, 3, 11, 19, 27, 35, 43
Indemnity Fund, 441
Japanese influence in Manchuria, 4–5
Manchuria's recognition of Nanking (Kuomintang) Government, 3–5
Nanking Government's position, 563, 564, 680
Nanking Government's relations with Japan, 100, 335
Russia, relations with, 1281
Trade. British merchants in, 794
Trade with Britain, 11
War in, 738, 792, 913, 1152
Churchill, Mr. Record of his Chancellorship, 737, 783
City Deep. Accounts, 937: meeting, 1415
City of London Electric Lighting Co., Ltd. Meeting, 650
City of London Real Property Co., Ltd. Meeting, 1309
City Offices Co., Ltd. Meeting, 470
Civil Service. Election propaganda (Unemployment White Paper), 1101
Clergy Mutual Assurance. Meeting, 709
Clerical, Medical & General Life Assurance Society. Meeting, 411: accounts, 443
Clifford Motor Components, Ltd. Issue, 409
Cluny Rubber Estates, Ltd. Meeting, 1132
Clyde & Mersey Investment Trust. Issue, 459
COAL INDUSTRY. Competition in European markets, 740
Competition, British and American, 440
Competition, British and Australian, 681
Costs and proceeds, 101, 971
18th century, 1168
Marketing schemes, 284
Miners and MacDonald Government, 1389
Miners, transference of, 55
Problems, 23, 975.
Relief fund, 678
Coal Industry (*continued*):—
South Wales accounts, 624, 1283
South Wales re-organisation, 1394
Production statistics (also lignite) *Supp.*, 5, 13, 21, 29, 37, 45
Weekly report, 41, 85, 139, 198, 266, 318, 375, 425, 480, 546, 602, 663, 722, 775, 829, 890, 957, 1023, 1089, 1144, 1192, 1264, 1323, 1375, 1430, 1492
Coats (J. and P.). Accounts, 1119, 1322: meeting, 1364
COFFEE. Production, 1057
Colne Valley Water Co. Stock, 355
COLOMBIA. Banks. Agricultural Mortgage. Issue, 939
Columbia Graphophone Co., Ltd. Issue, 1263
COMBINES and American law, 858
COMMERCE as an industry, 154
COMMERCIAL HISTORY AND REVIEW OF 1928 (by countries and industries, with comprehensive statistics), *Supp. to* February 9, 1929
Commercial Union Assurance. Accounts, 1043: meeting, 1129
COMMODITIES as "animate beings," 841
Commodity markets. Weekly report, 2, 46, 90, 146, 206, 274, 326, 382, 430, 486, 554, 613, 670, 730, 782, 834, 906, 966, 1030, 1094, 1150, 1198, 1270, 1330, 1382, 1438
COMMUNISM. Berlin riots, 1040
Compania Hispano Americana de Electricidad S.A. Barcelona. Meeting, 1313
COMPANIES. Dividend announcements, 39, 82, 137, 194, 234, 315, 371, 423, 477, 543, 660, 721, 772, 813, 868, 940, 1019, 1085, 1125, 1181, 1228, 1320, 1372, 1428, 1489
"Parent" finance, 1118
Profit and loss accounts, 40, 83, 138, 195, 265, 316, 374, 421, 478, 544, 601, 661, 720, 773, 826, 887, 956, 1020, 1087, 1142, 1191, 1262, 1321, 1373, 1427, 1480
Profits of industrial companies, 1928–29, 839: 1922–28, analysis, 93–4
Promoters, 1115
Registrations, 1928, 170
Shares and real capital, 162
Subsidiaries, establishment of, 111
COMPANY LAW. Companies Consolidation Bill, 993
Meetings, 29
Re-construction Order-in-Council, 298, 353
Shareholders and control, 691–2
Compass Investment Trust, Ltd. Issue, 587
Consolidated Diamond. Accounts, 937
Consolidated Investment Corporation of Canada. Statement, 611
Consolidated Mines Selection Co. Accounts, 759: meeting, 763
Consolidated Water Works Co. of Rosario, Ltd. Meeting, 947
Continental Tintex, Ltd. Issue, 300
Continuous Gramophones, Ltd. Meeting, 1929, 243
Cook, Son and Co. (St. Paul's), Ltd. Accounts, 1928, 317
Cook (James W.) and Co., Ltd. Meeting, 1012
Co-operative Congress, 1154
Co-operative Insurance Society, Ltd. Accounts, 851
Co-operative investment trusts, 25–6
Co-operative societies and small investors, 739
Co-operative Wholesale Society. Accounts, 57, 847: administration of, 735, 916
COPPER. Activity in Rhodesian shares, 72
Kennecott-Chase merger, 1394
Prices and shares, 811, 1297
Producers' position and world trade 1394
Rhodesian share revival, 1226, 1353, 1457
Rise in price, 641
COPRA. Weekly price report, 44, 88, 144, 202, 269, 322, 379, 428, 484, 549, 607, 668, 726, 780, 832, 896, 961, 1028, 1092, 1148, 1196, 1268, 1328, 1379, 1436, 1496

CORN TRADE. History of corn returns, 14
Weekly report, sales and prices, 40, 85, 138, 197, 265, 318, 375, 423, 479, 545, 602, 662, 721, 774, 828, 889, 957, 1022, 1088, 1143, 1192, 1263, 1323, 1374, 1430, 1491
Corporation of Foreign Bondholders. Accounts, 933
Corporation and General Securities, Ltd. Meeting, 1010
Cory (Wm.) and Son, Ltd. Accounts, 1355, 1371: meeting, 1419
COST OF LIVING, 1918–29, 103, 390, 624, 847, 1160, 1392; *Supp.*, 5, 13, 21, 29, 37, 45
COTTON INDUSTRY. Company reports, 101
Hours, 284, 392, 566, 793, 1334
Japan, 1207
Labour disputes, 217, 915, 1041, 1159
Mill amalgamations, 10, 55, 101, 155, 217, 251, 392, 497, 681, 740, 975, 1041, 1103, 1176, 1393
Prices, 976
Situation and prospects, 150, 249, 909
Statistics, 567
Trade problems, 1104
U.S.A. crop, 155, 625, 976, 1159
Wages, 1334, 1393, 1449
Weekly report, 42, 86, 140, 199, 267, 319, 377, 424, 481, 547, 603, 664, 723, 776, 830, 891, 958, 1024, 1090, 1145, 1193, 1265, 1324, 1376, 1432, 1493
Cotton Yarn Association, Ltd. Winding-up, 846
Couéism, Ltd. Issue, 588
County of London Electric Supply. Accounts, 758; meeting, 874
Courage and Co. Accounts, 512, 515
Courtauld's dividend, 1929, 351; financial position, 1926–28, 457, 479: meeting, 532, 584
CREDIT. Facilities and trade, 237
Crosse and Blackwell, Ltd. Accounts, 1263
Crown Mines, Ltd. Accounts, 643: meeting, 1245
Cunard Steamship Co. Accounts, 695, 720
Curzon Brothers and Maxims, Ltd. Issue, 588
CZECHOSLOVAKIA. Banks. Czechoslovak Legions. Meeting, 999
National Bank returns, 36, 79, 134, 190, 260, 367, 474, 540, 596, 655, 769, 822, 884, 952, 1016, 1083, 1138, 1258, 1370, 1423, 1487
Economic report, 572, 925, 1283
Meeting of the Little Entente, 1206

D

Daggafontein. Accounts, 997
Daily Express Building Co., Ltd. Issue, 1414
DANZIG. Banks. Bank returns, 80, 191, 312, 368, 418, 540, 656, 822, 952, 1083, 1187, 1423
British and Polish Trade Bank. Accounts, 545
Darwins, Ltd. Issue, 1062
Davies (D. M.) Woodwork, Ltd. Issue, 998
Davison (R. C.). "*The Unemployed*" (R), 1290
Debenhams, Ltd. Accounts, 659, 696: issue, 299
Debenham's Securities, Ltd. Accounts, 828
Debenture Corporation. Accounts, 1928, 171, 193
DEBTS. Foreign borrowing morality, 933
Decca Record Co., Ltd. Investigation, 1429: issue, 409: shares, 297
De Lavaud Free-Wheel Differential, Ltd. Issue, 588
DENMARK. Banks. National Bank returns, 79, 311, 540, 822, 1083, 1318
Economic report, 160, 446, 799, 1346
DE-RATING. Agricultural land, 914: re-assessments, 1158
Diamond-mining prospects, 117
Dickins and Jones, Ltd. Report, 652
Dictators, 92–3
Dim-Dazzle Co. Issue, 300
Direct Produce (London), Ltd. Issue, 409
DISARMAMENT. MacDonald-Dawes meeting and policy, 1383.
Madariaga's book, (R), 1200
Preparatory Commission, 844, 908, 920, 968, 974, 1038: United States policy, 1278, 1383
Naval, 215, 390, 556, 616, 673, 1446
Discount Company dividends, 1928, 71
Discount Corporation (New York) statement, 1928, 173
District Bank, Ltd. Accounts, 131
Divorce in Italy, 505
Dobb (M.). "*Russian Economic Development*" (R), 928
Dominion-Scottish Investments, Ltd. Issue, 1180
Dominion status, 624
Dreiser (T.). "*Dreiser Looks at Russia*" (R), 1290
Drew, Alexander and Sons, Ltd. Issue, 409
Dunlop Rubber Co. Accounts, 935, 954, 1058: expansion, 71: meeting, 1074
Duophone and Unbreakable Record. Accounts, 30, 115, 172

E

Eagle Oil Transport Co., Ltd. Accounts, 1300: meeting, 1365
Eagle, Star and British Dominions Co. Accounts, 157, 849, 918: meeting, 1006
East African Sisal Plantations, Ltd. Meeting, 1929, 76
East Rand Proprietary. Accounts, 643
Eastern Extension Australasia and China Telegraph Co., Ltd. Meeting, 1242
Eastern Telegraph Co., Ltd. Meeting, 1241
Ebbw Vale Steel, Iron and Coal Co., Ltd. Accounts, 1411, 1425
ECONOMIC prospects, 1929, 3, 207–8
Situation, first quarter, 1929, 671
Situation and C.W.S. accounts, 847
Situation (General), *Supp.*, 1, 9, 17, 25, 33, 41: British Empire, *Supp.*, 2, 11, 18, 26, 35, 42
ECONOMICS and Ethics, 803
Factors in modern life, 750
"*Economist*." Ownership of the, 207
ECUADOR. Bonds, 194
EDUCATION. Policy of the Government (Baldwin), 976
EGYPT. Banks. National Bank accounts, 773: meeting, 646: returns, 135, 822, 884, 1187, 1370
Economic report, 647
Nile Waters Agreement, 1038
Einstein's discoveries, 281
Einstein's Electro Chemical Process, Ltd. Issue, 119
Elder Dempster and Co., Ltd. Meeting, 1475
ELECTION, GENERAL. Broadcasting, 791
Conservative programme, 838, 1037, 1112, 1218
Dates, 913
Forecast of results, 1157
Labour programme, 914, 967, 1112
Liberal programme, 1112
Liberals and Viscount Grey's position, 791
Minority dilemma, 327, 400, 1151
Party movements, 437, 671, 679, 1031
Publication of Unemployment White Paper, 1101
Review of the results, 1199, 1205, 1271, 1276
Stock Exchange "Majorities," 511, 811
ELECTIONS. By-elections, 99, 334, 621
Electric Supply Corporation, Ltd. Meeting, 1417
ELECTRICITY. Central Board's first report, 1100
English companies and foreign control, 1111, 1118
London supply companies, 1405
Index of activity, *Supp.*, 2, 10, 18, 26, 34, 42
Production and trade, 1928, 95–6: 1926–29, *Supp.*, 3, 11, 19, 27, 35, 43
N.E. England scheme, 1448
Electricity—*continued*:—
N.W. and Mid-East England power schemes, 210–11
Supply, 1927–28, 391
Supply companies, real earnings, 1288.
Supply Companies and Electricity Commissioners, 1171
ELECTRICITY. *See also* Power
Elektrolux A.B. General position, 989
Employers' Liability Assurance Corporation. Accounts, 626: meeting, 704
Emu Bay Railway. Contract, 1022
ENGINEERS. Wages, 1448
English Electric Co. Accounts, 585, 599: meeting, 651
English and International Trust, Ltd. Issue, 355
English Steel Corporation. Formation, 642
E.N.V. Engineering Co. Meeting, 468
Equitable Life Assurance. Accounts, 1045: meeting, 1071
Equity and Law Life Assurance Society. Accounts, 742
"Erma" meeting, 625
ESTIMATES. Air, 494
Army, 439
Civil, 623
Civil Service and Revenue, 439
Navy, 564
ESTONIA. Bank returns, 37, 80, 135, 260, 311, 368, 418, 475, 540, 596, 656, 769, 884, 952, 1016, 1187, 1258, 1370, 1423, 1487
EUROPE. Economic history, 290
— Situation, *Supp.*, 3, 11, 19, 27, 35, 43
Foreign relations. United States, 1439
Ever Ready Co. (Great Britain). Accounts, 264, 955, 1189
Everlite, Ltd. Meeting, 308
EXCHANGES. American investor and Europe, 1207
Foreign, 1928, 151–2
Foreign, weekly report, 2, 46, 90, 146, 206, 274, 326, 382, 430, 486, 554, 613, 670, 730, 782, 834, 906, 966, 1030, 1094, 1150, 1198, 1270, 1330, 1382, 1438
EXHIBITIONS. Poland and Sweden, 1161
EXPORT CREDITS, 1040

F

FANATICISM. Bombay riots, 1040
Fanti Consols. 1928 report, 117, 180
Faradex-Seraphone Co., Ltd. Issue, 998
Farmers' National Mortgage Institute (Budapest). Meeting, 536
FEDERATION OF BRITISH INDUSTRIES. "Business Barometer," 1038
Conference with T.U.C., 907
FILM INDUSTRY. Financial position of British, 859
FINANCE. National accounts returns, 34, 77, 132, 188, 257, 309, 364, 415, 471, 537, 593, 652, 678, 716
"Parent," 111, 169
"Financial News," Ltd. Accounts, 662: meeting, 716
Fine Cotton Spinners, etc., Ltd. Accounts, 1143, 1176, 1189: meeting, 1232
FINLAND. Bank returns, 80, 190, 260, 311, 367, 475, 540, 596, 656, 769, 884, 952, 1016, 1083, 1139, 1187, 1258, 1370, 1423, 1487
Economic report, 63, 800, 1215, 1456
Finance, Budget, 1929, 63
Economic Commission appointed, 63
Finlay (James) and Co. Accounts, 1226, 1260
First Co-operative Investment Trust, Ltd. Accounts, 774: meeting, 816
Firth (R.). "*Primitive Economics of the New Zealand Maori*" (R), 928
FISH. Statistics of British-caught and imported, 1928–29, 916
Foch, Marshal, 621
Food (overseas produce). Weekly report, 43, 87, 142, 200, 268, 320, 378, 427, 483, 548, 605, 665, 724, 778, 831, 892, 960, 1025, 1091, 1146, 1195, 1266, 1326, 1377, 1433, 1495
FOREIGN POLICY, 1096

Foreign Railways Investment Trust, Ltd. Issue, 409
Foreign Securities Investment Trust, Ltd. Issue, 1357
Forestal Land, Timber and Railways, Ltd. Accounts, 994, 1022 : meeting, 1134
Forestry Fund, 156
Forestry question in Great Britain, 109
Fourwheel Jacks, Ltd. Issue, 355
FRANCE. Agricultural depression, 60
Alsace, relations with, 215, 282, 340
— Autonomist leader acquitted, 1446
Bank returns, 36, 79, 134, 190, 259, 311, 367, 417, 473, 539, 595, 654, 768, 821, 883, 951, 1015, 1082, 1138, 1186, 1256, 1317, 1369, 1422, 1486
Banks. Nationale de Crédit. Accounts, 955
Colonies. Algeria, 910
Commercial treaties, 221
Economic history, 987
Economic report, 18, 59, 105, 159, 220, 287, 340, 394, 501, 628, 683, 745, 797, 853, 922, 980, 1047, 1107, 1164, 1212, 1284, 1343, 1397, 1452
Finance, 1929 budget, 18, 1164, 1212
— Caisse d'Amortissement new loan, 220, 394, 797, 1212
— Debts, 927, 1278
— Debts, Caillaux on inter-allied, 973
— Debts, London and Washington agreements, 1452
— Purchase of American war stocks, 442
— Taxation evasion, 912
— Taxation of securities, 1410
— Turnover tax, 1160
Foreign relations. Italy, 786
Industries and American invasion, 848, 1209
Loucheur's social programme, 159
National income, 683
National insurance scheme, 922
Newspapers, 617–8, 674–5
Paris Bourse reforms, 298
Paris Bourse weekly report, 28, 69, 114, 168, 229, 294, 350, 404, 455, 510, 582, 640, 694, 754, 807, 861, 933, 991, 1056, 1117, 1174, 1222, 1295, 1352, 1409, 1464
Politics. Poincaré's resignation and return, 10, 99, 622, 739
Rent Bill and foreigners, 1210
Share-pushing control, 30
Trade. American duties and, 1393
Frankel (S. H.). "*Analysis of Effects o Railway Rates, etc. (South Africa)*" (R), 224
FREE TRADE (*see also* Protection and Safeguarding), Case for, 783, and *Supp.*, 13 April
and mobility of capital, 91–2, 163, 219, 385, 399
Non-party conference report, 615
Freedom of the seas, 215, 328
Freeman, Hardy and Willis. Accounts, 171, 193, 194
Friends' Provident and Century Life Office. Accounts, 978: meeting, 1070
Frood ore deposits, 231

G

Gallaher, Ltd. Issue, 233
Galloway, P. H., Ltd. Issue, 812
Garrard Engineering and Manufacturing Co. Meeting, 819
Gas industry. Proposed legislation, 102, 357, 491–2, 634
Gas Light and Coke Co. Accounts, 296, 314: meeting, 356
Geduld (East) Mines, Ltd. Meeting, 1314
Geduld Proprietary Mines, Ltd. Accounts, 811: meeting, 1314
General Accident, Fire and Life Assurance Corporation. Accounts, 918, 1163; meeting, 943
General Electric Co., Ltd. Accounts, 1465, 1489
"British shares," 582, 636, 755, 765, 934
Capital increase, 590
General Investors and Trustees, Ltd. Meeting, 470
General Mining and Finance Corporation, Ltd. Accounts, 938: meeting, 1415
General Motors Corporation. Accounts, 757
Genval, Ltd. Issue, 588
GEORGE V., KING. Appointment of Counsellors, 1337
Illness of, 153, 334, 913
GERMANY. Banks. Gold imports, 1928, 7
— Reichsbank returns, 36, 79, 134, 190, 259, 311, 367, 417, 474, 539, 595, 655, 768, 821, 883, 951, 1015, 1082, 1138, 1186, 1256, 1318, 1369, 1422, 1486
— Reichsbank. Commissioner's report, 6–7
Banks. Review of 1928, *Supp.*, May 11
Berlin Bourse weekly report, 28, 69, 114, 168, 229, 294, 350, 404, 455, 510, 582, 641, 694, 755, 808, 862, 933, 992, 1056, 1117, 1174, 1223, 1295, 1353, 1409, 1464
Chemical trade, 1043
Commerce. Statistics, 1925–8, 221
Currency. Reichsbank policy, 981
Economic conditions, 1928. Report by American Commercial Attaché, 100
Economic report, 19, 106, 160, 221, 288, 341, 395, 445, 501, 570, 629, 684, 746, 798, 854, 923, 981, 1048, 1108, 1164, 1213, 1285, 1344, 1398, 1452
Finance. Budget, 1929–30, 160, 629, 798
Finance. Proposed taxation, 218
May Day violence, 1040
Newspapers, 279–80
Politics. Coalition re-established, 842
Population decrease, 7
Tariffs, 1159
Gibson, Mr. Hugh. Disarmament proposal, 908, 920, 968
Gilt-edged Market. Position after Election, 1296
Glare-Visor (Parent) Co., Ltd. Issue, 175
Glave (Henry), Ltd. Meeting, 1010
Globe and Phœnix. Accounts, 997
Globe Telegraph and Trust Co., Ltd. Meeting, 1483
Goddard case, 217
Godfrey Phillips, Ltd. Meeting, 1011
GOLD. Dollar exchange and Bank of England reserves, 1384, 1456
Output (India), 866
Output (Rhodesia), 39, 315, 543, 772, 866, 1302, 1468
Output (Transvaal), 84, 104, 339, 371, 567, 599, 794, 886, 1064, 1106, 1341, 1426
Price fluctuations and the League, 563
Prices and movements, 38, 81, 136, 192, 262, 313, 369, 419, 476, 477, 542, 598, 657, 719, 770, 823, 885, 953, 1018, 1085, 1140, 1188, 1259, 1319, 1371, 1424, 1488
Rand midsummer dividends, 1413
GOLD STANDARD. League of Nations enquiry, 10
Golden Horseshoe Estates Co. Meeting, 530
Goldstein (B. F.). "*Marketing*" (R), 1403
Gooch's (1928), Ltd. Issue, 1414
Goodenough (F. C.). Industrial and financial review, 98
"*Goodwill in industry*" (R), 449
Gordon England, Ltd. Issue, 300
Gordon Hotels, Ltd. Meeting, 817
Grace National Co., 264
Gramophone Co. (H.M.V.). Merger, 584
GRAMOPHONE INDUSTRY. Development, 1121
Great Northern Telegraph Co. of Denmark. Accounts, 1263
Great Western of Brazil Railway. Accounts, 1263: Amendment of lease contract, 1022: meeting, 1308
Great Western Rly. Co. Meeting, 463
GREECE. Banks. Bank accounts, 1042: meeting, 1065
Bank returns, 79, 419, 475, 540, 596, 655, 718, 769, 822, 884, 952, 1083, 1139, 1187, 1258, 1423, 1487
Banks. Ionian Bank, Ltd. Accounts, 74: meeting, 1929, 179
Debt, 194
Greece (*continued*):—
Economic report, 179, 397, 503, 982, 1065, 1455
Finance. Payments on old loans, 317
Greenwood (A.). "*Labour Outlook*" (R), 1112
Gregory (T. E.). "*Select Statutes, Documents and Reports relating to British Banks, 1832–98*" (R), 1051
Gresham Fire and Accident Insurance Society, Ltd. Accounts, 1449: meeting, 1128
Gresham Life Assurance Society, Ltd. Accounts, 1162: meeting, 1130
Gresham Trust, Ltd. Accounts, 1190: meeting, 1246
Grey, Viscount, and Liberals, 791
Greyhound Racing Association Trust. Financial position, 116
Guardian Assurance Co., Ltd.: Accounts, 1211: meeting, 1310
Guardian Eastern Insurance Co., Ltd. Accounts, 1211
GUATEMALA. Trade, 1927–28, 917
Guest (L. Haden). "*Is Labour leaving Socialism?*" (R), 1218
Guest, Keen and Nettlefolds, Ltd. Accounts, 1411, 1425
Guildford Gas Light and Coke Co. Issue, 939
Guildhall Insurance Co. Accounts, 744
Guinea Portable Gramophone Co. Issue, 459
Guy Motors, Ltd. Accounts, 372

H

Halifax Building Society. Accounts, 567, 608
Hambleden Estates, Ltd. Issue, 644
Hamburg-America Co. Accounts, 585
Hamilton (W.) *and* May (S.). "*Control of Wages*" (R), 986
Hampshire (West) Water Co. Issue, 645
Handwriting. Psychology of. 634
Harland and Wolff, Ltd. Accounts, 863, 868: meeting, 1076
Harper Automatic Machine Manufacturing Co., Ltd. Issue, 645
Harrods, Ltd. Accounts, 352, 420: meeting, 524
Harwood Self-Winding Watch Co. Issue, 355
Hawnes School (Ampthill), Ltd. Issue, 1302
Hawtrey (R. G.). "*Trade and Credit*" (R), 802
Health. Report on school children, 1927. 56
Hemel Hempstead District Gas Co. Stock, 119
HEMP. Weekly price report, 44, 88, 144, 202, 269, 321, 379, 428, 484, 549, 607, 668, 726, 780, 832, 896, 961, 1028, 1092, 1148, 1196, 1268, 1328, 1379, 1436, 1496
Henry (A.). "*Women and the Labour Movement*" (R), 1403
Hetherington (John) and Sons, Ltd. Meeting, 1313
HIDE, LEATHER TRADES. Weekly report, 43, 87, 141, 200, 268, 320, 377, 426, 482, 548, 604, 625, 665, 724, 776, 830, 891, 959, 1025, 1090, 1146, 1194, 1266, 1324, 1377, 1432, 1494
Hill (R.). "*Toryism and the People*" (R), 1218
History, study of, 48
Hodsman (George) and Sons, Ltd. Meeting, 1929, 255
HOFF CASE, 1036
HOLLAND. *See* NETHERLANDS
Holland-America Line. Accounts, 936
Hollins, William. Accounts, 586
Home and Colonial Stores. Acquire Meadow Dairy, 453: accounts, 373: meeting, 414
Home and Foreign Investment Trust, Ltd. Accounts, 828, 1088
Honduras. Debt, 317
Hongkong and Shanghai Banking Corporation. Accounts, 584, 611, 864: meeting, 869
Honours list, 1280

HOOVER, PRESIDENT. Inauguration of, 493
Naval armaments and, 1278
Hope Brothers, Ltd. Meeting, 947
Hopkinsons, Ltd. Accounts, 888
Hornby (Sir Edmund). His autobiography (R.), 802
Horsham Gas Co., Ltd. Issue, 1064
Hospitals. De-rating of, 496
HOURS. Eight Hours' Convention, 562, 1338
HOUSING. Cost of, 976
Slum problem, 620, 914
Hovis, Ltd. Accounts, 1374. Meeting, 1419
Howard and Bullough, Ltd. Accounts, 868, 888: meeting, 1077
HUDSON BAY ROUTE, 1388, 1444
Hudson's Bay Co. Accounts, 1298, 1354, 1425, 1467: meeting, 1479
Hull (East) Gas Co. Issue, 1468
HUNGARY. Banks. Hungarian Commercial Bank of Pest. Meeting, 247
Banks. National Bank returns, 37, 80, 134, 190, 260, 311, 367, 474, 540, 595, 655, 718, 769, 822, 883, 951, 1016, 1083, 1138, 1187, 1258, 1369, 1423, 1487
Economic report, 21, 342, 686, 1110
Finance. Budget, 1929–30, 342, 686, 814
Tariff problems, 21

I

Ice Rinks, Ltd. Issue, 459
I.G. Farbenindustrie. Accounts, 1227
"I'm Alone" case, 680, 736, 974
Imperial Airways, Ltd. Accounts, 1491
Imperial Chemical Industries. Accounts, 642, 808, 824: issue, 864: meeting, 878
Imperial Continental Gas Association. Accounts, 1177: meeting, 1244
Imperial and International Communications, Ltd. Formation of, 805
Imperial Tobacco Co. Bonus and dividend, 1928, 170: accounts, 353, 355: meeting, 407, 410
Income tax. Residents abroad, 750
Incorporated Accountants and Auditors. Society of. Meeting, 1135
Ind, Coope and Co. Meeting, 304
Indemnity Mutual Marine Assurance Co. Accounts, 393
Independent Investment Co., Ltd. Meeting, 1418
Independent Labour Party. Easter Conference, 738: new scheme, 390
INDEX NUMBER (*Economist*). Prices, 1924–28, 7–9, 284, 495
Quarter's prices, March, 735: April, 975: May, 1281
Dr. Bowley's new wage, 331–2
Index numbers of business activity, *Supp.*, 4, 12, 20, 28, 36, 44
INDIA. Banks. Banking commission, 631, 1443
—Imperial Bank returns, 36, 79, 190, 259, 311, 317, 366, 417, 473, 595, 654, 718, 768, 821, 883, 951, 1015 1082, 1137, 1186, 1256, 1317, 1369, 1422, 1486
—Mercantile Bank accounts, 659: meeting, 700
—National Bank accounts, 659, 660, 780: meeting, 762
Bombay riots, 1040
Currency returns, 81, 136, 192, 262, 313, 369, 419, 476, 541, 597, 657, 719, 770, 823, 824, 885, 954, 1018, 1085, 1140, 1189, 1260, 1319, 1371, 1488
Economic report, 631, 700–2
Finance. Bills for tender, 1124
—Budget, 1928–29, 495
—Loan, 1958–68, 31
—Government Rupee Loan issue, 1357
Gold mining results, 1926–28, 866
Politics. Relation of States to British India, 384–5, 843
—States Committee report, 843
Simon Commission's return, 973
Trade, 1928–29, 15, 1204
India (*continued*):—
—British prospects, 15
Viceroy's address to Legislative Assembly, 216
India General Navigation and Railway Co., Ltd. Meeting, 1183
India Tyre and Rubber Co. Issue, 587
Indian Ocean trade, 345
Indo-European Telegraph Co. Meeting, 948
Industrial and General Trust, Ltd. Accounts, 1192
Industrial peace—a symposium, 449
Industrial Peace Conference, 99, 215, 334, 438, 555, 907
Industry and the State, 47
Industry and youth, 153
Institute of Chartered Accountants. Meeting, 1013
INSURANCE. Fire. British offices in U.S.A., 1155
Fire, losses in Canada and U.S.A., 17, 157, 741
Frauds, 9, 1036
Illness, 442
Life, 1919–27, 918
Life in 1928, 16, 103, 211–12
—Bonus announcements, 339, 393
—, industrial, profit-sharing, 618
Marine, position of, 332
Newspaper, 12
Profit-sharing, 498, 526
Share index, 1913–29, 756
Share values, 1920–28, 115
International Automatic Telephone Co. Meeting, 715
International Holding and Investment Company. Accounts, 994
International Match Corporation. Accounts, 1263
International Nickel Co. Accounts, 1177
International Nickel of Canada. Meeting 697
International relations, 556
International relations and fleets, 673
International relations. British foreign policy, 1096, 1272
Italy, France and Great Britain, 786
International Talking Screen Productions, Ltd. Issue, 1062
International Telephone and Telegraph Corporation. Accounts, 1299: annual report, 1928, 1248
International Vacuum Power Ltd. Statutory meeting, 1929, 181
Inveresk Paper. Accounts, 1928, 171, 193: meeting, 254
INVESTMENT, overseas, 280–1
Investment and Press "tips," 227, 292
Investment. Small investors and co-operative societies, 739
Investment Trust Corporation, Ltd. Accounts, 1263: meeting, 1311
INVESTMENT TRUSTS. Geographical distribution of capital, 51–2
Review of British, 25–6
First quarter, 1929, 695
IRELAND. Banks, Provincial Bank general meeting, 1929, 180
Compensation to Irish Loyalists, 389
Free State and Northern. Economic position, 1928, 180
IRELAND, NORTHERN. Agriculture, 1925, 156
Economic report, 1399
Elections, 1282
Finance. Budget, 1929–30, 1399
Linen industry, 559
Politics, 285
IRISH FREE STATE. Budget, 973
Economic report, 1441
Finance: Note issue, 239
Protection and industry, 1282
IRON AND STEEL INDUSTRY. Appeal for Royal Commission, 47, 431
Production and trade, 1928, 102, 330–1; 1929, 391, 565, 846, 1104, 1391
Production statistics, *Supp.*, 5, 13, 21, 29, 37, 45
Weekly report, 41, 86, 139, 198, 266, 319, 376, 425, 480, 546, 603, 663, 722, 775, 829, 890, 958, 1023, 1089, 1144, 1193, 1264, 1323, 1375, 1431, 1492
Islas del Guadalquivir, S.A. Issue, 995, 1191. Statement, 662, 667, 698.
Water report, 986, 995
ISSUES. Stamp duties, proposed modification of, 993
See Capital
ITALY. Banks. Banca Commerciale Italiana. Meeting, 876
—Bank of Italy's report, 924
—National Trust and Savings Association, 1928. Statement, 195
Bank returns, 36, 134, 190, 311, 367, 474, 539, 595, 655, 768, 883, 951, 1083, 1138, 1318, 1369, 1422
Economic report, 60, 571, 924, 1049, 1345
Finance since the war, 164, 387–8
Foreign relations: France, 786
Politics. Church and State, 1158
—Elections, 680
—King's speech, 913
—Lateran Treaty, 1339
Pope and Mussolini, 1158
Vatican question settlement, 208–9, 334

J

JAPAN. Bank returns, 37, 80, 135, 191, 260, 312, 368, 418, 475, 540, 596, 656, 769, 822, 884, 952, 1016, 1084, 1187, 1258, 1423, 1487
Banks. Yokohama Specie Bank, Ltd. Accounts, 660, 888
Cotton, 1207
Economic report, 15, 344, 801, 985, 1217; *Supp.*, 3, 11, 27, 35, 43
JAVA. Bank returns, 36, 79, 134, 190, 260, 311, 368, 417, 474, 539, 595, 655, 768, 821, 883, 951, 1016, 1082, 1138, 1186, 1256, 1318, 1422, 1486
"J. M." Motor Fenders, Ltd. Issue, 699
Johannesburg Consolidated Investment Co. Accounts, 692
Johnson and Phillips, Ltd. Accounts, 1022
Joint-stock profits, 1922–8, analysed, 93–4
Jowitt, Mr. Case of, 1336
JUGOSLAVIA. Banks. National Bank returns, 36, 80, 134, 190, 260, 367, 419, 474, 540, 596, 655, 718, 769, 822, 884, 952, 1016, 1083, 1138, 1187, 1258, 1370, 1423, 1487
Economic report, 342, 799, 1208
Foreign relations, 216
Meeting of the Little Entente, 1206
Politics. Cabinet resignations, 11
— King as dictator, 54, 92
Jugra Land and Carey, Ltd. Meeting, 877
Jute Industries. Accounts, 297, 314, 317
JUTE TRADE. Report, 42, 141, 268, 378, 482, 604, 724, 831, 959, 1091, 1194, 1325, 1432
JUTE. Weekly price report, 44, 88, 144, 202, 269, 321, 379, 428, 484, 549, 607, 668, 726, 780, 832, 896, 961, 1028, 1092, 1148, 1196, 1268, 1328, 1379, 1434, 1496

K

KENYA. Problems of policy, 1033
Kerr, Stuart and Co. Meeting, 1929, 256
Ketton Portland Cement Co. Issue, 813
Keynes (Mr J. M.). Economic prospects, 1929, 253
Kirkaldy (Prof. A. W.). "*Romance of trade*" (R), 400
Kolster-Brandes, Ltd. Issue, 514
Kreuger and Toll. Position of, 511; share issue, 514

L

"*Labour and internationalism*" (R), 1348
Lactagol, Ltd. Issue, 1125
La Guaira Harbour Corporation, Ltd. Meeting, 1231
Lanadron Rubber Estates, Ltd. Meeting, 1131
Lancashire Cotton Corporation. Ace Mill, Ltd. and, 740
Amalgamations, 909, 915, 1041
Financial details, 1057, 1393

Lancashire Cotton Corporation, Ltd. Registered, 217, 392, 681
Lancashire Electric Light and Power Co., Ltd. Issue, 867
LATVIA. Bank returns, 37, 80, 134, 191, 260, 312, 368, 419, 475, 540, 596, 656, 769, 822, 884, 952, 1016, 1083, 1187, 1258, 1370, 1423, 1487
Lautaro Nitrate. Extension, 231; issue, 1410; re-organisation, 1410
Law Land Co. Meeting, 535
Law Union and Rock Insurance Co. Accounts, 919: meeting, 941
LEAGUE OF NATIONS. Economic activities, 218, 844
General review of policy, 53–4
Reconstruction loans, British participation, 64
War finance and, 556, 563
Work of Council, 558
LEATHER. American duty, 1209
See Hide, leather trades
Ledbury Rubber Estates, Ltd. Meeting, 1132
Leethems (Twilfit), Ltd. Meeting, 1929, 126–7
Legal and General Assurance Society, Ltd. Accounts, 850; meeting, 944
Leicestershire Coal Distillation, Ltd. Issue, 300
Leopoldina Railway. Accounts, 1022, 1059
Lever Brothers. Accounts, 774, 809, 824
Consolidation of shares, 992
Lewis's, Ltd. Accounts, 373
Leyland Motors, Ltd. Meeting, 466; accounts, 479
L.G. Automatic Services, Ltd. Issue, 233
Libel, 213–14
Licenses and General Insurance Co., Ltd. Accounts, 1450; meeting, 1072
Liebig's Extract. Accounts, 72, 74; meeting, 129
Life Association of Scotland. Accounts, 742
Linen industry. N. Ireland, 559
Linggi Plantations, Ltd. Accounts, 1190
Lipton, Ltd. Accounts, 1260; capital reorganisation, 1217, 1223
Lister and Co., Ltd. Accounts, 1928, 131, 264
LITHUANIA. Bank returns, 80, 191, 368, 475, 596, 822, 952, 1083, 1187, 1370, 1487
Trade, 1924–28, 916
Liverpool and London and Globe Insurance Co., Ltd. Accounts, 1162; meeting, 1127
Lloyd George's unemployment pledge, 487
LOANS. Effect on trade of foreign, 496, 504–5, 565, 575, 633, 749
Foreign borrowing morality, 933
Imperial borrowing in London, 114, 406
Lobitos Oilfields, Ltd. Accounts, 1356, 1372; meeting, 1419
Local Government Bill, 102, 147–8, 283, 335, 389, 681; appointed guardians, 1446
LONDON. Electricity supply companies, 1405
Survey of life and labour, 1395
Traffic Bills, 1340
London Asiatic Rubber and Produce Co., Ltd. Meeting, 1072
London Assurance. Accounts, 850; meeting, 942, 1143
London Brick Co. Accounts, 662, 720; capital increase, 1491
London Clinic and Nursing Home, Ltd. Issue, 812
London County Council. Issue, 1357
London County Freehold and Leasehold Properties, Ltd. Meeting, 945
London Electric Wire Co. and Smiths, Ltd. Meeting, 818
London General Cab Co. Meeting, 317
London and Holyrood Trust, Ltd. Issue, 644
London and Lancashire Insurance Co. Accounts, 917; meeting, 1002
London Life Association. Accounts, 568; meeting, 709
London, Midland and Scottish Rly. Co. Meeting, 516
London and North Eastern Rly. Co. Issue, 1410
London Power Co. Issue, 299
London and Provincial Marine and General Insurance Co. Accounts, 920
London and Provincial Sporting News Agency, Ltd. Issue, 515
London and Scottish Assurance Corporation. Accounts, 978
London and South American Investment Trust, Ltd. Issue, 998
London and Southern Super Cinemas, Ltd. Issue, 867
London and Thames Haven Oil Wharves, Ltd. Meeting, 652
London Trust Co., Ltd. Meeting, 1012
Lonely Reef. Accounts, 1061
Lorwin (L. L.). "*Labour and internationalism*" (R), 1348
Lovering China Clays, Ltd. Issue, 1124
Lunuva (Ceylon) Tea and Rubber Estates, Ltd. Meeting, 1131
LUXEMBOURG. Bourse, 1301
Lyons (J.) and Co., Ltd. Accounts, 1355, 1426; meeting, 1472

M

MacDonald (Mr.). Foreign policy, 1272
General policy as broadcast, 1338
MACDONALD MINISTRY. City and, 1353
Personnel, 1331
Programme, 1445
McKenna (R.) on bank statistics, 149–50, 176–9
Madariaga (S. de). "*Disarmament*" (R), 1200
Madras Electric Supply Corporation, Ltd. Meeting, 1366
Malacca Rubber Plantations, Ltd. Meeting, 1418
MALAYA, BRITISH. Economic report, 1386
Malaysian Tin, Ltd. Issue, 459
Malden Holding Co. Formation of, 172
Manchester Ship Canal. Returns, 264, 662, 888; accounts, 420; meeting, 465
Mandelberg (J.) and Co., Ltd. Meeting, 1008
Maple and Co. Accounts, 352, 355; meeting, 470
Marco Refrigerators (1929), Ltd. Issue, 1124
Marconi International Marine Communication Co. Accounts, 515, 545: meeting, 590
Marconi's Wireless Telegraph Co., Ltd. Accounts, 1119, 1189: Investment company, 1429: meeting, 1224, 1242: Venture Trust action, 1465
Margarine Union, Ltd. Accounts, 231, 936, 954: meeting, 1133
Marine and General Mutual Life Assurance Society. Accounts, 568
Maritime Insurance Co., Ltd. Accounts, 499
MARKETING, 390
Farmers' problem, 1403
Wheat, 576
Marks and Spencer. Accounts, 1058, 1121
Marshalls, Ltd. Accounts, 888
Massey–Harris Co., Ltd. Accounts, 512
Maypole Dairy Co., Ltd. Accounts, 659, 662
Mazawattee Tea Co. Meeting, 715
Meadow Dairy Co. Accounts, 810, 824: Home and Colonial acquire, 453
Meat. Chilled and frozen trade, 1928, 1395
Medical research. Council's report, 1927–8, 740
Melbourne and Metropolitan Board of Works. Issue, 998
Melchett–Turner conference, 99, 334, 438
And engineers, 215
Interim report, 555
Menuphone Publicity, Ltd. Issue, 515
Mercantile Investment and General Trust Co. Accounts, 375
Merchants' Marine Insurance Co., Ltd. Accounts, 627
"*Mergers and the Law*" (R), 858
METALS (other than iron and steel, *q.v.*). Weekly report, 42, 86, 140, 199, 266, 319, 376, 426, 481, 547, 603, 664, 723, 776, 830, 890, 958, 1024, 1090, 1145, 1193, 1265, 1324, 1376, 1431, 1493
Metduro, Ltd. Issue, 699
Metropolitan Assurance. Meeting, 709
Metropolitan Housing Corporation, Ltd. Issue, 699
Metropolitan Railway. 1928 dividend, 230
Metropolitan Trust Co. Meeting, 185
Metropolitan-Vickers. *See* Associated Electrical Industries
Metropolitan Water Board bills, 264
Mexican Railway Co., Ltd. Accounts, 1322: meeting, 1307
MEXICO. Railway investors and revolt in, 757
Religious truce, 1447
Revolt in, 494, 563, 843
Michael Nairn and Greenwich. Profits, 1926–28, 116: meeting, 129: accounts, 131
Midland Electric Corporation for Power Distribution, Ltd. Meeting, 714
Midland Railway Co. (W. Australia). Meeting, 1929, 185
Milk Prices, Food Council on, 623
MINES. Output statistics, 39, 84, 175, 234, 315, 371, 424, 459, 543, 588, 645, 699, 771, 825, 888, 1140, 1181, 1262, 1428
Mining Corporation of Canada. Accounts, 1122
MINORITIES, 1279, 1339
German standpoint, 1391
League of Nations and, 487, 1391
Modder B. Accounts, 513
Modderfontein Deep Levels, Ltd. Accounts, 759: meeting, 1315
Mohair Clip. Trade and prices, 977
Mond Nickel. *See* International Nickel Co.
MONEY. Average rates, 1923–28, 6
Bank and exchange rates, 37, 80, 135, 191, 261, 312, 369, 418, 475, 541, 597, 656, 718, 770, 823, 884, 953, 1017, 1084, 1139, 1188, 1259, 1319, 1370, 1424, 1487, *Supp.*, 6, 14, 22, 30, 38, 46
General review, 1928, 5–6
MONEY MARKET. Weekly report, 1, 45, 89, 145, 205, 273, 325, 381, 429, 485, 554, 613, 669, 729, 781, 834, 905, 965, 1029, 1093, 1149, 1197, 1269, 1329, 1381, 1437
Monks Investment Trust, Ltd. Issue, 355
Monte Video Water Works Co. Meeting, 877
Montreal, City of. Issue, 1414
MOROCCO. French reverse, 1390
Morris, B., & Sons, Ltd. Meeting, 592
Morris Motors, Ltd. Accounts, 758, 771: meeting, 872
Mortgage Co. of River Plate. Meeting, 1929, 256
Morton, C. and E., Ltd. Accounts, 545
MOTOR INDUSTRY. Production and taxation, 1922–1928, 1034
Traffic development and problems, 65, 1155
World trade, 1395
Motor Union Insurance. Accounts, 1045
Mount Lyell. 1928 report, 31
Moviecolor, Ltd. Share issue, 73
MOZAMBIQUE. Beira Port customs receipts, 372
Multidour, Ltd. Issue, 699
Mutual Finance, Indemnity and Guarantee Corporation, Ltd. Meeting, 1928, 33
Mysore Gold Mining Co. Meeting, 880

N

Namaqua Copper. Accounts, 1178
Napier, D., & Son. Return of capital, 479
Naraguta Durumi Areas, Ltd. Issue, 300
Nathan, Joseph, and Co., Ltd. Meeting, 591
NATIONAL ACCOUNTS. Comparison, 1924–29, 737, 783
Economies possible in, 793
Government trading enterprises, 441
National Accounts (*continued*);—
Returns, 743, 766, 819, 881, 948, 1013, 1080, 1135, 1184, 1254, 1315, 1367, 1420, 1484
See also Budget; Finance
National Confederation of Employers' Organisations. Conference with T.U.C., 907
NATIONAL DEBT. Returns, 34, 77, 132, 188, 257, 309, 365, 415, 471, 537, 593, 653, 716, 766, 819, 881, 949, 1013, 1080, 1136, 1184, 1254, 1316, 1367, 1420, 1484
National Discount Co., Ltd. Accounts, 131: meeting, 183
National Dominion and General Investment Corporation, Ltd. Issue, 233
National Flying Services, Ltd. Issue, 939
National Guarantee and Suretyship Association. Accounts, 920
National Mining Corporation, Ltd. Meeting, 946
National Mutual Life Association of Australasia, Ltd. Accounts, 498
National Mutual Life Assurance Society. 1928 accounts, 157, 286: meeting, 253: bonus, 17
National Provident Institution. Report, 338, 470
National Savings Certificates. Sales and receipts, 31, 73, 118, 174, 233, 299, 354, 408, 458, 513, 587, 644, 699, 759, 812, 867, 939, 997, 1062, 1123, 1180, 1227, 1302, 1357, 1414, 1468
National Trust, 164.
Navies. Strength of, and policy, 673
N'Changa Copper Mines. American participation, 232: British participation, 298: issue, 1061
Ner-Sag. Accounts statement, 116, 172, 230
"Parent" finance and its operation, 111, 230
Nestlé and Anglo-Swiss Condensed Milk Co. Accounts, 662: meeting, 764
NETHERLANDS. Amsterdam Bourse weekly report, 28, 70, 114, 169, 229, 294, 350, 404, 455, 510, 582, 641, 694, 755, 808, 862, 933, 992, 1056, 1118, 1174, 1223, 1296, 1353, 1409, 1464
Amsterdam share values, 1927–8, 115
Amsterdam Trading Co. Financial position, 116
Bank amalgamations, 741
Bank returns, 35, 78, 133, 189, 259, 310, 367, 417, 474, 539, 595, 655, 718, 768, 821, 883, 951, 1015, 1082, 1138, 1186, 1256, 1318, 1422
Banks. Amsterdamsche accounts, 1178
Banks. Rotterdamsche Bankvereeniging accounts, 811
Economic report, 61, 571, 855, 1160
Investments and Administratiekantoren 865
Netherlands Shipping Union. Financial position, 230
New African Co., Ltd. Meeting, 1009
New York Central Railroad. Accounts, 1226, 1267
NEW ZEALAND. Banks. Bank of New Zealand accounts, 1374
Economic report, 848, 1216
Finance, Loan, 73, 264
Maori, 928
Politics, Election, 1928, 285
Newcastle-upon-Tyne Electric Supply Co., Ltd. Accounts, 659, 696, 711
Newcastle-upon-Tyne Exhibition, 1102
NEWFOUNDLAND Bonds offered, 1302
NEWSPAPER INDUSTRY Canada, 52–3
France, 617–8, 674–5
Germany, 279–80
U.S.A., 733–4
Newspaper trusts. Formation of Anglo Foreign Newspapers, Ltd., 118
Newton (John M.) and Sons, Ltd. Meeting, 1183
Nickel. International and Mond fusion, Frood deposits, 231
Niger Co., Ltd. Accounts, 1928, 355, 373: merger, 600, 695
Niger Co., Ltd., *see also* United Africa, Ltd.
Nigerian Electricity Supply Corporation. Issue, 867
Night-clubs. Goddard case, 217
NILE. Waters agreement, 1038
Nineteen Twenty-nine Investment Trust, Ltd. Issue, 233
NITRATE INDUSTRY. Agreement between producers, 1465
Production and consumption prospects, 1056
Shares outlook and prices, 1925–28, 30
See also Chile
Nitrate Producers' Steamship Co., Ltd. Meeting, 1247
Nitrate Railways. Accounts, 1060
Norddeutscher Lloyd A.G. Accounts, 585
North American Co. Accounts, 777
North Anantapur Gold Mines, Ltd. Meeting, 34
North British and Mercantile Insurance. Accounts, 1044
North of Ireland "L. and N." Co. Issue, 812
Northern Assurance Co. Accounts, 978: meeting, 1001
Northern Mexico Power Co. Accounts, 264
NORWAY. Bank returns, 36, 79, 134, 190, 260, 367, 417, 474, 539, 595, 655, 718, 821, 883, 951, 1016, 1138, 1258, 1369, 1422, 1486
Economic report, 289, 799, 1214
Norwich Union Fire Insurance Society. Accounts, 795: meeting, 816
N.T. Artificial Wool Co., Ltd. Issue, 1124
Nundydroog Mines, Ltd. Meeting, 947
N.V. Margarine Unie, Rotterdam. Accounts, 954

O

O'Brien (G.). "*Agricultural Economics*" (R), 576
Ocean Accident and Guarantee Corporation. Accounts, 919: meeting, 1006
Odhams Press, Ltd. Accounts, 955: meeting, 1012
O'Hagan (H. O.). "*Leaves from my Life*" (R), 1115
OIL. Companies as investments, 67–8
Dividends, 1177
Outputs, 39, 74, 131, 175, 234, 300, 372, 426, 459, 515, 602, 662, 699, 826, 889, 940, 1125, 1189, 1260, 1468: (Trinidad), 130
Production and prices, 67–8, 641
Production restriction, 756
OILS (VEGETABLE) AND OILSEEDS. Weekly report, 43, 87, 142, 200, 268, 320, 378, 427, 483, 548, 605, 665, 724, 776, 831, 892, 960, 1025, 1091, 1146, 1195, 1325, 1377, 1432, 1495
Olympia, Ltd. Issue, 895, 939
Omnium Investment Co. Accounts, 193
Ooregum Gold Mining Co. of India, Ltd. Meeting, 946
Oriental Consolidated. Accounts, 1178

P

Paquin, Ltd. Meeting, 876
Para Electric Railways Co. Accounts, 719
Para Industrial and Commercial Co. Accounts, 264
Parent Coal Carbonisation Trust. Issue, 514
"Parent" finance, 111, 169, 1118
Parker's Burslem Brewery, Ltd. Issue, 867
PARLIAMENT. Dissolution. Need of electoral reform, 1031, 1151.
Minority dilemma, 327, 400, 1151
Problems of 1929 session, 147–8
Relations between Executive and Legislature, 383, 494
Pass and Joyce (1929), Ltd. Issue, 1124
Patents Committee appointed, 1160
PEACE. History of Kellogg Pact, 732
International relations and, 556
Roman history and international, 48
Pearl Assurance Co. Accounts, 443, 498: meeting, 46
Pearl Automatic Machines, Ltd. Meeting, 471
Pease and Partners, Ltd. Accounts, 1298, 1322
Pennsylvania Railroad Co. Accounts, 936
PENSIONS. Expenditure on war, 392
Group schemes, 560, 1100, 1274, 1402
Permanent Court of International Justice. Revision of Statute, 1035
United States and membership, 739, 1035
Perroux (F.). "*Finances publiques d'Italie*" (R), 164
PERU. Banks. Banco Italiano. Issue, 195
Economic report, 740
Loan—bond repayment, 1088
Tacna-Arica dispute, 1040
PETROL. Filling stations regulation, 1104
Price of, 489–90
Statement by companies, 621
Shell group and Russia, 511
Tax and Underground, 457
Petroleum Refineries, Ltd. Issue, 459
Philips Gloeilampenfabricken. Accounts, 1121
Phillips (H.). "*Liberal Outlook*" (R), 1112
Phillips Rubber Soles, Ltd. Meeting, 308
Phoenix Assurance Co., Ltd. Accounts, 1161: meeting, 1235
Phosferine Products, Ltd. Issue, 867
Pinchin, Johnson and Co. Accounts, 600: meeting, 709
Pioneer Life Assurance. Accounts, 1284
Platt Brothers and Co., Ltd. Accounts, 1491
Plummer Roddis, Ltd. Accounts, 720
POLAND. Bank returns, 37, 135, 191, 260, 367, 540, 596, 655, 769, 952, 1016, 1139, 1187, 1258, 1423
Economic report, 194, 223, 926, 1109
Exhibition, 1161
Police powers. Report of Royal Commission, 672
POLITICS. Judicial appointments, 1338
Minority dilemma, 327, 400
Party policies, 1112
Political consistency, 1336
See also Elections, General: Parliament
Polyphone A.G. Accounts, 937
Poor Law development and Local Government Bill, 147–8
Poor Law. History, 1347
"POOR RELATIONS." Europe and U.S.A., 1439
Population problems and Roman history, 48
PORTS. Charges at British, 1392
PORTUGAL. Bank returns, 36, 79, 134, 190, 260, 368, 417, 474, 540, 596, 656, 718, 768, 822, 883, 951, 1016, 1083, 1138, 1186, 1318, 1369, 1422, 1486
Banks. Nacional Ultramarino. Accounts, 955
Post Office Accounts, 1927–28, 218
Postage. Petition for penny, 55
Postal Union and its work, 1102
Potato (London Market) prices weekly, 44, 88, 144, 202, 269, 322, 379, 428, 484, 549, 607, 668, 726, 780, 832, 896, 961, 1028, 1092, 1148, 1196, 1268, 1328, 1379, 1436, 1496
Pottery. Safeguarding, 23, 64, 109
Powell-Duffryn Steam Coal Co., Ltd. Accounts, 659, 696: meeting, 710
POWER. World's resources, 788
See also Electricity
Premier Diamond. Accounts, 117
Press, freedom of the, 24
PRICES. Retail, *Supp.*, 5, 13, 21, 29, 37, 45
Stabilisation, 345
Weekly (food, textiles, minerals and miscellaneous), 44, 88, 143, 201, 269, 322, 379, 428, 484, 549, 606, 668, 726, 780, 832, 896, 961, 1028, 1092, 1148, 1196, 1268, 1328, 1380, 1436, 1496
Wholesale, *Supp.*, 5, 13, 21, 29, 37, 45
Primitiva Gas Co. Accounts, 1356
Production. 1928, 390: 1928-29, 1207
Profit-sharing, 1218
PROTECTION. Difficulties of administration, 689
Mr Hoover on tariffs, 843
Protection and unemployment (*see also* Free Trade), 209–10
Provident Association of London, Ltd. Accounts, 626
Provident Mutual Life Assurance Association. Meeting, 412, 444

Provincial Cinematograph Theatres, Ltd. Issue, 644
Provincial Insurance Co. Accounts, 744
Prudential Assurance Co. Accounts, 338, 490 : meeting, 526
Pye Radio, Ltd. Issue, 409

R

Radcliffe's Edible Products, Ltd. Issue, 119
Radiation, Ltd. Meeting, 713
Radio Corporation and Victor Talking Machine Co. Merger, 72
Railway Debenture and General Trust Co. Meeting, 364
Railway Share Trust and Agency Co. Meeting, 363
RAILWAYS. Accidents, causes of, 436
Dividend prospects, 26, 71, 351, 1223
Finances of, 1923–28, 507, 579, 637
Increased charges, 295
Rates, no increase, 933 : rebate and steel, 156
Reorganisation schemes, 1175
Revenue, standard and actual, 808
Stocks, 1410
Stocks, prices and yields, 1926–29, 455
Underground. 1928 reports, 351, 412
(Great Britain and Ireland). Weekly traffic returns, 32, 40, 82, 137, 187, 263, 314, 370, 420, 477, 542, 599, 658, 719, 755, 772, 773, 825, 886, 955, 1018, 1086, 1141, 1190, 1261, 1320, 1372, 1426, 1491 : monthly, *Supp.*, 8, 16, 24, 32, 40, 48.
(Overseas). Weekly returns, 32, 82, 137, 187, 263, 314, 370, 420, 477, 542, 599, 658, 772, 825, 886, 955, 1018, 1086, 1141, 1190, 1261, 1320, 1372, 1426, 1491 : monthly, *Supp.*, 8, 16, 24, 32, 40, 48.
Rand Deep Levels. Accounts, 586
Rand Mines. Accounts, 1928, 73, 660, 668, 697
Rating and Valuation Act, 1925. Re-assessments, 283, 1158
Rationalisation. Sales office organisation, 65
Refuge Assurance Co., Ltd. Accounts, 499 : meeting, 528
Rembau Jelei Rubber, Ltd. Meeting, 944
REPARATIONS. Address by Mr F. C. Goodenough, 121
Bank for International Settlement, constitution, 562, 570, 1333
Committee, 10, 100, 220, 335, 438, 679, 737, 842, 908, 1032, 1047, 1107, 1157, 1164, 1205, 1279 : Report, 1332, 1343, 1344 : Young plan, 1284, 1285, 1332, 1333
Diagram of annuities and payments to America, 1389
Mr Parker Gilbert's 1928 report, 49–50
Report by Dumont to French Senate, 59
Revenue Returns, 1928. 10, 13, 845
Rezende. Accounts, 866
Rhodesians. Reaction in Northern shares, 408
Rhodesian–Congo Border. Accounts, 1061
Rhodesia–Katanga Co., Ltd. Formation, 1088
Rio de Janeiro City Improvements Co., Ltd. Meeting, 1079
Rio de Janeiro Flour Mills and Granaries, Ltd. Meeting, 130, 264
Rio Tinto Co. Accounts, 866 : meeting, 947
River Plate Trust Loan and Agency Co., Ltd. Meeting, 651
R.M.C. Textiles, Ltd. Meeting, 467
Roads Improvement Association. Accounts, 888
Roadway Time Tables, Ltd. Issue, 588
Roan Antelope Copper Mines, Ltd. Meeting, 1011
Robinson Deep. Accounts, 759
Rolls-Royce, Ltd. Meeting, 467, 479
Rosebery, Earl of. Death of, 1151
Rotherham, Jeremiah and Co., Ltd. Meeting, 469
Rothmans (1929), Ltd. Issue, 1124
ROUMANIA. Banks. National Bank accounts, 1203
Banks. National Bank returns, 134, 418, 474, 655, 1083, 1138, 1187, 1423
Economic report, 223, 434–5, 748, 1203, 1257 (*advert.*)
Finance (*advert.*), 1380
Finance. 1929 Budget, 223
Finance. Stabilisation loan, 294, 355, 434–5
Grain production (*advert.*), 1436
Meeting of the Little Entente, 1206
Railways, general review (*advert.*), 1328
Stock Exchange (*advert.*), 1496
Rowe (J. W. F.) "*Wages in Practice and Theory*" (R), 345
Rowntree's, York. Sales office organisation, 65
Royal Dutch. Accounts, 1413
Royal Exchange Assurance. Accounts, 1045 : meeting, 1005
Royal Insurance Co., Ltd. Accounts, 1162 : bonus, 1088 : meeting, 1229
Royal London Mutual Insurance Society. Meeting, 1008
Royal Mail Steam Packet Co., Ltd. Accounts, 1297, 1322 : meeting, 1363
RUBBER. Accounts of companies, 863, 1021
Output, 1923–8, 196
Position and prospects, 1118
Restriction scheme results, 935, 1074
Rise in prices : investor's tests, 116, 405
Weekly report, 44, 88, 144, 202, 269, 321, 379, 428, 484, 549, 607, 668, 726, 780, 832, 896, 961, 1028, 1092, 1148, 1196, 1268, 1328, 1379, 1436, 1496
RUBBER INDUSTRY. Dunlop Co.'s expansion, 71
Position and prospects, 304, 336, 405
Rubber Plantations Investment Trust, Ltd. Accounts, 957, 994, 1022 : British control of, measures for, 992 : meeting, 1073
Rubber Processes, Ltd. Issue, 1125
Rugby Gas Co. Issue, 515
Runciman, Mr. Walter, on savings, 497, 531
RUSSIA. Banks. State Bank returns, 37, 135, 311, 418, 540, 656, 769, 952, 1016, 1187, 1423
"*Dreiser looks at Russia*" (R), 1290
China, relations with, 1281
"Continuous production" scheme, 1395
Economic report, 62, 343, 686, 1050, 1287
Economics, 928
Economics, war-time, 449
Finance. Budget, 1928–29, 343
Foreign relations. Great Britain, 1440
Foreign relations. Peace pact with border States, 282
Liquor trade, 916
Politics. Communist Party, position of, 276
Russo-Asiatic Consolidated. Assets, segregation of, 1227
Trade with Great Britain, 1923–28, 793
Rylands and Sons. Accounts, 1926–28, 297, 314

S

SAFEGUARDING (*see also* Free Trade), 154, 615
Duties in force and Mr. Snowden, 1384
Labour Party's policy, 1158
Lace, 440, 575, 750, 927
Linen (N. Ireland), 559
Pottery, 23, 64, 109
and prices, 497
Protection and, Mr. Baldwin on, 214, 430, 1101
Wool textiles, 24, 212–13
Safety of life at sea. International Conference report, 1283
St. John del Rey. Accounts, 937
Saint Raphael Casino, Ltd. Issue, 459
Salerni Coupling, Ltd. Issue, 645
Salesmanship, 390
Sales office organisation, 65
Salt Union, Ltd. Accounts, 659 : meeting, 705
Salts (Saltaire), Ltd. Accounts, 774, 1429
San Paulo Railway. Accounts, 865
Sandek. "*Psychology of Handwriting*" (R), 634
SAN FRANCISCO. Mines of Mexico, Ltd. Mining report, 1928, 232 : meeting, 363
Sangers, Ltd. Issue, 119
Santiago Nitrate Co. Sale, 1191
Sapos (D. J.). "*Readings in Trade Unionism*" (R), 1403
SAVINGS. Banks and Mr. Snowden, 1448
National Committee's new schemes, 388–9
And taxation, 497, 531
Value of small, 619
Westminster Bank's home safes, 794
Savoy Hotel, Ltd. Accounts, 659, 662
Schweppes, Ltd. Meeting, 1068
Scottish American Investment Co. Accounts, 230, 234
Scottish Amicable Life Assurance Society Accounts, 742
Scottish Automobile and General Insurance Co., Ltd. Accounts, 103
Scottish (Second) Eastern Investment Trust, Ltd. Issue, 644
Scottish Equitable Life Assurance Society. Accounts, 1162 : meeting, 1007
Scottish Life Assurance Co. Accounts, 393 : meeting, 411
Scottish National Trusts. Issues, 459
Scottish Provident Institution. Accounts, 568, 682
Scottish Provident Institution Mutual Life Assurance. Meeting, 649
Scottish Temperance and General Assurance Co. Accounts, 393
Scottish Union and National Insurance Co. Accounts, 851 : meeting, 1007
Scottish Widows' Fund. Bonus, 1928, 339, 499 : meeting, 525
Sea Insurance Co. Accounts, 852
Sears (J.) and Co. Issue, 299
SECURITIES. American interest in British, 452, 508
British bought by America, 1292, 1350, 1386
Comparison of yields, British and American, 456
"Permission to deal" regulations, 30
Stamp duties, proposed modification of, 993
Trustee, 578
Values (various countries), *Supp.*, 8, 16, 24, 32, 40, 48
SECURITIES (London). Week's movements, 27, 69, 113, 167, 228, 293, 349, 404, 454, 509, 581, 639, 693, 753, 806, 860, 932, 991, 1055, 1117, 1173, 1221, 1295, 1351, 1408, 1463
Sedenak Rubber Estates, Ltd. Meeting, 252
Selfridge and Co., Ltd. Accounts, 352, 457, 479 : meeting, 468
Separator A.B. Accounts, 774 : general position, 989
Sevenoaks Waterworks Co. Issue, 867
Shadwell (Dr. A.). "*Future of Socialism*" (R), 400
Shanghai Electric Construction Co., Ltd. Meeting, 1012
SHARES. Holders and control, 691–2
Issue of G.E.C. "British," 583, 636
Rubber Plantations Investment Trust, British control of, 992
Stock *versus*. Lever Brothers' consolidation, 992
Sheffield Steel Products. Reorganisation, 1354
"Shell" Transport and Trading Co., Ltd. Accounts, 1413, 1426 : meeting, 1474
Shell Union Oil Corporation. Accounts, 1178
SHELLAC. Weekly price report, 44, 88, 144, 202, 269, 322, 379, 428, 484, 549, 607, 668, 726, 780, 832, 896, 961, 1028, 1092, 1148, 1196, 1268, 1328, 1379, 1436, 1496
Ship Canal Portland Cement Manufacturers. Accounts, 1467
SHIPBUILDING. Quarterly returns, 102, 846
Statistics, 1928, 278–9
Shipping in 1928, 435–6

Shipping freight index number, 1913–28, 57, 336, 566, 793, 1042, 1341
Shotwell (J. T.). "*War as an instrument of national policy*" (R), 732
Shropshire, Worcestershire and Staffordshire Electric Power Co. Meeting, 1009 : shares purchase offer, 1088
Sialang Rubber Estates, Ltd. Meeting, 1311
Siamese Tin Syndicate, Ltd. Accounts, 1356 : meeting, 1417
Siemens Brothers and Co., Ltd. Accounts, 1189, 1191
SILVER. Prices and movements, 38, 81, 136, 192, 262, 313, 369, 419, 476, 477, 542, 598, 657, 719, 771, 823, 885, 953, 1018, 1085, 1140, 1189, 1259, 1319, 1371, 1424, 1488
Simon (E. D.). "*How to abolish the slums*" (R), 620
SIMON COMMISSION. Return of, 973
Singer and Co., Ltd. Accounts, 373
Skefko Ball Bearing Co. Meeting, 307
Slum problem, 620, 914
Smith (N. S.). "*Economic control in Australia*" (R), 1458
Smith's Potato Crisps, Ltd. Issue, 409
Snia Viscosa. Accounts, 584
Snow, Dr E. C. on unemployment, 682
Snowden, Mr, and Balfour Note, 842, 927, 973
Snowden (Mr) and Safeguarding, 1384
Soap. Production, 1927 (U.S.A.), 58
"*Social theory—range of*" (R), 505
SOCIALISM. Future of, 400
State. Government trading accounts, 441
Sodax (1929), Ltd. Issue, 174
SOUTH AFRICA. Banks. Reserve Bank returns, 36, 79, 190, 259, 311, 366, 417, 473, 539, 595, 654, 718, 768, 821, 882, 951, 1015, 1082, 1138, 1186, 1256, 1317, 1369, 1422, 1486
Economic report, 162, 504, 688, 984, 1167, 1456
Elections, 1390
Finance. Budget, 985
Finance companies. Review of, 166–7
Mining industry, 1236 : Rand accounts, 73
Nafte case, 1167
Politics and the native, 333
Railways, policy of, 224
Railways. Report, 1928, 285
Trade. Treaty with Germany, 101
South African Gold Trust. Account, 600
South African Townships. Accounts, 1061
South Metropolitan Gas Co. Accounts, 296, 314 : meeting, 358
South Suburban Gas Co. Meeting, 413
Southend-on-Sea and District Gas Co. Stock, 74
Southend Waterworks Co. Issue, 759, 888
Southern Pacific Co. Accounts, 865, 897
Southern Rly. Co. Meeting, 520
SPAIN. Bank returns, 79, 134, 190, 260, 311, 367, 417, 474, 540, 596, 655, 768, 821, 883, 951, 1016, 1083, 1138, 1186, 1258, 1369, 1422, 1486
Politics. Directory's position, 216, 438
University closed, 622, 913
Trade. Financing Argentine, 15
Spencer, Turner and Boldero, Ltd. Meeting, 524
Spero (S. D.) "*Labour movement in a Government industry*" (R), 1403
Sphinx Electric, Ltd. Issue, 459 : meeting, 1133
Spiers and Pond, Ltd. Accounts, 1491
Spillers, Ltd. Accounts, 888, 994, 998 : meeting, 1079
Springs Mines, Ltd. Accounts, 964, 996
Stamp (Sir J.). "*Some economic factors in modern life*" (R), 750
Standard Life Insurance Co. Accounts, 741
Standard Trust, Ltd. Meeting, 357
Stanton Ironworks. Accounts, 1411
Star Emerald Mining Syndicate, Ltd. Issue, 300
State Assurance Co. Accounts, 919
State control of industry, 47
Statistics. New series of trade, 156
S.T.D. Motors, Ltd. Accounts, 314, 317, 375 : meeting, 361
Stebbing (E. P.). "*Forestry question in Great Britain*" (R), 109
STEEL. Demand for, 689
European cartel, 497, 625, 1340, 1449
Foreign competition, 1202
See also Iron and Steel
Squire, Morgan and Co., Ltd. Issue, 514
Sterling Trust, Ltd. Meeting, 360
Stock *versus* Shares. Lever Brothers, consolidation, 992
Stocks as "animate beings," 841
STOCK EXCHANGE. Bank rate increase, 350
Dividend, 774
"Introductions" and profits, 169
"Introductions," 73, 119, 174, 233, 299, 355, 409, 458–9, 514, 587, 644, 699, 759, 812, 867, 939, 998, 1062, 1123, 1180, 1227, 1302, 1357, 1414, 1468
"Majorities." *See* Elections, General
Membership, 583
Review of March quarter, 752 : review of half-year, 1460
(London). Weekly report, 27, 68, 112, 167, 228, 293, 349, 403, 453, 509, 581, 639, 693, 753, 806, 860, 931, 990, 1054, 1117, 1172, 1221, 1294, 1351, 1407, 1462
Stock Exchange Committee. Election, 583
Regulations *re* securities, 30
STOCK MARKETS. Weekly report, 2, 46, 90, 146, 206, 274, 326, 382, 430, 486, 554, 613, 670, 730, 782, 834, 906, 966, 1030, 1094, 1150, 1198, 1270, 1330, 1382, 1438
Suez Canal Co. Meeting, 1308
Suez Canal. Traffic, 1900–28, 1105
Sugar. Beet, subsidy, 566
Sun Insurance Office. Accounts, 1161
Sungei Pari Hydraulic Tin, Ltd. Issue, 233
Sun Life Assurance. Accounts, 1928, 219 : meeting, 359
Sun Life Assurance Co. of Canada. Accounts, 567
Surface (F. M.). "*Grain Trade during the World War*" (R), 1457
Svenska Kullagerfabriken (S.K.F.). General position, 989
Swan and Edgar, Ltd. Accounts, 515
Swan, Hunter and Wigham Richardson. Accounts, 585, 599
SWEDEN. Bank returns, 36, 79, 134, 259, 311, 367, 417, 474, 539, 655, 718, 768, 821, 883, 951, 1016, 1083, 1138, 1186, 1258, 1318, 1422, 1486
Banks. Goteborgs Bank. 1928 statement, 195
Economic report, 630, 855, 1400
Exhibition, 1161
Leading industrials as investments, 989
Swedish Match Co. Accounts, 828 : general position, 989
SWITZERLAND. Banks. National Bank returns, 36, 79, 134, 190, 260, 311, 367, 417, 474, 539, 595, 655, 768, 821, 883, 951, 1016, 1082, 1138, 1186, 1258, 1318, 1369, 1422, 1486
Swiss Bank Corporation. Accounts, 827
Economic report, 107, 503, 983
Finance. 1929 budget, 107
Industries. Statistics, 108
Railways. Electrification, 1211

T

Tacna-Arica dispute, 1040
Tanah Datar Rubber Estate, Ltd. Meeting, 1471
Tarapaca and Tocopilla Nitrate Co., Ltd. Issue, 1124
TARIFFS. American rates and French trade, 1393
Europe and America, 1097
Great Britain and Germany compared, 1159
M. Theunis on, 1039
"*The Times*," on, 976
See also Free Trade, Protection, Safeguarding.
TEA. Consumption, prices, etc., 1073
Prospects, 1175
Telegraph companies. Merger, 805
Telogoredjo United Plantations, Ltd. Meeting, 1315
Thames River Grit Co. Issue, 300
Thawpit Exports, Ltd. Issue, 645
Theunis, M on tariffs, 1039
Thomas, Richard, and Co. Accounts, 774
Thrift. National, 388–9
Tilling and British Automobile Traction, Ltd. Accounts, 296, 314 : meeting, 361.
Tilling-Stevens Motors, Ltd. Accounts, 479
TIMBER. Canada's resources, 1210
Substitutes, 1449
TIMBER TRADE. European supplies for U.S.A., 916
Imports, 1275
Report, 199, 426, 665, 959, 1194, 1494
"*The Times*" on Tariffs, 976
TIN. Company results, 1122
Co-operation of producers, 1409
Eastern dredging results, 1301
Production (world), 1409
Prospects, 1078, 1220
Share yields, 297
Stocks, supply, prices 1927-28, 232
Tin Selection Trust, Ltd. Accounts, 1925–28, 117 : meeting, 250 : issue, 375
"Tips" and investors, 227, 292
Tithes and corn returns, 14
TOBACCO. Share values reviewed, 804
United Tobacco Companies (South), Ltd. Accounts, 74
Townsend Bros. Ferries, Ltd. Issue, 759
TRADE and bank deposits, 149–50
Balance of 1928, 433–4
and export of capital (L), 496, 504–5, 565, 575, 633
Home Statistics, *Supp.*, 1, 9, 17, 31, 33, 41
International, and balances of payments 1913–27, 970
Overseas, 1928–29 *Supp.*, 7, 15, 23, 96–7, 142, 329–30, 336, 373, 432–3, 564, 605, 845, 894, 915, 1098, 1103, 1147, 1339, 1378
Overseas, *Supp.*, 31, 39, 47
Relationship of home and foreign, 277–8
Romance of, 400
Troubles and remedies, 555
Troubles and remedies, 1038
World, 1280
Trade Indemnity Co., Ltd. Meeting, 708
Trade Union. 1927 returns, 56
Trade Union Congress, General Council of the. Industrial peace conference, 907
TRAMWAYS. Weekly returns, 32, 82, 137, 187, 263, 314, 370, 420, 477, 542, 599, 658, 772, 825, 886, 955, 1018, 1086, 1141, 1190, 1261, 1320, 1372, 1426, 1491
Transmutograph, Ltd. Issue, 645
TRANSPORT. Problem of motor, 65
Rail and road, 463, 518
Transvaal Consolidated Land. Accounts, 866
Transvaal and Delagoa Bay Investment Co., Ltd. Meeting, 1928, 76
Transvaal Estates and Development Co., Ltd. Sale of assets, 130
TREASURY BILLS. Week's tenders, 35, 77, 132, 188, 257, 309, 366, 416, 472, 538, 593, 653, 717, 767, 819, 881, 949, 1014, 1080, 1136, 1184, 1254, 1316, 1367, 1420, 1484
Treasury bonds. Influence on market, 46
Treaty Reinsurances, Ltd. 1927–8 accounts, 157
Tredegar Iron and Coal Co., Ltd. Accounts, 1430
Triumph Auto Pianos, Ltd. Issue, 1124
Tronoh. 1928 report, 31
Tropics. Colonisation and production, 11
Trotsky. Position of, 495
"*Real Situation in Russia*" (R), 928
Trowbridge Tyre and Rubber Co., Ltd. Issue, 514
True-Form Boot Co. Accounts, 193
Truphonic Radio, Ltd. Issue, 300

Trust Co. of London and Scotland, Ltd. Issue, 233
TURKEY. Debt, 194
Economic report, 1469
Twyfords, Ltd. Accounts, 1491 : meeting, 1483

U

Underground Electric Rlys. Co. (London). Meeting, 521
Underground and petrol tax, 457
Underwriters' Trust, Ltd. Establishment of, 1301
UNEMPLOYMENT. Civil Service and the White Paper, 1101
Conservative. Labour and Liberal Policy, 1095
"*International Aspects*, 1920–28" (R), 1386
Mr Lloyd George's pledge, 487, 555, 562 : Dr E. C. Snow's diagnosis, 682
Lloyd George scheme and balance of trade, 1167
And Protection, 209–10, 555
Statistics, 103, 391, 623, 847, 1160, 1392. *Supp.*, 2, 8, 10, 16, 24, 32, 40, 48
Supply of juvenile labour, 1105
Treatment of unemployed, 1290
Union Corporation, Ltd. Accounts, 810 : meeting, 1478
Union Discount Co. of London, Ltd. Accounts, 131 : meeting, 184
United Africa, Ltd. Formation of, 695, 758
United Automobile Services. Offer to purchase, 1466
United British Insurance. Accounts, 1045
United Drapery Stores, Ltd. Meeting, 874
United Kingdom Provident Institution. Accounts, 443 : meeting, 531
United Molasses Co. Accounts, 774, 809, 824 : issue, 1088 : meeting, 875 : purchase of New York company, 1429
United Serdang (Sumatra) Rubber Plantations. Accounts, 171, 193 : meeting, 304
UNITED STATES. American participation in British enterprise, 1118
Banks. Amalgamation movement, *Supp.*, May 11
Banks. Bankers Trust Co. Accounts, 193
Central Hanover. Accounts, 1190
Central Union Trust. Accounts, 195
Central Union Trust merger, 626
Chase National (New York). Accounts, 1928, 317
Chase National and American Express, 794
Continental Illinois Bank. Accounts, 774
Federal Reserve policy *re* bill market, 104, 405, 444
Federal Reserve returns, 35, 78, 133, 189, 258, 310, 366, 417, 473, 539, 595, 654, 767, 821, 882, 950, 1015, 1082, 1137, 1186, 1256, 1317, 1369, 1421, 1485
Hanover National merger, 626
Wall Street and *Supp.*, May 11
Capital issues, 286, 740, 1207
Capital issues and investments abroad, 792
"*Economic Changes, Recent*" (R), 1335
Economic report (weekly), 17, 58, 104, 158, 220, 286, 339, 393, 444, 499, 569, 627, 682, 744, 796, 852, 921, 979, 1046, 1106, 1163, 1342, 1396, 1451 : monthly, *Supp.*, 3, 11, 19, 27, 34, 43
Finance. International payments, 1447
Foreign relations, 634
— and armaments, 838
— Europe as "poor relation," 1439
— Canada, 97–8, 108, 1337
— Great Britain, 616, 1337
— Mr. Stimson as Sec. of State, 679
"*Grain Trade during the World War*" (R), 1457
Immigration quotas, 679
Industries (by H. T. Warshow), 291
Investments in Europe, 1207
United States (*continued*) :—
— British securities, 1292, 1350, 1386
Labour movement, 1403
Legislation and combines, 338, 858
Navy, 282, 390, 838, 1278
New York markets. Weekly report, 2, 46, 90, 146, 206, 274, 326, 382, 430, 486, 554, 614, 670, 730, 782, 834, 906, 966, 1030, 1094, 1150, 1198, 1270, 1330, 1382, 1438
New York stock exchange weekly report, 28, 69, 113, 168, 229, 294, 350, 404, 455, 510, 582, 640, 694, 754, 807, 861, 932, 991, 1055, 1117, 1174, 1222, 1294, 1352, 1409, 1463
Newspapers, 733–4
Permanent Court, 1035
Population : negro problem, 225
Railways, grouping of, 348
Security values, 1927–29, 406
— Yields, 1927–29, 456
Senate and Peace Pact, 54, 99, 282
Soap production, 1927, 58
Stock Exchange and Federal Reserve Board, 1163
Tariff Bill, 1039, 1103, 1448
— and Canada, 1161, 1209
— and France, 1393
Tariff Commission report, 689
Tariffs and trade in Europe, 848
Trade, 1928, 848
Trade, export, 677–8
Trade with S. America, 1210
United States and General Trust Corporation, Ltd. Meeting, 306
United Steel Companies. Purchase offer by Austin Friars Trust, 862, 934, 1057 : reorganisation, 1406
United Tobacco Companies (South), Ltd. Accounts, 74.
University Life Assurance. Accounts, 1450
Urbanism and Roman history, 48
Urwick (L.). "*Organising a sales office*" (R), 65

V

Vaccination. French order, 844
Vendomatic, Ltd. Issue, 409
VENEZUELA. Economic report, 1341
Venezuelan Oil Concessions, Ltd. Accounts, 1928, 318
Vereeniging Estates. Accounts, 1122
Ver. Glanzstoff. Accounts, 1060
Viborita Gold Mines, Ltd. Issue, 515
Vickers, Ltd. Accounts, 641, 659 : meeting, 706
Victor Talking Machine Co. and Radio Corporation merger, 72 : accounts, 584
Victory Insurance. Accounts, 1450
Vine Products, Ltd. Meeting, 591
Virginia Tobacco Co. (Rhodesia), Ltd. Issue, 1124
Vital Statistics. Mortality, 1929, 1207
Vocalion Gramophone Co., Ltd. Accounts 1429
V.O.C. Holding Co. Accounts, 318, 353, 1177 : meeting, 362, 1243
Vorarlberger Illwerke A-G. Issue, 174
Vortex Silencer Co., Ltd. Issue, 645

W

WAGES. Dr Bowley's new index number, 330–1
Control of, 986
Cost of living and, 65
Practice and theory, 345
Standard of living and, 65
Waihi. Accounts, 996
Wakefield Corporation stock, 119
Walker's (Stourbridge) Fireclay, Ltd. Issue, 1124
Walkers, Parker and Co., Ltd. Meeting, 592
Walls and Highley Theatres, Ltd. Issue, 645
Wandsworth, Wimbledon and Epsom District Gas Co. Meeting, 359
War. National policy and, 732
War Loan. Sir Basil Blackett on the 5 per cent., 456
Waring and Gillow, Ltd. Accounts, 1225, 1260 : meeting, 1313
Waste Food Products, Ltd. Capital increase, 375 : issue, 645
Watney, Combe, Reid and Co. Issue, 514
Watt (Lewis). "*Capitalism and Morality*" (R), 803
Wealth. Taxable, 1927–28, 845
Webb (S. *and* B.). "*English Poor Law History*" (R), 1347
Weir, Lord, on economic prospects, 1929, 3
Western Automatic Machines, Ltd. Issue, 174
Wesleyan and General Assurance Society. Accounts, 794 : meeting, 761
West Rand Consolidated. Accounts, 811
West of Scotland Insurance Office. Accounts, 796
West Springs, Ltd. Accounts, 964, 997
Western Telegraph Co., Ltd. Meeting, 1243
Westinghouse Brake and Saxby Signal Co. Accounts, 39
WHEAT. Imports (Europe), 1923–28, 51
Marketing (England), 576
Prices (America), 1206, 1273
Prices, 1347
1928 surplus, 50–1, 337
Whitbread and Co., Ltd. Accounts, 828
White Star Line, Ltd. Accounts, 1058, 1064
Whiteaway, Laidlaw and Co., Ltd. Accounts, 1088 : meeting, 1080
Whitehall Electric Investments, Ltd. Accounts, 1374 : meeting, 1416
Whittaker Automatic Looms, Ltd. Meeting, 362
Wickwar (W. H.). "*Freedom of the press*" (R), 24
Wiggins, Teape and Co. (1919), Ltd. Meeting, 1182
Williams (B. H.). "*Economic Foreign Policy of U.S.A.*" (R), 634
Winterbottom Trust, Ltd., stock, 119
Wireless telegraph companies. Merger, 805, 1176
Witwatersrand Gold Mining Companies. Accounts, 1413
Wolsey, Ltd. Accounts, 512, 515
WOOL and cold weather, 440
Wool textiles. Safeguarding, 24, 212–13
Trade in 1928, 386–7
Wool trade. Weekly report, 42, 87, 141, 199, 257, 320, 377, 427, 482, 547, 604, 664, 724, 776, 830, 891, 959, 1024, 1090, 1145, 1193, 1265, 1324, 1376, 1432, 1494
World Auxiliary Insurance Corporation. Accounts, 979 : meeting, 1071
World community, 1200
World Marine and General Insurance Co. Accounts, 851

Y

Yager (London), Ltd. Meeting, 1929, 255, 409
Yorkshire Amalgamated Collieries. Accounts, 1466
Yorkshire Insurance Co. Accounts, 888, 977 : meeting, 1069
Yorkshire Products Investment Co., Ltd. Meeting, 1483
Young Accumulator Co., 1929, Ltd. Issue, 1064
Youth and industry, 153

Z

ZINC. Producers' cartel, 625
Zinc Corporation, Ltd. Accounts, 1301 : meeting, 1366
Zinc Manufacturing Co. Issue, 939

London : Printed for the Proprietors The ECONOMIST NEWSPAPER, Ltd., by EYRE & SPOTTISWOODE, Ltd., His Majesty's Printers, East Harding Street, London, E.C. 4. Published by the Proprietors at 6, Bouverie Street, Fleet Street, E.C.4.—Saturday, July 6, 1929.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER

Vol. CVIII. SATURDAY, JANUARY 5 1929. No. 4,454.

ROYAL EXCHANGE ASSURANCE

Incorporated A.D. 1720.

All classes of Insurance transacted and the duties of Executor and Trustee undertaken.

For full particulars apply to :—

Head Office : Royal Exchange, London.

BANCO NACIONAL ULTRAMARINO.

STATE BANK OF THE PORTUGUESE COLONIES.

Head Office : LISBON.

Established 1864.

Capital: Esc. 50,000,000$00, fully paid.

Reserves: Esc. 49,000,000$00.

OFFICES IN THE FOLLOWING COUNTRIES:

Portugal, Portuguese East and West Africa, India, China, Timor and Brazil.

Paris Office ... 8 Rue du Helder.

Angola, Belgian Congo } Banco de Angola.

New York—Trust Co. of N. America—93 Liberty Street.

AGENTS & CORRESPONDENTS IN ALL PARTS OF THE WORLD.

London Office: 9 BISHOPSGATE, E.C.2.

Telephone—London Wall 0295. Telegrams—Ultranacio, London

BANCA COMMERCIALE ITALIANA.

Established in 1894. Head Office: MILAN. Capital 700 million Lire. Reserves 540 millions. Deposits 7,251 millions.

Branches in every centre of commercial and industrial importance in Italy; also in London, New York, Constantinople, and Smyrna.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Greece, Egypt, Morocco, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

London Office :

32, Threadneedle Street, E.C.2.

A. JOEL, *Manager*

Correspondents to the Italian Treasury.

TABLE OF CONTENTS.

The Money Market..... 1

Leading Articles—
The Straight Road 3
The End of the Chinese Civil War? 3
Money in 1928 5
The Fourth Year of the New Reichsbank 6
Our Index Number: A Year's Prices.. 7
Fraud in Insurance..... 9

Notes of the Week—
Nine Months' Revenue 10
The Reparations Committee 10
Monsieur Poincaré 10
The League and Gold 10
Cotton Mill Amalgamation 10
The Resignation of the Jugoslav Cabinet 11
The Development of the Tropics 11
British Trade with China .. 11
Bankers' Clearings in 1928 12
Newspaper Insurance 12
THE REVENUE 13
Agricultural Research..... 14
Bankruptcy in 1927..... 14
The Corn Returns 14
Prospects of British Trade in India 15
Conditions in Japan 15
Spanish - Argentine Trade Financing 15
Canadian Welcome to Barclay's 16
New Life Assurance Business 16
Atlas Assurance Company, Limited 16
National Mutual Life Assurance Society 17
Fire Losses in the United States and Canada 17

Oversea Correspondence—
United States 17
France 18
Germany 19
Austria 20
Hungary..... 21
Canada 21
Argentina 22

Letters to the Editor—
Coal Trade Problems 23
Pottery and Safeguarding .. 23
Dress Goods and Safeguarding 24

Books and Publications—
The Freedom of the Press.. 24
Books Received..... 24

The Stock Exchange—
British Investment Trusts.. 25
Railway Dividend Prospects 26
The Week in the Markets.. 27
London Active Securities.. 27
The Law as to Company Meetings 29
Some Factors in the Artificial Silk Position..... 29
"Permission to Deal"—New Departure.. 30
"Share Pushing" in France 30
The Nitrate Situation..... 30
Duophone and Unbreakable Record 30
Mount Lyell 31
Tronoh 31
Capital Issues 31

Company Meetings..... 33

Government Returns—
National Accounts 34
National Debt 34
Treasury Bills by Public Tender 35

Bankers' Gazette—
Bank of England 35
Bankers' Clearing Returns.. 35
Overseas Bank Returns 35
Loan and Discount Rates.. 37
Rates of Exchange 37
Bullion 38
Gold and Silver Prices 38

Company News—
Weekly Traffic Returns 32
Dividend Announcements.. 39
Oil Outputs 39
Summary of Balance-sheets 39
Rhodesian Gold Output ... 39
Mining Output Statistics.. 39
Reports and Notices 39
Profit and Loss Accounts.. 40

Commercial Reports—
Corn Trade..... 40
Coal 41
Iron and Steel 41
Other Metals 42
Cotton Trade 42
Wool Trade..... 42
The Jute Trade 42
Hide and Leather Trades.. 43
Vegetable Oil..... 43
Overseas Produce 43
Price Current..... 44

TERMS OF SUBSCRIPTION.

Quarterly, 14s 0d; Half-yearly, £1 9s 0d; Yearly, £2 18s 0d.
Colonies and Abroad, £3 1s 0d per Annum.
Single copies, post free, 1s 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.
Office: 6 Bouverie street, Fleet street, London, E.C. 4.

THE MONEY MARKET.

THIS week included the turn of the year, and on Monday, December 31st, the joint-stock banks were engaged in making up their cash to the level required for their annual balance-sheets. This gave rise to the usual extreme shortage of money on that day, and in preparation therefor the market had been borrowing from the Bank on every working day from Christmas Eve onwards. Most

of this money was borrowed for the usual week, but on Christmas Eve the Bank lent for eight days so as to carry borrowers over into the New Year, while the last to borrow from the Bank on December 31st are finding themselves unable to get out before January 9th.

Short-loan rates on Monday naturally ran to 5 per cent. or over, but on Tuesday the joint stock banks released their surplus cash, and rates promptly fell to a nominal 2 or 2½ per cent. During the ensuing few days anomalous conditions have prevailed. Money has been ridiculously abundant, so much so as to be almost unlendable, while on Wednesday February bills were selling at the low rate of 4 per cent. Market rate the same day was 4 1/4 to 4 5/16 per cent., as against 4 7/16 per cent. the previous week. At the same time the market was distinctly of the opinion that these low rates were not likely to last for more than a few days, and that next week conditions would stiffen.

This view is on the whole well-founded. For one thing the market is now having to get out of the Bank, and this alone is drying up supplies of money. Again, since the end of the year the joint-stock banks have been driven to buy bills in order to find employment for the cash they had called for their balance-sheets. Finally, the Bank is no longer supporting the market by buying bills. Instead it is pursuing the same policy as it did in the first week of July, and is using the present abundance of money as the occasion to sell bills. This not only gives the Bank a nice turn on the bills it bought a few weeks ago, but also enables it to gain a firm grip on the market. It is suggested that on Tuesday it sold several millions of Februaries, and that it intends to continue doing so until it has narrowed the basis of credit to the point which will drive market rate back to at least a full 4 5/16 per cent. In fact, by Thursday the rate had already returned to that point.

Bearing these factors in mind, the market this week has been selling rather than buying bills, and even so it is doubtful if it will entirely escape from the Bank next week. It is clear, therefore, that last Monday's callings by the joint stock banks have produced their usual annual upheaval. In one respect, however, the disturbance has this year been somewhat mitigated. Immediately after Christmas there was an influx of bank-notes back from the public, first into the tills of the banks and thence into the reserve of the banking department of the Bank of England. This influx augmented not only the Bank's reserve, but also the cash holdings of the joint-stock banks. The result was that this year the banks had to call less from the market than they have had to in previous post-war years, when the returning notes went to the currency note account. This mitigation of the New Year pressure is the result of the note amalgamation, and so can be expected to recur in future years.

	Jan. 3, 1929.	Dec. 27, 1928.	Dec 20, 1928.	Dec. 13, 1928.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate	4½	4½	4½	4½	5 (Apl. 21,'27)
Banks' Deposit Rate	2½	2½	2½	2½	3 (Apl. 21,'27)
Discount { Call..	2½	2½	2½	2½	3 (Apl. 21,'27)
Discount { Houses } Notice	2⅝	2⅝	2⅝	2⅝	3½ (Apl. 21,'27)
Market rate (3 months' bills)	4 5/16	4 7/16	4 7/16	4 1/2 - 5/16	..

The Bank return this week reflects in the main the movements discussed above, though it is complicated by an increase of £9,367,335 in Public Deposits, possibly the result of revenue from motor licences. Notes to the amount of £9,948,416 have returned from circulation, which, with further gold losses of £737,741, accounts for the increase of £9,210,675 in the banking department's Reserve. The market has borrowed a further £21,813,196 during the week, while, possibly as the result of Tuesday's sales of Treasury bills by the Bank, Government securities have fallen by £4,656,892. As the net result of these, coupled with minor movements in the other items, Bankers' Deposits have risen by £14,526,334. The decline in the note circulation and market borrowings helped to swell Bankers' Deposits, but the increase in Public Deposits and the decrease in Government Securities had the contrary effect. The increase in the Reserve has raised the banking department's Proportion by 2 23-32 per cent. to 24 7-32 per cent., but gold losses and the net increase of £14,464,770 in the Bank's total outside liabilities have lowered its Reserve ratio of gold against liabilities by 1 1/16 per cent. to 29 5/16 per cent. This last ratio should recover in its turn next week when the market gets out of the Bank.

NEW YORK MARKETS.

The weekly Federal Reserve statement reflects the large settlements taking place at the turn of the year; member banks have borrowed heavily in order to make good the temporary withdrawal of corporation funds for dividend and interest purposes. The System ratio is down to 54.1 per cent., and the earmarking of gold for foreign account has begun with $25 millions last week, presumably for France. The Reserve Banks were inclined to show less support for the bill market, and the rate is expected to advance. Circulation is not down by much, but a deflation of $300 millions on the month is expected; money, however, is likely to continue firm, and the real test of strength is given by the share market, for which brokers' loans showed an increase of $238 millions in the week.

THE STOCK MARKETS.

In the week broken by the New Year holiday the stock markets were steady rather than active. Gilt-edged stocks were firm on dividend re-investment, War Loan taking pride of place. The firmer tone of home rails was checked on the publication of the week's traffic returns. Among industrial stocks a few "internationals" were in demand under New York influence, margarine and match issues showed strength, cable stocks were quieter, and textile and brewery shares irregular. Rubber shares were marked higher in some cases, and tea shares were harder. Only a moderate interest was taken in the oil share market. Among mining issues Rhodesians largely monopolised attention, a number of spectacular rises being recorded, while copper share values reflected the rising curve of prices for the commodity.

THE COMMODITY MARKETS.

The hope of a fair number of orders after the holidays continues to prevail in most markets. Coal prices in South Wales have been steadier, but the reopening of some of the Nixon Navigation pits is expected to give rise to an easier tendency, and business is impeded by uncertainty as to the future of the output regulation scheme. A spirit of confidence pervades the leading iron and steel districts, though malleable iron bars are still a weak spot in the Glasgow market. Tin is weaker, but other metals continue firm. Inquiry for Manchester cotton goods has been encouraging, and increased activity is expected. Bradford expects a substantial buying movement, as wool is not likely to go any cheaper and may rise again under the pressure of Continental buying. Stocks of Colonial wool are light. A short jute crop is forecast, and increased buying activity is anticipated in consequence. Hides and leather are quiet, but shoe manufacturers expect a fair number of orders shortly. The market in vegetable oils and oilseeds is easier, but cakes are in good demand and remain firm. Wheat has risen on the week.

FOREIGN EXCHANGES.

After considerable activity at the end of Christmas week the Foreign Exchange market became almost dead, all centres being closed on New Year's day and many on the preceding Monday, whilst holidays were in force in the Far East and South America on the following days. Sterling weakened from 4.85⅝ to 4.85 3-32 with the return of funds to New York after the New Year, and several Continental exchanges were affected by this factor and by the combination of operations in sterling and dollars. Paris widened from 123.95 to 124.10, Brussels lost over a point at 34.88½, Amsterdam a point at 12.08½, and Stockholm over three points at 18.13¼. On the other hand, Milan gained eight points at 92.64 and Oslo recovered from 18.19¼ to 18.18. For a reason not at present easy to fathom, reichsmarks were again freely offered, without much effect on gold takings, and the rate fell away from 20.37½ to 20.39½. The transfer of Swiss funds to London probably accounted for the decline in Geneva to 25.19 after touching 25.15¼. Among the forward quotations, movements took place in the dollar, for which discounts for the two periods widened considerably to ⅜ cent and 29-32 cent. The previous discount on Paris forward changed to par for both periods. Forward Amsterdam was less offered at narrower discounts of 1/16 cent and 1¼ cents, as were reichsmarks at 3 and 7 pfennigs discount for one and three months respectively. The silver market was inactive with the holiday season, and prices were rather lower. Shanghai lost 1 1/16d at 2s 7½d, but Hongkong was unchanged.

ECONOMIST INTELLIGENCE BRANCH.

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

THE STRAIGHT ROAD.

In times of economic depression like the present the way of the commentator and the prophet is hard. If he talks prosperity he is accused, and rightly, of helping to maintain an atmosphere of unreality in which problems will not be resolutely faced and solved. If he counsels caution in outlook he is classed with the Jeremiahs who stifle at birth that confidence which is essential to enterprise and recovery. It is with resignation, therefore, rather than surprise that we find ourselves taken to task for venturing to suggest that the picture of the potentialities of 1929 should not be painted with a brush loaded from too bright a palette. Our plea was for sobriety in New Year prophecy, and on the whole our prayer seems to have been answered. The country has at any rate been spared for the first time for several years the ebullition of an optimism which is more seasonable than rational; and running through the messages which some of our industrial captains have given to the nation we detect gratefully a note not of exuberance, but of quiet confidence based upon a belief in the nation's ability to attack with increased efficiency and determination the stubborn problems which can only yield to the application of these qualities—qualities which in the past have not been lacking in times when great national efforts have been called for.

Lord Melchett tells us that "the first signs of revival of British trade are on the horizon," but he passes quickly to a reminder that improved organisation and better industrial relations are essential to real recovery. Sir Hugh Bell, the veteran iron master, announces his confidence in the future of the important industries of the North-East, but adds that he "dreams of no Eldorado round the corner." Sir Arthur Dorman thinks that the blackest days of depression in the iron and coal trades are passing, while Lord Ebbisham, president of the Federation of British Industries, devotes his New Year message to an appeal to the British manufacturer to recapture the spirit of the merchant adventurers of two and three centuries ago, and to go and inspect his foreign and Dominion markets for himself. From the banking world comes the message of Mr R. H. Tennant, chairman of the Westminster Bank, who, while pointing to certain satisfactory omens, goes no further than to suggest that "British industry will gradually emerge from the shadows in which it has been enveloped during the past few years."

Perhaps the most arresting of comments by industrial leaders on the prospects of the coming year is that contained in a long letter by Lord Weir to the *Times* of January 1st. There is much in his letter with which we cannot agree. His preoccupation, for instance, with the possibilities of the home market somewhat mars his perspective of the troubles of our great export industries, and he slips into the assumption that a tariff on imported steel would remove the troubles of the iron and steel industry—a matter on which we have already given our reasoned views in the opposite sense. Nevertheless, we may commend the tone and virility of his letter to those professional croakers who predict that Britain in the changed post-war world cannot hold her competitive position, and must slowly decline to the position of a second-rate industrial nation. It is true that British manufacturers have to face a world that is in many respects changed, and changing still. It is true, too, that the task of adaptation to new conditions and requirements, more difficult for British industries with their long traditions than for those of newer lands, has been too slowly and too reluctantly undertaken. But there is one priceless asset which Britain possesses whose value has not sensibly changed—her geographical position with her unrivalled series of ports looking across to the highways of the European Continent. Of this great but oft-forgotten fact Lord Weir does well to remind us. "This Great Britain of ours," he writes, "is the best and most effective location in the entire industrial world for the efficient production of many basic products." Lord Weir reminds us, too, of our reservoir of unrivalled skilled workers. "As regards operative labour, anyone who has experience of the degree of intelligence of average American labour appreciates the much higher value of our British worker."

From these messages it is possible to cast for 1929 a horoscope not altogether lacking in confidence. They remind us of the natural assets which we possess, and show full realisation of the tasks of reorganisation which must be achieved if these assets are to be put to their best advantage. Let us add to them the dictum of Sir Hugh Bell, who gives as his slogan for the coming year, "Remove the Barriers." One of the favourable tendencies of the year that is past has been that the tariff obstacles which British exporters have to overcome on the Continent of Europe are being slowly diminished by a network of commercial treaties under which Great Britain enjoys most-favoured-nation treatment. Under the stimulus of the Economic Committee at Geneva this march towards a saner fiscal policy in Europe may be expected to continue, always provided that the wisdom of British public opinion forbids a backsliding of British policy towards Protection, a retrograde step which could not fail to have a profound effect upon the policies of other nations. The chief task of 1929 is to cut out the dead wood and to proceed through sacrifice to the efficiency which spells achievement. Experimental dalliance in the primrose paths, whether of Protection or inflation, to which we are called by siren voices, can only postpone the solution of problems which grow more stubborn as the months pass by, and at best divert from them the energies and the thoughts of the business world. No one, as another New Year message says, was ever lost on a straight road. The adage is a good one to remember in a year in which a General Election will be held, and in which the public will doubtless be asked by contending politicians to try all manner of short cuts to prosperity, alluring at first glance, but in reality likely to prove the longest way round.

THE END OF THE CHINESE CIVIL WAR?

With the New Year dawns a big new hope for China. Last Saturday, December 29, 1928, General Chang Hsueh-liang, the son of the late General Chang Tso-lin, whose military organisation controls the three Manchurian provinces and the district of Jehol (*i.e.*, that part of the metropolitan province of Chihli which lies outside the Great Wall), took a step which may well prove to be of historic importance. He declared his adhesion to the "Three Principles" of Dr Sun Yat-sen, recognised the authority of the Kuomintang Central Government of the Chinese Republic at Nanking, and ordered the hoisting of the Nationalist flag throughout his territories. This action crowns and completes the formal reunion of China in the eighteenth year of the Revolution, or—one might almost say—in the eighteenth year of the Civil War, for China has been a house divided against itself since the

morrow of the overthrow of the Manchu Empire in 1911. It is true that there remain three provinces in the far south-west—Szechwan, Kweichow and Yunnan—which have not yet come into the fold, and of these Szechwan, with an estimated number of inhabitants exceeding that of the British Isles, is the most populous province of the Republic. The separatism of these three provinces, however, is passive rather than active. Thanks to the accident of their geographical seclusion, they have been able to keep more or less clear of the main civil war (though they have indulged in local civil wars among themselves), and, so long as the chaos in the centre continued, they felt no call to demonstrate their patriotism by flinging themselves into that witches' cauldron. Even the province of Shansi, which immediately overhangs Peking from the west, but which is also secluded, in its own way, by a girdle of mountains, refrained from intervening in the main civil war until its "model tuchun" felt that the moment had arrived when, by hoisting the Kuomintang flag and throwing his weight into the balance, he could ensure a Nationalist victory and give "the Northern War-Lords" their *coup de grâce*. And this was while Chang Tso-lin was still alive and in arms against the Nationalist cause. Now, therefore, that Chang's son and heir has rallied to the Kuomintang, we may prophesy with reasonable assurance that if the union between Mukden and Nanking and Canton endures, the last outlying provinces will rally to United China in 1929, as Shansi rallied in 1927.

Outer Mongolia and Tibet are another matter, for these were dependencies of the Manchu Empire, linked with China by little more than a common subjection, and they have taken advantage of the overthrow of the Manchu Dynasty to establish their own National independence as the Chinese have been establishing theirs. Tibet has actually declared her independence, and the Soviet Republic of Outer Mongolia, while still professing a formal recognition of Chinese suzerainty, is at present less subject to control from Nanking than to control from Moscow. Outer Mongolia and Tibet, however, are backward countries, whose enormous extent on the map tends to obscure the scantiness of their population and the rudimentary state of development of their natural resources; and though, if China eventually finds herself compelled to cut her losses there, that sacrifice may be painful to Chinese national pride, it will involve no appreciable diminution of Chinese power and prosperity. On the contrary, such an amputation might prove to China's material advantage, by relieving her of responsibility for outlying, exposed and poverty-stricken dependencies which could only be a tax upon the Chinese Treasury and the Chinese Foreign Office for many years to come.

It is far otherwise with the three Manchurian provinces and the district of Jehol, which have just signified their adhesion to the Central Chinese Government at Nanking—though Manchuria, like Mongolia, lies outside the Great Wall and, also like Mongolia, was a land of prairie and steppe and desert, abandoned to nomadic pastoral tribes, when the Manchu barbarians conquered China three centuries ago. The difference is that, in contrast to outer Mongolia, which has remained much what it was then (the Tartar very readily revealing himself as soon as anybody scratches his Soviet Socialist veneer), Manchuria, like Jehol and the other adjoining parts of Inner Mongolia, has been transformed out of all recognition by the Chinese peasant pioneer. While Chinese *literati* were instilling the Confucian culture into Manchu Emperors and their court at Peking, and into Manchu governors and garrisons in the Chinese provinces, the northern Chinese peasantry, no longer divided by a frontier from the homelands of their Manchu conquerors, began a mighty movement of agricultural colonisation in Manchuria—a peaceful penetration which was a far more thorough and enduring form of conquest than the Manchu feat of arms which had opened the door for it. Thus Manchuria, united with China under the common rule of a Manchu Dynasty at Peking, saw her native nomadic tribesmen give ground, slowly but surely, to Chinese cultivators. This process, already well under way by the last decade of the nineteenth century, received a powerful impetus when, thirty years ago, the Russian Empire stretched out its long arm over Manchuria and built across this promising territory, which she then hoped to make her own, a short cut for the Trans-Siberian Railway on the last lap of its immense run from Petrograd to Vladivostock.

Manchuria, as soon as she entered upon her "railway age," began to "boom," with all the American connotations of that expressive word. The Russo-Japanese War no more interrupted the process than the American Civil War interrupted "the winning of the West," and when the Treaty of Portsmouth had divided the Russian-built backbone of the Manchurian railway system into a Russian and a Japanese zone, railway construction was given the new stimulus of national competition—the Russians and Japanese building against each other, and the Chinese against both the other two. Meanwhile, the flow of Chinese immigration, with these new railways to carry it, swelled into a mighty tide, and this tide has reached its greatest dimensions during the last agonies of the Chinese Civil War which has just come to an end. While Northern China was in chaos—trampled under foot by successive armies contending for the prize of living off the unhappy civilian population—Manchuria, next door, with its empty lands to bring under the plough and its railways to bring in the colonist and take out his produce to profitable markets, was still enjoying a more or less orderly and efficient local government. The attraction to the peasant of Chihli and Shantung was irresistible; and thus, paradoxically, the Chinese people, at a time when it seemed to be placing itself at the mercy of its neighbours by indulging in an aimless and interminable civil war, was taking the last step to make the promised land of Manchuria irrevocably its own.

At this moment, the process has accomplished an important stage on the way to completion. Manchuria, opened up by foreign capital and enterprise and colonised and brought under the plough by Chinese peasants, has formally adhered to a Chinese Republic which is itself internally united for almost the first time since its foundation. Is this the end of the story? No. For there is another party to be reckoned with, besides the extinct Manchu nomads and the discomfited Russian imperialists and the peacefully penetrating Chinese peasants; and this other party is Japan.

It would be a grave mistake to review the recent past and look into the immediate future of Manchuria without taking the Japanese into account; for, as far as the South (that is, the most highly developed part) of Manchuria is concerned, the Manchurian "boom" has been a joint "Sino-Japanese" achievement. The Chinese have, indeed, provided the population; and it may be conceded at once that a nation that populates an empty land will inherit that land in the long run. But it is the Japanese who have provided the lion's share of the technical skill, the industrial enterprise, the law and order, and not least the markets for the produce which the aforementioned factors have made it possible for the Chinese colonists in Manchuria to raise. The Japanese contribution to the development of Manchuria has been as indispensable as the Chinese; and while the joint achievement has provided China with an outlet for her surplus population, it has provided Japan at the same time with a source of foodstuffs and industrial raw materials which has become an integral part of her national economy. Evidently the respective interests of the two parties in Manchuria are so important that if either were so ill-advised as to attempt to ignore or oust the other a conflict might arise of such violence that it would not easily be confined within the regional limits of the Far East. But we hasten to add that that conflict would be a folly as well as a disaster, because, fortunately, the respective interests of China and Japan in Manchuria are really complementary and not at all incompatible. What China really wants is, first, the land to colonise, and, second, the maintenance of her sovereignty over a country which is being settled by her own people; and Japan is not in competition with her on these points, for the Manchurian climate repels the Japanese settler, and Japan's economic stake in Manchuria can be secured in the future, as in the past, without the establishment of Japanese rule. It is for Japanese statesmen to assure the Chinese that they have no political designs in Manchuria, and for the Chinese to assure the Japanese that they do not mean to use their sovereignty to the prejudice of Japanese economic interests, which are not only legitimate, but mutually beneficial to both parties.

If Chinese and Japanese statesmanship rises to the occasion, then the formal reunion of China, the Manchurian provinces included, under a Republican central Government at Nanking may be one of the great landmarks in the recovery of the world from a bout of revolution and war. Culturally, China, as we suggested last week, may then succeed in entering the Western comity of nations on an equal footing. Economically, the vast Chinese market, which has hitherto been barely tapped, may then be thrown open not only to Japanese, but also to European and American industry. As far as this country is concerned, the way for this has been cleared by the conclusion of the new Sino-British treaty, of which we give further details in this issue in another place. Here is a prospect which is full of encouragement for the New Year. But it depends on the vital condition that the Manchurian question is wisely handled by the two Governments immediately concerned. It would be no comfort to witness the end of the Chinese civil war if this were merely to be the prelude to another conflict in the Far East—this time of international dimensions.

The New York Trust Company

Capital, Surplus & Undivided Profits - $34,000,000

COMPLETE INTERNATIONAL
BANKING FACILITIES

100 Broadway New York City

MONEY IN 1928.

Last year proved in many respects the most interesting year experienced by the money market since the war. It is true that the market was spared the upheavals of the spring and autumn of 1925, when the restoration of the gold standard in April was followed by the heavy gold losses of the three autumn months. But the fact remains that even if events last year were of a more subdued character, there was no lack of interest and even at times of excitement.

The fundamental fact of the year's history is that it witnessed first a gain by the Bank of England of £24 millions in gold and then a loss of £22 millions, without any change in Bank rate. As the Bank's gold stocks were £152 millions at the beginning of the year, and £176 millions at their highest, this meant that the basis of credit was first expanded by 15.8 per cent. and then contracted by 12.5 per cent., without the Bank finding it necessary to take account of these movements to the extent of changing its rate. This alone marks out 1928 as being an unusual year.

Discount rates, of course, did not escape the influence of these gold movements. In the first week of January the market broke away from the "controlled" discount rate of $4\frac{5}{16}$ per cent. on three months' bank bills tacitly enforced by the Bank during the preceding autumn, and despite an immediate attempt by the Bank to regain control, and in the face of a rise in the New York rediscount rate from $3\frac{1}{2}$ to 4 per cent. on February 2nd, market rate had fallen by the end of March to 4 per cent. It would be wrong, however, to suggest that conditions were easy during those three months. Tax collection was continually the cause of stringency, which was only partially abated by the acquisition by the Bank of £6 millions of gold and by the net redemption of £124 millions of Treasury bills during that period.

Monetary conditions were moderately easy in April, but difficult in May, partly because the New York rate went to $4\frac{1}{2}$ per cent. in the middle of that month. June was a period of relative ease, due to a sudden influx of gold from the United States. This movement was not easy to explain, especially as rates in New York were already above the London level, and there were those who described the movement as being artificially and deliberately engineered. The American exchange, however, was at that time practically up to the import gold point, so there was no escaping the fact that the relatively high level of New York rates did not suffice to prevent an efflux of funds. In London, the arrival of this new gold, amounting during the second quarter of the year to a round £15 millions, brought market rate down to $3\frac{1}{8}$ per cent., and led to talk of an imminent reduction in Bank rate.

Fortunately the Bank of England took the long view, and in the midst of the summer ease kept its eye on the approaching autumn strain. During the first half of the year it had already partially neutralised its acquisition of £21 millions in gold by the sale of £12 millions of its securities. In July and August it intensified its neutralisation policy, for against further gold acquisitions of only £3 millions it sold £19 millions of securities. The net result for the first eight months of the year was a sale of £31 millions of securities, against a gain of £24 millions in gold.

The Bank at that time did not escape severe criticism, on the ground that by its neutralisation policy it had prevented the gold arrivals from expanding credit, and so stimulating trade. This policy, however, was both costly to the Bank itself, and also in all probability justified. On July 7th, New York went to 5 per cent., and there followed a severe struggle between the American reserve banks and the Wall Street bulls. This struggle drove money rates up to a high level, so high that New York began to attract funds from all over the world. This movement of money to New York set in at the end of the summer and continued throughout the autumn. To it was added in September the usual seasonal flow of money to America in payment for cotton and grain, and as this year London resumed its former function of financing American produce shipments, by the end of September the strain had become severe. The Bank's foresight was fully justified.

The history of the autumn was a simple one. During the last four months of the year the Bank lost £22

millions in gold. Not all of this went to America, for financial cross-currents between London, Paris, Berlin and New York diverted much of it to Germany. Market rate, which had been 3⅞ per cent. at mid-summer and 4¼ per cent. at the end of August, rose by the end of the year to 4⅜ per cent., and if in June the market was talking of a lower bank rate, by November it was beginning to envisage an increase.

The Bank, however, continued its policy of gold neutralisation. Just as earlier in the year it had sold securities against its acquisition of gold, so in the autumn did it buy securities to balance its gold losses. Between August 31st and December 19th it bought £16 millions of securities against its gold losses to date of £22 millions. These figures give the key to the Bank's technique. Last year it deliberately abandoned changes in its rate as an instrument of control. In its place it relied entirely on its open-market policy, which it used in the direction of neutralisation.

The other chief event of the year was the unification of the note issue under the control of the Bank of England, together with an amplification of the form of the Bank's weekly return. The chief effect on the money market has been a partial replacement in the Floating Debt of Advances by Public Departments by Treasury bills, but as the bulk of the fresh Treasury bills are probably held by the Bank itself against its notes, the market has not been affected. The other change arising from the note amalgamation is that bankers' deposits at the Bank and the banking department's reserve both have now to bear the brunt of seasonal withdrawals of notes by the public. Experience may show that this will at times have an important effect upon the market.

In the tables below we give average money rates for the past six years :—

DAILY AVERAGE OF MONEY RATES.

BANK RATE.

	1923.	1924.	1925.	1926.	1927.	1928.
	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d
1st half.	3 0 0	4 0 0	4 12 0	5 0 0	4 16 0	4 10 0
2nd half	3 19 7	4 0 0	4 10 0	5 0 0	4 10 0	4 10 0
Whole y'r	3 9 9	4 0 0	4 11 0	5 0 0	4 13 0	4 10 0

MARKET RATE—THREE MONTHS' BILLS.

	1923.	1924.	1925.	1926.	1927.	1928.
	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d
1st half..	2 4 0	3 7 6	4 4 0	4 9 6	4 3 3	4 1 0
2nd half .	3 4 3	3 14 0	4 0 0	4 11 0	4 6 6	4 5 0
Whole y'r	2 14 1	3 10 9	4 2 0	4 10 3	4 4 10	4 3 0

DEPOSIT RATE—BANKS.

	1923.	1924.	1925.	1926.	1927.	1928.
	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d
1st half..	1 0 0	2 0 0	2 12 0	3 0 0	2 16 0	2 10 0
2nd half .	1 19 7	2 0 0	2 10 0	3 0 0	2 10 0	2 10 0
Whole y'r	1 9 9	2 0 0	2 11 0	3 0 0	2 13 0	2 10 0

SHORT LOANS.

	1923.	1924.	1925.	1926.	1927.	1928.
	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d
1st half..	1 10 1	2 9 10	3 9 8	4 1 2	3 17 6	3 13 0
2nd half .	2 3 4	2 15 0	3 8 10	4 1 0	3 12 6	3 12 0
Whole y'r	1 16 8	2 12 5	3 9 3	4 1 1	3 15 0	3 12 6

The margin between market rate and Bank rate for 1928 was 7s. per cent., which is the smallest margin recorded for the years covered by the table. As was to be expected, market rate was considerably closer to Bank rate in the second half of the year, when more stringent conditions prevailed. The margin between market rate and short loans was 10s 6d per cent., which is the biggest margin since 1925. The market, therefore, has from this standpoint been more comfortably placed than in either 1926 or 1927.

The following table shows the position of the Floating Debt. It reveals the decline in Public Department advances :—

FLOATING DEBT.

	December 31, 1927.	June 30, 1928.	December 31, 1928.
	£	£	£
Bank of England advances ..	20,000,000	250,000	Nil
Public Department advances	154,260,000	172,900,000	28,340,000
Treasury Bills	650,750,000	580,655,000	787,985,000
	825,010,000	753,805,000	816,325,000

Changes in overseas bank rates were less numerous last year than in 1927, and though irregular were mainly in an upward direction, especially towards the end of the year :—

CHANGES IN OVERSEAS BANK RATES YEAR 1928.

Date.		%	%	Date.		%	%
1928.				1928.			
Jan. 2	Esthonian .....reduced	½	to 7	June 30	Belgian .....reduced	½	to 4
5	S.th. African Res. .red ced	½	„ 5½	July 12	New York Fed. Res. raised	½	„ 5
19	French ....reduced	½	„ 3½	July 16	Austrian ..... .raised	½	„ 6½
27	Austrian .... ..reduced	½	„ 6	July 19	Indian ..... reduced	1	„ 5
Feb. 1	Norwegian ..... raised	1	„ 6	Aug. 7	Finland .....raised	½	„ 6½
2	New York Fed. Res. raised	½	„ 4	Aug. 24	Swedish .....raised	½	„ 4½
Mar. 4	Italian .....reduced	½	„ 6½	Oct. 1	Hungarian .....raised	1	„ 7
26	Norwegian .....reduced	½	„ 6	Nov. 15	Indian .....raised	1	„ 6
April 1	Latvian .....reduced	1	„ 6	Nov. 15	Finland .....raised	½	„ 7
30	Swedish ....raised	½	„ 4	Dec. 2	Greek.....reduced	1	„ 9
May 17	New York Fed. Res. raised	½	„ 4½	Dec. 13	Indian .....raised	1	„ 7
June 21	Indian .....reduced	1	„ 6	Dec. 15	Bulgarian.....reduced	1	„ 9
June 25	Italian .....reduced	½	„ 5½	Dec. 19	Spanish ..... raised	½	„ 5½

The year was mainly remarkable for the three successive increases in the New York rediscount rate, to each of which reference has been made above.

THE FOURTH YEAR OF THE NEW REICHSBANK.

THE formation of the new Reparations Inquiry, to which we refer on a later page, and the imminence of the commencement of its labours, lends enhanced importance to the publication of documents from which the public is able to inform itself upon various factors in Germany's financial and economic position. Two such documents have recently been published. One is Mr Parker Gilbert's annual report, issued in Berlin on Wednesday, detailed discussion of which must await the receipt of the full text. The other is the report of the Commissioner of the Reichsbank, covering the fourth year of the operation of that central institution under its new *régime*.

In this report the Commissioner has not had occasion to deal with such dramatic events as those which occurred in the early part of 1927, or to chronicle the impotence of the central bank in face of the steady falling away of market rates under the impulsion of foreign moneys which was such a feature of 1926. Nevertheless, from the technical standpoint the period covered in the present survey is of great interest. It coincides with a considerable increase in the gold holdings of the Rentenbank, an increase which, as our readers will be aware, has been the occasion of a good deal of comment in the London market; further, it covers the spectacular developments in Wall Street, accompanied as these have been by a considerable rise in American interest rates. Some, if not conclusive, evidence is thus afforded of the ability of the German money market to lose an important source of supply without undue strain.

The explanation is, of course, that the spread of interest rates is still sufficiently great to attract money to Germany, if not from one centre, then from another. It is fortunate that the period of high American rates coincided with the post-stabilisation ease of the Paris market, for the result has been "a re-shuffling in the parts played by the various lending countries, and that France, in particular, has come to the front." It is true that the Commissioner points to the fact that events abroad have not been without their influence in Germany, since it is no longer as easy as it was to place long-period loans. On the other hand, short-period relations are becoming closer: "The relations between the German money markets and foreign countries have gradually but considerably increased in volume and variety, and the number of those who are in regular short-term credit

relations with other countries, outside of the money market, has increased." Indeed, the closeness of these relations is proving embarrassing in any attempt to estimate the total indebtedness of Germany on short and long account, as Dr Bruins expressly points out. The relation of the experiences of 1927-8 to the theoretical problems of transfer are not specifically alluded to by the Commissioner, but they would seem to confirm the view that the elasticity of the international short-loan market is nowadays more than sufficient to overcome any temporary difficulties that may arise in consequence of any shortage of foreign exchange at the command of the Berlin market at a particular moment.

Meanwhile, the world is presented with the extraordinary spectacle of a debtor market importing gold upon a very large scale. Between August, 1927, and November, 1928, the increase in the holdings of the Reichsbank has been just over 770 millions, of which increase much the greater part has taken place since April of this year. This movement has taken place in spite of a reduction of 6 marks in the Bank's buying price for gold, from Rm. 2,790 to Rm. 2,784 per kilogram of fine gold, a reduction which took effect in October of last year. The explanation given of this movement by the Commissioner is the "tension on the New York money market, together with the repeated increases in the American discount rate," resulting in heavy withdrawals of capital on American account and pressure on the pound sterling and gold exports from London; "owing to favourable position of the reichsmark, much of this gold has found its way to Germany." Further details are not given, but readers of the *Economist* will recall the explanation we gave at the time. Last autumn French banks were in possession of large dollar balances, acquired through the "flight back to the franc" since its "de facto" stabilisation. The French banks were at that time also lending short money to Berlin. Finally, London needed dollars in order to finance American cotton and grain shipments. The result was that France sold dollars to London, and lent the sterling so obtained to Germany. This, in conjunction with other loans direct from London to Germany, drove the Berlin rate on London down to the lower gold point and caused the resulting gold shipments.

There is a further aspect of the situation for the full elucidation of which we must doubtless await the annual report of the Reichsbank itself; a document which necessarily permits somewhat freer examination of policy than the report of the Commissioner. This aspect is the open-market policy of the bank. As already mentioned, in 1928 it was possible for the Reichsbank to keep in close touch with the market. "Contact," remarks the Commissioner, "is now fully established," whereas "in 1926 the Bank was hardly in touch at all with the money market." How has this been possible? The Commissioner gives one the impression that this fortunate state of affairs is regarded by him as a somewhat fortuitous one, when he remarks that "as was to be expected under these circumstances, the Reichsbank during the period under report was faced by no acute questions of credit policy. The discount rate, as stated, remained unchanged, and the Bank was able to confine itself to a systematic nursing of the private discount market, for which the public monies at its disposal and the rate through its agency of Treasury bills of the Reich afforded ample opportunity." We do not know what precise connotation the Commissioner desires to give to his phrase "systematic nursing," but it is quite obvious that the objective conditions are such as to enable the Bank to maintain open-market rates in the neighbourhood of the Bank rate, and thus to make the former rather an index of the success of Central Bank policy than an objective measure of supply and demand. The policy of the Reichsbank would thus appear to be very similar to that pursued by the Bank of England in recent months.

The interest of the Commissioner himself on this occasion is very largely concentrated upon the capital situation in Germany. "The high rate of interest and the disproportion which it reflects between the supply and demand of capital," he remarks, "constitute the main difficulty confronting the German economy at this time." Apart from the question of the rate of saving, which on the whole he is inclined to view optimistically, he sees relief in two

LEGAL & GENERAL
ASSURANCE SOCIETY LIMITED
Established 1836.
A SPECIAL SCHEME
of Medical Overhaul for Life Policy-Holders
Head Office: 10, FLEET STREET, LONDON, E.C.4.
near Temple Bar.
Assets Exceed - - £20,000,000
General Manager: W. A. WORKMAN, F.I.A.

directions. The most urgent capital requirements have already been met, whilst "one particular factor which will undoubtedly be felt in this connection is the falling off to be expected in the near future in the supply of new labour which has been the sequel to the decline in the number of births during the war years." The significance of this factor is shown by the diminution of the population of school age which "during the years 1922 and 1925 inclusive remained on an average under 900,000, or only a little more than half the numbers of previous years when the figure of births was not subject to the influence of the war." Thus the housing programme of the cities will tend to be modified in the future, as there "will probably be a decrease instead of an increase in the aggregate numbers of the working population." The importance of the decline in the number of births during the war has not hitherto been fully appreciated in any of the countries engaged in the late war.

Meanwhile the problem remains, and is leading to some further undesirable results, in particular to "long-term capital requirements being met for the present by short-term borrowing only." It is a fortunate circumstance, as the Commissioner remarks, that recent events have shown that the elasticity of supply of foreign funds is considerable. From the standpoint of Germany's capital needs, moreover, it is perhaps also satisfactory that "the sharp distinction between internal and external loans is disappearing more and more. Large amounts of reichsmark and gold mark bonds (more particularly mortgage bonds) issued in Germany have been placed abroad. Furthermore, an increasing inclination is noticeable in various countries to take a hand in the German share market. There are no figures available, but from observation it may be taken that on the whole large amounts are involved." It need hardly be pointed out that the larger the points of contact so established the less the chance that all of them will prove disappointing in a moment of crisis. The progressive reincorporation of German economic life into the international economic system also appears in the circumstances that "quite appreciable amounts of German loans sold abroad would appear to have been repurchased on German account during the past few years .....In addition, various foreign shares have been admitted to the German Stock Exchanges." Whilst these cross-movements make it more and more difficult to establish a figure for Germany's net foreign indebtedness, they are also a guarantee against the enforcement of any policy which would treat Germany as an isolated economic fragment.

OUR INDEX NUMBER: A YEAR'S PRICES.

[*A description of our revised index number, the 1928 figures of which we give below, was contained in an article in the* ECONOMIST *of December 15, 1928.*]

As the result of a number of conflicting movements our Index Number of wholesale prices at the end of last month works out at 95.0 (1927 = 100), as compared with 95.3 at the end of November. In the cereals and meat section lower values for English grain, rice, and La Plata maize slightly more than offset rises in the prices of English beef and of both home-grown and imported mutton. Amongst "other foods," cocoa and sugar were cheaper, while tea and butter advanced in price. In the textile group American cotton and yarn were lower, while a

small upward movement in the price of hemp was counterbalanced by a decline in flax. The features of the mineral group were a sharp reaction in tin, as opposed to higher values for copper and spelter. A further decline in the figure for the miscellaneous section was caused by lower values for hides, leather, and linseed oil. Our first table gives the monthly indices for the past year of each of the five groups, and the total, together with the annual averages (geometric means) since 1924 :—

1927 = 100.

Date.	Cereals and Meat.	Other Foods.	Textiles.	Minerals.	Miscellaneous.	Complete Index.
Average, 1924	114·2	106·7	136·8	119·4	105·6	115·7
,, 1925	114·1	101·0	124·0	111·8	108·7	112·0
,, 1926	102·8	96·6	97·2	119·8	104·0	104·0
End Dec., 1926	98·1	99 8	88·3	117·0	103·6	101·0
,, ,, 1927	97 4	98·2	102·5	94·1	101·5	98·8
,, Jan., 1928	100·3	96·6	102·4	92·5	99·9	98·5
,, Feb., ,,	101·6	98·3	104·1	91·0	97·5	98·5
,, Mar., ,,	107·0	96·9	107·4	91·4	96·9	99·9
,, April ,,	111·4	95·0	109·2	91·8	98·3	101·4
,, May ,,	116·3	94·7	108·6	92·5	97·4	102·1
,, June, ,,	112 8	92·6	109·8	91·3	95·9	100·6
,, July, ,,	106·1	93·1	107·9	90·9	95·6	98·8
,, Aug., ,,	100·4	92·6	105 2	90·7	95·8	97·0
,, Sept., ,,	96·6	93·5	101·4	91·8	95·3	95·7
,, Oct., ,,	98 2	91·5	100·6	92·9	93·1	95·3
,, Nov., ,,	97·4	90·4	102·3	93·8	92·4	95·3
,, Dec., ,,	97·6	90·2	101·7	94·1	91·4	95·0
Average, 1928	103·6	93·8	105·1	92·1	95·8	98·1

It will be observed that the average level of wholesale prices in 1928, as measured by our Index Number, was 1.9 per cent. lower than in 1927, increases of 3.6 and 5.1 per cent. respectively in the case of cereals and meat and textiles being outweighed by falls of 6.2, 7.9, and 4.2 per cent. recorded for "other foods," minerals, and "miscellaneous" commodities. When last month's figures are compared with those for December, 1927, it will be seen that the complete index has on balance declined during the past twelve months by nearly 4 per cent. This fall is due to lower values in the "other foods" and "miscellaneous" sections, the net changes on balance in the other groups being negligible.

In our next table we give actual price-quotations of a number of important commodities at the end of each of the past four quarters, the prices ruling at the end of each of the past three years being added for purposes of comparison :—

	End 1925.	End 1926.	End 1927.	1928. End March.	1928. End June.	1928. End Sept.	1928. End Dec.
Wheat, Canadian, per q	66/	57/6	58/	59/9	55/	48/9	49/3
Potatoes, per ton	£6/5/0	£6/10/0	£6	£7/10/0	£9	£5/10/0	£6/0/0
Beef, English sides, per 8 lbs	5/8	4/10	4/8	6/	6/6	5/	5/4
Mutton, New Zealand, per 8 lbs	4/9	4/3	4/9	4/10	5/1	4/11	5/
Tea, Indian auction average, per lb	1/8½	1/3⅝	1/6⅝	1/3⅜	1/3⅜	1/5⅛	1/5½
Sugar, granulated, per cwt	28/7½	34/1½	29/9½	30/7	27/5	25/10	24/7½
Cotton, American Middling, per lb	10·26d	6 90d	11·06d	10·77d	12·49d	10·61d	10·59d
Cotton yarn, 32's twist, per lb	16·62d	12·37d	15·25d	16·25d	17·25d	15·75d	15·50d
Wool, Australian, per lb	50d	45d	48d	48d	48d	45d	44d
Jute, per ton	£59	£31/5/0	£31/15/0	£31/17/6	£34/5/0	£31/15/0	£32/5/0
Pig iron, Cleveland No. 3, per ton	66/6	87/6	65/	66/	66/	66/	66/0
Coal, best Welsh, per ton	22/9	29/3	19/1½	19/3	19/3	19/3	19/4½
Tin, Standard, per ton	£287/5/0	£300/7/6	£265/2/6	£239	213/15/0	225/15/0	£225/15/
Petrol, No. 1, per gallon	15·50d	15·00d	11·50d	11·50d	15 25d	15 25d	15·25d
Linseed oil, per ton	£33/10/0	£31/5/0	£28	£29/10/0	£29/10/0	£29/10/0	£29
Rubber, plant. sheet, per lb.	46d	19·12d	20d	13·25d	9·31d	8·56d	8·69d
Cement, Portl'd., per ton	60/9	60 9	54/	54/	54/	54/	47/

As compared with a year ago, imported wheat, sugar, wool, tin, rubber, and cement are all substantially cheaper. On the other hand, the prices of beef and mutton, jute, and No. 1 petrol have advanced.

It will be seen from the first of the two foregoing tables that the general level of prices rose steadily from the beginning of the year until the end of May. This upward tendency was then arrested and gave way to a downward movement, which amounted by the end of September to a fall of nearly 6.3 per cent. During the past quarter a greater degree of stability has been maintained.

The advance in the price level which characterised the first five months of the year was occasioned partly by an increase in cotton and jute values, but mainly by a substantial upward movement in the prices of English grain stuffs, potatoes, meat and bacon—a (largely seasonal) movement reversed during the second half of the year. Canadian wheat reached its highest point at the end of April, and fell heavily during the next four months, after which a slight recovery occurred. In the "other foods" section, during the last three quarters of the year the trend of most prices has been consistently downwards, cocoa, sugar and coconut oil all declining substantially. The price of tea, however, has remained relatively stable throughout the year.

During the second half of 1928 cotton prices—after their recovery, already noted, between January and June—weakened again. Wool values, stable in the first half of the year, also declined from July onwards until the end of October, when the downward movement was checked. Up to the end of March flax prices were firm; subsequently they moved to an appreciably lower level, from which a small recovery took place at the close of the year. In the minerals group the only two commodities whose prices fluctuated remarkably were tin and copper. Having fallen in the first half of the year by over £50 per ton, the price of tin altered little until October, when an upward movement started which gained strength in November and raised the quotation in one month by £13 per ton—a rise succeeded by an equal fall in December. Copper, whose price had varied little during the first nine months of the year, responded during the fourth quarter to increased buying, and rose by about £10 per ton. The features of the year in the "miscellaneous" group were the fall in rubber prices in April, a rise in the same month in the price of petrol as the result of increased taxation, and a decline towards the end of the year in hides and leather values. Fuel oil and creosote also became cheaper as the year proceeded, and the price of cement was reduced in October.

The next table shows our Index Number calculated with 1924 as the base year :—

1924 = 100.

Date.	Cereals and Meat.	Other Foods.	Textiles.	Minerals.	Miscellaneous.	Complete Index.
Average, 1925	99·9	94·7	90·6	93·6	102·9	96·8
,, 1926	90·0	90·6	71·1	100·3	98·4	89·9
,, 1927	87·5	93·8	73·1	83·7	94·7	86·4
End March, 1928	93·7	90·9	78·6	76·6	91·8	86·4
,, June, ,,	98·8	86·8	80·3	76·4	90·8	86·9
,, Sept., ,,	84·5	87·6	74·1	76·9	90·2	82·7
,, Dec., ,,	85·5	84·5	74·3	78·8	86·5	82·1
Average, 1928	90·7	87·9	76·8	77·1	90·7	84·8

The average of our complete Index Number for 1928, it will be noted, is approximately 15 per cent. lower than the average for 1924. As compared with four years ago, the 1928 average figures for the textiles and minerals groups both show a fall of some 23 per cent. "Other foods" have declined by 12 per cent. in the same period, and the cereals and meat and "miscellaneous" sections each by slightly over 9 per cent.

In the concluding table we give the figures of our Index Number converted (by the method explained in the *Economist* of December 15th last) to a percentage of the average level of 1913 :—

1913 = 100.

Date.	Cereals and Meat.	Other Foods.	Textiles.	Minerals.	Miscellaneous.	Complete Index.
Average, 1924	168 5	215·8	214·7	149·3	122·6	166·2
,, 1925	168·4	204·2	194·6	139·8	126·2	160·9
,, 1926	151·7	195·3	152·6	149·8	120·7	149·4
End June, 1927	147·6	202·2	157·0	125·1	116·1	143·7
,, Dec., ,,	155 5	199·4	157·3	123·9	113·9	144·1
,, June, 1928	143·7	198·6	160·9	117·8	117·8	141·9
,, Dec., ,,	166·4	187·3	172·3	114·2	111·3	144 5
Average, 1928	144·0	182·4	159·6	117·7	106·1	136·5
	152·9	189·7	165·0	115·2	111·2	140·9

At the end of last month the average level of prices, thus measured, was 36.5 per cent. higher than in 1913, whereas a year ago it was 41.9 per cent. higher. There is still a striking disparity between the indices of the minerals and "miscellaneous groups" and those of "other foods" and textiles.

FRAUD IN INSURANCE.

WE described a fortnight ago a remarkable fraud which had been attempted by a Latvian financier on a marine insurance company in London and on certain Lloyd's underwriters. It ran to the enormous figure of £430,000, and the transaction from start to finish was a cold-blooded swindle spun out of nothing by ingenuity and cunning; but it cost the defendants £80,000 to resist, and the whole of this sum must either be paid for out of the premiums of more honest men or be a dead loss to the underwriters on the policy. Those who followed the case in detail must often have thought of the old insurance tag, "Get rid of the moral hazard and premiums could be reduced all round by 50 per cent."

How far is this old tag true? Is it a fact that insurance companies are every day made the victims of dishonesty, called upon either to pay claims that they know to be fraudulent, or to resist them at great expense and the risk of great danger to their reputation? Does the claim-settler of every insurance company really have to live in an unchanging atmosphere of suspicion, looking for a swindle in every claim and for a rascal in every claimant? No. The answer is that he does not.

Casting back in memory over the last ten years, one can recall a certain number of trials on insurance policies in which a defence of fraud was set up—and set up successfully. First, there was the large group of actions that arose out of the post-war shipping slump and the loss of foreign steamers, mostly Greek or Spanish. These steamers at the time they were lost were insured (in accordance with marine practice) for agreed values, and, owing to the sudden plunge of the shipping trade from prosperity to depression, all the agreed values were much above current market values and the capitalised earning power of the steamers. The owners' honesty broke under the strain, and the boats were deliberately scuttled. Next, there was a very peculiar case of a collection insured (not on a marine policy) for an agreed value by a wealthy foreigner and stolen from him on the Continent. There was in this case no suggestion that the theft had been "staged" by the owner, but after the loss he allowed himself to be led by his collector's vanity into a grossly inflated claim, and he lied elaborately to make his claim good. He was not, like the Latvian financier, fraudulent from the beginning; nor was he, like the Greek owners, guilty of the deliberate destruction of his property. He started with an honest loss, and turned it by his own perversity into a fraudulent claim.

These are the only cases that spring to the mind of insurance frauds exposed in civil actions in open court since the war; not one Englishman was concerned in any of them, and when we consider what the course of prices has been in the last ten years, the number of firms that have been left with overvalued stock and unsaleable goods, and the advantages they could have drawn from a really workmanlike fire or burglary, we are bound to admit that it is a remarkably small crop. But before we decide on the strength of this experience that human nature is fundamentally honest, and that mankind seldom or never swindles its insurers, there are one or two considerations that have to be borne in mind.

Most fire and burglary policies contain an arbitration clause, and a case may be fought and decided in secret before an arbitrator without any whisper of the action reaching the general public. This is an important fact too often forgotten when commercial litigation—and particularly insurance litigation—is discussed, for the number of law suits fought out and reported in open court is only a fraction of the total number of commercial suits. In the last few years there certainly have been arbitrations in which fraud was pleaded by a defendant insurance company, and one large claim, in which the sum in dispute was over £100,000, raised considerable interest in the world of picture and curio dealers, which supplied the usual platoon of expert witnesses associated with this type of case. If the case had been fought in open court it would have interested a great many people besides the dealers, for it was a pretty story.

An insurance company, it must also be remembered, may be convinced that a claim is fraudulent, and yet prefer to resist the claim on some ground other than fraud. Companies and underwriters generally hate to take technical points against their policyholders, but the technical points are always there, and a rogue who is trying to work a swindle very often stumbles against one or other of them. An insurance contract is sometimes like the Spanish monk's bible :—

"There's a great text in Galatians
Once you trip on it entails
Twenty-nine distinct damnations,
One sure if another fails."

On one, two, or three of the twenty-nine damnations the fraudulent policyholder can generally be held—a proposal form filled up wrongly, a material fact withheld, a misrepresentation made when the risk was offered—points that an insurer would not normally make against a client, but may quite properly take when he knows that fraud is there, but cannot for some reason be pleaded.

Again, many claims which are really fraudulent are settled or compromised by the insurers who find it more prudent to be robbed than to fight. The point has to be made with some discretion, for we do not want to provide young criminals with an elementary text-book, "The Beginner's A B C of Insurance Fraud." But it is a fact that a small swindle is more satisfactory to work than a big one, and it is much safer and much easier to get away with the goods if you fetch them in small parcels. In the last few years boats of low value have undoubtedly been scuttled and claims on them paid in full by underwriters (who knew they had been scuttled) simply because the value at stake did not justify the expense involved in proving fraud. If the Latvian financier had been a little more moderate in his demands he might possibly have got from his underwriters a very good compromise, for the underwriters might not have spent £80,000 in costs to disprove a claim for £50,000 or even £70,000.

For these reasons it must not be thought that the number of fraud cases fought out in court is a true index to the number of frauds attempted. Exactly how numerous they are it is clearly impossible to say, but it is safe to assume that in certain trades arson—a very difficult crime to detect—is not unknown, and in others the faked burglary—which is probably easier to detect—has at times been fairly common. It may also be assumed that some modern developments, especially the agreed value policy for jewellery, pictures, and collections of curios, have provided a new temptation and helped to lead erring footsteps into crime. Agreed values have always been recognised in marine insurance, but 20 years ago they were *anathema* to the orthodox fire manager, who regarded them much as the fundamentalist regards the Darwinian theory. The orthodox fire manager had to bow to modern thought, and give his clients not only agreed values, but policies against loss of profits and policies for full replacement cost and all the rest of the heresy-monger's travelling stock. His office in the long run has undoubtedly gained by this apostasy, however reluctant; but he was not altogether wrong in his view of human nature, and the fraudulent claim-maker, rare as he is, probably feels more at home with agreed value policies on pictures and jewellery than with any other form of policy.

Notes of the Week.

Nine Months' Revenue.—The revenue returns for the first nine months of the current financial year, which are set out in detail on another page, reveal a decline in ordinary revenue of £8,447,000, as compared with the corresponding period of 1927-28. Of this, inland revenue has fallen by £18,547,000, this being due to a decline of £26,167,000 in income and super-tax. About £17,000,000 of this last decline is due to last year's change in the procedure of Schedule A collections, and so has already been allowed for. The remaining £9,000,000 is a more serious matter, and suggests that by the end of the year income and super-tax may not quite reach its estimate. On the other hand, stamps and death duties together show an improvement to date of £8,290,000 on last year's results, and should end up in excess of the current year's estimates. If so, inland revenue should about come up to the Chancellor's expectations, though he does not seem likely to have much margin. Customs and Excise together show an improvement to date of £3,185,000 on last year. This again is hardly good enough on the basis of current estimates. Non-tax revenue is so far £6,916,000 better than a year ago, but comparisons are not easy to make, as last year included the second road fund raid, while this year includes the Treasury appropriation of the old currency note reserve. Still, current results under this heading are so far well up to the year's estimates. Regarding revenue as a whole, it seems that the Chancellor ought to realise his estimates, and with a little luck may have a small margin in hand. On the expenditure side, the supply services seem to be working out according to plan, and the Chancellor may effect a slight saving on his estimates. On the other hand, the interest on the National Debt once more, as in the two previous years, appears likely to exceed its estimate; if so, it will neutralise any savings that seem likely to be made on supply services. Taking the accounts as a whole, so far as can be seen at present the Chancellor should realise his budget hopes, but his margin will be a small one. That is how the prospect looks at the moment, but it is necessary to enter the *caveat* that the last and most important quarter of the financial year is often capable of producing surprises in one direction or another.

The Reparations Committee.—The announcement of the names of the two British representatives on the new Committee of Experts to determine Germany's final liability marks a new stage in the preliminaries that have to be arranged before the actual investigation can begin. The British names come as no great surprise. Sir Josiah Stamp's appointment was almost a foregone conclusion, after the big share he had in the recommendations and success of the Dawes Committee, and while it may seem rather exacting to ask him to repeat his work of five years ago, his appointment is one of the best guarantees we can have that the conclusions of the present Committee will provide an equitable and acceptable solution to this vexed problem. Sir Robert Kindersley, the other British representative on the Dawes Commission, is, unfortunately, for reasons of health, not available to-day, but the appointment of Lord Revelstoke is one that will command universal assent. The head of Baring's is, both by tradition and by his own knowledge and experience, well qualified to investigate a problem determined largely by questions of international finance. Interest must for the moment centre on the appointment of the remaining members of the Committee, especially upon the German and American names. Once these are known, the Committee will doubtless get to work at once. In fact, it is possible to deduce from the delay in publishing his report on the results for the fourth year of Reparations that ended August 31st that Mr Parker Gilbert, the Agent-General for Reparations, had hoped that the new Committee would by now have been in session. Detailed consideration of the report itself must be left until another week, but one or two broad conclusions and impressions can be commented upon at once. The main lesson of the Report is that, in so far as the raising of the full sum required for Reparations is concerned, the task is proving well within Germany's powers. The position as regards transfer also seems to be smoother than was expected, as is proved by the recent flow of gold to Germany, but there is one important element of doubt. If and when Germany ceases to raise from foreign investors and bankers either long or short term loans, will her normal export surplus be sufficient to finance both Reparations transfers and the service of foreign loans? This is one of the most important points that the new Committee will have to consider.

Monsieur Poincaré.—On the last day of 1928 Monsieur Poincaré tendered his resignation, for the second time in two months; but this time he did not even have the bother of reconstructing his Cabinet, for, at the request of his colleagues, his resignation was withdrawn. Whatever the technical grounds for these last two French Ministerial crises may have been, the political effect has been to confirm Monsieur Poincaré in office at the price of compelling him to rely more and more on the Right. In one way, this is not a bad thing, for a reactionary régime is never so powerful as when it is partly camouflaged by the support of more progressive elements. In this case, however, there are two further questions to consider: first, will Monsieur Poincaré really retire if and when he has completed the reconstruction of French finances—including in this task a definitive settlement of the Reparations question? Second, is the French Right, on which he has now been driven openly to rely, strong enough in the country to maintain in power a reactionary Government, with or without Monsieur Poincaré, for any considerable time to come? The trouble about Monsieur Poincaré is that, while he may sincerely intend to be confining himself to his financial task, his personality is so dominating and his political prepossessions so hard to reconcile with the cause of European appeasement that, before leaving office, he is capable of "queering the pitch" on such vital matters as the evacuation of the Rhineland and the reduction of armaments. It will be a black look-out for Europe (and for the world) if we have another period of years to live through with Governments still in power in France and Great Britain simultaneously which, by instinct, prepossession, and tradition, are apt to frame their actions without that appreciative sense of the new world outlook which alone can give them vision of the road on which they set their feet.

The League and Gold.—Those who studied in the supplement to the *Economist* of November 10th the memorandum of Sir Henry Strakosch on Monetary Stability and the Gold Standard, and his plea for the full international investigation of the problem, will be glad to hear that the Council of the League of Nations, at its recent meeting at Lugano, sanctioned the holding of an expert inquiry. The Financial Committee of the League reported to the Council that a systematic international investigation should be made. It suggested that a special committee should be constituted "to examine into and to report upon the causes of fluctuations in the purchasing power of gold and their effect on the economic life of the nations." This special committee, it was suggested, might consist of eight or nine persons, including a few members of the Financial Committee, and for the rest other persons of international authority. This recommendation of the Financial Committee was endorsed by the Council, and it is welcome news that this important international problem is now to be fully and authoritatively investigated.

Cotton Mill Amalgamation.—Our Manchester correspondent writes:—Although developments relating to the formation of the cotton mill combine in Lancashire have been checked by the recent holidays, some progress towards a satisfactory conclusion has been made since the beginning of last week. It is understood that representatives of the Cotton Yarn Association, Limited, were in London on Wednesday last, and it was expected that some headway would be made in meeting the difficulties which have been encountered in connection with the London banks. The promoters of this movement in Lancashire are much more hopeful of success than a little time ago. It is reported that one of the London banks has agreed to fall into line with the scheme which has been approved by the Manchester banks, and another London bank has seen its way to modify its opposition to the proposals. It was confidently stated on the Manchester Royal Exchange on Wednesday last that the scheme would go through, and it is probable that the combine will cover about 5 million spindles. It must be remembered that the proposals put forward will have to be approved by the shareholders of the individual mills, and the opinion may prevail in some quarters that the sacrifices to be made by shareholders, loanholders, and creditors are too heavy compared with the concessions granted by the banks. The supreme problem in this scheme of amalgamation is that the companies affected are practically bankrupt and the total liabilities of the firms are much larger than the assets. It is recognised, however, that if the present difficulties can be overcome the overhead charges of these concerns will be reduced, and to that extent the mills will be in a better position to compete in the markets of the world. Lurid light is thrown upon the position which has to be faced by the annual statement just issued by Mr F. W. Tattersall. According to public records, 74 cotton companies have gone into liquidation, these comprising 13 spinners, 21 manufacturers, three spinners and manufacturers, and 37 merchants, agents, &c. Thirty-four companies put forward schemes of arrangement with creditors and loanholders, these comprising 33 spinners and one manufacturer. The paid-up capital of these concerns was £7,649,466. Receivers have been appointed for 26 firms, representing seven spinners, four manufacturers, ten spinners and manufacturers, and five merchants. The paid-up capital of these concerns amounted to £1,790,984. Twenty-five firms have been made bankrupt, comprising one spinner, two manufacturers, and 22 merchants, agents, &c., the unsecured liabilities being £523,092 and assets £75,606. Nineteen firms—three manufacturers and 16 merchants, agents, &c.—have made deeds of arrangement with their creditors, the unsecured liabilities being £238,237 and assets £113,912. Seventy-three cotton companies, made up of 71 spinners and two manufacturers, have made calls on the shareholders for unpaid share capital, the total amount being £2,854,279.

The Resignation of the Jugoslav Cabinet.—The Jugoslav Coalition Ministry resigned last Sunday, December 30th, 1928, and the circumstances of its resignation may open the way for an improvement in the relations between Croats and Serbs—relations which have reached the verge of a complete rupture during the past year. The circumstances are hopeful because they suggest that this Serbo-Croat question, on which the future of the Serb-Croat-Slovene State hangs, has at last become a party question among the Serbs themselves, instead of a question of national ascendency in which all Serbs combined in order to keep the Croats under Serbian domination. One Serb party, the Democrats, seems to have awakened to the fact that a policy of Serbian domination in Jugoslavia is incompatible with the survival of the post-war Triune Kingdom. Either the three partners must possess, enjoy and feel that they enjoy equal rights, or the partnership will be short-lived. It is because they have realised this that the Serb Democrats have revolted against the Coalition Government; and that really means a revolt against the Serb Radicals, for the Radical Party, holding eight seats out of sixteen, has been the dominating force in the late Coalition Ministry, though the Prime Minister was Father Koroshetz, a Slovene Clerical. It is to be hoped that the fallen coalition will not simply be reconstructed, but that the new Government will have new blood in it and a new policy. The coalition has had no better medicine for Croat discontent than repression. The first thing to be done is to revoke these repressive measures; but that essential negative step ought to be followed up promptly by negotiations between responsible leaders of the three Jugoslav nationalities for a revision of the constitution. The ideal is the maximum of devolution compatible with the maintenance of the unity of Jugoslavia *vis-à-vis* other countries. The present unit *régime* cannot endure, for the three components of the Jugoslav national State have had such different histories that it was vain to hope that they could be fused into a single undifferentiated community in the twinkling of an eye—especially when the unit State was dominated by the Serbs, who are the least civilised and progressive of the three sister nationalities. The ultimate choice which the Serbs have to face is between devolution and disruption; and the sooner they face it the better for them, for Jugoslavia and for Europe—since the disruption of Jugoslavia might throw the whole of South-Eastern Europe into the melting-pot again. From the international point of view, too, this is the moment for Jugoslavia to put her house in order, for the Italo-Jugoslav Pact of 1924 lapses this month, and Signor Mussolini seems to have made the statesmanlike suggestion that the occasion should be taken for a comprehensive settlement of outstanding difficulties. If political stability could be achieved in the Adriatic and its eastern hinterland, all Europe would feel the beneficial effects.

The Development of the Tropics.—One of the most striking features of economic development in the 20th century is the renewed importance of tropical production, which in some respects is a return to the situation in the 18th century in contrast to that in the 19th. In the 18th century, a single West Indian Island might almost outweigh the whole of Canada in the higgling of the diplomatic market. Thereafter the development of coal and iron, the discovery of substitutes for tropical products during the Napoleonic Wars, and finally the emancipation of slaves, all combined temporarily to give the temperate zones the lead in the economic life of the world. Nowadays, rubber, tin, cocoa, coffee and a dozen other modern staple commodities are bringing the tropics to the fore again, and all the countries in the temperate zones which happen to have tropical colonies or dependencies are taking stock of their tropical assets and considering how to make the most of them. Now that most parts of the British Empire in the temperate zones have become self-governing members of the British Commonwealth of Nations, the British "Colonial Empire" that is still controlled from Whitehall has come to be mainly a tropical empire, which in extent of territory and in potential wealth ranks high among empires of this class—for example, the Dutch Empire in the East Indies, the French and Belgian Empires in Tropical Africa, and the dependencies of the United States in the West Indies, Central America and the Philippines. The technical problems which each British tropical colony has to solve, if it is to make the most of its resources, are often similar to, if not identical with, the problems of other British tropical colonies, or of the tropical colonies and dependencies of other Powers. But the British Tropical Empire labours under the disadvantage of being scattered all round the globe, and of having been acquired piecemeal, so that each colony has its own separate administration, history and traditions. Thus, hitherto, our right hand has been apt not to know what our left hand has been doing, until certain British statesmen and administrators have lately come to realise how much we stand to gain by the pooling of knowledge already acquired and by co-operation in further research. One of the pioneers of this fruitful idea has been Mr Ormsby Gore, the Parliamentary Under-Secretary of State for the Colonies in the present Government; and he has followed the idea out in a practical way by making a number of official tours in successive groups of colonies with an eye to strengthening the liaison between their administrations on the technical side. Last year he visited Ceylon, British Malaya, and the adjoining Dutch Colony of Java, and he has presented the results of his personal studies in an interesting and valuable report which has been published as Cmd. 3235 of 1928.

British Trade with China.—Far-reaching as the political implications of the new Sino-British Treaty are, its immediate provisions are primarily economic in character. Recognising China's complete freedom in the fixing of her customs duties, it provides for reciprocal most-favoured-nation treatment as between all parts of the British Empire on the one hand and China on the other. This involves an immediate raising of the general tariff to the level agreed on by the Tariff Conference of 1926,

but it is stipulated that there shall be no further rise within a year. An extremely important Annex to the Treaty, if only it proves possible to implement it, is that which contains the assurance of the Nanking Government that goods which have once paid import duty as established under the Treaty shall be freed "as soon as possible" from the payment of all other coastal or internal levies. It must, however, be admitted that there seems little prospect at present of this Annex becoming more than the expression of a pious hope. At the lowest estimate, British trade with China is bound to benefit perceptibly from the increase in goodwill which has resulted from our recognition of her Government, accompanied, as it was, by ceremonial formalities which other countries omitted, and which appeal particularly to the courteous Chinese. Thus the survey of economic conditions in China, which the Department of Overseas Trade published (54-15-0-28) shortly before the signing of the Treaty, now becomes of particular interest as throwing light on the position and prospects of our market in China. Though the dominant note of this Report is far from optimistic, there is a hopeful undertone based on the "remarkable capacity" of the Chinese people "for carrying on in the face of apparently insurmountable obstacles, and in particular their ability to resume 'business as usual' whenever they are given even the slightest breathing space." This gleam of hope is welcome, for the material obstacles to commerce are at present serious. A large part of the Chinese railway system, where it is not altogether out of commission, is able to maintain only skeleton services; though motor transport is popular, the state of the roads is atrocious, and there are great difficulties in the way of direct trading with Chinese manufacturers. Nevertheless, many of the obstacles show signs of abating, and in 1927 China did a foreign trade which has only been exceeded by that of 1926. When allowance is made for an overestimate due to changes in the value of money, the fact remains evidence of surprising economic vitality, and regarded in that light it is encouraging for British traders. The items of which this trade is composed are, however, less satisfactory from the purely selfish point of view of British exports. About half the Chinese imports consist of goods in which we could never compete, such as rice, oils, and sugar. Conspicuous among the exports are cotton yarn and piece-goods, which rose steadily from 1.7 and 1.2 million taels respectively in 1922 to 18.8 and 14.4 millions in 1927. To this corresponds an increase in output of cotton goods for home consumption, which, together with the growing Japanese competition, is seriously menacing the market for British cotton goods in China. There has been, indeed, a growing tendency for many kinds of British exports to be undersold in China by goods from other countries. So far, however, British goods have generally held their own, and in some lines—as, for example, motor cars and dyes—are actually gaining ground. Evidently there are no external reasons why Great Britain should not, in future, play a large part in whatever trade China has to offer. British manufacturers have of late years been severely belaboured for their lack of enterprise and adaptability in dealing with markets abroad; in this Report they receive unusual commendation for their knowledge and experience of local business conditions. "Such consolation," writes Mr Fox, "as may be derived from a situation profoundly unsatisfactory both for the Chinese and ourselves, is that when the long-looked-for trade revival does come we are in as good a position as any of our competitors to meet and take advantage of it."

Bankers' Clearings in 1928.—It is a commonplace to call attention to the continually growing use of cheques, but nothing provides such an incisive reminder of the fact as a glance down the Bankers' Clearing House statistics of the last 50 years. Over and above that, the figures for 1928 have a peculiar interest, because the previous records for day, week, month, and year were all broken. Monday, December 31st, with a total of £273,764,000, surpassed the record of Thursday, April 30, 1925, by £10,509,000. The week ended July 4th (£1,093,329,000) exceeded the week ended October 5, 1927, by £57,507,000, and the month of October (£3,960,965,000) exceeded January, 1925, by £190,101,000; January, 1928, came close behind with £3,933,731,000. Here is a comparison of the last three years:—

	1928.	Increase over 1927.		Increase over 1926.	
	£	£	%	£	%
Town clearing	39,311,117,000	+ 2,491,435,000	6·7	+ 3,064,688,000	11·2
Metropolitan clearing	1,854,190,000	+ 96,118,000	5·4	+ 193,433,000	11·6
Country cheque clearing	3,039,422,000	+ 66,595,000	2·2	+ 221,554,000	7·8
Grand total	44,204,729,000	+ 2,654,188,000	6·3	+ 4,379,675,000	10·9

The Metropolitan figures for 1928 were surpassed by those of 1920, the country figures by those of 1919 as well, but the town and the grand total figures establish records easily. Town clearings are responsible for 93.8 per cent. of the increase in the grand total over 1927, which therefore reflects the increased activity in the short money market and on the Stock Exchange, the sale of Treasury bonds and other Government transactions, and the rising tide of new capital issues, rather than great expansion of trade. Doubtless the illness of the King explains why December was the one month to show a decline from the previous year. In the metropolitan figures, which are not heavily weighted by purely financial operations, and thus reflect fairly accurately the business of the metropolis, all months shown an increase. The country cheque clearings provide the best index of general trade conditions, and considering the gloom that has been deepening over coal ever since the summer of 1927, and the dull state of other important industries, they are not unsatisfactory. The totals of the eleven provincial clearings mark increases in each of the first two quarters, considerably larger decreases in both the last two, and a decrease of £36,427,000, or 2.1 per cent., on the whole year. Sheffield (11 per cent.) and Leeds (7.1) declined seriously; Bradford, Manchester, and Newcastle-on-Tyne in a less degree; Birmingham (3.5) and Bristol (3.1) had the greatest percentage increases. Returning to the London figures, it is unsafe to base too optimistic prophecies on the expansion of monetary operations that they record, but the growth of London's financial business is not without its satisfactory aspects.

Newspaper Insurance.—With a unanimity which—if there be no preconcerted agreement in the background—amounts on the face of it to a remarkable coincidence, the various units of the "popular" Press announced on New Year's Day that free insurance benefits in 1929 would be substantially modified. The revised policies now offered to readers approximate fairly closely to a standard form with minor variations only as between competing journals. The sum payable on death by accident to a passenger train, which had been raised by certain rival newspapers to the exaggerated figure of £12,500, is now limited to a maximum of £5,000. As a compensation—of which much is made in advertising the "extension" of the schemes—papers which formerly did not cover accidents to children now offer sums of the order of £5 if the child of a reader breaks a bone in an accident. Except in an abnormally disastrous railway year, these two changes in the schemes operated by the "big circulation" Press are unlikely, on balance, to represent an appreciable saving in newspapers' insurance costs. Much more important financially are the reductions made in the amounts payable on death by accident "at work," "in the home," or through "street accidents." These common risks, against which £100, instead of £250-£300, is now offered, were known to be proving extremely expensive for newspapers, and it is probable that the scaling down now effected will result in a saving of as much as 25 per cent. in the aggregate cost of insuring registered readers. From the point of view of the newspaper industry as a whole, we welcome this evidence that the process of buying circulation by increasingly spectacular offers of free insurance is apparently arrested. Carried to extremes, it was a process which threatened to end by undermining the solvency of many papers, and discrediting journalism. If insurance of registered readers be kept within the limits now seemingly agreed, healthy competition through merit will have a better opportunity to raise the general standard of the "popular" Press of the country.

THE REVENUE.

I.—An Account of the Total Revenue of the United Kingdom in the undermentioned period of the Year ending March 31, 1929, as compared with the corresponding period of the preceding Year.

	Quarter from October 1 to December 31, 1928, compared with the corresponding Quarter of the preceding Year.				Period from April 1st to December 31st, 1928, compared with the corresponding Period of the preceding Year.			
	Quarter ending Dec. 31, 1928.	Quarter ending Dec. 31, 1927.	Increase.	Decrease.	Period ending Dec. 31, 1928.	Period ending Dec. 31, 1927.	Increase.	Decrease.
ORDINARY REVENUE.	£	£	£	£	£	£	£	£
Inland Revenue—								
Property and Income Tax	20,182,000	21,160,000	..	978,000	75,413,000	97,250,000	..	21,837,000
Super Tax	4,080,000	5,040,000	..	960,000	15,140,000	19,470,000	..	4,330,000
Estate, &c., Duties	18,610,000	19,690,000	..	1,080,000	60,360,000	54,740,000	5,620,000	..
Stamps	8,000,000	7,580,000	420,000	..	20,460,000	17,790,000	2,670,000	..
Excess Profits Duties, &c.	..	..	..	..	..	..	..	..
Corporation Profits Tax	180,000	340,000	..	160,000	580,000	1,280,000	..	700,000
Land Tax, House Duty, and Mineral Rights Duty	10,000	20,000	..	10,000	170,000	140,000	30,000	..
Total Inland Revenue	51,062,000	53,830,000	420,000	3,188,000	172,123,000	190,670,000	8,320,000	26,867,000
Customs and Excise—								
Customs	31,454,000	29,829,000	1,625,000	..	90,404,000	84,403,000	6,001,000	..
Excise	38,935,000	41,559,000	..	2,624,000	103,735,000	106,551,000	..	2,816,000
Total Customs and Excise	70,389,000	71,388,000	1,625,000	2,624,000	194,139,000	190,954,000	6,001,000	2,816,000
Motor Vehicle Duties (Exchequer share)	94,908	276,539	..	181,631	1,557,067	2,206,958	..	649,891
Post Office (Net receipts)	3,000,000	2,650,000	350,000	..	7,200,000	5,350,000	1,850,000	..
Crown Lands	350,000	340,000	10,000	..	920,000	880,000	40,000	..
Receipts from Sundry Loans	5,915,843	5,421,959	493,884	..	20,292,273	17,479,487	2,812,786	..
Miscellaneous—								
Ordinary Receipts	7,097,537	6,892,159	205,378	..	11,678,176	16,673,640	..	4,995,464
Special Receipts	19,439,127	7,613,824	11,825,303	..	28,650,946	20,793,185	7,857,761	..
Total Ordinary Revenue	157,348,415	148,412,481	14,929,565	5,993,631	436,560,462	445,007,270	26,881,547	35,328,355
			£8,935,934 Net Increase.				£8,446,808 Net Decrease.	
SELF-BALANCING REVENUE.								
Post Office	13,700,000	13,800,000	..	100,000	41,000,000	40,950,000	50,000	..
Motor Vehicle Duties apportioned to Road Fund	2,149,092	1,814,461	334,631	..	8,062,933	6,657,042	1,405,891	..
Total Self-Balancing Revenue	15,849,092	15,614,461	334,631	100,000	49,062,933	47,607,042	1,455,891	..
Total	173,197,507	164,026,942	15,264,196	6,093,631	485,623,395	492,614,312	28,337,438	35,328,355
			£9,170,565 Net Increase.				£6,990,917 Net Decrease.	

II.—An Account showing the Receipts into and Issues out of the Exchequer in the Period ending December 31, 1928, as compared with the corresponding period of the preceding Year.

RECEIPTS.	Period ending Dec. 31, 1928.	Period ending Dec. 31, 1927.
	£	£
Balances in Exchequer on April 1—		
Bank of England	5,918,513	6,003,023
Bank of Ireland	404,112	456,633
	6,322,625	6,459,656
Ordinary Revenue, as shown in Account I.	436,560,462	445,007,270
Self-Balancing Revenue as shown in Account I.	49,062,933	47,607,042
Temporary Advances Repaid—		
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917
Under the Unemployment Insurance Acts, 1920 to 1928	774,432	3,822,000
Money Raised by Creation of Debt—		
(a) For Capital Expenditure Issues—		
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928	7,650,000	7,000,000
(b) Under the Unemployment Insurance Acts, 1920 to 1928	7,940,000	2,160,000
(c) For other Issues—		
By Treasury Bills	2,030,871,000	1,890,427,000
By 4 per Cent. Consolidated Loan	..	41,316,755
By National Savings Certificates	29,100,000	25,400,000
By National War Bonds	10	10
By 4½ per Cent. Treasury Bonds, 1934	..	64,595,752
By 5 per Cent. Treasury Bonds, 1933-35	93,603,348	..
By 4½ per Cent. Treasury Bonds, 1932-34	4,61.,000	..
(d) Ways and Means Advances	451,010,000	520,870,000
Repayments—		
In respect of Cunard Loan	..	130,000
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	114,641	129,963
	3,107,656,368	3,054,962,366

ISSUES.	Period ending Dec. 31, 1928.	Period ending Dec. 31, 1927.
	£	£
ORDINARY EXPENDITURE.		
Interest and Management of National Debt	270,461,437	272,145,171
Payments to Local Taxation Accounts	8,131,214	8,981,973
Payments to Northern Ireland Exchequer	3,033,967	3,145,810
Other Consolidated Fund Services	1,672,900	2,822,338
Total	283,299,518	287,092,932
Supply Services—		
Army, Navy, and Air Votes	83,360,000	84,000,000
Civil and Revenue Votes (excluding Post Office)	167,511,502	172,589,528
Total Supply Services (excluding Post Office)	250,891,502	256,589,528
Total Ordinary Expenditure	534,191,020	543,682,520
New Sinking Fund, 1928	40,148,592	51,576,139
SELF-BALANCING EXPENDITURE.		
Post Office	41,000,000	40,950,000
Road Fund	8,062,933	6,657,042
Total Self-Balancing Expenditure	49,062,933	47,607,042
Temporary Advances—		
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917
Under the Unemployment Insurance Acts, 1920-1928	7,940,000	2,160,000
Road Fund, under Section 27 of the Finance Act, 1928	3,825,000	..
Issues to meet Capital Expenditure—		
Under the Telegraph (Money) Act, 1925 and the Post Office and Telegraph (Money) Act, 1928	7,650,000	7,000,000
Unemployment Insurance Acts, 1920-1928—		
Repayment of Amounts borrowed	774,432	3,822,000
Redemption of Debt—		
Treasury Bills	1,759,880,000	1,838,850,000
Principal of National Savings Certificates	30,950,000	27,950,000
Principal of National Savings Bonds paid off	5,061	1,042
Principal of National War Bonds paid off	82,762,476	65,300,261
Other Debt under the War Loan Acts, 1914 to 1919	3,341,000	100
Ways and Means Advances Repaid	584,520,000	463,831,600
Issues to Nat. Debt Comsnrs. to Reduce Debt—		
Cunard Loan Repayments	..	130,000
Old Sinking Fund, 1907-1908—		
Issued under Section 9 of the Finance Act, 1908	1,800	1623
	1928. Dec. 31.	1927. Dec. 31.
Balances in Exchequer—	£	£
Bank of England	2,161,413	2,024,168
Bank of Ireland	408,524	709,554
	2,569,937	2,733,723
	3,107,656,368	3,054,962,366

Mem.—

	£
Floating Debt outstanding March 31, 1928	688,790,000

	Dec. 31, 1928. £		Dec. 31, 1927. £
Ways and Means Advances outstanding—			
Advances by Bank of England	..	..	20,000,000
Advances by Public Departments	28,340,000	..	154,260,000
Treasury Bills outstanding	*787,985,000	..	650,750,000
Total Floating Debt outstanding	816,325,000	..	825,010,000
Net Increase	127,535,000		

* Includes £57,000 the proceeds of which were not carried to the Exchequer within the period of the account.

Treasury, December 31, 1928.

Agricultural Research.—A very useful summary of the annual progress of agricultural research has again been published by the Research Committee of the Royal Agricultural Society. It relates to the year 1927, and, consisting as it does of seven articles by different writers and comprising in all only 190 pages, its belated appearance cannot be readily explained. The subjects dealt with are Crops and Plant-breeding, Dairy Husbandry, Agricultural Economics, Agricultural Engineering, Animal Nutrition, Soils and Fertilisers, and Veterinary Science. All are written by well-known authorities, and farmers may confidently rely on the trustworthiness of the information given. The extent and range of the research work continually in progress at the various experiment stations, and the number of papers and reports in which the results are embodied, increase year by year, and only by such a publication as this can farmers hope to keep themselves informed. As usual, the article on Soils and Fertilisers by Sir John Russell is conspicuous not only by the importance of the subject, but also by the lucidity of its exposition. The writer explains that much of it was written during an agricultural tour in Australia and New Zealand, and it embodies some results of experiments which he saw in those countries. Sir John Russell has also made similar tours in recent years in the United States, Canada, and the Near East. He has consequently acquired wide knowledge, derived from personal observation, of the position and progress of agricultural research throughout the world, and has made a special study of the situation within the British Empire. Last year an Imperial Agricultural Research Conference met in London under the chairmanship of Lord Bledisloe, at which representatives attended from all the Dominions, from India and from over a score of colonies and protectorates. The main object of the Conference was to make a comprehensive survey of the agricultural research institutions and activities within the Empire. The admirable work done by some of the institutions is well known to those interested in the subject, but there are others where, with limited resources, one or two workers are devoting their lives to research in practical isolation. The result is a certain amount of wasted energy and overlapping of effort. The conference having obtained full information, proceeded to consider plans for co-ordinating the work of the various institutions. It was decided to recommend the establishment of nine recognised centres or clearing houses of information, or rather to add to the functions of existing institutions the duty of keeping in touch with research workers throughout the Empire, and of collecting the results of their work. It is proposed that eight of these centres should be situated in Great Britain and one in South Africa. The institutions to be responsible for the different branches of science are:—Soil-Science, Rothamsted; Animal Nutrition, Rowett Institute; Animal Health, Veterinary Laboratory, Weybridge; Agricultural Parasitology, Institute near St Albans; Plant genetics, Cambridge and Aberystwyth; Fruit production, East Malling, Kent; Veterinary Research, Onderstepoort, South Africa. It is proposed that all these stations should be financed from a common fund contributed by the various Governments, the fund to be administered by an executive council composed of representatives of the contributing Governments. It is to be hoped that the necessary funds will be forthcoming. In the meantime the Rockefeller Foundation has given practical evidence of its interest in agricultural research, its confidence in British workers in this field, and its appreciation of the importance of the work, by offering the University of Cambridge the sum of £700,000 for agricultural research, provided that a proportionate sum is raised in this country. Grants from the Exchequer and from the Empire Marketing Board have reduced the amount required to meet the conditions of the Rockefeller gift to £145,000.

Bankruptcy in 1927.—The number of bankruptcies under the Bankruptcy Acts and the Deeds of Arrangement Acts, taken together, amounted in 1927 to 6,170. This was an increase of 168 on the number in 1926, but the smallest number recorded in any other year since 1921. The total liabilities amounted to £12,734,104, or £1,120,867 less than the preceding year, and the lowest total since 1920. The percentage of assets, as estimated by debtors, to liabilities similarly estimated, was 29.8, a better percentage than in any of the last six years except 1926. The average amount of liability, about £2,600, is the lowest recorded during the post-war period. The statistics for individual occupations are significant. For each of the last three years—the Board of Trade report only gives occupational figures from 1925—farmers have headed the list in respect of number of bankruptcies, though the scale of their liabilities is surpassed by company promoters and general merchants. Builders and grocers follow closely, not always in the same order. In 1927 468 farmers, 337 grocers, and 287 builders went bankrupt. Drapers, publicans, boot and shoe manufacturers, and greengrocers are also high on the list, and bankruptcies have become more numerous among the three first-named, amounting to 205, 175 and 151 respectively, in 1927, as against 176, 156 and 123 in 1925. The total liabilities of publicans and boot and shoe makers have, however, diminished; curiously, the size of the liabilities of bankrupt businesses seems to vary inversely with their number. Coal and coke merchants, bakers, and confectioners also figure largely among the number of bankrupts, but not so largely as in 1925. In interpreting these figures, which at first sight suggest that retail trade is an abnormally hazardous undertaking, it must be borne in mind that the statistics do not show the proportion of bankruptcies and persons engaged in each occupation, which might well tell a different story.

The Corn Returns.—A recent question in the House of Commons relating to the corn returns is, writes a correspondent, a reminder of their antiquity. The earliest statute for the official settlement of corn prices was passed in 1570. By this the Lord President and the Council in the North, the Lord President and the Council in Wales, and the Justices of Assize, within their respective jurisdictions, were enjoined to confer with the inhabitants on "the cheapness and dearth of all kinds of grain," to determine the average price for that year, and to permit or prohibit the exportation of grain. In 1685 the duty was placed, in London on the Corporation, and in all maritime counties on the Justices in Quarter Sessions, to determine half-yearly the average market price on the oath of two skilled persons. In 1770 weekly averages were for the first time adopted, the prices being fixed by persons appointed by the Justices for at least two and not more than six provincial towns—London being specially provided for. By the same Act publication in the *London Gazette* was enjoined, and an officer of the Treasury was appointed to receive the returns and be responsible for the publication. Twenty years later all previous Acts were repealed, and the system on which the returns were collected was devised on the general lines which have subsequently been adhered to. The obligation was placed on corn dealers, under penalty, to make a weekly return of all corn and oatmeal bought by them during the previous week. The returns were to be sent to the Receiver, who was to calculate and publish the average prices. The returns were collected from 213 towns. By an Act passed in 1821, the number of towns was reduced to 147, and inspectors were appointed in each town to collect the returns and make a weekly account to the Receiver of Corn Returns, who was to be appointed by the Board of Trade. The inspectors were appointed, in London, by members of the Corn Exchange, and elsewhere by the Justices. Further amending Acts were passed, but the changes made were slight. In 1864 returns of rye, peas and beans, which had up to then been required in addition to those of wheat, barley and oats, were abolished. In 1882 previous Acts were repealed, and the law was consolidated. Weekly returns were to be made by buyers of wheat, barley and oats in London, and in not less than 150 or more than 200 other towns, the list of towns being fixed by Order in Council. The responsibility of administering the Act was placed on the Board of Trade, and transferred in 1892 to the Board of Agriculture. The local officers of Inland Revenue act as inspectors of corn returns and receive, tabulate, and forward them weekly to the Board (now the Ministry) of Agriculture. The Act contains detailed instructions as to the method of calculating the averages. When the Tithe Commutation Act was passed in 1836 it was provided that in the month of January in each year the average price of an Imperial bushel of British wheat, barley and oats was to be calculated from the returns for the seven years ending Christmas, and advertised in the *London Gazette*. This septennial average fixed the value of the tithe rent charge for the ensuing year. A few weeks ago a question in the House of Commons suggested that the corn returns under the Act of 1882 were collected "to obtain the average prices for the computation of tithes," and as the value of the tithe rent charge is now fixed under an Act passed in 1925, they are unnecessary. It will be observed from the brief summary of their history that the corn returns, being an authoritative and long-standing record, were merely adopted for the purpose of tithe computation. They were never devised for that purpose, and continued before and after as an independent statistical record used by traders, economists, statisticians, and others. To discontinue them would certainly be a retrograde step at a time when the demand for price records becomes more and more urgent. The returns cost practically nothing to collect.

Prospects of British Trade in India.—Apart from the labour situation, which is characterised by a certain amount of unrest resulting from the increasing mechanisation of industry, conditions in India during the past year have appeared increasingly favourable to trade. According to the Report (54-33-0-28) by Mr Thomas M. Ainscough, just issued by the Overseas Trade Department, the stabilisation of the rupee, together with six successive favourable monsoons, has established India's credit on a more favourable basis than ever before. The jute, tea, and engineering industries are fairly prosperous; cotton stocks are light, and heavy purchases are expected if Lancashire prices fall to 9d; large public works of all kinds are expected to create a heavy demand for machinery and engineering products; and India's own production of iron and steel, though expanding, cannot keep pace with the anticipated increase in demand. A glance at the statistics of India's foreign trade by countries, however, reveals that Great Britain cannot expect to reap the advantages of the improvement in the Indian market without making very definite efforts in that direction. Before the war the United Kingdom was responsible for 63 per cent. of India's imports; in both 1926-27 and 1927-28 her share was only 48 per cent. The proportion contributed by the rest of the British Empire remained stationary at 7 per cent., while that of foreign countries rose from 30 per cent. to 45 per cent. The largest part in this change has been played by the United States and Japan, whose shares rose from 3.1 and 2.5 per cent. before the war to 8.2 and 7.2 per cent. respectively last year. Belgium and Italy have also substantially increased their still comparatively small contribution, and the Report states that "foreign competition now enters into practically every trade, *including those which have hitherto* been almost exclusively British." Its success, especially in the case of the United States is attributed to the circumstance that: "The American manufacturer appears to have grasped the fact that he must follow up his goods until they reach the hands of the consumer. He assists his agents in every way by granting adequate advertising and travelling allowances, and by visiting the market either himself or in the person of an energetic representative." The great majority of British manufacturers, on the contrary, "have not yet appreciated the changed conditions in India which tend to weaken our position and which call for revised methods of organisation in order to meet them.....They have been prone to consider that once they received payment for the goods in London their interest in them ceased. They have not realised that mercantile agents in India have, as a rule, far too many irons in the fire to give close personal attention to any one agency unless they are assisted and prompted to do so by the manufacturer." Mr Ainscough stresses this point most emphatically, and, further, calls attention to the fact that the new rupee tender system for Government purchases will make it absolutely imperative for British firms, if they are to secure their share of advantage from the impending schemes of railway construction, harbour development, and hydro-electric enterprises, to develop a thoroughly efficient sales, technical, and service organisation on the spot. It is earnestly to be hoped that this advice will be taken to heart; we cannot afford to lose any more ground in overseas markets.

Conditions in Japan.—The course of foreign trade during November was again discouraging, writes our Japanese correspondent. The export season apparently came to a close in the latter part of the month, and the heavy import season has set in a little earlier than usual. The November returns show that, as compared with the corresponding month of 1927, imports at 163,014,000 yen advanced by 17,473,000 yen, while exports at 153,278,000 yen fell by 4,594,000 yen, the adverse balance of trade being thus 9,736,000 yen, as against a favourable balance of 12,331,000 yen in November, 1927. Taking the first eleven months, the total visible adverse balance of trade amounted to 193 million yen, or 31.6 millions more than in the same period of 1927. The anticipations entertained a few months ago, in view of the much more satisfactory record of the first half-year, that the year's foreign trade accounts would be easily balanced by the non-merchandise services have been rudely disappointed. The Government's resources at foreign centres, though they remain unpublished since August, are suspected to have been substantially depleted, and in a few months' time will be in need of replenishment by gold shipments or otherwise. Japan's position as regards international payments is naturally causing anxiety in some quarters. Speaking at the Bankers' Conference held at Osaka last month, the Finance Minister intimated that the Government had no intention of lifting the gold ban immediately, as had been suggested by the bankers. The tremendous stir created by the bankers' campaign for an earlier removal of the gold embargo has completely subsided. The value of the yen has settled down to the level which prevailed before the return-to-gold campaign, while the prices of securities have recovered all round. Gilt-edged stocks, in particular, have regained the lost ground. According to the statistics compiled by Nippon Kwango Ginko, security prices generally maintained a higher level, and the average yields of leading stocks on December 1st were down at 6.27 per cent., as compared with 6.28 per cent. a month ago, and 6.31 per cent. at the beginning of the year. Monetary conditions are fairly comfortable, and there is no definite sign of seasonal stringency despite the approach of the year-end. The Government's interest disbursements and the repayment of industrial debentures appear further to have eased the position. Short loan rates are lower, overnight money being readily available at as low as 5 rin or 1.82 per cent., though discounts are a shade tighter. The Bank return for last Saturday reveals that note circulation at 1,262.6 million yen was only slightly higher than at the same date of last month. The year-end is expected to be negotiated without undue difficulty. The Bank of Japan's index number of wholesale commodity prices for November registered a slight drop, the total being 229.7, against 229.71 for October, and 222.86 a year ago. A substantial decline in cereals was offset largely by a rise in textiles and building materials.

Spanish-Argentine Trade Financing.—Our Buenos Aires correspondent writes:—A decree, signed by H.E. President Irigoyen, and countersigned by Dr Fleitas, Minister of Agriculture, has announced that arrangements have been made for the granting of a six months' credit by the Banco de la Nacion Argentina to a group of local banks, plus a cereal export house, for the sum of $50,000,000 paper, renewable at need for a further six months, the interest on such balances as may at any time be outstanding being 5 per cent. per annum. The banks are as follows.—Banca de la Provincia de Buenos Aires, Banco Español del Rio de la Plata, Banco de Italia y Rio de la Plata, the cereal firm, also well known as financiers, being Louis Dreyfus y Cia, Limited. The object of this operation is to facilitate sales of cereals to Spain without further depressing the value of the peseta, and a group of Spanish banks, including the Banco Urquijo, Banco de Bilbao, and Banco Hispano-Americano, will employ the funds in conjunction with the Spanish buyers, at a rate not to exceed 5½ per cent.

per annum. It is stipulated that the credit must be employed solely for the purpose of acquiring Argentine produce during 1929, but buyers are free to choose their own channels as regards their purchases, documents presumably being passed through the Argentine and Spanish banking consortiums as a *sine qua non*. How the question of exchange will eventually be dealt with is not yet evident, but, leaving this important item aside, it is clear that Argentina, with her big crop in prospect—5,000,000 tons of wheat are talked of as probable—and Spain, which is some 700,000 tons short of that grain, to say nothing of maize, have made a mutually satisfactory arrangement. Always provided, let us add, that nothing happens to depress unduly either the price of cereals in the world market, or the quotation for the peseta in the international money market twelve months hence.

Canadian Welcome to Barclay's.—Our Ottawa correspondent writes:—The news of the active entry of Barclay's Bank into the Canadian field has had a cordial reception in every direction. The officials of the Canadian banks have been exceedingly generous in their welcome. Mr A. E. Phipps, the general manager of the Imperial Bank, who is president of the Canadian Bankers' Association, promptly repudiated the suggestion that his organisation would oppose the charter for the new bank, and Mr Logan, the general manager of the Canadian Bank of Commerce, gave his blessing to Barclay's enterprise on the ground that it would bring more capital to Canada. Papers of all shades of opinion have indulged in favourable comments, and such newspapers as have been lamenting the centralisation process visible in Canadian banking since the war ended are almost enthusiastic in their welcome. One ground of approval is that the advent of Barclay's Bank will facilitate the introduction of British capital into Canadian enterprises and strengthen the financial links of the Empire. But even greater stress is being laid upon the new move as an indication of a decided change of heart in London towards Canadian enterprises. Canadians have for some years past been acutely conscious that, as a result of the Grand Trunk *débâcle* and the grievances cherished by many British investors against the Canadian Government, the London money market has been very lukewarm to Canadian enterprises. Now hopes are aroused by Barclay's venture that the past has been forgiven, and that the London market will give a more cordial welcome to Canadian issues.

New Life Assurance Business.—The New Year has produced the usual batch of announcements by the life assurance companies as to the new business transacted during 1928. On this occasion there is a pleasing unanimity in recording increases, in some cases of a substantial nature. Unfortunately, this result cannot be ascribed to a general trade revival; rather has it been achieved in spite of trade conditions. Possibly the explanation for these increases, and for those also of the past two or three years, is to be found in the cumulative effect of life assurance propaganda in gradually awakening a sense of the pitiful inadequacy of the average life policy per head of population in this country. Whatever the reason, the figures are certainly encouraging. Fourteen offices have so far published their figures of net new business, and these are as follows:—

NET NEW BUSINESS.

Office.	1927. £		1928. £		Difference. £
Atlas	2,946,816	..	3,400,000	..	453,184
British General	310,088	..	405,616	..	95,528
Britannic	2,162,554	..	2,500,000	..	337,446
Clerical, Medical & General	1,920,356	..	2,000,000	..	79,644
Equitable	818,323	..	1,000,000	..	181,677
Equity and Law	1,177,461	..	1,880,539	..	703,078
Friends' Provident	1,439,651	..	1,556,000	..	115 349
Legal and General	6,649,164	..	7,613,000	..	963,836
London Life	2,206,567	..	2,502,912	..	296,345
National Mutual	807,203	..	1,007,339	..	200,136
National Provident	1,190,497	..	1,511,000	..	320,503
Pearl	10,215,579	..	11,924,979	..	1,709,400
Phœnix	2,881,330	..	3,004,000	..	122,670
Prudential	16,941,000	..	17,400,000	..	459,000
	51,666,589	..	57,704,385	..	6,037,796

The most notable result is that of the Equity and Law, whose new business shows an increase over 1927 of as much as 60 per cent. A curious feature of the 1928 business is the very large amount reassured, namely, £834,000, and the fact suggests that the company handled some unusually large policies, possibly of the single premium super-tax saving variety. The British General, now controlled by the Commercial Union, shows a 30 per cent. increase, although the total is a small one. A pleasing increase of some 25 per cent. is recorded by the National Mutual, and it would seem that the merits of this very strong society are becoming more widely recognised. The announcement of the London Life is accompanied by an analysis of the composition of the business. From this it appears that as much as 40 per cent. of the total is due to non-profit business, and further that nearly the whole of the total increase of £296,000 has arisen from policies effected under the society's distinctive system whereby the bonuses are declared in the form of reductions in the premium. Of the ordinary-cum-industrial life offices, the returns of three are so far available. The Pearl and Britannic again report large increases equivalent to 17 per cent. and 16 per cent. respectively, but the increase of some 3 per cent. shown by the Prudential, although on a much larger total, is comparatively small. In addition to the British offices two Colonial companies have published the totals of their new business. The new business of the National Mutual of Australasia is stated to have amounted in 1928 to £9,807,845, compared with £8,234,713 in 1927, and that of the Manufacturers' Life of Canada is given as £17,840,000, compared with £15,940,000. Of these totals probably about 25 per cent. in the case of the Australian office was derived from Great Britain, while the British business of the Manufacturers' Life is a minute —though increasing—proportion of the whole.

Atlas Assurance Company, Limited.—The "Atlas" anticipated January 1st in order to make last Saturday a bonus announcement of a spectacular character. The company distributes bonuses to its with-profit life policyholders once every three years, and for the triennium ended December 31, 1928, has declared a compound reversionary bonus of 42s per cent. per annum, together with a special compound bonus of 18s per cent., making a total bonus of 60s per cent. compound per annum. The ordinary bonus of 42s per cent. compares with 36s per cent. in the preceding triennium, and with 30s per cent. in the first triennium after the war. The extra bonus of 18s per cent. is announced as a special bonus not likely to be repeated, and its purpose is presumably to compensate the older policyholders for the loss of five years' bonus during the war. In the company's preliminary announcement it is stated that the surplus earned during the last triennium was expected to amount to £600,000. The surplus earned in 1926 was £188,000, and in 1927 £172,000, so that for the year 1928 the surplus earned has presumably increased to about £240,000. The really challenging part of the announcement is contained in the fact that for the year 1929 (the first year of the new triennium) an interim bonus of as much as 48s per cent. compound has been declared. This is a very high rate indeed, and it at once puts the company amongst the first rank of high bonus offices. In addition to a carry-forward of over £200,000 at the beginning of 1928 the company has the advantage of a hidden reserve of nearly £500,000, being the difference between the market value and book value of the Stock Exchange securities. In fact, the Atlas life department is now in a very strong position. The two most important factors which are responsible for the company's capacity to earn large bonuses are firstly the high rate of interest earned, and secondly the large proportion of without-profit business. In the year 1927 the net rate of interest earned worked out at £5 8s 11d per cent., and was the highest of any of the British offices shown in our Insurance Supplement of July last. As regards the without-profit branch, the company has developed a considerable group insurance business, and a large annuity business, with the result that at the end of 1926 some 54 per cent. of the total net liability in respect of policies was due to without-profit business. Apart from doubts which inevitably arise as to ability to maintain these very high bonuses, there is room for the view that their existence is in itself a confession of a serious anomaly now existing in the conduct of life assurance, namely, that premiums which are capable of producing very high bonuses might be regarded as excessive in regard to the protection afforded.

National Mutual Life Assurance Society.—This society has announced its intention to declare for 1928 a compound reversionary bonus at the rate of 45s per cent., together with a special additional differential bonus of 6s per cent. for whole-life policies, making 51s per cent. compound for such policies in all. These bonuses are at the same rates as those for the preceding year. The year 1928 marks the close of the first five years of annual bonus distribution, and the completion also of the first decade since the war. The last quinquennial distribution was made at the end of 1923, when a 42s per cent. compound bonus was declared for each of the five years 1919-1923, inclusive, and the rate has been gradually increased since then to the present figures. Thus the average rate of bonus for the whole period of 10 years works out at 43s per cent. compound for endowment assurance policies and 45s per cent. compound for whole-life policies. This is a record of which the society has good reason to be proud and the with-profit policyholders to be duly appreciative.

Fire Losses in the United States and Canada.—The statistical record published by the *Journal of Commerce*, New York, relating to losses by fire in the United States and Canada, indicates a marked upward tendency in fire losses during November. The actual total amounts to $22,287,800, as compared with $18,992,200 in November, 1927, an increase of 17 per cent. Nevertheless, the aggregate losses for the 11 months of the current year compare favourably with those of the same period in 1927, the actual figures being $271,763,560 for 1928, as against $288,652,600 for 1927, a reduction of 6 per cent. Having regard to the preponderating influence of American fire business in the totals of the British fire offices, these figures are a favourable augury for the 1928 accounts. On the other hand, it has to be remembered that home fire losses have been running this year on a higher level than in 1927, and in addition the offices have had to meet this year substantial losses arising from hurricane damage in the West Indies.

National Bank of Commerce
in New York

Chairman of the Board
JAMES S. ALEXANDER

President
STEVENSON E. WARD

Capital Paid up	$25,000,000
Surplus	$40,000,000
Undivided Profits	$5,000,000

The National Bank of Commerce in New York places complete banking services at the disposal of its customers throughout the world, bringing them into contact with all phases of commerce and industry in the United States.

LONDON REPRESENTATIVE
2 and 3, Crosby Square
Bishopsgate, E. C. 3

NATIONAL BANK OF COMMERCE 1839 IN NEW YORK

Oversea Correspondence

UNITED STATES.—STOCK EXCHANGE—MONEY—INDUSTRY—PRICES.

(FROM OUR CORRESPONDENT.)

NEW YORK, December 21.

IT is a matter of common comment in Wall Street that the share market has given a remarkably good account of itself since the sharp break at the end of November. After the first sharp rally, there was little conviction that a bear market had started, but there was a general disposition to believe that a "secondary reaction" would carry prices down to and perhaps below the level reached on the break. As a matter of fact, the secondary reaction has failed to put in an apearance. Marked dullness did set in, with the daily turnover falling as low as 2,000,000 shares, but prices receded very little. During the past week the rally has been extended further, on a moderate increase in volume, until at the present time a very considerable part of the November loss in average values has been recovered. At times this week the market has been distinctly buoyant. Part of this strength probably was attributable to the relatively easy condition of the money market during the early part of the week, the call rate on the Stock Exchange dropping to as low as 6 per cent. But the rise of this rate to 9 per cent. to-day did not rob the market of its vitality. As a result, opinion now is swinging to the idea that the rally may continue during the last week of this year, and the beginning of next year, notwithstanding the expected firmness in money.

It is still early to speak definitely regarding the action of the money market over the year-end, but the much-heralded tightening so far has been relatively moderate. In any event, to-day's high of 9 per cent. seems low in comparison with the 15 or 20 per cent. that was forecast a week or so ago. Ease early this week was a perfectly natural aftermath of the December 15th tax date, but it has persisted longer than would have been expected purely on the tax-date theory. Some aid to the money market was probably furnished by the reduction in brokers' loans accomplished in the two weeks ended December 19th. In the first of these two weeks the drop in these borrowings, as reported by New York City member banks, was $218,000,000 (this constituting a record reduction for a single week); in the second week it was $65,000,000. This total of $283,000,000 for two weeks is of itself substantial, even if it does not seem so impressive when compared with an increase during the autumn bull market of $1,211,000,000, and with an increase to $1,584,000,000 since the first of the year. However, experience indicates that after a break in shares the decline in brokers' loans continues for a few weeks after prices have started to recover. Following the break of last June, brokers' loans declined $404,000,000 in four weeks before they again started their upward course.

As for Federal Reserve policy, this week's statements are complicated by the effects of tax-date operations and holiday trade. Discounts are off $82,000,000, this reduction breaking the tendency of the preceding two weeks, but being the the natural result of the passing of the tax-date. Reserves are off $22,000,000, despite the inportation during the week of $10,000,000 more gold from Canada. However, this loss in reserve, and an increase of $56,000,000 in circulation, may be attributed to the holiday demands for currency. An increase of $55,000,000 in holdings of Government securities purchased in the open market would ordinarily indicate official intervention on the side of easy money; in the present instance it merely reflects

the persistence of a large Treasury overdraft pending the collection of tax checks. A reduction of $41,000,000 in holdings of bills bought in the open market, on the other hand, normally would suggest that the authorities wished to harden money; this time it finds an offset, however, in an increase of $37,000,000 in contingent liability on bills purchased for foreign correspondents. Altogether, there is nothing in the statements inconsistent with the theory that the Reserve banks maintained a passive attitude during the week. With regard to the immediate future of the money market, the present view is that rates will be more stable after the turn of the year, but that the general level will remain fairly high. There always is a large return flow of funds to this district early in January, but it is felt that heavy maturities in the bill market will tend to offset the easing influence of this flow. As a matter of fact, the bill rate has been rather firm this week, some dealers insisting on a higher rate. Meanwhile 30-day time money has lent for as high as 8½ per cent., and generally at 8¼. Sixty and 90-day money commands 7¾ per cent. As to the general banking position, it may be noted that the total volume of Federal Reserve bank credit now being extended amounts to $1,700,000,000, as compared with $1,532,000,000 a year ago, and that discounts for member banks amount to $946,000,000, as against $578,000,000. This condition does not seem to furnish the background for an easy money market.

Opinions on spring business remain optimistic. Industrial activity still is holding up well with the steel industry operating at approximately 80 per cent. of capacity, which is very good for this season of the year. Steel prices continue firm, even though there has been a slight seasonal year-end weakening in pig-iron. Altogether there is a disposition to believe that the upswing in business activity that started a year ago will continue into the spring. The estimates of leading automobile makers as to total 1929 output are very large.

Wholesale prices in November were about 1 per cent. lower on the average than in October according to the weighted index of the Bureau of Labour statistics. The November level of 96.7 per cent. of the average for 1026 exactly corresponds to that for November, 1927. The decline on the month is due, however, not to industrial products, but chiefly to farm products, food, and hides and leather. The cloths and clothing group is unchanged, and metals and metal products, building materials, chemicals and drugs are slightly higher. Of 550 commodities, 140 are higher, 148 are lower, and 262 are unchanged.

FRANCE.—POLITICS—FINANCE—MONEY—INDUSTRY.

(FROM OUR CORRESPONDENT.)

PARIS, January 2.

AFTER a long series of incidents in both Houses, which more than once threatened to result in serious complications, the Budget Bill has finally become law. The most serious obstacle was the insistent demand by a majority in both Houses for increased pay for both Deputies and Senators. In view of the remarkable manifestations of opinion throughout the country, both in the Press and generally, the advocates of the proposal hastily dropped their original demand, and a compromise, as foreshadowed here last week, was arrived at. Senators and Deputies whose homes are outside the capital will henceforward draw an additional 1,250f per month, to enable them to maintain a second residence in Paris, with certain additional allowances, in the case of married men, for family charges. The adoption of this proposal was chiefly due to the fact that M. Chéron, the Finance Minister, apparently for tactical reasons, strongly supported it in both Houses, in direct opposition to his leader, M. Poincaré, who made no secret that he was opposed to any increase, and plainly signified his attitude by leaving the Chamber when the matter came up for discussion. At Monday morning's meeting of the Cabinet M. Poincaré, admittedly influenced by the difference of opinion between himself and the majority of the Ministry, intimated that he regarded his task as accomplished with the passage of the Budget, and announced his intention to resign office forthwith. After some discussion, in which he was unanimously appealed to by his colleagues to remain in office, M. Poincaré withdrew his resignation. The fact has been received with deep satisfaction by almost every section of public opinion, and there can be no doubt the Premier has emerged from the unfortunate "Parliamentary pay" controversy with appreciably increased authority.

The 1929 Budget works out as follows:—

	Francs.
Estimated revenue	45,430,717,348
Estimated expenditure	45,366,130,503
Estimated surplus	64,586,845

The estimated surplus of rather over £500,000, after providing for expenditure of £363,000,000, is trifling; but if we may judge from the results secured by M. Poincaré's previous two Budgets, this surplus will, in all probability, be largely exceeded. His realised surplus in 1927 amounted to over 1,500,000,000f, while the actual yield for the first 11 months of 1928 is already known to have been 2,900 millions more than was estimated for, with another month's revenue still to be added. Supplementary credits accorded since the passage of the 1928 Budget totalled, on balance, at the beginning of December (after allowing for credits not utilised) 1,085,992,679f, which will absorb a substantial portion of the already realised surplus; and it may be taken for granted that most, if not all, the balance will be utilised, as in the past, to meet extra expenditure that has, in accordance with the usual practice, been omitted from the new Budget, in view of probable surplus revenue under the old one. As is generally known, the law stipulates that all Budget surpluses shall be passed to the Caisse d'Amortissement, for debt reduction purpose. The demand for supplementary credits are invariably so numerous, however, that by the time the last "*collectif*" for 1928 comes up for examination, next July, very little, if any, of the surplus will be left for the purpose designed.

A writer in *Le Capital* estimates that the burden to be borne by the French taxpayer in 1929 will amount, in round figures, to 60,000,000,000f, made up as follows:—

Taxation levied under the Budget	Francs.
Postes, telegraphs, and telephones	45,430,000,000
Caisse d'Amortissement (tobacco monopoly, successions, transfer tax on property sales)	2,806,000,000
Local taxation (departments and communes)	5,300,000,000
Common funds (State and local government bodies)	4,000,000,000
Octrois and sundry taxes (pari mutuel, City of Paris special taxes, &c.)	845,000,000
	1,800,000,000

From this should be deducted, however, the revenue of the Post Office (which can scarcely be regarded as "taxation," particularly as the department is now more or less industrialised and has its own independent Budget, and some 4,000 millions representing that part of the revenue of the Caisse d'Amortissement which is drawn from the tobacco monopoly, and out of which the working cost of the tobacco undertaking has to be provided. These deductions made, the total burden of State and local taxation during 1929 may be estimated at 53,000,000,000f (say, £424,000,000). Taking the amount of local taxation included in this total as 6,250,000,000f (although the writer in question does not touch this point), the estimated burden of State taxation proper to be carried in 1929 may be placed, according to these figures, at 46,750,000,000f (say, £374,000,000).

The year is opening well from the point of view of the national finances. Indirect taxation continues to show a surprisingly high yield, that from the tax on turnover, which is an admirable gauge of industrial and commercial activity, having been 471 millions more during the first eleven months of the past year than during the corresponding period in 1927. The yield from indirect taxes for the eleven months so far reported has been 2,881 millions more than expected, and 3,190 millions more than in 1927. The yield from direct taxation by the end of November was already some 300 millions above the estimate for the whole year, and would undoubtedly have been still higher but for the fact that the position of the Treasury has latterly been so satisfactory that there has been no need to resort to the speeding-up methods necessary in previous years

Last week's Bank statement, which brought the situation down to December 21st, showed that the Treasury balance amounted to 7,271½ millions, of which over 4,000 millions must be ordinary revenue, independent of the 3,200 millions "loan without interest" which was advanced by the Bank to the Treasury on stabilisation, to furnish it with "working capital" and deliver it from the necessity of borrowing to meet current needs. The Treasury's balance now amounts to more than the whole of the Bank's private deposit and current accounts, which are returned at 6,282 millions. The Caisse d'Amortissement is also well supplied with surplus funds, its balance last week being over 5,193 millions. Last week's statement disclosed that the Bank's huge stock of forward exchange had been reduced to a remaining balance of 25¼ millions, so that it may be assumed that by this time, with the end of the year, this item has ceased to figure. In view of the fact that the Bank during the week ending December 21st disposed of 374⅜ millions of its stock of 13,656 millions of foreign exchange, plus 98 millions of forward exchange, it is to be inferred that these available resources have been devoted to further gold purchases. It is unlikely, as the dollar is now appreciably below gold export point and sterling below metallic parity, that the Bank sold its exchange in the open market; therefore, a further increase in the gold reserve may be expected to be announced. The Bank's stock of gold, which was increased by a further 112½ millions during the week, totalled 31,834½ millions on December 21st, and its available balances abroad to 13,656½ millions. The Bank's sight engagements were covered on December 21st up to 39.32 per cent. by gold, as against 38.19 on November 9th, the obligatory legal minimum being 35 per cent.

Steel and iron production figures for November, which are made public to-day, disclose a fractional falling off in the output of both products, but in no way diminish the certainty that 1928 will rank as a year of the greatest activity ever known in the French metallurgical industry, if not as one of the greatest profits. The total output of iron in November was 850,000 tons, as compared with 857,000 tons in October last, 762,000 tons in November, 1927, 789,000 tons in November, 1926, and a monthly average of 749,000 tons in 1913 (Alsace-Lorraine included). The total output of steel was 800,000 tons, as against 834,000 tons in October last, 682,000 tons in November, 1927, 714,000 tons in November, 1926, and 559,000 tons (Alsace and Lorraine included) in 1913. The number of blast-furnaces in activity in November was 152, as compared with 150 in October, 140 in November, 1927, 155 in November, 1926, and an average of 190 (Alsace-Lorraine plants included) in 1913. The market remains very firm, certain quotations have again risen, and delivery dates are very long.

GERMANY.—NEW YEAR'S OUTLOOK—CAPITAL—INDUSTRY—FOREIGN TRADE—RAILWAYS.

(FROM OUR CORRESPONDENT.)

BERLIN, January 1.

THE domestic political outlook for 1929 is uncertain. The most important immediate problem is the Budget for 1929-30. The Finance Ministry has also to put through the Bill unifying local taxation methods. and to frame a new *Ausgleich* with the States and municipalities. A Bill for the Protection of Labour and a Bill purporting to put through the recommendations of the Geneva Economic Conference of 1927 (including the duty reductions) have to go through, and the Ministry of Justice has before it a general reform of the criminal law.

The general expectation is that trade will develop much as in 1928, with a further moderate decline of industrial activity and probably a further expansion of export trade. The reaction from the trade boom of 1927, of which signs were already visible in the autumn of that year, does not yet seem to have run its full course. Production of the heavy industries is expected to decline further, but there are some signs that the finishing industries, which last year suffered from the saturation of the home market, may recover. It is officially estimated that home selling in 1928 was maintained at very near the high level of

THE BRITISH LINEN BANK.
Incorporated by Royal Charter, 1746.
Capital and Reserve Funds. £3,300,000.
EXECUTOR and TRUSTEE DEPARTMENT.
Head Office: 38, St. Andrew Square, Edinburgh.
The Bank is prepared to undertake the duties of Executor or Trustee, and to act as Trustee for Debenture Stockholders, Public Institutions, etc.
LONDON OFFICE: 38, Threadneedle St., E.C.2
Every description of Banking Business transacted.

1927, so that the "reaction" was really nothing more than a slowing down of the natural increase of consumption. Money rates, which in 1928 remained near the high levels reached in 1927, are expected to decline, but there is no prospect of much improvement in the home capital market, and the volume of long-term borrowing, which has varied within very narrow limits since 1925, is likely to be maintained if foreigners are willing to lend. It is not considered that the expected Reparations settlement will have any great immediate effect upon trade.

At the end of the year the demand for money was normally heavy, but it was easily met, day loans at 8½-9½ per cent., month loans 8½-10 per cent., commercial bills with bank endorsement 7 per cent., and private discount 6⅝ per cent. The Reichsbank seems to have been subjected to heavy pressure in the last week of December, but the return for the 22nd shows that it was well prepared. Discounts usually rise in the third week of December, but this time the increase was only 43 million marks, as against 146 million marks in the same week of 1927; and the whole discount portfolio is only 1,934 million marks, as against 2,417 million marks a year before. Advances are also slightly lower. The gold reserve rose further by 39 million marks to 2,729¼ million marks; and the combined gold and exchange cover for Reichsbank and Rentenbank circulation, which is 4,996 million marks, against 4,746 million marks a year ago, is 57.7 per cent., against 45.1 per cent. The Reichsbank is reported to have bought 10 million roubles more Russian gold, making altogether purchases of 30 million roubles in the last two months. The monthly balance-sheets of the seven chief Berlin banks for November 30th show an increase in deposits of 315 million marks, as against an increase of 300 million marks in October. In the first eleven months of 1928 deposits increased by 1,786 million marks, of which a large part consisted of foreign funds.

Home loans in December totalled 38 million marks, capital increases of joint stock companies 148 million marks, capital reductions 27 million marks, foreign loans 65 million marks. Most of the foreign borrowing of 1928 falls to municipalities, electricity works, and agriculture. Borrowing by industry was small. The United States lent 1,153 million marks, Holland 186 million marks, and Great Britain 135 million marks.

The wholesale prices index number for December 19th is 140.3, as against 140.0 for the two preceding weeks. Coal production in the last reported week shows a further increase. Production in January-November inclusive was 139,056,955 metric tons, against 140,359,200 tons in the same months of 1927; lignite 152,124,623 tons, against 136,673,193 tons; coke 31,139,843 tons, against 29,321,073 tons. Coal export is increasing, and in January-November inclusive was 21,748,000 tons, against 24,975,000 tons in the same months of 1927. The arbitration decision in the shipbuilding wages dispute has been rejected, and the strike, which began three months ago, continues. Potash sales in 1928 are provisionally returned at 1,424,000 tons (of pure potash), against 1,238,000 tons in 1927, the value at 220,000,000 marks. Sales at home were 862,000 tons, against 779,000 tons; exports 562,000 tons, against 459,000 tons. Potash was increasingly sold in the form of mixed fertilisers; and the I.G. Farbenindustrie, the chief of several mixed fertiliser producers, is now the biggest single customer of the Potash Syndicate. Reports on the textile industries in 1928 complain of English, French, Czechoslovak and Belgian competition in woollen and

cotton manufactures, and in particular of competition from Alsace since the coming into force of the commercial agreement with France. Textile wages in France and Czechoslovakia are affirmed to be 30 to 50 per cent. lower than German. German spinners and weavers declare that they can compete with Alsace only if they cut prices below the profit margin. The woollen branch began the past year better than the cotton, but afterwards, apart from a brief seasonal recovery in the autumn, declined. The linen mills have partly gone over to other kinds of textiles, linen prices being too high for the consumer. The home flax production is stated to have covered only 33 per cent. of the demand in 1927, as against 60 per cent. in 1924. Import of boots and shoes in the first ten months of 1928 was nearly 60 per cent. higher than in the same months of 1927. The agitation for measures against Czechoslovak competition is increasing.

The foreign trade returns for November differ very little from those of October. The import figures for the eleven months of 1928 also closely resemble those of 1927, but the export figures show a large increase, which falls almost entirely to manufactured goods. The average monthly export of manufactures has increased as follows: 1924, 432 million marks; 1925, 552 million marks; 1926, 580 million marks; 1927, 627 million marks; 1928 (eleven months), 707 million marks. Comparative figures for 1928 and 1927 are:—

	Marks (000's omitted). January to February. 1927.		1928.
IMPORTS.			
Livestock	163,905	..	132,096
Foodstuffs	3,981,042	..	3,861,288
Materials, raw and half-manufactured	6,487,721	..	6,680,571
Manufactured goods	2,253,599	..	2,268,484
Merchandise only	12,886,267	..	12,942,439
Gold and silver	229,432	..	850,752
Totals	13,115,699	..	13,793,191
EXPORTS.			
Livestock	9,738	..	16,705
Foodstuffs	373,927	..	542,016
Materials, raw and half-manufactured	2,046,481	..	2,078,314
Manufactured goods	6,840,021	..	7,780,274
Merchandise only	9,270,159	..	10,417,309
Gold and silver	20,156	..	27,380
Totals	9,290,315	..	10,444,689

The Railway Corporation's provisional report for 1928 returns receipts at 5,039 million marks, or 4.7 per cent. more than in 1927. The corporation has had to meet 651 million marks extra annual expenditure. The advance in fares and rates will yield only 250 million marks, and in order to balance accounts it will be necessary to postpone necessary works.

AUSTRIA.—FOREIGN LOAN—TAXATION—STOCK EXCHANGE—HOUSING—TRADE.

(FROM OUR CORRESPONDENT.)

December 21.

THE preparation for the taking up of a State investment loan of 100 million dollars in America has progressed considerably. After a very short deliberation the American Congress approved the Bill, rejected in spring, concerning the participation of the United States in the London Relief Debt Agreement, and the relinquishing by America of the right of seizure. As is well known, Austria has undertaken in the London Agreement to make payment of 856 million schillings in 40 yearly instalments from 1929. The instalments are not equal; they amount to 1.15 per cent. for each of the first five years, 1.87 per cent. for each of the succeeding ten years, and for each of the last 25 years 3.02 per cent. of the original principal. The present value of these commitments is calculated at 315 million schillings. It is assumed that the Senate, which must also pass this Bill, will raise no objection, so that only Italy's participation is still required. In view of political relations, it is not certain whether Italy will prove accommodating, but in financial circles it is believed that the releasing of the proceeds of the loan will nevertheless be possible; it is reported that an understanding in this direction has already been arrived at with the American financiers.

The burden of taxation and the social imposts, which latter, on account of a rearrangement of the sick benefit contributions, require a further payment of 14 million schillings per year from the employers, are among the outstanding causes of the unsatisfactory balance-sheets of industrial enterprises. According to the most recent statistics, covering the year 1926, out of 515 industrial stock companies no fewer than 175 closed their books with a loss. At the same time taxes have been further increased. In connection with the new arrangement in the matter of distributing certain revenues among the State and the individual Federal countries, an increase of the national tax on beer from 6 schillings per hectolitre to 9.8 schillings is contemplated, and the price of beer has risen correspondingly. In order to check importation from Czechoslovakia, the tax on sugar has been raised from 10 to 16 gold kronen per 100 kilogram. As a result the retail price of sugar, which is still lower in Austria than in any other country in Europe, has gone up by about 10 per cent. A further considerable burden is threatened in the form of increased rates on the Federal Railways, contemplated for March or April. Some passenger fares for short local journeys will be put up by 40 per cent., in spite of the fact that omnibus competition is becoming increasingly keener. As the premiums paid up to now on express train fares, which on certain lines were very unjust, are to be done away with and incorporated in the fare, the increase in regard to the longer journeys in express trains is inconsiderable. Freight rates have also not been advanced uniformly. Bulky articles, for example, coal, wood, and building material, have been selected for special attention. In future, passenger fares will amount to 108 per cent. of pre-war rates and the goods tariff to 123 per cent.

Stagnation still prevails on the Vienna Stock Exchange, though it was interrupted at the beginning of the month by a sharp decline in several Polish industrial shares. A foreign group of doubtful character had been operating for months in the shares of the Golleschau Cement Works, which were quoted in February at 110 schillings, and had driven the price up until the shares were quoted at nearly 500 schillings in November. The reason given for the advance was a prospective issue of gratis shares. When it became known that no issue of gratis shares was contemplated, a bear movement set in, and, owing to the limited capital of the speculators and lack of timely intervention, serious regression ensued. This occurrence forced two old banking houses into insolvency. The leader of the group of speculators was arrested, and criminal proceedings are also being instituted against several other persons who participated in the movement. For a while these events absorbed the whole interest of the market, and, even afterwards, business was restricted and changes in rates were minimal. That the general public has little interest in the Stock Exchange is evidenced by the circumstance that savings deposits are being steadily augmented, in spite of the slow formation of other forms of capital. In November the deposits rose by 19 million schillings to a total of 1,071 millions, while in October the increase was 13 millions.

The fight over the abolition of the Rent Restriction Act has reached a new stage. The Government has complied with the demand of the Social-Democratic opposition and submitted a housing programme for the erection of 6,000 dwellings per year for three years with extensive assistance on the part of the State. It is proposed to reanimate private enterprise in building, which has now been dormant in Austria for 14 years, by assuming the debt service for 60 per cent. of the cost of the new house building in the form of a secondary mortgage, which, in conjunction with the guarantee of the State, is to form the basis of obligations. The expenditure which the State will thereby incur is to be covered by an increase in the imposts for housing purposes, which up to the present have been collected by the municipalities; furthermore, those houseowners who acquired their property with depreciated money during the period of inflation are to pay a special impost. The Government aims, through a combination of the fostering of house building and a general increase of rents, at gaining a gradual and very modest

return on house property. In principle the Social-Democrats have accepted the housing programme, but they are still opposed to any increase of rents, in excess of the contribution to the fresh building, which would accrue to house owners. However, it is believed that a compromise will be arrived at on this occasion. A strong impulse toward animation of the building trade would be very beneficial to industry in general, which is showing all the unfavourable symptoms usual at this time of the year. In the course of November the number of persons in receipt of unemployment benefit jumped up by 33,000 to 155,000. This tendency continued during the first half of December, so that the number of unemployed in Vienna alone rose by 5,000 to 69,000. After the unsatisfactory state of affairs reported by retailers during the past two months, Christmas business has been fairly good, but at the best it will not surpass even the level of last year's Christmas trade. For some time now there has been an unfavourable tendency in foreign trade. In November imports showed an advance of 14.8 million schillings over October imports, and reached a total of 294.2 millions, while exports, on the other hand, declined by 13.6 millions to 193.3 millions. The result is a deficit of more than 100 million schillings, which is the highest for any individual month during the whole year. For the first 11 months of 1928 the deficit is 920.6 millions, which is 54.7 millions less than the figure for the corresponding period of last year, so that, in spite of the increase in the foreign trade figures, there is a slight improvement in the balance. The falling off in exports to Germany is particularly noticeable; the total for November is 10 per cent. lower than that of the same month of last year.

HUNGARY.—ECONOMIC PROGRAMME—FOREIGN TRADE—NEW TREATIES—AGRICULTURE.

(FROM OUR CORRESPONDENT.)

BUDAPEST, December 16.

THE Prime Minister, accompanied by the Ministers of Economics and Finance, attended the December session of the League of Nations. It is officially stated that their visit was intended to renew the contact with the League authorities, especially to meet the members of the Economic and Financial Committee. The friendly relations which were established at the outset of the reconstruction scheme have been maintained even after the cessation of the League's control, which clearly demonstrates how much the Hungarian Government appreciates the invaluable assistance rendered by the League. During the conversations in Geneva it is stated the Minister of Economic Affairs, Dr. Bud, acquainted the Economic and Financial Committee with the economic programme of the Government, which is the corollary and complement to the financial reconstruction so successfully accomplished by close collaboration with the League of Nations. The most notable features of the economic programme are the reclamation of the several hundred thousand acres of marshy land for cultivation, the afforestation of land unfit for cultivation, a vast roadmaking scheme, railway improvements, and electrification. There is also in progress a thorough revision of the railway tariffs, which at present seriously hinder agricultural export, and in accordance with the spirit of the recommendation of the World Economic Conference at Geneva, the autonomous customs duties will be reconsidered with a view to removing existing inequalities which are adversely affecting economic reconstruction.

Foreign trade returns disclose a heavy adverse balance amounting to 316 million pengös in the first ten months of the year, as compared with 300.5 millions in the corresponding period of last year. Imports totalled 969 millions, as against 939 millions; exports amounted to 652.9 millions, as against 638.9 millions. Business continues to expand, and large investment and building programmes account for the heavy imports, which were fostered by abundant foreign accommodation. On the other hand, the low world prices of agricultural products caused the farmers to withhold their stocks, so that exports were low. The large adverse balance is causing serious concern to the Government, and is discussed eagerly by the Press. The remedies suggested are even more depressing than the deficit in itself, which is not at all alarming, and easily explained if we take into consideration that Hungary borrowed abroad some 240 million pengös in long-term loans, while the short-term loans are estimated at about 70 million pengös, which figures very nearly coincide with the total deficit in exports of merchandise.

The stoppage of grain export is keenly felt, and agriculturists and merchants are blaming each other for the delay, while the industrialists take the opportunity of declaring that the future and the well-being of the country is in industrial protection. Fortunately, however, there is little prospect of such a disastrous change in tariff policy, and the Government is about to free the population from the onerous burden inflicted by the high protection of some industrial commodities. An analysis of the foreign trade figures reveals that the complaint of the textile manufacturers that the lowered tariffs are ruining the home industries and fostering the importation of foreign products, is entirely without foundation, for in the first nine months of the present year Hungary has imported 155.4 millions worth of textiles, as against 161.2 millions in the corresponding period of 1927, when the tariffs were considerably higher. On the other hand, Hungary has exported textile goods to the value of 32 million pengös, as against 20.7 millions in 1927, which clearly shows that excessive protectionism served only to delay efficient production, and to inflict an unnecessary burden on domestic consumers. As to the remedy of the deficit of the foreign trade, there are only two alternatives, either to cease borrowing abroad, or to promote exports. It is reassuring that the Minister of Economic Affairs intends to solve the problem not by prohibition and vexation on the imports, but by fostering the export trade. It should be remembered that, although the wheat surplus available for exports is some 6 million metric quintals more than last year, nevertheless exports in the first three months of the campaign amounted to only 969,700 quintals, as against 1,409,300 in the corresponding quarter of last year. The protective duties of neighbouring industrial countries greatly affect the natural trend of Hungarian agricultural exports, and are undoubtedly creating a serious trade dislocation in the Succession States, as the purchasing power of the population in the countries concerned is effectively impaired by uneconomic production caused by mutual fighting tariffs.

Negotiations for a tariff treaty with Germany are in progress. The absolute refusal of Germany to come to a veterinary agreement with Hungary is keenly resented, as it is at present impossible to export live-stock to Germany. Considering that the export of live-stock is the only way to pay for the imports of manufactured goods, it is probable that the negotiations will end in a deadlock. Tariff treaties with Italy and Poland were recently concluded, and at the same time a treaty of arbitration and conciliation was signed with Poland in Warsaw.

The Statistical Bureau has published interesting data as to the present state of indebtedness of agriculture. The total debt on June 30, 1928, stood at 972 million pengös (£35,000,000), which is approximately 8.2 per cent. of the aggregate value of the landed property concerned. The annual burden of interest and sinking fund is about 107 million pengös, which is much less than before the war. In the next two years some 200 million pengös will be available for the landowners as indemnity for the land expropriated in 1920. This will enable the farmers to repay their most onerous debt and to equip their land with up-to-date implements. The position of agriculture at present, in spite of the good harvest, leaves very much to be desired. The great discrepancy between prices of agricultural and of industrial products is world wide, but the position in Hungary is even worse than elsewhere as the result of industrial protection.

CANADA.—VALUE OF 1928 CROP—WEATHER AND BUSINESS—TIGHTNESS OF MONEY—STOCK MARKETS—GRAIN GRADING—AMERICAN PENETRATION.

(FROM OUR CORRESPONDENT.)

OTTAWA, December 18.

THE Dominion Bureau of Statistics in its latest crop survey now intimates that the value of the field crops of Canada for the year 1928 will be rather lower than the figure for 1927. Appended are the comparative values

of the principal field crops for the last three years :—

	$
1926	1,104,983,100
1927	1,134,192,600
1928	1,051,043,000

The following are the particulars of the chief crops, the comparative figures for 1927 being given in brackets :—

	$	$
Grain crops	733,845,000	(797,536,600)
Potatoes	45,227,000	(54,341,000)
Hay, clover, alfalfa, &c.	189,026,000	(206,781,000)
Root and fodder crops	82,945,000	(75,534,000)

The decline is not serious in the aggregate, but it is very disappointing in view of the superabundant yield of grain which the prairie provinces showed at the end of August. The heavy prairie crop was expensive to harvest, and now the Western farmers are complaining that it is one of the least profitable of recent years. The general fall in grain prices which has taken place is largely responsible for the decline in the aggregate value of the crop, and the Bureau's bulletin gives the following comparative average grain prices at the point of production :—

	1926.	1927.	1928.
	$	$	$
Wheat	1·09	1·00	0·79
Oats	0·48	0·51	0·46
Barley	0·52	0·66	0·54
Rye	0·77	0·81	0·76

The closing of navigation on the St Lawrence, which blocks one outlet for Canadian grain, has during the week ended December 8th materially lowered the car-loading figures for grain, but their decline is responsible for practically the whole decrease—from 84,225 to 75,359 cars—which was shown by last week's car-loading bulletin, and the movement of general merchandise shows little abatement. Mail order houses and all classes of shops report that their volume of Christmas trade is well ahead of last year's level, and that the public has apparently lots of ready cash to spend. It has been explained above that the farming community will probably have rather less purchasing power than a year ago, but yet the orders being received from the rural districts indicate a generally prosperous condition. Most manufacturers are operating on a satisfactory scale, but the newsprint industry, despite the recent conferences, has obviously not surmounted all its difficulties, and the woollen textile mills are still complaining about the severe effects of foreign competition, which keeps their operations well below capacity. The lumber business has better prospects than it has had for some years, and there will be a larger cut of timber this winter. One stimulus to the demand for first-rate lumber is the steady development of the aeroplane industry; commercial aviation is making great headway in Canada, and promises to play an important part in the commercial life of the Dominion. Some of the Canadian companies engaged in this field have made advantageous affiliations with large American corporations, and the Canadian Vickers Co., of Montreal, which was originally a shipbuilding concern, is turning its energies to the construction of aircraft, and has already substantial orders on hand.

The tightness of money which has prevailed for some months has lately been accentuated by the desire of the banks to make a strong cash showing at the end of the year. In banking circles the feeling prevails that too much money is at present tied up in speculative ventures, and the banks are persevering in their policy of trying to restrict marginal trading in stocks. With the exception of special favourites like International Nickel and Brazilian, the local stock markets have been both dull and weak during the past week, and for the week ending December 15th the Bureau of Statistics "Investors" Index of industrial common stocks was 227.0, as compared with a figure of 236.3 for the previous week. Commodity prices show a slightly downward tendency, and the Bureau of Statistics' index number of wholesale prices fell 1.6 points in November, the figure being 148.6, as compared with 150.2. Forty-five price quotations were higher and 43 lower and 148 unchanged; the declines were of greater importance, the most serious being in the classification "vegetables and their products," which fell from 145.9 to 143.3.

The question of the grading system now employed for Canadian wheat and other grain has been a thorny topic in grain trade and farming circles for some time past, but it has now been brought to a head by a letter addressed to Premier Mackenzie King by Mr F. W. Urquhart, the secretary of the Liverpool Corn Trade Association. Admittedly, the quality of the western wheat crops of 1927 and 1928 has been poor as the result of weather damage, and the consequence has been an intelligible anxiety to raise grades to as high a level as possible; but the charges made in the letter of the association are too grave to be neglected. Mr Urquhart's letter begins by intimating his instructions to call attention to the unsatisfactory grading of the Canadian crop of 1928 and its predecessor, and it recalls previous representations made to the Canadian Board of Grain Commissioners with a view to a reform of conditions. But apparently little improvement has resulted, and Mr Urquhart intimates that complaints, whose justice has been carefully investigated, are still coming in about recent shipments where the quality of wheat was distinctly inferior to what the Government certificates guaranteed. The letter then proceeds thus :—

> In years gone by complaints were few and far between, but since the autumn of 1926 they have been numerous and the confidence which the trade used to place in Canadian certificates has been badly shaken. My directors find that the whole United Kingdom and Continental markets are becoming very dissatisfied with the arrivals of wheat under "Certificate Final," and unless matters improve there will be strong agitation to discontinue this method of trading and to insist upon buying on a standard sample in the same way as trade is done with other countries such as the Argentine and Australia.

The letter closes with an expression of hope that the Canadian Government will at once authorise an investigation productive of reforms in the present system which will meet the constructive criticisms and suggestions already submitted by the British grain and milling trades.

This threat by the Liverpool Corn Exchange to refuse to accept Canadian certificates would, if acted upon, deal a very serious blow to Canada's grain trade and have far-reaching consequences upon the whole economic life of the Dominion. A Royal Commission appointed by the provincial Government of Saskatchewan is investigating the grain trade, and if it evolves a report in the near future its contents may help the Federal Government in the formulation of a reform policy which will satisfy the British critics of the present system.

The process of the absorption of Canadian enterprises by great American corporations still goes merrily on, and the latest instance is the acquisition by the Borden Company of New York, one of the great dairy corporations of the United States, of the Chateau Cheese Company of Ottawa. This latter concern has since 1922 built up a huge business in the manufacture and distribution of cheese, butter, and milk, and it is understood that the price paid by its new American owners is in the vicinity of $3,000,000.

ARGENTINA.—CROPS—RAILWAYS—MONEY—FREIGHTS.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, December 4.

THE general outlook throughout Argentina may be summarised as satisfactory. The crops of wheat and linseed are reasonably safe and well above the average as regards yield. Extraordinarily high estimates have been made public in connection with both crops by private individuals, a possible yield of 2,500,000 tons linseed and 7,500,000 tons wheat being suggested. Harvesting is in full swing in Buenos Aires, Entre Rios, Cordoba, and Santa Fé, nor is there likely to be any appreciable reduction in final results owing to agrarian strikes or cyclonic damage in the south of Cordoba and parts of Santa Fé province; the effects of these local difficulties tend to be exaggerated, especially given the superabundance of wheat and the reasonable fear that prices will keep low. Following this bountiful yield comes promise of a proportionately heavy maize crop, hence the activity with which railway interests are increasing their stocks of locomotives and wagons, and adding to their storage accommodation at the up-country stations.

The managers of the various railway companies, through their legal representatives, addressed a lengthy and reasoned reply to the queries put by H.E. President Irigoyen in the course of the interview which he held with the railway managers a month ago. It is characterised by a readiness to put into effect all improvements recommended which will tend to cheapen and expedite the movement of the country's produce, and the tone throughout gives further evidence of the good understanding prevailing. Extensions, amounting in all to 1,000 kilometres, are projected by the Southern system, and it is also reported that considerable activity may shortly be expected on the Central Argentine and other lines.

Financially, the present position is characterised by easy money, high prices for investment stocks, and little private enterprise. Bank deposits are rising, and as yet no demand for money has set in on behalf of the cereal exporters. Rates for discounts and advances are still 5½ to 6 per cent. per annum, and it is thought that this ease will continue well into the New Year. Exchange rates indicate slight weakness in the Argentine dollar, the latest quotations, banks' cable drawing rates, being 47 11-32 on London and 104.50 on New York. Heavy drawings on behalf of importers, dividends, and the Argentine Government fully explain this recession, which will, in all likelihood, be more than recovered by the middle of January. There has been a steady increase in imports during the last half of the current year, and as 90 days is the customary credit term, many obligations are now due to be remitted. Excellent business is reported in the retail trades, but there is a distressing absence of British manufactured articles in nearly all the smaller lines; an absence explicable only on the ground that such articles are either not known or are not suitably handled for export. This is all the more regrettable inasmuch as the acquisitive capacity of the private individual in Argentina is likely to be much increased in the course of the next twelve months, and prosperous production means freer outlay all round.

Whether this prosperity will enable the country to borrow at home some of the funds that are bound to be needed in order to carry out the various public works projected is difficult to say. The advisability of so doing is obvious, and it will be interesting to see whether the Province of Cordoba, in the market for $65,000,000 paper, can meet its desire for consolidation of existing debts without going abroad. Other provinces are also reported to be seeking funds, but as yet there is no news of any forthcoming national loan. Cereal quotations at date read :—Wheat, $9.35 paper p. 100 kilos spot, with $9.50 for January; maize, $8.90 and $9.15; linseed, $15.85 and $15. News that Spain will be in the market for 150,000 tons of maize, to be bought under the recently arranged credit, has given tone to the market, the more so as stocks of this grain are rapidly falling. It is also said that shipments of wheat to the Peninsula, thanks to the same financial aid, will also be made very shortly. In the freight market tonnage was freely booked during the beginning and middle of November, and rates are firmer on the basis of 24s San Lorenzo range to U.K./Cont., November-December loading, and 25s has been booked for January loading at Santa Fé, with 24s Bahia Blanca to Valencia/Barcelona, December loading. Berth rates are also firmer on the basis of 20s grain to U.K. If the anticipated heavy flow of grain towards the end of December is realised there may be close on a million tons of cereals and seed to be shipped, in which case a further upward movement in freight rates may confidently be predicted.

Letters to the Editor.

COAL TRADE PROBLEMS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Perhaps the aftermath of Christmas has induced in me an abnormal cynicism, but I seem to detect in your correspondent's article on Coal Trade Problems exemplification of the proposition from which discussion of international trade finds it difficult to escape, to wit, that political interferences with trade are like onions at dinner—you like your own but detest your neighbour's. For your correspondent, claiming that in an "unhampered application of the law of comparative costs" alone lies hope for the coal trade, cites as evidence "direct and indirect subsidies" to various Continental mining industries, leading off with "preferential transport conditions" in Poland and Germany; yet he is silent concerning the artificial stimuli of the same nature granted in this country. The subsidy of 1926 to the coal-mining industry is of the past, and is most happily forgotten. But since December 1st last Exchequer money has been used to compensate the railways for freight rebates on exported coal, and coal delivered to iron and steel works, amounting to some 30 per cent. of the total carriage charges; the mining industry is likewise benefiting from a 10 per cent. rebate on the carriage charges on pit props, &c., and from an anticipation by ten months of the relief of three-quarters of the rates on private mineral railways. Is your correspondent really agitating for the abandonment of these "indirect subsidies," whose international reaction we have not yet been able to perceive?

There is no need nor ground for using the plaudits given by the coal industry to these sops as justification for further governmental interference with international trade. Rather the facts suggest that co-operation to modify international competition "within the limits of the present distinctive national policies" is more necessary than ever, and that the Government has sadly erred in confusing with gratuities to certain forms of industrial endeavour a splendid opportunity for reform in principle of the whole rating system. In default of these things, it is not very helpful for pot to call kettle black.—I enclose my card, and remain, yours, &c.,

Oxford, December 31st, 1928. SOCTUS.

POTTERY AND SAFEGUARDING.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The Board of Trade figures for the ten months ended October 31, 1928, compared with the same period last year, are instructive, and prove conclusively the fallacy of the Free Trade theory that if you protect your home trade your export trade must suffer. The figures prove precisely the contrary.

The china trade, which has been safeguarded since April, 1927, shows a decline in imports from £473,684 in 1927 to £268,862 in 1928, or a drop of getting on for 50 per cent., while the exports have risen from £378,481 to £388,377, or nearly 3 per cent. increase.

How different is the case with earthenware, which is not safeguarded! For the month ended October 31, 1928, the imports have grown from £25,337 last year to £37,000 this year, an increase of 50 per cent. I am unable to give the figures for the whole year of 1927, as until May of that year, when the duty had been put on china, the china returns were included in general earthenware, making a comparison impossible, but the facts are that the imports in May, 1927, which were round about 7,000 cwts, went up to 15,000 cwts in October, 1928, or an increase of 100 per cent. On the other hand, exports have fallen from £2,743,681 for the ten months ended October 31, 1927, to £2,318,469 for the corresponding ten months of 1928, or 15 per cent.

So here you have a safeguarded industry reducing its imports (thereby improving its home trade) and increasing its exports, while, on the other hand, the non-safeguarded industry loses 15 per cent. of its exports while its imports have increased by 100 per cent.—not much doubt as to which policy is most beneficial to the workers of this country.—Yours faithfully,

T. B. JOHNSTON.

The Bristol Pottery, Fishponds, Bristol, December 29th, 1928.

[The differentiation between china and earthenware in the Board of Trade returns before and after the imposition of the duty on china has resulted in a confused statistical position from which Mr Johnston draws conclusions with more temerity than logic. For example, if earthenware and china were mixed up until May, 1927, what value is to be attached to his china figures for January-October, 1927, when he professes his inability to give the earthenware aggregate for the same period?

Admittedly imports of china have fallen since the imposition of the duty, but we cannot agree that this has any bearing on the slight increase, quoted by Mr Johnston, in the aggregate value of exports. Before the duty the average landed value per cwt of our china imports was roughly £3 10s, whereas this year the average price (landed value, before payment of duty) works out at about £6. The duty, which is reckoned by weight, has therefore obviously excluded the cheapest forms of china. Now the average value of our china exports is £20 per cwt. Apart from the fact that, reckoned by weight, exports in 1928 (January-October) are shown by the Board of Trade returns to have declined by 2,000 cwt, or 10 per cent., it is difficult to comprehend how exports of this expensive china could benefit by excluding cheap ware at one-sixth the price. As regards earthenware, any increase in imports which has occurred is a natural consequence of the

loss through "Safeguarding" of cheap imported china, though in fact imports have not expanded to a point sufficient to replace the chinaware excluded. The British export trade in earthenware is depressed through having to contend increasingly with Continental Felspar china in foreign markets. It cannot be seriously suggested that this competition could be met by a British "Safeguarding" duty on earthenware imports.—ED. *Econ.*]

DRESS GOODS AND SAFEGUARDING.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In view of the prominence into which the industry is being currently placed by reason of the application for Safeguarding, I think it would serve a good purpose that your attention should be drawn to the need for a correct terminology in references to it. So often the term "woollen" is employed when "worsted" is meant. I give a good example, which is a successor of many previous ones—on page 1155 of your issue of December 22nd, when you head an article "Safeguarding of Woollen Dress Goods." The application is essentially put forward by the Bradford and District Manufacturers' Federation, which deals entirely with worsted dress goods, and, as should be well known, there is a very clear distinction between the two processes woollen and worsted.

On the grounds of traditional observance of correctness in terminology on the part of your publication, I feel I may be permitted to draw your attention to this. The correct term which should be employed with regard to all matters affecting the machinery operation of the wool fibre should be the "Wool Textile Industry." This then safely covers all branches which specialise in different forms of its manipulation.—Yours truly,

F. VERNON WILLEY.

50 Parliament street, Whitehall, S.W. 1, January 2nd, 1929.

Books and Publications.

THE FREEDOM OF THE PRESS.*

RECENT events in the publishing world have added much to the interest with which Mr W. H. Wickwar's story of "The Struggle for the Freedom of the Press, 1819-1832," will be received. Using as materials the multifarious literature of the time, newspapers, books and pamphlets, the invaluable collections of news cuttings, &c., made by Francis Place, the Home Office records, and a variety of minor sources, he has compiled a scholarly monograph on an exceedingly important aspect of the history of democracy. This summary statement does scant justice both to the immense industry he has displayed in collecting his materials and the not less admirable way in which he has selected those most relevant and most likely to add interest to his narrative.

The story is a remarkable one. It is set in those troubled times when the fear of popular disturbances after the fashion of the French Revolution derived plausibility from the acute economic distress and political inefficiency which followed a long and exhausting war. The crisis at once stimulated the creation of a cheap popular Press, a thing hitherto practically unknown, and was rendered more acute by the existence of that Press.

In an atmosphere so unfavourable to the expression of any opinions deviating from political and religious orthodoxy, it did not require much to set on foot prosecutions for criminal libels. Whigs differed but little from Tories in their outlook on the problem, and if help were necessary voluntary societies were ready to back them by supporting the expenses of a prosecution.

The story of unjust oppression, of often savage penalties in the shape of fines, imprisonment and even transportation endured by a number of poor and obscure men, and the constitutional victory which they achieved by their tenacity, is the central topic of Mr Wickwar's book. The hero of the story is Richard Carlile, a Devonshire metal worker, who, as Professor Trevelyan has said, "suffered and achieved more for the liberty of the Press than any other Englishman of the nineteenth century." The story of his energetic devotion to the cause of freeing the Press from the fear of political and religious prosecutions, a devotion almost amounting to religious fanaticism, is one of extraordinary interest.

From a wider point of view the book is a notable contribution to the history of public opinion in the days before the Reform Act of 1832. As Mr Wickwar says, "the reform movement and the struggle for the freedom of the Press were two aspects of a single movement to secure the development of the constitution in accordance with the desires of the people."

Present-day newspaper problems are of a different order, as the recent articles on "The Contemporary British Press" in the *Economist* have shown, but the story of their development may still be read with profit. To the study of this development, as to the study of the development of the constitution, Mr Wickwar has contributed an admirable book, which will be widely drawn upon by future students of the period.

* "The Struggle for the Freedom of the Press, 1819-1832." By William H. Wickwar, M.A. Royal 8vo, pp. 325. Allen and Unwin. 16s.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

Germany Under the Dawes Plan. By Max Sering. (London) P. S. King, Limited, 14 Great Smith street. 10s 6d net.

This very timely examination by a Berlin professor of the working of the Dawes Plan begins with an historical introduction which goes back to the Peace of Versailles and ends with a restrained but forcible discussion of the outlook. Professor Sering's speech before the Agricultural Commission of the World Economic Conference is appended.

Great Western Ports, 1929. (Cardiff) Great Western Railway, Chief Docks Manager's Office.

This handsome handbook, lavishly equipped with photographs, maps and plans, contains full information relating to each port on the Great Western Railway system, including equipment, accommodation, rates and charges, and statistics of imports and exports. There is also a number of interesting trade articles.

The London Post Office Directory for 1929. (London) Kelly's Directories, Limited, 186 Strand. 55s.

This directory is indispensable to any office. It includes private residents', trade, banking and commercial directories, and there are several useful minor features, such as a map of London and a list of parking places.

The Bankers' Magazine. January, 1929. (London) Waterlow and Sons, Limited, London Wall. 2s 6d net.

The current number includes articles on "The Fusion of the Treasury and Bank of England Notes," "Monetary Policy and the Country's Trade," and "Whole-Life or Endowment Assurance."

The Scottish Bankers' Magazine. January, 1929. (London and Edinburgh) William Blackwood and Sons, Limited. 1s 6d net.

Special articles in this issue are: "The Cosmopolitan Banker," "The Development of Bankers' Repositories," and "Stamp Duties on Stock Exchange Securities."

Foreign Affairs. January, 1929. (New York) 25 West 43rd street. $1.25.

Among a number of interesting subjects this issue includes articles on: "The Threat of Anglo-American Rivalry," "Latin America, Europe and the United States," and "The Rhineland Occupation."

The Hibbert Journal. January, 1929. (London) Constable and Co., Limited, Orange street. 2s 6d net.

Articles of economic interest in this issue are: "The Ethics of Leisure," by Dr Jacks; "The Ethics of Investment," by W. S. Hamilton; and "Labour a Manifestation of the Devil. A Reply to Mr Lethaby," by Hugh P. Vowles.

Commercio. Dicembre, 1928. (Rome) Tipografia della Camera dei Deputati. Ditta Carlo Colombo.

In addition to the numerous indices and other regular features this number contains articles on: "Il Commercio nell' Ordinamento Corporativo," "Caratteristiche Regionali della Industria et del Commercio," and "La Proprietà Commerciale della Clientela."

Il Commercio della Sicilia nel 1927. (Palermo) Industrie Riunite Editoriali Siciliane.

A useful collection of statistics relating to Sicily's trade with the rest of the Kingdom and with other countries. There is a brief section dealing with the effect of stabilisation on Sicilian trade.

British Industries Fair, 1929. *February 18th-March 1st.* (London) Department of Overseas Trade, 35 Old Queen street.

This advance copy of the catalogue and guide to the British Industries Fair, February 18 to March, 1929, has been issued in time to enable oversea buyers to receive it before they leave for England. It contains a descriptive list of the exhibits, which are indexed in nine languages.

Capital. December, 13, 1928. Containing special supplement on Indian Industries and Trade. (Calcutta) 1 Commercial buildings, Clive street. 3s.

The special supplement to this issue contains some thirty-four illustrated articles on Indian industries and trade, and constitutes a valuable survey of a very wide field.

The Stock Exchange.

BRITISH INVESTMENT TRUSTS.

ONE of the most significant features of last year's activity in the new issue market was the number of invitations made to shareholders and the public to subscribe new capital for investment trust companies. Our records reveal that offers coming under this category reached the considerable total of £31,450,000, an amount equal to 8½ per cent. of all the money publicly raised during the year, and twice the total of London borrowings of either foreign Governments or British corporations. Another significant fact has been the development of the investment trust company in the United States and Canada, in which English capital has to some extent participated. For example, the London Canadian Investment Corporation was formed last year under the auspices of leading Canadian financiers to provide a channel for British investment, under expert guidance, in Canadian enterprises. The following table shows the investment trust company issues on the London Stock Exchange since 1923:—

INVESTMENT TRUST CAPITAL ISSUES.
(£'000.)

	1923.	1924.	1925.	1926.	1927.	1928.
Ordinary	3,651	8,294	7,808	14,237	12,142	23,276
Preference	17	20	1,669	771	1,014	2,284
Debentures	962	..	1,322	302	1,793	5,890
	4,630	8,314	10,799	15,310	14,949	31,450

Two good reasons may be adduced for the popularity of the investment trust in a period of general "liveliness" on the Stock Exchange. On the one hand the mixed experiences of large numbers of non-professional investors at such a time are the best possible advertisement of the advantages of a policy of pooling and spreading investment risks under skilled management; and, on the other hand, the element of public "trustfulness," which is so marked a feature of every boom, helps to obviate the reluctance of many people to give what is, in fact, a blank cheque to the directors of these companies for the investment of their resources.

A new investment trust company must, of course, stand or fall by its board of directors. Good management is everything, and the "connections" of the directors are the guarantee that the new company will get its share of first-class underwriting business. There is much to be said for, as it were, backing the horses out of the well-known "stables"—that is, investing in the companies only of the well-known "groups" in the investment trust company world. From time to time these "groups" will form new companies and give the investor the opportunity of acquiring stock at or near par. For example, companies with the following managements are deservedly popular in the market—Robert Fleming, Hon. A. O. Crichton, A. H. Wynn, W. S. Poole; and, among the newer companies, those of E. de Stein, Thomson McLintock, and the "Lake View" group. Among the best known Scottish groups are Shepherd and Wedderburn, Martin Currie and Co., Grahams, Rintoul, Hay, Bell and Co., Wallace and Guthrie, and Moores, Carson and Watson, while the Alliance (Dundee), and British Assets, under Mr Ivory's management, stand out as among the most successful of individual companies. There are others about which the investor could be informed by any responsible firm of brokers. Companies coming from such "stables" can, at any rate, be said to possess good connections and management.

Security and earning capacity are very properly the first consideration of trust company directors. Profits made by the sale of appreciated shares are invariably used to strengthen the capital position. Hence depreciation in the market value of securities is only regarded with serious concern if it is held to be due to curtailed earning power rather than to a general depressed tone on the stock exchanges or to market manipulations. The wide distribution of a trust company's capital among different securities—in general practice not more than .1 per cent. of the capital being invested in any one security—makes for the elimination of market risks. The strongest companies pride themselves on the spreading of their investments among different industries, types of security, and parts of the world. One peculiar feature of trust company investments is the cross-holding between trust and trust. In 1928 out of a nominal investment holding of 25 companies of all sizes, which totalled £43.8 *millions*, £2.8 *millions*, or 5.2 per cent., represented nominal holding of shares and stock of other investment trusts.

It is interesting to compare the respective capital and revenue positions of some of the trusts connected with the groups we have mentioned. The following figures are taken from 1928 reports:—

CAPITAL POSITION.

Company.	Year Formed.	Group.	Total Paid-up Capital and Debentures.	Including Ordinary Stock.	Reserves and Carry Forward.	Gross Revenue less Income Tax.
			£	£	£	£
American Invest. & General	1879	Crichton	3,000,000	750,000	479,532	172,843
Anglo-Celtic	1925	E. de Stein	1,500,000	400,000	33,032	78,309
British Assets	1898	Ivory	4,091,155	350,000	913,874	232,986
British Investment	1889	Fleming	4,500,000	900,000	1,607,597	340,850
Edinburgh Investment	1889	Wallace and Guthrie	1,390,000	540,000	247,364	101,503
Grange	1926	T. McLintock	500,000	250,000	14,703	33,388
Industrial and General	1889	Poole	6,600,000	1,750,000	1,470,747	498,409
Mercantile Invest. and Gen.	1884	Wynn	6,000,000	1,500,000	686,319	408,565
Scottish United Investors	1924	Moores, Carson	2,000,000	400,000	22,489	117,532
Stockholders Investment	1925	Lake View	1,198,992	240,000	85,320	54,147

EARNING POSITION.

	*Expenses.	% on Capital.	Net R'v'nue Available for Ord. Stock.	% Earned, Gross.	% Paid, Gross.	Yield on Divs. At Latest Prices	Yield on Earnings. At Latest Prices
	£		£			£ s d	£ s d
American Invest. & General	8,866	·30	84,555	14·1	12	4 16 6	5 13 3
Anglo-Celtic	6,601	·44	33,537	8·4	6	3 18 2	5 9 10
British Assets	17,632	·43	86,239	30·8	20	2 5 11	3 10 0
British Investment	16,569	·37	193,708	26·9	21	4 7 10	5 12 6
Edinburgh Investment	4,975	·36	67,528	15·2	12	4 1 1	5 1 8
Grange Trust	3,032	·61	12,534	6·3	5½	3 18 10	4 10 0
Industrial and General	42,787	·72	315,863	22·4	17	4 8 7	5 16 8
Mercantile Invest. & General	15,541	·26	234,024	19·50	15	4 8 10	5 15 5
Scottish United Investors	9,103	·46	35,979	11·2	7	3 2 3	4 19 7
Stockholders Investment	5,165	·43	15,536	8·2	7	4 16 9	5 5 9

* Including rents, salaries, fees of directors, auditors and trustees, &c.

It must be realised that the "visible reserves" shown here are no measure of a trust company's financial strength. "Hidden reserves" created by writing down the cost of investments out of capital profits are often very considerable. For instance, British Assets reported that a valuation of the assets showed a large surplus over the capital, reserve funds and carry-forward, which had been increased in the last full year by £600,000. This trust has also made the distribution of capital bonuses a feature of its policy, a fact which goes to explain the relatively low yield on its stock. The tables set out the case for a purchase of investment trust securities, since with a continuance of progress dividends should eventually rise to the level of current earnings. The fact that the mere size of the company has no necessary connection with managing expenses is borne out by these figures, which show that the two largest companies had respectively the highest and lowest proportionate expenses.

It is instructive to compare the above companies with the so-called Co-operative Investment Trusts, which have been much criticised for paying high dividends too early in their career, a policy which precludes the building up of large reserves. In its last report, for instance, the largest of them, the First Co-operative, noted a depreciation of its investments below book value of £34,210,

which must be set against total reserves amounting to £65,214 on a paid-up capital of £1,408,720. It will be seen from the following table that the "co-operative" arrangement, whereby the remuneration of the directors is maintained at a fixed percentage of the distributed profits, does not on the whole reduce the cost of management. The six directors, who are the same for all three companies, received between them £14,254 in the course of the year, while £14,436 for other expenses raised the expense ratio to over 1.2 per cent. of the average paid-up capital.

FIRST, SECOND AND THIRD CO-OPERATIVE INVESTMENT TRUSTS.

	Paid-up Capital.	Management Expenses.	Directors' Remuneration.	Total Expenses as Percentage of Capital.	Div. on Ord. Shares % p.a.	Investment Reserves.	Other Reserves and Carry Forward.
	£	£	£				
First Co-operative—							
To Jan. 31, 1928	1,262,845	3,184	4,303	·59	7	35,000	34,008
To July 31, 1928	1,408,720	4,682	4,569	·67	7	35,000	40,214
Second Co-operative—							
To March 31, 1928	907,111	2,190	1,623	·42	7	..	21,063
To Sept. 30, 1928	990,679	3,675	3,280	·80	7	..	25,136
Third Co-operative –							
To April 30, 1928	84,125	397	152	·65	7	..	2,865
To Oct. 31, 1928	106,925	308	327	·59	7	..	4,400

We cannot do more than note in passing that the rapid initial success of these Co-operative Trusts stimulated the efforts of many imitators, and a number of new Trusts have been started on similar lines, and with a similar appeal to the small investor, who would be wise to realise that in the vital respect of the capabilities of the management the merits of these new concerns vary immensely.

Investment trusts are perhaps the most important achievements of insurance against strictly commercial and financial risks. Economic theorists have been wont to regard such risks as uninsurable, in contrast to the more fortuitous and personal risks of accident, fire, shipwreck, and the rest. But this proposition forgets two things: that risk as an economic magnitude has no meaning out of relation to the person bearing it, and that all practicable insurance takes the form either of division of a big risk or of the merging of a number of small risks. The chances of fire are no less because an insurance company bears the loss; the chance of depreciation in a block of shares is no less because they are held by a trust company. But even if they result in a net loss, the fluctuations in a mass of shares cause much less misfortune if they are held in common by a large number of persons than if held by the same persons individually in separate blocks, and, of course, a good trust sees to it that such losses do not occur. Hence the managing expenses of the conservative investment trusts must be regarded as a very cheap kind of insurance premium against loss.

RAILWAY DIVIDEND PROSPECTS.

THE Home Railway traffic figures for the 52 weeks of 1928 have now been issued, and stockholders know the worst. Total goods and passenger receipts, in fact, show a decline of nearly 5 per cent. as compared with those of 1927, the distribution of the falling off among the main heads of revenue being as follows:—

(000's omitted).

Four "Group" Lines.		Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Goods and Passengers
		£	£	£	£	£
52 weeks, 1927		80,920	71,347	36,339	107,686	188,606
52 weeks, 1928		79,220	66,987	33,265	100,252	179,472
Decline, 1928 as compared with 1927.	Amount	1,700	4,360	3,074	7,434	9,134
	Per cent.	*2·1*	*6·1*	*8·4*	*7·9*	*4·9*

The figures throw valuable light on a number of questions which have lately vexed the minds of many owners of railway securities. The lion's share of the loss of revenue has fallen, not on the passenger but on the goods side. It has been heaviest in respect of coal and coke, the depressed industrial condition of which is notorious. Further, "heavy" traffic, including steel in its various forms, in fact, accounts for much the largest part of the falling off in "merchandise, &c." In other words, the loss has been least where road transport competition, of which so much has been heard, might have been expected to produce its maximum effect, and greatest where the railway's "monopoly" powers are still most in evidence. Depression in the heavy industries has, therefore, been the main cause of the railway setback in 1928, the whole story enforcing the truth that "hard times" in our great export trades, if sufficiently prolonged, must inevitably have unfavourable reactions even on the so-called "sheltered" industries. It should be remembered, of course, that receipts during the first half of 1927 were swollen by extra traffic consequent upon the "catching-up" of coal-stoppage arrears in the heavy trades. It is instructive to compare the two years' figures quarter by quarter, as has been done in the following table, where the receipts for the London companies are also shown:—

(000's omitted.)

Increase or Decrease as Compared with 1927, in	Group Lines. Great W'st'rn	London and North Eastern	London Midl'nd and Scott'sh	S'uth'rn	Total, 4 Groups	London Lines. Metropolitan	Underground Electric.
	£	£	£	£	£	£	£
Passenger traffic—							
First quarter	— 29	— 119	+ 20	+ 18	— 110	+ 21	—
Second "	— 75	— 225	— 213	— 56	— 569	+ 21	—
Third "	— 16	— 182	— 235	— 42	— 475	+ 11	—
Fourth "	— 150	— 134	— 276	+ 14	— 546	+ 12	—
Total for year	— 270	— 660	— 704	— 66	— 1,700	+ 65	—
Goods traffic—							
First quarter	— 287	— 487	— 799	— 152	— 1,725	— 1	—
Second "	— 441	— 626	— 1,137	— 169	— 2,373	— 1	—
Third "	— 196	— 481	— 1,028	— 78	— 1,883	— 3	—
Fourth "	— 193	— 498	— 632	— 130	— 1,453	— 2	—
To al for year	— 1,117	— 2,092	— 3,596	— 529	— 7,434	— 7	—
All traffic—							
First quarter	— 316	— 606	— 779	— 134	— 1,835	+ 20	+ 324
Second "	— 516	— 851	— 1,350	— 225	— 2,942	+ 60	+ 296
Third "	— 212	— 663	— 1,263	— 220	— 2,358	+ 8	+ 291
Fourth "	— 343	— 632	— 908	— 116	— 1,999	+ 10	+ 283
Total for year	— 1,387	— 2,752	— 4,300	— 695	— 9,134	+ 88	+ 1193

The London companies, which are predominantly passenger lines, remain a law to themselves, and have continued to gain from the development of Greater London, where road and rail facilities have long been "co-ordinated." In the case of the four trunk companies, the table shows that the second quarter made the worst showing with last year, the subsequent months witnessing a certain slow but tangible progress, though the effect of the post-coal stoppage factor has to be taken into account. The companies actually carried *more* passengers than in 1927, but there was a considerable switching over from the full to the reduced fare classes, partly "automatic," in view of the extensions of cheap facilities, and partly representing the attraction of new traffic in response to the railway's efforts to meet road competition. Some of the earliest effects of the granting of road powers to the railways are seen in the association of the Great Western with the National Omnibus Company in the West of England (announced this week) and the arrangements by which road transport will "feed" the Midland and Scottish at Sheffield. Other features of 1928 have been the increased use of workmen's facilities and the decline in season tickets—events not altogether unconnected.

What are the probable dividend prospects next month? All the lines, except the Great Western, announced substantial economies in costs at the half-year, and it is understood that savings in the last six months have been somewhat greater, apart altogether from the 2½ per cent. "cut" in wages and salaries some weeks ago. In this connection the companies are slowly reaping the fruits of their programme of increased efficiency put into force earlier. In the light of these facts and the known position at the half-year, it may be very tentatively estimated that the Midland and Scottish will face a *net* traffic loss in the neighbourhood of £2 *millions*, and the North-Eastern of £1 to £1¼ millions; while the Southern will be approximately level with last year. The Great Western is an unknown quantity, but its net decrease may, for argument's sake, be put at £¾ million. As there will presumably be no fresh drop in interest receipts, the Midland and Scottish may be in a position to pay a final dividend of 1½, or possibly 1¾, per cent; the Great Western, say, another 2½ per cent. (presuming no considerable falling off has occurred in its South Wales docks' receipts); and the Southern 1½ or 2 per cent. on its deferred. In order to pay 4 per cent. on its second preference and repeat last year's ⅜ per cent. on its preferred, the North-Eastern might have to draw something up to a million from reserves.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
January 8.	January 10.

THOUGH the week was broken by the holiday on Tuesday, and though the end of a three weeks' settlement was drawing near, a good deal of business was done, and that largely of a solid character. The Ford excitement had died down, not many shares being left in English hands. Sharp movements were therefore mainly confined, as usual, to the few stocks that have been in favour with speculators lately. Apart from minor features of the week, two events stood out. One was the £10,000,000 issue on Thursday by the Government of India, described more fully under "Capital Issues." The other was the renewed strength of Five Per Cent. War Loan, which went over 103; considerable foreign buying recently has affected its price, but that by itself is not a sufficient explanation. Various conjectural reasons were heard, but no one claimed to speak with assurance. For Home Railways a slightly less distrustful feeling could be detected in the City, but investors were still hanging back. Sound Industrials continued to be well supported.

A fair investment demand was experienced for most varieties of gilt-edged stock, assisted, as usual, by the New Year disbursement of dividends, and by the relatively small dimensions of the stock on the market. In the money market there was the usual year-end borrowing from the Bank of England, but no sign of pressure exceeding what has come to be regarded as "normal" on such an occasion. Four per Cent. Consols and Three and a-Half per Cent. Conversion both rose 3/16 on Wednesday, the movement, indeed, extending through the list. Chief interest, however, was attracted by the continued strength of Five Per Cent. War Loan, which, it is clear, will be a law to itself for some time to come, until the many conjectures as to the strategy the Treasury means to pursue have been set at rest. India loans suffered a setback owing to the new £10,000,000 Four and a-Half Per Cents being offered at 91 when the existing stock, issued a year ago, stood at 92⅛, exclusive of accrued interest.

The foreign market was quiet, with few price changes. French loans recovered after end-of-the-year dullness, and some slight support was forthcoming for Roumanians. Brazilian issues were firmer, but Peru Corporations were again on offer.

Home Railway stocks retained for a time the firmness of the last week or two, though no large volume of investment buying was reported. The final traffic figures for the year, however, temporarily checked the movement, except in Southern stocks, the market being influenced by last week's returns rather than the prospects of savings in costs over the whole year, which are discussed in a later "Investment Note." By the same token, Metropolitan and Underground Electric showed renewed strength. In a quiet foreign railway market Argentine stocks lost ground slightly, but San Paulo was in request. Canadian Pacific was in demand on American account. An active "inside" movement developed in Beira Railway.

The New Year made an unsensational but not unsatisfactory start in the industrial markets, confident sentiment from Wall Street being tempered by a certain caution as regards the outlook on this side. The former tendency was exemplified by higher prices for Columbias, Mond Nickels, and the new International Nickels, which changed hands at 49½ on Thursday; the latter by the uncertain tone of such groups as breweries and textiles, and the easier conditions prevailing in the market for cable stocks. Interest and dividend payments "in another place" had a part in the demand for solid industrial stocks, such as

LONDON ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Closing Price Dec. 27, 1928.	Closing Price Jan. 3, 1929.	Rise or Fall.		Closing Price Dec. 27, 1928.	Closing Price Jan. 3, 1929.	Rise or Fall.
Conv. Loan 3½%	79½	79⅝	+ ⅛	Treasury 5% (B)	101	101⅛	+ ⅛
Do 4½% 1944	99	87⅞x	..	Palestine 5% 1942-67	104	104	..
War Loan 5% 1929-47	102½	103	+ ⅛	S. Africa 5% 1945-75	103	103	..
4% 1929-42 (tax free)	100⅝	100⅝	+ ⅛	Tanganyika 4½% '48-68	98½	98½	..
Consols 2½%	56½	56½	..	India 3½%	70½	70⅝	..
Do 4%	88⅝	87⅛x	+ ⅜	Australia 5% 1945-75	98	98	..
Funding 4%	90½	90⅜	..	N.S.Wales 5½% 1922-52	101	101	..
Victory Bonds 4%	95	95	..	N. Zealand 5% 1946	103	103	..
Local Loans 3%	65½	65½	..	Victoria 5½% 1930-40	101	101	..

Foreign Government Securities.

Japanese 6% (1924)	98½	98½	— ½	French 5%	19	19⅛	+ ⅛
Tokyo City 5½%	92	90x	..	Do 4% (Brit.)	16⅝x	16⅝x	+ ⅛
Argentine 4% Reciss.	88	86½x	..	German 7%	10c	10c	..
Austrian 6% 1923-43	102	102	..	Greek 7% Refugee	101½	101⅜	..
Belgian 7%	109	109	..	Hungary 7½%	103	103	..
Brazil 5% Funding	86½	87x	+ ½	Chili 6%	98	98	..
Bulgaria 7%	90	87x	..	P.L.M. 6%	104	102x	..
China 5% (1912)	53	53½	+ ½	Poland 7%	89	89	..
Cologne (City of) 6%	95	95⅜	+ ⅛	Mexican 5% (1899)	34½	35¼	+ 1
Egypt Unified 4%	85	85	..	S. Paulo Coffee 7½%	105	107½x	..
Estonia 7% 1927	97	95x	..	Do Bank 6%	93½	93½	..
Finland 6% 1925	97	97½	+ ½	Siamese 6% (1924)	103	103	..

British and Foreign Railways.

G. Western Ord. Stk.	81	83½	+ 2½	Antofagasta Ord Stk.	89	89½	+ ½
L.N.E., Def. Stk.	11¾	11⅞	+ ⅛	B.A.&PacificOrd.Stk	98	97⅞	— ⅛
Do 5% Pref. Stk.	24½	25	+ ½	B.A.G.Sthn Ord Stk.	108	107⅞	— ⅛
L.M.S. Ord. Stk.	53	55	+ 2	B.A. Westrn. Ord. Stk.	97	96¾	— ¼
Metropol'an Cons. Stk.	65	67	+ 2	Can. Pacific Com. Stk.	241	252	+ 11
Met. District Ord. Stk.	80½	80½	..	C. Argentine Ord. Stk.	99	98	— 1
Southern, Def. Stk.	31½	33	+ 1½	Entre Rios Ord. Stk.	96	97	+ 1
Do Pref. Ord. Stk.	75¾	76¾	+ 1	Leopoldina Ord. Stk.	55½	56	+ ½
Underground Ord. £1	1⅞	1¼	+ ⅛	San Paulo Ord. Stock	200	200	..
Do Income Bonds	126	128	+ 2	Utd. Havana Ord. Stk.	39½	42½	+ 3

Banks.

Barclay B. (£1)	3	3	..	Midland £1, fully paid	3⅛	3⅜	+ ⅛
Barclays (Dom. Col. &c.) A £1	1⅞	1⅝	+ ⅛	Nat. Prov. £20, £4 pd.	14½	14⅝	+ ⅛
Lloyds £5, with £1 pd.	3½	3½	..	Hongk. and S. ($125)	141¼	145¼	+ 4
Mid. £12, with £2½ pd.	9⅜	9⅝	+ ⅛	Standard of S. Africa £20, with £5 paid	15½	15⅝	+ ⅛
Do £2½, fully paid	9⅜	9⅜	..	W'minster £20, £5 pd.	20⅛	20⅜	+ ⅛

Insurance.

Alliance £1, fully paid	19⅞	19⅞	..	N.British and Mer. £5, with £1½ paid	37	38	+ 1
Com.Un. £2½, fully pd.	28½	28½	..	Royal Ex. £1, fully pd.	6⅜	6⅜	..
London & Lancs. £5, with £1 paid	31	31½	..	Roy.In. £1, with 10/pd.	8½	9	+ ½

Coal, Iron and Steel.

Babcock, Wilcox (£1)	3⅛	3⅛	..	Ebbw Vale (£1)	3⅝	3⅝	..
Baldwin (1/)	3/32	3/32	..	Guest, Keen (£1)	1⅜	1⅜	..
Bengal Iron (£1)	1⅜	1⅜	..	Powell, Duffryn (£1)	1⅜	1⅜	..
Bolckow Vaughan (£1)	⅜	⅜	..	Swan, Hunter (£1)	1⅜	1⅜	..
Cory, William (£1)	2⅛	3⅛	+ ⅛	Thomas, Richd. (£1)	3⅜	3⅜	..
Dorman, Long (£1)	8⅜	8⅛	— ⅛	Vickers (6/8)	8⅜	8⅜	..

Textiles.

Bradford Dyers (£1)	2⅝	2⅞	+ 3/16	Courtaulds (£1)	4⅛	4⅞	+ ⅛
Brit.Celanese, Ord (10/)	1⅜	1⅜	— ⅛	Fine Cott. Spinn. (£1)	2⅜	2⅜	..
Do 7% Pref. (£1)	⅜	⅜	+ 1/16	Listers (£1)	1⅜	1⅜	+ 1/16
Coats, J. and P. (£1)	3 3/16	3 3/16	..	Snia Viscosa (200 lire)	1⅛	1⅛	..

Electrical Manufacturing.

British Insulated (£1)	4	4⅛	+ ⅛	Johnson&Phillips (£1)	1⅛	1⅛	..
English Electric (£1)	⅜	⅜	..	Metro-Vickers (£1)	1⅜	1⅜	..
General Electric (£1)	2⅛	2⅜	+ 1/16	Siemens (£1)	1⅜	1⅜	..

Electric Light and Power.

Atlas L'ht & P'er (£1)	1	1	..	Hydro-Elec. com. stk. no par	33⅜	36⅜	+ 3
Brnemth. & Poole (£1)	3⅜	3⅛	+ 1/16	Midland Counties (£1)	1⅜	1⅜	..
City of London (£1)	1⅜	1⅜	..	N'we'stle-on-Tyne (£1	1⅛	1⅛	..
County of London (£1)	2⅜	2⅜	+ 1/16				

Telegraphs and Cables.

Eastern Stk.	272½	267½	— 5	Marconi (10/)	3⅛	3⅛	..
Eastern Exten. (£10)	27½	26⅜	— ⅜	Marconi Marine (£1)	3⅜	3⅜	— ⅛
Western (£10)	26½	26½	..	U. River Plate (£5)	11⅞	12	+ ⅛

Motors.

Austin, 20's	⅜	⅜	..	Morris 7½% Cm.Pf. (£1)	1	⅞	— 3/16
Dennis (1s)	3⅛	3	— ⅛	Napier (£1)	2⅜	2⅜	..
Leyland (£1)	1⅛	1⅛	+ ⅛	Singer (£1)	1⅛	1⅛	..

Shipping.

Cunard (£1)	1⅝	1⅛	+ ⅛	P. & O. Defd. (£1)	3⅛	3⅛	..
Furness Withy (£1)	1⅜	1⅜	..	Royal Mail Ord. Stock	69⅜	69⅜	..

Tea and Rubber.

Anglo-Dutch (£1)	1⅝	1⅝	..	London Asiatic (3/)	⅞	⅞	..
Cons. Tea & Lnds (£10)	35½	37x	..	Rubber Trust (£1)	1⅛	1⅛	+ 1/16

Oil.

Anglo-Persian (£1)	4⅜	4⅜	..	Mexican Eagle (£1/0.6)	3⅜	3⅜	— ⅛
Apex (Trinidad) (5/)	1⅜	1⅜	+ 1/16	Royal Dutch (£5)	33⅞	34	+ ⅛
Burmah Oil (£1)	4⅛	4⅛	— ⅛	Shell (£1)	5⅛	5⅛	— ⅛
Lobitos (£1)	2⅛	2⅛	— 1/16	Trinidad Leaseholds (£1)	4⅛	4⅛	— ⅛

Miscellaneous.

Assoc. P. Cement (£1)	11⅜	11⅜	..	Imp. Chem. Def. (10/)	3⅜	3⅝	+ 1/16
Barker (John) (£1)	3⅛	3 1/16	+ 1/16	Imperial Tobacco (£1)	6⅜	6⅜	+ ⅛
Braz. Traction, no par	77⅛	78¼	+ 1	Inter. Hold Shs. no par	11⅜	11⅝	+ 1
Brit.-Am. Tobacco (£1)	6⅜	6⅜	..	Kreuger & Toll (kr. 100)	36⅜	36⅜	— ⅛
Carreras, "A" Ord. (£1)	17⅛	18x	+ ⅛	Lyons (J.) (£1)	4⅛	4⅛	..
Columbia Graph. (10/)	14⅜	16⅛	+ 1⅛	Mond Nickel (10/)	8⅝	9⅛	+ 1/16
Dunlop (6/8)	1⅜	1⅜	+ 1/16	Swed. Match, B (kr. 100)	23⅜	23⅜	— ⅛
Duophone (10/)	⅛	⅛	— 1/16	Tilling, Thomas (£1)	5⅜	5⅝	+ ⅛
Forestal Land (£1)	1⅛	1⅛x	+ 1/16	Tobacco Ord. (£1)	3⅛	3⅜	+ 1/16
Gas Light & Coke (£1)	⅛	⅛	— 1/16	Sec. Trust Def. (5/)	1⅜	1⅜	..
Gramophone Co. (£1)	13⅜	13⅜	..	Victor Talking, no par	146⅜	157	+ 10⅜
Harrods (£1)	3⅛	3⅛	..	Vocalion (10/)	3⅜	3⅜	— ⅛
Hudson's Bay (£1)	5⅛x	5⅛x	..	Wallpaper, Def. (£1)	3⅛	3⅛	..
Imp. Chemical, Od. (£1)	1⅛	1⅛	— ⅛	Watney Combe Dt. (£1)	3⅛	3⅛	..

Mines.

Anglo-Amer. of S.A (£1)	2	1⅞	— ⅛	Lake View & Star (6/)	⅜	⅜	+ 1/16
De Beers Def. (£24)	12	11⅞	— ⅛	London Tin (£1)	3⅛x	3⅛x	+ ⅛
Brakpan (£1)	4⅜	4⅜	..	Rio Tinto (£5)	60⅜	64	+ 3⅛
"Chartered" 15/ Lp.	1⅜	1⅜	+ 1/16	Rosario-Asiatic (2/6)	⅛	⅛	..
Burma Corp. (Rs. 10)	1⅜	1⅜	+ 1/16	Siamese Tin (5/)	⅛	⅛	..
Central Provinces (£1)	5	4⅞	— 1/16	Sub-Nigel (10/)	2⅛	2⅛	+ 1/16
Geduld (£1)	3⅜	3⅜	+ 1/16	Tanganyika (£1)	3	3⅛	+ 1/16
Johan. Cons. (£1)	2⅛	2⅛	+ 1/16	Union Corp. (12/6) fu. pd	4⅛	4⅛	+ 1/16

Imperial Tobacco and Courtaulds. Margarine issues were in demand, and match shares gained further ground. The Ford excitement did not outlast the old year, but a few British motor shares still had a firm appearance. Buying of National Omnibus was inspired by the latter's arrangement with the Great Western Railway. Ner-Sag showed fresh weakness, but African and Eastern were supported before the shareholders' meeting, at which a committee was appointed. A small amount of selective buying was in progress in the iron and steel group. Insurance shares had a slightly rising tendency, but bank shares became somewhat irregular after a firm opening to the week.

The stronger tone of rubber prices over the week-end gave an upward twist to a few share quotations, but the volume of actual business showed little change. Tea shares opened in undistinguished fashion, but business broadened during the week, prices again strengthening. Little of interest was passing in the oil share market, beyond a cautious inquiry from the Continent and New York. Royal Dutch improved, but Anglo-American continued to suffer from the passing of the interim dividend.

Among mining stocks, Rhodesians continued to claim the liveliest share of speculative attention. Loangwas were in the centre of the picture on Monday, Roan Antelopes (on the receipt of an optimistic cable) on Wednesday, New York taking a hand in the movement. Kaffirs were steady without attracting much new business. Modder East was sold in Johannesburg. The tin share market was unsettled pending the ascertainment of the end of December statistical position of the commodity, but the fresh appreciation in copper values was fully reflected in the share market, Rio Tinto advancing to new "record" levels.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The share market opened with as great a buoyancy as at the close of the past year, paying no heed to the rise of call money to 12 per cent. for several days, the highest figure since 1920. A feeling that dear short-term credit will prove temporary, general good nature stirred by record-breaking holiday trade, confidence in the continuance of prosperity, backed by the re-investment of $1,500 millions distributed in dividends and interest at the end of the year, and a reluctance to take profits coming under the 1928 income-tax—these factors are largely responsible for the continued liveliness. Share prices are now higher than the previous peak recorded at the end of November, and the volume is again exceeding $5 millions daily. Bonds are also more active under a firmer demand for reinvestment. The chief interest was shown in copper shares, thanks to a rise of price of the metal to 16¾ cents a lb, to the full-time working of producing companies, and to the splendid situation of the industry with its prospect of higher dividends. Steels and motors were also good, the latter showing their usual rise in advance of the national show here this week, and the steel industry finishing the year with a record output and starting at a high rate on the basis of better prices in the first quarter. Rails were a little better, but not much business was done in them, though earnings and traffic are on the increase. Tyres and rubbers showed improvement on expectation of an output of close on six million automobiles in 1929. Oils were fair, but the output is increasing again. The best gains have been made by the soundest stocks, endorsing the theory that in the long run investments in well-managed enterprises are bound to appreciate regardless of the immediate outlook.

Current prices :—

	Dec. 27, 1928.	Jan. 3, 1929.	Rise or Fall.
4½% Lib. Ln. '33-8	100⅝	100⅛	—
3½% Tns. Ba. '46-56	103 16/32	103 18/32	+ 2/32
Ach., Top. & San. Fé	194½	198½	+ 4
N. York Central	188	190¾	+ 2¾
Union Pacific	212	220½	+ 8½
Pennsylvania	72¼	78½	+ 6¼
South. Railway	146½	152½	+ 6
U.S. Steel	156⅞	164½	+ 7⅝
General Motors	194¼	208	+ 13¾
Amer. Tel. & Tel.	190¼	196⅞	+ 6⅝
General Electric	206¾	235	+ 28¼
Victor Talking	143⅜	147⅞	+ 3½
Std. Oil of N.J.	53⅝	54⅞	+ ⅜
Anaconda	105¼	122¼	+ 17

PARIS.

The Bourse, on the eve of the four days' holiday, felt the effects of the liquidation of some bull accounts, occasioned by fresh political apprehensions. For the time being this uneasiness has disappeared again, and the New Year opened serenely. Following this slight weakening, French stocks regained what they had lost, and once more have an excellent appearance. Copper shares were a centre of great interest; Rio Tinto was in demand on the new rise of the metal, and started briskly on the upward path, encouraging Tharsis and others by its example. The end-of-the-month settlement was effected on favourable terms—6½ per cent. on the Parquet and 8½ per cent. on the Coulisse.

Current prices :—

	Dec. 27, 1928.	Jan. 3, 1929.	Rise or Fall.
3% Perp. Rentes	66·50	68·15	+ 1·65
5% Rentes, '15-16	94·75	95·80	+ 1·05
5% Rentes, 1920	110·55	111·00	+ 0·45
Banq. de France	23,415	23,800	+ 385
Banq. de Paris	5,090	5,155	+ 65
Crédit Lyonnais	4,050	4,080	+ 30
Nord	2,285	2,350	+ 65
Com. Gen d'Elec.	4,035	4,100	+ 65
Littoral Médit.	1,280	1,290	+ 10
Mines de Lens	1,012	1,018	+ 6
Courrières	1,367	1,422	+ 55
Pechiney	4,100	4,110	+ 10
Kuhlmann	1,412	1,426	+ 14
Com. Gen. Trans.	1,250	1,249	— 1
Suez Canal	23,925	24,545	+ 620
Assur. Gen. Vie	21,150	20,500	+ 650
Denain et Anzin	3,160	3,200	+ 40
Dollfus Mieg	11,800	11,500	— 300

BERLIN.

Except on Monday, which witnessed a moderate reaction, stocks in the last days of the old year were firm. On the Saturday foreign buying had been particularly heavy, embracing Reichsbank, Otavi Mines, and electricity and lignite companies. Purchasing of bank stocks on Dutch account was reported. In the cash market good business reports made brewery stocks firm.

The Bourse was closed on Tuesday, and it reopened in undecided mood, but became firm later on a fall in money rates and a reduction of the private discount rate. There was profit-taking towards the close on Wednesday, and the following day the market was dull and weak.

Rhenish-Westphalian Electricity and Mitteldeutsche Stahlwerke have been added to the list of securities, now numbering 87, which may be dealt in for future settlement—monthly, not fortnightly.

Current prices :—

	Dec. 27, 1928.	Jan. 3, 1929.	Rise or Fall.
Reichsbank	335·00	333·50	— 1·50
Deutsche Bank	170·50	172·75	+ 2·25
Disconto Bank	162·00	167·50	+ 5·50
Hamburg-Amer.	140·87	139·00	— 1·87
Norddeut.-Lloyd	136·50	135·13	— 1·37
I.G. Farbeninds.	268·37	267·00	— 1·37
Verein. Glanztff.	531·50	538·00	+ 6·50
Bemberg	439·00	449·00	+ 10·00
Verein. Stahlke.	92·50	92·50	..
Mannes Rohrke	130·00	131·50	+ 1·50
Allgemne. Elekt.	199·25	191·25	— 1·00
Siemns. & Halske	417·75	424·00	+ 6·25
Daimler Benz	77·75	75·00	— 2·75
Cont. Caoutchuc.	140·00	140·50	+ 0·50
Salzdetfurt. Kali	510·50	529·75	+ 19·25

AMSTERDAM.

The past year ended with general activity and a firm tone on the Bourse. Margarine Unie and artificial silk shares were in keen demand. Oils were firm, but sugar shares irregular. The rubber market was neglected, but prices did not tend to weaken. Favourable tobacco reports exercised a good influence. Shipping shares remained steady, and mines showed an improvement.

Monday as well as Tuesday was a holiday. On Wednesday and Thursday the market was very strong, Philips and others coming into great prominence.

The money market was firm, with the private discount rate at 4 7/16 per cent., and 4¾ per cent. for prolongation.

Current prices :—

	Dec. 27, 1928.	Jan. 3, 1929.	Rise or Fall.
5% Bds. Neth. '18	102⅞	102	— ⅞
4½% Ams. 1913-14	99⅜	100	+ ⅝
Jurgen Marg.	390	400	+ 10
Neth. Art. Silk	425½	444½	+ 19
PhilipsElecLmp	782½	825	+ 42½
Singkep Tin	341	345	+ 4
Royal Dutch	401½	414	+ 12½
Amst. Rubber	229⅜	239	+ 9⅜
Serbadjadi SmR.	178½	187½	+ 9
Holl. Amer. Line	80½	80	— ½
Navig. Co., Ned.	206⅜	211	+ 4⅝
Vorstenlanden	152½	151½	— 1
TradingCo., Ams.	679½	653½ x	— 26
Besoeki	530	535	+ 5
Deli	436	446½	+ 11½
Neth. Trad. Soc.	170⅝	171½	+ ⅞

x ex. div.

VIENNA.

The Bourse, which does not seem inclined to react to any stimulus whatever, is still stagnant. Even though money has become a little dearer, the dividend declarations of several industrial companies, which on the whole were not unfavourable, might well have exercised a certain influence upon the market, but it remained unmoved. The quiet has again caused local banks and some speculators to withdraw and engage in transactions on foreign bourses, especially Berlin. The demand on the money market at the end of the month was the more pronounced as notice of withdrawal was given for certain short-term foreign credits. In general, however, the close of December was easier this year than last. The greater part of the demand was made on the National Bank. The New Year is not opening under the best of auspices. In view of the increased postage rates and the new social burdens thrust upon industry by several recent laws, resistance to the prospective rise in railway rates is growing more vehement. Certain modifications have been successfully urged, but otherwise the increased tariff remains as it was projected, and is now certain to be put into force early in the coming year.

INVESTMENT NOTES.

The Law as to Company Meetings.—A point of considerable importance to British company shareholders arises out of the reply given by the President of the Board of Trade to a Parliamentary question by Mr Thurtle last month. The latter gentleman asked whether the Board proposed to take action against the Duophone Company, on the ground that no annual meeting had been called within the period of 15 months prescribed by the law. Sir Philip Cunliffe-Lister replied to the effect that the company was bound by law to make its annual return to Somerset House by the end of the year, and until it had done so information as to the holding of the meeting would not be available to the Board of Trade. He went on to say, however, that it had not been the practice of the Board to initiate proceedings unless representations were made by a member of the company concerned. This view of its duties has, in fact, obtained at the Board of Trade for many years past, but its implications should, nevertheless, be clearly realised by shareholders. If a shareholder is dissatisfied owing to a company's failure to hold a meeting (and it should be remembered that Section 64 of the Companies Consolidation Act, 1908, lays down that every director or officer, such as the secretary, who is responsible for the neglect is liable to a penalty of £50), he may either (*a*) write to the Registrar of Joint Stock Companies, Somerset House, Strand, London, drawing his attention to the fact of the irregularity and requesting him to enforce the penalty, or (*b*) institute what is deemed in law a private prosecution—that is, lodge a complaint before the court: if the irregularity occurred in London, before a metropolitan police magistrate; or if the offence occurred in the provinces, before the local Bench of a police court. In any event, in accordance with Section 11 of the Summary Jurisdiction Act of 1848, the complaint must be made to the courts within six months of the alleged irregularity, unless the omission to hold the annual meeting is a continuing one. There is a further method, which is a costly one—to apply to the Chancery Division of the High Court requesting it to make an order compelling the appropriate officers of the company to call an annual meeting in accordance with the Statute. It is not necessary for the Registrar of Companies to wait until the annual statement is filed before moving in the matter, providing his attention is drawn to the fact in the manner described. Whether or not the procedure is entirely satisfactory, in all circumstances, from the shareholders' point of view, the legal position at all events is clear.

Some Factors in the Artificial Silk Position.—The justification for the recent heavy fall in the prices of the shares of a number of the newer artificial silk producers may be traced, writes a correspondent, to conditions clearly forecast on several recent occasions by the chairman of the largest producing company in this country. Speaking in 1926, Mr Courtauld remarked: "The growth of competition must sooner or later result in a lower margin of profit"; in 1927: "As their profits will not suffice to build up reserves they (new producers) will have to pay for any real expansion by raising additional capital. New methods will be chiefly concerned with improvements in quality"; in 1928: "It takes only a small fall in selling prices to offset a very large increase in production. Moreover, every reduction . . . will intensify this discrepancy." The consumption of artificial silk has been expanding at the rate of almost 25 per cent. per annum during the last few years, and every month brings some new sign that there is still immense scope for further development. The world's production in 1925, 1926, and 1927 was 180,000,000, 220,000,000, and 275,000,000 lbs respectively, and the 1928 figures so far available indicate a proportionate increase. Manufacturers' plans for further advances in production capacity are well advanced, and recent announcements of new development schemes by leading producers indicate that no permanent difficulty is expected in finding a market for largely increased quantities of yarn and fabric. And yet it is common knowledge that conditions are very difficult, and are likely to remain so for all but the most firmly established and amply financed companies. The fact is that the term "Artificial Silk" covers a variety of yarns and fabrics so wide that the market conditions and prospects for one section may be, and in fact are, quite inapplicable to other sections. The course of the development of the industry is not incomparable with that of the manufacture of wireless receiving sets. In the latter case technical improvements occurred so rapidly that apparatus frequently became obsolete during the course of manufacture, leaving its owners in possession of an unsaleable article, although the demand for the newer models was greater than the supply. So in the artificial silk industry a steady improvement in the type of yarn and fabric required has always been a marked feature of the demand. During the last two years, however, this movement has been particularly pronounced, and the whole quality basis has undergone a radical upward change. The key to the present situation lies, probably, in the fact that the demand for superfine filament yarns is still, broadly speaking, well up to production capacity, and in certain instances ahead of it. The inferior quality stocks, having been superseded or supplanted by better materials at the same price, are of little or no value save as waste, and lower medium qualities can only be disposed of at prices which represent a loss on the cost of production. To produce the fine filament yarns now demanded, a technique that can only be bought by years of commercial experience is a *sine qua non*, and practically all the plants in this country and abroad that have come into operation during the last two years have been helping to swell the output of the low grades. As a result, heavy stocks of inferior stuffs, and even stuffs of a quality which would have found a ready outlet two years ago, are encumbering the market, and have caused price reductions throughout the whole list, though of less extent in the fine grades. These reductions have been particularly marked in the cellulose acetate yarns (in some cases amounting to over 30 per cent.), though viscose have not by any means escaped. The difficult position of the newer concerns thus becomes apparent. The larger proportion of their capital has been expended in putting up plants unsuitable for the production of a high percentage of the fine filament yarns which alone are now saleable at reasonable prices. Moreover, no amount of pre-planning can guarantee the production of fine filament yarns, and in practically every case the bulk of a new producer's output will be among the lower grades for an extended period. Finally, it is necessary to mention the cross-currents which add considerably to the difficulty of forecasting profits. Artificial silk is not yet a standardised commodity, and yarns that are satisfactory from a technical standpoint may fail to find a ready market owing to variations in sales organisation and policy. There is no doubt, for instance, that many weaving firms and garment manufacturers suffered financial loss as a result of the three consecutive reductions which were applied to the yarns made by a well-known firm in almost as many months.

"Permission to Deal"—New Departure.—For the third time in a few months the Stock Exchange Committee have announced what in effect amounts to a tightening up of their regulations regarding new securities. For the future, the announcement that permission has been given to deal will include not merely the numbers of the shares and the name of the company in question but also particulars as to the amount of the issue allotted for cash, the amount allotted to vendors for other than a cash consideration, or in exchange for cash, and the amount allotted in pursuance of options. A second statement will be appended, showing, as regards any unissued or unquoted shares, the amount allotted to vendors or others for non-cash considerations or in exchange for cash, the amount under option, and the amount reserved for future issue. The new departure is likely to prove more valuable in practice than appears at first sight. It is true that all the particulars enumerated will have previously appeared in the company's prospectus or offer for sale, but, as all those who are in the habit of handling prospectuses know to their cost, many of these telling facts are not infrequently tucked away in small print among a mass of bewildering detail. To drag them into the full blaze of the limelight, at the outset of the Stock Exchange career of the company concerned, is a salutary proceeding which might be superfluous in a world of leisured, cautious and well-informed investors, but undoubtedly has its uses in the present one. The particulars chosen by the Committee have an obvious bearing on such crucial questions as the proportion of "water" injected into the capital of a new concern, and the opportunities insiders are likely to enjoy for "controlling" future markets. The Committee have not always shown themselves ready to go so far as some of their critics have desired in the way of protecting investors from their own weaknesses or the wiles of others, but the present and other recent changes may be taken as evidence that they are not disinclined to admit some element of trusteeship for the general public interest.

"Share-Pushing" in France.—Following the publication of the text of the Government Bill designed to protect investors against fraudulent bankers (writes our Paris correspondent) the Popular Democrat group, who form the Extreme Right of the French Chamber, have submitted a measure for the prohibition of the practice of *démarchage financier*, or house-to-house "share-pushing." The term *démarchage financier* is defined as meaning "the hawking of stocks, shares, or bonds of all descriptions at the residences of private persons, whether the offer be followed by sale or otherwise." Sales, purchases, and every other operation in connection with shares or bonds must henceforth take place, the Bill proposes, only on premises used for banking purposes, to the exclusion of all other commercial dealings. Financial transactions in cafés, restaurants, hotels, wineshops, or other public places are also prohibited by the Bill. Share-pushing in itself, it is proposed, shall constitute a fraudulent proceeding, punishable under the penal code. The Bill is based on the recent British legislation against "share-pushing," and has been introduced owing to the alleged wholesale frauds connected with the *Gazette du Franc* group. Although it comes from the Extreme Right, it is apparently likely to receive a substantial amount of support from all sections of the Chamber.

The Nitrate Situation.—The trend of events during the last few weeks suggests that Chilean nitrate, after passing through something like a crisis, is again holding its own in the world's markets. It is estimated that Chile's share of the world production of pure nitrogen for 1928-9 will amount to 25⅓ per cent. The proportion for 1927-8 was 23¾ per cent., and for the previous 12 months 20½ per cent., the lowest ratio ever recorded. As Messrs Aikman point out in their annual report, the improvement during the last two years is primarily due to the price having come more into line with that of other nitrogenous products. Six months ago Chilean producers, at the request of the Chilean Government, adopted a scheme for centralising sales and fixing prices. In return the Government announced its intention to pay a subsidy of £250,000 to producers based on January-March (1928) production, and the subsidy now promised on sales from July, 1928, to June, 1929, is likely to amount to £1,750,000 or £2,000,000. The new scheme is intended to stabilise prices without necessitating restriction of output. In effect, Europe and Egypt are rationed, and the surplus is held for sales in the U.S.A. and other countries where competition with synthetic products is less acute. This deserves to be greeted as an intelligent effort to face the facts. Two companies, representing between 15 and 16 per cent. of the Chilean industry, have stood aloof from the scheme, and are consequently excluded from the subsidy. Time will show whether their absence is likely to imperil the whole arrangement. Meanwhile, it is possible to agree with Messrs Aikman that the general outlook is more favourable than it has been for some time, though to their view that "the Chilean Government are determined to increase the production and consumption of nitrate by giving whatever help the industry may require to attain "short of reducing the export duty." The competition of synthetic products outside Europe is, of course, likely to be a more formidable quantity in the future, and for that reason the new selling arrangement cannot be regarded as permanently watertight. Meanwhile, it is a sound start, and immediate prospects certainly look brighter. Nitrate company shares have remained largely outside the orbit of the last few months' Stock Exchange activity, and have a considerable way to go before regaining the levels of three or four years ago:—

Company.	Middle Price of				Dividends—Last Three Years.			Present Price.	Yield.
	1925.	1926.	1927.	1928.	I.	II.	III.		
Lautaro (£5)	7⅜	4⅜	3⅜	4⅛	% 15	% 5	% 7		£ s d
New Tamarugal (£1)	2⅜	2⅛	1⅜	1⅜	6	nil	5	4½	3 10 5
Tarapaca (10s)	1⅜	1⅛	⅝	⅝	nil	nil	7½	1⅛	4 18 9
Rosario (£1)	1⅜	1⅛	⅝	⅝	11	7½	nil		4 5 0
Lagunas Syndicate (£1)	⅝	⅜	⅜	⅜	nil	nil	nil		nil
Liverpool (£1)	2⅜	1⅛	⅝	⅝	nil	nil	nil		nil
Salar de Carmen (£1)	6½	2⅜	1⅛	1⅛	15	7½	nil		nil
Alianza (£5)	26	12⅛	8	9	10	nil	nil	7½	nil

The outlook will be governed by the degree of success which continues to attend the efforts recently incepted, but the next batch of reports are likely to show a distinct advance on the last.

Duophone and Unbreakable Record.—The long-awaited accounts of the Duophone and Unbreakable Record Company were published last month, and the annual general meeting was held on December 28th. These were the first accounts to be issued since the company's formation in 1926. They present a sorry appearance. Stock on hand and work in progress as at November 30th were only £11,851, while sundry debtors, cash at bank and in hand amounted to only £6,343. Against these items must be set trade creditors, reserves, &c., £45,311, loans unsecured £45,452, and directors' fees £3,704, making a total of £94,467. No profit and loss account is included because the amount of records sold, as the chairman has confessed, would not make a profit and loss account. It is quite plain that the company is desperately in need of cash, and Sir Alan Burgoyne at the general meeting stated that an offer of financial assistance was being accepted, which, we believe, will take the form of debentures. It may be asked what the company has done with its money. Its capital consists of £134,150 in ordinary shares of 10s and £98,561 in 8 per cent. cumulative preference shares of 10s. After providing for the purchase consideration, underwriting commissions, and preliminary expenses on its formation, the company, according to Sir Alan Burgoyne, had only £41,250 working capital, which was used in the purchase of a factory at Feltham. The subsequent history of the company which Sir Alan Burgoyne gave to the shareholders at the meeting appears to have been as follows. The coal strike and non-delivery of machinery prevented the first battery of presses working at the Feltham factory before the end of 1927. The records then produced were so unsatisfactory that they had to be taken back and the management changed. Debentures were then issued, of which the directors now hold nearly 90 per cent., the total in the balance-sheet being £26,124. In December, 1927, the whole of the offices of the company were burnt to the ground with all the company's records. Early in 1928 a factory at New Malden was purchased, the Feltham works were given up entirely, and the old factory at Southall was utilised for the production of the company's own presses and plant. The capacity of the New Malden factory is to be in excess of 20,000,000 records per annum. From the sale of their foreign rights to Duophone (Foreign), Limited, and American and Dominion Unbreakable Records, Limited, the company received £100,000 in cash, 150,000 fully paid shares of 10s, and 410,000 deferred shares of 1s. Then came the attacks on the company and the break in the market, which prevented the company from realising its securities. At this point Sir Alan Burgoyne's history may be checked up from the accounts. The balance-sheet shows a "surplus on realisation of foreign rights" of £170,791, out of which the preference dividends up to June 30, 1928 (£10,020) were paid. The New Malden factory is written up by £42,585, and this surplus together with the surplus on realisation of foreign rights enabled the company to write off goodwill, preliminary expenses, and patents, amounting in all to £131,557. Presumably the cash realised from the sale of foreign rights went into the factory and plant, which together with the land are valued at £164,519. Sir Alan Burgoyne stated that the company now had 74 presses completed and working and 150 ready for installation; that it had the most efficient and up-to-date gramophone works in the country; and that it was now producing 15,000 records a day. If that is so, where are the records to be purchased? If the company can turn out 20,000,000 records a year, what contracts have been placed for the sale of this huge output? For the sake of the shareholders, who have seen the market price of the shares fall since October from 90s to 12s 6d, it is to be hoped the company will receive firm orders to occupy its presses. We fear that until it has obtained new capital its operations will be hampered.

Mount Lyell.—Our mining correspondent writes:—The report of this Australasian enterprise for the year ended September 30th last is the most interesting and satisfactory which the shareholders have received for many a long day. It records the completion of the North Lyell tunnel and of the electrolytic copper refinery. The former "has eliminated the geographical separation of the company's mining from the rest of its local activities," the latter "has made it possible to conduct on the spot every operation from the winning of the ore to the production of marketable copper." The hydro-electric power station is only a few miles distant, and altogether the undertaking embodies an exceptional degree of compactness. Thanks to the treatment of an increased tonnage of ore, last year's copper output amounted to 7,060 tons, as against 5,640 tons in 1926-27 and 6,860 tons in 1925-26. There was also some expansion in the gold and silver, though these metals count for little. Interest and dividends brought in less than before, and the enhanced sum of £36,700 was set aside for depreciation; taxes were naturally higher. But the net profit came out £24,750 up at £200,050. Accordingly the final distribution is raised to 1s 6d per share, making 2s 6d for the year—the best since 1917, for which period 3s 3d was paid. At the date of the balance-sheet the surplus of liquid assets stood at £641,500—a further shrinkage, due presumably to the capital outlay and to the acquisition of a substantial interest in the Australian Fertilisers Proprietary. The results of the first year's trading of a partnership in fertilisers with the farmers of Western Australia are described as satisfactory. The additional benefits which the company will secure from the renewed appreciation in the price of copper have been recognised in a steady advance in the shares, which on last year's distributions yield about 6½ per cent.

Tronoh.—The interim report just issued is of importance by reason of the light it throws upon the position of the subsidiaries, as well as upon that of the company itself. With regard to the Tronoh, it is intimated that during the first five months of the current financial year the two dredges working on the company's old property have recovered 254 tons of tin ore. As to the new property, one of the three dredges has so far won 554 tons; the second started up in November, for which period it turned out 12 tons, and the third is in process of installation. It may be recalled that the company paid 30 per cent. in respect of 1927, and has so far disbursed four quarterly dividends of 5 per cent. each on account of 1928. Referring to the Southern Tronoh, the circular states that the erection of the two dredges is making satisfactory progress, and in regard to the Sungei Besi, there is the important point that power from the hydro-electric scheme will shortly be available. As a result, the output will be doubled, and "it is expected that the sale of surplus power will form a valuable addition to the company's revenue." In the light of these prospects the Tronoh's large holding—practically one-half the capital—is being retained. The Sungei Besi dividend rate has for some time past been 20 per cent. per annum. The Sungei Way is installing a third dredge, and the Ayer Hitam should be producing next summer or autumn.

CAPITAL ISSUES.

THE first loan to be made in the New Year—and the only prospectus issue of the week—is a trustee offer made by the *Government of India*. History repeats itself, India a year ago offering £7,500,000 of the same stock in London, but at a price of 91½ instead of 91. The appearance of this loan has been regarded as probable since the issue of £6,000,000 India sterling bills in August, maturing next February. The loan proceeds will be issued to pay off these bills, to provide funds for the purchase of the Burma Railways, and for further railway capital expenditure. The yield of £4 19s flat, or £5 0s 7d on redemption in 1968, is certainly attractive.

ISSUES OF THE WEEK—

By Prospectus or Offer for Sale.

National Savings Certificates.

Net sales nine days ended December 31, 1928, Nil.

Total receipts April 1, 1928, to December 31, 1928, Dr. £1,850,000.

Description and Date of Issue.	Nominal Capital.	Conversions or Repayments.	New Money Cash Subscription.	First Payment.	Further Liability
To the Public.	£	£	£	£	£
Government of India 4½% Loan at 91⅝, red. at par, 1958–June 1, 1968 (Jan. 3)	10,000,000	..	9,100,000	200,000	8,900,000
To Shareholders only—	Nil	.. Nil	.. Nil	.. Nil	.. Nil

Total offered for subscription—	Including Conversions.	Excluding Conversions.
To date—	£	£
1929	..	9,100,000
1928	..	1,855,888
1927	..	1,799,000
1926	..	5,832,500
1925	..	706,430
1924	..	2,616,750
1923	..	20,508,648

Net total offered for subscription—	Including Conversions.	Excluding Conver sions.
Whole year—	£	£
1928	693,100,056	369,058,973
1927	..	355,165,970
1926	..	230,782,801
1925	..	232,214,500
1924	..	209,425,100
1923	..	271,389,175
1922	..	573,575,650

Comments on the new issues, summarised below, will be found at the head of this section.

Grace National Bank

Hanover Square, New York, U.S.A.

Commercial Banking. Execution of orders in New York for European banking correspondents.

Special Representative

148 Leadenhall St. London, E.C. 3.

Government of India.—Issue of £10,000,000 4½ per cent. loan, 1958-68, at £91. Interest is payable on June 1st and December 1st; a first payment of £1 8s per cent. will be made on June 1, 1929. Subscriptions are payable as follows:—£5 on application, £21 on January 17th, £35 on February 8th, £30 on February 28th. Stock may be inscribed as "transferable in the stock transfer books" or registered as "transferable by deed," or will be convertible on and after May 2, 1929, into stock certificates to bearer. On that date the present issue will be amalgamated with the outstanding £7,500,000 4½ per cent. India stock, 1958-68. The proceeds of the issue will be used to provide funds for capital expenditure on railways in India, for the purchase of the Burma Railways Company, Limited, and to repay £6,000,000 India bills maturing on February 28th.

Particulars of the following have been issued for public information only in connection with Stock Exchange "introductions":—**Bideford Black, Limited,** issued capital 400,000 5s shares; the company acquires mineral black mines and anthracite properties at Bideford, paying a purchase consideration of £50,000 in shares and undertaking to discharge vendors' liabilities amounting to £15,000; £30,000 will be available for working capital. **Embassy Wine and Club Company, Limited,** issued capital 105,000 (out of 120,000) 7½ per cent. £1 cumulative participating preference and 125,000 (out of 140,000) 1s ordinary shares, the former entitled to an additional 5 per cent. after payment of 7½ per cent. on the ordinary; incorporated in 1923 as a private company to acquire control of a club in Bond street, and converted into a public company last November. **Viking Whaling Company, Limited,** issued capital 150,000 £1 7 per cent. cumulative convertible preference shares (issued at 21s), 180,000 (out of 330,000) £1 ordinary shares (also issued at 21s), and 30,000 1s directors' qualification shares; the company was incorporated last May and converted into a public company in December, to carry on whaling in the Antarctic; it is purchasing a floating factory at a price of £275,000, and investing in three established Norwegian whaling companies.

"The Magic of Islam"

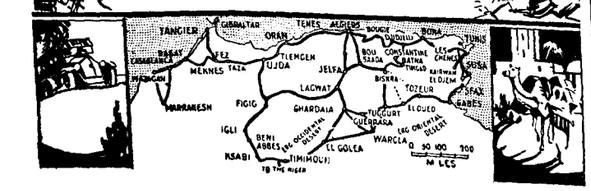
NORTH AFRICAN MOTOR TOURS

Verdure and blossom . . . Peak and chasm . . . Mosque and minaret . . . Ghostly ruins and teeming bazaars . . . Golden sands and glittering seguias . . . Princely palaces and mud cities . . . Sunset and the Muezzin.
A magnificent tour in the Land of the stork, the scarlet ibis and the golden date—the land of blood red dawn, gorgeous sunset, and peerless translucent night.

ALGERIA — TUNISIA — MOROCCO
THE SAHARA

Private Tours by *Modèle de Luxe* six-cylinder 4 and 5-seater landaulets or limousines. Arrange the route and details yourself, but let us assist with expert advice.
Tours for separate bookings by ten-seater landaulet type cars running to scheduled itineraries. 270 to choose from.
Forty-two of the famous "Transatlantique" hotels erected especially for these tours. A fleet of six-wheeled "Desert Cars" for the South.
Unparalleled service, comfort and courteous attention in the Company's own Mail steamers, cars, and hotels. Write for booklet,

FRENCH LINE
Compagnie Générale
TRANSATLANTIQUE LTD
20, Cockspur Street, London, S.W.1.



WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Dec. 27, 1928. (c) Week ended Dec. 28, 1928.	Miles Open.	Week ended Dec. 29, 1928. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Average 52 Weeks, 1928. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western ..	3,779	214	92	63	155	369	12,980	11,234	5,855	17,093	30,073
Do for 1927 (a)	3,779	221	84	78	162	383	13,250	11,766	6,444	18,210	31,460
Lon. & N.Eastn.(c)	6,408	3·5	251	196	447	782	19,535	21,882	12,581	34,463	53,998
Do for 1927 (a)..	6,406	347	280	215	495	842	20,195	23,204	13,351	36,555	56,750
Lond.,Mid &Scot	6,950½	469	326	170	496	965	29,680	29,773	13,377	43,150	73,830
Do for 1927 (a)..	6,952½	493	356	226	582	1,065	30,384	31,908	14,838	46,746	77,130
Southern (a).....	2,177	284	40	24	64	348	17,025	4,094	1,452	5,546	22,571
Do for 1927 (a)..	2,177	275	52	36	88	363	17,091	4,469	1,706	6,175	23,266
Metropolitan (c)	59	32·1	..	..	2·5	34·6	1,669·4	..	..	194·6	1,864·0
Do for 1927	59	29·5	..	..	2·6	32·1	1,604·1	..	..	200·9	1,805·0
†Und'rgr'ndE.R.c	..	..	..	..	..	246·6	..	..	..	..	14,850·7
†Do for 1927 ..	..	..	..	..	..	204·2	..	..	..	..	13,682·7
Lon.&Sub.Gr'up c	..	..	..	..	..	37·1	..	..	..	..	2,176·2
Do for 1927	..	..	..	..	..	28·9	..	..	..	..	2,004·5
B'ff'st&Co.D'wn b	80	2·0	..	..	0·6	2·6	138·4	..	..	46·3	184·7
Great Northern b	562	14·0	..	..	8·2	22·2	£94·0	..	..	831·6	1,585·6
Great Southern b	2,187	28·9	..	..	16·6	45·5	1,623·5	..	..	2,489·3	4,112·8

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1928.	+ or —	Total Gross Receipts. 1928.	+ or —
INDIAN.							
Assam Bengal	35weeks	Dec. 1	1,116	Rs. 4,89,000	+ 11,635	Rs. 1,5[illegible]08,879	+ 3,68,778
Barsi Lt. Ry.	36weeks	8	202	47 800	+ 8,700	16,16,500	+ 5,59,400
Bengal & N. Western	36weeks	8	2,079	7,43,253	—1,07,645	63,57,264	— 4,95,953
Bengal-N'gpur	35weeks	1	2,939	19,42,000	+ 1,92,000	5,63,71,517	— 11,60,339
Bombay, Bar., & C.I.	38weeks	22	3,022	26,97,000	+ 2 51,000	8,19,74,000	+ 37,30,000
Burma	35weeks	1	1,349	7,24,793	— 80 277	2,75,09,216	— 1,42,540
Madras & S. Mahr ...	36weeks	8	3,072	19,08,000	+ 1,16,146	6,23,75,[illegible]04	+ 51,76,[illegible]88
Nizam's Guarantd.(a)	36weeks	8	1,018	4 57,38[illegible]	— 74,054	1,33,49,104	+ 10,87,004
†Rohilk'd & Kumaon	36weeks	8	561	1,19,625	— 20 693	10.84.879	— 43,558
South Indian	36weeks	8	2,208	11 83,010	— 81,950	4,24,16,467	— 3,92,978

† Including Lucknow-Bareilly State Railway. (a) Total receipts of all lines.

ARGENTINE (a).							
Argentine N.E.	26weeks	Dec. 29	753	£ 15 600	— 2,200	£ 416 500	+ 34,200
B.A. and Pacific	26weeks	29	2,694	165,000	+ 19,000	4,117,000	+ 416,000
B.A. Central	25weeks	23	..	14,406	+ 189	362,572	+ 11,080
B.A. Gt. Southern ..	26weeks	29	4,720	290,000	— 15,000	5,634,000	— 540,000
B.A. Western	26weeks	29	1,926	106,000	+ 6,000	2,448,000	— 21,000
Central Argentine ..	26weeks	29	3,305	272,000	— 12.0 0	6,838,000	+ 244,000
Cordoba Central	26weeks	29	1,218	60,000	+ 7,000	1,834,000	— 16,200
Entre Rios	26weeks	29	728	40,000	+ 4,500	737,300	+ 103,600
CUBAN.							
United of Havana† ..	26weeks	Dec. 29	1,3[illegible]9	£ 57,085	+ 4,155	£ 1,333,380	— 62,639

† Figures include Havana Central Railway.

URUGUAYAN.				£	£	£	£
Central Uruguay	26weeks	Dec. 29	273	32,461	— 1,940	770,877	+ 11,[illegible]96
C. Urug. (East. Ext.)	26weeks	29	311	8,592	— 709	159,562	+ 68
C. Urug. (North.Ext.)	26weeks	29	185	3,496	+ 71	88,362	+ 3,811
C. Urug. (West. Ext.)	26weeks	29	211	3.009	— 149	71,668	+ 4,336
CANADIAN.				$	$	$	$
Canadian National..	50weeks	Dec. 21	19,138	5,462,872	+ 788,782	269[illegible]8012	+ 28214210
Canadian Pacific ..	50weeks	21	14,670	4,579,000	+ 374,000	222851000	+ 2/671000
BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil..	52weeks	Dec. 29	1,016	24,300	+ 5,800	817 200	+ 43,600
Leopoldina	52weeks	29	1,856	38,298	— 11,907	2.378,741	+ 6,665
Leopoldina Termnl.	52weeks	29	Mlrs	286 000	+ 6 000	14,22[illegible],000	+ 637,000
San Paulo	52weeks	30	1551	64,343	+ 1,913	2.566.917	+ 166,027
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia)	52weeks	Dec. 30	838	43,580	+ 3,600	1,829 060	+ 145,165
Nitrate (½-monthly)	52weeks	31	402	42,532	+ 12,702	864,193	+ 179,587
OTHER OVERSEAS.							
Alcoy and Gandia ..	52weeks	Dec. 29	53	Ps. 35,500	..	1.388.700	+ 60,900
Egyptian Delta	36weeks	10	608	£11.919	+ 2,650	229,995	+ 12,210
Gt. S uthn. of Spain	51weeks	22	104	Ps138,600	— 504	6,517,939	+ 545 804
Mexican Railway ..	24weeks	21	432	$250,100	+ 4,600	5,625,700	— 45,700
Paraguay Central ..	24weeks	22	274	£3 590	— 680	115,490	+ 2,330
Salvador	25weeks	22	100	£4,786	— 467	95.510	— 1,518

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1928.	+ or —	Total Receipts. 1928.	+ or —
Anglo-Argentine....	52weeks	Dec. 31	329	£103,656	— 2,657	4,637,194	+ 58,259
B. Aires Lacroze ..	25weeks	23	..	£13,750	— 260	324,573	+ 6,687
Burnley Corporation	26weeks	29	13	£3,703	+ 312	..	..
Calcutta Tramways.	26weeks	29	35½	Rs164609	+ 31,094	..	..
Chatham & District	51weeks	20	15	£1,112	— 144	64,431	— 6,546
Egyptian Markets ..	51weeks	20	..	£2,236	+ 11	88,236	— 1,926
Glasgow Corporation	23weeks	8	136[illegible]	£44,287	— 1,472	1,217,625	— 23,671
Isle of Thanet Trams	51weeks	19	..	£842	+ 54	43,729	+ 834
Liverpool Corp.	39weeks	29	124	£29,121	+ 3,597	1,165,958	+ 51,650
L.C.C. Tramways ..	40weeks	Jan. 2	166	£81,789	+ 5,401	3,275,380	+ 135,462
Pernambuco Trams†	52week	Dec. 30	..	£6.649	— 349	288.032	+ 12,926

† Tramway Receipts only.

COMPANY MEETINGS, &c.

BRITISH HOSIERY TRUST, LIMITED.

RESULTS "HIGHLY SATISFACTORY."

The first annual general meeting of the British Hosiery Trust, Limited, was held, on the 28th ultimo, at the Grand Hotel, Leicester, Sir Arthur Wheeler, Bt., D.L., J.P. (chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said: Taking the assets side first, investments in associated companies at cost, £357,220 4s 2d, comprise a controlling interest in A. E. Allen and Co., Limited, makers of high-grade, full-fashioned, real silk stocks and Woodford and Wormleighton, Limited, who produce knitted goods such as jumpers, cardigans, and so forth, and the latter company, in its turn, holds a controlling interest in D. Byford and Co., Limited, who manufacture fancy woollen hose and half-hose, so you will see that your money is invested in a number of branches of the trade. I am satisfied that the value of these investments is greater to-day than when we acquired them.

As to quoted securities, the figure of £113,409 18s 1d is, as we state, under market value; in other words, there is a reserve in this item.

Sundry debtors, £24,054 15s 8d, and cash at bankers, £47,229 4s 8d, call for no comment. Preliminary expenses stand at £19,696 3s 7d, and you will notice that we recommend that the capital reserve of £13,256 13s 4d be utilised in writing this item down to £6,439 10s 3d.

On the left-hand side of the balance-sheet the special reserve of £5,315 13s represents 10 per cent. of the net profit, and is an allocation which is stipulated by our articles of association. The capital reserve is £13,256 13s 4d. This represents the proportion of dividends received which is applicable to periods prior to the date of purchase, and appears in the profit and loss account as a charge against profits.

HIGHLY SATISFACTORY RESULTS.

I think you will agree that the results are highly satisfactory. You must bear in mind that this is the first year of the company, and that progress of a company of this sort must of necessity be gradual. There is not difficulty in acquiring interests in hosiery businesses, but it is only by careful investigation that the right choice is made. Investigation takes time, and so it is that we have during the year had funds at our disposal while awaiting suitable opportunities for investment in the hosiery trade. You will notice in the profit and loss account the item gross profit for the year. This item is made up of dividends received from investments amounting to £49,905 6s, and profits on realisations of £24,390 3s 2d. This last amount is the result of employing our surplus funds. That concludes my comments on the figures, and I now propose to make a few general remarks.

I am satisfied that the formation of this company is amply justified. I say this advisedly, and, though I am speaking from the experience of only one year, it has been by no means a prosperous year. The hosiery trade is passing through a difficult period, but we hope that the depression has reached its lowest point.

ADVANTAGE OF ASSOCIATION.

I will draw your attention to a very practical advantage such a company as this has over an individual manufacturing company. Owing to the late autumn being rather mild this year, one of our subsidiaries which manufactures heavy knitted goods experienced a fall in turnover which was common, I may say without fear of contradiction, to every similar business, whereas at the same time another of our subsidiaries was extending its factory and putting down new plant and machinery, and was increasing the turnover in its particular line almost daily. As I have made a definite reference to the trading of our subsidiaries, I will go a step further and say that the outlook for the branch of the trade in which each subsidiary is engaged has been carefully considered before allocating profits. Reserves have been created where it has been deemed advisable, and the distribution of profits has been made with an eye to the future. Your managing director is chairman of each of the companies in which we have an interest, so that the link between us and our subsidiaries is much stronger than a mere holding of shares.

By spreading our interests we gain one distinct advantage, but that is not our main object; it is too negative. I would like specially to emphasise our success in securing the co-operation of a number of experienced hosiery manufacturers. I could enumerate instances where already, through only the interchange of ideas, these businesses have benefited, and many other instances where, by co-operating in buying, manufacturing and selling, costs have been reduced or business extended.

I am diffident at mentioning the word "competition," for I have no wish to-day to discuss "safeguarding." However, I will say this: We do not fear competition from the home trade; what competition we have met—and in some cases it has proved very severe—has come from Continental rivals, and I am assured that their goods, on analysis of costs, prove that they have been produced at low rates of labour which we should not desire to impose on our employees if we could.

The report and accounts were adopted, and the dividend recommended at the rate of 8 per cent. was approved.

MUTUAL FINANCE, INDEMNITY AND GUARANTEE CORPORATION, LIMITED.

DESIRABLE BUSINESS OFFERING.

The first annual general meeting of the Mutual Finance, Indemnity and Guarantee Corporation, Limited, was held, on the 31st ultimo, at 302-8 Regent street, London, W. 1. Sir Sigismund F. Mendl, K.B.E., chairman of the company, presided.

The Chairman, in moving the adoption of the report and accounts, said: The balance of the working account for the period ending October 31, 1928, plus dividends received from the M.I.G., amounted to £32,141 5s 10d; reserve for interest received in advance absorbs £13,239 19s 11d; reserve for taxation £1,750, and the cumulative dividend on the preference shares at 7½ per cent. per annum paid and accrued to October 31st, less tax, £12,293 2s 9d, leaving a balance of £4,858 3s 2d which the directors have decided to carry forward.

The undistributed profit earned prior to October 1, 1927, has been capitalised, and it will be noticed it has been partly applied to the reduction of the item "preliminary expenses" and partly to the creation of a general reserve fund. All reserves have been made on a conservative basis, and though profits available for distribution would have permitted of a payment to the ordinary shareholders, the directors are convinced that the latter would prefer a waiting policy at this stage of the corporation's development.

I am in the happy position to state that to-day we have the support and confidence of the leading banks and financial houses, and that funds are available for the large amount of business that is now being offered to the corporation. You will recollect that in the prospectus the directors estimated that the credit facilities which would be available on the capital of the corporation would enable it to do business amounting to £1,000,000. I am pleased

DÍA DE LA RAZA!

¶ Under this name—the Feast of the Latin Race—is commemorated, on the 12th of October each year throughout South and Central America, the historic voyage of discovery by Columbus in 1492.

¶ Since then, the development of the vast resources of the New World has been phenomenal.

¶ To-day a great and growing volume of overseas trade is transacted annually by the Latin American Republics, and complete facilities for every description of modern banking business are afforded by

THE ANGLO-SOUTH AMERICAN BANK LTD
117 OLD BROAD ST, LONDON, EC2

to say that this has proved an under-estimate. The credits actually arranged will enable us to exceed £1,000,000 turnover, and we have definite assurances of increased facilities from our present sources.

Taking into account the difficulties with which the new corporation was confronted, the first year's results can be accepted as entirely satisfactory. The main feature has been the continuous expansion of business. Each month, without exception, has shown a steady increase over the corresponding month of the previous year, so that you will agree with me that there can be no cause for anxiety.

I am pleased to say the new financial year has opened extraordinarily well, and a large increase of desirable business is in evidence for next year. I can assure you that your directors feel the utmost confidence in the future. They feel that the policy of caution is advisable, and that the corporation's management is sound, profitable and popular, and that the extensions of the corporation's activities they have in view will materially add to its profits in the forthcoming years.

The accounts as presented were approved and passed, and the retiring directors re-elected. Messrs Hays, Akers and Hays were reappointed auditors of the company, and a vote of thanks to the chairman terminated the proceedings.

NORTH ANANTAPUR GOLD MINES, LIMITED.

THE PROPOSED DISTRIBUTION.

The twenty-first ordinary general meeting of North Anantapur Gold Mines, Limited, was held on Thursday, January 3, at 6 Queen street place, London, E.C.

Mr V. Herbert Smith (the chairman) said that the company was now no longer engaged in active mining work, and the options on shares in Indian Copper Corporation, Limited, having expired, the directors were of opinion that the time was now favourable for placing the company in liquidation. The assets consisted almost entirely of shares in other companies, and the board felt strongly that, should liquidation be decided upon, a definite scheme should be settled for the distribution of the shares by way of return of capital.

In that connection the directors considered the preference shareholders should be asked to sanction certain alterations in their preferential rights, so that the liquidator could make a return of capital to them in shares of other companies instead of in cash. The preference holders were entitled to a cash distribution of 20s in the £ before the ordinary shareholders participated in any return of capital, and to share equally in any surplus after the ordinary shareholders had received £1 per share. The directors in their report had recommended that the preference holders should be given, in full satisfaction of their rights, 10 fully-paid shares of 2s each in Indian Copper Corporation, and that the balance of assets be distributed among the ordinary shareholders.

That recommendation, made on December 19th, had, of course, a relationship to the market quotation for those shares, which was then 2s 3d to 2s 5d. Having regard to the fact that the market price was now 2s 9d to 2s 10d per share, the board thought it would be equitable and right for the preference shareholders to accept a reduced number of Indian Copper Corporation shares in full satisfaction of their rights. The directors recommended that both classes of shareholders should agree that eight Indian Copper Corporation shares be given in respect of each North Anantapur preference share.

The report and accounts were unanimously adopted, and at separate meetings of the preference and ordinary shareholders which were then held the board's amended proposal was informally approved after some discussion. In order, however, to give legal effect thereto, both meetings and also the extraordinary general meeting of the company which had been called were adjourned until the 22nd inst.

155 Branches in Finland

CAPITAL AND RESERVES: Fmk.403,000,000.
TOTAL ASSETS (30/6.28): Fmk.2,896,902,000.

KANSALLIS-OSAKE-PANKKI
(National Joint Stock Bank)
HEAD OFFICE: HELSINKI (HELSINGFORS), FINLAND
Established 1889.

GOVERNMENT RETURNS, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the nine days ended December 31, 1928:—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	9,166	From Revenue	7,898
Interest, &c., on Debt	2,624	Increase in Debt	5,238
Sinking Fund	620		
Sundries	573		
Increases in Balances	153		
	13,136		13,136

Revenue for the nine days ended December 31st amounted to £7,898,200. Property and Income-tax yielded £3,233,000 and Super Tax £440,000. Estates, &c., Duties produced £840,000. Stamps yielded £800,000. Customs yielded £1,876,000 and Excise £815,000. The National Debt was increased by £5,238,000, as shown below:—

(000's omitted.)

	£		£
Public Department Advances	— 3,010	Treasury Bills	+ 2,008
National War Bonds	— 150	4½% Treasury Bonds, 1932-34	+ 4,610
Road Fund	— 320	Telegraph Money	+ 2,100
	— 3,480		+ 8,718

The floating debt was reduced by £965,000 to £816,325,000.

Financial Year, 1928-29, April 1 to Dec. 31, 1928.

	£		£
Expenditure	574,339,612	Revenue	436,560,462
		Amount borrowed	134,026,462
		Decrease in balances	3,752,688
	574,339,612	Total	574,339,612

Estimates (New Basis), 1928-29.

	£		£
Expenditure	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

Self-Balancing Revenue and Expenditure.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Dec. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	..	..	..	..	..	166	207	204	204
3½% Conversion Loan	..	..	666	709	760	740	852	832	832
4½% Conversion Loan	..	..	..	210	211	211	211	221	221
3½% War Stock	..	63	63	63	63	63	42	..	..
4½% War Stock	..	13	13	13	13	13	13	13	13
4% and 5% War Stock	..	2,047	2,166	2,052	2,109	2,154	2,154	2,253	2,253
National War Bonds	..	1,509	820	778	706	556	430	194	111
5% Funding Loan	..	409	396	394	390	389	389	385	385
4% Victory Bonds	..	360	314	303	292	277	277	261	261
Treasury Bonds	..	..	457	499	482	454	518	675	773
Exchequer Bonds	..	323	150	15	15	15	15	16	16
National Savings Certs.	20	267	366	369	375	372	370	362	360
Other Debt*	..	1,306	1,128	1,124	1,111	1,103	1,103	1,097	1,094
American Loan (Anglo-French)	..	51	..	..	..	..	..	..	..
Treasury Bills	15	1,107	588	576	565	599	651	527	788
Temporary Advances	1	243	186	167	139	117	174	162	98
Other Capital Liabilities	654	8,033	7,641	7,598	7,558	7,555	7,732	7,528	7,665
	57	46	66	68	75	98	100	103	103
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,832	7,631	7,768

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Dec. 31, '27.	Mar. 31, '28.	Dec. 31, '28.	Movement 9 days ended Dec. 31, '28.
	£	£	£	£
Ways and Means Advances Outstanding—				
Advances by Bank of England	20,000,000	..	..	..
Advances by Public Departments	154,360,700	161,850,000	32,340,000	— 3,010,000
Treasury Bills Outstanding	650,750,000	526,940,000	*787,985,000	+ 2,045,000
Total Floating Debt	825,010,000	688,790,000	816,325,000	— 965,000

* Includes £57,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bills were opened on Dec. 28, 1928, and the total amount applied for was £80,130,000. For bills at 3 months, dated Monday, at £98 19s 0d, and above in full; Tuesday at £98 18s 7d, and above in full; Wednesday to Saturday at £98 18s 9d, about 8 per cent., and above in full. The amounts allotted were in bills at 3 months, £45,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1928.	£	£	£ s d
Oct. 26	45,000,000	61,850,000	4 8 1·23
Nov. 2	40,000,000	50,300,000	4 7 5·84
Nov. 9	45,000,000	51,500,000	4 7 9·51
Nov. 16	45,000,000	54,365,000	4 8 0·47
Nov. 23	45,000,000	60,895,000	4 7 9·21
Nov. 30	45,000,000	61,695,000	4 5 5·23
Dec. 7	45,000,000	53,675,800	4 6 9·47
Dec. 14	40,000,000	46,050,000	4 8 4·07
Dec. 21	40,000,000	46,860,000	4 8 7·03
Dec. 28	45,000,000	80,130,000	4 5 7·07

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS £9,101,717
CLAIMS PAID £41,161,592

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

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

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, January 2, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	378,794,483	Other Government Securities	233,557,181
In Banking Department	34,328,856	Other Securities	10,175,658
		Silver Coin	5,276,108
	413,123,339		260,000,000
		Amount of Fiduciary Issue	153,123,339
		Gold Coin and Bullion	413,123,339

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	62,636,855
Rest	3,440,783	Other Securities—	
Public Deposits*	22,336,385	Discounts and Advances £47,745,162	
Other Deposits		Securities £16,962,554	
Bankers £84,011,042			64,707,716
Other Accounts £38,030,396		Notes	34,328,856
	122,046,438	Gold and Silver Coin	206,194
7 Day and Other Bills	3,015		
	162,379,621		162,379,621

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

Both Departments.	Amount Jan. 2, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	78,291,483	— 9,948,416	— 804,887
Public deposits	22,336,385	+ 9,367,335	+ 8,869,468
Bankers' deposits	84,016,042	+ 14,526,334	— 20,683,823
Other deposits	38,030,396	+ 519,402	
Seven-day bills	3,015	+ 515	— 205
Total, outside liabilities	522,680,321	+ 14,464,770	— 12,619,447
Capital and rest	171,989,783	+ 59,275	+ 10,024
Government debt and securities	307,225,136	— 4,556,892	+ 12,346,044
Discounts and advances	47,745,162	+ 21,813,191	— 25,567,861
Other securities	27,138,165	— 1,891,410	
Silver coin in issue department	5,276,108	— 3,108	— 414,892
Coin and bullion (bank's reserve)	153,329,533	— 737,141	+ 1,026,286
Reserve of notes and coin in banking department	35,035,050	+ 9,210,675	+ 710,173
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	24⅞%	+ 2⅝%	+ 2⅝%
(b) Gold stocks to deposits and notes ("reserve ratio")	29⅝%	— 1⅞%	+ 8⅜%

* Comparison includes old currency notes return.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1928.	£	£	£	£	£	£ %	%
Nov. 7	64,980,343	133,915,880	117,398,789	84,343,928	300,000 in	50,803,503 43¼	4½
14	162,467,075	133,344,390	114,909,806	83,818,977	2,446,000 out	48,872,685 42⅝	4½
21	168,081,688	132,802,575	114,370,394	83,697,818	385,000 out	49,332,214 43¼	4½
28	168,946,998	367,001,148	121,116,863	85,981,475	2,380,000 out	48,844,838 43	4½

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1928.	£	£	£	£
January 1 to Dec. 19	38,112,510	1,801,637	2,962,872	42,877,019
Week ended Dec. 26	547,349	28,013	37,583	612,945
Week ended Jan. 2, 1929	976,540	38,409	59,085	1,073,534
Total for 1928	39,311,117	1,854,190	3,039,122	44,204,729
Do 1927	36,819,682	1,758,032	2,972,827	41,550,541
Increase or decrease in 1928	+ 2,491,435 = 6·7%	+ 96,158 = 5·4%	+ 66,595 = 2·2%	+ 2,654,188 = 6·3%
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,757	2,817,868	39,825,054
Increase or decrease in 1927	+ 1,473,253 = 4·1%	+ 97,275 = 5·8%	+ 154,959 = 5·4%	+ 1,725,487 = 4·3%

PROVINCIAL CLEARING RETURNS.

	Month of December.			Aggregate Weekly Totals to Dec. 29.	
	1927.	1928.	%	1927.	1928.
Number of Working Days	25	24			
	£	£		£	£
BIRMINGHAM	12,067,000	11,893,000	— 1·4	132,564,000	136,865,900
BRADFORD	5,941,000	5,547,000	— 6·6	..	..
BRISTOL	5,105,000	4,644,000	— 9·0	60,727,000	62,523,000
DUBLIN	..	..	..	246,452,000	251,630,500
HULL	3,964,000	3,571,000	— 9·9	46,204,700	45,628,400
LEEDS	4,257,000	3,903,000	— 8·3	53,061,500	49,386,800
LEICESTER	3,867,000	3,772,000	— 2·4	42,465,700	42,486,300
LIVERPOOL	34,723,000	32,836,000	— 5·4	428,669,000	415,586,708
MANCHESTER	59,477,000	58,622,000	— 1·4	707,838,100	677,629,000
NEWCASTLE-ON-TYNE	6,684,000	8,643,000	+ 29·3	77,969,500	75,215,800
NOTTINGHAM	2,779,000	2,491,000	— 10·3	32,258,400	32,485,600
SHEFFIELD	4,806,000	3,612,000	— 24·8	55,982,600	49,527,200
Total	143,670,000	139,531,000	— 2·8	..	..

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Denmark appeared in the *Economist* of Dec. 8; Egypt in Dec. 15; Danzig in Dec. 22; Spain, Roumania, Greece, Finland, Lithuania and Chili in Dec. 29.

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

Resources	Jan. 3, 1929.	Dec. 27, 1928.	Dec. 20, 1928.	Dec. 13, 1928.	Jan. 5, 1928.
Total gold reserves	2,587,630	2,584,240	2,614,960	2,626,910	2,742,500
Total bills discounted	1,151,460	1,167,500	916,10	1,028,350	520,280
Bills bought in open mkt	484,360	489,270	453,110	494,320	387,130
Total U.S. Govt. securities	243,960	232,330	290,340	255,210	627,400
Total bills and securities	1,888,660	1,899,310	1,700,720	1,762,600	1,536,290
Total resources	5,584,710	5,443,400	5,418,480	5,435,850	5,440,510
Liabilities.					
Federal Reserve notes in actual circulation	1,829,360	1,910,840	1,869,190	1,813,720	1,760,710
Deposits — Member bank—reserve account	2,493,760	2,409,200	2,325,880	2,408,970	2,485,760
Total deposits	2,565,730	2,485,090	2,356,430	2,465,970	2,536,300
Capital paid in and surplus	401,390	380,190	380,190	380,190	365,830
Total liabilities	5,584,710	5,443,400	5,418,480	5,435,850	5,440,510
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	61·9%	61·6%	64·5%	64·2%	67·2%

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

	Jan. 3, 1929.	Dec. 27, 1928.	Dec. 20, 1928.	Dec. 13, 1928.	Jan. 5, 1928.
Total bills discounted	495,460	387,840	232,790	329,930	178,770
Bills bought in open mkt.	146,790	159,390	136,400	171,180	96,440
Total U.S. Govt. securities	67,630	54,790	107,830	53,960	189,840
Total bills and securities	709,880	602,020	467,020	552,260	465,080
Deposits — Member bank —reserve account	1,027,920	957,830	919,100	960,510	1,080,510
Ratio of total res. to dep. and Federal Res. note liabilities combined	54·1%	60·0%	58·2%	62·8%	68·9%

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

Assets.	Dec. 24, 1928	Dec. 17, 1928	Dec. 10, 1928.	Dec. 3, 1928	Dec. 27, 1927.	Position May 30, 1914
Gold	434,569	434,577	434,736	434,739	399,991	183,092
Silver	22,335	22,568	21,899	21,356	27,944	8,436
Discts. and advances	386,339	382,380	386,439	408,609	416,460	153,504
Liabilities.						
Notes in circulation	818,864	811,995	806,970	855,280	797,163	316,638
Deposits	41,633	39,613	37,783	38,516	96,784	5,616

STATEMENT OF CANADIAN BANKS.—In $'s (000's omitted).

Assets.	Sept. 30, 1928.	Aug. 31, 1928.	July 31, 1928.	June 30, 1928.	Sept. 30, 1927.
Cash and bank balances..	436,657	441,675	451,837	457,106	420,044
Bank balances abroad ...	71,899	71,322	67,627	73,239	73,174
Call and short loans.....	554,745	565,695	538,469	507,786	460 806
Securities	486,464	500,455	508,404	531,453	532,845
Loans in Canada	1,315,864	1,285,456	1,278,799	1,305,903	1,137,684
Loans abroad	237,951	239 268	253,180	271,810	275,701
Other assets	198,107	197,982	198,507	198,810	172,230
LIABILITIES.					
Note circulation	193,492	176,025	172,235	183,379	171,889
Deposits—					
Government	102,016	107,211	113,817	115,952	124,975
Public in Canada	2,138,011	2,142,065	2,163,599	2,185.176	1,991,484
Foreign	371,542	391,2.5	356,959	376,234	355,021
Bank balances—					
Canadian	13,726	13,722	15 937	16,073	10,689
Foreign	79,920	67,778	73,148	73.270	46,950
Bills payable, &c.	111,958	114,685	117,540	115.041	88,256
Capital and rest.....	256,331	256,331	256,331	256,331	253,608
Other liabilities.....	2,801	5,014	3,554	2,946	3,003

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

Assets.	Dec. 7, 1928.	Nov. 30, 1928.	Nov. 23, 1928.	Nov. 16, 1928.	Nov 9. 1928.	Dec. 9, 1927.
Gold coin and bullion....	7,851	7,746	7,058	7,750	7,506	7,256
Subsidiary coin.....	112	114	132	116	89	232
Bills discounted	7,539	8,118	8,519	7,.70	8,410	7,494
Investments	794	767	748	750	760	574
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	8,817	9,283	7,817	7,887	8,338	8,372
Government deposits	1,736	2,121	2,131	1,888	1,442	1,483
Bankers' deposits.....	4,951	5,183	4,914	5,618	5,135	4,766
Ratio of cash reserves to liabilities to public	49%	46·3%	46·7%	50·3%	48·6%	48·3%

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

Assets.	Dec. 7, 1928.	Nov. 30, 1928.	Nov. 23, 1928.	Nov. 16, 1928.	Nov. 9, 1928.	Dec. 9, 1927.
Total securities	21,74.97	21,82,50	21,85.34	21,88,26	21,73,51	18.79,18
Loans	19.07,78	18.36,61	18,67,61	19,07,56	18,31,71	16,24,21
Cash credits	23,75,36	23,65,36	23,26,94	25 01,71	25,31.97	24.42 99
Inland bills	9,61,49	9.39.13	7,51 68	4,84,63	4 23,28	9,36,64
Foreign bills.....	37,12	33.54	26.27	23,45	28,.7	33 49
Dead stock	2,85,42	2,85,17	2,85,40	2,85, 0	2,84,60	2,81,04
Bal.with other banks	17,96	19,93	26.27	30.83	27.16	16.14
Cash	11,84,78	14,55,42	15,83,84	14,13,95	14,56,56	16,15,70
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62.50
Reserve	5,17,50	5,17,50	5,17,50	5,17,50	5,17,50	5.07.50
Total deposits	76,29,32	80,03.19	79,28,73	77,15,55	76,38,79	76,31,22
The above includes—	£	£	£	£	£	£
Deposits in Lond'n	996	997	1,039	1,022	975	992
Adv'nces in L'nd'n	885	890	904	892	821	946
Cash, &c., at other Banks in London	130	141	199	229	203	97

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

Assets.	Dec. 28, 1928.	Dec. 21, 1928.	Dec. 14, 1928.	Dec. 7, 1928.	Nov. 30, 1928.
Gold	31,977,034	31,834,518	31,722,109	31,6.8,805	31,599,991
Foreign assets—					
Sight deposits	13,510,492	13,656,685	14,131,439	14,094,864	13,385.897
Bills discounted ..	19,130,846	19,131,458	19,124,277	18,849,019	18,859,198
Commercial bills discounted at home..	5,780,793	3,787,533	3,540,028	3,616,108	3,257,110
Advances against sec					
To the State	9.130.000	9,130,000	9,130,000	9.130.000	9,130,000
Other advances....	2,922,873	2,211,056	2,252 118	2,269,037	2,283,453
Other assets (excluding forward exch.).	..	3,098,300	2,908,489	3,024,407	4,411,725
LIABILITIES.					
Notes in circulation..	63,915,593	61,913,518	61,420,979	61,826,871	62,659 826
Public deposits.....	12,213,853	12,4 8,105	13,010,868	12,611,789	12,5 6,363
Private deposits	6,515,018	6,282 211	6,369,491	6,275,137	5,744,209
Other liabilities	..	2,195,717	1,832,059	1,862,995	1,881,150

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

Assets.	Dec. 22, 1928.	Dec 15, 1928.	Dec. 7, 1928.	Dec. 31, 1927.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,729,283	2,690 366	2,652,142	1,864 643
Of which deposited abroad	85,626	85,626	85.626	81,437
Reserve in foreign currencies	158,224	170,737	178,970	281,986
Bills of exchange and cheques....	1,933 514	1,890,466	2,101 369	3,128.636
Silver and other coin	85,851	92,165	85,932	42,727
Notes of other German banks	21,380	22,144	16,009	5,260
Advances	37,537	56.905	57,325	78,320
Investments.....	92,357	92,.57	92,339	93,431
Other assets.....	613,908	536,119	539,944	499,2.8
LIABILITIES.				
Reduced capital.....	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	284,205	284,205	284,205	243,363
Notes in circulation	4,481,522	4,424,657	4,564.910	4,564 047
Other daily maturing obligations	496.473	425.943	479 277	779 113
Other liabilities	287,066	295,656	282,850	284 920

* Equal to one billion paper marks or one Rentenmark.

The gold reserve is calculated in accordance with the new legal prescription of one pound of fine gold equals 1,392 Reichsmarks.

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

Assets.	Dec. 29, 1928.	Dec. 22, 1928.	Dec. 15, 1928.	Dec. 8, 1928.	Dec. 31, 1927.	Position May 30.1914.
Gold	190,400	189,500	188,700	188,400	178,209	22 971
Silver					18,111	29,785
Discounts, advances, and other investments.....	159,900	157,000	156,200	160,600	169.557	77,567
LIABILITIES.						
Notes in circulation.....	311,400	311,800	314 800	315,700	319.844	109,499
Deposits and bills payable	63,900	60,300	57,400	62 700	55,411	11,250

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

Assets.	Dec. 22, 1928	Dec. 15, 1928	Dec. 7, 1928.	Nov. 30, 1 28.	Dec. 23, 1927	Position May31.1914
Gold.....	481,462	472,842	468.973	469.101	471.267	171,175
Silver	46,396	47,594	47,505	47,957	63.2·0	18,350
Advances	267,930	253,983	261,152	262,452	325,5.0	103,000
LIABILITIES.						
Notes in circulatn	902,590	840,356	849 337	878,163	884.087	275,925
Deposits	87,079	137,804	117,078	109,280	98,902	33,750

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

Assets.	Dec. 27, 1928.	Dec. 20, 1928.	Dec. 13, 1928.	Dec. 6, 1928	Dec. 29. 1927.	Position May 28, 1914.
Gold	903,925	894,359	855,192	843,345	718,547	(b)
Foreign Bills and Balances Abroad	566,611	540,042	528,045	525,420	524,559	233,650
Silver & other coin	..	2,114	2,229	2,257	..	
Securities	681,831	654,076	631,628	611,130	585,479	897,800
LIABILITIES.						
Notes in circulation	2,321 559	2,279,287	2,286,850	2,291,408	2,043 376	934,150
Current accounts ..	210,519	174,988	119,381	67,838	182,813	112,195

(b) In thousand francs.

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

Assets.	Dec. 20, 1928.	Dec. 10, 1928.	Nov. 30, 1928.	Nov. 20, 1928.	Nov. 15, 1928.
Gold, coin and bullion	5,051,900	5.051 901	5.051.873	5 051,916	5,051.897
Foreign bills & balances abroad	5,923,700	5,944,210	5,992,452	5,989,953	6,038,370
Other cash	110,100	113,692	105,813	99,209	108,414
Gold deposited abroad due by the State.....	1,836,200	1,836,187	1,836.187	1,836,187	1,836,187
Discounts	3,494.500	3,434,717	3,400.04	3,2.1.720	3,197,038
Advances	1,610,500	1,443,404	1,440,290	1,595,986	1,750,496
Credit with "Istituto di Liquidazioni"	1,224,900	1,224,936	1.224 936	1,224 936	1,226,985
Government securities	1,039,000	1,038,951	1,038,392	1,038,763	1,037,600
LIABILITIES.					
Notes in circulation	16.821,000	17,020,432	17,118.613	16,8'8,851	17,100,330
Public deposits.....	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	2,454,600	2,295,992	2,157,475	2,184,711	2,083,225
Ratio of reserve to note and sight liabilities combined	56·07%	56·06%	56·42%	57·32%	56·92%

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

Assets.	Dec. 22, 1928.	Dec. 15, 1928.	Dec. 7, 1928	Dec. 24, 1927.	Position May31,191
Coin and bullion—Gold.....	146,885	146,889	146,904	147,230	44,294
Balance abroad and foreign bills	36,180	32,653	31,244	32,901	28,533
Norwegian and Foreign Government securities	9.283	9,283	9,283	25,599	8,816
Discounts and loans	268,069	268,507	268,139	245,046	76,911
LIABILITIES.					
Notes in circulation	321,385	311,815	300,840	337,769	113,486
Deposits at sight.....	74.868	83,833	93,403	56,979	71,880

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

Assets.	Dec. 29, 1928.	Dec. 22, 1928	Dec. 15, 1928.	Dec. 8, 1928.	Dec. 31, 1927.
Gold	235 900	235,941	236 195	236 409	230,168
Government securities—Swedish	6,001	6,001	5.355	5.355	11,132
" Foreign	83,774	83,774	78,950	69,700	105,154
Other Swedish bonds quoted on foreign bourses	749	749	719	719	1,032
Bills payable in Swedent	304,691	307,149	306,159	281,319	217,616
" " abroad.....	73 546	66,767	64,280	61.853	86,682
Balance abroad.....	56,406	60,250	59,352	61,278	71,587
Advances made on government securities and bonds‡.....	80,146	80,494	76,980	72,947	79,683
LIABILITIES.					
Notes in circulation	533,751	522,259	497,135	476,145	526,236
Government deposits	273,242	272,511	294,257	287,907	260,426
Private deposits	10,303	4,829	3.866	3,848	7,147

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are not available as cover for the note issue.

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

Assets.	Nov. 28, 1928.	Nov. 21, 1928.	Nov. 14, 1928.	Nov. 7, 1928.	Nov. 30, 1927.
Coin and bullion ..	9,407	9,384	9,503	9.494	9,250
Of which gold	8,577	8,577	8,577	8.577	8,577
Balances abroad.....	279,143	296,400	295 253	289,.33	176,718
Discounts	240,020	241,465	244,643	256,583	212,657
Government loans ..	1,702,288	1,710,003	1,718,628	1,709,535	1,414,113
LIABILITIES.					
Notes in circulation	1,924,033	1,920,376	1,937,924	1,953,149	1,806,398
Deposits	69,598	64,911	60,360	57,646	90,642

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

Assets.	Dec. 23, 1928.	Dec. 15, 1928.	Dec. 7, 1928.	Nov. 30, 1928.	Dec. 23, 1927.
Metal reserve—					
Gold in coin, etc. ..	168 752	168 752	168.752	168,752	84.456
Foreign bills	240,253	239.108	237.602	237,245	378 044
Other foreign bills†	339 928	335.054	328,693	327,311	272,093
Bills discounted	177,509	164,640	140,625	144,778	102,148
Advances to Treasury	166,170	166,170	166,173	166,343	173,189
LIABILITIES.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	8,167	8,167	8 167	8,167	6,367
Notes in circulation..	987,046	976,6.8	949 043	984,3 5	914,143
Deposits	107 605	99,483	94.961	62,599	97,535

† In dollar and sterling only.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cs. K. (000's omitted).

Assets.	Dec. 23, 1928.	Dec. 15, 1928.	Dec. 7, 1928	Nov. 30, 1928.	Dec. 25, 1927.
Gold and silver holdings.....	1,183,115	1,183,140	1,158,575	1,158,640	1,168,137
Balance abroad and foreign currency.....	2,466.741	2,357,082	2,356.474	2,338,973	2,319,733
Discounts and advances	388,520	372 671	380,5 7	392.105	83 022
State notes debt balance.....	4,107.728	4,116,767	4,117,359	4,125.518	4,472,150
Other assets	1,304,578	1,295,026	1,355,077	1,311,625	1,477,058
LIABILITIES.					
Bank notes in circulation	7,609 404	7,471 087	7,555.2'9	7,817,919	7,299,600
Check accoon balances	1,043,717	1,085,126	1,065,6.3	77 ,2·7	1,392,130
Other liabilities	364,936	345,848	315,.45	297,0·0	355,288

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

Assets.	Dec. 22, 1928.	Dec. 15. 1928.	Dec. 8, 1928.	Nov. 30, 1928.	Dec 24, 1927.
Gold	90,941	90.923	90,902	9 .899	88.703
Other coin and notes	17.811	17 750	17.679	17.6·3	18,276
Foreign credits	231,720	228,047	239,454	256 877	344,207
Bills	1,426,634	1,404,476	1,416,875	1 405,188	1,321,700
Govt. advances	4,299.132	4,299.131	4,299.134	4,32.,134	4,367,665
LIABILITIES.					
Notes in circulation..	5,342.782	5,370,777	5,550.189	5,597,568	5,549,940
State credits	270,.12	270,112	270,114	29·,115	298,645
Deposits	1,003,528	1,016,446	854,225	865,187	1,375,271

NATIONAL BANK OF HUNGARY.—In Hungarian Pengö (000's omitted.)

Assets.	Dec. 23, 1928.	Dec. 15, 1928.	Dec. 7, 1928.	Nov. 30, 1928.	Dec. 23, 1927.
Metal reserve—					
Gold coin and bullion	201.091	200.995	201.090	201.089	196.862
Drafts and notes	46,835	50.861	58.2 3	57.213	107,864
Silver coin and bullion	787	788	790	800	797
Inland bills, warrants and securities ..	382.373	359,.79	372.286	383.950	305,089
Advances to the Treasury	103,692	103,698	103,805	104,013	114,671
LIABILITIES.					
Share capital gold crowns 30,000,000*)	34,756	34,756	34.756	34.756	34.756
Notes in circulation	439 516	437,456	442,123	475.610	427,714
Current accounts, deposits, &c.	277,895	266,278	280,071	258,899	333,065

* Calculated at pre-war parity of exchange.

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

Assets.	Dec. 15 1928.	Dec. 7, 1928.	Nov. 30, 1928.	Nov. 23 1928.	Dec. 15, 1927.
Gold and silver oldings	1,491.755	1,490,927	1,489,661	1,489,284	1,241,409
Balances abroad and foreign currencies	3,513.972	3,016,082	1,389,543	1,006.569	600,853
Disconnts and advances	1,328,472	1,349,188	1 642,280	1,667,865	1,331 257
Advances to the Treasury.....	4,042,333	4,042.333	4,420,995	4,470,995	4,514,474
LIABILITIES.					
Capital paid in	500 000	500 000	516,422	516,422	473,896
Reserves	1,149.815	1,150 044	1,133,620	1,133,721	1,117,798
Bank notes in circulation.....	4,215 466	4,325.204	4,379 280	4,457.77.	3,881,456
Sight liabilities.....	3,652,457	3501,284	2,664.496	2,285.316	1,342,157
Deposits	472 634	472,773	484,007	484,033	1,516,946

RUSSIAN STATE BANK.—Note-Issuing Department.

(In Tchervonets—000's omitted.) (NOTE: 1 Tchervonetz = 10 gold roubles.)

Assets.	Dec. 31, 1928.	Dec. 15, 1928.	Nov. 30, 1928.	Nov. 15, 1928.	Dec. 31 1927
Gold in coin and bullion.....	17,966	17,856	17,819	17.819	18,859
Other precious metals.....	4,436	4,4·5	4,507	4,595	2,073
Foreign bank notes	7.846	7,845	7.910	7,910	7,350
Drafts in sterling (less 10%)....	276	272	273	273	266
Bills (less 10% discount)	82.312	83,.55	82,217	85,199	77,178
Securities covering advances on goods (less 10 ")	274	275	274	274	274
LIABILITIES.					
Bank notes	112,256	113,131	112,130	115.355	104,404
Balance to which notes may still be issued	744	869	870	645	1.596

BANK OF POLAND.—In zloty* (000's omitted).

Assets.	Dec. 20. 1928.	Dec. 10, 1928.	Nov. 30, 1928.	Nov. 20, 1928.	Dec. 20, 1927.
Gold	607 978	607 912	607,844	607.799	508.327
Of which held abroad....	182,339	182,339	182 339	18 ,339	173,392
Foreign currencies	71 .632	705.170	701,894	691.977	904,273
Bills discounted	624 026	606.355	623,520	613,122	437,958
Loans against securities	90,748	87,746	94,989	91.253	43,718
Reserve fund securities.	65,176	63,345	55.625	55.625	34,290
Liability of the Treasury	25,000	25,000	25,000	25 000	25,000
LIABILITIES.					
Share capital.....	150.000	150,000	150,000	150,000	150.000
Reserve funds	94 435	94,435	94,435	94,435	79,674
Notes in circulation	1,218,031	1,242,129	1,269,766	1,193,194	912 592
Current accounts.....	597,331	547,753	532,954	580,520	688,868
Government accounts	75,000	75,000	75,000	75,000	75,000

BANK OF ESTONIA.—In Est. kroon (000's omitted).

Assets.	Dec. 15, 1928.	Dec. 7, 1928.	Nov. 30, 1928.	Nov. 23, 1928.	Nov. 15, 1928.
Gold coin and bullion	26.025	26,220	26,681	27,341	28,253
Net foreign exchange	429	573	541	468	497
Subsidiary Estonian coin	14,615	13,724	13,459	13,151	12,658
Home bills discounted	16,545	16,031	16,727	16,248	15,678
Loans and advances*					
LIABILITIES.					
Notes in circulation	38,579	36.703	37.709	38.850	36,953
Sight deposits and current accounts .	20,461	22,605	21,761	21 248	23.353
Ratio of reserve to current liabilities	54·61%	54·69%	54·73·	56·16%	57·48%

* Includes a sum not exceeding Ekr. 15,000,000, guaranteed by the Government.

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

Assets.	Dec. 26. 1928	Dec. 19, 1928.	Dec. 12, 1928.	Dec. 5, 1928.	Nov. 28, 1928.	Dec. 28 1927.
Gold bullion and coins ..	23,751	23,750	23,748	23.7 7	23,747	23.681
Silver coin.....	4 394	4 467	4,413	4,223	4,347	3 686
Balance abroad	72,141	73,573	75,423	76 882	76,7·0	48 830
Treas. notes & sm. change	8,950	12 475	12.526	11.267	11,192	8.228
Short term bills	87,160	86.337	85,599	85 862	85,908	78 907
Loans against securities..	46,487	45,451	43,750	44,128	42,386	52 606
Other assets	11,363	11,386	11,194	11,329	10,924	15,492
LIABILITIES.						
Notes in circulation	44,615	43,133	42,333	43,215	43,847	39,994
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,385
Reserve	3,091	3.091	3,091	3,091	3,091	2 612
Special reserve	2.500	2,500	2,5·0	2.500	2,500	2,500
Deposits.....	21,978	11,962	12,060	12.062	11.991	10,181
Current accounts	54,123	59,192	57 2.4	60.032	59,483	45.111
Government accounts	108,037	107,842	110.292	107,891	105.025	96,915
Other liabilities	14,322	14,138	13.562	13 035	13.748	19.432

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

Assets.	Dec. 8, 1928.	Dec. 1, 1928.	Nov. 24, 1928.	Nov. 17, 1928.	Dec. 10, 1927.	Position June 30,1914
Cash and bullion..	1,124 712	1,125,935	1,127,734	1,128.474	1,123,.34	221,320
Discounts	740,664	759,741	752 231	754.624	832 661	41,740
Advances	88 511	93,976	89,292	67,106	89,822	70,540
LIABILITIES.						
Notes	1,262,655	1,389,191	1,258,263	1,201,336	1,215.976	362,770
Govt. deposits	526,080	536,311	615,0·0	630,816	730,709	87,340
Other deposits	365 661	255 077	326 770	362.039	304.826	11,440

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz:—

£1,000 sterling equals 942·44–944·33 tchervontsi.

1 tchervonetz = 10 gold roubles. £1 sterling = 9·46 gold roubles.

LONDON RATES.

	Dec. 27, 1928.	Dec. 28, 1928.	Dec. 29, 1928.	Dec. 31, 1928.	Jan. 1, 1929.	Jan. 2, 1929.	Jan. 3, 1929.
	%	%	%	%	%	%	%
Bank rate (changed from 5% April 21, 1927)	4½	4½	4½	4½	4½	4½	4½
Market rates of discount—							
60 days' bankers' drafts.....	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
3 months' do	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
4 months' do	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
6 months' do	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
Discount (Treasury Bills)—							
2 months	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
3 months†	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
Loans—Day to day.....	2	3	3	3	3	3	3
Short	4	5	5	5	5	5	5
Deposit allowances: Banks.....	2½	2½	2½	2½	2½	2½	2½
Discount houses at call	2½	2½	2½	2½	2½	2½	2½
At notice	2½	2½	2½	2½	2½	2½	2½

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

Comparison with previous weeks:—

	Short Loans.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1928.	%	%	%	%	%	%	%
Dec. 13.....	3½	4⅝	4⅝	4⅝	4½	4½	4½
20.....	3½	4⅝	4⅝	4⅝	4½	4½	4½
27.....	4	4⅝	4⅝	4⅝	4½	4½	4½
Jan. 6.....	3½	4⅝	4⅝	4⅝	4½	4½	4½

OVERSEAS BANK RATES.

	Changed.	%
Amsterdam	Oct. 12, 1927 ..	4½
Athens	Dec. 2, 1928 ..	9
Belgrade	July 26, 1921 ..	6
Berlin	Oct. 5, 1927 ..	7
Brussels	June 30, 1928 ..	4
Bucharest	Sept. 4, 1920 ..	6
Budapest	Oct 1, 1928 ..	7
Calcutta	Dec. 13, 1928 ..	7
Copenhagen	June 23, 1927 ..	5
Danzig	June 20, 1927 ..	6
Helsingfors	Nov. 15, 1928 ..	7
Kovno	Feb. 8, 1925 ..	7
Lisbon	July 28, 1926 ..	8
New York Federal Reserve ..	July 12, 1928 ..	5
Madrid	Dec. 19, 1928 ..	5½
Oslo	Mar. 26, 1926 ..	5½
Paris	Jan. 19, 1928 ..	5½
Prague	Mar. 8, 1927 ..	5
Pretoria.....	Jan. 9, 1928 ..	5½
Reval	Jan. 2, 1928 ..	7
Riga	April 1, 1922 ..	7
Rome	June 25, 1928 ..	5½
Sofia.....	Dec. 15, 1928 ..	9
Stockholm.....	Aug. 24, 1928 ..	4½
Swiss Bank places	Oct. 22, 1925 ..	3½
Tokio	Oct. 18, 1927 ..	5·48
Vienna	July 16 1928 ..	6½
Warsaw	Ma 13 1927 ..	8
Irish.....	Apr. 21, 1927 ..	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.

† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.

‡ 7% applied to banks, &c., charging more than 11% p.a. for their loans.

RATES OF EXCHANGE.

London on		Usance	Par.	Jan. 5, 1928.	Dec. 27, 1928.	Jan. 3, 1928.
New York	dollars to £1	Cable	4·863	4·87½–⅛	4·85⅛–¼	4·85⅛–¼
Montreal	dollars to £1	Cable	4·863	4·88⅛–¼	4·86⅛–⅜	4·86⅛–⅜
Paris	francs to £1	T.T.	124·21	123½–4½	123·93–124	124·08–13
Berlin	marks to £1	T.T.	20·43	20·45–46	20·38–·9	20·38–·9
Amsterdam ..	florins to £1	T.T.	12·107	12·09⅛–⅞	12·07⅞–⅞	12·07⅞–⅝
Brussels	belga to £1	T.T.	35·00	34·92–92½	34·84–·9	34·85–·9
Milan	lire to £1	T.T.	92·46	92·30–35	92·70–3	92·62–·66
Berne	francs to £1	T.T.	25·22	25··7⅛–28	25·15½–16	25·18½–19
Oslo	kroner to £1	T.T.	18·159	18·34–35	18·19–½	18·18½–19½
Stockholm....	kroner to £1	T.T.	18 159	18·11–11½	18 09½–⅞	18·12½–13½
Copenhagen ..	kroner to £1	T.T.	18·159	18·20–21	18 17½–18	18 17½–18
Madrid	pesetas to £1	T.T.	25·22½	28·23–25	29·76–77	29·73–5
Lisbon.....	escudo to £1	T.T.	4·50	2½–2⅝	109½–110	108½–9
Vienna	schilgs to £1	T.T.	34·58½	34·

Rates of Exchange, New York on—		Par Level.	Jan. 6, 1928.	Dec. 19, 1928.	Dec. 26, 1928.	Jan. 2, 1929.
London—						
60 days	Dollars for £1	4·8666	4·83 9/16	4·81 1/32	4·80 13/16	4·80 3/8
Cable			4·87 7/8	4·85 3/8	4·85 1/16	4·85 1/16
Cheques			4·87 1/2	4·85 3/8	4·84 1/4	4·84 1/4
Paris	Cents for 1 franc	19·30	3·93 3/8	3·91 25/32	3·91 3/8	3·90 11/16
Brussels	Cents for 1 Belga	13·90	13·975	13·91	13·915	13·90
Switzerland	Cents for 1 franc	19·30	19 285	19·28	19·295	19 255
Italy	Cents for 1 lire	19	5·28375	5·2375	5·2375	5·235
Berlin	Cents for 1 mark	23·81	23·88	23·82 1/2	23·815	23·775
Vienna	Cts. for Austrn. shlg.	14·07	14·13	14·08	14·09	14·09
Madrid	Cents for 1 peseta	19·30	17·36	16 30	16·30	16·305
Amsterdam	Cents for 1 guilder	40·195	40·30	40·15	40·15	40·12
Copenhagen			26·79	26·70	26·705	26·67
Oslo	Cents for 1 kroner	26·80	26·585	26·67	26·685	26·65
Stockholm			26·91	26·78	26·805	26·73
Athens	Cents for 1 drachma	19·30	1·325	1·29 1/2	1·29 1/2	1·29 1/2
Montreal	Can. Cents for $1	100	1/32 dis.	7/32 d s	3/32 dis.	1/32 dis.
Yokohama	Cents for 1 yen	49·85	46·74	45·88	45·90	45·90
Hong Kong	Cents for H. Kong $	..	50·75	49·90	49·95	49 90
Shanghai	Cents for 1 Shng. tael	..	64	63·50	63·625	63·25
Calcutta	Cents for 1 rupee	..	36 67	36·44	36·46	36·48
Buenos Aires	Pesos for $100	103·65	103·05	104·60	104·65	
Rio de Janeiro	Cents for 1 milreis	32·42	12 CO	11·86	11·86	11·90
Valparaiso	Cents for 1 peso	12·166	12·25	12·03	12·03	12·03

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928		Union of South Africa. From February 6, 1928.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	..	1/32 % dis.	par to 1/32 % pm.	3/32 prem.
Demand	1/32 % dis.	1/16 % "	1/32 % dis.	1/32 to 1/16 % "
30 days	1 1/32 % "	1/16 % "	1/32 % "	1/16 % "
60 days	2 1/32 % "	1/16 % "	1/32 % "	1/16 % "
90 days	3/32 % "	1 1/32 % "	1/32 % "	1/16 % "
£20 days	3/32 % "	1 1/32 % "	1/32 % "	..

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·32
Venezuela	Bolivares to £	25·25	"	25·30
Colombia (Bogota)	Pesos to £1	5	"	5·00
Nicaragua	Cordobas to £	4·8665	"	4·92
Salvador	Colones to £	9·73	"	9·82
Bolivia	pence to Boliviano	18·0	90 days	18

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus-tralia.	New Zeal'nd	Aus-tralia.	New Zeal'nd	Aus-tralia.	New Zeal'nd	Aus-tralia.	New Zeal'nd
T.T.	..	..	99 1/32	99 3/32	..	..	101	100 3/32
Demand	98 1/32	98 3/32	99 1/32	99 3/32	99 3/32	99 3/32	100 3/32	100 1/32
30 days	97 29/32	97 31/32	..	..	99 3/32	98 3/32	100 1/32	99 3/32
60 days	97	97 1/32	..	..	98 31/32	98 29/32	99 1/32	99 1/32
90 days	96 7/32	96 11/32	..	..	98 15/32	97 1/32	..	99 1/32

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council from April 1st to December 29, 1928, amounted to £21,048,000 by means of purchases of sterling in India. Of this amount £750,000 was remitted on account of the Paper Currency Reserve.

BULLION.

The following statistics of imports and exports of gold for week ended January 3, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland.	£	Exported from Great Britain and Northern Ireland	£
From—		To—	
Netherlands	4,000	Poland	4,579
France	33,539	Germany	17,060
Venezuela	5.034	France	14,935
Irish Free States	63,00	Switzerland	15,390
British West Africa	19,866	Austria	14,050
British South Africa	535,209	Hungary	12,750
Other Countries	1,150	Egypt	34,739
		Kenya	3,400
		British India	115,824
		Other countries	1,179
Total declared value of imports	661,798	Total declared value of exports	233,906

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver—Per Ounce Cash.	Forward.	Date.	Silver. Cash.
1928.	s d	d	d		d
Dec. 28	84 11 1/2	26 7/16	26 1/2	Jan. 12, 1923 ..	31 11/16
29	84 11 1/2	26 7/16	26 1/2	11. 1924 ..	32 1/16
31	84 11 1/2	26 3/8	26 7/16	9. 1925 ..	32 3/16
Jan. 1, 1929	84 11 1/2	26 3/8	26 7/16	8. 1926 ..	31 13/16
2, "	84 11 1/2	26 5/16	26 3/8	7. 1927 .	24 1/16
3 "	84 11 1/2	26 1/16	26 3/8	5. 1928 ..	26 1/16

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1928. Arrivals.	£
Dec. 28	nil
" 29	nil
" 31—Bars bought	227
Sovs received from abroad	63,000
1929.	
Jan. 1—Foreign gold coin bought	18
" 2—Sovs released	*750,000
" 3	nil
Total	813,245
Net arrivals, £256,057.	

1928. Withdrawals.	£
Dec. 28—Sovs taken for export	40,000
" 29	nil
" 31—Bars sold	3,451
Sovs set aside	500,000
1929.	
Jan. 1	nil
" 2—Bars sold	8,592
" 3 Bars sold	5,165
Total	557,188
* Previously set aside.	

Messrs Samuel Montagu and Co. write as follows on January 2, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £153,783,646 on December 26th last (as compared with £155,210,986 on the previous Wednesday). For the first time since January 4th last, when the amount held was £151,412,225, a slight decrease is shown as compared with the £153,906,315 held on April 29, 1925—when an effective gold standard was resumed. The bar gold from South Africa this week amounted to £530,000, of which about £420,000 was sold privately. There was only a small demand for the remainder, the usual requirements of India and the trade ebing about £56,000, leaving a small balance still to be disposed of. The receipt on December 31st consisted of £63,000 in sovereigns from the Irish Free State and £227 bar gold, and that to-day was in sovereigns released. The withdrawals were :—£500,000 in sovereigns set aside, £40,000 in sovereigns taken for export, and £12,023 in bar gold.

SILVER

The market has continued quiet as New Year holidays have obtained in most centres. Resales on China account were offset by a little inquiry from the Indian bazaars, but business has not been important, prices having moved only 1/32d since our last letter. America remains inactive, but, if anything, has been more inclined to sell. The following were the United Kingdom imports and exports of silver registered from mid-day on the 24th ultimo to mid-day on the 31st ultimo :—Imports.—Germany, £9,850; France, £17,310; U.S.A., £59,774; other countries, £765—£87,699. Exports.—Persia, £90,000; other countries, £2,676—£92,676.

INDIAN CURRENCY RETURNS (In Lacs of Rupees.)

	Dec. 7.	Dec 15.	Dec. 22.
Notes in circulation	18,481	18 566	18 697
Silver coin and bullion in India	10,357	10,238	10,069
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	3,107	3,110	3,110
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	4,233	4,233	4,233
Securities (British Government)	584	585	4,233
Bills of exchange	200	400	685
			600

The stock in Shanghai on the 29th ultimo consisted of about 62,000,000 ounces in sycee, 101,000,000 dollars, and 5,740 silver bars, as compared with about 60,100,000 ounces in sycee, 99,000,000 dollars, and 940 silver bars on the 22nd ultimo. Statistics for the month of December, 1928, are appended :—

	Bar Silver, per Oz Std.—Cash Delivery.	Two Months' Delivery.	Bar Gold, per Ounce, Fine.
	d	d	s d
Highest price	26 9/16	26 5/8	84 11 1/2
Lowest "	26 9/16	26 5/16	84 11 1/2
Average "	26·349	26·461	84 11·5

CENTRAL UNION TRUST COMPANY OF NEW YORK

Head Office:
80 Broadway
NEW YORK

London Representative:
C. Noël Hume
1 & 2 Gracechurch Street, E.C.3

Complete Commercial & Foreign Banking Service

Acts in every Fiduciary Capacity

Capital, Surplus and Undivided Profits over $55,000,000.

NOTICES.

The Midland Bank announces that the night safe service, which it introduced into this country some months ago and has since extended to a considerable number of London and country branches, has been brought into operation at the following additional offices during the past fortnight :—199 High street, Acton, London, W. 3; 13 Dunraven place, Bridgend, Glam.; 55 and 57 Victoria street, Grimsby; 1 Corn market, High Wycombe, Bucks; 313 Smithdown lane, Liverpool; 15 Queen square, Liverpool; 246 and 248, Park road, Toxteth, Liverpool; 33 Mosley street, Newcastle-on-Tyne; 1 Bridge street, Newport, Mon.; Terminus House, Broadway, Southend-on-Sea, 8 Chertsey road, Woking, Surrey.

Barclays Bank, Limited, announce the opening of a new branch at 30 Newgate street, E.C. 1, under the management of Mr W. H. Maeer. Also a new sub-branch at Garforth, near Leeds, under the management of Mr C. Billinton, who is also manager of Castleford branch.

The National Provincial Bank, Limited, announce that a branch of the bank is now open at 737 London road, Thornton Heath, the office being in charge of Mr S. L. Price, and under the supervision of Mr G. W. B. Eyre, of the Croydon branch.

Westminster Bank, Limited, announce the opening of a new branch at Broadwater (Worthing) under the management of Mr E. A. Jemmet, of Worthing.

The Royal Bank of Canada announces the retirement of the London manager, Mr T. R. Whitley, as from December 31st. Mr E. B. McInerney, formerly manager of the bank's Paris office, has been appointed to fill the vacancy.

The Commercial Bank of Australia, Limited, announces that a branch of the bank has been opened at Armidale, N.S.W.

The Standard Bank of South Africa, Limited, announce that an agency will be opened at Luanshya (formerly known as Roan Antelope), Northern Rhodesia, on January 9th.

The National City Bank of New York has opened a branch at Moukden in the Far East.

The Banca Commerciale Italiana announces the opening of a branch at Smyrna.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked * Interim div. or Stated in Cash. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Last year.	Previous Year
Banks.				%	%
Alexanders Discount	15	(&bonus of 5%)	Tax free	10	10
Nat. Discount Co., "A" Shares	2/6 p.s.†	..	Less tax	23	23
Do "B" Shares	5/6 p.s.†	..	Less tax	..	..
Queensland National	2½%	Feb. 14	Less tax	4	4
Twentsche	..	..	..	..	..
Union of Australia	15%*	..	Tax free	..	..
Insurance.					
Midland Employers' Mutual Assurance	..	..	..	10	..
United	10†	..	..	10	..
Tea and Rubber.					
Langen (Java) Rubber	..	..	Less tax	6	17½
Other Companies.					
Allen-Liversidge	5%*	Jan. 30	Less tax	..	..
Barratt and Co.	..	..	..	80	80
Bartholomew (London)	10%*	Feb. 1	Less tax	..	..
Bluemel Bros.	..	..	..	22½	15
Glasgow Alhambra	..	..	Less tax	8	10
H. and G. Simonds	7½†	..	..	14½	..
Hall and Co.	5%*	Jan. 31	Less tax	..	..
Houlder Line	..	..	..	10	10
Hunters The Tesmen	9d p.s.*	..	Tax free	..	..
Johnson, Cole, Brier & Cordery	7*	..	Less tax	..	..
Kay's Atlas Brewery	10*	..	..	..	..
Lovell and Christmas	5*	..	..	..	..
London County Freehold and Leasehold Properties	5%*	Jan. 19	(Second interim)	..	..
N. of Scotland Canadian Mort.	7½%*	Jan. 16	..	..	..
Oregon Mortgage	8*	..	..	..	..
Philadelphia Co.	2½(&extradiv of 75c p.s.	..	Less tax.	..	..
Royal Dutch Petroleum	10%	..	..	5	..
Second Scot. Eastern Invest. Def.	..	..	..	11	9
South American Farms	..	..	..	..	..
Third Scottish Northern Invest.	3½†	..	Less tax	5½	5
Thos. Stevens, Confectioner	6*	..	Tax free	..	..
Trustees Corporation	8*	Jan. 18	Less tax	20	20
Victoria Palace	..	..	..	10	8
Westinghouse Brake	..	..	..	..	..
Yorkshire Dyeware & Chemical	5*	Jan. 1	Less tax		

OIL OUTPUTS.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for week ended December 19th :—Venezuela, 35,616 barrels; Trinidad, 16,573 barrels; total, 52,189 barrels. For week ended December 26th :—Venezuela, 35,471 barrels; Trinidad, 20,263 barrels; total, 55,734 barrels.

VENEZUELAN CONSOLIDATED OILFIELDS, LIMITED.—Production for week ended December 29th, 3,521 barrels (503 tons).

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended December 29th was 119,170 metric tons (previous week ended December 22nd, 117,147 metric tons).

SUMMARY OF BALANCE-SHEETS.

WESTINGHOUSE BRAKE AND SAXBY SIGNAL COMPANY, LIMITED

September 30, 1928.

LIABILITIES.	Amount.	Compared with Sept. 30, 1927.
	£	£
Ord. shares (£1)	1,122,372	..
8% deb.	Nil	.. —307,450
Bank overdraft	66,380	.. + 66,380
General reserve	80.000	.. + 20,000
Creditors	127,247	.. + 6,643
Profit and loss	125,465	.. + 28,093
Total	1,521,464	.. —186,334

ASSETS.	Amount.	Compared with Sept. 30, 1927.
	£	£
Patents and goodwill	49,408	.. + 2,209
Freehold property	164,930	.. + 15,944
Plant, &c.	172,859	.. + 27,518
Tools	40,744	.. + 1,282
Office fixtures	4,344	.. + 546
Stocks	193,708	.. — 8,510
Debtors	308,287	.. + 38,505
Cash	3,078	.. — 85,138
Bills receivable		.. — 4,365
Investments	584,126	.. —174,022
Total	1,521,464	.. —186,334

RHODESIAN GOLD OUTPUT.

Month.	1925.	1926.	1927.	1928.
	£	£	£	£
January	226.658	207,021	206.094	217,027
February	218,990	194,566	195,996	196,649
March	207,097	197.908	213.708	204,000
April	206,006	219.984	204,876	206,234
May	213,095	209,351	207,818	200,131
June	204,613	221,560	223,418	2 8,945
July	213.064	213,5 0	207,448	205,877
August	212,158	209,962	199,860	214,077
September	205,418	204,187	193,646	201,635
October	209,998	211 680	197,50	182.032
November	214,336	215,982	200,481	201,689
December	209,099	202.836	208,016	..
Total Gold	*2,559,542	2,508,527	2,458,862	2,249,086

*NOTE.—The value of the gold output to December, 1925, fluctuated in accordance with the amount of premium declared to the Mines Department of Southern Rhodesia.

MINING OUTPUT STATISTICS FOR DEC., 1928.

	Output	Other Notes in Return.
	Tons.	
Tin.		
Asam Kumbang	393	Piculs; net value, $28,410 (Nov.).
Bisichi	50	..
Geevor	70	Black tin; amount realised, £9,700.
Ipoh	42	..
Kampong Kamunting	908	Piculs; net value, $61,420 (Nov.).
Kamunting	97	Est. value, £13,775.
Malayan	160 2/3	Est. value, £22,205; est. cost, £10,030.
Nigerian Consolidated	20	..
Offin River	9	..
Rahman Hydraulic	59 1/3	..
Southern Malayan	104 2/3	Est. value, £14,350; est. cost, £5,490.
Sungei Kinta	29 2/3	..
Thabawleik	494	Piculs; net value, $40,406 (Nov.).
Ulu Yam	298	Piculs; net value, $19,179 (Nov.).
Coal.		
Singareni Collieries	63.019	..
Tweefontein	63,658	..

ZINC CORPORATION.—December.—Lead concentrator treated 24,065 tons of ore, producing 5,124 tons of lead concentrates and 4,655 tons of zinc concentrates. Estimated gross profit with lead at average price for December (£21 10s 9d), zinc at contract flat rate, silver 2s, £21,348. Variation for each £1 fluctuation in price of lead, £3,311.

Reports and Notices.

Mr E. H. Minnion has been appointed fire and accident manager of Pearl Assurance Company, Limited.

The Royal Exchange Assurance announces the following appointments at head office, as from January 1st :—Mr Arnold Gathercole, formerly assistant manager of the trustee and executor department, to be assistant secretary; Mr Henry O'Brien to be assistant manager of the trustee and executor department.

Mr George A. Mitchell, jun., has been admitted a partner of Messrs G. A. Mitchell and Co., 17 Ironmonger lane, E.C. 2.

Sir Cecil L. Budd, K.B.E., is relinquishing at the end of this year the office of managing director of the British Metal Corporation, Limited, which he has held jointly with Captain Oliver Lyttelton. He will retain his seat on the board and will continue to act as chairman of the management committee.

Mr Theodore F. Merseles, president of the Johns Manville Company and formerly president of Montgomery Ward and Co., has been elected a director of the Celanese Corporation of America.

Mr P. A. Cooper has been appointed a director of the Rio de Janeiro City Improvements Co., Limited.

The offices of the Golden Horse-shoe Estates Co., Limited, are now situate at Friars House, 39-41 New Broad street, London, E.C. 2, telephone numbers, 6857-6858 London Wall.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Preference. Amount.	Dividend. Ordinary. Amount.	Dividend. Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Corresponding Period Last Year. Dividend.
		£	£	£	£	£	%	£	£	£	%
Financial Land, &c.											
South American Cattle Farms ..	Sept. 30	4,948	49,305	54,253	..	26,400	11	23,700	4,153	44,381	9
Motor and Cycle.											
Bluemel Bros.	Sept. 30	5,807	21,230	27,037	4,200	13,500	3/ p.s.	3,100	6,237	25,119	3/ p.s.
Rubber, &c.											
Langen (Java).....	Aug. 31	10,809	9,359	20,168	..	7,500	6	1,000	11,668	25,238	17½
Majedie (Johore).....	Sept. 30	2,735	1,427	4,162	..	..	..	100	4,061	2,613	4⅛
Shipping.											
Houlder Line	Dec. 31	69,134	174,520	243,654	12,375	44,000	10	120,000	67,279	158,882	10
Trusts.											
Second Scottish Eastern Investment Trust	Nov. 30	..	17,427	17,427	8,384	5,600	5	101	3,342	..	..
Other Companies.											
Victoria Palace	Nov. 5	1,037	21,848	22,885	..	24,000	20	*Dr* 3,000	1,885	25,027	20
Westinghouse Brake and Saxby Signal	Sept. 30	7,582	144,883	152,465	..	112,237	10	27 000	13.228	107,117	8

Messrs Peak, Frean and Co., Limited, announce that Mr Thomas Gadsby, one of the directors of that company, is retiring to-day after more than 48 years' connection with the company and its predecessors, and the manager of the overseas department, Mr Frederick Joseph Hook, who is very well known abroad in most overseas markets and has been some 17 years with the company, has been appointed to a seat on the board.

RAILWAYS.

BRITISH RAILWAY TRAFFICS.—This table shows traffic receipts of four British railways for the week ended December 23rd, also for 51 weeks of 1928. Receipts for 52 weeks of 1928 will be found in our usual column of weekly traffic returns :—

	Miles Open	Week ended Dec. 23, 1928. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Average 51 weeks, 1928. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western ..	3,779	315	209	129	338	653	12,786	11,146	5,792	16,938	29,704
Do for 1927	3,779	321	198	122	320	641	13,029	11,682	6 366	18 048	31.077
Lon. & N.-Eastern	6,408	428	401	298	699	1,127	19,200	21,631	12,385	34,016	53,216
Do for 1927	6,40s	457	407	277	684	1,141	19,848	22 924	13,136	36,060	55,908
Lond. Mid. & Scot.	6,950½	678	562	316	878	1,556	29,211	29,447	13,207	42,654	71,865
Do for 1927	6,95½	7 1	510	311	821	1,542	29,831	31,552	14,612	46,164	76,055
Southern	2,177	396	73	35	108	504	16,741	4.054	1,428	5,482	22 223
Do for 1927	2,177	403	68	31	99	502	16,816	4,417	1,670	6.087	22.903

MISCELLANEOUS.

GREYHOUND RACING ASSOCIATION TRUST, LIMITED.—We are informed that the accounts of the Greyhound Racing Association Trust, Limited, will be made up to December 31, 1928, and the first annual general meeting will be held at the Crown Room, Connaught Rooms, Great Queen street, London, W.C. 2, on Friday, January 18, 1929, at 12 o'clock noon.

HENRY GLAVE, LIMITED, AND HERBERT AND MAURICE ORMOND.—We are officially informed that preliminary negotiations have been concluded whereby Messrs Henry Glave, Limited, will acquire a substantial financial interest in the old-established business of Messrs Herbert and Maurice Ormond of 161 High street, Stoke Newington. The business will be converted into a limited company and Sir Herbert J. Ormond will be the chairman.

HOULDER LINE, LIMITED.—The profit and loss account for year 1928 shows income from investments and profits on trading of £200,348, against £218,382. Transfer from sale of securities account amounted to £37,500, against no transfer in preceding year. The sum of £120,000 is transferred to depreciation. Preference dividend absorbed £12,375. The ordinary shareholders again receive 10 per cent. less tax. The carry forward is reduced from £69,134 to £67,279. General reserve stands at £600,000. The insurance fund has been reduced to £100,000 by the transfer of £100,000 utilised for the writing down of book values of the company's vessels, which now stand at a figure substantially less than their estimated market value.

MARCONI INTERNATIONAL MARINE COMMUNICATION COMPANY, LIMITED.—The directors of The Marconi International Marine Communication Company, Limited, announce that the resolution for the alteration of the company's articles of association to ensure that the British control of the company be maintained was duly confirmed as a special resolution at the extraordinary general meeting of shareholders held on Dec. 31, 1928.

PARKINSON AND W. AND B. COWAN, LIMITED.—A meeting is to be held at the offices of the company, Fitzalan street Works, Kennington road, on January 9th at noon, to consider a resolution to change the name to Parkinson and Cowan, Limited.

SIR W. G. ARMSTRONG, WHITWORTH, AND CO., LIMITED.—We are officially informed that plans for the final reconstruction of Sir W. G. Armstrong, Whitworth and Co., Limited, are well advanced, and that in all probability a scheme will be laid before all classes of debenture-holders, note-holders and shareholders in the very near future.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday Evening.

Climatic conditions have not been altogether favourable for field work owing to further rains and low temperatures, but in some districts farmers were able to push ahead with ploughing for spring sowings. Winter crops are making steady progress and present a healthy appearance. There is not much change in the position of native wheat, offerings being adequate for the small demand prevailing, while imported grades were the turn easier. In the floating and forward cargo section business has scarcely opened out following the recent holidays, and tendency of prices favoured buyers. Canadian grades were rather more freely offered, while the premium on new crop La Plata is gradually being reduced. The shipping movement from Argentine ports is now steadily increasing, and quantities afloat are consequently on a larger scale, while a feature was provided by the large bookings to non-European countries, of which the East figures prominently, and this has tended to retard the downward movement for the time being. A steamer comprising No. 3, No. 4 and No. 5 Manitoba Vancouver shipment January sold at 45s, 43s 3d and 39s 6d respectively per 480 lbs c.i.f. terms. Feeding stuffs rather easier owing to lack of buying interest and increased offerings. Wheat quiet. No. 2 Northern Manitoba 49s 3d, No. 3 48s, No. 4 Manitoba 46s, No. 5 42s 3d, No. 6 36s 3d, Rosafe 62½ lbs 44s 6d, Barusso 62½ lbs 44s 6d, all ex-ship per 496 lbs. English 9s 2d to 9s 4d per 112 lbs. Flour dull. London standard grade 36s 6d, town whites 37s 6d, patents 38s 6d to 39s 6d per sack delivered in the Home Counties, with 6d to 1s per sack less for deliveries in the London districts. Of imported Manitoba patents range from 33s to 36s 6d, Minneapolis 33s 6d to 36s 6d, Australian 34s 6d ex-store per 280 lbs. Maize steady. Plate ex-ship to arrive 41s, ditto landed 42s 3d, December-January 41s 3d, January-February 42s, No. 2 white flat African landed 42s 6d, No. 2 mixed American also yellow ex-ship to arrive 39s 3d per 480 lbs. Yellow maize meal £11 ex-wharf, white African ex-ship to arrive £9 7s 6d. Hominy chop £9 per ton. Barley quiet. Californian ex-store 41s to 56s, Oregon 53s, Chilian brewing 44s to 58s, Australian 50s to 52s, Smyrna 44s to 50s per 448 lbs. Algerian/Tunisian 33s 9d landed, Canadian feed 28s 9d ex-ship, 30s landed, No. 3 Canadian Western 33s 6d ex-ship per 400 lbs. English malting 10s to 16s, feed 9s to 10s per 112 lbs. Oats dull. Plate ex-ship December-January 25s, February-March 24s 3s, black Plate landed 25s 3d, No. 3 white clipped American 36 lbs landed 27s 6d, No. 2 Canadian feed landed 28s, mixed Canadian feed 21s 3d, Chilian white 33s, German new landed 28s 6d, ex-ship to arrive 27s 6d per 320 lbs. English 9s to 9s 8d per 112 lbs. Scotch ex-ship 29s 6d, Irish 28s per 336 lbs.

SECURITY FIRST

ROYAL

INSURANCE COMPANY, LIMITED

HEAD OFFICES: LIVERPOOL AND LONDON.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928-29, 1927-28, 1926-27, 1925-26 :—

	1928-1929.	1927-1928.	1926-1927.	1925-1926
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to December 29	140,920	150,443	257,648	199,247
15 weeks to December 29	4,795,684	4,204,018	6,422,204	7,425,285
Average price of English wheat per cwt.	s d 9 6	s d 9 10	s d 11 10	s d 12 5

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1924 to 1927 :—

Weeks Ended	Quantities Sold. Wheat.	Barley.	Oats.	Average Price per Cwt. Wheat.	Barley.	Oats.
1928.	Cwts.	Cwts.	Cwts.	s d	s d	s d
Dec. 22	217,935	355,312	58,994	9 6	10 2	9 0
Dec. 29	140.920	188,948	45,299	9 6	10 2	8 11
Dec. 27, 1924	156,524	198,005	48,746	12 2	14 5	9 6
Dec. 26, 1925	448 018	257.033	51,079	12 5	10 6	9 3
Jan. 1, 1927	257.648	286,150	65,717	11 10	10 7	8 2
Dec. 31, 1927..	150,143	228 020	45,009	9 10	11 4	9 3

AMERICAN WHEAT MARKETS.

Easiness prevailed in the markets throughout the early part of the week, weather conditions being favourable and export demand of small dimensions. Later the markets became firmer on indications of an oversold position at Chicago, and covering took place, particularly for distant options, owing to cold weather in the South-West, where there is an absence of sufficient snow covering. Quotations :—

Nearest Future.	Jan. 6, 1927.	Jan. 4, 1928.	Dec. 19, 1928.	Dec. 26, 1928.	Jan 2, 1929
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	133⅜	137	116⅝	117	122
Chicago (No. 2 Winter)—Cents per 60 lbs	137⅜	130⅜	115⅝	114⅜	116⅜

Visible supplies of wheat in Canada at 70,384,000 bushels show an increase of 5,532,000 bushels as compared with the previous figures. Supplies a year ago stood at 51,618,000 bushels.

COAL.

Our Cardiff correspondent writes :—Quiet conditions have prevailed on the Cardiff coal market since the Christmas holidays. Last week's stoppages were responsible for a reduction in output of about 60 per cent. of the recent normal production, but there has been no pressure of demand, and prices are generally unchanged at the pre-holiday conditions. It is anticipated that work will be resumed next week at the Mountain Ash pits of Nixons Navigation, and it is probable that the extra output of these pits will lead to an easier tendency in the prices of some of the washed small grades. The award of the independent chairman of the South Wales Joint Board continues the minimum wage rate of 28 per cent. on the 1915 standard rates for the whole of the present year, but has reduced the subsistence wage from 8s 0½d per shift to 7s 10½d. The cost to the industry of the allowances made to raise the wages of the lower-paid men to the prescribed subsistence level is less than 5d per ton, and the reduction in that subsistence wage of 2½d per shift will only very slightly relieve the colliery owners. A feeling of uncertainty exists in regard to the future of the price regulating scheme. It is intended that it should be superseded as from January 1st by a scheme for output regulation, but the necessary support for the latter scheme is not yet forthcoming, and business has been impeded pending the determination of its fate. The following are the current approximate prices :—Best Admiralties, 19s 3d to 19s 6d; seconds, 18s 9d to 19s 3d; best drys, 18s 6d to 19s; Black veins, 17s 6d to 18s; Western Valleys, 17s to 17s 6d; Eastern Valleys, 16s 7½d to 17s 3d; best steam smalls, 12s 6d to 12s 9d; cargo smalls, 11s to 12s; coking smalls, 12s 6d to 12s 9d; anthracite best large, 33s to 35s 6d; Red Vein large, 20s 6d to 25s; machine-made cobbles, 40s to 43s 6d; French nuts, 41s to 43s 6d; stove nuts, 40s to 42s 6d; rubbly culm, 9s to 9s 3d; foundry coke, 25s to 36s 6d; patent fuel, 20s to 21s 6d; pitwood, ex ship, 27s to 27s 6d.

Our Sheffield correspondent writes :—Conditions are quiet as regards coal for industrial purposes, and owing to demands for higher prices the renewal of period contracts does not make much progress. Quotations for best Yorkshire and Derbyshire steams are 14s 6d to 15s 6d at pits. The question of the incidence of the railway freight relief is still holding up business. The official price of blast furnace coke is maintained at 14s 6d at ovens, but lower figures are being accepted. There is a fair export demand for coke and a prospect of increased consumption at home.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange: Holiday conditions have existed to a great extent in the iron and steel trades during the past week. This week the Scottish iron and steel trades start their New Year holidays, which last from ten days to a fortnight, and most of the works are hoping that orders will accumulate during that period. Until Christmas, and in Scotland until the New Year, the works were busy completing contracts, but in many cases they will enter the New Year with a fair amount of work upon their books. In addition recent shipyard contracts and others that are expected shortly make the prospects for 1929 rather cheerful, though buying immediately before the holidays was decidedly quiet, and this condition is likely to last until the middle of the month. Nevertheless there is a feeling of confidence in the market. The Continental position is being watched with interest by buyers in this country. There has been little inclination shown, however, to enter into contracts, and as a consequence Continental steel prices developed an easier tendency. Within the past few days, however, a somewhat firmer tone has been noticeable. If trade develops in the way anticipated the position in this market might easily change, and prices again advance.

Our Middlesbro' correspondent writes :—Pig-iron : There was no weekly market owing to the New Year holidays, and no change has been recorded in the pig-iron quotations, which remain at 66s for Cleveland No. 3 and 71s for hematite mixed numbers. With regard to manufactured iron and steel the prospects for the near future are good on account of the recent orders placed with local firms and the promise of more to follow. Meantime prices remain unaltered as follows :—Steel ship plates, £8 7s 6d; steel ship angles, £7 17s 6d; iron bars, £10 5s; steel rails, £8 10s. Iron ore : We have heard of no recent transactions in foreign ore and best Rubio remains firm at 22s 6d per ton c.i.f. Tees. Coke is round about 17s 6d per ton delivered Middlesbro' furnaces.

Our Sheffield correspondent writes :—Confidence is spreading in most sections of the steel trade, but conditions are bad in the light castings section of the iron trade, and although the engineering foundries are improving, they are far from busy. A hopeful feature of the steel trade is the improved position of the heavy basic scrap, for which there is an active overseas demand. Prices have advanced 2s. per ton or more lately. The demand for acid Siemens steel continues poor, but the inquiries coming in suggest an improvement shortly. The British railways are not following their old custom of issuing contracts to cover twelve months supplies of material and stores. Their present intentions appear to be merely to cover immediate needs. The overseas outlook for railway steel is better, and it is believed that coalowners at home will soon give orders for wagons. The wire rope and rope wire manufacturers of this country have now combined to control those industries. The available trade is being pooled, and each member will be restricted to the quota of turnover allotted to him.

Our Glasgow correspondent writes :—A considerable number of works are resuming to-morrow (3rd) after the holidays, and others will be reopened on Monday. During the present week a very considerable amount of repair work is being carried out. On the whole the prospects for 1929 are fairly satisfactory as regards the iron and steel industry in the West of Scotland. Perhaps the least satisfactory branch is the malleable bar iron trade, which

Facilities for Travellers in S. America

Travellers to Latin-American countries can obtain valuable facilities through the Bank of London & South America. With branches and agencies at all strategical points, this Bank issues letters of credit, renders status reports on South American firms, supplies a free Monthly Review of market information, and offers a complete international banking service between Great Britain and South America.

Estd. 1862.

BANK OF LONDON & SOUTH AMERICA LIMITED

6, 7 & 8, Tokenhouse Yard, London. E.C.2.

MANCHESTER: 36, Charlotte Street.

BRADFORD: 33, Hustlergate.

Affiliated to Lloyds Bank Limited.

has experienced a very lean year and shows no signs of improvement. The increased number of orders booked by Clyde shipbuilders during the past couple of months augurs well for the present year, and while activity in 1928 was greater than in 1927, although by no means up to capacity, the outlook promises greater activity in the current year. In the closing days of the year a contract reported to be worth about £500,000 was placed with the Fairfield Shipbuilding Company of Govan, Glasgow, for two passenger steamers for the Canadian Pacific Railway Company. Steelworks will benefit by the increased tonnage placed with Clyde yards, where there is a decided tendency to use greater quantities of British steel. Tube makers and sheet makers are starting the year with well-filled order-books and sufficient work on hand to keep plants running at full capacity for many months to come.

Our Cardiff correspondent writes: On the Swansea Metal Exchange on Tuesday it was reported that manufacturers are well contracted for the spring months and that prices were firm at pre-holiday figures. The Continent and the Far East are in the market, and home consumers are buying fairly actively at schedule rates. The quotations for tin have again hardened, but steel bars are unaltered at £6 for local makes and from £5 12s 6d to £5 15s for imported material. Shipments last week totalled 99,299 boxes, compared with 101,565 boxes the preceding week, but stocks have been reduced from 283,803 to 240,734 boxes.

OTHER METALS.

TIN.—The market for tin displayed a weaker tone, being influenced by some pressure to sell and lack of consumptive demand, though Eastern advices were rather firmer. Stocks in London and Liverpool warehouses for week ending December 29th were returned at 7,497 tons, compared with 2,003 tons at corresponding period last year. Standard cash changed hands at £225 15s to £226 10s and £222, three months £227 10s, £225 5s, £226 15s and £222 10s. In the East sales were reported at £230 5s to £229, £230 7s 6d and £227 15s c.i.f.

COPPER continued a firm market and values further improved under a good demand, which was reservedly met. The closing tone was quieter. Standard cash sold £74 2s 6d to £75 and £74 7s 6d, three months £73 5s to £74 and £73 2s 6d. Stocks of rough copper on December 31st totalled 5,842 tons, and ditto refined 959 tons.

LEAD in good demand and with limited offerings a firmer market resulted. Good soft foreign pig January sold £22 to £22 6s 3d, February £22 7s 6d to £22 10s, March £22 5s to £22 11s 3d, and April £22 8s 9d to £22 13s 9d ton. Stocks on December 31st amounted to 7,508 tons.

SPELTER opened steady with moderate sales, but easier since. January sold £26 15s to £26 10s, February £26 15s to £26 8s 9d, and April £26 15s to £27 7s 6d ton. Stocks on December 31st were 1,757 tons.

ALUMINIUM steady. Ingots and bars for home delivery quoted £95 ton.

ANTIMONY dull. English regulus quoted £54 10s to £55, foreign ditto spot £38 10s, January-February £35 10s c.i.f.

WOLFRAM.—Straits quality quoted 20s to 20s 3d per unit c.i.f.

QUICKSILVER steady. Spot quoted £22 5s to £22 15s per bottle.

TINPLATES quiet. I.C. coke prompt and forward 18s to 18s 3d per box. It is being proposed to raise the minimum price to 18s 3d per box basis f.o.b. works port.

THE COTTON TRADE.

MANCHESTER, Jan. 2, 1929.

The market has not yet recovered from the effects of the holidays, but the general inquiry in yarn and piece goods continues more encouraging. Given steadiness in raw material rates there is every probability of increased activity in the near future. In most quarters there is less expectation of lower values. Light fabrics have attracted fair attention for India, but only isolated sales have occurred in grey staples. Healthier advices continue to be received from China, and manufacturers have secured moderate contracts, chiefly in white shirtings. A little more demand has been about for Egypt and the Near East, and a certain amount of buying has taken place in home trade goods. The yarn market has been rather featureless. Some spinners have lost a little ground during the holidays. Demand at the moment continues quieter.

Comparative Statement of the Cotton Trade.

	1928—1929.				Corresp'd'g Date.	
	Dec. 12.	Dec. 19.	Dec. 24	Jan. 2.	1927.	1928.
Raw Cotton—Mid. American .....per lb	d 10·72	d 10·59	d 10·66	d 10·59	d 6·89	d 10·87
— Sakellaridis Fully Good Fair Egyptian .....per lb	19·50	19·35	19·50	19·35	13·80	17·65
Yarns—32's twist .....per lb	16½	16	16⅜	15⅝	12⅜	15½
— 40's wefts .....per lb	17	16⅝	16⅝	16⅛	12⅝	16⅛
— 60's twists (Egyptian) .....per lb	28½	28	28	28	24⅛	27⅛
	s d	s d	s d	s d	s d	s d
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	26 0	26 0	26 0	26 0	22 6	25 9
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	28 9	28 6	28 6	28 6	25 9	28 0
38-in. ditto, 38 yds, 18 by 16, 10 lbs	15 6	15 6	15 6	15 6	12 9	15 0
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	14 0	14 0	14 0	14 0	12 0	14 0

THE WOOL TRADE.

Our Bradford correspondent writes:—The usual seasonal lull is in evidence, but although the turnover has been of small dimensions the general tone of the market has been well maintained. Both before and since the holidays there has been a fair amount of inquiry for tops. At present there are no wool sales in Australasia to act as a guide for users, and the reopening both in the primary markets and in London is awaited with great interest. In some quarters there are hopes of still cheaper wool, but probably the majority of spinners do not expect anything much below the closing rates ruling when the auctions finished before Christmas. Some traders, in fact, rather incline to the view that values of wool may actually harden, just as they did twelve months ago, but they cannot point to any valid reason for dearer wool. Certainly the state of trade in the West Riding does not warrant higher prices, but the determining factor, of course, will be the buying spirit of Continental users, and the indications are that large requirements have still to be met. It may well be, therefore, that the present is a favourable opportunity to cover in tops and yarns for a few months ahead, and it is quite probable that a fairly large buying movement will develop in the course of the next few weeks. Meanwhile topmakers are adopting a firmer attitude in view of the fact that current quotations are below replacement costs.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The new year has opened with creditable conditions in the Colonial wool trade. According to Schwartze, Buchanan and Co., 1928 closed with spinners' wools 12 per cent., tapmaking 8 to 9 per cent. and fine crossbreds about 4 per cent. cheaper than in December, 1927, but medium 8 per cent. and coarse about 5 per cent. higher. Compared with July, 1914, spinners' wools are about 60 per cent. higher, the general run of topmaking wools about 55 per cent., medium and inferior pieces about 50, fine crossbreds 45, and medium and coarse crossbreds about 40 per cent. higher. Other firms agree with these figures, and, all things considered, the past year's operations may be described as fairly creditable, notwithstanding the serious fall at the fifth series of auctions. The most regrettable feature is the reduced quantity of wool that came to the hammer and the decline in home trade takings. Most firms had to struggle with fairly heavy direct imports during six months of most unprofitable trade, and quite a number sent wool back for re-sale in London during July, September and November. Not only was wool returned from Bradford, but also from the Continent and the United States. Stocks are now exceedingly light, and notwithstanding reduced home trade consumption the world's clip has been absorbed. The outlook for Australian, New Zealand and South African wool does not appear to have been seriously impaired by the events of the past twelve months. Without in any way attempting to belittle the extent of the losses incurred, it is a fact that the home trade still possesses no little recuperative power.

It is very doubtful whether the offerings of wool from oversea for the first series of London sales will amount to more than 90,000 to 100,000 bales, and these should be disposed of in a fortnight. The quantity will be less on account of the shipping strike in Australia last November. From the selling point of view there is encouragement in the fact that the carry-over from the last series was exceedingly small, and that 90 per cent. of the forthcoming offerings will be new clip. During the past fortnight there has been an extensive covering movement among spinners, and the impression prevails that current prices for wool will continue.

THE JUTE TRADE.

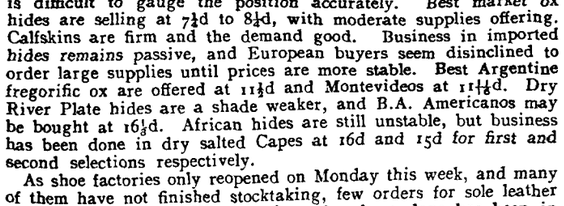
DUNDEE, January 2, 1929.

The jute trade is being interrupted by holidays. There has been very little business transacted in the market during the past fortnight, and manufacturers have been rather anxious to obtain orders, with the result that they are quoting lower prices. For 10½ oz 40 in hessians 4⅝d is now the general quoted limit, or 1/16d less than formerly, with 8 oz obtainable at 3¾d. While inquiry goes on for jute cloth, actual orders have been of limited number for some time back, but it is hoped that buyers will be compelled to purchase on a larger scale once the market has again settled down after the holidays. There are many wants to fulfil and stocks of jute goods are known to be small. If the raw jute market were to become firmer it would probably prove to be the necessary incentive to stimulate buyers into action, and higher rates are expected, as advices from Calcutta all point to a crop of much less proportions than in the previous two seasons, and, indeed, shorter than will meet the world's requirements. The quality of the fibre this season is only moderate, and a fair number of arbitrations are being held. Prices at the moment are very firm at from £36 10s for good first marks, £33 15s to £34 for lightnings, £31 10s for Daisee assortment and £33 15s to £34 for Tossa assortment. Business has been mostly confined to Daisee at the rate mentioned for assortment, *December-January* shipment.

Values of jute yarns are steady at 3s 7d paid for common 8 lb cops for January delivery, and 3s 6½d for January-March, with spools at 1d more in each case. Twist rules from 5⅛d to 5⅜d for 3 ply 8 lb, and Rove has been purchased at less than the quoted rates of £28 for 48 lb and £18 for 200 lb. Sacking yarns have been slow at 4¼d for 24 lb weft and 5⅛d for 8 lb chains. Fine yarns continue firm, following the recent large business done, but carpet qualities are more or less neglected.

Business in jute cloth is confined to the merest trifles at from 4⅜ for 10½ oz 40 in hessians. There is no outstanding feature in the market, and the trade in heavy goods is so slow that several makers intimate their intention to go on short time shortly unless there is an improvement in the number of orders received.

Calcutta goods prices for shipment have been well maintained, though the market has been quiet recently. The spot price of 10 oz 40 ins has lately dropped from 38s to 35s 6d owing to more generous arrivals and slow demand.



HIDE, LEATHER, AND ALLIED TRADES.

Few orders for hides and leather have come to hand since the holidays. Tanners are in rather a pessimistic mood, and many of them are still working in a reduced input of hides, as the demand for sole leather is quiet. Market hides seem inclined to be a shade weaker, but as few auctions have as yet been held, it is difficult to gauge the position accurately. Best market ox hides are selling at 7¾d to 8¼d, with moderate supplies offering. Calfskins are firm and the demand good. Business in imported *hides remains* passive, and European buyers seem disinclined to order large supplies until prices are more stable. Best Argentine fregorific ox are offered at 11¾d and Montevideos at 11⅛d. Dry River Plate hides are a shade weaker, and B.A. Americanos may be bought at 16⅛d. African hides are still unstable, but business has been done in dry salted Capes at 16d and 15d for first and second selections respectively.

As shoe factories only reopened on Monday this week, and many of them have not finished stocktaking, few orders for sole leather have come to hand. What business has been done has been in repairing wet salted bends of medium weights, but there is little demand for dry hide bends, and parcels may be now bought at much lower rates. Offal is rather weaker, and at the moment export business has fallen flat. Curriers report business as quiet in kip leathers, but there is a fair trade passing in black and brown glacé. Willow and box calf leathers are wanted in small parcels, and values in this direction are gradualy firming up.

Shoe manufacturers have not yet got fully into their stride, but as retailers made a good clearance during the Christmas rush orders are confidently expected to flow in. Spring samples are already talked of, and light leather dressers are awaiting with some amount of anxiety the trend of events as far as colours are concerned.

VEGETABLE OILS AND OILSEEDS.

Markets this week have been quiet and little business has been transacted. Linseed oil continues in poor demand from consumers and is slightly easier around £28 5s per ton ex Hull mill naked with £28 2s 6d quoted for January-April and May-August delivery. Cotton oils are steady but slow, crude Egyptian being held for £29 and common edible for £33 spot and January-February. Ground nut oil is steadier and dearer, but other seed oils are about unchanged.

In the oilseed section Plate linseed is inclined to be easier. A large quantity now afloat for Europe has had the effect of diminishing the premium on seed near at hand, current value of seed on passage ranging from £16 10s down to £15 12s 6d. Little business has so far been done in the new crop Plate, which is now being harvested in splendid condition and giving promise of a record outturn. For January shipment to Hull £15 7s 6d is quoted, with February at a small discount. The quantity of linseed now afloat for Europe is 137,900 tons, or 19,000 tons more than a week before. Cottonseed is quiet, and black Egyptian held by shippers for £9 17s 6d afloat and January loading. The demand for oilcakes is good and prices firm.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—A featureless market continues, as trade buyers merely operate in order to fill up certain gaps at lower prices. There is a good deal of T.L. granulated circulating at 22s 6d from refineries, and which meets competition from home-grown varieties. The latter range from 22s 9d to 23s 6d, with Cupar quoted 23s 9d, all ex factories, ready delivery. Imported descriptions are a dead-letter at the moment, and this applies to all parcels for shipment. White Java more reservedly held, and January-March to Calcutta quoted 12s 6d, c. and f terms. Foreign 96 per cent. centrifugal, January-February, quoted 9s 9d, c i f., U.K., and in the case of Cuba, where grinding operations have just commenced, this figure must cause disappointment to producers. Terminal sections quiet. Raws: January, sold, 9s 0¾d; March, 9s; August, 9s 6d; white, March, 12s 3d; May, quoted, 12s 3¾d; August, 12s 6¾d cwt. Cuban receipts last week cabled 26,285 tons, against 10,200 last year; exports, 52,235, against 56,313; stocks, 124,403, against 218,383. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending December 29th amounted to 100,886 tons, compared with 74,995 at corresponding period last year.

COFFEE.—Only small spot sales, but prices show no alteration.

COCOA.—A quiet tone pervaded this market. Accra, F/F, January-March, quoted 41s, f.o.b. Terminal, January, sold, 46s 3d; March, 46s 4½d; May, 46s 10½d; July, 47s 6d; September, sold, 48s 6d to 48s per cwt.

TEA.—Private contract market fully steady, and there is quite a fair demand, chiefly for the lower qualities.

RICE.—Market idle and featureless as far as Europe is concerned.

BEANS.—Only retail sales in progress. Madagascar butters: Spot, 32s to 36s, as to sample; afloat, 33s 6d to 36s, as to position; November-December, 33s 6d; December-January, 33s 3d; January-February, 33s. Rangoon haricots, April, 18s 6d; Ohtenashi, January-February, 36s per cwt, c.i.f.

PEAS.—Market dearer, more demand, Japanese, spot, old crop, 18s 6d; new, 20s; December-January, steamers, sold, 18s 9d to 19s 3d; January-February, also February-March, 19s per cwt., *c.i.f. London*. Dutch marrowfat, 18s 6d cwt, f.o.b.

SPICE.—Pepper dealt in to a moderate extent, but general tone quiet. Lampong, October-December, sold, 1s 4⅝d; January-March, 1s 4d; Muntok, white, October-December, 1s 11½d; January-March, 1s 11¼d to 1s 11⅝d per lb. London landings, 94 tons; deliveries, 37; stocks, 1,548, for which black accounted for 1,286 and white 262, being an increase of 57 tons on the week. Pimento, forward, 11/7½ per cwt, c.i.f., London. Zanzibar cloves, spot, 1s 3¾d; December-February, 1s 3½d per lb. Sago flour quiet, and January-February to the U.K. quoted 12s, c i.f. Dutch farina January, quoted 12s, f.o.b. Tapioca flour nominally unaltered. Tapioca steady though quiet, both with reward to Singapore and Java qualities.

FRUIT (Dried).—Market steady, but business somewhat restricted. Of currants, good Pyrgos quoted at 47s; Patras, 49s 6d to 51s, and Vostizza, 57s 6d to 63s. Valencia raisins in fair request, quarter boxes 50s to 65s. Capes and Australians dull. Sultanas quiet with fair supplies available. Smyrna, common to medium, 38s to 55s, and finer 56s to 60s. Other kinds unaltered. Figs move off slowly. Genuine spot, 30s to 34s; layers, 60s to 70s; pulled, 70s to 100s. Dates quiet of sale. Evaporated fruits without material change, and business has scarely been resumed.

CANNED GOODS.

CANNED FRUITS, FISH AND MEATS.—Quotations show no material alteration owing to holiday interruptions, but the market in all departments continues very steady and values of some articles likely to harden when normal trading is resumed.

BARCLAYS BANK
LIMITED
Head Office: 54, Lombard St., LONDON, E.C.3
And over 1,950 Branches in England and Wales.
CHIEF FOREIGN BRANCH:
168, Fenchurch Street, London, E.C.3.
The Bank issues Drafts and Letters of Credit on all the principal Towns of the World; makes Mail and Telegraphic Transfers; effects Foreign Collections; establishes Documentary Credits and generally undertakes
EVERY DESCRIPTION OF BRITISH & FOREIGN BANKING BUSINESS.
AGENTS AND CORRESPONDENTS IN ALL THE PRINCIPAL TOWNS THROUGHOUT THE WORLD

CONDENSED MILK AND MILK POWDERS.—Market quiet, and occasionaly the turn easier. Full cream, sweetened English, spot, 45s; Dutch ditto, 39s; January-March, 39s. Machine-skimmed, sweetened, English, spot, 27s; Dutch ditto, 24s 6d; January-March, 21s 6d, all in 5 cwt barrels. Powders: Spray, F.C., 26 per cent., 2 by 56 lb tins, crated, prompt, 98s; M.S. (1 cwt cases) prompt, 42s 6d. Roller process, F.C., 26 per cent., prompt, 81s; M.S., ditto 36s, all net, duty paid, ex-wharf London On the grocery side F.C.S., 21s; M.S.S., 10s 9d basis per case usual packing.

HONEY.—Market quiet, but firm, and pale grades reservedly offered. Amber set Jamaica quoted, 47s 6d to 50s; manufacturing, 44s. New Zealand ranges from 52s 6d to 87s 6d, as to quality, per cwt.

RUBBER.

A quiet but steady market, and manufacturers at the moment are not inclined to exceed pressing requirements. Standard sheet, spot and January, sold, 8⅝d; February, 8 11/16d; March, 8 13/16d to 8⅞d; January-March, 8⅞d. April-June, 9d; July September 9 1/16d to 9 3/16d; October-December, 9 5/16d to 9⅜d per lb. London landings last week, 1,699 tons; deliveries, 793; stocks, 19 72, against 63,207 at same period last year, being an increase of 905 tons on the week, Liverpool stocks increased by 843 tons, at 2,854.

GENERAL

JUTE.—With spinners in all directions busily engaged in stock-taking, a steady but idle market resulted. Firsts, December-January, Continent, quoted, £32; January-February, £32 5s; February-March, £32 15s per ton.

HEMP.—Business still quiet while under holiday influence, but trend of prices firm with offers still reservedly made from the Philippines J 2 February-April quoted, £40; K, ditto, £38 10s; L 2, £30 10s; M 1, £32 10s; M 2, £28 10s. African sisal, No. 1, f.a.q., January-March quoted £31 5s; No. 2 £39 10s ton, c.i.f. Mexican firm, unaltered. Manila receipts for past week totalled 37,000 bales, against 24,000 at same time last year, and 13,000 in 1926; estimate for next week, 23,000, and following week, 9,000.

SHELLAC.—Market fully steady. T.N., spot, 200s; March, 194s; May 192s cwt.

COPRA.—Market dull, and quotations in many instances quite nominal. Straits, S.D., January-February, to Rotterdam, quoted £25; Dutch E.I., ditto, £24 15s; Ceylon, £26 2s 6d. Others call for no comment. Palm kernels, January-February, to Hamburg, £20 2s 6d ton.

MISCELLANEOUS.—Coconuts quoted 18s to 24s per 100. Coir yarn, Ceylon, £19 to £40 10s; Cochin, £22 10s to £40; £18 10 to £24 10s; cinnamon leaf oil, 4½d; citronella, Ceylon, 1s 9d; Java, 2s.

OVER ONE HUNDRED YEARS OF SERVICE.
SCOTTISH UNION & NATIONAL
INSURANCE COMPANY.
ASSETS - - £14,500,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 38, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James's Street, S.W.1

METROPOLITAN CATTLE.—January 2.

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

	s d	s d		s d	s d
Beasts—Norfolk	6 4	6 10	Beasts—Heavy Bulls	..	..
Irish	..	..	Canadian	..	..
Cambridge	..	..	Sheep—Downs	9 4	10 0
Short Horns	6 0	6 6	Half-bred	..	..
Herefords	..	..	Ewes	5 4	6 0
Devons	6 8	7 0	Scottish	..	..
Leicester runts	..	..	Lamb—Downs	..	..

LONDON POTATO MARKETS.—January 2.

	Per Cwt. s d	s d
English Edward—Lincoln	6 0	..
" " —Essex and Bedford	5 0	..
" Queens	5 0	5 6
" Ar an Chief	5 0	5 6
" Majestic	4 6	5 0
" Great Scot	4 6	5 0

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, THURSDAY.

CEREALS AND MEAT.

	s d
GRAIN, &c.—	
Wheat No. 2, N. Man. 496 lb..	49 3
Eng. Gaz. av., per cwt	9 6
Barley, Eng. Gaz. av.	10 2
Oats, " " "	8 11
Maize, La Plata, landed, 480 lb	42 3
Flour, London stan. ex mill, 280 lb	34 6
Rice, No. 2 Burma, per cwt.	13 6
Sago, pearl, per cwt	23/0 25/6
Tapioca per cwt—	
E.I. fine fair spot	23 0
Medium pearl	22 6
Potatoes, good English, per ton	120 0
MEAT—	
Beef, per 8 lbs—	s d s d
English sides.....	5 4 5 10
Argentine chilled hinds	4 0 4 6
Mutton, per 8 lbs—	
English wethers	6 8 7 8
N.Z. frozen "	3 2 5 4
Pork, English, per 8 lbs..	5 6 8 0

OTHER FOODS.

BACON—		
Irish ..... per cwt	93 0	106 0
Danish	89 0	102 0
Canadian	84 0	96 0
Dutch	78 0	94 0
Hams Irish	0 0	0 0
Canadian	114 0	0 0
American	105 0	117 0
BUTTER—		
Irish creamery per cwt	0 0	0 0
Australian	164 0	184 0
New Zealand	168 0	198 0
Danish	194 0	196 0
CHEESE—		
Canadian ..per cwt..	108 0	112 0
New Zealand	95 0	100 0
English Cheddars	126 0	142 0
Dutch	52 0	102 0
COCOA—		
(Duty, British grown, 9s 4d, foreign, 14s cwt.)		
Accra f.f., per cwt	48 0	52 0
Trinidad	58 0	63 0
Grenada	53 0	59 0
COFFEE—		
(Duty, British grown, 9s 4d, foreign, 14s cwt.)		
E.I., good to fine, per cwt.	157 0	163 0
Costa Rica, good to fine..	155 0	65 0
Cent. Amer., mid to fine..	150 0	150 0
Kenya, bold sizes	133 6	152 0
Colombian, mid to fine..	130 0	150 0
EGGS—		
English .....per 120	22 0	24 0
Danish	21 6	25 6
FRUIT—		
Oranges, Denia & Val.	300 13 0	30 0
" "	3 C 12 0	17 0
" "	504 13 6	16 0
Jaffa ..... boxes	144 14 0	19 6
Lemons, Naples ..boxes	0 0	0 0
Sicilian.....boxes	10 0	13 6
" ..... cases	12 6	22 0
Malaga ..cases	420 N. 1 0	0 0
Apples: Amer. (var.) brls.	0 0	0 0
" (var.) boxes.	10 0	12 0
Malaga .....cases	420.. 1 0	0 0
" "	714 0 0	0 0
" ½ "	300.. 0 0	0 0
" "	330.. 0 0	0 0
" "	504.. 0 0	0 0

FRUIT (*continued*)—	s d	s d
Chestnuts, Huelva..bags	0 0	0 0
Grapes, Almeria....brls	4 0	21 0
LARD—		
Irish bladders	70 0	76 0
American boxes..56 lbs	61 0	62 6
SPICES—		
Pepper, per lb—		
Muntok, fair White ..	1 11½	0 0
Black Lampong	1 5	0 0
Cinnamon-1st sort, per lb	2 3	2 4½
Cloves—Zanzibar..per lb	1 3½	0 0
Ginger—per cwt—		
Afri an	52 0	53 0
Jamaica, ord. to good .	80 0	130 0
Mace .....per lb	2 9	4 10
Nutmegs 65's	2 1	0 0
SUGAR—		
(Duty, 11s 8d per cwt.)		
N.W.I., crystallised.....	23 9	25 0
Java, white, c.i.f. India, Jan.-Mar.	12 0	0 0
REFINED—London—		
Yellow Crystals	22 7½	0 0
Cubes	26 9	27 3
Crushed	25 6	26 0
Granulated.....	24 6	24 7½
Home Grown (prompt)	23 4½	24 0
TEA—		
(Duty 3½d British, foreign 4d per lb)—		
Indian & Ceylon per lb		
Pekoe	1 0½	2 3
Broken Pekoe	1 0½	2 4
Orange Pekoe	1 1½	2 3
Broken Orange	1 3	2 8
TOBACCO—		
(Duty 8/10—11/2½ per lb, Empire growths, 6/9½ per lb.)		
Virginia leaf—		
Common to fine	1 3	2 3
Rhodesian	1 0	3 6
Havana	1 6	0 0
Greek	0 10	1 6
East Indian	0 5½	1 3

TEXTILES.

	d
COTTON—	
Mid American ....per lb.	10·59
Sakellaridis, f.g.f.	19·35
Yarns, 32's twist	15½
60's twist	28
FLAX—	£ s £ s
Livonian ZK ....per ton	90 0 93 0
Pernau HD.....	83 0 0 0
Slanetz Medium 1st sort	94 0 95 0
HEMP—	£ s £ s
Italian P.C. .....per ton	65 0 0 0
Manila, Jan. Mar. "J2"	39 0 0 0
N.Z., H.P. fair	37 0 0 0
JUTE—	
Native 1st mks. ...per ton	
Jan.-Feb.	32/5/0 0/0/0
Feb.-Mar	32/15/0 0/0/0
SILK—	s d s d
Canton .....per lb	17 0 19 0
Tussah	8 0 10 0
Japan	20 6 23 0
Italian—Raw, fr. Milan	21 0 24 0

WOOL—	d
English Southdown, washed per lb	27½
" Lincoln hog, washed	18
Queensland, scd. super cmbg.	44
N.S.W. greasy, super "	25
N.Z., grsy, half-bred 50-56 ..	22
Crossbred 40-44..	16
Tops—	
Merinos 70's.....	50
" 64's	48
Crossbred 48's.....	26½
" 46's..	24

MINERALS.

	s d	s d
COAL—		
Welsh, best Admty..ton	19 3	19 6
Durham, best gas.....	14 9	15 6
Sheffield, best house..	20 6	21 6
IRON AND STEEL—		
Pig, Clevel'nd No. 3, ton	66 0	0 0
Bars, Mbrough 205	0 0	0 0
Steel Rails, heavy ..	170 0	0 0
Tin Plates, I.C., per box	18 0	18 1½
METALS—	£ s	£ s
Copper, Electrolytic, ton	77 5	77 15
Sheets (strong)	100 0	0 0
Standard	75/0/0	75/2/6
Lead Eng. Pig .. per ton	23/0/0	23/ 2/6
Soft Foreign	22 5/0	22 13/9
Spelter G.O.B.	26 15 0	0/0/0
Tin—English ingots ...	223 0	223 10
Standard, cash.....	225 10	225 15

MISCELLANEOUS.

	s d	s d
CHEMICALS—		
Acid, citric per lb less 5%	2 1	2 2
Nitric	0 2½	0 4
Oxalic, net	0 3½	0 4
Tartaric, English less 5%	1 4½	0 0
	£ s	£ s
Alum, lump .....per ton	9 10	10 0
Ammonia, carb.....ton	37 0	39 0
Sulphate	14 0	15 0
Arsenic, lump.. per ton	35 0	40 0
	s d	s d
Bleaching powder, per cwt	6 9	8 0
Borax, gran.... per cwt	13 0	0 0
Do powder	15 0	0 0
Nitrate of Soda..per cwt	12 0	13 0
Potash—Chlorate, net ..	0 3½	0 3½
Sulphate .....per cwt	9 0	10 0
Sal-Ammoniac .. per cwt	42 6	45 0
Soda Bicarb ....per cwt	9 0	10 0
Crystals..... per cwt	5 0	5 3
	£ s	£ s
Sulphate Copper..per ton	26 10	27 0
CEMENT—	s d	s d
Portland, best Eng. pr ton	46 0	48 0
COPRA—		
F.M. Straits, c.i.f., per ton	25/0/0	0/0/0
DRUGS—		
Camphor—		
Japan, refined	2 2½	2 3
Castor-oil	85 0	95 0
Ipecacuanha	11 0	11 6
Peppermint, Wayne Co.	14 6	14 9

HIDES—	s d	s d
Wet salted—Australian per lb	0 5½	0 9½
West Indian ..... "	0 4	0 5
Dry and Drysalted Cape	0 6	0 9½
Market Hides, London—	0 9	1 2½
Best heavy ox & heifer	0 7½	0 8
Best cow	0 7½	0 8
Best calf	1 1½	1 4
INDIGO—	s d	s d
Bengal gd. red-vio. to fine—per lb.....	5 6	6 0
LEATHER—		
Sole Bends 8.14 lb— per lb	1 8	2 6
Bark Tanned Sole ...	2 8	3 6
Shoulders fm DS Hide	1 0	1 3½
Do Eng. or WS do	1 0	1 3½
Bellies from DS do	1 5	2 2
Do Eng. or WS do	0 9	1 0
Dressing Hides.....	1 0	1 5
Ro. Eng. Calf, 20/30 lb..	1 10	2 4
Aust. Sides	4 3	6 3
	1 2	1 8
VEGETABLE OILS—	£ s	£ s
Linseed, naked, p. ton net	29 0	0 0
Rape, refined.....	44 0	0 0
Cotton-seed, crude	30 0	0 0
Coconut, crude.....	39 0	0 0
Palm	37 0.0	37/10/0
Oil Cakes, Linseed, Eng., per ton	12/17/6	13/5/0
Oil Seeds—Linseed—		
La Plata, p.ton Jan.-Feb.	15/16/3	0 0
Calcutta, p. ton.....	0 0	0 0
	s d	s d
Turpentine, per cwt	48 6	0 0
MINERAL OILS—		
Petroleum—Oil, per 8 lbs	0 10½	0 0
Water-White.....	0 11½	0 0
Lubricating—	£	£
Pales.....		
Reds.....	10/5/0	22 7/6
Cylinder	11/10/0	19/15/0
Fuel—	12/10/0	32/0/0
S.G. 895 910	s d	s d
" 950	82 6	0 0
	67 6	0 0
ROSIN—	£ s	£ s
American..... per ton	20 5	26 10
RUBBER—	s d	s d
Plantation Sheet per lb	0 8½	0 0
Fine Hard Para per lb	0 10½	0 0
SHELLAC—		
TN Orange.. per cwt	202 6	205 0
SHELLS—	£ s	£ s
W. Aust., M.-o.-P. "	4 0	12 10
TIMBER—	£ s	£ s
Swedish u.s 3 x 8, per Std..	19	0 0
Do 2½ x 7 " ..	19	0 0
Do 2 x 4 " ..	19	0 0
Can'dn Spruce, Dia. " ..	17	10 0
Pitchpine ..... per load	9	0 0
Rio Deals..... per std.	32	0 0
Teak..... per load	20	0 0
Honduras Mahg. logs, c. ft.	0	11 6
African " ..	0	6 6
American Oak Boards " ..	0	6 6
Do Ash " ..	0	6 6
English Oak Planks " ..	0	7 6
Do Ash " ..	0	8 6

"45"

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, JANUARY 12, 1929. No. 4,455.

ALLIANCE
ASSURANCE COMPANY, LIMITED.
(Established in 1824.)
HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.
Marine Department: 2-6, Billiter Square, London, E.C.3.
ASSETS EXCEED £30,000,000.

The Alliance grants Insurances of all kinds.

LIFE DEPARTMENT.
INCREASED INTERIM BONUSES ALLOWED on Participating Policies.

Assurances granted with DISABILITY BENEFITS. Children's Educational Policies and Deferred Assurances.

For full information apply to the Head Office or to any of the Offices or Agents of the Company.
T. B. PONSONBY, General Manager.

CHRISTIANIA BANK OG KREDITKASSE
OSLO.
Established 1848.
Paid-up Capital and Reserve Funds,
Kr. 40.000.000.—.
Oldest Norwegian Joint Stock Bank. Direct correspondents throughout the country. Offering complete services to banks and firms doing business on Norway.
Correspondence invited.

CREDITO ITALIANO
Capital Subscribed " - " - Lire 400,000,000
Capital Paid-up " - " - Lire 354,694,900
Reserve " - " - Lire 190,000,000
Head Office of the Bank: MILAN.
THE BANK HAS BRANCHES AND CORRESPONDENTS THROUGHOUT ITALY.
London Branch: 2 ROYAL EXCHANGE AVENUE, E.C.3.
Transacts a general Foreign Banking Business
STERLING DRAFTS AND DOCUMENTS OF ITALY COLLECTED ON SPECIALLY FAVOURABLE TERMS.
CORRESPONDENT OF THE ROYAL ITALIAN TREASURY.
Telegrams: "Italocredi, London."
Telephone: Avenue 8081-4.

TABLE OF CONTENTS.

The Money Market..... 45

Leading Articles—
Statesmanship and Industry 47
New Empires and Old Problems 48
M. Parker Gilbert's Report 49
Another Year of Wheat Surplus 50
Investment Trusts and Our Capital Overseas 51
The Newsprint Industry in Canada 52
The League's Ninth Birthday 53

Notes of the Week—
Another European Dictator 54
The Peace Pact in the *Senate*..... 54
Penny Postage 55
The Transference of Miners 55
Cotton Mill Amalgamation 55
Agricultural Credits 56
Trade Unions in 1927 56
The Health of the Child .. 56
The International Agricultural Institute..... 57
Shipping Freight Index *Number* 57
Steady Co-operative Trade.. 57
U.S.A. Soap Production.... 58
Central American Budgets.. 58

Overseas Correspondence—
United States 58
France 59
Italy 60
Holland 61
Russia..... 62
Finland 63

Letters to the Editor—
Atlas Assurance Company .. 63
Participation in League Loans 64
Pottery and Safeguarding .. 64
Wages and the Standard of Living 65

Books and Publications—
The Problem of Motor Transport 65
An Economic Romance 65
Books Received..... 66

The Stock Exchange—
Oil Companies 67
The Week in the Markets.. 68
London Active Securities .. 69
Bank Profits and Dividends 70
Discount Company Dividends 71
Railway Dividend Prospects 71
Cable Wireless Communications Company 71
Duplop Rubber Company's Acquisitions 71
Liebig's Extract of Meat .. 72
Victor Talking Radio Corporation Merger 72
Rhodesian Copper 72
Rand Selection..... 73
Capital Issues 73

Company Meetings..... 75

Government Returns—
National Accounts 77
National Debt 77
Treasury Bills by Public Tender 77
Public Income and Expenditure 77

Bankers' Gazette—
Bank of England 78
Bankers' Clearing Returns.. 78
Overseas Bank Returns 78
Loan and Discount Rates.. 80
Rates of Exchange 80
Gold and Silver Prices 81
Bullion 81

Company News—
Summary of Balance-sheets 74
Oil Outputs 74
Dividend Announcements.. 82
Weekly Traffic Returns 82
Profit and Loss Accounts.. 83
Reports and Notices 83
Transvaal Gold Output Statistics 84
Mining Output Statistics.. 84

Commercial Reports—
Corn Trade..... 85
Coal 85
Iron and Steel 86
Other Metals 86
Cotton Trade 86
Wool Trade..... 87
Hide and Leather Trades.. 87
Vegetable Oil..... 87
Overseas Produce 88
Price Current..... 88

TERMS OF SUBSCRIPTION.
Quarterly, 14s 6d; Half-yearly, £1 9s 0d; Yearly, £2 18s 0d.
Colonies and Abroad, £3 1s 0d per Annum.
Single copies, post free, 1s 1d.
Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.
Office: 6 Bouverie street, Fleet street, London, E.C. 4.

THE MONEY MARKET.

CONTRARY to anticipations, money was relatively easy this week, and the Bank was finally repaid on Wednesday with comparative ease. Short loans commanded 3½ per cent. for new money on Monday, while by Wednesday morning the rate had stiffened to 4 per cent., easing a trifle later in the day. When it is recalled that ten days ago the market was wondering whether it could escape

from the Bank without re-borrowing, it will be seen that events have turned out much more fortunately than was expected. At the same time, discount rates have risen to 4 5/16-3/8 per cent. for three months' Bank bills, so that the Bank has achieved its reputed aim of forcing market rate up to that level.

* * * *

The reason for this unexpected ease was a very simple one. On February 1st next are due the following maturities of Government short-term debt:—5 per cent. National War bonds, £95,160,661, 4 per cent. National War bonds, £4,799,065, and 4½ per cent. Treasury bonds, £72,833,528, making a total of £172,793,254. There are also £30,637,387 of 5½ per cent. Treasury bonds, maturing on April 1st next. Against these maturities, the Government hold the proceeds of the Conversion loan issued last month. These amount to £103,000,000 in conversion applications in respect of the above maturing bonds, and £4,600,000 in cash, representing the 10 per cent. call payable on application by those who subscribed for £46,000,000 of the new bonds in cash. This leaves outstanding a total of £54,430,000 to be found by the Treasury from other sources. All of this has to be found by the end of March, and the bulk of it during the current month.

* * * *

With the opening of the last quarter of the financial year revenue is beginning to flow in freely, with the result that the Treasury is becoming amply supplied with funds. This has enabled the Treasury to deal at once with the problem of the February maturities. Early this week the Government broker began to offer to buy up the bonds maturing at the end of the month at a discount of 4 per cent. per annum on their redemption price, and late Wednesday night this policy was placed on a more formal basis by an official announcement by the Bank of England that until further notice it would buy these bonds on these terms up to a daily limit of £2,000,000.

* * * *

Now practically all these bonds are held by the money market, for during the last few months of their life they become virtually equivalent to Treasury bills. Again, the money paid for their purchase comes out of the Government's deposits at the Bank of England, and goes to swell market resources. This is the explanation of the present easy conditions. It only remains to add that this action of the Treasury suits everybody concerned. The Treasury is satisfied both because it makes a profit on its purchases equivalent to the rate of discount offered, and also because it is able to spread the repayment of the £173 millions of February maturities over three weeks instead of having to find the money all at once. The market is satisfied because it receives an unexpected supply of funds just when it was faced with stringency. The Bank is satisfied because it is relieved from having to deal with an artificial week of stringency which might have disturbed the continuity of its policy.

	Jan. 10, 1929.	Jan. 3, 1929.	Dec. 27, 1928.	Dec. 20, 1928.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate	4½	4½	4½	4½	5 (Apl. 21,'27)
Banks' Deposit Rate	2½	2½	2½	2½	3 (Apl. 21,'27)
Discount { Call	2½	2½	2½	2½	3 (Apl. 21,'27)
Houses { Notice	2¾	2¾	2¾	2¾	3½ (Apl. 21,'27)
Market rate (3 months' bills)	4 5/16-3/8	4 5/16	4 7/16	4 7/16	..

The Bank return is noteworthy for an increase of £1,149,747 in the Bank's gold stocks, this being the first since the Bank of Spain's shipment of £2,000,000 in early November. A further £8,776,696 of notes have returned from circulation, so that the banking department's reserve has expanded by £9,926,443, thus returning to the level ruling immediately before the Christmas note withdrawals. The decline of £16,524,795 in Bankers' Deposits brings this item, too, back to its level of early December, and simply reflects the return of bankers' cash to its normal, as opposed to its balance-sheet dimensions. Public deposits have fallen by £11,341,778, as a result of the purchases of maturing bonds described above. It is these changes that have enabled the market to escape from the Bank, which it has done by paying off Discounts and Advances to the extent of £33,058,805. The Bank has even been able to stiffen conditions a little on its own account, as is suggested by the decline of £4,844,166 in Government Securities. The Bank's proportion has recovered by 14 11/16 per cent. to 38⅞ per cent., and its reserve ratio by 1¾ per cent. to 31⅛ per cent., or to much the same figures as a month ago. In short, the current Bank return closely resembles that of December 12th, and so shows that the Christmas and New Year disturbances have now been overcome.

NEW YORK MARKETS.

Our New York correspondent cables:—The Federal Reserve statement reveals the usual return of funds at this time of year; it shows a gain of $65,000,000 in reserves, a drop of $84,000,000 in circulation, and a drop of $275,000,000 in discounts. The ratio is up 4.4 per cent. Local Bank changes are even more striking, with discounts $214,000,000 up, and the ratio 12.9 per cent. up. The authorities seem disposed to maintain the existing discount rate while continuing the experiment of allowing the bill rate to rise to a more natural and attractive level, thus ending ten years' strong support of that market. It is anticipated that the new bill market policy will gradually have a firming effect on money rates generally. Meanwhile another $30,000,000 of gold earmarked for France is partly offset by the import of $23,000,000 of Canadian gold. Business reports remain good. The steel industry, after a record December, is expanding further and operating at approximately 85 per cent. of capacity.

THE STOCK MARKETS.

The stock markets were firm in tone, a steady volume of investment coinciding with fair speculative activity in issues with a market on both sides of the Atlantic. Gilt-edged securities were only slightly affected by a large New Zealand issue, but a recovery in home rails was checked by disappointing traffic returns. Business in industrials was markedly selective. An upward turn in rubber prices induced an unwonted activity in the share market; tea stocks were again firm, but business in oils remained largely professional. Wide fluctuations again occurred in the Rhodesian market, the international character of the movement being a conspicuous feature, while Kaffirs were firmer in sympathy.

THE COMMODITY MARKETS.

The prevailing tone is quiet hope. The coal trade shows little change, though some of the recently closed South Wales pits are restarting. Increased activity in the steel trade continues, and the future of pig-iron is thought in some districts to be more hopeful. Lead and tin are irregular. There is an increasing demand for Manchester goods, and the tone of the Bradford market is better. The prospects for the Colonial wool sales are good. Hides continue to be weak, but there is a slightly improved demand for upper leathers and for shoes. Vegetable oils and oilseeds are in better demand. Wheat recovered after a temporary fall.

FOREIGN EXCHANGES.

More activity was noticeable during the past week. Sterling on New York continued steady around 4.85 5-32, until Wednesday last, when a sharp fall occurred to 4.84 15/16. Sterling later recovered to 4.85⅛. Forwards were ⅜ cents discount for one month, and ⅞ for three. Canada moved in sympathy with New York, touching 4.85¾, as against 4.86¼ a week ago. Paris funds were in demand, owing to the Stock Exchange settlement, and 124.02 was quoted on Tuesday last. The close was higher at 124.07, with forwards at 2 centimes discount for one month, and 4 for three months. Brussels depreciated to 34.90½, with forwards about par. The Dutch exchange, after touching 120.7⅝, rose to 120.81½, while Milan, despite the rise in the Italian bank rate, was offered at 92.73, as against 92.65 a week ago. Owing to lower money rates and to rumours of an impending reduction in the German bank rate, Reichsmarks were offered insistently from German bourses, and closed at 20.40½. Forwards were in better demand. Spain was steady at 29.72. Buenos Aires was firmer at 47⅜d, but Rio depreciated to 5⅞d. Japan was offered at the close at 1s 10 9/16d. Shanghai was 2s 7⅝d, and Hong Kong 2s 0 9/16d. Silver remained steady, closing slightly better at 26⅜d for spot and 26 7/16d for forward delivery.

STATESMANSHIP AND INDUSTRY.

The speech which the Prime Minister addressed to his constituents at Worcester last Saturday marks the opening of the political campaign of 1929, which will be waged with unceasing and growing energy until the day of the General Election. We may properly expect this speech, then, to strike the keynote to which Conservative campaigners will attune their appeals to the country; and looking at it from this point of view, it is of no small interest to find that the Worcester pronouncement was notable chiefly for the negative character of the grounds on which Mr Baldwin chose to base his claims to the continued support of the electorate. Counselling agriculturists "not to put their trust in politics," but to remember that the troubles of the mining industry began "on the day when the Miners' Federation of Great Britain and the mining industry generally began to play that part in politics with which we are now so familiar," Mr Baldwin referred with satisfaction and with what a distinguished contemporary describes as "a justifiable note of pride" to the fact that "industry itself is beginning to overhaul the trade of the country, to examine its shortcomings, and to set its house in order," and that industrial problems are thus being "taken directly out of the hands of the politicians, who have never been fit to handle them." From such phrases it is tempting to deduce a belief on the part of Mr Baldwin that consciousness of incapacity to solve the problems of any industry is a politician's highest merit.

Party politics, as such, are not our concern, nor do we propose to discuss the question whether the Prime Minister is correct in supposing, as he appears to do, that references to the gratifying growth of "self-help" in industry will suffice to render attractive to the electorate a doctrine of *laissez faire* in a period of crucial industrial difficulties. It is because we share to a great extent Mr Baldwin's desire to restrict within definite limits the intervention of the State in industry that we consider it important that those limits should be well thought out and defined, and that the question should not be begged, as in the Prime Minister's speech, by the naïve assumption that Parliament either can or ought to divest itself of all responsibility for the conduct and conditions of industry as a whole, or even of particular industries.

The corner-stone of the Labour Party's policy—however anxious its leaders may be to gloss over matters by professions of safe, "gradualist" moderation—is still the determination to bring the maximum of productive and commercial activity under one form or another of State control. It would be unfortunate if opposition to meddlesome and ill-considered schemes of interference with private enterprise, as such, were to find expression only in pronouncements of unqualified individualism. Apart from the fact that during the last hundred years Parliament has built up by a long series of Factory Acts, Merchant Shipping Acts, Trade Boards, Mines Regulation, and Unemployment Insurance Acts an elaborate fabric of laws restricting individual liberty in industry—a fabric which no sane person would now think of attempting to destroy—it must be realised that, given present-day "large-scale business" and the increasing interdependence of highly organised trades, the actions and fortunes of individual industries, even of particular firms, are necessarily in some degree and in certain circumstances a matter of concern to the whole community. It is neither good statesmanship nor good sense to suggest that Parliament should remain inactive, watching the ruin of a staple industry through domestic dissension, or passively observing the establishment by a combine of an oppressive monopoly. Nor can a State which has rightly undertaken the burden of Unemployment Insurance be wholly indifferent to the affairs of concerns whose failure would involve large additions to the army of the workless.

Balanced recognition of the impossibility of divorcing industry utterly from the State, as well as of the dangers of industry "playing a part in politics," is to be found in the letter, issued this week for publication, which the Iron and Steel Trades Confederation sent on December 31st to the Prime Minister, requesting the Government to appoint a Royal Commission, or other competent Committee, to inquire into the circumstances of the iron and steel industry and the possibility of ameliorative action either by Parliament or by the industry itself. In the course of the letter, which emphasises the continued severity of unemployment in the iron and steel trades, the Confederation Executive Council express their concern "that recent developments tend in the direction of treating the industry as a subject of political controversy rather than from the standpoint of its economic position"; at the same time they submit "that no Government, whatever its political complexion, can justifiably ignore conditions which bear upon the welfare and stability of a great basic industry." This submission we feel bound to endorse, and, although the initiation of a new inquiry is hardly practical politics until the final report of the Balfour Committee has been issued, the appointment of a Royal Commission on the industry, with wide terms of reference, to ascertain the facts, would at least be a preferable alternative to continuance of agitation and "lobbying" to induce the Government to extend "safeguarding" to iron and steel—the "recent development" to which the Confederation evidently refers, and which is highly germane to our original point. For by a quaint paradox of politics those who deprecate most strongly certain forms of State encroachment upon "liberty" in industry are sometimes the readiest to demand that the State should assist particular industries by rasiing tariff barriers at the expense of the whole community's true interests.

If there be one direction in which it is the paramount duty of the politician to serve industry by refraining from interference, it is in the sphere of fiscal policy. The test of statesmanship here is wholly negative—the absence of every impediment to the free flow of commerce. In other directions we conceive the functions of the statesman in relation to industry to be in part negative, in part positive. On the one hand his task is—not to hinder. The State's expenditure should be so controlled that industry is not crippled by an excessive burden of rates and taxes; the great contributions to the common weal made by individual enterprise and management must not be jeopardised or impaired by meddlesome legislation in restriction of initiative, or by officious regulation where freedom hurts none. On the other hand, the task of statesmanship now and in the future must embrace—to a degree far greater than in earlier stages of our industrial development—problems of a directly economic, as distinct from strictly political, character. Increased State ownership, or bureaucratic management, of undertakings is a policy to which we are fundamentally opposed, but while we agree with Mr Baldwin that for the most part industrialists are best fitted to set the house of industry in order, there are a number of vital spheres, such as electricity supply, the development of roads and transport co-ordination, and the encouragement of scientific research, in which the State alone has the power to meet adequately the need of co-ordinated national effort. In these directions statesmanship implies continuous constructive activity, and when Mr Baldwin claims that the country's salvation lies in his Government's economic impassivity, and its willingness to wash its hands of industrial problems, he runs grave danger, in our opinion, lest an unimpressed electorate return to power a party whose readiness to enlarge the scope of political interference with industry is so extensive as to be fraught with serious risks to the economic welfare of the nation.

NEW EMPIRES AND OLD PROBLEMS.*

Every human society is apt to think of itself to some extent as a chosen people. Perhaps that is an illusion inseparable from social consciousness. At any rate, it is an illusion which is common not only to mobile civilisations like that of the modern West and stationary civilisations like that of China the day before yesterday, but also to primitive communities—who likewise regard the rest of mankind as outsiders, oblivious of the estimation in which they themselves are held by the rest of mankind.

* "Slavery in the Roman Empire," R. H. Barrow (Methuen, 1928, 15s). "Freedmen in the Early Roman Empire," A. M. Duff (Clarendon Press, 1928, 12s 6d). "Last Words on the Roman Municipalities," W. E. Heitland (Cambridge University Press, 1928, 4s). "The Roman Legions," H. M. D. Parker (Clarendon Press, 1928, 15s).

In mobile civilisations like ours, however, this infirmity of mankind is carried one degree farther. We are not merely conscious, as a tribe, of being "not as other men are," but each generation of the tribe is conscious of being different from and superior to its fathers and grandfathers. This further infirmity is characteristic of an age of rapid external and material change. Each new generation sees the superficial appearance of the world transformed, and proceeds to make two assumptions: first, that this superficial transformation is the outward and visible sign of some corresponding inward change; and, secondly, that this change is a change for the better. In fact, to use the words of the Catechism, we are apt to regard our "material progress" as "the outward and visible sign of an inward and spiritual grace"; and our self-complacency has become so hard-baked that it is almost shell-proof even when our affairs go gravely wrong. Our slums are "the vastest slums in history," our Armageddon "the most terrific war there has ever been." Such a "die-hard" self-complacency as this is perhaps the most dangerous frame of mind in which it is possible for a society to become set, for a generation which really feels itself unique draws the inference that it is somehow miraculously privileged to enjoy an immunity from the common lot of mankind. Thus "material progress" is apt to lure a generation which experiences it into a superstitious confidence that may cause this particular piece of progress to be "nasty, brutish, and short."

How can such pharisaical illusions be exposed and corrected? Only by putting the dogma of our uniqueness to the test, or, in other words, by the comparative study of human history. A thorough and honest study of history, from the comparative point of view, is a sovereign means of bringing ourselves to a soberer and safer frame of mind, for the moral of history is "Memento Mori." And happily this means of salvation is well within our reach, for in our generation archæology has added to the number of civilisations whose life and death are within our ken, and it has also deepened our knowledge of civilisations with which we were acquainted already. For example, the discovery, publication, and study of inscriptions has increased our acquaintance with the civilisation of the Greeks and Romans, which may be described metaphorically as the parent of our civilisation. The four books cited in the footnote are all worthy examples of the work of contemporary historical scholarship in the Græco-Roman field, and we have singled out these particular four for notice because they happen to deal with an age whose points of resemblance to our own times are unmistakeable. This age is the first couple of centuries of the Roman Empire, from its organisation by Augustus during the last generation before Christ down to the visible disintegration which set in about the time of Marcus Aurelius, and which has been named by Gibbon "the Decline and Fall." It is impossible to study these two centuries without realising that our own experiences and problems, so far from being unique, have been anticipated in the history of at least one great civilisation before. The simplest way to bring this truth home is to formulate the outstanding problems of Ancient Society under the early Roman Empire, as those problems emerge from a study of these four books. They may be defined as the problems of International Peace, of Urbanism, of the Birth Rate, of the Proletariat, and of the Mingling of Nations—a problem dealt with by Mr Barrow, and which in the ancient world was the counterpart of our current problems of Migration and racial Minorities.

In the matter of International Peace—to take that first—the generation of Augustus were philosophically not our contemporaries, but actually our successors, in the sense that they already had behind them, in their history, experiences which for us are still to be or not to be, according to our fortune and our behaviour. Anyone who wants to know how the Pax Romana was organised will find a lucid and exact account of it in Mr Parker's book on the Roman Legions; and at first glance the brilliant success of it takes one's breath away. A Europe in which there were no troops between Rome and the Rhine except a detachment of about 600 men at Lyons. A civilised society in which there were no troops at all for the purpose of waging internecine war between one civilised community and another. A world in which, instead of many armies, there was a single police force, and, instead of many frontiers between state and state, a single frontier dividing civilisation from barbarism like light from darkness. Here we seem to see realised almost all the ideals of security and disarmament for which men of goodwill have been struggling in our world against such heavy odds. And that is quite true: the Roman world did, during those two centuries, enjoy a degree of security and disarmament which to us seems almost Utopian. But, in order to discern the true moral of this fact, we must examine not only what the Pax Romana was but how it came about. It came about through two centuries of crime and suffering such as it has seldom been the lot of human beings to endure—an age of horror which began with the outbreak of the war between Hannibal and the Romans in 218 B.C., and closed with that last round of the Roman Civil Wars which sent Antony and Cleopatra to destruction and left Augustus sole master of a stricken world. If we can imagine a succession of half a dozen wars each equivalent, *mutatis mutandis*, in intensity to our own Great War and half a dozen social revolutions comparable to the Bolshevik Revolution, if we can imagine one great Power after another being dealt "the knockout blow" until one alone is left in the field, one community after another torn up by the roots until almost a majority of mankind are either refugees or transported slaves, and then the governing class of the victorious state tearing itself to pieces in a frenzy produced by the awful experiences through which it had attained to a plenitude of irresponsible power—then we shall begin to have some idea of what the historical background to the Pax Romana was. The moral for us seems to be that mere international peace does not bring salvation, that indeed an era of international peace is an inevitable ultimate consequence of a succession of international wars carried to the point of exhaustion. The problem for us is to secure and establish international peace while we have still the life left in us to benefit by it instead of waiting, as the Ancients did, until our civilisation is so far gone that Peace can no longer avert its decline and fall but can merely retard them.

The problem of *urbanism* is the subject of Mr Heitland's book, and here, in the Roman Empire as in our Modern World, we are shown the city eating up the countryside. At first the process seems to mark an indisputable economic advance, bringing a fuller social life in the train of a more intricate organisation of work and pleasure. And then we see a disconcerting example of the law of diminishing returns. The urban superstructure goes on growing in complexity and weight, while the agrarian foundations remain what they were, until, in the third century, the whole edifice falls with a crash. In our world, where "the new countries" overseas are now becoming urbanised after the likeness of Europe, somewhat as Gaul and Spain became urbanised after the likeness of Italy and Greece, the Ancient World's experience of urbanism is well worth consideration.

The Problems of the Birth Rate, the Proletariat, and the *Mingling* of the Nations may be studied together in Mr Barrow's book on Slavery and Mr Duff's on Freedmen—books which partly cover the same ground, inasmuch as the freedman is simply the slave gone up one place higher. In order to perceive the bearing of these problems on our own modern situation, the reader must follow the author's advice not to let himself be obsessed by the juridical status of slavery; *for it is as erroneous as it is easy* to ride away on the comfortable assumption that slavery rules out of court any comparison between the proletarian underworlds of the Roman Empire and of modern Western Society. An unprejudiced study of these two books will show that, far from this, there is a remarkable parallel between the influx of Greek and Oriental immigrants into Roman Italy as slaves and their subsequent rise as freedmen, and the influx of European immigrants into the United States. In both cases the tearing up of old roots, the striking of new roots, and the mingling of nations that ensued can be seen to have produced the same broad psychological and social effects. The original creators, sustainers and destroyers of Græco-Roman civilisation—the Greek intellectuals and the Roman governing class—tend to die out, notwithstanding drastic and all-pervasive imperial legislation to penalise childlessness and reward the parents of large families. And as the numbers of the old upper class decline, the more successful elements of the new cosmopolitan proletariat rise to fill the vacuum, until at last the tradition of culture is broken and society goes into dissolution in order to re-form, centuries afterwards, on new lines. This happened once, and what is to prevent it happening again? For the Modern West has annexed to its proletariat not merely Greece and Syria and Egypt, but all the alien races and civilisations of the contemporary world.

MR PARKER GILBERT'S REPORT.

When last week we reviewed the Report of the Commissioner of the Reichsbank and looked forward to dealing with Mr Parker Gilbert's latest analysis in a subsequent issue, we certainly did not anticipate that a situation of some gravity would almost immediately arise in connection with its publication. The vigorous Press campaign in Paris and Berlin, which has not been without its echoes on this side of the Channel, could in the nature of things have been based only upon the most superficial examination of the lengthy and complicated document which the Agent-General has now made public. In their anxiety to score points in favour of their divergent views on the subject of Germany's ability to pay, the combatants appear to us not only to have done injustice to the Agent-General, but to have acted upon public opinion in their respective countries in a most unfortunate way, in view of the meeting of the International Conference on the subject of Reparations in a relatively short time. The meeting of the Experts has already been prejudiced by the somewhat obscure diplomatic negotiations which have now been going on since September, and which have only recently been concluded. A Press campaign designed to show that Germany can pay what France demands, or that the world should at once adopt the view taken by German public opinion as to Germany's capacity to pay, is entirely out of place at this stage—not because it will in any way, let us hope, affect the minds or the actions of the various expert delegations, but because it creates an atmosphere in which the views of the Conference, whatever they may turn out to be, will not receive the dispassionate study and consideration for which they call. We think, therefore, that we shall best serve the needs of our readers if on this occasion we deal with the Agent-General's Report in a very broad manner, reserving consideration of any points of detail for a later occasion.

At the end of the four years preliminary to the second stage of the Dawes Plan, in which the annuity rises to a standard figure of 2,500 million marks, but before the application of the Index of Prosperity, which will, if the scheme stands unrevised, begin in the sixth annuity year, it was natural that the Report should review the progress which has been achieved by Germany since the *débâcle* of the mark in 1923. It is the view of the Agent-General that, "fundamentally, confidence has been restored, and Germany has been re-established as a going concern on a relatively high level of economic activity." But it is also the view of the Agent-General that, "great as the progress of Germany has been during the last four years, it is not to be supposed that she has yet made up for the values destroyed in the war or for the values which would have been produced had there been no war." It is, of course, the case that "present dislocations and difficulties are not confined to Germany," but that the problem of Germany is part of the wider problem of European reconstruction. Possibly the only phrase of the Report in connection with this aspect of the situation which might lead to misconception is the remark that "since 1924, when stabilisation was achieved and the execution of the Experts' Plan began, Germany's reconstruction has at least kept pace with the reconstruction of Europe as a whole, and it has played an essential part in the general process of European reconstruction," since it might be objected that this implies that the absolute level of prosperity in Germany to-day compares favourably with that of Europe outside Germany. This proposition might invite controversy, whereas the inference, which the passage quoted above might also be considered to convey—that the *rate of recovery* in Germany can bear comparison with that of the rest of Europe—seems to us to be unquestionable, and, further, to be consistent with a lower absolute standard, simply in consequence of the low level from which recovery began.

To judge from such German comments as have appeared in the Press in the last few days, it would appear that whilst the fact of some progress having taken place is not denied by German commentators, they are inclined to attribute such progress as has taken place entirely to the flow of capital to Germany, the inference presumably being that the cessation of such loans would at once check Germany's further progress, whilst imperilling at the same time the smooth working of the transfer of reparations. Reference to the Agent-General's Report will show that he is by no means inclined to underrate the important part played by these foreign loans in the reconstruction period, whether as a means of reviving German economic life or as a factor in the total balance of payments. "It is clear enough," he remarks, "that foreign credits as a whole have greatly accelerated the process of German reconstruction. The proceeds of foreign loans, upon entering into the German economy, have provided the essential material out of which German labour and enterprise could create new and larger domestic values. Considering conditions at the start and the funds then available, there have taken place in the last few years a growth of trade and an extension and renovation of plant such as have not been equalled in any previous period of equal length."

Foreign loans, then, have been an essential element in stimulating the increase of productivity to be noted during the period. This does not dispose of the contention that, even without foreign loans, an export surplus might have developed, though it is clear that without such loans the export surplus could only have been attained at the expense of the future productivity of Germany, since demonstrably it would have implied a definite and possibly dangerous weakening of German resources. The Agent-General, in addition to emphasising the positive contribution made to Germany's productive equipment by the inflow of capital, allows it to be seen how important these loans have been in the adjustment of the balance of payments. It is not, of course, the case, as is sometimes imagined, that all that has happened is that the volume of foreign currency available has simply been retransferred; for the tax resources by means of which the German Government has bought foreign balances have been secured in large

BARCLAYS BANK (DOMINION, COLONIAL AND OVERSEAS).
OVER 400 BRANCHES IN
THE UNION OF SOUTH AFRICA
(Natal Cape Province Transvaal Orange Free State)
NORTHERN & SOUTHERN RHODESIA
KENYA TANGANYIKA UGANDA NYASALAND
BRITISH WEST INDIES BRITISH WEST AFRICA
PORTUGUESE EAST AFRICA SOUTH WEST AFRICA
EGYPT SUDAN PALESTINE MALTA GIBRALTAR
MAURITIUS
LIVERPOOL MANCHESTER NEW YORK Agency HAMBURG
FACILITIES FOR THE IMPORT OF PRODUCE ARRANGED.
HEAD OFFICE:
54, LOMBARD STREET, LONDON, E.C.3.

measure from compulsory savings by the German people, enforced by taxing the wealth whose creation was assisted by external borrowing. Currency transfers on Reparation account were one, but only one, element in a complicated situation, though as the Report includes currency transfers on Reparations account among the debit items offset, *inter alia*, by invisible shipping earnings and foreign loans, it would be unjust to charge the Agent-General with overlooking the significance of foreign loans in relation to the offsetting of Germany's total foreign obligations.

As regards the trade balance, an important trend is manifesting itself, due to the steady growth of exports. "Heretofore there has been a wide margin between the volume of exports and a volume of imports consistent with the requirements of active business. It is not out of the question that this margin will widen again from time to time as internal activity rises and the export trade falls, but the progress heretofore made in increasing exports gives ground for supposing that adverse balances will diminish, and that the dependence on foreign funds for the purchase of foreign goods and materials will be measurably relieved."

It is, however, the evidence, supposed to be given by the Report, of Mr Gilbert's adherence to the view that "Germany can pay" which has aroused most attention. There appears to us to be not the slightest indication in the Report that Mr Gilbert has shifted his ground in this respect, as compared, for instance, with the standpoint which he took up in 1927. In the autumn of 1927 he felt it his duty to insist upon the obligation of the German Government not to pursue a financial policy which directly weakened its control over its own financial resources, and which, indirectly, strengthened the expansive tendencies then in progress in German economic and credit conditions. Whilst a moral and indirect legal responsibility thus lay upon the Government, "the payment of the stipulated annuities to the Agent-General for Reparation Payments at the Reichsbank contributes, it is true, 'the definitive act of the German Government in meeting its financial obligations under the Plan,' and the payment of these sums is amply secured by the assigned revenues and other specific securities" (Report, 1927, p. 204). On the present occasion, again drawing attention to the "great productivity of the Revenues," and the attainment of "something like budgetary equilibrium for the present," though the tendency is for expenditure to go on increasing, and though the relations between the Reich and the States and Communes are such that the Reich is deprived of a growing percentage of the increase in the elastic tax revenues, he finishes up by saying that, "From the standpoint of the execution of the Experts' Plan, it is satisfactory to note that, in spite of tax reductions, the increase in revenues in the last three years is more than double the increase in Reparation payments during the same period, and that the assigned revenues are yielding more than double the amount of the standard budgetary contribution for which they serve as security. In fact, the whole development of the Budget since the last Report only serves to reinforce the conclusion then expressed "that no question can fairly arise of the ability of the Budget of the Reich to provide the full amount of its standard contribution under the Plan." (Report, 1928, p. 53; *vide* also p. 3 for an almost identical statement of the case). The attitude of Mr Gilbert has then been perfectly consistent, nor does it, in our opinion, indicate that he believes that the transfer difficulties can be readily solved, assuming a cessation of all foreign lending. That the growth of German productivity under the stimulus of capital accumulation increases the possibilities of transfer seems to us to admit of no question. That capital accumulation and improving revenues have been due in part to the influx of foreign loans is also true. But German critics would seem consistently to underrate the influence of the stabilisation of the currency, as such, in the reconstruction of Germany. The influx of capital is often given a measure of significance which it does not wholly deserve. In any case, the Agent-General cannot be charged with importing a new and dangerous doctrine into the discussion of the Reparations question, however much opinions may differ as to the correctness of his estimate of the degree of German recovery, financial and economic, and the causes to which it is due. We hope that opportunities for fuller study of this long and intricate Report will be used by the Press, not only in France and Germany, but in this country also, to modify the unfortunate impression, initially and hastily conveyed, that new or sensational elements have been imported into old controversies.

Mr Parker Gilbert has not prejudged, or attempted to prejudge, the eventual limits of Germany's capacity to pay. What he has done is to provide the forthcoming Conference with valuable and extensive data bearing upon the problems which the Experts will have to consider.

ANOTHER YEAR OF WHEAT SURPLUS.

(BY A CORRESPONDENT.)

THE crop year 1923-24 was noteworthy for its wheat surplus. Yields per acre averaged exceptionally high, and at the consequent depressed wheat prices Europe imported heavily, in spite of good crops and restricted purchasing power, while extra-European countries took unprecedented amounts. Though consumption and international trade reached record proportions, the outward carryover was substantially increased. The year 1924-25 stood out in sharp contrast as a year of wheat shortage and high prices. Following this came three years of at least adequate supplies, even considering the normal growth of demand and some measure of recovery of purchasing power in Europe. Amid numerous fluctuations, wheat prices tended downward from the peak reached early in 1925, but until recently they had not approached the low level of 1923-24.

The present crop year is again one of wheat surplus. World wheat acreage, continuing its post-war upward trend, reached a new high level. Nature gave a high average yield. The result is a record output, perhaps the first to exceed the bumper crop of 1915. The world crop of 1928, outside Russia, amounted to about 467 million quarters, as compared with 434 in 1923 and 446 in 1927. Wheat prices have run, in recent months, not far above their levels in the corresponding period of 1923. Outward carryovers next July will probably exceed the large stocks carried into the present crop year.

The harvests of 1928 belied early forecasts. In February-April, 1928, the outlook for winter wheat crops in the United States was increasingly gloomy, and European crops did not promise well. In consequence there occurred a substantial advance in prices, which was most pronounced in the United States. From May 1st onward, however, conditions generally improved, except in the soft winter wheat belt of the United States and the export regions of Russia, where short crops were actually harvested. Spring-sown crops also developed favourably. The reversal in crop prospects, coupled with heavy stocks of wheat on hand and the emergence of unexpectedly large supplies in Argentina, caused a notable decline in wheat prices, which began on May 1st and continued into August.

The United States crop, now estimated at 113 million quarters, is the largest since 1919; hard winter, hard spring, durum, and Pacific wheats are all in unusually large supply. The quality of the hard spring wheat is good, that of durum rather poor, that of the winter wheats a little above average. The Canadian crop, officially estimated at 62½ million quarters, but probably nearer 69, is of record dimensions. Frosts in late August seriously reduced the grade and damaged the quality, so that the higher grades are unusually scarce; but little of the crop is absolutely unmillable, and a good deal of the lower grades is being exported as wheat or flour. The combined crop of Argentina and Australia probably exceeds 50 million quarters, so that these four major exporters seem to have harvested well over 225 million quarters for the first time in history. The Danubian exporting countries all had the best wheat crops since the war, in all some 45 million quarters or more. Export surpluses are therefore unusually large, even though India's harvest last spring was too small to cover domestic requirements, and Russia's large crop (officially estimated at 107 million quarters) was so poor in the exporting regions that net exports are improbable.

Europe's wheat crop, outside Russia and the Danubian countries, was about 125 million quarters. This figure

was equalled in 1921, nearly equalled in 1923, and exceeded in 1925. The 1928 wheat crop is not much larger than that of 1927, but it contains much less grain that is either unmillable or of low quality, and the average weight and quality are much higher. Drought reduced yields in Spain and Portugal. Elsewhere, generally dry summer weather made possible a good recovery after an unfavourable winter and a cold late spring. Germany, Czecho-Slovakia, and several small producers harvested the largest crops since the war. The British crop was the smallest since the war, on account of small acreage rather than low yields, and its quality is fairly good.

The European rye crop was also good—larger and better than that of 1927, and the best since the war except that of 1925. The potato crop was distinctly large, and the barley crop was the largest since the war. The oats crop was also good, but the maize crop suffered severely from the dry weather and was the smallest since the war. Feed-grains as a whole are therefore less ample than the crops of bread-grains and potatoes, especially in view of the growth of livestock population; but it is mainly in such maize-producing countries as Roumania and Italy that the demand for wheat is likely to be increased by this fact.

At the price levels which prevailed in 1927-28 Europe and the Levant would probably import about as much wheat this year; for growth in population and per capita consumption will presumably offset the effective increase in crops. Importing countries outside Europe would probably take considerably more, even at the same price levels, by reason of a smaller wheat crop in Egypt, a poor quality wheat crop in Japan, a poorer rice crop in China, and the general upward trend of consumption. But the great increase in export *surpluses in* North America, Argentina, and Australia has depressed prices so far that the international movement of wheat has already been heavy, and bids fair to continue so. Thanks to *the relative importance* of extra-European trade and to high prices for millfeed in North America, international trade in flour is likely to be larger than in any year since 1924-25.

Net imports of European importing countries in the current crop year promise to be the largest on record, but they will probably be obtained at prices which will make the total cost only about £190 millions. Comparisons with five preceding years, using British Customs prices *as a rough measure* of import prices, are given below :—

IMPORTS of WHEAT and WHEAT-FLOUR by EUROPEAN IMPORTING COUNTRIES.

August-July.	Net Imports (Million Bls.)	U.K. Price (Shillings per Bl.)	Cost (£'000,000.)
1923-24	575	5·02	144
1924-25	640	7·28	233
1925-26	510	7·00	178
1926-27	655	6·75	221
1927-28	645	6·38	206
1928-29	670*	5·56*	186*

* Forecasts.

Canada will certainly furnish the lion's share of the exports, probably well over 50 million quarters; her net exports in the period August-November were over 23 millions. Net exports from the United States have so far been light, considering the size of the crop, and they seem unlikely to reach 20 million quarters for the year. Argentina and Australia, which by the end of 1928 had already shipped more old-crop wheat than was thought to be available there, may reasonably be counted upon to export 32 million quarters. The Danubian countries, in spite of the short maize crop, will probably export 6 or 8 million quarters, and other minor exporters perhaps 2 more. Total net exports, which are the best single measure of international trade, thus seem likely to reach or exceed 112 million quarters.

The carryover into the current crop year was large, notably so in Canada and the other great exporting countries. Heavy marketings from large crops have raised visible supplies in North America and in the world at large to unprecedented heights. Seasonal declines from recent peaks will, of course, occur; but even assuming heavier absorption than heretofore, the reasonable prospect is that year-end carryovers will be exceptionally large, especially in the United States. At the end of the calendar year the Canadian visible supplies totalled 70,384,000 bushels, compared with 51,618,000 bushels twelve months back, and they are still on the increase.

Since mid-August wheat prices have generally been low, for reasons already apparent. They have also fluctuated within narrower limits than is usual in this period of the crop year, since subsequent developments tended on the whole to confirm midsummer expectations and no major disturbing factor has appeared. Mark Lane prices for Northern Manitoba No. 2 averaged 49s 4d in December, against 57s 11d in the same month of 1927 and 46s 3d in December, 1923. There is no reason for believing that within the next few weeks prices will move far from their present levels. The appearance of Russia as an importer and the pressure of Southern Hemisphere exports now seem to be the leading bullish and bearish possibilities. When new crop prospects begin to exert their influence in the late winter and in the spring larger movements can be anticipated, but in which direction it is premature to predict.

Travel and Money

The far too common method—or lack of method—of carrying cash in bulk when abroad, is wholly unsatisfactory. Travellers are invited to consider the arguments of two leaflets issued by the Westminster Bank, *Points before Travelling*, and *Safeguards for the Traveller*, which will be gladly sent by the Secretary of the Bank on application.

WESTMINSTER BANK
LIMITED
Head Office: 41 Lothbury, London, E.C.2

INVESTMENT TRUSTS AND OUR CAPITAL OVERSEAS.

AN article in the last issue of the *Economist* gave evidence of the popularity of the investment trust company, and showed, moreover, how well that popularity is deserved. It might be wondered why, whereas the investment trust has flourished in this country for forty or fifty years, it has only recently sprung up in the United States and Canada, and has never really been adopted on the Continent of Europe. But countries which are rapidly developing offer many more attractive opportunities than occur under an old-established industrial system for personally supervised investment in enterprises yielding a high rate of return; while, on the other hand, of the two chief Continental countries in which the investment trust might be expected to flourish, France is noted for the contentment of such of her investors as are looking for a safe return on their capital with the low yield of *rentes* and other public loans, while in Germany it is customary for the banks to undertake the financing of industry to an extent which would be shocking to our more conservative bankers, and hence partly to take the place of our investment trusts.

But a still more general reason for the concentration of this form of finance in Great Britain is that the offices of the investment trust are most particularly called for by investment overseas, and that up to the Great War we were easily the world's greatest exporter of capital. The directorate of an investment trust can obtain information about foreign enterprises beyond the reach of the individual investor of moderate means, while the greater risk involved, even in fixed interest-bearing securities, especially demands a wide spreading of the risk over a large number of different investments.

Unfortunately only a few companies make known the geographical distribution of their holdings. On the basis of the material available, however, comprising some 25 companies, the following table has been drawn up :—

GEOGRAPHICAL DISTRIBUTION of INVESTMENT TRUST COMPANY INVESTMENTS.

	1923.	1924.	1925.	1926.	1927.	1928.
	%	%	%	%	%	%
Great Britain	34·5	35·3	34·9	34·0	32·4	34·4
British Empire	10·5	11·3	10·6	11·4	11·6	10·7
U.S.A.	17·7	14·1	13·4	12·8	12·8	10·5
Argentine	12·4	12·2	11·5	11·0	11·1	10·1
Other parts of S. America	11·2	12·1	12·2	12·4	10·7	10·9
Mexico and Central America	5·1	4·8	4·5	3·9	3·5	3·4
Europe	4·5	5·3	7·9	9·6	13·2	15·8
Asia and Africa	4·1	4·9	5·0	4·9	4·7	4·2
	100·0	100·0	100·0	100·0	100·0	100·0

It is regrettable that the companies concerned cannot be taken as a fair sample with regard to any single year. Other evidence to hand, for instance, while otherwise confirming the general lines of the distribution shown above, makes it certain that the proportion in the United States is here somewhat exaggerated. Nevertheless, our table does indicate fairly accurately the changes which have taken place from year to year in the distribution not only of the instruments of these trusts but also probably of all our investments overseas. Within a reasonable margin of error, it will be observed, the main features of the distribution, and in particular the division between home and abroad, have remained almost constant, with two notable exceptions, namely, the decline of the American share and the astonishing growth of the proportion invested in Europe. The process of repurchase by the United States of the claims on her capital held by Europeans, which was so immensely stimulated by the war, has been considerably checked since 1922, but it is clear that at any rate the less speculative of British investors have been making no headway in that direction, and that the capital expansion of the United States has been a successful competitor in Central and South America.

The very great increase in the European proportion is accounted for not only by the big reconstruction loans, many of them under the auspices of the League of Nations, but also by big investments in certain Continental industries, notably artificial silk, matches and margarine. Many trust companies hold large blocks of the New York and other foreign issues of the big international loans, often in excess of their subscription to the London issues, so that the figure recently given in these pages of £39½ millions for the British participation in League loans is probably well below the true mark.

One naturally goes on to ask, how much of our investment overseas is made in this way? The following table, showing the total book value of the investments of investment trust companies, illustrates adequately their recent growth. The dates refer to the years in which the accounts of the several companies were drawn up. It must be emphasised that the building up of "hidden reserves" by the writing down of investments places these figures well below the market value, and likewise below the cost of the shares and securities held.

INVESTMENTS of INVESTMENT TRUST COMPANIES.

(Book Values. Million £.)

1923.	1924.	1925.	1926.	1927.	1928.
148	159	177	194	219	239

Applying to these figures the percentages of home and foreign investment given in the earlier table, it appears that investment trusts accounted for some £100 millions of our capital overseas in 1923, and for some £160 millions in 1928. The total of our capital abroad has probably not increased by more than 20 per cent. over the same period, so that the proportion held through investment trusts has been raised considerably. No accurate figures of our oversea investments exist, but £160 millions probably represents about 4 per cent. of the total, while the holdings of foreign and colonial securities by banks and insurance companies and the investments of specialised trusts would probably raise the proportion of our capital abroad, which is held by houses whose interest is primarily financial, to around 10 per cent.

THE NEWSPRINT INDUSTRY IN CANADA.

(BY OUR OTTAWA CORRESPONDENT.)

THE newsprint situation in Canada is to-day the source of widespread discussion. No Canadian industry has made such rapid strides since the beginning of the present century, and it has gradually come to be one of the recognised buttresses of the national economy. Not only has it created a large volume of new wealth, but it has brought a variation of employment and new prosperity to many backward communities, and its contribution to the export trade has been increasing steadily each year. The following table shows the progress of the newsprint industry in the last decade :—

PRODUCTION of NEWSPRINT.

Year.	Quantity. Tons.	Value. $
1917	689,847	38,868,084
1918	734,783	46,230,814
1919	794,567	54,427,879
1920	875,696	80,865,271
1921	805,114	78,784,598
1922	1,081,364	75,971,327
1923	1,251,541	93,213,340
1924	1,388,081	100,276,903
1925	1,536,523	106,268,641
1926	1,889,208	121,064,946
1927	2,082,830	134,286,729

Newsprint, moreover, accounted for 84.4 per cent. of the total reported tonnage of paper manufactured in 1927. The quantity exported was valued at $129,637,687, of which the United States took no less than $123,222,094.

During the war years, when the price of newsprint mounted to very high levels, the industry enjoyed marked prosperity, but the coming of peace brought a period of comparative depression and faced it with a period of readjustment. But about 1923, thanks mainly to the fact that the newsprint demands of the United States began to forge rapidly ahead of the supply available from its own mills, it experienced a notable revival, and for the last three years it has been experiencing what might be classified as "boom" conditions. The market was steadily expanding and prices were being maintained at a highly profitable level. The natural consequence was that a great deal of new capital was attracted to the industry, and not only did old mills increase their capacity, but many new mills were established. The province of Quebec was the scene of the chief expansion of the industry, and the Taschereau Government, which has guided its destinies for more than a decade, is now the target of severe criticism because it was recklessly generous in granting pulpwood concessions and encouraging the building of fresh mills. Nor was the Government of Ontario guiltless in the same regard.

The result was that the daily capacity of the newsprint mills of Canada grew rapidly each year, and at the beginning of 1928 it had attained the figure of 8,240 tons, which represented an advance of 2,129 tons, or more than 30 per cent. over the figure of 6,291 tons estimated at the beginning of 1927. It is this tremendous expansion of the industry during 1927 that is mainly responsible for the present situation. Far-seeing leaders of the industry had realised the impending perils, and had been taking steps to provide against them by various methods. There took place a succession of mergers of newsprint companies, and the result of this process is that to-day four organisations—the International Paper Company, the Abitibi Pulp and Paper Company, the Canada Power and Paper Company, and the group of mills controlled by the Dominion Securities Corporation—virtually dominate the newsprint industry of the Dominion; outside these groups are important concerns like Price Bros., the Brompton Pulp and Paper Company, and others, but between them they contribute less than a quarter of the total output. Furthermore, the leading companies, including some of the "outsiders," co-operated in the formation of a common selling agency called the Canada Newsprint Company, which became responsible for the marketing of their product.

These arrangements were for a time successful in giving the industry at least a surface appearance of stability, and there were no dark clouds directly visible on its horizon when the present year began. But before many months a vista of serious troubles began to unfold itself. Apparently the *fons et origo* of these troubles was the American newspaper magnate, William Randolph Hearst, whose ownership of a huge string of papers made him the largest consumer of newsprint on the North American continent. It happened that the newsprint and pulp mills of Sweden had available, owing to the exigencies of a serious strike, a large supply of pulp and newsprint for disposal, and Mr Hearst was able to use the threat of resorting to this source as a lever to bring the Canadian mills to a reconsideration of their prices. It was obvious that if competition from Sweden were allowed to assume serious dimensions, the American market for Canadian newsprint would undergo a curtailment which must have immediately disastrous effects. So the International Paper Company, which is controlled by American capital, and some minor companies met the terms offered by the Hearst papers and entered into contracts for supplying them with newsprint at a price which, although not accurately known, is believed to be $52 per ton, or even less.

It was the conclusion of these contracts with the Hearst interests which upset the Canada Newsprint Company. Several companies had to free their hands by withdrawing from it, and the surviving partners in it found that newspapers competing with the Hearst publications disliked the idea of paying a higher price for their raw material. Accordingly, the organisation of the Canadian Newsprint Company crumbled away, and there ensued a wild scramble for a market which seemed to be rapidly evaporating. The price fixed by the Hearst contracts became accepted as a general basis, and the companies took at it whatever contracts they could secure. Now this figure represents a decline of about 20 per cent. from the price which was prevalent a year ago, and, whereas newsprint at $65 a ton yielded fairly satisfactory profits, they cannot be hoped for from a price of $52 a ton. Authoritative experts estimate that the average cost of production at the newsprint mills, after making allowance for depreciation and depletion, but not for fixed charges, can be placed at about $45 per ton. There would, therefore, be left some $7 per ton applicable to both bond interest and dividends on preferred and common stocks. If the average newsprint company was capitalised at a figure of $100 capital for every ton of its productive capacity, the margin of $7 would suffice to earn bond interest and preferred dividend requirements. But examination reveals that practically all the companies have a bonded indebtedness and preferred share capitalisation well in excess of the $100 limit, and the inevitable conclusion is that with newsprint at $52 a ton the companies will be able to earn no more than the fixed charges on their senior securities and will have nothing left as dividends for their common stockholders.

Knowledge of these grim facts has been responsible for the swift slump in recent months of the prices of pulp and paper stocks, which has brought some of them down to half the peak figure attained early this year. Further consequences have been inevitable. The newsprint companies have found themselves compelled to make drastic economies, and these have taken the form of lowering wages to their employees in the mills and cutting down the price paid for pulpwood. Hundreds of small farmers in Quebec and Ontario were in the habit of adding to their income each year by selling a few carloads of pulpwood, and the fall in its price has naturally affected the amount of money put in circulation in many communities, with adverse effects upon local business. Premier Ferguson of Ontario, once he became apprised of the situation, addressed a severely worded letter to the executives of 15 pulp and paper companies operating in his province.

Coincident with the publication of his minatory letter the executives of the leading newsprint companies were holding a prolonged conference in Montreal to discuss the situation. Following this conference some of the newsprint magnates had an interview with Mr Taschereau, the Premier of Quebec, and as a consequence on November 23rd the Governments of Ontario and Quebec convened at Montreal a wider conference to discuss the situation. The two Governments were represented by their Premiers, Mr Ferguson and Mr Taschereau, as well as by other Ministers and departmental officials, and practically all the leading figures in the newsprint industry were in attendance. At the conclusion of the conference an official statement was issued to the effect that the whole pulp and paper situation had been reviewed and discussed, and that the Ministers had been informed of the terms of a satisfactory tentative agreement which the newsprint manufacturers had themselves arrived at after prolonged conferences for the stabilisation of the industry.

In the background there exists a real apprehension that the present situation has been deliberately engineered for the purpose of allowing American interests to acquire dominating control of the newsprint industry of Canada. There are undoubtedly able American entrepreneurs not lacking in Canadian allies, who cherish the ambitious project of a gigantic newsprint combination as the model of the U.S. Steel corporation. It would undoubtedly suit the interests of these daring spirits to have newsprint prices fall temporarily to a level which would bring the stocks of the producing companies tumbling down and facilitate their acquisition on bargain counter terms. Such an outcome can probably only be avoided by resolute action on the part of such leaders of the newsprint industry as are determined that its control shall not pass completely into American hands.

For the interests who are trying to retrieve the situation and avert American domination of the industry, the statistics of production for October have some encouraging features. During that month the mills of North America produced no less than 360,744 tons of newsprint, which easily beats the previous record of 351,000 recorded in May, 1928. Yet stocks on hand in the newsprint mills of Canada were lower at the end of October than they had been at any time since March. Moreover, the average scale of operations in the Canadian mills, placed at 81.1 per cent., was higher than it had been since April, and has since been increased. During the month the newsprint mills of the United States only showed a fractionally higher scale of operation, namely, 81.2 per cent., but owing to the closing down of a number of American mills the output for the Republic for the first ten months of 1928 actually showed a decline of 6 per cent., compared with the figure for the parallel period of 1927. In the same period the output of the Canadian mills has shown a gain of 14 per cent., and the supremacy of Canada as a producer of newsprint is now more definitely established than ever and is unlikely ever to be lost.

THE LEAGUE'S NINTH BIRTHDAY.

(BY A CORRESPONDENT.)

JANUARY 10TH was the ninth birthday of the League of Nations—an appropriate moment to consider what developments have taken place during the year, what influence the League has wielded, and what influences have had effect on the League. It is not very profitable to make nice distinctions between what is actually done by the League and what is done outside the League, for whichever way anything is done or left undone it leaves its mark on the ordered development of international relations. At the same time, the League is a touchstone to a very large degree, and what is happening to it matters fundamentally. It is as easy to exaggerate its signs of progress as it is to say despairingly that we are heading straight for another war. But taking the rough with the smooth, there is certainly ground for at least moderate optimism. The attitude of mind towards international relations is slowly but clearly changing for the better, and there is a definite conscience growing up and consolidating against resort to war.

It is evident that the League Council has felt increasing confidence in its influence on the prevention of war. There was no uncertain tone in its insistence on peace, and even on a return to more normal conditions between Lithuania and Poland. It was emphatic in its warnings to Bolivia and Paraguay, yet people are inclined to lose sight of the strength of such warnings because the language of diplomacy differs from parliamentary language; some of them seem, in fact, to expect unparliamentary language. In these and other ways the League Council

has gained marked confidence in being able to say with recognised authority to States on the point of war, "No, not that." But because the settlement of the points at issue is not rushed, and in its stead a gradual but incessant pressure is wisely brought to bear on efforts at solution, the wits and the sceptics declare glibly that the League touches nothing it does not adjourn, as if adjournment were not in itself a valuable technique that has proved its worth time after time; adjournment does not mean that there is nothing being done. The practice of the Council has been to check any tendency to resort to arms and to treat the actual controversy as relatively a matter for leisured attention.

It may be that the League is at present more of a peace-preserving machine than a justice-providing machine, but the Kellogg Pact manifestation is, in the better sense of the phrase, a "peace at any price" development to which international opinion has rallied. The League machinery provides for justice to follow, and if the Kellogg Pact is to be real that machinery in some form or other must be used. The significance of the Pact with regard to the League is that it is a great moral support to the Covenant, and gives the League an additional argument to any who may be disposed to break faith. But one of the essential demonstrations this year, and, indeed, in other years, has been that of the necessity of constituted world authority and of ordered constitutional world development, as against loose, undefined or incomplete obligations. There must be a co-ordinated forward movement, and it is in that direction that the League in its valuable work in the establishment and promotion of the International Court of Justice, in its arbitration and conciliation work, and in all that it is doing in economic, financial and other fields, has compelled attention as the only focussing point. The Bolivian-Paraguayan affair is a good illustration of the importance of organised authority. The Council, and the Council only, was constitutionally able to remind the two States of specific articles by which they were solemnly bound, the Monroe doctrine notwithstanding. (This incidentally, simple though it seems, was a gesture of confidence that would probably have been lacking a year or two ago.) The Pan-American Conference had no such pull; it was the Council (to which only the two States were contractually bound), and not the Pan-American Conference, which drove them to arbitration and away from war. Despite pleas of self-defence and the rest of the befogging phrases, it is becoming clearer that it is not so difficult as is sometimes imagined to control these vagaries, and it is not so easy to ignore—even with public opinion excited—a central and watchful authority speaking within hearing of the world at large. Nobody raised against the Council any question of the Monroe doctrine, and there was no reason why anyone should. The fact is that nobody now has the face to say "Hands off" to a mediator for peace, and if the League can exert such influence on two distant States against an excited public opinion, such as it was, it is possible to consider hopefully what its influence might be in States where public opinion has a large and increasing element which condemns war.

These are the encouraging things—these and the Kellogg Pact, the refusal of American opinion to permit the gigantic navy programme, and the refusal of British opinion to look at the Anglo-French compromise. There is, of course, the other side of the picture—the almost complete failure with regard to the reduction of armaments, the rises of political temperatures, the disputes that drag on interminably, the sense of injustice in different quarters of the globe. Much obviously depends upon how these matters are ultimately dealt with, but the broad tendencies are not unfavourable, and the stabilising element which is necessary is provided by the League, without whose constitution and gradual growth there might be less reason for optimism. It requires a little imagination to form a proper assessment of what the League is achieving, actually and psychologically, even by a certain almost automatic momentum given by the permanence of the organisation. Nobody, however, supposed it could finish its work in nine years, and it is characteristic that those who rail most at it for not doing so are those who never agreed that it could do anything.

Notes of the Week.

Another European Dictator.—Last Saturday, January 5th, King Alexander of Jugoslavia set aside the parliamentary constitution of 1921, known as the Vidovdan Constitution on account of its date, June 28th, and substituted for it a *régime* conferring autocratic powers on the Crown. In his proclamation of the 6th the King announces that he has determined and decided that the Constitution is no longer in force, and in the decree introducing the new autocratic régime there is no suggestion of a time limit. Thus Jugoslavia joins the company of dictatorially governed countries, and this in itself is a matter for keen regret, since every fresh recruit to this camp strikes a blow at the general cause of responsible parliamentary government. But, having said this much, we must in fairness take note of the situation which led King Alexander to decide upon this momentous and perilous step, for in two ways his *coup d'état* has better justification than that of Italy's *Duce*. In the first place, parliamentarianism has been more demonstrably bankrupt in Jugoslavia during this past year than it was in Italy during the year preceding the March on Rome. Secondly, whereas Signor Mussolini overthrew Parliament in order to bring into power a minority ruling by force, King Alexander has overthrown Parliament with the object—whether or not he will succeed in attaining it—of terminating a minority domination which really depended on force, though it was camouflaged by a parliamentary façade. The fact is that the equal union of three kindred peoples which "the Serb-Croat-Slovene State" was intended to achieve has never got further than the official name. The reality during this first decade of Jugoslavia's existence has been an ascendancy of the Serbs over the Croats and to a lesser extent over the Slovenes; and this subjection has been more irksome to the Croats than that which they endured before the break-up of the Hapsburg Monarchy. The growing exasperation of the Croats has been brought to a head by the "shooting incident" in the Jugoslav Parliament at Belgrade, which resulted in the death of several Croat deputies, including the beloved national leader, Radich. The recent clashes at Zagreb have added fuel to the flames, and it is no exaggeration to say that at the moment when King Alexander set aside the parliamentary constitution of the Jugoslav State, Jugoslavia was very near the brink of disruption. The King did not execute his *coup* until he had done his best to bring the Serb and Croat party leaders to a compromise. The task which the King has now set himself is to accomplish by way of dictatorship what it has proved impossible to accomplish by constitutional means: that is, to substitute a genuine free and equal partnership of Serbs, Croats and Slovenes for the domination of the Serbs—or, rather, of a clique of Serb politicians—over the other citizens of the Triune Kingdom. It remains to be seen whether he will succeed, for, apart from the general drawbacks of the autocratic short cut, he will have to reckon with the national character of the Serbs; and the Serbs have shown themselves to be a rather headstrong and even reckless people. We shall watch the fortunes of his enterprise with interest, for much turns upon it. If it fails, and if Jugoslavia then breaks up, the whole of South-Eastern Europe may go into the melting-pot, with the danger of Italy, France and Russia being drawn into conflict round the witches' cauldron. If the *coup* succeeds, and if parliamentary government is then restored on a better basis, then we may hope for a more stable Jugoslavia, and it will be one of those rare cases where the end has justified the means. But for that justification we must watch and wait.

The Peace Pact in the Senate.—The Peace Pact did, after all, receive priority over the Cruiser Bill in the American Senate. The debate began on Thursday, January 3rd, and, as we go to press, all the indications are that the Pact is going through, and going through without reservations. This result is partly due to the Parliamentary abilities of Senator Borah, partly to the tactical error of the supporters of the Cruiser Bill in identifying their cause with an unfriendly attitude towards the Pact. But the principal reason for the comparatively smooth progress of the Pact through the Senate is perhaps to be found in the imponderable but potent force of American public opinion, to which even the most provocatively intransigent senators have to bow. Senator Borah's explanations might seem almost to explain the Pact away; but the point of the Pact is not, and was never intended to be, to make an addition to the concrete juridical barriers against war. Acceptance of the Pact is rather a symbolic—one might almost venture to say religious—act; and Senator Borah's studiously moderate description of it in the Senate as "a rather important step in the direction of good feeling" hits the mark. We may add that, if it really turns out to be this, it is likely to be one of the most famous pacts in history. The Cruiser Bill's passage through the Senate, too, seems almost certain. The only question is whether the opponents of the Pact will draw out the debate on it so long that the Cruiser Bill and other business now before the Senate will have to be postponed to a special session.

Penny Postage.—The decision of the Chambers of Commerce to join with the Federation of British Industries, the committees of Lloyds, the Stock Exchange, and other representative bodies of business men in once again pressing the Government to sanction a return to the penny letter rate of postage indicates that industry and commerce still consider the present cost of postal communication to be a handicap to the progress of trade. It is urged that for the current financial year the estimated surplus on the postal services is £8 millions; that the cost of reverting to a penny rate would, at the worst, not exceed £6 millions, so that the Post Office would still be a paying concern after the reform; and that to obtain revenue for the State by means of postal rates in excess of the cost of the service is a bad form of taxation. With the argument, thus stated, we find ourselves in general agreement. Given reasonable assurance of postal surpluses adequate to cover depreciation of assets and to provide amply for developments, the primary object of the State monopoly in postage should be to secure the maximum cheapening of communication. Moreover, Canada has now decided to restore Imperial penny postage, already enjoyed for some time by New Zealand, and it is obviously desirable that a uniform rate throughout the Empire should be established as soon as practicable. In an issue of the *Economist* in January, 1844, we find reference made to the "pertinacious resistance" of the Post Office to Rowland Hill's scheme. "Whether it be in the Post Office or in the Custom-house, it seems to be a standing rule (of Government Departments) that the public is a *pigeon*, the plucking of which is merely a matter of ingenuity and taste." As applied to the present Postmaster-General we hasten to disclaim our 85-year-old comment, but though the Treasury is entitled to point out that an increase of 50 per cent. in the inland rate is not disproportionate to the general rise in the price level as a whole since the war, there can be no doubt that the reversion to a penny would be a popular step not without psychological value. Its material benefit to industry would perhaps be less than the signatories to the present petition suggest. "Cost of correspondence" is an unimportant factor in the total selling costs of many of our staple trades, and there is such a thing as wasteful use of circularisation and postage, irrespective of the rate per letter. At the same time, the "Penny Post" is a symbol of post-war recovery from which so many would take encouragement that its establishment is probably worth the sacrifice, from the Exchequer point of view, which it would entail.

The Transference of Miners.—The space occupied in the Press recently by developments in the various schemes for the relief of distress in the mining areas has temporarily distracted public attention from the more constructive work of transference. We welcome, therefore, the account which Sir John Cadman has given, in a recent speech, of the progress made in finding employment for ex-miners. It appears that the employment exchanges are now moving nearly 700 men, boys and girls from the coalfields each week, while a further 300 or 400 are moving on their own initiative, and the total transfers, through the exchanges, since last August, amount to nearly 10,000. Most of these workers have settled down in their new districts, and the list of occupations in which they are now earning a living is in its diversity a great testimonial to the resourcefulness and adaptability of the miners. They are working as bricklayers, motor mechanics, carpenters, navvies, waiters, chauffeurs, grooms, ships' stewards, omnibus conductors, general labourers, artificial silk makers, gramophone record makers, and electricians. That there was no technical impossibility in this, anybody conversant with labour conditions in the United States, where ex-miners are to be found in almost every conceivable occupation, could have prophesied; but that a large body of men, cast by heredity and environment alike into an exceptionally conservative mould, should so quickly have adapted themselves to an entirely different way of living and working in unfamiliar surroundings is indeed an achievement. The agents of this transformation are various series of employment centres. The centres for boys from 14 to 18 are so numerous as to be within easy reach of every boy. These are very popular, and nearly 2,000 boys have been trained and found employment by them during the past year. For young men the Ministry of Labour maintains five training centres which turn out nearly 5,000 men a year, 90 per cent. of whom are immediately placed. Centres for girls give training for domestic service, and there are three large farms which prepare intending emigrants for work on the land. While these schemes do not solve the problem of the married men, they represent the soundest immediate means of preventing the discouragement and incapacity of the younger generation through prolonged unemployment. Even if it be true—and we are far from agreeing with that allegation—that they do not diminish the aggregate of unemployment throughout the country, that aggregate will certainly be less demoralising when it is more thinly spread. According to Sir John Cadman, the machinery and the funds for transfer are there, and the results so far are encouraging. It rests with employers to maintain and increase its effectiveness.

Cotton Mill Amalgamation.—It can now be definitely stated (writes our Manchester correspondent) that the principal difficulties relating to the formation of the cotton mill amalgamation in Lancashire have been removed. The promoters and the banks have reached an agreement, and arrangements have also been made for the finding of a substantial sum of money for the purpose of working capital. The officials of the combine, which is to be called the Lancashire Textile Corporation, have been busy this week in compiling the articles of association, and owing to certain amendments being necessary there has been some delay in completing the document. It is anticipated, however, that early next week everything will be ready for registration, and it is understood that an official announcement will be made as to the terms on which individual mills will be absorbed and details as to the working of the amalgamation. The process of taking over spinning companies will be gradual, and it will probably be some months before the corporation will be working effectively. It is believed, however, that a sound plan has been arranged, and that ultimately the scheme of co-operation between the mills will result in more economical working and a reduction of overhead charges. Meanwhile, there has been considerable interest in Lancashire cotton trade circles this week in the report that the Fine Cotton Spinners' and Doublers' Association, Limited, has bought the Victor Mill, Limited, Stalybridge. The latter firm controls the Victor, Ray and Premier Mills, the concern having 165,000 ring spindles and over 1,000 looms. So far the price paid has not been made known. The Victor Mill, Limited, was one of the Belgrave group of mills, and was involved in the difficulties of that group two or three years ago. Last October the debenture-holders appointed a receiver and the mills were put up for auction as a going concern. Owing to no bid being made the property was withdrawn. It was announced at the auction sale that the mortgagee, the Pall Mall Trust, Limited, was willing to leave £200,000 on mortgage at 5 per cent. The mills at Stalybridge are modern and in good condition. A feature of interest in connection with this deal is that the mills bought have been on American cotton, whereas in the past the Fine Cotton Spinners'

Association has limited its operations to goods produced from Egyptian and finer cottons. The purchase indicates that the Fine Spinners' combine has decided to carry out a progressive policy and extend their ramifications. In July last year the association bought four mills belonging to the Stockport Doubling Company. The feeling is growing in Lancashire that the time is an opportune one for purchasing mills. Owing to the trade depression it is possible to secure valuable properties at low figures, and some leading authorities are confident that the industry is about to experience a more remunerative state of trade.

Agricultural Credits.—The Agricultural Mortgage Corporation, which was formed under the provisions of Part I. of the Agricultural Credits Act, 1928, and will commence business on Monday next, has now made public the terms on which long-period credits will be granted to farmers and landowners. Loans on mortgages of agricultural land, not exceeding two-thirds of the land's value, will be granted for periods up to 60 years, and will be repayable by equal half-yearly instalments covering interest and repayment of principal. For a 60-year loan the rate of half-yearly repayment will be £2 15s per £100 for the full period of the loan. Loans for improvement of land will be granted to landowners, subject to the Minister of Agriculture's approval, for periods up to 40 years, £100 being repayable by 80 half-yearly instalments of £3 each to include principal, interest, and all charges other than those made by the Ministry of Agriculture. The shareholders in the Corporation, whose chairman is Sir H. Goschen, are the Bank of England, and all the leading joint-stock banks, with the exception of the Midland. Applications for loans must be made through one of the shareholding banks, a procedure which will have the advantage that applicants will in most instances be dealing with local bank managers familiar with their individual circumstances and needs. The measure of success which has attended the working of land mortgage banks on the Continent justifies the establishment of the Corporation as an interesting experiment, whose effects, at worst, cannot be harmful. It is doubtful, however, whether the mere provision of long-term credits on the basis announced can be regarded as likely to assist British agriculture appreciably to recover from its present ills. Some farmers, now indebted to the banks, may find it of advantage—always provided their security of tenure is adequate—to obtain a long-period loan in replacement of a more precarious overdraft. On the other hand, it cannot be said that the Corporation's terms represent particularly "cheap" capital for agricultural development. (On 40-year "improvement" loans the annual rate of interest, excluding repayment of principal, works out at 5¾ per cent.) Moreover, the manifold difficulties and shortcomings of the industry, which may be summed up in the phrase: "lack of scientific co-operation," are too great to be readily overcome by the establishment of facilities for borrowing "long" at rates not strikingly lower than those charged on ordinary bankers' loans. To reverse the process of "farming at a loss," other measures must be taken by the farming community before "credits" can have a fair chance to prove their value.

Trade Unions in 1927.—A statistical summary just issued by the Chief Registrar of Friendly Societies shows a slight diminution during 1927 in the membership of trade unions. At the end of 1926 there were 485 unions, having 4,147,653 members; at the end of 1927, 485 unions, with a membership of 3,903,048. Employers' associations during the same period diminished from 92 to 91, and their membership from 44,319 to 44,144. The income of trade unions fell from £13,820,734 to £10,071,639, but this is largely due to the abnormal contributions in 1926 from outside sources, and from the Ministry of Labour on account of unemployment insurance during the coal dispute. Income from members has risen from £7,011,774 to £7,354,042. The income from members of employers' associations has risen from £108,073 to £110,646, and that from outside sources has fallen from £15,194 to £14,108. Trade union expenditure during the two years compares as follows:—

Benefit—	1926. £		1927. £
Unemployment, travelling and emigration	6,376,730	....	3,131,002
Dispute	5,616,732	....	187,399
Sick and accident	803,397	....	768,283
Funeral	316,009	....	336,983
Other benefits (including superannuation)	1,130,955	....	1,125,919
Political fund	108,050	....	134,415
Grants to federations, &c.	451,871	....	239,554
Management expenses	3,125,539	....	2,907,157

The aggregate funds at the end of 1927, at £9,709,538, showed an advance on the position at the end of 1926, when they stood at £8,478,371, but were still well below their level at the beginning of 1926, £12,586,920. In view of the intense financial strain to which trade unions and their members were subjected by the coal stoppage, it is perhaps surprising that there was no greater decline in membership, for periods of industrial strife in which labour has been unable to claim success have usually been followed by numerical weakening of unions.

The Health of the Child.—Every year some 750,000 children pass out of school in England and Wales and enter the ranks of the nation's workers—or the nation's unemployed. What sort of young men and women they are, sound or ailing, whole or defective, is of tremendous importance. The report for 1927 of the Chief Medical Officer of the Board of Education, just published, happily gives encouragement as well as interest, for it reports an increase since 1926, slight though it be, of school medical service and good harvest from the seed sown in earlier years. The physical characteristics of the school child have steadily improved since 1921, and health becomes better as the child grows up under the care of the school medical officer. In 1927, 2,685,739 children underwent medical inspection, and of this total 20.6 per cent. were found to be in need of medical treatment (apart from dental cases). By far the most frequent physical defect was faulty vision, with an incidence of 90.3 per thousand, itself sufficient witness to the value of the service, since eye trouble goes from bad to worse unless corrected early on, and correction would certainly not be given in the great majority of cases were there no medical officer to point out the need. Omitting this class of trouble, the incidence of all other physical defects was 19.5 per cent. in the entrant group, in the intermediate about 12 per cent., and in the group of those shortly leaving school about 11 per cent. The second most frequent defect was enlarged tonsils and adenoids, which occurred in 60.9 cases per thousand; then comes a long drop to skin diseases with an incidence of 13.3 per thousand. Next on the list is malnutrition, reminding one how directly disease is connected with poverty. For to nutritional shortcomings from the antenatal period onward have probably to be ascribed, writes Sir George Newman, many of the subsequent adenoidal and tonsilitic troubles, which reduce the child's general health and render him much more liable to rickets and dental disease, each with its train of other ailments. Since 1908, education authorities have been allowed by statute to provide free meals in order that no child should be prevented by lack of food from taking full advantage of the education provided. The average cost of these meals is around 3d and 4d per head. Naturally, the extent to which such provision is made varies enormously from year to year; since the war there have been two high peaks, each corresponding to years of industrial depression and unrest, namely, in 1921-22 and 1926-27, when the total number of meals provided was 70,045,498; in 1927-28 it had fallen to 15,875,340. This year will certainly show another peak, but there is plainly room for an extension of the service as well as for greater co-operation between the school authorities and the medical officer. Even in 1927 malnutrition was much more frequent in the coal-mining districts than elsewhere, the incidence rising as high as 8.04 per cent. in the West Riding. Thus Sir George Newman's report shows the need for an extension of medical work in schools as well as the success of what has already been done. Only 54.1 per cent. of those attending public elementary schools are medically inspected, and some authorities lag far behind. At 14 or 15, moreover, when the child leaves school, practically no public care is taken for his health till he becomes an insured worker. These gaps demand the consideration of all those interested in the health of the working population.

The International Agricultural Institute.—The foundation, nearly a century ago, of the International Agricultural Institute was a romantic episode in economic history. When David Lubin came to London and expounded, with volcanic volubility, his scheme for an agricultural information bureau which all the nations should support, and to which they should subscribe, he met with a courteous but cool reception. He was regarded as a visionary. He found none in this country to share his optimism or believe that his ideas were practicable. He proceeded to Italy and there with the assurance of an American prophet he presented himself to the King and persuaded him to take up his project. In less than three years the organisation was complete, some 70 nations had formally adhered to the Institute, signed the constitution, and appointed delegates to form collectively the permanent governing body. A large staff was collected and organised in four divisions, of which that concerned with statistics was the chief. Gradually the systematic supply of information as to the area and yield of crops and other particulars from the various adhering countries was arranged, and the figures published in a monthly return. A year-book is compiled from time to time, the latest issued relating to 1927-8, which contains a mass of well-arranged tables giving for each country all the information about its agriculture which is capable of statistical expression. For purposes of reference these publications are invaluable to economists and statisticians. The Institute also published a periodical *Review of Agricultural Economics*, which contained important articles on the agricultural development, as well as on the agrarian legislation, of various countries. Recently the *Economic Review* and the statistical bulletin were amalgamated, and the *International Review of Agriculture* is now the official organ of the Institute. It includes the statistical data as well as a certain, though reduced, amount of economic information. David Lubin visualised the Institute as an organ for the direct guidance of farmers throughout the world. He aimed at putting the individual farmer in as favourable a position as the individual merchant in the possession of the materials for forming a judgment of the trend of prices and the relation of supply to demand in the immediate future. The Institute, in spite of its assiduous collection of facts and its special facilities for obtaining them, has never approached the realisation of this ideal. It would be interesting to know how many farmers throughout the world have been influenced or helped in the conduct of their business by information supplied by the Institute. Its publications, unfortunately, do not easily reach the farms. They are procurable by English farmers either direct from Rome, from the Ministry of Agriculture, or from P. S. King and Son. The average farmer would regard either procedure as a formidable undertaking, and when he realised that the cost would amount to over £2 per annum his desire for this kind of knowledge would weaken. When the International Agricultural Institute was established the League of Nations was undreamt of. The Economic Section of the League acquires more power and influence every year, and has earned the confidence of the nations. Why should not the Agricultural Institute be linked up and ultimately incorporated? There is still too much overlapping of "international" organisations, which tends to waste of energy, money and efficiency.

Shipping Freight Index Number.—Our Index Number of whole-cargo shipping freights shows a further rise for December of approximately 2 per cent., as compared with an increase of 6.7 per cent. a month ago. The current figure of the average for all routes, 131.7, contrasts with 119.0 a year ago, 121.8 at the end of 1925, and 129.4 in December, 1924. The recent movements of the various groups in the Index are summarised below:—

AVERAGE, 1898-1913 = 100.

	Average, 1913.	Dec., 1927.	Oct., 1928.	Nov., 1928.	Dec., 1928.
European Waters	110·0	105·6	116·9	121·9	122·1
North America	113·1	116·2	120·0	133·0	131·3
South America	123·4	113·6	115·4	123·5	125·6
India	106·3	114·2	106·9	117·8	126·8
Far East and Pacific	117·4	124·5	121·2	125·1	127·4
Australia	127·9	139·8	145·1	153·1	156·7
Total	116·3	119·0	120·9	129·1	131·7

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

	Index Number.	Inc. or Dec. Points.		Index Number.	Inc. or Dec. Points.
Home trade	99·56	+ 0·28	South America—		
Bay–Outwards	137·62	— 7·33	Outwards	97·43	— 6·25
Bay–Homewards	137·09	..	South America—		
Mediterranean—			Homewards	153·82	+ 10·52
Outwards	147·04	+ 1·06	India—Outwards	126·2	+ 8·43
Mediterranean—			India—Homewards	127·35	+ 9·60
Homewards	111·59	+ 6·84	Far East, &c.	127·41	+ 2·30
North America	131·34	— 1·63	Australia	156·68	+ 3·56

Outward coal freights to Mediterranean ports were firm, but weakened for South American discharge in view of the increase in homeward rates from that market. Grain chartering was moderately active throughout the month, particularly from the Plate, while demand on the part of Eastern and Australian shippers also expanded. Expressed as a percentage of the average for 1913, the total figure of our Index Number for December works out at 113.17, as compared with 102.3 a year ago. Similarly calculated, the mean for 1928 is 98.8, against 109.6 for 1927, 102.2 for 1925, and 113.4 for 1924. Despite the (largely seasonal) improvement in freights which has occurred during the past six months, the average level for last year, as measured by our Index Number, is the lowest since 1911.

Steady Co-operative Trade.—A correspondent writes:—Although the trading returns of the Co-operative Wholesale Society for the past few years suggest that the current of progress is now running southwards, note should be made of the fact that the recent big development in London and the Home Counties has to be compared with a movement that has been strongly entrenched in the North for a couple of generations. For the three months ended October 13th—the summarised returns of which are now available—the sales of the C.W.S. were £20,853,258, an increase of £877,129. Of this £10,508,996 was credited to the Manchester section, while £6,688,009 were done through the London branch, Newcastle-on-Tyne being responsible for the remainder. The increases at Manchester and London were £309,083 and £571,287 respectively. The export business of the society is steadily advancing, being £96,923 in the three months under review, as compared with £64,263 in the corresponding quarter of 1927. Four-fifths of the total turnover of the C.W.S. was for grocery, provisions, and foodstuffs—a section of business in which it is increasing the productive capacity of its flour mills, biscuit, preserves, lard, margarine, and kindred works. The supplies of flour were £2,399,944, these being used in the bakeries of the local distributive societies throughout England and Wales. Equally notable is the advance in the tea trade of the co-operative movement, which has lately taken a large proportion of the increased import for home consumption. The supplies were 14,432,601 lbs in the 13 weeks, the increase taken by societies in the London area being 436,109 lbs, raising their consumption to 5,381,171 lbs, as compared with 7,852,127 lbs in the Manchester (Lancashire and Yorkshire) regions. Since the opening of branches of the C.W.S. Bank in Westminster and central London the current accounts of trade unions have risen to 8,577, while 698 workmen's clubs and 5,123 other mutual organisations are now doing their banking operations, mainly through the agencies of the local co-operative societies, with the C.W.S. Recently the directors of

the society have made small purchases of land and buildings at Manchester, Newcastle, Crewe, and Bridlington to help extensions of local works; they are also adapting premises in East London for a tailoring factory and acquiring land at Liverpool and Leicester for use as sports grounds for the employees in those districts. Supplementing donations of £1,000 in cash and £1,000 in goods towards relief of distress in the mining areas, a further grant of £2,500 is being made. Altogether the quarterly report of the C.W.S., which will be presented to the delegates at the eight divisional meetings on the 19th inst., is suggestive of the continuity of the progress recorded in the earlier part of the year—although the returns for the complete year will not quite reach the turnover of £100,000,000, which was anticipated at the beginning.

U.S.A. Soap Production.—A correspondent writes:—The total production of all classes of soap in the U.S.A. in 1927 was about 1,335,000 tons, according to the preliminary figures of the biennial census of manufactures just published by the Department of Commerce; and the total value was £48,000,000, or, including the value of miscellaneous products, such as glycerine, perfumery, &c., the total value was £57,000,000. Both weight and value show a slight increase over 1925, but though the grand total of soap produced shows little change, there have been appreciable changes in the figures for the different classes of soap. For example, the output of toilet soaps has increased from about 148,000 tons in 1925 to 198,000 tons in 1927, white laundry soap declined from 337,500 tons to 326,000 tons, and yellow laundry soap from 274,000 to 265,000 tons. Foots soap increased from 5,830 to 8,640 tons, soap chips—in packages or bulk—from 145,000 to 166,000 tons, granulated and powdered soap from 63,600 to 77,000 tons, but the other kinds of miscellaneous hard soaps dropped from 30,000 to 17,000 tons. The total of the hard soap category was just over a million tons. Among the non-hard soaps, by far the most important item is soap powder and various kinds of cleansing or detergent powders, accounting for 222,000 tons in 1927 as compared with 245,000 tons in 1925; liquid soap dropped from 9,800 to 6,500 tons, soft soap from 27,000 to 19,000 tons, and paste soap from 13,500 to 9,000 tons. On the other hand special soap articles increased from 10,000 to 15,000 tons. It will be noted that soap powders and granulated and powdered soap account for about 300,000 tons, whilst soap chips, including flaked soap, account for another 165,000 tons. These are large figures, and show to what extent this class of soap has grown in popularity in recent years, as compared with the ordinary bar soap. They are not only more effective and more convenient in many ways, but are also cheaper as a rule. At the moment there is important patent litigation pending between two of the largest soap-makers in the States, namely, between Proctor and Gamble on the one hand, and the Colgate-Palmolive-Peet combine on the other, in which Colgates charge Proctor and Gamble with infringement of Colgate's soap flake process, whilst Proctor and Gamble counterclaim against Colgate also for infringement and for invalidity of the patents used by Colgate. The question of the validity or non-validity of these particular patents is an important one for the American soap flake industry. Numerous small soap companies are continually being formed in the U.S.A. At the same time important mergers occur from time to time, such as the Colgate merger noted above; and another big combine is that of the Gold Dust Corporation, a soap company which has recently acquired large interests in other companies and contemplates further acquisitions. Of the total number of soap-making concerns, 256 in 1927 (272 in 1925), the greater number are located in New York, Pennsylvania, California, Illinois, Massachusetts, Ohio, and New Jersey. The 1927 soap production figures are preliminary, and subject to revision.

Central American Budgets.—A correspondent writes:—A marked feature of the expiring year has been the increased revenue collections, accompanied by advancing expenditures, of the Central American Republics. The great economic prosperity which had been enjoyed by most of the States for the period 1921-27 has been maintained with occasional interruptions during the present year. This applies especially to the large producers of coffee—El Salvador, Nicaragua, Guatemala and Costa Rica. Unfortunately, however, the propensity for borrowing abroad has imposed—and is imposing—a heavy responsibility, which can be met only by greater and greater development of these countries' natural resources and construction of costly reproductive public works, in which already considerable capital has been sunk. If these expenditures, especially upon waterworks, irrigation canals and highways, are taken into consideration, ordinary administrative expenditures would be considerably reduced. There must, however, remain always differences of opinion concerning what should be properly attributed to "capital expenditure," and that which could be included legitimately in the "ordinary budget." Unlike some of the South American Republics, the Central States occasionally allow their budget expenditures to exceed the total estimated income, and their Legislatures are permitted to make increases in any of the items of expenditure as submitted or to include additional items, with the consent of the Executive. The prosperity of all the States alike is reflected in the increase of their fiscal revenues, especially as regards import and export duties, liquor taxes and stamp taxes. Three-fourths of the Government's income in several of these States is derived from two main items—Customs and internal revenues. In Costa Rica, during the last financial year, import duties accounted for 51.9 per cent., and liquor taxes 18.2 per cent. of the total revenues; Guatemala received in import and export and liquor duties 43.43, 18.03 and 19.52 per cent. respectively of the total revenues; Honduras calculated, in the 1928 budget, to receive from import and export duties 3,249,000 pesos out of a total revenue of 3,727,000 pesos; while Nicaragua's customs revenues were calculated to bring in in 1926-27 52.37 per cent., plus 5.99 per cent. from import surcharges, making 58.36 per cent. of the whole. Panama's customs duties realised 36.2 per cent., and El Salvador's import (52.9 per cent.), export (11.9 per cent.), and liquor taxes (18.5 per cent.) made 83.30 per cent. of the country's total revenues in the fiscal year 1926-27.

Oversea Correspondence.

UNITED STATES. — MONEY—SHARE MARKET—BUSINESS CONDITIONS.

(FROM OUR CORRESPONDENT.)

NEW YORK, December 28.

ATTENTION during the present week has been divided between the holiday, the money market and the share market. Everyone expected a tight money market during the last week of the year, prophecies of 15 and 20 per cent. money having been heard in many quarters. As things turned out the 12 per cent. top for call money that has developed with one day more of the old year to be heard from seems to have been pretty well discounted. Call money has been scarce this week, a circumstance that is readily understandable in view of the large amount of corporate money that has been in this market, and of the necessity of withdrawing a considerable part of it in order to pay year-end dividends. Other tightening factors are the large holiday demands for currency and window-dressing by the banks. But while call money was scarce the demand for it also remained light, so that, although any considerable expansion of demand might have brought further sharp run-ups, a sufficient supply of funds has been available to keep the rate down to 12—a figure that was touched early in the month. As for the share market, it held quietly firm in anticipation of the higher rates, sold off mildly on small volume on their appearance, and then rallied smartly on increased volume after 12 per cent. money materialised. Altogether the market gave the appearance of having been rather well sold out and of again becoming speculative. At the close to-day industrial shares had about made good all the loss that they sustained (on the average) during the recent break. One of the well-known averages of industrial shares made, in fact, a new record high. It is noticeable, however, that not all the old leaders have made good their losses. Steel Common still has recovered less than half its fall from the year's high, and General Motors and the motors generally are well below their old highs. On the other hand, coppers, helped by a new high price for the metal, have been very strong, as have store shares, public utilities and certain of the high-priced issues such as General Electrics.

One assisting factor in to-day's strong market was an unexpected decrease in brokers' loans reported last night. The decline, which amounted to $19,000,000, brought the reduction accomplished during the past three weeks, or since the recession set in, up to a little more than $300,000,000. On the basis of the recent strength in the market it had been thought that this week's figures would show an advance. The Federal Reserve statements, on the other hand, were not particularly bullish. They revealed a large decrease in reserves—probably accounted for by the holiday demands for currency, which were reflected in a substantial increase in circulation—and a heavy increase in discounts. Holdings of Government securities acquired otherwise than by discounts had fallen sharply; but this change clearly was due to elimination of the Government's overdraft in connection with the tax date. As a matter of fact, the Reserve authorities aided the money market by buying bills rather liberally. Taking the system as a whole, the reserve ratio was down to 61.6 per cent., which compares with 66.8 per cent. a year ago. As to the future of the money market, the general expectation is that some of the usual early January ease will develop. Passage of the year-end always brings a large return flow of funds from the interior, and something of the sort is fairly certain to develop on this occasion. However, it is argued in some quarters that the relaxation will be less than normal. In part this view is based on the understanding that large quantities of bills held by the Reserve banks will mature shortly, in part to observation of the high rates obtained for short-time loans, and in part to belief that France is likely to earmark additional gold. During the past week $5,700,000 of gold was earmarked for the account of a foreign correspondent, but it is thought that this gold was required for certain special year-end circumstances.

Bullish sentiment at the moment seems to be predicated on the likelihood of satisfactory business news overcoming the effects of relatively high money. Industrial reports indicate a continuance of the 1928 upswing through the first quarter of 1929. The steel industry is maintaining itself excellently. The year-end shut-downs have been lighter than usual, and production and prices are holding well. The national automobile shows begin in another week, and the makers are preparing for a record trade with a multitude of new models and with large production schedules. Extremely optimistic estimates of tyre output are heard, and rubber shares have been very strong in anticipation of high 1929 earnings. The latest railway car loading reports show gains over the corresponding periods of 1927 and 1926. Altogether it seems probable that the business upswing that began a year ago will continue into the spring. In that event the share market might continue to do well during January, and then meet with difficulties when the spring demand for money for commercial purposes develops in the latter part of February. Such a development would resemble that of the early part of 1926. At that time the share market made progress against a rising money market until the spring demand for money strengthened, whereupon there developed the well-remembered March break. However, analogies are dangerous, and the present situation contains a number of unknown variables such as gold earmarking and exports.

FRANCE. — POLITICS —REPARATIONS — AGRICULTURAL DEPRESSION—COAL OUTPUT.

(FROM OUR CORRESPONDENT.)

PARIS, January 9.

FROM a superficial point of view the fate of the Government is again trembling in the balance. It is admitted by all parties that, even were the Government to be defeated, M. Poincaré's successor could only be M. Poincaré himself, in view of the authority which he is held to have as the only statesman who could effectively act as the mouthpiece of France in the coming discussion of the settlement of the reparations and debt questions. The Radical Socialist Party's objective is not the head of the Government, however, but the composition of the Ministry. As matters stand, the Ministry can apparently rely upon securing a clear majority, independent of a single Radical Socialist vote, which suggests that, in the absence of accidents, the Government will emerge victorious.

The question which now dominates all others is the combined one of reparations and foreign debts, the solution of which constitutes the outstanding task for 1929. So far as French opinion in general is concerned, any discussion as to whether the occupied portion of Germany shall be evacuated before the expiration of the due date under the Versailles Treaty is out of the question. Rightly or wrongly, Mr Parker Gilbert's report is regarded by all parties here as demonstrating that Germany is perfectly capable of meeting the annuities laid down by the Dawes Plan. In any case, the French may be expected to insist, whatever modifications of the Plan the new experts may recommend, that the amount to be paid by Germany shall be sufficient to enable France to pay the annuities on her British and American debts, plus 1,000,000,000f (say, £8,000,000) towards Budget charges arising from German aggression, and a further annual sum sufficient to meet the cost of extinguishing the loans which this country had to raise for the restoration of the devastated regions.

The annuity payable under the Dawes Plan, which in September last attained its full yield of 2,500,000,000 gold marks, should give about 7,800,000,000f (say, £62,400,000) as the French share. Of this sum 3,642,000,000f is earmarked for special expenditure (the cost of the Rhineland occupation, payments to *sinistrés*, and the service of war debts). The complexity of the question, so far as this country is concerned, is well set forth in a remarkable report which M. Charles Dumont, a former Finance Minister, and now Budget *Rapporteur* in the Upper House, has just presented to the Senate. In this he distinguishes sharply between the various categories of receipts under the Dawes plan. These comprise, firstly, those payments which involve no loss to the French Treasury (such as requisitions effected in the occupied area, money received through the Transfer Agent, and the French share of the 25 per cent. tax on German exports), and are estimated at 2,250,000,000f for 1929. Then there is the category of "ordinary payments in kind" (coal, sugar, timber, chemical manures, machinery, &c.), which involve the Treasury in a loss of from 4 to 15 per cent., representing the differences between the amounts with which Germany is credited and the sums paid to the French Treasury by the purchasers of the goods. These ordinary payments in kind are estimated to yield the Treasury 2,300,000,000f during 1929 (which M. Dumont estimates as the maximum of this kind of payment which France can at present absorb). Finally, Germany should pay something like 3,300,000,000f this year in the form of supplies and labour in connection with the improvement of the national economic equipment (ports, canals, roads, colonial equipment and provision of factories, &c., for essential industries). In this connection Germany would be credited with the entire cost value, whereas the French Treasury—for the time being, at any rate—would receive only a trifling sum of 162,000,000f or so, as payments in kind made in this form would be in the nature of public works. M. Dumont argues that consequently, when the question comes to be discussed, the French thesis must be that the annuity required by this country must be furnished in the form of payments solely of the kind of the first two mentioned categories; in other words, as the limit of "ordinary" payments in kind is

held to have been reached, Germany must be called on to pay, so far as the French share is concerned, nearly twice as much cash as she is at present contributing to this country.

Agricultural depression, which appears rapidly to be approaching a critical stage, remains the black spot on the French economic horizon. There is increasing evidence that this country, like others, is developing her industrial activity at the expense of her food-producing interests. The area under wheat, which in 1913 totalled 16,250,000 acres, was in 1927 only 12,750,000 acres, or over 20 per cent. less, and last year's acreage was still lower. For this the drift into the towns, owing to the dullness of rural life and the higher pay ruling in other industries, is principally responsible. Except in districts endowed with first-class soil, wheat growing has become unprofitable in France, and the acreage of abandoned farms is growing steadily. Figures from expert sources quoted in the Senate show that a yield of less than eight quintals of wheat per acre will not cover cost of production. Government statistics reveal that the average yield per acre throughout France is well under six quintals. Agriculturists complain that while wheat has recently fallen from 170f to 150f per hectolitre, and meat from 600f to 400f per 100 kilos, the price of chemical manures, general production costs and taxation are constantly rising. Succession duties, for instance, in two generations, are equivalent to 50 per cent. of the value of agricultural property passing from father to son. Hopes are placed on the remedial effects which it is expected will result from the scheme now being steadily carried out for the electrification of the rural districts, for the purpose of furnishing both light and power for agriculture. At the end of 1927, 21,234 out of 37,981 communes in France (representing 80 per cent. of the total population) had been furnished with electrical installations, as compared with 7,000 communes at the end of the war. The local undertaking organisations have been subsidised by the Government with irredeemable loans, at a low rate of interest, to a total which now amounts to 700,000,000f. The new Finance Act provides for an import tax of 0.10 per cent. *ad valorem* to be levied henceforth on all wool and sheepskins entering France, with a view to fostering the development of sheep-breeding in France, Algeria and the colonies and protectorates.

Coal production figures for November indicate a total output of 4,477,044 tons for 25 working days, against 4,701,381 tons in October. The figures disclose that the average daily output per head of the labour of all categories engaged, which worked out at .677 tons in 1913, is now only a trifle over .605 tons per head. The pits within the pre-war frontiers are now producing 22,923 tons per day more than in 1913. The yield from the Lorraine pits in October averaged 20,011 tons a day. The coke plants at the collieries produced in November 379,701 tons of metallurgical coke, as against an average monthly output of 140,000 tons in 1913.

ITALY. — STOCK EXCHANGE — BANK RATE — FOREIGN TRADE—INDUSTRIAL ACTIVITY—SUGAR IMPORT DUTY.

(FROM OUR CORRESPONDENT.)

TURIN, January 6.

THE November boomlet was short-lived. The general average of variable dividend securities was at the end of December 88.29 (basis 100, December, 1925), which is higher than the 73.15 level of the end of December, 1927, but lower than the maxima of 90.56 and 90.43 reached at the end of May and November, 1928.

During the first week of the New Year there was a lively market in Fiat shares, which, having closed the year at 590 lire, shot up to 700 lire on favourable news of rising New York quotations; but at the week-end fell to 650. Bank of Italy shares went badly, losing about 180 lire per share, notwithstanding the free distribution of one share to every three old ones. It appears that a special technical reason for the fall of the leading Italian security was the prohibition of future dealings in it. Only cash dealings can be made henceforth in Bank of Italy shares, with day-to-day prolongations and no end of month settlements. The prohibition of futures aims at excluding speculation from the market of a security which is issued by a public body; but it took the market by surprise, and forced sales. Reviewers are searching for explanations of the Bourse depression. The rise of the official rate of discount from 5½ per cent. (June 25, 1928) to 6 per cent., which was announced this morning, can be dismissed as a real cause of the depression, as the Bourse market is financed quite independently of the Bank of Italy, and the sums needed for prolongations are to-day truly paltry.

The rise of the rate of discount appears to have causes deeper than the purely financial ones. In my last letter, while noting the increase in the cash gold reserves of the Bank of Italy from 4,547.1 million lire at January 10, 1927, to 5,051.9 million lire at November 10th, I stated that other gold reserves (gold foreign credits and foreign States bills) had decreased between the same dates from 7,558.8 to 6,038.4 million lire. A month later, at December 10, 1928, while the gold reserve was stationary, the foreign credits and bills reserve had further decreased to 5,944.2 million lire. The Bank of Italy is therefore acting very wisely in raising the rate of discount to counteract the outward movement of its gold reserve.

The easiest explanation of the decrease in the reserves is the foreign trade balance. The excess of imports over exports, which was 4,392.5 million lire in the first eleven months of 1927, increased to 6,789.6 million lire in the same period of 1928. A great part of the gap was presumably filled by the usual invisible items of credit: travellers' expenses, freights and, though diminishing, emigrants' remittances. The balance must be made up by opening of foreign short credits, a few long-term issues, some sales of Italian securities (Fiat, Snia, Pirelli, Isotta Fraschini, Montecatini, &c., shares); and, lastly, sales of gold credits and bills of the Bank of Italy reserves.

There are, however, reasons for believing that the big excess of imports over exports will in due time bear some good effects. In part the excess is due to the bad 1927 harvest, which forced exceptional imports of wheat and other foodstuffs in 1928; this should not be repeated in 1929, as the 1928 wheat harvest was better. Partly, however, the excess is due to the increased imports of raw materials and half-manufactured products. In the first ten months of the year imports of raw jute increased from 42,104 tons in 1927 to 47,973 tons in 1928 (131.7 to 144.1 million lire), of raw cotton from 173,411 to 189,932 tons (1,419.7 to 1,797 million lire), of raw wool from 30,881 to 38,895 tons (484.4 to 617.3 million lire), of dried cocoons from 1,042 to 2,023 tons (from 45.3 to 79.7 million lire), of broken iron, pig-iron and steel from 599,181 to 720,060 tons (244.4 to 240.2 million lire), of copper and broken copper from 48,947 to 65,200 tons (303.7 to 391 million lire), of cellulose from 94,075 to 141,158 tons (138.1 to 173.2 million lire). Industrialists, who during the revaluation process of the lira in 1927 had bought less and less raw material (the excess of imports, which was 870.6 million lire in January, 1927, sank to 144.0 in August), but had drawn on their stocks without replenishing them, began to take courage in past spring, when the stabilisation was some months old and the monetary situation once more seemed stable. The replenishing of stocks, with the consequent accelerated imports of raw materials, has inevitably put a pressure on the Bank of Italy reserves; but if the above analysis is correct, and no unknown factors are at work, exports should in their turn increase in 1929 and change the direction of the gold currents.

Reports from the industrial sections indicate an increase of activity. The employment percentage (number of men working in September, 1926 = 100), which was 94.7 per cent. at the end of August, increased to 95.6 at the end of September and to 96.3 at the end of October. Almost all industries report progress except silk spinning, shipbuilding and cement. Unemployment, after decreasing from the maximum of 439,211 at the end of January, 1928, to 234,210 at the end of July, increased again to 283,379 at the end of October, but is lower than at the end of October, 1927, when the figure was 332,240.

The wheat import duty was increased last September from 75 to 110 gold lire per ton, and the duty on sugar is now also raised from 24.75 to 36 gold lire. The duty

was 28.85 gold lire before the war, was suspended during the war, abolished in 1923, put at 9 lire in 1925, and afterwards steadily increased. These increases will surely aid the extension and better culture of wheat and sugar-beet lands. But the crucial question is whether they will also aid the lowering of the cost of living, and therefore the cost of those agricultural and industrial goods which we must increasingly export in a competitive world if we are to pay for the increasing imports needed by our expanding population.

THE MERCANTILE BANK OF INDIA, Ltd.

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

Capital Authorised	£3,000,000
Subscribed Capital	1,800,000
Paid-up Capital	1,050,000
Reserve Fund and Undivided Profits	1,584,846

Branches and Agencies:

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

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and conducts every description of Banking Business in Connection with the East.

Fixed Deposit Rates will be quoted on application.

On CURRENT ACCOUNTS interest is allowed at 2 per cent. per annum on daily balances, provided interest for the half-year amounts to £1.

Trusteeships and Executorships Undertaken.

JAMES STEUART, *Chief Manager.*

HOLLAND.—CAPITAL ISSUES—FOREIGN TRADE—NETHERLANDS BANK—ACCEPTANCE MARKET—PRICES.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, January 5.

THE month of December has proved a record for the Amsterdam issue market, a total of 120.7 million guilders of new stock having been issued. This brought the total for stock placed on the market during 1928 up to nearly 870 million guilders, a figure which had not been reached since 1920. The year 1927, which was already a record year, was surpassed to the extent of no fewer than 167 million guilders.

This year Dutch loans accounted for 360 millions and foreign loans for 309 millions. The proportion of Dutch loans and foreign loans has undergone a great change this past year. Last year the amount of foreign loans was 67.7 per cent., compared with 32.3 per cent. Dutch loans; now the percentage is 53.8 Dutch and 46.2 foreign. The figures below show how Dutch and foreign loans have compared of late years:—

(In Millions of Guilders.)

	1924.	1925.	1926.	1927.	1928.
Dutch	354	154	176	162	360
Foreign....	49	143	283	340	309
	403	297	459	502	669

There was little change in the total value of the conversion loans, approximately 36 million guilders being offered compared with 38 millions last year. The lion's share was, as usual, accounted for by Dutch municipal loans, including Amsterdam and Rotterdam. The increase in the number of shares issued may be taken as a proof that the public is optimistic and that in industrial circles the time is considered favourable for extensions or the founding of new concerns.

The trend of the Dutch trade balance in 1928 has not been so favourable. The import balance showed a further considerable rise, thereby interrupting the favourable run of business which began in 1923. Since that year there has been a steady upward tendency both as regards imports and exports. The figures given below will show the state of trade during the past six years:—

DUTCH TRADE BALANCE, 1923-28.

	Imports.		Exports.		Import Balance.	
	In Mil. Guild.	% of 1923	In Mil. Guild.	% of 1923.	In Mil. Guild.	% of 1923.
1923	2,009	100	1,303	100	706	100
1924	2,363	117·6	1,661	127·4	702	99·4
1925	2,455	122·2	1,808	138·7	647	91·6
1926	2,441	121·5	1,749	134·2	692	98·0
1927	2,549	126·7	1,900	145·8	649	91·9
1928	2.695	134·1	1,977	151·7	718	101·7

From this list it will be seen that the trend of trade during the past years may be called favourable. If we assume that the figures for December, 1928, will be identical with those for December, 1927, and make a comparison on this basis, it will be seen that the import balance has increased only 1.7 per cent. compared with 1923, whilst the imports compared with those of 1923 show an increase of 34.1 per cent. Dutch exports have increased more rapidly than the imports. An increase in the value of exports (from 1,303 million to 1,977 million guilders, or a little more than 50 per cent. in a period of five years) evidences a firm trend and gives satisfaction when one considers the many obstacles which exporters had to overcome.

Compared with 1927, however, the results of the past year are far from satisfactory. Against an increase of 77 million guilders (last year 151 millions) in the value of exports, there is an increase of not less than 146 millions (last year 108) in the value of the imports, thereby causing a rise of about 69 millions (last year a fall of 43 million guilders) in the import balance. Manufactured articles are to a great extent responsible for the increase in the exports. The increase in the export of manufactured articles to the extent of 88 million has surpassed the increase in total exports during the first 11 months of this year, which amounted to only 84 million guilders. The export of metal filament lamps and wireless sets has played an important part in this increase, while the export of art silk yarns also increased during this period to the extent of nearly three millions.

The Netherlands Bank experienced no difficulties during the past year. Changes in the official discount rates were unnecessary. It was easy to remain master of the situation in the money and bills market. There was no considerable export of gold, and by gently pursuing the gold exchange policy it was possible to keep the Amsterdam bills market in the right course. The weekly returns of the Netherlands Bank during 1928 testify to the smooth trend of Dutch finance and economy. The great fluctuations in the amount of foreign bills held must, according to *De Telegraaf*, be ascribed to the fact that the Netherlands Bank is actively pushing its bills policy still further. The Bank not only buys and sells bills when exchange rates approach the import or export gold point, but is regularly active in the bills market. The Bank even does future transactions in bills at the gold value in addition to buying and selling for immediate settlement. It sometimes most unexpectedly takes action in the bills market, and thereby immediately influences exchange rates. Many are also clamouring for the Netherlands Banks to take action in the discount market. The Bank might influence the money market by retaining Dutch bank acceptances.

The volume of business on the Amsterdam acceptance market remained practically unchanged throughout 1928. According to *De Telegraaf* a slight decline is noticeable in some banks, but in other cases there has been a further increase, so that on the whole the extent of the business remained practically unchanged at about 360 million guilders odd.

During the past year Paris has attracted some important business in view of its amply supplied money market, but there is no fear of serious competition in the future from that quarter. A decline in the Amsterdam acceptance market is therefore out of the question, and one might even say that it is favourably developing, although perhaps at a slower rate than formerly. Here it must not be forgotten that this slight advance came about under less favourable conditions than some years ago, when the Amsterdam discount rate remained more than 1 per cent. below the London level. The advance made by the Amsterdam discount market during last year is chiefly due to the greater variety of lenders. This has rendered the private discount rate much more stable than formerly. The gold position of the Netherlands Bank was strengthened in 1928, as the following figures show:—

(In Millions of Guilders.)

	Dec. 27, 1926.	Dec. 27, 1927.	Dec. 24, 1928.
Foreign bills and various accounts..	251	244	257
Supply of gold	413	400	435
	664	644	692

The number of foreign bills held shows a practically uninterrupted rise as a result of the operations of the Central Bank on the bills market. In connection with this there was also a considerable increase in the circulation of banknotes. It is, however, remarkable that, despite this increase in the circulation of banknotes, the index figure for wholesale prices has, in contrast to that of 1927, shown a decline this year—namely, from 153 in January to 148 in November last.

RUSSIA.—POLITICS—AGRICULTURE—CREDIT—INDUSTRY—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

THE situation in Soviet-Russia has not improved just recently. The official Press reports that the new "Right" Opposition is increasing. M. Stalin declares not very convincingly that the movement presents no dangers because it consists only of criticism, and thereby favourably differs from the Trotsky "counter-revolution," which had a formal organisation. In November the Executive Committee of the Communist party passed a resolution describing both the economic and the political position very blackly, emphasising those unsatisfactory developments in agriculture, industry, and foreign trade which jeopardise "the socialistic industrialisation" of the Union, and complaining of growing opposition by the "capitalistic elements." M. Stalin seems to hold that mere political attacks upon capitalism promise no success; if Socialism is to win a final victory the capitalistic countries, he declares, must be technically and economically outdistanced. Of such outdistancing there is no prospect. The highest hope, as M. Bucharin's organ points out, is that the Union, by using its foreign trade monopoly, will keep itself independent of success in "technical and economic" competition with the outside world. The meaning is that Russia, as long as she remains "hermit Republic" may exist, and even progress though remaining behind the more advanced countries of the world.

The Government seems to be afraid to put into force thoroughly its policies in the peasant question. The recent weakening in measures against the rich farmer "kulaks" seems to be less due to the resistance, not stopping short of assassination by that class, than to the bad food conditions in the towns. There is a shortage of bread, and there has been locally a shortage of meat. If the crops estimate is correct, the grain buying-up campaign has so far not been very successful. Grain bought up in July-November were 4,782,500 tons, which is more than the 4,129,500 tons of the same months of 1927, but less than the 5,898,900 tons of 1926. The quantity of wheat bought up is less than last year, of rye very much less. The best crops are in remote districts, with poor communications. The official Press complains that the local authorities in their zeal to apply the special taxation measures against the "kulaks," who constitute some 2 per cent. of all the peasantry, have been despoiling also the "sredniaki," or moderately well-to-do peasants, and that in some provinces one-fifth of all the peasants have been victims of punitive fiscal measures.

Before the Central Executive Committee is a Bill prescribing measures for increase of the agricultural yield. The principle of land nationalisation is adhered to, in that there is a prohibition against selling and mortgaging land. While the inspectorate found that the yield per unit of area of "Soviet" farms averages 20 per cent. higher than that of individual farms, the Moscow *Ekonomitcheskava Zhizn* reports that most "Soviet" farms are operated at a loss—a result of "want of skilled management, lack of a production programme," and so on. The "collective" farms do not fulfil their agreements to allot stated areas to industrial crops.

The currency circulation is still increasing. In October, the first month of the new business year, short-term credits declined, and circulation grew by only 51 million roubles, bringing the total on November 1st to 2,023 million roubles. November witnessed a further increase to 2,095½ million roubles. The State Bank's return for December 1st shows:—

	Tchervontsi (of 10r).
Gold	17,819,293
Other precious metals	4,507,208
Foreign bank notes	7,909,961
,, cheques	273,161
Discounts	82,216,390
Note circulation	112,130,455

The Finance Commissariat's circulation on December 1st was 974,316,584 roubles, whereof 763,930,750 roubles were treasury notes, the remainder coins. Since the beginning of the business year 1927-28 circulation (including coins) has risen by 336 million m. According to the Finance Commissariat "the supplementary currency emissions are not out of proportion to the expansion of production and trade." Prices, however, are still rising. In the first month of the new business year the wholesale index (1,000 in 1913) advanced from 1,732 to 1,764. Retail prices also rise, though slowly, the last index showing 213 (100 in 1913). The index number for State and co-operative retail trade is given as 1.87, for private retail trade 2.66. The 1928-29 Budget total given in the *Economist* of November 17th has been twice raised, and as now fixed by the Central Executive Committee is 7,731,523,000 roubles. The estimate of yield from loans has been increased from 740 to 800 million roubles. The Committee declares, almost in the same words used a year ago, that the new Budget involves a serious strain, revenue and expenditure being at the highest possible figures.

The last reports indicate that the light industries have been developing rather better than the heavy. Production of coal in October was 3,133,000 tons; oil, 1,104,000 tons; iron ore, 573,000 tons; pig-iron, 290,100 tons; steel, 383,300 tons. In October, 1928, coal output was 102 per cent. of that of October, 1927; pig-iron, 111 per cent.; steel, 116½ per cent.; oil, 119 per cent.; leather, 148 per cent.; cotton yarn, 119 per cent.; woollen yarn, 126 per cent.; linen yarn, only 92 per cent. The agricultural machinery output of 1927-28 is returned as of value 141 million roubles, as against 99 million roubles in 1926-27. By "rationalisation" measures the number of works in this branch has been reduced from 350 to 40.

According to a revised plan, the Dnieper hydro-electric station is to have 800,000 h.p., as against 650,000 h.p. originally planned. The result will be to delay opening until December, 1932. In the vicinity of the station are to be founded works which will produce annually 650,000 tons of iron, 100,000 tons of ferro-alloys, 100,000 tons of electro-steel, and 15,000 tons of aluminium. A serious home shortage of wood in 1929 is predicted. There is a lack of all sorts of equipment, and work this winter began later than usual.

The first month of the new business year began with an active foreign-trade balance. The attainment of the active balance promised for the whole year will depend upon whether the official plan to increase exports by 18 per cent. is realised, and upon whether heavy food importing can be avoided. In 1927-28 food imports greatly increased, and constituted 8.5 per cent. of all imports, as against 4.8 per cent. in 1926-27. Total imports over the European frontiers in October were 56,659,000 roubles, of which 52,189,000 roubles were for purposes of production, 21,277,000 roubles being industrial plant and 23,401,000 roubles raw materials. Exports totalled 67,045,000 roubles, consisting of 32,086,000 roubles agricultural produce and 34,959,000 roubles industrial raw materials and wares. In 1927-28 Germany led both as exporter and importer. The large increase in Russian purchases from Germany is connected with the German 300,000,000 marks credit.

(Millions of Roubles.)

Imports from—	1926-27.	1927-28.	Exports to—	1926-27.	1927-28.
Germany	157·7	242·0		167·3	185·4
U.S.A.	143·4	181·5		17·3	22·1
Great Britain	97·1	45·4		197·5	147·7

The figures relate to trade over the European frontiers.

In connection with the 1928-29 "control figures," the State Planning Board has published the results of an inquiry into the national income, which is returned at 25,900 million roubles in 1927-28, as against 16,950 million roubles in 1924-25. The Socialised share of the national income is estimated at 52½ per cent., as against 39 per cent. in 1924-25.

FINLAND. — THE MONEY MARKET — FOREIGN TRADE—AN ECONOMIC COMMISSION—THE STATE BUDGET FOR 1929.

(FROM OUR OWN CORRESPONDENT.)

HELSINKI.

THE state of the money market was marked throughout 1928 by an almost uninterrupted movement from a comparatively easy tone at the end of 1927 towards a growing stringency. As a result, the Bank of Finland found it necessary to raise the official bank rate on August 7th from 6 per cent. to 6½ per cent., and, as the tendency still persisted in the same direction, to 7 per cent. on November 15th. The joint stock banks and other financial institutions have gradually raised their rates on credits, and in some cases also their rates on deposits.

The great demand for credit is seen clearly in the fact that the credits granted by the joint stock banks increased from month to month up to the end of October. During that time the increase amounted to about 1,700 million marks, as compared with barely 900 millions in 1927. However, the figures for November indicate that a change has set in at last, for credits fell off by 165 million marks. This reduction is partly a consequence of some credits for building purposes having been transferred to the Municipal Mortgage Bank, which received the proceeds of a foreign loan at the end of October, but may possibly be interpreted as a sign that the highest point has been passed. During the first half of the year deposits in the banks grew so much that, as several of the banks had increased their own capital, they could satisfy the demands for credit without much trouble. But since July deposits have displayed a tendency to fall, so that the banks were obliged to resort to the help of the Bank of Finland, and to introduce strict discrimination in credits granted. Month by month the rediscounting of bills at the Bank of Finland increased in consequence until, on December 15th, it amounted to 612 million marks, as against only 39 millions at the same date in 1927.

The changes in the balance-sheets of the Bank of Finland naturally reflect the same stringency. The ordinary cover, *i.e.*, the total of the gold reserve and the undisputed balances with foreign correspondents, which represented at the end of 1927 78 per cent. of all the Bank's liabilities payable on demand, dropped to its lowest point of 50.3 per cent. on October 23rd, to rise subsequently to 53.4 per cent. on December 15th.

Even though a slight tendency towards a change in the direction of a somewhat easier tone of the money market may be discernible, no rapid recovery can be expected. The chief cause of the money shortage, building operations, has, indeed, declined to some extent, but as it is, nevertheless, essential to complete construction work that has already been begun, the demands for credit from this source are still large. Besides, the season is approaching during which exports are comparatively small and credit requirements are on the increase. The uncommonly heavy imports, which are also an important cause of the stringency of the money market, continued throughout the autumn. This is partly a natural consequence of the poor harvest, and shows itself in greater imports of grain, but imports have also been heavier than in 1927 in the case of most other classes of goods. For instance, there have been unusually large imports of building materials, machinery and means of transport, and also of Colonial produce, textiles, hides, &c. Altogether the value of imports in October amounted to 884 million marks, and in November to 735 millions, compared with 609 and 617 millions in the same months in 1927. Exports also were quite lively during the autumn. Their value amounted to 740 million marks and 625 millions respectively in October and November, as against 675 and 550 million marks in 1927. The most striking fact is that exports of plywood and cellulose during these months show fresh record figures, so that the total exports of plywood for January-November were about 52 per cent. and of cellulose about 31 per cent. larger than in 1927. Exports of mechanical pulp, paper and cardboard have also considerably exceeded the results of 1927. On the other hand, exports of sawn timber, which were heavier in 1927 than ever before, dropped off slightly owing to less favourable selling conditions. For the eleven completed months of 1928 the total value of imports was 7,426 million marks, compared with 5,822 millions for the same period in 1927, while the value of exports amounted to 5,748 million marks, compared with 5,935 millions in 1927. The resultant surplus of imports amounting to 1,678 million marks must inevitably prove burdensome for the money market.

In view of the economic position, the Government appointed an Economic Commission at the beginning of December, consisting of prominent representatives of various sides of economic and social life, for the task of making impartial, thorough investigations into economic conditions and of marking out the guiding lines for the future economic policy of the Republic. This Commission, the tasks and organisation of which are at present rather vague and uncertain, represents the first step towards future unpolitical representation for the economic world.

The State Budget for 1929 is now ready. It is based on the same principles as the Budgets for the preceding years, and differs very little from them. The final figures show a slight rise above the Budget for 1928. The total expenditure is estimated at 4,253 million marks, compared with 4,233 millions for 1928, while the total figures for revenue are estimated at 4,223 million marks as against 4,072 millions last year.

BANK ESTABLISHED IN 1864.

SKANDINAVISKA KREDITAKTIEBOLAGET

GOTHENBURG, STOCKHOLM, MALMÖ.

Branches in all parts of Sweden.

Paid-up Capital and Reserves - - Kr.182,000,000

Telegraphic Address: "Kreditbolaget."

THE BANK AFFORDS EVERY FACILITY FOR BANKING BUSINESS WITH SCANDINAVIA.

Letters to the Editor.

ATLAS ASSURANCE COMPANY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—On page 17 of your issue of January 5th the following paragraph appears under the heading of "Atlas Assurance Company, Limited":—

"Apart from doubts which inevitably arise as to the ability to maintain these very high bonuses, there is room for the view that their existence is in itself a confession of a serious anomaly now existing in the conduct of life assurance, namely, that premiums which are capable of producing very high bonuses might be regarded as excessive in regard to the protection afforded."

If the doubts referred to relate specifically to the "Atlas," and if the suggestion that the scale of premiums may be regarded as excessive, applies specially to the "Atlas" premiums, then I think we are entitled to take exception to the paragraph with which your reference to this company terminates. On the other hand, the paragraph is probably intended to be merely of general applicability, in which event the undersigned is in cordial agreement with your contributor. But the paragraph is headed "Atlas Assurance Company, Limited," and I fear that the ordinary reader of your journal may very well regard the article as a reflection on the "Atlas."

As a matter of fact, although your contributor does not comment on this aspect of the case, the "Atlas" is the outstanding example of a company which has taken steps in its practice to emphasise the possibly ephemeral nature of the present high scale of bonuses. Whilst taking every possible precaution to safeguard for an indefinite period the current high rate of bonus, the "Atlas," in its recent declaration, has divided its bonus into an ordinary bonus and a special bonus, it has declared an interim bonus for the current year at a rate substantially less than that declared for the previous triennium, and it is refusing to give illustrations based upon an indefinite continuation of the current rate of interim bonus. This, notwithstanding the fact that our recent distribution of 60s absorbed less than 70 per cent. of the total profits earned,

and that the current rate of interim bonus probably will be found to absorb less than 60 per cent. of the current rate of profit, without bringing into account appreciation in the book value of securities.

Comparisons are odious, but there are very few companies in an equally strong position which are dealing with the future on so conservative a basis. It is for that reason that I think it particularly unfortunate these general reflections, however appropriate, should have appeared under the heading of the "Atlas Assurance Company, Limited,"—I am, dear Sir, yours faithfully,

WM. PENMAN.
Actuary and Life Manager.

Atlas Assurance Company, Limited, 92 Cheapside, London, E.C.2, January 10th, 1929.

[The passage which Mr. Penman quotes, and with which, we are glad to see, he agrees, was, of course, written as a general comment on certain important tendencies in the insurance world and was in no way intended as a reflection upon the Atlas Company, to a discussion of whose excellent figures the main body of the Note in question was devoted.—ED., *Econ.*]

PARTICIPATION IN LEAGUE LOANS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Please allow me to thank you for publishing in your issue of December 22nd a table showing that British capital has participated in the League of Nations' reconstruction loans to the extent of 48.3 per cent. The table—compiled, I believe, for the first time—should be exceptionally useful to all students of international affairs. It should also prove instructive to those who can see no redeeming features in "Capitalism."

Commenting on this valuable table, you point out that "nearly half the burden has fallen upon Great Britain," and emphasise the extent to which we have done our "duty" in the work of European reconstruction. I hope you will not think me captious if I suggest that when we talk about the "burden" and the "duty," it is advisable at the same time to admit quite frankly that we have done extraordinarily well out of these League loans; otherwise we not only invite the accusation of hypocritical self-righteousness, but also miss an excellent opportunity of encouraging other countries to follow and to profit by our example.

To illustrate what I mean, it is sufficient to recall that the British *tranche* of the Austrian League loan—£14,000,000 was issued to the public at 80 and to-day is quoted, with interest, at 102. The Hungarian League loan—British *tranche* of £7,902,700—was issued at 88, and to-day is quoted, with interest, at 103½. These two participations constitute over 50 per cent. of the total British share in League loans. At a glance it will be seen that on an investment of about £18,240,000 the British investor has already obtained in capital appreciation a sum of approximately £3,600,000, in addition to an annual interest yield of between 8 and 9 per cent on the investment. It is also probably correct to say that part of the American *tranche* of the Austrian loan was bought by London at a discount shortly after its issue and was subsequently sold back to the American market at a good profit. If one adds up these and other earnings, one realises that the path of "duty" was by no means unprofitable.

On the other hand, there is not the slightest ground for saying that these profits, in the circumstances, are extortionate. As one who took part in the preliminary pourparlers with the bankers regarding both the Austrian and the Hungarian loans—before the League was officially called in by either country—I can testify to the intense reluctance on the part of the leading houses both in New York and London to accept the risk of issuing either of these loans on any terms whatever. It should be remembered that both these loans went to a discount after issue, the Hungarian loan being quoted as low as 86½. It is easy to be wise after the event and when both loans are at par, but I am convinced that at the time of issue no better terms could have been obtained either by Austria or Hungary and no loan at all without the intervention of the League.

I like to think that our large share in what, at the time, was considered in certain quarters to be a highly speculative investment was due primarily to the faith of the City of London in the sanity of the Treasury and the leadership of the Bank of England, and, secondly, to the survival of the "merchant adventurer" spirit which, in its finest conception, is inherited by our bankers. We need not be ashamed of making legitimate profit, and I have ventured, not to correct, but to amplify the valuable statement in your issue of December 22nd, lest in other less adventurous countries we may be accused of deliberately overlooking facts and clothing ourselves in a white sheet of "duty."

Just one other point. Several well-known members of Parliament in 1923 were anxious that the British Government should give a part guarantee for the Austrian League loan only if the sum guaranteed were "earmarked" for expenditure in this country. I then pointed out that such a policy would defeat the reconstructive purpose of the loan and, in the long run, would be of little or no use to British trade. In drawing attention, through the courtesy of your columns, to the financial profits which have accrued to this country through participation in the Austrian and Hungarian League loans, I hope to have also provided at least one material argument against universal "earmarking." Quite apart from the financial aspect of the case, British commerce has, naturally, profited by the return of Austria and Hungary to financial and economic stability. Those markets would be non-existent to-day except for the League loans and their expenditure on sound economic principles.—I am, Sir, etc.,

WILLIAM GOODE.

49, Westbourne gardens, London, S.W.2, January 8th, 1929.

POTTERY AND SAFEGUARDING.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr. T. B. Johnston's letter on Safeguarding of Pottery and your reply to it raise issues wider than the point immediately under discussion.

Mr. Johnston quotes certain very dubious figures from the Board of Trade returns, and contends that these "prove conclusively the fallacy of the free trade theory that if you protect your home trade your export trade must suffer." You reply by an examination of his statistics and a contention, not that they are irrelevant, but that they do not prove his case.

Now, I have no quarrel with the *minutiæ* of your statistical argument. Academic economists who depend so much upon your columns for the raw material of their analysis must always be grateful when anything induces you to expound the inner significance of official statistics. But I do feel that it was the wrong weapon to employ in such controversy, and I do feel that it is symptomatic of a tendency, prevalent in modern apologies for the policy of Free Trade, which bids fair to weaken the force of the main case for that policy.

Mr. Johnston's contention was that the view that if you protect your home trade your export trade must suffer is fallacious. He attempted to prove this by examining the export statistics of a protected trade. Now, no doubt, as you point out, his interpretation of the statistics was misleading. No doubt it was right to correct this interpretation. But, surely, the correct reply to his main contention is to point out that the Free Trade theory with regard to the relation of imports and exports is not concerned with the relation between imports and exports of *particular classes of commodities*, but is concerned essentially with the relation between imports and exports *as a whole*, and that, therefore, his statistics, even if correct, were completely irrelevant. It may be true, in some cases, that the protection of the home market leads the producers concerned to neglect foreign markets, but it is no part of the main case for Free Trade to urge that this must be so. Indeed, it would be easy to imagine cases where *a priori* considerations pointed in the other direction. To argue closely about statistics as you do, and to omit the main objection to the relevance of such statistics is surely to abandon the contest on a field where victory is almost certain, and to resume it on a field where, if the argument does go in your favour, it does so as much by chance as by reason of the essential correctness of your position.

No doubt almost any argument is good enough to meet a contention so grotesque as your correspondent's, but I do submit that, even in cases such as this, much more is lost than is gained by the use of inferior weapons, and in controversy about Free Trade the appeal to statistics is necessarily inferior. So long as modern Free Traders spend time attempting to exhibit particular cases where protection does not benefit the protected, so long do they place themselves on the same plane of fallacious particularism as their opponents and jeopardise the whole cause they are defending. No doubt, in certain cases where the statistics are suitable, the temptation to reinforce the broad argument with regard to industry in general by appeal to the facts of particular industries must be very great. But from the theoretical point of view such appeals are always open to suspicion, and from the point of view of mere propaganda I doubt whether they are sound. Once the plain man gets it into his head that you attach importance to such arguments, then he will come to think that the main case for Free Trade stands or falls with their validity—or, worse still, that the case for Free Trade is only valid when the statistics of the trades concerned behave in a certain manner, and that, therefore, the "open-minded man, not fanatically committed to one doctrine or the other," will be content to accept the ruling of "expert committees"—surely a disastrous consummation to Free Trade propaganda! Is it not high time that we passed a self-denying ordinance in regard to the use of such arguments?—Yours faithfully,

LIONEL ROBBINS.

New College, Oxford, January 6th, 1929.

[We do not quarrel in the main with our correspondent's criticisms. Since, however, the campaign for a further dose of protection is being based so much on the alleged benefits of recent experiments, we have thought it necessary to examine the facts relating to them and to guide our readers towards a true judgment of the claims that are being put forward.—ED., *Econ.*]

WAGES AND THE STANDARD OF LIVING.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Last week Sir Herbert Samuel broadcast a lucid exposition of the factors which control the prosperity of this country. A politician, however, labours under a grave disadvantage on such occasions. He may, as did Sir Herbert, avoid controversial questions, but in the interests of his party he seeks to steer clear of offending the susceptibilities of any important section of his hearers. Hence Sir Herbert omitted to touch upon a strong reason for our inability to regain our foreign trade—so vital to the national welfare—that powerful portions of the community comprised by the sheltered trades, the transport companies, and the staffs of the civil service and municipal bodies, &c., have, notwithstanding that they enjoy far more security of tenure than others, greatly improved their position in recent years. No economist is averse from raising the standard of living provided that the masses can find the wherewithal to secure it. Such has not been the case. The better wages paid to those fortunate enough to hold the power to insist upon a larger share of the amenities of life has not been accompanied with like benefits for the public. On the contrary, the aggravated cost of transport touches the pocket of the poor; the rise in rates and taxation lies at the root of the housing difficulties, already burdened with the increased wages now ensured to the building trade. More serious still is the effect upon our foreign trade, in which such items as the cost of transport form often the decisive factor in our estimates for abroad.

Were this country self-supporting the fact that certain classes of the community were privileged might not endanger the public good. As it is, this fact is clogging the wheels and retarding that return to a favourable balance of foreign trade—which alone can bring employment to the million or more now out of work. The services rendered by the privileged classes are indeed valuable to the public, and those of the railwaymen especially have received but tardy recognition; but the fact remains that such wages to the extent that they are uneconomic are paid to the detriment of the public. It is surely wrong that an estimable young fellow, a wireless operator on a merchant vessel during the war, should only obtain 45s a week, whilst a corporation sweeper should enjoy 30 per cent. more.

The whole atmosphere would be invigorated if the cost of transport were reduced. At present, owing to its heavy charges, the country is split up into isolated bodies of people, who are unable to benefit by the abundance of which other bodies are unable to dispose, and even those happy enough to be at work fail to get full advantage from the income they possess.

In a word, a lower cost of living is of more importance to a manufacturing country like ours than high wages and a relatively higher cost of living.

We have to face the competition of a changed world. The great peoples of the Eastern Hemisphere are entering upon a manufacturing career, and we must cease to live in the fool's paradise that we can improve our standard of living without the means to pay for it. Necessity is a hard master. The miners, alas! whose hard lot we all deplore, are even now learning the lesson that economic law must always prevail in the end. Since the above was written Mr Ernest Bevin, addressing a meeting at Bristol recently, at which a resolution was carried approving the amalgamation of the Transport and General Workers' Union and the Workers' Union, said "that trade unions were now unifying their forces for a wage move which would raise the *standard of living* in the next year or two." This movement will not better foreign trade or reduce unemployment or lower the cost of living for the public.—Yours faithfully,

BENJAMAN WHITE.

The Holt, Rustwick, Tunbridge Wells, December, 1928.

Books and Publications.

THE PROBLEM OF MOTOR TRANSPORT.*

AFTER the mass of contradictory, biassed or uninformed opinion which has recently been published on this subject, it is with genuine relief that we welcome the first serious work on motor transport. The author states in his introduction that for every 20 works dealing with railway economics there is only one on road transport. He understates the position. This book stands alone, and may remain for many years the standard work on the subject.

Mr Brunner is equipped for his task, being an economist by training, and having enjoyed practical experience both on railways and in the road transport world. It is therefore not surprising that his matter is not historical, visionary, or partisan, but an economic analysis based on the most recent and authoritative statistics, which are invariably interpreted with sound judgment. It is a tribute to his method that within so small a compass, so comprehensive a survey should have been achieved. His chapters on the growth, functions, and prospects of the various classes of motor vehicles leave no important considerations out of account. And although he laments the inadequacy of the data available, it is unlikely that were more information to appear it would be necessary to modify many of his conclusions.

This portion of his work should at least dispel once for all the attitude still all too prevalent that motor transport is a "luxury," an attitude reflected in the expression "pleasure car," and responsible for the division of a portion of motor-tax revenue to the general exchequer, a proceeding justified as being a luxury tax rather than a tax on transport.

Of greatest interest to the general public will be the chapters on road and rail transport and road costs in relation to motor taxation. From the railway point of view these chapters contain some hard sayings. The potential developments of the motor industry and the principal limiting factors are sanely described, and should be of value to the motor manufacturer, while an admirable discussion of the main features of road transport costing deserves the close attention of all commercial motor users.

In summing up the prospects of motor transport in his final paragraph, Mr Brunner lays bare both its strength and its weakness. The impetus of its development is yet by no means exhausted. But the lack of co-ordination and unity of purpose between its various sections militates against its proper organisation, and prevents it attaining its full importance in the nation's life.

* "The Problem of Motor Transport." By C. T. Brunner, M.A. Ernest Benn, Limited. Pp. 188. Price 12s 6d.

AN ECONOMIC ROMANCE.*

ONE hardly knows which to admire most in this remarkable book—the contents or the spirit which prompted their publication. A large and very successful experiment in office re-organisation was carried out in the face of all the expected difficulties, and also many unexpected ones. A faithful and illuminating record is here presented in full detail.

To an old-fashioned business man it will seem almost indecent that any firm should so shamelessly bare all its secrets to the public gaze, and a shock will come with the reading of the first paragraph of the book proper, in which the output of the firm whose sales organisation was overhauled—Rowntree's, of York—is as frankly stated as though it were of no consequence who knew it. This primary unbaring is followed by a frank discussion of the inefficiency which resulted from attempting to carry on a 20th-century business with 18th and even 19th century office methods and equipment. Those who have 17th-century equipment, and there are still many, will do well not to see this book at all, for its whole conception will be to them sheer heresy, and it will perhaps be less distressing for them to suffer and die in the decencies of the faith in which they were born, and have contrived, somehow or other, to muddle through. What is of great value in the book is the fact that the theorists responsible for the re-organisation record their own mistakes quite frankly, so that all setbacks and the way in which they were countered form an integral part of the story, which is as clever a piece of economic romance as has ever been published. The surprising results may be briefly summarised. In the first half of 1923, before the Rowntree offices were re-organised, it cost 15.6 pence in salary costs to deal with each order received by the firm. In the second half of 1926, after re-organisation was completed, the cost was 7.7 pence per order.

The total cost of re-organisation, which included certain alterations to buildings and furniture, and embraced the large item of £5,700 for new office machinery, was £9,432. The saving in salaries alone on the first full

* "Organising a Sales Office." By L. Urwick. Gollancz. 7s 6d net.

year of operation after re-organisation was £9,523, which means that the capital expenditure was actually recovered in one year under the new system.

There were, of course, many other results of importance, and the story must be read to discover them. It is well worth while, since adverse balances are unpleasant things, and if the whole secret of their elimination is not to be found here, a good deal more than half of it is.

There was a certain displacement of staff, but all were fairly dealt with, and one of the most pleasing features of the whole operation was that the re-organisation was carried out with the concurrence and help of the trade union concerned—the National Union of Clerks.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

Economic History of Europe. Part II. In Modern Times. By M. M. Knight, H. E. Barnes and F. Flugel. (London) George Allen and Unwin, Limited, 40 Museum street. 15s net.

Necessarily an outline, this book nevertheless performs a useful function in attempting to present separately the economic aspects of modern European development. Great Britain, France, and Germany, are the countries most fully considered.

The New World. By Isaiah Bowman. (London) George G. Harrap and Co., Limited, 39-41 Parker street, Kingsway. **21s net.**

This fourth edition of an important book, first published in 1921, has been brought thoroughly up to date and completely revised. It discusses an extraordinarily wide range of problems, primarily economic, in their bearing on present-day international relations.

Migration Laws and Treaties. Vol. II. (London) P. S. King and Son, Limited, 14 Great Smith street. 7s 6d.

This volume deals fully with immigration legislation in general, and in particular with restrictions on immigration; immigration services; recruiting, protection, arrival, transport, and repatriation of immigrants; and the treatment of immigrants by the authorities of the immigration country. There is a list of the most important legislative texts.

The Trade of the Indian Ocean. By V. Anstey. (London) Longmans, Green and Co., Limited, 39 Paternoster row. 8s 6d.

An account of the present-day commerce and commercial problems of an area which, economically though not politically, may in some sense be regarded as a unit.

Commerce Year-Book, 1928. Vol. II. Foreign Countries. (Washington) Government Printing Office. $1.25.

This is an invaluable collection of statistics, compiled by the Bureau of Foreign and Domestic Commerce of the U.S. Department of Commerce. Part I. contains miscellaneous information, of a year-book character, about each of some sixty countries; Part II. consists of comparative world statistics of population, production, trade, transport, currency, foreign exchange, and prices. There are several maps.

The Human Factor. By Alfred Hook. (London) P. S. King and Son, Limited, 14 Great Smith street. 8s 6d net.

An analysis of the part which used to be played by the Church in influencing human actions and relations, and an appeal to the Churches to resume their rôle.

The Tribunal for the Interpretation of the Dawes Plan. By Sir John Fischer Williams.

This is a reprint from the American Journal of International Law, Vol. XXII., No. IV. It contains an authoritative account, by a member of the Reparation Commission, of the constitution and work of the tribunal.

The American Negro. By Melville J. Herskovits. (London) Alfred Knopf, 37 Bedford square. 6s net.

An examination of the extent and effects of crossing between negroes and other races.

Konjunktur-Verschlechterung Durch Lohnerhöhungen? Von Rudolf Wedemeyer. (Essen and Leipzig) Verlag Von Dr A. Kerksiech and Co. Rm. 7.30.

A valuable German contribution to the question of wage policy. The author examines the effect of rising wages and salaries in various combinations of circumstances, and draws conclusions both generally and as to the wage policy appropriate to Germany.

Central Banks. By Sir Ernest Harvey. With an introduction by Sir George Paish. Second impression. (London) London General Press, 8 Bouverie street. 2s.

Readers who failed to obtain copies of this important discussion, by the Comptroller of the Bank of England, of the functions of central banks will now find a second impression available.

An Introduction to the Music of R. Vaughan Williams. By A. E. F. Dickinson. (London) Oxford University Press, Warwick square. 1s 6d net.

An intensely interesting handbook.

Canned Food and Health. By Sir W. Arbuthnot Lane. (London) New Health Society, 39 Bedford square. 3d net.

A pamphlet intended to dissipate the popular prejudice against tinned foods. Sir William Arbuthnot Lane assures his readers that the vitamin content is in most cases little diminished, and sometimes even enhanced, by the process of canning.

The Economic History Review. January, 1929. (London) A. and C. Black, Limited 4, 5 and 6 Soho square. 10s 6d net.

Articles in this issue are: "Economic Theory and Economic History," by Professor Werner Sombart"; "The Place of the Netherlands in the Economic History of Mediæval Europe," by Professor Henri Pirenne; "Jethro Tull and the New Husbandry," by T. H. Marshall; "The Place of Bronterre O'Brien in the Working-class Movement," by Alfred Plummer; and "Agriculture in Japanese History," by K. Asakawa.

Journal of the Institute of Bankers. Vol. I. January, 1929. (London) Blades, East and Blades, Limited, 17 Abchurch lane. 1s 6d net.

Interesting features of this issue are a lecture on "The Financial Machinery of the City of London," an article on "The Companies Act, 1928, from a Banker's Point of View," and the conclusion of Mr R. W. Jones's "Registrations and Researches Under the New Property Statutes."

Ready Reckoner and Sugar Accounts Calculator. Compiled and published by J. D. Khandhadia and S. B. Tamboli. With a foreword by Dei Kang Tjwan. (Bombay) J. D. Khandhadia, Janmastami House, Khetwadi main road. Rs 5.

Makes possible the rapid calculation of the price, c.i.f. or f.b.h., in sterling or rupees, of any quantity of sugar within the widest possible range of prices.

East Indian Cotton. A Review of the Season 1927-28. (Bombay) Chunilal Mehta and Co., 50 Marwari Bazar.

Contains a number of useful statistical tables.

Handbook for Investors for 1929. (London) Fredc. C. Mathieson and Sons, 16 Copthall avenue. 5s net.

This is a record of the prices and dividends for the past ten years of certain selected securities.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—

Annual Statement of the Trade of the United Kingdom with Foreign Countries and British Counties, 1927. Vol. IV. (London) H. M. Stationery Office, Adastral House, Kingsway, W.C. 2. £1 5s net.

This last volume of detailed official statistics of our foreign trade in 1927 deals with trade at ports; trade in principal articles by countries; transhipments under bond; and stocks in, and free delivery from bonded warehouses.

Public Social Services: Return showing, so far as particulars are available, the total expenditure (other than out of loans for capital purposes) in England and Wales under certain Acts of Parliament during the years ended March 31, 1891, 1901, 1911, 1921, 1927, and 1928 respectively. No. 16. 3d net.

British Solomon Islands Protectorate: Report of Commissioner appointed by the Secretary of State for the Colonies to inquire into the circumstances in which murderous attacks took place in 1927 on Government Officials on Guadalcanal and Malaita. Cmd. 3248. 6d net.

International Labour Conference, Geneva, May 30 to June 16, 1928: Report by the British Government Delegates to the Minister of Labour. Cmd. 3226. 6d net.

The Stock Exchange.

OIL COMPANIES.

It is useful from time to time to remind the investor that the oil share market in London deals with companies differing as greatly in type as an ironmongery store and Vickers-Armstrong. There are, firstly, the purely producing concerns such as V.O.C. Holding, Lobitos, Apex (Trinidad) Anglo-Ecuadorian, and British Controlled Oilfields; secondly, there are the purely shipping and marketing concerns such as Anglo-American Oil and Canadian Eagle; thirdly, there are the localised producing, refining and marketing companies such as Shell Union, Trinidad Leaseholds, Mexican Eagle, Anglo-Egyptian Oilfields, Phœnix Oil; fourthly, there are the international (but not world-wide) producing, refining, shipping and marketing companies such as the Anglo-Persian, with Burmah Oil, now emerging from the third to the fourth group; and fifthly, there are the holding companies such as Shell Transport and Royal Dutch, whose subsidiaries are engaged in every branch of the oil industry throughout the world. Generally speaking, the risks common to this most speculative of industries are greatest in the first and second groups, are spread in the third group according to the size of the company and the sphere of its operations; are fairly well covered in the fourth, and are most nearly eliminated in the fifth group of holding companies.

In a period of falling prices the producing and marketing companies are, of course, severely hit. For example, the American mid-continent crude oil prices fell sharply in the first three months of 1927 from $1.90 per barrel to $1.28, taking the representative grade of 36° Beaumé, and remained depressed until July, 1928, when a slight recovery was made from $1.28 to $1.36 per barrel. This slump in prices explains the sharp fall in the profits of Lobitos Oilfields from £247,037 in 1926 to £69,524 in 1927, seeing that the contract basis of the selling prices of the Peruvian crude oil produced by Lobitos is the Mid-Continent crude oil price in the United States. Nor can an appreciable recovery be expected in 1928, since Mid-Continent crude oil prices were advanced only by 8 to 16 cents a barrel in July, 1928. Much the same consideration applies to Anglo-Ecuadorian Oilfields. Apex (Trinidad) stands in a less exposed position, seeing that the prices at which it sells its crude oil to the Trinidad Leaseholds vary according to the refinery profits, but the fall in refined oil products has, of course, affected its profits, which for the year to September 30, 1928, fell from £404,356 to £246,429. This contrasts with a rise in the profits of Trinidad Leaseholds for the year ending June, 1928, from £336,040 to £415,322, this company, in its position of a complete unit in the oil industry, being able to offset lower market prices by buying a portion of its supplies more cheaply from other companies. The position of V.O.C. Holding is rather more complicated. The selling prices of its crude oil have been the subject of arbitration, the terms of which will probably be announced at the general meeting in February. It is said that the arbitrator's decision is favourable to the V.O.C.; that the crude oil will be sold in future according to a sliding scale based on the world market prices of refined oils. But the V.O.C. cannot escape from the fact that both crude and refined oil prices were depressed in 1927. Incidentally, the arbitrator's award applies as from July 1, 1927, to the first 20,000,000 barrels a year, the surplus being sold to the Shell group on the basis of world market prices. The output of the V.O.C. in 1927 was about 20,000,000 barrels, as compared with about 12,000,000 barrels in 1926, and in 1928 it is estimated at 34,000,000 barrels. The V.O.C. has, therefore, the advantage of a steadily increasing output to offset the decline in oil prices.

It may be argued that the outlook for the producing companies is somewhat brighter to-day than it was at the beginning of 1927. To some extent that is true. Last year, as a result of the measures of restriction which were enforced in certain fields in Oklahoma, West Texas and California, the production of crude oil in the United States was kept within manageable limits. Moreover, the over-production of crude oil was centred in the heavy oil fields, and when a shortage of gasoline developed in the summer an increase was permitted in the prices of light mid-Continent crude oils. Unfortunately this led to a breakdown of restriction in Oklahoma. Then came the development of the deep sands in the Santa Fé Springs field in California, which, being in the hands of small operators, could not be restricted. The production of crude oil in the United States has therefore risen from a daily average of 2,491,000 barrels for the week ending November 17th to 2,581,000 barrels for the week ending December 29th. The shortage of gasoline has been met partly by the increased output of light oil and partly by an increase in the "cracking" of fuel oil. There is, therefore, no immediate prospect of a rise in crude oil or gasoline prices. As long as restriction is in force the crude oil situation cannot be regarded as other than artificial. A breakdown of restriction in West Texas would let loose a flood of oil greater than the present output of the whole of the United States. The active co-operation of the big oil groups is, however, some guarantee that the restriction will continue.

As an example of the purely shipping and marketing companies, we may consider the position of the Anglo-American Oil Company. The oil share market was apparently surprised at the decision of the Anglo-American to pass its interim dividend in respect of the year ending December 31, 1928. But it should have been obvious that the Anglo-American, which is the marketing subsidiary in Great Britain of the Standard Oil Company of New Jersey, was placed in an exceptionally unfavourable position in 1928. The price of petrol in Great Britain last year had not risen at all, whereas the export price of gasoline in America, whence the company draws its supplies, had risen from 6⅞ cents a gallon at the end of January to 10¼ cents by August before reacting to 8¼ cents by December 31. In these circumstances, how could the Anglo-American be expected to recover from the depression of 1927?

The fortunes of what we have called the "localised" producing, refining, shipping and marketing companies depend, of course, on the conditions prevailing in their theatre of operations. Burmah Oil, for example, was adversely affected by the kerosene price-cutting war which broke out in India between the Royal Dutch-Shell group and the Standard Oil group in the autumn of 1927, and was not settled until June, 1928. This, in addition to the decline in world oil prices, brought down the profits of the Burmah Oil in 1927 to £1,914,773, as compared with £2,250,818 in the previous year. The results for the year ending December, 1928, should show some improvement in view of the recovery in kerosene prices. In contrast with Burmah Oil, the Shell Union, in the United States, has had the full benefit of the rise in American refined oil prices in 1928. Its net profits for the nine months of 1928 showed an increase of more than 35 per cent. over those of the corresponding period of 1927, and for the whole year the corporation should earn over $2 per share, as against $1.09 per share in 1927. The results of the Anglo-Egyptian Oilfields for the year ended December, 1928, are not yet known, but this com-

pany should meet the fall in world prices by having a larger production of crude oil. Incidentally, the local conditions for the Anglo-Egyptian have been improved by the recent agreement of the Royal Dutch-Shell group and the Anglo-Persian to pool their marketing organisations in the East. This agreement applies in Egypt only to the trade surplus to the requirements of the Anglo-Egyptian. In other words, the menace of increasing competition from the Anglo-Persian has been removed from the Anglo-Egyptian theatre.

As regards international companies, the Anglo-Persian Oil Company is still to be regarded as a beginner. It is so far producing only in Persia, and marketing only on the Continent and in the East. In its last trading year ending March, 1928, it had to bear the full force of the slump in refined oil prices. The consequences were to some extent offset by economies and an increased turnover, but unlike the Royal Dutch-Shell group the Anglo-Persian cannot meet lower selling prices by buying its supplies more cheaply. Its net profits for the year ending March, 1928, were only £3,112,529, as against £4,635,443 in the previous year. On the other hand, the 1927 accounts of the Royal Dutch and Shell Transport showed that holding companies whose subsidiaries were engaged in every branch of the oil industry throughout the world were able to emerge unscathed from the depression in the oil industry. The net income of Royal Dutch and Shell represents the interest earned from investments and dividends paid by their subsidiary companies. The dividends drawn from these subsidiaries do not absorb the whole of the profits earned; in fact, to avoid multiple taxation the dividends drawn are usually no more than are required to pay dividends to the Royal Dutch and Shell shareholders. The next table shows the earning and dividend position of the international companies, including, for this purpose, Burmah Oil :—

	Year Ending.	% Earned.	% Paid.	Price.	Yield. %
Burmah Oil	Dec., 1927	26	20	4¾	4·21
Anglo-Persian	Mar., 1928	16·6	7·5	4⅞	1·54
Royal Dutch.....	Dec., 1927	24·4	24	33⅜	5·94
Shell	„ „	25·03	25*	5 5/32	5·02*

* Free of tax.

In the case of Shell Transport, the price of the ordinary shares still includes the bonus of one new share at par for every five, and the yield assumes that the same dividend will be maintained on the increased capital. It is well to bear in mind that the practice of the Royal Dutch-Shell group, when increases of capital are made, is to give their shareholders the opportunity of acquiring new shares at par. In an industry which is as greedy of capital as the oil industry this is a privilege worth having. It will be found that since 1926 the Royal Dutch-Shell group has actually raised £44,000,000 of new money. In 1928 the Shell sold 833,333 shares to the Burmah Oil Company at £5 1/16, and is now increasing its capital by 20 per cent. by offering shares to holders at par. The Royal Dutch also increased its capital by 20 per cent. by a similar offer to shareholders, and recently sold 1,800,000 fl of its ordinary shares to a Swiss bank group. Finally the Shell Union is increasing its capital by 3 million shares, issued to shareholders at $10. When it is appreciated that the consumption of oil increases by about 10 per cent. every year and that this extra consumption can only be handled by opening up new oilfields and building more pipe-lines, ships, tanks, and other marketing facilities, shareholders need feel no surprise at the capital demands of a progressive international oil group such as Royal Dutch-Shell.

Space forbids us to mention the number of small oil producers, and the many pitfalls that beset the indiscriminate investor. We have, however, said enough perhaps to indicate to the investor who may be approaching the idea of investment in oil without special knowledge of this market, that the securities of which the oil share market gives him a choice range in type from the highly speculative counter to the sound industrial investment; and it is from this great range that he must, with his eyes open, choose according to his requirements and proclivities.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

Ticket. January 22.	Account. January 24.

The tone of the London Stock Exchange was confident, though the volume of business fluctuated from day to day. Investment kept the even tenor of its way, while speculation largely took its cue from America, the main centres of attraction being Rhodesia and Lord Melchett. Gilt-edged stocks showed gratifying steadiness in the face of the issue of a large New Zealand loan, and some talk—not altogether irresponsible—of a possible early rise in the New York Federal Reserve rate. The Bank of England, for the first time for some weeks, announced a net addition to its gold stock. Five per Cent. War Loan remained firm, market estimates being far from unanimous as to the proportion of this stock now held abroad. The possibility was canvassed of Four per Cent. Consols rising so as to make conversion into them worth while on the part of holders of Five per Cent. Treasury bonds. The new India Loan was dealt in at ⅛ discount, the comparative success of the issue imparting a firm tone to others in the group. Only a moderate business was done in Colonial stocks, apart from a small amount of investment buying of South African Five per Cents.

Further support was given in the Foreign market to Brazilian bonds, and, among Europeans, some inquiry was received for Greek Loans. Peru Corporations gained ground on American buying, Chinese Loans were quiet, but Japanese were more active than of late.

Second thoughts on last year's railway returns proved more favourable than first impressions. North-Eastern Second Preference was particularly strong on Monday, though all the "group" stocks showed gains. As usual, the issue of fresh traffic figures checked the movement, all the companies, except the North-Eastern, showing small declines in receipts in the first days of January, as compared with a year ago. Foreign railways came in for enhanced attention, Argentine stocks showing a fresh rise, despite a setback early in the week. Leopoldina was bought with some freedom, and United of Havana shared in the general movement. Canadian Pacific, however, was heavy in the absence of sustained American interest.

The industrial markets opened with an appearance of activity recalling the busiest days of last year, and though the pace was not subsequently maintained, in the face of profit-taking and a partial reaction in New York, a moderately optimistic tone remained in evidence. Further buying of Mond Nickel was an outstanding feature, Imperial Chemicals sharing in the movement. The favourable reception of the Radio-Victor merger terms strengthened the hands of the bull interest in the Gramophone Company, the shares rising £2 in three days. Dunlops improved on the announcement of an Australian "deal" (discussed in another column), but receded on profit-taking. Cable stocks and Marconi improved on the appointment of Sir Basil Blackett, referred to elsewhere. General Electric received a check, but the electrical group was firm, Ever Readys being in demand on the bonus issue. Tobacco shares continue to be absorbed on investment account, and selective purchases of brewery shares were in evidence. Dennis Brothers were in demand in the motor group. Among textiles, Fine Cotton Spinners were harder on the company's new mill acquisitions. Despite the absence of dividend changes in the announcements of the "Big Five" banks (which are dealt with in an "Investment Note" on another page), a steady demand was received for the shares, and movements in the insurance group were similarly in an upward direction.

At the end of last week the rubber share market showed signs of shaking off its habitual lethargy, and a decided hardening of prices for the commodity this week was immediately reflected in share values. The market having largely been taken by surprise, little stock was available at first, but as the movement gained impetus margins narrowed down, and a by no means negligible business was put through. Tin—the commodity—again brought higher prices at the sales, and the upward trend of share

quotations was maintained. Dealings in oil shares were again mainly professional, the Continent being a seller on balance. A rise of 25 cents in Pennsylvania crude had no marked effect on sentiment.

New York, London and Paris combined to force the pace in the Rhodesian base metal market, where the favourites scored further substantial gains. The movement is discussed in a later article in this issue. Kaffirs were firm in sympathy, the Paris Bourse being a notable buyer of finance stocks.

Tin shares moved within narrow limits, without much gain on balance, despite the better tone in the commodity market. Rio Tinto dealings lacked the driving force of recent weeks, and quotations were irregular. A large turnover took place in Burma Corporation, following the listing of the shares in New York.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The share market, after attaining fresh high levels, felt the effect of realising, partly on account of unjustified fears about the advance of the official discount rate. However, the tone remained steady, though the volume of business diminished. It is felt that while the market has been growing more speculative and liable to scares about the rate, the near-term outlook is good, but that with industry active, money tightness may bring considerable readjustment before the spring. Meanwhile, this week's bank statements and the reduction in brokers' loans are bullish influences. Group movements have been less apparent, but rubbers are good and tobaccos show signs of interest.

Current prices :—

	Jan. 3, 1929.	Jan. 10, 1929.	Rise or Fall.
4½% Lib. Ln.'33-8	100⅛	100⅜	+ ⅛
3½% Tres. Bs.'4 -56	103⅛	103 1/16	— 1/32
Ach., Top. & an. Fe	198½	198	— ½
N. York Central	190¼	189	— 1¼
Union Pacific ..	220½	215	— 5½
Pennsylvania	78½	78	— ½
South. Railway..	152⅜	155½	+ 3
U.S. Steel	164½	163 15/16	— ⅝
General Motors..	208	201	— 7
Amer. Tel. & Tel.	196⅝	195½	— 1⅛
General Electric	235	238	+ 3
Victor Talking..	147⅛	151	+ 3⅞
Std. Oil of N.J..	54⅝	53¼	— 1⅜
Anaconda	122½	120⅝	— 2⅜

PARIS.

Political uncertainties, occasioned by the opening of the new session of the Chamber, caused the volume of business to shrink, and helped to make French stocks irregular. The majority of Bank and Industrial shares weakened fractionally. On the other hand, international stocks were very firm, and among others Crédit Foncier Egyptien and Norvégienne de l'Azote registered appreciable gains. All arbitrages with London were keenly sought after. Copper shares maintained their recent rises, and other mining shares advanced, notably Tin and Lead. The outstanding feature of the last few days was the reawakening of the Rubber section, where all shares enjoyed a considerable rise.

Current prices :—

	Jan. 3, 1929.	Jan. 10, 1929.	Rise or Fall.
3% Perp. Rentes	68·15	67·65	— 0·50
5% Rentes, '15-16	95·80	96·40	+ 0·60
5% Rentes, 1920	111·00	111·00	..
Banq. de France	23 800	24,190	+ 390
Banq. de Paris..	5,155	5,200	+ 45
Crédit Lyonnais	4,080	4,100	+ 20
Nord	2,350	2,270	— 80
Com. Gen d'Elec.	4,100	4,190	+ 90
Littoral Médit..	1,290	1,280	— 10
Mines de Lens..	1,018	1,010	— 8
Courrières.....	1,422	1,471	+ 49
Pechiney	4,110	4,175	+ 65
Kuhlmann.....	1,426	1,419	— 7
Com. Gen. Trans.	1,249	1,281	+ 32
Suez Canal	24,545	24,310	— 235
Assur. Gen. Vie..	20,500	19,000	— 1,500
Denain et Anzin	3,200	..	..
Dollfus Mieg....	11,500	11,500	..

BERLIN.

The stocks index number of the *Frankfurter Zeitung* for January 4th was 136.18, compared with 137.74 a month before.

Though the Bourse had ended the previous week relatively firm, with considerable activity in fixed-interest

LONDON ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Closing Price Jan. 3, 1929.	Closing Price Jan. 10, 1929.	Rise or Fall.
Conv. Loan 3½%	79⅜	79½	+ ⅛
Do 4½% 1944	99½	99½	.. ..
War Loan 5% 1929-47	103	103	.. ..
4% 1929-42 (tax free)	100⅝	101⅛	.. + ⅛
Consols 2½%	56¼	56¼	.. ..
Do 4%	87⅛	87⅛	.. +
Funding 4%	90¼	90⅝	.. + 3/32
Victory Bonds 4% ..	95	95	.. ..
Local Loans 3%	65⅛	65⅜	.. + ⅛
Treasury 5% (B)	101⅛	101⅛	.. ..
Palestine 5% 1942-67	104	104	.. ..
S. Africa 5% 1945-75	103	104	.. + 1
Tanganyika 4½% '48-68	98⅛	98⅛	.. ..
India 3½%	70¼	71	.. + ¼
Australia 5% 1945-75	98	98	.. ..
N.S. Wales 5½% 1922-52	101	101	.. ..
N. Zealand 5% 1946 ..	103	103	.. ..
Victoria 5½% 1930-40..	101	101	.. ..

Foreign Government Securities.

	Closing Price Jan. 3, 1929.	Closing Price Jan. 10, 1929.	Rise or Fall.
Japanese 6% (1924) ..	98½	96x	.. ..
Tokyo City 5½% ..	90x	90	.. ..
Argentine 4% Recias.	86½x	85½	.. — 1
Austrian 6% 1923-43..	102	102	.. ..
Belgian 7%	109	109	.. ..
Brazil 5% Funding ..	87x	89	.. + 2
Bulgaria 7%	87x	87	.. ..
China 5% (1912).....	53½	53	.. — ½
Cologne (City of) 6%	95⅛	94⅜	.. — ⅜
Egypt Unified 4%....	85	85	.. ..
Estonia 7% 1927	95x	95	.. ..
Finland 6% 1925	97⅛	97⅛	.. ..
French 5%	19⅛	19⅛	.. + ⅛
Do 4% (Brit.)	16⅝x	16⅝	.. + ⅛
German 7%	106	106	.. ..
Greek 7% Refugee ..	101½	101	.. — ½
Hungary 7½%	103	104	.. + 1
Chili 6%	98	99	.. + 1
P.L.M. 6%	102x	102	.. ..
Poland 7%	89	90	.. + 1
Mexican 5% (1899) ..	35¼	37⅛	.. + 2
S. Paulo Coffee 7½%	107⅜x	103	.. — 4⅜
Do Bank 6%	33½	33½	.. ..
Siamese 6% (1924) ..	103	103	.. ..

British and Foreign Railways.

	Closing Price Jan. 3, 1929.	Closing Price Jan. 10, 1929.	Rise or Fall.
G. Western Ord. Stk.	83¼	84½	.. + 1
L.N.E., Def. Stk.	11¾	12⅛	.. + ⅜
Do 5% Pref. Stk. ..	25	27½	.. + 2½
L.M.S. Ord. Stk.	55	56	.. + 1
Metropol'an Cons. Stk.	67	67½	.. + ½
Met. District Ord. Stk.	80½	80½	.. ..
Southern, Def. Stk...	33	33	.. ..
Do Pref. Ord. Stk.	76½	77	.. + ½
Underground Ord. £1	1¾	1¾	.. ..
Do Income Bonds..	128	129	.. + 1
Antofagasta Ord Stk.	89½	92	.. + 2½
B.A. & Pacific Ord. Stk	97⅜	98½	.. + 1
B.A.Gt.Sthn Ord. Stk.	107⅛	108⅛	.. + 1
B.A. Westrn. Ord. Stk.	96½	97	.. + ½
Can. Pacific Com. Stk.	252	248	.. — 4
C. Argentine Ord. Stk.	98	98¼	.. + ¼
Entre Rios Ord. Stk.	97	98	.. + 1
Leopoldina Ord. Stk.	56	60	.. + 4
San Paulo Ord. Stock	200	203	.. + 3
Utd. Havana Ord. Stk.	42⅛	49	.. + 6⅞

Banks.

Barclay B. (£1)	3	3	.. ..
Barclays (Dom. Col. &c.) A £1	13⅝	14⅝	.. ..
Lloyds £5, with £1 pd.	34⅜	34½	.. ..
Mid. £12, with £2½ pd.	9⅜	9⅝	.. + ⅛
Do £2½, fully paid..	9⅞	10 1/16	.. + 1/16
Midland £1, fully paid	3⅜	4⅛	.. + ⅜
Nat. Prov. £20, £4 pd.	14⅝	14⅜x	.. ..
Hongk. and S. (@125)	145⅛	148½	.. + 3
Standard of S. Africa £20, with £5 paid	15⅜	15⅜x	.. ..
W'minster £20, £5 pd.	20⅜	20⅜x	.. ..

Insurance.

Alliance £1, fully paid	19⅞	19⅞	.. ..
Com. Un. £2½, fully pd.	28⅜	28	.. — ⅜
London & Lancs. £5, with £1 paid	31	33	.. + 2
N. British and Mer. £5, with £1¼ paid....	38	39	.. + 1
Royal Ex. £1, fully pd.	6⅞	7⅛	.. + ⅛
Roy. In. £1, with 10/pd.	9	9⅛	.. + ⅛

Coal, Iron and Steel.

Babcock, Wilcox (£1)	3½	3½	.. ..
Baldwin (1/)	3/32	½	.. — 3/32
Bengal Iron (£1)	1⅜	1 3/16	.. — 3/16
Bolckow Vaugh n(£1)	⅜	⅜	.. — 1/32
Cory, William (£1) ..	3⅛	3⅛	.. ..
Dorman, Long (£1) ..	1⅛	1⅛	.. ..
Ebbw Vale (£1)	⅞	⅞	.. — 1/32
Guest, Keen (£1)	1⅜	1 15/32	.. + 1/32
Powell, Duffryn (£1)	1 1/16	1 1/16	.. ..
Swan, Hunter (£1) ..	1⅜	1 7/16	.. + 1/16
Thomas, Richd. (£1)	⅞	⅞	.. ..
Vickers (6/8)	⅝	⅝	.. ..

Textiles.

Bradford Dyers (£1)	2⅛	2⅛	.. ..
Brit. Celanese, Ord (10/)	1⅜	1 5/32	.. — 1/16
Do 7% Pref. (£1) ..	⅝	⅝	.. ..
Coats, J. and P. (£1)	3 1/16	3 1/16	.. ..
Courtaulds (£1).....	4⅞	4⅞	.. + ⅛
Fine Cott. Spinn. (£1)	2⅞	2⅞	.. ..
Listers (£1).....	1⅜	1⅜	.. — 1/32
Snia Viscosa (200 lire)	1 1/16	1⅛	.. — 1/16

Electrical Manufacturing.

British Insulated (£1)	4 1/16	4⅛	.. + 1/16
English Electric (£1)	⅜	⅜	.. ..
General Electric (£1)	2 3/32	3	.. + 3/32
Johnson & Phillips (£1)	1⅛	1 1/16	.. ..
Metro-Vickers (£1) ..	1⅛	1 1/16	.. + 1/16
Siemens (£1)	1 1/16	1⅛	.. + 1/16

Electric Light and Power.

Atlas L'ht & P'er (£1)	1	1 1/16	.. + 1/16
Brnemth. & Poole (£1)	3⅜	3⅜	.. ..
City of London (£1) ..	1⅛	1⅛	.. + 1/16
County of London (£1)	2⅜	2⅜	.. + 1/16
Hydro-Elec. com. stk. no par	36⅜	38½	.. + 1⅛
Midland Counties (£1)	1⅛	1⅛	.. ..
N'we'stle-on-Tyne (£1	1 1/16	1 1/16	.. + 1/16

Telegraphs and Cables.

Eastern Stk.	267½	269½x	.. ..
Eastern Exten. (£10)	26¾	27x	.. ..
Western (£10)	26⅜	27	.. + ½
Marconi (10/).....	3⅛	3⅞	.. — 1/32
Marconi Marine (£1)	3⅜	3⅜	.. + 1/16
U. River Plate (£5) ..	12	12⅛	.. + ⅛

Motors.

Austin, 20's	8	8	.. ..
Dennis (1s)	3	3 5/16	.. + 1/16
Leyland (£1)	1 1/16	1 1/32	.. + 3/32
Morris 7½% Cm. Pf. (£1)	3⅛	3⅛	.. 1 .. + ⅛
Napier (£1)	2⅜	2⅞	.. + ⅛
Singer (£1)	1 1/16	1 1/16	.. ..

Shipping.

Cunard (£1)	1 1/16	1 1/16	.. ..
Furness Withy (£1) ..	1 3/32	2	.. + 3/32
P. & O. Defd. (£1) ..	3x	3 1/16	.. + 1/16
Royal Mail Ord. Stock	69⅛	69⅜	.. ..

Tea and Rubber.

Anglo-Dutch (£1)	1 3/16	1 11/16	.. + ⅜
Cons. Tea & Lnds (£10)	35½	38½	.. + 2½
London Asiatic (2/)..	⅛	⅛	.. ..
Rubber Trust (£1) ..	1 3/32	1 3/32	.. ..

Oil.

Anglo-Persian (£1)..	4⅜	4⅞	.. + ½
Apex (Trinidad) (5/)..	1 3/32	1 1/16	.. + 1/16
Burmah Oil (£1)	4 1/16	4 1/16	.. + ⅛
Lobitos (£1)	2½	2 9/16	.. + 1/16
Mexican Eagle (£1/0 6)	8⅜	8⅝	.. + ⅛
Royal Dutch (£5) ..	34	33 9/16	.. — ⅜
Shell (£1).....	5⅛	5 1/16x	.. ..
Trinidad Lsehlds. (£1)	4 1/16	4 1/16	.. + ⅛

Miscellaneous.

Assoc. P. Cement (£1)	1 11/32	1 7/16	.. + 3/32
Barker (John) (£1) ..	3 1/32	3 1/32	.. ..
Braz. Traction, no par	78⅛	84½	.. + 6
Brit.-Am. Tobacco (£1)	6 1/16	6 1/16	.. + ⅛
Carreras, "A" Ord. (£1)	18x	14 15/16 xb	.. ..
Columbia Graph. (10/)	16½	17⅛	.. + 1/32
Dunlop (6/8).....	1⅜	1 7/16	.. + 3/32
Duophone (10/).....	⅜	⅜	.. — 1/32
Forestal Land (£1) ..	1 1/16x	1 1/32	.. + 3/32
Gas Light & Coke (£1)	⅝	⅝	.. + 1/32
Gramophone Co. (£1)	13½	14⅛	.. + 1/32
Harrods (£1)	3 1/16	3 1/16	.. ..
Hudson's Bay (£1) ..	6⅛x	6⅛	.. + ⅛
Imp. Chemical, Od. (£1)	1 1/16	2⅛	.. + 1/16
Imp. Tobacco \ Ord. (£1)	4	4	.. ..
Sec. Trust \ Def. (5/)..	1⅛	1⅛	.. ..
Victor Talking, no par	157	156⅞	.. — ⅛
Vocalion (10/).....	3⅜	3 1/16	.. + 1/16
Wallpaper, Def. (£1)	2⅛	2⅛	.. ..
Watney Combe Def. (£1)	3⅛	3 1/16	.. + 1/16

Mines.

Anglo-Amer. of S.A (£1)	1⅜	2⅛	.. + 1/32
De Beers Def. (£24)..	11¼	11⅜	.. ..
Brakpan (£1)	4⅛	4⅛	.. + ⅛
"Chartered" 15/ f.p.	1⅜	1⅜	.. + ⅛
Burma Corp. (Rs. 10)..	3⅞	1 1/16	.. + 1/16
Central Provinces (£1)	4 1/16	4⅛	.. — 1/16
Geduld (£1).	3⅜	3⅛	.. + ⅛
Johan. Cons. (£1)	2 1/16	2 3/32	.. + 1/32
Lake View & Star (4/)	⅛	⅛	.. + 1/32
London Tin (£1)	3 1/32x	3⅛	.. — 1/32
Rio Tinto (£5)	64	63	.. — 1
Russo-Asiatic (2/6) ..	⅜	⅜	.. ..
Siamese Tin (5/)	⅛	⅛	.. ..
Sub-Nigel (10/)	2⅛	2⅛	.. ..
Tanganyika (£1)	3 1/16	3⅛	.. + 1/16
Union Crp. (12/6) fu.pd	4⅛	4 1/16	.. + 1/16

securities, business on Monday was dull. Buying of coal and iron stocks by a Berlin "D" bank was reported, but the market was affected by contradictory reports of impending loans by Prussia and other public authorities, the effect of which on the money market was feared. Buying by leading banks was reported also on Tuesday, when electrical, coal, and oil stocks were favoured, though the close was weakish. Wednesday was a more active day, partly in hopes of a reduction in the Reichsbank discount rate, but after a firm opening on Thursday a general decline followed, in which the two chief artificial silk stocks were the principal sufferers.

Current prices:—

	Jan. 3, 1929.	Jan. 10, 1929.	Rise or Fall.
Reichsbank	333·50	329·75	— 3·75
Deutsche Bank	172·75	173·00	+ 0·25
Disconto Bank	167·50	166·87	— 0·63
Hamburg-Amer.	139·00	136·75	— 2·25
Norddeut.-Lloyd	135·13	131·87	— 3·26
I.G. Farbeninds.	267·00	263·75	— 3·25
Verein. Glanztff.	536·00	527·00	—11·00
Bemberg	449·00	462·00	+ 13·00
Verein. Stahlke.	92·50	96·75	+ 4·25
Mannes Rohrke	131·50	129·62	— 1·88
Allgemne. Elekt.	191·25	184·62	— 6·63
Siemns. & Halske	424·00	419·37	— 4·63
Daimler Benz	75·00	67·75	— 7·75
Cont. Caoutchuc.	140·50	141·00	+ 0·50
Salzdetfurt. Kali	529,75	530·00	+ 0·25

AMSTERDAM.

A week ago the stock market was thoroughly cheerful, with large buying orders in nearly all sections, but at the beginning of the current week the atmosphere was quite different. Margarine Unie, after having risen to 375 on support from London, dropped on Tuesday to 342. Philips, which had reached a new high record, reacted also. Artificial silk shares were lower, but oils were fairly well maintained, and shipping remained steady. Sugars recovered after a period of irregularity, rubbers were in good demand, and tobaccos hardened. Activity continued on Thursday, with Philips recovering somewhat, rubbers strong, and Margarine Unie firm.

The money market was easy; the private discount rate was $4\frac{5}{16}$-$4\frac{3}{8}$ per cent. and prolongation $4\frac{3}{4}$ per cent.

Current prices:—

	Jan. 3, 1929.	Jan. 10, 1929.	Rise or Fall.
5% Bds. Neth.,'18	102	102½	+ ½
4½% Ams. 1913-14	100	100	—
Margarine Unie	342	359½	+ 17½
Neth. Art. Silk	444½	431	— 13½
PhilipsEleoLmp	825	766	— 59
Singkep Tin	345	344	— 1
Royal Dutch	414	402½x	—
Amst. Rubber	239	260½	+ 21½
Serbadjadi SmR.	187½	204	+ 16½
Holl. Amer. Line	80	82½	+ 2½
Navig. Co., Ned.	211	214½	+ 3½
Vorstenlanden	151½	151	— ½
TradingCo., Ams.	653½x	648½	— 5
Besoeki	535	542	+ 7
Deli	446½	457½	+ 10½
Neth. Trad. Soc.	171½	171	— ½

x ex dividend.

VIENNA.

There was no undue tension on the money market at the change of the year, but this fact had not the slightest effect on the Stock Exchange. The market remained as quiet as ever, and the slight changes in quotations which were occasionally noted were the outcome of very minor transactions. During the first days of the month money has become cheaper again, and the private discount rate now ranges between $6\frac{3}{16}$ and $6\frac{1}{4}$ per cent. The repayment of a 50 million schilling debt by the State to the National Bank had an important effect on the Bank's end-of-the-year position.

INDUSTRIAL COMBINATION IN ENGLAND.
By PATRICK FITZGERALD, D.Sc.Econ.
"A valuable commentary on the power of trusts as shown by their activities in the past."—THE TIMES.
"The main impression left upon the reader is of the thoroughness with which Mr. Fitzgerald has dealt with matters often purposely made difficult and obscure."—FINANCIAL NEWS.
"Has done a great service to students of our industrial economy."—Sydney Brooks in the SATURDAY REVIEW.
Second Edition, **10/6** net. From booksellers.
Full details, post free, from
SIR ISAAC PITMAN & SONS, LTD., Parker Street, Kingsway, W.C.2.

Current prices:—

	Dec. 20, 1928.	Jan. 10, 1929.	Rise or Fall.
Abrech. Oblg. (£)	72·75		
Bankverein	25·50	25·35	— 0·15
Bodencredit	109·60	109·60	+ 0·10
Creditanstalt	59·00	60·00	+ 1·00
Escomptegesell.	23·40	24·00	+ 0·60
Danubian S'ship	89·00	86·75	— 2·25
Allgemeine Bang	36·00	36·00	
Ver. Elektrische	56·25	56·90	— 0·35
Alpine	42·00	41·40	— 0·60
Felten & Guill.	64·25	66·00	+ 1·75
Austn. Arms Co.	31·29	31·19	— 0·10
Perlmoser	346·00	353·00	+ 7·00

INVESTMENT NOTES.

Bank Profits and Dividends.—The earnings of the great English banks are among the most stable phenomena in the experience of the Stock Exchange and the investor. The figures for 1928 are no exception to the rule. Of the "Big Five" institutions, Lloyds' net profits show a rise of 2.2 per cent., the Midland's of 4.1 per cent., and the National Provincial's and the Westminster's of 0.8 per cent. each, while Barclays' profits show the small decline of 0.2 per cent., a rise in expenses having offset an increase of £190,000 in gross earnings. Dividends were maintained at last year's level in all cases, as is shown in the following table of results for the last three years, to which have been added the corresponding figures for three further joint stock institutions, whose headquarters are in the provinces:—

	1926. Profits.	1926. Div.	1927. Profits.	1927. Div.	1928. Profits.	1928. Div.
	£	%	£	%	£	%
Barclays	2,427,162	A 10 B C 14	2,306,329	A 10 B C 14	2,301,985	A 10 B C 14
Lloyds	2,523,582	A 16⅔ B 5	2,475,674	A 16⅔ B 5	2,528,143	A 16⅔ B 5
Midland	2,535,730	18	2,554,650	18	2,656,554	18
National Provincial	2,115,654	18	2,093,452	18	2,108,664	18
Westminster	2,157,233	20	2,132,815	20	2,148,408	20*
Martin's	542,731	12½	555,229	12½	825,434	12½*
Manch. and County	186,116	16	188,860	16	188,681	16
District	450,139	16⅔	452,581	16⅔	455,132	16⅔

* On £20 shares and £1 shares respectively.

The increased profit shown by Martin's Bank reflects the absorption of the Lancashire and Yorkshire Bank as from the beginning of last year. General working conditions were probably rather more favourable to the banks as a whole than in 1927. Short-loan rates in the London money market were slightly lower, averaging £3 12s 6d per cent., as compared with £3 15s in 1927, but the margin between this rate and that paid by the banks on their deposits subject to interest was £1 2s 6d, against £1 2s. The depression of the "heavy" trades was doubtless an adverse factor, but the monthly Clearing Bank figures showed a considerable rise during the year in such profitable items as deposits, advances, and discounts. The large amount of business accruing, directly and indirectly, from the activity of the Stock Exchange should also have brought in additional revenue, while no allocations are likely to have been necessary for depreciation of security values. The following table shows the distribution of profits in the last two years:—

		Profits.	Dividend.	Reserve	Premises.	Staff Funds.	Inc. or Dec. in Carry Forward.
		£	£	£	£	£	£
Barclays	1927	2,306,329	1,666,349	500,000	100,000		+ 39,980
	1928	2,301,285	1,666,349	500,000	100,000	50,000	+ 15,064
Lloyds	1927	2,475,674	1,973,886	..	250,000	300,000	— 48,212
	1928	2,528,143	1,973,886	..	250,000	300,000	+ 4,257
Midland	1927	2,554,650	1,823,874	..	500,000	220,000	+ 10,776
	1928	2,656,554	1,923,788	..	500,000	220,000	+ 12,766
National Provincial	1927	2,093,452	1,706,295	200,000	100,000	100,000	— 12,843
	1928	2,108,664	1,706,295	200,000	100,000	100,000	+ 2,369
Westminster	1927	2,132 815	1,356,275	200,000	350,000	200,000	+ 26 540
	1928	2,148,408	1,366,275	200,000	375,000	200,000	+ 17,133
Martin's	1927	555,229	383,822	100,000	75,000	..	— 3,593
	1928	825,434	665,606	..	150,000	..	+ 9,828
Manchester and County	1927	188,860	177,456	15,000	..	..	— 3,596
	1928	188,681	177,456	12,040	..	*6,000	— 6,815
District	1927	452,521	347,600	104,000	..	40,000	— 39,079
	1928	455,132	347,600	..	..	40,000	+ 67,532

* Voted to general manager.

The process of annual enhancement of reserves, "visible" and "internal," has clearly been continued. It will be seen that Barclays distributed only 72½ per cent. of the year's earnings, Lloyds 78 per cent., the Midland 72½ per cent., the National Provincial 81 per cent., and the Westminster 63 per cent. The District Bank is celebrating its centenary by issuing a bonus of one fully-paid £1 share, carrying a maximum dividend of 10 per cent., for every two existing shares. The further rise in bank share values last year has reduced their yield to a level approximating to that on British Government stock, even in the case of some of the shares which are not fully paid. The stability of earnings and dividends and the rock-like financial strength of the leading institutions are factors in the undoubted appeal made by the shares to the most conservative of British investors.

Discount Company Dividends.—By all appearances the slightly higher level of profits of the English banks in 1928 was paralleled in the experience of the discount companies. The National Discount Company is paying a further dividend and bonus, making altogether 23 per cent., on its "B" shares (in addition to the usual 10 per cent. on the "A"), while Alexanders' total payment for the year, on a capital increased in November, 1927, is at the rate of 15 per cent., plus a bonus of 5 per cent., free of tax, and the Union Discount's 15 per cent., with a 5 per cent. tax-free bonus, also on a larger capital. In all cases the distribution is at the same rate as a year ago. The National Discount Company is increasing its carry forward by £10,243, and allocating £10,000 to pension fund and £15,000 to reserve. A year ago the appropriation was £50,000, but the latter sum included certain items falling outside the year's earnings. Alexanders' carry forward is raised by £11,773. The Union Discount is placing £20,000 to premises account and £10,000 to provident fund and increasing its carry forward by £18,000, but nothing on this occasion is placed to reserve, against £50,000 last year. Conditions during 1928 were on the whole favourable to discount company operations. The margin between Bank rate and the three months' bill rate in the market was only 7s per cent., as against 8s 2d per cent. in 1927—last year's margin, indeed, being the narrowest for some years past. The second half of the year, when, on the resumption of "control" by the Bank of England, market rate averaged £4 5s per cent. against £4 1s in the first half, was also noteworthy for an augmentation in the volume of bills handled, especially on Continental account. The bill turnover of the Union Discount, for instance, rose over the whole year by 30 per cent., though account should be taken of the effect of the company's increased resources as a result of its issue of £125,000 new shares, at a premium of £225,000. The "A" shares of the National Discount Company of £2 10s fully paid stand at £4 13/16 and yield £5 3s 9d per cent., while the £7 10s "B" shares (£2 10s paid) at £10⅜ yield £5 10s 9d per cent. Alexanders' £2 ordinary, £1 paid, can be bought at £3 11/16 to yield £5 8s 6d per cent., and the Union Discount's £5 shares, £2 10s paid, at £9⅞, to yield £5 1s per cent. The market has learned with much regret of the death of Mr Robert Ernest Alexander, one of its oldest members, who became a partner in Alexanders some 47 years ago, and only recently relinquished his active part in its operations.

Railway Dividend Prospects.—In an "Investment Note" under the above heading last week we examined the year's traffic figures of the "Group" and the "London" railway companies, and discussed the dimensions of the probable distributions to be made in a few weeks' time. It is understood that the North-Eastern dividend will be declared on January 22nd next, those of the other three groups on February 13th, of the Metropolitan on January 31st, and of the Underground Electric on February 7th. Dealing with the Great Western Railway in our last week's "Note," we suggested that a final dividend of 2½ per cent. might be paid, presuming that no considerable falling off had occurred in the company's South Wales dock receipts. We have since received from the headquarters of the line a copy of *The Great Western Railway Magazine*, showing that the dock receipts in the first 48 weeks of 1928 were £2,701,000, as compared with £3,015,000 in the same period of 1927—a decline of £314,000. No information has been made public of the extent of possible economies in working expenditure on the Great Western, either as regards passenger, goods, or dock receipts. If these, however, are approximately on the lines of those announced some months ago by the other companies, it would seem that the Great Western would conceivably be in a position to distribute a total of 5 per cent. for the year, without an unduly heavy draft on sources other than the year's earnings.

Cable-Wireless Communications Company.—Certain prevalent rumours have been set at rest by the announcement on Thursday that the chairmanship of the Communications Company set up under the Cable-Wireless Merger has been offered to Sir Basil Blackett. The announcement is one that will be welcomed both by the public, to whom the management of this great combine is a matter of close interest, and also to the investor, to whom Sir Basil's deep experience in finance and highly successful record as a financial administrator, first at the *British Treasury* and then as Finance Member of the Viceroy's Council in India, affords a certainty that the direction of the company will be in capable and experienced hands. This is the first, but we hope not the only avenue of public service to which the talents and experience of Sir Basil will be directed.

Dunlop Rubber Company's Acquisitions.—The Dunlop Rubber Company continues to pursue its policy of consolidation and expansion overseas. It will be recalled that in July last it made an offer to purchase all the ordinary shares of the Tyre Investment Trust, Limited, at 7s 3d per share, an offer accepted in respect of approximately 95 per cent. of the ordinary share capital of that company. In November last an agreement was entered into with the latter's investments in the Dunlop Rubber Company (Far East), Limited, Dunlop Rubber (China), Limited, Dunlop Rubber (Straits Settlements) and the Dunlop Tyre and Rubber Goods Company of Canada. The price payable was £195,000 in cash and the allotment to the Tyre Investment Trust, Limited, of 850,000 ordinary shares in the Dunlop Company, as well as the right to receive in June, 1929, either a further 350,000 shares or their value in cash at the market price ruling on May 31, 1929, with a minimum price of 26s per share, together with a sum equivalent to half of any dividends to which the shares would have been entitled in respect of 1928. One of the terms of the agreement was that for a period of five years the shares to be acquired should not be sold without the consent of the Dunlop Company. This acquisition showed the intention of the Dunlop Rubber Company to take back the overseas companies which had left the Dunlop fold—a policy which is evidently expected to benefit both the parent concern and the companies it is absorbing. It was announced this week that the Dunlop Rubber Company of Australasia, which was merged with the Perdriau Rubber Company last April, is amalgamating with the Barnet Glass and Rubber Company of Sydney. The aggregate paid-up capital of these companies is £4,414,000, consisting of Dunlop of Australasia £2,471,000, Perdriau Rubber £1,206,000 and Barnet Glass £737,000. The Dunlop Rubber Company holds 500,000 ordinary shares in the Dunlop Company of Australasia with an option on a further 500,000 at a premium of 10s. Practically the whole of the remaining capital of the Australasian Company is held in Australia. The report of the Dunlop Rubber Company for the year ending December, 1928, should be issued early in April, when no doubt Sir Eric Geddes will give further details of the overseas expansion of the company. To what extent the profits of the Dunlop Company have been affected by the cuts in tyre prices is not known, but the recent trend of quotations for the company's shares suggests that the majority of market observers expect that the company will be able to maintain its dividend of 25 per cent.

Liebig's Extract of Meat.—The popularity of meat extracts does not appear to be waning, for Liebig's profits increased last year by 6 per cent. and reached a fresh "record." The preference dividend was covered nearly seven times, and for the fifth year in succession 16 per cent., tax free, is being paid on the ordinary shares:—

		Years Ended August 31.		
		1926.	1927.	1928.
		£	£	£
Profit		319,918	325,086	344,863
Preference dividend		50,000	50,000	50,000
Ordinary, after tax	Earned	17·9%	18·3%	19·6%
	Paid	16%	16%	16%
	Amount	240,000	240,000	240,000
To reserve		50,000	25,000	50,000
Increase or decrease in carry-forward		— 20,082	+ 10,086	+ 4,863

It will be seen from the summary of the balance-sheet, which we publish on a later page, that the first item on the assets side ("land, manufactories, buildings, machinery, plant, &c., including investments in subsidiary land companies") has been increased from £965,633 to £1,302,773. The excess of floating assets over liabilities, which amounted to £2,387,181 in 1927, has shrunk to £1,999,949, but the position remains liquid. Last October the 100,000 unissued ordinary £5 shares were issued to shareholders at £7 10s, and in the following month the £525,000 5½ per cent. redeemable notes outstanding were thereby paid off. As these transactions were carried out after the date of the balance-sheet, their effect is not shown. The premiums received, together with the £50,000 to be allocated from profits, will bring the reserve fund up to £1,650,000. The financial strength of the company appears solidly established. The £5 ordinary shares are quoted at 17, yielding £4 14s, free of tax.

Victor Talking-Radio Corporation Merger.—After protracted negotiations the directors of Radio Corporation and of the Victor Talking Machine Company have agreed upon terms for a merger. Radio Corporation proposes to split its common stock on the basis of five shares for one, and to create 813,000 shares of $5 cumulative preferred stock of no par value (callable at 100), and to offer Victor stockholders one share of new Radio common stock, one share of new Radio $5 preferred stock, and $5 cash for each share of Victor common stock. The present capitalisation of the two companies is as follows:—

Radio.	$	Victor.	$
7% Prefd. ($50)	19,779,870	7% Prefd. ($100)	20,143,680
	Shares.		Shares.
Common (no par)	1,155,400	$6 Conv. Pref. (no par)	121,139
		Common (no par)....	571,087

The activities of Radio Corporation and Victor Talking Machine are well known to investors in this country, particularly as the latter controls the Gramophone Company (H.M.V.) of Great Britain. The vice-president of the Radio Corporation describes the merger as an alliance for "greater service to a single art—electrical entertainment," which includes wireless, gramophones, and talking films. It is difficult to state precisely the new capital of the Radio Corporation, seeing that the $6 convertible preferred shares of Victor Talking are convertible into common at the rate of two common for one preferred. Assuming that all the $6 convertible preferred shares have now been converted the number of Victor Talking common shares would be 813,365. On this basis the Radio Corporation would have 6,590,365 new common shares (of which 5,777,000 shares would be issued to Radio stockholders and 813,365 to Victor stockholders), 813,365 shares (of no par value) of $5 cumulative preferred stock, and $19,779,870 of 7 per cent. preferred stock of $50 par value. As regards earnings, for the nine months ending September 30, 1928, the Victor Talking has returned net profits of $4,646,616, and Radio Corporation $9,745,924, making a total of $14,392,540. Assuming that these earnings are maintained, the net earnings for the twelve months for 1928 will be approximately $19,190,053. The net profits of the Victor Talking for the nine months ending September 30th included only the interim dividend of 10 per cent. paid by H.M.V. in May, 1928. Allowance must be made for a final dividend of 45 per cent. on, say, 850,000 H.M.V. ordinary shares, now 16s paid. This would mean an addition of £306,000, making the estimated 12 months' earnings $20,674,153. Deducting preferred dividends, we arrive at a figure of $15,222,737, or $2.3 per new common share of Radio Corporation. It must, however, be pointed out that when the H.M.V. shares were fully paid, these earnings would be increased by $362,780, making $2.36 per new common share of Radio. The market in both Radio Corporation and Victor Talking shares has recently been very active, Radio touching 420 at one time and Victor 154. At the time of writing Radio new split shares are at 72, a figure which allows a yield of only 3.2 per cent. on last year's estimated earnings.

Rhodesian Copper.—The mineral resources of South Africa have been the inspiration of many spectacular share movements ever since their richness and extent began to be appreciated. The investing public, however, have frequently tended to participate in the spectacular falls rather than in the preceding rises, and on balance heavy losses have sometimes been sustained. The present activity in Rhodesian copper shares coincides with the time when many of the development companies require additional funds, as has happened on earlier occasions. Lately, several opportunities of taking an interest in the Northern Rhodesia base metal deposits have been made available to the general public, but, as will be seen from the following examples, not on "ground-floor" terms. Permission to deal was recently given in 5,000,000 Rhodesian Anglo-American Corporation 10s shares, subscribed for privately in December, 1928, at an average price of 12s 10d, which are now widely dealt in round 27s 6d. Rhodesian Selection Trust 5s shares, also introduced to the Stock Exchange in December, are now dealt in round 62s 6d. Inclusive of an issue in course of being made at par there are 3,000,000 shares outstanding, of which the general public hold only a small but increasing proportion. Permission to deal in the 3,400,000 5s shares of the Roan Antelope Company was obtained in July, 1928, and these also are now finding favour with a wider circle of investors, the present price being about 45s. Of these shares 2,440,000 were issued privately at an average price of about 11s 6d. Again, the immediate capital requirements of the Bwana M'Kubwa Company will probably be satisfied as the result of the renewed interest now being taken in its shares, which are now quoted at 17s 6d, as compared with only 7s 6d in October. This company has an issued capital of 6,746,156 5s shares and options outstanding on no less than 6,499,906 shares at prices ranging from par to 15s. To draw attention to these features of the finance of the Rhodesian Copper propositions is not to belittle the valuable pioneer work that is being undertaken in opening up the wonderful mineral deposits that have been proved to exist. There is a periodical tendency, however, to underestimate the difficulties that have to be overcome in reaching the production stage, and also the amount of capital and length of time involved in the process. For example, the Bwana M'Kubwa Co., which originally commenced operations as long ago as 1910, and was reconstructed in 1922, produced only 5,140 tons of copper in 1927-28, and still has an immense amount of work to accomplish before a really satisfactory return on the capital can be shown. Even this concern, however, is in a very advanced condition when compared with Roan Antelope, N'Changa, Rhodesia Congo Border, and other properties in which the Rhodesian holding companies are interested. During the long period that must necessarily elapse before many Rhodesian copper enterprises become paying propositions it will not be surprising if the share market has again to pass through more than one period of inactivity and lower prices. Too much account must not be taken of the present high quotations for the metal, since all manner of influences, including the Rhodesian output itself, may operate to disturb premature profit estimates.

Rand Selection.—Our mining correspondent writes:—The accounts for the year to September 30th show a net profit of £245,200, or £155,000 less than for the preceding period, in respect of which dividends totalling 2s 6d per share, or 50 per cent., were paid. Actually, last year's earnings would almost have provided 30 per cent., whereas only 15 per cent. was disbursed, and that as an interim payment. It will be recollected that the absence of any final distribution on account of 1927-28 occasioned considerable disappointment, and a severe fall in the price of the shares resulted. Taxation absorbed £18,650, and £100,000 was transferred to reserve, to which is added the £250,000 previously standing to dividend equalisation fund. By the calling of 600,000 out of the 700,000 shares under option at 17s 6d, the issued capital has been raised from £750,000 to £900,000, the premiums figuring in the balance-sheet for £350,000. Shares and interest now stand at £1,301,850, as against £1,159,900, while loans have jumped from £67,900 to £431,200. The list of principal holdings now includes Bwana M'Kubwa, Loangwa, and Rhodesian Selection Trust, and it is on the strength of these interests that the price of the shares has lately recovered.

CAPITAL ISSUES.

CAPITAL issues by public prospectus represented this week a total in "new" money of £7,228,125, exclusive of a conversion offer to a maximum of £12,510,000 by the New Zealand Government. Particulars were also made known of issues totalling £1,559,980 by existing companies to their shareholders. New securities made available by Stock Exchange "introduction" since the beginning of the year account for a further £392,187 on the basis of the opening price in each case. Last week's issue of £10,000,000 at 91 by the Government of India (of which 23 per cent. was left with the underwriters) has been quickly followed by another Imperial borrowing operation, on a large scale, the *New Zealand Government* offering £19,510,000 of 4½ per cent. inscribed stock at 95. £12,510,000 of this issue is offered to holders of £12,000,000 New Zealand 4 per cent. consolidated stock due November 1, 1929, the terms, having regard to interest provisions, being equivalent to those on the cash portion of the loan. The latter gives a running yield to the investor of £4 14s 9d, and a yield, including profit on redemption at the latest date (1958) of £4 16s 5d. The issue is of trustee status, and New Zealand's credit stands relatively high among Imperial borrowers, but the loan certainly appears to be fully priced. The first of the year's speculative industrial offers have duly appeared this week. *Moviecolor* has been capitalised in "straight" 5s shares to exploit a process to "enable kinematograph and still pictures to be taken in natural colours with a degree of realism considered to be far in advance of all systems now in use." Films and pictures are already being marketed in the United States, and a motion-picture producing house has undertaken to purchase certain minimum quantities in the next five years; but the ultimate commercial value of the company's process, and the extent of its immunity from future competition, have still to be proved. *Anglo-Continental Grape Products* is a £1 preference-cum-shilling-ordinary proposition with a somewhat unusual provision for an "option" to preference subscribers to purchase ordinary shares at a substantial premium in two years' time. For the present, however, the public must subscribe £2 in preference to obtain one 1s ordinary share. The company has still to be regarded as in the experimental stage of an industry—the making of wines from imported juice—in which competition is steadily increasing.

Grace National Bank

Hanover Square, New York, U. S. A.

Collections made and credits established anywhere in the United States for banking correspondents.

Special Representative

148 Leadenhall St. London, E.C.3.

ISSUES OF THE WEEK—

By Prospectus or Offer for Sale.

Amount previously recorded, £9,100,000.
National Savings Certificates.
Net sales five days ended January 5, 1929, £250,000.
Total receipts April 1, 1928, to January 5, 1929, Dr. £1,600,000.

Description and Date of Issue (in brackets).	Nominal Capital.	Conversions or Repayments.	New Money Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
New Zealand Government 4½% Inscribed Stock, at 95%, red. at par Mar. 1, 1948-1958 (Jan. 9)	19510000..	12,510,000..	6,650,000..	350,000..	6,300,000
Moviecolor, Lim., 1,800,000 Ord. Shares of 5s each, at par (Jan 7)	450,000..	..	450,000..	90,000..	360,000
Anglo-Continental Grape Products, Lim., 125,000 8% Cum. Pref. Shares of £1 each, at par	125,000..	..	125,000..	15,625..	109,375
Do 62,500 Ord. Shares of 1s each, at par (Jan. 7)	3,125..	..	3,125..	3,125..	..
Total offered to public	..	12,510,000..	7,228,125..	458,750..	6,769,375
To Shareholders only—					
British Enka Artificial Silk, 250,000 New Ord. £1, at 26s	250,000..	..	325,000..	325,000..	..
Chloride Electric. Storage, 65,925 "A" Ord. £1, at £4	65,925..	..	273,700..	136,850..	136,850
Do 14,000 "B" Ord. £1, at £4	14,000..	..	56,000..	28,000..	28,000
Anglo-American Debenture Corporation, 25,000 Ord., £5, at par	250,000..	..	250,000..	25,000..	225,000
English and Caledonian Invest., 24,480 Ord. £10, at par	244,800..	..	244,800..	244,800..	..
Triplex Safety Glass, 50,000 Ord., £1, at £4	50,000..	..	200,000..	12,500..	187,500
Oriental Telephone and Electric, 142,980 Ord., £1, at par	142,980..	..	142,980..	142,980..	..
Aldershot and District Traction, 50,000 Ord., £1, at par	50,000..	..	50,000..	12,500..	37,500
Drage's 350,000 New Ord. 1s, at par	17,500..	..	17,500..	17,500..	..
Total to Shareholders only	..	..	1,552,980	945,130..	614,850

Total offered for subscription—	Including Conversions.	Excluding Conversions.
To date—	£	£
1929	30,648,105 ..	18,138,105
1928	.. ..	4,654,703
1927	.. ..	8,879,300
1926	.. ..	15,500,333
1925	.. ..	2,880,992
1924	.. ..	2,616,750
1923	.. ..	20,508,648

Net total offered for subscription—	Including Conversions.	Excluding Conversions.
Whole year—	£	£
1928	693,100,056 ..	369,068,073
1927	.. ..	356,165,970
1926	.. ..	230,782,601
1925	.. ..	232,214,500
1924	.. ..	209,326,100
1923	.. ..	291,399,173
1922	.. ..	573,675,850

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Issue (in brackets).	Amount of Capital Introduced.	Price at Which Dealings Began.	Total Cash Involved.
	£		£
Embassy Wine and Club (Jan. 2), 125,000 Ord. 1s	6,250 ..	6/3 ..	36,062
Do 105,000 7½% Cum. Ptg. Pref., £1	105 000 ..	22/0 ..	115,500
Bideford Black, 200,000 Ord., 5s (Jan.2)	50,000 ..	5/6 ..	55,000
Viking Whaling Co., 30,000 Ord., £1 (Jan. 3)	30,000 ..	21/6 ..	32,250
Do 150,000 7% Cum. Conv. Pref., £1	150,000 ..	21/3 ..	159,375
Total	341,250 ..	.. ..	392,187

Total Introduced.

Total cash involved in introductions to date, 1929, £392,187.

Comments on the new issues, summarised below, will be found at the head of this section.

New Zealand Government Four and a-Half per cent. Inscribed Stock, 1948-58.—Issue of £7,000,000 stock at £95, payable as to £5 in cash, £20 on January 23, £35 on March 1, and £35 on April 2; and offer of £12,510,000 stock in exchange for holdings of Four per cent. Consolidated Stock, 1929, at the rate of £104 5s. for each £100 stock surrendered. Interest will be paid on March 1 and September 1, and holders who exchange will receive on March 1, 1929, four months' interest on the holdings surrendered. The proceeds of the cash issue will be used entirely for productive purposes, including railways, hydro-electric works, telephone and telegraph extensions.

Moviecolor, Limited.—Issue at par of 1,800,000 (out of 2,000,000) 5s ordinary shares. The company will exploit colour cinematography, acquiring one-fifth of the capital of an existing company (market value in Paris, approximately £295,000) and a licence to exploit machines, processes, and accessories. The purchase consideration is £295,000 for the shares and £50,000

for an undertaking to procure the grant of the licence, under which a royalty will be payable.

Anglo-Continental Grape Products, Limited.—Issue at par of 125,000 8 per cent. £1 cumulative preference and 62,500 (out of 1,500,000) 1s ordinary shares, each of the former conferring the right to subscribe for four ordinary shares at 4s per share on December 31, 1930. The company acquires an existing business of wine manufacturers, valued at £19,175, for a purchase consideration of £52,500, including £30,000 in cash and £22,500 in shares; £20,325 is allocated to goodwill and £13,000 to stocks, benefit of contracts, and secret processes. Working capital is estimated at £80,000.

Southend-on-Sea and District Gas Company invites tenders for £30,000 new ordinary stock (*minimum* price, par) and £10,000 5 per cent. perpetual debenture stock (minimum price, 98). An interim dividend at the rate of 6⅝ per cent. per annum was paid on the former class of stock for the year ended June 30, 1928. Net revenue for 1927 was £35,455; after deducting interest on loan capital and preference stock, £21,480 was available for dividend. Dividends at the above rate on the original consolidated and the new ordinary stocks, including the present issue, and at 6¼ per cent. on the new ordinary "B" stock, amount to £17,630.

Particulars of the following have been issued for public information only in connection with Stock Exchange "introductions":—**Société des Mines de Matracal, S.A.**, issued capital 2c,000,000f. in 200,000f. shares, and 240,000 profit shares of no par value, the former entitled to a 7 per cent. dividend and one-fifth of the remaining surplus, if distributed, after a payment to the directors; the company was formed in 1912 under the Laws of France, and owns gold mines in Mexico.

Holders of **Five per cent. Treasury Bonds, 1933-5,** are reminded that they have the option of converting their holdings, in whole or in part, during the period January 16-31, 1929, inclusive, into £114 10s 4 per cent. Consolidated Loan for each £100 nominal surrendered. Interest on the Bonds converted will cease on February 1, 1929, and 6 months' interest on the Consolidated Loan will be paid on August 1, 1929.

Railway Traffic Figures, Short Notices on Company Reports, &c., will be found on later pages of this issue.

SUMMARY OF BALANCE-SHEETS.

BARCLAYS BANK, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £	ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Current, deposit & other accounts	335,081,223 ..	+16,707,751	Cash in hand & with Bank of England	50,413,030 ..	+ 848,850
Acceptances and endorsements, &c...	24,874,317 ..	+12,043,548	Money at call & short notice	23,988,400 ..	— 2,052,650
"A" shares, £4, fully-paid	3,430,356 ..	..	Balances with other British banks, &c.	10,501,608 ..	+ 430,512
"B" shares, £1, fully-Paid	11,760,811 ..	..	Bills discounted	38,258,570 ..	+ 5,740,336
"C" shares, £1, fully-paid	667,050 ..	..	Investments	53,906,320 ..	+ 4,896,033
Reserve fund	10,250,000 ..	..	Advances	168,620,475 ..	+ 6,752,569
			Liability for acceptances, &c	24,874,317 ..	+12,043,648
			Bank premises	5,501,037 ..	+ 92,101
Total	386,063,757 ..	+28,751,399	Total	386,063,757 ..	+28,751,399

MANCHESTER AND COUNTY BANK, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £	ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
£30 shares, £4 paid	1,092,040 ..	..	Cash	5,381,751 ..	+1,481,590
Reserve fund	1,080,000 ..	+ 15,000	Bills of exchange	849,083 ..	+ 77,773
Unclaimed dividends	1,747 ..	+ 27	Investments	4,207,648 ..	— 8,249
Unappropriated profits	172,850 ..	— 9,775	Advances on current accts.	10,995,682 ..	—1,136,635
Current, deposit, & other accounts	19,587,527 ..	+409,027	Liability on acceptances	560,071 ..	+ 254,221
Acceptances	560,071 ..	+254,221	Bank property, &c.	500,000 ..	..
Total	22,494,235 ..	+668,500	Total	22,494,235 ..	+ 668,500

UNITED TOBACCO COMPANIES (SOUTH), LIMITED.

September 30, 1928.

LIABILITIES.	Amount. £	Compared with Sept. 30, 1927. £	ASSETS.	Amount. £	Compared with Sept. 30, 1927. £
8% cum. pref., £1	300,000 ..	..	Real estate and buildings	342,929 ..	+ 21,321
Ord. shares, £1	1,800,000 ..	..	Plant, &c.	172,850 ..	— 5,465
Def. ord., £1	600,000 ..	..	Goodwill	1,673,700 ..	..
Creditors	266,604 ..	— 16,281	Current accounts	56 ..	— 29,683
Amounts owing to associated cos.	234,070 ..	— 60,775	Investments in associated cos.	442,479 ..	+ 119,993
Reserves for buildings	251,484 ..	+ 81,036	Stocks	1,047,470 ..	— 188,789
Special reserves	18,500 ..	..	Debtors	230,065 ..	+ 323
Profit and loss	484,077 ..	— 116,995	Cash	35,186 ..	— 30,775
Total	3,914,735 ..	— 113,015	Total	3,944,735 ..	— 113,015

GLYN, MILLS, CURRIE AND CO.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £	ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Capital	1,060,000 ..	..	Cash	7,368,652 ..	+ 302,274
Reserve fund	530,000 ..	..	Money at call and notice	7,620,250 ..	— 706,850
Current, deposit, & other accts.	35,928,161 ..	+1,053,155	Bills discounted	1,571,902 ..	+ 741,077
Acceptances	2,081,204 ..	+ 520,229	Investments	7,818,874 ..	—1,326,187
Reduction of premises account	200,000 ..	+ 8,884	Advances	12,841,483 ..	+2,811,725
			Acceptances	3,081,204 ..	+ 520,229
			Premises	696,000 ..	..
Total	39,799,365 ..	+1,582,268	Total	39,799,365 ..	+1,582,268

BANK OF NEW SOUTH WALES

(With which is amalgamated the Western Australian Bank).

LIABILITIES.	Sept. 30, 1927. £	Sept. 30, 1928. £	ASSETS.	Sept. 30, 1927. £	Sept. 30, 1928. £
Notes in circuln.	673,455 ..	633,262	Cash	14,279,788 ..	15,271,586
Deposits	61,554,635 ..	64,514,555	Notes of other banks	23,153 ..	14,397
Bills payable	8,857,199 ..	7,200,130	Money at sho t call in London	1,200,000 ..	700,000
Paid up capital	7,423,440 ..	7,500,000	Short dated British Treasury Bills	500,000 ..	200,000
Reserve fund	5,309,240 ..	5,650,000	Investments:		
Profit and loss	882,548 ..	798,654	British & Colonial Govt. Securities	7,205,567 ..	9,940,441
Contingent liabilities	3,080,612 ..	2,690,984	Municipal and other securities	464,239 ..	461,229
			Due by other banks	883,350 ..	657,078
			Bills receivable	5,635,591 ..	4,668,502
			Bills discounted	53,408,849 ..	51,153,168
			Bank premises	1,100,000 ..	1,225,000
			Letters of credit	3,080,612 ..	2,690,984
Total	87,781,129 ..	88,982,585	Total	87,781,129 ..	88,982,585

IONIAN BANK, LIMITED.

August 31, 1928.

LIABILITIES.	Amount. £	Compared with Aug. 31, 1927. £	ASSETS.	Amount. £	Compared with Aug. 31, 1927. £
Ord. shares (£5)	600,000 ..	..	Cash	663,111 ..	+ 71,865
Reserve	258,000 ..	..	Agents' balances	157,281 ..	+157,281
Current accounts	3,394,270 ..	+ 39,152	Investments	825,235 ..	—171,790
Deposits	384,597 ..	+ 32,121	Bills receivable	939,449 ..	—169,418
Oth r liabilities	1,137,981 ..	—153,694	Loans & advances	2,301,917 ..	+ 98,754
Bills payable	204,453 ..	— 11,135	Other assets	947,037 ..	—104,011
Rebates	8,520 ..	+ 1,308	Mortgaged property	5,306 ..	— 237
Profit and loss	49,011 ..	+ 5,680	Freehold premises	189,494 ..	+ 30,988
Total	6,028,832 ..	— 86,568	Total	6,028,832 ..	— 86,56

LIEBIG'S EXTRACT OF MEAT COMPANY, LIMITED.

August 31, 1928.

LIABILITIES.	Amount. £	Compared with Aug. 31, 1927. £	ASSETS.	Amount. £	Compared with Aug. 31, 1927. £
Pref. shares	1,000,000 ..	..	Land, buildings, &c.	1,302,773 ..	+ 337,140
Ord. shares	1,500,000 ..	..	Investments	1,533,935 ..	+ 124,956
Red. notes	525,000 ..	..	Debtors	575,873 ..	— 69,071
Bills payable	790,000 ..	— 405,000	Stock	2,874,747 ..	— 326,439
Creditors	849,927 ..	+ 311,058	Bills receivable	1,765 ..	+ 1,298
Reserve	1,350,000 ..	+ 25,000	Cash	187,491 ..	— 93,963
Profit and loss	461,657 ..	+ 29,864			
Total	6,476,584 ..	— 39,078	Total	6,476,584 ..	— 39,078

OIL OUTPUTS.

ANGLO-ECUADORIAN OILFIELDS, LIMITED.—The production for December is cabled as 13,679 tons.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The results for the month of December were as follows:—Production of oil, 31,950 tons; deliveries, 31,630 tons.

ATTOCK OIL COMPANY, LIMITED.—Production for December, 47,315 barrels.

BRITISH BURMAH PETROLEUM COMPANY, LIMITED.—The production of crude oil by this company for the month of December amounted to 40,338 barrels.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for week ended January 2nd:—Venezuela, 35,958 barrels; Trinidad, £19,494 barrels; total, 55,452 barrels.

HAMILTON'S OIL CONCESSIONS (ROUMANIA), LIMITED.—Production for month of December, 1928, 5,210 tons = 36,470 barrels.

LOBITOS OILFIELDS, LIMITED.—The production of the Peruvian company for December is 25,722 tons.

SERVICE PETROLEUM.—Production from the company's oil wells at Gura Ocnitzei and Septura for the last three weeks is as follows:—Week ending December 23rd, 3,195 tons, 22,365 barrels; week ending December 30th, 2,397 tons; 16,779 barrels; week ending January 6th, 2,435 tons, 17,045 barrels.

STEAUA ROMANA (BRITISH), LIMITED.—The production of the Steaua Romana Company, Bucharest, for the month of December was 64,430 tons.

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during December, 35,150 tons; oil purchased during December from other companies, 35,600 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Production for week ending January 2, 1929, amounted to 853 tons.

VENEZUELAN CONSOLIDATED OILFIELDS, LIMITED.—Production for week ended January 5th, 3,269 barrels (467 tons).

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended January 5th was 122,548 metric tons (previous week ended December 29th, 119,170 metric tons).

COMPANY MEETINGS, &c.

BANK OF NEW SOUTH WALES.

SATISFACTORY RESULTS OF THE YEAR.

CHAIRMAN'S CRITICISMS OF GOVERNMENT'S FINANCIAL POLICY.

The ordinary general meeting of the Bank of New South Wales was held at the head office, Sydney, on Tuesday, November 27, 1928.

The Chairman, Mr Thomas Buckland, president of the bank, in moving the adoption of the report, said:—

Gentlemen,—I have now the pleasure to place before you the annual report and balance-sheet of this bank, and before moving its adoption I will give you a comparison with the figures of last year.

Our note circulation has decreased by £40,000, which is a normal fluctuation of our note issue in New Zealand.

Deposits are higher by £2,960,000, which represents an increase throughout Australia and New Zealand, of our general commercial business. The Government deposits remain very much the same as last year.

Bills payable, &c., are lower by £1,650,000.

CAPITAL AND RESERVE FUND.

Capital has increased by £76,560 by collection of balance of our last new issue, which is now fully paid, and with the appropriation to reserve fund recommended this year, our figures will stand as follows:—

	£
Capital	7,500,000
Reserve fund	5,900,000
	13,400,000

which with the reserve liability of shareholders (£7,500,000) makes a grand total of £20,900,000.

YEAR'S PROFIT—DIVIDEND AND BONUS.

Profit as per balance-sheet shows £41,000 lower than twelve months ago. This variation is more than accounted for by advances being £2,055,000 less, and deposits, as mentioned before, being higher by £2,960,000, or, in other words, last year our total advances stood 86.76 per cent. to our total deposits, whereas at the present time they stand 79.60 per cent. and for a portion of the year were running lower still than that.

In addition to our usual dividend of 10 per cent., we are adding a bonus of 10s per share, but this bonus is only in recognition of a good year, and is not to be regarded as of a permanent nature.

ASSETS.

On the assets side:—

Liquid assets have increased by £4,488,640.

There is an increase in coin, notes, and cash balances of £990,000; in Treasury bills of £1,500,000; and in Government securities £2,730,000. On the other hand, bills receivable in London and remittances in transit are £967,000 less; money at short call £500,000 less, and due by other banks £235,000 less.

ADVANCES.

Advances, as before mentioned, are £2,055,000 less than this time last year, and I would state, gentlemen, that this is not brought about by any restrictive policy on our part, but is a normal fluctuation in our very large business.

PREMISES.

Premises show an increase of £125,000. During the year we have erected, and have in course of erection, 25 new branch premises extending throughout Australia and New Zealand, and we are also, as you are probably aware, engaged in an extensive new building for our head office in Sydney, and also a new chief office for Queensland in Brisbane.

LOSS OF THREE PROMINENT BANK PERSONALITIES.

In our report you will have noticed the reference to the deaths of three prominent persons connected with the bank; I refer to the Hon. Robert J. Lynn, M.L.C., who was a director of the Western Australian Bank, and assumed office on our local board at Perth after the amalgamation; the Hon. Reginald James Black, M.L.C., and Mr Alfred George Milson. The last two gentlemen represented very long family connections with the bank. Mr Black's father was at one time the chief executive officer, and our late director had been connected with the bank the greater part of his long life, first as an officer and for many years as a director. To know Mr Black was to appreciate his sound judgment and universally sympathetic feeling towards his large circle of friends and acquaintances. The Milsons were also amongst the bank's very old family connections. The father, Mr James Milson, being at one time a director, and the son, Mr A. G. Milson, started life as an officer of the bank, and was afterwards for many years one of our auditors.

We shall greatly miss these old personalities from our midst.

GOOD CONDITIONS IN NEW ZEALAND.

Earlier in the speech I referred to a slight falling off in our note circulation in New Zealand, which, as mentioned, is a small normal fluctuation in the ordinary course of business.

Our business in the Dominion is well balanced and fully maintained.

The primary production in this favoured country continues to grow, and although its public debt, like our own, is very large, its exports, which reasonably balance its imports, are on the increase.

AUSTRALIA—EXCELLENT SEASONAL PROSPECTS.

The season in Australia, on the whole, may be regarded as fairly normal. A variety of conditions is inseparable from a continent of such magnitude and variation of climate as Australia, and although it may be droughty in parts, we usually find compensating good conditions in other parts, as is the case this year. Altogether the prospects of this country should be excellent, but I wish I could harmonise more with the financial policy of our Governments.

CRITICISM OF GOVERNMENT FINANCIAL POLICY.

At a gathering of prominent citizens recently we were told by an eminent Cabinet Minister that if we are to achieve the prosperity of which this country is capable we must spend money. I quite agree with that, always provided the legitimate revenues of the country make such expenditure justifiable, but I do not hold that our Governments are justified in exceeding their incomes or in keeping up their revenues by excessive taxation.

An examination of our public finances, both Federal and State, clearly reveals that our indebtedness has been increasing out of proportion to our production, and unless such a condition is checked it must lead to disaster.

From time to time great wastage is shown in the expenditure on Government undertakings, and if better value were obtained by the various Government Departments while spending the taxpayers' funds the necessity for this ever-increasing load of taxation would disappear.

PROGRESS HAMPERED BY PRESENT POLICY.

If people were flocking into the country in millions, as was the case at one time with the United States of America, and those millions were being absorbed and utilised in general production as theirs were, then I would agree to some justification of our present policy, as our liability would be extending over a rapidly-increasing population with its attendant production. Our population, however, is not increasing as it should, and the chief factors opposing that progress are our increasing burden of taxation, excessive cost of production, and our strikes, which are becoming notorious throughout the world.

In giving vent to my feelings in this way I trust I shall not be misunderstood and create the impression that I am pessimistic in regard to the future of Australia; nothing could be more foreign to my thoughts, as must be so with any thinking person having a knowledge of the great possibilities of this country, under proper management.

Permanent success, however, is never going to be achieved by discouragement of the two great essentials of national progress. I refer to the confidence and individual enterprise of its people, which the actions of some of our Governments would appear to discourage rather than encourage through the application of overbearing taxation, greatly intensified by the maintenance of industrial and/or constructional undertakings from which neither the State nor country as a whole is receiving adequate benefit.

BRITISH OIL LIGHTING AND HEATING, LIMITED.

SATISFACTORY PROGRESS—GOOD PROSPECTS.

The statutory meeting of British Oil Lighting and Heating, Limited, was held, on the 9th instant, at Caxton Hall, Westminster, London, Mr J. E. V. Jobson (the chairman) presiding.

The Chairman said: It has become the custom to inform shareholders at statutory meetings as to the progress that has been made in the business of the company during the period between incorporation and the holding of the statutory meeting. In our case, the licence under which the company acquired the right to use certain patents for automatic vacuum oil lamps has been duly executed, and the patent has now been granted for the Neu-Flame burner, and will be transferred to this company in the course of the next few days.

Before this company was formed certain orders for lamps and stoves had been put in hand with manufacturers. Deliveries under these orders have not yet been received, and consequently it has not been possible actively to place our products on the market. We know that the manufacturers are now making rapid headway, having overcome all the initial trouble in getting under way. We have also placed further and continuing orders for supplies of our lamps and stoves, and it is anticipated that after the end of this month supplies will be available and we can begin marketing operations.

We have for some months been in touch with various wholesale and retail establishments, so that the claims we make for our goods are fairly well known. As you have learned from the prospectus, the whole of the Northern Territory and Ireland are in the hands of agents, who are merely awaiting the receipt of supplies to make active progress in selling.

It was necessary for the company to acquire suitable premises for the assembly, testing, and despatch of their products. This involved a good deal of work, but ultimately suitable premises were obtained, and we expect to be in possession of these to-morrow. This factory is on the Thames, and is very well situated for both rail and water despatch. Arrangements are in hand for equipping and rendering it suitable for our occupation, and the building is of such a capacity as will provide for considerable extension should the progress of the company's business so require.

As many of you have already seen, our goods have been exhibited at various exhibitions. We have received substantial inquiries, and have every encouragement to believe that when these goods are freely available on the market they will find a ready sale.

We are continuing the negotiations in connection with the formation of an Indian company and an Australian company, it being the intention of your directors to do the business in these countries through local companies interested in the distribution of the goods, and who will probably, at a later date, also manufacture.

On the technical side of the business I am able to tell you that considerable advance is being made in the very excellent laboratories which have been orgahised, and which carry on the research and preliminary work in connection with our products. You will see, therefore, that we are making provision for the further application of the patents to various models both of lamps and stoves.

Companies to work the patents in Canada and America have been established, and within the next year, or at latest within two years, the names of Automatic Vacuum Oil Lamps and Neu-Flame Burners should be well known throughout the world. While our company has no financial interest in such American and Canadian companies, it must afford considerable satisfaction to the shareholders of this company to learn that the articles we are making and selling are also being made and sold throughout the world, and the names thus becoming very generally known.

In connection with the sole agency which will be established in Nigeria, we are merely awaiting the receipt of adequate supplies before we can actively proceed with this matter.

EAST AFRICAN SISAL PLANTATIONS, LIMITED.

SATISFACTORY PROGRESS—GOOD FORWARD SALES.

The statutory meeting of East African Sisal Plantations, Limited, was held, on the 8th instant, at 3 Lombard street, London, the chairman, Mr Lawrence Noel Leefe, presiding.

The Chairman said that the property belonging to the company comprised two estates. The Ngerengere estate was the nearer to the port of Dar-es-Salaam, some 90 miles distant and accessible by the Tanganyika Central Railway. This estate consisted of about 7,300 acres, of which, when the company took over the property, some 3,458 acres was planted with sisal. It was estimated that this estate would produce in the current financial year—that is, in the year ending June 30th next—some 900 tons of sisal, and there was no reason to suppose that estimate would not be reached. As soon as the company was in a position to do so instructions were given to plant a further 300 acres, which was the utmost that could be accomplished this year, and that planting was now being carried out.

The larger estate—Kilosa—was situated some further 60 miles inland on the same railway system, and had an area of about 19,600 acres. Of these 4,444 were planted with sisal when the company was formed, and the estimated production from Kilosa for the current year was some 1,200 tons. They had every reason for expecting the fulfilment of this forecast. There, also, instructions had been given to plant a further 300 acres, which was all that could be accomplished this planting season.

The practice at Kilosa, where the company had a ginnery, had been to interplant the young sisal with cotton, and it was hoped that the sale of this cotton would materially assist in reducing the cost of planting the sisal.

Transport facilities had been augmented by the addition of some six miles of light railway track with the necessary rolling stock.

The Chairman had left till last all reference to the marketing of sisal—the chief use of which was in the manufacture of binder twine. Demand had steadily increased, and maintenance of this could be expected in a year of good world harvests.

The commercial agents were instructed to sell a thousand tons on the basis of £36 10s per ton. The estimates for the formation of the company were based on a lower price. A further 500 tons of sisal had been sold recently on the basis of £42 per ton—though the whole of this latter sale would not be for the account of the current year's operation. The quality of the fibre from the company's estates was first class, and no difficulty was anticipated in maintaining the high reputation it had attained.

TRANSVAAL AND DELAGOA BAY INVESTMENT COMPANY, LIMITED.

(INCORPORATED IN THE UNION OF SOUTH AFRICA.)

GOOD RESULTS AND EXCELLENT PROSPECTS.

The ordinary annual general meeting of shareholders was held in Johannesburg on Tuesday, December 4, 1928.

The Chairman, Mr S. C. Black, said: The realised net profit, after making ample provision for depreciation and provision for Government and other taxes, amounts to £81,272 3s 11d. We brought forward last year £96,662 6s 3d; together, £177,934 10s 2d. We paid on June 7th last an interim dividend of 1s 6d per share, £20,812 10s; which leaves a balance of £157,122 0s 2d to the credit of profit and loss account. We recommend payment of a final dividend of 3s 6d per share, which, with the interim dividend mentioned, brings the dividend for the financial year to 5s per share = 25 per cent., free of Union of South Africa ordinary income-tax. The present distribution will absorb £48,562 10s and leave £108,559 10s 2d to be carried forward.

Although the profit is £7,000 lower than the previous year, your directors are well satisfied with the result, which not only justifies the distribution of the same dividend, but enables us to increase the balance standing to the credit of profit and loss account by about £12,000.

Our financial position is as sound as ever. Cash and equivalent assets, less sundry creditors, amount to £229,266 17s, as against £234,145 12s 6d in the previous year. This decrease is more than made up by additions to property account, which exceed £10,000.

Shareholdings aggregate £93,035 9s 1d, an increase of £5,511 12s 9d as compared with last year. They are valued, as usual, at or under cost, and in no case above the prices ruling on August 31, 1928.

Our investments of £110,000 in Union of South Africa Government loans remain unchanged.

Sundry debtors, £33,377 18s 11d, are perfectly safe; in fact, since the close of the accounts £26,000 hereof have been paid.

Turning now to our two producing collieries—the Transvaal and Delagoa Bay Collieries and the Douglas Colliery, Limited—you will see from the report that their joint production was 855,099 tons, which is 69,071 tons below the previous year's. This is due to a general depression in the overseas coal trade, as in South Africa itself the demand for coal was slightly better. The Douglas Colliery's cash assets on June 30th aggregated £77,258 13s 2d, after providing £18,375 for payment of dividend No. 6 of 3s 6d per share. A balance of £37,790 14s 8d was brought forward to the credit of profit and loss account. Machinery and plant are kept in a state of high efficiency, and some important renewals and replacements carried out during the year were charged to working costs. In these circumstances the provision made for depreciation is considered ample. The width of the seam in both collieries and the superior quality of our product are well maintained. Last year I referred to the threatened shortage in our water supply. I am pleased to tell you that so far our present arrangements for storage proved sufficient for all requirements, notwithstanding the severe drought from which the whole country suffered. Thanks to the Witwatersrand Native Labour Association, our native labour requirements were met fully and promptly.

Our farm properties show an increase of 18,902 acres compared with the 1927 schedule. We bought in September, 1927, a freehold of 1,756 acres of good coal-bearing land in the Middelburg district, and we acquired recently a freehold farm in the Prieska district, Cape Colony, 15,990 acres in extent. The latter is partly fenced and equipped with wells, dams, boreholes, buildings, &c., but the important feature is that it carries asbestos, which we believe to be of a commercial standard. The lodes run for over 5½ miles on the surface, and we are now opening them out.

Reference is made in the report to our participation in a discovery of phosphates in the Northern Transvaal, within seven miles of the main line of railway. Development is proceeding as speedily as possible. The deepest point of the lode at present is 180 feet on the incline, and some 46,000 tons of phosphate rock are now in sight. It is generally admitted that the agricultural soils of this country are lacking in phosphates so necessary for successful farming, and this discovery, the only one of value made in the Union, is therefore of the utmost importance, particularly to the Transvaal and Rhodesia, which are the chief countries we hope to supply in due course.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the five days ended January 5, 1929:—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	6,940	From Revenue	14,891
Interest, &c., on Debt	7,013	Increase in Debt	163
Sinking Fund	753	Decreases in Balances	178
Sundries	466		
	15,232		15,232

The ordinary Revenue for the five days amounted to £14,891,700, as compared with £18,053,200 in the corresponding week last year. Property and Income-tax was lower at £3,665,000, against £5,401,000, and Super Tax at £2,610,000, against £3,600,000. Customs and Excise brought in £2,242,000 and £823,000, against £2,311,000 and £756,000 respectively. Ordinary Receipts amounted to £104,500 as compared with £339,900, while Special Receipts were higher at £1,650,000, against £1,012,000. The National Debt was increased by £163,100, as shown below:—

(000's omitted.)

	£		£
Public Department Advances	— 2,100	Bank of England Advances	+ 5,750
Treasury Bills	— 3,745	National Savings Certificates	+ 250
		Sundries	+ 8
	— 5,845		+ 6,008

The floating debt was reduced by £135,000 to £816,190,000.

FINANCIAL YEAR, 1928-29, April 1 to Jan. 5, 1929.

	£		£
Expenditure	589,572,327	Revenue	451,452,201
		Amount borrowed	134,189,538
		Decrease in balances	3,930,588
	589,572,327	Total	589,572,327

ESTIMATES (New Basis), 1928-29.

	£		£
Expenditure	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

SELF-BALANCING REVENUE and EXPENDITURE.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Jan. 5, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	..	..	..	..	..	166	204	204	204
3½% Conversion Loan	..	..	666	709	760	740	832	832	832
4½% Conversion Loan	..	..	..	210	211	211	221	221	221
5% War Stock	..	63	63	63	63	63	..	..	..
4½% War Stock	..	13	13	13	13	13	13	13	13
4% and 5% War Stock	..	2,047	2,166	2,052	2,109	2,154	2,253	2,253	2,253
National War Bonds	..	1,509	820	778	706	556	194	111	111
4% Funding Loan	..	409	396	394	390	389	385	385	385
4% Victory Bonds	..	360	314	303	292	277	261	261	261
Treasury Bonds	..	..	457	499	482	454	675	773	773
Exchequer Bonds	20	323	150	15	15	15	16	16	16
National Savings Certs.	..	267	366	369	375	372	362	360	360
Other Debt*	..	1,306	1,128	1,124	1,111	1,103	1,097	1,094	1,094
American Loan (Anglo-French)	..	51	..	..	..	..	..	..	..
Treasury Bills	15	1,107	588	576	565	599	527	788	784
Temporary Advances	1	243	186	167	139	117	162	28	32
Other Capital Liabilities	654	8,033	7,641	7,598	7,558	7,555	7,528	7,665	7,665
	57	46	66	68	75	98	103	103	103
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,631	7,768	7,768

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Jan. 7, '28.	Mar. 31, '28.	Jan. 5, '29.	Movement 5 days ended Jan. 5, '29.
Ways and Means Advances Outstanding—	£	£	£	£
Advances by Bank of England	4,000,000	..	5,750,000	+ 5,750,000
Advances by Public Depts.	174,220,000	161,850,000	25,240,000	— 2,100,000
Treasury Bills Outstanding	646,690,000	526,940,000	*784,200,000	— 3,785,000
Total Floating Debt	824,910,000	688,790,000	816,190,000	— 135,000

* Includes £17,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bills were opened on Jan. 4, 1929, and the total amount applied for was £59,700,000. For bills at 3 months, dated Monday, at £98 18s 0d, and above in full; Tuesday to Saturday at £98 18s 7d, about 27 per cent. and above in full. The amounts allotted were in bills at 3 months, £45,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1928.	£	£	£ s d
Nov. 2	40,000,000	50,300,000	4 7 5·84
Nov. 9	45,000,000	51,505,000	4 7 9·51
Nov. 16	45,000,000	54,365,000	4 8 0·47
Nov. 23	45,000,000	60,895,000	4 7 9·21
Nov. 30	45,000,000	61,695,000	4 5 5·23
Dec. 7	45,000,000	53,675,000	4 6 9·47
Dec. 14	40,000,000	46,050,000	4 8 4·07
Dec. 21	40,000,000	46,860,000	4 8 7·03
Dec. 28	45,000,000	80,130,000	4 5 7·07
1929.			
Jan. 4	45,000,000	59,700,000	4 6 5·99

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1928-29.	Total Receipts into the Exchequer from April 1, 1928, to Jan. 5, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Jan. 7, 1928.	5 days Ended Jan. 5, 1929.	Week Ended Jan. 7, 1928.
Balances in Exchequer on 1st April:	£	£	£	£	£
Bank of England	..	5,918,513	6,003,023	..	..
Bank of Ireland	..	404,112	456,633	..	..
	..	6,322,625	6,459,656	..	..
ORDINARY REVENUE.					
Inland Revenue—					
Property and Income Tax	232,900,000	79,078,000	102,651,000	3,665,000	5,401,000
Super Tax	60,000,000	17,750,000	23,070,000	2,610,000	3,600,000
Estate, &c., Duties	72,000,000	61,100,000	56,570,000	740,000	830,000
Stamps	28,000,000	20,880,000	18,560,000	420,000	800,000
Excess Profits Duties, &c.	1,000,000	..	..	..	..
Corporation Profits Tax	1,500,000	580,000	1,330,000	..	40,000
Land Tax, House Duty and Mineral Rights Duty	850,000	170,000	160,000	..	20,000
Total Inland Revenue	396,250,000	179,568,000	201,761,000	7,435,000	10,691,000
Customs and Excise—					
Customs	120,637,000	92,646,000	86,713,000	2,242,000	2,311,000
Excise	140,768,000	101,558,000	107,307,000	823,000	756,000
Total Customs & Excise	261,405,000	197,204,000	194,020,000	3,065,000	3,067,000
Motor Vehicle Duties (Exchequer Share)	4,400,000	2,829,067	3,570,958	1,272,000	1,784,000
Post Office (Net Receipts)	8,186,000	7,560,000	5,450,000	300,000	..
Crown Lands	1,100,000	920,000	880,000	..	..
Receipts from Sundry Loans	27,650,000	21,357,557	18,658,744	1,065,284	1,179,257
Miscellaneous: Ordinary Receipts	13,550,000	11,782,631	17,013,555	104,455	339,915
Miscellaneous: Special Receipts	40,362,000	30,700,946	21,806,185	1,650,000	1,018,000
Total Ordinary Revenue	752,903,000	451,452,201	466,060,442	14,891,739	18,053,172
SELF-BALANCING REVENUE.					
Post Office	57,314,000	42,300,000	42,350,000	1,300,000	1,400,000
Motor Vehicle Duties apportioned to Road Fund	21,300,000	8,166,933	6,657,042	104,000	..
Total Self-Balancing Revenue	78,614,000	50,466,933	49,007,042	1,404,000	1,400,000
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		36,917	36,917	..	..
Under the Unemployment Insurance Acts, 1920-28		774,432	3,866,000	..	44,000
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act 1928		7,650,000	7,000,000	..	..
(b) Under the Unemployment Insurance Acts, 1920-28		8,130,000	2,160,000	190,000	..
(c) For other Issues:					
By Treasury Bills		2,075,781,000	1,941,103,000	54,910,000	50,676,000
By 4% Consolidated Loan		..	41,316,756	..	..
By National Savings Certificates		29,850,000	26,000,000	750,000	600,000
By National War Bonds		10	0	..	..
By 4½% Treasury Bonds, 1934		..	64,595,752	..	..
By 5% Treasury Bonds, 1933-35		93,603,341	..	..	..
By 4½% Treasury Bonds, 1932-34		4,610,000	..	..	..
(d) Ways and Means Advances		458,605,000	547,820,000	7,595,000	36,750,000
Repayments—					
In respect of Cunard Loan		..	130,000	..	..
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		122,717	136,516	8,076	6,553
Total		£3,187,405,183	£3,122,492,911	£79,745,815	£97,529,785

EXPENDITURE AND OTHER ISSUES

	Estimate for the Year 1928-29 (including Supplementary Grants).	Total Issues out of the Exchequer to Meet Payments from Apr. 1, 1928, to Jan. 5, 1929.	Total Issues out of the Exchequer to Meet Payments from Apr. 1, 1927, to Jan. 7, 1928.	Issues. 5 days Ended Jan. 5, 1929.	Issues. Week Ended Jan. 7, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest & Management of National Debt	304,000,000	277,634,647	279,467,480	7,073,210	7,322,309
Payments to Local Taxation Accounts	14,200,000	8,433,890	9,031,775	302,676	50,000
Payment to Northern Ireland Exchequer	5,600,000	3,197,396	3,218,810	163,429	75,000
Other Consolidated Fund Services	2,600,000	1,572,900	3,023,202	..	200,964
Supply Services (excluding Post Office)	352,083,000	257,831,502	256,1 0,528	6,940,000	9,561,000
Total Ordinary Expenditure	678,483,000	548,670,335	560,841,793	14,479,315	17,199,273
Sinking Fund	65,000,000	40,901,992	52,309,27	753,400	735,139
SELF-BALANCING EXPENDITURE.					
Post Office	57,314,000	42,300,000	42,350,000	1,300,000	1,400,000
Road Fund	21,300,000	8,166,933	6,57,042	104,000	..
Total Self-balancing Expenditure	78,614,000	50,466,933	49,007,042	1,404,000	1,400,000

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1928, to Jan. 5, 1929.	Apr. 1, 1927, to Jan. 7, 1928.	5 days Ended Jan. 5, 1929.	Week Ended Jan. 7, 1928.
	£	£	£	£
OTHER ISSUES.				
Temporary Advances				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917	..	..
Under the Unemployment Insurance Acts, 1920-28	8,130,000	2,160,000	190,000	..
Road Fund, under Section 27 of the Finance Act, 1928	3,825,000	..	..	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act 1925, and the Post Office and Telegraph (Money) Act, 1928	7,650,000	7,000,000	..	..
Unemployment Insur. Acts, 1920-28				
Repayment of Amounts Borrowed	774,432	3,822,000	..	..
Redemption of Debt—				
Treasury Bills	1,818,535,000	1,893,580,000	58,655,000	94,730,000
Principal of National Savings Certificates	31,450,000	28,550,000	500,000	600,000
Principal of National Savings Bonds paid off	3,061	1,042	..	..
Principal of National War Bonds paid off	82,762,476	66,200,261	..	..
Other Debt under the War Loan Acts, 1914 to 1919	3,341,000	100	..	..
Ways and Means Advances Repaid	588,465,000	486,001,000	3,945,000	22,790,000
Issues to National Debt Commissioners to Reduce Debt—				
Cunard Loan Repayments	..	130,000	..	..
Old Sinking Fund, 1 07-08—				
Issued under Section 9 of the Finance Act, 1908	1,000	1,623	..	..
	3 186,013,416	3 149,681,056	79,926,715	97,452,412
Balances in Exchequer—	Jan. 5, '29.	Jan. 7, '28.	Increase or Dec. for Week.	
Bank of England	1,951,110	1,988,721	— 210,303	— 35,477
Bank of Ireland	440,927	822,314	+ 32,403	+ 112,776
Total	2,392,037	2,811,035	— 177,900	+ 77,31

Treasury, January 7, 1929.

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, January 9, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—			
In Circulation	369,517,787	Government Debt	11,015,100
In Banking Department	44,766,682	Other Government Securities	233,629,015
		Other Securities	10,170,725
		Silver Coin	5,185,160
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	154,284,469
	414,284,469		414,284,469

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	57,736,855
Rest	3,497,594	Other Securities—	
Public Deposits*	10,994,607	Discounts and Advances £14,686,357	
Other Deposits—		Securities £15,969,429	
Bankers £67,491,247			30,655,786
Other Accounts £36,813,416		Notes	44,766,682
	104,304,663	Gold and Silver Coin	194,811
7 Day and Other Bills	4,270		
	133,354,134		133,354,134

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

Both Departments.	Amount Jan. 9, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	369,517,787	— 8,776,696	— 6,719,798
Public deposits	10,994,607	— 11,341,778	— 3,736,631
Bankers' deposits	67,491,247	— 16,524,795	— 5,755,922
Other deposits	36,813,416	— 1,216,980	
Seven-day bills	4,270	+ 1,255	+ 766
Total, outside liabilities	484,821,327	— 37,858,994	— 16,210,985
Capital and rest	18,050,594	+ 56,811	+ 17,043
Government debt and securities	302,380,970	— 4,844,166	+ 17,205,878
Discounts and advances	14,686,357	— 33,058,805	
Other securities	26,140,154	— 998,011	— 32,412,711
Silver coin in issue department	5,185,160	— 50,948	— 464,840
Coin and bullion (bank's reserve)	154,479,280	+ 1,149,747	— 522,269
Reserve of notes and coin in banking department	44,961,493	+ 9,926,443	+ 6,143,529
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	38 3/32 %	+ 14 11/16 %	+ 7 29/32 %
(b) Gold stocks to deposits and notes ("reserve ratio")	31 13/16 %	+ 13/32 %	+ 7/8 %

* Comparison includes old currency notes return.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1928.	£	£	£	£	£	%	%
Nov. 14	152,467,075	133,344,390	114,9-0,906	83,818,927	2,446,000 out	48,872,681	42
21	152,081,580	132,802,375	114,370,294	83,697,818	385,000 out	49,032,214	42
28	159,946,980	367,001,148	121,016,663	85,981,475	2,260,000 out	52,944,838	43

Date.	Issue Department.		Banking Department.			Gold in or out of Bank.	Bank Rate.
	Notes Issued.	Circulation.	Public Deposits.	Bankers' Deposits.	Other Deposits.		
1928.	£	£	£	£	£	£	%
Nov. 28	419,088,913	367,001,148	21,452,051	62,379,409	37,185,203	2,260,000 out	4½
Dec. 5	417,830,873	371,455,989	8,690,791	78,039,974	36,892,748	1,274 655 out	4½
12	416,654,319	374,821,061	7,828,760	67,418,777	35,727,356	1,179,054 out	4½
19	415,210,986	384,110 999	11,143 454	60,247,772	35,964,016	1,472,105 out	4½
26	413,783,646	388,242,899	12,969,050	69,489,708	37,511,394	1,429,295 out	4½
1929.							
Jan. 2	413 123,339	378,294,483	22,336,385	84,016,042	38 030,396	785,764 out	4½
9	414,284,469	369,517,787	10,944,607	67,491,247	36,813,416	1,167,054 in	4½

Date.	Issue Department.		Both Depts.	Banking Department.				
	Govt. Debt and Securities.	Other Securities.	Gold Coin and Bullion and Reserve Ratio	Govt. Securities.	Discounts & Advances.	Other Securities.	Reserve & the "Proportion."	
1928.	£	£	£	%	£	£	£	£	%
Nov. 28	244,583,650	10,176,193	9845986	32⅜	52,180,327	13,586,293	20,214,885	28446838	43
Dec. 5	244,584,427	10,176,975	15854476	32⅛	53,870,327	10,904,358	19 600,333	27088777	38⅜
12	244,584,427	9,171,608	157191056	32	59.106.855	11,185,839	17,609,338	24369886	37⅛
19	244,581,466	10,177,049	15550757	31⅜	57,756,855	15,667.010	20,485,606	31396676	29⅞
26	244,585,173	10,175,611	15406727	30⅜	67,296,855	25,931,966	18,855,964	25824375	21⅜
1929.									
Jan. 2	244.588 281	10,175,611	15332953	29⅜	62,636,855	47,745,162	16,962,554	35036050	24 7/16
9	244,644,115	10,1 0,725	15447928	31 1/16	57,736,855	14,687,357	15,969,428	44961493	38⅜

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1928.	£	£	£	£
January 1 to Dec. 26	38,659.859	1,829,650	3,000,455	43,489,964
Week ended Jan. 2, 1929	976,040	38,409	59,035	1,073,534
Week ended Jan. 9, 1929	795,857	45,520	74,548	915,925
Total to date, 1929*	1,120,619	59,389	94,666	1,274,694
Do 1928	1,214,129	62,828	102 459	1,379,416
Increase or decrease in 1929	— 93,490	— 3,439	— 7,793	— 104,722
	= 7·7%	= 5·4%	= 7·6%	= 7·6%
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,757	2,817.868	39,825,054
Increase or decrease in 1927	+ 1,473,253	+ 97,275	+ 154,959	+ 1,725,487
	= 4·1%	= 5·8%	= 5·4%	= 4·3%

* 9 days, against 11 days last year.

PROVINCIAL CLEARING RETURNS.

	Month of December.			Aggregate Totals to Jan. 5.	
	1927.	1928.	%	1928.	1929.
Number of Working Days	25	24			
	£	£		£	£
BIRMINGHAM	12,067,080	11,892,000	— 1·4	3,378,100	3,024,609
BRADFORD	5,941,080	5,547,000	— 6·6		
BRISTOL	5,105,000	4,642,000	— 9·0	1,193,000	1,180,000
DUBLIN				6,065,600	5,987,100
HULL	3,964,000	3,571,000	— 9·9	1,048,600	1,047,400
LEEDS	4,257,800	3,901,000	— 8·3	1,382,200	1,195,300
LEICESTER	3,867,000	3,772,000	— 2·4	1,097,800	976,600
LIVERPOOL	34,723,000	32,836,000	— 5·4	8,521,100	7,977,660
MANCHESTER	59,477,000	58,622,000	— 1·4	13,845,300	15,707,800
NEWCASTLE-ON-TYNE	6,684,000	8,643,000	+ 29·3	1,529,800	1,826,800
NOTTINGHAM	2,779,800	2,491,000	— 10·3	869.441	869,200
SHEFFIELD	4,806,000	3,612,800	— 24·8	1,677,900	1,325,700
Total	143.670.000	139,531,800	— 2·8	..	..

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Egypt appeared in the *Economist* of Dec. 15; Roumania in Dec. 29; Canada, Italy, Russia and Poland in Jan. 5.

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

Resources.	Jan. 10, 1929.	Jan. 3, 1929.	Dec. 27, 1928.	Dec 20, 1928.	Jan. 12, 1928.
Total gold reserves	2,631,670	2,597,630	2,584,240	2,614,960	2,387,900
Total bills discounted	876,550	1,151,460	1,167,590	946,710	439,140
Total U.S. Govt. securities	477,100	484,360	489,270	453,110	392,570
Total bills and securities	239,240	243,950	232,330	290,540	545,260
Total resources	1,602,710	1,883,660	1,896,310	1,700,720	1,377,730
	5,242,910	5,584,710	5,443,400	5,418,480	5,181,730
Liabilities.					
Federal Reserve notes in actual circulation	1.745,260	1,829,360	1,910,840	1,869,190	1,679,620
Deposits—Member bank—reserve account	2,404,680	2,493.760	2,409,200	2,325,880	2,473,360
Total deposits	2,452,240	2,563,730	2,455,090	2,356,430	2,517.440
Capital paid in and surplus	401,220	401,350	380,190	380,190	366,900
Total liabilities	5,242,910	5,584,710	5,443,400	5,418,480	5,181,730
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	66·3%	61·9%	61·6%	64·5%	70·7%

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

	Jan. 10, 1929.	Jan. 3, 1929.	Dec. 27, 1928.	Dec. 20, 1928.	Jan. 12, 1928.
Total bills discounted	281,560	495,460	387,840	232,790	148,840
Bills bought in open mkt.	131,620	146,790	159,390	126,400	85,630
Total U.S. Govt. securities	64,650	67,630	54,790	107,830	127,460
Total bills and securities	477,830	703,870	602,020	467,020	361,930
Deposits — Member bank —reserve account	950,930	1,027,920	957,830	919,100	985,680
Ratio of total res. to dep. and Federal Res. note liabilities combined	67·0%	54·1%	60·0%	68·2%	75·1%

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

Assets.	Dec. 31, 1928	Dec. 24, 1928	Dec. 17, 1928	Dec. 10, 1928.	Jan. 2, 1928.	Position May 28, 1914
Gold	434,556	434,569	434 577	434,736	400.090	163,092
Silver	21.895	22 335	22.568	21.890	27,667	8,436
Dscts. and advances	438.836	386,320	382,280	386,439	457,295	153,504
Liabilities.						
Notes in circulation	855,442	816,854	812.995	896,970	841,171	318,639
Deposits	56,010	41,033	39,612	37,783	101,015	5,016

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

Assets.	Dec 14, 1928.	Dec. 7, 1928.	Nov. 30, 1928.	Nov. 23, 1928.	Nov. 16, 1928.	Dec. 15, 1927.
Gold coin and bullion	8,021	7,851	7,746	7,058	7,750	7,757
Subsidiary coin	95	112	114	132	116	232
Bills discounted	8,765	7,539	8,118	8,519	7,870	7,951
Investments	804	794	767	748	750	574
Liabilities.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	8 526	8,817	9,283	7,817	7,887	8,153
Government deposits	2,007	1,736	2,121	2,131	1,888	1,713
Bankers' deposits	5,511	4,951	5,183	4,914	5,618	4,644
Ratio of cash reserves to liabilities to public	49%	49%	46·3%	46·7%	50·3%	50 9%

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

Assets.	Dec. 14, 1928.	Dec. 7, 1928.	Nov. 30, 1928.	Nov. 23, 1928.	Nov. 16, 1928.	Dec. 16, 1927.
Total securities	21.73,01	21,74,97	21,82,50	21,85.34	21,84,26	18 88,62
Loans	19,68,66	19.07,78	18.36,61	18,67,61	19,07,56	16,75,-5
Cash credits	23 24.14	23,75,36	23,65,36	23,26,94	25 01,71	24.86 54
Inland bills	10 84,06	9,61,49	9.39.13	7,51.68	4,84,63	10,77.36
Foreign bills	38.97	37,12	33,54	26.27	23,45	29.54
Dead stock	2,85,55	2.85,42	2,85,17	2,85,40	2.85. 0	2,81,24
Bal. with other banks	15.68	17,96	19.93	26,27	30.83	20 43
Cash	11,48,47	11,84,78	14,55,42	15,83,84	14,13,95	14,22,59
Liabilities.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,17,50	5,17,50	5,17,50	5,17,50	5,17,50	5,07,50
Total deposits	75,19,33	76,29,32	80,03,19	79,28,73	77,15,55	75,56,47
The above includes—	£	£	£	£	£	£
Deposits in Lond'n	994	996	997	1,039	1,022	1,032
Adv'nces in L'nd'n	906	885	890	904	892	975
Cash, &c., at other Banks in London	114	130	141	199	229	138

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

Assets.	Jan. 4, 1929.	Dec. 28, 1928.	Dec. 21, 1928.	Dec. 14, 1928.	Dec. 7, 1928.
Gold	32,679,040	31,977,034	31,834,518	31,722,109	31,6:8,805
Foreign assets—					
Sight deposits	13,546,570	13,510,492	13,656,685	14,131,439	14,094,864
Bills discounted	18,416,417	19,130,845	19,131,458	19,124,277	18,849,019
Commercial bills discounted at home	4,547,486	5,780,793	3,787,533	3,540,028	3,616,108
Advances against sec					
To the State	9,130,000	9.130.000	9,130,000	9,130,000	9.130,000
Other advances	2,325,886	2,022,873	2,211,056	2,252 118	2,269,037
Other assets (excluding forward exch.)	..	2,984,648	3,098,300	2,908,489	3,024,407
Liabilities.					
Notes in circulation	64,182,903	63,915,593	61.913,518	61,420,979	61.826,871
Public deposits	11, 34,160	12,213,853	12,4-8,105	13,010,868	12,611,780
Private deposits	5,807,774	6,515.018	6.282 211	6,369,491	6,275,437
Other liabilities	..	1,978,022	2.195,717	1,852,059	1,862,995

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

Assets.	Dec. 31, 1928.	Dec. 22, 1928.	Dec 15, 1928.	Dec. 31, 1927.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,729,331	2,729,283	2,690.366	1,864 643
Of which deposited abroad	85,626	85,626	85,626	81,437
Reserve in foreign currencies	155,273	158,224	170,737	281,986
Bills of exchange and cheques	3,678,447	1,933 514	1,890,466	3,128.656
Silver and other coin	81,766	85,851	92.165	42,727
Notes of other German banks	8,151	21,380	22,144	5,250
Advances	176.069	37,537	56,905	78,320
Investments	92.299	92.357	92.357	93,431
Other assets	530,015	613,908	536,119	499,218
Liabilities.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	284,295	284,295	284,295	343.393
Notes in circulation	4,950,069	4,481,522	4,424,657	4,564 047
Other daily maturing obligations	816 051	496,473	425,943	779.113
Other liabilities	288,238	287,066	293,656	284 920

* Equal to one billion paper marks or one Rentenmark.

The gold reserve is calculated in accordance with the new legal prescription of one pound of fine gold equals 1,392 Reichsmarks.

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

Assets.	Jan. 3, 1929.	Dec. 27, 1928.	Dec. 20, 1928	Dec. 13, 1928.	Jan. 5, 1928.	Position May 28, 1914.
Gold	903,727	905,425	894,359	855,192	732,954	(b)
Foreign Bills and Balances Abroad	614,929	566,611	540,042	528,045	514,110	232,650
Silver & other coin	..	..	2,114	2,229	..	
Securities	672,189	681,831	654,076	631,628	584,716	697,600
Liabilities.						
Notes in circulation	2,393.099	2,321.559	2,279,287	2.286,850	2,076.489	934,156
Current accounts	154,985	210,519	174,998	119,381	169,879	112,125

(b) In thousand francs.

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

Assets.	Jan. 5, 1929.	Dec. 29, 1928.	Dec. 22, 1928.	Dec. 15, 1928.	Jan. 7, 1928.	Position May 30, 1914.
Gold	191,600	190,400	189,500	188,700	178,212	22 971
Silver					18,610	29,785
Discounts, advances, and other investments	162,800	159,900	157,000	156,200	170,904	77,567
Liabilities.						
Notes in circulation	311,400	311,400	311,800	314.800	323,012	109,499
Deposits and bills payable	69,300	63,900	60,300	57,400	49,-83	11,250

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

Assets.	Jan. 5, 1927.	Dec. 29, 1928.	Dec. 22, 1928	Dec. 15, 1928.	Jan. 7, 1928.
Gold	235.863	235.900	235,941	236.195	230,140
Government securities—Swedish	6,001	6.0 1	6,001	5.555	11,132
" " Foreign	73,774	83,774	83,774	78,950	105,154
Other Swedish bonds quoted on foreign bourses	749	749	749	719	1,032
Bills payable in Sweden	301,944	304,691	307,149	306,159	208,584
" " abroad	65,182	73,646	66,767	64,280	89,704
Balance abroad	59,008	58,408	60,250	59,352	60,105
Advances made on government securities and bonds	59,965	80,146	80,494	76,980	51,575
Liabilities.					
Notes in circulation	490,823	533,751	522,259	497,135	469,943
Government deposits	263,123	273,242	273,511	294,257	240,799
Private deposits	7,180	10,303	4,829	3,866	20,743

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are not available as cover for the note issue.

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

Assets.	Dec. 31, 1928.	Dec. 22, 1928.	Dec. 15, 1928.	Dec. 7, 1928.	Dec. 31, 1927	Position May 31, 1914
Gold	535,028	481,468	472,842	468.973	517,883	171,175
Silver	45,794	46,396	47,594	47,505	62,856	12,850
Advances	254,376	267,930	263,983	261,152	370,731	183,000
Liabilities.						
Notes in circulation	952,645	902,590	840,356	849.337	917,393	275,925
Deposits	195,508	87,079	127,804	117,078	163,400	33,750

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

Assets.	Dec. 31, 1928.	Dec. 22, 1928.	Dec. 15, 1928.	Dec. 31, 1927.	Position May 31, 1914
Coin and bullion—Gold	146,873	146,885	146,889	147,232	44,294
Balance abroad and foreign bills	40,698	36,180	32,655	46,757	28,533
Norwegian and Foreign Government securities	92,830	9.383	9,383	25,612	3,816
Discounts and loans	272,298	268,069	268,507	260,510	76,971
Liabilities.					
Notes in circulation	315,539	324,385	311,815	330,901	113,484
Deposits at sight	92.172	74,868	83,833	94,568	7,188

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

Assets.	Dec. 31, 1928.	Nov. 30, 1928.	Oct. 31, 1928.	Sept. 29, 1928.	Dec 31, 1927.	Position May 30, 1914
Coin and bullion	172,755	172,756	172,843	172,887	182,016	76,944
Loans & discounts	94,595	87,406	96,1-7	105,576	117 839	33,480
Debtors abroad	112,353	94,547	103,066	97,451	92,077	24,182
Securities	34,758	31,263	26,262	14,055	6,957	11,988
Liabilities.						
Circulation	363,157	353,861	361,312	360,287	354,178	187,266
Deposits	52,945	25,731	32,994	31,887	46,788	6,896

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

Assets.	Jan. 5, 19·9.	Dec. 29, 1928	Dec. 22, 1928.	Dec. 15, 1928.	Jan. 7, 1928.	Position May 30, 1914.
Gold	2,559,118	2,559 067	2,559,055	2,559,047	2,603,578	531,775
Silver	696.753	698.015	700,914	698 622	683,587	728,600
* Loans&discounts	2,139.310	2,088,886	1,989,767	2,013.040	1,837,215	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs to Treasury	150,000	150,000	150,000	150,000	150,080	150,000
Liabilities.						
Circulation	4,420,104	4,377,167	4,325,435	4,328,314	4,237.757	901.550
Deposits	1,009,766	961,062	953.348	964,263	1,083,325	477,500

* Including 91 million pesetas lent to the State.

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

Assets.	Dec. 5, 1928.	Nov. 28, 1928.	Nov. 21, 1928.	Nov. 14, 1928.	Dec. 7, 1927.
Coin and bullion	9,436	9,407	9,384	9,503	9,370
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	279,029	279,143	296,400	295.252	175,739
Discounts	241,242	240,020	241,465	244,643	235,513
Government loans	1,801,829	1,702,288	1,710,003	1,718,628	1,614,814
Liabilities.					
Notes in circulation	1,946,337	1,924,033	1,920,376	1,937,924	1,811,839
Deposits	72,242	69,598	64,911	60,360	87,763

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

Assets.	Dec. 31, 1928.	Dec. 23, 1928	Dec. 15, 1928.	Dec. 7, 1928.	Dec. 31, 1927.
Metal reserve—					
Gold in coin, etc.	168,752	168.752	168,752	168,752	84 456
Foreign bills	242,692	240.253	239.108	237.602	379 178
Other foreign bills†	385,917	339,998	335,054	328,693	274,325
Bills discounted	208,078	177,509	164,640	148,625	131,712
Advances to Treasury	116,170	166,170	166,170	166,173	173,189
Liabilities.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	8,167	8,167	8,167	8,167	6,367
Notes in circulation	1,067,363	987,046	976,638	949.043	1,006.315
Deposits	56,473	107 605	99,483	94,961	39,596

† In dollar and sterling only.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cs. K. (000's omitted).

Assets.	Dec. 31, 1928.	Dec. 23, 1928.	Dec. 15, 1928.	Dec. 7, 1928.	Dec. 31, 1927.
Gold and silver holdings	1,199,499	1,183,115	1,183,140	1,158,575	1,108,236
Balance abroad and foreign currency	2,509,853	2,466.741	2,357,082	2,356,474	2,424,047
Discounts and advances	483,169	386,520	374 671	380,5 7	125 623
State notes debt balance	4,097,510	4,107,728	4,116,767	4,117,359	4,444,353
Other assets	1,776,442	1,304,578	1,295,026	1,355,077	1,768,141
Liabilities.					
Bank notes in circulation	8,465,908	7,609 404	7,471.087	7,556,919	8,417,263
Check accoun balances	829,728	1,043,717	1,086,126	1,065,633	689 865
Other liabilities	338,212	364,936	335,848	313,545	350,000

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

Assets.	Dec. 23, 1928.	Dec. 15 1928.	Dec. 7, 1928.	Nov. 30, 1928.	Dec. 25, 1927.
Gold and silver oldings	1,493,132	1,491,755	1,490,927	1,489,661	1,441,952
Balances abroad and foreign currencies	3,430,462	3,513,972	3,016,082	1,389,543	493,777
Discounts and advances	1,357,144	1,328,472	1,349,188	1 642,280	1,340 761
Advances to the Treasury	3,721,214	4,022,333	4,022,333	4,420,995	4,514,479
Liabilities.					
Capital paid in	500,000	500,000	500,000	516,422	473,888
Reserves	1,149,756	1,149,815	1,150,044	1,133,680	1,117, 23
Bank notes in circulation	4,057,647	4,215 466	4,325,204	4,379,380	3,883,351
Sight liabilities	3,778.287	3,652,457	3,501,184	2,684,496	1,396,565
Deposits	472,127	472 614	472,773	484,007	1,521,536

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

Assets.	Dec. 23, 1928.	Dec. 15, 1928.	Dec. 7, 1928.	Nov. 30, 1928.	Nov. 23, 1928.
Gold	552 997	550,867	549,591	548,353	546 493
Gold exchange	4,615.240	4,640,875	4,644,172	4,563,366	4,609,868
Other foreign exchange	1,709	1,807	3,265	1,709	1,702
Bills discounted	52,663	50,534	47,339	44,081	39,741
Advances	47,676	37,034	25,460	16,642	10,726
Debt to the State	3,789,638	3,789,638	3,789,638	3,789,638	3,789,638
Liabilities.					
Capital paid up	400,000	400,000	400,000	400,000	400,800
Notes in circulation	5,708,808	5,575.064	5,634,092	5,599,405	5,638,743
Deposits and current accounts	2,889,609	2,857,582	2,172,814	2,112,478	2,101,425
Foreign exchange liabilities	948,997	918,577	934,626	936,538	950,791

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

Assets.	Dec. 31, 1928.	Dec. 22, 1928.	Dec. 15, 1928.	Dec. 8, 1928.	Dec. 31, 1927.
Gold	91,015	90,941	90.923	90,902	88,772
Other coin and notes	17,805	17.811	17 730	17,679	18,318
Foreign credits	230 255	234,720	228,047	239,454	345,645
Bills	1,470,503	1,426,634	1,404,476	1,416,875	1,432,0.6
Govt. advances	4,201,609	4,299.132	4,299.131	4,299,134	4,337,834
Liabilities.					
Notes in circulation	5,528 170	5,342,782	5,370,777	5,550,189	5,743,389
State credits	247,825	270,112	270,112	270,114	298.815
Deposits	1,179,528	1,009.528	1,016,446	854.223	1,253,934

NATIONAL BANK OF HUNGARY.—In Hungarian Pengö (000's omitted.)

Assets.	Dec. 31, 1928.	Dec. 23, 1928.	Dec. 15, 1928.	Dec. 7, 1928.	Dec. 31, 1927.
Metal reserve—					
Gold coin and bullion	201.82	201,091	200,995	201,090	196.864
Drafts and notes	54,003	46,835	50.861	58,2 3	114,053
Silver coin and bullion	792	787	788	790	792
Inland bills, warrants and securities	417,411	382,373	359, 79	372.286	332,095
Advances to the Treasury	97,244	103,692	103,698	103,805	111,409
Liabilities.					
Share capital gold crowns 30,000,000*)	34.756	34,756	34,756	34,756	34,756
Notes in circulation	513,461	439 516	437,456	442,123	486,754
Current accounts, deposits, &c.	240,814	277,895	266,278	280,071	308,806

* Calculated at pre-war parity of exchange.

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

Assets.	Dec. 22, 1928.	Dec. 15, 1928	Dec. 8, 1928.	Dec. 23, 1927.	Position, May30,1914
Gold	304,594	304.844	305.241	316,823	35,091
Balance abroad and foreign bills	739,760	757,024	821,826	1,410,888	90,379
Finnish and Foreign Government securities	306,614	306,614	306,614	387.912	21,826
Discounts and loans	1,558,338	1,562,467	1,488 526	798,152	105,151
Liabilities.					
Notes in circulation	1,548.607	1,511,119	1.501.335	1,522,095	123,941
Deposits at notice	406,154	40 .625	423.851	562,955	21.325

BANK OF ESTONIA.—In Est. kroon (000's omitted).

Assets.	Dec. 23, 1928.	Dec. 15, 1928.	Dec. 7, 1928.	Nov. 30, 1928.	Nov. 23, 1928.
Gold coin and bullion	6,219	6,219	6.219	6,414	6,412
Net foreign exchange	25,631	26,025	26,220	26,681	27,341
Subsidiary Estonian coin	412	429	573	541	468
Home bills discounted	15,185	14,615	13,724	13,459	13,151
Loans and advances*	16,740	16,545	16,031	16,727	16,248
Liabilities.					
Notes in circulation	38,919	38,579	36.703	37.709	38.850
Sight deposits and current accounts	2 ,688	20,461	22,605	22,761	21 248
Ratio of reserve to current liabilities	53·43%	54·61%	54·69%	54·73	56·16%

* Includes a sum not exceeding Ekr. 15,000,000, guaranteed by the Government.

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

Assets.	Jan. 2, 1929	Dec. 26, 1928.	Dec. 19, 1928.	Dec. 12, 1928.	Dec. 5, 1928.	Jan. 4, 1927.
Gold bullion and coins	23,753	23.751	23,750	23,748	23.7 7	23,675
Silver coin	4,426	4,394	4.467	4,413	4,223	3.723
Balance abroad	71,316	72,141	73,573	75,423	76 882	48 807
Treas. notes & sm. change	8,921	8,950	12 475	12.526	11.267	9,003
Short term bills	86,644	87,160	86.337	85,599	85.862	79.900
Loans against securities	47,655	46,487	45,451	43,750	44,128	54.078
Other ass-ts	11.548	11,363	11,386	11,194	11,329	16,412
Liabilities.						
Notes in circulation	44,854	44,615	43,133	42,333	43,215	38,431
Capital paid up	15,581	15,581	15,581	15.581	15,581	14,385
Reserve	3,091	3,091	3,091	3,091	3,091	2 612
Special reserve	2,500	2,500	2,500	2.50 0	2,500	2,500
Deposits	12,056	11,978	11.962	12,050	12 062	10,403
Current accounts	55,386	54,123	59,192	57 2.4	60,032	48.116
Government accounts	106,682	108,037	107,842	110,292	107,891	99.134
Other liabilities	14,113	14,322	14,138	13.562	13 035	19.716

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	Dec. 31, 1928.	Dec. 15, 1928.	Nov. 30, 1928.	Nov. 15, 1928.	Oct. 31, 1928.	Dec. 31, 1927.
Gold	34,265	34.264	34,262	34 256	34,253	33,200
Silver	4,363	4,304	4,303	4 282	4.296	4,643
State Treasury coins	1,843	1,841	1.849	1.851	1.863	1,850
Foreign currency	43.621	42,973	42,992	40 894	43,544	51 563
Discount and credit	91.492	88,964	91,259	90,054	88.946	81,071
Liabilities.						
Capital	12,000	12,000	12.000	12.000	12,000	12,000
Reserve	1,200	1,200	1,200	1,200	1,2 0	1,000
Banknotes in circulation	84,774	83.685	86,670	85,772	89,921	96,608
Deposits	80,382	78,669	77,960	75,345	73,358	65,071

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	Dec. 31, 1928.	Dec. 15, 1928.	Nov. 30, 1928.	Nov. 15, 1928	Oct. 31, 1928.	Oct. 15, 1928.	Dec. 31, 1927.
Coin and bullion	2,269	2,512	2,400	2,666	2,599	2,753	2,381
Of which gold coin	7	7	7	7	7	7	9
Danzig subsidiary coin	2,262	2,505	2,393	2,659	2,592	2,746	2,372
Bal., Bk. of Eng., inc. notes	18,242	14,297	17,21	15,830	15,475	12,344	14,139
Bills of exchange	21,952	21,860	22,684	18,769	21,8 6	22,278	22,212
Loans	560	245	460	15	540	100	25
Foreign exchange	18,647	19,314	18,559	21,992	20,412	20,898	34,605
Other bals. on demand	1,070	1,166	1,356	1.393	3,544	2,480	3,879
Securities	3,448	3,448	3,448	3,448	3,448	3,448	..
Liabilities.							
Capital paid up	7.500	7.500	7,500	7,500	7,500	7,500	7.500
Notes in circulation	39 416	35,421	38.567	34,222	37,886	34,263	36.008
Deposits on demand	3,636	2,578	2,513	4,054	2,121	2,615	2,920

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

Assets.	Dec. 15, 1928.	Dec. 8, 1928.	Dec. 1, 1928.	Nov. 24, 1928.	Dec. 17, 1927	Position June 30,1914
Cash and bullion	1,121.3 8	1,124 712	1,126.935	1,127,734	1,121.06	221,320
Discounts	738.818	740,664	759,741	752 231	858 653	41,740
Advances	90,146	88.511	93.976	89,292	94.380	70,540
Liabilities.						
Notes	1,290.559	1,262,655	1,389,191	1,258,262	1,306.369	362,770
Govt. deposits	509,368	526,080	536,511	615,070	690,149	87,340
Other deposits	365,434	365,661	255,077	326,770	290,727	11,440

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

Assets.	Dec. 7, 1928.	Nov. 30, 1928.	Nov. 23, 1928.	Nov. 16, 1928.	Dec. 9, 1927.
Gold at home	60 519	60,529	60 513	60,525	60.853
Gold abroad	503 541	504,603	512,450	519 458	412,288
Discounts and advances	8,608	8,987	7,410	8,419	17,235
Loans to Government	1,997	1,997	1,997	1.997	8,366
Liabilities.					
Notes of the bank in circulation	323,062	318,579	311,720	312,837	264,081
Govt. notes in circulation	17,202	17,260	17,.09	17,643	46,884
Deposits	134,209	124,897	138 754	139 667	77,894
Drafts	19.936	29,516	31,262	37,254	39,688
Paid-up capital	90 625	90 625	90,625	90 625	80,584

LONDON RATES.

	Jan. 3, 1929.	Jan. 4, 1929.	Jan. 5, 1929.	Jan. 7, 1929	Jan. 8, 1929.	Jan. 9, 1929.	Jan. 10, 1929.
	%	%	%	%	%	%	%
Bank rate (changed from 5% April 21, 1927	4½	4½	4½	4½	4½	4½	4½
Market rates of discount—							
60 days' bankers' drafts	4-3/8	4½	4½	4½	4½	4½	4½
3 months' do	4-3/8	4½	4½	4½	4½	4½	4½
4 months' do	4-3/8	4½	4½	4½	4½	4½	4½
6 months' do	4-3/8	4½	4½	4½	4½	4½	4½
Discount (Treasury Bills)—							
2 months	4-3/8	4½	4½	4½	4½	4½	4½
3 months	4-3/8	4½	4½	4½	4½	4½	4½
Loans—Day to day	3	2½	3½	3½	4	4	4
Short	3	2½	3½	3½	4	4	4
Deposit allowances: Banks	2½	2½	2½	2½	3½	4	4
Discount houses at call	2½	2½	2½	2½	3½	3½	3½
At notice	2½	2½	2½	2½	3½	3½	3½

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

Comparison with previous weeks:—

	Short Loans.	Bank Bills. 3 Months.	4 Months.	6 Months.	Trade Bills. 3 Months.	4 Months.	6 Months.
1928.	%	%	%	%	%	%	%
Dec. 20	3½	4⅜	4⅜	4⅜	4½	5	5
27	4	4 7/16	4 7/16	4 7/16	4½	5	5
1929.							
Jan. 6	3½	4⅜	4⅜	4⅜	4½	5	5
13	3½	4⅜	4⅜	4⅜	4½	5	5½

OVERSEAS BANK RATES.

	Changed.	%
Amsterdam	Oct. 12, 1927	4½
Athens	Jan. 5, 1929	8
Belgrade	July 26, 1921	8
Berlin	Oct. 5, 1927	7
Brussels	June 30, 1928	4
Bucharest	Sept. 4, 1920	6
Budapest	Oct 1, 1928	7
Calcutta	Dec. 13, 1928	7
Copenhagen	June 23, 1927	5
Danzig	June 20, 1927	6
Helsingfors	Nov. 15, 1928	7
Kovno	Feb. 8, 1925	7
Lisbon	July 28, 1926	8
New York Federal Reserve	July 12, 1928	5
Madrid	Dec. 19, 1928	5½

	Changed.	%
Oslo	Mar. 26, 1928	5
Paris	Jan. 19, 1928	3½
Prague	Mar. 8, 1927	5
Pretoria	Jan. 9, 1928	5½
Reval	Jan. 2, 1928	7
Riga	April 1, 1928	6†
Rome	Jan. 5, 1929	7½
Sofia	Dec. 15 1928	6
Stockholm	Aug. 24, 1926	5
Swiss Bank places	Oct. 22, 1925	4½
Tokio	Oct 18, 1927	5
Vienna	July 16, 1928	6
Warsaw	Mar 13 1927	8
Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%. discount rate for the public, 7½%.

† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

RATES OF EXCHANGE.

London on		Usance	Par.	Jan. 12, 1928.	Jan. 3, 1929	Jan. 10, 1929.
New York	dollars to £1	Cable	4·863	4·87 7/32 – 9/32	4·85 3/32 – 5/32	4·85 1/32 – 3/32
Montreal	dollars to £1	Cable	4·863	4·88 1/32 – 3/32	4·86 1/32 – 3/32	4·86 1/32 – 3/32
Paris	francs to £1	T.T.	124·21	124·01 – 13	124·08 – 13	124·05-10
Berlin	marks to £1	T.T.	20·43	20·47½-48	20 38 -9	20·40 ½
Amsterdam	florins to £1	T.T.	12·107	12·09 3/32 – 1/4	12 07 5/32	12·08 1/32
Brussels	belga to £1	T.T.	35·00	34·94-95	34 8 -9	34 89½-90½
Milan	lire to £1	T.T.	92·46	92·15 20	92·62 65	92·58-73
Berne	francs to £1	T.T.	25·22	25 30-31	25 1 19	25 20-21
Oslo	kroner to £1	T.T.	18·159	18 33-34	18 18½ 19½	18 19-19
Stockholm	krono to £1	T.T.	18 158	18 1 -13	18 12½-13½	18 13½-14½
Copenhagen	kroner to £1	T.T.	18·159	18 19-20	18 17½ 18	18 18-18
Madrid	pesetas to £1	T.T.	25·22½	28 53·56	29 73·5	29 70-72
Lisbon	escudo to £1	T.T.	4·50	2½ 2½	1.8½ 9	109½-110
Vienna	schlgs to £1	T.T.	34·58½	34 5·60	34 43·46	34 45-49
Prague	krone to £1	T.T.	24·02(a)	16 2 -3	163 7	163 3
Belgrade	dinars to £1	T.T.	25·22½	2 6 77	275 6	276 ½
Budapest	pengo to £1	T.T.	27·82	27·87 -91	27 79-84	27 80 -83
Bukarest	lei to £1	T.T.	25·22½	787 7 0	806 810	805 10
Sofia	leva to £1	T.T.	25·22½	672 677	6 9 674	669 -74
Athens	drachmæ to £1	T.T.	375	367 369	374 375½	3744 5½
Constantin'ple	piastres to £1	T.T.	110	937—940	985 990	995 1,003
Warsaw	zloty to £1	T.T.	43·38	43 ¼	43 ¼	43 ¼
Helsingfors	F. marks to £1	T.T.	193·23	153 ¼	153 ¼	153 ¼
Kovno	lits to £1	T.T.	48·66	48 ¼	192 ¾	192 ¾
Reval	Kroon to £1	T.T.	18·159	18 00-18 10	18 10 17	18 08-18
Riga	lats to £1	T.T.	25·22	25 ·5·30	25 10 2	25 10-20
Alexandria	piastre to £1	Sight	97⅛	97 13/16 – 15/16	97 15/16	97 7/8
Buenos Aires	pence to peso	T.T.	47·62d	47 29/32	47 31/32	47 31/32
Rio de Janeiro	pence to mils.	90 days		47 29/32	47 31/32	47 31/32
Montev deo	pence to peso	T.T.	16	5 13/16	5 15/16	5 15/16
Valparaiso	dollars to £1	90 days	51	50 ¾	50 ¾	50 ¾
Lima	Eng. to Per. £1	90 days	40	39 ·3	50 ¼	50 ¼
Calcutta	pence to rupee	T.T.	par	23 1/32 prem.	23 1/32 prm	23 1/32 prem
Bombay		T.T.	18	1 6 3/32 – 1/4	1 6 3/32	1 6 3/32 1/10
Madras		T.T.		1 6 3/32 – 1/4	1 6 3/32	1 6 3/32 1/10
Hong Kong	ster. to dollar	T.T.		1/ 3 – 1/4	1 6 3/32	1 6 3/32 1/10
Shanghai	ster. to tael	T.T.	..	2 0 2 1/2	2 0 4	2 0 4
Singapore	ster. to dollar	T.T.		2 4 2 1/2	2 0 4	2 0 4
Kobe	ster. to yen	T.T.	2s 4d	2/3	2/3 11/32	2/3 11/32
Manila	ster. to peso	T.T.	24·58d	1/11 3/32 – 1/4	1/10 31/32	1/10 31/32
Mexico	pence to dols.	T.T.	24·066d	12a 0 1d	12a 0 0	12a 0 0
			24·58d	23 – 24½	23 24	23 24

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90-3·03 dollars to 100 krone, i.e., approximately 162½ krone to £.

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz:—

£1,000 sterling equals 942·44–944·33 tchervontzi.
1 tchervonetz = 10 gold roubles. £1 sterling = 9·46 gold roubles.

CURRENT RATES IN NEW YORK.

The American Exchange Irving Trust Company cable the following money and exchange rates in New York:—

	Jan. 13, 1928.	Dec. 12, 1928.	Dec. 19, 1928.	Dec. 26, 1928.	Jan. 2, 1929.	Jan. 9, 1929.
	%	%	%	%	%	%
Call money	4 ..	8 ..	7 ..	9 ..	12 ..	7
Time money (90 days' mixed coll)	4⅛ ..	7 ..	7½ ..	7½ ..	7½ ..	7½
Bank acceptances—	Selling Rates.					
Members—eligible, 90 days	3½ ..	4⅜ ..	4½ ..	4½ ..	4½ ..	5
Non-members—eligible 90 days	3½ ..	4⅜ ..	4½ ..	4½ ..	4½ ..	5
Ineligible, 90 days	3½ ..	5½ ..	5⅜ ..	5⅜ ..	5⅜ ..	5⅜
Commercial acceptances	4 ..	5⅛ ..	5⅛ ..	5½ ..	5⅜ ..	5⅛

Rates of Exchange, New York on—		Par Level.	Jan. 3, 1928.	Dec. 26, 1928.	Jan. 2, 1929.	Jan. 9, 1929.
London—						
60 days	Dollars for £1	4·8666	4·83¼	4·80 11/32	4·80⅜	4·80 11/32
Cable			4·87⅛	4·85 5/32	4·85⅛	4·85⅛
Cheques			4·87 43/64	4·84 ¼	4·84⅛	4·84 11/32
Paris—cheques	Cents for 1 franc	19·30	3·9312	3·91375	3·90 11/32	3·90 13/32
Brussels	Cents for 1 Belga	13·90	13·91	13·915	13·90	13·886
Switzerland	Cents for 1 franc	19·30	19 262	19·295	19 255	19·2475
Italy	Cents for 1 lire	19	5·285	5·2375	5·235	5·23⅛
Berlin	Cents for 1 mark	23·81	23 812	23·815	23·775	23·77
Vienna	Cts. for Austrn. schlg.	14·07	14 13	14·09	14·09	14·07
Madrid	Cents for 1 peseta	19·30	17·08	16·30	16·105	16 315
Amsterdam	Cents for 1 guilder	40·195	40·285	40·15	40·12	40·105
Copenhagen			26·795	26·705	26·67	26·67
Oslo	Cents for 1 kroner	26·80	26·893	26·685	26·65	26·66
Stockholm			26 89	26·805	26·73	26·735
Athens	Cents for 1 drachma	19·30	1·325	1·29½	1·29⅛	1·29⅛
Montreal	Can. Cents for $1	100	¼ dis.	⅜ dis.	⅛ dis.	⅛ d s.
Yokohama	Cents for 1 yen	49·85	46·95	45·90	45·90	45·62
Hong Kong	Cents for H. Kong $	..	50·75	49·95	49 90	50·10
Shanghai	Cents for 1 Shng. tael	..	64·125	63·625	63·25	63·50
Calcutta	Cents for 1 rupee	..	36 65	36·46	36·48	36 43
Buenos Aires	Peso- for $100	103·65	103·15	104·65		42½
Rio de Janeiro	Cents for 1 milreis	32·42	12 00	11·86	1·90	11·90
Valparaiso	Cents for 1 peso	12·125	12·125	12·03	12·03	12·03

† Cents for 1 peso, par level 42·54 cents.

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa. From February 6, 1928 London on South Africa. Buying	Selling.	Union of South Africa. From February 6, 1928. South Africa on London. Buying.	Selling.
T.T.	..	⅛ % dis.	par to ⅛ % pm.	⅛% prem.
Demand	1⅛ % dis.	¼ % „	⅛% dis.	⅛ to ¼% „
30 days	1 3/16% „	5/16% „	⅛ % „	⅛% „
60 days	2⅛ % „	7/16% „	¼ % „	⅜% „
90 days	⅜ % „	½% „	⅜ % „	½% „
120 days	⅝ % „	¾ % „	½% „	⅝% „

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange:—

Country.	Method of Quoting.	Par Value.	Usance	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·32
Venezuela	Bolivars to £	25·25	„	25·30
Colombia (Bogota)	Pesos to £1	5	„	5·00
Nicaragua	Cordobas to £	4·8665	„	4·92
Salvador	Colon to £	9·73	„	9·82
Bolivia	Pence to Boliviano	18·0	90 days	18

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	New Zeal'nd	Selling. Australia.	New Zeal'nd	Australia and New Zealand on London. Buying. Australia.	New Zeal'nd	Selling. Australia.	New Zeal'nd
T.T.	98⅛	98⅛	99⅛	99⅛	..	..	101	100⅜
Demand	97⅞	97 13/16	99	99⅛	99⅛	99⅛	100⅜	100⅛
30 days	97	97⅛	..	..	99 1/16	98⅛	100⅛	99⅛
60 days	96 15/16	97			98 15/16	98	99⅛	99⅛
90 days	96 7/8	96 15/16			98⅛	97⅛		99⅛

GOLD AND SILVER PRICES.

	Gold Per Ounce	Silver—Per Ounce Cash.	Forward.	Date.	Silver. Cash.
1929.	s d	d	d		d
Jan. 4	84 11¼	26 5/16	26⅜	Jan. 19, 1923 ..	31⅞
5	84 11¼	26⅜	26 7/16	18. 1934 ..	33¼
7	84 1	26 7/16	26½	16. 1925 ..	32⅜
8	84 11¼	26⅜	26 7/16	15. 1926 ..	31 5/16
9	84 11¼	26⅜	26 7/16	14. 1927 ..	25⅞
10	84 11¼	26 7/16	26½	12, 1928 ..	26½

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council from April 1, 1928, to January 5, 1929, amounted to £21,745,000 by means of purchases of sterling in India. Of this amount £750,000 was remitted on account of the Paper Currency Reserve.

BULLION.

The following statistics of imports and exports of gold for week ended January 10, 1929, are issued by the Statistical Department of H.M. Customs and Excise:—

Imported into Great Britain and Northern Ireland.	£	Exported from Great Britain and Northern Ireland	£
From—		To—	
France	1,788	Poland	6,614
U.S. of America	2,578	Germany	41,639
British West Africa	22,359	Netherlands	13,036
British South Africa	8,775	France	502,200
		Switzerland	29,440
		Austria	4,250
		Hungary	100
		Egypt	2,000
		Gibraltar	34,265
		Bombay via other ports	8,496
		Straits Settlements	
Total declared value of imports	35,500	Total declared value of exports	684,670

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow:—

1929	Arrivals.	£	1929.	Withdrawals.	£
Jan. 4	—Sovs released	250,000	Jan. 4	—Sovs	15,000
„ 5	—Sovs released from abroad	1,000,000	„ 5		nil
„ 7	—Bars	1,665	„ 7		nil
„ 8	—Bars	nil	„ 8	—Bars	65,345
„ 9	—Bars	nil		—Sovs	4,000
„ 10	—Bars	nil	„ 9	—Bars	5,130
			„ 10	—Bars	11,958
				—Sovs	3,000
Total		1,251,665	Total		104,404

Net arrivals, £1,147,261.

Messrs. Samuel Montagu and Co. write on January 9, 1929, as follows:—

GOLD.

The Bank of England gold reserve against notes amounted to £153,123,339 on the 2nd instant (as compared with £153,783,646 on the previous Wednesday), and represents a decrease of £782,976 since April 29, 1925—when an effective gold standard was resumed. Only £40,000 of gold was available in the open market this week, and the additional requirements of India and the trade were met by withdrawals from the Bank of England. There was a net influx of £1,157,054 of gold during the week under review. The receipts consisted of £1,250,000 in sovereigns "released" and £1,665 in bar gold, and the withdrawals of £19,000 in sovereigns and £75,611 in bar gold.

SILVER.

Movements in silver continue within narrow limits. Sellers have proved hesitant, and the market responded to some inquiry from China, but both buying and selling orders have been mostly limited as to price, business consequently being restricted. The present level of prices has little attraction for the Indian bazaars, and American operators have been interested only at prices slightly outside those current. The tone of the market remains steady, and this condition is likely to continue should the present reluctance on the part of sellers be maintained. The following were the United Kingdom imports and exports of silver registered from midday on December 31st to midday on the 7th instant:—Imports.—France, £19,681; U.S.A., £66,100; Mexico, £11,900; other countries, £22,910—£120,591. Exports.—Egypt, £60,580; China, £97,280; British India, £144,896; other countries, £25,570—£328,326.

INDIAN CURRENCY RETURNS (In Lacs of Rupees.)

	Dec. 15.	Dec. 22.	Dec. 31.
Notes in circulation	18 566	18 697	18 910
Silver coin and bullion in India	10,238	10,069	10,088
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	3,110	3,110	3,110
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	4.233	4.233	4,327
Securities (British Government)	585	685	685
Bills of exchange	400	600	700

The stock in Shanghai on the 5th instant consisted of about 62,500,000 ounces in sycee, 101,000,000 dollars and 4,400 silver bars, as compared with about 62,000,000 ounces in sycee, 101,000,000 dollars and 5,740 silver bars on the 29th ultimo.

NOTICES.

Mr Walter Shakspeare, of the Ceylon and Eastern Agency, Limited, has joined the board of directors of the National Bank of India, Limited.

The Commercial Bank of Australia, Limited, announce that a branch has been opened at Epping, N.S.W.

A new branch building of the National City Bank of New York has been opened in Panama City.

A new departure in bank amenities is announced by the West-End branch of the Royal Bank of Canada, Cockspur street, which has placed at the services of its customers—though the convenience is not confined to such—a special vault fitted with individual safety deposit boxes.

The London office of the Bank of New South Wales have received cable advice that the board of directors in Sydney have appointed Mr A. C. Davidson as general manager of the bank in succession to Mr Oscar Lines, who retired on December 31, 1928.

Barclays Bank, Limited, announce the opening of new sub-branches at Silver End (Braintree), under the management of Mr P. L. Mitchell, who is also manager of Braintree branch; at 229, London road South, Kirkley, under the management of Mr S. J. Owles, who is also manager of 1 Commercial road, Lowestoft (South) branch; also at Brough, under the management of Mr O. J. Nutt, who is also manager of Trinity House lane, Hull, branch.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Last Year.	Previous Year.
Banks.				%	%
Barclays, "A" shares	5%†	Feb. 1	..	10	10
Do "B" and "C" shares	7%†	Feb. 1	..	14	14
District Bank	..	..	..	..	..
International Acceptance	4%	Jan. 15	Quarterly	18½	18½
Ionian	..	..	Tax free	8	8
Lloyd's "A" shares	..	..	..	16⅔	16⅔
Do "B" shares	..	..	..	5	16⅔
Manchester and County	6/6 p.s.†	..	Less tax	16½	16½
Martin's	8%†	Jan. 30	Less tax	16	16
Midland	18†	..	..	18	18
Munster and Leinster	14	..	..	..	..
National Provincial	9%†	Feb. 1	Tax free	18	18
Provincial of Ireland	14½†	..	Less tax	14½	14½
Union Discount of London	15	(&bonus	Less tax	..	..
Union of Manchester	4/ p.s.†	..	of 2/6 p.s.) Tax free	16	18
Westminster, £20 Shares	10½†	..	Less tax	20	20
Do £1 Shares	6¼†	..	..	12½	12½
Insurance.					
Scottish Automobile & General	8¾%†	..	..	17½	16½
Mining.					
Ashanti Goldfields	30%†	..	Less tax at 4/	55	50
Broken Hill South	1/ p.s.	Feb. 22	..	..	..
Electrolytic Zinc	12*	Mar. 1	..	..	..
Kamunting Tin	/6 p.s.*	Jan. 31	Tax free	..	..
Tin Selection Trust	7½%†	..	Less tax	15	16½
Transvaal & Delagoa Bay Invst.	..	..	..	25	25
Railways.					
South Behar	..	..	..	5	5
Tea, and Rubber.					
Anglo-Dutch Plantations of Java	2½%*	Jan. 31	Less tax	..	..
Bogawantalawa District Tea	5%*	Jan. 23	Less tax	..	..
Braunston (Malay) Rubber	..	..	..	5	25
Cicely Rubber	5%*	Jan. 17	Less tax at 4/	..	..
Sendayan (F.M.S.) Rubber	..	Jan. 22	..	2½	15
Southern India Tea	5%†	Jan. 22	Less tax	..	..
Other Companies.					
Anglo-American Telegraph	£1¼%†	Feb. 1	..	£3⅔%	..
Do Def.	..	Feb. 1	..	£1¼%	..
Apex (Trinidad) Oilfields	20%†	..	..	35	80
British Tea Shares Trust	6*	Jan. 12	Less tax	..	..
Cardinal Invest. Trust	10%†	..	..	16	15
Central Bahia Railway Trust, "A" Certs	4	..	..	..	..
Do "B" Certs	1½	..	..	..	..
Charterland and Gen. Exploration and Finance	7½%*	Jan. 18	..	..	..
Consolidated Signal, Def	..	..	..	17½	12½
De Havilland Aircraft	..	..	..	10	10
Edward and John Burke	3*	..	..	..	..
English Sewing Cotton	5%*	Feb. 9	..	..	..
Glasgow Alhambra	..	..	..	8	10
Great Yarmouth Waterworks	2%*	..	..	..	..
Hitchman and Co.	..	..	Less tax	12	12
Hoare and Co., Limited	9%*	Jan. 27	Tax free	..	..
Hollins Mill	2½%†	..	..	5	5
Houlder Line	..	..	..	10	10
John Crossley	1/ p.s.†	..	..	5	..
John Davenport & Sons' Brewery	12½%†	..	..	25	..
John Horn	10/ p.s.†	(&bonus	Less tax	25/p.s.	..
John Hover (Stockport)	10%†	(&bonus	of 3/ p.s.) Less tax	25	..
Kay's Atlas Brewery	5%*	..	of 3/ p.s.) Less tax	..	..
Lister and Co.	2½%†	..	..	5	5
London Produce Clearing House	3/ p.s.†	(&bonus	of 1/6 p.s.)	15	15
Manchester Dock and Warehouse Extension	5/6 p.s.*	..	Less tax	..	..
Manchester Ship Canal Warehousing	5/6 p.s.*	..	Less tax	..	..
Methuen and Co.	2 %*	Jan. 21	..	..	..
Metropolitan Trust	12%†	..	..	19½	19
Michael Nairn and Greenwich	7½%†	..	Less tax	12½	12½
North Queensland Mortgage	..	..	..	7	7
Rio de Janeiro Flour Mills	8⅔%†	(&bonus	of 5%) Tax free	20	20
River Plate and General Invest. Trust, Def.	12%†	Feb. 1	..	20	20
Robert Dencher	..	..	..	10	10
Ruo Estates	5%†	..	Tax free	15	..
Scottish-American Inv., "A" shs.	10%†	..	..	20	20
Do "B" shares	5%†	..	Less tax	10	..
Second Scottish Western Invest.	9¾*	..	Less tax	..	..
Second Scot. United Investors	5%	..	Less tax	..	..
South Holland Brewery	..	..	..	10	6
Star Tea Co., Def.	..	..	..	125	125
Tata Hydro-Electric Power	..	..	Tax free	7	7
Third Scottish Northern Investment Trust	3%†	..	..	5½	5

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Jan. 4, 1929. (c) Week ended Jan. 5, 1929.	Miles Open.	Week ended Jan. 6, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 1 Week, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,779	201	189	117	306	507	..	..	..	..	..
Do for 1928	3,779	218	182	114	296	514	..	..	..	..	..
Lon. & N.Eastn.(c)	6,345	308	330	209	539	847	..	..	..	..	..
Do for 1928	6,363	309	314	212	526	835	..	..	..	..	..
Lond., Mid & Scot.	6,950a	447	469	252	721	1,168	..	..	..	..	..
Do for 1928	6,950a	453	456	271	727	1,180	..	..	..	..	..
Southern	2,177	262	69	30	99	361	..	..	..	..	..
Do for 1928	2,177	268	56	21	77	345	..	..	..	..	..
Metropolitan (c)	59	32·3	..	..	3·8	36·1	32·3	..	..	..	36·1
Do for 1928	59	32·2	..	..	3·8	36·0	32·2	..	..	3·8	36·0
†Und'rgr'nd E.R.c	..	..	..	..	..	279·0	..	..	..	..	..
†Do for 1928	..	..	..	..	..	270·3	..	..	..	..	..
Lon. & Sub. Gr'up c	..	..	..	..	..	38·8	..	..	..	..	..
Do for 1928	..	..	..	..	..	38·7	..	..	..	..	..
B'l'f'st & Co. D'wn b	80	1·5	..	..	0·5	2·0	..	..	..	..	..
Great Northern b	562	11·9	..	..	13·8	26·7	..	..	..	..	..
Great Southern b	2,187	24·6	..	..	40·3	64·9	..	..	..	..	..

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or —	Total Gross Receipts. 1929.	+ or —
INDIAN.				Rs.		Rs.	
Assam Bengal	36 weeks	Dec. 8	1,116	4,91,000	+ 30,229	1,56,68,201	+ 5,65,399
Barsi Lt. Ry.	37 weeks	15	202	50 900	+ 10,200	16,67,400	— 5,89,600
Bengal & N. Western	37 weeks	15	2,079	7,76,042	— 31,299	71,33,306	— 5,27,051
Bengal-Nagpur	35 weeks	1	2,939	19,42,000	+ 1,92,005	5,63,71,517	— 11 60,339
Bombay, Bar., & C.I.	39 weeks	29	3,022	24,64,000	+ 18,000	8,44,38,000	+ 37,38,000
Burma	35 weeks	1	1,349	7,24,790	— 80,277	2,73,89,316	— 1,42,540
Madras & S. Mahr	37 weeks	15	3,072	19,25,000	+ 66,833	6,43,01,084	+ 52,43,635
Nizam's Guarantd. (s)	37 weeks	15	1,018	4,62,536	— 68,856	1,38,44,927	+ 10,15,004
†Rohilk'd & Kumaon	37 weeks	15	561	1,34,467	+ 3,469	12,41,379	— 20,056
South India	36 weeks	8	2,208	11 83,010	— 81,950	4,24,16,467	— 3,92,978

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

ARGENTINE (a).				£	£	£	£
Argentine N.E.	27 weeks	Jan. 5	753	14,700	+ 1,400	431,200	+ 35,600
B.A. and Pacific	27 weeks	5	2,694	170.000	+ 22,000	4,287,000	+ 438,000
B.A. Central	27 weeks	6	..	13.837	+ 366	391,250	+ 12,072
B.A. Gt. Southern	27 weeks	5	4,720	314,000	+ 9,000	5,948,000	— 531,000
B.A. Western	27 weeks	5	1,926	100,000	..	2,548,000	— 21,000
Central Argentine	27 weeks	5	3,305	276,000	+ 6,000	7,114,000	+ 250000
Cordoba Central	27 weeks	5	1,218	62,000	— 1,000	1,896,000	— 17,200
Entre Rios	27 weeks	5	728	37,700	— 2,500	775,000	+ 101,000
CUBAN.				£	£	£	£
United of Havana†	27 weeks	Jan. 5	1,359	59,405	+ 8,176	1,391,785	— 51,45

† Figures include Havana Central Railway.

URUGUAYAN.				£	£	£	£
Central Uruguay	27 weeks	Jan. 5	273	33 188	+ 1,103	803,865	+ 12,989
C. Urug. (East. Ext.)	27 weeks	5	311	8,959	+ 1,575	168,521	+ 1,637
C. Urug. (North. Ext.)	27 weeks	5	185	4,946	+ 1,166	93,998	+ 4,377
C. Urug. (West. Ext.)	27 weeks	5	211	3.060	+ 14	74,726	+ 4,349
CANADIAN.				$	$	$	$
Canadian National	50 weeks	Dec. 21	19,138	5,462,872	+ 788,782	269258012	+ 28214210
Canadian Pacific	52 weeks †	31	14,670	5,562,000	+ 48,000	238575000	+ 27429000

† 10 days.

BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil	52 weeks	Dec. 29	1,016	24,300	+ 5,800	817,200	+ 43,600
Leopoldina	1 week	Jan. 5	1,856	39.509	— 3,691	..	..
Leopoldina Termnl.	1 week	5	Mlrs	396.000	+ 25,000	..	..
San Paulo	1 week	6	153½	46,109	+ 6,411	..	..
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia)	52 weeks	Dec. 30	838	43,580	+ 3,600	1,829,060	+ 145,165
Nitrate (½-monthly)	52 weeks	31	402	42,532	+ 12,702	864,193	+ 179,587
OTHER OVERSEAS.							
Alcoy and Gandia	52 weeks	Dec. 29	53	Ps. 35,500	..	1,388,700	+ 60,200
Egyptian Delta	37 weeks	20	608	£11.797	+ 2,465	241,792	+ 14,675
Gt. S uthn. of Spain	52 weeks	31	104	Ps52,708	— 15,663	6,570,647	+ 530.141
Mexican Railway	25 weeks	31	432	$338,800	— 9,000	5,961,100	— 38,100
Paraguay Central	25 weeks	29	274	£3.390	— 540	118,580	+ 1,780
Salvador	27 weeks	Jan. 6	100	£4,796	— 534	104,416	— 3,708

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or —	Total Receipts. 1929.	+ or —
Anglo-Argentine	52 weeks	Dec. 31	329	£103,656	— 2,657	4,637,194	+ 58,259
B. Aires Lacroze	27 weeks	Jan. 6	..	£13,575	— 852	352,894	+ 6,653
Burnley Corporation	1 week	6	13	£3,077	— 39	..	..
Calcutta Tramways	1 week	5	35½	Rs111752	+ 15,156	..	..
Chatham & District	51 weeks	Dec. 20	15	£1.123	— 144	64,431	— 5,546
Egyptian Markets	52 weeks	31	..	£3,566	+ 755	91,803	— 1,171
Glasgow Corporation	23 weeks	8	136‡	£44,287	— 1,472	1,217,625	— 23,671
Isle of Thanet Trams	51 weeks	19	..	£342	+ 54	83,729	+ 834
Liverpool Corp.	40 weeks	Jan. 5	134	£29.042	+ 580	1,195,004	+ 58,304
L.C.C. Tramways	40 weeks	2	166	£81,789	+ 5,401	3,275,386	+ 135,468
Pernambuco Trams†	1 week	6	..	£5.755	— 628	..	..

† Tramway Receipts only.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Preference. Amount.	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
Banks.		£	£	£	£	£	%	£	£	£	%
Bank of New South Wales	Sept. 30	170,616	1,184,943	1,355,559	..	936,905	12½	250,000	168,654	1,226,247	12½
Barclay's Bank	Dec. 31	552,265	2,301,285	2,853,550	..	1,666,349	(10 A 14 B and C	650,000	537,201	2,306,529	(10 A 14 B and C
Ionian Bank	Aug. 31	13,332	53,680	67,012	..	48,000	8†	..	19,012	61,080	8†
Manchester and County	Dec. 31	78,897	182,681	261,578	..	177,456	16½	12,040	72,082	188,860	16½
Breweries.											
John Davenport and Sons	Oct. 31	11,832	26,756	38,588	2,875	16,271	25	..	19,442	23,375	25
Robert Deuchar	Sept. 30	18,647	30,074	48,721	13,685	7,500	10†	10,000	17,536	32,797	10†
Electric Lighting and Power.											
Adelaide Electric Supply	Aug. 31	24,709	289,787	314,496	96,250	59,607 60,000	8 Pf.O. 12 Ord.	66,737	31,902	287,932	12
Financial, Land, &c.											
N. Queensland Mort. and Invest.	Sept. 30	512	5,905	6,417	..	4,292	7	1,500	625	..	..
Oil.											
Apex (Trinidad) Oilfields	Sept. 30	102,045	240,829	342,874	..	175,000	35	48,500	119,374	396,356	(s)
Rubber, &c.											
Braunston (Malay)	Sept. 30	5,173	1,454	6,627	..	4,225	5	Dr 4,000	6,402	22,012	25
Sendayan (F.M.S.)	Sept. 30	8,890	5,224	14,114	..	6,250	2½	..	7,864	38,778	15
Soember Ajoe	Sept. 30	4,469	9,576	14,045	..	5,810	7½	2,500	5,735	15,188	15
Textiles.											
J. F. and H. Roberts	Nov. 30	26,240	48,065	74,305	5,000	31,250	12½	12,000	26,055	53,366	12½
Trusts.											
Great Northern Investment Trust	Nov. 30	5,288	53,160	58 448	24,000	25,600	8	5,000	3,848	43,915	6
Rio Claro Railway and Investment	Nov. 30	76,314	154,081	230,395	59,156	78,875	10	15,000	77,364	148,680	9
Second Scottish United Investors	Dec. 15	..	17,222	17,222	9,000	6,000	2½	..	2,222	..	..
Other Companies.											
Consolidated Signal	Sept. 30	803	31,678	32,481	10,429	21,378	17½	..	674	25,362	12½
De Havilland Aircraft	Sept. 30	7,568	19,702	27,270	..	1,484	10	10,000	15,786	18,351	10
Liebig's Extract of Meat	Aug. 31	250,960	344,863	595,823	50,000	240,000	16†	50,000	255,823	325,086	16†
Rio de Janeiro Flour Mills	Sept. 30	88,265	273,260	361,525	..	272,967	20†	..	88,558	303,689	20†
Star Tea	Oct. 27	109,483	95,902	205,385	28,000	32,000 25,000	10 P.O. 125 D.	65,000	55,385	92,046	10PO 125D
United Tobacco Cos. (South)	Sept. 30	241,072	507,005	748,077	24,000	480,000	20†	..	244,077	638,269	25†

† Free of Income Tax. (s) Dividend 80% absorbing £320,000.

Reports and Notices.

The Trade Indemnity Company, Limited, announce that Sir Joseph Burn, K.B.E., F.I.A., general manager of the Prudential Assurance Company, has been elected to a seat on the board.

Mr Harold Ernest Peirce and Mr Harry Valentine Hall have joined the board of Hall and Co., Limited.

Sir Percy Graham Mackinnon has joined the board of the Scottish Australian Investment Company, Limited.

It is officially announced that the West Gloucestershire Power Company, Limited, has acquired the ownership of the Chepstow Electric Lighting and Power Company, Limited, by the purchase of *over 98 per cent. of the shares of the latter company.*

The registered offices of the Amalgamated Tobacco Trust, Limited, have been moved to the offices of Messrs Ball, Baker, Ash, and Co., chartered accountants, Finsbury court, Finsbury pavement, London, E.C. 2.

GOVERNMENT STOCKS, &c.

EXTERNAL DEBT OF PARAGUAY.—Tenders of Bonds of the Loans of 1886, 1896, and 1915, and of the arrear coupon certificates issued *in respect of the 1886 and 1896* bonds for amortisation were opened to-day at the offices of the Council of Foreign Bondholders. Tenders were accepted as under:—Bonds of 1886 and 1896.—Tenders at and under £49 7s 6d per cent. were accepted. Bonds of 1915.—Tenders under £49 5s per cent. were accepted in full, and those at that price to the extent of 60 per cent. Arrear Coup. Certs.—Tenders at and under £86 10s per cent. were accepted.

5 PER CENT. TREASURY BONDS, 1933-1935.—Under the terms of the prospectus of December 22, 1927, holders of these bonds have the option of converting their *holdings in whole or in part during* the period January 16th to January 31, 1929, both days inclusive, into £114 10s 4 per cent. Consolidated Loan for each £100 nominal 5 per cent. Treasury bonds surrendered. Interest on the Treasury bonds converted will cease on February 1, 1929, and six months' interest on the 4 per cent. Consolidated Loan will be paid on August 1, 1929. A commission of 5s per £100 nominal Treasury bonds will be paid to bankers and stockbrokers in respect of accepted conversion *applications bearing their stamp.*

BANKS.

BANK OF NEW SOUTH WALES.—The net profit for year ended September 30, 1928, amounted to £1,184,943, against £1,226,247 for preceding year. The dividend for year is 10 per cent. and in addition a bonus of 10s per share is paid. This dividend and bonus is the same as for preceding year. The sum of £250,000 is put to reserve against an allocation of £340,760 in preceding year. The carry forward is reduced from £170,616 to £168,654. The balance-sheet is fully summarised on another page.

BANKERS TRUST COMPANY.—The Statement of Condition of Bankers Trust Company as of December 31, 1928, shows total assets of $773,268,866, an increase of $38,843,462 over the corresponding figure on July 2, 1928, of $734,425,404. With capital $25,000,000, surplus $50,000,000, and undivided profits $27,387,182 the capital structure totals $102,387,182. Deposits and outstanding managers' cheques on December 31, 1928, are shown at $584,088,640, as against $552,401,755 six months previous, an increase of $31,686,884. During the same period time and demand loans expanded from $346,256,953 to $432,804,456, an increase of $86,547,503.

COMMERCIAL NATIONAL BANK AND TRUST COMPANY OF NEW YORK.—The Commercial National Bank and Trust Company of New York opened on January 9th at 56 Wall street, New York. This bank, the origination of which was first made public in August last, is commencing business with a paid-in capital and surplus of $14,000,000. Mr H. P. Howell is the president. The bank, being a member of the Federal Reserve System and the New York Clearing House Association, is equipped to render complete banking and trust services. The Commercial National Corporation, which is attached to the bank, is organised to transact a general securities business. Major P. C. Anderson, who has been appointed European representative of the bank, has recently returned to England from the United States, and has established his office at 25-27 Bishopsgate, London, E.C. 2.

IONIAN BANK, LIMITED.—The profits for year ended August 31, 1928, amounted to £53,680, against £61,079 for preceding year. The dividend and bonus amount to 8 per cent., free of income-tax, as before. Nothing is put to reserve, against a transfer of £15,000 a year ago, but the carry forward is increased from £13,331 to £19,012. The investments of the bank stand on the books at figures below the actual market value. A summary of the balance-sheet appears on another page. The directors decided to discontinue working in Turkey, in view of the difficulties encountered in that country, and they came to an arrangement with the Deutsche Bank to take over the Constantinople branch. This was accomplished on November 9th, and the business of the branch is under liquidation.

RAILWAYS.

HOME RAILWAYS.—Dates on which dividends are likely to be declared are announced as follows:—

Date. 1929.	Company.	Ordinary dividend for Whole Year 1927. %
Jan. 22	London and North Eastern	† 3⅜
Jan. 31	Metropolitan	3
Feb. 7	Underground	5
Feb. 13	London Midland and Scottish	4¾
Feb. 13	Southern	2
Feb. 13	Great Western	7

† Pref. Ord. Dividend.

MISCELLANEOUS

ADELAIDE ELECTRIC SUPPLY COMPANY, LIMITED.—The report for the year ended August 31, 1928, shows that net revenue amounted to £411,946, against £412,616 in preceding year. The directors have allocated £66,737 to reserve, making general reserve £180,000. The dividend on the ordinary shares is 12 per cent. The carry-forward is increased from £24,709 to £31,902. Total reserves amount to £512,602. Cash is at £176,954 against £186,227.

BRITISH ENKA ARTIFICIAL SILK COMPANY, LIMITED. — In connection with the issue to shareholders of 250,000 ordinary shares of £1 each, at 26s per share, renunciation letters with nominations may be obtained on application at the company's office at Pinners Hall, Austin Friars, London, E.C. 2.

CITY OF SANTOS IMPROVEMENTS COMPANY, LIMITED. — With reference to the chairman's circular letter dated December 18th last to the holders of ordinary shares, giving particulars of the Brazilian Traction, Light and Power Company's offer to purchase all the ordinary shares of the company at the price of £2 17s 6d per share, provided that holders of not less than 750,000 shares accepted this offer, we are informed that acceptances have already been received in excess of this figure. The directors strongly recommend all holders who have not accepted the offer to complete the form of acceptance and return it immediately, as the Brazilian Traction offer must be accepted not later than January 15th.

DUOPHONE AND UNBREAKABLE RECORD COMPANY, LIMITED.—A petition for the winding-up of the company has been lodged with the High Court by Stuart Advertising Agency, Limited, of Kingsway House, Kingsway, W.C., and the petition is directed to be heard at the courts on January 14th. A similar petition has been lodged against British Brunswick, Limited.

HOME AND COLONIAL STORES, LIMITED. — At a meeting of the board of directors held on January 4th the various statements recently appearing in a section of the Press were under consideration, and with regard to the suggested absorption of this company by other interests the board beg to state that there is no truth in such rumours, and no proposal of this nature has come before the board in any shape or form. Moreover, no statement has been made by the directors or management which would account for the recent rise in the market price of the ordinary shares

SAMUEL ALLSOPP AND SONS, LIMITED.—At an extraordinary general meeting of Samuel Allsopp and Sons, Limited, at the Cannon Street Hotel, E.C., Sir William B. Peat (the chairman) presiding, the resolution providing for the reorganisation of the capital of the company which was passed at the extraordinary general meeting held on December 20th last was duly confirmed, on the motion of the chairman, seconded by Mr. James Davenport.

SCOTTISH STOCKHOLDERS INVESTMENT TRUST, LIMITED.—At an extraordinary general meeting of the Scottish and Southern Counties Investment Trust, Limited, which was held on January 7th, the resolution altering the name to the Scottish Stockholders Investment Trust, Limited, was unanimously confirmed.

STYLE AND WINCH, LIMITED. — The Chairman writes on January 8, 1929:—"The attention of the board has been called to certain paragraphs in the daily papers relative to this company. It is true that certain negotiations are taking place. In the opinion of the board, the present high value placed on the ordinary shares by the Stock Exchange does not coincide with the terms of these negotiations, should they eventually be completed."

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	November, 1928. Ore.	Est. Yield.	Est. Profit	December, 1928. Ore.	Est. Yield.	Est. Profit
	Tons.	£	£	Tons.	£	£
Brakpan	83,500	137,794	54,954	81,500	134,954	53,814
City Deep	83,000	101,134	17,248	89,000	101,949	18,108
Consolidated Main Reef	60,000	96,894	17,234	58,200	94,856	17,318
Crown Mines (10s shares)	207,000	303,402	80,029	207,000	295,491	74,181
Durban Roodepoort Deep	40,600	57,600	3,400	40,300	59,494	3,947
East Rand Proprietary	141,000	161,030	11,246	141,000	16,767	12,040
Ferreira Deep	30,000	27,469	5,122	29,100	22,135	1,526
Geduld Proprietary	82,500	110,648	42,517	85,000	113,258	12,927
Geldenhuis Deep	66,000	61,977	2,900	65,000	60,815	3,585
Glynn's Lydenburg	6,100	8,351	328	6,500	8,818	552
Government Areas	198,000	387,212	225,187	194,000	378,892	220,119
Kleinfontein, New	50,200	48,416	64	50,600	47,749	53
Langlaagte Estate	79,000	106,853	25,038	76,000	105,420	25,155
Meyer and Charlton	16,700	18,910	1,700	17,200	18,855	1,720
Modderfontein B.	69,000	109,737	47,545	69,500	110,133	47,572
Modderfontein Deep Levels	94,200	99,688	64,993	85,000	96,899	62,751
Modderfontein East	64,000	86,024	19,410	62,000	81,087	17,017
Modderfontein, New (£4 shs.)	140,000	307,834	186,777	142,000	310,275	187,880
New State Areas	77,000	137,193	58,720	73,000	131,502	57,104
Nourse Mines	60,500	72,127	2,876	64,400	77,243	3,485
Randfontein Estates	209,000	267,048	25,183	209,000	266,703	25,144
Robinson Deep	76,700	91,562	15,356	77,000	91,877	16,915
Rose Deep	55,000	48,512	2,049	55,000	47,552	1,500
Simmer and Jack	78,100	84,854	5,098	79,000	78,443	5,247
Spring Mines	67,500	44,954	68,446	66,300	135,706	65,347
Sub-Nigel	25,000	99,118	48,356	24,000	98,785	18,513
Transvaal Gold Mining Estates	15,385	22,519	3,563	14,500	19,952	2,637
Van Ryn	52,000	40,681	5,015	39,000	43,123	5,077
Van Ryn Deep	64,000	105,175	41,469	64,000	101,25	42,269
Village Deep	59,000	68,112	4,498	58,000	65,017	4,181
West Rand Consolidated	75,000	77,512	12,005	81,200	87,289	16,107
West Springs	60,000	78,504	22,618	59,000	76,712	22,454
Witwatersrand Deep	44,000	42,341	25*	43,000	39,138	1,511
Witwatersrand (Knight's)	55,000	47,333	3,014	54,000	44,311	3,028
Wolhuter	29,400	21,623	317	26,500	6,766	346

* Loss

MINING OUTPUT STATISTICS FOR DEC., 1928.

	Tons Crushed. Mill.	Cyanide Works.	Gold Recovered. Mill	Cyanide Works.	Total.	Value.	Profit.
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Ashanti	8,710	..	..	..	9,205	40,529	14,586
Associated	3,957	..	..	..	..	6,314	..
Bal ghat	4,050	..	..	300	2,735	..	..
Blackwater	2,782	..	..	..	..	5,044	985
Boulder Perseverance	4,128	..	..	..	..	12,083	716
Cam and Motor	25,00	..	..	..	..	46,836	18,068
Champion Reef	9,770	23,029	4,745	984	5,729	..	..
Frontino and Bolivia	1,740	..	..	..	..	6,078	..
Gabait Tributing	410	..	..	..	..	1,456	..
Globe and Phœnix	6,050	..	..	..	5,437	..	10,763
Lena	..	..	..	..	3,8 2	16,304	..
Luipaard's Vlei	22,300	..	..	..	5,854	..	4,719
Lydenburg Platinum	3,330	..	..	..	671	(plat. gp. metals)	
Marmajito	720	..	..	..	..	3,765	..
Mysore	18,254	..	..	..	9,991	..	..
Nundydroog	10,675	20,045	5,229	1,138	6,367	..	..
Onverwacht Platinum	2,260	495 re	fined	platinum & allied metals.		..	..
Ooregum	14,000	18,000	7,386	1,015	8,401	..	..
Oriental	..	(Clean-up)				$90,500	..
Oroville Dredging	(Gross	return	s for 1	8 days	to Dec. 22	$17,448	..
Rezende	6,400	..	..	..	..	12,790	9,836
Sherwood Star	4,700	..	..	..	..	8,319	..
Sons of Gwalia	7,100	..	..	..	..	7,724	..
St. John del Rey	..	..	..	..	..	33,500	..
Taquah and Abosso	9,710	..	..	..	..	13,257	..
Waihi	22,864	..	6,810	ozs gold & 70,85		ozs silver	..

Tin.	Output. Tons.	Other Notes in Return.
Ampang	14	Concentrates.
Anglo-Burma	194	..
Aramayo	345	and 223,000 ozs silver.
Bangrin	33	..
Chenderiang	241	..
Consolidated of Burma	107	Mixed concentrates.
Daffo	6	..
Eastern Siam	11	concentrates.
Fabulosa	156	..
Filani	24	..
Gopeng	77½	Est. value, £10,000; est. costs, £2,840.
Idris Hydraulic	38½	Est. value, £4,818; est. cost, £1,502.
Jantar	35	..
Jos	25½	..
Kagera (Uganda)	23	..
Kent	59½	Est. value, £7,360; est. costs, £1,890.
Kepong	24	Est. value, £3,153; est. cost, £1,919.
Kinta	34½	Est. value, £4,652; est. costs, £1,412.
Kinta Kellas	..	460 piculs; est. value, $32,000.
Kramat Pulai	24½	Est. value, £3,267; est. costs, £1,225.
Lahat	21½	Est. value, £3,065; est. cost, £2,419.
Lower Bisichi	65	..
Malaya Consolidated	79	..
Meru	20	Concentrates.
Naraguta Karama	25	..
Pahang	203	Black tin; 203 tons alluvial.
Pattani	..	90 piculs.
Penckalen	65½	Est. value, £8,785; est. cost, £2,960.
Petaling	178½	Est. value, £22.2 3; est. costs, £7,280.
Rambutan	15	Est. value, £1,785; est. costs, £805.
Rantau	52	Est. profit, £2,800.
Renong	61½	..
Repp	80	..
Tukuba	4	..
Selayang	25	Concentrates.
Siamese	117	..
South Bukeru	6	..
South Crofty	732	Black tin; value, £10,624; arsenic, wolfram and sundries, value, £1,604.
Sungei Besi	46	Est. value, £6,304; est. cost, £4,425.
Sungei Way	352	Est. value, £4,500.
Taiping	35	Est. profit, £1,750.
Tanjong	413	Est. value, £5,623; est. costs, £2,100.
Tekka	48	Est. value, £6,080 est. costs, £2,205.
Tekka-Paiping	51	Est. value, £6,625; est. costs, £2,825.
Tin Fields of Nigeria	63	..
Tongkah Harbour	87	..
Tronoh	108	Est. value, £15,014; est. cost, £7,084.
Coal.		
Blackhill Colliery	23,186	for week ended Dec. 29.
Chinese Engineering	76,000	..
Coalbrook Colliery	20,118	..
Dundee	45,541	..
Durban Navigation	48,639	..
Natal Navigation	105,025	..
Vereeniging Estates	236,154	..
Copper.		
Bwana M'Kubwa	725	Copper oxide, equivalent to £569 tons refined copper.
Messina	1,211	Concentrates, containing 484 tons copper.
Diamonds.		
Crown	..	6,003 carats.
New Vaal River	..	580 carats realising £3,100.
Tanganyika	..	2,047 carats.
West African	..	12,600 carats.

BROKEN HILL SOUTH, LIMITED.—For the four weeks ended December 29, 1928, 18,640 tons of crude ore were treated, and produced 3,895 tons of lead concentrates, assaying 67 per cent. lead and 30 ounces silver per ton; also 3,918 tons of zinc concentrates, assaying 50 per cent. zinc

BURMA CORPORATION, LIMITED (incorporated in India).—During the month of December 36,700 tons of ore were mined, including 2,904 tons of high grade ore. 27,600 tons of ore were milled in the treatment plant, producing 10,574 tons of leady concentrates. 11,031 tons of lead-bearing materials, including 3,579 tons of high grade ore, were smelted in the blast furnaces, producing 7,128 tons of hard lead for treatment in the refinery. Refinery products were 6,546 tons refined lead and 60,781 ozs refined silver. Of silver production 65,200 ozs were recovered from the treatment of copper matte. Zinc plant produced 5,500 tons zinc concentrates, assaying 51 ozs silver, 6·5 per cent. lead, and 50·4 per cent. zinc. In addition to the above, 750 tons copper matte were produced from the treatment of accumulated smelter by-products and 5,458 tons copper ore. 90 tons of refined antimonial lead were also produced. Included in the tonnage of refined lead is 483 tons recovered from the smelting of copper ore.

SAN FRANCISCO MINES OF MEXICO, LIMITED.—Operations for December:—Ore treated, 26,000 tons; lead concentrates produced, 3,538 tons; zinc concentrates produced, 3,80 tons. Estimated net smelter returns, $307,555. Operating expenses, $139,436. Estimated operating profit, $168,119.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday Evening.

Agricultural operations in the United Kingdom are making normal progress, and ploughing for spring cereals is well forward. The recent spell of cold and frosty weather has loosened the heavier soils, while tending to check premature development of winter crops. Larger supplies of native wheat were available at the principal Statute market, but trade marked no expansion and the general position remained unaltered. Foreign sorts, however, experienced rather more inquiry, and tended firmer in sympathy with a moderate improvement in forward quotations. Floating and forward wheat cargoes were less freely offered in face of a better demand, chiefly on Continental account and higher first-hand offers. They were also influenced by recent large purchases by non-European countries. China has bought freely of Australian and low-grade Canadian, while India is stated to require further supplies up to August shipment. Sales include steamers of No. 3 Northern Manitoba afloat at 44s 10½d, No. 4 ditto 43s 6d, and Australian afloat to Adriatic at 46s 10½d, all per 480 lbs., c.i.f. terms. Feeding stuffs generally firmer, the demand being stimulated by cold weather. Sellers showed more reserve. Wheat firmer. No. 2 Northern Manitoba 49s 6d, No. 3 47s 6d, No. 4 Manitoba 45s 9d, No. 5 42s, No. 6 36s 6d, No. 2 mixed Durum 41s 6d, Rosafe 62½ lbs 44s 6d, Barusso 62½ lbs 44s 6d, Australian 47s, all ex-ship, per 496 lbs. English 9s 1d to 9s 3d per 112 lbs. Flour steady. London standard grade 36s 6d, town whites 37s 6d, patents 38s 6d to 39s 6d per sack delivered in the Home Counties, with 6d to 1s per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 33s to 36s 6d, Minneapolis 33s 6d to 36s 6d, Australian 34s 6d ex-store per 280 lbs. Maize again dearer. Plate ex-ship to arrive 42s, ditto landed 43s 6d, January-February 42s 9d, February-March 43s 3d, March-April 39s 9d, new April-May 37s 9d, May-June 37s 3d, No. 2 white flat African landed 42s 3d, No. 2 mixed American ex-ship to arrive 39s 9d per 480 lbs. Yellow maize meal £11 5s ex-wharf, white African ex-ship to arrive £9 7s 6d, Hominy chop £9 per ton. Barley firmer. Californian ex-ship 42s to 52s, Chilian Chevalier 48s to 58s, Australian 46s to 52s, Smyrna 44s to 50s per 448 lbs. Algerian/Tunisian 34s 9d landed, Canadian feed 30s ex-ship to arrive, 31s landed, No. 3 Canadian Western 34s ex-ship, per 400 lbs. English malting 10s to 15s, feed 9s to 10s per 112 lbs. Oats firmer Plate ex-ship December-January 35s 3d, February-March 24s 6d, black Plate landed 25s 6d. No. 3 white clipped American 36 lbs landed 27s 6d, mixed Canadian feed 21s 3d, Chilian white 33s 3d, German landed 28s 6d, ex-ship to arrive 27s 6d per 320 lbs. English 9s to 10s per 112 lbs. Scotch ex-ship 29s 6d, Irish black 26s 6d landed, per 336 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928-29, 1927-28, 1926-27, 1925-26:—

	1928-1929.	1927-1928.	1926-1927.	1925-1926
Estimated sales of home-grown wheat—	Cwt.	Cwt.	Cwt.	Cwt.
1 week to January 5	74,850	109,912	178,693	243,532
16 weeks to January 5	4,870,534	4,313,930	6,600,897	7,668,817
Average price of English wheat per cwt.	s d 9 5	s d 9 10	s d 11 11	s d 12 4

The following statement showing the Quantities Sold and the Average Prices of British Corn in the past two weeks and for the corresponding week of the years from 1924 to 1927:—

Weeks Ended	Quantities Sold. Wheat	Barley	Oats	Average Price per Cwt. Wheat	Barley	Oats.
1928.	Qrs.	Qrs.	Cwts.	s d	s d	s d
Dec. 29	140,920	168,948	45,690	9 6	10 2	8 11
1929.						
Jan. 5	74,850	161,535	34,120	9 5	9 11	9 1
Jan. 3, 1925	134,708	197,009	62,047	12 4	14 5	9 9
Jan. 2, 1926	89,247	147,076	26,146	13 5	10 10	9 4
Jan. 8, 1927	17,645	269,479	45,730	11 11	10 10	8 2
Jan. 7, 1928	109,912	173,929	32,635	9 10	11 1	9 4

AMERICAN WHEAT MARKETS.

The week opened with prices falling owing to favourable weather conditions, poor cash demand, and absence of export inquiries. Firmness developed later, cold weather in Europe and the American South-West, a better milling demand and light country offerings stimulating professional support. Private advices report no damage in Missouri. Quotations:—

Nearest Future.	Jan. 4, 1928.	Jan. 11, 1928.	Dec 26 1928.	Jan 2, 1929	Jan. 9, 1929.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	137	135¾	117	122	122½
Chicago (No. 2 ... per 60 lbs	130⅜	128¼	114⅜	116⅜	116½

Visible supplies of wheat in Canada at 76,331,000 bushels show an increase of 5,647,000 bushels as compared with the previous figures. Supplies a year ago stood at 56,092,000 bushels.

COAL.

Our Cardiff correspondent writes:—During the past week the supply of tonnage at the South Wales ports has been more abundant than in the previous week, and collieries, therefore, have been working fairly regularly, while prices in some cases have further hardened. Moreover, there has been a steady volume of new inquiry, and fixtures have been heavier than for some time past. On some days this week all the coaling tips have been fully employed at the principal docks, at some of which also vessels have been waiting their turns for loading. Admiralty collieries are, on the whole, well stemmed, while the position of the drier steam coal pits and also of the Monmouthshire collieries is reacting favourably on quotations. Work has already been resumed at the Nixon Collieries, and an agreement has also been reached for restarting the Bedwas Colliery. A meeting of the Executive Committee of the Marketing Association is to be held next week to consider the position in regard to the proposed output regulation scheme, but it is feared that the necessary support will not be forthcoming to authorise the introduction of that scheme this month. Differences continue to exist concerning the recent reduction in railway rates under the Government de-rating scheme, but at a meeting of the Commercial Committee of the Owners' Association, on Tuesday, it was decided that it was essential that there should be unanimity among the owners in the policy of retaining for the mining industry the whole of the benefit of the relief. The matter is to be further considered next week The following are the current approximate prices:—Best Admiralties, 19s 3d to 19s 6d; seconds, 18s 9d to 19s 3d; best drys, 18s 6d to 19s; Black Veins, 17s 6d to 18s; Western Valleys, 17s to 17s 6d; Eastern Valleys, 16s 7½d to 17s; best small steams, 12s 9d to 13s; cargo smalls, 11s to 12s; coking smalls, 12s 9d to 13s; anthracite best large, 33s to 35s 6d; Red Vein large, 20s 6d to 25s; machine-made cobbles, 40s to 43s 6d; French nuts, 41s to 43s 6d; stove nuts, 40s to 42s 6d; rubbly culm, 9s to 9s 3d; foundry coke, 25s to 36s 6d; patent fuel, 20s to 21s 6d; pitwood, ex ship, 26s 6d to 26s 9d.

Our Glasgow corrspondent writes:—Not much business has been arranged since the holidays, and meantime the market posi-

An International Bank

The FIRST NATIONAL BANK *of* BOSTON

1784 :: :: 1929

BOSTON, U.S.A.

Foreign Branches

ARGENTINA — BUENOS AIRES

CUBA — HAVANA, CIENFUEGOS, SANTIAGO

European Representatives

LONDON — 24, Old Broad St.

PARIS — 39, Rue Cambon

BERLIN — 52, Unter den Linden

Capital and Surplus

$50,000,000

tion is not very clearly defined. There does not seem to be any important change in prices from those ruling at the end of the year. Doubles are a strong spot at the moment, but trebles have eased in price. Other classes of nuts are about steady, and the same may be said of most qualities of round coal. Shipping prices are approximately as follows f.o.b. district ports:—Lanarkshire: ell best, 16s; splint best, 12s; splint second, 16s 6d; navigation, 17s; navigation second, 15s; steam, 14s; hartley, 16s 6d; trebles, 14s 6d-15s; doubles, 13s 3d-13s 6d; singles, 13s; pearls, 11s 9d-12s; dross, 10s 6d. Fife: screened navigation, 18s; first-class steam, 13s 6d; third-class steam, 12s 9d; trebles, 15s-15s 6d; doubles, 13s 9d-14s; singles, 12s 9d; pearls, 11s 6d-11s 9d. Lothians: prime steam, 13s 6d-14s; secondary steam, 13s 3d; trebles, 15s-15s 3d; doubles, 13s 9d-14s; singles, 12s 9d; pearls, 11s 9d. Ayrshire: unscreened navigation, 16s 6d; jewel, 16s 6d; steam, 13s 6d; trebles, 16s; doubles, 13s 9d; singles, 12s 9d; pearls, 11s-11s 3d; dross, 10s.

Our Sheffield correspondent writes:—Though it is not yet settled which branch of industry is to receive the concession on railway freights, a number of contracts for fuel and raw materials have been fixed up. Users of industrial coal are showing no hurry to cover their requirements. In most cases the prices asked are a shilling higher than the old contracts, but there have been a number of renewals at the earlier rates as before. Higher figures are also being demanded on gas coal contracts. Mr Benton Jones, one of the leading spirits of the five counties marketing scheme, stated recently that, while the arrangement, as a machine, had proved successful, and operated smoothly, it had done things which were not anticipated or intended, and left undone things which it ought to have done. Experience in manipulation might overcome these defects, but if not, they could be removed without radical alteration in design.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—The iron and steel markets are becoming somewhat active. In Scotland many of the works are still closed down, but in England the market has resumed its normal appearance after the holidays, and there seems a prospect that the opening weeks of the year will realise the anticipations of good trading which were held before Christmas. The Continental market has already become busy, and new business has come forward in sufficient volume to enable the steel makers to advance their prices from the lower levels to which they dropped at the end of 1928. There has been a fair amount of buying by several of the export markets, and a fair proportion of this business has gone to Continental manufactuerrs. The Continental home markets also are providing a considerable volume of work. The British steel works are now beginning to reap the benefit of the orders placed for new ships, and at the same time they are securing a share of the demand which is making itself felt from overseas. The pig-iron department of the market, however, still appears depressed, in spite of the fact that there are now practically no importations of Continental iron. The demand is restricted to small quantities, but it is understood that the foundry trade has revived somewhat of late and this should be reflected later on in a demand for pig-iron. Some good orders have been placed for semi-finished material, and the volume of inquiry seems to be increasing.

Our Middlesbro' correspondent writes:—The first market of the year was held here on Tuesday, and was fairly well attended. There was a quiet feeling of optimism. Whilst the Cleveland pig-iron market is not so active as could be desired, a small business is being transacted from day to day, and with the present limited number of furnaces producing, as the bulk of the make is required in the manufacturers' own steelworks, producers are well able to maintain their price of 66s per ton for No. 3 G.M.B. East Coast hematite is still very scarce. Messrs Gjers' mills have during the past week-end put into blast two furnaces, one on hematite and one on ferro silicon. Business in hematite is based on 71s per ton for mixed numbers, and is being transacted both with home and Continental consumers. Ore is firmly maintained on the basis of 22s 6d per ton, c.i.f. Tees, for best Rubio, but consumers are not anxious to increase their commitments. Blast furnace coke is, if anything, in slightly better demand, the quotation being 17s 6d per ton, delivered Middlesbrough. The steelworks are generally in a better position. The recent shipbuilding orders have had a good effect and specifications are now coming through more freely, so that works are able to arrange their rolling programme some time ahead. It is understood that one or two big inquiries have been received in this district, and it is hoped that business will mature. Prices meantime are maintained as follows—Steel ship plates, £8 7s 6d; steel ship angles, £7 17s 6d; iron bars, £10 5s; steel rails, £8 10s.

Our Sheffield correspondent writes:—Local steel conditions are not yet free from the holiday influence, and a large proportion of the men who were suspended at Christmas remain without employment. It is evident from this that the amount of work on hand at the New Year was limited. All the railway companies have now invited tenders for 12 months' supplies of steel material and stores, as they have done in past years. The quantities are large, but it remains to be seen whether the specifications against the contracts will be in excess of last year. Steelmakers consider that the depletion of their stocks will compel the companies to take larger deliveries than last year, when they reached the lowest tonnage and value recorded for a very long period. Buying and selling has not been resumed sufficiently to test the soundness of the prevailing optimism. The undertone of the various markets, however, is strong.

Our Glasgow correspondent writes:—A good start has been made after the New Year holidays. There is still no expansion in the pig-iron or malleable iron trades, but there is more activity at the steel works. The increased volume of work recently placed with Clyde shipbuilders is beginning to have its effect at the steelmaking plants, where fair tonnages of shipbuilding material are being booked. Recent orders booked in the West of Scotland include a steamer of about 9,000 tons deadweight carrying capacity to be built by Messrs Barclay, Curle, and Co., Limited, and two steamers of similar capacity to be built by Messrs Chas. Connell and Co., Limited. The Fairfield Company have received a further order within the last few days, having been entrusted with the conversion of the Blue Star liner "Arandora" into a luxury cruiser. Messrs Beardmore, Dalmuir have received contract from the Indian State Railways for 41 large locomotives, said to be worth about £350,000. Tubemakers and sheetmakers keep busy. Prices all round show no change.

Our Cardiff correspondent writes:—There has been no material change this week in the position in the tinplate industry, but the steelmakers are anticipating an improved demand for bars, and Baldwins, Limited, are contemplating the immediate resumption of work at three of their furnaces at Port Talbot. Tinplate prices are steady at between 18s and 18s 3d, but there has been a revival on the Swansea Metal Exchange of a report of a probable increase in the minimum quotation. Galvanised sheets are unchanged at from £13 10s to £13 12s 6d. There has been no alteration in tinplate bar prices, but tin has been a shade dearer. Exports last week from Swansea totalled 117,986 boxes, compared with 99,299 boxes the previous week, and stocks have been reduced to 224,293 boxes.

OTHER METALS.

TIN.—The market exhibited a good deal of irregularity, but values steadily moved in an upward direction and sellers were more reserved in face of improved inquiries, also stimulating Eastern advices. Stocks in London and Liverpool warehouses for week ending January 5th amounted to 7,667 tons, compared with 2,199 tons at corresponding period last year. Dealings were recorded in standard cash at £221 7s 6d, £225 10s, £224 5s, £226 7s 6d, and £223 10s, with three months £221 10s, £226, and £223 5s. In the East, business was reported at £224 15s to £229 2s 6d per ton, c.i.f. terms.

COPPER.—Quieter conditions prevailed on the standard market, and with less encouraging advices from America values were inclined to sag at opening, but improved later on better buying orders. Standard cash sold £74 10s to £75 5s, three months £73 2s 6d, £73 7s 6d, £72 18s 9d, and £73 10s.

LEAD in fair support, but values slightly irregular on liberal offerings. Good soft foreign pig, January, sold £22 1s 3d, £22 3s 9d, and £22 2s 6d, February £22 6s 3d to £22 5s, March £22 10s to £22 8s 9d, April £22 12s 6d to £22 10s, May £22 12s 6d.

SPELTER in demand and market firmer. January sold £26 1s 3d to £26 8s 9d, £26 7s 6d, February £26 2s 6d to £26 10s, to £26 8s 9d, March £26 5s to £26 10s, April £26 2s 6d to £26 15s, and £26 11s 3d.

ANTIMONY quiet. English regulus £54 to £54 10s, foreign ditto, spot, £38 5s, January-February £35 5s ton, c.i.f.

ALUMINIUM steady. Ingots and bars for home delivery £95 ton.

WOLFRAM maintained. Straits, also Chinese, 20s 6d to 20s 9d per unit, c.i.f.

QUICKSILVER steady. Spot £22 5s per bottle.

TIN PLATES steadier. I.C. coke, prompt and forward, 18s to 18s 3d per box, f.o.b. Swansea.

THE COTTON TRADE.

LIVERPOOL, Jan. 9, 1929.

Spot sales for the week 3rd to 9th (inclusive) are 31,000 bales, of which 20,390 bales are American, 350 Brazilian, 850 Argentine, 5,000 Peruvian, 1,700 Egyptian, 620 African, 1,680 East Indian, and 410 sundries. Imports for the same period are 105,900 bales, of which 82,313 are American, 6,806 Brazil, 2,045 Argentine, 4,866 Peru, 8,276 Egyptian, 109 African, 1,315 East Indian, and 170 sundries. Quotations to-day are: American middling, 10.49; Egyptian sakel, 18.90; Egyptian uppers, 12.15; Brazil fair, 10.79; Peru G.F. mod.-rough, 12.75; Peru G.F. smooth, 11.54; West African mid., 10.54; East African G.F., 12.65.

MANCHESTER, Jan. 9, 1929.

Although business in the market has not developed very rapidly there has been a tendency for demand to increase, and spinners and manufacturers anticipate a larger turnover in the near future. The fluctuations in raw material rates and the easier movement of certain days have had a rather disturbing influence; but, on the whole, there is not much expectation of decidedly lower prices. Cloth inquiry has been of considerable volume. Operations in light fabrics for India have been more active, dealers on the other side wanting quick delivery. Bids in grey shirtings, however, remain disappointing. The improvement in the China situation is being maintained, and some very fair lines have been booked in grey and white staples and fancies. Printing and finishing styles have been in steady request for South America and the Continent, and certain standard makes have been bought for Egypt. Moderate orders have been mentioned in home trade fabrics. There is a tendency for weaving production to expand in some districts. American yarns have been steady in quotation, and without many contracts of weight being booked a fair turnover has been experienced. Buying in Egyptian counts has been irregular and unimportant.

Comparative Statement of the Cotton Trade.

	1928—1929.				Corresp'd'g Date.	
	Dec. 19.	Dec. 24.	Jan. 2.	Jan. 9.	1927.	1928.
	d	d	d	d	d	d
Raw Cotton—Mid. American ..... per lb	10·59	10·66	10·59	10·49	7·30	10·63
— Sakellaridis Fully Good Fair Egyptian ..... per lb	19·35	19·50	19·35	18·90	13·85	17·70
Yarns—32's twist ..... per lb	16	15½	15½	15½	12¾	15½
— 40's weft ..... per lb	16½	16½	16½	16½	12¾	16½
— 60's twist (Egyptian) ..... per lb	28	28	28	27½	24½	27½
	s d	s d	s d	s d	s d	s d
33-in. Printers, 116 yds, 16 by 18, 32's and 50's	25 0	26 0	26 0	26 0	22 6	25 9
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	28 6	28 6	28 6	28 3	25 9	28 0
38-in. ditto, 38 yds, 18 by 16, 10 lbs	15 6	15 6	15 6	15 6	12 9	15 0
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	14 0	14 0	14 0	14 0	12 0	14 0

THE WOOL TRADE.

Our Bradford correspondent writes:—The general tone of the market is good, and although there is no large volume of business, inquiries are numerous and a fair turnover is being done in both wool and tops. There seems to be a growing belief that wool values are not likely to drop much below the current level, and there is reason to think that if the raw material holds firm during the remainder of the season it will have the effect of giving confidence to spinners and manufacturers. At present tops and yarns are obtainable at prices below replacement costs, and if the raw wool position continues to exercise a dominating influence on the market both topmakers and spinners will endeavour to improve their margins. Meanwhile, topmakers are acting largely on the defensive, and the low offers which were considered a few weeks ago are now definitely rejected as being unworkable. Sellers realise that with the second half of the selling season in full swing they will have to think seriously about supplies to carry them over till the next clip is available, and for this reason they are less inclined to risk selling forward for a fall in wool values. Spinners are still experiencing difficulty in obtaining new business on quoted rates, but inquiries are fairly numerous, and it is known that most manufacturers are not carrying large stocks. The price factor at the moment is very important, and in standard counts where stocks tend to accumulate in spinners' hands concessions can generally be obtained, especially for business with particulars. The piece-goods trade is moving steadily, with no pronounced feature. Some of the export markets are sending better orders, and employment is steady.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The first series of sales of Australian and other Colonial and foreign wool will begin next Tuesday, and naturally there is already some speculation as to how prices will move. The Associated London Selling Wool Brokers' Committee have announced that approximately 103,200 bales will be offered, arrangements having been made for an 11 days' series. There does not appear to be anything very exceptional about the arrivals, though the quantity included in the catalogues is less than for the corresponding series of a number of years past. The quantity available in January, 1928, was 108,500 bales; in 1927, 131,300 bales; and in 1926, 189,000 bales.

Yorkshire firms have done very little buying in South America, prices there having been too high. This has resulted in more buying orders being place in New Zealand, but does not provide for immediate requirements. The operations in crossbreds in London will be largely against present machinery requirements, and as there is a scarcity of greasy crossbreds there is every prospect of these selling well. The prospect for merinos is good. Prices are likely to be firm on last sales' basis. There is less disparity between the price of wool and tops in this description than in crossbreds, though no doubt even a cost of 4s for good 64's tops is quite as much as topmakers and spinners can stand with the present rate of demand and consumption. It has been seen, however, that the Australian sales have opened very encouragingly. Prices for merinos are firm, and with a continuance of healthy consumption will remain so. At the same time, there is nothing to justify higher values in either home or overseas selling centres.

HIDE, LEATHER, AND ALLIED TRADES.

Conditions in the hide market remain unsettled, and at most of the London and provincial sales prices fell by ⅛d to ¼d per lb owing to the slack demand from tanners. Calfskins also dropped more definitely, as shippers have few orders on hand on export account. Oversea hides are also very quiet, and values generally still inclined to weaken. Fregorific hides, however, under the influence of American buying, remain steady, and business has been done on a basis of 11⅞d for best Argentine ox. In saladeros, the only item of importance has been the sale of 11,000 Liebig Colon ox at Liverpool on the 8th inst. The result was poor, as only 500 heavy hides found buyers at 10½d to 10⅝d ex store. Cape hides are quiet, with best and second drysalted nominally quoted at 15¾d to 14¾d respectively. Latest cables from Chicago report the market as weak, with falls of a cent on most classes, best heavy packer steers now offering at 21 cents as against 22 cents last week.

Neither merchants nor shoe manufacturers seem in the humour for speculative purchases of sole leather, and the few orders coming along are for small sampling lots. Heavy stocks of dry hide bends are still in warehouses, and have dropped considerably in value. The best selling lines are wet salted bends of 10 to 12 lbs, and 12 to 14 lbs average, which are wanted for repairers' use. Values are difficult to ascertain, but it seems clear that any offer for a bulk parcel would be accepted at below recent current quotations. Offal is fairly firm, but tanners seem anxious to reduce stocks.

In upper leathers box and willow calf are quiet with prices firm. Glacé kid in black and dark brown is selling fairly well, whilst sampling lots of colours for the spring trade are being sent out. Curriers of kip leathers are a shade busier, but few of them are even now working full time. Shoe manufacturers report a slight improvement in trade, as orders for boots and shoes have come along since the Christmas holidays owing to retailers' sales.

VEGETABLE OILS AND OILSEEDS.

Markets have developed a good measure of activity, and a better feeling prevails all round. The low level of prices at which linseed oil has been of late induced consumers to buy freely. Prices are steadier around £28 10s per ton naked ex Hull mill for spot and January and £28 7s 6d February-April, and £28 10s May-August. Cotton oils also have commanded more interest, and are steady with crude Egyptians at £29 5s and common ditto at £32 10s ex Hull spot and January-February.

In the oilseed section Plate linseed has been steadier at the decline, and there has been a good inquiry for seed near at hand which is still at a premium over shipment. The more distant position of Plate afloat is quoted £15 12s 6d, while £15 11s 3d has been accepted for mid-January to Hull, with £15 10s quoted for later. The quantity of linseed now on passage to Europe is 168,700 tons, which is over 30,000 tons more than a week ago.

Cottonseed is in fair demand, and for black Egyptian January to March £10 2s 6d to £10 5s has been freely paid. Some trade in soya beans to Hull January shipment has been done at £11 8s 9d. Oilcakes are in moderate request, and prices are firmly held.

INTERNATIONAL ACCEPTANCE BANK
INCORPORATED
52 Cedar Street, New York
International Banking Transactions
Commercial Letters of Credit
Collections Foreign Exchange
Bullion and Currency
PAUL M. WARBURG, Chairman — F. ABBOT GOODHUE, President
London Representative
4 Adams Court, Old Broad St., London, E. C. 2

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—There was no new marked development to note in this market. Prices were advanced 3d for spot goods with a moderate offtake of British refined, also home-grown granulated. The latter ranges from 23s to 23s 9d, ex factories for ready parcels. There is some inquiry for white Mauritius, spot, London, at 21s 6d to 22s 3d as to sample. Further sales in new crop white Java are recorded by the Trust, and so far about 8-900,000 tons have been disposed of out of a crop which may pan out to 3.300,000 tons. Continental parcels for shipment nominally unaltered. Foreign 96 per cent centrifugal, January-February, quoted 9s 7½d, c i f., U.K., and continental beet, basis 88 per c nt., 9s 5½d, f.o b. Terminal sections slightly easier, with moderate dealings. Raw: March delivery, sold, 9s 1½d to 9s 0⅝d; May, 9s 2½d; August, 9s 5½d; white, March, done 12s 4⅝d; May, 12s 4⅝d; August, 12s 7⅛d; December, 12s 9d cwt. Cuban receipts last week 16,260 tons, against 22,270 same time last year; exports, 37.770, against 48,330; stocks, 102,820, against 186 250. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending January 5th amounted to 105,430 tons, against 86,407.

COCOA.—The general tone of this market remains quiet, with ample quantities in sight. Consumption over a prolonged period has remained stationary both in the chief countries of Europe and also the U.S.A., while production in the meantime has forged ahead. In auction, fine Grenada, sold, 56s to 59s; St Lucia, 56s to 57s; fair ditto, 54s. Samoa, fine, 98s; fair, 88s to 90s. Accra, F/F, February-April, sold, 41s 6d to 41s, f.o.b. Terminal quiet and easier. March delivery, sold, 46s; May, 47s 3d to 46s 10½d; September, 48s 4½d to 47s 10½d; December, 47s 9d.

TEA.—Auctions were resumed this week, and quantity os Indian brought forward amounted to 62,987 packages. A keen demand was evidenced, and a clearance soon resulted at prices showing an advance of ½d to a 1d per lb. Ceylon sales of 27,121 packages met with fairly good competition, the chief feature being support accorded common and low medium teas, which ruled firm to ½d dearer. Finest kinds without material change, but others irregular, and occasionally easier. Java and Sumatra auctions firm for the l wer grades.

COFFEE.—Bu iness on the spot proceeds rather quietly, but prices remained steady. London landings last week, 3.127 tons: deliveries, 901. Stocks increas d by 2,226 tons on the week at 21.953. compared with 64,160 at corresponding period last year. Liverpool stocks increased by 99 tons.

RICE.—Market inactive and featureless.

BEANS.—In quiet support. Madagascar butters: afloat, sellers, 33s 9d to 34s 6d; November-December, 33s 9d; December-January, 33s 3d; January-February, 33s. Rangoon haricots, March-April, 18s; April-May, 17s 3d cwt, c.i.f.

PEAS.—Steady quiet. Japanese, afloat, 20s to 20s 6d nominal position, December-January, 19s 6d; January-February, 18s 9d cwt., c.i.f., London.

SPICE.—Pepper steady, moderate business forward positions. Lampong, October-December, sold, 1s 3⅝d; January-March, 1s 3⅛d; Muntok, white, 1s 10⅜d and 1s 11d respectively. London stocks reduced by 6 tons on the week. Cloves firm. Zanzibar, January-March, 1s 3⅞d lb. Pimento firm quiet. Tapioca dull and declining. Singapore flake, January-February to Havre, sellers, 19s 9d; Penang seed, to Hamburg, 17s, c.i.f. Sago flour, January-February, 12s 1½d; February-March, 12s 3d cwt., c i.f., U.K. Ginger dull of sale.

FRUIT (Dried).—Currants: Market quiet, but firm. Pyrgos quoted 46s 9d; Patras, 49s to 51s; choice up to 54s; **Amalias**, 47s 6d to 48s; Gulf, 52s to 55s; Vostizza, 54s to 60s. **Sultanas** move off slowly. Medium to good Smyrna, spot, 41s to 60s; **Cretan**, 50s to 70s; Greek, 36s to 73s; Australian ranges from 40s to 55s; Californian, soda bleached, 36s to 40s; unbleached, 32s; Cape unbleached, 36s to 40s; bleached, 45s to 50s. Raisins fully steady. Valencia, quarter boxes, 50s to 55s; Australian, 35s to 46s; Capes in demand at 33s to 36s. Figs dull. Genuine new, spot, 0s to 32s; layers, 60s to 65s; pulled 60s to 70s. Dates quiet. Hallowie new, spot, 30s, S ar, 16s 6d; Khedrowie, 23s. Evaporated fruits: Business has scarcely opened out, but inquiries are now becoming more numerous, and a steady tone prevailed. Plums firm, both spot and forward, with a good demand for all counts, available supplies being mostly in second hands. Pears move off freely, but apple rings experienced a slow sale.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, THURSDAY.

CEREALS AND MEAT.

	s	d
GRAIN, &c.—		
Wheat, No. 2, N. Man. 496 lb..	49	3
Eng. Gas. av., per cwt	9	5
Barley, Eng. Gas. av.	9	11
Oats, " " "	9	1
Maize, La Plata, landed, 480 lb	43	6
Flour, Lon. stan. ex mil, 280 lb	34	6
Rice, No. 2 Burma, per cwt.	13	4½
Sago, pearl, per cwt.....	22	9
Tapioca, per cwt—		
E.I. fi ke, fair spot	nom	
Medium pearl.....	20	0
Potatoes, good English, per ton	120	0
MEAT—		
Beef, per 8 lbs—	s	d
English sides.....	5	4
Argentine chilled hinds	4	4
Mutton, per 8 lbs—		
English wethers	6	4
N.Z. frozen "	3	6
Pork, English, per 8 lbs..	5	8

OTHER FOODS.

	s	d
BACON—		
Irish ..... per cwt	93	0
Danish	89	0
Canadian	80	0
Dutch	78	0
Hams—Irish	0	0
Canadian	112	0
American	105	0
BUTTER—		
Irish creamery per cwt	0	0
Australian	166	0
New Zealand	170	0
Danish	196	0
CHEESE—		
Canadian ....per cwt..	98	0
New Zealand	93	0
English Cheddars 126	0	144
Dutch	50	0
COCOA—		
(Duty, British grown, 9s 4d, foreign, 14s cwt.)		
Accra f.f., per cwt	48	0
Trinidad	58	0
Grenada	53	0
COFFEE—		
(Duty, British grown, 9s 4d, foreign, 14s cwt.)		
E.I., good to fine, per cwt.	157	0
Costa Rica, good to fine..	155	0
Cent. Amer., mid to fine..	130	0
Kenya, bold sizes.....	133	6
Colombian, mid to fine..	130	0
EGGS—		
English .....per 120	22	0
Danish	20	0
FRUIT—		
Oranges, Denia & Val. 300	12	0
" " 360	11	0
" " 504	15	0
Jaffa .....boxes 144	14	0
Lemons, Naples ..boxes	0	0
Sicilian.....boxes	12	0
" .....cases	12	6
Murcia.....half cases	15	0
Malaga ..cases 420 No. 1	0	0
Apples: Amer. (var.) bris.	24	0
" (var.) boxes.	10	6
Malaga " .....cases 420..	0	0
" " 714..	0	0
" ½ " 300..	0	0
" " 360..	0	0

FRUIT (*continued*)—	s	d	s	d
Chestnuts, Huelva..bags	0	0	0	0
Grapes, Almeria....brls	4	0	21	0
LARD—				
Irish bladders	70	0	76	0
American boxes..56 lbs	50	0	52	3
SPICES—				
Pepper, per lb—				
Muntok, fair White ..	2	0½	0	0
Black Lampong	1	5	0	0
Cinnamon—1st sort., per lb	2	3	2	4½
Cloves—Zanzibar..per lb	1	3½	0	0
Ginger—per cwt—				
African.....	52	0	53	0
Jamaica, ord. to good .	80	0	120	0
Mace .....per lb	2	9	4	10
Nutmegs 65's	2	1	0	0
SUGAR—				
(Duty, 11s 8d per cwt.)				
B.W.I., crystallised.....	23	9	25	0
Java, white, c.i.f. India. May-June	11	10½	0	0
REFINED—London—				
Yellow Crystals	22	4½	0	0
Cubes	26	6	27	0
Crushed	25	3	25	9
Granulated.....	23	9	24	4½
Home Grown (prompt)	23	0	23	10½
TEA—				
(Duty 5½d British, foreign 4d per lb)—				
Indian & Ceylon—per lb				
Pekoe	1	2	2	3½
Broken Pekoe	1	2¼	2	4
Orange Pekoe	1	2¼	2	4
Broken Orange	1	4	2	9½
TOBACCO—				
(Duty 8/10—11/2½ per lb, Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	5½	1	3

TEXTILES.

COTTON—	d
Mid American ....per lb.	10·49
Sakellaridis, f.g.f.....	18·90
Yarns, 32's twist	15½
60's twist	28

FLAX—	£	s	£	s
Livonian ZK ....per ton	90	0	93	0
Pernau HD.....	83	0	0	0
Slanetz Medium 1st sort	92	0	0	0
HEMP—				
Italian P.C. .....per ton	65	0	0	0
Manila, Feb.-Apr. "J2"	41	0	0	0
N.Z., H.P. fair	36	10	0	0
JUTE—				
Native 1st mks. ..per ton				
Jan.-Feb.	32/2/6		0/0/0	
Feb.-Mar	32/10/0		0/0/0	

SILK—	s	d	s	d
Canton .....per lb	17	0	19	0
Tussah	8	0	10	0
Japan	20	6	23	0
Italian—Raw, fr. Milan	21	0	24	0

WOOL—	d
English Southdown, washed per lb	27½
" Lincoln hog, washed	18
Queensland, sod. super cmbg.	44
N.S.W. greasy, super "	25
N.Z., grsy, half-bred 50-56 ..	22
Crossbred 40-44..	16
Tops—	
Merinos 70's.....	50
" 64's.....	47
Crossbred 48's.....	26½
" 46's.....	24-24½

MINERALS.

COAL—	s	d	s	d
Welsh, best Ad'ty..ton	19	3	19	6
Durham, best gas.....	14	9	15	6
Sheffield, best house..	20	6	21	6
IRON AND STEEL—				
Pig, Clevel'nd No. 3, ton	66	0	0	0
Bars, M brough 205	0	0	0	0
Steel Rails, heavy ...	170	0	0	0
Tin Plates, I.C., per box	18	0	18	3
METALS—	£	s	£	s
Copper, Electrolytic, ton	73	5	78	15
Sheets (strong) 102	0	0	0	
Standard	75/0/0		75/2/6	
Lead Eng. Pig .. per ton	33/0/0		0/0/0	
Soft Foreign	32/1/3		32s 10/0	
Spelter G.O.B.	26 12 6		26/15/0	
Tin—English ingots ...	225 10		226	0
Standard, cash.....	226/2/6		226/5/0	

MISCELLANEOUS.

CHEMICALS—	s	d	s	d
Acid, citric per lb less 5%	2	1	2	2
Nitric	0	2¾	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s	£	s
Alum, lump .....per ton	9	10	10	0
Ammonia, carb.....ton	37	0	39	0
Sulphate	14	0	15	0
Arsenic, lump.... per ton	35	0	40	0
	s	d	s	d
Bleaching powder, per cwt	6	9	8	0
Borax, gran.... per cwt	13	0	0	0
Do powder	15	0	0	0
Nitrate of Soda..per cwt	12	0	13	0
Potash—Chlorate, net ..	0	3½	0	3¾
Sulphate .....per cwt	9	0	10	0
Sal-Ammoniac .. per cwt	42	6	45	0
Soda Bicarb ....per cwt	9	0	10	0
Crystals..... per cwt	5	0	5	3
	£	s	£	s
Sulphate Copper..per ton	26	10	27	0
CEMENT—	s	d	s	d
Portland, best Eng. pr ton	46	0	48	0
COPRA—				
F.M. Straits, c.i.f., per ton	23/15/0		0/0/0	
DRUGS—				
Camphor—	s	d	s	d
Japan, refined	2	2½	2	3
Castor-oil	85	0	95	0
Ipecacuanha	11	0	11	6
Peppermint, Wayne Co.	14	6	14	9

HIDES—	s	d	s	d
Wet salted—Australian per lb	0	5½	0	6½
West Indian	0	4	0	5
Cape	0	6	0	7
Dry and Drysalted Cape	0	8	1	0
Market Hides, London—				
Best heavy ox & heifer	0	7½	0	8
Best cow	0	7½	0	8
Best calf	1	1½	1	4
INDIGO—	s	d	s	d
Bengal gd. red-vio. to fine—per lb.....	5	9	6	0
LEATHER—				
Sole Bends 8/14 lb— per lb	1	8	2	6
Bark Tanned Sole	2	8	3	6
Shoulders fm DS Hide	1	0	1	3½
Do Eng. or WS do	1	5	2	0
Bellies from DS do	0	9	1	0
Do Eng. or WS do	1	0	1	6
Dressing Hides.....	1	10	2	4
Ro. Eng. Calf, 30/30 lb..	4	3	6	3
Aust. Sides.....	1	2	1	8
VEGETABLE OILS—	£	s	£	s
Linseed, naked, p. ton net	39	10	0	0
Rape, refined.....	43	10	0	0
Cotton-seed, crude	30	0	0	0
Coconut, crude.....	39	0	0	0
Palm	37	5	0	39/0/0
Oil Cakes, Linseed, Eng., per ton	12/17/6		13/5/0	
Oil Seeds—Linseed—				
La Plata, p.ton Jan.-Feb.	15/10/0		0	0
Calcutta, p. ton.....	18	10	0	0
	s	d	s	d
Turpentine, per cwt	49	0	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs	0	10½	0	0
Water-White.....	0	11½	0	0
Lubricating—	£		£	
Pales.....				
Reds	10/5/0		22/7/6	
Cylinder	11/10/0		19/15/0	
Fuel—	12/10/0		33/0/0	
S.G. 895 910	s	d	s	d
" 960	32	6	0	0
	57	6	0	0
ROSIN—	£	s	£	s
American..... per ton	20	5	26	15
RUBBER—	s	d	s	d
Plantation Sheet per lb	0	9¾	0	0
Fine Hard Para per lb	0	10½	0	0
SHELLAC—				
TN Orange.... per cwt	200	0	0	0
SHELLS—	£	s	£	s
W. Aust., M.-o.-P. "	4	0	12	10
TIMBER—	£	s	£	s
Swedish u/s 3 x 8, per Std..	19	0	0	0
Do 2½ x 7 " ..	19	0	0	0
Do 2 x 4 " ..	19	0	0	0
Can'dn Spruce, Dis. " ..	17	10	0	0
Pitchpine ..... per load	9	0	0	0
Rio Deals..... per std.	32	0	0	0
Teak..... per load	20	0	0	0
Honduras Mahg. logs, c. ft.	0	11	0	0
African "	0	6	0	0
American Oak Boards "	0	6	0	0
Do Ash "	0	6	0	0
English Oak Planks "	0	7	0	0
Do Ash "	0	6	0	0

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, JANUARY 19, 1929. No. 4,456.

ROYAL EXCHANGE ASSURANCE

Incorporated A.D. 1720

ALL CLASSES OF INSURANCE TRANSACTED

Head Office: Royal Exchange, London, E.C.3

WITH PROFIT ASSURANCE AT NON PROFIT RATES

Full particulars will be sent on application

The Scottish Provident Institution

for Mutual Life Assurance

Head Office: 6 ST. ANDREW SQUARE, EDINBURGH.
London: 3 Lombard Street, E.C.3; 56 Chancery Lane, W.C.2; 17 Pall Mall, S.W.1.

FUNDS £20,500,000

BANCA COMMERCIALE ITALIANA.

Established in 1894. Head Office: MILAN. Capital 700 million Lire. Reserves 540 millions. Deposits 7,251 millions.

Branches in every centre of commercial and industrial importance in Italy; also in London, New York, Constantinople, and Smyrna.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Greece, Egypt, Morocco, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

London Office:

32, Threadneedle Street, E.C.2.

A. JOEL, *Manager.*

Correspondents to the Italian Treasury.

TABLE OF CONTENTS.

The Money Market	89
Leading Articles—	
Free Trade and the Mobility of Capital.....	91
Dictators	92
Industrial Profits	93
The British Electrical Industry	95
A Year's Overseas Trade ..	96
Americo-Canadian Problems	97
Notes of the Week—	
The First Bank Meeting ..	98
Five Bye-Elections	99
The Melchett-Turner Conference	99
The Kellogg Pact Goes Through	99
A Success for Monsieur Poincaré	99
Statesmanship versus Militarism in the Far East..	100
The Experts Committee ..	100
German Economic Conditions	100
The German-South African Trade Treaty	101
Cotton Mill Combines	101
Cot on Company Reports in 1928	101
Coal Mining—Costs and Proceeds	101
A Quarter's Shipbuilding..	102
Local Government Bill Concessions	102
Iron and Steel Production	102
Gas Industry Legislation Foreshadowed	102
Cost of Living	103
Employment in December	103
New Life Assurance Business	103
Scottish Automobile and General Insurance Company, Limited	103
Transvaal Output in 1928..	104
Oversea Correspondence—	
United States	104
France	105
Germany	106
Belgium	107
Switzerland	107
Canada	108
Letters to the Editor—	
Pottery and Safeguarding..	109
Books and Publications—	
Forestry in Great Britain..	109
Books Received	110
The Stock Exchange—	
"Parent" Finance.....	111
The Week in the Markets..	112
London Active Securities ..	113
Imperial Borrowing in London	114
Australian Finance	115
Insurance Share Values ..	115
Share Values in Amsterdam	115
Duophone Developments..	115
Ner-Sag.....	116
Greyhound Racing Association Trust	116
Michael Nairn and Greenwich	116
Trading Company of Amsterdam	116
The Rubber Position.....	116
Tin Selection Trust, Lim..	117
Premier Diamond	117
Fanti Consols	117
Anglo-Foreign Newspapers, Limited.....	118
Capital Issues	118
Company Meetings	120
Government Returns—	
National Accounts.....	132
National Debt.....	132
Treasury Bills by Public Tender	132
Public Income and Expenditure	132
Bankers' Gazette—	
Bank of England	133
Bankers' Clearing Returns	133
Overseas Bank Returns ..	133
Loan and Discount Rates..	135
Rates of Exchange.....	135
Bullion	136
Gold and Silver Prices	136
Company News—	
Summary of Balance-sheets	131
Oil Outputs	131
Dividend Announcements..	137
Weekly Traffic Returns ..	137
Profit and Loss Accounts..	138
Reports and Notices	138
Commercial Reports—	
Corn Trade	138
Coal	139
Iron and Steel.....	139
Other Metals	140
Cotton Trade	140
Wool Trade	141
Jute Trade	141
Hide and Leather Trades..	141
Vegetable Oil	142
Overseas Produce	142
Price Current	143

TERMS OF SUBSCRIPTION.

Quarterly, 14s 6d; Half-yearly, £1 9s 0d; Yearly £2 18s 0d.
Colonies and Abroad, £3 1s 0d. per Annum.
Single copies, post free, 1s 1d.
Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.
Office: 6 Bouverie street, Fleet street, London, E.C.4.

THE MONEY MARKET.

UNTIL Thursday money was not very easy, 4 per cent. being the ruling rate for short loans in the early part of the week. The causes of this relative stringency are partly the progress of tax collection and possibly, though less certainly, the action of the Bank itself. As regards the first factor, Public Deposits at the Bank show an increase on the week of £4,153,752, in spite both of the fact that

Treasury Bill maturities exceed sales by £5,000,000 for the week and also of the response to the Government offer to purchase the War and Treasury Bonds maturing at the end of the month. It has been stated that the market has not been able to take full advantage of this offer, and there is no doubt that the floating supply of these bonds has now dried up. It seems difficult to believe that many of these bonds are still held outside the market, but otherwise it is not easy to reconcile these statements.

* * * *

This week's Bank Return throws some suggestive light upon the Bank's present policy. Gold stocks show an insignificant decrease of £73,195, but a further £8,835,251 of notes have returned from circulation, so that the banking department's reserve is £8,762,056 higher on the week. The Bank has used this increase in its reserves as the occasion to continue its neutralisation policy, for in addition to a further shrinkage of £1,628,028 in Discounts and Advances, representing credit granted on the market's initiative, the Bank has reduced Government Securities by £2,569,309 and other securities by £428,688. Both these last figures presumably relate to the Bank's open-market policy, so that the Bank has "neutralised" an increase of £8,762,056 in its Reserve by reductions of £4,626,025 in its earning assets. This leaves a net increase of just over £4,000,000 in the total assets of the Banking Department, which is almost exactly balanced by the increase in Public Deposits. Bankers' and other Deposits have, in fact, fallen by a net £88,932 during the week.

* * * *

It is an open secret that the Bank wished to see market rate back at 4⅝ per cent., and so far it has succeeded in its object. It is equally clear from this week's return how it has done so. So far as the bill market is concerned, the Continent are replacing maturities, but they are not buying bills beyond this point, and this partly accounts for the maintenance of the rate. The Bank, however, has apparently thought that this factor might by itself prove insufficient, and so it has resorted to the open-market operations described above. By so doing it has strengthened its own position, and it is the market's knowledge of this strength that may have accounted for the fall in loan rates on Thursday. If so, the situation is an interesting one.

	Jan. 17, 1929.	Jan. 10, 1929.	Jan. 3, 1929.	Dec. 27, 1928.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate	4½	4½	4½	4½	5 (Apl. 21,'27)
Banks' Deposit Rate	2½	2½	2½	2½	3 (Apl. 21,'27)
Discount { Call	2½	2½	2½	2½	3 (Apl. 21,'27)
Houses { Notice	2⅝	2⅝	2⅝	2⅝	3½ (Apl. 21,'27)
Market rate (3 months' bills)	4 5/16	4 5/16–⅜	4 5/16	4 7/16	..

In one respect it seems unfortunate that the Bank should have had to stiffen up conditions, just when the reduction in the Reichsbank's rate should have put an end to all fears of further gold losses to Germany, and when stringency is already likely to arise from tax collection. Still, it must be conceded that the Bank has simultaneously succeeded in maintaining market resources and Bankers' Deposits upon an even keel, and has so preserved stability. It must also be remembered that this is the time of year in which we ought to be beginning to replenish our autumn gold losses. Till we are doing so there seems little justification for a further expansion in the basis of credit, especially as money to-day cannot be called unduly stringent.

NEW YORK MARKETS.

Our New York correspondent cables:—The Federal Reserve statements reveal a continuance of the normal January contraction, with discounts $55,000,000 lower, the decline in the last two weeks being $330,000,000. Meanwhile, the total volume of credit has fallen by $338,000,000—a satisfactory feature which indicates the lack of necessity for a higher discount rate, particularly in view of the experiment of allowing the bill rate to rise to more natural and attractive levels. Another $5,000,000 of gold has come from Canada, but $20,000,000 has been ear-marked for France. Business news remains good, with steel operations maintaining their high level. The American names on the Experts Committee meet with high approval. The reports that the American experts are opposed to a Reparations Loan should probably be interpreted as meaning that they realise the wisdom of a moderate American issue with a substantial flotation in Europe itself.

THE STOCK MARKETS.

A noteworthy falling-off in activity was the main feature in the Stock Markets, coinciding with the withdrawal of American support in various directions. The gilt-edged market was affected by the issue of another large Australian loan, and Home Railways were irregular. Apart from a few sound features, such as Kreuger and Toll, industrials were heavy, with profit-taking in evidence, accentuated by the Ner-Sag debâcle. Rubber shares became less active on a setback to the rise in price of the commodity, tea shares were marked down slightly, and the tone in oil shares was reactionary. Kaffirs attracted little public interest, and American buying was much less in evidence in the market for Rhodesian companies.

THE COMMODITY MARKETS.

Markets continue for the most part to show a hopeful tone. Improvement is maintained in the South Wales and Glasgow coal markets. Demand for pig-iron is showing signs of reviving, and the better conditions recently reported in the steel trades are maintained, and have now extended to certain Sheffield specialities. Markets for the minor metals show some weakness. There is greater activity in Liverpool cotton, and Manchester reports increased demand from her Eastern outlets, especially China, but no improvement in the home piece goods market. Bradford has little hope of more favourable prices. There is some scarcity of raw jute, owing to an increase in world requirements. Vegetable oils and oil seeds have been a more active market. Wheat prices are stronger.

FOREIGN EXCHANGES.

The Foreign Exchange market was quiet this week, but several currencies fluctuated a good deal in spite of the lack of business. Sterling weakened against the dollar from 4.85⅛ to 4.85, and at one time touched 4.84 15/16. Montreal went from 4.85⅞ to 4.86 3/16. Paris lost three points at 124.00 after touching 124.18, and Milan gained the same amount at 92.70. Lisbon lost a point at 110. Amsterdam moved markedly in our favour from 12.08½ to 12.09¾. Berlin was unchanged on balance at 20.40½, but intervening movements were irregular, 20.41⅜ being touched on the reduction of the Bank rate on Friday of last week. Geneva fell away from 25.20½ to 25.22. Buenos Ayres recovered 1-32d at 47 17-32d, and Montevideo lost ⅛d at 50¾d. In the Far East the yen lost ⅛d on balance at 1s 10 7/16d. Among the forward quotations Paris went from discounts of 2 and 4 centimes to par for both periods, and Amsterdam from discounts of 3/16 cent and 7/16 cent to a premium of ¼ cent for one month and par for three months respectively. The silver market was quiet. Spot declined 3/16d to 26¼d, and forward ⅛d to 26⅜d, China being the principal operator in a restricted market. The Chinese silver exchanges lost a little in sympathy, Hongkong declining by 1/16d to 2s 0½d, and Shanghai by ⅜d to 2s 7¼d.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Barclays Bank, Barclays Bank (Dominion, Colonial and Overseas), Leethems (Twilfit), British American Tobacco, Apex (Trinidad) Oilfields, Liebig's Extract of Meat, Michael Nairn and Greenwich, Rio de Janeiro Flour Mills and Granaries, and Transvaal Estates and Development. We deal with Mr F. C. Goodenough's speech at the Barclays Bank meeting in a "Note of the Week." Sir Hugo Cunliffe-Owen dealt with the accounts of the British American Tobacco Company, and its policy in directorial appointments. The chairman of Leethems (Twilfit) referred to the opening by President Cosgrave of the company's Irish factory, and to the outlook for British trade in general.

FREE TRADE AND THE MOBILITY OF CAPITAL.

PARLIAMENT is about to start on the final lap of its five-year course, and as every passing week brings the dissolution nearer, the thoughts of the country will become more and more concentrated upon the decision which must be taken at the polls before the summer is over. Between now and then party policies will be framed, platforms set up, and a thousand irrelevancies introduced into partisan arguments on a dozen important issues. Amid this medley of controversy and hubbub of disputation which will rise in a *crescendo* within the next few months, it will be our endeavour to keep before our readers' minds the fact that the question of the fiscal policy of this country—however hard the Government strive to conceal the fact—is the most important individual issue that will be at stake.

In the past few months we have devoted much space to the examination of the results of the experiments in protection in which the present Government have indulged and, if returned to power, propose to extend. For this we have been taken to task on the ground that detailed controversy over the figures of minor industries is of infinitesimal importance compared with the broad question of whether or not the fiscal policy under which this country waxed great has ceased to be the one most suited to her changed needs. With this criticism we have more than a little sympathy, but since the campaign for extended Protection is being based so largely on deductions, largely fallacious, drawn from particular experiments, it is in our view impossible to leave this phase of the Protectionist campaign unanswered. We do not, however, propose to allow this necessity to rob us of opportunities to examine the broader and really vital aspects of the Free Trade case in the realm both of theory and of practice.

In the main we may surely assume that the general theory of Free Trade is well known to all who are acquainted with the elements of economics. But the question which is put by the trade restrictionists is whether physical facts have not so far changed as to render that theory no longer applicable. A new argument which is being vigorously used on the Protectionist side in this year of grace is that one new factor in this changing world of ours, namely, the mobility of capital, has knocked the bottom out of the case for Free Trade. As an illustration of the way in which this argument is handled we cannot, perhaps, do better than take a letter from a correspondent which appeared in the *Economist* of November 3rd. This gentleman starts by quoting from Bagehot and Mill passages in which they mentioned the reluctance of capital to migrate as part of their defence of the Free Trade system. He then falls into the elementary fallacy of supposing that because one of the reasons why the pioneers of the Free Trade case believed in their cause has ceased to be true, that, therefore, the case itself has ceased to be tenable. Free traders, he says, in fact are living on an old theory, and they have no new theory. The old theory "has been smashed all to pieces long ago, without its destruction ever being noticed, by the mere fact that capital has long attained almost complete international mobility."

Such is the triumphant dance executed on the corpse of Free Trade theory. But is not the triumph a little premature. Is it a corpse? And is the dancer really dancing in tune? Let us pause and try to find out the reason why it is so confidently assumed that the evolution of capital from comparative immobility to mobility has proved the case for Protection, as applied to this island of ours. For our correspondent, who returns to the attack this week, makes clear his belief that it is only in the narrower national sense that the Free Trade theory has been exploded. He suggests that "the international mobility now attained by capital has a profoundly modifying effect on the theory of Free Trade as applied to a *nation*"—the italics are his—"while leaving the theory unaffected if the entire world is to be considered as an economic unit." This concession is useful. The validity of the theory of universal Free Trade is conceded, and the arena of argument is narrowed and defined. It is with respect to the national unit, and in particular, to the unit called Great Britain, that we are asked to believe the Free Trade theory has been destroyed.

With every wish to be fair we find it not a little difficult to summarise the reasoning by which this contention is supported; and rather than risk accusations of unfairness by attempting a brief summary of the Protectionist case, we will proceed by asking one or two pertinent questions. Is it assumed by our critics that Free Trade encourages capital exports, and that capital exported is from the national point of view wasted, because it is used to employ the foreigner and not the Briton? Is it the idea that Protection should go hand in hand with the greater concentration of capital at home in producing goods which we now buy from abroad? Is the aim to make Britain as self-sufficing as possible? Do our Protectionists wish Great Britain to have a favourable balance of international payments? Do they conjure up a picture of "the City"—financiers and merchants—battening on a system which profits no one but them? Do they deny that our capital exports have, by financing the development of new countries, increased our supplies of food and raw materials, and enabled these countries to buy increased quantities of our manufactures? It is not for us to give categorical answers to these questions. We can only judge from the general tenor of contemporary protectionist literature that the predominant thought is "British goods for British markets," and ask ourselves what place in the advocacy of this policy is taken by the new factor of mobility of capital.

The theory of Free Trade as applied to our own national unit—we accept for the moment the ground chosen by our correspondent—is built around the fact that no fiscal system could ever enable this crowded island to produce for itself much of the essential food and raw materials which its people and its industries require for their existence, let alone for the comparatively high standard of living which under Free Trade (whether because of, or in spite of it) the people of this country have secured. We are compelled, therefore, to import on a large scale, and we cannot import unless we export goods and services to pay for the goods imported. Export being essential, the obvious policy is to specialise on the production of those goods which our natural resources and the skill of our workers can produce better than other countries. These specialised export industries are the lifeblood of the nation. They at all costs must be maintained. This fact, coupled with the belief that protective duties, by raising home costs and intensifying competition abroad, would hamper the competitive power of these industries in world markets has been the main reason why the protectionist case has time and again been rejected. Has the mobility of capital changed this position? And if so, how?

Although the new argument derived from it has only just been added to the protectionist armoury, Britain's position as an exporter of capital is very far from being a new one. If it is true to-day that the Free Trade case has been knocked out by this factor, it is still more true that it was knocked out before the war, when, as everyone knows, our exports of capital were much higher than they are now in actual figures, and still more in real values. The feature of the London market for new capital in recent years, as all readers of the *Economist* are aware, has been the high proportion of the total new money raised that has been devoted to the purposes of home trade and industry. We can see no evidence in the figures of new capital issues since the war that in any way supports the plea that British industry is starved. The only way in which the mobility of capital could weaken the Free Trade case would be if money really needed for productive employment in Great Britain could not be obtained because it was flowing too freely into foreign channels. If this were the case would Protection help? Furthermore, in this matter it is necessary to take a long view. Is it really true that the export of capital in the long run weakens the resources of the country? We suggest that all the evidence is the other way, and in particular, the story of how the greatest Free Trade country of the world financed the lion's share of the Allied cause of the Great War. We are all only too familiar with the argument that if a duty is put on a particular class of goods those goods will be

made at home and employ British instead of foreign workpeople; that if the tariff wall is sufficiently high foreign capital will come in and set up a factory here and there to employ British labour and sell in British markets. It is on particular and selected grounds such as these that the protectionist argues. The Free Trade theory takes into review not particular instances which may be misleading, but a broad view of the sum total of the advantages or disadvantages likely to be enjoyed or suffered by the nation as a whole, and it has never been more difficult than it is to-day, when the great masses of our unemployed exist in those very industries which live predominantly by export, to see how the final national advantage could be advanced by making it more than ever difficult for these industries to compete in the markets of the world. It is equally difficult to see how this position is destroyed by the effect of a mobility of capital, which is no new feature, and is, in fact, less marked than in the years of prosperity before the war. Incidentally in one way capital is now less mobile, because, except in the case of Government loans, it meets with the comparatively new barrier of double taxation.

If protectionists delight in the entertaining, if unprofitable, game of setting up old Free Trade champions and bowling them out, we may be allowed perhaps one quotation ourselves. John Stuart Mill, in his "Principles of Political Economy," said:—"The exportation of capital is an agent of great efficacy in extending the field of employment for that which remains: and it may be said truly that, up to a certain point, the more capital we send away, the more we shall possess and be able to retain at home." So, perhaps, our correspondent has found a mare's nest after all.

DICTATORS.

In the space of ten days a king in Jugoslavia has become a dictator and a dictator in Afghanistan has ceased to be a king. Thus the number of dictators in the world remains the same. Yet, thanks to these alarums and excursions at Belgrade and at Kabul, our understanding of this post-war phenomenon of dictatorship has appreciably increased since ten days ago. For the foreign student of politics, at any rate, King Alexander has not made his coup nor King Amanullah his abdication in vain.

At first sight, it seems a far cry from South-Eastern Europe to Central Asia, and the common name of dictator might seem like a mere label arbitrarily applied to two quite different things. On a closer view, however, we believe that genuine and important points of likeness reveal themselves between all the post-war dictatorships wherever they happen to have arisen—whether we are dealing with King Amanullah in Afghanistan or Riza Shah in Persia or President Mustafa Kemal in Turkey or Marshal Pilsudski in Poland or Professor Voldemaras in Lithuania or King Alexander in Jugoslavia or King Zogu in Albania or Signor Mussolini in Italy or General Primo de Rivera Marquess de Estella in Spain or President Plutarco Calles in Mexico. No doubt the superficial dissimilarities between the several stars in this remarkable galaxy leap to the eye. Your post-war dictator may be a man of any race, nationality, language or religion; he may arise in Asia or Europe, in the Old World or in the New. He may be a plebeian or a bourgeois or an aristocrat or the reigning representative of an established dynasty. He may have come at his dictatorship by a variety of roads; for though most of our heroes have been soldiers (as every schoolboy would expect), two of the most valiant of them (Professor Voldemaras and President Calles) served their apprenticeship in the mild and blameless profession of pedagogy, while the arch-dictator of them all made his début in public life in the supremely incongruous role of an editor of a socialist newspaper. What, then, are the common features which this superficial variety masks? They must be features that are formed by some ubiquitous and all-pervasive force in the contemporary world; for nothing short of such a force could account for unity beneath so great a multiplicity of region and circumstance. We suggest, in the first place, that all these dictatorships coincide in being attempts at political "short-cuts"; and in the second place, that the purpose of all these "short-cuts" is to catch up with the vanguard of Western Society in its march, or gallop, towards a goal which is hidden from the eyes of Western Society itself.

Let us first apply the formula of "the short cut" to the cases that we have cited and see how it works, proceeding from the simpler cases to those of greater complexity. Spain is, perhaps, the simplest case of all. Here is a Western country which, until about two hundred years ago, was one of the great Powers of the Western World, but which has since fallen behind in the race. While other Western countries have educated themselves or industrialised themselves, or both, Spain has remained much what she was, and therefore has come relatively to count for less in the world. The Spanish dictatorship is a panacea for making good two centuries' arrears of progress in, let us say, two decades. Then there is Italy, who, after falling from a still higher estate still longer ago, did just succeed in recovering the status of a "great Power" in her nineteenth century "Risorgimento"—but only just, so that she fell short of achieving complete self-assurance. The War of 1914-18 put Italy to a test under which she faltered, and this precipitated a psychological crisis. The Fascist dictatorship is a "short cut" for "tuning up" Italy in the various activities of national life to that pitch which France, Germany, Great Britain and the United States have reached by a gradual and natural process of development. As for Poland, she has come to life again as a sovereign independent state, after a century and a-half in the tomb, to find that, in the interval, the international environment has been transformed. The Polish dictatorship is a "short cut" from the 18th century to the 20th without any transitional 19th century to mitigate the shock; and the Lithuanian dictatorship can be explained in the same terms, for though Lithuania has come out of the tomb as a very different entity from Poland, the two countries had been one and indivisible for more than two centuries before they were dismembered by the partitions of 1772-1795.

When we come to Jugoslavia we find ourselves in a post-war State which is half inside the Western World and half outside it; and from this angle of vision we may describe King Alexander's dictatorship as a "short cut" for making a synthetic nation out of populations which have inherited three separate civilisations, and have never been united politically before. Is it possible to manufacture a synthetic nationality out of nothing but a common language, without being able to draw on a common culture or a common social heritage? That is the question which is being investigated experimentally in Jugoslavia—and, we may add, in Greater Roumania—since the war; and King Alexander's dictatorship is really an effort to fuse the recalcitrant elements called Serb, Croat and Slovene into a true chemical compound instead of the present uneasy mixture, by the application of a portentous electric spark. This dictator is one of your adventurous alchemists whose method is "kill or cure." His electrocuting method may do the trick, but it may also possibly produce an explosion which will scatter the component elements of the Serb-Croat-Slovene State to the four winds of heaven. Short cuts sometimes lead to unexpected goals—and what is true of King Alexander's dictatorship applies to King Zogu's; for Albania, like Jugoslavia, is an experiment in a synthetic national state, which cannot endure unless Albanian Catholics, orthodox Christians and Muslims can be made more conscious of their community of language than of the diversity of their inherited social traditions.

The Jugoslav and Albanian dictatorships are a kind of middle term between the Western dictatorships and those of Mexico and the Islamic World, in which the goal to which a "short cut" is sought is not the blending of Western and non-Western populations into one entity, but the "Westernisation" of populations which have no part or lot in the Western social heritage. In Mexico (as perhaps in Russia) we see a people which has been submerged for several centuries under a top dressing of Western civilisation forcibly imposed from above, and which is now breaking through the crust and seeking once again to see the sun and breathe the air. The Mexicans (and perhaps the Russians), like the Poles and Lithuanians, are peoples issuing from the tomb, but the case is more extreme, for the Poles merely suffered a political eclipse without losing the Western social heritage which had been theirs all along; so that they had simply to reconstruct their political institutions without having to acquire an entirely new mental outlook, whereas the Mexicans, after four centuries of spiritual as well as material helotage, are now taking their first opportunity to make Western civilisation their own by adapting it to their native circumstances.

The three Islamic peoples which have been experimenting in dictatorships have been more fortunate than Mexico, for by the skin of their teeth they have all of them just escaped the unpleasant experience of external subjugation at the hands of Western Powers. They have realised that their only chance of standing up against the tremendous impact of Western civilisation is to come on to the Westerners' ground and fight them with their own weapons. They have seen that the choice lies between ceasing to exist or getting themselves initiated into the life of the Western World, and that the soft option of vegetating on as "peculiar peoples" is not open to them at all. They have also seen that they have no time to lose, and the dictatorship is their "short cut" for travelling in the twinkling of an eye from the picturesque City of Destruction to the city of skyscrapers, motor-cars, sewing machines, machine guns, and all the other clockwork with which the West has dominated the world. On this wave the Turkish, Persian and Afghan dictators have ridden into power—but surf-riders have to reckon with the nature of the shore. Mustafa Kemal has seen a clear channel ahead of him and has gone at full tilt; Riza Paplani has seen rocks ahead and has prudently reduced his speed in time; Amanullah has ignored the rocks and has crashed on them—his abdication is just announced as these lines are being written. It remains to be seen whether, sooner or later, his fellow-dictators will share his fate, for "short cuts" usually have to be paid for dearly in the end.

Here it is that Democracy, much abused and ridiculed and belittled as she is by all dictators, may conceivably take her revenge. When you recite the virtues of Democracy to your dictator he tells you rather testily that it is inefficient or out of date, or that, at any rate, it grinds out its results so slowly that he really cannot afford to wait. Since the war this attack on Democracy has been made with some effect; and, believing as we do that the democratic type of government, whatever its shortcomings, is very much the best that has yet been worked out for a community on the scale of the modern national state, we are bound to feel that every blow struck against it is a blow to the progress and indeed to the stability of the international comity of peoples. The truth is that dictatorships are like bayonets. You can do everything with them except sit on them—and when your dictator replies that he has never dreamt of making his regime permanent but has only embarked on it as a "short cut" for getting certain urgent and indispensable things done, it is sufficient to refer him to the lessons of history, which show that it is infinitely harder to lay a dictatorship down than to take it up. Thus our comment on King Alexander's coup d'état, as on Signor Mussolini's or the Marquess de Estella's, is *respice finem*. And poor King Amanullah—the first death's-head at the dictatorial feast—rather aptly points the moral.

The New York Trust Company

Capital, Surplus & Undivided Profits - $34,000,000

COMPLETE INTERNATIONAL
BANKING FACILITIES

100 Broadway New York City

INDUSTRIAL PROFITS.

A CONTINUED upward tendency, though less marked in degree than that noted at the end of the third quarter of the year, is shown by our analysis of the profits of 412 joint-stock enterprises whose accounts have been examined during the past three months. The net profits of these companies, after payment of debenture interest, amounted in the aggregate to £36,120,801, an increase of £1,084,360, or 3.1 per cent., in comparison with the net profits earned by the same companies in their previous financial year. From the table below it will be seen that an increase has been recorded in each quarter of 1928, the rate of increase shown by the aggregate figures for the year being 7.2 per cent:—

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

	Number of Companies.	Reports Published in 1927.	Reports Published in 1928.	Increase. £	Increase. %
First quarter	504	£ 53,646,330	£ 61,822,534	8,176,204	15·2
Second quarter	556	57,729,860	58,477,637	747,777	1·3
Third quarter	237	21,170,777	23,221,775	2,050,998	9·7
Fourth quarter	412	35,036,441	36,120,801	1,084,360	3·1
	1,709	167,582,408	179,642,747	12,060,339	7·2

The quarterly figures, it should be appreciated, do not represent the net earnings of identical periods in all cases, since the interval between the close of a company's financial year and the issue of its accounts varies considerably in practice. In most instances, however, the accounts published during the past three months relate to years ended June 30, or September 30, 1928, so that the previous working periods with which comparison is made covered some portion of the coal stoppage. The next table gives the quarterly fluctuations in net earnings during the past seven years:—

	1922. %	1923. %	1924. %	1925. %	1926. %	1927. %	1928. %
First quarter	—43·4	+41·4	+ 8·7	+ 9·1	+ 7·6	— 4·0	+15·2
Second quarter	—33·7	+22·1	+ 3·0	+12·1	+ 8·3	— 5·7	+ 1·3
Third quarter	—23·5	+65·2	+ 2·3	+ 4·8	+ 2·8	+ 2·4	+ 9·7
Fourth quarter	+ 3·9	+11·4	+13·3	+ 6·4	+ 3·8	+ 0·3	+ 3·1
Year	—29·0	+30·6	+ 8·6	+ 8·7	+ 6·3	— 3·0	+ 7·2

It will be observed that, in the aggregate for 1928, the decline of 3 per cent. recorded a year ago, as the result of the industrial troubles of 1926, has been more than made

good. The total figures, however, obscure to some extent both the industrial set-back caused by the coal stoppage and the subsequent recovery, since the profits of rubber-producing concerns rose very substantially in 1926, whereas this year a striking decline in this group, and also in the oil group, has been shown. The following table, which classifies under 16 heads the 412 companies analysed during the quarter, illustrates the position clearly :—

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

	Number of Companies.	Reports Published in Quarter Ended December 31. 1927.	1928.	Increase.	%	Decrease.	%
		£	£	£		£	
Breweries	45	3,741,577	4,071,546	329,969	8·8	..	..
Hotels, restaurants, &c.	11	542,278	506,969	..	..	35,309	6·5
Iron, coal, and steel	32	*Dr 278,394*	619,646	898,040	(a)	..	..
Land, mortgage, &c.	24	1,990,588	2,376,298	385,710	19·3	..	..
Motor and cycle	14	734,916	569,269	..	..	165,647	22·5
Nitrate	5	16,324	13,960	..	..	2,364	14·5
Oil	7	5,942,382	4,472,397	..	..	1,469,985	24·8
Rubber, &c.	97	2,505,419	971,973	..	..	1,533,446	61·3
Shipping	9	1,616,316	1,639,531	23,215	1·4	..	..
Shops and stores	7	907,431	1,222,028	314,597	34·7	..	..
Tea	10	281,796	240,931	..	..	40,865	14·5
Telegraphs, &c.	4	74,919	74,739	..	..	180	0·2
Textiles	8	275,115	261,840	..	..	13,275	4·8
Tramways	5	141,419	138,231	..	..	3,188	2·3
Trusts	26	1,811,072	1,989,249	178,177	9·8	..	..
Miscellaneous	108	14,733,283	16,952,194	2,218,911	15·1	..	..
Total	412	35,036,441	36,120,801	1,084,360	3·1	..	..

(a) Cannot be expressed as an arithmetic percentage.

Excluding from the above list the 119 nitrate, oil, rubber, and tea companies whose accounts were published during the past quarter, we find that the aggregate net earnings of the remaining 293 concerns show an increase of nearly 16 per cent. On balance, the iron, coal, and steel group recorded a substantial improvement, though seven out of the 32 companies examined made a loss in their financial year. The increase in the case of land, mortgage, and trust companies' profits is worthy of note, and it is satisfactory to observe a continued rise in the profits of the miscellaneous group, in which the great majority of the 108 concerns analysed did well. The large rise in the profits of shops and stores was occasioned almost entirely by the improved results of Harrods (B.A.) and its subsidiary, South American Stores. Brewery profits again increased, but the "catering" group, largely owing to the fall in A.B.C. profits, made a less favourable showing, while the heavy decline in the case of motor and cycle profits is an indication of the keenness of competition in the motor-car producing industry.

In the next table we set out the distribution of profits during each of the past four quarters :—

DISTRIBUTION of PROFITS.

1928.	Net Profits.	Ordinary Dividend.	%	Preference Dividend.	%	To Reserve, &c.	%
	£	£		£		£	
First quarter	61,822,534	36,557,829	59·1	11,093,596	17·9	14,171,199	23·0
Second quarter	58,477,637	33,960,930	58·1	13,115,605	22·4	11,401,102	19·5
Third quarter	23,221,775	13,207,015	56·8	3,917,390	16·9	6,097,370	26·3
Fourth quarter	36,120,801	22,176,868	61·4	5,548,214	15·4	8,395,719	23·2
	179,642,747	105,898,242	58·9	33,679,115	18·8	40,065,390	22·3

The last column includes the net increase in balances carried forward, as well as specific allocations to reserve. In each quarter of 1928 the proportion of profits retained in industry was substantially larger than a year ago. The average for the past year works out at the relatively satisfactory figure of 22.3 per cent., in comparison with 17.2 per cent. in 1927.

Similar figures for each group are set out below :—

	Net Profits.	Ordinary Dividend.	%	Preference Dividend.	%	To Reserve, &c.	%
	£	£		£		£	
Breweries	4,071,546	2,249,603	55·3	732,819	18·0	1,089,124	26·7
Hotels, resta'r'nts, &c.	506,969	294,323	58·1	165,083	32·6	87,563	17·3
Iron, coal, and steel	619,646	409,178	66·0	176,158	28·4	34,310	5·6
Land, mortgage, &c.	2,376,298	1,755,513	74·0	315,116	13·3	305,669	12·7
Motor and cycle	569,269	539,512	94·6	84,568	14·9	*Dr 54,911*	..
Nitrate	13,960	20,508	147·0	..	..	*Dr 6,548*	..
Oil	4,472,397	2,154,694	48·0	875,000	19·6	1,442,703	32·4
Rubber, &c.	971,973	589,479	60·6	26,644	2·7	355,850	36·7
Shipping	1,639,531	760,774	46·4	390,260	23·8	488,497	29·8
Shops and stores	1,222,028	657,466	53·8	310,100	25·4	254,462	20·8
Tea	240,931	208,746	86·6	11,620	4·8	20,571	8·6
Telegraphs, &c.	74,739	15,444	20·7	10,952	14·6	48,343	64·7
Textiles	261,840	102,753	39·2	105,358	40·2	53,729	20·6
Tramways	138,231	68,421	49·5	nil	..	69,810	50·5
Trust companies	1,989,249	1,122,224	56·5	424,259	21·3	442,766	22·2
Miscellaneous	16,952,194	11,268,236	66·5	1,920,177	11·3	3,763,781	22·2
Total	36,120,801	22,176,868	61·4	5,548,214	15·4	8,395,719	23·2

In the matter of reserve appropriation, the best showing is made by telegraphs and tramways—followed by oil, rubber, and shipping concerns. Profits were also distributed conservatively by the brewery, trust, and miscellaneous groups. The motor and cycle companies in the aggregate come out badly, while the allocations to reserve made by the iron, coal and steel group, though small in themselves, contrast favourably with the position a year ago, when heavy withdrawals were made.

In the next table we give the ratios of net profits and of the amounts reserved to total ordinary and preference capital :—

1928.	Total Ord. and Pref. Capital.	Net Profits.	%	Carried to Reserve, &c.	%
	£	£		£	
First quarter	530,963,258	61,822,534	11·6	14,171,199	2·7
Second quarter	558,893,092	58,477,637	10·5	11,401,102	2·0
Third quarter	195,502,736	23,221,775	11·9	6,097,370	3·1
Fourth quarter	328,226,005	36,120,801	11·0	8,395,719	2·5
	1,613,585,091	179,642,747	11·1	40,065,390	2·5

Taking the annual average of the quarterly figures, the ratio of net profits to capital in 1928 works out at 11.1 per cent. in comparison with 10.5 per cent. in 1927, and 11.8 per cent. in 1926. The ratio of amounts reserved, 2.5 per cent., contrasts with 1.8 per cent. in 1927 and 2.8 per cent. two years ago. The average rates paid on the nominal value of debenture, preference, and ordinary capital in each quarter of the past four years are summarised below :—

AVERAGE RATES PAID.

	On Debenture Capital. 1925.	1926.	1927	1928.	On Preference Capital. 1925.	1926.	1927	1928.	On Ordinary Capital. 1925.	1926.	1927	1928.
	%	%	%	%	%	%	%	%	%	%	%	%
1st quarter	4·63	4·65	4·80	4·78	5·3	5·4	5·1	5·3	10·5	10·9	10·4	11·3
2nd "	5·40	5·14	5·30	5·43	5·8	5·8	5·9	6·0	9·9	11·7	11·8	10·9
3rd "	4·96	5·02	4·98	4·90	5·0	4·8	5·2	5·4	9·9	10·5	10·2	10·7
4th "	5·30	5·05	5·19	5·04	5·6	5·4	4·9	4·9	11·0	10·8	10·1	10·3
Year	5·11	4·96	5·08	5·02	5·5	5·4	5·3	5·4	10·3	11·1	10·8	10·6

The average rate of dividend paid on ordinary capital in the past quarter is higher than a year ago, but the average for the past 12 months is below that for 1927 and 1926.

The concluding table gives the average rates paid in the past quarter, analysed by groups, together with the average rate on ordinary capital shown in our analysis for the corresponding period of 1927 :—

	Debenture Capital.	Rate of Interest.	Preference Capital.	Rate of Interest.	Ordinary Capital.	Rate of Dividend.	Rate of Div. a Year Ago.
	£	%	£	%	£	%	%
Breweries	19,459,124	4·8	11,880,223	6·2	15,198,653	14·8	12·4
Hotels, restaurants, &c.	2,463,184	4·2	2,813,303	5·9	3,019,622	8·4	10·6
Iron, coal, and steel	17,088,721	5·6	16,858,746	4·0	34,455,246	1·2	0·9
Land, mortgage, &c.	10,744,628	4·3	7,362,614	4·3	15,666,079	11·2	10·7
Motor and cycle	175,938	8·2	1,763,992	4·8	3,333,340	16·2	8·1
Nitrate	75,000	5·0	nil	..	2,089,000	0·9	0·6
Oil	8,829,826	5·5	10,500,000	8·3	24,757,846	8·7	11·1
Rubber, &c.	1,271,893	6·5	1,040,625	2·6	13,884,272	4·3	13·8
Shipping	11,160,310	4·9	7,224,260	5·4	8,151,913	9·3	9·3
Shops and stores	2,042,800	5·8	3,530,000	8·8	5,738,437	11·5	8·5
Tea	87,000	5·1	197,000	5·9	921,222	22·6	29·1
Telegraphs, &c.	254,200	5·7	136,975	8·0	636,975	2·4	9·1
Textiles	1,716,807	6·4	1,894,939	5·5	2,041,149	5·0	6·4
Tramways	248,554	5·8	nil	..	1,636,609	4·2	7·6
Trusts	10,408,191	4·4	13,317,034	3·2	15,455,841	7·3	8·9
Miscellaneous	12,211,796	5·2	33,789,826	5·7	68,910,164	16·3	14·6
Total	98,218,072	5·0	112,329,637	4·9	215,896,368	10·3	10·1

As compared with a year ago, a reduction in the average rate of ordinary dividend is shown by the hotel, pil, rubber, tea, telegraph, tramways, and trust company groups. On the other hand, the average rate of 16.3 per cent. paid by the large miscellaneous group compares with 14.6 per cent. a year ago and 12.6 per cent. in the last quarter of 1926. The apparently high rate of ordinary dividend disclosed in the case of the motor and cycle group is due to the fact that one concern, which has repaid to shareholders most of the original capital, and whose dividend works out at a very high nominal rate, somewhat overweighted this group.

THE BRITISH ELECTRICAL INDUSTRY.

(BY A CORRESPONDENT.)

FROM the general industrial point of view the past year was disappointing. During the first three months production had increased quite considerably compared even with 1927, a year of great activity, and there were prospects that this rising curve would increase in amplitude during the remaining nine months of the year. From the end of March onwards, however, a very definite decline set in and increased in intensity throughout the remainder of the year, so that, on balance, industrial activity was rather less in 1928 than in either 1927 or 1925.

Under normal conditions such a development in industry generally would have affected electrical manufacturing, since it is dependent to an unusual degree for the great part of its output on the state of economic prosperity ruling in practically every industry. Certain factors, however, intervened to raise the industry out of the depression ruling in the country. In the first place the higher level of profits earned by the majority of industrial concerns during the year 1927 made it possible for them to finance more extensive re-equipment and reorganisation schemes, while a number of contracts of a very special nature intervened to make good any decline that might have occurred in the heavy industries. Thus the industrial demand for generating plant in 1928 was almost exactly the same as that of the previous record year, 1920.

The industries contributing chiefly to such an expansion were, first of all, chemicals, the large extension schemes initiated by the Imperial Chemical Industries at Billingham proving as valuable to the industry as the total of all the contracts placed by the Central Electricity Board this year. This activity in the chemical industry had quite a considerable influence on other industries, which placed in turn orders for electric motors and other driving equipment. Other industries which were important from the electrical point of view were paper, chiefly owing to extensions carried out by two very large firms operating in the South of England, and artificial silk, where two important firms again, operating at Derby and Burton-on-Trent, were carrying out schemes for increasing very rapidly their production. The cement industry was also active, although in this case one small order was lost owing to foreign competition. In the coal-mining, iron and steel industries the depression ruling in them and the very narrow margin of profit earned during the last few years combined to reduce their demand to a minimum. In shipbuilding activity above the usual ruled, a number of motor-ships being electrically equipped during the past year.

On the whole, therefore, the industrial demand during 1928 was distinctly better than the average, even although the basic industries contributed little to that result. It is difficult, however, to prophesy that in 1929 this state of affairs will be paralleled, since the general depression ruling last year will affect the electrical industry then. On a long view, therefore, the industrial demand may possibly be rather less than in 1928, but the operation of the Government's de-rating schemes in 1929 may bring increased activity in the following year, especially from the coal-mining, iron and steel industries.

The production of electricity, which reached a new record of almost exactly 10,000 million units for the year ending March 31, 1928, was affected by the trade depression during the last nine months, although there has been a very rapid increase in the domestic and commercial loads. The result has been that, on balance, the rate of increase during 1928 is possibly not much more than 8 per cent. At that, however, it is not markedly less than the average ruling during the last seven years, but it does not compare with developments in other countries. It has been generally assumed that, electrically, Great Britain has definitely lost ground in the post-war decade, and one of the principal motives inspiring the re-organisation of national production, as laid down in the Electricity Supply Act of 1926, was that of bringing this country as rapidly as possible into line with the other exporting countries competing with us in the markets of the world.

When, however, the statistics for these countries are examined, we find that, in the United States, with all its high standard of development, an increase of more than 9 per cent. was recorded in 1928 over 1927; in Germany, 17 per cent.; in Italy, 12 per cent.; in Canada, 16 per cent.; and in Switzerland slightly less than 10 per cent. On balance, therefore, the leeway has, if anything, increased, and the explanation can be found in the fact that, in all these countries, more active trade has been experienced this year than in Great Britain. The very fact that we have been able to maintain an increase of 8 per cent. is sufficient tribute to the enterprise and success of those who are responsible for the production and distribution of electricity in this country.

The Central Electricity Board, which began its operations in the spring of 1927, has now approved four important schemes, covering South-East England, Central England, North-West England and North Wales, and Central Scotland, while the scheme dealing with the North-East Midlands and Yorkshire will be published this month. These schemes altogether cover slightly more than 75 per cent. of the entire electricity production of the country, the only area of outstanding importance omitted being the North-East Coast, supplied by the Newcastle Electric Supply Company, which is already highly organised.

Developments in the public production of electricity and in the allocation of contracts for generating equipment have been dominated by the schemes surveyed by the Central Board. Orders were placed for overhead transmission lines, transformers and switchgear for Central Scotland, for cables, overhead transmission lines and switchgear for South-East England, while tenders for the supply of transformers for the same scheme have been received. The total value of the orders placed by the Central Board during the past year has been almost exactly two and three-quarter million pounds.

The national power scheme has proved beneficial to the manufacturing industry in more ways than this. Largely owing to the initiative of the Electricity Commissioner and the Central Electricity Board, the extensions of selected stations and the building of new super-power stations, especially in South-East England, were accelerated. Such direct acceleration brought to the industry orders for 150,000 kilowatts of new plant which it might not have had before 1929. Among such important orders must be classified two units of 67,200 kilowatts for the new Battersea power station of the London Power Company, 30,000 kilowatts for Hackney Corporation, 32,000 kilowatts for Battersea Corporation, 30,000 kilowatts for West Ham, 15,000 kilowatts for Poplar Council, and 15,000 kilowatts for Southampton. In other areas, Bristol placed 51,000 kilowatts, Bradford 30,000 kilowatts, Leeds 50,000 kilowatts, Leicester 25,000 kilowatts, the Clyde Valley Company 20,000 kilowatts, and Bury 10,000 kilowatts, while other undertakings operating in Scotland and the North of England were also in the market for generating plant.

The greater part of the contracts secured for South-East England were placed during December, and this month brought the annual total up to what must be considered a new record for generating equipment for public undertakings during the post-war decade. It is difficult to tell what proportion of this high total has been due to the increased consumption of electricity, and what proportion to direct or indirecet acceleration of orders in connection with the national scheme. We have already given an estimate of 150,000 kilowatts, but this must err on the conservative side.

In other sections of the industry, such as industrial motors, 1928 cannot be regarded as even a normally active year, although it showed signs of recovery towards the end, while in transformers and small apparatus, competition has been exceptionally fierce, with the result that many firms report a record turnover, with an abnormally low margin of profit resulting therefrom. Taking the home market in every possible branch, one should regard 1928 as a very good year, the Central Electricity Board and Imperial Chemical Industries being responsible for the improvement recorded.

In exports, however, the position has not been so satisfactory, largely owing to uncertain and even depressed trade conditions in the Dominions and Colonies.

This observation applies especially to Australia, New Zealand and South Africa, the clearest indication of unfavourable conditions electrically being shown in the value of new capital raised by the Dominions and Colonies in London during the year. In the majority of cases a fairly high percentage of such new capital has been required for extensions of public works, including electric power supply. The new capital raised in London during 1928 amounted to £76,000,000, compared with £96,000,000 in 1927, the decline being most notable in the case of New South Wales, South Africa, and the State of Victoria, Australia. All these areas form exceedingly important markets for the British electrical manufacturer, and all of them placed very few contracts during 1928. On the other hand, less important parts of the Empire, such as Palestine, the Malay States and Ceylon, were unusually active, while India, especially towards the end of the year, showed a greatly improved rate of demand.

The most important markets outside the Empire are to be found in Europe, South America and the Far East. Large power schemes in Hungary, Holland and Greece, with isolated orders from Finland, Norway, Roumania, Portugal and Spain, brought the European market, for the first time in seven years, into prominence, while satisfactory orders were obtained in China.

Export shipments, as such, were almost exactly the same as during 1927, and will probably show a considerable increase during 1929, but this stationary condition has coincided with very considerable increases recorded in other exporting countries—Germany recording 24 per cent., the United States about 14 per cent., Switzerland 15 per cent., and France 18 per cent.—so that, on balance, the world competitive position of Britain was worse in 1928 than in the previous year. Reparations have undoubtedly been a factor causing the improvement in the German total, and they may be expected to be even more effective in the future. One can assume, however, that the disadvantage under which Britain has laboured in the competitive field through high costs and high overhead charges, due to taxation and other elements beyond its control, will be less in operation during 1929, and the volume of orders already received, coupled with the improvement in Australian and South African conditions, may lead to the beginning of a new upward cycle in exports.

On the whole, therefore, both on home and export account, the electrical industry showed a slight improvement in actual production over 1927, and may increase its output very considerably during 1929. The prospects are certainly more favourable than would have been considered possible in the middle of 1928. The national scheme is coming into operation much more widely and much more fully, and the orders due from it will increase in importance during the next three years. The waiting time is definitely over, and a considerable increase in employment in the industry may be expected.

A YEAR'S OVERSEAS TRADE.

THE December trade figures all show slight declines below those for November, but these are fully accounted for by the Christmas holidays. In one important respect the December returns are actually better than those for the preceding month. Raw material imports were valued at £30.9 millions, as against £29.9 millions for November, and a monthly average of £27.9 millions for the year. The significance of the increase, however, is somewhat discounted by the fact that it was confined solely to imports of raw cotton. The total figures for December imports, exports and re-exports, together with the usual comparisons, are given below :—

MONTH of DECEMBER.

	1928.	Increase or Decrease on December, 1927.		Increase or Decrease on December, 1925.	
	£	£	%	£	%
Imports	101,451,890	— 3,956,240	— 3·7	— 32,821,013	— 24·4
British exports	60,394,329	+ 1,560,405	+ 2·6	— 5,374,332	— 8·2
Re-exports	9,079,318	— 1,230,485	— 11·7	— 5,565,149	— 38·4
Total exports	69,473,647	+ 329,920	+ 0·5	— 10,939,481	— 13·5
Excess of imports over total exports	31,978,243	— 4,267,686	— 11·7	— 21,884,532	— 40·8

The decline in the adverse trade balance, especially when compared with 1925, is very marked.

The 1928 figures are given below. In comparing them with those of previous years, three important facts must be borne in mind. The first is that the early months of 1927 were governed by the abnormal conditions which were the aftermath of the coal stoppage. Imports of coal and iron in particular were unusually heavy. The next is that prices generally were lower in 1928 than in 1925, to an extent which probably more than accounts for the percentage decline in imports and exports between the two years. The third is that one cause of this year's fall in the value of re-exports is the collapse of rubber prices that occurred last spring :—

CALENDAR YEAR.

	1928.	Inc. or Dec. on 1927.		Inc. or Dec. on 1925.	
	£	£	%	£	%
Imports	1196940364	— 21,400,796	— 17 6	—123,774,836	— 9·4
British exports	723,427,455	+ 14,346,192	+ 2·0	— 49,953,247	— 6·5
Re-exports	120,352,491	— 2,600,348	— 2·1	— 33,684,308	— 21·8
Total exports	843,779,946	+ 11,745,844	+ 1·4	— 83,637,555	— 9·0
Excess of imports over total exports	353,160,408	— 33,146,640	— 8·6	— 40,137,281	— 10·2

If due regard be paid to these factors, the 1928 figures compare quite favourably with those of preceding years. The improvement is not sensational, but there is distinct evidence of its existence. In particular, as the following table shows, the adverse balance was not only less than that in 1927 for the first four months of each year, when 1927 was subject to abnormal conditions, but also for the last eight months, when no distorting influence was at work. This table also illustrates both the unfortunate setback which occurred in the summer of 1928 and the extent to which the ground so lost was recovered in the autumn :—

MOVEMENTS of MERCHANDISE TRADE BALANCE.

	Imports in 1928.	Total Exports in 1928	Excess of Imports in 1928.	Excess of Imports in 1927.	Excess of Imports in 1925.
	Million £	Million £	Million £	Million £	Million £
January	100·4	70·0	30·4	48·3	46·6
February	98·8	68·9	29·9	30·2	27·0
March	110·5	76·2	34·3	40·6	29·7
April	96·8	66·2	30·6	36·3	37·1
First four months	406·5	281·3	125·2	155·3	140·4
May	99·4	70·4	29·0	20·8	25·6
June	99·4	71·0	28·4	32·7	41·5
July	95·4	69·3	26·1	27·6	22·5
August	97·7	71·0	26·7	21·9	17·2
September	87·7	63·5	24·2	32·7	26·7
October	102·6	73·2	29·4	34·4	28·4
November	106·8	74·6	32·2	26·2	40·1
December	101·4	69·5	31·9	36·3	53·9
Last eight months	790·4	562·5	227·9	232·6	255·9
Full year	1,196·9	843·8	353·1	387·9	396·3

To consider the 1928 returns in greater detail, the next table shows them distributed into the three main categories of foodstuffs, raw materials, and finished goods. The decline in foodstuffs is probably a matter of price. Raw material imports are discussed later. Trade in finished articles is on the whole reassuring. Comparing the 1927 and 1928 exports, we have recovered at least an appreciable part of our lost ground :—

	1925.		1927.		1928.	
	Retained Imp'rts.	Exports.	Retained Imp'rts.	Exports.	Retained Imp'rts.	Exports.
	Mln. £	Mln. £	Mln. £	Mln. £	Mln. £	Mln. £
Food, drink, and tobacco	538·0	55·0	512·8	52·3	504·4	54·3
Raw materials and articles mainly manufactured	334·5	84·4	280·8	76·4	268·3	70·2
Articles wholly or mainly manufactured	288·1	616·6	297·3	564·0	292·0	578·6

These views are reinforced by the following table. This illustrates the falling-off in our coal exports, and also places in its proper perspective the present agitation for the safeguarding of iron and steel. Since 1927, imports have fallen from £33·7 to £23·9 millions, which is hardly evidence that "abnormal" foreign competition exists

to-day. In contrast to the imports, exports are moderately well maintained :—

	1925.		1927.		1928.	
	Retained Imports.	Exports.	Retained Imports.	Exports.	Retained Imports.	Exports.
	Mln. £.	Mln. £.	Mln. £.	Mln. £.	Mln. £.	Mln. £.
Coal	0·02	50·5	6·6	45·5	0·04	39·1
Iron and steel and manufactures thereof	23·7	67·9	33·7	69·4	23·9	66·8

Finally come two tables showing in detail imports and exports of some leading commodities. Taking imports first, 1928 does not perhaps compare very favourably with the previous years, though possibly if the 1927 returns were corrected for the abnormalities of the first four months of that year, the comparison would be more reassuring :—

SOME FOODSTUFFS and RAW MATERIAL IMPORTS.

	Quantity.			Value per Unit.		
	1925.	1927.	1928.	1925.	1927.	1928.
				£	£	£
Coal ....tons	10,944	2,419,310	27,252	1·85	2·73	1·45
Raw cotton ....cental	18,941,929	15,483,393	15,057,681	6·53	4·27	5·25
Sheep and lambs' wool .. "	7,268,591	8,219,899	7,807,141	9·88	7·29	7·75
Flax, hemp, and jute ....tons	336,281	399,826	332,284	52·1	38·4	39·0
Raw rubber ....cental	1,957,593	3,245,794	2,460,839	14·2	7·64	4·65
Beef ....cwts	13,740,607	14,464,452	13,334,194	4·10	3·16	3·46
Mutton and lamb .... "	5,474,392	5,522,557	5,645,883	0·710	0·616	0·556
Wheat .... "	96,854,178	110,435,815	103,578,380	0·784	0·824	0·700
Sugar .... "	42,301,979	32,912,686	38,638,396	9·09	8·29	8·52
Butter .... "	5,853,245	5,818,611	6,120,823	0·077	0·077	0·070
Tea ....lbs	490,566,747	537,001,747	509,975,917	0·089	0·086	0·081
Tobacco .. "	190,838,270	223,646,125	220,925,108			

Exports are more satisfactory. Our coal shipments are little below the 1925 level, and iron and steel exports are the best since 1923, the year of the Ruhr occupation. The same applies to textile machinery, while machinery in general has in 1928 outstripped every year given in the table. The weak spot is textiles, all of which are relatively bad :—

SOME LEADING EXPORTS.
Quantity (000's omitted).

	1923.	1924.	1925.	1926.	1927.	1928.
Coal ....tons	79,489	61,651	50,817	20,596	51,149	50,055
Pig-iron and ferro-alloys.. "	893	600	559	313	331	455
Railway material.... "	493	370	421	306	729	610
Total iron and steel mfs.. "	4,318	3,851	3,731	2,988	4,196	4,261
Textile machinery .... "	139	104	123	102	119	125
Total machinery .... "	433	463	516	476	512	566
Cotton yarns ....lbs	145,017	163,056	189,532	168,526	200,465	169,212
Cotton piece-goods....sq. yds.	4,140,232	4,443,959	4,435,618	3,834,482	4,116,883	3,866,583
Wool tops ....centals	390	411	320	336	420	344
Woollen tissues ....sq. yds.	148,556	164,740	132,174	119,357	130,914	128,566
Worsted tissues .... "	62,935	56,843	47,302	42,950	39,980	42,111
Linen piece-goods.... "	89,666	110,786	83,694	75,282	73,911	66,110
Boots and shoes....doz. prs.	796	998	986	986	990	1,079
Leather....cwt.	260	327	3 6	312	433	403
Paper and cardboard .... "	4,341	4,757	4,989	4,724	4,317	4,539
Locomotives ....tons	35	24	30	34	27	41
Motor-car and chassis ....No.	6	15	29	33	36	33

So much for our merchandise trade. Next come imports and exports of bullion and specie, which it may be mentioned do not necessarily agree with gold losses and gains by the Bank of England. As regards gold, we imported £47.8 millions and exported £60.5 millions—a net loss of £12.7 millions, whereas the Bank alone showed a gain of just over one million. The explanation lies partly in dealings in the gold market outside the purview of the Bank, and possibly also in "earmarkings" by the Bank :—

MOVEMENTS of BULLION and SPECIE.

	Gold.		Silver.	
	Imports.	Exports.	Imports.	Exports.
	£	£	£	£
1922	34,542,157	44,838,292	10,099,890	13,235,269
1923	43,986,655	57,434,355	9,611,855	11,687,714
1924	35,791,664	49,419,607	13,931,746	12,422,661
1925	41,460,892	49,674,766	10,612,558	12,161,255
1926	30,547,498	27,188,223	11,198,113	10,957,801
1927	32,404,512	29,060,010	7,173,051	7,145,577
1928	47,808,055	60,523,701	10,200,223	9,188,769

Imports of silver exceeded exports by just over £1,000,000, the turnover being commensurate with that of previous years.

The final point of interest is our real balance of trade. For this we must await the Board of Trade estimate, which should be available in a fortnight's or three weeks' time. Meanwhile, it is possible to make a provisional estimate. Taking imports and exports of merchandise, bullion and specie, the adverse balance for 1928 was only £341 millions, as against £389 millions in the preceding year. As regards "invisible" items, last year Government net receipts from abroad were shown as exactly balancing Government payments. This year, receipts on Reparation and war debts account are some £4 millions higher, while in addition our expenditure on the Shanghai Defence Force has been less. As a rough estimate, Government net receipts may be put this year at £5 millions. Shipping earnings last year were £140 millions. This year the *Economist* freight index is about 97 as against 109.6 in 1927. Assuming the volume of traffic remains about the same, it may be wise to scale down this item to £130 millions. Interest on overseas investments last year was given as £270 millions. This year the figure is undoubtedly higher, and may well be as much as £285 millions. Commission, short interest, &c., were £63 millions in 1927. This year we have had a bigger volume of acceptance business, and much greater activity on the Stock Exchange. There seems no reason why this item should not be raised to £70 millions. If last year's receipts from "other services" be kept unchanged at £15 millions, this raises our tentative estimate of "invisible exports" to a total of £505 millions, or £17 millions more than a year ago. Combining this with our adverse visible balance for 1928 of £341 millions, this leaves a net surplus of £164 millions, against £99 millions for 1927. The 1928 surplus will, if this rough estimate should prove even approximately correct, be the highest recorded since 1922.

AMERICO-CANADIAN PROBLEMS.

(BY OUR OTTAWA CORRESPONDENT.)

THE relations, political, economic, and social, of the two great communities which exist between the Rio Grande River and the Arctic Ocean are always of necessity closely intertwined, and it happens that at the present moment their complexities are giving rise to a variety of interesting problems, which are providing material for discussion and controversy on both sides of the international frontier. The general trend of the Republican campaign and the high Protectionist attitude taken by Mr Hoover had prepared the majority of Canadians for the news recently forthcoming from Washington that the existing Congress, which has now begun its last session, would deal with a measure of tariff revision which would impose higher duties on Canadian farm produce as a means of pacifying the discontented farmers of the American Middle-West. It is highly doubtful, however, whether a tariff measure can be passed before the term of the present Congress expires next March, and it is quite certain that puissant industrial and financial interests will exert themselves to prevent any drastic measure which would provoke resentment in Canada and create a demand for fiscal reprisals. At present Canada ranks as the best customer of the United States; according to the latest trade figures available from the Dominion Bureau of Statistics, which cover the twelvemonth period ending October 31, 1928, the United States during that time exported to Canada goods valued at $805,482,777, while she only imported from Canada goods worth $492,582,966. These figures are used by Protectionist interests and Conservative politicians in Canada to argue that the situation demands immediate remedy through the imposition of higher Canadian duties on imports from the United States. The Tariff Advisory Board at Ottawa, moreover, last autumn dealt with a series of applications for upward tariff changes, which are mostly designed to curtail American imports. Moreover, Mr Hoover must realise that a fiscal policy which would cut down Canadian exports to the United States and impair the prosperity of important Canadian industries would not produce an atmosphere in the Dominion favourable to cordial co-operation in the completion of the St. Lawrence Waterway project to which both the President-elect and the Republican party are deeply committed. Mr. Hoover, indeed, has for some years past been one of its most earnest advocates, and during the late campaign he repeatedly pledged himself to promote its early construction. But, obviously, he cannot expect to compass simultaneously a high tariff policy which will

hurt Canada, and the consummation of the waterway project for which Canada's co-operation is imperatively required.

For the moment the waterway project remains in a state of suspended animation. The Supreme Court of Canada has heard the argument in the great constitutional reference about the respective jurisdictions of the Federal and provincial authorities over water powers on navigable rivers, and its members are at present engaged in the task of preparing their judgments upon the immensely complicated question which is involved. But even if, as is highly doubtful, a unanimous verdict is forthcoming, the general anticipation is that on so vital an issue the final word must lie with the Privy Council, whose decisions are not usually secured with great celerity. Meanwhile, Ottawa is to-day the scene of a desperate battle conducted by two extensive corps of lobbyists between the supporters and opponents of the plan sponsored by a corporation known as the Beauharnois Light Heat and Power Co. It contemplates the canalisation of the section of the River St. Lawrence between Lake St. Francis and Lake St. Louis, beginning some 25 miles west of Montreal, and the development of a large volume of hydro-electric energy from the canal works. The promoters of the scheme propose to hand over to the Federal Government a completed navigable channel for this particular section in return for the right to dispose of the power which has been developed. But the project has aroused the keen hostility of the two great power corporations of the Montreal region, the Montreal Light Heat and Power Co, and the Shawinigan Co, and they are exerting all their influence to thwart it. The Government at Ottawa, faced with these contending interests, finds itself in a difficult dilemma, and it has agreed to arrange for a public hearing, at which each side will have an opportunity of stating its case.

It must, however, certainly await the decision of the Supreme Court before it gives any verdict upon the application of the Beauharnois Co., and even then it must give consideration to possible international complications which may arise with the United States. They have their origin in the Treaty of Washington concluded in 1871, under which navigation rights were given to the United States over the natural channel of the St Lawrence River, but were withheld in the case of canals constructed on Canadian territory.

Legal authorities of high standing believe that the terms of the Washington Treaty leave the United States in a position to raise serious objections to the project on the ground that it will shift navigation from the river proper, where American rights are perpetually guaranteed, to a canal where those rights are not safeguarded to the same extent. In the light of these facts it is altogether likely that the Canadian Government will take the matter up with Washington through the proper diplomatic channels and be guided by the result. Furthermore, strong hostility to the Beauharnois scheme is being manifested by steamship companies which operate on the St Lawrence and enjoy during the summer months a profitable tourist traffic. Accordingly, for the moment the prospects of the Beauharnois enterprise are considerably dimmer than they were a few months ago.

The illicit liquor traffic which, despite all efforts to suppress it, still flourishes in huge volume across the international boundary is also once more occupying public attention on both sides of the line. During the recent Presidential campaign the Republican party pledged itself to more effective enforcement of the prohibition laws, and prohibition officials have been lamenting the continued influx of liquor from Canada. So a report has been circulated from American sources that the Coolidge Administration intends to ask the King Government to review the whole situation and consent to a drastic amendment of the existing anti-smuggling treaty of such a character that it would make possible the extradition of officials of Canadian brewery and distillery companies whose products cross the border to slake the thirst of American non-conformists to the Volstead Act. Now, Canada contains a large body of ardent "drys," who would, naturally, be sympathetic to any American efforts calculated to make prohibition a success, but there will be scant sympathy in the Dominion for any attempt to enlist the resources of its Government as an agent for the enforcement of the Volstead Act upon Canadian territory. However, despite these rumours, the only known move which has been made so far in this connection is an arrangement for an informal conference in Ottawa early in January at which the international liquor situation will be discussed.

Considerable comment of a critical character has also been aroused in Canada by a recent report of the U.S. Shipping Board, which recommended retaliatory fiscal measures in shape of an extra 10 per cent. surtax on American imports entering *viâ* Canadian ports by way of reprisal for the provision in the Canadian Customs tariff which gives an additional rebate of 10 per cent. of the normal British preferential duty on British goods imported direct through Canadian ports and denies it when they enter through American ports. Admittedly, this provision has diverted a certain amount of traffic in the winter months from ports like Portland, Maine, and New York, but the total volume is not large. However, the consequences of such a retaliatory measure are being examined at Ottawa, and the conclusion is that its consequences on the Eastern seaboard would be negligible, as few American imports enter *viâ* Canada's eastern ports, but that it would probably divert a substantial quantity of traffic in imports of tea and silks from the Orient from Vancouver to American ports like Seattle and San Francisco, and thereby affect adversely the revenues of Canadian railways.

Notes of the Week.

The First Bank Meeting.—As is their usual custom, Barclays Bank are this year the first to hold their annual meeting, which took place on Thursday of this week. Mr Goodenough used the opportunity of his annual address to his shareholders to cover a wide field. On home industrial conditions he spoke with restrained optimism, and when he came to the reorganisation proposals of the Lancashire cotton industry, he made a very concise and timely statement on the banker's side of the case. "Speaking generally," he said, "the banks would find it difficult to exercise compulsion upon customers to enter into the scheme in the case of live concerns, but they would certainly wish to help in the promotion of any sound scheme which would be of advantage to the cotton industry and which their customers would themselves wish to adopt as being calculated to benefit them." Provided that this statement represents the views of other banks as well of that which Mr Goodenough so ably represents, it should help to clear away a lot of the misconception that exists in Lancashire to-day. His summation of the general industrial position was that "except in the coal areas, the South is comparatively prosperous, whilst the North is still suffering from trade depression." He called attention to the need for "sound schemes for amalgamation and reorganisation," a point he had already emphasised when rejecting by implication safeguarding and similar nostrums, he said "steps must be taken to reorganise upon more economical and efficient lines many of our industries which are specially subject to foreign competition." As regards monetary matters, he made an interesting examination of the year's gold movements, many of which he ascribed to special causes. He pleaded for the maintenance of a stable price level, and called attention to the investigation now being made by the Financial Committee of the League into the purchasing power of gold. He discussed the position in New York, and then returning to London noted with approval the increase in the volume of bills that last year appeared in the London market. The final portion of his speech dealt with ways of improving the price of Government securities so as to expedite funding and conversion operations. This perhaps is the only controversial part of his speech. His plea is that every British investor should ear-mark some of his savings for the purchase of Government stock, and that if this were done prices in the gilt-edged market would automatically rise. Every wise investor does so to-day, and the present strength of Government stocks is a silent witness to this. But apart from this, his suggestion raises a host of questions concerning the best use in the broadest national interests of the annual increment in the nation's savings, which might properly form the subject of a lengthy thesis.

Five Bye-Elections.—The succession of Viscount Curzon to the Peerage adds one more to the number of bye-elections now imminent, raising the total to five. These vacant seats are Londonderry, North Midlothian, Wansbeck, Bishop Auckland, and now South Battersea. In two of them, namely, Londonderry and Wansbeck, the result is a foregone conclusion. The Conservatives will almost beyond question hold Derry, and, in any case, a Northern Ireland election is hardly a test of the reaction of public opinion to the record and policy of the three political parties. Wansbeck, too, is a Northumberland mining division which is not likely to swerve from its Labour allegiance. The neighbouring constituency of Bishop Auckland is perhaps a more open question. This, too, is a mining seat with a consistent Labour record; but it is an open secret that, even before the late member's death, there was some local difference of opinion as to the proper candidate to succeed him. Ultimately Mr Dalton was selected to stand at the General Election, but the bye-election has further complicated the position, for Mr Dalton is already in the House representing another division. The Labour party have therefore adopted Mrs Dalton as their candidate, following the precedent set by Mrs Runciman, who won St Ives for the Liberals last year. To set against these Labour complexities, in 1924 the late Mr Spoor won in a straight fight against the Liberal, who presumably received some Conservative support; this time the fight is a three-cornered one, which should favour Labour's chances. North Midlothian has a varied record. The late member won the seat as a Conservative in 1924, but Labour held it in the previous Parliament, and may possibly recover it this time. Apart from the uncertainty of the result, this election is noteworthy for the irruption of a "Scottish Nationalist" candidate, though he cannot hope to do more than complicate the already obscure issue. Finally comes South Battersea. This is a London seat, composed as to the smaller part of a working-class population who may or may not share in the Communist proclivities of their northern neighbours, and as to the larger part of the typical South London middle-class element. In 1924 Viscount Curzon won easily in a straight fight with Labour, and, indeed, the seat has continuous Conservative traditions. This time the Liberal Party have a candidate in the field, and the outcome may be less certain. It will be seen that in several cases a straight fight in 1924 is being followed by a three-cornered fight at the bye-election. This will make it very difficult to deduce from the results anything as to the trend of popular opinion, and, indeed, it is likely that the chief lesson of these elections will be the old one of the inequities of our present electoral system.

The Melchett-Turner Conference.—As time goes by it is natural that uneasiness should increase over the delay on the part of the representative employers' organisations in endorsing the actions of Lord Melchett and his group and promising co-operation with the work of the Conference. In fairness to the employers, however, the difficulties of reaching a quick decision should be clearly recognised. On the labour side the decision to sanction participation in the Conference was comparatively simple, for all that was required was a vote of the Trade Union Congress. On the employers' side no such body of comparable centralised authority exists, and to obtain authoritative sanction for the acts even of so representative a body as Lord Melchett's group undoubtedly is, is of necessity a long and tedious process. Nor can we conceive that the ultimate decision will be adverse. But in view of the multiplication of the difficulties to the trade union leaders which delay inevitably brings, it is to be hoped that the decision will be speeded up as much as circumstances allow. Meanwhile, we are glad to know that the practical work of the Conference continues, especially in the study of the unemployment problem and an exploitation of possible remedies.

The Kellogg Pact Goes Through.—This Tuesday, January 15th, "the Kellogg Pact" was approved in the Senate at Washington by 85 votes to 1. This victory for the supporters of the Pact was not obtained without paying a price, for a 12-days' debate had convinced Senator Borah that he would hardly be able to get the Treaty passed, as he had proposed, without any qualification whatsoever, and accordingly he consented to introduce into the Senate not only the Treaty itself, but the Report of the Foreign Relations Committee of the Senate, in which the Treaty was interpreted as being not incompatible with the Monroe Doctrine. He made it clear, however, that the Report was to be regarded solely as a record of interpretation and "not in any sense" as "for the purpose or with the design of modifying or changing the Treaty or in any way effecting a reservation or reservations to the same." It is not at all surprising that Senator Borah found it necessary to concede this much when the British Government had previously put on record a corresponding interpretation of the Treaty in respect of "a British Monroe Doctrine" regarding certain parts of the Old World. Indeed, we may well be glad that the reaction in Washington to the precedent thus created in London has not been more violent. For our part, we believe that the essential thing was for the Treaty to go through, with or without "interpretations," in Washington, London, Paris, Berlin, Rome, Moscow, and Tokio, and this essential thing has now been achieved. It remains to be seen how the interpretation of the Treaty in the Senate at Washington will affect its fortunes in certain Latin-American countries, whose Governments and public opinions have made up their minds to reject "the Kellogg Pact" rather than seem to take a step which might be construed as an indirect recognition of the Monroe Doctrine as at present formulated in the United States. If these Latin-American countries now hold aloof, that will, of course, be unfortunate, but the misfortune will be a minor one. The great thing is that the traditional right to resort to war as an instrument of national policy has now been renounced, solemnly and publicly, by all the surviving Great Powers.

A Success for Monsieur Poincaré.—On Friday, January 11th, Monsieur Poincaré took a firm seat in the saddle again. After he had addressed the Chamber on his programme a Radical-Socialist interpellation was defeated by a vote of 317 against 253, and thereafter a positive motion of confidence was passed by a vote of 325 against 251. Monsieur Poincaré has certain signal qualities as a man and a statesman—first and foremost, courage courage and honesty, and, third, intellectual precision. The first two of these qualities are virtues in which there can be no such thing as excess, least of all when they are happily exercised by the responsible head of a great State. In the third quality of intellectual precision, however, the degree makes all the difference, and here, in the present as in the past, there is room for strong differences of opinion between Monsieur Poincaré's supporters and opponents in France, and between Frenchmen and their foreign neighbours, as to whether this quality, as displayed by Monsieur Poincaré, remains within the limits of the golden mean or passes over into the dangerous and barren extremes of formalism and rigidity. Liberal-minded observers in this country, knowing the French national penchant towards logic for its own sake, and remembering how this national idiosyncrasy was almost caricatured by Monsieur Poincaré in 1922-1924, cannot help feeling a certain anxiety on this score now that they see him in power again at the opening of another chapter in the long and melancholy history of the Reparation question. It would be the very opposite of liberal-mindedness, however, to condemn Monsieur Poincaré out of hand on his past record without waiting to see what he is actually going to do in circumstances so different from those of half a dozen years ago. And, unless or until he himself proves the contrary, we prefer to believe that Monsieur Poincaré, like most other people in Europe, has moved at least relatively with the times. If he has done so, the qualities which on past occasions have often been employed with such devastating effect for negative

and even destructive ends may now equally well be employed with similar effectiveness in achieving a long deferred piece of international constructive work; and when Monsieur Poincaré intimates, as he did on the 11th, his intention of seeking a final settlement of the Reparations question, we may expect him with all sincerity to throw his powers and energies into this new task. So far so good; yet a certain uneasiness still haunts our minds. Even supposing that Monsieur Poincaré's deliberate policy on certain clearly formulated financial issues, on which he has been returned to power, turns out to be everything that we could wish, there are possibilities of grave damage being done by his incidental and, as it were, instinctive acts. While Monsieur Poincaré's right hand is busied with the franc and Reparations and inter-Ally debts, what turn will his left hand be giving to crucial matters like French national armaments or the régime in Alsace? On the 13th there were two by-elections in Alsace to fill the places of two home-rule deputies. The result has been a fresh and much more decided vote in favour of home rule. Thus, even if Reparations were happily to be removed from the field of contentious issues, armaments and Alsace would still give the parties of the Left the matter for a positive programme of first-class importance. We may note that, in the debate in the Chamber on the 11th, Monsieur Deladier formally declared war on Monsieur Poincaré, and that all but six of the Radical-Socialist deputies followed the leader of their party. In retrospect this may prove to have been a more important event in the sitting of the 11th than the vote of confidence in Monsieur Poincaré.

Statesmanship versus Militarism in the Far East.—In the Far East the great question of the moment is whether militarism, rampant there for so many years, is at last to be brought under control. There is no doubt that peace is the mute desire of the great mass of the Chinese people, and probably most Japanese have the same desire, too; but there is not much comfort in that, for in the Far East, as in Europe, militarists have repeatedly ridden roughshod over the will of the peoples. The issues are really three: first, will it be possible to avoid further clashes between Chinese Nationalist troops and Japanese troops on Chinese soil, like the deplorable affair last year at Tsinanfu? Second, will it be possible to avoid a clash between the coalition of generals paying allegiance to the Kuomintang Central Government at Nanking and the inheritors of Chang Tso-lin's power in the three Manchurian provinces? And, third, will it be possible for the civilian statesmen of the Kuomintang to secure, first the withdrawal of the Japanese troops from Shantung, and, secondly, the progressive and proportional disbandment of the various Chinese armies both in Manchuria and in the Eighteen Provinces? As regards Sino-Japanese relations, it is unfortunate that, before the present tendency towards peace and stability had had time to declare itself in China, a conciliatory policy was replaced by a relatively intransigent policy on the Japanese side. Japan is now the only power with important interests in China which has not come to at least a provisional understanding with Nanking; and this is contrary to the best interests of Japan and China alike. Nevertheless, Sino-Japanese relations are at present in an impasse. The Nanking Government will not apologise for the attack of the Kuomintang troops upon the Japanese in Tsinanfu last year until after the Japanese troops have been evacuated from Shantung; Baron Tanaka will not evacuate until after he has received his apology. We feel that if Baron Shidehava had still been in power in Tokyo this impasse would somehow have been avoided, and we do not believe that the Chinese, who are an acute and sensitive people, would have made the mistake of taking a conciliatory and generous policy as a sign of weakness on the Japanese side. As for the relations of the local Chinese Government at Mukden, in Manchuria, with Nanking on the one side and with Japan on the other, we take it that Chang Hsueh-liang's sudden and successful coup in putting to death two of his father, Chang Tso-lin's, leading generals on January 10th represents a diplomatic victory for Nanking and a diplomatic setback to Japan. At any rate, the tendency at Mukden towards a rapprochement with Nanking—a tendency which has been gradually growing stronger since the death of Chang Tso-lin—is reputed to be the work of the late Manchurian War Lord's son himself; so that presumably Chang Hsueh-liang's enemies in his own household were going on the opposite tack, or, in other words, were setting their caps at Baron Tanaka. Finally, at Nanking, the Minister of Finance, Mr T. V. Soong, has presented a memorandum which is almost an ultimatum to the comanders of the various forces that fly the Kuomintang flag. He has told them, in effect, that disbandment must be drastic and swift if the Nanking Government is not to break down; and its break-down is a contingency that the generals will hardly care to face—partly because the civilian central Government is the sole bulwark against a recrudescence of civil war, and partly because if it broke down through the generals' fault, the generals might have to reckon with the imponderable but formidable force of Chinese public opinion. We sincerely hope that, with this card in his hand, Mr Soong will win his difficult game.

The Experts Committee.—With the publication of the names of the American representatives the new Reparations Committee is now complete, and all that remains to be done is for the formal invitations to be issued and for the Committee to meet. The Committee is unquestionably strong, as is shown by the fact that of its members Mr Owen J. Young (U.S.A.), Sir Josiah Stamp (Great Britain), M. Parmentier (France), Signor Pirelli (Italy), and M. Francqui (Belgium) were also members of the Dawes Committee. The remaining members of the present Committee are Mr J. P. Morgan (U.S.A.) of the famous house bearing his name; Lord Revelstoke (Great Britain), the head of Barings; M. Moreau (France), the Governor of the Banque de France; Signor Luvichi (Italy), Under-Secretary for Finance; M. Gutt (Belgium), assistant delegate to the Reparations Commission; MM. Mori and Aoki (Japan) of whom the former was Financial Attaché in London and the latter is Sub-Governor of the Imperial Bank of Japan; and finally, and in some ways most important of all, Dr Schacht, President of the Reichsbank, and Dr Voegeler, from Germany. Nor is the list of deputies less imposing. Great Britain has appointed Sir Charles Addis and Sir Basil Blackett. The American Government is suggesting Mr Thomas N. Perkins, formerly American observer on the Reparations Commission. France has already appointed MM. Rist and Allix, the latter of whom served on the Dawes Committee. Germany has nominated Dr Melchior, the Hamburg banker, and Herr Geheimrat Kastl, managing director of the Federation of German Industries. The Committee is thus clearly worthy of the arduous and complex task that lies before it. The next thing for it to do is to get to work, and we hope that that will not be long delayed. If we might add a further hope, it is that it will not have its task made unnecessarily complicated, or be expected to cross too many bridges at once. To mention but one point. Every Finance Minister realises the intimacy of the connection between Reparations receipts and war debt payments. Nevertheless, we suggest that pending the completion of the Committee's task, this is a connection which should not receive an undue amount of public emphasis. Germany's capacity to pay is to-day, as in 1924, the question that must receive the main attention.

German Economic Conditions.—A section of the German Press has seized with some eagerness upon the December report on conditions in Germany cabled to Washington by the American Commercial Attaché. It is pointed out that this report, though primarily relating to December, covers in many matters the whole of 1928, and tells a very different story from the Report of the Agent-General for Reparations Payments. This is only another example of the ease with which the Devil can quote statistics for his own purposes. There is no disagreement between the statistics given, but whereas Mr Parker Gilbert had occasion and space to make illuminating comments on his figures, Mr Allport was merely called upon to state bare facts, and that within the limits of a Transatlantic cable. It was, therefore, easy to make out a good debating case

against believers in Germany's prosperity by pointing out that, according to Mr Allport's figures, there has been diminished economic activity in Germany in the last six months; that there is a more than merely seasonal increase in the unemployment figures; that coal exports and car-loadings have declined as compared with the corresponding figures in 1927; that the cost of living has risen and that bankruptcies have increased. These things are all true, and their bare statement in one of a series of monthly reports from a Commercial Attaché contains nothing misleading. But to take them by themselves to refute the much more far-reaching conclusions of a comprehensive report like that of the Agent-General is absurd. Most of the gloomy symptoms mentioned were noted in his report, and in many cases it was shown that the bare figures were likely to prove misleading. The increase in bankruptcies, for example, was partly only nominal, as a result of a change in the law; the increased unemployment figures were accompanied by a practically stationary figure of persons employed, the balance being accounted for by increased population; the increased cost of living has been accompanied by a rise in real wages, and the general recession in trade has been no more than a reasonable reaction from an unhealthy degree of trade expansion earlier in the year. It does not appear that any material is to be found in this report which can legitimately be used to refute the Agent-General's conclusions.

69227 69227

The German-South African Trade Treaty.—Opposition to the treaty, recently signed, but not yet ratified, between Germany and South Africa is steadily growing, both within and outside the Union. As far as can be ascertained from the obscure and sometimes conflicting accounts available, the treaty involves the extension by South Africa of most-favoured-nation treatment to German imports, with the exception of those articles in respect of which preference is already granted to Empire products. On products of certain Empire countries any extension to other Empire countries of existing preferences is also to include Germany. Thus for the two-year duration of the treaty any extension of imperial preference by South Africa appears to be impossible, and some contraction is conceivable. Southern Rhodesia, which, by the terms of her existing Customs agreement with the Union, becomes involved in this new departure without her own consent, is expressing considerable disapproval. The London Chamber of Commerce and the Federation of British Industries, while fully recognising South Africa's right to enter into whatever tariff agreements she pleases, have emphatically protested, on the ground that the treaty imperils the whole structure of imperial preference. They also point out that preference is a very small price to pay for the financial and other benefits which South Africa receives from Great Britain, but this point had already been strongly brought out by the South African Party. Indeed, the abundance of ammunition which the proposed treaty is furnishing to the Opposition has caused many, even of the Nationalists themselves, to revile Mr Beyers for provoking such an issue on the eve of a General Election. The fruit-growers, in particular, whatever their political complexion, are indignant at a measure calculated to impair a system which, they say, has given them in the British market an outlet for 90 per cent. of their output. This feeling is shared by the maize and wool-growers, and there is no doubt that the treaty was an important contributory cause of the loss of a seat by the Labour Party in the recent Langlaagte bye-election. The only capital the Nationalists can hope to make out of it is from the threatened withdrawal of Rhodesia from the Customs Agreement. It is felt, particularly in farmer circles, that Rhodesia profits too much by the Agreement, and the competition of her tobacco and cattle in Union markets is increasingly unpopular, so that a termination of the Agreement might be welcomed. An attempt by one of the treaty's supporters to cite in its defence the Anglo-German Treaty of 1924 is irrelevant, since that agreement excluded not only existing but future preferences. It seems that the Pact Government has allowed a laudable zeal for the most-favoured-nation principle to overrun its political discretion, and the consequences are likely to be disconcerting.

JL
X m56'N29
N29. 108

Cotton Mill Combines.—Our Manchester correspondent writes:—It is expected that before the end of this week the company which has been formed to work the amalgamation scheme of the Cotton Yarn Association will have been registered, and it is understood that the promoters will then explain in detail the proposals and the means which are to be adopted to absorb mills. In the meantime another syndicate of Lancashire spinning employers have floated another scheme of amalgamation. A company has been registered with the title of Combined (American) Spinners, Limited. This is the project of a number of Oldham gentlemen who are being led by a Lancashire Member of Parliament and a well-known chartered accountant. It is understood that the mills to be dealt with contain about 7,000,000 spindles. A central holding company has been formed, and the shareholders of each of the combining companies will transfer their shares to the holding company. In exchange the holding company will issue shares to which are attached exactly the same rights and responsibilities as the shares in the original company. The holding company will then set out to organise and run all the individual mills. Many economies are promised, and a definite regulation of production secured. It is proposed to give financial support to those mills under the scheme which are stopped, from the proceeds of a levy on those mills which continue to run. It is reported that the sanction of the courts will be obtained to a moratorium for five years on the debts due to the banks, loanholders and other creditors. During this period half-yearly trading accounts will be taken by each company. In the third or any subsequent half-year, if the accounts of any company fail to show a trading surplus, the creditors may terminate the agreement relating to any such company. There is some doubt in trade circles as to what success will be met with by this scheme. It is understood that certain directors of Lancashire mills are objecting to the scheme of the Cotton Yarn Association being worked by people who are in other branches of the trade, but many months ago the Yarn Association decided that it would be to the advantage of all concerned if the support was obtained of leading cotton men who are connected with the weaving and merchanting sections, and undoubtedly help obtained from these quarters has been of considerable benefit in the negotiations which have recently taken place with financial interests.

Cotton Company Reports in 1928.—Mr Frederick W. Tattersall, of Manchester, has this week published his analysis of the stocktaking reports of Lancashire cotton companies for 1928. Particulars are given of 310 companies, the average divided on ordinary share capital being 2.10 per cent., against 2.72 per cent. in 1927. So many as 231 companies declared no dividend whatever in 1928. The remaining 79 companies made payments to shareholders amounting to £785,574, equal to 1.46 per cent. on the total ordinary share capital of £53,752,205 of the 310 companies. As is well known, a large number of cotton companies in Lancashire do not issue balance-sheets, but particulars have been obtained of the profits and losses of 208 companies. Of these, 65 made profits totalling £808,333, and 143 companies reported losses of £1,238,704. At the end of December last, according to particulars available relating to 228 companies, 67 had credit balances amounting to £1,566,968, whilst the remaining 161 companies had debit balances of £8,573,558.

Coal Mining—Costs and Proceeds.—The statistical summary, issued this week by the Mines Department, giving the costs of production and the proceeds of the coal industry for the three months ended September 30, 1928, shows that the total loss for the quarter in all districts was £3,319,571, in comparison with £3,593,646 in the previous quarter, and £3,150,890 in the third quarter of 1927. The total loss on balance since the beginning of 1927, up to the end of last September, had amounted to £14¼ millions. The quantity of coal disposable commercially during the quarter was the smallest for any quarter since the 1926 stoppage, but, by means of a further contraction from 891,000 to 859,000 in the numbers of miners employed, output per man-shift was maintained at a slightly better level than in the March

quarter. The following table summarises the course of working results during recent quarters :—

Period.	Tonnage Disposable (Milns).	Costs per Ton. Wages.	Costs per Ton. Total, Net.	Proceeds per Ton.	Loss per Ton.	Output per Man-shift.
1927—		s d	s d	s d	s d	Cwts.
3rd Quarter ..	54·0	10 4½	15 3	14 1	1 2	20.47
4th Quarter ..	55·4	10 1	14 10	13 10	1 0	20·82
1928—						
1st Quarter ..	56·8	9 8	14 2½	13 5	0 9½	21·24
2nd Quarter ..	50·7	9 7	14 6	13 1	1 5	20·98
3rd Quarter ..	49·5	9 6	14 4	13 0	1 4	21·13

It is possible to derive at least some meagre satisfaction from the fact that, in a normally slack quarter of the year, the latest return shows the smallest fall recorded during the past 18 months in the average proceeds per ton. Turning to individual districts, it is of interest to note that the chief changes in comparison with the results of the previous quarter were an increase of over 5d per ton in the Durham loss—a reflection of lower output and selling prices combined—whereas the losses per ton in the Yorkshire-Derby Notts-Warwickshire area were appreciably reduced. In South Wales the average loss per ton commercially disposable remained, as in the previous quarter, in the neighbourhood of 1s 8d, as compared with 1s 4d in Yorkshire and Northumberland, and 1s 1d in Durham and Scotland. It remains to be seen how far these serious gaps between costs and proceeds can be bridged druing the more active seasonal winter demand of 1928-29.

A Quarter's Shipbuilding.—Recent reports of greater shipyard activity are fully confirmed by the returns issued this week by Lloyd's Register for the quarter ended December 31, 1928. Whereas the figure of launchings from British yards fell to 246,000 tons—in comparison with 386,000 tons in the September quarter and 499,000 tons a year ago—the new work commenced totalled 432,000 tons, an increase of 187,000 tons on the total for the previous quarter, and representing the highest quarterly figure since the first quarter of 1927. Work in hand in this country at the end of December amounted to 1,242,794 tons, an increase of 153,000 tons on the corresponding figure at the end of last September. In a future article we propose to deal more fully with the position and prospects of the shipbuilding industry both in this country and abroad. It may be said at once, however, that welcome as is the evidence of expansion in the volume of British shipbuilding contracts begun during the past three months, there is still a wide margin unfilled between work in hand and capacity. Despite the present increase, tonnage under construction in Great Britain and Ireland is 21 per cent. below the figure of a year ago, and is only 20,000 tons above the average for the past six years.

Local Government Bill Concessions.—The "final" alterations to be made by Mr Neville Chamberlain in the Local Government Bill for England and Wales on the basis of representation made to him by the various associations of local authorities, and now set forth in a White Paper (Cmd. 3255), were summarised in our issue of December 22nd, and need not be repeated. The Association of Municipal Corporations has now accepted the amendments, but not their finality, for its special committee is still asking for some provision to be made in respect of commitments which do not figure in the expenditure of the standard year, but which were undertaken on the understanding that the Government would bear half the cost, and for a seven-year guarantee against rate increases to non-county boroughs. Apart from the institution of a quinquennial census, the alterations are financial concessions, and, not excluding the census, involve cost to the Treasury. No estimate of that cost appears in the White Paper. It is, as a matter of fact, impossible to calculate in advance the cost of perpetuating the "shilling a head" guarantee, or of the second guaranteed minimum designed to ensure that every county or county borough, whatever its circumstances, will receive a share of any extra Exchequer money provided, but the postponement of the decrease in the Supplementary Grants, which adjust losses within the counties, is calculable on the basis of official figures. The grant of £1,725,000 will continue to be paid until 1934-35, instead of falling to £1,265,000; from then until 1944-45 it will remain £460,000 more than was originally calculated, and will not be extinguished till 1949-50. For Scotland the sum corresponding to this £460,000 is £45,600. The cost of the 1921 census was (for Great Britain) somewhere between £400,000 and £500,000, but the 1931 census will probably show a decrease on that figure. More interesting to the general observer is the renunciation by the Secretary for Scotland of the sweeping centralisation provided by his Bill. Within the counties district councils, largely elective, are to be set up to deal with such matters as parish buildings, recreation grounds, public libraries, and allotments. This concession to the principle of local self-government, in view of the tenor of the Government's policy, is not to be despised.

Iron and Steel Production. — According to the statistics issued by the National Federation of Iron and Steel Manufacturers the production of pig-iron in December amounted to 540,400 tons, compared with 544,400 tons in the previous month and 559,100 tons in December, 1927. Steel production amounted to 683,100 tons, compared with 762,500 tons in the previous month and 604,900 tons in December, 1927. The most encouraging feature of the figures is the increase of 80,000 tons in steel production in December, as compared with December, 1927. If the last quarter of 1928 is compared with the similar period of 1927 it will be seen that there is an increase of 199,000 tons. The December production of pig-iron brings the total for the year to 6,611,300 tons, or some 9 per cent. less than in 1927 and 36 per cent. less than in 1913. The total production of steel in 1928 amounted to 8,525,100 tons, or 6 per cent. less than the previous year, and since production in 1927 was relatively high as the result of accumulated demand owing to the coal stoppage of 1926, production was probably as high as was expected. Imports of iron and steel in December amounted to 183,600 tons—the lowest figure of the year—and nearly 100,000 tons lower than in the previous December. The reduction in imports between the first and last quarters of the year amounted to 165,000 tons. The total imports for the year amounted to 2,896,000 tons, or 35 per cent. less than in the previous year, when they were unduly high owing to the coal stoppage of 1926. Of this total only 93,700 tons were pig-iron, imports of which steadily declined throughout the year from 15,200 tons per month in the first quarter to 3,000 tons per month in the last. Exports of iron and steel in December amounted to 358,700 tons, and brought the total for the year to 4,261,200 tons, or slightly more than in the previous year. Of this total, 396,700 tons were pig-iron, the exports of which increased from 30,000 tons a month in the first quarter to 38,500 tons per month in the last quarter. Exports of pig-iron in 1928 were less than half the exports in 1913.

Gas Industry Legislation Foreshadowed.—For some time the gas industry has been pressing its claims for legislation to remove restrictions declared to be obsolete and obstructive of development. There was little expectation that reforms, though overdue, would be taken in hand within the lifetime of the present Parliament. Shortly before the House of Commons separated for Christmas, however, the Prime Minister stated, in reply to a question, that the Board of Trade was in communication with representatives of the gas industry with a view to ascertaining whether a non-controversial Bill could be drafted for introduction this session. Now, during the recess there has been issued a White Paper (Cmd. 3252) containing a report by the National Fuel and Power Committee (of which Lord Melchett is chairman) dealing with proposals put forward by the National Gas Council and by the Board of Trade for amending existing legislation relating to gas. This favours the claim that the gas industry should be freed at the earliest possible moment from irksome restrictions, and urges the taking without delay of steps to promote legislation giving effect to the recommendations contained in the report. These cover the whole ground, and to what extent the "non-controversial" Bill foreshadowed by the Prime Minister will embody the plan put forward by the Fuel and Power Committee will not be clear until Parliament has reassembled and the Bill has become available. That the matter has already been considered departmentally may perhaps be assumed from the fact that the report which has just been issued is in the form of a letter from the Chairman of the Committee to the President of the Board of Trade, dated November 27th, covering and fully endorsing the report of a sub-committee dated August 11th. The sub-committee's report mentions that the National Gas Council represents 90 per cent. of the gas sold by statutory and non-statutory undertakings. Its proposals for amendment of the law, made in 1926, along with further proposals by the Board of Trade, are both appended to the report, and are the basis of the recommendations the carrying out of which will not, it is considered, prejudice the interests of consumers and others. The keynote is given in the opening words of the National Gas Council's memorandum to the effect that "the principal legislation under which the gas industry operates to-day dates back to the years 1847, 1859, and 1871." A number of modifications rendered urgently necessary by economic changes consequent on the war were made pursuant to the Gas Regulation Act, 1920, but further and more complete revision is called for, and the problem is one which cannot be put aside, having regard to the facts that over £160,000,000 is invested in the gas industry, and that its annual distribution of wages exceeds £15,000,000. It is, moreover, linked with a long series of other carbonising and chemical industries. Joint working with allied industries is one of the directions in which gas undertakings have desired greater freedom. This and many other matters are covered by the report now issued. The present procedure, under which statutory gas undertakers are required to apply to Parliament or to the Board of Trade when further powers are wanted, is referred to as unnecessarily costly and cumbersome. Modifications are recommended with regard to the amount of capital which may be raised, the method of obtaining it, extent of borrowing powers, minimum dividend in connection with sliding scale, methods of charge, and many other points, which all concerned must study in the report itself.

Cost of Living.—There was a reduction in the cost of living during December. At January 1st the index number of the Ministry of Labour stood at 67 per cent. above the level of July, 1914, as compared with 68 per cent. at December 1st and a year ago. For food alone the index at 59 per cent. showed a reduction of 1 per cent. as compared with a month ago, and of 3 per cent. as compared with January 1, 1928. The following table shows the monthly movements of the index figure over a number of years :—

AVERAGE PERCENTAGE INCREASE over JULY, 1914.—All items. (Food, Rent, Clothing, Fuel, and Light, &c.)

1st Day of	1918.	1921.	1924.	1925.	1926.	1927.	1928.	1929.
	%	%	%	%	%	%	%	%
Jan.....	85-90	165	77	80	75	75	68	67
Feb.....	90	151	79	79	73	72	66	..
March..	90	141	78	79	72	71	64	..
April ..	90-95	133	73	75	68	65	64	..
May ..	85-100	128	71	73	67	64	64	..
June ..	100	119	69	72	68	63	65	..
July ..	100-105	119	70	73	70	66	65	..
Aug....	110	122	71	73	70	64	65	..
Sept....	110	120	72	74	72	65	65	..
Oct.....	115-120	110	76	76	74	67	66	..
Nov. ...	120-125	103	80	76	79	69	67	..
Dec.....	120	99	81	77	79	69	68	..

The decrease in the cost of living during the month was chiefly due to reductions in the prices of eggs, which were partly offset by increases in the cost of butter.

Employment in December.—Owing to the approach of Christmas, employment during the first three weeks of December showed a marked improvement. By the end of the month, however, came the usual seasonal reaction. There was a considerable increase in the numbers unemployed, largely due to an increase in extended short-time working, and the position as compared with the end of November was unfavourable. According to the *Ministry of Labour Gazette*, among the 11.9 million workpeople insured under the Unemployment Insurance Acts of Great Britain and Northern Ireland, the percentage unemployed (wholly and partially) at December 17th was 11.2. This compares with 12.2 per cent. at November 26th, and 9.8 per cent. at December 19, 1927. The total number of registered unemployed at December 17th was approximately 1,312,000, as compared with 1,439,000 at November 26th and 1,127,000 a year ago. By the end of December the number registered had risen to 1,565,000, as compared with 1,368,000 at January 2, 1928. This table gives the monthly movements in the unemployment percentage for some years past :—

PERCENTAGE UNEMPLOYED AMONG INSURED WORKPEOPLE IN GREAT BRITAIN AND NORTHERN IRELAND.

End of—	1922. %	1923. %	1924. %	1925. %	1926. %	1927. %	1928. %
January	16·2 ..	12·7 ..	11·9 ..	11·5 ..	11·0 ..	*12·0 ..	10·7
February....	15·7 ..	11·8 ..	10·7 ..	11·3 ..	10·4 ..	10·9 ..	10·4
March	14·6 ..	11·1 ..	9·9 ..	11·1 ..	9·8 ..	9·8 ..	9·6
April	14·4 ..	10·9 ..	9·7 ..	10·9 ..	9·1 ..	9·4 ..	9·6
May	13·5 ..	10·7 ..	9·5 ..	10·9 ..	*14·3 ..	8·7 ..	9·9
June	12·7 ..	11·3 ..	9·4 ..	11·9 ..	*14·6 ..	8·8 ..	10·8
July	12·3 ..	11·5 ..	9·9 ..	11·2 ..	*14·4 ..	9·2 ..	11·7
August	12·0 ..	11·8 ..	10·6 ..	12·1 ..	*14·0 ..	9·3 ..	11·7
September ..	11·9 ..	11·7 ..	10·8 ..	12·0 ..	*13·7 ..	9·3 ..	11·4
October	12·0 ..	11·7 ..	11·1 ..	11·4 ..	*13·6 ..	9·5 ..	11·8
November ..	12·4 ..	11·5 ..	11·0 ..	11·0 ..	*13·5 ..	9·9 ..	12·2
December ..	12·2 ..	10·7 ..	10·9 ..	10·4 ..	*11·9 ..	9·8 ..	11·2

* Excluding workpeople in the coal-mining industry who were disqualified for unemployment benefit owing to the dispute.

The improvement recorded in the early part of December occurred mainly in the coal-mining industry, where the numbers temporarily without employment were considerably reduced. The position also improved in the manufacture of artificial stone and cement, in the iron and steel, tinplate, motor vehicle, shipbuilding and ship repairing, general and marine engineering, cotton, woollen and worsted, linen, carpet, tailoring, and hat and cap industries, and in the river, dock and harbour services. There was, however, a falling off in employment in the fishing, pottery, pig-iron, hosiery, cocoa and chocolate, and building industries.

New Life Assurance Business.—Further announcements of new business transacted during 1928 strengthen the belief induced by the earlier returns that the increased business was not the work of a few companies, but was rather the general experience of all. The following additional figures of net business are now available :—

	1927. £		1928. £
British Equitable	386,812	..	466,164
Commercial Union	3,959,942	..	4,105,082
Liverpool and London and Globe..	1,575,645	..	1,700,000
London and Scottish	830,196	..	946,049
Refuge	5,844,338	..	6,377,442
Royal Exchange	2,223,524	..	2,497,676
Scottish Amicable	1,339,669	..	1,267,528
Scottish Life	1,118,496	..	1,241.384
Scottish Provident	2,460,787	..	2,789,885
Scottish Widows'	2,664,189	..	3,173,000
United Kingdom Provident	3,041,119	..	3,109,870

Thus of this further batch of offices one only—the Scottish Amicable—reports a decrease in business. Two other Scottish companies in the list, the Scottish Provident and Scottish Widows both indicate satisfactory increases, assisted in both cases, no doubt, by the impending quinquennial distribution of profits as at the end of last year.

Scottish Automobile and General Insurance Company, Limited.—The first insurance report of the year comes from Scotland, from Glasgow, where this small company transacts on non-tariff lines a very select motor-insurance business. The company is a successful one, but its favourable results are by no means an index to those that may be expected from the large composite companies drawing their business from all over the country. This company succeeded in increasing its premium income last year by some £27,000 to almost £200,000, and on that amount earned an underwriting profit of £9,381, equal to 4.7 per cent., compared with 5.2 per cent. in 1927. Profit from realisation of investments produced £4,841, and after taking this and other items into account, a total net sur-

plus of £11,178 emerges for the year The net interest income has grown to £7,548, and this is more than sufficient to meet the dividend costing £5,250 (increased from £4,875). The company's paid-up capital amounts to £37,500, against which there is now a general reserve of £55,000.

Transvaal Output in 1928.—The output of gold from the mines of the Transvaal during December amounted to 859,761 ozs, as compared with 872,484 ozs in November and 851,225 ozs in December, 1927. The following table shows the monthly output since the beginning of 1922 :—

	1922.	1923.	1924.	1925.	1926.	1927.	1928.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January..	639,728	764,469	796,768	823,692	796,270	839,782	843,857
February..		704,970	760,617	753,925	753,924	779,339	816,173
March ..		761,586	795,671	825,479	834,340	860,511	877,380
April ...	511,338	743,651	768,923	787,519	803,303	824,014	825,907
May	629,786	786,564	809,003	813,249	849,214	859,479	886,186
June	675,697	755,309	773,053	780,251	852,145	855,154	852,363
July.....	730,635	754,306	829,437	818,203	860,134	851,861	867,211
August ..	752,490	759,371	809,571	906,218	843,854	863,345	891,863
Septemb'r	747,089	739,504	799,423	797,247	839,939	842,118	857,731
October ..	778,159	793,842	827,583	812,832	853,296	855,743	897, 20
November	764,476	780,639	809,313	787,633	840,276	848 059	872,484
December	790,712	778,849	825,273	791,455	836,157	851,225	859,761
Total	7,020,110	9,133,060	9,597,634	9,599,702	9,962,852	10,130,630	10,358,596

It will be noted that gold production in the Transvaal has increased year by year since 1922. Each month of 1928 showed an increase in production as compared with 1927. The number of natives employed by members of the Witwatersrand Native Labour Association and Contractors over the past few months was as follows :—

	May, 1928.	June, 1928.	July, 1928.	Aug., 1928.	Sept., 1928.	Oct., 1928.	Nov., 1928.	Dec., 1928.
Gold mines	198,461	197,186	194,584	194,788	194,936	193,147	190,870	187,970
Coal mines	16,695	16,533	16,724	16,767	16,803	16,506	16,241	16,059
Diamond mines	5,189	4,839	4,535	4,807	4,889	4,762	4,481	4,444
	220,345	218,578	215,843	216,362	216,628	214,415	211,592	208,473

The total number of natives employed in all branches again shows a decline as compared with the previous month.

THE Gilbart Banking Lectures for this year are being delivered by Mr A. F. Topham, K.C., at King's College, University of London, the subject being "The Companies' Act, 1928, in Relation to Banking." The first lecture was delivered on Monday of this week, and the second, third, and fourth lectures will be delivered on the three succeeding Mondays. The *Financial News* is publishing full summaries of the lectures on Friday of each week.

Oversea Correspondence.

UNITED STATES.—SHARE MARKET—MONEY—EXPERTS COMMITTEE.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 4.

ANTICIPATIONS that the share market might sell off sharply, after the turn of the year, on profit taking that had been postponed in order to escape 1928 taxation have proved groundless. Such selling might have been expected to make its appearance in sales in the regular manner on the last day of the year, such sales being settled on the following business day. As a matter of fact, the December 31st market failed to be heavy, and the only noticeable tax selling was that for cash to register losses on long stocks that had declined below 1928 purchase prices. With the advent of the new year the market showed considerable buoyancy on an increased turnover (which rose to about five and a half million shares a day), and achieved new high average levels for both industrials and rails. On this movement it was apparent that the market was becoming more speculative in character, and that pool operations were being conducted actively. This emphasis on the speculative factor is permissible without minimising the magnitude of the early January reinvestment demand. Accordingly it was expected that the weekly report on brokers' loans of the local reporting member banks would show an increase; the actual increase of $283,000,000, however, very considerably exceeded expectations, and set, in fact, a new high record for a weekly increment. It nearly wiped out the reduction of $303,000,000 that had been achieved in the three preceding weeks. In addition, the monthly statement by the Stock Exchange with regard to the loans of its members revealed an increase of $48,000,000 during December. This increase was not as surprising as it would have been without the large weekly increase shown by the Federal Reserve Bank's tabulation. In any event, the share market reacted to these figures by opening off rather sharply—losses of 2 and 3 points being common—and then rallying strongly. Before the close a number of new highs had been recorded. Part of this manifestation of confidence may have been due to the market's disinclination to reverse itself sharply; another part probably was due to the belief that the end-of-the-year settlements may have had something to do with the magnitude of the increase in loans.

However, and allowing for the fact that the week's bank statements probably still are confused by year-end transactions, it is clear that there is nothing very bullish, from the share market standpoint, in the banking position. Brokers' loans are back at practically the peak for all time, and the Federal Reserve system is extending the largest volume of credit since the completion of the post-war deflation. In addition, the latest reserve statement is notable for its disclosure of the earmarking of an additional $25,000,000 of gold, presumably for the account of the Bank of France. There is a feeling that this movement may attain considerable proportions—that perhaps as much as $200,000,000 worth more of the metal may be taken. If this gold is to go, a logical time for its taking would be the early part of the year, when there is a large return flow of funds to New York, when commercial demands are smaller, and when rates normally are lower. In the long run, however, the effect of this earmarking will be a hardening one on the money market. For the rest, the week's bank statements show a relatively small reduction in discounts; a large drop in circulation and a good gain in reserves; and minor changes in securities purchased in the open market. The ratio of the system was slightly higher on the week, but that of the local bank dropped sharply to 54.1 per cent., this figure comparing with 68.9 a year ago. The local bank lost gold rather heavily, while its members increased their discounts on a large scale. The bank statements of the next few weeks will, however, be much more valuable as revealing trends.

Events in the bill market have been quite interesting and may mark an important change in policy. Some time ago the Reserve authorities intimated to the market that it had been leaning too heavily on the Reserve banks, although this condition was lacking in novelty, the Reserve institutions having "carried" the bill market as a general thing. The Reserve authorities pointed out that they had been forced to put $100,000,000 more credit into the money market than was seasonally demanded this autumn, in order to support the bill market. Their feeling was that the banks that orginate the acceptances should carry a greater proportion of them. The other side of the picture has been that the rates obtained from bankers' bills have been relatively unattractive to the banks. During the past week conferences were held at which the holding of more acceptances by member banks was urged. To-day it was announced that the Reserve Bank's buying rate on bills had been advanced ¼ of 1 per cent., and that bill dealers had made corresponding advances, so that 60 and 90 day bills were quoted on a 4¾ to 5 per cent. basis, with longer maturities ⅛ to ¼ of a per cent. higher. These changes coincided with a reduction in the cost of time loans on securities from 8 per cent. (and a recent high of 8½ per cent.) to 7½ to 7¾; and a drop in Stock Exchange call money from 8 (and a recent high of 12) to 6 per cent. It would appear that the advance in bill rates is more in the nature of a readjustment of the basis of the bill market than a precursor of an increase in the official discount rate as formerly has been the case. Whether the higher rate on bills will be sufficient to secure a wider market for them, and whether the banks can be induced to keep materially

larger quantities for long, remain to be seen. As for the discount rate, it is felt that much will depend on the nature of the banking changes that occur during the next few weeks and on the nature of activity in the share market.

Meanwhile business reports remain good, with the steel industry maintaining a surprisingly high rate of about 85 per cent. of capacity for this season of the year. Present signs indicate a continuance of active business and firm money into the spring season.

Interest in the identity of the two American members of the experts committee on Reparations has been increased by the return from abroad of Mr S. Parker Gilbert. It is thought that Mr Owen D. Young will accept if illness in his family does not take a serious turn. The fact that Mr Gilbert spent his first night ashore at the home of Mr Dwight W. Morrow, ambassador to Mexico, strengthened the impression that Mr Morrow's services are desired on the committee. However, it is known that Mr Morrow wishes to return rather promptly to his task in Mexico.

FRANCE. — POLITICS — PRICES — INDUSTRY—RAILWAYS—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, January 16.

M. POINCARE'S victory in the Chamber, which was foreshadowed here last week, has demonstrated even more clearly than had been expected that the last general elections endowed him with sufficient support to enable him to dispense entirely with any portion of the Radical-Socialist party as a section of his majority. This possibility has always been denied by the followers of MM. Herriot, Caillaux, and Malvy; and that the party, as a whole, was perfectly sincere in this belief must be taken as the only thinkable reason for the extraordinary policy adopted by the Angers Congress, that resulted in the advent of the new Ministry on November 11. The solid majority of 74 which the Premier received last week-end is hailed by many experts as indicating that the Radical-Socialists may now have to undergo the unwonted experience of "a three-years' cure in Opposition," as the result of having, deliberately and by their own act, renounced the sweets of power in consequence of their fatal non-realisation of the real nature of the new Chamber. Last week's interpellation of the Government on its general policy by the Opposition has undoubtedly clarified the whole political situation, and there is every prospect that the Chamber will now settle down steadily to clear off the huge accumulated amount of legislation in arrears, largely free from the sterile party political strife that has recently absorbed so much of its time. With the French political situation definitely cleared up the Allied Powers may now regard the way as open for the final settlement of the Reparations and inter-Allied debt problems, on the solution of which the economic restoration of Europe depends. The reports that Mr J. P. Morgan may possibly preside over the new Commission of Experts have been received here with distinct satisfaction, and have strengthened the feeling of optimism that now prevails in regard to the prospects of an equitable settlement of the twin problem.

The index figure for wholesale prices at the end of December is returned by the Statistique Générale as 637, as compared with 639 in November, 630 in October, 637 last July, 620 in January (which was the lowest in the year), and 600 in October, 1927. The detailed figures (based on 100 as representing wholesale prices in July, 1914) are as follows :—

	Articles.	End of Months of Oct.	Nov.	Dec.
General index figure	45	637	639	630
French products.....	29	631	631	624
Imported products.....	16	646	653	642
Foodstuffs (general figure) ..	20	589	595	583
Vegetable foods	8	590	601	597
Meats	8	579	580	550
Sugar, coffee, cacao	4	607	614	625
Raw materials (general figure)	25	679	678	672
Minerals and metals	7	609	613	596
Textiles.....	6	762	761	749
Various	12	673	668	672

The appreciable rise during the last three months in the figures for both French and imported products suggests that prices have not yet reached anything more than a comparatively stable level. The Belgian wholesale figure is returned at the end of November as 847 (stabilisation at 175), against 835 in October and 130 in September, while the Italian figure for November was 466 (stabilisation at 92.46), against 463 in October and 458 in September. The figure for retail prices in Paris—calculated on the basis of 100 as representing the corresponding prices in 1914, and comprising selling prices of 13 articles of prime necessity—is returned for the end of December as 596. For the whole of France (250 towns) the retail figure at the end of November is returned as 562. The Belgian retail figure at the end of December was fixed at 852, and that for Italian retail prices (at Milan) at the end of November, at 527. The figure representing the cost of living for a Paris working-class family of four persons (food, heating and lighting, rent, clothing and sundries) in the last quarter of 1928 is returned by the local committee at 531 (based on 100 in 1914).

The general index figure for production at the end of November is returned by the Statistique Générale as 132, a further rise of one point on the month, two since August, and of 16 since January, 1928. Based on 100 as representing industrial production in 1913, this figure indicates a general rise of 16 per cent. since the war. The greatest developments of industry since the war are shown by the figure representing motor-car output, which in November was 599, after having touched 687 in July—as usual, the best month of the year—and the output of rubber products, which in November was put up to 637 (a rise of 8 points on the month), against 555 last January. The textile industry, which had a figure of 100 at the beginning of the year, and afterwards moved up to 105 in March, dropped to 93 in September, but managed to get back to its pre-war level in November. The machine industry now stands at 143, metallurgy at 130, and extractive industries at 122. The weak spot remains with the building trade, whose figure, after reaching 116 in September, dropped in November to 98 (or two points below its pre-war figure), although this still shows an improvement of nearly 50 per cent. on the situation last

National Bank of Commerce
in New York

Chairman of the Board
JAMES S. ALEXANDER

President
STEVENSON E. WARD

Capital Paid up $25,000,000
Surplus $40,000,000
Undivided Profits $5,000,000

The National Bank of Commerce in New York places complete banking services at the disposal of its customers throughout the world, bringing them into contact with all phases of commerce and industry in the United States.

LONDON REPRESENTATIVE
2 and 3, Crosby Square
Bishopsgate, E. C. 3

NATIONAL BANK OF COMMERCE IN NEW YORK 1839

January, when the figure returned was only 68. Iron, steel and coal production continue satisfactory, as shown by the November figures already given. To that month's output of 4,477,000 tons by the French collieries should be added a further 1,085,000 tons from the Saar area. Iron ore output for November was 4,217,000 tons, against 4,509,000 tons in October. Potash production totalled 37,400 tons, against 39,900 tons in October and 31,300 tons in January.

Railway receipts are still on the upgrade. The total gross receipts for the year, down to November 17th, were 1,267,000,000f (or 10.96 per cent.) more than during the corresponding period of 1927, while those for the last six weeks of the year were from 16 to 22.64 per cent. higher on the various systems. All the companies, without exception, showed an improvement, the increase varying from 9.80 per cent. for the Est to 13.04 per cent. for the P.L.M. The net earnings of the various lines are still unknown, but it is doubtful whether any of them, in spite of these greatly improved traffics, will realise any appreciably large surplus, in view of the enormous percentage still absorbed by taxation.

The index number representing Bourse quotations of 52 French issues returning fixed dividends works out for December (based on 100 as representing quotations in 1913) at 84.1, against 80.4 in January last, 72 as the average figure during 1927, and 57 during 1926. The figure for 288 French issues of variable yield, which averaged 233 in 1926, 287 in 1927, and 345 last January, is returned for December as 483 (bank shares, 361; insurance companies, 963; Northern collieries, 439; iron and steel concerns, 267; chemical companies, 516; construction material undertakings, 516; textiles, 1,045; railways, 124; electrical undertakings, 606; shipping companies, 376). The figure for foreign issues with variable yield, based on 17 descriptions quoted on the Paris Bourse, is returned as 684 (against 644 last January, an average of 596 in 1927, and one of 663 in 1926, the franc's worst year).

Public issues during December totalled 1,470,900,000f (£11,767,000), of which only 84,300,000f were shares in new companies, the rest being issues of additional capital (569,700f shares and 816,900,000f bonds). The average yield of the new issues of bonds offered during the month was 6.05 per cent. (as against 6.25 in November, 1928, and 7.40 in November, 1927).

Trade continues fair, and there is a plethora of money awaiting investment, but no appreciable appeals for capital are likely until the whole Reparation-cum-Allied debts problem is given a practical solution. Another important conversion and consolidation loan is held up indefinitely for the same reason.

GERMANY.—REPARATIONS—REICHSBANK DISCOUNT RATE—CAPITAL—PRICES—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, January 15.

THE financial experts and the Press continue to attack the Agent-General's conclusions and implications. The matter in which Germany is immediately interested is the amount of the coming annuity; and the contents of the Report, as Germans without exception sum it up, is that the present conditions and prospects of Germany place beyond doubt her capacity to pay the present standard annuity of 2,500 million marks. The German critics treat this opinion as something unexpected and revolutionary, and thereby forget the history of the Dawes Plan and the assumptions upon which it was based. The Dawes Committee of Experts based its annuities upon certain expectations, optimistically expressed, as to Germany's future development; and it is not asserted even by Germans that the development has been less satisfactory than was anticipated. In his earlier Reports the Agent never expressed the view that the Plan would break down as soon as the maximum and standard annuity was reached. It was expected that the operation of the Plan would be continued for longer than four or five years, and had the initiative for a final settlement not been taken last September it may be assumed that the present German protests, which have no meaning except that the 2,500 million marks cannot be paid, would not have been heard of. Before the initiative, authoritative Germans were very chary of predicting a breakdown as a result of the alleged excessiveness of the standard annuity, and, as the initiative cannot affect Germany's capacity, the present universally expressed German opinion that the 2,500 million marks is impracticable is hardly reasonable. It is becoming plain that the German members of the conference will appear less as experts commissioned to collaborate with international experts than as bargainers for the best possible terms for Germany.

The Reichsbank, on Januay 12th, reduced its discount rate from 7 to 6½ per cent., its rate for advances from 8 to 7½ per cent. The 7 per cent. discount rate had been in force since October 4, 1927. The bank expresses the view that the rate reduction will not send up prices, its expected effect being less an increase in circulation than a change in the dimensions of the reserve. The reduction must be considered a natural result of the decline in trade activity. When the rate was last put up the industrial and home-trade boom of 1927 was at about its highest point, and there were signs of undue credit and currency expansion. The present reduction is hardly likely to retard the trade decline; but the bank's communiqué hints at a further reduction if currency and reserve developments are favourable. The commercial banks have duly reduced by ½ per cent. their rate for credits.

The discount rate reduction will probably lead to heavy repayments of foreign funds. Already this process was under way some days before the Reichsbank's decision, and the foreign exchanges, in particular the dollar, rose considerably. Since December 31st the dollar in Berlin has moved from 4.1995 to 4.2075, sterling from 20.381 to 20.403. It is reported, nevertheless, that foreign money is still being offered. The money market last week was even more fluid than is customary in early January. A further cheapening of money this week was expected, and except in day loans very little business was done, but rates rose a little on January 15th to day loans 3½-6 per cent.; month loans, 7½-8½ per cent. The private discount rate was yesterday reduced to 5¾ per cent. The Reichsbank rate reduction having been foreseen, had very little effect on the money market. Savings deposits in savings banks on November 30th totalled 6,728 million marks, against 4,543 million marks a year earlier. The increase in the whole calendar year 1928 will be over 2,200 million marks, as against increases of 1,600 million marks in 1927 and 1,000 million marks in 1925. Savings deposits with co-operative associations also show rapid increase. The total of policies with private insurance companies for September-October, 1928, is returned at 11,050 million marks, against 8,910 million marks in November-December, 1927. The *Frankfurter Zeitung* estimates national savings in 1928 at £450,000,000, which is the same as its estimate for 1927.

The official cost-of-living index number for December is 152.7, as against 151.3 for December, 1927. The index groups are: Food, 159.6; housing, 125.9; heating and lighting, 150.8; clothing, 172.6; other needs, 191. The cost of food and housing changed little in 1928, whereas the cost of clothing rose considerably. The wholesale prices index number for January 9th is 138.9. In the second half of December the number of persons drawing unemployment insurance pay rose from 1,300,000 to 1,702,000, against 1,188,000 at the end of 1927. The first complete year's return for unemployment insurance, ending September 30, 1928, shows the average number of insured at 15,896,001, premiums paid 797,849,197 marks, or an average of 4.17 marks per month; expenditure on insurance 725,672,291 marks, expenditure on measures for preventing unemployment 36,447,245 marks; total expenditure, including cost of administration, 842,722,993 marks. The average monthly number of beneficiaries was 777,072. The average monthly expenditure *per head* of the beneficiaries was 82.53 marks. It seems that the premiums, limited by law to 3 per cent. of wages, will not be sufficient and that the Republic which contributes nothing, will be called on, according to law, to advance considerable sums.

The industrial situation is fairly good. Of late the decline in manufacturing of goods for consumption has been slower than the decline in output of means of production. The plan to advance steel prices seems to have been abandoned. Pig-iron production in December

was still affected by the November lock-out, and totalled only 882,959 tons, as against 1,149,680 tons in December, 1927. If the deficit resulting from the lock-out is allowed for, production in all 1928 at 11.8 metric tons was little below that of 1927 at 13.1 metric tons.

The steel export market has improved and prices have risen. An agreement has been come to for export of German scrap-iron to Poland and for admission of Polish steel. The home steel market is quiet, but an improvement is expected as a result of new shipbuilding programmes and already a number of orders have been given for plates. The Hamburg-America Company is to build eight 10,000 15-knot turbine steamers, and its four 21,000-ton vessels of the Albert Ballin class are to be equipped with new turbines, boilers, and propellers, with the effect of reducing the Transatlantic voyage from ten to seven days. Further measures of amalgamation in the locomotive construction industry are announced. The Railways Corporation's plants for 1929 promise an increase of orders for permanent way materials, the estimated expenditure on which is to be 283,300,000 marks, as against 246,700,000 marks in 1928. Exports of machinery in January-November, 1928, totalled 486,501 tons, the average per month being 44,200 tons, as against 38,200 tons in 1927. The Vereinigte Stahlwerke (Western Steel Trust) reports for the business year 1927-28 gross profits of 289 million marks, as against 280 million marks in 1926-27, net 52½ million marks against 53 million marks, dividend unchanged at 6 per cent. The Friedrich Krupp A.G. again passes its dividend.

A report issued by the I.G.Farbenindustrie upon conditions in 1928 is, on the whole, favourable. Sales of dyes to the Far East increased, and the tendency was to buy better quality dyes; there was a large demand for light metals and for solvents, and the demand for photographic materials rose so much that production capacity has to be increased. Sales of artificial silk products increased, and the new mixed fertilisers proved popular. The coal-liquefaction process developed satisfactorily. Reports of the paper industry are favourable; of the paper products branch still better. Judging by unemployment statistics, the paper industries are about the best occupied among the more important branches.

BELGIUM.—THE CONGO—ANTWERP—PUBLIC EXPENDITURE—RAILWAY DIVIDEND.

(FROM OUR CORRESPONDENT.)

LOUVAIN, January 12.

THE Congo is gradually becoming a more important factor in Belgium's economy. Statistics dating from the beginning of 1928 show us that out of a total population of 21,000 whites, Belgians number 14,000. In 1913 these numbers were respectively 6,000 and 3,500. Up to the beginning of last year the Congo has required an expenditure of some £80 millions, 32 before the war, 8 during, and 40 millions after the war. These estimates include all expenses whatever—colonisation expenses, public works, commercial companies, interests, cash, the most important being:—

	£
Colonisation and general public works.....	16,500,000
Railways.....	21,600,000
Commercial and industrial companies	30,000,000

To the above-mentioned expenses must be added the investments for the year 1928. New capital issues of firms operating in the Congo amount to some £10 millions for the last twelve months. But the Brussels Stock Exchange value of these assets is much higher than their nominal value, speculation having, especially in 1927, occasioned a big rise of colonial shares. According to last summer's levels the Stock Exchange value of investments in the Belgian Congo may be estimated between 45 and 50,000 million francs, or a corresponding £250 to £285 millions. The Stock Exchange valuation is probably too optimistic. Dividends distributed by colonial enterprises are not in proportion to the Stock Exchange value of the shares, being only £1,800,000 in 1927, so that the yield of the shares is only 0.7 per cent. It may therefore be said that the Stock Exchange capitalises mainly the hopes of speculation. Belgium's profits from the Congo, however, exceed the amount of the dividends, mainly by the return of the savings of Belgians living in the colony. The total profit can be estimated at £3 millions.

According to official statistics the Congo's balance of trade is unfavourable, the value of imports amounting in 1927 to 1,500 million francs, while exports did not exceed 1,050 millions. Another official statement declares that the part of Belgium in this trade amounts to 50 per cent. Neither of these statements is trustworthy. Official statistics greatly underestimate the value of exported goods and investigations have led to the conclusion that both in 1926 and in 1927 the value of exports in reality exceeded the value of imports, so that the Congo's balance of trade is favourable, a remarkable achievement for such a young country. On the other hand, investigations prove also that Belgium's percentage of the trade of the Congo is much less than was stated; it only represents in 1927 33 per cent. of the imports and 28 per cent. of the exports. At all events, the colony is already contributing to relieve Belgium's economic dependence on foreign countries, and is directly, or by means of exchange, relieving her lack of raw materials. The Belgian Congo is becoming an active element in Belgian economy, and the recent rise of copper can but accentuate her prosperity. This fact is satisfactory, not only to Belgians, but also to those foreigners, of whom many are Englishmen, who have invested capital there.

The economical and financial situation of Belgium remains entirely satisfactory. Stock Exchange prices are, however, still depressed, although the industrial outlook is improving. This fact is explained by the abuse of new capital issues. Their total for 1928 amounts to no less than 12 or 13,000 million francs, or £70 millions, a sum which the country is incapable of furnishing.

Antwerp harbour registered for 1928 23,605,000 tons; this constitutes a progress of 115,000 tons on last year, in spite of a strike in June and July, 1928, which involved a loss of nearly a million tons, and a fall in French and German transit traffic. Recent agreements will probably result in a new transit traffic in German coal.

At the beginning of last year new conditions of labour came into force. They provide for daily wages on a 60 to 90 franc basis, or from about 6s 10d to 10s. 3d. This is a high wage for Belgium. Public opinion has recently been offended by an end-of-year bonus distributed to public officials and amounting to an ordinary month's salary. The rise of the cost of living does not justify this measure, which was presumably taken with an eye to the general election next May. This new expense, that according to first statements would not amount to more than 100 million francs, will in fact come to 350 to 450 millions. The consequence is that the reduction of the fiscal burden expected for the end of 1929 is now already partially threatened. A similar measure has been adopted by the railways, and interests shareholders of the State Railways Company. It is nearly certain that the dividend of the Belgian railways to be paid in June will amount to 2 per cent., bringing the total remuneration to 8 per cent. The raising of the staff's wages makes it difficult to expect that the profits will allow the distribution of such a dividend next year.

SWITZERLAND.—BUDGET—DEBT REDEMPTION—FOREIGN TRADE—INDUSTRIES.

(FROM OUR CORRESPONDENT.)

GENEVA, January 12.

THE Swiss Federal Budget for 1929, which has just been passed by Parliament, opens a new era in the history of Swiss State finance, as it is the first since 1898 that shows a surplus. Expenditure is estimated at £14,032,000 and receipts at £14,112,000, thus leaving an estimated surplus of £80,000. It was possible to balance the accounts by curtailing all unnecessary expenditure and by increasing the yield of some receipts such as taxes on motor-cars and Customs duties on certain articles. The service of debt interest will necessitate in 1929 an expenditure of £4,535,000, that is £25,200 more than in 1928.

The instalment for the progressive redemption of the debt—as provided for by the redemption plan adopted in 1926—will be £1,200,000, or £57,200 more than last year, and it is expected that, at the end of 1929, the public debt will be reduced by roughly £1,200,000, so that its total will be brought down to £57,425,000, compared with £62,665,000 at the end of 1926. According to the redemption plan which has been enforced as from 1927, the debt is to be completely repaid by 1964, partly by means of a yearly instalment of about £800,000 included in the Budget, partly by means of the sums saved each year, through redemption, on the interest to be paid on the debt. In the absence of unforeseen events, the outlook is bright, and a succession of surpluses in the Federal accounts may be expected that will hasten the restoration of the Federal finances and make possible the redemption of the debt within a shorter period than had been anticipated. The Swiss taxpayer, moreover, hopes that the improvement in the Federal finances will result in a reduction of the high burden of taxation under which individuals as well as industries are now labouring.

Swiss foreign trade returns for November, 1928, show that the general improvement in the economic situation is continuing. During that month imports reached a value of £9,725,568, compared with £9,384,820 in November, 1927, while exports totalled £7,983,503, as against £7,141,719 during the corresponding period of 1927. Imports of raw materials are still on the increase, a sign of activity in industry. An important rise was recorded in the export of fruit, livestock; iron, copper, and aluminium articles; machines, watches, chemicals, and dyes, while there was a drop in the export of cotton and wool goods. Imports from Great Britain totalled £650,200, compared with £673,700 in November, 1927, and exports to her aggregated £1,072,200, as against £1,061,200 last year. The results of foreign trade during the first eleven months of 1928 are very satisfactory indeed, as, for that period, the value of imports exceeds by £7,280,000 the 1927 figures, and the value of exports is by £4,024,000 higher than during the corresponding period of last year.

Few people realise that Switzerland is an industrial and not an agricultural country. The last census shows that 44 per cent. of the population is earning its living in industry, while the 26 per cent. lives on agriculture and the 11 per cent. on commerce. In 1927, 64,696 workers were employed in the machine and instruments industry, 42,520 in watchmaking and jewellery, 37,565 in the cotton industry, 37,052 in the clothing, 27,300 in the metal, and 25,452 in the silk industry. While the watchmaking industry is second in respect of the number of hands employed, it ranks first in respect of the value of exports. The exports—in millions of pounds—of the three chief exporting industries were as follows during the past five years :—

	1924.	1925.	1926.	1927.	1928.*
Watchmaking	10·9 ..	12·0 ..	10·3 ..	10·9 ..	10·4
Machines.....	6·6 ..	7·4 ..	6·6 ..	7·2 ..	8·4
Silk	10·9 ..	15·0 ..	7·9 ..	8·5 ..	7·4

* 11 months.

The watchmaking industry exports 95 per cent. of its production, and therefore entirely depends on export trade. Before the war its best clients were Germany and Great Britain, while they are now the U.S.A., Germany, and Great Britain. That industry passed through a very serious crisis during the war and post-war years, but it is steadily recovering since 1923, and prospects for 1929 are said to be very good. Despite the fact that all raw materials—coal and metals—have to be imported, the Swiss machine industry is competing in quality with foreign industry. This industry also passed through a serious crisis, but its position has much improved since 1923; it is now doing well, and it is expected to make further progress during 1929, as orders are numerous and important enough to keep it busy for some time to come. The manufacture of artificial silk, which was started in 1906, is steadily developing; its exports rose from 250,000 lbs in 1906 to 5,828,000 lbs in 1926, 6,600,000 lbs in 1927, and they are expected to be well over seven million lbs in 1928. The hotel industry occupies about 65,000 persons, and therefore ranks first among the chief Swiss industries; it realises a yearly profit of nearly £8,000,000. Last year was a good year for that industry, it was even above the normal, and the present winter season is so far very satisfactory. The industry has been completely reorganised and its financial position is sound.

CANADA.—BUSINESS — BEAUHARNOIS APPLICATION — SHIPPING GRIEVANCES — SMUGGLING CONFERENCE — GRAIN ACT — STOCK MARKETS—IMMIGRATION.

OTTAWA, January 2.

THE New Year in Eastern Canada has been ushered in by a cold snap accompanied by a heavy snowstorm. The volume of the Christmas trade was the heaviest on record, and the public everywhere seemed to have an abundance of money to spend. The advent of colder weather is helping the sales of warm clothing, but generally speaking, business is experiencing a period of quietude after the holiday rush. The outlook for the first quarter of 1929 is regarded as very propitious, although country merchants in areas where the crop results were disappointing are meeting with some difficulty in financing their winter commitments. The carloading figure for the week ending December 22nd was 62,084 cars, which was less by 8,732 cars than the previous week's figure, and for the first time for several months showed a fall (2,795 cars) from the total recorded for the corresponding week of 1927. The King Ministry separated for the Christmas recess without reaching any decision about the application of the Beauharnois Light, Heat and Power Company, which had produced such a fierce battle between rival power interests, and it is now credited with the intention of turning over the problem to the mercies of a special Parliamentary Committee as soon as the session begins.

American shipping interests are aggrieved at the intrusion of British competition into the New York-Havana trade, but their own tactics on the Great Lakes are at present the subject of bitter criticism by Canadian shippers, who are complaining that American boats which loaded at Canadian ports cargoes of grain for the avowed purpose of winter storage have repeatedly transported it to other Canadian ports in direct contravention of the terms of the Canadian Shipping Act. Accordingly strong demands are being made to the King Government that it should stop this evasion of the law and safeguard the rights and privileges of Canadian shipping companies.

January 7th has been fixed as the date of a conference at Ottawa between officials of the American and Canadian Governments which will discuss the problem of liquor smuggling across the frontier, and the Department of National Revenue here is already busy with the preparation of data to be ready for the event. Meanwhile there are well-defined rumours abroad that the American delegates will go so far as to suggest that Canada should refuse to give clearances to any vessels whatsoever which have loaded liquor cargoes. It is, however, predicted that a reply will be made to the effect that the Department of National Revenue and other Canadian authorities are doing everything possible to help the prohibition officials of the United States, and that they can assume no further responsibility. Such forecasts have moved the *Montreal Gazette*, the leading Conservative paper in Canada, to publish an editorial headed "On Minding One's Own Business," in which it observes :

> The American proposal is that Canada shall impose a restriction which will conform to an American law, while being wholly at variance with the theory and practice of Canadian legislation..... Certainly it can be no part of the Canadian Government's duty to regulate Canadian commerce in the interests of the United States and to spend the money of the Canadian taxpayer in so doing. Neighbourly co-operation is one thing, but this proposed suggestion of Canadian policy is quite another, and no consideration whatever ought to be given to it.

Other important papers have taken a similar line, and only among strict prohibitionist organs has there been any sympathy with the suggestion that American demands of such a drastic character should be met. If the American delegates report the atmosphere unpropitious, Washington will probably modify its eventual requests to a point where they can be met.

Forecasts are appearing to the effect that the Department of Trade and Commerce is preparing for submission to Parliament legislation which will embody comprehensive amendments of the Canada Grain Act, designed to remedy certain serious flaws which have been revealed in its workings. The representations of the Liverpool Corn Exchange about the unreliability of the present grading methods have been reinforced by a stream of complaints about the system which a series of farmer witnesses made to the Saskatchewan Grain Commission, now investigating the problems of the grain trade. One serious source of trouble is the multiplicity of the types of wheat which are now being grown on the prairies. Mr L. H. Newman, the chief cerealist of the Federal Government, recently declared in a public statement that, if Canadian farmers, instead of growing as they do to-day 35 different kinds of wheat, would concentrate upon half a dozen grades whose excellence and general suitability had been thoroughly proven, the reputation of Canadian wheat would soon be improved. It is surmised that in any legislation which it submits the Government will try to encourage such concentration.

The Canadian Government has not yet disposed of the problem connected with alien enemy property which was sequestrated during the war years. It is still holding in a special account an amount of some twelve million dollars, of which about ten millions is credited to Germany's account and the balance to Austria, Hungary, and Bulgaria; approximately about seven million dollars has already been paid out in satisfaction of Canadian claims, the largest sum being $1,800,000 awarded to the Massey-Harris Company. Public opinion is on the whole not unsympathetic to the idea of handing back the amount now held in trust by the Secretary of State to the owners of the confiscated properties after all legitimate Canadian claims have been satisfied.

Save for a few lively stocks like International Nickel the stock markets were very dull during the past half of December. The new year, however, has opened with a feverish burst of speculative activity in the mining market, which had been very dull for the last three months. The phenomenal reports from the nickel mines at Sudbury, a recovery of confidence in the Kirkland Lake goldfield as the result of the discovery of fresh ore bodies, and higher prices for copper are the chief factors which are luring the public back to the mining market.

According to the Bureau of Statistics, the employment situation is very satisfactory, the seasonal contraction for December being on a smaller scale than on the same date in most of the last nine years; on December 1st the Bureau's employment index stood at 116.7 as compared with 119.1 on November 1st and 106.8 and 101.1 on December 1, 1927 and 1926 respectively. The latest immigration returns, covering the eleven months ending November 30th, do not give much comfort to people who are interested in building up a Canadian citizenship out of British stock or material which can be easily assimilated. They show that in the eleven months Canada admitted 54,372 immigrants from Britain, as compared with 52,003 in the parallel period of 1927. But the former figure includes the 8,500 miner harvesters, of whom all but some 1,500 are admitted to have gone home, and accordingly the net British immigration is smaller than a year ago. Again the immigrants from the "preferred" countries of Northern Europe fell in numbers from 34,225 to 29,743, but immigrants from non-preferred countries, who are less welcome, increased from 45,556 to 48,763.

Letters to the Editor.

POTTERY AND SAFEGUARDING.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I should like to express my cordial agreement with the general tenor of Mr Lionel Robbins' letter in your issue of January 12th. As long ago as November 3rd last I myself protested, in a letter published in the *Economist* of that date, against the almost exclusively statistical methods by which the problem of Safeguarding is attacked; and I drew attention to Sir Robert Giffen's well-known essay, "On the Use of Import and Export Statistics." In this he dwells with no little emphasis on the very point referred to by Mr Robbins—the *irrelevance* of statistics in general as applied to this particular problem; and, as president of the Royal Statistical Society, he was surely qualified to give an opinion. Space forbids much quotation, save perhaps this: "We are entitled, as a scientific body" (the R.S.S.), "to point out that the call which protection makes on statistics is one which cannot be answered. The Protectionist seeks an affirmative answer which statistics cannot answer either affirmatively or negatively." This was written about 1882, and I am sure that Mr Robbins will agree that to-day it applies quite as much to the Free Trader as it then did to the Protectionists, or "Fair Traders," as they were then. Why is it that abstract reasoning is so intensely unpopular? The business man in particular appears to loathe and distrust it. Well, the business men have been trying to settle this problem by "facts and figures" for about 100 years, and we seem to be pretty much where we were; and, whatever the result of the election now pending, so we shall continue until the whole subject is reopened and its premises re-examined in the light of modern conditions, not by statisticians or politicians with a taste for simple arithmetic, but by economists. I throw out the suggestion here for Mr Robbins' consideration, that the international mobility now attained by capital has a profoundly modifying effect on the theory of Free Trade *as applied to a nation*, while leaving the theory unaffected if the entire world is to be considered as one economic unit. Mr Robbins may gather that I am a Protectionist.

In conclusion, I should like to comment on one sentence in Mr Robbins' letter: "The Free Trade theory is not concerned with the relation between imports and exports of particular classes of commodities, but is concerned essentially with the relation between imports and exports as a whole." It is very important to have a clear understanding of what is meant by the words "imports" and "exports" in this connection, since what we are concerned with is not any sort of balance of trade in goods alone—which simply does not exist—but with the balance of international indebtedness *on all counts*, both visible and invisible, and the words in this use must be taken to cover both. It is, for instance, perfectly possible—and it is constantly happening—for imports and exports of goods alone (the ordinary usage of the words) to rise or fall quite independently one of another, and a decline in imported goods (absolute or relative) can quite well be accompanied by an increase in exported goods. The rate of exchange, the only really controlling influence, is not affected by movements of goods alone, but by the general condition of indebtedness on all counts. The familiar catch-word, "exports pay for imports," has been responsible for an enormous amount of wholly fallacious reasoning and argument, simply owing to the use of the words "exports" and "imports" in their narrow sense (meaning goods) alone, whereas the phrase is only true in the widest possible sense of the words.—Faithfully yours,

DOUGLAS GRAHAM.

16 Girdlers' road, London, W.14, January 15th, 1929.

[Reference to this letter is made in the first leading article in this issue.—ED. *Econ.*]

Books and Publications.

FORESTRY IN GREAT BRITAIN.*

So much erroneous matter on forests and forestry matters has appeared of late in the lay Press, and been expressed on the public platform, that it is a positive treat to peruse this book, produced by one who really knows what he is writing about. Professor Stebbing is Professor of Forestry at the University of Edinburgh, where he has been engaged some 19 years, before which he was head of the Forest Research Institute at Dehra Dun, India, established by the late Lord Curzon in 1906. The book, divided into two parts—the Case for the Public and the Case for the Forester—is written in such style as to be clearly understood by the lay mind. The Professor says that 80 per cent. of the wood used in Great Britain consists of what are known as soft woods, that the only portion of the Empire which contains extensive forests of this type is Canada, and that more than 80 per cent. of Canada's exports are absorbed by the United States, while only about 8 per cent. comes to England. Economic facts render it inevitable that the greater part of Canada's exports of softwoods will be taken by the United States.

The British Empire can never be self-supporting in its

* "The Forestry Question in Great Britain." By E. P. Stebbing, M.A., F.L.S., F.R.S.E., Professor of Forestry, Edinburgh University. (London) John Lane The Bodley Head, Limited. 7s 6d.

timber requirements—at least, in so far as great Britain and certain other portions of the Empire are concerned—and Professor Stebbing thinks, therefore, that at the present time it is not only misleading, but very far from the existing position, well known to the timber merchant, to say so. He gives the reader a general idea of the large softwood forest resources of Europe, and refers to "that oft brought-up bogy" of a world's timber famine. Professor Stebbing places before the public, "who will pay the piper," his views of some of the advantages which the introduction of forestry into Great Britain may be expected to bring about—woodlands to prevent flooding, useful employment in forestry proper, as well as side occupations that more trees will encourage.

Professor Stebbing is of opinion, and he is not alone, that the Forestry Commission is placing too much importance on the growth of softwoods (conifers) in their programme, to the neglect of the hardwood varieties (broad-leaved trees), *i.e.*, oak, ash, elm, beech, walnut, sweet chestnut, and sycamore, the remnants of which we have still with us, giving us some idea of what the countryside was like in olden times; and, whilst in agreement with the planting of new areas, he emphasises the fact that scrub areas not producing merchantable timber should be made to do so. The difference between afforestation and forestry is wide—very wide. The planting costs of the Forestry Commission, in the opinion of Professor Stebbing, are very high, and he suggests sowing in place of planting, citing cases of the former in France at a mere fraction of our costs.

The book is of interest to all who desire to know more about the forestry conditions of Great Britain, and prospects for the future. We would especially recommend it to landowners, large and small; for from it they can derive much useful knowledge concerning mutual co-operation in forestry work with the Commission, as well as practical hints that will be helpful.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

Some Economic Factors in Modern Life. By Sir Josiah Stamp. (London) P. S. King, Orchard House, Westminster. 10s 6d net.

In this, as in other work of Sir Josiah Stamp, the approach to economic theory is individual and stimulating. The author sets out to try to determine the influence on economic life of æsthetics, inheritance, invention, industrial co-operation, amalgamations, and stimulus. These are all reprints of addresses and lectures given by the author; two statistical lectures are also reproduced.

Sir Edmund Hornby. An Autobiography. With an introduction by D. L. Murray. (London) Constable and Co., Limited, Orange street. 18s net.

An altogether delightful book. The student of nineteenth century history will find these excursions behind the scenes of great value, but no historical knowledge is required to enable the general reader to enjoy such gaily written reminiscences.

The British in Tropical Africa. By I. L. Evans. (London) Cambridge University Press, Fetter lane. 12s 6d net.

A history of British penetration in East and West Africa and the Anglo-Egyptian Sudan.

Hospitals and the State. By R. Westland Chalmers. (London) John Bale, Sons and Danielson, Limited, 83-91 Great Titchfield street. 6s.

This is at once a history of hospitals in England and a reasoned plea for the recognition of collective public responsibility for the sick.

The Romance of Trade. By A. W. Kirkaldy. New edition. (London) Kegan Paul, Trench, Trubner and Co., Limited, 68-74 Carter lane. 6s net.

A treatise on elementary economics which aims at making the study simple, easy, and attractive.

Human Nature in Politics. By Graham Wallas. (London) Constable and Co., 10-12 Orange street. 3s 6d net.

One of the most widely-read books on political psychology is now rendered available in pocket form at a very low price. There are no textual changes since the 1920 edition.

I Primi Principii dell' Economia Finanziaria. By A. de Viti de Marco. (Rome) Attilio Sampaolesi.

A treatise in Italian on public finance.

Storia della Circolazione Cartacea in Italia (dal 1860 al 1928). By Camillo Supino. (Milan) Società Editrice Libraria, via Ausonio 22.

A history of paper money in Italy.

Typhœus, or the Future of Socialism. By Arthur Shadwell. (London) Kegan Paul, Trench, Trubner and Co., Limited, 68-74 Carter lane. 2s 6d net.

An account of the recent development of Socialism in Russia, Germany, and other countries is used as the basis for an attempt to forecast the future of the movement.

Kapitalbildung und Besteuerung. By Walther Lotz. (Munich and Leipzig) Verlag von Duncker and Humbolt.

A series of theoretical, historical, and statistical studies in public finance, with special reference to Austria and Germany.

Prospettive Economiche. By Giorgio Montara. (Milan) Università Bocconi. 40 lire.

These two volumes deal respectively with corn, wine and oil, and silk and artificial silk. Figures are given of world production and trade, and, in more detail, of the Italian production, consumption, prices and exports of each commodity. An attempt is then made to forecast the prospects of each industry. The text is in Italian.

Raw Materials of Commerce. Part I. (London) Sir Isaac Pitman and Sons, Limited, Parker street, Kingsway. 1s 3d net.

This is the first of a series of illustrated publications which is to appear in about 24 fortnightly parts. Part. I. deals with cotton, flax, and jute.

Les Codes de la Russie Sovietique. Translated by Jules Patouillet. (Paris) Marcel Giard, 16 Rue Soufflot. 30f.

This third volume contains the modifications, additions, and annexes to the Russian civil code, together with the new family code. The text is in French.

World Economic Policy. "The Opposite Direction." (London) National Association of Merchants and Manufacturers, 14 Mincing lane. 1s net.

A timely pamphlet, which reproduces the more important resolutions and petitions in favour of Free Trade, from that of the merchants of the City of London in 1820 to the resolution of the meeting of business men at the Mansion House last November.

La Nacion. (Buenos Aires) Anglo-Argentine Trade Supplement.

Extending to thirty pages and copiously illustrated, the number is prefaced by a series of messages from Mr Baldwin and other members of the British Cabinet. Contributors of informative articles on leading British industries include Lord Kylsant on shipping, Mr R. J. Hose, chairman of the Anglo-South American Bank, on international banking, and Major H. O. D. Segrave on the British motor industry.

Verses for Various Occasions. By Hubert Phillips. (London) Liberal Publication Department, 42 Parliament street. 6d.

This is a mixture of pointed political satire and charming children's verse, *genre* A. A. Milne. Mr Phillips shows more than ordinary gifts in both fields, and his technique is masterly. Our readers are not often given the chance of so much enjoyment for sixpence.

Annual Report of the Smithsonian Institution, 1927. (Washington) Government Printing Office.

To the general reader the interest of this annual report lies in its appendix, which consists of papers on various scientific subjects from "Is the Earth Growing Old?" or "The Mind of an Insect," on the one hand, to "The Coming of the New Coal Age" and "The Lengthening of Human Life" on the other. There are some excellent illustrations.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—

Local Government Bill: Amendments to Part VI. of the Bill, proposed by the Minister of Health after discussion with local authorities. Cmd. 3257. 2d net.

Abstract Account of the Receipts into, and Issues out of, the Development Fund in the year ended March 31, 1928. 3d net.

Colonial Reports:

No. 1414—*Hong Kong,* 1927. 1s 3d net.

No. 1415—*Unfederated Malay States,* 1927. 5s 9d net.

No. 1416—*British Honduras,* 1927. 9d net.

A Digest and Index of the Official Reports of Tax Cases. £1 15s net.

The extracts and references in this indispensable work are arranged according to subject matter, but indexed also under the names of the parties.

Board of Trade: Second Report of National Fuel and Power Committee. Cmd. 3252. 9d net.

Department of Overseas Trade: Commercial, Economic, and Financial Conditions in the Argentine Republic. October, 1928. 3s net.

Coal Mining Industry: Statistical Summary of Output, and of Costs of Production, Proceeds, and Profits of the Coal Mining Industry for the Quarter ended September, 30, 1928. Cmd. 3256. 1d net.

The Stock Exchange.

"PARENT" FINANCE.

APOCRYPHAL history relates how certain wise men endeavoured to imprison the cuckoo by building a wall of record dimensions. The bird having flown, it was decided to raise the wall several feet in the following year, with better hopes of success. It would be ungracious to trace a parallel between this unlikely fable and the efforts of the British Law, in its sovereign dignity, to circumvent the astute company promoter, but no one in close touch with the recent history of the new issue market is likely to dispute the proposition that, with the help of modern publicity and the prevalent desire to get rich quickly, the speculative financier's ingenuity has so far eluded all the controlling efforts both of Westminster and Capel Court. We have recently discussed in our columns many of the abuses to which a favourite form of "promoting" finance—the shilling deferred share—all too readily lends itself. In the following article we are concerned with an extended development of this method, which has come into prominence during recent months—the practice, that is, of floating speculative concerns, formed in many cases to exploit entirely novel and untried mechanical devices, and almost immediately disposing of their "rights" in this, that, or the other territory, to a swarm of new companies, which in turn appeal to the investor's largesse.

No objection can, of course, be taken to the general principle that a successful public concern is at liberty to create subsidiaries to conduct its business overseas. Many old-established British houses have followed such a policy, but in almost every case the parent concern has been well founded, the subsidiary has been largely financed, at the outset, from the accumulated resources of the parent, and the possibilities of the new territory have been carefully pioneered. The state of affairs, however, is very different when an entirely new concern rushes repeatedly into the market to dispose of its resources without waiting to prove that those resources possess any profit-earning value whatsoever. We have collected in the next column particulars of a number of recent examples of "parent and offspring" finance. The list might have been considerably extended, and even as regards some of the "families" cited, one can be by no means sure that the enumeration is complete, so rapid has been the process of multiplication. Reference is made later in the text to further recent additions to the Photomaton group.

Reference to the table reveals that in every case the groups concerned have been formed to exploit certain exclusive "rights," either with regard to oil distribution as in the case of the Blue Bird companies, or to "patents" in connection with the photographic, gramophone or household trades, as instanced by the other companies in the list. In other words, the very nature of the business carried on ensures the presence of the *speculative* element at its maximum in every case. The average interval between the issue to the public of the shares of a parent in the table, and of those of its offspring is sixteen months, which is far too short a period to allow of reliable ascertainment of the true value of the rights acquired (*i.e.*, of their permanent earning-power), in view of the novelty of the ideas which are to be exploited. Altogether, the public has subscribed £3,580,585 of new capital in cash to finance these unproved "rights" (and our list, we repeat, covers only a part of the total field), while inside interests have obtained shares to a value of £2,425,485, carrying, on the whole, much more valuable "equity" and voting rights, largely for considerations other than cash. The above computation assumes that the capital of Photomaton Parent, issued by way of a Stock Exchange introduction, is now shared equally by the public and "insiders,"

Company.	Date of Public Issue.	Amount of Original Issue. To Public (Cash).	Amount of Original Issue. To "Inside" Interests (Cash & "Considerations.")	Main Assets Taken Over.	Purchase Price.
		£	£		£
Blue Bird Motor (1924)..	May, '24	163,200	11,800	Private motor business.	50,500
Blue Bird Oil Importers	Mar., '27	126,000	21,500	Bulk oil business of Blue Bird Motors.	21,500
Blue Bird Petrol	Oct., '28	252,000	58,000	Retail petrol rights and trade name.	58,000
Blue Bird Petrol (Foreign)	Dec., '28	405,000	210,000	European rights for seven years.	210,000
Blue Bird Holdings	Dec., '28	350,000	400,000	To acquire substantial holdings in other Blue Bird companies.	Not yet known
Photomaton Parent	April, '28*	1,578,500		Two earlier businesses owning patent rights in photographic apparatus.	†1,400,000
Far Eastern Photomaton	June, '28	390,000	c240,000	Rights in specified Eastern countries.	335,000
Photomaton (Eastern & Central)	June, '28a	..	60,000	Rights, &c., in 12 English counties.	13,000
Photomaton (Lancs. & Midland)	June, '28	155,000	95,000	Licence to operate in 19 British home areas.	88,154
Duophone and Unbreakable Record.	July, '26 b	75,000	87,500	Earlier company & a patent application.	95,000
Duophone (Foreign)....	July, '28	137,500	75,000	Certain limited foreign rights.	150,000
American & Dominions Unbreakable Records.	July, '28	220,000	30,000	Rights in U.S.A., Canada, Australia, N.Z.	105,000
Vocalion Gramophone..	Jan. '25	130,000	75,000	Earlier business.	135,000
Vocalion (Foreign).....	Mar. '28	120,000	20,000	Australian factory & foreign rights.	60,000
Ner-Sag	Nov., '25	22,635	27,435	Patent & goodwill.	25,000
Ner-Sag (Overseas)	July, '28	125,000	125,000	World rights outside Gt. Britain and N. Ireland.	125,000
Photo-Matik Portraits..	Oct. '28	60,000	60,000	2 patent applications & rights.	60,000 and 30% on sale of foreign rights.
Photo-Matik Portraits Foreign Corp.	Oct., '28	60,000	40,000	World rights *except* Brit. Empire, America, &c.	40,000

* Stock Exchange "Introduction." † Plus payment of certain debts of companies taken over. *a* Date of incorporation; 1,200,000 shilling shares allotted, but no public issue. *b* Further £44,000 issued for cash in December, 1927. *c* Present market value of 1,600,000 no-par shares retained.

and takes no account of any share premiums paid by the public, or of subsequent issues of capital to shareholders only.

Very slight consideration is necessary to show that, apart from the risks inherent in the sale and re-sale of largely unknown propositions, "parent" finance tends frequently to place the companies concerned in a highly invidious position. In effect, the parent concern, having originally come before the public as a trading proposition, barters away large portions of its capital rights—in other words, goes in on a large scale for *finance* business. What happens to the money received? The parent concern, having presumably less rather than more need for capital than before, since its area of operations has been reduced, may have more funds than it can find a use for. If so, the public has been called on for a larger total subscription than it ought to have been asked to find. If the money is invested in gilt-edged or other securities, the parent becomes a partly operative and partly "trust" concern, a hybrid which the original investor had no idea he was financing. Moreover, where the parent takes a large block of shares, in lieu of cash, in a subsidiary, the basis of valuation of its own shares is largely at the mercy of any slump which may occur in the market values of the subsidiary. The position of Photomaton Parent affords an example of this feature. In addition to the three subsidiaries given in our list, the parent concern has a numerous foreign offspring, including Société Continentale Photomaton (in France,

Germany, &c.), Photomaton Italiana, Photomaton (S.A.) (in South Africa), an "Australian group," and Photomaton Inc. (in America). The company's latest statement puts a value on its receipts from all these subsidiaries—in cash and shares—of £4,070,000, a figure equal to 87 per cent. of its assets (£4,671,000) at the present time. The present market quotation of 14s 7½d for Photomaton Parent 5s shares is largely based on this valuation. Closer examination of the statement reveals, however, that the figure of £4,070,000 assumes the successful sale, at a high figure, of large parent company holdings of Société Continentale and Photomaton Inc. stock. Should a slump occur on the French and American Stock Exchanges, so that the eventual price realised was, say, 50 per cent. lower than the directors anticipate, the total assets of the parent concern would fall to £2,871,000, or no more than 61½ per cent. of their present valuation.

The difficulty of ascertaining the real position of a company which has resorted to this form of finance is increased, rather than diminished, when its annual accounts are published. When trained accountants have failed, how is the outside investor to succeed in appraising the real earning power of a company which, like Ner-Sag, reports a net profit of £104,166 from a factory with plant and machinery valued at £1,750, furniture and fittings at £750, and stock-in-trade at £1,416—an amount only slightly exceeding the valuation put on the company's stationery? Strictly speaking, amounts received for the sale of "rights" are *capital* receipts, and ought not to find their way into current revenue, either directly or indirectly, so long as the various parent concerns are to be regarded primarily as trading bodies. If, on the other hand, they are to be classed as *finance* companies, those in charge may be able to make out a case for dividing "profits" in connection with the flotation of their offspring, but this branch of their business is obviously not a continuing one, and the investor must reconcile himself to a marked fall in "profits"—and in the value of his shareholding—when there are no more "rights" left to dispose of. The distinction between a trading and a finance concern is thus, in the present case, more than academic. We do not accuse any company of deliberate resort to the practices we have mentioned. Our point is simply that it would seem imperative for all these concerns clearly to say into which group they regard themselves as falling.

Again, the investor may be inclined to ask for fuller information regarding the basis on which "trading" profits are assessed. What, for instance, is put to revenue account when a patent machine is sold to a subsidiary which proposes to operate it? In the case of products made for consumption by the purchasing public, but sold by a "parent" to its other self—its subsidiary—is a full trading profit shown in the "parent's" accounts *immediately*, or only when the subsidiary has disposed of the goods to an outside customer? The accounts of all holding concerns are notoriously difficult to interpret, but the task becomes peculiarly intricate when the associated businesses are not separate entities which have been absorbed by a dominant company, but small portions of the latter's own "body and flesh" on which a separate legal existence has been conferred.

Once the process of creating new companies has been extensively resorted to, it becomes well-nigh impossible to discover what has actually been paid to the vendors of the original "rights," what are the real assets of any one concern, or how far a setback to any single organisation would affect the credit of the whole group. Five generations of the "Blue Bird" family, for example, have come into being during the last four and a-half years. The earliest company had a motor garage business, and sold its wholesale petrol trade to a second concern, which sold its retail petrol business to a third. The last-named disposed of its foreign "rights" to a fourth, and a fifth was organised last December to acquire holdings in the other four. The accounts of only one company are available—to May 30, 1925—but the initial asset on which the group's fortunes have been founded was, apparently, a contract for the purchase of petrol, regarding which no comprehensive particulars have been furnished to the public.

The conclusion suggested by this review of contemporary "parent" finance would seem to be that while there is nothing inherently indefensible in the division among a number of related companies of rights having a sound potential business value, the process is apt to lend itself to abuse and to involve in serious difficulties the investor who is anxious to put a true valuation on the securities offered to him. The dangers of over-capitalisation and other evils are conspicuously enhanced when the "rights" in question cover novel processes which have received no extended commercial "trying-out." Companies to which these conditions apply would do well to consider, at least, the possibility of disclosing the maximum amount of information as to their bed-rock financial position, if they desire that their shares should appear attractive to the permanent investor and not merely to the in-and-out speculator.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

Ticket.	Account.
January 22.	January 24.

The confident tone of last week's dealings, due in part to year-end dividends and the cheerfulness of Wall street, was replaced this week by a much more cautious spirit, the volume of business showing a noteworthy shrinkage. America was uneasy as to the credit position, while at home another large Australian loan weighed somewhat heavily on the gilt-edged market, and the Ner-Sag *debâcle* was one among numerous factors checking speculative exuberance in Industrials. The steady undercurrent of investment demand, however, showed no signs of a serious check, and this was possibly the week's most reassuring feature.

Quieter conditions obtained for gilt-edged stocks, though little selling occurred. The money market was appreciably tighter than last week, "window-dressing" requirements coinciding with large new issue calls and increasing pressure from the tax-gatherer. The New York Exchange was erratic, with a declining tendency, but the week's gold movements were of comparatively small extent. Five per cent. War Loan registered the first check in its prolonged advance, and Four per cent. Consolidated Stock suffered a slight setback, Four and a Half per cent. Conversion Loan, on the other hand, being noticeably firm. India loans met with a fair inquiry, but the new Four and a Half per cent. scrip remained at a discount. The early closing and full subscription of the cash portion of the New Zealand loan, despite the large amount offered, was welcome, if unexpected, but on Tuesday the underwriting of the £8,000,000 Australian 5 per cent. stock brought about a contraction of business.

A limited business was done in the Foreign market. French loans were supported. Turkish Unified reacted after early strength. A further improvement occurred in Brazilian bonds, but other South American descriptions excited little interest, and Far-Eastern stocks were dull.

Home railways tended to sag early in the week in the absence of public interest. Expectations of an unfavourable showing by the traffic figures, however, proved to have over-discounted the true state of affairs, the returns showing a decline in revenue on all four "group" lines, as compared with a year ago, but one of modest dimensions. Midland and Scottish, and, later, North-Eastern stocks were weaker, but the net loss of ground was less than might have been feared. Foreign rails were dull and irregular. Argentine stocks were an uncertain quantity, despite moderately favourable traffic figures. Leopoldina fell sharply, and Canadian Pacific relapsed after early activity.

The unsettled tone of the industrial markets was preceded by the non-materialisation of the expected flood of

week-end orders, confirmed by unfavourable tendencies in Wall Street, and emphasised by the Ner-Sag announcement (dealt with in a later "Investment Note")—a psychological factor of an importance, in the circumstances, exceeding any which the company, in itself, ever possessed on the Stock Exchange. The leading gramophone shares showed a reactionary tendency on American selling. Mond Nickel were active but erratic, profit-taking occurring at times, and Imperial Chemicals obtained little lasting benefit from the introduction of a new line of shares in New York. Selling by tired holders produced a sharp decline in Imperial Tobacco on Tuesday. A rally in Margarine Union, on the proposal to issue new shares on bonus terms, was not maintained. Cable stocks were dull, and electrical manufacturing shares irregular. Motors generally maintained their position, on reports of satisfactory manufacturing conditions, but textiles were heavy, J. and P. Coats being subjected to profit-taking, while the drop in earnings shown by Listers affected other concerns in the silk and rayon group. Kreuger and Toll, supported by New York, were a good feature. National Property Trust hardened on the announcement of the fusion with Associated London Properties. Imperial Continental Gas rose sharply on sustained buying pressure.

The rubber share market opened in strong fashion, but a setback to the rise in quotations for the commodity speedily produced a quieter tendency, with a subsequent recovery. The rubber outlook forms the subject of an "Investment Note" on another page. The tea share market was quieter than of late, and a certain marking down of quotations occurred. Oil share dealings lacked animation, in view of the high production in the United States, the uncertain policy of American operators, and the absence of sustained support from the Continent. Shells showed slight change after being quoted at 4⅞ ex rights valued at about 14s 6d.

The Rhodesian boom suffered a set-back this week, when American buying—which had been providing the chief impetus for some time previously—fell off to a degree. Efforts to "bang" the market, however, met with little success, shares being well absorbed at the lower levels. Kaffirs were irregular, realisations, following the death of a large French holder, exerting a dampening influence on Monday, while lack of public interest, at home, in Paris, or in South Africa, was responsible for the later quietude. Base metal shares trended downwards, in sympathy with commodity values. Some liquidation took place of tin shares, and Rio Tinto fell sharply on the death, referred to above, of the leading member of a "bull" syndicate.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The share market has been hesitating, considerable concern being shown in speculative circles regarding the outlook for money, partly as a result of misunderstanding of the nature of current Federal Reserve policy. The market, however, has resisted this tendency, and shown a marked disposition to rally, particularly on the relaxation of call money rates, which again brought recent favourite stocks into prominence. Meanwhile, it is apparent that the French are continuing to earmark gold, the $20,000,000 taken this week making the aggregate taken since the end of last year $75,000,000. The decline of $338,000,000 in the total volume of credit extended by the Federal Reserve system indicates the lack of necessity for a higher discount rate, particularly in view of the experiment of allowing the bill rate to rise to more natural and attractive levels. Business news remains good, with steel operations maintaining a high level.

LONDON ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Closing Price Jan. 10, 1929.	Closing Price Jan. 17, 1929.	Rise or Fall.
Conv. Loan 3½%	79¾	79⅞	+ ⅛
Do 4½% 1944	99¼	99⅜	+ ⅛
War Loan 5% 1929-47	103	102⅞	— ⅛
4% 1929-42 (tax free)	101⅛	101⅛	..
Consols 2½%	56½	56⅝	+ ⅛
Do 4%	87⅛	87⅜	+ ⅛
Funding 4%	90⅜	90⅝	+ ⅛
Victory Bonds 4%	95	95⅛	+ ⅛
Local Loans 3%	65⅛	65⅜	+ ⅛
Treasury 5% (B)	101⅛	101⅛	..
Palestine 5% 1942-67	104	104	..
S. Africa 5% 1945-75	101	104	..
Tanganyika 4½% '48-68	98⅛	98⅛	..
India 3½%	71	71⅛	+ ⅛
Australia 5% 1945-75	98	98	..
N.S.Wales 5½% 1922-52	101	101	..
N. Zealand 5% 1946	103	103	..
Victoria 5½% 1930-40	101	101	..

Foreign Government Securities.

Japanese 6% (1924)	96x	96x	..
Tokyo City 5½%	90	90	..
Argentine 4% Reciss.	85⅛	85	+ ⅛
Austrian 6% 1923-43	102	102	..
Belgian 7%	109	109	..
Brazil 5% Funding	89	89⅛	+ ⅛
Bulgaria 7%	87	88⅛	+ 1⅛
China 5% (1912)	53	52	— 1
Cologne (City of) 6%	94⅜	94⅜	..
Egypt Unified 4%	85	85	..
Estonia 7% 1927	95	94	— 1
Finland 6% 1923	97⅛	97⅛	..
French 5%	19⅜	19⅝	+ ⅛
Do 4% (Brit.)	16⅜	16⅜	+ ⅛
German 7%	106	106	..
Greek 7% Refugee	101	101⅛	+ ⅛
Hungary 7½%	104	104	..
Chili 6%	99	99	..
P.L.M. 6%	102	102	..
Poland 7%	90	91	+ 1
Mexican 5% (1899)	37⅛	37⅛	..
S. Paulo Coffee 7½%	103	103	..
Do Bank 6%	93½	94⅛	+ 1
Siamese 6% (1924)	103	104	+ 1

British and Foreign Railways.

G. Western Ord. Stk.	84⅛	85	+ ⅛
L.N.E., Def. Stk.	12⅛	12	— ⅛
Do 5% Pref. Stk.	27⅛	26⅜	— 1
L.M.S. Ord. Stk.	56	54⅜	— 1⅛
Metropol'anCons.Stk.	67⅛	67	— ⅛
Met. DistrictOrd.Stk.	80⅜	80⅛	..
Southern, Def. Stk.	33	33	..
Do Pref. Ord. Stk.	77	77	..
Underground Ord. £1	14⅜	14⅜	..
Do Income Bonds	129	127	— 2
Antofagasta Ord Stk.	92	95	+ 3
B.A.&PacificOrd.Stk	98⅜	99⅜	+ 1
B.A.Gt.Sthn Ord.Stk	108⅛	109	+ ⅛
B.A.Western. Ord. Stk.	97	97⅛	+ ⅛
Can. Pacific Com. Stk.	248	247	— 1
C. Argentine Ord.Stk.	98⅛	99	+ ⅛
Entre Rios Ord. Stk.	98	99	+ 1
Leopoldina Ord. Stk.	60	59	— 1
San Paulo Ord. Stock	203	204	+ 1
Utd. Havana Ord.Stk.	49	48¾	— ⅛

Banks.

Barclay B. (£1)	3	3	..
Barclays (Dom. Col. &c.) A £1	1⅛	1⅛	+ ⅛
Lloyds £5, with £1 pd.	3⅛	3⅜	..
Mid. £12, with £2½ pd.	9⅜	9⅜	+ ⅛
Do £2½, fully paid	10⅛	10⅜	+ ⅛
Midland £1, fully paid	4⅛	4⅜	+ ⅛
Nat. Prov. £20, £4 pd.	14½x	14⅜x	— ⅛
Hongk. and S. ($125)	148⅛	148⅛	..
Standard of S. Africa £20, with £5 paid	153x	154x	+ ⅛
W'minster £20, £5 pd.	203x	203x	..

Insurance.

Alliance £1, fully paid	19⅞	20⅛	+ ⅛
Com.Un. £2½, fully pd.	28	29	+1
London & Lancs. £5, with £1 paid	33	33	..
N.British and Mer. £5, with £1½ paid	39	39	..
Royal Ex. £1, fully pd.	7⅛	7⅛	..
Roy.In. £1, with 10/ pd.	9⅛	9⅛	+ ⅛

Coal, Iron and Steel.

Babcock, Wilcox (£1)	3⅛	3⅛	..
Baldwin (1/)	¼	¼	..
Bengal Iron (£1)	1⅜	1⅜	..
Bolckow Vaugh n(£1)	⅛	⅛	— 1/32
Cory, William (£1)	3⅛	3⅛	..
Dorman, Long (£1)	⅞	⅞	..
Ebbw Vale (£1)	⅝	⅝	..
Guest, Keen (£1)	1⅝	2	+ ⅛
Powell, Duffryn (£1)	⅞	⅞	+ 1/32
Swan, Hunter (£1)	1⅜	1⅜	— 1/32
Thomas, Richd. (£1)	⅞	⅞	..
Vickers (6/8)	⅜	⅜	..

Textiles.

Bradford Dyers (£1)	2⅛	2⅝	— ⅛
Brit.Celanese,Ord(10/)	1⅜	1⅜	— 1/32
Do 7% Pref. (£1)	⅞	⅞	— 1/32
Coats, J. and P. (£1)	3⅞	3⅞	+ 1/32
Courtaulds (£1)	4⅜	4⅜	— 1/32
Fine Cott. Spinn. (£1)	2⅜	3⅛	+ ⅛
Listers (£1)	1⅝	1⅝	— 1/32
Snia Viscosa (200 lire)	1⅜	1⅜	— 1/32

Electrical Manufacturing.

British Insulated (£1)	4⅜	4⅜	..
English Electric (£1)	⅞	⅞	+ 1/32
General Electric (£1)	3	2⅞	— 1/32
Johnson&Phillips(£1)	1⅛	1⅛	..
Metro-Vickers (£1)	1⅜	1⅜	+ 1/32
Siemens (£1)	1⅛	1⅛	..

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅜	1⅜	..
Brnemth.& Poole (£1)	3⅜	3⅜	..
City of London (£1)	1⅛	1⅛	..
County of London(£1)	2⅛	2⅛	— 1/32
Hydro-Elec. com. stk. no par	38½	39	+ ⅛
Midland Counties(£1)	1⅛	1⅛	..
N'we'stle-on-Tyne(£1)	1⅛	1⅛	..

Telegraphs and Cables.

Eastern Stk.	269½x	267½x	— 2
Eastern Exten. (£10)	27x	26⅛x	— ⅛
Western (£10)	27	26½	— ⅛
Marconi (10/)	3⅞	3⅞	..
Marconi Marine (£1)	3⅛	3⅛	..
U. River Plate (£5)	12⅛	12⅛	+

Motors.

Austin, 20's	⅜	⅜	..
Dennis (1s)	3 1/32	3⅛	— 1/32
Leyland (£1)	1⅛	1⅛	..
Morris 7½% Cm.Pf.(£1)	1	1⅛	+ 1/32
Napier (£1)	2⅞	2⅞	..
Singer (£1)	1⅛	1⅛	+ 1/32

Shipping.

Cunard (£1)	1⅛	1⅛	— 1/32
Furness Withy (£1)	2	2	..
P. & O. Defd. (£1)	3⅛	3⅛	..
Royal Mail Ord. Stock	69⅜	71⅛	+ ⅛

Tea and Rubber.

Anglo-Dutch (£1)	1⅛	1⅛	+ 1/32
Cons.Tea & Lnds(£10)	38⅛	37⅞	— 1
London Asiatic (2/)	⅜	⅜	+ 1/32
Rubber Trust (£1)	1⅜	1⅜	+ ⅛

Oil.

Anglo-Persian (£1)	4⅞	4⅞	— ⅛
Apex (Trinidad) (5/)	1⅛	1⅛	— 1/32
Burmah Oil (£1)	4⅛	4⅛	— ⅛
Lobitos (£1)	2⅛	2⅛	— 1/32
MexicanEagle(£1/0/6)	⅞	⅞	— 1/32
Royal Dutch (£5)	33¾	33	— ⅛
Shell (£1)	5⅛x	4⅞x	— ⅛
Trinidad Leehlds.(£1)	4⅛	4⅛	— ⅛

Miscellaneous.

Assoc. P. Cement (£1)	1⅞	1⅞	..
Barker (John) (£1)	3⅛	3⅜	+ ⅛
Brac. Traction, no par	8⅛	8⅛	— 3/32
Brit.-Am.Tobacco(£1)	6⅞	6⅞	+ 1/32
Carreras,"A" Ord.(£1)	14⅜	15⅛	+ ⅛
Columbia Graph. (10/)	17⅛	16⅞	— ⅛
Dunlop (6/8)	1⅞	1⅞	..
Duophone (10/)	⅜	⅜	+ 1/32
Forestal Land (£1)	1⅜	1⅜	..
Gas Light & Coke (£1)	18	18	+ ⅛
Gramophone Co. (£1)	14⅜	15⅛	+ 1
Harrods (£1)	3⅛	3⅜	+ 1/32
Hudson's Bay (£1)	6⅛	6⅜	+ 1/32
Imp.Chemical,Od.(£1)	2⅛	2⅛	— 1/32
Imp. Chem. Def. (10/)	⅜	⅜	..
Imperial Tobacco(£1)	6⅞	6⅞	— 1/32
Inter.*Hold.* Shs. no par	12⅛	11⅞	— 1/32
Kreuger & Toll (kr.100)	37	38	+ 2⅛
Lyons (J.) (£1)	5⅞	6⅛	+ ⅛
Mond Nickel (10/)	11⅛	11⅛	..
Swed. Match, B (kr100)	23⅛	23⅛	..
Tilling, Thomas (£1)	6	5⅞	— 1/32
Tobacco) Ord. (£1)	6	5⅞	— 1/32
Sec. Trust) Def. (5/)	1⅜	1⅜	+ 1/32
Victor Talking, no par	156	153	— 3⅛
Vocalion (10/)	3⅛	3⅛	— ⅛
Wallpaper, Def. (£1)	2⅞	2⅞	..
Watney CombeDf.(£1)	3⅛	3⅛	..

Mines.

Anglo-Amer.of S.A.(£1)	2⅜	2⅛	— 1/32
De Beers Def. (£2½)	1⅛	1⅛	+ ⅛
Brakpan (£1)	4⅝	4⅝	+ 1/32
"Chartered" 15/ l.p.	1⅛	1⅛	..
Burma Corp. (Rs. 10)	1⅛	1⅛	— 1/32
Central Provinces(£1)	4⅛	4⅛	+ ⅛
Geduld (£1)	3⅛	3⅛	..
Johan. Cons. (£1)	2⅛	2⅛	— 1/32
Lake View & Star (6/)	1⅛	1⅛	— 1/32
London Tin (£1)	3⅛	3⅛	..
Rio Tinto (£5)	63	61⅛	— 1⅛
Russo-Asiatic (2/6)	⅜	⅜	..
Siamese Tin (5/)	1⅛	1⅛	..
Sub-Nigel (10/)	2⅛	2⅛	..
Tanganyika (£1)	⅛	⅛	+ 1/32
UnionCrp.(12/6) fu.pd	4⅛	4⅛	..

Current prices :—

	Jan. 10, 1929.	Jan. 17, 1929.	Rise or Fall.
4½% Lib. Ln.'33-8	100 3/32	100	—
3½% Trs. Bs.'46-56	103 1/16	102 15/16	—
Ach., Top. San. Fé	198	198½	+ ½
N. York Central	189	192⅝	+ 3⅜
Union Pacific	215	215½	+ ½
Pennsylvania	78	81	+ 3
South. Railway..	155½	154	+ 1½
U.S. Steel	163⅞	172⅛	+ 8¼
General Motors..	201	198	— 3
Amer. Tel. & Tel.	195⅛	199⅛	+ 4
General Electric	238	239	+ 1
Victor Talking..	151	148½	— 2½
Std. Oil of N.J..	53⅛	52⅝	— ⅛
Anaconda	120⅝	121½	+ 15/16

PARIS.

Following the improvement in the political situation, and the apparent certainty that the Ministry would remain in power, all securities rose notably. Important foreign purchases were reported. At the mid-month settlement delivery of great quantities of shares was taken on foreign account, and the contango rate eased to 5 per cent. Rentes were in good request, on the report that Sinking Fund purchases in the market would begin. The most favoured securities were banks, led by the Banque de France, coal shares, and public utilities, with electricity specially prominent. Rubbers increased their gains, but at the end of the week could not maintain the whole of them.

Current prices :—

	Jan. 10, 1929.	Jan. 17, 1929.	Rise or Fall.
3% Perp. Rentes	67·65	69·00	+ 1·35
5% Rentes, '15-16	96·40	97·35	+ 0·95
5% Rentes, 1920	111·00	113·30	+ 2·30
Banq. de France	24,190	26,000	+ 1810
Banq. de Paris..	5,200	5,235	+ 35
Crédit Lyonnais	4,100	4,215	+ 115
Nord	2,270	2,335	+ 65
Com. Gen d'Elec.	4,190	4,315	+ 125
Litoral Médit..	1,280	1,350	+ 70
Mines de Lens..	1,010	1,100	+ 90
Courrières	1,471	1,548	+ 77
Pechiney	4,175	4,255	+ 80
Kuhlmann	1,419	1,420	+ 1
Com. Gen. Trans.	1,281	1,384	+ 103
Suez Canal	24,310	24,335	+ 25
Assur. Gen. Vie..	19,000	19,000	..
Denain et Anzin	3,570	..	..
Dollfus Mieg	11,500	..	..

BERLIN.

The reduction of the Reichsbank's discount rate had hardly any effect on the Bourse. Heavy bear attacks were made at the end of last week on Polyphon and the chief artificial silk securities, but were checked by intervention purchases, and considerable foreign buying took place. Markets opened irregularly on Monday, but became firmer on the reduction of the private discount rate to 5¾ per cent. and on stories of a new cut coming in the official discount rate. However, the concerted bear attacks continued, and ceased only on Tuesday. The choice of Mr Morgan as one of the American experts produced a favourable impression. Mannesmann, Deutsche Erdoel, and Siemens und Halske were bought, but in general business was dull, and the cash market, as distinguished from the futures market, was weakish. On Wednesday a general decline of quotations was followed by some recovery, steel stocks remaining relatively firm. Thursday was firmer but dull. Selling of artificial silks continued, and motor-car stocks were weak.

Current prices :—

	Jan. 10, 1929.	Jan. 17, 1929.	Rise or Fall.
Reichsbank	329·75	318·00	—11·75
Deutsche Bank	173·00	171·00	— 2·00
Disconto Bank	166·87	166·00	— 0·87
Hamburg-Amer.	136·75	135·62	— 1·13
Norddeut.-Lloyd	131·87	130·62	— 1·25
I.G. Farbeninds.	263·75	260·00	— 3·75
Verein. Glanzstf.	527·00	488·00	—39·00
Bemberg	462·00	434·50	— 27·50
Verein. Stahlke.	96·75	98·00	+ 1·25
Mannes Rohrke	129·62	130·12	+ 0·50
Allgemne. Elekt.	184·62	178·25	— 6·37
Siemns. & Halske	419·37	404·50	— 14·87
Daimler Benz	67·75	60·50	— 7·25
Cont. Caoutchuc.	141·00	141·50	+ 0·50
Salzdetfurt. Kali	530·00	518.00	—12·00

AMSTERDAM.

Rubber was the feature of the past week. Very large transactions took place, the sharpness of the advance in prices being partly due to covering purchases. Later the market reacted on account of lower prices for the commodity. Tobaccos also received good attention, but artificial silk shares were very quiet and weak. Sugar shares were firm, on the large sales of the V.I.S.P. out of the 1929 Java sugar crop. In shipping there were no fluctuations. Oils weakened. As the week went on the Bourse as a whole developed firmness and activity. The money market was easy, with the private discount rate 4-4 1/16 per cent., and 4¼-4½ per cent. for prolongation.

A GILT-EDGED INVESTMENT
ÆONIC
PORTABLE RADIO
TO-DAY'S BEST MARKET VALUE
Suitcase Model, 5-valves, £16.16 complete. Ask your Wireless Dealer for a demonstration.
ÆONIC RADIO LTD., 15, CROMER ST., London, W.C.1.

Current prices :—

	Jan. 10, 1929.	Jan. 17, 1929.	Rise or Fall.
5% Bds. Neth.,'18	102⅛	101⅞	— ⅛
4½% Ams. 1913-14	100	100	—
Margarine Unie	359½	348½	— 11
Neth. Art. Silk..	431	417	— 14
Philips Elec. Lmp	866	873	+ 7
Singkep Tin	344	348½	+ 4½
Royal Dutch	402½x	398	— 4½
Amst. Rubber	260½	282½	+ 11½
Serbadjadi Sm.R.	204	238	+ 34
Holl. Amer. Line	82½	81½	— ½
Navig. Co., Ned.	214½	209½	— 5
Vorstenlanden..	151	157½	+ 6½
Trading Co., Ams.	648½	672	+ 23½
Besoeki	542	548	+ 6
Deli	457½	467	+ 9½
Neth. Trad. Soc.	171	176½	+ 5½

VIENNA.

Though a number of industrial concerns will pay higher dividends this year, no animation of business on the Bourse has so far set in. There was a temporary inquiry for Credit-Anstalt, and also a call for building and brewery shares. The banks, desiring to reanimate business, are disposed to supply the market more freely with monetary instruments for covering purposes on rather less collateral than the 120 to 150 per cent. demanded hitherto, a percentage which certainly appears high in view of the low and stable prices prevailing.

Current prices :—

	Jan. 10, 1929.	Jan. 17, 1929.	Rise or Fall.
Bankverein	25·35	25·35	—
Bodencredit	109·60	109·50	— 0·10
Creditanstalt	60·00	60·00	—
Escomptegesell	24·00	23·50	— 0·50
Danubian S'ship	86·75	86.00	— 0·75
Allgemeine Baug	36·00	36·50	+ 0·50
Ver. Elektrische	55·90	57·10	+ 1·20
Alpine	41·40	41·30	— 0·10
Felten & Guill.	66·00	66·60	+ 0·60
Austn. Arms Co.	31·19	31·00	— 0·19
Perlmoser	353·00	350·75	— 2·25
Eisenbahnver	..	52·15	..

INVESTMENT NOTES.

Imperial Borrowing in London.—The question of the use made by the Governments of the Dominions and Colonies of the British Empire of their special facilities for borrowing in the London market is of special interest in view of the fact that since the beginning of 1929, three Governments—India, New Zealand and Australia—have made issues of capital representing a £23,590,000 cash subscription. The subject is the more important inasmuch as it is understood that the recent volume of overseas borrowing, including that of the Empire, has been a subject of attention in the higher financial quarters of the City. A circular issued by a well-known Stock Exchange house discusses the question of Imperial finance with particular reference to the effects of the Colonial Stock Act of 1900, which brought the loans of Colonial Governments into the "magic circle" of the list of trustee securities, and questions whether, in view of the need for new capital at home as a result of the reorganisation of industry and the "shifting of the balance of power from the heavy export industries to the new domestic industries, transport and public utility undertakings," it may not be advisable to consider whether the present pace of Empire issues can be maintained. The report of the British Economic Mission to Australia, dealt with below, comes opportunely from this point of view. The subject of Imperial borrowing, however, has many facets, and if it be taken up in high quarters is likely to involve considerable and prolonged future discussion.

Australian Finance.—The summary cabled from Australia of the report of the British Economic Mission is of particular interest in view of the loan for £8,000,000 offered in London this week on behalf of the Commonwealth and States. The members of the Mission—Sir Arthur Duckham, Sir Hugo Hirst, Sir Ernest Clark and Mr Dougal Malcolm—conclude that the present financial position of Australia is sound—in the sense that the national income and the sources of public revenue are amply sufficient to pay for Government services and provide for the service and repayment of the public debt—but are critical of past borrowing and advise moderation in the future. Australia in past years, in their opinion, has spent too much unprofitably on developmental schemes which have been undertaken either without sufficient regard to the probable financial and economic results, or without adequate preliminary investigation; she has, they infer, been mortgaging the future too deeply and would do well to restrict expenditure of borrowed money for development, and to leave the field more widely open to private enterprise. The Mission also voice the common complaint of a vicious circle of increased prices due to the high import tariff, and of increased costs of labour due to arbitration awards. They criticise the giving of excessive or prolonged assistance to infant industries and the protecting of inefficient trades. They recommend that a full scientific inquiry and investigation should be instituted by the Commonwealth Government into the whole question of the economic effect of the tariff and the incidence of the duties. These questions were recently discussed in these columns (December 15, 1928, p. 1114), and we do not think that the British Economic Mission has erred on the side of severity in its criticisms. One of the detailed matters which the Mission raised was the position of the Australian railways. An examination of the figures showed that the capital employed earned in the last five years an average of only 3½ per cent., and could not, therefore, be considered worth its nominal amount as an income-earning asset. The Mission strongly advises that the State railways should be made to pay, even at the cost of drastic economies or increased rates, and that having regard to the possibilities of motor transport, no further construction of State railways should be undertaken except after a full investigation by an independent authority. Another detail of the Report is worth mentioning. It is pointed out that a proportion of overseas loan moneys accrues to the Commonwealth as revenue as a result of the taxing by the Customs of the proceeds of loans which are "imported" in the form of merchandise. This is an interesting point, seeing that Australia is borrowing overseas at the rate of about £40,000,000 a year. The members of the Mission expect much from the establishment of the Australian Loan Council. Everything depends, indeed, on the success of the Loan Council in restraining the future borrowing proclivities of the States.

Insurance Share Values.—The insurance share market, after a setback in September and October, continued on an upward course and finished the year strongly, though at a rather lower level than three months earlier. None the less, the rise of our index during the year has again been large, and in some individual cases very substantial. The table which appears below sets out the history of an investment in 1913 of £1,000 in the ordinary shares of each of 25 leading companies, and an index also of the total. Columns have been added to show the values as at December 31, 1927, and December 31, 1928. The figures are based on the mean of the highest and lowest prices in each year, except in the case of the last two columns, which relate to the middle market prices on the dates specified.

SHARE INDEX.

Office.	1913.	1920.	1926.	1927.	1928.	Dec. 31, 1927.	Dec. 31, 1928.
Alliance	1,000	1,018	1,323	1,424	1,738	1,564	1,689
Atlas	1,000	2,059	2,361	2,745	3,595	2,984	3,273
Caledonian*	1,000	1,776	3,663	3,815	5,264	4,065	6,432
Commercial Union †	1,000	2,451	3,867	4,695	5 038	4,615	4,953
Employers' Liability	1,000	3,558	2,928	2,835	2,955	2,613	3,063
Equity and Law	1,000	922	1,210	1,196	1,725	1,214	2,098
General Accident	1,000	2,650	4,700	4,314	6,538	4,533	7,998
Gresham Fire	1,000	2,889	3,476	4,145	3,886	4,534	3,333
Gresham Life	1,000	649	2,065	2,916	3,852	3,543	4,030
Guardian †	1,000	1,731	2,111	2,215	2,678	2,288	2,628
Legal and General	1,000	1,443	2,746	3,524	5,233	4,153	5,902
Life Assoc. of Scotland	1,000	1,009	1,403	1,584	1,804	1,682	1,896
London & Lancashire	1,000	1,801	3,212	3,625	4,673	4,115	4,769
London Assurance	1,000	1,832	2,159	2,207	2,350	2,232	2,377
N. British & Mercantile	1,000	1,338	2,934	3,368	4,467	3,822	4,713
Northern	1,000	2,067	1,683	1,736	2,068	1,746	2,149
Phœnix	1,000	1,429	1,778	1,740	1,937	1,725	1,996
Prudential	1,000	730	1,862	1,821	1,995	1,857	2,163
Royal Exchange §	1,000	2,325	3,386	3,635	3,481	3,573	3,397
Royal	1,000	1,379	2,945	2,925	2,961	2,546	3,011
Scottish Life	1,000	1,129	1,736	1,762	2,042	1,834	2,360
Scottish Union and National	1,000	2,764	3,106	3,715	5,032	4,141	5,324
Sun Fire	1,000	1,159	1,627	1,933	2,604	2,169	2,916
Sun Life	1,000	645	1,733	1,708	2,138	1,814	2,297
Yorkshire	1,000	2,293	2,157	2,224	3,005	2,312	3,253
Average	1,000	1,721	2,439	2,692	3,330	2,866	3,542

* Caledonian, 1923.—£25 shares split into £5 shares, one new £5 share at 6 premium for each £5 share. † Commercial Union, 1927.—New shares of £2 10s. offered proportion of one share for each five held, at £16 per share. ‡ Guardian, 1927.—£10 shares split into two £5 shares and one £4 pref. share each. § Royal Exchange, 1927.—New shares £1, offered in proportion of one share for each £5 stock held, at £6 10s per share.

The figures in the last two columns show that the shares of only two companies, the "Gresham Fire" and the "Royal Exchange," failed to advance during 1928. The "Gresham Fire" has suffered heavily from the enforced liquidation of its Canadian subsidiary, and the consequent complete loss of the investment, while the "Royal Exchange" had to deal again with large marine losses in the 1927 accounts. This question of marine losses is unfortunately all too likely to figure largely in the reports shortly to be issued for 1928. Two purely life companies have proved outstandingly favourable for share investors in 1928, the "Equity and Law" and the "Legal and General." The shares of these very strong companies have previously been commented on in our columns.

Share Values in Amsterdam.—Readers who have been following our weekly cables on the Amsterdam Bourse may be interested in a brief numerical review, which is now available, of the course of stock values in that centre over the whole of last year. The following table of index numbers, which is compiled from figures prepared by the Central Bureau of Statistics, gives a quarterly summary of prices in the most important share groups :—

	Average of 1921-5 = 100. Dec., 1927.	March, 1928.	June, 1928.	Sept., 1928.	Dec., 1928.
Industrials	109	116	111	115	115
Banks	106	112	109	112	113
Shipping	108	106	92	94	96
Dutch Colonial..	158	155	148	143	143
Oil	97	95	108	121	128
Miscellaneous	88	93	89	90	96
All stocks	116	119	114	116	118

Throughout the year the movement has been generally upward, but a break occurred in the month of June, and a somewhat slighter one in October. The remarkable strength of the oil market has been offset by the effect of the rubber slump on Dutch Colonial securities and the depressing influence of low freight rates on shipping shares.

Duophone Developments.—The *Duophone* company continues its chequered career. Last week petitions were made by creditors for the liquidation of both Duophone and British Brunswick, but these were dismissed on the payment of their debts in full by the two companies. Simultaneously it was announced that a syndicate had been formed to purchase from the Duophone Company its gramophone factory at New Malden. The new company, called the Malden Holding Company, takes over the whole of the land, plant, buildings and equipment at New Malden, with the exception of a few machines used in the

manufacture of the unbreakable type of record, together with the Duophone interests in the recording studios in the Chenil Galleries. The new company will have different directors from the old, but Mr J. H. Balfour (an ex-manager of H.M.V.) has been released from his obligation as managing director of the Duophone Company and will become the managing director of the new company. Under the contract the new company will manufacture a certain quantity of records for the Duophone Company for a term of years. We presume that the purpose of these transactions is to enable money to be raised for the Duophone business. In view of the unsatisfactory report and accounts which were presented at the last general meeting it would be too much to expect the public to subscribe fresh capital for the old Duophone Company. The obvious way out was for a new company to take over the assets and start afresh, and we understand that an offer of shares by the new company will be made within the next two months. Whether the existing Duophone shareholders are likely to welcome this latest development is another matter.

Ner-Sag.—An official announcement, issued by the secretary of the company and posted in the Stock Exchange on Wednesday, stated that the new directors, Sir John Biles and Mr Hackett, had failed to obtain satisfactory answers from Mr C. A. Brandreth, the late chairman, to questions of vital importance, and that no other conclusion could be drawn than that the recently published accounts could not be relied on; that efforts to trace the whereabouts of Mr and Mrs Brandreth had failed, and that, having regard to the present financial position of the company, it was not considered proper to proceed with the recommendations for the payment of the final dividend nor with the scheme of capitalisation and distribution of bonus shares. For 24 hours before the announcement doubts were being felt about the payment of the dividend, for Ner-Sag shares, which started the week at 3, had weakened to under 2⅛ at the close on Tuesday. The official news precipitated a headlong fall, and on Wednesday afternoon the price was 1¼. It is stated that further information will be available at the adjourned meeting on January 24th, which will be awaited with some interest. A circular has been issued by two directors of Ner-Sag (Overseas) stating that while Mr Brandreth's estimates of profit and sales will not be reached, the company has "substantial assets." A fuller report is promised later.

Greyhound Racing Association Trust.—The prospectus of this company, in December, 1927, made the following inspiriting forecast:—"It is anticipated that after all necessary provisions for amortisation of constructional and other initial expenditure at the tracks by the Greyhound Racing Association, this company will receive dividends which will enable it not only to pay the fixed dividend, but also a further dividend on the participating preference shares, and a substantial dividend to ordinary shareholders." Some six weeks before the appearance of the issue in question we had found it necessary to warn our readers that our own view of the future of greyhound racing was anything but optimistic, and the present report of the Trust does much to confirm our conclusion that even in the case of a well-financed, well-conducted company, an investment in this new sport was fraught with a degree of risk which should make the small investor hang back. The Trust holds 98.4 per cent. of the share capital of the Greyhound Racing Association, which owns tracks at the White City, Harringay, Edinburgh, Birmingham, and Leeds. The shares stand in the balance-sheet at £587,142, or £6 17s 9d per share of 1s nominal value. The Trust has also advanced to the G.R.A. £297,976 at 6 per cent., secured by a first charge. The interest on this loan and two interim dividends of 6s per share declared by the G.R.A., the second of which is not actually payable till January 31, apparently supply the bulk of the £68,809 which the Trust shows as revenue from the date of incorporation to December 31, 1928, a period of 13 months. Payment of 8 per cent. on the preference capital requires £64,354, some £1,188 is set aside for income-tax, and £3,267 carried forward. The "substantial dividend" promised to the ordinary shareholders is not forthcoming. The balance-sheet continues to carry preliminary expenses and underwriting commission at £57,112 as an asset, while the Trust's investment in and loan to the G.R.A. (which are the subject of a qualification in the auditors' report) represent 92 per cent. of the total "live" assets. In view of current reports that the popularity of greyhound racing is waning, it would be interesting to know whether the earnings of the G.R.A. itself are on the up or the down grade. On that matter the report of the Trust throws no light. The £1 preference shares of the Trust are now quoted at 3s 4½d and the 1s ordinary, which have been up to 5s 3d, at about 3d.

Michael Nairn and Greenwich.—The profits of this linoleum holding company have been gradually growing since its formation in 1922, and though the total increase for the last two years amounts only to £851, it seems at any rate that the linoleum trade is soundly placed. The capital of the company, which controls Greenwich Inlaid Linoleum (Frederick Walton's Patents) Company and Michael Nairn and Company, consists entirely of ordinary shares, and after the first year of its existence, when 10 per cent. was paid, the dividend has been steadily kept at 12½ per cent., less tax.

	Years Ended December 31. — 1926.	1927.	1928.
	£	£	£
Profits	225,967	226,365	226,818
Dividends (Earned	12 15/16 %	12 11/16 %	12 11/16 %
Dividends (Paid, less tax	12 5/16 %	12 1/16 %	12 1/16 %
Dividends (Amount	219,773	219,829	219,829
Increase in carry-forward	+ 6,194	+ 6,536	+ 6,989

Changes in the balance-sheet, which will be found summarised on a later page, are small. "Investments, &c., at cost," stand at £2,457,486, an increase of £6,073. "Cash" is down from £7,944 to £1,919, but "sundry debtors" are up by £6,852. Unfortunately a consolidated balance-sheet is not published. That the reports and accounts were available so soon after the close of the financial year argues expeditious accounting, even in the case of a holding company. At the market price of 2 11-32 the £1 shares yield £5 8s 6d, less tax.

Trading Company of Amsterdam.—Among the larger commercial concerns whose stocks are quoted on European stock exchanges interest attaches to the Trading Company of Amsterdam, the largest Dutch sugar manufacturing concern, which has just celebrated its jubilee. The company owns 36 estates in all in Java and Sumatra, its sugar plantations alone covering about 10,800 acres, from which about 3½ million quintals of sugar are produced annually (1 quintal = 220.4 lbs). The total capacity of the mills of the sugar factories may be put at 245,000 quintals per day. The estates and factories employ about 1,050 Europeans and over 150,000 Asiatics. Working expenses amount to about 55 million guilders per annum. The balance-sheet valuation of assets reflects the conservative policy followed by the board. Though 210 million guilders have been spent in the last 50 years on estates and buildings, these stand in the accounts at a nominal value of one guilder. The present paid-up capital is 40 million guilders, with a statutory reserve of 10 millions and a special reserve of another 10 millions. Various issues of bonds have been made, the total outstanding on December 31, 1928, being about 20,700,000 guilders. A further issue was made this week of 9,800,000 guilders of 4½ per cent. bonds at 99. The high and low points for the company's shares last year were 822 in February and 612 in October, the present quotation being 655. A dividend of 30 per cent. is being distributed on the ordinary shares for 1928, an interim of 15 per cent. having already been paid.

The Rubber Position.—The recent rise in rubber prices took the market by surprise. From the time that the removal of restriction was announced in 1928 until the end of last year the view obtained that in January, 1929, there would be a heavy surplus of rubber. Consequently a low price prevailed and stocks in all centres were reduced, though more heavily in London than elsewhere. Early this month the London stocks stood at under 20,000 tons, and were firmly held against commitments, since heavy arrivals were expected and the market took a bearish view. The Malayan shipment figures which were announced on January 3rd, however, showed that no more than 8,164 tons had been shipped to London during December. Dealers thereupon took immediate steps to procure spot rubber for their early commitments, their efforts bringing about a rise in the price from 8⅞d to 9⅜d. Estates had by that time sold anything which they had left over from their previous heavy forward sales, so the position was very strong. At this point speculators came in and removed any doubts as to the prevailing tendency. It then became known that rubber which had been bought from a certain quarter was unlikely to be delivered—market gossip stating that an operator had been "caught short" of as much as 3,000 tons—and the quotation was forced up to 11¼d by more covering. That the trouble was local and probably temporary is proved by the way in which New York prices lagged behind London, and by the early subsidence of Monday's excitement. The present position is that there is too much rubber being produced and shipped to allow a continued squeeze. Estates are likely to sell at about 10d, and manufacturers will buy more freely now that the market seems to have turned, but they are not likely to follow prices much higher at present. As regards the share position, before the recent rise practically all shares were high on the basis of yield, and on few shares are earnings likely to reach 8 per cent. with rubber at 10d. That buying is not always of a reasoned character is exemplified by a 50 per cent. rise, during the last few days, in the value of the shares of a company which had already contracted to deliver its whole output for 1929 at a fixed price. There are certain "acid tests" which the investor would do well to apply to any rubber share in which he may be inclined to take an interest at the present moment:—(1) Cost of production; (2) Reserves—are there ample cash resources to enable the company to pay dividends if profits are earned or must debentures first be paid off? (3) Is the company's policy progressive, and does it own a reasonable proportion of *young* rubber? (4) How many pounds of rubber does the company produce per pound sterling of its par capital? This question is most important, and is much more relevant to the investor's purpose than the old method of working out capitalisation per acre. Some estates which produce to-day only 250 lbs per acre are obviously in a very different position from estates producing 500 lbs per acre. The necessary data are now readily obtainable for practically all companies. The investor who has thus satisfied himself as to the ultimate soundness of a given dividend must still be prepared, in a number of cases, for the receipt of little or no dividend in respect of 1928.

Tin Selection Trust, Limited.—The Tin Selection Trust is one of the holding companies of the Anglo-Oriental group. Its revenue is derived from dealings in shares, from dividends on share holdings, and from fees, commission, and underwriting profits. The trading results for the year ended December 31, 1928, compare with those of previous years as follows:—

	1925.	1926.	1927.	1928.
	£	£	£	£
Issued capital	200,000	950,000	1,000,000	1,000,000
Gross profit	34,722	142,833	267,740	189,926
Ratio to capital	17.38%	15·03%	26·77%	18·99%
Net profit	31,560	138,981	252,145	149,767
Dividends (Amount	15,876	54,000	130,000	120,000
Dividends (Rate	10%	12½%	16¼%	15%
To reserve and written off	12,602	150,790	119,914	52,793
Carried forward	3,082	73,862	99,714	79,481

The revenue in 1927 was swollen by profits derived from the realisation of investments, of which £80,000 was set aside for transfer to general reserve account. The revenue in 1928 suffered chiefly because profits from dealings in shares fell by nearly 70 per cent. With the falling price of the metal it was obviously impossible to make money out of the tin share market last year except on the "bear" account. If we assume that the total fall in profits from £252,145 to £149,767 is due to the fall in profits on share dealings, it would appear that the trust made a profit of £146,254 out of share dealings in 1927 and of £43,876 in 1928. The schedule of investments which accompanies the report shows that, exclusive of a holding of £100,154 in British Government securities and shares in London Tin Syndicate costing £338,936, the trust has investments spread over 57 tin-mining companies (at an average cost of £16,194 each), of which 65 per cent. are in Eastern properties. During last year the trust's investment in London Tin Syndicate was increased by £57,292, but its remaining investments decreased by £58,791, due to realisations in the Eastern and Cornish groups, part of which were transferred to the London Tin Syndicate. The important developments in the year were the formation of the London Malayan Tin Trust in collaboration with the London Tin Syndicate and the expansion of the trust's allied activities in Nigeria. As regards Nigeria, the programme of the group, according to the trust's report, is:—(1) To bring the major output of Nigeria under one central system of technical control. (2) To supplement the inadequate labour force by modern mechanical plant, and (3) to impound an increasing proportion of the rainfall which at present runs to waste, and to harness the waterfalls in order to provide cheap electrical power throughout the alluvial tin fields of the Bauchi plateau. For the purpose of providing funds for the hydro-electrification of the Bauchi plateau the trust is proposing to increase its authorised capital from £1,000,000 to £2,000,000. Presumably the amount and terms of issue will be disclosed at the general meeting on January 29th. The trust deserves congratulation on the presentation of its accounts, which are among the most informative presented by any holding company.

Premier Diamond.—Operations having been in progress for only ten months of the financial year—they were, of course, suspended about the middle of 1927 owing to the position of the diamond trade—the report to October 31st naturally shows a decline in output; it also shows an increase in costs. There was also a falling off in average yield from .183 to .172 carats per load. The revenue is swollen by the transfer of £73,300 special suspense account, and so is not much below that of the preceding year (£951,400), but compares unfavourably with £1,456,700 in 1925-26. Expenditure being £148,900 higher at £594,600, last year's net profit figures at only £356,800, or £149,600 less than in 1926-27. Of this amount the Union Government takes £294,100, and the shareholders £142,700, or 40 per cent. As the preference dividend absorbed £100,000, no distribution could be made upon the deferred, which for 1926-27 received 250 per cent. These shares are practically all in the hands of the De Beers Company. The quantity of blue ground in sight above the 610 feet level is estimated to be sufficient to maintain the present output for five years, irrespective of some six million loads at present inaccessible because they support the main haulage. While the competition of the Lichtenburg alluvial fields has lately diminished in intensity, a new factor has arisen in the extraordinarily rich discoveries in Namaqualand, so rigidly controlled by the State. Altogether the outlook for diamond mining enterprises appears none too settled.

Fanti Consols.—Surplus on investments realised is responsible for the expansion in the 1928 profits, the amount figuring at nearly £54,000, as against less than £10,000 in the previous year; interest, dividends, and the like at £55,700 are almost the same. The directors are content to raise the dividend by 3d per share to 1s; for the preceding eight years the rate has ruled at a steady 9d; £30,000 are transferred to reserve. At £584,100 the investments and interests show an increase of £84,700. These assets are stated to show a very substantial surplus over the amount at which they stand in the balance-sheet. The holding of Treasury Bonds has been reduced by about

one-half to £50,600. As regards the portfolio the most notable change is the doubling of the number of Bwana M'Kubwas, 100,000 of these shares now being held. Other interests which embody more importance at present than they did a year ago are the 50,000 British South Africa and the 30,000 Union Corporation shares. On the basis of the latest dividend the yield is approximately 8 per cent.

Anglo-Foreign Newspapers, Limited.—In a recent discussion of the investment qualities of the British investment trust (see *The Economist*, January 5, 1929, p. 25), we insisted on the supreme importance of good management and good "connections," and suggested that something was to be said for the practical policy of backing the horses out of well-known stables—in other words, of investing in the companies of the well-known "groups" in the investment company world. The offer for sale made this week, however, by the Carmelite Trust of 3,000,000 5s ordinary shares at 6s 6d and 375,000 1s deferred shares at par in Anglo-Foreign Newspapers, Limited, would seem to subject this general principle to a rather severe strain. Anglo-Foreign Newspapers has been formed under the auspices of two companies of the Horne group, Mr H. S. Horne being its chairman, but the only information on which to base a judgment as to its position and prospects is contained in the statements that "after a thorough examination of the newspaper and allied industries in certain Continental Capitals, the directors.....are convinced that.....they can secure the advantageous employment of this company's funds," and that "negotiations are nearing completion for the acquisition of important interests which will provide the company with a nucleus of business." What are these interests, where are they situated, and why has the present issue been made *before* the decisive negotiations have been completed? We suggest that by asking the public to subscribe, on such a meagre basis of fact, for ordinary shares at a premium of 30 per cent., the sponsors for the issue are making an unduly extensive use of the "goodwill" attached to their name, position, and experience. It should be pointed out that the safeguards for the investor contained in the constitution of an ordinary investment trust—the limitation of the amount of capital which may be invested in any one concern, and the "spreading" of risks over a large number of interests—do not apply to the present issue. Newspaper administration, as we endeavoured to show in a recent series of articles, must be numbered among the more speculative of modern industries, and though the board of this company includes various well-known names, much more detailed information is required as to the scope and nature of future operations before any view can be expressed as to the company's prospects of success.

CAPITAL ISSUES.

THE total prospectus issues for the week, excluding conversions, came to £10,971,000, as compared with £7,162,500 last year, making a total for the year of £30,386,605. Issues to shareholders totalling £1,177,500 were also announced, and new securities that came on the market during the week, after gaining introduction through notices "for public information," accounted for a further £188,500 on the basis of the opening price. The most important issue was the £8,000,000 5 per cent. loan 1945-1957 raised by the *Commonwealth of Australia* on behalf of itself and the States, and issued at 98 per cent. The proceeds of the loans are to be used for development work in Australia and for making loans to the States for settlement of migrants from Great Britain. The recent report of the British Economic Mission to Australia on the state of Australian finance is referred to in an Investment Note. As the price of issue was only about ½ per cent. below the market quotations of the existing 5 per cent. loans, the terms of issue were not regarded as cheap, although they were identical with the terms offered for the two Commonwealth loans last year. The other trustee issue of the week was £750,000 4½ per cent. loan raised by *Wakefield Corporation*. As the price of issue of 96 only allowed a running yield of £4 13s 9d per cent., it is obvious that competition among the issuing houses is still responsible for making Home Corporation loans definitely dear. Another investment trust company issue appeared last week with the issue of 100,000 shares of £10 each by the *Winterbottom Trust, Limited*, of which only half was made available for the general public, the balance being subscribed by the Winterbottom Book Cloth Company, an old-established Manchester business which has surplus funds for investment. The company will carry on the usual business of an investment trust proper, and its board of directors includes Sir William McLintock and Mr Lancelot Hugh Smith, who are directors of the Grange Trust and Ailsa Investment Trust. Under these auspices the issue can be recommended to the investor. Of the commercial issues, the most remarkable was that of 3,000,000 ordinary shares of 5s at the price of 6s 6d and 375,000 deferred shares of 1s at par of the *Anglo-Foreign Newspapers*, a new company launched by companies of the Horne group—the Carmelite Trust and Associated Anglo-Atlantic. The prospectus, which was remarkable for its lack of information, caused some comment in the City, and is discussed in the previous column. The issue of participating preference shares and ordinary by *Radcliffe's Edible Products, Limited*, marks the public flotation of an old-established business which has specialised in edible oils and fats. Profits have fluctuated widely in recent years, and when an old business expands and makes a public issue the speculative risk must not be disregarded. Another established concern floated as a public company was that of *Sangers, Limited*, which made an issue of preference shares at par and ordinary shares of 5s at 2s premium. This is a business of wholeale druggists and sundriesmen. The purchase consideration of £579,558 in cash includes £275,000 for goodwill. The working capital is to be increased by only £25,000 as a result of the issue. Although the issue is necessarily speculative, the preference shares are at any rate covered by tangible assets. The inevitable patent issues were provided by *Einstein's Electro Chemical Process, Limited*, and *British Carbocite Smokeless Fuel, Limited*. The first company acquires world rights to patent processes which enable materials of any shape or contour to be metallised by electro-chemical action. Everything will depend on Mr Einstein, who receives £40,000 in cash and 850,000 ordinary shares, and will act as managing director. The second company manufactures a smokeless fuel from coal dust and small particles of coal under a process which is in commercial use in France and the United States. Being a commercial speculation the issue appropriately takes the form of ordinary shares of 2s.

ISSUES OF THE WEEK—

By Prospectus or Offer of Sale.

Amount previously recorded, £18,138,105.
Including conversion amount previously recorded, £30,648,105.
National Savings Certificates.
Net sales week ended January 12, 1929, £100,000.
Total receipts April 1, 1928, to January 12, 1929, Dr. £1,500,000.

Grace National Bank
Hanover Square, New York, U. S. A.

We undertake the investment of funds in U. S. Government Bonds, Bank Acceptances and American securities for our banking correspondents.

Special Representative
148 Leadenhall St. London, E. C. 3.

Description and Date of Issue.	Nominal Capital.	Conversions or Repayments.	New Money Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
Government of the Commonwealth of Australia £8,000,000 5% Reg. Stk. at 98%, Red. at par July 1, 1945-75 (Jan. 16)	8,000,000 ..	..	..7,840,000..	400,000..	7,440,000
Winterbottom Trust. 100,000 Ord. £10, at par (Jan. 15)	1,000,000..	..	..1,000,000..	250,000..	750,000
Anglo-Foreign Newspapers, 3,000,000 Ord. 5s, at 6s 6d (Jan. 16)	750,000..	..	.. 995,000..	245,000..	750,000
Do 375,000 Def. 1s, at par	18,750..	..	.. 18,750..	18,750..	..
Wakefield Corporation, 4½% Red. Stock (£750,000), 1949-59, at 96% (Jan 15)	750,000 .	400,000..	336,000..	20,000..	316,000
Einstein's Electric Chemical Process, 250,000 8% Ptg. Pref., £1, at par (Jan. 17)	250,000..	..	.. 250,000..	31.250..	218,750
Do 250,000 Ord., 4s, at par	50,000..	..	.. 50,000..	50,000..	..
Sangers, Limited. 250,000 7½% Cum. Pref. Shares (£1 each, at par.....	250,000..	..	.. 250,000..	31,250..	218,750
Do 125,000 Ord. Shares of 5s each, at 7s per share (Jan. 14)	31,250..	..	.. 43,750..	21,875..	21,875
British Carbocite Smokeless Fuel, 1,050,000 Ord., 2s, at par (Jan. 17)	105,000..	..	.. 105,000..	26,250..	78,750
Radcliffe's Edible Products 150,000 8% Cum. Ptg. Prf., 10s, at par (Jan. 15)	75,000..	..	.. 75,000..	7,500..	67,500
Do 150,000 Ord., 1s,, at par	7,500..	..	.. 7,500..	7,500..	..
Total offered to public	11,287,500..	400,000..	10,971,000..	1,109,375..	9,861,625
To Shareholders only—					
North Metropolitan Electric Power Supply, 325,000 Ord., £1, at 30s	325,000..	..	.. 487,500..	487,500..	..
Scottish Mortgage & Trust, 150,000 Ord., £1, at £2 10s	150,000..	..	.. 375,000..	150,000..	225,000
Rhodesian Selection Trust, 1,000,000 New, 5s, at par	250,000..	..	.. 250,000..	250,000..	..
East Kent Road Car, 50,000 Ord., £1, at 26s	50,000..	..	.. 65,000..	12,500..	62,500
Total offered to shareholders only	775,000	..	1,177,500..	900,000..	277,500

Total offered for subscription—

To date—	Including Conversions. £	Excluding Conversions. £
1929.....	43,296,605 ..	30,386,605
1928.....	.. ..	100,189,539
1927.....	.. ..	81,308,089
1926.....	.. ..	24,216,685
1925.....	.. ..	12,712,665
1924.....	.. ..	3,823,625
1923.....	.. ..	31,770,434

Net total offered for subscription—

Whole year—	Including Conversions. £	Excluding Conversions. £
1928.....	693,100,056 ..	369,058,073
1927.....	.. ..	355,165,970
1926.....	.. ..	230,782,801
1925.....	.. ..	232,214,500
1924.....	.. ..	209,526,100
1923.....	.. ..	271,399,173
1922.....	.. ..	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Issue (in brackets).	Amount of Capital Introduced. £	Price at Which Dealings Began.	Total Cash Involved. £
Amount previously recorded ..	341,250 ..	.. ..	392,187
Morgan Film Service (1928), 600,000 Ord. Shares, 2s (Jan. 14)	60,000 ..	2/3 ..	67,500
General Automatic Co., 440,000 Ord., 1s (Jan. 14)	22,000 ..	5/6 ..	121,000
Total for week	82,000 ..	..	188,500

Total Introduced.

Amount of capital introduced to date, 1929, £423,250.
Total cash involved in introductions to date, 1929, £580,687.

Government of the Commonwealth of Australia Five per Cent. Loan, 1945-75.—Issue of £8,000,000 registered stock at £98, with the approval of the Australian Loan Council. The proceeds will be used for developmental works and for loans to the States for the settlement of migrants from Great Britain. All Commonwealth loans carry a ½ per cent. per annum sinking fund, and the Treasurer has authority to apply surplus revenue to the redemption of debt. In the financial year ended June 30, 1928, the National Debt Commission repurchased over £600,000 Commonwealth securities on the London market.

Wakefield Corporation.—Issue at £96 of £750,000 4½ per cent. redeemable stock, 1949-59, of which £400,000 will be available to holders of 3 per cent. stock, 1929, who have the option to convert. The stock is a trustee security. Outstanding debt is £2,657,377, of which 86 per cent. represents productive debt. Population is estimated at 55,045, and a 1d rate will produce £1,367. The total rates for 1928-9 are 16s 6d, and the assets are valued at £3,721,841. The present issue is required for extending the waterworks undertaking.

Winterbottom Trust, Limited.—Issue at par of 100,000 £10 shares, which will be converted when fully paid up into £6 of 5 per cent. preference stock and £4 of ordinary stock. Additional 5 per cent. cumulative preference stock or shares may be issued provided that the total nominal amount of preference stock and shares shall not exceed 60 per cent. of the total nominal issued share capital. The company has been formed to carry on the usual business of an investment trust company.

Anglo-Foreign Newspapers, Limited.—Offer for sale of 3,000,000 (out of 12,000,000) 5s ordinary shares at 6s 6d, and 375,000 (out of 3,000,000) 1s deferred shares at par, the former entitled to a non-cumulative 10 per cent. dividend and three-fifths of the remaining distributed profits. The company will acquire, found, and develop newspaper and allied undertakings at home and abroad.

Einstein's Electro Chemical Process, Limited.—Issue of 250,000 8 per cent. £1 participating preference shares and 250,000 (out of 1,250,000) 4s ordinary shares, the former entitled to one-fifth of the surplus distributed profits after payment of 8 per cent. on the ordinary. The company acquires world rights in certain patents, patent applications, and secret processes for metallising many kinds of materials to any desired thickness. The purchase consideration is £210,000, including £40,000 in cash and 850,000 ordinary shares, in addition to a royalty and a percentage of net profits. Working capital is estimated at £210,000.

Sangers, Limited.—Issue of 250,000 7½ per cent. £1 cumulative preference shares at par and 125,000 (out of 1,000,000) 5s ordinary shares at 7s. The company acquires as from March 31, 1928, an old-established business of wholesale druggists and sundriesmen, with net assets (excluding goodwill) valued at £266,892, for a purchase consideration of £579,558 in cash, £275,000 of which is allocated to goodwill. The promoters of the sale undertake to subscribe for the remaining 875,000 ordinary shares at 2s premium. Net profits have been (to March 31st):—1924, £73,039; 1925, £71,170; 1926, £69,241; 1927, £70,312; 1928, £69,172. Working capital will be increased by approximately £25,000 from the proceeds of this issue.

British Carbocite Smokeless Fuel, Limited.—Issue at par of 1,050,000 (out of 1,500,000) 2s ordinary shares. The company takes over the British patents and rights relating to a smokeless fuel, which it will manufacture and sell; it also acquires the assignment of a lease of a factory site, the benefit of a two years' contract, and an option to purchase Dominion and Indian rights. The purchase consideration is £50,000, including £5,000 cash and 450,000 shares. Working capital, after erection of plant and purchase of freehold, is estimated at £33,350.

Radcliffe's Edible Products, Limited.—Issue at par of 150,000 10s 8 per cent. cumulative participating preference and 150,000 (out of 500,000) 1s ordinary shares, the former entitled to an additional non-cumulative dividend not exceeding 2 per cent., after payment of 15 per cent. on the ordinary capital. The company acquires a business, founded in 1852, of edible oil and fat blenders and manufacturers, with assets valued at £56,903 9s, including £25,958 11s 1d for goodwill and trademarks. The purchase price is £56,903 in cash, the vendors subscribing in cash for 40,000 preference and 40,000 ordinary shares, which will be allotted on the terms of the prospectus. Profits, before certain deductions, have been (to May 31):—1924, £8,641; 1925, £7,162; 1926, £10,341; 1927, £4,966; 1928, £13,096; period to November 17, 1928, £6,020. Working capital will exceed £40,000.

Aldershot Gas, Water and District Lighting Company.—Offer for sale by tender of £110,000 4 per cent. preference stock, at a minimum price of 70.

Hemel Hempstead District Gas Company.—Offer for sale by tender of £6,000 6 per cent. redeemable debenture stock, 1938, and £6,000 "C" ordinary stock, ranking for 7 per cent. dividend subject to a sliding scale equally with the existing "C" ordinary stock; each at a minimum price of par. Issued stock capital £61,500, loan capital £20,500.

Particulars of the following have been issued for public information only in connection with Stock Exchange "introductions":—**Morgan Film Service (1928), Limited**, issued capital 600,000 (out of 750,000) 2s shares; the company acquires a business producing and distributing films for national advertisers, for a purchase consideration of £45,000 in cash. **General Automatic Company, Limited**, issued capital 440,000 (out of 800,000) 1s shares, which were issued at a premium of 1d; the company was formed in July, 1928, and has acquired for a consideration of £600 the sole right under patent of a coin automatic machine for the sale of goods other than tobacco and tobacco products; 200,000 shares are under option till July, 1930. **Auto-Dore, Limited**, capital £25,000 in 5s shares, which have been issued at 5s premium; the company acquires the world rights in two automatic machines, for the sum of £25,000 in cash and a 25 per cent. royalty on gross receipts. **Trans-Oceanic Trust, Limited**, issued capital £600,000 5 per cent. cumulative preference stock and £400,000 ordinary stock; issue of £500,000 5 per cent. first debenture stock, 1969-79, at 95½, a first floating charge on the undertaking and all property and assets, present and future. **N.C. Metal Company, Limited**, issued capital 200,000 (out of 230,000) £1 "A" ordinary shares and 20,000 £1 "B" ordinary shares, the "B" shares having special voting rights; the company was incorporated in 1926 to acquire certain British and foreign rights in an invention for the extraction of metals from their ores, and was converted into a public company in December, 1928; outstanding unsecured loans amount to £55,375. **Lyceal, Limited**, issued capital 380,000 (out of 500,000) 5s shares, of which 240,000 are 2s 6d paid; the company acquires world rights for a mattress support, with the benefit of patent applications and the business of the vendors; purchase consideration is £50,000, including £15,000 in cash and £35,000 in shares.

COMPANY MEETINGS, &c.

BARCLAYS BANK, LIMITED.

TURNOVER SHOWS A FURTHER CONSIDERABLE INCREASE.
POSITION OF HOME INDUSTRIES: A HOPEFUL VIEW.
GERMAN REPARATIONS AND THE CREDITOR POWERS.
COMMERCIAL AND FINANCIAL PRESTIGE OF LONDON.
MR F. C. GOODENOUGH ON THE MONETARY POSITION.

The 34th ordinary general meeting of the shareholders of Barclays Bank, Limited, was held, on the 17th instant, at the Cannon street Hotel, London, E.C. 4.

Mr Frederick Craufurd Goodenough (the chairman) presided.

The Chairman, who was received with applause, said:

My lords, ladies, and gentlemen,—I wish to preface my remarks by a reference to the great national anxiety on account of the grave illness of His Majesty the King, and to express the earnest hope of all those present for His Majesty's speedy recovery. We are all glad to have better news. I will call upon the secretary to read the notice of meeting and the certificate of the auditors which appears at the foot of the balance-sheet and profit and loss account that have been submitted to you.

The secretary (Mr W. N. Seeley) then read the formal notice convening the meeting and the report of Messrs Price, Waterhouse, and Co., and Messrs Kemp, Chatteris, Nichols, Sendell, and Co.

The Chairman: My lords, ladies, and gentlemen,—Is it your pleasure that the report and accounts be taken as read?

CHANGES ON THE BOARD.

Before inviting your attention to the balance-sheet and profit and loss account of the bank, I propose, with your permission, to refer, with very deep regret, to the death, which took place in July last, of Mr Edmund H. Parker, LL.D., whose retirement from the board and appointment as an advisory director were reported last year. His death is a very great loss to the bank and to his colleagues. Mr Henry Birkbeck, who joined the board on the incorporation of the bank in 1896, has retired from the board, owing to advancing years, and has been appointed an advisory director, besides continuing to serve as a local director in Norfolk, where his knowledge and experience are most valuable. Sir Hallewell Rogers also has found it necessary to tender his resignation. The state of Sir Hallewell's health has made it inadvisable for him to continue the frequent journeys to London which his duties as a member of the board would entail. He therefore has decided to resign his seat on the board, but he will continue as a member of our local board in Birmingham, where we shall be glad to have the benefit of his experience in connection with our business in the Birmingham district.

The directors have had much pleasure in electing Mr Henry Anthony Birkbeck and Mr Follett Holt to be members of the board, and a resolution to confirm these appointments will be submitted to you later in the course of this meeting.

The directors also have appointed Sir Enoch Hill to be an advisory director of the bank.

INCREASE IN DEPOSITS.

Referring to the balance-sheet, you will see that the total of the current and deposit accounts with the bank on December 31st last amounted to the sum of £335,081,222 12s 2d, which compares with the total of £318,373,471 17s 6d on December 31, 1927, and represents, therefore, a substantial and satisfactory increase

The increase is due chiefly to the large number of new accounts opened with the bank during the past year at almost all our branches, but more especially at branches in the London and Metropolitan areas, in which the continued growth, both of population and business generally, constitutes one of the features of the present day. This increase in the number of accounts shows that the proportion of the total population making use of banking facilities is steadily growing, and this is due both to the higher level of wages in certain directions since the war and to the general spread of wealth throughout the country, with the result that there are more people than formerly who are in a position to open banking accounts. This must be for the benefit of the community as a whole, especially at the present time, when all the resources of the country are needed for financial and industrial developments.

ANOTHER RECORD BANK TURNOVER.

The turnover of the bank, as calculated by the total debits passed to accounts of customers, shows an appreciable increase over the figure of the previous year, which, to that time, was itself a record.

A large amount of new business, including many new accounts, has come to us through our Dominion and Colonial Bank and our other overseas subsidiaries. Those institutions have also derived similar benefits through the business which we have been able to direct to them. We have drawn much more closely together the organisation of our overseas banking subsidiaries, with the object of providing the most efficient service for customers, especially those engaged in the export and import trades. Our activities in this respect have been attended by very satisfactory results.

CANADIAN SUBSIDIARY TO BE ESTABLISHED.

We have decided lately to apply for a charter for the establishment of a subsidiary in Canada, with an office in Montreal and possibly in one or two other centres in the Dominion. This step should be of special importance to our Dominion and Colonial Bank, as it would link up their West Indian business more directly with Canada. The trade between Canada and the West Indies, which is already large and increasing, should derive great benefit from the commercial treaty between the Dominion and the British West Indies, as well as from the inauguration of the new direct steamship service between them. The new bank in Canada would also provide facilities for Canadian trade with Great Britain and other places abroad where we are established, besides assisting in developments in the Dominion, which are likely to show great activity in the near future.

During the year our Dominion and Colonial Bank has made substantial and satisfactory progress, and is becoming an increasingly important financial institution.

THE PROFIT AND LOSS ACCOUNT.

Returning to the balance-sheet, our profits for the year ended December 31st last, after making provision for losses which may be incurred in connection with advances to customers owing to the serious and prolonged state of depression in many of the chief industries of the country, amount to the sum of £2,301,285 9s 5d, which is approximately the same as for the preceding year, although the actual amount of funds in the hands of the bank for employment has been larger during the past year. On the other hand, rates of discount and for short loans in the market, as well as for certain other advances, have been lower than in the preceding year, and the Bank rate has remained at £4 10s per cent. throughout the year, as compared with an average rate of £4 13s per cent. during the preceding year.

The appropriations out of profits are set out in the report and the board recommend the payment of dividends at the same rate as in previous years, which they think should be considered as being both satisfactory and prudent, having regard to the existing conditions.

INDUSTRIAL CONDITIONS.

At the date of our annual general meeting last year there were distinct signs of industrial improvement and of a more hopeful outlook. Unfortunately, a change has since taken place and expectations were not realised, although, quite lately, the iron and steel industries and certain allied trades have shown some improvement. The coal industry, however, continues to be in a very bad state and so also are sections of the Lancashire cotton industry. On the other hand, what are commonly known as the finishing sections in certain industries and those engaged with the production of articles of luxury, as well as certain of the newer industries, such as artificial silk, etc., are in a much more satisfactory condition, and some are doing very well. This means that the British workman continues to maintain his old-time ability for skilled manufacture. It should be borne in mind that this country has not as yet, save only with a very few exceptions, proved itself to be entirely suited for mass production on a great scale, chiefly because of the comparatively limited home market, owing to the smaller population, as compared, for instance, with America. In the case of world markets, the variety in the needs and tastes of customers has also proved a limiting factor. On the other hand, we have always been foremost in the production of high-grade goods. There have been large profits made in the past by the basic industries of the country and there seems to be no reason why, with better organisation and the cheapening of costs of production, the same results should not be possible in the future. The Board of Trade returns relating to our foreign trade show that the total exports of British manufactured goods during the past year have increased as compared with the previous year, but notwithstanding these favourable features, which should not be ignored, the depression in the heavy industries is so serious as to create a general feeling that our industrial organisation is not as it should be. There is also much distress in the coalfields and elsewhere owing to unemployment.

THE OUTLOOK.

Looking, however, to the future, there is, in my opinion, ample ground for a confident and hopeful feeling, as great efforts are being made to place the depressed industries on a more satisfactory footing, both as regards economy and efficiency, through the great combinations of interests which are taking place, some of which have already been publicly announced, while others will shortly follow.

Much is also being done to develop new outlets for trade and to improve the marketing of our goods on more scientific lines. On the other hand, there are no signs of a reduction in the tariff barriers if taken as a whole. These barriers tend substantially to reduce international trade and it seems that if we are to regain our full pre-War volume of foreign trade, steps must be taken to reorganise upon more economical and efficient lines many of our industries which are specially subject to foreign competition.

AGRICULTURE.

There is a somewhat better feeling with regard to agriculture, largely owing, no doubt, to the good harvest in many parts and the opportunity afforded by weather conditions to get the land into better order. At the same time, prices have been somewhat disappointing, especially in the case of corn, but there seems to be a general expectation that they should improve, particularly in the case of live stock, owing to the growing shortage of meat supplies in certain directions. This may lead to a wider market for exported meat from the Argentine and other producing countries, which might have the effect of reducing the amount available for this market and lead to higher prices here. The Government scheme for long-term credit is now in operation and should be of substantial benefit to many farmers who have found difficulty during the bad times where farms have been mortgaged. Provided mortgage accommodation can be found under the new scheme at suitable rates, the farmer should be able to look forward to being in a position to retain in his family the land which he has acquired, and there is no greater encouragement to the farming industry than security of tenure, which is the best means of securing the expert knowledge and skill that are required to carry on the difficult business of farming. With the reduction in rating, and if we are fortunate in having another good season and somewhat improved prices, the farmer should be in a better position than during the last few years.

THE LANCASHIRE COTTON INDUSTRY.

Turning to the Lancashire cotton industry, a scheme has lately been discussed for the formation of a new institution to acquire a great number of mills which are chiefly engaged in the Far Eastern trade. The object of the scheme is that of regaining the trade which is being lost, by enabling these mills to buy their raw material more cheaply and to organise their productions, through the various mills working in combination upon the most up-to-date and economic lines, as well as to market their cotton goods by means of the most favourable selling organisation for the purpose. Such a scheme would certainly receive the greatest amount of encouragement from the banks, provided it is approved by those who would be principally concerned and who are most able to judge of its merits. But it seems as though there might be some difficulty in reconciling the interests of all parties, including the management and others engaged in the trade. Speaking generally, the banks would find it difficult to exercise compulsion upon customers to enter into the scheme in the case of live concerns, but they would certainly wish to help in the promotion of any sound scheme which would be of advantage to the cotton industry and which their customers would themselves wish to adopt as being calculated to benefit them.

In connection with amalgamations generally it should be recognised very clearly that their success depends upon economy and efficiency in management. I understand that so far as the scheme proposed in connection with the Lancashire cotton industry is concerned, the important point in regard to management is fully appreciated and will be assured.

To sum up the industrial position at home, it may be said, speaking broadly, that, except in the coal areas, the South is comparatively prosperous, whilst the North is still suffering from trade depression. Sound schemes for amalgamation and reorganisation should help to solve the difficulties in the depressed industries, but if these industries are unable through these means to absorb their existing unemployed, there is ample opportunity for affording relief in other parts of the country, both through new and expanding industries located in the South and in works of a more or less public character, such as levelling, road-making, planting, and drainage in many areas. Much requires to be done in work of such a description, both of a productive as well as of an unproductive character.

GERMAN REPARATIONS.

International trade must be affected to a considerable extent by the decisions that may be reached in regard to Germany's Reparation payments. It will be of great benefit, not only to the Allied creditors, but also to the world as a whole, if the committee which is about to consider the question of Reparation payments in the light of the experience already gained, can put forward a plan which will definitely fix the amount which Germany is to be called upon to pay by instalments within a given period of years, thus removing the uncertainties which exist. It will be of great importance that the amount to be fixed should be not only acceptable to the Allies, but such as will obviate, as far as possible, forcing Germany into excessive industrial competition with the rest of the world through compelling her people to accept too low a standard of living.

At the present time Germany is required to pay over to the Agent-General for Reparation Payments the instalments in German marks, it being left to the Transfer Committee to convert them into foreign currencies for the Allied creditors. Provision is made in the scheme that if the requisite foreign exchange is not available the payments by Germany may be varied under certain conditions. It would be a great step forward if some finality could now be reached, so that the creditor Powers may know what annual amounts they may certainly expect to receive, and that Germany may know what she really has to pay. At the same time, it is of the first importance that the value of the German currency should not be jeopardised.

Germany should provide an exportable surplus from her industrial and commercial undertakings sufficient to pay for her imports and for interest and redemption of her Reparation obligations, but up till now, there has been no margin for Reparations. She therefore has had recourse to foreign loans for her municipal and industrial undertakings, and in this way has borrowed a sum in excess of her Reparation liabilities; any available surplus has been taken in gold, with which she has broadened her internal credit structure for further working capital in the hands of the banks.

A COMPLICATED PROBLEM.

It will be essential for Germany to be in a position to build up a larger exportable surplus in the future. In the alternative, she must raise further loans, should she be able to do so. Her facilities for borrowing, however, may diminish or be withdrawn, and in that case Germany would have to re-export gold. Should she be able to increase her exportable surplus, further borrowings might be reduced or become unnecessary, whilst if she should succeed in maintaining a surplus beyond the amount of her imports and of her Reparation payments, she then might begin to accumulate permanent capital, whilst her liability for Reparations could be gradually reduced.

Much will depend upon the amount that may be fixed for her to pay for Reparations, but this presents another difficulty, owing to the fact that it is rightly claimed by the Allies that her industries must be charged with at least equal burdens to those borne by the industries of other countries, Germany having avoided the greater part of those burdens by the demonetisation of the mark. It is a very complicated problem, but it certainly seems that it will pay the Allied creditors in the long run to assess Germany at what would appear to be a moderate figure for Reparations. The general position of this country has been made quite clear by the Balfour Note.

SUGGESTION FOR SIMPLIFYING THE PROBLEM.

By placing on the investment markets of the world some of the Reparation bonds at present held on account of the creditor Powers, a step could be taken towards simplifying the problem, and in order to facilitate the marketing of the bonds, it might be found convenient, in some cases, for the Governments individually to endorse some of their holdings, prior to the issue, and so improve the price at which they could be sold. Germany would have to provide for the interest and amortisation of the bonds, although the Government selling the bonds would be liable, under its endorsement, in case of default by Germany, and the fact of Germany having definitely and finally accepted the obligations represented by the bonds, and of the bonds having passed into the hands of private investors throughout the world, would emphasise Germany's responsibility and reduce the likelihood of default, as that would irreparably injure her credit for the future. Moreover, the question of Reparations would be still further removed from the region of politics, while the Allied Governments would be enabled to reduce the direct load of their National Debts.

Should Germany eventually succeed in attaining to a real export surplus over and above the amount of her imports and of her Reparation payments, these bonds would be available as exchange for purchase and cancellation by her, to the extent of her export surplus, and she thus would be able gradually to reduce her Reparation debts.

I feel sure that such a method as I have indicated of spreading the obligations of Germany in the hands of investors all over the world could not be otherwise than a factor for peace, and would certainly impel Germany to make every effort to pay in the interests of her credit in the future.

CURRENCY DEVELOPMENTS.

Another important factor affecting industry and trade has been the stabilisation of currencies in terms of gold by certain countries, and especially France, during the year. It may now be said that for all practical purposes the stabilisation of world currencies on a gold basis has been virtually completed, and this should prove a factor in the stabilisation of price levels as between one country and another.

In our own case the final step has been taken of transferring to the Bank of England the former Treasury note issue, the limit for the total fiduciary issue having been fixed at £260,000,000, as compared with £18,450,000 before the war. The Bank of England may also issue notes beyond the fiduciary limit, if fully covered by gold. It is provided by the Currency and Bank Notes Act, 1928, that the Bank of England and the Treasury, acting in agreement, may reduce the fiduciary limit as and when they may think fit, while provision is also made for an expansion in the fiduciary limit should the circumstances warrant. The power to reduce the fiduciary circulation would probably be utilised if, after a period, it appeared that the currency was permanently in excess of the country's needs, as, for example, might prove to be the case in the event of an appreciable and permanent fall in price levels. On the other hand, the provision for expansion might be of great advantage in the future, should the existing limit prove insufficient for the genuine needs of trade and industry. The question as to whether an increase or reduction in the fiduciary limit should be made would be, in any case, a matter requiring expert knowledge, and it is satisfactory to know that the control of the amount of the fiduciary issue is now placed in the hands of the Bank of England, in conjunction with the Treasury, rather than that it should be subject to political influences and pressure from time to time.

MAINTENANCE OF PRICE AND WAGES LEVEL.

At present, when our national liabilities are very heavy, it is of great importance that prices in this country should be maintained as far as possible at the level at which they now stand, and that there should not be any appreciable reductions in the general level of prices or in wages; a reduction in prices would have the effect of increasing the real burden of our National Debt. On the other hand, I think it is generally understood that it is essential in the interest of industry and trade that the price levels prevailing here from time to time should not be higher than those in other countries.

The League of Nations is now studying the important question of preventing undue fluctuations in the purchasing power of gold, or, in other words, the general level of prices of commodities, but uncertainties as to the future level of gold production and differences of opinion as to the relationship which gold should bear to currency and credit may present serious difficulties, but great benefit should result to world trade, supposing approximate stabilisation of the value of gold should be found to be possible.

MONETARY CONDITIONS.

Turning to the financial situation, the outstanding feature during the year has been the fluctuation in interest rates in America caused by speculation in stock and shares and the ebb and flow of accommodation required, according to the increase and decrease in the volume of speculation from time to time.

During the early part of the year, when speculation in America was less active, rates for money in New York were lower than in London, which led to balances being transferred here for more remunerative employment. There was also a considerable amount of investment of American money in the purchase of British securities. In the latter half of the year speculation in America increased very greatly and rates for loans on the stock markets in New York reached an abnormal figure, and eventually a sharp break in the stock markets took place. During that time, however, notwithstanding the higher rates for money, which caused some return of balances to New York, rates in London remained comparatively steady and supplies were reasonably plentiful here.

It is important to note that during the period of the speculative activity in connection with stocks and shares in America commercial activity there has been normal on the whole, which is emphasised to some extent by the fact that price levels of commodities in America have shown no great change.

While the great demand in America for money at high rates was due very considerably to Stock Exchange speculation, no doubt the boom tendency was accentuated to some extent by an increase of real wealth in America. High rates paid in New York in connection with the speculative activity there serve to emphasise the difference between our monetary system and that of America. In our case, even when speculation is active, the rates paid for loans in London to finance the operations in the stock markets would bear some definite relationship to the Bank of England rate for the discount of commercial bills. On the other hand, in New York the rates charged for money lent on the stock markets under conditions of great speculative activity would appear to have no relation to the rediscount rate of the Federal Reserve Bank there, but to be a matter of competition between one borrower and another who desires to obtain the accommodation that he requires.

GOLD MOVEMENTS.

In addition to the transfers of balances, heavy gold movements have also taken place during the year between the various international centres. These, however, have been due chiefly to special causes connected with the stabilisation of foreign currencies and international financial adjustments, rather than to the settlement of trade differences in the usual way.

In the early part of the year an appreciation took place in the sterling-dollar exchange as the result of the transfers of balances to London, and gold was then shipped to London from New York, but these shipments may have been due to some special operations rather than as the result of exchange transactions, as they did not appear, on the whole, to have been in the nature of profitable operations after due allowance had been made for the usual interest and charges. Inasmuch, however, as they were among the first shipments of gold from America to this country since the war which could be regarded as being associated with the level of the exchange, they were, on that account, of special interest and importance.

According to the weekly returns, the stock of gold held by the issue department of the Bank of England was increased to the sum of £173,907,475 by September 12th, which was a figure never previously reached in the returns, and exceeded by £20,000,000 the highest amount held by the Bank in the preceding year. Much of the additional gold acquired by the Bank has been since re-exported, and the return at the end of last year showed that the holding of gold exceeded only by £2,000,000 the amount held at the close of 1927, but it is satisfactory to note that, although the Bank did not retain all the gold acquired in the earlier part of the year, yet London, as a leading international centre is now fulfilling its proper function, and affords a free gold market through which international gold movements are taking place.

GOLD IN FRANCE.

Gold has also been withdrawn during the year by France, both from New York and from London, in connection with the stabilisation of the French currency. It is possible that the speculation in the franc at one time, largely on the part of foreign operators, resulted in France being able to draw gold from various centres. In addition, owing to the fact that price levels in France are still below those of many other countries, her export trade has greatly expanded, and if invisible items be taken into account it is probable that her exports largely exceed her imports, France being, to a very considerable extent, self-supporting. The economic situation in France, therefore, is, at the present time, very favourable, which also has placed her in the position of being able to draw gold.

GERMANY.

Considerable quantities of gold have been shipped to Germany, both from America and from this country, chiefly as the result of large long-term loans made to Germany by New York and London (but principally by New York), for financing German municipal and other undertakings, in addition to the growing amount of banking accommodation granted to Germany by British and other banking institutions during the year.

The outstanding feature in connection with the heavy gold movements which have taken place between the various centres is that they have been due mainly, as I have already indicated, to causes other than international trade and price-level conditions (except possibly, to some extent, in the case of France), differences in interest rates between certain of the chief centres being largely responsible. For that reason there has been justification for retaining the Bank rate at the existing level of 4½ per cent. throughout the year, as there has been no necessity to raise the rate, as might have been the case if it had been found that an adjustment of price levels was needed in the interests of our foreign trade.

By being able to retain the rate, industry has gained a distinct advantage, whilst, at the same time, the prestige of London as a financial centre has been thereby greatly increased.

THE FUTURE.

Looking to the future, it is impossible to foresee what is likely to be the tendency in respect to movements of gold, as so many factors are involved. Germany's trading position has shown an unfavourable trend of late, largely owing to the labour dispute and to stoppage of work in the iron and steel industry, which took place there towards the end of the year. Unemployment has increased and is substantially higher than it was a year ago. In spite, however, of the decline in trade activity in Germany, the country, as a whole, has made considerable progress during the past year, but whether she will continue to take gold from us or from America or will be in a position to retain the gold she already holds must be a matter of great uncertainty. The position will be influenced, to a very considerable extent, by any resettlement that may take place of the Reparation payments to be made by her, to which I have already referred.

It is also difficult to foresee whether renewed speculation or other causes affecting money rates in America will lead to a transfer of balances or gold from London to New York, and what, therefore, may be the demands upon our gold reserves. These reserves should be regarded, to a very considerable extent, like a banker's cash, and should be capable, therefore, of being used freely to meet the demands that may arise in the ordinary course of business, as well as of being replenished and maintained at a safe figure out of ordinary receipts or through the realisation of liquid assets or securities.

COMMERCIAL BILLS.

It is to be noted in this connection that during the period of relatively cheaper money which has prevailed in London during the later part of the year, large numbers of commercial bills have found their way to London as the cheapest market for a time. London also has, for the same reason, and through her growing influence as a chief monetary centre, increased her acceptance credits, which has led to a larger number of bills being negotiated in the London market.

As these and other bills which may come here owing to the same causes in the future mature for payment, they serve to offset the demands that may be made against us and to strengthen the monetary position here.

These bills represent debts due as the result of commercial transactions spread all over the world, and enable this country, as the holder, to discharge the debts owing by us without our being called upon to maintain a large amount of gold as a reserve over and above the amount required for our actual currency purposes.

It is interesting to recall how, in the past, the position of London as a commercial and financial centre was built up, safeguarded, and maintained through being, during the greater part of the year, the cheapest money market, and this fact enabled her to acquire and hold a larger proportion of commercial bills than other monetary centres.

I think that this factor is of very great importance, and one that should not be lost sight of as a guide for the future.

Our overseas subsidiaries are rendering a substantial service through their purchases of foreign commercial bills in competition with other foreign banks, and the importance to London of a large and active bill market should be fully recognised.

The increase which has taken place during the year in the holdings by the banks of commercial bills is an indication of the increased assistance which the banks have afforded to trade and industry both at home and abroad.

It is often suggested that the financing of trade between countries outside Great Britain is prejudicial to our own industrial interests, but that is not really the case. Such transactions earn profits for this country from abroad and serve to increase the total of our invisible exports, upon which we depend to adjust our visible adverse balance of trade.

GOVERNMENT FINANCE.

Further improvement has taken place during the year in regard to the National Debt through reductions effected by the Sinking Fund. In his last Budget, the Chancellor of the Exchequer inaugurated a new system in connection with the service of the National Debt, and it is intended in future to devote an annual sum amounting to £355 millions to cover both interest and Sinking Fund. Whether this arrangement will in practice result in an increase in the Sinking Fund or not, must, of course, depend upon the amount of annual interest to be paid on the National Debt, which includes the Floating Debt. While the scheme relieves the Exchequer from the strain of being tied to a fixed Sinking Fund for capital redemption, it leaves the amount to be applied annually to debt redemption the subject of considerable uncertainty.

It has already been pointed out elsewhere, but is not sufficiently widely appreciated, how each individual investor could help the Government at the present time if he were to appropriate some definite actual sum out of his own money available for investment for the purchase of British Government securities. It would raise the price of the securities in the market, and would therefore be particularly helpful to the Government in connection with their Funding and Conversion operations, thus helping to reduce the annual charge for interest on the National Debt by assisting the Government to float fresh loans on the finest terms. This, sooner or later, would place the Government in a position to reduce taxation, opportunities for which in the near future are otherwise extremely circumscribed. It would be well for an investor to turn his attention to the purchase of British Government securities rather than to invest his money in many of the issues of a more or less hazardous character, which have lately been offered to the public, some of which must almost inevitably result in a loss. If the Government could be helped in this way into a position of making a reduction in taxation, the benefit to the country as a whole, and especially to our industrial interests, would be very great indeed.

EASING THE TAXATION BURDEN.

I think that, speaking generally, there is a strong spirit of appreciation throughout the country of the value of co-operation and a desire to work for one common end. If that is the case, people should realise to what a great extent it lies with ourselves to throw off the excessive burden of taxation which is retarding recovery in industry. By following up the suggestion that every investor should buy and hold some Government stock, each according to his means, the task of the Chancellor of the Exchequer in lifting the burden of taxation would be greatly simplified. Such a benefit cannot be obtained by artificial means, such as inflation, but only by devoting some portion of the results of labour towards relieving this great national burden.

PAST YEAR'S FRESH CAPITAL.

It is to be noted that during the year fresh capital to the extent of £360 millions, excluding Conversion operations, has been issued on the London market for a variety of objects, which is an increase of about £50 millions over the previous year. Many of the issues have been for the Dominions and Colonies and for other countries overseas, but the larger proportion of the increase has been for home purposes. The money raised by overseas borrowers, besides producing good interest, which helps us to pay for our imports, generally leads, either directly or indirectly, to industrial orders, and it must, therefore, be realised that industry and finance are working together for the common good.

My lords, ladies and gentlemen, I beg to move "That the report of the directors produced, together with the annexed statement of the company's accounts as at December 31, 1928, duly audited, be received, approved, and adopted, and that a final dividend at the rate of 10 per cent. per annum on the "A" shares, and 14 per cent. per annum on the "B" and "C" shares, less income-tax, making, with the interim dividend paid on August 1st last, 10 per cent. for the year on the "A" shares and 14 per cent. for the year on the "B" and "C" shares, be declared, payable on the 1st proximo, to the shareholders registered in the books of the company on December 31st last."

SIR HERBERT HAMBLING'S SPEECH,

Sir Herbert Hambling, Bart. (deputy chairman): My lords, ladies and gentlemen, in rising to second this resolution I am sure it is your wish that I should pay a tribute to the masterly and comprehensive address given by our chairman.

He has not only given you a full account of the activities of the bank during the past year—an account which I think you will agree is in every way satisfactory—and shown that the position and strength of the bank is unassailable, but he has also given you a general survey of the financial events of the year. He has again, with great clearness, demonstrated that London still maintains her position as the great financial centre, and I would especially draw your attention to his concluding remarks.

You cannot go far wrong by investing your savings in British Government securities, but you can easily go wrong if you are tempted to put your money in many of the speculative investments that are constantly being dangled before your eyes. "Safey first" is a good motto.

To be quite frank, the past year has proved a disappointment to me, as I had hoped that some of our industries, more particularly cotton, coal, steel and iron, would have made more progress. These are undoubtedly dark spots, accompanied as they are by a formidable number of unemployed, but, on the other hand, our home trade has been quite good, and undoubtedly has been steadily going ahead, while the export of British manufactured articles is on the up grade.

AFTER-EFFECTS OF THE WAR.

There is no doubt that most of our troubles emanate from the war. Prior to 1914 we probably had the biggest international trade in the world. The war came along, and we had to concentrate on war material instead of trade products. Instead of making goods for export, we manufactured articles of war. We extended our works in all directions, we produced enormous quantities of war material, and we had one customer, the British Government, who would buy all our goods at almost any price.

The end of the war came, our good customer disappeared, and we had to get back to normal conditions. Much of our trade had passed into the hands of other nations. Industries in which we were pre-eminent for many years sprang up in other countries, and became our formidable competitors, so that we were no longer able to step back into the place we occupied before the war. We had lost a considerable portion of our trade, and we had redundant factories and works all over the country.

The "boom" of 1919-1920, with its amalgamations and big flotations, really added to our difficulties.

Looking backward we now realise that in this period many people lost their heads. They often contracted liabilities indiscriminately, and there was an orgy of spending. No doubt it was extremely difficult, at that time, to form a sound judgment. Moreover, business was, at that time, arranged without any certain knowledge, or any possibility of obtaining certain knowledge, of a sound basis for valuation.

EVIDENCE OF BETTER POLICY.

The war and its aftermath, the boom and its blunders, are largely responsible for our present-day troubles. During the past year, however, the country has got nearer to the facts, and there is evidence in a dozen different directions that a better policy is being pursued.

In the first place, there is, without doubt, a far better feeling between Capital and Labour, and there are developments along the lines known as "rationalisation." I do not know if there is any accepted definition of what is meant by "rationalisation," but my understanding of one aspect of the process is that it covers the amalgamation of a number of factories all producing the same commodity, carried out with the idea of scrapping that which is inefficient, closing that which is redundant, and so concentrating and arranging output, thus making it possible to reduce prices, to make a reasonable profit, and, ultimately, because of reduced prices, to sell an increased output and to employ more hands. Rationalisation should bring into being great concerns which can devote a whole factory to the manufacture of one grade of a commodity, and which, because of their consumptive capacity, can buy better, and because of their productive capacity can sell better. If this broad idea of the meaning of "rationalisation" is correct, then it is far better than the quack doctrine of tampering with our credit and currency system.

We have the best skilled labour in the world; from the lowest to the highest grades it is unequalled. Geographically, our trading position is second to none, and I feel convinced that the brains and intelligence of the British nation, properly applied, *can* win through.

I read with considerable interest a long letter from Lord Weir that appeared in the *Times* quite recently, and fully agree with his conclusions regarding our ability to compete. Moreover, I feel confident that, even allowing for the "black spots," our position has, nevertheless, been steadily improving during the past year.

If we can have a period of industrial peace, and if the rationalisation of industry, as it is called, is properly and intelligently carried out, I have no fear but that we shall see a constant, if slow, improvement in trading conditions during the current year. I am still optimistic as regards the future.

SHAREHOLDERS' VIEWS.

Mr E. T. Hargreaves said he was sure it was a matter of pleasure to all the shareholders that the Bank was in such an excellent position, and he hoped that during the year upon which they had now entered they would enjoy even greater prosperity. He called attention to certain anomalies in regard to bankers' drafts on demand, and to the desirability of restoring the 1d post. He also urged upon the directors the advisability of extending banking hours to 4 o'clock, as they were before the war. The development of banking would be further helped if a return could be made to the 1d stamp duty on cheques.

Mr G. A. Christian also spoke in favour of an extension of banking facilities.

Mr J. G. Colmer, C.M.G., said he would like to express appreciation of the admirable speech which had been delivered by the Chairman, and of the very satisfactory position of the Bank, having regard to the difficult year, from a general industrial and banking point of view through which they had passed. He regarded the action of the directors in applying for a Charter for a new Bank in Canada as a very practical step in the direction of the development of the Empire and of Imperial trade and commerce. He noticed that the proposal had been very well received in Canada, and if the Charter were granted he believed that the new institution would receive a cordial welcome in banking and general circles in the Dominion.

Mr Fredk. Tomkinson also expressed appreciation of the Chairman's address, and of the general progress of the Bank's business.

Sir Enoch Hill said that as a country shareholder he would like to compliment the directors upon the satisfactory position of the Bank, and on the gratifying statement of the past year's results. He wished also to take the opportunity, as one who had been a customer of the Bank in various parts of the country for many years, of testifying to the courtesy, efficiency, attention and loyalty of the officials and staff. (Hear, hear.)

CHAIRMAN'S REPLY.

The Chairman said that Sir Enoch Hill's remarks with regard to the staff were particularly welcome, and it was also very encouraging to hear from Mr Colmer how strongly he approved of their new venture in applying for a Charter in Canada. He had no doubt that it would grow into a very valuable subsidiary to their great institution, and that it would prove to be of substantial value not only to their own Bank, but also to Barclays Bank (Dominion, Colonial and Overseas). With regard to the remarks of Mr Hargreaves, he was entirely in agreement with that gentleman on the question of 1d cheques. If Mr Hargreaves could persuade the Chancellor of the Exchequer to make the reduction he would be rendering a great public service. (Hear, hear.) The question of banking hours was primarily one for the public, but any change could only be effected by common consent on the part of all concerned. There was no doubt that the Banks in this country were always prepared to comply with anything for which there was a real need, if it were reasonable.

The resolution was carried unanimously.

Sir J. Fortescue Flannery, Bt., then moved:—"That the Rt. Hon. Lord Bethell, Messrs Henry Anthony Birkbeck, M.C., Charles Henry Dent, Peter Forrester, Frederick Crauford Goodenough, Sir Herbert Hambling, Bt., Mr Follett Holt, Sir Frederick William Lewis, Bt., Messrs Claud Edward Pease, Herbert Leslie Melville Tritton and William Favill Tuke, the retiring directors, be re-elected directors of the company.

The resolution was seconded by Mr H. E. Seebohm and unanimously adopted.

On the proposition of Mr E. T. Hargreaves, seconded by Mr F. Tomkinson, Messrs Price, Waterhouse and Co., and Messrs Kemp, Chatteris, Nichols, Sendell and Co., chartered accountants, were reappointed auditors.

VOTES OF THANKS.

Mr Cosmo Bevan said he had great pleasure in proposing that the cordial appreciation and thanks of the shareholders be given to the general managers and the whole of the staff for the manner in which they had carried out their duties during the past year. Nobody was more aware than the directors of the excellent work, goodwill and loyalty of the staff. A few years ago they showed their appreciation to some extent by issuing a certain class of shares called "C" shares, for which the staff were allowed to subscribe, and this had proved a great success. This year they had taken another step, having placed £50,000 to the credit of the staff widows' fund. He had no doubt that this would meet with the approval of the shareholders. (Hear, hear.)

Mr James Tuke seconded the vote, which was unanimously accorded.

Mr Edwin Fisher, one of the general managers, said that the remarks which had been made with regard to the staff were most encouraging. The donation so generously granted by the directors to the staff widows' fund would be much appreciated. He wished to express the gratitude of the staff to the shareholders present for the generous way in which they had adopted the resolution. There was no need for him to emphasise how much these expressions of confidence really meant to the staff, who recognised that a high standard of efficiency was expected of them, and who did their utmost to maintain that standard. It was therefore most heartening to them to learn that the work which they had done during the past year had met with the approval of the directors and shareholders. (Applause.)

Major-Gen. Sir Richard H. Luce, K.C.M.G., M.P., proposed a hearty vote of thanks to the chairman and his colleagues on the board, which was seconded by Mr J. Spencer and carried amid applause.

The Chairman briefly acknowledged the compliment, and the proceedings terminated.

BARCLAYS BANK (DOMINION, COLONIAL AND OVERSEAS).

GOOD RESULTS—INCREASED PROFIT.

REVIEW OF CONDITIONS OVERSEAS.

The third ordinary general meeting of Barclays Bank (Dominion, Colonial and Overseas) was held, on the 17th instant, at the Cannon Street Hotel, London, Mr Frederick Craufurd Goodenough presiding.

The Chairman, in moving the adoption of the report and accounts, said:—Certain outstanding questions between the Inland Revenue authorities and the Bank with regard to Dominion Income Tax have at length been disposed of, with the result that the dividends which this meeting will be asked to approve will be subject to income tax at reduced rates, the difference between such rates and the standard rate representing the refunded tax being passed on to the shareholders.

BALANCE-SHEET.

Turning to the balance-sheet and profit and loss account for the year ended September 30, 1928, the board have much satisfaction in reporting a steady increase in the total figures, which now exceed £70,000,000.

Current, deposit and other accounts increased during the year by nearly £8,000,000, and reached a total of £59,675,656 on September 30th last. The bills rediscounted, amounting to £1,625,515, have now all been paid.

There has been a corresponding increase in assets, and cash in hand and at bankers, and gold bullion amounted to £10,771,837, that is to say, 18 per cent. of the deposits. Bills discounted have increased to £17,415,119, representing more than 29 per cent. of the deposits, whilst investments at £9,249,647 represent 15½ per cent. Advances to customers have also increased.

PROFIT AND LOSS ACCOUNT.

The net profit for the year ended September 30, 1928, after making full provision for bad and doubtful debts, amounted to the sum of £494,822, which compares with £482,045 last year. An interim dividend on the "A" and "B" shares at the rate of 3½ per cent. per annum was paid in July last, and it is now proposed to pay a final dividend on these shares at the rate of 4½ per cent. per annum, making 4 per cent. for the year, against 3½ per cent. for the previous year. The reserve fund has again been increased by £150,000, bringing it up to £1,400,000, whilst the carry forward is increased from £122,478 to £130,709.

SUMMARY OF CONDITIONS—SOUTH AFRICA.

Agricultural conditions generally were satisfactory and, with the exception of a few areas, farmers had a good year. The decline in wool values was disappointing to producers, but was not entirely unexpected. The December wool sales proceeded briskly with steady demand, and prices remained firm, though generally lower than twelve months ago. The prospects for the 1928-29 season are promising. The Department of Agriculture estimated the total number of woolled sheep in the Union on June 30, 1928, at 36 million, compared with 34.4 million on June 30, 1927, and non-woolled sheep at 4.7 million, compared with 5.1 million. It is estimated that 2 million sheep were lost through drought and other causes, in spite of which flocks have increased.

The export of maize and maize products from South African ports from June 1st to end of December was 7¼ million bags. If a normal rainfall should occur during the next two or three months, a satisfactory maize crop will be assured.

Wheat.—At the present time the prospects point to a better yield than last year, and about 2,200,000 bags are expected.

Fruit.—As a result of the drought during the growing period, the citrus crop was disappointing, the quantity exported during the 1928 season showing a decrease of 134,780 boxes as compared with 1927. The total quantity of deciduous fruit exported during the 1928 season constituted a record figure, amounting to 1,920,175 boxes, as compared with 1,523,526 boxes for 1927. There was a very substantial increase in the export of pears, of which fruit 649,000 more boxes were exported. A feature of the season was the consistently good condition of the fruit on arrival in the United Kingdom.

It is estimated that the sugar crop for 1928-29 will amount to 290,000 "short" tons, being an increase of 26,000 on the previous season.

The estimated value of the output of gold from the mines of the Transvaal during 1928 was £44,000,000, a record figure, which exceeded the previous year by £1,000,000.

The phenomenal discoveries of alluvial diamonds, which have occurred in Namaqualand, have resulted in certain legislative restrictions designed to safeguard the industry from the harmful effects of too rapid realisation of the stones from the new areas. The hand-picking in these fields is stated to be practically finished.

Trading conditions in retail and wholesale circles have been, and still remain, satisfactory, and an indication of the industrial progress of the Union may be obtained by a comparison of the figures of the gross industrial output. In 1911 this was £17¼ millions, in 1926-27 it had grown to £98 millions, and in the year ended June last the total amount is believed to have exceeded £100 millions. These figures do not, of course, include the agricultural or mineral output.

In South-West Africa steady improvement in trading conditions continues. Land values have remained firm, and the Administrator, in his Budget speech, stated that agriculture was rapidly taking the place of mining as the chief source of income of the country.

SOUTHERN RHODESIA.

Trading conditions were good during the past year. Both the 1927 and 1928 tobacco crops each exceeded 19,000,000 lbs., being a large increase over the 1926 crop of 5,000,000 lbs. Although the improved quality of Rhodesian tobacco and the wider publicity given to it have resulted in a marked increase in its consumption, the market has not yet been able to adjust itself fully to so large a production from this new quarter. Nevertheless, as the planted acreage has now been considerably reduced, a healthier condition is expected to prevail.

Our bank recently issued in London a loan of £2,000,000 on behalf of the Southern Rhodesian Government.

NORTHERN RHODESIA.

Railway and mining developments of importance are proceeding actively, and Northern Rhodesia promises to become one of the prominent areas of base metal production.

The proposal to construct a bridge across the Zambesi is a prominent topic of interest in Nyassaland at the moment, and hopes are entertained locally that early construction will be decided upon. Tobacco is still the major crop of the country, but the tea industry is being gradually established in certain districts. Trading conditions are expected to improve during the coming year owing to the better cotton crop now being harvested.

EAST AFRICA.

Your board realise the important part which this bank may take in affording suitable financial facilities in East Africa, and accordingly branches have been, or will shortly be, opened at various points in these areas.

The Kenya Legislature has approved a development programme for the current year, which will involve an expenditure of about £1½ million, and which will include provision for the third, fourth, and fifth deep-water berths of Kilindini Harbour.

In Uganda the cotton prospects are favourable, and a record crop is expected. The area planted substantially exceeds the acreage last year.

Considerable attention is being directed to Tanganyika, where railway developments are proceeding. The central line has been extended from Tabora to Mwanza, and the Tanga-Moshi line is expected to reach Arusha at an early date.

EGYPT.

Cotton.—Trade gradually improved with the advent of the cotton season and remunerative prices for this staple product. The new cotton crop, which started at low prices but gradually improved, was on this occasion placed early on the market in order that producers might get the benefit of current prices.

The value of the Egyptian cotton exports for the year—from September 1, 1927, to August 31, 1928—was £42,585,716, the official estimate of the crop being 6,100,000 cantars. It is expected that the crop now being harvested will reach 7,500,000 cantars.

Conditions have been further helped by a good maize crop, which left an exportable surplus.

The total exports for eleven months to November 30, 1928, amounted to £50,136,320, the imports for the same period totalling £47,159,413.

SUDAN.

The general conditions of the country show a decided improvement. The cotton yield in the Gezireh, though not so satisfactory as the previous year, was disposed of at remunerative prices. Growers are improving their standard of living, and better general trade conditions are expected.

Gold Coast.—On the Gold Coast the present cocoa season opened rather later than usual, and whilst this crop is expected to equal or to exceed last year's crop in quantity, prices are much lower than a year ago.

An interesting feature of trade in the Gold Coast is the continuous growth in the value of diamonds exported, which in 1927 exceeded £500,000.

Sir Herbert Hambling, Bt., seconded the resolution, which was carried unanimously.

LEETHEMS (TWILFIT), LIMITED.

"A VERY REASONABLE PURCHASE PRICE."
VALUE OF THE NEW IRISH FACTORY.
INTERIM DIVIDEND FORESHADOWED.

The statutory general meeting of Leethems (Twilfit), Limited, was held, on the 15th instant, at Winchester House, Old Broad street, London, Mr J. T. P. Rowland, J.P. (the chairman), presiding.

The Chairman said: Gentlemen,—Before I begin my remarks to you this afternoon, I feel certain that I shall be only voicing your wishes and your thoughts when I say how glad we are to hear another favourable bulletin of His Majesty. I am sure you will all join with me in wishing him as speedy a recovery as can be hoped for. Our sympathy with the Queen and other members of the Royal family is combined with an admiration of the loyal devotion she has displayed. The universal sympathy and anxiety that have been shown have reminded us how close is the bond between the Sovereign and the community.

REVIEW OF ECONOMIC CONDITIONS.

It would not, I think, be out of place if I began what I have to say to you with a brief review of the economic condition of this country, and of the more important of the many other countries in which your company has trading interests. The year 1928 was, on the whole, disappointing for traders in Britain. The disappointment was partly due to the very high hopes of returning prosperity which were widely entertained at the beginning of the year. For a time these high hopes appeared to be justified, for the early months saw a substantial improvement in trade. But, as in the previous year, the early improvement died away after three months, and from Easter to September trade generally was somewhat stagnant. In September another upward movement set in, and was hailed with optimism in the great industrial centres; but once again in the development proved to have no staying power, and the hopes that had been raised were again unrealised.

With the total of registered unemployed pretty consistently over 1,300,000, it is natural that the purchasing power of the masses should fall even lower than it had done in previous years. There is evidence, however, that would suggest that the worst has been seen, and we may hope that 1929 will, at the worst, be less depressing than was 1928.

One of the more reassuring factors is the increase in the exports of British produce and manufactures. This is evidence that the competitive power of Britain's export industries in foreign markets is regaining its old strength. The difficulties of the coal trade and the Lancashire cotton industry should not blind us to the existence of definite prosperity in many branches, especially in the newer lines of production. But it is also indicative that the restoration of sound currencies is resulting in sounder trade conditions in many of the countries that were most affected by the war. Britain's customers are regaining their ability to purchase our products, and the steady increase which can be expected in the prosperity of many countries will benefit all our exporters. Your company will, of course, benefit directly as an exporter itself, and indirectly through the benefits of increased foreign trade to British industry as a whole.

Attention has been drawn to the prosperity of France by a recent report of the Department of Overseas Trade, but Europe as a whole has made considerable progress in the past year. The prosperity of the United States is well known, and its effects on the New York Stock Exchange have had their reactions in this country. That prosperity, it is sufficient to say, shows little signs of diminution. In the newer countries, such as latin-America and the British Dominions, prosperity depends largely on harvests, but these have for the most part been good this year. While, as a result of variations in climatic conditions, considerable fluctuations are inevitable in such countries, there must be a tendency to advance with the gradual exploitation of their undeveloped resources.

OUR PROSPECTUS.

I now turn to affairs a little nearer home, and it may not be out of place if I first take this opportunity to say a few words to you concerning our prospectus. No doubt this is a document which you have all perused very carefully. I should like, however, to go through it with you and examine a few points, so that when we next meet and our first balance-sheet is in your hands we shall feel like one large family party discussing our affairs.

You will observe that in the prospectus profits show a steady and progressive increase apart from the year ending in June, 1927, which was the year most affected by the great strike. You will observe that these profits have been set out year by year so that you can see these facts for yourselves. Some prospectuses merely state the average of profits over a number of years. Moreover, profits are not swollen in any one year by "windfalls" of business. These figures represent a steady increase in business done.

OUR ASSETS.

You, as shareholders, may be thinking, "What assets have we obtained in exchange for £350,000 cash payment?" We obtain in tangible assets £273,692, and in intangible assets £76,308. Intangible assets are, of course, goodwill, trade marks, registered designs, and patents. Our trade mark "Twilfit" is, of course, well known to all of you, or at any rate to your wives, but in addition we own a number of other trade marks, and the goods bearing these marks command a ready sale. In view of the fact that the company has been trading for 45 years and running at a profit, I do not think it unreasonable to value goodwill, &c., at one and a-half year's purchase. Many undertakings which had been running for 45 years at a profit would consider the figure of three years' profits as a very reasonable purchase price, and I may tell you that we had, in fact, received offers for the business offering at least three years' profits for the goodwill.

The next point you may ask yourselves is, "How are these tangible assets valued; how do we know we are getting good value for our money?" Well, in the first place, all our freehold factories, fixed and loose plant, &c., have been valued by one of the most famous firms of valuers in the country. It is an independent valuation. It would be very difficult to get an independent valuation of other items in your assets. Indeed, it is far better, from your point of view, that the onus of your valuation of stock-in-trade, debts and trade investments should be thrown upon your directors. They are responsible to you, and you can hold them to account should results from these items not fulfil your expectations. Indeed, if independent valuers were called in concerning these items, in the long run they would be forced to consult your directors as to the value.

With regard to the stock-in-trade, I should point out that this is turned over many times in the course of a year, which in itself is bound to ensure a clean stock. It is valued on a conservative basis, viz., cost price or market value, whichever is the lower.

STRONG CASH POSITION.

And now a few words about our cash position and liquid resources. We took over from the old company £19,938 in cash. At the end of December, although we have adhered to our custom of paying weekly for our raw material and thereby taking advantage of full possible discounts, we had approximately £56,000 at our bankers in hand.

This must indicate that the book debts and stocks have been kept liquid, and points to the profits being maintained.

OUR IRISH SUBSIDIARY.

In valuing our investment in Leethem's (Ireland), our Irish subsidiary, we have taken the usual course of fixing the figure of our actual expenditure. We could have made it a larger sum had we liked, but we preferred to follow a conservative policy At this juncture it would be opportune to direct your attention to our new "Twilfit" corset factory at Dublin, which was opened in December last by Mr Cosgrave, President of the Irish Free State. This new factory will enable us to treble our output, and we anticipate that the next twelve months will see a substantial improvement in our trade.

In the course of his remarks made at the opening of this factory, President Cosgrave, after referring to the very creditable record of the firm, stated that Leethem's (Ireland), Limited, commenced manufacturing in the Irish Free State in January, 1926, with a completely unskilled staff. At the conclusion of the first six months the output had practically trebled, and the acquisition of new premises became essential. An important feature of the new venture, President Cosgrave proceeded, was that, quite apart from the question of employment, the same article as that produced in England would be manufactured in Ireland and sold at exactly the same price. President Cosgrave concluded his remarks by a reference to the fact that all the materials for the manufacture of the "Twilfit" corset at the Dublin factory were cut in Ireland, that the labour was Irish, and that the finishing processes were carried out in Ireland. The only other thing required, he said, was a public sufficiently interested in Irish manufactures to give the firm the necessary support.

These encouraging remarks by the President were supplemented by an equally auspicious speech by Mr Blythe, Vice-President of the Executive Council, who remarked: "I am sure that the enterprise of the firm will be rewarded and that it will increasingly take trade from those who had not the enterprise to come in. We may not be able," he added, "to do everything that we are asked to do to assist the development of the firm, but anything that we can reasonably do to help Messrs Leethems and other firms that have come in to give employment and to train workers we shall certainly do."

From these statements of the leading officials of the Irish Free State, I need hardly say, you will be able to draw your own conclusions as to the value of our Irish ventures, and I may say that, in the opinion of your directors, the Irish subsidiary company is one of the bright spots in our industry.

TRADE INVESTMENTS.

Our "trade investments" represent an interest taken in firms with which we are intimately connected. The risk involved in these investments is negligible, and I am myself prepared to guarantee the company against any loss which may arise therefrom.

PRELIMINARY EXPENSES.

I now come to preliminary expenses. Your directors followed a very economical policy regarding preliminary expenses. These we estimated originally at £20,000, which, for an issue of £375,000, must surely be regarded as very moderate; and it may interest you to know that we have actually saved money on this estimate, our preliminary expenses being now estimated not to exceed £18,000. It will not, therefore, be very difficult for us to clear off this item out of profits at a very early date. As a matter of curiosity, I have glanced at the prospectuses of some recent issues. I find that an issue of but £140,000 cost £18,500, while another of £225,000 cost £18,950. Yet another, in which only £200,000 was involved, cost the company concerned no less than £27,000, or half as much again as your company spent in connection with an issue of nearly twice the size.

We might have materially increased the expense by having the issue underwritten. We had no wish, however, to waste our money by giving it to strangers. We could even have underwritten the issue ourselves, and obtained an additional profit from the company, but we were more concerned with the welfare of our undertaking.

SUBSCRIPTIONS FROM CUSTOMERS.

We were very anxious that the distributors of our products should become interested in the undertaking, and I am very pleased to inform you that the wholesale and retail customers, and these, I would remind you, are people who know our business and understand the quality of and the demand for our goods, showed their opinion of our undertaking by applying for more than the present share capital, so that, of course, we were unable to allot to them the full amount applied for. This, from your point of view, is a very favourable point for consideration. For if those who have been customers of the business for so many years think it worth while to take an interest, those who are not so well posted in the affairs of our undertaking are in good company. Moreover, and this may surprise even financial experts, the directors applied for, and have been allotted, the largest number of shares allowed by the Stock Exchange if a public quotation is to be obtained.

CONCENTRATION OF PRODUCTION.

There is another point to which I would like to draw your attention, and that is, the policy which your directors have consistently followed in concentrating production in two or three main factories built on land which we have acquired freehold. In pursuance of this policy we have from time to time purchased property adjoining our factories, so that we shall be in a position to build extensions to our factories as the business increases and develops. I may also point out that the company is placed in a very independent and self-contained position from the fact that we ourselves manufacture all boxes used for the packing of our product, and, moreover, we have the advantage of our own printing works for the production of pamphlets, catalogues, &c.

PROFIT-SHARING SCHEME.

I have always believed that a business could not continue to prosper without an efficient and contented staff. It is good business, I have contended, to ensure that your employees will continue in your service, and will be encouraged to give of their best by welfare schemes, and by some system which ensures their participation in the company's prosperity. Every employee on your company's pay-roll receives a yearly bonus based on profits. This is, of course, charged as an expense before arriving at the figure of net profits shown in the prospectus. He or she, therefore, shares to the full in the prosperity of the company. We welcome suggestions by the staff for any improvements that may be possible, and invariably give such suggestions our most careful consideration. To enable these suggestions and any questions of working conditions to be brought before us, your employees select their own delegates, who forward reports or meet together whichever is needed. These delegates meet in the company's time without loss of pay.

PROSPECTS FOR 1929.

Now you may expect me to say a few words about the future. As I said before, the present industrial situation in this country contains reassuring factors, and I am hopeful that at least 1929 will prove a better year than 1928. One of these hopeful features is the absence of industrial disputes for some time past. The saner trade union leaders have realised that the interests of workmen, as of their employers, lie in increased production, which makes possible such decreases in overhead costs that goods can be sold in competitive markets. Representative trade union leaders are now officially co-operating with employers to lay surer foundations for peace and efficiency. Another hopeful feature is the extent to which it is being realised that in the basic industries of this country rationalisation, that is, co-operation between like concerns with a view to effecting economies in production and in distribution, is essential. This lesson has taken a long time to sink in, but it appears now to have been learnt. Once again the world has been blest with good harvests, which means that the purchasing power of large communities of British customers abroad will be improved. We may, therefore, hope that the increase in our exports which has recently been visible will be maintained. All these are factors which lead one to hope that, if a revival of trade should now be apparent, British industry will be in a stronger condition to take advantage of it than was the case a year ago. I believe that that revival cannot now be long delayed. Already it is visible in the great shipbuilding industry. Such a revival, meaning increased employment, will benefit all traders. In these circumstances, I see no reason to doubt that the increases which have been seen in the profits of an old-established concern like the company whose business you have bought will continue to be seen in the future.

IMMEDIATE PROSPECTS—INTERIM DIVIDEND POSSIBILITIES.

With regard to our immediate prospects, I am very pleased to say that, notwithstanding general bad conditions of trade, our sales for the six months ending December 31st have been fully maintained. The spring outlook seems bright, for our order books are more than usually full, and our export trade shows progress. "Twilfit" products are a household word for, you must remember, we were the originators of flexible corsetry.

In conclusion, given no unforeseen setback in the trade of the country, the directors feel confident that they will be in a position to declare an interim dividend on the ordinary shares, possibly in April.

The Chairman: The next item on the agenda is "Any questions?"

Mr Evling: Gentlemen, I say "gentlemen" because I notice there are no ladies present. I take it, Mr Chairman, there are lady shareholders.

The Chairman: I hope so.

Mr Evling: I feel it is a bounden duty, and certainly we have a duty to perform. I have been listening to the chairman's report at this statutory meeting, and I beg to propose to him and to the other directors a hearty vote of thanks. This is, of course, just a small duty one feels one should do. We feel as shareholders that our interests are in their hands, and I, for one, feel quite sure they are in very earnest, sincere and good hands. I have very great pleasure in wishing our company all the success I am sure it deserves, and in proposing a hearty vote of thanks to the chairman and the other directors in your name. Will some gentleman please second that?

Mr Ponder: I have very much pleasure in seconding that. It was a most interesting speech from the chair for a statutory meeting. What we were all looking forward to was what he was going to say as to the immediate future and the present. That was hopeful, so he is sending us away happy.

Mr Evling: I will put that to the meeting. It was proposed by myself and seconded by my friend here. Those in favour: that is carried. Mr Chairman, we are pleased to congratulate you and to pass you a hearty vote of thanks, you and your directors.

The Chairman: Well, gentlemen, on behalf of my directors I thank you very sincerely for your vote of thanks to us. I personally feel very confident of the future success of Leethems (Twilfit), and I feel sure that as time goes on you will be grateful that you took an interest in the initial stages of this company. That is all the business. I thank you for your attendance.

BRITISH AMERICAN TOBACCO COMPANY, LIMITED.

GOOD RESULTS OF YEAR'S BUSINESS.

SUBSTANTIAL INCREASE IN PROFIT.

The twenty-sixth annual general meeting of British-American Tobacco Company, Limited, was held, on the 14th instant, at the offices of the company, Westminster House, 7 Millbank, London, Sir Hugo Cunliffe-Owen, Bart. (the chairman), presiding.

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

The Chairman, in moving the adoption of the report and accounts, said:—As you are aware, it is usual at our annual meeting to go through the various items of the balance-sheet and make some comments thereon.

BALANCE-SHEET ITEMS.

Taking the assets side of the balance-sheet, first, you will observe that the item of real estate and buildings at cost, less provision for amortisation of leaseholds, £569,059, shows an increase of £38,370 as compared with last year. This is accounted for by the purchase of some leasehold property and by additional factory buildings which we are erecting.

Plant, machinery, furniture and fittings, at cost or under, £777,247, shows an increase of £159,887. This increase is made up of items of additional machinery required in your factories.

Goodwill, trade marks, and patents remain at the same figure as last year—namely, £200,000—and, in view of the great value of the company's trade marks, the directors remain of the opinion that this item should appear on the balance-sheet, even if only at the nominal value of £200,000.

Loans to and current accounts with your associated companies, £5,434,405, show a small increase of £43,774.

Investments in British Government securities and other investments at market price, £275,228, show an increase of £226,195 on September 30th last. This increase is chiefly due to a temporary investment.

INVESTMENTS IN ASSOCIATED COMPANIES

Investments in associated companies show an increase from £20,135,601 to £20,931,081. This is the largest item on the assets side, and shows an increase this year of £795,480. This is accounted for by the increase of your investments in associated companies and in the purchase of new businesses. As I mentioned last year, the actual value of your proportion of the net tangible assets of these associated companies considerably exceeds the figure at which the investments are carried in the books of your company.

Stocks of leaf, manufactured goods, and materials at cost or under, now stand at £6,269,490, or an increase of £616,597. This is chiefly due to the increase in the purchase of leaf tobacco to meet increasing business. The stocks of leaf, manufactured goods and materials have been carried at cost or under, as in previous years.

Sundry debtors, less provision for doubtful debts, short-term deposits (£2,250,000) and debit balances now stand at £4,352,575, an increase of £540,370. Short term deposits show an increase of £239,000, trade debts show an increase of over £80,000, and loans against security show an increase of over £200,000.

Cash at bankers, in transit, and at call, £2,756,821, shows a small decrease of £32,609.

Turning to the liabilities side of the balance-sheet, the issued capital of 4,500,000 preference shares remains the same, but the issue of ordinary shares is increased from 23,499,606 to 23,540,236, an addition of 40,630 shares. This is due to shares allotted to shareholders under a resolution passed at the general meeting held on June 21, 1926, and to the issue of shares to certain directors under another resolution passed at the same meeting.

Creditors and credit balances, £5,724,366, represents an increase of £1,640,908 on the figure at which it stood last year. The greater portion of these balances consists of provision for payment of taxation due to British Dominion and foreign Governments and moneys deposited by your associated companies.

The item of reserves for buildings and machinery now stands at £525,000, an increase of £25,000.

Premium on ordinary shares issued stands at £559,658, an increase of £20,000. This increase is due to the premium received on the shares issued to directors previously mentioned.

Provision for redemption of coupons now stands at £58,963, a decrease of £27.

Special reserve has increased from £1,718,665 to £1,921,511, an increase of £202,846. As your chairmen have stated in speeches in previous years, this account was created in which to carry profits of a capital nature.

PROFIT AND LOSS ACCOUNT.

This brings me to the last item—namely, profit and loss account. The accounts show a net profit for the year, after deducting all charges and expenses and providing for income-tax, of £6,563,559, an increase of £209,464 over the previous year, which the directors trust you will consider satisfactory.

Last year we carried forward a balance of £4,277,468, out of which we paid a final dividend of 1s 8d per share, free of income-tax, amounting to £1,958,353, which left us with a disposable balance of £2,319,115.

During the year, as previously mentioned, some additional coupons have been deposited with us in respect of the shares issuable in pursuance of the extra-ordinary resolution of the shareholders of June 21, 1926, and we have allotted to shareholders 630 ordinary shares of £1 each, and a sum of £630 has to be deducted from the balance, leaving £2,318,485. To this must be added the profits for the year as previously mentioned. £6,563,559, less the preference dividend, amounting to £225,000, and the four interim dividends paid on the ordinary shares for the year, amounting to £3,920,872, leaving a disposable balance of £4,736,173, out of which the directors recommend the distribution on January 24th next of a final dividend, free of British income-tax, on the issued ordinary shares of 1s 8d per share, amounting to £1,961,686, leaving £2,774,486 to be carried forward, all of which is required in the operations of the company.

Let me draw your attention to the fact that the figures which we are now discussing refer to the company's business as of September 30th last year.

Since that time we have issued to shareholders shares in the Tobacco Securities Trust Company, Limited; therefore the changes in our balance-sheet—which this proceeding renders necessary—do not appear in the accounts now before you, and will not appear until you have before you the accounts for the current year.

SIR GILBERT WILLS JOINS THE BOARD.

I am sure you will all share the regret that my co-directors and I feel at the death of our co-director, the late Sir George Wills, who was an outstanding figure in the tobacco business, and whose name is a household word to all of us.

We have been fortunate in that Sir Gilbert Wills, chairman of that great undertaking the Imperial Tobacco Company (of Great Britain and Ireland), Limited, has joined our board, and I am sure that you will welcome his appointment.

It has been for many years past our policy to appoint on our board only directors who are active in the tobacco business. What I mean by this is—practical people who have spent their lives in the business which they are now called upon to take a part in directing.

We therefore endeavour as far as may be to fill vacancies on our board by taking the best available men from our staff and those of our subsidiary companies, and in pursuance of this policy, and in order to meet the growing needs of our business, we have appointed—since I had the pleasure of addressing you last year—three new directors, Messrs Morris, Anderson and Gillon.

Each of these gentlemen has been in the employ of your company or its associated companies for over 25 years, and were occupying at the date of their appointments very responsible positions in three of your more important subsidiary companies. They, therefore, bring to the directorate that knowledge and experience which we consider essential, and I feel sure that you will allow me to add that I consider the success which has attended our efforts to be in no small measure due to the fact that your company is directed by men who thoroughly know the business of which they are directors.

Results for the year under review in nearly all parts of the world were, I am glad to say, very satisfactory.

This is greatly due to the good management and efficiency of the boards of directors of the associated companies and the loyalty of their respective staffs, and I am sure that you will join with me in congratulating them on the successful results they have achieved.

CURRENT YEAR'S PROSPECTS.

I am very pleased to be able to tell you that your business for the first three months of the current year continues to be satisfactory.

I now formally beg to move the adoption of the report and balance-sheet for the year ended September 30, 1928, including payment on January 24th instant of a final dividend of 1s 8d per share upon the issued ordinary shares, free of British income-tax.

I may also mention that the directors have declared for the year 1928-29 an interim dividend of 10d per share, free of British income-tax, also payable on January 24th, so that the shareholders will receive on that date 2s 6d per share.

Mr. S. J. Gillchrest seconded the resolution, which was carried unanimously.

LIEBIG'S EXTRACT OF MEAT COMPANY, LIMITED.

YEAR'S RECORD PROFIT.

The 64th annual general meeting of Liebig's Extract of Meat Company, Limited, was held, on the 17th instant, at the Cannon street Hotel, London.

Mr C. E. Gunther (chairman and managing director) said that the directors were again able to submit a satisfactory report, the results showing the highest figure of profit attained in the company's 64 years of trading. The changes in the balance-sheet figures were all such as normally arose in the course of the development of the business and its operations. The capital remained unchanged, but since August 31st they had issued to shareholders on favourable terms the remaining authorised 100,000 ordinary shares, so that the issued ordinary capital would figure next year at £2,000,000, and the item of redeemable notes would disappear, these having been discharged. The reserve fund, with the appropriation now recommended, would be brought up to £1,400,000, in addition to which there would be the premium on the new shares, amounting to £250,000. The total reserve was thus equal to over 80 per cent. of the ordinary capital.

The volume of the company's trade, both at home and abroad, continued to show satisfactory expansion, and it was especially gratifying to report that the recovery in the Continental countries, heralded last year under the return of more stable conditions of currency, had made further substantial progress. During the last year or two they had undertaken in stages the extension and modified layout of their Antwerp factory. The programme was now approaching completion, and the additional accommodation provided, as well as affording a better routine for the manufacture, would ensure much-needed space for storage purposes. The Continental subsidiaries had made good progress, and a good impression was made of their activity and efficiency.

The fine new building of Thames Side Properties, Limited, near Blackfriars Bridge, on the south side of the river would shortly be ready for occupation. The extensive and up-to-date warehousing accommodation this building would provide, and its strategic position for the reception of produce shipped from overseas to the Port of London, would be of considerable value

The River Plate factories had successfully carried through their appointed programmes.

SALES WELL MAINTAINED AT HOME AND ABROAD.

The sale of the company's various manufactured articles had been well maintained both at home and abroad. A most interesting feature of their activities was the supply of therapeutic preparations made from the endocrine glands of the ox. They received daily from the medical profession confirmation of the excellence of their products, which were sold under the proprietary name of "Oxoid Glandular Preparations." The total number of their gland preparations was very considerable, but he might specially mention thyroid gland, standardised to contain an exceptionally high percentage of iodine, pitoxylin, manufactured from the pituitary gland under licence from the Ministry of Health, and widely used in obstetrics; also a combination of parathyroid gland and calcium, which was of proved value in maintaining the proper balance of calcium in the blood, and was of great efficiency in treatment of various affections of the skin caused by calcium deficiency. Their latest production, "Liveroid," a palatable juice prepared from ox liver—had proved its value in the cure of that most deadly disease, pernicious anæmia. It is also giving good results in the treatment of general anæmia.

This company was the pioneer of the meat extract industry, and it would be seen that they were still in the forefront in developing the latest discoveries. They would continue to concentrate their attention on the greatest possible development of this branch, and it would be realised that the proved activity and reliability of the company's therapeutic preparations served to confirm the confidence of the medical profession in their well-known articles, Oxo, Lemco, &c.

PROSPECTS OF COMPANY'S RANCHING INTERESTS.

Taken in the aggregate, their estancias had in the past year brought an improved contribution to the company's results. As regarded the present season, prospects in the Argentine had rarely looked better; weather conditions were favourable, and stock were reported to be in advance of their usual state at this time of the year. This presented a hopeful outlook for their ranching interests generally, and for their slaughter season, which had just commenced, although as regarded the latter there was a strong tendency to higher cattle prices. Their herds and flocks were reported to be in good condition, and continued to be improved by the introduction of pedigree blood. Their farms in both Rhodesia and South-West Africa showed an increased turnover, with improved trading results.

As regarded the sale of by-products, hides, tallow, fertilisers, &c., the period under review was characterised by favourable conditions, the outputs meeting with a ready reception at satisfactory prices from a wide clientèle of buyers.

The report and accounts were unanimously adopted.

MICHAEL NAIRN AND GREENWICH, LIMITED.

CONTINUED PROSPERITY OF ASSOCIATED COMPANIES.

The seventh annual general meeting of Michael Nairn and Greenwich, Limited, was held, on the 17th instant, at Winchester House, Old Broad street, London.

Sir Michael Nairn, Bt. (the chairman), said that they all greatly regretted the loss which their company had sustained by the death in March last of Mr John Nairn. It was well known that the old firm of Michael Nairn and Co., Limited, was largely a family business. The business had been built up and attained its first position of prominence in the trade under the management of his late father and his brother, the late Mr John Nairn. It was also under that combination that he (the chairman) and most of the present directors received their initial training in the industry, and he thought it was only those of them who were fortunate enough to have had the advantage of that training who could appreciate to the full extent the loss which his death had meant to the company. Mr John Nairn started his business life in the year 1872, and became chairman of Michael Nairn and Co., Limited, in 1915, on the death of the late Sir Michael. On the formation of their company he was the first chairman, and only resigned his position owing to failing health in 1924, though he continued to remain a director until the day of his death.

DIVIDEND.

The results for the past year enabled them once more to declare a final dividend of 7½ per cent., making 12½ per cent., less income-tax, for the year, and to carry forward £44,729, as against £37,740 last year. The figures presented might be taken as an indication of the continued prosperity of their associated companies. He was closely in touch with both the Nairn and the Greenwich companies, and, broadly speaking, there were three main departments in both concerns—manufacture, administration, distribution—and it was the constant aim of the directors so to co-ordinate the activities of each of those departments as to ensure the maximum of efficiency in the general conduct of the business.

At the recent meeting of the Greenwich company it was stated that every effort was being made by the increase of plant and equipment to meet the growing demand for Greenwich inlaid linoleum, and the Nairn company were pursuing a similar policy in regard to their own productions. One of the most recent developments at Kirkcaldy was the installation of a power station, which he claimed to be second to none in this country. It had taken a considerable time to erect, had cost a very large amount of money, had rendered obsolete old furnaces, and, although not yet in full working order, had already been the means of effecting important economies in the cost of manufacture. The machinery and plant at both works under the supervision of expert staffs were kept thoroughly up-to-date, and the constant endeavour in every manufacturing department was not only to maintain, but to raise higher the standard of quality always associated with Nairn and Greenwich goods.

The importance of a modern system of administration in commercial business could not be exaggerated, and in both companies the latest methods of accountancy and costing had been introduced, and those gave to the directors the most effective and complete control over the whole of the business operations. The distribution of the goods manufactured by the associated companies was in the hands of a competent and experienced selling staff, who were continually in touch with buyers in every country in the world, and it was their business not only to sell linoleum, but to keep the directors constantly informed regarding the individual requirements of various markets.

AUSTRALIAN COMPANY.

At the annual meeting last year he had referred to the formation of a new company in Australia, called Michael Nairn and Co. (Australia), Limited. The new company was now manufacturing goods, and he had every reason to believe that the step taken to conserve the Nairn interests in Australia would prove in the best interests of the shareholders. There was another point of considerable importance to which he desired to refer. It had always been the object of the directors to create an atmosphere of goodwill between the respective boards and the workpeople, and there had been for many years a growing spirit of co-operation which made for smooth working and willing service.

In conclusion he would like to say that both the Nairn and Greenwich companies had had a most satisfactory year, both in profit and sales. During a period when there had been so much depression in various sections of industry, it was gratifying that such results had been achieved. He would like to add that in both companies ample provision had been made for depreciation and adequate additions had been placed to reserve accounts.

The report and accounts were unanimously adopted and a final dividend of 7½ per cent., making 12½ per cent. for the year, was declared.

APEX (TRINIDAD) OILFIELDS, LIMITED.

RECORD OUTPUT FIGURES.

The ninth ordinary general meeting of the Apex (Trinidad) Oilfields, Limited, was held on the 17th instant, at Winchester House, London.

Mr Walter Maclachlan (chairman and one of the managing directors), who presided, said, in the course of his speech: The net profit for the year amounts to £246,420, which, added to the balance of £102,045 brought forward from the preceding year, makes a total of £348,474.

The directors propose the payment of a final dividend of 20 per cent., less tax, making 35 per cent. for the year; as income-tax is deducted from our dividends at the rate of about 2s in the £, the gross return for the year represents the equivalent of approximately 39 per cent., less full tax at 4s in the £. The final dividend, with the directors' percentage thereon, will require £105,000, leaving £119,374 of undivided profit to be brought forward into the profit and loss account for the current year.

Although, in common with all oil-producing undertakings, we have been seriously affected by the prevailing world-wide depression in prices consequent upon the over-production of oil, there is good reason for satisfaction with the results which, in spite of these adverse conditions, have attended the operations for last year. These results suffer only from comparison with those of the previous year, and as indicating the definite cause of the fall in our profits, I may point out that had the prices ruling during the preceding year been maintained, the net profit for the year now under review would have been greater by approximately 50 per cent.

OIL PRODUCTION AND DELIVERIES.

The production of oil during the year was 294,775 tons, as against 281,181 tons for the preceding year. This production, which constitutes a record year's output from our oilfield, was obtained from 96 wells. The production for October, November, and December of the current financial year has been 94,631 tons, an average monthly output of 31,544 tons, as compared with the monthly average of 24,656 tons for the whole of 1927-1928. The total production from our property up to December 31, 1928, has amounted to 1,380,000 tons, and it is interesting to note that we produce about 30 per cent. of the entire annual oil production of Trinidad.

The oil delivered to Trinidad Leaseholds and that used in our own operations during the year amounted to 292,750 tons. As has already been stated, the average price realised from the sale of our output was considerably under that for the preceding year, but I am glad to be able to inform you that during the current year we are realising somewhat better prices than those for the year now under review.

AREA AND PROPERTY.

Further purchases of property, comprising both surface and oil-rights, have been made, and the oil rights controlled at September 30th last amounted to 3,324 acres. This includes the area of approximately 2,000 acres of Crown Lands, situated immediately south of our oilfield, previously held under an exploration licence from the Trinidad Government. Of this area, about 245 acres are now held under a prospecting licence, and the remainder of this area will also be held under a prospecting licence, which it has been agreed will be granted by the Government. Applications have also been filed with the Government for further blocks of land immediately adjacent to our oilfield.

In continuance of our drilling programme, 33,488 feet were drilled during the year, making a total of 169,781 feet drilled on the property. During the year four wells which had been previously commenced were drilled to completion, thirteen new wells were completed, and other wells in progress at the end of the year.

The amortisation plan under which our wells are written off in three years has been continued, in pursuance of which £92,362 has been written off in respect of last year.

PROSPECTS.

The continuance of general over-production renders these somewhat difficult times in which to deal with the outlook for the current financial year, but you will be glad to know that our Oilfield is responding to development operations in a most satisfactory manner, and shows every promise that the production will considerably exceed that of last year and that another record output will be established. As regards the realisation of our production, prices for our light products have risen materially, but the price of fuel oil has declined, and there does not appear to be much probability of an early recovery of any great extent. We are, however, deriving benefit from the new agreement for the sale of our production which came into operation last August, and are now realising somewhat better prices than those for last year. On the whole, therefore, we have good reason to consider that the position and outlook are satisfactory, and that the results for this year will show an appreciable improvement over those for the year under review.

The report and accounts were unanimously adopted.

RIO DE JANEIRO FLOUR MILLS AND GRANARIES, LIMITED.

RESULTS OF A DIFFICULT YEAR.

The ordinary general meeting of the Rio de Janeiro Flour Mills and Granaries, Limited, was held, on the 15th instant, at the Institute of Chartered Accountants, London, Mr Richard Foster presiding.

The Chairman, in moving the adoption of the report and accounts, said that the company had been passing through a very trying time, but, considering the state of commerce in Brazil during the past three or four years he could only feel surprised that they had not felt the effects of it sooner. The balance carried to the balance-sheet was £30,000 less. The directors were in the position of being able to pay the usual final dividend of 1s 9d per share and bonus of 1s per share, both free of income-tax, carrying forward £88,557. That result, in view of all the circumstances connected with the trade of Brazil for the last few years, was, he considered, satisfactory. Shareholders who knew Brazil would not be surprised that they were at length feeling the effects of the severe commercial depression in that country

There had been other factors which had affected them. There had been the extraordinary "tightness" of money, particularly in the interior, caused partly by the failure of the cereal crops and partly by the restriction of coffee entries, not only into the Port of Santos, but also into the other ports. That meant a lack of funds to buy the necessities of life, among which was flour. It also restricted the power to purchase the finer count cotton goods of the native factories, which had, therefore, been driven to manufacture the coarser counts, which were the particular products of their own cotton mills. With a view to alleviating the depression in the Brazilian textile industry an emergency project, increasing the import duties on cotton yarns, piece goods, &c., had recently been passed by Congress to beocme effective three months after its sanction. For the greater part of the year they had had a steadily declining wheat market. Another difficulty was that the Central Railway increased the freights on flour to Sao Paulo, and the local shipping companies followed suit.

Mr S. C. Sheppard (managing director) said that on Saturday the following cheering cabled news was received:—"General situation showing signs of some improvement, inquiries for cotton goods improving at remunerative prices, flour trade fairly satisfactory, macaroni and biscuit factories working full time, with the demand at present exceeding the production."

The report was unanimously adopted.

TRANSVAAL ESTATES AND DEVELOPMENT COMPANY, LIMITED.

SALE OF ASSETS APPROVED.

A meeting of the Transvaal Estates and Development Company, Limited, was held, on the 16th instant, at Winchester House, London, to consider a resolution approving the sale of the company's assets to the African and European Investment Company, Limited.

Mr C. F. Rowsell, who presided, said that they had received proxies in favour of the scheme from 1,298 individual shareholders representing 344,749 shares. The proxies received against the scheme were from two shareholders representing 300 shares. The board had had to consider the scheme from two points of view—the market position and the intrinsic value of the shares. At the time when the proposals were first discussed their shares stood at between 9s and 10s and the Investment Company's shares at about £1. On the basis of three shares of the Investment Company for five shares of this company—the proposed basis of sale—that worked out their shares at 12s per share, or, with the proposed 2½ per cent. dividend, at 12s 6d per share. On the then market price of the Transvaal company's shares that meant an improvement of over 30 per cent.

As to the intrinsic value of the two shares he had always been of opinion that in course of years the land holdings of the Transvaal company would eventually realise a sum which, with their cash assets, would represent nearly £1 per share, but the process of realising land in South Africa was very slow, and he thought it would be fair to estimate the present intrinsic value of the shares at about 17s 6d to 18s. A careful valuation of the position of the Investment Company showed that they had surplus assets—in other words, unrealised profits—equal to nearly £750,000. That, on their share capital, meant practically 10s in the £, so that a fair estimate of the intrinsic value of their assets at the present time would be about 30s to 35s.

A valuation of the quoted securities held by the Investment Company amounted to approximately £1,054,000, which showed a profit of £308,000 over the price at which they stood in the books. The profits of the Investment Company for the year to December 31st last were not definitely ascertainable at the present time, but he understood that they would enable a satisfactory dividend to be declared for the year. There was every prospect that the very satisfactory results which that company had obtained for the past two years would be continued and, he hoped, improved upon.

The resolution for approving the scheme having been lost on a show of hands, the Chairman demanded a poll, which resulted in the resolution, as amended, being carried.

155 Branches in Finland

CAPITAL AND RESERVES: Fmk.403,000,000.
TOTAL ASSETS (30/6.28): Fmk.2,896,902,000.

KANSALLIS-OSAKE-PANKKI
(National Joint Stock Bank)

HEAD OFFICE: HELSINKI (HELSINGFORS), FINLAND

Established 1889.

SUMMARY OF BALANCE-SHEETS.

MIDLAND BANK, LIMITED.—The audited balance-sheet of the Midland Bank, Limited, made up on December 31, 1928, compares as follows with the position shown by the bank on December 31, 1926 and 1927:—

LIABILITIES.	Dec. 31, 1926. £	Dec. 31, 1927. £	Dec. 31, 1928. £
Capital paid up	12,665,798	12,665,798	13,432,968
Reserve fund	12,665,798	12,665,798	13,432,968
Current, deposit and other accounts	366,423,103	374,375,146	394,591,227
Profit balance, &c., and dividend payable	1,736,959	1,747,735	1,815,737
Acceptances and confirmed credits on account of customers / Engagements on account of customers	37,065,445	20,160,494 / 16,837,100	24,942,269 / 49,498,865
	430,567,103	438,452,071	497,714,034
ASSETS.			
Coin, gold bullion, bank notes and balances with the Bank of England	52,994,044	49,763,778	45,440,918
Balances with, and cheques in course of collection on other banks in Great Britain and Ireland	18,222,492	18,641,269	28,247,083
Money at call and short notice	22,786,853	27,509,077	27,681,297
Investments	38,853,582	35,435,530	36,858,698
Bills discounted	46,744,312	49,314,778	63,347,503
Advances to customers & other accounts	200,459,993	206,487,910	214,050,972
Liabilities of customers for acceptances, confirmed credits and engagements	37,065,445	36,997,594	74,441,134
Bank premises	6,936,574	7,635,646	8,725,101
Capital, reserve and undivided profits of Belfast Banking Co., Limited; The Clydesdale Bank, Limited; North of Scotland Bank, Limited; Midland Bank Executor and Trustee Co., Lim.	6,495,809	6,666,489	6,911,328
	430,557,103	438,452,071	497,714,034

The following statement, supplementing the above figures, shows the proportion of the principal assets to current, deposits and other accounts:—

	Dec. 31, 1926. %	Dec. 31, 1927. %	Dec. 31, 1928. %
Coin, gold bullion, bank notes, and balances with the Bank of England	14·5	13·3	11·5
Balances with, and cheques in course of collection on, other banks in Great Britain and Ireland	5·0	5·0	5·1
Money at call and short notice	6·2	7·3	7·0
Investments	10·6	9·5	9·3
Bills discounted	12·7	13·2	16·1
Advances to customers and other accounts	54·7	55·1	54·2

MICHAEL NAIRN AND GREENWICH, LIMITED.
MARTINS BANK, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
£20 shares, £2½ paid	2,348,890	— 100,000
£1 shares, fully-paid	1,811,152	+ 1,811,152
Reserve fund	3,457,872	+ 1,207,872
Current, deposit, and other accts.	82,932,881	+ 20,042,009
Note circulation, Isle of Man	16,751	+ 16,751
Bank's acceptances	3,959 100	+ 1,440,689
Endorsements	6,989,941	+ 3,119,097
Unpaid divs.	334,416	+ 137,356
Balance of profits	111,499	+ 9,828
Total	101,962,502	+ 27,684,754

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Cash	9,121,948	+ 1,726,965
Balances with, and cheques in course of collection, other British banks	2,994,657	+ 412,720
Money at call or notice	5,420,745	— 1,258,788
Investments	25,104,768	+ 14,683,032
Bills of exchange	3,702,117	+ 1,055,853
Loans and advances to customers, &c.	42,600,479	+ 6,027,508
Customers' liability for bank acceptances	3,959,100	+ 1,440,689
Endorsements	6,989,941	+ 3,119,097
Bank premises	2,068,717	+ 477,678
Total	101,962,502	+ 27,684,754

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Ord. shares, £1	2,198,291	.. ..
Reserve	187,500	.. ..
Creditors	1,314	.. — 89
Profit and loss	176,627	.. + 6,990
Total	2,563,732	.. + 6,901

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Investments at cost	2,457,486	.. + 6,073
Cash	1,919	.. — 6,024
Debtors	104,141	.. + 6,852
Office furniture	186	.. ..
Total	2,563,732	.. + 6,901

ALEXANDERS DISCOUNT COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Ord. shares £10 with £5 paid	575,000	.. ..
5% pref. shares	200,000	.. ..
Reserve fund	575,000	.. ..
Loan, deposit and other accounts	21,374,593	.. + 2,265,342
Bills re-discounted	6,666,883	.. + 909,944
Rebate on bills discounted	236,108	.. + 25,736
Balance of profit and loss	125,864	.. + 24,148
Total	29,753,448	.. + 3,225,170

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Cash	569,687	.. + 63,048
Investments	6,107,045	.. + 1,771,776
Bills discounted	23,827,150	.. + 1,331,627
Loans on security, &c.	249,556	.. — 441,281
Total	29,753,448	.. + 3,225,170

NATIONAL DISCOUNT COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
"A" shares, fully-paid	423,332	.. ..
"B" shares, £7½ with £2½ paid	576,668	.. ..
Reserve fund	865,000	.. + 15,000
Deposits, &c.	25,182,037	.. — 4,026,347
Bills re-discounted	17,526,606	.. — 6,674,533
Rebate	521,966	.. — 75,999
Profit and loss	297,164	.. + 10,687
Total	45,392,773	.. — 10,750,992

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Cash	602,310	.. + 6,597
Investments	3,205,022	.. + 357,338
Loans	1,225,388	.. — 987,799
Bills discounted	40,239,735	.. — 10,117,472
Interest receivable, &c.	20,318	.. — 9,656
Freehold premises	100,800	.. ..
Total	45,392,773	.. — 19,750,992

LISTER AND CO., LIMITED.

November 30, 1928.

LIABILITIES.	Amount. £	Compared with Nov. 30, 1927. £
5% cum. pref. (£1)	600,000	.. ..
Ord. (£1)	1,425,000	.. ..
Deb. stock	250,000	.. ..
Creditors	536,802	.. + 40,700
Reserve	155,000	.. + 20,000
Int. accrued	20,000	.. ..
Profit and loss	190,986	.. — 19,350
Total	3,177,788	.. + 41,350

ASSETS.	Amount. £	Compared with Nov. 30, 1927. £
Freehold premises, &c.	1,310.229	.. + 500
Debtors	395,230	.. — 27,246
Investments	479,630	.. + 2,289
Stocks	1,062,056	.. + 66,146
Cash and bills	2,653	.. — 539
Total	3,177,788	.. + 41,350

DISTRICT BANK, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
£15 shrs., £3 paid	1,896,600	.. ..
Reserve fund	2,000,000	.. ..
Dividend for half-year, subject to tax	173,800	.. ..
Balance of profit and loss	325,699	.. + 67,533
Current, deposit, and other accounts	52,254,949	.. — 1,466,418
Acceptances	1,807,241	} + 1,435,350
Endorsements	657,637	
Total	59,115,326	.. + 36,465

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Cash in hand and in Bank of England	6,043,460	.. — 202,970
Money at call and notice	4,724,125	.. — 1,063,495
Bills of exchange	5,146,317	.. + 1,744,143
Investments	14,786,851	.. — 6,853
Advances in current and other accounts	23,249,695	.. — 1,878,710
Acceptances	2,464,878	.. + 1,435,351
Bank property	700,000	.. ..
Total	59,115,326	.. + 36,465

UNION DISCOUNT COMPANY OF LONDON, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
£5 shrs., £2½ paid	1,250,000	.. + 125,000
Reserve	1,760,000	.. + 225,000
Loans & deposits	45,875,810	.. + 1,074,390
Bills re-discounted, &c.	15,614,655	.. + 5,079,843
Rebate on bills discounted	585,005	.. — 201,223
Profit and loss	371,086	.. + 24,115
Total	65,466,556	.. + 6,327,125

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Cash	1,339,129	.. + 11,087
Investments	8,963,231	.. + 1,468,440
Loans, &c.	123,231	.. — 1,051,960
Bills discounted, &c.	54,842,540	.. + 5,933,648
Debtors	98,425	.. — 14,870
Premises, &c.	100,000	.. — 20,000
Total	65,466,556	.. + 6,327,125

OIL OUTPUTS.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for week ended January 9th: Venezuela, 36,479 barrels; Trinidad, 16,797 barrels; total, 53,276 barrels. Production for December: Venezuela, 159,760 barrels; Trinidad, 75,268 barrels; total, 235,028 barrels. Deliveries for December: Venezuela, 139,342 barrels; Trinidad, 74,910 barrels; total, 214,252 barrels.

KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—The total production during the month of December amounted to 144,080 barrels, or approximately 20,583 tons.

MEXICAN EAGLE OIL.—The production for the week ended January 5, 1929, was 142,000 barrels.

SERVICE PETROLEUM.—Output from the company's oil wells at Gura Ocnitzei and Ceptura for the week ending January 13th was 2,567 tons (17,969 barrels).

In respect of which the royalty due to Tampico Oil, Limited, amounted to 2,278 barrels.

GOVERNMENT RETURNS, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended January 12, 1929 :—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	5,170	From Revenue	23,399
Interest, &c., on Debt	1,476		
Sinking Fund	620		
Sundries	281		
Decrease in Debt	15,436		
Increases in Balances	416		
	23,399		23,399

The total Ordinary Revenue for the week amounted to £23,399,400, as compared with £22,424,200 in the corresponding week last year. Property and Income-tax brought in £11,306,000, against £11,251,000, and Super-tax £2,930,000, against £2,400,000. Customs were higher at £1,828,000, against £1,510,000, but Excise was lower at £1,172,000, against £1,573,000. Ordinary Receipts amounted to £209,900, as compared with £210,200, while Special Receipts brought in only £800, as compared with £175,000. The National Debt was reduced by £15,436,000, as shown below :—

(000's omitted.)

	£		£
Bank of England Advances	— 5,750	National Savings Certificates	+ 100
Public Department Advances	— 6,300	Road Fund	+ 1,000
Treasury Bills	— 4,086		
Telegraph Money	— 400		
	— 16,536		+ 1,100

The floating debt was reduced by £16,130,000 to £800,060,000.

FINANCIAL YEAR, 1928-29, April 1 to Jan. 12, 1929.

	£		£
Expenditure	597,119,800	Revenue	474,851,596
		Amount borrowed	118,753,538
		Decrease in balances	3,514,666
	597,119,800	Total	597,119,800

ESTIMATES (New Basis), 1928-29.

	£		£
Expenditure	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

SELF-BALANCING REVENUE and EXPENDITURE.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Jan. 12, 1929.
3½% and 2½% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	..	..	..	..	..	166	204	204	204
3½% Conversion Loan	..	..	666	709	760	740	832	832	832
4½% Conversion Loan	..	..	..	210	211	211	221	221	221
5% War Stock	..	63	63	63	63	63	..	..	..
4½% War Stock	..	13	13	13	13	13	13	13	13
4% and 5% War Stock	..	2,047	2,166	2,052	2,109	2,154	2,253	2,253	2,253
National War Bonds	..	1,509	820	778	706	556	194	111	111
4% Funding Loan	..	409	396	394	390	389	385	385	385
4% Victory Bonds	..	360	314	303	292	277	261	261	261
Treasury Bonds	..	..	457	499	482	454	675	773	773
Exchequer Bonds	20	333	150	15	15	15	16	16	16
National Savings Certs.	..	267	366	369	375	372	362	360	360
Other Debt*	..	1,306	1,128	1,124	1,111	1,103	1,097	1,094	1,094
American Loan (Anglo-French)	..	51	..	..	..	..	..	..	..
Treasury Bills	15	1,107	588	576	565	599	527	788	780
Temporary Advances	1	243	186	167	139	117	162	28	20
	654	8,033	7,641	7,598	7,558	7,555	7,528	7,665	7,649
Other Capital Liabilities	57	46	66	68	75	98	103	103	104
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,631	7,768	7,753

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Jan. 14, '28.	Mar. 31, '28.	Jan. 12, '29.	Movement Week ended Jan. 12, '29.
	£	£	£	£
Ways and Means Advances Outstanding—				
Advances by Bank of England	..	..	..	— 5,750,000
Advances by Public Deptmts.	168,070,000	161,850,000	19,940,000	— 6,300,000
Treasury Bills Outstanding	642,305,000	526,940,000	*780,120,000	— 4,080,000
Total Floating Debt	810,375,000	688,790,000	800,060,000	— 16,130,000

* Includes £23,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bills were opened on Jan. 11, 1929, and the total amount applied for was £57,915,000. For bills at 3 months, dated Monday, at £98 19s 2d, and above in full; Tuesday to Saturday at £98 18s 11d, about 71 per cent., and above in full. The amounts allotted were in bills at 3 months, £35,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1928.	£	£	£ s d
Nov. 9	45,000,000	51,505,000	4 7 9·51
Nov. 16	45,000,000	54,365,000	4 6 0·47
Nov. 23	45,000,000	60,896,000	4 7 9·21
Nov. 30	45,000,000	61,695,000	4 5 5·23
Dec. 7	45,000,000	53,675,000	4 6 9·47
Dec. 14	40,000,000	46,050,000	4 8 4·07
Dec. 21	40,000,000	46,850,000	4 8 7·03
Dec. 28	45,000,000	80,130,000	4 5 7·07
1929.			
Jan. 4	45,000,000	59,700,000	4 6 5·99
Jan. 11	35,000,000	57,915,000	4 5 4·26

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1928-29.	Total Receipts into the Exchequer from April 1, 1928, to Jan. 12, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Jan. 14, 1928.	Week Ended Jan. 12, 1929.	Week Ended Jan. 14, 1928.
Balances in Exchequer on 1st April :	£	£	£	£	£
Bank of England	..	5,918,513	6,003,023	..	..
Bank of Ireland	..	404,112	456,633	..	..
	..	6,322,625	6,459,656	..	..
ORDINARY REVENUE.					
Inland Revenue—					
Property and Income Tax	232,900,000	90,384,000	113,902,000	11,306,000	11,251,000
Super-Tax	60,000,000	20,680,000	25,470,000	2,930,000	2,400,000
Estate, &c., Duties	72,000,000	61,890,000	57,190,000	790,000	1,530,000
Stamps	28,000,000	21,530,000	18,630,000	650,000	60,000
Excess Profits Duties, &c.	1,000,000	..	..	..	..
Corporation Profits Tax	1,500,000	580,000	1,430,000	..	110,000
Land Tax, House Duty and Mineral Rights Duty	850,000	190,000	190,000	20,000	20,000
Total Inland Revenue	396,250,000	195,204,000	216,822,000	15,696,000	15,461,000
Customs and Excise—					
Customs	120,637,000	94,474,000	88,22 ,000	1,828,000	1,510,000
Excise	140,768,000	105,730,000	106,840,000	1,172,000	1,573,000
Total Customs & Excise	261,405,000	200,204,000	197,104,000	3,000,000	3,083,000
Motor Vehicle Duties (Exchequer Share)	4,400,000	6,65 ,067	7,365, 58	3,829 000	3,395,000
Post Office (Net Receipts)	8,186,000	7,800,000	5,450,000	,00,000	100,000
Crown Lands	1,100,000	920,000	880,000	..	..
Receipts from Sundry Loans	27,650,000	21,721,269	18,68 8,741	363,712	..
Miscellaneous : Ordinary Receipts	13,550,000	11,992,514	17,223,785	209,883	210,230
Miscellaneous : Special Receipts	40,362,000	30,301,746	21,980,185	800	175,000
Total Ordinary Revenue	752,903,000	474,851,596	485,484,672	23,499,595	22,424,230
SELF-BALANCING REVENUE.					
Post Office	57,314,000	43,100,000	43,350,000	800,000	1,000,000
Motor Vehicle Duties apportioned to Road Fund	21,300,000	9,619,933	8,223,042	1,453,000	1,566,000
Total Self-Balancing Revenue	78,614,000	52,719,933	51,573,042	2,253,000	2,566,000
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		36,917	36,917	..	..
Under the Unemployment Insurance Acts, 1920-28		774,432	3,866,000	..	..
Road Fund		1,000,000	..	1,000,000	..
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		7,650,000	7,000,000	..	..
(b) Under the Unemployment Insurance Acts, 1920-28		8,510,000	2,160,000	380,000	..
(c) For other Issues:					
By Treasury Bills		2,133,335,000	1,987,194,000	57,554,000	46,081,000
By 4% Consolidated Loan		30,650,000	41,316,756	..	..
By National Savings Certificates			26,800,000	800,000	800,000
By National War Bonds		10	0	..	..
By 4½% Treasury Bonds, 1934		..	64,595,752	..	..
By 5% Treasury Bonds, 1933-35		93,603,347	..	..	..
By 4½% Treasury Bonds, 1932-34		4,610,000	..	..	..
(d) Ways and Means Advances		463,600,000	549,070,000	5,085,000	1,450,000
Repayments—					
In respect of Cunard Loan		..	130,000	..	..
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		122,717	136,516	..	..
Total	£	3,277,876,578	3,245,823,321	90,471,595	73,331,230

EXPENDITURE AND OTHER ISSUES

	Estimate for the Year 1928-29 (including Supplementary Grants).	Total Issues out of the Exchequer to Meet Payments from April 1, 1928, to Jan. 12, 1929.	Total Issues out of the Exchequer to Meet Payments from April 1, 1927, to Jan. 14, 1928.	Issues. Week Ended Jan. 12, 1929.	Issues. Week Ended Jan. 14, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest & Management of National Debt	304,000,000	279,010,770	280,668,988	1,476,123	1,231,508
Payments to Local Taxation Accounts	14,200,000	8,513,890	9,161,966	80,000	130,193
Payment to Northern Ireland Exchequer	5,600,000	3,197,396	3,243,186	..	24,376
Other Consolidated Fund Services	2,600,000	1,874,250	3,023,202	201,358	..
Supply Services (excluding Post Office)	352,083,000	263,001,502	271,190,528	5,170,000	5,050,000
Total Ordinary Expenditure	678,483,000	555,597,808	567,317,870	6,927,473	6,436,077
Sinking Fund	65,000,000	41,521,992	52,894,278	623,000	585,000
SELF-BALANCING EXPENDITURE.					
Post Office	57,314,000	43,100,000	43,350,000	800,000	1,000,000
Road Fund	21,300,000	9,619,933	8,223,042	1,453,000	1,566,000
Total Self-balancing Expenditure	78,614,000	52,719,933	51,573,042	2,253,000	2,566,000

	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Jan 12, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1927, to Jan. 14, 1928.	Issues. Week Ended Jan. 12, 1929.	Issues. Week Ended Jan. 14, 1928.
OTHER ISSUES.	£	£	£	£
Temporary Advances				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917	..	..
Under the Unemployment Insurance Acts, 1920-28	8,510,000	2,410,000	380,000	250,000
Road Fund, under Section 27 of the Finance Act, 1928	3,825,000	..	..	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act 1925, and the Post Office and Telegraph (Money) Act, 1928	8,050,000	7,400,000	400,000	400,000
Unemployment Insur. Acts, 1920-28	774,432	3,822,000	..	..
Repayment of Amounts Borrowed				
Redemption of Debt—				
Treasury Bills	1,880,175,000	1,944,060,000	61,640,000	50,480,000
Principal of National Savings Certificates	32,150,000	29,350,000	700,000	800,000
Principal of National Savings Bonds paid off	3,061	1,042	..	..
Principal of National War Bonds paid off	82,762,476	66,200,261	..	..
Other Debt under the War Loan Acts, 1914 to 1919	3,341,000	100	..	..
Ways and Means Advances Repaid	605,600,000	497,601,000	17,135,000	11,600,000
Issues to National Debt Commissioners to Reduce Debt—				
Cunard Loan Repayments	..	130,000	..	..
Old Sinking Fund, 1907-08—				
Issued under Section 9 of the Finance Act, 1908	1,000	1,623	..	..
	3,275,058,819	3,222,798,153	90,055,473	73,117,077
Balances in Exchequer—	Jan. 12, '29.	Jan. 14, '28.	Increase or Decrease for Week.	
Bank of England	2,193,031	2,008,874	+ 238,921	+ 20,153
Bank of Ireland	617,928	1,016,314	+ 177,001	+ 194,000
Total	2,807,959	3,025,188	+ 415,922	+ 214,153

Treasury, January 14, 1929.

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, January 16, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	360,682,536	Other Government Securities	233,674,706
In Banking Department	53,488,736	Other Securities	10,171,370
		Silver Coin	5,138,824
		Amount of Fiduciary Issue	360,000,000
		Gold Coin and Bullion	154,171,272
	414,171,272		414,171,272

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	55,121,855
Rest	3,523,214	Other Securities—	
Public Deposits*	15,148,359	Discounts and Advances £13,058,329	
Other Deposits—		Securities £15,540,096	
Bankers £67,549,972			28,598,425
Other Accounts £36,665,759		Notes	53,488,736
	104,215,731	Gold and Silver Coin	234,813
7 Day and Other Bills	3,525		
	137,443,829		137,443,829

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

Both Departments.	Amount Jan. 16, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	360,682,536	— 8,835,251	— 8,481,304
Public deposits	15,148,359	+ 4,153,752	— 3,854,717
Bankers' deposits	67,549,972	+ 58,725	+ 4,084,068
Other deposits	36,665,759	— 147,657	
Seven-day bills	3,525	— 745	— 166
Total, outside liabilities	480,050,151	— 4,771,176	— 8,252,113
Capital and rest	18,076,214	+ 25,620	+ 21,147
Government debt and securities	299,811,661	— 2,569,309	+ 23,745,569
Discounts and advances	13,058,329	— 1,628,048	— 30,331,352
Other securities	25,711,466	— 428,588	
Silver coin in issue department	5,138,824	— 46,336	— 511,176
Coin and bullion (bank's reserve)	154,406,085	— 73,195	— 1,134,007
Reserve of notes and coin in banking department	53,723,549	+ 8,762,056	+ 13,182,297
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	45%	+ 6⅛%	+ 11⅛%
(b) Gold stocks to deposits and notes ("reserve ratio")	32⅛%	+ ⅜%	+ ⅝%

* Comparison includes old currency notes return.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1928.	£	£	£	£	£	£ %	%
Nov. 21	163,084,589	132,802,375	114,370,294	83,097,818	385,000 out	48,032,824 42⅛	4½
28	159,846,986	367,001,148	121,016,663	85,981,475	2,350,000 out	52,844,836 43⅝	4½

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1928.	£	£	£	£	£	£	%
Nov. 28	419,088,913	367,001,148	21,452,051	62,379,409	37,185,203	2,260,000 out	4½
Dec. 5	417,830,873	371,455,989	8,690,791	78,039,974	36,892,748	1,274 655 out	4½
12	416,654,319	374,821,061	7,828,750	67,418,777	36,727,355	1,179,054 out	4½
19	415,210,986	384,110,999	11,143,434	60,247,772	35,964,016	1,472,105 out	4½
26	413,783,646	388,242,899	12,969,050	69,489,708	37,511,394	1,429,295 out	4½
1929.							
Jan. 2	413,123,339	378,294,483	22,336,385	84,016,042	38,030,396	785,764 out	4½
9	414,284,469	369,517,787	10,944,607	67,491,247	36,813,416	1,157,054 in	4½
15	414,171,272	360,682,536	15,148,359	67,549,972	36,665,759	114,308 out	4½

Date.	Issue Department. Govt. Debt and Securities	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Reserve & the "Proportion."
1928.	£	£	£ %	£	£	£	£ %
Nov. 28	244,583,650	10,176,193	9845986 32⅜	52,180,327	13,586,293	20,214,865	52844838 43⅛
Dec. 5	244,584,427	10,176,975	15854476 32⅛	53,870,327	10,964,358	19,600,333	47084777 39⅜
12	244,584,427	10,171,608	15719105 32	59,106,855	11,185,832	17,009,338	42369995 37⅛
19	244,581,466	10,177,049	15550757 31⅞	57,756,855	15,667,010	20,485,605	31396576 29⅜
26	244,585,175	10,175,611	15406727 4 30⅜	67,296,855	25,931,966	18,853,964	25824375 21⅛
1929.							
Jan. 2	244,588,281	10,175,611	15332953 29⅜	62,636,855	47,745,162	16,962,554	35035050 29⅞
9	244,644,115	10,170,725	15447928 0 31⅛	57,736,855	14,687,357	15,969,429	44961493 38⅜
16	244,689,806	10,171,370	15406085 32⅛	55,121,855	13,058,329	15,540,096	53723549 45⅞

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to Jan. 2	324,782	13,869	20,118	358,769
Week ended Jan. 9	795,357	45,520	74,548	915,925
Week ended Jan. 16	886,935	38,798	63,079	988,812
Total to date, 1929	2,007,574	98,187	157,745	2,263,506
Do 1928	1,995,478	100,515	166,331	2,260,424
Increase or decrease in 1929	+ 14,096 = 0·7%	— 2,428 = 2·4%	— 8,586 = 5·1%	+ 3,082 = 0·1%
Total for year 1927	36,819,682	1,758,033	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,757	2,817,868	39,825,054
Increase or decrease in 1927	+ 1,473,253 = 4·1%	+ 97,275 = 5·8%	+ 154,959 = 5·4%	+ 1,725,487 = 4·3%

PROVINCIAL CLEARING RETURNS.

	Month of December. 1927.	1928.	%	Aggregate Weekly Totals to Jan. 12. 1928.	1929.
Number of Working Days	25	24			
	£	£		£	£
BIRMINGHAM	12,067,000	11,892,000	— 1·4	5,912,500	5,066,100
BRADFORD	5,941,000	5,547,000	— 6·6	..	..
BRISTOL	5,105,000	4,642,000	— 9·0	2,291,000	2,279,000
DUBLIN	..	..	..	11,233,200	12,080,700
HULL	3,964,000	3,571,000	— 9·9	1,658,100	1,790,800
LEEDS	4,257,000	3,903,000	— 8·3	2,427,200	2,052,500
LEICESTER	3,867,000	3,772,000	— 2·4	2,225,400	1,868,700
LIVERPOOL	34,725,000	32,836,000	— 5·4	17,473,800	16,499,400
MANCHESTER	59,477,000	58,622,000	— 1·4	29,639,100	23,467,900
NEWCASTLE-ON-TYNE	6,684,000	8,643,000	+ 29·3	2,601,400	2,839,100
NOTTINGHAM	2,779,000	2,491,000	— 10·3	1,543,100	1,492,500
SHEFFIELD	4,806,000	3,612,000	— 24·8	2,694,800	2,147,100
Total	143,670,000	139,531,000	— 2·8	..	..

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Canadian Banks appeared in the *Economist* of Jan. 5: South Africa, India, Denmark, Bulgaria, Greece, Finland, Lithuania and Danzig in January 12.

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

Resources.	Jan. 17, 1929.	Jan. 10, 1929.	Jan. 3, 1929.	Dec. 27, 1928.	Jan. 19, 1928.
Total gold reserves	2,630,570	2,631,670	2,587,630	2,584,240	2,807,630
Total bills discounted	821,820	876,550	1,151,460	1,167,540	414,660
Bills bought in open mkt.	481,440	477,100	484,360	489,270	369,040
Total U.S. Govt. securities	238,350	239,210	243,950	232,330	499,370
Total bills and securities	1,551,230	1,602,710	1,889,660	1,899,310	1,280,350
Total resources	5,300,970	5,242,910	5,584,710	5,443,400	5,126,860
Liabilities.					
Federal Reserve notes in actual circulation	1,697,300	1,745,260	1,829,360	1,910,840	1,623,790
Deposits—Member bank—reserve account	2,414,550	2,404,680	2,493,760	2,408,200	2,431,760
Total deposits	2,472,580	2,452,240	2,563,730	2,455,090	2,471,640
Capital paid in and surplus	402,250	401,220	401,350	380,190	367,090
Total liabilities	5,300,970	5,242,910	5,584,710	5,443,400	5,126,860
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	67·0%	66·3%	61·9%	61·6%	72·7%

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

	Jan. 17, 1929.	Jan. 10, 1929.	Jan. 3, 1929.	Dec. 27, 1928.	Jan. 19, 1928.
Total bills discounted	217,670	281,560	495,460	519,390	78,680
Bills bought in open mkt.	137,810	131,620	146,790	54,790	101,110
Total U.S. Govt. securities	63,690	64,650	67,630	602,020	264,630
Total bills and securities	419,170	477,830	709,870	..	..
Deposits—Member bank—reserve account	955,610	950,930	1,027,920	957,830	947,010
Ratio of total res. to dep. and Federal Res. note liabilities combined	70·8%	67·0%	54·1%	60·0%	82·7%

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

Assets.	Jan. 7, 1929.	Dec. 31, 1928.	Dec. 24, 1928.	Dec. 17, 1928.	Jan. 9, 1928.	Position May 30, 1914.
Gold	434,547	434,556	434,569	434,577	409,991	163,092
Silver	21,783	21,895	22,335	22,568	27,517	8,436
Discts. and advances	413,696	438,436	386,320	382,280	426,807	153,504
Liabilities.						
Notes in circulation	834,343	855,443	815,854	812,995	807,646	316,638
Deposits	50,894	55,040	41,033	39,612	34,015	5,016

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

Assets.	Jan. 11, 1929.	Jan. 4, 1929.	Dec. 28, 1928.	Dec. 21, 1928.	Dec. 14, 1928.
Gold	33,709,295	32,679,040	31,977,034	31,854,518	31,722,109
Foreign assets—					
Sight deposits	12,543,191	13,546,570	13,510,492	13,656,685	14,131,439
Bills discounted	18,430,676	18,416,417	19,130,845	19,131,458	19,124,277
Commercial bills discounted at home	4,003,679	4,547,486	5,790,793	3,787,533	3,540,028
Advances against sec.					
To the State	9,130,000	9,130,000	9,130,000	9,130,000	9,130,000
Other advances	2,294,766	2,325,886	2,222,873	2,211,056	2,252 118
Other assets (excluding forward exch.)	3,381,353	3,442,182	2,984,648	3,098,300	2,908,489
Liabilities.					
Notes in circulation	63,153,516	64,182,903	63,915,593	61,913,518	61,420,979
Public deposits	12,107,887	11, 34,160	12,213,833	12,458,105	13,010,868
Private deposits	6,088.567	5,807,774	6,515.018	6,282 211	6,369,491
Other liabilities	2,142,992	2,167,610	1,978.022	2,195.717	1,832,059

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

Assets.	Jan. 7, 1929.	Dec. 31, 1928.	Dec. 22, 1928.	Jan. 7, 1928
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,729,345	2,729,331	2,729,283	1,864.505
Of which deposited abroad	85,626	85.626	85,626	81,457
Reserve in foreign currencies	157,177	155.273	158,224	285,591
Bills of exchange and cheques	2,101,183	2,678.447	1,933 514	2,635,490
Silver and other coin	93,618	81,766	85,851	51,414
Notes of other German banks	19,604	8,151	21,380	14,503
Advances	54,211	176.069	37,537	23,130
Investments	92.278	92.299	92.357	93,356
Other assets	562,480	530.015	613,908	519,313
Liabilities.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	284,205	284.205	284,205	243,393
Notes in circulation	4,484,184	4,9 0.069	4,481,522	4,170,932
Other daily maturing obligations	619,300	816 051	496.473	675,0 6
Other liabilities	299,619	298,238	287,066	275,143

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

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

Assets.	Jan. 10, 1929.	Jan. 3, 1929	Dec. 27, 1928.	Dec. 20, 1928	Jan. 12, 1928.	Position May 28, 1914.
Gold	903,899	903,727	903,425	894,359	733,969	(b)
Foreign Bills and Balances Abroad	569,396	614,929	566,611	540,042	502,724	232,650
Silver & other coin	...	...	...	2,114	1,106	
Securities	656,174	672,189	681,831	654,076	569,052	697,600
Liabilities.						
Notes in circulation	2,395,427	2,333.099	2,321.559	2.279,287	2,080.748	934,150
Current accounts	104,461	134,985	210,514	174,998	165,793	112,125

(b) In thousand francs.

* The Bank, having drawn up its half-yearly balance sheet on Dec. 25, has not published all the figures usually shown in the weekly return.

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

Assets.	Jan. 12, 1929.	Jan. 5, 1929	Dec. 29, 1928.	Dec. 22, 1928.	Jan. 14, 1928.	Position May 30,1914.
Gold	192,000	191,600	190,400	189,500	178,127	22.971
Silver					17,979	29,785
Discounts, advances, and other investments	159,600	162,800	159,900	157,000	168,455	77,567
Liabilities.						
Notes in circulation	311 300	311,400	311,400	311,800	323,023	109,499
Deposits and bills payable	65,800	69.300	63,900	60,300	49,432	11,250

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

Assets.	Jan. 7, 1929.	Dec. 31, 1928	Dec. 22, 1928	Dec. 15, 1928.	Jan. 7, 1928.	Position May31,1914
Gold	517.462	533,028	481,462	472,842	491,819	171,175
Silver	45.089	45,794	46,396	47,554	53.4.0	18,350
Advances	271,385	254,376	267,930	263,983	341,289	103,000
Liabilities.						
Notes in circulatn	871 696	952,645	902,590	840,356	832,713	275,925
Deposits	215 027	195,508	87,079	127,804	183,018	33,750

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

Assets.	Dec. 31, 1928. *	Dec. 20, 1928.	Dec. 10, 1928.	Nov. 30, 1928.	Nov. 20, 1928.
Gold, coin and bullion	5,051 900	5,051,929	5.051 901	5,051.873	5 051,916
Foreign bills & balances abroad	6,008,400	5,925 515	5,944,210	5,992,452	5,989,353
Other cash	97,700	114,465	113.692	105,813	99,209
Gold deposited abroad due by the State	1,836,200	1,836,187	1,836,187	1,836,187	1,836,187
Discounts	3,721,100	3,494.443	3,434,717	3,400,504	3,261,720
Advances	1,761,000	1,611,070	1,443,404	1,440,290	1,595,986
Credits with "Istitute di Liquidazioni"	1,179.900	1,224,936	1,224,936	1,224.936	1,224 936
Government securities	1,040,700	1,040,685	1,038,951	1,038,392	1,038,763
Liabilities.					
Notes in circulation	17,291,800	16,817,699	17,020,432	17,118.613	16,838,851
Public deposits	3 0,000	300,000	300.000	300,000	300,000
Other deposits and drafts	2,241,900	2,457,848	2,295,992	2,157,475	2,124,711
Ratio of reserve to note and sight liabilities combined	55·76%	56·08%	56·06%	56·42%	57·32%

* Provisional return.

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

Assets.	Jan. 7, 1929	Dec. 31, 1928.	Dec. 22, 1928.	Jan. 7, 1928.	Position May31,1914
Coin and bullion—Gold	146,870	146,873	146,885	147,232	44,224
Balance abroad and foreign bills	35,641	40,698	36,180	30,816	28,533
Norwegian and Foreign Government securities	9,233	9,283	9.283	25,593	8,816
Discounts and loans	260,034	272,298	268,069	257.919	76,911
Liabilities.					
Notes in circulation	305,514	315,539	321,385	320,400	113,484
Deposits at sigh	81,355	92,172	74,868	85,113	7,188

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

Assets.	Dec. 12, 1928.	Dec. 5, 1928.	Nov. 28, 1928.	Nov. 21, 1928.	Dec. 14, 1927.
Coin and bullion	9,454	9,436	9,407	9,384	9,211
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	282 438	279,029	279,143	296,400	169,850
Discounts	242,724	241,242	240,020	241,465	234,573
Government loans	1,704,688	1,801 823	1,702,288	1,710,003	1,609,.26
Liabilities.					
Notes in circulation	1,941,504	1,946,337	1,924,033	1,920,376	1,812,722
Deposits	79,248	72,242	69,598	64,911	85,278

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

Assets.	Jan. 12, 1929.	Jan. 5 1929.	Dec. 29, 1928.	Dec. 22, 1928	Jan. 14, 1928.
Gold	235.796	235.863	235.900	235,941	230,017
Government securities—Swedish	6,001	6,001	6,001	6,001	11,133
" Foreign	73,774	73,774	83,774	83,774	105,154
Other Swedish bonds quoted on foreign bourses	749	749	749	749	1,033
Bills payable in Swedent	273,012	301,944	304,691	307,149	182,493
" " abroad	62,449	65,182	73,646	66,767	87.919
Balance abroad	61,717	59,008	58,406	60,250	59,007
Advances made on government securities and bonds†	51,952	59,965	80,146	80,494	46,776
Liabilities.					
Notes in circulation	463,402	490,823	533,751	522,259	453,825
Government deposits	239,911	263,123	273.242	272,511	231,183
Private deposits	18.218	7,180	10,303	4,829	21,023

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are *not* available as cover for the note issue.

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

Assets.	Jan. 12, 1929.	Jan. 5, 1929.	Dec. 29, 1928	Dec. 22, 1928.	Jan. 14, 1928	Position May30,1914.
Gold	2,559,143	2,559,118	2,559.067	2,559,0 5	2,601,723	521,775
Silver	698 545	696.753	698.015	700,914	686 663	728,600
*Loans&discounts	2,069,767	2,139.310	2,088,886	1,989,767	1,812,019	800.725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
Liabilities.						
Circulation	4,405.500	4,420,104	4,377.167	4,325,435	4,211.278	901.550
Deposits	963,502	1,009,766	961,062	953,348	1,103,143	477,500

* Including 91 million pesetas lent to the State.

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

Assets.	Jan. 7, 1929.	Dec. 31, 1928.	Dec. 23, 1928	Dec. 15, 1928.	Jan. 7, 1928.
Metal reserve—					
Gold in coin, etc.	168.752	168,752	168 752	168 752	84 456
Foreign bills	216 938	242,692	340 353	239.108	370 818
Other foreign billst	375 306	385,917	339 998	335,054	272,495
Bills discounted	176 070	208,078	177.509	164,640	118,132
Advances to Treasury	116.122	116,170	166,170	166,170	173,117
Liabilities.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	8 167	8,167	8,167	8,167	6,367
Notes in circulation	967,454	1,067,363	987,046	976,638	924,110
Deposits	88,158	56,473	107 605	99,483	97,633

† In dollar and sterling only.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

Assets.	Jan. 7, 1929	Dec. 31, 1928.	Dec. 23, 1928.	Dec. 15, 1928.	Jan. 7, 1928.
Gold and silver holdings	1.205,304	1,199,499	1,183,115	1,183,140	1,108,185
Balance abroad and foreign currency	2,493,926	2,509,853	2,466.741	2,357,082	2.295.015
Discounts and advances	414,466	483,169	388,520	373 671	142.133
State notes debt balance	4,094.5 6	4,097.510	4,107.728	4,116,767	4,438,189
Other assets	1,535,265	1,776,442	1,304,578	1,295,026	1,506,845
Liabilities.					
Bank notes in circulation	7,453.182	8,465,908	7,609 404	7,471 087	7,411.807
Check accoun balances	1,531,811	829,728	1,043,717	1,085,126	1,335,891
Other liabilities	319,977	338,212	364.936	335,848	329,583

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

Assets.	Jan. 8, 1929.	Dec. 31, 1928.	Dec. 22, 1928.	Dec. 15. 1928.	Jan 8, 1928.
Gold	91 090	91.015	90,941	90.923	88.785
Other coin and notes	17,812	17,805	17,811	17 750	17,897
Foreign credits	227.011	230 255	234,720	228,047	337,349
Bills	1,446,217	1,470,503	1,436,634	1,404,476	1,416,525
Govt. advances	4,201.109	4,201,609	4,299.132	4,299.131	4,337,852
Liabilities.					
Notes in circulation	5,496,551	5.528 170	5,342,782	5,370,777	5,734,582
State credits	237,825	247,825	270,112	270,112	298,832
Deposits	1,152,620	1,179,328	1,009,528	1,016,446	1,295,207

NATIONAL BANK OF HUNGARY.—In Hungarian Pengö (000's omitted.)

Assets.	Jan. 7, 1929.	Dec. 31, 1928.	Dec. 23, 1928.	Dec. 15, 1928.	Jan. 7, 1928.
Metal reserve—					
Gold coin and bullion	201,083	201,082	201,091	200,995	196,865
Drafts and notes	48,735	54,003	46,835	50.861	104,934
Silver coin and bullion		794	792	787	800
Inland bills, warrants and securities	361,979	417,411	382,373	788	800
Advances to the Treasury	97.201	97,244	103,692	359, 79	300,167
Liabilities.				103,698	111,561
Share capital gold crowns 30,000,000*)	34.756	34,756	34,756	34,756	34,756
Notes in circulation	440,874	513,461	439 516	437,456	430,518
Current accounts, deposits, &c.	251,946	240,814	277,895	266,278	325,640

* Calculated at pre-war parity of exchange.

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

Assets.	Dec. 22, 1928.	Dec. 15, 1928.	Dec. 8, 1928.	Dec 24, 1927.	May 12, 1922.
Gold	585,461	585,313	585 105	578,427	545,275
Silver, &c.	3.959	5,015	5.7.5	10,669	725
Government loan	11,597,131	11,590,547	11,581 255	11,302,371	12,585,139
Other advances	15,142,797	14,581,309	16,517,.83	13,800,106	6,037,433
Liabilities.					
Notes in circulation	21,320,552	20,933,990	21,286,891	21,025,353	15,846,436
Deposits	5,350 690	5,.56,078	6,731,367	10,590,157	7,077,360

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

Assets.	Jan. 9, 1929.	Jan. 2, 1929	Dec. 26. 1928	Dec. 19, 1928.	Dec. 12, 1928.	Jan. 11, 1928.
Gold bullion and coins	23 .57	23,753	2.,751	23,750	23,748	23,676
Silver coin	5,013	4,426	4.394	4,413	3,744	3,744
Balance abroad	66.796	71.316	72,141	73,573	75,423	49,535
Treas. notes & sm. change	9 978	8,921	8,950	12 475	12,526	10,578
Short term bills	86,943	86,644	87,.60	86,337	85,599	79,032
Loans against securities	47,734	47,655	46,487	45,451	43,750	53,338
Other assets	12,050	11,548	11,363	11,386	11,194	17,043
Liabilities.						
Notes in circulation	42,500	44,854	44,615	43,133	42,333	36,583
Capital paid up	15,581	15,58.	15,581	15,581	15,581	14,385
Reserve	3,091	3,.91	3,091	3,091	3,091	2,612
Special reserve	2.50	2,50	2,500	2,500	2,5 0	2,500
Deposits	12,021	12,056	11,978	11,962	12,060	10,416
Current accounts	58,.94	55,.86	54,123	59,192	57 2.4	48,797
Government accounts	105,902	106,682	104,037	107,842	110,292	98,811
Other liabilities	13,502	14,113	14,322	14,138	13,562	20,.20

RUSSIAN STATE BANK.—Note-Issuing Department.

(In Tchervonets—000's omitted.) (Note: 1 Tchervonetz = 10 gold roubles.)

Assets.	Jan. 16, 1928.	Dec. 31, 1928.	Dec. 15, 1928.	Nov. 30, 1928.	Jan. 15, 1928.
Gold in coin and bullion	17,848	17,856	17,856	17,819	18,873
Other precious metals	4,336	4,436	4,495	4,507	2,073
Foreign bank notes	7,803	7,846	7,845	7,910	7,315
Drafts in sterling (less 10%)	276	276	272	273	266
Bills (less 10% discount)	79,463	82,312	83,256	82,217	74,199
Securities covering advances on goods (less 10)	274	274	275	274	274
Liabilities.					
Bank notes	109,097	112,256	113,131	112,130	100,247
Balance to which notes may still be issued	903	744	869	870	2,733

BANK OF POLAND.—In zloty* (000's omitted).

Assets.	Dec. 31, 1928.	Dec. 20, 1928.	Dec. 10, 1928.	Nov. 30, 1928.	Dec. 31, 1927.
Gold	621,079	607,978	607.912	607,844	517.298
Of which held abroad	195,402	182,339	182,339	182 339	161,476
Foreign currencies	713,958	712,.32	735.170	701,894	894,629
Bills discounted	640,700	624 026	606.355	623,520	455,999
Loans against securities	95,191	90,748	87,746	94,989	45,730
Reserve fund securities	65,534	65,176	63,345	55.625	36,901
Liability of the Treasury	25 000	25,000	25,000	25,000	25,000
Liabilities.					
Share capital	150,000	150,000	150,000	150,000	150.000
Reserve funds	94,435	94,435	94,435	94,435	79,674
Notes in circulation	1,295,349	1,318,031	1,242,199	1,269,766	1,003,028
Current accounts	584,142	597,331	547,753	532,954	659,784
Government accounts	75.00	75,000	75,000	75,000	75,000

BANK OF ESTONIA.—In Est. kroon (000's omitted).

Assets.	Jan. 7, 1929.	Dec. 31, 1928.	Dec. 23, 1928.	Dec. 15, 1928.	Jan. 7, 1928.
Gold coin and bullion	6,380	6,380	6,219	6,219	10.155
Net foreign exchange	24,204	25.067	25,631	26,025	30,139
Subsidiary Estonian coin	1,071	515	412	429	747
Home bills discounted	14,358	14,508	15,185	14,615	8,319
Loans and advances*	16,359	17,345	16,740	16,545	21,076
Liabilities.					
Notes in circulation	35,277	36,433	38,919	38,579	35,321
Sight deposits and current accounts	21,078	23,405	20,688	20,461	24,039
Ratio of reserve to current liabilities	52·41%	52·55%	53·43%	54·61%	67·88%

* Includes a sum not exceeding Ekr. 15,000,000, guaranteed by the Governme nt.

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

Assets.	Dec. 22, 1928.	Dec. 15, 1928.	Dec. 8, 1928.	Dec. 1, 1928.	Dec. 24, 1927.	Position Jne 30,1914
Cash and bullion	1,116,609	1,121,3·8	1,124,712	1,126,935	1,115,666	221,320
Discounts	742 295	738,818	748,664	759,741	808,435	41,740
Advances	90,948	90,146	88,511	93,976	100,497	70,540
Liabilities.						
Notes	1,465,903	1,290,559	1,262,655	1,389,191	1,484,008	362,270
Govt. deposits	470,475	509,368	536,080	536,311	635,274	87,340
Other deposits	234,975	365,434	365,661	255.077	192,541	11,440

NATIONAL BANK OF EGYPT.—In £E (000's omitted).

Assets.	Nov. 30, 1928.	Oct. 31, 1928.	Sept. 30, 1928.	Aug. 31, 1928.	Nov. 30, 1927.	Position, May 31,1914,
Gold	3,845	3,729	3,821	3,792	3,720	1,571
Govt. securities	50,380	51,095	46,997	41,572	51,011	2,084
Liabilities.						
Notes in circulatn.	31,443	31,637	27,059	21,659	33,192	2,400
Govt. deposits	21,466	19,618	17,972	18,413	20,521	2,315
Other deposits	18,145	17,208	15,904	16,225	19,511	2,600

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

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

Assets.	Dec. 21, 1928.	Dec. 14, 1928.	Dec. 7, 1928.	Nov. 30, 1928.	Dec. 23, 1927.
Gold at home	60,509	60,510	60.519	60,529	61,502
Gold abroad	486,838	480,786	503 541	504,603	416,870
Discounts and advances	16,181	11,318	8,608	8,987	20,285
Loans to Government	1,997	1,997	1,997	1,997	8,366
Liabilities.					
Notes of the bank in circulation	330,287	324,844	323,062	318,579	269,477
Govt. notes in circulation	17,024	17,144	17,202	17,260	45 490
Deposits	106.334	107,295	134,209	124,897	85,751
Drafts	29,836	22.256	19,936	29,516	34,614
Paid-up capital	90.625	90.625	90.625	90.625	80,584

LONDON RATES.

	Jan. 10, 1929.	Jan. 11, 1929.	Jan. 12, 1929.	Jan. 14, 1929.	Jan. 15, 1929.	Jan. 16, 1929.	Jan. 17, 1929.
Bank rate (changed from 5% April 21, 1927)	4½ %	4½ %	4½ %	4½ %	4½ %	4½ %	4½ %
Market rates of discount—							
60 days' bankers' drafts	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
3 months' do	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
4 months' do	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
6 months' do	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
Discount (Treasury Bills)—							
2 months	4⅛	4⅛	4⅛	4⅛	4⅛	4⅛	4⅛
3 months	4⅛	4⅛	4⅛	4⅛	4⅛	4⅛	4⅛
Loans—Day to day	3	3	3	3	3	3	3
Short	3	3	3	3	3	3	3
Deposit allowances: Banks	2	2	2	2	2	2	2
Discount houses at call	2	2	2	2	2	2	2
At notice	2	2	2	2	2	2	2

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

Comparison with previous weeks:—

	Short Loans.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1928.	%	%	%	%	%	%	%
Dec. 27	4	4⅛	4⅛	4⅛	4½	4½	5
1929.							
Jan. 3	3½	4⅜	4⅜	4⅜	4½	4½	5
10	3½	4⅜	4⅜	4⅜	4½	4½	5
17	3½	4⅜	4⅜	4⅜	4½	4½	5

OVERSEAS BANK RATES.

	Changed.	%
Amsterdam	Oct. 12, 1927	4½
Athens	Jan. 5, 1929	8
Belgrade	July 26, 1921	6
Berlin	Jan 12, 1929	6½
Brussels	June 30, 1928	4
Bucharest	Sept. 4, 1920	6
Budapest	Oct. 1, 1928	7
Calcutta	Dec. 13, 1928	7
Copenhagen	June 23, 1927	5
Danzig	June 20, 1927	6
Helsingfors	Nov. 15, 1928	7
Kovno	Feb. 8, 1925	9
Lisbon	July 28, 1926	8
New York Federal Reserve	July 12, 1928	5
Madrid	Dec. 19, 1928	5½

	Changed.	%
Oslo	Mar. 26, 1928	5
Paris	Jan. 19, 1928	3
Prague	Mar. 8, 1927	5
Pretoria	Jan. 9, 1928	5
Reval	Jan. 2, 1928	7½
Riga	April 1, 1928	8 / 7½
Rome	Jan. 5, 1928	6
Sofia	Dec. 15, 1928	9
Stockholm	Aug. 24, 1926	4½
Swiss Bank places	Oct. 22, 1925	3½
Tokio	Oct. 18, 1927	5·48
Vienna	July 16, 1928	6½
Warsaw	Mar 13, 1927	8
Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

RATES OF EXCHANGE.

London on		Usance	Par.	Jan. 19, 1928.	Jan. 10, 1929.	Jan. 17, 1929.
New York	dollars to £1	Cable	4·86⅝	4·87⅜–½	4·85½–⅝	4·84½–85
Montreal	dollars to £1	Cable	4·86⅝	4·88½–⅝	4·86⅛–¼	4·86¼–⅜
Paris	francs to £1	T.T.	124·21	124–⅛	124·05-10	124–⅛
Berlin	marks to £1	T.T.	20·43	20·45¾–6¼	20·40–¼	20·40–¼
Amsterdam	florins to £1	T.T.	12·107	12·08½–¾	12 09⅜–½	12 09⅜–½
Brussels	belgs to £1	T.T.	35·00	34·98–⅛	34·89½–90½	34·90¼–½
Milan	lire to £1	T.T.	92·46	92·15 20	92·68-73	92·66–70
Berne	francs to £1	T.T.	25·22	25·30¼–1	25·20–⅛	25·21½–22
Oslo	kroner to £1	T.T.	18·159	18·30–31	18·19–⅛	18·19½–⅝
Stockholm	kronor to £1	T.T.	18 159	18·15–⅛	18 13⅜–14½	18·14–⅛
Copenhagen	kroner to £1	T.T.	18·159	18·20–¼	18·18–⅛	18·18–⅛
Madrid	pesetas to £1	T.T.	25·22½	28·38-40	29·63-71	29·63-71
Lisbon	escudo to £1	T.T.	4·50	28–⅛	109⅜–110½	109⅜–110½
Vienna	schlgs to £1	T.T.	34·58½	34·58-63	34 · 45-49	34·48-52
Prague	krone to £1	T.T.	24·02(a)	164⅜–½	163⅜–⅝	163⅜–164
Belgrade	dinars to £1	T.T.	25·22½	276–277	276–½	276–½
Budapest	pengo to £1	T.T.	27·82	27·87–90	27·80–83	27·81-84
Bukarest	lei to £1	T.T.	25·22½	790–5	805–10	806–809
Sofia	leva to £1	T.T.	25·22½	672–8	669–74	669–674
Athens	drachmas to £1	T.T.	375	366–9	374½–5½	374½–375½
Constantin'ple	piastres to £1	T.T.	110	938–43	995–1,003	995–1,000
Warsaw	zloty to £1	T.T.	43·38	43¼–⅜	43¼–⅜	43¼–⅜
Helsingfors	F. marks to £1	T.T.	193·25	193½–⅔	192⅝–¾	192⅝–¾
Kovno	lits to £1	T.T.	48·66	48⅝–9⅛	48⅝–9⅛	48⅝–9⅛
Reval	kroon to £1	T.T.	18·159	18·00—18·40	18·08—18	18·13–·20
Riga	lats to £1	T.T.	25·22½	25·15-30	25·10-20	25·10-20
Alexandria	piastres to £1	Sight	97⅛	97⅛–⅜	97⅛–⅜	97⅛–⅜
Buenos Aires	pence to peso	T.T.	47·62d	47⅛–⅜	47⅛–⅜	47⅛–⅜
Rio de Janeiro	pence to mils.	90 days	16	5⅝–¾	5⅝–¾	5⅝–¾
Montevideo	pence to peso	T.T.	51	50⅛–⅜	50⅛–51⅛	50⅛–51
Valparaiso	dollars to £1	90 days	40	39 · 37	39 · 65	39·63
Lima	Eng. to Per. £1	90 days	par	232⅞ prm.	192⅝ prem	192⅝ prm.
Calcutta	pence	T.T.	18	1/6 3–⅝	1/6 3–⅝	1/6 3–⅝
Bombay	to	T.T.		1/6 3–⅝	1/6 3–1/10	1/6 3–1/10
Madras	rupee	T.T.		1/6 3–⅝	1/6 3–1/10	1/6 3–1/10
Hong Kong	ster. to dollar	T.T.	..	2/0 1–⅛	2/0 1–⅛	2/0 1–⅛
Shanghai	ster. to tael	T.T.	..	2/7 ⅞	2/7 ⅞	2/7 ⅞
Singapore	ster. to dollar	T.T.	2s 4d	2/3 3–2/3 5	2/3 3–⅝	2/3 3–⅝
Kobe	ster. to yen	T.T.	24·58d	1/11 3–⅝	1/10 3–⅝	1/10 3–⅝
Manila	ster. to peso	T.T.	24·066d	2s 0·4d	2s 0·4d	2s 0·4d
Mexico	pesos to £	T.T.	9·76	24—¼(b)	23¾–24(b)	9·90–10·10

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90-3·03 dollars to 100 krone, i.e., approximately 162½ krone to £. (b) Pence to dollars.

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz:—

£1,000 sterling equals 941·67–943·55 tchervontsi.
1 tchervonetz = 10 gold roubles. £1 sterling = 9·46 gold roubles.

CURRENT RATES IN NEW YORK.

The American Exchange Irving Trust Company cable the following money and exchange rates in New York:—

| | Jan. 19, 1928. | Dec. 19, 1928. | Dec. 26, 1928. | Jan. 2, 1929. | Jan. 9, 1

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928		Union of South Africa. From February 6, 1928.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	¼ % dis.	⅛ % dis.	par to ⅛ % pm.	⅛% prem.
Demand	1¼ % "	⅜ % "	⅛ % dis.	⅛ to ⅜ % "
30 days	1⅜ % "	⅝ % "	⅛ % "	⅛ % "
60 days	2⅛ % "	⅞ % "	1 % "	⅜ % "
90 days	3 % "	1⅛ % "	1⅛ % "	⅝ % "
120 days	3⅞ % "	1⅜ % "	1⅜ % "	⅞ % "

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·32
Venezuela	Bolivares to £	25·25	"	25·30
Colombia (Bogota)	Pesos to £1	5	"	5·00
Nicaragua	Cordobas to £	4·8665	"	4·92
Salvador	Colones to £	9·73	"	9·83
Bolivia	pence to Boliviano	18·0	90 days	18

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Australia.	New Zeal'nd	Australia.	New Zeal'nd	Australia.	New Zeal'nd	Australia.	New Zeal'nd
T.T.	..	..	99⅛	99⅜	..	..	101	100⅜
Demand	98⅜	98⅜	99⅜	99⅛	99⅜	99⅜	100⅜	100⅛
30 days	97 11/16	97 13/16	..	..	99 3/16	98⅛	100⅛	99⅞
60 days	97	97⅛	..	..	98 13/16	98⅜	99⅛	99⅛
90 days	96 7/16	96 9/16	..	..	98 7/16	97⅛	..	99⅛

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council from April 1st to January 12, 1929, amounted to £22,075,000 by means of purchases of sterling in India. Of this amount, £750,000 was remitted on account of the paper currency reserve.

BULLION.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver—Per Ounce Cash.	Forward.	Date.	Silver. Cash.
1929.	s d	d	d		d
Jan. 11....	84 11½	26⅜	26 7/16	Jan. 19, 1923 ..	31½
12....	84 11½	26 7/16	26⅜	18, 1924 ..	33⅜
14....	84 11½	26 7/16	26⅜	23, 1925 ..	32
15....	84 11½	26 5/16	26⅜	22, 1926 ..	32
16....	84 11½	26⅜	26⅜	21, 1927 ..	26⅜
17....	84 11½	26⅜	26½	19, 1928 ..	26 1/16

The following statistics of imports and exports of gold for week ended January 17, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
Germany	1,520	Denmark	275
France	12,586	Poland	3,770
U.S. of America	2,906	Germany	32,690
British South Africa	60,738	Netherlands	42,000
		Belgium	1,602,677
		France	21,213
		Switzerland	29,096
		Spain	1,668
		Italy	550
		Austria	28,030
		Egypt	2,000
		U.S. of America	1,300
		Java	7,008
		Gibraltar	3,000
		British India	78,948
		Straits Settlements	25,500
Total declared value of imports	77,650	Total declared value of exports	1,979,707

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929. Arrivals.	£	1929. Withdrawals.	£
Jan. 11	nil	Jan. 11—Bars sold	13,686
" 12	nil	Sovs taken for export	2,000
" 14	nil	" 12—Bars sold	5,177
" 15	nil	Sovs for export	25,000
" 16	nil	" 14—Bars sold	15,480
" 17	nil	" 15—Bars sold	18,862
		Sovs taken for export	2,000
		" 16—Bars sold	17,141
		" 17—Bars sold	1,713
		Sovs..	900,000
Total	nil	Total	1,001,063

Net withdrawals, £1,001,063.

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on December 31, 1928 :—

	£	£
In India		Nil
In England—		
Cash at the Bank of England	£ 8	
Gold	2,152,334	
British Treasury bills—		
Value as on December 31, 1928	5,862,737	
Other British and Dominion Government securities—		
Value as on December 31, 1928	31,984,921	
		40,000,000
		40,000,000

SIDNEY TURNER, Accountant-General.

India Office, S.W.1, January 11, 1929.

Messrs Samuel Montagu and Co. write on January 16, 1929, as follows :—

GOLD.

The Bank of England gold reserve against notes amounted to £154,284,469 on the 9th instant (as compared with £153,123,339 on the previous Wednesday), and represents an increase of £378,154 since April 29, 1925—when an effective gold standard was resumed. About £60,000 bar gold was available in the open market this week, and was absorbed by the requirements of India and the trade. There was a net efflux of gold of £114,308 during the week.

SILVER.

The quiet tone of the market persists. China has both bought and sold, and some inquiry has been received from the Indian bazaars, but restriction of prices tends to keep the market narrow. In the week under review there was scarcely any movement until yesterday, when prices fell ¼d, there being little demand to offset offers of silver made by China operators desiring to close bull contracts. Silver has been forthcoming from the Continent, but America is asking higher prices, the tendency in the latter quarter being at the moment towards lending support. The tone is perhaps a little uncertain, as the condition of the market at present is such as to render it easily responsive to small pressure in either direction. After remaining at a discount of 1/16d since December 22nd last, cash silver was to-day fixed at ⅜d discount as compared with the quotation for two months' delivery. The following were the United Kingdom imports and exports of silver registered from mid-day on the 7th instant to mid-day on the 14th instant :—Imports.—France, £21,564; other countries, £10,211—£31,775. Exports.—Egypt, £29,360; British India, £106,300; Irish Free State, £15,334; other countries, £10,799—£161,993.

INDIAN CURRENCY RETURNS (In Lacs of Rupees.)

	Dec. 22.	Dec. 31.	Jan. 7.
Notes in circulation	18,697	18,910	18,910
Silver coin and bullion in India	10,069	10,088	10,047
Gold coin and bullion in India	3,110	3,110	3,151
Securities (Indian Government)	4,233	4,327	4,327
Securities (British Government)	685	685	685
Bills of exchange	600	700	700

The stock in Shanghai on the 12th instant consisted of about 63,500,000 ounces in sycee, 102,000,000 dollars, and 4,000 silver bars, as compared with about 62,500,000 ounces in sycee, 101,000,000 dollars, and 4,400 silver bars on the 5th instant.

NOTICES.

Mr Frederick Lees, a well-known figure in City banking circles, died on January 13th in London at the age of 56. Mr Lees had been appointed a general manager of the Westminster Bank, and manager of the Lothbury office only eight months ago, on the retirement of Mr. J. J. Brown.

The Midland Bank announces the opening of a new branch at 17 Southbourne grove, West Southbourne, Bournemouth, under the management of Mr C. E. Curties.

Westminster Bank announce the opening of the following new branches :—Burnt Oak, Halvergate parade, Burnt Oak, Edgware; Newton Abbot, 15 and 17 Courtenay street.

Barclays Bank announce the opening of a new branch of their trustee department at Piccadilly circus, 52 Regent street, W. 1, under the management of Mr F. G. Howe; also of a new sub-branch at P. and O. Steam Navigation general offices, Tilbury Docks, under the management of Mr C. L. Flamer, who is also manager of Tilbury Docks branch.

A branch of the Commonwealth Bank of Australia has been opened at Merredin, Western Australia.

Lloyds Bank, Limited, announce that the hours of attendance at the South Yardley sub-office is now daily 9.30 a.m. till 3 p.m., and Saturdays 9 a.m. till 12 noon.

The National City Bank of New York has opened a branch in Fordham; this branch is the second to be opened in the Bronx area, and the twenty-ninth in Greater New York.

A branch of the Bank of Australasia has been opened at Paeroa, New Zealand.

The National Provincial Bank, Limited, announce that a branch of the bank is now open at Victoria square, Aberdare, under the management of Mr J. Phillips.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Last Year.	Previous Year.
Banks.				%	%
Alexanders Discount	7½%†	(&bonus	of 5%) Tax free	20	20
Bank of Poland (first issue)	..	..	..	16	..
Do (second issue)	..	..	..	10	..
Clydesdale	..	..	Less tax	18	..
Commercial of Australia	15*	Feb. 8	..	..	..
Hongkong and Shanghai Banking Corporation	£3 p.s.†	(&bonus	of £2 p.s.) Less tax	£8 p.s.	£8 p.s.
Imperial of India	..	..	Tax free	16	16
Isle of Man	..	..	..	19	19
National	..	..	..	14	14
National Discount, "A" shares	..	..	..	10	10
Do "B" shares	..	..	..	23	23
North of Scotland	18†	..	Less tax	18	18
Provincial of Ireland	14½	..	Less tax	..	..
Royal of Canada	3%	Mar. 1	Quarterly	13⅓	13⅓
Wm. Deacons, "A"	..	..	..	12½	12½
Do "B"	..	..	..	..	..
Insurance.					
Indemnity Mutual	14/ p.s.	..	..	..	..
Treaty Reinsurances	..	..	..	5/ p.s.	..
Mining.					
Consolidated African Selection Trust	1/3 p.s.*	Feb. 4	Less tax at 4/	..	..
Fanti Consolidated	..	..	..	1/ p.s.	/9 p.s.
Hampden Cloncurry Cop. (in liq.)	2/ p.s.	Feb. 8	..	..	..
Tekka-Taiping	24%	Jan. 31	Quarterly	..	..
Zaaiplaats Tin	10%	..	..	..	..
Zambesi Exploring	5%*	Jan. 31	..	..	..
Railways.					
Midland of Western Australia	..	..	..	3	2½
Tea and Rubber.					
Ampat (Sumatra) Rubber	..	..	..	5	25
Anglo-Ceylon and Gen. Estates	5%*	Feb. 8	Less tax	..	..
Kawie (Java) Rubber	7½%*	Jan. 22	Less tax	..	..
Stoughton Rubber	..	..	..	5	10
Taiping Rubber	..	..	..	5	7½
Tamiang Rubber	..	Jan. 31	Less tax	6	..
Other Companies.					
Australian Pastoral	..	..	..	..	..
Bell and Nicolson	5%†	(&bonus	of 5%) Tax free	15	15
Brazilian Traction	50c p.s.	Mar. 1	Quarterly	..	..
Bull's Metal and Melloid	..	..	Less tax	5	nil
Champion and Slee	..	..	..	6	10
Chargeurs Reunis	..	..	..	5	5
Charter Trust and Agency	8†	Feb. 4	Less tax at 4/	6	5½
Chrysler Corporation	75c.p.s.*	Mar. 30	Quarterly	..	..
City Offices	6¼%†	..	..	12½	12½
Colombo Commercial	6%†	(&bonus	of 7½%) Tax free	17½	17½
Co-operative Permanent Building Society	..	..	Tax free	5	..
Craigmillar Creamery	7½dp.s.*	Feb. 2	Less tax	..	..
Crown Brewing	12½%†	(&bonus	of 7½%) Less tax	20	20
Dalmellington Iron	/6 p.s.*	Mar. 1	Tax free	..	..
Distillers Co.	7½%*	..	..	..	..
English and New York Trust	5	..	..	10	10
Foreign and Colonial Investmt.	7½%†	..	..	10	10
George Outram	7½%†	(& bonus	of 7½%) Less tax	22½	22½
Gillette Safety Razor	$1½ p.s.	Mar. 1	..	..	..
Gloucester Railway Carriage	5*	..	Less tax	11	11
Guardian Investment Trust	6%†	..	..	..	..
Howard and Bullough	6d p.s.	..	Quarterly	15	15
L. and J. Weber and Phillips	10%†	..	..	10	10
Law Debenture Corporation	..	..	..	5	5
Lister	2½%†	..	..	10	11
London Scottish Invest. Trust	5%†	Jan. 31	..	5	..
London Scottish Investmt., Def	..	..	..	19½	19
Metropolitan Trust	12½%†	..	..	..	..
Middle West Utilities	$12 p.s.	Feb. 15	..	..	..
Mid-European Corporation	3%*	Jan. 31	Tax free	8	8
Mortgage Co. of the River Plate	10%†	..	..	18	18
National Dominion and General Invest. Corpn.	5½%†	..	Less tax	8	..
Pawsons and Leafs	2½%†	..	..	5	..
Qualcast	5%*	..	..	..	..
Richard Lunt	10%†	(& bonus	of 5%) ..	15	15
Scottish United Investors	4%†	..	..	8	7
Do new stock	..	..	..	4	..
Scott, Son and Co.	..	..	..	5	5
Smith's Dock Company	..	Jan. 31	..	6	..
Southampton and S. England Steam Packet	3%†	(&bonus	of 1%) Tax free	7	3
Steel Trust	..	..	..	6	6
Traction and Gen. Invest. Trust	10%†	..	Less tax	16	16
United States and Gen. Trust Corpn., Def.	8%†	..	Less tax	15	12½
U.S. Realty and Improvement	$1 p.s.	Mar. 15	Quarterly	..	..
Vocalion	20*†	..	..	15	15x
Wagon Finance Corporation	10%	..	Less tax	16	16
Wilkinson and Riddell	6%†	(&bonus	of 4%) Tax free		

x Tax free.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Jan. 11, 1929. (c) Week ended Jan. 12, 1929.	Miles Open.	Week ended Jan. 13, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 2 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,779	206	204	130	334	540	407	393	247	640	1,047
Do for 1928	3,779	214	209	122	331	545	432	391	236	627	1,059
Lon. & N.Eastn.(c)	6,345	292	390	283	673	965	600	720	492	1,212	1,812
Do for 1928	6,363	304	408	268	676	980	613	722	480	1,202	1,815
Lond.,Mid &Scot.	6,950½	432	539	309	838	1,270	879	998	561	1,559	2,438
Do for 1928	6,950½	450	539	302	841	1,291	903	995	573	1,568	2,471
Southern	2,177	260	70	33	103	363	522	139	63	202	724
Do for 1928	2,177	265	69	32	101	366	533	124	54	178	711
Metropolitan (c)	59	32·3	..	..	3·8	36·1	64·6	..	..	7·6	72·2
Do for 1928	59	32·1	..	..	3·8	35·9	64·3	..	..	7·6	71·9
†Und'rgr'ndE.R.c	..	..	..	..	..	272·1	..	..	..	..	483·3
†Do for 1928	..	..	..	..	..	279·9	..	..	..	..	491·3
Lon.&Sub.Gr'up c	..	..	..	..	..	37·6	..	..	..	..	67·0
Do for 1928	..	..	..	..	..	39·8	..	..	..	..	70·0
B'lf'st&Co.D'wn b	80	2·1	..	..	0·9	3·0	3·6	..	..	1·4	5·0
Great Northern b	562	10·6	..	..	14·5	25·1	22·5	..	..	28·3	50·8
Great Southern b	2,187	23·3	..	..	43·0	66·3	47·9	..	..	83·3	131·2

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or —	Total Gross Receipts. 1929.	+ or —
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	37 weeks	Dec. 15	1,116	4,59,000	+ 7,230	1,61,27,801	+ 5,72,659
Barsi Lt. Ry.	36 weeks	22	202	55,900	+ 13,900	17,23,300	+ 5,83,800
Bengal & N. Western	38 weeks	22	2,079	7,29,036	— 7,316	78,21,872	— 5,74,437
Bengal-Nagpur	37 weeks	15	2,939	17,63,000	—1,69,294	5,98,50,517	—14,49,172
Bombay, Bar., & C.I.	40 weeks	Jan. 5	3,022	24,48,000	— 32,000	8,68,86,000	+ 37,05,600
Burma	35 weeks	Dec. 1	1,349	7,24,790	— 80,277	2,73,09,016	— 1,48,540
Madras & S. Mahr	38 weeks	22	3,072	19,50,000	— 29,011	6,62,30,004	+ 58,14,634
Nizam's Guarantd.(a)	38 weeks	22	1,018	4,70,336	— 61,106	1,43,15,363	+ 9,40,279
†Rohilk'd & Kumaon	38 weeks	22	561	1,38,235	— 6,978	13,79,604	— 27,034
South Indian	37 weeks	15	2,208	11,61,809	— 47,184	4,35,78,276	— 4,40,162

† Including Lucknow-Bareilly State Railway. (a) Total receipts of all lines.

				£	£	£	£
ARGENTINE (a).							
Argentine N.E.	28 weeks	Jan. 12	753	13,500	— 2,000	444,700	+ 33,600
B.A. and Pacific	28 weeks	12	2,694	182,000	+ 22,000	4,469,000	+ 460,000
B.A. Central	28 weeks	13	..	14,056	+ 329	405,306	+ 12,402
B.A. Gt. Southern	28 weeks	12	4,720	325,000	+ 7,000	6,273,000	— 594,000
B.A. Western	28 weeks	12	1,926	110,000	— 5,000	2,658,000	— 26,000
Central Argentine	28 weeks	12	3,305	285,000	..	7,399,000	+ 250,000
Cordoba Central	28 weeks	12	1,218	64,000	— 6,000	1,960,000	+ 23,300
Entre Rios	28 weeks	12	728	37,000	— 6,500	812,000	+ 94,500
CUBAN.							
United of Havana†	28 weeks	Jan. 12	1,359	94,822	+ 38,781	1,486,607	— 15,672

† Figures include Havana Central Railway.

URUGUAYAN.				£	£	£	£
Central Uruguay	28 weeks	Jan. 12	275	34,160	+ 1,562	838,025	+ 14,551
C. Urug. (East. Ext.)	28 weeks	12	311	9,119	+ 1,013	177,640	+ 2,650
C. Urug. (North.Ext.)	23 weeks	12	185	4,685	+ 879	97,833	+ 5,256
C. Urug. (West. Ext.)	28 weeks	12	211	3,157	+ 300	77,885	+ 4,649
CANADIAN.							
				$	$	$	$
Canadian National	1 week	Jan. 7	19,138	3,777,897	— 195,053	..	..
Canadian Pacific	1 week	7	14,670	3,206,000	+ 165,000	..	..
BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil	2 weeks	Jan. 12	1,016	22,100	+ 1,700	34,600	— 2,600
Leopoldina	2 weeks	12	1,856	36,564	— 9,002	62,590	— 13,835
Leopoldina Termnl.	2 weeks	12	Mrs	275,000	+ 2,000	507,000	+ 20,000
San Paulo	2 weeks	13	155½	50,054	+ 7,865	96,163	+ 14,276
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia)	2 weeks	Jan. 13	838	48,350	+ 10,170	79,570	+ 9,070
Nitrate (½-monthly)	52 weeks	Dec. 31	402	42,532	+ 12,702	864,194	+ 179,587
OTHER OVERSEAS.							
Alcoy and Gandia	62 weeks	Dec. 29	33	Ps. 35,500	..	1,388,700	+ 60,200
Egyptian Delta	38 weeks	31	608	£12,492	+ 1,166	254,284	+ 15,841
Gt. Southn. of Spain	1 week	Jan. 5	104	Ps133,947	— 3,911	..	..
Mexican Railway	1 week	7	432	$213,900	— 17,000	125,950	+ 1,389
Paraguay Central	27 weeks	12	274	£3,650	— 534	104,418	— 3,708
Salvador	27 weeks	5	100	£4,796			

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or —	Total Receipts. 1929.	+ or —
				£	£	£	£
Anglo-Argentine	2 weeks	Jan. 14	329	286,747	— 1,759	174,333	— 3,507
B. Aires Lacroze	28 weeks	13	..	413,380	— 402	365,484	+ 6,251
Burnley Corporation	1 week	12	13	£2,975	— 88	..	..
Calcutta Tramways	1 week	12	35½	Rs138556	+ 8,479	..	..
Chatham & District	52 weeks	Dec. 31	15	£1,690	+ 162	66,156	— 5,348
Egyptian Markets	1 week*	Jan. 3	5	£1,390	— 495	..	..
Glasgow Corporation	27 weeks	31	136½	£40,766	— 5,296	1,390,994	— 21,260
Isle of Thanet Trams	52 weeks	Dec. 31	..	£1,709	+ 427	89,601	+ 1,742
Liverpool Corp.	4 weeks	Jan. 12	194	£27,862	— 582	1,222,867	+ 51,622
L.C.C. Tramways	42 weeks	13	166	£79,615	— 2,894	3,434,631	+ 131,075
Pernambuco Trams†	2 weeks	13	..	£6,047	+ 279	11,801	— 350

† Tramway Receipts only. * 3 days.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Preference. Amount.	Dividend. Ordinary. Amount.	Dividend. Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Corresponding Period Last Year. Dividend.
Banks.		£	£	£	£	£	%	£	£	£	%
Alexander's Discount Company ..	Dec. 31	36,216	138,773	174,989	12,000	115,000	20*b*	..	47,989	109,051	20
Belfast Banking	Dec. 31	43,781	110,800	154,581	..	61,600	..	..	92,981	104,762	..
Clydesdale Bank	Dec. 31	82,283	340,136	422,419	..	225,000	18	105,000	92,419	335,485	18*b*
District Bank	Dec. 31	258,167	455,132	713,299	..	347,600	18½*v*	40,000	325,699	452,521	18½
Isle of Man Bank	Dec. 31	7,059	22,911	29,970	..	9,500	19	12,000	8,470	22,258	19
Martins Bank	Dec. 31	101,671	825,434	927,105	..	665,607	16	150,000	111,498	..	..
Midland Bank	Dec. 31	835,797	2,656,554	3,492,351	..	1,923,788	18	720,000	848,563	2,554,650	18
Munster and Leinster Bank	Dec. 31*	48,151	90,644	138,795	..	52,500	†14	40,000	46,295	90,585	†20
National Discount Co.	Dec. 31	204,757	175,860	380,617	..	33,866	10A	25,000	215,644	178,008	10A
North of Scotland Bank	Dec. 31	102,149	234,759	336,908	..	106,107	23B				23B
Provincial Bank of Ireland	Dec. 31*	36,431	62,011	98,442	..	158,436	18	75,000	103,472	232,265	18
The National Bank	Dec. 31*	25,825	165,868	191,693	..	31,320	14½	30,000	37,122	61,829	14½
Union Bank of Manchester	Dec. 31	11,329	176,545	187,874	..	84,000	14	80,000	27,693	152,923	14
Union Discount Co. of London ..	Dec. 31	223,221	245,365	468,586	..	96,000	16	80,000	11,874	195,283	18
Breweries.						196,979	20*b*	30,000	241,607	232,915	20*b*
Crown Brewing	Dec. 31	6,925	34,253	41,178	..	23,846	20	10,000	7,332	32,724	20
Canals and Docks.											
Smith's Dock Co.	Sept. 30	21,791	85,224	107,015	10,000	60,000	6	15,000	22,015	91,208	6
Financial, Land, &c.											
Alto Parana Development	June 30	*Dr35,084*	*Dr 2,457*	*Dr 37,541*	..	..	..	..	*Dr 37,541*	*Dr 10681*	..
Australian Pastoral	June 30	23,624	98,284	121,908	..	80,000	8†	..	41,908	17,087	8†
Law Debenture Corporation	Dec. 31	..	70,783	70,783	8,000	24,000	Ord.	21,539	..	62,688	10
Mortgage Co. of the River Plate..	Dec. 31	97,975	85,608	183,583	14,792	17,244	10*s*	15,000	99,791	85,106	18
Rubber, &c.						54,000	18				
Bila (Sumatra)	Aug. 31	20,104	2,473	22,577	..	..	..	..	22,577	35,717	17½
Escot	Sept. 30	3,639	1,673	5,312	..	..	..	2,500	2,812	17,863	12½
Stoughton (Perak)	Sept. 30	3,560	8,480	12,040	..	6,500	5	2,000	2,540	17,543	10
Taiping	Sept. 30	9,173	25,684	34,857	..	14,553	5	5,000	15,304	36,578	7½
Tamiang	Sept. 30	11,658	23,662	35,320	..	21,508	6	3,000	10,822	91,165	22½
Shops and Stores.						27,900	15	5,000	22,668	38,682	15
L. and J. Weber and Phillips	Dec. 31	22,733	32,835	55,568	..	71,250	5	..	155,361	131,562	
Textiles.											
Lister and Co.	Nov. 30	154,711	101,900	256,611	30,000						
Trusts.											
Greyhound Racing Assocn. Trust	Dec. 31	..	67,621	67,621	64,354	..	..	..	3,267	..	..
Metropolitan Trust	Jan. 1	52,779	145,516	198,295	28,125	97,500	19½	..	72,670	143,613	19
River Plate and Gen. Invest. Trust	Dec. 31	30,351	74,986	105,337	12,375	55,000	20	6,000	31,962	72,116	20
Tin Selection Trust	Dec. 31	95,107	154,374	249,481	..	120,000	15	50,000	79,481	183,476	16½
Other Companies.											
Blount and Co.	June 30	..	9,021	9,021	6,250	..	..	2,771	..	..	..
British Tobacco Co. (Australia) ..	Oct. 31	1,106	916,506	917,612	96,507	813,446	10	..	7,659	786,876	12
Michael Nairn and Greenwich ..	Dec. 31	37,740	226,819	264,559	..	219,829	12½	..	44,730	226,365	12½

* Half-yearly. † Free of income-tax. *b* 5 per cent. of this is free of income-tax. *s* Represents £86 4s 4·35d, free of tax, on founders' £10 shares. Preceding year dividend on these shares was £71 0s 9½d, free of tax. *v* Also Centenary bonus of one "B" £1 share, fully paid, for every two £15 shares (£3 paid).

Reports and Notices.

Dr Edward Frankland Armstrong, F.R.S., D.Sc., Ph.D., LL.D., F.I.C., J.P., has been appointed a director of the South Metropolitan Gas Co. in place of Mr Edward Honoratus Lloyd, K.C.

The Rt. Hon. Lord Glenconner has joined the board of the National Mortgage and Agency Company of New Zealand.

At a recent meeting of the board of directors of Messrs Lewis's, Limited, the departmental stores in Liverpool, Manchester, and Birmingham, Mr Frederick James Marquis, M.A., B.Sc., was appointed joint managing director in association with Mr Harold L. Cohen, J.P., chairman and joint managing director since 1892, in succession to the late Mr Rex. B. Cohen.

It is announced by Messrs John Barker and Co., Limited, that Mr F. E. Thomas, who has been associated with the business for many years, has been appointed a director of the company.

Mr John McManus, of Kilkenny, Irish Free State, has been elected as an individual member of the Joint East African Board.

The Right Hon. Baron Glenavy, of Milltown, Co. Dublin, has been co-opted a director of the Parent Trust and Finance.

Mr J. H. Wadsworth has been appointed to the board and the executive committee of the Imperial Chemical Industries, Limited.

Mr P. C. Dickens has been appointed secretary of the company.

Mr Gordon Cosmo Touche has been elected a director of the Anglo-Argentine Tramways Company, Limited.

Mr A. A. Jamieson, of Messrs H. S. Lefevre and Co., has joined the board of the Union Discount Company of London, Limited.

Brigadier-General F. D. Hammond, C.B.E., D.S.O., has joined the boards of the Rhodesia Railways, Limited, and the Mashonaland Railway Company, Limited.

The address of the Bank of Roumania is now 73 to 76 King William street, E.C. 4. Telegraphic address, "Bancheri, Cannon, London." Telephone, Royal 9011-3.

The death is announced of Major Graham Airdrie Bell, Deputy-Minister of Railways and Canals and vice-president of the Canadian National Railways.

LEETHEMS (TWILFIT), LIMITED.—The statutory report shows that the total number of shares alloted is 187,500 7½ per cent. cumulative preference shares of £1 each and 187,500 ordinary shares of £1 each, all of which have been issued for cash. The total amount of cash received by the company in respect of shares issued wholly for cash is £374,935. The statement of receipts and payments up to, and including December 31, 1928, shows receipts—excess of receipts over payments on general account of £34,078; bank balances and cash in hand acquired from Leethems, Ltd., £19,938. With regard to payments, preliminary expenses stand at £16,555. Balances at banks £55,891. Cash £159.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday Evening.

A spell of cold and frosty weather over the United Kingdom has interrupted field work for the time being, but spring ploughing is well forward, and falls of snow will have a beneficial effect upon heavy soils. Offerings of native wheat were on a smaller scale, farmers apparently being reluctant to offer readily at current prices, which, however, have lately shown a hardening tendency on the chief country markets. Imported descriptions experienced a better inquiry, and the general tone continued firm. In the floating and forward cargo section values marked some irregularity, but importers showed more disposition to operate, and sellers generally maintained a firm attitude, while influenced by higher American and Argentine advices. Shipments continue of liberal extent, and floating supplies also show a substantial increase. An interesting feature was the commencement of spring chartering from Montreal, while grain rates from Australia were reduced by 7s 6d per ton. Steamers of Rosafe, 63 lbs, old crop afloat sold at 42s 9d, ditto new 62½ lbs loading 42s 6d, and last half-January shipment (64 lbs) 43s 6d per 480 lbs c.i.f. terms. Feeding stuffs firmer, and new crop Plate maize advanced sharply on dry weather in Argentina, but easier conditions now prevail on reports of rains. Wheat irregular. No. 2 Northern Manitoba 50s, No. 3 48s 6d, No. 4 Manitoba 47s, No. 5 43s 6d, No. 6 37s 6d, No. 2 mixed Durum 42s 9d, Rosafe 62½ lbs, 44s 9d, Barusso, 62½ lbs, 44s 9d, Australian 40s, all ex ship per 496 lbs. English 9s 2d to 9s 4d per 112 lbs. Flour quiet. London standard grade 37s 6d, town whites 38s 6d, patents 39s 6d to 40s 6d per sack, delivered in the Home Counties, with 6d to 1s per sack less for

deliveries in the London districts. Of imported, Manitoba patents range from 33s 6d to 37s. Minneapolis 34s to 37s, Australian 35s 6d, ex store, per 280 lbs. Maize strong, following the recent advance in forward quotations. Plate, ex ship to arrive, 43s 6d, ditto landed 45s, January-February 43s 6d, February-March 44s, March-April 41s, new April-May 39s, May-June 38s 6d. No. 2 white flat African, landed, 44s, No. 2 mixed American, ex ship to arrive, 42s 3d per 480 lbs. Yellow maize meal £11 5s, ex wharf, white African, ex ship to arrive, £9 7s 6d, Hominy chop £9 per ton. Barley firmer, especially for feeding kinds. Californian, ex ship, 42s to 52s, Chilian Chevalier 48s to 58s, Australian 46s to 52s, Smyrna 44s to 50s per 448 lbs. Algerian/Tunisian 34s 9d landed, Canadian feed 30s 6d ex ship to arrive, 32s landed. No. 3 Canadian Western 34s 9d, ex ship to arrive, per 400 lbs. English malting 10s to 15s, feed 9s to 10s per 112 lbs. Oats quietly steady. Plate, ex ship, December-January to February-March, 25s black Plate, landed, 25s 6d, No. 3 white clipped American, 36 lbs, landed, 27s 6d, mixed Canadian feed 22s, Chilian white 33s 3d, German landed 28s 6d, ex ship to arrive 27s 6d per 320 lbs. English 9s to 10s per 112 lbs. Scotch landed 29s 9d. Irish black 26s 6d per 336 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928-29, 1927-28, 1926-27, 1925-26:—

	1928-1929.	1927-1928.	1926-1927.	1925-1926.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to January 12	219,146	227,205	340,941	374,400
17 weeks to January 12	5,089,680	4,541,135	6,941,838	8,043,217
Average price of English wheat per cwt.	s d	s d	s d	s d
	9 6	9 11	11 11	12 4

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks Ended.	Quantities Sold. Wheat.	Barley.	Oats.	Average Price per Cwt. Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s d	s d	s d
Jan. 5	74,850	161,335	34,120	9 5	9 11	9 1
Jan. 10	219,146	332,244	67,210	9 6	10 1	9 1
Jan. 10, 1925 ..	178,393	255,735	68,499	12 9	14 10	9 11
Jan. 9, 1926 ..	243,532	222,794	41,260	12 4	10 9	9 3
Jan. 15, 1927 ..	340,941	458,723	88,970	11 11	10 11	8 3
Jan. 14, 1928 ..	227,205	314,858	74,856	9 11	11 4	9 5

AMERICAN WHEAT MARKETS.

Subject to slight fluctuations, prices have improved throughout the week. Cold weather conditions have continued in the winter wheat belt. Cash business has been of fair dimensions, rumours of export buying have been numerous, whilst country marketings have been small. Quotations:—

Nearest Future.	Jan. 4, 1928.	Jan. 18, 1928.	Jan. 2, 1929.	Jan. 9, 1929.	Jan. 16, 1929.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	137	136½	122	122½	125
Chicago (No. 2 Winter)—Cents per 60 lbs	130⅜	129½	116⅜	116½	119⅜

Visible supplies of wheat in Canada at 78,538,000 bushels show an increase of 2,207,000 bushels as compared with the previous figures. Supplies a year ago stood at 61,040,000 bushels.

COAL.

Our Cardiff correspondent writes:—The recent improvement on the South Wales coal market has been firmly maintained this week and except for some of the best Admiralty large descriptions the tone has been quite buoyant. The collieries are well sold under contracts, but there is a steady flow of current inquiry, and assisted by a good supply of tonnage, the collieries are fairly regularly employed. Prices also are showing an improving tendency, and in some cases ruling quotations are in excess of the minimum schedule. Nothing further has transpired concerning the position of the output control scheme, and if prevailing conditions continue there will be a more or less general indisposition to proceed further with schemes of regulation. In any case, the Coalowners' Association has not been able to secure the 85 per cent. support necessary to bring the output control scheme into operation. The result of the tendering for the Egyptian State Railways contract is expected in the course of the next few days, and it is feared that at least a part of it will be diverted to Poland.

The following are the current approximate prices:—Best Admiralties, 19s 3d to 19s 6d; seconds, 18s 9d to 19s 3d; best drys, 18s 6d to 19s; Black Veins, 17s 9d to 18s; Eastern Valleys, 16s 7½d to 17s; Western Valleys, 17s 6d to 17s 9d; best steam smalls, 12s 9d to 13s; cargo smalls, 11s 6d to 12s; coking smalls, 12s 9d to 13s; anthracite, best large, 33s to 35s; Red Vein, large, 21s to 25s 6d; machine-made cobbles, 40s to 43s; French nuts, 41s to 43s 6d; stove nuts, 40s to 42s 6d; rubbly culm, 9s to 9s 3d; foundry coke, 25s to 36s 6d; patent fuel, 20s to 21s 6d; pitwood, ex-ship, 25s 6d to 26s.

Our Glasgow correspondent writes:—The export market is firm in tone, but this condition arises principally from the activity in the home market, which is, meantime, on such a scale as to leave only a small part of the restricted output available for shipping requirements. The strength of Lanarkshire prime splint has been accentuated by a reduction in supplies owing to the collapse of a shaft at one of the collieries. Shipment prices (f.o.b. district ports) are as follows:—Lanarkshire.—Ell best, 16s; splint best, 17s 6d; splint second, 16s 9d; navigation, 17s; navigation second, 15s; steam, 14s; Hartley, 16s 6d; trebles, 14s 6d to 15s; doubles, 13s 3d to 13s 6d; singles, 13s; pearls, 11s 9d to 12s; dross, 10s 6d. Fife.—Screened navigation, 18s; first-class steam, 13s 6d; third-class steam, 12s 9d; trebles, 14s 9d to 15s 3d; doubles, 14s; singles, 12s 9d to 13s; pearls, 11s 6d to 11s 9d. Lothians.—Prime steam, 13s 6d to 14s; secondary steam, 13s 3d; trebles, 14s 9d to 15s; doubles, 13s 9d to 14s; singles, 12s 9d to 13s; pearls, 11s 9d.

Our Sheffield correspondent writes: The coal position is the reverse of satisfactory, especially as regards industrial demand. Consumption at the works, although holding promise of expansion, is poor at the moment. A number of contracts have been resumed some at an advance of sixpence and others on the old terms. Local merchants have advanced the price of house coal a shilling per ton. There is a steady sale of blast furnace coke, best brands of which can be bought at 13s and 13s 6d per ton, although the official minimum is 1s or 1s 6d more.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—The brighter conditions which have been noticeable in the steel market of late have been maintained, and there is a general belief that a period of good trading is in sight. The prevailing note has been one of confidence. A considerable volume of business has been done for export to the Far East and other overseas destinations, and although a good deal of this has gone to the Continental works, British manufacturers also have benefited to a certain extent. It is as a consequence of this buying that the Continental steel makers have been able to advance their prices to the extent of 1s 6d, and in some cases 2s per ton, on some finished steel products. In other departments of the market activity has not been so pronounced. A slight improvement is noticeable in the demand for pig-iron and some of the British furnaces have been able to strengthen their prices somewhat. In the semi-finished steel department most of the Continental steelworks, in addition to having advanced their quotations, are offering only small quantities to the British market, and as a consequence the British steel works, which are able to

THE
STANDARD BANK
OF SOUTH AFRICA, LIMITED

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

AUTHORISED CAPITAL	£10.000.000
SUBSCRIBED CAPITAL	£8.916.660
PAID-UP CAPITAL	£2.225.165
RESERVE FUND	£2.893.335
UNCALLED CAPITAL	£6.687.495
	£11.809.995

Board of Directors.
William Reierson Arbuthnot, Esq. — Solomon B. Joel, Esq., J.P.
Rt. Hon. Lord Balfour of Burleigh. — Horace Peel, Esq.
Stanley Christopherson, Esq. — Rt. Hon. the Earl of Selborne, K.G.
Edward Clifton-Brown, Esq. — William Smart, Esq.
Robert E. Dickinson, Esq. — Rt. Hon. Lord Sydenham, G.C.S.I., G.C.M.G.
James Fairbairn Finlay, Esq., C.S.I.

Joint General Managers in South Africa—John Jeffrey, James S. Reid.
Deputy General Managers in South Africa—G. F. Le Sueur, W. K. Robertson.
Assistant General Manager in South Africa—Francis E. King.
London Manager—Bertram Lowndes.
Secretary—Herbert G. Hoey.

Head Office: 10, CLEMENTS LANE, LOMBARD STREET, and 77, KING WILLIAM STREET, LONDON, E.C.4.
London Wall Branch: 63, LONDON WALL, E.C.2.
West End Branch: 9, NORTHUMBERLAND AVENUE, W.C.2.
New York Agency: 67, WALL STREET.
Hamburg Agency.
Bank of British West Africa, Ltd., 49-55, SCHAUENBURGER-STRASSE.
Over 350 Branches, Sub-Branches and Agencies in SOUTH AND EAST AFRICA.

EXECUTORSHIPS AND TRUSTEESHIPS UNDERTAKEN.
INCOME TAX.—Claims for recovery of Income Tax undertaken.

COMMERCIAL SERVICE
The Bank has over 350 Branches in Africa, and Agents and Correspondents throughout the World. The closest touch with Trade and Industrial conditions is maintained with special attention to Commercial and Credit Intelligence. This service is available to Exporters, Importers and others wishing to develop trade between South and East Africa, the United States of America and the Continent of Europe.

THE STANDARD BANK MONTHLY REVIEW is sent post free on application. It gives the latest information on all South and East African matters of Trade and Commercial Interest.

give prompt delivery, are securing a fair amount of business. The British home market also is becoming more active, and there has been a fair volume of orders for the replenishment of stocks. Buying by structural engineering firms in the North of England is reported to have improved somewhat.

Our Middlesbrough correspondent writes:—Pig-iron: The outlook in the iron market continues to be favourable. Stocks of Cleveland and pig-iron are low, and although the bulk of the iron is used by the makers themselves, the surplus for the market is easily disposed of. The price, therefore, remains firm on the basis of 66s for No. 3 G.M.B. No. 1 quality is 68s 6d; No. 4 foundry 65s, No. 4 forge 64s 6d. There is more inquiry for hematite, both for home and export. The output in the district is so small that stocks are exhausted, and iron for prompt delivery is difficult to get. A fair amount of forward business has been done, and the position is better. The price is firm at 71s for mixed numbers. With regard to manufactured iron and steel, there is a steady demand, and works are busier than for some time past. Further good orders have been secured, which makes the outlook for the next two or three months much better. The steel works, though not working to full capacity, are much busier than they were. Prices remain unchanged on the following basis:—Steel ship plates, £8 7s 6d; steel ship angles, £7 17s 6d; iron bars, £10 5s; steel rails, £8 10s. Ore is very firm, with consumers holding off and not inclined to pay the prices asked. Best rubio is still at 22s 6d c.i.f. Tees, but little business is being done. Durham blast furnace coke still remains round about 17s 6d to 17s 9d, delivered furnaces.

Our Sheffield correspondent writes:—The local steel industry is making a good recovery from the effects of holidays and stock-taking. A considerable number of suspended men have resumed work this week. Demand is increasing for alloy steels of various descriptions required in modern engineering work on which Sheffield specialises, and the outlook for these special materials is highly promising. Railway orders are mainly for hand-to-mouth quantities. The output of open-hearth steel tends to increase, although the call for best acid steels continues poor. In the pig-iron market conditions are much the same as during the closing months of last year, and the deadness of the light castings trade is responsible for restricted consumption. The falling off here is compensated for to some extent by increased activity at some of the engineering foundries. For Derbyshire foundry pig-iron 60s appears to be the bottom figure. The year has opened fairly well in some sections of the hand and small tools industry.

Our Glasgow correspondent writes:—In the pig-iron market there is a slight improvement in demand noticeable this week, although in most cases it is only for small lots for early delivery. In the iron and steel trades generally there is more activity at the works. Makers of shipbuilding material and structural steel section are finding business easier, and several very considerable contracts have been placed within the past few days with local firms for steel buildings and for crane equipment. In the sheet trade the position remains highly satisfactory, makers having well filled order-books, and there is no slacking off in the number of inquiries for forward delivery. Tube makers also continue to be well employed, but the malleable iron market is still depressed. Prices remain at recent levels.

Our Cardiff correspondent writes:—The position in the tinplate trade is unchanged. The tone on the Swansea Metal Exchange on Tuesday was quiet, but there was a fair volume of business in negotiation, and prices are steady at from 18s to 18s 3d per basis box. Galvanised sheets, however, are firmer at from £13 12s 6d to £13 15s, compared with £13 10s to £13 12s 6d the previous week. Welsh tinplate bars are still quoted round about £6 per ton, with foreign bars ruling between £5 10s to £5 12s 6d. There was an increase last week in the deliveries of boxes from works to dock warehouses, and as shipments were slightly less, the stocks have increased to 238,478, compared with 224,293 boxes.

OTHER METALS.

TIN.—Quieter conditions prevailed in the standard market, and prices exhibited irregularity and weakness, sellers being more in evidence following lower Eastern advices and lack of demand both on home and Continental account. Stocks in London and Liverpool warehouses for week ending January 12th were returned at 7,388 tons, compared with 2,199 tons at corresponding period last year. Standard cash changed hands at £223 to £222 10s and £223, three months £223 to £221 10s and £222 10s. Sales in the East were reported at £226 10s to £224 7s 6d and £225 per ton c.i.f. terms.

COPPER.—Demand proved disappointing and prices gave way under selling pressure. Standard cash sold at £74 15s to £74 16s 3d, and three months £72 5s to £72 16s 3d and £72 17s 6d.

LEAD opened easier on liberal offerings, but since improved, with buyers more in evidence. Good soft foreign pig January sold £21 18s 9d to £21 15s and £22 1s 3d. February £22, March £21 18s 9d, April £22 7s 6d to £22 and £22 2s 9d, May £22 1s 3d to £22 5s.

SPELTER.—Market dull and prices eased on liberal offerings. January sold £26 to £25 17s 6d and £26, February £26 5s to £25 18s 9d and £26, March £26 2s 6d to £26 1s 3d, April £26 to £26 2s 6d and £26 1s 3d, May £26 2s 6d to £26 1s 3d and £26 2s 6d ton.

HARRISONS & CROSFIELD, LTD.
EASTERN AND GENERAL MERCHANTS.
AGENTS AND SECRETARIES OF RUBBER, TEA AND PRODUCE COMPANIES.
1-4, GREAT TOWER STREET, LONDON, E.C.3

ALUMINIUM steady. Ingots and bars for home delivery £95 ton.
ANTIMONY dull. English regulus quoted £54 to £54 10s, foreign spot £38, January-February £34 5s ton c.i.f.
WOLFRAM steady. Straits, also Chinese, held for 20s 6d to 20s 9d per unit c.i.f.
QUICKSILVER quiet. Spot £22 5s to £22 10s per bottle.
TINPLATES quiet. I.C. coke prompt and forward 18s to 18s 3d per box f.o.b. Swansea.

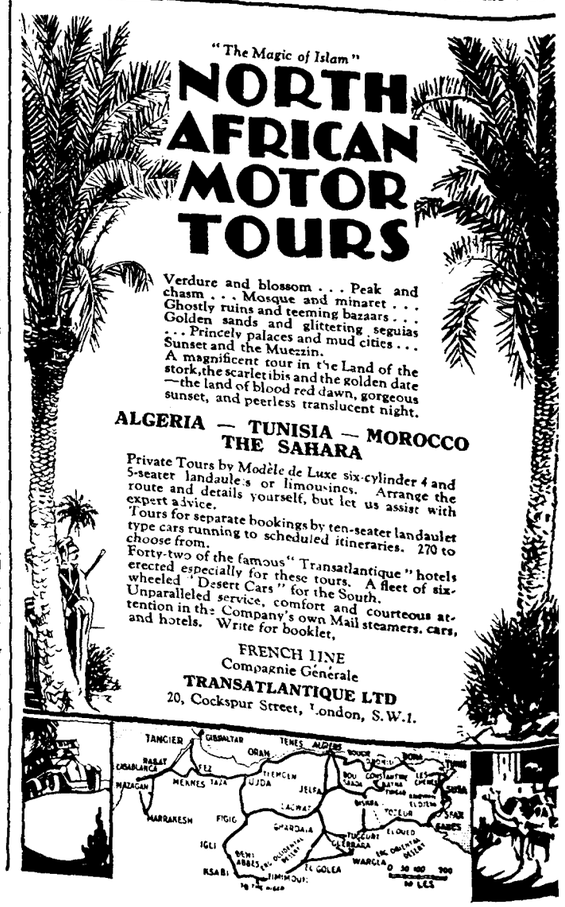
THE COTTON TRADE.

LIVERPOOL, Jan. 16, 1929.

There has been considerably more business during the past week. Manchester continues to do a large business. The futures market has been quiet, "long" liquidation and hedge selling being absorbed by trade demand. Speculators also seem more inclined to enter into the market. The American consumption figures for December were published on Monday, and proved to be 534,000 bales, the average daily rate of consumption being the same as for November. Spot sales for the week 10th to 16th (inclusive) are 39,000 bales, of which 24,450 are American, 1,050 Argentine, 250 Brazil, 8,500 Peru, 1,550 Egyptian, 1,600 African, 1,200 East Indian, and 400 sundries. Imports for the same period are 140,465 bales, of which 117,515 are American, 1,534 Brazil, 3,095 Peru, 15,828 Egyptian, 773 African, 1,334 East Indian, and 386 sundries. Quotations to-day are American middling, 10.69, mod.-rough 12.75, F.G.F. smooth 11.74, West African middling 10.74, and East African G.F. 12.25.

MANCHESTER, Jan. 16, 1929.

The market during the past week has been under the influences of hardening rates for the raw material, and partly owing to the diminished probability of more favourable opportunities of purchasing, demand for yarn and piece-goods has been more active. In the cloth section there has been further expansion in the trade



SECURITY FIRST
ROYAL
INSURANCE COMPANY, LIMITED
HEAD OFFICES: LIVERPOOL AND LONDON.

passing for China. An increased inquiry has been met with in a variety of goods, and encouraging sales have taken place in grey and white shirtings and fancies. Advices from Shanghai with regard to the auction sales remain healthy. Rather more business has also been done for India in light goods and fancies, but bids in grey staples lag behind. Cloths suitable for printing and dyeing have moved off fairly well for several minor outlets East and West. There has not been very much activity in home trade fabrics. There are further indications of manufacturers quietly improving their position. Inquiry in American and Egyptian yarns has been rather more encouraging, and the turnover shows an improvement, but prices remain poor.

Comparative Statement of the Cotton Trade.

	1928—1929.				Corresp'd'g. Date.	
	Dec. 24.	Jan. 2.	Jan. 9.	Jan. 16.	1927.	1928.
Raw Cotton—Mid. American ..... per lb	d 10·66	d 10·59	d 10·49	d 10·69	d 7·30	d 10·63
— Sakellaridis Fully Good Fair Egyptian ..... per lb	19·50	19·35	18·90	19·20	13·85	17·70
Yarns—32's twist ..... per lb	15¾	15⅞	15¾	16	12½	15⅛
— 40's weft ..... per lb	16¼	16⅜	16⅛	16⅜	13½	16⅛
— 60's twist (Egyptian) ..... per lb	28	28	27½	28	24½	27⅜
	s d	s d	s d	s d	s d	s d
33-in. Printers, 116 yds, 16 by 16, 32's and 50's	26 0	26 0	26 0	25 3	22 6	25 9
36-in. Shirtings, 76 yds, 19 by 19, 32's and 40's	28 6	28 6	28 3	28 6	25 9	28 0
38-in. ditto, 38 yds, 18 by 16, 10 lbs	15 6	15 6	15 6	15 6	12 9	15 0
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	14 0	14 0	14 0	14 0	12 0	14 0

THE WOOL TRADE.

Our Bradford correspondent writes:—Continued competition from Continental buyers in Australia and South Africa, and active buying on the part of United States operators in South America, seem to preclude the possibility of any material decline in wool values in the near future. Although there is still a big weight of wool to come on to the market, the indications are that stocks abroad in the chief consuming centres are small and, with considerable machinery requirements to cover, foreign buyers show no sign of calling a halt. Yorkshire importers will also have to purchase considerable quantities between now and the close of the season if they are to be supplied in anything like normal manner. That users are strongly opposed to current prices is obvious from the restricted purchases in tops and yarns, which, as a rule, are only sufficient for current needs, but it remains to be seen whether they will be able to hold out in face of the general demand for wool. The constant complaint is that tops, yarns and piece-goods cannot be sold at prices based on the cost of production, yet it is the world demand for the raw material that fixes the price of wool and not, apparently, the demand for semi and manufactured goods. This anomaly has been in evidence for several years, and can only be explained on the ground that production costs—due to a lower standard of living—are much lower on the Continent and in Japan than they are in this country. There is a fair amount of inquiry for tops, and quotations remain steady, but yarn prices are very irregular on account of the keen competition among spinners for orders to keep machinery employed.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

At the opening of the first series of sales of Colonial wool for this year in Coleman street last Tuesday, there was a large attendance of home and continental buyers. There was practically no change in merinos, but the few greasy crossbreds catalogued moved slightly in sellers' favour. There was no apparent change in slipes. The best feature of all was the good general competition, and it is quite reasonable to expect that this will continue to the close. It is quite a long time since there was such a feeling of reasonable confidence as obtains among buyers at the present time. The price of crossbred tops presents a serious problem owing to the extreme difficulty in getting these on to a level which corresponds with the cost of wool. The position of crossbred raw material appears to be fairly well assured, though there is certainly nothing to show why values for this description should go any higher. There are some quite attractive offerings in both merinos and crossbreds. Supplies of New Zealand clip greasy fleece were not large, but this at least ensures forthcoming supplies being absorbed as they become available, and there will be some good clips among them. American interests are represented, and we may expect the usual weight of wool to be bought for that destination. There is still ample room for expansion in the United States textile industry.

Encouraging news is being received from the selling centres in Australia. Important sales have taken place this week at Sydney and Perth, whilst good markets are reported from New Zealand and South Africa. In every selling centre, there is a distinct evidence of confidence without any unwarranted speculation.

THE JUTE TRADE.

DUNDEE, January 16, 1929.

Sellers are reserved, and there seems to be little hope of cheaper fibre during the remainder of the season. Calcutta is all out for higher prices, emphasising the fact that supplies are decreasing and imports into Calcutta beginning to fall off. For the six months of the season from July 1st to December 31st the crop yielded 7,500,000 bales, and the forecast figures for the whole season were 9,916,000 bales. The Calcutta mills have large stocks, but endeavours will be made to maintain these in order to be ready for any emergency, should anything occur to jeopardise their position in the future. On July 1st of this year they will be working an extra six hours per week, adding to their consumption of raw material about 700,000 bales during a season. In addition to this quantity, there is the steadily increasing need of the Continent, where new mills and extensions have been of notable account in recent years. Indeed, this was one of the principal factors in bringing about the decision of the Calcutta mills to increase their production of jute goods. It will be seen, therefore, that the supply of raw material is promising to become an even more important consideration, and that an average crop of ten million bales will be insufficient to meet the requirements of the world. The past two crops have yielded a plentiful supply, of which the Calcutta mills have taken full advantage by increasing their stocks, but the acreage for the present season was reduced by 240,000 acres compared with the previous season.

Prices of raw jute rule on much the same level as those which have prevailed for several weeks past. First marks and lightnings are mostly nominal in the absence of interest from spinners in this class of jute at £36 and £33 10s respectively January-March shipment. Daisee assortment is quoted at £31 15s, threes at £30 15s, and fours at £27 10s to £28, while Tossa assortment is named at £33 15s, threes at £32 15s, and fours at £30 10s, January-February. Spinners have done little buying during the past fortnight.

Jute yarns are quiet, with some qualities obtainable at less money. The hessian descriptions are steady at 3s 6d for common 8-lb cops and at 3s 7d for 8-lb spools for January-March delivery. Sacking yarns have been dull, and are now being sold at 3 15/16d for 24-lb weft and at 5 1/8d for 8-lb chains. Rove is at £27 10s for 48 lbs and £17 10s lowest for 200 lbs, while twist is from 5 1/16d to 5 3/4d for 3-ply 8 lbs.

Inquiry is made for jute cloth, but business has generally been confined to small lots. Altogether, however, the total has amounted to a fair quantity, most of which has been purchased at lower rates. For 10¾-oz 40-in hessians 4¼d has been accepted and 3 3/8d for 8-oz, but manufacturers are not now inclined to repeat these terms.

HIDE, LEATHER, AND ALLIED TRADES.

The demand for hides is slow owing to the quiet trade in leather. Prices are not yet stable, and many—notably oversea hides—continue to fall. British market hides, however, have of late shown little alteration, although at recent provincial auctions slight advances of ¼d to ½d per lb have been noted. At Bermondsey auctions prices have remained steady, with the exception of calf-skins, which are weaker. The international position of foreign hides remains weak, and sellers are accepting reductions. Of late, however, American, Russian, and German buyers have shown some interest in South American hides, and quite a fair-sized turnover has been done in fregorific ox at 10 1/16d. Saladeros, of Liebig origin, have sold at Liverpool at 9⅜d for heavies, and the first shipment of Bovril ox have sold at 10½d, partly on Russian account. Dry hides are weaker, and B.A. Americanos are quoted at 15½d. Cables from Chicago report the market as still weak, with best heavy packers selling at 21½ cents.

Whilst there is a little more doing in sole leather, trade is not yet up to expectations. Stocks now show some accumulation, and tanners are accepting bids for bends and offal at less money.

Business in upper stock is quiet all round, and orders are on the small side for box and willow calf, with prices difficult to quote. Black and brown glacé kid is the best selling line, and a little sampling in colours is going on for the spring trade. Patent is slow, and the market has been rather dislocated by a cut of pence per foot on a German brand of patent which sells

PLAYER'S WHITE LABEL
NAVY MIXTURE
—smoke it for a change—you won't want to change again.

2oz. POCKET TIN 1/10

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended December 31.		Year Ended December 31.	
	1927.	1928.	1927.	1928.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	8,430,357	8,512,209	110,969,996	97,637,377
B. Feeding stuffs for animals	862,756	855,359	8,418,242	9,185,875
C. Meat	8,959,268	8,772,562	103,484,070	109,248,909
D. Animals, living, for food	1,474,205	1,288,814	15,510,297	16,034,355
E. Other food and drink, non-dutiable	13,482,720	13,018,964	164,741,934	173,879,043
F. " " " dutiable	12,208,947	9,983,259	116,243,609	108,101,783
G. Tobacco	2,551,951	2,850,218	19,178,473	17,825,215
Total, Class I.	47,977,204	45,286,385	538,526,621	531,912,557
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	4,010	3,141	6,611,420	39,496
B. Other non-metallic mining and quarry products and the like	524,595	443,544	6,258,322	5,606,703
C. Iron ore and scrap	426,015	312,221	5,702,578	4,822,484
D. Non-ferrous metalliferous ores and scrap	1,363,150	1,647,468	15,700,699	16,542,609
E. Wood and timber	2,962,551	2,992,466	49,666,787	42,565,243
F. Raw cotton and cotton waste	6,529,105	11,162,849	67,754,604	80,707,021
G. Wool, raw and waste, and woollen rags	5,550,768	4,346,705	63,816,341	63,922,920
H. Silk, raw, knubs and noils	165,403	178,341	1,828,518	1,899,967
I. Other textile materials	2,037,920	1,558,147	16,131,464	13,981,365
J. Oil seeds,nuts,oils,fats,r'sins&gums	3,452,998	3,368,305	45,090,534	44,746,420
K. Hides and skins, undressed	2,597,266	1,604,771	23,018,506	26,057,403
L. Paper-making materials	1,290,491	990,764	12,788,863	10,151,792
M. Rubber	1,960,749	1,243,438	25,417,228	11,839,360
N. Miscellaneous, raw materials and articles mainly unmanufactured	1,099,831	1,039,702	11,954,452	11,936,907
Total, Class II.	29,954,852	30,891,662	351,739,719	334,819,690
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	439	1,185	134,906	9,609
B. Earthenware, glass, abrasives, &c.	1,040,744	916,295	11,865,882	10,895,429
C. Iron and steel and manufactures thereof	2,247,601	1,656,134	34,032,026	24,158,492
D. Non-ferrous metals and manufactures thereof	3,132,776	2,995,516	32,592,542	33,115,018
E. Cutlery, hardware, implements, and instruments	627,051	589,947	7,304,644	7,632,408
F. Electrical goods and apparatus	445,225	467,492	4,256,833	4,711,335
G. Machinery	1,358,923	1,234,665	15,919,046	16,731,446
H. Manufactures of wood and timber	710,827	691,635	7,313,937	8,425,869
I. Cotton yarns and manufactures	903,936	768,229	9,915,407	10,732,818
J. Woollen and worsted yarns and manufactures	1,385,419	1,153,558	16,096,809	17,288,115
K. Silk and silk manufactures	1,058,086	1,019,781	16,181,161	14,465,141
L. Manufactures of other textile materials	1,283,901	1,256,116	15,784,665	15,613,307
M. Apparel	1,346,085	1,238,011	18,659,308	19,606,026
N. Chemicals, drugs, dyes, & colours	1,478,631	1,275,816	15,502,422	15,367,796
O. Oils, fats, and resins, manufactured	2,480,404	2,956,933	38,620,362	37,822,129
P. Leather and manufactures thereof	1,793,072	1,315,969	16,759,934	19,506,931
Q. Paper and cardboard	1,433,951	1,602,306	16,429,946	17,269,991
R. Vehicles (including locomotives, ships, and aircraft)	715,737	858,818	12,130,721	9,565,349
S. Rubber manufactures	239,536	207,275	2,591,683	3,349,368
T. Miscellaneous articles, mainly or wholly manufactured	2,674,779	2,206,769	30,320,306	31,749,859
Total, Class III.	26,357,123	24,392,380	322,412,540	318,016,455
IV.—Animals, not for food	207,805	377,753	2,653,196	3,064,520
V.—Parcel post, non-dutiable articles	911,143	503,710	3,009,074	9,127,132
Total	105,408,130	101,451,890	1218341150	1,196,940,354

EXPORTS of PRODUCE and MANUFACTURES of the UNITED KINGDOM

(Value F.O.B.)

	Month Ended December 31.		Year Ended December 31.	
	1927.	1928.	1927.	1928.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	427,494	402,407	5,597,815	5,338,913
B. Feeding stuffs for animals	306,254	289,495	2,955,391	3,333,116
C. Meat	149,248	152,319	1,669,532	1,629,928
D. Animals living, for food	8,631	17, 22	142,261	173,725
E. and F. Other food and drink	3,062,331	3,066,600	33,508,977	34,434,136
G. Tobacco	766,010	671,[illegible]04	8,404,526	9,363,768
Total, Class I.	4,719,998	4,600,047	52,278,502	54,271,961
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	3,124,874	3,238,069	45,530,795	39,061,649
B. Other non-metallic mining and quarry products and the like	177,540	152,087	1,899,654	1,898,816
C. Iron ore and scrap	60,979	96,148	877,630	1,104,566
D. Non-ferrous metalliferous ores and scrap	195,637	213,062	1,949,330	1,788,722
E. Wood and timber	31,539	31,211	539,765	445,988
F. Raw cotton and cotton waste	97,964	97,414	1,217,901	1,382,818
G. Wool, raw and waste, and woollen rags	832,599	1,008,861	10,471,194	10,290,034
H. Silk, raw, knubs and noils	11,342	4,168	72,382	37,508
I. Other textile materials	28,792	22,101	233,489	540,797
J. Oil seeds, nuts, oils, fats, resins, and gums	525,349	592,774	5,419,147	5,378,894
K. Hides and skins, undressed	251,441	357,983	2,579,480	3,088,735
L. Paper-making materials	103,010	115,850	1,367,363	1,429,547
M. Rubber	26,500	23,835	293,276	265,613
N. Miscellaneous raw materials and articles mainly unmanufactured	353,314	335,227	3,874,800	3,468,019
Total, Class II.	5,820,880	6,288,790	76,352,169	70,168,533
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	334,945	311,349	3,658,551	3,671,419
B. Earthenware, glass, abrasives, &c.	921,038	986,855	13,011,648	13,076,308
C. Iron and steel and manufactures thereof	5,387,962	5,427,481	69,283,416	66,801,570
D. Non-ferrous metals and manufactures thereof	1,419,113	1,207,837	19,868,012	16,373,75
E. Cutlery, hardware, implements, and instruments	729,812	770,679	8,628,534	9,137,895
F. Electrical goods and apparatus	983,551	922,664	11,878,275	11,629,139
G. Machinery	4,183,407	4,499,444	49,920,843	53,948,112
H. Manufactures of wood and timber	184,748	255,701	2,316,957	2,502,280
I. Cotton yarns and manufactures	11,594,988	10,938,734	148,294,942	145,304,942
J. Woollen and worsted yarns and manufactures	4,696,525	4,048,522	56,755,955	56,896,582
K. Silk and silk manufactures	201,961	185,163	2,426,087	2,406,061
L. Manufactures of other textile materials	2,362,236	2,399,364	27,060,722	29,464,139
M. Apparel	1,917,985	2,030,432	23,402,723	25,414,223
N. Chemicals, drugs, dyes, & colours	794,444	1,002,212	9,164,860	8,956,598
O. Oils, fats, & resins, manufactured	782,402	572,279	8,344,068	9,369,946
P. Leather and manufactures thereof	749,021	790,436	9,132,264	9,292,207
Q. Paper and cardboard	3,256,278	5,070,582	35,414,273	46,965,401
R. Vehicles (including locomotives, ships, and aircraft)	245,332	265,441	3,291,029	3,444,988
S. Rubber manufactures	2,982,632	3,321,432	35,438,877	37,990,048
T. Miscellaneous articles mainly or wholly manufactured	45,772,300	46,775,132	563,913,782	578,638,819
Total, Class III.	294,796	230,903	1,898,016	1,998,133
IV.—Animals, not for food	2,226,050	2,499,157	14,638,794	18,363,330
V.—Parcel Post	58,863,924	60,394,329	709,081,263	735,436,455
Total				

OVER ONE HUNDRED YEARS OF SERVICE.
SCOTTISH UNION & NATIONAL
INSURANCE COMPANY.
ASSETS - - £14,500,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James's Street, S.W.1

freely on this market. The shoe section is slightly improving, but it is significant that a large Northampton firm has discharged about 60 of its operatives owing to quiet conditions.

VEGETABLE OILS AND OILSEEDS.

Markets have shown rather more activity. Consumers of linseed oil have again bought freely and crushers are reported to have sold large quantities at current figures. Prices have fluctuated somewhat, but are little changed on balance and are firmer in sympathy with seed. Present value is around £28 5s per ton naked ex Hull mill spot and forward to August, later positions being at a small premium. Cotton oil is quiet in the face of the competition of Russian oil, but values are maintained, crude Egyptian being held for £29 5s and common edible for £32 10s spot and January-February ex Hull.

In the oilseed section Plate linseed is steadier on good buying of new crops here and on the Continent, and reports that America is also a purchaser. Plate on spot continues at a dwindling premium, and increased shipments have reduced the advantage held by seed on passage which to Hull has been done at £15 11s 3d. For January-February shipment £15 12s 6d is now wanted. The quantity of linseed afloat for Europe is 190,600 tons or 22,000 tons more than a week ago. A small trade in black Egyptian cottonseed to Hull for February loading has been done at £10 2s 6d, but more money is now asked by shippers, and £10 6s 3d has been paid for "on passage." Demand for oilcakes is fair and prices firm.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—Market developed depression, due to Cuban interests having vetoed the proposition to form a selling agency, or in other words, a trust, as obtains in Java and Mauritius, so that producers will now market their sugar quite independent of one another. Sentiment upon this point was sufficient to cause a dip in prices, but later on affairs should become better balanced between prices ruling for Cuban sugars to the U.S.A. and Europe, as unexpected dumping to latter destinations witnessed under the Export Corporation led to prices being lower than to American refiners. As far as the United Kingdom market is concerned, consumers are favoured regarding prices, owing to fierceness of competition now existing between British refined and home-grown granulated, also the output of some of the latter factories, who turn their attention to working up imported raws. There seems to be too much strife between producers, particularly in the cane countries, to stress a gradual but yet marked increase in consumption of the commodity. Messrs. Tate and Lyle reduced quotations 6d and forward granulated by 3d. Imported descriptions quite neglected at the moment. Tate and Lyle's cubes now 26s to 26s 6d; granulated, No. 2, also London and T.L., 23s 4½d; month forward 23s 6d; yellow crystals, spot, 21s 10½d; T.L., from second-hands, 22s 7½d. Home-grown ranges from 22s 10½d to 23s 7½d, as to factory. Imported kinds, also continental granulated for shipment, call for no comment. Same prices obtain in local Java markets, but signs are not wanting that sellers are prepared to grant a price concession, in order to negotiate a line of business, but buyers are still very shy. Foreign 96 per cent. centrifugal, January-February, quoted, 9s 8½d, c.i.f. and small parcels Peruvian afloat to the U.K., 9s 6d, c.i.f. terms. Terminal sections easier, though liberal sales occurred in the December position of raws. March, raw, quoted 9s; May, 9s 1½d paid; August, 9s 6d to 9s 5¾d; December, 9s 8½d to 9s 7½d; white, March, quoted 12s 5½d; May, sold, 12s 6d to 12s 5¾d; August, 12s 9d to 12s 9½d cwt. The Java trust has disposed of about 1,000,000 tons of new crop whites, the total crop being estimated at 3,300,000 tons. Imports into the United Kingdom during last month totalled 172,752 tons, against 155,996 for same period in 1927, consumption being 115,374, against 115,204; stocks, 200,200, against 214,000; stocks of home-grown, 66,700, against 48,800; consumption, in the U.S.A. during last year is returned at 5,543,000 tons, against 5,297,000 in 1927, or, in other words, nearly a quarter of a million tons increase. Total shipments from Java last month reach 291,250 tons, against 182,200 for December, 1927. To India, 131,000 tons, against 94,000; China, 71,000, against 19,000; Japan, 36,000. against 50,000; Port Said, 32,000, against 4,000. Stocks in Poland are about 117,000 tons above last year, despite increased consumption and exports, but production has forged ahead. Cuban receipts last week 109,990 tons; exports, 22 000; stocks, 119,300, against 107,200 last year. Stocks of raw sugar in the three principal warehouses of the United Kingdom for week ending January 12th amounted to 146,609 tons, as against 90,222 last year.

COFFEE.—A good steady market continues, with a fair off-take of suitable parcels from the spot. New crop Costa Rica slightly dearer on the week. East African kinds sell readily, mostly for blending.

COCOA.—Only a quiet movement on the spot at previous rates. Accra F/F, February-April, sold, 40s 9d to 40s 6d, c.i.f. terms. Terminal section slow. March, sold, 46s 3d to 46s; and September, 48s 1½d to 47s 7½d.

TEA.—The market travelled on more steady lines during the week, price changes in most directions being unimportant, while supplies auctioned were well disposed of; 61,614 packages Indian were offered, and opening tone, though quiet, soon improved, and on balance no material alteration observable. Really fine tippy teas were in marked request and commanded firm prices. 25,339 packages Ceylon were catalogued, and all teas to 1s 5d met a good demand, but above this figure, and probably due to a falling off in quality, the market proved irregular and occasionally easier. Java and Sumatra auctions met with fair attention, commoner 1d to 2d down. New season's China in fair request at full recent rates. Some Ningchows sold 10½d to 11d; finer Keemuns, 1s 11d to 2s. Siftings, 9d to 9½d lb in bond.

NATIONAL PROVIDENT INSTITUTION
48 GRACECHURCH STREET, E.C.3.
BONUS DECLARATION 1927.
ENDOWMENT ASSURANCE.
£2:8:—% per annum on maturity at age 55.
£2:13:—% " " " 60.
£2:18:—% " " " 65.
In case of death before the maturity age is reached the Bonuses will be 5/-% per annum less than the above rates.
Surplus Divided £1,249,700. Carried Forward £392,000.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, THURSDAY.

CEREALS AND MEAT.

GRAIN, &c.—
Wheat, No. 2, N. Man. 496 lb.. 50 0
Eng. Gas. av., per cwt 9 6
Barley, Eng. Gas. av. 10 1
Oats, " " " 9 1
Maize, La Plata, landed, 480 lb 45 0
Flour, Lon. stan. ex mil ,280 lb 35 6
Rice, No. 2 Burma, per cwt. 13 3
Sago, pearl, per cwt 22 9
Tapioca, per cwt—
E.I. fine, fair spot ..... nom
Medium pearl 20 0
Potatoes, good English, per ton 120 0
MEAT—
Beef, per 8 lbs— s d s d
English sides..... 5 10 5 8
Argentine chilled hinds 4 4 4 8
Mutton, per 8 lbs—
English wethers 6 4 7 0
N.Z. frozen " 3 6 5 6
Pork, English, per 8 lbs.. 6 4 7 8

OTHER FOODS.

BACON—
Irish ..... per cwt 88 0 102 0
Danish 80 0 94 0
Canadian 82 0 90 0
Dutch 76 0 90 0
Hams—Irish 0 0 0 0
Canadian 112 0 0 0
American 103 0 114 0
BUTTER—
Irish creamery per cwt 0 0 0 0
Australian 168 0 190 0
New Zealand 180 0 196 0
Danish 195 0 196 0
CHEESE—
Canadian ....per cwt.. 98 0 112 0
New Zealand 92 0 97 0
English Cheddars 126 0 144 0
Dutch 50 0 100 0
COCOA—
(Duty, British grown, 9s 4d, foreign, 14s cwt.)
Accra, f.f., per cwt 48 0 52 0
Trinidad 58 0 63 0
Grenada 53 0 59 0
COFFEE—
(Duty, British grown, 9s 4d, foreign, 14s cwt.)
E.I., good to fine, per cwt..157 0 163 0
Costa Rica, good to fine..155 0 165 0
Cent. Amer., mid to fine..130 0 150 0
Kenya, bold sizes.....130 6 153 0
Colombian, mid to fine..130 0 150 0
EGGS—
English .....per 120 22 0 23 0
Danish 20 0 24 0
FRUIT—
Oranges, Dania & Val. 300 12 0 26 0
" " 360 11 0 17 0
" " 504 13 0 17 0
Jaffa .....boxes 144 14 0 20 0
Lemons, Naples ..boxes 0 0 0 0
Sicilian.....boxes 12 0 13 6
" .....cases 12 6 22 0
Murcia.....half cases 15 0 17 0
Malaga ..cases 420 No. 1 0 0 0 0
Apples: Amer. (var.) brls. 24 0 33 0
" (var.) boxes. 10 6 13 0
Malaga .....cases 420.. 0 0 0 0
" " 714 . 0 0 0 0
" ½ " 300.. 0 0 0 0
" " 360.. 0 0 0 0

FRUIT (*continued*)— s d s d
Chestnuts, Huelva..bags 0 0 0 0
Grapes, Almeria....brls 4 0 21 0
LARD—
Irish bladders 70 0 76 0
American boxes..56 lbs 60 6 63 0
SPICES—
Pepper, per lb—
Muntok, fair White .. 2 0½ 2 0½
Black Lampong 1 5 0 0
Cinnamon—1st sorts, per lb 2 3 2 4½
Cloves—Zanzibar..per lb 1 5½ 1 5½
Ginger—per cwt—
African..... 53 0 0 0
Jamaica, ord. to good . 80 0 120 0
Mace .....per lb 2 9 4 10
Nutmegs 65's 2 1 0 0
SUGAR—
(Duty, 11s 8d per cwt.)
B.W.I., crystallised..... 23 0 24 6
Java, white, c.i.f. India. May-June 11 10½ 0 0
REFINED—London—
Yellow Crystals 21 10½ 0 0
Cubes 26 0 26 6
Crushed 24 9 25 3
Granulated..... 23 3 25 10½
Home Grown (prompt) 22 10½ 23 7½
TEA—
(Duty 3½d British, foreign 4d per lb)—
Indian & Ceylon—per lb
Pekoe 1 2 2 2
Broken Pekoe 1 2½ 2 1
Orange Pekoe 1 3 2 3
Broken Orange 1 3½ 2 7½
TOBACCO—
(Duty 8/10—11/2½ per lb, Empire growths, 6/9½ per lb.)
Virginia leaf—
Common to fine 1 3 2 3
Rhodesian 1 0 3 6
Havana 1 6 0 0
Greek 0 10 1 6
East Indian 0 5½ 1 3

TEXTILES.

COTTON— d
Mid American ....per lb. 10-69
Sakellaridis, f.g.f. 19-20
Yarns, 32's twist 16
60's twist 28
FLAX— £ s £ s
Livonian ZK ....per ton 90 0 92 0
Pernau HD..... 82 0 0 0
Slanets Medium 1st sort 92 0 0 0
HEMP—
Italian P.C. .....per ton 65 0 0 0
Manila, Feb.-Apr. "J2" 39 10 40 0
N.Z., H.P. fair 37 0 0 0
JUTE—
Native 1st mks. ..per ton
Jan.-Feb. 33/7/6 0/0/0
Feb.-Mar 33/15/0 0/0/0
SILK— s d s d
Canton .....per lb 17 0 19 0
Tussah 8 0 10 0
Japan 20 6 23 0
Italian—Raw, fr. Milan 21 0 24 0

WOOL—
English Southdown, washed d
per lb 37½
" Lincoln hog, washed 18
Queensland, scd. super cmbg. 44
N.S.W. greasy, super " 25
N.Z., grsy, half-bred 50-56 .. 22
Crossbred 40-44.. 16
Tops—
Merinos 70's..... 50
" 64's..... 47
Crossbred 48's..... 26½
" 46's..... 24½

MINERALS.

COAL— s d s d
Welsh, best Ad'ty..ton 19 3 19 6
Durham, best gas..... 14 9 15 6
Sheffield, best house.. 20 6 21 6
IRON AND STEEL—
Pig, Clevel'nd No. 3, ton 66 0 0 0
Bars, M brough 205 0 0 0
Steel Rails, heavy 170 0 0 0
Tin Plates, I.C., per box 18 0 18 3
METALS— £ s £ s
Copper, Electrolytic, ton 78 5 78 15
Sheets (strong) 102 0 0 0
Standard 74/12/6 74/15/0
Lead Eng. Pig .. per ton 23/5/0 0/0/0
Soft Foreign 22/C/0 22 3/9
Spelter G.O.B. 26 0 0 26/1/3
Tin—English ingots 222/0/0 222 10
Standard, cash.....223/0/0 223/2/6

MISCELLANEOUS.

CHEMICALS— s d s d
Acid, citric per lb less 5% 2 1 2 2
Nitric 0 2½ 0 4
Oxalic, net 0 3½ 0 4
Tartaric, English less 5% 1 4½ 0 0
£ s £ s
Alum, lump .....per ton 9 10 10 0
Ammonia, carb.....ton 36 0 38 0
Sulphate 14 0 15 0
Arsenic, lump... per ton 35 0 40 0
s d s d
Bleaching powder, per cwt 6 9 8 0
Borax, gran.... per cwt 13 0 0 0
Do powder 15 0 0 0
Nitrate of Soda..per cwt 12 0 13 0
Potash—Chlorate, net .. 0 3½ 0 3½
Sulphate .....per cwt 9 0 10 0
Sal-Ammoniac .. per cwt 42 6 45 0
Soda Bicarb ....per cwt 9 0 10 6
Crystals..... per cwt 5 0 5 3
£ s £ s
Sulphate Copper..per ton 26 10 27 0
CEMENT— s d s d
Portland, best Eng. pr ton 46 0 48 0
COPRA—
F.M. Straits, c.i.f., per ton 23/17/8 0/0/0
DRUGS— s d s d
Camphor— 2 2½ 2 3
Japan, refined 85 0 95 0
Castor-oil 11 0 11 6
Ipecacuanha 14 6 14 9
Peppermint, Wayne Co.

HIDES— s d s d
Wet salted—Australian per lb 0 5¾ 0 9½
West Indian 0 4 0 9½
Cape 0 6 0 9½
Dry and Drysalted Cape 0 9 1 3½
Market Hides, London—
Best heavy ox & heifer 0 7½ 0 8
Best cow 0 7½ 0 8
Best calf 1 1½ 1 4
INDIGO— s d s d
Bengal gd. red-vio. to fine—per lb..... 5 6 6 0
LEATHER—
Sole Bends 8/14 lb— per lb 1 8 2 6
Bark Tanned Sole 2 8 3 6
Shoulders fm DS Hides 1 6 1 5
Do Eng. or WS do 1 5 1 11
Bellies from DS do 0 9 1 0
Do Eng. or WS do 1 0 1 5
Dress-ing Hides..... 1 10 2 4
Ro. Eng. Calf, 20/30 lb.. 4 3 6 3
Aust. Sides..... 1 2 1 8
VEGETABLE OILS— £ s £ s
Linseed, naked, p. ton net 29 0 0 0
Rape, refined..... 43 10 0 0
Cotton-seed, crude 30 0 0 0
Coconut, crude..... 39 0 0 0
Palm 38 0 0 40/0/0
Oil Cakes, Linseed, Eng., per ton 12/17/6 13/5/0
Oil Seeds—Linseed—
LaPlata, p.ton Jan.-Feb. 15/10/0 0 0
Calcutta, p. ton..... 18 5 0 0
s d s d
Turpentine, per cwt 48 0 0 0
MINERAL OILS—
Petroleum—Oil, per 8 lbs 0 10½ 0 0
Water-White..... 0 11½ 0 0
Lubricating— £ £
Pales..... 10/5/0 22/7/6
Reds..... 11/10/0 19/15/0
Cylinder 13/10/0 34/10/0
Fuel— s d s d
S.G.895 910 ..... 82 6 0 0
" 950 ..... 67 6 0 0
ROSIN— £ s £ s
American..... per ton 20 5 26 15
RUBBER— s d s d
Plantation Sheet per lb 0 10½ 0 0
Fine Hard Para per lb 0 11½ 0 0
SHELLAC—
TN Orange....per cwt 192 6 195 0
SHELLS— £ s £ s
W. Aust., M.-o.-P. " 4 0 12 10
TIMBER— £ s £ s
Swedish u/s 3 x 8, per Std.. 19 0 0
Do 2½ x 7 " .. 19 0 0
Do 2 x 4 " .. 20 0 0
Can'dn Spruce, Dis. " .. 17 10 0
Pitchpine ..... per load 9 0 0
Rio Deals..... per std. 32 0 0
Teak..... per load 20 0 0
Honduras Mahg. logs, c. ft. 0 11 6
African " " 0 6 6
American Oak Boards " 0 6 0
Do Ash " " 0 6 0
English Oak Planks " 0 7 0
Do Ash " " 0 6 0

SAFEGUARDING
UNDER THE SEARCHLIGHT
An enquiry into the origin and results of the safeguarding duties separately examined.
FOREWORD BY RT. HON. WALTER RUNCIMAN, M.P.
¶ This book forms the first complete survey of the methods and results of the "Safeguarding of Industries," and is indispensable to everyone who wishes to be well informed on the subject.
Price 1/- (Postage 2d.).
BRITISH PERIODICALS, LTD., 19, Cursitor St., London, E.C.4.

RICE.—Interest in new crop Buram, as far as Europe is concerned, remains unprecedently slow, with general position nominal. About 300 tons Californian rice grown from Japan seed, for January-February shipment, sold to the U.K. at 19s, c.i.f.. with sellers now asking 19s 3d. Spanish oiled, spot, London, held for 20s 3d cwt.

BEANS.—No change to note in any position, and trade conducted quietly.

PEAS.—Market steady, with sales in Japanese, December-January, shipment at 19s 1½d cwt., c.i.f. terms, London.

SPICE. — Pepper market presented quiet features. Lampong, October-December, sold, 1s 4d; January-March, 1s 4d; Muntok, white, October-December, quoted 1s 11⅜d. London stocks reduced 49 tons on the week for black and 4 for white. Jan -March, sold, 1s 11⅛d lb. Cloves further advanced. Zanzibar, spot, London, sold, 1s 5⅜d to 1s 5½d; December-February, also January-March, 1s 5½d. Madagascar, spot, sold, 1s 5⅛d lb. Tapioca dull and trend of values easier for both Singapore and Java descriptions. Sago flour, January-March, to the U.K., 11s 9d, c i.f. African ginger, spot, London, sold, 52s, and February-April, sellers, 42s 6d cwt, c.i.f.

FRUIT (Dried). — Currants: Market steady, but trade quiet. Pyrgos quoted 46s 9d; Patras, 48s; choice up to 53s; Amalias, 47s 6d to 48s; Gulf, 49s to 53s; Vostizza, 52s to 58s. Sultanas in quiet demand. Medium to good Smyrna, spot, 41s to 55s; Cretan, 45s to 70s; Greek, 34s to 65s; Australian in large supply, and range from 34s to 54s; Californian, soda bleached, 36s to 40s; unbleached, 32s; Cape unbleached, 33s to 37s; bleached, 45s to 50s. Raisins: Valencias slow of sale, but Australian move off fairly well. Valencia quarter boxes, 50s to 54s; Australian, 35s to 42s; Capes dull at 33s to 36s. Figs steady. Genuine new, spot, 30s to 32s; layers, 60s to 65s; pulled, 60s to 70s. Dates steady. Hallowie new, spot, 30s; Siar, 17s. Evaporated fruits: The market maintains a steady tone, but business is slow to expand. Californian plums held for full rates with fair inquiries for the larger counts. Californian apricots reservedly offered and prices firm. Pears also strong on limited offerings, while Australian offer good value at current prices. Peaches and apple-rings unaltered. Californian plums 20-30's, 64s to 66s; 30-40's, 58s to 59s; 60-70's, 45s to 46s. Australian pears range from 65s to 75s, as to quality; Californian, 62s to 64s. Apricots, Royal, 72s 6d to 115s; Cape, 65s to 77s 6d; Californian, new, 90s to 117s 6d. Peaches, Californian, choice, 50s; extra choice, 55s; fancy, 60s. Apples, Californian, spot, sliced, extra choice, 65s to 67s 6d. Almonds met a steady demand at full rates. Mazagan, 145s; Mogador, 142s 6d; Marjorcas, 152s 6d to 170s; bitter, Jordan, 175s to 210s cwt.

CANNED GOODS.

CANNED FRUITS.—Market remains firm, but trading still restricted as adequate supplies of most kinds were available. Pears and apricots offer reservedly for shipment. The position of Singapore pines remains unaltered on spot, but full to firmer prices are asked for shipment. South African in small supply, but the new pack will shortly be in circulation. Tomatoes firmly held.

CANNED FISH.—Normal conditions are now becoming restored, but trade still lacks activity, although values remain steady for all descriptions. Sardines move off quietly, with only a limited selection available. Portuguese clubs quoted 5s per dozen tins. Lobsters maintained. Best halves, 140s to 145s; and quarters, 77s 6d to 82s 6d. Salmon steady on spot, with shipment parcels tending dearer. Halves in short supply, and realise 78s to 79s 6d. Pink quiet. Talls, spot, 26s to 27s; halves, 30s to 32s 6d. Japanese crab in fair demand for finest quality at 92s 6d to 95s.

CANNED MEATS move off slowly at late rates, but cooked boneless hams in good request at full rates.

CONDENSED MILK AND MILK POWDERS.—Market quiet and occasionally easier. Full cream sweetened, English, spot, 45s; Dutch, ditto, 38s 6d; January-March, 38s 6d. Machine-skimmed sweetened, English, spot, 27s; Dutch, ditto, 24s; January-March, 23s 6d, all in 5 cwt. barrels. Powders: Spray F.C., 26 per cent., 2 by 56 lb tins, crated, prompt, 96s; M.S. (1 cwt cases) prompt, 41s. Roller process, F.C., 26 per cent., prompt, 80s; M.S., ditto, 32s 6d, all net, duty paid, ex-wharf London. On the grocery side F.C.S., 21s; M.S.S., 10s 6d, basis per case, usual packing.

HONEY.—Market continues firm with a steady demand. Jamaica, quoted, 44s to 55s; New Zealand, dark amber, 50s to 55s; medium, 55s to 65s; light, 65s to 85s; whites and water whites, 65s to 87s 6d per cwt.

RUBBER.

Market showed marked fluctuations, with a fair business in force, but financial complications lead to an obscure outlook. Standard sheet, spot and January, also February, sold, 9⅞d to 10⅛d; March, 10d to 10⅛d; April-June, 10⅛d to 11d and 10⅞d; July-September, 10⅜d to 11⅛d; October-December, 10⅞d to 11⅛d; and January-March, 1930, at 11⅛d lb. London stocks increased by 1,063 tons on the week at 23,016, compared with 64,450 at corresponding period last year. Landings, 2,887; deliveries, 1,824. Liverpool stocks 567 tons higher at 3,250.

GENERAL.

JUTE.—A firmer market, with steady absorption of afloat parcels by Continental spinners and certain buying orders to hand from Calcutta. Firsts, January-February, Continent, quoted £33 2s 6d; February-March, £33 10s; March-April, £33 15s; and Lightnings, January-February, £31 5s ton. Calcutta-made Hessians firmly held but quiet.

HEMP.—A quiet tone pervaded the market for Manila descriptions, but prices were without material change. Spinners in the meantime are scarcely in the market. J 2, February-April, quoted £40; K, £38; L 1, £37 5s; M 1, £32 10s; M 2, £29. African sisal firm, and No. 1, good marks, January-March, sellers, £44; No. 2, £41 10s. Mexican, G W., quoted £37; reds, £35 10s; brushed, £40 10s ton, c.i.f., first-class ports Europe. Manila receipts for past week totalled 35,000 bales, against 22,000 at same time last year; estimate for next week, 24,000, and following week, 32,000.

SHELLAC.—A dull market resulted. Fair T.N., spot, 187s 6d; March, sold, 179s to 180s; May, 177s 6d to 175s cwt.

COPRA.—Market largely nominal, and business reduced to a minimum. Straits, S.D., February-March, Rotterdam, quoted £24 15s; March-April, £24 18s 9d. Others not worthy of mention. Palm kernels, January-February, Hamburg, quoted £19 16s 3d.

MISCELLANEOUS.—Coconuts quoted 18s to 23s per 100. Coir yarn, Ceylon, £19 to £40 10s; Cochin, £22 10s to £40; Ceylon bristle, £18 10 to £24, 10s; cinnamon leaf oil, 5d; citronella, Ceylon, 1s 9d; Java, 2s.

METROPOLITAN CATTLE.—January 16.

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

	s d	s d		s d	s d
Beasts—Norfolk	6 2	6 4	Beasts—Heavy Bulls	..	..
Irish	..	..	Canadian	..	..
Cambridge	..	..	Sheep—Downs	8 4	9 8
Short Horns	5 8	6 2	Half bred	..	..
Herefords	..	..	Ewes	5 4	5 8
Devons	6 4	6 6	Scottish	..	..
Leicester runts	..	..	Lamb—Downs	..	..

LONDON POTATO MARKETS.—January 16.

	Per Cwt.	
	s d	s d
English Edward—Lincoln	6 0	..
" " —Essex and Bedford	5 0	..
" Queens	5 0	..
" Arran Chief	4 6	5 0
" Majestic	4 6	5 0
" Great Scot	4 6	5 0

DISTRICT BANK
LIMITED
Centenary Year
EVERY BANKING FACILITY

DECUS PRUDENTIÆ MERCES

Established 1829

HEAD OFFICE:
Spring Gardens, MANCHESTER

LONDON OFFICES { 75 Cornhill, E.C.3 / West End Br'ch 46 Old Bond St.W.1
LIVERPOOL OFFICE - - 3 Water Street
FOREIGN DEPARTMENT { 13 Spring Gdns., Manchester / 2 Castle Street, Liverpool / 76 Cornhill, London, E.C.3
TRUSTEE DEPARTMENT: 13 Spring Gardens Manchester

385 BRANCHES. AGENTS EVERYWHERE

DISTRICT BANK 1829 A CENTURY of BANKING 1929 CENTENARY YEAR

Subscribed Capital £9,480,000. Paid-up Capital £1,896,000
Reserve Fund - £2,000,000. Total Assets £59,115,326
31st December, 1928

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, JANUARY 26, 1929. No. 4,457.

ALLIANCE
ASSURANCE COMPANY, LIMITED.
(Established in 1824.)
HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.
Marine Department: 2-6, Billiter Square, London, E.C.3.
ASSETS EXCEED £30,000,000.
The Alliance grants Insurances of all kinds.
LIFE DEPARTMENT.
INCREASED INTERIM BONUSES ALLOWED on Participating Policies.
Assurances granted with DISABILITY BENEFITS. Children's Educational Policies and Deferred Assurances.
For full information apply to the Head Office or to any of the Offices or Agents of the Company.
T. B. PONSONBY, General Manager.

CHRISTIANIA BANK OG KREDITKASSE
OSLO.
Established 1848.
Paid-up Capital and Reserve Funds,
Kr. 40.000.000.—.
Oldest Norwegian Joint Stock Bank. Direct correspondents throughout the country. Offering complete services to banks and firms doing business on Norway.
Correspondence invited.

CREDITO ITALIANO
Capital Subscribed " - " Lire 400,000,000
Capital Paid-up " - " - Lire 354,694,900
Reserve " - - " - Lire 190,000,000
Head Office of the Bank: MILAN.
THE BANK HAS BRANCHES AND CORRESPONDENTS THROUGHOUT ITALY.
London Branch: 2 ROYAL EXCHANGE AVENUE, E.C.3.
Transacts a general Foreign Banking Business
STERLING DRAFTS AND DOCUMENTS ON ITALY COLLECTED ON SPECIALLY FAVOURABLE TERMS.
CORRESPONDENT OF THE ROYAL ITALIAN TREASURY.
Telegrams: "Italcredi, London."
Telephone: Avenue 3031-4.

TABLE OF CONTENTS.

The Money Market 145
Leading Articles—
Problems of the Session .. 147
The Future of East Africa 148
The Bank Balance-Sheets 149
Lancashire Cotton Trade.. 150
Foreign Exchanges in 1928 151
Crabbed Age and Youth .. 153
Notes of the Week—
The King's Progress 153
New Bank of England Directors 153
Fiscal Points of the Week 154
The Tunnel 154
The Campaign in Afghanistan 154
Sino-British Relations in Canton 155
American Cotton Crop 155
Cotton Industry Reorganisation 155
The Artificial Silk Exhibition 155
Rail Rebate and Steel Industry 156
New Official Statistics 156
The International Institute of Agriculture..... 156
Agriculture in Northern Ireland 156
The Forestry Fund 156
Fire Losses in the United States and Canada..... 157
Eagle, Star, and British Dominions (Star Life Fund) 157
Treaty Reinsurances, Lim. 157
National Mutual Life Assurance Society 157
Overseas Correspondence—
United States 158
France 159
Germany 160
Denmark 160
Argentina..... 161
South Africa 162
Letters to the Editor—
Company Shares and Real Capital..... 162
Free Trade and the Mobility of Capital..... 163
Books and Publications—
Fascist Finance 164
The Preservation of England's Beauty 164
Books Received 165
The Stock Exchange—
South African Finance Houses 166
The Week in the Markets.. 167
London Active Securities .. 167
Profits on Stock Exchange "Introductions" 169
Blue Bird Finance..... 169
Company Registrations in 1928 170
Imperial Tobacco Dividend and Bonus 170
Debenture Corporation.... 171
Inveresk Paper 171
Freeman, Hardy and Willis, and J. Sears and Co. 171
United Serdang (Sumatra) Rubber Plantations 171
British Controlled Oilfields 172
Ashanti Goldfields..... 172
Duophone..... 172
Ner-Sag..... 172
Capital Issues 172
Company Meetings, ... 176
Government Returns—
National Accounts..... 188
National Debt..... 188
Treasury Bills by Public Tender 188
Public Income and Expenditure 188
Bankers' Gazette—
Bank of England 189
Bankers' Clearing Returns 189
Overseas Bank Returns .. 189
Loan and Discount Rates.. 191
Rates of Exchange..... 191
Bullion 192
Gold and Silver Prices 192
Company News—
Oil Outputs 175
Mining Output Statistics 175
Weekly Traffic Returns .. 187
Summary of Balance-sheets 193
Dividend Announcements.. 194
Reports and Notices 194
Profit and Loss Accounts.. 195
Rubber Outputs 196
Commercial Reports—
Corn Trade 197
Coal 198
Iron and Steel..... 198
Other Metals 199
Cotton Trade 199
Wool Trade 199
Timber Trade 199
Hide and Leather Trades.. 200
Vegetable Oil 200
Overseas Produce 200
Price Current 201

TERMS OF SUBSCRIPTION.
Quarterly, 14s 6d; Half-yearly, £1 9s 0d; Yearly £2 18s 0d.
Colonies and Abroad, £3 1s 0d. per Annum.
Single copies, post free, 1s 1d.
Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.
Office: 6 Bouverie street, Fleet street, London, E.C.4.

THE MONEY MARKET.

RATES this week have been very firm, and 4½ per cent. was paid for short money on Wednesday and Thursday. Apart from the neutralisation policy of the Bank, discussed below, one explanation of the present stringency is that the clearing banks are known this week to have made large transfers of tax money to the Treasury, and this money automatically disappears into the Bank to swell Public Deposits. Another cause of stringency is that the banks

bought bills readily at the beginning of the month, so much so that at present they are buying none at all. Hence the market rate on three months' bank bills is firm at 4¼ to 4 5/16 per cent.

* * * *

Apart from these factors, which are of a rather technical character, there has this week developed a more serious cause of stringency. This is the renewal of heavy gold shipments to the United States. Up till a week ago the Bank had this year preserved its gold stocks intact, and had even increased them slightly on balance. The result of this was the gradual fostering of the hope that the prolonged drain of gold had come to an end, and that with the advent of spring the time might even be coming when the Bank could replenish its autumn losses. Last Wednesday this belief was shaken by the news that just over £1,000,000 of gold had been sold by the Bank, presumably for shipment to the United States. This news caused a further hardening of the position.

* * * *

This gold loss has come at an unfortunate moment, for the market was already feeling nervous as to the future. Proof of this is found in the fact that the Bank's offer to buy in the Government bonds maturing on February 1st has only met with a partial response. As the offer is at the rate of 4 per cent. discount on the redemption price of the bonds, and as three months' bills can now be bought at around 4 5/16 per cent., *it follows that a broker who accepted the Government's offer and bought bills with the proceeds would obtain a turn of* 5/16 per cent. *over the rest of this month. The* reason why many brokers *are not taking* this turn is simply that they are unwilling to take up long bills so long as the outlook remains as uncertain as it is to-day.

* * * *

On the whole such fears are probably exaggerated. The Governor of the Bank has lately sailed for America, and unless a grave emergency arises it is thought unlikely that any change in Bank rate will be made in his absence. By the time he is due back in London, the present unfavourable circumstances should have passed. For these reasons there seems little ground for modifying the view expressed, even at the height of last autumn's strain, that no increase in Bank rate is likely.

	Jan. 24, 1928.	Jan 17, 1929.	Jan. 10, 1929.	Jan. 3, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate	4½	4½	4½	4½	5 (Apl. 21,'27)
Banks' Deposit Rate	2½	2½	2½	2½	3 (Apl. 21,'27)
Discount { Call	2½	2½	2½	2½	3 (Apl. 21,'27)
Discount { Houses Notice	2⅝	2⅝	2⅝	2⅝	3½ (Apl. 21,'27)
Market rate (3 months' bills)	4 5/16	4 5/16	4 5/16–⅜	4 5/16	..

The Bank return shows that the Bank has continued, and even intensified, its neutralisation policy of reducing its securities to balance the increase in the banking department's reserve. Gold stocks have fallen by £1,063,123, but a further £5,376,130 of notes have returned from circulation, so that the Reserve is £4,253,007 higher. Against this, Government Securities have fallen by £5,635,000, and Discounts and Advances by £2,294,759, so that allowing for a fall of £479,073 in Other Securities, the banking department's assets have contracted by a net £4,155,825. As Public Deposits have risen by £1,702,135, and Other Deposits by £815,934, the full brunt of this contraction has fallen upon Bankers' Deposits, which are lower by £6,708,107. These movements both show that the Bank is maintaining a firm control of the situation, and illustrate the way in which stringency has developed through the depletion of Bankers' Deposits.

NEW YORK MARKETS.

Our New York correspondent cables:—Federal Reserve statements show a substantial gain in reserves and considerable reductions in discounts, bills, Government securities, and circulation. Total credits of the Reserve system are $104 million lower, and the reserve ratio has risen by 2.3. This contraction is due to the New York bank, where total credit is only 20 millions above the level of a year ago, and the ratio is 80, as against 80.8 this time last year. Reports of industrial conditions for the last year now being published make excellent showing, and current business news remains good. The steel industry is maintaining its fast pace.

THE STOCK MARKETS.

A confident tone obtained in the stock markets. The less favourable turn of events in the money market reduced the volume of gilt-edged stocks without affecting prices. Recent trustee issues continued to be well absorbed. Home railway stocks failed to attract much interest, though the traffic returns were moderately satisfactory. Activity in industrials was encouraged by extensive American operations, and by the unexpected announcement of a share bonus by Imperial Tobacco. Interest in rubber shares tended to evaporate, tea shares were easier in tone, and oil shares irregular, but considerable excitement accompanied heavy international dealing in Rhodesian company securities.

THE COMMODITY MARKETS.

The recent qualified improvement in trade is well maintained. Coal prices are tending to harden; in South Wales the improvement is attributed to a broadening of the foreign demand. The increased activity in most classes of steel works continues, and the prospects for pig-iron are slightly better. Tin-plates are steady, and the provisions of the output restriction scheme are to continue in force for another quarter. Tin and lead have been irregular, copper is firmer, and other minor metals easy. The Liverpool cotton market is quiet. Manchester again reports encouraging advices from China and from minor outlets, but the Indian trade remains disappointing. Bradford trade is still hampered by the high cost of raw material which is resulting from the keen foreign competition. The position of the timber market is satisfactory. Tanners and leather users alike remain cautious. Vegetable oils and oil seeds are in improved demand. Wheat is dearer.

FOREIGN EXCHANGES.

The foreign exchange market was inactive this week. Substantial transfers of gold to New York left the rate unaffected at around 4.84 15/16 to 4.85 1/16. Montreal improved with New York to 4.86. On the Continent, Paris gained two points at 124.08; Brussels was unchanged at 34.90½ after 34.91; Milan was slightly stronger at 92.68; and Madrid gained also at 29.68½. Amsterdam was firm at 12.09¾, Berlin unchanged on balance at 20.40¼ after being over 20.41, whilst Geneva improved from 25.22 to 25.21⅜. Vienna moved for the first time for many months, and was more on offer at 34.53, as against 34.50. The South American currencies were unchanged. In the Far East, the rupee remained firm at 1s 6 1/16d, but the yen was hesitating and uncertain, although it closed 1-32d better on balance at 1s 10 15-32d. Batavia fell away two points to 12.13. Silver fell ⅛d for both spot and forward, the former standing at 26⅛ and the latter at 26 3/16d. The Chinese silver exchanges reacted differently in the face of these movements, Hongkong remaining unchanged at 2s 0½d, whilst Shanghai lost ⅜d at 2s 7⅛d.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Midland Bank, Provincial Bank of Ireland, Ionian Bank, Alexanders Discount, National Discount, Union Discount Company of London, Midland Railway of Western Australia, Metropolitan Trust, Fanti Consolidated Investment, Burma Corporation, and International Vacuum Power. Mr McKenna's Midland Bank speech is dealt with on a later page. Colonel Peel, at the National Discount meeting, dealt with the growing competition for deposits, while the chairman of Alexanders surveyed contemporary developments in discount business.

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include an index of electricity production, and a series of indices of British trade activity.

PROBLEMS OF THE SESSION.

On Tuesday afternoon the curtain was unobtrusively raised on the last act of the current Parliamentary drama. Uncomfortably aware that the *entr'acte* was rudely disturbed by clamour from a section of the "groundlings" in the shape of the National Farmers' Union, and conscious, one may believe, that the audience as a whole shows few signs of enthusiasm towards the performance up to date, the Government may well feel, like Marlowe's Dr Faustus, that between them and the unknown there are bitterly few "little drops of time." For partisan supporters of Mr Baldwin it is becoming a matter for anxious speculation how successfully the closing scenes of the piece can be made, in theatrical parlance, to "get across." All things considered, the chances of a spectacular *dénouement*, fraught with popular appeal, between now and June seem remote. The Chancellor of the Exchequer, it is true, has still to make his entry, Budget-bag in hand. Mr Churchill will doubtless be pressed by the "management" to do his utmost to please—whether it be the tea and sugar consumers in the pit, or the income-tax paying stalls—but the de-rating scheme has so far mortgaged the future that we are inclined to doubt the feasibility of a Budget sufficiently attractive to form the main basis for a General Election appeal. On the whole, the Conservative Party appears to be committed now to the unmelodramatic course of asking for the confidence of the electorate, firstly, as "safe" men, secondly, as authors of the Local Government Bill, whose passage through the Commons, even with the ruthless use of the guillotine, will absorb nearly all the time—apart from that allocated to the Estimates and Financial Resolutions—which the House commands before the dissolution.

We have already expressed our regret that a measure so complicated as this Bill, and charged with such far-reaching consequences in respect to every side of local government, should have been launched in the last months of a jaded Parliament. On the desirability of lightening the burden of local taxation, as an encouragement to agriculture and manufactures, there is general agreement; and, given "de-rating" as the chosen means, the Government had an answer to the criticisms levelled by certain Conservative, as well as Opposition, speakers at Clause 55 on Tuesday night. Stimulation of the drink and tobacco trades cannot, it is true, be described as an essential part of "encouragement to productive industry," and it is at least arguable that, from the point of view of unemployment, concentration of all relief on the depressed areas might have been a more immediately effective policy than remission of rates in all "productive" industries; but the administrative difficulties in distinguishing between grades of prosperity or of moral desert for the purpose of apportioning direct rating relief, in the terms of the present Bill, appear to us to be insurmountable. The essential objection we have to the whole measure is rather that in coupling the special issue of encouraging industry in this manner with a last-minute general revision of the whole system of local government, the Cabinet has attempted to acquire merit by pretending to have solved problems which it has not genuinely faced, and whose character and gravity are in danger of being obscured. In particular, we refer to that old enemy, the poor law. The local government system which the Bill seeks to reform is derived from the structure of poor law administration; poor relief is the nucleus of that snowball burden borne by industries in the depressed areas which de-rating seeks to lighten. For these reasons, and because the essence of the problem is in danger of being obscured by administrative detail, it is worth while reviewing the history of a principle which has divided political theorists as much as politicians.

The typical nineteenth-century view that the State had a duty to provide relief to the destitute without, however, endowing its subjects with a right to that support, sat precariously on the fence between the vehement opposers of any poor law—like Dr Chalmers or Parson Malthus, kind-hearted men indeed—and the school of thought represented by the valiant Cobbett, who denounced "Lawyer" Scarlett's Bill of 1821 in these round terms:—"In *all times* the really poor had a *right* to relief out of the *produce of the land.* Blackstone says that the poor laws are founded in the *very principles of civil society.* And certainly this is the case; for.....as misfortune, weakness of body, derangement of mind, orphancy, infancy, old age, and helplessness are naturally incident to man, the *good of the whole* could never contemplate a state of things in which a man in good health should be exposed to starvation, and in which help was not always to be at hand to relieve persons truly helpless."

Cobbett, however, wrote at that one stage in the history of the English Poor Law in which it was really a law for the poor and not only a law for the destitute. The famous statute of the 43rd Elizabeth, on which our poor law system is founded, was never meant to engender subsidies to the labouring poor. But post-war problems, not unlike those experienced a century later, gave rise to the pernicious system of "rate in aid of wages," and the preamble to Scarlett's Bill, which failed to reach the statute book—("Seldom," wrote Cobbett, "has earthly pilgrimage been more short, and never less pleasant") —stated an argument which is often to be heard to-day: "the too great facility of obtaining relief by those who are able to work is calculated to encourage idleness, extravagance, and imprudence—the sure fore-runners of misery and vice."

The Act of 1834, which brought that period of poor law history to an end, remains the key to modern principle and practice. Poor relief thenceforward was to be a last faggot between the wolf of starvation and the door of poverty, and in order that destitution might not be accepted as a preferable alternative to work, it was laid down that no relief should be given to able-bodied persons unless they entered the workhouse under conditions less desirable than the lot of the meanest labourer. That provision was not rigidly carried out, for in the industrial areas, every time trade slumped, out-relief to the able-bodied became the only alternative to acquiescence in starvation. But in spite of exceptions the principle of "less eligibility" governed poor law through the nineteenth century, and governs it to-day.

That is what is meant by our "deterrent" poor law; it will only step in when the beneficiary has sunk to the lowest depth of destitution which contemporary public feeling can tolerate. But in this century a school of thinkers, led by Mr and Mrs Webb and inspired by Charles Booth's researches, have pressed for the prevention rather than the mere relief of destitution. To Mr Lloyd George goes the honour of making the most decisive inroad into the old system with National Health Insurance and Old Age Pensions. To these must be added Maternity and Child Welfare Acts, Widows' Pensions, parts of Education Acts which give education authorities power to feed and medically tend their school children, Blind Persons, Infectious Diseases, Tuberculosis and Mental Deficiency Acts, and a number of supplementary measures enabling local authorities to provide help in certain cases unsavoured with the taint of the poor law.

But the opportunity provided by the Local Government Bill of pushing the process further looks like being wasted. The poor law is now to be transferred to the same authorities as are responsible for the administration of most of the foregoing Acts (the councils of counties and county boroughs), but so long as the application of the latter remains optional, injustice is certain to arise between county and county, and some authorities will be certain to fail in their duty. Mr Chamberlain is considering the point, and before the third reading debate let us hope that his timidity will be overcome, and that he will remember the few thousand children still directly dependent on the poor law and living in workhouses, for the branding of these innocents as paupers and the division of responsibility between the education authorities and the guardians are both sad anachronisms.

Progress should achieve the removal from the embraces of the poor law of indigent mothers, distressed widows, children, the aged, the sick, the infirm, and the mentally deficient. There would then remain only two

main groups, "casuals," whose problem, because many of them are men in search of employment, is essentially a subordinate one, and able-bodied men and self-supporting women out of work, to whom the application of the poor law has always been difficult and is certainly inept. In unemployment insurance we have found the proper method of bearing seasonal fluctuations and temporary disturbances, but "extended benefit" is beyond the scope of insurance and has involved the scheme in bankruptcy. That is to disappear under the Blanesburgh Act in April, but the effect will be only to transfer the beneficiaries to the poor law, which is scarcely more fitting. We adhere to the view that the State should take over from local authorities the whole administration of out-relief to the able-bodied poor, which could thus be co-ordinated with the present unemployment insurance machinery. This policy, we consider, would lead to a more rational and better distributed reduction of the rate burden on industry than is provided by the present "de-rating" proposals.

THE FUTURE OF EAST AFRICA.

THE Report of the Commission on Closer Union of the Dependencies in Eastern and Central Africa, which has just been published,* has been awaited for some time, since the Commission returned to this country last May and took their last evidence in London last July. On examining their work we find that their time has not been spent in vain. To begin with, although the subject of their investigation is one of the most controversial political problems in the British Empire—indeed, one might almost say, in the world—the four members of the Commission have achieved substantial unanimity, except on two matters in which the chairman, Sir E. Hilton Young, is in a minority of one, with the other three members unanimous in taking a different view. Considering that these three are men with the experience of Sir Reginald Mant, Sir George Schuster, and Mr J. H. Oldham, we do not feel that the unanimity of the Report is substantially impaired by the chairman's partial and rather tentative dissent. We may say that, in both cases, the effect of the chairman's dissenting proposals would be to give a very small minority of white settlers a greater power over the destinies of the native majority than the three other commissioners consider right or wise.

Confining our attention to the far larger part of the Report, in which all the members of the Commission speak with one voice, we are struck by its breadth of view, by the friendly and judicial way in which it seeks to promote the best interests of both the native and the immigrant population, without being drawn into anything remotely approaching partisanship in a very controversial issue, and finally by the elasticity and resourcefulness which it shows in discovering novel constructive suggestions for dealing with an unprecedented situation.

The breadth of view is shown in the constant presentation of local problems against the background of the whole of Black Africa, and in the constant suggestion of immense vistas of time behind and ahead of the situation of the moment. In these perspectives, many facts and problems which in their local setting appear obscure and insoluble receive welcome illumination; and, still more important, the existing differences in degree of civilisation between the immigrant and native communities appear temporary and relative rather than absolute and eternal. The Report repeatedly underlines the fact that the ultimate capacity of the native peoples for civilisation is an unknown quantity; that the impact of alien cultures upon these primitive African societies is a very recent event; that already this impact has set up a process of rapid social change; and that it is impossible yet to forecast how far this process may go before the effects of the impact have worked themselves out.

The absence of partisanship and the genuine concern for the welfare of both natives and immigrants appear in the humane and impartial tone in which the Report is written throughout. It is pointed out that, owing to certain limiting geographical factors, the immigrant population of European origin cannot ever increase numerically very much beyond its present strength, and it is also noted that the capacity of Europeans to acclimatise themselves, even at high altitudes, on the Equator is still an unknown quantity (like the capacity of Africans to adapt themselves to European civilisation). It is further remarked that, economically, the immigrants must always be dependent on co-operation with a native majority. At the same time, the Commissioners recognise that the economic, social, and political importance of the immigrants is out of proportion to their numbers—one of their most important functions being to act, by their mere presence, as a powerful social stimulus upon the natives (whether for good or for evil). They therefore conclude that East Africa is bound to be a "mixed State," while leaving it to time to settle what the eventual relation of natives and immigrants is to be.

This conclusion has the important corollary—affirmed without qualification by three out of the four members of the Commission—that, as far ahead as can be seen, the grant of "Dominion self-Government" to Kenya Colony may be ruled out of practical account. The arguments seem decisive. If "Dominion self-Government" were granted in any near future, that would mean handing over a large and still politically and economically helpless majority to be governed by an immigrant minority; while in a more remote future, when the natives had advanced in economic and political capacity to a point at which their overwhelming numerical superiority began to count, the very same constitution might come to produce the opposite effect of placing the immigrant minority in the native majority's hands. The Commissioners point out in a very reasonable and conciliatory way that they are not casting any aspersion on the character of the immigrants, or suggesting that they are morally of a lower calibre than the parent communities from which they spring. They are merely applying the well-proven maxim that no man ought to be judge in his own cause—the point being that the immigrants and the natives are both interested parties in the great questions with which government in East Africa is concerned.

It is in their constructive proposals for dealing with the problem of two intermingled communities differing greatly in numerical strength, as well as in type and degree of civilisation, that the Commissioners show imagination and resourcefulness. And here we may perhaps pause to congratulate ourselves that the British Empire, after having invented the new institution of Dominion Self-Government to meet the new circumstances of Canada, Australia, New Zealand, and South Africa, is now apparently experimenting on fresh lines in order to deal with the quite different and much more complex problems which African and other tropical dependencies present for solution. Several months ago we commented on this in reviewing the report of the Commission on Ceylon. The present report contains other fertile ideas which may also have their application beyond the limits of East Africa in many parts of the tropical Empire.

Briefly, the East African Commission propose that the Government shall so conduct its policy of land distribution as to segregate immigrants and natives into more or less separate local communities—though they clearly recognise that, for economic reasons, segregation can never be carried to extremes. They look forward, however, to building up a number of sufficiently compact and homogeneous local communities, some of immigrants, the majority of natives, to make it possible to develop vigorous institutions of local self-government, suited to the genius and to the degree of civilisation of the several elements concerned. In Kenya Colony, as a whole, the Commission propose to put an end to the present official majority in the Legislature by increasing the number of nominated unofficial members. The majority of the Commission propose that, to begin with, the number be raised from one to five, and that all five shall represent the natives—pending the time when the natives shall become capable of producing effective representatives from among their own number. They propose that the eventual proportions and methods of selection of the several component elements of the Legislature shall be left an open question, since it is impossible at present to foresee to what extent, and how soon, the natives will become capable of sharing in the task of government on this scale and on these lines. Finally, they propose to provide for unity by placing Kenya, Uganda, and Tanganyika, at any rate, under the supervision of a single High Commissioner, and later on a Governor-General, to whom the Secretary of State at Whitehall would delegate his functions as far as possible. Incidentally, they believe, this arrangement would meet, not only the need for unity, but the objection which the immigrants feel to being controlled by a distant authority overseas which has to make its decisions without the first-hand knowledge and experience that can only be acquired on the spot.

This last proposal raises the question how far unification can be carried consistently with the terms of the Mandate for Tanganyika, which provides that:—"The Mandatory shall be authorised to constitute the territory into a customs, fiscal and administrative union or federation with the adjacent territories under his own sovereignty or control, provided always that the measures adopted to that end do not infringe the provisions of this Mandate."

The Commissioners examined the difficulties of this in detail, and came to the conclusion that they are not insuperable. Indeed, if, for certain purposes, the three territories were unified with scrupulous and sincere regard for the obligation just cited, the ultimate effect might be to bring Kenya and Uganda up to the admittedly high standard of civilised administration that has been attained in Tanganyika under the mandatory *régime*. And the attainment of this standard in the administration of East Africa as a whole is a consummation devoutly to be desired.

* Cmd. 3234 [? of 1928, though the year of publication is printed as 1929].

THE BANK BALANCE-SHEETS.

THE reports and accounts of the principal banks have now been issued, and these are summarised below. Comparing the end of 1928 with the end of the preceding year, the chief changes on the liabilities side of the balance-sheets are an increase of £58 millions, or 3 per cent. in deposits, and another of £95 millions, or 73 per cent. in acceptances and endorsements. This last movement is particularly striking, and while it may be partly due to fortuitous circumstances, it is sufficient to drive home the fact that last year London recovered from New York much of the acceptance business that had been lost in previous years:—

(Million £'s.)

	Capital and Reserves.		Acceptances and Endorsements.		Deposits (including Undivided Profits, &c.)		Total Liabilities.	
	1927.	1928.	1927.	1928.	1927.	1928.	1927.	1928.
Barclays	26·1	26·1	12 8	24 9	318 4	335·1	357·3	386 1
Lloyds	25·8	25·8	43·8	60·3	358 6	353·6	428 2	439·7
Midland	25 3	27·9	37·0	74 4	376 1	396·4	438·4	495·7
National Provincial	19·0	18·9	12 0	19·6	274 4	291·2	305·4	329 7
Westminster	18·6	18·7	12 6	26·5	281 9	295·3	313·1	340 5
Coutts	2·0	2 0	0·3	·5	17 0	17 7	19·3	20·2
Glyn, Mills	1·6	1·8	1·6	2·1	35·0	35 9	38·2	39 8
Martins	4·7	7·6	6 4	10·9	63·2	83·4	74·3	101·9
District	3·9	3·9	1 0	2 5	54·2	52·7	5 .	59·1
Manchester and County	2 1	2·2	0·3	·6	19 4	19·7	21 8	22 5
Union of Manchester	1 4	1·4	0·6	·7	17·8	18·1	19·8	20 2
Williams, Deacon's	3 2	3 4	1·4	1 5	32·8	32·2	37·4	37·1
	136·1	138 7	129 9	†224 5	1,872·8	1,931 3	2,138·8	2,294·5

On the assets side cash has expanded from £318 to £323 millions, or by 1.6 per cent. As this expansion is proportionately less than that of deposits, it would appear that there has been a tendency during the year for cash ratios to fall. Unfortunately two of the banks included in the table do not separate cash from call money in their published accounts, and so it is not possible to determine this point in so far as the aggregate figures are concerned. It is to be hoped that the two banks in question will soon bring their accounts into line with modern practice in this important particular:—

	Cash in Hand and at Bank of England & Cheques in Course of Collection.		Investments.		Discounts, Advances, and Money at Call.		Cover for Acceptances, Premises, and Sundries.	
	1927.	1928.	1927.	1928.	1927.	1928.	1927.	1928.
Barclays	59·7	60·9	59·0	62·9	220·4	230·9	18·2	30·4
Lloyds	59·0	57·6	46·1	44·5	266·5	263·3	56·4	74·3
Midland	68·4	65·7	42·1	43·8	283·3	305·1	44·6	83·1
National Provincial	41·8	44·2	38·6	40·2	207·5	220·0	17·5	25·3
Westminster	42·7	47·3	43·0	41·4	210·5	220·5	16·9	31·3
	270·5	275·7	228·8	238·8	1,195·8	1,239·8	147 3	244·4
Coutts	2·7	2·9	4·2	3·8	11·7	12·6	0·7	0·8
Glyn, Mills,	7·1	7·4	8·9	7·6	19·9	22·0	2·3	2·8
Martins	10·0	12·1	10.4	25·1	45·9	51·7	8·0	13 0
District	8·2	8·0	7·6	14·8	34·4	33·1	1·7	3·2
Manchester and County	*3·9	*5·4	4·2	4·2	12·9	11·8	0·8	1·5
Union of Manchester	*4·6	*5·6	2·7	2·6	11·5	9·9	1·0	1·1
Williams, Deacon's	6·1	5·2	5 3	5·3	23·7	23·5	2·3	3·1
	318·3	323·3	286·9	297·2	1,369·0	1,404·4	164·6	269·9

* Includes money at call.

This year the bank balance-sheets have been reinforced by the wealth of detail regarding the Midland Bank's figures given by Mr McKenna in his annual address to his shareholders. The flood of light thus thrown upon banking statistics is extremely timely, and the whole financial world is grateful to Mr McKenna for his revelations. In fact, our only complaint is that similar information is not to be made available by all the banks at regular intervals. It is legitimate to press this complaint still further. Surely it is time that all the banks agreed upon a uniform and more comprehensive form of balance-sheet. At present some banks are adding to the amount of information given in their annual accounts; others refuse to depart from their old practice. This is not as it should be, and it is time that the latter came into line.

To return to Mr McKenna. His first revelation is the division of "deposits" into demand deposits and time deposits. His division only takes the form of a percentage, possibly because absolute figures would reveal the size of his bank's hidden reserves, nor does he say whether this last item is excluded from his percentages, or if not, which of the two it is allowed to swell. Moreover, his figures for 1919-21 relate to abnormal years, and so should not receive too much stress. Still, the remaining percentages in themselves are extremely striking, indicating, as they do, the gradual decline in demand deposits from 60 per cent. of all deposits in 1922 to 55·3 per cent. last year. It would be interesting to know how far these percentages are representative of British banks in general.

Mr McKenna attempts to connect this decline with the stagnation of trade, on the ground that demand deposits represent ready money kept in hand for trade purposes, while time deposits consist of money awaiting investment, or for which no immediate employment is available. His suggestion is an ingenious one, and clearly possesses broad elements of truth. An assertion of his that is more open to question is the one in which he tries to show that a causal relationship exists between the distribution of a bank's assets and that of its deposits. The reason for this, to quote Mr McKenna's actual words, is that "the deposit created by a bank loan which is to be used immediately in trade must almost of necessity fall into the category of money actively at work, and must therefore increase the proportion of demand deposits. On the other hand, a new deposit created by a bank purchase of securities probably comes under the heading of money awaiting investment, and thus tends to increase the proportion of time deposits. If the new deposit be created by a short-term loan to the money market or by the purchase of bills, the immediate and ultimate consequences have to be distinguished. The first result is an addition to the volume of demand deposits, but some portion of the new deposit will inevitably come to be held by foreign banks, partly on current and partly on deposit account. The division of this new deposit between the two groups cannot be foreseen, but neither part of it will add to the volume of money actively at work in British trade."

As a broad generalisation we do not quarrel with the definition; but we venture to suggest that it is like all such generalisations subject to possibly serious qualifications. Suppose a bank buys a block of war loan. It may buy it from all sorts of people. It is quite conceivable

that it buys it from an investor who is rearranging his list of securities, and that this investor may place the money on time deposit pending a purchase of some other stock. But there is no reason why he should invariably do so, while it is equally conceivable that the seller to the bank may not be this type of person at all. The seller might be a trading or producing company, which had at least got some more orders, for the execution of which it needed additional liquid cash. He might even be selling sound gilt-edged stock in order to indulge in a flutter in greyhounds or gramophones.

The real point at issue is, of course, one which Mr McKenna himself made later in his speech, namely, that when a bank decides how to employ its resources it is governed by considerations totally different to those discussed above. Security and liquidity are the main qualities of bank assets, and, as Mr McKenna says, the lower the cash ratio upon which a bank works, the greater the degree of liquidity required in its earning assets. Nor must a bank neglect the legitimate demands for accommodation by the trading community and the general public. How the Midland Bank meets these was brought out very clearly in another and most interesting portion of Mr McKenna's speech. In this he gave the detailed distribution of the Midland Bank's advances between various classes of borrowers, and this portion is summarised in the following table. The totals are our own :—

Class of Borrower.	Distribution of Bank's Advances. %
Textile industries	12¼
Building and land	11½
Wholesale and retail traders	11¼
Heavy industries (except coal)	7¾
Agriculture	6½
Food, drink, and tobacco	6
Leathe , rubber, chemicals	4
Miscellaneous trades	4
Shipping and transport	3½
Coal and other mining	2½
Total, trade and industry	69
Professional and private	6½
Municipalities and public utilities	3½
Societies, &c.	2½
Internal debit balances	1¾
Insurance and finance houses, &c.	8
"Stocks and shares"	8¾
Grand total	100

According to the Midland Bank's figures, trade and industry takes 69 per cent. of the bank's advances, while loans on stocks and shares only absorb 8¾ per cent., to which must be added "short money" lent to the Stock Exchange. Mr McKenna, therefore, makes the claim that loans are not being diverted from trade to financing Stock Exchange speculation. This claim is on the whole legitimate, but it carries with it one slight reservation. That is, that the bank can hardly know that some part of the money borrowed by professional and private customers is not used by them for speculative purposes. In these days, when many speculators actually take up stocks which they "pawn" with their banks, there is a possibility that this is the case. Still, even so, Mr McKenna's main argument is hardly affected, and we agree that, in addition to proving his case, he has provided students of monetary affairs with a wealth of new information.

LANCASHIRE COTTON TRADE.

(BY OUR MANCHESTER CORRESPONDENT.)

ANOTHER year of depression, which is the eighth in succession, has to be recorded in cotton spinning and manufacturing in Lancashire. Throughout 1928 the demand for yarn and piece-goods was not sufficient to meet the requirements of producers, and a substantial part of the machinery had to stand idle. As is always the case when production is not at full stretch, sellers were anxious for orders, and prepared to accept cut prices. The internal competition was more severe than ever, and in the circumstances matters relating to finance commanded increased attention.

Speaking generally, traders were not hampered by violent changes in raw material prices, although on certain occasions much uncertainty prevailed and ups and downs in rates took place. During the twelve months the average price of American cotton in Liverpool was 10.90d per lb, against 9.52d per lb in 1927. The highest quotation, 12.53d, was registered on July 6, the lowest figure, 9.72d, being on September 15. The year opened with the quotation at 11.08d and closed at 10.59d.

The American cotton crop for the current season has had a rather chequered career. Traders throughout the world took more than usual interest in the preparations for the growth in the United States last spring. At that period, however, growers were hampered by heavy rains and too much moisture, and planting preparations were delayed, with the result that this has been a late crop. It was anticipated that farmers would be prepared to increase the area under cultivation, but some surprise was expressed at the beginning of July, when the Government estimated the acreage at 46,695,000 acres, an increase of over 11 per cent. on the previous year. In the circumstances there were expectations of a substantial output, but later it was realised that the ber the Government estimated the yield at 14,373,000 baies, the production per acre being 151.8 lbs. The carry-over last July was estimated at 5,100,000 bales, so supplies for the twelve months will be approximately 19,500,000 bales. It is expected that world consumption will be about 15 million bales, so supplies in hand will have to be called upon to meet the deficiency, and it is likely that the carry-over next July will be about 4,500,000 bales, or 600,000 bales less than a year earlier.

With regard to Egyptian cotton, the average price in Liverpool during 1928 for Fully Good Fair Sakellaridis on the spot was 19.20d, against 16.82d in the previous year. The highest price in 1928, 21.95d, was registered on April 16th, and the lowest figure, 16.60d, on February 2nd. The year opened at 17.90d and closed at 19.45d. The cotton crop in Egypt for last season did not come up to expectations. The total of 6,091,000 cantars compared with 8,680,000 cantars in the previous year. The latest Government estimate for this season is 7,195,845 cantars.

It was a very disappointing period for manufacturers of piece-goods. Export demand failed to develop, and foreign trade was on a smaller scale than in 1927. Buying for India was very irregular. Dealers in Calcutta attempted to regulate supplies by prohibiting imports of certain cloths during particular months, and the total shipments were considerably less than the previous year. On the other hand, the takings of Bombay improved. A favourable development during the year was the better advices from China, and owing to more settled conditions in the Far East trade broadened and the shipments show an appreciable increase on 1927. There were indications of an increasing consumption of Lancashire goods in South America and the West Coast of Africa, but the markets of Egypt and the Near East did not give healthy support. Production in Lancashire towns varied a good deal from month to month, the output being between 70 and 80 per cent. of full production.

The following is a comparative table of cloth shipments from the United Kingdom for the last three years and for the pre-war year of 1913 :—

	Yards.	£
1913	7,075,252,000	97,775,855
	Square Yards.	
1926	3,834,482,200	116,052,953
1927	4,117,683,000	109,995,715
1928	3,866,592,900	107,300,045

The following is a list of comparative prices of four standard cloths during the year :—

1928.	32 in. Printers', 116 yds. 16 by 16. 32's & 50's.	36 in. Shirtings, 76 yds. 19 by 19. 32's & 40's.	38 in. Shirtings, 38 yds. 18 by 16. 10 lb.	39 in. Shirtings, 37½ yds. 16 by 15. 8½ lb.
	s d	s d	s d	s d
January 6	26 3	28 3	15 1½	14 3
February 3	25 0	27 0	14 9	13 6
March 2	25 6	27 9	15 0	13 10½
April 5	26 0	28 6	15 3	14 3
May 4	26 9	29 6	15 7½	14 6
June 8	26 9	29 3	15 3	14 4½
July 6	27 0	30 6	16 3	14 9
August 3	25 7½	29 0	15 6	14 3
September 7	24 4½	28 3	15 0	13 10½
October 5	24 9	27 9	16 0	13 9
November 2	25 6	28 6	15 0	13 9
December 7	26 3	28 9	15 6	14 0
December 28	26 0	28 6	15 6	14 0

The difficulties of spinners of yarn from American cotton were most pronounced. Towards the end of the summer demand broadened, and owing to increased trade there was an expansion in the amount of machinery running from about 65 per cent. to nearly 80 per cent. of full capacity, but progress in the way of improving prices was exceedingly slow. Although ups and downs occurred in the position of Egyptian spinners, that branch did much better than the American section, and throughout the year there was very little idle machinery in Bolton and district. It was not a satisfactory twelve months for producers of yarns suitable for export purposes. India bought fairly freely from time to time, and there was a steady demand for the Continent, but the shipments were smaller than in 1927.

The following is a table of exports of cotton yarn from the United Kingdom for the last three years and for the pre-war year of 1913 :—

	Lbs.	£
1913	210,099,000	15,006,291
1926	168,526,800	21,781,178
1927	200,502,200	23,593,592
1928	169,211,600	22,566,493

The following is a list of comparative yarn prices during the year :—

1928.	Cotton. Middling American.	American Yarns. 32's Twist.	40's Weft.	50's We t.	Cotton. F.G. Fair Sakellaridis. Egyptian.	Egypt'n Yarn. 60's Twist.
	d	d	d	d	d	d
Jan. 6	10·92	15¾	16½	19	17·60	27⅞
Feb. 3	9 79	15	15⅞	18	16·75	27
March 2	10·63	15½	16½	18½	18·75	28
April 5	10·91	16	16¾	19	20 90	31
May 4	11 60	17	17½	19⅞	21·30	32½
June 8	11·45	16¾	17½	19⅞	21·45	31⅛
July 6	12 53	17⅛	18½	20½	21·05	31½
Aug. 3	10·80	16½	16¾	19	18·65	29¼
Sept. 7	10·62	15¾	16½	18½	18·85	28½
Oct. 5	10·64	15¾	16½	18¾	17·65	28
Nov. 2	10·49	15¾	16⅛	18⅝	17·95	28
Dec. 7	10 63	16	17	19½	19·05	28⅛
Dec. 28	10·64	15¾	16¾	18¾	19·35	28½

During the year considerable attention was centred on the financial situation in the American spinning branch of the industry. Three schemes of mill amalgamations were talked about. Latterly much progress has been made with the proposals of the Cotton Yarn Association, Limited. One of the chief obstacles to the scheme was the attitude of the London banks, but these difficulties have been removed, and the registration of the company, details of which will be found in another column, is just announced. It is recognised in all quarters that it will not be an easy matter to arrange a combine of mills whose liabilities are larger than the assets, and a combination of interests cannot be arranged without sacrifices in some quarters. Another scheme put forward by the Master Spinners' Federation has also received attention, and a third set of proposals has been put forward from private sources, this movement being led by a well-known accountant and a leading Lancashire Member of Parliament. One of the most interesting developments during the year was the scheme of merchants, manufacturers, bleachers, and dyers for consigning goods under their joint auspices to markets abroad. In this connection China is the only outlet so far attacked, but a few weeks ago this movement was put into definite shape by the formation of the Eastern Textile Association, Limited. The experiments so far carried out by this organisation have been eminently successful, and the promoters are now convinced that if Lancashire is to regain her lost trade it will have to be done by joint efforts of spinners, manufacturers, merchants, and those engaged in the finishing processes. Towards the end of the year important discussions took place between Burnley manufacturers and representatives of the operatives with regard to some relaxation of the rules relating to working conditions in the weaving sheds, so as to enable the employers to make experiments in the use of automatic looms, the running of machinery at a slower rate so as to enable operatives to take charge of eight looms instead of four, and the working of two shifts a day. If the experiments now being made are successful, the changes may mean a revolution in cloth production in Lancashire.

Owing to many disappointments during the last few years there must be a certain amount of hesitation in any expression of opinion as to the future which can be termed optimistic. Yet there are encouraging features in the situation. Undoubtedly during the past year a large amount of valuable work has been done in Lancashire in preparing for the reorganisation of the production and distribution of goods. Big efforts have been made to cut down the cost of production and overhead charges, and much attention has been centred on the improvement of selling methods. It is reasonable to expect that these efforts will bear fruit before very long.

Raw cotton supplies during the next twelve months will be adequate to meet the needs of world users, and it is probable that prices will remain on a reasonable level. Although world consumption of cotton is now on a big scale, there are possibilities of still larger crops in the United States, and the various projects in different parts of the British Empire are making progress. There is ground for believing that manufacturers of cloth in 1929 will have the best year since 1920. If the improvement expected in this branch is sufficiently strong, the increased consumption of yarn should result in much more favourable conditions existing in the spinning section towards the end of 1929.

FOREIGN EXCHANGES IN 1928.

THE tendencies of 1927 were continued during 1928 and, while speculation still further decreased, more currencies were officially stabilised, and others, although still inconvertible, attained a degree of steadiness which was remarkable as compared with former years. It may be claimed, then, that the adventurous period, and with it the interest in the study of foreign exchanges, has passed; but this by no means implies a return to normal pre-war conditions. Seasonal factors, for instance, are now far less calculable than before the war, whilst abnormal pressure is exercised by unprecedented money rates, with their accompanying gold shipments.

On the whole the year was not spectacular; it was marked by the early weakness and subsequent recovery of New York, the firmness of Berlin, and the official stabilisation of various currencies, of which the most important is the franc. The year opened with the stabilisation of the lira, followed shortly afterwards by the introduction in Estonia of a new currency on a gold basis. Luxemburg stabilised on the Belgian model in February; in April Siam and Norway reverted to the gold standard; and in May a new parity was fixed for the Greek drachma. On June 2nd France revalorised the franc and fixed its gold content at 65.5 milligrammes of gold, nine-tenths fine, which gives the currency a parity of 124.21f to the £ and 25.52f to the dollar. In November Bulgaria followed suit by fixing the new parity of the leva at 673.58. Of the other European currencies which are still unstabilised, Jugoslavia has not yet completed negotiations, which have been in progress for some time, for a stabili-

sation loan, but the dinar, in effect, is to all intents and purposes stable, although inconvertible. Roumania also has for a long time past occupied herself with stabilisation schemes, and the negotiations for a foreign loan for this purpose were well advanced when they were interrupted by a political crisis of the first magnitude and the fall of the Cabinet. The new Government, however, cannot burke necessity and is pursuing negotiations. Portugal early in the year discussed a similar loan, and received the approval of the League of Nations, but in the end the Portuguese Government refused to accept the conditions laid down, with disastrous effects to the escudo.

To turn to individual exchanges, sterling opened the year well against New York at 4.88¾, but gradually weakened during the next six months to about 4.87, a sharper decline being only prevented by the United States buying of British War Loan and Funding Loan on the New York market, where they were quoted for the first time. After that the combination of high money rates in New York with the withdrawal of British and foreign funds from London, together with heavy movements in connection with seasonal requirements, was too strong for sterling, and the £ declined rapidly to under 4.85, but recovered at the end of the year to 4.85¼, or about the same level as at the opening of 1927. Towards the close of the year forward dollars, which had been at a premium since the war, went for the first time to a discount, and the New York spot rate remained over a long period about the gold export point. Montreal followed the dollar, but is chiefly worthy of mention because of the abnormal discrepancies which arose late in the year between the spot and forward rates, due, it is said, to the manipulation of their foreign currency holdings by the native banks: Paris was almost throughout at a premium on sterling, but the rate never actually reached gold export point. Berlin, in spite of heavy external indebtedness and Reparation payments on a large scale, was very steady against us, largely as a result of heavy short-term borrowing in New York. It was also evidently the policy of the Reichsbank to attract gold and to maintain the rather exaggerated level of the currency, as an examination of the returns shows that a large proportion of its foreign exchange holdings was disposed of. Later, high money rates in New York caused Berlin to transfer its borrowings to London and Paris, and Paris also withdrew funds from London to lend them in Berlin, with resulting pressure on the exchange. The gold withdrawals for Berlin from London, from October onwards, were very large. Early in the New Year the peseta remained one of the few currencies open to the attentions of the speculator. As a result abnormal fluctuations were experienced during the first half of the year, and the rate rose rapidly, in spite of large credits in London and New York. The crash of a foreign financial house holding a bull position in this currency exaggerated the decline, and energetic counter measures were at once instituted. Some £2,000,000 gold was sold in London, grain credits for pesos 50,000,000 were obtained in the Argentine, and an Official Exchange Commission of control was set up. After this there was gradual, though slow, improvement, and the rate was very firm at the close. It is believed in many quarters that it is the Government's intention gradually to bring the rate towards par before embarking upon stabilisation.

Bucharest experienced a sharp break in the last quarter with the political crisis, but soon regained relative stability when the elections passed off quietly. The escudo rate rose from 99 to 130 under the conditions we have outlined, but recovered later to 110-115 after wide and persistent fluctuations. It was steadier at the close at about 109. The Russian chervonetz is unquotable in London, but it is understood to have suffered a sharp decline as a result of the crop failure. Other European currencies were mainly stable, and the changes registered may be traced to the influence of the fluctuations of sterling and the dollar. For instance, the widest variation between highest and lowest of the Continental gold exchanges on balance during 1928 was never as much as 1 per cent. The South American exchanges were steady on the whole, some weakness being shown towards the close by Buenos Aires and Rio. In the Far East the rupee was very firm almost throughout, but the yen experienced a certain amount of fluctuation, being exposed, as always, to the influences of Shanghai, where speculators in silver hedge in the yen and vice versâ. The undertone, however, was sound. The Chinese exchanges were singularly unaffected by the political chaos and the march of military events, and they responded in the main, although not always, to the movements in the price of silver. In the silver market the range of prices, between 28⅞d highest and 26 1/16d lowest, was considerably less than in 1927, which in turn was the smallest since 1911. China, as always, was the predominant factor, and the feature of the year was the enormous absorption of silver by that country. Gold imports during 1928 totalled some £47,510,000, exports during the same period amounting to £60,252,000, of which France took £19,933,000, Germany £20,819,000, and the United States £6,603,000, against which must be set off, £6,685,000 sent to Great Britain by that country.

REVIEW of FOREIGN EXCHANGES in 1928.

Country.		Parity.	Beginning.	End.	Highest.	Lowest.
New York	$ to £	4·866⅝	4·88 7/32	4·85 11/32	4·88 13/32 May 30	4·84 3/32 Oct. 5
Montreal	$ to £	4·86⅜	4·88 11/32	4·86 9/16	4·89⅜ June 7	4·84 1/32 Nov. 21
Paris	Frs to £	25·22½ 124·21 June 25	124	124·06¼	124·30 July 11	123·92 June 27
Brussels	Bel. to £	35·00	34·90⅜	34·88½	35·05 Mar. 12	34·84⅜ Sept. 6
Amsterdam	Fl to £	12·107	12·07 13/32	12·07⅜	12·12⅜ Feb 25	12·07⅜ Dec. 28
Italy	Lire to £	92·46	92·33	92·73	92·91 June 21	91·92 Feb. 2
Madrid	Pts to £	25·22½	28·55¼	2·75	30·27 Oct. 24	28·03 Jan. 6
Switzerland	Frs to £	25·22½	25·28¾	25·18½	25·35 Feb. 18	25·15 Dec. 24
Lisbon	Escu	53½d	2 7/16	..	2 5/16 Jan. 27	1 31/32 Mar. 15
	Escu to £ April 27	4·50	..	109½	116½ April 28	104 June 12
Helsingfors	Mks to £	193·23	193¾	193	194·20 May 30	192·37½ Sept. 27
Oslo	Kr to £	18·159	18·34	18·19⅜	18·35 Jan. 3	18·18 Aug. 9
Stockholm	Kr to £	18·159	18·10⅞	18·12⅜	18·20 May 12	18·09 Dec. 27
Copenhagen	Kr to £	18·159	18·20½	18·17½	18·22½ Mar. 28	18·17 Dec. 29
Riga	Lats to £	25·22½	25·25	25·18¾	25·35 Aug. 13	25·06 Sept. 24
Reval	E.Mksto£	..	1,820	..	1,840 No ch'nge	1,800 No ch'nge
	E. Kr. to £ Jan. 12	18·159	..	18·08¾	18·40 Lit.ch'nge	18·00 Lit.ch'nge
Kovno	Lits to £	48·66	49	49	49½ Lit.ch'nge	48¾ Lit.ch'nge
Berlin	Mks to £	20·43	20·45⅜	20·38⅜	20·48¼ Jan. 9	20·33½ July 28
Vienna	Schil to £	34·58½	34·55	34·44½	34·75 April 18	34·38 Aug. 3
Budapest	Pen to £	27·82	27·91½	27·84⅛	28·01 June 18	27·77 Oct. 18
Warsaw	Zloty to £	43·38	43·50	43 7/16	43⅜ May 9	43¼ Sept. 14
Prague	Kr to £	24·02	164 3/32	163 3/32	164⅞ April 17	163⅜ Sept. 26
Belgrade	Dinar to £	25·22½	276½	275¼	278 Mar. 14	275½ Dec. 12
Bukarest	Lei to £	25·22½	792½	808½	855 Dec. 4	765 April 2
Sofia	Leva to £	25·22½	675	672	680 Jan. 2	667 Sept. 11
Athens	Dr to £	25·22½	366½	375	375¾ July 19	365 Jan. 13
Constantinople	Pst to £	375 May 14 110	940	987½	995 Dec. 31	920 Aug. 29
Bombay	Pr. Rupee	18d	1/6 7/32	1/6 1/16	1/6¼ Jan. 2	1/5 31/32 June 27
Hongkong	Pr. Dollar	..	2/0 1/16	2/0 3/32	2/1 11/16 May 24	1/11⅞ Sept. 18
Shanghai	Per Tael	..	2/7 7/16	2/7⅛	2/10¾ May 24	2/6⅞ Feb. 2
Singapore	Pr. Dollar	2/4	2/4 7/64	2/3 31/32	2/4 1/16 Jan. 2	2/3 11/16 Sept. 1
Japan	Per Yen	24·58d	1/11 3/64	1/10 15/16	1/11⅜ Mar. 27	1/10 3/16 Aug. 16
Buenos Aires	Pr Dollar	47·577d	47 3/32	47 11/32	47⅝ Feb. 23	47 5/16 Oct. 2
Monte Video	Pr Dollar	51d	51	50⅞	51⅛ Jan. 2	49⅞ June 5
Rio	PrMilreis	..	58 7/16	58 3/16	58⅝ Jan. 31	58⅜ July 19
Valparaiso	$ to £	40	39·35	39·64	39·73 July 6	39·33 Jan. 20
Lima	£ to £P	Par	23½%	19⅝%	24½% Jan. 31	19⅛% Oct. 31
Mexico	Pr Dollar	24·58d	24d	23¾d	25d Lit.ch'nge	23d Lit.ch'nge
Batavia	Fl to £	12·107	12·06⅝	12·09⅜	12·14⅜ Mar. 5	12·06⅜ Jan.

CRABBED AGE AND YOUTH.

"TELL me something to say; I have to make a speech." This cry of a human soul in anguish is as old as that inexplicable practice which leads human beings to flock together in order to endure probable discomfort in listening to the words brought forth with almost certain suffering by one of their number. But seldom can that poignant appeal have met with a more effective response than when Mr Dunwoody, Secretary of the Association of British Chambers of Commerce, addressed it to the Financial Secretary to the Treasury. The audience was to be composed of young business men, and the response to Mr Dunwoody's wail was an immediate burgeoning of the fine flower of Mr Samuel's business experience in a message to youth which he wished his friend to "put across" for him. This ultimately bore fruit in a collection of similar opinions, expressed by eminent British industrialists in answer to a questionnaire which asked for their views as to the necessary training and qualities, and the probable opportunities in Britain and her Dominions for young men entering business to-day. Never, in the history of platitude, was such an opportunity offered for saying, with portentous verbosity, just nothing whatever and only a Press meteorologist on the eve of Bank Holiday could sit on the fence with more perfect poise than this:—

> "Speaking generally, it is desirable that the young man should have as good an education as time and circumstances allow, and should acquire beforehand, as far as possible, general knowledge, technical or otherwise, likely to be useful in the particular business he enters. What the training should be must depend on the nature of the business and the age at which the young man enters it. In many businesses a training in foreign methods would be helpful. Having entered the business, the young man should endeavour to obtain, by any means in his power, any knowledge or training which is calculated to render him more efficient."

Those who have tried to solve problems in analytical geometry and arrived through painful travail at the illuminating result, a=a, will recognise a kindred spirit in the author of this advice.

Those contributors who define their general standard usually mention matriculation as the minimum level, though there are not wanting those who advocate a "broad cultural basis," involving a university degree in, say, moral sciences. A new note, to which particular interest attaches in these days of overspecialisation, is struck by the Prime Minister, who says:—

> "I think it is of the greatest importance that you should train your young men from the earliest possible moment to take an interest not only in their particular job, but in the general policy of the business, and, in a wider area still, the general commercial and industrial life of their cities and of their country."

It would be interesting to hear Mr Henry Ford's comment on this.

When they turn to the personal qualities necessary for success, these representative business men become representative also of humanity through the ages. Any honest adult will admit that "naughtiness" in a child is only susceptible of definition as "anything which is inconvenient to grown-ups." The same ineradicable bias in human nature leads the great employer, when he is asked to enumerate the qualities which lead to success, to ask himself, quite reasonably: "What sort of fellow would I choose for promotion?" Hence, insensibly: "What sort of young fellow do I like to have working under me?" The inevitable upshot is that emphasis is laid, throughout, on the convenience of the employer, the young man of whose dreams would make a poor trade unionist and an unreliable and depressing companion in his social relations.

Imagine a synthetic youth having the qualities regarded as absolutely indispensable by a majority of the business men consulted. Above all he must be a worker. Not merely the sort of worker who works during business hours, and is willing to take his share of overtime given reasonable warning, but one who "is willing to subordinate personal tastes and inclinations," "does not mind work even of a very humble character, if necessary," "does not mind occasional discomfort," and "is always willing to cancel a personal engagement." Admirable qualities these, under an equally admirable employer, but what a field for exploitation they offer to the less scrupulous; and exploitation sometimes is an alternative to promotion. Our ideal young man is urged to keep himself fit by regular exercise, but an interest in sport is looked on with suspicion by many of the contributors as detrimental to interest in business. They cater for this dilemma in the United States, where business men rise before 6.30 in order to perform their "daily dozen" to the broadcast voice of a sergeant-major, but we have not heard of any such solution by the B.B.C.

The remaining qualities of our synthetic youngster, however, would endear him to the heroine of any best-seller. Personality, with or without the further desideratum of charm, and usually accompanied by a good personal appearance, is ranked high by a large proportion of the business men consulted; our model could stand a film close-up without flinching. He is strong, too, and very, very silent, while perseverance and courage are among his leading attributes. In fact, what with his education, his power of holding his tongue, and his steam-roller qualities of persistence, he seems to bear a remarkable likeness to the "strong, silent Englishman" so familiar in fiction.

But everybody knows that this country's finest manufacturing efforts are directed to her export trade, and so it is only natural that when our leading industrialists are asked what the prospects are for this pattern youth whom they have manufactured, they reply almost unanimously: "Export him." A few, here and there, speak warmly of the opportunities on this island, but the majority urge upon the young the great future awaiting them in the Dominions. One even bursts the confines of the questionnaire and puts in a plea for South America and the Pacific Coast. This is not the same embittered gentleman who observes that a young man "should remember that the experience of older heads does sometimes, even to-day, count for something"; or one might begin to wonder if crabbed age and youth had reached the point where they could no longer live in the same hemisphere. No, the fact is that this advice, like most of that offered by the elder to the younger generation, is a hopeless endeavour to stereotype in words the essentially personal knowledge won by living; and if the section on character reads like the "copy-book maxims" which so many of the contributors guiltily deprecate, it only goes to show that the qualities which make for success have always been, and probably will always remain, elusive and impalpable.

Notes of the Week.

The King's Progress.—The nine weeks' public anxiety over the King's illness was substantially allayed this week by a long bulletin in which his doctors were able to give news of progress so marked as to foreshadow an early visit to the seaside for convalescence. The extent of the relief afforded by this most welcome statement can only be fully appreciated by those who have witnessed day by day the intense anxiety and unfeigned solicitude with which the course of His Majesty's long and stubborn affliction has been watched, not merely by the whole British people, irrespective of class, party, or creed, but also by the world at large, including especially the great democracies of America, France, and Germany. Although it is too early to assume that all danger is yet passed, there is now every reason for confident hope that His Majesty will be restored to the service of his people. Clearly, however, a prolonged period of tedious convalescence and absence from public duties lies ahead, in which the King will continue to need the same measure of public sympathy as has been so universally lavished upon him throughout the months of acute illness. This the nation will give him in full measure and with thankfulness.

New Bank of England Directors.—Two interesting appointments have been announced to fill the vacancies on the Court of Directors of the Bank of England created

by the retirement of Sir Henry Cosmo Bonsor and Mr G. W. Henderson. The new directors are Sir Basil Blackett and Sir Andrew Rae Duncan, both of whom will bring to the Court a large measure of important modern financial and industrial experience. Sir Basil, after notable services in the realm of finance during the war, became Controller of Finance at the Treasury in 1919, a post which he held for three years before entering upon his distinguished and successful work as Finance Member of the Legislative Council in India. Since his recent return to England Sir Basil has been nominated, as we recently noted, to preside over the Communications Company, which will represent the final form of the great cables and wireless merger. Sir Andrew Duncan, who was Coal Controller in 1919 and 1920, has since 1927 been chairman of the Central Electricity Board. These two appointments mark another stage in the strengthening of the Bank's administration. Recent changes in Threadneedle Street have surely been sufficiently notable and rapid to satisfy those critics who complained that the Bank's management was out of date and out of touch with modern movements. The Court of Directors has in a comparatively short space been reinforced by the addition of Sir Josiah Stamp and Sir Ernest Harvey, and now by the two new directors whom we have mentioned. At the same time the staff has been strengthened by the recruitment of Sir Otto Niemeyer from the Treasury, of Dr Stewart, formerly of the Federal Reserve Board at Washington, and of Mr Siepman, whose work in India and Hungary renders him obviously fitted for his post. In short, the Bank has shown, and is showing, itself eager to take every possible opportunity of enlisting in its service wide and modern experience.

Fiscal Points of the Week.—The current issue of the *Review* of the Westminster Bank emphasises the importance of the rôle played by commerce in the economic life of Great Britain. Commenting on the estimate made by Mr A. W. Flux, the Board of Trade statistician, in a recent paper on the Census of Production, that out of an aggregate British national income in 1924 of £3,975 millions, commercial services were responsible for £1,035 millions, or 26 per cent., the bank points out that commerce may rightly claim to rank among the "great industries" of the country. Commerce, it is argued, can be regarded as productive in the truest sense, since by carrying goods, in time as well as in space, and in insuring their availability when and where desired, it adds to their real value from the point of view of the consumer, while by assuming the duty of forecasting probable demand and giving firm orders to manufacturers, the representatives of commerce take over a considerable share of the risks inseparable from modern economic life. We note with satisfaction the prominence given, by an authority whose views must necessarily have considerable weight, to this aspect of the national life, which is frequently in danger of being overlooked as a result of our present pre-occupation with the difficulties of our manufacturing industries. Those who advocate a policy of trade restriction in the supposed interests of home industries would do well to remember that measures tending to limit the volume of goods in trade within or without the frontiers of this country must inevitably have far-reaching repercussions on the prosperity of commerce. Was this idea, we wonder, in the mind of the Chancellor of the Exchequer when he said to the Manchester Chamber of Commerce on Monday:—"It is the duty of every British Government to make it their constant care and study, and assist the producer in every way that can be done without creating further evils or new complications unforeseen in their ultimate effects." In the same speech Mr Churchill made one of his periodic professions that he was still a free trader, and drew a sharp distinction between protection and "safeguarding." What the distinction is he did not tell us, and we humbly implore him to enlighten us on this mysterious matter. Another phase of the fiscal controversy has been brought into prominence this week in a letter which Mr A. J. T. Taylor, a director of Sir W. G. Armstrong, Whitworth and Co., has addressed to the Prime Minister. Mr Taylor's main theme is industrial efficiency, and he says: "My profound conviction is that necessary replacements and improvements of machinery are being held up by the industrialists merely because the lure of the safeguarding duty is being dangled before their eyes." So important a statement from a director of one of our leading industrial concerns cannot be disregarded.

The Tunnel.—The Channel Tunnel has been for so many years a controversy *bombinans in vacuo*—furious prejudice matched with nebulous enthusiasm—that the Prime Minister's decision to have a comprehensive re-examination not only of the military but of the economic aspects of the matter will be generally welcomed. From the point of view of national defence common sense leads to the conclusion that under modern conditions of war the Tunnel would be useless as a line of communication either for an army invading this country or, conversely, for a British expeditionary force operating on the Continent. No commander would dream of relying on a bottle-neck with egresses so vulnerable to aircraft and long-range gunfire, even if means were not taken to destroy the tunnel on the outbreak of hostilities. It is the economic considerations which require, in our opinion, to be carefully investigated and weighed. At present, vague estimates of the initial cost are quoted ranging from twenty-five to sixty millions sterling. At a dinner given on Wednesday night to members of Parliament interested in the scheme the chairman of the Channel Tunnel Company suggested that working expenses should not exceed £1,000,000 annually, and that on the basis of four million passengers per year, taking the fare at 16s per passenger, and allowing £800,000 for revenue from luggage, mails and perishable merchandise, gross receipts should reach £4,000,000 per annum. If this estimate be accepted, a capital cost as high as £40 millions would appear *prima facie* to be within the range of commercial feasibility, but, before the public can be in a position to pronounce upon the whole merits of the project, an authoritative statement on these and cognate points is wanted. Of the value of the Tunnel as an addition to "civilisation" in the broad sense there can be no doubt. We would remind those who are inclined to regard the scheme as visionary that in the not distant past "Summer Time"—now an accepted integral part of our lives—used to share with the Tunnel the honour of figuring as a standing "silly season" topic for our popular Press. Sufficiently wide and influential support for the Tunnel in business circles has now been mobilised to ensure, we hope, that the project at least receives serious reconsideration, and is not obstructed by prejudice, unreason or foolish timidity.

The Campaign in Afghanistan.—The situation in Afghanistan changes almost from hour to hour, and, though there are still two rival rulers in that distracted country, they are not both the same persons as they were last week. Last week the Water-Carrier was at the gates of Kabul; Inayatullah, Amanullah's brother, was king in the citadel; and Amanullah himself had abdicated and was out of the picture. This week the Water-Carrier is in Kabul—citadel and all; Inayatullah has abdicated and been evacuated to Peshawar by air in a British aeroplane by arrangement between the Water-Carrier and the Government of India; and Amanullah, having turned up at Kandahar, has "dis-abdicated" (if the expression may be allowed) and set up his standard there, whither his brother the ex-king Inayatullah has gone to join him. Poor Inayatullah is evidently a quiet man (if he were not Amanullah would hardly have suffered him to live after Amanullah himself had come to the throne), and after landing safe and sound on Indian soil he seems to have wondered rather wistfully whether the lot of an Afghan Sirdar in exile was not, after all, more desirable than that of a prince risking his life to replace a brother on the throne. Apparently, however, he was given no choice, but was bundled across the frontier again *en route* to Kandahar, after having had it explained to him what fun it would be and what an opportunity he was in danger of missing. Thus, for the moment, the situation resolves itself into one familiar in countries governed after the manner of Afghanistan—a struggle between the representatives of an old dynasty and the would-be founder of a new line. We still know little about the Water-Carrier, but he has given one striking proof of statesmanship in arranging to have Inayatullah evacuated instead of allowing himself to be placed under the embarrassing necessity of putting a rival to death when that rival had ceased to be dangerous. This reminds us of the Whig's attitude towards James II.—and a statesman who shows that kind of tact in Afghanistan may go far. But whatever the outcome of the personal and dynastic struggle, we have little doubt about the outcome of the "Westernisation" movement, out of which the trouble arose. If Amanullah returns, motor-cars and sewing-machines and girls' schools and felt hats will return with him, while if the Water-Carrier prevails, he will be a mighty man indeed if he proves a match for Mr Singer and Mr Ford. If the Water-Carrier reigns, we wager that he will live to drive his own car and will soon be sending his daughters to college at Girton or Bryn Mawr. "The march of civilisation" is irresistible.

Sino-British Relations in Canton.—Our Hong Kong correspondent writes:—After an absence of three months Marshal Li Chai Sum returned to Canton and resumed office as head of the provincial administration. His original intention was to clear up his affairs in Canton in order to leave himself free to participate in the councils of Nanking, and with this in view he nominated General Chen Ming Shu to succeed him as chairman of the Kwangtung Provincial Council. The appointment has not been received with enthusiam either by General Chen, who immediately fell sick, or by General Wong, the ruler of the neighbouring province of Kwangsi, and it is considered probable that Marshal Li will remain in Canton for some time to come. In the course of a newspaper interview the Marshal was interrogated as to the Nationalist Government's decision to abolish provincial councils, and, while appearing to concur with Nanking, he made it quite clear that the Kwangtung Council would continue to function for the present. Evidently Marshal Li does not intend to relax his control of the two Kwang provinces, and it is significant that he brought back with him Dr Chu Chao Hsin, whose experience of Western diplomacy is of great value in a centre such as Canton. Relations between the Canton administration and the British Consular authorities are extremely cordial, and reflect the harmony which prevails between the Nanking Government and British interests in Shanghai, both official and commercial. In this connection there was a noteworthy function a few days ago when the British Chamber of Commerce of Shanghai entertained at dinner two Ministers of the Nanking Government, viz., Dr C. T. Wang and Dr H. H. Kung. The occasion was described by Dr Wang as "a happy augury for the success of the new era of a readjusted and equitable relationship between China and Britain," but the speeches were by no means confined to lofty sentiments and honeyed phrases. The chairman did not gloss over the desperate plight of internal trade due to unchecked taxation, and, on the other hand, Dr Wang gave a pretty broad hint that British support of any adventurous policy on the part of Japan would incur the gravest displeasure of the Nationalist Government. But underlying these frank expressions of opinion there certainly seems to have been a genuine desire to bury past misunderstandings and to face the situation in which China finds herself to-day. Coming at a time when Dr Wang is engaged in negotiating a Commercial Treaty with the British Minister, this exchange of views in the atmosphere of a social gathering means a good deal, and will, no doubt, help to smooth over the rough patches which the inauguration of tariff autonomy is bound to cause. The publication of the new Tariff Schedule, which is practically identical with the tariff agreed to at the Peking Conference of 1926, has justified the calmness with which it has been awaited here.

American Cotton Crop.—On Wednesday last the Census Bureau of the United States Government at Washington published a further ginning report on the cotton crop for 1928-29. It was stated that so far this season 13,892,000 bales had been ginned, the amount compared with a month earlier being increased by 744,000 bales. The total exceeded the expectations of traders and operators, and prices in New York and Liverpool gave way. At the decline, however, there was some buying by speculators. As the ginning figure was larger than anticipated, there seems to be a probability of the crop being more extensive than the Government estimate of 14,373,000 bales. The final figures will not be published until the end of March. By that time interest in the growth will not be very great, as all attention will be centred on the prospects for the new crop.

Cotton Industry Reorganisation.—As we go to press we learn that the formation of the Lancashire Cotton Corporation, Limited, is now an accomplished fact. The corporation has been registered with a nominal capital of £100, to be increased as mills are absorbed. As part of the purchase consideration 5½ per cent. convertible income debenture stock (instead of debenture stock, as proposed by the Yarn Association) is to be offered, thus freeing the corporation from all fixed interest charges in respect of the indebtedness of the companies absorbed. The corporation will later raise fresh capital by the issue of first debentures. Meantime the Bank of England, whose help has contributed greatly towards the formation of the corporation, will provide temporary finance. Many of the spinners' largest creditors have already agreed to accept the income debentures and shares of the corporation on the agreed basis, and the corporation, whose chairman will be Sir K. Stewart, hopes to have acquired at least seven million spindles and a considerable number of loans by the end of 1929. From the point of view of Lancashire this news is of the highest importance.

The Artificial Silk Exhibition.—The fourth annual Exhibition of British Artificial Silk Goods was opened at Olympia, London, on Monday, and attracted a large gathering of trade members from all parts of the country. A visit to the exhibition, writes a correspondent—especially when this follows visits to the previous shows held in the Holland Park Hall in 1926-7-8—reveals the extraordinary progress made in the utilisation of the fibre. The exhibition is not one primarily concerned with yarns, it is an exhibition of fabrics and made-up garments. The centre of the hall is occupied by a large mannequin stage, upon which are paraded the latest styles and fabrics as produced by the exhibitors. The industry is now settling down into more or less regular grooves, and is rapidly becoming farther removed from the novelty stage. Originally it was felt that artificial silk was to be a cheap imitation of the real silk fabric. To-day the fibre stands in a category of its own, and this is emphasised very strongly by the decision of Courtaulds, Limited, to market their goods under the distinctive name of "Rayon." Perhaps the most striking feature of the exhibition is the development of the all-rayon fabric. It is a natural result of the improvement in the quality of the yarn and of the increased knowledge of its properties and of its processing. A year ago the all-rayon fabric was being shown, but not in either the quantity or quality of to-day, and now almost all the standard weaves are being exhibited in fabrics made purely of rayon. The next element of interest is the further development of mixtures of silk and rayon. Here, again, lie distinct possibilities of development. Wool and rayon mixtures also are being shown in most attractive forms, and both Lancashire and York-

THE MERCANTILE BANK OF INDIA, Ltd.

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

Capital Authorised	£3,000,000
Subscribed Capital	1,800,000
Paid-up Capital	1,050,000
Reserve Fund and Undivided Profits	1,584,846

Branches and Agencies:

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

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and conducts every description of Banking Business in connection with the East.

Fixed Deposit Rates will be quoted on application.

On CURRENT ACCOUNTS interest is allowed at 2 per cent. per annum on daily balances, provided interest for the half-year amounts to £1.

Trusteeships and Executorships Undertaken.

JAMES STEUART, *Chief Manager.*

shire firms have contributed extensively to this section of the exhibition. The popularity of cotton and rayon mixtures remains unchallenged. A year ago the possibility of the use of rayon in the lighter type of fabrics—viz., ninons and voiles—was being tried out by a few firms. Upon this occasion, however, they are met with on many stands, and here, again, quite a new avenue has been opened up. The question is always being asked, "Where is the next opening for rayon?" and the answer is usually given in "men's wear." Beginning with ties and socks, and extending into all classes of underwear, and later to outerwear, there is no doubt that the rayon manufacturer is exploiting this line with success. The improvements in the yarn and the finer grades generally have all combined to assist in the presentation of what is a most successful exhibition. Improvements in elasticity, combined with improved methods of processing, have resulted in the production of so-called "creaseless" cloths, thus marking another important forward step. Dyeing of all types of rayon, and on the most difficult fabrics, has been vastly improved, and is now guaranteed fast to light and washing. The much-desired permanent dull lustre effect has been attained. These and other more technical improvements serve to show that the industry is progressing, and—by maintaining a very high standard of quality combined with intensive research—is continually opening up new avenues, the number of which is not even yet in any way exhausted. Figures published in the current number of the *Board of Trade Journal* show that British production of artificial silk yarn and waste in 1928 was 35 per cent. greater than in 1927, and no less than 114 per cent. above the 1924 level—a striking record of expansion.

Rail Rebate and Steel Industry.—Sharp differences have arisen in South Wales over the application of the anticipatory relief given to the coal and iron and steel industries as from December 1st last. The White Paper issued by the Ministry of Transport in November provided that the railway rate on coal either exported or delivered to iron and steel works should be reduced by 1½d per ton, and by a further 25 per cent. of the remainder of the carriage charges, and that there should be a decrease of 10 per cent. on specified raw materials supplied to the coal-mining and iron and steel industries. The representatives of iron and steel industry have been claiming the whole of the benefit of the rebates on coal supplied to them. By most colliery owners these claims have been resisted, but in isolated cases some or all of the rebate has been passed on to the consumer. In these circumstances, a special meeting of the South Wales Coalowners' Association recently adopted a resolution urging on all its members to retain the whole of the rebate on coal for iron and steel works, and to take the necessary measures for this purpose. This action is founded on the view that the Government allocated a definite sum for the relief of the mining industry, and that the industry would not receive that allocation if any of the rebate on coal supplied to the iron and steel industry were passed on. On the other hand, the ironmasters base their case on a statement by the Minister of Transport in the House of Commons on November 22nd last, that the relief was intended to be divided between "iron and steel and coal sold in competitive markets," although admittedly the direct rebate is made to whichever party pays the freight. It is argued that this remark cannot have referred only to the rebate on ores and similar raw materials, because the Government could never have meant the relief to be confined to this item, which is comparatively insignificant. At present both parties are adopting an intransigent attitude, but a decisive statement by the Government would probably be accepted without question.

New Official Statistics.—It is with great pleasure that we welcome the publication in this week's *Board of Trade Journal* of a comprehensive series of statistics designed to show the trend of the economic position in the United Kingdom. Particulars relating to the general situation of trade and the current activity of individual industries have been grouped in tables (to be issued in future at monthly intervals), which should prove to be of real use to the public in that they present the available data concisely in a readily comparable form. We hope that, as time goes on, the Statistical Department of the Board of Trade will find it possible to extend the range of the statistics and to fill in some of the many gaps still existing in our knowledge of industrial activity. Even in their present scope, however, the new tables of economic statistics should be of particular interest to readers of the *Economist*, since they partly supplement, and may usefully be studied in conjunction with the index numbers of Business Activity published in our monthly *Supplements*. The Board of Trade has both the duty and the opportunity to educate public opinion in the use of statistical records of the progress of commerce and industry, and its new venture is warmly to be commended.

The International Institute of Agriculture.—Our attention has been called to an error in the note which we published last week under this heading. It was implied that the International Institute of Agriculture was not yet linked up with the Economic Section of the League of Nations, whereas we are now informed that a Mixed Agricultural Committee, composed of representatives of the I.L.O. governing body and the higher officials of the Institute of Agriculture in Rome, was set up in 1923, and meets alternately in Geneva and Rome to consider points in which both organisations are interested. This eliminates overlapping. The International Labour Office carries out all work connected with agricultural labour, the Institute deals with agricultural methods. An example of the usefulness of this "mixed committee" in connection with one of the most terrible industrial diseases may be given:—The International Labour Organisation has been engaged in work for the safeguarding of workers from this disease over a number of years, with the active assistance of the British Government. The office can only deal with anthrax where it touches industry; at the first of the mixed committees it was decided that the Institute should conduct an inquiry with the object of the elimination of the disease at its source—*i.e.*, in flocks. A body of international experts meets at the same time as each mixed committee and holds separate meetings to consider each subject on the agenda as well as participating in the general deliberations. There is thus a much greater measure of co-ordination in international agricultural activities than has been generally realised.

Agriculture in Northern Ireland.—Our Belfast correspondent writes:—A report upon the inquiries made in 1925 in connection with the Census of Production has been issued by the Ministry of Agriculture for Northern Ireland. The total value of the output of agricultural produce in the Census year is estimated at £15,073,000, of which £11,824,000, or over 78 per cent., represents the value of live stock and live stock products. The predominant place occupied by the live stock industry in the agriculture of the Six Counties is thus apparent, and it is noteworthy that each of the principal groups of the live stock industry —live stock, eggs and poultry, and milk and dairy produce—exceed the total value of the output of farm crops. The value of the net output of the agricultural industry —after deducting the value of manufactured and imported animal feeding stuffs, manures and seeds purchased by Northern Ireland farmers—is estimated at £11,185,000. The preliminary results of the industrial census in the Six Counties have already been published, and show a total net output of £24,237,000. To this sum has to be added the estimated value of the net output of the flax scutching trade (£100,852), which was dealt with under the agricultural census. The total value of the industrial and agricultural output of the province in 1924-25 was thus just over £35,500,000. Agriculture is shown to be the greatest single industry of the province, and is followed by the linen trade with a net output of £9,201,000.

The Forestry Fund.—Under the Forestry Act, 1919, a total of £3,500,000 was to be paid into the Forestry Fund between then and March 31, 1929. It is estimated that by the end of the 1929 season 140,000 acres will have been planted during that ten-year period. An additional 65,000 acres have already been planted by private individuals and local authorities with the aid of grants from the Forestry Commission, and it is hoped that the ten-year total may reach 75,000. Meanwhile, the time for determining future policy is drawing near, and it is understood that the Government has decided to ask Parliament to vote a sum of £5,500,000 to the Forestry Fund on annual instalments for the next ten years. As the Commission is likely to be deriving about £1,400,000 in revenue from forest products during that time, bringing its total annual income up to nearly £700,000, it should be able to increase its ten-year planting programme from 140,000 to 225,000 acres, and to allow its other activities to expand proportionately. The Industrial Transference Board last June recommended the creation of sufficient forest holdings for at least 1,000 families from the depressed areas during the next three years. These holdings cost about £625 each, and since 1924, when they were first started, well over 500 have been completed. We hope that the decision to increase the Forestry Commission's resources will enable Lord Clinton and his colleagues to carry out in full the wish of the Transference Board.

Fire Losses in the United States and Canada.—The American figures for December fire losses are now available, and enable a complete comparison to be made between the losses for the whole of 1928 and those of previous years. The figures which follow have been extracted from the records compiled and published by *The Journal of Commerce*, New York. The losses during the month of December, 1928, aggregated $31,204,000, compared with $31,935,400 in December, 1927, and $43,757,600 in December, 1926. The December total is therefore evidently a favourable one, especially when it is remembered that losses at that time of the year are generally more severe than usual. The record of losses for the entire year 1928 brings out a total of $301,267,560, compared with $320,595,600 in the preceding year. The 1928 total therefore shows a reduction of about 6 per cent. on that for 1927.

Eagle, Star, and British Dominions (Star Life Fund).—When reviewing the 1927 accounts of this company, we ventured on the prediction that as a result of the valuations of the "Star" and the "Sceptre" closed funds, due to be made at the end of last year, the shareholders of the Eagle, Star—the parent company—might expect to get over £100,000. In fact, the valuation of the Star fund alone has produced £145,000. The detailed results of the valuation compared with those of the preceding one five years ago are as follows:—

	1919-1923.	1924-1928.
	£	£
Surplus earning during quinquennium	863,996	.. 1,096,980
Capital profits taken credit for.....	116,026	.. 351,576
Amount brought forward	59,551	.. 170,652
	1,039,573	.. 1,619,208
Allocations—		
To bonuses to policyholders	782,029	.. 1,308,538
„ shareholders	86,892	.. 145,393
„ carry forward	170,652	.. 165,277
	1,039,573	.. 1,619,208

The very large increase in the amount divided among policyholders has permitted the declaration of a reversionary bonus at the unprecedently high rate of £7 per cent. per annum compound for the five years. This compares with a varying rate of bonus in the previous quinquennium approximately equal to £3 per cent. per annum compound. Lest it be thought that this splendid bonus is merely the result of closing the fund, the report emphasises the exceptional character of the profits, and explains that they have been "swollen not only by substantial investment profits, but also by the satisfactory liquidation of liabilities in foreign countries." Indeed, this rate of distribution has only been made possible by drawing substantially upon capital profits, and the actuary in his recommendation has therefore split the total of £7 per cent. bonus into two portions, an "ordinary" bonus of £4 per cent. and a "special" bonus of £3 per cent. Moreover, the interim bonus has been fixed at what is evidently regarded as a more normal—though still gratifyingly high—rate of £3 per cent. per annum compound. This munificent distribution completely removes the reproach upon the "Star" for its poor pre-war bonus record, and the with-profit policy-holders may now feel for the first time that their average rate of bonus over the past twenty or thirty years compares favourably with those of other offices. The shareholders of the Eagle, Star, and British Dominions, with their appetite whetted by this tempting morsel, will now eagerly await the results of the valuation of the old "Sceptre."

BANK ESTABLISHED IN 1864.
SKANDINAVISKA KREDITAKTIEBOLAGET
GOTHENBURG, STOCKHOLM, MALMÖ.
Branches in all parts of Sweden.
Paid-up Capital and Reserves - - Kr.182,000,000
Telegraphic Address: "Kreditbolaget."
THE BANK AFFORDS EVERY FACILITY FOR BANKING BUSINESS WITH SCANDINAVIA.

Treaty Reinsurances Limited.—Having had from the very start the advantage of close association with, and support from, a powerful group of composite companies, this reinsurance concern now finds itself nine years after its foundation in an unusually strong position. The shares are held jointly by the London and Scottish, the Phœnix, and the Century, and these companies also guarantee the contracts. The financial year ends on June 30th, and the results for 1927-28 show a distinct falling off from those of 1926-27. One current underwriting account only is published—labelled fire and general—and a slight increase in the premium income, which now amounts to £610,549, has been accompanied by a marked rise in the claims ratio from 54.8 per cent. to 61.1 per cent. The consequence is that the underwriting profit has fallen from £43,400, equal to 7.4 per cent., to £10,487, equal to 1.7 per cent. of the premiums. In addition to this account, there is a rapidly vanishing closed marine fund now amounting to £7,386. After allowing for profit and loss items, the total net surplus of the year works out at £8,149, compared with £39,767 in the year 1926-27. Net interest earnings are higher at £16,985, and the dividend of 25 per cent., tax free (the same as before), costs only £7,500. The balance-sheet includes a general reserve fund of £150,000, and a profit and loss credit balance of £46,191, against a capital of only £30,000.

National Mutual Life Assurance Society.—The first thing that calls for comment in the 1928 report of this society—again the earliest report among the life offices—is the new business. The amount, £1,007,339, is a record, and tops the million mark for the first time. It is, moreover, some 22 per cent. in excess of the 1927 total. It is true that the 1928 figures have been swollen by one or two large sinking fund policies, namely, three policies for sums assured of £101,250, compared with three policies for only £17,500 in 1927, but there is no real reason for any differentiation between life assurance business and sinking fund business. It is interesting to trace the change in the society's new business since the year before the war. In 1913 657 policies were issued for net sums assured of £369,127, i.e., an average sum assured of £562 per policy. The corresponding figures for 1928 were 682 policies for £906,089, an average sum assured per policy of £1,329. Thus the number of policies remains about the same, though, by appealing more to the wealthier members of the community, the volume of business is two and a-half times greater. Inquiry of the reference books shows that this has been accomplished in spite of an actual contraction in the business-getting organisation—from nine branches to five branches. This result is a tribute to the society's efficiency. For the rest the net rate of interest shows a small increase from £4 14s 3d per cent. to £4 14s 10d per cent. (and, incidentally, this important item has shown a steady advance every year since 1923), while the expense ratio at 12.9

per cent. is lower by reason of a number of single premium policies issued last year. The balance-sheet discloses a further reduction in British Government securities (which still, however, account for 27 per cent. of the total assets), and, more interesting, though it were hard to know its significance, a reduction in ordinary shares from £947,346 to £729,792. The annual report is accompanied as usual by the actuary's report on the annual valuation. The results are as follows :—

	1927. £		1928. £
Trading profit earned during the year	140,416	..	131,890
Profit on securities realised and revalued	84,363	..	117,555
Brought forward from previous year.....	640,206	..	751,246
	864,985	..	1,000,691
Allocations :—			
To bonuses to policyholders	112,239	..	121,667
„ Expenses of valuation	1,500	..	1,500
„ Carry forward to next year	751,246	..	877,524
	864,985	..	1,000,691

As already announced, the reversionary bonus is to be at the same rate as before, namely, 45s per cent. compound for endowment assurances, and 51s per cent. compound for whole life assurances. The society enters upon its centenary year in 1929 with free resources equal to 20.7 per cent. of its liabilities—a position of great strength.

Oversea Correspondence.

UNITED STATES.—SHARE MARKET—DISCOUNT RATES—BUSINESS PROSPECTS.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 12.

MOVEMENTS in the money market and security markets for the week conform closely to the standard for this time of year. A sharp contraction has taken place in credit outstanding and in the demand for it, and the resultant easy money has helped the speculative side of the security market, notwithstanding some hesitation over the possibility of an increase in the Federal Reserve Bank's discount rate. The placing in the stock market of new money received by investors as dividend and interest payments is for the moment at least proving to be a more powerful influence than the professional buying and selling. Moreover, while bearishness over the outlook beyond the next few weeks has been increasing, the feeling is general that the position is too sound to admit of a long-continued bear market.

Almost daily banking houses and powerful groups of capitalists announce the formation of new investment trusts. For the most part these trusts are following the popular trend in investment here, which is to increase the proportion of common shares held, if not to hold them to the exclusion of bonds and preferred stocks. While buying for the trusts and for the individual investor is supporting the January share market, the bond market has been rather disappointing. Government tax-exempt issues and the bonds which by their scarcity and nature occupy favoured positions have worked higher, but interest in general is small. The scarcity of new issues indicates the changing taste of the investing public. In the past week, for instance, less than $18,000,000 in new bonds were offered in this market, against a total of $123,000,000 a year ago. New capital share issues, however, are active. On the Stock Exchange more than two dozen well-known companies are represented by rights to subscribe to new shares offered to attract additional capital to the enterprises. Therein lies the explanation of much of the great rise in brokers' loans during the year, since a great deal of money is necessarily tied up in new stock offerings.

No surprise was felt in well-informed quarters this week at the decision of the Federal Reserve Bank directors to maintain the 5 per cent. discount rate. Even the speculative element in Wall Street had become reassured on the subject before the regular weekly meeting day of the board. Apart from the share market, there appear to be more cogent reasons for leaving the rate as it is than for advancing it, and it is doubtful if the Reserve authorities are becoming very much agitated over the persistent high level of the share market. If the rise were to go so far as to increase the credit burden on the Federal Reserve system, it would be a different matter.

As a matter of fact, at the time of writing the local bank's total credit outstanding is $232,000,000 below the peak at the beginning of the year, and is only $116,000,000 higher than a year ago. With the return of currency and gold from circulation and the contraction of credit outstanding, the reserve ratio this week jumped from 12.9 to 67 per cent. Meanwhile member bank borrowings for the entire system are down to $876,547,000, and it is believed that if the January reduction had brought the total down no lower than $1,000,000,000, the position would have been regarded as satisfactory.

An unexpectedly large consignment of gold was received from Canada in the week, amounting to $23,000,000. The effect of these shipments on the money market was nullified, however, by the earmarking at the Reserve Bank of $30,000,000 for the account of the Bank of France. Since last autumn French earmarkings have amounted to nearly $100,000,000, and there would be no surprise if as much again were taken. The French probably will make their withdrawals at times when our money market can best stand it, and mid-January is ordinarily a period of ease in money. Actual shipment of the metal may begin shortly.

Keen interest is shown here in the gold position of the Bank of England, for it is felt that an advance in your rate would increase the likelihood of a higher reserve rate. So far as our bill market is concerned, the higher rates recently put into effect do not bear their old relationship to discount rates. After nursing the bill market for the past ten years, the Reserve authorities are anxious that the burden be taken over by the commercial banks. Old rates were too low to attract bank investment, particularly with short-term money so dear. The bill rate is now about on a level with the Reserve Bank's discount rate, and next week it probably will go higher. Under the old policy of the Reserve that would undoubtedly have meant a higher discount rate, but now more time is desired to see how the higher bill rates will work out. If rates are made attractive, the commercial banks will buy bills, but they are unlikely to do so at current levels.

The financial community became somewhat satiated with observations on the business and money position made by bankers, business men, and economists in the annual financial reviews of the Press appearing last week. However, it read with interest the remarks of the presidents and chairmen of the leading city banks at the annual meetings of stockholders held this week. All the bank executives were able to report substantial increases in earnings during the past year. Not only was the demand for bank credit sufficient to absorb a larger proportion of the available supply than usual, but the high level of rates added to profits.

A feature of the banking year here has been the steady absorption of the smaller institutions by the larger banks, extension of branch banking, and more particularly the large additions to capital through the sale of stock. Clearly the banks are preparing for further expansion, and while the small independent bank in this country probably never will disappear, the trend of developments in the larger cities is toward fewer and stronger banks with numerous branches, after the system on your side of the water. In addition to reporting good profits, the bankers told their stockholders that they anticipated a high rate of industrial activity during the coming year. Most of them sounded a note of caution, however, on the absorption of credit in the stock market. Mr Charles E. Mitchell, president of the National City Bank, epitomised the situation as follows :—

"With no inflation in commodity prices, with industry making progress along safe and sound lines and within the limits of proven consumption, with no excess of investments by the banks of the country, and a Federal Reserve structure that up to this time is not seriously inflated, there is firm ground for the belief that business should continue in the coming months with substantial volume and reasonable profit. The danger, if there be one, must lie in the possible credit strain. Experience teaches that the danger to every period of prosperity lies in the development of over-confidence, and a consequent tendency to unwise use of credit. If this present period of prosperity is halted, it will be by the same old cause, and we are bound to guard against it."

FRANCE. — SOCIAL PROGRAMME — BUDGET DEBT EXTINCTION—BANK STATEMENT.

(FROM OUR CORRESPONDENT.)

PARIS, January 23.

THE new Government's economic and social programme, as set forth by M. Loucheur, Minister of Labour, in the debate raised by interpellations from various parties in the Chamber, is far reaching, and has been favourably accepted by public opinion. M. Loucheur, who can speak with authority on the subject, set forth both a doctrine and a programme. The doctrine was that of rationalisation of production as the basis of a programme of economic and social modernism, founded on the solidarity of capital and labour. Hitherto, M. Loucheur pointed out, the French employer has fought against increasing wages. "For the American employer, on the contrary, the main question is to create a huge mass of consumers with a maximum purchasing power, with the result that he has been able largely to increase wages and at the same time reduce production costs." Rationalisation M. Loucheur defined as "the suppression of useless efforts, the reduction of the number of standard types and models, the closing of factories working under bad conditions." He insisted that the co-operation between capital and labour, which must follow rationalisation, cannot be arrived at merely by participation in profits—firstly, because that would not admit the workers to take part in the direction of industry, and secondly because the proportion of profits distributed to capital is already too small to admit of further diminution. The Minister also condemned the system of factory committees, which had been tried in Germany, but had yielded nothing, except when they took the form of sanitary and safety committees. M. Loucheur's preference is for the development of the system of special issues of shares to employees. He announced that the Government proposed to modify the existing law on this point with a view to enabling trade unions to become shareholders. He also foreshadowed extensions of trade-union law for the purpose of rendering obligatory negotiations between employers and employed in all cases of dispute. The Government's majority of 85 confirmed the feasibility of the Minister's proposals so far as legislative effort is concerned.

Complete revenue returns for the past year show that the total yield from all budgetary sources during 1928 was 43,687,035,800f, of which 42,890,669,200f (or 2,699,000,000f more than in 1927) was derived from "normal and permanent resources." These totals do not include the revenue received by the Postal Department or that from the tobacco monopoly and the special taxation now allocated to the Caisse d'Amortissement. Fifty-eight per cent. (or 1,574 millions) of the increased yield during 1928 was derived from taxes on consumption, the increase in the yield from turnover tax alone being 760,000,000f. Direct taxation produced 732,582,100f less than in 1927, largely through delays in payment towards the end of the year, but "taxes on fortune" (registrations, stamp duties and taxes on Bourse operations) yielded 1,280,000,000f more than in the previous year. The revenue of the Caisse d'Amortissement in 1928 totalled 6,829,977,389f, of which 3,984,971,000f came from the tobacco monopoly, 2,179,487,000f from death and succession duties, and 665,518,000f from the 7 per cent. tax on property transfers. From this total of nearly 6,830 millions, however, must be deducted the working expenditure of the tobacco undertaking, after which a substantial portion of the remainder must be utilised for interest payments on the large mass of Defence Bonds still outstanding, so that the amount available for direct debt extinction is likely to be comparatively small. The Caisse's revenue was 723,958,479f more than in 1927, the yield from each of its three sources being over 200,000,000f more. The fact that the yield from the 7 per cent. special tax on property transfers was 203,000,000f (or nearly 50 per cent.) more than in 1927 suggests that the property market has now recovered from the shock which kept it in a state of semi-stagnation during the first 18 months after this tax was brought into existence.

The past financial year resulted in a realised surplus of 3,268 millions over Budget Estimates, which foreshadowed a purely nominal balance to the good. Theoretically, this surplus should be passed to the Caisse d'Amortissement for debt extinction purposes, but it is improbable that more than a fraction of the amount will be so utilised. Most of it, probably, will be absorbed for liquidating supplementary credits, as was the case in the previous year.

The new maximum limit for the circulation of Defence Bonds, which stood at 38,268 millions in 1928 (or 40,564 millions, if the "tolerance" of 6 per cent. extra be taken into account), has been fixed for 1929 at 35,487 millions (or, with the legal extra margin, 37,616,000,000f).

The extension of the powers of the Caisse d'Amortissement, which is now authorised to buy in Rentes on the open market for extinction purposes has already given an appreciable stimulus to quotations. It is understood that its choice has fixed on practically inconvertible issues, such as the 3 per cent. Perpetual Rente, which may be regarded as the leading scrip of its class by reason of its wide market. This stock, which stood at 65 in December (after having touched 76 in July), is quoted to-night at 69.70, a gain of 20c on the day. The Caisse, it is held, might without danger devote one-half of its available 6,000 millions to purchases of this stock. The adoption of such a policy would prepare the way for the issue of a loan, for the consolidation of Defence Bonds and the conversion of Caisse d'Amortissement Obligations, at a much lower rate of long-term interest than has latterly prevailed, and for which the market is apparently now prepared.

The Bank of France statement, which brings the situation down to January 11th, reveals further purchases of gold amounting to 1,030¼ million francs (following an increase of 702 millions in the previous week), bringing its total stock of the precious metal up to 33,709,295,194f, as against 30,852,000,000f in the middle of November, and 28,935,000,000f at the date of legal stabilisation. The Bank has now reconstituted its pre-war reserve, as it existed prior to its heavy sales of gold in 1915, 1916, and 1917, for the purpose of supporting the franc and furnishing means to continue the war. The last weekly statement also reveals a reduction in the note issue of 1,029,386,000f, which, with the increase in the metallic reserve, brought the cover for the Bank's sight engagements up to 41.27 per cent. (against the legal minimum of 35 per cent.), which is the highest recorded since stabilisation.

It is reported here that the Swedish Match Trust (which made a loan of $75,000,000 to the French Government a year or so ago, utilised to pay off a previous loan in the United States) has offered to furnish a further $412,000,000, in exchange for German reparation bonds, to enable the Government to liquidate the American commercial debt, due next August, which the Washington Government has refused to renew. Negotiations are unofficially reported to be proceeding here between M. Ivar Kreuger and the Ministry of Finance.

LEGAL & GENERAL
ASSURANCE SOCIETY LIMITED
Established 1836.
THE PRACTICAL POLICY
Something out of the ordinary in Life Assurance
Head Office: 10, FLEET STREET, LONDON, E.C.4.
near Temple Bar.
Assets Exceed - - £20,500,000
General Manager: W. A. WORKMAN, F.I.A.

GERMANY.—BUDGET FOR 1929-1930—REICHSBANK AND MONEY MARKET—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, January 22.

THE Finance Minister, Dr Hilferding, has published the main features of his Budget proposals for 1929-30. The opposition to all the plans of additional taxation so far discussed in public has been very strong, and there is conflict between the *Conservative parties, which in particular* oppose further direct taxation, and the Left, which objects to new taxes on consumption. Dr Hilferding's plan seeks to propitiate all groups, and so has not pleased any. The "Great Coalition" parties, under the arrangement come to when the Cabinet was created, are not bound to give parliamentary support to any Government measure.

The Budget will balance at about 9,900 million marks. Gross new expenditure totals 528 million marks, of which 312½ million marks is accounted for by the Reparation contribution. The rest of the increased contribution fell to the current year. The total of 528 million is reduced to 358 million marks by expenditure reductions of 170 million marks in other departments, in particular Defence, which costs 23 million marks less, Food Ministry 46 million marks less, Pensions 30 million marks less, and debt service 50 million marks less. The net expenditure increase is, therefore, only some 45½ million marks more than the addition to the Reparation contribution. On the revenue side, however, as compared with 1928-29 there is a loss of 125 million marks from coinage profits, and further, the surplus from the preceding year, which amounted to 175 million marks in 1928-29, is no longer available. The falling-off of revenue from both these sources is 300 million marks, which brings the total new revenue needed (though it is not so stated by the Minister) to 658 million marks.

The deficit is to be made good as follows:—From existing taxation (mainly sugar and tobacco) is expected 90 million marks above the estimated yield of 1928-29. Posts will contribute 136½ million marks, instead of as now 100 million marks, an additional 3½ million marks is expected from various administration receipts, and 120 million marks will be deducted from the federal subvention to states and municipalities. The sum obtained from the above four sources will be 250 million marks. The sum raisable by new taxation is only 379 million marks, which is to be obtained by increasing the beer tax by 165 million marks, the spirits tax by 90 million marks, the inheritance tax by 20 million marks, and the property tax by 104 million marks. The inheritance tax at present yields only £5,000,000, which is a very small fraction of the yield of the British estate duties. For this anomaly the usual explanation is that the cumulative effect of an annual property tax, which does not exist in Great Britain, is to reduce fortunes rapidly enough. The present property tax varies from 0.1 to 0.75 per cent. a year on total capital wealth. It will be increased all round by one-fifth. The total additional revenue appears to be 629 million marks, which would not entirely cover the deficit; and the Finance Minister has promised a 5 per cent. reduction of income-tax on incomes below 25,000 marks, the loss from which is not stated. Dr Hilferding complained of the unsatisfactory cash condition of the Treasury. A working fund, which is absolutely necessary, does not exist; it is impossible in the present state of the home capital market to float the loans already sanctioned for covering the extraordinary Budget deficits from former years; and the Government, in addition to using its Budget power to raise 400 million marks on Treasury bills, has been obliged to borrow from the Railways Corporation, the Posts, the Unemployment Insurance Fund, and the Preussenkasse.

The Reichsbank's reduction of its discount rate has not restored contact with the money market. In spite of enormous repayments of credits in the second week of January, money continued plentiful, and market rates are below the Reichsbank rate. The Reichsbank's return for the 15th shows a decline in discounts of 444 million marks and in circulation of 404 million marks. In the first two weeks of January discounts totalling 1,021 million marks were repaid, which constitutes a record, and the discount portfolio at 1,657 million marks is the lowest shown in a mid-month return since March, 1927. The gold cover ratio has risen to 66.9 per cent., combined gold and exchange cover to 70.7 per cent., day loans to-day were 3½-5½ per cent., month loans 7-8 per cent., private discount rate 5⅝ per cent. The fluidity of the money market is to some extent a seasonal phenomenon. The Reichsbank's view that the discount rate cut of January 12th would not make for a circulation increase has been so far justified. Circulation (combined Reichsbank and Rentenbank notes), which increased last year, is now down to 4,560 million marks, or 100 million marks below the figure of a year ago.

The Commerz und Privat Bank has absorbed the Braunschweigische Bank und Kreditanstalt, and the Deutsche Bank has acquired a majority interest in the Osnabrück Bank. The official wholesale-price index number for January 16th is 138.7. Unemployed members of the trade unions on December 31st were 16.7 per cent., against 9.4 per cent. a month before; partly unemployed 7 per cent., against 7.1 per cent. In eight trades connected with building 46.8 per cent. of union members were fully unemployed, in textiles 8.4 per cent., clothing 20.3 per cent., bootmaking 23.7 per cent. Ruhr coal output in 1928 totalled 114,577,050 metric tons, against 117,994,111 tons in 1927. Total sales by the Ruhr Syndicate (including coke and briquets reduced to coal value) were 111,104,811 tons, against 116,804,945 tons. The Syndicate's decision of November, carried by the mixed coal and iron works, as to the price to be credited to member firms, is being disputed before the Courts. Ingot steel production in December was 1,090,630 tons, against 1,371,518 tons in December, 1927. Comparative figures for the whole year were:—

	Metric Tons.
1913 (present area)	11,885,600
1919	7,847,356
1927	16,310,682
1928	14,517,165

The Pig-Iron Syndicate announces unchanged prices for February. Prices for export are firm, particularly for billets, bars, bands and certain kinds of sheets. The market for tinplates is quiet. The *Frankfurter Zeitung* expresses the view that an Anglo-German tinplate agreement is hardly possible in view of the great disparity between the two countries' outputs. German home prices are a little higher than British, and as there is no import duty any raising of them would lead to increased import. The receipts of the German works are unsatisfactory owing to the fact that a considerable part of production is exported at less than home prices. The General Electricity Company (A.E.G.) reports for 1927-28 net profits of 16,023,683 marks, as against 11,886,000 marks in 1926-27. The dividend is unchanged at 8 per cent., but is paid on 150 million marks capital, as against 120 million marks last year. The turnover, including that of controlled companies, was 500 million marks; orders on books at the end of the business year 385 million marks.

The price question in the artificial silk industry has been up for discussion. The securities of the leading companies were last week sold heavily owing to unfavourable rumours about impending home competition. In general, as in other countries, the Bourse quotations have declined. Vereinigte Glanzstoffe, which in May, 1928, sold at 880, now quotes at around 480. It is officially denied that the viscose artificial silk convention has been denounced, but it is added that the member concerns are for the present free from any price obligations, so that they may protect themselves against foreign competition, mainly from Italy.

DENMARK. — AGRICULTURE — PRICES — INDUSTRY—FOREIGN TRADE—FREIGHTS.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, January 16.

PUBLIC statements made at the New Year were generally optimistic, and have to some extent supported the faith in continued progress. Most importance was attached to the progress of agriculture during the latter part of 1928, thanks to the good crops and the more advantageous export prices. The crop returns were very much in excess of expectations at an earlier date. Compared with the crops of 1927, which was actually a poor year, the cereal crops showed an increase of 30 per cent., while turnips, &c., were 20 per cent. better, the actual 1928 figures being 35,200,000 hectokilos and 225,300,000 hectokilos respectively. For the greater part of 1928 the butter quotation was higher than last year. The final average was Kr. 3.13, against Kr. 3.01 in 1927. For the first few months the quotation was below 1927 figures, but then an improvement set in and carried the average beyond last year's level. The same was the case with bacon prices, but the average was only Kr. 0.02 above last year's figure (Kr. 1.37 per kilo, against Kr. 1.35 in 1927). The rise during the last two months of the year sufficed to make the average a trifle higher than that for 1927. For eggs the level of prices in 1928 and 1927 was about equal.

The official estimate of the value of exports of agricultural produce in 1928 is about Kr. 1,160,000,000, or about Kr. 60,000,000 more than in 1927. This progress is partly due to an increase of the quantities of butter and bacon exported, partly to the fact that, while the wholesale price index for 1928 showed a figure of 147 for import goods, or the same average as in 1927, the index for export goods showed a rise from 136 to 139. The index for home-market goods declined from 166 to 163, while the entire wholesale price index showed an unchanged figure of 153. This change is decidedly in favour of agriculture as an export trade, though the difference is not very great; but the improvement is shown more clearly by comparing the figures for the first and last six months of 1928, as will appear from the following summary:—

	Jan.-June.	July-Dec.
Import goods	149	145
Export goods	131	146
Home market goods	165	161
The entire index	154	152

This shows the pronounced rise of the export group, and the Statistical Department comments this in its New Year review in the following manner:—

"This means an advantage, through increased profit for the community as a whole on the foreign trade, as well as by enabling the agricultural trade to purchase increased labour and more goods from artisans, manufacturers, &c. This change in the level of prices, in connection with the good crop returns, has therefore contributed towards the improvement of the industrial situation. This was first traced towards the end of 1927, and was to be ascribed to increased adaptation of the manufacturing trades to the new level of prices, to less effective competition from abroad, and to some extent to improved conditions, as, for instance, rising prices of textiles, and particularly of boots and shoes."

Owing to the depression which still affects a number of industrial lines, the number of unemployed is still considerable. According to the most recent computation the number was 75,862, but this is after all a considerable improvement as compared with last year at the same time, when the number was as high as 88,700. It is pointed out from various sources that the manufacturing trades have made progress in foreign markets, which will no doubt be traced in the statistics as increased industrial exports. How much the progress will amount to is not easy to estimate, but that the industrial exports are not without importance is shown by the 1927 figure, which was about Kr. 260,000,000.

In the course of the year foreign trade has increased. According to recent statistics, the value of imports in the period January-November was Kr. 1,591,000,000, against Kr. 1,497,000,000 during the corresponding period of last year. At the same time, exports have shown a practically corresponding increase, i.e., from Kr. 1,413,000,000 to Kr. 1,510,000,000, the excess of imports for each of the two periods being thus just over Kr. 80,000,000. In the circumstances this deficit is not considerable, and in view of the plentiful supply of capital from abroad it has not exercised any appreciable influence on the balance of payments. Apart from this, the gross earnings of the mercantile marine in foreign trade will presumably have amounted to Kr. 180,000,000 or Kr. 185,000,000, against just over Kr. 198,000,000 in 1927.

The Danish freight index figure showed a rise from 96.5 in May, 1928, to 114.6 in November, and will presumably be about 104 for the entire year, against about 112 for 1927. Freights were higher in the early part of the year than in the corresponding period of 1927, while at the end of 1928 the figure was likewise better than a year ago (114.6 for November, 1928, against 107.5 for November, 1927), and at the New Year it was the unanimous opinion that the state of affairs was satisfactory.

ARGENTINA. — CROPS — MONEY — AMERICAN PENETRATION—EXCHANGES—FREIGHTS.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, January 3.

CROPS are turning out even larger than the first highly favourable estimates, owing to increased use of pedigree seed, and yields of 8,000,000 tons wheat and 2,500,000 tons linseed are now certain. This means exportable surpluses of 6,500,000 tons and 2,300,000 tons respectively, figures never previously attained. It is a harvest that will tax Argentine transport facilities to the uttermost, and as the maize, down to the time of writing, has never been in better condition, or sown over a wider area, the 1929 prospect is bright for all crops. This promises general prosperity in all branches of trade, as arable farming has a much wider influence on business movement throughout the country than cattle-raising. Whereas a rise or fall in the price of steers may affect the number of animals bred to the requirements of the meat trade, and increase or diminish individual wealth in a limited number of instances, such changes make no difference to the material position of the small number of labourers that cattle breeding requires. The numerical superiority of the cereal-growing population, and the reaction of its growth upon the trade and general activities of the provincial townships, becomes daily more manifest; and is even more important, commercially and financially, than one would suppose from the relative export figures giving values of cereal and pastoral products, which for the first eleven months of 1928 were $311,622,957 gold and $606,855,065 gold respectively. Quotations, though easier, may be considered fully remunerative to the grower. Wheat, spot, is $9.30 paper per 100 kilos, with $9.60 for February. Linseed $15.15 spot and $15 for February. Maize $8.95 spot, and $9 February, with new season's May delivery quoted at $7.60.

The satisfactory harvest conditions occur conjointly with unusual ease in the money market, rates for discount and advances being barely sustained at 5½ to 6 per cent. Local bankers have indeed been offering the Government money on terms below these figures; it is said at 4½ per cent. for six months, at which price the two German banks were willing to employ $30,000,000 paper. This has not been officially confirmed, since the Argentine Government declined to discuss any of the offers, as it is not at present in need of funds. Revenue receipts are higher all round, as the result of a marked increase in imports, those of the Buenos Aires Customs House at December 26th totalling $352,626,126 paper, as against $318,085,988 paper in 1927. General business movement is quieter than this satisfactory state of production would lead one to expect. Nevertheless, the year ends much better than it began, and widespread and profitable movement in every field seems assured for 1929. The railway outlook is distinctly good. Relations with the new Government are now on a sound and friendly footing, new construction and greatly improved services have been recognised to be mutually beneficial, and personal interviews between H.E. President Irigoyen and various visiting directors are manifestly contributory to a good understanding.

International interest in the Argentine market, both as a field for investment and as a purchaser of manufactured goods, is stronger than ever. Mr Hoover's visit, unofficial and uncommercial though it was declared to be, has done much to strengthen Argentine friendship with the United States, on the official side. His personality may be said to have turned what was first regarded as a mere duty reception into a sincere welcome, and the sound-

ness and sobriety of the views expressed on Latin American, on commercial, and on financial affairs were fully appreciated by the Argentine public. There can, however, be no two opinions regarding the powerful penetration of American business interests in Argentina, based on possession of ample means, excellent organisation, and expressed readiness to look rather to the future than to the immediate present for their material benefit. Absorption of the River Plate Telephone Company, though not actually completed at the moment of writing, together with various recent electrical investments, will strengthen the American financial and commercial position to an extent that is not realised in London. For American business is pursuing a policy similar to that of Germany in Italy between 1900-1913, namely, insisting on complete control by American interests of every operation from first to last, regardless of old connections or the wishes of individuals. To assume, therefore, that the sale of foreign enterprises to American interests does not necessarily mean a change in the sources whence goods are supplied is to be blind to facts. American interest in Argentina to-day is wholly for account of the export, shipping, banking, insurance, and distributing services of the United States; nor does she seek to disguise it, though she is quite willing to allow others to credit her with altruistic motives if they wish to do so.

Conditions in the exchange market have changed but little during December. For the first fortnight rates moved against Argentina, and trifling gold shipments, $3,750,000 U.S., were made, though it is reasonable to suppose that of this sum the shipment of $3,000,000 U.S. to the Bank of France responded rather to the private requirements of the shippers, a Continental bank, than to the profit derivable from such an operation. Exchange closes at 47 9-32 cable and 104.55 cable N.Y., with heavy demands by remitters, and as yet comparatively little export paper coming forward. Freights are firmer at 25s 6d for January loading on the San Lorenzo range to U.K./Continent, but February/March quotations are uncertain, and fixtures have been made at 22s 6d Buenos Aires to Antwerp/Rotterdam, as it is held that the certainty of heavy crops will lead to an excessive influx of tramp tonnage, thereby allowing shippers to charter at their own convenience as regards rates.

SOUTH AFRICA.—POLITICS—GOLD OUTPUT—FINANCE.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, December 31.

ON December 5th General Smuts opened the ninth Union Congress of the South African Party at Bloemfontein. As it is not unreasonable to hope for General Smuts' early return to power, his speeches attract even more than usual notice. The position of the Pact is very weak, owing to the dissensions in the Labour ranks—if "ranks" is still an appropriate word—the general differences between the Labour and Nationalist parties, and a still thinly disguised sectionalism amongst the Nationalists. General Smuts said that his party's native policy would be to deal with immediate social and economic aspects of the problem, and not to embark on experimental amendments to the Cape native franchise or similarly debatable political issues. Further features of the programme would be the stimulation of immigration and a measure for the enfranchisement of women, the latter being especially promised an early place. General Smuts also referred to "steps to prolong the life of the gold mines and to open up new fields." One or two comments on the statement suggest themselves: The average S.A.P. supporter is less negrophobe than his opponents, but the general attitude throughout the country is not favourable to an enlightened or impartial programme in native questions; almost the same comment might be made *mutatis mutandis* in regard to immigration; as regards the mining industry, probably the most important long-run assistance would be a drastic revision of the tariff and railway rate policies—and drastic revision is unlikely.

In his speech at the quarterly meeting of the Chamber of Mines, Mr A. W. Rogers, the president, pointed out that the November output brought the officially recorded Rand output to a total exceeding £1,000 millions. This includes the "premium" of approximately £32 millions in the years 1919 to 1925. As an important section of financial opinion fears a return to the currency difficulties of 35 years ago owing to shortage of gold, South African domestic policy (where it specially affects the gold mines) appears likely to possess considerable general importance in the future.

The dividends declared by the Rand gold-mining companies making returns to the Chamber of Mines amount to £4,085,471 for the second half of the year, making £7,980,095 for the year. This is about £7,000 short of last year's figure, but if the Sub-Nigel be regarded as a Rand company (the Government records always treat it as "Outside") the increase in that company's returns more than maintains last year's figure. Of the total of £7,980,000, £6,926,000 was declared by companies east of Kleinfontein.

The Auditor-General has published his Report on the accounts of the Union Government for the year ended March 31, 1928. During the year the debt of the Union increased by £7,450,117, the total debt at the end of the year being £238,926,064. The interest payable is £10,035,163, an average of 4.2 per cent; 60 per cent. is payable in London and 40 in South Africa. The Union revenue during the year was £30,094,004, and the expenditure £28,303,608. The Auditor-General is of the opinion that the method of presenting certain historical information obscures the growth of interest on public debt.

Letters to the Editor

COMPANY SHARES AND REAL CAPITAL.

SIR,—It has lately been suggested in responsible quarters that such intangible assets as goodwill, patents, and the like, the values of which depend entirely on future hopes and expectations, are not in any circumstances assets suitable to be included in a balance-sheet. There is much to be said for this view, and especially as it applies to the balance-sheet of a joint-stock company.

The amount of the issued capital of a joint-stock company is fixed and irredeemable, and is required by law to be maintained. This means, of course, that the amount of the assets at appropriate values, less the liabilities, should never fall below the amount of the issued capital.

But in modern financial practice this legal requirement is honoured more in the breach than in the observance. This happens through its having become customary to issue joint-stock company capital to an amount in excess of the real capital represented by actually existing things, such as land, buildings, plant, machinery, raw materials, manufactured stock, book debts and cash over liabilities. Thus, share capital issued often includes the present value of rights to receive future benefits expected to arise from patents and from goodwill.

The difference between the two classes of capital is that one exists and the other does not exist; and while the appropriate values at any time of all things which exist can be ascertained without much room for serious differences of opinion by the aid of logical and well-known accounting rules, there are no accounting or any other rules possible to measure the value of mere rights; hence it is said that the computed present value of such assets as patents and goodwill should not be included in the amount of the fixed and irredeemable capital of a joint-stock company, but should always be represented by shares either of "no par value," or of merely nominal amount, such as one penny each. If this sound and simple rule had been followed in recent years many financial disasters, including the tragedy of the Lancashire cotton industry, would have been to a large extent avoided.

In order to illustrate the difference between the present practice, which has the highest sanction, and that which is suggested, the case may be taken of a recent very successful industrial issue, made on the London market. The public issue referred to was subscribed for many times over, and the demand for the shares is so great that they are quoted on the market at a very large premium. The capital is £7,000,000, divided into 7,000,000 ordinary shares of £1 each, of which 4,200,000 were issued to the vendors as fully-paid-up. This

£4,200,000 included patents and goodwill, valued at £1,200,000. The issue was thus made up as under:—

	£	£
Vendors, who contributed land, plant, machinery, stock, and book debts over creditors, in addition to patents and goodwill—		
Real capital	3,000,000	
Patents and goodwill	1,200,000	
		4,200,000
New subscribers, who contributed cash for 2,800,000 shares of £1 each		2,800,000
		7,000,000

It will be observed that the actually existing capital in this undertaking amounted to £5,800,000 only, because £1,200,000 of the £7,000,000 was represented by patents and goodwill. The point is that whereas, with the aid of well-known accounting rules, the actually existing assets of such an undertaking can, and should, be maintained in the future at an amount of not less than £5,800,000; the value of purchased goodwill, consisting in this case of both patents and goodwill, cannot be so maintained. The cost of purchased goodwill—apart altogether from the question of whether in future years the then current goodwill is increasing or decreasing in value—is always a wasting asset comparable to a terminating annuity. This is owing to the inevitable effect of interest on the purchase price of estimated future receipts of super-profit when discounted at an adequate rate of interest which can rarely be less than 10 per cent. per annum. Thus time is the controlling factor, and nearly the whole of the cost of purchased goodwill automatically expires within a period not exceeding about twenty years.

A sound alternative plan for an issue of share capital in a similar case would be to limit the fixed share capital to the amount of the real or actually existing assets, plus the necessary working capital. The fixed capital would then consist of 5,800,000 ordinary shares of £1 each, supplemented by an issue of perhaps 580,000 deferred or equity shares, which must be of one penny each—amounting therefore to £2,416, because shares "no par value" are not at present permitted in this country. The question of allocating these equity shares of one penny each between the vendors and the new subscribers would arise, and also the question of the rate of priority dividend and any further profits participation payable on the ordinary shares. Let it be assumed that the 5,800,000 ordinary shares will be entitled to a fixed priority cumulative dividend at the rate of 8 per cent. per annum with a further participation in profits equal to 40 per cent. of the balance of distributable profits earned in any year after providing the priority dividend, and that the deferred shares of one penny each will take the remaining 60 per cent. of such balance of profits.

The capital issue would then stand as under:—

	£
5,800,000 8% cumulative ordinary shares of £1 each, *i.e.*, vendors 3,000,000 and new subscribers 2,800,000	5,800,000
580,000 deferred shares of one penny each	2,416
	5,802,416

As a further inducement to the new subscribers for the 2,800,000 ordinary shares, it might be arranged that they shall be entitled to apply for one deferred share in respect of each twenty ordinary shares applied for, and this would result in the deferred shares being allocated as to 140,000 to the subscribers and as to the balance 440,000 to the vendors.

With annual profits in the future equal to, say, 15 per cent. on £7,000,000, amounting to £1,050,000, these would then be distributable between the holders for the time being of the vendors' shares, and of the subscribers' shares in much the same proportions as under the first-mentioned scheme, thus:—

	£	
Vendors' shares—		
8% on 3,000,000 shares of £1 each	240,000	
30/58ths of £234,400, being 40% of balance of distributable profits after paying the priority dividend	121,241	
44/58ths of £351,600, being 60% of balance of distributable profits	266,731	
		627,972
Note.—Under the first-mentioned scheme 15% on 4,200,000 shares of £1 each amounts to £630,000 and would go to vendors' shares.		
New subscribers' shares—		
8% on 2,800,000 shares of £1 each	224,000	
28/58ths of £234,400, being 40% of balance of distributable profits after paying the priority dividend	113,159	
14/58ths of £351,600, being 60% of balance of distributable profits	84,869	
		422,028
Note.—Under the first-mentioned scheme 15% on 2,800,000 shares of £1 each amounts to £420,000 and would go to new subscribers' shares.		
		1,050,000

With less annual profits the new subscribers would receive a larger fraction of the whole amount than under the first-mentioned scheme, and with more profits they would receive a smaller fraction; and this is surely an equitable tendency.

The issue of deferred or equity shares of the nominal value of one penny each leaves market dealings in the equity as free and unfettered as before. This method has long been adopted in Canada, the United States of America and other countries. It does not interfere in any way with the fullest scope for infinite variety in the arrangement of company finance; while it safeguards the sound principle that the amount of company-share capital should never exceed the amount, at appropriate values, of real and actually existing capital.

In modern practice, it now sometimes happens that more than half the issued capital of a joint-stock company is represented by nothing but value in the nature of goodwill. The trouble is that shareholders in a company naturally expect their capital to earn not less than a reasonable rate of profit per cent. on the amount of the registered value of their shares, just as the operating staff of a company expect to receive not less than a reasonable salary or wage per person employed. Hence this form of capital inflation must tend to increase the amount of profit required to make the carrying on of an undertaking worth while; and it must also react upon prices, causing them to be maintained at an uneconomically high level to the detriment of trade.—Yours faithfully, P. D. LEAKE.

25 Abchurch lane, London, E.C. 4, January 22nd, 1929.

FREE TRADE AND THE MOBILITY OF CAPITAL.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your leading article of January 19th you comment very fully and very fairly on a letter of mine which appeared in your issue of November 3rd, and on my subsequent letter in your present issue, the subject being the international mobility of capital in relation to Free Trade as a national system, and you refer to this as "a new argument which is being vigorously used by the Protectionist side." As to its newness I shall have something to say presently, but as to its use—if it is used, for we have many Gallios where political economy is concerned!—the responsibility appears to be largely mine, since I emphasised the point very strongly in my book, "The Truth at Last," and have since continued to do so in numerous letters to the Press all over the country. My whole difficulty now is to compress what should occupy an average length article into the space even of a long letter, but I will try.

You say that, after quoting Mill and Bagehot, I fall "into the elementary fallacy of supposing that because one of the reasons why the pioneers of the Free Trade case believed in their cause has ceased to be true, that, therefore, the case itself has ceased to be tenable." My answer to this is that the non-mobility of capital (as regards transfer to other countries) cannot be described as a "reason" for believing in Free Trade at all: it is a *condition*—the essential condition, in fact—which alone makes Free Trade tenable as a theory of national application. To substantiate this, however, necessitates quotation; and thereby I shall also be able to show that here is no question of "pioneers," whose theory and reasoning or this point has been improved upon or even superseded by modern economists, but that, and of late years in total disregard of flagrant facts, there has been continuity throughout.

In 1776, when "The Wealth of Nations" was published, foreign investment as we know it did not exist; there was not even the Stock Exchange until 1801, and foreign investment, in our sense, did not begin until some twenty to thirty years after that. Nevertheless, Adam Smith was careful to lay down, in the very forefront of his argument, this all-important premise: "Every individual endeavours to employ his capital as near home as he can." This forms the basis of his subsequent argument, which arrives at the conclusion that, "Though a great number of people should, by thus restoring the freedom of trade, be thrown all at once out of their ordinary employment . . . it would by no means follow that they would lose their employment. . . . The stock (capital) which employed them in a particular manufacture before will still remain in the country to employ an equal number of people in some other way. *The capital of the country remaining the same*, the demand for labour will be the same, or very nearly the same, though it may be exerted in different places and for different occupations" (my italics). I need hardly point out the alternative, if the capital does *not* remain in the country—it is obvious—but, to show the continuity of reasoning on this subject, let me give a quotation from Professor Marshall—scarcely a "pioneer"!—which is, in fact, a mere paraphrase of the above passage from Adam Smith: "A chief corner-stone of our present fiscal system is the great truth that the importation of goods which can be produced at home does not in general displace labour, but only changes the direction of employment." Why? Because "the stock which employed them will still remain in the country!"

The converse case, so to speak, that of industries, not destroyed by Free Trade, but established by Protection, is, in my opinion, most clearly dealt with by Mill. I quoted the

relevant passage in my letter of November 3rd. Summarised, his argument is that any capital, which, by the action of Protection, is drawn to a protected industry, "must have been withdrawn or withheld from some other" (*sc.* home industry), "in which it gave, or would have given, employment to probably about the same quantity of labour." It will be observed that the possibility of the capital in question being "withdrawn or withheld" from any source or destination *outside* the country simply is not contemplated, still less the entry of foreign-owned capital. Should this occur, however—as, in fact, it has—there would be an *addition* to the amount of capital in the country, and, to quote Mill again, "Any increase of capital gives, or is capable of giving, additional employment of labour, and this without assignable limit." How Mill reconciled his position regarding Protection with his acceptance and knowledge of foreign investment (this was in 1848) is a complete mystery; it is, in fact, irrational.

So much for the "pioneers"; though my previous quotation from Bagehot was, I submit, valuable, as evidence of the mere fact that (about 1880—were they still "pioneering" then?) English political economy in general took the position that, while capital fluctuated from trade to trade within a nation, it did not, as a rule, migrate beyond that nation. But I will turn to the (comparatively) Moderns. Professor Marshall (already quoted), in the 3rd edition of his "Principles of Political Economy" (1895) says: "Mill is clearly right in saying that, in general, the capital that is supplied to support and aid labour in any new industry created by such" (protective) "duties 'must have been withdrawn or withheld from some other.'" On the contrary, I say Mill is clearly wrong, and there is no "must" about it, nor need our reverence for great economists blind us to the fact; they are not, after all, Holy Writ; and even that, I believe, is subject to criticism. Lest, however, it be thought that criticism from so obscure a mortal as myself is of little value—the *argumentum ad hominem*!—let me quote Professor J. Shield Nicholson ("A Project of Empire," 1909): "Recent estimates show" (those of Sir George Paish) "that we have already three thousand millions invested abroad. . . . Under these conditions, then, it cannot be said that the amount of capital available for home industry is limited, and that the artificial expansion of one industry (by means of protection) can only mean the abstraction of capital from some other home industry; it may come from what would otherwise have been exported." (Or it may be foreign owned.) Again: "It is clear that Adam Smith's argument in favour of free imports can only be reconciled with his position on the relative advantage of the home employment of capital and labour, if it is proved in fact (not merely as an assumption) that the capital and labour displaced by the foreign import will find employment at home. If the result were that capital would be sent abroad, and if labour was unemployed or forced to emigrate, the effect on the total of home industry would in general be advantageous . . . from the national standpoint."

One more "Modern," and then I have done with quotations. Professor Bastable (who headed the list of 14 economists who signed the 1903 Memorandum against Mr Joseph Chamberlain's proposals) writes, in his "Theory of International Trade" (4th revised edition, 1903): "We now have before us the elementary facts to which the doctrine" (Free Trade) "has to be applied, viz., the various groups" (nations) "which exchange commodities, *but between which the industrial agents do not pass.*" The "industrial agents" are, of course, capital and labour; comment really seems superfluous. The italics are mine.

I think, Sir, I have given enough evidence—though I could give more—to show that the non-mobility of capital cannot possibly be regarded merely as one of a number of reasons, to be discarded at will, and without disturbing the theory, for believing in Free Trade as a national system. On the contrary, it is surely evident that, from first to last, it has been and still is—at any rate, in the opinion of the economists themselves—a condition essential to the maintenance of the theory; it is, indeed, the very key-stone of the whole arch. *Why*, inherently, this is and must be so, I hope to show later.

But my letter is too long already. On a future occasion I hope also to be permitted to reply to the various interesting questions you raise. Now, I can only touch on your own quotation from Mill. This must be taken in conjunction with the whole chapter ("On the Tendency of Profits to a Minimum") in which it occurs, and it refers to a condition in which the country is, so to speak, *saturated* with capital, and with no unemployment. Then, in those conditions, Mill (rightly) justifies the *over-flow* of capital; such conditions, however, are very far from those existing in this country to-day.

—Yours faithfully, DOUGLAS GRAHAM.

16, Girdlers road, London, W.14, 22nd January, 1929.

[The process of culling quotations from their contexts in the works of classic economists is, as we showed last week, unprofitable and irrelevant. For the rest Mr Graham meets no single point in our article, and adduces no constructive argument to support his theory.—ED., *Econ.*]

Books and Publications.

FASCIST FINANCE.*

THE Fascist Government has been second only to the Bolshevik in the passions and prejudices it has aroused. It has consequently become almost as difficult to get an objective impression of affairs in Italy as in Russia. This work is therefore timely and welcome.

M. Perroux, in his account of the financial and economic vicissitudes of Italy during the nine years following the Armistice, points out that the pre-Fascist period (of four years) is marked by two fairly distinct phases: disequilibrium lasting about three years, followed by a definite tendency towards recovery, beginning about the end of 1921 and continuing during 1922. Like every other country, Italy suffered from the economic *malaise* of the post-Armistice period, and from the crisis of 1920 in particular. The general results were the same in Italy as elsewhere, but they were more dangerous, because Italy was relatively poor and lacked the political maturity of the other great democracies. Nevertheless, on the economic side, nobody doubted that the country was on the road to recovery some months before the Fascist march on Rome. This convalescence was admitted by all Italian experts, and is clearly indicated by the official statistics, but it was not enough to save the political system from overthrow. Opinions as to the merits and demerits of that system will depend largely on the personal prejudices of the critic, but it is indisputable that the democratic governments showed initiative and resource in combating their financial difficulties. The reform of the income-tax in 1919 was an important and successful work. The tax on war fortunes was a failure, and a further attempt to increase the revenue was made by stiffening the succession duties. But most interesting of all to us, in view of the controversy about a similar project here, was the capital levy. This was maintained in force by the Fascists, when they came into office, with only minor modifications. On the whole it seems to have worked well, and without causing the disastrous repercussions foretold by its opponents, but many individual cases of hardship occurred. The two principal innovations made by the Fascists in the system of taxation have been the abolition of the succession duties and the extension of the income-tax to farmers' profits, officials' salaries, and workers' wages.

The Fascists' claim to originality must rest rather on their adaptation of syndicalist ideas in their organisation of the Corporative State, than on anything they have done in the realm of finance. Both as regards this and the other matters dealt with in this book, such as the stabilisation of the lira, the funding of the internal debt and the debt settlements with Great Britain and the U.S.A., it is as yet too early to form final judgments. M. Perroux recognises this, and has confined himself to a dispassionate account of the chain of events and of the theories and arguments of the contending partisans. Thus in time the facts may come to be more or less disentangled from the propaganda.

* "Contribution à l'étude de l'économie et des Finances Publiques d'Italie depuis la Guerre." By François Perroux. Publisher, Marcel Giard, Paris. Pp. 357. 50 frs.

THE PRESERVATION OF ENGLAND'S BEAUTY.

THE National Trust was fortunate indeed when, in addition to the services of a photographer who is an artist, it secured so persuasive a pen as that of Professor G. M. Trevelyan to voice its plea* to the nation. This account of its work should move every reader who has any sense either of beauty or of patriotism, to do what he can to help. The essence of the position is that as the State refuses to hold land in perpetuity for the purpose of conserving its amenities, whether they consist of natural beauty or of historic buildings, the National Trust is the only body to which land and buildings can be given with the certainty that they will be preserved for ever. But the trust is severely hampered in its work by lack of

* "Must England's Beauty Perish?" By G. M. Trevelyan. (London) Faber and Gwyer, Limited, 24, Russell square.

necessary funds. Two immediate implications of this should appeal particularly to economists: in the first place it means that many precious buildings or tracts of country which are offered to the Trust as gifts have to be refused if the offer is unaccompanied by an endowment for their upkeep, and so are lost to the nation and fall a prey to the speculative builder, to be pulled down or built over with bungalows. In the second place it means that the foresight of the Trust, which often divines that a stretch of woodland or down which could now be bought quite cheaply will in ten years or so be commanding a prohibitive price, is rendered nugatory by the absence of means to step in and purchase while the terms are favourable. If the country-loving and history-loving public would contribute according to their means, the work of the Trust could be extended in this way out of all proportion to the increase in expenditure, and such pathetic compromises as the acquisition of Ashridge denuded of part of its timber could be avoided.

Professor Trevelyan makes it clear that the National Trust carries self-help as far as it possibly can. It holds agricultural land and other remunerative properties with the purpose of using their rents as an endowment for the upkeep of less remunerative property, and it is meditating a campaign to secure exemption from death duties. This seems a very obviously needed reform, and it is to be hoped that strong public support will avert the necessity of an expensive fight.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

The Road to Plenty. By William T. Foster and Waddel Catchings. Sir Isaac Pitman and Sons, Limited. (London) Parker street, Kingsway, W.C. 2. 3s 6d net.

This is the fourth volume in the courageous series in which the authors attack the problem of the existence of unemployment and idle machinery concurrently with unsatisfied needs. The authors claim to propose "a simple, feasible, and immediate way of .....enabling the people as a whole to gain greater and more durable satisfaction out of the marvellous machinery of modern business." We do not promise that any reader will agree with it all, but our advice is "read it."

Managerial Profit Sharing. By C. Canby Balderston. (New York) John Wiley and Sons, 440 Fourth avenue.

It is here argued that a system of profit-sharing applicable to the managing staff improves the quality and quantity of their work. The argument is illustrated and developed by an analysis of existing schemes.

Economic Nationalism of the Danubian States. By Leo Pasvolsky. (New York) The Macmillan Company. $3.00.

This well-documented publication fills a gap which has been increasingly felt of late years.

Distribution of Securities Through the Stock Market. By J. E. Meeker. (New York) New York Stock Exchange, 11 Wall street.

A discussion, within the compass of 31 pages and illustrated by admirable charts, of the economics of the New York Stock Exchange.

The Co-operative Movement in India. By J. L. Raina. (Bombay) D. B. Taraporevala, Sons and Co., "Kitab Mahal," Hornby road. Rs. 2.

A surprising variety in the forms taken by co-operative enterprise in India is revealed by this little book.

Shiva, or the Future of India. By R. J. Minney. (London) Kegan Paul, Trench, Trubner and Co., Limited, 68-74 Carter lane. 2s 6d net.

A vigorous little book whose thesis is that India has a great future before her, but cannot attain it without determined British help.

The Politics of a Socialist Employer. By Percival Davies. (Skipton-in-Craven) Maurice Webb, 25 Neville street. 7d.

A statement of Labour Party policy which derives interest and convincingness from its non-Labour origin.

Moody's Manual of Investments. Government Securities. 1929. (London) Moody's Investor Service, Limited, 35 King William street.

Contains, as usual, full information relating not only to the securities but to the Municipalities and States issuing them. In addition to this the special system of rating securities provides such guidance for the investor as he can find nowhere else.

1929 *Financial Notes.* A cumulative alphabetical financial summary. By subscription, £1 1s. *Mid-Monthly Supplementary List of Unquoted Securities in which dealings are marked on the Stock Exchange.* By subscription, 42s per annum. *Monthly and Yearly Highest and Lowest Prices, with a Diary of Principal Events in* 1928. Price 2s 6d.

The foregoing publications are all issued by Messrs F. C. Mathieson and Sons, 16 Copthall avenue, E.C. 2, and can be recommended to all interested in the prices and movements of Stock Exchange securities. The valuable information contained therein is difficult to obtain elsewhere.

The Oxford Preservation Trust. Annual Report. 1927-28. (Oxford) The Convener, Oxford Preservation Trust.

A record of a fruitful year's work for which the public has reason to be grateful.

Bulletin of the Institution of Mining and Metallurgy, January, 1929. (London) Institution of Mining and Metallurgy, 225 City road.

In addition to the usual official notices there are *inter alia* papers and discussions on: "The Possibilities of Reviving Non-ferrous Metallurgy in Great Britain," "The Importance of Recovered or Secondary Tin," "The Inefficient Use of Compressed Air in Mining."

The Economic Record. November, 1928. (London) Macmillan and Co., Limited, St Martin's street. 5s net.

Contains a number of articles on matters of economic importance in Australia and New Zealand. Subjects dealt with include coal, labour, railway maintenance expenditure, industrial arbitration, rural credits, and loan expenditure.

World Trade. January, 1929. (Paris) Journal of the International Chamber of Commerce, 38 Cours Albert 1er. 1s.

An interesting number, including articles on "The Most Favoured Nation Clause"; "International Industrial Statistics"; "Uniform Nomenclature in Customs Tariffs and in Railway Tariffs"; "Double Taxation"; "Progress of the International Silk Federation."

International Labour Review. January, 1929. (London) George Allen and Unwin, 40 Museum street. 2s 6d.

This interesting number contains the following articles:—Migration Problems and the Havana Conference of 1928; An Inquiry into the Conditions of Work and Life of Journalists; Seasonal Unemployment in the Building Industry in Certain European Countries; Soviet Legislation in China under the Nationalist Government.

Die Wirtschaft des Auslandes, 1900-1927. (Berlin) Verlag von Reimar Hobbing. 28 Rhmks.

This monumental volume contains a wealth of information, officially compiled in Germany, on the economic conditions of almost every country in the world. There is a wealth of statistical matter dating back, where possible, to 1900, and as special pains have been taken to secure comparability between the figures for different countries, the book should be an invaluable work of reference for people who can read German.

Das Problem der Berufsauslese für die Industrie. Von Dr. Rudolf Schindler (Jena) Verlag von Gustav Fischer. 1.50 marks.

A discussion, in German, of that side of rationalisation which consists in fitting the right worker into the right job.

Belastungsprobe. By Erich Welter. (Frankfurt-on-Main) Frankfurter Societäts-Druckerei G.M.B.H., Abteilung Buchverlag.

This reprint from the *Frankfurter Zeitung* is of considerable topical interest, in view of the present position of the Reparations question. Dr Welter finds that the past year brought some setback in Germany's economic development, and adduces a number of figures in support of his argument. Whether they prove his case is for the reader to judge.

Archiv für Eisenbahnwesen. (Berlin) Verlag von Julius Springer.

Among the railways which are discussed in this number are those of Belgium, Jugo-Slavia, the United States, and Holland. There is an article on railway development in China.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—

Report of the Commission on Closer Union of the Dependencies in Eastern and Central Africa. Cmd. 3,234. 6s net.

Department of Overseas Trade. Report on the Trade and Commerce of East Africa, September, 1928. 2s net.

The Stock Exchange.

SOUTH AFRICAN FINANCE HOUSES.

THE shares of the South African finance houses cannot escape being affected by sentiment in the "Kaffir" market, seeing that their revenue for the most part is derived from investments in South African gold, diamond, and platinum mining companies under their control. At the present time the "Kaffir" market is neglected. That is, perhaps, not so remarkable if we consider that so many "bull" points are conspicuous by their absence. The reports of the gold-mining companies, for example, while they have been satisfactory, have lacked anything spectacular. Since the conclusion in September last of the agreement between the Union and the Portuguese Governments regarding the introduction of native labour from Mozambique, labour difficulties have not been pressing, but there is still the possibility that the companies may have to ask the Government to relax the restrictions which are at present imposed on the introduction of natives from certain areas. As regards the diamond situation, it is true that Mr S. B. Joel, at the general meeting of Johannesburg Consolidated ("Johnnies") on December 4th last, took a more hopeful view. The Diamond Syndicate, which is composed of the big producing companies and the two finance houses chiefly interested in diamonds, undoubtedly saved the situation at the expense of accumulating at the end of 1927 a stock of diamonds to the value of £8,000,000. The Precious Stones Act has now enabled the South African Government to restrict production of the Lichtenburg alluvial fields, whose output in 1927 was no less than £5,224,265, as against £1,869,410 in 1926, while in the new Namaqualand alluvial fields, where State diggings have been instituted, the Government has refused to throw open further areas. The policy of the Diamond Syndicate in restricting supplies to meet the requirements of the trade has successfully maintained diamond prices. On the other hand, the potential output of diamonds must still cause concern to shareholders of the diamond-producing companies. Finally, the platinum mining industry is still depressed. The companies are now engaged in developing a satisfactory extraction process, but the fact remains that the price of platinum is now about £14¼ per ounce as against £24 per ounce when the platinum boom was in full swing. Such is the general situation which has affected the market in South African shares.

If the accounts of holding companies were more informative, perhaps the investor would better appreciate the security behind the South African finance shares. Whatever the situation may be on the Rand, the big South African finance companies, with one possible exception, are now firmly established on their own financial legs. Some have trading and mining interests outside South Africa, and even in South Africa most have spread their investments so widely that they can withstand individual blows of fortune in the mining fields. It is true that their mining investments are wasting assets, but the prudent finance house creates out of its profits its own redemption funds. The security behind the different finance shares varies, of course, greatly according to the settled nature and distribution of the respective revenues. Unfortunately, the accounts of these financial houses are generally silent upon the main point at issue—the proportions in which their income is derived from the different mining industries and from their finance operations. The following table giving the present market prices of the five leading groups, together with their respective yields, shows that the market discriminates carefully between the type of security offered:—

	Price.	Dividends.	Yield %.
"Johnnies," £1	49/6	15% tax free	£6 1/3 tax free = £7/.1/6 gross
Union Corporation, 12/6	4 11/16	int. 16 & final say 26 = 42%	£5,17/6 gross
Central Mining, £8	19¼	12½% tax free	£5/3/11 tax free = £6,9/11 gross
Anglo-American, £1	2 3/16	12½%	£5/14/4 gross
General Mining, £1	1⅜	int. 5% final say, 5%	£7/ /6 gross

"Johnnies," which was registered in 1889, and has had Mr Solly Joel as chairman for not quite so long, has perhaps a more settled income and larger reserves than the other financial houses—since 1889 it has distributed in dividends no less a sum than £9,379,336, equal to 47s a share on its present capital—but it has not yet troubled to go outside South Africa for its investments. It is still predominantly gold, diamonds, platinum and real estate, with Rhodesian copper added now that it has participated with the Anglo-American in the Rhodesian-Anglo-American Corporation. Its principal gold-mining holdings are in Government Areas, Van Ryn Deep, New State, and Langlaagte. Substantial interests in the De Beers, Angola, and Jagersfontein Companies represent its chief diamond holdings. It has a controlling interest in Potgietersrust Platinums, Limited, and is partly financing the Chemical and Metallurgical Corporation, which is developing a platinum ore extraction process.

The Anglo-American Corporation, which has Sir Ernest Oppenheimer as chairman, was registered only in 1917, but has already built up an extremely strong financial position. It is perhaps more heavily interested in the diamond industry than "Johnnies," and has taken a leading part in the operations of the Diamond Syndicate. There is some talk that the Consolidated Diamond Mines of South-West Africa, which it controls, will amalgamate with De Beers. Its gold-mining companies include Brakpan, Springs, and West Springs, which are all profitable mines with a good life. The corporation also has a controlling interest in the Northern Platinum Exploration Co. and the Rhodesian Broken Hill lead and zinc mine, and is now largely interested in the development of the Rhodesian copper fields through the Rhodesian Anglo-American Corporation. The Rand Selection and the Consolidated Mines Selection Corporations and the New Era Consolidated, Limited, are subsidiary holding companies of the corporation. The passing of the final 1928 dividend by the Rand Selection Corporation, as a result chiefly of the diamond depression, was no doubt responsible for the reaction in the price of Anglo-American shares

The Central Mining Corporation, whose chairman is Sir R. Sothern Holland, has apparently no interest in diamonds, but controls, in conjunction with Rand Mines, what is known as the "Corner House" group, consisting of many of the most important dividend-paying mines on the Rand, including New Modder, Crown Mines, and Modder B. The corporation has interests outside South Africa in Trinidad Leaseholds and the Anglo-Spanish Construction Company. It is also connected with the banking house of Bernhard Scholle. Its oil investment has been particularly profitable in view of the steady dividends of the Trinidad Leaseholds. During last year the corporation brought out the Tocuyo Oilfields in order to develop some promising areas in Venezuela.

Union Corporation is a much smaller concern than the other three, but is very conservatively managed under the chairmanship of Sir Henry Strakosch. It controls some profitable Rand mines, such as Modder Deep and Geduld Proprietary (the latter rated at a very long life), while its East Geduld is a new mine in course of development which is so far giving highly satisfactory results. It has also a controlling interest in San Francisco Mines of Mexico, a prosperous lead, silver, and zinc-producing company. Union Corporation has industrial as well as mining interests. It is interested in the British Enka Artificial Silk Company, an investment which is not yet earning dividends, but which has good prospects, and recently acquired an interest in the Polyphonwerke A.G., one of the largest German manufacturers of gramophones and records.

General Mining Corporation has had varied fortunes, and, as the market price indicates, offers less security from the mining point of view than the other finance houses. A large proportion of its profits is derived from finance operations, which are subject, of course, to wide fluctuations. As regards its mines, Meyer and Charlton is nearing exhaustion, Van Ryn Gold is a dividend payer, but somewhat disappointing, Cinderella, having been amalgamated with East Rand Proprietary, is in course of being reopened, while West Rand Consolidated is in the development stage and promises well. Apart from its mines, the Corporation acquired an interest in the Phœnix Oil Company, which is dividend-paying, but has not yet proved a very profitable investment.

The following tables give (1) the present capital, with dividends and earnings of these five finance houses over a period of the last three years, (2) an analysis of the last balance-sheets, showing the surplus of current assets over current liabilities and the book value per share:—

	Capital.	Earnings and Dividends Shown Subject to Tax Except where Stated.					
		1925.		1926.		1927.	
		% Earned.	% Paid.	% Earned.	% Paid.	% Earned.	% Paid.
	£						
*"Johnnies"	3,950,000	†18·8	†15	†20·1	†15	†17·5	†15
Anglo-American	718,453	17·9	13	27·3	12½	22·1	12½
Central Mining	3,400,000	†18·4	†12½	†15·8	†12½	†16·9	†12½
Union Corp.	8 5,000	40·4	36	43·9	40	4·-1	40
General Mining	1,264,575	23·7	15	33·8	17½	25·7	15

* For years ending June 30, 1926-1927-1928. † Not subject to tax.

	"Johnnies"	Anglo-American.	Central Mining.	Union Corporation.	General Mining.
	£	£	£	£	£
Current assets	1,198,718	4,842,358	7,380,582	1,913,071	1,295,667
Current liabilities	972,164	2,601,909	6,123,876	1,861,145	376,448
Surplus of current assets	226,554	2,240,449	1,256,766	51,926	919,219
Stocks and shares	4,452,882	3,620,478	3,964,645	1,585,559	774,490
Properties, &c	451,361	22,821	..	52,242	73,360
Book Value per share	5,130,797 £1/6/0	4,883,748 £1/11/8	5,221,411 £12/5/10	1,689,727 £1/4/2	1,767,069 £1/7/10

It will be seen that the margin between earnings and dividends is widest in the case of the Anglo-American. "Johnnies," Central Mining, and Union Corporation, with their more settled revenues, are paying out a larger proportion of their earnings, these three having no doubt considerable hidden reserves in their balance-sheets, apart from the visible reserves. Union Corporation has increased its interim dividend from 14 per cent. to 16 per cent. in respect of 1928. General Mining shares have a book value approximately equal to their market value. In this case a wide margin between earnings and dividends was shown in the last report, but a large proportion of the income was derived from financial deals which may or may not be recurrent. Next year's report will show a less favourable position, its interim dividend in respect of 1928 having been reduced from 7½ per cent. to 5 per cent. On the whole, if we may judge from the different yields obtainable as set out in our first table, the market seems to have gauged pretty accurately the varying security offered by these South African finance shares.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
February 5.	February 7.

A DECIDEDLY more cheerful tone obtained on the Stock Exchange at the opening of business for the new Account. Apart from American buying of international securities, the Imperial Tobacco bonus came as a stimulant to the industrial markets, while the presence of fair supplies of money for investment purposes was indicated by the steadiness of gilt-edged stocks and the substantial

LONDON ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Closing Price Jan. 17, 1929.	Closing Price Jan. 24, 1929.	Rise or Fall.
Conv. Loan 3½%	79⅜	80⅛	+ ⅜
Do 4½% 1944	99½	99⅝	+ 1/16
War Loan 5% 1929-47	103⅛	103⅛	— 1/16
Consols 2½%	56½	56⅝	..
Do 4%	87⅜	87⅝	+ ⅛
Funding 4%	90⅜	91 1/16	+ 11/16
Victory Bonds 4%	95½	95⅝	+ ⅛
Local Loans 3%	66½	65 15/16	+ 1/16
Treasury 5% (B)	101½	101⅜	..
Palestine 5% 1942-67	104	105	+ 1
S. Africa 5% 1945-75	104	104	..
India 3½%	71⅛	71⅛	..
Do 4½% 1958-68	91⅜	92⅛	+ ⅛
Australia 5% 1945-75	98	98	..
N.S.Wales 5% 1935-65	98	98	..
N. Zealand 5% 1946	103	103	..

Foreign Government Securities.

Japanese 6% (1924)	96x	96	..
Argentine 4% Reciss.	86	85⅛	— ⅛
Austrian 6% 1923-43	102	102⅛	+ ⅛
Belgian 7%	109	109	..
Brazil 8% Funding	89⅜	89⅛	..
Bulgaria 7%	88⅛	89	+ ⅜
China 5% (1912)	52	50	— 2
Egypt Unified 4%	85	85	..
Estonia 7% 1927	94	94⅛	+ ⅛
Finland 6% 1923	97⅛	59	+ 1⅛
French 5%	19⅜	19⅜	..
Do 4% (Brit.)	16⅜	17	+ ⅛
German 7%	106	106	..
Greek 7% Refugee	101⅛	101⅜	..
Hungary 7½%	104	104	..
Chili 6%	99	100	+ 1
Poland 7%	91	91⅛	+ ⅛
Mexican 5% (1899)	37⅛	36⅜	— 1
S. Paulo Coffee 7½%	103	103	..
Siamese 6% (1924)	104	105	+ 1

Corporation Stocks.

L.C.C. 3%	66	66	..
London 5% 1960-70	98	98	..
Sydney 5½% 1954	98	99	+ 1
Berlin 6% Ster.	96	96	..

British and Foreign Railways.

G. Western Ord. Stk.	85	86	+ 1
L.N.E., Def. Stk.	12	12	..
Do 5% Pref. Stk.	26⅛	26⅛	..
L.M.S. Ord. Stk.	64⅛	65⅛	+ 1
Metropol'anCons.Stk.	67	67	..
Met. DistrictOrd.Stk.	80⅛	80⅛	..
Southern, Def. Stk.	33	33	..
Do Pref. Ord. Stk.	77	77	..
Underground Ord. £1	13⅛	13⅜	+ 1/16
Do Income Bonds	127	131	+ 4
Antofagasta Ord Stk.	95	96	+ 1
B.A.&PacificoOrd.Stk	99⅜	101	+ 1⅛
B.A.Gt.Sthn Ord.Stk.	109	109⅛	+ ⅛
B.A.Western. Ord.Stk.	97⅛	99	+ 1⅛
Cuba 6 % Deb. Stk.	102x	102	..
Can. Pacific Com.Stk.	147	155	+ 8
C. Argentine Ord.Stk.	99	100	+ 1
Leopoldina Ord. Stk.	59	58	— 1
San Paulo Ord. Stock	204	205	+ 1
Utd. Havana Ord.Stk.	48½	47	— 1⅛

Banks.

Barclay B. (£1)	3	2 11/16x	..
Barcl.(Dom &c.) A £1	1⅛	1 1/16x	..
Lloyds £5, with £1 pd.	3½	3½	..
Mid. £12, with £2½ pd.	9⅝	9⅛x	..
Do £2½, fully paid	10⅝	10x	..
Midland £1, fully paid	4⅛	4 1/16x	..
Nat. Prov. £20, £4 pd.	14⅜x	14½	+ ⅜
Hongk. and S. ($125)	148	147½	— 1
St. of S.A £20, £5 pd.	15½x	15⅞	..
W'minster £20, £5 pd.	20⅛x	20⅜	+ ⅛

Insurance.

Alliance £1, fully paid	20⅛	21	+ ⅛
Com.Un. £2½ fully pd.	29	29	..
Ldn.&Lanc.£5, £1 pd.	33	32⅞	— ⅛
N.Bd.&Merc.£5, £1½ pd.	39	38⅜	..
Royal Ex. £1, fully pd.	7⅜	7	..
Roy.In. £1, with 10/ pd.	9⅛	9⅛	..

Coal, Iron and Steel.

Amal. Anthracite (£1)	⅞	⅞	— 1/32
Babcock, Wilcox (£1)	3⅜	3⅜	..
Baldwin (£1)	3	3	..
Bolckow Vaughan (£1)	⅞	⅞	..
Cory, William (£1)	3⅛	3⅛	..
Dorman, Long (£1)	1⅜	1⅜	..
Guest, Keen (£1)	2	2⅛	+ 1/16
L.&N.CoalDistribution	1⅜	1⅜	..
Stewarts& Lloyds (£1)	1⅛	1⅛	..
Swan, Hunter (£1)	1⅛	1⅛	..
Thorncroft, John (£1)	4⅛	4⅛	..
Vickers (6/8)	1⅜	1⅜	..

Textiles.

Bradford Dyers (£1)	2⅛	2⅛	— 1/16
Brit.Celanese,Ord(10/)	1⅛	1⅛	..
Coats, J and P. (£1)	3⅛	3⅛	..
Courtaulds (£1)	4⅛	5⅛	+ 1/16
Eng. Sewg.Cotton (£1)	2⅛	2⅛	..
Fine Cot. Spinn. (£1)	2⅛	2⅛	..
Listers (£1)	1⅛	1⅛	..
Snia Viscosa (200 lire)	1⅛	1⅛	..

Electrical Manufacturing.

British Insulated (£1)	4⅛	4⅛	+ ⅛
Ever Ready (G.B.) (5/)	1⅛	1⅛	..
General Electric (£1)	2⅛	2⅛	+ 1/16
Johnson&Phillips (£1)	1⅛	1⅛	..
Metro-Vickers (£1)	1⅛	1⅛	— 1/16
Siemens (£1)	1⅛	1⅛	..

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅛	1⅛	+ ⅛
Brnemth. & Poole (£1)	3⅛	3⅛	+ 1/16
County of London (£1)	2⅛	2⅛	..
Hydro-Elec. com. stk.	39	40⅛	+ 1⅛
Newcastle-on-Ty (£1)	1⅛	1⅛	..
Scottish Power (£1)	1⅛	1⅛	..

Telegraphs and Cables.

Eastern Stk.	267⅛x	267⅛	..
Eastern Exten. (£10)	26⅛x	26⅛	..
Marconi (10/)	3⅞	3⅞	..
Marconi Marine (£1)	3⅛	3⅛	+ ⅛

Motors.

Dennis (1s)	3⅛	3⅛	..
Ford Motors (£1) 10/ p.	2 1/16 pm.	2⅛ pm.	— 1/32
Leyland (£1)	1⅜	1⅜	— 1/32
Morris 7½% Cm.Pf. (£1)	1⅛	1	.. — 1/16
Singer (£1)	1⅛	1⅛	..
Weymann Mot.Bodies	1⅛	1⅛	..

Shipping.

Cunard (£1)	1⅝	1⅝	+ 1/16
Furness Withy (£1)	2	2⅛	+ 1/32
P. & O. Defd. (£1)	3⅞	3⅞	.. + 1/16
Royal Mail Ord. Stock	71⅛	71⅛	.. ..

Tea and Rubber.

Anglo-Dutch (£1)	1⅞	1⅞	.. ..
Cons.Tea & Lnds (£10)	37⅛	37⅛	.. ..
London Asiatic (3/)	⅛	..	.. ..
Rubber Trust (£1)	1⅜	1⅜	.. + 1/16

Oil.

Anglo-Persian (£1)	4⅜	4⅜	.. ..
Attock (£1)	1⅛	2⅛	+ 1/16
Burmah Oil (£1)	4⅛	4⅜	.. + 1/16
Mexican Eagle (£1/0/6)	3⅜	3⅛	.. — 1/16
Royal Dutch (£5)	33	32⅞	.. — ⅛
Shell (£1)	4 1/32xr	4⅛	.. + 1/16

Miscellaneous.

Assoc. P. Cement (£1)	1⅞	1⅞	.. ..
Braz. Traction, no par	81⅛	80⅜x	.. ..
Brit.-Am.Tobacco (£1)	6⅜	6 5/16x	.. + 1/16
Carreras, "A" Ord. (£1)	15⅞	15⅞	.. ..
Columbia Graph. (10/)	16⅞	16⅞	.. ..
Crittall (£1)	2⅜	2⅜	.. — 1/16
Dunlop (6/8)	1⅞	1⅞	.. — 1/16
Forestal Land (£1)	1⅛	1⅛	.. ..
Gas Light & Coke (£1)	8⅜	8⅜	.. ..
Gramophone Co. (£1)	15⅛	15⅜	.. — ⅛
Harrods (£1)	3⅛	3⅛	.. ..
Hudson's Bay (£1)	6⅞	6⅝	.. + ⅛
Imp. Airways (£1.15/p)	1⅜	1⅜	.. — 1/16
Imp. Chem., Ord. (£1)	2⅛	2⅛	.. ..
Imperial Tobacco (£1)	6⅛	6⅝	.. + 1/16
Inter. Nic. of Canada	..	70x	.. ..
Kreuger & Toll (kr.00)	39⅜	38⅜	.. — ⅛
Lyons (J.) (£1)	5⅛	5⅛	.. — 1/16
Margarine Unie (fl.12)	3⅜	3⅜	.. + 1/16
Photomaton, Parent.	8⅛	8⅛	.. ..
Swed. Match, B (kr100)	25⅜	25⅛	.. ..
Tate and Ly e (£1)	2⅜	2⅜	.. — 1/16
Tilling, Thomas (£1)	5⅛	5⅛	.. — 1/16
Tu ner & Newall (£1)	5⅞	5⅞	.. — 1/16
United Molasses (£1)	5⅛	5⅛	.. + 1/16
Victor Talking, no par	153	155	.. + 2
Vocalion (10/)	3⅛	3⅛	.. + 1/16
Wolsey Cowbell Dd. (£1)	3⅛	3⅛	.. — 1/16

Mines.

Anglo-Amer.ofS.A (£1)	22	22⅜	+ 1/16
De Beers Def. (£2½)	12	12⅛	+ 1/16
Brakpan (£1)	4⅜	4⅜	— 1/16
"Chartered" 15/ Ex.	1⅜	1⅜	+ 1/16
Burma Corp. (Rs. 10)	1⅜	1⅜	..
Bwana M'Kubwa, 5/p	1⅛	1⅛	..
Central Provinces (£1)	4⅜	4⅜	+ 1/16
Geduld (£1)	3⅛	3⅛	..
Johan. Cons. (£1)	2⅛	2⅛	.. + ⅛
Lake View & Star (6/)	3⅜	3⅜	.. + 1/16
London Tin (£1)	3⅛	3⅛	.. — 1/16
Rio Tinto (£5)	61⅛	62⅛	.. + 1
Rose Anglo-ops Cpr. (5/)	2⅛	2⅛	.. + ⅛
Sub-Nigel (10/)	2⅛	2⅛	.. + 1/16
Tanganyika (£1)	3⅛	3⅛	.. — 1/16
Union Crp. (12/6) fu.pd	4⅛	4⅛	.. ..

progress made in the absorption of the large percentage of the Commonwealth Loan which had been left with the underwriters. For the first time this year the Bank of England announced a heavy efflux of gold, which, with the continued weakness of the New York exchange, and other factors making for restriction of credit, created a certain uneasiness as to the money market outlook. That these unfavourable developments served merely to restrict the volume of business in the gilt-edged market, without affecting the tone to other than a moderate extent, says much for the stability of the underlying position. Three and-a-Half Per Cent. Conversion Loan was in demand and Four Per Cent. "Consols" reached a profitable level for market conversions. An easier tendency was in evidence, however, on Thursday. India Loans were firmer, the Four and-a-Half Per Cent. Scrip rising to from $\frac{3}{8}$ to $\frac{1}{8}$ discount. Other trustee stocks issued this year—Australia Fives and New Zealand Four and-a-Half Per Cents.—were taken off the market's hands at a satisfactory rate, the former reaching par.

The foreign market failed to maintain its opening activity. Satisfactory coffee export figures were one of various features making for firmness in Brazilian loans, but selling was in evidence of Peru Corporations, and Mexican issues were heavy. Some slight supeculative buying of Turkish Unified was recorded, but Roumanian stocks were out of favour. One or two Chinese loans gained a little ground, but the Far Eastern group as a whole attracted slight interest.

Apart from the noteworthy strength of Underground Electrics in mid-week, home railways were generally a quiet market. The week's traffic figures were reassuring as compared with some of their predecessors, the Great Western and Southern receipts showing slight increases over last year's figures. Buying of Argentine stocks, which, among other things, put Buenos Ayres and Pacific above 100 for the first time, on Tuesday, was checked in the middle of the week. Antofagasta improved, but Leopoldina further weakened on a disappointing traffic return. American buying was chiefly responsible for the strength in Canadian Pacific.

The outstanding event in the industrial markets was the dividend and bonus declaration of Imperial Tobacco, which, having caught the market unawares, produced a sharp rise in the shares, though profit-taking supervened. The announcement is discussed in an "Investment Note" on a later page. Other tobacco issues were firm in sympathy. Gramophone shares were not particularly sought after, apart from Columbias, which were bought on American account. Favourable rumours were in circulation regarding Courtaulds' final figures, influential buying raising the shares to a new high level of over £5. Nickel shares were again a cynosure of market interest. Bargains in Mond Nickels ceased on the opening of dealings in International Nickel letters of settlement for the late-February account. An official progress report, in guardedly optimistic terms, provided an incentive for renewed bull purchases. Cable stocks improved, shipping stocks met a steady investment demand, and newspaper shares claimed increased attention. Informed buying produced a further upward movement in Thornycroft. Ner-Sag showed some tendency to recover in the first half of the week, but the "revelations" forthcoming at Thursday's meeting (described on a later page) abruptly reversed the movement. Match issues were inactive, and textiles dull, despite the reference by Mr Churchill to the Bank of England's interest in the proposed cotton-spinning combine. Bank shares were steady, Westminster rising slightly on the proposed splitting of the £20 shares (£5 paid) into five £4 shares (£1 paid).

After being easier over the week-end, rubber—the commodity—showed a harder tendency, but the share market failed adequately to respond. The undertone remained moderately firm, but it was much more difficult than last week to find buyers at prevailing levels, and prices tended to shade off. Sustained buying of tea shares has come to an end for the time being, an easier tendency showing itself in values in a very quiet market. Oil shares were again irregular, Anglo-Persian and Burmah were supported, but interest in Royal Dutch fell away on continued increase in the American crude output.

Rhodesian copper shares again monopolised attention in the mining section. Following the announcement of arrangements for a fresh accession of capital, extensive and excited dealings were recorded in Bwana M'Kubwa, with others of the group, including Chartered, forming a strong rearguard. In the Kaffir market the Anglo-American Corporation, with its large interest in Bwana, obtained some benefit from the movement, though less than had been expected. Diamond shares were better, fusion rumours being again in the air. Base metal shares generally were overshadowed by the spectacular happenings in Rhodesians, price changes being few and unimportant, despite the continued strength of copper and a sharp jump in the price of electrolytic on Wednesday.

FOREIGN STOCK EXCHANGES.

NEW YORK.

After achieving new high averages on somewhat spotty and spectacular pool activity the share market has shown the effect of some nervous realising. This was inspired by fears of the position of brokers' loans and of the money market, but so far the selling movement has failed to gain momentum, and while brokers' loans are now at a high level, Federal Reserve statements show that contraction is continuing at a satisfactory rate, and the bill market is still being allowed to seek its natural level. In the circumstances it is felt that there is no pressing reason for a higher discount rate here, and the authorities are likely to follow developments on your side. The past week brought net gold imports of $8 millions, mostly from Canada.

Current prices :—

	Jan. 17, 1929.	Jan. 24, 1929.	Rise or Fall.
4½% Lib. Ln.'33-8	100⅜	100⅛	— ⅛
3½% Trs. Bs.'46-56	103⅞	102²⁹/₃₂	— 1/32
Ach.,Top.San.Fé	198½	200½	+ 2
N. York Central	192⅜	192¾	..
Union Pacific ..	215½	220	+ 4½
Pennsylvania ..	81	78⅞	+ 2⅛
South. Railway..	154	154	.. ..
U.S. Steel	172⅛	183⅜	+ 11⅛
General Motors..	198	201⅜	+ 3⅜
Amer. Tel. & Tel.	199½	204	+ 4½
General Electric	239	238	— 1
Victor Talking..	146½	148⅝	+ 1⅞
Std. Oil of N.J..	52⅝	51⅝	— 1
Anaconda	121⅝	124½	+ 2⅞

PARIS.

Liquidation of bull accounts in preparation for the end-of-the-month settlement weakened several groups. Further, the Coulisse market was disturbed by the difficulties of a certain firm. The general price level was sustained. French Rentes, Banque de France, Crédit Foncier de France, and Suez made further gains. Santa Fé Railways rose in lively fashion. Coal, electricity, chemical products, and certain bank shares suffered fractional losses. The Banque Transatlantique has increased its capital from 250 to 300 millions, and Kuhlmann from 250 to 300 millions. Mexican Eagle are now quoted under a second heading, ex Canadian Eagle rights.

Current prices :—

	Jan. 17, 1929.	Jan. 21, 1929.	Rise or Fall.
3% Perp. Rentes	69·00	70·20	+ 1·20
5% Rentes, '15-16	97·35	98·55	+ 1·20
5% Rentes, 1920	113·30	116·50	+ 3·20
Banq. de France	26,000	27,100	+ 1,100
Banq. de Paris..	5,235	5,260	+ 25
Crédit Lyonnais	4,215	4,255	+ 40
Nord	2,335	2,395	+ 60
Com.Gen d'Elec.	4,315	4,335	+ 20
Littoral Medit...	1,350	1,375	+ 25
Mines de Lens..	1,100	1,117	+ 17
Courrières	1,548	1,580	+ 32
Pechiney	4,255	4,350	+ 95
Kuhlmann	1,420	1,381	— 39
Suez Canal	1,384	1,474	+ 90
Assur. Gen. Vie..	19,000	34,650	+ 315
Denain et Anzin	3,570	3,650	+ 80
Dollfus Mieg	..	14,850	..

BERLIN.

After a firm period under the influence of a satisfactory tion in the discount rate, a sharp reaction occurred on the Bourse a week ago, with drops of 8 to 12 points for high-priced stocks. The reaction continued on Monday, with apparently organised attacks by short sellers, to support which stories of Cabinet differences over the Budget plan were circulated. The following day certain stocks made recoveries and foreign buying was reported, but later a weak tendency reappeared. Prices were firmer on Wednesday and Thursday on foreign buying. Reichsbank rose eight points on Thursday, while electrotechnical shares showed considerable improvements.

Current prices :—

	Jan. 17, 1929.	Jan. 24, 1929.	Rise or Fall.
Reichsbank	318·00	312·00	— 6·00
Deutsche Bank	171·00	169·00	— 2·00
Disconto Bank..	166·00	164·50	— 1·50
Hamburg-Amer.	135·62	131·25	— 4·37
Norddeut.-Lloyd	130·62	127·50	— 3·12
I.G. Farbeninds.	260·00	258·00	— 2·00
Verein. Glanzstff.	488·00	486·00	— 2·00
Bemberg	434·50	436·00	+ 1·50
Verein. Stahlke.	98·00	97·88	— 0·12
Mannes Rohrke	130·12	126·75	— 3·37
Allgemne. Elekt.	178·25	177·50	— 0·75
Siemns. & Halske	404·50	393·00	— 11·50
Daimler Benz ..	60·50	59·50	— 1·00
Cont. Caoutchuc.	141·50	133·00	— 8·50
Salzdetfurt. Kali	518.00	508·00	— 10·00

AMSTERDAM.

The market was irregular but active, with a sharp advance in Margarine Unie as the leading feature. Artificial silk shares were dull. Higher New York sugar prices caused an improvement in sugar share values, but oils weakened and rubbers felt the influence of profit-taking. Tobaccos were neglected, and shipping shares likewise. The money market was easy.

Current prices :—

	Jan. 17, 1929.	Jan. 24, 1929.	Rise or Fall.
5% Bds. Neth.,'18	101⅞	101⅞	—
4½% Ams. 1913-14	100	100	—
Margarine Unie	348½	383½	+ 35
Neth. Art. Silk..	417	408	— 9
PhilipsElecLmp	873	919	+ 46
Singkep Tin....	348½	344	— 4½
Royal Dutch ..	398	389½	— 8½
Amst. Rubber .	282½	278⅝	— 3⅞
Serbadjadi SmR.	238	235	— 3
Holl. Amer. Line	81½	80⅝	— 1
Navig. Co., Ned.	209½	207	— 2½
Vorstenlanden..	157½	160	+ 2½
TradingCo.,Ams.	672	677½	+ 5½
Besoeki	548	560	+ 12
Deli	467	472	+ 5
Neth. Trad. Soc.	176½	181½	+ 5

VIENNA.

On the Bourse some interest was shown in pre-war rentes. Certificates of gold rentes belonging to Austrians rose from 5 to 7½ schillings within a few days, and there was a call for various silver preferentials. The German holders of Austrian obligations are vigorously endeavouring to procure a partial valorisation of the silver rentes, and so it is hoped that if these efforts are successful gold rentes in the hands of Austrians will also obtain better treatment.

Current prices :—

	Jan. 17, 1929.	Jan. 24, 1929.	Rise or Fall.
Bankverein	25·35	25·25	— 0·10
Bodencredit	109·50	109·40	— 0·10
Creditanstalt	60·00	59·50	— 0·50
Escomptegesell.	23·50	23·90	+ 0·40
Danubian S'ship	86.00	78·25	— 7·75
AllgemeineBaug	36·50	38·90	+ 2·40
Ver. Elektrische	57·10	56·55	— 0·55
Alpine	41·20	42·05	+ 0·85
Felten & Guill.	66·60	67·25	+ 0·65
Austn. Arms Co.	31·00	31·02	+ 0·02
Perlmoser	350·75	353·00	+ 2·25
Eisenbahnver	52·15	52·25	+ 0·10

INVESTMENT NOTES.

Profits on Stock Exchange "Introductions."—In view of the considerable resort made to-day to the method of flotation of new capital by way of a "public statement," followed by a Stock Exchange "introduction" rather than by way of a prospectus offer, it is desirable to call attention to the wide margin shown, in the case of some recent issues of this character, between the price at which the securities were originally issued and the price at which they were "introduced" to the public. We give below a representative list of issues made in this way since the beginning of the present year, for which particulars of the opening Stock Exchange price were available at the time of writing :—

Name of Company and Description of Shares.	Amount of Capital Introduced.	Price at Which Orginally Issued.	Price at Which Dealings Began.
Embassy Wine and Club, 125,000 Ord., 1s	£ 6,250	*95,000 at 2/	6/3
Do 105,000 7½% Cum. Ptg. Pf., £1	105,000	*95,000 at £1	22/
Bideford Black, 200,000 Ord., 5s	50,000	5/	5/6
Viking Whaling Co., 30,000 Ord., £1	30,000	†20/5⅛	21/6
Do 150,000 7% Cum. Conv. Pf., £1	150,000	†20/5⅛	21/3
Morgan Film Service (1928), 600,000 Ord. Shares, 2s	60,000	2/	2/3
General Automatic Co., 440,000 Ord., 1s	22,000	1/0½	5/6
N.C. Metal Co., 200,000 Ord., £1	200,000	195,000 at £1 / 5,000 at £2	86/3
Associated Automatic Machine Corporation, 2,000,000 Ord., 5s	500,000	1,075,007 at 5/ / 724,993 at 10/	14/
Auto-Dore, 100,000 Ord., 5s	25,000	10/	14/6
Linley Engineering, 150,000 Ord., 5s	37,500	5/	8/

*With option on further 15,000 of each class at same price. † After deducting "placing commission" and overriding commission paid by company.

INVEST IN AN
ÆONIC
PORTABLE RADIO
BETTER VALUE UNOBTAINABLE.
Suitcase Model, 5-valves, £16 - 16 Complete.
Ask your Wireless Dealer for a demonstration.
ÆONIC RADIO LTD.,
15, Cromer Street, London, W.C.1

It will be seen that while in some instances the difference between the original price and the level at which the public was allowed to participate was comparatively moderate, in other cases the margin represented gross profits to the issuing interests of the order of 45 per cent., 60 per cent., 180 per cent., 212 per cent, 331 per cent., and 428 per cent. respectively. In some cases the total profits, in terms of pounds, shillings, and pence, presuming that all the shares were eventually disposed of at the opening price, may be calculated at £20,187 on an "outlay" of £9,500, £98,083 on £22,917, £657,500 on £205,000, and £628,752 on £631,248. It may be admitted that the process of making a market involves taking considerable risks and that the "underwriters" are entitled to take varying profits according to the nature of the risks involved. There are also various expenses to be incurred. There must therefore always be a margin between the price at which the issue is placed and the price at which dealings commence on the market. If the latter is very much higher than the former, then the "underwriters" have either miscalculated the risk or have made a very good bargain with the company. In either case the flotation by way of a Stock Exchange introduction must be written down (from the company's point of view) as a costly method of public issue. If the market price on commencement of dealings slumps, the evidence is that the "underwriters" have been deliberately greedy, and the company may not have done badly after all. We suggest that the Stock Exchange Committee, which has recently enlarged the scope of the financial particulars appearing with its "permission to deal" announcements, might consider ways and means of giving the fullest possible publicity to the relevant particulars in these cases.

Blue Bird Finance.—The story of the old woman who lived in a shoe and had so many children that she did not know what to do, especially when they became unruly, seems almost applicable to the Blue Bird family. Five generations of the Blue Bird family have come into being during the last four and a half years. The parent was a garage company, Blue Bird Motor Company, which sold its business to Blue Bird Motors (1924), Limited. The wholesale petrol trade of this company was sold to Blue Bird Oil Importers, Limited. In October, 1928, Blue Bird Petrol, Limited, was formed to retail Blue Bird petrol in this country and on the Continent, and then sold its foreign "rights" to Blue Bird Petrol (Foreign). Finally, in December, 1928, Blue Bird Holdings Company was floated to acquire holdings in the other four, in particular not less than 51 per cent. of the shares in Blue Bird Motors (1924) and Blue Bird Oil Importers, which, according to the prospectus, would "necessitate an outlay of £469,455." Trouble has now arisen among the children of this family. It may be recalled that in October last over 75 per cent. of the shareholders of Blue Bird Motors (1924) and Blue Bird Oil Importers accepted an offer from an unnamed group to purchase their shares at 22s per preference share of £1 and 10s 6d per ordinary share of 1s in the case of Blue Bird Motors (1924), and at 32s per ordinary share of £1 and 10s 6d per deferred share of 1s in the case of Blue Bird Oil Importers. On October 31st it was officially announced that an unavoidable delay had occurred in the completion of this purchase "owing to unexpected formalities required

by the French Minister of Finance," that the directors had agreed to a postponement of the purchase until not later than December 17th, and that if the required sanction were refused by the French Minister of Finance or the deal be not completed by December 17th, one-half of the £40,000 and £60,000 deposited as guarantees of the respective offers would be forfeited and a holding company in London formed to complete the purchase. On December 17th the public issue of 1,500,000 ordinary shares of 10s by Blue Bird Holdings, Limited, was made. Later a circular was issued to shareholders stating that scrip could be presented on or after January 10th for exchange into Blue Bird Holdings scrip or for cash. But still the shareholders of Blue Bird Motors (1924) and Blue Bird Oil Importers, who accepted the purchase offer, have received no money. Last week they attended almost daily at the offices of the companies in Moorgate to demand payment. The chairman, Mr Lorang, was summoned from Paris and attended on Friday, January 18th. Before a noisy and congested meeting (there were about 80 shareholders in a small room and more outside) he explained the difficulties which had arisen. Mr. Lorang stated that the French group had made the first payment and that the second payment was due on January 31st. He confessed that he had been unaware of the French Ministry's embargo on the export of capital for the purchase of shares to be placed on the Paris market. He added that he had been in Paris trying to get the money from the French group so as to pay out the shareholders. He had got over £300,000, and actually received the cheque for £250,000 due on January 31st, but in view of the shareholders' agitation and the petition which had been presented for the liquidation of Blue Bird Oil Importers, the French group had held up payment of the second cheque pending further negotiations. These explanations do not altogether lighten the shareholders' darkness. It was stated in the prospectus of Blue Bird Holdings that 800,000 shares (£400,000) had been applied for and would be allotted to the group (presumably the French group) interested in obtaining control of Blue Bird Motors (1924) and Blue Bird Oil Importers. We know that the French group are unable to take up these shares until they have the permission of the French Minister of Finance for dealings in Paris. What it appears is that the French group have formed the Holdings Company to acquire for £469,455 5s per cent. of the capital of Blue Bird Motors (1924) and Blue Bird Oil Importers, which they (the group) have undertaken to acquire direct from shareholders at the prices mentioned for £344,335. Presumably when this transaction is completed the shares in the Blue Bird Holdings Company which the French group are to take up will be unloaded on the French market. If and when the shareholders of Blue Bird Motors (1924) and Blue Bird Oil Importers get their money, they will certainly have less objection to the French group making such a handsome profit.

Company Registrations in 1928.—The returns compiled by Jordan and Sons, Limited, the well-known agents, show, as might be expected, that 1928 was a year of considerable activity in the formation of new companies, 9,012 concerns, with a nominal capital of £220,506,126, being registered at Somerset House, against 8,399, with a capital of £173,162,271, in the previous year. The figures have been exceeded only on three occasions in the last 60 years—namely, in 1919 and 1920, years of inflated "boom" values, and in 1899, when the capital duty payable to the State was only one-tenth of its present amount. The numerical majority of the companies registered at Somerset House are comparatively small private affairs, 8,174 of the latter having an average capitalisation last year of no more than £8,300 each, while 838 public concerns were nominally capitalised at an average of £182,300. These figures are not, of course, a complete record of new British registrations—they do not include, for example, new Scottish concerns registered at Edinburgh—nor do they bear any fixed relation to the total capital actually *subscribed*, publicly or privately. British companies usually obtain authorisation for a larger capital than they intend immediately to issue, while, on the other hand, important concerns occasionally start their career with a purely nominal Somerset House registration. The English Steel Corporation, for instance, which was formed to take over a large share of the business of Vickers-Armstrongs and Cammell Laird, was actually registered with a capital of no more than £100; while the Tobacco Securities Trust, formed by the British-American Tobacco Company, had no more than £5,000 registered at the outset, an amount subsequently increased to £5,000,000. Four industrial groups—trust companies, textiles, motors and mines—accounted for 32.6 per cent. of the total capital last year, while the gramophone "boom" was reflected in an increase from £787,000 in 1927 to £7,742,000 in 1928 in the "music" group, and the vogue of "automatic" photography in an equally remarkable jump in this group's figures from under £500,000 to nearly £5,000,000. The passing of an earlier craze, however, was exemplified by the virtual disappearance of greyhound-racing and dirt-track ventures from the list of new companies.

Imperial Tobacco Dividend and Bonus.—True to its dual reputation for sound earning-power and directorial inscrutability, the Imperial Tobacco Company has announced an enhanced final dividend and a share bonus of 25 per cent., exactly a week after selling by certain tired holders had provoked a noteworthy reaction in the ordinary shares. After endless canvassing of bonus possibilities, the market had decided against the occurrence of that event, and the announcement was followed by a rise in quotations for the £1 ordinary from 128s to 136s 6d. The following table sets out the year's earnings and their distribution, as compared with those of the two previous periods, so far as can be ascertained from the directors' preliminary statement:—

	Years Ended October 31.		
	1926.	1927.	1928.
	£	£	£
Net earnings	8,968,355	9,227,797	*9,599,650
Preference dividends ("A" 5½% cum.)	272,759	272,759	272,759
("B" 6% non-cum.)	315,628	315,628	315,628
("C" 10% non-cum.)	263,822	263,822	263,822
Ord. Earned per share, after tax	27·1%	28%	*29·2%
Ord. Paid (inc. bonus), after tax	24%	25%	†26%
Amount of dividend	£ 7,188,407	£ 7,487,924	£ 7,787,441
Pensions	250,000	250,000	250,000
General reserve	500,000	500,000	500,000
Inc. or dec. in carry forward	+ 177,740	+ 137,664	+ 210,000

* Estimated from information in dividend statement. † Plus 25% bonus on ordinary shares.

The bonus issue of one new ordinary share in four will call for £7,487,924, of which £4,000,000 will be taken from leaf fluctuation account and other provisions, and the remainder from general reserve. Earlier bonus issues (apart from cash issues on bonus terms) were made in 1916, 1918, and 1923. While shareholders will be loth to criticise the proverbial gift horse, the method adopted throws light on the difficulty of estimating the real strength of the company's financial position from the figures given in the balance-sheet. A year ago the company included in one huge item on the liabilities side: creditors, provision for taxation and customers' bonus, liability under dividend guarantees, provision for fluctuations in value of leaf tobacco stocks, and for employers' liability, marine and other funds. This heterogeneous item proves to be a species of secret repository for the company's internal reserves, in which connection the reduction of £1,423,000 in the valuation put a year ago on stock-in-trade, after twelve months of enhanced trading activity and earnings, would seem to have had a certain significance. In view of the undeniably sound position of the company's finances, we suggest that the directors might modify their attitude of benevolent obscurantism so far as to separate this "creditors, &c.," item into its main components. Last year's rise in ordinary share earnings from 28 per cent. to 29.2 per cent., despite heavier tobacco taxation, is a creditable achievement. Valuing the rights at 26s 9d per share, and deducting the dividend, the yield at a price, *ex* all, of 106s 3d would be £4 18s per cent., free of tax, if future dividends were maintained at 26 per cent.

Debenture Corporation.—This trust company, which up to three years ago was directed by its original founder of 1885, enjoyed stable receipts last year, the total profit to December 31, after deducting debenture stock and other interest, being £186,213, against £185,152. Total dividends of 10 per cent. are again paid on the ordinary stock, and £23,000 (against £35,000) is transferred to reserve, which now stands at £585,000, against an issued capital of £2,000,000 and £1,250,000 of debenture stock. The corporation appears to be cautiously feeling its way towards an enhanced holding of ordinary shares. Comparison of the present accounts with those published two years ago shows that 15 per cent. of an investment total of £3,759,758 is now held in this form of security, against 13.1 per cent. out of a total of £3,700,276 on December 31, 1926. The proportion of preference stocks was almost identical at the two periods, but the percentage of bonds, mortgages, and debentures has fallen from 76.5 to 74.4. The geographical distribution of the corporation's investments shows several interesting deviations from the "average" figures (based on an examination of the returns of some 25 companies) given in a recent article in the *Economist* (January 12, 1925, p. 51), a much larger proportion of the whole being held in Great Britain, and a much smaller proportion in North and South America, as the following statistics show:—

GEOGRAPHICAL DISTRIBUTION OF INVESTMENTS, 1928.

	Debenture Corporation.	25 Investment Trust Companies.
	%	%
Great Britain	60·4	34·4
British Empire	12·2	10·7
Europe	15·6	15·8
Argentine	5·7	10·1
Other S. and Central American countries		14·3
United States	6·1	10·5
Other countries		4·2
Total	100·0	100·0

Over half the corporation's total investments are in commercial and industrial enterprises, rather less than one-fourth in Government and municipal securities, and less than 7 per cent. in railways.

Inveresk Paper.—Though the dividend is reduced again to the 1926 rate, the accounts for the year 1928 reveal considerable expansion. In the report it is stated that the directors consider the results satisfactory, "especially as the company has not yet benefited to any material extent by the recent acquisitions and large extensions to buildings and plant at the works of several of its associated companies." A year ago it was said in the same place that benefits would begin to accrue from these extensions after May, 1928. The history of the last three years is shown below:—

	Periods Ended. Nov. 30, 1926.	Dec. 24, 1927.	Dec. 29, 1928.
	£	£	£
Gross profit	116,405	375.634	493,950
Net earnings	76,139	257,762	407,452
Preference dividends	14,464	30,030	87,663
Ordinary dividends	43,699 (25%)	171,495 (35%)	201,027 (25%)
Provision for taxation	..	..	90,000
Increase in carry forward	+ 17,976	+156,237	+ 28,761

The rearrangement of the capital last autumn has caused £149,500 debenture stock to disappear from the balance-sheet, which will be found summarised elsewhere. The issued preference capital is increased from £1,199,135 a year ago to £2,843,789, and the ordinary capital from £999,523 to £1,292,643. Investments at cost have grown from £3,684,390 to £5,439,032. The last of the important extensions is now approaching completion, and repayment of a large temporary loan made by the company in connection with those works is expected during the coming year. Loans to associated companies, which a year ago amounted to £111,687, now stand at £578,156, and on the other side special loans from bankers have risen from £394,360 to £609,440. The £1 ordinary shares are quoted at 3.

Freeman, Hardy and Willis, and J. Sears and Co.—The profits of Freeman, Hardy and Willis, over 99 per per cent. of whose ordinary capital has been acquired by J. Sears and Co. (True Form Boot Co.), amounted for the year ended December 31st last to £240,624, after charging debenture interest. The report points out that before arriving at that figure provision has been made on a similar basis to previous years for the payment of a bonus to employees and for additional pension benefits, which in recent years have amounted to £35,000, and have been shown as deductions from profits. Last year's trading appears therefore to compare favourably with that of 1927 and 1926 (when profits were given as £235,519 and £225,442 respectively) than the figures suggest at first glance. The balance-sheet is distinguished from its predecessor by the inclusion of the deferred ordinary shares issued as a bonus last February. The value of freehold and leasehold properties is £71,010 up at £1,155,125, and stocks are increased from £580,259 to £636,796. The recent progress of the purchasers, J. Sears and Co., is shown in the following table:—

	Years ended December 31. 1926.	1927.	1928.
	£	£	£
Profits	201,511	205,051	216,003
7% preference dividend	21,000	21,000	21,000
12½% preference dividend	27,519	27,519	42,005
Ordinary dividend (22½%, tax free)	119,531	119,531	119,531
Dividend on "A" shares (22½%, tax free)	5,625	5,625	5,625
To reserves	25,000	25,000	25,000
Increase in carry forward	+ 2,836	+ 6,376	+ 2,842

The increase in the 12½ preference dividend is accounted for by the addition of £278,125 bonus shares issued in the proportion of one for every two "A" or ordinary shares, on which five months' dividend falls to be paid. To finance the new purchase, for which a bank loan is meanwhile needed, permission to increase the capital to £3,361,250 is being sought, which will involve the issue of 2,000,000 7 per cent. cumulative "A" £1 preference shares, ranking after the old preference shares and before the bonus issue, so that the rights of the real preference shareholders will not be affected. It is also proposed to raise £1,750,000 by an offer of first debentures. The amount made available by these arrangements will still fall short by £336,000 of the sum required, £4,086,053, but the general position appears sufficiently liquid to meet that difference comfortably. At 1 7-32 the 7 per cent. £1 cumulative preference shares yield £5 14s 10d.

United Serdang (Sumatra) Rubber Plantations.—The United Serdang accounts for the year ended August 31, 1928, are now available, and include the results from the new properties acquired in December, 1927. In their report the directors state that they are well satisfied with the benefits of the amalgamation. Considering the general rubber position over the period of these accounts, they do not make as unfavourable a showing as might have been feared. The average net sale price of rubber was 1s 2.28d per lb, as compared with 1s 9.74d per lb in the previous year. The crop to be harvested in the current year is estimated at 7,000,000 lbs. Owing to the amalgamation, the issued share capital has been almost doubled, and only 10 per cent. is paid on the increased amount:—

	Years ended August 31. 1926.	1927.	1928.
	£	£	£
Net profit	365,301	183,185	163,547
Dividends	313,909 (40%)	176,574 (22½%)	126,365 (10%)
To reserve	22,000	..	20,000
Remuneration to directors	1,500	1,500	..
Increase in carry forward	+ 27,892	+ 5,111	+17,182

The balance-sheet, which is presented in admirably clear form, is summarised in another column. The value of leasehold property has risen from £625,979 to £998,519, and that of buildings, machinery and plant from £73,444 to £134,797. Cash and investments in British Government securities have grown from £386,378 to £512,581. The increase in sundry liabilities is balanced by a similar one in sundry debtors. The present price of the 2s shares is 4s 10½d.

British Controlled Oilfields.—An oil company producing under 400,000 tons of crude oil a year cannot hope to earn an adequate profit on £9,000,000 of paper capital. In view of the fact that in the year ending July, 1928, British Controlled Oilfields had a smaller production to trade and lower prices to take, it did not do so badly. On account of the fall in oil prices the receipts from oil were £147,559 smaller, but economies in working expenditure were effected to a total of £80,000. The profit and loss account shows a gross profit for the year of £405,280, from which has been written off the whole of the development expenses of the El Mene field, £126,445, exploratory boring outside El Mene £20,665, and depreciation on machinery and plant £88,699, leaving a net profit of £169,472, as compared with £186,399 in the previous year. This profit is equal to 1.8 per cent. on the total issued capital of £9,000,000, or 3.8 per cent. on the preferred capital of £4,487,000. The balance is added to the credit of profit and loss account, which now stands at £1,003,560. In the field the position is that the company's production from the El Mene field is declining, and that from its Trinidad fields is increasing, as the following table will show:—

	1927. Barrels.		1928. Barrels.
Venezuela	2,477,669	....	2,141,266
Trinidad	59,349	....	210,168
	2,537,018	....	2,351,434

Fifteen test wells outside El Mene were drilled during the year, but without meeting with commercial production. A promising area south of El Mene is being tested, and geophysical examination is to be made in the eastern area of the Buchivacoa concession and in the Orinoco Delta properties. In the central area of Buchivacoa a small production is being purchased from the Anglo-Venezuelan Oil Trust, in which the company has an interest. The field management in Venezuela appears to be in excellent hands, but so far the results are frankly disappointing. In Trinidad, however, the development of the Palo Seco field has been remarkably successful. In the first four months of the current year production has amounted to 178,988 barrels, against 210,168 barrels in the previous 12 months. South of the Palo Seco field a high-pressure well has been brought in which should lead to another increase in production. A contract has been made with the Anglo-Persian Oil Company for the sale of the Palo Seco output and with the United British Oilfields of Trinidad for the sale of oil surplus to the Anglo-Persian contract. The balance-sheet of British Controlled shows some improvement, with cash, Government securities, and stocks of oil at £690,175, against £679,132 a year before, the surplus of current assets over current liabilities being £390,479.

Ashanti Goldfields. — Our mining correspondent writes:—Satisfactory progress in several directions was scored last year by this, the doyen of West African gold undertakings. The treatment of a larger tonnage was accompanied by an increase in average yield, and although owing to the use of coal instead of wood for the steam plant costs rose 2s 1d per ton to 48s 5d, the net profit came out £22,000 higher at £163,440. The final dividend of 30 per cent. makes a total of 55 per cent. for the period, the sum absorbed being £137,500. A further £50,000 is transferred to reserve, bringing the total up to £250,000, and leaving £59,200 to be carried forward, as against £83,200 brought in. For 1926-27, it may be recalled, 50 per cent. was paid and £45,000 placed to reserve. Thanks to the developments which attracted so much attention last year, the ore reserves display a fresh expansion. The tonnage of 549,400 compares with 419,700 on September 30, 1927, the value of 24.2 dwts being the same as before. In September, 1925, the reserves stood at no more than 247,600 tons. At one time last year the results underground again lent colour to the theory that what was known as the "new make of quartz" was a junction in depth with the original Obuasi chute, giving an enormous ore-body. Actually, where the two deposits met the ground became disturbed and values erratic; indeed, the latter were unpayable for stretches. Latest cables have indicated values of about 19 dwts—fairly good, although below the average of the reserves. On the basis of the 1927-28 dividend rate the return is 10 per cent.

Duophone.—We have received a letter from Messrs E. R. Lewis and Co., under whose auspices the Malden Holding Company is being formed, pointing out that the buyers of the New Malden Factory have no interest directly or indirectly in the Duophone Company, and that the purpose of the transaction is in no way "to enable money to be raised for the Duophone business"; that, apart from the condition that the buyers should produce certain quantities of records for the vendors for a term of years, there will be no other association between the two companies, and that emphatically "this is not a Duophone relief fund." We gladly afford publicity to the points made in this letter, which has an obvious bearing on the outlook for the new company, and renders perfectly clear several matters regarding which the earlier announcements may have left room for misapprehension in the minds of some readers. The "Investment Note" to which our correspondents refer was, of course, concerned with the point of view of the existing Duophone shareholders. While the new company doubtless regards the new transaction solely as a means of acquiring a potentially profit-earning property, its immediate result, so far as the Duophone Company is concerned, must be to provide the latter with certain funds. The disposition of these funds, as Messrs Lewis rightly make clear, is no affair of the new company—which, apart from its contract to supply records, has no connection with the Duophone Company—but it is undoubtedly a matter of direct interest to Duophone shareholders.

Ner-Sag.—At the resumed ordinary meeting on Thursday Mr. H. Hackett, who took the chair in the absence through illness of Sir John Biles, stated that at the last board meeting which Mr Brandreth attended he evaded the questions raised, and that the board had no knowledge of his present whereabouts. There was a trading loss for the three months to December 31st last of £11,184, but though the directors were anxious to put before the shareholders the position of the company so far as it was known at that date, the unsatisfactory method of carrying on business, the imperfect state of the books, and the absence of really authentic information made it impossible to say that the accounts were correct. After mentioning that the company had presented a petition in bankruptcy against Mr Brandreth, Mr Hackett laid two courses before the meeting, either to strengthen the board by the addition of two directors of practical experience and to make every endeavour to expand the company's business, or, having regard to all the circumstances, to decide that it was desirable to cease business and to wind up the company voluntarily. It was proposed, and unanimously carried, that the original accounts be not adopted, and that two directors should be recommended for appointment to the board.

CAPITAL ISSUES.

THE total prospectus issues for the week came to £2,917,500, as compared with £3,330,000 last year, making a total for the year of £39,553,741, excluding conversions. Issues to shareholders totalling £6,049,636 were also announced, and new securities coming on the market, after gaining introduction through notices "for public information," accounted for a further £2,410,000 on the basis of the opening price. For the first time since the year opened no trustee issue figured in the week's list. Some 84 per

DISCOUNT CORPORATION OF NEW YORK

This Corporation discounts and resells Bankers Acceptances and approved Bank endorsed Trade Acceptances, deals in United States Treasury Certificates of Indebtedness, Treasury Notes and other Short Term Government Obligations, and receives funds repayable on demand or at fixed maturity against the security of Bankers Acceptances, or Government Obligations.

Statement of Condition, December 31, 1928.

ASSETS.		
Acceptances:		
On Hand	$4,133,615.45	
Pledged as Collateral	11,614,329.25	
Sold under Re-purchase Agreements	10,018,139.13	
Acceptors' Liability on Endorsed Bills Sold	140,543,025.87	$166,309,109.70
United States Liberty Loan Bonds, Treasury Notes and Certificates of Indebtedness at par:		
On Hand	870,950.00	
Pledged as Collateral	8,956,100.00	
Bought and Sold under Re-sale and Re-purchase Agreements	39,948,900.00	49,775,950.00
Deposit with the New York State Banking Department New York State Bond, Par Value $1,000.00, at Cost		985.00
Interest Receivable Accrued		157,017.29
Interest and Expenses Paid in Advance		32,501.78
Cash in Banks and on Hand		2,854,918.56
		$219,130,482.33
LIABILITIES.		
Capital:		
Authorized and Issued—50,000 Shares of $100.00 each		$5,000,000.00
Surplus		2,500,000.00
Undivided Profits:		
Balance as at December 31, 1927	$964,111.12	
Add Net Profits for Year ended December 31, 1928	593,387.45	
	1,557,498.57	
Less Dividends	400,000.00	
	1,157,498.57	
Transferred to Surplus	500,000.00	657,498.57
		8,157,498.57
Unearned Discount		312,870.94
Discount on U. S. Treasury Notes and Certificates of Indebtedness at market bid prices		322,492.32
Reserves:		
Taxes (Estimated), Etc.	108,980.86	
Interest Payable and Expenses Accrued	47,278.88	156,259.74
Loans Payable:		
Secured by Acceptances		10,750,000.00
Re-purchase Agreements, Acceptances per contra		10,018,139.13
United States Government Securities purchased and sold under Re-sale and Re-purchase Agreements, per contra		39,948,900.00
Due to Banks and Customers		14,495.76
Acceptances Re-discounted and Sold with endorsement, per contra:		140,543,025.87
U.S. Government Deposit Account (Subscriptions U.S. Treasury Certificates)		8,731,800.00
Dividends Payable January 2, 1929		175,000.00
		$219,130,482.33

CERTIFICATE OF AUDITORS

We have made an examination of the statement of condition and books of the Discount Corporation of New York, as at the close of business December 31, 1928, and hereby certify that the foregoing statement is in accordance with the books and that, in our opinion, it is properly drawn up so as to disclose the true condition of the Corporation as at that date.

PEAT, MARWICK, MITCHELL & CO., New York, N. Y., January 8, 1929.

DIRECTORS.

GEORGE W. DAVISON, *President Central Union Trust Company of New York.*
WALTER E. FREW, *President The Corn Exchange Bank.*
JOHN MCHUGH, *Chairman of the Board.*
CHARLES E. MITCHELL, *President The National City Bank of New York.*
J. P. MORGAN, *J. P. Morgan & Co.*
JAMES H. PERKINS, *President The Farmers' Loan & Trust Company.*
SEWARD PROSSER, *Chairman of the Board Bankers Trust Company.*
CHARLES H. SABIN, *Chairman of the Board Guaranty Trust Company of New York.*
ERNEST C. WAGNER, *President.*
ALBERT H. WIGGIN, *Chairman of the Board The Chase National Bank of the City of New York.*

OFFICERS.

JOHN MCHUGH . . . . *Chairman of the Board*
ERNEST C. WAGNER . . . . *President*
DUDLEY H. MILLS . . . . *Vice-President-Secretary*
M. GREACEN BRIGGS . . . . *Treasurer*
CHARLES W. BELMER . . . . *Asst. Treasurer*
ROBERT M. COON . . . . *Asst. Treasurer*
EDWARD E. ANDERSON . . . . *Asst. Treasurer*

DISCOUNT CORPORATION OF NEW YORK

TELEPHONE: JOHN 0010 **OFFICES: FIFTY-EIGHT PINE STREET**

Forward rates and special offerings on request.

cent. of last week's Commonwealth Loan was left with the underwriters, but the course of market dealings suggests that recent additions to the total of trustee securities are likely to find firm buyers in the near future. Last year's "boom" in new gramophone and photography concerns is being succeeded by market activity in other parts of the "patent" field. Apart from numerous issues of this character by way of Stock Exchange introduction, two automatic machine concerns have made prospectus offers this week. *Western Automatic Machines* takes over three applications for patents, and has made arrangements to supply pennyworths of the products of two confectionery firms through a machine which "is one of the smallest" in the market, "in proportion to the size of the packet it dispenses." *Automat Sales* will obtain automatic machines from another company, and will dispense therefrom "Val" sweets and other specialities. It acquires an existing business, of which it will pay the liabilities, the vendor "warranting that they do not exceed the value of the assets."

Both enterprises are speculative, in view of the nature of their business and the number of concerns already engaged in their limited market, and are appropriately capitalised in "straight" shilling shares. *Atlas Artificial Silk Processes* will produce, at a Lancashire works, viscose artificial silk of fine denier, of which approximately 90 per cent. is to be "Grade A" quality, at a figure which, it is claimed, will effect a saving of 50 per cent. in labour costs over present methods. This production, apparently, will be demonstrational, with the object of securing the use by others, on a royalty basis, of the rights in the company's process. The company has good technical backing, but is entering a highly competitive trade. *Sodax* (1929) is a "patent" concern of unusual character, which is exploiting a semi-automatic soda-water-making device. Until evidence is available of the taking up of the machine by the public on the very large scale necessary to ensure its being a permanently paying proposition, the shares will make no firm appeal to the investor. *Glare-Visor* (*Parent*) will exploit (*a*) an anti-dazzle screen for motor-cars, (*b*) a dipping headlight, and (*c*) power units for motor-cars, garages, charging stations, &c. Credit should be given the promoters for their conservatism in erecting one company, and not three, on the foundation of these rights, but the prospectus does not mention any firm contracts from leading car manufacturers, at home or abroad, for the "standard" installation of the head lights or power units. *Vorarlberger Illwerke Aktiengesellschaft* is a company incorporated in Austria for the production of electric power. The 6 per cent. sterling bonds give a running yield at 92, of £6 10s 5d per cent., and will be a reasonably well-secured foreign utility offer on the completion of the construction and supply programme of the company.

ISSUES OF THE WEEK—

By Prospectus or Offer of Sale.

Net total previously recorded, £30,386,605.
Including conversion total previously recorded, £43,296,605.
National Savings Certificates.
Net sales week ended January 19, 1929, £200,000.
Total receipts April 1, 1928, to January 19, 1929, Dr. £1,300,000.

Description and Date of Issue.	Nominal Capital.	Conversions or Repayments.	New Money Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
Vorarlberger Illwerke Aktiengesellschaft, £2,000,000 6% Ster. Bds., at 92½, red. by Feb. 1, 1959 Jan. 24)	2,000,000..	..	1,840,000..	200,000..	1,640,000
Atlas Artificial Silk Processes, Limited, 2,650,000 Shares of 5s each, at par (Jan. 21)	662,500..	..	.. 662,500..	132,500..	530,000
Western Automatic Machines, Limited, 2,000,000 Shares of 1s each, at par (Jan. 21)	100,000..	..	.. 100,000..	50,000..	50,000
Sodax (1929), Limited, 440,000 Ord. Shares of 5s each, at par (Jan. 21)	110,000..	..	.. 110,000..	22,000..	88,000
Glare Visor (Parent) Company, 1,250,000 Ord. Shrs., 2s, at par (Jan. 24)	125,000..	..	.. 125,000..	31,250..	93,750
Automat Sales, 1,600,000 Shrs., 1s, at par (Jan. 25)	80,000..	..	.. 80,000..	80,000..	..
Total offered to public	3,077,500..	..	.. 2,917,500..	515,750..	2,401,750
To Shareholders only—					
Buenos Ayres and Pacific Railway. 100,000 6% Pref., £10, at par	1,000,000..	..	.. 1,000,000..	100,000..	900,000
Commercial Bank of Australia, 500,000 Ord., 10s, at £1	250,000..	..	.. 500,000..	100,000..	400,000
Second Great Northern Investment Trust, 25,000 Ord., £10, at £11	250,000..	..	.. 275,000..	100,000..	175,000
"Shell" Transport and Trading, 3,930,855 £1 Ord., at par	3,930,855..	..	.. 3,930,855..	3,930,855..	..
Smith (S.) and Sons (Motor Accessories), 50,000 new pref. ord. £1, at 3 s.	50,000..	..	.. 75,000..	12,500..	62,500
Do 280,000 def. ord., 1s, at 3s.	14,000..	..	.. 42,000..	14,000..	28,000
Swears & Wells, 94,125 ord. £1, at 45s.	94,125..	..	.. 211,781..	94,125..	117,656
Usumbara Plantations, £15,000 7% conv. deb. stk., at par	15,000..	..	.. 15,000..	1,500..	13,500
Total offered to shareholders only	5,603,980..	..	.. 6,049,636..	4,352,980..	1,696,656

Total offered for subscription—	Including Conversions.	Excluding Conversions.
To date—	£	£
1929	52,463,741	39,553,741
1928	..	104,913,970
1927	..	89,470,654
1926	..	25,438,504
1925	..	14,462,040
1924	..	6 864,625
1923	..	37,808,301

Total offered for subscription—	Including Conversions.	Excluding Conversions.
Whole year—	£	£
1928	693,100,056	369,058,075
1927	..	355,165,970
1926	..	230,782,601
1925	..	239,214,500
1924	..	209,326,100
1923	..	271,399,173
1922	..	573,615,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Issue (in brackets).	Amount of Capital Introduced.	Price at Which Dealings Began.	Total Cash Involved.
	£		£
Amount previously recorded	423,250	.. ..	580,687
N.C. Metal, 200,000 "A" Ord., £1, (Jan. 16)	200,000	86 3	862,500
Auto-Dore, 100,000 Ord. 5s Shares (Jan. 15)	25,000	12/6	62,500
Linley Engineering, 150,000 Ord. 5s Shares (Jan. 21)	37,500	8/	60,000
Associated Automatic Machine, 2,000,000 Ord. 5s Shares (Jan. 21)	500,000	14/3	1,425,000
Total for week	762,500	.. ..	2,410,000

Total amount of capital introduced to date, 1929, £1,185,750.
Total cash involved in introductions to date, 1929, £2,990,687.

Sodax (1929), Limited.—Issue at par of 440,000 (out of 600,000) 5s shares. The company acquires a British patent for a soda-water manufacturing apparatus, together with patents for certain other countries, and the goodwill, trade marks, and all other assets of an existing private company except cash due as at January 14, 1929. The purchase consideration for the patent and other rights is £42,000 and for the stock of machines is £3,000, payable as to £22,500 in cash and £22,500 in shares. Working capital is estimated at £69,000.

Atlas Artificial Silk Processes, Limited.—Issue of 2,650,000 (out of 4,000,000) 5s shares. The company acquires the exclusive rights, subject to a reservation, in certain processes and patents for the British Empire (except Canada) and a 50 per cent. interest in them for many other countries. Lands, buildings, and plant valued at £127,146 (or £124,476) are acquired for £80,000, and the purchase consideration for the rights is £150,000, payable as to £25,000 in cash and £125,000 in shares. Approximately £250,000 should remain available for working capital and preliminary expenses. Options on 850,000 shares at par have also been granted.

Western Automatic Machines, Limited.—Issue at par of 2,000,000 (out of 3,000,000) 1s shares. The company carries on business in automatic vending machines, and acquires the benefit of certain contracts and patent applications for the sum of £25,000 in shares, the vendors also receiving an option at par on the remaining unissued shares. Working capital is estimated at £76,500.

Vorarlberger Illwerke Aktiengesellschaft, a limited liability company incorporated in Austria for the production of electric power. Share capital consists of 20,000 1,000 schilling shares (at par of exchange 34-58½ Austrian schilling = £1); increase of the share capital to 35,000,000 schilling is to be effected. Offer at £92 of £2,000,000 6 per cent. 30-year sterling bonds to bearer, redeemable by an accumulative sinking fund calculated to retire the whole issue by 1959 and operating by purchase or drawings at par. The company reserves the right to redeem the whole of the bonds at 102 between 1934 and 1938, or at 101 after 1938. The proceeds of this issue will be applied towards the completion of two electric power stations for exploiting water power.

Grace National Bank
Hanover Square, New York, U. S. A.

A thoroughly organized international bank, giving special attention to the requirements of European banking correspondents.

Special Representative

148 Leadenhall St. London, E. C. 3.

Glare-Visor (Parent) Company, Limited.—Issue at par of 1,250,000 (out of 2,500,000) 2s shares. The company acquires rights for an anti-dazzle screen, and dipping and swivelling headlight system, and a range of power units. The purchase price is £86,000, payable as to £40,000 in cash and £46,000 in shares, and there will remain approximately £60,000 working capital.

Automat Sales, Limited.—Issue at par of 1,600,000 (out of 2,500,000) 1s shares. The company acquires rights throughout the British Empire for Val peppermints, trade names, and an existing business, with the benefit of contracts, and will sell and distribute automatic machines. The purchase consideration is £55,000, payable as to £15,000 in cash and £40,000 in shares, and approximately £46,000 will remain for working capital.

Particulars of the following have been issued for public information only in connection with Stock Exchange "introductions":—**Gramophone Cabinets, Limited,** issued capital 600,000 (out of 750,000) 2s ordinary shares; the company acquires a business of gramophone cabinet manufacturers for a consideration of £40,500 in cash; the remaining 150,000 shares are under option at par. **City and Foreign Investment Trust, Limited,** issued capital £240,000 5 per cent. cumulative preference stock and £160,000 ordinary stock; the company was incorporated last July to carry on the business of an investment trust company in all its branches. **Linley Engineering Company, Limited,** issued capital 12,500 7½ per cent. £1 preference and 150,000 5s ordinary shares; the company takes over a business specialising in the manufacture of carriage fittings, railway signals, train lamps, &c.; 12,500 preference and 130,000 ordinary shares have been credited as fully paid to the vendors. **Associated Automatic Machines Corporation, Limited,** issued capital 2,000,000 5s ordinary shares; the company was incorporated to acquire and hold securities of companies interested in automatic machines and to manufacture and deal in such machines; it acquired certain patents, premises, shares, and benefits of agreements for £297,990 in cash and an option (since exercised) on 400,000 shares at 5s, and the whole share capital of another business for £50,000 in cash and £50,000 in shares. **Kieselbach Steam Accumulators, Limited,** issued capital 158,000 (out of 210,000) "A" £1 ordinary and 10,000 "B" £1 ordinary shares, the latter to receive 10 per cent. of the net distributed profits; the company acquires certain rights and British and American patents for thermal storage plants, for the sum of £93,000 in cash; the unissued shares are under option at 25s. **Central Public Service Corporation,** incorporated in 1923 under the laws of the State of Maryland, U.S.A.; issued capital 200,000 shares common stock, 232,860 shares class A stock, 79,745 shares ($7 dividend series) and 26,000 shares ($6 dividend series) cumulative preferred stock, all of no par value, together with $1,500,000 6½ per cent. gold debentures (1941), 288,000 6 per cent. gold notes (1930), and 8,289,000 series A 6 per cent. collateral trust gold bonds (1940); a holding company, which also has power to carry on public utility undertakings. **Auto-Made Sales, Limited,** issued capital 2,050,000 (out of 2,500,000) 1s shares; the company manufactures machines, particularly automatic vending machines. **Eastern Oil Industries, Limited,** issued capital 500,000 £1 ordinary shares; the company was incorporated in 1919 under a different name to manufacture and trade in vegetable and other oils and their bye-products, and has recently acquired controlling interests in certain oil and soap factories and allied undertakings. **Romac Motor Accessories, Limited,** issued capital £70,000 in 5s ordinary shares; the company was incorporated in 1924 to acquire a trade mark and carry on business as traders in motor accessories (wholesale and export), mechanical engineers, &c., and was converted into a public company last July; profits for six months ended September 30th were £8,360, and net assets at that date, when share capital was £30,000, were valued at £37,704.

OIL OUTPUTS.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended January 16th:—Venezuela, 36,404 barrels; Trinidad, 17,051 barrels; total, 53,455 barrels.

MEXICAN EAGLE OIL COMPANY, LIMITED.—The production for the week ended January 12, 1929, was 135,000 barrels.

TAMPICO OIL, LIMITED.—The total production on the company's properties in Mexico during December was 30,378 barrels, in

TRINIDAD CENTRAL OILFIELDS, LIMITED.—Production for December quarter: Tabaquite, 7,080 barrels; Guapo, 2,891 barrels.

UNITED BRITISH OILFIELD OF TRINIDAD, LIMITED.—Production for the week ending Wednesday, January 16, 1929, amounted to 1,127 tons. Crude oil received from other producers during the three months October-December approximately 14,450 tons.

VENEZUELAN CONSOLIDATED OILFIELDS, LIMITED.—Total production week ended January 12th, 3,192 barrels (456 tons); for week ended January 19th, 2,807 barrels (401 tons).

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended January 12th was 124,666 metric tons (previous week ended January 5th, 122,548 metric tons).

MINING OUTPUT STATISTICS FOR DEC., 1928.

	Tons Crushed.	Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Chosen Syndicate	7,655	..	..	..	..	10,538	2,112
El Oro	..	(Mine | clean-up)		..	$2,572	..
Globe and Phœnix	86,700	..	..	..	111,700	..	..
Great Boulder Proprietary	6,638	..	..	..	..	20,003	..
Lampa	..	..	..	..	45,000	(silver)	..
La Noria	12,903	..	..	..	..	$124,364	$20,837
Lena (January 1st to 15th)	..	..	..	..	3,707	15,569	..
Lonely Reef	5,300	16,000	2,964	1,194	4,158	..	7,841
Oriental Consolidated	20,889	..	..	(November)	..	$90,726	..
Oroville Dredging	(gross returns for 25 days to Jan. 15)					$20,527	..
Sabie (Transvaal)	3,400	..	..	..	..	..	*72
Shamva	44,500	..	..	..	..	19,348	*3,578
South Kalgurli	6,095	..	..	..	..	12,617	3,625

* Loss.

	Output.	Other Notes in Return.
Tin.	Tons	
Amari	7	..
Anglo-Nigerian	65	Concentrates.
Associated of Nigeria	274	..
Baba River	5½	Concentrates.
Batura Monguna	4½	..
Berenguela	33	Concentrates.
Briseis	30	..
Changkat	60	..
East Pool	86·8	Black tin; 50 tons arsenic; est. rev. £11,634.
Ex-Lands Nigeria	65	Concentrates.
Jelapang	23	..
Juga Valley	14	..
Junction	20	..
Kaduna Prospectors	23½	..
Kaduna Syndicate	40½	..
Kassa	16	Concentrates.
Kuala Kampar	147	..
Kundang	31	..
Larut	106	..
Mongu (Nigeria)	60	..
Namaqua	176	..
Naraguta Korot	15	..
Naraguta (Nigeria)	33	..
Northern Nigeria	150	Valued at £23,800.
Patino	1,540	1,790 tons sold; est. gross value of tin sold, £406,000.
Rawang	70	..
Renong	164	First half of January.
Ribon Valley	17	Concentrates.
San Finx	23	Concentrates and 17 tons wolfram; est value, £4,300; est. costs, £3,050.
Tavoy	60	..
Theindaw	6	..
Tin Properties	22	..
Toyo	35	..
United Tin Areas	6½	Concentrates.
Wheal Kitty	29	..
Yarde Kerri	10	..
Zaaiplaats	23·4	Concentrates, equal to 17,363 tons tin.
Copper.		
Union Minière	8,600	..
Coal.		
Chinese Engineering	75,000	Sold during week ended Jan. 12th.
Wankie	72,545	Coal sales; 8,182 tons coke sales.
Witbank	72,605	..
Miscellaneous.		
Electrolytic Zinc	3,802	Tons of zinc; silver-lead product for shipment to Port Pirie for realisation, containing 540 tons lead and 56,000 ozs silver.
European & North African	807	Iron ore and 88 tons lead concentrates.
Tetuhe	1,247	Zinc concentrates assaying 46·3%; 426 tons lead concentrates, assaying 72·2% lead, 49 ozs silver.

MOUNT LYELL MINING AND RAILWAY COMPANY, LIMITED.—During the fourweekly period ended January 2nd the mill treated 8,414 tons of ore, producing 1,948 tons of concentrates.

NORTH BROKEN HILL.—December:—27,102 tons of crude ore were treated, assaying 13·7 per cent. lead, 7·7 ozs silver per ton and 9·9 per cent. zinc, producing 5,270 tons lead concentrates, assaying 65·5 per cent. lead, 33.3 ozs of silver per ton and 7·5 per cent. zinc, also 4,170 tons zinc concentrates, assaying 49·3 per cent. zinc, 3·1 per cent. lead and 4·1 ozs silver per ton. 4,914 tons dump slimes were treated, assaying 10·7 per cent. lead, 8 ozs silver per ton and 15·5 per cent. zinc, producing 710 tons lead concentrates, assaying 58·7 per cent. lead, 41·5 ozs silver per ton and 10·6 per cent. zinc, also 1,460 tons zinc concentrates, assaying 45·6 per cent. zinc, 4·6 per cent. lead and 5 ozs silver per ton. Decreased production due to closing down for holidays.

SULPHIDE CORPORATION, LIMITED.—During the six weeks ended Dec. 29, 1928, 13,612 ton of Central Mine ore, together with 2,404 tons of slimes, were milled at the Central Mine, producing 2,572 tons of leady concentrates (including 81 tons from the deleading plant), which assayed 55 ozs silver, 66 per cent. lead, together with 3,900 tons of zinc concentrates, assaying 7 ozs silver, 4 per cent. lead, and 50 per cent. zinc per ton, and 291 tons special slimes, assaying 9 ozs silver, 13 per cent. lead, and 6 per cent zinc per ton.

WORKING PROFIT, TRANSVAAL.—The total estimated working profit of the gold mines of the Transvaal for the month of Dec., 1928, amounted to:—Witwatersrand, £1,024,654; outside districts, £50,700; total, £1,075,354. The estimated working profit in Nov., 1928, was:—Witwatersrand, £1,041,713; outside districts £51,441; total, £1,093,154.

COMPANY MEETINGS, &c.

MIDLAND BANK LIMITED.

DEPOSITS INCREASED BY £20,000,000.

MONETARY EXPANSION AND INDUSTRIAL DEPRESSION.

ANALYSIS OF ADVANCES.

UNSHAKEN CONFIDENCE IN THE FUTURE.

MR McKENNA ON THE OUTLOOK AT HOME AND ABROAD.

The ordinary general meeting of the shareholders of the Midland Bank, Limited, was held at the Cannon street Hotel, London, E.C. 4, on Tuesday, January 22, 1929, for the purpose of receiving the report and balance-sheet, declaring a dividend, electing directors, appointing auditors, and transacting other ordinary business.

The Chairman (the Right Hon. R. McKenna) who was received with applause, said: My Lords, Ladies and Gentlemen,—Before proceeding with the business of the meeting I am sure you would wish me to invite you to join in an expression of profound sorrow at the loss we sustained last year by the death of four members of our board, Lord Carnock, Sir David Yule, Mr A. H. Goschen, and Mr W. T. Brand. They had all been associated with the bank for many years, and had rendered most able and unstinted service to our institution. Speaking for myself and the other members of the board, we have felt the personal loss very deeply, and we could not allow this occasion to pass without recording the high esteem and affection in which we hold their memory.

It was customary for my predecessor, in his annual addresses to the shareholders of the bank, to begin with a discussion of some financial topic of general interest, and to conclude with an account of the progress of our own business. Hitherto I have followed his example, but to-day I am varying the procedure, and propose to confine my observations to matters arising directly from a consideration of the bank figures.

PAID-UP CAPITAL AND RESERVE FUND.

If you look at a copy of the balance-sheet for December 31st last, which has been sent to every shareholder with the annual report, you will see that our paid-up capital and reserve fund both amount to £13,432,968. These two items hardly call for further comment. Each shows an increase over the year of about £767,000, due to the issue of £1 fully paid shares at £1 premium to the shareholders and the staff. The issue to the staff, about 139,000 shares in all, was made in accordance with our previous practice on similar occasions, but in this instance the staffs of our affiliated banks in Scotland and Northern Ireland also participated. Our capital is now held by about 71,000 shareholders.

CURRENT, DEPOSIT, AND OTHER ACCOUNTS.

The item current, deposit and other accounts, which stands at £394,591,227, cannot be so quickly passed over. The figure itself is the highest in the history of the bank, and exceeds that of a year ago by £20 millions. The balance-sheets of all the other clearing banks are not yet available, but those so far published show that a substantial growth has taken place in the deposits of the banks as a whole. This expansion in the volume of money is in itself a satisfactory feature, and would ordinarily be regarded as an accompaniment of expanding trade. In truth, however, it cannot be said that the business of the country, generally speaking, has shown any great improvement during the past year over 1927, and there is consequently a seeming discordance between monetary and trade conditions which needs explanation. We might expect at first sight to find the answer to the problem in an upward movement of the price level, but, so far from rising, the price level has actually fallen during the year. Failing this explanation we should next look to a decline in the velocity of circulation, which probably in fact gives us a partial solution. A full understanding of the problem, however, is only obtainable on an examination of bank figures not ordinarily published.

MONEY EXPANSION AND TRADE STAGNATION.

To clear the ground I must remind you that deposits, as shown in a bank balance-sheet, describe under a single head two kinds of liability of the bank to its customers. They include on the one hand money held on current account, which is immediately withdrawable by cheque and often distinguished by the name "demand deposits," and on the other hand money, conveniently described as "time deposits," which is lodged with the bank either for a definite period or on the condition that notice must be given of withdrawal. No doubt part of what is included in demand deposits is really not different in essence from a time deposit and *vice versâ*, but the exceptions in each category are probably not large in relation to the whole and may be neglected without risk of serious error. The figures of current and deposit accounts may consequently be taken as a fairly accurate measure of true demand and true time deposits.

As might be supposed, the proportion of current accounts to total deposits is by no means constant. I have had our figures taken out for a series of ten years, showing the proportion for each year. Beginning with the boom year 1919 we find that the proportion was exceptionally high, 71.4 per cent. During 1920 the boom was rapidly passing away, and the percentage fell to 66.2. By the spring of 1921 a definite trade depression had set in, and in that year the current accounts dropped to 60.3 per cent. From that time onwards there has been a slow but constant decline, the successive percentages being 60.0 in 1922, 59.8 in 1923, 58.5 in 1924, 57.3 in 1925, 56.3 in 1926, 55.7 in 1927, and 55.3 in 1928.

The significance of the figures becomes apparent when we remember that demand deposits are essentially money in active use in business of all kinds, while time deposits have more of the character of money awaiting investment and money for which no trading use can be found at the moment. We should naturally expect the proportion of demand deposits to rise or fall according as trade is good or bad. How close the correspondence is we shall see better if we look at the fluctuations over short periods. I have had a chart prepared showing month by month for the past two years the variations in the proportion of demand to total deposits, and the curve presents a striking parallelism with those of employment and other indices of trade activity. From a low point early in 1927 the curve mounted rapidly and remained at a high level throughout the second half of the year. It will be remembered that at that time trade was comparatively good, and that a year ago, when I last addressed you, the outlook was distinctly encouraging. In the first part of 1928, however, the curve of current accounts showed a clear downward trend, and despite a substantial rise in the early summer, when trade was temporarily better, it sustained on balance a severe fall, and remained at a low level in the later months of the year.

BUSINESS CONDITIONS AND CURRENT ACCOUNTS.

It seems evident, therefore, that close agreement exists between business conditions and the proportion of current accounts to total deposits, and it is impossible to avoid associating the gradual transfer from current to deposit accounts, which our figures show to have been proceeding at varying rates ever since 1920, with the continued trade depression. The seeming discordance between monetary and trade conditions may therefore be attributed in part at least to the fact that although there has been an increase in the total volume of money there has not been a corresponding increase in the amount actively engaged in trade.

It may be objected that I am drawing my conclusion from the returns of one bank only, and that the figures are not sufficiently representative for the purpose. The defect has not escaped me, but I think it fair to suppose that our figures are typical of those of the banks as a whole, and if this be so it would appear that they can be accepted as a useful index of trade activity and depression. In recognition of this fact we are considering whether we should make these statistics of current accounts available at intervals in the future, though the indication which they give of business conditions would be more certain and reliable if they were combined with similar figures of the other banks.

INFLUENCE OF BANKING POLICY.

The subject of banking offers many difficult and complex problems, one of which, arising out of the matters just discussed, is well worth examination. It may be put in this way: Is the distribution between demand and time deposits due in part or in whole to something done by the banks, or does it result from entirely extraneous influences unrelated to banking policy? I think it can be shown, speaking of the banks as a whole, that some causal relationship exists between the disposition of their resources among the various groups of earning assets and the division of their deposits between current and deposit accounts, and that consequently the proportion of demand deposits is not determined wholly independently of the action of the banks. Let us suppose that the banks, by reason of a surplus of bank cash, are able to expand deposits by new loans or by purchases of additional bills or securities. It is obvious that the deposit created by a bank loan which is to be used immediately in trade must almost of necessity fall into the category of money actively at work, and must therefore increase the proportion of demand deposits. On the other hand, a new deposit created by a bank purchase of securities probably comes under the heading of money awaiting investment, and thus tends to increase the proportion of time deposits. If the new deposit be created by a short-term loan to the money market or by the purchase of bills, the immediate and ultimate consequences have to be distinguished. The first result is an addition to the volume of demand deposits, but some portion of the new deposit will inevitably come to be held by foreign banks, partly on current and partly on deposit account. The division of this new deposit between the two groups cannot be foreseen, but neither part of it will add to the volume of money actively at work in British trade.

EARNING ASSETS.

In view of these facts it may perhaps be suggested, since trade is depressed, that the banks should arrange their earning assets in such a way as to promote the greatest possible increase in demand deposits, or actively circulating money. In considering this suggestion it must always be remembered that banks are not wholly independent agents in the distribution and employment of their resources. They are bound to consider the varying degrees of liquidity of their assets. Apart from cash and balances with other banks, their most liquid assets are money at call and short notice, Treasury bills and bank bills, and if they work with a lower cash ratio a higher proportion of these must be maintained. It follows from this that a growth in the volume of deposits not arising from a growth in cash reserves is likely to be accompanied by a more than proportionate increase in short loans or bills or both, and for this reason will probably be accompanied by a less than proportionate expansion in the volume of money at work in trade. Thus we see that the cause of an increase in deposits exerts a strong influence on the nature of the deposits created, and that the banks are not entirely free to pursue a policy designed to raise the proportion of actively circulating money.

The question then remains to be answered: How has the increase in bank deposits over the past year come about? As you know, the total volume of bank deposits is dependent on two factors; first the quantity of bank cash, and secondly the ratio of cash to deposits which the banks together maintain. This general ratio is determined by the policy of the several banks, which, though working to ratios differing among themselves, ordinarily adhere to comparatively stable individual figures. It happens, however, that during the last two years our own bank has reduced its cash ratio to a proportion more nearly approaching those maintained by the other banks. I need not dwell upon the reasons for this modification of policy; my purpose in calling attention to it is simply to show that the increase in deposits is due to a variation in the aggregate cash ratio of the clearing banks, and not to an increase in bank cash, which actually was slightly less during last year than in 1927. These two facts, coupled with the necessity of maintaining a prudent degree of liquidity, required a redistribution of bank resources among the various groups of assets, and the direction of the redistribution was such as to tend inevitably towards a decline in the proportion of demand deposits.

OTHER BALANCE-SHEET ITEMS.

Returning now to our balance-sheet, there remain among our liabilities to the public two items which are balanced by a contra entry among our assets. I refer to acceptances and confirmed credits on account of customers and engagements on account of customers. The first of these has risen by £4¾ millions to £24,942,269, largely owing to the relatively low money rates ruling in London as compared with other financial centres, in particular New York. The second has shown the very marked increase of £32¼ millions to the high figure of £49,498,865, due mainly to special transactions of a non-recurrent nature. The increase does not imply any commensurate expansion in the general volume of business in forward exchange, guarantees and similar operations conducted in London, though some expansion has undoubtedly taken place. The figures show that the operations of our overseas branch are continuing to develop to a gratifying extent.

ASSETS.

Coming now to the assets side of the balance-sheet, our coin, gold bullion, bank notes and balances with the Bank of England stand at £45,440,918. As a result of the cash ratio policy I have already mentioned, the figure is £4¼ millions lower than a year ago. In view of frequent comments on the practice of window-dressing it is interesting to find that both the absolute amount of our cash and its ratio to deposits on December 31st were below the averages for the month. Balances with, and cheques in course of collection on other banks in Great Britain and Ireland, at £20,247,083, are £1½ millions higher. Money at call and short notice shows a slight increase, bringing the figure to £27,681,297.

Before passing on I should like to draw your attention to the relatively small amount of this country's banking resources which is employed in financing day-to-day business on the Stock Exchange. Taking the November, 1928, averages, we find that all the London clearing banks together, out of total earning assets of £1,637 millions, had only £148 millions lent at call or short notice. It is impossible to say how much of this amount consisted of loans for financing Stock Exchange business, but, as far as our own bank is concerned, not more than half our short money is lent for this purpose.

NEW YORK STOCK MARKET.

When we set these facts side by side with the enormous quantity of bank money lent in the New York stock market we find a most striking comparison. According to figures published by the Federal Reserve Bank of New York, the loans to brokers and dealers in securities made by reporting member banks in New York City for their own account and for that of out-of-town banks amounted, on the average of the November weekly returns, to $2,850 millions, or four times the total money at call and short notice of all the London clearing banks, whether lent in the stock market or the money market or elsewhere. The British figures, though not strictly comparable with the American, are clearly indicative of the comparatively small amount of borrowing from banks which is involved in this part of the nation's business.

Our investments have risen by £1½ millions to £36,868,698. Bills discounted show the large increase of £14 millions to £63,347,503, of which Treasury bills account for £14¾ millions. The balance consists partly of commercial, but mainly of bank bills, and all are of the finest quality and early maturity. Our bill holding is so arranged as to ensure a constant and substantial inflow, day by day, of ready cash resources.

RATIOS OF ASSETS TO DEPOSIT LIABILITIES.

The ratios of these various assets to our deposit liabilities are significant in the light of what I have already said regarding the relations between the disposition of bank assets and the proportions of time and demand deposits. Concurrently with the reduction in our cash ratio from 13.3 to 11.5 per cent. over the year, we have increased our bill holding from 13.2 to 16.1 per cent. of our deposits. Cash and bills, together with balances and cheques in transit and money at call and short notice, aggregate 39.7 per cent. of our deposits, as compared with 38.8 per cent. at the end of 1927. Thus, while allowing our cash ratio to fall in order to provide the basis for credit expansion, we have felt compelled to increase the proportions of our more liquid earning assets.

ADVANCES TO CUSTOMERS AND OTHER ACCOUNTS.

We now come to the item which is by far the largest among our assets, advances to customers and other accounts. These, after making full allowance for all bad and doubtful debts, stand at £214,050,972. They amount to 54.2 per cent. of our deposits, a proportion which compares with 54.7 per cent. at the end of 1926, a year of great industrial disturbances, and 55.1 per cent. twelve months later. So far as these percentages are in themselves significant, I do not think it can be doubted that we have endeavoured to provide industry and trade with as much accommodation as can prudently be granted having regard to the necessity of preserving unquestioned stability and safety for our depositors.

ANALYSIS OF ADVANCES.

The total of advances does not, however, furnish a precise measure of the accommodation given to trade and industry. It is necessary for this purpose to know how they are distributed among the various industrial, trading, and other groups. Some critics of the joint-stock banks have suggested that too large a proportion of advances is allocated to customers who borrow for the purpose of carrying stocks and shares, and that trade and industry are correspondingly deprived of their full measure of bank accommodation. It would require detailed information regarding the items which make up the total of bank advances in order to decide whether this criticism is justified or not, but the figures of our own bank may be of some guidance, and I therefore propose to give you the proportions of our advances which were outstanding to the various groups of borrowers on June 30th last. The analysis takes too long to permit of my giving the figures for a later date, though it may safely be assumed that no marked change in distribution has occurred during the last six months.

TEXTILE INDUSTRIES.

The figures disclose the interesting fact that our largest borrower is the group of undertakings engaged in the textile industries. This group, which includes brokers, merchants, spinners, and manufacturers, accounts for 12¼ per cent. or close on one-eighth, of our total advances. Almost the whole of this amount is lent to the cotton and wool industries in roughly equal proportions, silk and other textiles accounting for only a very small part. As you are aware, the cotton and wool trades have been passing through a prolonged period of difficulty and depression. The cotton industry in particular has suffered from the loss of a considerable part of its export trade, but we think there are grounds for the hope that we shall see better conditions in the future.

BUILDING AND LAND.

The next largest group falls under the general heading of building and land. Loans in this section amount to no less than 11¼ per cent. of the total. In view of the marked activity in the building trade all over the country in recent years and of the fact that very heavy and prolonged expenditure is often involved, particularly in large-scale development schemes, it is hardly surprising that the figure is high. It includes temporary advances for investment in houses and land and for the purchase or construction of houses for the buyers' own occupation, but the larger part of the money has been lent direct to builders, contractors, brick-makers, and others. A loan for building purposes is almost invariably repaid on the fulfilment of the contract or sale of the building, while a temporary advance for investment in houses and land is usually granted pending the arrangement of a mortgage. As a result a high degree of liquidity is a characteristic of the group.

WHOLESALE AND RETAIL TRADERS.

Equal to the last-named figure is that made up of loans to wholesale and retail traders, the percentage again being 11¼. More than two-fifths of this strikingly large total is lent to retailers with a single place of business. We have 31,000 loans of this particular character, the average amount being only £330. These figures are remarkable as showing the wide extension of credit given for the distribution of all kinds of goods to the ultimate consumer. Probably a large part of the accommodation extended by the Bank to wholesalers and retailers has the effect of enabling them to give regular credit to their customers, and if this be so we have in these advances an indirect form of consumers' credit, which has recently been a subject of some discussion.

The next largest group includes the heavy industries, iron and steel and other metal manufacturers, engineers, machinists, shipbuilders, and so on. These take 7¾ per cent. of our loans. Conditions in the different branches vary widely; some sections show marked prosperity. while others are in a state of extreme depression. It is therefore reassuring from all points of view to find that our loans to these industries are well distributed over the whole field.

AGRICULTURE.

Agriculture takes 6½ per cent. of our advances. Some of the money is lent to assist in the purchase of farms, but the larger part is made up of temporary advances for ordinary farming operations. These show a clear seasonal movement, reaching their peak in the late summer and tending to decline towards the winter, but the figure for June 30th is probably fairly close to the average for the year. Our loans for financing current agricultural requirements number nearly 15,000, the average amount being less than £500.

Under the next heading, food. drink and tobacco, I have grouped together a number of trades, no one of which absorbs any large amount of credit, but which in the aggregate take 6 per cent. of our advances. Then come a variety of undertakings, including importers as well as manufacturers, dealing with leather, rubber and chemicals. The total advances to this group amount to 4 per cent. A further proportion of 4 per cent. consists of loans extended to a number of miscellaneous trades, including newspaper undertakings and paper manufacturers. Shipping and transport absorb 3½ per cent. of the total.

MINING GROUP.

I have as yet made no mention of the coal trade, which is undergoing protracted depression accompanied by grave suffering throughout the coalfields. It so happens that our advances to the mining group, which includes, in addition to collieries and coal merchants, all kinds of mining and quarrying undertakings, are less than those to any of the others so far enumerated, and amount to only 2½ per cent. of the total. This is the last of my groups of loans which are made directly and specifically to finance the production and distribution of commodities, but the list by no means exhausts the full amount of advances which in fact are used for purposes of trade and industry.

Our professional and private advances, together with loans on trust accounts, aggregate 6½ per cent. We know that the great majority of these loans are used in the borrower's business or profession, but it is obviously impossible to be certain that a part of them may not be applied to other purposes.

LOCAL AUTHORITIES, GAS, ELECTRICITY, ETC.

The next group comprises local authorities and gas, electricity, water and other public utility companies, which together take 3¾ per cent. The greater part of the loans to local authorities consists of temporary advances in connection with public undertakings. Next, advances to entertainment companies, clubs, societies and associations, churches, hospitals and schools amount altogether to 2¼ per cent., and these constitute another group in which the use made of the loans is predominantly for trade purposes. A word of explanation is required at this point regarding a small group of items which are not advances, strictly speaking, but are included under that heading for bookkeeping purposes. These are the debit balances on certain impersonal accounts, together amounting to 1¾ per cent.

INSURANCE, FINANCE HOUSES, ETC.

We now come to a group, accounting for 8 per cent. of the total, which comprises loans to insurance companies and brokers, finance houses, trust companies and foreign banks, and miscellaneous finance loans. The last item is composed in the main of loans to directors of trading companies for re-lending to their own undertakings. Borrowing by finance houses and trust companies is generally for very short periods only. Loans to foreign banks are many times exceeded by deposits placed with us by those institutions, and are largely for the purpose of financing international trade. Here I may interpose another interesting point. Only an insignificant proportion, in fact less than ¼ per cent. of our total advances is extended to undertakings operating abroad. In other words, practically the whole are for home purposes of one kind or another.

MONEY FOR INVESTMENT IN STOCKS AND SHARES.

The remaining 8¾ per cent. of our advances may be described broadly as money lent for investment in stocks and shares. This description, however, is liable to be misunderstood unless some explanation is given. When stocks and shares are deposited as security for a loan it is usually impossible for us to determine with certainty that the advance has not been required for a speculative purpose. We discourage loans which are clearly for that object. On the other hand, it would be difficult to refuse a temporary advance to a customer which enables him to take advantage of a favourable opportunity for investment by tiding over the period required for the realisation of other securities. In some cases, moreover, the capital requirements of private industrial companies are met by the issue of shares to directors or principal officials, who seek the assistance of the bank to take them up. Such transactions are not speculative in any true sense of the word; they permit the spreading, in point of time, of payments for investments, and indirectly aid in the provision of fixed capital for a variety of industries.

It is therefore clear that if on a strict analysis we could add together all those loans, without exception, which represent part of the necessary equipment of production and trade we should arrive at a very high proportion of the total. How high the proportion is it is impossible to say with exactitude, but I am sure we shall be on the safe side if we assert that nine-tenths of our advances to customers are of this character. Finally, it is of interest that on the date of this analysis our loans and advances were extended to more than 180,000 borrowers, the average amount outstanding being about £1,200.

REMAINING BANK FIGURES.

The remaining items in the balance-sheet call for only brief mention. Bank premises appear at £8,725,101, about £1 million higher than a year ago. The amount includes a sum in respect of the completed portion of our new head office, the construction of which is proceeding satisfactorily. We have now about 800 of our staff at work in the building, another section of which should be ready for occupation before the end of this year. During 1928 we opened 49 new branches, bringing the total number of our offices in England and Wales to over 2,000. About six months ago we introduced into this country the night safe, which for some time past has been in successful operation at a number of banks in the United States. So far the apparatus has been installed at about 65 of our branches in London and the provinces, and the number is being steadily increased. This additional service is widely appreciated, and is being utilised to a rapidly growing extent by customers for whom it is especially intended.

INVESTMENTS IN AFFILIATED INSTITUTIONS.

Investments in affiliated institutions together stand at £6,911,328. Part of the increase of £250,000 on the 1927 figure is due to the calling up of 10s a share in cash on the capital of the North of Scotland Bank, the call making the shares, which are of £20 denomination, £7 paid. Once again we are glad to be able to congratulate those responsible for the management of our three affiliated banks—the Belfast, the Clydesdale, and the North of Scotland—on solid and substantial progress. The business of the Midland Bank Executor and Trustee Co., Limited, is also expanding satisfactorily.

PROFIT AND LOSS ACCOUNT.

This completes the various items in the balance-sheet, and there remains only the profit and loss account. Our net profit for the year amounts to £2,656,554, about £102,000 more than in 1927. Together with the sum of £835,797 brought forward we have a total of £3,492,351 for allocation. We propose to make the same appropriations as a year ago, namely, £500,000 to bank premises redemption fund and £220,000 to officers' pension fund. The amount allocated to writing down premises may seem large, but it must be realised that our premises should stand in the balance-sheet, not at their cost, nor even at their value as banking offices, but at a figure which is certainly no higher than they would realise in the event of sale. These allocations, together with the interim and final dividends, both at the rate of 18 per cent. per annum, less income-tax, absorb £2,643,788, leaving a balance of £848,563 to be carried forward. Perhaps I should remind you that our dividend payments amount to a larger sum than formerly on account of the issue of new shares made during the year.

CHAIRMAN'S TRIBUTE TO STAFF.

I have now to perform a duty which I regard as one of the pleasantest that fall to my lot as chairman of this bank. Year by year I enjoy the privilege of paying, on your behalf as well as my own, a tribute of thanks to our staff, so ably led in the performance of their duties by our joint managing directors, supported by the general managers. Twelve months ago, in referring to the inestimable value of the services rendered to the bank by Mr Hyde and Mr Woolley, I mentioned the signal honour conferred upon Mr Hyde by his election to the presidency of the Institute of Bankers. This year I have again to congratulate him upon the further honour he has received in his re-election for a particularly auspicious term, the fiftieth year of activity of that most valuable organisation. With regard to the staff, I need only say that, although each year I express the same appreciation of their enthusiasm and efficiency, my words lose nothing in sincerity by annual repetition. During the past year we have inaugurated at a number of important branches a system of mechanical ledger posting. This is a step which has involved considerable readjustment in the staff, and, for a short period, additional effort, and I should like to place on record our recognition of the loyalty and skill with which all those concerned have co-operated in effecting this important innovation.

THE OUTLOOK AT HOME AND ABROAD.

My review of the progress of the bank is ended, but before moving the adoption of the report and statement of accounts I should like to make one final remark on the wider outlook. Ten years have passed since the conclusion of the most recent, and we devoutly hope the last, great war in the world's history. They have constituted a decade of grave difficulties, involving problems of exceptional magnitude and complexity. Disappointments have been frequent; many setbacks have been suffered. But I do not think it will be denied that considerable progress has been made towards a more ordered and prosperous world. Perhaps the most solid contributions to this final result have been made during the past year. The steady advance towards the ultimate elimination of the risk of war and the efforts now being undertaken to reach a final settlement of the Reparation problem are noteworthy movements in the field of international affairs. At home much has been achieved in improving the relations between employers and employed, and the need for industrial reorganisation has become more widely recognised and accepted. It may be said with truth that the prospects of peace, both international and industrial, have brightened. Peace between nations and within nations is a primary condition of our welfare, and whatever the temporary state of trade, however slow we are in solving the financial and industrial problems which confront us, we still look forward with unshaken confidence to the time when the better relationships now established shall become the foundation of general and permanent well-being.

The report was adopted, other ordinary business was transacted, and the proceedings terminated with a vote of thanks to the chairman.

IONIAN BANK, LIMITED.

ECONOMIC FUTURE OF GREECE.

The annual general meeting of the Ionian Bank, Limited, was held, on the 23rd instant, at the offices of the company, 25-31 Moorgate, London, Sir John Stavridi (the chairman) presiding.

Mr R. H. Fry (the secretary) read the notice convening the meeting and the auditors' report.

The Chairman said that the past year had been one of the most eventful for Greece, both financially and politically.

Since he last addressed the shareholders the new bank of issue had been created and was functioning, and the whole of the note circulation had been concentrated in its hands. The gold value of the notes had been stabilised at 375 drachmæ to the £, the rate of exchange on the day when stabilisation was decreed, without any attempt being made at revaluation, which would have been fatal to the industrial development of the country. All existing restrictions upon dealing in foreign exchange had been withdrawn, and the new bank had made provisions for buying and selling gold exchange, which were amply sufficient to maintain the convertibility of its note issue. The official bank rate was reduced in December from 10 to 9 per cent., and again on the 5th of this month to 8 per cent. A clearing house had been formed, composed of the seven most important banks. Their institution was a member, and this might materially facilitate business in the future.

As regarded State finances, the administrative system was being reformed, and for this year the budgetary equilibrium had been maintained. It was to be hoped that as the public realised the security which reliance on the League of Nations could bring to the country the expenditure on armaments might be reduced, and the amount thus saved devoted to the development of education and the lightening of the heavy burdens so patiently borne during these past years.

He felt confident that the new Government would inquire into and, where necessary, revise the methods of taxation which, as applied by the Treasury officials, appeared at times to savour of the arbitrary, and injuriously to affect foreign as compared with local interests.

From the loan successfully floated in January last year the Government had been able to repay to the Bank of Greece a large portion of the State debt.

TWO GREEK LOANS.

In 1928 two Greek loans were issued on the London market: the one he had just mentioned, the Six per Cent. Second Refugee Loan for £6,500,000 at 91, which was covered many times over, and the other a Six per Cent. Public Works Loan in December last for £4,000,000 at 89, which did not appeal to the public, and three-quarters of which was left with the underwriters. This latter was the first loan issued since 1898 which was not to come under the management of the International Financial Commission, and although it was secured many times over by the surplus of the revenues pledged to the International Financial Commission for the service of the other loans, it was based on the credit of the Government and was to be managed by the new Bank of Greece. He felt convinced that, as the investing public realised the favourable yield of this loan, and how ample was the margin of security, it would readily take its place with the other Greek loans and stand on the same footing as they did.

He thought that after the poof that had been given during all these years—years of terrible strain and difficulties through which the country had passed—of the determination and ability of Greece to meet in their entirety its international financial obligations, due recognition would be accorded her, and it would be realised that she could be trusted to discharge them without the intervention of a foreign body.

From the political point of view the improvement was no less great. The elections which took place in July last brought back to power, by an overwhelming majority, M. Venizelos, the great statesman to whom Greece owed its rejuvenation, thus putting an end to a period of continuous political unrest and eliminating the risk of the repetition of the dangerous experiments of militaristic rule. As he had said many times, what Greece required above all was peace and a stable Government to enable her to carry out reforms and reconstruction. She now had both, and he was convinced that, under the able and enlightened guidance of its present Prime Minister, whose moral authority was recognised the world over, the country, with its vast and still hardly developed resources and its industrious and patriotic population, could look forward to important developments and a greatly improved economic future.

The report was unanimously adopted, and the Chairman, in response to a cordial vote of thanks, said that provided there were no unforeseen contingencies during the current year, their next report and accounts should be materially better than those for the period under review.

PROVINCIAL BANK OF IRELAND, LIMITED.

GOOD RESULTS—INCREASED PROFIT.

CONDITIONS IN FREE STATE AND NORTHERN IRELAND.

FAVOURABLE TRADE FACTORS.

The annual general meeting of the shareholders of the Provincial Bank of Ireland, Limited, was held on Wednesday, January 23, 1929, at the office of the company, No. 8 Throgmorton avenue, London, E.C.

Mr Richard Durant Trotter (the chairman) presided, and the other directors present were Mr Walter Spencer M. Burns, Mr John Denton Carlisle, Mr Robert John FitzGerald, Hon. Sir William H. Goschen, K.B.E., Mr Henry Samuel Howard Guinness, and Mr Alexander Broderick Leslie-Melville.

The Secretary (Mr Hume Robertson) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen, I have to refer with much regret to the death, in August last, of Mr William T. Brand, who was a member of the board for over 50 years, and was well known to those who attend these meetings. You will remember he had retired from the directorate about a year before his death.

The report and accounts have been in your hands for some days, and you will, I hope, as usual, kindly take them as read.

You will notice that the figures for the half-year, when compared with those for the corresponding period 12 months ago, show considerable fluctuation in certain items of our business. I will deal with the position briefly in detail.

With the additions made during the year, our reserve at £620,000 is increased by £20,000, and exceeds our paid-up capital by £80,000. Deposit receipts at £14,733,354 show no noteworthy change, but our circulation at £1,046,363 marks a decline for the year of £571,929.

NOTE ISSUE.

At our meeting in July last I explained the new conditions which will govern our note issues in the Free State and in Northern Ireland, and in preparation for the new arrangements which will regulate our procedure when the Currency Act, 1927, of the Irish Free State, and the Northern Ireland Bank Notes Act, 1928, are brought into operation. Meantime, we have steadily withdrawn the notes outstanding under the older issues, with the result that at the present time our liability for notes in circulation approximates very closely to our authorised issue of £927,667. The Free State Government legal tender notes have been in circulation since September 10th last, but the issue of consolidated bank notes is still in abeyance. It will probably be made within the next few weeks, and thereupon adjustment of the note issues of this bank and of the other banks of issue in the Free State will immediately follow. As stated at our last meeting, the limit for consolidated bank notes to be issued to this bank is £649,000, and our fiduciary issue in Northern Ireland will be £220,000. We expect that these limits will come into force during the course of the current half-year. I have already mentioned to you that these changes will be accompanied by increased taxation, and by other additions to our working expenses in the Free State, and I fear they may have an adverse effect upon our future profits, if we are to afford our customers the same facilities as hitherto through our branches.

The new silver and bronze coinage of the Free State has been available since 12th ult., and circulates at the present time in the Saorstat, with the British coin, no order for withdrawal of the latter having yet been made, but you will have seen from announcements in the Press, which appear to be circumstantial, that an agreement has been reached within the last few days between H.M. Treasury and the Minister for Finance in the Irish Free State as to the lines on which the British silver coin will be redeemed.

ASSETS.

Dealing with the other side of the balance-sheet, it will be noticed that investments are higher by £434,000, and the fluctuations in cash and Treasury bills have resulted in a fall of about £1,000,105 in these figures. You will see, however, that our total of cash, money at call, British Treasury bills and investments, taken together, exceed ten millions sterling, and thus equals 68.3 per cent. of the bank's liability to its depositors.

PROFIT AND ALLOCATIONS.

The net profit for the half-year gives a total of £62,000, which compares with £61,699 for the corresponding period of 1927. We pay the usual dividend of 14½ per cent., making allocations of £10,000 to each of the reserve and contingency funds, and applying £10,000 to write down bank premises account. Full provision has been made for bad and doubtful debts, and the value of the bank's investments continues to be in excess of the book cost appearing in the balance-sheet. The balance carried forward at £37,122 is slightly larger than the figures brought in from June last.

TRADE CONDITIONS—LINEN.

While we receive on the whole fairly hopeful reports from our branches, I regret that at the moment I cannot point to any marked improvement in trade conditions, either in the Free State or in Northern Ireland. No permanent improvement has yet been recorded in the linen trade, which still needs for its revival a more abundant and cheaper supply of flax, as well as the opening up of new markets. Although the aggregate production of linen has diminished, there have been periods of activity in the trade, and the industry continues to provide a large amount of employment.

BELFAST SHIPBUILDING.

It is gratifying to refer to the brighter conditions which have developed during the past year in the shipbuilding industry in Belfast, and it is to be hoped the more prosperous conditions now prevailing will be maintained.

CATTLE TRADE.

With freedom from disease, the cattle trade gives promise of renewed activity, though it has encountered difficulties during the year now closed. There are indications of improved prices for cattle within the next few months. A substantial increase in the number of milch cows and of livestock generally is an important feature in the agricultural returns from North and South alike, and promotes an encouraging outlook for the present year.

AGRICULTURE.

The average yields of the various crops in both areas have proved satisfactory, notwithstanding difficulties consequent upon weather conditions; but prices realised, though for some commodities better than in 1927, have, on the whole, been disappointing. Agriculture in the Free State and in Northern Ireland has had to meet the continued trouble of increased costs of production, combined with the problem of falling prices for livestock and produce. The extent to which advantage will be obtained by agriculture through the Government De-Rating Scheme in Northern Ireland cannot be seen for some time, but what is outlined has brought hope to agriculturists which we may anticipate will be justified when the effects can be measured. I have referred before to the relief which is being made available for the farming interests in the Free State through the agency of the Agricultural Credit Corporation, which is in a position to grant accommodation on terms not usual with the joint stock banks. We are glad to observe that the corporation is now fully in operation, and has already advanced a large amount to farmers, in accordance with the objects for which the corporation was founded.

SAORSTAT—HIGH STANDARD OF CREDIT.

The revenue and expenditure accounts of the Irish Free State show that the Minister for Finance may have a difficult problem to solve in his next Budget; but meantime it is pleasant to note the high standard of credit enjoyed by the Saorstat, as reflected in the prices of existing loans, the quotations for the 5 per cent. national stock being steadily maintained at par. The adverse trade balance has been reduced by about 6½ millions sterling since 1926, and appears now to be about 12 millions sterling.

At the present time there are no other features in connection with the bank's business upon which it is necessary for me to comment. The depreciation in the value of land has been heavy, but obligations continue to be fairly met, and though the position of farmers and graziers has not been materially strengthened by the results of the past harvest, it is gratifying to note that the bank's business has been well maintained, and it is believed the new year opens with improved prospects for trade and agriculture.

FAVOURABLE TRADE FACTORS.

The Bank rate here and in Ireland has remained unchanged throughout the half-year. Competent observers point to evidence of slow recovery and expansion of British trade; and, should this make further progress, it would doubtless soon be reflected in improved conditions in Ireland. A favourable factor has been the absence of any important interruption of industrial peace during the past year, and a recent event of special interest has been the unification of the note issues on this side by the absorption of currency notes by the Bank of England.

I would add that we have followed with sympathetic interest the prolonged illness of His Majesty the King, and we would hope that, following the improved reports which have come forward in the last few days, His Majesty's progress towards a happy and complete recovery will be steadily maintained.

TRIBUTE TO STAFF.

I desire again to express our cordial appreciation of the zeal and loyalty of the staff. We are mindful of the fact that the successful conduct and administration of the bank's business would not be possible without intelligent and efficient co-operation of our officials.

There are, no doubt, many difficult problems to be faced in the immediate future in connection with business arrangements in the Free State, but we feel assured that we can rely upon continuance of the loyalty and energy of our staff to extend and safeguard the fine business of the bank.

I now propose: "That the report of the directors and the relative balance-sheet of the affairs of the bank as at December 31, 1928, already in the hands of the proprietors, be adopted," and I will ask Sir William Goschen to second the resolution.

The Hon. Sir William H. Goschen, K.B.E., seconded the resolution, which, in the absence of questions, was put to the meeting and carried unanimously.

RE-ELECTION OF DIRECTORS.

The Chairman: The directors retiring by rotation at this meeting are Mr Alexander B. Leslie-Melville, who has been our valued colleague for many years, and Mr Robert John FitzGerald, who is very well known in the county of Kerry end in other parts of Ireland. Both those gentlemen are eligible for re-election, and I have much pleasure in proposing that they be re-elected.

Mr Walter Spencer M. Burns seconded the motion, which was unanimously approved.

On the proposition of Professor Stokes, seconded by Mr Wm. H. Corker, Mr Stuart R. Cooper, F.C.A., and Mr G. Brock, F.C.A., were reappointed auditors.

VOTE OF THANKS TO CHAIRMAN, DIRECTORS, AND STAFF.

Mr Alfred J. Waley said he had great pleasure in proposing a hearty vote of thanks to the chairman, directors, and the staff for their zeal and attention to the bank's affairs and for the satisfactory report they had presented. He trusted that the favourable factors which the chairman had mentioned in his speech would be realised, and that, under the able guidance of the directors, the shareholders might again look forward to another year of increased prosperity.

Mr Corker, in seconding the vote, said he thought the board had done remarkably well in holding their ground as they had done, having regard to the troubles through which the Irish Free State had passed. He particularly wished to include in the vote of thanks the staff of the bank, who were one of the most courteous and efficient staffs in the kingdom.

The Chairman having briefly acknowledged the compliment, the proceedings terminated.

FANTI CONSOLIDATED NVESTMENT COMPANY LIMITED

INCREASED PROFIT—INTERIM DIVIDENDS TO BE PAID.

The ordinary general meeting of Fanti Consolidated Investment Company, Limited, was held, on the 23rd instant, at the Cannon street Hotel, London, Sir Edmund Davis (chairman and a managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, and referring to the profit and loss account, said: We have, in the first instance, brought in the balance of £65,896 as at December 31, 1927. We have deducted the dividend paid on February 11, 1928, £50,625, and the directors' percentage of profit, £4,556, leaving £10,715. To this we have added the balance of profit and loss for the year ended December 31, 1928, £103,306, which shows an increase of £44,367 when compared with the profit for the previous year. This left an available balance of £114,022. We have deemed it prudent in such a successful year to transfer £30,000 to a reserve account. Out of the remaining amount, £84,022, we recommend the payment of a dividend for the year ended December 31, 1928, of 9d per share—which has been the amount of the annual dividend for the previous seven years—and to pay, in addition, a bonus of 3d per share, making in all 1s per share, or 12½ per cent., less income-tax. This will absorb £67,500, and will leave a balance of £16,522 to be carried forward, subject to the directors' percentage of profit.

Now that the position of the company is so firmly established, and that future profits should be satisfactory, we have decided to pay interim half-yearly dividends, though, at the same time, we particularly wish the shareholders to understand that they should in no way estimate what the total dividends may be for the year by the rate of the interim which may be paid.

The Chairman, having dealt with the other balance-sheet items, continued:—At our last meeting reference was made to our interest in the Rhodesia Broken Hill Development Company, and to the fact that there had not been a single hitch in reaching the producing stage since the whole of the plant was erected. This is still the position, the delay in increasing the output of zinc and the production of rich vanadium concentrates being due to the fact that the whole of the acid plant is not yet erected. We have in no way altered our opinion as expressed at our last ordinary general meeting, when I stated that the Bwana M'Kubwa Copper Mining Company might eventually prove to be the largest copper producer in Northern Rhodesia, unless it is to add that the Northern Rhodesia copper field may, in course of time—and probably at no distant date—prove to be one of the largest known, and certainly able to meet our country's demands.

The report and accounts were unanimously adopted.

INTERNATIONAL VACUUM POWER, LIMITED.

A "SCIENTIFIC TRIUMPH."

SALE OF CANADIAN RIGHTS.

The statutory meeting of International Vacuum Power, Limited, was held, on the 22nd instant, at Caxton Hall, Westminster, London, Mr R. E. Heard (chairman of the company) presiding.

The secretary (Mr J. S. Robertson) having read the notice convening the meeting,

The Chairman said: Gentlemen,—Since the formation of the company the vendors have duly executed a transfer of the rights this company was formed to acquire. Our policy does not relate to manufacturing, but rather to the disposal of the company's assets for cash and shares, or in any way in the best interests of the company. The assets of the company are represented by patents, improvements, &c., covering the invention brought out by Messrs C. and E. Scott-Snell under the title of "Thermally Actuated Motive Devices." Our patents are world-wide, and it may be interesting to hear the report of Messrs Marks and Clerk, the company's patent agents.

Mr. M. Atkinson Adam reports:—"I have carefully considered the specification of Patent No. 283,681, and have made a study of the prior specifications disclosed by a 50 years' search made by my firm, Messrs Marks and Clerk, as to the novelty of this patent, and have further studied the prior specifications disclosed by the official searches in Great Britain, United States of America, Germany, and Sweden.

"I am satisfied that the claims of patent No. 283681 in its amended form adequately protect the new type of thermally actuated pump and lamp, and this subject matter is not in any way anticipated by the prior knowledge before me."

The head of our laboratories, Major E. Scott-Snell, had the honour of reading a paper on this invention at a meeting called for the purpose by the Society of Engineers at Burlington House, before a large and interested audience. It was pointed out in the paper and acknowledged that inventors all the world over had been trying for 30 years to solve the problem known as "thermally actuated motive devices," and this was the first time the difficulty had been conquered. The president of the society described the invention as a "scientific triumph."

Up to the present the patent has been applied only to the lighting proposition as represented by the automatic vacuum oil lamp, but in the opinion of the technical staff it is also capable of being developed for certain classes of commercial pumping.

Active negotiations are now proceeding in connection with the rights for the following countries:—Germany, Belgium, France, Egypt, Spain, United States of America, South American States, and Canada.

With regard to Canada, we are selling for a large sum in cash, and we will also hold a share interest in a company to be formed there. The capital of this company will be $1,000,000, in 40,000 7 per cent. preference shares of $25 each, redeemable in two years, or at any time thereafter at $27.50, and 40,000 shares of common stock of no par value. It is hoped at a later stage to obtain a portion of the preference shares for the London market and to give our shareholders an opportunity of acquiring a portion of such shares should they so wish.

A factory has been secured in the city of Dundas, one of the leading manufacturing cities of Canada, with a floor space of 94,000 square feet and with 4½ acres of land. Labour is plentiful and electric power very cheap. It would appear, therefore, that this factory will be in a position to handle the business of the South American countries, as well as other parts of the world.

Our representative in Canada has already entered into arrangements with two large distributing companies in Canada for handling exclusively goods manufactured by the factory, and the amount to be sold by them is fixed at the value of $500,000 per annum. Our managing director is sailing for New York to-morrow for the purpose of consulting with the directors of the Canadian company, so that manufacturing may be pushed forward quickly, and also for the purpose of consolidating arrangements with regard to the formation of companies in the United States of America for dealing with South American territory. The result of these negotiations is likely to prove of the greatest advantage to your company.

A vote of thanks to the chairman terminated the proceedings.

ALEXANDERS DISCOUNT COMPANY LIMITED.

SATISFACTORY RESULTS OF THE YEAR.

INCREASED PROFITS—MARKET CONDITIONS.

The 61st ordinary general meeting of shareholders of Alexanders Discount Co., Limited, was held on Wednesday, January 23, 1929, at the offices of the company, 24 Lombard street, London, E.C., Mr Colin Frederick Campbell (the chairman of the company) presiding.

The secretary (Mr A. K. Bruce) read the notice convening the meeting and the auditors' report.

The Chairman: I assume that you will take the report as read, as usual.

TRIBUTE TO LATE MR ERNEST ALEXANDER.

Before dealing with the accounts submitted to you, I would like to refer to the loss the company has sustained in the death of Mr Ernest Alexander in the early days of this month. Mr Alexander entered the business in 1878, when he was quite a young man, and took an active part in its management for many years as a partner. Then when the business was converted into a company he showed the same keen interest as a director, and continued to do so till he fell ill last month. His general knowledge of the discount market was very great, so that we deplore his loss, and his colleagues on the board in particular will miss his presence among us very much.

I am glad to think that the family connection with the business will be well maintained through our colleague on the board, Mr George Alexander, whose intimate knowledge of the discount market is of great value to the company.

MR NEWCOMB TO JOIN BOARD.

To fill the vacancy on the board that has been created, the directors have invited Mr Newcomb to join them. There is no one with so great a knowledge of the business as Mr Newcomb, who has managed the affairs of the company so successfully for 18 years—in fact, since August, 1910. We are very glad that this opportunity has arisen of recognising Mr Newcomb's great services to the company, and of showing him how much they have been appreciated.

AMALGAMATION OF TREASURY NOTES AND BANK NOTES.

Turning now to the events of the past year, we have witnessed the final step required to establish the currency on a gold basis, as the amalgamation of the Treasury notes with the bank notes took place on November 22nd last. This was effected without the smallest inconvenience to anyone, and advantage was taken of the occasion to make some slight alteration in the form in which the weekly bank return is published. We welcome the revised form, as it is simpler and therefore more easily understood.

In pre-war days this return was the principal guide to the discount market as to the probable course of money in the immediate future, and the Bank rate was governed to a large extent by the reserve of gold disclosed. In fact, a 5 per cent. or a 4 per cent. Bank rate usually indicated a certain quantity of gold held. Looking back, we can truthfully say that the problems before the management of a discount company in those days were less perplexing than those before us to-day.

NEW FACTORS.

We still have the Bank return and the reserve of gold as in the past, but now there are other factors which occur continually, and sometimes most unexpectedly, which tend to upset our calculations. For instance, when the position looks fairly clear a sudden demand for gold from Germany sets in, about which we know very little; or, again, we may be asked to help in keeping up the discount rate when an unexpected demand for bills, other than Treasury bills, arises from abroad, so that the rate is forced down and our margin of profit disappears; or, again, the volume of money at the disposal of the discount market is so small that we frequently find ourselves short of funds through causes over which we have no control and about which we have little information.

I am not mentioning these matters by way of complaint in any degree. Conditions which are difficult for us to gauge are equally difficult for bankers and others working in different spheres. My point is that an ever-increasing degree of efficiency and information is required in a discount business, as in all branches of finance and commerce, if we are to hold our own and to produce satisfactory results.

INCREASED CAPITAL FULLY EMPLOYED.

The increased capital placed at our disposal a year ago has been fully employed and has been of benefit to us throughout the year, as it has enabled us to take greater advantage of the opportunities that occur from time to time for operating profitably.

I referred last year to the stabilisation of the Italian lire and the Belgian franc on a gold basis. France has now taken the same step by fixing her franc at 124.21 to the £; it may be said, therefore, that all the important currencies in Europe are now established on a gold basis.

BILL OPERATIONS.

In our bill operations we have once again been obliged to rely on Treasury bills to a very great extent, owing to the deplorable condition of many trades in the country. The hope expressed a year ago that a revival would take place in our basic industries has not been realised, and even now the outlook is not very cheerful.

It is true that the figures of the Clearing House show a record, but this is due to greater financial Stock Exchange activities, rather than to trade developments.

BANK RATE.

The Bank rate has continued at 4½ per cent. throughout the year, and we may be thankful that the authorities were wise enough not to be tempted to reduce the rate in the summer when gold was flowing into the Bank freely. Had they done so, we should have seen a sharp rise in the autumn almost certainly, which would have been very inconvenient to the discount market. As it is, the stock of gold in the Bank remains about the same as a year ago, owing to the amount received into the Bank during the first half of the year being nearly the same as that withdrawn during the autumn.

Our working margin of profit between money and bills was slightly less than in 1927, namely, 8s, against 9s 9d.

The figures in the balance-sheet and profit and loss account call for no particular comment.

The total balance-sheet figures at £29,753,448 1s 5d show an increase of about £3,000,000 over those of last year. Our holdings of short-dated Government securities have expanded by £1,772,000, as we were of opinion that this would be advantageous for the company, owing to the good rates of interest obtainable.

"BILLS DISCOUNTED."

The account "Bills discounted" in the balance-sheet shows an increase of about £1,800,000 as compared with last year. A strong demand for commercial bills was in evidence practically the whole year; this was mainly on Continental account, and, as you will see from the increase in our rediscount figure, we have as far as possible taken advantage of it. It would seem that, as London has for some time been one of the cheapest centres in which to borrow, increasing use has been made by foreign countries of acceptance credit facilities offered by London houses, and towards the latter part of the year, certainly, we saw a distinct increase in the amount of prime London acceptances offering from abroad.

YEAR'S PROFITS.

The gross profits show an increase of £58,000 over those of last year, and after providing for dividend and bonus, on the increased capital, at the same rate as last year—namely, 15 per cent., less tax, by way of dividend, and 5 per cent., free of tax, as bonus—we are able to carry forward £47,988, as against £36,215 brought in. Our net profits have shown an increase of about £32,000, of which £21,000 is absorbed by dividend and bonus on the increased capital, the remaining £11,000 going to increase the carry-forward.

We are again greatly indebted to Mr Newcomb and his staff for their skilful management of our affairs throughout the year.

THE RESOLUTION.

The resolution which I have to propose is this: "That the report and accounts be received, adopted, and entered on the minutes, and that dividends for the half-year ended December 31st last be declared at the rate of 6 per cent. per annum on the £200,000 preference capital, and at the rate of 15 per cent. per annum on the £575,000 ordinary capital, both less income-tax, and a bonus of 1s per share on the ordinary shares, free of tax, payable on and after the 24th instant, and that the balance of £47,988 18s 4d be carried forward to next account." I shall ask Sir Austin Harris to second that, but before I put it to the meeting if anyone has any questions to ask I shall be pleased to do my best to answer.

Sir Austin E. Harris, K.B.E.: I have great pleasure in seconding that.

RE-ELECTION OF DIRECTOR.

The Chairman: If there are no questions, I shall put the resolution. Those in favour will please hold up their hands; on the contrary; that is carried unanimously. The next business is the re-election of Mr Eric Gore Browne as a director. He offers himself for re-election, and I have very much pleasure in proposing that and in asking Mr George Alexander to second it.

Mr George C. Alexander: I have great pleasure in seconding that.

The Chairman: Those in favour please hold up their hands; on the contrary; that is carried unanimously. The next resolution is for the reappointment of the auditors.

Sir Philip J. C. Henriques, K.B.E.: Before that is put, as a matter of interest, it seems to me that, according to the Companies Act, the confirmation of Mr Newcomb's co-option to the board ought to be put to the meeting. I have not a copy of the Act before me, but I have had a certain amount of experience of it, and I was under the impression that after the co-option of a director it has to be confirmed at the next general meeting.

The Chairman: That is so, but Mr Newcomb is not yet a director; he is not yet qualified. I have simply told you that the directors have invited Mr Newcomb to be a director, and when he has secured his qualification he will be put on the board, and in the ordinary course of events will come up for confirmation next year. As the books of the company are closed, it is impossible to pass any transfers until to-morrow. Will someone now propose the auditors?

RE-APPOINTMENT OF AUDITORS.

Sir Philip Henriques: I propose the reappointment of the auditors, Messrs Price, Waterhouse and Co., and I am sure we could not have better auditors than they if we searched the City of London through. I propose that they be reappointed at the same remuneration as before.

Mr Hugh R. Clark: I have much pleasure in seconding that.

The Chairman: That has been duly proposed and seconded. Those in favour will please hold up their hands; on the contrary; that is carried unanimously. That, ladies and gentlemen, completes the business.

VOTE OF THANKS TO CHAIRMAN, DIRECTORS, AND STAFF.

Mr Herbert Alexander: I should like to propose a vote of thanks to our chairman for the way in which he has conducted the business of the meeting, and also to the directors and staff for the way in which they have worked for the benefit of us all. I am sure you will all feel the same as I do.

Mr David A. Horner: I have much pleasure in seconding that.

The Chairman: On behalf of my colleagues and myself and also on behalf of the manager and staff, I am extremely obliged to the shareholders for the kind way in which they have received this motion. I hope we may have a good account to give you a year hence.

The proceedings then terminated.

THE
LIVERPOOL
AND
LONDON
AND
GLOBE
INSURANCE CO., LTD.
FOR ALL CLASSES OF INSURANCE
Head Office: 1, Dale St., Liverpool.
London: Chief Office: 1, Cornhill, E.C.3.
General Manager & Secretary: Hugh Lewis

NATIONAL DISCOUNT COMPANY, LIMITED.

A SATISFACTORY YEAR.

HIGH DEGREE OF SECURITY AND LIQUIDITY.

The ordinary annual general meeting of the National Discount Company, Limited, was held, on the 23rd instant, at Cannon street Hotel, London, Colonel the Hon. Sidney Peel, D.S.O., presiding.

The Secretary (Mr Charles H. Gough) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: I will begin by putting before you the results of the year. Those results are, in brief, that we propose to pay the same dividend as last year, we put £15,000 to reserve fund, £10,000 to the pension fund trustees account, which leaves us with a surplus of about £11,000 to add to the carry forward. The dividend and the pension fund contribution are the same as last year. I may mention that the pension fund now amounts to £85,923, and, as you know, is held by trustees outside the company's own funds. The contribution to reserve fund is £35,000 less than last year, deducting the £11,000 added to carry forward, the total profits appear to be £24,000 less than last year. But last year we took £22,000 from the carry forward and added it to reserve. We also had the benefit, as mentioned by the chairman in his speech at our last annual meeting, of some profits previously unallocated, which were not wholly due to the operations of that particular year. If, then, we make allowance for these contributions, we find that the profits of the year under review reveal a considerably more favourable result. We have, in fact, had a satisfactory year.

The conditions during 1928 were favourable to what I may describe as normal profits. There were no startling changes in rates, such as lead to great fluctuations of profit or loss. The Bank of England rate remained unchanged during the whole year, and has not been changed since April, 1927. The discount rate for fine bills averaged £4 3s 1d for the year, and except in the month of June, when there were some expectations of a reduction in Bank rate, did not fall appreciably below 4 per cent., leaving a reliable, but not very large, margin over the average rate of interest on deposits.

The profit and loss account is, of course, only a part of the accounts which we present to you. There is also the balance-sheet. The profit and loss account gives the result of the year's operations, the balance-sheet shows the state of the company's financial position on a particular day, viz., December 31st. Both should be of great interest to shareholders, who, however, perhaps feel more acutely about the profit and loss account.

STRONG BALANCE-SHEET.

The balance-sheet is of more interest to the depositors, that is, to those who lend their money to the company. There are two principal objects in a company of this kind: first, security, and only secondly, profits. It is true that if security is established profits will not fail to come. The reason why I say the balance-sheet is of most interest to the depositors is because, whilst it certainly gives a useful light on the operations of the company, its main object is to give information as to security. The amount of information thus given varies with the kind of commodity in which a company deals. In the case, for instance, of a manufacturing or industrial company, you need a good deal more information beyond the actual figures of the balance-sheet; the figures themselves will not tell you whether the plant and machinery, stock in hand, &c., are in proper condition or correctly valued. But in the case of a company like ours, dealing almost wholly in high-class easily marketable securities, the vast majority of which automatically liquidate themselves, that is to say, turn into cash, day after day, a balance-sheet will tell you at a glance what degree of security may be anticipated for those who have deposited their money with the company.

If you examine our balance-sheet from the point of view of a depositor, you will see at once, after taking into account the valuation of our assets compared with the total of our liabilities, that a very high degree of security is attained. With a knowledge of the nature of the bills and securities we hold, I can go farther than this, and say that, supposing we were suddenly required to pay off the whole of our liabilities in a single day, we should be able to do so. I should like to add that I am not claiming this high degree of liquidity solely for our own company. I believe it to be characteristic of all our principal colleagues and competitors in the market. It is for this reason that the reputation of our discount market stands so high in the world, and thereby makes a large contribution to those invisible exports which make the import of their raw material cheaper for our industrial friends, a contribution which some of them are inclined to ignore.

At this point I will frankly admit that I have been particularly led to the subject of balance-sheets by two facts connected with our own. These are, first, that of late years figures of our balance-

sheet have considerably increased in volume, and, second, that this year they have diminished. If a man increases in weight for some time, and then loses a few pounds, these may be good or bad signs, but they require investigation. I have examined the first point, and I find, as I have said, very complete security. The increase has been met, partly by increase of capital and growth of reserves, and partly by the character of the bills and other instruments which we hold. I come then to the second point on which the balance-sheet gives indications, that is, the course of profits.

REASON FOR DECREASE IN DEPOSITS.

You will, first of all, see that the total of our reserves and carry forward continues to expand. From the point of view of future profits you cannot have too large reserves. Our position is satisfactory, but I hope to see further improvement in this respect in course of time. Next I come to the deposits. These show a considerable decrease compared with last year. You cannot argue from this that the profits will be less.

There is not available an unlimited supply of money at a rate which will enable you to carry bills at a profit. Beyond a certain point it becomes a question whether it is worth while to increase your deposits. At certain times of the year there is a great deal of competition. The consequence is that on the dearer part of your deposits you make only a very small profit, or even a loss. It is generally possible to increase your deposits if you like to pay the high rate, but your profits will not increase in proportion. On the other hand, the risk you take of loss is increased in a greater degree.

Towards the end of last year there was eager competition for money, both from Berlin and New York. In view of this and of the usual end-of-the-year stringency, we took a cautious view, and did not bid for the more expensive money. I do not think our profits will be at all diminished during the coming year. The point is that a considerable fluctuation in deposits, at a particular date, does not indicate a falling off in the volume of profitable business during the course of the year.

I can conclude my review of the accounts presented to you by expressing my conviction that your company is in a thoroughly sound position, from the point of both security and profits.

I have already alluded to some of the features of the past year; from our point of view the maintenance of the Bank of England rate at 4½ per cent. is the most important. But I should like briefly to allude to an event which will make 1928 a landmark of post-war financial history—namely, the amalgamation of the Bank of England and Treasury note issues under the control of the Bank of England. It is a great safeguard for the future. In this connection we heartily welcome the modifications in the Bank of England weekly return, which will facilitate our endeavours to read the signs of the times.

Sir Sigismund F. Mendl, K.B.E., seconded the motion, and it was carried unanimously.

THE UNION DISCOUNT COMPANY OF LONDON, LIMITED.

SUCCESSFUL RESULTS—INCREASED PROFITS.

TOTAL ASSETS OVER £65,000,000.

The seventy-first ordinary general meeting of the shareholders of the Union Discount Company of London, Limited, was held at Cannon street Hotel, London, on Thursday, January 24th, Mr Robert Holland-Martin, C.B., presiding.

The secretary (Mr W. B. Hobbs) having read the notice convening the meeting and also the auditors' report,

The Chairman said: Ladies and Gentlemen,—Speaking as an Englishman to English men and women, I cannot proceed with the formal business of this meeting without referring to the serious illness from which His Majesty the King is now most happily recovering. It gave his subjects both at home and in the Empire cause for great anxiety; yet that anxiety was greatly tempered by the very real sympathy which all peoples and nations displayed to our King, to his family, and to his subjects. Such sympathy goes far to bind the nations of the earth together, and is a tribute to the universal affection and esteem that our King has justly earned.

TRIBUTE TO LATE MR WILLIAM T. BRAND.

I assume, ladies and gentlemen, that, as usual, it is your pleasure that the report and accounts be taken as read. (Agreed.) Before commencing my remarks on the balance-sheet and profit and loss account of the company I must refer to the great loss that the company sustained this year by the death of Mr William T. Brand.

Mr Brand was the father of the company, for, apart from having joined the board at its inception in 1885, he had previously been connected with the General Credit and Discount Company, from whose amalgamation with the United Discount Corporation resulted the creation of the Union Discount Company.

From the earliest days he always took the greatest interest in the progress of his child, and the continuous success and growth of the company was greatly due to his care and supervision.

In his place we have been fortunate enough to secure the services of Mr Archibald A. Jamieson, of Messrs H. S. Lefevre and Co., whose election comes up for confirmation by you to-day.

BALANCE-SHEET ITEMS.

Turning to the balance-sheet, you will note that our capital has been increased to £1,250,000 by the payment up of the £2 10s per share called in respect of capital on the 50,000 new shares offered last June to the shareholders, and that our reserve fund has also increased by £225,000, the amount of the premium of £4 10s per share at which the new shares were issued; so that our total capital and reserves, including the carry forward—I am supposing that you will approve of our apportionment of the profits to our shareholders and the carry-forward to our new account of £241,607—now amount to no less than £3,241,607, as against £2,873,321 last year, an increase of £368,386.

LOANS AND DEPOSITS.

Our loans and deposits, including our provision for contingencies, amount to £45,875,810, and bills rediscounted to £15,634,655 —a total of £61,510,465, as against £55,356,231.

The rebate on bills discounted is £585,004 this year, as compared with £786,228 last year, a smaller amount because the term of the bills is considerably shorter this year.

PROVIDENT FUND.

The provident fund, no longer a separate item since 1927, is contained in the item "Loans and deposits." It amounts, with the £10,000 we are asking you to vote, to £226,635. I am sure you will all agree that it is only right that a business of our standing should have an adequate pension fund to provide pensions for those who have spent their lives in its service.

PROFIT AND LOSS ACCOUNT.

The balance at the credit of the profit and loss account is £468,586, and, if you will turn to the account, you will see that we brought forward from the previous year £223,221, a sum we wish you to increase this year, and that our gross profits were £909,203. To arrive at our net profits we must deduct the cost of current expenses, which includes salaries, rent and taxes, and directors' fees, £78,834, and rebate of interest £585,004—a total of £663,838. This leaves us with a net profit of £245,365, comparable with £232,816, in 1928.

DIVIDEND AND ALLOCATIONS.

Deducting from this the £10,000, which we ask you to allocate to provident fund, and the £20,000 to write down our premises account, we are left with £215,365. Of this we suggest that you should, having paid a dividend of 15 per cent. on the old shares for the first six months, pay a dividend at the rate of 15 per cent. for the second half-year too, in which dividend the new shares, of course, only participate for the three months in which they were fully paid, though interest at 5 per cent., as stated in the prospectus, is paid on the first instalment to September 30th last, and a bonus at the rate of 2s 6d per share for twelve months on the old capital, and for three months on the new. This means a further £57,812, making a total paid in dividend of £196,979, as against £191,250. This is £18,386—short of the balance of our profits for the year, and we propose that that should be added to the carry forward, making it £241,607.

I think that you will all agree that this shows we have done by no means badly during the past year, and that the result reflects the great skill and assiduity with which Mr Wyse, his assistants, and, indeed, our whole staff, have conducted our business during the past year, which has not been at all an easy one.

ASSETS.

Now let us turn to the credit side of the balance-sheet on December 31st:—

	£
We had in cash with our bankers	1,339,129
As compared with last year	1,328,062
In British Government securities, Indian Government, and other securities, all of the highest class	8,963,231
We had lent on securities at call and short notice and other accounts	123,231
We had discounted bills to the amount of	54,842,540
Compared with	48,908,889
We had owing to us	98,425

And our freehold and leasehold premises, which stood at £178,531 ten years ago, after writing off £20,000 this year, notwithstanding their having been enlarged and greatly improved since we occupied them, now stand at the nominal amount of £100,000. I would add that the leasehold portion is only a slender strip on the west of the building, about the width of the door.

Our total assets, therefore, on December 31st last, amount to £65,466,556, compared with £59,139,431 in 1927, and are the largest figures we have yet shown.

MONEY RATES DURING PAST YEAR.

The steady holding of the rate at 4½ per cent. for the whole year was due to the wise prescience of the Governor of the Bank of England, who proceeded to sell securities, rightly estimating that the circumstances were somewhat artificial, and that the effect of that gold would be dissipated if this country, influenced by the increasing stock of gold, was to continue to make loans to Berlin and New York. The resultant effect was that rates in London remained constant throughout the year, at a medium rate that could not harm trade, and, incidentally, for the first time since the war fell considerably below that of New York. Thus the position of London as the financial centre of the world was well maintained, with the result that the bill on London became greatly sought after—witness the very large increase in acceptances shown by the banks and accepting houses. At the same time, London was enabled to take a very large share in the financing of the world; indeed, it has been estimated that more money was lent abroad by London than by New York.

The report and accounts were unanimously adopted.

MIDLAND RAILWAY COMPANY OF WESTERN AUSTRALIA, LIMITED.

STEADY PROGRESS CONTINUED.

The ordinary general meeting of the Midland Railway Company of Western Australia, Limited, was held, on the 24th instant, at Winchester House, London.

Sir George A. Touche, Bt. (the chairman), said that the record of steady progress which had been a feature of the directors' reports for some years past was continued in the one now submitted. The gross traffic receipts of £216,126 and the net traffic receipts of £126,688 were again the highest in the history of the company, comparing with £206,466 and £122,344 a year ago. Looking back over seven years, they found an increase in gross and net traffic receipts of £85,805 and £86,029 respectively.

The results for the past year would have been even better but for an ill-conceived strike, which lasted for 12 days, in the month of April. The tonnage of goods and live-stock carried was 154,935, as compared with 151,596 in the previous year. As was usual, the general goods traffic was the main factor in the year's operations. Wheat again held pride of place, and represented 42 per cent. of the total goods tonnage. Passenger earnings showed a decrease of £1,266 due to the strike. The percentage of working expenses to gross traffic receipts was 41.38, compared with 40.74 for the previous year.

The revenue amounted to £128,546, comparing with £127,844 in the previous year and £106,926 in 1926. In the past seven years there had been an increase in net revenue of £73,090, or 131.79 per cent. This was not due to some lucky accident and isolated cause. It was the product of steady and continuous growth, and was ripe with the promise of greater growth in times to come. They had transferred £30,000 to depreciation and renewals account, and after provision for taxation and debenture stock interest they had added £25,000 to the general reserve, bringing it up to £75,000, and recommended a dividend of 3 per cent. on the unified ordinary stock (as compared with 2½ per cent. a year ago), which carried with it a proportionate payment of £3,559 in respect of the reversionary certificates, the amount of which outstanding at June 30th was £785,976. Of the first mortgage debenture stock £59,959 was redeemed and cancelled during the year, and the amount outstanding was now £191,620 out of a total issue of £655,000.

The sales of land for the year totalled 70,686 acres, and the amount remaining unsold at the close of the financial year was 742,541 acres, out of an original concession of 3,319,464 acres. The board's policy was to encourage the sale and development of the lands for the benefit alike of the State and the railway.

The report was unanimously adopted.

METROPOLITAN TRUST COMPANY, LIMITED.

INCREASED DIVIDEND AND VALUATION.

MR ROBERT FLEMING'S ANNUAL ADDRESS.

The 31st ordinary general meeting of the Metropolitan Trust Company, Limited, was held, on the 24th instant, at the company's offices, Gresham House, 24 Old Broad street, London E.C., Mr Robert Fleming (the chairman) presiding.

The Secretary (Mr H. Carlisle) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen, some, but no great, progress has been made in the re-establishment of our industrial position during the year. Our heavy industries are still struggling to keep going. In matters purely financial there has been some rise in prices, with boom figures in various speculative lines. On the Continent, Germany is now face to face with the question of Reparations. America, with ample funds except for inflated Stock Exchange purposes, continues prosperous.

HUGE TRANSATLANTIC INVESTMENT TRUST FIGURES.

The year has witnessed a considerable number of new issues of investment trusts. The transatlantic issues have, however, been in much greater volume; no less than a capital approaching £300,000,000 in the shape of investment trusts has been issued in the United States during the past 10 years. This compares with a total issue during the past 50 or 60 years of round £200,000,000 on this side. These enormous figures would seem to indicate that the investment trust has come as a permanent part of the financial fabric not in this country alone.

Our accounts are very simple and they have been in your hands for some time, so that I need not detain you by going over them in detail.

Last year I said that it would be difficult for trust companies to maintain the rate of progress in revenue that they had hitherto enjoyed. It is satisfactory, therefore, to find that we have maintained last year's very good figures and indeed somewhat increased them. Last year our surplus revenue, after paying expenses and the dividend on the preferred stock, was 23.10 per cent. on the ordinary capital stock. This year it is 23.48 per cent., and, as we do not anticipate any reaction from this figure in the year on which we have now entered, we have increased the dividend from 19 per cent. to 19½ per cent.

EFFECT OF REDEMPTIONS.

Last year we had £85,000 of our high interest bearing securities paid off. This year the amount is £81,000. This implies some small reduction in our revenue, as the things we buy do not bear so high a rate as those we have redeemed. The largest items in the redemption list are £21,500 of a debenture issue which we bought at 97⅞, and which were paid off at 105, and £10,000 of another debenture issue which we bought at 89½, and which we have had repaid at par. So that the redemption record is not an unmitigated evil.

The question of the Stock Exchange value of the trust funds—a constantly fluctuating quantity—is not so important to the shareholder as the income they produce, but it is satisfactory to see this also well maintained.

The excess over book cost last year was £675,000; this year, 1928, it is £900,000, being an average increase of 7 per cent. on the whole capital fund.

We have now for seven consecutive years been able to report an increase in the Stock Exchange value of our funds over that of the preceding year. It may easily be that we have reached a point where the trend of value may run in an opposite direction. If this should be the case, we are well buttressed with our reserve fund and carry-forward.

With these few remarks I now beg to move:—

"That the report and accounts, as presented, be and they are hereby received, approved and adopted, and that dividends of £2 5s per cent., less income-tax, on the preferred stock, making with the interim dividend £4 10s per cent. for the year, and £12 10s per cent., less income-tax, on the ordinary stock, making, with the interim dividend, £19 10s per cent. for the year, be and the same are hereby declared."

Mr Harry A. Vernet seconded the resolution, which was carried unanimously.

The retiring director (The Rt. Hon. Viscount St. Davids) was re-elected, and the auditors (Messrs Deloitte, Plender, Griffiths and Co.) having been reappointed for the current year, a vote of thanks to the chairman and directors terminated the proceedings.

BURMA CORPORATION, LIMITED.

SUCCESSFUL YEAR—INCREASED DIVIDEND.

RECORD PRODUCTION FIGURES—STRONG FINANCIAL POSITION.

The annual general meeting of the Burma Corporation, Limited, was held on Monday, December 31st, at 11 o'clock, in the offices of the company in Strand road, Rangoon. Mr P. E. Marmion presided, and was supported by Mr Wm. S. Robinson, Mr M L. Burnet, Mr F. B. Hartnoll, and Mr Henry Ponsford (secretary).

After the secretary had read the notice convening the meeting and the auditors' report to the shareholders,

The Chairman said: My first duty in addressing you to-day is to convey to you the regrets and apologies of your Chairman, Sir Robert Horne, for his unavoidable absence from this meeting.

As you are aware, a very important General Election falls to take place in England in the near future, and in these circumstances you will readily appreciate that Sir Robert found himself in a difficult position, and only deprived himself of the pleasure of addressing you to-day and of visiting the centre of your company's activities at Namtu, because of the impossibility of absenting himself from the United Kingdom at such a time for any considerable period.

My second duty is to ask your indulgence for my shortcomings in the unusual position in which I find myself as a consequence of his absence.

You have no doubt all received the report of the directors and statement of accounts, which we were able to circulate in good time, enabling ample opportunity for study, in which case I presume you will agree to take them as read.

Reviewing the statistics, you will have noted the very difficult times we have had to face and the progress that has again been made in all departments.

THE MINE.

The tonnage extracted from the mine was 429,845, an increase of 17,959 tons over the previous year, coincident with which was a considerable improvement in grade. The assay value of the ore extracted during the year improved from an average of 18.7 ounces silver, 20.8 per cent. lead, and 12.4 per cent. zinc to 21.5 ounces silver, 23.5 per cent. lead, and 14.9 per cent. zinc, which, having regard to the record tonnage mined, I feel sure you will regard with pleasure.

In addressing you last December your Chairman referred to the large amount of repair work that had been carried out and was still in progress in the areas affected by the unfortunate mine fires, and expressed the hope that the mine would be fully restored to a normal working condition by the end of the current year.

I am pleased to state that during the year under review and at the present time ore was, and is, being extracted from all levels in the affected areas, and although there remains a small section of ground at No. 2 level which it is considered judicious to keep sealed for the present, it is not anticipated that there will be any difficulty in gradually making it accessible and available for stoping, as has been done with the rest of the areas.

From the general manager's report you will observe that a remnant of fire was encountered in some old timber buried in ground which had caved—no doubt during the period of the fires—but the arrangements that had been made for an adequate supply of water to all sections of the mine in anticipation of such an occurrence enabled it to be dealt with quickly and effectively without any interruption to the continuity of operations.

After having inspected the whole of the underground workings during the course of the last two weeks, and carefully examined the sections affected by the fire, I am pleased to state that they are now in a thoroughly satisfactory operating condition, and that good ventilation has been re-established everywhere.

Naturally, the ore in some sections is more difficult and costly to extract than it would have been had there been no fires, but, notwithstanding this adverse factor, it will be reassuring to you to know that the cost of extracting ore from the mine during the year under review was actually less by half a rupee per ton than it was in 1924, the last complete year before the fires.

PRODUCTION FIGURES.

The production of refined lead was 72,388 tons, compared with 56,791 tons the previous year, representing the very substantial increase of 15,597 tons, or 27.5 per cent.; and the production of refined silver was 6,954,665 ounces, against 5,108,103, an increase of 1,846,562 ounces, or 36.1 per cent. This production of silver represents almost 3 per cent. of the world's output for the year, and makes your mine easily the largest individual producer.

These highly satisfactory results were due partly to an increase both in tonnage and grade of lead ores treated, and partly to improvements in metallurgical efficiency at the mill and smelter.

Our production for the time being is governed more by the position of the metal markets than by the extent and value of our reserves. Until the position of the former improves, and subject to the continuance of good will and co-operation among the world's leading producers, we do not contemplate any expansion in our output.

The tonnage of zinc concentrates produced increased from 54,287 to 62,195, an improvement of 7,917 tons, or 14.6 per cent. Of the production for 1928, 3,973 tons resulted from the treatment of accumulated tailings, against 9,249 tons from a similar source in 1927. The increase in production from the treatment of current ore during the year was, therefore, greater than the total figure indicates.

The percentage recovery of zinc from current ore improved from 49.06 per cent. to 54.79 per cent., and we look forward in the not distant future to further improvements as a result of some very interesting research work on which our experimental staff has been engaged for a considerable period.

The production of copper matte increased from 12,141 to 12,388 tons through the treatment of 68,385 tons of copper ore of somewhat lower grade than the previous year.

Following the outbreak of the mine fires in 1925, the production of copper matte was increased rather more than the copper ore reserves justified, because the sections of the mine in which copper ore predominates were not affected. Now that the whole of the mine is accessible and ample supplies of lead ore are again available, it is probable that the output of copper matte will be gradually reduced to a tonnage commensurate with the reserve and grade of copper ore in the mine.

During the year under review we were able, by improvements in our smelting practice, to turn out a marketable product of copper nickel speiss, from which a revenue was obtained for the first time, and we look forward to a gradually increasing return from this source in the future.

The number of our marketable products was thus extended, and now comprises refined lead, antimonial lead, silver, zinc concentrates, copper matte, and copper nickel speiss, which will enable you to appreciate that your property in every sense justifies its classification as a mixed-metal mine.

Before finishing with the subject of increased production we would like to express our appreciation of the services rendered by the Burma Railways in providing the facilities necessary for the transport of our largely increased tonnages.

METAL PRICES.

I do not think there is anything further I can usefully add regarding production, and will now pass on to the very important matter of metal prices, with which, in common with other producers, our experience last year was not very pleasant.

A study of the table of metal prices in the directors' report shows very clearly that for our principal product, refined lead, the average price for the year declined from £28 15s 7d per ton to £21 9s 6d per ton, with the result that, notwithstanding an increased production of 27.5 per cent., the revenue from its sale shows only the small increase of 1.4 per cent.

The average price of spelter for the year also declined by £5 10s 8d per ton, since when it temporarily receded still further, but happily has again recovered to above £26 per ton—about the same figure as it averaged for the year under review.

Notwithstanding the decline in the price of spelter, the revenue from sales of zinc concentrates increased by £93,500, due to larger tonnage and the higher grade of concentrate produced—namely, 50 per cent. zinc, as against 46 per cent. the previous year.

Fortunately, the prices for silver and copper remained fairly steady throughout the year, and, as a consequence of the large increase in production, the revenue from the sales of silver exceeded that of the previous year by over £211,000.

REVENUE.

The total revenue from sales of all products exceeded that of the previous year by £255,000, a result due entirely to increased production following the improvement in the grade of ore and greater tonnage mined and the attainment of increased efficiency in the treatment plants.

The effect of the decline in metal prices is, I think, best illustrated by the fact that upon the output for the year under review it represents a loss of revenue, when compared with the average metal prices ruling for the previous year, amounting to no less than £695,000. Translated into profit, this loss of revenue, over which we have absolutely no control, represents a sum equal to nearly 11 annas per share in dividends.

The achievement of the year, whereby the financial results before you surpass those of last year, is really a remarkable one when the great fall in lead and spelter prices is taken into account. I feel sure that you will agree with the board in considering that the greatest credit is due to your general manager, Mr Hogan Taylor, and to all associated with him, for such a satisfactory result obtained under very difficult conditions.

I have endeavoured to show how this increased production was obtained, and I am sure it will interest you to know the proportions in which our revenue was derived from the sale of the various products recovered. For the year under review the proportions expressed in percentage of total revenue were:—

	Per cent.
Refined and antimonial lead	47
Silver	25
Zinc concentrates	17
Copper matte	10
Nickel speiss	1
	100

PROFIT AND LOSS ACCOUNT.

If you will refer to the profit and loss account you will observe that operating expenditure shows an increase of £220,000 over the figure for the previous year. This is practically all accounted for under the headings "Treatment," which shows an increase of £104,000, and "Freight and realisation charges," which exceed those for 1927 by £92,000. In both cases the increase follows upon the extra cost entailed in producing, transporting and realising the greater tonnage of products resulting from the larger tonnage and improved grade of ore mined and treated.

As a result of increased operating profit, the trading account shows a gross profit of £1,248,510, an increase of £44,129 over the previous year

After providing for loss on exchange, depreciation, income-tax and super-tax, the net profit remaining to be carried to the appropriation account is £788,291, against £775,707 for 1927.

Of this amount, dividends Nos. 10 and 11 absorbed £761,720, leaving a balance to be carried forward of £164,000, or £26,571 in excess of the amount brought forward.

DIVIDEND.

In conclusion, the Chairman said: I will now pass on to a matter which, I am sure, is of the greatest interest—that is, the rate of the dividend declared this month by the board.

I have previously called attention to the great strength of the corporation's financial position, and the board, after considering all the circumstances, came to the conclusion that it was now possible to utilise for the benefit of shareholders certain profits hitherto retained in reserve.

If you will turn to the balance-sheet, you will observe that reserve funds and profit and loss appropriation account together amount to Rs.53 lakhs, or about £400,000, representing profits earned but undistributed.

I am sure that your own experience in the fluctuating fortunes of base-metal mines will cause you to realise that it is not possible to foretell accurately what proportion of this sum ultimately will be available for distribution, but after due consideration your board decided that the position to-day warranted part of it being used in the shape of a bonus of one anna per share to supplement the 6 annas dividend declared from profits earned for the half-year ending to-day, making the total distribution 7 annas per share.

This bonus will absorb about Rs.8¾ lakhs, or £65,000, which leaves a considerable sum still available, and I feel sure that the board's decision to utilise these accumulated profits at their discretion for the purpose of equalising or possibly augmenting future dividends, as in the present instance, will commend itself to shareholders.

At what time these funds may be so utilised, and the extent to which it might be prudent to do so, I must ask you to leave to the discretion of the board when they are considering all the circumstances relevant to the declaration of dividends.

In the meanwhile, we believe it will be of considerable advantage to shareholders to know that these funds are available when circumstances permit to reinforce the corporation's ability to pay regular and satisfactory dividends.

I believe I am correct in stating that we alone among all the lead-silver-zinc mines of the world have been able to maintain our rate of dividend from the profits earned during the very depressing year through which we have passed, and I feel sure this highly satisfactory result will be appreciated by shareholders, and that they, like ourselves, will desire to extend their thanks to the general manager and all those associated with him for the great success which has attended their efforts.

I have now much pleasure in moving:—

"That the directors' report and statement of accounts for the year ended June 30, 1928, as submitted at this meeting, be received and adopted, and will call upon Mr Robinson to second the resolution."

Mr Robinson seconded the resolution, which was carried unanimously.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Jan. 18, 1929. (c) Week ended Jan. 19, 1929.	Miles Open.	Week ended Jan. 20, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 3 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western ..	3,779	204	210	134	344	548	611	603	381	984	1,595
Do for 1928	3,779	202	209	124	333	535	634	600	360	960	1,594
Lon. & N.Eastn.(c)	6,345	295	415	285	698	993	895	1,133	777	1,910	2,805
Do for 1928	6,363	304	443	270	713	1,017	917	1,165	750	1,915	2,832
Lond.,Mid &Scot.	6,950½	433	549	316	865	1,298	1,312	1,547	877	2,424	3,736
Do for 1928	6,950½	451	570	293	863	1,314	1,354	1,564	867	2,431	3,785
Southern	2,177	265	72	37	109	374	787	211	100	311	1,098
Do for 1928	2,177	268	73	32	105	373	801	198	85	283	1,084
Metropolitan (c)	59	31·7	..	..	3·8	35·5	96·3	..	..	11·4	107·7
Do for 1928	59	31·6	..	..	3·8	35·4	95·9	..	..	11·4	107·3
†Und'rgr'ndE.R.c	..	..	..	..	..	270·0	..	..	..	..	754·7
†Do for 1928 ..	..	..	..	..	..	273·7	..	..	..	..	765·0
Lon.&Sub.Gr'up c	..	..	..	..	..	37·9	..	..	..	..	104·9
Do for 1928	..	..	..	..	..	38·8	..	..	..	..	108·8
B'lf'st&Co.D'wn b	80	2·0	..	..	0·9	2·9	5·6	..	..	2·3	7·9
Great Northern b	562	10·3	..	..	15·6	25·9	32·7	..	..	43·9	76·6
Great Southern b	2,187	23·6	..	..	47·2	70·8	71·5	..	..	130·5	202·0

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or —	Total Gross Receipts. 1929.	+ or —
INDIAN.				Rs.	Rs.	Rs	Rs.
Assam Bengal	38weeks	Dec. 22	1,116	4,87,000	+ 38,086	1,66,14,201	+ 4,10,646
Barsi Lt. Ry.	39weeks	29	202	57,000	+ 12,200	17,80,300	+ 5,95,700
Bengal & N. Western	39weeks	29	2,079	7,45,755	+ 55,869	85,67,627	— 5,18,968
Bengal-Nagpur	37weeks	15	2,939	17,63,000	—1,63,294	5,98,90,517	—14,49,172
Bombay, Bar., & C.I.	41 weeks	Jan. 12	3,022	24,82,000	— 12,000	8,93,68,000	+ 36,94,000
Burma	35weeks	Dec. 1	1,349	7,24,790	— 80,277	2,73,09,216	— 1,12,540
Madras & S. Mahr ..	39weeks	29	3,072	20,10,000	+ 54,505	6,82,60,004	+ 52,69,129
Nizam's Guarantd.(e)	39weeks	29	1,018	5,08,214	— 26,435	1,48,23,377	+ 9,13,844
†Rohilk'd & Kumaon	39weeks	29	561	1,36,371	— 16,542	15,15,975	— 43,576
South Indian	39weeks	29	2,208	11,80,836	— 77,924	4,60,39,335	— 5,38,603

† Including Lucknow-Bareilly State Railway. (e) Total receipts of all lines.

ARGENTINE (a).				£	£	£	£
Argentine N.E.	29weeks	Jan. 19	753	14,200	— 800	658,900	+ 33,800
B.A. and Pacific	29weeks	19	2,694	185,000	+ 19,000	4,654,000	+ 479,000
B.A. Central	29weeks	26	..	13,793	+ 157	419,099	+ 12,558
B.A. Gt. Southern ..	29weeks	19	4,720	320,000	— 17,000	6,593,000	— 541,000
B.A. Western	29weeks	19	1,926	120,000	+ 5,000	2,778,000	— 21,000
Central Argentine ...	29weeks	19	3,305	275,000	— 10,000	7,674,000	+ 240,000
Cordoba Central	29weeks	19	1,218	68,000	— 2,000	2,028,000	— 25,200
Entre Rios	29weeks	19	728	40,000	— 400	852,000	+ 94,100
CUBAN.							
United of Havana† ..	29weeks	Jan. 19	1,359	108,353	+ 36,918	1,594,960	+ 21,276

† Figures include Havana Central Railway.

URUGUAYAN.				£	£	£	£
Central Uruguay	29weeks	Jan. 19	273	34,795	+ 885	872,820	+ 15,436
C. Urug. (East. Ext.)	29weeks	19	311	9,587	+ 922	187,327	+ 3,578
C. Urug. (North. Ext.)	29weeks	19	185	5,028	+ 878	102,921	+ 6,139
C. Urug. (West. Ext.)	29weeks	19	211	3,171	— 254	81,054	+ 4,345
CANADIAN.				$	$	$	$
Canadian National..	2weeks	Jan. 14	19,138	3,814,948	— 608,064	7,397,792	— 803,117
Canadian Pacific ..	2weeks	14	14,670	3,436,000	+ 7,000	6,807,000	+ 172,000
BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil..	3weeks	Jan. 19	1,016	25,500	+ 5,100	60,100	+ 2,500
Leopoldina	3weeks	19	1,856	36,488	— 11,671	99,078	— 25,506
Leopoldina Termnl.	3weeks	19	Mirs	273,000	— 3,000	730,000	+ 17,000
San Paulo	3weeks	20	1534	42,472	+ 814	138,635	+ 15,090
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia)	3weeks	Jan. 20	838	47,270	+ 12,645	126,840	+ 21,715
Nitrate (½-monthly).	2weeks	15	402	42,579	+ 13,840	42,579	+ 13,840
OTHER OVERSEAS.							
Alcoy and Gandia ..	52weeks	Dec. 29	33	Ps. 35,500	..	1,388,700	+ 60,900
Egyptian Delta	38weeks	31	608	£12,492	+ 1,166	254,284	+ 15,841
Gt. S uthn. of Spain	2weeks	Jan. 12	104	Ps129,098	— 8,646	263,045	— 12,557
Mexican Railway ..	2weeks	14	432	$226,800	— 2,400	440,700	— 19,400
Paraguay Central ..	27weeks	12	274	£3,650	..	125,950	+ 1,360
Salvador..... ...	28weeks	19	100	£7,857	+ 2,267	117,701	— 1,155

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or —	Total Receipts. 1929.	+ or —
Anglo-Argentine....	3weeks	Jan. 21	329	£85,670	— 918	260,003	— 4,425
B. Aires Lacroze ..	29weeks	20	..	£13,532	— 546	379,068	+ 5,695
Burnley Corporation	1week	19	13	£2,92.	— 121	..	..
Calcutta Tramways.	1week	19	35½	Rs139,86	+ 8,791	..	..
Chatham & District	1week	15	15	£1,488	— 594	..	..
Egyptian Markets ..	1week	10	..	£2,300	+ 199	3,690	— 296
Glasgow Corporation	27weeks	5	136½	£40,766	— 5,236	1,390,994	— 21,260
Isle of Thanet Trams	1week	9	..	£98	— 233	..	..
Liverpool Corp.	42weeks	19	134	£25,422	+ 308	1,251,291	— 51,982
L.C.C. Tramways ..	42weeks	16	166	£79,615	— 2,294	3,434,631	+ 131,075
Pernambuco Trams†	3weeks	20	..	£6 216	+ 624	18,015	+ 272

† Tramway Receipts only

GOVERNMENT RETURNS, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended January 19, 1929:—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	8,300	From Revenue	18,098
Interest, &c., on Debt	905	Decreases in Balances	32
Sinking Fund	505		
Sundries	50		
Decrease in Debt	8,370		
	18,130		18,130

The Ordinary revenue for the week amounted to £18,098,000, as compared with £24,854,700 in the corresponding week last year. Property and income-tax was lower at £8,921,000, against £9,478,000, but Super-tax was higher at £2,240,000, against £2,080,000. Customs and Excise brought in £1,310,000 and £7,186,000, against £1,813,000 and £8,030,000 respectively. Ordinary receipts amounted to £91,000, as compared with £4,637,400, while Special receipts were nil against £300. The National Debt was reduced by £8,370,000, as shown below:—

(000's omitted.)

	£		£
Treasury Bills	— 16,995	Public Department Advances	+ 5,600
		National Savings Certificates	+ 200
		Road Fund	+ 2,825
	— 16,995		+ 8,625

The floating debt was reduced by £11,395,000 to £788,665,000.

FINANCIAL YEAR, 1928-29, April 1 to Jan. 19, 1929.

	£		£
Expenditure	606,879,826	Revenue	492,949,556
		Amount borrowed	110,383,538
		Decrease in balances	3,546,732
	606,879,826	Total	606,879,826

ESTIMATES (New Basis), 1928-29.

	£		£
Expenditure	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

SELF-BALANCING REVENUE and EXPENDITURE.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1918.	Mar. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Jan. 19, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	..	..	..	..	..	166	204	204	204
3½% Conversion Loan	..	..	666	709	760	740	832	832	832
4½% Conversion Loan	..	..	..	210	211	211	221	221	221
5% War Stock	..	63	63	63	63	63	..	..	..
4½% War Stock	..	13	13	13	13	13	13	13	13
4% and 5% War Stock	..	2,047	2,166	2,052	2,109	2,154	2,253	2,253	2,253
National War Bonds	..	1,509	820	778	706	556	194	111	111
4% Funding Loan	..	409	396	394	390	389	385	385	385
4% Victory Bonds	..	360	314	303	292	277	261	261	261
Treasury Bonds	..	..	457	499	482	454	675	773	773
Exchequer Bonds	20	323	150	15	15	15	16	16	16
National Savings Certs.	..	267	366	369	375	372	362	360	360
Other Debt*	..	1,306	1,128	1,124	1,111	1,103	1,097	1,094	1,094
American Loan (Anglo-French)	..	51	..	..	..	..	..	..	..
Treasury Bills	15	1,107	588	576	565	599	527	788	763
Temporary Advances	1	243	186	167	139	117	162	28	26
	654	8,033	7,641	7,598	7,558	7,555	7,528	7,665	7,638
Other Capital Liabilities	57	46	66	68	75	98	103	103	107
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,631	7,768	7,745

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Jan. 21, '28.	Mar. 31, '28.	Jan. 19, '29.	Movement Week ended Jan. 19, '29.
	£	£	£	£
Ways and Means Advances Outstanding—				
Advances by Bank of England	..	..	..	..
Advances by Public Departmts.	152,210,000	161,850,000	25,540,000	+ 5,600,000
Treasury Bills Outstanding	633,930,000	526,940,000	*763,125,000	— 16,995,000
Total Floating Debt	786,140,000	688,790,000	788,665,000	— 11,395,000

* Includes £23,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bills were opened on Jan. 18, 1929, and the total amount applied for was £58,035,000. For bills at 3 months, dated Monday, at £98 19s 2d, and above in full; Tuesday to Saturday at £98 18s 11d, about 42 per cent., and above in full. The amounts allotted were in bills at 3 months, £45,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1928.	£	£	£ s d
Nov. 16	45,000,000	54,365,000	4 8 0·47
Nov. 23	45,000,000	60,896,000	4 7 9·21
Nov. 30	45,000,000	61,695,000	4 5 5·23
Dec. 7	45,800,000	53,675,000	4 6 9·47
Dec. 14	40,000,000	46,050,000	4 8 4·07
Dec. 21	40,000,000	46,860,000	4 8 7·03
Dec. 28	45,000,000	80,130,000	4 5 7·07
1929.			
Jan. 4	45,000,000	59,700,000	4 6 5·99
Jan. 11	35,000,000	57,915,000	4 5 4·96
Jan. 18	45,000,000	58,035,000	4 5 2·06

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1928-29.	Total Receipts into the Exchequer from April 1, 1928, to Jan. 19, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Jan. 21, 1928.	Week Ended Jan. 19, 1929.	Week Ended Jan. 21, 1928.
Balances in Exchequer on 1st April:—	£	£	£	£	£
Bank of England	..	5,918,513	6,003,023	..	..
Bank of Ireland	..	404,112	456,633	..	..
	..	6,322,625	6,459,656	..	..
ORDINARY REVENUE.					
Inland Revenue—					
Property and Income Tax	232,900,000	99,305,000	123,380,000	8,921,000	9,478,000
Super-Tax	60,000,000	22,920,000	27,500,000	2,240,000	2,080,000
Estate, &c., Duties	72,000,000	62,940,000	57,170,000	1,050,000	1,980,000
Stamps	28,000,000	21,730,000	18,806,000	200,000	150,000
Excess Profits Duties, &c.	1,000,000	..	..	..	..
Corporation Profits Tax	1,500,000	630,000	1,480,000	50,000	50,000
Land Tax, House Duty and Mineral Rights Duty	850,000	250,000	230,000	60,000	50,000
Total Inland Revenue	396,250,000	209,755,000	230,610,000	12,521,000	13,788,000
Customs and Excise—					
Customs	120,637,000	95,784,000	90,037,000	1,310,000	1,813,000
Excise	140,768,000	112,916,300	116,910,000	7,186,000	8,030,000
Total Customs & Excise	261,405,000	208,700,000	206,947,000	8,469,000	9,843,000
Motor Vehicle Duties (Exchequer Share)	4,400,000	3,243,067	3,553,958	Dr3410000	Dr3814000
Post Office (Net Receipts)	8,186,000	8,200,000	5,850,000	400,000	400,000
Crown Lands	1,100,000	920,000	880,000	..	..
Receipts from Sundry Loans	27,650,000	21,721,269	18,658,744	..	..
Miscellaneous: Ordinary Receipts	13,550,000	12,083,474	21,861,205	90,960	4,637,400
Miscellaneous: Special Receipts	40,362,000	30,701,746	21,980,485	..	300
Total Ordinary Revenue	752,903,000	492,949,556	510,353,392	18,097,960	24,854,700
SELF-BALANCING REVENUE.					
Post Office	57,314,000	43,900,000	44,350,000	800,000	1,000,000
Motor Vehicle Duties apportioned to Road Fund	21,300,000	13,715,933	12,357,042	4,096,000	4,134,000
Total Self-Balancing Revenue	78,614,000	57,615,933	56,707,402	4,896,000	5,134,000
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		36,917	36,917	..	..
Under the Unemployment Insurance Acts, 1920-28		774,432	3,866,000	2,835,000	..
Road Fund		3,825,000	..	..	..
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		7,650,000	7,000,000	..	..
(b) Under the Unemployment Insurance Acts, 1920-28		9,070,000	2,160,000	560,000	..
(c) For other Issues:					
By Treasury Bills		2,176,900,000	2,026,728,000	43,565,000	89,534,000
By 4% Consolidated Loan		..	41,316,756	..	..
By National Savings Certificates		31,650,000	23,700,000	1,000,000	900,000
By National War Bonds		10	10	..	..
By 4½% Treasury Bonds, 1934..		..	64,595,752	..	..
By 5% Treasury Bonds, 1933-35		93,603,34	8,600,000	..	8,600,000
By 4½% Treasury Bonds, 1932-34		4,610,000	..	..	..
(d) Ways and Means Advances		475,580,000	549,070,000	12,890,000	..
Repayments—					
In respect of Cunard Loan		..	130,000	..	..
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		122,717	136,516	..	..
Total	£	3,361,710,538	3,304,840,041	83,833,960	79,022,700

EXPENDITURE AND OTHER ISSUES

	Estimate for the Year 1928-29 (including Supplementary Grants).	Total Issues out of the Exchequer to Meet Payments from Apr. 1, 1928, to Jan. 19, 1929.	Total Issues out of the Exchequer to Meet Payments from Apr. 1, 1927, to Jan. 21, 1928.	Issues. Week Ended Jan. 19, 1929.	Issues. Week Ended Jan. 21, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest & Management of National Debt	304,000,000	279,915,796	281,703,953	905,026	1,064,955
Payments to Local Taxation Accounts	14,200,000	8,563,890	9,211,966	50,000	50,000
Payments to Northern Ireland Exchequer	5,600,000	3,197,396	3,343,186	..	..
Other Consolidated Fund Services	2,600,000	1,874,250	3,023,202	..	..
Supply Services (excluding Post Office)	352,083,000	271,301,502	278,960,528	8,300,000	7,770,000
Total Ordinary Expenditure	678,483,000	564,852,834	576,202,835	9,255,026	8,884,955
Sinking Fund	65,000,000	42,026,979	53,875,278	515,000	981,000
SELF-BALANCING EXPENDITURE.					
Post Office	57,314,000	43,900,000	44,350,000	800,000	1,000,000
Road Fund	21,300,000	13,715,933	12,357,042	4,096,000	4,134,000
Total Self-balancing Expenditure	78,614,000	57,615,933	56,707,042	4,896,000	5,134,000

	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Jan. 19, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1927, to Jan. 21, 1928.	Issues. Week Ended Jan. 19, 1929.	Issues. Week Ended Jan. 21, 1928.
OTHER ISSUES.	£	£	£	£
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917	..	..
Under the Unemployment Insurance Acts, 1920-28	9,070,000	2,410,000	560,000	..
Road Fund, under Section 27 of the Finance Act, 1928	3,825,000	..	..	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act 1925, and the Post Office and Telegraph (Money) Act, 1928	8,050,000	7,400,000	..	..
Unemployment Insur. Acts, 1920-28	774,432	3,822,000	..	..
Repayment of Amounts Borrowed				
Redemption of Debt—				
Treasury Bills	1,940,735,000	1,991,975,000	60,560,000	47,915,000
Principal of National Savings Certificates	32,950,000	30,100,000	800,000	750,000
Principal of National Savings Bonds paid off	3,061	1,042	..	..
Principal of National War Bonds paid off	82,762,476	66,300,261	..	100,000
Other Debt under the War Loan Acts, 1914 to 1919	3,341,000	100	..	..
Ways and Means Advances Repaid	612,890,000	513,461,000	7,290,000	15,860,000
Issues to National Debt Commissioners to Reduce Debt—				
Cunard Loan Repayments	..	130,000	..	..
Old Sinking Fund, 1 07-08—				
Issued under Section 9 of the Finance Act, 1908	1,000	1,623	..	..
	3,358,934,645	3,302,423,098	84,866,026	79,624,965
Balances in Exchequer—	Jan. 19, '29.	Jan. 21, '28.	Inc. or Dec. for Week.	
Bank of England	2,023,866	2,012,629	— 166,065 + 3,755	
Bank of Ireland	751,927	411,314	+ 153,999 — 606,000	
Total	2,775,893	2,422,943	— 32,066 — 602,245	

Treasury, January 21, 1929.

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, January 23, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	355,366,406	Other Government Securities	233,832,935
In Banking Department	57,737,008	Other Securities	10,172,176
		Silver Coin	4,979,789
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	153,103,414
	413,103,414		413,103,414

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	49,486,855
Rest	3,558,80	Other Securities—	
Public Deposits*	16,850,494	Discounts and Advances £10,763,570	
Other Deposits—		Securities £15,061,023	
Bankers £60,841,865			25,824,593
Other Accounts £37,481,692		Notes	57,737,008
	98,323,558	Gold and Silver Coin	239,5·8
7 Day and Other Bills	2,572		
	133,288,004		133,288,044

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

Both Departments.	Amount Jan. 23, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	355,366,406	— 5,316,130	— 11,072,654
Public deposits	16,850,494	+ 1,702,135	+ 468,791
Bankers' deposits	60,841,865	— 6,708,107	— 383,811
Other deposits	37,481,693	+ 815,934	
Seven-day bills	2,572	— 963	— 563
Total, outside liabilities	470,543,030	— 9,507,121	— 10,988,237
Capital and rest	18,111,380	+ 35,166	+ 17,590
Government debt and securities	294,334,890	— 5,476,771	+ 22,010,013
Discounts and advances	10,763,570	— 2,291,759	— 29,455,478
Other securities	25,215,193	— 478,267	
Silver coin in issue department	4,979,789	— 159,035	— 677,211
Coin and bullion (bank's reserve)	153,347,962	— 1,063,123	— 2,859,991
Reserve of notes and coin in banking department	57,976,556	+ 4,253,007	+ 16,663,663
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	50 5/16%	+ 5 1/16%	+ 13 1/4%
(b) Gold stocks to deposits and notes ("reserve ratio")	32 13/16%	+ 33/64%	+ 8 3/4%

* Comparison includes old currency notes return.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1928.	£	£	£	£	£	£ %	%
Nov. 28	159,845,988	367,981,148	121,016,863	85,981,475	2,250,000 out	53,844,838 43 5/8	4½
Dec. 5	417,830,873	371,4 5,989	8,690,791	73,039,974	36,892,748	1,274 655 out	4½
12	416,654,319	374,82 .061	7,628,750	67,418,777	36,727,355	1,179,054 out	4½
19	15,210,986	384,110,999	11,1 34 4	60,247,772	35,964,016	1,472,105 out	4½
26	413,783,646	388,242,899	12,969,050	69,489,708	37,511,394	1,429,295 out	4½
1929.							
Jan. 2	413,123,339	78,294,483	2,336,385	84,016,042	38,030,396	785,764 out	4½
9	414,284,469	369,513,767	10,944,607	67,491,247	36,813,416	1,157,054 in	4½
16	414,171,274	360,682,536	15,148,359	67,549,972	36,665,759	114,308 out	4½
23	413,103,414	355,366,406	16,850,494	60,841,865	37,481,693	1,078,579 out	4½

Date.	Issue Department. Govt. Debt and Securities	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1928.	£	£	£ %	£	£	£	£ %
Dec. 5	244,589,427	10,176,975	158,544,766 32 3/4	51,87 ,327	10,904,358	19 600,333	47088777 38
12	244,584,427	0,171,608	157,910,766 32 3/4	59,106,855	11,185,832	17,009,328	42369995 37 3/8
19	244,581,466	10,177,049	155,505,757 31 3/8	57,756,855	15,667,010	20,485,605	31396576 29 1/8
26	244,585,173	10,175,611	154067274 31	67,296,855	25,931,966	18,855,564	25824375 21 1/8
1929.							
Jan. 2	244,588,281	10,175,611	153329537 30 3/4	62,636,855	47,745,162	16,967,554	35035050 24 7/8
9	244,644,115	10,1 0,725	154479280 31 1/8	57,736,855	14,687,357	15,969,429	44961493 33 3/8
16	244,68 ,806	10,171,370	154406085 32 1/8	55,121,855	13,068,329	15,540,096	53723549 45
23	244,848,035	10 17 ,176	153342962 32 1/8	49,486,855	10,763,570	15,061,023	57 76656 50 1/8

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to Jan. 9	1,120 639	59,389	94,666	1,274,694
Week ended Jan. 16	886,935	38,798	63,079	988,812
Week ended Jan. 23	767,832	38,403	60,412	866,647
Total to date, 1929	2,775,406	136 590	218,157	3,130,153
Do 1928	2,754,236	135,577	222,788	3,112,601
Increase or decrease in 1929	+ 21,170 = 0·7%	+ 1,013 = 0·7%	— 4,631 = 2·0%	+ 17,552 = 0·5%
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,757	2,817,868	39,825,054
Increase or decrease in 1927	+ 1,473,253 = 4·1%	+ 97,275 = 5·8%	+ 154,959 = 5·4%	+ 1,725,487 = 4·3%

PROVINCIAL CLEARING RETURNS.

	Month of December. 1927.	1928.	%	Aggregate Weekly Totals to Jan. 19. 1928.	1929.
Number of Working Days	25	24			
	£	£		£	£
BIRMINGHAM	12,067,000	11,892,000	— 1·4	2,508,800	2,532,000
BRADFORD	5 941,000	5,547,000	— 6·6	..	..
BRISTOL	5,105,000	4,642,000	— 9·0	3,687,000	3,686,000
DUBLIN	..	..	..	16,2 1,000	17,292 908
HULL	3,964 000	3,571,000	— 9·9	2,63 ,300	2,910,900
LEEDS	4,257,000	3,901,000	— 8·3	3, 43,100	3,193,000
LEICESTER	3 867,000	3,772,000	— 2·4	2,952,500	2,686,700
LIVERPOOL	34 723,000	33,836,000	— 2·6	27,093,100	25,894,700
MANCHESTER	59,477,000	58,622,000	— 1·4	43,383,600	30,721,900
NEWCASTLE-ON-TYNE	6,584,000	8,643,000	+ 29·3	4,374,200	3,916,500
NOTTINGHAM	2,779,000	2,491,000	— 10·3	2,171,000	2,158,400
SHEFFIELD	4,806,000	3,612,000	— 24·8	3,583,700	3,193,000
Total	143,670,000	139,531,000	— 2·8	..	..

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Canadian Banks appeared in the *Economist* of Jan. 5: Denmark, Bulgaria and Greece in January 12; Sweden, Roumania, Russia, Estonia and Egypt in January 19.

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

Resources	Jan. 24, 1929.	Jan. 17, 1929.	Jan. 10, 1929.	Jan. 3, 1929.	Jan. 28, 1928.
Total gold reserves	2,648,020	2,650,570	2,631,670	2,587,630	2,819,080
Total bills discounted	782,110	821,820	876,550	1,151,460	385,220
Bills bought in open mkt	454,220	481,240	477,100	484,360	347,300
Total U.S. Govt. securities	201,010	238,350	239,2 0	243 960	440,980
Total bills and securities	1,447,390	1,551,230	1,602,710	1,88 ,660	1,173,930
Total resources	5,125,190	5,300,970	5,242,910	5,584,710	4,942,530
Liabilities.					
Federal Reserve notes in actual circulation	1 660,970	1,697,300	1.745,260	1.829,360	1,584,920
Deposits — Member bank reserve account	2,358,860	2,414,550	2,404,680	2,493,760	2,354,710
Total deposits	2 397,090	2,472,580	2,452,240	2,561,730	2,401,610
Capital paid in and surplus	402,750	402,250	401,220	401,350	367,530
Total liabilities	5,125,190	5,300,970	5,242,910	5,584,710	4,942,530
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	69·3%	67·0%	66·3%	61·9%	75·0%

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

	Jan. 24, 1929.	Jan. 17, 1929.	Jan. 10, 1929.	Jan. 3, 1929.	Jan. 26, 1928.
Total bills discounted	153,160	217,670	281,560	425,460	115,070
Bills bought in open mkt.	120,440	137,810	131,620	146,790	79,380
Total U.S. Govt. securities	27,290	63,690	64,640	67,630	85,430
Total bills and securities	300,890	419,170	477,830	709,810	280,490
Deposits — Member bank —reserve account	915,510	955,510	950,930	1,027,920	910,550
Ratio of total res. to dep. and Federal Res. note liabilities combined	80·0%	70·8%	67·0%	54·1%	80·8%

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

Assets.	Jan. 21, 1929	Jan. 14, 1929.	Jan. 7, 1929.	Dec. 31, 1928.	Jan. 23, 1928.	Position May 30, 1914
Gold	434,544	434 544	434,547	434,566	4 1,145	163,092
Silver	22 240	22 019	21,763	21 895	28,631	8,436
Discts. and advances	394,148	398,365	415,666	438 636	382,892	153,504
Liabilities.						
Notes in circulation	788,958	812,742	834,343	855,442	768,718	316,632
Deposits	47,744	49,736	50,894	56,040	87,773	5,616

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

Assets.	Dec. 21, 1928.	Dec 14 1928.	Dec. 7, 1928.	Nov. 30, 1928.	Nov. 23, 1928.	Dec. 23, 1927.
Gold coin and bullion....	7,957	8,021	7,851	7,746	7,058	7,644
Subsidiary coin	83	95	112	114	132	205
Bills discounted	9,669	8,765	7,539	8,118	8,519	8,612
Investments	802	804	794	767	748	574
Liabilities.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	8,965	8 526	8,817	9,283	7,817	8,490
Government deposits	2,445	2 007	1,736	2,121	2,131	2.110
Bankers' deposits	5,143	5,511	4,951	5,183	4,914	4,607
Ratio of cash reserves to liabilities to public	47·5%	49%	49%	46·3%	46·7%	50 5%

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

Assets.	Dec. 28, 1928.	Dec. 21. 1928.	Dec. 14, 1928.	Dec. 7, 1928.	Nov. 30, 1928.	Dec. 30, 1927.
Total securities	21,78.89	21,75,84	21 73,01	21.74 97	21,82.50	18 59,31
Loans	21,38,00	20,12,21	19,68,66	19.07,78	18.36,61	16 12.86
Cash credits	26 67,10	24,63,42	23 24.14	23,75,36	23,65,36	29.67.42
Inland bills	12 37.21	11,12.09	10 84.06	9,61,49	9 39.13	15,41,38
Foreign bills.....	39,95	37 05	38 97	37,12	35,54	38.28
Dead stock	2,84,04	2,84.94	2,85,55	2,85,42	2,85,17	2,77.70
Bal. with other banks	1,166	20.38	15 68	17.96	19.93	5.01
Cash	11,21,64	11,03,79	11,48,47	11,84,78	14,55,42	10,96,34
Liabilities.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62.50
Reserve	5.17 50	5.17 50	5,17,50	5,17 50	5.17.50	5 07 50
Total deposits	78,37,49	74,47,75	75,19,33	76,29,32	80,03.19	78,90,50
The above includes—	£	£	£	£	£	£
Deposits in Lond'n	932	974	934	996	997	860
Adv'nces in L'nd'n	909	902	906	885	890	852
Cash, &c., at other Banks in London	90	144	114	130	141	39

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

Assets.	Jan. 18, 1929.	Jan. 11, 1929.	Jan. 4, 1929.	Dec. 28, 1928.	Dec. 21, 1928.
Gold	33,985,468	33,709,295	32,679,040	31,977,034	31,834,518
Foreign assets—					
Sight deposits	11,936,638	12,543,191	13,546,570	13,510,492	13.656,685
Bills discounted	18,617,974	18,430,676	18,416,417	19,130,845	19,131,458
Commercial bills discounted at home..	3,993,641	4,003,679	4,547,486	5,736,793	3,787,533
Advances against sec To the State	9,130,000	9,130 000	9,130,000	9.130 000	9,130,000
Other advances....	2,243,936	2,293,766	2,325,886	2,222,873	2,211,056
Other assets (exclud ing forward exch.).	..	3,381,353	3,442,182	2,984,648	3,098,300
Liabilities.					
Notes in circulation..	62,442,972	63,153,516	64,182,903	63.915,593	61.913,518
Public deposits.....	12,398,529	12.107,887	11, 34,1·0	12,2 3,833	12,3 8.105
Private deposits	6,341,444	6,088,567	5,807,774	6,515.018	6.282 211
Other liabilities		2,142,992	2,167,610	1,978,022	2.195,717

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

Assets.	Jan. 15. 1929.	Jan 7, 1929	Dec. 31, 1928.	Jan.14, 1928
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,729,282	2,729,345	2,729,331	1,864 043
Of which deposited abroad	85,626	85,626	85.626	81,437
Reserve in foreign currencies	156.08	157, 77	155.273	286.091
Bills of exchange and cheques....	1,657,162	2,101,183	2,678 447	2,330,881
Silver and other coin	117,667	93,618	81,766	65,236
Notes of other German banks	24,867	19 604	8,151	20,512
Advances	55 681	54,211	176 069	33.173
Investments.....	92.260	92 278	92 299	93,259
Other assets	561,694	562,480	530.015	536,634
Liabilities.				
Reduced capital.....	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	284,205	284,205	284.205	243,393
Notes in circulation	4,080,428	4,484,184	4,9 0 069	3,92 ,865
Other daily maturing obligations .	6 9.839	619,300	816 051	655, 30
Other liabilities	297 561	299,619	298,238	280,453

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

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

Assets.	Jan. 17, 1929	Jan. 10 1929.	Jan. 3, 1929	Dec. 27. 1928	Jan. 19 1928.	Position May 28, 1914.
Gold	905,010	903,899	903,727	903,425	741,317	(b)
Foreign Bills and Balances Abroad	546 059	569,396	614,929	566,611	477,091	232,650
Silver & other coin	1,836	...	...	...	1.136	
Securities	648,954	656,174	672,189	681,831	556,009	697,600
Liabilities.						
Notes in circulation	2.365,871	2.395,427	2,333 099	2,321 559	2.056.697	934,150
Current accounts ..	100,474	104,461	134,965	210,5.4	147,789	112,125

(b) In thousand francs

* The Bank, having drawn up its half yearly balance sh et on Dec. 25, has not published all the figures usually shown in the weekly return.

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

Assets.	Jan. 15, 1929	Jan. 7 1929.	Dec. 31, 1 28	Dec. 22, 1928	Jan. 15, 1928	Position May31.1914
Gold.....	482,139	517.452	53 .028	481,162	451.399	171,175
Silver	44,619	45,089	45,794	46,396	63.897	18,350
Foreign Bills and Balances abroad.	276,605	271,385	254,376	267.930	317,890	..
Discounts	14 ,391	181,580	217,811	149,8.3	82.783	...
Advances	59 351	78,540	82.681	69,610	50,290	103,000
Liabilities.						
Notes in circulatn	814,012	871 696	952,645	902,590	788,761	275,925
Deposits	183,6 0	215 027	195,508	87,079	175,614	33,750

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cs. K. (000's omitted).

Assets.	Jan. 15, 1929	Jan. 7, 1929	Dec. 31, 1928.	Dec. 23, 1928.	Jan. 15, 1928
Gold and silver holdings.....	1,205 752	1,205,304	1 199,-99	1.183.115	1,108.213
Balance abroad and foreign currency..	2.285, 66	2.493.926	2.509,853	2.466.741	2.161 026
Discounts and advances	333.456	414,466	48 5,169	388,520	129,490
State notes debt balance.....	4,090 420	4,094 5 6	4,097.510	4 07.728	4,434,430
Other assets	1.217,199	1,535.265	1,776,442	1,304,578	1,380,301
Liabilities.					
Bank notes in circulation	6,856,131	7,453.182	8,465,908	7,609 404	6,947,343
Check account balances	1,515,243	1,531,811	829,728	1,043,717	1,525 526
Other liabilities	321,573	319,977	338,212	364,936	327,309

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

Assets.	Jan. 19, 1929.	Jan. 12, 1929.	Jan. 5, 1929	Dec. 29, 1928.	Jan. 21, 1928.	Position May 30.1914.
Gold ..... Silver	192,800	192,000	191,600	190,400	178,060 18,478	23.971 33,795
Discounts, advances, and other investments.....	153,100	159,600	162,800	159,900	162,062	77,567
Liabilities.						
Notes in circulation	304,500	311 300	311,400	311 400	318,243	109,499
Deposits and bills payable	63 900	65,800	69,300	63,900	46,611	11,250

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

Assets.	Jan. 10, 1929.*	Dec. 31, 1928.*	Dec. 20, 1928.	Dec. 10, 1928.	Nov. 30 1928.
Gold, coin and bullion	5 052,000	5,051 901	5,051.929	5 051 901	5,051.873
Foreign bills & balances abroad	5,925,100	6,008,400	5,925 515	5.944.210	5,992,452
Other cash	131.500	97,700	114,465	113 692	105,813
Gold deposited abroad due by the State.....	1,836,200	1,836,200	1,836,187	1,836,187	1,836,187
Discounts	3,677,900	3,721,100	3,494 443	3,434,717	3,400,504
Advances	1,302,400	1,761,000	1,611.070	1,443.404	1,440,390
Credits with "Istituto di Liquidazioni"	1,179,900	1,179,900	1,224,936	1,224,936	1,224.936
Government securities	1,040.700	1,040.700	1,040.685	1,038,951	1,038,392
Liabilities.					
Notes in circulation	16,883,400	17,291,800	16,817,699	17,020,432	17,118,613
Public deposits.....	300,000	3 0,000	360.000	300 00	300,000
Other deposits and drafts	2,259,500	2,241,900	2,457,848	2,395,9.2	2,157,975
Ratio of reserve to note and sight liabilities combined	56·46%	55·76%	56·08%	56·06%	56·42%

* Provisional return.

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

Assets.	Jan. 15, 1929.	Jan. 7, 1929	Dec. 31, 1928	Jan. 16, 1928.	Position May31.1914
Coin and bullion—Gold.....	146,868	146,870	146,873	147,232	44,294
Balance abroad and foreign bills	32,673	35,641	40,698	23,218	28,533
Norwegian and Foreign Government securities	9 233	9,233	9,283	25,6.6	8,816
Discounts and loans	259,352	260,034	272 298	258 850	76,911
Liabilities.					
Notes in circulation	297,952	305,514	315,539	313,817	113,494
Deposits at sigh	81,086	81,335	92,1.2	85,190	7,188

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

Assets.	Jan. 19, 1929.	Jan. 12, 1929.	Jan. 5, 19 9.*	Dec. 29, 1928	Jan. 21, 1928	Position May30.1914.
Gold	2,559 183	2,559,143	2,559.118	2,559 067	2,605.843	521,775
Silver	703,000	698 545	696.753	698.015	691.148	728,608
*Loans&discounts	1.985 943	2,069,767	2,139 310	2,088,886	1,750,329	800 726
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs to Treasury	150,000	150,000	150.000	150,000	150,000	150,000
Liabilities.						
Circulation	4,348.892	4,405.570	4,420.104	4,377.167	4,170,229	901,559
Deposits.....	989,084	963,502	1,009,766	961,062	1,097,.24	477,509

* Including 91 million pesetas lent to the State.

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

Assets.	Dec. 19. 1928.	Dec. 12. 1928.	Dec. 5, 1928.	Nov. 28, 1928	Dec. 21, 1927.
Coin and bullion ..	9,481	9,454	9,436	9.407	9,188
Of which gold	8,577	8,577	8 577	8,577	8,577
Balances abroad.....	284.547	282 438	279,029	279,143	156.969
Discounts	247.521	242,724	241.242	24 .020	234,514
Government loans ..	1,706 557	1,704,6.8	1,801 829	1.7 2.288	1,596,339
Liabilities.					
Notes in circulation	1,947,571	1,941.504	1,946,317	1,924,033	1,810,229
Deposits	7 ,206	79.248	72.242	69.598	91,911

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

Assets.	Jan. 15, 1929.	Jan. 7, 1929	Dec. 31, 1928	Dec. 23, 1928	Jan. 15, 1928.
Metal reserve—					
Gold in coin, etc. ..	168 752	168 752	168,752	168 752	84 456
Foreign bills	201.766	216 938	242.652	340 253	352,506
Other foreign bills†	365 203	375 306	385,917	339 998	267. 64
Bills discounted	165,653	176 070	208,078	177.509	98,776
Advances to Treasury	116 118	116.122	116.170	166.170	173,117
Liabilities.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	.167	8 167	8 167	8 167	6 367
Notes in circulation..	833,758	967,454	1,067.363	987,046	875,402
Deposits	116,991	88.158	56,473	1 7 605	104,068

† In dollar and sterling only.

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

Assets.	Jan. 15 1929.	Jan. 8, 1929.	Dec. 31. 1928.	Dec. 22. 1928.	Jan 15, 1928.
Gold	91,114	91 090	91,015	90,941	88 833
Other coin and notes	17 867	17,812	17,80.	7.811	18,123
Foreign credits	202.690	227.011	233 255	231,720	133,125
Bills	1,498,630	1,446,217	1,470 503	1,426,634	1,381,764
Govt. advances.....	4,201,109	4,201.109	4,20 .609	4.2 9 132	4,337,885
Liabilities.					
Notes in circulation..	5.271,215	5,496,551	5 528 170	5,342.782	5,483,941
State credits	227,825	2 7,825	2 7,825	270, 12	298,866
Deposits	1,3 6,134	1,152.620	1,1 9,128	1,109,528	1,505,330

NATIONAL BANK OF HUNGARY.—In Hungarian Pengö (000's omitted.)

Assets.	Jan. 15, 1929.	Jan. 7. 1929,	Dec. 31, 1928.	Dec. 23, 1928.	Jan. 15. 1928.
Metal reserve—					
Gold coin and bullion	201.0·3	201,083	201, 82	201,091	146,868
Drafts and notes	56,571	48, 35	54,003	46,8.5	98,410
Silver coin and bullion ...	790	794	792	787	793
Inland bills, warrants and securities ..	325,726	36 579	417,111	382,375	391,488
Advances to the Treasury ..	97.210	97.201	97.2·4	103.692	111,361
Liabilities.					
Share capital gold crowns 30,000,000*)	34,756	34 756	34,756	34,756	34,756
Notes in circulation	418.108	440,874	513.461	439 516	413,969
Current accounts, deposits, &c.	253,893	251,946	240,814	277,.95	323,813

* Calculated at pre-war parity of exchange.

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

Assets.	Jan. 8, 1929.	Dec. 31, 1928	Dec. 22, 1928.	Jan. 7, 1928	Position May30.1914
Gold					
Balance abroad and foreign bills	304.219	304 425	304.594	316.591	35,082
Finnish and Foreign Government securities.....	754,388	753.015	739.760	1,398,864	99,379
Discounts and loans	291,788	291,188	306,614	377 707	21,826
Liabilities.	1,488 394	1,5 6,7 00	1,558.338	807 00.	105,161
Notes in circulation	1,421,746	1,513,213	1,548 607	1,473,064	123,941
Deposits at notice	409,769	406,461	40 ,154	613,896	21,286

BANK OF POLAND.—In zloty* (000's omitted).

Assets.	Jan. 10, 1929.	Dec. 31, 1928.	Dec 20, 1928.	Dec. 10, 1928.	Jan. 10, 1928.
Gold	621,120	621,079	607,978	607 918	526 261
Of which held abroad....	195,402	195,402	182,339	182,339	173,388
Foreign currencies	695,880	713,958	71 ,632	706.170	890,624
Bills discounted	628,787	640,700	624 026	606.355	450,823
Loans against securities	89.286	95,191	90,748	87,746	46,552
Reserve fund securities..	70.114	65,534	65,176	63.345	37,750
Liability of the Treasury	25,000	25 000	25,000	25,900	25,000
Liabilities.					
Share capital.....	150,000	150,000	150,000	150,000	150,000
Reserve funds	100 000	94,435	94.435	94,435	94,435
Notes in circulation	1.19 ,460	1,295.349	1,218,031	1,242.129	917,109
Current accounts.....	587,428	524,142	597,331	547,753	729,421
Government accounts	75,000	75,000	75,000	75,000	75,000

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

Assets.	Jan. 16, 1929	Jan. 9, 1929.	Jan. 2, 1929	Dec. 26, 1928	Dec. 19, 1928.	Jan. 18, 1928.
Gold bullion and coins ..	23,758	23.757	23,753	23,751	23,750	23,677
Silver coin.....	4,494	5,013	4,426	4,394	4,467	3.772
Balance abroad	65,917	68.796	71,316	72,141	73,573	49,363
Treas. notes & sm. change	12,411	9.978	8,921	8,950	12 475	11,293
Short term bills	86,700	86,943	86,644	87,160	86,337	79,477
Loans against securities..	47,456	47,734	47,655	46,487	45,451	52.996
Other assets	12,535	12,050	11,548	11,363	11,386	16,738
Liabilities.						
Notes in circulation	41,354	42,500	44,854	44,615	43,133	35,803
Capital paid up	15 581	15,581	15,58.	15,581	15,581	14,385
Reserve	3,091	3,091	3,091	3,091	3,091	2 612
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits.....	12,043	12,021	12,056	11,978	11,962	10,443
Current accounts	61 458	58,994	55,386	54,123	59,192	49,793
Government accounts	100,628	105,902	106,682	108,037	107,842	98,948
Other liabilities	16.618	13.502	14,113	14,322	14,138	22,832

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	Jan. 15, 1929.	Dec. 31, 1928.	Dec. 15, 1928.	Nov. 30, 1928.	Nov. 15, 1928.	Jan. 15, 1928.
Gold	34,270	34,265	34,264	34,262	34.256	33.207
Silver	4,444	4,363	4,304	4,303	4.283	4,633
State Treasury coins	1.847	1,843	1,841	1,849	1,852	1,862
Foreign currency	42,785	43.621	42,973	42,997	40.894	50.370
Discount and credit	84,859	91,492	88,964	91,259	90,054	82,330
Liabilities.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Reserve.....	1,2 0	1,200	1,200	1,200	1,200	1,000
Banknotes in circulation	81,584	84,774	83,683	86,670	85,772	96,327
Deposits	75.683	80,382	78,669	77,960	75,345	66,218

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	Jan. 15, 1929.	Dec. 31, 1928.	Dec. 15, 1928.	Nov. 30, 1928.	Nov. 15, 1928.	Oct. 31, 1928.	Jan. 14 1928.
Coin and bullion	2,735	2,269	2,512	2,400	2,666	2,599	2,802
Of which gold coin ..	7	7	7	7	7	7	9
Danzig subsidiary coin	2,728	2,252	2,505	2,393	2,659	2,592	2,793
Bal., Bk. of Eng., inc. notes.....	12,323	18,242	14,297	17,211	15,830	15,475	11,976
Bills of exchange	19,906	21,952	21,860	22,684	18,769	21,816	20,766
Loans		560	245	460	15	540	
Foreign exchange ...	19,461	18,647	19,314	18,559	21,992	20,412	33,992
Other bals. on demand	472	1,070	1,166	1,356	1,393	3,544	5,864
Securities	3,448	3,448	3,448	3,448	3,448	3,448	..
Liabilities.							
Capital paid up	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation	33,043	39,416	35,421	38,567	34,222	37,886	31,893
Deposits on demand	2,574	3,636	2,578	2,513	4,054	2,121	3,630

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

Assets.	Jan. 5, 1929	Dec. 29, 1928.	Dec. 22, 1928.	Dec. 15, 1928.	Jan. 7, 1928.	Position Jne 30,1914
Cash and bullion..	1,112,835	1,113,052	1,116,609	1,121,318	1,111,917	221,320
Discounts	750,036	837,038	742 293	738,818	783 865	41,740
Advances	112.750	141,383	90,948	90,146	99,156	70,540
Liabilities.						
Notes	1,593,213	1,773,499	1,465,903	1,290,559	1,372,019	362,370
Govt. deposits ...	39 ,098	410,168	470,473	509,368	573,481	87,340
Other deposits .	158,732	134,399	234,975	365,434	310,425	11,440

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

Assets.	Dec. 28, 1928.	Dec. 21, 1928.	Dec. 14, 1928.	Dec. 7, 1928.	Jan. 6, 1928.
Gold at home.....	60,501	60,509	60,510	60.519	61,105
Gold abroad	476,815	486,838	480,786	503 541	405,011
Discounts and advances	46,807	16,181	11,318	8,608	26,973
Loans to Government	1,997	1,997	1,997	1,997	9,716
Liabilities.					
Notes of the bank in circulation	331,785	330,287	324,844	323,062	272,993
Govt. notes in circulation	16,907	17,024	17,144	17.202	44,383
Deposits	124,725	106,334	107,295	134,299	93,116
Drafts	29,836	29,836	22.296	19.936	19,466
Paid-up capital	90.625	90,625	90.625	90 625	89,523

LONDON RATES.

	Jan. 17, 1929.	Jan. 18, 1929.	Jan. 19, 1929.	Jan. 21, 1929.	Jan. 22, 1929.	Jan. 23, 1929.	Jan. 24, 1929.
Bank rate (changed from 5% April 21, 1927)	% 4½	% 4½	% 4½	% 4½	% 4½	% 4½	% 4½
Market rates of discount—							
60 days' bankers' drafts.....	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
3 months' do	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
4 months' do	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
6 months' do	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
Discount (Treasury Bills)—							
2 months	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
3 months.....	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜	4⅜
Loans—Day to day.....	3½	3	3½	3½	3½	4½	4½
Short	3½	3½	3½	3½	3½	3½	4
Deposit allowances: Banks.....	2½	2½	2½	2½	2½	2½	2½
Discount houses at call	2½	2½	2½	2½	2½	2½	2½
At notice	2½	2½	2½	2½	2½	2½	2½

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

Comparison with previous weeks:—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months.	Trade Bills. 6 Months.
1929.	%	%	%	%	%	%	%
Jan. 3.....	3½	4⅝	4⅝	4⅝ 7/16	4½ 5/8	4½ 5/8	5 ⅛
10.....	3½	4⅝	4⅝	4⅝	4½ 5	5	5½
17.....	3½	4⅝	4⅝	4⅝	4½	5	5½
24	3½ 4	4⅝	4⅝	4⅝	4½ ⅜	4½ 5	5

OVERSEAS BANK RATES.

	Changed.	%
Amsterdam	Oct. 12, 1927 ..	4½
Athens	Jan. 5, 1929 ..	8
Belgrade	July 26, 1921 ..	6
Berlin	Jan 12, 1929 ..	6½
Brussels	June 30, 1928 ..	4
Bucharest	Sept. 4, 1920 ..	6
Budapest	Oct 1, 1928 ..	7
Calcutta.....	Dec. 13, 1928 ..	7
Copenhagen	June 23, 1927 ..	5
Danzig	June 20, 1927 ..	6
Helsingfors	Nov. 15, 1928 ..	7
Kovno	Feb. 8, 1925 ..	7
Lisbon	July 28, 1926 ..	8
New York Federal Reserve ..	July 12, 1928 ..	5
Madrid	Dec. 19, 1928 ..	5½
Oslo	Mar. 26, 1928 ..	5½
Paris	Jan. 19, 1928 ..	3½
Prague	Mar. 8, 1927 ..	5
Pretoria.....	Jan. 9, 1928 ..	5½
Reval	Jan. 2, 1928 ..	7
Riga	April 1, 1928 ..	6 7†
Rome	Jan. 5, 1929 ..	6
Sofia.....	Dec. 15. 1928 ..	9
Stockholm.....	Aug. 24, 1928 ..	4½
Swiss Bank places	Oct. 22, 1925 ..	3½
Tokio	Oct. 18, 1927 ..	5‡
Vienna	July 16 1928 ..	6‡
Warsaw	May 13. 1927 ..	8
Irish.....	Apr. 21, 1927 ..	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.s. for their loans.
† 7% applied to banks, &c., charging more than 11% p.s. for their loans.

RATES OF EXCHANGE.

London on		Usance	Par.	Jan. 26, 1928.	Jan. 17, 1929.	Jan. 24, 1929.
New York	dollars to £1	Cable	4·86⅝	4·87⅛—⅛	4·84⅛—85	4·84⅛—85
Montreal	dollars to £1	Cable	4·86⅝	4·88⅞—⅞	4·86⅛—¼	4·85⅛—86
Paris	francs to £1	T.T.	124·21	123⅛—124⅛	124—⅛	124⅛—⅜
Berlin	marks to £1	T.T.	20·43	20·44½—45	20 40·—	20·40⅜—½
Amsterdam ..	florins to £1	T.T.	12·107	12·08⅛—⅜	12 09⅛ ⅜	12·09⅛—⅜
Brussels	belga to £1	T.T.	35·00	34·99—½	34 90½ ½	34 90½—½
Milan	lire to £1	T.T.	92·46	92·½—⅝	92·66—70	92·65·9
Berne	francs to £1	T.T.	25·22	25·31—½	25·21½ 22	25·20½—21
Oslo	kroner to £1	T.T.	18·159	18·31½—32	18·19½—⅔	18·19½—⅔
Stockholm..	kroner to £1	T.T.	18 159	18·16½—17	18·14—⅓	18 14—⅓
Copenhagen ..	kroner to £1	T.T.	18·159	18·20—⅓	18·18—⅓	18 18—⅓
Madrid	pesetas to £1	T.T.	25·22½	28·80·3	29·63-71	29·68-9
Lisbon.....	escudo to £1	T.T.	4·50	2½—⅝	109⅝ 110½	109½—⅝
Vienna	schillgs to £1	T.T.	34·58½	34·55-58	34·48-52	34 51-54
Prague	krone to £1	T.T.	24·02(a)	164⅜—½	163½—164	163½—6
Belgrade.....	dinars to £1	T.T.	25·22½	276½—7½	276—½	276—½
Budapest	pengo to £1	T.T.	27·82	27·86—90	27·81-84	27·81—4
Bukarest	lei to £1	T.T.	25·22½	790—3	806—809	806—9
Sofia.....	leva to £1	T.T.	25·22½	672—7	669—674	669—74

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz:—

£1,000 sterling equals 941·67–943·55 tchervontzi.
1 tchervonetz = 10 gold roubles. £1 sterling = 9·46 gold roubles.

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From February 6, 1928		From February 6, 1928.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	..	¼ % dis.	par to ¼ % pm.	¼ % prem.
Demand	1¼ % dis.	⅜ % „	¼ % dis.	⅛ to ¼ % „
30 days	1⅛ % „	⅜ % „	⅛ % „	⅛ % „
60 days	2⅛ % „	½ % „	¼ % „	⅜ % „
90 days	3 % „	⅝ % „	⅜ % „	⅜ % „
120 days	3¾ % „	¾ % „	½ % „	..

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange:—

Country.	Method of Quoting.	Par Value.	Usance	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·32
Venezuela	Bolivares to £	25·25	„	25·30
Colombia (Bogota)	Pesos to £1	5	„	5·00
Nicaragua	Cordobas to £	4·8665	„	4·92
Salvador	Colones to £	9·73	„	9·82
Bolivia	pence to Boliviano	18·0	90 days	18

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Australia.	New Zeal'nd	Australia.	New Zeal'nd	Australia.	New Zeal'nd	Australia.	New Zeal'nd
T.T.	..	99⅜	99⅜	99⅝	..	..	101	100⅝
Demand	98⅛	98⅜	99⅛	99⅜	99⅜	99⅛	100⅜	100¼
30 days	97 7/16	97 11/16	..	..	99 5/16	98⅛	100⅛	99⅝
60 days	97	97⅜	..	..	98 11/16	98⅜	99¼	99⅜
90 days	96 7/16	96 11/16	..	..	98 1/16	97⅛	..	99⅛

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council from April 1 to January 19, 1929, amounted to £22,365,000 by means of purchases of sterling in India. Of this amount £750,000 was remitted on account of the paper currency reserve.

BULLION.

The following statistics of imports and exports of gold for week ended January 24, 1929, are issued by the Statistical Department of H.M. Customs and Excise:—

Imported into Great Britain and Northern Ireland.	£	Exported from Great Britain and Northern Ireland.	£
From—		To—	
Germany	1,000	Germany	10,220
France	12,841	Netherlands	4,206
Venezuela	2,360	France	12,487
Irish Free State	53,000	Switzerland	40,300
British South Africa	795,897	Austria	16,360
Other countries	2,875	Morocco	2,000
		U.S. of America	500,000
		Gibraltar	3,000
		Kenya	1,700
		British India	54,745
		Other countries	659
Total declared value of imports	867,963	Total declared value of exports	645,677

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow:—

1929.	Arrivals.	£
Jan. 18		nil
„ 19		nil
„ 21		nil
„ 22	Bars bought	207,000
„ 23		nil
„ 24		nil
Total		£207,000

1929.	Withdrawals.	£
Jan. 18	Bars sold	6,873
	Sovs taken for export	15,000
„ 19		nil
„ 21		nil
„ 22	Bars sold	202,327
	Sovs taken for export	2,000
„ 23	Bars sold	1,048,666
„ 24	Bars sold	22,425
	Sovs	29,000
Total		£1,326,291

Net withdrawals, £1,119,291

Messrs Samuel Montagu and Co. write on January 23rd as follows:—

GOLD.

The Bank of England gold reserve against notes amounted to £154,171,272 on the 16th instant (as compared with £154,284,469 on the previous Wednesday), and represents an increase of £264,957 since April 29, 1925—when an effective gold standard was resumed. The feature of the week has been the resumption of shipments of gold to the United States, although the rate of exchange appears to show little, if any, margin.

About £787,000 bar gold was available in the open market this week and was disposed of as follows:—£359,000 for a destination undisclosed, £298,000 for the United States, £85,000 for India, and £45,000 for the trade.

There was a net efflux of gold of £1,078,579 during the week under review.

The announcement by the Bank of England of a purchase of bar gold was somewhat of a surprise to the market.

The following was the composition of the Indian gold standard reserve on December 31, 1928:—In India, nil; in England: Cash at the Bank of England, £8; gold, £2,152,334; in British Treasury Bills—value as on December 31, 1928, £5,862,737; other British and Dominion Government securities—value as on December 31, 1928, £31,984,921—total, £40,000,000.

SILVER.

The market has been rather more active during the past week. Reselling on China account has been consistent, but buying by the Indian Bazaars was sufficient at first to offset these sales and keep the market steady. With a slackening of the Indian demand, however, and America showing more disposition to offer silver, an easier tone developed and prices again drooped. The quotations fixed to-day, viz., 26 1/16d and 26 1/16d for cash and two months' delivery respectively, are the lowest recorded since September 17, 1928.

The following were the United Kingdom imports and exports of silver registered from mid-day on the 14th instant to mid-day on the 21st instant:—Imports—Netherlands, £11,000; France, £26,063; Canada, £23,868; Mexico, £110,211; other countries, £13,840; total, £184,982. Exports—Germany, £38,300; Egypt, £25,960; China, £16,450; British India, £79,028; other countries, £9,725; total, £169,463.

INDIAN CURRENCY RETURNS (In Lacs of Rupees.)

	Dec. 31.	Jan. 7.	Jan. 15.
Notes in circulation	18,910	18,910	18,929
Silver coin and bullion in India	10,088	10,047	9,996
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	3,110	3,151	3,221
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	4,327	4,327	4,327
Securities (British Government)	685	685	685
Bills of exchange	700	700	700

The stocks in Shanghai on the 19th instant consisted of about 64,300,000 ounces in sycee, 105,000,000 dollars and 2,320 silver bars, as compared with about 63,500,000 ounces in sycee, 102,000,000 dollars, and 4,000 silver bars on the 12th instant.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver—Per Ounce Cash.	Silver—Per Ounce Forward.	Date.	Silver. Cash.
1929.	s d	d	d		d
Jan. 18	84 11½	26 4/16	26 5/16	Feb. 2, 1923	30 13/16
19	84 11½	26 5/16	26 6/16	1, 1924	33 5/16
21	84 11½	26 5/16	26 6/16	Jan. 30, 1925	32 7/16
22	84 11⅝	26⅛	26¼	29, 1926	30 11/16
23	84 11⅝	26 6/16	26 7/16	28, 1927	26⅛
24	84 11⅝	26	26 1/16	26, 1928	26 1/16

NOTICES.

Mr W. S. Draper, who has been one of the joint general managers of Lloyds Bank, Limited, since 1918, is retiring at the end of January after 48 years' banking service. Mr F. A. Beane and Mr G. F. Abell, formerly joint general managers, have been appointed chief general managers.

The Midland Bank announces that the night safe service which it introduced into this country some months ago, and has since extended to a considerable number of London and country branches, has been brought into operation at the following additional offices since the beginning of this year:—154 High street, Clapham, London, S.W.4; Drayton Park (153 Holloway road, London, N.7); 118 and 120 High street North, East Ham, London, E.6; Cross Roads, Golders Green, London, N.W.11; 52 Hamilton street, Birkenhead; 18 and 19 Lammas street, Carmarthen; 38 and 40 High street, Dartford; 1 High street, Doncaster; 100 Terminus road, Eastbourne; Union street, Oldham; and 19-25 Minster street, Salisbury.

Westminster Bank, Limited, announce the opening of a new branch at Green lanes, Winchmore Hill.

The Ottoman Bank has opened a branch at Nice, 13 Place Masséna, for the transaction of all classes of banking business.

The National Bank of Australia, Limited, has opened a branch at Tamworth, New South Wales, a sub-branch of Moree branch, New South Wales, at Mungindi, and a Receiving Office at Nembudding, in connection with Wyalkatchem branch, Western Australia; also that the Town Hall Fremantle Agency, of Fremantle branch, Western Australia, has been converted into a sub-branch of Fremantle branch.

The Royal Bank of Canada announce that Mr G. B. Irvine has been appointed assistant manager at the city office, Princes street, London, E.C.

SUMMARY OF BALANCE-SHEETS.

LLOYDS BANK LIMITED.

LIABILITIES.	Dec. 31, 1927.	Dec. 31, 1928.
	£	£
Capital paid up	15,810,252	15,810,252
Reserve fund	10,000,000	10,000,000
Profit and loss balance	1,472,723	1,476,980
Current, deposit, & other accounts	357,184,897	352,147,420
Notes in circulation (Isle of Man)	4,924	4,543
Acceptances	5,952,940	13,347,012
Endorsements, guarantees, & other obligations	37,815,176	46,994,171
	428,240,912	439,790,378

ASSETS.	Dec. 31, 1927.	Dec. 31, 1928.
	£	£
Cash	45,155,865	42,345,128
Balances with other banks in Brit. Isles	12,789,719	13,111,973
Money at call & notice	26,623,546	25,819,228
Balances with banks abroad	1,173,782	2,186,456
Treasury bills	40,590,000	35,355,000
British bills of exchange	10,266,680	9,384,104
Colonial and foreign bills	1,192,154	4,542,368
Short-term Brit. Govt. securts.	24,374,897	20,149,488
Other British Govt. Sec'ts.	11,878,648	14,962,469
Indian & Col'l Govt. secs. & British Corp. stocks	1,718,654	1,586,604
Other invests.	1,964,689	1,410,130
The National Bank of Scot.	2,550,127	2,602,435
Bank of London & S. America	3,422,695	3,422,695
Lloyds & Nat. Provincial Foreign Bank	240,000	420,000
Loans, &c.	187,798,225	187,145,085
Items in transit	3,629,689	3,669,703
Other assets	2,737,739	3,548,691
Bank premises	6,365,686	6,777,647
Acceptances	5,952,940	13,347,012
Endorsem'ts, &c.	37,815,176	46,994,172
Total	428,240,912	439,790,378

WESTMINSTER BANK, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.
	£	£
1,414,198 shares, £20, £5 paid	7,070,990	..
2,249,167 shares, £1, fully paid	2,249,167	..
Reserve	9,3 0,157	..
Deposits, &c.	294,086,579	+13,474,559
Notes in circulation in Isle of Man	13,038	— 896
Acceptnc's, &c.	26,538,040	+13,965,171
Profit and loss	1,230,333	+ 17,133
Total	340,508,304	+27,455,967

ASSETS.	Amount.	Compared with Dec. 31, 1927.
	£	£
Cash, notes, &c.	35,117,593	+ 3,532,487
Balances with other banks	12,196,336	+ 1,054,055
Money at call and notice	34,813,607	+ 2,093,395
Bills disc'nted	36,626,735	— 212,608
Investments	38,438,974	— 1,593,776
Westminster Foreign Bank	1,080,000	..
Ulster Bank	1,911,716	..
Advances, &c.	149,088,900	+12,044,430
Accept'nos, &c.	26,538,039	+13,965,171
Bank premises	4,686,464	+ 372,813
Total	340,508,304	+27,455,967

DEBENTURE CORPORATION, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.
	£	£
5% pref. stock	1,000,000	..
Ord. stock	1,000,000	..
4% deb. stock	1,250,000	— 2,242
Reserves	585,000	+ 60,436
Orediters	9,528	— 85
Divs. outstanding	16,493	+ 1,116
Revenue account	59,045	— 67,424
Total	3,920,066	— 7,199

ASSETS.	Amount.	Compared with Dec. 31, 1927.
	£	£
Investments	3,759,758	— 65,469
Freehold property	50,000	+ 2,988
Debtors	1,101	+ 1,101
Cash	109,207	+ 54,181
Total	3,920,066	— 7,199

THE INVERESK PAPER COMPANY, LIMITED.

December 29, 1928.

LIABILITIES.	Amount.	Compared with Dec. 24, 1927.
	£	£
7% cum. pref., £1	1,349,135	+1,349,135
8% cum. pref., £1	..	— 600,000
6½% cum. prf., £1	1,494,654	+ 895,519
Ord. shares, £1	1,292,644	+ 293,121
6½% deb.	..	— 149,500
Creditors	26,724	+ 5,800
Reserve fund	1,851,180	+ 256,018
Social welf re fnd	5,000	..
Deb. red. fund	..	— 535
Accounts	23,840	+ 21,179
Bills payable	12,304	— 3,529
Rents, &c.	577	+ 100
Bank Loan	609,440	+ 215,080
Deb. int. accrued	..	— 3,737
Profit and loss	225,327	+ 7,187
Total	6,890,635	+2,286,838

ASSETS.	Amount.	Compared with Dec. 24, 1927.
	£	£
Properties	181,520	+ 20,848
Plant	206,017	— 5,885
Stock of paper, &c.	81,474	+ 10,351
Debtors	73,886	— 22,995
Investments at cost	5,439,039	+1,754,649
Insurance prems. unexpired	3,684	+ 2,372
Loans to associated cos.	578,157	+ 466,469
Cash and bills receivable	326,858	+ 60,039
Total	6,890,635	+2,286,838

OMNIUM INVESTMENT COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.
	£	£
5% cum. pref. stk.	574,750	+ 52,250
Def. stock	574,750	+ 52,250
4½% deb. stock	1,149,500	+104,500
Deposits	5,379	+ 4,116
Loan from bankers	12,000	— 15,000
Revenue reserve	2,500	..
Creditors	13,341	— 8,648
Unclaimed divs.	86	+ 30
Profit and loss	99,890	+ 25,493
Total	2,432,196	+214,991

ASSETS.	Amount.	Compared with Dec. 31, 1927.
	£	£
Investments	2,404,584	+220,163
Divs due Jan. 1, 1929	11,975	+ 1,399
Loans and interest accrued	7,504	+ 7,504
Debtors	5,360	— 13,966
Cash	2,773	— 81
Total	2,432,196	+214,991

WILLIAMS, DEACONS BANK, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.
	£	£
£5 shares, £1 paid	1,562,500	..
£1 "B" shares, fully paid	312,500	..
Reserve fund	1,350,000	..
Unpaid dividends	129,231	+ 74
Current deposit, and other accounts	32,221,395	— 441,172
Acceptances	1,241,287	+ 196,859
Endorsements	278,830	— 70,001
Profit and loss	27,465	+ 1,434
Total	37,123,208	— 312,806

ASSETS.	Amount.	Compared with Dec. 31, 1927.
	£	£
Cash	5,219,565	— 873,646
Money at call & notice	2,871,374	— 81,541
Investments	4,941,342	+ 65,006
British overseas Bank	333,335	..
Yorkshire Penny Bank	75,000	..
Bills discounted	3,551,273	+1,051,643
Advances	17,642,886	— 607,037
Acceptances	1,241,287	+ 196,859
Endorsements	278,830	— 70,001
Bank premises	968,316	+ 5,911
Total	37,123,208	— 312,806

J. SEARS AND CO. (TRUE-FORM BOOT CO.), LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.
	£	£
7% cum. pref. (£1)	300,000	..
12½% cum. pref. (£1)	498,280	+ 278,125
Ord. shares (5s)	531,250	..
"A" shares	25,000	..
Creditors	240,187	— 144,110
Reserve for freeholds	65,000	+ 23,050
Reserve	..	— 75,000
Loan from bankers	4,086,053	+4,086,053
Profit and loss	273,136	+ 17,327
Total	6,018,906	+4,185,665

ASSETS.	Amount.	Compared with Dec. 31, 1927.
	£	£
Properties	558,280	+ 54,669
Plant	142,698	+ 209
Stocks	647,619	+ 87,797
Debtors	994	— 82
Deposits	4,898	— 583
Investment—		
Brit. Govt. stks.	211,738	— 20,000
In associatd. co.	16,000	— 4,000
Shares in Freeman, Hardy, & Willis at cost	4,086,053	+4,086,053
Cash	350,626	— 18,509
Total	6,018,906	+4,185,665

NATIONAL PROVINCIAL BANK, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.
	£	£
120,000 shares, £25, with £3¾ paid	420,000	..
1,972,354 shares, £20, with £4 paid	7,889,416	..
234,000 shares, £5, fully paid	1,170,000	..
Reserve fund	9,479,416	..
Current, deposit, and other accts.	290,310,253	+16,713,051
Acceptances	19,563,740	+ 7,538,980
Profit and loss	865,845	+ 2,369
Total	329,698,670	+24,254,400

ASSETS.	Amount.	Compared with Dec. 31, 1927.
	£	£
Cash and notes	34,362,652	+ 2,283,699
Balances and cheques	9,808,248	+ 70,895
Money at call and notice	25,920,942	+ 4,103,467
Bills discntd	43,547,739	+ 4,554,227
Investments	36,975,699	+ 1,397,094
Stk. in Coutts and Co.	2,000,000	..
Shrs. in Grindlay and Co.	514,000	..
Shrs. in Bank of British West Africa	120,000	..
Lloyds & Natnl. Provincial	420,000	+ 180,000
Yorkshire Penny Bank	187,500	..
Advances	150,523,520	+ 3,808,310
Bank premises	5,754,630	+ 317,227
Acceptances	19,563,740	+ 7,538,980
Total	329,698,670	+24,254,400

UNITED SERDANG (SUMATRA) RUBBER PLANTATIONS, LIMITED.

August 31, 1928.

LIABILITIES.	Amount.	Compared with Aug. 31, 1927.
	£	£
Ord. shares (2s)	1,423,272	+ 638,500
Reserve	60,000	..
Current account	16,219	+ 16,219
Creditors	258,725	+ 29,796
Profit and loss	230,141	+ 44,331
Total	1,988,357	+728,846

ASSETS.	Amount.	Compared with Aug. 31, 1927.
	£	£
Leaseh'ld pr'p'rties	998,519	+ 393,540
Buildings, &c.	134,797	+ 61,355
Investments	139,578	+ 123,172
Stocks and stores	143,100	+ 16,178
Debtors	52,193	+ 23,911
Bills receivable	6,580	+ 6,580
Cash	54,882	+ 5,899
Brit. Govt. securs.	458,658	+ 120,204
Total	1,988,357	+728,846

BANKERS TRUST COMPANY.

BALANCE-SHEET—December 31, 1928.

LIABILITIES.	$
Capital	25,000,000
Surplus fund	50,000,000
Undivided profits	27,387,182
Deposits	509,621,860
Certified checks	74,466,780
Dividends declared & unpaid	1,875,435
Accrued interest	433,954
*Federal Reserve Bank and other stocks	608,710
Unearned interest	1,435,728
Reserve for taxes, &c.	47,500,000
Bills payable	34,949,217
Acceptances	12,133,486
	773,368,886

ASSETS.	$
Cash	64,007,990
Exchanges for clearing house	105,397,754
Demand loans	222,939,381
Time loans, &c.	209,872,086
*U.S. Government securities	76,905,220
*State and Municipal bonds	9,603,242
*Other bonds	1,853,268
Bonds and mortgages	887,700
Real estate	8,359,370
Accrued interest, &c.	6,834,199
Acceptances	34,282,222
	773,368,886

* At market value.

FREEMAN, HARDY, AND WILLIS, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.
	£	£
Def. ord., £1	237,500	
Pref. ord., £1	475,000	+ 237,500
6% Pref., £1	750,000	..
5% deb. stock....	200,000	..
Creditors	407,954	.. — 101,689
Employees' deposits.....	33,537	.. + 969
Deb. interest and pref. dividend ..	22,000	.. ..
Divs. unclaimed ..	73	.. + 15
Reserve fund	150,000	.. ..
Premises reserve	100,000	.. ..
Contingencies reserve	100,000	.. ..
Profit and loss ..	197,457	.. — 3,126
Total	2,673,521	.. + 133,689

ASSETS.	Amount.	Compared with Dec. 31, 1927.
	£	£
Properties	1,155,125	.. + 71,510
Fittings, &c.	197,395	.. + 12,365
Stock at net cost	636,796	.. + 56,537
Debtors	40,164	.. + 16,412
Investments—		
British Govern-m'nt. sec'rities	178,169	.. ..
In subsidiary cos. at par....	200,200	.. ..
Cash	265,672	.. — 23,135
Total.....	2,673,521	.. + 133,689

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked * Interim div. † Final div.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Last Year.	Previous Year.
Banks.				%	%
Australian of Commerce.....	8*	Jan. 31	..	..	..
Bank of Ireland.....	9%†	..	..	17½	17½
Bank of Montreal	3%	Mar. 1	Quarterly	..	..
Bergens Privatbank	..	..	..	6	..
British Mutual Banking.....	..	..	..	12	12
Farmers' Loan and Trust	4%	Feb. 1	Quarterly	..	..
Hibernian	12½	(&bonus	of 1%)	..	..
Norske Credit Bank	..	..	..	6	nil
Mining.					
Aramayo in Bolivia	5%*	Feb. 1	..	..	..
Jos Tin	10	..	..	12½	15
Kent (F.M.S.) Tin	5%	Feb. 27	..	..	..
Rambutan.....	2½%*	Feb. 7	..	..	..
Railways.					
Great Northern of Ireland.....	2%†	..	Less tax	3	3
Tea and Rubber.					
Glen Bervie Rubber	..	..	..	5	22½
Kawie (Java) Rubber.....	7½%*	Jan. 23	Less tax	..	..
Sedenak Rubber	6¼%	Jan. 27	Less tax at 4/	..	..
Seremban	6¼	Feb. 9	..	..	..
United Serdang	..	Feb. 16	Less tax	10	..
Other Companies.					
A.B.C. Coupler and Engineering	2½%*	..	Less tax	..	..
A. F. Stoddard.....	4*	Feb. 4	Less tax	..	..
Allgemeine Elektrizitaets Gesellschaft.....	..	..	..	8	8
A. Millar and Co.	..	..	Less tax	3	3
Assoc. Provincial Picture Houses	4%*	Jan. 29	Less tax	..	..
Brewery and Commercial, Def...	8%*	Feb. 15	..	..	..
British Overseas Stores	3%*	..	..	..	..
Capital and National Trust	5	Jan. 31	Less tax	..	..
Cardiff Pure Ice	..	..	Tax free	5	5
Cardinal Investment, Def.....	10%†	..	..	16	15
Chappell and Co.	2½%*	..	Less tax	..	..
City Association.....	..	..	..	4	6
Culloden Consolidated	..	..	Less tax	6½	12½
Debenture Corporation	6%†	..	..	10	10
Delhi Electric Supply	4%*	Jan. 31	Less tax	..	..
Dublin United Tramways	2½%†	..	..	4	4½
Ea-twoods.....	5%*	Feb. 1	..	..	..
Ewart and Son	..	..	..	41	41
Fore Street Warehouse	5%†	Feb. 5	..	7½	7½
Freeman, Hardy, & Willis, Def.	..	..	..	20	..
General Funds Investment Trust	..	..	..	5	..
General Guarantee Corporation	..	..	..	5	3
George Angus	..	..	..	5	7½
Glasgow Stockholders Trust ..	£1/15/6	4%..	..	5	..
Government Stock and Other Securities. Def.....	..	..	..	10	10
Guildhall Trust	7%†	..	..	10	10
Howard and Bullough	2½%*	..	..	..	..
Imperial Tobacco	11%†	(&bonus	of 1/6 p.s.) Tax free	25	25
John Loveys and Co.....	..	..	..	7	7
J. Sears and Co.	..	..	..	22½	22½
Leicester Real Property	..	..	..	7½	7½
Lennards Real Property	..	..	..	7½	7½
London Produce Clearing House	3/ p.s.†	(&bonus	of 1/6 p.s.)	7/6p.s.	7/6p.s.
Lotus	3½%†	..	..	6½	6
Maidenhead Brick and Tile	..	..	..	56	56
Manchester Corn & Prod. Exch.	5%†	..	Less tax	9	9½
Merchants' Warehousing	6*	..	..	..	..
Meux's Brewery.....	2/2 p.s.†	..	..	15	16
Northern Corporation	12%†	..	..	16	16
O'Cedar Corporation, "A" shares	60c p.s.	..	..	..	..
Omnium Investment, Def.	..	..	..	10	10
Openshaw Brewery	10%†	(&bonus	of 2½%) Less tax	17½	17½
Parker's Burslem Brewery	10*	Jan. 30	Less tax	..	..
Pawsons and Leafs	2½%†	..	..	5	5
Read Bros.	8%†	..	..	11	12½
Richard Seed and Co.	7½%†	(& bonus	of 10%)..	25	25
Romney Trust	4%†	..	..	7½	..
Rubber Securities.....	..	..	..	2½	5
Rubens-Rembrandt Assoc. Hotels	3%*	..	..	..	..
Scott's Restaurant.....	..	..	..	10	..
Scottish United Investors	4%†	..	..	8	7
South Metropolitan Gas	..	..	..	6½	6½
Sparrow, Hardwick	3%†	..	..	5½	7
Squire and Co. (Birmingham) ..	5*	Jan. 23	Less tax	..	..
Stapley and Smith.....	..	..	..	7½	7½
Stead and Simpson	..	..	..	10	10
Threlfall's Brewery	10%*	..	..	..	..
Tilling and British Automobile Traction	..	..	..	10	..
Traction and General Invest. ..	..	..	..	10	15
Trade Indemnity Co.....	..	..	..	6	6
Vulcanite	..	..	..	5	nil
Westminster Chambers Assoc..	6¾%†	Feb. 28	..	12½	12½
Wilkinson and Riddell	6%†	(&bonus	of 4%) Tax free	16	16

† Of which 4% (div. now proposed) is payable on capital of £250,000 interim was paid on £150,000.

Reports and Notices.

A memorandum dealing at some length with the position and future prospects of American railroads, and giving particulars of earnings, dividends, &c., has been prepared by Harvey, Fisk and Sons, of New York. Copies may be obtained from the London office, 64 Bishopsgate, E.C. 2.

The Marquess of Linlithgow, K.T., has joined the boards of directors of the Bank of Scotland, the Scottish Widows' Fund and Life Assurance Society, and Scottish Agricultural Industries.

Mr. Walter S. Draper, who has held the office of joint general manager of Lloyds Bank, Limited, since 1919, is retiring from that position, to the regret of the directors of the bank, on February 1, 1929, and will join the board of the Charterhouse Investment Trust, Limited, as from that date

Mr Edward C. Grenfell, M.P., has resigned his seat on the board of Indemnity Mutual Marine Assurance Company, Limited.

Mr James Alfred Goudge, C.B.E., has been elected an auditor of the Clerical, Medical, and General Life Assurance Society on behalf of the proprietors.

The directors of the Rio Tinto Company have appointed Mr. G. W. Gray, late chief of the technical staff, and Mr J. G. Macleod, late secretary of the company, to a seat on the board.

The Banca Commerciale Italiana announces the formation of a new American affiliation, the Banca Commerciale Italiana Trust Company of Boston, which opened for business in Boston (Mass) on the 15th inst. The controlling interest in the new institution is held by the "Bancomit Corporation" of New York, which was created some time ago by the Banca Commerciale Italiana of Milan.

Mr J. A. Jefferson, F.I.A. (chairman and general manager of Britannic Assurance Company), and Mr George Aylwen (Messrs J. and A. Scrimgeour) have joined the board of the Midland Trust, Limited, and Mr J. A. Jefferson has been appointed chairman.

At a general meeting of the Life Offices Association held on January 21, 1929, Mr W. A. Workman, general manager of the Legal and General Assurance Society, Limited, was elected chairman, and Mr W. Penman, actuary and life manager of the Atlas Assurance Company, Limited, was elected deputy-chairman.

Arrangements have been completed whereby Messrs Wood, Gundy and Co., Limited, will in future act as the Canadian representatives of the Investment Corporation of Canada, Limited.

Sir Lionel Fletcher, C.B.E., has joined the London board of the Scottish Union and National Insurance Company.

Mr A. T. Wreford has retired from the board of directors of Goode, Durrant, and Co., Limited, as from January 19, 1929.

Sir Walter Lawrence, late chairman of Beeby's Brick Company, Limited, and Mr R. Fell Clark, late of Robt. Ingham Clark and Co., Limited, have joined the board of the British Cement Products and Finance Company, Limited.

GOVERNMENT STOCKS, &c.

ECUADOR 4 PER CENT. SALT BONDS.—The fifteenth amortisation of the above bonds at the offices of the Council of Foreign Bondholders by public tender resulted in the amount to be applied being £6,530 6s 9d. Tenders amounted to £24,858, ranging from £70 9s 9d to £85 per cent. Tenders under £72 7s 6d per cent. were accepted in full, and at that price to about 24 per cent.

GREEK DEBT.—The Council of Foreign Bondholders issues the following information, compiled from figures published by the International Financial Commission at Athens, with regard to the revenues assigned under the Law of Control for the service of the Greek debt from January 1 to November 30, 1928, compared with those for the same period of 1927.

	* Monopolies, Tobacco, Stamps, and Stamped Paper.	Piræus Customs.
	Drachmæ.	Drachmæ.
Gross receipts, November, 1928 ..	17,543,726 00	80,259,892.20
Do do do 1927 ..	24,361,287.30	88,594,029.80
Estimated receipts for eleven months (Law of Control)....	26,491,666.67*	9,808,333.34
Actual receipts for eleven months, 1928	212,465,248.65	807,965,034.00
Actual receipts for eleven months, 1927	184,075 630.80	733,992.820.55

NOTE.—Of the surplus over the estimated receipts from the monopolies, tobacco, stamps and stamped paper, 49 1-5 per cent. is applied towards increasing the minimum rates of interest and sinking fund on the external gold loans of 1881 to 1893.

OTTOMAN PUBLIC DEBT.—The Council of Foreign Bondholders are informed that the measures necessary to give effect to the recent Debt Agreement were taken at a joint meeting of the Council of the Ottoman Public Debt and of the Hors Décret Bondholders' Council, held in Paris on January 14th. Funds for payment of the first coupon are available, but the Agreement requires the Turkish Government to issue the necessary instructions before such payment can be made. It was decided to urge the Turkish Government to issue these instructions without further delay.

POLAND.—According to the monthly letter of the Financial Adviser to the Polish Government, imports during November reached the relatively low level of 261.1 million zlotys, while exports rose to 255.1 million zlotys. The deficit of six millions is the smallest since the beginning of the adverse trade balance in April, 1927. During November the Bank of Poland increased its reserves by 21 million zlotys.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount.	Dividend. Ordinary. Amount.	Dividend. Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Corresponding Period Last Year. Dividend.
Banks.		£	£	£	£	£	%	£	£	£	%
British Mutual Banking	Dec. 31	8,395	17,780	26,175	..	9,600	12	8,000	8,575	16,363	12
Hibernian Bank.....	Dec. 31*	34,579	52,284	86,863	..	36,250	14½	17,500	33,113	51,869	12½
Lloyds Bank	Dec. 31	485,780	2,528,143	3,013,923	..	1,916,394	16⅔ A 5 B	550,000	490,037	2,475,674	16⅔ A 5 B
National Provincial Bank	Dec. 31	863,476	2,108,664	2,972,140	..	57,492	5 B	400,000	865,845	2,093,452	18
Westminster Bank	Dec. 31	535,063	2,148,408	2,683,471	..	1,706,295	18	775,000	552,196	2,132,815	20
Williams, Deacon's Bank	Dec. 31	26,031	305,340	331,371	..	1,131,358 224,917	20 12½	50,000	27,465	310,585	12½ 13⅓ A 12½ B
Electric Lighting and Power.						253,906	13⅓ A 12½ B				
Melbourne Electric Supply.....	Aug. 31	290	124,042	124,332	40,000	80,060	10†	3,116	1,156	121,859	10†
Financial, Land, &c.											
Leicester Real Property	Dec. 31	1,993	2,908	4,901	..	2,029	7½	1,000	1,872	3,352	7½
Lennards Real Property	Dec. 31	1,157	30,622	31,779	18,750	11,250	7½	..	1,779	23,559	7½
Hotels, Restaurants, &c.											
Scott's Restaurant	Dec. 31	..	15,014	15,014	5,861	..	..	..	9,153	..	..
Rubber, &c.											
Batu Kawan	Sept. 30	1,693	3,006	4,699	..	..	..	2,000	2,699	7,641	5
Glen Bervie	Sept. 30	2,666	5,306	7,972	..	4,253	5	1,000	2,719	25,036	22½
Lamlah	Sept. 30	*Dr 809*	*Dr 3,426*	*Dr 4,235*	..	..	..	..	*Dr 4,235*	..	..
Sedenak Estates.....	Oct. 31	17,808	11,791	29,599	..	9,615	6¼	2,500	17,484	27,815	17½
United Serdang (Sumatra)	Aug. 31	66,594	163,547	230,141	..	126,365	10	20,000	83,776	181,685	22½
Shops and Stores.											
Freeman, Hardy and Willis	Dec. 31	49,332	240,624	289,956	45,000	95,000 47,500	20 P.O. 20 D.O.	..	102,476	..	..
J. Sears and Co.	Dec. 31	127,155	216,003	343,158	63,005	125,156	22½†	25,000	129,997	205,053	22½†
Lotus, Limited	Dec. 31	13,126	69,254	82,380	19,600	35,378	6½	15,000	12,402	66,238	6
Stead and Simpson	Dec. 31	57,615	55,402	113,017	9,793	14,000	10	46,226	42,998	62,907	10
Textiles.											
Hollins Mill Co.....	Nov. 30	22,060	75,417	97,477	49,000	25,000	5	..	23,477	92,307	7½
Wilkinson and Riddell.....	Dec. 31	28,633	67,701	96,334	6,500	48,000	16†	15,000	26,834	70,933	16†
Trusts.											
Cardinal Investment Trust	Dec. 31	3,134	32,084	35,218	7,200	15,360	16	5,000	7,658	26,416	15
Charter Trust and Agency	Nov. 30	8,978	44,724	53,702	20,000	24,000	6	..	9,702	43,413	5½
Debenture Corporation.....	Dec. 31	6,867	149,178	156,045	40,000	80,000	10	25,000	11,045	148,550	10
English and New York Trust	Dec. 31	..	17,042	17,042	9,000	6,000	2	..	2,042	..	..
Government's Stock and Other Securities Investment	Dec. 31	..	82,856	82,856	19,425	40,732	10	22,639	..	79,195	10
Northern Trust	Dec. 31	228	2,309	2,537	900	1,165	10	..	472	1,888	10
Omnium Investment.....	Dec. 31	43,046	91,329	134,375	22,990	45,980	10	57,500	7,905	82,129	10
Scottish United Investors	Dec. 31	2,489	67,032	69,521	26,400	28,160	8	12,000	2,961	59,979	7
Traction & General Invest. Trust	Dec. 31	31,922	74,432	106,354	27,756	32,800	10	10,000	35,798	59,980	15
Waterworks.											
Cleveland Water.....	Dec. 31*	4,351	4,194	8,545	..	3,400	10 A 7 B	..	5,145	3,912	10 A 7 B
Other Companies.											
A. Millar and Co.	Oct. 31	6,978	6,335	13,313	2,550	3,825	3	..	6,938	6,167	3
Bell and Nicholson	Dec. 31	23,277	46,728	70,005	2,240	30,000	15†	17,000	20,765	48,975	15†
Cork Improved Dwellings	Dec. 31*	783	1,327	2,100	..	900	6	172	1,038	1,196	6
G. B. Kent and Sons.....	Sept. 30	677	5,223	5,900	4,400	..	..	500	1,000	2,787	..
George Angus and Co.	Dec. 31	54,007	25,962	79,969	6,000	21,500	5	..	52,469	47,720	7½
Hugh Stevenson and Son.....	Sept. 30	..	46,520	46,520	9,000	..	..	32,095	5,425	..	..
Inveresk Paper Co.	Dec. 29	95,439	407,451	502,890	87,663	201,027	25	90,000	124,200	257,762	35
John Crossley and Sons	Dec. 1	2,813	2,680	5,494	29,700	11,880	5	*Dr 38,500*	2,414	37,217	5
London Produce Clearing House..	Dec. 31	23,752	36,534	60,286	..	33,750	*m* 150	..	26,536	45,934	*m* 150
Pawsons and Leafs	Dec. 27	42,534	16,215	58,749	..	13,800	5	..	44,949	6,084	5
Richard Lunt and Co.	Dec. 31	19,477	28,487	47,964	800	20,100	15	5,000	22,064	30,245	15

* For half-year. † Free of income-tax. *m* Also £56 5s on £10 Founders' shares.

BANKS.

BANCO ITALIANO, LIMA.—The Banco Italiano, Lima, is increasing its capital from Peruvian pounds 600,000 to £.P.800.000. The new issue has been underwritten by a syndicate of Peruvian capitalists, with the participation of the Banca Commerciale Italiana, which already holds a controlling interest in the bank. The new shares (nominal £.P.10) are being offered to the present shareholders at the rate of one new share for three old ones, and at the price of £.P.18, the premium of £.P.8 to be passed to the reserve fund, which already amounts to £.P.885,000.

BANK OF ITALY NATIONAL TRUST AND SAVINGS ASSOCIATION.—The statement of the Bank of Italy National Trust and Savings Association of San Francisco, California, at December 31, 1928, shows assets totalling $847,523,509, comprising cash on hand and due from banks, $97,866,375; United States Government bonds and notes, $209,909,949; other bonds and securities, $60,124,111; stock in Federal Reserve bank, $2,850,000; interest accrued and receivable, $4,511,612; loans and discounts, $410,276,641; banking premises and other real estate, $28,075,999; acceptances, $33,575,117; other assets, $333,702. On the liabilities side appears capital, $50,000,000; surplus and undivided profits, $55,756,632; deposits, $698,048,811; dividends unpaid, $4,022,899; circulation, $5,773,250; acceptances, $33,921,915—total, $847,523,509.

BANK OF MONTREAL.—The Bank will issue 59,834 new shares of $100 each of its capital stock at the price of $200 per share to shareholders at record February 9, 1929, in the proportion of one new share for every five shares held, also a further allotment will be made of 999 shares, being the amount necessary to bring the capital of the Bank of Montreal up to $36,000,000. This allotment will be on the same terms, but in the proportion of one new share for every 300 shares held as on February 9, 1929. Fractions accruing to holders will be disposed of under the terms of the Canadian Bank Act, and proceeds remitted to shareholders.

CENTRAL UNION TRUST COMPANY OF NEW YORK.—The condensed statement of condition of the Central Union Trust Company of New York as at December 31, 1928, shows:—

	Dec. 31, 1927.		Dec. 31, 1928.
	$		$
Capital	12,500,000	..	12,500,000
Surplus.....	30,000,000	..	37,500,000
Undivided profits ..	7,645,964·22	..	5,162,371·91
Deposits	311,403,007·46	..	297,398,068·52
Acceptances.....	37,250,319·83	..	46,041,413·09
Total assets.....	402,268,247·33	..	402,084,541·93

The Central Union Trust Company of New York stock is now quoted $1820-1840, as against $1370-1380 at the same time last year.

GOTEBORGS BANK.—After deduction of taxes and applying to writing down on claims the sum of Kr 2,034,605.19, the Aktiebolaget Göteborgs Bank, Gothenburg, report for the year 1928 net profits of Kr 4,488,596.54. Upon adding to the net profits a sum of Kr 2,837,833.99, brought forward from 1927, there is a total sum available of Kr 7,326,430.53, which is placed at the disposal of the shareholders. Proposed that a dividend of Kr 25 per share be declared, or 10 per cent., requiring a sum of Kr 4,375,000, which leaves Kr 2,951,430.53 to be carried forward.

RUBBER OUTPUTS.

In the table below we give the outputs for last five complete years, and monthly outputs for last six months separately of a number of Rubber Companies, while the latest reports of Rubber Companies are analysed under our Summary of Profit and Loss Accounts each week. The latest dividends declared appear under Dividend Announcements, and the Rubber Share Market is dealt with in our Stock Market section. Particulars as to the Market Price of the Commodity and other information will be found in our Produce Market Section.

Name. Year ends December 31. Except where Stated.	Outputs. Year 1923.	Year 1924.	Year 1925.	Year 1926.	Year 1927.	Outputs. July, 1928.	Aug., 1928.	Sept., 1928.	Oct., 1928.	Nov., 1928.	Dec., 1928.
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs	Lbs.	Lbs.	Lbs.
Allied Sumatra	...	...	...	3,551,684	3,472,105	346,996	335,168	319,684	392,058	384,342	402,147
Ampat (Sept. 30)	251,099	336,062	440,106	621,252	..	65,014	60,003	64,310	61,970	63,085	59,268
Anglo-Dutch	3,202,500	3,656,368	5,997,659	8,222,728	9,112,151	805,000	659,000	739,200	..	..	1,148,000
Anglo-Java	2,136,393	2,113,900	2,318,400	3,492,695	3,251,148	700,400	626,900	733,600	779,300	747,700	834,300
Anglo-Johore	261,201	237,400	238,000	312,000	346,000	38,000	45,000	45,000	..	31,000	4,000
Anglo-Malay	907,735	952,519	1,243,013	1,131,087	1,355,396	126,948	135,172	123,990	133,403	130,590	130,230
Ayer Kuning	656,026	446,872	833,103	1,064,674	935,000	86,500	80,500	72,500	78,500	75,500	105,000
Badek	454,132	495,187	747,380	864,604	895,606	64,985	43,550	65,403	109,071	103,923	110,060
Bah Lias (Oct. 31)	1,202,380	1,017,187	1,296,570	1,977,468	1,432,905	153,240	161,930	140,650	175,394	137,529	166,247
Bandar Sumatra (July 31)	404,210	485,000	521,000	657,000	695,000	66,000	63,000	66,000	70,000	62,000	66,000
Banteng (April 30)	461,206	326,139	358,021	565,863	411,354	79,200	79,600	75,300	76,000	79,000	88,000
Batang Cons.	354,723	308,352	484,495	816,507	588,730	..	..	91,340	92,548	107,834	109,599
Bertam Cons. (March 31)	1,528,745	1,217,921	1,314,941	2,053,556	2,368,026	270,252	264,517	227,877	308,135	329,045	317,811
Besoeki	426,852	480,000	445,524	592,221	737,570	41,000	44,500	61,000	75,000	..	820,000
Bikam	285,800	236,483	310,663	435,848	629,579	79,300	77,000	61,900	73,058	80,500	79,200
Bradwall	451,141	467,991	522,601	716,135	645,000	61,800	60,700	57,300	..	..	..
Brooklands	688,805	635,422	633,305	1,094,461	1,236,500	127,400	131,600	..	128,800	131,400	133,800
Broome (June 30)	164,036	364,811	273,046	513,152	466,368	45,000	47,000	46,000	51,000	47,000	52,000
Bukit Kajang (June 30)	645,536	623,925	614,816	842,994	1,037,618	80,198	80,441	84,491	109,092	111,166	114,917
Bukit Mertajam (Mar. 31)	784,210	841,641	841,641	1,024,850	1,722,493	234,972	223,492	223,403	258,462	24,439	214,583
Bukit Selangor (Mar. 31)	308,917	310,069	566,578	629,686	608,281	81,788	75,444	..	69,703	68,546	..
Bukit Sembawang	1,123,433	1,107,189	1,107,189	920,143	1,228,593	..	121,268	125,339	..	156,589	167,991
Castlefield (June 30)	663,723	657,852	668,095	1,044,164	1,105,411	77,102	101,494	104,992	100,192	113,178	124,961
Ceylon (Para)	..	..	..	1,013,053	1,013,477	120,159	93,262	126,512	..	141,659	158,975
Chembong (Mar. 31)	398,886	355,793	563,668	..	915,870	85,974	102,125	..	..	103,492	102,580
Chersonese	428,345	443,707	612,868	697,929	615,055	57,100	74,700	60,200	..	67,300	67,500
Cheviot	600,000	552,000	817,000	117,800	809,000	95,600	121,600	108,500	115,000	126,000	157,000
Consolidated Malay	722,500	632,727	881,718	1,092,711	727,900	108,900	124,000	114,800	120,000	116,000	129,000
Dennistown	349,787	317,242	317,131	382,998	580,857	56,250	58,719	58,671	63,588	65,278	67,304
F. M. S. Planters	770,000	665,000	1,121,451	1,870,000	1,531,500	139,000	171,600	159,800	159,500	181,500	214,000
Gadjah (Apl. 30)	209,862	316,622	448,171	..	446,952	46,500	48,000	47,000	46,000	44,000	41,000
General Ceylon	858,746	920,747	1,049,394	1,421,603	1,130,499	143,705	138,768	143,87	..	..	..
Glen Bervie (Sep. 30)	202,557	260,153	612,812	..	665,092	73,400	67,300	73,300	68,300	66,800	66,500
Glenshiel	305,303	330,957	422,523	613,673	427,151	70,320	74,300	72,768	63,734	73,211	74,968
Golden Hope	279,875	301,529	365,109	555,503	360,202	40,590	148,743	148,012	159,493	157,029	174,984
Hewagam	720,844	533,902	771,614	1,039,713	746,681	121,400	100,200	102,500	89,900	122,000	154,667
Highlands and Lowlands	1,129,717	965,100	1,335,500	1,775,878	1,624,744	186,100	167,200	147,700	144,000	156,200	171,900
Inch Kenneth (May 31)	343,537	291,166	248,994	373,529	442,247	37,940	40,070	36,560	33,630	37,410	37,710
Insulinde (June 30)	300,092	350,478	289,802	453,662	534,572	52,000	51,210	52,864	53,520	52,319	50,200
Java Amalgamated	934,832	878,896	1,094,684	1,256,875	1,409,365	102,000	100,900	110,800	121,000	125,400	141,200
Java Rubber Plantations	426,800	457,847	580,005	655,630	661,869	44,600	40,600	46,500	..	65,000	72,300
Java United	426,533	547,579	783,882	..	670,566	38,500	..	45,000	..	..	..
Jeram (March 31)	272,149	357,378	569,132	905,000	689,657	58,800	60,900	64,300	..	61,618	73,500
K. M. S. (June 30)	387,660	400,624	649,028	731,400	731,489	83,400	77,000	75,700	95,700	95,000	99,100
Kali Gagah (March 31)	353,419	303,195	609,700	..	576,775	46,700	49,300	59,200	..	..	..
Kampong Kuantan	388,000	381,449	612,000	788,715	528,396	80,000	82,000	..	74,700	74,900	80,000
Kamuning (June 30)	764,452	527,392	560,395	994,119	1,163,546	119,600	128,300	114,900	80,000	78,000	80,000
Kawie (Java) (March 31)	468,100	631,500	582,800	582,713	803,500	76,700	83,500	73,900	132,000	134,000	143,000
Kepitigalla (March 31)	390,592	359,189	467,867	650,781	498,777	68,280	70,137	73,744	..	..	..
Kepong (Malay)	542,542	530,052	830,480	1,206,033	..	169,234	181,749	174,004	77,800	88,300	97,800
Kinta Kellas (March 31)	572,403	505,172	698,773	936,273	..	91,434	98,074	85,430	157,099	..	..
Labu (F.M.S.)	762,865	639,934	993,925	1,325,000	930,000	121,000	141,000	136,500	82,122	100,024	104,510
Lanadron	1,098,150	1,020,081	1,219,512	1,377,695	1,241,538	92,193	84,102	86,774	124,000	129,000	148,000
Langen Java (Aug. 31)	712,289	510,835	646,655	827,044	866,586	51,098	Nil	67,113	99,951	96,316	103,673
Langkat Sumatra	496,000	446,000	474,000	548,500	568,000	50,000	54,000	56,000	91,077	89,138	94,487
Ledbury	475,462	480,511	711,402	804,309	500,481	63,534	62,361	67,615	60,000	57,000	56,060
Linggi Plantation, Ord.	2,235,315	1,455,507	2,636,116	3,390,331	2,681,465	270,800	288,100	272,400	64,349	68,105	68,603
London Asiatic	2,327,718	2,113,097	2,628,971	4,015,951	2,802,490	306,001	319,738	353,407	285,000	275,000	315,000
Lununi (Sept. 30)	1,011,557	774,879	999,086	1,726,800	1,272,356	117,200	126,000	118,100	419,097	409,756	447,689
Malacca, Ordinary	3,249,628	3,355,940	3,359,200	5,079,752	5,283,150	501,600	479,900	474,300	142,000	105,500	119,388
Malayalam (March 31)	2,276,822	2,593,949	2,876,181	2,847,015	..	303,945	331,766	487,514	501,000	516,000	484,008
Mendaris	1,294,011	1,444,756	1,704,370	2,316,587	1,411,347	24,677	195,405	185,992	494,937	532,348	552,197
Merlimau and Pegoh	..	..	..	..	..	243,500	246,000	286,000	200,976	198,039	232,757
Mount Austen (March 31)	2,292,791	2,090,752	2,030,096	2,212,621	2,622,967	243,461	220,718	..	289,500	..	324,400
Nordanal (Johore)	636,694	504,219	645,252	889,214	669,362	71,200	70,000	68,000	..	267,526	279,501
Pataling	495,710	462,917	641,460	757,948	654,119	72,010	54,410	63,000	64,500	65,000	68,000
Perak (March 31)	524,050	547,881	451,200	565,110	317,516	58,300	65,870	..	76,000	67,770	73,330
Pernambang	514,645	563,014	903,915	1,466,248	889,855	137,309	136,194	123,031	138,857	80,700	67,300
Port Dickson (March 31)	687,152	612,308	1,051,900	1,281,229	..	96,300	113,200	108,000	116,000	147,064	156,807
Prye (Mar. 31)	154,394	146,028	273,127	254,155	285,488	22,046	17,194	16,364	26,587	115,000	136,000
Rangoon Para	560,073	575,459	602,898	611,307	634,256	Nil	Nil	Nil	..	33,389	38,683
Rani (Travancore)	682,713	751,850	751,850	890,838	1,135,585	111,460	97,960	125,020	137,540	76,000	70,095
Rembau Jelei	..	1,522,273	1,530,800	2,327,463	1,811,790	197,963	220,625	181,510	190,601	151,790	147,000
Rubana (April 30)	714,003	679,251	647,530	863,009	1,432,582	156,000	152,000	146,006	140,000	222,004	233,336
Rubber Estates of Johore	492,410	437,649	516,337	616,299	713,504	62 491	63,410	63,685	67,917	130,500	145,000
Rubber Estates of Krian	346,974	285,301	449,556	637,375	..	67,650	61,420	58,070	69,080	65,910	63,565
Sapong	891,556	918,634	1,007,940	1,100,000	941,090	71,000	73,000	70,000	74,000	62,115	66,475
Seafield	808,234	425,091	817,610	1,165,203	804,956	95,896	97,341	100,074	26,360	78,000	80,000
Seaport (June 30)	495,000	397,743	399,125	710,743	644,581	50,000	58,000	58,000	51,000	103,385	100,395
Sedenak (Oct. 31)	551,484	655,069	1,028,258	1,113,500	751,056	71,000	72,500	84,800	87,500	60,000	73,000
Selaba	553,708	729,807	1,038,040	1,341,318	846,731	103,601	..	..	..	126,200	135,361
Selangor	666,526	504,759	716,383	744,157	752,000	60,200	65,350	66,750	67,150	63,650	64,159
Sempah (Mar. 31)	235,556	235,948	290,310	378,674	541,486	35,943	31,079	33,570	34,461	33,531	34,492
Sendayan (Sept. 30)	410,726	331,325	515,068	1,083,067	1,035,960	109,400	119,900	116,800	116,000	112,000	142,000
Sennah (June 30)	2,246,530	2,273,897	2,396,398	3,499,368	2,442,691	218,476	221,672	221,002	222,338	225,484	..
Serdang Central	365,000	408,000	420,000	479,000	515,000	39,000	39,000	39,000	39,000	38,000	40,000
Seremban	701,443	549,871	637,292	951,575	718,658	65,472	68,131	63,716	66,437	65,106	74,570
Sialang (Jan. 31)	1,574,300	1,530,460	1,981,126	2,257,500	1,754,855	182,990	187,739	171,136	187,328	108,085	189,397
Singapore United (June 30)	688,744	683,109	644,877	820,703	753,965	..	..	62,500	..	77,500	78,000
Straits Rubber	2,103,741	1,796,027	2,237,361	2,884,161	1,956,088	321,000	347,000	325,000	335,000	325,000	355,000
Sumatra Cons. (April 30)	551,860	541,297	471,001	569,560	610,760	50,300	46,951	50,170	50,200	49,200	49,009
Sumatra Para (June 30)	1,145,860	1,000,099	1,136,595	1,457,561	1,630,579	94,000	108,000	124,000	141,000	138,000	138,000
Sungei Choh	480,081	399,220	528,465	847,599	580,163	65,450	70,650	63,390	71,600	60,350	60,650
Sungei Salak	574,500	420,000	721,376	906,700	907,122	104,000	119,000	112,000	109,000	115,000	129,000
Sungkai-Chunor (June 30)	479,873	364,579	388,295	659,147	641,658	61,578	6 ,463	58,094	60,562	60,350	65,454
Tambira	340,931	332,761	..	456,990	431,350	31,500	30,000	34,500	35,000	30,500	30,000
Tandjong (June 30)	1,312,560	1,170,962	1,482,207	2,105,126	1,726,884	153,400	153,100	151,100	150,500	154,100	155,500
United Serdang (Aug. 31)	2,845,881	3,418,510	4,112,055	5,639,558	3,642,286	615,799	578,662	580,395	525,258	601,393	615,674
United Sua Betong	1,195,104	1,052,509	2,678,881	4,602,373	3,831,916	433,000	436,500	387,800	441,100	441,000	535,000
United Sumatra	835,086	709,714	821,945	822,676	777,086	91,112	85,228	92,752	88,793	88,964	83,571
United Temiang (July 31)	730,795	655,684	588,712	858,227	1,073,041	80,000	89,500	86,800	82,000	84,000	101,000
Vallambrosa (March 31)	859,416	710,666	731,458	896,819	1,150,998	85,000	88,000	..	..	..	..
Waterfall (March 31)	499,000	1,014,688	1,882,739	2,453,960	1,682,856	203,600	188,300	32,000	193,600	194,000	192,400
Way Halim (March 31)	221,486	194,849	167,818	293,840	375,345	26,000	74,741	..	36,000	39,000	42,008

MINES.

BRITISH COLUMBIA POWER CORPORATION, LIMITED. — The control of the management of this Canadian public utility company has been transferred from London to Montreal. For the month of November last the total gross earnings reached $1,162,171, as against $1,139,745 for November, 1927, an increase of $22,426, but working expenses dropped from $793,339 to $742,146, a decrease in costs, notwithstanding the higher revenue, of $51,193. Figures for the eleven months to November 30, 1928, show an increase in aggregate net earnings of $43,214.

BWANA M'KUBWA COPPER MINING COMPANY, LIMITED.—A circular issued by the directors dated January 22, 1929, states that, "in view of the very satisfactory development of the N'Kana Mine and the large indicated tonnages of sulphide ore, and also considering the large interest in the N'Kana Concession for which purpose funds would be required to assist in the prospecting, development and eventual equipment of other properties, the board has decided to raise all the necessary funds, and are pleased to be in a position to inform the shareholders of the completion of satisfactory arrangements with Rhodesian Anglo American, Limited. The Rhodesian Anglo American, Limited, is: (*a*) To exercise immediately 935,530 options at 10s, notwithstanding that they only mature on February 28, 1930. (*b*) To exercise immediately the 935,530 options at 15s, arising from (*a*) above, although these do not mature until February 28, 1931. (*c*) To advance to the company up to an amount of £1,250,000 at 1 per cent. over Bank rate with a minimum of 6 per cent., as and when required, for the period ending December 31, 1934, and in consideration of the foregoing the company to grant to Rhodesian Anglo American, Limited, the right, until December 31, 1932, to call the unissued capital not required in respect of the exercise of options or the conversion of debentures. Such call price to be 20s per share (equivalent to a premium of 15s per share). Adequate financing having been provided, and having also completed arrangements for the construction of a railway from N'Dola to N'Kana, the directors are now able to take steps for the bringing of the N'Kana property to the producing stage at the earliest possible date."

DOME MINING CORPORATION, LIMITED.—At an extraordinary general meeting held on Tuesday, special resolutions were passed confirming the reduction of the existing shares from 5s to 2s, and creating an additional 600,000 new shares of 2s each.

HAMPDEN CLONCURRY COPPER MINES, LIMITED.—The liquidator notifies that he has decided to make a second distribution on account of the liquidation of 2s per share upon the whole of the issued capital of the company, payable on Friday, February 8, 1929. A final payment of a few pence per share will be made when the final adjustment of accounts has been completed.

MISCELLANEOUS.

BRAZILIAN TRACTION, LIGHT, AND POWER. — The Board announce that in view of the arrangements for the purchase by the company of the ordinary shares of the City of Santos Improvements Company, Limited, which will involve an expenditure of approximately $14,000,000, and also in view of other essential capital outlay of considerable amount which is required in the near future for the expansion of the businesses of the operating subsidiary companies in Brazil, it has been decided to make an offer to the ordinary shareholders of additional ordinary shares of no par value, being a part of the authorised unissued capital of the company on the basis of one new share for each seven shares held at the price of $40 per share, payable in convenient instalments. This should produce approximately $31,000,000. Holders of preference shares desiring to convert their holdings into ordinary shares in order to take advantage of the right to subscribe will have the opportunity to do so.

COMPANHIA DE MOCAMBIQUE.—The London committee state that the customs receipts for the port of Beira during the month of November, 1928, amounted to £21,937, as compared with £20,707 for the corresponding period of 1927.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday Evening.

Wintry conditions have continued over the United Kingdom during the past week, but a drier spell of late enabled spring work to be resumed, and the ground was in good condition after recent severe frosts. The general outlook appears favourable, and winter crops present a healthy appearance. Offerings of native wheat continue on a small scale, and prices further advanced in sympathy with the general situation. Imported descriptions are also firmer, and in the floating and forward cargo section the course of prices was influenced by higher markets in countries of production. Although offerings were of fair extent, there is no pressure to sell, while evidence of a good business was furnished by the chartering during the week of over 45 vessels from the River Plate to Europe. Australian wheat was also moving more freely both on home and Eastern account, so that the market presents an appearance of stability for the time being. Shipments continue large, with a further increase in floating supplies, especially to non-European destinations. Steamers of Australian shipping or shipped sold 47s 3d, ditto to Calcutta May 43s 9d, February shipment to Karachi 43s 9d, and March to Bombay at 44s, with Rosafe 64 lbs loading 44s 3d to the U.K. Feeding stuffs generally firm, though La Plata maize was

WILLIAMS DEACON'S BANK LTD.

PRINCIPAL LONDON OFFICES:

CITY OFFICE ... ... 20, BIRCHIN LANE, E.C.3.
WEST END OFFICE ... ... 9, PALL MALL, S.W.1.

AND OTHER OFFICES in LONDON, LANCASHIRE, CHESHIRE, YORKSHIRE, DERBYSHIRE, STAFFORDSHIRE, and NORTH WALES.

THE BANK ACTS AS EXECUTOR AND TRUSTEE.

ENGLISH AND FOREIGN BANKING FACILITIES AT ALL OFFICES OF THE BANK.

BALANCE SHEET, DECEMBER 31st, 1928.

LIABILITIES.	£	s.	d.	£	s.	d.
Capital, Nominal ... viz.:—1,800,000 "A" Shares of £5 each, and 1,000,000 "B" Shares of £1 each.				10,000,000	0	0
Capital Issued, £8,125,000, viz.:—						
1,562,500 £5 "A" Shares, £1 paid	£1,562,500	0	0			
312,500 £1 "B" Shares	312,500	0	0			
				1,875,000	0	0
Reserve Fund				1,350,000	0	0
Unpaid Dividends	2,277	12	8			
Dividend, December, 1928	126,953	2	6			
				129,230	15	2
Balance of Profit and Loss carried forward				27,465	8	9
				3,381,696	3	11
Current, Deposit and other Accounts				32,221,394	10	9
Acceptances and Credits Opened on account of Customers				1,241,286	11	6
Endorsements and other Obligations on account of Customers				278,830	4	10
				£37,123,207	11	0

ASSETS.	£	s.	d.
Coin, Bank and Currency Notes, and Balances with the Bank of England	3,635,407	3	6
Balances with, and Cheques in course of collection on other Banks in the United Kingdom	1,584,158	1	8
Money at Call and Short Notice	2,871,373	18	0
Bills Discounted	3,551,272	11	7
British Government Securities	4,481,240	7	3
Other Investments	460,102	4	5
British Overseas Bank Ltd—66,667 "B" Shares of £5 each fully paid	333,335	0	0
Yorkshire Penny Bank Ltd.—12,500 Shares of £5 each £3 paid	75,000	0	0
Advances to Customers and other Accounts	17,642,885	13	11
Bank Premises Account	968,315	14	4
Liabilities of Customers for Acceptances and Credits Opened	1,241,286	11	6
Liabilities of Customers for Endorsements and other Obligations	278,830	4	10
	£37,123,207	11	0

REPORT OF THE AUDITORS.

WE REPORT TO THE SHAREHOLDERS that we have examined the Accounts and verified the Cash in hand and Cheques on other Banks at the Head Office, the London Office and at the principal Branch Offices, the Balances with the Bank of England, Money at Call and Short Notice, and Bills Discounted. We have also verified the Investments of the Bank, and have compared the Balance Sheet in detail with the books at the Head Office, and with the Certified Returns from Branches, and have obtained all the information and explanations we have required. In our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company according to the best of our information and the explanations given to us, and as shown by the Books of the Company.

ASHWORTH, MOSLEY & CO., Chartered Accountants, AUDITORS.

MANCHESTER, 10th *January*, 1929.

inclined to sag in view of more favourable Argentine weather reports. A steamer 6,000 tons La Plata June sold at 38s 9d per 480 lbs, c.i.f. terms. Wheat again dearer. No. 2 Northern Manitoba 51s, No. 3 50s, No. 4 Manitoba 48s 6d, No. 5 45s, No. 6 39s, No. 2 mixed Durum 44s 6d, Rosafe 62½ lbs 46s, Barusso 62½ lbs 46s, Australian 49s, all ex-ship, per 496 lbs. English 9s 4d to 9s 8d per 112 lbs. Flour maintained. London standard grade 37s 6d, town whites 38s 6d, patents 39s 6d to 40s 6d per sack delivered in the Home Counties, with 6d to 1s per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 34s to 37s, Minneapolis 34s 6d to 37s, Australian 35s 6d ex-store, per 280 lbs. Maize quiet, but held for steady rates. Plate ex-ship to arrive 43s 9d, ditto landed 45s 3d, January-February 44s, February-March 45s, March-April 42s, new April-May 40s, May-June 39s, No. 2 white flat African landed 44s 6d, No. 2 mixed American ex-ship to arrive 42s 9d per 480 lbs. Yellow maize meal £12 ex-wharf, Hominy chop £9 per ton. Barley firm. Californian ex-ship 42s to 52s, Chilian Chevalier 48s to 58s, Australian 46s to 52s, Smyrna 44s to 50s per 448 lbs. Algerian/Tunisian 34s 9d landed, Canadian feed 32s 3d ex-ship to arrive, 33s 6d landed, No. 3 Canadian Western 36s 3d, No. 2 Federal American 32s ex-ship to arrive, per 400 lbs. English malting 10s to 15s, feed 9s to 10s, per 112 lbs. Oats steady. Plate ex-ship to arrive 25s, January 25s 3d, February 25s 9d, March 26s, black Plate landed 25s 6d, No. 3 white clipped American 36 lbs landed 27s 6d, mixed Canadian feed 22s, Chilian white 33s 3d, German landed 28s 6d, ex-ship to arrive 27s 6d per 320 lbs. English 9s to 10s per 112 lbs. Scotch landed 29s. 9d, Irish black 26s 6d per 336 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928-29 1927-28, 1926-27, 1925-26:—

	1928-1929.	1927-1928.	1926-1927.	1925-1926.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to January 19	233,871	308,706	330,934	352,593
18 weeks to January 19	5,323,551	4,849,841	7,272,822	8,395,810
Average price of English wheat per cwt.	s d 9 6	s d 9 11	s d 11 10	s d 12 3

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks Ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s d	s d	s d
Jan. 10	219,146	332,244	67,210	9 6	10 1	9 1
Jan. 17	233,871	419,853	86,108	9 6	10 3	9 3
Jan. 17, 1925	317,397	390,956	110,740	13 1	14 9	10 1
Jan. 16, 1926	374,400	319,557	58,552	12 4	10 5	9 3
Jan. 22, 1927	330,984	470,751	99,600	11 10	11 1	8 3
Jan. 21, 1928	308,706	412,776	82,104	9 11	11 2	9 7

AMERICAN WHEAT MARKETS.

Market conditions have been fairly firm throughout the week, and prices show an improvement. Cold weather persists, and country offerings are on a small scale. Export interest has been variable. Quotations:—

Nearest Future.	Jan. 4, 1928.	Jan. 25, 1928.	Jan 2, 1929.	Jan. 16, 1929.	Jan. 23, 1929.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	137	135½	122	125	128½
Chicago (No. 2 Winter)—Cents per 60 lbs	130⅜	129⅝	116⅜	119⅞	124⅜

Visible supplies of wheat in Canada at 79,588,000 bushels show an increase of 1,050,000 bushels as compared with the previous figures. Supplies a year ago stood at 66,346,000 bushels.

COAL.

Our Cardiff correspondent writes:—Except possibly during the few weeks after the resumption of work in 1926, there has not been a period since 1923 when the Cardiff coal market has shown greater strength than it has this week. Contract commitments and extending current inquiries have combined with a plentiful supply of tonnage to provide the collieries with an immediate outlet for their outputs, and for several descriptions of coal there has been an actual shortage of supply for prompt shipment. In these circumstances, market quotations have been increased for nearly all grades of large coal, and therefore, for the time being, the minimum schedule has ceased to have any operative effect. The average increase in price is probably between 3d and 4½d per ton, but for Eastern Valley large coals there has been an improvement of between 6d and 9d per ton, and there has been a similar advance in the quotation for unwashed dry duff coals. The resumption of work at the Nixon's collieries and washeries has eased slightly the market for nuts, peas, and beans, and best Admiralty large coals are unchanged at between 19s 3d and 19s 6d. The improvement is attributed to a general broadening of the foreign demand for South Wales coals. The lowest price tendered for the Egyptian State Railways contract for the supply of 200,000 tons, to be delivered between February and May, is 28s 5¾d, c.i.f. Alexandria, and represents an advance of 1s 4¾d on the price at which the last contract was placed by the Egyptian Railways in the autumn of 1928. The following are the current approximate quotations:—Best Admiralties, 19s 3d to 19s 6d; seconds, 19s to 19s 3d; best drys, 18s 6d to 19s; Western Valleys, 17s 9d to 18s; Black Veins, 18s to 18s 3d; Eastern Valleys, 17s 3d to 17s 9d; best small steams, 13s to 13s 6d; cargo smalls, 11s 9d to 12s 6d; coking smalls, 13s to 13s 6d; best anthracite large, 33s to 35s; Red Vein large, 21s to 25s 6d; machine-made cobbles, 40s to 43s; French nuts, 41s to 43s 6d; stove nuts, 40s to 42s 6d; rubbly culm, 9s to 9s 3d; foundry coke, 25s to 37s; patent fuel, 20s to 21s 6d; pitwood, ex ship, 27s to 27s 6d

Our Glasgow correspondent writes:—The home market maintains considerable activity, so that with outputs restricted very little coal is available for export for about a fortnight ahead. Shipment prices are therefore largely nominal, though they are firm for both round coal and nuts. Lanarkshire prime splints are strong at 17s 6d, owing to scarcity as a result of shaft derangements at several pits. Shipment prices (f.o.b. district ports):—Lanarkshire: Ell best, 16s 6d; splint best, 17s 6d; splint second, 17s; navigation, 17s 6d; navigation second, 15s; steam, 14s; Hartley, 17s; trebles, 15s; doubles, 13s 6d-13s 9d; singles, 13s; pearls, 11s 9d-12s; dross, 10s 6d. Fife: Screened navigation, 18s; first-class steam, 14s; third-class steam, 12s 9d; trebles, 14s 9d-15s 3d; doubles, 14s; singles, 12s 9d-13s; pearls, 11s 6d-11s 9d. Lothians: Prime steam, 13s 6d-14s; secondary steam, 13s 6d; trebles, 15s-15s 6d; doubles, 13s 9d-14s; singles, 12s 9d-13s; pearls, 11s 9d.

Our Sheffield correspondent writes:—A number of contracts for industrial fuels have been settled this week, most of them at an advance of 6d per ton. The quantity of such coal going into consumption, however, is unsatisfactory. Some of the large works are short of orders. Exports absorb the output quotas. The f.o.b. price of best steams remains at about 16s 6d per ton. There is a considerable demand for furnace coke for central heating, which has replaced to some extent gas coke, the production of which is less than formerly. Blast furnace coke is fairly firm at from 13s to 14s 6d at ovens.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—Moderately active conditions still rule in the iron and steel markets. A fair proportion of the business which has passed lately has gone to the British works. In the pig-iron department there has been practically no Continental competition, and although the demand for British pig-iron has been of a rather desultory character, some of the foundries report an improvement in business. As it is, the demand has increased sufficiently to enable the producers' prices to become slightly firmer. In the semi-finished department the British works are still taking a considerable share of the orders that come on the market, although Continental material is still bought in fair quantities by users. For the most part, however, the long period for delivery required by Continental works, as well as the comparatively high prices, acts as a handicap to this business. Compared with the situation which existed a few months ago, the business in semi-finished steel which now goes to the Continent from this country has contracted very considerably. In the finished steel department buying by overseas customers has been rather irregular. Prices generally have been maintained, and at the moment there seems little likelihood of any reduction. In the home market the British manufacturers report a fair amount of buying, and although for the most part the orders placed have been on the small side, in the aggregate they have reached a considerable tonnage.

Our Middlesbrough correspondent writes:—There is no change in the position of the pig-iron market. Cleveland iron, however, is getting scarce, and stocks are low, the present make being easily absorbed. The price still remains on the basis of 66s per ton for No. 3 G.M.B., which is firm. No. 1 quality is 68s 6d, No. 4 Foundry 65s, and No. 4 Forge 64s 6d. The Hematite market is rather better, and there has been a further improvement in sales and inquiries. The price still remains at 71s for Mixed Numbers, with stocks practically nil. The recent improvement in steel is being maintained, and local works are better off for orders than they have been for some time. The recent rise in Continental prices is making it very difficult for them to compete, with the result that orders are being placed with home manufacturers. Shipbuilding is more active and practically all materials have been bought in the home market, the local works getting their share. The market is at the moment very firm, and so far no alteration has been made in the standard prices, which are as follows:—Steel ship plates £8 7s 6d, iron ship plates £7 17s 6d, steel rails £8 10s, iron bars £10 5s.—Ore—Best Rubio is firm at 22s 6d, to 17s 9d per ton, delivered furnaces.

Our Sheffield correspondent writes:—There are symptoms of improving trade, but disappointment is felt at the poor amount of work being booked in some of the heavy steel branches. Trade is consequently very patchy, and optimism is not universal. The lack of orders for railway wagons and the extremely restricted buying by the railway companies and the collieries, are responsible for a good deal of slackness. Demand for steel from engineering certainly expands, but progress is extremely slow. The outlook for shipbuilding steel is considerably brighter. The improved conditions in other iron and steel centres will react on Sheffield later, and there is confidence in a steady expansion of work over the coming months of the year. One ground for optimism is the bareness of stocks in the hands of consumers of steel. Demand for special steels is being maintained at a high level.

Good trade is being done in steel for automobiles, cold worked steels, wire rods, and drop stamping. Makers of best tool steels report demand as moderate, and a greater turnover than last year is anticipated. Basic steel scrap is a strong market, but the call for other descriptions of scrap is poor. Bookings of orders for pig-iron continue on the small side. There is severe depression at the light iron foundries and the building trade is generally quiet. Demand for bar iron is better than it was a year ago.

Our Glasgow correspondent writes:—In the pig-iron market there is a little more activity this week, although parcels are still confined to comparatively small lots. At the steel works business continues to improve, and fair orders for shipbuilding material are being booked. There is still only a small demand for bar iron, but makers of re-rolled steel bars are better employed, and are finding the competition from the Continent less keen, as the margin between home and continental prices is now very narrow. Tube makers are fully employed. Galvanised sheet makers, although at the moment not booking quite so many orders as at the end of the year, have well-filled order books, and are assured of continuous work for some months to come. Black sheet makers report an increased demand, and these plants also are running at utmost capacity with plenty of work on hand. Prices remain firm in all branches and in some cases have slightly advanced.

Our Cardiff correspondent writes:—Steady conditions are reported in the tinplate market. There has been no variation in prices, but there is increased activity in the local steel works. It has been decided to continue the application of the provisions of the tinplate output restriction scheme for the quarter beginning February 24th next. Shipments of tinplates last week were lower than in the previous week, and stocks have consequently increased from 238,478 boxes to 269,969 boxes, which compares with 197,352 boxes in the corresponding week last year.

OTHER METALS.

Tin.—The market for tin displayed a good deal of irregularity in sympathy with fluctuating Eastern advices and a slow trade demand. Lately, however, sellers were more reserved, and initial declines were mostly recovered. Stocks in London and Liverpool warehouses for week ending January 19th amounted to 7,486 tons, compared with 2,240 tons at corresponding period last year. Standard cash changed hands at £222 10s, £223 and £221 17s 6d, three months £222 to £221 5s and £221 17s 6d. Sales in the East were reported at £225 5s to £224 5s per ton, c.i.f. terms.

Copper market firmer, and a good inquiry was reservedly met. Standard cash sold £75 7s 6d to £76 6s 3d, three months £73 12s 6d to £74 5s and £74 7s 6d.

Lead irregular, with dealings on a fair scale, offerings being adequate for requirements. Good soft foreign pig, January, sold £22 3s 9d to £22 1s 3d and £22 3s 9d, March £22 3s 9d to £22 6s 3d and £22 3s 9d, April £22 5s to £22 8s 9d and £22 6s 3d, May £22 6s 3d to £22 7s 6d.

Spelter easier on freer offers, closing firmer, however. January sold £25 15s, February £26 1s 3d to £25 13s 9d, March £26 to £25 15s and £26 1s 3d, April £26 1s 3d to £25 13s 9d and £26 3s 9d, May £26 1s 3d to £25 13s 9d and £26 2s 6d.

Antimony quiet. English regulus £54 to £55, foreign ditto, spot, £37 10s, shipment £33 10s, c.i.f. terms

Aluminium steady. Ingots and bars for home delivery £95 ton.

Wolfram quiet. Straits also Chinese 19s 6d to 20s per unit, c.i.f.

Quicksilver.—Spot quoted £22 5s to £22 10s per bottle.

Tin Plates steady. I.C. coke, prompt and forward, 18s to 18s 3d per box, f.o.b. Swansea.

THE COTTON TRADE.

LIVERPOOL, Jan. 23, 1929.

Spot sales for the week 17th to 23rd (inclusive) are 31,000 bales, of which 18,000 bales are American, 250 Brazil, 1,200 Argentine, 7,000 Peru, 2,800 Egyptian, 1,150 African, 380 East Indian, and 220 sundries. Imports for the same period are 101,078 bales, of which 68,697 are American, 5,167 Brazil, 1,889 Argentine, 2,195 Peru, 14,450 Egyptian, 8,391 East Indian, and 289 sundries. Quotations to-day are:—American middling, 10.54; Egyptian Sakel, 19.15; Uppers, 12.37; Brazil fair, 10.89; Peru G.F. mod.-rough, 12.75; G.F. smooth, 11.64; West African middling, 10.64; and East African G.F., 12.10. The market continues quiet. The ginning figures to January 15th were published to-day, and proved to be 13,892,000, slightly larger than generally expected, with a resultant decline of some 10 points.

MANCHESTER, Jan. 23, 1929.

Prices in the market during the past week have shown practically no change. There is rather remarkable steadiness in raw material rates, and trading in futures is decidedly narrow. The conditions, therefore, are favourable for business in manufactured goods. The feature of interest in the cloth section has been the continuance of the more active demand for China. Encouraging advices have again been received relating to clearances in Shanghai and replacement buying on this side, especially in white shirtings, has been on a freer scale. According to cables from India, dealers in Calcutta have extended the embargo upon the imports of white goods to the months of September and October. Offers generally for India remain disappointing. A useful trade has been done for several minor outlets, especially South America. There has been only limited activity in the yarn market. Home users and exporters are still inclined to purchase from hand to mouth.

Comparative Statement of the Cotton Trade.

	1929.				Corresp'd'g. Date.	
	Jan. 2.	Jan. 9.	Jan. 16.	Jan. 23.	1927.	1928.
	d	d	d	d	d	d
Raw Cotton—Mid. American per lb	10·59	10·49	10·69	10·54	7·47	10·28
— Sakellaridis Fully Good Fair						
Egyptian per lb	19·35	18·90	19·20	19·15	13·65	17·10
Yarns—32's twist per lb	15¾	15¾	16	15¾	12¼	15¼
— 40's weft per lb	16¾	16¾	16¾	16¾	12¾	16
— 60's twist (Egyptian) per lb	28	27½	28	28	21½	27
	s d	s d	s d	s d	s d	s d
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	26 0	26 0	26 3	26 3	22 9	25 3
36-in. Shirtings, 76 yds, 19 by 19, 32's and 40's	28 6	28 3	28 6	28 6	24 6	27 6
38-in. ditto, 38 yds, 18 by 16, 10 lbs	15 6	15 6	15 6	15 6	12 10½	14 9
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	14 0	14 0	14 0	14 0	12 1½	13 9

THE WOOL TRADE.

Our Bradford correspondent, writing on Wednesday, says:—The market generally presents no new feature, and although the tone remains good there is an absence of real activity. In the raw material section the feature continues to be the spirited foreign competition, and cabled reports from Sydney this week refer to the activity of Japanese buyers, who, it is stated, are completely dominating the market for merino fleece. In New Zealand, Bradford, Continental, and American buyers are operating freely, while in South Africa German competition is very strong. It would seem, therefore, that prices are likely to be maintained, notwithstanding the poor state of trade in the West Riding. No doubt continued firmness in the raw material markets will influence spinners and manufacturers, though at present few show any disposition to do more than cover current requirements in tops and yarns. Their main difficulty is that they cannot make anything like replacement costs based on to-day's price of wool, and in the keen competition to obtain orders to keep machinery employed prices are cut almost regardless of the cost of production. Topmakers, taking their cue from the raw material position, are unwilling to make further concessions in quotations; indeed, the majority are adopting a firmer attitude in discussing new business, as they cannot see much possibility of wool being materially cheaper in the near future. Yarn quotations, however, remain irregular and in buyers' favour, especially in cases where particulars can be given. The home demand for piece-goods is still very restricted, and at the moment the export markets appear to offer most scope for development, though here, also, the price question is very important in booking bulk business.

COLONIAL WOOL.

(from a correspondent.)

The revision in values which has taken place since the opening of the sales was not widely anticipated. Both home and Continental buyers are unitedly of opinion that if any real good is to be done with the wool purchased during the rest of the current season it will have to be at reasonable prices, and they are recognising that there is not likely to be any shortage. At the same time, values are still on a quite healthy basis, though only the finest qualities of greasy merino wool are selling on a parity with the December sales. Generally speaking, there is a depreciation of 1d per lb clean scoured. This means that a fair amount of wool is being picked up on a basis of 4s for warp 64's tops. This is quite as much as can be realised in Bradford. In merinos speculators' lots have not sold very well, the strongest and broadest competition being for the direct offerings. Though there has been Bradford competition for greasy crossbreds, the bulk of the finer offerings of this description have been taken by the Continent. The arrival of direct imports from New Zealand has naturally helped to steady prices in Coleman Street, though even at the present prices Bradford is not prepared to force the pace. Crossbred wool is still costing more than can be realised in the top. Cable information from Australia and New Zealand indicates firm values, and though manufacturing conditions in Bradford do not encourage local users very much, it is obvious that they will be compelled very largely to follow the pace set by their competitors.

THE TIMBER TRADE.

(from our own correspondent.)

After a decline last year of 1,420,900 loads (of 50 cubic feet) of sawn timber for building and general purposes, compared with the large imports in 1927, the timber market started this year with only moderate stocks. Consumption has been more active this month after dull December trade, and this activity is likely to become more pronounced week by week. The building trade also is showing more life, both as regards housing and general business work, so that timber merchants are not threatened with such anxious times as at this time last year when stocks were so depressingly heavy. Planed and dressed woods are in large supply at present rates of call, but as winter ends the brighter weather will give encouragement for the speeding-up of housing, in which floorings and shelvings form no small part of the woodwork.

Whilst the spot market is proceeding steadily and hopefully, forward business is quiet, importers and others interested awaiting the publication of the stock lists, and especially the prices of the

Russian f.o.w. and early after shipments. The Russian cut for the United Kingdom, as is now generally well known, has been acquired by a syndicate of United Kingdom importing firms, all of whom are of high repute. The deal, involving from £9 to £10 millions sterling, is for some 500,000 standards (of 165 cubic feet) of red and white wood, its object being to prevent wide price fluctuations during the course of the year, which in the past have been a source of danger to the trade. The 1929 shipments will be offered on equal terms to all importers, whether in the syndicate or not, at prices which are moderate compared with those of the exports of other countries. Another significant item of deep interest to soft timber merchants and consumers here is that the Polish-German timber agreement, by which Germany will purchase Polish timber to the value of £500,000, has been renewed. This means that our timber imports from Poland this year will be somewhere near those of last, 270,000 loads instead of, as in 1927, 804,200 loads. This should relieve our spot market, which is usually favoured with too much imported wood, rather than too little, in these times of European over-production of timber.

The hardwood trade is proceeding quietly but progressively. The hard and fancy woods, timber "luxuries" for the cabinet and decorative trades, are in only moderate supply, and spot prices are firm, although with mahogany c.i.f. values are not up to shippers' ideas. In the popular woods from America, although trade is usually described as slow, the fact that 652,000 more cubic feet were imported from the States last year compared with 1927, and that stocks cannot be much, if at all, larger than at this time last year, gives the impression that, in spite of the greater use of plywood to-day, good business is being done in States lumber. Probably the quietness generally is due to the increasing number of hands in the trade. At least one company of timber merchants in the States is giving at present no small attention and publicity to the good qualities of some British Empire woods—notably African bubinga and Australian lacewood, for veneers—which shows that good, serviceable timbers have no nationality, even in the country that produces the largest quantities for domestic and export consumption.

HIDE, LEATHER, AND ALLIED TRADES.

Trading conditions remain quiet all round, and little improvement can be expected until prices of raw material and leather become more stabilised. Tanners are still reducing input of hides, in view of the poor demand for leather, but seem unable to prevent a decline in value of their productions. Fractional declines have been again reported in most home hide markets, and best ox hides are now selling from 7¾d to 8d per lb—a severe fall as compared with a year ago. Calfskins are also weaker, and sheepskins inclined to sell at less money. There has been a further pronounced drop in the oversea hide market, and all classes share the decline. Argentine ox in spite of their good condition are quoted lower, and fregorific ox are offering at 10¾d, with few buyers interested even at this low figure. One satisfactory sign was the sale last week of 16,695 Leibig Paraguay ox at Antwerp. Prices ruled low, 9¾d being accepted for heavy ox, but as the entire lot was bought, taniers must have some faith in the future. All other classes of dry hides are relatively weaker, with tanners abstaining from buying as far as possible. Latest cables from Chicago report a steady position, best heavy packed steers still selling at 19 cents, with other classes mostly a half cent down.

As above stated, the demand for sole leather is quiet, and tanners are perforce accepting lower prices for all classes of bends and offal. Repairing bends are still the best sellers, light dry hide bends still hanging fire, even at the lower prices now quoted. Little business has been transacted at Manchester Shoe and Leather Exhibition this week, as buyers seem to have no confidence in the market position.

Trade remains slow for most classes of upper leather, although in some directions there is a slight improvement. The demand for kip upper leather is poor owing to industrial depression, but box and willow calf are wanted in the medium and cheap goods for spring footwear. Patent is slow, and a Continental cut in price has rather upset the market. Glacé in black and brown continues to sell, whilst there is a spasmodic demand for lighter shades for women's summer shoes.

VEGETABLE OILS AND OILSEEDS.

Markets have continued fairly active, and a moderate volume of business has been done. Linseed oil has been in fair demand by consumers, and is steady around £28 5s per ton naked ex mill for prompt and January-April delivery. Cotton oils are quiet and somewhat easier, crude Egyptian offering at £28 10s and common edible at £32 prompt and January-February. Other seed oils are in fair demand, but values are unchanged except for rape oil, which is a shade dearer.

In the oilseed section, Plate linseed in near positions has been in some demand by crushers, and £16 2s 6d has been paid for seed on passage to Hull and £16 for January clearance. As the scarcity near at hand is now relieved by the large quantity on passage, the premium over shipment is gradually disappearing, and easier prices are looked for. The quantity afloat for Europe has now increased to 219,000 tons, or 28,400 tons more than last week, comparing with 197,600 tons a year ago. Cottonseed has been active, and for black Egyptian on passage to Hull £10 12s 6d has been conceded, with £10 8s 9d paid for February and March loading. Sova beans are in some demand, and £11 11s 3d has been accepted for January shipment. Oilcakes are in improved demand, and in some instances are dearer.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—There is no material change in the general situation, a moderate demand being dealt with for spot goods at previous rates. Continental granulated slow of sale. Dutch "J," prompt, 12s; November-December, 12s 1½d, f.o.b., Rotterdam; Czecho, January-March, 12s; April-August, 12s 1½d; November-December, 12s, f.o.b., Hamburg. Foreign centrifugals, 96 per cent., January-February, quoted 9s 7½d, c.i.f., U.K. Terminals steady, with a moderate trade passing. Of raws, February sold at 9s 0¾d; March, 9s 0¾d; also May, sold 12s 5½d; August, 12s 7½d, sellers; December quoted 12s 9¾d per cwt. Cuban receipts for past week 193,583 tons, against 30,026 at corresponding period last year; exports, 64,390, against 28,140; stocks, 287,606, against 132,382. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending January 19th amounted to 147,413 tons, as against 94,071 last year.

TEA.—Quantity of Indian offered during the week amounted to 60,500 packages. General tone of the room was by no means robust, in fact, medium and commoner teas were only saleable at a reduction disclosed slight irregularity, but showed no essential change on balance with some attractive invoices from the Dooars district, possessing cold weather flavour fetching firm rates while eagerly competed for. Ceylon auctions totalled 21,530 packages, which came to a more active market than obtained last week. Finest descriptions and where quality was maintained, fetched steady rates. Medium kinds were in comparatively liberal supply, and manifested slight irregular, while palin liquoring brokens, also unattractive with fair competition, and market generally steady.

COCOA.—Spot quiet. Accra F/F, afloat, sold, 39s 6d; January-March, 39s to 40s; February-April, sellers, 41s, and March-May, 41s 6d, f.o.b. Terminal showed fair animation. February, sold, to 47s 3d; July, 47s 6d to 47s 10½d; September, 48s to 48s 3d and 48s 4½d; December, 47s 9d.

COFFEE.—There is a good steady spot demand at full rates, while East Indian qualities are distinctly in sellers favour. Good bold, sold, 149s 6d. Kenya, ditto, 146s; Costa Rican, 150s.

RICE dull, and quite featureless. Beans: Madagascar quiet and tendency easier, especially for distant positions Steamers afloat, sellers, 33s 6d; December-January, 33s 6d; January-March, 33s. Peas quiet, but steadily held. Japanese, afloat, 19s 6d to 20s 6d, as to position; December-January, 19s 3d; January-February, 18s 10½d; February-March, 18s 7½d, paid and buyers, per cwt.

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

THE CHATWOOD TRADITION.

CONTENTMENT

Development does not admit of Contentment.

Contentment with the success of yesterday will develop failure to-morrow.

The Chatwood Security is the result of the development of ideas and a persistent refusal to acknowledge contentment.

The tradition of the firm indicates its policy and the confidence of the banker to whom it renders service is reflected in the great growth of the firm.

THE CHATWOOD SECURITY

THE CHATWOOD SAFE Co., Ltd., Bankers' Engineers. SHREWSBURY, ENGLAND.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, THURSDAY.

CEREALS AND MEAT.

GRAIN, &c.—	s	d
Wheat, No. 2, N. Man. 496 lb..	51	0
Eng. Gas. av., per cwt	9	6
Barley, Eng. Gas. av.	10	3
Oats, " "	9	3
Maize, La Plata, landed, 480 lb	45	3
Flour, Lon. stan. ex mill, 280 lb	35	6
Rice, No. 2 Burma, per cwt.	13	1½
Sago, pearl, per cwt	22	9
Tapioca, per cwt—		
E.I. flake, fair spot	nom	
Medium pearl	20	0
Potatoes, good English, per ton	120	0

MEAT—	s	d	s	d
Beef, per 8 lbs—				
English sides.....	5	0	5	8
Argentine chilled hinds	4	4	4	8
Mutton, per 8 lbs—				
English wethers	6	0	7	4
N.Z. frozen "	3	6	5	4
Pork, English, per 8 lbs..	6	8	8	0

OTHER FOODS.

BACON—			
Irish ..... per cwt	94	0	108 0
Danish	82	0	96 0
Canadian	86	0	92 0
Dutch	78	0	92 0
Hams—Irish	0	0	0 0
Canadian 108	0	0	0 0
American 103	0	112	0
BUTTER—			
Irish creamery per cwt	0	0	0 0
Australian 168	0	188	0
New Zealand 174	0	196	0
Danish 190	0	0	0
CHEESE—			
Canadian ....per cwt..	98	0	112 0
New Zealand	92	0	97 0
English Cheddars 126	0	144	0
Dutch	50	0	99 0
COCOA—			
(Duty, British grown, 9s 4d, foreign, 14s cwt.)			
Accra f.f., per cwt	45	0	50 0
Trinidad	58	0	63 0
Grenada	53	0	59 0
COFFEE—			
(Duty, British grown, 9s 4d, foreign, 14s cwt.)			
E.I., good to fine, per cwt..157	0	163	0
Costa Rica, good to fine..155	0	165	0
Cent. Amer., mid to fine..130	0	150	0
Kenya, bold sizes.....126	0	150	0
Colombian, mid to fine..130	0	145	0
EGGS—			
English .....per 120	20	0	22 0
Danish	19	0	23 0
FRUIT—			
Oranges, Denia & Val. 300	12	0	30 0
" " 396	13	0	17 0
" " 504	14	6	17 0
" .....boxes 144	14	0	15 0
Jaffa .....boxes	0	0	0 0
Lemons, Naples ..boxes	0	0	0 0
Sicilian.....boxes	11	6	13 6
" ..... cases	13	0	21 0
Murcia.....half cases	0	0	0 0
Malaga ..cases 420 No. 1	0	0	0 0
Apples: Amer. (var.) brls.	18	6	30 0
(var.) boxes.	10	6	13 6
Onions Valencia:—			
" case 4s.	15	0	16 0
case 5s.	18	0	0 0

FRUIT (*continued*)—	s	d	s	d
Chestnuts, Huelva..bags	6	0	7	0
Grapes, Almeria....brls	1	0	22	0
LARD—				
Irish bladders	70	0	76	0
American boxes..56 lbs	60	6	62	9
SPICES—				
Pepper, per lb—				
Muntok, fair White ..	2	2¾	0	0
Black Lampong	1	5¾	0	0
Cinnamon—1st sort..per lb	2	3	0	0
Cloves—Zanzibar..per lb	1	5½	0	0
Ginger—per cwt—				
African.....	52	0	0	0
Jamaica, ord. to good .	80	0	120	0
Mace .....per lb	4	0	4	9
Nutmegs 65's	2	7	2	9
SUGAR—				
(Duty, 11s 8d per cwt.)				
B.W.I., crystallised.....	23	6	24	6
Java, white, c.i.f. India, May-June	11	9¾	0	0
REFINED—London—				
Yellow Crystals	21	10½	0	0
Cubes	26	0	26	6
Crushed	24	9	25	3
Granulated.....	23	6	23	10½
Home Grown (prompt)	22	9	23	6
TEA—				
(Duty 3½d British, foreign 4d per lb)—				
Indian & Ceylon—per lb				
Pekoe	1	1¾	2	2
Broken Pekoe	1	1¾	2	1½
Orange Pekoe	1	2½	2	3
Broken Orange	1	3½	2	6½
TOBACCO—				
(Duty 8/10—11/2½ per lb, Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	6	0
Greek	0	10	1	6
East Indian	0	5½	1	3

TEXTILES.

COTTON—	d
Mid-American ....per lb.	10·54
Sakellaridis, f.g.f.....	19·16
Yarns, 32's twist	16
60's twist	28

FLAX—	£	s	£	s
Livonian ZK ....per ton	90	0	92	0
Pernan BD.....	82	0	0	0
Slanets Medium 1st sort	92	0	0	0
HEMP—				
Italian P.C. .....per ton	65	0	0	0
Manila, Feb.-Apr. "J2"	39	0	0	0
N.Z., H.P. fair	36	10	0	0

JUTE—	s	d	s	d
Native 1st mks. ..per ton				
Jan.-Feb.	34/12/6		0/0/0	
Feb.-Mar	35/2/6		0/0/0	
SILK—				
Canton .....per lb	17	0	19	0
Tussah	8	0	10	0
Japan	20	6	23	0
Italian—Raw, fr. Milan	21	0	24	0

WOOL—	d
English Southdown, washed per lb	27½
" Lincoln hog, washed	18
Queensland, 9cd. super cmbg.	43
N.S.W. greasy, super "	25
N.Z., grsy, half-bred 50-56 ..	22
Crossbred 40-44..	16
Tops—	
Merinos 70's.....	50
" 64's.....	47
Crossbred 48's.....	26½
" 46's.....	24½

MINERALS.

COAL—	s	d	s	d
Welsh, best Ad'ty..ton	19	3	19	6
Durham, best gas.....	14	9	15	6
Sheffield, best house..	20	6	21	6
IRON AND STEEL—				
Pig, Clevel'nd No. 3, ton	66	0	0	0
Bars, M'brough.....205	0	0	0	
Steel Rails, heavy 170	0	0	0	
Tin Plates, I.C., per box	18	0	18	3

METALS—	£	s	£	s
Copper, Electrolytic, ton	79	10	80	0
Sheets (strong) 102	0	0	0	
Standard	76/6/3		76/7/6	
Lead Eng. Pig .. per ton	23/10/0		0/0/0	
Soft Foreign	22/3/9		22 6/3	
Spelter G.O.B.	25/19 9		26/15/0	
Tin—English ingots 221/0/0			222/0/0	
Standard, cash.....	221/17/6		222/0/0	

MISCELLANEOUS.

CHEMICALS—	s	d	s	d
Acid, citric per lb less 5%	2	1	2	2
Nitric	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0

	£	s	£	s
Alum, lump .....per ton	9	10	10	0
Ammonia, carb.....ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump....per ton	35	0	40	0

	s	d	s	d
Bleaching powder, per cwt	6	9	8	0
Borax, gran.... per cwt	13	0	0	0
Do powder	15	0	0	0
Nitrate of Soda..per cwt	12	0	13	0
Potash—Chlorate, net ..	0	3½	0	3½
Sulphate .....per cwt	9	0	10	0
Sal-Ammoniac .. per cwt	42	6	45	0
Soda Bicarb ....per cwt	9	0	10	6
Crystals..... per cwt	5	0	5	3

	£	s	£	s
Sulphate Copper..per ton	26	10	27	0

CEMENT—	s	d	s	d
Portland, best Eng. pr ton	46	0	48	0

COPRA—

	£	s	£	s
F.M. Straits, c.i.f., per ton	24/C/0		0/0/0	

DRUGS—

Camphor—	s	d	s	d
Japan, refined	2	2¾	2	3
Castor-oil	85	0	95	0
Ipecacuanha	11	0	11	6
Peppermint, Wayne Co.	14	6	14	9

HIDES—	s	d	s	d
Wet salted—Australian per lb	0	5¾	0	8¾
West Indian	0	4	0	9
Cape	0	6	0	9
Dry and Drysalted Cape	0	9	1	2¾
Market Hides, London—				
Best heavy ox & heifer	0	7¾	0	7¾
Best cow	0	7¾	0	7¾
Best calf	1	1¾	1	3

INDIGO—	s	d	s	d
Bengal gd. red-vio. to fine—per lb.....	5	8	6	0
LEATHER—				
Sole Bends 8/14 lb— per lb	1	8	2	6
Bark Tanned Sole	2	8	3	6
Shoulders fm DS Hides	1	0	1	3
Do Eng. or WS do	1	4	1	10
Bellies from DS do	0	9	1	0
Do Eng. or WS do	1	0	1	5
Dressing Hides.....	1	10	2	4
Ro. Eng. Calf, 20/30 lb..	4	3	6	3
Aust. Sides.....	1	2	1	8

VEGETABLE OILS—	£	s	£	s
Linseed, naked, p. ton net	28	5	0	0
Rape, refined.....	44	0	0	0
Cotton-seed, crude.....	30	0	0	0
Coconut, crude.....	39	0	0	0
Palm	38/0/0		40/0/0	
Oil Cakes, Linseed, Eng., per ton	12/17/6		13/5/0	
Oil Seeds—Linseed—				
LaPlata, p. ton Jan.-Feb.	15/10/0		0	0
Calcutta, p. ton.....	19/7/6		0	0

	s	d	s	d
Turpentine, per cwt	48	0	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs	0	10¾	0	0
Water-White.....	0	11¾	0	0
Lubricating—	£		£	
Pales.....	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	13/10/0		34/5/0	
Fuel—	s	d	s	d
S.G.895 910	82	6	0	0
" 950	67	6	0	0

ROSIN—	£	s	£	s
American..... per ton	20	5	26	15
RUBBER—	s	d	s	d
Plantation Sheet per lb	8	10¾	0	0
Fine Hard Para per lb	0	11¾	0	0

SHELLAC—	£	s	£	s
TN Orange....per cwt	192	6	195	0
SHELLS—	£	s	£	s
W. Aust., M.-o.-P. "	4	0	12	10

TIMBER—	£	s	£	s
Swedish u/s 3 x 8, per Std..	19	0	0	0
Do 2½ x 7 " ..	19	0	0	0
Do 2 x 4 " ..	19	0	0	0
Can'dn Spruce, Dis. " ..	17	10	0	0
Pitchpine ..... per load	9	0	0	0
Rio Deals..... per std.	32	0	0	0
Teak..... per load	20	0	0	0
Honduras Mahg. logs, c. ft.	0	11	6	
African "	"	0	6	6
American Oak Boards	"	0	6	0
Do Ash "	"	0	6	0
English Oak Planks	"	0	7	0
Do Ash "	"	0	6	6

SPICE.—Pepper market irregular. Black Lampong, spot, 1s 5¾d; October-December, 1s 4⅝d; January-March, 1s 4½d; white Muntok, 2s 3d; October-December, 2s 3¼d to 2s 3d; January-March, 2s 1⅝d; March-May, 2s 2⅝d to 2s 1⅞d per lb. London stocks reduced 49 tons on the week. Tellicherry, January-March, sellers, 147s; Aleppy, ditto, 145s cwt. Zanzibar cloves steady. Spot, 1s 5¾d; December-February, 1s 5¾d lb. Tapioca steady, quiet. Singapore flake, to Havre, January-February, sellers, 20s. Sago flour dull. Sarawak to U.K., January-March, sellers, 11s 9d; April-May, 12s per cwt.

FRUIT (Dried).— Currants: Market remained steady but quiet. Pyrgos quoted 46s 9d; Patras, 48s; choice up to 53s; Amalias, 47s 6d to 48s; Gulf, 50s to 54s; Vostizza, 52s to 60s. Sultanas maintained. Medium to good Smyrna, spot, 41s to 55s; Cretan, 45s to 70s; Greek, 34s to 65s; Australian in large supply, and range from 31s to 50s; Californian, soda bleached, 35s to 47s; unbleached, 29s; Cape unbleached, 33s to 37s; bleached, 45s to 50s. Raisins: Slow of sale. Valencia quarter boxes, 50s to 55s; Australian, 32s to 36s; Capes dull at 33s to 36s. Figs steady. Genuine new, spot, 30s to 32s; layers, 60s to 65s; pulled, 60s to 70s. Dates in fair demand. The quality of recent arrivals is not maintained. Hallowie, new, spot, 28s to 30s; Khadrowie, 23s; Siar, 15s to 17s. Evaporated fruits: The general position is unaltered and spot trade continues disappointing, while pears and apple-rings are difficult to vend. Californian plums 20-30's, 65s; 30-40's, 57s; 60-70's, 45s 6d. Australian pears range from 60s to 70s, as to quality. Apricots, Royal, 72s 6d to 115s; Cape, 65s to 77s 6d; Californian, new, 90s to 117s 6d. Peaches, Californian, choice, 50s; extra choice, 55s; fancy, 60s. Apples, Californian, spot, sliced, extra choice, 67s 6d. Almonds met a steady demand at full rates. Mazagan, 145s; Mogador, 142s 6d; Majorcas, 152s 6d to 167s 6d; bitter, Jordan, 175s to 210s cwt.

CANNED GOODS.

CANNED FRUITS.—The market shows rather more activity, and a fair business resulted in most descriptions at fully steady prices. The forward position remains firm, and packers adopt a reserved attitude, with peaches showing a tendency to harden. Australian fruits are being steadily absorbed and stocks considerably reduced.

CANNED FISH.—Sardines steady, but business somewhat restricted by small offerings of best grades. Portuguese clubs quoted 5s per dozen tins. Lobsters slow. Best halves, 140s to 145s; and quarters, 77s 6d to 82s 6d. Salmon in better demand on spot, and forward position strong. Halves scarce, and realise 78s to 82s 6d; pink also met an improved demand. Talls, spot, 26s to 27s; halves, 30s to 32s 6d. Japanese crab steady for finest quality at 92s 6d to 95s.

CANNED MEATS move off slowly, but tongues firm, and cooked boneless hams also realise full rates.

CONDENSED MILK AND MILK POWDERS. — Market remained quiet. Full cream sweetened, English, spot, 45s; Dutch, ditto, 38s 6d; January-March, 38s 6d. Machine-skimmed sweetened, English, spot, 27s; Dutch, ditto, 23s 6d; January-March, 23s 6d, all in 5 cwt barrels. Powders: Spray F.C., 26 per cent., 2 by 56 lb tins, crated, prompt, 96s; M.S. (1 cwt cases) prompt, 41s. Roller process, F.C., 26 per cent., prompt, 79s; M.S., ditto, 31s 6d, all net, duty paid, ex-wharf London. On the grocery side F.C.S., 21s; M.S.S., 10s 3d, basis per case, usual packing.

For Life Assurance.

AMP

The Australian Mutual Provident Society is mutual. That is to say, all divisible Surplus, without deduction, belongs to the Policy-holders themselves and is distributed yearly. Moreover, the Society, established in 1849, has been for many years the largest and most prosperous British Mutual Life Office. Why is this? Because it offers to Assurers the Acme of Security and Profit, and because its satisfied members are its best advertisement. Why are policies with the A.M.P. Society so profitable? Because while its premium rates are below the average, it possesses in a unique degree the combination of a low expense rate, a high interest return and a favourable mortality experience. The A.M.P. Society should be covering you. You will be sent full particulars on application.

EVERY YEAR A BONUS YEAR.

Assets: £70,000,000. Annual Income: £10,000,000

New Business for 1927: £15,397,528.

Cash Surplus for One Year (1927): £2,895,454.

ROBERT THODEY, F.I.A., Manager for the United Kingdom.

AUSTRALIAN MUTUAL PROVIDENT SOCIETY

Established in Australia, 1849.

LONDON OFFICE: 73-76, King William St., E.C.4.

HONEY.—Market continues firm but quiet. New Zealand, dark amber, 50s to 55s; medium, 55s to 65s; light, 65s to 85s; whites and water whites, 65s to 87s 6d; Jamaica, 42s 6d to 55s; San Domingo, 42s 6d to 48s 6d; pale set Siberian, 41s 6d per cwt.

RUBBER.

Market firmer with a fair demand. Plantation standard sheet, spot to February, sold, 10⅞d; March, 10⅞d; April-June, 11d to 11⅛d; July-September, 11¼d; October-December, 11¼d per lb. London stocks increased by 531 tons on the week at 23,547, against 64,450 last year. Landings, 2,039; deliveries, 1,508. Liverpool stocks reduced 15 tons at 3,505.

GENERAL.

JUTE.—Market firmer. Firsts to Continent, January-February, sellers, £34 12s 6d; February-March, sold, £35 2s 6d; March-April, quoted, £35 10s; lightnings, February-March, buyers, £33 per ton. Hessians and twills unaltered.

HEMP.—Manila dull, but steady. J 2, February-April, sellers, £39; K, March-May, sold, £37; L 1, February-April, £36 10s; L 2, £31; M 1, £31 10s; M 2, £28 5s. African sisal No. 1, good marks, January-March, sellers, £44; ditto No. 2, £41 10s per ton. Manila receipts last week totalled 26,000 bales, against 32,000 at same time last week; estimate for next week, 32,000, and following week, 32,000.

SHELLAC.—Firmer. Fair T.N., spot, 192s 6d; March, buyers, 186s; May, 185s per cwt.

COPRA.—Dull and featureless. Straits, S.D., February-March, to Rotterdam, sellers, £24 17s 6d; March-April, £25; Ceylon, February-March, £25 15s. Palm kernels steady. January-February, to Hamburg, quoted £20 1s 3d per ton.

MISCELLANEOUS.—Coconuts quoted 18s to 24s per 100. Coir yarn, Ceylon, £18 5s to £39 10s; Cochin, £23 to £40 10s; Ceylon bristle, £19 to £25; cinnamon leaf oil, 5¼d; citronella, Ceylon, 1s 9d; Java, 2s.

METROPOLITAN CATTLE.—January 21.

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

	s d	s d		s d	s d
Beasts—Norfolk	6 0	6 8	Beasts—Heavy Bulls	..	..
Irish	..	..	Canadian	..	..
Cambridge	..	..	Sheep—Downs	8 4	9 10
Short Horns	6 0	6 8	Half bred	..	..
Herefords	..	..	Ewes	5 0	5 8
Devons	..	..	Scottish	..	..
Leicester runts	..	..	Lamb—Downs	..	..

LONDON POTATO MARKETS.—January 21.

	Per Cwt. s d	s d
English Edward—Lincoln	6 0	..
" —Essex and Bedford	5 0	..
" Queens	5 0	..
" Arran Chief	4 6	5 0
" Majestic	4 6	5 0
Great Scot	4 6	5 0

THE KIDDER PEABODY ACCEPTANCE CORPORATION

Established April, 1922.

9, Spring Lane, BOSTON. 11, Wall Street, NEW YORK.

London Agents: BARING BROTHERS & CO., LIMITED

COMPARATIVE BALANCE SHEET.

ASSETS.	Dec. 31, 1928	Dec. 31, 1927
Cash	$1,938,915.24	$1,724,644.25
U.S. Government Bonds	4,171,615.23	4,930,820.04
Demand Loans (Secured by Acceptances)	1,300,000.00	1,000,000.00
Other Bankers' Acceptances	2,085,582.41	2,003,022.99
Notes, Bills and Accounts Receivable	1,397,695.10	1,392,182.73
Bonds	1,969,029.50	1,075,208.15
Stocks	3,038,333.19	1,944,144.57
Real Estate	107,522.20	107,522.20
Customers' Liability—		
On Acceptances	28,157,317.82	26,731,948.35
On Unused Letters of Credit	12,609,212.66	11,348,770.60
	$56,775,219.35	$52,258,263.88
LIABILITIES.		
Capital Stock	$13,500,000.00	$11,375,000.00
Surplus and Profit and Loss	1,329,653.36	1,220,199.22
Acceptances Outstanding (less $40,170.58 in Portfolio)	29,194,088.51	28,156,256.09
Letters of Credit Outstanding	12,609,212.66	11,348,770.60
Bonds	17,000.00	17,000.00
Reserves for Taxes, Dividends, etc.	125,264.82	141,037.97
	$56,775,219.35	$52,258,263.88
Other Bankers' Acceptances sold with endorsement of this Corporation	$7,270,593.68	$6,971,925.37

We hereby certify that we have audited the books and accounts of The Kidder Peabody Acceptance Corporation for the period beginning January 1, 1928, and ending December 31, 1928, that we have examined all current assets and have found them and all liabilities and proprietorship accounts as stated.

The accompanying Balance sheet, we believe to be a true statement of the financial condition of said corporation as of the date named.

(Signed) WALDRON H. RAND & COMPANY,
Certified Public Accountants.

Letters of Credit in Dollars issued jointly with Kidder, Peabody & Co. to Finance Imports, Exports and Domestic Shipments.

FOREIGN AFFAIRS

AN AMERICAN QUARTERLY REVIEW.

Hamilton Fish Armstrong, *Editor.*

IN THE CURRENT ISSUE

The Threat of Anglo-American Naval Rivalry

By Allen W. Dulles

Mr. Dulles, who was legal adviser to the American delegation at the Three-Power Naval Conference at Geneva in 1927, gives a frank analysis of Anglo-American relations in the light of the dispute over the naval needs and objectives of the two Powers.

OTHER NOTABLE ARTICLES IN THIS ISSUE:

The Rhineland Occupation.....*Wilhelm Marx*
Latin America, Europe and the United States
F. Garcia Calderon
Twenty-Five Years of Irish Nationality....."*A.E.*"
Curzon.....*Harold Nicolson*
In Soviet Russia:
The Crisis of the "N.E.P."....*Paul Scheffer*
The Government and the Communist Party
Victor Chernov
The Politbureau.....
The New Communist Bible.....
Icelandic Independence.....*Vilhjalmur Stefansson*
Arbitration in the Western Hemisphere
Antonio S. de Bustamante
The Grand Council of Fascism.....*Gaetano Salvemini*
The Three Latin Sisters.....*Salvador de Madariaga*
The Winning of Czechoslovak Independence
Robert J. Kerner
The Strategy of Singapore.....*Nicholas Roosevelt*
The Guatemala-Honduras Boundary Dispute *Raye R. Platt*

—also the usual maps and notes, bibliography of new books in the international field, index of treaties and trade agreements, etc.

Single copies may be obtained from leading booksellers or through

THE INTERNATIONAL NEWS COMPANY, LTD.

5, Bream's Buildings, London, E.C.4.

Subscription rate, $5 a year, post free

(through any agency or direct from the publishers)

FOREIGN AFFAIRS

25 West 43rd Street, New York, N.Y.

MIDLAND BANK LIMITED

ESTABLISHED 1836

Authorised Capital	**£45,200,000**	**Paid-up Capital**	**£13,432,968**
Subscribed Capital	**40,689,218**	**Reserve Fund**	**13,432,968**

DIRECTORS

THE RIGHT HON. REGINALD MCKENNA, *Chairman*

WILLIAM GRAHAM BRADSHAW, Esq., C.B.E., STANLEY CHRISTOPHERSON, Esq., *Deputy Chairmen*

THE RIGHT HON. LORD AIREDALE, Leeds.
HENRY ALLAN, Esq., Glasgow.
THE RIGHT HON. LORD ASHFIELD, London.
SIR PERCY ELLY BATES, Bart., G.B.E., Liverpool.
SIR JAMES BELL, Bart., C.B., LL.D., Montgreenan, Ayrshire.
WILLIAM BENNETT, Esq., London.
WALTER S. M. BURNS, Esq., London.
SIR HUGO CUNLIFFE-OWEN, Bart., London.
JOHN F. DARLING, Esq., C.B.E., London.
DAVID DAVIES, Esq., M.P., Llandinam.
THE RIGHT HON. THE EARL OF DENBIGH, K.C.V.O., London.
FRANK DUDLEY DOCKER, Esq., C.B., Birmingham.
BERNARD D. F. DOCKER, Esq., Birmingham.
FREDERICK HYNDE FOX, Esq., Liverpool.
CHARLES GOW, Esq., London.
SIR ARTHUR ADLINGTON HAWORTH, Bart., Manchester.
JOHN HENDERSON, Esq., Glasgow.
SIR HARRY CASSIE HOLDEN, Bart., London.
ADMIRAL OF THE FLEET THE RIGHT HON. EARL JELLICOE, G.C.B., O.M., London.
THE RIGHT HON. LORD KYLSANT, G.C.M.G., London.
GEORGE McBAIN, Esq., Aberdeen.
SIR HARRY McGOWAN, K.B.E., London.
FREDERICK WILLIAM NASH, Esq., Birmingham.
EMMANUEL MICHEL RODOCANACHI, Esq., London.
HUGH L. ROXBURGH, Esq., Liverpool.
SIR THOMAS ROYDEN, Bart., C.H., Liverpool.
SIR EDWARD D. STERN, Bart., D.L., London.
SIR EDMUND RUSSBOROUGH TURTON, Bart., M.P., Thirsk.
LEWIS H. WALTERS, Esq., London.
A. HALL WILSON, Esq., Aberdeen.
THE RIGHT HON. SIR GUY FLEETWOOD WILSON, K.C.B., K.C.M.G., G.C.I.E., London.
COLONEL WILLIAM FITZTHOMAS WYLEY, Coventry.

FREDERICK HYDE, Esq., EDGAR W. WOOLLEY, Esq., *Joint Managing Directors*

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C.2

Over 2,000 Branches in England and Wales

Joint General Managers: E. RICHARDS, J. G. BUCHANAN, E. T. PARKES, H. A. ASTBURY, A. T. JACKSON, R. W. TAYLOR

BALANCE SHEET, 31st December, 1928

LIABILITIES	£ s. d.	£ s. d.
Capital Paid up, viz.:—		
2,869,079 Shares of £12 each, £2 10s. paid	7,172,697 10 0	
1,921,677 Shares of £2 10s. each, fully paid	4,804,192 10 0	
1,456,078 Shares of £1 each, fully paid	1,456,078 0 0	
		13,432,968 0 0
Reserve Fund		13,432,968 0 0
Dividend payable on 1st February, 1929		967,173 13 11
Balance of Profit and Loss Account, as below		848,563 6 7
		28,681,673 0 6
Current, Deposit and Other Accounts		394,591,227 0 5
Acceptances and Confirmed Credits on account of Customers		24,942,268 14 5
Engagements on account of Customers		49,498,865 8 4
		£497,714,034 3 8

ASSETS	£ s. d.	£ s. d.
Coin, Gold Bullion, Bank Notes and Balances with the Bank of England		45,440,918 1 5
Balances with, and Cheques in course of Collection on other Banks in Great Britain and Ireland		20,247,083 3 2
Money at Call and Short Notice		27,681,296 17 6
Investments:—		
War Loan and Short-dated British Government Securities (of which £439,471 5s. is lodged for Public and other Accounts)		35,338,338 10 11
British Corporation Stocks		256,283 1 6
Colonial and Foreign Government Stocks and Bonds		657,312 11 9
Sundry Investments		616,763 7 1
Bills Discounted		63,347,503 3 8
		193,585,498 17 0
Advances to Customers and other Accounts		214,050,972 2 9
Liabilities of Customers for Acceptances, Confirmed Credits and Engagements		74,441,134 2 9
Bank Premises at Head Office and Branches		8,725,100 15 4
Belfast Banking Co. Ltd.:— 200,000 Shares of £12 10s. each, £3 10s. paid; Reserve and Undivided Profits		1,392,981 3 9
The Clydesdale Bank Ltd.:— 100,000 Shares of £50 each, £10 paid; 25,000 Shares of £10 each, fully paid; Reserve and Undivided Profits		2,842,419 15 11
North of Scotland Bank Ltd.:— 163,000 Shares of £20 each, £7 paid; Reserve and Undivided Profits		2,309,472 4 2
Midland Bank Executor & Trustee Co. Ltd.:— 200,000 Shares of £5 each, £1 paid; Reserve and Undivided Profits		366,455 2 0
		£497,714,034 3 8

Dr. PROFIT AND LOSS ACCOUNT for the Year ended 31st December, 1928 Cr.

	£ s. d.		£ s. d.
To Interim Dividend at the rate of 18 per cent. per annum, less Income Tax, paid 14th July, 1928	956,614 6 5	By Balance from last Account	835,797 5 5
" Dividend at the rate of 18 per cent. per annum, less Income Tax, payable 1st February, 1929	967,173 13 11	" Net Profits for the year ended 31st December, 1928, full provision having been made for Rebate, Expenses and all Bad and Doubtful Debts	2,656,554 2 6
" Bank Premises Redemption Fund	500,000 0 0		
" Officers' Pension Fund	220,000 0 0		
" Balance carried forward to next Account	848,563 6 7		
	£3,492,351 6 11		£3,492,351 6 11

R. MCKENNA, *Chairman*
W. G. BRADSHAW, S. CHRISTOPHERSON, W. F. WYLEY, *Deputy Chairmen*
F. HYDE, E. W. WOOLLEY, *Joint Managing Directors*

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF THE MIDLAND BANK LIMITED

In accordance with the provisions of Sub-section 2 of Section 113 of the Companies (Consolidation) Act, 1908, we report as follows:—

We have examined the above Balance Sheet in detail with the Books at Head Office and with the certified Returns from the Branches. We have satisfied ourselves as to the correctness of the Coin, Gold Bullion, Bank Notes and Balances with the Bank of England, Balances with, and Cheques in course of Collection on other Banks in Great Britain and Ireland and Bills Discounted, and have verified the correctness of the Money at Call and Short Notice. We have also verified the Securities representing the Investments of the Bank, and having obtained all the information and explanations we have required, we are of opinion that such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us and as shown by the books of the Company.

LONDON, 10th January, 1929

WHINNEY, SMITH & WHINNEY, CHARTERED ACCOUNTANTS, *Auditors*

Affiliations:

BELFAST BANKING COMPANY LIMITED
THE CLYDESDALE BANK LIMITED
NORTH OF SCOTLAND BANK LIMITED
MIDLAND BANK EXECUTOR AND TRUSTEE CO. LTD.

STATE BANK OF THE U.S.S.R.

Created by Decree of the Soviet Government of October 12th, 1921.

	Chervonetz.
Capital	25,000,000
Bank Note Issue on January 16th, 1929	109,097,363
Issue Dept.'s Gold, Platinum and Silver Reserve do.	22,184,550
Issue Dept.'s Foreign Currency Reserve do. ...	7,802,921

N.B.—1 Chervonetz contains 119.4826 grains of pure gold and equals £1 1s. 1¾d. or $5.14¾

Head Office and Foreign Department, MOSCOW.
500 BRANCHES.

FOREIGN BANKING BUSINESS OF EVERY DESCRIPTION TRANSACTED.
Deposits and Current Accounts in Foreign and Soviet Currency. Mail and Cable Remittances effected throughout the territories of the Soviet Union. Collections. Letters of Credit. Bills of Exchange.
The Bank is specially interested in facilitating trade with the Soviet Republics.
AGENTS AND CORRESPONDENTS IN ALL PARTS OF THE WORLD.
LONDON CORRESPONDENTS:—Lloyds Bank, Ltd.; Barclays Bank, Ltd.; Midland Bank, Ltd.; National Provincial Bank Ltd.; Westminster Bank, Ltd.; Bank for Russian Trade, Ltd.; Equitable Trust Co. of New York; Hambros Bank, Ltd.; Fredk. Huth & Co.; S. Japhet & Co., Ltd.; Kleinwort Sons & Co., Samuel Montagu & Co.; Moscow Narodny Bank Ltd.; National City Bank of New York; N. M. Rothschild & Sons; J. Henry Schröder & Co.

SOUTH MANCHURIAN RAILWAY.
5 PER CENT. BONDS.

Notice is hereby given that the COUPONS due 5th February, 1929, will be PAID on and after that date (Saturdays excepted), between the hours of 11 and 3 at The Yokohama Specie Bank Limited, where lists may be obtained.

Coupons must be left three clear days for examination prior to payment.—For The Yokohama Specie Bank Limited.
D. NOHARA, Manager.
7 Bishopsgate, London, E.C.2.
21st January, 1929.

INTERNATIONAL PAPER AND POWER COMPANY.

New York, December, 26th, 1928.

The Board of Directors have DECLARED a quarterly dividend of sixty (60c.) cents a share, on the Class A Common Stock of this Company, payable February 15th, 1929, to Common Stockholders of record, at the close of business, February 1st, 1929.

Checks to be mailed. Transfer Books will not close.

R. G. LADD, Assistant Treasurer.

MONETARY STABILITY
and the
GOLD STANDARD

By
Sir Henry Strakosch, G.B.E.

Reprinted from "The Economist"
Price 1/-

Obtainable from
"The Economist" Office,
6, Bouverie Street, Fleet Street, London, E.C.4.

HONGKONG & SHANGHAI BANKING CORPORATION.

Notice is hereby given that the Share TRANSFER BOOKS of this Corporation will be closed from the 11th to 23rd February, 1929, both days inclusive, for the purpose of preparing payment of final dividend for 1928.

BRITISH CONTROLLED OILFIELDS, LIMITED

(Incorporated under the Laws of the Dominion of Canada.)

ANNUAL REPORT OF THE DIRECTORS which was submitted at the Special General Meeting held in Montreal, at 12 noon on Wednesday, 23rd January, 1929.

To the Shareholders of British Controlled Oilfields, Ltd.

The Directors beg to submit the Balance Sheet as at 31st July, 1928, and Profit and Loss Account for the year ending on that date.

The Profit and Loss Account shows a gross profit for the year of £405,280, from which has been written off £126,445, the whole of the development expenses on the El Mene field, £20,665 expended during the year in exploratory boring outside El Mene, and £88,699 depreciation on Machinery and Plant, leaving a net profit of £169,472.

VENEZUELA.—WESTERN AREA—BUCHIVACOA.

The production was 2,141,266 barrels of oil. The oil from El Mene continues to be of the uniform high quality to which reference was made in the last Annual Report.

The production was sold under contracts made in 1923 and 1924, at prices dependent upon the world price of oil. On more than one occasion Shareholders have been reminded that a continuance of the low prices for petroleum and its products due to over-production must affect this Company in common with all other producers. The Accounts now submitted show that our receipts from the sale of oil have fallen during the year to the extent of £147,000. On the other hand, the policy of economical working and the improved methods of production, upon which the Board had based its programme, have effected a reduction of £80,000 in expenditure.

This reduction in working costs has been brought about despite the fact that an intensive campaign of geological investigation has been in progress, while a considerable amount of exploratory boring has been undertaken, necessitating, in addition to the expense of drilling, the construction of roads in difficult country.

Modern Production Methods at El Mene.—The plans for production at El Mene other than from flowing wells include the provision of an absorption plant for the recovery of light products from the gas and the utilisation of the stripped gas for "gas lift" and the repressuring of the oil sands. The completion of the whole scheme has been delayed to some extent by an unusually wet season, but the plant is of such a type that advantages are obtained from each unit as installed. The adoption of "gas lift" has already considerably increased the output from old pumping wells and at the present time 40 per cent. of El Mene production is being obtained by this means. The increased revenue arising from the recovery of light products will be a considerable factor in the receipts for the coming year.

Deep Drilling at El Mene.—With a view to the better selection of sites for deep wells at El Mene, it was considered desirable to correlate the geological knowledge derived from the work hitherto done and such new wells as have been drilled on the field have been "cored" for practically their whole depth in order to supplement this information. The irregularity of the strata, however, is such that little guidance seems to be obtainable from a correlation of the results secured at shallow depths.

One deep well is now being bored at El Mene and at the present time has reached a depth of 2,350 feet. The formation through which the well is passing is very difficult to drill and only slow progress can be made, but some favourable indications have been found in strata older than any previously worked on this field.

Sites have been selected for two other deep tests and special drilling plant provided. It is intended to carry these wells to the maximum depth that mechanical conditions will permit.

Exploratory Wells in Outside Districts.—As indicated in Progress Reports Nos. 2 and 3, exploration work is being vigorously carried on in the Western Area of the Buchivacoa Concession outside the limits of the El Mene field. Fifteen outside test wells have been or are being drilled. Although many shows of oil have been met with in the course of this work, commercial production has not so far been obtained in any of the completed wells.

The geological staff concentrated in one direction upon tracing the connection between the oil-bearing field of El Mene and the Hombre Pintado producing zone of the Central Area, ten miles to the east. Favourable geological indications were reinforced by the discovery of two distinct oil seepages. Six wells have been commenced in this district during the year. In three work has been stopped and drilling is proceeding in the others. The examination of this region, which is of considerable extent, is still in progress and will be supplemented by further test drilling.

Three exploratory wells have been sunk to the north-east of El Mene. Heavy gas was encountered in two of them, and this gas is being utilised, but, although oil was found, it was not in commercial quantities.

Six other wells in outlying districts were begun during the year, one of which is now upwards of 5,000 feet in depth and drilling continues.

An area considered by the geologists to be of great interest has been located to the south of El Mene. This tract of country is 37 kilometres from the El Mene field, and considerable time and expense have been involved in constructing a road to it. Drilling will commence shortly on two locations in this district.

The so-called Northern Plains, 200 square miles in extent, lying between the El Mene field and the sea, are now being examined.

Investigation of a possible extension of the El Mene field both westward and eastward is being continued, and will be followed by test drilling. Some success has already been met with.

Geophysical Methods.—Considerable advance has been made of late in the utilisation of geophysical methods as an adjunct to those of geological research in the quest for petroleum. In districts covered with alluvium, such as the Northern Plains above mentioned and the Orinoco Delta, geophysical methods are peculiarly suitable. The Directors, fully realising the importance of this branch of geological practice, have decided to build up a geophysical staff. In the meantime, Mr. J. G. Templeton, with experts and a number of our own men, is engaged in a survey by torsion balance of the Northern Plains and will subsequently commence a survey of the Orinoco Delta.

CENTRAL AREA—BUCHIVACOA.

During the year the Company's interest in this part of the Buchivacoa Concession has been increased by the purchase upon favourable terms of shares in the Anglo-Venezuelan Oil Trust, Ltd., the undertaking controlling the Central Area Exploitation Co. (Venezuela) Ltd. This operating company has drilled five wells during the year and the production now obtained is being sold to British Controlled Oilfields Ltd. which has laid a pipeline for its reception.

EASTERN AREA—BUCHIVACOA.

Active operations have been continued during the past year. Examinations have been conducted by geological and geophysical staffs and drilling is proceeding in accordance with the royalty agreement referred to in the last Annual Report.

ORINOCO DELTA.

The plans for the exploration of the Company's concessions in the Orinoco Delta have been modified in consequence of the formation of the geophysical staff mentioned above. On completion of the examination of the Northern Plains of Buchivacoa, the geophysical staff will be transferred to the Delta, where arrangements for housing and transport are now being made.

TRINIDAD.

During the year ending July 31st, 1928, the production from our Trinidad properties (including those of the Trinidad Petroleum Development Co. Ltd.) amounted to 210,168 barrels, compared with 59,349 barrels in the previous twelve months.

The output since July 31st has been even more satisfactory, and is as follows:—

August	30,934 barrels.	October	51,682 barrels.
September	21,812 ,,	November	74,560 ,,

Throughout the year steady progress has been made with the opening up of the Company's Palo Seco field, which continues to produce in increasing quantity petroleum of the highest grade. Since the close of the financial year, a gratifying development has taken place on one of our Government plots somewhat to the south of the Palo Seco district proper, where on October 15th, a high pressure well was brought in which, after a large initial production, is now flowing at the rate of 1,000 barrels per day. The petroleum is of a somewhat heavier type than the product of the older field, but the source would seem to be very prolific and, when adequate arrangements have been made for storage and transport and for the construction of roads and drilling of wells in the new area, the recent discovery should mean a large increase in the Company's production.

Freehold lands to the extent of 1,503 acres have been purchased to round off the Company's holdings at Palo Seco, which now have an aggregate of 5,774 acres. Arrangements have been entered into with Venezuelan Consolidated Oilfields, Ltd., a company owning 817 acres of promising land in the district, under which we purchase half the oil to be produced from this area.

Sale of Oil.—During the year a contract was made with the Anglo-Persian Oil Co. for the purchase of our Palo Seco production, at prices proportionate to the high quality of the oil.

Arrangements have now been made with the United British Oilfields of Trinidad, Ltd., for the sale and purchase for a term of years of all our Trinidad production not required for the purposes of the Anglo-Persian contract.

In summarising the results of the year's working, the Directors are glad to be able to state that, although the continued fall in the world prices for petroleum and petroleum products has caused a falling off in the Company's gross receipts, the economies in working expenditure due to the introduction of modern methods and machinery have been almost sufficient to offset the reduction in revenue, and the balance at credit of Profit and Loss has been further increased to £1,003,560, while Cash and Government securities, together with stocks of Oil at realised value, stand in the Balance Sheet at £690,175 as against £679,132 a year before.

During the year in Venezuela £156,843 has been expended on additions to Machinery and Plant and £13,436 in the purchase of additional lands, while £37,559 has been invested in the shares of the Anglo-Venezuelan Oil Trust, Ltd.

Advances to the Company's subsidiary, Trinidad Petroleum Development Co. Ltd., for equipment and general development amounted to £231,740 including £79,677 for the purchase of additional lands.

By Order of the Board,
J. W. CREASSER, *Secretary and Treasurer.*

5, MOORGATE, E.C.2.
19*th December*, 1928.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, FEBRUARY 2, 1929. No. 4,458.

ROYAL EXCHANGE ASSURANCE

Incorporated A.D. 1720.

All classes of Insurance transacted and the duties of Executor and Trustee undertaken.

For full particulars apply to:—

Head Office: Royal Exchange, London.

BANCO NACIONAL ULTRAMARINO.

STATE BANK OF THE PORTUGUESE COLONIES.

Head Office: LISBON.

Established 1864.

Capital: Esc. 50,000,000$00, fully paid.

Reserves: Esc. 49,000,000$00.

OFFICES IN THE FOLLOWING COUNTRIES:
Portugal, Portuguese East and West Africa, India, China, Timor and Brazil.

Paris Office ... 8 Rue du Helder.

Angola, Belgian Congo } Banco de Angola.

New York—Trust Co. of N. America—93 Liberty Street.

AGENTS & CORRESPONDENTS IN ALL PARTS OF THE WORLD.
London Office: 9 BISHOPSGATE, E.C.2.
Telephone—London Wall 0295. Telegrams—Ultranacio, London.

BANCA COMMERCIALE ITALIANA.

Established in 1894. Head Office: MILAN. Capital 700 million Lire. Reserves 540 millions. Deposits 7,251 millions.

Branches in every centre of commercial and industrial importance in Italy; also in London, New York, Constantinople, and Smyrna.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Greece, Egypt, Morocco, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

London Office:
32, Threadneedle Street, E.C.2.

A. JOEL, *Manager.*

Correspondents to the Italian Treasury.

TABLE OF CONTENTS.

The Money Market	205	"Tips" and the Investor	227
Leading Articles—		The Week in the Markets	228
The "Economist"	207	London Active Securities	228
The Views of the Bankers	207	Lessons of the Ner-Sag Debacle	230
The End of the Roman Question?	208	Metropolitan Railway Dividend	230
Unemployment and Protection	209	Netherlands Shipping Union	230
The North-West and Mid-East England Power Schemes	210	Scottish-American Investment Company	230
New Life Assurance Business in 1928	211	The Nickel Position	231
The Wool Textile Inquiry	212	Margarine Union	231
Libel	213	Lautaro Nitrate Extension	231
Notes of the Week—		Tin Selection Trust	232
Mr Baldwin and Protection	214	N'Changa Copper Mines	232
Engineers & the Melchett-Turner Conference	215	San Francisco	232
The Real Issue in the Naval Controversy	215	Capital Issues	232
France and Alsace	215	**Company Meetings**	235
Rumblings in Spain	216	**Government Returns—**	
Jugoslavia and Her Neighbours	216	National Accounts	257
The Viceroy's Speech	216	National Debt	257
The Goddard Case	217	Treasury Bills by Public Tender	257
Lancashire Cotton Corporation	217	Public Income and Expenditure	257
Cotton Trade Dispute	217	**Bankers' Gazette—**	
Economic Activities of the League	218	Bank of England	258
The Post Office Accounts	218	Bankers' Clearing Returns	258
Proposed New Taxation in Germany	218	Overseas Bank Returns	258
Canadian Railway Rivalry	219	Monthly Statement of London Clearing Banks	259
Sun Life Office	219	Loan and Discount Rates	260
Bank Balance-sheets	219	Rates of Exchange	261
Free Trade and the Mobility of Capital	219	Bullion	262
Oversea Correspondence—		Gold and Silver Prices	262
United States	220	**Company News—**	
France	220	Summary of Balance-sheets	234
Germany	221	Mining Output Statistics	234
Austria	222	Dividend Announcements	234
Poland	223	Oil Outputs	234
Roumania	223	Weekly Traffic Returns	263
Books and Publications—		Monthly Traffic Returns	263
"The Railway Policy of South Africa"	224	Reports and Notices	264
The American Negro	225	Profit and Loss Accounts	265
Books Received	225	**Commercial Reports—**	
The Stock Exchange—		Corn Trade	265
The Price of New Capital	226	Coal	266
		Iron and Steel	266
		Other Metals	267
		Cotton Trade	267
		Wool Trade	267
		Jute Trade	268
		Hide and Leather Trades	268
		Vegetable Oil	268
		Overseas Produce	268
		Price Current	270

TERMS OF SUBSCRIPTION.

Quarterly, 14s 6d; Half-yearly, £1 9s 0d; Yearly £2 18s 0d.
Colonies and Abroad, £3 1s 0d. per Annum.

Single copies, post free, 1s 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4.

THE MONEY MARKET.

MONEY was fairly easy this week, with short loan rates round about 4¼ per cent. until Thursday, when rates became even easier. The reason was that this week being virtually the fifth week in the month, the clearing banks were not calling so heavily as usual, as they had already completed their quota of four making-up days in the month. But for this factor, stringent conditions

could have been anticipated, as further large sums were transferred to the Government's account at the Bank of England in connection with tax payments. Public deposits, in fact, are £2,379,061 higher on the week, and the whole of this increase has come out of bankers' deposits, which have fallen by £2,631,091. The only other changes of importance in the Bank return are a fall of £1,106,343 in Discounts and Advances and a rise of £1,015,173 in Government securities. This last movement suggests that for the moment the Bank is disposed to make conditions a trifle easier.

* * * *

Despite the week's gold shipments to America the Banks gold stocks have only fallen by £364,836, but the market is still nervous as to the outlook. By way of reassurance one point may be mentioned. This is that call money in New York is now around only 7 per cent Now a London house lending money for short periods in New York naturally has to cover itself against an adverse movement in the exchange by a forward sale of dollars at the time it makes the loan. The difference between the spot and forward rate is equivalent to about 1½ per cent. interest per annum, and this makes a call rate of 7 per cent. equal to only a net 5½ per cent. to the London lender. The result is that if call rate fell by no more than one point New York would lose much of its present attractions to European lenders. In fact, once this happens, the present flow of money from London to New York may easily be reversed.

* * * *

Little change has occurred in the bill market, and the market rate on three months' bank bills remains at 4 5/16 per cent.

	Jan. 31, 1929.	Jan. 24, 1929.	Jan. 17, 1929.	Jan. 10, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate	4½	4½	4½	4½	5 (Apl. 21,'27)
Banks' Deposit Rate	2½	2½	2½	2½	3 (Apl. 21,'27)
Discount { Call	2½	2½	2½	2½	3 (Apl. 21,'27)
Houses { Notice	2⅝	2⅝	2⅝	2⅝	3½ (Apl. 21,'27)
Market rate (3 months' bills)	4 5/16	4 5/16	4 5/16	4 5/16–⅜	..

The monthly statement and weekly balances of the nine British members of the London Clearing House for December reveals a general expansion in all items. The most noteworthy increase is in acceptances.

	Aug., 1928.	Sept., 1928.	Oct., 1928.	Nov., 1928.	Dec., 1928.
Capital and reserves	130·5	130·8	130·8	130·8	130·8
Acceptances	173·9	177·8	182·2	200·5	217·3
Deposits (incl. undiv. profits, &c.)	1,731·6	1,732·2	1,752·9	1,751·8	1,806·3
Total liabilities	2,036·0	2,040·8	2,065·9	2,083·1	2,154·4
Coin, notes, balance at bank, and cheques in course of collection	244·3	244·6	251·9	250·4	268·9
Money at call	135·6	140·7	142·7	141·8	159·9
Investments	261·2	258·3	267·4	265·4	269·0
Discounts	254·1	244·1	248·1	248·4	258·7
Loans and advances	931·3	929·8	937·9	940·8	944·5
Cover for accept., premises, &c.	209·3	213·3	217·9	236·3	253·4
Total assets	2,036·0	2,040·8	2,065·9	2,083·1	2,154·5

The fact that all items, including discounts and call money, have increased disproves any suggestion that the December averages were inflated by making-up operations in preparation for the annual balance-sheets relating to the last day of the month.

* * * *

The change in the Bank of England's weekly return throws some light upon the average cash holdings of these nine banks for December. According to the monthly statement, the item "coin, bank-notes, and balances with the Bank of England" amounted to £204 millions. For the same month "bankers' deposits" at the Bank—which include deposits by all British banks, and not only those by the nine clearing banks—averaged about £69 millions. It is possible that some £50 or £60 millions of these belong to the nine clearing banks. This means that about £150 millions of their "cash" was represented by subsidiary coins and by notes. Now, the average note circulation for December was £380 millions, and, taking all the figures previously cited into account, it seems a fair assumption that one-third of the total circulation was held by the nine clearing banks alone, and this in the month of the Christmas holidays, when the public are accustomed to carry more notes than usual. This suggests that the banks' requirements of till-money absorb a far larger proportion of the nation's supply of currency than is generally realised.

NEW YORK MARKETS.

Our New York correspondent cables:—Federal Reserve statements reveal a moderate increase in discounts, a movement which is to be expected at the end of the month. There is a further decrease in circulation, a reduction of $19 millions in bills, and another gain in reserves. No change in the discount rate is indicated. Gold imports last week totalled 10 millions, of which none was earmarked, and a further inflow of gold is expected. Industrial activity, particularly in the case of steel, continues at a high level, but there has been some weakening in iron prices. The spring business outlook is still considered bright.

THE STOCK MARKETS.

Stock market activity showed an appreciable falling off, with a cautious tendency present in all markets. Gilt-edged stocks lost ground slightly on monetary uncertainties, but became firmer in connection with the repayment, on Friday, of maturing Government obligations. Home railways were dull in the absence of public interest. Industrial shares reflected the uncertainty of American sentiment, a general limitation of commitments, and a tendency towards profit-taking. Rubber shares were inactive on lower prices for the commodity, and tea shares irregular. Heavy American production handicapped the oil share market, and in the mining section a distinct reaction was registered in Rhodesian copper descriptions.

THE COMMODITY MARKETS.

The most encouraging news this week is the improvement in the coal industries of South Wales and South Yorkshire. The very gradual increase in activity has been maintained in the chief iron and steel centres. The tinplate market is unchanged. Copper was firmer, and other metals quiet. Demand for Manchester piece-goods has been hesitant, and spinners have experienced difficulty in selling. Bradford reports a fair business in piece-goods, but trade is still hampered by uncertainty as to raw material prices. Jute has advanced, as a result of a probable deficiency in the crop. The position in the leather trades remains difficult, and vegetable oils and oilseeds are easier. Wheat is practically unchanged.

FOREIGN EXCHANGES.

This week there was a little more movement and political events in Spain caused selling of the peseta towards the close. End-of-the-month requirements also caused some fluctuations, in francs and lira especially. Sterling was weaker at 4.84 7/16 on Thursday, after 4.84 31-32 on Tuesday, when heavy gold shipments were made to New York. Paris was weaker at 124.10, after 124.03, as was Milan at 92.65, after 92.62. Brussels gained ¾ of a point at 34.89½. The peseta collapsed from 29.68½ to 30.53, and shows no immediate signs of recovery. In the Far East the rupee remained firm at 1s 6 1/16d, but the yen again showed uncertainty and was weaker on Thursday at 1s 10 13-32d. The silver market reacted from the early easiness as a result of steady support from the Indian bazaars, and prices rose in consequence by ¼d to 26¼d for spot and 26 5/16d for forward. The China silver exchanges remained unaffected.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—National Provincial Bank, Westminster Bank, District Bank, Martins Bank, Williams Deacon's Bank, Canadian Bank of Commerce, Hungarian Commercial Bank of Pest, the National Bank, National Mutual Life Assurance Society, Mortgage Company of the River Plate, Inveresk Paper, Sedenak Rubber Estates, Tin Selection Trust, George Hodsman and Sons (1928), Continuous Gramophones, Kerr, Stuart and Co., H. Yager (London), and Ashanti Goldfields. The bank chairmen's speeches are dealt with in a leading article, while reference to the Tin Selection Trust meeting will be found in an "Investment Note."

THE "ECONOMIST."

In the *Economist* of July 14th last year we gave particulars of a change in the ownership of this journal. It was there explained that the ownership of the *Economist* was to be transferred from the Wilson Trust, in whose hands it had been since 1860. We also stated that in the new company which was to be formed half the voting shares were to be held by Financial Newspaper Proprietors, Limited, and half by an influential group of individual shareholders. This new company has now been registered, and from certain notices in the Press it appears that the registration has given rise to misinterpretation. In one prominent journal it has been suggested that the *Economist* has changed hands for a second time. This is entirely erroneous. The company which has just been registered is that to which we referred in July.

We would take this opportunity of repeating that, in accordance with the wish of both groups of shareholders to maintain the traditional character of the *Economist*, the continuance of its editorial independence has been provided for by the appointment of a board of independent trustees having the following functions:—

(*a*) They will have the right to veto the appointment or dismissal of any Editor of the *Economist*, the Editor to have sole responsibility for the policy of the paper so long as he retains his office;

(*b*) They will have the right to veto the transfer of voting shares in the new company.

By these and other provisions, which are to a considerable extent modelled on the articles of the "Times" Holding Company, the independence of the *Economist* is amply safeguarded.

THE VIEWS OF THE BANKERS.

There is even more than usual reason this year to be grateful to the late Sir Edward Holden for imbuing the chairmen of our banks with the habit of reviewing, at the annual meetings of their shareholders, the leading economic and financial problems of the day. The times are such that the guidance of the men who have their finger upon the pulse of the country's economic life is unusually valuable in the formation of public opinion and the establishment of a balanced and sober perspective; and, as if responding to the need, the bankers have this year given us a series of addresses that is of more than average variety, interest, and importance.

The first thing to strike the reader of this year's speeches is an air of quiet confidence in the country's industrial future. Mr Tennant concluded his address to the Westminster Bank shareholders by claiming that "amid all the changing facets of world life, Britain has two assets at least which have not changed in value. The first is the inherited skill and vigour of our workers by hand and brain; the other, not less important, is the physical advantage of our geographical position." Mr McKenna at the Midland Bank's meeting coupled a vigorous plea for peace with a statement that "considerable progress has been made towards a more ordered and prosperous world. Perhaps the most solid contributions to the final result have been made during the past year." Other chairmen spoke in the same confident but sober strain. There was no unreasoned optimism, no suggestion that trade was going to experience a striking improvement during the coming year. Instead there was an insistence on the need for taking the long view, and for realising that while recovery was certain, it would be a slow process, demanding in increasing degree the constructive thought and the intensive labour of the nation.

Another tendency which stands out clearly in the speeches is that they were inclined this year to approach the wider problems which they reviewed from the special standpoint of banking practice. Perhaps the most striking example of this tendency was afforded by Mr McKenna, who deliberately "confined his observations to matters arising directly from a consideration of the bank figures." The wealth of information which resulted from his "observations," particularly on the distribution of bankers' advances, has already been discussed in the *Economist*, and it only remains to add that Mr Beaumont Pease gave similar figures, though upon a different basis, for Lloyds Bank. Mr Goodenough, too, at Barclays meeting devoted a large proportion of his speech to monetary matters, discussing gold movements and also the way in which London has regained her former position as the world's principal bill market.

Several bank chairmen were at special pains to welcome the investigation into the purchasing power of gold now being conducted by the Financial Committee of the League of Nations. So far as England itself was concerned, the bank chairmen were significantly emphatic both in their insistence on the need of a stable price-level and in their unqualified support of the Bank of England's policy. Mr Beaumont Pease at Lloyds meeting condemned in severe tones the recent attacks upon the Bank. "I do not wish to say anything further than to register my regret that, at a moment when it was highly desirable that nothing should have been done to disturb the atmosphere which was undoubtedly favourable to an improvement in our trade, attempts should have been made to create doubts in the minds of the uninformed that there was something radically wrong with our whole monetary system.....The partially concealed motive behind all these suggestions and intrigues is the desire to see some form of inflation. I had hoped that a final verdict had already been given on these doctrines and quack remedies." Mr Holland Martin at Martins Bank meeting paid a tribute to the "great wisdom" of the Bank, Sir Harry Goschen at the National Provincial Bank meeting spoke in similar terms, while Mr Tennant devoted a portion of his address to an exposition of the duties of the banks towards the public. His exposition, though in an explanatory form, amounted to an equally definite support of the Bank.

Although bank chairmen this year gave more attention to monetary questions, they did not omit their usual surveys of the industrial field. None of the chairmen shirked the question of the depressed basic industries. Of these, it was only natural that, in view of recent discussions and developments, the cotton trade should receive the most attention. The Lancashire banks, such as Martin's, Williams Deacon's, and the District Bank, naturally have the most intimate connection with the industry, and the comments of both Mr Holland Martin and Sir Christopher Needham were this year unusually interesting. The former welcomed the new treaty with China, but warned Lancashire that "its once-vaunted safeguards of climate and skill are no longer invulnerable." Sir Christopher Needham, who was incidentally celebrating the centenary of the District Bank, called attention to "the difficult problem of dealing with the mills whose financial circumstances have caused them to be 'weak sellers.'" Emphatically and significantly both these Lancashire bankers and also several of the "big five" chairmen went out of their way to say a word of encouragement to those engaged in the arduous task of forming the new Lancashire Cotton Corporation. Mr Holland Martin went so far as to say:—"It represents the most determined effort which has yet been made to meet present-day difficulties."

Side by side with this testimony may also be cited the veiled warning contained in a passage of Sir Harry Goschen's address. He said: "We must recognise that great changes have taken place in the last five years in the national sentiment of the Chinese people. They wish to negotiate with European firms direct without the intervention of agents and compradors—a great change, and one which will necessitate a radical rearrangement in the methods and practice of our great merchant firms in that country. They are, of course, better able than I to weigh the risks and advantages involved in such a change, but if we do not show ourselves ready to meet our prospective customers it is certain someone else will. It seems to me that if our manufacturers and merchants

are still imbued with the spirit of enterprise and energy which enabled their forefathers to lay the foundation of our vast trade with the Far East, they will seriously consider the position, for, in spite of the great changes and possible risks involved, in spite of the difficulties even of conducting business with the Chinese in their own language, there seems to me to be a great opportunity of extending all sections of our trade with that great country which, if neglected, may not recur."

So far as Lancashire is concerned, the warning is clear. It is not enough to reorganise the cotton trade at home if steps are not taken to regain markets abroad. It is therefore cheering to read Mr Dewhurst's allusion, at Williams Deacon's meeting, to the formation of the Eastern Textile Association, "a vertical combine of those interested in manufacturing, bleaching, dyeing, and shipping of certain standard makes of piece-goods destined for the Far East." This suggests that the Lancashire end of the marketing problem is being looked after, although Sir Harry Goschen, of course, had the Chinese end in mind. But Sir Harry's words strike a wider note, and one that was re-echoed by other bankers. It is this: we are no longer the paramount manufacturers and traders in the world, but to-day we have to meet our competitors on equal terms. That we can do so successfully is certain, if only we make the effort; but the effort involves the recognition of the fact that British goods no longer sell themselves. Mr Tennant well said that "Great Britain is at last bringing herself up to concert pitch." But our ultimate recovery is only assured if efforts to promote efficiency both in production and in marketing are progressive and continuous.

THE END OF THE ROMAN QUESTION?

DURING the past week or two there have been sudden, but persistent and circumstantial, rumours that the Italian Government and the Vatican are in negotiation for a comprehensive and definitive settlement of "the Roman question," and are on the point of coming to terms. The essence of the settlement would be that each party would recognise the other as the Government of a sovereign independent territorial state, and that the frontiers between the kingdom of Italy and the Papal State would be established by mutual agreement. At present neither party recognises the other. The Pope claims still to be juridical sovereign over a dominion extending right across the Italian Peninsula from the Mediterranean to the Adriatic as far north as Bologna, inclusive—though the Ranagua fell away in 1859 and the rest of the ancient Papal State was occupied by the Italian Government in two stages: the Marches and Umbria in 1860 and the Patrimony of St. Peter, including Rome itself, in 1870. Since 1870 the Italian Government has claimed sovereignty over the whole of the former Papal territories and has conceded three enclaves—the Vatican with St. Peter's, the Lateran, and Castel Gandolfo—to the Pope as private property, but not as territory exempt from the sovereignty of the Italian State. The Vatican, however, has never taken cognisance of the Italian "Law of Guarantees," and has never drawn the allowance from the revenues of the Italian State which that law assigns to it. Moreover, it has never recognised the kingdom of Italy which came into existence *de facto* in 1861, and has since then been one of the Great Powers! This anomalous situation has lasted for nearly 70 years.

According to current reports, the first point in the settlement which is now under negotiation would be the recognition of the Pope by the Italian Government as the territorial sovereign of a State comprising the properties conceded to him under the Law of Guarantees, together with a slight addition of territory on the Janiculum. In return, the Pope would recognise the Italian Government as the territorial sovereign of the former Papal territories outside these limits. There is also talk of the Italian Government further conceding to the Pope the proprietorship (though not the sovereignty) over a private road running from the Vatican to some point on the Mediterranean coast, so that the Pope might have direct and unhampered means of communication with Catholics outside Italy and with Governments other than that of Italy. In addition, the inhabitants of the Papal State (for the most part employees of the Vatican) would be Papal subjects, the chanceries of the foreign diplomatic missions accredited to the Vatican would be installed in the ceded territory on the Janiculum, and Italy would pay the Holy See an indemnity.

If a settlement on these lines is really concluded, it will be a notable diplomatic achievement on the Italian Government's part; for though the irreconcilability of the Vatican has never caused Italy serious international embarrassment (it did not do so, for instance, even during the Great War), it may be prophesied that a reconciliation with the Vatican on such terms would notably strengthen the position of Italy as a Great Power in international affairs. As it is, the Papacy itself, and a majority of the offices whose holders, between them, control the policy of the Vatican, have long been reserved, by an unwritten convention, for Catholics of Italian nationality; and probably nothing but the conflict of political interests between the Vatican and the Kingdom of Italy has prevented this tradition from causing the Vatican to become Italian not only in nationality but in politics as well. At the price of ceding Italian territory up to about the extent of a second San Marino, Signor Mussolini seems likely to transform into an Italian institution the immense international force which the Vatican represents abroad. The bargain would be amazingly advantageous from the standpoint of Italy; and we must pay a tribute to Signor Mussolini's statesmanship, for, although the price is small, it does consist in a cession of territory; and the reluctance of statesmen and peoples to cede the smallest fraction of territory, even in exchange for the most valuable considerations, is so great that only an open-minded Government and a strong Government could enter into such a bargain at all.

Whether the bargain is so good from the Vatican's standpoint is quite another question. At first sight it looks as though the Papal statesmen (as, indeed, might have been expected) have allowed themselves to be engrossed by the past to the extent of sacrificing the future. It is true that they will have gained the point of territorial sovereignty for which they have been standing out during all these years. But is territorial sovereignty really a desirable asset, in the conditions of the contemporary world, for an international organisation like the Catholic Church? Will not the re-establishment of a Papal State have the effect of transferring the Catholic Church from the category of those forces like Islam or the League of Nations, or the Postal Union, or Standard Oil, whose status as "World Powers" is signalised by the very fact that they have no local sovereignty, to the category of San Marino and Monaco and Danzig and Andorra? The League of Nations and Standard Oil both prefer to have their central offices in somebody else's territory rather than to have them in diminutive territories of their own; and it is noteworthy that the Islamic world has just abandoned the principle of the temporal power of the Caliphate, to which it still clung until after the close of the Great War. Did not the Pope have a stronger hold upon the affection and loyalty of Catholics all over the world when he had the rôle of a master "who had not where to lay his head" than he can hope to have as Prince of Monte Vaticano? And may he not find his relations with the Catholics of France, the Ticino, the South Tirol, Croatia, and Albania (not to speak of countries further afield) less easy to manage in future than they were when he was politically estranged from the Great Power in whose territory his new principality will be an enclave?

If the suggested settlement goes through, we prophesy that the Vatican will lose politically as much as Italy stands to gain. Indeed, this might be the beginning of a transformation in the nature of Catholicism as an international force. At present the Catholic Church is a hybrid between an international organ of public opinion, and a kind of international political organisation with its central government in the Vatican; but this latter aspect of Catholicism is surely an anachronism in a world in which political power has otherwise passed to the Governments of national States and to associations of Governments such as the League of Nations. It may be that the reconstitution of the Papal State, by making this anachronism conspicuous, will render its perpetuation impossible; and we may live to see something like a divorce between the Catholic Church and the Holy See—the Holy See becoming little more than a miniature territorial state, and the Catholic Church becoming nothing less than a ubiquitous international force?

The New York Trust Company

Capital, Surplus & Undivided Profits - $35,000,000

COMPLETE INTERNATIONAL
BANKING FACILITIES

100 Broadway **New York City**

UNEMPLOYMENT AND PROTECTION.

THE persistence of large-scale unemployment is the outstanding social problem of our day, and the desire to alleviate it cannot fail to be the starting point of constructive policy among all parties in the nation. But, as always, the prevalence of economic disease, which claims the attention of the doctors, also attracts the minds of the quacks; and, as Mr Tennant put it to the shareholders of the Westminster Bank on Wednesday, there are three main schools of quacks—nationalisers, inflationists, and protectionists—who profess to have one specific cure for troubles whose origins are multifarious. Of these three schools, the protectionist—or, as he prefers to call himself, the supporter of extended safeguarding—is the most vocal, and in the view of the approaching General Election, the most dangerous. Let us look, then, at the present position of unemployment and see what possibility there is that Protection could provide the cure.

As a necessary starting point for our examination, we have analysed the latest unemployment returns and endeavoured to ascertain the relation between the numbers of unemployed in occupations to which Protection could conceivably be applied and the foreign trade balance in the same industries. On December 17, 1928, the number of persons, aged 16 to 64 inclusive, recorded as unemployed in all industries other than fishing (a category scarcely germane to this inquiry) was 1,329,135. From this total we may first proceed to deduct the number out of work in occupations palpably "unprotectable." By this term we mean industries (*a*) in which there is no "import problem," *e.g.*, mining and shipbuilding; or (*b*) in which labour is essentially "sheltered," *e.g.*, building and internal transport; or (*c*) in which case "safeguarding" would on any grounds be self-evidently useless as a stimulus to employment, *e.g.*, shipping and distribution. In the following table we show the numbers unemployed on December 17th in these industries, among which we have included the food, drink, and tobacco trades as occupations for whose benefit a tariff is quite unlikely to be advocated or desired:—

INDUSTRIES TO WHICH PROTECTION CANNOT be APPLIED.

	Number Unemployed, Dec. 17, 1928.		Percentage of Total Unemployment.
1. Mining and by-products	230,867	....	17·3
2. Building, public works, and constructional engineering	165,844	....	12·5
3. Distribution and commerce	99,719	....	7·5
4. Internal transport	93,080	....	7·0
5. Hotel, entertainment and various services	76,636	....	5·8
6. Shipbuilding and marine engineering	69,773	....	5·2
7. Food, drink and tobacco	39,751	....	3·0
8. Government	34,655	....	2·6
9. Shipping	26,180	....	2·0
10. Printing and publishing	10,336	....	0·8
11. Gas, water, and electric supply	10,016	....	0·8
Total of above	856,857	....	64·5

We are at once confronted with the fact that there is an enormous mass of unemployment, nearly two-thirds of the total, concentrated in these 11 industries and occupations clearly debarred by their character from encouragement by import duties. There remain, then, the balance of 472,278 persons unemployed in manufacturing occupations to which it is technically possible to apply the expedient of protection:—

INDUSTRIES in which PROTECTION is TECHNICALLY POSSIBLE.

	Number Unemployed, Dec. 17, 1928.		Percentage of Total Unemployment.
1. Metal industries	157,826	....	11·9
2. Textiles	153,852	....	11·5
3. Apparel	63,205	....	4·7
4. Bricks, pottery, earthenware, glass	27,882	....	2·1
5. Vehicles	23,395	....	1·8
6. Woodwork	14,412	....	1·2
7. Chemicals, oils, &c.	12,791	....	1·0
8. Leather	6,198	....	0·5
9. Rubber	4,572	....	0·3
10. Paper	4,527	....	0·3
11. Miscellaneous	3,618	....	0·3
Total of above	472,278	....	35·5

Observing at once that the number out of work in the first two categories represents two-thirds of the total unemployment in this group, and that the aggregate unemployment in categories 3—11 represents only 12 per cent. of the total unemployment in the country, we may now turn to an examination of our manufactured imports and exports.

In 1928 the total value of our retained imports of articles described in the Board of Trade Returns as "wholly or mainly manufactured" amounted to £292 millions, against corresponding exports totalling £579 millions. From the import side of the account we may start by deducting £65 millions, the value of unfabricated non-ferrous metals, mineral oil, plywood, and undressed hides and skins (all essentially raw materials rather than manufactures), leaving retained "manufactured" imports at £227 millions. The export total requires also

to be reduced for purposes of comparison by the omission of £26 millions made up of unfabricated non-ferrous metals, coke, and ships—the two last commodities being the product of labour already excluded from our schedule of industries to which protection can possibly be applied. Adjusted thus, the total import and export figures can be analysed as under :—

	Retained Imports. £ Mill.	Exports. £ Mill.
1. Textiles	51·3	234·1
2. Metal industries	57·9	151·2
3. Chemicals, oils, &c.	18·0	34·4
4. Vehicles	8·7	31·4
5. Apparel	18·2	26·2
6. Earthenware, pottery, glass	10·7	13·1
7. Leather	8·5	9·4
8. Paper	17·0	9·3
9. Rubber	3·2	3·4
10. Woodwork	5·8	2·5
11. Miscellaneous	27·7	38·0
Total	227·0	553·0

The surplus of exports over retained imports, it will be noted, amounted in the aggregate to £326 millions. It now remains to see what relation exists between these trade figures and the percentages of unemployment which we have found to exist in "technically safeguardable" occupations. In our concluding table we show for the eleven manufacturing groups—in which we have arranged our sets of figures so as to obtain as accurate a basis for comparison as possible—firstly, the percentage of the total "manufactured exports"; secondly, the percentage of the surplus of exports over retained imports; and, thirdly, the proportion of the total unemployment in these industries (35·5 per cent. of the national aggregate) attributable to each group :—

FOREIGN TRADE AND UNEMPLOYMENT.

	Percentage of "Manufactured" Exports.	Percentage of "Export Surplus."	Percentage of Total Unemployment in these Industries.
1. Textiles	42·4	56·1	32·6
2. Metal industries	27·3	28·6	33·2
3. Chemicals, oils, &c.	6·2	5·0	2·7
4. Vehicles	5·7	7·0	5·1
5. Apparel	4·7	2·5	13·4
6. Earthenware, pottery, glass	2·4	0·7	5·9
7. Leather	1·7	0·3	1·3
8. Paper	1·7	—2·4	1·0
9. Rubber	0·6	0·1	1·0
10. Woodwork	0·4	—1·1	3·0
11. Miscellaneous	6·9	3·2	0·8
Total of above	100	100	100

The foregoing figures suggest of themselves conclusions so unmistakable as to require little further comment. With the minor qualification that differences of classification render the percentages in group 11 not precisely comparable, it will be seen that 92·9 per cent. of unemployment in industries where protective duties are a possibility lies in groups 1—6, which in turn account for 88·7 per cent. of our total "manufactured exports" and 99·9 per cent. of the net "manufactured export surplus." In other words, "safeguarding," if confined to industries not predominantly "exporting," would affect only 11·3 per cent. of the unemployment in the whole of these groups of trades, a figure which represents about one-fortieth part of the country's aggregate unemployment. Hence it follows that when "safeguarders" claim to have a remedy for unemployment, they are *ipso facto* either claiming that "exporting" industries can be stimulated by a tariff (a *reductio ad absurdum*), or, alternatively, are propounding a nostrum inapplicable, as we have shown, to 39-40ths of the disease it professes (illogically, at that) to cure.

If, however, Protection could reduce the unemployment of the country even by one-fortieth, its extension would have to be seriously considered. But the position is that if we indulged in the experiment we should be risking immeasurable damage to our export trade and our whole economic structure which might entail great increases of unemployment on the off-chance that a tiny fraction of unemployment might be removed in certain areas; and even this off-chance cannot seem a brilliant one to those who have studied the review of the results of the present Government's experiments in Protection which appeared in the *Economist* in October and November. The upshot of the matter is that we should be staking a very great deal for the possibility—and a very poor possibility—of a very meagre return.

THE NORTH-WEST AND MID-EAST ENGLAND POWER SCHEMES.

(BY A CORRESPONDENT.)

THE publication of the Mid-East England scheme, which is the fifth to be surveyed by the Electricity Commission, makes it possible to examine proposed developments in the two great textile areas of Britain. Lancashire and North Wales were covered by the scheme which was published in June of last year, and the new scheme covers the West Riding, as well as the great iron and steel centre of Sheffield. Together they cover the greater part of the industrial area of Britain, and they have the characteristic in common that the organisation of electricity supply has already been so highly developed in them that the Electricity Commission has only had to recognise the *status quo* and arrange for the construction of main transmission lines to link up generating stations and to complete the scheme of inter-connection as part of the national system.

The North-West England scheme comprised the counties of Lancashire, Cumberland and Westmoreland, the six North Wales counties, and parts of the counties of Chester, Cardigan, Derby, and Salop, with a small extension into the West Riding. The Mid-East England scheme covers the East and West Ridings of Yorkshire and a small portion of the North Riding outside the distribution area of the Newcastle Electric Supply Company, the counties of Lincoln and Rutland, and parts of the counties of Nottingham and Derby. The total area served by the schemes is 16,720 square miles, 9,082 in North-West England, while the total population housed in the area is given as 11,647,425, of which 6,980,925 are in the North-West England zone. They support, therefore, more than one-fourth of the total population of Britain, while their contribution to the national wealth is probably even greater.

The number of generating stations already operating has been given as 110, of which 70 are located in North-West England, while under the new arrangement it is proposed to cut down this total to 29 in North-West England and 18 in Mid-East England, 15 stations taking the base load. These stations are, in North-West England, Agecroft (Salford Corporation), Barton and Carrington (Manchester Corporation), Clarence Dock (Liverpool Corporation), Kearsley and Padiham (the Lancashire Electric Power Company), Ribble (Preston Corporation), Willowholme (Carlisle), and Chadderton (Oldham); and, in Mid-East England, Ferrybridge and Thornhill stations (the Yorkshire Power Company), Kirkstall (Leeds Corporation), Blackburn Meadows (Sheffield Corporation), and the Prince of Wales station (Rotherham Corporation). Of these 15 stations seven may be regarded as entirely new, while two, at Clarence Dock and Carrington, have still to be built, and the remaining stations belong to the post-war period.

The position is shown in tabular form below :—

GENERATING STATIONS.

	North-West England (KW).	Mid-East England (KW).	Total (KW).
Capacity of plant installed or sanctioned 1928	1,227,974	804,585	2,032,559
Extensions (1928–1941)	586,000	382,000	968,000
Withdrawals "	322,849	207,585	530,434
New stations	500,000	..	500,000
Plant capacity in 1941	1,991,125	979,000	2,970,125

By the end of 1941 there will be housed and operating in these two super-power zones almost 3,000,000 kw. of generating plant, while 530,000 kw., representing inefficient or old plant which does not reach the high standard required under the national scheme, will have been closed down.

The size of the main undertakings active in the two zones is shown below :—

PRINCIPAL UNDERTAKINGS.

I. North-West England and North Wales Scheme.

Undertaking.	Capacity of Generating Plant (KW). †1928.	1941.	Output of Electricity (Millions of Units). 1927.	*1928.	1934–5
Manchester Corporation	229,250	370,000	442	466	1,508·0
Liverpool Corporation	120,000	400,000	260	285	265·0
Lancashire Power Co.	162,000	295,625	154	182	619·1
Mersey Power Co.	37,500	137,500	75	85	130·0
Salford Corporation	57,500	107,500	70	74	200·0
Stockport Corporation	52,500	32,000	49	52	43·0
Bolton Corporation	51,150	26,950	71	77	31·0
Stalybridge, Hyde, and Mossley Board	49,500	74,750	45	47	82·5
Blackburn Corporation	25,000	25,000	29	31	16·1
Total	784,400	1,469,325	1,195	1,299	2,894·7

II. Mid-East England.

	†1928.	1941.	1927.	1928.	1935-6
Sheffield Corporation	131,000	122,500	235	242	420
Yorkshire Power Company	116,500	250,500	..	..	870
Leeds Corporation	132,000	187,000	131	143	281
Bradford Corporation	105,000	85,500	104	105	120
Rotherham Corporation	62,000	144,000	72	81	100
Halifax Corporation	43,700	30,500	35	38	60
Hull Corporation	54,000	49,000	83	90	41
Total	644,200	869,000	‡660	§699	1,892

* Provisional. † Including extensions on order or sanctioned. ‡ Excluding Yorkshire Power Co. Including latter, it can be estimated at 800,000,000 units. § Excluding Yorkshire Power Co. Including latter, it can be estimated at 850,000,000 units.

The 10 North-West England undertakings had in 1928 64 per cent. of all the plant installed or sanctioned in the area as surveyed, and by 1941 their percentage will have risen to 74 per cent., while their output of electricity, which in 1928 was equivalent to 66 per cent., has been increasing at the rate of about 8.5 per cent. per annum. In 1934-35 they are expected to deal with 80 per cent., the greater part of the production being concentrated in Manchester Corporation and the Lancashire Power Company, with Preston Corporation supplying in addition 421,000,000 units. In Mid-East England the seven undertakings listed had 80 per cent. of all the plant installed or sanctioned in 1928, while in 1941 this would increase to 89 per cent. They produced in 1928 78 per cent. of all the energy generated in the area, and by 1935-36 will account for 98 per cent. By 1934-35, therefore, 17 undertakings will account for 4,655,000,000 units, almost half of the total generated in Great Britain at the present time by slightly less than 600 undertakings. That in itself is sufficient evidence of the very significant changes that have taken place.

For 1927-28 the output of electricity in both areas has been given as 2,828,000,000 units, 1,804,000,000 units being supplied by North-West England. By 1940-41 this total will have risen to 8,530,000,000 units, equivalent to 735 units per head of population, the North-West England average being 830 units and the Mid-East England 580 units. It is difficult to explain why there should be such a discrepancy, since both areas are highly industrialised. One possible explanation, however, may be found in the fact that there has been a more severe depression in the heavy industries in Mid-East England than in those in North-West England, with the result that the estimates of the Electricity Commission have erred on the conservative side in the one case, while they have been too optimistic in the other.

The work of reorganisation, which includes the erection of main transmission lines operating at 132,000 volts with subsidiary equipment as well as extensions of generating stations, may represent a total capital expenditure in generation and transmission alone of more than £25,000,000 before 1941. The details are given below, where capital expenditure on extensions up to 1941 have been estimated :—

CAPITAL EXPENDITURE.

	North-West England.	Mid-East England.	Total.
	£	£	£
Central Board	5,234,218	2,907,156	8,141,374
Extensions to generating stations	*4,297,620	‡1,709,594	6,007,214
Extensions to generating stations up to 1940–41	†7,900,000	†3,500,000	†11,400,000
Total	17,431,838	8,116,750	25,548,588

* 1934–35. ‡ 1935–36. † Estimated.

As a result of interconnection and reorganisation the Commissioners estimate that in the first four and a-half years of the schemes a total saving of £3,865,000 will be made, equivalent, roughly, to £830,000 per annum, while the price of electricity as sold by the Central Board to authorised undertakers will fall in the case of North-West England from .421d per unit in 1931-32 to .377d in 1934-35; while in Mid-East England the fall will be rather less marked, being from .428d in 1931-32 to .400d in 1934-35. In these two great industrial areas the cost of electricity as supplied by the Central Board will be lower than in South-East England, Central England, or Central Scotland, and this should be a factor making for more effective modernisation and re-equipment of industries which have hitherto been seriously depressed.

NEW LIFE ASSURANCE BUSINESS IN 1928.

FROM the returns already published of new business transacted during 1928, it is clear that last year has again been a favourable one for new life assurance business. There are now available the figures relating to 28 British offices and 4 colonial offices, and it is therefore interesting to make a somewhat closer comparison of the results than has been possible up till now. The following table shows the amount of new sums assured for 1928, together with the corresponding figures for 1926 and 1927 :—

Office.	1926.	1927.	1928.
Atlas	2,851,715	2,946,816	3,400,000
Britannic	1,530,858	2,162,554	2,500,000
British Equitable	379,377	386,812	466,164
British General	291,361	310,088	405,616
Caledonian	1,100,995	1,319,455	1,345,492
Clerical, Medical, and General	1,703,424	1,920,356	2,000,000
Commercial Union	3,364,539	3,959,942	4,105,092
Equitable	827,749	818,323	1,000,000
Equity and Law	1,037,285	1,177,461	1,880,539
Friends' Provident	1,192,781	1,439,651	1,555,000
General	1,360,907	1,378,562	1,757,538
Law Union and Rock	1,442,762	1,632,510	1,977,388
Legal and General	5,243,824	6,649,164	7,613,000
Liverpool & London & Globe	1,479,181	1,575,645	1,700,000
London Life	1,767,587	2,206,567	2,502,912
London and Scottish	759,616	830,196	946,049
National Mutual	759,806	807,203	906,039
National Provident	1,160,089	1,190,497	1,511,000
Pearl	9,157,904	10,215,579	11,924,979
Phœnix	2,720,654	2,881,330	3,004,000
Prudential	14,924,208	16,941,000	17,400,000
Refuge	4,594,793	5,844,338	6,377,442
Royal Exchange	1,997,396	2,223,524	2,497,676
Scottish Amicable	1,205,012	1,339,669	1,267,528
Scottish Life	916,212	1,118,496	1,241,384
Scottish Provident	2,290,706	2,460,787	2,789,885
Scottish Widows	2,445,222	2,664,189	3,173,000
United Kingdom Provident	3,254,216	3,041,119	3,109,870
	71,760,179	81,441,833	90,357,833

The above figures represent in every case the net sums assured after deduction of re-assurances, and include life assurance business only. It should be realised that many of the companies in our table transact, in addition to what is regarded as life assurance business, a considerable volume of annuity business, and of sinking fund assurances.

As regards 1928 business, the most remarkable result is that of the Equity and Law, which represents an increase over 1927 of as much as 60 per cent. Incidentally, a

curious feature of the Equity and Law business is the very large amount reassured with other offices, viz., £834,000 out of a total gross business of £2,714,539. The fact suggests that the company handled last year some unusually large policies, probably of the single-premium, super-tax saving variety.

The next largest increase, viz., 30 per cent., is shown by the British General. The British General is now controlled by the Commercial Union. Its life department is of small dimensions, having been established since the beginning of the present century. The London Life and the Legal and General are again in the forefront with substantial increases of 13 per cent. and 15 per cent. respectively. It may not be generally realised that a large part of the business of the London Life is transacted on a without-profits basis, the proportion last year being as high as 40 per cent. Another point of interest in the case of this company is the fact that nearly the whole of the increase in the 1928 business has arisen from policies effected under the society's distinctive system, whereby the bonuses are declared in the form of reductions of premium. The Equitable reports an increase equivalent to nearly 25 per cent., and the National Mutual figure is some 13 per cent. higher than in the previous year.

The four large ordinary-cum-industrial offices, viz., the Britannic, Pearl, Prudential and Refuge, all show increases, although on this occasion the increase in the case of the Prudential is a comparatively small one. Nevertheless, the recently announced advances in reversionary bonuses declared for 1928 should give a distinct fillip to new business. It is a fact that these offices are increasing their business at a more rapid rate than the ordinary offices, and their general financial strength enables them to compete on favourable terms with their older-established rivals.

The new business transacted by the four Colonial offices which have so far published their returns is as follows :—

Office.	1926.	1927.	1928.
A.M.P.	13,863,763	15,075,928	16,083,671
Manufacturers' Life	14,513,000	15,940,000	17,840,000
N.M. of Australasia	7,763,910	8,234,713	9,807,845
Confederation	9,262,351	10,454,000	11,770,000

These figures are inserted for the sake of completeness, but they are of no particular value for present purposes, since they include also the business transacted abroad, which represents the bulk of the total in every case. The Colonial offices are probably more enterprising in their propaganda than the home offices, and are certainly more vocal; but to preserve a proper proportion it should be realised that the volume of their business in the United Kingdom is still not only a very small proportion of the total, but is also a minor part of the business of the offices concerned. For instance, in 1926 (the last year for which the figures are available) the new business transacted by all the Colonial offices together in the United Kingdom amounted to £10,464,362. The total business transacted in the United Kingdom by the home offices amounted to £116,664,663, so that the Colonial offices were responsible for less than 10 per cent. of the total. Again, the total new business transacted by all the Colonial offices combined amounted to over £134 millions in 1926, towards which the United Kingdom business contributed only the above-mentioned sum of £10,464,362.

Reverting again to the 1928 figures relating to British offices, it will be seen that the combined total of all the offices in the table amounts to £90,357,633, compared with £81,441,833 for 1927, an increase of 11 per cent., compared with an increase of 13½ per cent. in 1927 over the corresponding total of 1926. Most of the important offices have now published their new business returns, and it is safe to assume that these figures will be found eventually to be a representative sample of the whole. Applying the above percentages to the official returns published by the Board of Trade, it is interesting to trace the course of new life business during the past ten years since the War, as follows :—

Year.	New Life Assurance Business Transacted by all Offices. £	Inc. (+) or Dec. (—) per Cent. each Year over the Previous Year. %
1919	131,454,363	+ 79·2
1920	146,627,474	+ 11·5
1921	109,243,943	— 25·5
1922	106,302,251	— 2·7
1923	111,750,559	+ 5·1
1924	123,661,009	+ 10·7
1925	130,196,611	+ 5·3
1926	128,915,643	— 1·0
1927	*146,319,000	*+ 13·5
1928	*162,414,000	*+ 11·0

* Approximate.

The large volume of business transacted in the two years immediately succeeding the War, 1919-1920, was, of course, due to the special circumstances connected with the demobilisation of the Forces and the artificial boom conditions then prevailing. The subsequent industrial depression had inevitably a marked effect on life assurance business, and it will be seen that, notwithstanding the steady increase of recent years, the volume of business has only now reached again the dimensions of the 1920 figure. In fact, it must be recognised that ever since the War life assurance has had to combat in one part of the country or another trade depression to a greater or less extent. The increases of the last two years have been achieved not because of any trade revival, but rather in spite of trade conditions, and the fact encourages the belief that any marked general revival in trade would quickly be accompanied by a largely increased new life business. The need for life assurance has undoubtedly received much more general attention recently than ever before. The average taxpayer has been made to feel that he really is a greatly under-insured person, and that so long as he remains in that position he has failed to meet his family responsibilities. Life assurance propaganda has directed attention rather away from the capital aspect of life policies in the direction of showing the income which their proceeds may be expected to produce. This is a very sound line of argument, for the most sceptical will quickly be convinced of the absurdity of regarding a policy for, say, £1,000, as adequate provision, when, in fact, the proceeds are equivalent only to a meagre income of £1 per week for dependants.

THE WOOL TEXTILE INQUIRY.

Apart from general questions of fiscal policy, we have never disguised our objection to the Safeguarding procedure as a peculiarly objectionable method of introducing a tariff piece-meal. The danger involved in dealing with the claims of particular industries in virtual isolation was never more clearly illustrated than in the matter of the Wool Textile Safeguarding Inquiry which is to open next Monday. This is the only instance in which a Safeguarding Committee has been entrusted with the destinies of one of our prime industries. After coal, cotton, shipbuilding, and iron and steel, we come to wool textiles as the fifth in order of our major manufactures. In particular, it is one of our principal exporting industries. For this reason, therefore, special caution is required when contemplating any form of State interference.

A prominent Yorkshire woollen manufacturer in a letter to the *Times* has registered a grave warning as to the reactions which a Safeguarding duty on imported wool textiles would be likely to produce in our export markets. He instanced Canada, which is the largest single market at the moment for Yorkshire wool products. London merchants who are in closest touch with the Continent anticipate even speedier reactions to the detriment of Yorkshire goods in those Continental markets which have been specially hospitable to our exports during the last two or three years. With nearly every European country Great Britain has been substantially improving her sales of woollen and worsted cloths at a time when she has been experiencing a serious setback in other parts of the world—notably, in Australia. For example, it is true that we spent £2,000,000 last year in the purchase of cloths from Germany (hence the present Protectionist agitation), but Germany spent substantially more than this amount in the purchase of cloths from Great Britain, and we are far from convinced that our interests can be served by disturbing this balance of trade.

The application to be considered next week is submitted by the Yorkshire manufacturers, who weave cloths mainly for the women's trade. Their principal competitor is France, but French imports have substantially declined since 1925 (partly owing to a falling off in the demand for reps), and there would have been no second Safeguarding inquiry but for the increased imports from Germany, which are, in fact, almost entirely woollen piece-goods. The Bradford applicants claim to be damaged by these German imports because the latter are sold chiefly in the women's trades for making mantles and costumes (though partly also for men's light overcoatings). This is why we find worsted manufacturers asking for a duty on woollen as well as on worsted tissues. Their point of view is intelligible. At the same time, it would be most unfortunate if the tribunal were on this account to be drawn into a consideration of the state of the applicant industry in any kind of isolation from the general considerations of the wool textile industry taken as a whole, the facts as to which are broadly as follows :—

In the years immediately before the war British production of woollen and worsted tissues seems to have been about 550 million square yards, of which we were exporting about 225 million square yards, thus retaining for sale in the home market about 325 million square yards. At the same time, we were importing for home consumption approximately 70 million square yards of foreign cloth. In 1924 (the year of our last home census) British production was 442 million square yards, half of which was exported. Exports, therefore, were approximately on a pre-war level; but home consumption had shrunk by about 100 million square yards. Imports were abnormally low, being only about 21 million square yards. Unemployment in the British industry was not abnormally high. Since that time, however, there has been a very serious decline in our export trade amounting to about 50 million square yards, and the major part of the decline has been in worsteds. This no doubt is the principal cause of the increased unemployment in the Bradford area. At the same time, there has been an increase in retained imports of some 15 million square yards, and although a large part of these increased imports consist of woollen fabrics, they are peculiarly a "thorn in the side" of the Bradford district, because, although the Bradford manufacturers do not produce these cloths and similar fabrics, which constitute the major part of the German imports, nevertheless the fashion demand for such cloths is detrimental to Bradford trade. From these main factors the present safeguarding application is constructed, and at first sight it may appear a strong case.

On the other hand, the following facts must be kept in view :—

(1) Unemployment in the industry is due mainly to a falling off in our exports, especially of worsted tissues. One of the currents of fashion has been running strongly in favour of face-cloths and velours. The Yorkshire worsted industry does not produce these goods; consequently buyers have turned elsewhere for them, notably to Germany—not only buyers in this country, but in overseas markets also.

(2) The Yorkshire manufacturers themselves wrote last week to the Trade Unions in the following terms :—"Your executive committee appear to ignore the fact that any advantage to be derived from a safeguarding order cannot in any way assist in that recovery of export trade which is essential for any important improvement in the state of the industry."

(3) The best authorities state that even if 80 per cent. of the 1928 imports were shut out by a duty, and even assuming that a corresponding extra yardage of cloth were manufactured in Yorkshire, less than 5 per cent. of the present idle looms would be set in motion—the actual estimate is 4.86 per cent.—and there is, of course, not the slightest ground for supposing that a duty even of 33⅓ per cent. would exclude anything like 80 per cent. of the imports (especially in view of the present fashion demand for face-cloths and certain crêpe-de-Chine fabrics).

(4) However severely the "safeguarder" in controversy may discount the risk of reactions and retaliation, it is obvious that at least some allowance must be made for detriment to Yorkshire trade in export markets arising from the imposition of a safeguarding duty. Such repercussions would no doubt be felt rather in Huddersfield and Batley than in Bradford, but that does not affect the main calculation.

(5) Little has been heard so far of the making-up trades, to whom these cloths are raw material. The extension of a duty to the cloth content of imported apparel would involve formidable administrative difficulties; and even in the unlikely event of this extension being carried out, would merely give an advantage to the Continental maker-up, on account of the margin of wastage of cloth involved in the process of the garment manufacture. On the other hand, the British maker of mantles and costumes and clothing would be handicapped gravely in export trade, owing to the proved difficulties of securing "draw-back" of safeguarding duties. (The silk and artificial silk duties rest on a different basis.)

In the aggregate it is clear that the Board of Trade Committee has a very serious responsibility imposed upon it.

LIBEL.

The law is an exacting mistress to her followers and a fiery furnace to her victims, but to the disinterested amateur she is a bright and entertaining study. In other words, the most readable matter in the daily papers is usually found in the law reports, and the wise reader of the *Times*, whatever else he skips, will always make time to glance through the day's law cases in search of interest and amusement. And in doing so he must have noticed—unless he be very unobservant—the increase of recent years in the number of libel suits, the growing tenderness of certain sections of the public to the most trivial stain on the pure white of their reputation, and the growing sympathy of juries with the injured party. Under modern conditions water never seems to run off a duck's back, but remains to leave a dirty mark that can be washed off only by generous pecuniary compensation. What is the reason for this change? Is it that our generation is more delicate-minded than its predecessor and infinitely more jealous for its good name? Not necessarily. The reason often is that we know a good thing when we see it better than our fathers did.

The old theory of libel—the theory that satisfied our forefathers, and is still the accepted theory of the courts—is very simple :—There is living in Finchley or Surbiton a Mr X (when one is dealing with libel, it is as well not to experiment with proper names), who is looked up to by his neighbours, takes up the collection Sunday by Sunday, and is thought to be a likely man for a seat on the Borough Council. One morning he leaves his house as usual and finds himself cut by his next-door neighbour, scowled at by the ticket-collector, and shunned by his fellow-travellers on the 9.15. The vicar requests him not to take up the collection next Sunday. His business rapidly declines. His character is gone. And all because the local paper has published a paragraph accusing him of converting to his own use the money placed by the worshippers in the collection plate.

That, in tabloid form, is the theory of libel, and it corresponds well enough not only to the old-fashioned practice, but to such present-day libel cases as are based on genuine and undoubted defamation of character. But modern ingenuity has also produced a new type of libel action which sometimes appears in the courts and receives the same sympathetic consideration from counsel, judge, and jury, but does not spring from the same infliction of injury and pain. The libel itself is often detected first by some expert who includes among his duties a careful study of the newspapers, the discovery in them of libels, which but for his energies might pass unnoticed, and the calling of the libellee's attention to the damage

that his reputation has suffered. This gentleman is the moral counterpart of the ambulance-chaser, and as the ambulance-chaser from his point of vantage spies the street accident, follows the wounded pedestrian to his bedside, and supports his weakness with promises of "damages, gentlemen, heavy damages," so the libel detector tracks down the spirit that has been all unknowingly crushed by unfair charge or innuendo, and tells him in the same breath of the wound and the balm. He comes not as the bearer of ill-tidings, but rather as the harbinger of fortune in the shape of solid, substantial damages; for in his view an actionable libel is the luckiest thing that can happen to any man, and his principle is "blessed are ye when men shall revile you and shall say all manner of evil against you falsely." His activity is constantly on the increase; he prefers a libel to be circulated by an agency and so appear in a number of papers at the same time, and he believes in taking the papers one by one instead of consolidating the lot in a single action. He has made libel a serious study and a much more serious risk for the papers than it was before he came on to the stage.

With this ever-increasing danger of libel actions hanging over their head, how is it that the papers who are conscious enough of their danger drift into it so often? The answer is that libels come about in several different ways. First, there is the deliberate attack which, for reasons of policy or public interest, the proprietor decides must be made—an attack on a patent medicine or a quack or a financial shark. When, for example, the British Medical Association come to the conclusion that some quack remedy is doing a lot of harm and ought at all costs to be stopped, they may launch such an attack on it in the *B.M.J.* that the proprietor of the remedy, with his back to the wall, must either start an action or go under. It is an expensive thing to do, because (however certain you may be of winning) the costs are enormous, and by the time the action is over your opponent in many cases may have no funds, and the judge's order for costs is practically valueless. This kind of attack and the consequent libel action are often of great value in the public interest, but they are best left to papers which have a big financial reserve to draw on and can afford to spend it.

Next there is the libel action that arises from a mistake in a piece of news, or from a piece of news distorted between the reporter and the news room. This is a prolific source of libel to which the telephone often contributes. Some few years back, for example, a reporter telephoned a message from the local court that Mr So-and-So had been "sued for a debt," but the man at the other end of the telephone took the words down as "sued for a bet," and so it appeared in print. The debtor complained on the ground that all his customers were deacons of a neighbouring chapel, and all of them had moved their business elsewhere rather than buy what they wanted from a man who backed horses. Whatever injury the man may have suffered, it was certainly a libel, and he got damages from the paper. This kind of trouble is almost impossible to avoid, for in the hurry of getting in the news and going to press mistakes occasionally are bound to creep in to the most-carefully edited paper.

Then there is the straightforward misprint—a form of libel particularly galling to a paper. The local paper that spoke of a wedding as a "suspicious" occasion when it meant "auspicious" was clearly out of court, but a more subtle case was that of a paper that mixed up a food adulteration case in the police courts with an inquest on a man who had committed suicide in a gas oven, and finished up the adulteration case with a verdict of "death from gas-poisoning." The libellee in this case was able to secure from the paper as damages for the libel enough money to pay the fine imposed on him for selling adulterated food—an example of what economists call triangular exchange.

The result of this growing popularity of libel actions is to make the papers extraordinary, almost morbidly, cautious; and while caution is an excellent thing it may go beyond the point at which it serves the public interest. Already the caution of newspapers has, we think, got beyond that point, and many things that cry aloud for domestic comment are passed over in silence because of the libel danger. The root of the trouble lies in the cost of litigation, and in the mental attitude of juries, and it is at least worth considering whether the procedure of the courts should be altered, and the Chancery practice introduced into the King's Bench—the practice by which, after judgment has been given the amount of damage is referred to a master and argued before him. This method would at least make it less likely that outrageously high damages will be given by a jury in a moment of sympathetic enthusiasm, and would remove the temptation of a litigant to gamble on the jury's sympathy. The extent of the damage should, as far as is possible, be proved, not guessed at.

Notes of the Week.

Mr Baldwin and Protection.—With two set speeches, copiously relayed, Mr Baldwin has opened the Conservative campaign in Scotland and the North-East of England. Both speeches were studied defences of the Government's record, and at Dundee as well as Newcastle the benefits of de-rating were strongly emphasised. At the latter place the Prime Minister dealt with fiscal policy, on which he delivered some notable passages. In one devoted to rescuing Mr Churchill from his critics, he attempted to draw a distinction between Protection and "Safeguarding," and supported the Chancellor's amazing statement that Free Traders could support the latter. What is the Prime Minister's distinction? The actual words are worth quoting:—

> Protection, as we use the term in politics, is a different thing. Protection is made applicable to everything; safeguarding is made applicable to the things that need it and can prove that they need it.

It is nothing short of astounding that anyone in this year of grace, let alone a Prime Minister, should think, as Mr Baldwin apparently does, that a country is not protectionist unless protective duties are imposed wholesale on everything that comes in. If Mr Baldwin's definition holds good, there has never yet been a protectionist country and never will be. Every protective tariff is selective. Our own protective tariff—which Mr Baldwin prefers to call "safeguarding"—is selective; but its selection is haphazard and its protectionism high. If we read the Government's somewhat nebulous plans aright, all that will happen if they are returned to power at the General Election is that the field of haphazard selection, without any comprehensive study of broad considerations of the balance of national advantage, will be indefinitely widened, and we shall have more indiscriminating and unscientific Protection. But even the passage quoted is not the most remarkable part of Mr Baldwin's Newcastle speech. In praising the effects of Imperial Preference, he used these words:—

> "..... and we know that, so far as the sales of Dominions stuff could be increased in these islands at the cost of the foreigner, so shall we in return have a larger and increased demand for the goods we send out to them.

Mr Baldwin admits that the more we import from a country the more we shall export to that country—but only if that country is in the British Commonwealth of Nations. It is a new idea that economic law in trade will only operate between certain countries, and we venture to suggest to the Prime Minister that he should explain why exports do not go to pay for imports in the case of trade, for instance, between Great Britain and our natural Continental markets. While we await that explanation we may note in passing that the President of the Board of Trade, in a speech on Monday at Bingley, repeated those sweeping claims for the recent experiments in Protection with which we are familiar ("increased exports," "decreased imports," and "more employment"), and which by detailed analysis in a series of articles in the *Economist* in October and November we showed to be altogether misleading. We hope that before the President speaks again on the subject he will study our researches into this matter.

Engineers and the Melchett-Turner Conference.—In a recent issue of the *Economist* we examined sympathetically the substantial difficulties which employers' organisations were facing in arriving at a definition of their attitude to the Melchett-Turner Conference and its proposals. But we confess frankly that we have no sympathy whatever with the *exposé* in which the British Engineers' Association explains its refusal to co-operate. The least vulnerable portion of the document is that which sets out the Association's objections to the composition of the proposed National Industrial Council, and there are, presumably, many who will share the timidity which leads it to find the programme of the Conference too ambitious. But the rest of the document is unfortunate in the extreme. It gratuitously introduces acute political controversy; it denies the representative character of the Trade Union Congress; it practically demands, as a condition of co-operation, a revision—or, at least, the abjuration by the T.U.C.—of Labour's political programme, which is not drawn up by the T.U.C. at all; perhaps, worst of all, it bases refusal on its fear of publicity as to industrial facts and figures; finally, it says, in effect, that the policies of employers and Labour are so diametrically opposed that it is no use sitting round a table in the effort to co-operate. For a responsible employers' association to reveal so antediluvian a mentality, and to meet an invitation to co-operate in a promising attempt to promote industrial peace and efficiency by purely destructive criticism of the narrowest kind is utterly deplorable. If the Engineers' Association's *exposé* were representative of the viewpoint of the modern British employer, it would be necessary to discard right away any hope of progress towards peace and co-operation between the partners in industry. Fortunately, the contributions of Lord Melchett and his distinguished colleagues to the work of the Conference have clearly proved that such an attitude is essentially unrepresentative. There is, happily, ground for believing that even such a stab in the back as that which the Engineers' Association has delivered cannot destroy the work and the influence of the Conference. Men who matter on both sides of industry have for months sat round a table hammering out together means of co-operative self-help for industrial troubles; a new atmosphere and a new mentality has been fostered. Whatever the final evolution of the Conference proposals for future organisation, these are gains which will not lose their importance as time goes on. Meanwhile, we hope to see a speedy repudiation of the Engineers' Association's firmat by individual employers in that important industry, many of whom, we are sure, will be quick to realise the disastrous nature of the arguments which have been issued in their name.

The Real Issue in the Naval Controversy.—Having approved the Kellogg Peace Pact, the Senate at Washington has proceeded, according to plan, to consider the Cruiser Bill; and on Thursday afternoon, January 24th, the chairman of the Foreign Relations Committee, Senator Borah, who played the leading part in securing the passage of the Peace Pact, made an important move in the naval business. He introduced an amendment to the Bill, in which a recodification and restatement of sea law was called for—to be negotiated before the next Naval Disarmament Conference, which is due to take place in 1931 on the eve of the expiry of the Washington Treaty. In submitting his amendment, he pointed out that no progress had been made towards an agreed definition of sea law since the termination of the war of 1914-18; and he suggested that this was the real cause of the naval friction between the United States and Great Britain. He took a grave view of that friction, comparing the respective attitudes of Great Britain and the United States now to the attitudes of Great Britain and Germany before the war; and he declared that if a revision of sea law producing "freedom of the seas" proved unattainable, competitive building between the United States and Great Britain was inevitable. In the course of the debate next day (Friday, January 25th) he further declared that if Great Britain did prove obdurate over sea law the United States would require not 15 cruisers, but 50. In this connection, he defined the "freedom of the seas" (and this, we take it, is the American national view) as unrestricted freedom for the use of the seas in war-time by neutral commerce, except in visiting ports under a real (not a paper) blockade, and in carrying munitions or contraband. He added that during the late war the British had extended the definition of contraband to cover everything that is used by human beings—his implication being that the meaning of the term ought to be brought back to something like its traditional limits. Without, for the moment, expressing an opinion on Senator Borah's indication of what he conceives that the "freedom of the seas" ought to be, we may at once state our agreement with his contention that this question in itself is the crux of the Anglo-American conflict, and that the controversy over parity is only a superficial symptom of that deeper cause of disturbance in Anglo-American relations. But, apart from that, if one of the two parties to the controversy were to form the opinion that sea law rather than comparative strength of armaments was the heart of the matter, and were to ask that this should be probed by international discussion, it would be highly discourteous for the other party to ignore that view, and highly impolitic for it to refuse discussion on such lines, if and when a formal invitation were issued by the other party. On this account we have been startled by the text of a speech which was delivered at Birmingham last Saturday, January 26th, by Sir Austen Chamberlain in the presence of the American Ambassador. "If," he said, "you look at what is really at stake in all the discussion which has been going on lately, there is at bottom but one difference that we have had with the American Government.....a difference as to how we shall apply the limitation of naval armaments..... Observe, and it is important to observe.....that the difference between us even then was not a difference of principle.....Seen in its true proportion as a purely practical problem, how to apply an agreed principle in circumstances which are so different, it is reduced to its proper proportions....." Is it conceivable that, on Saturday evening, the British Secretary of State for Foreign Affairs was unaware of what had been said by Senator Borah on Thursday and Friday afternoons, though the Senator's declarations had been considered so important by the British daily Press that they had been cabled over and had been published in the newspapers of this country on Friday and Saturday mornings? Or are we driven to draw the less improbable inference that Sir Austen Chamberlain's words on Saturday were spoken, not in ignorance of Senator Borah's contention, but in deliberate disregard of it? Is it, in fact, the settled policy of his Majesty's present Government in Great Britain to refuse to discuss sea law with the United States Government? If that is the fact, as Sir Austen's speech, on the face of it, implies, then this is a major issue for the General Election. The matter must be probed further.

France and Alsace.—The history of the relations between France and her "dis-annexed departments" during the past ten years is one of the ironies of the peace settlement, for the unhappy relationship which had existed for half a century between Germany and the Reichsland has gradually reproduced itself, feature by feature, in the relations between France and her lost tribes, whom she "redeemed" in 1918 from "German domination." The misunderstanding has deepened from mutual irritation, through mutual recrimination, to repression on the one side and disaffection on the other; and thus history repeats itself as though with expess intention to discredit the fine phrases with which we all adorned our respective "war-aims" from 1914 to 1918. Fortunately, there is a portent of better things in the debate on Alsace which has just been taking place in the French Chamber. Alsatian deputies of many shades of opinion, short of separatism, have been given an opportunity of stating their case; and the French Press and public seem at last to have awakened to the fact that Alsatian expressions of discontent with the present régime are not the work of a handful of hypothetical German agents, but are the genuine manifestation of a popular feeling which is by no means inimical to France if France can be induced to satisfy Alsatian desiderata within the framework of the French Republic. The root of the trouble seems to be that the French feel like a kind of corporate sovereign towards the "dis-annexed depart-

ments," instead of thinking of the inhabitants of those long-suffering territories as fellow-citizens, whose interests and aspirations have just as good a claim to consideration as those of Frenchmen West of the Vosges. "My provinces were taken from me unlawfully in 1871; my provinces have been rightfully restored to me in 1918; it is for me to decide, at my sovereign pleasure, on what conditions I shall reincorporate these provinces in the main body of my estates. And anyone who opposes my will in this matter is a law-breaker." So we seem to hear King Leviathan of France speaking in the twentieth century, for all the world as though he were King Louis speaking in the eighteenth or the seventeenth century, and naturally the Alsatians resent it, for the time is past when populations can be bought and sold, stolen and recovered, as though they were chattels. Especially is the time past for this in Western Europe, and in the case of a population who have been told that they have been liberated from an intolerable foreign yoke. The truth is that the French will never settle the Alsatian problem so long as they subordinate it to the dogma of "the Republic One and Indivisible." Instead of thinking: "The Alsatians are rejecting the fundamental article of our national faith, and that means that they are disloyal to France, and that is a scandal," the French ought to be thinking: "Here are we and here are the Alsatians, who have had entirely different experiences and different histories during the past half-century. What are the compromises which we have to make with one another now in order to live together again as citizens of the same State." If once the French approach the problem from this angle, we prophesy that the Alsatians will respond.

Rumblings in Spain.—The dictatorships are a kind of political volcano. This week the Spanish volcano has rumbled but not erupted. An artillery unit came out in revolt on Tuesday, January 29th, at a garrison town called Cuidad Real—the mid-point between Madrid, Seville and Valencia; but other forces which remained loyal to the Directory, arrived and the artillerymen went back to barracks. The only other overt incident has been the arrest, on Wednesday, at Valencia, of the last Conservative Prime Minister, Señor Guerra, and his son as they were disembarking in fancied incognito from a French steamer. It seems to be admitted, however, that these incidents are symptoms of a much more widespread plot, which has miscarried; and it would be interesting to know how many of the numerous but heterogeneous discontented elements in Spain were concerned in it. The last revolt of the Artillery (a more serious affair than this one) was in 1926. The Artillery have a special grievance in the abolition, by the Marques de Estella, of their former privilege of being promoted exclusively by seniority, which they had enjoyed for fifty years. In its day, the privilege had been an improvement on promotion by favouritism; the Marques de Estella has scrapped an honest but deadening system in favour of the equally honest but less inefficient principle of promotion by merit; and it seems that the artillery officers have not forgiven him. Their contention is that "merit" is favouritism under a new name; but whatever the other objections to the present *régime* in Spain may be, corruption does not seem to be one of its conspicuous sins. Anyway, the other arms are at present supporting the Directory, and it is probable that jealousy between one arm and another will prevent the Army from uniting to put the Directory down. Nor is this to be regretted, for Spain would not stand to gain by the violent replacement of an old military dictatorship by a new one. It may be added that she has little reason to desire the return to power of the old "rotativist" politicians. The real question is: What is being thought and done by the small but sincere elements of enlightened opposition which the present *régime* remorselessly suppresses? What of the Castilian Liberals, the Biscayan Radicals and Socialists, and Catalan Nationalists? The real case against the Marques de Estella's dictatorship is not that he has sat on the heads of the rotativists and the gunners, but that he has driven out of public life just the people who might have been capable of creating a new and better *régime* after a clean sweep had been made of the old. Spain is a house swept and garnished—and the Parable warns us of the risks.

Jugoslavia and Her Neighbours.—Last Sunday, January 27th, the Italo-Jugoslav treaty of friendship of 1924 ran out without having been renewed. Last Monday, the 28th, King Alexander signed the Kellogg Peace Pact—a step which, in present circumstances, constitutes the ratification of the pact on the part of Jugoslavia. It is to be hoped that the new barrier to a conflict between Jugoslavia and Italy which is provided by the Kellogg Pact more than compensates for the lapse of the bipartite treaty by which the relations of the two countries have nominally been governed during the past five years. The effects of the bipartite pact of 1924 have, of course, been disappointing. At the time of its signature it was hailed as a sign that the nine years' controversy over the Adriatic had been settled; and for the next two years or so there really was a marked improvement in Italo-Jugoslav relations. The relapse came in 1926, after Signor Mussolini had rejected a suggestion that the pact should be widened to include France; and thereafter Italy concluded her treaty of Tirana with Albania, while Jugoslavia and France, after waiting many months in the hope that Italy might accept the idea of a tripartite pact on second thoughts, eventually concluded a bipartite treaty with each other. Thus, in an atmosphere of increasing tension, the old friction between Italy and Jugoslavia has tended to develop into something more serious: a rivalry between France and Italy for hegemony in South-Eastern Europe, with the Little Entente following the lead of France, and Albania, Hungary, and possibly Greece, Bulgaria, and Turkey, gravitating towards Italy. The situation is now not so tense as it was about a year ago, for France has shown statesmanship and self-restraint, while Signor Mussolini, as often, has proved less unconciliatory in act than in word. Moreover, the local situation in the Adriatic has been eased by the ratification, on Jugoslavia's part, of the Nettuno Conventions—a series of technical corollaries of the Italo-Jugoslav Pact of 1924, which regulate the rather complicated position in Dalmatia. At the moment the foreign policy of Jugoslavia under the new dictatorship is the uncertain factor. The Jugoslavs have been inclined to believe during the past two or three years that the Italians are seeking to "encircle" them, and the first effect of this alarm was to make Jugoslav policy towards Hungary, Greece, and Bulgaria more accommodating than it had been. Latterly, however, this tendency has been reversed as far as Bulgaria is concerned; and we can scarcely hope for a fresh change for the better in Jugoslav-Bulgarian relations under a *régime* in Jugoslavia which is controlled by Serbian military circles, and which shows no sign of making concessions to local national aspirations within the triune kingdom. If Croats and Slovenes are not to obtain any measure of local autonomy in Jugoslavia, there is no hope of any such concession to the Macedonian Bulgars, and therefore no hope of a real reconciliation between Bulgaria and Jugoslavia. Here, at the moment, is the crux.

The Viceroy's Speech.—Lord Irwin's address delivered on Monday at the opening of the Budget session of the Indian Legislative Assembly was an important and statesmanlike pronouncement. Its breadth of vision and judicious blending of firmness with conciliation merit, and appear to have won, a generally favourable reception by public opinion both in India and this country. Having announced the appointment of a Royal Commission, under the chairmanship of Mr Whitley, "to explore all aspects of the labour problem" in India—an announcement which is warmly welcomed by all political parties in London—the Viceroy gave the Assembly a solemn assurance that the people of Great Britain stand and will stand for fulfilment of the declaration of 1917, as a pledge "to do all that can be done by one people to assist another to attain full national political stature." However deeply suspicion of British motives may be implanted in some sections of "politically-minded" Indian society, Lord Irwin, who stated that for his personal honour he would not be in India to-day if he felt that British pledges would be broken, was fully justified in reminding India that settlement of her constitutional problems demands a positive contribution from her own political leaders as well as from the Imperial Parliament. Without friendly collaboration the road to "what all people must desire—a solution reached by mutual agreement between Great Britain and India"—is beset with difficulties. Those who have the best interests of the Indian peoples at heart will find no cause to dissent from the Viceroy's warning as to the dangers inherent in the attitude represented by the Christmas week resolution of the Indian National Congress. The threat to organise *satyagraha*, or "civil disobedience," unless the Nehru Constitution—"one which important sections of opinion in India have not accepted"—is passed unaltered by Parliament this year, is a counsel of despair. Assured, as we are, that British sentiment towards the legitimate aspirations of India is one of sincere friendliness, goodwill, and desire to cooperate, we hope that the more impatient elements in the Congress will weigh well the Viceroy's reminder that to raise out of distrust and hostility purely destructive forces is to risk an anarchy which no Government, whatever its status, British or Indian, could tolerate.

The Goddard Case.—Divorced from newspaper sensationalism and viewed in its proper perspective, the "night-club problem," exemplified by the flagrant career of Mrs Meyrick and her associates—a career deservedly terminated by the Central Criminal Court on Tuesday—is not a large or essentially important feature of our national life. At the same time, public opinion has been so disagreeably impressed by this disclosure of long-continued and immensely profitable law-breaking under salaried police protection that the issues raised by this unsavoury case become a matter of general interest. In itself the evidence on which ex-Sergeant Goddard was convicted prompts the reflection that the administration at Scotland Yard showed itself singularly insensible to the temptations likely to be offered to a subordinate official entrusted—on a salary of £6 per week—with a virtually free hand in controlling establishments which were known to thousands of Londoners to be both highly remunerative and notoriously defiant towards the law. The higher authorities in the Force cannot be acquitted of blame for an administrative arrangement whose results have proved so deplorable; and while it would be wholly unjustifiable to infer that Goddard's conduct reflects the general standard of "C" Division—still less of the Metropolitan Police as a body—the public will be the more inclined to hope that the report of the Royal Commission on Police Powers and Procedure will contain an assurance that the new régime at Scotland Yard is alive to dangers of the nature which this case has revealed. On the other aspect of the question—the anomalous position under the law of more or less ill-conducted and illicit drinking dens, masquerading as "clubs"—we feel that the only way to suppress this form of law-breaking without the devious and distasteful mechanism of spies, *agents provocateurs* and "raids," is for the law to give the police the duty of imposing on every club the same direct supervision as is now imposed on the hotels with whose "supper dances" the entertainment offered by the well-conducted "night-club" to its members is strictly comparable.

Lancashire Cotton Corporation.—Our Manchester correspondent writes:—The registration of the Lancashire Cotton Corporation, Limited, at the end of last week, after many delays, created great interest throughout cotton trade circles. The scheme for the amalgamation of mills spinning American cotton is on the lines of the proposals put forward last March by the Cotton Yarn Association, Limited. When the scheme was first announced the directors of spinning companies were asked to supply the Cotton Yarn Association with copies of their latest accounts, and particulars were then forwarded of the terms on which each company could be absorbed by the proposed amalgamation. Now the corporation has been registered it will be necessary for individual concerns to apply to be absorbed on the conditions previously announced. It has been stated by the Corporation that they hope to take over nearly 100 mills, representing about 8,000,000 spindles, before the end of this year, and it is understood that a number of firms with spindles and looms will apply for membership. The flotation of this corporation has been generally well received in Lancashire. It is recognised, however, that a great deal will depend upon the control and management. The five directors, whose names have been announced, are likely to inspire confidence, but it is noteworthy that so far there is not on the board an Oldham man, whereas most of the mills affected will be in the Oldham district. The corporation is expected to effect economies by large-scale buying of raw cotton. It is understood that when the combine is in working order individual mills will centre their production on a limited number of counts of yarn according to the kind of machinery. It is not unlikely that eventually there will be a working arrangement with manufacturers and merchants so as to market the finished goods in the mass. From the point of view of finance Lancashire has been much impressed by the success of the promoters in securing the assistance of the Bank of England. It is realised that if 100 mills can be amalgamated under this scheme the position of such concerns will be extremely favourable, especially in relation to overhead charges and costings. In the circumstances there is some anxiety among the owners of mills that are now doing fairly well, but have to meet rather heavy charges for private loans and bank overdrafts. If the amalgamation is to obtain a material reduction in the cost of producing yarn there will have to be a very tight hand on all expenses, and it will be necessary for the board to secure the very best men available in the different departments so as to prevent any waste. The corporation is undoubtedly beginning its work with the very best wishes of Lancashire people. Whatever may be done in other directions to regain lost trade, it is admitted that amalgamation in production is absolutely necessary.

Cotton Trade Dispute.—Our Manchester correspondent writes:—A dispute has arisen in the Lancashire cotton industry which may result in serious developments next week. About a year ago the employers, both spinning and weaving, put forward a programme of reduced wages, longer hours, and a modification of the agreement relating to oiling and cleaning in the spinning mills. Ultimately the demand relating to wages and hours was abandoned, but during the last few months joint conferences have taken place between the Master Spinners' Federation and the Operative Spinners' Amalgamation for the purpose of considering certain alterations in the agreement relating to oiling and cleaning machinery. Progress being unsatisfactory, the employers a few weeks ago decided to terminate the present agreement by giving one month's notice, and this period expires this Saturday, February 2nd. Under the agreement the allowance for cleaning varies from 2¾ hours to 3½ per week, according to the different districts. It is contended by the employers that an effort should be made to bring about a full productive week of 48 hours, instead of 44 to 45¼ as at present. The Master Spinners' Federation has requested the District Associations to put into operation a system of oiling and cleaning which provides that instead of both spinning mules being stopped for cleaning, one mule should be run while the other is being cleaned, and that as soon as a spinner has completed his cleaning the mule should be immediately restarted for spinning. It is also held

THE BRITISH LINEN BANK.
Incorporated by Royal Charter, 1746.
Capital and Reserve Funds. £3,300,000.
EXECUTOR and TRUSTEE DEPARTMENT.
Head Office: 38, St. Andrew Square, Edinburgh.
The Bank is prepared to undertake the duties of Executor or Trustee, and to act as Trustee for Debenture Stockholders, Public Institutions, etc.
LONDON OFFICE: 38, Threadneedle St., E.C.2
Every description of Banking Business transacted.

that the half-hour between 11.30 a.m. and 12 noon on Saturday should be fully utilised either for spinning, cleaning, or strap and band piercing, and that oiling should be performed before the engine starts. The trade union officials have suggested as an alternative that special cleaning gangs should be introduced, and that the extra money earned by the operatives by the longer running of the machinery should be used towards the cost of employing these workers. The Masters' Federation are agreeable to this proposal, but difficulties may arise at mills where cleaning gangs are not a practicable proposition. On Saturday last, at a delegate meeting of the Operative Spinners' Amalgamation, it was decided that district officials should be instructed to resist all attempts to introduce the changes proposed, and that if notice is given that such alterations are to be enforced the workpeople shall tender strike notices. There is a certain amount of nervousness in Lancashire as to what will happen next week, but it is of interest that in Bolton a joint committee of employers and operatives has been appointed to draw up regulations. There is no danger at present of this dispute resulting in a general strike or lock-out, but there is a possibility of trouble at individual mills. The aim of the Masters' Federation in pressing for a revised agreement is to bring about a bigger output of yarn, and thus reduce overhead charges.

Economic Activities of the League.—Our League correspondent writes:—The recent session of the League of Nations Economic Committee was concerned chiefly with the coal and sugar problems, the most-favoured-nation clause, and collective action with a view to the reduction of customs tariffs. With regard to coal there has already been a consultation with experts from eleven countries. The experts entered upon a very wide field, and while certain experts from producing countries thought that co-operation on an international scale would contribute to a solution of the crisis, others apparently accepted this idea only with reservations. The Economic Committee is continuing its consultation by calling together Labour experts on February 27th. On the subject of sugar, the memoranda already before the Committee reveal that the present situation is essentially due to lack of equilibrium between production and consumption. The Committee, while accepting the fact that it would be contrary to the rôle of the League to take any active part with the object of interfering with the natural development of production, believes that it would be useful to study the artificial measures which have influenced production and consumption with the object, if possible, of adjusting this lack of balance. A preliminary consultation is therefore to take place during April with experts from producing and consuming countries. At a later date experts specially qualified to deal with beet production will be consulted. The Committee has also given close study to the scope of the most-favoured-nation clause, its fundamental principles, the extent to which it should be applied in certain special fields such as temporary exports and finishing trades, and the types of goods to which it should be applied. The Committee has drafted a standard clause which they consider adaptable to meet special circumstances, and sufficiently explicit to reduce differences of interpretation to a minimum. More detailed information will be available when the Committee's report is issued. Meanwhile the Committee proposes that the Council should communicate to different countries, whether members of the League or not, the results of its work with the expression of the hope that they will follow the principles there laid down in their commercial policies and in their negotiation of bilateral treaties. Finally, in continuance of its study on collective action with a view to reducing customs duties, the Committee has decided, in the light of information received on the situation of the industry in the countries principally concerned, to continue its study on aluminium. The Committee also hopes that by its next session it will have obtained information about possible action leading to the reduction of tariffs on half-finished steel products, wood pulp and papers, copper, fruits and fresh vegetables.

The Post Office Accounts.—Advocates of the penny post have drawn much satisfaction from the Post Office commercial accounts for 1927-8, just issued. The result of the year's working is a credit balance of £7,570,348, an increase of £1,782,750 on the profit made in 1926-27, and the highest credit balance since the war. This sum, it is argued, amply covers accepted estimates of the cost of reducing the three-halfpenny rate to a penny, though it should not be forgotten that from the point of view of the Exchequer a reduction in the Post Office surplus would have to be made good by equivalent fresh revenue from taxation. Turning to the details of the accounts, income from postal business is up by £2,736,413, that from telegraph business by £18,011, and that from telephone business by £1,367,592. Operating expenditure is up by £2,062,478, mainly coming under the heads of salaries and wages, conveyance of mails, and depreciation of telegraph and telephone plant, but operating income shows an increase of £4,252,094. Interest on capital rose by £420,259. It will be seen that telegraph business, though on the increase, has not kept step with the rest, and, in fact, the income from that source is an appreciably smaller percentage of the total income than in 1926-27. The special account shows an operating loss of £1,059,870 on the telegraph service (against £1,029,678 the previous year), and a net deficit of £1,380,829 (against £1,349,112). This increase of loss, however, is accounted for almost twice over by the drop in revenue from wireless licences, due to the commencement of a new allocation to the Post Office from receipts on licences for expenses of management, and not to any decline in the total receipts from that quarter, which, in fact, show an increase of about 9 per cent. to £1,234,898. Of that sum the B.B.C. receive £824,237 and the Exchequer £254,872. Apart from that item, the telegraph service is a little better off, but its critics are not altogether satisfied with the position disclosed. The wireless telegraph business is in a happier state, for a deficit of £104,468 has been reduced to £28,447, and the operating account actually shows a profit. In the interval the wireless telegraph business was more than doubled. On the other hand, the Imperial Cable Service shows an operating loss where in 1926-27 there was a slight profit, and the total income declined by over 25 per cent. The operating profit on the telephone service has increased by £159,080, but thanks to heavier interest charges the net surplus is down by £175,984. The Continental telephone service also shows a diminished profit on a larger turnover.

Proposed New Taxation in Germany.—Our Berlin correspondent writes:—The struggle against Dr Hilferding's taxation plans has become very sharp. In the Reichsrat the States will protest against the plan to reserve for the Republic 120 million marks of the State and municipal subventions, but it is not likely that they will be able to suggest an alternative. The central associations of banking, industry and trade protest that the loss of revenue and the increase in Reparation payments ought to be met by saving, but they have not suggested where saving could be effected. In the Reichstag no party favours all Dr Hilferding's new taxes. The Socialists do not approve of the increase in the beer and spirits taxes, the People's Party is against the one-fifth increase in the property tax, the Centre's main objection is to the increase in the inheritance tax, and the Bavarian People's Party stands against the increase in the beer tax. The Socialists, it seems, would favour restoration of the wine tax, but the Centre opposes. The proposed new beer tax is 9 marks per hectolitre on the first 1,000 hectolitres brewed, instead of 6 marks at present, rising progressively to 12.20 marks instead of 8.15 marks on over 125,000 hectolitres. The tax exemption of domestic brewing is abolished. The project for reduction of the income-tax fixes the following rates:—

	Marks.		Per Cent. of Tax.
On first	8,000		
" next	2,000	or part	10
" "	2,000	"	11
" "	4,000	"	12½
" "	4,000	"	14
" "	8,000	"	19
" "	18,000	"	24
" "	34,000	"	30
Thereafter		"	35
			40

The family abatements are unchanged. The increment of Property Tax Law, which has never been put into force, is retained, but its application is to be postponed until a new valuation of property in accord with the pending taxation uniformity law can be made. The chief figures of the Budget for 1929-30 (which is not yet available in detail) are:—

	Marks.
Total	10,047,688,000
As against 1928-1929	9,709,626 000
Thereof ordinary	9,922,665,000
" extraordinary	125,022,000
Ordinary Expenditure Items—	
Subventions to States & municipalities	3,275,888,000
Domestic war burdens	227,113,000
External war burdens	1,540,000,000
Other recurring expenditure	4,631,695,000
Non-recurring expenditure	247,968,000

The estimated yield of direct taxes is 6,378 million marks, or 343 million marks more than in 1928-9, of Customs and Excise 3,117 million marks, or 315 million marks more. The extraordinary Budget practically all consists of expenditure (121 million marks) of the Ministry of Labour.

Canadian Railway Rivalry.—Our Ottawa correspondent writes:—The Canadian Pacific Railway has just announced one of the most ambitious programmes of new construction in its history, having filed applications at Ottawa for charters covering about 1,200 miles of new branch lines, chiefly in the prairie provinces. The construction work, which will be spread over five years, will involve the expenditure of at least 50 million dollars, and most of the projected branches are in the northern part of Saskatchewan. Hitherto there has been comparatively little agricultural settlement beyond the North Saskatchewan River, but recent surveys and explorations have proved that this territory contains a large area of fine farming land and a variety of other resources. The region known as the Meadow Lake country, lying north of the town of North Battleford, has for some years past been attracting settlers, some of whom have taken up land 100 miles from the nearest railway. The C.P.R. now proposes to tap this country, firstly by a line running north from its Willingdon branch through North Battleford, and, secondly, by a line running in a north-westerly direction from Prince Albert to Grande Biche on the Alberta and Great Waterways line. It also proposes to extend one of its branches into the richly mineralised region which contains the promising Flin-Flon and Sherritt-Gordon mines, and to which the Canadian National has just completed a branch line. Now the Canadian National has always regarded the northern part of Saskatchewan as its special preserve, and when the C.P.R. programme was announced, Sir H. Thornton, the president of the C.N.R., publicly protested that certain of the C.P.R.'s projected branches were an unwarranted invasion of C.N.R. territory, and he proposes to apply for charters over several of the same routes. Mr Beatty, of the C.P.R., has replied that he does not acknowledge the right of the C.N.R. to claim any part of Canada as its special preserve, and he intends to go ahead with his programme. So when the rival applications for charters come before the Railway Committee of Parliament, a stiff battle is predicted, and both sides are already mustering their forces for the fray.

Sun Life Office.—Once again the annual report of this office discloses a very considerable all-round advance over that of the previous year, and once again it will be found that this expansion has been due very largely to the volume of single-premium insurances transacted. It is of interest, therefore, to set out side by side the total new business of the last few years compared with the amount received each year in the form of single premiums for new policies included in the total:—

Year.	Total New Business. £		Single Premiums Received. £
1924	6,853,323	....	254,662
1925	7,899,226	....	856,645
1926	8,979,070	....	1,716,283
1927	13,382,494	....	4,649,131
1928	15,274,880	....	5,018,980

Assuming that the single premiums amounted on the average to, say, 80 per cent. of the corresponding sums assured, it will be seen that in each of the last two years more than 40 per cent. of the total business transacted was in respect of these special single-premium contracts. It is known, moreover, that in the case of the Sun Office these special policies take, in most cases, the form of pure endowment policies for a term of five years only, in respect of which more than 90 per cent. of the single premium is paid for by means of a loan on the policy at the outset. Thus the policy is not really a life policy at all; and although it can be proved, when taken as a whole, to be profitable both from the point of view of the office and the policyholder, the transaction of this type of policy makes little contribution to the solution of the problem of under-insurance. Dealing now only with the 1928 new figures, the sums assured corresponding to the single premiums received may be estimated at approximately £6,000,000. The remainder of the total consists of sums assured of £9,000,000 in respect of some 19,000 policies. These figures show that the average policy issued was for a sum assured of approximately £500, and indicates that apart from the single-premium business, which, of course, consists wholly of large policies, the company's business is made up for the most part of policies for comparatively small sums. In view of the large increase in business, it is not surprising to find that the life insurance fund shows an increase on the year of £6¾ millions, and now amounts to over £32 millions. The balance-sheet shows some changes of interest. The loans on the company's own life policies show an increase of nearly £5 millions on the year, being due, of course, to the new single-premium policies issued. The holding in British Government securities has been reduced from £6,219,000, equal to 22.9 per cent. of the total assets, to £3,410,000, equal to 10 per cent. of the total assets. The funds thus released have been employed mostly in increasing the holdings of foreign Government securities and debenture stocks. The effect of these changes on the rate of interest has been to increase the net rate from £4 12s 8d per cent. to £4 15s 10d per cent., the adverse effect of increasing the policy loans earning only 5 per cent. gross being apparently more than offset by the higher rate of interest yielded by foreign Government securities and debentures as compared with British Government securities.

Bank Balance-sheets.—The tables summarising the position of the leading British banks at the end of 1927 and 1928, which were published in the *Economist* of January 26th, contain one or two errors in respect of the figures for the former year. The 1927 investments of the District Bank were given as £7.6 millions, whereas the correct figure was £14.8 millions, or the same as in the succeeding year. The totals for 1927 also included the figures for the Lancashire and Yorkshire Bank, though this was omitted from the banks for which separate figures were given, owing to the fact that it is no longer a separate undertaking. To remove any misconception, the following table is given, showing the effect of excluding this bank:—

	1927 (a).	1927 (b).	1928.
	£ Mill.	£ Mill.	£ Mill.
Capital and reserves	136·1	133·7	138·7
Acceptances	129·9	129·8	224·5
Deposits	1,872·8	1,848·8	1,931·3
Total liabilities	2,138·8	2,112·3	2,294·5
Cash	319·4	314·2	323·3
Investments	286·9	279·3	297·2
Discounts, advances, and money at call	1,361·4	1,348·2	1,494·4
Cover for acceptances, premises, & sundries	171·1	170·6	269·6

(a) Including Lancashire and Yorkshire Bank.
(b) Excluding Lancashire and Yorkshire Bank.

Minor corrections have also been made in the 1927 totals, corresponding to the reallocation of one or two small items shown separately in the accounts of Lloyds Bank.

Free Trade and the Mobility of Capital.—In his letter printed in our last week's issue Mr Douglas Graham used the following quotation from Professor Nicholson:

"If the result were that capital would be sent abroad, and if labour were unemployed or forced to emigrate, the effect on the total of home industry would in general be *advantageous*." Mr Graham writes to point out that the last word should have read "disadvantageous."

THE University of London announces that the Newmarch lectures in statistics will be given on Mondays at 5.30 p.m., beginning February 11th. The subject will be "Demography in the XVIIth and XVIIIth Centuries," and the lecturer is Mr James Bonar.

Oversea Correspondence.

UNITED STATES.—MONEY—PRICES—REPARATIONS.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 18.

WITH the share market showing hesitation and a disposition to await developments, attention has remained centred on the money position. With an increase of $72,000,000 during the past week in brokers' borrowings the total for the latter is within $10,000,000 of the peak for all time, which was recorded last December. This quick recovery in brokers' loans has evidently given the market a bad conscience and helped to father suggestions that the official discount rate may be raised. In addition, the new policy of allowing the bill market to seek a more natural level, with a consequent advance in rates, has re-enforced fears of a higher discount rate. Under the old official policy of subsidising the bill market heavily, an advance in the bill rate to about the level of the discount rate presaged an advance in the latter. To-day, another advance of ½ to ¼ in the bill rate brought 60 and 90 days' bills up to a 5 and 5⅛ per cent. basis, or to slightly above the discount rate. However, as has been pointed out in these letters recently, the present advance in bill rates, reflecting the new policy of letting the bill market stand more on its own feet, does not mean what it would have *meant under the old system*. The fears of a higher discount rate have therefore been groundless so far, and seem likely to remain so for a week or two more at least. Nevertheless, it is apparent that the policy followed in the bill market is making the money market in general firmer. Part of the Reserve banks' cheap money is taken out of the market on the one hand, while the higher rate also tends to reduce the volume of bills outstanding on the other. This latter tendency already has become apparent. There also seem to be grounds for believing that the new bill-market policy is transferring some of this kind of business to London, and in that way adding somewhat to the burden on sterling exchange.

At the same time that the operations in the bill market are making for firmer money and brokers' borrowings are showing no diminishing tendency, the earmarking of gold, presumably for French account, is proceeding apace and helping to lay the foundations for higher money later on. During the past week an additional $20,000,000 worth of the metal was earmarked, this bringing the total since the beginning of the year up to $75,000,000. Informed observers here would not be surprised if the movement went ahead until $200,000,000 were taken. So far the early January returns of funds, which has reduced discounts at the Reserve banks by $332,000,000 and the total volume of Reserve bank credit by $338,000,000, has permitted this earmarking to go on without disturbing the money market. In fact, after a January 15th run-up in call money to 9 per cent., the rate for that kind of borrowing has dropped back to 6 per cent. But it seems likely that as the January return flow of funds dries up, continued earmarking will have more effect on rates. Then, if business continues active, the early spring demands for funds for commercial purposes, which generally begin to manifest themselves during the latter part of February, could easily precipitate a squeeze in the money market that might be embarrassing to the share market. Whether the arrival of such a squeeze will be hastened or intensified by a higher official discount rate remains to be seen. All that can be said now is that for the present the Reserve authorities appear to be satisfied to continue their operation in the bill market without being unduly exercised over the discount rate. Possibly much will depend on the action of the share market itself.

Business news remains good, and the Bureau of Labour Statistics index of wholesale prices for December showed no change in comparison with November. However, it is noted that during the past week or so cotton has advanced $4 a bale, wheat 10 cents a bushel, corn 12 cents a bushel, and rubber 2 cents a pound, advances which *indicate considerable activity* in the commodity markets. Generally speaking, estimates of spring business remain optimistic.

Widespread satisfaction is expressed over the selection of Mr Owen D. Young and Mr J. P. Morgan as the American members of the Experts Committee on Reparations. Mr T. N. Perkins will act as Mr Young's deputy, and Mr Thomas W. Lamont as the deputy of his partner, Mr Morgan. It is thought that the American delegation ranks exceptionally high in ability and character, and that its composition should make for smoothness and speed in the operations of the Committee. Something has been made of the likelihood that the American members will be opposed to a bond issue, but there has been considerable misunderstanding in this connection. What is likely is that, bearing in mind the rather quiet condition of the American bond market and the domestic objections to having American investors take over the whole funding operation, the American experts will emphasise the need for a moderate American participation in a loan that is substantially subscribed to in Europe.

FRANCE. — CAISSE D'AMORTISSEMENT — FOREIGN TRADE—COMMERCIAL TREATIES.

(BY OUR CORRESPONDENT.)

PARIS, January 30.

As a natural development of the work of financial restoration already accomplished, the Caisse d'Amortissement announces the issue during the second half of February of a further large conversion and consolidation loan, which it is expected will amount to anything between 5,000 and 7,000 million francs. The issue will have for its primary object the conversion of the whole of the outstanding balance (amounting to 2,400,000,000f) of the 3,013,000,000f 5oof "Tobacco" bonds issued by the Caisse immediately after its organisation in 1926, plus a further substantial proportion of the two-year Defence Bonds (4 per cent.), of which there are still 35,500,000,000f in existence. The first-named bonds were issued with a minimum guarantee of 7 per cent., secured on the profits of the tobacco monopoly. The gross receipts of the industry having increased by *something like* 1,000,000,000f during the past year, the yield from the bonds now represents over 8 per cent., taking the scrip at par. According to the terms of issue, the Caisse has the right to pay off, at any time, the whole of the bonds remaining in existence, at the rate of 6oof per 5oof bond. The bonds were quoted last Saturday at 627, in view of the pending half-year dividend of 2of 25c.

The new issue will take the form of 1,0oof bonds, with a fixed dividend of 4½ per cent., redeemable in 40 years by half-yearly drawings or by purchases in the open market, and exempt from all taxation on securities. The issue price will be below par, in which case the actual yield will be somewhere in the near neighbourhood of 5 per cent. Holders of Tobacco bonds will receive one new 1,0oof bond in exchange for two of the old 5oof issue, plus the 1oof premium. The success of the new issue is recognised as assured in advance. The most striking feature of the pending issue is the evidence it affords of the complete revival of public confidence since the *débâcle* of the franc *in 1926*. In May, 1927, when the first consolidation loan was offered by the State, the rate offered was 6 per cent., with a premium of 50 per cent. on redemption. The Rentes issued in 1928 had a nominal yield of 5 per cent., and were issued at 91. Public companies found it difficult in 1927 to borrow for long-term purposes at 7.65 per cent., and in January, 1928, the average yield offered was 7.25, in December last the rate had come back to only 6.05 per cent.; whereas short-term money could be had in abundance at 3¾ per cent. Industry has received the announcement of the new loan with fervent approval.

Senator François Milan, president of the Finance Committee of the Caisse d'Amortissement, in an article in *Le Capital*, sums up the situation of the Caisse at the beginning of 1929 as compared with that in August, 1926, when it began operations. The total amount of floating debt bonds in circulation is now 35,500,000,000f (solely in two-year Defence Bonds), as compared with 49,000,000,000f in 1926; the Caisse now possesses 6,500,000,000f of available liquid cash resources, as against "a few hundred millions"; the average monthly maturities of floating debt has been reduced from between 7,000 and 8,000 million francs to 1,800,000,000f; the rate of interest has been brought down from 6 per cent. to 4 per cent.; while the revenue from the tobacco monopoly has been enormously increased, and is still increasing. The programme of the Caisse will "continue to consist in securing more and more mastery over the floating debt by means of consolidation loans and 'contingenting' the issue of bonds, and in developing extinction by buying in on the Bourse of Rentes, Treasury Bonds and Obligations and Crédit National Bonds, and thus, little by little, come to the help of the General Budget."

The foreign trade returns for December show that for the tenth month since the beginning of 1928 French trade with the rest of the world, resulted in an unfavourable balance. Imports during the month had a value of 5,212,912,000f, while exports were 4,733,095,000f, or a deficit of nearly 480,000,000f. The total excess of imports over exports during the past twelve months was thus brought to 2,101,466,000f, against a favourable balance of 1,874,881,000f in 1927. The detailed figures for the year are as follows:—

(000's omitted.)

	Totals for the Year.		Differences in 1928.
	1927.	1928.	
	Francs.	Francs.	Francs.
Imports—			
Foodstuffs	13,892,693	12,549,775	— 1,342,918
Raw materials	33,370,167	32,899,027	— 381,140
Manufactured goods	5,787,018	7,909,463	— 2,122,445
Totals	53,049,878	53,448,265	— 398,387
Exports—			
Foodstuffs	5,398,679	6,240,247	— 841.668
Raw materials	16,852,533	13,077,023	— 3,775,510
Manufactured goods	32,673,647	32,029,529	— 644,118
Totals	54,924,859	51,346,799	— 3,577,960

The tonnage returns for the twelve months indicate that exports, notwithstanding a drop of 6½ per cent. in value, were over 3,086,000 tons (or nearly 8 per cent.) greater in volume. Imports, on the other hand, although less than 1 per cent. greater in value than in 1927, were 1½ per cent. less in tonnage. French foreign trade showed in December a continuance of the increased activity, in both imports and exports, that began in August, but in neither case did the totals for December quite reach the level of those for December, 1927.

The new commercial treaty between France and Serbia, which was signed this morning at the Quai d'Orsay, accords to both countries the benefit of most-favoured-nation treatment, and gives France reductions of the Serbian tariff for "specifically French goods, such as brandies, champagnes, sparkling wines, candles, soaps, medicaments, perfumery, cotton and silk yarns and piece goods, leather, tools, machinery and motor-cars." Serbia receives no modifications of the French tariff, except those attaching to the most-favoured-nation clause.

Although no official information is obtainable, it appears to be clear that the situation in regard to the pending new Franco-American tariff agreement has reached a complete deadlock, owing to the inflexible attitude assumed by the Washington Government. The Americans, while claiming the right to the French minimum tariff, not only refuse to act reciprocally, but persist in arbitrarily raising still higher their tariff against French goods. When the French revised their tariff in 1927 to a general level more consistent with the new value of the franc, the United States Government protested against the raising of the general tariff, which affected certain of their goods, but agreed to meet American wishes half-way. Since then President Coolidge, by simple decree, has raised the duties imposed on various French exports, and there have been lawsuits under the Sherman Act which have resulted disastrously for certain French products, such as potash. The American attitude in tariff matters, taken in connection with the extent to which European industries, particularly in Germany, are being brought under American control, is attracting increasing attention here.

GERMANY. — FOREIGN TRADE — FINANCES — CREDIT—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, January 29.

THE foreign trade return for December shows a considerable improvement over that of November, and the return for all 1928 a very great improvement over that of 1927. In December, imports, without gold and silver, totalled 1,100,870,000 marks, as against 1,173,329,000 marks in November; exports, 978,360,000 marks, against 939,786,000 marks. Owing to the October change in the system of returns, the November export figure is below the correct level. The adverse balance of all 1928 was little more than half that of 1927; if Reparation deliveries in kind are counted, less than half. Accompanying the formal return for 1928 is an official correction of the returns of the last four years. As the amount of error is

National Bank of Commerce in New York

Chairman of the Board
JAMES S. ALEXANDER

President
STEVENSON E. WARD

Capital Paid up	$25,000,000
Surplus	$40,000,000
Undivided Profits	$5,000,000

The National Bank of Commerce in New York places complete banking services at the disposal of its customers throughout the world, bringing them into contact with all phases of commerce and industry in the United States.

LONDON REPRESENTATIVE
2 and 3, Crosby Square
Bishopsgate, E. C. 3

NATIONAL BANK OF COMMERCE IN NEW YORK 1839

not known, the corrected totals do not claim to be exact, but they are officially presented as nearer the truth than the formal returns. Trade tables, which include Reparations in kind, are also published, so that an approximately correct trade balance is at last available. It is shown that after all corrections are made, and after the deliveries in kind are added to the ordinary exports, the import surplus of the past four calendar years is less than half the figure usually given.

The formal and uncorrected returns of 1927 and 1928 are :—

	Millions of Marks. 1927.		1928.
IMPORTS.			
Total	14,143	....	14,045
Whereof:			
Foodstuffs	4,350	....	4,195
Materials	7,149	....	7,246
Manufactures	2,467	....	2,458
EXPORTS.			
Total	10,219	....	11,395
Whereof:			
Foodstuffs	419	....	608
Materials	2,239	....	2,269
Manufactures	7,549	....	8,500

The import surplus shown in 1928 is 2,650 million marks. Corrections made for certain of the errors, however, put the surplus at only 2,355 millions, as against 3,924 millions shown for 1927. The improvement is mainly due to greatly increased export of manufactured goods, but also the net import of foodstuffs declined, being 3,587 millions, against 3,931 millions in 1927. The total imports and exports of materials, raw and half-manufactured, are nearly the same in both years. Import of textile raw materials declined considerably. This decline, and also a very big increase in the net export of heavy iron and steel, reflected the trade decline and the reduced home consumption. Import of manufactured wares declined a little, but export increased by over 12 per cent., the monthly average figure being 708 million marks, as against 629 millions in 1927 and 581 millions in 1926. Exports of finished textiles, iron wares, machinery, and electro-technical products show large increases. Reparation deliveries in kind totalled 658 million marks, against 577 million marks in 1927.

The corrected tables are very instructive. By taking the uncorrected totals, by omitting Reparation exports, and by including the large gold imports, German writers usually present the total passive balance of 1925 to 1928 at about 13,000 million marks. In the present discussion of Reparations and of transfer possibilities nearly all Germans, followed by many foreign authorities, give this vast total. The following are the new official tables :—

	Millions of Marks. 1925.		1926.	
Imports	11,744·0	..	9,701·5	
Paid-for exports	8,930·5	..	9,929·9	
Passive balance	2,813·5	..	228·4	
Deliveries in kind	520·4	..	630·8	
Passive balance including deliveries in kind	2,293,1	..	859,2	(act. bal.)
	1927.		1928.	
Imports	13,801·3	..	13.643·7	
Paid-for exports	10,375·7	..	11,785·7	
Passive balance	3,425·6	..	1,858·0	
Deliveries in kind	577·6	..	658·3	
Passive balance including deliveries in kind	2,848·0	..	1,199·7	

The passive balance for the four years here is only 5,481·6 million marks.

Money last week continued very plentiful, day loans being nominally 3½-5½ per cent., but business was done at lower rates, and the private discount rate was twice reduced, to 5½ per cent., the lowest figure of recent years. With 1 per cent. disparity between private and Reichsbank rates there was more talk of a new Reichsbank rate reduction in February. This, in view of the uncertainty about London and New York, is doubtful; and it appears that funds have been returning to abroad. The dimensions of the outflow are unknown, but the dollar exchange last week rose very sharply, declining, however, again yesterday. The banks seem to be glad of the opportunity presented by very cheap money for the repayment of foreign credits. This week day-money rates rose in view of the impending month-end, and to-day were 4-6½ per cent., and the private discount rate was put up to 5⅝. The Reichsbank's return for the third week of January shows a further decline of discounts, advances, and circulation. Discounts at 1,548 million marks are back to the level of April, 1927, and the ratio of reserve (both gold and foreign exchange) rose to 75·9 per cent., also a record figure for the last two years. While the circulation of trade bills, as shown by the stamp duty returns, was higher in 1928 than in 1927, it remained relatively stable during the year. With the aim of restoring the international use of Reichsmark bills, the stamp duty for bills drawn in marks on abroad and payable abroad is to be reduced to half.

The wholesale-prices index number for January 23rd is 139.0, against 138.7 on the 16th. Vegetable foodstuffs show a sharp rise. The trade position is unchanged. The Prussian Trade Minister, Dr Schreiber, plainly aiming at the confutation of the Agent for Reparations' last Report, has made a detailed pessimistic statement about the condition of industry and trade. The main trouble, he alleges, is the insufficient creation of capital, and he rejects a semi-official bank's estimate of national savings in 1928 at 7,600 million marks, although Dr Welter, of the *Frankfurter Zeitung*, estimates 9,000 million marks. Dr Schreiber predicts that Germany in future will not be able to pay Reparations out of her own resources. Nearly all new writers on Reparations continue to declare that the "transfers protection" must not be surrendered unless the annuity is reduced very much—to half or one-third of the present, and some writers show a new desire to retain the whole-control system, which, it is held, also constitutes a kind of protection for Germany. The Railway Corporation's report for December shows a very heavy decline in car-loadings, which is partly an after-effect of the Ruhr lock-out of November. Operating receipts in December were 413 million marks; operating expenditure, 352 million marks; total expenditure, including service of Reparation bonds and allocations to reserve, 422 million marks. Coal output in 1928 was 150,875,814 metric tons, as against 153,595,413 tons in 1927; lignite, 166,224,159 tons, against 150,852,085 tons; coke, 33,863,178 tons, against 32,266,203 tons. Output of the rolling mills was 11,562,590 tons, against 12,866,773 tons. As a result of the lock-out, Germany's steel production in the fourth quarter of 1928 was 405,000 tons below her quarterly quota of 3,161,000 tons in the International Cartel; and for this, according to the Cartel agreement, she will receive a premium of $632,000 ($2 per ton on the deficit in fulfilling the quota, but not more than on 10 per cent. of the quarterly quota). France, Belgium, and Luxemburg exceeded their quotas, and will have to pay penalties.

AUSTRIA.—HOUSING—INVESTMENT—TRADE AGREEMENTS—CAPITAL—UNEMPLOYMENT.

(FROM OUR CORRESPONDENT.)

VIENNA, January 26.

AT present a Parliamentary Commission is trying, on the basis of a Government Bill, to foster private enterprise in housebuilding to the extent of creating an understanding through which the present lack of yield from real estate would be remedied. The Ministry of Finance is willing to assume the guaranty for interest and repayment service on a housing loan from which 60 per cent. of the capital for building purposes would be advanced as loans. The remainder of the capital would have to be furnished by the builders themselves, or raised as first mortgages. In financial circles, however, there is considerable doubt entertained in regard to the provision of the Government Bill, whereby the banks and savings banks are to be compelled to invest 20 per cent. of the savings deposited with them in certificates of the new housing loan.

One of the most important problems of Austrian economy is that of once more interesting the domestic and foreign public in the acquisition of investment values bearing fixed rates of interest. It is true that within recent months several mortgage institutes have been able to report better sales in their obligations; but former losses on pre-war rentes, and the fear of not being able in case of necessity to realise on these obligations without loss has so far checked the resuscitation of the investment market. Apart from the issue of mortgages, during the past year only two small loans have been issued on the domestic market, and even of these a considerable quota found its way abroad. This is in spite of the circumstance that depositors with the banks and savings banks get only 4½ per cent. on their money, while first-class gold mortgages bear more than 7 per cent.

As is usual at this time of the year, industry reports slow sales. Exports of iron are significant in regard to only a few countries, and prices for fine steel have suffered depression, especially in trade with Germany. Some fair orders have come in from Russia. The textile industry shows a decline, and several cotton mills have reduced output, in view of unsatisfactory prices. The turnover in the electricity and brewing industries continues good. A certain disquietude has been caused by the difficulties in economic relations with Poland, but it is believed that an understanding will be arrived at. Economic negotiations have been taken up by representatives of the Austrian and German machine industries, and an understanding has been reached. It is assumed that the official trade treaty negotiations, which had to be suddenly broken off several months ago, will shortly be recommenced. Business with Russia still falls short of expectations. The repayment of short-term credits continues, and since the middle of December the Austrian National Bank shows a reduction amounting to 60 million schillings in its holdings of foreign values. The National Bank discounts bills freely at 6½ per cent., and money is available at home out of savings deposits. In view of the fact that out of the remainder of the proceeds of the last League of Nations loan foreign values amounting to 50 million schillings were passed to the National Bank, the recent payments in foreign values are of very little significance. Within the last few days National Bank shares have been in demand, and a considerable increase in value has resulted, although unofficial warnings have been given against such speculation, as no increase in dividend is anticipated for the near future.

Railway rates and fares are likely to be increased very shortly. The original plan has been modified under pressure from economic circles. The new management of the State railways contemplates a further reduction of staffs. It also proposes to promote foreign tourist traffic by the erection of new hotels. Other larger investments which are necessary will be possible only after the investment loan has been concluded. It has been resolved to increase the charges of the post and telephone service. The increase of revenue is destined to cover the adjustment of salaries granted to the post office workers, but this means thrusting on to the Budget a further burden of about 7 million schillings. On the Stock Exchange business is still stagnant. The banks nearly all take the view that many shares are now quoted below their real value, and as a large number yield 7 to 8 per cent. there is a possibility of a general rise. There has been an increase of unemployment; in the first half of January alone 9,085 more have claimed benefit. The unemployed in Vienna now total 85,567, and in the whole of Austria 263,000 (4,000 more than an January, 1928).

POLAND.—BALANCE OF TRADE AND BALANCE OF PAYMENT—SAVINGS—COAL EXPORTS—NEW CAPITAL ISSUES.

(FROM OUR CORRESPONDENT.)

WARSAW, January 22.

IN summer and autumn the unfavourable trade balance was viewed with great disquietude and drastic measures against imports were demanded. The events of the last months have allayed the alarms, showing that the fears were unfounded. The excess of imports has steadily decreased since June (97.7 million zlotys). In November it fell to 6 million zlotys, in December it amounted to 29.2 millions. These figures are the lowest registered during the year, and are much below the level of the corresponding figures of 1927 (November 31.7, December 59 million zlotys). The improvement is in the first instance due to increased exports; imports remained nearly stationary.

Figures relating to Poland's balance of payment in 1927 show that the invisible exports are greater by 352.5 million zlotys than invisible imports. This may be seen from the table below :—

	Million Zlotys.		Million Zlotys.
Expenditure of Polish tourists abroad	122·7	Expenditure of foreign tourists in Poland	113·0
Expenditure of emigrants	78·6	Emigrants' remittances	156·7
Different services	56·0	Receipts from railways (transit)	86·0
Payment of dividends, interest on foreign loans, &c.	204·7	Other services	43·5
Import of gold	244·4	Interest and provisions	18·0
Balance	352·5	Government and municipal loans after deduction of amortisation	491·2
		Other loans	150·5
	1,058·9		1,058·9

The circulating capital of the country is slowly being rebuilt. The deposits in the credit institutions, which at the end of December, 1925, amounted to only 595 million zlotys, increased to 2,450 millions at the end of September, 1928. Deposits in joint-stock banks amounted to 810.0 millions, while 653 millions were deposited in credit institutions belonging to the Government (Bank of National Economy 324.6, State Agrarian Bank 64.2, Postal Saving Bank 264.7). This shows how great is the importance which the State plays in Poland's economic life. This problem is now in the foreground of public discussion. Many question whether the Government has not gone too far in the development of State undertakings. It is estimated that during the last 2½ years the Polish Government has obtained a budgetary surplus of 1 million zlotys, and has invested it. Many economists are of the opinion that this sum would have been used more rationally by private undertakings.

It is probable that the relatively slow increase of savings in Poland is due to the fact that a great part of the accumulated national income is appropriated by the Government. Poland has so far built up no more than 9 per cent. of its pre-war savings. The sums deposited in the Savings Banks of the whole present Polish territory amounted in 1913 to 2,485 million gold francs, which corresponds to 4,274 million zlotys. It may be confidently asserted that in other countries which suffered like Poland from inflation the reconstruction of the annihilated savings proceeded at a much more rapid rate.

During recent months the export of coal has decreased. It amounted to 1,310,000 tons in October, 1,202,000 in November, and 1,104,000 in December. In comparison with the previous year, however, exports for the last months show better results. In November, 1927, the exports amounted to 986,000 tons, in December to 1,026,000 tons. The exports to the principal northern markets (Sweden, Denmark, Finland, Norway) were greater in 1928 than during the corresponding months of 1927.

On the capital market there is a slow revival. The capital of newly created joint-stock companies amounted in 1926 to 21.2 million zlotys, in 1927 to 41.6, in 1928 to 93.9 million zlotys. The capital of existing joint-stock companies has been increased in 1926 by 51.2 million zlotys, in 1927 by 186.9, in 1928 by 183.9 millions. The total sum of new capital issues in 1928 reached 277 million zlotys.

ROUMANIA.—THE BUDGET—TAXATION AND TRADE—THE MINING LAW—THE FOREIGN LOAN.

(FROM OUR CORRESPONDENT.)

BUCHAREST, January 21.

THE Budget brought in during the last days of 1928 is dictated by the circumstances which confronted the new Cabinet when it took office, and embodies measures which were probably cut and dried when the late Government fell. The present Government can, therefore, not be blamed for taxes which will press heavily on the already

sorely tried taxpayer, and interfere with business in general.

The Budget estimates for 1928 amounted to 38,350 million lei. The receipts to the end of November, however, reached only 28,600 million, including 315 million from petroleum royalties, and the receipts for the remaining month, plus those during the period to June 30, 1929, cashed for account of the past year, are estimated at 5,250 million lei. The probable deficit for 1928 amounts, therefore, to almost 4,500 million lei, which the deficit in the railway administration of about 500 million raises to 5,000 million lei. It is intended to cover this amount by the cancellation of 700 million lei of unused credits opened in 1928, by discounting the 75·5 million goldmarks payable by Germany under the recent arrangement, and by Treasury operations under the stabilisation plan to be liquidated by means of the coming loan. The 700 million unused credits include 100 million war indemnities and 300 million debts outstanding from former years, which will both remain unprovided for in the current year also.

The Budget estimates for 1929 amount to 38,300 million lei, a reduction of only 50 million as against last year, but the conventions concluded in the course of the year for the settlement of foreign war debts and of liabilities that had remained outstanding throw an additional charge of some 600 million lei on the Treasury for this year. It is evident from this that certain economies have been effected in the estimates, but these economies fall so far short of requirements that new devices had to be found in order to provide for the gap caused by the dwindling of the revenue. Thus the tax on the business turnover in certain articles, namely, chassis and carriages of automobiles as well as on complete automobiles, has been increased from 2 per cent. to 10 per cent., and from 5 per cent. to 15 per cent., according to the class to which they belong. The taxes on the use of automobiles, except of those for commercial, industrial, and sanitary purposes, are substantially raised. The tax on production instituted by the Mining Law of 1924 is raised from 2 per cent. to 3 per cent. Stamp duties are raised by 20 per cent. The direct taxes on incomes derived from securities and those on total incomes are increased by 10 per cent. The taxes on the consumption of alcohol are also increased.

The Budget of the railways has been reduced by the Parliamentary Commission to 12,921 million. The reduction is effected by economy in fuel, in material, and in repairs. The plan mapped out with the assistance of foreign experts for the reorganisation, reconstruction and improvement of the railway system involves the expense of 7,500 million lei during the next three years.

The introduction of certain laws now under consideration may result in still further taxation. All this must of necessity result in a fresh increase in the cost of living, and, combined with the already seriously-impaired purchasing power of the population, exercise a depressing effect on trade. It is a remarkable fact, though, that in spite of the general crisis the automobile business has remained very active. There is, indeed, a vast field still open for the sale of all kinds of automobiles, but for the moment there is no money in the country, the foreign trade balance is unfavourable, and the new taxes, as well as those that may yet be imposed, must necessarily raise the price of the article and render its use more expensive. In view of the extensive credit system on which this trade is in a large measure built up, importers would be well advised if they took these circumstances into consideration when establishing their spring campaign.

An important declaration has been made by the Minister of Industry on the modifications necessary in the Mining Law of 1924. He points to the lack of a proper system of land registration and the consequent extensive frauds in the petroleum concessions. He expresses the wish that the exploration of as yet unknown districts should be encouraged. He lays stress on the aggressively nationalist character of the Mining Law, and insists that in the distribution of concessions the Law should be equal in its effect on all applicants, and not favour one company to the detriment of others. His utterance has made a very favourable impression, as it furnishes one further guarantee of the Government's intention of removing the bars which have so long prevented foreign capital from taking an active interest in the petroleum industry.

Now that the principal financial questions with Germany resulting from the war have been settled, it may be expected that German interests will endeavour to recapture their former predominance in the commerce and industry of Roumania. Germany is well acquainted with the Roumanian market, and is in a favourable situation for meeting its demands.

The reports concerning the foreign loan are contradictory. It is possible that for the moment a loan will be contracted for purposes of stabilisation only. In many quarters the view prevails that the loan which is now being negotiated in Paris should be obtained at any cost. Others, however, incline to the belief that if the conditions prove too onerous it would be preferable to commence negotiations with another group, as, according to the declarations of the Government, offers appear not to be lacking. In any case, the opinion gains ground that Roumania might do worse than apply to the League of Nations for assistance, and that it is regrettable that the former Government did not adopt this course before.

Books and Publications.

"THE RAILWAY POLICY OF SOUTH AFRICA."*

This analysis of the effects of railway rates, finance and management on the economic development of the Union of South Africa is a welcome addition to the literature of railway economics.

The main portion of Mr Frankel's work is divided into four chapters, the first of which is comparatively short, and is entitled the "Provisions of the South Africa Act." From it one obtains an indication of the intentions, concerning railway management and its relation with the State, which were invisaged by its framers. The book's main argument revolves around the provisions of this Act, which aimed at ensuring the freedom of railway management from political pressure. In practice Mr Frankel maintains that this has not been obtained.

The second chapter may be regarded as the most important because within it may be found the severe charges which are brought against the Railway Administration. In certain quarters this book has been looked upon as an attack on inefficient railway operation and management, but a closer study of the author's argument shows that in reality his attack, which is expressed in no unmeasured terms, is directed against unwarranted interference by the Minister of Railways, in the policy and management of the railway system.

Chapter III., dealing with "Railway Rates," contrasts the present unfortunate system, which has apparently been in force for many years, with what might have been if the rates had been based in accordance with sound economic and business principles. Few economists will disagree with the author's strictures upon political pressure in rate-making which are included in this section of the book. In Chapter IV., entitled "The Effect of the Existing Rate Policy on the Industries of the Union," Mr Frankel is on less firm ground. He argues that the gold mining industry of the Witwatersrand has suffered grievously from the political orientation which has throughout been given to the whole rate structure. He shows how agricultural products for export have been nursed and pampered unjustly, whilst rates have been

* An Analysis of the Effects of Railway Rates, Finance and Management on the Economic Development of the Union. By S. Herbert Frankel, M.A., Ph.D. Hortors, Limited.

kept artificially high upon imported manufactures and raw materials for the mines, notably coal. His table showing that imports at the five principal ports of the Union increased in tonnage by only 2.9 per cent. between 1913 and 1927, while exports increased by over 62.5 per cent. bears out his contention forcibly. This table might well be studied by home exporters. That agricultural rates should be greatly increased, and rates on stores and raw materials for the mines correspondingly decreased, suggests some ulterior motive, and this may be found in the author's own preface, where he states that "The study presented in the following pages is the outcome of a request to me by the Gold Producers' Committee of the Transvaal Chamber of Mines." This sentence is really the key to the book, and leads one inevitably to the consideration as to whether there is not another side to the whole question. After all, it is the duty of a University lecturer in Economics to present both sides of a problem of this nature in a disinterested manner, and then to sum up his conclusions. In this case the book must, therefore, be regarded as unbalanced.

Probably the most valuable feature of Mr Frankel's study is his confirmation of the impossibility of reconciling State railway ownership and operation with the adoption of a rate structure which is not employed as a protective tariff. The book, which is well indexed, and contains several interesting appendices, suffers from continued reiteration, and commences with a numbered summary of all its main conclusions, leaving the reader to discover later the evidence on which they are based. A valuable contribution to railway economic literature, it may be commended to all interested in the welfare of South Africa, or in the pros and cons of railway nationalisation.

THE AMERICAN NEGRO.

Facts well known but often ignored in the United States are not glossed over in the volume on the American negro which the American Academy of Political and Social Science has recently issued.* The Academy publishes bi-monthly a volume in which is collected a number of separate contributions on a given topic. The issue devoted to the negro runs to over 350 pages, and contains papers by some 40 different writers dealing with all aspects of the subject, racial, sociological, legal, economic, cultural, and so forth. Fifteen years have passed since a previous survey was published, and in that time many changes have occurred. Both this volume and a work on the same subject by Professor Herskovits† dwell on the much larger proportion of white ancestry among American "negroes" than was formerly ascribed to them. Those thus classed now number over 10 millions, and are a tenth of the total population of the United States. Though the Academy compendium is on a scientific basis, it includes a number of strong pleas for fairer treatment for negroes in the States. Professor Herskovits, on the other hand, limits himself to presenting the results of an extended investigation into the physical form of the American negro. His work, the sub-title of which is "a study in racial crossing," is original and interesting. He regards the American negro as a homogeneous population group, more or less consciously consolidating and stabilising the type of which he has commenced the foundation. Professor Herskovits' work may necessitate revision of some theories, but he does not himself enter into the broader questions which are dealt with in the other volume, and must be studied in order to reach an understanding with reference to the negro.

* "The American Negro." The Annals of the American Academy of Political and Social Science. (Philadelphia), November, 1928.

† "The American Negro." By Melville J. Herskovits. (New York) Alfred A. Knopf, 1928. 6s.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

Primitive Economics of the New Zealand Maori. By Raymond Firth. With a Preface by R. H. Tawney. (London) George Routledge and Sons, Limited, 68-74 Carter lane. 25s net.

This is not only a very fascinating book, but an important contribution in a field where authoritative research is badly needed. There is no longer any excuse for the fictitious paragraphs on the primitive savage with which every other elementary textbook or course of lectures on economics has hitherto opened.

Le Problème de la Population en France. By Leon Rabinowicz. (Paris) Marcel Rivière, 31 Rue Jacobs and 1 Rue Saint-Benoît.

Part I. of this comprehensive study discusses the history of the subject, from "l'époque sauvage" to the present day. Part II. deals with the French population question. There is an abundance of statistics and the documentation is good.

The Range of Social Theory. By Floyd N. House. (New York) Henry Holt and Co., 1 Park avenue. $3.60.

A discussion of social phenomena which is based on very extensive reading in psychology.

Economic and Financial Results on Three Arable-Sheep Farms. By Edgar Thomas and C. H. Blagburn. (Reading) University of Reading.

A piece of scientific costing which should prove a useful contribution to agricultural knowledge.

Prospettive Economiche: Carbone. By Professor Giorgio Mortara. (Milan) Opera Edita Sotto Gli Auspici della Università Bocconi.

A survey, in Italian, of the production, trade, and future market prospects of coal.

The Workers' Case Against Socialism. By George W. Gough. (London) Economic League, 2 Millbank House, Wood street, Westminster. 6d.

The mouthpiece of the workers, in this diminutive pamphlet, is a Balliol man. He discusses the presumable effect, on the daily life of the factory worker, of the introduction of a Socialistic system.

Le Centre Européen de la Division des Relations Internationales et de l'Education. (Paris) Centre Européen de la Dotation Carnegie, 173 Boulevard Saint-Germain.

An illustrated account of the work of one of the most interesting of the Carnegie foundations. There are reprinted also two papers on "La vie et l'œuvre d'Andrew Carnegie," by Elihu Root, and "Le développement de l'Esprit International," by Dr Nicholas Murray Butler.

The Problem of Australian Coal. By F. R. E. Mauldon. (Melbourne) University Press.

A reprint from the *Economic Record*.

Das Internationale Uebereinkommen über den Eisenbahnfrachtverkehr I.U.G. By Professor Dr Ludwig Strauss. (Vienna and Leipzig Kommissionsverlag der Sallmayr'schen Buchhandlung.

A concise history in German of the International Railway Goods Traffic Agreement.

Report of the Superintendent of Insurance of the Dominion of Canada for the year ended December 31, 1927. Vol. 1. Insurance Companies Other than Life. (Ottawa) Department of Insurance.

This volume contains detailed and complete statistics of the classes of insurance companies covered.

International Shipping Conference, 1928. (London) 28 St Mary Axe, E.C. 3.

Contains a full account of the proceedings at the Conference held in June, 1928, together with reprints of the memoranda by Scandinavian and Japanese shipowners respectively.

The Mining Journal. Annual Review Number. (London) Mining Journal, 15 George street, Mansion House. 8d.

This interesting number contains a large number of articles by experts, on the various minerals, their problems and their future.

Contabilidad y Finanzas. Enero, 1929. (Habana, Cuba) Empresa Editora "Contabilidad y Finanzas," Apartado 2,552.

This number includes an article on railway finance.

The Stock Exchange.

THE PRICE OF NEW CAPITAL.

THE price of new capital is a matter of prime importance to every Government, municipality, and company desirous of raising money in London, as well as to the investor in "gilt-edged" and a wide range of fixed-interest stocks. For some years past, numerous economists have prophesied a gradual decline in the general rate of interest and, consequently, in the yield obtainable on such securities. How far is this expectation being borne out by events? In order to provide an approximate answer to this crucial question, we propose in the following paragraphs to supplement the figures given in an earlier article (see the *Economist*, December 29, 1928), showing the total and geographical destination of the new issues of capital in London last year, by an analysis of the average yield offered to the investor by borrowers of various classes.

Our first table shows the total public issues of new capital in London in 1913 and the past four years, with the form in which the money was borrowed :—

PUBLIC ISSUES of NEW CAPITAL in LONDON.

	Year 1913.	Year 1925.	Year 1926.	Year 1927.	Year 1928.
	£	£	£	£	£
Debentures, bonds, &c.	139,920,400	137,640,200	145,180,000	228,958,000	212,817,900
Preference stocks and shares	22,955,600	42,802,400	39,393,200	36,836,600	45,062,600
Ordinary stocks and shares	33,661,300	51,771,900	46,209,400	89,371,400	111,177,600
Total	196,537,300	232,214,500	230,782,600	355,166,000	369,058,100

The drop of £16 millions in the total debentures, bonds, &c., offered last year, as compared with 1927, is the resultant of an increase of £18 millions in British Government borrowing, and a decline of £34 millions as regards other borrowers. The total raised in the form of ordinary stocks in 1928 was 24 per cent. higher than in 1927 and 115 per cent. higher than in 1925—a reflection of the activity in the market for industrial company shares, which is the more noteworthy as the fashionable form of capitalisation tended to fix a low denomination on ordinary shares, many of which rose to a substantial premium on the opening of Stock Exchange dealings.

Our next table shows how 29 different categories of borrowers contributed to the various classes of securities issued on the London market :—

NATURE of CAPITAL OFFERED on the LONDON MONEY MARKET.

	1927.	1928.			
	Total.	Ordinary Stocks or Shares.	Pref'r'nce Stocks or Shares.	Debentrs, Bonds, &c.	Total.
	£	£	£	£	£
British Government loans	66,003,800	..	..	83,861,000	83,861,000
Colonial Government loans	55,697,200	..	..	40,223,000	40,223,000
Foreign Government loans	11,822,500	..	..	15,938,900	15,938,900
British corporations, &c.	27,114,400	..	..	14,871,000	14,871,000
Colonial corporations	5,136,700	..	..	7,296,100	7,296,100
Foreign corporations	5,683,800	..	..	4,332,000	4,332,000
British railways	14,207,500	..	..	2,080,900	2,080,900
Colonial railways	16,592,600	..	..	..	nil
Foreign railways	5,397,500	..	3,070,000	..	3,070,000
Australasian mines	38,400	672,500	..	22,500	695,000
South African mines	622,900	1,765,000	..	..	1,765,000
Other mines	4,315,000	2,080,300	..	2,730,000	4,810,300
Exploration, financial, &c.	28,320,900	29,838,400	6,732,500	5,942,800	42,513,700
Breweries	6,261,700	2,775,100	1,790,300	1,224,500	5,789,900
Merchants, importers, &c.	1,678,600	172,500	945,000	..	1,117,500
Stores and trading	3,757,500	5,330,000	575,000	196,000	6,101,000
Estate and land	5,479,800	1,440,400	492,500	884,200	2,817,100
Rubber	2,094,000	1,666,300	33,700	1,425,000	3,125,000
Oil	9,059,800	1,623,400	..	4,000,000	5,623,400
Iron, coal, steel, & engineering	2,772,000	906,200	1,100,000	406,800	2,413,000
Elec. light, power, & telegraph	12,764,700	4,370,200	650,000	10,159,000	15,179,200
Tramway and omnibus	356,000	678,200	200,000	503,500	1,381,700
Motor traction and manufacturing	1,609,200	3,773,600	850,000	..	4,623,600
Gas and water	448,900	219,400	58,300	1,110,300	1,388,000
Hotels, theatres, &c.	4,248,600	4,557,600	5,150,800	4,942,300	14,650,700
Patents & proprietary articles	1,410,000	5,232,800	2,610,000	740,000	8,582,800
Docks, harbours, and shipping	14,765,500	830,000	20,000	2,050,000	2,900,000
Banks and insurance	13,072,500	6,123,400	..	3,281,200	9,404,600
Manuf'cturing & miscellaneous	34,438,100	37,121,300	20,784,500	4,596,300	62,502,700
Total	355,166,000	111,177,800	45,062,600	212,817,900	369,058,100

The main features of the table were discussed in an earlier article, some of the most noteworthy being the increases shown under such categories as "exploration, financial, &c." (which includes about £30 millions raised by investment trusts), "motor traction and manufacturing," "hotels, theatres, &c.," "patents and proprietary articles," and, particularly, the miscellaneous manufacturing group.

We proceed next to show the average rates of interest offered on new borrowings in 1928, and the comparable rates in the last full pre-war year and in 1927. In the tables which follow all rates of interest are shown "subject to tax," the rates on "free of tax" securities having been adjusted in order to provide a comparable figure. Profit on redemption is allowed for where necessary :—

BRITISH, COLONIAL, and FOREIGN GOVERNMENT SECURITIES.
(000's omitted.)

	(a) Total for Year 1913.	British Government Loans.		Colonial Government Loans.		Foreign Government Loans.		Total.	
		Year 1927.	Year 1928.	Year 1927.	Year 1928.	Year 1927.	Year 1928.	Year 1927.	Year 1928.
Yielding over—	£	£	£	£	£	£	£	£	£
3½ % to 4 %	4,000	..	..	..	..	..	..	..	..
4 % to 4½ %	21,329	..	..	..	..	..	..	..	..
4½ % to 5 %	7,863	69,104	86,961	8,747	20,188	..	..	..	..
5 % to 5½ %	11,178	..	..	46,950	20,095	..	..	77,851	107,089
5½ % to 6 %	6,675	..	..	..	..	..	..	46,950	20,095
6 % to 6½ %	†1,392	..	..	..	..	..	..	..	..
6½ % to 7 %	..	..	..	..	..	735	4,509	735	4,509
7 % to 7½ %	..	..	..	..	..	920	9,010	920	9,010
7½ % to 8 %	..	..	..	..	..	8,327	980	8,327	980
8 %	..	..	..	..	..	..	1,440	..	1,440
	..	..	..	..	..	1,840	..	1,840	..
Total	a)58,437	69,104	86,961	55,697	40,223	11,822	15,938	136,623	143,193
Average yield		4·77%	4·71%	4·82%	5·08%	5·02%	7·29%	6·76%	5·09%	5·09%

† Includes all borrowing at over 6 %. (a) This total of £52,437,000 includes £26,296,000 by Colonial Governments, at an average yield of 4·15 %, and £26,158,000 by Foreign Governments, at an average yield of 5·31%. The British Government was not in the market.

Our totals of British Government borrowings do not include floating debt operations, the 1928 figure representing the cash subscription of 5 per cent. Treasury bonds at the beginning of the year, *less* £1,200,000 encashments of National Savings Certificates. Foreign Governments, on the average, borrowed on ½ per cent. better terms in 1928 than in 1927, though the drop reflected, in part, a change in the *nature* and standing of the Governments responsible for the larger issues. It will be seen that a "gap" of only 0.2 per cent. separated the average British and the average "Empire" rate of interest, but foreign governments as a whole paid 1.74 per cent. more than Imperial borrowers—a measure, in part, of the benefit accruing to the latter by virtue of their trustee status under the Colonial Stock Act. Turning next to municipal and railway borrowing, the following table shows the average rates paid in the past three years :—

	Amount Borrowed in Years			Average Yield.		
	1926.	1927.	1928.	1926.	1927.	1928.
	£	£	£	%	%	%
British Municipalities	41,833,900	27,114,400	14,871,000	5·02	4·96	4·75
Colonial Municipalities	1,223,000	5,136,700	7,296,100	5·25	5·27	5·25
Foreign Municipalities	6,235,000	5,683,800	4,332,000	6·93	6·68	6·61
British Railways	nil	14,207,500	2,080,900	..	5·27	5·21
Colonial Railways	nil	4,671,800§	nil	..	6·42	..
Foreign Railways	7,072,950†	2,487,500	3,070,000	6·09	5·95	6·34

† Excluding £1,144,250 Trade Facilities issue of African Railway Finance 5 per cent. stock at 99½, which yielded at issue price £5 1s 0d per cent.
§ Excluding £2,170,800 Trade Facilities issue of Gedaref Railway and Development 5 per cent. Debs., at 100½, which yielded at issue price £4 19s 3d.

Municipal borrowings were on a smaller scale, and were carried out at a slightly lower rate than in 1927, comparison of this with the preceding table revealing the close similarity existing between the "credit rating" of Governments and municipalities in the three main groups. Railway issues were of small amount and undistinguished character. Industrial borrowers obtained more advantageous terms, on the average, in 1928 than in any recent year :—

INDUSTRIAL and COMMERCIAL BONDS, DEBENTURES, &c.
(Excluding issues guaranteed by British Government under Trade Facilities Act).

	Year 1913.	Year 1925.	Year 1926.	Year 1927.	Year 1928.
Yielding over—	£	£	£	£	£
3½% to 4%	60,000	nil	nil	nil	nil
4% to 4½%	1,182,000	nil	nil	nil	nil
4½% to 5%	2,582,000	40,400	60,000	167,000	53,500
5% to 5½%	6,852,000	2,607,700	6,922,500	12,077,800	16,265,600
5½% to 6%	5,158,000	8,283,300	3,897,500	8,797,900	3,867,000
6% to 6½%	9,252,000†	3,779,500	3,337,500	4,332,700	8,173,700
6½% to 7%	..	2,465,000	6,529,500	5,189,800	7,795,400
7% to 7½%	..	5,380,000	2,331,500	3,568,100	5,517,200
7½% to 8%	..	1,924,300	2,543,700	1,586,000	1,369,000
8% to 8½%	..	285,000	2,232,000	74,800	nil
8½% to 9%	..	nil	nil	2,214,000	nil
9%	..	226,000	182,500	39,700	122,500
Total	25,086,000	24,991,800	28,036,700	37,987,600	43,162,900
Average yields	5·5%	6·43%	6·48%	6·21%	5·75%

† Includes all capital yielding over 6 per cent.

The downward movement in debenture yields has been continuous for some years past, apart from the period of the coal stoppage in 1926, and has now brought the average figure close to the level of 1913. As in the previous year, the largest amount of borrowing fell into the 5 to 5½ per cent. interest group. Industrial issues under the Trade Facilities Act have now largely petered out, the only emission of this nature last year being the Hungarian Trans-Danubian Electrical issue of 4½ per cent. "A" debenture stock at 97.

In contradistinction to the year's tendency as regards debenture and bond yields, the rate offered on preference stocks showed an appreciable rise, due, in part, to the large number of issues of a more or less speculative type offering high-yielding preference in conjunction with deferred shares of much smaller denomination. Our computations show the following averages over a number of past years :—

PREFERENCE STOCKS and SHARES.

	%		%		%
1913	5·74	1922	7·17	1926	6·7
		1923	6·59	1927	6·67
1920	8·09	1924	6·27	1928	7·37
1921	8·39	1925	6·1		

The above figures do not take account of any participating rights attaching to particular preference shares after payment of a specified ordinary dividend, since there is obviously no means of calculating the amounts these shares may eventually receive.

Our final table gives the average Bank rate, the average three months' bill rate, and the rates paid on all Government borrowings and on industrial debentures in 1913, 1920, and in subsequent years :—

	Average Bank Rate. %	Average 3 Months' Bill Rate. %	Average Rate Paid by all Government Borrowers. %	Average Rate on Issues of Industrial Debentures. %
	£ s d	£ s d		
1913	4 15 5	4 7 5	4·77	5·5
1920	6 16 4	6 7 11	6·05	7·92
1921	6 2 4	5 4 3	6·49	8·09
1922	3 13 10	2 13 0	5·65	6·72
1923	3 9 9	2 14 1	5·34	6·4
1924	4 0 0	3 10 9	5·95	6·61
1925	4 11 0	4 2 0	4·82	6·43
1926	5 0 0	4 10 3	6·01	6·48
1927	4 13 0	4 4 10	5·09	6·21
1928	4 10 0	4 3 0	5·09	5·75

The broad conclusions suggested by this survey may be briefly summarised. The average rate of interest payable in the London capital market has fallen steadily, though not uninterruptedly, from the high level prevailing after the war, and is now little more than in 1913. The rate on British Government stocks, however, has declined much less rapidly than that payable by other borrowers of investment status—a significant feature from many points of view, not least that of the British taxpayer. On the basis of last year's figures, British Government and municipal borrowers were able to borrow on the cheapest terms, Colonial Governments paying an extra ¼ per cent., Colonial municipalities ½ per cent., industrial borrowers ¾ per cent., Foreign Governments and municipalities nearly 2 per cent., and sellers of preference shares 2½ per cent. more than this "datum" level. The preference share appears to be losing popularity with the investor, to whom an increasing yield is being offered year by year. There is no evidence that the "price" at which this type of security can be floated is likely to return to the 1913 level in the near future.

"TIPS" AND THE INVESTOR.—I.

A BY-PRODUCT of the present phase of Stock Exchange activity, accompanied, as it has been, by increased public interest in all matters pertaining to the security markets, has been the daily appearance in many popular Press organs of a column devoted to the "tipping" of particular stocks and shares, for speculation or investment, or both. The significance of this departure lies not in its novelty, for the institution of "tipping" is older than the Stock Exchange itself, but in the widespread extension of its scope as a result of the employment of modern "nation-wide" publicity methods, and the systematic fashion in which its possibilities have been exploited, and its technique perfected by the employment of whole-time experts, responsible for singling out particular stocks and shares, and duly recommending them in the appropriate newspaper columns. We have earlier seen fit to criticise the practice on general grounds, but it would now seem to be necessary to go somewhat farther and ask what, in fact, are the results likely to follow a conscientious adoption of the advice thus gratuitously offered.

Unfortunately, no tables are published of the relative proportions of "winning" and "losing" tips, such as are regularly compiled to measure the prophetic prowess of the "experts" in another part of each day's paper. This omission appears to us particularly regrettable, since the eating is, after all, the pudding's most satisfactory proof. In order to supply the deficiency we have been moved to make our own analysis, the first results of which we now present to our readers. We have endeavoured to make the test as fair as possible by selecting for the purpose the published recommendations of an "adviser" who, by general admission, is rather more conservative in outlook than many of his colleagues, and have ascertained the net gain which would have accrued to a reader who had scrupulously acted on every "tip" given during the last four months—a period of, on the whole, rising values of the Stock Exchange. Incidentally, it may be pointed out that a scrutiny of the actual list of securities reveals many names of recognised investment status, and few of obviously third-rate importance, apart from the unfortunate "tipping" of the shares of a company and its overseas subsidiary at £7 0s 9d and £1 2s 3d, which are now valued respectively at 13s 1½d and 1s 9¾d.

Altogether some 325 securities were "tipped" during the four months over which our analysis extended. Omitting repetitions of previous "tips," and some 52 instances where, for one reason or another, no continuous record could be obtained, our results show that the purchase of £100 nominal of each security at the price mentioned in the paper, i.e., on the day *before* each tip was given would have cost, in all, £80,707, exclusive of charges and commission. A sale 24 hours later, in each case—*i.e.*, before the close of business on the day when the tip appeared—would have realised £81,095 (exclusive of charges)—a profit of 1.2d in the £. In other words, the mere "tipping" of these shares tended to put up their average price—an obvious result, since the dealers inside the "House" were not unaware of the immediate psychological effect of the publicity given to the securities in question. A speculator for the "quick turn" who bought on the day each "tip" appeared, and sold out a week later, would have realised a profit of 0.29 per cent., or, say, rather less than three farthings in the £, exclusive of charges. The investor who purchased every stock and retained his holding would, by the date on which our results were computed (January 21st last), have made a capital profit of 0.78 per cent., or rather more than 1¾d in the £. Actually, the speculative buyer would have obtained a profit of £237 on a "turnover" of £81,095, and the investor a capital increment of £631 on an expenditure of the same amount, exclusive of charges in both cases. The investor's "profit," it should be pointed out, takes no account of any variation in the price of various stocks due to the accruing or payment of dividends during the period in question. In other words, if commission charges and stamp duties were added to the cost, there would have been no profit at all, but a loss.

These results can scarcely be regarded as proving a

case for "tipping" as a permanent institution in the investment market. The value of 5 per cent. War Loan itself has risen by 1.1 per cent. (allowing for accrued interest) during the period covered by our survey.

In fairness to the "adviser," whose recommendations have formed the basis of this analysis, we may admit that our presumption of the purchase of a fixed *nominal* amount of each stock tends to stress the importance of fluctuations in securities of low denomination quoted at a high premium. An examination of the individual items suggests, however, that this feature has, on balance, assisted rather than embarrassed the case of the "selector." We propose to make a second test by assuming the investment of £1,000 cash in each particular stock or share, the results of which will be given in our next issue. Some effort was made by the composer of the original recommendations to differentiate between stocks to be purchased as a short-term speculation, and as a long-term holding, but as no adequate instructions were given as to when and what to sell, we were compelled to fix on arbitrary periods and the exhaustive method of computation. There for the moment we must leave a story which we hope to continue next week.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

Ticket.	Account.
February 5.	February 7.

By contrast with the first week of the current account, the second was subdued, business slowing down in all markets. There was, indeed, no firm, continuing reason for the cheerfulness apparent last week, and as this fact was gradually realised there was a tendency to hesitate, look round, and limit commitments. The further efflux of gold made for doubts and questionings in the gilt-edged market and stimulated interest in the visit of the Governor of the Bank to New York, while the desire to "wait and see" caused gilt-edged prices to slip back. Irregularity developed in two centres of recent activity, Rhodesians and International Nickel letters—the first reflecting the less settled conditions in New York, the second the prospect of technical difficulty in settling in the absence of special arrangements by the Stock Exchange Committee.

The gilt-edged market was affected by unfavourable monetary developments, particularly the week's fresh gold shipment to America, the absence of any resulting improvement in the New York exchange, and the fact that these phenomena occurred precisely at a time when seasonal movements should favour Great Britain. Little selling occurred, but a certain loss of ground was common throughout the list, though investment demand connected with the repayment of maturing Government obligations on Friday subsequently gave a firmer tone to the market. Four Per Cent. Consolidated Loan showed signs of weakness at one time, and Five Per Cent. War Loan was dull, but both showed a fair recovery in mid-week. India Loans were generally steady, but selling took place of the new Four and a-Half Per Cent. scrip. Dominion stocks showed few features, but the new Commonwealth Fives maintained their position around par. The result of the New Zealand conversion offer was announced, some £11,750,000 Four Per Cent. Consolidated stock being converted into Four Per Cent. stock out of a possible total of £12,510,000.

Foreign stocks became quiet after attracting slightly increased business early in the week. Brazilian bonds were again inquired for, and Chinese issues improved. Among European stocks, Czechoslovakia 8 per Cents. were firm, and German 7 per Cents. further hardened. The market for Peruvian Corporation issues, however, continued in an unsettled state.

The approaching dividend announcements failed to stimulate public interest in Home Railway stocks, and a sagging tendency was accentuated by the disappointing character of the week's traffic figures. Both Great Westerns and Midland and Scottish showed weakness, but Southern stocks held their ground, despite the paucity of business. Some realisation of Underground Electric issues was in progress. Irregular conditions, with little business, obtained in the Foreign Railway market. Somewhat disappointing traffic returns had no appreciable effect on the firmness of the leading Argentine lines, but Leopoldina was further sold, and Canadian Pacifics were a dull market on the reaction in New York.

Industrial shares reflected a tendency towards reduced commitments, except in a few special cases, such as General Electric, where further American buying was in evidence, and Radio Corporation, on the announcement of increased profits. A legion of unfavourable rumours helped to reduce Celanese issues to the lowest level for many months, though Courtaulds remained outside the affected area. Other textile shares were consistently dull, the market generally putting a conservative valuation on the results which may be expected from the formation of the Lancashire Cotton Corporation. Nickel issues were erratic, in view of technical difficulties in connection with the Mond-International Exchange. The dividend announcement of the Margarine Union (discussed in a later "Note" this week) was on more conservative lines than had been anticipated, and sharply checked the upward swing in the value of the shares. America gave a qualified support to Columbias, but the gramophone market generally was duller than for some time past. Brewery shares had a reactionary tone, iron and steel shares were irregular, and comparatively slight interest was taken in shipping issues. Imperial Tobacco encountered profit-taking. Newspapers became less active after early firmness. No definite trend was discernible in insurance shares, but banks were a feature of strength on the cautious optimism of the chairmen at the week's meetings.

The Rubber share market again failed to produce any sensational development. The commodity was weaker, on the lead of New York, and a number of share values were marked lower, though business was scarcely sufficient to test the majority of quotations. The recent strength of tea shares had spent its force, a limited number of dealings this week revealing a slight but appreciable downward tendency in prices. Apart from a favourable movement in V.O.C. holdings on the dividend announcement, and some Canadian buying of Mexican and Canadian Eagles, little outside interest found its way to the oil market, where the continued increase in the American crude output remained the dominating factor.

A firm opening in Rhodesian copper shares was speedily followed by profit-taking, lessened American interest, and general unsettlement. The terms of the American Smelting Company's participation in N'changa (dealt with in a subsequent "Investment Note") induced considerable selling by disappointed operators. The Kaffir market relapsed into idleness. Tin shares reflected the further decline in commodity prices, Tin Selection deriving little support from the chairman's sentiments at the annual meeting. Copper descriptions, on the contrary, were helped by the renewed strength of the commodity. Continental interest in Rio Tinto showed signs of a pending revival.

LONDON ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Closing Price Jan. 24, 1929.	Closing Price Jan. 31, 1929.	Rise or Fall.
Conv. Loan 3½%	80½	79⅞	— ⅛
Do 4½% 1944	99⅛	98⅝	— ⅛
War Loan 5% 1929-47	102⅛	102⅛	— ⅛
Consols 2½%	56½	56⅛	.. ..
Do 4%	87⅛	87⅛	— ⅛
Funding 4%	91⅞	91⅛	— ⅛
Victory Bonds 4%	95⅛	95⅛	.. ..
Local Loans 3%	65⅛	65⅛	— ⅛
Treasury 5% (B)	101⅛	101⅛	.. ..
Palestine 5% 1948-67	105	105	.. ..
S. Africa 5% 1945-75	104	104	.. ..
India 3½%	71½	71½	.. ..
Do 4½% 1958-68	92⅛	92	.. — ⅛
Australia 5% 1945-75	98	98	.. ..
N.S.Wales 5% 1935-55	98	99	.. + 1
N. Zealand 5% 1946	103	103	.. ..

Foreign Government Securities.

Japanese 6% (1924)	96	96⅛	.. + ⅛
Argentine 4% Recins.	85⅛	86	.. + ⅛
Austrian 6% 1923-43	103⅛	103	.. — ⅛
Belgian 7%	109	109	.. ..
Brazil 5% Funding	89⅛	89	.. — ⅛
Bulgaria 7%	89	89	.. ..
China 5% (1912)	50	51	.. + 1
Egypt Unified 4%	85	85	.. ..
Estonia 7% 1927	94⅛	94	.. — ⅛
Finland 6% 1923	99	99	.. ..
French 5%	19⅜	19⅞	.. + ⅛
Do 4% (Brit.)	17	17⅛	.. + ⅛
German 7%	106	106⅛	.. + ⅛
Greek 7% Refugee	101⅛	101⅛	.. ..
Hungary 7½%	104	104	.. ..
Chili 6%	100	101	.. + 1
Poland 7%	91⅛	92	.. + ⅛
Mexican 5% (1899)	35⅛	35⅛	.. ..
S. Paulo Coffee 7½%	103	103	.. ..
Siamese 6% (1924)	106	105	.. ..

Corporation Stocks.

L.C.C. 3%	66	66	.. ..
E. London 5% 1960-70	98	98	.. ..
Sydney 5½% 1954	99	98	.. — 1
Berlin 6% Stor.	96	96	.. ..

British and Foreign Railways.

G. Western Ord. Stk.	86	85	.. — 1
L.N.E., Def. Stk.	12	11½	.. — ½
Do 5% Pref. Stk.	26½	24½	.. — 2
L.M.S. Ord. Stk.	55⅜	55	.. — ⅜
Metropol'anCons.Stk.	67	66	.. — 1
Met. DistrictOrd.Stk.	80⅛	80⅛	.. ..
Southern, Def. Stk.	33	32⅛	.. — ⅛
Do Pref. Ord. Stk.	77	77	.. ..
Underground Ord. £1	13⅜	13	.. — ⅜
Do Income Bonds	131	129	.. — 2
Midland £1, fully paid	4⅛x	4⅜	.. ..
Nat. Prov. £20, £4 pd.	14½	14½	.. ..
Hongk. and S. ($125)	147⅜	146⅜	.. — 2
St. of S.A £20, £5 pd.	15⅞	16	.. + ⅛
W'minster £20, £5 pd.	20⅛	20⅛	.. + ⅛

Banks.

Barclay B. (£1)	3	2⅞	.. — ⅛
Barcl.(Dom.&c.) A £1	1⅞	1⅞	.. — ⅛
Lloyds £5, with £1 pd.	3⅝	3⅝	.. + ⅛
Mid. £12, with £2½ pd.	9⅝	9⅝x	.. ..
Do £2½, fully paid	10⅜	10x	.. ..

Insurance.

Alliance £1, fully paid	21	21½	.. + ½
Com.Un. £2½, fully pd.	29	29	.. ..
Ldn.&Lanc. £5, £1 pd.	32⅜	32	.. — ⅜
N.Bd.&Mero. £5, £1¼ pd	38⅜	38⅜	.. ..
Royal Ex. £1, fully pd.	7	7	.. ..
Roy.In. £1, with 10/pd.	9⅛	9	.. — ⅛

Coal, Iron and Steel.

Amal. Anthracite (£1)	15⅜	15⅜	.. ..
Babcock, Wilcox (£1)	3⅛	3⅜	.. + ⅛
Baldwin (1/)	1⅛	1⅛	.. ..
Bolckow Vaugh'n (£1)	⅞	⅞	.. ..
Cory, William (£1)	3⅜	3⅜	.. ..
Dorman, Long (£1)	1⅜	1⅜	.. — ⅛
Guest, Keen (£1)	2⅛	2⅛	.. + ⅛
L.&N.Coal Distribution	13⅜	13⅜	.. — ⅛
Stewarts& Lloyds (£1)	17⅛	17⅛	.. ..
Swan, Hunter (£1)	1⅛	1⅛	.. ..
Thornycroft, John (£1)	4⅛	4⅛	.. ..
Vickers (6/8)	8⅛	8	.. — ⅛

Textiles.

Bradford Dyers (£1)	2⅛	2⅜	.. — ⅛
Brit.Celanese, Ord (10/)	1⅜	1⅜	.. — ⅛
Coats, J. and P. (£1)	3⅜	3⅜	.. ..
Courtaulds (£1)	5⅜	5⅜	.. — ⅛
Eng. Sewg. Cotton (£1)	2⅝x	2⅝x	.. ..
Fine Cott. Spinn. (£1)	2⅛	2⅛	.. ..
Listers (£1)	1⅜	1⅜	.. — ⅛
Snia Viscosa (200 lire)	1⅛	1⅛	.. — ⅛

Electrical Manufacturing.

British Insulated (£1)	4⅜	4⅛	.. — ⅛
Ever Ready (G.B.) (5/)	1⅞	1⅞	.. ..
General Electric (£1)	2⅜	3⅛	.. + ⅛
Johnson&Phillips (£1)	11⅜	11⅜	.. ..
Metro-Vickers (£1)	1⅜	1⅜	.. ..
Siemens (£1)	1⅛	1⅛	.. ..

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅛	1⅛	.. — ⅛
Brnemth. & Poole (£1)	3⅜	3⅜	.. ..
County of London (£1)	2⅛	2⅜	.. + ⅛
Hydro-Elec. com. stk.	40⅜	39⅛	.. — ⅞
Newcastle-on-Ty. (£1)	1⅜	1⅜	.. ..
Scottish Power (£1)	1⅜	1⅜	.. + ⅛

Telegraphs and Cables.

Eastern Stk.	267⅜x	272⅜	.. + 5
Eastern Exten. (£10)	26⅛x	27⅛	.. + ⅜
Marconi (10/)	3⅞	3⅛	.. + ⅛
Marconi Marine (£1)	3⅜	3⅜	.. — ⅛

Motors.

Dennis (1s)	3⅛	3⅛	.. — ⅛
Ford Motors (£1)	3⅜	3⅜	.. ..
Leyland (£1)	1⅜	1⅜	.. ..
Morris 7½% Cm.Pf. (£1)	1	1⅛	.. + ⅛
Singer (£1)	1⅞	1⅞	.. ..
Weymann Mot. Bodies	1⅜	1⅛	.. — ⅛

Shipping.

Cunard (£1)	1⅛	1⅝	.. — ⅛
Furness Withy (£1)	2⅜	2⅜	.. ..
P. & O. Defd. (£1)	3⅛	3⅛	.. — ⅛
Royal Mail Ord. Stock	7⅛	7⅜	.. + ⅛

Tea and Rubber.

Anglo-Dutch (£1)	1⅞	1⅞	.. ..
Cons.Tea & Lnds (£10)	37½	37½	.. — ½
London Asiatic (2/)	⅛	⅛	.. ..
Rubber Trust (£1)	2	2	.. ..

Oil.

Anglo-Persian (£1)	4⅜	4⅜	.. — ⅛
Attock (£1)	2⅛	2⅛	.. + ⅛
Burmah Oil (£1)	4⅜	4⅜	.. — ⅛
Mexican Eagle (£1/0/6)	3	3	.. ..
Royal Dutch (£5)	32⅛	31⅞	.. — ⅛
Shell (£1)	4⅜	4⅛	.. — ⅛

Miscellaneous.

Assoc. P. Cement (£1)	1⅞	1⅞	.. + ⅛
Braz. Traction, no par	80⅛x	79⅛x	.. — 1
Brit.-Am.Tobacco (£1)	6⅝x	6⅝x	.. + ⅛
Carreras, "A" Ord. (£1)	15⅞	14⅞	.. — 1
Columbia Graph. (10/)	15⅞	15⅝	.. — ⅛
Crittall (£1)	2⅜	2⅜	.. — ⅛
Dunlop (6/8)	1⅜	1⅜	.. — ⅛
Forestal Land (£1)	1⅜	1⅜	.. — ⅛
Gas Light & Coke (£1)	1⅜	1⅜	.. + ⅛
Gramophone Co. (£1)	15⅜	14⅝	.. — ¾
Harrods (£1)	3⅜	3⅜	.. — ⅛
Hudson's Bay (£1)	6⅜	6¼	.. — ⅛
Imp. Airways (£1.15/p)	1⅛	1⅛	.. ..
Imp. Chem., Ord. (£1)	2⅛	2⅜	.. + ⅛
Imperial Tobacco (£1)	6⅛	6⅞	.. — ⅛
Inter. Nic. of Canada	70⅜	65⅞	.. — 4½
Kreuger & Toll (kr.00)	38⅜	39½	.. + ⅛
Lyons (J.) (£1)	5⅜	5⅜	.. ..
Margarine Unie (fl.12)	3⅜	3⅜	.. + ⅛
Photomaton, Parent.	3⅜	3⅜	.. ..
Swed. Match, B (kr100)	23⅛	23⅛	.. — ⅛
Tate and Ly e (£1)	2⅜	2⅜	.. — ⅛
Tilling, Thomas (£1)	5⅛	5⅛	.. — ⅛
Turner & Newall (£1)	5⅜	5⅞	.. — ⅛
United Molasses (£1)	8⅞	9⅛	.. — ⅛
Victor Talking, no par	155	153½	.. — 1½
Vocalion (10/)	3⅛	3⅛	.. ..
Watney Combe Dl. (£1)	3⅛	3⅛	.. + ⅛

Mines.

Anglo-Amer.ofS.A (£1)	2⅜	2⅞	.. — ⅛
De Beers Def. (£2½)	12⅜	12⅜	.. — ⅛
Brakpan (£1)	4⅛	4⅜	.. + ⅛
"Chartered" 15/ f.p.	2⅛	2⅞	.. — ⅛
Burma Corp. (Rs. 10)	1⅜	1⅜	.. ..
BwanaM'Kubwa, 5/fp	1⅛	1⅛	.. — ⅛
Central Provinces (£1)	4⅛	5	.. + ⅛
Geduld (£1)	3⅛	3⅛	.. + ⅛
Johan. Cons. (£1)	2⅛	2⅞	.. — ⅛
Lake View & Star (4/)	1⅛	1⅛	.. — ⅛
London Tin (£1)	3⅛	3⅛	.. ..
Rio Tinto (£5)	63⅛	63⅝	.. + ⅛
Roan Antelope Cpr. (5/)	2⅛	2⅛	.. ..
Sub-Nigel (10/)	2⅛	2⅛	.. — ⅛
Tanganyika (£1)	3⅜	3⅜	.. ..
UnionCorp. (12/6) fu.pd	4⅛	4⅛	.. — ⅛

Current prices:—

	Jan. 24, 1929.	Jan. 31, 1929.	Rise or Fall.
4½% Lib. Ln. '33-8	100⅛	100⅛	.. + ⅛
3½% Trs. Bs. '4c-56	102⅜	102⅜	.. — ⅛
Ach., Top. San. Fé	203	205	.. + 4½
N. York Central	192⅜	199½	.. + 6⅛
Union Pacific	220	223½	.. + 3½
Pennsylvania	78⅜	79¼	.. + 1
South. Railway	154	155	.. + 1
U.S. Steel	183½	183	.. — ½
General Motors	..	*83⅜	.. ..
Amer. Tel. & Tel.	204	219	.. + 15
General Electric	238	257	.. + 19
Victor Talking	148⅞	150½	.. + 1⅝
Std. Oil of N.J.	51⅛	50	.. — 1⅛
Anaconda	124½	125½	.. + 1

* New.

PARIS.

The market favourably received the decision of the Caisse d'Amortissement to issue a 4½ per cent. funding and conversion loan at a price which will probably lower the long-term price of money. Rentes, led by the 3 per cent. Perpetual, made an important advance. The strength of the link between public and private security values was once more proved, and almost all French stocks felt the benefit of the rise. Among the most favoured were Crédit Foncier de France, Suez, Chemins de Fer du Nord, and Forges et Aciéries du Nord et de l'Est. On the cash market heavy demands were with difficulty met; cement and electricity shares were particularly sought after.

Current prices:—

	Jan. 24, 1929.	Jan. 31, 1929.	Rise or Fall.
3% Perp. Rentes	70·20	73·55	.. + 3·35
5% Rentes, '15-16	98·55	98·90	.. + 0·35
5% Rentes, 1920	116·0	118·80	.. + 2·30
Banq. de France	27,100	27,000	.. — 100
Banq. de Paris	5,260	5,370	.. + 110
Crédit Lyonnais	4,255	4,610	.. + 355
Nord	2,395	2,580	.. + 185
Com.Gen d'Elec.	4,335	4,640	.. + 305
Littoral Médit.	1,375	1,510	.. + 135
Mines de Lens	1,117	1,185	.. + 68
Courrières	1,580	1,592	.. + 12
Pechiney	*4,350	4,405	.. + 55
Kuhlmann	1,381	1,410	.. + 29
Com.Gen.Trans.	1,474	1,500	.. + 26
Suez Canal	34,650	35,725	.. + 1,075
Assur. Gen. Vie	18,585	16,120*	.. ..
Denain et Anzin	3,650	3,720	.. + 70
Dollfus Mieg	14,850	14,800	.. — 50

* Ex rights.

BERLIN.

After a firm close to the previous week under the influence of Wall street reports, a satisfactory Reichsbank return, and an improvement in December foreign trade returns, the new week began on the 28th with a dull and falling market. Siemens und Halske and Schuckert were sold, but interest for steel securities continued, and there seemed to be systematic changing from the first group into the second. The suicide of a Berlin banker brought about a general collapse on Tuesday. Many high-priced stocks lost 10 points or more. On Wednesday a moderate recovery was seen, which continued in the early part of Thursday, but that day the market ended decidedly weak.

Current prices:—

	Jan. 24, 1929.	Jan. 31, 1929.	Rise or Fall.
Reichsbank	312·00	311·25	.. — 0·75
Deutsche Bank	169·00	169·00	.. ..
Disconto Bank	164·50	164·25	.. — 0·25
Hamburg-Amer.	134·25	128·12	.. — 3·13
Norddeut.-Lloyd	127·50	126·00	.. — 1·50
I.G. Farbeninds.	258·00	252·75	.. — 5·25
Verein. Glanzstff.	486·00	451·00	.. —35·00
Bemberg	436·00	419·50	.. —16·50
Verein. Stahlke.	97·88	97·50	.. — 0·38
Mannes Rohrke	126·75	126·50	.. — 0·25
Allgemne. Elekt.	177·50	176·00	.. — 1·50
Siemns. & Halske	393·50	377·00	.. —16·50
Daimler Bens	89·50	89·00	.. — 0·50
Cont. Caoutchouc	136·00	133·00	.. — 3·00
Salsdetfurt. Kali	508·00	497.00	.. — 11·00

AMSTERDAM.

Business in most sections continued restricted, with the exception of Industrials. Transactions in Margarine Unie were very active, the shares advancing sharply to 406 on favourable reports. Artificial silk shares showed fair animation and a firm tendency, but Philips slightly reacted. Tobaccos and sugars were firm, the latter without much interest. Rubbers were neglected and easier. Shipping lost a few points, and oils weakened, the market being extremely quiet. The money market remained unchanged.

Current prices:—

	Jan. 24, 1929.	Jan. 31, 1929.	Rise or Fall.
5% Bds. Neth. '18	101⅞	101⅛	.. — ¾
4½% Ams. 1913-14	100	99⅝	.. — ⅜
Margarine Unie	383⅛	391½	.. + 8⅜
Neth. Art. Silk	406½	410	.. + 3½
PhilipsElecLmp	919	910½	.. — 8½
Singkep Tin	344	350	.. + 6
Royal Dutch	389½	381	.. — 8½
Amst. Rubber	278⅜	273½	.. — 4⅞
Serbadjadi Sm R.	235	229	.. — 6
Holl. Amer. Line	80½	80	.. — ½
Navig. Co., Ned.	207	204½	.. — 2½
Vorstenlanden	160	159½	.. — ½
Trading Co., Ams.	677½	678½	.. + 1
Bescoki	560	548	.. — 12
Deli	472	467½	.. — 4½
Neth. Trad. Soc.	181½	180	.. — 1½

VIENNA.

Business was chiefly concentrated on individual Hungarian coal-mining shares. Improvement in the coal industry caused a demand for Czechoslovakian shares also. A further fall occurred in Danube Steamship shares, which have sunk almost 50 per cent. since last year. There was some turnover in pre-war Rentes, resulting in considerable fluctuations. In spite of the continued ease in the money market, the National Bank does not contemplate an alteration in the Bank rate.

INVESTMENT NOTES.

Lessons of the Ner-Sag Debacle.—The issue of a warrant against Mr C. A. Brandreth, the former chairman of Ner-Sag, carries the company's chequered story a stage nearer its *dénouement*. At this point it is clearly impossible to offer a final judgment either on the events leading up to the present crisis or on the scope for the company's ultimate success under its new auspices. Many relevant matters in this connection may, indeed, be regarded as to some extent *sub judice* at the moment. The incident, however, has certain broader aspects, of interest to investors generally, which may profitably be commented on. Every period of marked Stock Exchange activity is accompanied by meteoric rises of certain stocks, with a series of more or less catastrophic declines when the speculative "urge," for one reason or another, has passed away. The consequences are invariably regrettable; but it is difficult to see how even the most perfect body of law could possibly protect the markets against such incidents, the basis of which is largely psychological. To discover how or why a particular stock happens to "catch the public fancy" is as difficult as to say why one theatrical play runs for a year while a second, equally meritorious by accepted literary canons, is taken off after a fortnight. In the case of a company proved earning power is clearly not an essential, as is evident from a glance at the list of new concerns, which have never issued a balance-sheet, whose shares command high premiums on the Stock Exchange to-day. The report presented by Ner-Sag in October, 1927, after permission to deal in the ordinary shares had first been obtained, was a modest document, showing a net profit of £16,016 for the twelve months ended the previous September, on an issued capital of £50,000. In April, 1928, a 10 per cent. interim dividend was paid (actually, it would appear, out of capital), but it is nevertheless true to say that those who subsequently bought Ner-Sag £1 shares at prices up to 9 7/16, or the 5s shares of Ner-Sag (Overseas) up to 30s 9d, based their judgment largely on elusive reports of "great expectations" rather than on evidence of solid achievement. They should therefore have been aware of the risk they were taking, though they had, of course, no reason to suppose that the company's management was not being conducted on normal lines. Against such uncalculating public optimism, as we have said, no company law can avail. Whether those connected with the company took steps to fan the growing flame, by countenancing various reports or by personal dealings in the company's shares, is another matter, on which it would be well to await further details. In a general way, however, much may be said by way of criticism of the wisdom, to say the least, of issue arrangements which give to those closely connected with a company's formation and management an interest as individuals—apart from that of the company they represent—in seeing the latter's shares go as high as possible on the Stock Exchange. That such a state of affairs has been implicit in a number of recent flotations will scarcely be denied, and its implications deserve very careful consideration. The Ner-Sag incident finally illustrates the soundness of the principle that while the law is largely powerless to check excessive speculation or directorial misfeasance *in the short run*, it certainly tends to limit the period during which such abuses can obtain. The necessity of publishing a balance-sheet and report last December under the terms of the Companies Acts was the beginning of the train of events which led directly to the exposure of the methods of those in control of the company, who might otherwise have been flourishing at this moment. Various matters in connection with this balance-sheet still call for elucidation—such as, for instance, the manner in which the company's auditors, a firm of qualified accountants, came to append a "clean" certificate to a document which is now alleged to be "unreliable" and based on "fictitious entries" in the books—but it would seem, nevertheless, that in the whole matter the law played the indispensable part of *Nemesis pede claudo*. The question of discovering some method of "speeding up" its inevitability would seem, however, to be urgent, if the scope for similar "incidents" is in future to be limited. It would, of course, be a considerable step forward if companies followed the practice of publishing quarterly accounts, which has been adopted by reputable American companies whose shares are quoted on the New York Stock Exchange. Perhaps the Stock Exchange Committee will bear this point in mind.

Metropolitan Railway Dividend.—The final dividend of 2¼ per cent. in respect of 1928, declared on Thursday last, with the interim of 1¼ per cent. paid last August, brings the total for the year to 3½ per cent., as compared with 3 per cent. in 1926 and 1927 and 5 per cent. in 1924 and 1925, when earnings were swollen by receipts in connection with the British Empire Exhibition. This favourable showing was not entirely unexpected, and it cannot, unfortunately, be regarded as typical of the results to be expected of the larger "group" companies which will make their announcements in a fortnight's time. The Metropolitan is particularly fortunate at the present time in that goods traffic accounts for a comparatively small proportion of its total receipts. Of a total gross revenue of £1,864 millions last year, 89½ per cent. was derived from the passenger and only 10½ per cent. from the goods side of the company's operations. Receipts under the former head showed an increase, as compared with those of 1927, of £65,000, while under the latter a decrease of £7,000 was registered. The company continues to reap the benefit both of the rapid suburban development of the area north-west of London and of its own extended electrification programme. A further reflection of this progress has been the steady increase in the dividends paid on the company's surplus lands stock, which rose by an unbroken ⅛ per cent. every year from 1920 to 1926. A final payment is being made of 2¼ in respect of 1928, making 3⅜ for the year, as compared with 3⅛ per cent. in 1927. At 66 the consolidated ordinary stock yields £5 9s 4d per cent., and the surplus lands stock, at 80, £4 16s 2d per cent.

Netherlands Shipping Union.—This important Continental company has an issued capital of 70 million guilders, against which it holds 26,874,000 guilders nominal in shares of the Navigation Company, "Nederland"; 22,874 guilders of the Rotterdam Lloyd, and 21,874 guilders of the Royal Packet Company. During the last three years profits have been made of 4.8, 5.7, and 6.3 million guilders respectively, and dividends paid of 10.5 per cent., 11.4 per cent., 12.6 per cent. At the present time there are 222 ships on the East Indies service, with a total dead weight tonnage of 874,011 metric tons, and another 23 ships building of 181,720 metric tons. Apart from visible reserves, the book value of the fleets of the three companies appears to be low, while the valuation of the shares of the amalgamated companies at par in the balance-sheet of the holding concerns represents a further substantial reserve, the shares of the "Nederland," "Rotterdam Lloyd," "Royal Packet Company" being at present quoted at about 210, 192, and 248 respectively. The total bonded indebtedness on December 31st last was 3,231,000 guilders in the case of "Nederland," and 2,283,000 guilders in that of the Royal Packet Company. The shares of the Netherlansd Shipping Union fluctuated last year between 219½ highest and 188½ lowest, the present price being 217 per cent.

Scottish American Investment Company.—The fifty-sixth annual report of this trust company shows that it continues to be one of the most successful among the older generation in that line of activity. It would appear that considerable selling of securities and reinvestment were undertaken during 1928, for the net surplus on securities realised during the year amounted to £650,000, which

is credited as usual to the capital reserve fund, more than doubling the latter. Last May the issued capital of the company was increased by offering 50,000 blocks of six £1 preference shares and one "A" £1 ordinary share to holders of the existing "A" ordinary shares, at £7 per block. On the increased capital the ordinary dividend is maintained at 20 per cent., in spite of special expenses being incurred during the year in connection with the capital issue :—

YEARS ENDED DECEMBER 31.

	1926.	1927.	1928.
	£	£	£
Balance of revenue	210,711	221,846	234,824
Preference dividend, less tax	44,800	44,800	50,809
Number of times covered	4·7	4·9	4·6
10 % "B" ordinary dividend, less tax	56,000	56,000	56,000
Number of times covered	2·9	3·1	5·2
"A" Ordinary Earned, less tax	27·4%	27·5%	25·6%
"A" Ordinary Paid, less tax	20%	20%	20%
"A" Ordinary Amount	80,000	88,000	100,000
To reserve fund	25,000	25,000	25,000
Increase in carry forward	+ 4,911	+ 8,046	+ 3,015

In the balance-sheet, a summary of which appears elsewhere, investments, less capital reserve fund (£1,200,000), are put at £5,276,817, but the directors state that the market value of the investments exceeded £7,000,000. Presumably the capital issue transactions explain why a new item, balances due by bankers and brokers (£111,460), appears on the assets side, in conjunction with increases in debentures and deposits from £315,397 to £417,431 and in balances due to bankers from £7,264 to £32,000. During the coming year the effect of the 1928 alterations will make itself felt. At their present price of £7 the £1 "A" ordinary shares yield £2 17s 2d, less tax.

The Nickel Position.—A correspondent writes :—Two years ago Mond Nickel stood at 45s and International Nickel at $60, giving the two concerns a total market capitalisation of £30,000,000. At the present price of $66 for the no par common shares of the International Nickel of Canada, the amalgamated companies have a market capitalisation of over £180,000,000. The magnitude of this figure for one mining company is thrown into prominence by the fact that the market capitalisation of the important Rand gold producers, working on a reef the outcrop of which is 55 miles long, amounts in the aggregate to £100,000,000. The justification for such an immense capitalisation lies in the recent discoveries on the Frood and Frood Extension, which have now been brought under one management by the recent fusion between the International and Mond Nickel. Lord Melchett recently said : "So far as I know, in the history of mining there has never been a mine which has shown such high values over such a large body of ore," and even from the figures available this statement seems to be borne out. The Frood ore may be pictured as an irregular and *non*-continuous body, inclined at an angle of 60 deg. to the surface of the ground, the uppermost edge outcropping on the surface. According to present data, the body is one mile or more long, averages 100 feet in width, and in parts has been developed down to 3,000 feet. That a large body of ore existed has been known for some years, but its importance was not fully realised owing to the fact that down to about 2,000 feet deep values were quite moderate. In fact, it is the values encountered between, roughly, the 2,000 and 3,000 feet levels that have revolutionised the position. Below 3,000 feet exploration work is now proceeding, and though rich ore is being encountered there is, of course, the possibility that it may not go much deeper. Copper, nickel, platinum, palladium, iridium, silver and some gold are present, and the combined values of these metals, based on current prices, average no less than £7 per ton over large quantities of ore, and in smaller patches even exceed £10. Copper nickel ores running from 6 per cent. to 23 per cent. are encountered with precious metal content reaching £5 per ton. No official estimate of any kind has yet been made, but some mining authorities go so far as to suggest that the total volume of Frood ore disclosed is in excess of 150,000,000 tons, containing metals to the gross value, at present prices, of at least £300,000,000. This immense deposit is not the only block of ore owned by the company, as the entirely separate Creighton, Levack and Garson mines, which have been the revenue-earners so far, have reserves of over 25,000,000 tons. There are other mines and ore-bearing ground of great potentialities not yet opened up. In fact, the future profits of the International Nickel of Canada seem to depend mainly on the world's ability to absorb nickel and the precious platinum metals rather than upon the rate at which the ore is treated. In copper, silver and gold the marketing question hardly arises, and it may be a question of policy for the future whether it is advisable to mine ahead of requirements in the other metals. For this reason if for no other any attempt to forecast earnings for several years ahead will probably be very wide of the actual accomplishment.

Second to none for perfect reproduction and choice of programmes.

ÆONIC

PORTABLE RADIO

Suitcase Model, 5 valves, £16.16 complete. Ask your Wireless Dealer for a demonstration.

ÆONIC RADIO LTD., 90, REGENT STREET, W.1.

Margarine Union.—At the extraordinary meeting held to sanction the proposed increase of capital from £3,100,000, of which £2,100,000 has been issued, to £4,100,000, the chairman of Margarine Union took the opportunity to make a preliminary statement on the results of the first year's working. It will be remembered that when the combine was formed in November, 1927, two companies were created, one British and one Dutch, in order to overcome the difficulty of double taxation. Margarine Union and Margarine Unie, between which an agreement exists providing for the equalisation of dividends, together made a profit of £1,680,000 for the year 1928. This means that, after deducting preference dividend, nearly 17 per cent. was earned on the former's ordinary shares. A 4 per cent. interim dividend has already been paid, and it had been thought that 14 per cent. for the year was not unlikely, but Lord Bessborough made it clear that not more than 10 per cent. in all would be paid, £483,000 of the remainder being used for writing off preliminary expenses. Apart from the profit and dividend pronouncement, and the stress that the chairman laid on the real identity of the two companies, the most interesting point that emerged from his speech was the news that agreements had been entered into with two more leading European margarine manufacturers, Schicht and Hartogs Fabriken. The dividend announcement caused a reaction in Margarine Union shares, which at their present price of 75s, offer a yield of £2 13s 4d.

Lautaro Nitrate Extension.—An extraordinary general meeting of the shareholders is to be held on March 28th next to approve the issue of a further 288,000 £5 shares in connection with the acquisition of a further 102 estacas of nitrate grounds each of one million square metres, which have been estimated to contain about 100,000,000 quintals of exportable nitrate of soda. In reaching this decision the local board in Valparaiso appear to have been desirous of seizing a favourable opportunity for a cheap purchase, the price to be paid being 4⅛d per metric quintal, against 8d obtained at the last sale of nitrate grounds by auction by the Chilean Government. A more fundamental object, however, is the reduction of the company's average cost of production, as a result of various economies—particularly

the favourable position of the new grounds as regards probable costs of extraction and manufacture, the employment of material at present lying idle in non-producing oficinas, and the erection of new plant with the latest improvements in mechanical devices, the materials of which are to be imported into Chile free of duty. The new shares are to be held in three blocks of 96,000 each, which will participate in dividends as and when each of the three oficinas to be built on the new grounds, with a minimum capacity of 120,000 tons each, comes into production, though the second and third blocks will in any case rank for dividends after November, 1932, and November, 1933, respectively. Recent steps which have been taken on the production and marketing side by the Chilean nitrate industry have improved the immediate outlook, and it may be taken that the Lautaro Company would not have taken this step, even under the eminently favourable terms indicated, had not the outlook for a profitable disposal of an increasing production been more promising than it was two or three years ago.

Tin Selection Trust.—At the general meeting of the Tin Selection Trust, Sir William Henry reviewed the general tin situation at great length, and drew some remarkable conclusions. In 1927 and 1928, he said, there had come into production the very large quantity of new plant and equipment which had been created as a result of a five-year period of constantly rising tin prices. Sir William gave the increase in world output in 1927 as 10,000 tons over that of 1926, and for 1928 as 20,000 tons over that of 1927. Consumption had expanded remarkably, but did it expand as fast as production? The visible supply returns published by the London Metal Exchange, which comprised warehouse stocks in Great Britain and the United States and metal afloat, showed an increase at 24,563 tons of 8,840 tons. Sir William refused to believe that this was the real increase in stocks in 1928. The visible supply returns are, of course, incomplete because they do not include the stocks of tin held in the Straits or by consumers. It is a fact, as Sir William Henry pointed out, that in a constantly falling market, consumers subsist as far as possible from hand to mouth. Lord Askwith, at the London Tin Syndicate meeting recently, suggested that the invisible stocks of tin in the hands of consumers had decreased in 1928 by as much as visible supply stocks had gone up. This is the vital question. Sir William went so far as to suggest that because the persistent flow of tin into London and Liverpool warehouses in the last quarter of 1928 had caused the visible stocks in this country to become swollen out of all proportion to the world stock situation, there had been a manipulation backwards and forwards between "visible" and "invisible" supply for the purpose of influencing tin prices. It is significant that last year the price of tin fell from £253 a ton in January to £213 a ton by mid-summer, and ended the year at no more than £228 a ton. With regard to the future Sir William Henry estimated a maximum increase of 10 per cent. in production for 1929, making a total world output of 166,000 tons. As regards consumption, Sir William felt it unwise to count upon a further expansion in British requirements which had increased so substantially last year, but he estimated that the United States would consume a very much larger quantity this year, probably as much as 12,000 tons, while other countries should require about 5,000 tons more. This brought his estimate of the increase in demand to 15,000 tons, making the total world consumption for 1929 168,000 tons. In other words, Sir William expects the demand in 1929 to exceed supply by a small margin. Time will show whether Sir William's optimistic views of the tin market are correct, but we entirely agree with him that too much importance is given to the visible supply returns, which do not indicate the true balance between demand and supply.

N'Changa Copper Mines.—The shareholders of this Rhodesian enterprise were informed on Tuesday that the American Smelting and Refining Company had acquired an important financial stake in the company. This should not have surprised them, for American interests have played an outstanding part in the Rhodesian copper boom. The American Metal Company acquired last year a large interest in Roan Antelope, while Mr Chester Beatty and a New York mining house are big shareholders in the Rhodesian Anglo-American Corporation, which now controls Bwana M'Kubwa. But some of the shareholders of N'Changa seem to be surprised at the terms on which the American Smelting and Refining Company has been allowed to participate in the company. The capital of N'Changa is to be increased to £3,000,000 by the creation of 2,400,000 shares of £1, of which 900,000 new shares are to be allocated as follows: to the shareholders, 75,000 shares, being one new share for every eight shares held at 35s; to be under option to shareholders, 225,000 shares at 35s for six months; to be allotted firm to the American Smelting and Refining Company, 118,750 shares at 35s; to be under option to that company, 356,250 shares at 35s for six months; and to the Rhodesian Congo Border Concessions, 125,000 shares fully-paid for 30,000 acres adjoining the N'Changa mine, to be acquired from that company. The taking up of these options will bring the issued capital of N'Changa up to £1,500,000. Further it is announced that if the American Smelting and Refining Company exercises its option over the 356,250 shares, it will be entitled to subscribe for 60 per cent. of the 1,500,000 shares which the company will offer for subscription at £2 per share within two years. We do not know whether the American Smelting and Refining Company has actually acquired control of N'Changa, but the Minerals Separation, Limited, have agreed to relinquish their position of general managers of N'Changa in favour of American Smelting, subject to the exercise of its options. Two representatives of American Smelting are joining the board. The shares of N'Changa, which have been over £3 12s 6d in this week's phase of the Rhodesian boom, have reacted on the announcement of these terms, and at the moment of writing are 3¼. Even so, it will probably be three years before the N'Changa mines are producing copper on a commercial scale.

San Francisco.—In the year ended September 30th last, writes our mining correspondent, the effect of the increase of the mill capacity was considerably more than counterbalanced by the renewed decline in the prices of lead and zinc. At £366,000 the gross profit falls £64,000 short of the 1926-27 total, but as prospecting and miscellaneous expenditure figures at only £20,500, in place of £52,500, the net profit is no more than £37,000 down at £283,000. The difference, however, has entailed a slight reduction in the dividend rate. The final amount of 2s 6d per share —the same as before—makes 3s 9d per share, comparing with 4s, and leaving the slightly reduced balance of £125,300 to go forward. A noteworthy expansion is shown in the ore reserves, though the development footage does not greatly exceed that performed in the preceding period. The fully-developed tonnage of 1,395,000—over four years' supply for the mill—goes against 1,060,000, and the lead value of the sulphide ore —the great bulk of the material—is 1 per cent. up at 8.5, while the zinc percentage of 10.9 indicates some decrease. As a whole the material opened up was lower than in previous years, chiefly due to the work performed being "beyond the lateral limits of the higher-grade ore shoots." A point worthy of attention is that the best ore disclosed during the year was on the lowest levels. The partly blocked out material is estimated at 482,000 tons, an increase of 82,000 tons. On the basis of the past year's dividend total, the yield shown is nearly 12 per cent. The shares may conceivably be introduced on the New York curb market in the near future.

CAPITAL ISSUES.

THE total prospectus issues for the week came to £3,535,000, as compared with £11,338,800 last year, making a total for the year to date of £43,610,116, excluding conversions. The offerings this week were dignified by three investment trust companies out of a total of six issues. The *Nineteen Twenty-nine Investment Trust* made a special appeal to Irish investors, applications from whom are receiving special consideration. The company is, however, not to specialise in Irish investments, but is to be conducted on the usual investment trust company lines. The chairman is Lord Bearsted and the secretaries Messrs M. Samuel and Co., the same group which was responsible for the issue last year of the Nineteen Twenty-Eight Investment Trust. The stock is a sound investment. The same applies to the issue of the *Trust Company of London and Scotland,* whose directors include Mr. Ivory, who manages the successful British Assets Trust, and Mr Alfred Shepherd, who is a director of a number of important and prosperous trust companies. Each of these issues was of 100,000 shares of £10 at par, which will later be split as to 60 per cent. into preference stock and 40 per cent. into ordinary stock. *The National Dominion and General Investment Corporation* made an issue of £150,000, bringing its issued capital up to £250,000. This company was formed in October, 1925, with a capital of £15,000, which was later raised to £100,000. It has been successful, and its management inspires confidence. Of the industrial issues the most important was that of 1,000,000 6½ per cent. preference shares of £1 at a premium of 6d made by *Gallaher, Limited,* the well-known firm of tobacco and cigarette manufacturers. This business was founded in Belfast over 70 years ago, and has remained outside the clutches of the big tobacco groups. Its profits, based on the average for the past five years, were sufficient to cover the dividends on the preference capital nearly three times. The preference capital is secured one and three-quarter times by the net assets. This issue—a sound industrial preference share—was heavily over-subscribed. The inevitable patent issue was provided by *L.G. Automatic Services, Limited.* The public is invited to subscribe 520,000 shares, while the vendor is allotted 380,000 shares, or about 40 per cent. of the equity. It is claimed that the machines which the company intends to manufacture and exploit will deliver a single unit of goods for any number or combination of coins. Liquid, as well as other commodities, can be delivered. Indeed, the "mixomator" is able to mix and deliver a cocktail in a few seconds, or to mix petrol and benzol in the required proportions. It should be added that the machines can automatically lock themselves against use in prohibited hours. This, at any rate, is a lively gamble. A mining speculation was provided by *Sungei Pari Hydraulic Tin, Limited,* with an issue of 920,000 shares of 5s at par. The company acquires a group of four hydraulic sluicing tin mines in Perak, F.M.S., situated near the town of Ipoh, which are being worked at present. The directors are well known in the mining world, but it may be pointed out that the purchase consideration of £157,000 is payable fully in cash, in spite of the appetising estimate of profits which is attached to the shares.

ISSUES OF THE WEEK—

By Prospectus or Offer of Sale.

Net total previously recorded, £39,553,741.
Including conversion total previously recorded, £52,463,741.

National Savings Certificates.

Net sales week ended January 26, 1929, £100,000.
Total receipts April 1, 1928, to January 26, 1929, Dr. 1,200,000.

Description and Date of Issue.	Nominal Capital.	Conversions or Repayments.	New Money Cash Subscription.	First Payment.	Further Liability.
	£	£	£	£	£
To the Public.					
Trust Company of London and Scotland, 100,000 Shares, £10, at par (Feb. 1)	1,000,000	..	1,000,000	50,000	950,000
L. G. Automatic Services, 520,000 Ord., 5s, at par (Jan. 29)	130,000	..	130,000	26,000	104,000
Gallaher, L., 1,000,000 6½% Cum. Pref., £1, at £1 0s 6d (Jan. 29)	1,000,000	..	1,025,000	250,000	775,000
National Dominion & Gen. Invest. Corp., 15,000 Ord. Shares, £10, at par (Jan. 29)	150,000	..	150,000	15,000	135,000
Nineteen Twenty-Nine Invest. Trust, 100,000 Ord. Shrs. £10, at par (Jan. 29)	1,000,000	..	1,000,000	250,000	750,000
Sungei Pari Hydraulic Tin (F.M.S.), 920,000 Shares, 5s, at par (Jan. 29)	230,000	..	230,000	92,000	138,000
Total offered to public	3,510,000	..	3,535,000	683,000	2,852,000
To shareholders *only*—					
Coronatn. Collieries (South Africa), 150,000 Ord. £1, at £2	150,000	..	300,000	37,500	262,500
New G. and S. Processes, 45,000 Shrs., 1s, at 2s 9d	2,500	..	6,875	6,875	..
Star Emerald Mining Syndicate, 48,000 Ord., 5s, at par	12,000	..	12,000	6,000	6,000
Town Investments, 50,000 Ord., £1, at £2 1s	50,000	..	102,500	12,500	90,000
Total to shareholders only	214,500	..	421,375	62,875	358,500

Total offered for subscription— To date—	Including Conversions. £	Excluding Conversions. £
1929	56,520,116	43,610,116
1928	..	116,554,763
1927	..	96,205,780
1926	..	28,710,551
1925	..	17,293,290
1924	..	11,705,125
1923	..	38,107,589

Total offered for subscription— Whole year—	Including Conversions. £	Excluding Conversions. £
1928	693,100,056	369,058,075
1927	..	355,165,970
1926	..	230,782,601
1925	..	232,214,500
1924	..	209,326,100
1923	..	271,399,173
1922	..	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Issue (in brackets).	Amount of Capital Introduced. £	Price at Which Dealings Began.	Total Cash Involved. £
Amount previously recorded	1,185,750	..	2,990,687
Kiesselbach Steam Accumulators, 158,000 "A" Ord., £1 (Jan. 21)	158,000	21/6	169,850
Auto-Made Sales, 2,050,000 Shares, 1s (Jan. 22)	102,500	4/	410,000
Eastern Oil Industries, 250,000 Bearer Shares, £1 (Jan. 23)	250,000	24/9	309,375
Romac Motor Accessories, 280,000 Shares, 5s (Jan. 23)	70,000	10/	140,000
Vitamins (1928), "Bemax" Certificates, 1,024,000 Shrs. 1s (Jan. 26)	51,200	15/6	793,600
Total for week ended Feb. 2, 1929	631,700	..	1,822,825

Total amount of capital introduced to date, 1929, £1,817,450.
Total cash involved in introductions to date, 1929, £4,813,512.

Nineteen Twenty-Nine Investment Trust, Limited.—Issue at par of 100,000 £10 shares, to be converted when fully paid up into £6 5 per cent. cumulative preference and £4 ordinary stock. The company carries on the usual business of an investment trust company.

Trust Company of London and Scotland, Limited.—Issue at par of 100,000 £10 shares, to be converted when fully paid into £6 5 per cent. cumulative preference stock and £4 ordinary stock. The company carries on the business of an investment trust company.

Gallaher, Limited.—Issued capital 1,000,000 6½ per cent. £1 cumulative preference and 1,000,000 £1 ordinary shares. Offer for sale of 1,000,000 £1 preference shares at 20s 6d. The company, incorporated in Ireland in 1896, carries on a business of tobacco, cigarette and snuff manufacturers founded over 70 years ago. Net assets, excluding goodwill, at December 31st last were £1,795,599. Profits have been (to December 31st):—1924, £218,273; 1925, £144,442; 1926, £208,794; 1927, £214,622; 1928, £190,733.

Sungei Pari Hydraulic Tin, Limited.—Offer at par of 920,000 5s shares. The company acquires a group of four hydraulic sluicing tin mines in Perak for the sum of £157,000 in cash. The issue will provide about £48,000 working capital, and the cost of acquiring and installing additional plant is estimated at £30,000.

National Dominion and General Investment Corporation, Limited.—Issue at par of 15,000 £10 shares, to be converted when fully-paid-up into £6 5 per cent. cumulative preference and £4 ordinary stock, ranking *pari passu* with £60,000 preference and £40,000 ordinary stock already issued. The company was formed in 1925 to carry on the business of an investment trust company. For the year ending December 31st last 9¾ per cent. was earned on the ordinary capital and dividends aggregating 8 per cent. were paid.

L.G. Automatic Services, Limited.—Issue at par of 520,000 (out of 1,000,000) 5s ordinary shares. The company will manufacture and exploit automatic machines in the United Kingdom and the British Empire; it acquires a trade mark and patent applications, &c., in connection with certain inventions, on payment of £95,000 wholly in shares. Approximately £100,000 will be provided for working capital.

Grace National Bank
Hanover Square, New York, U. S. A.

Commercial Banking. Execution of orders in New York for European banking correspondents.

Special Representative
148 Leadenhall St. London, E. C. 3.

Particulars of the following have been issued for public information only in connection with Stock Exchange "introductions":—**Theale and Great Western Sand and Gravel Company, Limited,** issued capital £35,000 in 2s shares; the company was incorporated last September to work for sand and gravel and produce same for concrete aggregate, and has obtained a lease of 52 acres of gravel land near Reading for £6,500 in cash. **Capital and National Trust, Limited,** issued capital £300,000 5 per cent. cumulative preference and £200,000 ordinary stock; £500,000 5 per cent. debenture stock, 1958-78, has been created, of which £152,050 has been issued and placed at 96½—a first charge on the whole undertaking and assets; the company was incorporated in 1927 as an investment trust company. **Marshall, Morgan and Scott, Limited,** issued capital 135,000 £1 7 per cent. cumulative participating preference and 30,917 (out of 40,000) £1 ordinary shares, the former entitled to half the surplus distributed profits after payment of 8½ per cent. on the ordinary; the company was incorporated in 1907 to take over a publishing business founded in 1876, and amalgamation with a similar business has taken place. **Mayfair Trust, Limited,** issued capital 130,000 (out of 200,000) £1 7 per cent. cumulative preference and 650,000 (out of 1,000,000) 2s ordinary shares, together with £118,300 debentures shortly to be redeemed; the company was incorporated in 1915 to acquire freehold and leasehold properties; after repayment of debentures, &c., assets will amount to £200,534; a 10 per cent. interim dividend has been paid on 200,000 ordinary shares for the year ending September 30, 1928. **Vitamins (1928), Limited,** issued capital 1,024,000 (out of 1,100,000) 1s shares, together with £75,000 6 per cent. income debenture stock; the company was formed in March, 1928, to acquire the process and manufacturing rights of various cereal products. **Lightfoot Refrigeration Company, Limited,** issued capital 50,000 £1 preference and 256,666 (out of 275,000) £1 ordinary shares, together with £150,000 6½ per cent. debentures, 1939; preference shares are entitled to a non-cumulative 5 per cent. dividend and to participate rateably with the ordinary shares in surplus profits after payment of 5 per cent. on the latter; the company, incorporated in 1885, manufactures and sells refrigerating plants, and manufactures oxygen in India and Ceylon; dividends on both classes of shares have been recently —1925 and 1926, 10 per cent.; 1927, 5 per cent. **Agricultural Bank of Cyprus, Limited,** issued capital 50,000 £1 shares; issue at 95 of £200,000 sterling 5 per cent. bonds, 1938-80, redeemable by a ½ per cent. cumulative sinking fund; the bank was incorporated in Cyprus in 1925, and its main operations consist of loans to co-operative credit societies. **Norwich Electric Tramways,** issued capital 26,400 (out of 30,000) £10 shares; the company, incorporated in 1897 by special Act, works 16½ miles of track, which can be purchased after 1932 by the local authorities, and also operates a service of motor-buses; recent dividends have been: 1925-6, 4 per cent.; 1926-7 and 1927-8, 4½ per cent. **Fisher's Foils, Limited,** issued capital £200,000 in 1s shares; the company acquires two businesses, manufacturing tin and aluminium foil and packing machines respectively, with certain patent rights, for a total purchase consideration of £78,500 3s, including 1,330,003 shares and £12,000 cash; working capital is estimated at £116,000.

Pending Issue.—Leicestershire (L. and N.) Coal Distillation, Limited, will issue next week 330,000 £1 ordinary shares and 330,000 5s deferred shares. The company acquires "L. and N." rights for Leicestershire, plant, and control of the output of a colliery.

SUMMARY OF BALANCE-SHEETS.

THE SCOTTISH AMERICAN INVESTMENT COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.
	£	£
"A" ord.	650,000	+ 50,000
10% "B" ord.	700,000	...
4% pref.	1,700,000	+ 300,000
Reserve	675,000	+ 25,000
3½% deb. stock	1,000,000	...
Debs. & deposits	417,431	+ 102,034
Int. accrued	5,783	+ 666
Div. accrued on pref. stock	6,856	+ 1,210
Creditors	53,061	+ 5,126
Due to bankers	32,000	+ 24,736
Revenue	170,401	+ 7,014
Total	5,410,532	+ 515,786

ASSETS.	Amount.	Compared with Dec. 31, 1927.
	£	£
Investments, less capital res. fund	5,276,817	+ 406,755
Due by bankers and brokers	111,460	+ 111,460
Debtors	22,255	— 2,429
Total	5,410,532	+ 515,786

MINING OUTPUT STATISTICS FOR DEC., 1928.

	Output.	Other Notes in Return.
	Tons.	
Tin.		
Assam Kumbang	..	283 piculs; net value, $19,496.
Kampong Kamunting	..	361 piculs; net value, $23,583.
Nigerian Base Metals	44½	Concentrates.
Thabawleik	..	482 piculs; net value, $35,287.
Uin Yam	..	346 piculs; net value, $35,287.
Coal.		
Ottawa Engineering	89,000	Sold during week ended Jan. 19th.
Diamonds.		
New Vaal River	..	519 carats realising £7,983 (January).

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Last'st Year.	Previous Year.
Railways.				%	%
Barranquilla Railway and Pier..	2%*	Feb. 1	..	..	..
Great Northern (Ireland)	2%†	..	..	..	..
Metropolitan Railway, ord.	2½%†	..	Less tax	3	3
Do Surplus Lands	2½%†	..	Less tax	3½	3½
Banks.					
Canadian of Commerce	3%*	Mar. 1	..	..	..
Commercial Bnkg. Co. of Sydney	10*	..	..	..	..
London Merchant, "A" Shares	..	..	Less tax	7	7
Do "B" Shares	3%†	..	Less tax	5	5
National City of New York	50c p.s.*	..	..	..	..
Tea and Rubber.					
Ambat (Sumatra) Rubber	..	..	Less tax	5	25
Kalidjeroek Rubber	7½%*	Feb. 7	..	..	..
Pabbojan Tea	10%*	Feb. 13	..	..	..
Mining.					
Lower Bisichi Tin	..	..	..	5	..
Petaling Tin	7½%†	(&bonus	of 5%) ..	..	..
San Francisco of Mexico	..	..	..	37½	40
Transvaal Estates	2½%	..	..	..	..
Other Companies.					
Bethlehem Steel	$1.00*	..	Quarterly	..	..
Birmingham Coffee House	..	..	Tax free	10	..
Birmingham Railway Carriage	..	..	Less tax	2/ p.s.	2/ p.s.
Borax Consolidated, Def.	1/ p.s.†	..	Less tax at 4/	7½	..
British Investment Trust, Def.	13%†	Feb. 19	..	21	21
British Land Company	6%	(&bonus	of 1/ p.s.) Less tax	..	..
Canadian City and Town Prop.	..	..	..	3½	3
Cardiff Gas Light and Coke	6†	Feb. 15	Less tax	..	..
Chester United Gas	3%†	..	..	5½	5½
City of London	..	..	..	20	20
Clarence Hotels	..	..	..	8	7½
Consett Spanish Ore	2/ p.s.*	Feb. 15	Less tax	..	..
Constable, Hart and Co.	6%	Feb. 11	Less tax	..	..
Culloden Consolidated	..	..	..	6½	13½
David Thom and Co.	..	..	..	17	13
Devas, Routledge	7½%†	..	..	10	12
Dublin (South) City Markets	..	..	..	1½	1½
East Indian Coal	..	..	..	2½	5
English Velvet and Cord Dyers' Association	6%†	..	..	8	7
Fairy Dyes	12	..	..	..	..
First Scottish Mutual Invest.	5½†	..	..	..	..
Fore Street Warehouse	..	..	..	7½	7½
Foreign & Colonial Invest. Trust	7½%†	..	..	10	..
Galeries Lafayette	..	..	..	8	6
Gas Light and Coke	£2/16%†	..	..	£5/11	5/0/8
George Outram	7½%	(&bonus	of 7½%) Less tax	22½	22½
Hart and Levy	7%†	..	..	10	16
Hepworth and Grandage	5%†	..	..	10	..
Hunter, Barr	..	..	..	6	6
H. Yager (London)	..	..	..	20	..
J. Cawthra and Co.	7½%†	..	Tax free	15	15
Lennards	..	..	..	15	15
Linen Thread	3%†	(&bonus	of 6 p.s.) Tax free	8½	..
Lloyd and Yorath	7½%†	..	..	10	10
Manchester Palace of Varieties	7½%*	..	..	..	..
Maple and Co.	12½%†	..	..	15	15
Margarine Union	6%†	..	..	10	..
McIntyre, Hogg, Marsh and Co.	6½%†	& bonus	of 1/6 p.s.)	15	15
New York and General Trust	7½%†	Feb. 12	..	..	..
North of Ireland Paper Mill	4½p.s.†	..	Tax free	15	17½
Owen and Robinson	6*	Feb. 1	Tax free	7	12½
Peregrine Investment	..	..	Less tax	6	10
Phillips Rubber Soles	10%†	..	..	15	15
Price and Pierce	10%†	..	..	15	15
Public Benefit Boot, Def	..	..	..	12½	12½
Royal Exchange, Glasgow	8/ p.s.†	..	..	7	..
S. C. Larkins and Sons	12½†	..	Tax free	12½	10
Scottish Assets	4%*	..	..	..	..
Scottish Reversionary	6†	..	..	6	6
Sparrow, Hardwick	3%†	..	..	5½	7
Standard Trust	6%*	Feb. 13	..	10	10
Staveley Coal and Iron	2½%*	..	..	..	..
Sterling Trust	9%†	..	..	14	..
Do New Shares	1/4 p.s.	..	..	..	..
Sunderland District Omnibus	10%†	..	..	12½	nil
Tor Investment Trust	8*	Mar. 15	Less tax	..	..
United States & Gen. Trust, Def.	8%†	..	Less tax	13	12½
V. O. C. Holding	..	..	..	20	15
Wallerawang Collieries	3½*	Feb. 1	Less tax	..	..
Watney, Combe, Reid, Def.	8½*	..	..	..	..
Wells' Watford Brewery	2½%*	Feb. 2	Less tax	..	..
Westminster Electric	[/13 12 p.s.†	Mar. 1	..	..	..
m. Griffiths and Co.	..	..	..	12½	12½
Yorkshire Electric	1/ p.s.†	Feb. 19	Less tax	8	8
Yorkshire Railway Waggon	5%†	..	..	10	10

OIL OUTPUTS.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended January 23rd: Venezuela, 35,665 barrels; Trinidad, 15,135 barrels; total, 50,800.

MEXICAN EAGLE OIL.—The production for the week ended January 19 was 135,000 barrels.

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended January 26th was 134,797 metric tons (previous week ended January 19th, 132,110 metric tons).

VENEZUELAN CONSOLIDATED OILFIELDS, LIMITED.—Production for week ended January 26th, 3,059 barrels (437 tons).

COMPANY MEETINGS, &c.

WESTMINSTER BANK, LIMITED.

"GRATIFYING INCREASE IN PROFITS."

SUB-DIVISION OF SHARES.

CREDIT FACILITIES AND TRADE EXPANSION.

CHAIRMAN'S EXHAUSTIVE REVIEW OF NATION'S INDUSTRIAL POSITION.

The annual ordinary general meeting of the Westminster Bank, Limited, was held on Wednesday, the 30th ult., at the head office, 41 Lothbury, London, E.C. 2.

Mr R. Hugh Tennant (the chairman) presided.

The notice convening the meeting and the auditors' report having been read by the secretary (Mr F. Mytton), the directors' report, the balance-sheet, and profit and loss account were taken as read.

The Chairman (who was received with cheers) said:

My Lords, Ladies and Gentlemen,—When last I had the pleasure of addressing you, I had to record some important alterations in our directorate owing to the sad losses incurred through the deaths of Mr Leaf and Mr Parr. I am happy to say that during the year now under review its *personnel* has remained unchanged.

ALTERATIONS IN GENERAL MANAGEMENT.

I have, however, to report some important alterations in our general management. In consequence of attaining the age-limit after conspicuous and valued service, Mr J. J. Brown, of head office, and Mr W. J. Woolrich, of Lombard street office, both general managers of the bank, have retired from their duties, and we hope they may both live long to enjoy their well-earned leisure. Mr J. J. Brown was a well-known figure and specially conversant with the London money market, and was, I am sure, as deservedly popular with its members as he was in the bank. In May last he was succeeded by his assistant, Mr F. Lees, whose lengthy experience of the business at Lothbury, with its traditions, marked him out as a worthy successor to Mr J. J. Brown. He entered upon his duties with every promise of running his course, but towards the end of the year his health became seriously impaired, and quite recently we have had the sad intimation of his death. We mourn the loss of an able and lovable member of the general management of the bank.

THE BANK'S BALANCE-SHEET.

Coming now to the bank's balance-sheet: On the liabilities side you will observe one or two movements of note—an increase of fully £13,000,000 in our money lodged and an expansion of some £14,000,000 in our acceptances, &c.

I am glad to say that during the past year the figures of our money lodged have been on the up-grade—an experience common to many of the British banks. But as one of the "Big Five," enjoying the prestige of conducting the accounts of sundry banks and large financial institutions at home and abroad, the end of the year frequently occasions money movements—upwards or downwards—which are of a transitory character, and while we welcome the profitable "turn" which these balances bring, we naturally discriminate as to their suitability for lending purposes.

As regards the expansion in the figures of our acceptances, &c., you will observe that in the current balance-sheet we have described the item (£26,538,039) as "acceptances, endorsements and other engagements on account of customers." Hitherto, with the approval of our auditors, we had included on both sides of the balance-sheet an ample figure to represent the risk on guarantees and confirmed credit transactions. But in view of the more common practice, which has been adopted by other banks, of including the total figures of liabilities under guarantees, credits, and forward exchange contracts as contra items in their balance-sheets, we have thought it well to conform to the more general method; but the alteration in the method of statement imports no material change in the course of business under this heading.

ASSETS.

On the assets side of the balance-sheet you will note a slight variation, compared with the previous statement, in the cash in hand and at call, the principal increase being in the cash portion, which represents 11.9 per cent. of the money lodged. The bills discounted (£36,600,000) are practically the same as a year ago. We do not separate our Treasury bills for the simple reason that it is a mere matter of chance how many we happen to hold at any particular date. As a matter of liquidity, there is no difference between Treasury bills and Bank bills we buy in the market. Our Treasury bills on December 31st were £14,000,000; on January 17th they were nearly £20,000,000. Investments have decreased about £1,500,000. Contrary to our experience in 1927, we have closed the year 1928 with a material increase in the amount of our advances. Last year I explained that a decline of some £4,700,000 under this heading was due to a cessation of borrowing by some of our friends overseas. On this occasion you will note that our advances, standing at £149,000,000, show an increase of some £12,000,000 compared with those of December, 1927.

We welcome the upward trend of our loan business. Some considerable part of the expansion may be of a more or less temporary character, and, as I have indicated when speaking to you of the increase in our deposit moneys, this feature has been kept well in view.

During the year we have opened 42 new banking offices, and we have a considerable number nearing completion or under way. After crediting the bank's premises account with £275,000 from the year's profits, this asset stands at £4,686,000.

We have also set aside from profits £100,000 to the rebuilding account. This we reserve specially towards the completion of the head office where we now are. It has been a long job, but we hope that by this time next year you will see it nearing completion, a building worthy of the bank, and, as I said last year, one which we hope to complete, as has been the case at Threadneedle street, without adding any sum to the premises account in the balance-sheet.

ALLOCATION OF PROFITS.

The Profits for the past year at £2,148,408 show a small but gratifying increase of £15,000. After the allocation to the bank premises which I have explained, and setting aside £200,000 to contingency account and a similar amount necessary to the upbuilding of the officers' pension fund, there remains an amount adequate for a dividend similar to that paid in 1927, and a carry-forward to the next account of £552,000, being an increase of £17,000.

At our meeting here last year one of our friendly critics urged upon banks the importance of increasing the "banking habit." We have not been negligent. In addition to the bank's readiness to accept small deposits—a feature well advertised at all our branch offices—we are instituting a campaign for the conserving of still smaller sums, and to this end, after wide search, we have decided on a form of home safe which gives promise of fruitful results in the domestic realm, attracting, as we hope, potential customers. Specimens of these safes can be seen on the table—they are of very attractive design and can be readily carried in one's pocket.

NIGHT SAFE EXPERIMENT.

For some time the bank has been considering how to meet a desire which has been expressed in many quarters, for what is in effect an extension of business hours. It has generally come from suburban and provincial business localities, and has always sought some means by which coin and other cash may be received by the bank at a comparatively late hour of the day. The provision of a special safe into which customers may convey deposits from the exterior of the building at any hour of the day or night after business hours is therefore being undertaken in a number of branches. Ingenuity and expense have not been spared in making the contrivance safe and the system effective. Our own representative has made an exhaustive investigation in the United States—which is the home of the night safe—and we claim that the system which we have now adopted has advantages over any yet in use; the extension of the service will depend entirely upon the popularity of these experimental installations.

OUR ASSOCIATED INSTITUTIONS.

I am glad to report that the Ulster Bank and the Westminster Foreign Bank continue to progress satisfactorily.

SPECIAL RESOLUTIONS.

At the conclusion of the ordinary business you will be asked to pass special resolutions for the purpose of giving effect to the board's recommendation of a sub-division of the bank's £20 shares (£5 paid) into £4 shares (£1 paid).

We feel that a broader distribution of the capital is not only

In economic terms, the banker's true goal is stability; and his primary duty is to secure that the flow of credit rises or falls in harmony with the volume of the nation's productive activity.

CRITICISMS OF BANK OF ENGLAND.

The Bank of England, however, is the target at which the arrows of the critics are mainly aimed. To our central bank is imputed the blame for the fact that the incipient trade improvement of the first quarter of 1928 failed to develop and continue. *Punch* even, has gone so far as to publish a cartoon depicting the Old Lady of Threadneedle street as standing still in the middle of the street and holding up the country's traffic. The gravamen of the charge, stated in the simplest terms, is that when the Bank of England in the early part of last year was accumulating gold, the opportunity should have been taken to reduce Bank rate and broaden the basis of credit. It is suggested that if this had been done the trade recovery of the early months would not have faded away as it did.

CRITICISMS ANSWERED.

The two outstanding features in the monetary sphere in 1928 were, first, that after gaining £24 millions in the stock of gold in the first eight months, the Bank of England afterwards lost all but a trifle of this amount; and the second is that, in spite of these big movements, the Bank rate was kept stable throughout a year in which the New York rate was twice increased, and was, moreover, maintained at a lower level than rates in most other great monetary centres. What then would have happened if the bank had allowed the early gold influx to exert its normal influence and to lead to a lower Bank rate? Is it not probable that if the Bank of England rate had been reduced the gold drain in the latter part of the year would have been far more severe than it actually was? Is it not likely that if 4 per cent. had been put into operation then, we should by now have been on a 5 per cent. level, or even higher? Had this occurred, manufacturers would have been first unduly elated and then unduly depressed. On a review of probabilities, it appears that the Bank of England has a satisfactory defence for the policy which it has adopted.

The persistence of industrial difficulties, of which chronic large-scale unemployment is the most arresting sign, ought of itself to be sufficient to show that what we are facing is not a temporary slump due to passing causes, but a permanent and profound change in the world's economic scheme and of Britain's place within it.

Unemployment is the all-absorbing topic of the day. Governments, Parliament, and economists search vainly for the cure of this evil. But if the cure eludes them the diagnosis of the trouble is fairly clear. More than half of our present unemployment exists in industries which produce predominantly for export. The prime cause of the depression of our basic export industries lies in the growth in many countries of local production of the goods which we used to export to them. This is a fundamental, far-reaching, and, to some extent, a permanent change. What should be Great Britain's reaction to it? *We* feel it most acutely because it has robbed our country of the semi-monopoly which it enjoyed before the war of some of the heavier, coarser, and less skilled branches of manufacturing. Our new competitors overseas, with great natural resources, with labour content with lower wages and lower standards of living, have found that they can exploit their resources with advantage. That is a development which we cannot arrest.

EFFICIENT LARGE SCALE PRODUCTION.

We must concentrate upon efficient large-scale production, and the attainment of that cheapness combined with quality which ultimately wins the markets of the world. It is perhaps the brightest point about 1928 that our industrial leaders have given clear evidence that these lessons have been learnt. The campaign for rationalisation, which is the key to the efficient organisation of production in many industries, is at last assuming important dimensions; and the co-operation of employers and employed is being promoted in an atmosphere of real goodwill and endeavour by the Melchett-Turner conference. Slowly, and with greater difficulties than those experienced by other nations in which industry is of newer growth, Great Britain is at last bringing herself up to concert pitch.

TWO FAVOURABLE FACTORS.

It is on that note of hope that I should like to conclude. If I have been mainly concerned to-day in stressing the difficulties we have to face and the fact that a long time must be needed before we can overcome them, I should like here to remind you of the real assets upon which we as a nation have the opportunity to construct the framework of a new prosperity. Amid all the changing facets of world life, Britain has two assets at least which have not changed in value. The first is the inherited skill and vigour of our workers by hand and brain; the other, not less important, is the physical advantage of our geographical position—a coast-line studded with unrivalled ports looking out upon the great European continent. If we utilise these assets to the full, in an efficient and determined endeavour, they will carry us through.

The Chairman concluded by moving: "That the report and accounts be received and adopted."

The Hon. Rupert E. Beckett (one of the deputy-chairmen) seconded the resolution.

Mr E. T. Hargraves said that he heartily agreed with the chairman as to the true function of the banker. It was not the business of a bank to provide working capital for industry. Also he was glad to find the chairman urging that industry must look to individual effort rather than to Government support for recuperation and progress. As to the rationalisation of industry, Lord Melchett had done excellent work and much to remove the suspicion which had existed between the working man and the capitalist. He heartily approved of the subdivision of the £20 shares of the bank; it would increase their popularity. Also he urged the adoption of the "Penny Post" and "Penny Cheque."

Mr R. W. Ffennell, quoting several passages from the chairman's speech in regard to unemployment and kindred matters, asked for a pronouncement from the chairman and the board as a whole as to their views on the general fiscal policy of this country.

The Chairman, in reply to Mr Hargraves, said that both the Penny Cheque and the Penny Post were desirable matters, and he wished Mr Hargraves full success in his endeavours to get the changes desired. As to Mr Ffennell's question he, the chairman, had no knowledge of the views of his colleagues on the question referred to, and at the same time he did not consider the subject suitable for open discussion at a bank meeting.

The resolution moved by the Chairman was then unanimously adopted.

The retiring directors and the auditors were re-elected.

EXTRAORDINARY RESOLUTIONS.

Three special resolutions arising out of the proposal to subdivide the £20 shares of the bank (£5 paid) were then put by the Chairman, seconded by the Hon. Rupert E. Beckett, and carried unanimously.

SHAREHOLDERS' THANKS TO THE BOARD.

Mr E. T. Hargraves said it was with great pleasure that he rose to propose: "That the best thanks of the meeting be presented to the board of directors for the able manner in which they have conducted the affairs of the bank." He went on to say that during the current year the country would be faced with a General Election, with an enormous increase in the franchise. It was not at all unlikely that the banks would need the full support of all shareholders.

Mr T. E. Paddon, associating himself with what the mover had said, seconded the resolution, which was passed with acclamation.

The Chairman, in response, said: Ladies and Gentlemen,—My own thanks and that of my colleagues are due to Mr Hargraves and Mr Paddon for the kind way in which they have moved and seconded this vote of thanks. As I have often remarked, without the hearty co-operation of my colleagues it would be impossible to us to show the excellent results recorded to-day. I have now to propose a resolution: "That the thanks of the meeting be presented to the officers of the bank for their zealous and able services." I am sure the zealous and able services of the officers of the bank do not require any encomium from me. We have in our chief officer, Mr John Rae, a tower of strength, and he is supported by a most loyal staff, who are all devoted to the best interests of the bank.

Mr E. C. Jones seconded the resolution, which was unanimously passed.

MR RAE'S REPLY FOR THE STAFF.

Mr John Rae (chief general manager): Ladies and Gentlemen,—It is my pleasant duty once again to respond to this motion. On behalf of the whole staff I desire to express their thanks most cordially for the appreciative references which have been made to their services, and for the most encouraging and gratifying reception which you have accorded to the vote of thanks. I am sure it would be the wish of the staff that they should be associated in the kindly remarks made by our chairman regarding the changes which time has wrought in the constitution of our general management—through retirements and bereavement.

In the staffing arrangements of a large bank one has naturally to look ahead and to provide for the expected and the unexpected. As to the future I am optimistic. I feel that the banking men of to-morrow should come into their responsibilities with better technical knowledge and with wider experience than were generally available in the past. We are working to make it so, and I am particularly pleased that in this we have the friendly co-operation of the bank's guild.

The commendation which you have given to the staff to-day will be another incentive to each and all to maintain that assiduous and efficient service by which the bank's interests and influence may develop, I hope, to your continuing satisfaction.

A cordial vote of thanks was then accorded to the chairman for his able and courteous conduct in the chair.

The proceedings then terminated.

THE CANADIAN BANK OF COMMERCE.

RESOURCES INCREASED BY $186,000,000 DURING THE YEAR.

PROSPERITY OF THE DOMINION OF CANADA.

The 62nd annual meeting of the Canadian Bank of Commerce was held in Toronto on Tuesday, January 8, 1929.

GENERAL MANAGER'S ADDRESS.

Mr S. H. Logan, the general manager, in course of his address, said: The financial statement summarises the results of an outstanding year, in which it has been our good fortune to experience a greater rate of progress than in any previous 12 months' period in the history of the bank. While approximately $100,000,000 of our new business is accounted for by the acquisition of the Standard Bank, it will be noted that our own operations have added a further $86,000,000, making the substantial increase in our total resources of $186,000,000 for the year.

The combined figures show an increase in circulation of approximately $8,000,000, in non-interest-bearing deposits of $22,000,000, and in interest-bearing deposits of $102,000,000, our total deposits thus being increased by the aggregate sum of $124,000,000.

Total liabilities to the public at $694,000,000 compare with $516,000,000 a year ago.

Our holdings of gold and Dominion notes at $68,900,000 show an increase of $19,600,000, and our total cash holdings, including notes and cheques of other banks and bank balances of $128,000,000, compare with $102,700,000 last year. Total liquid assets at $357,300,000 compare with $270,400,000, and represent over 51 per cent. of our liabilities to the public and over 47 per cent. of our total liabilities. Our total resources at $744,682,000 are a record in the history of the bank.

The general business situation continues healthy and active, with no sign whatever of slackening in the near future, and this means, of course, that there will be heavy demands on the banks for money, and, therefore, no appreciable ease in the money situation for some time to come.

Speaking generally of the banks of Canada, I would say that their outstanding object and policy is to give the best possible service to the public. They realise that in so doing they will be rewarded by increased patronage and an increased volume of business. Their interests and those of the general public whom they immediately serve, as safe custodians of savings, or as lenders of funds for productive or commercial purposes, are not adverse, but identical. They are engaged in active co-operation with all others in the great work of building up the agricultural, industrial, and commercial fabric of the Dominion.

PRESIDENT'S SPEECH.

Sir John Aird, the president, in the course of his address, said:—When addressing the shareholders a year ago I had difficulty in restraining myself from speaking too optimistically of the progress that had been made in Canada during the previous twelve months. To-day I find myself in an equally difficult position on account of the actual continuance of those conditions, and of the present satisfactory outlook for business in Canada for the coming year. Remarkable progress has been made during recent years in many ways, but particularly in the development of her forest, mineral, and water power resources.

There is now scarcely a province in the Dominion the value of whose mineral output does not run into millions of dollars, and in some cases we are on the eve of developments which will make the achievements of the past seem petty by comparison. The expansion in the copper output of Canada in the next few years from Ontario, Quebec, and Manitoba promises to be enormous. If the deepening of the St Lawrence waterway should be found feasible, and this great undertaking be carried out, it will in itself add immensely to the population and prosperity of Canada, altogether apart from its beneficial effects upon existing trade.

This review of the progress of Canada brings to our minds once again the importance of the question of immigration, and both Dominion and Provincial Governments seem to have given the subject renewed attention during the past year. If but a tithe of the expansion which looms ahead of this country takes place, we shall be able to find employment for and offer a career to many thousands of new settlers of all kinds.

The barometer of our prosperity is rising steadily, and unless we fail to profit by the warnings of experience, I see no reason why the prosperity of 1929 should not equal—nay, surpass—that of 1928.

THE NATIONAL BANK, LIMITED.

TRADE IMPROVEMENT IN IRELAND.

The annual general meeting of the National Bank, Limited, was held, on the 31st ultimo, at 13, Old Broad street, London, Mr J. B. Meers, C.B. (the chairman), presiding.

The Secretary (Mr E. S. Goadby) having read the notice convening the meeting and the report of the auditors,

The Chairman, after reviewing the accounts, said: I trust that you will recognise in the figures a satisfactory record of the past year's work.

The half-year under review has not been very eventful from the money market point of view. The rates for the employment of money—loans, advances, bills and short money—were about the same as those ruling in the corresponding half-year of 1927. No change has taken place in the bank rate (4½ per cent.) since April, 1927, and although there is a very reasonable desire that the trade of the country should have the benefit of cheap money, it must be remembered that by maintaining a steady rate we have avoided the disturbance which other countries have experienced by reason of frequent alterations in their rates of discount.

The year has been one of exceptional activity on the Stock Exchange, both as regards fresh issues of capital and in the markets for industrial and other shares. There has been a steady increase in the market price of British Government Stocks, notably in 5 per cent. War Loan, which now stands at 103 per cent.—or did when this was written—and in consequence the market value of the Bank's investments shows a material improvement.

AN OUTSTANDING EVENT OF THE YEAR.

The Currency and Bank Notes Act of 1928 came into operation during the year, and was an event of outstanding importance to the banking community. The amalgamation of the British Treasury Notes and Bank of England Notes had been long foreshadowed, and although the issue of Bank of England notes for one pound and ten shillings each to replace the Treasury currency notes was of no great significance to the general public, Clause 2 of the Act which fixed the Fiduciary Note Issue at two hundred and sixty million pounds contained the important provision that the limit could be raised (or lowered) after consultation with the Treasury, thus giving the long-desired measure of elasticity to the regulation of credit and currency, especially in times of undue stringency arising from large withdrawals of gold. Thus, the Currency and Bank Notes Act had a far-reaching effect in still further strengthening confidence both at home and abroad in the sound monetary and banking system of this country.

Although I am not able to point to that trade revival to which we are all so anxiously looking forward, still, there has been a gradual improvement, and the prospects appear better for the future.

It is gratifying to be able to record that progress in Irish trade continues to be satisfactorily maintained. Reports from the country on market conditions and trading generally are, for the most part, optimistic in tone.

Agriculture is, as you are aware, the mainstay of Southern Ireland, and although the harvest, generally speaking, was below expectations, the cattle trade has distinctly improved. Graziers did well, particularly those who bought stores early in the year.

Considerable improvement has taken place in the Belfast shipbuilding industry, and work on hand and in prospect is calculated to give satisfactory employment.

THE BANK'S NOTE ISSUE.

During the half-year the Free State Currency Act of 1927 came partly into operation, and the issue of Free State legal tender notes was begun on September 10th last. The first issue consisted of the three lowest denominations, 10s, £1, and £5. These are now being placed in circulation. The event occasioned considerable interest amongst the public. The higher denominations are in process of being issued. The issue of these notes is responsible for the fall in our own note issue. Further, it is expected that in the coming half-year the Free State Currency Commission will, under the provisions of the Act referred to, fix the "appointed day" for the issue of consolidated bank notes, and on that day the note issues of the present banks of issue—of which we are one—will cease in the Irish Free State and be replaced by (*a*) consolidated bank note issue to an ultimate extent of £6,000,000 divided between all the banks carrying on business in the Free State, our proportion of the same being £1,365,000 and (*b*) the Free State legal tender notes—both issues being under the control of the Currency Commission appointed by the Free State Government.

In Northern Ireland we shall still continue to issue our notes, and our fiduciary limit there has been fixed at £120,000. In the last few weeks the Government of the Free State also issued their own coinage, and the designs thereof have met with general approval.

The report and accounts were unanimously adopted.

MARTINS BANK, LIMITED.

MR HOLLAND-MARTIN REVIEWS CONDITIONS AT HOME AND ABROAD.
SATISFACTORY PROFIT—STRONG POSITION.
DIVIDEND MAINTAINED ON LARGER CAPITAL.
HOPEFUL FEATURES FOR 1929.

The ninety-eighth annual meeting of shareholders of Martins Bank, Limited, was held at the Exchange Hotel, Liverpool, on Tuesday last, the 29th ultimo.

Mr R. M. Holland-Martin, C.B., the chairman, presided over a large attendance.

The notice convening the meeting and the auditors' report having been read,

THE DIRECTORATE.

In moving the adoption of the directors' report and statement of accounts,

The Chairman said: My lords, ladies, and gentlemen, before I commence my remarks on the history of this bank, and of trade during the year 1928, you will, I am sure, expect me to refer to the King's illness, which caused such acute anxiety during the closing weeks of the past year. It is a matter for deep thankfulness that His Majesty is making progress, and it is our heartfelt wish that he may be completely restored to health.

During the past year death has removed from our midst several colleagues whom your board held in high esteem, and amongst them two great Liverpool citizens, both of whom had spent long years in active service for the city that they loved so well. I refer to Sir William Forwood and to Mr John Rankin.

Sir William Forwood, who had been no less than forty years on the board, and had filled the post of chairman, was one to whom the board, despite his great age, always looked for wise advice drawn from an active mind stored with rich experience and sound judgment.

Still more recently, Mr John Rankin, another household name in Liverpool, has passed away, after a long illness, which caused him to resign from our board last January, after a service of 28 years, for three years of which (1906-1908) he was chairman. The work he did for this bank was very great, and of that which he achieved for Liverpool many of you here to-day can testify.

We have to deplore the death of another member of the board, Mr Water Lees, who joined us when we took over the Palatine Bank in 1919, remaining also on our Manchester board. His long-standing knowledge of Manchester trade and his ripe judgment were always of the greatest value, and it was a shock to all of us when within a fortnight of our last annual meeting he and Lord Sackville, whose knowledge of Kent was of considerable service to our London board, both died of pneumonia.

Mr. Richard D. Holt, of Messrs. Alfred Holt and Co., and chairman of the Mersey Docks and Harbour Board, I am glad to say, accepted our invitation to fill the vacancy on the general board caused by the death of Sir William Forwood, and Mr F. A. Szarvasy, the chairman of the British Foreign and Colonial Corporation, whom I am glad to see with us to-day, was chosen to fill the vacancy on the London board.

Our shareholders are much to be congratulated on obtaining the services of Mr Holt and Mr Szarvasy. I ought to mention that Mr Holt's grandfather, father and uncle were also members of the board at different times.

THE AMALGAMATION WITH THE LANCASHIRE & YORKSHIRE.

At last year's meeting we were just entering our amalgamation with the Lancashire and Yorkshire Bank. I am glad to be able to report to you that thanks to the loyal and unstinted help of Mr Ramsbottom, the former general manager, and of Mr Kitchin, then his assistant, the welding together of the two banks has been most successfully carried through. But I am sorry to have to add that unfortunately Mr Ramsbottom's health was not robust enough to stand the extra strain. On medical advice, therefore, he retired in June, thus ante-dating slightly his normal retirement, which would have taken place in August, when he attained the age of 65. We hope that he will regain his health and strength sufficiently to enjoy his well-earned rest. Mr Kitchin has since been appointed district general manager, and I am glad to have this opportunity of acknowledging his services as well as those of Mr Ramsbottom, and indeed the services of all those on the staff of both banks, whose ready help has done so much to make the fusion a real one.

It will doubtless be of interest to the shareholders to know that during the present month the widows' and orphans' funds of the two banks have been amalgamated, our board having decided to pay the extra annual contribution required to bring the Lancashire and Yorkshire staff into line with our own.

NEW BANK PREMISES.

Liverpool shareholders will already have noted that very good progress has been made with our head office building, which we hope to occupy in 1931. In London, in consequence of rebuilding operations on two sides of our Lombard street office, we had no option but to rebuild. This we had intended to do a few years later, because our building was a very old one and much more accommodation could be obtained on the site, but in view of the collapse of the Commercial Union Assurance Company's building just behind our premises, we were able to come to satisfactory terms with the Commercial Union Company and Lloyds Bank, by which it was arranged that we should build at the same time as our neighbours, and thus avoid the real risk of our building failing to stand the strain of the deep excavations being made on two of its sides. As architect, we have been able to secure the services of Sir Herbert Baker, the architect to the Bank of England, whose work in South Africa and in India has won so much praise.

ACCOUNTS.

Let us now turn to the balance-sheet, which, of course, shows the effect of the amalgamation of the two banks, and makes comparison somewhat difficult with the figures of the separate banks given last year. For instance, our deposits on December 31 last stood at £82,932,881, but this is not comparable with the combined figures of the two banks, which totalled £86,917,087, because the latter figure included a very considerable sum deposited with us by the Lancashire and Yorkshire Bank, preparatory to amalgamation, which sum had of necessity to appear in both balance-sheets, and was consequently counted twice over. Loans and overdrafts totalled £42,600,478, as against £46,612,240 previously, a reduction due in the main to the smaller requirements of the Liverpool cotton and other markets.

That no reasonable request for facilities is refused by us is shown by the fact that of our 31,310 loan accounts at the end of 1928 no less than 26,672 were for loans of less than £1,000. In making these loans we are careful, as I have said before, to lend money for seasonal and temporary requirements, for it is not the province of a bank to make mortgage loans or furnish permanent capital.

ENGLISH SKY CLEARER.

Coming to our profit and loss account, our net profits, after providing for all bad and doubtful debts and other charges are £825,434, a figure which, of course, includes a whole year's profits of the Lancashire and Yorkshire section. This may be regarded as satisfactory in a year in which the staple trades of the country have bumped along the trough of depression and never experienced that revival in trade which the favourable signs at the end of 1927 seemed to forecast. In making my speech last year I did not think, from all those signs, that I was too optimistic, but to-day I will content myself with saying that in certain respects the English sky is clearer than for some time past. But this unfortunately does not apply to Lancashire, where much has to be done before the cotton industry can be rebuilt on a sound basis. Such a basis can only be formed by reorganisation, combination, and the elimination of weak mills whose existence, in great measure, has been prolonged by that continuous undercutting of prices which only causes loss to the whole trade.

THE DIVIDEND.

To return to our figures. We brought forward last year £101,671, which, added to our net profit of £825,434, gives a disposable balance of £927,105. From this, we propose to transfer to premises account £150,000 in consequence of our building operations in Liverpool and London. Of the balance the usual dividend of 16 per cent. on the enlarged capital will take £665,606, leaving a slightly increased balance forward of £111,498. This added to our capital and reserves of £7,617,914, gives a total of £7,729,412, for our capital and published reserve accounts. I need hardly say that, like all other banks, we have hidden reserves against any unforeseen contingencies.

In 1927, in order to keep in close touch with trade on the Continent, we appointed Mr H. de Boehtlingk our Continental representative. His office is in Paris. This appointment has been fully justified. Mr de Boehtlingk, whom I welcome here to-day, has shown himself both active and capable. He has travelled to many cities for us, strengthening our relations with Continental banks, and bringing us into touch with many new friends, and I take this opportunity to thank him for his energy and zealous hard work.

NEW DEVELOPMENTS.

At home, the work of combining into one smooth-working unit the equally efficient but different office methods of the two banks has thrown a great deal of extra work on Mr Shawyer and his colleagues. This work was carried out by Mr. Shawyer with all his habitual tact, sympathy, and skill, and I should like to take this opportunity of recording our gratitude to him for all the careful and wise supervision he applies to our affairs. He sets an example which runs right through the staff, and in this is ably supported by Mr Furniss, our assistant general manager.

During the last year economies have been effected by standardisation and other methods. More still remains to be done, for it is obvious that the days of office machinery are only now beginning, and that the well-found office of the future will be equipped with a large number of machines. The bank has lately extended the use of machines by which much work is saved in ledger posting and passbook writing up, and in the near future customers of the larger branches will receive a series of loose sheets instead of a passbook. Such sheets will show all the details that are now given, but they will be in clear typewritten script, and these sheets will fit into special ring-books or folders supplied to the customer, so that unless differences occur there will be no need for the customer to return his book, thus saving much postage. The details he will receive will be the same details as given hitherto of each operation on his account, and, in addition, the credit or debit balance of his account after each operation. Many large firms and customers have signified their approval of the system, but, of course, there may be some customers who will still prefer the old methods, and in such cases their wishes will, of course, have attention.

Like other banks, we are experimenting in certain towns with "night safes" by which such of our customers as may wish to deposit cash after banking hours can, with a key supplied by the Bank, open the revolving door of the night safe, and drop into the safe custody of our vaults their evening's takings.

THE MONEY MARKET.

Leaving the bank's own affairs, I would refer first of all to the money market, which has been skilfully kept on an even keel throughout the year with a bank rate of £4 10s per cent., against the average rate of £4 13s in 1927. The ebb and flow of gold to this country has always been seasonal, the tide running in in the spring and early summer and out again in the autumn In the early part of 1928, the inflow of gold was so strong that a lower rate was expected, yet the bank rate did not move, even though by September 2nd the stock of gold in the issue department reached the record total of £172,907,475. Then the tide turned, and in the later months there were constant heavy withdrawals by France, Germany and the United States, till at the end of the year the gold held was only £2,000,000 above the total at the same date in 1927. It is, I think, clear from this that the Bank of England acted with great wisdom, since it was able to maintain a steady medium rate throughout the year, having accurately gauged the real causes that lay behind the shipments, which were due less to international trade settlements than to financial adjustments resulting from the stabilisation of French and other currencies. This has enabled London to retain and increase her influence as the financial centre of the world. During the past year the currency note issue has been transferred from the Treasury to the Bank of England, and the Bank of England at the same time took advantage of the occasion to make some valuable changes in the accounts of the banking department. Another return which is often scanned as a barometer of trade is the return of the London Bankers Clearing House, but as honorary secretary of that institution, I should like to warn you that the town figures day by day become more swollen by the growing habit, for easier accounting, of using cheques for each transaction, and not for the balances of transactions, so that they are little guide to trade movements. The figures of the Country Clearing and those of the Provincial Clearings are a more reliable guide, but these also tend to be upset if, as happened in one district at the end of last year, the figures were swollen by large cheques passing between firms as the result of sales and purchases of businesses.

EVENTS ABROAD.

The foreign exchanges were, except in the case of Spain, without marked features. In Spain considerable speculation occurred in the peseta, resulting in the Spanish Government being compelled to take measures to protect the value of the peseta by establishing credits in London and New York. Your bank was invited to participate in this credit, and did so, in conjunction with other London banks and houses.

In France the chief event of the year was M. Poincaré's stabilisation of the franc at 124.21, which took place in June. In connection with this stabilisation, France withdrew considerable sums of gold from both London and New York.

During the past year Germany has obtained from New York and London considerable long term loans for her municipalities and industrial companies, which has enabled her to take much gold from London. Aided by this gold, Germany's trade made considerable progress during the year, but in the last few months several labour troubles—notably in the coal and iron industries—have caused a rise in unemployment and a decline of trade.

HOME AFFAIRS: AGRICULTURE.

Let us now turn to affairs at home. During the year, in their desire to help agriculture in this country, the Government have established two schemes which they hope will provide additional credit facilities for farmers. One is for short-term credits, for the Government consider that up to the present the farmer has been too much in the hands of the middleman, and has therefore been unable to hold his crops sufficiently long to realise them to the best advantage. To meet a need for long credits the Government with the aid of the banks have established the Agricultural Mortgage Corporation, to the capital of which we have subscribed.

It is hoped that this new corporation which is just beginning its work, will be of real help to farmers, but I cannot help doubting if it will reach those smaller farmers who are most in need of working capital and have already borrowed as much as their bankers have felt justified in lending. Let us hope that it may, for agriculture in this country is in a bad way, and needs all the help it can get, despite the fact that for most crops, and particularly for grain, the sun in 1928 favoured the farmers to such an extent that by mid-September most of the grain crops were gathered. But the sun shone in other lands too, and the English farmer, whose labour costs have practically doubled since the war, found that his crops of English wheat, well-gathered as they were, were selling at the end of September for only some 20 per cent. more than the pre-war price and for nearly 1s 8d a quarter below last year's price, which followed on a very bad harvest. An industry in such a plight does not attract that new blood and capital which is essential, and in many parts of Southern and Eastern England it is difficult to get new tenants for farms being vacated, or even to retain the old. The time has now come for the country as a whole to make up its mind whether the life of the English countryside is to be preserved or allowed to decay. At the same time, the farmer who should be distinctly the better off for the Rating and Valuation Apportionment Act, must do his utmost to work in conjunction with his neighbours in all schemes for marketing his produce. The Agricultural Produce (Grading and Marketing) Act, now in force, should greatly help to secure the farmers getting the highest possible price for the top grades of the produce, which hitherto he has been apt to throw away, by mixing bad with good.

In talking of co-operation in agriculture, I should like to draw attention to the result of the milk fight, which took place in the autumn, in Cheshire. By arranging for collective selling through a central agency, the producers obtained from 2d to 3d a gallon more than last year.

DIFFICULTY OF SUPPLY AND DEMAND.

Efforts too should be made by farmers in conjunction with the Ministry of Agriculture to make far more exact estimates of the land to be planted with certain crops or of the increase or decrease of various classes of livestock.

At the present time, checked or encouraged by the weather, the chief element beyond his control, the farmer is apt to say, "Look at the money So-and-So made with sprouts or pigs last year," and in consequence acres are planted with sprouts and pigs are bred, till the supply defeats the demand and the crops or beasts are unsaleable. At the present time, the farmer, almost alone among producers, has little or no means of determining the amount of production needed for the country, and, unlike other producers, when his fields are planted and his season half through, he cannot well produce some other product the same year. Sufficient attention has not, I think, been given to this particular difficulty of farmers, yet it is a most important one to surmount if the farmer is ever to produce at a profit.

Though much that I have said about agriculture is not applicable to the bulk of the farmers in our own particular areas, for they are dependent for the most part on stock and not on crops, and have suffered perhaps less than their neighbours in the south and east, the welfare of English agriculture is so all important to the country that I have dealt somewhat fully with it.

WORLD MARKETS.

Turning from home production to world trade, the outstanding feature of the wheat market has been the large supplies and the determined efforts of exporters to hold up prices, in which the Canadian Farmers' Pool have taken the lead. At first, growers were able by their tactics to keep prices at a high level, but after June the weight of supplies forced a steady decline, so that though the quantities handled in Liverpool have been fully as large as ever, the business has been unprofitable.

In the U.S.A. the Government will shortly consider ways and means to help their farmers, who bulk so largely in the vote. It is expected that a Bill will be passed to create a large fund from which loans will be made on farm produce at a low rate of interest.

In the Argentine the President is reported to have expressed an opinion that the fixation of a minimum price for wheat is desirable.

The Liverpool futures market has had a good flow of business, and trade appears to be increasing as millers and merchants at home and abroad realise more fully the facilities and advantages which are provided in respect of hedging and necessary speculation.

In the milling trade there has been a moderate improvement.

COTTON.

The cotton trade has experienced another very bad year, more anxious, indeed, than any which have preceded it. The seven-weeks' lock-out at Nelson had a most serious effect, and on all sides foreign competition has become intense. It is obvious that unless costs of production are reduced even more trade will go abroad, for though there is a tendency in all competing countries for the cost of production—especially that of labour—to increase, the process will be a slow one, and we cannot wait for that day.

This country has already lost much of the cheaper trade, and its once-vaunted safeguards of climate and skill are no longer invulnerable now that machinery can reproduce the qualities of the one and ignore the properties of the other.

Many manufacturers who have turned their mills to the making of cloths of artificial silk, with or without mixtures, have doubtless retained their trade, but that has necessitated additional expense in the replacement of narrow looms by broad looms, and, in the present state of the trade, finance is often no easy matter. By the new treaty with China, which was concluded at the close of the year by the skill of our Minister, Sir Miles Lampson, after most difficult negotiations, we obtained what we had asked for, namely, the most-favoured-nation terms for our goods as well as for our nationals. More active trade should result with that country. This can be realised if our merchants will send representatives to China and interest the Chinese in our goods, for the British position there has greatly changed, and now it is the Japanese, and not ourselves, who are unpopular with the nation. It will be remembered that, next to India, China is our largest customer. Last year Australia took China's place, but this year China is back in the second place. Before the war our cotton exports used to amount to 6·7 thousand million yards, but in the last few years, chiefly owing to Japanese competition, exports had sunk to some 4 thousand million yards. Such a fall could not but cause great loss to the mills. The *Manchester Guardian* has estimated that during the preceding 12 months 207 companies, with an approximate paid-up capital of £45,000,000, had paid out in dividends less than £200,000, while those which had not paid dividends had probably lost on the average £5,000 each. Further, during the last 12 months, demands have been made for the payment of uncalled capital to the extent of nearly £3,500,000, making the aggregate calls since 1920 little short of £20,000,000.

IMMENSE DIFFICULTIES.

The difficulties of this trade have been immense. Bad finance in the immediate post-war years cramped the necessary replacements of machinery and made the mills unable to meet the acute foreign competition, and a complete change of fashion in women's clothing, brought about by the introduction of artificial silk, served to accentuate the crisis.

Now that the real facts are being clearly faced, and it is realised that this depression is in no way akin to other depressions in olden days when foreign competition was hardly felt, it may be hoped that by skilful reconstruction and amalgamation Lancashire may once again become prosperous.

During last week negotiations were completed for the formation of the Lancashire Cotton Corporation, a combine which it is hoped will restore better conditions to the industry. Though our own interests in mills are not large, we heartily wish it success, for it represents the most determined effort which has yet been made to meet present-day difficulties.

COAL.

Last year was again an exceedingly difficult one for the coal trade, which is still feeling the effects of the national stoppage in 1926, by which coal production abroad—especially in Poland—was so greatly stimulated. Before the stoppage Northumberland and Durham supplied almost all the coal needed by Denmark, Sweden and Norway. Now much of their coal comes from Poland, which exports 6,000,000 tons a year.

Various schemes for marketing and the regulation of output have been introduced, and of these the chief is perhaps the Yorkshire or five counties scheme, which came into operation in April last. No such association has yet been formed for Durham and Northumberland, of which two counties Durham is in the better position, as it supplies gas coal of excellent quality, for which there is a steady demand.

Short time has been general, and there is a great deal of unemployment and distress in the mining districts.

Latterly there has been a more hopeful feeling, but much remains to be done to bring down the cost of production to a price that will compete with other countries. One cause for hopefulness is the reported success of the experiments that have been made with pulverised coal, both on land and sea, though on board ship there are still some difficulties in the way of general use. Those who have tried pulverised coal speak highly of it and say there is general economy in the fuel used, and in the handling of it. Some works claim to have reduced their boiler-room staff by 86 per cent.

IRON AND STEEL.

In the iron and steel trades the outlook is certainly more hopeful. Prices of British iron and steel are now on a more competitive level with foreign material, and costs abroad tend to rise. In the near future British makers will benefit by the new railway rebates, remitted. As the present selling price of British-made steel is now only 12.2 per cent. above pre-war figures, an increase in trade may be expected.

For some reason, probably not unconnected with the rebate scheme introduced by British steel-makers, the import of foreign steel fell during the year from the 4,406,000 tons of 1927 to 3,000,000 tons in 1928.

SHIPBUILDING AND SHIPPING.

Though the yards on the north-east coast are now more fully employed, there are still many berths empty. A comparison of the vessels built on that coast in 1927 and 1928 shows that there were built :—

In 1927—138 vessels, aggregating 675,783 gross tons.
In 1928—171 ,, ,, 701,325 ,, ,,

In the early autumn orders seemed to be dying away, but towards the end of the year a remarkable change ensued and many new vessels were ordered so prospects are more hopeful.

The number of vessels laid up is now less than it was but is still too large. Many of these steamers are of too ancient a type for modern conditions and it would be better for all if many were to be scrapped. In the last three months of the year, chiefly owing to the size of the grain harvests, there was a considerable improvement in chartering, and the possibility of tonnage being dearer in the future has led to owners placing orders for tramp steamers.

WOOL TEXTILE INDUSTRY.

As in most other trades the year has been a disappointing one. At the beginning the world demand for raw material was active, and prices advanced, but later a sharp fall in values caused substantial loses in the trade and engendered that uncertainty regarding prices which hampers business.

Wool values are no longer dictated by users in this country, but by foreign competitors, whose labour and production costs are lower than ours. Foreign competition has been very keen and a good deal of work had to be taken at unremunerative prices in order to keep machinery employed. Nor, with so many home industries depressed, was there a good home trade demand. At the close of the year there was a slightly better tone, due partly to the increase in our exports of woollen and worsteds to China.

FUTURE NOT WITHOUT HOPE.

The recital of the course of trade in 1928 is gloomy reading. It could not be otherwise, for it has undoubtedly been a bad year, yet the future is not without hope. In these post-War years we have learnt much. First and foremost we have learnt that our post-War trade depression cannot be judged or dealt with on the lines of pre-War depressions, for the War has changed the world, and our place in the world is no longer such that trade will come back of itself even if we produce the best goods. The marketing of goods has been developed enormously by our rivals and to sell abroad to-day the manufacturer needs to send out his travellers equipped with a knowledge not only of the life of the country they are visiting, but also with the power to talk to the trader in his own language. It is most advisable, too, that those with authority in their firms should constantly visit those countries in which they market their goods. Personal touch is as necessary with markets as with men.

Our trade at the end of the War suffered because we were war-tired and little capable of vision, with the result that when we suddenly discovered ourselves in a phase of booming trade we too early imagined that all was well again. Again, we often sold our businesses because the offer made was tempting, and its acceptance seemed to be a way of obviating the too heavy excess profits taxation. But in doing so the business of the country was crippled. The price paid by the purchasers was too great for the necessary profits to be earned; insufficient sums, or none were put aside to meet obsolescence and the provision of new machinery, and, what was worse, those who earned their daily living in the business could not but believe that if the figures on which the businesses were sold had been fair, the proportion given to their labour was too small. An utterly wrong scale of values existed everywhere and the great strike followed, with disastrous results to the trade of this country. Since then we have been trying to extricate ourselves from the troubles and now we seem to be winning through. It means much to us that each year we are getting back into our businesses more of that stream of youth which in recent years has failed us owing to the losses of the War. These men are bringing into the working world fresh minds that are capable of viewing the world from the new standpoint, and the nation as a whole, is coming more and more to perceive that a business can only prosper if all conected with it prosper.

INDIVIDUALISM *v.* CO-OPERATION.

The old doctrine of individualism which characterised the nineteenth century is giving place to co-operation. This is visible on all sides—witness the increasing tendency in all businesses to amalgamation, which is only co-operation in another form.

And together with this marked tendency to amalgamation, we see the work of the Mond conference fructifying in the determination of masters and men to combine together to restore British industry. That the restoration should not be delayed is essential to the well-being of this country—indeed, to its existence—and it can only be by whole-hearted co-operation of men and masters that our various industries, once more prosperous, can absorb that unemployed portion of our population now so terribly large, and so sectionalised by reason of the nature of their trades.

It is because this desire for co-operation is so widely felt and because in many trades many concerns have had the dead wood of lost capital cut out of them and have been reconstructed and amalgamated under new and better auspices, that I venture to believe that our trade will improve in 1929, despite the brake that a coming General Election must apply.

And if trade prospers all will participate in that revival, not labour only, not management only, but capital as well, and remember that to-day capital is no longer only in the hands of the wealthy, for small shareholders are daily increasing their holdings in those businesses which create and distribute goods, whether they be food, clothes, transport, or other things essential to the well-being of us all.

Mr A. Allan Paton, C.B., one of the deputy-chairmen, seconded the adoption of the report and accounts, and the motion was carried unanimously.

Sir Aubrey Brocklebank, Bart., Sir F. W. Chance, K.B.E., D.L., Mr J. Arthur Slingsby, and Mr Alfred Watkin were re-elected directors, and the appointment of Mr R. D. Holt as a director was confirmed.

THANKS TO THE DIRECTORS, MANAGEMENT AND STAFF.

Mr Wilfred Turner proposed, and Mr James E. Gordon seconded, a vote of thanks to the directors, the committee of management, and to the general manager and other officers of the bank for their valuable services during the year. This was heartily approved.

Mr A. F. Shawyer, general manager, in reply, said the bank possessed a loyal staff which rendered efficient service, and the thanks of the meeting would be communicated to them. He acknowledged the co-operation and help of the London managing director, Mr G. E. B. Bromley-Martin, especially in the development of the bank's foreign business, and mentioned also the able help and support of Mr J. M. Furniss, assistant general manager, and Mr F. S. Kitchin, Manchester district general manager.

The meeting concluded with a cordial vote of thanks to the chairman.

CONTINUOUS GRAMOPHONES, LIMITED.

RAPID PROGRESS.

The statutory meeting of Continuous Gramophones, Limited, was held, on Tuesday, the 29th ultimo, at River Plate House, London, E.C.

Mr. G. A. Bryan (the chairman) said :—Although the company has only been in existence for three months I am pleased to inform you that we have purchased a freehold factory at Walthamstow which our surveyors report as being on very advantageous terms, and which is eminently suitable for our business, with an abundance of available labour. We only took possession on November 26th last, and it is now in course of being equipped—in fact, we have been for some weeks making and assembling parts in quantities, and are advised by our general manager, Mr Ernest Wainwright, that in the course of another two months not only will the equipment be completed, but the company be in steady production, and by the end of May full production should be obtained in excess of the prospectus estimate.

AHEAD OF TIME SCHEDULE.

As you are aware, we do not propose manufacturing every part ourselves, as we have been able to complete contracts for certain castings and other parts on very favourable terms, which will bring our cost of production of the complete machine below the figure on which the directors made their first budget, and should leave the company a profit per machine in excess of the estimate above mentioned; as a matter of fact progress has been so rapid that we are ahead of our time schedule.

With regard to the sale of products, your directors have every confidence that the whole of the output will be readily disposed of. We have received hundreds of letters and applications not only in respect of the home market from the trade, private users, hotels, and cinemas, but also from practically all parts of the world as to agencies, licences, and in some cases for the purchase of our rights in various countries. The directors feel, however, it is in the best interests of the shareholders to defer actual negotiations for the sale of any patent rights until they have firmly established the Continuous Gramophone on the home market, when they can judge what satisfactory and remunerative arrangements can be made for dealing with other various rights.

Negotiations are proceeding during the organisation of the selling department for the sale of approximately one-half of the company's output to December 31st next at prices which show a profit per machine in excess of the prospectus estimate, and, with regard to the other half of the estimated output this year, it is proposed to meet the requirements so far as possible of the home inquiries already received.

MAIN PATENT SECURED.

As you know, we purchased the world's patent rights (other than for Australia and New Zealand), and you will be pleased to hear that the complete specification in respect of the main patent covering the British patent rights has now been accepted, and the English patent number will be 304,070. It is anticipated that the various other patents will be completed shortly.

Now as to the Continuous Gramophone itself. As a gramophone manufacturer for thirty years, I think it is the most revolutionary and outstanding machine yet invented, and it has the added merit of being cheap and simple in manufacture, with absolute reliability.

BIG TRADE INTEREST.

I am convinced that in the near future all gramophones which change the records and needles automatically must be played vertically, and your company's main invention should prove enormously valuable in respect of licences to other manufacturers both in this country and abroad. Again, the needle-changing device is the subject of other patent rights owned by this company, and we have already found a persistent interest is being taken by the trade therein. So far as this device is concerned, the present machines are fitted with 480 needles to play 240 double-sided records, soft or loud at will, and the number of needles is only limited by the size of the magazine—a few seconds refills the magazine with another 480 needles.

The price at which the machine will be sold has not been definitely determined, but it can be asserted with confidence that a wide market exists for a machine of the calibre of the Continuous Gramophone, which not only plays continuously, but also plays both sides of the records, at a price of about £80, which compares very favourably with the price of machines not possessing its unique merits and advantages.

You will gather from my few remarks that your directors are not only satisfied with the progress already made, but are particularly optimistic as to the future of the business and the value you have acquired.

They, one and all, are satisfied that the Continuous Gramophone has a remarkable and successful future before it.

A resolution providing for the modification of the agreement for sale was carried unanimously, and the meeting closed with a vote of thanks to the chairman and directors.

NATIONAL PROVINCIAL BANK, LIMITED.

RECORD BALANCE-SHEET FIGURES.

SOUND AND LIQUID POSITION.

OPPORTUNITY OF EXTENDING TRADE IN CHINA.

BANKERS AND TRADERS.

SIR HARRY GOSCHEN ON INDICATIONS OF TRADE IMPROVEMENT.

The annual general meeting of the National Provincial Bank, Limited, was held on Thursday, January 31, at the Cannon street Hotel, London, E.C., Sir Harry Goschen, Bt., K.B.E., presiding.

Sir Alfred Lewis, chief general manager, having read the notice convening the meeting and the report of the auditors,

The Chairman, who was received with applause, said:—Gentlemen,—With your permission, before I deal with the accounts, I should like to refer to one or two matters of what I may term domestic interest.

CHANGES ON THE BOARD OF DIRECTORS.

It was with much regret that we had to announce in our report that Mr Lindsay Smith, feeling, that after many years of active service, he would like to enjoy more leisure and freedom than his duties at the bank permitted, has resigned his seat as a director of the bank. The wide experience in banking matters which Mr Smith possesses, gained originally as a partner of Messrs Smith, Payne and Smith, one of the oldest firms of private bankers, as a director of the Union Bank, and finally as a director of this bank, has been of great advantage to our board, and it is a matter of deep regret to us that his intimate knowledge of many sections of our business will no longer be constantly at our service.

We shall ask you later on to confirm the appointment of the new director whom we have elected to a seat on the board in the person of Sir Harcourt Butler. Sir Harcourt Butler has had a very distinguished career, both at home and in other parts of the Empire, and the long experience he has gained of affairs and people as an important administrator both in India and Burma, will be of the greatest service to the bank.

We much regret to announce the loss the bank has suffered by the death of two of our local directors, viz., Mr Wragg and Mr Mauger. Mr Wragg was for many years the general manager of the Sheffield Banking Company, and later, a member of our local board in Sheffield, where his long experience of that district will be much missed; and we must also pay tribute to the value of the services rendered by the late Mr Mauger, a member of our local board in Guernsey. We have appointed his son, Mr William Mauger, a gentleman possessing wide knowledge of Channel Islands business, a local director in his place.

NEW BRANCHES—PRINCES STREET OFFICE.

In continuance of our policy of providing for the wants of our customers and securing new business wherever favourable opportunities present themselves, we have opened 42 new branches during the year, bringing up the total number of our offices in the United Kingdom to 1,262 and in this connection, perhaps I may say a word with regard to our Princes street office.

Some of our shareholders may have noticed, possibly with surprise, the demolition of what appeared to be a fine and solid building at the corner of Princes street, facing the Mansion House. Unfortunately, circumstances over which we had no control obliged us to take this course. After a dramatic collapse of a building in Cornhill, owners of property in the City were much exercised as to the stability of their own buildings, especially those adjacent to sites on which rebuilding, entailing deep excavation, was in progress. Certain indications clearly showed that some movement or settlement in our building at Princes street was taking place, and compelled us to have an examination made of our foundations. This examination disclosed a disturbing, if not alarming, state of affairs and trial borings and excavations revealed the disappearance in many places of the ground on which the foundations of the building originally rested. It is not possible to determine with exactitude whether this subsidence has been caused by neighbouring excavations, extensive pumping or the action of time, but the fact that large cavities existed below the foundations compelled us to take immediate action and the only practical and economical remedy was to demolish the existing structure and rebuild our premises, and this work has accordingly been put in hand. Much work underground will be necessary to secure, as far as is humanly possible, a sound foundation on the blue clay, and considerable expense will be incurred, but we intend to erect on the finest site in the City a building which will not only be thoroughly adapted to the needs of modern banking, but will be a credit to the bank and an ornament to the prominent position it will occupy. We have in the room a sketch of the elevation of the new premises, should any of the shareholders like to take the opportunity of seeing the type of building we propose to erect.

INSTALLATION OF "NIGHT SAFES."

I should like also to refer to the provision of facilities for the safe deposit after banking hours of moneys received by our clients. As a result of careful inquiries regarding the experience gained by our friends both in Europe and the United States, we have decided to instal in such branches where the need appears to be urgent, a system of "night safes," which we trust will prove useful to such of our customers whose hours of business are unduly prolonged, and who are unable to arrange themselves for the safe custody of their evening receipts.

THE ACCOUNTS.

Turning to our accounts, we are pleased to show a satisfactory increase in all our figures, the summation of the balance-sheet reaching £329,698,670 against £305,444,270 last year. The capital and reserve remain the same, but there is a notable increase in the amount of our deposits on December 31st of about £17,000,000, and I am glad to say the sums derived from our smaller account holders and depositors included in this amount show considerable expansion. Our liabilities for acceptances, endorsements, &c., also show an advance over last year's figures of over £7,000,000, while on the assets side of the balance-sheet, the larger figures represented by our cash, balances with other banks, &c., money at call, represent satisfactory and appropriate additions to our most liquid assets.

We have made a change in this year's balance-sheet in the manner in which our bills discounted appear. Our Treasury bills, amounting to £28,765,000, are now shown separately from bills payable by British firms and institutions in the United Kingdom. On December 31, 1927, our holding of British Government Treasury bills amounted to £27,600,000.

The keen Continental demand for English bankers' acceptances, chiefly on behalf of the central banks abroad, has no doubt had a considerable bearing on the comparatively moderate holdings of such bills disclosed this year in the banks' balance-sheets.

INVESTMENTS.

Investments show an increase of about £1,400,000, due chiefly to our increased holdings of Government securities; our holdings in allied banks also show an increase owing to a call of £15 per share necessitated by their expanding business made by Lloyds and National Provincial Foreign Bank, which has raised our holding in this institution from £240,000 to £420,000. I am glad to say that our subsidiary, which we own jointly with Lloyds Bank, is making steady progress, and is dealing with an increased amount of remunerative business.

Our advances to customers again show an increase, and, like our commercial bills, indicate the increased facilities we are affording our customers throughout the country.

PROFIT AND LOSS ACCOUNT.

Our profit and loss account, after providing for all bad and doubtful debts, shows a balance of £2,108,663 16s 11d (against £2,093,452 9s 9d at the end of 1927), and after adding the balance carried forward from the previous account of £863,476 9s 3d, we have now £2,972,140 6s 2d with which to deal.

The interim dividend paid in July has absorbed £853,147 8s 10d, and the final dividend we have declared will require a similar amount; of the sum remaining we propose to transfer £100,000 to the pension fund, £100,000 to bank premises account, and £200,000 to strengthen our contingency fund, leaving us with £865,845 8s 6d to carry forward to the new account.

RECORD BALANCE-SHEET FIGURES.

I am glad to say that not only do the balance-sheet figures we are able to put before you to-day constitute a record in the history of the bank, but we have fully shared in the record figures for turnover of all banks, which the Clearing House report discloses.

It may interest you to know which sections of our business are responsible for the larger figures. There is a gratifying increase in the turnover of the country branches, which gives us ground for belief that the industrial side of the business of the bank as a whole is being maintained. There has been a decrease in the turnover in coal, iron, steel, and in the textile industries, but there has been a satisfactory increase in the volume of business in shipping, leather, hosiery, lace, and pottery, as well as in our agricultural accounts; indeed, all the other sections of the bank's business, with the exception of those mentioned above, show an expansion in turnover. Some of the sub-divisions in these various trades show slightly unfavourable movements, but as a whole there has been expansion which affords considerable encouragement. In referring to iron and steel I have had in mind the raw material end; in some of the branches of the heavy industries progress has been shown. It is interesting to see that according to the public returns of the various sections of trade, the experience of our own business is generally in harmony with the conditions of industry throughout the country.

TRIBUTE TO THE GENERAL MANAGERS AND STAFF.

I should again like to pay due tribute, in which I am sure you will join, to the zeal, energy, and ability which have been displayed by the chief general manager, the general managers, managers, and the staff of the bank in enabling us to place a satisfactory statement before you, and for the sound and liquid position disclosed by the balance-sheet. We are fortunate in having in the bank a body of men whose primary object is to maintain the high traditions of the bank and to further its interests to the utmost of their power.

AFFILIATED BANKS.

We append, as usual, to our report the balance-sheets of our affiliated banks, Messrs Coutts and Co. and Messrs Grindlay and Co., Limited, both of which show progress, and we are pleased again to express the satisfaction the directors feel on the acquisition of these two businesses, the result of which has entirely justified their anticipations.

INTEREST RATES.

The profits of the bank have not been attained without difficulty. The rate of interest obtainable from all the short investments in which our floating funds are employed shows a decline in all directions as compared with 1927. The average rates for call and Stock Exchange money, discount, &c., were all lower. One feature of the year has been the steady figure of 4½ per cent. at which the Bank rate has been maintained, and I venture to say that the greatest credit is due to the Governor of the Bank of England for the skilful and courageous policy he has pursued which has enabled the traders of this country to enjoy lower rates for money than those prevailing generally in other centres, and this notwithstanding the large exports of gold from the Bank of England during the year.

We must, I think, recognise that the comparatively low monetary rates which have prevailed in this country have not only been of great assistance to industry and manufacturers, but they have materially contributed to the re-establishment of this country as the great financial centre and free gold market of the world. Further, London credits, assisted by the cheaper rates of discount, have been in greater demand, and are regaining their pre-eminent position. The volume of British bills has increased and much of the crop finance is returning to what I ventured to describe last year as its "legitimate channels."

IMPORTANT FINANCIAL EVENTS.

Perhaps, however, the most important financial events of the past year have been the transfer of the currency notes to the Bank of England, the amalgamation of that issue with their own, the creation of the £1 and 10s Bank of England notes, and the publication by that institution of a new form of account in which bank balances appear for the first time week by week as a separate item.

The passing of the Currency and Bank Notes Act marks the termination of the last of the financial expedients necessitated by the outbreak of war, and fulfils the last of the principal recommendations of the Cunliffe Committee of 1918 and the Gold Standard Committee of 1924. The Act restores, with one or two exceptions, the principles of our pre-war system. We still adhere to the principle of allocating our gold holding to the service of our note issue and of a fixed though enlarged fiduciary issue; but while an increase in our stock of gold is still the main basis for an expansion of the note issue, simpler machinery has been provided for permitting a temporary excess of the sum of £260,000,000, the normal limit of the fiduciary issue, a provision which may be of great service in times of genuinely increased trade activity.

The new form in which the Bank of England accounts are published will be generally welcomed, and the fuller information given will be of much interest to those who desire to study monetary movements. The disclosure of the total of banks' balances with the Bank of England, which is now included as a separate item in the accounts for the first time since 1878, will afford interesting and useful information to all concerned, and will give the public a better chance of appreciating the actual financial position.

TRADE CONDITIONS.

It is a matter of grave concern that in any survey of the trade of the country during the past year, the picture should be overshadowed by the cloud of depression which still hangs over our great basic industries. We cannot but be impressed with the serious question of unemployment and of the distress which exists in the mining centres of South Wales and the North of England, and we must, unfortunately, realise that we have not yet recovered from the aftermath of the unfortunate events of 1926. As far as the coal trade is concerned, it is true, I believe, that we are slowly recovering our position in some of our old markets, but much remains to be done, and I am afraid there are but few pits which are working at a profit.

IRON AND STEEL INDUSTRY.

In my opinion there are indications that some improvement may have taken place during the past year in the state of our basic iron and steel industry, but the position is still far from satisfactory. The output of steel (8,525,100 tons) for the year 1928 represents a reduction of 6.3 per cent. on the figures for 1927, and gives an average of about 65 per cent. of the country's capacity. As compared with the previous year, however, the year 1928 has included no period of relatively high production due to exceptional causes, such as was experienced in the earlier months of 1927 when production was maintained at high pressure in order to meet demand accumulated during the coal stoppage; on the other hand, in the later months of 1928 the output showed an encouraging increase over the corresponding tonnage for 1927.

From the domestic point of view the belief has gained ground that the continuance of adverse trade conditions might be alleviated, to some extent at least, by concentration of production and by improvements in the machinery of selling; and it is clear that efforts have been made and are being made in many directions to obtain such improvements.

The fundamental factor in this industry continues to be the excess of productive capacity in the world, which affects the situation more acutely in Britain than in any other country, owing to the relatively higher standard of living here, and the consequent higher cost of production; this in its turn accentuates the difficulty of maintaining sales at a sufficiently high level to secure adequate and continuous employment for the workpeople dependent on this trade.

ENGINEERING AND SHIPBUILDING INDUSTRIES.

It is gratifying to observe an improvement in the engineering and shipbuilding industries. The Sheffield trade in high-class steel, steel alloys, engineers' tools, &c., shows expansion especially in the later months of last year, and, generally speaking, business has improved in most of the secondary industries in this section.

COAL AND HEAVY INDUSTRIES.

We are all glad to note the progress which has been made in the efforts put forward for the reorganisation of the coal and heavy industries. Uneconomic pits and out-of-date works are being closed down; amalgamations of similar and even competitive interests are the order of the day, and arrangements are being made for combined selling. Management is being overhauled in order to secure the greatest efficiency and economy, and there has been a distinct advance in sympathetic co-operation between employed and employers. I trust these efforts will be crowned with success. We may expect also that these important industries will benefit in no small degree from the Government's de-rating proposals now before Parliament, and it must be a satisfaction to us all that this effort has been made to relieve productive industry, and especially those branches of our trade which are struggling towards a profit-earning basis, from the heavy burden of rates, to which I have previously referred on more than one occasion. As has been well said, you may tax the profits of industry but you must not tax the tools of industry by which those profits are produced.

TEXTILES.

As far as textiles are concerned, the depression which during the last few years has pervaded the cotton trade shows little signs of dispersion. Institutions engaged on specialities and holding a virtual monopoly, as well as those engaged in the finishing of goods, show a decided improvement over last year. Spinners engaged on fine counts have probably done well, but in the case

of those engaged on coarse yarns, losses are probably more prevalent than profits.

There is a brighter side to the whole industry in the tendency that is evident in this trade, also to closer co-operation between all sections. Manufacturers and merchants are evincing a desire to work together, and to co-ordinate their endeavours to meet foreign competition by mass production and improved and cheaper methods of distribution, but in this, as in every trade, friendly co-operation between workers and employers is essential if we are to improve or even retain our place in the markets of the world.

WOOL TEXTILE INDUSTRY.

As regards the wool textile industry, the year 1928 opened with much optimism, and there was increased activity in most sections, both here and on the Continent of Europe. Wool prices were somewhat high, and continued to rise in the early spring. This was attributed to a fear of a serious shortage in the Australian clip, and to the anticipation of an increased consumption throughout Europe. Both estimates proved to be wrong, and our merchants, spinners, and manufacturers found themselves with dear raw material, and faced with a falling demand for finished products. From Easter onwards there was an increasing decline in activity amongst machinery users, who, in view of the situation, bought their raw material, as it were, from hand to mouth. So much did demand fall away that in order to keep their machinery going and the nucleus of their employees together, much price-cutting was indulged in by producers, with unremunerative results. To-day spinners and manufacturers are not in the mood for speculation.

WHAT IS NEEDED.

There is a longing for a firm market, free from the wide fluctuations which have been experienced in the last few years, and for a bigger outlet for wool products at home and abroad. In this question of overseas demand, however, our wool textile friends are up against the fact that nations which never before made their own yarns and cloths, nor did their own processing, have, in the course of years, become industrialised, have equipped themselves with machinery, and are making goods which, if not of the same quality and craftsmanship, have had a serious effect on this branch of our great staple industries. It is undeniable, too, I think, that the appearance of these manufacturers in the primary market tends to keep up the price of the raw material at a higher level than used to be the case. Our overseas competitors, however, are able to offset this condition of things by their cost of production, which, for well-known reasons, is much lower than that prevailing in the West Riding of Yorkshire. It is a matter for gratification, however, that in the very high-class goods trade our manufacturers have succeeded in surmounting the barriers which have been erected throughout the world to stem the flow of their exports.

TRADE OPPORTUNITIES IN CHINA.

I cannot help thinking that at the present moment great possibilities exist for the development and expansion of all sections of our trade. For some time now China has presented an almost closed door to any development, certainly of our export trade; indeed, during the past few years, it has been seriously curtailed owing to the disturbed conditions in that country. The hostility which existed to British interests arose, I believe, in the main, from gross misunderstandings engendered and fostered by communistic propaganda, but at last there are signs of more settled conditions. The new Anglo-Chinese Tariff Treaty, which was skilfully negotiated by our diplomatic representatives and signed in December of last year, has been followed by the formal recognition of the Nanking Government by H.M. Government. The reports which have reached me from China lead me to believe that, at all events in that part of China, there exists a more friendly attitude to British interests and trade than has been the case for many years, and it is now for us to take advantage of this possible opportunity. China is in need of many of the goods we manufacture, and, I understand, is willing to enter into negotiations as to the terms on which they can be supplied. We must, I think, recognise that great changes have taken place in the last five years in the national sentiment of the Chinese people. They wish to negotiate with European firms direct without the intervention of agents and compradors, a great change and one which will necessitate a radical rearrangement in the methods and practice of our great merchant firms in that country. They are, of course, better able than I to weigh the risks and advantages involved in such a change, but if we do not show ourselves ready to meet our prospective customers, it is certain someone else will. It seems to me that if our manufacturers and merchants are still imbued with the spirit of enterprise and energy which enabled their forefathers to lay the foundation of our vast trade with the Far East, they will seriously consider the position, for, in spite of the great changes and possible risks involved, in spite of the difficulties even of conducting business with the Chinese in their own language, there seems to me to be a great opportunity of extending all sections of our trade with that great country which, if neglected now, may not recur.

AGRICULTURAL INDUSTRY.

The state of our agricultural industry still leaves much to be desired and although speaking generally last season was a good one, I doubt whether farmers, as a whole, have made much money. Cereal crops were good, but without an exceptionally good yield it is almost impossible to grow wheat at a profit at 43s a quarter, with wages at their present level. Sugar beet has in some districts been fairly profitable, but, as a whole, with the high cost of labour and the low level of prices obtainable for farm produce, it is difficult for farmers to make any headway. Still, the fine weather experienced last year was of material assistance in keeping down the cost of harvesting and of great value to the land and cultivation for the next year's crops.

THE AGRICULTURAL MORTGAGE CORPORATION.

In conjunction with nearly all the other clearing banks, we have taken our part in forming, at the request of the Ministry of Agriculture, the Agricultural Mortgage Corporation, for the purpose of granting fixed loans to farmers for long periods in connection with the purchase of land, and the Act under which this institution came into being, also created a new security for short term loans from bankers, in the form of a Chattel Mortgage. The farmers will thus be provided by one method of the other with an easier means of access to the national savings for the purpose of purchasing and becoming the owners of their farms and ensuring the fixity of tenure they have always desired, or, by means of the Chattel Mortgage providing themselves more easily with floating money with which to improve their cultivations or extend their stock. In order to remove a misconception which appears to exist in the minds of some people, I may perhaps point out that the rate of 5½ per cent. at which the institution in question is at the moment prepared to make loans for long periods, includes the sinking fund necessary to redeem the loan in 60 years, while a suggestion that large profits may accrue to the banks and others, is hardly borne out by the fact that the maximum dividend the shareholders can receive, if earned, is 5 per cent., which is the only outgoing of the corporation beyond the necessary expenses of their staff and premises.

BANKS AND TRADE FACILITIES.

From time to time, both in the Press and on the platform, criticisms are made regarding the policy of the English banks, particularly with regard to the facilities they provide for the trading public. These comments are generally more insistent during times of trade depression, and perhaps it might not be inappropriate for me to-day to say a few words on this subject. These criticisms take a varied form; it is said that the banks do not provide sufficient accommodation to meet the requirements of traders generally; that they lend too much money either to financiers in the City or to foreign firms and thus deprive manufacturers and other traders of accommodation. It is difficult to reply to general criticisms in other than general terms, but I would ask those who are inclined to believe ill of the banks to consider the following remarks:—

In our own case, on December 31st last, the total amount of advances made in our principal City offices in London, represented 28 per cent. only of the deposits gathered through those offices, whereas the advances made through the channel of the whole of our other offices represented 60 per cent. of their deposits. In regard to the City advances, it must not be overlooked that they also include loans to important commercial undertakings, and I think you will see from this that there has been no starvation in the facilities granted by our provincial branches to our large agricultural interests and to industrial concerns established throughout the country. The published figures of the joint stock banks provide in themselves striking evidence of the increased facilities which have been afforded to traders in the course of the last few years. In 1913 the advances of English banks were under £500,000,000, while at the end of 1928 this figure was over £1,000,000,000, and the rates at which these advances have been available were considerably lower than those prevalent on the Continent.

FINANCING OF FOREIGN BUSINESS.

References are also made to the financing of foreign business, and whilst I believe that important facilities for overseas transactions are a large contributory factor in the development of our domestic trade, it may be of interest to state that such advances are much more than covered by the deposits held by the bank from its overseas customers.

Moreover, our banking machinery has been the instrument for raising during last year no less than £179,000,000 of new capital for domestic enterprise; an increase of £39,000,000 in comparison with 1927, besides a large amount for development in other directions.

GREATER CONFIDENCE IN THE FUTURE.

We must not, however, ladies and gentlemen, only review the past, but look forward to the future, and I find some difficulty in forming an opinion, and still more in expressing one, as to the likely course of trade this year, for nowadays the political and financial situation throughout the world changes so suddenly and so rapidly that one can hardly forecast the probable course of events from one week to another.

It is a curious phenomenon that in recent times there has been in the closing months of each year a recrudescence in trade and a more optimistic prognosis of the future, which I am sorry to say has not been wholly fulfilled. Our hopes have often been disappointed, but this year I feel greater confidence, in that I believe our manufacturers and industrial leaders seem to have found again that self-confidence which they would almost appear to have temporarily mislaid. There is less inclination to wait for a problematical improvement in trade or to place undue dependence on the prospect of Government assistance than was the case a year ago. On the contrary, in many directions industry seems determined to face things as they are, to arrange matters in their own way, and to take their coats off and make the best of a difficult job. At last we seem to have realised the unpleasant truth that other nations have learnt to manufacture as well as ourselves. We are learning by bitter experience that our industries cannot enjoy restored prosperity so long as production is continued under conditions which not only bring losses to the owners, but militate against the restoration of prosperity to trade as a whole. If our industrial community, both employed and employers, have realised these facts and made up their minds to face the situation, then I believe, by efficiency in management and operation, the scrapping of old and uneconomic plants and by methods of rationalisation, painful though the experience in some directions may be, we shall more rapidly secure restored prosperity to the advantage of all classes of our people.

I now beg to move:—"That the report and accounts, as presented, be received and adopted."

Mr F. C. Le Marchant seconded the motion, which was carried unanimously.

ENTERPRISE!

¶ The intrepid enterprise of Columbus over four centuries ago opened up all the possibilities of an undeveloped Continent.

¶ Since then, the enterprise of succeeding generations has resulted in phenomenal development of the vast resources of the New World.

¶ To-day a great and growing volume of overseas trade is transacted annually by the Latin American Republics, and complete facilities for every description of modern banking business are afforded by

THE ANGLO-SOUTH AMERICAN BANK LTD
117 OLD BROAD ST. LONDON, EC2

RE-ELECTION OF DIRECTORS.

The chairman then proposed the re-election of the directors retiring by rotation, namely, Mr Charles Cave Cave, Mr Charles Gipps Hamilton, Sir William Barclay Peat, C.V.O., and Mr Eustace Abel Smith.

Mr M. O. FitzGerald seconded the motion, which was unanimously adopted.

The chairman further moved that Sir Harcourt Butler, G.C.S.I., G.C.I.E., who had been appointed to a seat on the board during the war, be re-elected.

Sir Felix Schuster, Bt., seconded the motion, and it was unanimously agreed to.

RE-APPOINTMENT OF AUDITORS.

On the proposition of Mr H. J. Mulrenan, seconded by Mr H. C. Scrimgeour, Sir Nicholas Edwin Waterhouse, K.B.E. (of Messrs Price, Waterhouse and Co.), and Sir William Henry Peat, K.B.E. (of Messrs. Peat, Marwick, Mitchell and Co.) were reappointed auditors for the current year.

VOTES OF THANKS.

Mr Cecil Braithwaite moved a vote of thanks to the directors, general managers, branch managers, and other officers of the bank for their efficient management and services.

Mr John Cadogan seconded the vote, which was cordially passed, and a brief acknowledgment was made by the chairman.

A vote of thanks to Sir Harry Goschen for his able conduct in the chair—proposed by Mr. J. Scovell Adams, seconded by Mr A. W. Card, and supported by Mr W. Claude Steggall—concluded the proceedings.

HUNGARIAN COMMERCIAL BANK OF PEST.

INCREASED PROFIT AND DIVIDEND.

The board of directors held a meeting, on January 19, 1929, and approved the balance-sheet for the year 1928. The net profit including the balance of the profit and loss account brought forward from last year is P 5,805,157.60, against P 5,066,365.79 in 1927.

In conformity with the traditional practice of the bank the profit of several already concluded transactions does not appear in the result of the present year.

The board of directors will submit to the 87th ordinary general meeting of stockholders, to be held on February 5, 1929, the following resolutions:—

The distribution of a dividend of P 7 for 1928 per share (last year P 6). The total amount to be paid for dividend will be therefore P 3,500,000. The board will also propose that P 1,200,000 should be added to the different reserves and that P 60,000 should be used for charity funds of the staff of the bank.

The board of directors will ask the ordinary general meeting of stockholders to transfer from the pension fund of the staff which has been put aside in accordance with a former resolution of the general meeting in April, 1926, in the sum of P 6,000,000, and rose since to P 8,285,440, the amount of P 5,000,000 to a pension fund—as authorised and required by law—for the members of the staff still in the employ of the bank. The remaining P 3,285,440 will be reserved for the pension due to the employees already retired.

The figures for 1928 and 1927 compare as follows:—

Deposits in savings accounts increased in 1928 P 17,551,896 to P 94,885,906, against P 77,334,010 in 1927.

Deposits in current accounts rose from P 113,515,164 to P 121,637,825. Other creditors amounted merely to P 7,573,600.

Bills discounted increased from P 81,156,813 to P 90,434,544.

Mortgage loans reached the aggregate amount of P 51,776,189, against P 36,579,412 in 1927.

Securities owned by the bank figure in the balance-sheet according to the usual conservative valuations, the declines of prices of certain categories which occurred in 1928 having been duly considered.

The turnover has also considerably increased.

The total turnover on one side of the general ledger aggregated P 9,282,143,000, against P 8,659,444,000 last year.

The turnover in deposits rose from P 2,613,806,000 to P 2,905,003,000.

The turnover of the cash department increased to P 3,449,846,000 from P 3,120,227,000, and that of the foreign exchange department to P 3,681,845,000 from P 3,656,557,000.

The increase of the salaries is only insignificant. The usual yearly rise of salaries has been more or less balanced through the retirements in pension.

Taxes and duties amounted to P 2,242,213, against P 1,398,893 in 1927, and show an increase of about 60 per cent.

DISTRICT BANK, LIMITED.

SUCCESSFUL RESULTS—INCREASED PROFIT.

STRONG AND LIQUID POSITION.

ISSUE OF BONUS SHARES.

CHAIRMAN'S REVIEW OF TRADE CONDITIONS.

The annual meeting of the shareholders was held on Friday, January 25th, at the head office, Spring Gardens, Manchester, the chairman, Sir Christopher T. Needham, presiding.

The Chairman, in moving the adoption of the report and balance-sheet, said:—

I assume that you will take the report and accounts as read.

TRIBUTE TO LATE DIRECTORS.

We have to report with deep regret the loss by death of two directors in the past year. Mr Myles Kennedy joined the board in 1908 as a representative of the Lancaster Bank immediately after the amalgamation of that bank with the District Bank. Very well known and honoured in the northern half of the country, and in Cumberland and Westmorland, his wide interests made his experience of great value to the bank, and his colleagues mourn the loss of a vivid personality and a friend. Major Robert Barbour, whose untimely death by accident occurred in September last, had been a director since 1919. He was the third of his family to serve upon the board. His grandfather was elected a director in 1831, and his father in 1885. Major Barbour won great regard from his colleagues, and his presence will be greatly missed. It is indeed grievous that so long and happy a connection between his family and the bank should be broken. It extended from the early days of the bank's history, Major Barbour's grandfather in 1834 having laid the foundation-stone of this office in which we are now meeting.

The Directors have elected to seats on the board Mr Samuel Turner, of Rochdale, vice-chairman of Messrs Turner and Newall, Limited, Rochdale, and Mr Francis J. Dickens, of Silverdale, Carnforth, governing director of Messrs I. H. Morris and Co., Limited, Manchester. Their business experience will, we are sure, be of great value to the bank.

THE BANK'S CENTENARY.

Our meeting to-day is notable, for this year we celebrate our centenary. When the bank first opened its doors to the public the Napoleonic Wars were still within the memory of the majority of the inhabitants of this country. At that time our industries (judged by modern standards) were small; transport was extremely difficult, and many of the great industries of to-day, including the manufacture of cotton goods, were in their infancy. The population of Manchester was then under 140,000, and Lancashire had not become that highly organised industrial community which we now see.

Joint-stock banking in the provinces was first permitted by law in 1826. Our bank was established in 1829, and it is the oldest joint-stock bank in England, and consequently the first to celebrate its centenary, an event of which, I think, we may be justly proud. One or two instances of our historical connections will indicate how deeply rooted are our interests. Through the acquisition, in 1863, of the old-established banking house of Loyd, Entwistle, Bury and Jervis, now our King street office, we have local connections extending into the eighteenth century. The Lancaster Bank, which united its fortunes to ours in 1907, was established three years before the District Bank, that is, in the very year in which joint-stock banking was first permitted.

Throughout its 100 years' existence the bank can fairly claim to have adapted itself to the changing conditions of industry, of commerce, and of finance, and has endeavoured to give to the vast trading community which it serves facilities equal to those obtainable in any of the great financial centres.

I should like to mention that this is one of the very few surviving banks having its head office situate in the midst of the industries it has fostered and served, and not the least of the factors contributing to its success has been local knowledge, accessibility and personal relationship. The problems before us to-day are possibly greater than at any previous time, but with the ample resources at its command the bank looks forward with confidence to a continuance of its policy of providing help and assistance as industry and commerce may require.

At a later stage of this meeting I will propose a resolution which, if you approve, will authorise the directors to call the meetings necessary to carry into effect the proposals in connection with the celebration of our centenary which are outlined in the annual report already circulated.

TRADE REVIEW.

A year ago the outlook seemed promising, and, indeed, the first quarter of the year showed a fairly satisfactory activity in trade, but from April onwards a set-back was evident, which continued until the last months of the year, when there were slight signs of increased trade. It is encouraging to find that our exports for the year show the welcome, if not very large, increase of £11,750,000. The re-exports of imported merhandise for 1928 amount to £120,352,000, showing a further decline of £2,600,000, and compared with the year 1925 the diminution is £33,684,000. This re-export trade in the past has proved very valuable to this country, and the considerable decline in value during the last few years shows the changing course of international trade, the cause of which is well worth close investigation. The excess of imports over exports of merchandise in 1928 was £353,000,000, against £386,000,000 in 1927, an improvement in our favour of £33,146,640. Assuming that our "invisible exports" were no greater than in 1927, it would appear that the national income for 1928 from overseas transactions will be not less than £150,000,000, against £99,000,000 for 1927. This considerable increase of income is a valuable addition to our resources.

We have for long been accustomed to the information supplied monthly by the Board of Trade as to the volume and nature of our exports and imports, and we gratefully acknowledge its new departure during 1928 in publishing so quickly information as to industrial production. As time goes on the prompt and regular publication of this class of data will give much more accurate knowledge than has been available hitherto. The published figures relate to about 68 per cent. of the total manufacturing and mining activity of Great Britain and Northern Ireland. The basis of comparison is the year 1924, when the last census of production was taken. Taking the basis at 100, the result estimated for the March quarter of 1928 was 109.5, for June quarter 103.6, and for the September quarter 99.8 per cent.

THE NEW BANK NOTES.

In accordance with the Currency and Bank Notes Act of 1928, on the "appointed day," November 22, Bank of England one pound and ten shilling notes were issued in replacement of the Treasury note issue to which we had grown accustomed since 1914. This very considerable change took place without the slightest difficulty. The Act authorised a fiduciary issue of £260,000,000, as against £18,450,000 before the war. Commencing with the account for the week ended on November 28th last, the Bank of England published a new form of account. Financial critics, quite properly, have often commented on the absence of reliable financial data on which instructed opinion could be formed as to the credit situation of the country. The fuller information now afforded by the weekly accounts of the Bank of England will make it possible to form in the future a much more intelligent view of the position than it was.

THE GOLD POSITION.

The Bank of England gold reserve on December 28, 1927, stood at £151,468,435, and on December 27th last the amount was £153,783,646. The record figure for last year was on September 12th, £176,584,789. There were large withdrawals of gold for export to Germany and the U.S.A. In spite of the variations of the holdings of gold, the Bank rate was maintained steadily at 4½ per cent. throughout the year.

The almost universal adoption of the gold standard and the needs of the various central banks in connection with their currency issues have revived the fears as to the adequacy of the supply of gold. The connection between gold and stability of prices is so intimate that it is of the utmost importance that unnecessary fluctuations in the purchasing power of gold should be avoided. We welcome the decision of the League of Nations to appoint a committee to study these matters.

We are reminded by the forthcoming meeting of distinguished financial experts of the ex-belligerent nations that the question of reparations still calls for settlement. They are asked to formulate "proposals for a complete and final settlement of the reparations problem." Their task demands the utmost skill and courage, and there will be a great feeling of satisfaction and relief over the whole of Europe when a final solution is reached.

THE COTTON TRADE.

The value of British products exported last year was £723,400,000, and of this sum cotton goods and yarns accounted for £145,300,000—that is, 20.1 per cent. Large as this value is, it shows a diminution of £3,491,000 as compared with 1927. The spinning trade which used Egyptian and finer grades of raw cotton had only a moderately good year as compared with 1927. The trade in the finer goods in which Lancashire is pre-eminent was maintained with profitable results. Lancashire made use of artificial silk to a greater extent last year. Our exports of mixed fabrics increased to £7,900,935 in 1928, an advance approximating to 39 per cent. over 1927. The finishing trades have again been prosperous.

The past year has not seen any lifting of the depression which has settled for so long upon the American section of the spinning trade. During the first quarter of the year a larger trade was done, but the demand fell away, and in the summer months production probably did not exceed 60 per cent. In the latter part of the year production was on a much higher scale, running from 80 to 85 per cent. of full capacity. Profits have been made by some of the mills whose capital is on a pre-war basis or only moderately written up; those mills whose capital was reconstructed have, in the main, shown losses. The difficult problem of dealing with the mills whose financial circumstances have caused them to be "weak sellers" still remains. Much thought has been given to this question, and there are welcome signs of definite steps towards reconstruction, and certainly the determination to mend matters has never been stronger or so widespread.

ENQUIRY BY JOINT COMMITTEE OF COTTON TRADE ORGANISATIONS.

For a long time it has seemed essential that a full inquiry into the cotton industry in all its sections should be made. Investigations by groups have been undertaken from time to time, but we welcome the comprehensive inquiry which is now being undertaken by the Joint Committee of Cotton Trade Organisations, which comprises representatives not only of all the trades involved in the production and distribution of cotton goods, but also of the operatives. The secretarial work and the supply of data are being provided by the Cotton Statistical Bureau, which was brought into being owing to the realisation that economic and business information was as vital to the industry as technical research. Several committees have been set up so that every aspect of the industry and trade can be investigated. The first report to be issued is that of the Spinners' Committee, which discusses with thoroughness the questions of financial reorganisation and efficiency. The committee is of the opinion that the "grouping of companies under large-scale amalagamations promises the best basis for financial reorganisation, and for other economies which would follow.

It must be recognised that there are serious difficulties in carrying out this proposal, which implies financial reconstruction, and this, in view of present-day conditions, involves sacrifices. There would also be involved the breaking away from the traditional system of separate ownership and management of the Lancashire spinning trade. But the arguments are convincing as to the economies and advantages which, with adequate financial resources and efficient management, should follow amalgamation. It is common knowledge that during the past months a scheme of amalgamation on a large scale has been in preparation. In general, the proposals of this scheme are such that in the present conditions of the trade, and looking to future developments, the bank has felt it right to give support to them. The alternative of successful reorganisation of the spinning industry seems to be the further closing of mills, with the serious danger of permanent reduction of the cotton trade

TWO ESSENTIALS FOR RECOVERY.

The solution of the spinning industry's difficulties is not to be found merely in financial reorganisation. Two general conclusions reached by the Spinners' Committee have a bearing upon this point. They stress, first, the need for more attention to be given to the cheaper quality of cotton goods if Lancashire is to regain her bulk trade, and, secondly, the possible danger of the loss of much of the trade in finer goods if the industry is not put on a competitive basis. These conclusions are a pertinent reminder of the interdependence of all sections of the industry and of the fact that the organisation of the spinning section alone will not be enough to bring the cotton trade into a state of well-being. The co-operation of every section of the industry is needed if the costs of production are to be lowered sufficiently to recapture our bulk trade.

Some valuable experience of possibilities of co-operation in the nature of vertical combination has been gained from the experiment made last year in which spinners, manufacturers, bleachers, dyers, and merchants combined to produce certain classes of goods for export. The results of this experiment are understood to be encouraging, and though the experience is limited it seems a hopeful direction in which further efforts can be made with success. There is quite clearly at the present time a greater desire for co-operation in the industry than at any time previously, and although progress must necessarily be slow there are grounds in all the circumstances for taking a more hopeful view of the cotton trade than has been possible at any time during the last few years.

The British Cotton Industry Research Association has continued its invaluable research work. That it is warmly appreciated by the industry is shown by the great increase in the number and variety of problems connected with spinning, manufacturing, and finishing of cotton which have been submitted to it for solution.

TRADE'S CONFIDENCE IN EMPIRE GROWN COTTON.

The fact that the cotton trade in a year of depression voluntarily agreed to the levy at the reduced rate of 3d per bale of 500 lb of cotton for a further period of five years shows its confidence is maintained in the policy of developing the growth of cotton within the Empire. What has already been accomplished by the British Cotton-growing Association and the Empire Cotton-growing Corporation is sufficient guarantee that the Empire is capable of producing very large quantities of excellent cotton.

CONDITIONS IN INDIA.

The last monsoon in Indian for the sixth year in succession was a good one, except in regard to a few districts. The balance of trade was again in India's favour, and advantages have accrued from the standardisation of the rupee. Her high credit is shown by the price at which the recent loan was issued in London. The fiscal year 1927-28, according to the report of the British Trade Commissioner in India, was noteworthy if only for the reason that a definite check had been given to the downward trend of the British share of India's imports, which had been such a marked feature of the three previous years. But the Trade Commissioner again calls urgent attention to the necessity of realising the changing conditions of trade and the need for more efficient marketing by British manufacturers and exporters if we are successfully to meet the vigour our and intense foreign competition. The purchasing power of the Indian agriculturist has increased, and we hope that this will be reflected in larger purchases of cotton goods from Lancashire.

The production during 1928 of pig iron and steel showed a diminution of 9 per cent. and 6 per cent. respectively as compared with 1927. Our exports of iron and steel manufactures increased by 148,578 tons, and our imports decreased by 1,524,002 tons on the year.

IRON AND STEEL.

Our steelworks probably did not run more than 65 to 70 per cent. capacity. Much has undoubtedly been done during the past two or three years in reducing costs of production, but the trading results of 1928 were not satisfactory. Competition from the Continent continued to be severe. The trade is alive to the economies which may be expected from reorganisation and amalgamation. Some amalgamations have been announced and others are expected to follow. It is encouraging to note that the December production of steel was nearly 80,000 tons greater than in December, 1927.

Important orders for ships and other constructional work have been placed, and the outlook is thought to be towards an increased demand for steel.

UNEMPLOYMENT.

The end of the first decade since the war finds us with a heavy burden of unemployment, and we cannot fail to have a sense of disappointment that we have not made greater progress. There are, however, at the present time, hopeful signs to be noted. The most obvious and striking of these, perhaps, are the maintenance of industrial peace, the efforts being made by the basic industries towards reorganisation to recover lost ground, the greater appreciation of the value of scientific research in its application to industry, the continued expansion of the newer industries, and the increase in savings; but there are many others. We cannot expect the miracle of an immediate lifting of our depression, but we trust 1929 will show a steady rate of progress in our industrial activities.

THE BALANCE-SHEET.

The report and balance-sheet provide evidence of our strong position. From the figures which are before you, you will see that for the past year our profits, after making full provision for all bad and doubtful debts, were £455,132, and this compares with £452,521 for the previous year. This result, I think you will agree, is very satisfactory. Although trade conditions during the last twelve months have remained unfavourable, these influences have been offset by the fact that the margin between the rates for discounts and short loans on the London money market and the Bank of England rate has been more favourable than in 1927.

After appropriation of £40,000 to the pension fund and payment of dividend which absorbs £347,600, we are carrying forward £325,698, as against £258,166 in 1927.

BANK'S STRONG POSITION.

If you turn to the balance-sheet you will observe that we have maintained our assets in a remarkably liquid state, and that the bank in its long history has never shown a stronger position. Cash, money at call and short notice, and British Government securities together show a ratio of 5 per cent. to our liability on current, deposit, and other accounts, while bills of exchange (including Treasury bills) show an increase of over £1,700,000. I am glad to say that the greater part of this item is represented by fine trade bills discounted by us, our holding of which has also increased during the year. Against this increase there is a decline in our advances to customers and other accounts, which, together with a contraction in the amount of our deposits, may be largely attributed to the continued depression in certain of the important industries operating in the area with which we are associated. You will, however, be interested to know that notwithstanding this depression there is a continuous expansion in the number of customers upon our books.

Liabilities of customers for bank's acceptances, confirmed credits and other obligations, £2,464,878, have increased by £1,435,351. Part of this increase is attributable to a change in method of dealing with certain contingent liabilities incurred on behalf of customers and part to an increase in our acceptances, and at this point I must draw your attention to the liabilities side of the balance-sheet, where you will see that for these items compensating figures now appear under two headings (*a*) acceptances and confirmed credits on account of customers, (*b*) endorsements, guarantees, and other obligations on account of customers, which total £1,807,240 and £657,636 respectively. Acceptances and confirmed credits stand at over £1,800,000, as compared with a little more than £1,000,000 for 1927. The increase represents additional acceptances in relation to the importation of materials, principally raw cotton, and in this connection it is interesting to note that the total imports of cotton into Great Britain from August 1st to December 28th last show an increase of about 460,000 bales as compared with the corresponding period in the previous year.

AGRICULTURAL CREDITS.

The bank has taken part, along with other banks, including the Bank of England, in finding capital for the Agricultural Mortgage Corporation, Limited, which has been created to make long-term loans to farmers under the provisions of the Agricultural Credits Act, 1928. The bank has many branches in country districts, and has always very willingly been at the service of the agricultural industry. This banking assistance will be tendered as formerly, and in addition the bank will help in such special new business as may come forward under the conditions contemplated by this new Act

Before moving the resolution I desire to express to the staff of the bank our appreciation of their valuable and loyal service. In recognition of this service the board have marked the centenary year by a bonus to them and to their colleagues in retirement. I have no doubt that this form of recognition will have the cordial approval of the shareholders.

The Chairman then moved the adoption of the report and balance-sheet. This was seconded and carried.

The retiring directors were re-elected, and the auditors, Messrs Halliday, Pearson and Co., reappointed.

A resolution was passed authorising the directors to carry into effect their proposals in connection with the centenary involving the issue of bonus shares of £1 each, fully paid, carrying a maximum dividend of 10s per cent., in the proportion of one for every two of the existing shares of £15 each, £3 paid, held and also for the sub-division of the existing shares into £5 shares, £1 paid.

The meeting closed with the usual votes of thanks.

TIN SELECTION TRUST, LIMITED.

THE PROBLEM OF VISIBLE STOCKS.

SIR W. D. HENBY REVIEWS THE TIN SITUATION.

The annual general meeting of the Tin Selection Trust, Limited, was held, on the 29th ultimo, at Winchester House, Old Broad street, London.

Sir William D. Henry, Kt., the chairman of the company, who presided, dealt at considerable length with the statistics of the tin market and the prospects of the metal. Although tin producers had been confronted year by year with fresh and often vexatious problems, the tin-consuming industries had furnished at the same time increasing evidence of the insatiable demand of the world for tin. Thus, while in 1927 output had shown the substantial gain of nearly 10,000 tons, due to the stimulus of a constantly rising market price, all the additional metal which accrued in that year found its way straight into the hands of consumers, the world visible supply at the end of that year being rather less than 8,000 tons. Similarly, the output of 1928 had exceeded that in 1927 by nearly 20,000 tons. That was a very notable achievement, but what was even more remarkable, and also most reassuring, was to find that the visible stocks at the end of 1928 had expanded by no more than 4,700 tons. That bore eloquent testimony to the rapid growth of the world's tin-consuming industries.

Moreover, in his recent address to the shareholders of the London Tin Syndicate, Lord Askwith had drawn attention to the probability that invisible stocks of tin in the hands of consuming interests were less substantial than a year ago, even to the possible extent of balancing the increase in the visible stock. Another suggestion which had obtained some currency was that some appreciable portion of the invisible stock was held, not by consumers, but by dealers or speculators, but the opening of the new Metal Exchange in New York coinciding with unusually heavy shipments during December from this side to New York would explain anything that might appear elusive in the stock figures. The fact was, however, that they had a total of 24,563 tons constituting the so-called visible supply of the world at the end of December.

UNECONOMIC SELLING POLICY.

So much for the situation at the end of a year fraught with difficulties and disappointments, and in which the average price had been more than £60 lower than the average of either of the two preceding years. The price difficulty which beset the tin-producing industry lay in the fact that, while buying had always been spasmodic, the basic smelting arrangements compelled daily selling of the metal. The uncertain relationship thus established between producer and consumer was the "causa causans" of all the wild fluctuations witnessed in recent years, and the need for scientific regulations grew ever more insistent.

He would say at once and without fear of contradiction that had the average price not been established in the neighbourhood of £300 per ton during 1926 and 1927, and had the interests concerned with the production of tin failed to show the enterprise and resource symptomatic of those years, then, without a doubt, the industry would have suffered a very severe setback in 1928, there would have been an acute shortage of the metal, and progress in many directions would have been endangered, if not finally cut short, by the forced introduction of substitutes. He would emphasise that, in contradistinction to any of the other non-ferrous mining industries, the tin-producing industry was living to a very considerable extent on its capital. To-day, in Malaya, dredging plant was being designed and constructed at very great cost to dig 100 feet and more from the surface, and half-pound ground was eagerly sought for. Those factors of diminishing reserves, increasing mining difficulties, and more costly and complex machinery were of the most vital consequence to the industry as a whole, and of even greater importance was the constant growth in the demand for tin. For those reasons it appeared to him that a higher price basis was essential in the interests of producers and consumers alike.

CURRENT YEAR'S PROSPECTS.

As to the prospects of the industry for the coming year, while there was thus a good possibility of the demand in 1929 slightly exceeding output, that did not mean that the efforts being made to consolidate the industry could safely undergo any relaxation. Tin was the last of the non-ferrous metals to set its house in order, but, as to the long view, he was confident that everybody connected with the industry was an optimist, while their trust was in a position to profit very largely with every improvement in the situation.

The report and accounts were adopted, and the increase in the authorised capital of 1,000,000 shares of £1 each was also unanimously approved.

WILLIAMS DEACON'S BANK LIMITED.

RESULTS OF A DIFFICULT YEAR.

RATIONALISATION OF INDUSTRY.

MR DEWHURST'S REVIEW OF TRADE CONDITIONS.

The annual meeting of the shareholders of Williams Deacon's Bank Limited was held on Thursday, January 31st, in the board room, Mosley street, Manchester, Mr Gerard Powys Dewhurst (the chairman) presiding.

The Secretary (Mr R. Thorburn) read the notice convening the meeting, and the auditors' report.

The Chairman, in moving the adoption of the directors' report and statement of accounts, said:—

Ladies and gentlemen,—Before proceeding with the business of the meeting I feel sure you would like me to refer to the keen anxiety we have all felt over the serious illness of His Majesty the King. For some two months now we have watched, with the gravest concern, the battle that has been fought at his bedside, and it is with heartfelt gratitude that we have received the reports of improvements contained in te later bulettins, and I think it only fitting that this expression of sympathy with Her Majesty the Queen, and the Royal Family, should be recorded at this meeting.

BALANCE-SHEET ITEMS.

And now, with your permission, I propose to take the report in your hands as read and, if I may, give you my usual résumé of the figures contained in the balance-sheet.

The figures of our capital at £1,875,000 and reserve fund at £1,350,000 show no change, while our deposits are slightly lower by £440,000. On the other hand, acceptances and endorsements on our customers' accounts, taken together, are higher by some £120,000.

ASSETS.

Turning to the other side of the sheet, our cash at £3,635,400 is lower than a year ago by over half a million, and at this figure represents over 11 per cent. on our deposits. Balances with other banks, and our market money are also somewhat reduced, but the next item of bills discounted shows an increase of over a million, more than accounted for by our larger holding of Treasury bills, which, you will appreciate, is our most liquid form of investment. We have also increased our holding in British Government securities by nearly three-quarters of a million, with a corresponding drop in our other investments. Our advances at £17,642,885 show a reduction on the year of over £600,000, while the figure at which our bank premises stand in our books has increased by some £6,000.

As indicated last year would be the case, we have, for the moment, come to the end of our building programme, and I think we have every reason to be satisfied with the value we have obtained for our expenditure in this direction.

PROFIT AND ALLOCATIONS.

Dealing now with the figures of profit and loss, you will see our net profit (after making the usual provisions) gives us a total of £305,340, as compared with £310,583—a decrease of £5,245. This, after transferring £50,000 to contingencies account, enables us to pay a dividend at the rate of 13⅓ per cent. on our "A" shares, and 12½ per cent. on our "B" shares, and to carry forward £27,465 as against £26,031 brought in. If we take into account the conditions prevailing in our heavy industries, and particularly in the cotton spinning trade, the diminution of profit actually earned by the bank is not difficult to appreciate, especially if we realise that all interest has to be foregone in cases where mills are working under schemes of arrangement. At the same time I would like to emphasise the fact that the profit-earning capacity of the bank is distinctly encouraging, whether judged by the Clearing House returns, which show that both in London and Manchester our proportionate figures give us a steady increase year by year, or by the gratifying number of new accounts opened.

TRADE DURING PAST YEAR.

As regards the year under review, I am afraid the position in our heavy industries has shown no improvement during this period, as evidenced by the deplorable figures of unemployment and the diminished goods traffic returns of our railways; in fact, the only satisfactory feature we can look back upon would seem to have been the freedom from labour disputes during the year, owing to the distinctly better spirit prevailing between capital and labour.

RATIONALISATION OF INDUSTRY.

On the other hand, indications have been given in the coal, cotton, iron and steel trades of concerted efforts to deal with the present situation by various methods, all of which have come to be known as the rationalisation of industry. If by this term, we can visualise the amalgamation of a number of units in a distressed industry, mainly occupied hitherto with internal competition, harassed with the incidence of high interest charges, and excessive overhead costs, which, as a preliminary, have decided to cut out from their respective concerns all dead assets and write off unproductive capital, and have further arranged with their existing creditors to make the sacrifices necessary before fresh capital can be raised, then I think we can all appreciate the benefits that should accrue to such an amalgamation, through the bulk purchases of its requirements, economies in administration, concentration of units on their respective specialities, and organised marketing of its production, all devoted to one aim and object, namely, to improve its competitive power in the world's markets—if that, gentlemen, is an accurate definition of rationalisation, then I feel that none should have more sympathy with such a trend of movement in industry than the banks. If I have elaborated this idea somewhat, it is because in Lancashire to-day we have two concrete instances of its possible application, each differing widely in its methods and procedure, but both with the same ultimate objective—the recovery of our export trade.

EASTERN TEXTILE ASSOCIATION.

In the first instance, during the year we have seen the formation of the Eastern Textile Association, a vertical combine formed by the voluntary association of those interested in manufacturing, bleaching, dyeing, and shipping of certain standard makes of piece-goods destined for the Far East, the idea being that the association operating under the guarantees of its constituent members, who, in their turn, perform their respective functions at practically net cost to themselves, will endeavour by continuous shipments to furnish markets abroad with regular supplies at a competitive price. A most interesting experiment, if only for the light it will throw on the vexed question as to whether Japan's big increase of trade with China can be ascribed to her lower costs of production, or to her improved methods of distribution. In the meantime it is good to know that the excellent pioneer work already done in this direction has given encouraging results, and holds a definite promise of further development.

LANCASHIRE COTTON CORPORATION.

The other instance to which I referred is of an entirely different nature, involving a serious attempt to deal on the lines of a large scale amalgamation with those engaged in spinning coarse and medium counts of American yarn. It is to this section of the industry that the conditions of rationalisation to which I have referred are specially applicable, and only last week it was announced by the Yarn Association, as a result of negotiations extending over the whole of the year, that they had registered their new combine under the title of the Lancashire Cotton Corporation, Limited. The principal creditors of the mills concerned have agreed to surrender their secured position and accept securities on which interest is contingent on earnings, and as a consequence it has been possible to arrange the introduction of adequate fresh capital. The first names for the board of directors have been announced, and obviously command our respect, and I feel confident a seat on the executive of this combine will in the near future be an attraction to the best brains in the industry. Individual hardships there will doubtless be, and a common measure of sacrifice demanded from all interests concerned, but I am sanguine enough to believe that for the sake of the industry such sacrifices will be freely made.

TRIBUTE TO CORPORATION'S CHAIRMAN AND DIRECTORS.

One word more on this subject, this scheme has in some quarters been called a bank scheme—nothing could be further from the truth. The progress so far gained has been entirely due to the unwearying efforts of the new chairman and his directors; in fact, I am afraid those labours have been intensified by the attitude we, in common with other creditor banks felt bound to take, on principle, on the question of the surrender of our secured position. Apart from that, of course, our help and advice have always been

at their disposal. Personally, I look forward to this combine including amongst its constituent members others than those who are suffering from financial embarrassment. Firms and businesses who can bring old-established connections and valuable goodwill doubtless will appreciate the advantages of co-operation within its ranks. Nor do I feel that the operatives can fail to recognise the importance to their interests of this conscientious attempt to promote trade and employment by the recapture of lost markets.

COAL TRADE.

With regard to the other main industries of the country in which we are interested we find the coal trade has lost ground, the figures both of production and export showing a decrease during the year, while the numbers of men out of employment in the industry show a deplorable increase. At the same time, determined efforts are being made to deal with the situation, and, amongst others, we may note the conference held to discuss the formation of a national coal marketing scheme, through which it is hoped unnecessary expense incurred between pit head and consumers' prices may be eliminated, while nearer home a Lancashire coal fusion scheme has been announced for the amalgamation of some eleven important undertakings.

IRON AND STEEL TRADES.

Doubtless also, as in the iron and steel trades, material assistance may be anticipated in the future through the operation of the Government's De-Rating Bill by the remission of 75 per cent. of the rates on productive industry, but it appears that in all these heavy industries the crying need is the provision of fresh capital to be applied to the reconditioning of existing plant and machinery, and in this direction surely a lesson can be learnt from France and Germany. On the termination of the war both these countries, for different reasons, were forced under pressure of circumstances to reorganise their heavy industries, which, though involving large expenditure on plant and machinery, enabled them to profit by the latest inventions and most up-to-date methods, with the result that the Agent-General for Reparations reports that Germany has been re-established as a going concern on a relatively high level of economic activity, and we find that France's export of coal, iron and steel, and machinery is much greater in volume than before the war, while her figures for unemployment are negligible. As a contrast, we in this country, with the idea of scaling up the standard of living, have elaborated vast schemes of social services, the cost of which, through the incidence of rates and taxes, has proved a big handicap to our export industries.

During the year further progress has been made in the direction of stabilising foreign exchanges; France, Norway, and Greece having fixed their currencies on gold or gold exchange standard, while London has demonstrated its power to resume its rôle of a free market for gold. In the spring of the year, on account of the exchange, gold came here from New York; but in the autumn, in spite of high money rates in that centre, exchange was kept steady, and the authorities were able not only to avoid the necessity of a rise in Bank rate here, but to meet the demands for gold from Germany and France.

TRIBUTE TO EXECUTIVE AND STAFF.

In conclusion, gentlemen, I trust you will allow me, in your name, to offer our usual vote of thanks to the executive and staff for their loyal and efficient service to the bank during the year. In these difficult times, especially in the higher ranks of service, responsibilities tend to increase and the work become more arduous, and I am sure you will agree that we all owe a debt of gratitude to the officers and members of the staff for their efforts on our behalf.

NEW DIVIDEND DATE.

Before I sit down there is a small matter of domestic routine for which I should like your approval. We propose in the future to vary the date upon which our dividend will be paid, and thereby bring ourselves into line with the other banking companies by issuing our warrants about the end of January and July. When, as happened this year, our first board meeting of the year was within four days of our making-up date we find it more convenient to make our declaration of dividend at our second meeting in the year, this year on the 10th inst. You can easily see what a difficulty this brings about in attempting to pay the dividend on the 16th of the same month, and I am sure you will very willingly grant us the concession of the extra two weeks in order to avoid the difficulties in future.

I have now pleasure in proposing "that the report and accounts now presented be received and approved, and be entered on the minutes of this meeting."

Mr B. G. Wood (the deputy-chairman) seconded the motion, which was put to the meeting and carried unanimously.

Sir Charles Mandleberg then moved, and Mr James Fortune seconded, the re-election of Col. Sir Robert Williams, Bart., and Mr Thomas Frederick Tattersall as directors of this company, which was agreed to.

Mr Walter P. Cobbett moved and Major Murray Marsden seconded the election of Messrs Ashworth, Mosley and Co., Chartered Accountants, as auditors of the company for the year 1929, and it was carried unanimously.

Mr B. G. Wood (deputy-chairman) then took the chair, when, upon the motion of Sir William Barton, seconded by Mr Lewis A. Orford, "the best thanks of the meeting were tendered to the chairman for his conduct in the chair."

The motion was carried with acclamation, and the chairman having briefly responded, the meeting terminated.

SEDENAK RUBBER ESTATES, LIMITED.

STRONG POSITION—FURTHER REDUCTION IN COSTS.

The ordinary general meeting of Sedenak Rubber Estates, Limited, was held, on the 25th ultimo, at Winchester House, London, Mr Philip C. Turnbull, O.B.E. (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said that notwithstanding the fact that the net profit for the year under review was considerably less than that earned in the 1927 period, he did not think this would surprise them in view of the marked fall in commodity prices that had occurred. The price factor was one over which they had no control, but he thought the most encouraging feature as shown by the accounts was the further reduction in costs that had been achieved. Comparison of the f.o.b. Singapore costs for the last three years was as follows: 1926, 8.79d per pound; 1927, 8.23d per pound; 1928, 7.62d per pound.

It was anticipated that unless unforeseen circumstances arose during the current year, and provided they were able to harvest the estimated crop of 1,236,000 lb, this year would show a continuation of the good work, and would result in the f.o.b. cost per pound being approximately 6d.

The average selling price per pound for the year was 11.09d, equivalent to 1s 0½d per pound London. When it was realised that this price was 6¾d less than the price obtained for 1927, he though they would agree that the working of the company during the last year was satisfactory.

During 1928 they were fortunate in having a forward contract for 12½ tons per month, with a minimum price of 1s 2d per pound, and this naturally proved of material assistance. So far as 1929 was concerned, they had contracted for eight tons monthly during the year of Singapore standard ribbed smoked sheet, with maximum and minimum prices equivalent to London figures of 1s 3d and 9d respectively.

As regards the future, the shareholders might feel confident that so long as rubber did not fall below, say, 8d per pound, the company could work at a profit. The balance-sheet showed their reserve and profit and loss accounts totalled approximately £60,000, against which they had investments in Government securities of £32,511 15s 11d, apart from actual cash at bank and on deposit.

The book cost of their estate was approximately £50 per planted acre while the capital cost was £44 10s. If the above figures were borne in mind, no undue apprehension need be felt when contemplating the future working of the company.

In considering the dividend, the directors had followed their customary conservative policy, and had allocated £2,500 to be transferred to the reserve account, increasing the latter to £32,500, which represented the actual cost of Government securities held.

The report was adopted, and the dividend recommended approved.

155 Branches in Finland

CAPITAL AND RESERVES: Fmk.403,000,000.
TOTAL ASSETS (30/6.28): Fmk.2,896,902,000.

KANSALLIS-OSAKE-PANKKI
(National Joint Stock Bank)

HEAD OFFICE: HELSINKI
(HELSINGFORS), FINLAND

Established 1889.

NATIONAL MUTUAL LIFE ASSURANCE SOCIETY.

PROPOSED CENTENNIAL BONUS.

A NEW SERIES OF POLICIES.

MR. J. M. KEYNES'S INTERESTING REVIEW.

The annual general meeting of the National Mutual Life Assurance Society was held on Wednesday, January 30th, at the society's house, 39 King street, Cheapside, London, E.C.

Mr J. M. Keynes, C.B. (the chairman), said: Gentlemen,—Our profit of 1927 has been exceeded in 1928 by a comfortable margin, a small reduction in trading profits being more than balanced by increased capital profits. Our gross profits amount to £249,445, compared with £226,481 in 1927 and £150,465 in 1926.

Our total capital assets have yielded over the year, in interest and appreciation, approximately 7 per cent. per annum, free of income-tax. Taking all sources of profit together, we have now earned over a period of no less than 10 consecutive years an average annual bonus in excess of 9½ per cent., whereas the amount which we have actually distributed to with-profit policyholders has been about half this sum. Each year we have hesitated to regard our good success as other than abnormal, and, in particular, we have reserved the whole of our capital gains so that they should be available to meet a possible depreciation of our securities. It is obvious, however, that this piling up of reserves cannot go on indefinitely, and that it would be unfair to the existing generation of policyholders, and indeed contrary to the principles of mutual life assurance, not to divide the excess beyond the reserves (actuarial and otherwise) which are properly required to secure the society's financial stability. I am, therefore, authorised by the board to make to you a preliminary announcement as to our intentions. We are now entering our hundredth year. At the conclusion of this year we propose to distribute a large special centennial bonus in addition to the ordinary bonus of the year. This bonus will not be at a uniform rate, but will be distributed with due regard to all the equities, and I hasten to add that new policies taken out in 1929 will not participate in the special bonus, unless it be in respect of profits earned during 1929.

CELEBRATING THE CENTENARY.

We are also celebrating our entry into the hundredth year of our activities by initiating a new series of policies (in addition to our existing series, which will be continued for the present unchanged) on lines which will, I think, be of high interest to intending policyholders and to the life assurance world generally. We have not revised our rates of premium for with-profit whole-life policies for over 30 years. Yet the diminished rates of mortality, the better initial selection of lives as a result of the progress of medical science, and increased opportunities for employing advantageously the fund represented by the accumulated premiums, have continued to reduce materially the rates of premium which it is necessary to charge to secure a given initial sum assured. The result is that we, in common with other life offices, have drifted into a situation in which too much of the benefit of a given rate of premium is given in the shape of bonuses which will accumulate only in the course of years and too little in the shape of the initial sum assured—too much and too little, that is to say, from the point of view of those whose primary object is protection against the risk of premature decease.

In short, life offices have not revised their terms proportionately to the change of conditions, with the result that the margin between the amount of the policy which they contract at the outset to pay for a given premium, and the amount for which they could afford to contract, has become much greater than is required by considerations of caution. This does not matter in the end to the policyholder who lives a long time, for he gets the excessive margin back again in the form of reversionary bonuses. But it matters very much in the beginning to a policyholder—even though he does in fact live to a ripe old age, who wants security in the years immediately after he takes the policy out.

We propose, therefore, to institute a new series of with-profit policies, the rates of premium on which are calculated with reference to modern life assurance experience. Bonuses on this series will be paid over a period of years in accordance with what the series is able to earn, the rate of bonus for the first year being guaranteed at the rate of 15s per cent. compound. This enables us to offer a whole-life with-profit policy on which the premium to secure a given initial sum assured is from 25 per cent. to 20 per cent. less than for a corresponding policy in the old series, In effect we are offering with-profit policies at rates of premium practically equal to those which were quoted until recently for non-profit policies. Such figures should, I think, impress the young married man with the solid advantages in the shape of security for his family which can be obtained in return for a very modest outlay.

GENERAL ECONOMIC PROSPECTS.

The business of life assurance is so sensitive to economic and industrial conditions that it will not be out of place for me to say a little, as in former years, about the general economic prospects. In 1923 I said "those who are employed are probably producing on the average about 10 per cent. less than formerly for approximately the same real wage. Without great improvements in the technique and intelligence of trade and industry it looks doubtful whether, on these terms, we shall be able to employ the whole employable population except at the very top of the periodic booms." In 1926 I pointed out that almost no progress at all had been made towards the adjustment of gold costs to production which the return to the gold standard had rendered necessary. The question of the relationship of wages to the efficiency of production still seems to me to lie at the heart of our problem.

Recent calculations by Professor Bowley have made possible some very interesting generalisations. Between 1914 and 1924 average real wages for the normal week (full employment) rose by more than 8 per cent. During the same period the weekly hours of work were reduced by more than 10 per cent. The result was that employers were set the task, if they were to maintain their pre-war position, of increasing efficiency by nearly 20 per cent. The Census of Production of 1924 indicates that the increase of efficiency was just about sufficient to balance the shortened hours, but was not able to make, in addition, any contribution towards meeting the increased weekly wage. Thus already in 1924 employers, in those industries in which the increase in efficiency had not been more than above the average, were making heavy weather. Between 1924 and 1928 money wages have remained practically unchanged, whilst the return to the gold standard at the pre-war parity has had the effect of increasing real wages by a further 8 per cent.

TASK OF EMPLOYERS.

It follows that employers have been faced with the task of improving efficiency by 16 per cent. as compared with 1924, before they can recover their pre-war position. Now it is not over-optimistic, I think, to suppose that efficiency is, in fact, being increased at the rate of (say) 1½ per cent. per annum over the average of the whole field of industry—which, if it is the case, is a considerable achievement. This means that to-day, in 1929, the deficiency has been reduced from 16 per cent. to about 10 per cent. But the depressing feature of the situation is the fact that at this rate it may be another five or six years before we are quite straight. The change in the value of our money in 1924-25, coming on the backs of industrialists already weakened by the course of events since 1914, has naturally contributed to prolonged unemployment in all those industries of which the strength is not above the average.

Since it is impracticable and unwise to reduce wages, the only solution is to be found in accelerating the increase of efficiency, and in so conducting our international monetary diplomacy as to avoid a further fall in the level of world prices. But we might also mitigate unemployment if we were to endeavour—for a time—so to conduct our national investment policy as to direct our savings into those channels which are likely to provide immediate employment at home, rather than into those which are likely, in the first instance, to embarrass the reserve position of the Bank of England by the burden which they throw on the foreign exchange.

The chairman concluded by moving the adoption of the report and accounts.

Mr. Charles T. D. Burchell (deputy chairman) seconded the motion, and it was carried unanimously.

The retiring directors, Mr Gordon Leith, C.B., C.B.E., Sir William McLintock, K.B.E., C.V.O., and Mr Geoffrey Marks, C.B.E., F.I.A., were re-elected; the auditors, Mr G. S. Pitt, F.S.A.A., and Messrs Ball, Baker, Ash and Co. were reappointed, and a vote of thanks to the chairman, directors, officials, and staff concluded the proceedings.

THE INVERESK PAPER COMPANY, LIMITED.

GRATIFYING RESULTS.

"PROVINCIAL NEWSPAPERS, LIMITED."

MR WILLIAM HARRISON'S REVIEW OF POSITION AND PROSPECTS.

The sixth annual general meeting of the Inveresk Paper Company, Limited, was held, on the 30th ultimo, at the North British Station Hotel, Edinburgh. Mr William Harrison, LL.B. (chairman), presided.

The Chairman, in the course of his full review, said:—Since our last annual general meeting, held on January 19, 1928, the nominal share capital of the company has been increased by £1,950,000 by the issue of 1,500,000 6½ per cent. first cumulative preference shares, 150,000 7 per cent. second cumulative preference shares of £1 each (which latter shares were distributed among the old 8 per cent. cumulative preference shareholders in consideration (*inter alia*) of their reducing their dividend to 7 per cent.), and 300,000 ordinary shares of £1 each. The old 8 per cent. first cumulative preference shares and the 6½ per cent. "B" preference shares in existence last year were consolidated in October last into 7 per cent. second cumulative preference shares, and the £150,000 6½ per cent. debentures originally issued by the company in 1922 have been redeemed during the course of the year.

The result of this rearrangement of the capital of the company will, in my opinion, prove beneficial to the company, and I think you are well aware of the reasons for this increase of capital, but it might not be out of place if I here reminded you that this increase became necessary to enable us to pay for the controlling interest in the *Daily Chronicle* and the *Hull Daily Mail* groups of newspapers, and in addition to reduce loans which we had incurred for the purpose of paying for large extensions to buildings and plant at various mills owned by our associated companies.

The paper trade, like the general trade of this country throughout 1928, was by no means satisfactory, and I can assure you that the results which we now review are gratifying to us as directors and, I hope, to the shareholders, when it is borne in mind that nearly one half of our present issued share capital was only raised towards the end of our financial year, and was responsible for no part, worth mentioning, of our profits.

Our accounts for 1928 cover a period of one year and five days, and the extension of these five days merely means that we get the benefit of the working of our one mill at Inveresk for this short period.

Last year's accounts covered one year and 24 days, but the extension of 24 days merely meant that we got the benefit of the extra working of this number of days at our Inveresk mill. As you will see from the accounts for 1928, we show a gross profit of £493,950 5s 4d, compared with £375,634 last year, that is to say, there is an increase in profits this year compared to last year of approximately £118,000. After adding the balance brought forward from last year to the profits shown in the accounts, the amount available is £589,388 18s 8d, from which we deduct £15,000 for depreciation on the Inveresk mill, £6,876 13s 2d for debenture interest paid on the debentures now redeemed up to the time of redemption, directors' fees for the year under review £3,335 17s 1d, and bank interest, registrars' fees, &c., £61,286 3s 1d, amounting in all to £86,498 13s 4d, leaving a balance available for distribution of £502,890 5s 4d.

THE DIVIDENDS.

Out of the latter sum we have paid during the year the following dividends—namely:—

The dividend for one year on the 8 per cent. preference shares to June 30, 1928, less tax, amounting to £38,400; the dividend for the same period on the 6½ per cent. "B" preference shares, amounting to £31,155 0s 5d; an interim dividend of 12½ per cent. on the ordinary shares, less tax, amounting to £100,000; and in addition we have paid out of last year's profits a dividend on the old 8 per cent. preference shares from July 1, 1928, to October 4, 1928, being the date of conversion of those shares into 7 per cent. second preference shares, less tax, amounting to £10,000, and a dividend on the 6½ per cent. "B" preference shares for the same period up to the date of their conversion into 7 per cent. second preference shares, less tax, amounting to £8,108 5s 10d, making a total in all of dividends so paid of £187,663 6s 3d, thus leaving available, subject to taxation, £315,226 19s 1d.

I should here like to interpolate and stress the point that out of this year's profits, compared to last year, we have not only paid the full year's dividend on the 8 per cent. and the 6½ per cent. old preference shares, but we have in addition paid £18,108 5s 10d in net dividends for the period from July 1st to October 4th, when the conversion took place in these shares. The result is that out of this year's profits we have paid the two latter dividends, amounting to £18,108 5s 10d, which in the ordinary course of events would have fallen for payment out of our 1929 profits.

Under these circumstances our total net preference dividends payable out of our profits in 1929 will only absorb £109,278, which is an item worthy of consideration so far as our ordinary shareholders are concerned.

Income-tax, which is still a great drain on industry in this country, calls for the large provision of £90,000, which is equivalent to a dividend of nearly 7 per cent. on the present ordinary share capital of the company. In my view, if the income-tax on profits of a company were half the present rate, it would not only play a great part in restoring confidence which industry in this country so much needs, but the Chancellor of the Exchequer would not be the loser in revenue, as prosperity in industry should easily make good such a reduction in taxation.

We recommend to you the payment of a final dividend of 12½ per cent., less tax, on the ordinary shares for the twelve months ended November 30, 1928, making 25 per cent. for the year, calculated so far as the shares recently issued are concerned from due dates of payment. This final ordinary dividend, less tax, calls for £101,027 8s, and we find ourselves left with £124,199 11s 1d to be carried forward to next year, which is an increase of nearly £30,000 over the carry-forward of last year.

PROVINCIAL NEWSPAPERS, LIMITED.

The Chairman then reviewed in detail their various companies, and proceeding, said: I would like to draw your attention to this new company which we are now in process of forming with a nominal capital of £3,000,000, divided as to 1,000,000 6½ per cent. first cumulative preference shares, 1,000,000 7 per cent. second cumulative preference shares, and 1,000,000 ordinary shares, for the purpose of amalgamating and carrying on the businesses of the *Edinburgh Evening News*, the *Yorkshire Evening News*, the *Doncaster Gazette*, the *Lancashire Daily Post*, the *Preston Guardian*, the *Blackburn Times*, the *Burnley News*, the *Daily Mail* (Hull), the *Hull and Yorkshire Times*, the *Hull and Lincolnshire Times*, the *Hull News*, the *Hull Evening News*, the *Eastern Morning News*, and the *Grimsby Telegraph*. These newspapers are controlled either directly or indirectly by us, and the amalgamation is entirely a domestic operation for the purpose of eliminating intermediate holding companies so far as these newspapers are concerned. It will be one of the most powerful groups of provincial newspapers in Great Britain, and, I think, one of the most prosperous. The average yearly profits available for dividend and earned by the various newspapers to be amalgamated into the new company for the four years ended December 31, 1927, were nearly £240,000. The figures have been certified by Messrs Peat, Marwick, Mitchell and Co., the well-known chartered accountants. The profits earned by these various provincial newspapers for 1928 are substantially in excess of the average figure mentioned above, and it is estimated that for 1928 they will be approximately £300,000.

TO SUM UP.

To sum up our various undertakings. I would draw your attention to our reserve fund, which now stands at £1,851,180, and in the next place to our investments. In the opinion of my colleagues and myself, the value of our investments is substantially in excess of our book figures. We have, in accordance with our established practice, allocated for social welfare at our Inveresk Mill for this year £5,000, and we are satisfied that you, as proprietors, will agree to this policy of close association and comradeship with our workers. In the directors' report reference is made to our recent expenditure on extensions to buildings and plant at the works of our associated companies, amounting to over £1,500,000. The last of these large extensions is at Northfleet, and should be completed by the end of March and in full working order by that time. We are now practically at the end, so far as this company is concerned, of capital expenditure, which I am satisfied has been well and truly spent, and will materially add at an early date to the revenue of your company. I have no hesitation in saying that we have equipped our mills during the last two years with new plants which are fully equal to anything in the papermaking industry, not only of this country, but in the world. I am satisfied that with these new plants in full operation we shall be in a position to meet competition from whatever souce it made arise. It will naturally take time for these new plants to settle down, but once this state of things is arrived at, our profits should expand rapidly and permanently.

"DAILY CHRONICLE" GROUP (UNITED NEWSPAPERS LIMITED).

In addition to this large capital expenditure on new plants, from which, I again desire to emphasise, we have derived no revenue in 1928 worth mentioning, I should like to remind you that we locked up, in October last, £1,142,000 for the control of the "Daily Chronicle" group of newspapers from which, this year, quite rightly, we have derived no income whatever, although we have had to meet charges in our profits in respect of money borrowed in relation to this acquisition. I am glad to say that Mr J. C. Akerman, the assistant general manager of "The Times," joined us on the newspaper side of our business on January 1st and has been appointed managing director and vice-chairman of the "Daily Chronicle" group and also of the Provincial Newspapers, Limited, and I am already satisfied from my knowledge of him that with his wide experience of newspapers he will be a tower of strength to our organisation. The profit for the year, subject to income tax, amounts to £245,220 and it is proposed to pay a final dividend of 25 per cent. on the ordinary shares in the United Newspapers, making 30 per cent. for the year, less tax, which is the same as last year. The balance brought forward from 1927 was £201,304 and after the payment of the said dividend the balance carried forward for 1929 will be approximately £206,000.

GENERAL OUTLOOK.

Finally, the Chairman referred to general industrial conditions, observing that there could be no real improvement in the economic position of this country until the heavy trades—coal, iron and steel—were set going again, and perhaps the happiest augury of the future was the small but definite amelioration of conditions in these trades which had begun to show itself. Whatever party found itself in power after the General Election must promptly set about organising work for the unemployed on a large scale, and public work of this character, if conceived and carried out on large lines, must lead to a growing demand for basic materials. Once the machine was started, it should not take long to create the necessary impetus which would bring about a great national revival of industry, of which this country was so much in need.

No questions were asked, and the resolution for the adoption of the report and accounts were passed unanimously.

H. YAGER (LONDON), LIMITED.

INCREASE OF CAPITAL APPROVED.

The first annual general meeting of H. Yager (London), Limited, was held, on the 31st ult., at Winchester House, London.

Mr H. Yager (the chairman) said that as regarded their investment of 200,000 shares of 1s each in Yagerphone, Limited, valued on the Stock Exchange at £35,000, no credit for that increasingly valuable asset had been taken in the accounts. The profit and loss account showed a balance of £48,811, and, after paying the final dividend on the 8 per cent. cumulative participating preference shares to December 31, 1928, together with an additional 2 per cent. for the year ended November 30, 1928, they proposed to pay a dividend of 20 per cent. on the ordinary shares. For the first few months of the company's existence the output at Ponders End had necessarily suffered very largely from reorganisation of the workshops and re-planning of the lay-out of the factory generally and the installation of additional machines, so that, although they were dealing with the profits for 14 months, the factory had only been able to reflect normal profits on the basis of the original capitalisation for about nine or ten months. In view of that it was calculated that, based upon the trading results of the last nine months of the period under review, the profits as estimated in the prospectus at the rate of £75,000 per annum had, in fact, been exceeded during that time.

For some time past it had been impressed upon the directors that additional finance could be extremely profitably utilised. They were continually having offered to them business of much greater volume than they had ever anticipated, and at most favourable prices, and the directors, therefore, strongly advised increasing the capacity of the factory by erecting and equipping additional workshops. Then they also had to consider the giving of extended credit in the case of the hire-purchase section of the trade. He was confident that the additional capital available from the proposed issue would prove to be as fully remunerative as that previously at the command of the company.

The report and accounts were unanimously adopted, and a resolution was passed increasing the capital of the company to £500,000 by the creation of a further 175,000 8 per cent. cumulative participating preference shares of £1 each and 500,000 ordinary shares of 1s each.

GEORGE HODSMAN AND SONS (1928), LIMITED.

EXCELLENT PROSPECTS—DIVIDEND ANNOUNCEMENT.

The statutory meeting of George Hodsman and Sons (1928), Limited, was held, on the 30th ultimo, at the Cannon street Hotel, London, Mr Percy V. Sherwin (the chairman) presiding.

The secretary (Mr James H. Lyden) having read the notice convening the meeting,

The Chairman said that the business acquired by the company has been established for 40 years. The assets acquired comprise High Force Quarries at Middleton-in-Teesdale, estimated to contain upwards of 30,000,000 tons of whinstone—which is generally regarded as the best available material for road-making—the freehold of the Grosmont slag works near Whitby, with reserves of approximately half a million tons of best quality slag, and an enormous dump of best blast furnace slag at Port Clarence, near Middlesbrough, computed at approximately 1,500,000 tons. In addition, we acquired a property at Ipswich with drying, screening, and mixing plant capable of dealing with 50,000 tons of material per annum, the value of which as a distributing depot will be obvious when it is remembered that there is little or no natural stone to be found in East Anglia. Upon these assets there is no mortgage or charge of any kind, and we may, I think, congratulate ourselves that in acquiring for £160,000 the goodwill and business of an undertaking of 40 years' standing, with tangible assets valued at £217,000, we have carried through a very satisfactory business transaction.

CONTRACTS SECURED.

Contracts taken over from the vendors together with those since entered into by your company for the supply of road-making materials comprise contracts with seven county councils, ten urban district councils, 21 rural district councils, six town or city authorities, and six corporations. In addition, the company sells to various railway companies from time to time such quantities of materials as they may require.

We are at the present time tendering for numerous fresh contracts. Total of contracts in hand at the present time is greater than at any time of our public issue, and also greater than at this time last year.

Your directors believe that the British road-making industry is entering upon a period of greater activity than ever before. The enormous growth of motor traffic renders the provision of wider, safer, more durable highways an urgent national necessity. At the present time it is estimated that there are well over 100,000 miles of roads in this country which are unfit for present-day traffic needs, while it has been demonstrated by a popular daily newspaper that the work involved in the provision of only a small proportion of the highways needed would go far to solve the unemployment problem. It is believed that very important measures will be taken in the near future for the provision of more adequate financial facilities to enable large schemes of road construction and improvement to be carried out, and your directors look forward with confidence to securing for your company a full share of the resulting contracts for the supply of road materials.

The transfer of responsibility for road construction and maintenance from rural district councils to county councils, which is now contemplated, is regarded as likely to lead to increased demand for the best quality materials, in which we are principally interested. In addition, we have had during the past few days an announcement by the Chancellor of the Exchequer of increased grants to local authorities from the Road Fund.

HALF-YEAR'S RESULTS.

Now, although this is only the statutory meeting of the company, you will, no doubt, be interested to hear something concerning the position and prospects of your company as a profit-earning enterprise, and I am in the happy position of being able to assure you that the profits for the half-year to December 31, 1928, are regarded by the directors as satisfactory. We acquired this business as from June 30, 1928, and it is proposed that profits earned during the four months prior to the incorporation of the company shall be utilised in writing down preliminary expenses. In view of the results for the complete half-year your directors propose to declare an interim dividend in respect of the period to December 31st last at the rate of 10½ per cent. per annum upon the issued preference share capital and at the rate of 16 per cent. per annum upon the ordinary shares. In arriving at this decision your directors believe that they are not exceeding the limits of prudence and discretion, and that they may reasonably hope at any rate to maintain these rates of distribution in the future.

From what I have told you I think you will agree that we have in this company's business an enterprise which is possessed of excellent prospects for the future, and I personally believe that we hold here an investment which will prove as sound and reliable as the British roadstone in which we trade.

A vote of thanks to the Chairman concluded the proceedings.

ASHANTI GOLDFIELDS CORPORATION, LIMITED.

STEADY PROGRESS.

The 32nd annual general meeting of Ashanti Goldfields Corporation, Limited, was held, on the 30th ult., at the Holborn Restaurant, Holborn, London, Mr Jeremiah Colman, J.P., presiding.

The Chairman, in moving the adoption of the report and accounts, said that in the balance-sheet they would notice that the capital of the company still stood at £250,000, and it was an interesting fact that it had not been increased since the formation of the company 32 years ago.

The reserve account was £200,000, and if the recommendation of the directors was approved, the addition of £50,000 would bring it up to the same figure as their capital. The sum represented by this account had been invested in the undertaking in an exactly similar manner to the share capital.

The creditors' and sundry credit balances in London and West Africa, totalling £59,026, were £5,120 more than the previous year. The remaining item on this side of the balance-sheet was the profit and loss account, with which he proposed to deal in more detail in the course of his remarks. On the other side of the balance-sheet the purchase of their lease and the additional firewood concessions remained the same. The plant, machinery, and works account showed a net increase—after deducting depreciation—of £13,260.

The investments standing at £59,700 included more than three-quarters in Government securities.

The last item on the balance-sheet, viz., cash in hand and bullion (since realised) standing at £175,714, was £13,766 more than at the corresponding period last year.

INCREASED PROFIT.

Turning to the profit and loss account, the profit earned, viz., £163,440, was just over £22,000 more than that of the previous year. The tonnage treated was somewhat larger, but the use of coal in the steam plant, instead of firewood, during the whole of the year was mainly responsible for the increase of 2s 1d in the "cost per ton" figure.

Coming to the disposal of the profit earned, they had already paid an interim dividend of 25 per cent., and they now recommended the payment of a final dividend of 30 per cent., making 55 per cent. for the year, as against 50 per cent. in the previous year. Sanction was also asked for the transfer of £50,000 to the reserve account. This would leave a balance of £59,176 to be carried forward.

STRONG ORE RESERVE.

The outstanding feature of the mining position was the fact that they had over half a million tons of good grade ore in the reserves, or, in other words, sufficient to feed the treatment plant for 5½ years at the present rate of crushing. Being in such a satisfactory position, they could take time and full consideration before making further moves in the direction of prospecting the reefs. This was a point of importance, for the new make was behaving in a somewhat erratic way. At No. 23 level the gold values were disseminated over great widths, and it would not pay to work it. They were still looking for it at No. 19 and No. 20 levels. The latest developments in the south-west ends of both 21 and 22 levels were encouraging, both in respect of widths and values. They had, too, recentiy cut the new make at 24 level, where, at the point of intersection, it gave low values, but they hoped for better results as development proceeded north-east.

In the Obuasi chute, crosscuts at 22 and 23 levels had been put out to test the ore-body, and as they would have gathered from the consulting engineer's report, this reef was now beginning to look up again,. For instance, No. 4 crosscut N.E. on 22 level was 39 feet wide, averaging 40.5 dwt and No. 4 crosscut N.E. on 23 levels was 23 feet, averaging 23.4 dwt per ton. In fact, these two levels showed marked improvement over the results at 20 and 21 levels.

At the last annual meeting he had referred to their interest in Bibiani (1927), Limited, and informed them of the intention to increase the capital of that company, for the purpose of dewatering the mine and carrying out some further development. The authorised capital had been duly increased to £100,000 and the £44,000 offered was readily subscribed by shareholders in the Ashanti Company and the Bibiani Company. The programme of work laid down was proceeding vigorously at Bibiani.

Sir George Lawson Johnston (vice-chairman), in seconding, said that the head of a very important group of newspapers had proclaimed a Socialist Government for this year.

The fear of Socialism might justify a slump in many shares, but not, he thought, in the case of those of a gold producer like their own company. Gold would have its world market quite apart from what happened in England, and, in fact, the more a country's credit was damaged, the larger was the proportion of gold required to bolster up what remained of its credit.

The reports and accounts were unanimously adopted.

KERR, STUART AND COMPANY, LIMITED.

DEVELOPING SPECIALISED LINES.

The 18th annual general meeting of Kerr, Stuart and Co., Limited, was held, on the 28th ult., at Winchester House, London, E.C.

Mr H. Langham Reed (chairman and managing director) said that after setting aside £18,978 for depreciation and interest on bank loan there was a net surplus for the year of £8,808, which, with the balance of £32,125 brought forward, it was proposed to carry forward. The result, although showing a slight improvement as compared with the previous year, was, in fact, a disappointing one. The conditions prevailing in the locomotive industry had been so depressed that it had been absolutely impossible for the company to secure orders of any magnitude at remunerative prices. In addition, Continental competition for the larger orders had to be taken into account, though perhaps this was not now so severe, as latterly there was a tendency for Continental prices to rise and approximate more nearly to our own. In view of the intense competition for orders of the heavier type of locomotives the board had concentrated its efforts on introducing a new type of light Diesel locomotive and a geared steam locomotive. There was a large field for both new types, and their reception had been most encouraging. The general engineering branch of the company's business had been completely reorganised, and every effort had been made to obtain as much outside work as possible.

PRODUCTION OF LOW TEMPERATURE CARBONISATION PLANTS.

Low Temperature Carbonisation, Limited, in which the company had a large holding, had made substantial progress during the past year, and the adoption of the Parker process by the South Metropolitan Gas Company was a remarkable tribute to its efficiency and public utility. The demand for "Coalite," that company's main product, was increasing so rapidly that many plants would have to be erected to cope with it. A further very important point was the progress in the treatment of the oil obtained from the carbonisation of coal at low temperature. Kerr, Stuart and Co., having specialised in the manufacture of low temperature plants, were able to secure orders in open competition, and he believed this class of business would establish a line of profitable new work for the company.

As to the future, there was no immediate sign of any marked recovery in the heavy engineering industry, and the board felt that the salvation of the company rather lay in developing as many new and specialised lines of manufacture as possible.

The report was unanimously adopted.

MORTGAGE COMPANY OF THE RIVER PLATE, LIMITED.

The forty-second ordinary general meeting of the Mortgage Company of the River Plate, Limited, was held, on the 29th ultimo, at 52 Moorgate, London, Mr James Anderson presiding.

The Chairman said that in the year covered by the accounts the board had been able to maintain the high level of prosperity disclosed in the accounts submitted a year ago. The gross profits for the past 12 months amounted to £134,028—an increase of £2,689. The expenses, including debenture interest, amounted to £48,420—an increase of £2,187—due to further liability for income-tax.

The net profits, after deducting all outgoings, amounted to £85,607, an increase of £501 over last year, and enabled the board to recommend (1) a final dividend of 10 per cent. on the ordinary shares, making, with the interim dividend of 8 per cent. paid in October last, a total of 18 per cent. for the year, and (2) the allocation of £15,000 to the reserve fund. This would leave a surplus of £1,816, which it was proposed to add to the carry forward, raising it to £99,791. With the addition of the £15,000 just referred to the reserve would amount to £440,000.

The investments were well spread, and a valuation of them made on the basis of the prices ruling at the close of the year showed a substantial excess of market value over the book cost.

The outlook for the current year was satisfactory. Conditions in the Argentine Republic were more favourable than they had been for years past. The basic industries of the country were in a healthy state. The crops of wheat and linseed recently harvested had been exceptionally abundant, and the prospects of the coming crop of maize were good. Prices had naturally given way somewhat in view of the abundance of the crops, but not to such an extent as to counterbalance the extra yield.

The report was unanimously adopted.

GOVERNMENT RETURNS, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended January 26, 1929:—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	4,446	From Revenue	20,686
Interest, &c., on Debt	818		
Sinking Fund	1,514		
Sundries	990		
Decrease in Debt	12,697		
Increases in Balances	221		
	20,686		20,686

The total Ordinary revenue for the week amounted to £20,686,700, as compared with £28,034,600 in the corresponding week last year. Property and Income-tax was lower at £9,735,000, against £10,640,000, and Super-tax at £2,060,000, against £2,230,000. Customs and Excise amounted to £2,587,000 and £1,178,000, against £2,534,000 and £825,000 respectively. Ordinary receipts were lower at £278,600, against £5,761,900, while Special receipts were nil, as compared with £1,070,000. The National Debt was reduced by £12,697,000, as shown below:—

(000's omitted.)

	£		£
Treasury Bills	— 4,547	National Savings Certificates	+ 100
Public Department Advances	— 7,650		
Sundries	— 600		
	— 12,797		+ 100

The floating debt was reduced by £12,180,000 to £776,485,000.

FINANCIAL YEAR, 1928-29, April 1 to Jan. 26, 1929.

	£		£
Expenditure	614,648,398	Revenue	513,636,218
		Amount borrowed	97,686,538
		Decrease in balances	3,325,642
	614,648,398	Total	614,648,398

ESTIMATES (New Basis), 1928-29.

	£		£
Expenditure	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

SELF-BALANCING REVENUE and EXPENDITURE.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Jan. 26, 1929.
3½% and 2½% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	..	..	..	..	..	166	204	204	204
3½% Conversion Loan	..	..	666	709	760	740	832	832	832
4½% Conversion Loan	..	..	..	210	211	211	221	221	221
3½% War Stock	..	63	63	63	63	63	..	..	..
4½% War Stock	..	13	13	13	13	13	13	13	13
4% and 5% War Stock	..	2,047	2,166	2,052	2,109	2,154	2,253	2,253	2,253
National War Bonds	..	1,509	820	778	706	556	194	111	111
4% Funding Loan	..	409	396	394	390	389	385	385	385
4% Victory Bonds	..	360	314	303	292	277	261	261	261
Treasury Bonds	..	..	457	499	482	454	675	773	773
Exchequer Bonds	20	323	150	15	15	15	16	16	16
National Savings Certs.	..	267	366	369	375	372	362	360	360
Other Debt*	..	1,306	1,128	1,124	1,111	1,103	1,097	1,094	1,094
American Loan (Anglo-French)	..	51	..	..	..	..	..	..	..
Treasury Bills	15	1,107	588	576	565	599	527	788	758
Temporary Advances	1	243	186	167	139	117	162	28	18
	654	8,033	7,641	7,598	7,558	7,555	7,528	7,665	7,625
Other Capital Liabilities	57	46	66	68	75	98	103	103	107
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,631	7,768	7,732

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Jan. 28, '28.	Mar. 31, '28.	Jan. 26, '29.	Movement Week ended Jan. 26, '29.
Ways and Means Advances Outstanding—	£	£	£	£
Advances by Bank of England	..	..	..	..
Advances by Public Departms.	142,760,000	161,850,000	17,890,000	— 7,650,000
Treasury Bills Outstanding	622,835,000	526,940,000	*758,595,000	— 4,530,000
Total Floating Debt	765,595,000	688,790,000	776,485,000	— 12,180,000

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

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bills were opened on Jan. 25, 1929, and the total amount applied for was £55,210,000. For bills at 3 months, dated Monday, at £98 19s 10d, and above in full; Tuesday and Wednesday at £98 18s 7d, about 23 per cent.; above in full; Thursday to Saturday at £98 18s 10d, and above in full. The amounts allotted were in bills at 3 months, £45,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1928.	£	£	£ s d
Nov. 23	45,000,000	60,895,000	4 7 9·21
Nov. 30	45,000,000	61,695,000	4 8 5·23
Dec. 7	45,000,000	53,675,000	4 6 9·47
Dec. 14	40,000,000	46,050,000	4 8 4·07
Dec. 21	40,000,000	46,860,000	4 8 7·03
Dec. 28	45,000,000	80,130,000	4 5 7·07
1929.			
Jan. 4	45,000,000	59,700,000	4 6 5·99
Jan. 11	35,000,000	57,915,000	4 5 4·26
Jan. 18	45,000,000	58,035,000	4 6 2·06
Jan. 25	45,000,000	55,210,000	4 6 6·73

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1928-29.	Total Receipts into the Exchequer from April 1, 1928, to Jan. 26, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Jan. 28, 1928.	Week Ended Jan. 26, 1929.	Week Ended Jan. 28, 1928.
	£	£	£	£	£
Balances in Exchequer on 1st April:—					
Bank of England	..	5,918,513	6,003,023	..	..
Bank of Ireland	..	404,112	456,633	..	..
	..	6,329,895	6,459,656	..	..
ORDINARY REVENUE.					
Inland Revenue—					
Property and Income Tax	232,900,000	109,046,000	134,020,000	9,735,000	10,640,000
Super-Tax	60,000,000	24,980,000	29,780,000	2,060,000	2,230,000
Estate, &c., Duties	72,000,000	64,950,000	60,370,000	2,010,000	1,300,000
Stamps	28,000,000	22,320,000	19,660,000	590,000	860,000
Excess Profits Duties, &c.	1,000,000	..	..	..	..
Corporation Profits Tax	1,500,000	630,000	1,510,000	..	30,000
Land Tax, House Duty and Mineral Rights Duty	850,000	250,000	280,000	..	50,000
Total Inland Revenue	396,250,000	222,170,000	245,620,000	14,395,000	15,010,000
Customs and Excise—					
Customs	120,637,000	98,371,000	92,571,000	2,587,000	2,534,000
Excise	140,768,000	114,094,000	117,735,000	1,178,000	825,000
Total Customs & Excise	261,405,000	212,465,000	210,306,800	3,765,000	3,359,000
Motor Vehicle Duties (Exchequer Share)	4,400,000	4,010,067	5,499,958	762,000	1,948,000
Post Office (Net Receipts)	8,186,000	9,400,000	6,600,000	1,200,000	750,000
Crown Lands	1,100,000	1,120,000	1,000,000	200,000	120,000
Receipts from Sundry Loans	27,650,000	21,807,380	18,674,412	86,111	15,668
Miscellaneous: Ordinary Receipts	13,550,000	12,363,025	27,623,113	278,551	5,761,908
Miscellaneous: Special Receipts	40,362,000	30,301,746	23,056,485	..	1,070,000
Total Ordinary Revenue	752,903,000	513,636,218	538,373,968	20,686,662	28,034,576
SELF-BALANCING REVENUE.					
Post Office	57,314,000	44,700,000	45,350,000	800,000	1,000,000
Motor Vehicle Duties apportioned to Road Fund	21,300,000	19,094,933	17,508,042	5,379,000	5,151,000
Total Self-Balancing Revenue	78,614,000	63,794,933	62,858,042	6,179,000	6,151,000
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		36,917	36,917	..	..
Under the Unemployment Insurance Acts, 1920-28		774,432	3,866,000	..	..
Road Fund		3,825,000	..	..	..
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		7,650,000	7,000,000	..	..
(b) Under the Unemployment Insurance Acts, 1920-28		9,370,000	2,510,000	300,000	350,000
(c) For other Issues:					
By Treasury Bills		2,230,778,000	2,062,243,000	53,878,000	35,515,000
By 4% Consolidated Loan		..	41,316,756	..	..
By National Savings Certificates		32,650,000	28,550,000	1,000,000	850,000
By National War Bonds		10	10	..	..
By 4½% Treasury Bonds, 1934		..	64,595,752	..	..
By 5% Treasury Bonds, 1933-35		93,603,348	9,550,000	..	950,000
By 4½% Treasury Bonds, 1932-34		4,610,000	..	..	..
(d) Ways and Means Advances		479,225,000	549,070,000	2,646,000	..
Repayments—					
In respect of Cunard Loan		..	130,000	..	..
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		122,717	136,516	..	..
Total	£	3,446,399,200	3,376,696,617	84,688,662	71,850,576

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1928-29 (including Supplementary Grants).	Total Issues out of the Exchequer to Meet Payments from April 1, 1928, to Jan. 26, 1929.	Total Issues out of the Exchequer to Meet Payments from April 1, 1927, to Jan. 28, 1928.	Issues. Week Ended Jan. 26, 1929.	Issues. Week Ended Jan. 28, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest & Management of National Debt	304,000,000	280,734,236	282,655,308	818,440	891,353
Payments to Local Taxation Accounts	14,200,000	9,136,040	9,332,076	572,150	120,110
Payments to Northern Ireland Exchequer	5,600,000	3,589,034	3,243,186	391,638	..
Other Consolidated Fund Services	2,600,000	1,900,190	3,023,202	25,940	..
Supply Services (excluding Post Office)	352,083,000	275,747,905	286,460,099	4,446,404	6,499,571
Total Ordinary Expenditure	678,483,000	571,107,405	583,713,869	6,254,572	7,511,034
Sinking Fund	65,000,000	43,540 992	54,480,486	1,514,000	605,207
SELF-BALANCING EXPENDITURE.					
Post Office	57,314,000	44,700,000	44,350,000	800,000	1,000,000
Road Fund	21,300,000	19,094,933	17,508,033	5,379,000	5,151,000
Total Self-balancing Expenditure	78,614,000	63,794,933	62,858,042	6,179,000	6,151,000

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1928, to Jan 26, 1929.	Apr. 1, 1927, to Jan. 28, 1928.	Week Ended Jan. 26, 1929.	Week Ended Jan. 28, 1928.
	£	£	£	£
OTHER ISSUES.				
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917	..	..
Under the Unemployment Insurance Acts, 1920-28	9,370,000	2,510,000	300,000	100,000
Road Fund, under Section 27 of the Finance Act, 1928	3,825,000	..	..	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928	8,650,000	7,850,000	600,000	450,000
Unemployment Insur. Acts, 1920-28— Repayment of Amounts Borrowed	774,432	3,866,000	..	44,000
Redemption of Debt—				
Treasury Bills	1,999,160,000	2,038,575,000	58,425,000	46,600,000
Principal of National Savings Certificates	33,850,000	30,900,000	900,000	800,000
Principal of National Savings Bonds paid off	3,061	1,042	..	..
Principal of National War Bonds paid off	82,762,476	66,300,261	..	..
Other Debt under the War Loan Acts, 1914 to 1919	3,341,000	100	..	..
Ways and Means Advances Repaid	625,185,000	522,911,000	10,295,000	9,450,000
Issues to National Debt Commissioners to Reduce Debt—				
Cunard Loan Repayments	..	130,000	..	..
Old Sinking Fund, 1 ·07-08—				
Issued under Section 9 of the Finance Act, 1908	1,000	1,623	..	..
	3,443,402,217	3,371,134,339	84,467,572	71,711,241
	Jan. 26, '29.	Jan. 28, '28.	In. or Dec.	for Week.
Balances in Exchequer—				
Bank of England	2,113,056	2,005,964	+ 89,090	— 6,665
Bank of Ireland	883,927	556,314	+ 132,000	+ 146,000
Total	2,996,983	2,562,278	+ 221,090	+ 139,335

Treasury, January 28, 1929.

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS £9,101,717
CLAIMS PAID £41,161,592

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

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

Date.	Issue Department. Govt. Debt and Securities	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion	Both Depts. Reserve Ratio	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."	Bank Rate
1928.	£	£	£	%	£	£	£	£	%
Dec. 12	244,584,427	10,171,608	157191056	32·4	59,106,855	11,185,832	47,009,328	42369996	37
19	244,581,466	10,177,049	155507575	31·8	57,756,855	15,667,010	50,485,605	31396576	29
26	244,585,173	10,175,611	154067274	30·2	67,296,855	25,931,966	18,853,964	25824375	21
1929.									
Jan. 2	244,588,281	10,175,611	153329533	29·6	62,636,855	47,745,162	16,962,554	35036050	34
9	244,644,115	10,170,725	154479280	31·8	57,736,855	14,687,357	15,969,429	44961498	38
16	244,689,806	10,171,370	154406085	32·6	55,121,855	13,058,329	15,540,096	53733549	45
23	244,848,035	10,173,176	153342962	32·8	49,486 855	10,763,570	15,061,023	57578556	50
30	244,848,208	10,170,568	152978126	32·8	50,501,855	9,557,227	16,946,436	57533102	49

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to Jan. 16	2,007,574	98,187	157,745	2,263,506
Week ended Jan. 23	767,832	38,403	60,412	866,647
Week ended Jan. 30	826,155	36,833	54,535	917,523
Total to date, 1929	3,601,561	173,423	272,692	4,047,676
Do 1928	3,650,040	169,886	276,802	4,096,728
Increase or decrease in 1929	— 48,479 = 1·3%	+ 3,537 = 2·0%	— 4,110 = 1·4%	— 49,052 = 1·1%
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,757	2,817,868	39,825,054
Increase or decrease in 1927	+ 1,473,253 = 4·1%	+ 97,275 = 5·8%	+ 154,959 = 5·4%	+ 1,725,487 = 4·3%

PROVINCIAL CLEARING RETURNS.

	Month of December. 1927.	Month of December. 1928.	%	Aggregate Weekly Totals to Jan. 26. 1928.	Aggregate Weekly Totals to Jan. 26. 1929.
Number of Working Days	25	24			
	£	£		£	£
BIRMINGHAM	12,067,000	11,892,000	— 1·4	10,667,300	10,147,100
BRADFORD	5,941,000	5,547,000	— 6·6	..	..
BRISTOL	5,105,000	4,642,000	— 9·0	4,889,000	4,775,000
DUBLIN	..	..	..	20,856,900	21,591,100
HULL	3,964,000	3,571,000	— 9·9	3,466,300	3,674,500
LEEDS	4,257,000	3,903,000	— 8·3	4,728,300	4,941,900
LEICESTER	3,867,000	3,772,000	— 2·4	3,645,900	3,342,300
LIVERPOOL	34,723,000	32,836,000	— 5·4	35,306,200	34,005,400
MANCHESTER	59,477,000	58,622,000	— 1·4	56,585,000	48,715,300
NEWCASTLE-ON-TYNE	6,684,000	8,643,000	+ 29·3	5,856,100	5,312,900
NOTTINGHAM	2,779,000	2,491,000	— 10·3	2,759,500	2,762,700
SHEFFIELD	4,806,000	3,619,000	— 24·8	4,339,400	3,888,500
Total	143,670,000	139,531,000	— 2·8	..	..

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Banks of Denmark and Greece appeared in the *Economist* of Jan. 12: Roumania, Russia and Egypt in January 19: Italy, Lithuania, Danzig and Chile in January 26.

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

Resources.	Jan. 31, 1929.	Jan. 24, 1929.	Jan. 17, 1929.	Jan. 10, 1929.	Feb. 2, 1928.
Total gold reserves	2,667,180	2,648,090	2,630,570	2,631,670	2,798,980
Total bills discounted	820,630	782,110	821,830	876,550	423,430
Bills bought in open mkt	435,610	494,220	481,240	477,100	377,390
Total U.S. Govt. securities	201,770	202,030	238,350	239,240	433,660
Total bills and securities	1,467,040	1,447,390	1,551,230	1,602,710	1,2 4,380
Total resources	5,093,730	5,125,190	5,300,970	5,242,910	4,981,040
Liabilities.					
Federal Reserve notes in actual circulation	1,645,490	1,660,970	1,697,300	1,745,260	1,576,990
Deposits—Member bank—reserve account	2,393,950	2,358,860	2,414,550	2,404,680	2,404,670
Total deposits	2,437,100	2,397,090	2,472,580	2,452,240	2,451,900
Capital paid in and surplus	403,200	402,750	402,250	401,220	367,760
Total liabilities	5,093,730	5,125,190	5,300,970	5,242,910	4,981,040
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	69·4%	69·3%	67·0%	66·3%	73·7%

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

	Jan. 31, 1929.	Jan. 24, 1929.	Jan. 17, 1929.	Jan. 10, 1929.	Feb. 2, 1928.
Total bills discounted	212,910	153,160	217,670	281,580	114,290
Bills bought in open mkt.	115,440	120,440	137,810	131,620	103,630
Total U.S. Govt. securities	26,190	27,290	63,690	64,660	91,700
Total bills and securities	354,540	300,890	419,170	477,830	309,610
Deposits — Member bank —reserve account	963,960	915,510	955,610	950,930	958,460
Ratio of total res. to dep. and Federal Res. note liabilities combined	77·0%	80·0%	70·8%	67·0%	79·4%

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, January 30, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—			
In Circulation	355,664,424	Government Debt	11,015,100
In Banking Department	57,069,969	Other Government Securities	233,833,108
		Other Securities	10,170,568
		Silver Coin	4,981,224
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	152,714,393
	412,714,393		412,714,393

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	50,501,855
Rest	3,581,295	Other Securities—	
Public Deposits*	19,229,555	Discounts and Advances £9,657,227	
Other Deposits—		Securities £15,946,436	
Bankers £58,210,174			25,603,663
Other Accounts £37,862,617		Notes	57,069,969
	96,073,391	Gold and Silver Coin	263,733
7 Day and Other Bills	1,979		
	133,439,220		133,439,220

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

Both Departments.	Amount Jan. 30, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	355,644,424	+ 278,018	— 12,364,211
Public deposits	19,229,555	+ 2,379,061	+ 5,018,516
Bankers' deposits	58,210,774	— 2,631,091	— 1,509,474
Other deposits	37,862,617	+ 380,924	
Seven-day bills	1,979	— 593	— 810
Total, outside liabilities	470,949,349	+ 406,319	— 8,875,979
Capital and rest	18,134,295	+ 22,915	— 17,045
Government debt and securities	295,350,063	+ 1,015,173	+ 22,663,675
Discounts and advances	9,657,227	— 1,106,343	— 27,988,121
Other securities	26,117,004	+ 883,805	
Silver coin in issue department	4,981,224	+ 1,435	— 668,776
Coin and bullion (bank's reserve)	152,978,126	— 364,836	— 2,899,802
Reserve of notes and coin in banking department	57,333,702	— 642,854	+ 17,545,409
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	49 33/52 %	— 19/52 %	+ 14 13/16 %
(b) Gold stocks to deposits and notes ("reserve ratio")	32½%	— ⅜%	..

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1928.	£	£	£	£	£	£	%
Dec. 12	416,654,319	374,821,061	7,628,750	67,418,777	36,727,355	1,179,054 out	4½
19	415,210,986	384,110,999	11,143,434	60,247,772	35,964,016	1,472,105 out	4½
26	413,783,646	388,242,899	12,969,050	69,489,708	37,511,394	1,429,295 out	4½
1929.							
Jan. 2	413,123,339	378,294,483	22,336,385	84,016,042	38 030,396	785,764 out	4½
9	414,284,469	369,517,787	10,944,607	67,491,247	36,813,416	1,157,054 in	4½
16	414,171,272	360,682,536	15,148,359	67,549,972	36,665,759	114,308 out	4½
23	413,103,414	355,366,406	16,850,494	60,841,866	37,481,693	1,078,579 out	4½
30	412,714,393	366,641,424	19,229,555	58,210,774	37,862,617	394,507 out	4½

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances. December, 1928.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills and Co.	Lloyds Bank, Limited.	Martins Bank, Limited.	Midland Bank, Limited.	National Bank, Limited.	National Provincial Bank, Limited.	Westminster Bank, Limited.	Willi'ms Deacon's Bank, Limited.	Aggregate.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England	37,569	1,488	3,420	40,530	8,703	46,493	3,665	31,315	30,521	3,424	207,128
Balances with and cheques in course of collection on other banks in the United Kingdom	10,489	811	1,718	10,316	2,664	16,227	176	8,658	10,033	1,460	62,552
Items in transit	..	..	..	3,043	..	..	..	..	..	..	3,043
Money at call and short notice	26,872	2,255	7,371	30,892	5,831	26,349	4,808	23,309	34,145	2,842	164,674
Bills discounted	49,477	901	1,484	48,528	3,553	66,494	2,292	43,397	41,680	3,202	261,008
Investments	54,243	3,827	7,635	38,094	25,372	34,726	15,131	36,333	38,785	5,332	259,478
Advances to customers and other accounts	167,545	10,319	12,274	192,028	41,015	215,894	15,643	146,748	140,850	17,815	960,131
Liabilities of customers for acceptances, endorsements, &c.	25,285	414	2,079	61,379	10,818	74,528	58	19,080	22,056	1,614	217,311
Bank premises account	5,463	372	695	6,971	2,262	8,728	781	5,811	4,960	980	37,023
Investments in affiliated banks	5,510	..	..	6,408	..	6,802	..	2,934	2,992	..	24,646
	382,453	20,387	36,676	438,189	100,218	496,241	42,554	317,585	326,022	36,669	2,196,994
Ratio of cash to current, deposit, and other accounts	11·34	8·27	10·42	11·54	10·64	11·77	9·83	11·20	10·69	10·75	11·23
LIABILITIES.											
Capital paid up	15,859	1,000	1,060	15,810	4,160	13,433	1,500	9,479	9,320	1,875	73,496
Reserve fund	10,250	1,000	530	10,000	3,458	13,433	1,425	9,479	9,320	1,350	60,245
Current, deposit, and other accounts	331,059	17,973	32,808	350,995	81,765	394,847	37,268	279,547	285,313	31,830	1,843,405
Acceptances, endorsements, &c.	25,285	414	2,079	61,379	10,818	74,528	58	19,080	22,056	1,614	217,311
Notes in circulation	..	..	..	5	17	..	2,303	..	13	..	2,338
Reduction of bank premises account	..	..	199	..	..	..	..	..	..	..	199
	382,453	20,387	36,676	438,189	100,218	496,241	42,554	317,585	326,022	36,669	2,196,994

STATEMENT OF CANADIAN BANKS.—In $'s (000's omitted).

	Oct 31, 1928.	Sept. 30, 1928.	Aug. 31, 1928.	July 31, 1928.	Oct. 31, 1927.
ASSETS.					
Cash and bank balances	515,631	436,657	441,575	451,837	474,299
Bank balances abroad	72,986	71,899	71,322	67,627	70,223
Call and short loans	545,649	554,795	565,695	538,469	482,820
Securities	495,864	486,464	500,455	508,404	519,196
Loans in Canada	1,344,972	1,315,864	1,285,456	1,278,799	1,162,591
Loans abroad	349,067	339,951	339,268	353,180	270,127
Other assets	198,496	198,107	197,382	198,507	171,981
LIABILITIES.					
Note circulation	190,304	193,492	176,025	172,235	185,621
Deposits—					
Government	139,325	102,016	107,211	113,817	133,578
Public in Canada	2,228,453	2,138,011	2,148,065	2,163,599	2,054,414
Foreign	366,389	371,542	391,225	356,959	359,128
Bank balances—					
Canadian	17,765	13,726	13,722	15,937	13,972
Foreign	88,302	79,920	67,778	73,148	44,738
Bills payable, &c.	116,002	111,956	114,686	117,540	87,658
Capital and rest	256,831	256,331	256,331	256,331	254,689
Other liabilities	4,696	2,881	5,014	3,554	4,154

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

	Jan. 4, 1929.	Dec. 28, 1928.	Dec. 21, 1928.	Dec. 14, 1928.	Dec. 7, 1928.	Jan. 6, 1928.
ASSETS.						
Gold coin and bullion	7,822	8,070	7,957	8,021	7,851	8,357
Subsidiary coin	75	78	83	95	112	201
Bills discounted	9,408	10,063	9,669	8,765	7,539	8,331
Investments	481	673	802	804	794	574
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	9,505	9,487	8,955	8,526	8,817	8,776
Government deposits	1,553	2,897	2,445	2,007	1,736	1,767
Bankers' deposits	4,809	5,001	5,143	5,511	4,951	4,933
Ratio of cash reserves to liabilities to public	48%	45·5%	47·5%	49%	49%	52·9%

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

	Jan. 4, 1929.	Dec. 28, 1928.	Dec. 21, 1928.	Dec. 14, 1928.	Dec. 7, 1928.	Jan. 6, 1928.
ASSETS.						
Total securities	21,78,32	21,78,89	21,75,84	21,73,01	21,74,97	18,53,95
Loans	20,50,81	21,38,00	20,12,21	19,58,66	19,07,78	14,05,76
Cash credits	25,16,78	25,67,10	24,63,42	23,94,14	23,75,36	22,84,79
Inland bills	13,30,05	12,37,21	11,12,09	10,84,06	9,61,49	15,02,07
Foreign bills	30,59	39,93	37,05	38,97	37,12	40,71
Dead stock	2,81,45	2,84,04	2,84,98	2,85,55	2,85,42	2,77,35
Bal. with other banks	20,43	11,66	30,38	15,68	17,96	9,48
Cash	10,28,20	11,21,64	11,03,79	11,48,47	11,84,78	9,67,80
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,17,50	5,17,50	5,17,50	5,17,50	5,17,50	5,07,50
Total deposits	77,12,74	78,37,49	74,47,75	75,19,33	76,29,32	74,35,04
Time above includes—	£	£	£	£	£	£
Deposits in Lond'n	1,001	932	974	994	996	913
Adv'nces in L'nd'n	896	909	902	906	885	892
Cash, &c., at other Banks in London	153	90	144	114	130	66

NATIONAL BANK OF BELGIUM.—In Belgas (000 a omitted).

	Jan. 24, 1929.	Jan. 17, 1929.	Jan. 10, 1929.	Jan. 3, 1929.	Jan. 26, 1928.	Position May 28, 1914.
ASSETS.						
Gold	904,985	905,010	903,899	903,727	741,376	(b)
Foreign Bills and Balances Abroad	524,742	546,059	569,396	614,929	476,372	232,650
Silver & other coin	1,836	1,836	.. *	.. *	1,193	
Securities	653,620	648,964	656,174	672,189	558,779	697,800
LIABILITIES.						
Notes in circulation	2,352,182	2,365,871	2,395,427	2,393,099	2,056,332	934,150
Current accounts	101,488	100,474	104,461	134,985	143,109	112,125

(b) In thousand francs.

* The Bank, having drawn up its half-yearly balance sheet on Dec. 25, has not published all the figures usually shown in the weekly return.

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

ASSETS.	Jan. 25, 1929.	Jan. 18, 1929.	Jan. 11, 1929.	Jan. 4, 1929.	Dec. 28, 1928.
Gold	33,995,441	33,983,468	33,709,295	32,679,040	31,977,039
Foreign assets—					
Sight deposits	11,789,204	11,936,638	12,543,191	13,546,570	13,510,622
Bills discounted	18,632,864	18,617,974	18,430,676	18,416,417	19,130,946
Commercial bills discounted at home	5,051,886	3,993,641	4,003,879	4,547,486	5,786,793
Advances against sec.					
To the State	9,130,000	9,130,000	9,130,000	9,130,000	9,130,000
Other advances	2,198,407	2,243,936	2,294,766	2,395,886	2,228,875
Other assets (excluding forward exch.)	3,147,433	3,319,287	3,381,353	3,443,188	2,984,648
LIABILITIES.					
Notes in circulation	63,192,593	62,442,972	63,153,516	64,182,903	63,915,583
Public deposits	12,711,842	12,398,529	12,107,887	11,834,160	12,213,852
Private deposits	7,154,613	6,341,444	6,088,567	5,807,774	6,519,018
Other liabilities	1,926,186	1,936,369	2,142,992	2,167,610	1,979,693

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

ASSETS.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7, 1929.	Jan. 23, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,729,176	2,729,382	2,729,345	1,983,632
Of which deposited abroad	85,636	85,636	85,636	81,632
Reserve in foreign currencies	163,474	156,208	157,377	388,401
Bills of exchange and cheques	1,548,497	1,657,162	2,101,183	2,076,059
Silver and other coin	137,065	117,667	93,618	80,074
Notes of other German banks	30,635	24,867	19,504	25,531
Advances	40,708	55,681	54,311	13,453
Investments	93,309	92,260	92,278	93,256
Other assets	440,795	561,694	562,480	564,964
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	294,205	294,205	294,205	243,381
Notes in circulation	3,809,254	4,080,428	4,484,184	3,682,594
Other daily maturing obligations	783,141	609,839	619,300	707,987
Other liabilities	184,201	297,561	299,619	279,796

* Equal to one billion paper marks or one Rentenmark.

The gold reserve is calculated in accordance with the new legal prescription of one pound of fine gold equals 1,392 Reichsmarks.

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

ASSETS.	Jan. 28, 1929.	Jan. 21, 1929.	Jan. 14, 1929.	Jan. 7, 1929.	Jan. 30, 1928.	Position May 28, 1914.
Gold	434,540	434,544	434,544	434,547	433,205	163,084
Silver	22,913	22,280	22,019	21,763	24,770	5,438
Dscts. and advances	353,270	374,148	398,365	413,666	404,639	153,894
LIABILITIES.						
Notes in circulation	782,727	88,959	812,742	834,343	788,934	316,639
Deposits	44,423	47,744	49,730	50,894	24,408	5,286

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

ASSETS.	Jan. 26, 1929.	Jan. 19, 1929.	Jan. 12, 1929.	Jan. 5, 1928.	Jan. 28, 1928.
Gold	235,711	235,737	235,796	235,863	235,619
Government securities—Swedish	6,001	6,001	6,001	6,001	11,652
" Foreign	73,774	73,774	73,774	73,774	105,199
Other Swedish bonds quoted on foreign bourses	749	749	749	749	3,098
Bills payable in Sweden†	202,125	226,759	273,012	201,944	153,987
" abroad	69,288	69,711	52,449	88,008	50,194
Balance abroad	55,879	54,887	61,717	85,382	94,142
Advances made on government securities and bonds†	55,193	66,503	51,963	37,838	11,652
LIABILITIES.					
Notes in circulation	434,416	449,619	465,402	490,823	436,291
Government deposits	215,281	235,257	239,911	265,123	194,558
Private deposits	7,324	6,565	18,218	7,180	22,351

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are not available as cover for the note issue.

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

Assets.	Jan. 26, 1929.	Jan. 19, 1929.	Jan. 12, 1929.	Jan. 5, 1929.	Jan. 28, 1928.	Position May 30, 1914.
Gold	192,100	192,800	192,000	191,600	175,835	22,971
Silver					18,891	19,785
Discounts, advances, and other investments	148,400	153,100	159,600	162,800	156,326	77,567
Liabilities.						
Notes in circulation	300,200	304,500	311,300	311,400	314,890	109,499
Deposits and bills payable	61,400	63,900	65,800	69,300	45,109	11,250

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

Assets.	Jan. 22, 1929.	Jan. 15, 1929.	Jan. 7, 1929.	Jan. 23, 1928.	Position May 31, 1914
Coin and bullion—Gold	146,866	146,868	146,870	147,232	44,224
Balance abroad and foreign bills	31,196	32,673	35,641	33,346	28,533
Norwegian and Foreign Government securities	9,345	9,233	9,233	25,656	8,816
Discounts and loans	259,784	259,352	260,034	259,984	76,911
Liabilities.					
Notes in circulation	296,724	297,952	305,534	309,159	113,484
Deposits at sight	75,321	81,086	81,335	98,833	7,188

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

Assets.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7, 1929.	Dec. 31, 1928.	Jan. 23, 1928.	Position May 31, 1914
Gold	482,095	482,139	517,452	533,028	451,287	171,175
Silver	45,551	44,619	45,089	45,794	62,174	18,350
Foreign Bills and Balances abroad	189,503	276,605	271,385	254,376	319,060	..
Discounts	135,758	146,391	181,580	217,811	..	..
Advances	56,037	59,351	78,540	82,681	49,967	103,000
Liabilities.						
Notes in circulatn	786,935	814,012	871,696	952,645	762,965	276,925
Deposits	87,514	183,620	215,027	195,508	160,930	33,750

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

Assets.	Jan. 26, 1929.	Jan. 19, 1929.	Jan. 12, 1929.	Jan. 5, 1929.	Jan. 28, 1928.	Position, May 30, 1914.
Gold	2,559,223	2,559,183	2,559,143	2,559,118	2,606,447	521,775
Silver	707,332	703,000	698,545	696,753	695,243	728,600
*Loans&discounts	1,935,586	1,985,983	2,069,767	2,139,310	1,774,128	800,795
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
Liabilities.						
Circulation	4,312,483	4,348,892	4,405,500	4,420,104	4,157,381	901,556
Deposits	972,440	989,084	963,502	1,009,766	1,085,002	477,500

* Including 91 million pesetas lent to the State.

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

Assets.	Dec. 26, 1928.	Dec. 19, 1928.	Dec. 12, 1928.	Dec. 5, 1928.	Dec. 28, 1927.
Coin and bullion	9,500	9,481	9,454	9,436	9,211
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	291,748	284,547	282,438	279,029	161,159
Discounts	249,656	247,521	242,724	241,242	233,050
Government loans	1,713,716	1,706,557	1,704,688	1,801,329	1,491,885
Liabilities.					
Notes in circulation	1,976,184	1,947,571	1,941,504	1,946,337	1,831,770
Deposits	73,376	74,206	79,248	72,242	96,046

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

Assets.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7, 1929.	Dec. 31, 1928.	Jan. 23, 1928.
Cash reserve—					
Gold coin & bullion	168,752	168,752	168,752	168,752	84,456
Foreign exchange	196,314	201,766	216,838	242,692	338,945
Other foreign exch'ge	361,378	365,203	385,917	385,917	264,698
Bills discounted	132,465	155,653	176,070	208,078	81,272
Advances	116,118	116,118	116,122	116,170	173,117
Liabilities.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	8,167	8,167	8,167	8,167	6,367
Notes in circulation	848,663	893,758	967,454	1,067,363	827,619
Deposits	129,696	116,991	88,158	56,473	117,355

† In dollar and sterling only.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cs. K. (000's omitted).

Assets.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7, 1929.	Dec. 31, 1928.	Jan. 23, 1928.
Gold and silver holdings	1,205,810	1,205,758	1,205,304	1,199,499	1,108,201
Balance abroad and foreign currency	2,111,259	2,285,766	2,493,936	2,508,853	2,094,329
Discounts and advances	386,588	333,456	414,466	483,169	104,466
State notes debt balance	4,085,980	4,080,420	4,094,556	4,097,510	4,425,871
Other assets	1,164,479	1,217,199	1,535,265	1,776,442	1,250,546
Liabilities.					
Bank notes in circulation	6,493,113	6,856,131	7,453,182	8,465,908	6,569,850
Check account balances	1,576,740	1,516,942	1,531,811	829,728	1,635,041
Other liabilities	345,716	321,673	319,977	336,212	345,439

NATIONAL BANK OF HUNGARY.—In Hungarian Pengö (000's omitted.)

Assets.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7, 1929.	Dec. 31, 1928.	Jan. 23, 1928.
Metal reserve—					
Gold coin and bullion	204,551	201,083	201,083	201,082	196,864
Drafts and notes	63,670	55,571	48,735	54,003	99,919
Silver coin and bullion	782	790	794	792	787
Inland bills, warrants and securities	315,413	325,726	361,979	417,411	280,283
Advances to the Treasury	97,181	97,210	97,201	97,244	110,939
Liabilities.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	392,526	418,108	440,874	513,461	392,375
Current accounts, deposits, &c.	270,177	253,893	251,946	240,814	335,935

* Calculated at pre-war parity of exchange.

BANK OF POLAND.—In zloty* (000's omitted).

Assets.	Jan. 20, 1929.	Jan. 10, 1929.	Dec. 31, 1928.	Dec. 20, 1928.	Jan. 20, 1928.
Gold	621,168	621,120	621,079	607,978	526,335
Of which held abroad	195,402	195,402	195,402	182,339	173,388
Foreign currencies	671,493	695,880	713,958	712,632	867,903
Bills discounted	636,530	628,787	640,700	624,826	450,036
Loans against securities	98,235	89,286	95,191	90,748	44,514
Reserve fund securities	69,861	70,114	65,534	65,176	54,983
Liability of the Treasury	25,000	25,000	25,000	25,000	25,008
Liabilities.					
Share capital	150,000	150,000	150,000	150,000	150,000
Reserve funds	100,000	100,000	94,435	94,435	94,435
Notes in circulation	1,149,410	1,190,460	1,295,349	1,218,031	919,466
Current accounts	607,167	587,428	524,142	597,331	754,388
Government accounts	75,000	75,000	75,000	75,000	75,000

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

Assets.	Jan. 22, 1929.	Jan. 15, 1929.	Jan. 8, 1929.	Dec. 31, 1928.	Jan. 23, 1928.
Gold	91,122	91,114	91,090	91,015	88,924
Other coin and notes	18,164	17,867	17,812	17,805	18,579
Foreign credits	201,752	202,690	227,011	230,255	323,927
Bills	1,379,698	1,498,630	1,446,217	1,470,503	1,356,992
Govt. advances	4,201,110	4,201,109	4,201,109	4,201,609	4,337,972
Liabilities.					
Notes in circulation	5,114,804	5,271,215	5,496,551	6,528,170	5,349,668
State credits	227,827	227,825	227,825	227,825	298,952
Deposits	1,346,443	1,286,134	1,152,620	1,179,328	1,581,014

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

Assets.	Dec. 30, 1928.	Dec. 23, 1928.	Dec. 15 1928.	Dec. 7, 1928.	Dec. 30, 1927.
Gold and silver holdings	1,493,823	1,493,132	1,491,755	1,490,927	1,442,816
Balances abroad and foreign currencies	3,266,662	3,430,462	3,513,972	3,016,082	447,163
Discounts and advances	1,261,462	1,357,144	1,328,472	1,349,188	1,370,083
Advances to the Treasury	3,781,215	3,781,214	4,022,333	4,022,333	4,514,474
Liabilities.					
Capital paid in	500,000	500,000	500,000	500,000	473,896
Reserves	1,149,402	1,149,756	1,149,815	1,150,044	1,114,909
Bank notes in circulation	4,173,047	4,057,647	4,215,466	4,325,204	3,736,972
Sight liabilities	3,424,549	3,778,287	3,652,457	3,501,284	1,386,758
Deposits	472,507	472,427	472 634	472,773	1,570,405

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

Assets.	Jan. 15, 1929.	Jan. 8, 1929.	Dec. 31, 1928.	Jan. 14, 1928.	Position, May 30, 1914
Gold	304,062	304,219	304,425	316,193	35,091
Balance abroad and foreign bills	774,660	752,388	753,015	1,407,175	90,379
Finnish and Foreign Government securities	296,303	291,788	291,788	380,771	21,826
Discounts and loans	1,459,335	1,488 394	1,556,000	830,304	105,151
Liabilities.					
Notes in circulation	1,404,666	1,424,746	1,513,213	1,447,595	123,941
Deposits at notice	466,210	459 769	456.861	649,498	21.235

BANK OF ESTONIA.—In Est. kroon (000's omitted).

Assets.	Jan. 15, 1929.	Jan. 7, 1929.	Dec. 31, 1928.	Dec. 23, 1928.	Jan. 14, 1928.
Gold coin and bullion	6,341	6,380	6,380	6,219	18,155
Net foreign exchange	23,647	24,204	25.067	25,631	39,091
Subsidiary Estonian coin	633	1,071	515	412	753
Home bills discounted	14,900	14,358	14,568	15,185	8,375
Loans and advances*	16,233	16,359	17,345	16,740	20,462
Liabilities.					
Notes in circulation	36,099	35.277	36,433	38,919	35,163
Sight deposits and current accounts	21,662	23,078	23,406	20,688	34,423
Ratio of reserve to current liabilities	51·97%	52·41%	52·56%	53·43%	47·54%

* Includes a sum not exceeding Ekr. 15,000,000, guaranteed by the Government.

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

Assets.	Jan. 23, 1929.	Jan. 16, 1929.	Jan. 9, 1929.	Jan. 2, 1929.	Dec. 26, 1928.	Jan. 25, 1928.
Gold bullion and coins	23,758	23,758	23,757	23,753	23,751	23,680
Silver coin	4,556	4,494	5,013	4,426	4,394	3,795
Balance abroad	67,206	65,917	68,796	71,316	72,141	49,671
Treas. notes & sm. change	12 553	12,411	9,978	6,921	8,950	9,503
Short term bills	85.756	86,700	86,943	86,644	87,160	79,480
Loans against securities	47,615	47,456	47,734	47,655	46,487	53,051
Other assets	13,899	12,535	12,050	11,548	11,363	17,386
Liabilities.						
Notes in circulation	42,136	41,354	42,500	44,854	44,615	37,046
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,386
Reserve	3,091	3,091	3,091	3,091	3,091	2,628
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,129	12,043	12,021	12,056	11,978	10,604
Current accounts	56,355	61,458	58,994	55,386	54,123	49,381
Government accounts	104,512	100,628	105,902	106,682	108,037	98,843
Other liabilities	19,040	16,618	13,502	14,113	14,382	21,956

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

Assets.	Jan. 12, 1929.	Jan. 5, 1929.	Dec. 29, 1928.	Dec. 22, 1928.	Jan. 14, 1928.	Position Jne 30, 1914
Cash and bullion	1,115,965	1,112,835	1,113,052	1,116,609	1,109,529	221,398
Discounts	775,418	772,374	750,036	837,038	780,993	41,740
Advances		112,750	141,383	90,948	98,665	70,540
Liabilities.						
Notes	1,298,908	1,593,213	1,773,499	1,465,903	1,315,315	363,270
Govt. deposits	428,186	393,098	410,168	470,473	688,433	87,348
Other deposits	392,994	158,732	134,399	234,975	332,266	11,440

LONDON RATES.

	Jan. 24, 1929.	Jan. 25, 1929.	Jan. 26, 1929.	Jan. 28, 1929.	Jan. 29, 1929.	Jan. 30, 1929.	Jan. 31, 1929.
Bank rate (changed from 5% April 21, 1927)	%	%	%	%	%	%	%
Market rates of discount—							
60 days' bankers' drafts							
3 months' do							
4 months' do							
6 months' do							
Discount (Treasury Bills)—							
2 months							
3 months†							
Loans—Day to day							
Short							
Deposit allowances: Banks							
Discount houses at call							
At notice							

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

Comparison with previous weeks:—

	Short Loans.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1929.	%	%	%	%	%	%	%
Jan. 10							
17							
24							
31							

OVERSEAS BANK RATES.

	Changed.		%		Changed.		%
Amsterdam	Oct. 12, 1927	..	4½	Oslo	Mar. 26, 1923	..	5½
Athens	Jan. 5, 1929	..	8	Paris	Jan. 19, 1928	..	3½
Belgrade	July 26, 1921	..	6	Prague	Mar. 8, 1927	..	5
Berlin	Jan 12, 1929	..	6½	Pretoria	Jan. 9, 1928	..	5½
Brussels	June 30, 1928	..	4	Reval	Jan. 2, 1928	..	7½
Bucharest	Sept. 4, 1920	..	6	Riga	April 1, 1928	..	6½† 7½‡
Budapest	Oct. 1, 1928	..	7	Rome	Jan. 5, 1929	..	6
Calcutta	Dec. 13, 1928	..	7	Sofia	Dec. 15, 1928	..	9
Copenhagen	June 23, 1927	..	5	Stockholm	Aug. 24, 1928	..	4½
Dansig	June 20, 1927	..	6	Swiss Bank places	Oct. 22, 1925	..	3½
Helsingfors	Nov. 15, 1928	..	7	Tokio	Oct. 18, 1927	..	5·48
Kovno	Feb. 8, 1925	..	7	Vienna	July 16, 1928	..	6½
Lisbon	July 28, 1926	..	8	Warsaw	May 13, 1927	..	8
New York Federal Reserve	July 12, 1928	..	5	Irish	Apr. 21, 1927	..	5½
Madrid	Dec. 19, 1928	..	5½				

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.

† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
‡ 7% applied to banks, &c., charging more than 11% p.a. for their loans.

RATES OF EXCHANGE.

London on		Usance	Par.	Feb. 2, 1928.	Jan. 24, 1929.	Jan. 31, 1929.
New York	dollars to £1	Cable	4·86⅝	4·87⅛–⅛	4·84⅛–85	4·84⅛–87
Montreal	dollars to £1	Cable	4·86⅝	4·88–⅛	4·85⅛–86	4·86–⅛
Paris	francs to £1	T.T.	124·21	123⅛–124·⅛	124·¼–⅜	124·¼–⅜
Berlin	marks to £1	T.T.	20·43	20·42–½	20·40½–½	20·42½–½
Amsterdam	florins to £1	T.T.	12·107	12·08½–½	12·09–⅛	12·10½–⅜
Brussels	belga to £1	T.T.	35·00	34·98–½	34·90–½	34·89–⅜
Milan	lire to £1	T.T.	92·46	91·97-92·02	92·65–9	92·66–67
Berne	francs to £1	T.T.	25·22½	25·32½–33	25·20½–21	25·21–½
Oslo	kroner to £1	T.T.	18·159	18·32–32½	18·19½–¾	18·19½–¾
Stockholm	kronor to £1	T.T.	18 159	18·14–½	18·14–½	18·14–½
Copenhagen	kroner to £1	T.T.	18·159	18·19½-20	18·18–½	18·18–½
Madrid	pesetas to £1	T.T.	25·29½	28·50·2	29·68-9	30·25-35
Lisbon	escudo to £1	T.T.	4·50	2⅝–⅜	109½–¾	109⅝–110
Vienna	schilgs to £1	T.T.	34·58½	34·57-60	34·51-54	34·50-53
Prague	krone to £1	T.T.	24·02(a)	164⅞–⅞	163⅞–6	163⅝–¾
Belgrade	dinars to £1	T.T.	25·22½	276¾–⅞	276–¾	276–¾
Budapest	pengo to £1	T.T.	27·82	27·85–89	27·81—4	27·80-84
Bukarest	lei to £1	T.T.	25·22½	791—4	806–9	806—808
Sofia	leva to £1	T.T.	25·22½	672—7	669—74	669—674
Athens	drachms to £1	T.T.	375	367—9	374⅜–5½	374⅜–375½
Constantin'ple	piastres to £1	T.T.	110	969—64	991–5	986—90
Warsaw	zloty to £1	T.T.	43·38	43½–¾	43·⅞–⅛	43·⅞–⅛
Helsingfors	F. marks to £1	T.T.	193·23	153½–¾	192·⅝–¾	192·⅝–¾
Kovno	lits to £1	T.T.	48·66	48·–9½	482–9½	482–49½
Reval	Kroon to £1	T.T.	18·159	18·00–18·40	18·14–21	18·15–22
Riga	lats to £1	T.T.	25·22½	25·15-30	25·10-20	25·10-20
Alexandria	piastres to £1	Sight	97⅛	97⅛–⅜	97⅛–⅜	97⅛–⅜
Buenos Aires	pence to peso	T.T.	47·62d	47⅛–⅜	47·⅛–⅜	47·⅛–⅜
Rio de Janeiro	pence to mils.	90 days	16	6·⅝–¾	6·⅝–¾	6·⅝–¾
Montevideo	pence to peso	T.T.	51	50·–½	50·–51	50·–51
Valparaiso	dollars to £1	90 days	40	39·43	39·63	39·63
Lima	dmg. to Par. £1	90 days	par	23·⅛% prm.	193% prm.	193% prm.
Calcutta	pence	T.T.	18	1/6·⅛–⅛	1/6·⅛–⅛	1/6·⅛–⅛
Bombay	so	T.T.		1/6·⅛–⅛	1/6·⅛–⅛	1/6·⅛–⅛
Madras	rupee	T.T.		1/6·⅛–⅛	1/6·⅛–⅛	1/6·⅛–⅛
Hong Kong	ster. to dollar	T.T.	..	2/0–⅛	2/0–⅛	2/0–⅛
Shanghai	ster. to tael	T.T.	..	2/6·2/7½	2/6·2/7⅛	2/6·2/7⅛
Singapore	ster. to dollar	T.T.	2s 4d	2/4·⅛–2/4·⅝	2/3·⅛–⅛	2/3·⅛–⅛
Kobe	ster. to yen	T.T.	24·58d	1/11·⅛–⅜	1/10·⅛–⅜	1/10·⅛–⅜
Manila	ster. to peso	T.T.	24·066d	2s 0·⅛d	2s 0·⅛d	2s 0·⅛d
Mexico	pesos to £	T.T.	9·76	24–24½ (b)	9·75–10·25	9·75—10·25

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilization at 2·90-3·03 dollars to 100 krone, *i.e.*, approximately 162½ krone to £. (b) Pence to dollars.

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz:—

£1,000 sterling equals 941·67-943·55 tchervontsi.

1 tchervonets = 10 gold roubles. £1 sterling = 9·46 gold roubles.

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York:—

	Feb. 1, 1928.	Jan. 2, 1929.	Jan. 9, 1929.	Jan. 16, 1929.	Jan. 23, 1929.	Jan. 30, 1929.
	%	%	%	%	%	%
Call money	4½ ..	12 ..	7 ..	8 ..	6 ..	7
Time money (90 days' mixed coll)	4⅝ ..	7½ ..	7½ ..	7½ ..	7½ ..	7½
Bank acceptances:—	Selling Rates.					
Members—eligible, 90 days	3⅝ ..	4½ ..	5 ..	5 ..	5⅛ ..	5⅛
Non-mem.—eligible 90 days	3⅝ ..	4½ ..	5 ..	5 ..	5⅛ ..	5⅛
Ineligible, 90 days	4 ..	5⅛ ..	5⅛ ..	5⅛ ..	5⅛ ..	5⅛
Commercial accept. days	4 ..	5⅛ ..	5⅛ ..	5⅛ ..	5⅛ ..	5⅛

Rates of Exchange: New York on—		Par Level.	Feb. 1, 1928.	Jan. 16, 1929.	Jan. 23, 1929.	Jan. 30, 1929.
London—						
60 days	Dollars for £1	4·8666	4·83⅜	4·80⅜	4·80⅜	4·80·⅜
Cabls			4·87⅛	4·84⅛	4·84⅛	4·84·⅛
Cheques			4·87⅝	4·84⅜	4·84⅜	4·84⅜
Paris cheques	Cents for 1 franc	19·30	3·92⅜	3·90⅝	3·90⅜	3·90⅝
Brussels	Cents for 1 Belga	13·90	13·92	13·89	13·895	13·895
Switzerland	Cents for 1 franc	19·30	19 23	19·2275	19·2225	19·22
Italy	Cents for 1 lire	19	5·29⅝	5·23⅛	5·23⅛	5·23⅛
Berlin	Cents for 1 mark	23·81	23·89½	23·755	23·75	23·725
Vienna	Cts. for Austrn. shlg.	14·07	14·10	14·065	14·05	14·05
Madrid	Cents for 1 peseta	19·30	17·11	16·325	16·325	15·97
Amsterdam	Cents for 1 guilder	40·195	40·29	40·055	40·05	40·04
Copenhagen	Cents for 1 kroner	26·80	26·76	26·655	26·65	26·65
Oslo			26·59	26·645	26·64	26·63
Stockholm			26·823	26·72	26·72	26·71
Athens	Cents for 1 drachma	19·30	1·325	1·29⅛	1·29⅛	1·29⅛
Montreal	Can. Cents for $1	100	⅜ dis.	⅛ dis.	⅜ dis.	⅛ dis.
Yokohama	Cents for 1 yen	49·85	46·85	45·40	46·39	45·15
Hong Kong	Cents for H. Kong $	..	50	49·95	49·70	49·75
Shanghai	Cents for 1 Shng. tael	..	63·25	63·125	62·50	62·85
Calcutta	Cents for 1 rupee	..	36·60	36·43	36·42	36·41
Buenos Aires	Pesos for $100	103·65	103·15	..	104·53	104·35
Rio de Janeiro	Cents for 1 milreis	32·42	12·00	11·92	11·92	11·92
Valparaiso	Cents for 1 peso	12·125	12·26	12·055	12·055	12·056

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa. From February 6, 1928		Union of South Africa. From February 6, 1928.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.		¼ % dis.	par to ¼ % pm.	⅜% prem.
Demand	⅛ % dis.	⅛ % "	⅛% dis.	¼ to ⅜% "
30 days	1⅛% "	⅛ % "	⅛ % "	⅜ % "
60 days	⅛ % "	⅛ % "	⅛ % "	⅜ % "
90 days	⅛ % "	⅛% "	⅛ % "	⅜ % "
120 days	⅜ % "	⅛ % "	⅛% "	..

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange:—

Country.	Method of Quoting.	Par Value.	Usance	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·32
Venezuela	Bolivares to £	25·25	"	25·47
Colombia (Bogota)	Pesos to £1	5	"	5·00
Nicaragua	Cordobas to £	4·8665	"	4·92
Salvador	Colones to £	9·73	"	9·75
Bolivia	pence to Boliviano	18·0	90 days	18

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying.		London on Australia and New Zealand. Selling.		Australia and New Zealand on London. Buying.		Australia and New Zealand on London. Selling.	
	Australia.	New Zeal'nd	Australia.	New Zeal'nd	Australia.	New Zeal'nd	Australia.	New Zeal'nd
T.T.	..	..	99⅛	99⅛	..	..	..	..
Demand	99⅛	99⅜	99⅜	99⅜	101	100⅛	..	..
30 days	97⅞	97⅝	..	..	99⅛	99⅛	100⅛	100⅛
60 days	97	97⅛	..	..	98⅝	98⅝	99⅝	99⅝
90 days	96⅞	96⅛	..	..	98⅛	98⅛	99⅛	99⅛
					98⅛	97⅛	..	99⅛

MARTINS BANK
LIMITED

Head Office:
7, WATER STREET, LIVERPOOL.
London Office:
68, LOMBARD STREET, E.C.3.
Manchester District Office:
43, SPRING GARDENS.

CAPITAL SUBSCRIBED £20,602,272
CAPITAL PAID UP AND RESERVES 7,729,413
DEPOSITS, ETC., at 31st Dec., 1928 82,932,881

The Bank has over 560 Offices, and Agents in all the principal towns at home and abroad.

All descriptions of Banking, Trustee and Foreign Exchange Business Transacted.

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council from April 1 to January 26, 1929, amounted to £22,495,000 by means of purchases of sterling in India. Of this amount £750,000 was remitted on account of the paper currency reserve.

BULLION.

The following statistics of imports and exports of gold for week ended January 31, 1929, are issued by the Statistical Department of H.M. Customs and Excise:—

Imported into Great Britain and Northern Ireland.	£	Exported from Great Britain and Northern Ireland.	£
From—		To—	
Germany	2,000	Norway	137
France	21,946	Poland	3,760
U.S. of America	2,577	Germany	25,830
British West Africa	33,111	Netherlands	33,100
British South Africa	822,137	France	12,761
Other countries	1,573	Switzerland	51,665
		Austria	12,300
		Egypt	13,808
		U.S. of America	2,128,412
		Java	1,150
		Gibraltar	3,000
		Bombay, via other ports	91,369
		Straits Settlements	20,355
Total declared value of imports	883,344	Total declared value of exports	2,397,617

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow:—

1929.	Arrivals.	£	1929.	Withdrawals.	£
Jan. 25	Bars bought	4,805	Jan. 25		nil
,, 26	Sovs from abroad	53,000	,, 26—Bars sold		24,212
,, 28		nil	,, Sovs export		17,000
,, 29	Bars bought	474,300	,, 28—Bars sold		3,451
,, 30		nil	,, 29—Bars sold		827,524
,, 31		nil	,, 30—Sovs export		3,000
			,, 31—Bars sold		3,385
			Sovs,		5,000
			Sovs set aside		500,000
Total		£532,105	Total		£1,383,572

Net withdrawals, £861,467.

Messrs Samuel Montagu and Co. write on January 30th as follows:—

GOLD.

The Bank of England gold reserve against notes amounted to £153,103,414 on the 23rd instant (as compared with £154,171,272 on the previous Wednesday), and represents a decrease of £802,901 since April 29, 1925, when an effective gold standard was resumed. About £817,000 bar gold from South Africa was available in the open market this week. The Bank of England purchased about £475,000, as is shown below, New York £300,000, and India and the trade the balance. There was a net efflux of gold of £394,507 during the week under review. Following are the balance of trade figures for India, in lacs of rupees, for the month of December, 1928—Imports of merchandise on private account, 1,849; exports, including re-exports, of merchandise on private account, 2,695; net imports of gold, 273; net imports of silver, 25; net imports of currency notes, nil; total visible balance of trade, in favour of India, 552; net balance on remittance of funds, against India, 464.

SILVER.

Sellers have been rather reluctant at the lower prices touched during the past week, neither China nor America being disposed to furnish supplies. Although the Indian bazaars have made some re-sales, buying orders from this quarter have predominated, and the market has assumed a steady tone, with subsequent recovery in the quotations. The rates fixed on the 24th instant—viz., 26d for cash and 26 1/8d for two months' delivery—were the lowest fixed for some considerable time—for spot since October 29, 1927, and for forward since March 9, 1928. Purchases by the Indian bazaars for near shipment resulted yesterday in the price for cash silver, which had been at a discount since last November, being quoted level with forward at 26 1/8; a premium of 1/8d on silver for two months' delivery was, however, re-established to-day. The following were the United Kingdom imports and exports of silver registered from mid-day on the 21st instant to mid-day on the 28th instant:—Imports: France, £20,791; other countries, £230; total, £21,921. Exports: Netherlands, £57,400; Irish Free State, £12,058; British India, £23,580; other countries, £4,577; total, £97,615.

Indian Currency Returns (In Lacs of Rupees.)

	Jan. 7.	Jan. 15.	Jan. 22.
Notes in circulation	18,910	18,929	18,909
Silver coin and bullion in India	10,047	9,996	9,890
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	3,151	3,221	3,221
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	4,327	4,327	4,327
Securities (British Government)	685	685	771
Bills of exchange	700	700	700

The stock in Shanghai on the 26th instant consisted of about 66,100,000 ounces in sycee, 106,000,000 dollars and 5,160 silver bars, as compared with about 64,300,000 ounces in sycee, 105,000,000 dollars and 2,320 silver bars on the 19th instant.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver—Per Ounce Cash.	Silver—Per Ounce Forward.		Date.	Silver. Cash.
1929.	s d	d	d			d
Jan. 25	84 11 1/2	26 1/2	26 3/16	Feb.	9, 1923	30 3/4
26	84 11 1/2	26 1/16	26 1/8		8, 1924	33 3/8
28	84 11 1/2	26 1/8	26 1/16		6, 1925	32 1/2
29	84 11 5/8	26 1/16	26 1/16		5, 1926	30 1/16
30	84 11 1/2	26 1/8	26 1/16		4, 1927	27 1/8
31	84 11 1/2	26 3/16	26 1/4		2, 1928	26 3/16

NOTICES.

Lloyds Bank, Limited.—It was announced a few days ago that Mr F. A. Beane and Mr G. F. Abell, formerly joint general managers, had been appointed chief general managers of the bank. Mr Beane became a general manager in 1923, after occupying important positions in the bank in London and Newcastle-upon-Tyne and also in Lloyds and National Provincial Foreign Bank, Limited, at Paris. Mr Abell, before he became a general manager, was for some years manager of the City office. Following upon these appointments, it is now announced that Mr R. A. Wilson and Mr S. Parkes, formerly assistant general managers, and Mr S. P. Cherrington, formerly a manager of the City office, have been appointed joint general managers of the bank. The City office will in future be under the joint management of Mr G. L. Potter, Mr G. D. Gold and Mr E. J. Sawtell.

The Westminster Bank announces that its night safe service recently established at the Chesterfield branch has now been extended to its offices at Balham (128 and 130 Balham High road, S.W. 12), Nottingham (3 Thurland street), Croydon (1 High street), and Brixton (369 and 371 Brixton road).

Barclays Bank Limited announce the opening of new subbranches at 203 Portswood road, Portswood, Southampton (under the management of Mr L. D. Ingmire, who is also manager of the Avenue, Southampton, branch), and at Llanegryn (under the management of Mr I. D. Jones, who is also manager of Towyn branch).

The Midland Bank announces the opening of new branches at 19 Grosvenor place, Hyde Park corner, London, S.W. 1, and at 20 The Mall, Edgware, Middlesex, under the management of Mr L. Taylor and Mr V. E. Taperell respectively.

The National Provincial Bank, Limited, announce that a branch of the bank is now open at 36 High street, Streatham, S.W. 16, under the management of Mr C. G. Bird. A branch is also now open at 4 London road, Twickenham, under the management of Mr A. O. Butcher.

A branch of the Bank of Australasia has been opened at Subiaco, Western Australia.

A branch of the Union Bank of Australia, Limited, has been opened at Crows Nest, Sydney, New South Wales.

CENTRAL UNION TRUST COMPANY OF NEW YORK

Head Office:
80 Broadway
NEW YORK

London Representative:
C. Noël Hume
1 & 2 Gracechurch Street, E.C.3

Complete Commercial & Foreign Banking Service

Acts in every Fiduciary Capacity

Capital, Surplus and Undivided Profits over $55,000,000.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Jan. 25, 1929. (c) Week ended Jan. 26, 1929.	Miles Open.	Week ended Jan. 27, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 4 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,779	186	215	133	348	534	797	818	514	1,332	2,129
Do for 1928	3,779	192	217	118	335	527	826	817	478	1,295	2,121
Lon. & N.Eastn. (c)	6,345	281	413	286	699	980	1,176	1,546	1,063	2,609	3,785
Do for 1928	6,363	298	456	264	720	1,018	1,215	1,621	1,014	2,635	3,850
Lond., Mid. & Scot.	6,950½	419	544	312	856	1,275	1,731	2,091	1,189	3,280	5,011
Do for 1928	6,950½	438	583	283	866	1,304	1,792	2,148	1,149	3,297	5,089
Southern	2,177	248	75	37	112	360	1,035	286	137	423	1,458
Do for 1928	2,177	253	83	33	116	369	1,054	281	118	399	1,453
Metropolitan (c)	59	31·1	..	..	3·8	34·9	127·4	..	..	15·2	142·1
Do for 1928	59	31·0	..	..	3·8	34·8	126·9	..	..	15·2	142·1
†Und'rgr'nd E.R.c	..	..	..	..	..	268·8	..	..	..	..	1,023·5
†Do for 1928	..	..	..	..	..	266·0	..	..	..	..	1,031·0
Lon. & Sub. Gr'up c	..	..	..	..	..	37·6	..	..	..	..	142·5
Do for 1928	..	..	..	..	..	38·0	..	..	..	..	146·8
B'l'st & Co. D'wn b	80	2·0	..	..	0·8	2·8	7·6	..	..	3·2	10·8
Great Northern b	562	9·3	..	..	16·9	26·2	42·0	..	..	60·8	102·4
Great Southern b	2,187	21·1	..	..	48·3	69·4	93·6	..	..	178·8	271·8

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or —	Total Gross Receipts. 1929.	+ or —
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	39 weeks	Dec. 29	1,116	4,09,000	— 5,056	1,70,23,201	+ 6,05,589
Barsi Lt. Ry.	40 weeks	Jan. 5	202	57,800	+ 2,900	18,32,100	+ 6,04,800
Bengal & N. Western	40 weeks	5	2,079	6,99,270	+ 14,485	92,66,897	— 5,04,483
Bengal-Nagpur	39 weeks	Dec. 29	2,939	18,09,000	— 96,288	6,39,30,118	— 12,27,150
Bombay, Bar., & C.I.	42 weeks	Jan. 19	3,022	25,27,000	+ 33,000	9,19,36,000	+ 37,70,000
Burma	35 weeks	Dec. 1	1,349	7,24,790	— 80,277	2,73,09,216	— 1,42,540
Madras & S. Mahr.	39 weeks	29	3,072	20,10,000	+ 54,505	6,83,50,004	+ 52,69,129
Nizam's Guarantd. (e)	40 weeks	Jan. 5	1,018	5,28,751	+ 31,795	1,53,50,138	+ 9,45,640
†Rohilk'd & Kumaon	40 weeks	5	561	1,35,598	— 7,858	16,51,573	— 51,414
South Indian	39 weeks	Dec. 29	2,208	11,80,836	— 77,324	4,60,39,335	— 5,38,603

† Including Lucknow-Bareilly State Railway. (e) Total receipts of all lines.

ARGENTINE (a).				£	£	£	£
Argentine N.E.	30 weeks	Jan. 26	753	15,200	— 1,500	474,100	+ 31,300
B.A. and Pacific	30 weeks	26	2,694	190,000	+ 20,000	4,344,000	+ 499,000
B.A. Central	30 weeks	27	..	15,345	+ 1,108	434,444	+ 13,666
B.A. G.S. Southern	30 weeks	26	4,720	327,000	— 8,000	6,920,000	— 549,000
B.A. Western	30 weeks	26	1,926	120,000	..	2,898,000	— 21,000
Central Argentine	30 weeks	26	3,305	992,000	— 8,000	7,966,000	+ 232,000
Cordoba Central	30 weeks	26	1,218	86,000	— 4,000	2,094,000	— 29,200
Entre Rios	30 weeks	26	728	43,800	— 200	895,800	+ 93,900
CUBAN.				£	£	£	£
United of Havana†	30 weeks	Jan. 26	1,359	120,174	+ 14,095	1,715,134	+ 39,371

† Figures include Havana Central Railway.

URUGUAYAN.				£	£	£	£
Central Uruguay	30 weeks	Jan. 26	273	33,807	— 449	906,637	+ 14,967
C. Urug. (East. Ext.)	30 weeks	26	311	9,273	+ 807	196,600	+ 4,379
C. Urug. (North. Ext.)	30 weeks	26	185	4,300	— 681	107,221	+ 5,453
C. Urug. (West. Ext.)	30 weeks	26	211	3,787	+ 346	84,841	+ 4,741
CANADIAN.				$	$	$	$
Canadian National	3 weeks	Jan. 21	19,138	4,123,733	— 402,358	11,521,565	— 1,305,475
Canadian Pacific	3 weeks	21	14,670	3,833,000	+ 369,000	10,640,000	+ 541,000
BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil	4 weeks	Jan. 26	1,016	26,300	+ 4,900	86,400	+ 7,400
Leopoldina	4 weeks	26	1,856	36,016	— 17,334	135,094	— 42,840
Leopoldina Termnl.	4 weeks	26	Mirs	285,000	+ 30,000	1,065,000	+ 47,000
San Paulo	4 weeks	27	1534	49,967	+ 6,639	188,602	+ 21,719
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia)	4 weeks	Jan. 27	838	49,050	+ 16,170	173,890	+ 37,885
Nitrate (b-monthly)	2 weeks	15	402	42,579	+ 13,840	42,579	+ 13,840
OTHER OVERSEAS.							
Alcoy and Gandia	52 weeks	Dec. 29	53	Pa. 35,500	..	1,388,700	+ 60,200
Egyptian Delta	40 weeks	Jan. 10	608	£10,773	+ 1,415	265,057	+ 17,256
Gt. Southn. of Spain	3 weeks	19	104	Ps128,625	— 19,302	391,670	— 31,859
Mexican Railway	3 weeks	21	432	$241,000	+ 16,100	681,708	— 3,300
Paraguay Central	26 weeks	19	274	£3,430	— 650	129,180	+ 710
Salvador	29 weeks	26	100	£7,282	— 821	124,983	— 1,974

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or —	Total Receipts. 1929.	+ or —
Anglo-Argentine	4 weeks	Jan. 28	329	£84,212	— 1,535	344,215	— 5,960
B. Aires Lacroze	50 weeks	26	13	£13,182	— 18	392,188	+ 5,677
Burnley Corporation	1 week	28	35½	£2,950	+ 17	..	..
Calcutta Tramways	1 week	17	15	Rs130173	+ 3,946	..	..
Chatham & District	1 week	17	..	£947	— 270	2,435	— 862
Egyptian Markets	1 week	17	..	£2,218	+ 42	5,908	— 254
Glasgow Corporation	28 weeks	19	136½	£58,461	— 6,268	1,469,732	— 41,926
Isle of Thanet Trams	2 weeks	16	..	£721	— 66	1,711	— 299
Liverpool Corp.	43 weeks	26	124	£26,873	— 904	1,274,164	+ 51,077
L.C.C. Tramways	43 weeks	23	166	£79,807	— 1,952	3,514,452	+ 129,586
Pernambuco Trams†	4 weeks	27	..	£6,112	+ 516	24,131	+ 788

† Tramway Receipts only

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the *Commercial and Financial Chronicle* of New York.

Date.	Miles of Road. 1926.	1927.	Gross Earnings. 1927.	Increase or Decrease.	Net Earnings. 1927.	Incr'ase or Decrease
			$	$	$	$
Sept.	238,814	237,854	564,043,987	— 26,058,156	193,233,706	— 13,789,429
Oct.	238,041	238,828	582,542,179	— 23,440,266	180,919,048	— 13,364,491
Nov.	238,142	238,711	502,994,051	— 58,159,986	125,957,814	+ 32,544,547
Dec.	237,711	238,552	466,526,003	— 59,294,705	90,351,147	— 28,169,018
	1927.	1928.	1928.		1928.	
Jan.	237,846	239,476	456,560,897	— 30,161,740	93,990,640	— 5,558,796
Feb.	237,970	238,584	455,681,258	— 12,850,859	108,120,729	+ 541,678
Mar.	237,804	239,649	504,233,099	— 26,410,659	131,840,275	— 4,034,267
Apr.	238,994	239,852	473,428,231	— 24,437,149	110,907,453	— 2,910,888
May	239,079	240,120	509,746,395	— 8,823,323	128,780,393	+ 849,317
June	238,870	239,833	501,576,771	— 14,871,440	127,284,367	— 1,827,387
July	238,316	240,430	512,145,231	+ 3,333,445	137,412,487	+ 11,711,856
Aug.	238,672	240,724	556,908,120	+ 165,107	173,922,684	+ 9,835,559
Sept.	239,499	240,933	554,440,941	— 9,980,689	180,359,111	+ 1,711,331
Oct.	238,828	240,661	616,716,737	+ 36,755,850	216,522,015	+ 35,437,734

OVERSEAS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month. 1927-28.	+ or —	Aggregate Receipts. 1927-28.	+ or —
INDIAN.				Rs	Rs	Rs	Rs
Southern Punjab	5 mths	Aug. 31	951	11,27,626	+ 61,514	61,97,674	+ 4,93,581
CANADIAN.							
Canadian Nation'l	11 mths	Nov. 30	Gross	$26,558,313	+ 2427210	253,030,877	+ 26092468
			Net	$ 7,139,180	+ 266,428	99,481,585	+ 14002884
Canadian Pacific	12 mths	Dec. 31	Gross	$21,092,000	+ 2315000	229,039,000	+ 27893800
			Net	$ 3,157,000	+ 1484000	51,695,000	+ 12179000
BRAZILIAN.							
State of Bahia	8 mths	Dec. 31	52	£6,812	+ 9	59,728	— 2,125
CHILE AND PERU.							
Peruvian Corp.	6 mths	Dec. 31	31,066	£150,766	— 5,643	905,174	— 2,190
Talcal	6 mths	31	172	18,540	+ 3,760	84,110	+ 1,430
URUGUAYAN.							
Midland Uruguay	6 mths	Dec. 31	319	£8,298	— 3,830	£105,639	— 6,913
N.-W. Uruguay	6 mths	31	113	8,085	+ 1,957	39,538	+ 4,791
Uruguay North	6 mths	31	73	4,043	..	18,068	— 477
OTHER OVERSEAS.							
Algoma Cent. & Hudson Bay (a)	5 mths	Nov. 30	Gross	$154,570	+ 48,580	740,029	+ 176,634
Beira and Mashonaland	1 mth	30	606	154,163	+ 4,227	..	..
Bilbao River	12 mths	Dec. 31	15	2,971	+ 1,183	35,177	+ 10,054
Bolivar	12 mths	31	136	10,800	+ 4,070	133,800	— 939
Colombia Rlys. &c	6 mths	31	Gross	£47,258	+ 6,903	238,425	— 20,301
Costa Rica	5 mths	Nov. 30	190	32,470	— 3,470	301,407	+ 28,433
Dorado Railway	12 mths	Dec. 31	70	40,200	— 2,200	501,400	+ 65,959
Dorado Rope. Ex.	13 mths	31	45	5,660	..	69,100	+ 2,708
International of Central America	11 mths	Nv. 30	Gross	141,030	+ 2,847	1,589,133	+ 199,085
			Net	51,968	— 2,883	639,260	+ 133,558
La Guaira & Car.	12 mths	Dec. 31	22½	11,990	+ 3,730	141,735	+ 11,566
Mid. of W. Aust.	5 mths	Nov. 30	277	19,346	— 437	84,922	+ 1,230
Nassjo Oscarsh.	4 mths	June 30	..	9,859	+ 1,160	41,481	+ 1,132
Puerto Cabello, &c.	1 mth	Jan. 31	35	5,500	+ 500	..	..
Rhodesia Rail'ys	1 mth	Nov. 30	1,397	200,850	+ 4,362	..	..
Samana & Sant'go	12 mths	Dec. 31	..	3,190	— 1,158	40,410	— 24,939
Sante Fe Prov.	1 mth	Dec. 31	..	180,714	+ 5,483	..	..
Zafra and Huelva	11 mths	Nov. 30	112	Ps. 459,810	+ 54,253	4,636,382	+ 795,218

(a) Railway receipts only.

TRAMWAY & OTHER RECEIPTS.

Barcelona Trac. ropta. in ptas.	12 mths	Dec. 31	Gross	Ps8666,285	+ 336,347	91,088,183	+ 3,634,051
			Net	Ps154,723	+ 222,521	63,905,165	+ 3,088,381
Brazilian Trac. receipts in $..	12 mths	31	Gross	$3,673,543	+ 381,521	42,774,813	+ 4,454,294
			Net	$2,108,269	+ 350,569	24,869,330	+ 3,814,798
Brit. Columbia Electric, &c..	5 mths	Nov. 30	Gross	$ 1,162,171	+ 22,426	5,619,612	+ 233,371
			Net	$420,025	+ 73,619	1,724,843	+ 309,590
Burmah Electric Supply Co.	1 mth	Dec. 31	..	Rs 62,582	— 6,495	..	..
Cape Elec. Trams	1 mth	31	Gross	£37,425	..	..	..
Carthagena and Herrerias Trms.	10 mths	31	1	£778	— 328	11,521	— 2,695
Catalinas Warehs.	1 mth	Dec. 31	..	£12,250	+ 3,850	..	..
Cities Service Co.	12 mths	31	Gross	$3,339,526	+ 471,642	34,744,597	+ 1,683,535
International Light & Power	12 mths	June 30	Gross	£34,072	+ 962	395,658	+ 6,489
			Net	£8,671	+ 2,197	94,990	+ 6,058
Kalgoorlie Elec. Tramways	10 mths	Oct. 31	Gross	£1,738	..	17,504	..
			Net	£321	..	..	..
La Guaira Harbr.	1 mth	Dec. 31	..	£14,279	+ 1,903	..	..
La Plata Electric	12 mths	31	..	£10,300	+ 43	113,545	+ 4,800
Madras Electric	4 mths	May 30	Gross	Rs79,888	— 17,303	3,21,806	— 67,896
North'n Mexico Power	Year	Dec. 31	Gross	$125,924	+ 26,157	..	..
			Net	$103,948	+ 25,020	$1,055265	+ 244,520
Para Electric	1 mth	Dec. 31	Gross	£14,360	— 492	..	..
			Net	£4,909	— 1,042	..	..
Puebla Tram, &c.	9 mths	Sept. 30	Net Mx.	$98,000	— 9,800	984,000	— 32,200
Rangoon Electric	11 mths	Nov. 30	Gross	Rs4,56,000	+ 15,730	48,03,919	— 90,806
			Net	Rs2,49,300	+ 275	25,08,735	— 3,04,915
Shanghai Electric	11 mths	30	Mex.	$327,363	+ 29,789	3,380,775	+ 644,759
Singapore Tract'n	3 mths	Dec. 31	..	$111,000	+ 21,000	331,000	+ 71,000
United Electric T. of Caracas	5 mths	Nov. 30	Gross	Bol.198,548	+ 5,152	1,037,546	— 23,168
United Electric T. of Montevideo	1 mth	30	Gross	$58,112	— 2,405	..	..
Vera Cruz	9 mths	Sept. 30	Net Mx	$17,600	..	175,400	+ 108,600
Winnipeg Electric	11 mths	Nov. 30	Gross	$553,186	+ 1,595	5,600,599	+ 191,360
			Net	$209,309	— 5,835	1,847,503	— 107,353

Reports and Notices.

The board of the Metropolitan-Cammell Carriage Wagon and Finance Co., Limited, which has taken over the carriage and wagon interests of Vickers, Limited, and Cammell, Laird and Co., Limited, has now been constituted as follows:—Mr Tom L. Taylor (chairman), Mr A. S. Bailey, Mr Arch. J. Boyd, Mr J. P. Crouch, Sir Alex. Gracie, K.B.E., Mr W. L. Hichens, Mr R. C. Irwin, Mr G. G. Sim, Mr. Alex. Spencer, Mr Percy Wheeler, Mr Robert Whitehead, Mr Howard Williams.

The General Accident Fire and Life Assurance Corporation, Limited, announce that Mr J. R. Yates, who for 20 years has been chairman of their London board, retires from that office and joins their head office board. Mr E. J. Holland, D.L., J.P., succeeds Mr Yates as chairman of the London board

At a meeting of the Joint Hull Committee, held January 25th, Mr E. L. Jacobs (underwriter of the Alliance Assurance Company, Limited) and Mr F. J. L. Fish, of Lloyd's, were unanimously re-elected chairman and deputy-chairman respectively of the Committee for 1929.

GOVERNMENT STOCKS, &c.

METROPOLITAN WATER BOARD BILLS.—Tenders will be received at the chief cashier's office, at the Bank of England, on Monday, February 4, 1929, at 1 o'clock, for Metropolitan Water Board bills to be issued in conformity with the Metropolitan Water Board Acts, 1906, 1907, and 1915, to the amount of £1,000,000, in replacement of bills falling due on February 10th. The bills will be in amounts of £500, £1,000, £5,000, or £10,000. They will be dated February 9, 1929, and will be payable at 12 months after date, viz., on February 9, 1930.

NEW ZEALAND GOVERNMENT 4 PER CENT. STOCK.—With regard to the conversion offer by the New Zealand Government under the prospectus dated January 8, 1929, to holders of New Zealand Government £4 per cent. consolidated stock, due November 1, 1929, the Bank of England announce that applications have been received for approximately £11,750,000 4½ per cent. stock 1948-1958.

BANKS.

BANQUE FRANCO-SERBE.—It is announced that the Board of directors of the Banque Franco-Serbe has decided to summon an extraordinary general meeting to consider a plan of reorganisation of the company, which will involve a reduction of the capital and a simultaneous increase thereof to its present figure of 20 million francs. We understand that the Ottoman Bank will take the lead in this reorganisation. The Banque de Paris et des Pays-Bas and the Société Financière d'Orient will give their support.

CANADIAN BANK OF COMMERCE.—The statement for the year ended November 30, 1928, is as follows:—Balance at credit of profit and loss account, brought forward from last year, £292,587; net profits for the year ending November 30, 1928, after providing for all bad and doubtful debts, £814,620, against £765,803 for preceding year. Balance transferred Standard Bank of Canada, £106,333. The dividend and bonus is 13 per cent., as before. Dominion and Provincial Government taxes and tax on bank-note circulation, £97,603; donations and subscriptions, £10,274, transferred to pension fund, £42,471; written off bank premises, £51,370; transferred to rest account, £395,219; balance carried forward, £62,535.

DOMINION BANK (CANADA).—The profits of the Dominion Bank for the year 1928 amount to $1,408,088, an increase of $80,000 over the profits for the previous year. Total deposits, $115,340,000, are $6,500,000 higher than in 1927, while the total assets stand at $152,800,000, being an increase of $11,300,000 over 1927. All these figures are the highest shown in the bank's history.

NATIONAL CITY BANK OF NEW YORK.—Shareholders have approved the increase in capital to $100,000,000, and an increase in surplus to $100,000,000; also reduction of the par value of the bank's stock from $100 to $20, and an increase in capital and surplus of the National City Company to $50,000,000 each.

ROYAL BANK OF CANADA.—Profits for the year amounted to $5,881,253, as compared with $5,370,145 in the previous year. Adding amount carried forward makes available for distribution up to $7,691,085. This was applied as follows:—Dividends and bonus, $4,200,000; transferred to officers' pension fund, $200,000; appropriation for bank premises, $400,000; reserve for Dominion Government taxes, $530,000; leaving a balance to be carried forward of $2,361,085, as against $1,809,831 at the end of the previous year. With regard to the accounts of the Royal Bank of Canada, it is interesting to note that commercial loans in Canada of $202,315,472 are up from $225,536,860, an increase for the year of over $66,000,000. Current loans elsewhere than in Canada are down to $145,422,394 from $153,411,835. Savings deposits continue to expand, deposits bearing interest now being $523,651,908, as compared with $514,562,219 a year ago.

MISCELLANEOUS.

BRAZILIAN TRACTION, LIGHT AND POWER COMPANY, LIMITED.—The board announce that the purchase of nearly all the ordinary shares of the City of Santos Improvements Company, Limited (an old-established English company), has recently been completed, and there is thus added a large and growing public utility business to the enterprises controlled by Brazilian Traction Light and Power Company, Limited.

BRITISH AUTOMATIC COMPANY, LIMITED.—The directors of the British Automatic Co., Limited, announce that an offer has been made to purchase the £1 shares of this company at the price of £2 10s per share, subject to deposit of acceptances, transfers and certificates by the holders of a specified minimum number of shares not later than February 5th next.

CANADIAN WESTERN LUMBER COMPANY, LIMITED.—Statement of lumber manufactured, sales and price realised for the month of December, 1928, as received by cable:—

	1927.	1928.	Increase.	Decrease.
	Feet.	Feet.	Feet.	Feet.
Lumber manufactured	6,432,105	5,736,900	..	695,205
Lumber sold	4,092,059	8,914,200	4,822,141	..
Price realised	$85,156	$210,454	$125,298	..
Aggregate lumber manufactured from January 1 to end of December	114,727,184	136,066,706	21,339,522	..
Aggregate lumber sold from January 1 to end of December	126,104,643	132,890,276	7,785,633	..
Aggregate price realised from January 1 to end of December	$2,735,000	$3,032,631	$297,631	..

GRACE NATIONAL COMPANY.—Mr John H. Richardson, European representative of the Grace National Bank of New York, announces the formation of the Grace National Company in New York. This company will take care of the investment requirements of its clients, and will participate in capital issues on the New York market. It will have an initial paid-up capital of $500,000, with adequate reserves, and the president of the company will be Mr F. H. McKnight, who is also president of the Grace National Bank of New York. Mr Richardson further announces the recent election of Mr Ray Morris, a partner of the New York banking house of Brown Bros. and Co., and also the election of Mr R. de F. Boomer, of the New York house of E. H. Rollins and Sons, to seats on the board of the Grace National Bank of New York.

EVER READY COMPANY (GREAT BRITAIN), LIMITED.—In view of the increase in the capital value and earning power of the businesses of the company, the directors, after careful consideration, have decided to recommend that a bonus issue of ordinary shares be made to the ordinary shareholders, in order to bring the issued capital more closely into accord with the value of the assets. It is proposed that a sum of £74,000 (part of £200,000 general reserve) shall be capitalised and applied in paying up in full 296,000 ordinary shares of the company to be distributed to ordinary shareholders in proportion of one fully paid 5s ordinary share for every five ordinary shares held on January 18, 1929. The company has acquired a substantial interest in a large manufacturing business similar to their own, but including the manufacture and sale of numerous other classes of goods. The company propose ind ue course to make an issue to ordinary shareholders for subscription on bonus terms.

LISTER AND CO., LIMITED.—The profit amounted to £112,249 for the year ended November 30, 1928. This compares with £142,061 for the previous year. Including £154,711 brought in and after deducting all preferential charges and an interim dividend on ordinary shares, the balance is £190,986. The directors recommend a final dividend of 2½ per cent., less tax, making 5 per cent. for year, the same as for 1926-27, carrying forward £155,361.

MANCHESTER SHIP CANAL.—The following is the latest monthly approximately traffic return, and for the year 1928, compared with 1927:—

December, 1927.	December, 1928.	Decrease.	Total for Twelve Months. 1927.	1928.	Total Decrease, 1928.
£	£	£	£	£	£
124,725 ..	129,830 ..	5,105 ..	1,576,237 ..	1,517,018 ..	59,219

NORTHERN MEXICO POWER AND DEVELOPMENT COMPANY, LIMITED.—Operating results for the month of November, 1928, are reported as follows:—Gross, $137,979·95; Operating $21,227.40; net, $116,752.55; an increase of $12,479.11 gross, and $14,934.17 net, compared with November, 1927. Net earnings for the first eleven months of 1928 amounted to $1,231,597.80, an increase of $69,748.97, compared with the corresponding period in 1927.

PARA INDUSTRIAL AND COMMERCIAL COMPANY, LIMITED.—Cable from Para:—"Factory during 25 days December washed 249,000 lbs, netting crêpe 164,000 lbs. Shipped New York, Europe, South Brazil 341,000 lbs washed and crude rubber and 3,100 washed Balata. Stock December 31st washed and crude 733,000 lbs, of which 250,000 lbs sold for shipment during January-February. Balance in hand 483,000 lbs. Entries Tapajos 3,200 lbs. Manufacture department produced 505 dozen pairs rubber heels, shipped 2,600 lbs crêpe sole."

RIO DE JANEIRO FLOUR MILLS AND GRANARIES, LIMITED.—Net profits of the Rio de Janeiro Flour Mills and Granaries for the year ended September 30, 1928, amounted to £273,260, against £303,689 for 1926-27. The dividend for the year is unchanged at 20 per cent., free of tax, including a bonus of 5 per cent. The balance forward is £88,558, against £88,265 brought in. Cash has been reduced from £467,600 to £192,095. Reserve fund remains at £320,000. The report points out that the anticipated improvement in financial and commercial conditions in Brazil did not materialise, and trading has been done under great difficulties.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution	Appropriation. Dividend. Pretce. Amount.	Dividend. Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
Banks.		£	£	£	£	£	%	£	£	£	%
Canadian Bank of Commerce	Nov. 30	398,920	706,743	1,105,663	..	554,068	13	489,060	62,535	656,899	13
London Merchant Bank	Dec. 31	24,721	71,845	96,566	..	47,250	7 A, 5 B	20,000	29,316	67,011	7 A, 5 B
Breweries.											
City of London Brewery	Dec. 31	80,508	180,574	261,082	69,815	94,348	20	70,000	26,919	141,258	20
Lloyd and Yorath	Nov. 30	13,701	16,309	30,010	3,000	10,840	10	5,250	10,920	18,612	10
Rubber, &c.											
Ampat (Sumatra)	Sept. 30	2,891	6,300	9,191	..	3,500	5	2,000	3,691	25,715	25
Culloden Consolidated	Dec. 31	6,159	21,060	27,219	..	14,375	6¼	2,500	10,344	36,648	12½
Garing (Malacca)	Sept. 30	2,281	1,409	3,690	..	..	..	..	3,690	10,220	12½
Shops and Stores.											
Lennards	Dec. 31	20,669	38,940	59,609	11,250	26,563	15	..	21,797	33,324	15
Public Benefit Boot	Dec. 31	32,905	33,997	66,902	24,183	8,000	12½	..	37,719	35,775	12½
Textiles.											
Huddersfield Fine Worsteds	Dec. 31	2,548	38,456	41,004	a30,343	..	..	5,000	5,661	34,071	..
Tramways and Omnibus.											
Singapore Traction	Sept. 30	2,367	27,260	29,627	10,000	..	..	17,087	2,540	4,880	..
Trusts.											
Foreign & Colonial Invest. Trust	Jan. 10	45,529	101,175	146,704	27,306	51,060	10	22,700	45,638	119,152	10
General Co-operative Invest. Trust	Nov. 3	..	1,642	1,642	..	1,040	6	..	602	..	..
Scottish-American Investment	Dec. 31	87,387	234,824	322,211	50,809	56,000, 100,000	10 A, 20 B	25,000	90,402	221,845	10 A, 20 B
United States and General	Dec. 31	16,383	97,420	113,803	35,795	46,612	13	7,970	23,426	85,995	12½
Other Companies.											
Devas, Routledge, and Co.	Dec. 31	22,980	14,720	37,700	..	14,000	10	..	23,700	21,175	12
Dublin (South) City Market	Dec. 31*	6,247	4,022	10,269	..	3,500	3½†	500	6,269	3,937	3†
Fore Street Warehouse	Dec. 19	9,827	26,606	36,433	..	24,750	7½	..	11,683	27,877	7½
George Outram and Co.	Dec. 31	21,785	210,389	232,174	..	157,720	22½	50,000	24,454	201,795	22½
Hart and Levy	Dec. 31	6,267	32,207	38,474	10,800	22,500	10	2,000	3,174	52,197	16
John Loveys and Co.	Dec. 31	4,192	11,519	15,711	3,600	7,000	7	..	5,111	12,249	7
Maidenhead Brick and Tile	Sept. 29	4,486	10,895	15,381	8,750	5,600	56	..	1,031	14,461	56
North of Ireland Paper Mill	Dec. 31	..	17,503	17,503	..	5,000	7½ps†	Dr 4,190	16,693	..	..
Phillips' Rubber Soles	Nov. 30	9,058	115,208	124,266	18,000	54,000	15	41,695	10,571	115,820	15
Yorkshire Railway Waggon	Dec. 31	2,908	35,459	38,367	..	27,500	10	8,300	2,567	37,568	10

* For half-year. † Free of income-tax. *a* Including arrears.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday Evening.

Wintry conditions have prevailed, but the weather has now taken a milder turn. Field work is being pushed forward, and owing to recent frosts the ground is in good condition for an early seeding of spring crops. The higher prices lately ruling attracted larger offerings of native wheat on the principal country markets, and a fair business transpired. Imported descriptions, however, were generally obtainable at less money following lower forward quotations. In the floating and forward cargo section buyers were somewhat reserved in face of declining prices and freer offerings, particularly of Argentine qualities, which are now pressing forward in greater volume, while also influenced by improved crop prospects in India. Shipments continue of liberal extent, with a further increase in floating supplies, but arrivals in this country were below estimated requirements. Steamers of Rosafe 64 lbs March sold 44s 6d, Baril 64 lbs loading 44s 9d, and Australian afloat 47s 3d, first half February loading 47s per 480 lbs c.i.f. terms. Feeding-stuffs quiet and prices tended in buyers' favour, especially for maize on improved Argentine crop prospects. Wheat easier. No. 2 Northern Manitoba 50s 9d, No. 3 ditto 49s 9d, No. 4 Manitoba 48s, No. 5 44s 6d, No. 6 38s 6d, No. 2 mixed Durum 43s 9d, Rosafe 62½ lbs 45s 9d, Barusso 62⅛ lbs 45s 9d, Australian 49s, all ex-ship per 496 lbs. English 9s 6d-9s 9d per 112 lbs. Flour quiet. London standard grade 38s 6d, town whites 39s 6d, patents 40s 6d-41s 6d per sack delivered in the Home Counties, with 6d to 1s per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 35s to 38s, Minneapolis 35s-37s Australian 35s 9d ex-store per 280 lbs. Maize easier. Plate ex-ship to arrive 43s 3d, ditto landed 44s 9d, January-February 43s 6d, February-March 44s 6d, March-April 41s 3d, new April-May 39s 9d, May-June 39s 3d, No. 2 mixed also yellow American ex-ship to arrive 42s 6d per 480 lbs. Yellow maize meal £12 ex-wharf, Hominy chop £9 per ton. Barley weaker. Californian ex-ship 42s-52s, Chilian Chevalier 48s-58s, Australian 46s-52s, Smyrna 44s-50s per 448 lbs. Algerian-Tunisian 34s 9d landed, Canadian feed 32s 3d ex-ship to arrive, 32s 9d landed, No. 3 Canadian Western 35s 9d, No. 2 Federal American 31s 6d ex-ship to arrive per 400 lbs. English malting 10s-15s, feed 9s 6d-10s per 112 lbs. Oats quieter. Plate ex-ship to arrive 24s 6d, January 24s 9d, February 25s 6d, March 25s 9d, black Plate landed 25s 6d, No. 3 white clipped American 36 lbs landed 27s 3d, mixed Canadian feed 22s, Chilian white 33s 3d, German landed 28s 9d, ex-ship to arrive 27s 9d per 320 lbs. English 9s-10s per 112 lbs. Scotch landed 29s 9d per 336 lbs. Irish black 26s 6d per 320 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928-29, 1927-28, 1926-27, 1925-26:—

	1928-1929.	1927-1928.	1926-1927.	1925-1926.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to January 26	291,230	330,499	304,464	270,479
19 weeks to January 26	5,614,781	5,180,340	7,577,286	8,666,283
Average price of English wheat per cwt.	s d 9 8	s d 9 11	s d 11 10	s d 12 1

BARCLAYS BANK
LIMITED

Executor and Trustee Business transacted. Every class of Banking Business undertaken. Agents and Correspondents throughout the world.

HEAD OFFICE: 54, LOMBARD STREET, LONDON, E.C.3.

And over 1900 Branches in England and Wales.

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928 :—

Weeks Ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s d	s d	s d
Jan. 17.....	233,871	419,853	86,108	9 6	10 3	9 3
Jan. 24.....	291,230	393,327	122,248	9 8	10 3	9 5
Jan. 24, 1925 ..	389,339	400,515	130,851	13 2	14 8	10 2
Jan. 23, 1926 ..	352,593	263,174	63,174	12 3	10 5	9 3
Jan. 29, 1927 ..	304,464	417,198	93,664	11 10	11 1	8 3
Jan. 28, 1928 ..	330,490	388,340	96,439	9 11	11 3	9 11

AMERICAN WHEAT MARKETS.

Conditions in the wheat markets have been variable. At first covering took place under the influence of cold weather and fears of crop damage in the winter wheat belt, where snow covering is considered insufficient. Later, absence of speculative support and a poor cash demand weakened the markets, but a recovery followed export inquiry and light country marketings. Quotations :—

Nearest Future.	Jan. 4, 1928.	Feb. 1, 1928.	Jan. 2, 1929.	Jan. 23, 1929.	Jan. 30, 1929.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	137	135⅝	122	128¼	128⅞
Chicago (No. 2 Winter)—Cents per 60 lbs	130⅜	130⅜	116⅜	124⅜	124⅛

Visible supplies of wheat in Canada at 80,683,000 bushels show an increase of 1,095,000 bushels as compared with the previous figures. Supplies a year ago stood at 68,964,000 bushels.

COAL.

Our Cardiff correspondent writes :—There has been no abatement during the present week of the strength of the position on the Cardiff coal market. The supply of tonnage has continued abundant, and as the collieries have found it beyond their power to satisfy the immediate demand there have been many detentions of vessels. Prices have advanced for practically all classes of coals, but particularly for Monmouthshire large qualities, which towards the end of the week were quoted at figures equal to those listed for the Best Admiralty qualities, although normally there is a margin of between 1s and 2s per ton between the two grades. At a meeting of the executive committee of the Marketing Association on Tuesday the question of raising the scheduled minimum prices was considered, but a decision was reached to the effect that it would be inexpedient to disturb the schedule at present. Meanwhile, however, some of the idle pits are being restarted, and the most important of the Monmouthshire colliery groups anticipates within the next few weeks an increase in its production of about 3,000 tons per day. It is now reported that the Egyptian State Railways have accepted the contract of South Wales firms for the supply of 200,000 tons at a c.i.f. price of 28s 5¾d per ton, and that no coal has been purchased by the Egyptian authorities from Poland. The following are the current approximate quotations :—Best Admiralties, 19s 4½d to 19s 6d; seconds, 19s to 19s 3d; best drys, 18s 6d to 19s; Black Veins, 19s to 19s 6d; Western Valleys, 18s 6d to 19s; Eastern Valleys, 17s 6d to 18s 3d; best small steams, 13s 9d to 14s; cargo smalls, 12s 6d to 13s; coking smalls, 13s 9d to 14s 3d; anthracite best large, 33s to 35s; Red Vein large, 21s to 25s 6d; machine-made cobbles, 40s to 43s; French nuts, 41s to 43s 6d; stove nuts, 40s to 42s 6d; rubbly culm, 9s to 9s 6d; foundry coke, 25s to 37s; patent fuel, 20s to 21s 6d: pitwood, ex ship, 25s 9d to 26s 3d.

Our Sheffield correspondent writes :—The position of the coal trade has steadily improved since the beginning of the year, especially on the export side. Industrial consumption in this district, however, continues comparatively light; nevertheless, many period contracts have been renewed at sixpence advance. For export, steams are very firm at 16s 6d, f.o.b. The export demand for furnace and foundry coke is brisk, and higher prices for the latter are foreshadowed. The quietude at the light foundries keeps down home consumption of coke to limited proportions. Good brands of furnace coke can be bought at 13s 6d ovens, although the association mininmum is 1s higher.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange :—The iron and steel markets appear to have settled down to a period of steady trading, and the meetings on the London Iron and Steel Exchange have reflected the more confident feeling noticeable in the trade. In the pig-iron market the demand seems to be slowly expanding, in spite of the setback caused by the labour dispute in the National Light Castings division of the foundry trades. In the heavy foundry trades, however, business appears to be somewhat brighter, and the demand for pig-iron has improved of late sufficiently to give a slightly firmer tone to the market. There has been a fair amount of business passing in the semi-finished steel department, and the Welsh and Midland works are benefiting from the slackening in Continental competition. Although there is still a steady trade in this description of material with Continental works, the quantities of foreign steel sold in this country have diminished considerably of late, as apparently the Continental works require a greater proportion of their output of semis for the production of finished steel material. As a consequence the prices from the British users' standpoint are high, and the time required for delivery frequently longer than is convenient. The demand for finished steel continues active, and most of the British works are fairly well off for orders. The export it is anticipated that foreign buyers will shortly be in the market again. The home trade continues steady, and of late there has been greater willingness shown by buyers to enter into forward commitments.

HARRISONS & CROSFIELD LTD.
East India Merchants.
With branches in Ceylon, India, Dutch East Indies, Canada, Japan and elsewhere.
1-4 Great Tower Street, London, E.C.3

Our Middlesbrough correspondent writes :—Pig-iron : The market still remains firm. Cleveland pig-iron is still scarce and the quotations are unchanged on the following basis—No. 1 Cleveland, 68s 6d; No. 3 G.M.B., 66s; No. 4 foundry, 65s; No. 4 forge, 64s 6d. Owing to the improvement in the steel trade, basic iron is again being brought in from the Midlands to supplement local production, and we think that very shortly more furnaces will be put in to meet the works' requirements. The hematite market is strong, with stocks practically nil. The production is still low, and more forward business is being done. The price remains at 71s for mixed numbers, but this is a minimum. With regard to manufactured iron and steel, the recent improvement still continues, and the firmness of Continental prices is also having a beneficial effect. Owing to the increased demand, medium steel billets have advanced to £7 5s per ton, and hard billets £7 15s. Steel rivets have been advanced to £11 5s; other quotations are as follow :—Steel ship plates, £8 7s 6d; steel ship angles, £8 17s 6d; iron bars, £10 5s; steel rails, £8 10s. The ore market is still very firm, with best rubio at 22s 6d minimum. Blast furnace coke is still about 17s 6d to 17s 9d. with the inquiry slightly better.

Our Sheffield correspondent writes :—Sheffield does not yet appear to be sharing in the general improvement of the iron and steel industry. The only important branch which is busy is that which supplies special steels for automobile construction. This has become the most valuable section of Sheffield's trade. The upward movement of prices noted last week continues. Local producers of pig-iron have advised an advance of 2s 6d on foundry quantities. Some of the rolling mills have put up the prices of rolled sheets and rods by 10s per ton. Demand continues brisk for the lower grades of semi-steels, but best acid steels are still neglected. There is quietude in the railway branch and in colliery supplies. Overseas trade in steel material is rather weak. The North Lincolnshire iron and steel works are running not far short of capacity, and the outlook for this district has not been so bright for a good many years. It is said that steel can be made there more economically than in any other English centre of the trade.

Our Glasgow correspondent writes :—Business in the iron and steel trade in the West of Scotland remains very much as during the past few months. While there is a gradual improvement in many branches, it continues to be on a very small scale, so that taken week by week it is hardly appreciable. The number of shipbuilding and other contracts recently placed on the Clyde and in the Glasgow district, together with the continued slackening of Continental competition, gives confidence that within the next few months there will be a decided advance in the volume of work done. It is reported this week that Messrs. Bow, McLachlan and Co., Limited, of Paisley, have secured an order from the Clyde Shipping Co., Limited, for a single-screw tug is seriously affected by the dispute in the wrought iron trade, as in this district about 1,000 men engaged in this industry are now idle. As is usual at this season, there is not a great deal of

PLAYER'S WHITE LABEL
NAVY MIXTURE
—smoke it for a change—you won't want to change again.

2oz. POCKET TIN 1/10

business being placed with sheetmakers. Works, however, have plenty on hand, and order books are in a very satisfactory condition. In all branches prices remain unchanged, as follows :—Crown bars, £10 5s d/d Glasgow; ship plates, £8 7s 6d; sections, £7 17s 6d d/d Glasgow and both subject to rebate; galvanised corrugated sheets, 24-gauge, £13 12s 6d f.o.b. for good export lots.

Our Cardiff correspondent writes :—In the South Wales iron and steel trade the position is practically unchanged. For tinplates demand continues fairly active, with prices firm at from 18s to 18s 3d per basis box, although some manufacturers are quoting 3d higher for forward delivery. Galvanised sheets are unaltered at from £13 12s 6d to £13 15s per ton. Tinplate bars, native and foreign, are unaltered in prices. Shipments of tinplates last week totalled 155,191 boxes, compared with 97,902 boxes the previous week, and stocks have been reduced to 234,777 boxes. Messrs. Richard Thomas and Co., have recently inaugurated a system of inland delivery by road.

OTHER METALS.

Tin.—The market presented quiet features, and prices gave way following lower advices from New York and the East, which caused sellers to offer more freely. Small dealings marked a good deal of irregularity at times. Stocks in London and Liverpool warehouses for week ending January 26th were returned at 7,882 tons, compared with 1,969 tons at corresponding period last year. Standard cash changed hands at £221 12s 6d to £220, three months £222 15s to £221 and £221 5s. In the East, sales were reported at £224 5s to £223 10s and £224 per ton, c.i.f. terms.

Copper.—Market firmer, and a good demand was reservedly met. Standard cash sold at £77 to £78, and three months £74 10s to £74 15s and £75 7s 6d.

Lead opened firmer but quieter since on freer offerings. Good soft foreign pig, January, sold £22 5s, February £22 3s 9d to £21 18s 9d and £22, March £22 5s, April £22 6s 3d to £22 8s 9d and £22, May £22 5s ton.

Spelter quiet and easier, with sellers more in evidence, but closed steady. February sold £26 3s 9d to £26 and £26 3s 9d, April £26 7s 6d to £26 and £26 5s, May £26 4s to £26 5s ton.

Antimony slow. English regulus £54 to £55, foreign spot £38, forward £34 ton, c.i.f.

Aluminium steady. Ingots and bars for home delivery, £95 ton.

Wolfram maintained. Chinese also Straits quoted 19s 6d to 20s per unit, c.i.f.

Quicksilver steady. Spot £22 5s to £22 10s per bottle.

Tin Plates quietly steady. I.C. Coke, prompt and forward, 18s to 18s 3d per box, f.o.b. Swansea.

THE COTTON TRADE.

LIVERPOOL, Jan. 30, 1929.

The market continues to be dull and featureless. Spot sales for the week are 29,000 bales, of which 17,730 bales are American, 400 Brazil, 550 Argentine, 6,000 Peru, 1,750 Egyptian, 1,060 African, 1,250 East Indian, and 260 sundries. Imports for the same period are 82,535 bales of 74,977 American, 2,341 Brazil, 55 Argentine, 2,114 Peru. 861 African, 2,152 East Indian, and 35 sundries. Quotations to-day are: American middling, 10.34d; Egyptian Sakel, 18.40d; Egyptian uppers, 11.87d; Brazil fair, 10.69d; Peru G.F. mod-rough, 12.75d; Peru G.F. smooth, 11.44d; West African middling, 10.44d; East African G.F., 12.15d.

MANCHESTER, Jan. 30, 1929.

It has been a disappointing week in the market. Demand has fallen flat, and most spinners and manufacturers have reported a definite decrease in the sales. This change in the attitude of buyers can be partly accounted for by the easier tendency in raw material prices and some nervousness as to the outcome of the dispute between spinning employers and the operatives on the cleaning question. Cloth inquiry for India has been of limited dimensions, sales of any weight being scarce. Less business has been offering for China, and owing to the approaching new year festivities the Shanghai auctions have been suspended for three weeks. Printing and finishing cloths have been sold in moderate lots for the Near East, South America, and the Continent. Demand in American and Egyptian yarns has been slow and spinners have experienced more difficulty in selling and delivering the current output.

Comparative Statement of the Cotton Trade.

	1929.				Corresp'd'g Date.	
	Jan. 9.	Jan. 16.	Jan. 23.	Jan. 30.	1927.	1928.
	d	d	d	d	d	d
Raw Cotton—Mid. American ..... per lb	10·49	10·69	10·54	10·34	7·37	9·95
— Sakellaridis Fully Good Fair Egyptian ..... per lb	18·90	19·20	19·15	18·40	13·65	16·80
Yarns—32's twist ..... per lb	15⅞	16	15⅞	15½	12⅜	15
— 40's weft ..... per lb	16½	16⅝	16¼	16½	12⅝	15½
— 60's twist (Egyptian) ..... per lb	27½	28	28	27½	24½	26⅝
	s d	s d	s d	s d	s d	s d
32-in. Printers, 116 yds, 16 by 15, 32's and 50's	26 0	25 3	26 3	26 0	22 9	25 0
38-in. Shirtings, 76 yds, 19 by 19, 32's and 40's	28 3	28 6	28 6	28 3	26 0	27 3
39-in. ditto, 38 yds, 18 by 15, 10 lbs	15 6	15 6	15 6	15 3	11 10½	14 7½
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	14 0	14 0	14 0	13 9	12 1¼	13 7½

SECURITY FIRST
ROYAL
INSURANCE COMPANY, LIMITED
Head Offices: Liverpool and London.

THE WOOL TRADE.

Our Bradford correspondent, writing on Wednesday, says :—Neither spinners nor manufacturers show much confidence in wool values, and the fact that a certain amount of irregularity is reported both in the primary markets and in London tends to make users even more cautious. Reading between the lines of the cabled reports from Australia, South Africa, and South America, one gets the impression that wool prices have moved more in buyers' favour during the last few days, and many Bradford importers have been able to "pick up" on limits which a few weeks ago were quite unworkable. Japan, France, and Germany are still buying freely in the primary markets, and the future of values depends almost entirely upon continued foreign support. Meanwhile it is as difficult as ever to obtain remunerative prices for tops and yarns. Demand is more or less of a retail character, and although quotations for tops remain steady, there is no doubt that in most cases concessions would be granted for bulk business. In the yarn trade price-cutting owing to keen competition is still very pronounced, although rather more interest is being shown in botanies. Crossbred yarns, on the other hand, are considered to be too dear, and only a hand-to-mouth trade is being done. For the same reason business on export account was very restricted. A fair amount of business is being done in piece-goods on home and export account.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The close of the first series of London sales last Wednesday left values for all classes of wool on a slightly lower basis than in December, and this along with the easier prices cabled from Australia indicates that for the time being prices have passed high-water mark. Even the reduced level in Australia is above the price of the combed article in Bradford, and this indicates that there is not yet likely to be much relief obtained so far as making a profit on tops is concerned. It is equally apparent that the raw material is on a healthy level, for the actual declines in London and Australia are comparatively very small indeed, and judging from what is known about supplies, the remainder of the raw material forthcoming this season will be sold at very little reduction, if any, from the present basis. The keenness of foreign competition in overseas markets is conspicuous. With regard to London, the decline in greasy merinos is around 1d per lb, and in crossbreds 1d to 2d. Greasy crossbred lambs and fine scoured crossbreds are practically the only descriptions in which no decline has taken place, and the utmost fall in medium and coarse scoureds is 1d. Fine slipe lambs have remained fully par, and medium lambs quite steady. Cape merinos are all in favour of the buyer, but greasy wools have lost no more than 1d, and scoureds 1d to 2d. In view of the large quantities of the raw material which have been offered in the various selling centres during the past month, it is remarkable that bigger falls have not had to be recorded. The general soundness of the wool situation has been demonstrated. There is not likely to be any big weight to be carried forward, and even this will consist very largely of inferior wools and certain lots which have been taken in at obviously above a market price.

Financing Shipments to S. America
Through the medium of branches and agencies situated at all strategical points, the Bank of London & South America does everything possible to further trade between Great Britain and Latin-American countries. Shipments are financed, status reports issued on South American firms, and a Monthly Review of existing market and other conditions is supplied free on application.
Estd. 1862.
BANK OF LONDON & SOUTH AMERICA LIMITED
6, 7 & 8, Tokenhouse Yard, London, E.C.2.
MANCHESTER: 36, Charlotte Street.
BRADFORD: 33, Hustlergate.
Affiliated to Lloyds Bank Limited.

THE JUTE TRADE.

DUNDEE, January 30.

Fears of a short crop of jute for this season have caused prices of raw jute to advance £3 to £3 10s from the lowest prices which prevailed since the year commenced. The supplies reaching up-country markets have fallen off considerably, and in consequence loose jute has ruled very firm, while the imports into Calcutta are now very small. Reports from Calcutta say that the general expectations of the trade at that centre are that the crop will not reach the estimate of the Director of Agriculture of 9,916,000 bales. This is an insufficient quantity to meet the requirements of the world, which are estimated at 10,500,000 bales. Fortunately, however, the Calcutta mills are carrying huge stocks, which will have a tendency to prevent prices from being pushed up to a prohibitive level. Already values of raw jute are just on the high side compared with the rates ruling for jute yarns and cloth, which spinners and manufacturers have been unable to raise in comparison with the recent advance in the fibre. The increase in the price of the raw material is equivalent to 3d per spindle of yarn, but yarns have only gained to the extent of 1d per spindle, while prices of jute cloth have shown only a very slight increase from the bottom rates accepted. The reluctance of buyers of jute cloth to place their orders with freedom has been a most disappointing feature of the market.

The value of first marks is now £39 per ton and lightnings are quoted at £36 to £37 for February-March shipment. Daisee assortment rules at £34, threes at £33, and fours at £31, while Tossa assortment is at £36 5s, threes at £35, and fours at £33, same shipment. Spinners have shown little interest in shipment material owing to the fact that sellers of spot fibre have been willing to dispose of their holdings at less than the rates ruling for shipment. On spot a fair number of small parcels have changed hands.

Jute yarns have improved from 3s 6d to 3s 7d for common 8-lb cops, and 8-lb spools have risen from 3s 7d to 3s 8d. Spinners would require a greater increase, but buyers refuse to follow any further advance. Other qualities are dearer all round. Twist is from 5⅜d to 5½d for 3-ply 8-lb, and sacking yarns are now quoted at 4d for 24-lb weft and 5⅛d for 8-lb chains. Rove has recovered to £27 10s for 48-lb and £17 10s for 200-lb, after 10s less being done. Fine yarns and carpet qualities are firm.

Manufacturers were badly in need of business when raw jute began to rise, and, though a good business has been done, it was all required to keep the looms running. Sufficient has not been done to enable manufacturers to insist on higher prices, though they are quoting 1/16d more at 4⅜d for 10½-oz 40-in hessians and 3⅛d for 8-oz. Linoleum hessians are quiet, and heavy goods are extremely dull.

HIDE, LEATHER, AND ALLIED TRADES.

Conditions in the leather trades remain very gloomy, and the outlook very uncertain. Stability has not yet been reached in hides or skins, and a further general weakness is recorded. Market hides have fallen in the provinces whilst most classes were withdrawn at the Bermondsey sales held last week. Calfskins share the general depression, and falls of ½d to 1d are common at most markets. Conditions seems equally bad in overseas hides, and this week all prices are again quotably lower with little business passing. Best Argentine fregorifics are now selling at 10½d, whilst lights can be bought as low as 9½d. In saladeros there is little doing, the only item of importance being a sale of 4,000 Bovril ox to Russia at about 9½d. Dry hides share the prevailing weakness, and B.A. Americanos are down to 13½d, and dry Capes to 13d to 12d for best and seconds respectively. Queensland meat-works are lower at 11d to 11½d. Tanners are still reducing input of hides until they have more faith in the market position.

Tanners and merchants are finding trade a very difficult problem as consumers are convinced lower prices of sole leather are inevitable. Tanners are eager sellers, and are cutting prices of both bends and offal to reduce heavy stocks. Dry hide bends are not wanted, but there is a moderate demand for low grade English bends, which in the third selections make as low as 21d-22d per lb. Repairing bends have fallen rather quiet, operators waiting for lower prices. Offal moves very slowly, and here and there one hears of parcels being cleared at reductions.

The demand for upper leathers remains quiet, with a few sampling orders making up a small turnover. Willow and box, calf and sides are selling slowly, with a weak tone in prices. Glace in cheap black moves off steadily, but at a very small margin of profit. Curriers are not well off for orders, the demand for stout leather boots being affected by the depression in the coal areas. Shoe manufacturers are only partially employed, and some Northampton firms are again discharging numbers of their operatives.

VEGETABLE OILS AND OILSEEDS.

Markets on the whole are quieter, and the volume of business small. Consumers of linseed oil having satisfied their immediate requirements, are out of the market, and prices are easier in sympathy with seed. Raw oil ex-Hull mill has declined to £28 5s per ton spot and February-April delivery, later positions being at a small premium. Cotton oil is neglected and lower crude Egyptian offering at £28 5s, and common edible at £32, without attracting buyers. Soya palm kernel and ground nut oils are easier, but castor oil is a shade dearer. In the oilseed section demand for linseed is poor and prices of Plate have a drooping tendency. For seed on passage to Hull £15 16s 3d and £15 17s 6d have been paid, and £15 15s is wanted for February-March shipment. A little business in Calcutta to London, April-May, has been done at £18. The quantity of linseed on passage to Europe has increased to 252,500 tons, or 33,500 tons more than last week, and comparing with 197,500 tons a year ago. Cotton seed has been easier, and for black Egyptian on passage £10 5s has been accepted, and for February and March loading £10 2s 6d. Bombay is also easier, and £9 has been paid for January-February to Hull. Soya beans are lower, and £12 paid for latter half of December shipment. Oilcakes are in good demand, and prices are advanced.

OVER ONE HUNDRED YEARS OF SERVICE.
SCOTTISH UNION & NATIONAL
INSURANCE COMPANY.
ASSETS - - £14,500,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James's Street, S.W.1

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—Market remains generally stagnant, as trade buyers will not operate beyond wants of immediate necessity, and as far as the United Kingdom centres are concerned, affairs are held in check by ample quantities of home-grown granulated still available at comparatively low prices. No change occurred in spot quotations. Imported kinds are a dead-letter just now, and some fine parcels of white Mauritius offer at attractive prices. Continental parcels for shipment call for no comment. Foreign 96 per cent. centrifugal, February, quoted, 9s 6¾d, c.i.f., U.K. Terminal sections quiet but steady. Of raws, March, buyers, 8s 10½d; May, 9s 0⅜d; August, sold, 9s 4½d; December, sellers, 9s 7½d. White, March, sold, 12s 3¾d; August, 12s 5½d per cwt. Cuban receipts for the past week 199,700 tons, against 117,610 at corresponding period last year; exports, 99,160, against 60,950; stocks, 386,110, against 177,800. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending January 26th amounted to 161,904 tons, compared with 94,198 at same time last year.

TEA.—Indian auctions during the week totalled 57,860 packages. Competition in the main was decidedly active, a feature being the run on attractive parcels possessing autumnal flavour from the Dooars district. These realised fancy prices. Fine liquoring and tippy Assams sold firmly, medium kinds being steady, with common and plain qualities about unaltered. Ceylon auctions of 24,612 packages also engaged fairly active competition at firm to occasionally higher prices, bearing in mind that quality, especially amongst the finer invoices, marked a further falling off. There was a fair inquiry for new season's China during the week at full recent rates. Java and Sumatra auctions proceeded steadily to ⅛d to ¼d up.

COFFEE.—A good steady demand continues for suitable parcels and in which East India and Kenya qualities prominently figure. Costa Rica steady. Fine bold new crop of the latter, sold, 168s 6d; peas, 169s 6d; East Indian, bold, 149s 6d; Kenya ditto, 132s to 137s; Kilimanjaro ditto, 141s 6d.

COCOA.—Market steady, but spot trade quiet. In auction, fair to good red Ceylon, sold, 100s to 107s; Trinidad, good to fine, 59s to 63s; Grenada, ordinary to fair hard pale, 47s to 50s; fine red, 56s to 57s; St Lucia, ordinary, 48s; fine, 55s. Accra F/F, February-April, sold, 41s 6d to 42s; March-May, 42s to 42s 6d, f.o.b. Terminal, February, sold, 46s 10½d to 47s and 46s 7½d; May, 47s 6d to 47s 9d; July, 48s 3d; September, 48s 9d to 49s and 49s; December, 48s 3d to 48s 9d and 48s 6d.

RICE.—Market quiet, but forward positions steady. Two stars, spot, London, quoted 14s; February-March, sellers, 13s 1½d, c.i.f. Saigon No. 1, 13s 6d, c.i.f. Broken kinds firm at recent advance. Bran slow.

BEANS.—Market fully maintained. Parcels of Madagascar butters, afloat steamer "Clan Macintosh," sold, 33s 4½d, 34s being asked for the "Hesiones," and 33s 3d "Colonne;" January-March, sellers, 33s 3d cwt.

PEAS.—A steady market resulted. Japanese, afloat, 19s 6d to 20s 6d; December-January, 20s; January-February, 19s 3d; February-March, 19s cwt., c.i.f.

SPICE.—Pepper quietly steady. Lampong, October-December, quoted 1s 4¼d; January-March, 1s 4⅛d; March-May, 1s 3½d. Muntok, October-December, sold 2s 4d; January-March, quoted 2s 2½d; March-May, 2s 2¾d per lb. London stocks increased by 38 tons on the week. Tellicherry, January-March, 147s; February-April, 142s; March-May, 140s; Aleppy, 2s cwt less, c.i.f. Cloves steady. Zanzibar, spot, 1s 5⅛d to 1s 5⅜d; December-February, 1s 5d, buyers; March-May, 1s 5d per lb. Pimento unchanged. Sago flour quite nominal. Tapioca steady, but with only feeble response from buyers. African ginger, spot, 53s 6d; February-March, 50s per cwt, c.i.f.

FRUIT (Dried).—Currants: Market quiet. Pyrgos quoted 46s 6d; Patras, 48s; choice up to 52s; Amalias, 47s to 47s 6d; Gulf, 50s to 53s; Vostizza, 51s to 58s. Sultanas steady, with moderate inquiries. Medium to good Smyrna, spot, 39s to 54s; Cretan, 45s to 70s; Greek, 34s to 65s; Australian range from 30s to 48s; Californian, soda bleached, 35s to 38s; unbleached, 29s; Cape unbleached, 33s to 37s; bleached, 45s to 50s. Raisins dull. Valencia quarter boxes, 50s to 54s; Australian sell better at 32s to 36s; Capes neglected. Figs steady. Genuine new, spot, 29s to 32s; layers, 60s to 65s; pulled, 60s to 70s. Dates in fair demand, and market steady. Hallowie, new, spot, 28s to 30s; Khadrowie, 23s; Siar, 15s to 17s. Evaporated fruits: Apple rings met with rather more attention, also medium-size plums, but only a small business is proceeding in other descriptions, and prices show no quotable change. Californian plums 20-30's, 65s; 30-40's, 57s; 60-70's, 44s 6d to 45s. Australian pears range from 60s to 65s, as to quality. Apricots, Royal, 60s to 90s; Cape, 60s to 75s; Californian, new, 90s to 117s 6d. Peaches, Californian, choice, 50s; extra choice, 55s; fancy, 60s. Apples, Californian, spot, sliced, extra choice, 67s 6d. Almonds met a moderate spot demand. Mazagan, 145s; Mogador, 142s 6d; Majorcas, 150s to 165s; bitter, Jordan, 180s to 210s cwt.

CANNED GOODS.

CANNED FRUITS.—There is a moderate volume of business passing in Californian fruits at steady rates. Peaches offer at attractive rates, but pears firmly held, both for spot and shipment parcels. Australian move off steadily. Singapore pines quiet at late rates, but forward parcels very firm, which is likely to influence the spot position. A moderate business is reported in the new South African pack. Hawaiian firm, but quiet. Tomatoes realise full rates, and shipment offers reservedly made.

CANNED FISH.—Sardines steady, but best quality in limited supply. Portuguese clubs quoted 5s per dozen tins. Lobsters quietly steady. Best halves, 140s to 145s; and quarters, 77s 6d to 82s 6d. Salmon, spot, firm, but quiet, while forward quotations are well maintained. Halves in short supply, and realise 78s to 80s; pink met a moderate demand. Talls, spot, 26s to 27s; halves, 30s to 32s. Japanese crab sells steadily for finest quality at 92s 6d to 95s.

CANNED MEATS.—Corned beef quiet, unaltered, but ox tongues very scarce and firmly held. It is reported that the United States is buying in South America. Lunch tongues are selling fairly well at easy rates. Cooked boned hams firm, and large contracts have recently been made for forward delivery.

CONDENSED MILK AND MILK POWDERS. — Market generally steady. Full cream sweetened, English, spot, 45s; Dutch, ditto, 38s 6d; January-March, 38s 6d. Machine-skimmed sweetened, English, spot, 27s; Dutch, ditto, 23s 6d; January-March, 23s 6d, all in 5 cwt barrels. Powders: Spray F.C., 26 per cent., 2 by 56 lb tins, crated, prompt, 96s; M.S. (1 cwt cases) prompt, 41s 6d. Roller process, F.C., 26 per cent., prompt, 78s 6d; M.S., ditto, 30s, all net, duty paid, ex-wharf London. On the grocery side F.C.S., 21s; M.S.S., 10s 3d, basis per case, usual packing.

HONEY.—New Zealand is meeting with increased support in view of the Merchandise Marks Act, particularly popular brands such as "Imperial Bee," and a firm tone governed the market. Dark amber quoted 50s to 55s; medium, 55s to 65s; light, 65s to 85s; whites and water whites, 65s to 87s 6d; Jamaica, 42s 6d to 55s; San Domingo, 42s 6d to 48s 6d; pale set Siberian, 41s 6d per cwt.

RUBBER.

Prices eased slightly, buyers being reserved, but since firmer. Meantime, quantities coming along are decidedly smaller than anticipated some time back. Standard sheet, spot, and February, sold, 10⅝d to 10¾d; March, 10⅞d to 11d; April-June, 10⅞ to 11⅛d; July-September, 11⅛d to 11⅜d; October-December, 11⅜ to 11⅝d per lb.

London stocks increased 867 tons on the week at 24,423, against 66,286 last year. Landings, 2,110; deliveries, 1,234. Liverpool stocks increased 319 tons, landings being 422, deliveries 103; stocks, 3,824.

GENERAL.

JUTE.—Market quiet and barely steady. Firsts, January-February, quoted £34 5s; February-March, £35; March-April, £35 7s 6d; April-May, £36; lightnings, January-February, £32 15s ton, c.i.f. Hessians remain quiet.

HEMP.—With actual spinning demand reduced to a minimum, prices for Manila manifest a sagging tendency. J 2, February-April, sellers, £38; K, quoted £36; L 1, £35 10s; L 2, sellers, £30; M 1, quoted £30 10s; M 2, £27 15s; H, £36; G, £41 10s; C 2, £37; C 3, £33; S 1, £64; S 2, £56 10s; S 3, £48 10s; F, £63. African sisal No. 1, good marks, January-March, buyers, £43 10s; No. 2, £41 10s per ton, c.i.f. Mexican unaltered. Receipts last week, 15,000 bales; deliveries, 2,000; and stocks, 71,000 bales. Manila receipts last week totalled 28,000 bales, against 30,000 at same time last year; estimate for next week, 38,000, and following week, 30,000.

SHELLAC.—Market slow. T.N., spot, 192s 6d; March, 187s; May, 186s 6d cwt.

COPRA.—A colourless market, and quotations in most directions nominal. Straits, S.D., February-March, Rotterdam, quoted £24 16s 3d. Palm kernels dull, and prices easy. January-February, Hamburg, quoted £19 16s 3d ton.

MISCELLANEOUS.—Coconuts quoted 18s to 23s per 100. Coir yarn, Ceylon, £18 5s to £39 10s; Cochin, £23 to £40 10s; Ceylon bristle, £19 to £25; cinnamon leaf oil, 5¾d; citronella, Ceylon, 1s 9d; Java, 2s.

METROPOLITAN CATTLE.—January 30.

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

	s d	s d		s d	s d
Beasts—Norfolk	6 4	6 8	Beasts—Heavy Bulls	..	..
Irish	..	..	Canadian	..	..
Cambridge	..	..	Sheep—Downs	8 0	9 8
Short Horns	6 0	6 4	Half bred	..	..
Herefords	..	..	Ewes	5 4	5 8
Devons	..	..	Scottish	..	..
Leicester runts	..	..	Lamb—Downs	..	..

LONDON POTATO MARKETS.—January 30.

	Per Cwt. s d	s d
English Edward—Lincoln	6 0	..
" " —Essex and Bedford	5 0	..
" Queens	5 0	..
" Arran Chief	4 6	5 0
" Majestic	4 6	5 0
Great Scot	4 6	5 0

INTERNATIONAL ACCEPTANCE BANK
INCORPORATED
Statement of Condition, December 31, 1928

RESOURCES

Stockholders' Liability for Uncalled Subscriptions	$5,625,000.00	
Cash on Hand and Due from Banks	8,098,396.60	
Call Loans Secured by Acceptances	5,175,000.00	
Acceptances of Other Banks	6,108,214.48	$19,381,611.08
U. S. Govt., State and Municipal Bonds		12,076,382.47
Collateral Loans		8,683,515.40
Loans and Advances		
Due within 30 days	$6,496,070.57	
Due after 30 days	3,736,146.20	10,232,216.77
Other Bonds and Securities		6,964,482.89
Customers' Liability for Acceptances (Less Anticipations)		65,218,655.24
Customers' Liability under Letters of Credit		9,900,268.20
Accrued Interest Receivable and Other Assets		308,762.11
		$132,765,894.16

LIABILITIES

Capital and Surplus Fully Subscribed	$17,000,000.00	
Capital Paid in		$5,750,000.00
Surplus Paid in		5,625,000.00
Undivided Profits		5,177,005.21
Reserve for Dividends Payable January 15, 1929		170,625.00
Due to Banks and Customers		37,694,548.47
Acceptances Outstanding		68,167,358.87
Letters of Credit		9,900,268.20
Reserve for Taxes, Unearned Discount and Other Liabilities		281,088.41
		$132,765,894.16

PAUL M. WARBURG, Chairman — F. ABBOT GOODHUE, President

52 CEDAR STREET, NEW YORK

London Representative: 4 Adams Court, Old Broad St., London, E. C. 2

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, THURSDAY.

CEREALS AND MEAT.

	s	d
GRAIN, &c.—		
Wheat, No. 2, N. Man. 496 lb..	50	9
Eng. Gaz. av., per cwt	9	8
Barley, Eng. Gaz. av.	10	3
Oats, " " "	9	5
Maize, La Plata, landed, 480 lb	44	9
Flour, Lon. stan. ex mill, 280 lb	36	6
Rice, No. 2 Burma, per cwt.	13	0
Sago, pearl, per cwt	22	9
Tapioca, per cwt—		
E.I. flake, fair spot	nom	
Medium pearl.....	20	0
Potatoes, good English, per ton	110	0
MEAT—		

	s	d	s	d
Beef, per 8 lbs—				
English sides.....	5	0	5	8
Argentine chilled hinds	4	0	4	6
Mutton, per 8 lbs—				
English wethers	6	0	7	0
N.Z. frozen "	3	6	5	4
Pork, English, per 8 lbs..	6	6	7	6

OTHER FOODS.

BACON—				
Irish ..... per cwt	92	0	106	0
Danish	84	0	98	0
Canadian	90	0	94	0
Dutch	81	0	94	0
Hams—Irish	0	0	0	0
Canadian	110	0	0	0
American	96	0	112	0
BUTTER—				
Irish creamery per cwt	0	0	0	0
Australian	170	0	186	0
New Zealand	174	0	186	0
Danish	190	0	191	0
CHEESE—				
Canadian ....per cwt..	96	0	112	0
New Zealand	90	0	95	0
English Cheddars	130	0	144	0
Dutch	50	0	99	0
COCOA—				
(Duty, British grown, 9s 4d, foreign, 14s cwt.)				
Accra f.f., per cwt	47	0	49	0
Trinidad	60	0	63	0
Grenada	50	0	56	0
COFFEE—				
(Duty, British grown, 9s 4d, foreign, 14s cwt.)				
E.I., good to fine, per cwt.	149	6	163	0
Costa Rica, good to fine.	155	0	168	6
Cent. Amer., mid to fine.	130	0	150	0
Kenya, bold sizes.....	125	0	158	0
Colombian, mid to fine.	130	0	145	0
EGGS—				
English .....per 120	21	0	23	0
Danish	16	6	22	0
FRUIT—				
Oranges, Denia & Val.	300	13	0	30	0
" "	360	13	0	17	0
" "	504	14	6	17	0
Jaffa .....boxes	144	14	0	22	0
Lemons, Naples ..boxes	0	0	0	0
Sicilian.....boxes	10	6	12	6
" .....cases	12	0	18	0
Murcia.....half cases	14	0	17	6
Malaga ..cases 420 No. 1	0	0	0	0
Apples: Amer. (var.) bris.	25	0	34	0
" (var.) boxes.	10	6	13	6
Onions Valensia:—				
case 4s.	14	0	0	0
case 5s.	16	0	0	0

FRUIT (*continued*)—	s	d	s	d
Chestnuts, Huelva..bags	6	0	7	0
Grapes, Almeria....bris	1	0	22	0
LARD—				
Irish bladders	70	0	76	0
American boxes..56 lbs	60	6	63	0
SPICES—				
Pepper, per lb—				
Muntok, fair White ..	2	3	0	0
Black Lampong	1	5½	0	0
Cinnamon—1st sort., per lb	2	3	0	0
Cloves—Zanzibar..per lb	1	5½	0	0
Ginger—per cwt—				
African.....	53	6	0	0
Jamaica, ord. to good..	80	0	120	0
Mace .....per lb	2	9	3	10
Nutmegs 65's	2	1	8	0
SUGAR—				
(Duty, 11s 8d per cwt.)				
B.W.I., crystallised.....	23	0	24	0
Java, white, c.i.f., India. July-Sept.	12	4½	0	0
REFINED—London—				
Yellow Crystals	21	7½	0	0
Cubes	25	9	26	3
Crushed	24	6	25	0
Granulated.....	23	3	23	7½
Home Grown (prompt)	22	4½	23	1½
TEA—				
(Duty 3½d. British, foreign 4d per lb)—				
Indian & Ceylon—per lb				
Pekoe	1	1½	2	1
Broken Pekoe	1	2	2	2½
Orange Pekoe	1	2½	2	2
Broken Orange	1	3½	2	7½
TOBACCO—				
(Duty 8/10—11/2½ per lb, Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	5½	1	3

TEXTILES.

COTTON—		d
Mid American ....per lb.		10·34
Sakellaridis, f.g.f.....		13.40
Yarns, 32's twist		15¾
60's twist		28
FLAX—	£ s	£ s
Livonian ZK ....per ton	90	0 0 0
Pernau HD.....	81	0 0 0
Slanetz Medium 1st sort	90	0 0 0
HEMP—		
Italian P.C. .....per ton	65	0 0 0
Manila, Feb.-Apr. "J2"	38	0 0 0
N.Z., H.P. fair	36	0 0 0
JUTE—		
Native 1st mks. ..per ton Jan.-Feb.	34/5/0	0/0/0
Feb.-Mar	35/0/0	0/0/0

SILK—	s	d	s	d
Canton .....per lb	17	0	19	0
Tussah	8	0	10	0
Japan	20	6	23	0
Italian—Raw, fr. Milan	21	0	24	0

WOOL—	d
English Southdown, washed per lb	27½
" Lincoln hog, washed	18
Queensland, scd. super cmbg.	43
N.S.W. greasy, super "	25
N.Z., grey, half-bred 50-56 ..	21
Crossbred 40-44..	16
Tops—	
Merinos 70's.....	50
" 64's.....	47
Crossbred 48's.....	26½-27
" 46's.....	24½-25

MINERALS.

COAL—	s	d	s	d
Welsh, best Ad'ty..ton	19	3	19	6
Durham, best gas.....	14	9	15	6
Sheffield, best house..	20	6	21	6
IRON AND STEEL—				
Pig, Clevel'nd No. 3, ton	66	0	0	0
Bars, M'brough.....205	0	0	0	
Steel Rails, heavy 170	0	0	0	
Tin Plates, I.C., per box	18	0	18	3

METALS—	£	s	£	s
Copper, Electrolytic, ton	79	10	80	0
Sheets (strong) 104	0	0	0	
Standard	77/6/3		77/7/6	
Lead Eng. Pig .. per ton	25/10/0		0/0/0	
Soft Foreign	22/2/6		22·3/9	
Spelter G.O.B.	26·2 6		0/0/0	
Tin—English ingots	219/5/0		220/5/0	
Standard, cash.....	220/2/6		220/5/0	

MISCELLANEOUS.

CHEMICALS—	s	d	s	d
Acid, citric per lb less 5%	2	1	2	2
Nitric	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s	£	s
Alum, lump .....per ton	9	10	10	0
Ammonia, carb.....ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump....per ton	35	0	40	0
	s	d	s	d
Bleaching powder, per cwt	6	9	8	0
Borax, gran.... per cwt	13	0	0	0
Do powder	15	0	0	0
Nitrate of Soda..per cwt	12	0	13	0
Potash—Chlorate, net ..	0	3½	0	3½
Sulphate .....per cwt	9	0	10	0
Sal-Ammoniac .. per cwt	42	6	45	0
Soda Bicarb ....per cwt	9	0	10	6
Crystals..... per cwt	5	0	5	3
	£	s	£	s
Sulphate Copper..per ton	26	10	27	0
CEMENT—	s	d	s	d
Portland, best Eng. pr ton	46	0	48	0
COPRA—				
F.M. Straits, c.i.f., per ton Feb.-Mar.	24/17/6		0/0/0	
DRUGS—				
Camphor—	s	d	s	d
Japan, refined	2	2½	2	3
Castor-oil	85	0	95	0
Ipecacuanha	12	0	12	6
Peppermint, Wayne Co.	14	6	14	9

HIDES—	s	d	s	d
Wet salted—Australian per lb	0	5½	0	8½
West Indian	0	4	0	9
Cape	0	6	0	9
Dry and Drysalted Cape	0	9	1	2½
Market Hides, London—				
Best heavy ox & heifer	0	7½	0	7½
Best cow	0	7½	0	7½
Best calf	1	1½	1	3
INDIGO—	s	d	s	d
Bengal gd. red-vio. to fine—per lb.....	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb— per lb	1	6	2	5
Bark Tanned Sole	2	6	3	6
Shoulders fm DS Hides	1	0	1	3
Do Eng. or WS do	1	4	1	10
Bellies from DS do	0	9	1	0
Do Eng. or WS do	1	0	1	5
Dressing Hides..	1	8	2	4
Ro. Eng. Calf, 20/30 lb..	4	3	6	3
Aust. Sides.....	1	2	1	8
VEGETABLE OILS—	£	s	£	s
Linseed, naked, p. ton net	39	10	0	0
Rape, refined	43	10	0	0
Cotton-seed, crude	30	0	0	0
Coconut, crude.....	39	0	0	0
Palm	38/0/0		38/10/0	
Oil Cakes, Linseed, Eng., per ton	12/17/6		13/5/0	
Oil Seeds—Linseed—				
LaPlata, p. ton Jan.-Feb.	15/13/9		0	0
Calcutta, p. ton.....	18/15/0		0	0
	s	d	s	d
Turpentine, per cwt	46	6	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs	0	10½	0	0
Water-White.....	0	11½	0	0
Lubricating—	£		£	
Pales.....	19/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	13/10/0		34/5/0	
Fuel—	s	d	s	d
S.G.895 910	32	6	0	0
" 950	67	6	0	0
ROSIN—	£	s	£	s
American..... per ton	19	15	26	10
RUBBER—	s	d	s	d
Plantation Sheet per lb	0	10½	0	0
Fine Hard Para per lb	1	0	0	0
SHELLAC—	£	s	£	s
TN Orange....per cwt	192	6	195	0
SHELLS—	£	s	£	s
W. Aust., M.-o.-P. "	4	0	12	10
TIMBER—	£	s	£	s
Swedish u/s 3 x 8, per Std..	19	0	0	0
Do 2½ x 7 " ..	19	0	0	0
Do 2 x 4 " ..	19	0	0	0
Can'dn Spruce, Dis. " ..	17	10	0	0
Pitchpine ..... per load	9	0	0	0
Rio Deals..... per std.	32	0	0	0
Teak..... per load	20	0	0	0
Honduras Mahg. logs, c. ft.	0	11	0	0
African "	0	6	0	0
American Oak Boards "	0	6	0	0
Do Ash "	0	6	0	0
English Oak Planks "	0	7	0	0
Do Ash "	0	6	0	0

THE STOCK EXCHANGE.

All dealings in Stocks and Shares

and business relating thereto should be transacted through Brokers who are Members of

THE STOCK EXCHANGE.

A list of these can be obtained from the Secretary, Stock Exchange, E.C.2, with, if desired, the authorised Scale of Commissions or be seen at the Bank of England Stock Transfer Offices, Finsbury Circus, E.C.2.

Members of The Stock Exchange are not allowed to advertise for Business purposes or to issue circulars or business communications to other than their own principals.

Persons and Firms therefore who advertise as Stock and Share Brokers or Dealers are not Members of The Stock Exchange, or in any way under the control of the Committee.

UNIVERSITY OF LONDON.

A Course of Two Lectures on SOVIET RUSSIAN PUBLIC FINANCE will be given (in English) by Dr. PAUL HAENSEL, M.A., LL.D. (formerly Professor of Public Finance in the University of Moscow), at THE LONDON SCHOOL OF ECONOMICS (Houghton Street, Aldwych, W.C.2), on MONDAY and WEDNESDAY, FEBRUARY 11th and 13th, at 5 p.m. At the first Lecture the Chair will be taken by Prof. Allyn A. Young, Ph.D. (Professor of Political Economy in the University).
ADMISSION FREE, WITHOUT TICKET.
EDWIN DELLER, Academic Registrar.

INDIA

The World's Best Customer

is attracting the renewed interest of many firms anxious to share the benefits of the country's improving purchasing power, being brought about by numerous development schemes now in course of completion.

THE PIONEER PRESS OF INDIA

The London Offices of

THE PIONEER & CIVIL & MILITARY GAZETTE LTD.,

with Branches or Agents throughout India, has been enlarged to handle any enquiry, Editorial or Advertising, that may be submitted.

Write

W. T. DAY, London Manager,
11, Aldwych, W.C.2
(Next to Waldorf Hotel and opposite India House).

Telephone: Gerrard 1546/7.
Telegrams: "Kuttra, Estrand, London."

Insurance.

REFUGE
ASSURANCE COMPANY LIMITED
Chief Office: Oxford St., Manchester

Annual Income Exceeds	-	£9,600,000
Assets Exceed	- -	£39,000,000
Claims Paid Exceed	- -	£53,000,000

MONETARY STABILITY
and the
GOLD STANDARD
By
Sir Henry Strakosch, G.B.E.

Reprinted from "The Economist"
Price 1/-

Obtainable from
"The Economist" Office,
6, Bouverie Street, Fleet Street,
London, E.C.4.

NATIONAL PROVINCIAL BANK
LIMITED

HEAD OFFICE: 15, BISHOPSGATE, LONDON, E.C.2.

Authorised Capital	...	...	£60,000,000	Paid-up Capital	£9,479,416
Subscribed Capital	...	...	£43,617,080	Reserve Fund	£9,479,416

Directors.

The Right Hon. Lord Avebury.
Sir Arthur Balfour, K.B.E.
Brigadier-General The Hon. Everard Baring, C.V.O.
Sir Harcourt Butler, G.C.S.I., G.C.I.E.
Colin Frederick Campbell, Esq.
Charles Cave Cave, Esq.
John C. Denison-Pender, Esq.
Maurice Otho Fitzgerald, Esq.
Sir Harry Goschen, Bart., K.B.E.
Charles Gipps Hamilton, Esq.
The Right Hon. Lord Illingworth, P.C.
The Right Hon. The Viscount Inchcape, G.C.S.I., G.C.M.G., K.C.I.E.
Francis Alexander Johnston, Esq
Col. Sir Claude Villiers Emilius Laurie, Bart., C.B., D.S.O.
Francis Charles Le Marchant, Esq.
Sir John Buck Lloyd.
Sir Austin Low, C.I.E.
Ronald Malcolm, Esq.
Sir George John Marjoribanks, K.C.V.O.
Sir William Barclay Peat, C.V.O.
The Most Hon. The Marquess of Reading, P.C., G.C.B., G.C.S.I., G.C.I.E., G.C.V.O.
John Robarts, Esq.
Sir Felix Schuster, Bart.
Eustace Abel Smith, Esq.

Extraordinary Directors.

Alfred Fowell Buxton, Esq.
Robert Fenton Miles, Esq.
Col. Bertram Abel Smith, D.S.O., M.C., A.D.C.
Gerald Dudley Smith, Esq.
Col. Herbert Francis Smith.

Chief General Manager.
Sir Alfred E. Lewis.

Joint General Managers.
A. McClelland. E. Cornwall. G. H. Whitehurst. H. S. Eltenton. F. Waller.

Assistant General Managers.
Andrew Bell. A. S. Tawell. W. N. C. Wilson.

General Managers' Assistant.
W. Hadwick.

Secretary—John Dennington.

Chief Accountant—J. R. Ruston. *Registrar*—H. J. Sedgwick.

BALANCE SHEET, *31st December, 1928.*

LIABILITIES.

		£	s.	d.
CAPITAL:—				
Registered	£60,000,000			
Subscribed	£43,617,080			
PAID UP—				
120,000 Shares of £25 each, £3 10s. paid ...		420,000	0	0
1,972,354 Shares of £20 each, £4 paid ...		7,889,416	0	0
234,000 Shares of £5 each, fully paid ...		1,170,000	0	0
		9,479,416	0	0
RESERVE FUND		9,479,416	0	0
		18,958,832	0	0
CURRENT, DEPOSIT and other ACCOUNTS, including rebate on Bills not due, provisions for Bad and Doubtful Debts, Pension Fund, Contingencies, &c.		290,310,253	3	4
LIABILITIES for ACCEPTANCES, ENDORSEMENTS, ENGAGEMENTS, &c., as per contra		19,563,740	5	6
PROFIT AND LOSS ACCOUNT:—				
Balance of Profit and Loss Account, including £863,476 9s. 3d. brought forward from year 1927 ...	£2,972,140 6 2			
Less Interim Dividend, 9 per cent. subject to deduction of Income Tax (£170,629 9s. 9d.) paid in July last ...	£853,147 8 10			
" Dividend of 9 per cent. subject to deduction of Income Tax (£170,629 9s. 9d. payable 1st February, 1929 ...	853,147 8 10			
" Transferred to Pension Fund	100,000 0 0			
" Transferred to Bank Premises a/c	100,000 0 0			
" Transferred to Contingencies a/c	200,000 0 0			
	2,106,294 17 8			
Balance carried forward to 1929		865,845	8	6
		£329,698,670	17	4

ASSETS.

		£	s.	d.
Coin, Bank of England and Currency Notes in the United Kingdom and Balances with the Bank of England		34,362,652	6	2
Balances with, and Cheques in course of collection on other Banks in the United Kingdom and Ireland, and Cheques, Drafts, etc., in transit		9,808,248	6	4
Money at Call and Short Notice		25,920,941	15	9
BILLS DISCOUNTED—	£ s. d.			
British Government Treasury Bills	28,765,000 0 0			
Bills payable by British Firms and Institutions in the United Kingdom ...	12,610,134 2 8			
Other Bills	2,172,605 2 11			
		43,547,739	5	7
INVESTMENTS:—				
British Government Securities (Of these £189,104 17s. 6d. is lodged for public accounts)	32,056,526 9 7			
Indian and Colonial Government Securities; Debenture, Guaranteed and Preference Stocks of British and Indian Railways; British Corporation and Water Works Stocks ...	4,200,024 13 3			
Canal, Dock, River Conservancy and other Investments ...	719,147 9 9			
		36,975,698	12	7
£1,000,000 Stock in Coutts & Co.	2,000,000 0 0			
50,000 Shares of £5 each, fully paid, in Grindlay & Co., Ltd.	514,000 0 0			
33,333 Shares of £10 each, £4 paid, in the Bank of British West Africa, Ltd.	120,000 0 0			
12,000 Shares of £50 each, £35 paid, in Lloyds & National Provincial Foreign Bank, Ltd.	420,000 0 0			
31,250 Shares of £5 each, £3 paid, in the Yorkshire Penny Bank, Ltd. ...	187,500 0 0			
		3,241,500	0	0
ADVANCES to Customers and other Accounts ...		150,523,519	19	10
BANK PREMISES		5,754,630	5	6
LIABILITIES of CUSTOMERS for ACCEPTANCES, ENDORSEMENTS, ENGAGEMENTS, &c., as per Contra		19,563,740	5	6
		£329,698,670	17	4

F. C. LE MARCHANT,
W. H. N. GOSCHEN,
COLIN F. CAMPBELL, } *Directors.*

A. E. LEWIS, *Chief General Manager.*
A. McCLELLAND,
E. CORNWALL,
G. H. WHITEHURST,
H. S. ELTENTON,
F. WALLER, } *Joint General Managers.*

As certified by the Auditors, Nicholas Edwin Waterhouse and William Henry Peat.

Every description of BRITISH and OVERSEAS BANKING BUSINESS transacted.

Affiliated Banks:

COUTTS & CO. GRINDLAY & CO., LTD.

Banks, &c.—*Continued.*

HONG KONG AND SHANGHAI BANKING CORPORATION

Authorised Capital	... ...	$50,000,000
Issued and Fully Paid Up	...	$20,000,000
Reserve Funds { Sterling	...	$6,000,000
Reserve Funds { Silver	...	$14,000,000
Reserve Liability of Proprietors		$20,000,000

Head Office—Hong Kong.

COURT OF DIRECTORS.

A. H. COMPTON, Chairman.
N. S. BROWN, Deputy-Chairman.
Hon. Mr. B. D. F. BEITH. W. L. PATTENDEN.
W. H. BELL. J. A. PLUMMER.
B. L. LEWIS. T. G. WEALL.
C. G. S. MACKIE. H. P. WHITE.
Chief Manager: Hon. Mr. A. C. HYNES.

BRANCHES AND AGENCIES:

Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo, Colombo, Dairen (Dalny), Foochow, Haiphong, Hamburg, Hankow, Harbin, Hongkow (Shanghai), Ipoh, Johore, Kobe (Hiogo), Kowloon, Kuala Lumpur, London, Lyons, Malacca, Manila, Moukden, Nagasaki, New York, Peping (Peking), Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Sungei, Patani, Tientsin, Tokyo, Tsingtao, Vielle, Yokohama.

COMMITTEE IN LONDON.

Sir Charles Addis, K.C.M.G., Chairman. David Landale.
Hon. Cecil Baring. Sir George Macdonogh, G.B.E., K.C.B., K.C.M.G.
A. H. Barlow. Sir Geo. Sutherland.
C. A. Campbell. A. M. Townsend.
C. F. Whigham.

MANAGERS IN LONDON:

Sir Newton J. Stabb; H. D. C. Jones.
Sub-Manager: R. E. N. Padfield.
Accountant: A. Moneur.
9, GRACECHURCH STREET, LONDON, E.C.3.

COMMONWEALTH BANK OF AUSTRALIA

(Guaranteed by the Australian Government).

Branches and Agencies throughout Australasia.

Banking and Exchange Business of every description transacted. Bankers to the Government of the Commonwealth of Australia, the Government of the State of Queensland, the Government of the State of South Australia, the Government of the State of Tasmania.

Commonwealth Savings Bank of Australia, 3516 Agencies at Post Offices in Australia.

As at 30th June, 1928.

General Bank Balances	...	£46,577,566
Savings Bank Balances	...	48,124,152
Note Issue Department	...	44,493,226
Rural Credits Department	...	902,955
Other Items	...	6,817,561
		£146,915,460

London Office: 36-41, NEW BROAD ST., E.C.
J. S. SCOTT, Manager.
Also at Australia House, Strand, W.C.

THE COMMERCIAL BANKING COMPANY OF SYDNEY LIMITED.

Established 1834. Incorporated in New South Wales. With which is amalgamated

THE BANK OF VICTORIA LIMITED.

Authorised Capital	...	£12,000,000	0 0
Capital Paid-up ...	...	£4,739,012	10 0
Reserve Fund ...	...	£4,075,000	0 0
Reserve Capital ...	...	£4,739,012	10 0

Head Office:—SYDNEY, 343, George Street.

Drafts payable on demand, and Letters of Credit are issued by the London Branch on the Head Office, Branches and Agencies of the Bank. Bills on Australasia negotiated or collected. Remittances Cabled and Mailed. London Office: 18, Birchin Lane, Lombard Street, E.C.3.

ENGLISH SCOTTISH AND AUSTRALIAN BANK, LTD.

Head Office: 5, Gracechurch Street, E.C.3, and 434 Branches and Agencies in Australia.

Subscribed Capital	... ...	£5,000,000
Paid-up Capital	... ...	3,000,000
Further Liability of Proprietors	... ...	2,000,000
Reserve Fund ...	... ...	3,000,000

Letters of Credit and Drafts on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank, in the Chief Provincial towns throughout the United Kingdom.

Remittances made by Telegraphic Transfer. Bills Negotiated or forwarded for Collection. Banking and Exchange business of every description transacted with Australia.
E. M. JANION, Manager.

THE BANK OF AUSTRALASIA

(Incorporated by Royal Charter, 1835).

Head Office: 4, THREADNEEDLE ST., E.C.2.
West End Office: 17, Northumberland Av., W.C.2.

Paid-up Capital		£4,500,000
Reserve Fund		£4,450,000
Reserve Liability of Proprietors Under the Charter		£4,500,000

Letters of Credit and Drafts are issued and banking business of every description is transacted through the numerous branches of the bank throughout Australia and New Zealand. Deposits for fixed periods received.

Looking Back!

SATISFIED customers have been largely responsible for the progress and growth of this Bank for sixty years.

To-day, more than ever, we try to bring a human sympathy and an intimate understanding into our daily business contacts.

You will like Banking at the Royal

The Royal Bank of Canada

London Branches: Princes Street, E.C.2. and Cockspur Street, S.W.1.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

Incorporated by Royal Charter and Act of Parliament.
Established 1825.
Affiliated with Lloyds Bank, Limited.

Capital Subscribed, £5,000,000. Paid-up, £1,100,000. Uncalled, £3,900,000.
RESERVE FUND - - £1,450,000.

HEAD OFFICE—EDINBURGH.

WILLIAM CARNEGIE, General Manager. FREDERICK GEORGE DRYBURGH, Secretary.

LONDON OFFICE—37 Nicholas lane, Lombard street, E.C.4.
THOMAS COCKBURN RIDDELL, Manager. JOHN COWAN, Assistant Manager.
Branches in all the principal cities and places in Scotland.
Every description of Banking Business transacted.

The Bank is prepared in approved cases, to act as Trustee, Executor or Administrator, and also as Trustee for Debenture or other Issues, etc.

BANCO DE CHILE.

London Agency—
94 GRACECHURCH STREET, E.C.3.

			Chilean Dollars.
Paid-up Capital ...	...	...	100,000,000.00
Statutory Reserve	...	...	25,000,000.00
Special Reserve ...	...	...	33,000,000.00
Extraordinary Reserve	...	...	40,000,000.00
Dividend Fund ...	...	...	7,155,680.61
(Equivalent to £5,128,892)			$205,155,680.61

HEAD OFFICES: SANTIAGO, VALPARAISO.
47 BRANCHES IN CHILE.

The Agency transacts every class of Banking business. Current accounts opened. Deposits received. Agents of Banco de la Nacion Argentina; Banco de Brazil; The Banco Central de Chile.

BANK OF NEW SOUTH WALES

Established 1817.

HEAD OFFICE—Sydney, N.S. Wales.
General Manager: A. C. DAVIDSON.

Paid-up Capital	£7,500,000
Reserve Fund	5,900,000
Reserve Liability of Proprietors	7,500,000
	£20,900,000

Aggregate Assets to 30th September, 1928. £88,982,585 1 9

The London Office issues drafts on demand on its Head Office (Sydney, N.S.W.) and Branches in all the Australian States, New Zealand, Fiji, Papua, and Mandated Territory of New Guinea. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Arranges Wool and other Produce Credits. Receives Deposits for fixed periods on terms which may be known on application, and conducts every description of Australasian Banking Business.

LONDON OFFICE—29, Threadneedle street, E.C.2.
J. S. CAMPBELL, Manager.

NATIONAL BANK OF NEW ZEALAND, LIMITED.

HEAD OFFICE—8, MOORGATE, E.C.2.

Authorised & Subscribed Capital	£5,000,000
Paid Up Capital	£2,000,000
Reserve Fund & Undivided Profits ...	2,165,572
	£4,165,572

The National Bank of New Zealand, Limited, receives Deposits for fixed periods at rates which may be ascertained on application, and conducts every description of Banking business connected with New Zealand.

ARTHUR WILLIS, Manager.

TENDERS FOR METROPOLITAN WATER BOARD BILLS.

1. The Metropolitan Water Board hereby give notice that Tenders will be received at the Chief Cashier's Office at the Bank of England, on Monday, the 4th February, 1929, at one o'clock, for Metropolitan Water Board Bills to be issued in conformity with the Metropolitan Water Board Acts, 1906, 1907 and 1915, to the amount of £1,000,000 (one million pounds), in replacement of Bills falling due on the 10th proximo.

2. The Bills will be in amounts of £500, £1,000, £5,000 or £10,000. They will be dated the 9th February, 1929, and will be payable at twelve months after date, viz., on the 9th day of February, 1930.

3. The Tenders must specify the net amount per cent. which will be given for the amounts applied for; and the Tenders of Private Individuals must be made through a London Banker.

4. The Bills will be issued and paid at the Bank of England.

5. The persons whose Tenders are accepted will be informed of the same on Tuesday, the 5th February, and payment in full of the amounts of the accepted Tenders must be made to the Bank of England not later than Twelve o'clock, on Saturday, the 9th February, 1929.

6. The Metropolitan Water Board reserve the right of rejecting any Tenders.

7. Tenders should be on the printed form, which can be obtained from the Accountant to the Board at these Offices, and at the Chief Cashier's Office, Bank of England, or at any of the Branches of that Bank.

G. F. STRINGER, Clerk of the Board.
Metropolitan Water Board Offices,
173 Roseberry avenue, E.C.1.
29th January 1929.

DOMINION OF CANADA.

4 PER CENT. REGISTERED STOCK, 1940-60 AND 2½ PER CENT. INSCRIBED STOCK, 1947.

For the purpose of preparing the Interest Warrants due 1st April, 1929, on the above-mentioned Loans the BALANCES will be STRUCK on the evening of the 1st March, 1929, after which date the Stock will be transferred ex-dividend.—For Bank of Montreal, Financial Agents of the Government of the Dominion of Canada.

G. C. CASSELS, Manager.
47 Threadneedle street, E.E.2.
1st February, 1929.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, FEBRUARY 9, 1929. No. 4,459.

THE WORKS AND LIFE OF WALTER BAGEHOT

EDITED BY

Mrs. RUSSELL BARRINGTON.

10 Vols. (Works 9 Vols., Life 1 Vol.), 8vo. £4 4s net.
The "Works" only will also be supplied, £3 15s net.

Prospectus Sent on Application.

*** The Life of Walter Bagehot.

By his Sister-in-Law (Mrs. RUSSELL BARRINGTON). With Portraits and other Illustrations. *(In the Original Binding.)* 8vo. 14s net. (1914.)

LONGMANS, GREEN & CO. 39, Paternoster Row, London, E.C.

CHRISTIANIA BANK OG KREDITKASSE OSLO.

Established 1848.

Paid-up Capital and Reserve Funds,
Kr. 40.000.000.—.

Oldest Norwegian Joint Stock Bank. Direct correspondents throughout the country. Offering complete services to banks and firms doing business on Norway.

Correspondence invited.

CREDITO ITALIANO

Capital Subscribed - - - -	Lire 400,000,000
Capital Paid-up - - - - -	Lire 354,694,900
Reserve - - - - -	Lire 190,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES AND CORRESPONDENTS THROUGHOUT ITALY.

London Branch: 2 ROYAL EXCHANGE AVENUE, E.C.3.

Transacts a general Foreign Banking Business
STERLING DRAFTS AND DOCUMENTS ON ITALY COLLECTED ON SPECIALLY FAVOURABLE TERMS.
CORRESPONDENT OF THE ROYAL ITALIAN TREASURY.

Telegrams: "Italocredi, London."
Telephone: Avenue 3031-4.

TABLE OF CONTENTS.

The Money Market	273
Leading Articles—	
Dearer Money	275
Russia	276
The Numerical Importance of Foreign Trade	277
Shipbuilding in 1928	278
The German Newspaper Press	279
Investment Overseas	280
More Light	281
Notes of the Week—	
The Cruiser Bill	282
The Kellogg Pact in Action	282
Monsieur Poincaré on Alsace	282
The Week in the House	283
Reassessment in South Wales	283
Riots in India and Wales	283
British Broadcasting and Public Finance	283
Civil Flying Developments	284
Our Index Number	284
Organised Selling of Coal	284
Egyptian Cotton Mills and Short Time	284
New Zealand Politics	285
Northern Ireland Affairs	285
South African Railways	285
Trade in East Africa	286
National Mutual Life Assurance Society	286
New Capital Issues in the United States	286
Oversea Correspondence—	
United States	286
France	287
Germany	288
Norway	289
Canada	289
Books and Publications—	
The Economic History of Europe	290
American Industries	291
Books Received	291
The Stock Exchange—	
Tips and the Investor.—II.	292
The Week in the Markets	293
London Active Securities	293
The Roumanian Stabilisation Loan	294
Increased Railway Charges?	295
New Capital Issues in January	295
London Gas Companies	296
Tilling and British Automobile Traction	296
Rylands and Sons	297
Jute Industries	297
Decca Gramophone	297
Tin Share Yields	297
N'Changa Copper Mines	298
Company Law	298
Paris Bourse Changes	298
Capital Issues	298
Company Meetings	301
Government Returns—	
National Accounts	309
National Debt	309
Treasury Bills by Public Tender	309
Public Income and Expenditure	309
Bankers' Gazette—	
Bank of England	310
Bankers' Clearing Returns	310
Overseas Bank Returns	310
Loan and Discount Rates	312
Rates of Exchange	312
Bullion	313
Gold and Silver Prices	313
Company News—	
Oil Outputs	300
Summary of Balance-sheets	314
Weekly Traffic Returns	314
Mining Output Statistics	315
Rhodesian Gold Output	315
Dividend Announcements	315
Reports and Notices	315
Profit and Loss Accounts	316
Commercial Reports—	
Corn Trade	318
Coal	318
Iron and Steel	319
Other Metals	319
Cotton Trade	319
Wool Trade	320
Hide and Leather Trades	320
Vegetable Oil	320
Overseas Produce	320
Price Current	322

TERMS OF SUBSCRIPTION.

Quarterly, 14s 6d; Half-yearly, £1 9s 0d; Yearly £2 18s 0d.
Colonies and Abroad, £3 1s 0d. per Annum.

Single copies, post free, 1s 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4.

THE MONEY MARKET.

FIVE AND A-HALF PER CENT.

FOLLOWING gold losses which amounted during the week to £3,060,680, the Bank of England raised its rate on Thursday from 4½ to 5½ per cent. The wider implications of the change we discuss elsewhere in a leading article, but

it is abundantly clear that the intrinsic position of the money market had nothing to do with the increase. Conditions, in fact, immediately before the change were relatively easy. On February 1st the War and Treasury Bonds maturing on that date were duly repaid, and the effect was a contraction during the week of £10,878,217 in Public Deposits, accompanied by an increase of £10,290,087 in Bankers' Deposits. The Bank, too, had more than neutralised the week's gold losses by the acquisition of £5,031,261 of Government securities. Thus, despite an increase of £1,874,811 in the note circulation, leading to a total fall of £4,935,491 in the banking department's Reserve, the market was well supplied with funds, and, in fact, repaid £943,130 of its loans from the Bank during the week.

* * * *

As the week progressed, a general sense of nervousness as to the Bank rate outlook became apparent in the market, and this became intensified with the news of each successive loss of gold. By Wednesday the feeling of uncertainty had crystallised to the point where business was actually restricted. Discount rate, it is true, only hardened a trifle, $4\frac{5}{16}$ per cent. being then the ruling rate for three months' bank bills, but the market was disinclined to deal, and preferred to await the outcome of Thursday's decision as to Bank rate. The event showed that this caution was justified.

* * * *

As part of its policy of maintaining its own rate at $4\frac{1}{2}$ per cent., during the time that rate was in force the Bank had more than once made attempts to stabilise market rate on three months' bills, and the $4\frac{5}{16}$ per cent. rate prevalent recently was in part the outcome of this policy. The point of interest at present is the level at which market rate will settle down under the new condition of a $5\frac{1}{2}$ per cent. Bank rate. Early on Thursday afternoon the market had still to take its new bearings, and in the absence of business market rate was variously described as anywhere from 5 to $5\frac{1}{4}$ per cent. By late Thursday afternoon market rate on three months' bills had settled down at $5\frac{1}{8}$ to $5\frac{3}{16}$ per cent.; this represented a bigger margin between Bank rate and market rate than existed before the change.

* * * *

We may, however, point out one or two possibilities. In the first place, money is likely to remain fairly stringent during the next two months, while tax payments continue to come in. To look no further ahead, large transfers of tax money are due at the end of the current week, and so the market may be fortunate if Thursday's rate for short loans of $4\frac{1}{2}$ per cent. persists. Conversely,

	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 24, 1929.	Jan. 17, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate	$5\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$ (Feb.7,'29
Banks' Deposit Rate	$3\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$ (Feb.7,'29
Discount { Call	$3\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$ (Feb.7,'29
Houses { Notice	$3\frac{5}{8}$	$2\frac{3}{4}$	$2\frac{3}{4}$	$2\frac{3}{4}$	$2\frac{3}{4}$ (Feb.7,'29
Market rate (3 months' bills)	$5\frac{5}{8}-\frac{1}{16}$	$4\frac{15}{16}$	$4\frac{15}{16}$	$4\frac{15}{16}$	..

owing to the excess of maturities over fresh issues, the Treasury Bill rate may stand at a fair margin below the new Bank rate. As regards market rate, the Bank is bound to make it "effective," or the increase in Bank rate will fail in its object, but the Bank may be content to see it at a shade over 5 per cent. Finally, there is some suggestion that the banking world does not expect the new Bank rate to last for more than a few months, but this, of course, is pure conjecture at present.

NEW YORK MARKETS.

The weekly statement shows the New York Federal Reserve Bank to be in a strong position, with reserves up, discounts and bills reduced, and the ratio up 1.8 to 78.8. For the system as a whole changes are for the most part nominal; the chief item of interest is an increase of $31 millions in discounts and a reduction of $25 millions in bills. The ratio is down by 0.1. Logically, any advance in rates should start with the banks of the interior where ratios are considerably lower and where there are still four whose discount rates are only $4\frac{1}{2}$ per cent. The Reserve authorities apparently wish to continue indirect methods, but their action is difficult to predict on logical grounds. Apart from these considerations it is felt that a substantial reaction in the share market is due before spring and it is realised that money normally tightens towards the end of February or the beginning of March. Business news continues good except for some indications of a recession in building construction. The Bradstreet indices of commodity prices rose slightly, chiefly owing to a rise in farm products.

THE STOCK MARKETS.

After a cheerful opening day to the new account, hesitation set in, and on Wednesday a sharper drop in gilt-edged stocks than had been experienced for some time showed that the Stock Exchange had come round to the view that a rise in Bank rate could not be long avoided. The actual announcement on Thursday morning was quietly received, and though Government stocks were marked down further, other sections scarcely suffered. Home Railways enjoyed one good day and then relapsed into neglect. Important movements in industrials were limited to isolated shares, mainly those of large companies exercising virtual monopolies. The monetary situation caused Anglo-Americans generally to weaken. The rubber, tea, and oil share markets received scant attention. Activity in Rhodesian coppers burst out again, and Kaffirs were more interesting than of late, while a sudden upward movement in tin shares attracted interest.

THE COMMODITY MARKETS.

Most branches of trade seem to have been marking time this week. Coal prices continue firm, and a slight improvement in export demand is maintained. Activity in iron and steel is patchy and uncertain. Other metals are strong. Manchester cotton goods have met with poor support abroad, but there are faint indications of a revival in home demand. Bradford business is restricted by uncertainty as to the future of wool values, but a moderate business in piece-goods is being transacted. In the hide and leather trades confidence is still lacking, and Northampton factories continue quiet. Oil cakes are firm, but other seed products remain in only moderate demand. Wheat prices are scarcely changed.

FOREIGN EXCHANGES.

The change in the Bank rate at the moment of writing introduced a buzz of activity into the foreign exchanges, but made it impossible to give forward quotations. All Continental currencies naturally moved with the dollar in favour of this country. Berlin, which had been hard throughout, went up still further, and the peseta, as a result of political uncertainties, moved in a wildly erratic manner, reminiscent of the post-war period. New York is now offered at $4.85\frac{11}{16}$; Paris, 124.20; Milan, 92.70; and Madrid, 30.62, after having touched 32.15. Amsterdam (sellers) is at $11\frac{3}{8}$, and Berlin $20.45\frac{1}{2}$ offered. Geneva went to $25.22\frac{1}{4}$; Stockholm, 18.15; Oslo, 19.00; Copenhagen, $19\frac{1}{4}$; and Vienna, 34.51. The South American exchanges were so far unaffected. The rupee fell away slightly at 1s 6d, but the yen was considerably better. Spot silver lost $\frac{3}{16}$d at 26d, as did forward at $26\frac{1}{16}$, as a result of fair China and India selling and lack of support. The China silver exchanges weakened a little in sympathy, Hongkong to 2s $0\frac{5}{16}$d and Shanghai to 2s 7d.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Lloyds Bank, London Merchant Bank, Skefko Ball Bearing, United States and General Trust Corporation, United Serdang (Sumatra) Rubber Plantations, Associated Automatic Machines, Everlite, and Ind, Coope. The chairman of Lloyds Bank reviewed the financial and industrial history of 1928, and described trade prospects in cautiously optimistic terms. Mr Eric Miller gave an illuminating review of rubber plantation prospects at the United Serdang meeting.

OUR SIXTY-FIFTH ANNUAL COMMERCIAL HISTORY.
With this number our readers will find a Supplement reviewing the trend of financial and commercial events at home and abroad during the past year. A brief survey of events in the Dominions and foreign countries is followed by detailed reviews of the principal trades and industries of Great Britain.

DEARER MONEY.

After remaining at $4\frac{1}{2}$ per cent. for nearly two years, Bank rate has at last been raised to $5\frac{1}{2}$ per cent. Thus ends a phase in Britain's post-war monetary history which in many ways was of outstanding interest and importance. During this period the main object of the Bank of England has been the maintenance of stability, so as to promote a feeling of confidence and to give the trade and industry of the country a firm basis upon which to found its plans for revival. Even though it may seem, to outward appearance, that to-day the Bank has to confess failure, it should be recognised that not only has the Bank met with a considerable degree of success in its efforts to reach its goal, but that it has only done so at the cost of what at times must have been a considerable sacrifice of its own earning powers. In short, the Bank has followed its traditional policy of putting the needs of the nation ahead of its own interests.

Proof of its partial success in maintaining stability is found in the course of commodity prices and interest rates alike. As regards the former, the *Economist* index number, it is true, reveals a decline of 4.7 per cent. since April, 1927, when the $4\frac{1}{2}$ per cent. rate came into force, but this amounts only to around 0.2 per cent. a month, and this at a time when the world course of prices was on the whole downwards. Moreover, several other British authorities make the decline one of only 2 per cent., or even less. The measure of the Bank's success in the field of interest rates is even clearer. Not only was Bank rate itself maintained unchanged, but discount rates were on occasion "unofficially stabilised" for periods extending over several months. Nor were external circumstances such as to facilitate the policy. The year 1928 alone witnessed an ebb and flow in our gold stocks of over £20 millions, while there is no important foreign centre that has not effected at least one change in its Bank rate during that period. If we take into account, further, repercussions arising from the stabilisation of the franc and the boom conditions on Wall Street, it will be seen that the Bank has had a troubled sea to navigate.

The Bank has achieved its purpose only at considerable cost to itself. As we have already had occasion to point out, all last year it pursued a policy of "neutralisation." When gold came in, it sold earning assets, while later in the year it balanced its gold losses by additions to its earning assets. By pursuing this policy it kept the nation's supplies of credit at a constant level, but this policy meant that last summer, when the Bank's gold stocks were at their peak, its earning assets were far below the level that would have been permissible had the Bank's policy been governed solely by consideration of its ratio of gold to liabilities. It is needless to add that each reduction in the Bank's earning assets means a reduction in its own profits. The Bank itself never gave weight to that consideration, nor would it wish others to do so. Still, it is only proper that we should recognise that in pursuance of its neutralisation policy the Bank last summer deliberately depleted its own earning assets in the general interest of the financial world.

If the Bank has in one sense now to confess defeat, it will be generally conceded that it has been beaten by circumstances beyond its immediate control. Three times last year the boom on Wall Street forced the New York Reserve Bank to raise its rediscount rate, and since July it has stood at 5 per cent. Two years ago no one would have believed that New York could remain half a point above London for more than a few weeks without London being forced to follow suit, and the fact that the Bank of England was able to avoid raising its rate for seven months reveals the narrow margin by which it has failed to achieve permanent success. All through the autumn, even when the outflow of gold from the Bank was at its height, we, in common with other observers, hoped that the Bank would weather the storm. Gold losses in the autumn months were, after all, a seasonal phenomenon, and due preparation for them had been made. In January, when the outflow had definitely slackened, it appeared that the gold exports had reached their end, and that the period of strain had been successfully weathered.

The renewal of gold shipments during the past week finally frustrated these hopes. February is a month in which the Bank ought to be replenishing its autumn losses rather than losing more gold, and it was clear that the continuance of Stock Exchange activity on Wall Street was maintaining New York as the magnet for the world's lenders of short money, and incidentally for London's gold. It is true that to the more prudent lenders a New York call rate of 7 per cent. might not be much of an attraction after they had insured themselves against the risk of exchange losses, but not all lenders take that precaution, and, besides, if there was the fear that call rate might drop to 6 per cent., there was also the hope of a return to the dizzy heights of 10 or 12 per cent.

In any case, for good or for evil, the Bank has felt bound to act, and it remains to consider the new position that a $5\frac{1}{2}$ per cent. rate has brought about. In many respects there is no reason for alarm, whether from the standpoint of the financial or of the industrial world. Suspense is nearly as bad for trade as is the actual occurrence of an untoward event, and we are bound to confess that praiseworthy as have been the efforts of the Bank during the past four months to ward off an increase in its rate, they did create a feeling of uncertainty which was hardly calculated to promote confidence in the business world. Now that the blow has fallen, the business world is at least freed from uncertainty.

Nor need there be much fear at home either of a renewed decline in the price-level or of credit restriction by the banks at the expense of legitimate business. Apprehensions on the first point may be allayed by reference to recent American history, where the three increases made in the New York rediscount rate during last year have had no appreciable effect upon the price-level. As regards the second point, hitherto the Bank of England has tried to preserve stability and keep the situation in hand by means of its open-market policy, and at times this has meant movements in the direction of "restriction." The increase in Bank rate will free the Bank's hands in this respect, and if the increase succeeds in drawing back gold to London, it may well turn out that the credit fund is freer under a $5\frac{1}{2}$ per cent. rate than it was during those months when everything was subordinated to maintaining the rate at $4\frac{1}{2}$ per cent.

Finally, the $5\frac{1}{2}$ per cent. rate comes as a definite signal to America. It must not be supposed that Continental centres will remain indifferent to London's lead, and its cumulative effect may well be a definite pronouncement that Europe is not prepared to stand idly by and see the world's gold stocks sucked into a maelstrom. Wall Street can scarcely remain indifferent to such a pronouncement, especially if the New York Reserve Bank follows by a sharp increase in its own rate. In any case, the establishment of European interest rates upon a new and higher level may well draw gold back from New York before long; and if so the $5\frac{1}{2}$ per cent. rate will have done its work. In short, the Bank of England has raised its rate under the pressure of outside circumstances. By so doing it has brought to an end a period of suspense, and has taken definite action towards the better distribution of the world's stocks of gold. It goes without saying that it will reduce its rate so soon as circumstances permit, and there is ground for hoping that no long time will elapse before a reduction is possible. If so, a difficult situation will have been rectified at a comparatively small cost.

RUSSIA.

THE decision on the part of an important group of British manufacturers to send a delegation to Russia to study Russian needs is significant of reawakening interest among business men in the question of Anglo-Russian trade relations. Future prospects are so largely conditioned by political developments within the U.S.S.R. that it is opportune to inquire what is occurring in Moscow, and whether any changes are discernible in the attitude of the Communist Party leadership. In considering Russia we have been taught by long experience that it is wisest to recognise the limitations of our knowledge and to confess our ignorance rather than yield to the temptation of helping it out with conjectures. At this moment, evidently, "something is happening" in Russia, but it is dangerous to go beyond what we really know. If we are faithful to this sober and cautious rule, we must admit now that we only know two general facts, without knowing their relation to each other.

The fact immediately before us is that the struggle within the bosom of the Communist Party, which we may dub "Trotsky *versus* Others," is not yet over. We know that this struggle began almost immediately after the death of Lenin—the Prophet of Bolshevism—who alone possessed the fire and the magnetism and the practical ability which were needed for keeping his companions together. We know that, since Lenin died, none of the surviving Russian Communist leaders has had the capacity to hold the Russian Communist Party together. If Trotsky had been of Lenin's build, he would have stepped into Lenin's shoes. The struggle began because Trotsky's comrades were strong enough to prevent him from doing that. It is still going on because, though they have got the upper hand over him by weight of numbers, they have not been able to put him out of action. The reason is that Trotsky has a genuine following in the ranks of the Russian Communist Party, and the rank and file of the party—an armed and organised *corps d'élite* of the Russian urban proletariat—is the ultimate depository of power in both the U.S.S.R. and the Third International.

In the world at this moment there are probably few political machines so effective for their immediate purpose as the complicated and sinister mechanism by which the Russian Communist Party maintains its power over about a hundred and fifty times as many non-Communists within the frontiers of the U.S.S.R., not to speak of its influence over Communists outside those frontiers in many parts of the world. But when it is a question, not of the Russian Communist Party versus them that sit in outer darkness, but of one latter-day saint against another, then the very nature of the party organisation makes it extraordinarily difficult for any faction in the party to secure a definite victory over its rivals. In the case in point, Trotsky's opponents drove him into retirement for the first time as long ago as 1925, fairly defeated him in 1926, expelled him from the party in 1927, and finally packed him off in January, 1928, to an ultra-remote place called Vernyi in the "Autonomous Soviet Socialist Republic of Qazagistan," on the borders of Chinese Turkestan. But this method of disposing of the defeated Trotsky gives the measure of his opponents' embarrassment. Why not put him to death? We can hardly suppose that Stalin shrank from shedding fraternal blood; and the answer can only be that public opinion within the Russian Communist Party would not have tolerated it. In effect, Trotsky, in the course of a year, has demonstrated the hold which he still has upon the rank and file by managing, even from so awkward a base of operations as the mid-point of Asia, to stir up something like a Fronde in the Party ranks. This Fronde is evidently so formidable that Stalin and his partisans cannot leave Trotsky to his own devices. But, again—exasperated though they must be—they do not apparently dream of disposing of this awkward customer in the obvious way. They can think of nothing better to do with him than to export him from Turkestan to Turkey—with perhaps a faint hope that a Black Sea gale may rid them of this cat-with-nine-lives on the journey.

This much, then, is certain: The Russian Communist Party remains a house divided against itself; and we are told that such houses cannot stand. But it is quite another matter to predict the date of their fall; as witness the Hapsburg Monarchy, whose fall was persistently and plausibly predicted for about 180 years before it eventually happened ten years ago. Let us eschew prophecy; and let us likewise eschew conjectural combinations of one known fact with another. Our other known fact is that since Lenin's death in 1924 there has been a gradual reversal of the New Economic Policy which Lenin inaugurated in 1921. The N.E.P. was perfectly consonant with the opportunist spirit of the revolutionary transition from the capitalist city of destruction towards the Communist earthly paradise. The gist of the N.E.P. was that certain minor departments of economic activity, which the Communist State was not ready to take over at once, yet which could not be allowed to go out of action, should be handed back, provisionally and "without prejudice," to private enterprise. The land must be cultivated; goods must be exchanged in retail; and accordingly the peasant proprietor and the small tradesman were allowed to raise their heads again—with the warning that these heads would be cut off in due time in any case, and curtailed immediately if they were rash enough to raise them too high. It must be emphasised that the N.E.P. was not a cloak for a return to capitalism. It was a policy of *reculer pour mieux sauter;* and the Communist State never for a moment relaxed its hold upon what it regarded as the key positions—namely, industry and foreign trade.

What, then, is the meaning of the fresh offensive of economic Communism in the U.S.S.R., which has been in progress during the last few years? At first sight it might seem to be a resumption of the advance "according to plan," and therefore a sign of strength. There are indications, however, that it is really a sign of weakness; for the Communists seem to have entered upon this second forward movement for establishing Communism in the U.S.S.R., not because they have felt themselves now ready to communise the entire economic life of that vast country, but because they simply did not dare to allow the N.E.P. to continue. They dared not let it continue because the peasant-proprietor and the retail tradesman were turning the restricted and precarious opportunity which the N.E.P. offered them to such good account that the Communists might wake up one day to find that capitalism, readmitted on sufferance, had come to stay. The rulers of Soviet Russia took alarm and hastily started a Communist offensive again; and apparently this offensive has achieved considerable momentary success. The wings of the "Nepmen" have been clipped. The "kulaks," or prosperous peasants, have been cowed into continuing to exchange their agricultural produce against the manufactures of the urban proletariat at uneconomic rates. This momentary success is not surprising, for the Russian Communist Party is a very formidable engine of social warfare. The question is: Have these gains of ground for Communism in the U.S.S.R. been purchased at too heavy a cost? The cost, of course, must be reckoned in terms of loss of economic efficiency, and if this loss is serious, that will hit the Bolsheviks hard, for they rightly hold that the standard of living of "the labouring masses" in the U.S.S.R. is the acid test of Communism, and that, if Communism results in a notable lowering instead of a notable raising of the standard of living in the long run, then Communism cannot stand. Now this might well be the effect of Communism anyway, but it can hardly fail to be the effect of a Communism, prematurely forced on, for political reasons, before its sponsors themselves are prepared for it.

Here, then, is the second known factor in the Russian situation. Communism is making its second offensive—and this, apparently, not from choice, but under pressure from the enemy. It were well, however, to refrain from attempting to bring this second fact into relation with our first fact, namely, the dissension within the bosom of the Russian Communist Party. In 1927 Trotsky was supposed to be an advocate of the offensive and Stalin an advocate of further compromise. Yet since Trotsky's banishment Stalin has certainly been carrying out the very policy in opposition to which he was alleged to have hurled Trotsky from power. It must be remembered that both Trotsky and Stalin are sincere Communists, and that their theological differences are so subtle that to a mere bourgeois outsider they would scarcely be discernible with the naked eye. If they really did fall out over the question of the offensive against the "kulaks" and the "Nepmen," they were quarrelling over a point, not of principle, but of expediency. It is conceivable that Stalin did regard the offensive as inexpedient, but has since been driven into pursuing it by the logic of the situation—a force which is stronger than Stalin, stronger than Trotsky, and stronger than the Russian Communist Party itself, even if it were not at sixes and sevens as it is to-day.

THE NUMERICAL IMPORTANCE OF FOREIGN TRADE.

The importance of Britain's foreign trade is a fundamental fact which supporters of Protection are inclined dangerously to ignore. At our invitation Dr A. L. Bowley contributes the following estimate of the present relationship between our home and foreign trade.

WITH the completion of the Census of Production for 1924 and Mr Flux's recent presidential address on National Income to the Royal Statistical Society, we have all the material that can be available for an analysis of the relationship of the imports and exports of this country to its total income from all sources in 1924, and the account can be carried on to 1928. On many of the factors only broad estimates are possible, and few of the results are trustworthy within a small percentage; but the principal facts can be brought into the right perspective, and a general judgment formed that will be accurate enough for many purposes.

For 1924, the balance of trade, as estimated in 1925 by the Board of Trade, was as follows:—

DUE to the UNITED KINGDOM.

	Million £.
For exports: British produce	801
„ net exports of bullion	12
„ earnings of shipping, net	140
„ commissions, &c.	75
„ interest from abroad	220
	1,248

DUE from the UNITED KINGDOM.

For imports, less re-exports	1,137
On Government account, net	25
	1,162

The balance, £86 millions, was said to be available for additions to our investment abroad.

The imports are classified in the trade returns as food, drink, and tobacco, £541 millions; raw materials and goods mainly unmanufactured, £324 millions; goods wholly or mainly manufactured, £266 millions; miscellaneous and parcels post, £6 millions. The goods "mainly manufactured" include a very considerable amount of partly-finished products (such as pig-iron, undressed leather), and of other goods, such as motor spirit and other oils, which might as well have been termed "mainly unmanufactured." An analysis on the lines followed by the Board of Trade in a report in 1904 leads to the following classification:—

	Million £.
Raw materials, &c.	324
Manufactures—	
C. Partly manufactured	37
B. Requiring some further process	109
Total of above	470
A. Ready for consumption	120

Pig-iron is an example of goods classified under C, yarns and steel girders of those under B. Of food imports, &c., also, a considerable quantity needs preparation or manufacture before use—for example, tobacco and unrefined sugar—while grain is the raw material of the millers. Mr Flux finds that in all £674 millions of imports were used for industrial or agricultural processes. Of the remaining £463 millions, about one-quarter consisted of completed manufactured goods and nearly three-quarters of food, &c., ready for use. In short, our foreign trade is to a large extent an organisation for supplying us with raw materials and food.

It is not possible to make a valid estimate of the amount of home-produced materials, but we can make some computations about food. The whole value of the production of home agriculture and fisheries in 1924 is estimated at about £330 millions. Part of this is due to imported materials for agriculture, and part (*e.g.*, wool) is not food, but material for manufacture; these items may roughly be balanced against the value of the manufacturing processes, such as cheese-making, applied to home-produced food. The value, at the ports, of food imports (not including wine or tobacco) was £515 millions. Thus, on the basis of wholesale prices, and excluding the preparation or manufacture of imported food, the country depends for food to the extent of 60 per cent. on imports and 40 per cent. on home production. The exact proportion to be allotted depends on intricate definitions, and an estimate of 65 per cent. foreign could be justified.

In a previous article on this subject (*Economist*, November 17, 1923) an estimate was made of working-class expenditure on imported food, and this has been re-examined in the light of recent figures. The method adopted is to divide the standard budget, used by the Ministry of Labour for the calculation of the cost of living index-number, into home and foreign produced goods, and to make allowance in detail for the changes of prices. The result is to allocate 35 per cent. of the food expenditure to imports, as valued at the ports, and about 20 per cent. to the preparation thereof and their distribution to the consumer (Customs excluded); thus 55 per cent. is spent on food of foreign or colonial origin and 45 per cent. on home-produced food. The more general analysis given above relating to the relative values of home and imported food, unmanufactured and at wholesale prices, suggests that this 55 per cent. is an under- rather than an over-estimate. Certainly more than half of working-class expenditure on food is on commodities originating abroad. It may be estimated that of the aggregate of imports of all kinds retained in the United Kingdom, at least £350 millions (as valued at the ports) represents food, or ordinary necessaries or their essential materials, as consumed by the wage-earning classes; and, we may add, the competition of imports in nearly every material and article of food tends to keep down prices to the consumer.

We may now turn to the consideration of the magnitude of manufacture for export. As is well known, the principal statistics given by the Census of Production relate to "net output," or the value added by manufacture, being the excess of the selling value of the goods produced over the value of all the materials and semi-manufactured articles used in production. The "net output" of industry and mines in 1924 is estimated at £1,630 millions, or, including agriculture and fisheries, £1,870 millions, after allowing for goods transferred from industry to agriculture and *vice versa*. The gross value of exports was £800 millions, f.o.b. From this must be subtracted the cost incurred between the factories and the ports and the value of imported raw materials, &c., contained in the exports; and a rough estimate leaves £530 millions as the value of the "net output" for export at the time the goods leave the factories or other places of production. On this basis it appears that between 25 and 30 per cent. of the whole product of industry, mining, and agriculture is exported; of industry and mining alone the proportion is over 30 per cent.

Now, industrial and mineral production for export employs directly some 2,100,000 wage-earners and about 230,000 salaried persons. It accounts for about one-seventh of all wage-earners in the United Kingdom, with an annual wage-bill of £200 millions to £240 millions, and it furnishes directly nearly one-seventh of the whole national income. The values of some services less directly connected with production for export have also to be brought into account. The transport of exports to the ports and of the raw materials used in them from the ports to the factories, with commissions and incidental expenses, may be put at about £125 millions. There are also services at sea, which may be roughly valued as follows: £800

millions exports imply also in the long run £800 millions imports; having regard to the proportion of British ships to all engaged in our foreign trade, to the total estimated earnings of shipping, and to the average cost of sea-transport, it appears that between 4 and 6 per cent. on the £1,600 millions, imports and exports together, is a reasonable estimate for the value of these services—that is £64 millions to £96 millions. Now add together the cost of production and of transport, &c., by land and sea, and we get between £700 millions and £750 millions as the whole amount of income that depended on production for export. This is nearly one-fifth of the national income, which Mr Flux reckons as between £3,750 millions and £4,200 millions in 1924, while the estimate given in "National Income" (Bowley and Stamp) was £3,700 millions to £3,900 millions. A similar calculation for the period before the war shows that the corresponding aggregate then amounted to nearly one-quarter of the national income. If so high a proportion was again attained, there would be additional employment for seven or eight hundred thousand wage-earners, if there were no counterbalancing factors.

Additional sums that might be brought into the reckoning, when we are considering the whole importance of foreign trade, are the inland transport and distribution of all imports (so far only reckoned on raw materials for exported manufactures), which from the ports to the consumer may amount to anything from £150 to £250 millions, and also the services at sea connected with them and the Customs duties on them. Including these factors, it is probably safe to say that as much as one-quarter of the national income depends on the existence of foreign trade. The changes in production, export, and income from 1924 to 1928 have not been sufficient to alter the proportions thus roughly stated.

SHIPBUILDING IN 1928.

JUDGED solely by the criterion of output, 1928 might be accounted the best shipbuilding year since 1921. The annual summary of the world's tonnage production, issued this week by *Lloyd's Register*, shows that during the past year British yards launched 1,445,900 tons, an increase of 220,000 tons in comparison with 1927. Foreign launchings were 194,000 tons higher at 1,253,319 tons, so that the total increase in world production amounted to 414,000 tons, or 18 per cent. During the course of the year, however, the situation of the industry fluctuated considerably. In the case of British yards the year began with a proportion of the arrears accumulated during 1926 still not worked off, and, as the contracts in hand were completed, activity steadily declined to a low level, from which a recovery took place in the last quarter. The following table shows the tonnage of work in hand at the end of each quarter, corresponding figures for earlier dates being added for purposes of comparison :—

TONNAGE under CONSTRUCTION (Thousand Tons Gross).

Date.	United Kingdom.	World.	British Percentage.
Dec. 31, 1913	1,957	3,331	*59*
„ 1920	3,709	7,180	*52*
„ 1927	1,580	3,119	*51*
March 31, 1928	1,441	2,893	*50*
June 30, 1928	1,203	2,660	*45*
Sept 30, 1928	1,090	2521	*43*
Dec. 31, 1928	1,243	2,618	*47*

It will be seen that the work in hand in British yards, which rose steadily from 760,000 tons at the beginning, to 1,580,000 tons at the end of 1927, declined seriously during the first nine months of 1928, under the influence of the acute depression of cargo freights between January and July; and though the heavy grain shipments of the autumn produced a sharp recovery in freights and led to substantial new orders for tonnage (work begun rising from 245,000 tons in the September to 432,000 tons in the December quarter), the volume of British tonnage building at the end of the year was smaller, and represented a lower percentage of the world total, than twelve months earlier.

In order to place the recent situation of the industry in its proper perspective, we give below an analysis of the production figures of the past three years in comparison with those for 1922-25, and for the quinquennium immediately before the war :—

TONNAGE OUTPUT.

Period.	Tons Launched (000's). U.K.	Abroad.	World.	British Percentage.	Output as per Cent. of 1909-13. Britis	Foreign	World.
Average 1909-13	1,522	967	2,489	*61*	100	100	100
„ 1922-25	1,050	1,087	2,137	*49*	69	112	86
1926	640	1,035	1,675	*38*	42	107	67
1927	1,226	1,060	2,286	*54*	80	110	92
1928	1,446	1,253	2,699	*54*	95	130	108

An examination of the post-war figures suggests that there is little ground for hoping that the day will quickly return when Great Britain was building 60 per cent. of the world's shipping. Last year, it will be observed, British output was 5 per cent. lower than in 1909-13, whereas production abroad, stimulated in some instances by State assistance, showed an increase of 30 per cent. in comparison with the pre-war period. Moreover, as may be seen from the following summary of production in certain foreign countries, last year's output abroad represented in few instances the maximum capacity of the yards, as shewn by earlier high records :—

TONNAGE LAUNCHED ABROAD ('000 Tons.)

	High Record since 1920.	1926.	1927.	1928.
Denmark	139	72	72	139
France	211	121	44	81
Germany	526	181	290	376
Holland	232	94	120	167
Italy	220	220	101	59
Japan	227	52	42	104
Sweden	107	54	67	107
U.S.A. (coast)	995	115	124	86

Shipbuilding activity declined in Italy and the United States in 1928, and the work in hand in Germany, whose annual output showed a substantial gain, was not so large at the end as at the beginning of the year. With these exceptions, however, foreign building was well maintained last year, and the expansion of the industry abroad is reflected in the fact that of the tonnage launched in 1928 only 20 per cent. was destined for foreign owners, as compared with an average of over 22 per cent. in 1909-13.

The present returns include a number of interesting features which illustrate tendencies in shipbuilding development. Nearly 44 per cent. of the total tonnage launched in the world during 1928 consisted of motorships, which represented 29.7 per cent. of the British, and nearly 62 per cent. of the aggregate foreign production. Moreover, 560,000 tons of the steam tonnage launched referred to vessels fitted for oil fuel, so that only 34 per cent. of the world's output was exclusively dependent on coal for propulsion. Excluding craft of less than 500 tons, the average size of the vessels launched from British yards was 4,656 tons, as compared with 4,193 tons a year ago, and 3,777 tons in 1924. Notable launches in this country were the "Viceroy of India," a turbo-electric vessel of 19,000 tons, ordered by the P. and O. Company, and three 20,000-ton turbine liners for the Canadian Pacific Steamships, Limited. Abroad, Germany launched the two largest ships of the year, the "Bremen" and "Europa" (46,000 tons), whose entry into the North Atlantic passenger trade has been seriously delayed by labour disputes in the German yards, while a turbo-electric ship slightly larger than the "Viceroy of India" was launched in the United States.

The most important issue, however, suggested by *Lloyd's Register's* annual report is the question whether the recent recovery of British shipbuilding from the depression of last summer is likely to be lasting. The view was expressed in these columns a year ago (*Economist*, January 28, 1928) that the maximum average annual production attainable by the world's yards in 1929-33 would probably not exceed 2¼ million tons a year. In 1928 this figure was exceeded by 450,000 tons, and if the rate of "commencement" recorded in the last quarter of 1928 (681,000 tons) were maintained, production in 1929 would also considerably surpass our estimate. There are, however, several considerations to be borne in mind before more optimistic conclusions as to the future are reached. In the first place, tanker tonnage has represented a considerable proportion of the last two years' output. In 1927, 542,000 tons, and, in 1928, no less than 647,000 tons of this type of vessel were launched—an addition to the world's oil-carrying fleet much in excess of present requirements. The tanker freight market is now in the depths of acute depression, and orders for fresh tankers are being, and are likely to be, placed very sparingly. To make good the probable restriction of this class of building for some time to come, the shipbuilding industry must rely (in the absence of an unexpectedly great acceleration in the rate of normal "liner" replacement) on an increase in demand for new cargo-carrying units of the "tramp" class. Temporarily stimulated by a moderate (and largely seasonal) improvement in whole-cargo freights during the past four months, this demand is of a highly precarious nature, since, apart from periods of seasonal activity, the supply of tonnage is still substantially greater than the flow of cargoes; freights (as measured by the *Economist* Index Number) are no more than 13 per cent. above the level of 1913; and much tonnage is still laid up.

All things considered, there appears as yet to be scant warrant for hoping that our forecast made a year ago was unduly pessimistic, and though prospects for the next six months in British yards are favourable, the further outlook for the industry is not encouraging from the aspect either of employment or of financial results, since recent contract prices have been cut in many cases to a barely remunerative level. Production costs abroad are no longer so low as *per se* to render foreign rivalry abnormally severe, but the British shipbuilding industry is suffering heavily from internal competition between concerns whose aggregate capacity is in excess of existing or probable demand, and whose operating expenses are burdened with top-heavy standing charges on unused plant. The situation is one in which temporary spurts of activity should not be allowed to obscure the need for tackling the still unsolved problem of "rationalising" competition and production in the industry itself.

THE GERMAN NEWSPAPER PRESS.

BY OUR BERLIN CORRESPONDENT.

IN Germany, the country *par excellence* of decentralisation, with its thousands upon thousands of separate and individual opinions, every political party or group, every religious body, every cultural or economic movement, every district, every town thinks it necessary to demand a newspaper as its mouthpiece. In view of this peculiar trait it is not surprising that a close examination of the financial structure of the news industry reveals unmistakably that the idea of such consolidation in the newspaper world as has taken place in England, America and other important countries is bound to encounter in Germany an almost insurmountable barrier in the psychology of the people.

Germany possesses no newspaper amalgamation comparable to the Rothermere and Berry groups in England or to the Hearst group in America. Even the so-called Hugenberg combine, which represents an innovation in German journalism, does not resemble in structure its foreign prototypes. The vast majority of German papers are still run as individual undertakings, faithful to the tradition of family ownership. Thus of approximately 3,250 German papers in 1928 no fewer than 2,650 were family undertakings; of these some 96 per cent. were exclusively family property, and only the small remainder of 4 per cent. had organised themselves under the form of limited liability or joint-stock companies. Apart from these last-mentioned companies, all these ventures were unimportant organs which in few cases achieved a circulation exceeding 2,000. The big papers, on the contrary, have adopted the limited liability or joint-stock form. The more impersonal form of the limited liability company occurs in 200 cases, and only 48 undertakings having between them some 60 to 70 papers have adopted the joint-stock form, which, according to the experience of other countries, offers financially the greatest scope. But it is these very papers, which are numerically the smallest part of the German Press, whose importance and standing in the world at large make them the standard of German journalism. The aggregate circulation of those papers which are conducted by limited liability and joint-stock companies is undoubtedly many times that of the whole of the rest of the Press put together. Unfortunately, however, exact circulation figures of German papers are unobtainable. There is in consequence little publicity in the economics of the German Press. The *Berliner Morgenpost* has the greatest circulation—560,000 copies, in round figures. Among illustrated papers, the *Berliner Illustrierte Zeitung* stands in solitary glory with its 1½ millions. Circulations exceeding 100,000 can be counted on one's fingers; the big papers of the principal cities, which are sold on the streets, and a few representatives of the so-called *Generalanzeigerpresse*, which in politics and general outlook take a very broad view. Thus circulation can hardly be regarded as a criterion of importance, since, for example, the *Berliner Zeitung am Mittag* or the *Berliner Illustrierte Nachtausgabe*, which are among the "*Asphaltzeitungen*" with the largest circulation, cannot be rated so high as representatives of opinion inside or outside the country as, say, the *Vossische Zeitung* or the *Berliner Tageblatt*, which scarcely attain a circulation of 100,000, but play a decided part in political life, and are in the first rank as journals of international reputation. It is thus evident that in Germany it is not amount of circulation, nor crudeness of realism and sensation-mongering, nor the general get-up of the paper, that weighs with the reader, but the representation of his opinion and views, and the reflection of the politics of a definite party. A necessary consequence is a marked stability in the financial structure of the German newspaper industry. The selling of newspapers and of large blocks of newspaper shares is almost unheard of in Germany. Among German newspapers, only the *Deutsche Allegemeine Zeitung*, with which Hugo Stinnes was once connected, has often changed owners, though the *Acht Uhr Abendblatt* also is now alleged to have renounced its independence and come under the control of the "Mosse" Press. Only two of the 48 newspaper companies appear on the Stock Exchange—the *Königsberger Hartungsche Zeitung*, with a small number of shares, generally dealt in on the Königsberg exchange, and the "Gundlach (Papier) Aktiengesellschaft Bielefeld," which publishes in Bielefeld the *Westfälische Neueste Nachrichten*,

Travel and Money

The far too common method—or lack of method—of carrying cash in bulk when abroad, is wholly unsatisfactory. Travellers are invited to consider the arguments of two leaflets issued by the Westminster Bank, *Points before Travelling*, and *Safeguards for the Traveller*, which will be gladly sent by the Secretary of the Bank on application.

WESTMINSTER BANK
LIMITED
Head Office: 41 Lothbury, London, E.C.2

a paper of the *Generalanzeiger* type. In these cases also there can be no question of an easy change of ownership.

These are the fundamental reasons for the non-existence of newspaper organisations of wide scope and importance in Germany, and for the limitation of concentration movements, apart from the Hugenberg organisation (which will be referred to later), to amalgamations of weak undertakings in need of a tonic, which endeavour by sharing editorial, printing and management expenses to keep their heads above water. Apart from small associations of this kind, there are three larger combines among the Press of the Centre Party: in Munich 17 Bavarian local papers of extremely small circulation are united in the "Bayrische Zeitung's block"; 19 papers belong to the "Verbo" combine (Association of Upper-Suabian Newspaper publishers) in Ludwigshafen; and the "Zeno" combine in Münster (Newspaper Publishers' Association of North-West Germany) comprises 28 papers in the Münster district, which all publish the same text and are only distinguished by their titles and their respective local news sections. Although wrongly so designated, the Huck Organisation is not to be regarded as a newspaper combine; the Huck family gave their name to it because they have a controlling interest in the capital of a few papers. It is extraordinarily difficult to give an accurate account of associations of this kind. Besides the *Stettiner Abendpost* and the *Dresdner Neueste Nachrichten*, seven other papers are alleged to belong to it. Similar developments have given rise to the Fuchs organisation, to which four other papers in addition to the *Danziger Neueste Nachrichten* and the *Stuttgarter Neues Tageblatt* are alleged to belong, and, lastly, to the Leonhardt organisation, which controls some seven papers from its headquarters in Brunswick.

These associations, broadly considered, may perhaps be regarded as amalgamations of the combine type, but the designation "combine" is completely inappropriate to the biggest German publishers—"Mosse," "Scherle," and "Ullstein" in Berlin, and "Guardet" in Essen. The extension of these houses is not the result of the absorption of financially weak enterprises, but of growth from within, the constant production of new papers and periodicals. They are typical examples of a concentration whose only resemblance to combination is in its external effects, so that none of these belongs to the category of newspaper combines.

The Hugenberg organisation alone can claim to be a newspaper combine. In attempting to describe its structure one comes up against the difficulty that all details of this new phenomenon in German journalism which achieve publicity are slightly suspect, since it is concerned with a process of concentration which has as its object the bringing of all agents and instruments of "public opinion" under one control, in order to secure a powerful political instrument for the moneyed interests. Along with the *Scherlverlag* the Hagenberg combine owns, among many others, the *Vera Verlag*, the *Telegraphen Union*, nine German papers, including the München Augsburger *Abendzeitung*, the *Bergisch Märkische Zeitung* in Elberfeld, the "Universum Film A.G.," a number of connections of all kinds, and various societies which are in a position to exercise a suitable influence on the formation of public opinion.

Side by side with these few groups with unified capital and the one true newspaper combine there is in Germany the large number of completely independent papers which have made no essential changes in their traditional policy for decades. Besides the big party papers in Berlin, a few important provincial journals are worthy of mention in this connection, as, for example, the *Frankfurter Zeitung*, the *Hannoversche Kurier*, the *Kölnische Zeitung*, the *Kölnische Volkszeitung*, the *Magdeburger Zeitung*, and sundry others. These papers, in spite of their small circulation and local character, play an important part in the significance and influence of the German Press.

It is thus clear that changes of ownership or of policy are rarer among German newspapers than among those of some other countries, and there is no sign of the formation of combines in the news industry. And so matters are likely to remain, for the uniformity of public opinion, which goes hand in hand with combination, will always be too uncongenial to the mentality of the German people, too alien to a pronounced peculiarity of German psychology to make possible a definite abandonment of the decentralisation of German journalism, however clearly development in a single case like that of Hugenberg may seem to point in that direction.

INVESTMENT OVERSEAS.

AMONG the most keenly contested political issues, since the Great War deposed *laissez-faire* from its British throne, have been those concerned with international trade and the greater or less governmental interference therewith—Safeguarding, Imperial Preference, Reparations, the gold standard and the measures necessary to secure it. To the structure of this edifice of argument two general factors have contributed, the indecision of expert theoretical testimony and the want of important statistical data. Especially is this true of the questions raised by the international transfer of capital, so we should be grateful for a work* by four experts in this field which helps to supply both deficiencies. Not that the matter has been finally clinched; the dust of controversy still hangs around even a rather humble Purchasing Power Parity; the definitive fixation of Reparations is still before us; there will be many whom Mr Norton's unashamed *apologia* for military interference on behalf of investors in "backward" countries will merely exasperate; and Professor Gregory would be the least likely to claim that his is the last word on the time-worn controversy: Has Great Britain been borrowing short to lend long?

More timid men than he might have been excused unwillingness to step in where Mr Keynes and Mr Bernard Shaw have trodden arm in arm, but here Dr Gregory boldly offers us an objective analysis of three British schools of thought towards capital exports—the traditional *laissez-faire* or "City" view, the Imperialist Protectionist or Conservative view, and the Economic Nationalist or Liberal Yellow Book view. Charitably forbearing, he spares no words for less coherent and, alas, more popular arguments—including the fetish of "a favourable balance of trade," which Professor Cassel trenchantly demolishes. Perhaps the best answer to those who worship at that time-hallowed shrine is the fact that if anything could give Germany a "favourable" balance to-day it would be her Reparation obligations.

But probably the most valuable part of this book is its discussion of Germany's true economic position, which has enabled her to pay Reparation dues promptly while she still has a net excess of imports over exports. Professor Cassel, like Mr Keynes, has long been a critic of overweening endeavours to make Germany pay. Backed by valuable theoretical arguments concerning the part played by capital movements in international trade, whose conclusion is that governmental interference therewith is almost certain to do harm, he emphasises the fact that, in sum, Germany has paid her public debts only by private borrowing. Later in the book, Dr. Kuczynski gives figures which support this assertion. In the first 45 months of the Dawes plan Germany paid some $1,200 millions, of which only a fraction was transferred in cash. Meanwhile, in spite of official and unofficial embargos in lending countries, she has managed to issue abroad since 1924 loans totalling $1,546 millions, of which New York issues accounted for $1,039 millions and London issues for $171 milions. Thanks to considerable cross-purchase between the various markets, these figures cannot be taken as accurately representing the respective British and American shares in German reconstruction. Nevertheless, the fact remains that America's position as the creditor of the Allies, themselves receiving payments from Germany, has been counter-balanced by a heavy net export of capital from the United States to Germany. The question which Great Britain as well as those two countries have to face is, how long can this go on and what are its consequences?

Investments in Germany, used in the long run, however indirectly, to finance her debts to us, are like any other conversion operation; they transform a present capital obligation into an obligation to pay interest and sinking fund over a number of years. Unless, however, these current payments can themselves be met by a commodity surplus, debts begin to accumulate. No doubt the test of financial soundness will be the willingness of investors to invest further capital; but when, if ever, the day of their reluctance comes, some people fear the inability of Germany to meet her obligations. The probabilities of the case cannot be sounded now, but this fact alone indicates the difficulties which face the new Reparations Committee.

Germany has not been by any means the only receiver of our recently exported capital, for wherever we turn we see evidence of heavy British investment in Europe, and it has yet to be shown that we have lost our position as the world's greatest exporter of capital. Bitter is the controversy over our justification for retaining it, and we are grateful to Dr Gregory for his lucid exposition of the arguments in the field. But his interesting examination of the contention that we have been borrowing short to lend long, with which on the whole he agrees, seems just to lack full consideration of the extent to which new foreign issues are financed by the sale of other securities overseas or are reflected in a commodity export only after a lapse of months. Even if his thesis be true, our international economic position is so dependent on the maintenance of London as a world financier that the bogy must be endured, and will doubtless turn out to be no more than a white sheet and a carved turnip.

On the other hand, should it be proved that we are lending so much abroad that we are starving our own industries of capital, then the restriction of capital exports—should it be feasible—stands vindicated in the eyes of an influential school of opinion. An export of capital must mean a corresponding excess of exports of goods, and in the case of this country almost certainly capital goods, though the intervention of a third party might mean that a loan for the construction of a steel works resulted in an export of motor cars or whisky. The payment of interest means an import of goods—naturally such goods as we require from abroad. The development of a foreign industry or a foreign country may result in a growing market for products of all sorts—such a market as our developments of the Far East have given us. But it may result, it is argued, in the creation or stimulation of a competitive rival, while the alternative investment at home entails just as great a demand, which is quite as certainly directed towards capital goods, markets for which are now so badly depressed. The export of capital may have assisted that shifting of demand which explains the broader aspects of our present unemployment problem.

To this the orthodox reply insists that the test of the most productive direction, economically, for the employment of capital is the rate of return balanced against the risk, wherefore a free market for capital secures its best distribution. The justification of interference, then, requires proof of two things, that general advantages which are not obtained by the specific firm or industry ought to be added to the home rate of return before it can be compared as an economic test with the return obtainable abroad, and that control is politically practicable.

* "Foreign Investments." Lectures on the Harris Foundation in the University of Chicago, comprising "International Movements of Capital," by Gustav Cassel; "Great Britain and Foreign Investments," by T. E. Gregory; "American Loans to Germany," by Robert R. Kuczynski; and "Backward Countries as a Field for Investment," by Henry Kittredge Norton. University of Chicago Press. 15s.

MORE LIGHT.

IT is said that Archimedes, discovering his famous principle at the moment of plunging into his bath, tore naked into the streets proclaiming to an astonished world: "*Eureka.*" We cannot help feeling that the populace of Syracuse were probably moved more by this unusual and diverting spectacle than by the scientific importance of the discovery. Professor Einstein, having, to the best of our knowledge, indulged in no such extravagant displays of philosophic zeal, has aroused comparatively little concern in the bosom of the "evening-newspaper-reading" public, and may yet pass to history unillumined with the glamour of a scandalous fable. But let not that obscure the importance of his latest contribution to the theory of Nature. Since the Aristotelian physics pined in the intellectual hibernation of the Middle Ages, science and philosophy, though too often rivals, have jointly sought to pare their conclusions with Occam's "Razor"—"*entia multiplicanda non sunt præter necessitatem.*" In this elimination of redundant "elements" Descartes and Kant have shared with Newton and Gauss, but perhaps the most sweeping achievements have been made in the present century by the "field-physics" of Maxwell and others, and by Professor Einstein's own reduction of gravitational forces to conformations of a single space-time. Scientists have discarded the notion of force as something different from the spatio-temporal system in which it operates, along with that of the hypothetical "ether" which filled all space, and yet was not that space. But the ultimate goal, a single element or system of which all phenomena should be modifications expressible by mathematical formulas—a system so succinct and simple that only the most highly trained mathematician could achieve knowledge of its intricacies—remained to be reached.

Professor Einstein, by evolving a space-time which combines the property of "parallelism" (hitherto regarded as peculiar to Euclidian space) with the wider capabilities of certain non-Euclidian surfaces, has—it is reported—enabled the spatio-gravitational system to embrace the facts of electro-magnetic fields, and thus brings us to within hailing distance of that scientific El Dorado. Reports yet current leave it uncertain whether he has also succeeded in reconciling the space-time continuum with the discontinuous properties (quanta) discovered by infra-micro-physics. Is the world a single something or an assortment of "manufactured articles"? The heart stands still and the brain turns dizzy at contemplation of such stupendous mysteries. We find ourselves turning with impatience from these grapes beyond our reach to bite on the coarser but more nourishing fruit of every-day affairs. Can we regard the discovery of ultimate truths as an incongruous and irrelevant incident in a material world, or is this strange dissatisfaction of man before incompleteness of knowledge the urge which will bring him to the end for which humanity was created? Perhaps; but a world populated exclusively by a race of Mr. Bernard Shaw's "Ancients" is a prospect from which *les hommes moyen sensuels* in all ages have been apt to revolt. Sad though it be to depreciate neglect of this world in the pursuit of abstract truth, the less intellectual of us can find comfort in the fate of the absent-minded Archimedes, who, at the massacre of Syracuse by Marcellus in 212 B.C., was run through by a Roman soldier while drawing a mathematical diagram on the sand.

THE MERCANTILE BANK OF INDIA, Ltd.

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

Capital Authorised	£3,000,000
Subscribed Capital	1,800,000
Paid-up Capital	1,050,000
Reserve Fund and Undivided Profits	1,584,846

Branches and Agencies:

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

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and conducts every description of Banking Business in Connection with the East.

Fixed Deposit Rates will be quoted on application.

On CURRENT ACCOUNTS interest is allowed at 2 per cent. per annum on daily balances, provided interest for the half-year amounts to £1.

Trusteeships and Executorships Undertaken.

JAMES STEUART, *Chief Manager.*

Notes of the Week.

The Cruiser Bill.—On Tuesday, February 5th, the Cruiser Bill passed the Senate by 68 votes to 12, and with the time-limit clause. That is, fifteen 10,000-ton cruisers are to be laid down at the rate of five a year during three successive years. President Coolidge made it clear that he disliked the time-limit because he feared that it might be prejudicial to the Conference on the Limitation of Naval Armaments, which is due to take place in 1931, but he is unlikely to use his veto. At most he may delay the entry of the programme into operation by deferring the date of his assent until the latest moment constitutionally permissible. From the international point of view, however, the time-limit clause is less important than the Reed amendment, which was passed by 81 votes to 1. This proviso, which has thus become an integral part of the Act, calls for the negotiation—"if practically possible, prior to the meeting of the Conference on the limitation of armaments in 1931"—of "a treaty or treaties with all principal maritime nations regulating the conduct of belligerents and neutrals in war at sea, including the inviolability of private property thereon." The effect of this clause will be to compel us, in the near future, to make up our minds whether we propose to cling to our traditional claims in the matter of belligerent rights at sea or not. This is emphatically not a matter for naval officers or politicians, but for the electorate, since the future trend of our relations with the United States depends on our decision. At the forthcoming general election this ought to be one of the major issues. For the moment we merely draw attention to the fact that both the traditional policy of the British Government and the Reed amendment to the new American Cruiser Act presuppose the international dispensation which existed before the creation of the League of Nations or the negotiation of the Kellogg Pact. In other words, it is assumed that the normal war is a "private war" waged as "an instrument of national policy." Our wisest course will be to dispose of the question of "private wars" by frankly and unconditionally accepting the American *desideratum* in regard to belligerent and neutral rights as far as "private wars" are concerned. It is only when we have got this business out of the way that we can look forward to persuading the Americans to talk over with us a new and quite different question which, in our opinion, will be of far greater practical importance in the future. This question is: What system of international law is to govern the situation arising out of a breach of the Kellogg Pact, in which there will be no such things as "war" or "belligerents" or "neutrals," but simply an international police operation in which some parties to the Kellogg Pact will co-operate actively while others will assist passively, but in which all parties alike will be under a moral obligation at least not to put impediments in the international policemen's path.

The Kellogg Pact in Action.—As this issue goes to press, the latest news is that a protocol bringing the Kellogg Peace Pact into immediate operation as between the U.S.S.R. and the European border States is on the point of being signed at Moscow. This notable step is being taken on the Soviet Government's initiative, the original suggestion having been for a bilateral protocol between the U.S.S.R. and Poland. When first announced, the suggestion seemed to have little prospect of success. The Polish Government showed signs of being surprised and embarrassed and of suspecting a trick—for *timeo Russos et dona ferentes* has long been a maxim of border State diplomacy. However, the Poles, after thinking it over and consulting their friends, made the very reasonable reply that they would be willing to sign the suggested protocol, not alone, *vis-à-vis* the U.S.S.R., but in company with the other border States to north and south of them. Poland could hardly sign without this proviso, considering that she has a mutual insurance treaty with Rumania; and the insistence that Rumania should be admitted to participate in the protocol was a test of Moscow's good faith in making this overture, for the danger of a breach of the peace is greater as between the U.S.S.R. and Rumania than it is as between the U.S.S.R. and Poland. The present frontier between Poland and the U.S.S.R., though it has placed some millions of white Russians and Ukrainians under Polish rule, at least rests on a treaty to which the Moscow Government, as well as the Warsaw Government, has set its hand. The present frontier between Rumania and the U.S.S.R. has been established by a Rumanian military occupation of the ex-Imperial Russian Province of Bessarabia; and though the incorporation of Bessarabia in Greater Rumania has been endorsed by the principal Allied Powers, and has been given a degree of moral sanction by certain rather dubious expressions of the will of the Rumanian majority in the population, it has never been recognised by any Russian Government—Red, White, or Green. Thus a serious danger to peace was sensibly diminished when Moscow accepted Poland's condition, and simply requested in return that Lithuania should be regarded as a border State for the present purpose. To this, in turn, Poland appears to have assented, and though last week it seemed as though Lithuania might be prevented from participating by an internal upheaval against Professor Vildemaras's dictatorship, the dictator seems now to be firm in his saddle and ready to take up the pen and sign the protocol in company with his neighbours. Thus the omens are that, by the time this issue is published, the Kellogg Pact will have come into force as between the U.S.S.R., Estonia, Latvia, Lithuania, Poland, and Rumania. The renunciation of war as an instrument of national policy between the U.S.S.R. and Rumania, and between Poland and Lithuania, is more than we could have ventured to expect, even a few months ago. It robs the Vilna question and the Bessarabia question of many of their terrors, and goes far towards wiping one of the principal danger zones of Europe off the map.

Monsieur Poincaré on Alsace.—Whether or not Monsieur Poincaré goes down to history as "the man who saved the franc," he is making his countrymen pay heavily in some ways for their temerity in having put him into power again. When he returned after his eclipse he was to concentrate on rehabilitating French public finance, and for that task, it was suggested, conservatism could not be too conservative nor rigidity too rigid. After finding his personal political prestige restored *pari passu* with the restoration of the value of the national currency, M. Poincaré is unhappily demonstrating in other fields that he has "learnt nothing and forgotten nothing." For example, his three-days' speech on Alsace in the Chamber during the second half of last week has given the Alsatian question an ominous turn for the worse. Voluminously documented and meticulously argued, it seems to have overlooked nothing except the heart of the matter. The heart of the matter, of course, is that, after ten years of reunion with France, the Alsatians are ill at ease, and are anxious to discuss with their fellow-citizens, in a friendly and reasonable way, what can be done to put their relations on a more comfortable footing. After half a century of separation, some friction in the readjustment of relations between France and Alsace is the most natural thing in the world. Now the moderate Alsatian leaders (and most Alsatians have learnt the lesson of political moderation in a hard school) had hoped that the debate in the Chamber would give just the opportunity for starting a discussion of the real Franco-Alsatian problem on constructive lines. And it is this hope which Monsieur Poincaré, in his monumental speech, has deliberately blighted. The gist of the speech was this: "Here are the statistics of the material benefits which France, in her generosity, has conferred upon you Alsatians. These statistics prove that, in refusing to merge your identity in the body politic of the Republic, One and Indivisible, you are guilty not only of treason, but of ingratitude. For this there are only two possible causes: one is original sin, the other is the artfulness of the Trans-Rhenane *Tempter*." So Monsieur Poincaré kills two fat birds with one stone. He exasperates not only Alsace, but Germany, and starts an international controversy—full of statistics, such as his soul loveth—over the exact allocation of secret service money in the German Budget. At this point Europe has a right to complain, for here Monsieur Poincaré is gratuitously undermining the Pact of Locarno. There is not a shadow of reason for supposing either that the Germans are stirring up trouble in Alsace or that the Alsatians are looking towards Germany. For half a century Germany mismanaged Alsace, and has been repudiated by her; and that is the end of that, as Germany publicly recognised when, in the Locarno Pact, she renounced for ever all aspirations towards changing her present Western frontiers. It would be a humorous and not wholly surprising conclusion if the Alsatians cried "a plague on both your houses," and applied for admission to the Swiss confederation.

The Week in the House.—This week the House of Commons began the labour of passing the Scottish Local Government Bill through Committee. The Scottish Bill has been debated under the shadow of the Government's important and valuable amendment to set up elected district councils having all the chief functions of the abolished parish councils, save that of poor relief, and capable even of that by delegation from the county councils. The Opposition so far has concentrated on pleading for the retention of parish councils and of *ad hoc* education authorities, and for the restoration to the small burghs of their more important functions. Differences in local government structure aside, the debates on the Scottish Bill will probably be not unlike those on the measure for England and Wales. The latter has emerged from Committee substantially unchanged. The Government's own amendments were concerned almost entirely with extending the financial guarantees to local authorities and with reducing the first two grant periods from five years each to three and four years. Attempts to secure the break-up of the Poor Law won no more than a promise from Mr Chamberlain that before the Report stage he would further consider the possibility of making the alternative methods of assistance mandatory. Amendments seeking to exclude prosperous industries, and in particular the drink and tobacco trades, from the benefits of de-rating, failed in spite of Conservative support, and the main structure of the financial provisions emerged unaltered, though some compensation was given to Lancashire by the addition of 10 per cent. of the registered women unemployed to the male unemployment figure for the purpose of determining block grants. In view of the new guarantees, there now seems no reason why, if the Government are not afraid or ashamed of the instrument they have forged, the "formula" should not be allowed to operate in full straight away. An attempt to exclude maternity and child welfare services from the scope of the block grant dashed itself fruitlessly against the implacable determination of the Minister and his vigilant Ariel, Sir Kingsley Wood. But they had to admit defeat over Clause 111, which provides, *inter alia*, that until 1931, "if any difficulty arises, the Minister may by order remove the difficulty, make an appointment, or do any other thing which he thinks necessary." The House would not listen to Mr Chamberlain's list of precedents, and refused such a sweeping abandonment of its own legislative powers.

Reassessment in South Wales.—Throughout the country the first assessments under the Rating and Valuation Act, 1925, are being announced. The result has caused a great deal of surprise in some areas, since it was expected that, although some house property and certain expanding industries would be reassessed at a higher figure, the result of a measure designed to rate hereditaments on their commercial letting value would be substantial benefit to the depressed industries. Instead, it appears that whereas shipyards and many engineering works have generally found themselves better off, many coal-mining concerns are faced with much larger assessments than before. Where the collieries own cottage property, as in Durham and Northumberland, where free house room is provided for every married miner, the result is particularly burdensome, because that property receives no rate reduction under the Local Government Bill. But the biggest increases are reported from South Wales, where some collieries have found their assessments up by more than 80 per cent, a figure which considerably discounts the prospective value of de-rating. A South Wales contemporary gives the following figures for two typical collieries in Caerphilly and Rhondda:—

	£	s	d
Total rates payable on old assessments	44,947	4	0
Relief under de-rating scheme	33,710	8	0
Amount to be paid by collieries (old assessment)	11,236	16	0
Total rates payable on new assessment*	50,328	13	4
Relief under de-rating scheme	37,746	10	0
Amount to be paid by collieries (new assessment)	12,582	3	4
Relief lost through increased assessment	1,345	7	4

* These have been calculated at a rate in the £ much reduced by the operation of other aspects of the local government changes, the actual assessments have increased by around 50 per cent.

A large number of colliery concerns are appealing against these increases, so that the final issue remains doubtful, but it is certainly anomalous that such high assessments should be the lot of an industry which has been showing a gross loss of over eighteen-pence a ton, and the market letting value of whose plant is therefore extremely problematical.

Riots in India and Wales.—The week's news, unhappily, has included reports of more or less grave disorder, arising out of different causes, both in South Wales and India. The dispute between owners and workpeople at Nine Mile Point Colliery, Monmouthshire—a difference for which the colliery management, in the first instance, at least, bears a substantial proportion of the blame—led on Wednesday to hostile demonstrations by crowds which the police dispersed by baton charges. In India and Ceylon the troubles have been much more serious. The tramway strike at Colombo has been attended by an outbreak of rioting, which Mr Gunesinha, the president of the local Labour Union, was unable to restrain, and which necessitated the use of fire-arms by the police. In Bombay, agitators working on credulity and religious fanaticism have succeeded in kindling the flames of racial animosity between Hindu and Mohammedan with disastrous results. Serious loss of life has occurred and a dangerous situation arisen—a reminder of the difficulty of controlling forces of disorder in a country where mob-passions are easier to excite than to allay.

British Broadcasting and Public Finance.—Parliamentary and other discussion indicates that much misunderstanding attends the strict relationship of the British Broadcasting Corporation to the Exchequer. The latest analysis of the wireless receiving licences' management account, to March 31, 1928, the last complete financial year, shows that there were approximately two and a-half million listeners. The cash receipts from licences were nearly £1,235,000. From that the Post Office deducts 12½ per cent. for expenses of management; in this case, subject to a small adjustment, £156,000. As advances to the British Broadcasting Corporation to meet its outlays £824,237 was paid, and the balance which remained to the Exchequer, loosely described as profit or surplus, was £255,000. Strictly speaking, the Post Office did not spend the whole of the 12½ per cent. in expenses of management; there was a surplus of £2,500, and presumably, if that surplus grew to any extent, the percentage basis would be revised. At that point the arrangement might be influenced by the recommendations of a recent committee on the financial adjustment of inter-departmental services. At this stage, therefore, broadcasting may be regarded as providing for the taxpayers an annual surplus of approximately a quarter of a million. The Crawford Committee, whose report led to the present scheme, did not generally consider that licence fees should be reduced below ten shillings, which they regarded as a very moderate figure for the service rendered. The suggestion that income-tax should be imposed is complicated, and may be governed eventually by the recommendations of a committee over which Lord Colwyn presided some years ago. That committee recommended continuance of all the diplomatic immunities in income-tax, subject to the appropriate reciprocal treatment in these matters, and the application of all the ordinary rules of income-tax to ordinary trading concerns. There are, however, factors

in the broadcasting scheme which may lead the Government to leave the financial arrangement on the present basis.

Civil Flying Developments.—A White Paper issued by the Air Ministry last Saturday announced the grant of Government assistance on a modest financial scale to National Flying Services, Limited—an organisation promoted under the chairmanship of Captain F. E. Guest, M.P., with the two-fold object of founding flying clubs, equipped with aerodromes, for the training of civilian pilots, and of developing an air-taxi service, linking up provincial centres with the air-port of Croydon. The scheme is ambitious and has interesting possibilities. We are inclined to doubt whether the air-taxi is likely to become in the near future a much-used form of transport in this country. It will be recalled in this connection that the chairman of Imperial Airways, Limited, whose London-Alexandria-India service is to begin on March 30th, stated in his speech last September, that he considered that the future of British civilian flying lay in the direction of developing long-distance Empire routes rather than cross-country services in a small island whose weather conditions are frequently unfavourable for flying, and which already possesses ample and rapid transport facilities from the centre of cities, where aerodromes obviously cannot be located. This view appears to us well founded; but, regarded primarily as a training organisation, the new company deserves the encouragement which the Government has decided to give it.

Our Index Number.—A further fractional fall took place last month in the general level of wholesale prices, our index number, as will be seen below, declining by slightly more than three-tenths of 1 per cent. The geometric average figure at the end of January was approximately 3.8 per cent. lower than a year ago :—

AVERAGE 1927=100.

	Jan., 1928.	Oct., 1928.	Nov., 1928.	Dec., 1928.	Jan., 1929.
Cereals and meat	100·3	98·2	97·4	97·6	96·7
Other foods	96 6	91·5	90·4	90·2	89 4
Textiles	102·4	100·6	102·3	101·7	101·3
Minerals	92·5	92·9	93·8	94·1	94·8
Miscellaneous	99·9	93·1	92 4	91·4	91·2
Complete index	98·5	95·3	95·3	95·0	94·7

A rise in the minerals group last month was more than offset by lower averages for food, textiles, and "miscellaneous" materials. Price changes of individual commodities, as compared with December, 1928, and January, 1928, are shown in the following table :—

	Inc. (+) or Dec. (—) per Cent. compared with Month Ago.	Year Ago.		Inc. (+) or Dec. (—) per Cent. compared with Month Ago.	Year Ago.		Inc. (+) or Dec. (—) per Cent. compared with Month Ago.	Year Ago.
Wheat—For..	+ 3·5	— 11·8	Cotton, A	— 2·1	+ 4·3	Timber, Eng..	..	..
„ Eng..	+ 1·8	— 11·7	Cotton, E	— 5·4	+ 10·2	Timber, Swed.	..	..
Flour	+ 2 8	— 9·9	Cotton yarn ..	..	+ 1·6	Cement	..	— 13·0
Barley	+ 0·8	— 8·8	Cotton cloth..	— 1·8	..	Hides	— 9·1	— 24·5
Oats	+ 5·6	— 5·3	Wool, Eng. ..	..	— 3·5	Leather	— 9·6	— 25·4
Maize	+ 5·9	+ 9·1	Wool, Aust. ..	— 2·3	— 10·4	Petrol No. 1 ..	..	+ 32·6
Rice	— 5·5	— 10·3	Wool tops	+ 2·2	— 11·3	Petroleum Oil	..	..
Potatoes	— 8·3	— 8·3	Silk	..	+ 7·1	Fuel oil	..	— 6·9
Beef, Eng. ..	..	+ 6·6	Flax	— 1·1	— 11·8	Linseed oil ..	+ 1·7	+ 4·4
„ Arg. ..	..	— 7·3	Hemp	+ 4·2	— 6·8	Tallow	— 2·6	+ 5·6
Mutton, Eng.	— 9·6	— 11·7	Jute	+ 3·1	+ 11·3	Rubber	+ 25·1	— 37·9
„ N.Z..	..	+ 7·1				Soda crystals..	..	..
Bacon, Danish	— 7·1	+ 10·3	Textiles.....	— 0·4	— 1·1	Sulph.ammon.	..	..
						Creosote	— 8·0	— 34·2
Cereals & meat	— 0·9	— 3·6	Pig-iron	..	+ 1·5			
			Steel rails....	..	+ 3·0	Miscellaneous	— 0·2	— 8·8
Tea	+ 2·9	+ 9·1	Iron bars	..	..			
Coffee	+ 0·9	— 13·9	Tin plates....	..	..			
Cocoa	+ 0·8	— 14·7	Coal, W'lsh ex.	..	+ 2·0			
Sugar, cane ..	— 1·0	— 22·0	Coal, Dur. Gas	..	— 1·7			
Sugar, ref....	— 5·4	— 21·4	Coal, h'hold..	..	+ 10·5			
Cheese, an...	— 1·0	+ 3·0	Lead	+ 5·6	+ 1·1			
Butter, Dan..	— 5·0	+ 7·3	Tin	— 2·5	— 11·0			
Coco. oil ...	..	— 8·2	Copper	+ 5·3	+ 23·1			
Tobacco.....	..	..	Spelter	— 2·1	+ 0·9			
Other foods ..	— 0·9	— 7·5	Minerals	+ 0·7	+ 2·5			

Grain values appreciated, but the prices of rice, potatoes, English mutton, and bacon were lower. Tea was dearer, but sugar, cheese, and butter fell. Hemp and jute rose, whereas cotton, Australian wool, and flax declined. The chief features in the minerals group were sharp upward movements in lead and copper prices—tin and spelter falling. Among miscellaneous commodities, rubber advanced notably, while hides and leather were cheaper.

The following table gives the figures of our index number converted to a percentage of the average for 1913 :—

AVERAGE 1913 = 100.

Date.	Cereals & Meat.	Other Foods.	Textiles.	Minerals.	Miscel-laneous.	Complete Index.
Average 1924.....	168·5	215·8	214·7	149·3	122·6	166 2
„ 1925.....	168·4	204·2	194·6	139·8	126·2	160·9
„ 1926.....	151·7	195·3	152·6	149·8	120·7	149·6
„ 1927.....	147·6	202·2	157·0	125·1	116·1	143·7
„ 1928.....	152·9	189·7	165·0	115·2	111·2	140·9
End Jan., 1928.....	148·0	195·3	160·7	115·7	116·0	141·5
„ Dec., 1928	144 0	182·4	159·6	117·7	106·1	136·5
„ Jan., 1929.....	142·7	180·8	159·0	118·6	105·9	136·1

Expressed as a percentage of the average for 1924, our index number at the end of January works out at 81.8.

Organised Selling of Coal.—A correspondent writes :—Ever since the loosely described coal-marketing scheme of the Midland Counties came into operation almost a year ago, numerous suggestions have been discussed with a view to remedying several admitted defects. Starting with the rejection of price regulation, as proposed in South Wales, the promoters proceeded on the line that regulation of output was the really important thing, and that, if this were satisfactorily dealt with, price adjustment on a reasonable basis would follow. Experience has, in fact, shown that prices have not been raised to a sufficiently high level to yield a trading profit. The main reason has been that while total output has been regulated, the output of particular classes of coal has not; hence the shortage of some classes at one time and an excessive quantity at another. This fluctuation of output has tended to perpetuate some of the evils which the scheme for regulation of output attempted to remedy. The executive committee of the association has now presented to members two reports relating to this matter. One report says : "It appears that regulation of output is not completely effective, and in order to raise prices sufficiently it is necessary to fix prices." In addition, the committee consider it desirable to provide for the exchange of unraised quotas under the control of the association, so that those members who are able to supply what the market wants may acquire the necessary amount of quota released by those whose quota would permit them to produce more than they are able or willing to sell. It is also proposed to compensate members who fail to find a market for their permitted production; and to pool the benefits to be derived from the regulation of prices. It is suggested that the Central Association shall fix prices at whatever figure the market could bear. Members realising more than the prices applicable to their own coal would pay the difference into a pool, out of which those who received less would have the deficiency made good. The balance remaining in the pool, after deduction of expenses, would be divided among members *pro rata* to the tons of coal sold, and by this distribution of the balance the benefits of co-operation would be pooled. The committee suggests that coal be classified in the following way : locomotive coal, gas coal, public utility coal, industrial coal, house coal, sub-divided according to the district in which it is sold. This drastic report is now under consideration of the various district associations. It is sure to encounter considerable opposition, but some change in the operation of the scheme is almost imperative if the scheme is to attain the desired end.

Egyptian Cotton Mills and Short Time.—Our Manchester correspondent writes :—To people outside Lancashire there must have been some surprise that the employers in the fine cotton spinning section of the Lancashire industry should have decided to consider the question of organised curtailment of production. Throughout the long depression since the boom of 1919-20 this branch of the trade has done fairly well, and only on rare occasions has business been unprofitable. During the last few weeks, however, reports from Bolton and district, where most of the fine mills are situated, have been decidedly worse, there being complaints from spinners of a slack

demand, declining order lists, and increasing stocks. It is understood that last week a few of the leading employers had a private consultation, and this resulted in a special meeting of the Bolton Master Cotton Spinners' Association being held in Manchester on Tuesday last. It was then unanimously decided to recommend all spinners of Egyptian cotton to restrict output by one-third for a period of two months. A ballot on this proposal is now being taken, and it is expected that the result will be announced about the end of next week. For many months employers in this section of the trade have been considerably hampered by the relatively high prices for Sakel cotton, and it has been impossible to get customers to pay the necessary advanced rates. It is hoped that this curtailment of production will keep down the price of raw material and enable spinners to reduce their stocks and stabilise the market. It is generally recognised that organised short time is not economically sound over a long period, and it is some years since there was organised curtailment of output in the Egyptian spinning branch, but action was taken in October, 1920, when it was decided to run the mills 35 hours a week instead of 48. This short-time movement was maintained until the following July. It is fully expected that the employers will support the recommendation of the association, and the short time, when put into force, will affect the earnings of about 50,000 operatives, chiefly in the Bolton district.

New Zealand Politics.—Our New Zealand correspondent writes :—The triennial elections of Members of Parliament held on November 14, 1928, resulted in a marked and unexpected reversal for the Government, which had been in power for 16 years. The previous elections had given the Reform Party, under the leadership of Mr J. G. Coates, a large majority over all other parties. Though the party allegiance of certain members of the new Parliament is somewhat indefinite, there appear now to be 29 Reform, 27 United, 20 Labour, and five Independent members; most of the Independents are regarded as likely to support the United Party. Among Reform members defeated at the polls were four members of the Cabinet, the Ministers of Lands, Labour, Agriculture, and the Attorney-General. It is generally considered that the change was due rather to dissatisfaction with the administration of the Reform Government than to approval of the policies of the other parties. The situation created by the Government's reverses occasioned much discussion as to the course events were likely to take, but the Prime Minister acted promptly and decidedly. Parliament was called together for a brief special session. Sir Joseph Ward moved a no-confidence amendment to the Address, in which he criticised Reform's election tactics rather than their policy, and with the support of the Labour Party and most of the Independents carried the amendment by a substantial majority. The Prime Minister, Mr Coates, then resigned, with those Ministers who had survived the election, and Sir Joseph Ward formed a new Cabinet from the members of the United Party. The House then passed legislation to permit an extension of State borrowing of about £7 millions in excess of existing authorities, to be devoted mainly to railway construction, attended to some minor matters, and adjourned till June next. Thus the situation is settled for the next half-year, but the future remains obscure. It is difficult to find that the United Party has any definite programme beyond common acceptance of the leadership of Sir Joseph Ward. It is even more difficult to find any fundamental differences of policy between the Reform and the United parties. The Reformers are the direct descendants of the Conservatives who opposed Seddon during the long Liberal regime which lasted from 1893 to 1912. But the old Conservative tradition lingers on among a very few members, mainly in the Upper House, and the party as a whole consists of younger men with progressive Liberal views. The United Party is the old Seddon Liberal Party, which has changed its name several times, but it contains many new men with little experience of politics. Both parties would be regarded as decidedly radical in any country where State social services were favoured and developed less than in New Zealand, and probably a large majority of both parties are definitely opposed to the avowed aims of Labour. Perhaps the most commonly held view is that the United Party will remain in power until a difference with Labour occurs, and that then some fusion will be made between Reform and United. Another election is regarded as an extremely remote possibility.

Northern Ireland Affairs.—Our Belfast correspondent writes :—The prolonged campaign for the reform of the Belfast Corporation still continues, and the long-promised reforms appear as far off as ever. Certain of the recommendations of the Lord Mayor's Special Committee required the taking of Parliamentary powers, and a Bill was drafted which it was intended should be presented in the next session of the Northern Ireland Parliament. At a meeting of ratepayers which was held last week, however, the bill was rejected, and the corporation decided to abandon the measure. Meanwhile there is a growing impatience on the part of business organisations in the city to see some tangible evidence of reform. In the political sphere there has been considerable activity recently. The general election for the Northern Ireland Parliament will probably be a little later than that for the Imperial Parliament, since the Northern Government is committed to the abolition of proportional representation and the division of the country into single-member constituencies before appeal to the electorate. At the recent meeting of the Ulster Unionist Council the Prime Minister (Lord Craigavon) made a comprehensive review of the manner in which the Government's programme was being carried out. Within a few years many important features of this programme will have been brought to fruition, viz., land purchase will have been completed; the problem of the drainage of the River Bann area will have been solved; and the fishing harbours around the coast will have been dredged and obstructive rocks removed; while by the end of this year the de-rating scheme will be in full operation. A minor cleavage has, however, occurred in the Unionist Party over the temperance question. Legislation passed by the Government has already had the effect of reducing the number of licences for the sale of wines and spirits by 558, and has reduced the consumption of spirits per head of the population from three pints in 1923 to approximately one-and-a-half pints in 1928. Although the leaders of the Churches are content to leave the decision to initiate further temperance legislation in the hands of the Prime Minister, there appears to be a considerable body of opinion determined, if possible, to force the Government to the introduction of local option as a first step to prohibition.

South African Railways.—Mr J. R. More, the general Manager of the South African Railways in succession to Sir William Hoy, recently presented his first annual report for the year ended March 31, 1928. It appears therein that the total capital invested stands at £134,000,000 (in round figures). Allowing for depreciation and interest, and for various contributions to "betterment fund," pensions, &c., the final net profit was £47,217. The area served by the system is 795,000 square miles, over which 13,000 miles of track are operated. Train mileage for the year was about 48 million miles. Nearly half a million passenger trains were run, over 82 per cent. of which arrived on time; the total loss of time by late arrivals amounted to 2½ minutes per train over all trains. (It has to be borne in mind that floods may delay half a dozen trains for hours or even days in exceptional cases.) The report as a whole indicates the progress and steadily increasing wealth of the country. The auditor's report on the railways tells us that operating expenses absorbed 79.3 per cent. of the gross earnings, being 1.24 per cent. less than in the preceding year. In 1911 the ratio was 60.4 per cent. The Auditor-General makes some stringent comments in regard to the experience of material supplied by Continental manufacturers.

Trade in East Africa.—Following so closely on the publication of the Report of the East African Commission, this year's Report* of the Deputy-Trade Commissioner at Nairobi will be received with more than usual interest. It is on the whole an encouraging document; the outlook in East Africa is reported to be "much more hopeful than it has been for some time past," and the territories are described as "a fertile field for investment generally." With regard to the import trade, competition in certain lines which are of great importance to the United Kingdom is becoming very keen, and British manufacturers are warned to look to their laurels. This necessity is most marked in the case of textiles and certain branches of machinery and of steel goods. The Deputy-Trade Commissioner draws the attention of Manchester merchants to the progressive cartellisation of the channels of trade between Japanese, Dutch, American, and German manufacturers and their clients in East Africa. On the whole, the bulk of the East African market is dominated by considerations of price rather than of quality, so that competition with British goods is bound to be keen in certain classes. Experience shows, however, that there is an important market for goods of British quality, and though that market is at present far from going unchallenged, the evidence is that with more attention to the quality of their local agents, British merchants should be able to take up the challenge with equanimity.

National Mutual Life Assurance Society.—Mr Keynes's pronouncements at the annual meeting of this society generally contribute something notable for the life assurance world or for the wider field of economics. On this occasion he was able to make a preliminary announcement of the board's intentions at the approaching centenary, and stated that it is proposed to distribute, in addition to the normal bonus of the year, a special centennial bonus. The society is in an extraordinarily strong position to do this, for its carry-forward now amounts to £877,000, and the policyholders may now amuse themselves with calculations as to the size of the slice which will come to them from the cutting of this melon. Of great importance and interest is Mr. Keynes's reference to the society's decision to inaugurate a new type of with-profit policy. In common with those of many other offices, the society's rates of premium have not been revised for more than a generation, with the result that they are now completely out of touch with modern conditions and experience. Owing to improvements in mortality and to the higher interest earnings of the funds, the profit-earning capacity of these premiums is now immensely greater than before, so that life offices go through the rather solemn farce of collecting from their policyholders something like 30 per cent. more in premiums than they need do, for the sake of returning to them later on the excess in the form of bonuses. Consequently, the bonus element now occupies a position of wholly disproportionate influence in the choice of a life policy. The society's new type of policy will be subject to a scale of premiums adjusted to the most modern experience, and the bonus element will be reduced to its proper proportions. The bonuses on these new policies are guaranteed for the first year at the rate of 15s per cent. compound, and the annual bonus is to be supplemented by a special quinquennial distribution to the extent that profits earned warrant such a course. Thus the society will offer a new type of with-profit policy, of which the initial sum assured for a given premium is from 20 per cent. to 30 per cent. greater than for a corresponding policy in the high-bonus series. So great an addition to the protection afforded for a given outlay is of great moment in the case of the young married man, and he will still be able to feel that his policy shares, in a modified degree, in the profits earned by his society. The new policy is an important experiment, and a valuable attempt to assist in the provision of more extended insurance protection. "Cheaper life assurance" will encourage more "adequate life assurance."

New Capital Issues in the United States.—Through the courtesy of the New York *Journal of Commerce* we are able to supplement our recently published statistics of British capital issues during the year 1928 with a comparative table for the United States:—

	1925.	1926.	1927.	1928.
	$	$	$	$
Foreign—				
Government .	800,051,000	634,338,500	786,630,000	764,943,000
Corporate ..	515,971,500	725,877,040	601,563,375	811,550,482
Domestic—				
Municipal ..	1,399,637,992	1,922,007,101	1,867,230,449	1,123,940,316
Railroad	474,229,200	360,745,500	791,202,000	668,488,843
Public utility	1,533,356,000	1,667,750,950	2,405,298,382	2,427,790,217
Industrial ..	1,290,055,000	1,230,580,600	2,013,430,220	2,311,350,808
Others	667,580,900	770,520,400	1,132,307,589	1,783,542,833
Totals	6,680,881,592	7,311,818,091	9,597,662,015	9,891,606,499

In commenting on the figures for the first half of 1928, which appeared in the *Economist* of July 14 (p. 67), we drew attention to the large increase in the total lent abroad, and suggested that foreign borrowings during the second half-year would be of considerable interest, conjecturing that responsible financial opinion in New York would not be over-sorry if the stream of foreign loans was partly diverted. It can now be seen that the total of foreign borrowings fell sharply from $1,164,090,482 in the first six months to $412,403,000 in the second. The corresponding figures for internal issues are $4,516,468,420 and $3,798,644,597, a relatively small decline, and largely accounted for by the railroad group.

THE University of London announces that Mr Geoffrey Peto, M.P., will deliver a public lecture on the Local Government Bill and De-rating at University College, London, on Friday, February 15th, at 5.30 p.m.

THE Council of the Royal Statistical Society announces that the Howard Medal of the society will be offered for competition in 1929. The medal was founded in commemoration of John Howard in 1873, but the award has been in abeyance since the war. It is offered this year for the best essay on the subject of "The Statistics of Crime." Essays must be sent in on or before October 31, 1929. The rules of the competition may be obtained from the Assistant Secretary, the Royal Statistical Society, 9 Adelphi terrace, W.C. 2.

Oversea Correspondence.

UNITED STATES.—MONEY—BANKING—STEEL EARNINGS.

(FROM OUR CORRESPONDENT.)

NEW YORK, January 25.

WALL Street has been rather surprised at the ease in the call-money market this week, the rate on the Stock Exchange ruling at 6 per cent., with money sometimes obtainable in the outside market at as low as 5 per cent. This ease has been the more remarkable in the face of firm time money and a rising tendency in acceptance rates. One explanation is furnished by the weekly report on brokers' loans, which showed that while an increase of $48,000,000 had carried the total to a new high for all time, the week's increase was due to additional loaning of funds for the account, not of the member banks, but of "others." What seems to be happening is that great activity in the new issues market, and particularly in investment trust securities, is accumulating capital that is being placed in the call-money market. Ironically enough, many of the investment trusts are keeping liquid with the object of picking up good shares on a break while their diversion of their idle funds to the call-money market is making such a break less likely. In any event, the share market has responded to the cheaper call money by gaining strength and activity and by pushing up to new high levels for the "averages." The advance has been somewhat irregular, the shares that have gained frequently advancing sensationally, while others were sluggish or even sold off. It has been apparent that pools have been very active, and have been bidding strongly for a rather reluctant public following. In fact, there has been considerable public distrust of the market.

On the other hand, there have been some rather constructive market developments. For one thing, there has been, during the past week, a considerable raising of margin requirements. One of the largest brokerage houses in the country, which operates an extensive system of private telegraph wires, has advanced its general minimum margin requirement from 30 to 35 per cent. and has increased to about 20 the number of leading shares on which 50 per cent. margin is required. For another thing, the week's Federal Reserve statements are quite satisfactory, showing that the contraction of credit since the first of the year has gone on more quickly and largely than had been anticipated. For the system as a whole, discounts are another $40,000,000 lower, bringing the total down to $782,000,000, or $371,000,000 less than that for the first January return. The easy tone of the money market evidently allowed the Reserve banks to reduce their holdings of bills purchased in the open market by $27,000,000, and of similarly purchased Government securities by $36,000,000. The total volume of the credit extended shrank $104,000,000, bringing the reduction since early January to $442,000,000. The reserve ratio rose on the week by 2.3 to 69.3 per cent., the latter figure comparing with 75.0 a year ago. The showing of the New York Bank was remarkable, discounts falling $64,000,000 to $153,000,000, and total credit $119,000,000 to $300,000,000, compared with $280,000,000 a year ago. The reserve ratio of the local bank rose from 70.8 to 80.0 per cent., the latter only 0.8 per cent. lower than the corresponding figure of last year. Evidently this is not the kind of statement that forecasts an increase in the discount rate, particularly as gold has been coming in from Canada in large quantities ($8,000,000 being gained in the last week), and as a considerable amount of gold has just been bought by our banks in London, with more such purchases in sight. There has been some talk here to the effect that the Federal Reserve authorities now realise the weakness of their operations a year ago, and see the merits of your system of advancing the discount rate a full 1 per cent. on the advance and lowering by halves on the decline, as compared with the opposite system that has been employed here. On this basis it has been assumed that the Federal Reserve authorities, if they found it necessary to act, would act vigorously. The accomplishments of the past few weeks and the existing circumstances, however, apparently make the necessity for action more remote. However, it is anticipated that a money squeeze may develop in February or March, particularly if industry is as active as now seems likely. The Reserve authorities have followed up the January contraction firmly, and the relatively larger dependance on discounting as a source of Federal Reserve credit will be a brake on expansion when, and if, the larger spring demand for credit arises.

Annual reports for 1928 of industrial companies generally make excellent showing. In this connection attention has been attracted by the action of the Bethlehem Steel Corporation (the country's second largest steel organisation) in resuming common stock dividend payments after a lapse of five years. The stock was placed on a $4 annual basis. Earnings in the last quarter of the year were particularly good, amounting to $2.58 a share. It is expected that the United States Steel Corporation also will make a good showing, probably of a surplus of $20,000,000 or $25,000,000 after payment of the regular $7 dividend. There has been some conjecture that the directors may declare some special dividend, in cash or stock, but the best opinion is that if anything of this kind is decided on it will not become known until the annual meeting in April.

Yielding to the pressure for greater facilities, the governors of the Stock Exchange have asked the members to approve a plan by which the membership will be increased by 275 seats, or 25 per cent. Under the plan each member would have the right to dispose of a quarter of a new membership, and would have three years within which to do so. It is believed that the plan will be adopted.

BANK ESTABLISHED IN 1864.

SKANDINAVISKA KREDITAKTIEBOLAGET

GOTHENBURG, STOCKHOLM, MALMO.

Branches in all parts of Sweden.

Paid-up Capital and Reserves - - Kr.182,000,000

Telegraphic Address: "Kreditbolaget."

THE BANK AFFORDS EVERY FACILITY FOR BANKING BUSINESS WITH SCANDINAVIA.

FRANCE.—REPARATIONS—BANK OF FRANCE—RAILWAY RETURNS—INDUSTRY.

PARIS, February 6.

THE members of the new Committee of Experts, who are to draw up a plan for the purpose of definitely settling the German Reparations problem, are arriving, and their work is to be inaugurated in an informal manner on Saturday afternoon. The presence on the Committee of Mr J. P. Morgan is universally welcomed here, for it is recalled that the Morgan Bank has been for more than half a century associated with French destinies. It was the Morgan Bank which, after the 1870 disaster, financed the greater part of the French foreign debt, and which in 1914-15, well before the United States came into the war, supplied this country with a loan of nearly $1,000,000,000. A Morgan loan of $100,000,000 was an important factor in the steps taken after the war to stay the fall in the franc. Moreover, Mr Morgan is regarded personally as a sincere friend both of this country and of Great Britain, and strong hopes are entertained that he will be able to influence a settlement that will be both practical and satisfactory to all parties.

The annual report of the Bank of France shows that during 1928 commercial bills were discounted amounting to 53,798,000,000f, against 45,291,000,000f in 1927; the amount advanced on securities was 25,067½ millions, against 23,323 millions in 1927; deposits on current accounts totalled 1,240,396,389,000f, against 1,239,496,000,000f; and the net profit for the year amounted to 156,379,298f, of which 63,875,000f was distributed in dividends (at the rate of 350f per 1,000f share), while 62,683,000,000f was carried forward. The Governor's address, which covered the entire programme adopted for the stabilisation of the franc, culminated with the statement that "now, after 14 years of *cours forcé*, the franc has rebecome currency, in the full acceptation of the term, and as solidly secured as the strongest currencies in the world."

Complete returns show that the total gross receipts of the seven French railway undertakings (including the State system) during 1898 amounted to 14,576,975,000f, against 12,992,000,000f in 1927. This increase of 12.10 per cent., however, will be largely, if not entirely, absorbed by heavy increases of taxation during the twelve months. It must also be remembered that the year contained, for bookkeeping purposes, 53 weeks owing to Leap Year. The number of waggons loaded during the year was 23,174,707, against 22,070,122 in 1927 and 23,410,271 in 1926.

Iron and steel production figures for 1928, which are now available, show that the total output of steel was 9,387,000 tons (against 8,306,000 tons in 1927 and 6,976,000 tons, Alsace-Lorraine included, in 1913); that of iron was 10,097,000 tons (against 9,326,000 tons in 1927 and 9,071,000 tons, Alsace-Lorraine included, in 1913). Both steel and iron figures rose consistently throughout the year, the output of steel, which was 753,000 tons in January, rising to 828,000 tons in December, while that of iron, which totalled 809,000 tons in January, was in December 880,000 tons. The year was

*Published by the Department of Overseas Trade. H.M. Stationery Office. 54-22-0-28.

marked by steadily increasing activity throughout the industry, accompanied by steadily rising prices, due partly to better regulation of sales organisation, in consequence of the application of international working arrangements, and partly to constant reduction of production costs by the application of modern methods and the adoption of improved plant. Quotations for iron rose from 425f in January to 450f in December, and rolling-mill steel brought 15of a ton more, these rises being registered both in the home and the export markets.

Coal production figures for 1928 show that the year's output totalled 52,429,468 tons, against 52,845,820 tons in 1927 and 52,477,522 tons in 1926. The year's output of metallurgical coke from the colliery plants was 4,399,932 tons, against 4,068,208 tons in 1927 and 2,940,194 tons (Alsace-Lorraine pits included) in 1913. Production in December dropped off fractionally, owing to the large existing stocks, originally accumulated under the impetus of the British coal strike, and the fall in the consumption level both at home and abroad. The year was marked by a steady reduction of the number of labour units employed, whose total was brought down from the high level of 333,000 drawing wages in 1927 to 316,000 in January, 1928, and further to 297,034 in December last. Much of this reduction of labour charges was due to improved equipment of the pits, the rate of wages having been maintained and in some cases raised.

Support is forthcoming for a proposal to permit German securities once more to be quoted on the Paris Bourse. The practical argument behind the proposition, which would have been unthinkable four or five years ago, lies in the fact that whereas securities of other foreign countries yield not more than 1½ to 2 per cent. to the French holder, owing to the overwhelming burden of taxation imposed on them at present, German industrials yield from 4¼ to 4⅜. Critics here insist, however, that before German shares can be officially quoted in Paris, it is obligatory that the inter-Allied debt question should be definitely settled.

GERMANY. — REPARATIONS — REICHSBANK—CREDIT — CAPITAL MARKET — INDUSTRY —SHIPPING.

(FROM OUR CORRESPONDENT.)

BERLIN, February 5.

THE Reparations Conference is at present the cause of nervousness in business circles and on the Bourse. It is claimed that complete confidence cannot be restored in either quarter until the hoped-for settlement has been reached. While the general demand is that the present annuity must be reduced, it is not claimed that this demand can be put through by proving insufficiency of any of the four contributory sources. The demand, it is affirmed, can be put through in one of two other ways. First, it is assumed that the creditor countries, in particular France, must have as much "commercialisation" as international capital market conditions allow of. It is plain that the much-contested "Transfer Protection" cannot be applied to commercialised bonds, so that the creditors must get rid of the Transfer control system. It is reasoned that Germany can, therefore, obtain the desired heavy annuity reduction by making such reduction a condition for surrendering "Transfer Protection." The other argument is simply that it will be impossible to transfer permanently any annuity of the order of 2,500 million marks, even if the annuity proves to be raisable internally without difficulty.

The Reichsbank, to the disappointment of Bourse speculators, who last year drove up this stock from 190 to 340, announces an unchanged dividend of 12 per cent. The Reichsbank president says that it was not the intention of the Dawes Committee to create a bank which would pay to stockholders large profits originating in the difficult position of industry and trade. He objects to the provision that 20 per cent. of net profits must be added to the reserve fund until the reserve is 12 per cent. of average note circulation, and implies that Germany will demand amendment of the Bank Law. The Republic's share in profits of 1928 is this year a little smaller than in 1927, and there is a general demand that in this respect the law shall be amended. The profit and loss account shows the following state of affairs :—

Marks (000's omitted).

	1927.		1928.
Gross profits	149.060	....	157,670
Whereof from discounts	130,710	....	138,290
Expenditure	123,000	....	132,290
Whereof on administration	75,090	....	87,560
Net profits	26,060	....	25,380
To reserve	5,210	....	5,080
Dividends	14,730	....	15,060
To Republic	5,510	....	5,240

The balance-sheet for December 31, 1928, shows that the Bank's holding of free foreign exchange (not booked as cover for circulation) was 374 million marks, as against 190 million marks a year before, so that the real position is better than appears in the weekly returns. The Gold Discount Bank, all the shares of which are held by the Reichsbank, returns its net profits at £549,227, as against £720,701 in 1927. As for 1927, no dividend is declared. Outstanding export credits declined during the year from £3,070,000 to £2,378,000. The Reichskredit Bank's net profit in 1928 was 6,517,817 marks, and its dividend 8 per cent.

The Reichsbank, it seems, is not considering a new reduction of its discount rate. The January-end return does not show any improvement. Discounts, indeed, increased by only 225½ million marks, advances by 61 million marks, but circulation increased by 645 million marks, and deposits declined by the large sum of 360 million marks. The last fact accounts for the low discount demand. Money for January monthly settlements was plentiful, and there was a big demand for private discounts, despite the fact of the low rate of 5⅝ per cent., which is nearly 1 per cent. below the official rate. Money interest rates, however, are rather higher than has been the case in the first weeks of recent months, day-to-day loans yesterday being 6½-8½ per cent.

The Reichsbank's rate policy will be affected by the large impending credit demand of the Republic. The cash position is unsatisfactory, and nearly 1,000 million marks will be needed at the end of March. The Finance Ministry's return of receipts and expenditure for December 31st shows for the first time a deficit of 156 million marks, the surplus on the ordinary Budget account being 429 million, the deficit on the extraordinary 585 million marks. The Government has borrowed all round; in December, in addition to bringing the Treasury bills circulation almost up to the legal limit of 400 million marks, it increased its other unclassed short-term debts to 314 million marks.

The Commerz-und-Privat and Mitteldeutsche-Kredit banks, both of which rank with the four "D's" as "great banks," have decided to amalgamate on a share-for-share basis. The title will remain with the former institution. The capitals are respectively 60 million marks and 22 million marks. Home loans in January totalled only 34 million marks, foreign loans 27 million marks. Since November about half the foreign loan total has come from Switzerland. The Reichskredit Bank publishes the following summary of capital imports in the four past years :—

(Millions of Marks.)

	Net Capital Imports.		From Long Term Loans.		From Credits, Deposits, Sales of Securities, &c.
1925	3,930	....	1,320	....	2,610
1926	950	....	1,770	....	*Dr. 820*
1927	4,630	....	1,660	....	2,970
1928	4,520	....	1,560	....	2,960
	14,030	....	6,310	....	7,720

The minus figure of 820 million marks in 1926 represents exported capital. Of the total net loans and credits 2,170 million marks was retained for circulation cover, the disposable balance being 11,860 million marks.

The wholesale-prices index number for January 30th is 138.6, as against 139 on the 23rd. Bankruptcies in January numbered 829, against 646 in December. The unemployed drawing insurance pay and crisis relief increased in the first half of January from 1,829,000 to 2,167,000. Activity in January in the iron-producing and consuming branches, and also in most industries which produce goods for consumption, declined; in the chemical branch it increased. The electro-technical industries report a decline in orders on books. The steel industry has now definitely decided not to increase home prices on the ground of the increase of wages which followed the lock-out. The Pig-Iron Syndicate is selling at unchanged prices for March delivery. The steel export market has been firm for billets, bars, and bands, and considerable Swedish orders have been booked for ships' plates. For semi-manufactured products the works have orders for seven weeks to come, for wire rods two months. Tube prices have been firmer as result of the agreement with Great Britain. Export of the Solingen cutlery and allied industries in 1928 was 7,316 metric tons, against 7,015 tons in 1927. The former figure, owing to the October change in trade-statistical methods, is about 200 tons short. In the past year the German commercial fleet increased by roundly 400,000 tons to 3,700,000 tons, and is now about 68 per cent. of the pre-war tonnage, with, however, newer ships and relatively much higher carrying capacity.

Motor-cars imported in 1928 numbered 17,819, against 11,383 in 1927; exported 4,578, against 2,688; and 38,000 cars were assembled from foreign parts, as against 22,000. The 56,000 foreign cars, imported ready or assembled, account for about one-third of the national demand, which is put at around 155,000. There is no improvement in the textile industries. Employment is lowest in linen and cotton, somewhat better in wool, and good in artificial silk and jute. The glass industry is well occupied. Conditions in the pianoforte industry are bad. Before the war around 135,000 pianos were produced and sold in a year, in 1928 an estimated 80,000; in 1913 76,400 pianos were exported; in the first eight months of 1928 only 21,100. Great Britain, formerly some 22,000 pianos a year, has fallen to around 1,500. The once important Russian market has been lost.

NORWAY.—BUDGET—BANK REPORTS—INDUSTRY—FOREIGN TRADE—PRICES.

(FROM OUR CORRESPONDENT.)

TRONDHJEM, January 25.

AMONG the chief items on the agenda of the Storthing, which reassembled as usual on the 11th, was the Finance Bill for 1929-1930. The Budget balances with a total estimated expenditure and revenue of about 366 million kroner, which compares with 327 million kroner for the preceding year. It appears that, while the ordinary expenditure shows a reduction of about 10.7 million kroner, capital expenditure has risen from 38 million kroner to 43 million kroner compared with the fiscal year 1928-1929. It has not been considered practicable to propose any reduction of direct or indirect taxes. The only remissions of public interest are the proposed reductions of telephone and postal rates, but the alleviation thus obtained is, unfortunately, not very significant.

The debate usually following the King's Speech at the reopening of the Storthing did not prove very interesting on this occasion. A want-of-confidence vote from the Labour party on a matter not strictly relevant to the debate on the King's Speech was easily defeated, and the position of the Government is perhaps somewhat firmer now than at the time of its entry into office.

The monetary position as revealed by the Bank returns continues very easy, both Christmas demands and end-of-the-year requirements having proved much less of a strain on the Bank than was anticipated. Notes in circulation, which figured at 315 million kroner at December 31st last, stand at 296.7 million kroner at January 23rd, while loans and discounts have been reduced from 272 million to 260 million kroner. On the other hand, deposits at call show a reduction of some 5 million kroner, and the Bank holdings of foreign exchange have been substantially reduced. The latter fact is also reflected in a hardening of the sterling rate, and may be a reason why the Bank rate is still maintained at 5½ per cent., in spite of the apparent ease in the money market.

Nearly all the big Oslo banks and a number of provincial banks have published their reports for 1928, and most of them bear witness to the brighter conditions that have been ruling during the year. It seems to be the general opinion that bottom has at last been struck, and that a reasonable optimism with regard to banking affairs in Norway is not only warrantable, but is due to the present efficient and careful management of our banks.

In more than one respect the year has started under brighter auspices than many of its predecessors. As regards the industrial outlook, the agreement in the iron industry just before Christmas has already proved of much importance to the shipbuilding industry. During the greater part of last year this branch of industry was suffering from foreign competition and unsettled labour conditions, but lately orders have been placed with the yards, which will keep them running full-handed for some time to come. According to official figures, there are at present in course of building or contracted for by Norwegian shipowners about 24,000 tons in Norway and 260,000 tons abroad. The increase in the Norwegian mercantile fleet during 1928 amounted to 186,000 tons, while there was a decrease of nine in the number of vessels.

Foreign trade figures for December last year reveal an excess of imports over exports of 35.13 million kroner, compared with 24.76 million kroner for the preceding month and 36.83 million kroner for December, 1927. The total value of imports last year amounts to 1,012.8 million kroner, against 976.6 million kroner in 1927, while the total value of exports aggregates 682.1 million kroner, against 684.7 million kroner in 1927. The adverse trade balance consequently increased during 1928 by 38.8 million kroner—a fact which is almost entirely due to larger imports, exports remaining practically on the same level as in 1927.

The cost-of-living index at December 15th shows a reduction to 182 from 184 in November, while in December, 1927, the figure was 193.

The bond and share markets continue very active. Both banking and industrial shares have risen, as have also shipping and whaling shares, after an interval of slackness in the latter.

CANADA.—IMMIGRATION POLICY—BUSINESS—NEWSPRINT SITUATION—ANTI-SMUGGLING CONFERENCE—REVENUES—PRICES.

(FROM OUR CORRESPONDENT.)

OTTAWA, January 15.

THE most important event in Canada since the New Year began has been a drastic change in her immigration policy. Public opinion has been deeply disturbed for some time over the revelations of recent immigration returns, which showed an alarming preponderance of foreign-born over British immigrants, and the Toronto Globe and other influential papers have been campaigning for an alteration of policy which would curtail the influx of foreigners. There has also developed in the prairie provinces a widespread agitation of a fiercely Protestant character, which was directed primarily against Roman Catholic claims in educational matters, but also found substantial ammunition in the foreign problem, and influential supporters of the Government have been coming to Ottawa and warning Ministers that unless the agitation was checked it boded ill for the future of the Liberal party on the prairies. A decree has now gone forth from Ottawa to the colonisation departments

of the railways that what is virtually a quota system must be established for "non-preferred" immigrants. Henceforth only 30 per cent. of the total number of "non-preferred" immigrants admitted in 1928 are to be admitted each year, and none at all will be admitted after May 31st. Simultaneously the Government has also proclaimed its intention of giving greater encouragement to British immigration, and as a start it has intimated its willingness to place this year on Canadian farms 6,000 British workers, who before sailing will have received at training farms in Britain careful instruction in Canadian farm methods. The majority of these men are likely to be unemployed industrial workers, and although the transference of 6,000 unemployed per annum will not go far to solve the British Government's industrial problem, the move should be welcomed as a beginning.

The weather since the New Year began has been continuously cold, and last week-end the thermometer over a large part of the central provinces dipped to 20 and even 25 degrees below zero—a point which it does not often reach in these regions. There has also been a succession of snowfalls, which are helpful to forestry operations and yet have not handicapped transport. Wholesale houses report that their volume of orders compares very favourably with that of January in other years. The public is for the moment in an economical mood after its heavy Christmas purchases, and retail trade has dropped off considerably; but many stores are putting on special sales to stimulate buying, and are meeting with a satisfactory response. The carloading figure for the week ending January 5th, at 46,192 cars, showed a gain of 1,950 cars compared with the previous week, but was down by 5,568 cars from the total for the corresponding week of 1927, the chief source of the decline being in grain, which is lower by 3,608 cars. Most factories are amply provided with orders, and the railway equipment and farm implement firms are particularly busy. The cold weather, however, is inimical to outdoor work, and for the first time this winter the problem of unemployment is beginning to assume serious dimensions.

The newsprint industry has not yet reached a comfortable position, and the price situation in the pulp and paper industry, which is an all-important factor, continues to be the subject of negotiations and conferences. The newsprint manufacturers insist that the profitable operation of their mills is only possible with a minimum price of $55 per ton, and it is alleged that the chief obstacle to general stabilisation at this figure is formed by the contracts made by the Hearst interests for newsprint supplies at $51 per ton and even lower. Other newspapers in the United States have an intelligible objection to paying higher prices for their newsprint than do their Hearst competitors, and the Canadian newsprint companies are said to be trying to induce the Hearst combination to waive its favoured position. There are also rumours that Canadian newsprint interests have begun to buy up papers in the United States in order to ensure a regular market for their products at adequate prices. In the lumber industry proper the British Columbia mills are indulging in their normal winter curtailment of operations, but the lumbermen of Eastern Canada are busy at their annual cut, which will probably be as large as its predecessor. The coal mines are having a slack time, but there is no cessation of other mining activities, and winter, although it handicaps prospecting work, helps transportation of supplies to the remoter camps when rivers and lakes have to be crossed. News from British Columbia of very promising mining developments has revived speculative interest among the public, which had a bitter lesson last summer, and many mining stocks have experienced good rises since the New Year.

The Anti-Smuggling Conference between officials of the Canadian and American Governments, which was held at Ottawa last week, has yielded no tangible results. The chief demand of the American delegates was that Canada should refuse clearance papers to all cargoes of liquor consigned to the United States, but the Canadians could not see their way to agree to this. They argued that such a policy would only drive the traffic into subterranean channels, and it was also pointed out that Canada's exports of alcohol to the U.S. were only a small contribution to the aggregate amount of liquor which was being consumed in defiance of the Volstead Act. The Canadian delegates, however, agreed to recommend the adoption of any suggestions that Washington might care to submit for the improvement of the present system where the U.S. authorities are supplied with information about export liquor cargoes leaving Canada.

The stock markets have been fairly active during the past week, with International Nickel, Brazilian Traction, and the railway equipment stocks taking the lead; but money is still tight, and the banks are continuing their policy of discouraging speculation. Plans now being laid for the spring and summer show a widespread confidence that the prosperity of 1928 will be repeated this year, and may even be improved upon.

The revenues of the Federal Government continue to show wonderful buoyancy, especially in light of the reductions in taxation which were decreed by the last Budget. For the first three-quarters of the current fiscal year ending December 31st the total of the ordinary and special revenue collected amounted to $347,838,102, as compared with a total of $325,551,698 for the parallel period of the previous year. The greatest gain was in Customs, which rose from 117 to 139 million dollars, but there was also an increase of 3½ million dollars in the income-tax returns; the only serious decline was in Excise taxes, which, as the result of their reduction in rate, fell from 63 to 57 millions. During the same period ordinary, special and capital expenditures are placed at $269,591,304, which is an increase of roughly 10 million dollars over the parallel period of 1927; but there is still left a margin for a very comfortable surplus, especially as the Canadian National Railway, in view of the expansion of its net earnings, is not likely to make any heavy drain upon the Treasury. On December 31st the net national debt was placed at $2,218,603,434, as compared with $2,281,479,535 on December 31, 1927.

Commodity prices are showing a slight downward tendency, the wholesale index number of the Bureau of Statistics for December being 146.7, as compared with 148.6 for November. Forty price quotations were lower, 27 higher, and 69 unchanged.

Books and Publications.

THE ECONOMIC HISTORY OF EUROPE.*

THERE is no good one-volume outline of the economic development of Europe during modern times, and the co-operative work of three American professors which has just become available to English readers should find a ready welcome.

It is obviously a very difficult task to compress into some 550 pages a survey of the five centuries in which Europe has revolutionised the material condition of mankind. The authors have done the only thing possible in the circumstances by wisely planning their work "as a key to the main ideas and the most important literature."

The salient features of the commercial, industrial, and agricultural "revolutions" which ushered in modern times are dealt with generally, and then with rather more detail in separate chapters devoted to the several more important countries. Useful lists of books follow each chapter. The authors have made a courageous attempt to take account of the chief post-war developments, although necessarily in a summary fashion. A greater emphasis on the revolutionary effects of improved means of transport and on the reactions of the tendencies generally labelled as "economic imperialism" would improve the treatment of these sections.

* "The Economic History of Europe. Part II. In Modern Times." By M. M. Knigh , Ph.D., H. E. Barnes, Ph.D., and F. Flugel, Ph.D. 8vo. pp. vii. + 551. Allen and Unwin. 15s ne

AMERICAN INDUSTRIES.*

THIS book is a compilation designed, according to the preface, to enable "the men who have helped to bring about" the development of industry in the United States, "who understand its processes, and who are really an integral part of the development itself," to tell their story. It is to these men, in the editor's opinion, that "we must look for the most competent exposition of the difficulties and growth of individual American industries. Economists and journalists may be better qualified to weave the raw material from such contributions into a general pattern; but for a specific and detailed analysis of his own business it would seem that the best qualified person is the man who has spent his life in that business."

A book of this sort runs the risk of suffering from lack of balance, and, indeed, "Representative Industries in the United States" does not escape unharmed from this danger. It is undoubtedly a bad apportionment of space, when the aluminium industry occupies 69 pages, whereas the automobile industry is dealt with in only 32 pages, and the iron and steel industry in only 20 pages. Nevertheless, as a work of reference, the book is not without value, for it contains a large number of useful facts which are not otherwise conveniently accessible.

* "Representative Industries in the United States." By H. T. Warshow. George Allen and Unwin, Limited. 18s net.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

The Railway Industry of Great Britain, 1927. By W. V. Wood and C. E. R. Sherrington. (London) Royal Economic Society, 9 Adelphi terrace.

Twenty-seven pages of more than usual interest, both to the economist and to the stockholder.

A New Index-Number of Wages. By A. L. Bowley. (London) Royal Economic Society, 9 Adelphi terrace.

Professor Bowley has completely revised his index number in the light of several years' experience of its working, and with the aid of the fuller statistics now available.

Russia in the Economic War. By Baron Boris E. Molde. (London) Oxford University Press, Warwick square. 11s 6d net.

This is a publication of the Carnegie Endowment for International Peace. It is an interesting account of the part played by Russia in the economic war of 1914-18.

The Netherlands and the World War. Volume IV. *The Effect of the War upon Banking and Currency.* By Dr G. Vissering and Dr J. Westerman Holstijn. *War Finances in the Netherlands, 1918-1922: The Cost of the War.* By Professor Dr H. W. C. Borderwyk. (London) Oxford University Press, Warwick square. 14s net.

These three monographs on the Netherlands and the World War are published in one volume under the auspices of the Carnegie Endowment for International Peace.

Stabilisation Hearings before the Committee on Banking and Currency, House of Representatives. Seventieth Congress. (Washington) Government Printing Office.

The evidence before this Committee constitutes a valuable body of expert opinion on stabilisation and allied questions, called forth by the Strong Bill to amend the Federal Reserve Act. It is here reproduced in convenient form, and well indexed.

Eléments de Statistique. Par Arthur L. Bowley. (Paris) Marcel Giard, 16 rue Soufflot. 100f.

This translation of the fifth edition of Professor Bowley's textbook makes his work accessible to readers who are more at home in the French than in the English language.

Economic Nationalism of the Danubian States. By Leo Pasvolsky. (London) George Allen and Unwin, Limited, 40 Museum street. 12s 6d net.

This is the English edition of the American publication noticed in our issue of January 26th.

THE CHINESE REVOLUTION
1926-1927

Truth:—"The whole case for the Nationalist Government is admirably set out by Mr. Chapman: no more enlightening and opportune book on modern China has appeared."

By
H. OWEN CHAPMAN
M.B., Ch.M. (Syd.), D.T.M. (L'pool.)
With Index and Map
Constable] 12s. net. [*Londo*

African Manual on Mining, Industry and Agriculture, 1928-29 edition. (London) Mining and Industrial Publications of Africa, Limited, Empire House, St. Martin's-le-Grand. 21s.

This is not only a very useful general reference book and illustrated guide, but a valuable manual for investors. It contains a substantial amount of information about each of the most important African mining companies.

International Co-operative Alliance. Statistics of the Affiliated National Organisations for 1927. (London) International Co-operative Alliance, 14 Great Smith street, S.W. 1.

The World Wheat Situation, 1927-28. Wheat Studies of the Food Research Institute. December, 1928. (California) Stanford University.

A valuable statistical review of the crop year 1927-28.

The World's Rubber Position. Compiled and published by W. H. Rickinson and Son, 3 Great Winchester street, London. 4s.

A pocket pamphlet, issued monthly, which contains all manner of information of great value to persons interested in rubber.

The Sociological Review. January, 1929. (London) The Leplay House Press, 65 Belgrave road. 5s.

Articles in this issue range from: "The Commercial Functions of the Nuclei of the English Conurbations" to "A Survey of Social Conditions and Problems in Margate."

The Controversialist. February, 1929. (London) 36-38 Southampton street. 1s.

This is the first issue of a periodical whose object, in its Editor's words, is "to assist the community to explore, with the object of getting at the truth, the various cardinal subjects of controversy, sociology, civics, ethics, politics, religion, science, philosophy."

Bank Holidays During 1929. (London) Anglo-South American Bank, Limited, 117 Old Broad street.

A list of bank holidays in the principal countries of the world.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—

The Survey Method of Research in Farm Economics. By J. P. Maxton. (London) H.M. Stationery Office. 6d.

A discussion as to the best method of conducting a systematic investigation into the business side of farm management.

Report on the Marketing of Wheat, Barley, and Oats in England and Wales. 24-40-18. 6d net.

Empire Marketing Board: The Survey Method of Research in Farm Economics. January, 1929. 6d net.

Department of Overseas Trade: Financial, Commercial, and Economic Conditions in Brazil. October, 1928. 3s 6d net.

The Stock Exchange.

TIPS AND THE INVESTOR.—II.

In our last issue we gave the results of a brief statistical test of the results achieved by a hypothetical follower of the tips given over a period of four months in the investment column of a daily newspaper with a national circulation. The method adopted was based on a comparison of the results of purchasing £100 nominal of each security "tipped," and showed that, as at January 21st last, the investor who followed these tips for the preceding four months would have suffered a net loss on his investment, after paying commission charges and stamp duties.

It may be argued that the purchase of £100 nominal of each security did not provide an adequate test, as no investor would normally act on those lines. We have therefore conducted a second examination on the assumption that the reader of these investment tips actually invested £1,000 in cash in each particular stock or share mentioned. In order to compare like with like, we have taken the middle price ruling on the day on which the tip appeared in the newspaper and the middle price ruling on January 21st. This in reality gives a slight advantage to the "tipster," since the buying and selling prices would be "the turn" less favourable to the investor than the figures on which we have based our results. The "run" given to the securities varies from four months in the case of the earliest mentioned in the newspaper down to a day in the case of the last mentioned. This condition does not, however, affect the main point of our investigation, which is to show the investor whether he would have scored or lost up to a recent date by following this particular "expert's" tips.

The investment of approximately £1,000 (£50 more or less was taken in order to avoid odd fractions of shares or stock) in each of the 273 securities tipped in the period in question (apart from 52 instances where no continuous record could be obtained) would have cost £281,255, inclusive of commissions and the 1 per cent. stamp duty. The value of these investments as at January 21st last amounted to £281,775—in other words, an appreciation was shown of £520, or of 0.18 per cent. on the capital invested. If the securities had been sold and commission charges on the sales deducted from the values as at January 21st, there would have been a loss of £2,024, or 0.7 per cent., on the capital invested. After so much time and trouble had been spent on these tips, both "expert" adviser and advised may well join in dubbing the result a pitiful anti-climax.

The expert in question may argue that we have not allowed his tips a sufficiently long run, but to this argument we would reply that he has had the benefit of active markets over a period when the "Bankers' Magazine" index number showed a rise of 1.25 per cent., and that in the next three or four months he might have the disadvantage of falling markets. Moreover, it is obvious that an expert who is selecting stocks for purchase should show, if his expenditure of time and trouble is worth while, a better average result than the appreciation shown in an index number which takes a number of securities purely as representative of the *average* movements in the Stock Exchange field as a whole. The readers of the daily newspaper in question would, in fact, have done better if they had saved themselves the trouble of following these tips, and put their money into 5 per cent. War Loan, which increased, net, by 1.1 per cent. in the period covered by this investigation.

This test, which we have been at pains to make as accurate as possible, shows up the difficulties of a daily newspaper trying to benefit its readers by giving Stock Exchange tips. The plan simply does not work. It is no fault of the expert who has to write the investment hints; it is rather a matter for the newspaper proprietors who insist that three or four Stock Exchange tips shall be given to their readers every single working day. The truth is that there are not anything like 1,000 tips open to the expert each year, even if he were omniscient. The expert in question whose tips we analysed was, as we have said, more conservative in outlook than many of his colleagues. In the majority of cases he has given tips of recognised investment status. But he has been asked to undertake an impossible task, even if he has wisely lessened the burden by the device of repeating his good tips week after week. What would his colleague, the racing tipster, say if he were asked to tip four horses to win each day even if there were no horses running? We hope our figures may suggest to the newspaper powers-that-be that in featuring the Stock Exchange tipping column in a daily newspaper they are not only setting an impossible task to the experts, but doing no real service to the cause of sound investment generally.

There is another general consideration which we should like to bring forward. The remarkable growth of the investment trust in recent years has been a feature of investment practice, both in London and New York. Provided the management is in the hands of men of experience and probity there is every reason to welcome the increase in the numbers of investment trust companies, seeing that they provide a means for the small investor to take advantage of active Stock Exchange markets without incurring individual risks. But all the good that investment trust companies can do in the way of protection for the small investor will be undone if the popular daily newspaper continues to "boost" its investment tips and encourages the small investor to speculate on his own initiative. We have shown that even to follow the conservative expert "does not pay." The losses which the small speculator must have incurred in following the tips of the less conservative tipsters is even less satisfactory to contemplate. The popular daily newspaper can do much more towards the financial education of the public by analysing company reports and by presenting financial information in an intelligible and accurate form.

There is no denying that public interest in Stock Exchange markets has greatly increased in recent years. But that does not mean that the average reader of the daily newspaper wants to see a tip every morning while he eats his breakfast. More often than not he has no opportunity of acting on the tip even if he believes it to be a good one, and sooner or later he will become alive to the fact that the chances are all against his winning if he acts religiously on the expert's advice. In any case, the expert invariably neglects to tell him when to sell or take his profit. Buying is only one-half of a Stock Exchange transaction, and if the daily newspaper is not prepared to recommend its clients when to sell as often as when to buy, it should not undertake the impossible task of being its readers' broker. It may well be that Stock Exchange "tipping" is as unsatisfactory a way of increasing the circulation of a newspaper as is the running of football competitions, while the facts which we have discussed show that it may hardly be worth while for the reader himself.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

Ticket.	Account.
February 19.	February 21.

The day before it occurred the Stock Exchange decided that a rise in Bank rate was a likely event, and the prices of gilt-edged stocks experienced the worst day that they have had for months. The tone of quiet cheerfulness with which on Monday the Account had opened barely lasted into the following day, and as the disquieting fears about the monetary situation gathered strength, a general dullness came over most sections of the House. We deal with the rise in Bank rate in a leading article on page 275.

The amount of selling induced in the gilt-edged market appeared to be relatively small, but quotations were lowered from Wednesday onwards as a protective measure. The firmness of prices at the beginning of the week, especially of the two Conversion Loans, gave no indication at all of what was to follow. News of industrial and political disturbances in Bombay further damaged India loans, some realisations on a large scale being effected. The new Australia scrip established itself at a premium, but on the whole Dominion stocks moved in sympathy with British issues.

Foreign stocks were unperturbed, and tended to be a rising market. There was continued inquiry for Rumanian loans, and others to register improvements were the various Greek bonds, Japanese (especially the Four per Cent. of 1905), Russian Fours, and certain Brazilians. Peru Corporation preference and ordinary were inclined to fall back.

After one excellent day, Home Railways passed out of favour and lost much of their gains. Traffic receipts, other than for coal, showed fresh losses, and the apparent inclination was to wait for the dividend announcements. Foreign Railways were an idle market most of the week, except for a strong advance in San Paulo. Canadian Pacific were easier.

Among industrial shares important movements were confined to special securities or groups. The strain of the monetary position as between London and New York told against Anglo-American issues, and as New York turned seller those shares in which she had been carrying on active operations recently, such as General Electric, lost ground heavily. Gramophone shares eased, apart from Vocalion, which benefited by a wholly unconfirmed rumour that the company was to be absorbed by Victor Talking Machine. We referred last week to the technical difficulties anticipated when the abundance of transactions in International Nickel letters become due for settlement. On Wednesday the Stock Exchange Committee decided to allow a making-up price for quondam Mond Nickel shares to be fixed on February 15th, on which date they can be carried over, while for the International Nickel themselves a making-up price will be fixed on February 18th. The Settlement Department is not to undertake the settlement of either category at the February 21st account.

From their lowly position of last week Celanese made a temporary recovery, but could not maintain it, while Courtaulds showed a tendency to weaken. Other textiles began to show signs of improvement, though the drastic capital reconstruction naturally caused a fall in Jute Industries. Second thoughts about Margarine were more optimistic than the first impressions created by the Union dividend announcement, strong buying sending up the shares to prices offering an obvious inducement to profit-taking. Imperial Chemicals were in demand, and so for

LONDON ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Closing Price Jan. 31, 1929.	Closing Price Feb. 7, 1929.	Rise or Fall.
Conv. Loan 3½%	79⅝	79½	— ⅛
Do 4½% 1944	99⅝	99	— ⅝
War Loan 5% 1929-47	102½	102½	— ⅛
Consols 2½%	56½	56	— ½
Do 4%	87⅞	87	— ⅞
Funding 4%	91½	90½	—1
Victory Bonds 4%	95⅛	95	— ⅛
Local Loans 3%	65½	65½	— ⅛
Treasury 5% (B)	101½	100½	+⅛
Palestine 5% 1942-67	105	105	.. ..
S. Africa 5% 1945-75	104	104	.. ..
India 3½%	71¼	71	— ¼
Do 4½% 1958-68	92	91	—1
Australia 5% 1945-75	98	98	.. ..
N.S.Wales 5% 1935-55	99	99	.. ..
N. Zealand 5% 1946	103	103	.. ..

Foreign Government Securities.

Japanese 6% (1924)	96½	96½	.. ..
Argentine 4% Reciss.	86	86	.. ..
Austrian 6% 1923-43	102	102⅛	+⅛
Belgian 7%	109	109	.. ..
Brazil 5% Funding	89	88x	+½
Bulgaria 7%	89	89	.. ..
China 5% (1912)	51	51	.. ..
Egypt Unified 4%	85	85⅛	+⅛
Estonia 7% 1927	94	94	.. ..
Finland 6% 1923	99	99	.. ..
French 5%	19⅞	19⅞	.. ..
Do 4% (Brit.)	1⅞	1⅞	.. ..
German 7%	106½	107	+⅛
Greek 7% Refugee	101⅛	102	+⅛
Hungary 7½%	104	102x	+1⅛
Chili 6%	101	99x	+1
Poland 7%	92	92	.. ..
Mexican 5% (1899)	36¼	35⅞	— ⅛
S. Paulo Coffee 7½%	103	103	.. ..
Siamese 6% (1924)	105	105	.. ..

Corporation Stocks.

L.C.C. 3%	66	65½x	+½
E. London 5% 1960-70	98	98	.. ..
Sydney 5½% 1954	98	98	.. ..
Berlin 6% Ster.	96	95	..—1

British and Foreign Railways.

G. Western Ord. Stk.	85	85⅜	+⅛
L.N.E., Def. Stk.	11⅛	11⅛	.. ..
Do 5% Pref. Stk.	24⅛	24⅛	.. ..
L.M.S. Ord. Stk.	55	56	.. +1
Metropol'an Cons. Stk.	66	65⅞	— ⅛
Met. District Ord. Stk.	80½	80½	.. ..
Southern, Def. Stk.	32½	32½	.. ..
Do Pref. Ord. Stk.	77	77	.. ..
Underground Ord. £1	1⅜	1⅜	— ⅛
Do Income Bonds	129	125	— 4
Antofagasta Ord. Stk.	97½	97⅜	.. ..
B.A.&Pacific Ord. Stk	101	101	.. ..
B.A.Gt.Sthn Ord. Stk.	110	109⅛	— ⅛
B.A. Westrn. Ord. Stk.	100⅛	100	— ⅛
Beira 6½% Deb. Stk.	102	102	.. ..
Can. Pacific Com. Stk.	257	262	+5
C. Argentine Ord. Stk.	100⅛	100	— ⅛
Leopoldina Ord. Stk.	57⅛	57⅛	.. ..
San Paulo Ord. Stock	209	214⅛	+5⅛
Utd. Havana Ord. Stk.	47	45⅞	— 1⅛

Banks.

Barclay B. (£1)	28⅜	28⅜	.. ..
Barcl.(Dom.&c.) A £1	1⅜	1⅜	.. ..
Lloyds £5, with £1 pd.	3⅜	3⅜x	+⅛
Mid. £12, with £2½ pd.	9⅞x	9⅞	.. ..
Do £2½ fully paid	10x	10	.. ..
Midland £1, fully paid	4⅜	4⅜	.. ..
Nat. Prov. £20, £4 pd.	14½	14⅛	— ⅜
Hongk. and S. ($125)	145½	145½	.. ..
St. of S.A £20, £5 pd.	16⅜	16⅝	+⅛
W'minster £20, £5 pd.	20⅛	20⅛	+⅛

Insurance.

Alliance £1, fully paid	21½	22	+⅜
Com.Un. £2½ fully pd.	29	28⅞	— ⅛
Ldn.&Lanc. £5, £1 pd.	32	31⅜	— ⅜
N.Bd.&Merc. £5, £1¼ pd.	38⅜	38¼	+⅛
Royal Ex. £1, fully pd.	7	6⅞	— ⅛
Roy.In. £1, with 10/pd.	9	9	.. ..

Coal, Iron and Steel.

Amal. Anthracite (£1)	10	9⅞	— ⅛
Babcock, Wilcox (£1)	3⅜	3⅜	.. ..
Baldwin (£1)	2	2	.. ..
Bolckow Vaughan (£1)	⅞	⅞	.. ..
Bwana M'Kubwa, 5/tp	1⅜	1⅜	.. ..
Cory, William (£1)	3¼	3⅛	— ⅛
Dorman, Long (£1)	1⅞	1⅞	.. ..
Guest, Keen (£1)	2⅛	2⅛	— ⅛
L&N.Coal Distillation	1⅛	1⅛	.. ..
Stewarts & Lloyds (£1)	1⅜	1⅜	— ⅛
Swan, Hunter (£1)	1½	1½	.. ..
Thornycroft, John (£1)	4⅛	4⅛	.. ..
Vickers (6/8)	8	8	.. ..

Textiles.

Bradford Dyers (£1)	2⅜	2⅜	.. ..
Brit. Celanese, Ord (10/)	⅝	1⅛	+⅜
Coats, J. and P. (£1)	3⅜	3⅜	— ⅛
Courtaulds (£1)	5⅜	4⅝	— ⅝
Eng. Sewg. Cotton (£1)	2⅞x	2⅝	.. ..
Fine Cott. Spinn. (£1)	2¼	2⅛	— ⅛
Listers (£1)	1½	1½	.. ..
Snia Viscosa (200 lire)	1⅜	1½	— ⅛

Electrical Manufacturing.

British Insulated (£1)	48⅝	44	+⅛
Ever Ready (G.B.) (5/)	1½	1⅜xb	.. ..
General Electric (£1)	3⅜	3⅜	— ⅛
Johnson&Phillips (£1)	1½	2⅜	+⅜
Metro-Vickers (£1)	1⅜	1⅜	+⅛
Siemens (£1)	1⅜	1⅜	.. ..

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅞	1⅝	+⅛
Brnemth. & Poole (£1)	3⅜	3⅜	+⅛
County of London (£1)	2⅜	2⅜	+⅛
Hydro-Elec. com. stk.	39½	40⅛	+⅝
Newcastle-on-Ty. (£1)	1⅜	1⅜	.. ..
Scottish Power (£1)	1⅛	1⅛	+⅛

Telegraphs and Cables.

Eastern Stk.	272½	272½	.. ..
Eastern Exten. (£10)	27½	27½	+½
Marconi (10/)	3⅛	4	+⅛
Marconi Marine (£1)	3⅝	3⅝	.. ..

Motors.

Dennis (1s)	3⅛	3	— ⅛
Ford Motors (£1)	3⅝	3⅜	— ⅛
Leyland (£1)	1⅜	1½	— ⅛
Morris 7½% Cm. Pf. (£1)	1⅛	1⅛	.. ..
Singer (£1)	1⅞	1⅞	— ⅛
Weymann Mot. Bodies	1⅞	1⅜	+⅛

Shipping.

Cunard (£1)	1⅛	1⅛	+⅛
Furness Withy (£1)	2⅜	2⅜	— ⅛
P. & O. Defd. (£1)	3⅞	3⅝	.. ..
Royal Mail Ord. Stock	72⅜	75⅛	+3

Tea and Rubber.

Anglo-Dutch (£1)	1⅞	1⅜x	— ⅛
Cons. Tea & Lnds (£10)	37½	37½	+½
London Asiatic (2/)	½	½	.. ..
Rubber Trust (£1)	2	2	.. ..

Oil.

Anglo-Persian (£1)	4⅜	4⅛	— ⅛
Attock (£1)	2⅛	3	+⅛
Burmah Oil (£1)	4⅜	4⅜	.. ..
Mexican Eagle (£1/0/6)	3⅜	3⅜	— ⅛
Royal Dutch (£24)	31⅜	31½	.. ..
Shell (£1)	4⅛	4⅜	— ⅜

Miscellaneous.

Assoc. P. Cement (£1)	1⅛	1⅛	+⅛
Braz. Traction, no par	73½x	71½x	.. ..
Brit.-Am. Tobacco (£1)	6⅜	6⅜	.. ..
Carreras, "A" Ord. (£1)	14½	14⅜	.. ..
Columbia Graph. (10/)	15⅜	15⅜	— ⅛
Crittall (£1)	2⅞	2⅞	— ⅛
Dunlop (6/8)	1⅞	1⅞	+⅛
Forestal Land (£1)	1⅜	1⅜	— ⅛
Gas Light & Coke (£1)	1⅛	1⅛	.. ..
Gramophone Co. (£1)	14⅜	14⅜	— ⅛
Harrods (£1)	3⅜	3⅜	+⅛
Hudson's Bay (£1)	6⅛	6⅛	— ⅛
Imp. Airways (£1.15/p)	1⅛	1⅛	+⅛
Imp. Chem., Ord. (£1)	2⅜	2⅜	+⅛
Imperial Tobacco (£1)	6⅞	6⅞	— ⅛
Inter. Nic. of Canada	65⅛	63	— ⅝
Kreuger & Toll (kr.100)	39½	39⅜	— ⅛
Lyons (J.) (£1)	5⅞	5⅞	.. ..
Margarine Unie (fl.12)	3⅜	4⅛	+⅛
Photomaton, Parent.	3⅜	3⅜	— ⅛
Swed. Match, B (kr.100)	25⅞	25⅝	+⅛
Tate and Lyle (£1)	3⅜	3⅜	+⅛
Tilling, Thomas (£1)	5⅞	6	.. ..
Turner & Newall (£1)	5⅞	5⅞	.. ..
United Molasses (£1)	7⅛	7⅛	— ⅛
Victor Talking, no par	15⅞	15⅞	+⅛
Vocalion (10/)	3⅜	3⅛x	.. ..
Watney Combe Dfd. (£1)	3⅜	3⅛x	.. ..

Mines.

Anglo-Amer. of S.A (£1)	2⅞	2⅞	.. ..
De Beers Def. (£24)	12⅜	12⅜	— ⅛
Brakpan (£1)	4⅜	4⅜	— ⅛
"Chartered" 15/ I.p.	2⅜	2⅜	.. ..
Burma Corp. (Rs. 10)	1⅛	⅞	— ⅛
Rhodesian Anglo-Am.	1⅜	1⅜	+⅛
Selection Trust	5	4⅞	— ⅛
Johan. Cons. (£1)	2⅞	2⅞	+⅛
Lake View & Star (4/)	⅞	⅞	.. ..
London Tin (£1)	3⅜	3⅜	.. ..
Rio Tinto (£5)	65⅛	64⅞	+⅛
Roan Antelope Cpr. (5/)	2⅜	2⅜	.. ..
Sub-Nigel (10/)	2⅜	2⅜	+⅛
Tanganyika (£1)	3⅛	3⅛	— ⅛
Union Crp. (12/6) fu. pd	4⅜	4⅜	+⅛

a time were Swedish Match, while an isolated stock in favour was Triplex Safety Glass. As might be expected, such shares as had been most sought after in recent days were most sharply shaken by Thursday's change in Bank rate, especially those generally regarded as being of an investment character, including insurance and bank shares.

Business in rubber shares was quiet and uninteresting, with more losses than gains reported, though speculative interest in certain companies showed signs of developing and the position of Rubber Trusts was improved. The downward tendency of tea shares was checked, but not much importance was attached to such price changes as did occur, for it was clear that transactions all the week were on a small scale. Oils did not attract much interest, and news of still increasing crude oil production from America was discouraging to buyers. Continental operations in Royal Dutch were perhaps the leading feature of a dull week.

Rhodesian copper shares continued to hold the centre of the mining stage, and the new N'Changa offer, which is dealt with in an "Investment Note," served to quicken the already active interest. After an irregular period when the causes of different movements were altogether obscure, Rhodesians too, having by now taken their place among the recognised "international" favourites, were infected by the monetary uncertainty, and with one or two exceptions prices slipped back all round. Kaffirs enjoyed distinctly greater attention than of late, first Paris and then Johannesburg coming in as buyers. A new interest sprang up for tin shares, and dealers appeared to be anticipating that they were likely to attract special favour from the public within the near future. Whatever the foundation for that view, substantial gains were marked in many cases. The majority of copper shares also tended upwards, in belated sympathy with the price of the metal, but this movement lacked the special and significant character that was apparent in the tin advance.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The advance in the English Bank rate, together with the Federal Reserve "warning," caught the share market in a vulnerable position and brought about a sharp reaction. The Bank of England's action is felt to have been fully justified by the circumstances, but the Federal Reserve authorities' warnings are disliked. It is felt that they are not only ineffective and undignified, but that they may also be politically dangerous. An ounce of action is believed to be better than pounds of words, and it is realised here that much of the present trouble is attributable to the weakness of the Federal Reserve authorities last year. However, it is generally recognised that in any case a reaction in the share market is likely to occur before spring, and it is realised that money usually tightens towards the end of February or the beginning of March.

Current prices :—

	Jan. 31, 1929.	Feb. 7, 1929.	Rise or Fall.
4½% Lib. Ln.'33-8	100$\frac{5}{32}$	100$\frac{1}{32}$	— $\frac{1}{8}$
3½% Tra. Bs.'46-56	102$\frac{7}{32}$	102$\frac{1}{16}$	— $\frac{5}{32}$
Ach., Top. San. Fé	205	198½	— 6½
N. York Central	199½	195½	— 4
Union Pacific	223½	221	— 2½
Pennsylvania	79¾	78¼	— 1⅝
South. Railway	155	151½	— 3½
U.S. Steel	183	175¼	— 7¾
General Motors	83⅜	82⅜	— 1
Amer. Tel. & Tel.	219	211⅜	— 7¾
General Electric	257	235	— 22
Victor Talking	150⅛	146	— 4⅛
Std. Oil of N.J.	50	48⅜	— 1⅝
Anaconda	125⅜	125½	+ $\frac{3}{16}$

PARIS.

The ease with which speculative positions were carried over at the month-end settlement, the rate being 4½ per cent. on the Parquet and 7½ per cent. on the Coulisse, came as a fresh proof of the abundance of loanable funds. The supply of money had a most encouraging influence on French securities, which continued to make appreciable gains. If Rentes or chemical products were quieter, by contrast banks, coal and electricity shares and Suez took a new step upwards. Influenced by the price of the metal, copper shares were in great demand. As the week went on falls began to occur, but the undertone remained firm.

Current prices :—

	Jan. 31, 1929.	Feb. 7, 1929.	Rise or Fall.
3% Perp. Rentes	73·55	72·05	— 1·50
5% Rentes, '15-16	98·90	97·60	— 1·30
5% Rentes, 1920	118·80	117·95	— 0·85
Banq. de France	27,000	26,125	— 875
Banq. de Paris	5,370	5,480	+ 110
Crédit Lyonnais	4,610	4,485	— 125
Nord	2,580	2,575	— 5
Com. Gen d'Elec.	4,640	4,555	— 85
Littoral Médit.	1,510	1,585	+ 75
Mines de Lens	1,185	1,237	+ 52
Courrières	1,592	1,600	+ 8
Pechiney	4,405	4,480	+ 75
Kuhlmann	1,410	1,400	— 10
Com. Gen. Trans.	1,500	1,440	+ 30
Suez Canal	25,725	26,150	+ 425
Assur. Gen. Vie	16,120	13,450	— 2,670
Denain et Anzin	3,720	3,725	+ 5
Dollfus Mieg	14,800	14,200	— 600

BERLIN.

A week ago the Bourse underwent a slight recovery, but it was in general nervous and undecided. Some buyers were frightened by a new rise in the dollar exchange. On Monday dealing was mainly under the influence of sharp fluctuations in Glanzstoffe, which dropped from 443 to 426 before rising again to 437 on intervention purchases by an interested bank. Attention was given to banking stocks. Tuesday and Wednesday were dull and unsettled days, with some foreign buying of electricals. The advance in the London bank rate on Thursday resulted in a moderate decline.

Current prices :—

	Jan. 31, 1929.	Feb. 7, 1929.	Rise or Fall.
Reichsbank	311·25	308·00	— 3·25
Deutsche Bank	169·00	169·00	
Disconto Bank	164·25	164·50	+ 0·25
Hamburg-Amer	128·12	128·37	+ 0·25
Norddeut.-Lloyd	126·00	125·00	— 1·00
I.G. Farbeninds.	252·75	250·50	— 2·25
Verein. Glanzstff.	451·00	427·00	—24·00
Bemberg	419·50	405·00	— 14·50
Verein. Stahlke.	97·50	97·25	— 0·25
Mannes Rohrke	126·50	124·50	— 2·00
Allgemne. Elekt.	175·00	175·75	+ 0·75
Siemns. & Halske	377·00	377·75	+ 0·75
Daimler Benz	60·00	60·00	—
Cons. Caoutchne.	133·00	132·87	— 0·13
Salzdetfurt. Kali	497.00	492·00	— 5·00

AMSTERDAM.

Generally the Bourse was firm, but business remained inactive. To this last Margarine Unie was the sole exception, the shares advancing nearly 50 points in a few days. Sugar shares reacted, after a rise on the reported formation of a Cuban sugar pool. Netherland Shipping Union experienced a moderate inquiry. Oils were irregular. In sympathy with New York American shares showed more activity. General dullness in the market followed on the news of the rise in London Bank rate. Margarine Unie reacted sharply. The money market was firm.

Current prices :—

	Jan. 31, 1929.	Feb. 7, 1929.	Rise or Fall.
5% Bds. Neth. '18	101⅛	101⅜	+ ⅛
4½% Ams. 1913-14	99⅝	100	+ ⅜
Margarine Unie	391⅜	415	+ 23⅝
Neth. Art. Silk	410	399	— 11
PhilipsEleoLmp	910½	921	+ 10½
Singkep Tin	350	361	+ 11
Royal Dutch	381	386	+ 5
Amst. Rubber	273½	270½	— 3
Serbadjadi Sm R.	229	225	— 4
Holl. Amer. Line	80	77½	— 2½
Navig. Co., Ned.	204½	205⅝	+ 1⅛
Vorstenlanden	159⅜	159⅜	
TradingCo., Ams.	678½	671½	— 7
Besoeki	548	573	+ 25
Deli	467½	470½	+ 2⅞
Neth. Trad. Soc.	180¼	186	+ 5¾

INVESTMENT NOTES.

The Roumanian Stabilisation Loan.—An agreement has now been reached between the new Roumanian Government and the banking group, which had originally conducted the negotiations with the Bratianu Ministry, for the issue of a foreign loan amounting to no less than £20,700,000. We understand that the scheme of stabilisation has been prepared by the Bank of France. Associated with the latter are Blair and Co., of Wall Street, who originally secured the loan, Hambros Bank, Lazard Brothers, and Higginson and Co., the last three named being responsible for the issue in London. Franc bonds are being offered in Paris to the amount of 561,638,000f, and dollar bonds in New York, Austria, Belgium, Czechoslovakia, Germany, Holland, Italy, Roumania, and Switzerland to the amount of $69,000,000. The English portion of the loan is £2,000,000. The loan takes the form of 7 per cent. sterling bonds, guaranteed as to principal, interest, and sinking fund by the Government of Roumania, redeemable by 1959 by means of half-yearly drawings at par. The price of issue is 88 per cent. Apart from the unconditional guarantee of the Government of Roumania, the bonds are secured by a first charge on the gross receipts of a new Monopolies Institute, which has been granted the sole right, until all the bonds of the loan are redeemed, to exploit the following monopolies—tobacco, matches, salt, playing cards, commercial explosives, and cigarette paper. The Monopolies Institute has entered into a contract with the Swedish Match Company whereby the Company has agreed to operate the match monopoly for a period of 30 years through a Roumanian subsidiary, and to guarantee payment of a minimum annual royalty equivalent to $3,000,000 (say £600,000). The net receipts of the monopolies transferred to the Institute have been as follows :—1926, £3,841,000; 1927, £4,748,000; 1928 (11 months), £5,211,000. The net receipts from the match monopolies during the first eleven months of 1928 were approximately $2,000,000 (say £400,000). No further bonds are to be issued ranking *pari passu* with this loan unless the net revenues of the Institute have been at least equal to twice the maximum annual service of all the bonds outstanding after such further issue. The plan of stabilisation contains the following provisions :—(1) The gold value of the leu is to be fixed, in fact, near the current rate. (2) The National Bank undertakes to maintain the stability of the leu, and the Bank statutes will require it to maintain against all demand liabilities a minimum reserve of 35 per cent. in gold or gold exchange. (3) The equilibrium of the Budget is to be strictly maintained. (4) The Treasury can borrow on current account from the National Bank amounts not exceeding £2,500,000 in anticipation of tax receipts, but the advance must be repaid during the second half of each fiscal year, and cannot be extended from one year to another. The participation of the State in the capital of the National Bank is limited to 10 per cent. (5) The National Bank will appoint a foreign adviser for a period of three years to collaborate with its board in the carrying out of the stabilisation plan. M. Charles Rist, a member of the Transfer Committee under the Dawes Plan, has been appointed adviser, and will issue quarterly reports. (6) The net proceeds of the loan will be applied as to £5,000,000 to the stabilisation of the Roumanian currency, as to £2,200,000 in repayment of certain advances due to the Treasury, as to £1,800,000 in working capital for the State railways, as to £2,000,000 in productive works authorised by Parliament, and the balance in the reconditioning of the State railway system. The bankers may be congratulated as much as the Roumanian Government upon the plan of stabilisation and the security assigned to the stabilisation loan. The participation of the Swedish Match Company will no doubt have an influence with the investor. Apart from the royalty which it guarantees, the Swedish Match Company has taken firm $30,000,000 of the dollar bonds, which it has agreed not to market for three years, except with the consent of the banking group. At the price of issue of 88 (or 87½), allowing for the ½ per cent. in the first coupon) the bonds return a running yield of 8 per cent., and a yield to final redemption in 1959 of 8.15 per cent. Allowing for half-yearly drawings at par the yield on the average life of the bonds works out at £8 4s 9d per cent.

Increased Railway Charges?—On the eve of the declaration of dividends which can scarcely be expected to satisfy the aspirations of all stockholders in the four great British railways, it may be well to remind our readers that, under the terms of the Railways Act of 1921, the Railway Rates Tribunal has power to review the present level of railway charges forthwith, on the ground that they did not last year produce the "standard of revenue" prescribed by the Act. Any changes recommended by the Tribunal would, in the ordinary way, come into force next July. The extent to which they are likely to use their powers is obviously a matter of interest to the investor in railway stocks. In this connection it is necessary to point out that the proper adjustment of passenger fares presents quite a different problem to that of freight rates. In the former case (leaving season tickets out of account for the moment) any increase or decrease usually meets with an almost immediate response; but in the latter, although the loss of traffic due to an unduly high level of rates may ultimately be both serious and irretrievable, its effects are likely to be slow, and for a period of a month or a year may even appear to be "good business" for the railway. So far as the coming year is concerned, the main problem before the Railway Rates Tribunal will be to select those traffics which will bear higher charges with a minimum of disturbance to industry. Necessarily their choice must lie amongst those traffics—rapidly diminishing in number—not susceptible to road competition, and these are concerned precisely with those industries already weakened by misfortune, where higher rates would be liable to stifle tonnage altogether. Further, in the cases of iron and steel, coal, and agriculture, the provisions of the Government's freight rebate scheme are already in operation, and it would seem unlikely either that the Rates Tribunal or public opinion would permit the railways to "counter" the Government's endeavour to assist these selected trades. In other words, it is just where charges might have been raised that the Government has stepped in and enforced a reduction. The policy may, admittedly, after a while reduce the costs of these industries, increase the tonnage of their products transported, and so bring revenue to the railway companies. For the present, however, the railways will be compelled to examine the possibilities as regards such traffics as bricks, stone, cement, and other materials required for house-building and road construction. But here road competition is by no means absent, since these materials are often required along the best-constructed roads. For the longer hauls, coastwise traffic is always liable to be a danger in both cases. In the case of passenger traffic, with exception of season-ticket traffic, competition from the road has presented the railway companies with no alternative to the making of further reductions by way of cheap facilities. A large share of the total traffic, as a result of these reductions, is now carried at a price nearer 1d than 1½d a mile, and it may well be that consideration has been given to the lowering of ordinary fares to the former level. A field where increased charges might bring in additional revenue is that of season-ticket traffic or of workmen's fares; but in all probability the penalisation of those who have based their decision to live at considerable distance from their place of employment on the level of the existing scales would be regarded as outside the range of practical policy for those responsible for the greatest of all public utilities. At no time in railway history has the industry been faced with a greater degree of competition, or have the special obligations and responsibilities resulting from its public control borne more heavily upon it. The efforts of the companies, in collaboration with the Rates Tribunal, to discover those traffics which can support higher charges are likely to be anything but easy, and the investor would probably do well to await definite results before building unduly on the prospect of improvement from this source.

New Capital Issues in January.—In the table below we show the new capital raised in London by issue to the public or shareholders in January, 1929; comparative

AN INVESTMENT YOU WILL NEVER REGRET.
ÆONIC
PORTABLE RADIO
ENORMOUS RANGE AND AMPLE VOLUME.
Suitcase Model, 5 valves, £16. 16 complete. Ask your Dealer for a Demonstration.
ÆONIC RADIO LTD., 90, REGENT ST., LONDON, W.1.

figures for 1928 and 1927 are given, together with the monthly averages for preceding years :—

(000's omitted.)

Monthly Average.	United Kingdom.		British Possessions.	Foreign Countries	Total.
	£		£	£	£
1912 and 1913 ..	3,387		6,199	7,388	16,974
1924	7,051		6,023	4,370	17,444
1925	12,918		5,077	1,356	19,351
1926	10,765		4,431	4,036	19,232
1927	17,240		8,318	4,039	29,597
1928	21,965		5,263	3,526	30,754
	Govt.	Other.			
January, 1927 ..	*69,854*	*7,733*	*13,411*	*2,729*	*93,757*
Total year, 1927	*66,084*	*140,890*	*99,812*	*48,470*	*355,166*
January, 1928 ..	86,861	12,802	10,055	6,188	115,906
February, 1928..	*Dr. 250*	24,972	2,471	297	27,490
March, 1928	*Dr. 900*	10,872	9,077	6,549	25,598
April, 1928.....	*Dr. 250*	10,707	4,523	980	15,960
May, 1928	*Dr. 300*	18,590	8,381	3,589	30,260
June, 1928	100	21,368	5,671	2,460	29,599
July, 1928	*Dr. 250*	17,858	11,382	3,105	32,095
August, 1928....	*Dr. 350*	4,482	367	215	4,714
September, 1928 .	100	5,236	215	3,513	9,064
October, 1928 ..	*Dr. 300*	26,239	6,709	6,648	39,296
November, 1928 .	*Dr. 150*	13,460	2,198	4,272	19,780
December, 1928..	*Dr. 450*	13,136	2,109	4,501	19,296
Total year, 1928	83,861	179,722	63,158	42,317	369,058
January 1929....	650	14,080	24,897	2,983	42,610

For the first time for several years no British Government issue falls to be included in the January total. The Government figure of £650,000 is made up entirely by the excess of purchases of National Savings Certificates over encashments, an encouraging start to the year. Not much change is apparent in the amount raised for use at home, other than by the Treasury. India borrowed £7½ millions, as a year ago; New Zealand obtained £7 millions, and the Commonwealth of Australia made an £8,000,000 issue. No foreign Government entered the market, but an Austrian electric power company tried to borrow £2 millions, and the Buenos Ayres anl Pacific Railway made a £1,000,000 issue to its shareholders. It is interesting to note that during the month dealings on the Stock Exchange began in shares of the nominal value of £1,817,450 which had been introduced by the method of advertisement "for public information only," and the total cash involved in these introductions, calculated on the opening price in each case, amounted to £4,813,512.

London Gas Companies.—The reports of both the Gas Light and Coke Company and the South Metropolitan Gas Company were made available on Monday, and they show similarity in many points. In each case the expenditure on coal fell by over one-quarter, but through the same causes a marked reduction occurred in the prices received for by-products. The Gas Light company increased its sale of gas by just over 1 per cent. during the year, but the lower price charged brought down the receipts on that count from £9,487,972 to £8,171,786. It was possible, notwithstanding, to increase the ordinary dividend and to put £90,000 to reserve, as against £35,000 in recent years, thanks to the economy effected on coal :—

Years Ended December 31.	1926.	1927.	1928.
	£	£	£
Net revenue	1,337,846	1,736,989	1,853,520
Interest on debentures, mortgages, &c....	378,709	445,143	431,874
Special purposes fund	..	..	50,000
Balance for dividends	959,137	1,291,846	1,371,646
4% preference dividend	166,281	166,281	166,281
3½% maximum dividend	91,000	91,000	91,000
Ordinary dividend, amount	944,673	942,635	1,037,285
,, ,, rate per cent.	(£5/0/8)	(£5/0/8)	(£5/11 0)
To redemption fund	35,000	35,000	40,000
Increase or decrease in carry forward	— 43,342	+ 56,930	+ 37,080

During the year £2,000,000 of 5 per cent. redeemable debenture stock was issued. A temporary loan of £875,000 from bankers has disappeared from the balance-sheet, and £550,000 on deposit now appears on the assets side. The total of reserve funds is raised from £813,242 to £893,377. A Bill is going forward to provide for the acquisition of two local gas undertakings, and naturally the report mentions the event of the Holborn explosion. At the 1928 rate of dividend the ordinary stock at 20s 3d yields £5 8s. The South Metropolitan revenue would have fallen slightly short of the 1927 figure, but for the receipt of £32,500 as dividend on South Suburban Gas stock, with which company an agreement was concluded during the previous year. The sale of gas shows a decrease of ½ per cent., causing at the lower price a shrinkage in value from £3,412,202 to £3,099,738. Dividend on £500,000 preference stock became payable for the first time during 1928, so that on balance almost the same sum was earned on the ordinary stock as in 1927, and that dividend remained unchanged :—

Years Ended December 31.	1926.	1927.	1928.
	£	£	£
Net revenue	439,476	563,338	595,240
Interest on debentures, &c.	146,851	148,987	153,069
Balance for dividends	292,625	414,351	442,171
Preference dividend	..	..	30,000
Ordinary dividend	396,594* (6%)	413,118 (6⅓%)	413,118 (6⅓%)
Increase or decrease in carry forward	— 5,969	+ 1,233	— 947

* £98,000 taken from special purposes fund.

On account of considerable expenditure out of the special purposes fund on replacements, visible reserves have diminished from £431,435 to £372,523. Two different plants for the manufacture of low temperature fuel are being erected, so that the company will be able to try their relative merits and test the markets for the resultant products. This is a far-sighted and interesting development. The company's ordinary stock at 109 yields £5 14s 8d. The balance-sheets of both concerns will be found summarised on a later page.

Tilling and British Automobile Traction.—Early in 1928 the British Automobile Traction Company, which was itself controlled by Thomas Tilling and the British Electric Traction Company, acquired large holdings in those two and in other associated companies. Its name was adapted and its ordinary share capital increased from £400,000 to £1,600,000. Of the new shares, 331,704 were issued to shareholders at 22s 6d. They are now dealt in at 43s 9d, yielding £4 11s 5d per cent. at the current rate of dividend, which has been maintained at 10 per cent. on the swollen capital :—

Years Ended December 31.	1926.	1927.	1928.
	£	£	£
Profit, after charging debenture interest	55,423	75,623	167,206
Participating pref. div.(8% + 2%)..	20,000	20,000	20,000
Ordinary dividend (10%)	30,000	34,583	135,736
To reserve	10,000	10,000	10,000
Increase or decrease in carry-forward	— 4,577	+ 11,040	+ 1,570

The balance-sheet, which is summarised elsewhere, discloses an entirely liquid position. Shareholders would be better able to judge the financial strength of the company if "investments in transport undertakings, and rolling stock, plant, machinery, and stores" were not grouped into one huge item that furnishes 88 per cent. of the gross assets. The confusion of two radically different classes of assets is actually more objectionable than the mere size of the one item, which at £2,043,188 shows an increase of £1,126,999 on the year. In that connection, the nominal value of the shares issued in exchange for the principal holdings acquired was £868,296. The reserve, strengthened by £41,463 from share premiums, stands at £110,081, but the share and loan capital together now exceed £2,000,000, on which the true earning power of the company over a whole 12 months will not be apparent until this time next year.

Rylands and Sons.—The difficulties of Lancashire are inevitably reflected in the accounts of this great Manchester firm. The recovery registered in 1927 has not continued; on the contrary, profits for the past 12 months fell away by 16 per cent. The ordinary dividend was maintained at 8 per cent. Half-yearly meetings have only lately been abandoned by this company in favour of yearly ones, so that in the following table the figures for 1926 and 1927 represent in each case the sum of two half-yearly statements. The final dividends of 1928 were paid less income-tax at 3s 9¼d in the £ :—

	Years Ended December 31.		
	1926.	1927.	1928.
	£	£	£
Profit	151,763	237,630	199,351
Preference dividend, after tax	96,000	96,438	96,687
No. of times covered	*1·5*	*2·4*	*2·0*
Ordinary — Earned	4·3%	8·6%	6·6%
Ordinary — Paid, less tax	8%	8%	8%
Ordinary — Amount, after tax	128,000	128,583	128,917
Increase or decrease in carry-forward	— 72,237	+ 12,609	— 26,253

The balance-sheet, a summary of which will be found on a later page, incorporates the assets and liabilities of Rylands and Sons (Colonial), Limited, the trading result of the subsidiary being included in the profit statement of the parent company. It is impressive to see fully one-third of the gross assets represented by British Government, railway, and corporation stocks. Fixed assets are valued at £829,573, against £769,679 a year ago. Some slackening in turnover would seem to be indicated by an all-round drop of 6 to 8 per cent. in creditors, debtors, and stock-in-trade. The company appears to keep its financial position admirably liquid. Visible reserves remain at a total of £600,000. At their present price of 1¼ the £1 ordinary shares yield £5 18s, less tax, and the preference at 1⅜ yield £5 16s 3d.

Jute Industries.—Details of a step the necessity for which has long been foreseen are now announced by the directors of this company, which was formed in 1920 and took over a number of businesses at the inflated prices then current. After discussion with Sir William Plender, the directors advise that the investments acquired at that time, which stood in the books at their cost price of £5,635,595, be revalued on the basis of probable earning capacity. Accordingly they are to be written down by no less than £2,834,000, and as a result of certain other adjustments the share capital has to be reduced by £2,850,000 in all, which exceeds the total issued ordinary share capital. Whether preference shareholders in a company should be asked to submit to any sacrifice until the ordinary shareholders have paid the uttermost farthing is a question at present in the melting-pot of financial thought, but in this case it is obviously inevitable, whatever the scheme, that the former should suffer some loss. It is proposed to write 18s off the £1 ordinary and 10s off the £1 preference shares, and to reduce the dividend on the latter from a participating cumulative 9 per cent. to a non-cumulative 8 per cent., with better participation rights in that four-fifths of the surplus will be assigned to them, leaving only one-fifth to the ordinary. It can at least be said that these proposals are fairer to preference holders than certain other schemes that have been determined on recently. Further information from the annual report will be found in "Summaries of Balance-Sheets" and "Reports and Notices" on later pages.

Decca Gramophone.—The shareholders of the Decca Gramophone Company, which made a public issue of 320,000 ordinary 10s shares on August 25, 1928, at 24s 9d per share, and has now an ordinary share capital of £160,000, have received from a firm of solicitors, acting on behalf of unnamed clients, an offer to purchase their shares at £2, to be satisfied as to £1 7s 6d in cash and as to 12s 6d by five-eighths of a fully-paid 7 per cent. cumulative preference share of £1 in a new company to be formed for the purpose (*inter alia*) of manufacturing gramophones and records. The new company will issue in all 231,250 preference shares, with no other shares taking priority to or ranking *pari passu* with them, and will have at least £750,000 in cash subscribed for ordinary shares. When the Decca shares purchased are transferred to the new company, it will have an income therefrom sufficient to pay dividends on its preference shares nearly four times over on the basis of the profits for the last year, namely, £61,000. The offer is void if it is not accepted by holders of at least 51 per cent. of the shares, and the purchasers are to have the option of avoiding or confirming the offer if it is accepted by holders of between 51 per cent. and 80 per cent. of the shares. As Decca shares are at present quoted at 1 1/16, the offer is not unattractive for shareholders, but Decca shares were understood to have prospects, and it seems regrettable that the solicitors do not see their way to provide the shareholders with more information. Apart from the fact that the solicitors' letter does not reveal how fractions of preference shares are to be disposed of, the shareholders are left in entire ignorance of the nature of the new company, its prospects and its expenses. There is no point in declaring that the income from Decca shares will cover the preference dividends of the new company unless it is shown that there is no possibility of the operating expenditure of the latter eating up the income from the Decca shares. It has been stated in a contemporary that the offer of the solicitors is being made on behalf of the New Malden Holding Company, which was formed recently to take over the Duophone factory and plant at New Malden. This point is of interest because it is understood at one time last year that the Duophone directors had received some offer from the Decca Gramophone Company. If there is any truth in these reports it is desirable that the solicitors should disclose their clients and lay the whole of their proposals before the Decca shareholders so that the details of their offer may be fully appraised.

Tin Share Yields.—It is noticeable that sentiment in the tin share market is generally decided week by week by the rise or fall in the price of tin. Recently the daily fluctuations in the price of the metal had been small, until the recent spurt of £4 in one day. If an upward tendency sets in, it is not unlikely that the market in tin shares will begin to value prices rather more on the dividend-yield basis. Of course, if the price of tin is still unstable, there is no point in considering dividends which may have to be reduced, but it may be recalled that at the beginning of 1927 the downward trend in prices set in, and continued for eighteen months to the middle of 1928. Some recovery followed, then a slight reaction, and finally some show of stability. As the investor is therefore examining tin share prices after a depression lasting nearly two years, it is not altogether surprising that the yields shown on a dividend and earnings' basis are among the highest obtainable on the Stock Exchange. The following table gives the yields on tin shares of three Malayan, two Nigerian, and one Bolivian concern :—

	Year Ending.	Earned.	Divs.	Price. Feb. 4	Yield on Divs.	Yield in Earnings.
		%	%		%	%
1. Malayan Tin Dredging, 5s	June, '28	*94·7	65	28/	11·6	16·9
2. Kamunting Tin Dredging,5s	,,	38·7	40 free	17/3	11·6 free	11·2
3. Tavoy Tin Dredging, 4s....	Dec., '27	*55·5	35½	17/6	8·1	12·7
4. North Nigerian (Bauchi), 10s Pref.	June, '28	56·1	50	27/10½	16·1	20·1
5. Associated Tin Mines, 5s ...	,, '27	..	30	12/3	12·2	..
6. Aramayo, 25 fr	Dec., '27	35·4	26¼	¾	8·15	10·9

* Include interest and profits on sale of investments.

The highest yield is obtainable on Northern Nigerian (Bauchi) 10s preference shares, standing at 27s 10½d. Even if the dividends were reduced in the current year to, say, 45 per cent., the dividend yield would still be over 16 per cent. The lowest yield is returned by Aramayo Mines. In this case the yield is difficult to calculate as for the year ending December, 1927, 20 per cent. was paid on the old capital, and 10 per cent. on the new capital, after the issue of a 20 per cent. capital bonus. We have calculated the actual cash received as a percentage dividend on the new capital. The comparatively

low yield obtainable may reflect the confidence felt by the market in Guggenheim Brothers, who have now taken over the management of the Aramayo mines. There remains the question of the life of the properties. The investor is generally at a loss to know how to allow for redemption of capital seeing that the alluvial tin properties in the East and in Nigeria do not admit of exact calculation of ore bodies as in the case of a lode mine. It will be observed that developing tin companies generally acquire additional acreage each year to make good the acreage worked. Thus the Northern Nigeria (Bauchi) *each year* estimates its reserves at seven years, by extending its acreage laterally as it works through the ground. There is therefore no great significance in calculating that "reserves" for Malayan Tin Dredging are estimated at twenty years, for Kamunting at fifteen years, or for Tavoy at possibly eight years. Moreover, these companies have subsidiaries which are developing new ground. In the case of Associated Tin Mines of Nigeria, the recent absorption by this company of other companies in Nigeria makes it impossible to estimate life or earnings, but further developments are obviously in prospect, in view of the hydro-electrification of the Bauchi plateau. If the estimates of tin production and consumption recently given by Sir William Henry at the general meeting of the Tin Selection Trust (reported in the *Economist* last week) are realised, an upward move in tin prices is not outside the bounds of possibility, though tin trade statistics are notoriously difficult to obtain, and still more difficult to interpret. The "deliveries" of tin in the United States in January, however, lend a certain colour to Sir William Henry's view of American consumption this year, the figure reported being 8,795 tons, against 7,155 tons in December, 1928, and 5,400 tons in January, 1928.

N'Changa Copper Mines.—The American Smelting and Refining Company has withdrawn its offer to finance the further development of the N'Changa Copper Mines in view of a more favourable offer made by an influential British group. The American company's terms, which were reported fully in the last issue of the *Economist*, had already been accepted by the directors of N'Changa, and were to have been put before the shareholders this week. The British offer is made jointly by the Rhodesian Anglo-American, British South Africa Company, British Metal Corporation, Johannesburg Consolidated, Rio Tinto, and Union Corporation, who undertake to subscribe for 50,000 shares in N'Changa at £2 10s per share, and to guarantee, free of commission, the subscription of 150,000 similar shares at £2 10s, which are to be offered to N'Changa shareholders *pro rata* to their present holdings. If any further issues of shares are made, the group is to have the right to subscribe for 25 per cent., provided it guarantees, free of commission, the subscription of the remaining 75 per cent., which must be offered to the shareholders. It is a condition of the offer that N'Changa acquire from the Rhodesian Congo Border Concession, subject to the approval of the British South Africa Company, the rights over the 30,000 acres for 200,000 fully-paid shares in N'Changa. The British group point out that if the American offer had been accepted the buying of the concession and the raising of £500,000 of capital would have cost N'Changa 410,000 shares with calls on enormous blocks of shares at low prices, whereas their attractive offer gives them the concession and £500,000 of capital at a cost of 400,000 shares without giving away any cheap options on shares and without giving up virtual control of the company. The British group further offer to the Rhodesian Congo Border Concession to subscribe immediately for 37,500 Congo Border shares at £3 10s each, and to guarantee, free of commission, a simultaneous offer to shareholders to subscribe for 112,500 shares at the same price, with a view, in the case of the acceptance of this offer, to the Congo Border taking the place of the British group in financing the N'Changa. There is little doubt that these offers will be accepted by the shareholders of N'Changa and Congo Border, although some of the shareholders of N'Changa may personally deplore losing the offer to subscribe, under the American proposals, for one new share for every eight at 35s. There may be a feeling among some N'Changa shareholders that the directors acted a little hastily in accepting the terms of the American company when, as events proved, there was a possibility of an advantageous British offer, though this feeling did not find prominent expression at Wednesday's meeting.

Company Law.—It has been successfully brought to the notice of the Government that important schemes of industrial reorganisation are being held up by the delay in bringing the new Companies Act into force, with the result that an Order in Council was made during the week whereby the section that bears most directly on reconstructions—that which provides for simplification of the necessary procedure in order to obtain the sanction of the court and the consent of creditors and shareholders—was brought into operation as from February 7.

Paris Bourse Changes.—An interesting reform in the Rente market of the Paris Bourse came into operation at the end of January, writes our Paris correspondent, when the Chambre Syndicale applied the new rule reducing from 30 per cent. to 20 per cent. the amount of cover required for loans advanced to purchasers of Rentes. Another change which appears likely to be adopted in the near future is the re-establishment of the old system of monthly settlements in the Rente market, in place of the fortnightly settlements that have been the practice since the War began. A third proposal which has received favourable consideration is for the transfer of the various French War Loans to the list of Rentes which are officially allowed to be dealt in for the account. Hitherto these War issues have been dealt in only by the cash market. The principal argument used in favour of monthly settlements for dealings in Rentes is that it would render them much more attractive to investors, since less frequent settlements would reduce both commissions and taxation charges.

CAPITAL ISSUES.

CONSIDERING that no Government or corporation loans were announced, the week was a heavy one for prospectus issues, which amounted to £8,850,949, excluding conversions, as compared with £7,256,250 for the corresponding week last year, making a total for the year to date of £52,935,823. Issues to shareholders totalling £324,758 were also announced, and new securities coming into the market after gaining introduction through notices "for public information" accounted for a further £392,809 on the basis of the opening price. Foremost among the prospectuses come two important debenture issues, each for £3,000,000. The *London Power Company*, which through ten constituent companies supplies electricity for various London and suburban districts, issued at 99½ stock to rank *pari passu* with its existing 5 per cent. stock. Considering that the price of the latter, including about four months' accrued interest, has not been under 102 lately, the new issue was an attractive as well as a sound investment. *Debenhams* offered 5 per cent. stock at 96, part of which was to be used to repay £664,551 of 5½ per cent. debentures. The company is too well known to need comment, and the price of the issue appears not ungenerous. The prospectus states that the recent acquisition of control of the Drapery Trust has yielded satisfactory results, and is expected to be of increasing advantage in the future. Another large industrial firm, *J. Sears and Co.*, the boot manufacturers, who have lately bought control of Freeman, Hardy and Willis from the Charterhouse Investment Trust, issued £2,000,000 in 7 per cent. "A" cumulative preference shares, which, together with £1,750,000 6 per cent. debenture stock placed privately at 97½, will be used to finance that purchase. The preference shares,

which rank after the old 7 per cent. preference but before the new bonus 12½ per cent. preference shares, were heavily oversubscribed. More uncertain, but a fair industrial risk, is *Leicestershire (L. and N.) Coal Distillation*, an enterprise which will undertake coal treatment on a considerable scale at an up-to-date Leicestershire colliery. *Thames River Grit* proposes to amalgamate five private companies which for some years have been successfully exploiting sand and gravel deposits; again the work is out of the ordinary run, but in this case good past profits can be shown. The purchase price of nearly £300,000 is payable in cash. Another public flotation of a private concern is *Ballington Hosiery*, which hopes that future profits will more than justify considerable expenditure on new machinery. Less than one-seventh of the purchase price is credited to goodwill, and the increase in the demand for silk hosiery referred to by the prospectus is indisputable. Competition, however, is keen, so that everything depends on the ability of those in control. What is described as "a development company engaged.....in evolving improved and patented forms of motor-car bodies," is taken over by *Gordon England* (1929). Its prospects would appear to depend a good deal on its powers of "evolution"; it may at least be said that the directors have allowed for a reasonable period of development before appealing for public participation. Of an interesting character is the only investment trust issue of the week, *Aberdeen, Ceylon, and Eastern Trust*, which intends to turn its attention specially to the tea and rubber industries, its directors having qualifications for such business. Certainly it has opportunities, but it is venturing on difficult ground. *Continental Tintex and Dye Products* has acquired rights for many parts of the Old World in patent articles which have been successfully exploited in the U.S.A., but whether "the well-known partiality of the Continental peoples for bright and varied colours" will justify the birth of this offspring company remains to be seen. *Dim-Dazzle (Parent)* is an admitted speculation, proposing to acquire the world rights to apply for patents; possibly a litter of offspring is to be apprehended. *Truphonic Radio*, on the other hand, is content with a small capital, and though it is entering a highly speculative field, and estimates its future profits generously, the manufacture and sale of its products has at least passed the experimental stage. Two small mining propositions close the list. *Naraguta Durumi Areas* acquires tin properties in Nigeria from another company on whose board sit three of the four directors of the new company. The vendors take their consideration in shares, but receive a relatively large option. Tin is already being produced, but the enterprise is definitely speculative. The *Star Emerald Mining Syndicate* has apparently been carrying out development work for a good many years in Western Australia, and requires another £12,000 to sink a shaft; a report from its mining engineer is referred to but not published.

ISSUES OF THE WEEK—

By Prospectus or Offer of Sale.

Net total previously recorded, £43,610,116.
Including conversion total previously recorded, £56,520,116.
National Savings Certificates.
Net sales week ended February 2, 1929, £150,000.
Total receipts April 1, 1928, to February 2, 1929, Dr. £1,050,000.

Description and Date of Issue.	Nominal Capital.	Conversions or Repayments.	New Money Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
London Power Co. £3,000,000 5% Deb. at 99½%, red. at par Oct. 1, 1972 (Feb. 6)	3,000,000..	..	..2,985,000..	150,800..	2,835,000
Debenhams, L., £3,000,000 5% 1st Mort. Deb. Stk., at 96%, red. on or before March 1, 1979 (Feb. 7)	3,000,000..	664,551	..2,115,449..	30,800..	2,185,449
J. Sears & Co. (True-Form Boot Co.), Limited, 2,000,000 7% "A" Cum. Pref. Shrs. of £1 each, at par (Feb. 5)	2,000,000..	..	..2,000,000..	250,000..	1,750,000
Leicestershire (L. and N.) Coal Distillation, Lim., 330,000 Ord. Shares of £1 each, at par	330,000..	..	.. 330,000..	41,250..	288,750
Do 330,000 Def. Shares of 5s each, at par (Feb. 4)	82,500..	..	.. 82,000..	16,500..	65,000
Thames River Grit Co., Lim., 150,000 7½% Cum. Pref. Shares, of £1 each at par	150,000..	..	.. 50,000..	37,500..	112,500
Do 300,000 Ord. Shares of 10s each, at 15s per share (Feb. 5)	150,000..	..	.. 188,500..	37,500..	150,000
Aberdeen, Ceylon & Eastern Trust, 250,000 Ord., £1, at par (Feb. 8)	250,000..	..	.. 250,000..	12,500..	237,500
Gordon England (1929) 648,000 Ord., 5s, at par (Feb. 7)	162,000..	..	.. 162,000..	32,400..	129,600
Ballington Hosiery, Lim., 140,000 8% Ptg. Pref. Shares, of £1 each, at par	140,000..	..	.. 140,000..	17,500..	122,500
Do 140,000 Ord. Shares, of 5s each, at par (Feb. 4)	35,000..	..	.. 35,000..	7,000..	28,000
Dim-Dazzle (Parent) Co., Lim., 1,250,000 Shares, of 2s each, at par (Feb. 4)	125,000..	..	.. 125,000..	62,500..	62,500
Truphonic Radio, Limited, 425,000 Shares, 2s, at par (Feb. 6)	42,500..	..	.. 42,500..	10,625..	31,875
Naraguta Durumi Areas (Nigeria), 120,000 Shrs., 5s, at par Feb. 6)	30,000..	..	.. 30,000..	3,000..	27,000
Continental Tintex & Dye Products, Lim., 580,000 Shares of 5s each, at par (Feb. 4)	116,000..	..	.. 116,000..	23,200..	92,800
Star Emerald Mining Syndicate, 48,000 Shares, 5s, at par (Feb. 6)	Included in total week ended Feb. 2, 1929.				
Total offered to public week ended Feb. 9, 1929	9,613,000..	664,551	..8,850,949..	731,475..	8,119,474
To Shareholders only—					
Java Produce, £35,000, 7% Conv. Debs., at par	50,000..	..	.. 50,000..	6,250..	43,750
Lydenburg Estates, 488,660 Shares, 1s, at par	24,433..	..	.. 24,433..	24,433..	..
Mawchi Mines, 37,500 Shares, £1, at par	37,500..	..	.. 37,500..	9,375..	28,125
Newton (John M.) and Sons, 404,000 New Ord., 1s, at 2s	20,206..	..	.. 40,400..	40,400..	..
Omnium Investment, 57,475 5% Cum. Pref., £1, at par	57,475..	..	.. 57,475..	28,737..	28,738
Do 57,475 Def. Shares, £1, at par	57,475..	..	.. 57,475..	28,737..	28,738
Do £57,475 4½% Deb. Stk., at par	57,475..	..	.. 57,475..	28,737..	28,738
Total Shareholders only, Week ended Feb. 9, 1929	304,558..	..	.. 324,758..	166,669..	158,089

Total offered for subscription— To date—	Including Conversions. £	Excluding Conversions. £
1929	66,510,374 ..	52,935,823
1928	.. ..	124,132,239
1927	.. ..	101,694,785
1926	.. ..	33,821,791
1925	.. ..	19,113,622
1924	.. ..	24,949,965
1923	.. ..	40,320,648

Total offered for subscription— Whole year—	Including Conversions. £	Excluding Conversions. £
1928	693,180,056 ..	369,058,078
1927	.. ..	355,165,990
1926	.. ..	230,782,881
1925	.. ..	252,214,509
1924	.. ..	209,295,109
1923	.. ..	271,395,173
1922	.. ..	573,675,680

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Issue (in brackets).	Amount of Capital Introduced. £	Price at Which Dealings Began.	Total Cash Involved. £
Amount previously recorded	1,817,450 ..	.. ..	4,813,512
Theale and Great Western Sand and Gravel Co., 350,000 Shares, 2s (Jan. 25)	35,000 ..	2/10½ ..	50,389
Gramophone Cabinets, 600,000 Shares, 2s (Jan. 18)	60,000 ..	2/3 ..	67,500
Fisher's Foils, 4,000,000 Shares, 1s (Jan. 31)	200,000 ..	3/9 ..	378,000
Total week ended Feb. 9, 1929	295,000 ..	.. ..	393,889

Total amount of capital introduced Jan. 1 to Feb. 9, 1929, £2,116,450.
Total cash involved in introductions Jan. 1 to Feb. 9, 1929, £8,706,221.

London Power Company, Limited.—Issue of £3,000,000 5 per cent. redeemable debenture stock at 99½, a charge on the undertaking and revenues, ranking *pari passu* with the existing stock, of which £10,858,400 is outstanding. An amount equal to not less than 1 per cent. per annum on all stock outstanding will be applied out of statutory sinking funds in purchase of stock at or below par or in drawings at par; also the company may redeem all or any of the stock after 1952 on three months' notice. The company was formed to promote the development of the electricity supply in London, Middlesex, &c., and supplies ten constituent companies with electricity in bulk. Output in B.O.T. units of the company's stations has been:—1926, 421,766,503; 1927, 506,387,796; 1928, 593,915,537. Share capital is £50,000 in £1 6 per cent. shares. Proceeds of present issue are required to provide for certain extensions of the company's business.

Debenhams, Limited.—Issue at £96 of £3,000,000 5 per cent. first mortgage debenture stock 1940-79, a first floating charge subject only to a small mortgage. A ½ per cent. sinking fund will operate by purchase at or below par or by drawings at par; the whole issue may be repaid at 102 in or after 1940 at company's option. Issued share capital amounts to £5,000,000 in preference and £1,700,000 in ordinary shares; £664,551 debenture stock outstanding will be repaid on August 1st. Net assets at January 12, 1928, were valued at £5,794,947; proceeds of a subsequent share issue amounted to £2,278,006. Profits have been (to January 31st):—1924, £707,425; 1925, £772,820; 1926, £789,904; 1927, £771,520; 1928, £817,557.

J. Sears and Co. (True-Form Boot Co.), Limited.—Issue at par of 2,000,000 £1 7 per cent. "A" cumulative preference shares, ranking after the existing 300,000 £1 7 per cent. cumulative preference shares and before the 498,280 £1 12½ per cent. cumulative preference shares. Remaining capital consists of 2,125,000 5s ordinary and 25,000 £1 "A" shares.

and £1,750,000 6 per cent. first mortgage debenture stock, 1962, has been placed at 97½. The company recently acquired over 99 per cent. of the ordinary share capital of Freeman, Hardy and Willis, and now owns 722 shops and depots. Net assets on December 31, 1928, were £5,217,126 (including the said shares at cost, £4,086,053), and combined profits have been :—1924, £604,268; 1925, £584,953; 1926, £624,007; 1927, £636,474; 1928, £635,453.

Leicestershire (L. and N.) Coal Distillation, Limited.—Issue at par of 330,000 (out of 450,000) £1 ordinary and 330,000 (out of 1,800,000) 5s deferred shares, the former entitled to an 8 per cent. non-cumulative preferential dividend and one-quarter of the remaining distributable profits, after payment of 8 per cent. on the deferred. The company, which was incorporated as a private company in 1928, acquires "L. and N." rights for Leicestershire, the whole ordinary capital of a colliery company, and plant erected or to be erected, at a total purchase price of £713,000, including £288,000 in cash, £120,000 in ordinary and £305,000 in deferred shares.

Thames River Grit Company, Limited.—Issue of 150,000 £1 7½ per cent. cumulative preference shares at par and 300,000 10s ordinary shares at 15s. The company purchases all the shares of five private companies, two working gravel and sand deposits, three providing river and road transport, and wharfage. Net assets at September 30, 1928, were £181,404, excluding leases and goodwill. The purchase price is £291,070 10s in cash, the company obtaining the benefit of all profits earned since June 30, 1928. Combined profits have been (to September 30th):—1925, £43,049; 1926, £70,205; 1927, £66,703; 1928, £71,980. The present issue will provide £46,429 for working capital additional to liquid assets of the subsidiary companies amounting to £56,212.

Aberdeen, Ceylon, and Eastern Trust, Limited.—Issue at par of 250,000 (out of 300,000) £1 shares. The company carries on the business of an investment trust company, special attention being given to investment in plantation companies.

Ballington Hosiery, Limited.—Issue at par of 140,000 8 per cent. £1 participating preference and 140,000 (out of 540,000) 5s ordinary shares, the former entitled to one-fifth of the balance available for distribution after payment of 8 per cent. on the ordinary. The company acquires two businesses of hosiery mills and hosiery merchants respectively, with net assets valued at £129,497, excluding goodwill. The purchase price is £150,000, payable as to £50,000 in cash and £100,000 in ordinary shares. Combined profits have been :—1925-6, £10,033; 1926-7, £10,961. Working capital is estimated at £49,000.

Gordon England (1929), Limited.—Issue at par of 648,000 (out of 1,000,000) 5s ordinary shares. The company acquires the undertaking and assets of a firm engaged for the last four years in evolving improved motor-car bodies. Net assets are valued at £90,243. The purchase price is £88,000 in shares; the company also provides £80,536 to redeem debentures and discharge liabilities. Working capital is estimated at £56,000.

Continental Tintex and Dye Products, Limited.—Issue at par of 580,000 (out of 800,000) 5s shares. The company will manufacture and sell patent dyes, &c., in Europe, Asia, and Africa (excluding all parts of the British Empire), as the sole licensee of an American company. The purchase consideration for the rights, trade marks and existing organisation is $300,000 in cash, 82,472 5s shares, and a royalty. A further 120,000 shares are under option at par. About £51,000 will be available for the acquisition of a factory and for working capital.

Dim-Dazzle (Parent) Company, Limited.—Issue at par of 1,250,000 2s shares. The company acquires world rights of application for patents in respect of an anti-dazzle screen for the sum of £75,000 in cash or shares at company's option. Working capital is estimated at £35,000.

Truphonic Radio, Limited.—Issue at par of 425,000 (out of 750,000) 2s shares. The company acquires an existing business of wireless and gramophone manufacturers, valued at £11,620 (excluding goodwill), together with patents and patent applications. The purchase price is £17,500 for the business and £5,000 for the patents, all in shares. Working capital is estimated at £30,000.

Naraguta Durumi Areas, Limited.—Issue at par of 120,000 (out of 600,000) 5s shares. The company acquires tin-producing properties in Nigeria at a purchase price of £65,000 in shares. A further 220,000 shares are under option at par. Working capital is estimated at £30,000, subject to preliminary expenses, &c.

Star Emerald Mining Syndicate, Limited.— Issue at par of 48,000 5s shares (out of 320,000, of which 183,900 have been already issued). The company, registered in 1910, requires additional capital for the sinking of a new shaft on its leases in Western Australia. A further 88,000 shares are under option at par.

Particulars of the following have been issued for public information only in connection with Stock Exchange "introductions":—**W. G. Clarke and Sons (1929), Limited,** issued capital 250,000 £1 7½ per cent. cumulative preference and 400,000 £1 ordinary shares; the company acquires assets, valued at £203,514, goodwill and trade marks of a business of dog, game, and poultry food manufacturers, for £600,000 in cash; profits have been recently: 1926, £76,681; 1927, £75,065; 1928, £78,151. **Romney Trust, Limited,** issued capital £250,000 5 per cent. cumulative preference and £250,000 ordinary stock; £250,000 5 per cent. redeemable debenture stock, 1960-70, is now issued, a floating charge on the whole undertaking. **United Kingdom Tobacco Company (1929), Limited,** issued capital 200,000 £1 7½ per cent. cumulative preference and 600,000 10s ordinary shares, each preference being convertible until 1933 into two ordinary; two old-established businesses are acquired, whose combined profits have averaged £62,273 over five years; purchase consideration is £333,331 (£68,551 for goodwill), payable as to £300,000 in shares and £33,331 in cash. **Scottish Agricultural Industries, Limited,** authorised capital 552,000 £1 6 per cent. cumulative preference shares, 800,000 £1 (6 per cent. plus half the deferred dividend, if any) ordinary shares, 321,500 £1 deferred shares, and 76,500 £1 shares which can be issued either as preference, ordinary, or deferred at the board's discretion; incorporated in Edinburgh to consolidate the fertiliser and feeding stuffs industry in Scotland, and to acquire all or any of the shares of six existing companies; preference dividends is guaranteed by Imperial Chemical Industries, Limited, to which shareholders in the merging companies contract to sell five-eights of the ordinary shares issued to them under the terms of exchange. **Societe Financiere de Transports et d'Entreprises Industrielles (Sofina), S.A.,** issued capital 200,000 5 per cent. preference and 200,000 ordinary shares of Belgian francs 500 each; incorporated to take over the business of the old "Sofina" company; reserves of the company amount to over £8,000,000, and cash resources to over £9,000,000.

Grace National Bank

Hanover Square, New York, U. S. A.

Collections made and credits established anywhere in the United States for banking correspondents.

Special Representative

148 Leadenhall St. London, E.C.3.

OIL OUTPUTS.

ANGLO-ECUADORIAN OILFIELDS, LIMITED.—The production for January is cabled as 13,106 tons.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The results for the month of January are as follows:—Production of oil, 32,640 tons; deliveries, 32,830 tons.

ATTOCK OIL COMPANY, LIMITED. Production for January, 65,996 barrels.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended January 30:—Venezuela, 34,577 barrels; Trinidad, 15,477 barrels; total, 50,054 barrels.

HAMILTON'S OIL CONCESSIONS (ROUMANIA), LIMITED.—Production for month of January, 1929, 6,260 tons, 43,820 barrels.

LOBITOS OILFIELDS, LIMITED.—The production of the Peruvian Company for January is cabled as 26,901 tons.

MEXICAN EAGLE OIL COMPANY, LIMITED. The production for the week ended January 26, 1929, was 134,000 barrels.

SERVICE PETROLEUM COMPANY, LIMITED.—Production from the company's oil wells at Gura Ocnitzei and Ceptura for the week ending January 27 was 2,928 tons (20,496 barrels).

STEAUA ROMANA (BRITISH), LIMITED.—The production of the Steaua Romana Company, Bucharest, for the month of January was 60,670 tons.

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during January, 34,200 tons; oil purchased during January from other companies, 40,500 tons.

VENEZUELAN CONSOLIDATED OILFIELDS, LIMITED.—Production for week ended February 2, 3,129 barrels (447 tons).

VENEZUELAN OIL CONCESSIONS, LIMITED.—The Venezuelan Oil Concessions, Limited, announces that its production for the week ended February 2nd was 135,535 metric tons (previous week ended January 26, 134,797 metric tons).

COMPANY MEETINGS, &c.

LLOYDS BANK LIMITED.

FURTHER STEADY PROGRESS DURING THE YEAR.
INCREASED PROFITS—ANALYSIS OF ADVANCES.
DEFENCE OF NATION'S MONETARY POLICY.
GENERAL TRADE CONDITIONS—FOREIGN COMPETITION.
OPTIMISTIC REVIEW BY MR J. BEAUMONT PEASE.

The seventy-first ordinary general meeting of the shareholders of Lloyds Bank Limited was held, on the 1st inst., at the Cannon street Hotel, London.

Mr J. Beaumont Pease (chairman of the bank) presided.

The auditors' report having been read by Sir Gilbert Garnsey, K.B.E.,

The Chairman, in moving the adoption of the directors' report, said :—Before considering the report and balance-sheet, which I presume you will take as read, I shall as usual refer to those changes which have occurred either through death or retirement in the ranks of our directors or general management during the past year. I am glad to say the number is less than usual.

Mr E. D. Vaisey's retirement from our board I referred to at our meeting two years ago. He died in May of last year, and I should like again to put on record our appreciation of his character and of his services to the two banks he served so faithfully and so long.

The only addition to our board during the year was caused by the election of Lord Weir last October. His ability in business and his devotion to the public service are so well known to you all, that I am sure you will be delighted that he found himself able to accept our invitation.

RETIREMENT OF MR. W. S. DRAPER.

Mr W. S. Draper, our senior general manager, has asked to be relieved a little before the date fixed by our rules for his retirement, in order that he may take up other duties. We were looking forward with greot regret to September, when in the ordinary course he would have left us, and we are all the more sorry that this date has been anticipated by some months. No one could work with Mr. Draper without being impressed by his wide knowledge of all banking affairs and his whole-hearted sincerity in the loyal performance of his duties. To be deserving of confidence is the prime requisite of a banker. No banker could have been better furnished in this fundamental qualification than Mr Draper. I know that all his colleagues would be glad to pay their tribute to the conscientious services which he has rendered to the bank and will join with me in hoping that he may have many years of prosperity and pleasure in his new activities.

We have appointed Mr F. A. Beane and Mr G. F. Abell as chief general managers, and we have promoted Mr R. A. Wilson, Mr S. Parkes, and Mr S. P. Cherrington to be joint general managers.

THE BALANCE-SHEET.

In going through the balance-sheet you will not find any marked changes calling for special comment as compared with the figures presented to you last year. On the liabilities side the items for capital and the reserve fund remain the same. Our current, deposit, and other accounts show a reduction of about £5,000,000. This may, perhaps, be a matter of some surprise to you. The reduction occurs wholly in the City. Our figures outside this area show a material and satisfactory increase. It is true that we had offers of large but apparently transitory floating balances in the City towards the end of the year, but they were subject to such high rates that we preferred not to take them, as we were unable to see in what way they could be profitably employed in this country at the rates suggested. You will no doubt agree with me that, merely for the sake of increasing our figures, it is not desirable to take unprofitable business. "Window dressing" in deposits is no more desirable than is "window dressing" in cash. It must also be remembered that unduly high rates for deposits would eventually tend in the direction of forcing up rates charged to customers in trade advances.

The number of new accounts opened during the year show a net increase over last year of more than 50,000.

Our acceptances are more than double the figure at which they appeared last year. This is an undoubted sign of increasing trade for this country, and it is, perhaps, partly caused by the higher rates ruling in the United States of America. This item includes nothing but acceptances. All other engagements, such as endorsements, guarantees, confirmed credits, &c., appear under the next heading, which also shows a considerable increase as compared with last year. There is no particular significance attaching to this.

ASSETS.

On the assets side of our balance-sheet our cash shows a percentage to our public liabilities of 12.0, as compared with a percentage last year of 12.6. This percentage is within 0.4 per cent. of the amount of our weekly average percentage of cash held throughout the year.

Of our money at call and short notice only 17 per cent. represents Stock Exchange fortnightly loans.

The next few items show very little variation as compared with last year, with the exception of Treasury bills, which are £5,000,000 down. An apparent increase of £3,000,000 in Colonial and foreign bills requires explanation. It is due to the fact that last year the Colonial and foreign bills held by our branches were not included in this total, whereas this year the analysis has been made more complete.

There is also some reduction in our investment figure, which has resulted in the realisation of a handsome profit.

There is a small increase in the valuation of our holding in the National Bank of Scotland Limited, due to the fact that this bank during the last year added to its reserve fund, and, as you will see from the note in the balance-sheet, our holding is valued on the basis of the capital paid up, the reserve fund, and undivided profits, without taking any credit for goodwill.

Our holding in Lloyds and National Provincial Foreign Bank Limited has been increased owing to a fresh issue of capital by that bank.

Our loans and advances remain very near the old figure, and I shall in a moment give you some closer analysis of the amounts coming under this heading. I do not think I need trouble you with any other of our assets.

PROFIT AND LOSS.

Our profit and loss account, as you will see, shows that the net amount brought in, after making even fuller provision than usual for bad debts, is about £52,000 more than it was last year, and appears at the figure of £2,528,000.

You will see from our report that we have placed £250,000 to bank premises, an amount of £300,00 to staff superannuation fund, and that we recommend the payment of a final dividend on the "A" shares at the rate of 16⅔ per cent. per annum, and a final dividend on the "B" shares at the rate of 5 per cent. per annum. These amounts absorb respectively £958,197 1s 4d and £28,745 18s 5d. This will leave to be carried forward to the profit and loss account of the current year £490,036 13s 2d—a few thousands more than last year.

The profit figure for the year I think you will consider a satisfactory one, especially when you realise, as I have already indicated, that the provision which we have made for bad debts has been this year heavier than we have experienced recently. Bankers are no more free from the inevitable economic results of such a disastrous year as 1926 than are other trading concerns.

GENEROUS HELP TO TRADE.

It should be a matter for congratulation to every individual in the country that the prudent policy of bankers in the past of building up large reserves enables them to continue to give generous help to trade even when times are not so good, and that these reserves themselves, by adding to the profit-earning capacity of the bank, help to maintain a satisfactory stability in the level of profits.

It may be interesting for you to hear that on an average for the last three years, out of every pound earned by the bank a third, roughly speaking, goes to its depositors by way of interest. Another third goes to the staff in payment of salaries, pensions, and other benefits, including yearly allocations to the superannuation fund, leaving only one-third to meet all other expenses, such as rent, rates and taxes, stationery, special allocations to premises and other accounts, provision for bad debts, and, lastly, dividends for shareholders.

NEW BRANCHES.

The bank continues to make good progress, and the branches which we have recently opened are fulfilling their expectations. You will see that during the year we have opened 51 new branches. This country is now more fully supplied with banking facilities per head of the population than any in Europe, with the possible exception of Switzerland.

BUSINESS IN INDIA.

At the time of our general meeting last year I was in India visiting our branches in that country, and I was therefore unavoidably prevented from having the pleasure of meeting you here as usual. I am glad to be able to tell you that I was much pleased with the progress which our business has made in that country. The working profits are steadily increasing, and we are encouraged to find that the facilities and conveniences afforded by our Indian branches are becoming more generally known and appreciated by our customers on this side, and the total figures of advance bills on India passing through the Eastern department of the bank in London show a steady and satisfactory increase. The total of deposits received in that country largely exceeds the amount of our advances, and no portion of our deposits at home is used for the purpose of making loans in India.

ADVANCES.

Following the practice of the last two years, I give you some of the more important results of the analysis of this item. The classification which we adopt is that employed by the Federation of British Industries, and you will realise that the analysis was made in October, and that therefore the figures do not coincide exactly with those which are summarised in our balance-sheet, but they are a sufficiently accurate indication of the general trend. The biggest item, both in the number of accounts and the extent of the loans, appears under the heading "Personal and professional." But it must be remembered that this heading is of an omnibus character, and includes many accounts which on a more rigid analysis would come in some other category. For instance, if a private individual borrows money to build a house, or to improve his land, or to put into his business, such advances ought strictly to be classified under building, agriculture, or the appropriate trade concerned. But we have not found it practicable to analyse so fully this group of accounts. This section shows an increase over last year of over two millions and a-quarter.

Under the headings of "Wool," "Oils and fats," "Paper and printing," "Banking, insurance, and finance," we find increases as compared with last year of sums varying between £600,000 and £800,000, and in the case of "Silk, linen, lace, clothing, carpets," &c., there is an increase of nearly half a million.

On the other hand, there are reductions of about £1,000,000 under each of the headings, "Engineering," "Shipping and shipbuilding," "Coal," and "Miscellaneous," and a reduction of £1,750,000 under the heading of "Cotton."

"Agriculture," which borrows more from us than any category with the exception of "Personal and professional," is £200,000 down, and there is a similar reduction in the case of "Brewing and distilling."

In nearly all other cases the variation is under £100,000, with the exception of "Retail" and "Theatres and hotels," which both show an increase of about £300,000, while "Foodstuffs and tobacco" and "Public utility" are each about £400,000 down.

I would again like to point out, as I did when reviewing our 1926 figures, that in the case of nearly 85 per cent. of the total number of our overdrafts the average overdraft is only about £600, which shows not only how well spread our advances are, but also indicates that the "small man" is by no means neglected by us.

GENERAL TENDENCIES.

It is usual on these occasions, after considering our own figures, to review some of the general tendencies of trade throughout the country, and here we are confronted by considerable difficulty in arriving at a definite conclusion.

Unemployment is still a matter of grave anxiety, not only to those most directly concerned, but also to politicians and the country generally. In my opinion it is to the former, to the joint efforts of employers and employed, to whom we should chiefly look for amelioration of the present position. Fortunately, there are welcome signs of a desire on both sides to come together and work out a way of salvation.

The four great industries chiefly affected are those of iron and steel, coal, textile, and agriculture. To what extent the present figures of unemployment are altogether abnormal I find it difficult to determine, owing to the fact that in past years they were not kept with the same accuracy or on the same basis as they are now, and there are many more women employed now than used to be the case. In fact, if we look at the question from the positive rather than the negative side, the total number of people in employment is greater than it used to be. This, however, is cold comfort when we are confronted with the present figures of unemployment, and I confess I do not see any speedy method of improving the position. I am much afraid that the process will be painful and slow. It is true that prospects of improved trade for the four great industries mentioned are brighter, but I doubt whether an increase in employment will immediately follow better trade.

The methods which are being pursued of amalgamation, the elimination of superfluous units, rationalisation, reduction of overhead charges, and better organisation, not only on the productive, but perhaps more especially on the distributive side, provide helpful auguries for the increased prosperity of the industries themselves, but these processes may in some cases mean temporarily an actual increase in the numbers of unemployed in the immediate future, and we may have to wait a little time before the results of present proposals have materialised, and before those industries which are now passing through difficult days are in a position to offer greater employment.

In the meantime, markets which we have lost are slowly being regained. The prospects of greater consumption in India and China are improving, according to the reports of the Commercial Counsellor at Peking and the Trade Commissioners of India.

FOREIGN CURRENCIES.

The unfair competition of depreciated currencies has been lessened and the difficulties of fluctuating exchanges have been reduced. During the past year we have witnessed the stabilisation of the Italian lira. This was followed by Estonia adopting a new unit of currency on a gold basis. In February Luxemburg followed the example of Belgium by stabilising its franc. In April Norway and Siam both reverted to the gold standard, and in May Greece legalised a new parity for its drachma. After careful and unhurried preparations, France in June passed an Act revising the gold value of the franc and fixing the new parity at the then exchange value of 124.21; while in November Bulgaria settled the new parity of the leva at 673.58. The currencies of most other European countries have been distinguished by a more satisfactory stability, and it is a matter of general congratulation that this one great obstruction to trade has been removed to so great an extent during the past year.

ENCOURAGING FACTORS.

I have touched on those industries the condition of which gives us the greater concern, and I have given you some reasons why I think we may hope for improvement in these cases. Let us look also for a moment at other factors which give us greater encouragement and hope for the future.

Industry, outside the four great exceptions which I have mentioned, appears to be undoubtedly prosperous, and the general standard of living is higher than it was. The total of trustee savings banks deposits is £114,000,000, an increase during the year of £3,000,000.

Since the introduction of National Health Insurance the independent membership of friendly societies has grown from 6,709,188 to 7,500,000, and the capital and reserves have expanded from £50,000,000 to £93,000,000.

The returns of our foreign trade during 1928 show that our exports are increasing, and suggest, according to reliable estimates which have been published, that the total amount available for investment abroad will come out at £169,000,000, against £96,000,000 in 1927.

The report of the National Savings Committee for 1928 shows that the amount of savings certificates sold was £37,400,000, as against £31,900,000 in the preceding year.

The Bankers' Clearing House turnover has increased during the year by £2,654,000,000.

If we glance at the record of Stock Exchange values of representative securities, given in the January number of the *Bankers' Magazine*, we find there has been a gain over last year of £258,000,000, in spite of a loss in British Railway ordinary stocks of £43,500,000.

In the commercial and industrial group there has been a rise of £58,000,000, while the earnings announced by industrial joint stock companies in 1928 show an increase of £11,000,000 over 1927, although it must be remembered that some of this belongs, strictly, to the latter year.

New capital issues for 1928 reached a total of £362,500,000, an increase of £48,000,000 over 1927. The geographical distribution of the issues was as follows:—United Kingdom, £219,000,000; India and Ceylon, £7,750,000; other British countries, £78,000,000; and foreign countries, £57,000,000.

BANKERS AND PROSPECTUSES.

This record does not show any sign of poverty, but a less pleasing factor connected with these issues is that a considerable portion was destined for luxury trades, and in some instances for the exploitation of patents of a speculative character. In this

connection I should like to remark that considerable responsibility rests on bankers in deciding whether they are justified in lending their names to prospectuses of a certain class. The decision is not always an easy one. When a person of repute comes to his banker with a *bonâ-fide* issue, even though it may seem highly speculative, it is difficult to refuse to have anything to do with it, though, of course, the mere appearance of a bank's name on a prospectus is no guarantee as to the prospects of the venture. I believe banks as a whole feel their moral responsibility in this matter, and I can assure you we scrutinise all prospectuses very carefully and refuse to pass anything of an ambiguous or misleading character. The question is a serious one, and any check on improper appeals to the public which can be practically applied should be welcomed.

The facts and figures which I have given you do not seem to me to call for any undue pessimism. In spite of dark spots the picture as a whole is a fair one, and if we were to look at it as representing the position in another country and apply to it the impartial judgment which for some obscure reason we frequently fail to employ in regarding the affairs of our own country, we would conclude, I feel sure, that the people enjoying these conditions were in the main to be envied rather than pitied.

DIFFICULT PROBLEMS.

It is my business to try to look at the picture as a whole, and that is my judgment in regard to it. At the same time I do not want to seem to belittle the importance of those dark spots which I have mentioned. The problems which they represent are very baffling.

Everyone will admit, I think, that what we are producing and what we are capable of producing are things of which the world has need, and which it would like to buy. If that is so, and if, in spite of willingness on the part of buyers, the amount of our production is not satisfactory and a long way below our capacity, it must be due to one of two causes. Either the world cannot afford to purchase what it requires, or it cannot do so at our price.

For some years after the war, owing to the great financial losses and depreciated currencies which followed in the wake of that upheaval, the first reason did apply with much force, but as exchanges have become stabilised, and as the destruction of the war has been partially replaced, the capacity to buy throughout the world has become greater. This tendency will receive considerable impetus from the good harvests enjoyed last year in nearly every country, with one notable execption, for you will agree with me that prosperity to the greatest industry in the world must largely increase the consuming power of its inhabitants. I hope, therefore, that the first reason for our inadequate trade in some industries may be regarded as a diminishing one.

WAGES AND PRICES IN ENGLAND AND ABROAD.

I cannot pretend to very expert knowledge in regard to the alternate reason, that is the price of our products, but I should like to draw your attention to the following figures which have recently been brought to my notice.

Wool fabrics in the lower-grade qualities are reported to cost from 6d to 9d per yard more when made in the West Riding of Yorkshire than when made in Roubaix, and similar differences are said to run all through the qualities of fabrics which Roubaix is offering in competition with Yorkshire producers. It may, therefore, be useful to compare the relative conditions and equipments in the two districts.

In the wool textile industry there are 7,980,000 spindles in England, against 3,100,000 in France; 114,000 looms in England, against 67,000 in France; and 263,000 operatives in England, against 150,000 in France.

Measured in terms of an English working week of 48 hours it is found that the machinery is only running a weekly average in the combing section of England of 34 hours; in the worsted spinning section 37 hours; and in the weaving mills 32 hours, against a nominal 48 hours and an actual of 51 hours in France.

Wages on the 48-hours basis are as follows:—

	Bradford.		Roubaix and Turcoing.	
	Women.	Men.	Women.	Men.
	s. d.	s. d.	s. d.	s. d.
Combers ...	38 0	56 0	19 6	30 0
Spinners ...	32 0	59 0	24 0	35 0
Weavers ...	42 0	59 0	27 0	33 0

In England the average weekly wage for all wool textile workers is 45s and in France 28s. I think I ought to mention that this discrepancy in wages is likely to be lessened as the internal value of the franc accommodates itself more nearly to the new stabilised exchange value.

COMPETITION IN THE ARGENTINE.

The same industry has to meet severe competition also in the Argentine. Locally woven all-wool fabric, styled "tropical," particularly suited to summer wear, and in some ways similar to the American cotton-mohair product known as "Palm Beach," is being used as a material for men's suits. It is woven into a variety of attractive patterns, and sold at $45-$50, whereas an ordinary lounge suit of the finest Yorkshire cloth of a similar weave costs between $150-$200. It is not, of course, suggested that the wearing qualities of the two fabrics are comparable, but it may well be that our manufacturers are inclined to make what they think they ought to sell, rather than that which the purchasers are prepared to buy.

It is quite clear in both cases that our prices are too high. I have picked out these two instances, which illustrate some of the handicaps from which this particular trade is suffering, not because I have any expert solution in regard to them, but the facts in both cases happened to be brought under my special notice, and it seems to me that they call for careful investigation by those chiefly concerned. The proper people to deal with all these questions, and to meet the many difficulties with which some of our trades are now faced, are those who are daily engaged themselves in all the ramifications of the businesses concerned. It is, as I have already remarked, a hopeful sign that employed and employers are much more willing to put their heads together and co-operate in finding possible methods of reducing costs and improving output than was the case a short time ago.

COTTON.

I am also glad to think that in the cotton industry, after very long discussions and difficult negotiations, agreed steps have been taken in order to put that industry on a sounder basis, to prevent suicidal competition at home, and to improve its chances of competing successfully with its rivals in other countries. This bank has taken no direct part in these negotiations, its connection with cotton mills being very slight, but as far as I am able to judge the action was necessary, and the results should be beneficial.

AGRICULTURE.

Agriculture, in spite of a good harvest, is finding it very difficult to make both ends meet. It will receive much-needed assistance from the De-Rating Bill, in common with other productive enterprises, and this bank is one of several which have joined together at the request of the Government to form an Agricultural Credits Corporation, with the object of providing long-term mortgages for the purchase and improvement of land.

THE CONTROL OF THE NOTE ISSUE.

No banker can very well refer to the events of 1928 without some allusion to the date of November 22nd, when the amalgamation of the currency note issue with that of the Bank of England took place. The bank's fiduciary issue has been raised from £19,750,000 to £260,000,000, and all notes in excess of that amount must be covered by gold pound for pound. Some elasticity is provided for an expansion of this limit with the consent of the Treasury in cases where it is desirable. The Act returns the control of our currency to the Bank of England and definitely removes it from political interference, thus conforming with a principle laid down by the International Conferences at Brussels in 1920 and Genoa in 1922, as also in the Dawes Report.

This measure was a natural corollary to our resumption of the gold standard, and, like that operation, provided an occasion for some criticism of our monetary policy.

This criticism received a curious and unreasoned support in some quarters. On examination of the actual facts the accusation brought against the Bank of England and the banks appears to be based on grounds which are found to be a complete vindication against the charges. The Bank of England is accused of being the cause of depression in industry since March because it did not create an expansion of credit based on its temporary increased holding of gold early in the year, while bankers generally are blamed for not giving to industry the full support it required.

Subsequent events amply justified this restraint on the part of the Bank of England, and by its foresight it was enabled to contemplate with equanimity the loss of gold which followed in the autumn, and instead of subjecting trade to the handicap of fluctuating rates of interest and unstable conditions, it enabled us to enjoy the benefit of an unchanged Bank rate through the entire year.

CRITICISMS ANSWERED.

In old days we were accustomed to the complaint against our monetary system that we had much greater fluctuations in our Bank rate than our neighbours. Now, apparently, we are asked to believe that uncertainty as to outlook and changes in the Bank rate are a positive advantage.

The figures published by the clearings banks of the totals of

their advances are also a complete refutation of the charge that they failed to give industry the support it required. I give them as follows without further comment :—

(000's omitted.)

1924.	1925.	1926.	1927.	1928.
845,933	891,368	935,409	946,527	967,908

The whole question has been very fully and effectively dealt with by the Press and by responsible opinion, and I do not wish to say anything further than to register my regret that, at a moment when it was highly desirable that nothing should have been done to disturb the atmosphere which was undoubtedly favourable to an improvement in our trade, attempts should have been made to create doubts in the minds of the uninformed that there was something radically wrong with our whole monetary system. The Cunliffe Commission has had its inquiry and made its report. This was followed by the Bradbury Commission, which confirmed the findings of the former. The gold standard has been definitely resumed. The Bank of England has been given control of the note issue, and to have the whole of these questions again thrown into the melting pot by holding another inquiry is the last thing which our poor harassed commercial community requires. The partially concealed motive behind all these suggestions and intrigues is the desire to see some form of inflation. I had hoped that a final verdict had already been given on these doctrines and quack remedies.

I now beg to move: "That the report just taken as read be received and adopted, and that, in accordance with the recommendation of the directors therein, a dividend be declared for the half-year ended December 31 last on the paid-up capital of the company at the rate of 16 2-3 per cent. per annum on the "A" shares, and at the rate of 5 per cent. per annum on the "B" shares, payable, less income-tax, on and after February 2, 1929."

The resolution was seconded by Sir Austin E. Harris, K.B.E., the deputy chairman, and carried unanimously.

The retiring directors were re-elected, and Messrs Price, Waterhouse and Co. were re-appointed auditors for the year 1929.

Votes of thanks to the directors for their services during the past year, to the joint general managers and staff for their excellent work, and to the chairman for presiding were carried unanimously, and the proceedings then terminated.

IND, COOPE, AND COMPANY, LIMITED.

INCREASE OF CAPITAL APPROVED—PREFERENCE SHARE BONUS

An extraordinary general meeting of Ind, Coope and Co., Limited, was held, on the 7th instant, at the Cannon street Hotel, London, to consider resolutions increasing the capital and making certain alterations in the articles of association.

Mr Louis E. Walker (chairman and joint managing director) said that for some considerable time past the board had realised that the existing position as to the debenture debts of the company was both cumbersome and detrimental. The resolutions which would be submitted to the meeting were to increase the authorised capital from £1,000,000 to £2,000,000, and to alter the articles of association so as to increase the borrowing powers of the company from £2,000,000 to £3,000,000, and to make certain consequential amendments in the articles of association, including a new article empowering the company to issue bonus shares. The only cash received by the company in respect of issues of shares since its formation amounted to £552,996. In the meantime, since 1913, the date when the first balance-sheet of the reconstructed company was issued, the assets had increased by over £2,000,000.

With regard to the second resolution, the aggregate amount of the three existing debenture stocks of the company was £1,615,520, to which must be added the £200,000 perpetual mortgage debenture stock of Robinson's Brewery, Limited. It was proposed in substitution for those stocks to issue £1,538,545 of the new 5 per cent. debenture stock of the company, and in the near future a further £211,455 of the same stock for subscription, making a total of £1,750,000; but it would be observed that the new stock to be issued was £65,520 less than the present total debenture debt of the two companies. As to the terms offered to the debenture stockholders on their exchanging their present holding for the new stock, the 5 per cent. prior lien stockholders would receive £110 of the new stock for each £100 held in the present stock; the 4 per cent. mortgage debenture stockholders would get £88 for each £100, the 4 per cent. income debenture stockholders £85 for each £100, and the Robinson stockholders £100 for each £100. All four classes of debenture-holders benefited.

With regard to the bonus distribution, it was proposed to issue one £1 6 per cent. non-cumulative preference share for every two ordinary shares, those preference shares being subject to the payment in cash of 10s per share. That amounted to a bonus of the difference of 10s, which was equivalent to a 25 per cent. bonus, and was also equivalent to a sound 12 per cent. investment on the cash to be provided by the shareholders.

The resolutions submitted were carried unanimously, and the board's proposals were also approved at subsequent separate meetings of the holders of the various securities concerned.

UNITED SERDANG (SUMATRA) RUBBER PLANTATIONS, LIMITED.

POSITION AND PROSPECTS OF RUBBER INDUSTRY.

The 21st annual general meeting of the United Serdang (Sumatra) Rubber Plantations, Limited, was held, on the 5th instant, at Winchester House, Old Broad street, London.

The Chairman (Mr H. Eric Miller) said: In attempting to arrive at the prospects of the rubber market it is advisable first to review events during the past twelve months. No useful purpose would be served by my again referring to the manner in which the Government abandoned the Stevenson scheme or by counting up the losses sustained by all sections of the industry as a result thereof. Fortunately, the absorption of rubber in the U.S.A. during 1928 showed a phenomenal increase of nearly 70,000 tons, due to a record output of some 4,350,000 motor vehicles, and to a large tyre-replacement business consequent on the wearing out of numbers of inferior tyres which were sold in 1926 and 1927. The automobile manufacturers of the U.S.A. are planning for a huge output in 1929, and it looks as if absorption of rubber in the U.S.A. during 1929 would exceed the 440,000 tons used during 1928.

RUBBER STOCKS IN 1929.

Everything points to absorption during 1929 being well over 700,000 tons, the 1928 absorption, which I mentioned just now, being 680,000. I foresee, therefore, a further contraction in available stocks during 1929, following on a contraction of at least 30,000 tons during 1928. World stocks of rubber to-day are really no more than the minimum necessary for comfort at the existing rate of absorption. There is no prospect of any material increase in the annual output from the planted area of the European-owned estates, any young areas which come into bearing being offset by the flagging of some of the oldest areas, and the only source in the East from which additional supplies may be forthcoming is the native area in the Dutch East Indies, about which so much has been heard in the last year or two.

I am very sceptical about the grandiose figures which have been current. It is very desirable that the whole question of Dutch native rubber be further studied, so that more accurate and up-to-date information as to the real state of affairs may be available for the industry. Personally, I look upon this source of supply not as a menace to the plantation side of the industry, but as a safety valve to prevent undue scarcity of supplies.

About 80 per cent. of all rubber produced is used in the automobile industry, and you all know the rate at which this is expanding throughout the world. You are also familiar with the difficulty road engineers find in surfacing highways to withstand the strain of the ever-increasing heavy and fast-moving traffic. The annual expenditure on the improvement and maintenance of roads in this country now amounts to over £50,000,000, and I think everyone will agree how rapidly even the best newly-made road deteriorates under heavy loads on solid tyres. Manufacturers have learnt how to produce giant pneumatics which will stand up under heavy fast-moving loads. The authorities have recognised the advantage of the pneumatic tyre by abating 20 per cent. of the annual tax on heavy motor vehicles fitted with pneumatic tyres, and one already sees the effect of this in the increased number of giant pneumatics on the road. There ought to be a nation-wide campaign to speed up the fitting of pneumatic tyres to every vehicle which can be adapted to use them.

I would also make a further suggestion, and that is that a licence should be refused for every vehicle which is inadequately tyred. There are a great many vehicles on the road to-day carrying heavy loads on wheels which have a totally inadequate cushion of rubber on them, and the damage which each one of these imperfectly-shod vehicles is doing to every mile of road it covers is enormous.

RUBBER ROADWAYS.

In conclusion, I would like to say a word or two about rubber roadways. The existing experimental areas have proved that rubber can be properly anchored to the road, and we have known for years that it would stand up in a remarkable way to wear and tear, whilst possessing the unique property of absorbing 50 per cent. of the vibration arising from traffic impact. The first cost of a rubber roadway, however, is necessarily much greater than that of other surfacing materials, and this has been a bar to progress. It would be inequitable to expect the general body of ratepayers to defray the extra cost of a rubber roadway, which would mainly benefit the owners of properties abutting on to it. The obvious solution, therefore, is to convince the property owners that it is a commercial proposition for them to make an appropriate contribution to the greater cost of the rubber roadway, receiving in return the benefit of a very material reduction in traffic vibration and noise, to say nothing of the advantage of having a roadway requiring none of those frequent repairs which at present cause so much inconvenience to the public and loss to shopkeepers.

The report was adopted unanimously.

ASSOCIATED AUTOMATIC MACHINE CORPORATION, LIMITED.

CONTROL OF BRITISH AUTOMATIC AND OTHER COMPANIES SECURED.

PARAMOUNT IMPORTANCE OF SITES.

An extraordinary general meeting of the Associated Automatic Machine Corporation, Limited, was held, on the 6th instant, at Winchester House, Old Broad street, London, E.C., for the purpose of considering and, if thought fit, passing resolutions increasing the capital of the company to £1,500,000 by the creation of 2,000,000 new ordinary shares of 5s each and 500,000 new 7 per cent. cumulative convertible preference shares of £1 each, determining the rights of the latter and sanctioning the directors borrowing moneys for the purposes of the company up to an amount not exceeding twice the amount of the nominal capital for the time being.

Lt.-Col. Sir W. E. G. Archibald Weigall, K.C.M.G. (the chairman), presided.

The secretary (Mr J. W. Bland) having read the notice convening the meeting and the resolutions,

The Chairman said that the present authorised and issued capital of the company was £500,000, divided into 2,000,000 ordinary shares of 5s each, of which 1,257,007 had been issued at par and 724,993 at a premium of 5s per share, which, after writing off all formation and preliminary expenses, provided a reserve of approximately £165,000. The company had been formed to acquire the whole of the share and debenture capital of Coin Operated Machines, Limited; London Automatic Machine Company, Limited; Snape, Hargreaves and Co., Limited, and Mechanical Amusements (1928), Limited. Further interests—including a substantial one in the Peerless Weighing Machine Company—had also been acquired since, and those various companies were to-day earning for the corporation a net profit at the rate of approximately £90,000 per annum.

The liquid cash resources of the company amounted to over £200,000, which sum it was the intention of the board to utilise for the purpose of purchasing and installing further machines during the current year to make up a total of 8,000 machines.

A report made by the well-known chartered accountants, Messrs Peat, Marwick, Mitchell and Co., showed that for the year ended December 31, 1928, 1,061 machines were operating, and that their net average earnings, after charging site rentals, collection, and all other expenses, had amounted to £27 12s 9d per machine; that the total number of machines now owned was 2,450, and that of the 1,061 machines operated last year 242 of a modern type had shown an average net profit of £65 per machine, the rest being machines taken over from the subsidiary companies purchased, averaging not more than £11 per machine per annum. Of the 2,450 machines now owned by the corporation a large precentage were of the latest type, and therefore the board had every reason to expect a higher net average profit during the current year than the average of £27 12s 9d per machine shown last year.

VALUABLE SITES ACQUIRED.

The joint managing directors, Mr Granville Bradshaw and Mr H. Taylor White, had obtained for the company sites probably equal in value, from an earning point of view, to those now enjoyed, which would enable about 8,000 machines to be installed. Therefore, without being unduly optimistic, the board had every reason to believe that the company's 8,000 machines will earn for them in a full year's working profit at least three times as great as the 2,450 machines now in operation. The question of sites brought him to the object of the meeting—namely, the board's decision to acquire the controlling interest in the British Automatic Company.

The latter company formed over 40 years ago, had for many years shown very steady profits, the average over the past ten years exceeding £70,000 per annum. The board of this company had recently made an offer to purchase the 400,000 issued shares of £1 each in the British Automatic Company, at £2 10s per share, and it would interest shareholders to hear that up to the time of the meeting acceptances had been received for over 92 per cent.

Sir George Touche, one of the ablest chairmen of investment trust companies in the country, had always adopted a sound, though cautious, policy in conducting the affairs of the British Automatic Company, as was borne out by an examination of their balance-sheets. Shareholders would appreciate that point all the more readily when he said that there was a considerable margin between the market value of the gilt-edged investments and the figures published, and that they, with the cash in hand, alone equalled in value practically one-half of the total purchase price.

THE BRITISH AUTOMATIC ASSETS.

Taking the automatic machines, of which there were about 30,000, at the reasonable average value of £7, and the investments at to-day's market value, and then deducting all liabilities, the actual value of the net assets was £760,000, and to that had to be added the surplus value of the factory and plant in Glasgow—at least £100,000. They thus got a value in net assets of between £860,000 and £900,000, leaving a little over £100,000 on the agreed purchase price to cover good will or the extraordinary value to their company of some 30,000 sites in all the railway stations, and on piers and in other prominent places throughout the country.

When he said that only a fortnight ago they were seriously contemplating paying a sum of £15,000 for the exclusive right to have their own machines on one of the principal piers on the South Coast for a period of only ten years—and then only a seasonal trade—they would understand what it cost to-day to locate slot machines on remunerative sites.

From these facts it was clear that the market price of British Automatic shares, which, prior to the offer, had been between 30s and 35s, must have been based on the regular dividends paid and not on asset values, and certainly not on the potential earning power of the company as an automatic machine company.

Incidentally, he should mention that they had secured options and valuable patents from the leading manufacturers and others in the U.S.A.

SCOPE FOR INCREASED PROFITS.

To turn attention more particularly to the profits of the British Automatic Company, it was to be found that, eliminating dividends from investments, the actual net profits earned by the company's 30,000 machines was under £1 10s per machine per annum. That figure compared with the certified average of £27 odd per annum earned by the machines owned and worked by the Associated Automatic Machine Corporation, which average it was confidently expected would be quite largely increased. Many of the machines owned by the British Automatic Company were old-fashioned, and he could not too strongly emphasise that one of the main reasons which had influenced the directors in making their offer to the British Automatic Company was the fact that that company had the practical monopoly of railway sites throughout the British Isles. It will be the policy of the company gradually to replace many of the present machines by the latest up-to-date types, and, when that had been accomplished, with energetic management the directors were satisfied that the £1 10s per machine per annum at present being earned could be subsequently increased.

NEW CAPITAL PROPOSALS.

After the capital of their company had been increased, it was proposed in due course to issue privately 400,000 7 per cent. cumulative convertible preference shares of £1 each at par, provisional arrangement for which had already been made, and, further, at a later date, to issue on bonus terms to the existing ordinary shareholders new ordinary shares of 5s each to provide the balance of the purchase price. When that had been done the total liquid resources of the two companies would exceed £700,000, and a considerable portion would be employed without delay in the acquisition and installation of the latest type of automatic machines similar to those employed in the U.S.A., and capable of earning anything from £10 to £100 per machine per annum. They would then have in this combination an amalgamation of some seven or eight sound and established businesses with efficient and progressive management.

MR GRANVILLE BRADSHAW'S SPEEECH.

Mr Granville Bradshaw (the managing director), in seconding the motion, said that their company was a new one, but it was incorrect to say that they were newcomers. They had been formed to combine half a dozen of the best automatic machinemen and businesses in the country. The primary object in their combination was to compete with the British Automatic Machine Company, and although they were competing most successfully, he was pleased to say that that competition had been solved in a more desirable manner. Whilst they had thousands of the best locations before they embraced the British Automatic Machine Company, they now had tens of thousands, and a great number of their big profit-earning locations were tied up to them for periods of from 10 to 15 years.

As to prospects, he could say with every confidence that their investments were perfectly safe. The British Automatic Machine Company in 1928 owned 10 times as many machines as they did and 20 times as many sites. Yet the combined earnings of their group of small companies reached a rate amounting to nearly double the earnings of the machines owned by the British Automatic Machine Company. They would undoubtedly increase the profits of the British Automatic Company, and they would increase from the present time onwards. In order to look after the manufacturing part of their programme they had acquired five of the oldest and most experienced automatic-machine manufacturers in the country. They had secured their entire output for themselves, and already their stocks were accumulating.

As to the amusement machines on piers and seaside amusement parks, good machines in good locations were big money-earners. The company had thousands of new electrically-lighted amusement machines on hand and ready for a vigorous campaign to provide

the public with every desirable commodity and every form of amusement. Competition they need not fear, and they were embarking on no wild and untried schemes. Their policy was one of steady improvement based upon accumulated experience so as to achieve the biggest earning powers for every penny that had been expended in the manufacture and installation of their automatic machines.

The resolutions were unanimously approved with one minor amendment in one section.

LONDON MERCHANT BANK, LIMITED.

SUCCESSFUL YEAR—INCREASED PROFIT.

The 57th ordinary general meeting of the London Merchant Bank, Limited, was held, on the 7th inst., at 38 Lombard street, London, E.C.

Mr Edward H. Tootal, who presided, said that, in reviewing the main events of the past year in their bearing on merchant banking in general, it could be stated at the outset that the number of occurrences of a disturbing nature in the economic and financial field was decreasing from year to year. That was an indication that gradually a more normal state of affairs was being reached in industry and commerce at home and abroad, notwithstanding the untoward conditions which still obtained in some of our important export trades.

If it was thus not possible to refer to the year 1928 as a prosperous one at home and elsewhere generally, a satisfactory feature consisted of abundant crops in most parts of the world. The good harvests in overseas countries had brought a better demand for shipping space, and indirectly a larger volume of work for shipbuilders. Another favourable effect should be increased exports of European manufactures, although the quantitative result of overseas crops was to some extent counterbalanced by a fall in the price of cereals and other primary Colonial exports. When it was considered that the purchasing power of a number of countries was still reduced, and that Customs barriers were in many instances higher than formerly, Great Britain's export figures were, perhaps, slightly more satisfactory than a cursory comparison with pre-war years might suggest.

The unsettlement caused to international trade in the post-war period by wide exchange fluctuations had been further reduced during the past year by legal or virtual stabilisation of the currencies of several countries. The most important event in that connection was the attainment of legal currency stabilisation in France. There was little doubt that the Paris markets would become once more an important centre for the issuing of foreign loans. In Belgium, too, industry and commerce on the whole looked back upon a satisfactory year, aided by the progressive development of the Congo.

German industrial activity had been at a high level during the first half of the year, while subsequently, especially towards the end of the year, a general reduction of business had taken place. In other countries in Central and South-Eastern Europe further progress had been made in the consolidation of economic and financial conditions. Deficits in Governmental finances had made, or were making, room for orderly budgeting, facilitated by the various reconstruction loans in which the London market had taken an early interest.

In South America developments pointed to progress in a number of countries, which thus afforded a widening market for European and North American industries. The United States were taking an increasing interest in South America by loans to Governments and municipalities, and by direct investments in public utility and other industries. The course of the London money market during the year had been characterised by steadiness, and he was pleased to say that they had been able to take advantage of the conditions.

With regard to the accounts, the net profit for the year amounted to £71,845, compared with £67,011 for 1927; £20,000 had been transferred to contingency account, and they recommended a final dividend of 3 per cent. on the "B" shares, making 5 per cent. for the year, 7 per cent. having already been paid on the "A" shares, both less tax.

Regarding the prospects of foreign trade in the current year, there were some indications which would seem to justify the expectation of a gradual improvement. The reorganisation in process of being carried out in important industries, particularly in the cotton industry, and the country's progressive electrification should reduce the cost of production of some of Great Britain's export goods, while in the foreign field a definite arrangement of the method of Reparation payments should be conducive to stability in trading and financial relations generally.

The report and accounts were unanimously adopted, and at a subsequent ex-general meeting a resolution was passed making certain alterations in the articles of association.

The proceedings terminated with a cordial vote of thanks to the chairman, directors, and staff.

UNITED STATES AND GENERAL TRUST CORPORATION, LIMITED.

DIVIDEND AND RESERVES INCREASED.

The 39th ordinary general meeting of the United States and General Trust Corporation, Limited, was held, on the 5th instant, at the registered office, Gresham House, Old Broad street, London, Mr M. Balfour, M.C. (the chairman), presiding.

Mr H. Carlisle (director and secretary) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—Our gross and net revenue again shows a satisfactory increase, owing largely to our having issued, during the past year, additional share capital and a corresponding amount of debenture stock, as shown in the report, realising in all some £450,000, though, at the same time, we have not had a full year's benefit from this new money. Nevertheless, the income from the year, amounting to £168,405, equals 6¼ per cent. on the book cost of the investments.

As you will see from the report, the premium in respect of the deferred shares issued has been transferred to reserve account, together with £7,970 from revenue, bringing the reserve up to £125,000.

We carry forward a sum equivalent to approximately 4½ per cent. on the deferred stocks, and our total earnings last year were 17½ per cent., which is equal to over 26 per cent. on the original capital as it was before we distributed the 50 per cent. bonus.

The valuation of our securities is again some several hundred thousand pounds in excess of book cost, and greater than it was last year. We can, however, hardly expect this increase to continue for an indefinite period.

There is no appreciable difference in the classification of our securities, as given on page 2 of the report. I note, however, that one financial paper draws attention to the fact that the amount held in ordinary shares and stocks has advanced from 31.1 last year to 33.9 this year. This increase is no doubt largely due to an appreciation in the value of such stocks, and I do not, myself, think this calls for adverse comment, as a company of this strength is justified in having about one-third of its capital in stocks which really represent ownership of properties, and there are certain disadvantages in having one's investments entirely in what may be described as "money" stocks. As a matter of fact, such of our securities as are not paying dividends at the present time—and there are but few—come more within the latter category than in ordinary stocks.

DISTRIBUTION OF INVESTMENTS.

There has been a slight increase in the amount invested in the United States and in Continental Europe. Our investments in the United States have been profitable, although the rate of interest obtainable is comparatively low. There is a wave of optimism and speculation in the United States which is based on a very real prosperity, but a population of some 90,000,000, drawn from all nationalities of the world, when in optimistic vein, cannot very well be controlled by any financial or political code, with the result that there are periodical and unpleasant spasms which are reflected in the market price of securities. As we, however, only hold what may be described as "investment" stocks, we do not think we need view the future with alarm.

As regards our European investments, we have been successful in resisting to a large extent the extremely high yields obtainable, especially in Germany, amounting in some cases to 8 or even 10 per cent. on municipal and other securities which, on the face of it, appear to carry sufficient security; but an investment which returns such a rate as this must obviously be open to a certain number of unforeseen risks, which are as much political as financial, and in Europe especially we have to reckon with the political aspect of an investment as much as with the financial. With reference to the German issues which have been made in this market there is one outstanding feature—namely, that there is little or no real public in this country for German investments, and I question rather whether the situation differs very much in New York.

The total number of our investments is 392, which spells an average of approximately £6,400 in each security, and the larger proportion thereof is still in Great Britain—nearly 45 per cent. being in Great Britain and the Dominions.

I now propose "That the report and accounts, as presented, be and they are hereby received, approved, and adopted, and that dividends of £2 10s per cent., less tax, on the preferred stock, making with the interim dividend 5 per cent. for the year, and £8 per cent., less tax, on the deferred stock, making with the interim dividend 13 per cent. for the year ended December 31, 1928, and 5 per cent. per annum, less tax, on the instalments, including premium, from their due dates on the deferred shares, be and the same are hereby declared."

Mr F. H. Ramsden seconded the motion, which was carried unanimously.

A cordial vote of thanks was given to the chairman, directors, and staff, and the meeting terminated.

THE SKEFKO BALL BEARING COMPANY, LIMITED.

GOOD RESULTS AND PROSPECTS.

The nineteenth ordinary general meeting of the Skefko Ball Bearing Company, Limited, was held, on the 7th instant, at the Skefko Works, Luton.

Mr H. Bendixson, in moving the adoption of the report and statement of accounts at December 31, 1928, said:—

It is a well-known fact that ball and roller bearings are to an increasing degree being incorporated in all kinds of machinery and vehicles produced in Great Britain. A few remarks about the ball bearing industry may, therefore, be of general interest.

I should first of all like to emphasise the fact that the principal function of high precision ball and roller bearings is to increase efficiency by reducing power consumption and maintenance costs in every kind of industry where machinery is used. In this connection it is a pleasing fact to record that our sales to such British industries as are generally regarded as depressed—the textile, the iron and steel, and the coal—have considerably increased during last year and I think that that may be taken as proof of the tendency to modernise plant and methods in these industries.

Your company has recently made a rather comprehensive investigation regarding the movement of prices in their particular field, and that investigation has revealed the fact that prices to-day are very far below pre-war prices. As a matter of fact, if the selling price of high-grade ball and roller bearings in 1913 is put down as 100, the price to-day is about 60. As the general price level for commodities such as machinery, is, of course, very much higher—probably about 150—I think that the ball bearing industry may be proud of having done its duty in helping to reduce the cost of the products of British industry.

This achievement is—I think I can say this without exaggeration—startling, and to the layman it may be difficult to understand how it has been accomplished

IMPROVED MANUFACTURING METHODS—NEW MACHINERY.

The principal reason is, that in hardly any kind of industry has there been made such progress in the way of improved methods and efficiency of machinery as in the ball bearing industry. I believe I can illustrate the progress made by some statistics from our works. If the production at Luton in number of bearings per man per day in 1913—for the purposes of comparison—is put down as 1, the production in 1924 rose to 1.92, and in 1928 to 4.90. It is obvious, of course, that this tremendous increase in production per man per day should largely off-set the higher costs of labour, raw material, rates and taxes, and so forth. Under these circumstances it is perhaps only natural that the average hourly earnings of the employees in the works at Luton are higher than they have ever been since 1924. But it is remarkable and—in view of the unemployment situation—pleasing that we can now give employment to more people than we have ever done, with the exception of a short period in 1925.

The results achieved in this direction are highly complimentary to the management of our works, but they depend also to a great extent on the invaluable connections of your company abroad, which enables it to profit from manufacturing experiences gained in other countries.

When speaking of our connections abroad, I am pleased to put on record that during the past year the International SKF concern, to which your company is affiliated, has made an issue of shares on the London Stock Exchange. The result of this issue is that at present there is more than £1,000,000 of British share capital working in the SKF organisation.

During the past year your company has carried on a very extensive propaganda with the object of increasing the use of ball and roller bearings, and I think that this propaganda is, in no small measure, the reason for the extended use of SKF bearings. I may perhaps be permitted to draw attention especially to our periodical publication—the *Ball-Bearing Journal*—of which the total circulation is 250,000 copies, which I am inclined to believe constitutes a record for a purely technical publication.

FURTHER EXTENSIONS.

The number of bearings produced at the works at Luton and delivered to customers has increased from January, 1927, to the end of 1928 by more than one-third. It is, however, a fact that even this increase has not been sufficient to meet the demand for our products, and we have during 1928 been completing new buildings and installing new machinery of the most up-to-date design, which will enable us in the near future to increase our production at Luton by, roughly speaking, 40 per cent.

It is gratifying to note that these important additions to buildings and plant at Luton have been acquired without the necessity of obtaining new capital. As a matter of fact, in spite of these additions to capital assets, the bank overdraft has during the past year been reduced from £37,801 to £21,603.

BALANCE-SHEET.

The principal items of the 1928 balance-sheet will be seen from the following table, which also shows the changes as compared with the position at the end of 1927.

	1928	1927
	£	£
Net profit for the year*	40,930	28,652
Bank overdraft	21,603	37,801
Creditors and bills payable	70,793	73,294
Plant and properties (less reserves)	236,842	240,513
Debtors (less reserves)	95,264	83,709
Stocks	302,437	286,372
*After charging depreciation, reserves, &c., amounting to	42,867	26,951

The increase in the stock figures is accounted for by the increased turnover—which also finds expression in the higher figure of debtors. A contributing reason is also that for the first time for some years it has been possible to work up a stock against orders and contracts to be delivered during the first months of the year when your company has its "boom" period.

While speaking of the balance-sheet, it may, perhaps, be of interest to note that the total reserves for depreciation on buildings, plant, machinery, tools, &c., at present is equal to no less than 69 per cent. of the cost value of those items.

INCREASED PROFITS.

Our net profit, after charging depreciation, reserves, taxes, directors' and auditors' fees, &c., for the last two years has been:—

	£
1927	28,652
1928	40,930

For the present year the net earnings before charging depreciation, reserves, &c., is about £84,000, which represents 16 per cent. of the total capital working in your company, so that I think you will agree with me that the net profit is conservatively calculated.

At this time of the year it seems to be fairly usual to come forward with optimistic prophecies about the prospects of British industry. It is not my intention to try to remove the veil from the future of industry in general, but I think I am perfectly safe in saying that even if the production of British industry in general in 1929 should be no better than in 1928, the prospects of your company increasing its sales are very good indeed.

The report was unanimously adopted.

The retiring directors were re-elected, and Messrs Price, Waterhouse and Company were reappointed auditors.

An International Bank

The FIRST NATIONAL BANK *of* BOSTON

1784 :: :: 1929

BOSTON, U. S. A.

Foreign Branches

ARGENTINA — BUENOS AIRES

CUBA — HAVANA, CIENFUEGOS, SANTIAGO

European Representatives

LONDON — 24, Old Broad St.

PARIS — 39, Rue Cambon

BERLIN — 52, Unter den Linden

Capital and Surplus

$50,000,000

EVERLITE, LIMITED.

SATISFACTORY PROGRESS.

The statutory meeting of Everlite, Limited, was held, on the 4th inst., at Winchester House, Old Broad street, London, the Most Hon. the Marquis of Winchester (chairman of the company) presiding.

The Chairman said :—The statement, which has been in your hands, shows that the total number of shares allotted was 2,000,000 ordinary shares of 1s each. The inventor received £17,500 for the world rights, with the exception of the United States and Canada, which was satisfied by the allotment to him of 350,000 shares. The total receipts, including premiums on shares issued, amount to £112,000. No commission has been paid on the placing of the shares. The preliminary expenses were estimated at £3,500, of which £1,017 has been paid. The cash at bankers on fixed deposit is shown at £76,000.

Your company, through the Metropole Developments, have been able to conserve the whole of their cash resources by not having to incur the expenditure in the purchase of a factory, but we have acquired, on very favourable terms, ample accommodation in the factory at Waltham Abbey which has been acquired by Metropole Developments from the Imperial Chemical Industries.

THE SMALLER LAMPS.

For the manufacture of the smaller lamps we have made arrangements with a very responsible and one of the largest concerns in the country, with a life-long experience in making lamps in metal, and our programme in the smaller lamp will be carried out in time to make deliveries of these lamps from the month of April onwards.

In that connection I think I will read to you a letter which we have received from that firm. It is as follows :—

"Dear Sirs,—With reference to our negotiations for some time past regarding a contract for the manufacture of Everlite Lamps in the following types:—Bicycle Lamps including rear lights; Boy Scout Lamps; Postmen's and Policemen's Lamps; Auxiliary Motor Car Lamps; Lamps for general use and in the House in the form of Flash Lamps.

"We have carefully gone into your designs and are also making up counter designs. Having regard to past experience in the lamp industry, we feel sure that working arrangements between our two companies will be of the utmost benefit to all parties interested.

"We therefore have pleasure in stating that we will definitely undertake to manufacture various lamps enumerated above, and can commence to deliver within three weeks from the date of passing the final models (which should be within the next six days) in large and increasing quantities, the minimum to be 40,000 lamps per week, and we can safely undertake to supply you with as many as 100,000 in weekly deliveries.

"The price of the various types will, of course, vary as to the number of parts contained in each model, but you may rest assured that they will be very competitive, that we are prepared to go through our costs with you, and to accept a profit on the whole transaction, which will be fair and could not be improved upon even with your own complete plant being available."

I think, gentlemen, that makes it quite clear that it is safe to say we shall be able to sell the lamps in April.

DOMESTIC LAMPS.

With regard to the supply of domestic lamps which will be made chiefly out of Metduro, these, as originally contemplated, will be available during the coming autumn. You must remember that we are embarking on a new trade, and we have always refrained, from the inception of the undertaking, from making any estimates as to results and profits. With the large and world-wide interest displayed in this new invention, and the satisfactory arrangements concluded for marketing your products in almost every part of the world, we may look forward to a very prosperous future.

The chairman then referred to the events which had led up to the resignation from the board of Mr S. R. Mullard, and continued :—We have, I am glad to say, secured in the person of Mr G. Langford a man fully competent to carry out the important duties of factory manager, and he will be installed at Waltham Abbey from to-day week. Mr. Langford, during his career, has occupied very important positions. At a very early stage he was made manager of the Gas Station in Coventry responsible for street lighting. He next served a term as general manager of the Para Gas Works. On the outbreak of the war he returned to this country and was at once made second in control of the filling factory at Hayes in Middlesex, employing some 15,000 hands throughout the war. At the closing down of these works Mr Langford was engaged by the Radiation Co. of Warrington, and up to the period of his engagement with us he has been in the service of that company.

I also want to add this: You must remember that in the Everlite lamp we have the only hermetically sealed wet battery in existence, and we have the utmost confidence in the future of that discovery.

After the Chairman had replied to questions the proceedings terminated.

PHILLIPS RUBBER SOLES, LIMITED.

ANOTHER SUCCESSFUL YEAR.

The ordinary general meeting of Phillips Rubber Soles, Limited, was held, on the 7th inst, at Winchester House, Old Broad street, London.

Mr Walter W. Phillips, who presided, moved the adoption of the report and accounts for the year ended November 30, 1928, and said that the net profit for the year amounted to £123,066. This was about £7,700 below the profit for the previous year, but the difference was mainly accounted for by increased advertising expenditure by a subsidiary company. As compared with two years ago, the net profit for the past year showed an increase of about £20,000. The directors regarded the results as very satisfactory, particularly in view of the general state of trade in the country and the high percentage of unemployment.

After adding the amount brought forward from the previous year, and deducting income-tax, preference dividend for the year and interim dividend of 5 per cent. paid on the ordinary shares, and placing £16,000 to raw materials reserve, there was a balance available for further dividend on the ordinary shares, reserves, &c., of £72,265.

Dealing with the balance-sheet, the Chairman said that investments in subsidiary companies, £354,140, remained unaltered from the previous year.

The item of £125,000 5 per cent. war loan was most useful, and the amount of cash at bank, £27,906, was a satisfactory figure.

As regarded the item, "Patents and designs at cost, £90,406," the slight increase of £152 represented the cost of registration of new designs during the year. These designs might be regarded as having a value far in excess of the cost of their registration, but he wished to make it clear that sooner or later provision would have to be made for writing down this item of £90,406. The directors did not recommend that any step be taken in that direction at present, for the reason that the amounts placed to general reserve a year ago and in the appropriation now submitted might be regarded as sufficient cover for patents and designs amortisation until such time, presumably in the near future, when the item preliminary expenses would have been completely written off and larger sums would become available for other purposes.

DIVIDEND OF 15 PER CENT.

Referring to the appropriation account, he stated that the directors recommended writing off preliminary expenses a further sum of £15,695 (making a total of £40,000 written off this item), placing to general reserve a sum of £10,000, and paying a final dividend of 10 per cent. (making 15 per cent. for the year) on the ordinary shares, which required £36,000. That would leave a balance to carry forward of £10,571.

The balance of net profit, after providing for all dividend on preference shares, was equal to 29 per cent. on the ordinary share capital.

He mentioned that the directors were in favour of building up a strong reserve position, and he felt sure that the wisdom and soundness of that policy would be agreed upon.

The business, in every way, was being kept up to date. The turnover had been maintained, and the reputation of Phillips' productions, for quality and general excellence, now stood higher than ever. During the past year there had been a development in this country owing to the use in many shoe factories of other materials, instead of the customary leather, for the soles of boots and shoes. The very excellent soleing material that the company was manufacturing and selling under the registered trade mark "Durata" had rapidly won for itself the very highest reputation, and he felt confident that the company might hope to secure a very large share of the trade in this class of goods.

The two new directors, Mr John Cunningham and Mr W. H. Mather, were members of the staff, and had both been engaged in the business for the past ten years. He was quite sure that the company would be well served by its new directors.

THE OUTLOOK.

As regarded trade outlook, present indications were that the company would have a normal year, but everyone would do his best with a view to achieving something even better than normal.

Relations with all the workpeople were extremely cordial and satisfactory, and he expressed the directors' hearty appreciation of the excellent services and assistance rendered by the staff and workpeople of the company and its subsidiaries during the year.

The report and accounts were unanimously adopted, and a final dividend of 10 per cent. was declared on the ordinary shares.

The retiring directors, Messrs G. Phillips, A. J. Drywood, J. Cunningham, and W. H. Mather were re-elected.

The auditors, Messrs Davie, Parsons and Co., chartered accountants, were re-appointed, and a vote of thanks to the chairman closed the meeting.

GOVERNMENT RETURNS, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 2, 1929 :—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	6,960	From Revenue	30,118
Interest, &c., on Debt	15,224	Decreases in Balances	122
Sinking Fund	3,538		
Sundries	352		
Decrease in Debt	4,166		
	30,240		30,240

The Revenue for the week amounted to £30,118,400, as compared with £28,337,500 in the corresponding week last year. Property and Income-tax amounted to £17,462,000, against £15,558,000 and Super Tax to £3,440,000, against £3,340,000. Customs brought in £1,803,000, against £1,903,000, while Excise at £817,000 showed no change. Ordinary Receipts were lower at £19,700, against £779,000, and Special Receipts were higher at £35,000, against £1,250,000. The National Debt was reduced by £4,166,400, as shown below :—

(000's omitted.)

	£		£
Treasury Bonds	— 11,800	Treasury Bills	+ 22,300
National War Bonds	— 40,896	Bank of England Advances	+ 18,170
		Public Department Advances	+ 7,900
		National Savings Certificates	+ 150
		Sundries	+ 10
	— 52,696		+ 48,530

The floating debt was increased by £48,415,000 to £824,900,000.

FINANCIAL YEAR, 1928-29, April 1 to Feb. 2, 1929.

	£		£
Expenditure	640,722,384	Revenue	543,754,637
		Amount borrowed	93,520,131
		Decrease in balances	3,447,616
	640,722,384	Total	640,722,384

ESTIMATES (New Basis), 1928-29.

	£		£
Expenditure	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

SELF-BALANCING REVENUE and EXPENDITURE.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Feb. 2, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	..	..	..	..	..	166	204	204	204
3½% Conversion Loan	..	..	666	709	760	740	832	832	832
4½% Conversion Loan	..	..	..	210	211	211	221	221	221
5% War Stock	..	63	63	63	63	63	..	..	..
4½% War Stock	..	13	13	13	13	13	13	13	13
4% and 5% War Stock	..	2,047	2,166	2,052	2,109	2,154	2,253	2,253	2,253
National War Bonds	..	1,509	820	778	706	556	194	111	70
4% Funding Loan	..	409	396	394	390	389	385	385	385
4% Victory Bonds	..	360	314	303	292	277	261	261	261
Treasury Bonds	..	..	457	499	482	454	675	773	762
Exchequer Bonds	20	323	150	15	15	15	16	16	16
National Savings Certs.	..	267	366	369	375	372	362	360	360
Other Debt*	..	1,306	1,128	1,124	1,111	1,103	1,097	1,094	1,094
American Loan (Anglo-French)	..	51	..	..	..	..	..	..	..
Treasury Bills	25	1,107	588	576	565	599	527	788	780
Temporary Advances	1	243	186	167	139	117	162	28	44
	664	6,033	7,641	7,598	7,558	7,555	7,528	7,665	7,621
Other Capital Liabilities	57	46	66	68	75	98	103	103	107
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,631	7,768	7,728

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Feb. 4, '28.	Mar. 31, '28.	Feb. 2, '29.	Movement Week ended Feb. 2, '29.
Ways and Means Advances Outstanding—	£	£	£	£
Advances by Bank of England	250,000	..	18,170,000	+ 18,170,000
Advances by Public Deptmts.	147,110,300	161,850,000	25,790,000	+ 7,900,000
Treasury Bills Outstanding	606,695,000	526,940,000	*780,940,000	+ 22,345,000
Total Floating Debt	754,055,000	688,790,000	824,900,000	+ 48,415,000

* Includes £85,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bills were opened on Feb. 1, 1929, and the total amount applied for was £47,120,000. For bills at 3 months, dated Monday, at £98 19s 2d, about 90 per cent. ; above in full; Tuesday at £98 19s 5d, and above in full; Wednesday to Saturday at £98 19s 2d, about 90 per cent.; above in full. The amounts allotted were in bills at 3 months, £40,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1928.	£	£	£ s d
Nov. 30	45,000,000	61,695,000	4 5 5·23
Dec. 7	45,000,000	53,675,000	4 6 9·47
Dec. 14	40,000,000	46,050,000	4 8 4·07
Dec. 21	40,000,000	46,860,000	4 8 7·03
Dec. 28	45,000,000	80,130,000	4 5 7·07
1929.			
Jan. 4	45,000,000	59,700,000	4 6 5·99
Jan. 11	35,000,000	57,915,000	4 5 4·26
Jan. 18	45,000,000	58,035,000	4 5 2·06
Jan. 25	45,000,000	55,210,000	4 6 6·73
Feb. 1	40,000,000	47,120,000	4 5 2·83

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1928-29.	Total Receipts into the Exchequer from April 1, 1928, to Feb. 2, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Feb. 4, 1928.	Week Ended Feb. 2, 1929.	Week Ended Feb. 4, 1928.
Balances in Exchequer on 1st April :—	£	£	£	£	£
Bank of England	..	5,918,513	6,003,023	..	..
Bank of Ireland	..	404,112	456,633	..	..
	..	6,322,625	6,459,656	..	..
ORDINARY REVENUE.					
Inland Revenue—					
Property and Income Tax	232,900,000	126,562,000	149,578,000	17,462,000	15,558,000
Super-Tax	60,000,000	28,420,000	33,120,000	3,440,000	3,340,000
Estate, &c., Duties	72,000,000	66,230,000	63,650,000	1,280,000	3,280,000
Stamps	28,000,000	22,900,000	20,370,000	580,000	710,000
Excess Profits Duties, &c.	1,000,000	..	..	..	..
Corporation Profits Tax	1,500,000	640,000	1,540,000	10,000	30,000
Land Tax, House Duty and Mineral Rights Duty	850,000	330,000	340,000	80,000	60,000
Total Inland Revenue	396,250,000	245,022,000	265,598,000	22,852,000	22,978,000
Customs and Excise—					
Customs	120,637,000	100,174,000	94,474,000	1,803,000	1,903,000
Excise	140,768,000	114,911,000	118,552,000	817,000	817,000
Total Customs & Excise	261,405,000	215,085,000	213,026,000	2,620,000	2,720,000
Motor Vehicle Duties (Exchequer Share)	4,400,000	3,864,667	4,794,985	Dr. 146,000	Dr. 704,973
Post Office (Net Receipts)	8,186,000	10,600,000	7,800,000	1,200,000	1,200,000
Crown Lands	1,100,000	1,120,000	1,000,000	..	..
Receipts from Sundry Loans	27,650,000	21,880,092	18,789,716	72,172	115,304
Miscellaneous : Ordinary Receipts	13,550,000	12,381,732	28,402,282	19,707	779,169
Miscellaneous : Special Receipts	40,362,000	33,801,746	24,300,485	3,500,000	1,250,000
Total Ordinary Revenue	752,903,000	543,754,637	566,711,468	30,118,416	28,337,560
SELF-BALANCING REVENUE.					
Post Office	57,314,000	45,500,000	46,150,000	800,000	800,000
Motor Vehicle Duties apportioned to Road Fund	21,300,000	20,226,933	18,599,015	1,132,000	1,090,973
Total Self-Balancing Revenue	78,614,000	65,726,933	64,749,015	1,932,000	1,890,973
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		36,917	36,917	..	..
Under the Unemployment Insurance Acts, 1920-28		774,432	3,866,000	..	..
Road Fund		3,825,000	..	..	..
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		7,650,000	7,000,000	..	..
(b) Under the Unemployment Insurance Acts, 1920-28		9,680,000	2,590,000	310,000	80,000
(c) For other Issues:					
By Treasury Bills		2,318,388,000	2,102,929,000	87,610,000	40,686,000
By 4% Consolidated Loan		..	41,316,756	..	..
By National Savings Certificates		33,650,000	29,400,000	1,000,000	850,000
By National War Bonds		10	10	..	..
By 4½% Treasury Bonds, 1934		..	64,595,752	..	..
By 5% Treasury Bonds, 1933-35		93,603,348	18,250,000	14,100,000	8,700,000
By 4½% Treasury Bonds, 1932-34		18,710,000	..	..	..
(d) Ways and Means Advances		528,415,000	559,020,000	49,190,000	9,950,000
Repayments—					
In respect of Suez Canal Drawn Shares		..	4,536	..	4,536
In respect of Cunard Loan		..	130,000	..	..
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		132,325	181,241	908	44,725
Total	£	3,630,669,247	3,467,240,527	184,470,027	90,143,734

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1928-29 (including Supplementary Grants).	Total Issues out of the Exchequer to Meet Payments from April 1, 1928, to Feb. 4, 1928.	Total Issues out of the Exchequer to Meet Payments from April 1, 1927, to Feb. 4, 1928.	Issues. Week Ended Feb. 2, 1929.	Issues. Week Ended Feb. 4, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest & Management of National Debt	304,000,000	295,958,083	294,738,374	15,233,847	12,083,068
Payments to Local Taxation Accounts	14,200,000	9,186,040	10,112,158	50,000	780,082
Payments to Northern Ireland Exchequer	5,600,000	3,589,034	3,324,186	..	31,000
Other Consolidated Fund Services	2,600,000	2,201,979	3,056,488	301,789	33,286
Supply Services (excluding Post Office)	352,083,000	282,707,906	293,826,099	6,760,000	8,366,000
Total Ordinary Expenditure	678,483,000	593,643,042	605,057,305	22,535,636	21,343,436
Sinking Fund	65,000,000	47,079,342	54,950,485	3,538,360	470,060
SELF-BALANCING EXPENDITURE.					
Post Office	57,314,000	45,500,000	46,150,000	800,000	800,000
Road Fund	21,300,000	20,226,933	18,599,015	1,132,000	1,090,973
Total Self-balancing Expenditure	78,614,000	65,726,933	64,749,015	1,932,000	1,890,973

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1928, to Feb. 2, 1929.	Apr. 1, 1927, to Feb. 4, 1928.	Week Ended Feb. 2, 1929.	Week Ended Feb. 4, 1928.
OTHER ISSUES.	£	£	£	£
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917	..	..
Under the Unemployment Insurance Acts, 1920-28	9,680,000	2,590,000	310,000	80,000
Road Fund, under Section 27 of the Finance Act, 1928	3,825,000	..	..	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928	8,650,000	7,850,000	..	..
Unemployment Insur. Acts, 1920-28—				
Repayment of Amounts Borrowed	774,432	3,866,000	..	..
Redemption of Debt—				
Treasury Bills	2,064,470,000	2,095,460,000	65,310,000	56,885,000
Principal of National Savings Certificates	34,700,000	31,800,000	850,000	900,000
Principal of National Savings Bonds paid off	3,061	1,042	..	..
Principal of National War Bonds paid off, £126,661,491: less paid off by the National Debt Commissioners, £3,003,000	123,658,491	66,300,261	40,896,015	..
Principal of Treasury Bonds paid off	25,900,000	3,403,035	25,900,000	3,403,035
Other Debt under the War Loan Acts, 1914 to 1919	3,341,000	100	..	..
Ways and Means Advances Repaid	646,305,000	523,261,000	23,120,000	5,350,000
Issues to National Debt Commissioners to Reduce Debt—				
Suez Canal Drawn Shares Repayments	..	..	..	..
Cunard Loan Repayments	..	130,000	..	..
Old Sinking Fund, 1·07-08—				
Issued under Section 9 of the Finance Act, 1908	1,000	1,623	..	..
	3 627,794 218	3,464,456,783	184,592 001	90,322,444
Balances in Exchequer—	Feb. 2, '29.	Feb. 4, '28.	In. or Dec.	for Week.
Bank of England	2,068,401	2,055,085	— 44,655	+ 49,121
Bank of Ireland	806 608	728,483	— 77,319	+ 172,169
Total	2,875,009	2,783,568	— 121,974	+ 221,290

Treasury, February 4, 1929.

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, February 6, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—			
In Circulation	357,519,235	Government Debt	11,015,100
In Banking Department	52,106,942	Other Government Securities	233,979,369
		Other Securities	10,016 515
		Silver Coin	4,989,016
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	149,626,177
	409,626,177		409,626,177

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	56,386,855
Rest	3,615,704	Other Securities—	
Public Deposits*	8,531,338	Discounts and Advances £8,714,097	
Other Deposits—		Securities £15,528,000	
Bankers £68,500,861			24,242,097
Other Accounts £37,903,622		Notes	52,106,942
	105,504,483	Gold and Silver Coin	291,269
7 Day and Other Bills	2,638		
	132,027,163		132,027,163

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

Both Departments.	Amount Feb. 7, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	357,519,235	+ 1,874,811	— 10,580,520
Public deposits	8,351,338	— 10,818,217	— 6,810,822
Bankers' deposits	68,500,861	+ 10,290,087	+ 8,199,836
Other deposits	37,003,622	— 858,995	
Seven-day bills	2,638	+ 659	— 207
Total, outside liabilities	471,377,694	+ 428,345	— 9,271,713
Capital and rest	18,168,704	+ 34,409	+ 8,552
Government debt and securities	300,381,324	+ 5,031,261	+ 26,819,190
Discounts and advances	8,714,097	— 94,130	— 27,673,645
Other securities	25,544,515	— 572,489	
Silver coin in issue department	4,989 016	+ 7,792	— 760,984
Coin and bullion (bank's reserve)	149,917,446	— 3,080,6 0	— 7,647,562
Reserve of notes and coin in banking department	52,398,211	— 4,935,491	+ 10,352,858
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	46%	— 3⅞%	+ 8¹¹⁄₁₂%
(b) Gold stocks to deposits and notes ("reserve ratio")	31¹³⁄₁₆	— ¹¹⁄₁₆	— ³¹⁄₃₂

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1928.	£	£	£	£	£	£	%
Dec. 19	415,210,986	384,110,999	11,143,434	60,247,772	35,964,016	1,472,105 out	4½
26	413,783,646	388,242,899	12,969,050	69,489,708	37,511,394	1,429,295 out	4½
1929.							
Jan. 2	413 123,339	378,294,483	22,336,385	84,016,042	38 030,396	785,764 out	4½
9	414,284,469	369,517,787	10,944,607	67,491,247	36,813,416	1,157,054 in	4½
16	414,171,272	360,682,536	15,148,359	67,549,972	36,665,759	114,308 out	4½
23	413,103,414	355,366,406	16,850,494	60,841,865	37,481,693	1,078,579 out	4½
30	412,714,391	355,641,424	19,229,555	58,210,774	37,862.617	394,507 out	4½
Feb. 7	409,626,177	357,519,235	8,351,338	68,500,861	37,003,622	3,091,745 out	5½

Date.	Issue Department. Govt. Debt and Securities	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1928.	£	£	£	£	£	£	£
Dec. 19	244,581,466	10,177,049	155507575	57,756,855	15,667,010	20,485,605	31396576
26	244,585,173	10,175,611	154067274	67,296,855	25,931,966	18,853,964	25824375
1929.							
Jan. 2	244.588.281	10,175,611	153329533	62,636.855	47,945,162	16,962,556	35035050
9	244,644,115	10,170,725	154479280	57,736,855	14,687,357	15,969,429	44961498
16	244,689,806	10,171.370	154406085	55,121,855	13,058,329	15,540,096	53723549
23	244,848,035	10,172,176	153342962	49,486 855	10,763,570	15,061.023	57176556
30	244,984,708	10,170,558	152978126	50,501,855	9,557,227	16,946,436	57333702
Feb. 7	214,934,469	10,016,515	149917446	55.386.855	8,714,097	15.528.000	53982111

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to Jan. 23	2,775,406	136.5'0	218,157	3,130,153
Week ended Jan. 30	826,155	36,833	54,535	917,523
Week ended Feb. 6	860,908	41,728	68,648	971,284
Total to date, 1929	4,462,469	215,151	341,340	5,018,960
Do 1928	4,367,410	210,605	347,446	4,925,461
Increase or decrease in 1929	+ 95.059	+ 4,546	— 6,106	+ 93,499
	= 2·2%	= 2·2%	= 1·8%	= 1·9%
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,757	2,817,868	39,825,054
Increase or decrease in 1927	+ 1,473,253	+ 97,275	+ 154,959	+ 1,725,487
	= 4·1%	= 5·8%	= 5·4%	= 4·3%

PROVINCIAL CLEARING RETURNS.

	Month of January. 1928.	Month of January. 1929.	%	Aggregate Weekly Totals to Feb. 2. 1928.	Aggregate Weekly Totals to Feb. 2. 1929.
Number of Working Days	26	27			
	£	£		£	£
BIRMINGHAM	11,558,000	12,309,000	+6·4	14,546,100	14,180,500
BRADFORD	6,208,000	5,172,000	—16·6	..	..
BRISTOL	5,341,000	5,717,000	+ 7·7	6,213,000	6,381,000
DUBLIN	..	..	..	26, 46,200	27,172,800
HULL	4,135,000	4,351,000	+ 5·2	4,800,700	4,579,700
LEEDS	5,195,000	4,792,000	— 7·7	6,150,800	6,515,100
LEICESTER	3 881,000	3.818.000	— 1·6	4,591,300	4,404,000
LIVERPOOL	38:859,000	38,762,000	— 0·5	45,680,600	43,120,900
MANCHESTER	62,791,000	59,045,000	— 5·9	72,735 100	64,592,300
NEWCASTLE-ON-TYNE	6,331,000	6.217.000	— 1·8	7,677,800	7,009,400
NOTTINGHAM	2,940,000	2,993,000	+ 1·8	3,195,000	3,465,300
SHEFFIELD	4,726,000	4,552,000	— 3·6	5,904,300	5,363,600
Total	152,065,000	147,728,000	— 2 8	..	..

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Greece appeared in the *Economist* of Jan. 12; Roumania and Egypt in January 19; Lithuania in January 26; Norway, Portugal, Czechoslovakia, Serbs, etc., Bulgaria, Poland and Canada in February 2.

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

Resources.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 24, 1929.	Jan 17, 1929.	Feb. 9, 1928.
Total gold reserves	2,663,920	2,667,180	2,648,090	2,630,570	2,817,590
Total bills discounted	851,620	820,630	782,110	821,820	458,780
Bills bought in open mkt	410,740	435,610	454,220	481,240	369,270
Total U.S. Govt. securities	200,090	201,770	201,030	238,350	401,340
Total bills and securities	1,471,580	1,467,040	1,447,390	1,551,230	1,229,390
Total resources	5,102,150	5,093,730	5,125,190	5,300,970	4,952,140
Liabilities.					
Federal Reserve notes in actual circulation	1,646,310	1,646,490	1,660,970	1,697,300	1,584,180
Deposits—Member bank—reserve account	2,386,280	2,393,950	2,358,860	2,414,550	2,395,040
Total deposits	2,438,140	2,437.100	2,397,090	2,472,580	2,445,170
Capital paid in and surplus	403,960	403,200	402,750	402,250	397,940
Total liabilities	5,102,150	5,093,730	5,125,190	5,300,970	4,952,140
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	69·3%	69·4%	69·3%	67·0%	74·1%

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

	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 24, 1929.	Jan. 17, 1929.	Feb. 9, 1928.
Total bills discounted	195,130	212.910	153,160	217,670	125,760
Bills bought in open mkt.	103,730	115,440	120,440	137,810	95,590
Total U.S. Govt. securities	26,190	26,190	27,290	63,690	75,990
Total bills and securities	325,050	354,540	300,890	419,170	297,170
Deposits — Member bank —reserve account	948,520	963,960	915,510	955,610	956,370
Ratio of total res. to dep. and Federal Res. note liabilities combined	78·8%	77·0%	80·0%	70·8%	80·5%

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

Assets.	Feb. 4, 1929.	Jan. 28, 1929.	Jan. 21, 1929.	Jan. 14, 1929.	Feb 6, 1928.	Position May 30,1914
Gold	434,535	434,540	434,544	434,544	435,.80	153,092
Silver	22,514	22,913	22,280	22,019	28,244	8,436
Discts. and advances	373,430	353,270	374,148	398,265	383,537	153,504
Liabilities.						
Notes in circulation	808,052	782,727	88,959	812,742	795,762	316,632
Deposits	38,599	44,423	47,744	49,750	58,952	6,016

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

Assets.	Jan. 11, 1929.	Jan. 4, 1929.	Dec. 28, 1928.	Dec. 21, 1928.	Dec. 14, 1928.	Jan. 13, 1928.
Gold coin and bullion	7,567	7,822	8,070	7,957	8,021	7,502
Subsidiary coin	84	75	78	83	95	310
Bills discounted	9,118	9,408	10,063	9,669	8,765	8,505
Investments	481	481	673	802	804	574
Liabilities.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	8,673	9,505	9,487	8,965	8,526	8,093
Government deposits	1,827	1,553	2,897	2,445	2,007	1,551
Bankers' deposits	4,752	4,809	5,001	5,143	5,511	4,890
Ratio of cash reserves to liabilities to public	48%	48%	45·5%	47·5%	49%	50 4%

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

Assets.	Jan. 11, 1929.	Jan. 4, 1929.	Dec. 28, 1928.	Dec. 21, 1928.	Dec. 14, 1928.	Jan. 13, 1928.
Total securities	21.64 01	21,70.32	21,78.89	21,75,84	21,73,01	18.56.34
Loans	18.29.43	20,50,81	21,38,00	20,12,21	19,68,66	13.90.28
Cash credits	26 82,31	26,16,78	26.67,10	24,63,42	23,24,14	30,19.28
Inland bills	12 47,01	13.30,05	12,37.21	11,12,09	10 84,06	15,94,69
Foreign bills	1?,20	30,59	39,93	37,05	38.97	36,86
Dead stock	2,81.66	2,81,45	2,81,04	2,84,98	2,85,55	2,77.36
Bal. with other banks	34,44	20,43	11,66	20.38	15 68	11.50
Cash	11,51,36	10,28,20	11,21,64	11,03,79	11,48,47	10,65,76
Liabilities.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5 22 50	5,17,50	5,17,50	5,17.50	5,17,50	5,12 50
Total deposits	75,74,88	77,12,74	78,37,49	74,47,75	75,19,33	73 ,65,32
The above includes—	£	£	£	£	£	£
Deposits in Lond'n	1,022	996	932	974	934	934
Adv'nces in L'nd'n	900	885	909	902	906	903
Cash, &c., at other Banks in London	259	130	90	144	114	83

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

Assets.	Feb. 1, 1929.	Jan. 25, 1929.	Jan. 18, 1929.	Jan. 11, 1929.	Jan. 4, 1929.
Gold	34,004,022	33,995,441	33,983,468	33,709,295	32,679,040
Foreign assets—					
Sight deposits	12,435,796	11,789.204	11,936,638	12,543,191	13,546,570
Bills discounted	18,161,725	18,632,864	18,617,974	18,430,676	18,416,417
Commercial bills discounted at home	4,081,916	5,051,886	3,993,641	4,003,679	4,547,386
Advances against sec					
To the State	9,130.000	9,130,000	9,130,000	9,130,000	9,130,000
Other advances	2,339,440	2,198,407	2,243,936	2,294,766	2,325,886
Other assets (excluding forward exch.)	3,737,397	3,147,433	3,319,287	3,381,353	3,442,182
Liabilities.					
Notes in circulation	63,866 999	62.193,593	62,442,972	63,153,516	64,182,903
Public deposits	12,398,794	12,711,842	12,398,529	12,107,887	11, 34,160
Private deposits	5,658,560	7,154,613	6,341,444	6,088,567	5,807,774
Other liabilities	1,968,963	1,926,188	1,936,369	2,142,992	2,167,610

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

Assets.	Jan. 31, 1929.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 31, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,729,182	2,729,176	2,729,282	1,865.284
Of which deposited abroad	85,626	85.626	85,626	83.532
Reserve in foreign currencies	152,.15	161,474	156,208	296.005
Bills of exchange and cheques	1,783,054	1,548,427	1,667,162	2,372,850
Silver and other coin	121,478	137,065	117,667	71.300
Notes of other German banks	8,277	30,635	24,867	7,477
Advances	101,864	40,708	55 681	91,246
Investments	93,320	93,309	92,260	93,271
Other assets	480,783	440,795	561,694	599,113
Liabilities.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	284,205	284,205	284,205	243,393
Notes in circulation	4,453,891	3,809,254	4,080.428	4,251,185
Other daily maturing obligations	422.929	783,141	609.839	497,777
Other liabilities	186,361	184,201	297,561	281,405

* Equal to one billion paper marks or one Rentenmark.

The gold reserve is calculated in accordance with the new legal prescription of one pound of fine gold equals 1,392 Reichsmarks.

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

Assets.	Jan. 31, 1929	Jan. 24, 1929	Jan. 17, 1929.	Jan. 10, 1929.	Feb. 2, 1928.	Position May 28, 1914.
Gold	906,104	904,985	905,010	903,899	742,599	(b)
Foreign Bills and Balances Abroad	536,514	521,742	546.059	569,396	473,907	232,650
Silver & other coin	1,789	1,836	1,836	.. "	1,215	
Securities	672,991	653,620	648,954	656,174	542,240	697,600
Liabilities.						
Notes in circulation	2,419.343	2,352,182	2,355,871	2,395,427	2,084,433	934,150
Current accounts	71.023	101,488	100,474	104,4c1	100,514	112,125

(b) In thousand francs.

* The Bank, having drawn up its half-yearly balance sheet on Dec. 25, has not published all the figures usually shown in the weekly return.

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

Assets.	Feb. 2, 1929	Jan. 26, 1929.	Jan. 19, 1929.	Jan. 12, 1929.	Feb. 4, 1928.	Position May 30,1914.
Gold	191,700	192,100	192,800	192,000	173,766	22.971
Silver					18,803	13,795
Discounts, advances, and other investments	142,800	148,400	153,100	159,600	156,959	77,567
Liabilities.						
Notes in circulation	300,100	300,200	304,500	311.300	314.554	109,499
Deposits and bills payable	60 200	61,400	63,900	65,800	44,934	11,250

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

Assets.	Jan. 31, 1·29	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7. 1929.	Jan. 31, 1928	Position May31.1914
Gold	482,021	482,095	482,139	617,452	451.177	171,175
Silver	45,471	45,551	44,619	45,089	53,277	18,350
Foreign Bills and Balances abroad	184,653	189,503	276,605	271,385	..	..
Discounts	154,944	135,758	146,391	181,580	304,901	..
Advances	63,109	56,037	59,351	78,540	82,386	103,080
Liabilities.						
Notes in circulation	839,838	786,935	814,012	871,696	914,115	275,925
Deposits	66,622	87,514	183,620	215,027	113,666	32,960

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

Assets.	Jan. 10, 1929.	Dec. 31, 1928.	Dec. 20, 1928.	Dec. 10, 1928.	Nov. 30, 1928.
Gold, coin and bullion	5.052,000	5,051.900	5,051,929	5.051.901	5,051,873
Foreign bills & balances abroad	5,945,300	6,018,900	5,925.515	5,944,210	5,992,452
Other cash	131,500	102,321	114,465	113,692	105,813
Gold deposited abroad due by the State	1,836,200	1,836,200	1,836,187	1,836,187	1,836,187
Discounts	3,679,000	3,720,300	3,494,443	3,434,717	3,400,504
Advances	1,299,600	1,761,900	1,611,070	1,413,404	1,440,390
Credit with "Istitute di Liquidazioni"	1,102.800	1,160,000	1,224,936	1,224,936	1,224,936
Government securities	1,041,500	1,080,400	1,040,685	1,038,951	1,038,392
Liabilities.					
Notes in circulation	16,882,400	17,295,400	16,817,699	17,020,432	17,118,613
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	2,257,900	2,241,300	2,457,848	2,295,992	2,157,475
Ratio of reserve to note and sight liabilities combined	56·57%	55·81%	56·08%	56·06%	56·42%

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

Assets.	Feb. 2, 1929.	Jan. 26, 1929.	Jan. 19, 1929	Jan. 12, 1929.	Feb. 4, 1928.
Gold	235.690	235.711	235,737	235.796	233.671
Government securities—Swedish	6,001	6,001	6,001	6,001	11,027
" " Foreign	73,774	73,774	73,774	73,774	105,524
Other Swedish bonds quoted on foreign bourses	749	749	749	749	2,454
Bills payable in Sweden†	214,261	202,125	226,759	273,012	142,757
" " abroad	64,174	69.288	69,711	62,449	85,529
Balance abroad	60,265	55,879	54,887	61,717	49,709
Advances made on government securities and bonds†	71,446	55,192	66,503	51,952	50,319
Liabilities.					
Notes in circulation	492,808	434,416	449,612	463,402	468,048
Government deposits	191,266	215,281	235,257	239,911	181,572
Private deposits	3,842	7,324	6,555	18,218	7,029

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are not available as cover for the note issue.

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

Assets.	Jan. 31, 1929.	Dec. 31, 1928.	Nov. 30, 1928.	Oct. 31, 1928.	Jan 31, 1928.	Position May30,1914
Coin and bullion	172,715	172,755	172,756	172,843	181,971	76,644
Loans & discounts	90,005	94,595	87,406	96,117	100,424	88,470
Debtors abroad	92,412	112,353	94,547	103,066	73,197	24,102
Securities	36,023	34,758	31,263	26,262	8,132	11,988
Liabilities.						
Circulation	336,349	360,157	353,861	361,312	335,808	157,266
Deposits	28,645	52,945	25,731	32,994	27,108	6,696

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

Assets.	Feb. 2, 19.9.	Jan. 26, 1929.	Jan. 19, 1929.	Jan. 12, 1929.	Feb. 4, 1928.	Position, May30,1914.
Gold	2,559,258	2,559 223	2,559.183	2,559,143	2,607,179	521,775
Silver	709,941	707,332	703,000	698 545	694,216	728,600
* Loans&discounts	1,978,107	1,935,586	1,985,983	2,069,767	2,037,465	800.725
Spanish 4% stock	344,474	344,475	344,475	344,475	344,475	344,475
Advce to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
Liabilities.						
Circulation	4,336.741	4,312,483	4,348,892	4,405,500	4,220,907	901,550
Deposits	993,598	972,440	989,084	963,502	960,967	477,500

* Including 91 million pesetas lent to the State.

RUSSIAN STATE BANK.—Note-Issuing Department.

(In Tchervonetz—000's omitted.) (Note: 1 Tchervonetz = 10 gold roubles.)

Assets.	Jan. 31, 1929.	Jan. 16, 1929.	Dec. 31, 1928.	Dec. 15, 1928.	Jan. 31 1928.
Gold in coin and bullion	17,886	17,848	17,856	17,856	19,183
Other precious metals	4,319	4,336	4,436	4,436	2,452
Foreign bank notes	7.983	7,803	7,846	7,845	6,710
Drafts in sterling (less 10%)	276	276	276	272	366
Bills (less 10% discount)	76,262	79,463	82,312	83,255	70,099
Securities covering advances on goods (less 10%)	274	274	274	275	274
Liabilities.					
Bank notes	106,505	109,097	112,256	113,131	97,489
Balance to which notes may still be issued	495	903	744	869	1,511

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

Assets.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 8, 1929.	Jan. 23, 1928.	Position, May30,1914.
Gold	303 933	304,062	304,219	316,015	36,091
Balance abroad and foreign bills	742,552	774,660	752,388	1,409,570	90,379
Finnish and Foreign Government securities	300,673	296,303	291,788	385,208	21,836
Discounts and loans	1,408,423	1,459,335	1,488 394	852,750	185,151
Liabilities.					
Notes in circulation	1,382,305	1,404,666	1,421,746	1,446,658	133,941
Deposits at notice	406.026	466.210	459 769	672,387	21,286

BANK OF ESTONIA.—In Est. kroon (000's omitted).

Assets.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7, 1929.	Dec. 31, 1928.	Jan. 31, 1928.
Gold coin and bullion	6,263	6,341	6,380	6,380	10,155
Net foreign exchange	22,936	25,647	24,204	25.067	38,576
Subsidiary Estonian coin	698	633	1,071	615	675
Home bills discounted	15,001	14,900	14,358	14,508	8,365
Loans and advances*	16,499	16,233	16,359	17,345	28,903
Liabilities.					
Notes in circulation	36,035	36,099	35,977	36,433	37,827
Sight deposits and current accounts	21,311	21,603	23,078	23,406	23,681
Ratio of reserve to current liabilities	50·91%	51·97%	53·41%	53·56%	67·96%

* Includes a sum not exceeding Ekr. 15,000,000, guaranteed by the Government.

NATIONAL BANK OF HUNGARY.—In Hungarian Pengö (000's omitted.)

Assets.	Jan. 31, 1929.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7, 1929.	Jan. 31, 1928.
Metal reserve—					
Gold coin and bullion	204,551	204,551	201,083	201,083	196,867
Drafts and notes	53,760	53,670	55,571	48,435	105,636
Silver coin and bullion	783	782	790	794	789
Inland bills, warrants and securities	315,413	315,413	325,726	361,379	313,142
Advances to the Treasury	97,181	97,181	97,210	97,201	110,939
Liabilities.					
Share capital gold crowns 30,000,000*	34,756	34,756	34,756	34,756	34,756
Notes in circulation	392,525	392,585	418,108	440,874	467,451
Current accounts, deposits, &c.	270,177	270,177	253,893	251,946	295,169

* Calculated at pre-war parity of exchange.

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

Assets.	Jan. 31, 1928.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7, 1929.	Jan. 31, 1928.
Cash reserve—					
Gold coin & bullion	168,752	168.752	168 752	168.752	84.456
Foreign exchange	199,124	196,314	201,766	216.938	337.279
Other foreign exch'ge	365.674	361,370	365.203	375.306	263.943
Bills discounted	1·5,210	132,465	155,653	176.070	104,844
Advances	116,118	116,118	116,118	116,122	173,117
Liabilities.					
Share capital	43,200	43,200	43,200	43.200	43,200
Reserve fund	8,167	8,167	8,167	8.167	6.367
Notes in circulation	965,200	848,663	893.758	967.454	919,575
Deposits	52,663	129,696	116,991	88,158	46,841

† In dollar and sterling only.

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

Assets.	Jan. 30, 1929	Jan. 23, 1929.	Jan. 16, 1929.	Jan. 9, 1929.	Jan. 2, 1929.	Feb. 1 1928.
Gold bullion and coins	23,750	23,758	23,758	23,757	23.753	23,680
Silver coin	4,578	4,556	4,494	5,013	4,426	3,824
Balance abroad	66.559	67,206	65,917	68,796	71,316	50 699
Treas. notes & sm. change	11,660	12 553	12,411	9,978	8,921	9,486
Short term bills	85,217	85.756	86,700	86,943	86.644	79,010
Loans against securities	47.613	47,615	47,456	47,733	47,655	51.807
Other assets	14,440	13,899	12,535	12,050	11,548	17,662
Liabilities.						
Notes in circulation	43,121	42,136	41,354	42,500	44,854	37,782
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,385
Reserve	3,091	3,091	3,091	3,091	3,091	2 612
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,161	12,129	12,043	12,021	12,056	10,703
Current accounts	54,709	56,355	61.458	58,994	55,386	49.895
Government accounts	103,827	104,512	100,628	105,902	106.682	97,878
Other liabilities	18,836	19.040	16.618	13.502	14,113	20,412

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	Jan. 31, 1929.	Jan. 15, 1929.	Dec. 31, 1928.	Dec. 15, 1928.	Nov. 30, 1928.	Nov. 15, 1928.	Jan. 31, 1928.
Coin and bullion	2,604	2,735	2,269	2,512	2,400	2,666	2,595
Of which gold coin	7	7	7	7	7	7	10
Danzig subsidiary coin	2,597	2,728	2,262	2,505	2,393	2,659	2,585
Bal., Bk. of Eng., inc. notes	13,204	12,323	18,242	14,297	17,211	15,830	15,019
Bills of exchange	22,060	19,906	21,952	21,860	22,684	18,769	20,317
Loans	685	..	560	245	460	15	100
Foreign exchange	18,670	19,461	18,647	19,314	18,559	21,992	32,284
Other bals. on demand	587	472	1,070	1,166	1,356	1,393	982
Securities	3,403	3,448	3,448	3,448	3,448	3,448	..
Liabilities.							
Capital paid up	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation	36,344	33,043	39,416	35,421	38,567	34,222	34,824
Deposits on demand	2,364	2,574	3,636	2,578	2,513	4,054	3,461

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

Assets.	Jan. 19, 1929.	Jan. 12, 1929.	Jan. 5, 1929.	Dec. 29, 1928.	Jan. 21, 1928.	Position Jne 30, 1914
Cash and bullion	1,115.659	1,115,265	1,112,835	1,113,052	1,108.810	221,320
Discounts	723.716	722,374	750,036	837,038	755,864	41.740
Advances	74,492	75,418	112.750	141,383	97,190	70,540
Liabilities.						
Notes	1,273,824	1,298,902	1,593,213	1,773,499	1,391,199	362,270
Govt. deposits	444,586	428.186	39.098	410,168	612,414	87,340
Other deposits	396,049	392,994	158,732	134.399	255,676	11,440

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

Assets.	Jan. 11, 1929.	Jan. 4, 1929.	Dec. 28, 1928.	Dec. 21, 1928.	Jan. 13, 1928.
Gold at home	60,523	60,517	60,501	60,509	61,143
Gold abroad	462,929	475,483	476,815	486,838	401,678
Discounts and advances	47,195	45,171	46,807	16,181	25,495
Loans to Government	1,997	1,997	1,997	1,997	10,198
Liabilities.					
Notes of the bank in circulation	334,270	337,822	331,785	330,287	273,052
Govt. notes in circulation	16,752	16.846	16,907	17,024	43 941
Deposits	110,864	121,984	124,725	106.334	87,457
Drafts	30.540	30,540	29,836	29,836	19,466
Paid-up capital	90.625	90 625	90.625	90,625	89,523

LONDON RATES.

	Jan. 31, 1929.	Feb. 1, 1929.	Feb. 2, 1929.	Feb. 4, 1929.	Feb. 5, 1929.	Feb. 6, 1929.	Feb. 7, 1929.
Bank rate (changed from 5% April 21, 1927)	4½	4½	4½	4½	4½	4½	5
Market rates of discount—							
60 days' bankers' drafts	4⅛	4⅛	4⅛	4⅛	4⅛	4⅛	5⅛
3 months' do	4⅛	4⅛	4⅛	4⅛	4⅛	4⅛	5⅛
4 months' do	4⅛	4⅛	4⅛	4⅛	4⅛	4⅛	5⅛
6 months' do	4⅛	4⅛	4⅛	4⅛	4⅛	4⅛	5⅛
Discount (Treasury Bills)—							
2 months	4⅛	4⅛	4⅛	4⅛	4⅛	4⅛	5
3 months†	4⅛	4⅛	4⅛	4⅛	4⅛	4⅛	5
Loans—Day to day	3½	2½	3½	3½	3½	3½	4½
Short	3½	3½	3½	3½	3½	3½	4½
Deposit allowances: Banks	2½	2½	2½	2½	2½	2½	3½
Discount houses at call	2½	2½	2½	2½	2½	2½	3½
At notice	2½	2½	2½	2½	2½	2½	3½

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

Comparison with previous weeks:—

	Short Loans.	Bank Bills. 3 Months.	4 Months.	6 Months.	Trade Bills. 3 Months.	4 Months.	6 Months.
1929.	%	%	%	%	%	%	%
Jan. 17	3½	4⅛	4⅛	4⅛	4½	5	5½
24	3½ 4	4⅛	4⅛	4⅛	4½	5	5
31	3½	4⅛	4⅛	4⅛	4½	5	5
Feb. 7	4½	5½	5½	5½	5½	6	6

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz:—

£1,000 sterling equals 941·67-943·55 tchervontzi.

1 tchervonetz = 10 gold roubles. £1 sterling = 9·46 gold roubles.

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Oct. 12, 1927	4½	Oslo	Mar. 26, 1928	6
Athens	Jan. 5, 1929	8	Paris	Jan. 19, 1928	3½
Belgrade	July 26, 1921	6	Prague	Mar. 8, 1927	5
Berlin	Jan. 12, 1929	6½	Pretoria	Jan. 9, 1928	5½
Brussels	June 30, 1928	4	Reval	Jan. 2, 1928	7½
Bucharest	Sept. 4, 1920	6	Riga	April 1, 1928	6 / 7
Budapest	Oct. 1, 1928	7			
Calcutta	Dec. 13, 1928	7	Rome	Jan. 5, 1929	6
Copenhagen	June 23, 1927	5	Sofia	Dec. 15, 1928	9
Danzig	June 20, 1927	6	Stockholm	Aug. 24, 1928	4½
Helsingfors	Nov. 15, 1928	7	Swiss Bank places	Oct. 22, 1925	3½
Kovno	Feb. 8, 1925	7	Tokio	Oct. 18, 1927	5·48
Lisbon	July 28, 1926	8	Vienna	July 16, 1928	6½
New York Federal Reserve	July 12, 1928	5	Warsaw	Mar. 13, 1927	8
Madrid	Dec. 19, 1928	5½	Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.

† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

RATES OF EXCHANGE.

London on		Usance	Par.	Feb. 9, 1928.	Jan. 31, 1929.	Feb. 7, 1929.
New York	dollars to £1	Cable	4·866	4·87 3/16 – ¼	4·84 13/16 – 85/16	4·85 5/16 – 7/16
Montreal	dollars to £1	Cable	4·866	4·88 1/16 – 1/8	4·86 – ¼	4·86 3/16 – 86 5/16
Paris	francs to £1	T.T.	124·21	123 15/16 – 124 1/16	124 1/16 – ⅛	124·18·23
Berlin	marks to £1	T.T.	20·43	20·43–½	20·42 1/16 – ⅛	20·46·8
Amsterdam	florins to £1	T.T.	12·107	12·10 3/4 – ½	12 10 1/16 – ⅛	12·12·5
Brussels	belga to £1	T.T.	35·00	34·99½–35·00	34 89 – ⅛	34·89 5/16 – 90 1/16
Milan	lire to £1	T.T.	92·46	92·03–08	92·66–67	92·70–80
Berne	francs to £1	T.T.	25·22	25·32½–33	25·21–½	25·23 1/16 – 3/16
Oslo	kroner to £1	T.T.	18·159	18·30½–51	18·19½ – 2	18 19½ – 3/16
Stockholm	kronor to £1	T.T.	18 159	18·15–½	18·14–¼	18·15–½
Copenhagen	kroner to £1	T.T.	18·159	18·20–¼	18 18–½	18·19½ – 3/16
Madrid	pesetas to £1	T.T.	25·22½	28·65·7	30·25·35	31·10·20
Lisbon	escudo to £1	T.T.	4·50	2 1/32 – 1/16	109 110	109½–110
Vienna	schillgs to £1	T.T.	34·58½	34·53·63	34 50 53	34·53·58
Prague	krone to £1	T.T.	24·02(a)	164 1/16 – 1/16	163 3/32 – ⅛	163 7/16 – 4 3/16
Belgrade	dinars to £1	T.T.	25·22½	276 1/4 – 1/2	276 – ½	276 – ½
Budapest	pengo to £1	T.T.	27·82	27·87 – 90	27·80-84	27·81–4
Bukarest	lei to £1	T.T.	25·22½	791 – 4	806 – 808	804 – 7
Sofia	leva to £1	T.T.	25·22½	672 – 7	659–674	669–74
Athens	drachmæ to £1	T.T.	375	367–8½	374½ – 375½	374½ – 5½
Constantin'ple	piastres to £1	T.T.	110	958–62	986–90	980–5
Warsaw	zloty to £1	T.T.	43·38	43½ – ¾	43 3/16 – ⅜	43 5/16 – ½
Helsingfors	F. marks to £1	T.T.	193·23	193½ – ¾	192 3/16 – ⅜	192 5/16 – 3/16
Kovno	litis to £1	T.T.	48·66	48 3/4 – 95	48 3/16 – ⅜	48 5/16 – 3/16
Reval	Kroon to £1	T.T.	18·159	18·00—18·40	18·15—22	18·12 – 22
Riga	lats to £1	T.T.	25·22½	25 · 15·30	25 · 10·20	25 · 15·25
Alexandria	piastres to £1	Sight	97⅛	97 3/16 – 7/16	97 7/16 – ½	97 7/16 – ½
Buenos Aires	pence to peso	T.T.	47·62d	47 7/16 – ½	47 3/16 – ⅜	47 5/16 – ⅜
Rio de Janeiro	pence to mils.	90 days	16	5 3/16 – ¼	5 3/16 – ¼	5 3/16 – ¼
Montevideo	pence to peso	T.T.	51	50 3/4 – 7/8	50 3/4 – ⅞	50 3/4 – 51
Valparaiso	dollars to £1	90 days	40	39 · 40	39 · 63	39 · 62
Lima	Eng. to Per. £1	90 days	par	233 3/16 prm.	193 3/4 prm.	193 3/4 prm.
Calcutta	pence	T.T.	18	1 5/32 – 3/32	1/6 3/16	1/6 – 1/6 1/16
Bombay	to	T.T.		1 5/32 – 3/32	1/6 3/16	1/6 – 1/6 1/16
Madras	rupee	T.T.		1 5/32 – 3/32	1 6 3/16	1/6 – 1/6 1/16
Hong Kong	ster. to dollar	T.T.		1 5/32 – 3/32	1/6 3/16	1/6 – 1/6 1/16
Shanghai	ster. to tael	T.T.		2/03 – 1/8	2/0 – 1/8	2/0 – ⅛
Singapore	ster. to dollar	T.T.		2/03 – 1/8	2/03 – 1/8	2/03 – 1/8
Kobe	ster. to yen	T.T.	2s 4d	2/4 3/32 – 2/4 5/32	2/3 31/32 – 2/4 1/32	2/3 31/32 – 2/4 1/32
Manila	ster. to peso	T.T.	24·58d	1/11 1/4 – 5/8	1/10 3/4 – 11/16	1/10 3/4 – 11/16
Mexico	pesos to £	T.T.	24·0664	12a 0 1/16 d	12a 0 1/16 d	12a 0 1/16 d
			9·76	24–24½ (b)	9 75—10·25	9 · 90–10 · 10

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90-3·03 dollars to 100 krone, i.e., approximately 162½ krone to £. (b) Pence to dollars.

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York:—

	Feb. 8, 1928.	Jan. 9, 1929.	Jan. 16, 1929.	Jan. 23, 1929.	Jan. 30, 1929.	Feb. 6 1929.
	%	%	%	%	%	%
Call money	4½	7	8	6	7	7
Time money (90 days' mixed coll)	4½	7½	7½	7½	7½	7½
Bank acceptances—			Selling Rates.			
Members—eligible, 90 days	3⅝	5	5	5⅛	5⅛	5⅛
Non-mem.—eligible 90 days	3⅝	5	5	5⅛	5⅛	5⅛
Ineligible, 90 days	4	5⅛	5⅛	5¼	5¼	5¼
Commercial acceptt. days	4	5⅛	5⅛	5¼	5⅛	5⅛

Rates of Exchange. New York on—		Par Level.	Feb. 8, 1928.	Jan. 23, 1929.	Jan. 30, 1929.	Feb. 6, 1929.
London—						
60 days	Dollars for £1	4·8666	4·83	4·80⅜	4·80⅛	4·80 11/16
Cable			4·87½	4·84 1/16	4·84 1/16	4·85 1/16
Cheques			4·87⅜	4·84⅛	4·84 1/16	4·84 3/16
Paris cheques	Cents for 1 franc	3·918	3·92 2	3·90 3/16	3·90 1/16	3·90 5/16
Brussels „	Cents for 1 Belga	13·90	13·92	13·895	13·895	13·895
Switzerland „	Cents for 1 franc	19·30	19·225	19 2225	19·22	19·23
Italy „	Cents for 1 lire	5·263	5·287	5·23 1/16	5·23 1/16	5·23 1/16
Berlin „	Cents for 1 mark	23·81	23·831	23·75	23·725	23·725
Vienna „	Cts. for Austrn. shlg.	14·07	14·10	14·05	14·05	14·05
Madrid „	Cents for 1 peseta	19·30	17·03	16·325	15·97	15·86
Amsterdam „	Cents for 1 guilder	40·195	40·23	40·05	40·04	40·04
Copenhagen „			26·665	26·65	26·65	26·65
Oslo „	Cents for 1 kroner	26·80	26·605	26·64	26·63	26·635
Stockholm „			26·25	26·72	26·71	26·715
Athens „	Cents for 1 drachma	1·297	1·325	1·29⅛	1·29⅛	1·29⅛
Montreal „	Can. Cents for $1	100	⅜ dis.	⅜ dis.	⅛ dis.	⅛ dis.
Yokohama „	Cents for 1 yen	49·85	46·80	46·39	45·15	45·45
Hong Kong „	Cents for H. Kong $	..	47·875	49 70	49·75	49·25
Shanghai „	Cents for 1 Shng. tael		63	62 50	62·85	62·50
Calcutta „	Cents for 1 rupee	36·50	36·50	36·42	36·41	36·34
Buenos Aires „	Gold Pesos for $100	103·65	103·15	104·53	104·35	104·30
Rio de Janeiro „	Cents for 1 milreis	32·42	12 C0	11·92	11·92	11·93
Valparaiso „	Cents for 1 peso	12·125	12·25	12·055	12·055	12·055

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange:—

Country.	Method of Quoting.	Par Value.	Usance	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·33
Venezuela	Bolivares to £	25·25	„	25·27
Colombia (Bogota)	Pesos to £1	5	„	5·00
Nicaragua	Cordobas to £	4·8665	„	4·92
Salvador	Colones to £	9·73	„	9·75
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa. From February 6, 1928 London on South Africa. Buying.	Selling.	Union of South Africa. From February 6, 1928. South Africa on London. Buying.	Selling.
T.T.	⅛ % dis.	⅛ % dis.	par to ⅛ % pm.	⅛% prem.
Demand	1⅛ % dis.	⅛ % „	⅛ % dis.	⅛ to ⅜ % „
30 days	1 1/16 % „	⅛ % „	⅛ % „	⅜ % „
60 days	2⅛ % „	⅛ % „	1 % „	⅜ % „
90 days	3 % „	1/16 % „	1 1/16 % „	⅜ % „
120 days	3⅞ % „	1⅛ % „	1 1/16 % „	⅜ % „

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Aus-tralia.	New Zeal'nd	Selling. Aus-tralia.	New Zeal'nd	Australia and New Zealand on London. Buying. Aus-tralia.	New Zeal'nd	Selling. Aus-tralia.	New Zeal'nd
T.T.	..	..	99⅛	99⅛	..	..	101	100⅜
Demand	99⅛	99⅛	99⅛	99¼	99⅛	99⅛	100⅜	100⅜
30 days	97 3/16	97 1/16	..	..	99 1/16	98⅞	100⅛	99⅝
60 days	97	97⅛	..	..	98 13/16	98⅜	99⅛	99⅛
90 days	96 7/16	96 13/16	..	..	98 3/16	97⅛	..	99⅛

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council from April 1, 1928, to February 2, 1929, amounted to £23,362,000 by means of purchases of sterling in India. Of this amount £750,000 was remitted on account of the Paper Currency Reserve.

BULLION.

The following statistics of imports and exports of gold for week ended February 7, 1929, are issued by the Statistical Department of H.M. Customs and Excise:—

Imported into Great Britain and Northern Ireland. From—	£	Exported from Great Britain and Northern Ireland. To—	£
France	12,679	Poland, inc. Dantzig	3,660
British West Africa	28,413	Germany	50,640
British South Africa	784,657	Netherlands	4,798
		France	24,495
		Switzerland	30,812
		Austria	10,250
		U.S. of America	1,668,964
		Straits Settlements	33,944
		Other countries	251
Total declared value of imports	825,749	Total declared value of exports	1,827,814

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow:—

1929.	Arrivals.	£	1929.	Withdrawals.	£
Feb. 1	Bars bought	2,592	Feb. 1	—Bars sold	22,515
„ 2		nil	„ 2	—Bars sold	1,717
„ 4		nil	„ 4	—Bars sold	12,069
„ 5		nil	„ 5	—Bars sold	1,008,268
„ 6	Sovs released	250,000	„ 6	—Bars sold	1,791,883
„ 7	Bars	1,479	„ 7	—Bars sold	20,552
Total		£254,071	Total		£2,856,504

Net withdrawals, £2,602,433.

Messrs Samuel Montagu and Co write on February 6th as follows:—

GOLD.

The Bank of England gold reserve against notes amounted to £152,714,393 on the 30th ultimo (as compared with £153,103,414 on the previous Wednesday), and represents a decrease of £1,191,922 since April 29, 1925—when an effective gold standard was resumed. The exchange with New York being still favourable to the export of gold to that centre, there was a keen demand for the South African consignment offered in the open market yesterday. Of the £782,000 available, £119,000 was taken for Indian and trade requirements, whilst £663,000 was secured for shipment by the s.s. "Mauretania" to the United States of America. Substantial withdrawals have also been made from the Bank of England for the latter quarter, as will be seen from the movements recorded below. Further shipments were made by the French steamer to-day, making a total export of about £3,500,000.

There was a net efflux of gold of £3,091,745 during the week under review.

SILVER.

The market has experienced an absence of demand and prices were unable to withstand the substantial offers of resales from China. The Indian bazaars, which had hitherto exercised some steadying influence, have lent little support, but on the contrary have contributed somewhat to the supplies.

The week has been noteworthy in that cash silver on the 1st instant was quoted at a premium, prices being fixed at 26 5/16d and 26¼d for cash and two months' delivery respectively; this was the first occasion since July 26, 1928, that spot silver had commanded a premium. The circumstance was due to some special inquiry for prompt supplies, which, however, was not maintained, prices being quoted level on the following day.

Another feature was the sharp drop which occurred yesterday, when supplies pressed on a poorly supported market caused a fall of ⅛d in both quotations. The figure thus reached —25 15/16d—attracted some inquiry, and there was in consequence a reaction to-day of 1/16d for cash and ⅛d for two months, thus re-establishing a premium of 1/16d on the latter delivery.

The following were the United Kingdom imports and exports of silver registered from mid-day on the 28th ultimo to mid-day on the 4th instant:—Imports.—Germany, £30,500; British West Africa, £13,092; other countries, £16,441; total, £60,033. Exports.—Irish Free State, £24,116; British India, £103,723, Egypt, £26,513; other countries, £2,733; total, £157,085.

INDIAN CURRENCY RETURNS (In Lacs of Rupees.)

	Jan. 15.	Jan. 22.	Jan. 31.
Notes in circulation	18,929	18,909	18.974
Silver coin and bullion in India	9,996	9,890	9,955
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	3,221	3,221	3,221
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	4,327	4,327	4,327
Securities (British Government)	685	771	771
Bills of exchange	700	700	700

The stock in Shanghai on the 2nd instant consisted of about 65,800,000 ounces in sycee, 108,000,000 dollars, and 4,140 silver bars, as compared with about 66,100,000 ounces in sycee, 106,000,000 dollars, and 5,160 silver bars on the 26th ultimo.

Statistics for the month of January last are appended:—Bar silver per standard ounce:—Cash delivery: Highest price, 26 7/16d; lowest, 26d; average, 26.257d. Two months' delivery: Highest, 26½d; lowest, 26 1/16d; average, 26.333d. Bar gold per ounce fine: Highest, 84s 11½d; lowest, 84s 11¼d; average, 84s 11⅜d.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver—Per Ounce Cash.	Forward.	Date.	Silver. Cash.
1929.	s d	d	d		d
Feb. 1	84 11½	26 5/16	26¼	Feb. 16, 1923	30⅝
2	84 11½	26¼	26¼	15, 1924	33⅜
4	84 11½	26⅜	26⅜	13, 1925	32 3/16
5	84 11½	25 15/16	25 15/16	12, 1926	30 11/16
6	84 11½	26	26 1/16	11, 1927	26½
7	84 11⅜	25 15/16	26	9, 1928	26¼

NOTICES.

The Midland Bank announces that the night safe service which it introduced into this country in August last year, and has since extended to 78 of its branches in London and the provinces, has been brought into operation at the following offices during the past fortnight:—39 High street, Islington, London, N. 1; 165 High road, Kilburn, London, N.W. 6; 150 and 152 High street, Stoke Newington, London, N.16; Walham Green, 567 and 569 Fulham road, London, S.W. 6; 5 Market hill, Barnsley; 2 Cloth Hall street, Huddersfield; 8 Library place, St Helier, Jersey; 3 High street, Kettering; 100 South road, Waterloo, Liverpool; Imperial buildings, 15 Oxford road, Manchester; Exchange place, Middlesbrough; 37 Grainger street, Newcastle-on-Tyne; 42 and 44 Grey street, Newcastle-on-Tyne; 7 High street, Sheffield; 165-8 High street, Southampton; 328 High street, West Bromwich; and 38 Church street, West Hartlepool.

We are informed that the Bank of Scotland have secured commodious premises, occupying a prominent position, at 16-18 Piccadilly, within a few yards of Piccadilly circus, for a new branch, to meet the convenience of their customers in the West End. The City London office of the bank was opened in 1867, but with the tendency of business houses to move westwards additional facilities by means of another branch in that part of London have become necessary. The new premises will be opened when the internal reconstruction has been carried through.

Lloyds Bank Limited announce that, commencing on February 4th, the Bitterne sub-office will be open daily (except Saturdays) from 10 till 12.

The National Provincial Bank, Limited, announce that an office of the bank is now open at 302 Holderness road, Hull.

Westminster Bank announce the opening of a new branch at The Swingbridge, Latchford, under the management of Mr J. M. Gibson, of Warrington.

The Standard Bank of South Africa, Limited, announce that agencies will be opened on February 4th at Mashaba, near Fort Victoria, Southern Rhodesia, and Nkana, near Ndola, Northern Rhodesia.

The Banca Commerciale Italiana announce that their associate, the Banque Française et Italienne pour L'Amerique du Sud, have opened an office at Barranquilla (Colombia).

Mr Robert E. de B. Bate and Mr Charles S. Fowler have been appointed assistant sub-managers of National Discount Company, Limited.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Feb. 1, 1929. (c) Week ended Feb. 2, 1929.	Miles Open.	Week ended Feb. 3, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 5 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,779	176	217	136	353	529	973	1,035	650	1,685	2,658
Do for 1928	3,779	188	221	124	345	533	1,014	1,038	602	1,640	2,654
Lon. & N.Eastn.(c)	6,345	286	422	286	708	994	1,462	1,968	1,349	3,317	4,779
Do for 1928	6,363	308	456	255	711	1,019	1,523	2,077	1,269	3,346	4,869
Lond., Mid & Scot.	6,950½	415	542	321	866	1,281	2,146	2,633	1,513	4,146	6,292
Do for 1928	6,950½	437	603	286	889	1,326	2,229	2,751	1,435	4,186	6,415
Southern	2,177	242	73	38	111	353	1,277	359	175	534	1,811
Do for 1928	2,177	252	73	31	104	356	1,305	354	149	503	1,809
Metropolitan (c)	59	30·3	..	..	3·8	34·1	157·7	..	..	19·0	176·7
Do for 1928	59	30·8	..	..	3·8	34·6	157·7	..	..	19·0	176·7
†Und'rgr'ndE.R.c	..	..	..	..	..	262·0	..	..	..	..	1,265·5
†Do for 1928	..	..	..	..	..	269·6	..	..	..	..	1,300·6
Lon. & Sub. Gr'up c	..	..	..	..	..	37·4	..	..	..	..	179·9
Do for 1928	..	..	..	..	..	38·5	..	..	..	..	185·3
B'ton & Co. D'wn b	80	1·8	..	..	0·8	2·6	9·5	..	..	4·0	13·5
Great Northern b	562	10·3	..	..	18·3	28·6	52·3	..	..	79·1	131·4
Great Southern b	2,187	22·2	..	..	46·6	68·8	114·8	..	..	225·5	340·3

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or —	Total Gross Receipts. 1929.	+ or —
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	40 weeks	Jan. 5	1,116	4,27,000	+ 3,963	1,74,50,201	+ 6,09,552
Barsi Lt. Ry.	41 weeks	12	202	57,000	+ 9,800	18,89,100	+ 6,14,400
Bengal & N. Western	41 weeks	12	2,079	7,16,542	— 2,598	99,81,439	— 5,07,081
Bengal-Nagpur	40 weeks	5	2,939	20,55,000	— 98,138	6,59,85,118	— 11,39,022
Bombay, Bar., & C.I.	43 weeks	26	3,022	24,92,000	— 1,000	9,44,30,000	+ 37,69,000
Burma	35 weeks	Dec. 1	1,349	7,24,790	— 80,977	2,75,09,216	— 1,42,540
Madras & S. Mahr	41 weeks	Jan. 12	3,072	20,00,000	+ 95,887	7,23,31,210	+ 55,14,352
Nizam's Guarantd. (s)	41 weeks	12	1,018	5,10,521	+ 30,147	1,58,60,659	+ 9,75,787
†Rohilk'd & Kumaon	41 weeks	12	561	1,32,579	— 26,383	17,84,152	— 77,797
South Indian	40 weeks	5	2,208	10,95,738	— 80,074	4,71,35,073	— 6,18,677

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

					£	£	£	£
ARGENTINE (a).								
Argentine N.E.	31 weeks	Feb. 2	753	15,700	— 2,600	489,800	+ 28,700	
B.A. and Pacific	31 weeks	3	2,694	190,000	+ 15,000	5,034,000	+ 514,000	
B.A. Central	31 weeks	2	..	14,667	+ 102	449 111	+ 13,768	
B.A. Gt. Southern	31 weeks	2	4,720	340,000	+ 10,000	7,260,000	— 539,000	
B.A. Western	31 weeks	2	1,926	120,000	— 5,000	3,018,000	— 26,000	
Central Argentine	31 weeks	2	3,305	290.000	— 5,000	8,256,000	+ 227,000	
Cordoba Central	31 weeks	2	1,218	63,000	— 7,000	2,157,000	— 36,200	
Entre Rios	31 weeks	2	738	42,500	— 4,100	938,300	+ 89,800	
CUBAN.								
United of Havana†	31 weeks	Feb. 2	1,359	123,085	+ 4,258	1,838,220	+ 39,629	
URUGUAYAN.								
Central Uruguay	31 weeks	Feb. 2	273	35,463	— 89	942,090	+ 14,898	
C. Urug. (East. Ext.)	31 weeks	2	311	8,623	+ 682	205,223	+ 5,059	
C. Urug. (North. Ext.)	31 weeks	2	185	4,535	— 46	111,756	+ 5,407	
C. Urug. (West. Ext.)	31 weeks	2	211	4,069	+ 388	88,906	+ 5,129	
CANADIAN.								
Canadian National	3 weeks	Jan. 21	19,138	4,123,773	— 402,358	11,521,565	— 1,205,475	
Canadian Pacific	4 weeks	31	14,670	4,973,000	+ 39,000	15,613,000	+ 293,000	
BRAZILIAN (b).								
Gt. West. of Brazil	4 weeks	Jan. 26	1,016	36,000	+ 4,900	86,400	+ 7,400	
Leopoldina	5 weeks	Feb. 2	1,856	36,635	— 14,015	171,929	— 56,855	
Leopoldina Termnl.	5 weeks	2	Mrs	294,000	+ 29,000	1,159,000	+ 76,000	
San Paulo	5 weeks	3	153½	53,700	+ 10,550	242,302	+ 32,369	
CHILEAN.								
Antofagasta (Chili and Bolivia)	5 weeks	Feb. 3	838	47,470	+ 5,585	223,360	+ 43,470	
Nitrate (½-monthly)	4 weeks	Jan. 31	402	44,067	+ 9,960	86,646	+ 23,800	
OTHER OVERSEAS.								
Alcoy and Gandia	52 weeks	Dec. 29	53	Ps. 35,500	..	1,388,700	+ 60,200	
Egyptian Delta	40 weeks	Jan. 10	608	£10,775	+ 1,415	265,057	+ 17,256	
Gt. Southn. of Spain	4 weeks	26	104	Ps141,680	— 624	533,350	— 32,483	
Mexican Railway	4 weeks	31	432	$356,300	— 14,000	1,038,000	— 17,300	
Paraguay Central	29 weeks	26	274	£3,350	— 390	152,730	+ 320	
Salvador	29 weeks	26	100	£7,282	— 821	124,983	— 1,974	

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or —	Total Receipts. 1929.	+ or —
Anglo-Argentine	5 weeks	Feb. 4	329	£84,511	— 5,080	428,726	— 11,040
B. Aires Lacroze	31 weeks	3	..	£13,095	— 1,010	405,283	+ 4,667
Burnley Corporation	1 week	2	13	£2,856	— 408	..	..
Calcutta Tramways	1 week	2	35½	Rs125638	+ 7,750	..	..
Chatham & District	3 weeks	Jan. 24	15	£1,014	— 210	2,449	— 1,072
Egyptian Markets	3 weeks	24	..	£2,725	+ 570	8,654	+ 316
Glasgow Corporation	28 weeks	19	136½	£38,461	— 6,258	1,469,732	— 41,925
Isle of Thanet Trams	3 weeks	23	..	£763	+ 22	2,474	— 277
Liverpool Corp.	44 weeks	Feb. 2	124	£27,396	— 553	1,305,560	+ 50,524
L.C.C. Tramways	44 weeks	Jan. 30	166	£78,508	— 3,287	3,592,978	+ 126,777
Madras Electric	14 weeks	31	..	£42,605	— 2,813	91,395	— 830
Pernambuco Trams†	4 weeks	Feb. 3	..	£6,087	+ 246	36,218	+ 1,054

† Tramway Receipts only. ‡ Fortnightly figures.

SUMMARY OF BALANCE-SHEETS.

SOUTH METROPOLITAN GAS COMPANY.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
By capital balance	..	—117,605
Net revenue	250,332	— 947
Reserve fund	246,559	+ 12,252
Renewal fund	79,026	+ 5,786
Special purposes fund	46,938	— 86,950
Debenture interest	22,745	..
Sundry tradesmen	212,806	— 40,507
Consumers' deposits	15,108	— 389
Dividend accounts	2,559	+ 178
Debenture accounts	246	+ 85
Co-partnership bonus, &c.	221,004	+ 66,019
Superannuation & guarantee funds	535,983	— 47,069
Temporary loan	520,000	+ 270,000
Total	2,154,305	+ 70,852

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Capital balance	270,178	+ 270,178
Cash at bankers	45,491	+ 7,077
Cash in hand	11,000	..
Amount invested	336,213	— 53,249
Stores in hand	718,732	+ 12,679
Accounts due	513,378	— 103,652
Coke, &c.	126,393	— 67,635
Sundries	19,236	— 19,229
Balances due	113,684	+ 17,683
Total	2,154,305	+ 70,852

TILLING AND BRITISH AUTOMOBILE TRACTION, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
8% cum. ptg. pref., £1	200,000	..
Ord. shares, £1	1,600,000	+ 1,200,251
5½% deb. stk.	233,558	— 7,242
Int. accrued	5,890	+ 5,890
Deposit by associated cos.	41,500	— 59,000
Creditors	6,542	— 7,399
Reserve	100,083	+ 30,561
Revenue account	126,368	+ 58,328
Total	2,314,039	+ 1,221,389

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Investments in transport cos., rolling stock and stores	2,043,188	+ 1,125,999
Loans to associated cos.	53,125	+ 53,125
Debtors	38,084	+ 15,620
Cash	189,642	+ 26,645
Total	2,314,039	+ 1,221,389

RYLANDS AND SONS, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
8% cum. pref., £1	1,500,000	..
Ord. shares, £1	2,000,000	..
Reserve fund	250,000	..
Insurance contingency fund	350,000	..
Staff fund	219,108	— 2,790
Deposit accounts	212,672	— 2,649
Creditors	610,918	— 38,644
Profit and loss	132,599	— 24,649
Total	5,275,297	— 68,732

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Properties	829,573	+ 59,894
Stocks	959,439	— 83,953
Debtors	1,307,089	— 85,763
Investments— British Govt. securities, British railways and corpn. stocks	1,795,112	..
Shares in subsidiaries	157,118	+ 80
Cash and bills	226,966	+ 41,009
Total	5,275,297	— 68,732

JUTE INDUSTRIES, LIMITED.

September 30, 1928.

LIABILITIES.	Amount. £	Compared with Sept. 30, 1927. £
9% cum. ptg. pref. £1 shares	3,000,000	..
Ord. £1 shares	1,500,000	..
Unclaimed divds.	1,371	— 22
Charges accrued	550	— 2,658
Advances from subsidiaries	763,983	+ 172,310
Balance due to bankers	438,858	— 212,064
Profit and loss	19,037	+ 19,037
Total	5,713,799	— 23,397

ASSETS.	Amount. £	Compared with Sept. 30, 1927. £
Investments in subsidiaries at cost	5,635,595	+ 8,593
Stocks at cost or market value	42,974	— 1,546
Preliminary expenses	35,000	..
Cash	230	— 65
Profit and loss	..	— 27,419
Total	5,713,799	— 23,397

S.T.D. MOTORS, LIMITED.

September 30, 1928.

LIABILITIES.	Amount. £	Compared with Sept. 30, 1927. £
Pref. ord. shrs, £1	1,829,800	..
Ord. shares, £1	1,394,608	..
8% notes	375,000	— 37,500
Share premium account	180,630	..
General reserve	550,000	+ 25,000
Capital reserve	59,257	..
Sundry creditors	7,740	— 15,358
Profit and loss	296,344	+ 10,396
Total	4,693,359	— 17,462

ASSETS.	Amount. £	Compared with Sept. 30, 1927. £
Cash	63,357	— 36,797
Loans to subsidiary cos. & debt bldgs.	2,270,564	+ 20,556
Inv'stm'nts at cost	19,548	— 250
Shares in other companies, at cost	2,297,174	..
Leasehold land, buildings, &c.	42,716	— 783
Total	4,693,359	— 17,462

THE GAS LIGHT AND COKE COMPANY.

LIABILITIES.	Dec. 31, 1927. £	Dec. 31, 1928. £
Capital	..	172,736
Net revenue	744,168	830,100
Redemption fund	15,000	20,000
Reserve fund	146,420	150,846
Special purposes fund	546,229	612,739
Depreciation fund	105,593	109,792
Interest on deb., &c.	143,430	188,960
Unclaimed divs.	3,756	3,756
onsumers' deposits	48,304	46,963
Creditors, &c.	2,045,479	2,483,927
Officers' guarantee, &c., funds	150,319	158,518
Officers' superannuation fund	858,676	514,429
Co-partners' pension fund	389,828	269,310
Co-partnership bonus, &c.	27,303	75,491
Officers' insurance society, &c.	93,851	99,701
Benevolent fund	1,667	1,667
War memorial fund	64,112	66,463
Temporary loan	875,000	nil
	6,259,133	5,805,396

ASSETS.	Dec. 31, 1927. £	Dec. 31, 1928. £
Capital	1,143,302	..
Cash	158,773	182,712
Deposit with banks	nil	550,000
Stores	1,751,893	1,833,048
Debtors	3,204,765	3,259,636
Total	6,258,133	5,805,396

MINING OUTPUT STATISTICS FOR JAN., 1929.

	Tons Crushed. Mill.	Tons Crushed. Cyanide Works.	Gold Recovered. Mill	Gold Recovered. Cyanide Works.	Gold Recovered. Total.	Value.	Profit.
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Balaghat	4,000	..	..	..	2,434	..	..
Cam and Motor	25,000	..	..	..	..	47,520	18,788
Champion Reef	9,670	22,421	4,296	967	5,263	..	..
Frontino and Bolivia	1,950	..	..	..	..	5,494	..
Gabait	440	..	..	..	399	1,447	..
Lulpaard's Vlei	24,000	..	..	..	5,933	..	3,881
Lydenburg Platinum	3,620	..	..	..	756	(platinum)	
Marmajito	710	..	..	..	..	2,832	..
Mysore	18,150	..	8,607	504	9,111	..	..
Nundydroog	11,000	18,708	5,429	1,223	6,652	..	..
Onverwacht Platinum	..	..	..	..	476	(platinum)	
Ooregum	14,000	15,000	6,609	6,772	7,381	..	..
Oroville Dredging	..	(13	days to	Jan	28)	$10,554	5,003
Rezende	6,400	..	..	..	..	12,770	2,832
Sherwood Starr	4,800	..	..	..	..	8,290	..
St John del Rey	..	..	..	..	..	29,800	..

	Output.	Other Notes in Return.
Tin.	Tons.	
Anglo-Nigerian	60	Concentrates.
Bangrin	44½	..
Bisichi	53	..
Chenderiang	24	Est. value, £3,080.
Consolidated of Burma	94	Mixed concentrates.
Daffo	6	..
Ex-Lands Nigeria	50	Concentrates.
Fabulosa	165	..
Geevor	68	Black tin; amount realised, £9,300.
Gopeng	80½	Est. value, £10,090; est. profit, £7,380.
Idris Hydraulic	35½	Est. value, £4,312; est. cost, £1,835.
Ipoh	49½	..
Jantar	40	..
Jos	19	..
Kagera	23	..
Kamunting	71	Est. value, £9,263.
Kassa	17	Concentrates.
Kent	54	Est. value, £6,850; est. profit, £4,865.
Kepong Dredging	25½	Est. value, £3,244; est. cost, £2,184.
Kinta	30½	Est. value, £4,048; est. costs, £1,691.
Kinta Kellas	23½	Est. value, £3,266.
Kramat Pulai	25½	Est. value, £3,267; est. cost, £1,050.
Lahat	21	Est. value, £2,970; est. cost, £2,412.
Malaya Consolidated	70·35	..
Malayan Dredging	178½	Est. value, £24,803; est. cost, £10,005.
Naraguta Extended	10	..
Nigerian Consolidated	20	Alluvial workings, £565.
Pahang Consolidated	203	Black tin and 3 tons alluvial.
Pattani Consolidated	..	65 Piculs
Pengkalen	51	Est. value, £6,745; est. costs, £2,930.
Petaling	190	Est. value, £23,823; est. costs, £7,373.
Rahman Hydraulic	59½	..
Rambutan	15	Est. value, £1,760; est. profit, £985.
Rantau	69	Est. profit, £5,250.
Renong	60½	..
Ribon Valley	18½	Concentrates.
Ropp	80	100 tons concentrates realised at average price for tin of £229 8s per ton.
Rukuba	4	..
Siamese	120½	..
South Bukeru	10	..
Southern Malayan	104½	Est. value, £13,912; est. cost, £5,353.
Southern Perak	50½	Est. value, £6,694; est. cost, £3,820.
Sungei Besi	46	Est. value, £6,048; est. cost, £4,318.
Sungei Kinta	38½	..
Sungei Way	44½	Est. value, £5,400; est. cost, £3,100.
Taiping	41	Est. profit, £5,250.
Tanjong	22½	Est. value, £2,730; est. costs, £2,757.
Tekka	50½	Est. value, £6,440; est. profit, £4,325.
Tekka-Taiping	51	Est. value, £6,580; est. profit, £3,730.
Temoh	17	..
Tongkah Harbour	87	..
Tronoh	96	Est. value, £13,269; est. cost, £6,665.
Zaaiplaats	18·45	Concentrates, equal to 13·69 tons tin.
Coal.		
Blackhill	25,076	..
Coalbrook	21,344	..
Dundee	55,182	..
Durban	55,913	..
Singareni	62,801	(December)
South African Coal	67,769	..
Vereeniging	250,820	Brickwork sales, £7,754.
Wankie	88,733	Coal sales; 7,966 tons coke sales.
Copper.		
Bwana M'Kubwa	907	Copper oxide, equivalent to 715 tons refined copper.
Messina	1,223	Concentrates, containing 528 tons copper.
Diamonds.		
Crown	..	6,144 carats.
Tanganyika	..	2,726½ carats.
Miscellaneous.		
Rhodesian Broken Hill	821	Zinc; 345 tons lead.
Tetiuhe	..	4,370 tons ore treated, assaying 14·4 per cent. zinc; 12·9 per cent. lead; 1,213 tons zinc concentrates, assaying 43·6 per cent. zinc 724 tons lead concentrates, assaying 74·9 per cent. lead; 55 ozs silver.

RHODESIAN GOLD OUTPUT.

Month.	1925.	1926.	1927.	1928.
	£	£	£	£
January	226,668	207,021	206,094	217,027
February	218,990	194,556	195,996	196,649
March	207,097	197,908	213,708	204,000
April	205,006	219,984	204,876	206,234
May	213,095	209,331	207,818	200,130
June	204,613	221,560	223,418	218,745
July	213,064	213,500	207,448	206,877
August	212,158	209,982	199,860	214,077
September	205,418	204,187	193,646	201,625
October	209,998	211,680	197,501	182,032
November	214,336	215,982	200,481	201,689
December	209,099	202,836	208,016	189,359
Total Gold	*2,539,542	2,508,527	2,458,862	2,436,404

*NOTE.—The value of the gold output to December, 1925, fluctuated in accordance with the amount of premium declared to the Mines Department of Southern Rhodesia.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Last's Year.	Previous Year
Railways.					
Central London, Def. Stock	3½†	..	Less tax	6	4
City and South London	2½†	..	Less tax	5	4
London Electric	2·½†	..	Less tax	5	4
Metropolitan	2½†	..	..	3½	3
Metropolitan District	2½†	..	Less tax	6	4
Underground Electric, Ord.	4½†	..	Less tax	7	5
Banks.					
Bank of New South Wales	2½%	Feb. 2	Quarterly	..	..
Banco del Peru y Londres	6%†	Feb. 4	..	14	13
British and Hungarian	..	..	..	..	..
City Savings Bk. Co. of Budapest	5 pengoes p.s.	Feb. 18	..	..	..
Industrial of Japan	6	..	..	12	12
Reichsbank	..	..	..	..	..
Insurance.					
Prudential, "A" shares	..	..	Tax free	94½	90
Do "B"	..	..	Tax free	25	..
Tea and Rubber.					
Bah Lias Rubber	..	..	..	6	20
Peacock and Nilambe Tea, &c.	5%*	..	Less tax	..	..
Mining.					
Anaconda Copper	$1½ p.s.	May 20	Quarterly	..	..
New Vaal River and Diamond	..	Feb. 16	..	2½	5
Petaling Tin	10%*	Feb. 23	..	..	..
Other Companies.					
Argentine Navigation	3%*	..	Less tax	..	..
Bon Accord Ice & Cold Storage	..	..	Tax free	45	40
Bradbury, Greatorex	..	..	..	12	12
Burnell and Co.	..	..	..	10	10½
Carlton Trust	10†	(&bonus	of 2/6 p.s.)	..	..
City of Buenos Aires Tramways	1/3 p.s.†	..	..	5	5
Commercial Gas Co.	7†	..	Less tax	6	6
Cook, Son, and Co. (St Paul's)	..	..	..	5	7
Craigton Cemetery	..	..	Less tax	4	..
Crockers	..	..	..	3	4
Dickins and Jones	14%†	..	..	12	10
Drages'	..	..	Less tax	62½	..
Eastbourne Pier	..	..	Less tax	12½	10
Fairy Dyes	12½	..	..	..	..
Fife Coal	..	..	Tax free	3	5
Fife Tramway, Light and Power	..	..	..	4	4
Fleming, Reid, and Co.	2/ p.s.†	..	Less tax	15	15
Foster, Porter	5%†	..	..	10	10
General Hydraulic Power	4½%†	..	..	7	6½
General Investors and Trustees	11%†	..	Less tax	17	16
George Hodeman	15*	..	..	..	..
Hall Telephone Accessories	6%†	..	..	10	..
Hayes Candy	5½%†	..	..	8	8
Holborn and Frascati	4%†	&bonus of	3% & sp.bon. of 1½%)	12½	12½
Illinois Car and Equipment	10c p.s.	Mar. 30	..	..	..
Imperial Hydropathic Hotel	..	..	Tax free	15	..
John Anderson's Royal Polytechnic	7½%†	(&bonus	of 4%)	14	..
John Bolding	..	..	Less tax	17½	17½
John Knight	..	..	..	20	30
Jones Sewing Machine	40%*	..	Tax free	..	..
Lamot	5%*	Feb. 12	Less tax	..	..
London General Omnibus	4½%†	..	Tax free	8	7
London Necropolis	..	..	Less tax	6½	6½
London Parcels Delivery	3/ p.s.*	Feb. 7	Less tax	..	..
London Pavilion	..	..	Less tax	8(a)	8(a)
London Property Investment Trust, "A" shares	..	..	..	6	6
Do "B" shares	..	..	..	5	5
Manchester Corn, Grocery, and Produce Exchange	5%†	..	..	9	9½
Manchester Palace of Varieties	7½%*	..	..	..	..
McIntyre, Hogg, Marsh	..	..	..	17½	17½
Merchants' Trust	10%†	..	Less tax	14	13
Openshaw Brewery	10%†	(&bonus	of 2½%) Less tax	17½	17½
Railway Deb. and General Trust	4½%†	..	Less tax	8	8
Railway Share Trust & Agency	5½%†	..	Less tax	9	8
Redeemable Securities & General Investment	4%†	..	..	7½	7½
Regent's Canal	..	..	..	2½	2
Rolls-Royce	..	..	..	10	10
Royal Exchange (Leeds)	7%†	(&bonus	of 5/ p.s.) Less tax	..	..
Rylands and Sons	..	..	..	8	8
Second British Assets Trust	7½%†	..	Less tax	15	..
Scottish Assets	4%*	Feb. 1	..	..	..
Shanks and Co.	..	..	..	10	10
Sheffield Brick	1/ p.s.†	(&bonus	of 2/ p.s.)	..	..
South of England Dairies	8*	Feb. 27	Less tax	..	..
South Staffordshire Waterworks	4%†	..	..	7	7
United Grain Elevators	1/ p.s.†	..	Tax free	1/9p.s.	..
United Newspapers	25%†	..	..	30	30
V.O.C. Holdings	..	..	..	20	15
Whitworth and Mitchell	7½%*	Feb. 20	Less tax	..	..
Zambrene, Limited	..	..	Less tax	20	20

(a) 2% bonus tax free.

Reports and Notices.

We are informed that Mr D. C. Jennings the London manager of Royal Securities Corporation, Limited, has been appointed a director of that corporation.

We are informed by the directors of Everlite, Limited, that Mr F. R. Mullard has resigned his position as director on the board.

Mr Arthur M. Hedley, who for 17 years has been in the service of Bolckow, Vaughan and Co., Limited, as agent for their Cleveland ironstone mines and later for their collieries in Durham, will relin-

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution	Appropriation. Dividend. Preference. Amount.	Dividend. Ordinary. Amount.	Dividend. Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Corresponding Period Last Year. Dividend.
Electric Lighting and Power.		£	£	£	£	£	%	£	£	£	%
Fife Tramway, Light and Power	Dec. 31	5,253	53,564	58,817	24,000	16,000	4	12,968	5,849	49,014	4
Gas.											
Cardiff Gas Light and Coke	Dec. 31	12,908	44,287	57,195	4,338	37,612	6	500	14,745	49,532	6
Croydon Gas	Dec. 31	14,682	122,680	137,362	9,000	75,284	5 / 7	30,000	23,078	113,798	5 / 7
Gas Light and Coke Co	Dec. 31	121,577	1,421,645	1,543,222	257,280	1,037,284	5 11/30	90,000	158,658	1,291,846	5 1/30
South Suburban	Dec. 31	24,651	94,568	119,219	..	80,846	6½	..	38,373	111,866	6½
York Gas	Dec. 31	9,212	17,285	26,497	1,600	14,800	5	..	10,097	18,438	5
Hotels, Restaurants, &c.											
Imp. Hydropathic Hotel(Blackp'l)	Nov, 30	17,340	16,033	33,373	..	9,904	15†	..	23,469	16,950	15†
Iron, Coal, and Steel.											
Burnell and Co.	Dec. 31	10,985	25,863	36,848	9,568	5,000	10	11,218	11,062	18,580	10
Motor and Cycle.											
S.T.D. Motors	Sept. 30	285,948	163,482	449,430	128,086	..	..	25,000	296,344	145,063	..
Oil.											
Venezuelan Oil Concessions	Dec. 31	71,487	1,237,848	1,309,335	..	1,064,883	106½	146,000	98,452	715,325	55½
V.O.C. Holding	Dec. 31	3,851	863,213	867,063	..	863,714	20	..	3,349	..	..
Rubber, &c.											
Glendon	Sept. 31	1,382	*Dr 1,042*	340	..	..	..	..	340	7,394	10
Takau (F.M.S.)	Oct. 31	5,298	3,701	8,999	..	..	..	3,100	5,899	13,004	10
Textiles.											
Ashton Brothers and Co.	Dec. 31	1,819	*Dr 44,847*	*Dr 43,028*	4,320	..	..	*Dr 50,751*	3,406	2,238	1½
Emmotts and Wallshaw	Dec. 31	30	*Dr 6,338*	*Dr 6,908*	..	..	..	..	*Dr 6,908*	*Dr 3,004*	..
English Velvet and Cord Dyers	Dec. 31	19,629	66,693	86,322	10,594	34,810	8	20,000	20,918	60,873	7
Jute Industries	Sept. 30	*Dr27,410*	46,446	19,036	..	..	..	..	19,036	*Dr 369*	..
Rylands and Sons	Dec. 31	45,248	199,351	244,599	97,375	128,230	8	..	18,994	237,630	8
Tramways and Omnibus.											
Tilling and British Automobile Traction	Dec. 31	21,457	167,206	188,663	20,000	135,737	10	10,000	22,926	75,624	10
Tyneside Tramways & Tramroads	Dec. 31*	61	*Dr 2,531*	*Dr 2,470*	..	..	..	*Dr 2,500*	30	165	..
Trusts.											
Central Bahia Railway Trust	Dec. 31	2,761	31,632	34,393	..	23,436 / 8,055	A 4 / B 1½	..	2,902	31,640	A 4 / B 1½
City of Aberdeen Property and General Investment Trust	Dec. 31	1,566	6,347	7,913	1,350	3,604	8½	1,500	1,459	5,496	7½
Glasgow Stockholders Trust	Jan. 2	..	16,245	16,245	9,064	6,043	5	..	1,138	..	..
New York and General	Jan. 3	8,123	25,589	33,712	7,764	15,750	15	..	10,198	..	..
Railway Debenture and General	Jan. 15	13,485	96,790	110,275	29,250	52,000	8	15,000	14,025	78,096	8
Railway Share Trust and Agency	Jan. 15	15,570	120,816	136,386	49,500	54,000	9	12,500	20,3e6	113,209	8
Redeemable Securities & General Investment	Dec. 31	1,407	24,600	26,007	8,566	15,923	7½	..	1,518	11,716	7½
Sterling Trust	Dec. 31	76,314	131,854	208,168	25,000	70,000 / 13,334	14 Ord. / 1/4 Df.	20,000	79,834	109,343	9 O. / nil D.
Waterworks.											
Chester Waterworks	Dec. 31*	5,580	5,978	11,558	1,571	2,522	6	..	7,465	5,443	6
Sunderland and S. Shields Water	Dec. 31	21,203	69,667	90,870	1,087	50,506	8	..	39,277	57,165	8
Whitby Waterworks	Dec. 31*	1,075	2,022	3,097	420	822	7½ / 5½	300	1,555	877	6½ / 4 11/20
Other Companies.											
Bradbury, Greatorex, and Co.	Jan. 4	59,935	84,259	144,194	13,000	43,560	12	35,000	52,634	92,523	12
Cook, Son and Co. (St. Paul's)	Dec. 31	29,709	195,663	225,372	113,750	66,759	5 Ord / Def. / nil	5,000	39,863	216,098	7 Ord / 100 / Def.
Craigton Cemetery	Dec. 31	664	2,951	3,615	..	1,600	4	1 400	615	1,874	4
Crockers, Limited	Dec. 31	4,273	11,213	15,486	4,250	5,550	3	1,000	4,686	17,274	4
Foster, Porter, and Co.	Dec. 31	6,653	16,854	23,507	..	30,000	10	*Dr 15,000*	8,507	10,(03	10
John Anderson's Royal Polytech	Jan. 19	12,810	48,040	60,850	5,000	33,600	14	5,000	17,250	47,888	14
John Howell and Co.	Dec. 31	*Dr45,277*	*Dr 5,575*	*Dr 50,852*	..	..	..	..	*Dr 50 852*	*Dr 6,493*	..
John Knight	Nov. 30	45,836	175,003	220,839	..	125,000 / 40,000	25 P.O. / 20 O.	..	55,839	170,672	25 PO / 30 O.
Hayes, Candy and Co.	Dec. 19	15,399	18,158	33,557	10,400	10,025	8	..	13,132	18,129	8
London Pavilion	Dec. 31	2,723	16,864	19,587	3,000	10,400	8	2,000	4,187	16,300	8
Manchester Corn, Grocery, and Produce Exchange	Dec. 31	1,198	18,359	19,557	..	17,712	9	..	1,845	19,986	9½
McIntyre, Hogg, Marsh, and Co.	Nov. 30	69,072	74,994	144,066	12,900	38,325	17½	54,000	38,841	81,042	17½
Royal Exchange Co. (Leeds)	Dec. 31	3,420	5,176	8,596	..	4,640	14½	250	3,706	4,360	12
Sir H. W. Trickett	Nov. 30	210	*Dr 1,882*	1,672	5,625	..	..	*Dr 7,297*	..	..	..
United Newspapers	Dec. 31	201,304	245,221	446,525	36,750	147,961	30	55,000	206,814	217,462	30

* Half-year. † Tax free.

quish the latter office on February 28, 1929; he will, however, continue to act as consulting mining engineer to Bolckow, Vaughan and Co., Limited. Mr Hedley has acquired an interest in certain coal royalties near Shildon, in the Bishop Auckland district, and he is now engaged in developing them.

The directors of Madame Tussaud's (1926), Limited, announce that Mr. John Maxwell, the chairman of British International Pictures, Limited, Associated British Cinemas, Limited, &c., has joined the board of the company, and, at the request of the directors, has accepted the chairmanship.

GOVERNMENT STOCKS, &c.

AUSTRIAN 4 PER CENT. GOLD RENTES.—The Council of Foreign Bondholders give notice that they are prepared to pay on and after February 1st Coupon No. 52 (year 1928) on bonds recouponed $1.2352 for coupons from bonds of florins, 200; $6.176 for coupons from bonds of florins, 1,000; $61.76 for coupons from bonds of florins, 10,000; less a deduction of ⅝ths per cent. commission by paying agents. Coupons must be left three clear days for examination. Coupons for payment must be presented personally or through a London agent or bank. Under the Accord of Prague coupons are prescribed five years after their due date of payment.

HONDURAS EXTERNAL DEBT.—The Council of Foreign Bondholders, 17 Moorgate, E.C. 2, have, in accordance with the arrangement ratified by the Congress of Honduras on March 9, 1926, received from the National City Bank of New York the stipulated sum of £20,000 for the redemption of the debt in respect of the half-year ending January 31, 1929. The above-named sum will be applied to the purchase of the council's certificates issued in respect of deposited bonds.

OLD GREEK GOLD LOANS.—The Council of Foreign Bondholders announce that the additions to the minimum values of interest and sinking fund of the above loans of the Greek External Debt shown below will be payable in 1929 in respect of 1928. The percentages are in all cases percentages of the original interest :—

INCREASES OF INTEREST.

	Interest	Total		Sinking Fund.	Total.
1st Group.	%	%	£ s d	%	%
4% Monopoly Loan	57	100	= 4 0 0	14	16
5% Funding Loan	58	90	= 4 10 0		
2nd Group.					
5% 1881 Loan	58	90	= 4 10 0		
5% 1884 Loan	58	90	= 4 10 0	14	16
5% Piræus Larissa Loan	58	90	= 4 10 0		
3rd Group.					
4% Rentes	56	88	= 3 10 4	11	14

BANKS.

COMMERZ-UND PRIVAT-BANK, A/G., BERLIN.—At a board meeting held on February 1 a fusion with the Mitteldeutsche Creditbank was decided upon, whose shareholders will receive one Commerzbank share for each share in the Mitteldeutsche. The Commerzbank will increase the capital by 15 million marks to 75 million marks, the new shares to rank for dividend from January 1, 1929.

CHASE NATIONAL BANK OF NEW YORK.—Total resources of the Chase National Bank of New York reached the new high record of $1,430,308,237 during 1928, according to the bank's statement of condition as on December 31, 1928. This represents an increase of $429,015,510 over total resources at the end of 1927. Corresponding with the increase in resources, deposits showed a similarly striking gain, rising from $792,339,491 a year ago to $1,126,781,646 at the end of 1928. During the year the capital of the bank was raised from $50,000,000 to $60,000,000, and surplus from $40,000,000 to $60,000,000, while $10,000,000 was added to the capital of the bank's investment affiliate, Chase Securities Corporation. At the close of 1928 undivided profits of the bank amounted to $17,498,445, against $15,674,848 a year ago. Dividends totalling $7,700,000 were declared during the year. During the same period Chase Securities Corporation distributed $2,200,000 in dividends.

IMPERIAL BANK OF INDIA.—

	Half-year, Dec. 31, 1927. Rs.	Half-year, Dec. 31, 1928 Rs.
Net profits for the past half-year	34,81,800	40,51,100
Brought forward from previous half-year	30,14,800	29,63,100
Total	64,96,600	70,14,200
The governors have declared a dividend of 16 per cent. per annum, free of income-tax, absorbing	45,00,000	45,00,000
Transferred to reserve fund	5,00,000	5,00,000
Transferred to pension fund	3,40,000	3,42,000
Transferred to premises account	nil	nil
Carried forward	11,56,600	16,72,200
Total	64,96,600	70,14,200

MISCELLANEOUS.

BRITISH AUTOMATIC COMPANY, LIMITED. — The directors announce that the agreement by Associated Automatic Machine Corporation, Limited, to purchase the shares in the company, is now binding, over 90 per cent. of acceptances of the offer having been received. On February 12 the date fixed for completion of the sale, the purchase money is to be paid over for distribution amongst the accepting shareholders who have complied with the offer.

BRITISH COLUMBIA POWER CORPORATION, LIMITED.—We are informed that the figures for the 11 months to November 30, 1928, showed an increase in the aggregate net earnings of £43,214 sterling, not dollars.

HODDERS, LIMITED.—Hodders, Limited, who recently acquired another chain of chemists' shops in Bristol district, have now also purchased "Hedges," a very old-established wholesale and retail chemist's business with about 16 branches in Birmingham and district. Hodders now control more than 40 chemists' shops.

S.T.D. MOTORS, LIMITED.—The report for the year ended September 30, 1928, reveals a net profit of £163,483, which compares with a net profit of £145,053 for preceding year. The preferred ordinary dividend of 7 per cent. per annum absorbed £128,086 as before. The sum of £25,000 is again put to reserve. The carry forward is £168,258. The general reserve now stands at £789,867. A meeting of holders of 8 per cent. guaranteed notes will be held immediately preceding the company's meeting at Winchester House on February 12 at noon, when a scheme for modification of repayments by annual drawings will be laid before them. The amount of notes outstanding is £375,000. The object of this scheme will be to secure holders' consent for a reduction in the amount of annual payments, thereby conserving the cash resources for the development of the business of the company. The directors have under consideration a scheme for dealing with the arrears of preference dividends which will be indicated at the meeting.

LONDON GENERAL CAB COMPANY, LIMITED.—The statutory meeting will be held at Winchester House, London, on February 12th at noon. The statutory report shows that the number of ordinary shares allotted as fully paid up otherwise than in cash in part satisfaction of the purchase price of properties and assets of the Red Motor Cab Company, Limited, in pursuance of an agreement dated November 15, 1928, between the Red Motor Cab Company, Limited, and Henry Alfred Thomas and adopted by the company by an agreement dated November 19, 1928. On each of the remaining 250,000 ordinary shares the sum of 10s. has been paid or is payable in cash. The total amount of cash received to January 31, 1929, by the company in respect of shares issued for cash is £124,559 5s.

COOK SON AND CO. (ST. PAUL'S), LIMITED.—The profit for 1928 amounts to £195,663 against £216,099 in preceding year. The ordinary shareholders receive 5 per cent., against 7 per cent., while the deferred shareholders nothing against 100 per cent. The carry forward is £39,863, subject to provision for the three months' preference dividend to end of 1928. Total assets are £3,551,813. Goodwill remains at £325,000. Cash is reduced from £229,993 to £210,139. The company shows in its balance-sheet a list of its investments, which are all in British Government securities except £169,803, cost of 267,222 ordinary shares (£1) fully paid in John Howell and Co., Limited. The total amount of investments at cost is £917,968, against £832,169 in preceding balance-sheet. Debtors are at £1,038,872, against £1,091,837. Stocks are at £586,334, against £605,812. General reserve account remains at £200,000.

JUTE INDUSTRIES, LIMITED. — The profit for year ended September 30, 1928, is £46,446, against a profit of £2,271 for preceding year. Deducting a debit of £27,410 brought in, there is a credit balance of £19,037 to go forward. A summary of the balance-sheet appears in another column.

BRITISH & HUNGARIAN BANK, LTD., BUDAPEST

Main items of the Balance Sheet on December 31st, 1928. (The respective figures for 1927 are quoted in parenthesis).

According to the Balance Sheet for 1928, Gross Profits amounted to 7.3 (5.5) millions Pengo. Net Profits:—3.477,339.-Pengo (2.232,818.-Pengo), of which a dividend of 14% (13%), i.e., 7.- Pengo (6.5 Pengo) per share, i.e., altogether Pengo 2.520,000.- (Pengo 1.560,000.-) will be paid. Allocations:—to Reserve Fund Pengo 250,000.-, to Pension Reserve Fund, Pengo 300,000.- (Pengo 100,000.-). Balance carried forward to 1929:—Pengo 164,225.- (Pengo 146,190.-).

Own Capital:—31.5 million Pengo. Deposits and Creditors:—120.6 million Pengo (90.6 million Pengo). Own Dollar and Pound Sterling Mortgage Bonds outstanding:—11.4 million Pengo (5.7 million Pengo). Cash in Hand:—7.5 million Pengo (5.6 million Pengo). Bills:—61.3 million Pengo (48.6 million Pengo). Bills Discounted:—285.1 million Pengo (190.4 million Pengo). Advances on Securities quoted on the Stock Exchange:—8.7 million Pengo (10 million Pengo). Sinking Debtors:—53.6 million Pengo (42.8 million Pengo). Sinking Fund Mortgage Loans:—12.7 million Pengo (5.8 million Pengo). Total of Balance:—173 million Pengo (136 million Pengo).

Both the holdings of securities and of real-estate property have been included in the Balance Sheet also on this occasion on a very conservative basis and thus these items include very considerable hidden reserves.

VENEZUELAN OIL CONCESSIONS, LIMITED.—The profit for the year 1927 was £1,237,848, as compared with £715,325 for 1926. The sum of £71,487 is brought in, making £1,309,335 available, against £717,831. The directors are placing to taxation reserve account £146,000, and are paying 106½ per cent. dividend, less tax, on the paid-up capital of the company, absorbing £1,064,883. For 1926 the dividend was 55½ per cent., less tax, absorbing £554,939. The carry forward to 1928 is £98,452. Total production in 1927 was 2,978,219 metric tons, against 1,802,943 metric tons produced in 1926. Shipments of crude oil were 2,930,017 metric tons, as against 1,716,772 metric tons for 1926. Preliminary expenses and underwriting commission have all been written off. Debtors are higher at £453,374, against £377,174. Cash is at £23,950, against £52,412.

V.O.C. HOLDING COMPANY, LIMITED.—The profit for 1927 is £863,213, to which is added £3,850 brought in, making £867,063 available. A dividend of 20 per cent., less tax, is paid on preference and ordinary shares, absorbing £863,714, leaving £3,349 to carry forward. For 1926 the dividend was 15 per cent. on both classes of shares. Total assets are £6,925,733. Cash is at £1,353,161. Treasury bonds and bills at cost stand at £470,141.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday Evening.

Climatic conditions generally were favourable to agricultural operations, and with the ground in good condition an early start is anticipated in spring sowings. Larger offerings of native wheat were available at the principal statute markets, and prices tended in buyers' favour. Imported descriptions, however, experienced a rather better movement, and a generally firm tone governed the market. In the floating and forward cargo section United Kingdom millers showed more disposition to replenish stocks, while Continental and Mediterranean consumers were also more in evidence of late. The undertone is firm, owing to unfavourable North American crop reports, but shipments continue heavy, and both Canadian and Plate descriptions are freely offered, while it is feared that the increasing crop movement from the Argentine may have a depressing effect on values in the near future. Steamers of Rosafe 64 lbs loading sold 43s 10½d to 44s 1½d, ditto 64½ lbs afloat 44s 3d, New South Wales afloat 47s 3d bags and 46s 9d bulk, part cargoes of Australian afloat 47s 3d, February shipment 47s, white Pacific mid-February 47s 3d, and March 47s per 480 lbs c.i.f. terms. Feeding stuffs were steady, but buyers rather indifferent, consequently business was somewhat restricted. Wheat firmer. No. 2 Northern Manitoba 51s 6d, No. 3 ditto 50s 6d, No. 4 Manitoba 49s, No. 5 45s, No. 6 39s 6d, No. 2 mixed Durum 44s 9d, Rosafe 62½ lbs 46s 3d, Barusso 62½ lbs 46s 3d, Australian 49s 6d, all ex-ship, per 496 lbs. English 9s 6d to 9s 9d per 112 lbs. Flour steady. London standard grade 38s 6d, town whites 39s 6d, patents 40s 6d to 41s 6d per sack delivered in the Home Counties, with 6d to 1s per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 35s to 38s, Minneapolis 35s to 37s 6d, Australian 36s ex-store per 280 lbs. Maize steady. Plate landed 44s 9d, ditto arrived 43s 3d, ex-ship to arrive 43s 6d, February-March 44s 3d, March-April 41s 3d, new April-May 39s 9d, May-June 39s 3d, No. 2 mixed American ex-ship to arrive 42s, ditto yellow 42s, No. 2 white flat African 44s landed per 480 lbs. Yellow maize meal £11 15s ex-wharf, Hominy chop £9 per ton. Barley quiet. Californian ex-ship 45s to 52s, Chilian Chevalier 48s to 58s, Australian 45s to 49s, Smyrna 44s to 47s per 448 lbs. Algerian/Tunisian ex-ship 34s 6d, Canadian feed 32s ex-ship to arrive, 33s landed, No. 3 Canadian Western 35s 9d, No. 2 Federal American 31s ex-ship to arrive per 400 lbs. English malting 10s to 15s, feed 9s 3d to 10s per 112 lbs. Oats steady. Plate ex-ship to arrive 24s 6d, February 25s 6d, March 25s 9d, black Plate landed 25s 3d, No. 3 white clipped American 36 lbs landed 27s 3d, mixed Canadian feed 21s 9d, Chilian white 33s 3d, German landed 28s 9d, ex-ship to arrive 27s 9d per 320 lbs. English 9s to 10s per 112 lbs. Scotch landed 30s per 336 lbs. Irish black 26s 6d per 320 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928-29, 1927-28, 1926-27, 1925-26:—

	1928-1929.	1927-1928.	1926-1927.	1925-1926.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to February 2	327,012	335,937	289,882	304,818
20 weeks to February 2	5,941,793	5,516,277	7,867,168	8,971,107
Average price of English wheat per cwt.	s d 9 10	s d 9 10	s d 11 10	s d 11 10

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks Ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s d	s d	s d
Jan. 24	291,230	393,327	122,248	9 8	10 3	9 5
Jan. 31	327,012	348,650	118,507	9 10	10 4	9 7
Jan. 31, 1925	415,867	253,945	126,833	13 4	14 0	10 2
Jan. 30, 1926	270,479	292,736	75,837	12 1	10 3	9 2
Feb. 5, 1927	289,882	360,036	91,325	11 10	11 2	8 3
Feb. 4, 1928	335,937	353,027	103,125	9 10	11 0	10 0

AMERICAN WHEAT MARKETS.

Values show little change, though markets have fluctuated during the week. Reports of dryness in Australia, which is retarding ploughing operations, light receipts and country offerings gave strength to the markets, but this was more or less counterbalanced by selling by commission houses. Some speculative support was encouraged by renewed talk of farm relief measures. Quotations:—

Nearest Future.	Jan. 4, 1928.	Feb. 8, 1928.	Jan 2, 1929.	Jan. 30, 1929.	Feb. 6, 1929.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	137	134⅛	122	128⅞	128⅜
Chicago (No. 2 Winter)—Cents per 60 lbs	130⅜	129½	116⅜	124⅛	124⅝

Visible supplies of wheat in Canada at 81,217,000 bushels show an increase of 534,000 bushels as compared with the previous figures. Supplies a year ago stood at 70,212,000 bushels.

COAL.

Our Cardiff correspondent writes:—Although the pressure of tonnage at the South Wales docks has not been as great as it was last week the greatly improved tone on the Cardiff coal market has been firmly maintained. Current quotations for some of the Monmouthshire large grades have been increased by about 3d per ton, but for all the Cardiff large and small steam coals prices are unaltered. Inquiries have been fairly active, and the forward steaming lists of the great majority of the collieries have been further strengthened. Any shortage in the supply of tonnage would, however, react unfavourably on the prompt market position. There is also a danger as the result of unco-ordinated action on the part of the colliery companies in the reopening of pits, of the supply again exceeding the demand, for reports have been issued during the week of the impending resumption of work at collieries other than those to which reference has already been made. Difficulties have arisen over the condition of employment at the Nine Mile Point pit of the Ocean Coal Company, but hopes are entertained that these will be adjusted, though the possibility remains of the company abandoning its intention of restarting this colliery unless the management is satisfied that there would be a reduction in the costs of working. The following are the current approximate quotations:—Best Admiralties, 19s 4½d to 19s 6d; seconds, 19s to 19s 3d; best drys, 19s 6d to 19s; Black Veins, 19s to 19s 6d; Western Valleys, 18s 9d to 19s; Eastern Valleys, 17s 9d to 18s 3d; best small steams, 13s 9d to 14s; cargo smalls, 12s 6d to 13s; coking smalls, 13s 9d to 14s; anthracite, best large, 33s to 35s; Red Vein, large, 21s to 25s 6d; machine-made cobbles, 40s to 43s; French nuts, 41s to 43s 6d; stove nuts, 40s to 42s 6d; rubbly culm, 9s 3d to 9s 9d; foundry coke, 25s to 37s; patent fuel, 20s to 21s 6d; pitwood, ex ship, 25s 9d to 26s.

Our Glasgow correspondent writes:—With output restricted and home demands active, there is little coal available for export until about the end of the month, and any odd parcels coming on to the market are readily disposed of at firm prices. The threat of labour troubles in Poland has brought an increased inquiry from foreign countries, especially the Scandinavian, which have recently drawn much smaller supplies from Great Britain. Shipment prices (f.o.b. district ports):—Lanarkshire: Ell best, 18s; splint best, 18s 6d; splint second, 17s 6d to 18s; navigation, 17s 6d; navigation second, 15s; steam, 14s 6d; Hartley, 18s; trebles, 15s 6d; doubles, 14s; singles, 13s; pearls, 11s 9d to 12s; dross, 10s 6d. Fife: Screened navigation, 18s; first-class steam, 16s; third-class steam, 14s 6d; trebles, 16s 6d; doubles, 14s 6d to 15s; singles, 13s 9d; pearls, 11s 6d to 11s 9d. Lothians; Prime steam, 15s; secondary steam, 14s 6d; trebles, 16s to 16s 3d; doubles, 15s; singles, 13s 9d to 14s; pearls, 11s 9d.

Our Sheffield correspondent writes:—The expansion of the demand in the export market conditions, and supplies are on the short side, while prices have firmed. Several of the idle pits in South Yorkshire are being restarted; others are working more regularly. The call for industrial fuel is rather better, especially as regards secondary qualities. Business in house coal keeps moderately brisk, but below the normal level. Blast furnace coke is in demand at from 13s 6d to 14s 6d for best brands. Home consumption for foundry coke is poor, whereas exports are exceptionally active. Best South Yorkshire hards fetch 16s 6d f.o.b.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—Steady conditions continue to rule in the iron and steel markets. Prices have shown a firm tendency for some time, and reports from most districts indicate that the British works are fairly well off for orders. As a result of these conditions there is a distinct note of optimism apparent in the trade, and this leads to greater confidence in dealings. In the pig-iron department the Midland makers recently attempted to advance their prices, but apparently the effort was only partially successful. The demand for pig-iron which has improved of late is not altogether satisfactory; but there are indications that consumption will expand in the near future. A favourable factor is the adjustment of the labour dispute in the light casting trade. The demand for semi-finished steel products has broadened considerably, and the British steel works have transacted a good business, their ability to give near delivery being a great advantage in competing with foreign competitors. Recently a considerable business in semis has been transacted with Continental works, orders totalling many thousands of tons having been placed for forward delivery. Business has proceeded on steady lines in the finished steel department. The inquiry from foreign markets generally is quite good, and a fair amount has materialised into actual business. Home buyers continue their policy of buying from hand to mouth, but business is on a moderately good scale.

Our Middlesbrough correspondent writes:—Pig-iron.—The better tone which has prevailed during the last few weeks is still maintained. The pig-iron position is better, and the demand keeps up with the production. With the improved conditions in the steel works there is a heavy demand for basic iron; in fact, the local make is not sufficient for the works' needs, and this quality of iron has been imported from the Midlands. It is confidently expected that more furnaces on this class of iron will be blown in shortly to supply the works' own needs. *Cleveland iron still remains firm* at 66s per ton for No. 3 G.M.B., with no very great quantity available. The hematite market is better, with more inquiry. The production is small, and consumers are more inclined to contract for forward quantities. There has been a distinct stiffening in prices, and mixed numbers are now called 71s 6d per ton. Manufactured Iron and Steel.—The recent improvement over the last few weeks is still continuing, and the various works are in a more healthy condition as regards forward orders. Quotations are unchanged from last week. Steel ship plates, £8 7s 6d; steel ship angles, £7 17s 6d; iron bars, £10 5s; steel rails, £8 10s. Iron Ore.—The market still remains very firm, with best Rubio at about 22s 6d per ton, but this is a minimum price. Blast furnace coke also shows a slight improvement, and average qualities are asking about 18s delivered furnaces.

Our Sheffield correspondent writes:—There has been further expansion in a few sections. The output of open-hearth steel corresponds to that of three months ago; basic steel has increased, and acid steel has fallen off. Competition, due to insufficient business to keep plants operating, is abnormally keen in heavy steel castings and forgings for engineering and shipbuilding, and the level of prices for such material is lower than last year. The same remark applies to alloy steels. The call for the highest grades of tool steel is poor, whereas the medium qualities are selling rather more freely. Pig-iron prices are irregular. The advance of 2s 6d on Derbyshire foundry sorts announced last week is being enforced in some cases. Unfortunately, demand does not expand, most of the foundries being quiet. The market for basic steel scrap tends to harden, and prices are 6s higher than *six months ago. Railways* are ordering only small quantities of steel material, and no privately-owned railway waggons are being built. Axle, tyre, and spring contracts for the British railways have been concluded at reduced figures. The light and finished trades of the city are dull. The unemployment figures are unfavourable, the total on the registers to-day being nearly 2,000 more than when the works closed for the Christmas holidays.

Our Glasgow correspondent writes:—No settlement has yet been reached in the Scottish iron trade dispute, and the men in the Coatbridge and Airdrie district, where most of the workers concerned are employed, at a meeting this week confirmed their decision not to accept the employers' terms. The most important development in the steel trade this week in the West of Scotland is the increased demand for semis, Continental prices for which have advanced considerably within the past few weeks so that home producers are able to meet the competition. There are also more inquiries for rails and structural material, so that steel makers, while by no means fully employed, are finding some expansion in several departments. In the galvanised sheet trade there has been a little more buying for forward delivery, and prices are firm, to-day's basis for 24-gauge galvanised and corrugated sheets being £13 12s 6d f.o.b. for export lots. There has not been the same increased demand for black sheets, but makers have well-filled order-books meantime. Prices generally remain at the levels quoted a week ago.

Our Cardiff correspondent writes:—Market conditions in the South Wales steel and tinplate trades remain practically unchanged. There are inquiries for export supplies, but they are not materialising to any substantial extent, although works are stated to be well placed with orders for several months ahead. Mr. H. C. Bond, of Messrs. Richard Thomas and Co., has repudiated a statement made by the chairman of the Canadian Tariff Board to the effect that Canada had been allotted to United States manufacturers under the recent Pact. Quotations for tinplates, galvanised sheets, and local tinplate bars are unaltered, but foreign bars are firmer at £5 12s 6d per ton. Shipments last week totalled 155,345 boxes of tinplates, but stocks, owing to larger consignments from works, have increased to 244,076 boxes.

OTHER METALS.

TIN.—Marked stability governed proceedings in the standard market, and prices responded sharply to a better demand, together with higher Eastern and American advices, though dealings were attended by considerable irregularity, especially for forward dates. Stocks in London and Liverpool warehouses for week ending February 2nd amounted to 8,201 tons, compared with 2,131 tons at same period last year. Visible supplies at the end of January were given as 23,129 tons, and U.K. stocks 8,458 tons. Standard cash changed hands at £221 to £230 5s and £226 10s, three months £222 10s, £230 15s and £226 10s. In the East business was reported at £224 7s 6d to £231 and £228 10s c.i.f.

COPPER.—The market gained further strength in face of a keen demand and a further advance in New York export quotations, with spot and early dates reservedly offered. Standard cash sold at £80 15s to £80 5s and £80 3s 9d, three months fluctuating between £77 10s, £78 10s and £77 15s.

LEAD irregular, but firmer on balance, with a good business in force. Good soft foreign pig February sold £22 10s to £23. March £22 8s 9d to £22 18s 9d, April £22 12s 6d to £22 18s 9d, May £22 15s to £22 18s 9d.

SPELTER opened firmer, but later a quieter tone prevailed. February sold £26 11s 3d to £26 7s 6d, March £26 10s, April £26 11s 3d, May £26 15s to £26 10s, July £26 11s 3d ton.

ANTIMONY dull. English regulus quoted £54 to £55, foreign ditto spot £37 10s to £38 ton.

ALUMINIUM steady. Ingots and bars for home delivery £95 ton.

WOLFRAM maintained. Chinese, also Straits, quality for shipment 19s 6d to 20s per unit c.i.f. terms.

QUICKSILVER steady. Spot £22 5s to £22 10s per bottle.

TIN PLATES steady. I.C. coke prompt and forward 18s to 18s 3d f.o.b. Swansea.

THE COTTON TRADE.

LIVERPOOL, Feb. 6, 1929.

Spot sales for the week January 31 to February 6 (inclusive) are 29,000 bales, of which 21,520 are American, 400 Brazil, 800 Argentine, 3,500 Peru, 1,410 Egyptian, 850 African, 400 East Indian, and 120 sundries.

Imports for the same period are 67,203 bales, of which 41,144 are American, 1,000 Brazil, 213 Argentine, 2,539 Peru, 13,761 Egyptian, 1,890 African, 6,310 East Indian and 346 sundries.

Quotations to-day are:—American middling, 10.28; Egyptian F.G.F. sakel, 18.15; Egyptian F.G.F. uppers, 11.92; Brazil fair, 10.58; Peru G.F. mod.-rough, 12.75; Peru G.F. smooth, 11.23; East African G.F. 12; West African middling, 11.33.

MANCHESTER, Feb. 6, 1929.

Trading in the market continues much quieter. The attitude of buyers has again been affected by the tendency towards easier rates for the raw material, and as demand has fallen off there are fears of spinners and manufacturers weakening in price. The conditions at the moment are rather depressing and the future is very uncertain. Only a retail business has been done in piece-goods for abroad. Cable and mail advices from India are discouraging. There are some hopes of a revival of China demand after New Year celebrations. Manufacturers have met with very restricted support from most of the smaller markets, and there are indications of order lists running down. Some reports from the home trade, however, have been rather better. Demand for American yarns has been sluggish and prices have tended to favour buyers. Much interest has been taken in the short-time movement in the Egyptian section, and the trade position continues very unsatisfactory.

Comparative Statement of the Cotton Trade.

	1929.				Corresp'd'g Date.	
	Jan. 16.	Jan. 23.	Jan. 30.	Feb. 6.	1928.	1927.
	d	d	d	d	d	d
Raw Cotton—Mid. American ..... per lb	10·69	10·54	10·34	10·28	9·97	7·64
— Sakellaridis Fully Good Fair						
Egyptian ..... per lb	19·20	19·15	18·40	18·15	17·10	13·65
Yarns—32's twist ..... per lb	16	15¾	15	15¼	15	12¾
— 40's weft ..... per lb	16¾	16¼	16¼	16	15½	13
— 60's twist (Egyptian) ..... per lb	28	28	27½	27	27	24½
	s d	s d	s d	s d	s d	s d
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	26 3	26 3	26 0	26 0	25 0	23 0
36-in. Shirtings, 76 yds, 19 by 19, 32's and 40's	28 6	28 6	28 3	28 0	27 0	26 3
38-in. ditto, 38 yds, 18 by 16, 10 lbs	15 6	15 6	15 3	15 3	14 7½	13 0
39-in. ditto, 37½ yds, 16 by 16, 8¼ lbs	14 0	14 0	13 9	13 9	13 7½	12 3

THE WOOL TRADE.

Our Bradford correspondent writes:—Reports of an easier tendency in wool values in the primary markets continue to exercise a restraining influence on spinners and manufacturers, and business in tops and yarns is accordingly very restricted. It would seem that competition is still fairly general in the Colonies, and prices this week have been somewhat steadier, but the recent irregularity has destroyed confidence, for the time being, and users everywhere are now waiting for the new basis to be established. The demand for tops is very disappointing, and in the absence of bulk business to test the market it is difficult to say how quotations stand, but it is fairly evident that topmakers are prepared to make concessions, and for any bulk business prices, especially for merinos, are distinctly easier. Crossbreds are considered to be too dear at current rates, but sellers are not quite so ready to make marked reductions in these qualities, although here, also, the position favours buyers. Yarns remain very irregular, owing to the keen competition for the comparatively small amount of business on offer, and stocks of standard counts tend to accumulate. A moderate amount of business is being done in piece-goods for home and export.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The principal immediate means of testing wool values is the course of the sales in Australia, and, judging from the position revealed in this way, raw material values have not shown any serious tendency to fall to a lower level. Cable information from Sydney has indicated slight irregularity, but home-trade users still find that the cost of merinos is above a parity with Bradford. A clean scoured cost of 40d for average 64's needs a price in the top which cannot be realised in Bradford. Topmakers appear to have been overtaken by an unnecessary fit of depression. They admit that there are no large stocks of any class of raw material in this country, and though there are big imports in front of the trade, these should not be too large considering the capacity of the machinery.

Any serious decline in wool is also largely precluded by the probability of continued active competition on Continental and Japanese account, and America is having to be reckoned with in Australian centres. Further quantities of wool have been bought for that destination in Sydney. The best wools offered at Perth have been bought for America, and the basis of prices in Melbourne has also been influenced by competition from the same source. Bradford is understood to have been the principal operator at Perth, good 64's having cost around 39d clean scoured. Melbourne has also been a more favourable market for Bradford buyers than Sydney. On the basis of cabled clean-scoured costs, average 64's have been costing 3s 9d, a price which is obviously above Bradford market to-day. All the evidence points in the direction of wool holding its own almost, if not quite, as well during the next few weeks as at any time within the past month. The absence of business in Bradford and the decline in Coleman Street has no doubt been the chief influence in depressing the tone of the former market. While it may be desirable, judging from the prices spinners are prepared to pay to-day to get both merino and cross-bred wool cheaper, this is a rather remote possibility. The pace seems likely to be kept up by Continental and Japanese buyers.

HIDE, LEATHER, AND ALLIED TRADES.

Conditions in the hide and leather trades remain very unstable, and there is a lack of confidence all round. At most provincial auctions declines of another ½d. per lb have been recorded, best ox hides now selling from 7½d to 7⅝d per lb, with further falls probable. Most hides were withdrawn from sale at last week's Bermondsey auctions in the absence of suitable bids. Calfskins are also lower in price, and have dropped ¼d to ½d at many auctions. All classes of oversea hides are still falling in value, and even at the reduced quotations merchants are only doing a small trade with tanners. Argentine ox are lower, and recent sales have been on a basis of 9⅛d for fregorific ox. In saladero hides the only item of importance has been the sale by inscription of 18,000 Leibig Colon hides, which were sold at 9⅛d to 10⅛d for heavy, and 9¼d to 9⅛d for light. Dry River Plates are without interest, except to report the better grades show a further decline, B.A. Americanos now selling at 12⅜d. Cape hides are also lower, and are selling at 12⅜-12¼d for firsts and seconds respectively. Australians share the prevailing weakness, and dry salted Queensland meatworks are offered at 10½d. The Chicago market is cabled as weak, with best heavy packers still selling at 17 cents.

Merchants and tanners all report a dull demand for sole leather, although the latter profess that matters show a slight improvement. Dry hide bends are not much wanted, but there is a fair trade passing in manufacturers' light wet-salted and repairers' bends, values being slightly lower. Offal is a shade weaker in price, and there are now some cheap parcels available. Upper stock sells in quite small parcels, curriers of wax butts being rather quiet. Semi-chrome sells in the cheaper grades, but the demand for colours and linings is poor. Glacé kid sells fairly well in blacks, but there has been a falling-off in browns, and spring shades seem as yet undecided. Boot manufacturers are quiet, and it is stated there have been more discharges of operatives this week from Northampton factories.

VEGETABLE OILS AND OILSEEDS.

Markets have been only moderately active, and only a small volume of business is reported. Consumers have been steady buyers of linseed oil, and supplies have been readily absorbed. Prices have advanced somewhat in the absence of Continental competition, current value of raw oil naked ex Hull mill being around £28 10s spot and February-April delivery, later positions being at a small premium. Cotton oils are neglected and easier, crude Egyptian ex Hull now offering at £27 15s, and common edible at £31 10s spot and February-April delivery. Other seed oils are quiet and practically unchanged with the exception of castor oil, which has been advanced 10s per ton.

In the oilseed section the easier tendency of linseed is again in evidence, but crushers both here and on the Continent are only small buyers, except at reduced figures, in view of the exceptionally heavy quantities afloat for Europe. For Plate on passage to Hull, £15 16s 3d and to the Continent £15 12s were paid earlier in the week, but business has since been done at slightly less, with shipment worth about £15 15s. The quantity on passage to Europe (including 4,400 tons from India) is 258,400 tons, or 5,900 tons more than a week ago. Cottonseed is easier, and for black Egyptian on passage £10 has been accepted, this being also the value for shipment. Bombay to Hull has been done at £8 17s 6d February. Oil cakes are in fair demand and prices are firm.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—No apparent signs of improvement in this market. On the contrary, trade drags along wearily, and with large supplies of the commodity on all sides, a weak undertone is the natural sequel. No change in prices of British refined or home-grown granulated. There is only a small up-take of imported foreign refined by exporting manufacturers. Dutch J, spot, London, 24s. White Mauritius form an attractive selection, and range from 21s to 21s 9d, as to sample. Home-grown granulated varies from 22s 3d to 22s 9d. Czecho granulated, February-March, sellers, 11s 6d; April-June, 11s 6¾d; July-August, 11s 9d; Nov.-Dec., 11s 6¾d, f.o.b., Hamburg. Dutch J, ready, 11s 10½d, f.o.b. Polish crystals, Feb.-March 11s 4½d, f.o.b. White Java sugars quiet, unaltered, both to Europe and Eastern ports. Foreign 96 per cent. centrifugal, afloat, 9s 3¾d; February-March, 9s 6d, c.i.f., U.K. Terminal sections easier with moderate dealings. Of raws, March sold, 8s 9d; May, 8s 11¼d; August, 9s 3d; December, 9s 5¼d to 9s 4½d. White, March, done, 11s 11¼d; May, 11s 7½d; August, 11s 11¼d to 11s 10½d cwt. Cuban receipts last week 188,140 tons, against 195,920 last year; exports, 88,250, against 63,020; stocks, 476,910, against 306,020. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending February 2nd amounted to 173,272 tons, compared with 94,299 at corresponding period last year.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

COFFEE.—A good steady demand continues for all really desirable qualities, and these realise quite full prices. Kenya, East India, and some Costa Rica figure largely in the patronage. Costa Rica, fine bold colourv, sold, 177s; peas, up to 170s 6d; Kenya, bold, 128s 6d to 143s; Usumbara, 149s; Kilimanjaro, 120s 6d to 135s 6d.

COCOA.—Market firmer, and a fair demand prevailed in forward positions. Accra F/F, February-April, sold, 42s 6d to 43s; March-May, 43s to 43s 9d f.o.b. Terminal, February, sold, 47s to 48s 3d; March, 47s to 48s; May, 48s to 47s 9d and 49s 1½d; July, 48s 9d to 49s 6d; September, 49s 6d to 50s 6d and 50s; December, 48s 9d to 49s 6d and 48s 3d.

TEA.—Indian sales during the week totalled 56,790 packages. There was a brisk demand, and for some time the sales went with quite a swing, but towards the close common kinds became less active and may be quoted slightly weaker in some cases. Good medium grades quite steady, while excellent prices were secured for some tippy teas and those possessing attractive autumnal character. Ceylon sales embraced some 19,740 packages, which soon cleared to a strong demand at firm to frequently dearer prices. Useful medium liquoring broken mostly ½d dearer, with low medium and common ½d up. A good export demand prevailed, especially for fine leaf. New season's China in fair demand at full rates. Fine Keemuns, sold, 2s 10d to 3s. Siftings wanted at 6½d to 7d lb. Java and Sumatra auctions met a good demand and firm market resulted. London landings during last month, 51,657,396 lbs, against 53,695,038 last year; deliveries, 38,764,151, against 36,045,906; stocks, 233,415,788, against 202,614,649.

RICE.—With new crop parcels of Two stars, Rangoon, due end of present month, holders of last crop still anxious to quit, and sales made at 13s 9d to 14s 3d as to quality. Spanish, spot, London, sold 19s 9d to 20s 3d. Californian, March, quoted 19s 3d, c.i.f., London. Seeta, March, selling at 17s 3d cwt, c.i.f., London/continent.

BEANS.—Butters again firmer, good demand. Parcels afloat "Hesiones" and "Clan Macintosh," sold, 35s; "Tasmanic" at 34s 9d; also per "Ville de Rouen," with parcels per "Marechal Gallini" at 34s 7½d, c.i.f., London. Rangoon haricots, spot, London, 26s to 26s 6d; March-April, sold 16s 3d; Ohtenashi, spot, 39s cwt. Forward nominal.

PEAS.—Steady, quiet. Japanese, February-March, sold 18s 1½d, afloat lots, 19s 3d to 20s, as to position. Dutch marrowfat on f.o.b. terms, 17s 6d cwt.

SPICE.—Pepper in demand, and firm forward. Lampong, January-March, sold, 1s 4¼d; March-May, 1s 3¼d; August-October, quoted 1s 0⅛d; Muntok, white, January-March, sold, 2s 2⅜d; March-May, 2s 2⅛d lb. London stocks for the week reduced 16 tons. Tellicherry, January-March, 143s cwt. Cloves dull. Zanzibar, spot, 1s 4½d; December-February, January-March, 1s 4⅝d; and March-May, 1s 4⅝d lb, c.i.f. Pimento unaltered. Sago flour tapioca slow on former terms. Dutch Farina, 12s 1½d cwt, f.o.b. African ginger, spot, 53s 6d; February-April, London, 49s; New York, 51s, cwt, c.i.f.

FRUIT (Dried).—Currants: Market remained quiet. Pyrgos quoted 45s 9d to 46s; Patras, 48s; choice up to 52s; Amalias, 46s 6d to 47s; Gulf, 50s to 53s; Vostizza, 51s to 58s. London stocks of Greek currants at the end of January totalled 5,291, against 5,442 tons last year. Sultanas in fair request, and market steady. Medium to good Smyrna, spot, 41s to 55s; Cretan, 45s to 70s; Greek, 34s to 65s; Australian range from 32s to 50s; Californian, soda bleached, 35s to 38s; unbleached, 29s; Cape unbleached, 33s to 37s; bleached, 45s to 50s. Stocks of Smyrna sultanas on January 31st totalled 1,999 tons, against 2,253 last year; Greek, 614 tons, against 221; Australian, 7,095, against 7,114; Californian, 1,762, against 1,621; Cape, 23, against 13 tons last year. Raisins slow. Valencia quarter boxes, 50s to 55s; Australian, 32s to 36s; Capes dull. Stocks of Valencia and Denia raisins on January 31st amounted to 165 tons, against 858 last year; Australian, 687 tons, against 201 tons. Figs quiet. Genuine new, spot, 28s to 30s; layers, 60s to 65s; pulled, 60s to 70s. Dates in good demand. Hallowie, new, spot, 28s to 30s; Khadrowie, 23s; Siar, 15s to 17s. Evaporated fruits: Market generally firm, with a moderate demand for most descriptions. Californian plums 20-30's, 65s; 30-40's, 57s; 60-70's, 42s 6d to 43s. Australian pears range from 57s 6d to 65s, as to quality. Apricots, South African, new crop, Royal, 60s to 117s 6d; Cape, 72s 6d to 80s; Californian, new, 85s to 117s 6d. Peaches, Californian, choice, 50s; extra choice, 53s; fancy, 58s. Apples, Californian, spot, sliced, extra choice, 67s 6d. Almonds met a moderate spot demand, at rather easier rates. Mazagan, 142s 6d; Mogador, 140s; Majorcas, 150s 6d; bitter, Jordan, 185s to 210s cwt.

CANNED GOODS.

CANNED FRUITS.—A better demand has been dealt with for Californian fruits, and a firm tone governed the market, with pears tending dearer, especially for the lower grades. Peaches move off freely, also fruit salad. Australian descriptions continue to sell steadily. Singapore pines met a quiet spot trade, while buyers are also indifferent regarding shipment parcels. Tomatoes firmly held, both spot and forward.

CANNED FISH.—Sardines quiet of sale, the assortment available being somewhat unattractive. Portuguese clubs quoted 5s per dozen tins. Lobsters dull. Best halves, 140s to 145s; and quarters, 77s 6d to 82s 6d. Salmon: A moderate spot trade, and forward position firm. Red talls, spot, 42s 6d to 45s. Pink steady. Talls, spot, 26s to 27s; halves, 31s 6d to 33s 6d. Japanese crab scarce and brings full rates. Finest quality, 95s to 97s 6d.

CANNED MEATS.—Corned beef quiet and tendency easier, but ox tongues held for firm rates on scanty offerings. Lunch tongues in fair request, but prices without improvement. Cooked boned hams firm, with a good business for forward delivery.

CONDENSED MILK AND MILK POWDERS. — Market remained steady. Full cream sweetened, English, spot, 45s; Dutch, ditto, 39s; February-March, 39s. Machine-skimmed sweetened, English, spot, 27s; Dutch, ditto, 23s 6d; February-March, 23s 6d, all in 5 cwt barrels. Powders: Spray F.C., 26 per cent., 2 by 56 lb tins, crated, prompt, 94s; M.S. (1 cwt cases) prompt, 41s 6d. Roller process, F.C., 26 per cent., prompt, 78s; M.S., ditto, 31s, all net, duty paid, ex-wharf London. On the grocery side F.C.S., 21s; M.S.S., 10s, basis per case, usual packing.

HONEY.—Market firm for best qualities, which are sparingly offered, but medium grades obtainable on slightly easier terms. Palish set Jamaica, sold, 54s; amber set, 48s; and manufacturing kinds, 42s 6d. San Domingo practically cleared. Haitian yellow palish set, quoted 50s. New Zealand, dark amber 50s to 55s; medium, 55s to 65s; light, 65s to 85s; whites and water whites, 65s to 87s 6d cwt.

RUBBER.

Market furnishes very little matter for comment, trade being quiet and price changes only fractional. Sheet, spot, and February, sold, 10⅜d; March, 11⅛d to 10⅜d; April, 11⅛d; April-June, 11 5/16d to 11d; July-September, 11¼d; October-December, 11⅜d to 11⅛d; and January-December, 1930, at 1s to 1s 0⅛d per lb. London stocks increased by 966 tons on the week; landings being 2,222; deliveries, 1,256; stocks, 25,389, against 65,960 last year. Liverpool stocks increased 36 tons, at 3,860 tons. Straits shipments during last month totalled 52,420 tons.

GENERAL.

JUTE.—Again reservedly held and firmer. Firsts, January-February, sellers, £33 12s 6d; February-March quoted £34 15s; March-April, £35 5s; April-May, £36 ton.

HEMP.—Quiet conditions governed the market for Manila, and which fails to reach a settled basis, in the strict sense of the term, K grade, April-June, quoted, £34; M 1, £29 10s. Others nominal. African sisal, unaltered, also Mexican. Of the latter, receipts last week, 12,000; deliveries, 11,000; stocks, 72,000 bales. Manila

THE
SCOTTISH WIDOWS' FUND
AND LIFE ASSURANCE SOCIETY
FOUNDED 1815
THE GREAT MUTUAL LIFE OFFICE
Funds: 27 Millions
LARGE Bonuses | LOW Non-Profit Rates
LIBERAL Conditions | LOW Rate of Expenses
HIGH Surrender Values | NO Shareholders
LIFE ASSURANCE ON THE INSTALMENT PLAN
A Scheme specially devised to make life assurance easy for men, and women also, who are in receipt of monthly salaries.
Write for full particulars.
HEAD OFFICE: 9, St. Andrew Square, EDINBURGH
(G. J. LIDSTONE, Manager & Actuary).
LONDON OFFICES: 28, Cornhill, E.C.3 and 17, Waterloo Place, S.W.1

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, THURSDAY.

CEREALS AND MEAT.

	s	d
GRAIN, &c.—		
Wheat, No. 2, N. Man. 496 lb..	51	6
Eng. Gaz. av., per cwt	9	10
Barley, Eng. Gas. av.	10	4
Oats, " " "	9	7
Maize, La Plata, landed, 480 lb	44	9
Flour, Lon. stan. ex mill, 280 lb	36	6
Rice, No. 2 Burma, per cwt.	13	0
Sago, pearl, per cwt	22	9
Tapioca, per cwt—		
E.I. fine, fair spot .. 23	0	23 9
Medium pearl..... 20	0	22 0
Potatoes, good English, per ton 110		0
MEAT—		
Beef, per 8 lbs— s d	s	d
English sides..... 5 4	5	10
Argentine chilled hinds 3 10	4	6
Mutton, per 8 lbs—		
English wethers 6 0	7	0
N.Z. frozen " 3 2	5	2
Pork, English, per 8 lbs.. 6 8	7	8

OTHER FOODS.

BACON—				
Irish ..... per cwt	90	0	106	0
Danish	80	0	98	0
Canadian	88	0	94	0
Dutch	73	0	94	3
Hams—Irish	0	0	0	0
Canadian 108	0	0	0	0
American 92	0	112	0	
BUTTER—				
Irish creamery per cwt	0	0	0	0
Australian 174	0	186	0	
New Zealand 176	0	190	0	
Danish 200	0	0	0	
CHEESE—				
Canadian ....per cwt.. 96	0	112	0	
New Zealand 90	0	95	0	
English Cheddars 130	0	144	0	
Dutch 50	0	99	0	
COCOA—				
(Duty, British grown, 9s 4d, foreign, 14s cwt.)				
Accra f.f., per cwt 47	0	49	0	
Trinidad 60	0	63	0	
Grenada 50	0	58	0	
COFFEE—				
(Duty, British grown, 9s 4d, foreign, 14s cwt.)				
E.I., good to fine, per cwt..149	6	163	0	
Costa Rica, good to fine..155	0	168	6	
Cent. Amer., mid to fine..130	0	150	0	
Kenya; bold sizes.....125	0	158	0	
Colombian, mid to fine..130	0	145	0	
EGGS—				
English .....per 120 24	0	27	0	
Danish 17	0	22	6	
FRUIT—				
Oranges, Denia & Val. 300 14	0	30	0	
" 360 14	0	18	0	
" 504 15	6	17	0	
Jaffa .....boxes 144 0	0	0	0	
Lemons, Naples ..boxes 0	0	0	0	
Sicilian.....boxes 11	6	13	6	
" ..... cases 13	0	18	0	
Murcia.....half cases 14	0	18	0	
Malaga ..cases 420 No. 1 0	0	0	0	
Apples: Amer. (var.) brls. 23	0	38	0	
" (var.) boxes. 11	0	13	6	
Onions Valencia:—				
case 4s. 14	0	0	0	
case 5s. 16	0	0	0	

FRUIT (*continued*)—	s	d	s	d
Chestnuts, Huelva..bags	5	0	6	0
Grapes, Almeria....brls	0	0	0	0
LARD—				
Irish bladders 66	0	72	0	
American boxes..56 lbs 59	6	61	0	
SPICES—				
Pepper, per lb—				
Muntok, fair White ..	2	3	0	0
Black Lampong	1	5	0	0
Cinnamon—1st sort., per lb	2	3	0	0
Cloves—Zanzibar..per lb	1	5	0	0
Ginger—per cwt—				
African..... 53	0	0	0	
Jamaica, ord. to good .. 80	0	120	0	
Mace .....per lb	3	6	4	3
Nutmegs 65's	2	5	2	7
SUGAR—				
(Duty, 11s 8d per cwt.)				
B.W.I., crystallised..... 23	6	24	6	
Java, white, o.i.f. India. July-Sept. 12	3	0	0	
REFINED—London—				
Yellow Crystals 21	4½	0	0	
Cubes 25	6	26	0	
Crushed 24	3	24	9	
Granulated..... 23	0	23	4½	
Home Grown (prompt) 22	3	22	9	
TEA—				
(Duty 3½d. British, foreign 4d. per lb)—				
Indian & Ceylon—per lb				
Pekoe	1	1½	2	0½
Broken Pekoe	1	2½	2	1½
Orange Pekoe	1	3	2	2½
Broken Orange	1	3½	2	11½
TOBACCO—				
(Duty 8/10—11/2½ per lb, Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	5½	1	3

TEXTILES.

COTTON—	d
Mid American ....per lb.	10·34
Sakellaridis, f.g.f.....	18.40
Yarns, 32's twist	15½
60's twist	27½

FLAX—	£	s	£	s
Livonian ZK ....per ton	90	0	0	0
Pernau HD.....	80	0	0	0
Slanetz Medium 1st sort	90	0	0	0
HEMP—				
Italian P.C.....per ton	65	0	0	0
Manila, Feb.-Apr. "J2"	35	10	0	0
N.Z., H.P. fair, Dec.-Feb.	36	0	0	0
JUTE—				
Native 1st mks. ..per ton Feb.-Mar	34/15/0		0/0/0	
Mar.-Apl.	34/17/6		0/0/0	

SILK—	s	d	s	d
Canton .....per lb	17	0	19	0
Tussah	8	0	10	0
Japan	20	0	22	6
Italian—Raw, fr. Milan	21	0	23	6

WOOL—	d
English Southdown, washed per lb	27½
" Lincoln hog, washed	18
Queensland, scd. super cmbg.	43
N.S.W. greasy, super "	25
N.Z., grsy, half-bred 50-56 ..	21
Crossbred 40-44..	16
Tops—	
Merinos 70's.....	49
" 64's.....	46
Crossbred 48's.....	26
" 46's.....	24-24½

MINERALS.

COAL—	s	d	s	d
Welsh, best Ad'ty..ton	19	3	19	6
Durham, best gas.....	14	9	15	6
Sheffield, best house..	20	6	21	6
IRON AND STEEL—				
Pig, Clevel'nd No. 3, ton	66	0	0	0
Bars, M brough 205	0	0	0	
Steel Rails, heavy 170	0	0	0	
Tin Plates, I.C., per box	18	0	18	3

METALS—	£	s	£	s
Copper, Electrolytic, ton	81	15	82	5
Sheets (strong) 104	0	0	0	
Standard	80/2/6		80/5/0	
Lead Eng. Pig .. per ton	24/0/0		0/0/0	
Soft Foreign	22/6/3		22 15/0	
Spelter G.O.B.	26 7 6		26/11/3	
Tin—English ingots....	229/5/0		229/15/0	
Standard, cash.....	229/10/0		230/0/0	

MISCELLANEOUS.

CHEMICALS—	s	d	s	d
Acid, citric per lb less 5%	2	1	2	2
Nitric	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s	£	s
Alum, lump .....per ton	9	10	10	0
Ammonia, carb.....ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump....per ton	35	0	40	0
	s	d	s	d
Bleaching powder, per cwt	6	9	8	0
Borax, gran.... per cwt	13	0	0	0
Do powder	15	0	0	0
Nitrate of Soda..per cwt	12	0	13	0
Potash—Chlorate, net ..	0	3½	0	3½
Sulphate .....per cwt	9	0	10	0
Sal-Ammoniac .. per cwt	42	6	45	0
Soda Bicarb ....per cwt	9	0	10	6
Crystals..... per cwt	5	0	5	3
	£	s	£	s
Sulphate Copper..per ton	26	10	27	0
CEMENT—	s	d	s	d
Portland, best Eng. pr ton	46	0	48	0
COPRA—				
F.M. Straits, c.i.f., per ton Feb.–Mar.	23/15/0		0/0/0	
DRUGS—				
Camphor—	s	d	s	d
Japan, refined	2	3	2	3½
Castor-oil	85	0	95	0
Ipecacuanha	13	0	13	6
Peppermint, Wayne Co.	14	6	14	9

HIDES—	s	d	s	d
Wet salted—Australian per lb	0	5½	0	8½
West Indian	0	4	0	6½
Cape	0	6	0	9½
Dry and Drysalted Cape	0	9	1	1½
Market Hides, London—				
Best heavy ox & heifer	0	7	0	7½
Best cow	0	6½	0	6½
Best calf	0	10½	1	1½
INDIGO—	s	d	s	d
Bengal gd. red-vio. to fine—per lb.....	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb—per lb	1	6	2	5
Bark Tanned Sole	2	6	3	6
Shoulders fm DS Hide	1	0	1	3
Do Eng. or WS do	1	4	1	10
Bellies from DS do	0	9	1	0
Do Eng. or WS do	1	0	1	5
Dressing Hides..	1	8	2	4
Ro. Eng. Calf, 30/50 lb..	4	3	6	3
Aust. Sides.....	1	2	1	8
VEGETABLE OILS—	£	s	£	s
Linseed, naked, p. ton net	28	15	0	0
Rape, refined.....	44	0	0	0
Cotton-seed, crude	29	10	0	0
Coconut, crude.....	38	0	0	0
Palm	37/5/0		40/0/0	
Oil Cakes, Linseed, Eng., per ton	13/0/0		13/5/0	
Oil Seeds—Linseed—				
LaPlata, p.ton Feb.-Mar.	15/16/3		0	0
Calcutta, p. ton.....	nom			
	s	d	s	d
Turpentine, per cwt	47	5	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs	0	10½	0	0
Water-White.....	0	11½	0	0
Lubricating—	£		£	
Pales.....	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	13/10/0		34/5/0	
Fuel—	s	d	s	d
S.G.895 910	82	6	0	0
" 950	67	6	0	0
ROSIN—	£	s	£	s
American..... per ton	19	15	26	10
RUBBER—	s	d	s	d
Plantation Sheet per lb	0	10½	0	0
Fine Hard Para per lb	1	0½	1	0½
SHELLAC—				
TN Orange....per cwt	197	6	200	0
SHELLS—	£	s	£	s
W. Aust., M.-o.-P. "	4	0	12	10
TIMBER—	£	s	d	
Swedish u/s 3 x 8, per Std..	19	0	0	
Do 2½ x 7 " ..	19	0	0	
Do 2 x 4 " ..	19	0	0	
Can'dn Spruce, Dis. " ..	17	10	0	
Pitchpine ..... per load	9	0	0	
Rio Deals.....per std.	32	0	0	
Teak.....per load	20	0	0	
Honduras Mahg. logs, c. ft.	0	11	6	
African " "	0	6	6	
American Oak Boards "	0	6	0	
Do Ash "	0	6	0	
English Oak Planks "	0	7	0	
Do Ash "	0	6	6	

receipts for the week totalled 51,000 bales, against 27,000 at same time last year. Estimate for next week, 34,000, and following week, 40,000.

SHELLAC.—Quiet. T.N., spot, 200s; March, 194s; May, 192s 6d per cwt.

COPRA.—Dull and featureless. Straits, S.D., February-March, to Rotterdam, buyers £24 5s; March-April, £24 10s. Dutch E.I., February-March, £24; Ceylon quoted £25 10s. South Sea S.D., January-February, £23 7s 6d; F.M. Manila, to Marseilles, £23 7s 6d; Cebu, £23 12s 6d; K.D., South Sea, £23. Palm kernels, February-March, to Hamburg, sold £19 16s 3d ton.

MISCELLANEOUS.—Coconuts quoted 18s to 24s per 100. Coir yarn, Ceylon, £18 5s to £39 10s; Cochin, £23 to £40 10s; Ceylon bristle, £19 to £25; cinnamon leaf oil, 5¼d; citronella, Ceylon, 1s 9d; Java, 2s.

METROPOLITAN CATTLE.—February 6.

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

	s	d	s	d
Beasts—Norfolk	6	4	6	10
Irish	..		..	
Cambridge	..		..	
Short Horns	6	0	6	4
Herefords	..		..	
Devons	..		..	
Leicester runts.....	..		..	

	s	d	s	d
Beasts—Heavy Bulls....	..		..	
Canadian	..		..	
Sheep—Downs.....	8	4	9	8
Half bred	..		..	
Ewes	5	4	5	8
Scottish	..		..	
Lamb—Downs	11	4	11	4

LONDON POTATO MARKETS.—February 6.

	Per Cwt. s	d	s	d
English King Edward—Lincoln.....	5	8	..	
" " " —Essex and Bedford	4	6	..	
" Arran Chief	4	6	..	
" Majestic	4	0	4	6
Great Scot	4	0	4	6

WARSAW DISCOUNT BANK

Banque d'Escompte de Varsovie. Bank Dyskontowy Warszawski.

Established 1871.

Head Office - - WARSAW.

Branches:—LWÓW, LODZ, DROHOBYCZ.

ALL KINDS OF BANKING BUSINESS TRANSACTED.

Correspondents all over the world.

The Chase National Bank

of the City of New York

Statement of Condition at Close of Business December 31, 1928

RESOURCES		LIABILITIES	
Cash and Due from Banks....	$552,895,125.64	Capital.....	$60,000,000.00
Loans and Discounts.....	586,802,438.13	Surplus.....	60,000,000.00
U. S. Government Securities..	167,047,962.27	Undivided Profits.....	17,498,445.37
Other Securities.....	38,096,725.23	Reserved for Taxes, Interest, etc.	1,556,278.96
Bank Buildings.....	12,840,397.36	Dividend Payable January 2, 1929	2,100,000.00
Redemption Fund—U. S. Treasurer	124,875.00	Deposits.....	1,126,781,646.01
Customers' Acceptance Liability.....$72,059,168.19		Due to Federal Reserve Bank ..	50,000,000.00
Less amount in Portfolio 977,253.50	71,081,914.69	Circulating Notes.....	2,473,100.00
Other Assets.....	1,418,799.35	Acceptances $73,608,174.69	
	$1,430,308,237.67	Less amount in Portfolio 977,253.50	72,630,921.19
		Acceptances, Bills, etc. Sold with Endorsement.....	36,804,664.80
		Other Liabilities.....	463,181.34
			$1,430,308,237.67

BOARD OF DIRECTORS

HENRY W. CANNON
ALBERT H. WIGGIN *Chairman of the Board*
JAMES N. HILL
DANIEL C. JACKLING *President, Utah Copper Co.*
CHARLES M. SCHWAB *Chairman, Board of Directors, Bethlehem Steel Corporation*
SAMUEL H. MILLER *Vice-President*
NEWCOMB CARLTON *President, Western Union Telegraph Co.*
FREDERICK H. ECKER *Vice-President, Metropolitan Life Insurance Co.*
EUGENE V. R. THAYER *Chairman, Board of Directors, Punta Alegre Sugar Company*
CARL J. SCHMIDLAPP *Vice-President*
GERHARD M. DAHL *Chairman, Board of Directors, Brooklyn-Manhattan Transit Corp.*
REEVE SCHLEY *Vice-President*
H. WENDELL ENDICOTT
JEREMIAH MILBANK
HENRY OLLESHEIMER *Vice-President*
ARTHUR G. HOFFMAN *Vice-President, The Great Atlantic & Pacific Tea Co. of America*
F. EDSON WHITE *President, Armour & Co.*
ALFRED P. SLOAN, JR. *President, General Motors Corp.*
ELISHA WALKER *President, Blair & Co., Inc.*
MALCOLM G. CHACE
THOMAS N. McCARTER *President, Public Service Corporation of New Jersey*
ROBERT L. CLARKSON *President*
AMOS L. BEATY
JOHN McHUGH *Chairman of the Executive Committee*
WILLIAM E. S. GRISWOLD *Vice-President, W. & J. Sloane*
HENRY O. HAVEMEYER *President, Brooklyn Eastern District Terminal*
L. F. LOREE *President, The Delaware & Hudson Co.*
THEODORE PRATT
ROBERT C. PRUYN *President, National Commercial Bank & Trust Co., Albany, N. Y.*
SAMUEL F. PRYOR *Chairman, Executive Committee, Remington Arms Co., Inc.*
FERDINAND W. ROEBLING, JR. *President, John A. Roebling's Sons Co.*
EARL D. BABST *Chairman, Board of Directors, American Sugar Refining Co.*
FRANCIS H. BROWNELL *First Vice-President, American Smelting & Refining Company*
JAMES T. LEE

Office of the London Representative: 14 Cornhill, E. C. 3

Office of Paris Representative: 1 Boulevard Haussmann

Office of Berlin Representative: Unter den Linden 57

MONETARY STABILITY and the GOLD STANDARD

By Sir HENRY STRAKOSCH, G.B.E.

Reprinted from "The Economist," Price 1/-

A NEW INDEX OF BRITISH NATIONAL PROSPERITY.

By G. D. ROKELING,

With a foreword by SIR JOSIAH STAMP

Reprinted from "The Economist." This booklet contains an attempt to construct from existing published data a measure of the real national income of Great Britain and of the income per head. The Index is based upon a new calculation of industrial production, the statistics of employment and the income from national investments.

Sir Josiah Stamp writes:—"*For some important purposes a single statistical indication of the state of total national well-being is desirable. For a first attempt in this field the effort made by Mr. Rokeling is very thorough and commendable.*"

Price 2/6

Obtainable from—

"THE ECONOMIST" OFFICE, 6, Bouverie Street, Fleet Street, LONDON, E.C.4.

Insurance.

REFUGE ASSURANCE COMPANY LIMITED

Chief Office: Oxford St., Manchester

Annual Income Exceeds -	£10,300,000
Assets Exceed - - -	£42,000,000
Claims Paid Exceed - -	£56,000,000

LONDON AND MANCHESTER ASSURANCE CO., LTD., 60 Finsbury square, London, E.C.2. Premium Income exceeds £2,000,000. Funds exceed £8,000,000. Claims paid exceed £10,000,000. Annual Reports and Prospectuses can be obtained on application.

Comprehensive Family Policy

Securing a CAPITAL SUM at the end of a fixed term, and, in case of earlier death,

A Guaranteed Income of 10%

as provision for Widow and Children.

Apply for new explanatory leaflet to—

GRESHAM LIFE ASSURANCE SOCIETY LTD.

183-190, FLEET STREET, LONDON, E.C.4.

Founded 1848.

Payments already made to Policy-Holders £43,000,000.

The Gresham Fire & Accident Insurance Society, Limited, transacts all classes of fire and accident business. Chief Office: 183-190, Fleet St., London

THE KEYSTONE OF SECURITY

INSURANCE

All Classes of Policies issued by

PEARL ASSURANCE Co., Ltd.

Funds £48,566,000.

Apply Chief Office: HIGH HOLBORN, W.C.1, or any Representative.

UNIVERSITY OF LONDON.

A Course of Two Lectures on SOVIET RUSSIAN PUBLIC FINANCE will be given (in English) by Dr. PAUL HAENSEL, M.A., LL.D. (formerly Professor of Public Finance in the University of Moscow), at THE LONDON SCHOOL OF ECONOMICS (Houghton Street, Aldwych, W.C.2), on MONDAY and WEDNESDAY, FEBRUARY 11th and 13th, at 5 p.m. At the first Lecture the Chair will be taken by Prof. Allyn A. Young, Ph.D. (Professor of Political Economy in the University).

ADMISSION FREE, WITHOUT TICKET.

EDWIN DELLER, Academic Registrar.

THE

Investor's Monthly Manual

(Established 1864).

Annual Subscription - £1. 1. 0.

JANUARY NOW READY.

Price 1/7½ Post Free.

NEW YEAR DOUBLE NUMBER

Price - 2s 3d. Post Free.

Publishing and Advertisement Offices:

6, BOUVERIE ST., FLEET ST., E.C.4.

INDIA

The World's Best Customer

is attracting the renewed interest of many firms anxious to share the benefits of the country's improving purchasing power, being brought about by numerous development schemes now in course of completion.

THE PIONEER PRESS OF INDIA

The London Offices of

THE PIONEER & CIVIL & MILITARY GAZETTE LTD.,

with Branches or Agents throughout India, has been enlarged to handle any enquiry, Editorial or Advertising, that may be submitted.

Write

W. T. DAY, London Manager, 11, Aldwych, W.C.2

(Next to Waldorf Hotel and opposite India House).

Telephone: Gerrard 1546/7.

Telegrams: "Kuttra, Estrand, London."

PRELIMINARY NOTICE.

ENGLISH & INTERNATIONAL TRUST
LIMITED

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

AUTHORISED SHARE CAPITAL - £1,000,000
Divided into 100,000 Shares of £10 each.

Directors:

JULIAN DAY, M.C., Director of The Mid-European Corporation, Limited.
HENRY MAXWELL ANDREWS, Director of The Continental and Industrial Trust, Limited.
HON. JOHN MULHOLLAND, Partner in Edward de Stein & Co.
FELIX VICTOR SCHUSTER, Partner in Schuster, Son & Co.
MAJOR STEPHEN KEITH THORBURN, M.C., Partner in Sheppards & Co.
WILLIARD HUDSON BOTSFORD, Formerly Engineer with the Societe Financiere de Transport et d'Entreprises Industrielles (Sefina).
MARS CHAVANNES, Managing Director, Compagnie Francaise de Placement, S.A.

THE SUBSCRIPTION LISTS WILL OPEN ON TUESDAY NEXT FOR
AN ISSUE AT PAR OF
100,000 SHARES OF £10 EACH.

Each Share will, when fully paid after 1st July, 1929, be converted into £5 of 5½ per cent. Cumulative Preferred Stock entitled to rank for Dividend as from 1st July, 1929, and £5 of Ordinary Stock.

THE PROSPECTUS WILL SHOW THAT:—

1. The Company will form one link in a chain of Trust Companies which are being or have been created by a group of Bankers in the principal European countries, having for their object the widening of the International Market for the employment of capital.

2. The foreign Companies concerned are:—

COMPAGNIE FRANCAISE DE PLACEMENT, S.A., PARIS
(Established 30th April, 1928.)
Authorised and Issued Capital ... ... French Fcs. 100,000,000

COMPAGNIE CONTINENTALE DE VALEURS (THESAURUS), ZURICH
(Established February, 1927.)
Authorised and Issued Capital ... ... Swiss Fcs. 20,000,000
5 per cent. Debentures ... ... Swiss Fcs. 5,000,000

COMPAGNIE BELGE ET INTERNATIONALE DE PLACEMENT, S.A., BRUXELLES.
Authorised Capital (presently to be issued), Belgian Fcs, 50,000,000

Negotiations are in progress for the formation of similar Companies in the United States of America and in Germany.

3. The affiliated Trust Companies will work closely together through personal contact between their Directors and an understanding has been reached whereby each Company will be entitled to participate in important investments which may be undertaken by any other member of the group, although there will be no obligation to accept offers of business thus proposed.

4. The Directors are already aware of applications for more than 75,000 shares, which will be allotted in full.

Prospectuses and Forms of Application can be obtained from:—

Bankers:
NATIONAL PROVINCIAL BANK LIMITED, 15, Bishopsgate, E.C.2, and Branches.

Brokers:
SHEPPARDS & CO., Gresham House, Old Broad Street, E.C.2;
and from
DAWNAY DAY & CO., LTD., 54, Threadneedle Street, E.C.2.

The Economist, 325

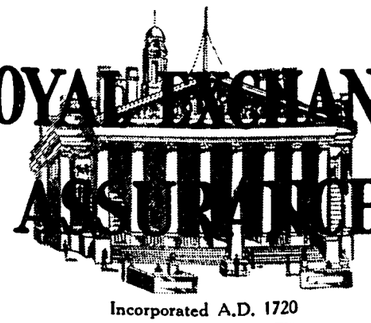
WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, FEBRUARY 16, 1929. No. 4,460.

ROYAL EXCHANGE ASSURANCE



Incorporated A.D. 1720

ALL CLASSES OF INSURANCE TRANSACTED

Head Office: Royal Exchange, London, E.C.3

WITH PROFIT
ASSURANCE
AT
NON PROFIT RATES

Full particulars will be sent on application

The Scottish Provident Institution
for Mutual Life Assurance

Head Office: 6 ST. ANDREW SQUARE, EDINBURGH
London: 3 Lombard Street, E.C.3; 56 Chancery Lane, W.C.2
17 Pall Mall, S.W.1.

FUNDS £20,500,000

BANCA COMMERCIALE ITALIANA.

Established in 1894. Head Office: MILAN.
Capital 700 million Lire. Reserves 540 millions.
Deposits 7,251 millions.

Branches in every centre of commercial and industrial importance in Italy; also in London, New York, and Constantinople.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Egypt, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

London Office
32, Threadneedle Street, E.C.2.
A. JOEL, *Manager.*
Correspondents to the Italian Treasury.

TABLE OF CONTENTS.

The Money Market 325
Leading Articles—
The Minority Dilemma... 327
The Freedom of the Seas 328
The Direction of Overseas Trade..... 329
Iron and Steel in 1928.... 330
New Index No. of Wages 331
Plight of Marine Insrnce 332
Politics and the Native in South Africa..... 333
Notes of the Week—
The King 334
The Employers' Reply ... 334
The Bye-Elections..... 334
The Pact of the Lateran.. 334
China and Japan 335
The Reparation Experts' Conference 335
The Week in Parliament 335
January Overseas Trade 336
Shppng Freight Index No. 336
Rubber Prospects 336
Wheat in 1927-28..... 337
Canadian Trade Relations with the United States 337
Trade in East Africa..... 337
British Trade with Argentina..... 338
American Anti - Trust Legislation..... 338
PrudentialAssurance Co. 338
National Provident Institution 338
Scottish Widows' Fund... 339
Life Office Bonus Announcements 339
Transvaal Output in January 339
Oversea Correspondence—
United States..... 339
France..... 340
Germany..... 341
Hungary 342
Jugoslavia 342
Russia 343
Japan 344
Letter to the Editor—
Stabilisation of Prices.... 345
Books and Publications—
A New View of Wage Theory..... 345
East of Suez..... 345
Government and Municipal Securities..... 346
Books Received..... 346
The Stock Exchange—
The Armstrong Whitworth Reconstruction Scheme.. 347
Railway Grouping in the United States..... 348
The Week in the Markets 349
London Active Securities 349
Dearer Money and the Stock Exchange..... 350
Home Railway Dividends 351
Underground Rly.Results 351
Mr. Courtauld on Artificial Silk..... 351
Atlas Light and Power.... 352
Selfridge and Harrods ... 352
Maple 352
Borax Consolidated..... 352
Allgemeine Elektricitats Gesellschaft 353
Company Reorganisation 353
Imperial Tobacco Co. ... 353
The V.O.C. Holding Co. 353
Capital Issues..... 354
Summary of Balance Sheets 355
Company Meetings..... 356
Government Returns—
National Accounts..... 364
National Debt..... 365
Public Income and Expenditure 365
Treasury Bills by Public Tender 366
Bankers' Gazette—
Bank of England 366
Bankers' Clearing Returns 366
Overseas Bank Returns... 366
Loan and Discount Rates 368
Rates of Exchange..... 368
Bullion 369
Gold and Silver Prices.... 370
Company News—
Weekly Traffic Returns... 370
Transvaal Gold Output Statistics..... 371
Mining Output Statistics 371
Dividend Announcements 371
Oil Outputs 372
Reports and Notices..... 372
Profit and Loss Accounts 374
Commercial Reports—
Corn Trade..... 375
Coal 375
Iron and Steel..... 376
Other Metals 376
Cotton Trade..... 377
Wool Trade 377
Hide and Leather Trades 377
Vegetable Oils..... 378
Jute Trade..... 378
Overseas Produce 378
Price Current 379

TERMS OF SUBSCRIPTION.
Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly £2 18s. 0d.
Colonies and Abroad, £3 1s. 0d. per annum.
Single Copies, post free, 1s. 1d.
Cheques and Post-office Orders to be made payable to "Economist" Newspaper, Limited.
Office: 6 Bouverie street, Fleet street, London, E.C.4.

THE MONEY MARKET.

FOLLOWING a rise in Bank rate to 5½ per cent., money was comparatively easy on Friday and Saturday of last week, but on Monday of this week stringent conditions developed, and on the following day a small amount had to be borrowed at the Bank. On Wednesday a full 4½ per cent. was paid for short money, and the market largely escaped further resort to the Bank, while on the

following day when the market again found itself "in the Bank," the rate rose to 6¾ per cent. for night money, the highest it has been for years. There was no definite explanation of this stringency in the market, but there are certain factors, whose existence is more or less known, which between them go some way to explain it.

* * * *

To begin with, this is a time of year when the inflow of revenue normally creates stringency, and the upheaval of a week ago should not make the market lose sight of this fact. This week it is known that large sums are being transferred to the Treasury's account at the Bank, and the latest Bank return indeed shows an increase of £11,284,341 in Public Deposits. It is true, of course, that, as revenue comes in, so Treasury bills are gradually redeemed, and that normally the market could expect to be supplied with funds from this source. This year, however, a fair number of February maturities are already held by the Bank itself, and so their repayment brings no benefit to the market.

* * * *

It is possibly because of the last factor that Government securities held by the Bank show a decline on the week of £6,979,471, a decline which far outweighs the small amount of £1,732,562 which the increase in the item Discounts and Advances shows the market to have borrowed during the week. In any case the net result of tax payments and Treasury bill maturities is clear. The former transfers money from the clearing banks to Public Deposits at the Bank—witness the contraction of £10,300,984 in Bankers' Deposits, as against the increase of £11,284,341 in Public Deposits; this year the latter has simply caused money which normally would have been available in the market to disappear into the Bank.

* * * *

So far the rise in Bank rate has had the desired effect upon the Bank's gold stocks, which this week have risen by £236,929. The New York exchange, however, is still lower than is desirable. The banking department's reserve has expanded by £5,058,158, and its proportion to 50¼ per cent., but these changes are due to the return of £4,821,229 of notes from circulation—possibly the result of tax payments by those who prefer to make them in currency. It is clear from the Bank return as a whole that the Bank has not used this accession to its reserve as a ground for easing the monetary situation through its open-market policy.

	Feb. 14, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 24, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5½	5½	4½	4½	4½ (Feb. 7,'29)
Banks' Deposit Rate..	3½	3½	2½	2½	2½ (Feb. 7,'29)
Discount Call.....	3½	3½	2½	2½	2½ (Feb. 7,'29)
Houses Notice.....	3¾	3¾	2¾	2¾	2¾ (Feb. 7,'29)
Market rate (3 months' bills)	5¼	5⅛–⅛	4 5/16	4 5/16	...

This suggests that now the Bank feels that its immediate duty is to make its new rate effective. At the end of last week market rate was only a shade over 5 per cent. This week's stringency has driven it up to a full 5¼ per cent., which is possibly more in accordance with the level the Bank thinks advisable. Even so, Thursday's degree of stringency appears a little extreme, though the weakening of the New York exchange to 4.85¼—*i.e.*, nearly back to the gold point—possibly justifies the exercise of a firm control. Meanwhile, the discount market is noticing a slightly better foreign demand for bills as the result of the higher rates now in force, but on the other hand fears are being expressed lest the same cause may divert a certain amount of acceptance business from London to other centres, particularly to Amsterdam.

NEW YORK MARKETS.

Our New York correspondent cables:—The Federal Reserve statements show continued sales of bills, and, this week, of Government securities. The discounts of the whole system have risen by $52 million. Gold imports of $22 million are recorded, which have temporarily eased the rate for call money and lifted the ratio by one-half per cent., despite an increase in circulation. The New York Bank is responsible for all the rise in discounts. There are some indications of a movement of funds to the interior, with brokers' loans down by $100 million. The maintenance of the 5 per cent. discount rate is anticipated in New York, any change being expected to be made in other districts first. Business shows a normal spring gain, with railroad traffic higher than a year ago, steel output near record levels, and the activity of the motor industry increasing.

THE STOCK MARKETS.

The change in Bank rate continued to exercise a dominating influence on the course of prices. All securities of an investment character slowly fell back, led by British Government stocks. The three Home Railway dividends announced on Wednesday on the whole satisfied expectations, but the immediate improvement in price quotations did not last long. Industrials were quiet and generally dull, a "bearish" statement by the chairman of Courtaulds being a feature of the week. Few buying orders came over from America. Rubber and oil shares improved somewhat, but teas weakened. Mines were less active than of late, quietude enveloping even Rhodesians, and the upward movement of tin shares, reported a week ago, entirely ceased.

THE COMMODITY MARKETS.

Market reports this week, though uneven, are on the whole encouraging. Coal prices continue to be very firm, and most branches of the iron and steel trade report increased activity. Manchester is suffering from poor export trade, though the improvement in the home market is maintained. The wool trade is badly hampered by lack of confidence in wool values coupled with slackness in manufacturing demand. Raw jute is firm, and the position of spinners and manufacturers is satisfactory. Hides are falling and the leather and allied trades are in consequence unsteady. Oil seeds are firm and oils have risen. Wheat is substantially dearer.

FOREIGN EXCHANGES.

Greater activity was noticeable, accompanied by irregularity in the movements of most foreign exchanges, but although there was some reaction from the best levels, the effect of the change in the Bank Rate was evident in the strength of sterling against the Continent and America. New York stood at 4·85⅝ after being 4·85⅞ on Friday, and Montreal at 4·86⅝. Paris went to 124·28 after touching 124·35, and Brussels lost over three points at 34·92½. Madrid was again erratic at 30·85, as was Amsterdam at 12·11¼. Berlin was weakish at 20·45⅜ after being both higher and lower, and so was Geneva at 25·23½. The Scandinavian currencies all lost fractionally on balance, and Vienna moved from 34·51 to 34·55. The South American exchanges remained unaffected, but in the Far East the rupee showed weakness at under 1s. 6d., although it came back on Thursday to that level. The yen was also weak, having lost 3/32d. at 1s. 10 13/32d., and Batavia lost ⅝ at 12·14⅝. A readjustment of forward quotations inevitably followed the Bank Rate change, Paris being now at premia of 9 and 16 centimes, Brussels of ½ and 1½ centimes, and Amsterdam of ⅝ cents and 1¼ cents for the two periods. The silver market was quiet with China closed for holidays and India inactive through political disturbances, and both spot and forward prices lost 3/16d. in the absence of support. Both Hongkong and Shanghai reacted in sympathy, the former losing 3/16d. at 2s. 0⅛d. and the latter ⅛d. at 2s. 6⅞d.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Sun Life Assurance Society, Gas Light and Coke Co., South Metropolitan Gas, Wandsworth, Wimbledon and Epsom District Gas, Tilling and British Automobile Traction, Sterling Trust, Standard Trust, Railway Debenture and General Trust, Railway Share Trust and Agency, Ampat (Sumatra) Rubber Estates, V.O.C. Holdings, S.T.D. Motors, Whittaker Automatic Looms, Aeonic Radio, and San Francisco Mines of Mexico. The Governor of the Gas Light and Coke Co. referred to the possibilities of low-temperature carbonisation. The Sun Life Assurance chairman's speech dealt with the growing popularity of staff schemes of superannuation by means of endowment insurance.

THE MINORITY DILEMMA.

The amount of attention attracted by recent speeches of Sir Herbert Samuel, in which he explained what the Liberal Party would not do in the next Parliament, is in one sense disproportionate to the significance of his much-discussed pronouncements. Whether or not his statement "That in any eventuality the Liberal Party would not again lend support to the installation and maintenance in office of a Socialist Government" represented a slight modification of Mr. Lloyd George's declaration at Yarmouth that the party would not repeat the "disastrous experiment of 1924," or meant quite simply (and, it may be added, obviously) that the party would never again give a Labour Government a blank cheque, it is possible to agree with Sir Herbert Samuel's view that "a discussion of a wholly problematical character dealing with circumstances which will very possibly never arise" is at the present juncture somewhat premature. The practicability of a pre-election pact is not in question, and each of the three political parties will fight the approaching General Election in a position of complete independence, with the attainment of a self-contained majority in the next Parliament as their objective.

Yet, in another sense, the interest which Sir Herbert Samuel awakened is a measure of the concern with which the potential results of the General Election are being regarded by the more thoughtful sections of the electorate. The House of Commons, as the public knows, is furnished with only two lobbies; and, with due respect to Sir Herbert Samuel, "circumstances" may very probably arise in which no single party in the next Parliament can command a clear majority of its own. What then? Clearly, if the King's Government is to be carried on, there must either be a coalition (ill-sounding word in English ears) between two of the three parties, or one party must be installed in office as a minority Government dependent on the support—unconditional or on terms—lent to it by one of the two other parties. Viewing the field of politics, as we do, not from the standpoint of party strategy or advantage, but solely from the aspect, as we see it, of the public interest, we consider that the issues involved in Government by minority are a matter on which it is right and proper that opinion should be fully exercised before the General Election fever robs the country of proper opportunity for sober consideration.

The problem, however, has wider implications than those with which Sir Herbert Samuel was concerned. "*Suave mari magno*"—the Conservative and Labour parties, both standing at present on the *terra firma* of relative numerical superiority, are well content that Liberal candidates, as members of the party most likely, it may be thought, to be in the position after the General Election of holding the balance of power, should be placed in the dilemma of having to answer the edged question: "Into which Lobby will you go if you are elected, and if another party holds office?" In reality, however, the dilemma confronts all three parties in the State, and the question, hypothetical though it be, might equally well be addressed to every candidate. Given three parties, and the vagaries of our electoral system, the Conservative and Labour parties may possibly each in turn have to determine sooner or later whether or not to turn out of office a Government from whose policy they dissent, and whether or not to co-operate in Parliament, or in office, with a party whose tenets are in some degree repugnant to their own.

This being so, the extent and limits of what Mr. Lloyd George described as the "vast and fertile territory common to men of progressive minds in all parties," becomes a question for careful examination before "circumstances," in which rapid decisions have to be taken, arise. Our distinguished contemporary, the *Manchester Guardian*, which has recently envisaged the formation of "a great middle party of the progressive forces of the country," published last week an interesting series of articles by Mr. J. A. Hobson, the thesis of which was that between the Liberal and Labour parties there is sufficient common ground, in the sphere not only of domestic and foreign "politics" but of economic action, to make co-operation between them both practicable and, certainly, preferable to a "three-party stalemate" whose continuance might endanger our Parliamentary institutions and our well-being as a nation. It is a thesis from which a number of Liberals—keenly apprehensive of the doctrinaire Socialism of the Labour Left—will dissent. Unobjectionable, also, as they may consider Labour's foreign policy likely to be, they will not only want to be reassured that self-protection of Labour by Trade Unionism does not lead to insidious demands for Protection by tariffs, but will feel that, though the day for rigid *laisser faire* individualism may long have passed, and though the majority of the Labour Party may be steadily retreating from the extravagances of revolutionary Socialism, a closer affinity may still be found between Liberalism and the attitude of modern Conservatism, as exemplified by certain of Mr. Baldwin's more progressive supporters, not only in respect to the relationship between the State and industry, but in the still more fundamental conception of the individual right to liberty.

On the other hand, there is an impassable gulf between Liberalism and the tariff policy to which Mr. Baldwin is increasingly committing his party, while the purely negative view of the economic functions of the State, which the Conservative Party as a whole—setting aside the spirit of complete reaction crystallised in the Right Wing—tends to entertain, is quite alien to the constructive programme on which Liberals are basing their appeal to the electorate. There are, moreover, some Liberals who are inclined to argue that, if this programme cannot be realised by their party unaided, better an alliance, for the programme's fulfilment, with a party who would "go further," if they could, than a *mariage blanc* with a Conservatism reluctant to move at all. It is clear, therefore, that short of one party obtaining a clear majority in the House of Commons, the "stabilisation" of the next Parliament is likely to be precarious and difficult. The formation of a "Centre Bloc" appears to us to involve so sweeping a departure from our traditional party system as to be almost incapable, under existing conditions, of realisation, and to afford small prospects of enduring, if such a break-up of party homogeneity were brought about. Failing such a "Bloc," and since we may dismiss the idea of a Conservative-Labour *rapprochement*, there remain the possibilities, firstly, that Government might be carried on by a Liberal Cabinet, tolerated grudgingly by two Opposition parties, each dissenting (for different reasons) from Liberalism's distinctive principles; secondly, that the Liberal Party might agree to support conditionally either a Conservative Cabinet pledged to reverse its policy of "encroaching Protection," or a Labour Ministry sworn to refrain from Socialism. The first alternative, involving, as it would do, the repeal at the earliest possible date of every existing protective duty, would be unacceptable to large numbers of the Conservative Party; the second would be rejected in all probability by the more impetuous elements on Mr. MacDonald's Left. Neither alternative is suggestive of stable Government or the pursuance of consistent, constructive policy, since both imply a Cabinet hesitatingly carrying out on sufferance a programme emasculated as the price of office.

In sum, it is idle to pretend that the country is not faced with possible, even probable, political eventualities which will test severely our capacity both for commonsense and clear thinking. While it is needless to speculate too closely on Election chances, there are real prospects, as parties are now aligned, of a situation arising pregnant with confusion and complicated by the fact that, as we have seen, both in economic and "political" spheres (if the distinction may be allowed), party tenets in many ways interlock and divide, to the electorate's further mystification. Amid a welter of uncertainties there are three things which seem to us so probable as to amount almost to certainties. They are these:—That the Three-Party system has come to stay;

that the political genius of the British people should not find it impossible to solve the problems which that system creates; and that first among the measures leading to such solution will be a radical reform of the present method by which the House of Commons is elected by the people.

THE FREEDOM OF THE SEAS.

LAST week we drew attention to the Reed Amendment which was incorporated in the Cruiser Act as the Act passed the Senate at Washington. This clause calls for the negotiation of treaties to establish the inviolability of private property in war-time at sea. In commenting on this, we remarked that it presupposed the conditions of international life which obtained before the conclusion of the Kellogg Pact—conditions under which any sovereign state had the right to make war against any other for its own purposes and at its own discretion, so long as it did not incidentally make itself an intolerable nuisance to those third parties who remained "neutrals." Under this old international dispensation, which has just been superseded, the rights of "neutrals" were the necessary corollary to the right of private belligerency for national ends; and we suggested that, with the abolition of the right of war as an instrument of national policy, the rights of neutrality would cease automatically to be what they formerly were. We might put the same point in another way by suggesting that the former separate and antagonistic rights of belligerents and neutrals in a world in which war-making was lawful will now give place, in case of any future war, to a single system of obligations all arising out of the Kellogg Pact.

In past wars there have been only two juridical categories of States, the neutrals and the belligerents; and there was no distinction between the belligerents on the two sides which placed them in different positions *vis-à-vis* the neutrals juridically. Under the new dispensation there will be, in case of war, not two categories of States but three—the differences between their positions being determined by their conduct in regard to the Kellogg Pact, to which they will all be parties. There will be one party, or group of parties, to the Kellogg Pact which will have violated the Pact by resorting to war as an instrument of national policy; there will be another party or group of parties which will be at war without having violated the Pact, because they will be either exercising the right of self-defence which the Pact allows or else assisting in the defence of their neighbours; and, finally, there will be a third group of parties who will be in the same camp as the second group inasmuch as they will be abiding by the Pact, but will be in a different position inasmuch as they do not find themselves called upon to join in opposing the violator of the Pact by force of arms.

Will the members of this third group be "neutrals" in the old sense of the term? Hardly, since it is the essence of neutrality to make no juridical distinction between the belligerents on the two sides, and it is impossible to see how, under the Kellogg Pact, this juridical ban upon discrimination between the two sets of belligerents can obtain. If a war arises, it can only arise through some party to the Kellogg Pact having violated it; and other parties to the Pact, who are fortunate enough to find themselves not directly and immediately involved in the war, will be bound to ask themselves the question: Which of the parties now at war is guilty of having caused the war by violating this Pact of which we are co-signatories? The country which is not at war, if it happens not to be a member of the League of Nations, will not, of course, accept *a priori* the decision of the Council of the League as to which of the fighting parties has committed the breach of the Pact; but it can hardly refrain from coming to a decision on this question on its own account, whether that decision happens or not to agree with the Council's.

The reason why it will be bound to make up its mind on this matter is that, having become a party to the Pact, it has incurred an obligation to do everything within reason to see that the Pact is kept and that violators of the Pact are brought to book. In any given case of violation, it may not be reasonable that this or that State should go the length of taking up arms in defence of the Pact; but there can presumably be no circumstances in which it would be reasonable for a party to the Pact to treat a State which it believed to have violated the Pact on the same juridical footing as a State or States which it believed to be fighting either in self-defence or in the defence of victims of violation of the Pact, and in resistance to the Pact-breaker. Any party to the Pact, when it had made up its mind as to which of the belligerents was the culprit, would logically be obliged to take sides, at least passively, by refusing to extend to the outlaw the same treatment as it gave to the parties which were at war without having violated the Pact. This obligation would be important in proportion to the importance of the behaviour of the non-belligerent States in deciding the issue of the war; and clearly in certain circumstances, the importance of their behaviour would be capital. The concrete question is whether, in case of a violation of the Kellogg Pact, a non-belligerent State shall claim the same rights against, and therefore impose the same restrictions upon the action of, the non-violators and the violators of the Pact when these are at war with each other because a violation has been committed.

This question is very much in our minds in Great Britain; but it has also exercised the minds of statesmen in the United States, and Senator Capper's resolution is an attempt to solve the problem which it raises. It is therefore interesting that the Senator has brought his resolution before the Senate again in a new form, immediately after the passage of the Cruiser Act containing the Reed Amendment above-mentioned. The gist of the Capper resolution is that, in case of a violation of the Kellogg Pact which does not involve the United States in belligerency, the United States should, nevertheless, not behave as a neutral in the old sense, but should discriminate against that belligerent which she considers to have been the violator of the Pact and in favour of the other belligerent or belligerents whom she considers to be acting within the four corners of the Pact either by exercising the right of self-defence or by assisting a party which has been attacked to defend itself against the violator.

Senator Capper proposes that the American Government should place an embargo on the export of war material from the United States to any country which the United States regards as a violator of the Pact, and, further, that it should not support private American citizens who give "aid or comfort" to the violator State. Presumably this means that the American Government would not intervene on behalf of such private American citizens if, in aiding the violator, they exposed themselves to sanctions at the hands of the belligerents in the opposite camp. Such American citizens would, indeed, be acting against the policy of their own Government, and it would therefore only be natural that their own Government should wash its hands of them if they got into trouble with other Governments in this bad cause.

In effect, Senator Capper says to Senator Reed: "Whenever it is a case of neutrality in the old sense, I agree with your demand for the inviolability of private property at sea; but I do this on one condition: whenever it is a case of a violation of the Kellogg Pact, the old rights of neutrality ought not to be insisted upon if insistence on them means treating the violator of the Pact and the parties who are up in arms against the violator on a footing of equality. For in this situation the two belligerents are not on an equal footing juridically. *Ex hypothesi*, one has brought on the war by violating the Kellogg Pact, and the other has not; and it is the duty of third parties to discriminate between them, since these third parties are also signatories of the Pact and are therefore under an obligation to do all that they can reasonably be expected to do in order to see that the Pact is upheld."

This is the issue which has just been raised in the Senate at Washington by the introduction of the Capper Resolution immediately after the passage of the Reed Amendment in the Cruiser Act. The Senate's actions are harder to predict than those of almost any other legislative body in the world, and prophecy is therefore idle. It may merely be noted that Senator Borah has declared himself against the Resolution; and this is rather a bad omen for its fortunes. Yet, whatever the fate of the Capper Resolution

The New York Trust Company

Capital, Surplus & Undivided Profits - $35,000,000

COMPLETE INTERNATIONAL
BANKING FACILITIES

100 Broadway New York City

may be, it is all to the good that it has been brought forward, because it will cause the issue which it raises to be closely debated and considered. Sooner or later, this issue will have to be discussed between the United States and Great Britain; and this future international discussion is much more likely to have fruitful results if the ground has been prepared by previous discussions in each country.

THE DIRECTION OF OVERSEAS TRADE.

WITH the January returns of overseas trade, to which reference is made on a later page, are published the customary statistics showing the countries of origin of imports and of destination of exports and re-exports for the past year. In the "Board of Trade Journal" these figures are supplemented by an analysis showing the proportions of our trade with various parts of the world to that total, trade with the Irish Free State being omitted:—

	Imports from		Exports to		Re-exports to	
	Foreign Countries	British Empire.	Foreign Countries	British Empire.	Foreign Countries	British Empire.
	%	%	%	%	%	%
1913	75·13	24·87	62·82	37·18	87·58	12·42
1925	70·37	29·63	60·82	39·18	89·40	10·60
1927	73·13	26·87	57·44	42·56	88·92	11·08
1928	72·98	27·02	58·05	41·95	88·23	11·77

In comparing 1928 with the preceding year, regard must be paid to the abnormal conditions prevailing in the early months of 1927. During those months our imports of coal were still considerable, as contracts entered into during the closing months of the coal stoppage had not expired. Partly for the same reason, imports of iron and steel were also unusually large during those months. As all these imports came from foreign countries, the result was an artificial depression of the Empire percentage and an inflation of the foreign percentage. The changes in both percentages recorded between 1927 and 1928 are partly a measure of the disappearance of this artificial factor, though a comparison of the 1925 and 1928 import percentages shows a distinct swing in favour of foreign countries. The same tendency is noticeable in the export percentages, and the day is still far distant when Empire trade is likely to become an adequate substitute for trade with the world at large.

In the next table, which summarises the distribution of our trade geographically, trade with the Irish Free State is also omitted:—

Class of Trade.	Europe.	Africa.	Asia.	North America.	South America.	Oceania, etc.	Total.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Imports:							
1913	40·53	6·10	12·71	23·86	9·06	7·74	100·00
1927	37·01	7·16	13·45	24·19	9·59	8·60	100·00
1928	36·61	7·86	12·30	24·10	10·10	9·03	100·00
Exports (British Produce):							
1913	34·64	9·87	25·20	11·99	9·59	8·71	100·00
1927	30·27	11·99	23·58	13·15	8·93	12·08	100·00
1928	29·95	11·82	23·64	13·90	9·67	11·02	100·00
Exports (Imported Merchandise)							
1913	56·02	3·31	2·48	32·26	1·97	3·96	100·00
1927	68·27	3·51	2·63	21·30	1·31	2·98	100·00
1928	66·43	3·83	2·49	22·98	1·49	2·78	100·00

The decline of 1.15 per cent. in imports from Asia reflects mainly the fall in rubber prices, for all these percentages are based on the value, not the volume, of imports. The slight recession in the European import percentage is possibly due to the decline in our iron and steel imports noted above. On the export side, the most encouraging feature is the increase in both the American percentages, that for North America being in 1928 practically two points greater than it was in 1913.

A more detailed analysis of the figures shows the fluctuations in trade with various countries. The appended table compares imports and and British exports to the principal European countries with those of 1927, 1925 and 1913:—

	Imports from.				Exports to.			
	1913.	1925.	1927.	1928.	1913.	1925.	1927.	1928.
	£	£	£	£	£	£	£	£
France	49,498	71,980	69,900	67,269	32,396	38,673	30,159	32,077
Italy.....	8,131	19,436	16,861	15,813	14,640	18,979	13,621	14,440
Switzerland	11,070	19,033	14,411	14,369	4,212	8,204	7,645	7,923
Spain.....	15,976	23,657	22,090	21,808	9,728	12,715	12,389	11,727
Portugal ...	3,898	6,299	5,465	4,721	6,053	8,427	8,931	12,389
Belgium.....	23,426	36,236	46,995	43,861	13,528	19,662	16,904	17,596
Germany ...	80,411	48,156	59,916	63,731	40,677	44,206	41,879	40,950
Czecho-Slovakia...	...	10,737	9,294	8,189	...	1,560	1,835	3,168
Jugo-Slavia	...	369	485	616	...	1,285	1,273	1,269
Austria ... }	7,706	{ 2,598	2,427	2,319	} 4,481	{ 2,212	2,420	2,706
Hungary.. }		476	3,410	568		586	967	1,000
Greece.....	2,202	3,102	136	3,230	2,537	6,058	4,752	4,888
Roumania ..	2,037	2,278	2,408	1,761	1,947	3,071	2,682	2,989
Turkey (European)	1,165	847	1,232	1,285	2,414	3,574	2,403	2,016
Russia.....	40,271	*32,887	*29,692	*29,933	18,103	*8,705	6,566	4,962
Finland	...	13,223	15,895	13,237	...	3,959	3,234	3,601
Poland	...	5,143	8,101	5,791	...	3,708	5,319	5,253
Sweden	14,213	21,317	25,259	22,045	8,220	11,508	9,654	9,715
Norway.....	7,437	12,973	12,923	12,008	6,147	8,104	7,455	7,939
Denmark ...	24,053	49,303	49,997	53,068	6,061	10,987	9,802	9,773
Netherlands	27,913	62,000	61,912	58,737	22,794	36,526	30,631	32,167
Total	319,407	442,050	456,401	442,598	193,938	253,709	222,521	229,548

* Including Esthonia, Latvia and Lithuania.

The totals show that the balance of trade between Great Britain and Europe has moved unmistakably in favour of this country. Imports between 1927 and 1928 fell by £13.8 million, and exports rose by £7.0 million, making a total gain on balance of £208.8 million. The

The next table gives similar details for trade between Great Britain and America:—

(000's omitted.)

	Imports from.				Exports to.			
	1913.	1925.	1927.	1928.	1913.	1925.	1927.	1928.
	£	£	£	£	£	£	£	£
United States	143,854	250,282	202,666	191,048	30,478	53,451	46,769	47,905
Cuba	3,675	11,620	6,608	10,170	2,214	2,607	2,099	1,648
Mexico	1,880	5,323	5,524	2,379	2,333	3,137	2,200	2,802
Argentina	42,485	68,544	76,496	76,785	22,641	29,177	26,992	31,213
Brazil	10,008	5,943	4,480	4,691	12,465	16,145	14,389	16,031
Chile	5,359	12,276	7,462	9,185	6,010	6,028	5,183	5,129
Peru	1,378	8,511	8,224	6,707	1,488	2,384	2,088	1,955
Uruguay	2,749	4,867	4,581	7,029	2,916	3,168	2,862	3,108
Japan	4,389	7,348	8,165	8,737	14,783	16,448	15,246	14,692
China	4,672	14,739	12,123	11,978	14,845	14,555	9,690	15,718
Turkey (Asiatic)	4,251	1,599	1,758	1,382	5,291	1,026	778	719
Egypt	21,395	34,235	23,681	26,297	9,805	16,441	12,564	11,186
Other countries	9,917	26,800	33,511	33,739	10,731	19,892	19,050	14,213
Total	257,812	451,087	395,279	390,127	136,000	184,457	159,910	166,319

Here again there has been a distinct movement in favour of Great Britain, imports having fallen by £5.1 million and exports risen by £6.4 million.

The next table deals with purely Imperial trade. Here imports have fallen by £2.4 million. This is due entirely to the rubber situation, as imports from Malaya and the Straits Settlements have shrunk by £9.0 million. Apart from this factor, imports from the Empire have definitely increased. Exports show a slight improvement of less than a million pounds:—

	Imports from.				Exports to.			
	1913.	1925.	1926.	1927.	1913.	1925.	1927.	1928.
	£	£	£	£	£	£	£	£
Canada	30,488	70,727	55,152	57,110	24,795	27,562	29,250	34,268
Australia	38,065	72,740	52,814	54,519	34,470	60,168	61,232	55,770
New Zealand	20,338	51,332	46,549	47,315	10,838	23,097	19,608	19,297
India and Ceylon	56,218	97,034	82,483	78,322	74,458	90,988	90,920	89,892
South Africa	12,495	25,196	21,415	24,245	22,185	30,688	30,501	31,674
West Africa	5,174	13,784	11,467	11,440	6,601	13,942	14,690	14,827
Mauritius	293	1,421	3,742	3,312	536	881	832	657
Straits Settlements	15,880	18,770	16,577	10,347	5,836	11,517	11,405	11,440
Malay States	3,574	5,020	5,089	2,263	...	1,996	3,359	3,652
West Indies	2,116	5,929	4,488	5,346	2,339	4,004	4,528	5,113
Irish Free State	...	43,394	43,247	45,144	...	40,162	36,200	35,136
Other Possessions	6,955	24,374	23,658	24,852	14,249	29,916	24,125	25,834
Total from Possessions	191,516	429,721	366,661	364,215	195,307	334,921	326,650	327,560

The final table deals with re-exports. Here 1928 is not quite so good as the previous year, but inasmuch as one of our principal re-export trades is that of raw rubber it is clear that these figures, too, have been given an unfavourable bias by last year's collapse in rubber prices:—

RE-EXPORTS (000's omitted.)

To.	1913.	1922.	1923.	1924.	1925.	1926.	1927.	1928.
	£	£	£	£	£	£	£	£
France	12,072	17,915	19,403	18,062	23,437	20,430	18,706	18,770
Italy	1,012	1,730	2,161	2,374	2,837	1,975	2,247	2,123
Belgium	7,436	10,670	10,260	10,216	10,303	8,134	8,819	10,378
Germany	19,823	16,986	18,266	28,912	27,283	20,922	27,538	26,414
Russia	9,591	2,387	3,732	8,911	13,777	8,543	6,781	2,085
Sweden	1,014	1,525	1,832	1,810	1,743	1,289	1,029	1,243
Norway	518	714	730	645	787	566	504	449
Denmark	590	1,243	1,738	1,667	1,227	884	767	782
Netherlands	5,160	6,100	5,916	7,417	7,019	4,755	4,972	5,021
United States	30,222	21,677	25,966	24,640	31,195	25,865	21,463	22,145
Japan	297	270	254	303	265	276	232	265
Other countries	8,066	7,188	7,393	8,667	8,219	8,173	7,851	7,909
Total for forgn. countries	95,801	88,402	97,651	113,624	128,092	101,812	100,909	97,584
British Possessions	13,774	15,376	20,922	26,525	26,319	23,683	22,044	22,768
Total	109,575	103,778	118,573	140,149	154,411	125,495	122,953	120,352

It remains to consider the conclusions suggested by these returns. The first is the old lesson that all statistics need very careful interpretation. The abnormal coal and steel imports of 1927, and the distortion caused by the slump in rubber prices in 1928, both emphasise the need for care. The second emphasises the extreme difficulty of moving the world's trade from its accustomed channels. Despite the intervention of the greatest war in the history of the world, the 1928 percentages of British trade with the six continents are little different from those of 1913. A slight contraction in the European figures, with the consequent increase spread over the rest of the world is the most striking change in the direction of trade which the figures show. This suggests in its turn another lesson, and that is that it is far easier to arrest the stream of trade than to divert its flow. It is a lesson that has been known for many years, but which Governments all the world over have been prone to ignore. It is that a barrier to check trade can easily be made effective. A barrier to divert or to conserve trade is almost certain to fail.

IRON AND STEEL IN 1928.

THE production of British steel in 1928 reached 8,525,100 tons, and was higher than in any other post-war year except 1920 and 1927. Any complacency which the latter comparison may suggest, however, quickly disappears when the year's output is considered in relation to the ruling factors in the industry at the present time, such as the steel-making capacity of Great Britain, the increased production of other countries, the prevailing level of prices, the amount of unemployment in the industry, and the financial results achieved by representative concerns.

The capacity of the industry was so greatly expanded during the war that a production exceeding that of 1913 by only 11 per cent. leaves the industry operating at less than 70 per cent. of capacity, a state of affairs which tends to maintain costs at a relatively high level. The increase of 11 per cent., moreover, compares with a rise of 60 per cent. in the United States, and 28 per cent. in the countries of Western Europe taken as a whole. Another cause of dissatisfaction to manufacturers is the low prices obtained for iron and steel products. Largely owing to Continental competition, prices have been driven down until in August last they were on the average no more than 11.7 per cent. above 1913. The most satisfactory feature of the year was, in fact, the gradual hardening of prices in the autumn, until in December they were 12.3 per cent. above the pre-war level, with a tendency to rise still further. The Ministry of Labour's figures showed that unemployment averaged 20.9 per cent. throughout the year, while our quarterly analyses of industrial profits afford a testimony of the meagre financial results obtained by many of the largest companies in the industry.

British Production, Imports, and Exports of Iron and Steel, 1913 and 1925 to 1928.

	Furnaces in Blast.	Production. Pig Iron.	Production. Steel Ingots and Castings.	Imports.	Exports.
		(In thousands of tons.)			
1913—Monthly average	338	855·0	638·6	185·9	414·1
1925— " "	151	521·8	615·5	226·7	310·9
1927— " "	168	607·7	758·1	367·2	350·0
1928— " "	140	550·9	710·4	241·3	371·8
1928—January	148	560·5	626·2	283·9	332·2
February	148	550·8	764·4	286·9	317·0
March	150	592·6	793·3	271·5	409·3
April	149	563·1	644·1	252·7	344·3
May	148	591·5	752·7	236·9	359·0
June	141	563·7	709·0	210·4	365·9
July	131	537·8	666·9	219·0	333·1
August	130	519·0	648·3	272·4	369·8
September	131	503·9	718·6	184·5	295·1
October	136	543·6	756·0	261·4	377·4
November	135	544·4	762·5	232·8	399·4
December	132	540·4	683·1	183·6	358·7

If the position with regard to steel production is unsatisfactory, that of pig iron is worse, production in 1928 amounting to only 6,611,300 tons, an amount 36 per cent. less than in 1913, and no higher than in 1871. This state of affairs was due partly to a decline in exports, partly to the increased use of scrap in steel making and in iron foundries, partly to the depression in the wrought-iron trade, and partly to the depression in the shipbuilding and other iron-using industries.

Imports of iron and steel, though lower by some 1,510,000 tons than in 1927, when they were abnormally high owing to the results of the coal stoppage of 1926, were higher than in any previous normal year. Two bright spots in an otherwise depressing picture were that total imports of iron and steel in the last quarter of the year were 164,500 tons less than in the first quarter, and that imports of pig iron, which reached the very high total of 579,300 tons in 1927, were reduced to 93,700 tons in 1928, and were, in fact, little more than half the imports of 1913. This suggests that British makers are able to hold their own in those cases where the labour element in the cost is low. Imports of semi-finished steel were 36 per cent. above those of 1913 and of finished products 40 per cent. Although imports of pig iron have been so substantially reduced, prices have not fallen sufficiently to stimulate exports, and the fall in the total exports of iron and steel between 1913 and 1928 of 700,000 tons is very largely accounted for by the decline in pig-iron exports. If pig iron be excluded, exports of other kinds of iron and steel compare not unfavourably with 1913. A large part of the decline in the exports of pig iron is due to reduced exports to Continental markets, and there is no doubt that, but for tariff barriers, substantial quantities of pig iron would again be exported to France and Germany, since the Press of both countries is constantly complaining of the competition of British pig iron, which tends to keep down prices. It is significant that Belgium, where the tariff on pig iron is very small, imported as much pig iron from Great Britain in 1928 as in 1913. Other markets consuming less British pig iron are India and Australia, who are now self-supporting, Japan, who now supplements her home production from India instead of from Great Britain, and the United States, from which we are largely excluded by the tariff.

The reasons for the continued depression in the industry continue mainly to be those set out in these columns in previous years. Among these may be specially mentioned the advantages Continental producers possess in lower capital charges, lower charges for rates, taxes and social services, the disparity in the internal and external purchasing power of the French and Belgian currencies, and, especially, the lower wages and longer hours worked on the Continent. Wages on the Continent have a tendency to rise, but even now the rates paid in the United Kingdom are 33 per cent. higher than those prevailing in Germany, which, in turn, are 50 per cent. higher than in France and Belgium. Although rationalisation and increased efficiency can scarcely overcome all these disadvantages, the industry is taking noteworthy steps in this direction, as is evidenced by the arrangements already made between Vickers-Armstrongs and Cammell Laird and Cargo Fleet and South Durham; the negotiations now pending between Bolckow Vaughan and Dorman Long, and between the Wigan Coal and Iron Co. and other interests, to mention only the most outstanding examples.

A further measure which will tend to reduce the difference between British and Continental costs is the reform in the archaic rating system, which, as from October 1st next, will relieve productive industry of 75 per cent. of its local rates. The industry will also benefit to some extent from the provision which requires the railway companies to pass on the benefits which they secure from the derating measure to certain selected traffics, including materials for the iron and steel industry. Among movements initiated by the steel makers themselves, the Rebate Scheme—whereby, in return for price concessions, shipbuilders undertake to purchase nothing but British steel—is having good results, and is now subscribed to by practically the whole of the shipbuilders of the country. In the sphere of export trade, Mr. A. Dorman informed the shareholders of his company in December last that "an export selling committee has been formed in an endeavour to meet foreign competition," and it is understood that this committee is obtaining useful results. In the international sphere the chief feature of 1928 was the agreement arrived at between the tinplate manufacturers in South Wales and those of the United States, whereby the combined exports of the two countries were shared in the proportions of 70 per cent. to the United Kingdom and 30 per cent. to the United States. This agreement is supported by 415 out of the 438 tinplate mills in South Wales, and should be of substantial benefit to the tinplate trade.

A NEW INDEX NUMBER OF WAGES.

A new series of index numbers, compiled by Dr A. L. Bowley, has been published by the London and Cambridge Economic Service. It is designed to provide a measurement of the movements of average wages in this country month by month since December, 1924, in relation to their level both at that date and at July, 1914. Estimates have from time to time been published by the Ministry of Labour of the average increase in weekly rates of wages since July, 1914, but these estimates have avowedly made no attempt to reflect changes in average earnings resulting from the operation of such factors as increases in the efficiency of machinery, the extension of payment at piece-rates, and changes in the proportions of workpeople employed in different occupations and industries. Index numbers hitherto published by the London and Cambridge Economic Service have taken partial account of some of these factors, and thereby shown a somewhat higher percentage of increase than the Ministry of Labour estimates. Professor Bowley's new series is intended to measure, at December, 1924, the change since July, 1914, in the average level of a week's earnings of all fully or partially employed manual workers, and for subsequent dates to reflect the average change in rates of wages, month by month, until it can be rectified by further information upon earnings. The belief is expressed that since 1924 the movement of earnings cannot have differed significantly from the movement of rates of wages.

The 1914 level of earnings is arrived at by adjusting, industry by industry, the results of the 1906 official census of wages in correspondence with the recorded changes in rates of wages between 1906 and 1914. For the 1924 earnings the results of the 1924 official enquiry into earnings are used. Comparison of these two estimates yields increases in average weekly earnings, between 1914 and 1924, ranging from 63 per cent. in coalmining to 147 per cent. for printers, the general (weighted) average being approximately 95 per cent. The index numbers of subsequent changes are based on a comparison of rates of wages at December, 1924, and later dates, in a selection of twenty occupational groups.

The figures for selected dates related to the level of wages (a) in December, 1924, and (b) in July, 1914, taken in each case as 100, are reproduced below, together with the Ministry of Labour cost-of-living index numbers for the same dates:—

	Base: Dec. 1924 = 100.		Base: July, 1914 = 100.	
	Wages.	Cost of Living.	Wages.	Cost of Living.
1924—Dec. 1	100	100	195	181
1925—March 1	101	99	196½	179
Nov. 1	100½	97	196	176
1926—March 1	10 ½	95	196	172
1927—March1	101	94½	197	171
Nov. 1	100½	94	196	169
1928—March 1	100	91	194½	164
Nov. 1	99½	92	194	167

On this computation average "real" weekly earnings for workpeople in employment had risen about 6 per cent. between July, 1914 and December, 1924, and 16 per cent. between July, 1914, and November, 1928. These are, of course, the increases in weekly earnings; in view of the shortening of the working week the hourly increases are greater.

The bearing of such statistics on questions affecting the conditions of the workers gives these conclusions a more than academic interest, and special attention is likely to be focussed on the difference between the increase of 94 per cent. in average earnings between 1914 and the end of 1928, as measured by these index numbers, and that of 70 to 75 per cent. in weekly rates of wages, as estimated by the Ministry of Labour. The movements in wages between 1924 and 1928, which have been very slight on the average, show a close correspondence in both series of figures, and the origins of the wide margin between the levels of the two sets of estimates in relation to July, 1914, are to be sought in the increase of earnings, as compared with time rates, between 1914 and 1924. Professor Bowley states that certain assumptions have been neccesary for the purposes of these comparisons, e.g., as to the changes in earnings between 1906 and 1914 in industries included in the official enquiries into earnings in 1906 and 1924, and as to the increases in industries covering about one-fourth of the men and more than half the women, for which no definite information exists. The

proportions of increase which he records for different industries certainly show some surprising disparities, and he notes that there is a doubt as to the accuracy of some of the figures. The opinion is expressed, however, that the general average for all industries is more accurate than some of the averages for individual industries, and that after consideration of all the sources of error the increase of 95 per cent. is the best estimate that can be made for 1924. The publication in greater detail of the calculations leading up to this figure, including the average earnings for each industry in 1914 and 1924, from which the percentages of increase have been computed, would be of considerable interest to students of wages problems, and it is much to be hoped that Professor Bowley may find an opportunity to expound his detailed treatment. In the meantime it is important to note that the estimated increases in earnings of 95 per cent. in 1924 and 94 per cent. at the end of 1928 are expressly stated to take no account of the effects of increased complete unemployment since 1914. An allowance for this factor would, of course, materially reduce the figure.

Professor Bowley very appositely remarks that a variety of purposes is served by measurements of average wages, and to each purpose corresponds an appropriate definition and method of computation. It is important that this warning should be borne in mind in any use to which his new series of figures may be put. Their primary object is to measure the changes in the average earnings of all manual workers, from whatever causes these changes may arise, and they therefore include within their scope changes in the average wage resulting, for example, from the upgrading of workers, from alterations in the proportions of males and females, adults and juveniles, in employment. Whilst index numbers on this basis are specially adapted for use in measurements of changes in the total income of employed wage-earners or in connection with computations of the national income, they are perhaps less suitable for application in the solution of problems as to the adequacy of the remuneration of particular classes of workpeople. In the consideration of such questions index numbers designed to measure the amount of changes in rates of wages unaffected by variation in average earnings resulting, for example, from the abolition of the half-time system and the raising of the school-leaving age, will still retain their value.

THE PLIGHT OF MARINE INSURANCE.

(BY AN INSURANCE CORRESPONDENT.)

THIS is the stocktaking time of the year for the marine underwriter, when his thoughts are busied with hopes, fears, calculations, comparisons, first year, second year, and third year settlements. If he is a Lloyd's underwriter, he is thinking of the balance sheet that he will be presenting to his "names," of what they will say to the distribution that he may or may not be going to make, and of how much he can put to reserve out of the profits, or how much he must take from reserves to make good his loss. If he is a company underwriter, he is thinking of his directors and the published balance sheet for which he will be responsible, and of what the market will think of his figures when they are made known.

Not many underwriters this year can look forward with any cheerfulness to this disclosure. The year 1926, which has just been closed at Lloyd's, was a thoroughly bad year, and only here and there is an underwriter to be found who will finish it on the right side, while there are not many companies who will show any good result for 1927—a year closed by most of them in their published balance sheets at the end of 1928. The Indemnity Company, which published its balance sheet at the end of January, has a poor tale to tell, and there are rumours of still worse results to come when other companies offer their marine figures to the world. The dividend of the Indemnity, which was reduced last year from 34s. to 32s., is reduced this year from 32s. to 28s. and, so far as the figures can be traced, neither 1926 nor 1927 nor 1928 can result in anything but a loss. The actual loss cannot be ascertained because the figures are shown only for the first two years. For those two years, like the Serpentine in Kensington Gardens and Hyde Park, they run on the surface and then, like the Serpentine, they dive underground and are seen no more. For 1926, 1927, and 1928 the settlement percentages shown in the accounts are as follows :—

SETTLEMENTS.

	First Year.	Second Year.
1926	31·6 per cent.	89·7 per cent.
1927	38·1 per cent.	89·3 per cent.
1928	35·3 per cent.	...

In an account that is made up largely of time business these percentages are very depressing; with nearly 90 per cent. gone at the end of the second year, the final result cannot be anything but a heavy loss, for in time underwriting a 10 per cent. balance is not more than enough to cover the fourth and fifth year settlements. With figures such as these coming from their marine departments it is no wonder that the company managers are concerned and distressed about the marine drain on the companies' profits. Sorely perplexed, they put to themselves the question: "Is there any prospect of this sick marine market recovering within a reasonable period, or are we to go on year after year either losing money or patting ourselves on the back because we have just not lost it?" If the sick man does not recover it will not be for want of consultations and advisers, for there never was a time when remedies were so much under discussion and the consultants so numerous and so vocal. But with all the discussion the market cannot settle down to a single remedy, and the pull of divergent forces and opinions is still dragging it all ways at once.

There are in marine insurance two schools of thought, that for convenience may be classed as the co-operative and the individualist. They are always more or less at issue with one another and their strength usually varies with the prosperity of the market. In good times, when rates are reasonably high and profits not difficult to make, the individualist generally has things all his own way; but in bad times the instinct to hang together for fear of hanging separately reasserts itself; men band themselves into agreements and fix as best they may the rates, terms and conditions on which they are prepared to write. Within the past twelve months the co-operative school has made a desperate attempt to capture the marine market, and in time business particularly (which has been far more unprofitable than voyage) its efforts have been tremendous. The movement has been directed mainly towards two points, (1) a 10 per cent. rise in all time rates; (2) the respecting of the lead. It cannot be claimed that the movement has been either a full success or a complete failure. The co-operative school has not been strong enough to force, as it hoped to do, an increase of 10 per cent. on all time renewals, for it has been found impracticable to make the best class of owner submit to this automatic increase, and one concession after another has had to be made in the last two or three months on those fleets whose record is either clean or almost clean. But in spite of this apparent failure the movement has produced solid results; the indiscriminate renewal of fleets at the old rates without respect to their past figures has practically disappeared, and the increase of rates is probably on the whole a good deal higher than 10 per cent. Time underwriters have been forced, either by circumstance or by the watchfulness of the individualist school which stands outside agreements, to discriminate between good and bad, and to measure the rise in rates according to the record of the owner. The respecting of the lead (in so far as it is respected) has greatly helped in the rise of rates, but there is a danger, which current events are emphasising, that the leading underwriter may find his lead respected on bad business that nobody hankers after, and neglected on good business that everybody is happy to write.

In voyage business the co-operative school has been less active mainly because voyage (written with care and judgment) can even now show a profit in a normal year and because agreements for voyage underwriting are far more difficult both to frame and to enforce. The recent unhappy experience of the Plate grain rates is a warning that no underwriter is likely soon to forget. In this case a world-wide agreement, embracing England, France, Germany, Holland and America, was solemnly ratified by underwriters, who bound themselves to a scale of rates for all grain cargoes from the Plate, and was broken—almost before the ink was dry—because the independent underwriters proved to be strong enough to write the largest cover of all and wrote it so effectively that the foreign underwriters who had held the business lost it to the market in London. This sort of thing does not encourage the co-operative spirit among foreign underwriters, and in the voyage market at any rate the individualist is not likely to be driven off the field.

The truth is that under present-day conditions agreements in the marine market are extraordinarily difficult to enforce. The market is big; it is widely scattered; it is very hungry; it is very jealous for its local business; it is made up largely of agencies that are difficult to control; and there is no one body that can speak with the voice of authority for all its constituent members. There probably never was a team more difficult to drive than a team of marine underwriters, and while we may respect and admire their sturdy spirit of self-reliance and independence, we cannot withhold our sympathy from those whose official duty it is to draft agreements for them, and when drafted to see that they are enforced. Whatever the usefulness of these agreements may be, the recovery of the market depends in the long run on the common sense of underwriters and on the strength of mind required to keep off a risk when everyone knows that it cannot pay at the rate.

POLITICS AND THE NATIVE IN SOUTH AFRICA.

(BY A CORRESPONDENT.)

THERE is no feature more striking, or, indeed, more ominous, in the recent history of the Union, than the growth of a definite anti-native feeling. The phenomenon has its roots, undoubtedly, in the economic changes which have been brought about by the growth of large-scale industry in the Union. So long as the economy of the country was mainly agrarian—and largely on a subsistence basis—the native, whether he continued to dwell under tribal conditions in the reserves, or worked on the farms as servant or squatter, had a settled, if lowly, agrarian status, accepted as a matter of course. Even when the mines began to attract large masses of native labour, these stable, quasi-predial conditions persisted, for the native workers took service only on short contracts and returned to the reserves when the service was completed. Servants and squatters remained plentiful on the farms, and the settled worker of the towns, white or coloured, found his field of employment largely unaffected by the mass of temporarily migrant natives. Indeed, he derived a good deal of benefit from it in the shape of widened scope of employment afforded by the new developments which native labour rendered possible, and by the needs of the maintenance of the natives themselves. There was a real segregation of fields of labour, temporarily, at least, to the advantage of black and white alike.

To-day, however, the rapid advance of industrial production is profoundly disturbing this equilibrium. Natives are entering new fields of employment; in large numbers they are becoming permanent residents of the towns; many are showing capacity for forms of labour well above that of sheer unskilled manual toil, and contact has been established once for all with white and coloured labour in fields in which these latter, until recently, held a monopoly. Meanwhile, the demand for native labour steadily grows, and in some branches of labour natives have established a definite superiority, even at rates which are considerably higher than those usually paid to natives, rates which in some cases have been deliberately fixed in the hope of offering a chance to the established coloured or white urban worker.

A Government which had pledged itself deeply to the white worker—a "poor man's Government," as it claims to be—could not ignore such tendencies. The Colour Bar Act was passed, but is not really in operation outside the Rand mines. More effective is the "civilised labour" policy which consists essentially in a preference to white labour in all Government employment, and in the use of Government pressure to extend the range of such employment elsewhere. No great trouble is taken to determine the extra cost this involves. Wage Board awards, whether intentionally or as the result of sheer pressure of circumstance, have much the same effect. The rate next above the lowest in any industry is usually fixed at such a level as, it is hoped, will encourage employment of the white or "civilised" coloured man. The whole tendency of Wage Board awards is thus in the direction of marking off a sphere of low-paid native labour from the rest, and confining the employment of natives to the lowest level.

Nevertheless, the sheer economic value of the native continues to have its effect, and his penetration into the higher ranks of labour seems likely to take place in spite of all obstacles. Inevitably he is driven to adopt trade union methods, clumsily and confusedly enough, but with promise of ever-increasing effect as the influence of white guidance and assistance makes itself felt. Disposition to industrial organisation on the part of the native, and the steady attraction of the towns for farm-workers have, in turn, aroused the farmers and their pressure upon Government is added to that of the civilised town workers.

The net result of all these tendencies, fully exploited as they are by the vote-hunting politician, is an alarmed condition of popular feeling which can easily be transformed into definite hostility towards the native as such. It is natural, therefore, that a ready ear should be turned towards proposals which, while purporting to be directed towards the saving of white civilisation, involve, in effect, an invitation to the white man to buttress the weaknesses of his economic position—real or supposed—by the use of his political advantages as against the native. This is the real meaning of the appeal which General Hertzog has made recently for support for his declared native policy. And a desire to secure for his own party a monopoly of the driving power which is afforded by the state of feeling that has been described, is sufficient to account for the systematic effort now being made to represent the Opposition as opposed to all measures for the protection of the white man. Week by week the chance is seized to portray General Smuts as the bringer of a "Black Dominion" and as the avowed enemy of the poor white worker. The main motive is, beyond a doubt, electoral, and it would appear that the stage-setting for the coming General Election which the Government Party would like the country to accept is that of General Hertzog as the St. George of White Civilisation facing the dragon of a Black Dominion as represented by General Smuts.

Modern democratic electorates are notoriously susceptible to the operation of what may fairly be called "cinema" methods, and such a picture, painted in lurid colours and strong lines, will have its effect, in spite of the fact that General Smuts' Party is, in the mass, quite as much opposed to a liberal native policy as is the rank and file of the Government Party.

The tactics are clear enough, and truth of facts will have little enough to do with them. The main attack will be on the idea of an extended native franchise throughout the Union, beyond the strictly limited communal franchise which General Hertzog's Bill proposes. The present Cape franchise will come to an end, even though existing native voters are left undisturbed. The fight will thus be directed against a supposedly "Unionist"-dominated Opposition. The inevitable result must be to throw the whole native question into a disastrous chaos of party cross-purposes and partisan irrelevancies, and to delay indefinitely both a direct approach to the native question as such and the reconstruction of parties so as to accord more closely with the real dividing issues. At the same time, the thinly-disguised appeal to the less efficient white to eke out his economic insufficiency by the use of his political advantage, and the systematic playing upon his fears for the future, must tend to induce a state of mind in which all calm consideration of the real facts becomes quite impossible. General Hertzog, who is leader of a party keen to win an election, and who finds himself driven by party exigencies to employ such dangerous weapons for the purpose, is also Minister of Native Affairs. He is, beyond all question, a sincere and conscientious man, so the situation into

which he now finds himself forced, may well compel one to ask anxiously whether an ordinary white democracy can ever be expected to take intelligent control of such a problem as South Africa presents.

But no alterative seems possible, and the only hope lies in the education of the governing whites to a better understanding of the real forces at work.

A larger sense of African politics will have to come if the common destinies of black and white are ever to emerge from the swamps of party in which they are now so deeply plunged. Otherwise the native will come, though slowly, to the point where he is himself capable of taking charge of the situation—directly or indirectly—and then measures for the "protection of white civilisation" may wear a melancholy appearance in retrospect.

Notes of the Week.

The King.—Although the King's medical advisers have not yet been able to announce that their patient can be considered as convalescent, His Majesty's ability to travel, even though it was by ambulance, to the South Coast has marked, we may hope, the passing of yet another milestone on the long and painful road to complete recovery. The demonstrations of popular interest and esteem which attended his journey last Saturday were a fitting and eloquent testimony to the admiration which the King's brave fight in his sickroom at Buckingham Palace has won throughout the country, and to the whole nation's heartfelt wish that for His Majesty health and the Sussex spring may come hand in hand.

The Employers' Reply—The answer of the National Confederation of Employers' Organisations and the Federation of British Industries to the proposals of the Melchett–Turner Conference was announced on Wednesday. Over a year ago, when Mr. Hicks's speech at the Edinburgh Trade Union Congress opened the door for co-operation in industry, it was left to an individual employer, Lord Melchett, to evolve informal means whereby the machinery of co-operation could be brought into being. On 1st July the Melchett–Turner Conference issued an Interim Report which added to the declarations of the conference on "victimisation," trade union recognition, rationalisation, and the relation of the gold reserve to industry, the important proposal that a National Industrial Council should be formally set up to hold regular meetings for "general consultation" on industrial progress, to establish machinery for "continuous investigations into industrial problems," and to provide joint conciliation boards for use in cases where an individual industry failed of itself to settle a dispute. These proposals were accepted last September by a sweeping majority of the Trade Union Congress, whereas the two national bodies of employers who were invited to represent their side on the proposed Council have spent seven months in making up their minds. As it is, their reply is ambiguous and disappointing. They invite the General Council to meet them for the purpose of hearing an explanation of "the difficulties which stand in the way of consultation . . . through a National Industrial Council," and of examining the possibility of the three bodies, "within the limits of their respective representative capacities and powers, usefully consulting together upon matters of common interest to British industry." They express their desire for industrial peace, and "a better mutual understanding in industry generally"; but in the same breath they intimate that the Confederation and the Federation alike "cannot accept the report" of the Melchett–Turner Conference. It is regrettable that a decision of such paramount public importance should have been announced without a reasoned statement of the grounds for rejection. The initial impression made by this *ex cathedra* negative is singularly unfortunate. In default of further explanation, which, we urge, should be made public with the minimum of delay, it is difficult to appraise finally the employers' attitude. The long delay in coming to a decision, the terms of the lamentable manifesto of the British Engineers' Association, and the known opposition on the part of other Employers' Associations to the principle of "national," as opposed to "sectional" negotiations with organised labour, had already served as a warning that serious obstacles lay in the path of complete agreement on the Interim Report. The best that can be said of the present development is that the door leading to the co-operation which we believe to be vital to the future of British industry is at least not shut. The proposed meeting between the three national bodies will be a meeting for the first time officially representative on the employers' side, and though the cautious terms of the letter published on Wednesday are indicative of an industrial conservatism for which the day has passed, we hope that no feelings of disappointment will prevent the General Council accepting the new invitation. It is a critical moment when all whose words carry weight should refrain from hasty comment. Deep disappointment at the loss of an immense opportunity must not be allowed to cloud our perspective, or to shut out of mind the possibilities that still remain. If the two groups of employers will publish their reasons and motives quickly, if the Trade Union leaders will show a little more of that patience which they have so admirably displayed, if the Melchett group, eschewing pique at the rebuff dealt to them, will use their good offices in *liaison*, we may yet see an admittedly dangerous situation turned to good. But let employers reflect upon the undeniable fact that if the Melchett conference is in reality to be nullified and its valuable pioneer work thrown away, the difficulties of Trade Union leaders who attempt to promote industrial peace and co-operation will be gravely enhanced.

The Bye-Elections.—Perhaps the most disquieting feature of the recent series of bye-elections is the revelation of a certain apathy on the part of the electorate. In one sense this is easily understood, for the members now returned will only enjoy a brief span of life before they have once more to put their fortunes to the test, and so those who elected them may well have felt that they were not bound to waste their time over what was only a dress rehearsal. On the other hand, party feeling at the fag-end of a long Parliament should be running high, and so the present apathy is a phenomenon which should seriously concern all three parties alike. Turning to the actual results, the Labour Party alone has cause for rejoicing, for their feat in winning "all four." There was little merit in their holding Bishop Auckland and Wansbeck, but in recovering North Midlothian from the Government they have shown their power to regain seats of a wavering record, while in winning South Battersea they have broken a long Conservative tradition. The main lesson for the two older parties is one that is already well known to everyone engaged in organisation work in the constituencies. It is that when a party has failed to contest a seat at one election it finds itself faced with overwhelming adverse odds at the next. In South Battersea the Liberal candidate had this lesson driven home to him by the forfeiture of his deposit, and in Bishop Auckland the Conservative candidate only escaped a similar admonition by the skin of his teeth. Finally, to judge from Ministerial comments, the Conservative Party have yet to develop a sense of proportion. Once again Ministerial complaints have been heard that the Liberal Party, by fighting a seat, "has let the Socialists in." An examination of the results of these four contests, however, reveals the fact that in the aggregate 54,901 votes were cast for Labour, 31,147 for Conservative, and 18,896 for Loberal candidates; that in Wansbeck and Bishop Auckland Labour had a clear majority over the other two parties' votes combined; and that in North Midlothian the Labour margin over the Conservative vote was sufficient to leave little ground for supposing, on any probable division of Liberal voting, that, had there been no Liberal candidate, the Conservative would have won.

The Pact of the Lateran.—At midday on Monday, February 11th, in the Papal Palace of the Lateran at Rome, Cardinal Gasparri and Signor Mussolini, on behalf of the Holy See and of the Kingdom of Italy, signed three instruments which together constitute a complete settlement of "the Roman Question." The first instrument is a political treaty, the second a concordat regulating the status of the Roman Church in Italian territory, the third a financial convention. The actual texts have not yet been published, but an official summary gives a fairly exact idea of what the terms of settlement are. In the political treaty, the Vatican, "as at present constituted," is recognised as a territory under the sovereignty of the Pope and not of the Italian Government. The Italian State is to provide the Vatican City with a railway station and with direct connection with third states by telegraphic, telephonic, wireless, broadcasting and postal services; and there is to be an agreement regarding the circulation on Italian territory of Vatican vehicles and aircraft. Persons residing permanently in the Vatican City are to be Papal subjects, and Papal officials and public buildings outside the boundaries of the Vatican are to enjoy certain extra-territorial privileges. Diplomatic relations are to be established between the two parties, and Italy recognises the Vatican's right to maintain ordinary diplomatic relations with other Governments. There is an extradition clause to obviate the danger that the Vatican enclave might become a kind of "Alsatia"; and there is also a provision by which Italy will undertake the administration, in Italian territory, of criminal justice in respect of crimes committed in Vatican territory, if the Holy See so requests. The Vatican will take no part in "temporal competitions between other States," though it reserves the right to the exercise of its moral and spiritual power. In consideration of this, Italy will regard the Vatican territory as neutral and inviolable. The most important passage in the treaty is a declaration in which the Holy See, after expressing its satisfaction with the agreements, "declares the Roman Question definitely and irrevocably settled, and therefore eliminated, and recognises the Kingdom of Italy under the Dynasty of the House of Savoy with Rome as the capital of the Italian State," while Italy, on her part, "recognises the State of the Vatican City under the sovereignty of the Supreme Pontiff." The uni-lateral Italian "Law of Guarantees" of 1870 and any other law or act contrary to the treaty is declared abrogated. It will be seen that the Vatican plays here the rôle of a local territorial state and not of a world-wide society living on a higher plane than the political and the territorial. Thus Italy re-establishes the temporal power of the Pope seven years after Turkey, following Italy's example of 1870, had abolished the temporal power of the Caliph. It may be noted further that, meanwhile, the Turks have secularised their education and their law, whereas the Italians have re-established compulsory religious instruction and the regulation of marriage by Canon Law in the concordat which is the second of the three instruments signed on Monday. Are we to understand that in Italy, henceforth, divorce and re-marriage will be legally impossible? If so, this will be the most searching test of its power to which the Fascist régime has yet submitted itself.

China and Japan.—Last week, it seemed as though the Sino–Japanese negotiations in Nanking were at last on a fair way towards resulting in agreement, and the prospect was hailed with relief by all the friends of peace and stability in the Far East. It is true that the Nanking Government has already arrived at settlements with all the other foreign Powers—except the U.S.S.R.—with which China is in close relations. Yet so long as a disagreement between China and Japan remains unresolved, the international situation in the Far East cannot be regarded as secure; for these two neighbours are divided by too acute differences of material interest in the present, and by too bitter memories of conflicts in the past, for any relation between them short of a complete and precise agreement to be indulged in with safety. This being so, it was disappointing to hear from Tokyo last Sunday the news that a hitch in the negotiations had occurred since the Japanese delegate at Nanking had reported progress to Baron Tanaka. The outstanding question, of course, is that of settling the Tsinanfu incident of last year, in which Kuomintang soldiery of General Chiang Kai-shek's command attacked the Japanese residents in the capital of Shantung, and thereafter the Japanese forces stationed there shelled and stormed the Chinese city. Is there only to be Chinese compensation for Japanese losses, or is the compensation to be mutual? This seems to be the point on which the hitch has occurred. Baron Tanaka is apparently unwilling to accept the principle of reciprocity, on the ground that the Chinese started the mischief. The Chinese might feel tempted to answer that their soldiery were provoked by the unwarrantable presence of a Japanese force in the interior of a foreign country with which Japan was not at war. In any case, it is obvious that it is far less difficult for the Chinese to comply with Japanese *desiderata* if the principle of reciprocity is recognised in some form. Intransigence would not appear to be either in the best interests of Japan or in the wider international interest (from which Japanese interests are inseparable) of peace and stability in the Far East. Incidentally, we may thank our stars that no similar complication has been imported into Sino–British relations by the presence of the British Defence Force at Shanghai.

The Reparation Experts' Conference.—This week has seen the first sessions in Paris of the Committee of Experts appointed for the purpose of drawing up proposals for a final settlement of the problem of Reparations. The work of the Committee, which has elected Mr. Owen Young as president—the British representatives being Lord Revelstoke and Sir Josiah Stamp—will be watched with anxious interest, though their decision to hold their deliberations *in camera* debars us from having material on which to base an estimate of the extent of progress being achieved. It is understood that on Tuesday, Dr. Schacht, Director of the Reichsbank, presented the German view, and that on the following day he amplified his statement in the light of various questions and points raised by the other delegates. In view of the complexity of the far-reaching problems which this advisory committee of experts has to consider, there need be no disposition on the part of the public in any country to be impatient if the proceedings have to extend over a substantial period.

The Week in Parliament.—On Monday the Ministry of Labour's Supplementary Estimate of £366,000 on account of "transference" and training centres for the unemployed led to a debate in which the House listened wearily to automatic criticism from the Labour benches that the Government was doing no more than nibble at the edge of a problem for which the critics themselves had no practicable solution. Tuesday saw the rejection of the Corporation of London (Bridges) Bill, and the end, it may be hoped, of a proposal which was generally regarded as likely to aggravate rather than to ease the London traffic problem. The abandonment of the scheme to build the St. Paul's bridge leaves the way open for early progress with the more important projects at Charing Cross and Waterloo. For the rest, Parliament has been glumly occupied with the Report Stage of the Local Government Bill. Amendments by the Government included one providing for an extension of the maximum membership of guardians' committees from 24 to 36, the abolition of disqualification from membership of a county or county borough council solely by reason that the candidate or a member of his family has entered an institution as a pauper lunatic, and an amendment enabling the Minister to reduce any council's annual block grant should he be satisfied that it is neglecting its public health duties. The chief rejected proposals of the Opposition were the omission of the clause compelling recovery of the expenses of medical treatment, and an amendment to enforce consultation with voluntary hospitals in the drawing up of an administrative scheme. Mr. Chamberlain, who announced that elected guardians are once more to take office in Bedwellty and Chester-le-Street (but not in West Ham), embodied his personal desire for the break-up of the deterrent poor law in an amendment declaring that councils, in preparing administrative schemes, "shall have regard to the desirability of securing that all assistance which can lawfully be provided otherwise than by way of poor relief shall be so provided." The insertion of such pious declarations in Acts of Parliament does not endow them with operative force, we may remark, however admirable be the intention.

January Overseas Trade.—As was the case a year ago, the January returns contain distinct elements of hope. Imports are £14·6 million higher than in December, and £15·7 million higher than in January last year. Exports, too, reveal an improvement, amounting to £6·5 millions, when compared with December, and £7·1 million against January last year. Re-exports are not quite so satisfactory, as although they are £731,000 above the December level, they are £496,000 below those of January a year ago. In interpreting the changes between December and January, account must be taken of the fact that the former was a "holiday month," but even so, the figures are encouraging, especially as raw material imports alone have increased by £8·3 million.

MONTH OF JANUARY.

	1929.	Increase or Decrease compared with 1928.	
	£	£	%
Imports	116,064,145	+ 15,670,572	+15·6
British exports	66,879,607	+ 7,136,874	+11·9
Re-exports	9,810,682	− 496,103	− 4·8
Total exports	76,690,289	+ 6,640,771	+ 9·5
Excess of imports over total exports	39,373,856	+ 9,029,801	+29·8

Considering raw material imports in detail, last month's results are distinctly encouraging. If January last be compared with January, 1927, increases were recorded in such important items as Iron Ore, Timber, Cotton, Flax Hemp and Jute, and Rubber. The chief decreases are in raw Silk and dry and dry-salted Hides. As the following table shows, in the case of some items the 1929 figures are the best of the three years given :—

SOME LEADING RAW MATERIAL IMPORTS.

(Quantity Retained.)

		Month of January.		
		1927.	1928.	1929.
Iron ore	tons	144,296	371,098	490,465
Wood and timber, soft sawn	loads	281,337	183,196	299,151
Cotton, raw	centals	2,242,935	825,051	2,349,873
Wool, sheep's and lambs'	centals	800,640	697,157	694,787
Silk, raw	lbs.	380,853	487,774	352,164
Flax, hemp and jute	tons	43,712	47,527	60,476
Cotton seed	tons	47,648	44,574	71,241
Flax or linseed	tons	14,992	21,153	17,339
Petroleum, crude	thous. gals.	28,350	36,927	36,557
Hides, wet	cwts.	76,667	39,907	40,185
Hides, dry	cwts.	56,271	78,028	31,893
Wood pulp	tons	2,162	1,965	3,447
Rubber	centals	228,291	43,039	267,693

Exports, too, are encouraging. Coal is up to 4·5 million tons, and iron and steel to 421,000 tons, or nearly double the 1927 figure. The cotton and wool figures show a decided improvement, and with one or two exceptions the whole table bears a favourable aspect.

SOME LEADING EXPORTS.

		Month of January.		
		1927.	1928.	1929.
Coal	tons	4,092,879	3,904 700	4,472.631
Pig iron	tons	2,429	20,670	40,421
Railway material	tons	10,144	63,807	51,635
Total of iron and steel manufactures	tons	219,369	332,185	421,191
Total machinery	tons	39,572	50,176	52,175
Cotton yarns	lbs.	14.361,400	13,276,900	15,152,500
Cotton piece goods	sq. yds.	322,344,800	337,406,100	379,342.300
Wool tops	centals	29,614	28,025	31,245
Woollen tissues	sq. yds.	11,468,800	13,105,200	12,424,600
Worsted tissues	sq. yds.	4,437,800	3,813,900	6,138,300
Linen piece goods	sq. yds.	6,378,300	7,693,000	6,411,200
Boots and shoes	doz. prs.	62,088	71,848	67,711
Leather	cwts.	33,951	40,636	27,016
Paper and cardboard	cwts.	377,323	374,516	491,851
Locomotives	tons	698	1,903	4,218
Motor cars and chassis	number	3,826	2,673	4, 58

Too much must not be made of a single month's results, but the general impression of the January trade returns is that 1929 has made a good start. Unless the rise in Bank rate has an untoward effect, there seems every likelihood that the current quarter may prove relatively good. The testing time, however, will come after Easter, when it will have to be seen if trade can escape the usual summer set-back and the uncertointies caused by the General Election.

Shipping Freight Index Number.—The average level of whole-cargo shipping freights, as measured by our Index Number, was 3.1 per cent. lower in January than in the previous month. The total figure of the Index Number for last month works out at 127.6, as compared with 114.6 a year ago, while the mean for the month of January in the four years 1924-27 was 131.1. The recent movements of the various groups in the Index are summarised below:—

(Average 1898-1913=100.)

	Average 1913.	Jan., 1928.	Nov., 1928.	Dec., 1928.	Jan., 1929.
European Waters	110·0	106·7	121·9	122·1	119·2
North America	113·1	106·9	133·0	131·3	128·6
South America	123·4	111·4	123·5	125·6	125·2
India	106·3	113·6	117·8	126·8	123·7
Far East and Pacific	117·4	121·4	125·1	127·4	126·2
Australia	127·9	127·3	153·1	156·7	142·4
Total	116·3	114·6	129·1	131·7	127·6

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

	Index Number	Inc. or Dec. Points.		Index Number	Inc. or Dec. Points.
Home trade	94·1	−5·4	South America—Outwards	94·9	− 2·5
Bay—outwards	130·3	−7·3	South America—homewards	155·4	+ 1·6
Bay—homewards	140·3	+3·2	India—outwards	124·2	− 2·1
Mediterranean—outwards	146·0	−1·1	India—homewards	123·2	− 4·2
Mediterranean—homewards	110·4	−1·2	Far East, etc.	126·2	− 1·2
North America	128·6	−2·7	Australia	142·4	−14·2

Outward coal freights last month had a weaker tendency in all directions. Demand for space on grain account was fairly well maintained, but on the whole less active than in December. The Plate market was firm, but rates from Australia broke sharply as the result of an announcement of lower freights to be charged by the Conference lines. North America and the East were quiet. Converted to a percentage of the average for 1913 the total figure of our Index Number for January is 109.6 (1913=100), as compared with 113.2 in December, and 98.5 a year ago.

Rubber Prospects.—The rise in rubber prices has proved less temporary in character than was expected by some observers, having now been maintained for the best part of a month. A firm of Mincing Lane produce brokers, Messrs. Wm., Jas., and Hy. Thompson, in the current issue of "The Rubber Quarterly," suggest that the coming year may see something like equilibrium in world production and consumption of the commodity, despite the additional supplies from British areas under a *régime* of unrestricted production. Their figures are as follows :—

RUBBER PRODUCTION AND CONSUMPTION.

	1926.	1927.	1928.	1929 (Estimated).
Production (Thous. tons)—				
British controlled areas	413	380	424	483
Rest of world	208	225	222	224
Total	621	605	646	707
Consumption (Thous. tons)—				
U.S.A.	366	370	441	445
Rest of world	175	210	238	260
Total	541	580	679	705

Note.—The "British controlled" production figures include the output of British-owned estates in the Dutch East Indies.

Last year's increase of American consumption was, to say the least, opportune, coinciding as it did with the British Government's decision to abolish the restriction scheme. As regards the recent enhancement of prices, an American correspondent writes to us criticising the market for its lack of foresight. He declares that a sense of proportion was wanting among producers and traders, so

that many individuals who could never see the top of the dizzy heights of 4s. 6d. in 1925 were equally unable to understand that 9d. in 1929 might be too low. It has frequently been remarked that the law of supply and demand is almost invariably suspended in the rubber market, and that the principal factor influencing prices is merely the current market "sentiment." What, asks this correspondent, can be said in favour of basing such an important factor on the opinion of operators who are themselves so unstable? While Mincing Lane and New York markets were in despair over the further price slump which was to follow the arrival of enormous estate accumulations, manufacturers were rapidly increasing consumption and available stocks were diminished almost to vanishing point. The markets are now beginning to realise that the accumulations will not more than serve to replenish the depleted visible stocks, while the volume of production and consumption this year is expected approximately to balance. One might therefore expect a more or less stable market around present levels; but speculators in London and New York are believed to own some 40,000-50,000 tons, mostly at low prices. That speculators should have been permitted to assume a position of such great power, at a time when the technical position of the market appears to be in their favour, is unfortunate, and it is not improbable that we may in consequence have to face periods of wider fluctuations than we have experienced for some considerable time. These remarks are scarcely likely to find universal acceptance, but we print them as representing the views of an informed and critical observer in the United States, where two-thirds of the world's rubber is at present consumed.

Wheat in 1927-28.—We have received from the Food Research Institute of Stanford University, California, the December number of "Wheat Studies," which gives a statistical review of the World Wheat Situation in the crop year 1927–28. The main features of last year's wheat history were described in the *Economist* of January 12th, but some fresh figures have been collected in this useful journal. The approximate value to the farmers of wheat crops in the United States, Canada, the Argentine and Australia appears to have been $2,051 million, against $2,066 million in 1926-27, and $2,037 million in 1925-26, while farmers in Great Britain, France, Germany and Italy together received some $1,107 million for their crops, against $3,132 million in 1926-27, and $1,256 in the previous year. British farmers did particularly badly, thanks to the unmillable quality of much of their1927 crop. These values should be compared with the total yields which they account for. The 1927 crop in the four great exporting countries totalled 1,667 million bushels, compared with 1,620 million in 1926 and 1,377 million in 1925. The corresponding figures for the above four European countries were 650 million, 600 million, and 743 million bushels. These figures reveal the very low elasticity of demand for wheat, since the larger the aggregate crop the less the total price obtained for it. The low prices which ruled in the latter half of 1928, largely on account of big crops in Canada, and in spite of the retention of heavy supplies in that country over the end of the year, will probably bear out this contention even further. Figures of wheat consumption indicate that although the total quantity consumed in this country has remained fairly constant, the consumption per head has slightly declined in the last four years; we suspect that the peculiar conditions of 1926–27 may have accounted for this, rather than any secular causes. Per-capita consumption in Western Europe generally seems to have increased, a particularly large rise being shown by Germany, presumably through the improvement of her economic condition after the 1924 settlement. The work of reconstruction is also reflected in the greatly increased consumption per head in Eastern Europe.

Canadian Trade Relations with the United States.—Our Ottawa correspondent writes:—Events and developments at Washington are being followed with keen attention by Canadians for the intelligible reason that they sense the possibility of serious repercussions on their own economic fortunes from changes in American fiscal policy. They are evincing particular interest in the hearings of the Ways and Means Committee of the House of Representatives, and have carefully noted the almost complete unanimity of the demands for higher duties on farm products on the part of the agrarian organisations of the United States. It is quite plain to intelligent Canadians that, if the tariff schedules submitted to the Committee on behalf of the American Farm Bureau Federation are translated into legislation, the interests of the Canadian farming community are bound to be seriously affected. If the outflow of farm produce to the United States is checked by higher duties, a decline in rural purchasing power is inevitable, and business will be adversely affected in many directions. Canadians are bound to feel a certain measure of resentment at this, and undoubtedly there will arise a demand for retaliatory measures in the shape of higher duties on American imports. Herein lies a possibility of the restoration of the fortunes of the Conservative Party, which has shewn no sign of making any headway in the country during the past year. Its leaders will exploit the situation to the best of their ability by arguing that they alone are willing to put in force the drastic remedies necessary to meet American fiscal aggression. It is considered significant that Mr. A. E. Darby, the secretary of the Canadian Council of Agriculture, which has been the chief centre of the anti-protectionist elements, seemed, in some observations which he recently made before the Tariff Advisory Board at Ottawa, to contemplate with equanimity the possibility of a retaliatory fiscal policy. If the farmers of Canada were in a mood to support higher tariffs, the Liberal leaders might decide to fall into line with national sentiment; but such a course would involve an abandonment of the traditional party policy of reciprocity with the United States, and the country might still prefer to entrust the responsibility for a policy of fiscal warfare with the United States to the party which honestly advocates it. The Liberals are naturally full of apprehensions about developments at Washington, and are hoping that influential American voices will yet make themselves heard against any upward revision of the tariff which would seriously affect trade relations between the United States and her best customer. One great American dairy corporation, for instance, has millions of dollars invested in Canada, and it would be hard hit by any tariff which raised the duties on milk and cream. Altogether, there are some five billion dollars of American capital invested in Canada, and many American-owned plants and industries would be greatly inconvenienced if, as the result of higher tariffs decreed at Washington, a Canadian Government increased the duties on American imports and increased the price of the machinery and raw material which they import from the United States. The Canadian Liberals therefore believe that, although some duties will be raised, the final results of the tariff revision now planned at Washington will not be as harsh as present appearances indicate.

Trade in East Africa.—Following so closely on the publication of the Report of the East African Commission, this year's Report* of the Deputy-Trade Commissioner at Nairobi will be received with more than usual interest. It is on the whole an encouraging document; the outlook in East Africa is reported to be "much more hopeful than it has been for some time past," and the territories are described as "a fertile field for investment generally." With regard to the import trade, competition in certain lines which are of great importance to the United Kingdom is becoming very keen, and British manufacturers are warned to look to their laurels. This necessity is most marked in the case of textiles and certain branches of machinery and of steel goods. The Deputy-Trade Commissioner draws the attention of Manchester merchants to the progressive cartellisation of the channels of trade between Japanese, Dutch, American, and German manufacturers and their clients in East Africa. On the whole, the bulk of the East African market is dominated by considerations of price rather

* Published by the Department of Overseas Trade. H.M. Stationery Office. 54-22-0-28.

than of quality, so that competition with British goods is bound to be keen in certain classes. Experience shows, however, that there is an important market for goods of British quality, and though that market is at present far from going unchallenged, the evidence is that with more attention to the quality of their local agents, British merchants should be able to take up the challenge with equanimity.

British Trade with Argentina.—Two of the points which emerge most conspicuously from a study of this year's Report of the Department of Overseas Trade on Commercial, Economic, and Financial Conditions in the Argentine Republic* are the strength of the position of the United States in the Argentine import market and the growth of Italian competition in certain departments of that trade. In cotton yarns and piece goods and woollen piece goods Italian trade is growing, particularly in those classes which used formerly to be supplied by Great Britain. American competition is most marked in machinery, electrical materials, radio apparatus, hardware and rubber goods, while the motor-car market is completely dominated by the United States. In 1924 23.6 per cent. of total imports into the Argentine were from Great Britain and 23 per cent. from the United States. A slight but steady diminution in the one and increase in the other has reversed the position, and in 1927 the proportions were 19.9 per cent. from the United Kingdom and 26.5 per cent. from U.S.A. The position of the principal Continental competitors—Germany, Italy, France, and Belgium—is scarcely changed. In view of the keenness of competition, it is important to draw the lesson which is clearly brought out by the detailed discussion in the Report of the markets for the various classes of goods. Where British producers have lost ground it has often been because of their reluctance to depart from their standard specifications, and where they have improved their position it has been largely as the result of willingness to make concessions to peculiarities of local taste. For example, the reasons for the improved British trade in manufactured stationery are given as " specialisation and concentration, direct and more efficient representation, and greater adaptability of the British mills in making the necessary alterations from their particular standards." If other British industries would imitate the stationery manufacturers, not only in their adaptability, but in their " direct and efficient representation," there is no reason why the United Kingdom should not resume her rank as the leading exporter of goods to the Argentine.

American Anti-Trust Legislation.—Complaints against interference with the business rights of others and collusive agreements among competitors have played a considerably greater part in the actions brought under the anti-trust law in the United States than complaints against consolidations as such, according to the analysis of cases decided in the courts. A report by the National Industrial Conference Board, New York, states that during the first 37 years since anti-trust legislation came into force, out of 436 decisions 262 were private suits for damages or injunctions. The remaining 174 cases were governmental actions to curb aggressive interference with the business rights of competitive enterprise, in about half of which injunctions were sought by the Government against labour organisations to protect employers from impairment of their property rights by strikes or organised boycotts. Of these governmental actions only 38 were found to have been " predicated primarily upon consolidation "; and in less than 9 per cent. of all cases, including private suits, were the defendants attacked simply as mergers. It is the Board's conclusion that in not more than 10 per cent. of the cases in which the penalties of the anti-trust acts have been invoked in the courts, have industrial mergers as such been the occasion of complaint. Moreover, only seven of the total of 38 merger cases were instituted during the decade 1917-1927, which shows that the need for Government action against trusts has lately become less. The report of the Board admits that confusion and controversy occasioned by conflicting court decisions under the anti-trust law have created much uncertainty among business men as to what policy to pursue in respect to contemplated mergers. It emphasises the difficulties existing in this respect in the field of railroad transportation, where consolidation in principle has official sanction by special Congressional enactment. Existing anti-trust legislation, however, as interpreted and administered by the courts, is declared as neither excessively severe nor repressive. It is pointed out that evils that might come from an inflexible and inelastic rule, either of narrow restriction or of broad licence, would certainly outweigh any ill effects that attend the operation of the anti-trust law as now enforced.

* H.M. Stationery Office. 3s. net.

Prudential Assurance Company.—The Directors of the " Prudential " announce that the following rates of reversionary bonus have been declared on participating policies in the ordinary branch of the company for the year 1928: £2 6s. per cent. on endowment assurances and £2 10s. per cent. on whole-life assurances. This is an increase over the rate declared last year of 2s. per cent. in the case of endowment assurances and 6s. per cent. in the case of whole-life assurances. These are imposing bonuses, and emphasise the fact that the " Prudential " is now a formidable competitor of the ordinary life offices. The company's bonus has been increased in successive stages since the war from 28s. per cent. in 1919, to 32s. per cent. in 1922, and to 42s. per cent. in 1925. The most interesting part of the present announcement is the fact that the company has decided to follow the lead first set three years ago by the " National Mutual " in granting a differential rate of bonus to whole-life policyholders. There is no doubt at all that under present conditions the rates of premium charged by the majority of offices earn higher bonuses for whole-life policyholders than for endowment assurance policyholders, and consequently that in these circumstances there is no justification for continuing to allot the same rate of bonus to both classes of policy. The bonus announcement has been quickly succeeded by an intimation of the rates of dividend declared for 1928. as follows: " A " shares of £1 fully paid, 94⅛ per cent.; " B " shares of £1 with 4s. paid up, 25 per cent. In recent years the " A " shareholders, who are interested mainly in the life branch, have been accustomed to receive an increase in dividend of 2½ per cent. per annum and the 1927 dividend was at the rate of 90 per cent. The extra 1⅝ per cent. on this occasion is due to the right of " A " shareholders to receive one-third of any dividend paid on the " B " shares. These " B " shares were created in 1919 when the company commenced fire and general business, and the dividend now declared is a maiden one. For this long period of waiting the marine losses have been mainly responsible, and it may be assumed, in view of the dividend declaration, that the marine branch is no longer a cause for anxiety. It may be noted that 25 per cent. on the " B " shares will cost £50,000, and that this sum is well within the interest earnings amounting to £72,251. At the present price of 27 the " A " shares yield 3⅛ per cent. net, while at 45s. the " B " shares yield 2¼ per cent. net.

National Provident Institution.—The report for the year ended November 20th, 1928, shows that the Institution issued in that year new policies for a total net sum assured of £1,511,950, compared with £1,190,497 in the preceding financial year. Included in these amounts were policies effected for single premiums totalling £187,914 last year and £67,516 in the year 1926-27. The National Provident has been rather lagging behind in recent years in new business, and the increase now recorded is all the more gratifying, although the Institution's history and organisation equip it to transact a much larger business even than the present amount. The net rate of interest earned on the life assurance funds works out at £4 14s. 2d. per cent., compared with £4 13s. 7d. per cent., while the expense ratio, excluding the special expenses of the quinquennial valuation, was 11.4 per cent., compared with 12 per cent. The accounts are evidently under the influence of the aftermath of the quinquennial valuation, for the amount paid out in cash bonuses is almost £200,000. The report states that the amount distributed for the quinquennium in bonuses was £1,249,714. As already stated, £199,425 was paid in cash, £1,319,705 was added as reversionary bonuses to policies, and reductions of premium amounting to £17,140 were granted. The terms for cash surrender of bonuses offered by the Institution are generous, and a characteristic of the quinquennial valuation has always been an unusually large proportion of bonus surrendered in cash. The amount paid in surrenders last year was £77,782, compared with only £28,975 in the preceding year. As so often happens in a year following a quinquennial distribution, a number of policyholders surrendered their policies.

Scottish Widows' Fund.—After strengthening the basis of arriving at the actuarial reserves by reducing the rate of interest assumed in the calculations from 3 per cent. to 2¾ per cent., the directors have declared, out of the resulting surplus, a reversionary bonus at the rate of 42s. per cent. per annum compound for the quinquennium ended December 31, 1928. This bonus compares with 40s. per cent. declared for the preceding five years ended December 31, 1923.

Life Office Bonus Announcements.—The Pearl have decided to declare in respect of the year 1928 a reversionary bonus of 46s. per cent. simple on all with-profit policies in the ordinary branch. This bonus represents an increase of 4s. per cent. on that for 1927. The Refuge announce for the year 1928 a reversionary bonus at the rate of 44s. per cent. simple in respect of with-profit policies in the ordinary branch. This bonus is at the same rate as that for the preceding year.

Transvaal Output in January.—A good start has been made for 1929 in the Rand gold-mining industry. The output for January is better than any output for that month shown in our table below. The output for January amounted to 876,452 ozs. of fine gold. For January, 1928, the output was 843,857 ozs. of fine gold. The following table shows the monthly output since the beginning of 1923:—

Months of	1923.	1924.	1925.	1926.	1927.	1928.	1929.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January ...	764,469	796,768	823,692	796,270	839,782	843,857	876,452
February	704,970	760,617	753,925	753,924	779,339	816,133	...
March ...	761,586	795,671	825,479	834,340	860,511	877,380	...
April	743,651	768,923	787,519	803,303	824,014	825,907	...
May.....	786,564	809,003	813,249	849,214	859,479	886,186	...
June	755,309	773,053	780,251	852,145	855,154	862,363	...
July	754,306	829,437	818,202	860,134	851,861	867,211	...
August ...	769,371	809,571	808,218	843,854	863,345	891,863	...
September	739,504	799,422	797,247	839,939	842,118	857,731	...
October ...	793,842	827,583	812,832	853,296	855,743	897,720	...
November	780,639	802,313	787,633	840,276	848,059	872,484	...
December	778,849	825,273	791,455	836,157	851,225	859,761	...
Total ...	9,133,060	9,597,634	9,599,702	9,962,852	10,130,630	10,358,596	876,452

The number of natives employed by members of the Witwatersrand Native Labour Association and Contractors over the past few months was as follows:—

	June, 1928.	July, 1928.	Aug., 1928.	Sept., 1928.	Oct., 1928.	Nov., 1928.	Dec., 1928.	Jan., 1929.
Gold mines	197,186	194,584	194,788	194,936	193,147	190,870	187,970	192,526
Coal mines	16,533	16,724	16,767	16,803	16,506	16,241	16,059	15,845
Diamond mines	4,839	4,535	4,807	4,889	4,762	4,481	4,444	5,056
	218,578	215,843	216,362	216,628	214,415	211,592	208,473	213,427

The number of natives employed at the gold and diamond mines showed an increase in January. There was, however, a decline in the number employed at the coal mines.

The Royal Statistical Society announces that at a meeting of the society, on February 19th, Dr. A. Bradford Hill will read a paper on " The Investigation of Sickness in Various Industrial Occupations." The meeting will be held at 5.15 p.m. in the Hall of the Royal Society of Arts, John Street, Adelphi, W.C.2.

Oversea Correspondence.

UNITED STATES. — SHARE MARKET — CAPITAL ISSUES—RAILROADS—PRODUCTION.

(FROM OUR CORRESPONDENT.)

New York, February 1.

The share market continues to disappoint the hopes of its enemies and to prove groundless the fears of its friends. After a period of striking irregularity—during which individual favourites advanced sharply, other shares fell back, and the market as a whole made little progress, while margin requirements were increased and apprehensions rose as to the stability of the price structure—the market showed uniform strength to-day and pushed ahead vigorously to new high average levels for both industrials and rails. This advance occurred despite an increase during the past week of $116,000,000 in brokers' loans, which carried the total for this item up to a new record level. It also occurred in the face of a rise in the call money rate, probably occasioned by first-of-the-month demands, to 8 per cent. Under the circumstances it would appear that the technical position of the market must have been weakened less during the past few weeks than most observers had believed. Among the factors that have contributed to the advance is a realisation that the month-end money squeeze was milder than had been anticipated. It is now generally recognised that the credit situation developed satisfactorily during January, the contraction at the Federal Reserve Bank being considerably greater than had been expected and the strengthening of its position (as reflected in the rise of its reserve ratio to 80 per cent.) being such as to make any advance in its discount rate quite improbable. In addition, the continued import of gold—$10,000,000 being gained in the week—the absence of further French earmarking, and the additional purchases of the metal in London were reassuring as to monetary conditions. No one expects that money is about to become cheap; but it has turned out to be less hard to get than had been expected. There is also the feeling that the money market may continue its present character for a few weeks more—or until the usual demands for funds in anticipation of spring trade arise—which is generally late in February or early in March. It is also possible that official attempts to scare out the market have been overdone.

One of the most interesting features of the present situation is the great activity in the new capital issues market, which, incidentally, contributes materially to the current rise in brokers' loans. During January the new offerings aggregated approximately $750 million, and of this total perhaps $600,000,000 were accounted for during the past two weeks. In this flood of new capital issues, convertible bonds have been very popular, while a surprisingly large part of the total has represented securities issued for the account of investment trusts. This large amount of new investment trust money has had a sustaining effect on the share market in two ways. On the one hand, it has furnished buying power to support the market; on the other, it has supplied call money which has kept the rate for that kind of accommodation down.

Railroad shares, which had been somewhat disappointing recently, have been better, and this in part may be attributed to the Interstate Commerce Commission's decision in the application of the New York Central to lease the Big Four, Michigan Central and certain other subsidiaries. The Commission did not issue an order authorising the lease, but it did declare that the lease is in the public interest and did indicate that it would grant

such an order provided the Central made satisfactory arrangements during the next six months for certain tributary " short lines." This was encouraging, as it indicated that the Commission at last is prepared to meet the railroads halfway and approve desirable features of a consolidation plan, at the same time indicating what steps are necessary to obtain full approval. The Commission also indicated that it would not itself determine the price at which minority holdings were to be taken over; it merely insisted that the plan include suitable arrangements for arbitrating or otherwise determining such values. This will diminish the attempts of obstructive minorities to " hold up " lesser roads. The Commission also stated that the " short lines " should be taken over at their " commercial value " as determined in a manner similar to that for determining the value of minority interests. Altogether, the decision did much to create the impression that the Commission has abandoned an attitude which many considered obstructive and which President Coolidge is reported to have considered dilatory, and that it is now disposed to get ahead with consolidations in a businesslike manner.

Industrial news continues generally good, with steel output at between 85 and 90 per cent. of capacity. There is, however, some slight weakening of iron prices, though those of steel remain firm. Results of corporation operations for 1928, as represented by annual reports now being published, are quite satisfactory.

FRANCE. — ALSACE — FOREIGN TRADE—PRICES — REPARATION DELIVERIES.

(FROM OUR CORRESPONDENT.)

PARIS, February 13th.

THE long debate in the Chamber on the Alsatian situation was brought to a close on Saturday with the voting of a resolution (Ayes 461, Noes 17) expressing confidence in " the patriotic attachment of the Alsace-Lorraine population to the Republic." The minority, with the exception of two votes, consisted entirely of the ten Communist deputies not undergoing imprisonment and five so-called " independent " Alsatian deputies of separatist tendencies. The debate clearly showed that the alleged separatist movement is largely the result of the discontent of a substantial section of the population of the recovered provinces, due to the publicly announced intentions of the Cartellist Government, which came into power in 1924, to enforce in Alsace-Lorraine the policy of laicism in education which prevails in the rest of France. This situation was promptly and skilfully manipulated by Communist energy, in alliance with a section of the priests, the movement being largely helped by too drastic efforts on the part of the French Government to replace German by French as the national language. So far as can be seen there is little likelihood of Alsace-Lorraine developing into " another Ireland," and there is reason to believe that the thorough ventilation given to the matter in the Chamber has already removed much of the dissatisfaction that was undoubtedly felt by the population. The Government has still to test the feeling of the Chamber in regard to its proposals to permit the return of certain of the monastic missionary orders, which it considers necessary for the purpose of maintaining French influence abroad. The debate will no doubt be unusually bitter, in view of the deep dissatisfaction of the whole of the parties of the Left in regard to the restoration of temporal power to the Pope, but the victory of the Government may be considered as assured in advance.

French foreign trade figures for 1928, which are now available by countries, show that although this country's exchanges with the principal other nations were in many cases lower than in 1927, both as to imports and exports, trade between the colonies and the Mother Country increased appreciably during the past twelve months. French exports to the colonies totalled 8,324,517,000 francs (of which 3,918 millions went to Algeria), as against 7,717,435,000 francs in 1927, while imports from the various colonies amounted to 6,727,922,000 francs (2,796 millions from Algeria), against 6,058,248,000 francs in the previous year. The comparative situation in regard to exchanges between France and the ten principal countries was as follows :—

	Exports to France.		Imports from France.	
	1927	(In thousands of francs). 1928	1927	1928
Great Britain	6,472,729	5,447,365	10,190,600	8,165,746
United States	7,065,836	6,200,346	3,610,148	3,331,481
Germany	4,204,299	4,961,318	6,551,899	5,669,207
Belgium and Luxemburg	3,790,014	3,826,531	7,584,214	7,246,785
Argentine	2,338,405	2,046,949	1,139,468	1,146,168
Italy	1,608,577	1,575,599	2,045,472	2,150,475
Brazil	1,068,660	1,162,022	538,960	563,068
Spain	1,420,464	1,623,255	1,713,499	1,752,978
Holland	1,997,158	1,678,239	1,775,171	1,302,060
Switzerland	777,341	964,778	3,424,025	3,378,318
Canada	72 4,289	620,374	703,417	674,765

Swedish, Norwegian, Czechoslovakian, Serbian, Portuguese and Japanese exports into France showed an increase, while those from Poland and Greece fell away slightly. Franch exports to Sweden and Greece increased fractionally, while those to Norway, Poland, Czechoslovakia, Serbia, Portugal and Japan were smaller.

The index figure representing wholesale prices at the end of January is returned by the Statistique Générale as 644, equivalent to a rise of seven points on the month, but of five only since the end of November. The detailed figures, based on 100 as representing the corresponding prices in 1913, are as follows :—

	Articles.	End of the month of		
		November	December	January
General index figure	45	639	637	644
French products	29	631	631	639
Imported products	16	653	646	651
Foodstuffs, general figure	20	595	589	599
Vegetable foods	8	601	589	599
Meats	8	580	579	580
Sugar, coffee, cacao	4	614	607	603
Raw materials, general figure	25	678	679	683
Minerals and metals	7	613	609	610
Textiles	6	761	762	775
Various	12	668	673	672

The outstanding features of the table are the sharp rises of 19 points in vegetable foods and of 13 points in textiles, the whole of the other categories of commodities having remained practically stationary. Reduced to gold, for comparative purposes, the French index figure for January works out at within a shade under 129, as against 143 in Great Britain (for December), 140 in Germany, 145 in Switzerland, 464 (or 126) in Italy and 855 (or 122) in Belgium. Retail prices in Paris for January, based on 13 articles of common necessity, are given an index figure of 599 (as compared with 100 in 1913), or a rise of 3 points on the month.

The general index figure for production in December is returned as 134 (based on 100 as representing productive activity in 1913), or a rise of 2 points on the month. This improvement is almost entirely due to a sharp rise of 58 points on the month in motor car production, which figure is returned at 657, against 599 for November and 562 for October. Engineering industry is up 6 points (from 143 to 149), and metallurgical activity 3 points, but the textile trades are shown to have again dropped a point below their pre-war level and the building trade 2 points below, while extractive industries fell 3 points (to 119) during the month, and rubber industries 19 (to 618).

Contracts approved by the Committee of Transfers for execution under the system of reparation payments in kind have risen from a total value of 667 million gold marks in the second year of the Dawes Plan to 968 million in the fourth year. The principal French contracts in 1927-28 included 95 for the delivery of coal, coke and lignite to the value of 192,418,000 gold marks, another to the value of 59,328,000 marks for the delivery of material for installing continuous brakes in French railway trucks, and others for machinery, 113,539,000 marks; manure and other chemical products, 52,342,000 marks; river and canal shipping, 46,075,000 marks; horses, cattle and sheep, 41,451,000 marks; various public works, 32,278,000 marks; iron, steel and other metals, 30,300,000 marks; and deliveries of sugar, wood pulp, paper, coal by-products, cinematograph films, bricks, telegraph poles, etc.

GERMANY.—REPARATIONS—CREDIT—PUBLIC DEBT—WAGES—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, February 12th.

THE nervousness shown in business circles in connection with the Reparations Conference, referred to last week, continues. The conviction is growing that a large reduction of the annual liability, the only matter in which the public shows interest, is very unlikely, and that the mobilisation of any considerable portion of the bonds, which seems to be the chief French interest, is impracticable. The attitude of Great Britain is represented as one of indifference if only the terms of the Balfour Note are observed. The Press is full of unreasonably pessimistic accounts of economic conditions. The notion of a new provisional settlement which seems possible, though inconsistent with the Geneva decisions, is unpopular. That, however, a provisional settlement would be preferred to any final settlement which left the annuity near the present level may be inferred from the increasing emphasis laid on the chief merit from the German viewpoint of the Dawes Plan, that is, its elasticity. From the transfers clauses, under which the internal burden might be reduced, to the provision for altering the annuity in the event of price-changes, the Plan contains numerous possibilities of relief and re-adjustment. The Plan is also consistent with Article 234 of the Treaty, under which Germany's payment-capacity is to be tested from time to time. Finally, as the " Frankfurter Zeitung " remarks, " a political debt between state and state itself involves a possibility of future reductions." All these advantages, it is claimed, will be lost if the final settlement imposes a fixed debt destined to become ultimately a debt to private capital.

The advance in the Bank of England discount rate was not expected here, and the amount of the advance caused surprise. An advance was indeed predicted months ago, but the long delay led to the belief that it might be altogether avoided. On the Berlin money market the advance had no effect. The exchange market had already been turning, but the advance led to a new sharp rise in sterling against Berlin. Both day-to-day and month money rates fell last week, and to-day loans were very plentiful at 3½–5½ per cent., month loans 6¾–7½ per cent. The rate for private discounts remains unchanged at 5⅝ per cent—a nominal rate, because practically none are offered. The sterling exchange rate, which on December 31st was 20.356, and on February 7th 20.432, rose on the 8th to 20·467, but was to-day back at 20·459. The German gold-export point, which is here calculated at about 20·47, was nearly reached on the 8th, and the possibility of gold export was discussed. The recall of American funds and the voluntary repayment of credits by banks which wished to take advantage of the low home rates and the general fluidity have already led to a decline in the Reichsbank's exchange reserve, which is now only 140¼ million marks, and it seems that a good deal of foreign exchange has been purchased for Reparations transfers. This movement, however, antedated the London rate advance. The Reichsbank's return for February 7th shows only a moderate decline in credits and circulation, discounts falling by 67 million marks, advances by 57½ million marks, and circulation by 218 million marks. The easy money-market condition is best reflected in an increase of deposits by 78 million marks.

The Prussian State Bank (Seehandlung) annual report for 1928 shows net profits of 5,114,871 marks, as against 5,139,077 marks in 1927. To reserve is allocated 1,000,000 marks, as against 2,000,000 marks in 1927; to increase of capital 3,000,000 marks, as against 2,000,000 marks; so that the bank begins 1929 with 15,000,000 marks capital. The policy of increasing the capital out of the relatively large net profits, is a consequence of the lack of any other means of replenishing the capital lost in the inflation. The Berliner Handelsgesellschaft Bank repeats its 12 per cent. dividend.

The federal debt return for December 31, 1928, shows an increase during the year of roughly half a milliard marks, due mainly to short-term borrowing, and in part to booking of recognised claims for compensation by native losers through the war. The movement of the whole federal debt in 1928 was :—

	Millions of Marks. Dec., 1927	Dec., 1928
Valorised loans, loan of 1927, and compensation claims	5,717·8	5,859·7
Treasury Bills	20·7	97·7
Bank debts	1,018·5	876·9
International loan	903·5	873·9
Various short-term debts	323·7	780·4
	7,984·2	8,488·6

The wholesale prices index number for February 6th is 138·9, as against 138·6 on January 30th. The cost of living index number for January is 153·1, and with the exception of August, 1928, is the highest so far. The average wage both for skilled and unskilled workers is still slowly rising. The salaries of clerical and non-manual technical employees were of late raised all round, but are still extremely low. Coal production in the last report week shows a sharp decline. The coal foreign trade-balance for 1928 and earlier years was :—

(Tons, 000's omitted)

	Import.	Export.
1928	7,504	23,895
1927	5,333	26,878
1913	10,540	34,598

Imports from Great Britain in 1928 were 4,567,000 tons as against 3,267,000 tons in 1927. The active balance on foreign trade in coal, coke, and lignite in 1928 was 537 million marks against 745 million marks. The home iron and steel market is quiet, and the pig-iron production of Prussian Silesia is being reduced; export is still active, and prices are firm. The demand for scrap iron has increased. The Siegerland iron ore output in 1928 shows a sharp decline. As a consequence of the recent steel lockout, the Metalworkers' Trade Union has put forth a programme for representative control, somewhat on the lines of that of the coal industry, of the whole pig-iron, steel, scrap, rolling-mill, and railway materials industries. Such control involves equal representation of Capital and Labour in a governing council. In regard to the differences in the International Rails Cartel, connected with the exceeding by Great Britain of her export quota, Berlin newspapers state that two alternative schemes have been worked out by the commission entrusted with proposals; that one scheme proposes that the over-quota penalty be raised from 12s. 6d. to £1 per ton, and that the British negotiators have refused to agree to such a big increase. A plan for general co-operation in the Solingen cutlery industry has been rejected, apparently because the larger and richer concerns prefer to remain independent. The plan provided for joint buying of raw materials, reduction of the number of patterns, various measures for reduction of working cost, and joint propaganda.

The Bemberg (artificial silk) company has declared an unchanged dividend of 14 per cent. for the business year 1927-28. The capital is to be raised by 12 million marks to 40 million marks. The turnover in 1927-28 increased 25 per cent. The shareholders' meeting was informed that there is no ground for anxiety as to the development of the artificial silk industry, at least as far as the large companies are concerned. The Potash Syndicate's sales, home and export, in January totalled 167,740 metric tons (of pure potash) as against 202,010 tons in January, 1928. Net

LEGAL & GENERAL
ASSURANCE SOCIETY LIMITED
Established 1836.
LOANS ON
STOCKS AND SHARES
Head Office: 10, FLEET STREET, LONDON, E.C.4.
near Temple Bar.
Assets Exceed - - £20,750,000
General Manager: W. A. WORKMAN, F.I.A.

import of oil and oil products in 1928 was 2,358,378 metric tons as against 2,050,345 tons in 1927—an increase of around 15 per cent., whereas the value return shows an increase of only ½ per cent. Of the total import 990,822 tons as against 844,823 tons were benzine and benzol. Imports of boots and shoes in 1928 were 4,219,000 pairs (whereof 3,106,000 from Czechoslovakia) as against 2,990,000 pairs in 1927; exports 2,061,000 pairs. The agitation for an increase in the duty as against Czechoslovakia continues.

HUNGARY.—MINORITY RIGHTS—PUBLIC FINANCE—TRADE BALANCE—NATIONAL BANK.

(FROM OUR CORRESPONDENT.)

BUDAPEST, February 10.

THE next session of the League's Council is awaited here with keen interest, for, owing to the fact that more than three and a half million Hungarians live under the sovereignty of the Little Entente, Hungary is keenly interested in the question of the rights of minorities. In official circles great importance is attached to the decision of the Mixed Tribunal set up by virtue of the Treaty of Trianon, declaring its competence to deal with the case of the Hungarian nationals whose property was confiscated by the application of the Agrarian Law in Czechoslovakia. It is pointed out that the International Court accepted the Hungarian legal standpoint, not only in the case of Roumania, but in that of Jugo-Slavia and Czechoslovakia.

The Budget for 1929-30 is in preparation and will be laid before Parliament in March. Considering that the finances of the country have been stationary in the last year, the Budget will not differ materially from the previous one. In the light of experience it is easy to forecast that expenditure will be somewhat over 900 millions. Considering that revenue in the fiscal year ending on June 30, 1928, amounted to 961.4 million pengös there will be a sufficient margin for extraordinary expenditures, which were hitherto mostly spent on productive capital investments. Revenue in the first six months of the present fiscal year amounted to 515.2 million pengös, as against 500.5 million pengös in the same period of 1927 (July-December). The surplus over estimates amounted to 35.9 million pengös, substantially less than last year, owing to the increased pay and higher rent allowances of the civil servants and pensioners. The analysis of the revenue in the first half-year reveals that, although receipts were 14.7 million pengös higher than a year ago, only some 2 million pengös were derived from taxation, the rest being obtained from other public revenues. Another favourable feature of the revenue returns is the increase of direct taxes and the decrease of the turnover tax and Custom receipts. Although imports were increased in 1928 as compared with 1927, the Custom receipts declined from 81 million to 68 million pengös, but the loss of revenue was more than offset by the rise of direct taxes, stamps and dues, sugar and tobacco receipts. This development of the public finances is very salutary because the rural population suffers very much from the high protective duties on industrial staple commodities.

The adverse balance of payments in 1928 is estimated by the annual report of the National Bank of Hungary at approximately 500 million pengös. The deficit of the merchandise balance amounted to 366 million pengös, the annual service of the foreign indebtedness of the country is estimated at 120 million pengös, and other invisible items of minor importance are adverse. The economic recovery of the country in the last three years necessitated big foreign loans to finance building and capital works, as the savings of the country are proceeding very slowly and are as yet unable to meet the urgent requirements of expanding business. Savings deposits increased from 364 million to 496 million pengös during the year 1928; deposits on current account have risen from 682 millions to 892 millions, an increase of more than 300 million pengös. A considerable part of this, however, represents foreign monies deposited with Hungarian banks and cannot be attributed to internal savings. Of the foreign commitments of Hungary, totalling 500 millions during 1928, about 280 million pengös were contracted in the form of long-term debts, of which more than 90 per cent. was taken up by private enterprises and banks. Estates and landed property contracted 120 million pengös in the form of mortgage loans, as against 100 millions in 1927; industrial loans amounted to 130 million pengös, the bulk of which was raised in London for the financing of a large electric power station near Budapest. The increase of short-term debts as compared with 1927 was on a much smaller scale, the increase being about 100 million pengös, as against an estimated increase of 150 to 200 millions experienced in 1927. The rest of the foreign commitments, totalling 500 millions, is covered by the placing of Hungarian shares and securities abroad, by the participation of foreign interests in the capital increases of Hungarian joint stock companies, and, finally, by the decrease of Hungarian balances abroad. The dividend of the National Bank was increased to 12½ per cent., and a considerable part of its profits were devoted, as prescribed by the Statutes, to the paying off of the State debts to the Bank. The Governor of the National Bank, Dr. Popovico, who has managed the Institution ever since the reconstruction scheme began to operate, was reappointed for another term of five years.

The money market is easier. Rates for prime commercial paper have declined more than a half per cent. since the end of last year and are now about 7⅜-7½ per cent., as against 8-8¼ per cent. in December, 1928. It is as yet difficult to say whether the increase of the discount rate of the Bank of England will have a pronounced effect on money rates here. Although the demand for accommodation is smaller in the first months of the year, the fact remains that Hungary's short-term loans are mainly supplied by London. In order to facilitate the export trade of the country, the Minister of Economic Affairs, Dr. Bud, has arranged a credit of five million dollars at the rate of 7¼ per cent., of which two millions are available for industrial and three millions for agricultural purposes. It is hoped that the cheap export credit will stimulate the exports of the country, as other facilities, such as railway tariff reductions, etc., have also been granted on grain and flour exports. The first part of the Swedish Match Loan, amounting to $11 million net, has been placed at the disposal of the country, and an institution has been formed to carry out the financial part of the land reform, which is to be financed from the $36 million loan of the Swedish Match Trust.

JUGOSLAVIA. — POLITICS — TRADE BALANCE — INDUSTRY AND SHIPPING.

(FROM OUR CORRESPONDENT.)

BELGRADE, January 29.

WHATEVER may have been the feeling of the politicians responsible for the Zagreb and Belgrade conflict which produced the Royal proclamation of January 6th, there cannot be the slightest doubt as to the reception of the new *régime* by business circles. It is significant that the Zagreb Bourse was the first to register its approval by an immediate rise in the price of all State securities. Thus, the 2½ per cent. reparation bonds, which on January 6th were quoted in Zagreb at 444 dinars for a nominal 1,000, rose the very first day by two points, continued firm under the lead of Zagreb, and reached 460 on January 26th. Business people regard the suppression of political parties and party organs as a sign that greater attention will henceforward be paid to long-neglected economic needs. Emphasis, however, is placed on the repeated declaration by the King that the new *régime* is only of a temporary character.

The first pronouncements of the new *régime* are indeed far-reaching. All legislation is to be radically revised; administration reformed and cleansed of corruption; the cadre of officials reduced; the budget made smaller by 10-14 per cent.; and Customs tariffs entirely changed. Even more important is the declaration that all State undertakings, and particularly railways, telegraph and telephones, will be placed on a commercial basis and

partly handed over to private enterprise. In practice the Government has started with a wholesale dismissal of superfluous officials, the reduction of the budget, and the promulgation of several laws, whose full effect can only be judged after some time.

Of the need of drastic reforms there can be no doubt. The past year has not been easy for Jugoslavia, although better than 1927. The trade deficit for 11 months reached the sum of 1,411 million dinars (£5.2 million), imports having been 7,286 million dinars, against exports 5,876, a ratio which can be only slightly modified by the December figures. It is true that the deficit is not due to a fall in exports, which have been 44.5 million dinars larger in 1928 than in 1927, but to a rise in imports; also that the higher imports relate not to articles of consumption, but to railway material, rolling stock, industrial plant and hardware, which are all necessary for works of construction. Nevertheless, the trade deficit has put a heavy strain on the National Bank, whose covering of 452 million gold dinars at the end of 1927 declined to 339 at the end of 1928. The rest of the balance of payment has been covered from foreign loans, viz., from the instalment of the Blair loan, 400 million dinars, the Swedish match loan, 280 million, the Tobacco Monopoly loan with the Anglo-International Bank, 270 million, and the State Mortgage Bank loan, 113 million dinars—a total of 1,063 million dinars (£4 million). This strain is likely to continue during 1929 until the harvest, in view of the poor prospects of maize export. The expected trade deficit of the next eight months will, therefore, have to be covered from the further three instalments of the Swedish match loan, 840 million dinars, and the remaining parts of the Tobacco Monopoly loan, 810 million; while the stability of the dinar is further assured by a revolving credit of 300 million dinars, and, it is believed, by a credit of 15 million Swiss francs.

The year has been most satisfactory from the point of view of industry, which has not only recovered from the deflation crisis, but, supplied as it is with cheap labour as a result of the agricultural depression, is showing signs of expansion. The best placed is the wood industry, which has entered upon a period of activity likely to continue for some time. With prices 30-40 per cent. higher than last year, and wages and freights the same, it has been able not only to write off former losses, but also to create reserves for future development. The textile industry has also progressed. Most of the knitted material required is now supplied by home production, while other branches are also improving, and the establishment of an artificial silk factory with British capital is imminent. The chemical industry is expanding with the help of foreign capital, and so is the sugar industry, which fully supplies home consumption, and can even produce for export. Satisfaction is also felt at the development of the Adriatic merchant marine, which, from 114,000 registered tons in 1921, has increased to around 300,000 at the end of 1928. Two large maritime companies, the Atlantska Plovidba Ivo Racic and the Jugoslavenska Amerikanska Plovidba, have amalgamated recently under the name of "Jugoslavenski Lojd," with headquarters in London and a capital of £7 million which incidentally makes them financially the most powerful enterprise of the country. The Dubrovacka Paraplovidba is increasing its capital from 21.5 million dinars to 100 million, most of the new capital to be used for shipbuilding. Finally, the Jadranska Plovidba, which serves coastal traffic, plans the construction of 18 vessels in view of the increasing number of tourists visiting the Dalmatian coast.

RUSSIA. — AGRICULTURE — INDUSTRY — TRADE—BUDGET—CREDIT.

(FROM OUR CORRESPONDENT.)

THE food position has not improved, and in many towns special control of distribution has been reintroduced. The autumn sowing campaign developed unsatisfactorily, and as the area under winter crops is below the programme, special measures have to be taken to increase the area sown in the spring. Large loans of seed are to be made. The plans of the Trade Commissariat and of the Centrosoyuz provide also for a big increase in sales of manufactured goods to farmers in the grain-collecting provinces, but this is made possible only by reducing the supply of manufactures to the grain-consuming provinces and to the towns. The Government announces new measures for increasing the flax crop. The flax area recovered to 1,179,000 hectares in 1925-26, but declined again to 1,158,000 hectares in 1927-28; and the yield fell from 309,000 to 254,000 tons.

The official retail prices index number rose further to 2.16 (1913=1) on January 1st. In the past year retail prices rose 7.6 per cent., the agricultural group 16.5 per cent., and the industrial group 2.5 per cent. Wholesale prices have also further risen slightly to 1,768 (1913=1,000) on January 1st. The Council of Economy reports that the average industrial production cost in 1927-28 fell 5.5 per cent., as against 6 per cent. required by the programme for that business year. The plans for reduction of production cost of coal, oil, iron ore, machinery, and some other products were not realised. The best results were attained in chemistry and in non-ferrous metals. The productivity of labour generally increased. The Plan for 1928-29 assumes that industrial production cost will decline 7 per cent., but the results in the completed first quarter of the business year were not so satisfactory.

Industry is facing many difficulties. In the Urals and South Russia there is a shortage of high-grade iron ore and of coke. Official complaint is made of shortage of basic chemicals, zinc, lead, tin, and in some districts wood. The manufacturing branches which produce goods for consumption are also short of materials. Labour discipline is bad, particularly in the collieries and in engineering. In the first quarter of 1928-29 industrial output is returned at 20.5 per cent. above that of the same quarter of 1927-28; this exactly fulfils the programme. The output of coal was 9,607,000 metric tons; that of pig iron 880,100 metric tons, and of ingot steel 1,147,000 metric tons. The coal output fell below the programme. The Communications Commissary complains that railway-car construction and shipbuilding are delayed by shortage of materials. Plans for increasing the iron output are still being launched. Two milliards of roubles are to be spent in the next five years in building new and renovating old metallurgical works. Oil output in December is returned at 1,117,000 tons, as against 1,079,000 tons in November. The revised foreign trade return for 1927-28 shows oil product exports at 2,728,300 tons, against 2,038,800 tons in 1926-27, 663,200 tons being petroleum, 760,500 tons benzine, 183,000 tons lubricating oils, 221,500 tons motor oils and gas oil, and 692,900 tons mazut. Italy bought 496,900 tons, Great Britain 387,400 tons, and France 354,800 tons.

The local authorities in White Russia and the Ukraine have been given new orders to "curtail the excessive activity of private initiative in retail trade." This is being done chiefly to the benefit of the Co-operatives. The Moscow Press publishes criticisms of the Customs Tariff of 1927. It is alleged that the import duties, though very high, are inoperative owing to the enormous difference between home and foreign prices, and that the only effective protection is the State Foreign Trade Monopoly. Imports over Asiatic frontiers in 1927-28 totalled 124,600,000 roubles, exports 138,100,000 roubles. In the first quarter of 1928-29 (October-December, 1928) imports over European frontiers were 166,800,000 roubles, exports 179,600,000 roubles. Import of goods for consumption again fell heavily, being only 80 per cent. of that of the same quarter of 1927-28. Export of agricultural products also declined, but export of agricultural products other than grain increased; and the industrial export increased 51 per cent.

The Budget for 1928-29 has been sanctioned by the Central Executive Committee. The chief figures, as

compared with the Budget of 1927-28, are:—

REVENUE.	Thousands o 1927-28.	Roubles 1928-29.
Direct taxes	1,495,277	1,700,287
Indirect	1,640,900	1,990,500
Stamp duties, etc.	105,117	138,049
All taxation	3,241,294	3,828,836
Non-tax sources	2,633,210	2,987,687
Whereof:		
Posts	171,900	190,000
Communications	1,685,000	1,904,459
State property and undertakings ...	686,288	784,814
Loans	525,000	800,000
	6,399,504	7,616,523
Budget surplus	50,000	115,000
Total revenue	6,449,504	7,731,523
EXPENDITURE.		
Defence and administration	3,604,084	4,029,060
Whereof:		
Defence	742,427	850,742
Communications	1,876,994	2,069,465
Posts	178,412	190,003
Education	171,332	215,831
Health	52,278	59,050
Agriculture	126,941	150,451
Financing of business	1,316,041	2,055,766
Whereof:		
Industry	632,138	949,209
Electrification	135,660	184,000
Agriculture	131,252	334,150
Trade	108,060	181,100
Railway construction	68,000	127,600
Special funds	184,018	157,642
Service of loans	247,500	293,000
To local budgets	942,795	1,050,623
Expenditure of R.S.F.S.R. autonomous Republics	83,066	95,435
State grain fund	22,000	—
State cash reserve	50,000	50,000
Total expenditure	6,449,504	7,731,523

The estimated revenue is nearly 1,300 million roubles over the 1927-28 estimate, but only approximately 1,000 million roubles over the realised revenue (6,796 million roubles) of that year. The increase in receipts from loans in 1928-29 is less than appears from the table, because loans in 1927-28 realised 180 million roubles more than the 525 million roubles estimated. Of the increase in expenditure very little falls to administration. Communications (gross expenditure) and Defence account for a great part of the increase; but in the main expenditure is swollen by an addition of over 700 million roubles for financing national business. Here agriculture claims the largest percentage increase, in part owing to the proposed big development of " Soviet " and " collective " farms. The investment in new railway construction is doubled. Altogether, over 26 per cent. of the Budget total falls to financing of business, as against 20 per cent. in 1927-28. In the first quarter of 1928-29 total revenue received was 1,849 million roubles. The agricultural tax yield and receipts from transport exceeded the quarter's share, but there was a deficit on the income and industrial taxes, due, according to the official statement, to " the shrinkage of private trading."

The short-term credit position is reported somewhat better; the capital market worse. The short credit demand towards the end of last year was smaller than at the same period of 1927. Long-term indebtedness increased; and during the whole of the first quarter of the new business year the Long-term Credit Bank was faced with difficulties through the failure of borrowing concerns to meet their engagements. Total circulation on January 1st was 2,028 million roubles, against 2,025 million roubles on December 1, 1928, and 1,668 million roubles on January 1, 1928. The State Bank's return for February 1st shows a circulation of 1,065,051,730 tchervonetz-roubles.

JAPAN. — TAX REFORM — TRADE — BANKING — PRICES.

(FROM OUR CORRESPONDENT.)

TOKIO, January 14.

THE Imperial Diet will reassemble next week after the New Year recess. The main work of the current session is undoubtedly to give legislative sanction to a rather complex taxation reform Bill. The Government measure is, in rough outline, to transfer the land and business profits taxes to local governments as rating relief, and to make for loss of national revenue consequent upon the proposed transfer by increasing rates of tax on higher incomes and imposing new normal rates on investment income and business profits. Parliamentary controversy promises to rage around the Government proposal, which, however, is in itself essentially a dull and heavy legislative task. Immediate attention will surely be turned, as is already clear, to affairs of foreign policy. The present Government's China policy now foreshadows a whole-hearted indictment from many sections of the Opposition. Commanding, as it does, no clear majority in the House, the Government is not altogether safe from surprise and defeat. It will be hard put to it to get through the session.

The trade returns for 1928 show that imports at 2,192,858,000 yen were 15.5 million yen higher than in 1927, while exports at 1,971,689,000 yen were 20.4 millions lower, the excess of imports over exports at 221,169,000 yen being 35.9 millions higher. The first half-year's improvement in trade was so marked as to suggest that the apparent adverse balance might shrink to a very comfortable sum, but these expectations have not been fulfilled, the recovery having been arrested during the last six months. Japan's imports from China during 1928 amounted to 372,741,000 yen, and her exports to China to 530,926,000 yen, showing a balance of 155,185,000 yen in favour of exports. As compared with the preceding year, both imports and exports reveal an expansion of 39.9 and 46.4 million yen respectively. The better result in the trade with China shows that the anti-Japanese agitation did not affect the trade so seriously as a whole, and a falling-off in trade in the boycott-infested regions was more than offset by a compensatory expansion in other parts of the Republic. Korea's foreign trade returns for 1928 disclose that imports totalled 118,151,000 yen, and exports 32,149,000 yen, showing an adverse balance of 86,002,000 yen, against 85,809,000 yen in 1927. Formosa's imports during last year amounted to 58,332,000 yen, and exports to 33,894,000 yen, an excess of imports over exports totalling 24,438,000 yen, against 20,963,000 yen in the preceding year. Japan's adverse balance on the visible trade figures for the whole year 1928, including Korea and Formosa, thus amounted in the aggregate to 331.6 million yen, as compared with 292 millions for 1927.

The 1928 merchandise excess of imports of 331 million yen is reduced to 152 millions by net invisible exports, income in the international transactions amounting to 537 millions and expenditure to 358 millions, according to the chairman of the Yokohama Specie Bank's private estimate of the trade balance for last year. As compared with 1927, income rose by 73 millions, while expenditure fell by 11 millions. But it should be noted that proceeds of the water-power companies' loans raised in London and New York, and the loss of specie held at foreign centres, are included in the bank chairman's calculations. Japan's position in international payments, therefore, cannot be regarded as having improved.

Despite the fact that a few bank failures were reported from the North at the middle of last month, the year-end was negotiated without much difficulty. But the Bank return for December 29th showed that the note issue and advances expanded to 1,773.4 and 918.6 million yen respectively, the highest for any year-end period. The explanation was the calling on the big banks for meeting the pressure in anticipation of a particularly difficult year-end, and the consequent rise of market indebtedness to the Bank. After the turn of the year, however, both note circulation and advances contracted rapidly. The yen exchange has developed a weakening tendency since the opening of the year. The Hankow agitation and the unsettled outlook of Sino-Japanese affairs, the abnormally heavy imports in the first ten days of the month, and the depletion of Japan's foreign balances, all serve to depress the yen. Under the shadow of the Chinese agitation the stock market is rather hesitant, though the general tone remains firm, supported by the monetary ease. Commodity prices have again turned upward. The Bank of Japan's wholesale index number for last month registered a rise of 0.68 points, the total being 229.75, against 229.07 for November, and 222.43 a year ago.

Letters to the Editor.

STABILISATION OF PRICES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The stabilisation of prices is frequently mentioned in the Press nowadays as if it were a function that currency should perform. Is that correct otherwise than in a strictly limited manner?

Modern currency systems confronted with sensitive local or world conditions may justifiably call for temporary arrest or acceleration such as the finger may give to the weighing scale, but can prices be stabilised in the long run?

What really rules prices from decade to decade and century to century is the " standard of living." That has been revolutionised by the applied use of steam and electricity. It is continuously being revolutionised by the increasing freedom of communications between the nations of the earth and by the harnessing of the forces of Nature as scientific knowledge advances. The cinema, for instance, is raising the standard of life, for almost the poorest of families provide their children with the means of enjoying it.

Certainly, at any moment sources of power may be derived from the ether or the atom which would raise " the standard of life " immeasurably higher.

Apart from such contingencies, the trend of events is bringing about factors which cannot fail permanently to affect prices to a surprising degree, and that is the awakening of the populous nations of the Far East to Western civilization. In other words, half of the people of the world are on the eve of a great advance in their standard of living, with a consequent effect upon world prices.

In the writer's experience the wages of Indian workers have risen at least twofold and must continue to do so. When the myriads of Central Asia, China and Japan add their powerful impetus, no manipulation of the present currency systems will be able to hold it in check. Mrs. Partington set herself to sweep the sea out of her parlour, but the Atlantic won. Until the currency systems of the world are based upon common agreement and a common standard of living—which to most of us seems a fantastic dream—the utmost currency systems can do is to ease the strain of seasonal and exceptional interference with prices.

After all, save in countries independent of foreign trade—now few, and soon, probably, to be non-existent—world prices will affect more or less the internal prices of each individual nation.—Yours faithfully, BENJAMIN WHITE.

The Holt, Rustwick, Tunbridge Wells, February 12th, 1929.

Books and Publications.

A NEW VIEW OF WAGE THEORY.*

MR. J. W. F. ROWE has produced a re-statement of current wage theory which merits recognition as a definite landmark in the history of the subject. It embodies conclusions which contain the germ of real originality and are expounded in a lucid and vivid literary style which will commend the work to the general reader as well as to the specialised student.

The book falls into three parts. The first comprises a study of actual wage movements between 1886 and 1926 in five particular industries: building, coal, cotton, engineering and railways. This is a good selection, illustrative of widely varying conditions as regards security of tenure, overtime, unemployment and short time, dependence upon export trade, statutory control and labour organisation. Book II. follows up the fortunes of these industries in respect to collective bargaining, and concludes with the interesting suggestion that the constant drain of trade union officials to the Parliamentary arena is mainly responsible for slow progress in the improvement of trade union organisation and the absence of constructive leadership.

Book III. opens with a masterly exposition of the Marginal Productivity theory, as Marshall left it, followed by a brief summary of the elaborations of that theory which later writers have developed. To this recapitulation Mr. Rowe adds two conclusions of his own, drawn from his preceding study of facts and tendencies. The first is that the conception of a general rate of wages may be, under modern conditions, an unsupported theoretical abstraction; the second that existing wage theories ignore the implications of a powerful trade unionism, and its causation of changes in the whole structure of wages. It is here that we approach the constructive part of his thesis. In substitution for the Marshallian conception of specific collective bargains as short period oscillations round a normal equilibrium, the author offers his own view of the specific collective bargain as itself a determinant of normal equilibrium, operating through continued pressure on the technique and organisation of production. Thus he is led to demand the frank recognition of collective bargaining as a determinant of the value of labour; and in his concluding chapter he discusses some of the practical implications of his view. They involve a series of ingenious economic paradoxes. " Capital is, as it were, the pursued, and labour the pursuer " —a curious reversal of the view of collective bargaining crystallised in Part III. (Chapter II.) of Mr. and Mrs. Webb's " Industrial Democracy." The function of trade unionism thus expands from an attempt to equate wages with marginal productivity to an attempt to increase marginal productivity by reinforcing, or if necessary replacing, competition as a spur to progress. It follows that a high level of intelligence and knowledge is required of the trade union leader, who is called upon to make an accurate valuation of the potential response of any particular industry to a forward thrust of wages, since overvaluation may have serious reactions on employment.

* " Wages in Practice and Theory." By J. W. F. Rowe. Routledge, pp. 277–x. 12s. 6d.

EAST OF SUEZ.*

THE authoress of " The Trade of the Indian Ocean " must, it would seem, have shut herself up, as did Thomas Moore a century ago, with a library of books upon the East; but the result is very different. Instead of a contribution to literature wearing the garb of oriental romance, we have an utterly matter-of-fact compilation, the object of which, it is explained on the opening page, is " to give a brief account of the present-day commerce and commercial problems of the Indian Ocean." It is difficult to believe, on reading " Lalla Rookh," that Moore wrote of what he had never seen. This writer, on the contrary, if she has sailed the Indian Ocean, has not allowed her experiences to influence her pen. No vision is here, such as the title of the book might suggest, of the gorgeous East, lavish with pearl and gold; no coral reefs, surf boats, ships; no men toiling in the heat; no great sea stretching into a limitless distance. On the other hand, the account of things as they are, according to economic works and statistical records, is very well done. The facts, well up to date, have been brought together with diligence, and are presented in orderly fashion. But this is a picture of a vast machine. Even the Suez Canal was not made—it is simply there—with its traffic to be coldly analysed. The impact of European civilisation upon the East, the scramble for new markets and new sources of raw materials, have no doubt happened, but the reactions discussed are mainly industrial and commercial activities, as represented by figures and percentages. The narrative is no more tense with life than are the official reports whose materials it so admirably condenses. The book is a valuable compendium for reference purposes, and a really wonderful mass of information is packed into its pages. Perhaps it is too much, in the circumstances, to expect more than a text book, yet it is difficult to avoid disappointment that the seeming promise of the title is not more amply fulfilled.

* The Trade of the Indian Ocean. By V. Anstey. (London) Longmans Green & Co., 1929. 8s. 6d.

GOVERNMENT AND MUNICIPAL SECURITIES.*

THERE are this year 2,330 pages in the "Government Manual," the chief of the five volumes packed full of enlightenment which Moody's Investment Service annually makes available. The remaining four deal respectively with bank and finance, industrial, public utility, and railroad stocks. Apart from its value to the investor, there can hardly exist a more concentrated accumulation of exhaustive knowledge about almost every stable government and city in the world than this euphemistically titled tome. By those who, without being experts themselves, make use of it for financial information a new feature will be appreciated, for in the 1929 edition a brief editorial note on the fiscal policy and national economy of each of the principal nations is appended to the pages of detailed facts and figures concerning each nation's resources.

* "Moody's Manual of Investments, American and Foreign: Government Securities, 1929." Moody's Investment Service, New York and London (33, King William Street, E.C. 4). £5 5s.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

Select Statistics, Documents and Reports Relating to British Banking. By T. E. Gregory. Oxford University Press. Two volumes, 21s. net.

Volume I. (1832-1844) deals with the Bank of England before the Bank Act of 1844. Volume II. (1847-1928) is divided into three parts: The Bank of England after the Bank Act of 1844; Joint Stock Banking; and the War and Post-War Periods.

Economic Foreign Policy of the United States. By Benjamin H. Williams. (New York) McGraw-Hill Book Co., Inc., 370 Seventh Avenue. 20s.

This critical history, by a Pittsburgh professor, of the economic diplomacy of the United States, forms an interesting and important contribution in a little worked field.

How to Abolish the Slums. By E. D. Simon. (London) Longmans, Green and Co., Limited. 4s. 6d. net.

This welcome volume consists of a survey of the present position and of concrete suggestions for improvement. The appendices contain a collection of useful miscellaneous information on housing matters, included for the light it throws on the probable cost of carrying out the author's suggestions.

Agricultural Economics. By George O'Brien. (London) Longmans, Green and Co., Limited, 39 Paternoster Row. 10s. 6d. net.

Starting from a definition of economics as "The science of prices," the author has divided his book into three sections, dealing respectievly with general agricultural price movements; the prices of particular commodities; and the means by which State intervention may affect prices.

Stabilization of Prices. By Joseph Stagg Lawrence. (London) Macmillan and Co., St. Martin's Street. 21s. net.

This is the London edition of the publication noticed in our issue of December 29th.

Goodwill in Industry. A symposium by five practical men. (London) London General Press, 8 Bouverie Street, E.C. 4. 1s. net.

These five prize-winning essays in a competition organised by the Glasgow and West of Scotland Association of Foremen constitute a contribution hot from the oven to the discussion of one of the pressing problems of the day.

Road versus Rail. By Christopher T. Brunner. (London) Ernest Benn, Limited, Bouverie House, E.C. 4. 2s. 6d. net.

A frankly *ex parte* statement of the case for motor transport.

Cost of Government in the United States, 1926-1927. (New York) National Industrial Conference Board, Inc., 27 Park Avenue. $2.50.

To most readers the value of this volume will lie in the usefulness, for purposes of reference, of its extremely complete equipment of statistical tables.

Annals of the American Academy of Political and Social Science. Vol. CXLI. Tariff Problems of the United States. (Philadelphia) The American Academy of Political and Social Science, 3,622-24 Locust Street. $2 net.

The contents of this volume are more comprehensive than the title implies. It includes general articles on foreign trade, and articles on tariff making in other countries, as well as discussions of a large variety of problems peculiar to the United States tariff.

Prospettive Economiche: Lana; Petrolio. By Giorgio Mortara. (Milan) Università Bocconi.

Two surveys in Italian of world production of, and trade in, wool and petroleum respectively, with an attempt to forecast future tendencies.

Sulla Construzione di Barometri Economici in Italia. By Riccardo Bachi. (Milan) Tipografiia Sociale de Cav. Carlo Sironi.

An untranslated reprint of an article on economic barometers which originally appeared in "Annali di Economia."

La Politica della Conziuntura. By Riccardo Bachi. (Rome) Libreria Fratelli Bocca.

This is a discussion, by a distinguished Italian economist, of the effects of trade cycles and the possibility of controlling them.

Lloyd's List of Law Reports. Digest No. 3. London (Lloyd's), E.C. 3. £2 2s.

This volume covers the Hilary Sittings, 1925, to Hilary Sittings, 1928, inclusive.

Das Osterreichische Steuersystem des Bundes, der Länder und Gemeinden und die Kapitalbildung. By Dr. Alexander Spitzmüller. (München) Verlag Duncker und Humblot. 2 marks.

An essay in German on the relation between the tax system and capital accumulation in Austria.

Das Erdöl Band III. Teil 2. (Leipzig) S. Hirzel, Konigstrasse, 2. 26 marks.

This volume, which belongs to a German five-volume series in the chemistry, geology, technology and economics of mineral oil, is devoted to the storage and transport of oil and its products.

General Review from "The World Markets and Denmark" during 1928. By Jens Vestberg. (Copenhagen) H. H. Thiele.

A reprint in English of a Danish annual review.

The Estonian Year Book, 1929. (Tallin) Government Printing Office.

A useful illustrated book of reference on Estonian affairs. In addition to the usual economic sections, there are chapters on Estonian Geography, History and Culture.

The Institute of Actuaries Year Book. (London) Charles and Edwin Layton, 56 Farringdon Street. 2s. 6d. net.

Contains a variety of general information about the Society of Actuaries and about the profession in general.

Health Service Bureau Leaflets. (Birmingham) Wesleyan and General Assurance Society, Steelhouse Lane. Free.

A bound collection of leaflets on chemistry, hygiene and first aid.

Indian Automatic Exchange Tables. Compiled by L. S. Dee. (London) Crosby Lockwood and Son, Stationers' Hall Court, Ludgate Hill. 5s. net.

These convenient tables make it possible to convert at a glance any sum in sterling to rupees, and *vice versa* at rates of exchange from 1s. 5¾d. to 1s. 6¼d

The Bankers' Magazine. (London) Waterlow and Sons, Limited, London Wall. 2s. 6d. net.

Special articles in this number include: "Bank Profits and Balance Sheets."; "Credit and Trade in 1928"; "The New Agricultural Bank."

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C.2.

Statement Exhibiting the Moral and Material Progress of India during the year 1927-28. 37. 4s. 6d. net.

This annual report, issued with the authority and general approval of the Secretary of State for India, is amply illustrated by maps, diagrams, tables and photographs. It affords an unrivalled wealth of information for the study of present conditions in India.

The Stock Exchange.

THE ARMSTRONG WHITWORTH RECONSTRUCTION SCHEME

IT is nearly three years since the unhappy position of the finances of Sir W. G. Armstrong, Whitworth and Co. was first revealed, and though that event was not the first intimation that our heavy industries were in trouble, yet, on looking back, the publication of Armstrong's losses seems to stand as a landmark. The present scheme, again, though by no means the first reconstruction measure announced in the industry, serves to focus general attention, not merely on the somewhat sombre accounting question of how best to write off lost capital, but on the practical difficulties of our great industries. With the Vickers-Cammell Laird fusion and the Dorman Long-Bolckow Vaughan negotiations, it will soon be possible to see into what forms the rationalised steel industry of Britain is crystallising. On the financial side, the Armstrong proposals create history. They show that whatever views may be held on principle about the duty of bankers to industry, certain businesses have attained so great a size as to endow them, willy nilly, with national importance. Had Armstrong's been a small firm, it is difficult to avoid the conclusion that a receiver would have been put in. As things are, it is of interest that the big experiment—"precedent" would be too suggestive a word—happens to have fallen to the lot, not of one of the "Big Five," but of the Bank of England. If this scheme goes through, as seems probable, it will be the greatest achievement of financial salvage ever recorded. Losses amounting to £14,117,536 need to be written off, but the share capital is only £10,012,500. Whatever shareholders receive, therefore, must necessarily be *ex gratia*. The second and third debenture holders are faced with a clear choice—either to force a receivership, which would inevitably bring heavy losses on themselves, since, among other things, the Bank would then claim its rights, or to accept the proposals and trust that the reconstituted board of directors and the advisory committee of stockholders have apportioned to them a fair stake in the real earning capacity of the company.

The work of the new directors since they took up office in 1926 has been thorough. They had the company's properties revalued last year, and a decrease of 50 per cent. on 1920 values was reported. Concerning the Newfoundland paper venture, they say that part of the development was premature, and in many respects the work done was more costly than it might have been. These are firm words. The new board recovered £2,000,000, more than was expected at one time, out of this £5,000,000 investment. The drop in newsprint prices would have made the situation even more perilous had the operation of ridding themselves of this investment been further postponed. Little can be hoped for from the wreck of the Pozzuoli Co., now disposed of, though tax liabilities of 57 million lire have been finally agreed at only 4 million lire. On the Pearson and Knowles situation the directors say: "It is obvious that the judgment used in the purchase of the control of this group of companies has not been justified." Here a drastic reconstruction has been carried through, and it is hoped that by intensive effort and development the group "will be operated more successfully than in the past." In view of the doubtful armament situation, a substantial reserve is to be created against holdings in Vickers-Armstrongs, besides the provision set up in respect of general investments, including loss anticipated on the Glasgow company. The new board deserves credit, not only for such gains as have been made, as in the case of the Armstrong-Siddeley Co., but for its activity in ridding the company of onerous "assets." Contingent liabilities, again, have been cut down by nine-tenths in two years.

The total of £14,117,536 for losses has been endorsed by Messrs. Deloitte, Plender, and Griffiths, and there is no reason now to suppose that any item in the valuation of assets errs on the optimistic side. Of the loss, £4,885,814 is attributed to reduced values of works and machinery, and £6,598,853 to losses on investments (including £2,864,184 in Newfoundland, £1,312,102 in Italy, and £1,510,143 in the Pearson and Knowles group); for further depreciation of investments still owned £1,940,060 is provided, and the remainder represents the deficit on profit and loss account. In devising a method of writing-down it must obviously have been necessary, firstly, to gain and keep the goodwill of the Bank; secondly, to give the company a fresh start as free as possible from bonded indebtedness, while treating debenture holders with all possible consideration; and, thirdly, to try to preserve an interest for the shareholders, whose strict rights were *nil*, except that their consent had to be obtained to the final arrangements. By those three tests exclusively we must judge the financial proposals, which cannot be set out here in full; a summary of them will be found on page 373. The Bank agrees to cancel £4,871,986 debenture stock, together with some £450,000 of interest owing on the last two years. In return, it receives a special class of ordinary shares, entitled, in effect, to nothing out of the first £145,441 of profits, but to nine-tenths of the distributed profits thereafter. A calculation based on the published terms suggests that the company will need to earn and pay £460,000 in interest and dividends before the Bank receives as large an annual sum as it received before the moratorium. The other first debenture holders appear to have slight cause for complaint. The remaining notes and second and third debentures are replaced by income stock and shares in two trusts to which various investments are transferred, as well as new classes of preference shares in the company that are intended to be redeemable. Interest on these notes and second debentures formerly required over £207,000, and could only be paid in full when the company had £373,000 available to meet its first and second charges. From this new trust about the same sum will be available annually if and when the transferred assets earn their full interest (*inter alia*, if and when the company can distribute £104,000 after meeting debenture charges—and it must be remembered, here as well as with reference to the Bank's chances, that assets to a nominal value of over £3,000,000 are transferred from Armstrong's to the new trusts). Interest on the third debentures not held by the Bank required £168,480, and could only be paid in full if the company had £698,000 in earnings, but their new trust will only furnish £90,000 a year at most. All the same, this is better treatment, we believe, than the holders concerned could hope to receive under any practicable alternative. The ordinary and the three classes of preference shareholders receive shilling ordinary shares in various proportions. Their relative treatment could be examined in detail, but where all four classes were so indefinitely far off from receiving any dividend, or even any repayment of capital on liquidation, whatever allotment is now made to them can be little more than arbitrary. At least they all have the satisfaction of seeing a moral right granted them to a small but not-too-deferred share in the equity of the company, and that is a principle of far-reaching importance. The Bank, of course, has the last word, and has certainly made large concessions. Everyone will hope that Armstrong's may so recover that the Bank will eventually receive some compensation for its sacrifice.

With regard to the future, Armstrong's directors are studiously cautious. The results of the financial "clearing-up" should, however, be considerable. Fixed charges are to be reduced from nearly £700,000 a year to under £42,000. The company makes a fresh start with no millstones around its neck. We refer not merely to the financial weight of losses unprovided for and interest unpaid and accumulating, but to the depressing effect on the minds of the *personnel* that such burdens have, and, further, to the severe trade handicap under which a company carrying on a business of this character suffers, particularly in the obtaining of large orders and contracts—we believe that Armstrong's was no exception—when it is known to have been granted a moratorium in consequence of its precarious financial position. For this reason alone it was highly desirable to act at once, and not to allow the moratorium to run its full course to 1931. The clearing-up process, again, has cut away hindrances and carved the new company, Armstrong Whitworth Securities, in the form best adapted to take advantage of genuine opportunities. It is to be entirely a holding company. The manufacturing activities will be divided between two subsidiary companies controlled by the parent and in a position to take immediate advantage of any favourable chances of "rationalising" development that may occur. As an indication of present policy, we would draw attention to a passage where the directors state that two more Tyneside shipyards have lately been acquired. "A reasonable amount of development" is being undertaken to make the yards thoroughly effective. "But here a word of warning is necessary. Shipbuilding at the present time is unprofitable through unnecessary competition . . . efforts must be made to restore a sane business policy to the shipbuilding as well as to any other heavy engineering industry."

Once again the vertical combine has been discredited. Not in the aggregation of many businesses of diverse and sometimes speculative characters, each requiring specialised knowledge and management, but in the recasting of great firms with a view to economical concentration on each differentiated objective lies, so it seems, the future. Questions spring to the mind as to the places which Armstrong's, Vickers, and Cammell Laird will finally occupy in rationalised British industry, but they cannot be answered yet. Recognising fully that financial reorganisation by itself is not enough, that success depends in the long run on the measure in which the industrial administration of Armstrong's can be permanently improved, we welcome these capital proposals as a necessary prelude. We have reason to understand, indeed, that it was primarily to expedite them that last week's Order in Council was made, bringing into effect Section 53 of the new Companies Act. The outlook now, for the Bank and for all other Armstrong security holders, is conditioned less by the special burden of the company's past misfortunes than by the universal difficulties of the heavy industries.

RAILWAY GROUPING IN THE UNITED STATES.

THE news that the Baltimore and Ohio Railroad has openly expressed its intention of asking the Interstate Commerce Commission to give it permission to control the Reading Railroad and the New Jersey Central is a landmark of no mean importance in American railroad finance. It would appear to be a direct outcome of the favourable decision recently recorded in the case of the New York Central's application to control or lease the Cleveland, Cincinnati, Chicago and St. Louis Railroad—commonly known as the "Big Four"—and the Michigan Central Railroad. For many years these two latter have acted as part of the New York Central's route to the West, the "Big Four" forming the link south of Lake Erie from Cleveland to St. Louis and Chicago, whilst the Michigan Central, crossing from New York State to Canada near Buffalo, runs through Ontario and Detroit to Chicago, north of Lake Erie.

Those who have followed the efforts towards consolidation amongst the American railways in recent years will recall that the Interstate Commerce Commission turned down this application some two or three years back for the somewhat curious reason that it made no provision for the inclusion of small and financially weak lines in the territory served. Best informed opinion regarded the decision as implying that the Interstate Commerce Commission was not at that time favourable to any degree of consolidation which might not fit in with a wholesale programme of grouping, as possibly provided for in the Bills aiming at that objective presented to Congress each session.

The definite refusal to allow the original Nickel Plate scheme, embracing the Chesapeake and Ohio, the Père Marquette, and the Erie, to materialise, as well as the complete defeat of the Loree project to combine the Missouri, Kansas and Texas, the Kansas City Southern, and the St. Louis-South Western—usually known as the Cotton Belt—seemed to show that the Interstate Commerce Commission were definitely opposed to the whole conception of grouping at that time. Although in May, 1928, the prospects for consolidation brightened materially because the Interstate Commerce Commission authorised the Chesapeake and Ohio to purchase a controlling interest in the Père Marquette, it refused to give a similar permission in relation to the Erie. Last summer, when plans were being completed for the application of the Great Northern, the Northern Pacific, and the Chicago, Burlington, and Quincy Railroads to combine as the Great Northern Pacific, expert opinion throughout America regarded the successful chances of the scheme as somewhat slight.

The latest news concerning the Baltimore and Ohio, however, relates to the competitive manœuvres in the "trunk line" territory. Attempts for some years now have centred round the formation of four great systems between New York and Chicago of fairly equal competitive power. The formation of the Nickel Plate system by the Van Sweringens added to the previously existing Pennsylvania, New York Central, and Baltimore and Ohio systems, a fourth of no mean size and power, including the Erie, which has grown largely in importance since the accession of J. J. Bernet to its presidential chair.

Loree's Delaware and Hudson proved the dark horse, with an attempt to build up a fifth great trunk line through control of the Lehigh Valley, the Buffalo, Rochester, and Pittsburg, and the Wabash. If his South Western line combination had been permitted, Loree would then have built up a system from New York to Texas, a plan bolder than any engineered by Hill or Harriman in the last generation. Loree's sale of his Delaware and Hudson, Lehigh Valley and Wabash stock to the Pennsylvania at a very high profit in 1928 definitely eliminated the prospect of a fifth great system, and the next move has now come about by the attempt of the Baltimore and Ohio to obtain permission to control the Reading and the New Jersey Railroads, by running powers over which it reaches the Hudson River and obtains a share of the New York traffic.

The change of heart within the Interstate Commerce Commission, possibly created by change of its membership, may lead to favourable consideration of the Baltimore and Ohio's request, and it is presumed to be only practicable through the agreed transfer of the New York Central's stock holding in the Central of New Jersey. The strongest opposition to the scheme is likely to arise not only from the Pennsylvania but also from the Erie, as representative of Van Sweringen interests, and it would be rash to speculate on the result of this battle of the giants. The main importance of the move would appear to be the realisation that consolidation must take place if operating costs are to be reduced; and it may prove a further step in the progress towards a four-system organisation in the East. Stocks of the remaining independent lines in this area are, therefore, likely to be considerably affected.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
February 19.	February 21.

THE change in Bank rate continued to trouble Stock Exchange prices all through the week, and restricted business was the rule every day and everywhere. It forced a gradual cheapening of all securities of high investment class, and the end of this movement has not yet come in sight. The direct effect of 5½ per cent. on Industrials was slighter than might have been expected, and produced far less painful results here than on the corresponding class of security in Wall Street, thus proving what has always been felt, that the upward movement of Industrials in London during recent months has avoided that speculative excess which well-informed authorities suspect in the New York boom. The news that the New York re-discount rate was not to be raised helped to steady and reassure the Stock Exchange for a time, but the irregular tone persisted. The dividend announcements of three of the four great Home Railways, which we discuss in a subsequent "Investment Note," lent importance to that market on Wednesday.

There was little desire either to sell or buy British Government stocks, but periods of weakness predominated on balance, and there was little sign of a permanent hardening on a definite level. After maintaining itself at first better than the others, War Loan declined on Wednesday to 102. With the continuance of disorders in Bombay India loans were unsettled, and Dominion loans did not altogether escape infection from the general course of gilt-edged prices.

The foreign market was decidedly heavy, though here, too, there was little doing. Roumanian Consols were adversely affected by the issue of the new loan, but even without a special cause most European stocks were marked down. South Americans also were generally easier, Peru Corporation experiencing another sharp fall.

Home Railways prepared for dividend news by a unanimous fall on Monday and a quiet Tuesday. The immediate effect of the announcements was to strengthen prices, the Midland and Scottish result being particularly well received, but irregularity followed and, as the day went on, the improvement was not maintained. On Thursday the slight excitement caused by the announcements entirely disappeared, the market resuming its wonted listlessness, both Midland and Great Western giving way.

After a weak start Argentine lines rallied and were mostly higher on balance, but San Paulo fell back and International Railways of Central America fluctuated sharply. Canadian Pacifics were pulled up on Tuesday by the better tone of Wall Street.

Not many good features appeared among Industrials. New York did not take a hand, and there was nothing to encourage either bulls or bears to speculative operations. Apart from Bank rate, the most influential event of the week was the publication of a letter from Mr. Courtauld (referred to in a later "Note") critically reviewing the state of the artificial silk industry. Optimistic dividend rumours continued, but it was evident, on the whole that the way was being prepared for the adoption of the more conservative policy in distributing profits. Other textile shares were idle. The belief that aero-engine works are doing well caused Rolls-Royce and Napiers to make a good showing, in contrast to the rest of the motor group. Except for an occasional spurt at America's caprice, gramophones were off colour, though H.M.V. had the benefit of some support. International Nickel letters have laid behind them some of their old activity, but did not go along without considerable undecided fluctuations. Interest in the Home and Colonial report and forthcoming expansion of the business caused a temporary improvement in the price of the shares, but the dividend declarations did no good to Harrods or Bovril. Carreras found favour, and match and margarine issues, after a weak start, tended to move upwards. The heavy industries did not attract much attention, but reflected

LONDON ACTIVE SECURITIES.

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

	Closing Prices Feb. 7, 1929.	Closing Prices Feb. 14, 1929.	Rise or Fall.
British and Colonial Government Securities.			
Conv. Loan 3½%	79¼	77¼	− 1⅛
Do. 4½% 1944	99	98	− 1
War Loan 5% 1929-47	102½	101⅝	− ⅞
Consols 2½%	56	55⅛	− ⅞
Do. 4%	87	85⅞	− 1⅛
Funding 4%	90¼	88⅛	− ⅛
Victory Bonds 4%	95	94	− 1
Local Loans 3%	65¼	64¼	− 1
Treasury 5% (B)	100⅛	100⅛	—
Palestine 5% 1942-67	105	105	—
S. Africa 5% 1945-75	104	103	− 1
India 3½%	71	69⅛	− 1⅞
Do. 4½% 1958-68	91	91⅛	+ ⅛
Australia 5% 1945-75	98	98	—
N.S.Wales 5% 1935-55	99	98	− 1
N. Zealand 5% 1946	103	102	− 1
Foreign Government Securities.			
Japanese 6% (1924)	96⅛	96	− ⅛
Argentine 4% Reciss.	86	85⅛	− ⅞
Austrian 6% 1923-43	102⅛	101⅛	− ⅛
Belgian 7%	109	108⅛	− ⅛
Brazil 5% Funding	88x	87⅛	− ⅛
Bulgaria 7%	89	88⅛	− ⅛
China 5% (1912)	51	50	− 1
Egypt Unified 4%	85⅛	85⅛	—
Estonia 7% 1927	94	94	—
Finland 6% 1923	99	99	—
French 5%	19⅞	19⅛	− ⅛
Do. 4% (Brit.)	17⅛	17⅛	− ⅛
German 7%	107	106	− 1
Greek 7% Refugee	102	101	− 1
Hungary 7½%	102x	101	− 1
Chili 6%	99x	99⅛	+ ⅛
Poland 7%	92	91⅛	− ⅛
Mexican 5% (1899)	35⅛	34	− 1⅛
S. Paulo Coffee 7½%	103	102⅛	− ⅛
Siamese 6% (1924)	105	105	—
Corporation Stocks.			
L.C.C. 3%	65½x	64x	− 1⅛
E. London 5% 1960-70	98	98	—
Sydney 5½% 1954	98	98	—
Berlin 6% Ster.	95	95	—
British and Foreign Railways.			
G. Western Ord. Stk.	85⅛	84	− 1⅛
L.N.E., Def. Stk.	11⅛	11⅛	− ⅛
Do. 5% Pref. Stk.	24⅛	24⅛	− ⅛
L.M.S. Ord. Stk.	56	56⅛	+ ⅛
Metropol'anCons.Stk.	65⅛	65	− ⅛
Met. DistrictOrd. Stk.	80⅜	80⅜	—
Southern Def. Stk.	32⅛	32⅛	− ⅛
Do. Pref. Ord. Stk.	77	76⅞	− ⅛
Underground Ord. £1	1⅛	1⅛	− ⅛
Do. Income Bonds	125	121	− 4
Antofagasta Ord. Stk.	97⅛	96⅛	− 1⅛
B.A.&Pacific Ord.Stk.	101	99⅛	− 1⅛
B.A.Gt.Sthn. Ord.Stk.	109⅛	108⅛	− 1
B.A.Western. Ord.Stk.	100	98⅛	− 1⅛
Beira 6½% Deb. Stk.	102	102	—
Mex. Pacific Com.Stk.	262	255⅛	− 6⅛
C.Argentine Ord.Stk..	100	98⅛	− 1⅛
Leopoldina Ord. Stk.	57⅛	56⅛	− 1
San Paulo Ord. Stock.	214⅛	212⅛	− 2
Utd. Havana Ord. Stk.	45⅛	45	− ⅛
Banks.			
Barclay B. (£1)	2⅜	2⅛	− ⅛
Barcl.(Dom.&c.) A £1	1⅜	1⅛	− ⅛
Lloyds £5, with £1 pd.	3⅛x	3⅛	− ⅛
Mid. £12, with £2½pd.	9⅛	9⅛	− ⅛
Do. £2½, fully paid	10	9⅛	− ⅛
Midland £1, fully paid	4⅛	4⅛	− ⅛
Nat. Prov. £20, £4 pd.	14⅛	13⅛	− 1
Hongk. and S. ($125)	145⅛	145	− ⅛
St. of S.A. £20, £5 pd.	16⅛	16	− ⅛
W'minster £20, £5 pd.	20⅜	20⅛	− ⅛
Insurance.			
Alliance £1, fully paid	22	22	—
Com. Un. £2½, fully pd.	28⅛	27⅛	− 1
Ldn.&Lanc.£5,£1 pd.	31⅛	30⅛	− 1
N.B.&Merc.£5,£1½pd.	38⅛	37	− 1⅛
Royal Ex. £1, fully pd.	6⅛	6⅛	− ⅛
Roy.In.£1,with 10/ pd.	9	8⅛	− ⅛
Coal, Iron and Steel.			
Amal. Anthracite (£1)	⅞	⅞	—
Babcock, Wilcox (£1)	3⅛	3⅛	− ⅛
Baldwin (4/)	⅛	⅛	—
Bolckow Vaughan(£1)	⅛	⅛	—
Cory, William (£1)	3⅛	3⅛	+ ⅛
Dorman, Long (£1)	⅜	⅜	—
Guest, Keen (£1)	2⅛	1⅜	− ⅛
L.&N.CoalDistillation	1⅜	1⅜	− ⅛
Stewarts&Lloyds(£1)	1⅜	1⅜	− ⅛
Swan, Hunter (£1)	1⅛	1⅜	+ ⅛
Thornycroft,John (£1)	4⅜	4⅛	− ⅛
Vickers (6/8)	⅛	1⅛	− ⅛
Textiles.			
Bradford Dyers (£1)	2⅛	2⅛	+ ⅛
Brit.Celanese,Ord(10/)	1⅛	1⅛	+ ⅛
Coats, J. and P. (£1)	3⅞	3⅞	—
Courtaulds	4⅜	4⅛	− ⅛
Eng.Sewg.Cotton (£1).	2⅞	2⅜	− ⅛
Fine Cott. Spinn. (£1).	2⅛	2⅛	—
Listers (£1)	1⅜x	1⅜	—
Snia Viscosa (200 lire)	1⅛	1⅛	− ⅛
Electrical Manufacturing.			
Associated Elec. (£1)	1⅜	1⅜	− ⅛
British Insulated (£1)	4⅞	4⅜	− ⅛
Ever Ready (G.B.) (5/)	1⅛xb	1⅛	− ⅛
General Electric (£1).	3⅜	3⅛	− ⅛
Johnson&Phillips (£1)	2⅛	1⅜	− ⅛
Siemens (£1)	1⅛	1⅛	—
Electric Light and Power.			
Atlas L'ht & P'er (£1)	1⅛	1⅜	+ ⅛
Brnemth.& Poole (£1)	3⅜	3⅜	+ ⅛
County of London (£1)	2⅛	2⅛	+ ⅛
Hydro-Elec. com. stk.	40⅛	38	− 2⅛
Newcastle-on-Ty (£1)	1⅜	1⅛	− ⅛
Scottish Power (£1)	1⅜	1⅜	− ⅛
Telegraphs and Cables.			
Eastern Stk.	272½	267½	− 5
Eastern Exten. (£10)	27⅛	26⅛	− ⅜
Marconi (10/)	4	4	—
Marconi Marine (£1)	3⅜	3⅜	+ ⅛
Motors.			
Dennis (1s.)	3	2⅝	− ⅛
Ford Motors (£1)	3⅜.	3⅛	+ ⅛
Leyland (£1)	1⅛	1⅜	+ ⅛
Morris 7½% Cm.Pf.(£1)	1⅛	1⅛	—
Singer (£1)	1⅜	1⅛	+ ⅛
Weymann Mot. Bodies	1⅜	1⅛	− ⅛
Shipping.			
Cunard (£1)	1⅜	1⅛	− ⅛
Furness Withy (£1)	2⅛	2⅛	− ⅛
P. & O. Defd. (£1)	3⅞	3⅛	− ⅛
Royal Mail Ord. Stk.	75½	75	− ⅛
Tea and Rubber.			
Anglo-Dutch (£1)	1⅜x	1⅞	+ ⅛
Cons.Tea & Lnds (£10)	37⅛	36⅛	− 1⅛
London Asiatic (2/)	⅛	⅛	—
Rubber Trust (£1)	2	2⅛	+ ⅛
Oil.			
Anglo-Persian (£1)	4⅛	4⅜	+ ⅛
Attock (£1)	3	2⅞	− ⅛
Burmah Oil (£1)	4⅜	4⅜	+ ⅛
Mexican Eagle(£1/0/6)	⅜	⅜	—
Royal Dutch (£34)	31⅜	31⅛	− ⅛
Shell (£1)	4⅜	4⅛	− ⅛
Miscellaneous.			
Assoc. P. Cement (£1)	1⅛	1⅜	− ⅛
Braz. Traction, no par	71½xr	71⅛	− ⅛
Brit.-Am.Tobacco(£1)	6⅜	6⅜	− ⅛
Carreras,"A" Ord.(£1)	14⅛	14⅛	—
Columbia Graph.(10/)	15⅜	15⅛	− ⅛
Crittall (£1)	2⅛	2⅜	+ ⅛
Dunlop (6/8)	1⅛	1⅛	− ⅛
Forestal Land (£1)	1⅛	1⅛	—
Gas Light & Coke (£1)	1⅛	1	− ⅛
Gramophone Co. (£1)	14⅛	14⅛	− ⅛
Harrods (£1)	3⅞	3⅜	− ⅛
Hudson's Bay (£1)	6⅛	6⅛	− ⅛
Imp.Airways(£1 15/p)	1⅜	1⅜	—
Imp. Chem., Ord. (£1)	2⅛	2⅛	—
Imperial Tobacco (£1)	6⅜	6⅜	− ⅛
Inter. Nic. of Canada	63	62⅜	− ⅛
Kreuger & Toll (kr.100)	38⅛	38	− ⅛
Lyons (J.) (£1)	5⅜	5⅜	—
Margarine Unie (fl.12½)	4⅛	4⅛	+ ⅛
Photomaton, Parent	⅜	⅜	+ ⅛
Swed. Match, B (kr100)	23⅛	23⅛	+ ⅛
Tate and Lyle (£1)	2⅜	2⅜	—
Tilling, Thomas (£1)	6	5⅞	− ⅛
Turner & Newall (£1)	5⅛	5⅛	—
United Molasses (£1)	7⅛	7⅛	− ⅛
Victor Talkmg.no par	5⅛	5⅛	—
Vocalion (10/)	7⅛	7⅜	− ⅛
Watney Combe Dt.(£1)	3⅛x	3⅛	− ⅛
Mines.			
Anglo-Amer.ofS.A(£1)	2⅛	2⅜	+ ⅛
De Beers Def. (£2½)	12⅛	12⅜	+ ⅛
Brakpan (£1)	4⅜	4⅜	—
"Chartered" 15/f.p.	2⅜	1⅞	− ⅛
Burma Corp.(Rs. 10)	⅜	⅜	—
Bwana M'Kubwa,5/fp	1⅛	1⅛	− ⅛
Central Provinces(£1)	4⅛	4⅛	− ⅛
Geduld (£1)	3⅜x	3⅜	− ⅛
Johan. Cons. (£1)	2⅞	2⅛	+ ⅛
Lake View & Star (4/)	⅜	⅜	—
London Tin (£1)	3⅛	3⅜	− ⅛
Rio Tinto (£5)	64	61½	− 2½
RoanAntelopeCpr.(5/)	2⅛	2⅛	—
Sub-Nigel (10/)	2⅛	2⅛	− ⅛
Tanganyika (£1)	3⅛	2⅞	+ ⅛
UnionCrp.(12/6)fu.pd.	4⅛	4⅛	− ⅛

the prevailing dullness of the whole market. Bank and insurance shares were easier.

Rubber shares were firm, without any great volume of business passing, but a fractional improvement in the price of the commodity caused some advances. Anglo-Dutch and Rubber Trusts in particular benefited thereby. In tea the movement was just the other way, very little interest being shown. But oils took a turn for the worse by reason of adverse rumours about the oil situation in America, where the production of crude oil is breaking new high records. Paris was a seller of Eagle issues, but investment demand in London sufficed to counteract that, and Royal Dutch were well bought. V.O.C. were slightly easier on the meeting.

It is a long time since mines have remained so quiet, even Rhodesian coppers fading out of the limelight. For a time these were encouraged by a renewal of American demand, but only for a time, and, when Wall Street showed a desire to withdraw, prices slipped back all round, only Loangwa, on various vague tales, standing out. Paris sold Chartered heavily on Monday. Sub Nigels were prominent in the Kaffir market, Johannesburg at first buying freely, but selling orders followed, and the activity was probably engineered by speculation there. The movement in tin shares that was referred to last week came to a dead stop, the market being irregular and dull. Tharsis, Tintos and Arizonas experienced quick ups and down. Other features were strong buying of Burma Corporation, apparently on behalf of a trust company, and constant inquiries for Russo-Asiatics.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The share market showed a fair rally after the break on the rise in the British Bank rate, and the warning from the Federal Reserve authorities, but real driving force was lacking. Meanwhile, it is apparent that there has been moderate liquidation, and the feeling in conservative quarters is that the money situation is now too unfavourable for activity, a further reaction in share values being looked for. There are some indications of a movement of funds to the interior, and brokers' loans are $100,000,000 lower. It is expected that the New York Federal Reserve Bank will maintain the 5 per cent. discount rate, other districts making the first change, if necessary. Business activity shows the normal seasonal gain.

	Feb. 7.	Feb. 14.	Rise or Fall.
4½% Lib. Ln. '33–8	100⅛	99¹⁵⁄₁₆	– ⅛
3½% Trs. Bs. '46–55	102⅛	100⅝	– 1 ⅛
Ach., Top. San. Fé	198½	199½	+ 1
N. York Central	195½	191	– 4½
Union Pacific	221	220	– 1
Pennsylvania	78½	78	– ½
South. Railway	£151½	150½	– ¾

	Feb. 7.	Feb. 14.	Rise or Fall.
U.S. Steel	175½	175	– ½
General Motors	82½	81¾	– ¾
Amer. Tel. & Tel.	211¾	210¼	– 1½
General Electric	235	235	—
Victor Talking	146	148	+ 2
Std. Oil of N.J.	48¾	50½	+ 1¾
Anaconda	125⅛	134	+ 8¾

PARIS.

The advance in Bank rate and threats of a rise in New York re-discount rate or restriction of brokers' loans led to profit-taking and bear selling. Further, liquidations were effected on account of two or three firms whose engagements were embarrassing. The result was an appreciable all-round fall. Bank and copper shares were affected most. Foreign stocks suffered an equal setback. The firmness of Mines des Lens, Norvégienne de l'Azote and phosphate shares was noteworthy by way of contrast.

	Feb. 7.	Feb. 14.	Rise or Fall.
3% Perp. Rentes	72·05	71·40	– 0·65
5% Rentes, '15–16	97·60	97·25	– 0·35
5% Rentes, 1920	117·95	117·20	– 0·75
Banq. de France	26,125	25,510	– 615
Banq. de Paris	5,480	5,315	– 165
Crédit Lyonnais	4,485	4,330	– 155
Nord	2,575	2,445	– 130
Com. Gen. d'Elec.	4,555	4,420	– 125
Littoral Médit.	1,585	1,490	– 95

	Feb. 7.	Feb. 14.	Rise or Fall.
Mines de Lens	1,237	1,279	+ 42
Courrières	1,600	1,600	...
Pechiney	4,480	4,310	– 170
Kuhlmann	1,400	1,335	– 65
Com. Gen. Trans.	1,440	1,385	– 55
Suez Canal	26,150	25,550	– 600
Assur. Gen. Vie	13,450	13,500	+ 50
Denain et Anzin	3,725	3,700	– 25
Dollfus Mieg.	14,200	13,250	– 950

BERLIN.

In the first days after the advance in the London Bank rate the Bourse was very weak and inactive, mainly owing to a fear of advances in the Amsterdam, Zurich and New York rates. German stock with a Dutch market were particularly weak. Prices on Monday were depressed by American selling, and there was general selling of Reichsbank. Potash stocks, which, after a big rise in 1928, have been weak this year, declined further. On Tuesday a moderate recovery was made. Artificial silk shares hardened, and Reichsbank rose sharply. Wednesday and Thursday were fairly firm, but very dull. Steel, electrical and shipping shares were in chief demand.

	Feb. 7.	Feb. 14.	Rise or Fall.
Reichsbank	308·00	304·25	– 3·75
Deutsche Bank	169·00	169·50	+ 0·50
Disconto Bank	164·50	164·50	—
Hamburg-Amer.	128·37	126·00	– 2·37
Norddeut.-Lloyd	125·00	123·87	– 1·13
I.G. Farbenind.	250·50	250·00	– 0·50
Verein. Glanztff.	427·00	441·00	+ 14·00

	Feb. 7.	Feb. 14.	Rise or Fall.
Bemberg	405·00	407·00	+ 2·00
Verein. Stahlke	97·25	98·25	+ 1·00
Mannes Rohrke	124·50	126·50	+ 2·00
Allgemne. Elekt.	175·75	173·12	– 2·63
Siemns. & Halske	377·75	377·00	– 0·75
Daimler Benz	60·00	58·00	– 2·00
Cont. Caoutchuc.	132·87	137·00	+ 4·13
Salzdetfurt. Kali	492·00	470·25	– 21·75

AMSTERDAM.

Despite the rise in Bank rate, the Bourse was firm and active the following day, but on Saturday the further relapse on Wall Street and the higher money rates in Amsterdam caused a reaction. The expectation of a rise in the Netherlands Bank rate kept business very quiet. Industrials were weak. Margarine Unie and Philips experienced a sharp setback, and artificial silks were dull. Rubber shares were firm.

	Feb. 7.	Feb. 14.	Rise or Fall.
5% Bds. Neth., '18	101⅜	101⅛	– ¼
4½% Ams. 1913–14	100	99⅜	– ⅝
Margarine Unie	415	353xr	—
Neth. Art. Silk	399	384½	– 14½
Philips El. Lamp.	921	880½	– 40½
Singkep Tin	361	347	– 14
Royal Dutch	386	379½	– 6½
Amst. Rubber	270½	276½	+ 5¾

	Feb. 7.	Feb. 14.	Rise or Fall.
Serbadjadi Sm.R.	225	232	+ 7
Holl. Amer. Line	77½	79¼	+ 1¾
Navig. Co., Ned.	205½	205	– ½
Vorstenlanden	159¾	159½	– ¼
Trading Co., Ams.	671½	661	– 10½
Besoeki	573	561	– 12
Deli	470½	464½	– 6
Neth. Trad. Soc.	186	184⅝	– 1⅜

INVESTMENT NOTES.

Dearer Money and the Stock Exchange.—A decided check to business was felt on the Stock Exchange as a result of the increase in Bank rate last week. Markets had not really prepared themselves for the change, in spite of the warnings received in the continued outflow of gold, and the fall in prices in the gilt-edged section was somewhat severe. The feeling of uncertainty as to the next move of the Federal Reserve authorities kept support away from the market even when the first wave of selling had ended. No improvement on balance was seen this week. The following table shows the prices of leading Government stocks before and after the rise in Bank rate:—

	Feb. 5.	Feb. 11.	Feb. 14.
Conversion 3½%	80⅛	77⅛	77⅛
Funding 4%	91⅜	88⅛	88⅛
Consols 4%	87⅞	85⅛	85⅛
War Loan 5%	102¼	102⅛	101⅞
Treasury 5½%	101	100½	100½
Treasury 4½%	98⅞	98	97⅞

The long-dated stocks have, of course, proved more sensitive to the rise in Bank rate than have the short-dated, but apart from the monetary influence the coming elections have probably cast their shadow on the whole gilt-edged market. The speculative "Anglo-American" shares suffered severely for a time, especially in view of the scare of dearer money in New York, but some small recovery was made, as the next table will show:—

	Feb. 5.	Feb. 11.	Feb. 14.
International Nickel	$64⅛	$59⅛	$61⅛
Columbia Graphophone	$16	$14⅛	$14⅛
Victor Talking	$160	$150½	$151
Canadian Pacific	$268½	$254½	$255

The leading industrial shares showed only a slight reaction, and in the case of Courtaulds there were special reasons for the fall. The following are the prices for six representative shares:—

	Feb. 5.	Feb. 11.	Feb. 14.
Imperial Tobacco	134/9	133/–	132/9
Courtaulds	4⅜	4⅜	4⅛
Gramophone	15⅜	14⅛	14⅛
Swedish Match	24⅛	23⅛	23⅛
Shell	4⅛	4⅛	4⅛
Marconi	81/6	78/6	80/–

The full effects of the 5½ per cent. Bank rate on Stock Exhange markets will not be seen for some time. There must be a number of investment trust companies which will decide to liquidate in part their overdrafts at their bankers by the sale of fixed-interest securities yielding less than 6 per cent. A gradual reaction in the prices of low-yielding debentures and preference stocks and shares may continue for some time, unless the market begins to discount a reduction in Bank rate. Ordinary shares of leading industrial companies, which are held mainly for the prospect of capital appreciation, should not be greatly affected. The more speculative shares may even come back into favour. But there is not likely to be much revival of business on the Stock Exchange until the feeling of uncertainty about the monetary position in London and New York is removed.

Home Railway Dividends. — Three of the four "group" lines announced their final dividends in respect of 1928 on Wednesday last, the London, Midland and Scottish Railway paying 2¼ per cent., and the Great Western 3½ per cent. on their ordinary stock, while the Southern is paying 2 per cent. on its deferred stock for the year. The North-Eastern declaration will not be made before Friday next, February 22nd. The following table shows the total dividends paid by these companies in each of the last four years, together with the net earnings for the years 1925 to 1927:—

	Net Earnings (000's omitted).			Dividends.				
	1925.	1926.	1927.	Stock.	'25.	'26.	'27.	'28.
	£	£	£		%	%	%	%
L.M.S.	14,164	6,598	16,230	Ord.	6	3	4¼	3½
G.W.R.	5,784	3,105	7,156	Ord.	7	3	7	5
S.R.	5,197	3,951	5,162	Def.	3½	1½	2	2

The Southern has fully maintained last year's position, but the rates of dividend of the other two lines are lower than in any year since the "groups" came into being, with the exception of the abnormal period of the coal stoppage of 1926. It is probable, however, that net earnings will compare favourably with those of 1925, when much higher dividends were paid in all three cases, the essential difference being that the railways are now relying for their distributions on the profits of each year's operations, whereas in 1925 they were still drawing on their reserves in order to maintain dividends at an artificially high level. The distributions for 1928 must be considered as, on the whole, gratifying, in view of the fact that the London, Midland and Scottish showed a decline in gross receipts of £4,300,000, the Great Western of £1,387,000, and the Southern of £695,000. Economies in the second half of the year must needs have been considerable, since the three lines have covered their dividends with £100,000, £47,000 and £30,000 to spare respectively. No appropriation from reserve is mentioned in any of the three statements, so that the Midland and Scottish would seem to have made economies in working expenditure of approximately £3,200,000, and the Great Western of £500,000. Following our usual custom, we hope to examine the year's results in detail in a few weeks' time, when the complete accounts are available. The year has been a disastrous one for holders of home railway junior securities, though, as the following table shows, present prices are well above the lowest of 1928, and do not show so great a variation from the "bottom" levels of 1927 as is generally imagined:—

	Highest and Lowest Prices.						Present Price.	Yield at Present Price.*
	1926.		1927.		1928.			
	High.	Low.	High.	Low.	High.	Low.		
								£ s. d.
L.M.S. Ord.	78½	69½	79½	67	76⅛	49⅛	57	6 7 9
G.W.R. Ord.	92	82½	97½	83	105½	77½	84½	6 3 6
S.R. Def.	46½	41⅛	45½	34½	40	29	32½	6 11 3

* After deducting final dividend.

The prospects of the great British railways are bound up with those of British trade and industry as a whole during the next few years. As we have previously suggested, trade depression was a primary, and increased road competition but a secondary, cause of the drop in earnings and dividends last year. The considerable economies effected in working expenses during recent months are the most gratifying omen for the near future. Representing, as they do, the fruits of a series of measures incepted, in many cases, several months or even years ago, there is no reason to expect that their effects will not be progressively felt in the coming year. The 2½ per cent. "cut" in wages and salaries, again, operative only in the later months of 1928, will be effective throughout the year 1929.

THE SET OF THE PRESENT — AND THE FUTURE.

AEONIC

PORTABLE RADIO

Suitcase Model, 5 valves, Weight 27 lbs. £16 16s. Complete, including royalties.

Demonstrated by all leading Dealers and Stores.

AEONIC RADIO, LTD., 90, Regent St., London, W.1

Underground Railway Results.—This year's reports of eight groups of companies operating the London underground railway system and kindred undertakings make comparatively cheerful reading. Gross receipts from traffic show an increase of £1,206,000, and net receipts one of £266,000. As miscellaneous receipts have also risen by £27,000, the group has this year £293,000 more of net income in hand. £183,000 of this increase is required for interest, rentals, etc., which have expanded by this amount, but contingencies and renewals require £33,000 less, and as dividends on guaranteed and preference stocks are unchanged, the balance available for the common fund has increased by £143,000. The balance brought forward at the beginning of the year's account is also £108,000 higher than a year ago, so that the group has £251,000 more available for ordinary dividends. The sum actually allocated to ordinary dividends this year is £1,127,000. This is £46,000 more than was paid last year, so that the carry-forward is increased by £205,000. The effect on the rate of dividend of the allocation of the extra £46,000 is shown below:—

	Dividends.			Prices of 1928.			Yield at Present Price.
	1926.	1927.	1928.	Highest.	Lowest.	Present Price.	
	%	%	%				£ s. d.
Metrop. District	3½	4	5	81	67½	80½	6 4 3
London Electric	3½	4	5	75½	64½	75½	6 12 6
City and S. London	3	4	5	70	52	70	7 2 9
Central London	4	4	6	70½	54½	82½	7 5 6
London Gen. Omnibus	6†	7†	8†	...	...	...	...
Associated Equipment	8†	8†	8†	...	...	...	...
Underground Elec. Rlys. (£1)	1½	5	7	1⅛	1⅛	1⅛	5 9 0

† Free of income tax.

It is clear from these results that the volume of traffic continues to expand, and that the outlook in the London group is for the time being more assured than that of the main trunk railways. The fundamental fact to be remembered by the investor is that the system is meeting an urgent and expanding public need.

Mr. Courtauld on Artificial Silk.—A final dividend of 10 per cent. tax free was declared this week by Courtauld's. Last year the interim was 7½ per cent., and the final 17½ per cent., both tax free. This year on the capital increased by the 100 per cent. share bonus an interim dividend of 5 per cent. tax free has been paid and the final of 10 per cent. tax free brings the total for the year to 15 per cent. tax free. Recently, opinion was more "bullish"; a final dividend of 15 per cent. tax free was rumoured, together with a share bonus, and the shares rose from 4¼ to 5. But a more cautious view was taken later as a result of a letter written by Mr. Samuel Courtauld which appeared in "The Times" of February 12th. Mr. Courtauld is anxious to correct undue optimism in the artificial silk industry. He points out that, while sales exceeded production in Great Britain in 1927 by some 2 to 3 million pounds, production must have exceeded consumption in 1928 by at least 5 million lbs. This fall in prices, in Mr. Courtauld's opinion, need never have arisen if promoters in the last two years had been more modest in this promises and less modest in the amount of working capital provided. We have examined the prospectuses of 12 new artificial silk companies which raised capital by public subscription in the last two years. These companies have an issued capital of

£8,404,489. Three of them gave no estimates of output in their prospectuses, but the remaining nine budgeted for an output of 33,700,000 lbs. of artificial silk yarn a year. The total production of artificial silk in Great Britain last year is estimated at nearly 51,000,000 lbs., so that the potential output of the nine new companies would increase the country's capacity by 66 per cent. The outlook is less serious than these figures suggest, because it is certain that some of the new companies will not reach their "prospectus" programme for many years, if at all. Mr. Courtauld concludes that if those concerned in the financing and working of the industry would realise how serious the present difficulties are, it may prove to be a blessing in disguise, but "it would be disastrous if any blindness to the facts should lead to another outburst of ill-founded optimism."

Atlas Light and Power.—The American invasion of the public utility field in South America continues. It has been announced this week that the directors of the Atlas Light and Power Company have entered into an agreement with the American and Foreign Power Company of New York (the holding company for the operating interests outside the United States of the Electric Bond and Share Company), which provides for the sale of all the Atlas Company's holdings in electric supply and traction companies operating in Argentina. The purchase price is £8,500,000 (of which £850,000 has been paid as deposit) payable in instalments in addition to a sum to cover revenue balances. The total amount payable is well in excess of the amount (£8,380,437) at which the company's investments and loans to subsidiary companies stand in the last balance sheet. Moreover, the company's holdings outside Argentina are to be retained. In recommending the acceptance of this offer the directors point out fairly enough that the cash realised can be reinvested and spread over a wide field of investments to the great advantage of the shareholders. The latter will appreciate that their profits have been steadily rising in the last seven years and that for all they know they may be parting with their best earning assets. One of the terms of the purchase is that British manufacturers will continue for at least ten years to be given preference for the bulk of the orders for equipment for the operating companies transferred—but that is of remote interest to individual shareholders. The Electric Bond and Share Company, has been showing great enterprise in the British controlled preserves of South America.

Selfridge and Harrods.—The past twelve months have proved not unsatisfactory to the great London departmental stores, though it was commonly said at one time that the illness of the King was having a severe effect on business. Selfridge maintains its dividend at 20 per cent. on the privately-held ordinary shares, profits (£476,416) showing the small rise of £1,225 on the year. At 1$\frac{7}{32}$ the £1 6 per cent. preference shares yield £4 18s. 6d. tax free. Harrods' profits are augmented by an interim dividend of £29,840 on ordinary shares of D. H. Evans and Co., 92 per cent. of whose ordinary capital was acquired during the year. The transaction involved increasing Harrods' ordinary capital from £1,915,000 to £2,204,981, but the 1927 rate of dividend was maintained thereon and fully earned. In fact, profits constitute a record even if the amount from D. H. Evans be omitted. These are Harrod's figures:—

Year ended January 31st.	1926–7.	1927–8.	1928–9.
	£	£	£
Net profits	701,624	721,751	775,156
Preference dividend	300,000	300,000	300,000
No. of times covered	2·3	2·4	2·5
Ordinary — Earned	20%	22%	21¼%
Ordinary — Paid less tax	18¼%	20%	20%
Ordinary — Amount	354,275	383,000	447,679*
To reserves	25,000	25,000	25,000
Increase in carry-forward	+22,349	+ 13,751	+ 2,477

* Estimate from information in dividend statement.

The considerable sum of £116,033 is now carried forward. At their present price of 76s. 6d. the £1 ordinary shares yield £5 4s. 6d., less tax.

Maple.—If the experience of Maple's proves typical of the furnishing business, the year 1928 must have been a difficult one. It appears at first sight that this firm had a better year than 1926, but a decidedly worse one than 1927. But a statement in the report that "the franc having been stabilised in June last, the amount of £50,000 held in suspense for contingencies has now been brought into account" makes the position more obscure. In the balance sheet this item has merely disappeared from the liabilities side, and cannot be traced further. The ordinary dividend is maintained at 15 per cent. at the cost of a smaller allocation to reserve and a considerable diminution in the carry-forward.

Year ended December 31.	1926.	1927.	1928.
	£	£	£
Profits	353,004	391,570	364,559
Debenture interest	37,500	37,500	37,500
Net earnings	315,504	354,070	327,059
Preference dividend	60,000	60,000	60,000
Number of times covered	5·2	5·9	5·4
Ordinary — Earned	14·1%	16·3%	14·8%
Ordinary — Paid	14%	15%	15%
Ordinary — Amount	252,000	270,000	270,000
To reserves, etc.	1,500	23,083	9,907
Increase or decrease in carry-forward	+ 2,004	+ 987	− 12,848

The principal feature of the balance sheet (summarised elsewhere), other than the one mentioned above, is a decrease in "cash" from £267,184 to £166,108. It may be that the £50,000 has disappeared into a miscellaneous heading which includes such heterogeneous assets as stocks-in-trade, goodwill, and shares in oversea subsidiaries, as this item has increased from £1,700,800 to £1,742,678. Depreciation is not mentioned, but the reserve now stands at £650,572. At their present price of 2¼ the £1 ordinary shares yield £6 13s. 3d., less tax.

Borax Consolidated.—A decline of 4 per cent. in profits is reported by the Borax directors, who state that the competition became intensified during 1928, though they claim to have made every effort to deal with the situation and to stabilise the industry. Prices of the company's products averaged the lowest ever recorded. Satisfaction is expressed with the results being attained from a new mineral, the development of which on the company's property was referred to a year ago; a very large body of it has now been developed, and has helped in meeting the emergency. Clearly, however, the crisis is not yet past, and nothing in the report suggests that any way to avoid the competitive lowering of prices has yet been discovered. The deferred ordinary dividend is maintained at the rate to which it was wisely (as the sequel shows) reduced last year, and it is still fully covered by earnings. But profits have fallen to about two-thirds of their height five years ago, and the future is still uncertain.

	Years ended September 30.		
	1926.	1927.	1928.
	£	£	£
Profits	387,858	320,738	307,188
Debenture interest	99,641	99,641	99,641
Depreciation reserve	30,000	30,000	30,000
Debenture sinking fund	5,825	5,825	5,825
Net earnings	252,392	185,272	171,722
Preference dividends	44,000	44,000	44,000
No. of times covered	5·7	4·6	4·4
Preferred ordinary dividends	36,000	36,000	36,000
No. of times covered	5·7	3·9	3·5
Deferred ordinary — earned	14·9%	9·1%	7·9%
Deferred ordinary — paid	10%	7½%	7½%
Deferred ordinary — amount	115,000	86,250	86,250
To reserves, etc.	35,000	5,000	5,000
Increase in carry-forward	+ 23,393	+14,022	+ 472

In the balance sheet, which we summarise elsewhere, "stocks" show a falling off from £462,560 to £396,195, and "creditors" a similar reduction, but "debtors . . . including current accounts with allied companies" at £313,627, are up by £50,803. Investments in the Death Valley Railway Company stand now at £56,458, instead of £83,506. The position at the date of the accounts was entirely liquid. At 1$\frac{3}{32}$ the £1 deferred ordinary shares yield £6 17s. 3d., less tax.

Allgemeine Elektricitäts-Gesellschaft.—Of late the German electrical manufacturing industry has been the best occupied among the mechanical trades, and increasing profits have been the rule. The A.E.G. (General Electricity Co.) reports for the business year 1927–28 a considerable increase in net profits, writes our Berlin correspondent, and in gross profits a very large increase which is partly unreal, owing to the fact that taxes, totalling 9,780,526m. were not first deducted as was the case with the gross profits given below for 1926–27. The profit and loss account shows (in marks) the following figures:—

	Years ended September 30,		
	1926.	1927.	1928.
Gross profit (without carry-over)	14,670,935	17,305,079	34,934,668
Net profit	10,302,620	11,886,000	16,023,683
Pref. dividend	1,050,000	1,050,000	1,050,000
Pref. "B" dividend	937,500	937,500	937,500
Ordinary dividend	8,096,375	9,525,000	11,612,928

On 4,838,400m. ordinary shares in the company's hand no dividend is paid. The preference dividend, as in the former two years, is 6 per cent., and the preference "B" dividend 5 per cent., while the ordinary dividend in the last two years has been 8 per cent., as against 7 per cent. in 1925–26. As regards fixed assets the only material change shown in the balance sheet is an increase under "buildings" from 58,265,754m. to 65,583,980m. Wares in stock increased from 54,745,446m. to 75,804,420m., bank deposits from 56,500,036m. to 71,789,857m., and bank debts from 30,075,116m. to 33,794,927m. The reserve fund is increased by 500,000m. to 22,620,000m. The turnover, including that of companies whose entire capital is owned, increased by 100 million marks to 500 million marks, the increase being attributed to expansion of the company's works. For financing pending operations and for strengthening of working capital a loan of $15,000,000, 6 per cent., at 94½–95 per cent. was concluded through the National City Co. of New York. The report is, in general, favourable in regard to the position and prospects of the company. The increasing use of electricity for lighting and power is commented upon. Business in steam turbines continued satisfactory. The company was well occupied with orders for electric locomotives, and for equipment for mines, and it made large deliveries to native and foreign chemical concerns. In general sales to foreign countries increased, but prices were not satisfactory. Conditions in the controlled and associated companies were good. The reconstruction of the A.E.G.'s works may for the most part be considered complete.

Company Reorganisation.—The immediate alteration in one branch of company law, brought about by the Order in Council as from February 6th, will facilitate reorganisation schemes which have been held up pending this change. A legal correspondent writes:—Since the passing of the Companies Act, 1907, it had in most cases been possible to vary the rights of different classes of shareholders under Section 120 of the Companies Consolidation Act, 1908. Difficulties arose, however, owing to Section 45 of that Act. This section was designed to protect interference with the rights of members where the capital was divided into different classes, and where the company sought either to consolidate shares of different classes or to divide the existing shares into shares of different classes. In such cases it was necessary to have a resolution passed by a majority in number of shareholders of each particular class holding three-fourths of the share capital of that class and duly confirmed as a special resolution. Legal problems arose in any important scheme of arrangement, and it was difficult to decide whether the scheme did or did not modify the conditions in the memorandum, "and whether or no it interfered with preferential rights." Even when this was decided there still remained the question whether or no there was a consolidation of shares or a division into different classes. These difficulties are illustrated in the case of *re Schweppes, Ltd.* (1914, 1 Ch. 322). It is true that the Courts ultimately decided that Section 45 only applied where there was such a consolidation or division of classes of shares and where the terms of the Memorandum were varied under the scheme; but there was a sufficient number of cases in which that section certainly applied, and the more difficult procedure under it had to be adopted rather than that under Section 120. The trouble was the difficulty of beating up the number of shareholders necessary to secure the three-quarters majority required if the scheme were to go through. The Companies Act, 1928, Section 53, provides a simpler procedure. Under this section the expression "arrangement" in Section 120 of the Act of 1908 (as now slightly amended) is to extend to the re-organisation of share capital by the consolidation of shares of different classes, or by the division of shares into shares of different classes, or by both those methods. The present alteration should prove beneficial to companies who have suffered from trade depression and who for this or other reasons are taking steps to strengthen their business, whether by reorganising their own capital or by amalgamating with other companies of the same standing. The remainder of the Act of 1928 will not come into force until either another Order in Council appoints a day for the purpose or a general Act is passed consolidating the whole of the existing statute law.

Imperial Tobacco Company.—The publication of the report and accounts for 1927-28 adds little to the information given in these columns on January 26th (page 170), after the dividend and bonus announcement. The exact profit made is revealed as £9,599,706, and the increase in the carry-forward, as compared with a year ago, is £210,056. Gross assets amount to £79,217,743, against £77,642,933; "Government and other securities" at £12,939,952 are up by £960,082, and "investments in associated companies," the market value of which is largely in excess of the book value, have increased from £8,380,108 to £8,811,034. The balance-sheet, unfortunately, is less rather than more informative than its predecessors, the assets, "stock-in-trade" and "payments on account of leaf in transit," last year shown separately at £28,670,470 and £2,265,062 respectively, being fixed under a single heading at £30,495,433. The great omnibus item on the liabilities side, "Creditors . . . . marine and other funds," is higher than a year ago by £302,124, after allowing for the £4,000,000 transferred to the general reserve for bonus purposes. A summary of the balance-sheet will be found on a later page.

The V.O.C. Holding Company.—The accounts for the V.O.C. Holding Company for 1927, which have been held up pending the arbitration on the purchase of oil agreement, show net profits of £863,213. The company holds over 99 per cent. of the capital of Venezuelan Oil Concessions, which declared in 1927 a dividend of 106½ per cent., against 55½ per cent. in the preceding year. The dividend received by V.O.C. Holding Company, less tax, amounted to £851,691, which brought its gross revenue, including interest and transfer fees, to £894,952. A dividend of 20 per cent. is paid, as against 15 per cent. in the previous year, which absorbs £863,713. The carry-forward is £3,349, against £8,350. The report of the Venezuelan Oil Concessions, Limited, contains the facts which are of importance to shareholders of V.O.C. Holding. The production for 1927 shows a remarkable rise in the production of the operating company under the management of the Shell group. A comparison of the year's production with that of previous years is as follows:—

1924	391,134 metric tons.	1926	1,802,943 metric tons.
1925	692,485 „	1927	2,978,219 „

For 1928 its production is estimated at nearly 5,000,000 tons. This enormous production has come from the foreshore fields on the north-east side of Lake Maracaibo. The light-oil fields of La Paz and Concepcion on the north-west side of Lake Maracaibo have been entirely closed down as they cannot be offset by any competitive drilling. The company has, therefore, large reserves to draw upon. Under the terms of the 1924 contract the price payable for the oil delivered to the Shell group is subject to revision every three years. The first of these periods expired on June 30, 1927, and the buyers, the Asiatic Petroleum Co., requested a revision. As the company and the Asiatic Co. failed to agree the matter was referred to arbitration, the results of which were not disclosed by Lord Bearsted

at the general meeting this week. The quantity of oil which has been the subject of arbitration is the first 20,000,000 barrels. The next 5,000,000 barrels have been sold to the Canadian Eagle Oil Co. for the next eight years, and the price under this contract varies according to world parity. Any surplus over the 35 million barrels goes to the Royal Dutch-Shell group on the same terms as to the Canadian Eagle. That the revised price of the first 20 million barrels fixed under the arbitration is not unfavourable to the V.O.C. may be assumed by the fact that the directors decided to increase their dividends in respect of 1927. An interesting dividend in respect of 1928 should be declared by V.O.C. Holding this year.

CAPITAL ISSUES.

PROSPECTUS issues for the week came to £4,251,500, as compared with £4,125,179 last year, making a total for the year to date of £58,726,426, excluding conversions. Issues to shareholders totalling £1,289,105 were also announced, and shares coming on to the market by way of notices "for public information" accounted for a further £1,358,750 on the basis of the opening price. The outstanding issue this week was the £2,000,000 tranche of the *Roumanian Stabilisation and Development Loan* issued in the form of 7 per cent. sterling bonds guaranteed as to principal, interest and sinking fund by the Government of Roumania, and specially secured on the revenues of the new Monopolies Institute. The price of issue was 88, and allowing for the ½ per cent. concession in the first coupon, the current yield works out at 8 per cent. The security behind this loan was fully discussed in the *Economist* of last week. The issue was fully-subscribed. Three investment trust issues were made, the most interesting being the *English and International Trust* formed under the auspices of international finance houses, including J. Henry Schroder & Co. This company is to be one link in a chain of trust companies which a group of bankers is forming in the chief European countries. Each company will be independently controlled by its own directors, but all will co-operate together and will maintain a joint statistical department. The issue took the form of 100,000 shares of £10, which will be converted later into 50 per cent. preferred and 50 per cent. ordinary stock. *The Monks Investment Trust* is a new member of the im Thurn group of trust companies. The other companies in this group are Friars Investment Trust and Abbots Investment Trust, and in each case Sir Auckland Geddes is chairman. This issue takes the form of 600,000 shares of £1, which are not to be split. *The Bankside Investment Trust* issued £700,000 5 per cent. first mortgage debenture stock at 97½. This company was formed in 1920 under the auspices of the City of London Electric Lighting Co. to acquire and develop land and buildings in the City. The present issue of debentures is being made to provide for the erection of large offices in Leadenhall Street. The properties on which the debenture stock is secured are valued at £1,310,000, from which a net income of about 6¼ per cent. is expected. There were two speculative commercial issues, *Automatic Confections, Ltd.*, and *Fourwheel Jacks, Ltd.* The first is yet another company dealing with automatic machines selling confectionery, and enters into a contract to purchase French nougat and other confectionery from James Rogall & Sons. There are 2,800,000 shares of 1s., of which 800,000 are allotted to the vendor. *Fourwheel Jacks, Ltd.*, has granted a sole licence for the manufacture and sale of its jacking sets to S. Smith & Sons (Motor Accessories), Ltd. The issue to the public consists of 880,000 shares of 1s., 570,000 shares go to the vendors in part satisfaction of the purchase price and 200,000 shares are allotted fully paid to the Scottish Finance Company and S.S. Trust, Ltd., for underwriting and promotion services. These companies are also granted an option to subscribe at par, up to 31st December, 1930, up to 50,000 and 300,000 respectively of the unissued balance of 350,000 shares. Most of the features associated with the typical 1s. share issue seem to be contained in this prospectus. The patent speculation of the week was provided by the *Harwood Self-Winding Watch Company Ltd.*, which claims to have a watch that winds itself whilst being worn, and that will revolutionise the watch-making industry. Two points stand out in the prospectus—first, that the watch is to be manufactured in Switzerland; secondly, that the vendors are paid £15,000 in cash and £50,000 in 200,000 shares of 5s., plus a royalty of 2s. 6d. per watch or watch movement manufactured and sold, and plus an allotment of 400,000 fully-paid shares of 5s. (£100,000) for granting a year's option of the Dominion and Colonial rights, or possibly for the rights themselves if the option is exercised—the wording of the prospectus is not clear. The public is asked to subscribe 260,000 shares, in other words, it may be receiving only 30 per cent. of the equity. The watch may be a good invention, but the vendor has made an extremely good bargain for himself.

ISSUES OF THE WEEK—

By Prospectus or Offer of Sale.

Net total previously recorded, £52,935,823.
Including conversion total previously recorded, £66,510,374.
National Savings Certificates
Net sales week ended February 9, 1929, £250,000.
Total receipts April 1, 1928, to February 9, 1929, Dr. £800,000.

Description and Date of Issue.	Nominal Capital.	Conversions or Repayments.	New Money Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
English and International Trust, 100,000 Shares £10 at par (Feb. 12)	1,000,000	...	1,000,000	100,000	900,000
Bankside Investment Trust, £700,000 5% 1st Mort. Deb. Stk., red. at 105% Dec. 31, 1982, issued at 97½% (Feb.12)	700,000	...	682,500	70,000	612,500
The Monks Investment Trust, 600,000 Ord. £1 at par (Feb.12)	600,000	...	600,000	75,000	525,000
Automatic Confections, 2,000,000 Shares, 1s. at par (Feb. 12)	100,000	...	100,000	25,000	75,000
Fourwheel Jacks, Limited, 880,000 Shares, 1s. at par (Feb. 12)	44,000	...	44,000	22,000	22,000
Roumanian Stabilisation and Development Loan, £2,000,000 Monopolies Institute Guar. Ster. Bonds issued at 88% red. at par Feb. 1, 1937-1959 (Feb. 13)	2,000,000	...	1,760,000	100,000	1,660,000
Harwood Self-Winding Watch 260,000 Ord. 5s. at par (Feb. 14)	65,000	...	65,000	13,000	52,000
Total offered to public week ended Feb. 16, 1929	4,509,000	...	4,251,500	405,000	3,846,500
To Shareholders only.					
Machine-Made Sales, 450,000 Ord. 1s. at 5s.	22,500	...	112,500	112,500	...
Newcastle and District Electric Lighting, 150,000 Ord. £1 at 24s. 6d.	150,000	...	183,750	52,500	131,250
Second Scottish Eastern Investment Trust, 15,000 Shares £10 at par	150,000	...	150,000	75,000	75,000
Stockholders Investment Trust, 15,000 Ord. £10 at £10 10s.	150,000	...	157,500	15,000	142,500
Stuttaford and Co., 40,237 Ord. £1 at 30s.	40,237	...	60,355	20,118	40,237
Tin Selection Trust, 500,000 Ord. £1 at 25s.	500,000	...	625,000	625,000	...
Total to Shareholders only, week ended Feb. 16, 1929	1,012,737	...	1,289,105	900,118	388,987

Total offered for subscription—

To date—	Including Conversions.	Excluding Conversions.
	£	£
1929	72,300,979	58,726,428
1928	...	129,710,207
1927	...	104,911,535
1926	...	38,457,373
1925	...	21,792,362
1924	...	26,624,955
1923	...	47,371,123

Total offered for subscription—

Whole year—	Including Conversions.	Excluding Conversions.
	£	£
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,501
1925	...	232,214,509
1924	...	209,326,103
1923	...	271,399,179
1922	...	573,675,650

Grace National Bank

Hanover Square, New York, U. S. A.

We undertake the investment of funds in U. S. Government Bonds, Bank Acceptances and American securities for our banking correspondents.

Special Representative

148 Leadenhall St. London, E. C. 3.

By Stock Exchange Introductions.

Name of Company, Description of Shares and Date of Issue (in brackets).	Amount of Capital Introduced.	Price at Which Dealings Began.	Total Cash Involved.
	£		£
Amount previously recorded	2,116,450	...	5,206,321
United Kingdom Tobacco Co. (1929), 600,000 Ord. 10s. (Feb. 6)	300,000	21/9	352,500
200,000 7½% Cum. Conv. Pref. £1	200,000	25/-	250 000
Société Financière De Transports, etc. (Sofina), 3,750 Ord. Shares of 500 Belgian Francs each (Feb. 5)	375,000	£207	756 250
Equitable Office Building Corporation, 891,984 Shares of no par value	...	835/8	...
Total week ended Feb. 16, 1929	875,000	...	1,358 750

Total amount of capital introduced Jan. 1 to Feb. 16, 1929 £2 991 450.
Total Cash involved in introductions, Jan. 1 to Feb. 16, 1929, £6,565,071.

Roumanian Stabilisation and Development Loan.—Issue at £88 of £2,000,000 Monopolies Institute 7 per cent guaranteed sterling bonds, 1937-59, part of a total issue which includes $69,000,000 and Frs. 561,638,000 bonds, unconditionally guaranteed as to principal, interest and sinking fund by the Government of Roumania. The bonds are secured by a first charge on the gross receipts of the monopolies operated by the Institute (viz., tobacco, matches, salt, playing cards, explosives, cigarette paper) and on all other revenues of the Institute, including a royalty guaranteed by the Swedish Match Co. Net revenue from these monopolies has been approximately: 1926, £3,841,000; 1927, £4,748,000; 1928, £5,211,000; service of this issue of sterling, dollar and franc bonds requires annually about £1,660,000. The creation of the Institute and the issue of the loan form part of a comprehensive programme for stabilising the currency and furthering the economic development of the country.

English and International Trust, Limited.—Issue at par of 100,000 £10 shares, to be converted after July 1st into £5 of 5½ per cent. cumulative preferred stock and £5 of ordinary stock. The company will carry on the usual business of an investment trust, and in particular will become one of a chain of affiliated companies in different countries.

Bankside Investment Trust, Limited.—Issue at 97½ of £700,000 (out of £1,000,000) 5 per cent. first mortgage debenture stock, redeemable at 105 in 1982 by a sinking fund; interest is guaranteed by City of London Electric Lighting Company till 1971. The company was formed in 1920 as a private company to acquire and develop lands and buildings, and is now converted into a public company. The stock is secured as a specific charge on properties valued at £1,310,000, and a floating charge on all other assets.

Monks Investment Trust, Limited.—Issue at par of 600,000 £1 shares. The company will carry on the usual business of an investment trust company.

Automatic Confections, Limited.—Issue at par of 2,000,000 (out of 2,800,000) 1s. shares. The company acquires rights to use an automatic machine and to sell certain confectionery therefrom, together with the benefit of existing agreements. The purchase consideration is £40,000 in shares. Working capital is estimated at £19,000.

Harwood Self-Winding Watch Company, Limited.—Issue at par of 260,000 (out of 1,400,000) 5s. ordinary shares. The company acquires licences to manufacture and sell in the United Kingdom, and to manufacture in Switzerland for sale in the United Kingdom, a patent watch. The purchase price is £65,000, payable as to £15,000 in cash and £50,000 in shares, with a royalty, and the company gets an option for one year to acquire Dominion and Colonial rights for £100,000 in shares. Working capital is estimated at £30,000.

Fourwheel Jacks, Limited.—Issue of 880,000 (out of 2,000,000) 1s. shares. The company acquires patent rights within the British Empire, excluding Canada, in inventions for four-wheel jacks, together with the lease of a fitting station. The purchase consideration is £38,005, payable as to £9,505 in cash and £28,500 in shares. A further 350,000 shares are under option at par. Working capital is estimated at £21,000.

Colne Valley Water Company.—Sale by tender of £100,000 5 per cent. perpetual debenture stock, at a minimum price of par; a full trustee investment. Issued stock capital is £790,000, and issued loan capital £680,809. Net revenue for 1928 was £71,884; interest on debenture stock, including present issue, requires £20,701. The company supplies an area of about 90 square miles, with a population of over 200,000. Present issue is made to meet expenditure on new works, extensions, etc.

Particulars of the following have been issued for public information only in connection with Stock Exchange "introductions":—**Equitable Office Building Corporation:** issued capital 891,984 shares of no par value (common stock) and 502 $100 shares (7 per cent. convertible preferred stock), together with $19,440,612 first mortgage, 1974, $8,737,000 5 per cent. sinking fund debentures, 1952, and $35,000 6 per cent. gold second mortgage $1,000 bonds, 1943; organised under the laws of the State of New York in 1913; owners of a 40-storey office building in Manhattan; net profits have been: 1925-26, $1,237,223; 1926-27, $1,632,465; 1927-28, $1,838,191. **English and Scottish Investors, Ltd.**; issued capital £750,000 n. £10 shares, to be converted into £6 5 per cent. preference and £4 ordinary stock; an investment and trust company. **De Havilland Aircraft Co., Limited**; issued capital 300,000 £1 shares; incorporated in 1920 as a private company; designers and manufacturers of aircraft, etc.; profits are given over 5 years, and 10 per cent. dividends have been paid throughout. **Zimbo Products (1929), Limited**; issued capital £32,000 in 1s. shares; formed to acquire a business of patent curtain-rod manufacturers; purchase consideration is £2,500 in cash and £17,000 in shares; a further 360,000 shares are under option at par; working capital is estimated at £9,500. **Preanger (Java) Rubber Co., Limited**; issued capital £50,000 in 2s. shares; incorporated in 1910 to acquire share capital of an existing company; area of estate is 1,281 acres, and capitalisation per planted acre £45 14s.; recent dividends have been: 1923-24, 12½ per cent.; 1924-25, 50; 1925-60; 1926-27, 52; 1927-28, 21 per cent. **D. Smith and Sons (1924), Limited;** issued capital £30,000 in 1s. shares; incorporated in 1924 to acquire a business of cardboard-box makers and paper merchants; net assets are £55,298.

SUMMARY OF BALANCE-SHEETS.

IMPERIAL TOBACCO COMPANY (OF GREAT BRITAIN AND IRELAND).

October 31, 1928.

LIABILITIES.	Amount.	Compared with Oct. 31, 1927.	ASSETS.	Amount.	Compared with Oct. 31, 1927.
	£	£		£	£
"A" cum. pref. shares	4,959,249	...	Land, &c.	4,922,664	+ 93,223
"B" non-cum. pref. shares	5,260,469	...	Goodwill, &c.	9,422,582	...
"C" 10% non-cum. pref. shs.	2,638,218	...	Investments (ass. companies)	9,863,779	+ 459,509
Ordinary	29,951,697	...	Stock in trade	30,495,433	+1,874,963
Creditors, &c.	14,628,828	−3,697,876	Debtors	6,606,771	+ 57,960
Bills payable	2,000	− 2,000	Payments in advance	...	−2,265,062
Provision for pensions, &c.	3,141,015	+ 265,112	Investments	13,139,952	+1,010,082
General reserve	11,500,000	+4,500,000	Cash	4,766,561	+ 344,133
Profit and loss	7,136,266	+ 509,572			
Total	79,217,742	+1,574,808	Total	79,217,742	+1,574,808

THE NIGER COMPANY, LIMITED.

June 30, 1928.

LIABILITIES.	Amount.	Compared with June 30, 1927.	ASSETS.	Amount.	Compared with June 30, 1927.
	£	£		£	£
Ord. shares	1,250,000	...	Cash	165,452	+ 28,474
8% non-cum. pref.	1,500,000	...	Shares in associated cos. and investments	8,114,936	− 95,280
10% non-cum. pref.	1,500,000	...	Debtors	379,826	−102,557
8% cum. pref.	500,000	...	Stock-in-trade	1,471,150	+195,355
5½% debs.	3,914 680	− 16,820	Freehold land, &c.	1,864,201	+ 9,009
7% 2nd debs.	1,500,000	...	Discount and expenses of debenture issues	205,535	− 14,999
Creditors	1,808,291	+ 76,100			
Insurance reserve	...	− 20,000			
Profit and loss	228,129	− 19,278			
Total	12,201,100	+ 20,002	Total	12,201,100	+ 20,002

BORAX CONSOLIDATED, LIMITED.

September 30 1928.

LIABILITIES.	Amount.	Compared with Sept. 30, 1927.	ASSETS.	Amount.	Compared with Sept. 30, 1927.
	£	£		£	£
Cum. pref. shares	800,000	...	Mines and goodwill	3,201,753	...
Pref. ord. shares	600,000	...	Land, &c.	1,061,818	+ 33,386
Def. ord. shares	1,150,000	...	Stocks	396,195	− 66,365
4½% deb. stock	1,000,000	...	Deb. red. fund	245,670	+ 12,486
Interest accrued	11,250	...	Investments	1,050,943	− 43,166
4% deb. stock	1,214,234	...	Sundry debtors	313,627	+ 50,804
Interest accrued	20,490	...	Death Valley Railway Co.	56,468	− 27,038
Premium on def. ord. shares	152,697	...	Cash	226,618	− 24,798
Building reserve	100,400	− 500	Investments in War Bonds in respect to pensions	59,941	—
General reserve	500,000	...			
Deb. red. fund	245,670	+ 12,486			
Sundry creditors	352,275	− 77,480			
Bills payable	41,144	+ 173			
Pensions, inc.	60,105	+ 157			
Profit and loss	364,767	+ 473			
Total	6,613,032	− 64,691	Total	6,613,032	− 64,691

MAPLE AND COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.	ASSETS.	Amount.	Compared with Dec. 31, 1927.
	£	£		£	£
Pref. shares	1,000,000	...	Cash	166,108	−101,086
Management shrs.	200	...	Bills, &c.	5,945	− 5,546
Ord. shares	1,800,000	...	Sundry debts	1,573,111	− 27,092
3½% deb. stock	500,000	...	Stocks, &c.	1,742,678	+ 41,878
4% deb. stock	500,000	...	Freeholds and leaseholds	1,183,959	+ 29,939
Reserve	646,665	+ 18,083	Horses, vans, &c.	50,510	− 5,871
Special reserve	—	− 50,000	Plant, &c.	41,202	+ 3,280
Trade creditors	9,715	+ 6,549	Investments	252,941	+ 3,315
Sundry creditors	277,032	− 9,791			
Profit and loss	283,842	− 26,024			
Total	5,016,454	−614,183	Total	5,016,454	− 61,183

COMPANY MEETINGS, &c.

THE GAS LIGHT AND COKE COMPANY.

SATISFACTORY PROGRESS—SOUND FINANCIAL POSITION.

The general meeting of the Gas Light and Coke Company was held at the Chief Office on the 8th instant. Sir David Milne-Watson, LL.D. D.L. (the Governor), presided. The report and accounts were taken as read. The chairman said :

You will notice that we have raised a further £2,000,000 of 5 per cent. redeemable debenture stock. We received the excellent price of £99 for each £100 of stock—a great testimony to the company's reputation in the world of finance.

EXPENDITURE ON EXPANSION OF BUSINESS.

The expenditure of capital amounted to £618,000, of which £523,000 was on new mains, meters and stoves, rendered necessary owing to our desire to get new business and to furnish an ample supply in districts where building developments are taking place. A credit of £96,000 from the amount written off plant and from depreciation of stoves leaves a net capital expenditure of £522,000.

SAVINGS ON REVENUE ACCOUNT.

The company has saved large sums of money on coal and oil. The reduction in coal is due to the fact that in 1927 we were still hampered with high prices as an aftermath of the coal stoppage. The reduction in oil is due to the lower prices that have ruled during the past year. There has been a saving under these two headings of over £1,400,000. There has also been a large decrease under the heading of repairs and renewals of meters. This is not due to any slackening off in the company's policy of repairing and renewing meters, but to the fact that a large part of the expenditure in 1927 is not recurrent.

BENEFIT TO CONSUMER AND SHAREHOLDER.

Owing to the reduced price of gas the amount charged our customers has fallen by over £1,300,000. This will be regarded with great satisfaction by consumers and shareholders alike, as with the reduction in the price of gas we were enabled to give a very substantial benefit to the consumers and at the same time declare a higher dividend.

RESIDUALS.

With regard to residuals, there has been a fall in prices all round—only to be expected in view of the reductions in the price of coal. A revenue of over £2,000,000 from residuals must in the circumstances be considered very satisfactory.

As I have said, the reduction in the price of gas has enabled us to declare a higher dividend. A dividend for June was paid at the rate of £5 10s. per cent. per annum, and now we are in a position to recommend a dividend at the rate of £5 12s. per cent. per annum, the full amount permissible with the price of gas at 8.6d. per therm.

To sum up the result of the trading for the year :

AN INCREASED CARRY-FORWARD.

A credit balance of £1,853,000 has been transferred from revenue to profit and loss, as against £1,737,000 last year. This, after the interest on borrowed money and the dividends for the June half-year have been debited, together with a contribution of £50,000 to special purposes, leaves £830,000 from which to pay the charges for the December half-year. This enables us to declare the usual dividends on the preference maximum stocks and a dividend at the rate of £5 12s. per cent. per annum on the ordinary stock. These dividends, together with £20,000 to redemption fund, will absorb £671,000 and leave £159,000 to be carried forward—an increase of £37,000 on the amount brought forward.

A SOUND FINANCIAL POSITION.

Looking at the company's position generally, we have made very satisfactory progress during the past year, and there never was a time in its history when its financial position was in a sounder condition.

So far as increase in business is concerned, one per cent. may not seem very large so far as percentages go, but, when you take into consideration the size and age of the company, and the intense competition from our younger rivals—electricity and oil—I think it may be regarded as very satisfactory. When it is realised that an increase of one per cent. in the company's total business means roughly 500 million cubic feet of gas, involving the use of 40,000 tons of coal, and is equal to the supply for a whole year of a moderate-sized town, there is no reason to be dissatisfied.

EFFECT OF WEATHER ON GAS OUTPUT—RECENT RECORDS.

A critic, on referring to the capital account, may say that we have spent a large amount to get an increase of this kind. I should like to remind you that in the nature of our business we are particularly dependent on the weather, and in 1928 we had a remarkably fine summer and an extremely mild autumn and early winter, conditions distinctly against the sale of gas. It is well to remember that our object is first to secure consumers and then to see that their premises are fitted up with suitable apparatus, so that when weather conditions are suitable the apparatus is there to enable us to reap the benefit. Our recent experience has shown that we have been amply rewarded for this policy, for in the severe weather during last month we have had a record output, which would not have been obtained had we not pushed the sale and hire of apparatus. The board also consider that their policy with regard to new showrooms has been amply justified. The showrooms in this building and our new showrooms at Church Street, Kensington; Seven Sisters Road; Kilburn; Finchley Road, etc., have fully justified the large expenditure on them. They have had the effect of making the public realise that modern gas appliances, which are eminently efficient and at the same time artistic, can be employed in houses however beautiful the decorations may be, thereby securing a good class of business.

MODERNISING THE WORKS.

The company has pursued its policy of putting in modern plant at all its works whenever an opportunity has arisen. Within the last few years several of the works have been undergoing a process of renewal in order that the latest methods of carbonisation might be brought into use, and the reduction in the cost of manufacture has been noteworthy.

As I have told you before, we have found it very advantageous to own our own ships, and recently we have ordered three more to run to our up-river stations, where the economy effected by avoiding the unloading of coal lower down the river and barging it up has been very material.

LOW-TEMPERATURE CARBONISATION—A NEW SMOKELESS FUEL.

On the last occasion I told you that the company, at the request of the Government, was putting up a low temperature carbonisation plant at Richmond. This is now approaching completion, and within a few days we hope to be in a position to supply a smokeless fuel named "Gloco." Very many interesting questions arise out of low temperature carbonisation, especially with regard to residuals. The company is carrying out investigation and research with a view to finding a new use for the tar and its constituents produced from this method of carbonisation.

IMPORTANT RESEARCH WORK.

In the summer we opened a new central laboratory at our Fulham works. Sir Richard Threlfall, Chairman of the Fuel Research Board, was kind enough to come and open this laboratory, when he made a very interesting speech on the value of research. We were never more convinced than at the present time of the necessity for research, and we have now working for us a highly efficient staff of chemists, who are studying the numerous problems connected with our work. Our central laboratory, working in conjunction with a full-scale experimental plant, has as its especial object fundamental research into the problems of our industry as apart from routine laboratory work. There are many problems connected with the nature and carbonisation of coal, and it is only right that a company such as ours should take its part in this research work on coal, gas and residuals, which has such an important bearing at the present time on the welfare of the country.

GAS-MAKING BY COKE OVENS.

We are also considering the question of the installation of coke ovens at Beckton. We have received tenders for this work, and are now considering them. This shows that we have no prejudice against coke ovens forming part of a gas works.

It has been assumed by a great number of people that there is antagonism between the gas industry and the coke oven industry. Nothing is really further from the case, because we regard ourselves as having shown the way to the by-product coke oven industry. When the coke oven industry was merely supplying coke for foundry purposes there was perhaps little connection between the two; but since the recovery of by-products there has naturally been greater community of interest. Both industries are part and parcel of one great industry, namely, that of the carbonisation of coal. They should try to work together, bearing in mind the special object of each industry, and so help to solve some of the great difficulties of the country, namely, the iron, steel and coal problems. If both industries approached this question in a friendly manner, trying to understand one another's difficulties and not trying to "down" each other, a great deal of good would come to both industries and also to the country generally.

THE NATIONAL ASPECT OF THE GAS INDUSTRY—OBSOLETE LEGISLATION.

There never was a time, probably, when greater prominence was given to the national aspect of the gas industry than at the present moment. As you know, the Government appointed a National Fuel and Power Committee, of which I had the honour to be a member, and that Committee has made a series of recommendations which are of great importance to the industry.

The general legislative provisions under which we work date back as far as 1847, and in many respects are quite out of date. We are hampered as an industry by inadequate and old-fashioned methods of raising capital, which do not apply to our younger rivals; we are handicapped with limitations in the handling of our residuals; and we are limited with regard to working with allied industries. There are many other minor disadvantages under which we labour. The industry feels that it has a real grievance, and this has been fully recognised in the Committee's main report, where it is recommended that we should be allowed to adopt more up-to-date methods and to bring ourselves into line with modern practice. I am glad to say that the Government has promised to introduce a Bill giving effect to some of those recommendations. The industry would have preferred to have a completely new Charter; but we realise that in the last session of a Parliament we could not possibly expect to get a Bill dealing with all our grievances. We therefore welcome, as a first step, the Bill which the Government propose to introduce, hoping and believing that it will not be long before we obtain, whatever Government may happen to be in power, a further relief from the trammels which hinder us. It is not dividends we are after. What we want is freedom to get new business and to compete on modern lines with our rivals who are not subject to so many restrictions as we are.

GOOD RELATIONS WITH WORKERS.

With regard to labour matters, I am glad to say that we have had no difficulties during the past year. I cannot imagine any company having a more loyal and faithful body of workers than this company has. There is a definite feeling of enthusiasm for the company among those who work for it, and this is due to a great extent to the co-partnership or family spirit which permeates the whole company. I cannot pass from this subject without saying how deeply touched I was when the many thousands of co-partners of the company decided last year to subscribe and present me with my portrait and my wife with a very beautiful tea service. We were deeply touched by this expression of their goodwill, and it was one of the proudest moments of my life when the portrait by Sir William Orpen, R.A., was presented to me.

THE HOLBORN EXPLOSION.

The last days of 1928 were clouded over by the explosion in the Post Office tube in Holborn. As the matter is now being enquired into by a Commission, it would be out of place for me to make any remarks on this occurrence. The staff of the company, both officers and men, worked splendidly night and day during the anxious time that followed the explosion, and everything was done to mitigate the inconvenience and trouble caused in the district.

With regard to the staff, I have nothing but praise for both officers and workmen for the way they have carried out their duties, and to them is due the directors' thanks for their efforts.

It would be invidious to mention any particular persons by name, but, when referring to the staff, I would like to say that we have appointed Mr. R. W. Foot general manager of the company. Mr. Foot has been acting as assistant general manager for some years, and has fully earned the title of general manager.

THE INDUSTRIAL SITUATION.

At our meeting last year I referred to the question of co-operation between capital and labour, and no doubt you have seen in the papers a good deal with regard to this matter. It is premature to say what will be the outcome of the meetings that have taken place, but I can confidently say that, so far, nothing but good has resulted; and I sincerely hope that when matters have been further discussed we shall enter on a period of better understanding between the two parties chiefly responsible for the success of industry.

There never was a time when it was more necessary that the two sides should understand one another, and anything which brings employers and employed in closer touch with one another is good. Frank discussion and friendly meetings will do a great deal to help solve the difficult questions which lie before the British industry before it can once more take its old place in the world's economic position.

British industry has gone through a very trying time, and, though we are not out of the wood, I think there is no use in despairing or in constantly belittling what has been done by this country from an industrial point of view. There are few countries which have suffered more severely by the war or whose industry has been more disorganised. We have been able to weather the storm and have recovered a great deal of lost ground. We have put ourselves, at any rate, in the position of earning the respect of the world in that we have shouldered our burdens, financial and otherwise, in a determined way; and, though complete success has not been achieved industrially, yet we are, I believe, on the high road to do so.

The report and accounts were adopted.

EXTRAORDINARY MEETING.

Notice was then read convening an extraordinary meeting for the purpose of considering the Bill now before Parliament.

The Chairman said : The main object of the Bill is the acquisition of two more undertakings. Amalgamation has been the policy of this company for many years, and it is a policy that has been in every way justified. As a result we are able not only to supply gas more cheaply in the new areas, but, by the advantage we possess in having at our command greater facilities for the provisions of new capital, it is possible to develop business more rapidly in these outlying areas than would have otherwise been the case. In return, the older districts belonging to the company reap such advantage as must follow from an extension of the company's business with regard to the sale of gas.

The results of the provisions in the Bill as to price will be very satisfactory to the new districts. The graduated concession in price, amounting in all to no less than 3d. per therm, means that the consumers in these areas may look forward for some time to come to a steady reduction in the price of gas as a result of the amalgamation. After this reduction has been made there will remain a small differential price in both of the new areas, which their geographical position fully justifies.

A resolution approving the Bill was adopted.

STANDARD TRUST, LIMITED.

SUCCESSFUL RESULTS OF THE YEAR.

The twenty-sixth ordinary annual meeting of the Standard Trust, Limited, was held, on the 11th instant, at 25-31 Moorgate, London.

Mr. Alfred Shepherd, W.S. (the chairman), in the course of his speech, said the figures in the balance sheet differ considerably from those for the previous year. This, however, is due almost entirely to the increase in the company's capital from £500,000 to £675,000, and to the increase of the debenture stock from £430,000 to £560,000. These increases are also reflected in the figures given in the revenue account.

The net profits of the year amount to £44,037 1s. 10d., which compares with £35,696 3s. 2d. in the previous year, or, adding the balances brought forward, the amount available for disposal this year is £54,368 13s., as against £41,869 17s. 1d. The directors have transferred to the superannuation fund £3,579 10s. 10d., and have also transferred to the reserve fund £5,118 4s., as against £290 2s. 11d. last year, thus leaving a sum of £45,670 18s. 2d., as against £40,444 1s. 2d. last year.

Your directors recommend that the final dividend on £375,000 preference stock should now be paid and that a final dividend of 6 per cent. should be paid on £250,000 ordinary stock, making, with the interim dividend of 4 per cent., a dividend of 10 per cent. on the ordinary stock entitled to participate, being at the same rate as last year. There will remain to be carried forward £11,788 1s. 11d., as against £10,331 11s. 2d. in the previous year. These results appear to your board, and they trust they will be considered by you, as satisfactory. The general reserve fund, which last year amounted to £75,000, has been increased as mentioned in the report, and now stands at £140,000.

It will be observed that a very large proportion of the securities are publicly quoted or dealt in in various Stock Exchanges, so that quotations are available for these. The valuation shows a very satisfactory surplus over the figure at which the investments appear in the balance sheet. With reference to the proposed increase of capital, it is right that I should state that it will only be issued if and when the board consider that conditions indicate that the proceeds could be profitably invested.

The report and accounts were unanimously adopted.

A resolution was unanimously adopted increasing the capital of the company to £1,000,000 by the creation of 150,000 5½ per cent. preference shares of £1 each and 100,000 ordinary shares of £1 each.

SOUTH METROPOLITAN GAS COMPANY.

DEVELOPMENTS IN CARBONISATION PROCESSES.

CRITICISMS OF GOVERNMENT'S ELECTRICAL POLICY.

The ordinary general meeting of the South Metropolitan Gas Company was held on the 13th instant, at the Cannon Street Hotel, Cannon Street, London. Mr. Charles Carpenter, D.Sc., M.I.C.E. (President and Joint Managing Director), in the chair.

The secretary and accountant (Mr. Frank Day) having read the notice convening the meeting.

The President, in moving the adoption of the report and accounts, said: You will have observed that while there has been an increase in the number of our consumers, this has been accompanied by a slight reduction in the consumption of gas. This is easily understandable when one looks back at the mild weather which prevailed during the latter part of the year, and which was bound to affect that portion of our supply which is used for heating purposes. The past month of January has, on the other hand, been colder than usual, so you will not be surprised to learn that during that period our sales increased by over 10 per cent. The two chief loads in our business are those for lighting and for heating. The former changes with the seasons, and the latter with the climate, and it is this portion of our output which adds to or reduces the prosperity of our business.

Now it is because of this climatic variability that the bulk of complaints of gas cost arises.

Now, in order to overcome trouble of that kind we instituted nearly a year ago a system of monthly meter inspecting and account rendering. The new system has proved a great success, and, although in a few isolated cases there are still some objections to the abolition of the Quarter Day accounts, the great majority of our consumers have welcomed the change.

COST OF COAL.

Coal, as the report tells you, has been purchased at reduced prices. Unfortunately the saving in fall of coal costs has been largely discounted by the lower revenue from by-products, so that the net result shows a lesser saving. It is, of course, as you are aware, the net cost of coal which really matters, that is, its price after deducting returns from by-products. The prices obtained for these, particularly coke and, to some extent, tar, are found over a period of years to bear a definite relationship to the price paid for coal. There is a certain lag in the time taken for their adjustment, and this may result in either one of these products being temporarily maintained at a non-economic value. But when coal remains stable over a long period the revenue from products settles down to a pretty definite ratio. Coke, I may say, reflects more quickly than tar or ammonia the effect of reduced coal costs, as is shown by the lower revenue obtained. The future of tar for road purposes is a very promising one. It is essential not only to maintain a high quality product, but it becomes increasingly necessary to see that the methods adopted for the application of tar to road surfaces are suitable ones.

I am glad to be able to say that our efforts to obtain cleaner coal continue to meet with success, and though progress is small, we have increased our knowledge of the characteristics of the various kinds we purchase, and are thereby gradually extending a system of buying by quality rather than by description. There is, however, a great deal yet to be done at our collieries before they can put on the market coal as free from ash as that imported from America during the Coal Stoppage of three years ago. While this matter of clean coal is closely bound up with the economics of gas manufacture, its greatest influence is an indirect one. Our carbonising process extracts whatever gas or products are contained in the raw material, and if coal were merely bought upon a gas content basis, its varying qualities would not seriously matter whichever we use. But the quality of the coke by-product produced thereby is a very important thing indeed, as this resultant product contains a large proportion of the original coal ash. We are also continuing our work upon the sizing and preparation of coke for the market, and there is no doubt whatever that it is increasing in popularity for domestic use.

LOW TEMPERATURE FUEL.

I must now shortly deal with our arrangements for the production of what is called low temperature coke. There is no doubt that to-day the public are in a more sympathetic mood to listen to suggestions for rendering life healthier in the Metropolis, and there is no doubt again that this will affect its attitude towards the movement for the total abolition of raw coal as fuel. There are two methods of putting this proposal into practice, both of which involve applying to the raw coal a preliminary, either partial or complete, distillation of the volatile, and when discharged into the air harmful products. In the one case the existing grates would, generally speaking, require to be adapted to the fuel, whilst the other process produces a fuel adapted to the grates.

The carbonising processes to which coal for these purposes is subjected are called respectively the high and low temperature systems. They produce not only a different solid residual, such as coke in the one case, and such as "coalite" in the other, but the resultant gaseous and liquid products differ widely in character. The technology of the low temperature processes differs radically from the older one, and many problems of great interest are involved with their adoption. The two systems which we are about to work on the large scale differ completely in their respective designs, and may be roughly said to represent the two extremes between which various modifications have been proposed. In a general way the two we shall be using may be classified by saying that the one uses small coal, and the other utilises fines. We shall be able to test the public requirements with two different products, having the smokeless attribute in common, both being combustible in ordinary grates.

ASSOCIATION WITH SOUTH SUBURBAN GAS.

You will remember that in February, 1927, you authorised our association with our neighbour, the South Suburban Gas Company, and I am pleased to say the first fruits of this association are beginning to be gathered by both parties. As the report tells you, the connecting main between the chief works of both undertakings has now been laid, and gas made from coal delivered by ship to our wharves in the River Thames is now available for distribution throughout a total area of something like 200 square miles. The gas thus sold in bulk has not been included in the figures of gas sold with which I dealt at the commencement of my remarks.

The report further informs you that the Capital Powers Bill authorised at the meeting a year ago received Royal Assent in due course, and by it our capital authorisation has been brought well up to our requirements. We shall probably make an issue in the first half of the year, for, as you will have noticed, our capital account is now overdrawn.

The rate of dividend proposed is as last year, and the allocation to the Co-partnership Fund of its share of surplus profits is identical with the previous one.

LABOUR-SAVING MACHINERY.

The Co-partnership has throughout a difficult period played its part in maintaining harmonious relations between the management and the staff. This is, and will be, all the more valuable since under pressure being put upon us by the action of the Government and its Ministers, our attitude towards labour is "nolens volens" being changed. If you would allow me I will quote from the report of my remarks at the meeting held in August, 1911, when I stated that so happy were our relations with labour that our settled policy was only to adopt labour-saving machinery when the work to be done could not be so efficiently performed by hand. We are now completely reversing that policy by putting in plant the object of which is to reduce labour charges to the lowest possible limit.

GOVERNMENT AND ELECTRICITY—A PROTEST.

The reason for this is that each day that passes finds us up against a state-encouraged competition of electric energy supply. In so far as this was only directed to cheapening the cost of current we should have no fear or cause for complaint. But an endeavour is being made to build up a monopoly in the supply of heat and light, and force the state-aided product on all and sundry whether or no they desire it. A few months ago the Minister of Transport took the opportunity, when opening a new bridge, to express his regret that so many new houses were "not being wired for the use of vacuum cleaners, cooking, irons and other apparatus which ought to be used."

I strongly protest against the head of a very important Government department, a Cabinet Minister, in fact, going out of his way to support proposals which are not only unfair but uneconomic. And it is not surprising that buildings are being erected by local authorities in which, while as much raw coal as possible may be burnt in the kitchen, and lamps of all kinds, safe or unsafe, burning foreign and imported oil may be used without restrictions, the use by their tenants of gas whereby to light and at the same time warm their rooms is absolutely prohibited upon pain of their tenancies being terminated and themselves turned out of house and home. It is very surprising that after something like 50 years of electrical progress so unfair an interference with the liberties of municipal tenants should be deemed necessary.

The report and accounts were unanimously adopted.

WANDSWORTH, WIMBLEDON AND EPSOM DISTRICT GAS COMPANY.

RECORD GAS SALES.

The ordinary general meeting of the Wandsworth, Wimbledon and Epsom District Gas Company was held on the 12th instant at the Cannon Street Hotel, London, Mr. Frank H. Jones (the chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said that they had sold more gas in the year 1928 than ever before in the company's history, while in January of this year they had sold more than in any previous January. As prices of gas were, they were still lower than most of their neighbours—that was taking the average of the gas sold and not their very low Wandsworth price. After 95 years those were facts which the Board and the employees were very proud of, and he thought the shareholders would be also. They had spent £110,699 of capital during the year. It was a large sum of money, but it represented nearly 20 miles of new mains and a gas-producing plant at their Wandsworth (Riverside) Works of about 7,000,000 cubic feet of gas per day. This plant was not only up to the most modern standards, but was also more economical than anything they had ever had before. It was not shown on the balance sheet, but it was a fact that they were making more gas at Wandsworth than ever previously, as it stood to reason that to take coal direct from a ship into the carbonising plant was much more economical than sending it on in solid form by barge, train or motor to works away from the water that provided such cheap carriage. They had a saving of nearly £61,000 in their coal bill, which was partly wiped out by a lower return from residuals of £35,000.

The cost of upkeep of the works was slightly lower. There were three items totalling more than £44,000 under the headings of "Profit sharing," "National insurance," and "Pension fund." This was a very large expenditure, and it was spent, one might say, on their employees. Up to a point this was so, but he wished them to understand that it was expenditure of the wisest kind. It ensured that while a man was at work he had no need to worry, because he knew that if he was ill or had an accident he was being provided for. In fact, an employee in this company had not very much to worry about in regard to the future, because they had a pension fund and a co-partnership fund. They had 1,843 employees, 1,213 profit-sharers (holding £100,000 of the company's shares) and 1,504 on the pension fund. This £44,000 was no capricious gift on the part of the company. The Board's endeavour was, and had been, to make service to the company something to be sought after and, when obtained, held.

The company's own ships had carried over a quarter of a million tons during the year—more than ever before. They had been producing gas on a large scale in what was a somewhat new way at Wandsworth during the year—namely, in chamber ovens. These had been at work for eight months and were fulfilling expectations. They were making much greater use of low-grade fuel and waste heat on their works. This had proved a success and would be extended. Some of their residuals had been falling in value for some time, but they were making every endeavour to make up for this in other ways, and he thought they would succeed. They had had a large increase in the number of gas appliances in the district. During the past few years they had altered and, he thought, made their five showrooms more attractive. Anyhow, he knew by results that they were more efficient.

Referring to the question of recent trouble with broken mains, he said he saw no reason to be unduly apprehensive of the future. As they would see from the report, the dividends would be increased over those declared for 1927, owing to the reduction in the selling price of gas. During the year the Board had made the Company's engineer, Mr. Croft, general manager. This was after 18 years' experience of him and following a general reorganisation of the staff, which was necessary to meet modern conditions. The company's secretary, Mr. Charles Braine, was retiring from his position at the end of March after having served the company for 33¼ years.

Mr. R. Garraway Rice (deputy-chairman) seconded the motion, which was carried unanimously.

Dividends were declared for the half-year to December 31st as follows:—

On the Five per Cent. Preference stock, £5; Wandsworth "A," £9; Wandsworth "B," £7 10s.; Wandsworth "C," £6 6s.; Wimbledon stock, £7 2s. 6d.; Epsom stock, £7 12s. 6d., and the new Ordinary Stock £6 6s., all at per cent. per annum.

A special general meeting was then held for the purposes of considering the Bill now being promoted in Parliament. The Chairman, having explained the clauses of the Bill in detail, the resolution was put to the meeting and carried unanimously.

SUN LIFE ASSURANCE SOCIETY.

STEADY PROGRESS MAINTAINED.

A general meeting of the Sun Life Assurance Society was held, on the 12th instant, at 63, Threadneedle Street, London, the Hon. Sir William H. Goschen, K.B.E. (the chairman), presiding.

The Chairman, in the course of his speech, said: The report contains history—history of steady progress and, I think, success. I have no wonderful happenings to recount or stirring events to chronicle—such is not the policy of the society. Our aim rather is to maintain steady progress and to get on with our own business.

Our business has for many years past been confined to Great Britain, so that our policyholders are not concerned with the laws framed in the interests of policyholders in other countries. Obtaining business is a matter of organisation, but inasmuch as organisation involves education and expense its speed of expansion is limited. If this society's business expands, it is not at the expense of other offices; there is certainly competition, but such competition as a life assurance company meets with in this country is not harmful to the structure of life assurance, at any rate, at present.

NEW BUSINESS.

In the year under review our efforts resulted in 19,419 new assurances for a sum assured of £15,274,880. This is about £2,000,000 more than in the previous year. The new business figures of an office are, however, rather liable to mislead if used in judging the success of its work. The new business figure contains many different classes of assurance at many different rates of premium, from the single premium endowment at £85 per cent. to the short-term temporary assurance at a few shillings per cent. You may take it from me, however, that the quality of the new business is good, and that the part of our business made up of policies effected for purposes of saving and family provision has again very materially increased.

A noteworthy feature of the year has been the number of staff schemes of superannuation by endowment assurance or deferred annuities which have been completed both in London and the provinces. The society has also taken a share in the effort to cultivate group assurance, but so far the results are small. In the early part of the year a prospectus was issued offering monthly premiums payable by banker's order, and the scheme has proved very popular. The special schemes for Civil Servants, Local Government officials, teachers, bank officials and employees in certain other specialised occupations are achieving success, and, above all, a factor which speaks well for the success of the office is the increasing amount of business that we obtain from those who already hold policies with us.

It has been a custom for many years to refer to the society's practice and experience of accepting proposals without medical examination of the person upon whose life the risk is to depend. The results of our 28 years' experience have quite confirmed our earlier conviction of the soundness of the practice, and as years go by there is still no indication that the rate of mortality is higher than it would have been had the society not transacted this business.

ENDOWMENT ASSURANCE.

It must never be overlooked, however, that life assurance is much more than an investment. It is a protection as well, and the more this can be brought home to people the more popular it will become. In the old days life assurance was regarded entirely as protection for dependents, but for some time past the appeal has been more and more that of investment; we are convinced, however, that the true appeal is between these extremes and that for the great mass of people, the endowment assurance maturing about the age of retirement is the best form of contract. Trimmings may be added to suit individual taste—bonuses, cessation of premiums on ill-health, options for annuities, or any other of the many refinements—but such a policy as I have described will have provided cover during the years of greatest family responsibility and funds at a time when earned income will be reduced. I am glad to be able to say that a considerable proportion of the society's business is made up of these long-term endowment assurances, and that although our efforts to persuade policyholders to take still longer term policies have not had much effect, the average term is just about twenty years and the age at maturity sixty.

The question of security offered by a life assurance is paramount. The investment of such large sums as those with which we are entrusted is no light task, and we are continuously engaged in the endeavour to combine undoubted security with high interest. If you will look through the list of investments and bear in mind that the rate of interest earned on the society's life assurance fund after deduction of income-tax is £4 15s. 10d., I think that you will agree that we have made quite a reasonable success of our endeavour.

The report and accounts were unanimously adopted.

AMPAT (SUMATRA) RUBBER ESTATE, LIMITED.

STRONG FINANCIAL POSITION.

The fifteenth annual general meeting of the Ampat (Sumatra) Rubber Estate, Ltd., was held, on the 8th instant, at the registered office of the company, 5 Whittington Avenue, London, E.C. 3.

Mr. A. G. Angier presided, in the absence of Mr. D. W. Lovell (the chairman) who was indisposed.

Mr. Hester, representing the secretaries and agents (Messrs. Guthrie and Co.) read the notice convening the meeting and the auditors' report.

The Chairman said: It is a satisfaction to the board that in spite of the crisis in the rubber industry which followed the abolition of restriction in February last, they are able to recommend payment of a dividend of 5 per cent. for the year under review, and that, in addition, it has been possible to strengthen the balance sheet by additions to reserve. Our general reserve stands at £20,000; we still have over £8,000 in taxation reserve and possess British Government and other gilt-edged securities to a total of over £58,000. I emphasise our strong financial position now because the rubber industry has entered upon a new phase, and the figures are of special interest at this juncture.

CONDITION OF THE ESTATES.

We possess, as you know, two properties—at Ramboeng we have a planted area of 1,976 acres, of which approximately 1,726 acres are mature and producing, whilst approximately 250 acres are still immature. Both from a general and an individual point of view, the events of the next few years will be particularly interesting, as they will gradually show the results of the more modern scientific planting methods adopted and the effect of unrestricted production on price.

In regard to the mature area of 1,726 acres, which are now referred to as "old rubber," since it was raised in less scientific days, special steps are being taken in an endeavour to prolong the "life" and improve productivity of the trees. The yield from this area has always been good, but all cultivations, whether it be rubber or anything else, must in time reach their peak of productivity and subsequently decline.

We have taken advantage of the presence in the East of Mr. W. J. Gallagher, one of the foremost authorities on rubber and tropical agriculture, to inspect our properties. Mr. Gallagher considers that if the productivity of the old rubber is to be maintained or improved, manuring is advisable in order to re-nourish the soil. On Mr. Gallagher's advice we are, therefore, adopting a system of manuring which we are confident should produce beneficial effects.

On our new property at Aek Boeroe, 777 acres are now planted, and last year's new clearing will be budded during the current year. Progress at Aek Boeroe continued to be much slower than we anticipated when commencing operations owing to scarcity of labour.

Since the effect of the recent low prices has been felt in the Dutch Indies, the labour position has slightly improved and we are hopeful of recruiting during the current year the balance of the labour we require.

MARKET SITUATION.

So far, I have dealt with those matters which can be gone into on the facts as they are known—finance and estate condition: it is far more difficult for a chairman to refer to the market situation, as that is the factor outside our control and upon which it is almost impossible to speak with confidence. The position as regards stocks and shipments during the middle and latter part of last year was very obscure until quite recently, and the prospects of a rise in price seemed extremely remote. Consequently the directors felt it prudent to fortify the company's position, so far as they could, by certain forward sales. To that end we sold forward for delivery during the current financial year 285,600 lbs., at approximately 9.04d. per lb. landed London.

During the last few weeks the market position has somewhat clarified and the price of rubber has risen a few pence per lb., as a result of the fact that the accumulation of stocks expected in London has not materialised. The heavy shipments from the East, which were anticipated, instead of coming to London, have been shipped to America, but whether this heavy bulk of rubber will go into early consumption or whether American dealers and manufacturers have taken advantage of the low price to build up stocks for the purpose of stabilising the market it is not yet possible to say. Consumption during 1928 was very satisfactory, and American consumers are optimistic in regard to 1929. Usually, however, years which show a large increase in rubber consumption in America are followed by a period of comparative quiescence, and although we hope that American manufacturers' expectations of a still better year in 1929 will materialise, it is advisable for us to take a more cautious view. We can, however, I think, conclude that so far as the price of rubber is concerned, we are past the worst.

The report and accounts were unanimously adopted.

STERLING TRUST, LIMITED.

INCREASED DIVIDEND—CAPITAL ISSUE IN PROSPECT.

The twelfth ordinary general meeting of The Sterling Trust, Limited, was held, on the 12th instant, at Winchester House, Old Broad Street, London, Baron Emile B. d'Erlanger (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, dealing with the balance-sheet, said that the issued capital was now £1,750,000, having been increased by £500,000 during the past year. The premium account now stood at £235,978, and the reserve account, with this year's appropriation, stood at £190,000. The first two items on the assets side, together £4,939,915, showed an increase of £774,744, principally due to the investment of the funds made available by the issue during the year of 250,000 shares. For several years past the market value of their investments had been on the up grade, and it now amounted to a sum much in excess of their book value. It might well be that at some time in the future, and from one cause or another, the trend would be in the opposite direction, but, even so, it would have to be definite and drastic in a downward direction for the market value of their investments to approximate to their book value. He purposely refrained, however, from stating the amount of the appreciation in this respect, because of its variable character, and, moreover, it was not so important from the stockholders' point of view as was the income from the investments, which did not necessarily vary with the market value of the securities.

INCREASED DISTRIBUTION.

The revenue account showed an income of £252,524, an increase of £23,525, and he would remind stockholders that this income was stated net, after deduction of income tax. It might have been expected that the income would have been much greater than that of the previous year, in view of the new capital provided, but it must be remembered that the company only had the fresh capital by instalments. Put in another way, they only had the benefit for 5½ months of the total amount subscribed. There would, therefore, be a considerable increase in the current year's income through the issue of the 250,000 shares last March. He would later say something about more capital, for stockholders would understand that trust companies in these days were greedy of it, which, of course, was natural and justifiable, always provided that the money could be put to profitable use. After placing £20,000 to reserve account, the directors recommended a final dividend of 2½ per cent. on the preference stock and 9 per cent. on the ordinary stock, the latter making, with the interim dividend, 14 per cent. for the year, or an increase of 1 per cent. over the previous year taking the stock in its split form. There would remain to be carried forward £79,834, as against £76,313 brought in from last year's accounts.

Referring to the geographical distribution of the company's investments, the Chairman said that they had 39½ per cent. in Great Britain, 8 per cent. in the British Empire, 28 per cent. in Europe, 4½ per cent. in Asia, ½ per cent. in Africa and 19½ per cent. in America. As to the nature of the investments, they had 68 per cent. in bonds, debentures and the like, 14½ per cent. in Preference stocks and shares and 17½ per cent. in ordinary and deferred stocks and shares.

POLITICAL AND FINANCIAL OUTLOOK.

The clouds that gathered over the political and financial world during the Great War had hung for many years heavily upon the air. Little by little, however, they were being dissipated, and the weather forecast was getting brighter. In all countries of the world the currencies were being stabilised, and economic and political order was being established. Roumania was the latest addition to the countries that had taken steps to re-establish their finances. It was one of the richest countries in the whole of Europe, and, if well and honestly administered, should afford a lucrative field for investment.

The greatest political and economical problem awaiting solution was the question of reparations and war debts—in one sense, separate questions, but in practice interdependent. The question of reparations was *sub judice*, and it would be indiscreet on his part to discuss it. He thought, however, he would meet with unanimous approval in saying that the representatives chosen by the various countries interested were of such outstanding character and ability that we could look with confidence to a practical and equitable solution.

With the gradual settlement of political and economic affairs in Europe, the return which trust companies could look forward to on sound investment securities must tend to decrease, and that was why the directors thought that no time should be lost in placing the company's reserve capital and investing it to the best advantage.

Sir George A. Touche, Bart., seconded the motion, which was carried unanimously.

TILLING AND BRITISH AUTOMOBILE TRACTION, LIMITED.

SATISFACTORY PROGRESS CONTINUES.

The twenty-fifth ordinary general meeting of Tilling and British Automobile Traction, Ltd., was held on Thursday, February 14, 1929, at Electrical Federation Offices, 88, Kingsway, London, W.C. 2.

The Chairman (Mr. Sidney E. Garcke, M.I.Mech.E.) said:—The balance sheet now before you discloses the altered situation in consequence of the enlargement of the activities of the company under the scheme set out in our previous report, and dealt with in detail by myself at the last general meeting. Although the size of the business is enlarged, and there are, therefore, substantial alterations in the figures now laid before you, I do not think there is anything that requires special elucidation by myself, but I should like to point out that, in regard to the profit disclosed, it has to be borne in mind that the new capital is not yet fully productive, and, in respect of many of the additional investments taken over in the spring, a full year's dividend has not yet been received.

The issued share and debenture capital of the company now exceeds £2,000,000, all of which is invested in transport undertakings spread throughout the country. We have a substantial holding in many of the larger provincial omnibus concerns, and either directly or through companies in which we have a holding we are now interested in no less that 36 undertakings. The total capital of the undertakings in which we have a direct investment is close on £5,000,000, and they control between them approximately 4,300 omnibuses.

CONVERSATIONS WITH THE RAILWAYS.

Last spring the railway companies promoted Bills in Parliament to secure powers to run road transport, including omnibuses. Their efforts met with considerable success, and a new situation was thus created. From the first, both road and rail transport experts have realised the many disadvantages which would result from increasing the already considerable competition on the roads by introducing yet another set of road passenger vehicles owned and operated by the railway companies. There are many practical difficulties associated with the problem of securing satisfactory permanent relations between the railway companies and the large group of omnibus concerns in which we are interested, but I do not consider it by any means impossible to bring about a full measure of co-operation which will remove the danger of competition on the road, and at the same time considerably benefit the railway companies by the joint development of traffic. Conversations intended to bring about these desirable results are now taking place.

LICENSING DIFFICULTIES.

For many years past the public control of omnibus services, by no less than 1,331 different licensing authorities, has been unsatisfactory. The Government have set up a Royal Commission on transport, and it is hoped that it will recommend some scheme which, while securing for the public a reasonable degree of control over the operations of the omnibus proprietors, will at the same time remove from the latter the menace of frequent incursions by irresponsible operators whose actions are more often than not dictated by the desire to be immediately bought out, and whose operations are, therefore, designed to create the maximum amount of interference with the regularity of the public services.

BURDEN OF TAXATION.

Many of our companies are now beginning to complain of the serious burden of taxation. I am not referring to general taxation so much as to that which has fallen specially upon our industry. A great deal of propaganda has taken place in the Press designed to show that the motor movement as a whole does not pay its proper share towards the cost of the roads, but we who have to do our best to carry the public efficiently and at low cost are beginning to feel that the public service section, at any rate, is bearing its full share, and the fact must not be overlooked that the roads are not merely traffic-ways for vehicles, but are utilised for a variety of other purposes. Since transport is the agency of all industry, every increase in the burden of taxation on transport is a burden upon industry itself. Every increase in taxation on our section of the transport industry has to be passed on to the travelling public, if not in actual increase in fare, then certainly in some form of reduction of facility.

In connection with the scheme set out in the last report whereby we acquired from Thomas Tilling, Ltd., and from the British Electric Traction Co., Ltd., and others further substantial holdings in omnibus undertakings, it was arranged to invite those companies to nominate additional directors to represent them on this Board.

The reports and accounts were unanimously adopted.

S.T.D. MOTORS, LIMITED.

SUBSTANTIALLY INCREASED PROFITS.

REORGANISATION SCHEME OUTLINED.

The meeting of S.T.D. Motors, Limited, was held, on the 12th instant, at Winchester House, Old Broad Street, London, Mr. James Todd, F.C.A., the chairman, presiding.

Mr. A. White (the joint secretary) having read the notice convening the meeting and the auditors' report,

The Chairman, in moving the adoption of the report and accounts, said that the profit for the year amounted to £163,482, as against £145,052. A further £25,000 had been put to reserve, making it £789,867; £37,500 had been paid in redemption of the notes, a full year's dividend had been paid on the preferred ordinary shares, and £168,258 was carried forward.

RESULTS OF VARIOUS SUBSIDIARIES.

Dealing with the various subsidiary companies and their results, the chairman said that the results of the trading of Automobiles Talbot, France, had been better than in any year since the war; substantial profits, estimated at frs. 7,000,000, had been earned, and the whole of the output of the French works found a ready market. The trading of Clement Talbot, Limited, showed an increase for the year, and the 14-45 h.p. six-cylinder car of that company maintained its popularity; special efforts were being made further to develop the overseas markets; home sales for the current year showed an increase to date. The works of the Darracq Motor Engineering Co., Limited, were now solely used in the manufacture of motor-car bodies, the whole output being taken by Clement Talbot. W. and G. du Cros, Limited, which operated the yellow taxi-cab, was developing the W. and G. du Cros safety 'buses and charabancs now seen on the road; indications pointed to an improvement in the position of that company.

The improvement in the business of Heenan and Froude, Limited, continued, and a dividend of 13 per cent., as compared with 6½ per cent., had been paid. The Sunbeam Motor Car Co., Limited, had again had a satisfactory year, with a record output of cars, paying 15 per cent., free of tax, as compared with 14½ per cent. A number of new records had been made on Sunbeam cars. Mr. Louis Coatalen had designed for that company a large six-wheel chassis for commercial and passenger-carrying work, and would shortly have on the road another chassis of slightly less carrying capacity, and for that class of vehicle it was believed there would be a good demand. The prestige of the Sunbeam had been well maintained throughout the world. Good results had again been shown by Jonas Woodhead and Sons, Limited.

He thought shareholders would agree that, in view of the keen competition in the motor-car industry, trading results had been satisfactory. Present indications gave hope of that progress continuing during the current year.

The building up of their reserves for some years past had been a method of preparation for what the board felt must ultimately arise, namely, the necessity for dealing with the depreciation in the value of the franc. Although the policy adopted by them had relieved the stringency of that reduced value to some extent, it would be apparent that, with their extensive financial interests in France, the depreciated value of the franc materially affected their position. The directors had under consideration a scheme for dealing drastically with the position, and were considering a revaluation of the French assets upon the stabilised franc basis.

FIRST STEP TOWARDS REORGANISATION.

The first step had been taken that morning when the 8 per cent guaranteed note-holders had agreed to a proposal to extend the term of redemption and thereby reduce the annual repayment from £50,000 increasing to £75,000 per annum to £18,750 per annum. The directors were considering asking the preferred ordinary shareholders to fund their arrears of dividend by accepting funding certificates representing the total arrears due to them such certificates to carry interest at an agreed rate, allocating an amount each year out of profits for the redemption of those certificates. He had put before the shareholders quite frankly what the board were considering, and until the scheme was laid before them in its entirety and they had had an opportunity of considering it from all angles, he would ask them kindly to refrain from criticising or asking questions as to details which could not be answered with any certainty at this stage and might even hamper the board in their endeavours to put forward suggestions with a view to benefiting every ordinary and preferred ordinary shareholder in the company.

The report and accounts were unanimously adopted.

At a meeting of the holders of the 8 per cent. guaranteed notes of the company, held earlier, the proposal to extend the time of repayment was approved by an overwhelming majority, one noteholder only voting in the negative.

THE V.O.C. HOLDING COMPANY, LIMITED.

DIVIDEND TWENTY PER CENT. PRESENT POSITION AND PROSPECTS.

The adjourned seventh ordinary annual general meeting of the V.O.C. Holding Company, Limited, was held on the 14th instant, at Winchester House, Old Broad Street, London, E.C., The Rt. Hon. the Viscount Bearsted, M.C. (chairman of the company), presiding.

The secretary (Mr. W. A. Turner, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The chairman, in moving the adoption of the report and accounts, said: Ladies and gentlemen, in the profit and loss account of the Concessions Company there is credited an amount of £4,107,789, representing the proceeds from the sale of oil. The increase of £1,497,972 over the corresponding amount for 1926 is attributable to the increase in production to 2,978,219 tons in 1927, as against 1,802,943 tons in 1926. Up to 30th June, 1927, the production was disposed of in accordance with our sales contracts, but the price received for oil delivered on and after 1st July, 1927, was in accordance with the terms laid down by the Arbitration Award.

Turning to the accounts of the Holding company, the main item at the credit of revenue account is the dividend due by the Concessions company amounting to a net sum of £851,619. The net balance on revenue account for the year to be carried to the balance sheet is £863,212. The directors recommend payment of a dividend of twenty per cent. less tax, on both classes of shares. (Applause.) This will absorb £863,713, leaving a balance of £3,348 to be carried forward to 1928, and I shall in due course propose a formal resolution to this effect.

THE AWARD.

Regarding the arbitration in respect of the price for the first 20,000 barrels per annum, the award has been accepted by both parties, and your board are of the opinion that the results may be looked upon as satisfactory. Your board are definitely of the opinion that it is not in the interests of the company that the details of the award should be made public. A disclosure of details would mean the giving of invaluable information to the owners of oil being sold in competition with your production, which can only be harmful to this company.

Results have fully justified the board's sales policy. Production has risen from the rate of 2,000,000 barrels of crude oil per annum in the Midsummer of 1924 to nearly 50,000,000 barrels of crude oil per annum at the date of this meeting. Contracts at the end of 1924 were in respect of 4,000,000 barrels of crude oil per annum. Contracts at the present moment are at the rate of nearly 44,000,000 barrels of crude oil per annum.

THE YEAR 1928.

Owing to the date at which this meeting is being held it is possible for me to give you a brief review of the operations for the whole of the year 1928. The production of crude oil for 1928 was approximately 5,084,500 tons, or about 34,500,000 barrels. The company's sale contracts now consist of 20,000,000 barrels of crude oil per annum sold on the terms of the 1924 agreement as revised, 5,000,000 barrels of crude oil per annum sold to the Mexican Eagle based on world market prices for oil products and 6,000,000 barrels of crude oil per annum sold to the Asiatic Petroleum Co., Limited, on the Eagle terms. In addition to these contracts your board were able to make an arrangement with the Asiatic Petroleum Co., Limited, for the off-take of flush production. I am glad to be able to inform you that an economic working scheme has been arrived at, which should to some considerable extent result in reduced working charges in the future.

DRILLING OPERATIONS.

Until late in the year 1928 a small drilling programme was maintained at La Rosa, while the Lagunillas drilling programme was steadily increased. As regards the actual drilling work undertaken in the La Rosa and Lagunillas fields, the year 1927 witnessed considerable development. At La Rosa the coastal territory to the North of Punta Icotea has been proved productive, and there is now little doubt that the oil-bearing territory is continuous from Southern La Rosa through Cabimas to Ambrosio, a distance of about 11 kms. In the Lagunillas field a large amount of development was undertaken during 1928, and the number of productive wells was increased from 21 at the end of 1927 to 96 at the end of 1928. The length of the field along the coast line is now about 12 kms., and there are no signs of the end of the productive territory being reached in either direction; in fact, the northern and southern extremities of the field are at the present time the best producing areas. One of the most outstanding improvements achieved during the year is that the time taken to drill wells has been approximately halved. As regards field installations and constructional work, our work has been satisfactorily continued.

THE ATTITUDE OF THE MINORITY GROUP.

I believe that the time has come when I should be very frank in dealing with a pernicious and persistent attempt at interference in the conduct of this company's affairs during the past four years—an interference taking the form of an attack on the board of directors and the management. You will remember that at a meeting of the V.O.C. shareholders in 1924 a committee was appointed consisting of Mr. Beatty, Mr. Cull and General Aranguren, and I do not believe I am incorrect in suggesting that the committee might properly be said to represent the Gulbenkian Group, or as they prefer to call themselves "The Minority Group." With the object of providing for harmonious conduct of the operations, two members of the committee—Mr. Beatty and Mr. Cull—were invited to join the board.

In December, 1925, the question of the sale of your company's increasing production of oil had to be considered by the board. There was no question as to the steps which the company was obliged to take, as it was a term of the then existing sale contract that the Shell Group had the refusal of all oil which might be produced by this company until 1936. The only question which the board had to study was the terms upon which the production in excess of the existing firmly contracted quantities should be offered.

Mr. Gulbenkian and his friends on the board were opposed to the offer being made on the terms on which they had firmly contracted for 4,000,000 barrels per annum in 1924. The matter, which was one of policy, was treated as such and was put to a vote, when they were defeated. As an expression of protest they tendered their resignations and somewhat to their surprise, I think, their resignations were accepted.

In my opinion the question at dispute at that time was purely one of policy, and that the policy recommended by the management, and adopted by the majority of the board and later endorsed by the majority of the shareholders, was sound, is best proved by the balance sheet and the profit and loss account, which I have to-day had the pleasure of expounding to you. (Applause.) I am prepared to stand by that rather than by the problematical discussions as to what might or might not have been the result if an alternative policy had been adopted.

In my opinion this whole agitation has been fathered by Mr. Gulbenkian, as a prelude to a financial operation. This company's affairs should, in my opinion, be conducted by the board of directors with a sole regard to the prosperity of the company as a going concern and without any regard to fantastic financial schemes. In this attitude I have the unanimous support of the present board, and I fully believe of the great majority of shareholders.

After considerable discussion, the report and accounts were carried unanimously.

WHITTAKER AUTOMATIC LOOMS, LIMITED.

LARGE DEMAND—GOOD PROSPECTS.

The statutory meeting of Whittaker Automatic Looms, Ltd., was held on the 11th instant, at Winchester House, London, E.C.

Mr. Condie Sandeman, K.C., the chairman, who presided, said that the company had been formed to take over a going concern which had approximately 3,000 automatic loom attachments in almost every country where weaving was a serious industry. Up to the date of the report the company had received orders for over 2,000 attachments, approximately 1,700 for England, and many repeat orders had been received, showing that satisfaction was being given. The attachments were working equally as well for linen and woollen goods as in the cotton trade, and he did not think it possible to exaggerate the importance of the Whittaker Automatic Loom attachment and the enormous potential market which it enjoyed. Taking the three industries he had mentioned, any one of them could give the company sufficient business to more than justify the original profit estimate of the prospectus.

There was no question in the opinion of the textile industries—the textile machine manufacturers and the leaders of the great related trade unions—that automatic weaving was essential. The United States of America was almost completely equipped with automatic looms, the high cost of labour in America rendering them inevitable. The fitting of automatic looms throughout our own great cotton industry must result in Lancashire regaining her relative position, and substantially the same applied to the woollen, linen, and artificial silk industries.

The Whittaker loom attachment was a device of national importance; it could be applied to existing looms of any make. It put in the hands of manufacturers effective means of overcoming the increasing shortage of skilled weavers and enabled them to reduce their costs of weaving to a greater extent than any other weaving invention for the last fifty years. One of its chief advantages was the simplicity of the mechanism and the small alterations required. The reduction in weaving costs was so considerable that the device had already received the serious consideration of the whole of the textile manufacturing industry of the world. As to price, there was no effective competitor, because the attachment fitted to an existing loom resulted in an automatic loom doing everything achieved by the latest American automatic looms at a cost within the reach of any manufacturer in this country.

A vote of thanks to the Chairman, moved by Mr. John Whittaker, J.P., terminated the proceedings.

155 Branches in Finland

CAPITAL AND RESERVES: Fmk.403,000,000.
TOTAL ASSETS (30/6/28): Fmk.2,896,902,000.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank)

HEAD OFFICE: HELSINKI (HELSINGFORS), FINLAND

Established 1889.

SAN FRANCISCO MINES OF MEXICO, LIMITED.

SATISFACTORY RESULTS OF A DIFFICULT YEAR.

The 16th ordinary general meeting of this company was held on February 14 at Winchester House, Old Broad Street, London.

Sir Henry Strakosch, G.B.E., presided, and in the course of his speech said: While our profit for the past year was not as great as that for previous periods, nevertheless, taking all the circumstances into consideration, we are justified in congratulating ourselves upon the results. For the third year we have been subjected to falling metal prices. On the average of the three metals, lead, zinc and silver, prices were 13 per cent. lower, while we had less favourable selling terms for our zinc product. The result was that, although the ore milled rose 7½ per cent. to 300,000 tons, our operating profit, which was exceptionally high in the previous year, fell to £366,316, and our net profit to £283,130, a reduction of 11½ per cent. In view of the generally satisfactory position of the Company and the lower capital expenditure experienced, the directors felt justified in reducing the carry forward by some £4,000, making the dividend for the year 3s. 9d. per share, or only 3d. lower than for 1926–27.

Comparing like with like—that is, taking sulphide ore only—the grade of the ore milled during the past three years has shown extremely little variation, and this has also been reflected in the values given to the ore reserves which allow for the inevitable dilution with waste which takes place and give as nearly as possible the estimated value of the mill heads. The blocked-out ore reserves advanced 335,000 tons, or by nearly one-third, to a total of 1,395,000 tons. If we include partly blocked-out ore, the reserves are now 1,877,000 tons, as compared with 1,460,000 tons, and represent over six years' supply for the present size of the mill as compared with barely five years' supply at September, 1927. Thus we have considerably strengthened our position. These reserve figures, of course, apply only to the ore brought into sight by our work, and cannot be taken as a measure of the probable life of the mine. But the farther we go the more we can see ahead of us, and I can to-day repeat and accentuate Lord Denbigh's remark of last year that never before have we been able to look forward to a longer life than at the present time.

SUBSIDIARY VEINS.

The manager refers to the discovery of a new vein in our property—the Hill Vein. Though we have hopes with regard to this newcomer, it does not yet figure in our reserves, of which 13 per cent. apply to the Bronces and East and West Madronos Veins and 87 per cent. to the various reefs on the San Francisco system. The discovery and development of these subsidiary veins show that we are no longer solely dependent upon our main vein and its branches, and we have little doubt that, as further work is taken in hand from time to time, appreciable subsidiary supplies of ore will be found in this way.

I believe I am right in saying that the time is not far distant when we shall be justified in considering a programme involving further expansion. Before such a programme can be initiated the study of numerous details and collateral problems has to be made. These will all receive the careful attention of the board and management.

We are having some anxiety as to our electric power, which is purchased from a hydro-electric company, and is generated by means of dams from a neighbouring river. The last two rainy seasons have been comparatively unproductive of rain, and the position is further complicated by the fact that the power company has contracted to the full extent of its present plant and that the plant is being reconditioned unit by unit in order to increase its efficiency. We are informed that additional plant is to be installed, which should be ready by the autumn, but if this is delayed, and if, in addition, the next rainy season also fails, the situation will become more critical. We are therefore considering whether we shall purchase and erect a second-hand steam plant which is available, and which should enable us to continue operations at the full rate, although perhaps at somewhat heavier power cost.

During the year 52 acres of additional mining ground have been purchased through our holding company, the Compania Minera Plomosa. This consists of a group carrying the Madronos veins, and thus we have further increased our limits. It is rarely that these purchases do not prove in time to strengthen our position.

THE CURRENT YEAR.

During the first four months of the current financial year the operating profit has been $635,000. The results would have been better had not operating difficulties of a temporary character reduced the surplus. Notwithstanding these difficulties, the profit was 13 per cent. better than the average for last year. The outlook for metal prices is better by reason of the fact that Lead and Zinc Conventions have been formed, with a view to steadying output, increasing consumption and maintaining prices, and this, coupled with the benefit we are receiving from the better terms of our new lead contract, encourages us to anticipate a higher profit for the current year.

The report and accounts were unanimously adopted.

RAILWAY SHARE TRUST AND AGENCY COMPANY, LIMITED.

INCREASED NET REVENUE.

The fortieth ordinary general meeting of the Railway Trust and Agency Co., Limited, was held on the 14th instant, at Winchester House, Old Broad Street, London.

Mr. Richard S. Guinness (the Chairman) said: This year the company has had the full benefit from the recent re-organisation of capital and the new issue of preference stock that was made in February, 1927.

The income from investments shows an increase of some £10,000 at £149,709, which is slightly in excess of 7 per cent. upon the book values of investments. You will understand that this high interest yield is shown because of the prudent policy we have adopted for many years past of strengthening our reserves out of income and applying capital profits to provide for depreciation, thus increasing the general earning capacity to the ultimate advantage of our shareholders as evidenced by the increased dividend we are able to recommend you to-day.

Owing to the larger provision for income tax, the charges including debenture interest are slightly higher than last year, nevertheless the net revenue available for reserves and dividends shows an increase over last year of £7,600, enabling us to make the same allocation as last year, viz., £12,500 to reserve and distribute an additional £6,000 by way of ordinary dividend, strengthening at the same time the carry forward by nearly £5,000.

The usual valuation of the investments has been made. This valuation shows a considerable improvement over that of last year, so that the surplus over capital and reserve remains a substantial figure.

Your board and management continue to watch closely the careful distribution of investment between fixed interest bearing securities and preferred and ordinary stocks and shares.

Geographical distribution is also closely watched and our statistics show that we derive some 42 per cent. of our revenue from investments in the United Kingdom, 14 per cent. from Continental securities and the balance well distributed through the world, the largest other proportion being 8 per cent. from the Argentine Republic. In a word the progress made by this company in recent years has been continuous. In 1919 the earnings on the ordinary stock were 6 per cent. and a dividend of 4 per cent. was paid, while in the past year the amount available for ordinary stock is 12 per cent., and we recommend a dividend of 9 per cent.

The report and accounts were adopted.

RAILWAY DEBENTURE AND GENERAL TRUST COMPANY, LIMITED.

SUCCESSFUL RESULTS. INCREASED REVENUE.

The fifty-sixth ordinary general meeting of the Railway Debenture and General Trust Co., Limited, was held, on the 14th instant, at Winchester House, Old Broad Street, London.

Mr Richard S. Guinness (the chairman) said: This is the first complete year that we have been operating under the wider powers of investment obtained in July, 1927. Owing to the change in the debenture debt in the middle of 1927 occasioned by the paying off of the balance of the 4 per cent. debenture stock and the subsequent increase of capital, a detailed comparison with the previous year's figures is not practicable, but I will now review shortly the accounts before you.

The gross revenue amounts to £169,105, an increase of about £21,000, but as interest charges are higher by about £2,800 the amount available for reserves and dividends does not show quite such a large increase. We have been able to reduce our expenses by about £500, and the balance, after interest and expenses, consequently shows an increase of £18,700. Of this amount, £6,700 is absorbed by the increased amount required to meet the preference dividend and the balance of £12,000 is required for the dividend of 8 per cent. upon the additional ordinary stock issued last year. After placing to reserve the same amount as in previous years we are able to pay the same dividend as in 1927 on the increased ordinary stock.

The investments have been valued in the usual way, and the valuation shows an improvement upon last year. Your company still holds a very large amount of fixed interest bearing securities and consequently the scope for increase in values is not as large as in those companies who have larger holdings in junior securities.

The present percentage of our holdings in debentures and loans is 81 per cent.; last year it was 90 per cent. The holdings of preference and ordinary stocks are 8½ per cent. and 10½ per cent. respectively. We shall gradually increase these proportions where we see favourable opportunities for investment in stocks and shares which give a reasonable income return, and, at the same time, opportunity for capital appreciation. The usual list of holdings is attached, but as few of you have the time to analyse them I might say that 41 per cent. of our revenue comes from holdings in the United Kingdom, 15 per cent. from investments on the Continent, and the balance is represented by securities in Canada, South America and other countries.

The report and accounts were unanimously adopted

AEONIC RADIO, LIMITED.

GRATIFYING PROGRESS.

The statutory meeting of Aeonic Radio, Limited, was held, on the 14th instant, at 90 Regent Street, London.

Alderman Sir William Kay, Kt., J.P. (the chairman), said that the net profit up to the 7th February amounted to over £35,000. That profit dated from the 1st November last, but it was not until the middle of December that they had the benefit of the new capital and for practically six weeks, therefore, the profits had been made on the old and very small capital of J. L. Gottlieb and Co., Limited. The extraordinary progress the company had made with the very limited factory space at its disposal was due to the product and to the fact that they had had most loyal and energetic support from their staff. They had been compelled to refuse very large orders from some of the leading wholesalers in the country for the reason that it had been absolutely impossible to execute them. Contracts had therefore been placed for doubling the factory and that increased factory space would be available in a few days' time, and they expected to have it in full working order by March 1st next.

Although that arrangement had been made, the expansion of their business had been so insistent that the directors had decided again to double the factory space available, and on completion by May 1st next they would be in possession of 70,000 square feet of factory space all on one floor. Their financial position was highly satisfactory, and when the above work was completed they would be able to employ from 1,500 to 2,000 hands at the Cromer Street service depot and the works at Horley. The directors were proud of the fact that the company's very successful product was entirely of British manufacture and that up to now it had no components or accessories which were of other than British manufacture. Because of the superlative value the Aeonic receivers gave to the public, they had sufficient orders in hand to keep them working to the full limit of their capacity, and the directors were confident that that would continue for an indefinite period. Aeonic was now a household word, and the popularity of its products was increasing in a most remarkable manner. The company had acquired an option on certain important patents, the commercial value of which they were now investigating. They had every reason to believe that those were of considerable value, and negotiations for large contracts were proceeding which, if secured, would be a further source of considerable revenue to the company. Should that take place, it would be necessary to issue further capital, which would carry considerable profitable "rights" to the shareholders.

The position and prospects of the company were more than encouraging. The prospectus estimates had already been exceeded and the directors were satisfied that that result would continue.

A vote of thanks to the chairman concluded the proceedings.

Hungarian General Creditbank,

BUDAPEST

The Board of Directors of the Hungarian General Creditbank, Budapest, at their meeting held on February 7th, 1929, issued the balance sheet of the Bank for 1928. Net profits amount to 7,446,928·64 pengös as against 6,984,093·33 pengös in 1927. The Board of Directors will propose to the annual General Meeting, to be held on February 16th, that a dividend of 5·50 pengös per share should be paid as in the previous year, totalling 4,554,000 pengös. Further, it will be proposed to allocate 1,000,000 pengös to the Reserve Fund, 600,000 pengös to the Pension Fund, 824,000 to the remuneration of the staff, and finally 127,741 to the Welfare Fund of the staff.

Saving deposits and current accounts deposits amount to 343 million pengös in the balance sheet for 1928, as against 296 millions in the previous year, debtors total 192 million pengö as against 185 millions, and the bill portfolio amounts to 101 millions as against 89 millions. The surplus profit is due to the increased yield of the current business, to the goods departments and to the branches of the Bank.

GOVERNMENT RETURNS, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 9, 1929:—

(000's omitted.)

EXPENDITURE.	£	RECEIPTS.	£
Supply Services	6,646	From Revenue	31,048
Interest, &c., on Debt	3,321		
Sinking Fund	620		
Sundries	681		
Decrease in Debt	19,648		
Increases in Balances	132		
	31,048		31,048

The revenue for the week amounted to £31,047,600, as compared with £29,793,500 in the corresponding week last year. Property and income-tax amounted to £18,469,000, against £19,694,000, and super-tax to £4,160,000, against £3,700,000. Customs brought in £2,293,000, against £1,987,000, and excise £1,179,000, against £1,223,000. Ordinary receipts were lower at £42,600, as compared with £91,326, whilst special receipts at £1,959,000 showed an increase of £1,944,700 over last year's figure.

The National Debt was reduced by £19,653,000, as shown below:—

(000's omitted.)

	£		£
National War Bonds	− 3,948	Treasury Bonds	+ 109
Bank of England Advances	− 18,170	Treasury Bills	+ 10,250
Public Department Advances	− 8,150	National Savings Certificates	+ 250
		Sundries	+ 6
	− 30,268		+ 10,620

The floating debt was reduced by £16,070,000 to £808,830,000.

FINANCIAL YEAR, 1928-29, April 1 to Feb. 9, 1929.

	£		£
Expenditure	651,990,488	Revenue	574,802,279
		Amount borrowed	73,872,064
		Decrease in balances	3,316,145
	651,990,488	Total	651,990,488

ESTIMATES (New Basis), 1928-29.

	£		£
Expenditure	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

SELF-BALANCING REVENUE and EXPENDITURE.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Feb. 9, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	...	...	...	...	...	166	204	204	204
3½% Conversion Loan	...	...	666	709	760	740	832	832	832
4½% Conversion Loan	...	...	...	210	211	211	221	221	221
3½% War Stock	...	...	...	63	63	63	...	...	...
4½% War Stock	...	63	63	63	13	13	13	13	13
4% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,166	2,052	2,109	2,154	2,253	2,253	2,253
National War Bonds	...	1,509	820	778	706	556	194	111	66
4% Funding Loan	...	409	396	394	390	389	385	385	385
4% Victory Bonds	...	360	314	303	292	277	261	261	261
Treasury Bonds	...	...	457	499	482	454	675	773	762
Exchequer Bonds	...	323	150	15	15	15	16	16	16
National Savings Certs.	20	267	366	369	375	372	362	360	360
Other Debt*	...	1,306	1,128	1,124	1,111	1,103	1,097	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	588	576	565	599	527	788	790
Temporary Advances	1	243	186	167	139	117	162	28	18
	654	8,033	7,641	7,598	7,558	7,555	7,528	7,665	7,601
Other Capital Liabilities	57	46	66	68	75	98	103	103	107
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,631	7,768	7,708

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Feb. 11, '28.	Mar. 31, '28.	Feb. 9, '29.	Movement Week ended Feb. 9, '29.
Ways and Means Advances Outstanding—	£	£	£	£
Advances by Bank of England	...	...	...	− 18,170,000
Advances by Public Deptmts.	134,360,000	161,850,000	17,640,000	− 8,150,000
Treasury Bills Outstanding	596,760,000	526,940,000	*791,190,000	+ 10,250,000
Total Floating Debt	731,120,000	688,790,000	808,830,000	− 16,070,000

* Includes £80,000, the proceeds of which were not carried to the Exchequer within the period of the account.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1928-29.	Total Receipts into the Exchequer from April 1, 1928, to Feb. 9, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Feb. 11, 1928.	Week Ended Feb. 9, 1929.	Week Ended Feb. 11, 1928.
Balances in Exchequer on 1st April:—	£	£	£	£	£
Bank of England	...	5,918,513	6,003,023	...	...
Bank of Ireland	...	404,112	456,633	...	...
	...	6,322,625	6,459,656	...	...
ORDINARY REVENUE.					
Inland Revenue—					
Property and Income Tax	232,900,000	144,971,000	169,272,000	18,469,000	19,694,000
Super-Tax	60,000,000	32,580,000	36,820,000	4,160,000	3,700,000
Estate, &c., Duties	72,000,000	67,400,000	64,990,000	1,170,000	1,340,000
Stamps	28,000,000	23,620,000	20,650,000	720,000	280,000
Excess Profits Duties, &c.	1,000,000	...	...	...	...
Corporation Profits Tax	1,500,000	640,000	1,630,000	...	90,000
Land Tax, House Duty and Mineral Rights Duty	850,000	400,000	410,000	70,000	70,000
Total Inland Revenue	396,250,000	269,611,000	293,772,000	24,589,000	25,174,000
Customs and Excise—					
Customs	120,637,000	102,467,000	96,461,000	2,293,000	1,987,000
Excise	140,768,000	116,090,000	119,775,000	1,179,000	1,223,000
Total Customs & Excise	261,405,000	218,557,000	216,236,000	3,472,000	3,210,000
Motor Vehicle Duties (Exchequer Share)	4,400,000	3,949,067	5,144,985	85,000	350,000
Post Office (Net Receipts)	8,186,000	11,500,000	8,750,000	900,000	950,000
Crown Lands	1,100,000	1,120,000	1,000,000	...	...
Receipts from Sundry Loans	27,650,000	21,880,092	18,793,570	...	3,854
Miscellaneous: Ordinary Receipts	13,550,000	12,424,374	28,493,608	42,642	91,326
Miscellaneous: Special Receipts	40,362,000	35,760,746	24,314,831	1,959,000	14,346
Total Ordinary Revenue	752,903,000	574,802,279	596,504,994	31,047,642	29,793,526
SELF-BALANCING REVENUE.					
Post Office	57,314,000	46,500,000	46,950,000	1,000,000	800,000
Motor Vehicle Duties apportioned to Road Fund	21,300,000	20,651,933	18,599,015	425,000	...
Total Self-Balancing Revenue	78,614,000	67,151,933	65,549,015	1,425,000	800,000

	Estimate for the Year 1928-29 (including Supplementary Grants).	Total Issues out of the Exchequer to Meet Payments from Apr. 1, 1928, to Feb. 9, 1929.	Total Issues out of the Exchequer to Meet Payments from Apr. 1, 1927, to Feb. 11, 1928.	Issues Week Ended Feb. 9, 1929.	Issues Week Ended Feb. 11, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt	304,000,000	299,278,613	297,066,848	3,320,530	2,328,474
Payments to Local Taxation Accounts	14,200,000	9,595,233	10,162,158	409,193	50,000
Payments to Northern Ireland Exchequer	5,600,000	3,861,415	3,324,186	272,381	...
Other Consolidated Fund Services	2,600,000	2,201,979	3,056,488	...	...
Supply Services (excluding Post Office)	352,083,000	289,353,906	297,776,099	6,646,000	3,950,000
Total Ordinary Expenditure	678,483,000	604,291,146	611,385,779	10,648,104	6,328,474
Sinking Fund	65,000,000	47,699,342	55,530,485	620,000	580,000
SELF-BALANCING EXPENDITURE.					
Post Office	57,314,000	46,500,000	46,950,000	1,000,000	800,000
Road Fund	21,300,000	20,651,933	18,599,015	425,000	...
Total Self-balancing Expenditure	78,614,000	67,151,933	65,549,015	1,425,000	800,000

	Estimate for the Year 1928-29 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Feb. 9, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1927, to Feb. 11, 1928.	Issues Week Ended Feb. 9, 1929.	Issues Week Ended Feb. 11, 1928.
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920-28		774,432	3,866,000	...	...
Road Fund		3,825,000	...	...	...
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		7,650,000	7,000,000	...	...
(b) Under the Unemployment Insurance Acts, 1920-28		9,990,000	2,800,000	310,000	210,000
(c) For other Issues:					
By Treasury Bills		2,388,008,000	2,147,046,000	69,620,000	44,117,000
By 4% Consolidated Loan		...	41,316,756	...	...
By National Savings Certificates		34,650,000	30,300,000	1,000,000	900,000
By National War Bonds		10	10	...	...
By 4½% Treasury Bonds, 1934		...	64,595,752	...	...
By 5% Treasury Bonds, 1933-35		93,603,348	18,900,000	...	650,000
By 4½% Treasury Bonds, 1932-34		18,910,000	...	200,000	...
(d) Ways and Means Advances		532,630,000	559,220,000	4,215,000	200,000
Repayments—					
In respect of Suez Canal Drawn Shares		5,733	4,536	5,733	...
In respect of Cunard Loan		...	130,000	...	...
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		132,325	181,241	...	...
Total £		3,738,492,602	3,543,910,877	107823375	76,670,526

	Estimate for the Year 1928-29.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Feb. 9, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1927, to Feb. 11, 1928.	Issues Week Ended Feb. 9, 1929.	Issues Week Ended Feb. 11, 1928.
OTHER ISSUES.	£	£	£	£	£
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920-28		9,990,000	2,800,000	310,000	210,000
Road Fund, under Section 27 of the Finance Act, 1928		3,825,000	...	...	...
Issues to meet Capital Expenditure—					
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		8,650,000	8,250,000	...	400,000
Unemployment Insur. Acts, 1920-28—					
Repayment of Amounts Borrowed		774,432	3,866,000	...	...
Redemption of Debt—					
Treasury Bills		2,123,835,000	2,149,505,000	59,365,000	54,045,000
Principal of National Savings Certificates		35,450,000	32,650,000	750,000	850,000
Principal of National Savings Bonds paid off		3,061	1,042	...	...
Principal of National £ War Bonds paid off ... 130,609,504					
Less paid off by the National Debt Commissioners 3,003,000		127,606,504	66,400,261	3,948,013	100,000
Principal of Treasury Bonds paid off		25,990,787	3,403,035	90,787	...
Other Debt under the War Loan Acts, 1914 to 1919		3,341,000	100	...	...
Ways and Means Advances Repaid		676,840,000	541,461,000	30,535,000	13,200,000
Issues to National Debt Commissioners to Reduce Debt—					
Suez Canal Drawn Shares Repayments		...	4,536	...	4,536
Cunard Loan Repayments		...	130,000	...	...
Old Sinking Fund, 1907-08—					
Issued under Section 9 of the Finance Act, 1908		1,000	1,623	...	...
		3,735,486,122	3,540,974,793	107691904	76,518,010
Balances in Exchequer—		Feb. 9, '29.	Feb. 11, '28.	In. or Dec.	for Week.
Bank of England		1,988,873	2,013,601	− 79,528	− 41,484
Bank of Ireland		1,017,607	922,483	+ 210,999	+ 194,000
Total		3,738,492,602	3,543,910,877	+ 131,471	+ 152,516

Treasury, February 11, 1929.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bills were opened on Feb. 8, 1929, and the total amount applied for was £52,695,000. For bills at 3 months, dated Monday, at £98 14s. 11d., about 37 per cent. and above in full; Tuesday at £98 15s. 3d., and above in full; Wednesday to Saturday at £98 14s. 11d., about 37 per cent.; above in full. The amounts allotted were in bills at 3 months, £32,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1928.	£	£	£ s. d.
December 7	45,000,000	53,675,000	4 6 9·47
December 14	40,000,000	46,050,000	4 8 4·07
December 21	40,000,000	46,860,000	4 8 7·03
December 28	45,000,000	80,130,000	4 5 7·07
1929.			
January 4	45,000,000	59,700,000	4 6 5·99
January 11	35,000,000	57,915,000	4 5 4·26
January 18	45,000,000	58,035,000	4 5 2·06
January 25	45,000,000	55,210,000	4 6 6·73
February 1	40,000,000	47,120 000	4 5 2·83
February 8	35,000,000	52,695.000	5 2 5·68

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, February 13, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	352,698,006	Other Government Securities	234,509,898
In Banking Department	57,139,872	Other Securities	9,491,737
		Silver Coin	4,983,265
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	149,837,878
	409,837,878		409,837,878

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	47,876,855
Rest	3,635,632	Other Securities—	
Public Deposits*	19,635,679	Discounts and Advances £10,446,659	
Other Deposits—		Securities 16,686,558	
Bankers £58,199,877			27,133,217
Other Accounts £36,437,556		Notes	57,139,872
	94,637,433	Gold and Silver Coin	316,497
7-Day and Other Bills	4,697		
	132,466,441		132,466,441

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

Both Departments.	Amount Feb. 13, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	352,698,006	− 4,821,229	− 12,532,809
Public deposits	19,635,679	+11,284,341	+ 6,815,213
Bankers' deposits	58,199,877	−10,300,984	− 6,500,057
Other deposits	36,437,556	− 566,066	
Seven-day bills	4,697	+ 2,059	+ 2,210
Total, outside liabilities	466,975,815	− 4,401,879	− 12,215,443
Capital and rest	18,188,632	+ 1,935	+ 30,968
Government debt and securities	293,401,853	− 6,979,471	+ 20,942,026
Discounts and advances	10,446,659	+ 1,732,562	− 24,617,559
Other securities	26,178,295	+ 633,780	
Silver coin in issue department	4,983,265	+ 6.249	− 666,735
Coin and bullion (bank's reserve)	150,154,375	+ 236,929	− 7,842,207
Reserve of notes and coin in banking department	57,456,369	+ 5,058,158	+ 13,991,602
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	50¼%	+ 4¼%	+ 12¼%
(b) Gold stocks to deposits and notes ("reserve ratio")	32 1/16%	+ 1/16%	− 11/16%

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1928.	£	£	£	£	£	£	%
Dec.26	413,783,646	388,242,899	12,969,050	69,489,708	37,511,394	1,429,295 out	4½
1929.							
Jan. 2	413,123,339	378,294,483	22,336,385	84,016,042	38,030,396	785,764 out	4½
9	414,284,469	369,517,787	10,944,607	67,491,247	36,813,416	1,157,054 in	4½
16	414,171,272	360,682,536	15,148,359	67,549,972	36,665,759	114,308 out	4½
23	413,103,414	355,366,406	16,850,494	60,841,865	37,481,593	1,078,579 out	4½
30	412,714,393	355,644,424	19,229,555	58,210,774	37,862,617	394,507 out	4½
Feb. 7	409,626,177	357,519,235	8,351,338	68,500,861	37,003,622	3,091,745 out	5½
14	409,837,878	352,698,006	19,635,679	58,199,877	36,437,556	133,139 in	5½

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1928.	£	£	£ %	£	£	£	£ %
Dec 26.	244585173	10175611	154067274 30½	67296855	25931966	18853964	25824375 21½
1929.							
Jan. 2	244588281	10175611	153329533 29 1/16	62636855	47745162	16962554	35035050 24 1/16
9	244644115	10170725	154479280 31 1/16	57736855	14687357	15969429	44961493 38 1/16
16	244689806	10171370	154406085 32½	55121855	13058329	15540096	53723549 45
23	244848035	10172176	153342962 32 1/16	49486855	10763570	15061023	57976556 50 1/16
30	244884208	10170558	152978126 32½	50501855	96572 27	15946435	57333702 49 1/16
Feb 7	244994469	10016515	149917446 31 1/16	55386855	8714997	15528000	52398211 46
14	245524998	9491737	150154375 32 1/16	47876855	10446557	16686558	57456367 50½

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to Jan. 30	3,601,561	173,423	272,692	4,047,676
Week ended Feb. 6	860,908	41,728	68,648	971,284
Week ended Feb. 13	858,071	35,522	58,116	951,709
Total to date, 1929	5,320,540	250,673	399,456	5,970,669
Do. 1928	5,107,244	245,111	405,180	5,757,535
Increase or decrease in 1929	− 213,296 = 4·2%	+ 5,562 = 2·3%	− 5,724 = 1·4%	+ 213,134 = 3·7%
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,757	2,817,868	39,825,054
Increase or decrease in 1927	+ 1,473,253 = 4·1%	+ 97,275 = 5·8%	+ 154,959 = 5·4%	+ 1,725,487 = 4·3%

PROVINCIAL CLEARING RETURNS.

	Month of January. 1928.	Month of January. 1929.	Month of January. %	Aggregate Weekly Totals to Feb. 9. 1928.	Aggregate Weekly Totals to Feb. 9. 1929.
Number of Working Days	26	27			
	£	£		£	£
BIRMINGHAM	11,558,000	12,309,000	+ 6·4	16,973,900	17,169,900
BRADFORD	6,208,000	5,172,000	−16·6	...	...
BRISTOL	5,341,000	5,717,000	+ 7·7	7,495,000	7,358,000
DUBLIN	...	...	...	30,544,800	32,197,600
HULL	4,135,000	4,361,000	+ 5·2	5,641,100	5,681,100
LEEDS	5,195,000	4,792,000	− 7·7	7,019,200	6,473,200
LEICESTER	3,881,000	3,818,000	− 1·6	5,363,600	5,305,700
LIVERPOOL	38,959,000	38,762,000	− 0·5	54,224,400	51,720,600
MANCHESTER	62,791,000	59,045,000	− 5·9	86,028,600	78,312,400
NEWCASTLE-ON-TYNE	6,331,000	6,217,000	− 1·8	9,084,200	8,556,800
NOTTINGHAM	2,940,000	2,993,000	+ 1·8	4,106,900	4,209,100
SHEFFIELD	4,726,000	4,552,000	− 3·6	6,777,300	6,590,400
Total	152,065,000	147,728,000	− 2·8	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Greece appeared in the *Economist* of Jan. 12; Roumania and Egypt in January 19; Bulgaria, Portugal and Canada in February 2; Netherlands, Denmark, Russia, Danzig, Japan and Chili in February 9.

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

Resources.	Feb. 14 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 24, 1929.	Feb. 16, 1928.
Total gold reserves	2,896,220	2,663,920	2,667,180	2,648,090	2,813,630
Total bills discounted	903,950	851,620	820,630	782,110	481,090
Bills bought in open market	391,060	410,740	435,610	454,220	354,790
Total U.S. Govt. securities	177,170	200,090	201,770	202,030	408,430
Total bills and securities	1,481,250	1,471,580	1,467,040	1,447,390	1,244,810
Total resources	5,143,940	5,102,150	5,093,730	5,125,190	5,144,760
Liabilities.					
Federal Reserve notes in actual circulation	1,659,780	1,646,310	1,645,490	1,660,970	1,586,200
Deposits—Member bank—reserve account	2,372,620	2,386,280	2,390,950	2,358,860	2,391,150
Total deposits	2,421,580	2,438,140	2,437,100	2,397,090	2,443,760
Capital paid in and surplus	404,160	403,960	403,200	402,750	369,190
Total liabilities	5,143,540	5,102,150	5,093,730	5,125,190	5,144,760
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	69·8%	69·3%	69·4%	69·3%	74·0%

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

	Feb. 14, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 24, 1929.	Feb. 16, 1928.
Total bills discounted	252,690	195,130	212,910	153,160	158,810
Bills bought in open market	94,600	103,730	115,440	120,440	96,400
Total U.S. Govt. securities	18,670	26,190	26,190	27,290	80,620
Total bills and securities	365,960	325,050	354,540	300,890	330,820
Deposits — Member bank — reserve account	947,150	948,520	963,960	915,510	942,040
Ratio of total res. to dep. and Federal Res. note liabilities combined	76·7%	78·8%	77·0%	80·0%	78·6%

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

Assets.	Jan. 18, 1929.	Jan. 11, 1929.	Jan. 4, 1929.	Dec. 28, 1928.	Dec. 21, 1928.	Jan. 20, 1928.
Gold coin and bullion	8,429	7,667	7,822	8,070	7,957	7,425
Subsidiary coin	102	84	75	78	83	218
Bills discounted	8,010	9,118	9,408	10,063	9,669	8,279
Investments	294	481	481	673	802	574
Liabilities.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	8,197	8,673	9,505	9,487	8,965	7,703
Government deposits	2,335	1,827	1,553	2,897	2,445	1,583
Bankers' deposits	4,807	4,752	4,809	5,001	5,143	4,723
Ratio of cash reserves to liabilities to public	53·1%	48%	48%	45·5%	47·5%	50·9%

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

Assets.	Jan. 18, 1929.	Jan. 11, 1929.	Jan. 4, 1929.	Dec. 28, 1928.	Dec. 21, 1928.	Jan. 20, 1928.
Total securities	21,62,50	21,64,01	21,70,32	21,78,89	21,75,64	18,30,89
Loans	18,20,86	18,29,43	20,50,81	21,38,00	20,12,21	12,84,61
Cash credits	26,35,97	26,82,31	26,16,78	26,67,10	24,63,42	30,36,86
Inland bills	13,17,21	12,47,01	13,30,05	12,37,21	11,12,09	17,51,07
Foreign bills	18,37	19,20	30,59	39,93	37,05	39,54
Dead stock	2,82,35	2,81,66	2,81,45	2,84,04	2,84,98	2,77,71
Bal. with other banks	39,53	34,44	20,43	11,66	20,38	9,25
Cash	11,57,84	11,61,36	10,28,20	11,21,64	11,03,79	11,97,13
Liabilities.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,17,50	5,17,50	5,17,50	5,12,50
Total deposits	76,37,57	75,74,88	77,12,74	78,37,49	74,47,75	75,31,71
The above includes—	£	£	£	£	£	£
Deposits in London	969	1,022	996	932	974	884
Advances in London	896	900	885	909	902	901
Cash, etc., at other Banks in London	293	259	130	90	144	68

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

Assets.	Feb. 8, 1929.	Feb. 1, 1929.	Jan. 25, 1929.	Jan. 18, 1929.	Jan. 11, 1929.
Gold	34,018,098	34,004,022	33,995,441	33,983,468	33,709,295
Foreign assets—					
Sight deposits	12,302,943	12,435,796	11,789,204	11,936,638	12,543,191
Bills discounted	18,208,245	18,164,725	18,632,864	18,617,974	18,430,676
Commercial bills discounted at home	4,836,061	4,081,916	5,051,886	3,993,641	4,003,679
Advances against sec. To the State	9,130,000	9,130,000	9,130,000	9,130,000	9,130,000
Other advances	2,314,091	2,339,440	2,198,407	2,243,936	2,294,766
Other assets (excluding forward exch.)	3,586,659	3,737,397	3,147,433	3,319,287	3,381,353
Liabilities.					
Notes in circulation	63,101,466	63,866,999	62,152,593	62,442,972	63,153,516
Public deposits	12,645,691	12,398,794	12,711,842	12,398,529	12,107,887
Private deposits	6,429,493	5,658,540	7,154,613	6,341,444	6,088,567
Other liabilities	2,143,175	1,968,963	1,926,188	1,936,369	2,142,992

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

Assets.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 23, 1929.	Feb.. 7, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,729,111	2,729,182	2,729,176	1,886,620
Of which deposited abroad	85,626	85,626	85,626	83,532
Reserve in foreign currencies	140,295	152,216	163,474	292,851
Bills of exchange and cheques	1,707,182	1,783,054	1,548,427	2,243,589
Silver and other coin	119,634	121,478	137,065	67,374
Notes of other German banks	17,052	8,277	30,635	19,402
Advances	44,405	101,664	40,708	22,776
Investments	93,172	93,320	93,309	93,124
Other assets	469,409	480,783	440,795	571,291
Liabilities.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	284,205	284,205	243,393
Notes in circulation	4,236,122	4,453,891	3,809,254	4,037,848
Other daily maturing obligations	501,314	422,929	783,141	508,999
Other liabilities	140,428	186,361	184,201	283,999

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

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

Assets.	Jan. 21, 1929.	Jan. 14, 1929.	Jan. 7, 1929.	Dec. 31, 1928.	Jan. 23, 1928.	Position, May 30, 1914.
Gold	434,544	434,544	434,547	434,556	431,145	163,092
Silver	22,230	22,019	21,763	21,895	28,631	8,436
Dscts. and Advances	374,148	398,265	413,666	438,836	382,892	153,504
Liabilities.						
Notes in circulation	788,959	812,742	834,343	855,442	768,718	316,632
Deposits	47,744	49,730	50,894	56,040	87,773	5,016

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

Assets.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 24, 1929.	Jan. 17, 1929.	Feb. 9, 1928.	Position, May 28, 1914.
Gold	905,029	905,104	904,985	905,010	742,642	(b)
Foreign Bills and Balances Abroad	532,101	536,514	524,742	546,059	463,465	232,650
Silver and other coin	1,702	1,789	1,836	1,836	1,433	
Securities	677,530	672,991	653,620	648,954	548,080	697,600
Liabilities.						
Notes in circulation	2,391,325	2,419,343	2,352,182	2,365,871	2,087,477	934,150
Current accounts	104,843	71,023	101,488	100,474	89,308	112,125

(b) In thousand francs.

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

Assets.	Jan. 31, 1929.	Jan. 20, 1929.	Jan. 10, 1929.	Dec. 31, 1928.	Dec. 20, 1928.
Gold, coin and bullion	5,052,100	5,052,000	5,051,961	5,051,900	5,051,929
Foreign bills and balances abroad	5,729,400	5,875,000	5,945,320	6,018,900	5,925,515
Other cash	170,200	141,100	131,550	102,321	114,465
Gold deposited abroad due by the State	1,836,200	1,836,200	1,836,187	1,836,200	1,836,187
Discounts	3,581,200	3,623,200	3,678,984	3,720,300	3,494,443
Advances	1,229,500	1,113,400	1,299,568	1,761,900	1,611,070
Credit with "Istituto di Liquidazione"	1,102,800	1,160,000	1,13 ,763	1,160,000	1,224,936
Government securities	1,041,700	1,080,000	1,041,468	1,080,400	1,040,685
Liabilities.					
Notes in circulation	16,589,500	16,464,000	16,882,413	17,295,400	16,817,699
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	2,444,800	2,411,200	2,257,860	2,241,300	2,457,848
Ratio of reserve to note and sight liabilities combined	55·76%	56·98%	56·57%	55·81%	56·08%

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

Assets.	Feb. 9, 1929.	Feb. 2, 1929.	Jan. 26, 1929.	Jan. 19, 1929.	Feb. 11, 1928.
Gold	235,610	235,690	235,711	235,737	233,605
Government securities—Swedish	6,001	6,001	6,001	6,001	11,027
Foreign	73,774	73,774	73,774	73,774	105,524
Other Swedish bonds quoted on foreign bourses	749	749	749	749	2,452
Bills payable in Sweden†	214,861	214,261	202,125	226,759	140,354
" abroad	68,907	64,174	69,288	69,711	82,977
Balance abroad	55,539	60,265	55,879	54,887	49,109
Advances made on government securities and bonds†	51,839	71,446	55,192	66,503	39,986
Liabilities.					
Notes in circulation	464,831	492,808	434,416	449,612	448,382
Government deposits	190,733	191,266	215,281	235,257	177,649
Private deposits	9,934	3,842	7,324	6,555	12,207

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are *not* available as cover for the note issue.

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

Assets.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 23, 1929.	Jan. 15, 1929.	Feb. 7, 1928.	Position, May 31, 1914.
Gold	481,852	482,021	482,095	482,139	432,991	171,175
Silver	45,653	45,471	45,551	44,619	62,262	18,350
Foreign Bills and Balances abroad	186,952	184,653	189,503	276,605	...	...
Discounts	146,010	154,944	135,758	146,391	300,602	...
Advances	63,603	63,109	56,037	59,351	54,650	103,000
Liabilities.						
Notes in circulation	802,682	839,838	786,935	814,012	784,292	275,925
Deposits	85,041	66,622	87,514	183,620	111,970	33,750

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

Assets.	Jan. 31, 1929.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7, 1929.	Jan. 31, 1928.
Gold and silver holdings	1,206,001	1,205,810	1,205,752	1,205,304	1,108,267
Balance abroad and foreign currency	2,009.514	2,111,259	2,285,766	2,493,926	2,051,916
Discounts and advances	184,032	286,588	333,456	414,466	82,733
State notes debt balance	4,084,445	4,085,980	4,090,420	4,094,556	4,422,268
Other assets	945,993	1,164,479	1,217,199	1,535,265	1,113,231
Liabilities.					
Bank notes in circulation	7,115,338	6,493,113	6,856,131	7,453,182	7,098,740
Check account balances	561,673	1,576,740	1,516,242	1,531,811	948,922
Other liabilities	314,427	345,716	321,673	319,977	317,671

BANK OF POLAND.—In zloty* (000's omitted).

Assets.	Jan. 31, 1929.	Jan. 20, 1929.	Jan. 10, 1929.	Dec. 31, 1928.	Jan. 31, 1928.
Gold	621,257	621,168	621,120	621,079	526,411
Of which held abroad	195,402	195,402	195,402	195,402	173,388
Foreign currencies	685,189	671,493	695,880	713,958	837,083
Bills discounted	638,007	636,510	628,787	640,700	460,703
Loans against securities	89,059	98,235	89,286	95,191	47,355
Reserve fund securities	69,241	69,801	70,114	65,534	55,053
Liability of the Treasury	25,000	25,000	25,000	25,000	25,000
Liabilities.					
Share capital	150,000	150,000	150,000	150,000	150,000
Reserve funds	100,000	100,000	100,000	94,435	94,435
Notes in circulation	1,222,106	1,149,410	1,190,460	1,295,349	1,003,288
Current accounts	553,799	607,167	587,428	524,142	637,195
Government accounts	75,000	75,000	75,000	75,000	75,000

* As from October 13, 1927, 8·91 zlotys equals 1 U.S. dollar.

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

Assets.	Jan. 31, 1929.	Jan. 22, 1929.	Jan. 15, 1929.	Jan. 31, 1928.	Position May 31, 1914.
Coin and bullion—Gold	146,860	146,866	146,868	147,233	44,224
Balance abroad and foreign bills	31,678	31,196	32,673	10,189	28,533
Norwegian and Foreign Government securities	9,345	9,345	9,233	18,622	8,816
Discounts and loans	267,533	259,784	259,352	308,910	769,110
Liabilities.					
Notes in circulation	298,980	296,724	297,952	324,709	113,484
Deposits at sight	77,478	75,321	81,086	101,482	7,188

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

Assets.	Feb. 9, 1929.	Feb. 2, 1929.	Jan. 26, 1929.	Jan. 19, 1929.	Feb. 11, 1928.	Position, May 30, 1914.
Gold	2,559,277	2,559,258	2,559,223	2,559,183	2,607,456	521,775
Silver	706,761	709,941	707,332	703,000	692,607	728,600
*Loans & Discounts	1,897,817	1,978,107	1,935,586	1,985,983	2,501,569	800,725
Spanish 4% stock	344,475	344,474	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
Liabilities.						
Circulation	4,374,520	4,336,741	4,312,483	4,348,892	4,216,186	901,550
Deposits	988,675	993,598	972,440	989,084	989,858	477,500

* Including 91 million pesetas lent to the State.

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

Assets.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 23, 1929.	Jan. 15, 1929.	Feb. 7, 1928.
Cash Reserve—					
Gold coin and bullion	168,752	168,752	168,752	168,752	84,456
Foreign exchange	198,862	199,124	196,314	201,766	328,288
Other foreign exchange†	359,420	365,674	361,370	365,203	257,124
Bills discounted	143,936	165,210	132,465	155,653	94,924
Advances	116,069	116,118	116,118	116,118	173,045
Liabilities.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	8,167	8,167	8,167	8,167	6,367
Notes in circulation	906,060	965,200	848,663	893,758	873,252
Deposits	84,095	52,663	129,696	116,991	67,206

† In dollar and sterling only.

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

Assets.	Feb 7, 1929.	Jan 31, 1929.	Jan. 23, 1929.	Jan. 15, 1929.	Feb. 7, 1928.
Metal reserve—					
Gold coin and bullion	204,467	204,551	204,551	201,083	196,677
Drafts and notes	56,157	45,530	53,670	55,571	104,416
Silver coin and bullion	779	783	782	790	785
Inland bills, warrants and securities	318,562	357,784	315,413	325,726	304,814
Advances to the Treasury	93,143	97,181	97,181	97,210	106,256
Liabilities.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	453,723	484,587	392,525	418,108	453,255
Current accounts, deposits, &c.	227,424	212,587	270,177	253,893	304,044

* Calculated at pre-war parity of exchange.

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

Assets.	Jan. 31, 1929.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 31, 1928.	Position, May 30, 1914.
Gold	303,765	303,933	304,062	315,833	35,091
Balance abroad and foreign bills	737,103	742,552	774,660	1,355,726	90,379
Finnish and Foreign Government securities	300,673	300,673	296,303	402,245	21,826
Discounts and loans	1,396,172	1,408,423	1,459,335	850,218	105,151
Liabilities.					
Notes in circulation	1,430.689	1,382 305	1,404,666	1,502,771	123,941
Deposits at notice	360.724	406.026	466,210	595,554	21,225

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

Assets.	Jan. 31, 1929.	Jan. 22, 1929.	Jan. 15, 1929.	Jan. 8, 1929.	Jan. 31, 1928.
Gold	91,157	91,122	91,114	91,090	88,986
Other coin and notes	18,506	18,164	17,867	17,812	18,315
Foreign credits	198,482	201,752	202,690	227,011	315,386
Bills	1,378,129	1,379,698	1,408,630	1,446,217	1,340,528
Government advances	4,201,146	4,201,110	4,201,109	4,201,109	4,338,066
Liabilities.					
Notes in circulation	5,193,595	5,114,804	5,271,215	5,496,551	5,381,670
State credits	227,864	227,827	227,825	227,825	299,046
Deposits	1,164,523	1,346,443	1,286,134	1,152,620	1,466,261

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

Assets.	Feb. 9, 1929.	Feb. 2, 1929.	Jan. 26, 1929.	Jan. 19, 1929.	Feb. 11, 1928.	Position May 30, 1914.
Gold	190,000	191,700	192,100	192,800	173,755	22,971
Silver					18,870	29,785
Discounts, advances, and other investments	145,400	142,800	148,400	153,100	154,392	77,567
Liabilities.						
Notes in circulation	303,500	300,100	300,200	304,500	317,445	109,499
Deposits and bills payable	57,100	60,200	61,400	63,900	40,375	11,250

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

Assets.	Feb. 6, 1929.	Jan. 30, 1929.	Jan. 23, 1929.	Jan. 16, 1929.	Jan. 9, 1929.	Feb. 8, 1928.
Gold bullion and coins	23,762	23,750	23,758	23,758	23,757	23,677
Silver coin	4,700	4,578	4,556	4,494	5,013	3,839
Balance abroad	66,587	66,559	67,206	65,917	68,796	53,389
Treas. notes and sm. change	11,653	11,660	12,553	12,411	9,978	9,788
Short term bills	85,241	85,217	85,756	86,700	86,943	80,264
Loans against securities	45,643	47,613	47,615	47,456	47,734	50,930
Other assets	18,732	14,440	13,899	12,535	12,050	18,894
Liabilities.						
Notes in circulation	43,142	43,121	42,136	41,354	42,500	37,721
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,385
Reserve	3,091	3,091	3,091	3,091	3,091	2,612
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,450	12,161	12,129	12,043	12,021	10,790
Current accounts	53,132	54,709	56,355	61,458	58,994	53,231
Government accounts	109,851	103,827	104,512	100,628	105,902	99,983
Other liabilities	16,571	18,836	19,040	16,618	13,502	19,559

BANK OF ESTONIA.—In Est. kroon (000's omitted).

Assets.	Jan. 31, 1929.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7, 1929.	Jan. 31, 1928.
Gold coin and bullion	6,267	6,263	6,341	6,380	10,285
Net foreign exchange	22,523	22,936	23,647	24,204	30,843
Subsidiary Estonian coin	763	698	633	1,071	695
Home bills discounted	15,089	15,001	14,900	14,358	8,263
Loans and advances*	16,779	16,499	16,233	16,359	21,019
Liabilities.					
Notes in circulation	35,133	36,035	36,099	35,277	37,106
Sight deposits and current accounts	22,306	21,311	21,602	23,078	24,441
Ratio of reserve to current liabilities	50·12%	50·91%	51·97%	52·41%	66·82%

* Includes a sum not exceeding Ekr. 15,000,000, guaranteed by the Government.

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	Jan. 31, 1929.	Jan. 15, 1929.	Dec. 31, 1928.	Dec. 15, 1928.	Nov. 30, 1928.	Jan. 31, 1928.
Gold	34,288	34,270	34,265	34,264	34,262	33,217
Silver	4,406	4,444	4,363	4,304	4,303	4,659
State Treasury coins	1,858	1,847	1,843	1,841	1,849	1,870
Foreign currency	43,018	42,785	43,621	42,973	42,997	57,122
Discount and credit	82,082	84,859	91,492	88,964	91,259	81,886
Liabilities.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Reserve	1,200	1,200	1,200	1,200	1,200	1,000
Banknotes in circulation	83,642	81,584	84,774	83,683	86,670	100,863
Deposits	71,475	75,683	80,382	78,669	77,960	64,654

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

Assets.	Dec. 19, 1928.	Dec. 12, 1928.	Dec. 5, 1928.	Nov. 28, 1928.	Dec. 21, 1927.
Coin and bullion	9,481	9,454	9,436	9,407	9,188
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	284,547	282,438	279,029	279,143	156,969
Discounts	247,521	242,724	241,242	240,020	234,514
Government loans	1,706,557	1,704,688	1,801,829	1,702,288	1,596,332
Liabilities.					
Notes in circulation	1,947,571	1,941,504	1,946,337	1,924,033	1,810,229
Deposits	7,206	79,248	72,242	69,598	91,911

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	Jan. 15, 1929.	Dec. 31, 1928.	Dec. 15, 1928.	Nov. 30, 1928.	Nov. 15, 1928.	Oct. 31, 1928.	Jan. 14 1928.
Coin and bullion	2,735	2,269	2,512	2,400	2,666	2,599	2,802
Of which gold coin	7	7	7	7	7	7	9
Danzig subsidiary coin	2,728	2,262	2,505	2,393	2,659	2,592	2,793
Bal., Bk. of Eng., inc. notes	12,323	18,242	14,297	17,211	15,830	15,475	11,936
Bills of exchange	19,906	21,952	21,860	22,684	18,769	21,816	20,766
Loans	...	560	245	460	15	540	...
Foreign exchange	19,461	18,647	19,314	18,559	21,992	20,412	33,992
Other bals. on dem'd	472	1,070	1,166	1,356	1,393	3,544	5,854
Securities	3,448	3,448	3,448	3,448	3,448	3,448	...
Liabilities.							
Capital paid up	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation	33,043	39,416	35,421	38,567	34,222	37,886	31,893
Deposits on demand	2,574	3,636	2,578	2,513	4,054	2,121	3,630

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

Assets.	Jan. 5, 1929.	Dec. 29, 1928.	Dec. 22, 1928.	Dec. 15, 1928.	Jan. 7, 1928.	Position June 30, 1914
Cash & bullion	1,112,835	1,113,052	1,116,609	1,121,318	1,111,917	221,3200
Discounts	750,036	837,038	742,293	738,818	783,865	41,740
Advances	112,750	141,383	90,948	90,146	99,156	70,540
Liabilities.						
Notes	1,593,213	1,773,499	1,465,903	1,290,559	1,372,019	362,270
Govt. deposits	39,098	410,168	470,473	509,368	573,481	87,340
Other deposits	158,732	134,399	234,975	365,434	310,425	11,440

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

Assets.	Dec. 30, 1928.	Dec. 23, 1928.	Dec. 15, 1928.	Dec. 7, 1928.	Dec. 30, 1927.
Gold and silver holdings	1,493,823	1,493,132	1,491,755	1,490,927	1,442,816
Balances abroad and foreign currencies	3,266,662	3,430,462	3,513,972	3,016,082	447,163
Discounts and advances	1,261,462	1,357,144	1,328,472	1,349,188	1,370,083
Advances to the Treasury	3,781,215	3,781,214	4,022,333	4,022,333	4,514,474
Liabilities.					
Capital paid in	500,000	500,000	500,000	500,000	473,896
Reserves	1,149,402	1,149,756	1,149,815	1,150,044	1,114,909
Bank notes in circulation	4,173,017	4,057,647	4,215,466	4,325,204	3,726,972
Sight liabilities	3,424,549	3,778,287	3,652,457	3,501,284	1,386,758
Deposits	472,307	472,427	472,634	472,773	1,570,405

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

Assets.	Dec. 28, 1928.	Dec. 21, 1928.	Dec. 14, 1928.	Dec. 7, 1928.	Jan. 6, 1928.
Gold at home	60,501	60,509	60,510	60,519	61,105
Gold abroad	476,815	486,838	480,786	503,541	405,011
Discounts and advances	46,807	16,181	11,318	8,608	26,973
Loans to Government	1,997	1,997	1,997	1,997	9,716
Liabilities.					
Notes of the bank in circulation	331,785	330,287	324,844	323,062	272,993
Government notes in circulation	16,907	17,024	17,144	17,202	44,383
Deposits	124,725	106,334	107,295	134,209	93,116
Drafts	29,836	29,836	22,256	19,936	19,466
Paid-up capital	90,625	90,625	90,625	90,625	89,523

STATEMENT OF CANADIAN BANKS.—In $'s (000's omitted).

Assets.	Oct. 31, 1928.	Sept. 30, 1928.	Aug. 31, 1928.	July 31, 1928.	Oct. 31, 1927.
Cash and bank balances	515,921	436,657	441,675	451,837	474,299
Bank balances abroad	72,986	71,899	71,322	67,627	70,223
Call and short loans	545,649	554,745	565,695	538,469	482,820
Securities	495,064	486,464	500,455	508,404	519,196
Loans in Canada	1,344,972	1,315,864	1,285,456	1,278,799	1,162,591
Loans abroad	249,067	237,951	239,268	253,180	270,127
Other assets	198,496	198,107	197,982	198,507	171,981
Liabilities.					
Note circulation	190,304	193,492	176,025	172,235	185,621
Deposits—					
Government	139,325	102,016	107,211	113,817	132,578
Public in Canada	2,228,453	2,138,011	2,142,065	2,163,599	2,054,414
Foreign	356,389	371,542	391,225	356,959	350,128
Bank balances—					
Canadian	17,765	13,726	13,722	15,937	13,972
Foreign	86,302	79,920	67,778	73,148	44,738
Bills payable, &c.	116,002	111,958	114,686	117,540	87,658
Capital and rest	256,831	256,331	256,331	256,331	254,689
Other liabilities	4,698	2,801	5,014	3,554	4,154

LONDON RATES.

	Feb. 7, 1929.	Feb. 8, 1929.	Feb. 9, 1929.	Feb. 11, 1929.	Feb. 12, 1929.	Feb. 13, 1929.	Feb. 14 1929.
Bank rate (changed from 4½% Feb. 7, 1929)	5%	5%	5%	5%	5%	5%	5%
Market rates of discount—							
60 days' bankers' drafts	5⅛	5⅛	5⅛	5⅛ ¼	5⅛	5⅛	5⅛
3 months' do.	5⅛	5⅛ ¼	5⅛ ¼	5⅛ ¼	5⅛	5⅛	5⅛
4 months' do.	5⅛	5⅛ ¼	5⅛ ¼	5⅛ ¼	5⅛	5⅛	5⅛
6 months' do.	5⅛	5⅛ ¼	5⅛ ¼	5⅛	5⅛	5⅛ ¼	5⅛
Discount (Treasury Bills)—							
2 months'	5 ¼	5⅛	5⅛ ¼	5⅛ ¼	5⅛ ¼	5⅛ ¼	5⅝
3 months'‡	5 ¼	5⅛ ¼	5⅛ ¼	5⅛ ¼	5⅛ ¼	5⅛ ¼	5⅝ ¼
Loans—Day to day	4½ ¼	3½ 4½	4½ 5	4½ 5	4½ 6	5 6	5 6
Short	4½	4½	4½	4½ 4½	4½	4½	4½ 5
Deposit allowances: Banks	3½	3½	3½	3½	3½	4½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks :—

	Short Loans	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months	Trade Bills. 6 Months
1929.	%	%	%	%	%	%	%
Jan. 24	3½ 4	4⅛	4⅛	4⅛	4⅛ ¼	4⅛ 5	5 ¼
31	3½	4⅛	4⅛	4⅛	4⅛ ¼	4⅛ 5	5 ¼
Feb. 7	4½	5⅛	5⅛	5⅛	5⅛ ¼	5⅛ 6	6 ¼
14	4½ ¾	5⅛	5⅛	5⅛ ¼	5⅛ 6	5⅛ 6	6 ¼

RATES OF EXCHANGE.

London on		Usance	Par.	Feb. 16, 1928.	Feb. 7. 1929.	Feb. 14, 1929.
New York	dollars to £1	Cable	4·86⅝	4·87⅛–⅛	4·85–11	4·85–11
Montreal	dollars to £1	Cable	4·86⅝	4·88–⅛	4·86–86⅛	4·86–86⅛
Paris	francs to £1	T.T.	124·21	123–4	124·18–23	124–24
Berlin	marks to £1	T.T.	20·43	20·42–3	20·46–1	20·45–46
Amsterdam	florins to £1	T.T.	12·107	12·11–½	12·12–½	12·11–12
Brussels	belga to £1	T.T.	35·00	35·01–02½	34·89–90½	34·92–95
Milan	lire to £1	T.T.	92·46	92–92–¼	92·70–80	92·78–83
Berne	francs to £1	T.T.	25·22	25·34–34½	25·23–¾	25·23–24
Oslo	kroner to £1	T.T.	18·159	18·31–2	18·19–¾	18·19–¾
Stockholm	kronor to £1	T.T.	18·159	18·16–¾	18·15–½	18·15–16
Copenhagen	kroner to £1	T.T.	18·159	18·20–20½	18·19–¾	18·19–20
Madrid	pesetas to £1	T.T.	25·22½	28·70–2	31·10–20	30·90–95
Lisbon	escudo to £1	T.T.	4·50	2⅜–⅝	109–110	109–110
Vienna	schillgs to £1	T.T.	34·58½	34·59–62	34·53–58	34·53–60
Prague	krone to £1	T.T.	24·02(a)	164⅛–¼	163–4⅛	163–164
Belgrade	dinars to £1	T.T.	25·22½	276½–7⅛	276–¼	276–277
Budapest	pengo to £1	T.T.	27·82	27·89–92	27·81–4	27·83–87
Bukarest	lei to £1	T.T.	25·22½	791–4	804·7	810–813
Sofia	leva to £1	T.T.	25·22½	672–7	669–74	670–675
Athens	drachmæ to £1	T.T.	375	368–370	374½–5½	374½–5½
Constantin'ple	piastres to £1	T.T.	110	960–965	980·5	983–88
Warsaw	zloty to £1	T.T.	43·38	43½–¾	43½–¾	43½–¾
Helsingfors	F. marks to £1	T.T.	193·23	193⅜–½	192½–5½	192½–193
Kovno	lits to £1	T.T.	48·66	48½–9½	48½–9½	48½–49½
Reval	Kroon to £1	T.T.	18·159	18·00–18·40	18·12–22	18·15–21
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15–25	25·15–21
Alexandria	piastres to £1	Sight	97⅛	97⅛–⅜	97⅛–¼	97⅛–¼
Buenos Aires	pence to peso	T.T.	47·62d.	47½–¾	47⅜–½	47⅜–½
Rio de Janeiro	pence to mils.	90 days	16	15⅞–16	15⅞–16	15⅞–16
Montevideo	pence to peso	T.T.	51	50⅜–½	50½–51	50½–51
Valparaiso	dollars to £1	90 days	40	39·39	39·62	39·59
Lima	Eng. to Per. £1	90 days	par	23½% prm.†	19½% prem.	19½% prem.
Calcutta	pence to rupee	T.T.	18	1/5⁹⁄₃₂–6	1/6–1/6⅛	1/6–⅛
Bombay		T.T.		1/5⁹⁄₃₂–6	1/6–1/6⅛	1/6–⅛
Madras		T.T.		1/5⁹⁄₃₂–6	1/6–1/6⅛	1/6–⅛
Hong Kong	ster. to dollar	T.T.	—	2/0½–⅝	2/0–⅜	1/11½–⅝
Shanghai	ster. to tael	T.T.	—	2/6¼–7⅛	2/6¼–2/7⅛	...
Singapore	ster. to dollar	T.T.	2s. 4d.	2/4⅛–⅜	2/3⅝–⅝	2/3⅝–2/3⅞
Kobe	ster. to yen	T.T.	24·58d.	1/11⅛–¼	1/10½–⅝	1/10⅝–¾
Manila	ster. to peso	T.T.	24·066d.	†2s. 0⅛d.	†2s. 0⅛d.	2s. 0⅛d.
Mexico	pesos to £	T.T.	9·76	23·80–24–30 (b)	9·90–10·10	9·90–10·10

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, *i.e.*, approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Oct. 12, 1927	4½	Oslo	Mar. 26, 1928	5½
Athens	Jan. 5, 1929	8	Paris	Jan. 19, 1928	3½
Belgrade	July 26, 1921	6	Prague	Mar. 8, 1927	5
Berlin	Jan. 12, 1929	6½	Pretoria	Jan. 9, 1928	5½
Brussels	June 30, 1928	4	Reval	Jan. 2, 1928	7½
Bucharest	Sept. 4, 1920	6	Riga	April 1, 1928	6† 7†
Budapest	Oct. 1, 1928	7			
Calcutta	Feb. 14, 1929	8	Rome	Jan. 5, 1929	6
Copenhagen	June 23, 1927	5	Sofia	Dec. 15, 1928	9
Danzig	June 20, 1927	6	Stockholm	Aug. 24, 1928	4½
Helsingfors	Nov. 15, 1928	7	Swiss Bank places	Oct. 22, 1925	3½
Kovno	Feb. 8, 1925	7			
Lisbon	July 28, 1926	8	Tokio	Oct. 18, 1927	5·48
New York Federal Reserve	July 12, 1928	5	Vienna	July 16, 1928	6½
			Warsaw	May 13, 1927	8
Madrid	Dec. 19, 1928	5½	Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	Feb. 15, 1928.	Jan. 16, 1929.	Jan. 23, 1929.	Jan. 30, 1929.	Feb. 6, 1929.	Feb. 13, 1929.
	%	%	%	%	%	%
Call money	4½	8	6	7	7	7½
Time money (90 days' mixed coll.)	4½	7½	7½	7½	7½	7½
Bank acceptances :—	Selling Rates.					
Members—eligible, 90 days	3⅜	5	5½	5½	5½	5½
Non-mem.—eligible 90 days	3⅜	5	5½	5½	5½	5½
Ineligible, 90 days	4	5½	5½	5½	5½	5½
Commercial accept. days	4	5½	5½	5½	5½	5½

Rates of Exchange, New York on—		Par Level.	Feb. 15, 1928.	Jan. 30, 1929.	Feb. 6, 1929.	Feb. 13, 1929.
London—						
60 days	Dollars for £1	4·8666	4·8325	4·80⅞	4·80⅝	4·80⅝
Cable			4·87⅛	4·84⅞	4·85⅛	4·85⅛
Cheques			4·87⅛	4·84⅞	4·84⅝	4·85
Paris cheques	Cents for 1 franc	3·918	3·92⅛	3·90½	3·90⅜	3·9025
Brussels	Cents for 1 Belga	13·90	13·915	13·895	13·895	13·90
Switzerland	Cents for 1 franc	19·30	19·225	19·22	19·23	19·22½
Italy	Cents for 1 lire	5·263	5·295	5·23½	5·23½	5·22½
Berlin	Cents for 1 mark	23·81	23·825	23·725	23·725	23·705
Vienna	Cts. for Austrn. shlg	14·07	14·10	14·05	14·05	14·05
Madrid	Cents for 1 peseta	19·30	17·00	15·97	15·86	15·68
Amsterdam	Cents for 1 guilder	40·195	40·21	40·04	40·04	40·02
Copenhagen	Cents for 1 kroner	26·80	26·765	26·65	26·65	26·66
Oslo			26·60	26·63	26·635	26·665
Stockholm			26·83	26·71	26·715	26·72
Athens	Cents for 1 drachma	1·297	1·3225	1·29½	1·29½	1·29½
Montreal	Can. Cents for $1	100	¼ dis.	¼ dis.	¼ dis.	¼ dis.
Yokohama	Cents for 1 yen	49·85	46·80	45·15	45·45	45·25
Hong Kong	Cents for H.Kong $	...	50	49·75	49·25	48·90
Shanghai	Cts. for 1 Shng. tael	...	63·25	62·85	62·50	62·20
Calcutta	Cents for 1 rupee	36·50	36·43	36·41	36·34	36·30
Buenos Aires	Gold Pesos for $100	103·65	103·05	104·35	104·30	104·30
Rio de Janeiro	Cents for 1 milreis	32·42	12·00	11·92	11·93	11·90
Valparaiso	Cents for 1 peso	12·125	12·25	12·055	12·055	12·055

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·32
Venezuela	Bolivares to £	25·25	,,	25·27
Colombia (Bogota)	Pesos to £1	5	,,	5·02
Nicaragua	Cordobas to £	4·8665	,,	4·92
Salvador	Colones to £	9·73	,,	9·75
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Union of South Africa. From February 6, 1928. London on South Africa. Selling.	Union of South Africa. From February 6, 1928. South Africa on London. Buying.	Union of South Africa. From February 6, 1928. South Africa on London. Selling.
T.T.	—	⅛% dis.	par to ⅛% pm.	⅛% prem.
Demand	1⅛% dis.	⅛% ,,	⅛% dis.	⅛ to ¼% ,,
30 days	1⅛% ,,	⅛% ,,	⅛% ,,	¼% ,,
60 days	2⅛% ,,	⅛% ,,	⅛% ,,	¼% ,,
90 days	3% ,,	⅛% ,,	⅛% ,,	¼% ,,
120 days	3⅛% ,,	⅛% ,,	⅛% ,,	...

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	London on Australia and New Zealand. Buying. New Zealand.	London on Australia and New Zealand. Selling. Australia.	London on Australia and New Zealand. Selling. New Zealand.	Australia and New Zealand on London. Buying. Australia.	Australia and New Zealand on London. Buying. New Zealand.	Australia and New Zealand on London. Selling. Australia.	Australia and New Zealand on London. Selling. New Zealand.
T.T.	...	...	99⅛	99⅛	...	...	101	100⅛
Demand	98⅛	98⅛	99⅛	99⅛	99⅛	99⅛	100⅛	100⅛
30 days	97⅞	97⅛	...	...	99⅛	98⅞	100⅛	99⅞
60 days	97	97⅛	...	...	98⅛	98⅜	99⅛	99⅛
90 days	96⅛	96⅛	...	...	98⅛	97⅛	...	99⅛

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz :—

£1,000 sterling equals 942·93–944·81 tchervontzi.
1 tchervonetz = 10 gold roubles. £1 sterling = 9·46 gold roubles.

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council from April 1, 1928, to February 9, 1929, amounted to £24,225,000 by means of purchases of sterling in India. Of this amount, £750,000 was remitted on account of the Paper Currency Reserve.

BULLION.

The following statistics of imports and exports of gold for week ended February 14, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland.	£	Exported from Great Britain and Northern Ireland.	£
From—		To—	
France	11,523	Poland, inc. Danzig	1,700
Australia	7,676	Germany	5,090
British South Africa	3,725	Netherlands	3,280
Other countries	2,606	France	11,557
		Switzerland	58,100
		Egypt	76,815
		Italy	2,590
		U.S. of America	1,752,600
		Gibraltar	5,000
		British India	133,971
		Straits Settlements	45,937
		Other countries	765
Total declared value of imports	25,530	Total declared value of exports	2,097,405

GOLD.

The Bank of England gold reserve against notes amounted to £149,626,177 on the 6th instant (as compared with £152,714,393 on the previous Wednesday), and represents a decrease of £4,280,138 since the 29th April, 1925—when an effective gold standard was resumed. No gold was available in the open market this week, and the usual requirements of India and the trade were met by withdrawals from the Bank of England.

There was a net influx of gold of £133,139 during the week under review.

Following the heavy withdrawals of gold from the Bank of England last week for shipment to New York, the Bank raised its official rate of discount from 4½ per cent. to 5½ per cent. on the 7th instant. The subsequent appreciation of the pound sterling in terms of the dollar being unfavourable to the export of gold, further shipments, for the time being, are unlikely.

The Roumanian Loan, the prospectus of which has just been issued, provides for a part to be applied for the stabilisation of the currency. The gold contents of the leu have been fixed at 10 milligrammes of gold 9/10ths fine, thus making the gold parity Lei 813·6 to the pound sterling.

SILVER.

The week has been quiet in the silver market. Owing to the New Year holidays in China, which commenced on the 11th instant, business from this quarter has been restricted and the Bombay market remained closed for two days in consequence of the disturbances in that city. Buyers being reluctant, prices continued to sag and to-day touched 25⅜d. and 25⅜d. for cash and two months' delivery respectively. Without being active, America has made some offers of silver, but transactions have been rather limited. Some enquiry was received from the Indian bazaars after their re-opening, but demands have been easily met by moderate sales on Continental account.

The following were the United Kingdom imports and exports of silver registered from mid-day on the 4th instant, to mid-day on the 11th instant :—

Imports.	£	Exports.	£
Norway	13,500	Persia	19,240
Germany	11,375	Irish Free State	12,058
Mexico	101,369	British India	451,465
Other countries	11,913	Other countries	2,875
	138,157		485,638

INDIAN CURRENCY RETURNS (in lacs of rupees).

	Feb. 7.	Jan. 31.	Jan. 22.
Notes in circulation	18,916	18,974	18,909
Silver coin and bullion in India	9,882	9,955	9,890
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,221	3,221	3,221
Gold coin and bullion out of India	...	...	...
Securities (Indian Government)	4,327	4,327	4,327
Securities (British Government)	786	771	771
Bills of Exchange	700	700	700

The Stock in Shanghai on the 9th instant consisted of about 69,600,000 ounces in sycee, 109,000,000 dollars and 7,200 silver bars, as compared with about 65,800,000 ounces in sycee, 108,000,000 dollars and 4,140 silver bars on the 2nd instant.

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929.	Arrivals.	£	1929.	Withdrawals.	£
Feb. 8	Sovs. released	250,000	Feb. 8	—Bars sold	1,694
" 9		nil	" 9	—	nil
" 11		nil	" 11	—Bars sold	5,081
" 12		nil	" 12	—Bars sold	53,136
" 13	For. coin bought	4	" 13	—Bars sold	37,881
" 14		nil	" 14	—Bars sold	35,906
			" 14	—Sovs for Export	4,000
Total		2507,004	Total		£137,698

Net arrivals, £112,306.

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the Reserve was held on January 31, 1929 :—

	£	£
In India		Nil.
In England—		
Cash at the Bank of England ...	1,361	
Gold	2,152,334	
British Treasury Bills :—Value as on January 31, 1929 ...	6,231,956	
Other British and Dominion Government Securities :—Value as on January 31, 1929	31,614,349	
		40,000,000
		£40,000,000

SIDNEY TURNER,
Accountant-General.

India Office,
February 11, 1929.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver—Per Ounce. Cash.	Silver—Per Ounce. Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
Feb. 1	84 11½	25 5/16	26¼	Feb. 16, 1923	30⅜
" 2	84 11½	26¼	26¼	" 15, 1924	33¼
" 4	84 11½	26 3/16	25 15/16	" 13, 1925	32 13/16
" 5	84 11½	25 15/16	25 15/16	" 12, 1926	30 13/16
" 6	84 11½	25	26 1/16	" 11, 1927	26¼
" 14	84 11½	25¾	25¾	" 9, 1928	26¼

NOTICES.

Messrs. Coutts and Company announce that the Marquess of Cambridge, K.C.V.O., has been appointed a director of the Bank.

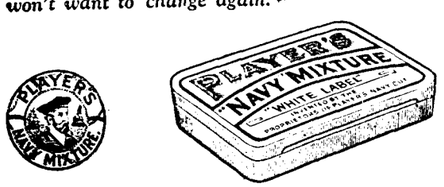
The Banca Commerciale Italiana and Greca, recently formed by the Banca Commerciale Italiana of Milan, announce the opening of their offices at Athens and Piræus. Other branches will shortly be established at Salonica and Cavalla.

The Commercial Bank of Australia, Limited, notify that a branch of the Bank has been opened at Ararat, Victoria; also that Mr. J. L. Webb has been re-appointed chairman of directors for the year 1929.

A new office of the Equitable Trust Co. of New York has been opened at 368 East 149th Street, Bronx. In addition to general banking, trust, foreign, bond investment, and other services, this new office provides the most modern safe deposit facilities.

The directors of Westminster Bank, Limited, announce the appointment of Mr. J. Greenhill as manager of the Lothbury office and of Mr. W. W. Woodhams as treasurer and deputy-manager. Mr. Greenhill will be succeeded in the management of Lombard Street office by Mr. W. T. Ford, the present deputy-manager.

PLAYER'S WHITE LABEL
NAVY MIXTURE
—smoke it for a change—you won't want to change again.



2oz. POCKET TIN 1/10

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Feb. 8, 1929. (c) Week ended Feb. 9, 1929.	Miles Open.	Week ended Feb. 10, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 6 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western...	3,733	180	220	133	353	533	1,153	1,255	783	2,038	3,191
Do. for 1928 ..	3,734	186	221	120	341	527	1,200	1,259	722	1,981	3,181
Lon.& N.Eastn.(c)	6,345	288	395	276	671	959	1,750	2,363	1,625	3,988	5,738
Do. for 1928 ..	6,363	299	431	254	685	984	1,822	2,508	1,523	4,031	5,833
Lond.,Mid.&Scot.	6,953½	418	566	331	897	1,315	2,564	3,199	1,844	5,043	7,607
Do. for 1928 ..	6,950½	439	609	293	902	1,341	2,668	3,359	1,729	5,088	7,756
Southern	2,177	252	70	31	101	353	1,529	430	206	635	2,164
Do. for 1928 ..	2,177	251	76	30	106	357	1,557	430	179	609	2,166
Metropolitan (c)	59	30·1	—	—	3·7	33·8	187·8	—	—	22·7	210·5
Do. for 1928 ..	59	30·5	—	—	3·7	34·2	188·2	—	—	22·7	210·9
†Und'rgr'ndE.R.c	—	—	—	—	—	263·9	—	—	—	—	1,549·4
†Do. for 1928	—	—	—	—	—	269·1	—	—	—	—	1,569·7
Lon.& Sub.Gr'upc	—	—	—	—	—	37·6	—	—	—	—	217·5
Do. for 1928 ..	—	—	—	—	—	38·3	—	—	—	—	223·6
B'lf'st&Co.D'wn b	80	1·7	—	—	0·9	2·6	11·2	—	—	4·9	16·1
Great Northern b	562	9·7	—	—	14·4	24·1	62·0	—	—	93·5	155·5
Great Southern b	2,187	21·4	—	—	48·3	69·7	136·2	—	—	273·8	410·0

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or −	Total Gross Receipts. 1929.	+ or −
				Rs.	Rs.	Rs.	Rs.
INDIAN.							
Assam Bengal	41weeks	Jan.12	1,200	4,45,000	− 6,467	1,78,95,201	+ 6,16,019
Barsi Lt. Ry.....	42weeks	19	202	63,400	+ 16,900	19,52,500	+ 6,31,300
Bengal & N.Western	42weeks	19	2,078	6,85,079	-1,07,032	1,08,59,031	− 4,23,600
Bengal-Nagpur.....	41weeks	12	2,979	20,23,000	− 85,944	6,80,08,118	− 10,43,078
Bombay, Bar.,& C.I.	44weeks	Feb. 2	3,022	25,11,000	− 39,000	9,69,41,000	+ 37,30,000
Burma	35weeks	Dec. 1	1,349	7,24,790	− 80,277	2,73,09,216	− 1,42,540
Madras & S. Mahr ..	42weeks	Jan.19	3,074	19,37,000	− 50,153	7,42,68,210	+ 54,64,199
Nizam'sGuarantd.(s)	42weeks	19	1,146	4,72,284	− 8,090	1,63,18,907	+ 9,53,661
†Rohilk'd&Kumaon	42weeks	19	572	1,50,756	− 29,980	19,50,441	− 92,244
South Indian	41weeks	12	2,234	11,66,075	− 3,775	4,83,01,148	− 6,22,452

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

ARGENTINE (a).								
Argentine N.E.	32weeks	Feb. 9	753	£ 15,000	− £ 400	£ 504,800	+ £ 28,300
B.A. and Pacific ...	31weeks	3	2,694	190,000	+ 15,000	5,034,000	+ 514,000
B.A. Central	31weeks	2	—	14,567	+ 102	449,111	+ 13,768
B.A. Gt. Southern	32weeks	9	4,725	343,000	+ 3,000	7,603,000	− 536,000
B.A. Western	32weeks	9	1,926	120,000	− 5,000	3,138,000	− 31,000
Central Argentine .	32weeks	9	3,305	289,000	− 1,000	8,545,000	+ 226,000
Cordoba Central....	32weeks	9	1,218	68,000	—	2,225,000	− 36,200
Entre Rios	32weeks	9	728	39,000	− 2,400	977,300	+ 87,400
CUBAN.								
United of Havana†	32weeks	Feb. 9	1,374	£ 128,759	− £ 2,664	£ 1,966,979	+ £ 42,293

† Figures include Havana Central Railway.

URUGUAYAN.								
Central Uruguay ..	32weeks	Feb. 9	273	£ 31,584	− £ 2,047	£ 973,674	+ £ 12,851
C. Urug. (East Ext.)	32weeks	9	311	8,826	− 1,204	214,049	+ 3,855
C.Urug.(North.Ext.)	32weeks	9	185	3,647	− 490	115,403	+ 4,917
C. Urug.(West. Ext.)	32weeks	9	211	3,680	− 235	92,586	+ 5,364
CANADIAN.								
Canadian National	5 weeks	Jan.31	19364	$ 6,656,120	+ $ 611489	$ 18,177,685	− $ 693,986
Canadian Pacific ...	5 weeks	Feb. 7	14822	3,312,000	− 301000	18,925,000	− 8,000
BRAZILIAN (b).								
Gt. West. of Brazil	6 weeks	Feb. 9	1,016	£ 24,300	− £ 5,100	£ 136,200	+ £ 18,700
Leopoldina.....	6 weeks	9	1,856	36,737	− 11,781	208,666	− 58,636
Leopoldina Termnl..	5 weeks	2	Mtrs	294,000	− 29,000	1,359,000	+ 76,000
San Paulo	6 weeks	10	153½	54,283	− 11,998	296,585	+ 44,267
CHILEAN.								
Antofagasta (Chili and Bolivia).....	6 weeks	Feb.10	838	£ 44,280	+ £ 9,070	£ 267,640	+ £ 52,540
Nitrate (¼-monthly)	4 weeks	Jan.31	402	44,067	+ 9,960	86,546	+ 23,800
OTHER OVERSEAS.								
Alcoy and Gandia..	52weeks	Dec.29	33	Ps. 35,500	—	1,388,700	+ 60,200
Egyptian Delta	41weeks	Jan.20	608	£10,022	+ 1,465	275,079	+ 18,721
Gt. Southn. of Spain	5weeks	Feb. 2	104	Ps. 82,476	− 7,983	615,826	− 40,466
Mexican Railway...	5weeks	7	483	$249,000	− 27,400	1,287,000	− 44,700
Paraguay Central ..	32weeks	9	274	£4,070	− 130	140,940	+ 600
Salvador.....	32weeks	9	100	£7,538	− 82	142,624	+ 425

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or −	Total Receipts. 1929.	+ or −
Anglo-Argentine ...	5weeks	Feb. 4	329	£84,511	− 5,080	428,726	− 11,040
B. Aires Lacroze ...	31weeks	3	—	£13,095	− 1,010	405,283	+ 4,667
Burnley Corporation	2weeks	9	13	£3,262	+ 301	6,118	— 107
Calcutta Tramways	2weeks	9	351	Rs127,915	+ 5,454	253,553	+ 49,516
Chatham & District	3weeks	Jan.24	15	£1,014	− 210	2,449	− 1,079
Egyptian Markets..	4weeks	31	—	£2,348	− 154	10,982	+ 182
Glasgow Corporation	28weeks	19	136½	£38,461	− 6,268	1,469,732	− 41,929
Isle of Thanet Trams	4weeks	30	—	£709	− 28	3,183	− 306
Liverpool Corp.....	45weeks	Feb. 9	124	£28,026	+ 224	1,333,587	+ 50,748
L.C.C. Tramways ..	44weeks	6	166	£78,708	− 2,149	3,673,263	+ 125,889
Madras Electric ...	‡4weeks	31	—	£42,605	− 2,813	91,395	− 830
Pernambuco Trams†	5weeks	10	—	£6,348	− 727	36,665	+ 1,759

† Tramway Receipts only. ‡ Fortnightly figures.

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	December, 1928. Ore.	Est. Yield.	Est. Profit.	January, 1929. Ore.	Est. Yield.	Est. Profit.
	Tons.	£	£	Tons.	£	£
Brakpan	81,500	134,934	53,814	84,500	134,547	51,044
City Deep.....	89,000	101,949	18,608*	91,500	101,476	19,241*
Consolidated Main Reef	58,200	94,855	17,318	60,500	94,217	15,845
Crown Mines (10s. shs)	207,000	295,494	74,881	208,000	289,514	74,772
Durban Roodepoort Deep	40,300	59,494	3,947	40,300	59,992	4,007
East Rand Proprietary	141,000	16,767	12,040	140,500	160,800	11,113
Ferreira Deep	29,100	22,135	1,536	32,000	22,788	551
Geduld Proprietary ...	85,000	113,388	42,927	85,500	114,573	44,447
Geldenhuis Deep.....	65,000	60,815	3,585	63,000	61,597	3,595
Glynn's Lydenburg ...	6,300	8,818	352	6,200	8,323	116
Government Areas	192,000	378,389	220,119	208,000	400,810	235,121
Kleinfontein, New	50,600	47,809	53	53,100	48,244	1,990*
Langlaagte Estate	76,000	105,420	25,155	83,000	110,095	26,510
Meyer and Charlton ...	17,200	18,835	1,720	17,200	18,946	1,708
Modderfontein B.....	69,500	110,133	47,572	71,500	114,139	50,061
Modderfontein Deep Levels.....	43,000	96,839	62,751	45,700	102,456	66,988
Modderfontein East....	62,000	81,087	17,017	65,000	85,372	18,429
Modderfontein, New (£4 shares).....	142,000	310,275	187,880	147,000	314,701	190,233
New State Areas.....	73,000	134,502	57,104	78,000	138,490	60,036
Nourse Mines.....	54,200	71,843	3,485	61,000	71,547	2,030
Randfontein Estates...	209,000	206,703	25,144	207,000	207,098	22,584
Robinson Deep.....	77,000	91,847	16,915	77,700	92,903	16,667
Rose Deep.....	55,700	47,552	1,530	55,800	49,445	2,186
Simmer and Jack.....	79,100	78,443	5,547	74,300	79,789	7,307
Spring Mines.....	66,300	135,706	65,947	72,000	147,605	71,281
Sub-Nigel	25,000	98,785	48,513	23,700	95,407	44,127
Transvaal Gold Mining Estates	14,540	19,952	2,635	14,620	19,292	84
Van Ryn	39,000	40,123	5,077	39,000	40,555	5,096
Van Ryn Deep	61,000	101,250	42,209	66,000	107,053	44,126
Village Deep	58,000	66,517	4,981	59,000	66,012	5,034
West Rand Consolid'td	81,200	87,289	16,107	86,000	90,766	16,047
West Springs.....	59,000	76,712	22,054	63,000	80,785	23,023
Witwatersrand Deep...	43,000	39,138	1,411	43,000	41,646	452*
Witwatersrand and (Knight's)	54,000	46,347	3,028	53,000	45,137	1,022
Wolhuter.....	25,300	26,766	346	27,700	27,130	512

* Loss.

MINING OUTPUT STATISTICS FOR JAN., 1929.

	Tons Crushed. Mill.	Tons Crushed. Cyanide Works	Gold Recovered. Mill.	Gold Recovered. Cyanide Works	Gold Recovered. Total.	Value.	Profit.
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Ashanti	9,129	...	...	...	9,537	40,513	15,049
Associated.....	3,962	...	...	...	...	6,527	...
Blackwater	3,153	...	...	...	...	5,836	797
Chosen Syndicate.....	7,745	...	...	...	...	11,143	2,856
Globe and Phœnix.....	6,029	...	...	...	5,405	...	9,944
Great Boulder Perseverance	4,932	...	...	...	...	14,461	1,182
Great Boulder Proprietary.....	6,633	...	...	...	...	20,945	...
Lake View and Star (Dec. and Jan.).....	12,709	...	...	...	...	21,151	752
Lena.....	...	...	...	...	4,059	17,047	...
Lonely Reef	21,300	...	...	...	4,194	...	8,039
Santa Gertrudis	49,334	...	...	...	...	$127,695	...
Shamva	48,500	...	...	...	...	26,099	1,605
South Crofty	6,572	...	...	...	...	10,111	...
South Kalgurli	8,303	...	...	...	...	15,600	3,036
Sakie	3,600	...	...	...	...	3,515	644*

* Loss.

	Output.	Other Notes in Return.
Tin.	Tons.	
Ampang (Perak)	14	...
Anglo-Burma.....	11	...
Aramayo.....	251	and 188,000 ozs. silver
Fijani.....	2	Concentrates.
Kaduna.....	4½	...
Kaduna Proprietary.....	26½	...
Last Pool	83·17	Black tin 40 tons arsenic; est. revenue £11,340
Lower Bisichi	5½	...
Meru	20	...
Naraguta.....	30	...
Naraguta Karama Areas	30½	...
Northern Nigeria (Banchi) ...	150	...
San Feux.....	23·1	Profit £17,700. Concentrates est. value, £4,350; costs, £3,250.
Selayang.....	18	...
Tin Fields of Nigeria.....	7	...
Yarde Kerri Group	10	...
Coal.		
Chinese Engineering	110,000	Sold during week ended Feb. 2.
Copper.		
Union Miniere	9,000	...
Poderosa	...	823 metric tons; est. at 18½% copper
Diamonds.		
West African	...	14 200 carats.
Miscellaneous.		
Rhodesian and General Asbestos	2,503	Gross sales valued at £72,636.
Zinc Corporation	5,073	Lead concentrates and 4,888 tons zinc concentrates.

SAN FRANCISCO MINES OF MEXICO, LIMITED.—Production for January: Ore treated, 27,220 tons; lead concentrates produced, 3,445 tons; zinc concentrates produced, 4,072 tons. Estimated net smelter returns, $331,444. Operating expenses, $137,274. Estimated operating profit, $194,170. Office note.—The return includes a plus adjustment of $44,616, being excess of realisations of products over valuations in respect of previous months.

BURMA CORPORATION, LIMITED (Incorporated in India).—During the month of January, 41,244 tons of ore were mined, including 4,185 tons of high grade ore. 30,000 tons of ore were milled in the treatment plant, producing 11,100 tons of leady concentrates. 14,518 tons of lead bearing material, including 3,764 tons of high grade ore, were smelted in the blast furnaces, producing 7,166 tons of hard lead for treatment in the refinery. Refinery products were 6,502 tons refined lead and 592,042 ozs. refined silver. Of silver production, 36,545 ozs. were recovered from the treatment of copper matte. Zinc plant produced 5,050 tons zinc concentrates, assaying 9·58 ozs. silver, 5·45 per cent. lead and 51·71 per cent. zinc. In addition to the above, 750 tons copper matte were produced from the treatment of accumulated smelter by-products and 5,721 tons copper ore. 100 tons of refined antimonial lead were also produced. Included in the tonnage of refined lead is 475 tons recovered from the smelting of copper ore.

NORTH BROKEN HILL.—During January the production was as follows: 30,616 tons of crude ore were treated, assaying 14 per cent. lead, 7·8 ozs. silver per ton, and 10·6 per cent. zinc, producing 6,130 tons lead concentrates, assaying 64·8 per cent. lead, 32·3 ozs. silver per ton, and 7·6 per cent. zinc; also 4,860 tons zinc concentrates, assaying 49·8 per cent. zinc, 3·1 per cent. lead, and 4·1 ozs. silver per ton; 6,374 tons dump slimes were treated, assaying 9·8 per cent. lead, 7·6 ozs. silver per ton, and 11·4 per cent. zinc, producing 880 tons lead concentrates, assaying 57·4 per cent. lead, 42 ozs. silver per ton, and 12·1 per cent. zinc; also 1,240 tons zinc concentrates, assaying 45·7 per cent. zinc, 5·3 per cent. lead, and 5·3 ozs. silver per ton.

MOSCOW.—During the four weeks ended on 26th January, 1929, 8,740 tons of Central Mine ore, together with 1,630 tons of slimes, were milled at the Central Mine, producing 1,649 tons of leady concentrates (including 73 tons from the de-leading plant), which assayed 54 ozs. silver, 65 per cent. lead, together with 2,463 tons of zinc concentrates assaying 8 ozs. silver, 4 per cent. lead, and 50 per cent. zinc per ton, and 193 tons special slimes, assaying 10 ozs. silver, 13 per cent. lead and 7 per cent. zinc per ton.

BROKEN HILL SOUTH, LIMITED.—For the six weeks ended February 9th, 1929, 29,540 tons of crude ore were treated, and produced 5,933 tons of leady concentrates, assaying 68 per cent. lead and 28 ozs. silver per ton; also 5,539 tons of zinc concentrates, assaying 49 per cent. zinc.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Latest Year.	Previous Year.
RAILWAYS.				%	%
Canadian Pacific	2½%*	April 1	Quarterly	...	...
Great Southern (Ireland)	...	...	Less tax	1	1
Great Western Railway	3½%†	...	Less tax	5	7
London Midland and Scottish ...	2½%†	...	Less tax	3½	4½
Southern Railway (Deferred) ...	...	Mar. 8	Less tax	2	2
Southern Punjab Railway	10%†	...	Less tax	16	14
BANKS.					
Swiss Bank Corporation	...	...	...	8	8
TEA AND RUBBER.					
Bah Lias Rubber.....	...	...	Less tax	6	20
Carolina Tea (Ceylon)	10%*	Feb. 22	Less tax	...	...
Hope Tea	5%*	Feb. 29	Less tax	...	...
Sengat Rubber	1d.* p.s.	Mar. 8	Less tax	...	...
Wampoe Tobacco and Rubber ...	5%*	Feb. 28	Less tax at 3/3·62	2½	...
MINING.					
Changkat Tin	5%*	...	...	...	...
Kuala Kampur Tin	5%*	Feb. 28	...	...	...
Renong	7½%*	Mar. 5	...	...	...
OTHER COMPANIES.					
Arthur Guinness, Son and Co. ...	12%*	...	Tax free	...	...
Australian Agriculture	2/6 p.s.*	Mar. 6	Tax free	...	...
Average Trust	6%†	...	Tax free	10	20
Barcelona Traction	1%†	Mar. 1	Less tax	2	2
Baxter's Leather	...	...	...	5	7
Beecham's *Pills*	10%*	Feb. 28	Less tax	...	...
Bovril (Deferred)	8%†	...	Less tax	13	13
British and German Trust	...	...	...	7	5
British Assets Trust	6d. p.s.†	...	Less tax	20	20
British Land	...	...	...	7	8
British South Africa Co.	...	...	Less tax	1/6 p.s.	1/6 p.s.
British Tabulating Machine	10%†	and bonus	of 3d. p.sh.	...	...
Charing Cross Electricity	10½ p.s.†	...	Less tax	...	...
City and International Trust ...	2½%*	Mar. 1	Less tax	...	...
Commercial Gas Co.....	...	...	Less tax	6	6
Cordova Land Co.	...	...	Less tax	4½	3½
Daily Mirror Newspapers	7½%	Mar. 5	Less tax	...	...
Drapery Trust	2/– p.s.*	Feb. 28	Less tax	...	...
E.N.V. Engineering	...	...	Less tax	10	...
Exeter Gas Light (Orig. Stk.) ...	...	...	...	10½	10½
" (New shs.)	...	...	...	7½	...
European Gas	3½%†	...	Tax free	5½	5
France, Fenwick and Co.	3%†	...	Less tax	5	5
General Hydraulic Power	4½%†	...	Less tax	7	6½
Grand Hotel (Harrogate)	2½%*	Mar. 15	Less tax	...	...
Guardian Investment	...	...	Less tax	11	11
Harrods	15%†	Mar. 16	Less tax	20	20
Isaac Holden.....	2½%*	Mar. 1	Tax free	...	...
Lee and Green	...	...	...	12½	8
London Electric Supply	5%†	...	Less tax	9	8/8/6.7
Moss Empires	10%†	...	Less tax	15	16
Newcastle and Gateshead Gas ...	2½%†	...	Less tax	5½	5
North Metropolitan Electric Power	6%†	...	...	10	10
Phillips (J. and N.)	...	...	Less tax	5	4
Planters' Stores and Agency ...	15%	...	...	...	...
Scottish Northern Investment ...	7½%†	...	Less tax	15	...
Selfridge and Co.	...	...	Less tax	20	20
Sheffield Gas	3½%†	...	...	6½	6
Selincourt and Sons	...	...	Less tax	10	17½
Slazengers	1/3 p.s.*	Mar. 5	Less tax	7½	7
Sunday Pictorial Newspapers ...	4%*	Feb.28	Less tax	...	...
Winter Garden Theatre (London)	...	...	Less tax	10	10
Winterbotham Strachan & Playal	...	...	...	10	10
Woolley Sanders					

OIL OUTPUTS.

THE BRITISH BURMAH PETROLEUM CO., LTD.—The production of crude oil by this company for the month of January amounted to 38,919 barrels.

THE KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—The total production during the month of January amounted to 142,901 barrels, or approximately 20,415 tons.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended February 6th :—Venezuela, 32,455 barrels; Trinidad, 17,311 barrels; total, 49,766 barrels. Production for January :—Venezuela, 158,050 barrels; Trinidad, 70,709 barrels; total, 228,759 barrels. Deliveries for January :—Venezuela, 157,700 barrels; Trinidad 87,639 barrels; total, 245,339 barrels.

THE MEXICAN EAGLE OIL.—The production for the week ended February 2, 1929, was 130,000 barrels.

VENEZUELAN CONSOLIDATED OILFIELDS, LTD.—Production for week ended February 9th, 2,940 barrels (420 tons).

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended February 9th was 134,172 metric tons (previous week, ended February 2nd, 135,535 metric tons).

SERVICE PETROLEUM.—Production from the company's oil wells at Gura Ocnitzei and Ceptura for the week ending February 10th was 2,208 tons (15,456 barrels).

Reports and Notices.

The Society of Incorporated Accountants and Auditors have moved to Incorp. Accountants' Hall, Victoria Embankment, W.C.2.

L. and N. Coal Distillation have opened an office at 87 Union Street, Glasgow, under the charge of Sir J. Douglas Ramsay.

BANKS.

B. W. BLYDENSTEIN AND CO., LIMITED.—The balance-sheet for December 31, 1928, as compared with December 31, 1927, is as below :—

LIABILITIES.	Dec. 31, 1927.	Dec. 31, 1928.
	£	£
Capital account	625,000	700,000
Rebate on bills ..	103,680	92,387
Loans against securities, deposits, &c.	12,525,450	12,872,105
	13,254,130	13,664,492

ASSETS.	Dec. 31. 1927.	Dec. 31, 1928.
	£	£
Cash	133,307	95,015
Balances at bankers abroad ...	53,690	105,034
Bills receivable (including English Treasury Bills).....	10,205,546	11,408,152
National War Bonds	†2,755,149	1,869,054
Debtors	73,568	155,637
Premises	32,870	31,600
	13,254,130	13,664,492

† Represents National War Bonds, 3½% War Loan, and Treasury Bonds at market value, £2,735,724, and British Government Guaranteed Stock, £19,425.

SWISS BANK CORPORATION.—The net profit for 1928 together with carry forward from 1927, amounts to £644,200, against £537,227 for 1927. At the annual general meeting, to take place on February 28th, the board will recommend the allocation of £20,000 to Pension Fund, and of £40,000 to Reserve Fund for the extension of head office premises in Basle; they further propose to pay a dividend of 8 per cent. as for the preceding year, to place £80,000 to Reserve Fund, which will reach a total of £1,760,000 and carry forward £28,610. Acting upon the authority given by the extraordinary general meeting of October 17, 1927, the board have decided to issue 40,000 shares of Frs.500 each, thus increasing the paid-up capital from Frs.140,000,000 to Frs.160,000,000. The new shares which will rank for full dividend for current year will be offered to shareholders at Frs.625 per share in proportion to their existing holding. (The Swiss Exchange has been taken at Frs.25 to the £). Acting upon authority given by the extraordinary general meeting of the 17th of October, 1929, the board of directors have decided to proceed to the immediate issue of 40,000 new shares of Frs.500 each, thereby increasing the issued capital from Frs.140,000,000 to Frs.160,000,000. The new shares, ranking for dividend as from the 1st of January, 1929, are offered to the existing shareholders in proportion one new share for each seven held, at Frs. 625 p.s.

ANGLO-FRENCH BANKING CORPORATION, LIMITED. — The directors of the Anglo-French Banking Corporation have issued their first report, covering the period of six months from the inception of operations to 31st December, 1928. This period has been mainly one of organisation, but, it is stated, there is already sufficient evidence, judging by the increasing volume of transactions carried through, to show that the objects for which the Corporation was founded will be achieved. Notwithstanding the fact that only about one-half of the capital was available during the last five months of the period covered, and that the expenses are of necessity disproportionately heavy in the initial stages of the development of the business, the directors are able to report that, after meeting all expenses, there remains a credit to profit and loss account. The profit, after payment of all charges and making provision for rebate of discount on current bills and commission, amounts to £2,133, which it is recommended should be carried forward.

RUBBER, &c.

THE ANGLO-CEYLON AND GENERAL ESTATES COMPANY, LIMITED.—An extraordinary general meeting is convened for February 21st at 5, Fenchurch Street, London, at 2 p.m. to consider the resolution that the capital of the company should be increased to £600,000 by the creation of 50,000 new Ordinary shares of £1 each. The Board has recently entered into a contract to purchase the Holmwood Estate in Ceylon, a very fine tea property situated in the Agra Patna District, and arrangements have also been made to lease from the Ceylon Government a further 500 acres of forest land, which it is proposed to open in tea. The increase of capital is required to finance these additions to the company's properties, and also to provide for the further improvement of the existing estates and factories. It is proposed at an early date to offer the new shares to the shareholders.

BARU (JAVA) ESTATES, LIMITED.—The directors have resolved to offer for subscription to shareholders, *pro rata* to their existing holdings, 20,000 Ordinary shares out of the unissued capital at 25s. per share. Each shareholder will be entitled to apply for one new share for every five Ordinary shares held on February 8th, 1929. The proceeds of the issue are required to provide working capital, for buildings and machinery, and further extensions on the Estates, and also for a factory on Pleihari Estate, all of which would otherwise have to be provided out of revenue. The shares now to be issued will be entitled to participate in full in any dividend declared after they are fully paid up.

MISCELLANEOUS.

BRITISH COLUMBIA POWER CORPORATION, LIMITED.—There is a decrease of $61,747 or £12,731 in the working expenses for December, 1928, when the British Columbia Power Corporation were in control, as compared with December, 1927. The net income, compared with December, 1927, shows an increase of $36,190 or £7,462. The six months' working from July 1st to December 31, 1928, shows an increase in the aggregate net earnings of £50,676, as compared with the same period in the previous year.

The net earnings for the six months to end 1928 are £441,479.

BRITISH INDUSTRIES FAIR, BIRMINGHAM.—Barclays Bank (Dominion, Colonial and Overseas) announce that a representative will be in attendance at Barclays Bank, Limited, Stand 2, Block 19K, Castle Bromwich, Birmingham, during the above Fair. Copies of the bank's trade summary and review, and information regarding the trade conditions, etc., in South, West, East and Central Africa, Egypt, Palestine and Sudan, Malta, Gibraltar, West Indies and Mauritius can be obtained from him on application.

COMPANHIA DE MOCAMBIQUE.—The London Committee state that the Customs receipts for the Port of Beira during December last amounted to £22,580, as compared with £18,317 for the corresponding period of 1927.

GUY MOTORS, LIMITED.—The accounts for year to September 30, 1928, reveal a net profit of £60,263 after providing for directors' fees, depreciation and income tax. The net profit for the preceding year was £50,832. The ordinary dividend is 15 per cent., less tax, as against 10 per cent., less tax, for preceding year. Nothing goes to reserve, against £50,000 a year ago, but the carry-forward is increased from £47,835 to £63,491. The report states that the works continue to be well employed. Cash is at £119,287, against £1,272. Investments at cost stand at £138,844, the balance-sheet stating that the market value on September 30, 1928, is greater. Nothing appeared under investments in September 30, 1927, balance-sheet. General reserve at £50,000. Capital reserve, including premium on shares, stands at £196,762.

HEMPSPINNING COMPANY, LTD., OF SZEGED (HUNGARY)

Szegeder Hanfspinnerei A.G.

INCREASED DIVIDEND

The Board of Directors of the Company issued the balance sheet for 1928, which shows net profits amounting to 656,800 pengös, as against 618,700 for 1927. The Annual General Meeting will be held on February 27th, and the Board of Directors will propose to the Shareholders the payment of a dividend of 3.50 pengös, as against 3.20 pengös for the previous year, after the statutory charges have been duly met. The payment of dividend will be either at the counter of the Company at Szeged, or at the counter of the bankers, Adolf Kohner Söhne, in Budapest.

OVERSEAS TRADE RETURNS.

(Value).

	Imports. Month Ended January 31.		Exports. Month Ended January 31.	
	1928.	1929.	1928.	1929.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	7,174,198	8,350,691	408,110	382,184
B. Feeding stuffs for animals	933,391	1,108,463	302,139	288,595
C. Meat	8,159,115	9,353,364	136,238	165,471
D. Animals, living, for food	1,240,854	1,372,246	9,040	8,806
E. Other food & drink, non-dutiable	13,276,142	16,912,907	2,690,606	2,590,404
F. " " " dutiable	11,121,706	10,328,819		
G. Tobacco "	1,484,170	1,657,906	707,516	791,479
Total, Class I.	43,389,576	49,084,396	4,253,649	4,226,939
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	2,508	2,080	3,074,096	3,475,676
B. Other non-metallic mining and quarry products and the like	425,295	561,120	160,805	181,369
C. Iron ore and scrap	392,336	530,430	73,475	151,840
D. Non-ferrous metalliferous ores and scrap	1,840,513	1,546,127	154,996	192,196
E. Wood and timber	2,418,587	3,056,766	32,300	39,742
F. Raw cotton and cotton waste	4,962,524	11,974,724	142,573	151,491
G. Wool, raw and waste, and woollen rags	8,381,844	8,183,369	849,259	1,045,367
H. Silk, raw, knubs and noils	218,317	210,016	2,720	1,490
I. Other textile materials	1,961,861	2,503,813	45,238	14,566
J. Oil seeds, nuts, oils, fats, resins and gums	3,527,003	3,822,547	393,975	457,484
K. Hides and skins, undressed	2,936,980	2,562,511	283,237	355,733
L. Paper-making materials	902,079	1,277,059	124,859	118,177
M. Rubber	2,046,147	1,702,414	26,097	24,658
N. Miscellaneous, raw materials and articles mainly unmanufactured	1,053,634	1,211,042	405,547	435,595
Total, Class II.	31,069,628	39,144,018	5,769,177	6,645,384
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	572	441	357,956	410,206
B. Earthenware, glass, abrasives, &c.	779,971	980,069	988,839	1,213,453
C. Iron and steel and manufactures thereof	2,297,920	2,072,965	5,316,140	6,419,834
D. Non-ferrous metals and manufactures thereof	2,716,293	3,133,322	1,301,646	1,578,554
E. Cutlery, hardware, implements, and instruments	542,815	675,840	718,884	844,883
F. Electrical goods and apparatus	424,658	441,441	945,611	950,862
G. Machinery	1,344,569	1,627,372	4,804,983	5,077,573
H. Manufactures of wood and timber	638,524	847,744	169,310	216,179
I. Cotton yarns and manufactures	882,360	912,774	13,207,685	13,820,585
J. Woollen and worsted yarns and manufactures	1,416,213	1,442,829	5,229,382	5,596,773
K. Silk and silk manufactures	1,212,403	1,153,708	181,345	192,552
L. Manufactures of other textile materials	1,386,506	1,394,276	2,533,590	2,376,057
M. Apparel	1,429,766	1,387,442	1,875,544	2,093,672
N. Chemicals, drugs, dyes, & colours	1,347,362	1,533,188	2,074,161	2,230,262
O. Oils, fats, & resins, manufactured	2,807,659	2,958,849	758,562	782,948
P. Leather & manufactures thereof	1,743,036	1,345,099	810,774	617,754
Q. Paper and cardboard	1,308,061	1,446,679	771,818	804,156
R. Vehicles (including locomotives, ships, and aircraft)	655,622	663,241	3,314,398	4,937,597
S. Rubber manufactures	223,924	288,199	247,897	291,450
T. Miscellaneous articles, mainly or wholly manufactured	2,487,668	2,483,438	2,679,755	3,387,288
Total, Class III.	25,645,902	26,788,916	48,288,280	53,842,638
IV.—Animals not for food	112,502	242,674	195,583	201,383
V.—Parcel post, non-dutiable articles	175,965	804,141	1,236,044	1,963,263
Total	100,393,573	116,064,145	59,742,733	66,879,607

HOME AND COLONIAL STORES.—The report for year 1928 discloses a net profit of £454,092, against £452,835 for 1927. The ordinary dividend and bonus is again 25 per cent. The sum of £45,409 is added to reserve, making total reserve funds £1,306,320. The sum of £18,000 has been set aside to provide for income tax. The Staff Sick Fund receives £5,000 and Staff Benevolent Fund £3,000. The carry-forward is increased from £128,260 to £131,942. Resolutions are to be submitted at the meeting on February 21st to increase the capital by a further issue of £600,000 in ordinary shares of 4s. each and to subdivide existing ordinary shares to a like denomination. The object of the increase of capital is to enable the company to acquire a controlling interest in a competitive multiple shop undertaking on terms to be explained at the meeting. The balance-sheet is summarised on another page.

LEWIS'S LIMITED.—The profit for the year ended February 1st, 1929, was £707,323, an increase of £91,048 over the previous corresponding financial year, and the dividend on the cumulative participating preferred ordinary shares is 15 per cent., less tax, for the year, and 12½ per cent., less tax, on the deferred ordinary shares; £10,000 is placed to reserve for the staff pension fund; £125,000 to general reserve, being an increase of £50,000 over last year; and £57,259 is carried forward.

NIGER COMPANY, LIMITED.—The trading profit for year to June 30, 1928, was £601,572, against £642,075 for preceding year. Provision for interest on debenture stock absorbed £320,850, against £321,327. The sum of £15,000 is again written off discount and expenses of debenture-stock issues. The sum of £125,000 is set aside for depreciation, etc., against £100,000. The dividend on the preference shares absorbed £160,000. The carry-forward is reduced from £247,407 to £228,129. The balance-sheet is fully summarised on another page.

OVER ONE HUNDRED YEARS OF SERVICE.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ASSETS - - £14,500,000

FIRE. LIFE. ACCIDENT. MARINE.

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

SINCLAIR IRON COMPANY, LIMITED.—We are officially informed that it is hoped to post a notice of importance to shareholders during this week end.

SINGER AND COMPANY, LIMITED.—The directors state that the amount of business done by the Company since July 31, 1928, is equal to expectations, their cars give every satisfaction and dealers' requirements of cars involve the factories working at full pressure. The Birmingham works has proved its great advantage in economical production, and the prospect of a satisfactory year's working is quite good. For the half-year ending January 31, 1929, the output of all cars has increased.

SIR W. G. ARMSTRONG WHITWORTH AND COMPANY.—Capital and other losses to be written off amount to £14,117,536 10s. 3d. The bankers have agreed to cancel £1,463,986 4 per cent. mortgage debenture stock, £1,000,000 5½ per cent. second mortgage debenture stock, and £2,408,000 6½ per cent. consolidated debenture stock, with all interest thereon, receiving in exchange 4,700,000 new "B" ordinary 10s. shares, entitled to 90 per cent. of the distributed surplus. It is proposed that security for remaining £1,036,014 first debentures be altered to a floating charge on the undertaking; that remaining £3,500,000 second debentures and notes shall be cancelled, in exchange for £80 5 per cent. income debenture stock and £20 shares (per £100 cancelled) of A.W. Second Stock Trust, Limited, to which assets of nominal value £3,500,000 will be transferred; that remaining £2,592,000 debentures be cancelled, in exchange for £67 10s. income debenture stock (per £100 cancelled) of A.W. Consolidated Trust, Limited, to which assets of nominal value £1,750,000 will be transferred; that £1,000,000 £1 6 per cent. first non-cumulative preference shares and £1,000,000 £1 4 per cent. second non-cumulative preference shares be created, to be held by the two trusts; that is, "A" ordinary shares be given in exchange for existing preference and ordinary shares, 15 for each £5 4s. per cent. first cumulative preference, 2 for each £1 5s. per cent. non-cumulative second preference, 1 for each £1 6½ per cent. non-cumulative third preference, and 1 for every 2 £1 ordinary shares now held : that on a poll every "B" ordinary share, every two preference shares and every 100 "A" ordinary shares carry one vote. Meetings are to be held at Central Hall, London,

[*continued on page 375.*

"The Magic of Islam"

NORTH AFRICAN MOTOR TOURS

Verdure and blossom . . . Peak and chasm . . . Mosque and minaret . . . Ghostly ruins and teeming bazaars . . . Golden sands and glittering seguias . . . Princely palaces and mud cities . . . Sunset and the Muezzin.
A magnificent tour in the Land of the stork, the scarlet ibis and the golden date —the land of blood red dawn, gorgeous sunset, and peerless translucent night.

ALGERIA — TUNISIA — MOROCCO THE SAHARA

Private Tours by *Modèle de Luxe* six-cylinder 4 and 5-seater landaule s or limou-ines. Arrange the route and details yourself, but let us assist with expert advice.
Tours for separate bookings by ten-seater landaulet type cars running to scheduled itineraries. 270 to choose from.
Forty-two of the famous "Transatlantique" hotels erected especially for these tours. A fleet of six-wheeled 'Desert Cars" for the South.
Unparalleled service, comfort and courteous attention in the Company's own Mail steamers, cars, and hotels. Write for booklet,

FRENCH LINE
Compagnie Générale
TRANSATLANTIQUE LTD
20, Cockspur Street, London, S.W.1.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, etc.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
Electric Lighting & Power.		£	£	£	£	£	%	£	£	£	%
St. James' and Pall Mall Electric Light	Dec. 31	81,807	103,852	185,659	7,000	52,900	1/6·949	13,382	112,377	127,784	1/6.949
Yorkshire Electric Power Co.	Dec. 31	74,096	310,070	384,166	77 658	128,275	8	100,000	78,233	294,371	8
Financial, Land and Investment.											
Electrical and Industrial Investment	Dec. 31	14,191	22,148	36,339	13,000	5,400	6	—	17,939	19,454	100
Gas.											
Commercial Gas Co.	Dec. 31	53,345	116,458	169,803	—	124,394	6	—	45,409	138,840	6
Malton Gas	Dec. 31*	3,664	425	4,089	—	1,560	6½†	—	2,529	1,269	6†
Newcastle-upon-Tyne and Gateshead	Dec. 31	38,945	145,782	184,727	27,314	106,931	5⅛	—	50,482	142,956	5
Portsmouth Gas	Dec. 31	39,581	34,115	73,696	—	23,437	8	4,357	45,902	51,288	7½
							5				5
Scarborough Gas Co.	Dec. 31	328	17,367	17,695	3,685	14,857	5	675	1,522	22,621	5
South Shields Gas Co.	Dec. 31	14,051	14,964	29,015	—	14,268	8½	—	14,057	15,161	8½
						690	5¾				5¾
South Staffordshire Mond Gas	Dec. 31	14,023	9,392	23,415	18,465	3,371	1	—	1,579	11,050	1
Wakefield Gas Light	Dec. 31	1,743	10,931	12,674	1,125	9,801	6½	—	1,748	17,802	6½
							5				5
Hotels, Restaurants, etc.											
Harrogate Hydropathic	Dec. 31	4,240	9,892	14,132	—	10,000	25†	—	4,132	10,857	25†
Motor and Cycle.											
Crossley Motors	Oct. 31	*Dr.37,031*	120,711	83,680	—	—	—	80,000	3,680	*Dr65,518*	—
Guy Motors	Sept.30	47,835	60,263	108,098	—	44,607	15	—	63,491	50,832	10
Rubber.											
Bah Lias Estates	Oct. 31	48,215	26,091	74,306	—	21,073	6	953	52,280	66,412	20
Banir Estates	Oct. 31	877	*Dr. 2,187*	*Dr. 1,310*	—	—	—	—	*Dr.1,310*	10,212	4
Toerangi (Sumatra) Rubber and Produce	Oct. 31	23,231	18,091	41,322	—	14,290	8	3,000	24,032	39,989	20
Val D'Or Estates	Oct. 31	9,976	*Dr. 81*	9,895	—	—	—	—	9,895	7,534	10
Shipping.											
Lamport and Holt	Dec. 31	27,401	53,018	80,419	—	—	—	50,000	30,419	109,599	—
Wm. France, Fenwick and Co.	Dec. 31	8,316	38,802	47,118	6,600	30,000	5	—	10,518	43,166	5
Shops and Stores.											
H. E. Randall	Dec. 29	45,999	37,558	83,557	5,100	21,932	15	1,209	55,316	37,342	15
Home and Colonial Stores	Dec. 31	128,260	454,092	582,352	91,500	37,500	15C.ord.	71,409	131,943	452,836	15
						250,000	25 Ord.				25
Maple and Co.	Dec. 31	61,783	327,059	388,842	60,000	270,000	15	9,907	48,935	354,070	15
Textiles.											
Fleming Reid and Co.	Dec. 31	50,348	145,485	195,833	8,400	84,000	15	50,000	53,433	147,620	15
Kelsall and Kemp	Dec. 31	43,762	64,760	108,522	22,575	27,938	7½	—	58,009	80,763	10
Winterbotham Strachan and Playne	Jan. 31	17,990	43,720	61,710	12,000	28,000	10	5,000	16,710	42,677	10
Tramways.											
City of Buenos Ayres Tramways	Dec. 31	3,577	69,769	73,346	—	62,000	5	10,000	1,346	59,771	5
Dublin United	Dec. 31	13,368	125,458	138,826	30,600	22,440	4	72,000	13,785	118,292	4½
Trusts.											
Average Trust	Dec. 31	671	2,054	2,725	350	1,500	10†	—	875	—	—
British and German Trust	Dec. 31	13,178	52,298	65,476	24,000	22,400	7	—	19,076	52,669	5
British Investment Trust	Jan. 1	107,557	248,492	356,049	54,000	151,200	21	—	150,849	247,707	21
Guardian Investment	Jan. 20	15,791	77,122	92,913	18,000	44,000	11	14,000	16,913	75,070	11
Scottish Central Investment	Jan. 15	5,797	38,043	43,840	18,000	14,400	6	5,000	6,440	37,790	6
Waterworks.											
East Worcestershire Waterworks	Dec. 31*	5,793	3,664	9,457	545	3,663	10	—	5,249	3,447	10
South Staffordshire Waterworks	Dec. 31	18,464	122,301	140,765	55,683	60,566	7	5,000	19,516	123,353	7
Sutton District Water	Dec. 31	14,935	31,618	46,553	7,189	22,125	11	4,000	13,239	30,554	11
							7				7
Other Companies.											
Alexander, Fergusson and Co.	Dec. 31	5,993	19,663	25,656	2,800	11,200	20	5,000	6,656	19.939	17½
Birmingham Railway Carriage and Wagon	Dec. 31	30,256	60,977	91,232	4,800	57,458	10	—	28,974	61,061	10
Blundell, Spence and Co.	Oct. 31	9,378	27,634	37,012	10,000	19,965	5	—	7,047	—	—
Borax Consolidated	Sept. 30	233,044	207,548	440,592	80,000	86,250	7½	40,825	233,517	221,097	7½
British Wagon Co.	Dec. 31	15,365	30,253	45,618	—	22,100	20	12,500	11,018	29,600	15
Country Life	Dec. 31	15,885	25,652	41,537	5,500	15,000	15	—	21,037	25,182	12½
Horace Cory and Co.	Dec. 31	1,134	3,934	5,068	2.750	7,000	7	*Dr. 5,000*	318	8,867	9
Imperial Tobacco Co. (Great Britain and Ireland)	Oct. 31	959,042	9,599,706	10,558,748	852,209	7,787,441	26†	750,000	1,169,098	9,227,797	25†
J. and N. Philips and Co.	Dec 31	30,697	149,281	179,978	101,500	27,500	5	20,000	30,978	158,967	4
Niger Co.	June 30	247,407	280,722	528,129	160.000	—	—	140,000	228,129	320,748	—
Power Securities Corporation	Dec. 31	15,631	85,239	100,870	28,000	28,000	7	30,000	14,870	84,678	7
Read Brothers	Dec. 31	9,567	21.940	31.507	6,400	15.400	11	—	9,707	28,889	12½
Scottish Waggon Co	Dec. 31	1,815	20,716	22,531	—	20,160	10	1,000	1.371	21.138	10
Selincourt and Sons	Dec. 15	23,064	50,878	73,942	17,500	25,000	10	1,650	29,792	58,769	17½
Sentinel Waggon Works	Dec. 31	2,170	23,381	25,551	22,500	—	—	25,706	1,345	41,124	—
Wembley Stadium and Greyhound Racecourse	Dec. 31	—	10,289	10,289	—	—	—	5,979	4,310	—	—
William C. Gray and Sons	Dec. 31	14,708	89,859	104,567	16,567	28,000	10	25,000	35,000	86,489	10
William Griffiths and Co.	Oct. 31	22,634	17,514	40,148	—	17.530	12½	—	22,618	18,614	12½
Wm. M'Laren Sons and Co.	Dec. 20	773	4,698	5,471	4,050	1,120	2	—	301	1,011	2½

* For Half Year. † Free of Income Tax.

(*Continued from page* 373.)

S.W. 1, *on Tuesday, February 19th, to consider the scheme of arrangement, and to pass, if thought fit,* resolutions embodying the above and other proposals.

S.T.D. MOTORS, LIMITED.—At a general meeting of the holders of 8 per cent. guaranteed notes of S.T.D. Motors, Limited, the resolution concerning the redemption of the notes was passed by an overwhelming majority.

THE MERCANTILE INVESTMENT AND GENERAL TRUST COMPANY, LIMITED.—The profits of the year ended *January 31, 1929,* amount to £311,910 (against £293,024 last year) out of which a dividend of 16 per cent. on the ordinary stock is recommended (*15 per cent. last year*), £50,000 has been transferred to reserve, and the carry-forward is increased from £36,318 to £45,229. The board propose to issue the balance of the authorised capital, namely, 250,000 5 per cent. cumulative preference shares and 250,000 ordinary shares of £1 each, and to offer the same *pro rata* to the ordinary stockholders in units of 1 preference share and 1 ordinary share at the price of £3 for the two shares.

TIN SELECTION TRUST, LIMITED.—The directors have decided to issue forthwith and to allot provisionally to shareholders whose names appear on the Trust's Register at January 29th, 500,000 of the 1,000,000 newly-created shares at the price of 25s. per share, and in the proportion of one new share in respect to every two shares now held, fractions being ignored. The new shares will be identical in all respects and will rank equally with the old shares in regard to all dividends hereafter declared. The shares are payable in full on acceptance, and the sum of 25s. per share to be paid on or before February 18, 1929. The whole of the issue of 500,000 shares has been underwritten at an underwriting commission of 9d. per share and an over-riding commission of 3d. per share.

WASTE FOOD PRODUCTS, LIMITED.—With a view to financing the erection of the second unit of plant and the other arrangements and contracts entered into by the board, which were not contemplated at the time of the issue of the company's prospectus, the board deem it advisable that the capital of the company should be increased. An extraordinary general meeting of the company is called for February 18th at Manchester House, London, at 3.15 p.m.

It is not proposed to issue the whole of these shares immediately, but the chairman hopes to be in a position at the extraordinary general meeting of the company to inform the shareholders of the directors' proposals with regard to an issue of part of these shares, for which the holders of Ordinary shares will, in the first instance, have priority of allotment.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday Evening.

A spell of severe cold and frosty weather over the United Kingdom during the past week rendered field work impossible, and caused some anxiety as to the effect on standing crops. Fair supplies of native wheat were available at the principal statute markets, but prices generally marked no improvement. Imported descriptions, however, ruled firmer in sympathy with advanced forward offers, and in the floating and forward cargo section, a better demand was dealt with, particularly for Argentine and Australian descriptions. Liberal sales are reported of the former variety on Continental account, and United Kingdom millers also purchased more freely, but the feature of the market was a renewal of activity on Indian account, and large bookings of Australian were made up to May-June shipment. Higher first-hand quotations, together with less favourable weather reports from North America and India, combined with large shipments to non-European countries, resulted in a very firm tone on this side. To the United Kingdom, steamers of Australian afloat sold 47s. 3d. bulk, 47s. 10½d. bags, ditto to Calcutta, March 45s., May 44s. 7½d., and Karachi, afloat 44s. 10½d. to 45s. 7½d., March 44s. 9d. to 45s. 9d., Rosafe to United Kingdom-Continent, 64½ lb. afloat 44s. 1½d., 64 lb. April 44s. 4½d., and Barusso, 64 lb. March 15th-April 15th **44s., all per 480 lb. c.i.f. terms.** Of feeding stuffs, maize tended to be dearer for new crop positions, and sellers were more reserved.

Wheat dearer. No. 2 Northern Manitoba 52s. 6d., No. 3 ditto 51s., No. 4 Manitoba 49s. 9d., No. 5 45s. 9d., No. 6 40s., No. 2 mixed Durum 45s., Rosafe 64 lb. 46s. 9d., Barusso 63½ lb. 46s. 9d. Australian 49s. 9d., all ex-ship, per 496 lb. English 9s. 7d.-9s. 10d. per 112 lb.

Flour firm. London standard grade 39s. 6d., town whites 40s. 6d., patents 41s. 6d.-42s. 6d. per sack delivered in the Home Counties, with 6d.-1s. per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 35s. 6d.-38s. 6d., Minneapolis 35s. 6d.-38s., Australian 36s. 6d., ex-store, per 280 lb.

Maize easier spot and near, but distant positions firmer. Plate landed 44s., ex-ship to arrive 42s. 6d., February-March 43s. 9d., March-April 41s., new April-May 39s. 6d., May-June also June-July 39s., No. 2 mixed American ex-ship to arrive 41s. 3d., ditto yellow 41s. 3d., No. 2 white flat African 43s. 6d. landed, per 480 lb. Yellow maize meal £11 10s. ex-wharf, Hominy chop £9 per ton.

Barley firm for feeding kinds. Californian ex-ship 45s.-52s., Chilian Chevalier 48s.-58s., Australian 45s.-49s., Smyrna 44s. 47s., per 448 lbs. Algerian-Tunisian ex-ship 34s. 6d., Canadian feed 32s. 6d. ex-ship to arrive, 33s. landed, No. 3 Canadian Western 36s., No. 2 Federal American 30s. 6d. ex-ship to arrive, 400 lb. English malting 10s.-15s., feed 9s. 3d.-10s. per 112 lb.

Oats quiet. Plate ex-ship to arrive 23s. 9d., February 25s. 3d., March 25s. 6d., black Plate landed 25s. 3d., No. 3 white clipped American 36 lb. landed 27s. 3d., mixed Canadian feed 21s. 9d., Chilian white 33s., German landed 29s. ex-ship to arrive 28s., per 320 lb. English 9s.-10s. per 112 lb., Scotch landed 30s. per 336 lb., Irish black 26s. 6d. per 320 lb.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of *home-grown* wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928-1929.	1927-1928.	1926-1927.	1925-1926.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to February 9	263,661	307,295	270,876	291,201
21 weeks to February 9	6,205,454	5,823,572	8,138,044	9,262,308
Average price of English wheat per cwt.	s. d. 9 10	s. d. 9 9	s. d. 11 10	s. d. 11 10

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold. Wheat.	Barley.	Oats.	Average Price per Cwt. Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s. d.	s. d.	s. d.
Jan. 31	327,012	348,650	118,507	9 10	10 4	9 7
Feb. 7	263,661	262,339	101,222	9 10	10 5	9 9
Feb. 7, 1925	407,385	209,209	118,051	13 8	13 5	10 3
Feb. 6, 1926	304,818	235,762	64,347	11 10	10 0	9 2
Feb. 12, 1927	270,876	322,522	106,391	11 10	11 1	8 4
Feb. 11, 1928	307,295	274,511	91,448	9 9	10 11	10 1

AMERICAN WHEAT MARKETS.

The general position shows a steady improvement throughout the week. Cold weather conditions have prevailed in Europe and the American South-West, and receipts have been of small dimensions. Good export inquiries and an active cash demand assisted the rise in values, but there has been some *selling by commission houses.* Quotations:—

Nearest Future.	Jan. 4, 1928.	Feb. 15, 1928.	Jan. 2, 1929.	Feb. 6, 1929.	Feb. 13, 1929.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs.	137	134⅛	122	128⅛	132⅛
Chicago (No. 2 Winter)—Cents per 60 lbs.	130⅛	130⅛	116⅛	124⅛	127⅛

Visible supplies of wheat in Canada at 82,145,000 bushels show an increase of 928,000 bushels, as compared with the previous figures. Supplies a year ago stood at 72,178,000 bushels.

COAL.

Our Glasgow correspondent writes:—With outputs restricted in conformity with the stablisation scheme, supplies are very scarce, and as home demand is brisk the shipping position is largely nominal. Firmer prices have again been conceded for any odd lots becoming available. It is understood that a new scheme has been drawn up, to be instituted when the present agreement terminates, and that copies are about to be sent out for coalowners' consideration. Shipment prices (f.o.b. district ports) are largely nominal and as follow:—Lanarkshire: Ell best, 18s.; splint best, 18s. 6d.; splint second, 18s.; navigation, 17s. 6d.; navigation second, 15s.; steam, 15s.; hartley, 18s.; trebles, 15s. 6d.; doubles, 15s. 6d.; singles, 13s. 6d.-14s.; pearls, 12s. 6d.; dross, 10s. 6d. Fife: Screened navigation, 18s.; first-class steam, 17s.-17s. 6d.; third-class steam, 16s.-16s. 6d.; trebles, 17s.-17s. 6d.; doubles, 16s.-16s. 6d.; singles, 14s. 6d.; pearls, 13s. Lothians: Prime steam, 16s.; secondary steam, 15s.; trebles, 16s. 6d.; doubles, 16s.; singles, 14s. 3d.; pearls, 11s. 9d.

GET FIT & KEEP FIT

A doctor states that one-half of the work in his busy life is unnecessary and that all should take steps to attain good health through exercise. The Macdonald Smith Course of Health and Energy will teach you how to get fit and keep fit with a minimum of time spent, whatever your age or occupation.

Write to-day for booklet "Health and Energy" and full particulars of this excellent system to:

MACDONALD SMITH (Dept. E.)
94, GOWER STREET, LONDON, W.C.1

Our Sheffield correspondent writes :—The position of the coal industry continues to improve in all sections. There is a scarcity of coal for export. Many contracts for industrial coal have been arranged at 6d. per ton advance, and demand for house coal is brisker. Steams are firm at 16s. 6d. f.o.b. The market for blast-furnace coke has also hardened on the week, and prices of best brands are now 14s. and 14s. 6d. at ovens. The home demand for foundry coke is poor, but export inquiries are numerous, and producers can command the current quotations.

Our Cardiff correspondent writes :—The position on the Cardiff coal market has not undergone any material change during the present week. The demand continues active, collieries are regularly employed, and prices are very firm. Indeed, quotations for some of the Monmouthsire coals have further hardened to the extent of between 3d. and 6d. per ton, and there are now many grades of coal being marketed at prices which are from 1s. to 1s. 6d. per ton above the minimum schedule. This position is likely to be strengthened, for during the present week supplies have been reduced as a result of colliery stoppages caused by severe frost and heavy snowfall. The frozen condition, however, of many of the appliances at the South Wales docks has temporarily dislocated coal shipment conditions. The traffic returns of the Great Western Railway indicate an expanding volume of trade, and those for the week ended February 10th give total shipments amounting to practically 580,000 tons, compared with 557,000 tons the previous week, and only 453,000 tons in the corresponding week last year. Arrangements are in progress for the resumption of work at more of the pits that were closed down last year. The Egyptian State Railways are in the market for 180,000 tons. Current approximate quotations are as follows :—Best Admiralties, 19s. 4½d. to 19s. 6d.; seconds, 19s. to 19s. 3d.; best drys, 18s. 9d. to 19s.; Western Valleys, 18s. 9d. to 19s 3d.; Black Veins, 19s. to 19s. 6d.; Eastern Valleys, 18s. to 18s. 6d.; best small steams, 13s. 9d. to 14s.; cargo smalls, 12s. 6d. to 13s.; cooking smalls, 13s. 9d. to 14s.; anthracite best large, 33s. to 35s.; Red Vein large, 21s. to 25s. 6d.; machine-made cobbles, 40s. to 43s.; French nuts, 41s. to 43s. 6d.; stove nuts, 40s. to 42s. 6d.; rubbly culm, 9s. 3d. to 10s.; foundry coke, 25s. to 37s.; patent fuel, 20s. to 21s. 6d.; pitwood, ex ship, 26s. 6d. to 26s. 9d.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange :—Active business conditions continue to characterise the iron and steel markets. The pig-iron market is probably the quietest department of the trade, but even here there has been a noticeable improvement in the demand, so much so that after a partially successful attempt to raise the prices of Midland foundry irons by 2s. 6d. per ton, the makers have agreed amongst themselves to maintain the advance, and this concerted action seems to have met with more success than the previous attempt, though the movement has to some extent temporarily checked buying. In semi-finished steel a good business has been transacted, the greater part of the orders having gone to British producers, with the result that in one or two districts quotations have been advanced. This was due to the stringent situation which has arisen on the Continent, where material has been quoted at rather higher prices than of late. The demand for finished steel has improved, and a good business has been transacted with several of the export markets, in which buyers appear to have relinquished the view that they can obtain lower prices by waiting. In particular, there has been a revival in the demand for sheets, which came along just as some of the works were getting rather slack.

Our Sheffield correspondent writes :—Improvement in the local steel trade is confined to basic material, and for this the position and outlook have never been brighter. Next week two open-hearth furnaces will be started at the Redbourne Hill Works, Lincolnshire, together with a mill capable of producing 4,000 tons of material per week. A large Talbot furnace may shortly be added to the working plant. The increased demand has sent up values of basic scrap, which is now worth 64s. The output of heavy finished steel and tool steel remains at previous levels, and the absence of considerable expansion is disappointing. Demand for acid steels shows some sign of improvement. Local manufacturers seem confident of better trade later in the year when the railways come into the market for normal supplies of rolling stock and spares. There are good inquiries for steel from the shipyards. The export trade is only moderate. The partial advance of 2s. 6d. per ton on the prices of local foundry pig iron has now become general, although consumption of such materials remains low. The foundry trade is as depressed as ever owing to its excessive output

NATIONAL PROVIDENT INSTITUTION
48 GRACECHURCH STREET, E.C.3.
BONUS DECLARATION 1927.
WHOLE LIFE ASSURANCE
£2 10 0% per annum, steadily increasing after "expectation" to over £5% per annum at extreme ages.
SURPLUS DIVIDED - £1,249,700
CARRIED FORWARD - £392,000

SECURITY FIRST
ROYAL
INSURANCE COMPANY, LIMITED
HEAD OFFICES: LIVERPOOL AND LONDON.

capacity. Business in hand-tools is steady. The year has opened unfavourably in the cutlery and plate branches, most of the factories being short of orders.

Our Glasgow correspondent writes :—The position in the iron and steel trade in the West of Scotland is practically unchanged. Makers of heavy steel are now fairly well employed, particularly in the manufacture of shipbuilding material, orders for which are being placed more freely. Semis from the Continent are for the moment unobtainable, and home producers are in consequence finding a better demand, although buyers are not disposed to pay the increased prices being asked. Galvanised and black sheet makers continue fully employed, and within the last few days there have been more inquiries on the market. No settlement has been reached in the iron trade dispute. The pig-iron market remains quiet and little business passing.

Our Cardiff correspondent writes :—On the Swansea Metal Exchange on Tuesday there were purchases for shipment to the Far East, South America and the Continent, but there was no great pressure of business, and prices were steady at from 18s. to 18s. 3d. Shipments last week totalled 115,074 boxes, compared with 155,345 boxes the previous week, and stocks have increased to 250,253 boxes. Prices of galvanised sheets are unaltered at from £13 12s. 6d. to £13 15s., and those for tinplate bars, Welsh and foreign, are unaltered at £6 and £5 12s. 6d. respectively.

Our Middlesbrough correspondent writes :—Pig iron : The market is gradually recovering, and there is a tendency for prices to harden. The price of Cleveland iron has been raised 1s., and is now at the following level : No. 1, 69s. 6d.; No. 3 G.M.B., 67s.; No. 4 foundry, 66s.; No. 4 forge, 65s. 6d. The rise is to some extent due to scarcity, and also due to increased costs of raw material. Continental orders are rather more in evidence, and some transactions have been made. It is more than likely that the make of the iron will be increased by the rekindling of further furnaces. The hematite market is slowly recovering, and supplies are very limited. The price of East Coast mixed numbers is given as 72s., with prompt supplies very difficult to obtain.

The improvement is still being continued in the steel trade, and although the works can deal with very much larger orders, they are certainly better off now for forward business than for a very long time. Iron rivets have been advanced 5s. per ton, otherwise prices remain unchanged on the following basis : Steel ship plates, £8 7s. 6d.; steel ship angles, £7 17s. 6d.; iron bars, £10 5s.; steel rails, £8 10s. The coke market is distinctly firmer, and blast-furnace coke delivered furnaces commands 18s. per ton minimum. The foreign ore trade is also very firm, with supplies scarce, and best rubio at a minimum of 22s. 6d. per ton.

OTHER METALS.

TIN.—Eastern markets were closed on several days owing to the Chinese New Year holidays, and here the tone was somewhat irregular, demand being generally quiet, and opening advances were not maintained. Stocks in London and Liverpool warehouses for week ending 9th February totalled 7,779 tons compared with 2,542 tons at same period last year. Standard cash changed hands at £225–£223 15s. and £224 7s. 6d., with three months fluctuating between £227 and £225. In the East, sales were on the basis of £228 10s. and £228 2s. 6d. per ton c.i.f. terms.

COPPER met with fair support, but with realisations in progress, values moved in buyers' favour. Standard cash sold £77 12s. 6d. £77 15s., and £77 10s., three months £78 2s. 6d., £76 12s. 6d. and £77 1s. 3d.

LEAD was again well supported, and a firm tone governed the market but closed below the best. Good soft foreign pig February sold £23 6s. 3d. to £22 18s. 9d.; March, £23 5s., £23 6s. 3d. and £22 17s. 6d.; April, £23 5s., £23 6s. 3d. and £23 5s. to £22 16s. 3d. ton.

SPELTER quiet, and occasionally the turn easier. February sold £26 5s. to £26 2s. 6d.; March, £26 3s. 9d.; April, £26 6s. 3d. to £26 3s. 9d.; May, £26 7s. 6d. to £26 3s. 9d.; June, £26 7s. 6d.; July, £26 8s. 9d. ton.

ALUMINIUM steady. Ingots and bars for home delivery £25 ton.

ANTIMONY dull. English quoted £54 to £55. Chinese regulus spot, £38 5s.; February–March, £34 5s. ton c.i.f.

WOLFRAM quiet. Chinese and Straits qualities 18s. to 18s. 6d. per unit c.i.f.

QUICKSILVER steady. Spot, £22 5s. to £22 10s. per bottle.

TIN PLATES quiet. I.C. coke prompt and forward quoted 18s. to 18s. 3d. per box f.o.b. Swansea.

THE COTTON TRADE.

LIVERPOOL, February 13th.

Spot sales for the week 7th to 13th (inclusive) are 27,000 bales, of which 19,350 bales are American, 500 Brazil, 950 Argentine, 2,250 Peru, 1,500 Egyptian, 800 African, 1,500 East Indian, and 150 sundries.

Imports for the same period are 78,981 bales, of which 58,546 bales are American, 356 Argentine, 574 Peru, 8,648 Egyptian, 958 African, 9,751 East Indian, 148 sundries.

Quotations to-day are : American Middling, 10.48; Egyptian F.G.F. Sakel, 17.95; Uppers, 12.25; Brazil Fair, 10.78; Peru G.F. Mod-Rough, 12.75; Smooth, 11.43; West African Middling, 10.53; and East African G.F., 12.20.

MANCHESTER, February 13th.

The tone of the market has been rather firmer in sympathy with the advance in raw material rates, but very few buyers have been stimulated to act with more freedom, and the sales in yarn and cloth have again been unimportant. Cable and mail advices from India remain poor, and owing to the disturbances in Bombay and the embargo upon exports to Calcutta the turnover in piece goods has been unimportant. The holidays in China are now drawing to a close, and there is some expectation of an increased demand in the near future. Restricted operations have taken place for most of the smaller markets East and West. The better news from the home trade has been maintained, and owing to improved clearances in the wholesale establishments rather more orders have been placed with manufacturers. A slow feeling has prevailed in American and Egyptian yarns, prices being somewhat irregular when tested. It is difficult for most firms to prevent loss of ground.

Comparative Statement of the Cotton Trade.

	1929. Jan. 23.	Jan. 30.	Feb. 6.	Feb. 13.	Corresp'd'g Date. 1928.	1927.
	d.	d.	d.	d.	d.	d.
Raw Cotton—Mid. American ..... per lb.	10·54	10·34	10·28	10·48	10·24	7·72
— Sakellaridis Fully Good Fair Egyptian ..... per lb.	19·15	18·40	18·15	17·95	17·40	13·80
Yarns—32's twist..... per lb.	15½	15½	15½	15½	15½	13
— 40's weft..... per lb.	16½	16½	16	16	15½	13½
— 60's twist (Egyptian)..... per lb.	28	27½	27	26½	27	24½
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	26 3	26 0	26 0	26 0	25 0	23 3
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	28 6	28 3	28 0	28 0	27 3	26 6
38-in. ditto, 38 yds., 18 by 16, 10 lbs.....	15 6	15 3	15 3	15 3	14 9	13 1½
39-in. ditto, 37½ yds., 16 by 15, 8½ lbs. ...	14 0	13 9	13 9	13 9	13 7½	12 6

THE WOOL TRADE.

Our Bradford correspondent writes :—There is no doubt that confidence in wool values has been shaken, and until the raw material settles on a stable basis once more no real expansion can be expected in the demand for tops and yarns. At the moment this much-needed stability is not in sight, for the reports from the primary markets this week indicate that irregularity is still in evidence, and, notwithstanding a fair amount of buying on foreign account, prices generally are in buyers' favour. Quotations are largely nominal in the absence of bulk buying, but it is indicative of the general weakness that merinos have lost from 2d. to 3d. per lb. during the last two or three weeks. Crossbred tops are irregular, and demand is very limited. Spinners seem to be unable to do much with tops at to-day's prices, and this is also noticeable in the demand for yarns for export to the Continent. As things are, quotations for yarns are below replacement values, but the keen competition for the small amount of business available, and the desire of spinners to keep machinery running, result in price-cutting in all departments. The uncertainty regarding wool values and the rise in the Bank rate have had a depressing effect on business in piece goods for the home market, and wholesale fabric buyers are again operating with the utmost caution.

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

The wool market presents some rather disappointing features. Conditions among home trade spinners and manufacturers are admittedly not very good. The close of the London sales on an all-round lower level has unfortunately not been followed by any important development in manufacturing circles—certainly not such as is really desirable. The presentation of the case for safeguarding at the inquiry which is being held in London is probably unduly emphasising the keenness of foreign competition, the difficulty of offering cloths at competitive prices, and the increase in unemployment. It is true that tops have been sold at prices distinctly below cost out of the last London sales, and similar disparities are shown by a consideration of all the authentic information received about the movement of wool values in Australia, New Zealand and South Africa. Prices for tops of any quality below 46's are kept firm by the scarcity of corresponding qualities of the raw material, and yet with Bradford as an extensive buyer at Wellington prices are indicated as having been on the easy side.

In merinos, an all-round ease of 1d. per lb. in the clean scoured cost at Sydney still leaves average 64's at 39d., which is equivalent to 46d. in the top. This price cannot be made to-day, and yet it is impossible to see how fine wool can depreciate much, if any, more from the present point. Home trade users will probably still have to face strong Continental competition, and the only real hope for the former seems to lie in an expansion of manufacturing requirements. There is certainly nothing at the present time to justify sellers of the raw material expecting any upward movement. Manufacturing conditions are against it, for besides the lack of confidence at home there are disturbing influences on the Continent, and users in this country are not alone in thinking at its present price wool is dear enough.

HIDE, LEATHER, AND ALLIED TRADES.

The outlook continues rather depressing in the allied industries, and little improvement is looked for until prices of hides and skins become more stabilised. Hides continue to fall in value in all markets, leather being in slow demand in all producing countries. At most of the provincial auctions this week, prices of hides have shown further declines of ½d. to ¼d., and best ox hides are now selling at about 7d. to 7½d. per lb., the general opinion being that values will yet be weaker. Calfskins also share the decline, and are easier at most markets. All classes of overseas hides are lower without exception, and South American frigorific ox are now selling at 9¾d., a few seconds at 8⅞d. finding English buyers. Russia has bought a parcel of saladero Bovril ox at 8¾d. Cape hides continue to show weakness, and dry salted have sold at 12½d.-11½d. for first and second grades. Australian hides are offered at less money, Queensland meatworks hides being quoted at 10½d., and New South Wales at 11d. Cables from the United States report a weak market, with best heavy packers selling at 16¼ cents.

The turnover in leather is poor, and both tanners and merchants appear anxious to get rid of bends and offal at less money. Dry hide bends are still difficult to sell, but there is a day-to-day demand for wet salted bends which prevents any severe drop in values. Still, as quite good quality bends are now being offered at 2s. to 2s. 4d., it is obvious tanners are not making any money just now, and there is some anxiety as to the financial position of certain firms. Offal is selling slowly in the better grades, and merchants appear able to "pick up" bargains in this direction.

THE
STANDARD BANK
OF SOUTH AFRICA, LIMITED
Bankers to the Imperial Government in South Africa; and to the Governments of Northern Rhodesia, Southern Rhodesia, Nyasaland and Tanganyika.

AUTHORISED CAPITAL	£10,000,000
SUBSCRIBED CAPITAL	£8,916,660
PAID-UP CAPITAL	£2,229,165
RESERVE FUND	£2,893,335
UNCALLED CAPITAL	£6,687,495
	£11,809,995

Board of Directors.
William Reierson Arbuthnot, Esq. | Solomon B. Joel, Esq.
Rt. Hon. Lord Balfour of Burleigh. | Horace Peel, Esq.
Stanley Christopherson, Esq. | Rt. Hon. the Earl of Selborne, K.G.
Edward Clifton-Brown, Esq. | William Smart, Esq.
Robert E. Dickinson, Esq. | Rt. Hon. Lord Sydenham.
James Fairnairn Finlay, Esq., C.S.I. | G.C.S.I., F.R.S.

Joint General Managers in South Africa—John Jeffrey, James S. Shiel.
Deputy General Managers in South Africa—G. F. Le Sueur, W. K. Robertson.
Assistant General Manager in South Africa—Francis R. King.
London Manager—Bertram Towndes.
Secretary—Herbert G. Hoey.

Head Office: 10 CLEMENTS LANE, LOMBARD STREET,
and 77, KING WILLIAM STREET, LONDON, E.C.4.
London Wall Branch: 63, LONDON WALL, E.C.2.
West End Branch: 9, NORTHUMBERLAND AVENUE, W.C.2.
NEW YORK AGENCY: 67, WALL STREET.
HAMBURG AGENCY.
Bank of British West Africa, Ltd., 49–53, SCHAUENBURGER-STRASSE.
Over 350 Branches, Sub-Branches, and Agencies in SOUTH AND EAST AFRICA.
EXECUTORSHIPS AND TRUSTEESHIPS UNDERTAKEN.
INCOME TAX.—Claims for recovery of Income Tax undertaken.
COMMERCIAL SERVICE.
The Bank has over 350 Branches in Africa, and Agents and Correspondents throughout the World. The closest touch with Trade and Industrial conditions is maintained, with special attention to Commercial and Credit Intelligence. This service is available to Exporters, Importers and others wishing to develop trade between South and East Africa, the United States of America and the Continent of Europe.
THE STANDARD BANK MONTHLY REVIEW is sent post free on application. It gives the latest information on all South and East African matters of Trade and Commercial interest.

Upper leathers remain quiet, and curriers of kips are working short time. Calf box and willow are selling in small lots, and the position of producers has not improved owing to the reduction of 1d.-2d. per foot by a leading German tanner, who does a large business with this country. The value of imports of dressed leather for January last were valued at £554,643, as compared with £801,377 for the first month of last year.

VEGETABLE OILS AND OILSEEDS.

The feature of the markets has been the steady rise in linseed oil, current value of which is now around £29 5s. per ton naked ex Hull mill, an advance of 15s. and more on the week. Imported oil is now largely ruled out owing to the ice conditions in Holland preventing the mills obtaining seed, while here supplies are light, as crushers have kept down production on account of the high price of seed and the poor market for oil. Of late consumers have bought rather more freely. A better demand for cotton oil at the lower level of values has sprung up, and crude is firmer. Current value of crude Egyptian is £28, and common edible £31 10s. for prompt and February-April delivery. Rape and castor oils are dearer.

In the oilseed section, linseed is steady, and with a little better demand. Spot values have hardened somewhat. For Plate on passage to Hull £15 17s. 6d. has been paid, and this about represents current value for "afloat" and "shipment," but very small interest is manifested in these positions. The quantity now afloat for Europe continues to expand, and is now 264,700 tons, or 6,300 tons higher on the week. A fair trade in black Egyptian cotton-seed has been done around £10 for shipment to Hull, but shippers now want more money. Oilcakes are in good demand, and prices are firmly held.

THE JUTE TRADE.

DUNDEE, February 13th.

According to advices from Calcutta the remaining supply of raw jute available for sale this season is not large, and in consequence a firm tone pervades the market. Sellers are very reserved, and appear to be waiting for higher prices, which may accrue whenever consumers are prepared to show interest in purchasing the fibre. Meanwhile, business in the raw material is mostly confined to speculative operations, and spinners at all centres are holding off, though they have considerable quantities to buy yet to satisfy their requirements for the season, at least those in Dundee and on the Continent. The Calcutta mills have large stocks, which will in all probability be maintained in view of their recent decision to increase their production by six hours per week as from July 1st next. Fears are entertained that the present crop will not turn out a sufficient quantity to meet the world's requirements. Few offers are reaching this market from Calcutta, and the sellers here are mostly holders of secured parcels, offered at lower prices than those ruling in Calcutta. A few sales are taking place in spot and afloat parcels, which are cheap compared with the rates for shipment. White jute is scarcely mentioned, First Marks and Lightnings being difficult to secure in Calcutta. Values are nominal at £38 for First Marks and £35 10s. to £36 for Lightnings, February-March shipment. Grade Firsts have been sold on spot at £34 15s. Daisee assortment is offered at £33 afloat and at £33 10s. for February-March, while Tossa assortment rules at £35 10s., threes at from £34 10s. to £35, and fours at £32 15s., same shipment.

Fair quantities of jute yarns have been sold, and spinners are in a very healthy position to the end of June. Prices of hessian yarns are firm at 3s. 6½d. for common 8 lb. cops and at 3s. 7½d. for 8 lb. spools. Twist is from 5⅔d. to 5⅞d. for 3 ply 8 lb., and sacking yarns are being sold at from 3⅛⅝d. to 4d. for 24 lb. weft and 5⅝d. for 8 lb. spools. Rove is steady at £27 10s. for 18 lb. and £17 10s. for 200 lb. Fine yarns are well sold and firm in price. Carpet qualities have come in for more attention at 5¼d. to 5⅜d. for 14 lb. warp.

Jute cloth is slowly but steadily improving. The widths from 50 to 60 in. especially are comfortable for the next three months, and delivery would be difficult to obtain before June. Prices are firm at from 4⅜d. for 10½ oz. 40 in. hessians and from 3½d. for 8 oz. Manufacturers are finding it difficult to obtain more, but they have gradually worked themselves into a position that enables them to refuse less for packed goods. Linoleum hessians are quiet, but steady, while heavy goods continue dull.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—Steady conditions obtained in this market, and there is an increased off-take, both on grocery and manufacturing account, prices for all spot goods remaining without change. The British refined T.L. granulated is very much in the limelight just now, and in addition to the 25,000 tons disposed of to China, and reported 5,000 tons to India, 6,000 tons for near shipment have been sold to Scandinavian ports, also at 10s. 9d. f.o.b. terms. T.L. granulated spot London sold 22s. Czecho February-March, 11s. 6d.; April-August, 11s. 7½d.; November-December, 11s. 7½d., f.o.b. Hamburg. Dutch "J" prompt, 11s. 7½d.; November-December, 11s. 9d., f.o.b. Rotterdam. White Mauritius spot, 21s. to 21s. 9d.; January-February, 14s. 6d., c.i.f., U.K. Centrifugals basis 96 per cent., February-March, 9s. 6d.; March-April, 9s. 7½d., c.i.f., U.K. White Java, May-June, 11s. 4½d., c.i.f. Europe; July-September, 12s. 3d.; and October-December, 12s. 4½d., c.i.f., Calcutta. Terminals fully steady, with moderate sales. Of raws, March sellers, 8s. 9¾d.; May sold 9s. 0¾d.; August, 9s. 5½d.; December, 9s. 7½d. White March sellers, 12s. 1½d.; May buyers, 11s. 9¾d.; August, 12s. 1½d.; December sellers, 12s. 3d. per cwt. Cuban receipts last week, 266,347 tons, as against 180,641 last year; exports, 139,695, against 79,708; stocks, 601,155, against 419,232. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending February 9th totalled 178,942 tons, against 92,249 last year. Imports into the U.K. during last month total 209,911 tons, against 187,498 same time last year; consumption, 152,533, against 115,332; and stocks, 291,400, against 278,250. Stocks of home-grown, 61,000 tons, against 48,050 last year.

TEA.—Indian auctions embraced some 53,026 packages, which came to a slow and hesitating market. A few parcels of fine quality possessing autumnal flavour were well competed for and brought steady prices, but otherwise a decline of ¾d. to 1d. per lb. was registered. Many lots were withdrawn owing to bids not reaching selling limits. Ceylon sales of 27,562 packages. Fine and finest lots, where quality proved equal, realised fully steady prices, but other grades disclosed irregularity and weakness. Good leaf teas suitable for export declined ½d. to ¾d. Java and Sumatra auctions met a quiet market and prices favoured buyers. New season's China quite neglected at the moment.

COFFEE.—Market generally steady, with a fair offtake from the spot. Kenya bold sold 127s. 6d. to 141s.; Costa Rica, 166s. 6d. to 167s.

COCOA.—Market firm. Cameroon spot sold 52s., fair fermented Accra, 49s. 6d. Terminal: February sold 48s. to 48s. 3d.; May, 48s. 3d. to 48s. 6d.; September, 50s. 3d.; December, 49s. 7½d. Accra F/F, March-May, sold 43s. 6d. to 43s. 9d. to 43s. 6d., f.o.b.

RICE.—Quietly steady. Burma: Two stars spot old crop 13s. 9d. to 14s. 3d., for shipment No. 2, February-March, quoted 13s. 1½d.; No. 3, 13s. 4½d.; and straits quality, March-April, 13s. 7½d. Beans firmly held and Madagascar butters sparingly offered. Afloat, per "Clan Macintosh," sold 37s. 9d., with 38s. sellers, 19s. to 20s.; December-January, 19s. 6d.; January-February, 18s. 4½d.; February-March, 18s. 3d. per cwt.

SPICE.—Pepper in quiet demand. Black Lampong January-March sellers, 1s. 4¼d.; March-May, 1s. 3½d.; May-July, 1s. 1⅞d.; August-October, 1s. 0¾d.; white Muntok, January-March, sold 2s. 3½d.; March-May, 2s. 3d.; May-July, 2s. 2d. London stocks reduced 12 tons on the week for black, but 50 tons higher for white. Tellicherry, January-March, 144s.; Aleppy, 142s. cwt. Cloves steady. Zanzibar spot, sellers, 1s. 5d.; March-May, 1s. 5¼d. per lb. Tapioca, also sago flour, quiet, unaltered. African ginger, spot, London, 53s. per cwt.

FRUIT (Dried).—Currants in limited request. Pyrgos quoted 45s. 9d. to 46s.; Patras, 47s. 6d.; choice, up to 51s.; Amalis, 46s. to 46s. 6d.; Gulf, 49s. to 52s.; Vostizza, 51s. to 58s. Sultanas in better demand and market steady. Medium to good Smyrna, spot, 41s. to 55s.; Cretan, 45s. to 70s.; Greek, 34s. to 65s. Australian sell readily at 32s. to 50s. Californian soda, bleached, 35s. to 38s.; unbleached, 29s.; Cape, unbleached, 33s. to 37s.; bleached, 45s. to 50s. Raisins dull. Valencia quarter boxes, 50s. to 55s.; Australian, 32s. to 36s. Figs quiet. Genuine new, spot, 28s. to 30s.; layers, 60s. to 65s.; pulled, 60s. to 70s. Dates in good demand for Siar and prices steady. Hallowie new, spot, 28s. to 30s.; Khadrowie, 23s.; Siar, 15s. to 17s. Evaporated fruits: Market continues firm, with supplies of most descriptions in moderate compass. Apricots were sparingly offered, while there is a better inquiry for plums, particularly large sizes, small counts being scarce. Californian plums, 20's-30's, 65s.; 30's-40's, 57s.; 60's-70's, 42s. 6d. to 43s. Australian pears range from 57s. 6d. to 70s. as to quality. Apricots, South African new crop, Royal, 60s. to 117s. 6d.; Cape, 72s. 6d. to 82s. 6d.; Californian new, 85s. to 117s. 6d. Peaches, Californian, choice, 50s.; extra choice, 53s.; fancy, 58s. Apples, Californian, spot, sliced, extra choice, 67s. 6d. Almonds quiet, and tendency in buyers' favour. Mazagan, 142s. 6d.; Mogador, 140s.; Majorcas, 145s.; bitter, Jordan, 185s. to 210s. cwt.

CANNED GOODS.

CANNED FRUITS.—The general position of Californian fruits remains unaltered, with only moderate interest shown by trade buyers. Spot stocks of loganberries are short, with firm prices asked for shipment parcels. Pears realise full rates, both spot and to arrive, but apricots and peaches move off rather quietly. Australian descriptions in limited supply, the trade being chiefly interested in new season's quotations. Italian tomatoes held for firm rates, with only small stocks now to come forward.

CANNED FISH.—Sardines met a quiet sale at steady prices. Portuguese clubs quoted 5s. per dozen tins. Lobsters steady, but trade restricted. Best halves, 140s. to 145s., and quarters, 77s. 6d. to 82s. 6d. Salmon: Spot trade fair, and forward quotations firm. Red tall, spot, 42s. 6d. to 45s. Pink, steady. Talls, spot, 26s. to 27s.; halves, 31s. 6d. to 33s. 6d. Japanese crab in fair request and brings full rates. Finest quality, 95s. to 97s. 6d.

CANNED MEATS.—Steady, with ox tongues firm on scarcity. Lunch tongues in good demand for forward delivery at reasonable rates, and cases 12 × 6 lb. quoted 92s. 6d. to 107s. 6d. per dozen tins. Danish cooked hams sell readily at about 1s. 7d. per lb. for cases of six tins.

CONDENSED MILK AND MILK POWDERS.—Market generally unaltered. There are some attractive lines offering from Belgium at the moment. Full-cream sweetened, English, spot, 45s.; Dutch ditto, 38s. 6d.; February-March, 38s. 6d. Machine-skimmed, sweetened, English, spot, 27s.; Dutch ditto, 24s.; February-March, 23s. 6d., all in 5-cwt. barrels. Powders: Spray, F.C., 26 per cent., 2 × 56 lb. tins, crated, prompt, 94s.; M.S. (1-cwt. cases), prompt, 41s.; roller process, F.C., 26 per cent., prompt, 78s.; M.S. ditto, 31s., all net, duty paid, ex-wharf, London. On the grocery side, F.C. S., 21s.; M.S.S., 10s. basis per case, usual packing. Cream in steady demand, and Danish in glass containers are attracting attention. Evaporated, unsweetened, 48 × 16 oz., 18s. 6d.; 96 × 6 oz., 19s. 6d.; sweetened condensed, 48 × 14 oz., 20s. per case.

HONEY.—Market firm for best qualities. Palish set Jamaica 54s.; amber set, 48s.; and manufacturing kinds, 42s. 6d. Haitian yellow palish set, 50s.; New Zealand, dark amber, 50s. to 55s.; medium, 55s. to 65s.; light, 65s. to 85s.; whites and water whites 65s. to 87s. 6d. cwt.

RUBBER.

Market firmer on better consumptive figures in America. Plantation standard sheet spot, also February, sold 11½d., March 11¾d., April-June 11⅞d. to 11¼d., July-September 11⅝d. to 11⅜d., October-December 11⅞d. to 1s., January-March (1929) 1s. 0⅛d., January-December (1930) 1s. 0⅜d. to 1s. 0½d. per lb. London stocks 24 tons higher on the week at 25,413 compared with 64,945 at corresponding period last year. Landings amounted to 1,692 tons and deliveries 1,668. Liverpool stocks 246 tons higher at 4,106, landings being 443 and deliveries 197.

HARRISONS & CROSFIELD LTD
East India Merchants.
With Branches and Associated Companies throughout the Far East and in North America, Australia and New Zealand.
1-4, Great Tower Street, London, E.C.3.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, THURSDAY.

CEREALS AND MEAT.

	s. d.
GRAIN, &c.—	
Wheat, No. 2, N. Man. 496 lb....	52 6
Eng. Gaz. av., per cwt.	9 10
Barley, Eng. Gaz. av.	10 5
Oats, " "	9 9
Maize, La Plata, landed, 480 lb.	44 0
Flour, Lon. stan. ex mill, 280 lb.	37 6
Rice, No. 2 Burma, per cwt.....	13 1½
Sago, pearl, per cwt.	22 9
Tapioca, per cwt.—	
E.I. flake, fair spot	23 0
Medium pearl	20 0
Potatoes, good English, per ton...	110 0
MEAT—	
Beef, per 8 lbs.—	s. d. s. d.
English sides.....	5 4 6 0
Argentine chilled hinds...	4 0 4 4
Mutton, per 8 lbs.—	
English wethers	6 0 7 0
N.Z. frozen "	3 2 5 4
Pork, English, per 8 lbs. ...	6 6 8 0

OTHER FOODS.

BACON—			
Irish .....per cwt.	96	0 110	0
Danish.....	85	0 100	0
Canadian.....	92	0 96	0
Dutch	77	0 96	0
Hams—Irish	0	0 0	0
Canadian.....	100	0 0	0
American	89	0 112	0
BUTTER—			
Irish creamery per cwt.	0	0 0	0
Australian	170	0 186	0
New Zealand	172	0 188	0
Danish.....	194	0 196	0
CHEESE—			
Canadian ..... per cwt.	96	0 112	0
New Zealand	88	0 93	0
English Cheddars	130	0 144	0
Dutch	50	0 99	0
COCOA—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
Accra f.f., per cwt.	48	0 50	0
Trinidad	60	0 63	0
Grenada	50	0 56	0
COFFEE—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
E.I., good to fine, per cwt.	147	0 160	0
Costa Rica, good to fine...	155	0 180	6
Cent. Amer., mid to fine	130	0 150	0
Kenya, bold sizes	127	6 153	0
Colombian, mid to fine...	130	0 145	0
EGGS—			
English ..... per 120	22	0 24	0
Danish.....	19	0 24	0
FRUIT—			
Oranges, Denia & Val.	300	16 0	35 0
" "	360	16 0	22 0
" "	504	17 0	20 0
" "boxes	144	20 0	25 0
Jaffa ..... boxes		0 0	0 0
Lemons, Naples boxes		12 6	15 0
Sicilian .....cases		12 0	18 0
" .....half cases		14 0	17 6
Murcia .....420 No. 1		0 0	0 0
Malaga ...cases		23 0	35 0
Apples: Amer. (var.) bris.		10 6	13 0
(var.) boxes			
Onions, Valencia :—			
case 4s.		14 0	15 0
case 5s.		16 6	17 0

	s. d.	s. d.
FRUIT (*continued*)—		
Chestnuts, Huelva bags	10 0	0 0
Grapes, Almeria .....brls.	0 0	0 0
LARD—		
Irish bladders.....	66 0	72 0
American boxes 56 lbs.	59 0	61 0
SPICES—		
Pepper, per lb.—		
Muntok, fair White ...	2 3½	0 0
Black Lampong	1 5	0 0
Cinnamon—1st sort, per lb.	2 3	0 0
Cloves—Zanzibar per lb.	1 5	0 0
Ginger—per cwt.—		
African	53 0	0 0
Jamaica, ord. to good	80 0	120 0
Mace ..... per lb.	2 6	4 3
Nutmegs 65's	2 1	0 0
SUGAR—		
(Duty, 11s. 8d. per cwt.)		
B.W.I., crystallised	23 6	24 6
Java, white, c.i.f. India, July-Sept.	12 3	0 0
REFINED—London—		
Yellow Crystals	21 4½	0 0
Cubes	25 6	26 0
Crushed	24 3	24 9
Granulated	23 0	23 4½
Home Grown (prompt)	22 3	22 9
TEA—		
(Duty 3½d. British, foreign 4d. per lb.)—		
Indian & Ceylon—per lb.		
Pekoe	1 0¾	2 1
Broken Pekoe	1 1	2 4½
Orange Pekoe.....	1 1	2 2
Broken Orange	1 3	2 7
TOBACCO—		
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)		
Virginia leaf—		
Common to fine	1 3	2 3
Rhodesian	1 0	3 6
Havana	1 6	0 0
Greek	0 10	1 6
East Indian	0 5½	1 3

TEXTILES.

COTTON—	d.		
Mid-American .....per lb.	10-48		
Sakellaridis, f.g.f.	17·95		
Yarns, 32's twist	15½		
60's twist	27½		
FLAX—	£ s.	£	s.
Livonian ZK .....per ton	90 0	0	0
Fernau HD.....	80 0	0	0
Slanets Medium 1st sort	90 0	0	0
HEMP—			
Italian P.C. ..... per ton	65 0	0	0
Manila, Feb.-Apr. "J 2"	35 10	0	0
N.Z., H.P. fair Dec.-Feb.	36 10	0	0
JUTE—			
Native 1st mks....per ton			
Feb.-Mar.	34/15/0	0/0/0	
Mar.-Apr.	35/5/0	0/0/0	
SILK—	s. d.	s. d.	
Canton .....per lb.	17 0	19	0
Tussah.....	8 6	10	0
Japan	20 6	23	0
Italian—Raw, fr. Milan	21 0	23	6

WOOL—		d.
English Southdown, washed per lb.		27
" Lincoln hog, washed		18
Queensland, scd. super cmbg.		42
N.S.W. greasy, super		24
N.Z., gray, half-bred 50–56		20
Crossbred 40–44		16
Tops—		
Merinos 70's		48
" 64's		45
Crossbred 48's		25½
" 46's		24½

MINERALS.

COAL—	s.	d.	s.	d.
Welsh, best Ad'ty...ton	29	3	29	6
Durham, best gas	14	9	15	6
Sheffield, best house ...	20	6	21	6
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	66	0	0	0
Bars, M'brough 205	0	0	0	
Steel Rails, heavy.....170	0	0	0	
Tin Plates, I.C., per box	18	0	18	3
METALS—	£	s.	£	s.
Copper, Electrolytic, ton	83	10	84	10
Sheets (strong) 108	0	0	0	
Standard 75/5/0			76/7/6	
Lead Eng. Pig ... per ton	24/10/0		0/0/0	
Soft Foreign	22/16/3		0/0/0	
Spelter G.O.B.	26/3/9		0/0/0	
Tin—English ingots ...	223/15/0		224/5/0	
Standard, cash	224/5/0		224/7/6	

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb. less 5%	2	1	2	2
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	10	10	0
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	12	0	13	0
Potash—Chlorate, net ...	0	3½	0	3¾
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	26	10	27	0
CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
F.M. Straits, c.i.f., per ton Mar.-Apr.	23/10/0		0/0/0	
DRUGS—				
Camphor—	s.	d.	s.	d.
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	0	14	6
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d.
Wet salted—Australian per lb.	0	5½	0	8½
West Indian	0	4	0	8½
Cape	0	6	0	8½
Dry and Drysalted Cape...	0	9	1	1½
Market Hides, London—				
Best heavy ox & heifer	0	7	0	7½
Best cow	0	6½	0	6¾
Best calf	1	10½	1	1½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.—				
per lb.	1	5	2	5
Bark Tanned Sole	2	6	3	6
Shoulders fm DS Hides	1	0	1	3
Do Eng. or WS do.	1	4	1	10
Bellies from DS do.	0	9	1	0
Do. Eng. or WS do.	1	0	1	5
Dressing Hides.....	1	6	2	2
Ro. Eng. Calf, 20/30 lb.	4	3	6	3
Aust. Sides	1	1	1	7
VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	31	0	0	0
Rape, refined	45	0	0	0
Cotton-seed, crude	29	10	0	0
Coconut, crude.....	37	10	0	0
Palm	39/0/0		41/0/0	
Oil Cakes, Linseed, Eng., per ton	13/0/0		13/5/0	
Oil Seeds—Linseed—				
LaPlata,p.ton Feb.-Mar.	16/0/0		0	0
Calcutta, p. ton	nom.			
	s.	d.	s.	d.
Turpentine, per cwt.	45	9	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	0	10½	0	0
Water-White	0	11½	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	13/10/0		34/5/0	
Fuel—	s.	d.	s.	d.
S.G. 895,910	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	19	10	26	5
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	11¾	0	0
Fine Hard Para per lb.	1	0¾	0	0
SHELLAC—				
TN Orange ... per cwt.	200	0	0	0
SHELLS—	£	s.	£	s.
W. Aust., M.-o.-P. "	4	0	12	10
TIMBER—			£	s. d.
Swedish u/s 3 x 8 per std.			19	0 0
Do. 2½ x 7 "			19	0 0
Do. 2 x 4 "			19	0 0
Can'dn Spruce, Dis. "			17	10 0
Pitchpine ..... per load			9	0 0
Rio Deals ..... per std.			32	0 0
Teak ..... per load			20	0 0
Honduras Mahg. logs c. ft.			0	11 6
African "			"	0 6 6
American Oak Boards "			"	0 6 0
Do. Ash "			"	0 6 0
English Oak Planks "			"	0 7 0
Do. Ash "			"	0 6 6

GENERAL.

JUTE.—Market fully steady with a better demand. Firsts to Continent, January-February sold £33 10s., February-March sold £34 5s. buyers, March-April £34 17s. 6d., April-May £34 10s. Lightnings February-March £33 sellers. Hearts February-March £31 per ton. Hessians and twills steady, unaltered.

HEMP.—Manila inactive. J 2, February-April quoted £35. K ditto, £32; L 1, £31 15s.; L 2, £27 10s.; M 1, £28; M 2, £26 per ton. Sisal unchanged. Manila receipts for past week totalled 34,000 bales against 28,000 at same time last year; estimate for next week 44,000 and following week 37,000.

SHELLAC.—Steady. Fair T.N. spot 200s.; March sold 194s.; May, 194s.–195s. 6d. per cwt.

COPRA.—Steadier. Straits, S.D., February-March, to Rotterdam, quoted £24 5s.; March-April, £24 10s.; April-May, £24 13s. 9d.; Ceylon, February-March, £25 10s.; Dutch East Indies mixed, March-April, £23 7s. 6d. Palm kernels to Hamburg, February-March, sellers, £20 per ton.

MISCELLANEOUS.—Coconuts quoted 18s. to 24s. per 100. Coir yarn, Ceylon, £18 5s. to £39 10s.; Cochin, £23 to £40 10s.; Ceylon bristle, £19 to £25; cinnamon leaf oil, 5½d.; citronella, Ceylon, 1s. 10d.; Java, 2s.

METROPOLITAN CATTLE.—February 13.

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

	s. d.	s. d.		s. d.	s. d.
Beasts—Norfolk	5 4	5 8	Beasts—Heavy Bulls	...	...
Irish	...	...	Canadian	...	...
Cambridge.....	...	...	Sheep—Downs	5 4	6 8
Short Horns	6 0	6 4	Half bred	...	...
Herefords	...	...	Ewes	5 4	5 8
Devons	...	...	Scottish	...	...
Leicester runts	...	...	Lamb—Downs	...	11 4

LONDON POTATO MARKETS.—February 13.

	Per Cwt. s. d.	s. d.
English King Edward—Lincoln	5 6	...
" " —Essex and Bedford	4 6	...
" Arran Chief	4 0	4 6
" Majestic	4 0	4 6
" Great Scot	4 0	4 6

A JOURNAL ABSOLUTELY FREE FROM ANY CONNECTION WITH ANY FINANCIAL HOUSE OR SPECULATIVE AGENCY.

THE MOST COMPLETE PERIODICAL RECORD IN EXISTENCE OF THE DEALING, throughout the United Kingdom, in EVERY DESCRIPTION OF STOCKS AND SHARES.

Over 4,000 Securities are DEALT WITH EACH MONTH, SHOWING RECENT DIVIDENDS and yields at latest prices.

The Investor's Monthly Manual

ESTABLISHED 1864

NEW YEAR DOUBLE NUMBER

The Double Number of THE INVESTOR'S MONTHLY MANUAL, published on January 2nd, 1929, gives, in addition to the usual information, the highest and lowest prices of over 4,000 stocks and shares for 1924, 1925, 1926, 1927 and 1928; the latest quotations for 1928, the names of the markets where each security is chiefly dealt in, besides memoranda relating to the financial position of Foreign and Colonial Governments, Railways, etc., etc., In addition, it gives the addresses of the various Companies, with the names of the Chairmen and Secretaries, or Managers. Comparative figures of net profits are also shown for a number of leading Companies.

Price 2s. 3d. Post Free

Annual Subscription, £1 : 1 : 0

TO ADVERTISERS

THE MANUAL will be found specially suitable for advertising debentures of every kind, prospectuses of limited liability companies, and investments of all descriptions, and for giving publicity to the announcements of banking, insurance and other companies.

Publishing and Advertising Offices:

6, BOUVERIE STREET, FLEET STREET, E.C. 4.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, FEBRUARY 23, 1929. No. 4,461.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

(Established in 1824)

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

Marine Department: 26, Billiter Square, London, E.C.3.

ASSETS EXCEED £30,000,000.

THE ALLIANCE GRANTS INSURANCES OF ALL KINDS.

LIFE DEPARTMENT.

INCREASED INTERIM BONUSES ALLOWED on Participating Policies.

Assurances granted with DISABILITY BENEFITS. Children's Educational Policies and Deferred Assurances.

For full information apply to the Head Office or to any of the Offices or Agents of the Company.

CHRISTIANIA BANK OG KREDITKASSE

OSLO.

Established 1848.

Paid-up Capital and Reserve Funds,

Kr. 40.000.000.—.

Oldest Norwegian Joint Stock Bank. Direct correspondents throughout the country. Offering complete services to banks and firms doing business on Norway.

Correspondence invited.

CREDITO ITALIANO

Capital Subscribed - - -	Lire 400,000,000
Capital Paid-up - - -	Lire 354,694,900
Reserve - - - - -	Lire 190,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES AND CORRESPONDENTS THROUGHOUT ITALY.

London Branch: 2 ROYAL EXCHANGE AVENUE, E.C. 3.

Transacts a general Foreign Banking Business.

STERLING DRAFTS AND DOCUMENTS ON ITALY COLLECTED ON SPECIALLY FAVOURABLE TERMS.

CORRESPONDENT OF THE ROYAL ITALIAN TREASURY.

Telegrams: "Italocredi, London."

Telephone: Avenue 8031-4.

TABLE OF CONTENTS.

The Money Market 381

Leading Articles—
- Legislature and Executive 383
- The Position of the Indian Princes 384
- A Protectionist Mare's Nest 385
- The Wool Textile Trade in 1928 386
- Economic Readjustment in Italy 387
- Small Savings 388

Notes of the Week—
- Local Government Bill. Third Reading 389
- Irish Loyalists and the Government 389
- A Fresh Attempt at Naval Limitation 390
- The I.L.P. New Model ... 390
- Marketing British Goods 390
- The Trend of Production 390
- Cost of Living 390
- Employment in January 391
- Electricity Supply, 1927-1928 391
- Iron and Steel Production in January 391
- Lancashire Cotton Corporation 392
- Short Time for Egyptian Cotton Spinners 392
- British War Pensions Expenditure 392
- Life Office Bonus Announcements 393
- Indemnity Mutual Marine Assurance Company 393
- Scottish Temperance and General Assurance Co., Ltd 393

Oversea Correspondence—
- United States 393
- France 394
- Germany 395
- Bulgaria 395
- Greece 397
- Canada 397

Letters to the Editor—
- Bank Rate Policy 398
- Free Trade and the Mobility of Capital 399
- The Minority Dilemma ... 400

Books and Publications—
- The Future of Socialism .. 400
- The Romance of Trade ... 400
- Books Received 400

The Stock Exchange—
- Brazil's Borrowing Status 402
- The Week in the Markets 403
- Foreign Stock Exchanges 404
- The Position in Wall Street 405
- Rubber's New Rise 405
- American Acquisition of British Utilities 405
- Imperial Finance and Canada 406
- American Share Values—A New Service 406
- "Chartered" Company 406
- Imperial Tobacco Company 407
- Bradford Dyers 407
- John Barker 407
- Bovril 407
- The Reaction in Northern Rhodesians 408
- Capital Issues 408

Company Meetings 410

Government Returns 415

Bankers' Gazette—
- Bank of England 416
- Bankers' Clearing Returns 417
- Overseas Bank Returns .. 417
- Loan and Discount Rates 418
- Rates of Exchange 418
- Bullion 419
- Gold and Silver Prices ... 419

Company News—
- Summary of Balance Sheets 420
- Weekly Traffic Returns ... 420
- Profit and Loss Accounts 421
- Monthly Statement of London Clearing Banks 422
- Reports and Notices 422
- Dividend Announcements 423

Commercial Reports—
- Corn Trade 423
- Mining Output Statistics 424
- Cotton Trade 424
- American Wheat Markets 424
- Coal 425
- Iron and Steel 425
- Other Metals 426
- Hide and Leather Trades 426
- Oil Outputs 426
- Colonial Wools 426
- Timber Trade 426
- Wool Trade 427
- Vegetable Oils 427
- Overseas Produce 427
- Price Current 428

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly £2 18s. 0d. Colonies and Abroad, £3 1s. 0d. per annum.

Single Copies, post free, 1s. 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4.

THE MONEY MARKET.

This week money has been relatively easy with 4½ per cent. the ruling rate for short loans on Thursday. This lessening of the pressure came as a relief to the market, which had money due for repayment at the Bank, and it was believed that the Bank itself was taking steps to ease the position. Confirmation of this is found in this week's Bank return, which reveals in addition to the increase of

£1,609,424 in Discounts and Advances—representing the previous Thursday's borrowings at the Bank—an expansion of £2,001,246 in Other Securities, this last suggesting that the Bank has been buying commercial bills in the open market. Finally, and most welcome of all, the Bank on Tuesday managed to secure the bulk of the South African gold available, amounting to £696,553, even though it had to pay 84s. 10¾d. per oz., or 1¾d. above its minimum price. This, coupled with a return of an additional £878,942 of notes from circulation, has meant an increase of £1,575,505 in the Banking Department's reserve.

* * *

Maturities of Treasury Bills in the hands of the Bank helped to reduce the item Government Securities by £1,549,271, while Treasury bill repayments and other factors reduced Public Deposits by £4,559,461. The net result of all the above changes was an increase of £7,494,885 in Banker's Deposits, and this goes some way to explain this week's monetary ease. At the same time it must be emphasised that by Thursday market rate on three months' bills had dropped to $5\frac{3}{16}$-¼ per cent., or a full ¼ per cent. below Bank rate. As the New York exchange remains at about $4.85\frac{1}{4}$, or little above the lower gold point, it is not impossible that money may be stiffened up next week.

* * *

The American situation continues to be the main centre of interest. The absence of any substantial improvement in sterling is explained partly by a commercial demand for dollars and partly by the fact that immediately after the rise in Bank rate operators over-sold dollars and have since been engaged in repurchasing. Though little definite news is forthcoming, there are signs that American banks are placing difficulties in the way of further European money obtaining employment in New York, and it is even suggested that some banks are refusing to renew time deposits on foreign account. Such statements of course must be received with reserve, but it would seem that recent developments are succeeding in their object of checking the flow of money towards New York, though so far the flow has not been reversed.

	Feb. 21, 1929.	Feb. 14, 1929.	Feb. 7. 1929.	Jan. 31, 1929.	Previous Rate and Date Changed
	%	%	%	%	%
Bank Rate	5	5	5	4½	4½ (Feb. 7,'29)
Banks' Deposit Rate	3½	3½	3½	2½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	2½	2½ (Feb. 7,'29)
Houses { Notice	3¾	3¾	3¾	2¾	2¾ (Feb. 7,'29)
Market rate (3 months' bills)	$5\frac{7}{16}$-½	5½	$5\frac{1}{8}$-$\frac{3}{16}$	4⅛	...

The monthly statement of weekly balances of the nine English members of the London Clearing House for January reveals several interesting changes. Deposits are slightly higher than in December, while there is a further marked increase in acceptances:—

	Sept., 1928.	Oct., 1928.	Nov., 1928.	Dec., 1928.	Jan., 1929.
Capital and reserves	130·8	130·8	130·8	130·8	130·8
Acceptances	177·8	182·2	200·5	217·3	232·4
Deposits (incl. undiv. profits)	1,732·2	1,752·9	1,751·8	1,806·3	1,809·6
Total liabilities	2,040·8	2,065·9	2,083·1	2,154·4	2,172·8
Coin, notes, balance at bank, and cheques in course of collection	244·6	251·9	250·4	268·9	255·1
Money at call	140·7	142·7	141·8	159·9	145·[illegible]
Investments	268·3	267·4	265·4	[illegible]	274·[illegible]
Discounts	244·1	248·1	248·4	258·7	279·2
Loans and advances	929·8	937·9	940·8	944·5	956·1
Cover for Accept., premises, &c.	213·3	217·9	236·3	253·4	268·0
Total assets	2,040·8	2,[illegible]	2,083·1	2,154·5	2,172·8

On the assets side of the account there is a tendency for the banks to change over from the more liquid items of cash and call-money to those, such as discounts, investments and advances, which are of a less liquid character.

NEW YORK MARKETS.

Our New York correspondent cables:—The reserve statement shows a cessation of sales of Government securities but a continuance of the drop in bill holdings, which [illegible] on the same level as a year ago. The decrease has substantially reduced borrow[illegible] system ratio from 69·8 to 70·8. The Reserve Board will scarcely allow the bull market to hit up its old stride from this level without taking action by raising the discount rate, but there is strong opposition within and without the Reserve Board in favour of no change, lest business suffer from high money rates and the lack of confidence which a bad fall in stocks would engender. Industrial progress continues. Steel prices are firmer; railroad traffic is rising. But there is expectation that the peak activity for the year may come earlier than usual.

THE STOCK MARKETS.

After a hesitant opening, the stock markets became steadier in tone, though business was of more limited dimensions than of late. Gilt-edged stocks were firmer, but Home Rails lacked animation. Interest in the industrial markets chiefly centred on electricity and gas stocks. Rubber shares were in increased demand on the rise in the commodity to over 1s. a pound, but tea shares were easier, and oils irregular. Rhodesians were again prominent in the mining markets, but dealings in Kaffirs remained of relatively small dimensions.

THE COMMODITY MARKETS.

Reports from the principal markets this week are encouraging in a very quiet way. The weather has been favourable to the coal trade and prices are firm, though shippings from South Wales were temporarily hampered by the freezing of dock appliances. The slight improvement in pig iron continues and steel works in most districts are well supplied with orders. Manchester reports a slight recovery in foreign demand and a continuance of the recent improvement in the home market. Bradford is still waiting for wool prices to reach a workable level. The timber market is in a healthy condition. Hides and leather show a very slight improvement. Oilcakes and vegetable oils are a little firmer but seeds are quiet. Wheat has risen slightly.

FOREIGN EXCHANGES.

Sterling on New York was comparatively steady during the past week between $4.85\frac{3}{16}$ and $4.85\frac{7}{16}$, with $4.85\frac{11}{32}$ quoted at the close. Forwards were $\frac{5}{32}$ and $\frac{15}{32}$ cents discount for the one and three months' periods. A noteworthy movement took place in the Canadian exchange, which was strongly offered for both spot and forward dates. Dealings at 4.88 were recorded on Tuesday last, but a reaction to $4.87\frac{1}{8}$ occurred at the close. Such a movement must be attributed to special causes which augmented the normal heavy seasonal demands for sterling. Paris remained at 124.28, with 11 and 21 centimes premium quoted for the one and three months' forward dates. Brussels depreciated to $34.95\frac{1}{4}$, the reflection of the higher London money rates having been somewhat delayed in this case. Italy improved to 92.60, as against 92.80 a week ago, as did Holland to $12.11\frac{1}{2}$, compared with $12.11\frac{3}{4}$, and Switzerland to $25.23\frac{1}{4}$, against $25,23\frac{3}{4}$. Madrid fluctuated in erratic fashion according to the varying political news, and, after being offered up to 32.00, improved to 31.30 at the close. Forwards were 6 and 16 centavos premium. The Scandinavian exchanges continued to move in favour of sterling, while Berlin, after touching $20.46\frac{1}{4}$, improved to $20.44\frac{1}{2}$, as a result of the higher discount rates now prevailing in that centre. Among the South American and Eastern exchanges Buenos Aires depreciated to $47\frac{5}{16}$, against $47\frac{13}{32}$ a week ago, as also did Japan at Is. $10\frac{9}{32}$d., against 1s. $10\frac{15}{32}$d. Silver was irregular but closed $\frac{1}{16}$d. better on balance at $25\frac{13}{16}$ for both spot and forward. Hong Kong was 2s. and Shanghai 2s. 6¾d.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies: Underground Railways Group, Clerical Medical and General Life Assurance Society, Provident Mutual Life Assurance Association, Scottish Life Assurance, Anglo-Ceylon and General Estates, Atlas Light and Power, Borax Consolidated, South Suburban Gas, Imperial Tobacco (of Great Britain and Ireland), and Home and Colonial Stores. The important announcement as to dividend policy made [illegible] Imperial Tobacco [illegible]

LEGISLATURE AND EXECUTIVE.

Recent events in Parliament have brought into unusual prominence the question of the relations between the Executive and the Legislature. The events themselves have been trivial. There has been a mild and, on the whole, ineffective protest against according to the Minister of Health an over-riding authority to bring the Local Government Bill into operation and to make its application practical; and there has been a sustained and wholly effective protest against the scale of payments to the Irish Loyalists proposed by the Executive of the day. Nevertheless the importance given to them is entirely proper, because it is undoubtedly time that the nation should reflect how far the development of modern Society and the enormous extension of the activities of the State should affect the British theory of Parliamentary government. The basic principle of that theory is the absolute sovereignty of Parliament itself. But absolute sovereignty is at once the easiest attribute to confer and the most difficult to enforce, especially when, as in the present case, it rests upon no documentary sanction. Far from complaining of the fact that the British Constitution is unwritten, we regard the fact as its saving virtue. It attains thereby an elasticity, which enables a veil to be drawn over the failures of the House of Commons and a line to be drawn under its successes. By one of those paradoxes which disgust the logician and delight the cynic, the more safeguards men devise for a constitution the less stability they confer upon it; and the epidemic of dictatorships, which to-day, in a form more or less unconcealed, has permeated the Latin and Slav countries of Europe, is a warning that rigidity in democracy is the prelude to collapse. The case of the United States of America is no proof to the contrary, because the constitution of that country has never yet been subjected to any severe strain either by the open opponents of democracy or from a mere pressure of work. But any system whose principles are graven "not on tablets of stone but on the hearts of men" is exposed to encroachments, often unintentional in their authors, from many sides. By one form of attack the Executive and the Legislature, so far from holding opposite positions, are equally menaced. It is of the very essence of Parliamentary Government that no body outside Parliament should resist the decisions of Parliament, until Parliament itself asks for the verdict of the country, otherwise than through the Courts of Law. This means that should any statute be alleged to infringe the rights of the subject, the remedy of the persons affected lies in a suit against the Crown, and the sole duty of Parliament is to secure him the right to bring such an action if he wishes. It should be said, in passing, that this right is not yet effectually secured, and even where it is, it may be overridden by that more dangerous form of legislation—an Act of Amnesty. But this does not alter the fact that any attempt by an outside body to dictate to Parliament is directly unconstitutional, and it was this feature of the object and conduct of the General Strike which, more than anything else, brought about the collapse of that movement. Resistance to a movement of this kind is practically the same as resistance to dictation by a Sovereign, and the one principle upon which history has given the British people a right to insist is that, if they are to be misgoverned, they shall be misgoverned by Parliament and no one else.

Hence the public delight when, within Parliament itself, members justify this confidence by showing that they are the representatives of the nation and not merely delegates of particular interests. It is quite clear that when an interest recognises the supreme authority of Parliament, its first instinct is to secure special representation, amounting, if possible, to control, in Parliament itself. The symptoms of this instinct did not disappear with the passing of the epoch of George III. They exist to-day; no party is free from them; and they [illegible] carefully watched.

[illegible] whole seem to us at least equally as important question, known as the struggle between the Executive and the Legislature, of the method whereby Parliament should arrive at its decisions and enforce its will. It must nevertheless be part of the doctrine of the Sovereignty of Parliament that the Executive alone should not be able to dictate either to the Legislature or to the subject. No such power has ever been claimed in theory nor—although the fact is often disguised—is it really exercised in practice. The reluctance of a party majority to put Ministers in a minority and condemn themselves to seek re-election has led to the belief that the House of Commons is elected merely to elect an Executive. This is not so. The Committee stage of measures rarely witnesses important amendments other than those moved by Ministers, not because the Executive is omnipotent but because it is wise. Amendments are not the fruit of the unprompted sagacity of Ministers, but of consultation with their supporters, and often with their opponents outside the Chamber. It is only when this consultation is imperfect, as in the case of the compensation to Irish Loyalists, that the influence of the Legislature is apparent—but it is always exercised; and anyone who has worked in a Government Department will confirm the statement that the phrase "Parliament will not have it" is a final and often the only argument whereby a Minister persuades his permanent officials. The control of the Legislature over finance is, perhaps, rather less effective. The Estimates Committee and the Public Accounts Committee can, in the nature of things, only conduct post mortems, and the preparation and introduction of financial proposals must remain the sole responsibility of the Executive. Yet even here Ministers must respond to pressure, and only last year the dropping of the kerosene duty was a case in point. The fact is that both the Executive and the Legislature have an equal urge towards compromise, and if the one is apprehensive of dissolution the other is apprehensive of humiliation.

There remains only the point raised by the tendency to insert in statutes a power to make Departmental Orders having the force of statutes. The complexity, the novelty, and the extensiveness of modern legislation undoubtedly render some administrative elasticity essential. If the Legislature attempted to control its every detail it would be choked by the pressure of work into complete impotence. The trouble has arisen because legislation deals no longer with the broad system under which we live, but with the details of their lives. The device whereby administrative orders are laid upon the table of the House of Commons is, for the most part, dilatory without being effective. Such orders are rarely noticed at all, and, if they are, the moving of a prayer for their cancellation is a cumbersome process. It is both easier and better to challenge administrative action upon the estimates, and there have been cases, even in the present Parliament, where such a method has been effective. The House of Commons is therefore quite right to insist that the actual statute should cover all forseeable categories of administrative action, so that they are susceptible to the ordinary forms of challenge. The delegation of a pragmatic power to Departments will, no doubt, in certain cases be necessary, although it is worth noting that in the case of the most important precedent—the National Health Insurance Act—it has not been necessary to use it. The best check upon its abuse appears to us, as already indicated above, to be an indisputable right of appeal to the Courts, with some suitable provision as to the costs of the parties to the action. Another desirable suggestion, contained in a recent letter to the "Times," is that an *ad hoc* Select Committee of the House of Commons should be appointed to which such orders should automatically be sent for examination and report. Such a procedure would mean more work and more delay, but it would be justifiable. For although we have endeavoured to point out that the authority of the Legislature is, to a remarkable degree, unshaken by the enlargement of its activities and the multiplication of its problems, we are equally convinced that [illegible]

THE POSITION OF THE INDIAN PRINCES.

At this time, when the political future of the Indian Empire is under consideration in all its aspects, and when the Legislative Assembly at Delhi has just abandoned its boycott of the Simon Commission, it is patently impossible that the scope of the inquiry should be limited to those portions of India which, owing to the chances and changes of war and diplomacy a century ago, happen to be "British territory" now. Those same chances and changes put on the map of the Indian Empire, side by side with (or, rather, in and out of) British India, some score of States in treaty relations with the British Crown; and these States to-day cover more than a third of the territory of India and contain more than a fifth of its population.

Between these States and British India political divorce is inconceivable. It could only be accomplished by reducing India to the chaos out of which the Indian Empire was formed by the Moguls in the sixteenth century after Christ and was re-formed by the British in the nineteenth century; and the chaos would be far more disastrous to-day than it was even under those disastrous conditions of anarchy, in which India found herself a hundred and fifty and three hundred and fifty years ago, before Akbar's British successors, and before Akbar himself, had done their work. For to-day the Indian Empire is a country knit together internally by all the modern means of communication, a country whose parts are economically interdependent, and which, thanks to this interdependence of its parts, is able to play a great *rôle* in the economic life of the world at large as a single unit.

This interdependence of British India and the States, which is the essence of the problem, leaps to the eye at the first glance at the map. It is true that there are some regions of India in which British territory predominates, and others in which State territories predominate, but there are no clean cuts anywhere; and no sections of India which are large enough and compact enough to aspire to complete self-sufficiency consist exclusively of one or other kind of territory. It is true, again that some of the Indian States are larger, more populous and more progressive than some countries in other parts of the world which enjoy sovereign independence. Such are Hyderabad and the principalities of Rajputana (assuming that the Rajput Princes were to form a local confederation). These larger States, however, lack one important element of self-sufficiency. They are landlocked, with strips of British Indian territory intervening between them and the Indian seaboard. The comparatively few States which possess coastlines, such as Kathiawar or Travancore, are of much smaller size; but even Kathiawar and Travancore are large and compact entities compared with the majority of the States, which are mere enclaves in the territory of British India or of other States. The majority of the Indian States could no more stand by themselves in Asia than Andalusia or Brunswick or the other tiny German States that form the enclaves in Prussia could stand by themselves in Europe. It must not be forgotten, however, that the dependence is reciprocal; for if the States cannot live without British India, it is equally true that British India cannot live without the States. Lift British India out of the framework of the Indian Empire as constituted and British India and the States in unison, and it becomes a vast irregular honeycomb, with many of its main lines of internal communication cut by foreign territory, and with foreign bodies, great and small, so permeating its structure as to make it almost incapable of holding together.

Thus British India and the States are mutually indispensable; and fortunately, owing to their geographical interlacement, they have many things in common to hold them together. Indeed, they have in common all the major elements which give the Indian Empire as a whole its distinctive individuality. If one analyses the economy of India into its constituent regions and races and languages and religions, one finds that [illegible] Dravidian, [illegible] represented in British India and in the States alike. British India and the States are both woven out of the warp and woof of which India herself is made.

This is only another way of saying that the boundaries between British India and the States are arbitrary—so arbitrary that they could never have outlasted (as they have done by a century or more) the historical accidents which originally drew them where they now run, if those accidents had not been incidental to a historical process which was building both British India and the States, as fast as it was creating each of them, into the common framework of a single empire. For if we go back to the origins, we can find parallels in British India to the genesis of almost every Indian State on the map. Hyderabad, the premier State in the Indian Empire under the British Raj, had the same status under the Mogul State as Bengal, which is now the premier province of British India. The State of Kashmir and the British province of the Punjab are both fragments of the Sikh "successor-States" of the Mogul Raj; the States of Gwalior and Indore and the British Central Provinces are all fragments of the Maratha "successor-States" of the Mogul Raj. The Rajput principalities are in substantially the same relation to the British Raj to-day as that in which they stood to the Mogul Raj in the seventeenth century. It was historical accident that differentiated the status of those other territories, though always within the larger unity of the Indian Empire, when the British rebuilt the Mogul building out of the old material but on firmer foundations and on a better plan.

Now the Indian Empire, as rebuilt by the British seems likely to endure as a political structure long after the British builders have handed over the responsibility for the upkeep to the Indian inmates of the house; and this prospect of long life which the Indian Empire happily has before it bears directly upon our problem; for it is evident that, the longer the Indian Empire lasts, the more closely will British India and the States become assimilated to one another. Look at an historical analogy of the Roman Empire. In the age of Augustus it presents as variegated a picture as the map of the Indian Empire to-day, with the Roman provinces interwoven with Oriental client principalities, Greek free cities and Gallic self-governing cantons—some of them enjoying their autonomy in virtue of treaties with Rome and others at the Roman Government's pleasure. That might be the picture of the Indian Empire now; but open a Roman atlas two centuries later and you will find that the variety has been levelled down to uniformity and to a single status and a single form of administration has come to prevail through all the territories contained within the Imperial frontiers. Or observe the evolution of the modern German Reich since its foundation in 18[illegible]. During this short period of little more than half a century the tendency towards centralisation and uniformity has grown and is growing with a steady acceleration. With every year that is added to the life of the Reich as a whole, the distinction between Prussia and the other Prussian States within the framework of the Reich grows fainter. This tendency towards internal uniformity is evidently inherent in all territorially compact empires which are solidly built on firm foundations; and we imagine that in the Indian Empire to-day this is realised by all statesmen of ability and vision, whether they happen to be autonomous princes or British Indian politicians.

The practical problem is: In what fashion is this natural and perhaps inevitable process of internal assimilation to work itself out? Is it to happen through revolution and violence or through evolution and mutual consent? The choice between the alternative methods is vital; for though both might produce the same ultimate picture on the map, they would produce utterly different effects upon the political development of the Indian people.

This practical problem is raised by the fact that [illegible] to-day democracy is in the ascendant. If autocracy [illegible] in the ascendant there, no practical problem [illegible]

[illegible] the little autocrats, his client princes, would take it as the most natural thing in the world, as they did when the Cæsars of Rome ate up their client princes of Mauritania and Cappadocia and Judea. For subject peoples, a big autocrat is apt to be an improvement upon a small one; and no problem arises over the change because no question of political principle is involved. It is quite otherwise when, as in India to-day, democracy is in the ascendant and autocracy on the wane, and when the movement towards democracy, while discernible in the States as well as in British India, has not moved at an even pace in both parts of the Indian Empire. If the political life of India were stationary or retrograde, the internal assimilation might go forward automatically without any political decisions having to be taken. Culturally, as we have noted, the States and British India have been created out of the same fundamentally Indian elements; economically, the modern means of communication and production and exchange are drawing them ever closer together. It is the movement towards self-government that is now altering the original conditions under which some territories in India were annexed by the British Crown and others brought into treaty-relations with the British Crown in the past. The pre-supposition of all these arrangements was that the sovereign Power in British India was identical with the Power which was the other party to the treaties with the Indian Princes; and so long as the ultimate sovereignty of British India remains vested in the Government of the United Kingdom, that pre-supposition holds good. If, however, British India acquires Dominion status, the sovereign in British India will then be, not His Majesty's Government at Westminster, responsible to the Parliament of the United Kingdom, but His Majesty's Government at Delhi, responsible to the British Indian legislature. The question will then arise: In these new circumstances, will the Crown, as party to the treaties with the Princes, have to act on the advice of the Government at Delhi or on that of the Government at Westminster? In the former alternative, the Princes lose the security of their direct relations with the Government of the United Kingdom; in the latter alternative, the existence at Delhi becomes the ultimate political authority for one part of the Indian Empire, while the Government at Westminster remains the ultimate political authority for the other. Thus, if British India attains Dominion government in the form of Dominion status, the constitutional problem presented by the treaties between the Crown and the Princes will be difficult; and, *à fortiori*, it is obvious that, if British India became a sovereign independent state, the problem would be almost insoluble. For then the Princes would remain in treaty relations with the United Kingdom and would find themselves in no political relation at all with the rest of India.

This explains the very important resolution which, on Wednesday, February 13th, was moved in the Chamber of Princes at Delhi by the Maharajah of Patiala the Chancellor, was seconded by the Maharajah of Kashmir, and was voted unanimously:—

"While adhering to their policy of non-interference in the affairs of British India and repeating their assurance of sympathy with its continued political progress, the Princes and chiefs composing this Chamber, in view of recent pronouncements of a section of British Indian politicians indicative of a movement towards complete independence, desire to place on record that, in the light of their mutual obligations arising from their treaties and engagements with the British Crown, they cannot assent to any proposals having for their object the adjustment of equitable relations between the Indian States and British India unless such proposals proceed upon the initial basis of the British connexion."

The "equitable relations" which we envisage are that the larger Indian States should evolve internally into democratic constitutional monarchies and, as such, should eventually enter into a federation with the present provinces of British India as States members of an all-India Commonwealth enjoying democratic self-government both as a whole and in its several parts. If this is the right solution, it is obvious that the key to it is to be found in maintaining the connexion between British India and the British Crown, since the Crown [illegible] States. [illegible] the Indian Empire might possibly be [illegible] trous results for the Indian people; but it is hardly conceivable that they could come closer together, as they must do in the end if the ideal of an All-India Commonwealth is to be realised by mutual agreement.

A PROTECTIONIST MARE'S NEST.

We had occasion a month ago to draw attention to a new line of thought along which the minds of certain Protectionists were moving—namely, that since capital has become internationally mobile while labour retains its comparative immobility, and since certain of the old classic economists included in their Free Trade arguments the circumstance that capital was unwilling (in those days) to migrate, therefore the bottom has dropped out of the case for Free Trade. We had hoped that this idea, which has apparently taken a century to mature in the Protectionist mind, had been nipped in the bud. But the correspondence columns to-day show that the argument is still claiming attention among thinkers in the fiscal camps, and a further sign of its survival is to be found in a letter which Mr. Carlyon Bellairs addressed to the "Times" last week. In that letter he revived two "favourite contentions of the Free Importers which have been dropped. The first is:—

> Free imports enabled our capital to be most remuneratively employed within our country. That contention has long ago been discarded in face of the fact that it is more or less remunerative spent abroad and interest comes back to us in imports that help to employ British labour.

In a way this new little controversy is refreshing. As a rule our complaint is that the Protectionist is unwilling to look at particular industries one by one in water-tight compartments, and then argues from the particular to the general. But in the new argument regarding the mobility of capital we find the process reversed and the Protectionist arguing from the general to the particular. Mobility of capital means that British subjects go abroad to employ foreign labour, Protection will help to concentrate this capital at home employing British labour—so runs the argument; and the fallacy unless we misjudge the intentions of the gentlemen who use these arguments, Mr. Baldwin must have supported his attempts to extend the existing Protection to certain industries piecemeal. Or do we mistake them? Are they, on the other hand, out for a full measure of general Protection such as Mr. Baldwin disavows?

We cannot be sure of the answer to these questions. Nor does it greatly matter. What matters at the moment is that at a General Election, which is rapidly approaching, the British people are to be asked by the Government to sanction the erection of machinery for the piecemeal and unlimited extension of Protection to industries not protected at present; and into the argument on the Protectionist side has been imported this idea that the mobility of capital demolishes the case of those who oppose this extension. We have been at pains to discuss the basic points on which protagonists of this idea rested, and even now we can only distinguish two amid the welter of irrelevancies served up by Mr. Graham and his friends. The first is that because the early economists adduced the immobility of capital among their arguments for Free Trade, therefore, since capital is not wholly immobile, the Free Trade case is dead; and, secondly, that capital invested abroad does not employ British labour. The first contention is too patently ridiculous to require serious refutation. Has the bottom fallen out of the Christian doctrine because circumstances of life have changed since the days when the Gospels were written? Have Conservatism or Liberalism no longer any meaning because arguments used by Disraeli and Gladstone are no longer applicable? Does the earth cease to revolve round the sun because of Einstein's theories? The second contention requires, on the other hand, the most [illegible]

(2,500 millions), net shipping freights (666·66), St. Peter's penny, viz., gifts to the Holy See and miscellaneous, 400 millions, (and some doubts are reasonable about freights, owing to the merchant marine world crisis), it seems that an estimate between 3,500 and 5,000 million lire may be reached on the credit side of the balance. There remains a gap of from 3,500 to 5,000 to be filled. As Italian loans issued in foreign countries in 1928 were negligible the gap must have been filled by several sources: sales of Italian joint-stock companies' shares, short credits obtained by Italian banks and firms, sales of bills and assets held by Italian firms in foreign countries and sales of bills and assets by the Bank of Italy. Only this last item can be ascertained exactly: the total gold and gold assets of the Bank of Italy decreased by 1,035·1 million lire, from 12,105.9 at January 10, 1928, to 11,070.8 at December 31, 1928.

As to the causes of the exceptional state of the balance of payments, Professor Mortara, in a thoughtful essay in the *Giornale degli Economisti*, is of opinion that an exceptional increase in imports, not a decrease of exports, is the main cause of it; that the imports increased mainly owing to bad agricultural yields and to replacement of industrial stocks which fell excessively during the 1927 revaluation crisis; that the growing imports of raw materials are an index of increasing industrial activity. His forecast is that in 1929 food imports will again be heavy, that raw material imports will increase further, and that the improvement in industrial activity may lead to increased exports of manufactures. Italy appears to be passing through a temporary crisis of adjustment, when imports are increasing toward capital equipment of a growing industrial and agricultural activity, but the consequent flow of export goods is as yet not abundant enough. An analogous process went on in Germany in the past two years; and it will perhaps prove in the end to have been for the good of both nations. The technical difference between Germany and Italy is probably that Germany relies on long-term indebtedness, whereas Italy, more optimistically, is content with short credits. Perhaps there are abroad hidden resources, the property of Italian firms and individuals, accumulated in war and post-war years, on which Italy can draw. If and in so far as this is so, the indebtedness is only apparent and amounts to nothing more than the repatriation of national assets, temporarily located in foreign countries. The speech of Signor Stringher at the general meeting of the Bank of Italy, due at the end of February, is this year awaited with unusual interest, as it is widely hoped that it will throw light on this problem of international payments, which is at the moment the most momentous problem with which Italy is confronted.

SMALL SAVINGS.

THE new schemes evolved by the National Savings Committee for the encouragement of thrift among industrial workers have drawn fresh attention to the valuable work being performed throughout the country by Savings Associations. An essential feature of both schemes, reference to which was made in the *Economist's* issue of December 22, 1928, is that the existence of a voluntary Savings Association, managed by a joint committee of employers and employed, is presupposed. Under "Scheme 9"—the first of the two new plans—the employee undertakes to save an agreed amount weekly towards the acquisition, through a Savings Association, of an agreed total number of Certificates. The employer, who can cover his risk under an insurance policy at a very moderate cost, undertakes to make up the employee's savings to the pre-arranged total should he die before accumulating that sum through his own efforts. Under "Scheme 10," the employer is simply invited to agree to add a Certificate, by way of *ex gratia* bonus, when the employee has subscribed through the Savings Association for a pre-arranged number of Certificates. As testimony to the vitality of the Savings Association movement, on which these new plans for industrial thrift have been grafted, it may be mentioned that at the end of last year in England and Wales there were over 27,000 Associations at work, including 16,000 in the elementary schools. Up to December 29, 1928, over 590 million certificates had been purchased, representing a cash value of some £698 millions. Deducting realisations, the amount of principal remaining invested at that date was about £362 millions, a figure which is brought up to approximately £485·5 millions by the interest accrued. In addition, Saving Certificates to the value of £10·5 millions had been converted into the 4½ per cent. Conversion Loan or National Savings Bonds.

These are impressive figures; and though the bulk of the net investment (subscriptions less realisations) in Savings Certificates took place between 1916 and 1922, it is satisfactory that after eight years of persistent depression in many fields of industry there should still be this solid monument to thrift, to which—if we may accept as still valid the estimate made in 1923 by the Montagu Committee—"at least half" has been contributed by the efforts of the "small saver." When we proceed, however, to look beyond this one medium of investment, and to explore the general question of the recent rate of "small saving" in this country, we are faced at once with difficulties as great as those involved in attempts to estimate the aggregate value of the accumulated total. But, though no precise conclusions can be reached, it may be of interest to examine the nature of the available evidence.

As an indication of the rate of saving, there is first the return published annually by the Post Office Savings Banks. For the five years 1923-27, withdrawals exceeded receipts by £17 millions, while the amount of Government securities standing to holders' credit fell by £18 millions, a total loss of £35 millions (excluding interest accrued on deposits), against a gain of £12 millions in the five years 1909–13. Turning to the Trustee Savings Banks, we find in the same post-war quinquennium a decrease on balance of £11·9 millions in deposits (before crediting interest accrued), offset in part by an increase of £5·7 millions in the amount of Government stock held for depositors. On the debit side of the account we may also place a fall of about one million pounds in the deposits of the Yorkshire Penny Bank. On the credit side there is an increase (apart from interest credited) of £1·3 millions between 1922 and 1926 in the deposits of the Railway Savings Banks, and a surplus of over £14 millions recorded by cash purchases, less sales, of National Savings Certificates, of which £7 millions may be regarded as "small savings."

So far, taking the obvious avenues for the investment of savings by individuals of small means, and making due allowance for discrepancies between the dates of the various published returns, we find no evidence at all of "new" savings having been effected on balance during these five years. Instead, an average decline of some £8 millions a year is disclosed,—a decline converted, it is true, into a substantial rise by the crediting of accrued interest, which may be regarded perhaps for our purpose as "savings once removed." There are, however, other media for thrift commonly utilised by those of small means. At this point we enter a field of saving in which it seems necessary to make certain rough and ready distinctions. We must differentiate between "purposive" saving for eventual consumption, "purposive" saving whose accumulation becomes "capital," and what may be termed "corporative" saving, as opposed to saving by individuals. Under the first head we may group the bulk of the increase in the total funds of Societies registered under the Friendly Societies Act, an increase which amounted to £17 millions between 1922 and 1927. The greater part of subscriptions to these funds represents spending "deferred" in order to ensure the provision of medical attention, burial expenses, and similar benefits in case of need. To a lesser extent, but in the same manner, the premium income of Industrial Assurance and Collecting Societies (£222 millions between 1922 and 1927) represents in the main abstention from immediate spending in order that dependents may have subsequently the power to "consume." Under "purposive" saving for "capital" purposes we may class the increase in the share capital and deposits of building societies, which amounted in the five years 1923-27 to the remarkably large total of £110 millions—a striking reflection of the

housing shortage. Finally, in the category of "corporative" saving, we may place the increase in the accumulated funds of Trade Unions and of Industrial and Provident Societies (the bulk belonging to the Distributive Trading Societies)—an increase amounting between 1922 and 1926 to roughly £38 millions.

There remain two insoluble questions,—how far "small savers" are investing the fruits of their thrift directly in such securities as Government stocks (other than those held through the Post Office and Trustee Savings Banks), Corporation Stocks, Investment Trusts (two media certainly popular with the "middling" and "petty" bourgeoisie), and in Joint Stock enterprise in general; and, secondly, the extent to which "small savers" still accumulate cash in the sterile form of private "stockings." We are here in the realm of pure conjecture, but the opinion may be hazarded that private "hoarding" is now an almost negligible factor, and that the bulk of the investments in Government, municipal, and joint stock securities held by individuals not liable to income tax represents in the main inheritance rather than "new savings."

Various estimates have been made in recent times of the aggregate capital in the hands of the "small" man, but none can be considered as even approximately precise. If we add together the figures, estimates in part, for 1927–28, of Saving Certificates in "small" hands (£248 millions), deposits and Government stocks in Post Office and Trustee Savings Banks (£591 millions), Yorkshire Penny Savings Bank Deposits (£28 millions), and the aggregate funds (a total involving some duplication) of all "registered societies,"—including Railway Savings Banks, industrial assurance companies, building societies, and co-operative societies,—some £750 millions, we arrive at a figure of £1,617 millions, to which must be added an unascertainable amount of joint stock and Government security holdings, and a proportion of life and annuity funds in companies other than industrial assurance companies. On the whole, it appears not unreasonable to conclude from this survey of the available data that the total wealth belonging to the "small saving" class lies between the limits of £1,700 and £2,000 millions, or, say, between 10 and 12 per cent. of the estimated aggregate national wealth; that this sum includes a substantial proportion of (*a*) "purposive" savings, by way of insurance, destined to be spent by the savers or their dependents before death, and (*b*) "corporative" savings, *e.g.*, in co-operative societies,—over whose direction the individual has no control; and that even when accrued interest is included, the aggregate annual savings (apart from savings for the foregoing purposes and for the building of houses) of all those whose incomes are below the income tax exemption limit are a relatively unimportant factor in the national economy when compared with the total annual savings of the country, estimated by the Colwyn Committee to amount to £450–500 millions a year, and to be barely adequate, at that level, for the maintenance of national well-being.

In brief, the value of thrift on the part of those whose means are not greatly in excess of the level which affords a tolerable standard of life, from the individual point of view, is predominantly moral rather than economic. To regulate expenditure so as to attain what Mr. Micawber considered to be the basis of contentment, and to order the appetites, so that at the year's end a surplus, however small, of earnings over spendings may be available for investment, is a policy which represents at least the half-way house to good citizenship. At the same time, while appreciating to the full the estimable work performed by the National Savings Committee and all other bodies concerned with the encouragement of "popular" thrift, let us face the fact, unpalatable though it be to proponents of the equalisation of incomes, that it is to the surplus over expenditure of the larger and not readily "consumable" incomes that we have to look for the savings necessary for the maintenance of our industrial economic structure.

Notes of the Week.

Local Government Bill, Third Reading.—A third reading debate on a measure of this sort, which has had a full-dress second reading, and has then been discussed clause by clause in Committee of the whole House, and again on Report, tends to be rather tedious. New arguments rarely make an appearance, and no speaker really hopes that his views will be incorporated in the Bill before it becomes law. Mr. Chamberlain, in a very able and lucid speech, sought to prove that the amendments made in Committee had greatly improved the Bill without altering its principles. But can he have had his tongue in his cheek when he said of one of his amendments: "It is a concession which has given very great satisfaction throughout the country. . . . It is a slight further postponement of that time when the Bill will come completely into operation"? He estimates the cost of the new financial concessions at about £700,000 a year, excluding the enlargement of Road Fund grants. The various qualifications, however, so hedge about the distributive provisions of the Bill that little evidence of their operation can appear for some years. Opposition criticism was chiefly concentrated on this part of the Bill. Mr. Pethick-Lawrence in particular sought to show how meaningless the guarantee of a shilling per head gain may be if the obligations and undertakings of local authorities are increased, and have to be borne by greatly reduced total rateable values. Mr. Greenwood and Mr. Ernest Brown (both of whom have heightened their parliamentary reputations in the debates on the Bill) exhibited once more the failure of the "formula" substantially to improve the present distribution of grants, and several opposition speakers complained that rating relief was badly distributed or insufficient. There seems to be a lamentable lack of knowledge in all parts of the House, including the Government front benches, as to whether the relief is meant to stay with the recipients or to increase their competitive ability by causing them to reduce their prices. The Government have certainly preserved the main structure of their Bill, but they have not altogether convinced some of their supporters that health services are not being harmed or that the wide powers given to the Minister are absolutely necessary. From an electoral point of view, the Liberal and Labour parties have no cause to fear the presentation to the electorate of a measure whose good provisions—and they are not few—are far less obvious and more difficult to explain than its errors and omissions.

Irish Loyalists and the Government.—It is not often that the modern back-bench supporter of the Government is aroused sufficiently to give his leaders a bad time, but experience even in the present Parliament has shown that Ministers can impose too great a strain upon the docility of their followers. The cause of Tuesday's trouble was a very simple one, which should easily have been foreseen by the Government. The Minister for the Dominions asked the House for a supplementary vote, to cover the cost of paying compensation to Irish "Loyalists" for damage inflicted upon them during the troubles attending the birth of the Free State. Mr. Amery, in introducing the vote, reviewed briefly the reasons for which it was required, but made it clear that even with the additional sum at their disposal the Government did not intend to meet all claims in full. Then the storm broke from the Conservative back-benches. The Government were informed none too politely that they were attempting to shirk a debt of honour, and that the only ground justifying such an action was virtually that of an empty Exchequer. In reply, Mr. Churchill attempted to defend the Government's action, not indeed by the plea that in point of fact the Exchequer was empty, but by an argument of a kindred nature, namely that of the need for economy. This halting attempt by the Chancellor to argue in favour of economy before a House seized with the spirit of doing justice at all costs was very roughly handled by Lord Hugh Cecil, and it was clear to the Whips that the issue must not be allowed to go to a division. So, in the end, Mr. Baldwin was called in hurriedly to move to report progress, or in other words, to withdraw the vote for

reconsideration by the Government. Several facts emerge from this incident. The first and probably the most important is that despite developments referred to in a leading article in this issue of the *Economist*, the House of Commons has a will of its own which at times it is prepared to exercise even against the Executive. The second and minor fact is that Mr. Amery and Mr. Churchill have between them succeeded in causing their colleagues in the Cabinet a temporary embarrassment at the hands of their own party. While welcoming this ebullition of independence on the part of private members, we condole with the Chancellor on the rude rebuff administered to one of his too rare—and probably justifiable—efforts to tighten the purse strings of the Exchequer.

A Fresh Attempt at Naval Limitation.—In the vitally important matter of securing a limitation of navies and an agreement between the naval Powers regarding the conditions under which navies are to be used, the distinction between strategy and tactics has to be observed. Strategically, all parties ought to be perpetually active, for the future of mankind depends on a solution of this problem, and, on a long and statesmanlike view, we have no time to lose. Tactically, on the other hand, it is obviously wise to pick and choose between times and seasons, and to take the most favourable moments for making overtures or gestures which, if they miscarried once, could not be repeated with the same prospect of success. Thus, the British Ambassador at Washington showed himself a good diplomat in waiting until the 15th of this month, when the Cruiser Bill had passed the Senate at Washington, before expressing the personal opinion that a fresh effort would soon be made on the British side to bring about an agreement between the principal naval Powers. Sir Esmé Howard appears to have expressed this view in answer to inquiries from the American Press regarding certain reports which it had received from Great Britain. Sir Esmé Howard's expression of opinion has since been followed by a statement from the Foreign Office, which uses more precise and cautious language without contradicting what the Ambassador said. On the 6th of this month Sir Austen Chamberlain informed the House of Commons at Westminster that the Government were engaged in examining "all questions concerning our relations with America and the naval conditions of the two countries." We are now informed that when this examination is concluded the first step will be to communicate the results to the Dominions; and this statement implies that a definite plan of action is in contemplation. It may well be that His Majesty's Government will not be in a position to approach the United States Government until after Mr. Hoover has replaced Mr. Coolidge at the White House, and until after a new Government has come into office as a result of the General Election in this country. This is no ground for despondency, for conditions may well be more favourable after these two domestic changes than they are now.

The I.L.P. New Model.—The main item in the report which the National Council of the I.L.P. will present to the party conference at Easter is a striking example of leadership stimulated from the back. At last year's conference at Norwich, the Council's comparatively "gradualist" plans for the attainment of a universal Living Wage were torpedoed by a resolution roundly declaring for "the establishment by law of a living wage for all workers, irrespective of occupation." Thus "gingered" by their followers on the Left, the National Council has evolved a new scheme. It is now proposed that the first act of a Labour Government should be to determine a Living Income standard, which should be applied immediately to all public and semi-public utilities and services. The next step should be to make the Living Income standard the basis for unemployment, Poor Law and pensions allowances. Finally, *pari passu* with the progressive nationalisation of industry, all concerns remaining under private control should be required to raise their wage rates up to the standard within two years, a special Excess Profits Duty being levied in the interim on all firms paying less than the statutory minimum. Whether this accelerated time-table for the transit to Utopia will satisfy the more impetuous standard-bearers of "Socialism in our Time," remains to be seen. It may be safely concluded, however, that the great majority of the electorate is unlikely to be impressed with a plan which begins by saddling those engaged in our productive and exporting industries with an aggravated burden of "sheltered" wage-costs, and a fantastic load of taxation for the benefit of the non-productive, and which ends with a proposal whose effects (given what the I.L.P. defines as a "politically defensible minimum") could only be unemployment on an unthinkable scale.

Marketing British Goods.—At the Mansion House banquet, given to the leading exhibitors and buyers attending the British Industries Fair, the Prince of Wales propounded a cogent question, which he has put on similar occasions in the past: "Is the salesmanship of this country up to the standard of the workmanship of the men?" In undue concentration on "the science of selling," to the neglect of the technique of production, there may, indeed, be dangers; but there is ground for fearing that in a number of industries our manufacturers have not yet given sufficient attention to studying the special needs of foreign markets, or to the important question of securing efficient representation "on the spot." The forthcoming report of the Advisory Committee on Education for Salesmanship, to which the Prince referred in his speech, should provide industrialists with valuable food for thought. The steady growth of the Fair itself, whose two sections at London and Birmingham have attained the dimensions of a great annual exhibition, is an encouraging sign of the vigorous development of many of our "newer" industries, and of the efforts which our older trades are making to adapt themselves to altered conditions and changed requirements. If the possibilities of overseas markets are to be utilised to the full, these efforts must be supplemented by the determination of manufacturers to see that the goods which they produce are such as to suit the home tastes and temperaments of our customers abroad, and that their merits are brought to the notice of potential foreign buyers by salesmen who have studied the requirements and psychology of the markets with which they are concerned. The Prince of Wales is one of the most widely-travelled of British subjects, and he has given frequent proof of his powers of observation. The emphasis which he laid on the need for greater study of "scientific selling" deserves the fullest attention of all those in this country who produce for export.

The Trend of Production.—The Board of Trade have just issued their production index numbers for the last quarter of 1928, and also for the year as a whole. The figures for the last quarter, when compared with those for the third quarter are distinctly encouraging. The general index for all groups has arisen from 100·1 to 107·6, and for manufacturing industries—that is, excluding mines and quarries—from 104·4 to 111·7. Among the subsidiary index numbers, iron and steel has risen from 97·4 to 105·2, non-ferrous metals from 109·9 to 119·8, and textiles from 91·9 to 101·2. The year's figures are naturally less encouraging, as they include the summer set-back as well as the autumn revival. Comparing 1928 with 1927, the index for all groups has fallen from 106·8 to 105·2, and that for manufacturing industries from 109·9 to 109·2. The biggest declines are in mines and quarries, iron and steel, and leather and boots and shoes. Considering the results, as a whole, it is clear that definite progress has been made since 1924, the base year, which in these calculations is equated to 100. At the same time though the present trend of production is in the right direction, the improvement has not been sufficient to carry the 1928 average above the 1927 level. There is ground for hope, however, that if the present trend is maintained, the 1929 average may turn out to be easily the best of the three years.

Cost of Living.—The cost of living at the end of January, showed a fall of 2 points as compared with the end of December. At February 1st the index number of the Ministry of Labour stood at 65 per cent. above the level of July, 1914. This compares with 67 per cent. on January 1st, and 66 per cent. a year ago. For food alone, the percentage at February 1st was 56, as compared with 59 per cent. a month ago and a year ago. The following table shows the monthly movements of the index figure over a number of years:—

AVERAGE PERCENTAGE INCREASE over JULY, 1914.—All Items. (Food, Rent, Clothing, Fuel, and Light, &c.)

1st Day of	1918.	1921.	1924.	1925.	1926.	1927.	1928.	1929.
	%	%	%	%	%	%	%	%
January ...	85–90	165	77	80	75	75	68	67
February ...	90	151	79	79	73	72	66	65
March.....	90	141	78	79	72	71	64	...
April	90–95	133	73	75	68	65	64	...
May	85–100	128	71	73	67	64	64	...
June	100	119	69	72	68	63	65	...
July	100–105	119	70	73	70	66	65	...
August	110	122	71	73	70	64	65	...
September..	110	120	72	74	72	65	65	...
October.....	115–120	110	76	76	74	67	66	...
November ..	120-125	103	80	76	79	69	67	...
December ..	120	99	81	77	79	69	68	...

The reduction in the cost of living during January was chiefly due to reductions in the prices of eggs, bacon, fish, butter and cheese.

Employment in January.—The decline in employment which took place during the last week of December was followed by an improvement during January. At the end of the month, however, the position was worse than in the third week of December, and was about the same as at the end of November. According to the *Ministry of Labour Gazette*, among the 11·9 million workpeople insured under the Unemployment Insurance Acts of Great Britain and Northern Ireland, the percentage unemployed (wholly and partially) at January 21st was 12·3. This compares with 11·2 per cent. at December 17th, and 10·7 per cent. at January 23, 1928. The total number of registered unemployed at January 28th was approximately 1,434,000, as compared with 1,565,000 at December 31, 1928, and 1,199,000 at January 30, 1928. The following table gives the monthly movements in the unemployment percentage for some years past:—

PERCENTAGE UNEMPLOYED AMONG INSURED WORKPEOPLE in GREAT BRITAIN and NORTHERN IRELAND.

End of—	1922.	1923.	1924.	1925.	1926.	1927.	1928.	1929.
	%	%	%	%	%	%	%	%
January	16·2	12·7	11·9	11·5	11·0	*12·0	10·7	12·3
February	15·7	11·8	10·7	11·3	10·4	10·9	10·4	...
March	14·6	11·1	9·9	11·1	9·8	9·8	9·6	...
April.....	14·4	10·9	9·7	10·9	9·1	9·4	9·6	...
May	13·5	10·7	9·5	10·9	*14·3	8·7	9·9	...
June	12·7	11·3	9·4	11·9	*14·6	8·8	10·8	...
July.....	12·3	11·5	9·9	11·2	*14·4	9·2	11·7	...
August ...	12·0	11·8	10·6	12·1	*14·0	9·3	11·7	...
September	11·9	11·7	10·8	12·0	*13·7	9·3	11·4	...
October	12·0	11·7	11·1	11·4	*13·6	9·5	11·8	...
November	12·4	11·5	11·0	11·0	*13·5	9·9	12·2	...
December	12·2	10·7	10·9	10·4	*11·9	9·8	11·2	...

* Excluding workpeople in the coal-mining industry who were disqualified for unemployment benefit owing to the dispute.

Employment was reduced in the building trade, public works contracting, and the brick and tile, artificial stone and cement industries. Unemployment also increased in the pottery, glass bottle, tinplate, general and constructional engineering, and the miscellaneous metal trades. Other industries experiencing a decline in employment included the woollen and worsted, silk and artificial silk, hosiery, lace and carpet industries, textile bleaching, dyeing and finishing, the leather trades, tailoring and dressmaking, the food, drink and tobacco industries, other than grain milling, the furniture and woodworking, printing and paper industries, and the distributive trades. There was, however, some improvement in shipbuilding and ship-repairing, marine engineering, the linen textile industry and hat and cap manufacture. The position in the coal mines showed very little change.

Electricity Supply, 1927-1928.—The eighth annual Report of the Electricity Commissioners covering the period 1st April, 1927–31st March, 1928, supplies the usual statistical information regarding the development of electricity supply in Great Britain. On the 31st March, 1928, there were 642 authorised undertakers in Great Britain—an increase of 19 over the previous year. Of this total, local authorities numbered 376, power companies and persons, 261, and joint electricity boards and authorities, 6. The total output of electricity for authorised undertakers amounted to 8,551,000,000 units, with an addition of 1,377,000,000 units for railway companies, tramway authorities and non-statutory undertakings, the grand total being, therefore, 9,928,000,000 units. If we examine the statistics of individual stations, we find that 20 stations, out of a total of 570 recorded, were responsible for 40·9 per cent. of the total output, while 170 stations, with an average output each of more than 10,000,000 units per annum, accounted for 93·6 per cent., the remaining 400 being responsible for 6·4 per cent. These statistics serve to show that the work of concentration of output in the large stations is already far advanced. The new generating stations authorised during the year had an aggregate capacity of 246,642 kilowatts, compared with 236,100 kilowatts in 1926–27, while extensions to existing stations required 421,715 kilowatts, compared with 539,504 kilowatts. The final total, 668,357 kilowatts, is more than 107,000 kilowatts less than that recorded in 1926–27. One reason for such a decline may be found perhaps in developments under the national reorganisation of electricity supply which is now being carried out by the Central Electricity Board. The Report of the Electricity Commissioners devotes some attention to the prospects of wider territorial development of electricity as a part of the work of the Central Board, and shows that areas in which electricity supply is already available or is authorised now amount to 89 per cent. of urban territories, containing more than 97 per cent. of the urban population, and nearly 42 per cent. of rural districts, containing 67 per cent. of the rural population. This would point to very widespread use of electricity, but the Electricity Commission makes no distinction between areas which are adequately supplied with electricity as apart from areas where supply is merely authorised. This distinction is essential to an understanding of the position. The actual expenditure by local authorities, which the Electricity Commission approved during 1927–28, totalled £18,020,000, which is the highest recorded since 1921. During eight years, expenditure on electricity supply by local authorities has been given as £102,587,000. To this, of course, should be added expenditure by the power companies, which is not given. A final section of the report surveys the position of power equipment in industry in 1924 as given in the Census of Production. The latter shows that the estimates made by the B.E.A.M.A. have been close to the mark. The B.E.A.M.A. estimated the total capacity of electric motors in the industry at 7,900,000 h.p., which is 42,000 h.p. less than the official total, and the total capacity of all plant installed, including the electricity supply industry, as 16,500,000 h.p., 81,000 h.p. more than the official total; while it gave the capacity of electric generators as 6,630,000 kilowatts, 123,000 kilowatts in excess of the Census total. It is curious, in this connection, that the Electricity Commission should have misunderstood the estimate of 34 per cent. given by the B.E.A.M.A. as the capacity of electric motors driven by prime movers in industry, compared with the total capacity of all prime movers. The Census figures show that, in 1924, such a percentage was only 31 per cent., but that the capacity of all electric motors, including those driven by purchased energy, was about 52 per cent. These statistics serve to show that Britain, electrically, has still very considerable leeway to make good.

Iron and Steel Production in January.—The iron and steel production figures for January are the most encouraging of any in recent months. The number of blast furnaces in operation increased by seven during the month to 139, and production of pig iron rose by 23,500 tons to 563,900 tons, an increase of 4 per cent. Steel production rose from 683,100 tons in December to 764,600 tons in January, compared with 626,200 tons in January, 1928. The production would have been higher but for the holidays taken at the New Year in Scotland and the North-East coast. The January steel production is thus

higher than in any month since March last. After having fallen to 183,600 tons in December, the lowest point since May, 1926, imports rose in January to 244,300 tons. Imports of pig iron; billets, blooms and slabs; sheet and tinplate bars; iron and steel bars and shapes; and girders, joists and beams, all registered increases. Exports also increased, and at 421,200 tons have only been surpassed on two occasions since the end of the war, namely, in May, 1927 (422,400 tons), and May 1923 (424,500 tons). The biggest increases took place in galvanised sheets (53,600 tons to 82,500 tons), tinplates and sheets (34,300 tons to 48,200 tons), and railway rails (21,800 tons to 34,000 tons). While production is encouraging it is doubtful if present prices are very remunerative, but the tendency is in the right direction—the Board of Trade price index shows that iron and steel prices have been gradually hardening since August last, when they were 11·7 above 1913 till January, when they were 12·5 per cent. above. At the meeting of the Exchange at Middlesbrough on February 12th the price of Cleveland No. 3 pig iron was increased for the first time since March 13th last; the increase amounted only to 1s. per ton, but it is symptomatic of the more favourable outlook.

Lancashire Cotton Corporation.—Our Manchester correspondent writes:—The work and developments in connection with the Lancashire Cotton Corporation, Ltd., continue to excite great interest in all sections of the Lancashire industry. In addition to the financial proposals there is much curiosity with regard to the personnel of the officials about to be appointed. Applications are now being received for a secretary, an accountant, a head buyer for mill stores and a mill surveyor and architect. It is understood that applications for membership have been received from about 70 companies, and these mills are now being valued, and the terms on which they can be absorbed will be forwarded in due course. At the end of last week Sir Kenneth Stewart, the chairman, addressed a special meeting of the members of the Cotton Yarn Association on the aims of the recently registered Lancashire Cotton Corporation. Great Britain, he said, still had an enormous export trade in cotton goods and in a great many ways showed efficiency in conducting it. At the same time, they were not satisfied with the loss of 2,000,000,000 yards per annum sustained in the last 15 years. They believed that they could get back some of this, but to do so would require careful work along lines which were rather new to the cotton trade. They must be prepared to standardise certain lines of goods and try and put them into the hands of their customers at lower prices than their foreign competitors. They must take the initiative and try to organise mass selling of such types of goods as they had lost. It is now recognised in Lancashire that twelve months ago, when the scheme of the Cotton Yarn Association for the amalgamation of spinning mills was formulated, the idea was to bring about a combination of mills and nothing more. During the intervening months, however, the promoters have become convinced that the situation requires a bigger and more ambitious project. It is now agreed that the directors of the Lancashire Cotton Corporation, Ltd., have in their vision the establishment of what is generally known as a vertical combine, and an attempt is now being made to set up an organisation which will buy raw cotton, spin it into yarn, manufacture cloth, arrange for bleaching, printing and dyeing, and, if necessary, have their own works, and ultimately market the finished article. The Corporation has this week issued a statement of the conditions upon which it will receive offers to absorb individual cotton mills. It is pointed out that the Corporation is open to all spinning and weaving concerns whatever their position, and the merger will be carried out by purchasing the assets of the companies and discharging their liabilities with the debentures and shares of the Corporation. Mill buildings, machinery, etc., will be purchased according to valuation from 10s. to 35s. per spindle, and stocks taken over on a basis of market values. When the assets have all been valued the total purchase consideration will be certified by the auditors. A conditional agreement will then be entered into for the sale and purchase of the assets, excluding one-half of the uncalled capital, which is not purchased, but goes to the creditors. A scheme of arrangement will then be drawn up for submission to the court, and the necessary creditors' and shareholders' meetings will be held. The scheme being sanctioned, the agreements become binding, and the mill company will be wound up. With regard to finance, the Corporation will create and issue first mortgage convertible debenture stock; 5½ per cent. non-cumulative convertible income debenture stock in multiples of £1, ranking after the first stock; 6 per cent. non-cumulative preference shares of £1 each; deferred shares of 1s. each, and at some future date some form of profit-sharing for employees is suggested. It will be recognised that a considerable amount of work will have to be done by the officials of the Corporation during the next few months, and it is doubtful whether the mill amalgamation will be effective until the autumn.

Short Time for Egyptian Cotton Spinners.—Our Manchester correspondent writes:—As anticipated, the members of the Bolton Master Cotton Spinners' Association have supported the recommendation that production of yarn should be reduced by 33 per cent. for two months. A ballot on this proposal has been taken, and the result announced at the end of last week showed that 85·2 per cent. were in favour and 14·8 per cent. against. This organised short time has begun this week and will continue until April 13th. Probably before the expiration of this period another meeting of the Association will be held to consider further action if necessary. There has not been any organised short time in the Egyptian spinning section of the Lancashire cotton industry since 1921, but during the last few months demand has been slack, and leading employers are convinced that restriction of output is necessary in order to check the accumulation of stock and stabilise prices. Out of the 19 million spindles in Lancashire engaged on Egyptian cotton, the Bolton Masters' Association represents the owners of about 12 million spindles. An attempt is being made to get these outside firms to fall into line. This short time will affect about 60,000 operatives, chiefly in the Bolton district.

British War Pensions Expenditure.—The latest analysis of the accounts of the Ministry of Pensions, covering practically all classes of war pensions, disablement, and other allowances, and the cost of medical treatment, reveal the remarkable manner in which outlay in this sphere is contracting. In the financial year to 1921 the aggregate call on the taxpayers was £106 million; in the financial year which closed in March, 1928, the outlay was £59 million. Having regard to the manner in which the great majority of the pensions and other allowances have been stabilised, further contraction may not be so rapid; and interest may turn rather on the cost of administration. Eight years ago that was rather more than 1s. 3d. per £ of benefit or pension paid, a figure which has now been reduced to a little more than sixpence. The British Government has an arrangement with the Canadian Government for the administration of certain pensions to migrants to the Dominion, and in that case, notwithstanding several items of exceptional expenditure in the last financial year, the cost of administration was approximately 8d. per £ of pension or benefit paid,—comparing favourably with the British figure. The large staff of the Ministry of Pensions has also been much reduced, in the last complete year by no less than 18·6 per cent. The efficiency of the administration may be tested in some ways by the losses incurred in compensation, amounts irrecoverable, erroneous awards and payments and similar items. That annual sum is steadily decreasing; last year it was ·054 per cent. of the pensions in payment, indicating that in every 10,000 cases there were only five which were irregular. Six years ago there were in every 10,000 cases thirty-three which were irregular. The statistics are an interesting illustration of broad tendencies in what was necessarily one of the largest of the war-time public departments.

Life Office Bonus Announcements.—Two more Life Offices, whose actuarial valuations were due to be made as at December 31, 1928, have made preliminary announcements as to the results. The *Alliance*, whose valuation was in respect of the quinquennium 1924–1928 inclusive, has decided to declare a compound reversionary bonus at the rate of 42s. per cent. per annum, this rate representing an increase of 8s. per cent. per annum as compared with the bonus declared five years ago. The rate of interim bonus for the current quinquennium is to be also at the increased rate of 42s. per cent. per annum compound. The *Wesleyan and General*, the only Mutual Society conducting both ordinary and industrial life assurance, announces a reversionary bonus for the year 1928 in respect of its ordinary life business at the rate of 42s. per cent. for endowment assurances, and 48s. per cent. for whole life assurances. These rates are the same as those declared for the two preceding years 1926 and 1927.

Scottish Life Assurance Co., Ltd.—From the point of view both of the policyholders and of the outside public, the disadvantage of the system of making valuations and distributions of profit once every five years is that only on such occasions can any real insight be gained into the working of the company. For life assurance is peculiar in this respect—as in others—that the annual accounts afford very little indication of profits earned, which can be determined, not, as is sometimes attempted by ignorant persons, by a comparison between income and outgo, but only by means of a valuation of assets and of liabilities. In the case of the Scottish Life the next valuation is due to be made as at 31st December, 1930, so that 1928 was the third year of the current quinquennium. It is not without interest, therefore, to compare the progress made in the last three years with the corresponding figures of the first three years of the preceding quinquennium.

Years.	Average New Business.	Average Premium Income.	Average Net Rate of Interest.	Average Adjusted Expense Ratio.
	£	£	£	
1921–22–23	789,780	365,410	4 13 -%	15·3%
1926–27–28	1,092,031	539,547	4 15 2%	15·4%

Despite the fortuitous assistance of single premium policies for large amounts during the past three years, the figures indicate a marked expansion in the company's business. More important still, it is apparent that the profit-earning capacity has been more than maintained, and the prospects for the with-profit policyholders are very favourable. An indication of this is furnished by a statement in the report that the interim bonus for the years 1929 and 1930 is to be raised from 43s. per cent. to 47s. per cent.

Indemnity Mutual Marine Assurance Company.—The 1928 accounts of this company—the first of the marine companies to issue its report—have now been published. In presenting its figures the company adopts the marine form of accounting—that is to say, each year's underwriting account is kept open for two years, being thereafter closed by a transfer to the suspense account, which looks after any subsequent claims. The results may be most easily summarised by a comparison with those of the previous few years, as follows:—

Year.	Premium Income.	1st and 2nd Year Claims.	Expenses.	Transfers to Suspense to Close Account.	Surplus (+) or Deficit (−)
	£	£	£	£	£
1923	845,289	661,833	35,119	147,461	+ 876
1924	750,229	650,048	33,995	68,076	− 1,889
1925	613,170	550,256	32,106	61,366	− 30,558
1926	611,516	548,762	31,587	166,167	− 135,000
1927	630,100	562,737	32,116	35,246	...

Turning now to the current underwriting account for 1928, the first year's experience has not been very satisfactory compared with that of the preceding year's account. The chief feature of the current account is the very substantial reduction in premium income from £630,100 to £458,016. The first year claims amounted to £161,757, and expenses to a further £33,505, leaving a balance carried forward to the second year of the account equivalent to 55 per cent. of the premium income as compared with 56½ per cent. at the end of 1927. The interest income is lower at £75,741, and, in order to maintain the relation between this and the dividend, the latter has been further reduced from 32s. per share to 28s. per share and costs £75,040. The company is a subsidiary of the Northern.

Scottish Temperance & General Assurance Co., Ltd.—Like the Provident Mutual this Company has just completed the first year of a new quinquennium, and the results so far as they may be judged from the accounts appear to be very satisfactory. The new business has slightly increased from £1,188,369 to £1,210,194, and the total premium income has advanced from £570,065 to £572,237. The net rate of interest was £4 17s. 5d. per cent. compared with £4 16s. 10d. per cent., and although the expense ratio has risen from 12·4 per cent. to 13·7 per cent. the difference can be largely ascribed to the special expenses incidental to a quinquennial actuarial valuation. The balance sheet discloses some changes during the year mostly of the same nature as those that have been commented on recently in connection with the accounts of other companies, namely a distinct tendency towards a reduction in holdings of British Government and Municipal securities and an increase in debentures and preference stocks yielding a higher return.

Oversea Correspondence.

UNITED STATES. — SHARE MARKET — MONEY — INDUSTRY.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 8.

INCREASE in your Bank rate, coupled with another of the Federal Reserve Board's "warnings" against speculative use of credit, caught the share market in a vulnerable position this week and provoked the sharpest reaction since early in last December. In two days active stocks lost from 5 to 15 points, and the Dow Jones average for industrial shares declined about 15 points. At the close of to-day's business this average stands at 301, which compares with a recent top of 322 and with a low of 257 made on the early December reaction. Meanwhile the turnover on the decline has not been very large. The opening on yesterday, with the news "out," was big, and over 1,300,000 shares were turned over in the first half-hour. The total for the day, however, only slightly exceeded 5,000,000 shares, the pace slackening as the day wore on. To-day the total failed to reach the 5,000,000 share mark, but the decline was only about one-third as large as that of the previous day. Altogether the liquidation was not as severe as that which attended the December break; and the market might have done better to-day had it not been for the fact that the next four days will embrace only one trading day. This is because of the Lincoln Day holiday on next Tuesday, and because of a special holiday declared by the Stock Exchange authorities for to-morrow (Saturday) because of clerical difficulties experienced by some of the larger houses on account of the recent influenza epidemic. With regard to the future of the share market the feeling in informed quarters has been that a good reaction is likely before spring. Whether this will be precipitated by the events of the past week or will be delayed until the spring demand for money begins to be felt remains to be seen.

In this connection much is likely to depend on the actions of the Federal Reserve authorities; and they are rather difficult to forecast on logical grounds. For the action of the Bank of England in advancing its rate a full 1 per cent. Wall Street has full approval. The measure is considered to be justified by conditions and to have been

courageously taken. The "warning" of the Federal Reserve Board, on the other hand, has been received with mixed feelings. The "warning" is of a piece with others issued during the past year, and the Street remembers that these previous pronouncements have been rather inconsistent and strikingly lacking in utility. This one, like that of last May, is an extract from an essay on credit conditions contained in the Board's monthly bulletin, which was sent out as a press release with a previous day's publicity devoted to the fact that the Board would issue "an important statement." The release dealt with the growth of brokers' loans during the past year, and indicated that if necessary the Board would take steps (which were not described) to restrict the volume of Federal Reserve credit used by banks making speculative loans. As to the seriousness of the absorption of credit by the share market there is, perhaps, some difference of opinion. But as to the efficacy of the publicity method of controlling credit conditions there is, in the light of the experience of the past year, little ground for confidence. In the best quarters the feeling is strong that in controlling credit talk is a poor substitute for action. The policy of the Bank of England, which says nothing and takes appropriate action, is greatly preferred. The issuing of statements has the additional disadvantage of furnishing politicians with opportunities for descanting on the inadequacies of Federal Reserve policies and performances. Already this particular "warning" has stirred up talk on the floors of both Houses of Congress.

Undoubtedly the most disconcerting aspect of the Board's statement is the apprehensions it arouses that the weak and vacillating policy of last year may be followed again. It will be recalled that the overdone easy money policy of the autumn of 1927 was not reversed with sufficient firmness during the early part of 1928. Three ½ per cent. advances in discount rates were spread over the first half-year, interspersed with "warnings." Speculation was never really checked. Then with the arrival of August money was pumped into the bill market by the Reserve Banks with much liberality. An official of the New York Reserve Bank, speaking after the event, admitted that in the effort to support the bill market $100,000,000 more credit was extended by the Reserve Banks than was called for by seasonal commercial demands. By the end of the year, however, it became apparent that the authorities had decided to end the ten years' subsidy of the bill market and make the latter stand on its own feet. This decision represented a great advance, and encouraged the belief that matters would be taken more firmly in hand. That is why the apparent relapse to the warning technique is discouraging. However, the Reserve Banks may continue their policy of reducing their holdings of bills, and otherwise use the orthodox methods by which central banks control credit. But at present there is danger that they will rely on the advance in your Bank rate and temporise with the situation here.

As far as the condition of the system is concerned, the latest statements show that following the first of the month demands the local Reserve Bank strengthened its position, its reserves gaining, its discounts falling, and its reserve ratio rising 1.8 per cent. to 78.8 per cent. For the system as a whole the total volume of credit changed only slightly, a moderate reduction of bills bought in the open market offsetting a moderate increase in discounts. From this it may be seen that discounts increased at the other banks while those at New York fell. The ratio for the system was practically unchanged. On the face of things, it would appear that an advance of discount rates would come more appropriately at some of the interior banks than at New York. Here the ratio of reserve is the highest for the system, compared with only about 55 per cent. for some of the banks. It is also worth noting that four of the banks—those at St. Louis, Dallas, Minneapolis and San Francisco—still have 4½ per cent. discount rates. Further, it may be noted that the additional money that has come into the call money market has not come from the New York banks but from those in the interior.

There is no change in the tenor of business news. The steel industry is very active, and the automobile industry, with Ford producing about 7,000 cars a day and with Chevrolet gathering speed in the production of its new small six-cylinder car, is running well ahead of this time last year.

FRANCE.—POLITICS—DEBT CONVERSION—CAPITAL MARKET—REVENUE—RAILWAYS.

(FROM OUR CORRESPONDENT.)

PARIS, February 20.

THE Government's narrow escape from defeat—by a majority of six only, in a full House—need not be taken too seriously, in view of the whole circumstances, but the incident, from the international point of view, is significant. In the division on the question of restoring at least a large proportion of the provincial law courts which were abolished (by *decret-loi*) in 1926, for reasons of economy, the crucial factor was the personal situation of many local deputies. "Any deputy," it was announced as a truism, "who votes against the restoration of the local tribunals in his constituency will be defeated at the next elections." The Government made the question a matter of confidence, but this did not prevent 15 members of the Gauche Radicale (M. Loucheur's group of 53, who actually hold the balance of power in the Chamber) from voting against the Government of which their leader is a member.

The incident illustrates the precarious position of the existing Cabinet, which the great Radical-Socialist group is anxious to overthrow in order to regain the influential situation it lost by its unfortunate blunder arising from the Angers Congress of the party. M. Poincaré, it is known, is anxious to retire as soon as the reparations and inter-allied debt questions are settled, and it is practically certain that, in the event of any "snap defeat" on party grounds, before that climax, he would be called upon once more to succeed himself. The circumstances of yesterday's incident were exceptional, however, and there is no indication that any similar situation is likely to arise in the near future.

Meanwhile, in connection with the work of financial restoration, the Government has secured an outstanding victory in the success of the Caisse d'Amortissement's new conversion and consolidation loan. The subscription lists for this 4½ per cent. issue at 93½ opened on Monday, the new stock being obtainable in exchange for either Defence or 6 per cent. "Tobacco" Bonds (the latter being the first issue made by the Caisse). The applications by holders of Defence Bonds were so numerous that, on Monday evening, it was officially announced that the limit the Caisse desired to attain for this category of subscriptions had been reached, and that henceforward only offers to exchange "Tobacco" Bonds would be accepted. It is unofficially stated that the amount of Defence Bonds thus consolidated was 4,000,000,000f. The new scrip, at the issue price of 93½, yields 5·05 per cent. nett (free of all taxation), so that the new loan has set up a new low rate for long-term money which cannot but have a widespread beneficial effect on the whole economic situation. The lists are to remain open, if necessary, until March 30, for the exchange of "Tobacco" Bonds, and as there are now only 2,400,000,000f. of these in existence, of which 1,200,000,000f. are held by the banks, there is little doubt of the complete success of the issue.

The French banks, according to an American financial expert who is quoted here, have now the opportunity to secure a first-class position in international affairs. With the American financial leaders steadily raising the price of money, in their efforts to check reckless speculation, and the Bank of England rate at 5½ per cent., there would apparently be every reason why Paris, with a rate of 3½ per cent., should obtain increased influence in the international market. Unfortunately for French interests, Paris is not yet organised to handle any large increase of business. The banks are in several cases increasing their capital. Paris, however, has so far by no means recovered its pre-war volume of business. The last Bank of France statement indicated the amount of bills under discount as only 4,955 millions, whereas the average total at the corresponding date in 1913 was 1,778 millions, which would correspond in present-day francs to something like 8,900 millions. Advances on securities, again, which stood at 742,000,000f. (say 3,710 millions in new francs) at the end of 1913, were returned last week at 2,314 millions. While there is a feeling here that the Bank of England will bring its rate back to 5½ within the next ten or twelve weeks, there is no sign of any modification in the French rate being probable.

The revenue returns for January indicate a continuance of the same satisfactory situation that prevailed throughout the past year. The total yield from all Budget sources (that is, exclusive of that from the tobacco monopoly and the taxes diverted to the Caisse d'Amortissement and of the revenue from Posts, Telegraphs and Telephones) amounted during the month to 3,903,701,000f., or about 500,000,000f. more than in January, 1928. The yield from indirect taxation and monopolies (exclusive of tobacco) was 3,409,036,000f., or 436,364,800f. more than in the corresponding month last year. The yield for the month from the latter sources was 498,065,000f. more than Budget Estimates for the month. The turnover tax reached the record figure of 917,021,000f., which suggests that trade is much better than common report would lead one to think. It must be remembered, however, that the yield from this tax in January represented transactions in December and included the Christmas turnover, which latter is shown to have been appreciably better than in the previous year, as the yield from the tax in question was nearly 100 millions more. Customs were 141 millions up, and taxes on securities 112¾ millions more than in January, 1928. With the exception of the taxes on petrol, heavy mineral oils, sugar and saccharine and the luxury tax, every category of indirect taxation yielded appreciably more than a year ago. Income tax and other direct taxes yielded 479,305,000f. for the month, or 53¾ millions more than in January, 1928. It is significant of the closer methods of collection that now prevail that the amount of overdue income tax recovered was only 1,317,000f., or 2,279,500f. less than in January, 1928. The Treasury remains abundantly furnished, its balance at the Bank of France on February 8 being 6,411,513,000f. (which includes, of course, the 3,000,000,000 "loan without interest" advanced by the Bank on stabilisation.

Provisional figures showing the results of the working of the French railways in 1928 indicate total receipts of 15,036,000,000f. and total working costs and charges of 14,391,000,000f., leaving a surplus of 645,000,000f. (say £4,960,000). With the exception of the State system (which had a deficit of 237 millions), and the Midi Company (26 millions), all seven lines show surpluses. The Est had a favourable balance of 325,000,000f., the P.L.M. one of 256 millions and the Nord Company one of 180,000,000f. The loss on the two lines mentioned (under the Convention of 1921, relative to the financial working of the new régime, which instituted a kind of national pooling arrangement) will be met out of the common fund to which all the prosperous lines contribute.

GERMANY.—MONEY MARKET—UNEMPLOYMENT—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, February 20th.

THE credit situation has undergone a sudden and unexpected change. On the one hand, money rates have hardened and of a return to the extreme fluidity of the earlier part of the month there is no sign. On the other hand, the exchange position has radically altered. Only a few weeks after gold was being imported the question whether gold will not have to be exported is being discussed, and the Reichsbank, in order to keep the foreign exchanges from rising, is parting rapidly with its exchange reserve. Relief is expected from the new large foreign loans of the Harpener and the Berlin Electricity Works companies, but as against this there is apparently a continuing demand for foreign

BANK ESTABLISHED IN 1864.
SKANDINAVISKA KREDITAKTIEBOLAGET
GOTHENBURG, STOCKHOLM, MALMO.
Branches in all parts of Sweden.
Paid-up Capital and Reserves - Kr.182,000,000
Telegraphic Address: "Kreditbolaget."
THE BANK AFFORDS EVERY FACILITY FOR BANKING BUSINESS WITH SCANDINAVIA.

currencies for Reparation transfers and the next instalment of industrial bonds interest at the beginning of April will probably be speedily converted into exchange.

Day money rates, which were around 3½ to 5½ per cent. at the beginning of last week, rose to 6 to 8 per cent. at the end, and began this week at 6½ to 8 per cent. Yesterday the rate declined to 5¾ to 7¾ per cent. The banks seem not to have made adequate preparations for the mid-month demand, which was increased by property-tax liabilities. The month loans rate rose to 7 to 8 per cent. The private discount rate, which had long been at 5⅝, was three times advanced and at 6 per cent. a considerable quantity of Treasury bills were sold.

There has been a steady outflow of foreign funds, and a great part of the three-months foreign credits contracted late last year have had to be repaid. Money has gone abroad for investment. The exchange market has also been affected by the prospect of a new advance in the New York Federal Reserve Bank rate; the fear of an advance in the dollar exchange from this cause led to the forward purchase of exchange. The Reichsbank's return for February 15th shows only in part the result of this change in conditions. The Reichsbank is in a position to export gold if necessary. The gold cover of its circulation on the 15th was 66·9 per cent., as against the 30 per cent. required by law; the combined gold and exchange cover 69·4 per cent. as against the 40 per cent. required. For the moment the Reichsbank's intervention has resulted in a decline in the dollar and sterling rates.

The wholesale-price index number for February 13th advanced to 139·5 as against 138·9 a week earlier. Agricultural products prices have gone up sharply; and manufactured goods for consumption, which rose very much in 1927 and 1928, have been cheapening. The index groups are: Agricultural products, 134·0; colonial goods, 125·6; industrial raw and half-manufactured materials, 133·8; manufactures, 158·2 (whereof means of production 137·4, and goods for consumption 173·9). At the end of January 19·4 per cent. of about 4 million Trade Union members were fully employed, as against 11·4 per cent at the end of January, 1928; and 8·2 per cent. were partly unemployed, as against 3·5 per cent. In the seasonal industries 58·4 per cent. were fully unemployed, and 3·4 per cent. partly unemployed; in the non-seasonal industries (in which employment depends upon the general state of trade) 10·3 per cent. were fully unemployed and 9·3 per cent. partly unemployed. In this group the lowest employment is in the clothing, footwear, wood-working and tobacco branches. In textiles there are 8·6 per cent. of fully unemployed, metal industries 9·5 per cent., mining 3·1 per cent. The rate of increase in the number of fully unemployed declined very much in January. The present winter puts the new Unemployment Insurance system to its first severe test, and the prospect is not favourable. The accounts of November showed a deficit. The emergency fund then in hand was equal to only about two months of expenditure at the November rate; and unemployment has since then about trebled. It is very likely that the Unemployment Insurance premiums, which are fixed by the law of 1927 at a maximum of 3 per cent. of wages, will have to be increased. "Crisis" unemployment relief, which is financed by the Reich and the municipalities, also requires increasing sums. In January the number of occupations entitled to its benefits was increased by ordinance, and last week the Reichstag social affairs

committee decided for an extension of the system to all occupations and for a prolongation of the maximum period of payment. At best the Republic, which pays no contribution to Unemployment Insurance, will probably be called upon to lend it a large sum.

Ruhr coal production in the last four report weeks declined. Pig-iron production in January was 1,097,980 metric tons, as against 1,180,576 tons in January, 1928. Activity in the iron and steel branches has been affected by the prolonged frost. Building, which usually begins to recover at this stage of the winter, is entirely stagnant, and the transport of materials on internal waterways has suffered. The steel rails, steel sleepers, and foundry branches report bad business. The iron and steel syndicates have announced unchanged prices and delivery conditions for March.

Foreign trade in aluminium finished wares has developed well, export in 1928 being 6,700 metric tons against 5,500 tons in 1927 and 2,500 tons in 1913. Exports of aluminium semi-products were: 1928, 4,200 tons; 1927, 3,600 tons; 1913, 2,500 tons. Import of raw aluminium in 1928 was 14,800 tons, against 12,709 tons in 1927, and 15,300 tons in 1913. Owing to the big import of raw aluminium and bauxite, the value export surplus in the whole aluminium-industries branch in 1928 was only 19 million marks. The export of metal-thread lamps in 1928 was 68,986,000 pieces, against 55,439,000 in 1927, and 48,814,000 in 1926. Export to Great Britain in the three years has been about stable. Import is declining. The trade balance in porcelain goods is becoming less favourable.

The Hamburg-American Company's dividend for 1928 will be only 7 per cent., as against 8 per cent. for 1927. The cause of the reduction may be that 30 million marks new shares, which carried only a half-year's dividend in 1927, will this year carry the full dividend, so that the amount to be distributed in dividends will be only 400,000 marks less. The North-German Lloyd announces that it will maintain its 8 per cent. dividend. Both companies have signed agreements with Russia for regulation of passenger traffic.

BULGARIA. — RAILWAY AUTONOMY — BANKING PROGRESS — CROPS — TRADE BALANCE — REFUGEE SETTLEMENT.

(FROM OUR CORRESPONDENT.)

SOFIA, January 27.

POLITICS have given the Government sufficient respite to carry through the new legislation on financial and economic measures connected with the stabilisation loan. There still remains much work to be done in this direction. One of the important impending reforms is the administrative and financial autonomy of the railways system. A Bill to this effect is being prepared. The railways budget, which showed, in 1928-29, 1,167.7 million leva receipts and 853 millions expenditure, is to be separated from the general State accountancy, and the railways will have to repay to the Treasury, up to the year 1979, 3.990 million leva, the estimated lump sum representing expenditures effected on railways account and still incorporated in the whole of the public debt. The credit balance remaining after covering all exploitation expenditure, and, after due provision for repayment of the debt to the State and for special reserve funds, will be dealt with by the Minister of Railways according to a plan established every year and approved by the Council of Ministers. The utilisation of reserve funds will be determined by the Minister of Railways. In the case of a deficit on the yearly railways budget, the reserve funds will be employed to cover the debit balance, and, if they do not suffice, the difference is to be taken out of the general budget of the State in the form of re-imbursable advances to the railways administration.

The coming in of the proceeds of the loan is allowing the repayment of 900 million leva floating indebtedness of the Treasury, resulting chiefly from past budgetary deficiencies. A further 300 million leva and 100 millions respectively are paid over to the Agricultural and to the Central Co-operative Banks. Substantial progress towards consolidation has been made by the National Bank. Gold exchange reserves have been strengthened, long-term assets are being liquidated as rapidly as local financial and economic conditions allow. Among other innovations, the new rediscount facilities for bills of agricultural landowners are much commented upon. They are generally believed to prepare the way towards a proper organisation of agricultural credits—one of the most urgent needs of the country's economy.

As a result of the new impulse given by the National Bank, the recent slow improvement in monetary and credit conditions has been accelerated. The official discount rate has been reduced to 9 per cent. Interest rates on commercial advances in the open market are rapidly dropping from 15 to 12 and even 11 per cent. As no corresponding reduction of rates on deposits with private banks appears to take place for the present, a serious shrinkage of banking profit margins is to be expected. Although these profits seem to have been fairly good in 1928, the state of overbanking begins to make itself felt all over the market, and amalgamations of private banks appear more and more advisable. Two of the leading banks, the Banque Franco Belge de Bulgarie (a creation of the Société Générale de Belgique, Banque Belge pour l'Etranger and Wiener Bankverein) and the Banque Balkanique (owned by the Banque de l'Union Parisienne, the Credit Anstalt für Handel und Gewerbe, the Wiener Bankverein and the Ungarische Allgemeine Kreditbank) are amalgamating into a new joint stock bank with a paid-up capital of 150 million leva.

In contrast to pessimistic forecasts, the general results of agricultural activity in 1928 proved satisfactory, with the exception of the maize crop. The wheat yield was 13,796,000 quintals, against 11,463,000 quintals in 1927. As a consequence, however, of the general weakness of grain prices abroad, a substantial part of Bulgarian crops remained unsold. Reduced exports of maize, eggs, flour, hides, skins and wine, although partly compensated by higher tobacco prices, have greatly influenced the general trade balance, which shows a deficiency of 813 million leva. The full significance of the situation becomes apparent from a comparison with balances of the previous years:—

	1926.	1927.	1928.
	In million leva.		
Imports	5·547	6·173	7·192
Exports	5·566	6·684	6·379
	+ 19	+ 511	− 813

The steady increase of imports, in spite of high Customs duties and of the unfavourable monetary conditions which prevailed up to the second half of 1928, is generally explained by the constantly developing needs of the rural population, by heavy imports of machinery for agriculture and industry, and by a general rise in the purchasing power of the country. An effective and rapid increase in local production and, still more important, an extended market for Bulgarian products abroad, is becoming a major necessity to the country. Much effort is being spent in this direction on the part of both the Government and private enterprise, but these endeavours remain for the most part unco-ordinated. Roads and communications badly need serious repairs and considerable extension. Irrigation of land, storage and grading accommodation for its products, and careful re-grouping of scattered landed property, are further necessities which require expert handling, thorough study, heavy capital outlay and, above all, a prolonged period of political stability and lasting peace in the Balkans.

The settlement of refugees made very valuable headway in 1928. Up to the end of December 1,800 houses have been built and handed over to refugees. 1,750 houses are in construction. 80,000 hectares of land have been measured, cleared and prepared for cultivation, 7,000 people have been definitely housed. There remain to be settled 30,000 refugees. Important reclamation works are in course of execution and extensive sanitary work has been carried out with apparently considerable success.

GREECE. — THE PAST YEAR — NATIONAL BANK — AGRARIAN BANK—NEW LOAN.

(FROM OUR CORRESPONDENT.)

ATHENS, January 30.

RECONSTRUCTION has continued to make good progress in Greece during the past year. Two important features of the economic history of the country in 1928 are the issue, early in January, of the Refugee and Stabilisation Loan of £9,000,000 under the auspices of the League of Nations, and the establishment, in the month of May, of the Bank of Greece (the new bank of issue provided for in the Protocol of Geneva), followed by the legal stabilisation of the currency at 375 drachmas to the pound sterling, as against a pre-war parity of 25.225 drachmas. The Budget of the State has closed with a surplus, while estimates for the current financial year anticipate an equilibrium of revenue and expenditure. So far the stabilisation of the currency has been successful, the drachma showing only insignificant fluctuations. The Bank of Greece published its first balance-sheet on December 31, 1928, showing a reserve in gold and gold exchange of 54.24 per cent., against its note circulation and sight liabilities combined. Since May, 1928, when the Bank of Greece began business, this reserve has increased by 0.57 per cent., the note circulation has risen from Drs. 4,863,353,000 to Drs. 5,689,550,330, gold in the vaults of the Bank has declined from Drs. 876,306,000 to Drs. 553,559,985, but foreign gold exchange has grown from Drs. 3,191,081,000 to Drs. 4,590,493,000. Unlike other central banks, the Bank of Greece is not following a policy of accumulating gold.

National economy has shown prosperity in some branches of industry and trade, and the increase in the number of bankruptcies is unimportant and unemployment comparatively small. Stock Exchange prices are on the whole steady, and bank deposits have increased. The index number of the cost of living was 1,939 in December, as compared with 1,881 one year ago, and 100 in 1914—the base year. Agricultural production shows a noteworthy development. Foreign trade is active, but the big surplus of imports has not diminished. The reduction of the Bank rate is nominal, for interest rates on the open market continue at higher levels. Thanks to the various foreign loans recently concluded, the settlement of the refugees and the construction of public works for the organisation and development of the economic resources of the country are being gradually accomplished.

After long negotiations the question concerning the ownership of the difference between the old par value and the stabilisation price of the cover in gold and gold bonds of the note circulation transferred to the new bank of issue by the National Bank of Greece has been amicably settled between the latter and the Government. The Bank will pay to the Treasury a sum of Drs. 110 million. In addition, it has been decided to establish an Agrarian Bank to take over the agrarian credit branch of the National Bank. The capital of this new bank will amount to 450 million drachmas, and will be supplied half by the State and half by the National Bank, which will transfer to the Agrarian Bank credits of 650 million drachmas, while the Government will lend to it, out of the proceeds of the loan floated in London last December, a sum of 500 millions. Thus the Agrarian Bank will start business with total resources of 1,600 million drachmas. In all probability the new institution will be an autonomous corporate body controlled by the National Bank, whose organisation and branches will be used by the former. It will be governed by a board of directors, the members of which will be appointed half by the State and half by the National Bank. Till now agrarian credit has constituted practically a monopoly of the National Bank.

A contract has just been concluded between the Government and the New York banking house of J. and W. Seligman Company concerning the issue of the American part of the Public Works Loan of £22,000,000. This part has been fixed at $54,000,000. Of this sum $20,000,000 to $30,000,000 will be issued within 18 months from the date of the ratification of the respective contract by the Greek Parliament. The balance will be issued within five years. The loan will be guaranteed by the revenues assigned for the public debt, and its service (and consequently that of the sterling bonds issued by Hambros) will be effected by the International Financial Commission. It will be redeemed in 40 years. The bonds will bear interest at 6 per cent., and will be purchased firm by the bankers at a price six points lower than that of the Stabilisation Loan on the New York Stock Exchange. If the bankers realise a public issue price of more than five points above the price at which they will purchase the bonds from the Greek Government, such surplus shall be shared as to half with the Government. Should the price offered by the bankers not be considered advantageous by the Greek Government, it can apply to other markets outside of America, where, for a period of two years, it cannot contract with other bankers. As an advance against this loan the issuing bankers will open a credit to the Government of $7,500,000 available in 16 months, as a whole or by instalments, at a rate of interest 1 per cent. above the discount rate of the Federal Reserve Bank of New York (plus ⅛ per cent. monthly in the second year), and 1 per cent. commission per annum. This credit will be repayable in two years' time out of the proceeds of the loan, and if the loan be not issued, by the sale to the bankers of the unissued bonds of the 5 per cent. 1914 loan, at a price 3 points below that quoted, at the time of sale, on the London Stock Exchange. In some circles there is a tendency to regard these conditions as somewhat onerous.

CANADA.—POLITICS—TRADE TREATY WITH NEWFOUNDLAND—WEATHER AND GENERAL CONDITIONS — TRADE RETURNS — THE TARIFF BOARD.

(FROM OUR CORRESPONDENT.)

OTTAWA, January 29, 1929.

THE Federal Parliament is due to reassemble on February 7th, and the Cabinet has been meeting almost daily to review estimates and discuss the sessional programme. Since the last session ended the standing of parties has undergone no alteration, and the King Government, although its regular supporters are rather less than half the House of Commons, can confidently rely upon the faithful support of the eleven Liberal-Progressives to provide it with a comfortable majority on all occasions. The agrarian and labour groups will, as usual, adopt an attitude of critical independence, but they will only at intervals co-operate with the Conservatives in attacking the Government, and Ministers can usually rely upon Conservative support in resisting the demands of the western Radicals. No legislation of major importance is foreshadowed, but there will be the usual crop of amending measures, of which the most important probably will be a bill calculated to meet the dual complaints of the Liverpool corn trade and the western farmers about the flaws and inadequacies of the present grain-grading system. Power and immigration issues will provide material for discussion and controversy, but since the Supreme Court of Canada has not yet given its verdict on the constitutional aspects of the water power question, the Government has still available a good excuse for avoiding the formulation of any definite policy. There will be legislation providing compensation for Canadians who suffered losses in the war, and it is predicted that the Government will pay half of the amounts awarded by a special Commission which examined the numerous claims. But the chief battle of the session will probably take place

in the railway committee, which will be called upon to decide between the rival claims of the Canadian National and Canadian Pacific Railway systems for charters to construct branch lines through the same territories. Mr. Dunning, the Minister of Railways, has been striving hard to secure a compromise, but has so far failed, and the Canadian Pacific Railway are evidently determined to exert all their influence to secure authority for the invasion of northern Saskatchewan, which Sir H. Thornton claims is a Canadian National preserve.

The trade treaty, which was concluded a few years ago between Canada and Newfoundland, has not been working smoothly, and Sir Richard Squires, the Premier of Newfoundland, recently visited Ottawa to inform the Government that unless its terms became more effective, it might be cancelled. Under this treaty Newfoundland agreed to give Canada most favoured-nation terms, and thereby remove an advantage which American exporters had previously enjoyed over their Canadian competitors. Canada, on her part, agreed to give Newfoundland British preferential rates, and to subsidise a steamship service between Sydney, Nova Scotia and St. John's, Newfoundland. Sir Richard Squires alleges that the Canadian Government has not begun to pay the subsidy, but the retort of the latter is that Newfoundland has not implemented her pledges in regard to tariff adjustments, and that only when this is done will the subsidy be paid. A series of conferences took place at Ottawa, but it is not yet known whether an amicable arrangement was reached. In the field of external affairs another interesting development is the appointment of the first Canadian Minister to Japan in the person of Mr. Herbert Marler, a corporation lawyer of Montreal, who served for a few months as Minister without portfolio in the King Cabinet.

So far, Canada has enjoyed a very variable winter. The prairie provinces in all their history have rarely known a colder December, but there has also been in these regions an almost complete absence of snow until within the last fortnight and, unless there are heavy falls in February and March, the crop season will start with scanty reserves of moisture. Eastern Canada, on the other hand, has only had one spell of seriously cold weather, and about the middle of January there was an abnormal thaw which resulted in serious floods through southern Ontario and certain parts of Quebec. Extensive areas were inundated, and although the loss of life was slight, considerable damage was done to property, and transportation services were impeded for some days. General business is still being maintained at a satisfactory level, but the movement of merchandise is not quite so large as it was a year ago; the carloading figure for the week ending January 19th, placed at 58,156 cars, a gain of 1,069 cars over the total for the previous week, shows a recession of some 5,000 cars from the figure for the corresponding week of 1927. Plans for expansion and development, however, are taking shape in many directions, and there is every sign that the coming of spring will see a fresh burst of new construction, which will stimulate a variety of industries, and provide a great deal of fresh employment. The full trade returns for the calendar year 1928 have now been published by the Dominion Bureau of Statistics, and they show that the total value was $2,596,448,113, which is a gain of $270,548,179 over the total for 1927; exports were valued at $1,374,130,197, and imports at $1,222,317,916, and the favourable trade balance was roughly 152 million dollars, which is a decrease of about ten million dollars as compared with last year. Of the exports, agricultural and vegetable products valued at 651 million dollars, constituted almost half the total, and showed a gain of more than 100 million dollars. On the import side, the largest contribution was made by "iron and its products," which were valued at $322,959,144, an increase of nearly 75 million dollars. Britain bought from Canada 440 million dollars worth of goods and sold in return about 191 millions. The United States still remains Canada's best customer, having purchased 492½ million dollars worth of goods, an increase of 18 million dollars, and also increased her exports by 115 million dollars, their total value being 826 millions.

The Tariff Advisory Board resumed its sittings at Ottawa on January 23rd, and has already heard a series of applications. The manufacturers of copper rods, which now enter free, are asking for a duty as an offset to a discrimination which they allege is practised by the American Copper Export Association, and by which they are forced to pay higher prices for copper bars than are charged to their American competitors. Mr. Moore, the Chairman of the Board, after hearing the evidence, expressed the view that the situation warranted drastic action by the Federal Government. Applications in connection with jewellery, seamless copper tubing and safety glass were also dealt with by the Board. The fight of the steel and coal interests for increased protection has again been resumed with the same resistance from such users of steel as the Ford Motor Co.

Letters to the Editor.

BANK RATE POLICY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The general consternation of business men in Great Britain and of stock exchange Bulls in America at the recent action of the Directors of the Bank of England in raising the Bank rate from 4½ to 5½ per cent. is intelligible enough; but there is something paradoxical in the circumstance that, while Wall Street leaders and their representatives in Congress denounce the Federal Reserve Board as the tool of Governor Norman, his critics here in much more moderate language regret that the Bank of England has become insensibly, and under the pressure of adverse monetary circumstances, a too complaisant instrument of the Federal Reserve Board or of the American Treasury. Why, asks the average City man—and the querulous question is heard on all sides—should we be the catspaw that removes American chestnuts from the fire, merely because the controllers of credit at Washington are afraid of unpopularity and do not want to burn their fingers? The complaint is reasonable enough, and the problem deserves discussion. There is no reason why a mystery should be made of high finance, or why outsiders not in the sacred circle, who have applied their minds to the riddles of monetary policy, should not imitate the candour, though they cannot pretend to the penetrating insight, of a Bagehot.

Let us acknowledge to start with that, if it is right and necessary to maintain at all costs a gold stock of a hundred and fifty millions sterling under the new Order, the Bank of England were justified in putting up the rate. That is the correct and traditional method of checking the outflow of gold and turning the exchanges in favour of London. To quote a classical passage from *Lombard Street*:—

"If the interest of money be raised, it is proved by experience that money *does* come to Lombard Street, and theory shows that it *ought* to come . . . Loanable capital, like every other commodity, comes where there is most to be made of it. Continental bankers and others instantly send great sums here, as soon as the rate of interest shows that it can be done profitably. While English credit is good, a rise of the value of money in Lombard Street immediately by a banking operation brings money to Lombard Street. And there is also a slower mercantile operation. The rise in the rate of discount acts immediately on the trade of this country. Prices fall here; in consequence imports are diminished, exports are increased, and therefore there is more likelihood of a balance in bullion coming to this country after the rise in the rate than there was before."

But even if the rule of thumb propounded by the Cunliffe Committee be accepted, we may remind ourselves that there are exceptions to all rules of this kind. Ought this one to have been applied to the very exceptional conditions which brought about the recent gold drain to the United States? They are exceptional in several ways. In the first place, in consequence of the exorbitant gold debt treaty, which Mr. Baldwin for some undiscoverable reason persuaded Mr. Bonar Law's cabinet to accept, the United States is in possession of far more than its share of the world stock of gold. Out of about two thousand millions sterling supposed to be available for monetary purposes the U.S.A. has absorbed nearly half. This is far more than is required for legitimate purposes of money and banking, and consequently the immense surplus has been applied to stimulating a long continued speculative movement on the American stock exchanges. The rise has become dangerous; the Federal Reserve Bank has issued warnings, but has failed to take effective action. The high call rates in Wall Street have made money more profitable there than in London; gold has consequently been flowing in, and this inflow is so inconvenient to the Federal Reserve Board, and so alarming to sober bankers, that they have asked the Bank of England to help them at our expense by raising the price of money (which was already quite dear enough) in Great Britain and Europe.

What was the alternative? The alternative would, I think, have been to tell the Federal Reserve Board that we could not afford this kind of co-operation, and to have allowed, if necessary, at least twenty or thirty millions of gold to be exported to the United States. If the United States persists in its policy of demanding gold and refusing goods in exchange for the food, raw materials, and munitions, which it lent to Great Britain and its other European Allies in the last two years of the War, we had better economise in gold and revise our rather extravagant notions about the correct proportion of Reserve to Liabilities. So long as Europe consents to monetary dependence on the United States, and allows its rates of interest to be regulated by call money in Wall Street, we cannot expect Washington—or the public opinion on which it acts—to be much disturbed by commercial distress in Europe or by the embarrassments in which we are placed by the double action of American monetary and fiscal policy.—Yours, etc.

London, February 20th. FRANCIS W. HIRST.

[Our own views on this matter were expressed in a leading article in our issue of February 9th. Incidentally, was it more than a coincidence that the Bank rate was raised in the same week in which gold stocks fell below £150 million?—Ed. *Econ.*]

FREE TRADE AND THE MOBILITY OF CAPITAL.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your foot-note to my letter of January 26th, you say that I meet no single point in your article. I think this is hardly fair, in that my letter was mainly based on a quotation from your article. I also gather the impression—perhaps wrongly—that to be a classic economist is to be a discarded economist; which, if it is the case, leaves little, if any, of the theory of Free Trade. As for "culling quotations from their context," every quotation, I suppose, is more or less "culled from its context"; the whole question is, is the sense of the quotation contradicted by the context? I have yet to be shown that in the quotations I gave the context does contradict their very evident and straightforward meaning: I do not think it does, or I would not have given the quotations.

In your article (January 19th) you say that you will ask "one or two pertinent questions." Actually, you ask no less than seven, and then blame me for not covering your whole article in one letter: give me two or three pages of the *Economist*, and I shall be happy to do so! Your questions are: (1) Is it assumed by our critics that Free Trade encourages capital exports? I reply that Free Trade obviously *discourages* investment in many home industries which suffer from foreign competition. (2) Do I consider that capital exported is wasted because it is used to employ the foreigner and not the Briton? It is not wasted from the point of view of its owners, and it may be highly beneficial—or it may not—to the whole country: but it *does* employ the foreigner and not the Briton. (3) Is it the idea that Protection should go hand in hand with the greater concentration of capital at home in producing goods which we now buy from abroad? Certainly I anticipate that result, and, if I may "cull a quotation," it seems to me a logical application of Mill's dictum, "Industry is limited by capital." (4) Is the aim to make Britain as self-sufficing as possible? Self-sufficiency is hardly the point to me: it is a question above all of employing labour. But I deplore the decay of agriculture, whose revival I would support on other than purely economic grounds. (5) Do our Protectionists wish Great Britain to have a favourable balance of international payments? Your Protectionists are not, I hope, Mercantilists, and only favour a so-called "favourable balance" on the lines and in the circumstances indicated by Lord Goschen in his "Theory of the Foreign Exchanges." (6) Do they conjure up a picture of "The City" battening on a system which profits no one but them? Foreign transactions on the whole, I take it, most decidedly are more profitable to the City than home dealings; as, for example, exchange business, insurance, commissions and so on: regard our "Invisible Exports"! But I say no more than that. Yet why are almost all bankers Free Traders? (7) Do they deny that our capital exports have, by financing the development of new countries, increased our supplies of food and raw materials, and enabled these countries to buy increased quantities of our manufactures? Not at all—*pas si bête*; and the present writer has never said otherwise than that a great deal of overseas investment has been of inestimable benefit to this country; though he is very doubtful of the national benefit of investing our capital with our chief commercial rivals. The point is not this at all, however. It is that the mere fact of foreign investment removes the only real economic argument against Protection, while at the same time it totally destroys the orthodox economic defence of Free Trade as a national system.

Lastly, I do not regard it as any "concession" to say that the theory of Free Trade is unaffected by the mobility of capital "if the entire world is to be considered as one economic unit." On the contrary, I have always—nor am I alone in this—affirmed the essential cosmopolitanism of Free Trade. If, in fact, you have one World-state, and national barriers and distinctions gradually cease to exist, why on earth worry as to where in the world either capital or labour is employed? All the "orthodox" arguments hold good for such a World-state; but, thank God, we have not got one. We have still got Great Britain, and for a nation, mobile capital with (largely) immobile labour, is not a happy combination—for labour.—Faithfully yours,

(Signed) DOUGLAS GRAHAM.

16, Girdlers Road,
London, W. 14. (dated) February 5, 1929.

TO THE EDITOR OF THE ECONOMIST.

SIR,—If the conflict between high mobility of capital and the immobility of labour is the sole ground of this particular Protectionist argument, then interference with trade must be justified along any geographical line over which capital moves easily but labour only with much urging. Protection for the countryside against the towns might find its supporters, or for the depressed North of England against the wealthy South. But three reasons point out international boundaries as the basis of discussion; immobility of labour often, though not always, reaches a maximum at those points, different currency systems complicate the issue, and our minds are accustomed to work in terms of international trade.

A purchaser of raw material, let us say, buys abroad rather than at home because *at the ruling rate of exchange* the foreign product is the cheaper; for a like reason foreign buyers take our own products. Hence the rate of exchange is the crucial factor in determining the course of a nation's international trade. Those who buy products abroad must buy foreign currency or bills to pay for them, while foreigners making purchases here must sell their currency for sterling, and the interaction of these forces determines the exchange. Now, if the ruling prices create an excess of demand for foreign currency over the supply thereof, at the given exchange rate, then that rate moves against sterling until equilibrium is again reached. As the exchange rate moves, different commodities come within the range of those which it is profitable to buy (or to sell) abroad; one of them, incidentally, may be gold, which, as we have recently seen, has peculiar reactions on the capital market.

In this way, neglecting for the moment capital and interest payments and losses on the exchanges, exports must always be equal in value to imports. If, now, monetary payments have to be made from abroad without a corresponding return of goods—interest or reparations—then the demand for sterling increases, the exchange rate moves "in favour of" this country, and hence exporters find it more difficult to market their goods while at the same time a greater range of foreign goods comes into competition with home products. In the end imports exceed exports by the amount which is transferred in this way.

The export of capital has naturally the reverse effect. While it stimulates exports it acts as a "protection" to industries competing with imported goods. But a new factor now enters in. The price of foreign capital rights, being expressed as a percentage per annum, is independent of the actual state of the exchanges, and in this respect differs from the price of material goods. The reaction on the exchanges produced by the purchase of foreign bonds or shares has no tendency to check that export of capital, for the only thing which can check it is an alteration of the comparative ruling rates of return on investment. That can happen in three ways: the satiation of the foreign market may cause a fall in its current rate of interest, or the neglect of the home capital market may cause a rise there, or the resultant movement of the exchanges against sterling, making British goods cheaper to the foreigner, may produce an export of gold which forces the Bank to raise the market rate of interest.

But so long as the export of capital continues, the excess over our imports of our export of goods, plus interest due to us, must equal the net capital export. Thus a movement of capital abroad has several results: it transfers to foreigners a certain potential demand on *our* industrial effort, it stimulates exports and hinders imports, it produces later on a return of interest which has the opposite effect, and it builds up markets abroad for further exports of British goods. The test, whether those markets are going to be more valuable than the home markets which might otherwise have received the stimulus, is based on, but not confined to, the rate of interest paid.

Thus in determining our practical policy with regard to capital movements we must consider the distribution of unemployment between the various industries. If unemployment were heaviest in those industries which would receive the stimulus of capital investment in this country, or in industries dependent for raw materials on foreign produce, yet not dependent on foreign markets for the disposal of the finished article, and if unemployment were low in industries producing for export, then there would be a *prima facie* case for regarding the ease with which capital moves abroad as unfortunate.

But an examination of our list of home capital issues, which shows a sadly disproportionate amount invested in speculative semi-luxury ventures, does not incline us to believe that the liberation of more funds for home investment would help our depressed industries very much. Their most urgent need is an enlarged market, and it is for help in competing with the foreigner in overseas markets that their leaders are appealing. The exporting coalfields, the exporting iron and steel and engineering trades, and the shipbuilding industry account for by far the worst part of our unemployment. For these industries, and for those which have to face the competition of foreign imports, the mobility of capital is a blessing and not a curse.

To this statement the doctrines of Protection provide no qualification. The effect of a protective tariff, by diminishing imports, is to set the exchanges moving in our favour till exports are reduced to meet imports again. Since its result is to make sterling more valuable in terms of foreign commodities, protecting one industry harms not only the export industries but also all other trades, not the least of which is agriculture, which have to fight foreign imports. Meanwhile the net effect on capital movements, which depend on rates per cent. and therefore not on the exchange rates, is virtually nil; in so far as capitalists (British and foreign) are tempted to invest in the trades sheltered by the tariff (the motor car and tyre industries, for instance), the inducement is lessened to invest in the unprotected and unprotectable industries, which need new capital most.

Protection cannot, and must not, be viewed in relation only to the particular industry which demands it; that has justly been your complaint against the procedure of "safeguarding." Protecting an individual industry may—indeed, will—help that industry and its "feeders," but its reaction on the whole course of our national trade is even more certain to be evil.—Yours. etc.,

SOCIUS.

Oxford, February 16th.

[Reference to the letters of Mr. Graham and of Socius is made in a leading article on an earlier page of this issue.—ED. *Econ.*]

THE MINORITY DILEMMA.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Has it ever occurred to you that the present position of the Liberal Party may be due to its adherence to Free Trade?

The Conservative Party in the past thought opposition to Home Rule a great asset, quite ignorant of the change of opinion that had taken place.

Just the same now, I believe, the Liberal Party is hopelessly wrong in thinking Free Trade is an asset.

Without presuming to argue with the *Economist*, I suggest that the younger generation is not convinced that we are wise to continue free imports while the rest of the world becomes persistently more protectionist.

Let the Liberal Party relegate Free Trade to a non-political issue and a great change may take place.—Yours faithfully,

ALFRED HICKS.

6, Austin Friars, E.C.2, February 19, 1929.

[We imagine that even a political party does not shed one of its fundamental convictions as easily as Mr. Hicks seems to think; nor should we expect his theory to find much favour at Liberal Headquarters.—Ed. *Econ.*]

Books and Publications.

THE FUTURE OF SOCIALISM.*

IT is the privilege of contributors to the "To-day and To-morrow" series to indulge in a certain amount of prophetic licence; and an examination of existing tendencies in the Socialist movement might have led to interesting, if tentative, conclusions concerning the limitations placed by psychological or political factors upon the future development of this or that type of public enterprise. Reference to the dynamic reactions of "rationalisation" and industrial combination on a competitive system and an individualist economic philosophy might have given an element of realism to the author's speculations on the future of Socialism; and at the same time provided serious-minded citizens with a thought-provoking corrective to antitheses now largely obsolete and misleading. But such a book remains to be written; for Dr. Shadwell has not really attempted to write it. Into his last two paragraphs he throws the suggestion that "The course of evolution tends always to multiplicity and diversity. There will be new arrangements added to the old, much of which will remain. . . . Among them will be an extension of public ownership, especially of natural sources of power; but I think the main change in this direction will be in placing monopolies or businesses which threaten to become monopolies under public control, and in joint enterprises in which public and private capital are mixed."

So far so good. But it is only here that Dr. Shadwell concerns himself with the future of Socialism. His main preoccupation is with its past; and his whole treatment of that past is designed to emphasise the opposition between a narrowly defined Socialist ideal of direct state trading and a static economic individualism, continuously uniform in its reactions on human ability and human consciousness. There is always a widespread demand, however, for simple interpretations of complex phenomena, and this demand Dr. Shadwell's little book is well calculated to satisfy.

* "Typhoeus or the Future of Socialism." By A. Shadwell. "To-day and To-morrow" series. Kegan Paul. 2s. 6d. pp. 116.

THE ROMANCE OF TRADE.*

WITHIN the short compass of 250 pages of large clear type Professor Kirkaldy succeeds admirably in presenting a fairly generous allowance of economic history, and in giving a lucid account of the main features of modern industrial organisation. The first part of the book deals with early economic problems, money and the right to interest, new trade routes, population, and the minimum wage. The second half treats of the three agents of production—land, labour and capital—and is much better written than the first half; for, firstly, the simplicity of the style seems less forced and exaggerated, and, secondly, the matter itself is much more interesting and important. The writer here warms more vigorously to his subject, and brings in much shrewd common sense and practical sagacity. At the same time, a slight feeling of uneasiness arises that all is not as it should be with the intellectual equipment of the nation when obvious truths have to be so elaborately demonstrated and obvious errors have to be so carefully refuted. Possibly neither the truths nor the errors are so obvious as some of us suppose, though they have a quite Euclidean look.

One or two small mistakes may be noted. The date of publication of "The Wealth of Nations," page 3, should be 1776; "after the Civil War," line 4, page 183, does not seem quite clear. But such very minor defects do not weigh in the balance against the general interest of the work, which should make a useful text-book for schools.

* "The Romance of Trade; A Survey, Commercial and Economic." By A. W. Kirkaldy, M.A., &c., Dean of the Faculty of Economics and Commerce, University College, Nottingham. (London) Kegan Paul. 6s. net. 246 pp.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

The Economics of Welfare. By A. C. Pigou. Third Edition. (London) Macmillan and Co., Ltd., St. Martin's Street. 30s. net.

This new edition contains a number of new chapters, among which is one on subsidies to wages. References to facts are brought up to date, and there are some minor changes in arrangement and exposition.

A Study of Interest Rates. By Karin Kock. (London) P. S. King and Son, Ltd., Orchard House, Great Smith Street. 12s. 6d. net.

This is a very thorough treatment of an important problem. The author's qualifications on the theoretical side are reinforced by practical experience in both Swedish and English banks.

Economic Effects of Public Debts. By Shutaro Matsushita. (New York) Columbia University Press. (London) P. S. King and Son, Orchard House, Westminster. 12s. net.

This discussion of the economic effects of the nature, purpose and redemption of public debts has two introductory chapters on the theory of public debts and its history.

The Unemployed. By Ronald C. Davison. (London) Longmans, Green and Co., Ltd., 39 Paternoster Row, E.C. 4. 10s. 6d. net.

This book makes no pretence of handling the question of prevention, but is concerned purely with the problem of dealing with the unemployed. Its treatment is in consequence largely historical.

Capitalism and Morality. By Lewis Watt. (London) Cassell and Co., Ltd., La Belle Sauvage. 3s. 6d. net.

A commonsense discussion, by a teacher of moral philosophy, of the ethical implications of our present social system.

The Price of Petrol. By E. H. Davenport. (London) London General Press, 8 Bouverie Street. 1s.

A very readable pamphlet which discusses briefly and clearly the influences governing the supply of and demand for petrol.

Public Schools and the Worker in New York. (New York) National Industrial Conference Board, Inc., 247 Park Avenue. $1.50.

A description, without pretence of criticism, of the public educational opportunities for industrial workers in New York State.

Winkler's Manual of Foreign Corporations, 1928. (New York) Overseas Statistics, Inc., 56 Pine Street. $15.00 net.

Contains full information for the investor about the more important foreign (non-American) corporations.

The Stock Exchange Year Book, 1929. Compiled and published by Thomas Skinner and Co., Gresham House, Old Broad Street. 50s. net.

The Mining Year Book, 1929. (London) Walter E. Skinner, 15 Dowgate Hill, Cannon Street, E.C.4. 20s. net.

Contains full particulars of 1,642 mining companies, exploration and mining investment companies. There are also statistical tables of gold output, prices of base metals, and annual yields of the principal mining companies.

The Agricultural Economics Society. Proceedings of a conference, July 6-9, 1928.

Contains the constitution and list of members of the society together with reprints of six papers read at the conference.

The National Farmers' Union Year Book for 1929. (London) National Farmers' Union, 45 Bedford Square. 5s.

A most useful book of reference on all questions of direct or indirect interest to farmers. In addition to a generous provision of statistical tables, there are also sections on railway rates, legislation, milk prosecutions, etc.

City of Birmingham Official Handbook, 1928-1929. Compiled and edited by W. S. Body. (Birmingham) Council House.

An illustrated record of the extremely many-sided activities of the City of Birmingham.

Twelfth Annual Report of the United States Tariff Commission. 1928. (Washington) United States Tariff Commission, 8th and E. Streets, N.W.

The bulk of this document is devoted to accounts of investigations carried by the Commission. These are extremely detailed and result in such recondite statistics as a table of "comparative costs of production of domestic and Italian cherries (sulphured or in brine, stemmed and pitted)."

Jentgen's Artificial Silk Review, January, 1929. (Manchester). 1 Booth Street.

This number contains a variety of interesting articles, very well illustrated, on the technical processes and the economics of the rayon industry.

Rubber Quarterly, February 15, 1929. (London). London General Press, 8 Bouverie Street. 1s.

Articles in this issue are: "The outlook for 1929"; "Rubber Markets"; "The World's Roads"; and "Rubber in Ceylon and the Dutch East Indies."

Motor Transport Fundamentals—International Series. (New York) National Automobile Chamber of Commerce, 366 Madison Avenue.

American suggestions for the relief of traffic congestion are here published in four parallel columns, in French, German, Spanish and English.

Prospettive Economiche, 1929—*VII "Energia Idroelettrica."* (Milan) Opera Edita Sotto Gli Auspici della Università Bocconi.

A survey, in Italian, of the position and prospects of hydro-electric power production.

Handbuch der Internationalen Petroleum Industrie, 1929. Edited by Dr. Oskar Tokayer. (Berlin) Finanz-Veilag. G.M.B.H., Neue Friedrichstrasse 47. Rmk. 40.

A very exhaustive handbook in German. The usual information is given about every important company directly or indirectly connected with petroleum products. The companies are grouped under their respective countries.

Deportation et Travail Forcé des Ouvriers et de la Population Civile de la Belgique Occupée. Par Fernand Passelecq. (London) Oxford University Press, Warwick Square. 10s. 6d. net.

Published by the Carnegie Endowment for International Peace, this is a very well-documented account of forced labour in occupied Belgium.

L'enseignement du droit en France et aux Etats-Unis. By Robert Valens.

and

L'enseignement du droit comme science sociale et comme science internationale. By Edouard Lambert. (Paris) Marcel Giaid, 16, Rue Soufflot. 65 fr.

A comparative study in French of the systems of law teaching of France and the United States respectively.

Danmark under Den Store Krig. By Einar Cohn. (London) Oxford University Press, Warwick Square. 14s. net.

This is an economic history of Denmark during the war, published in Danish.

Island under og efter Verdenskrigen. By Thorstein Thorsteinsson. (London) Oxford University Press, Warwick Square. 3s. 6d. net.

A study, in Danish, of Iceland during and after the war. This volume belongs to the Carnegie Endowment for International Peace series.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C.2.

Fifteenth Report on the Work of The National Insurance Audit Department, 1928. 9d net.

Treaty Series, No. 29 (1928). Treaties, etc., between the United Kingdom and Foreign States. Cmd. 3,266. 3d net.

Eighth Annual Report of the Electricity Commissioners, 1st April, 1927, to 31st March, 1928. 3s net.

Air Services Appropriation Account, 1927. 2s net.

National Health Insurance Fund Accounts for the Year ended 31st December, 1927. 9d net.

Public Department: Statement showing gross and net total cost of the Civil Services and Revenue Departments and the Navy, Army and Air Services for the year ended 31st March, 1928. 3d net.

Report on Investigation in the Coalfields of South Wales and Monmouth. Cmd. 3,272. 3d net.

General Annual Report on the British Army for the Year ending 30th September, 1928. Cmd. 3,265. 2s 6d net.

Unemployment Insurance (Northern Ireland Agreement): Memorandum explaining Financial Resolution. Cmd. 3,271. 2d net.

Local Government Bill, 1928: Explanatory Memorandum on the Provisions of the Bill. Cmd. 3,273. 1s net.

The Stock Exchange.

BRAZIL'S BORROWING STATUS.

GUESTS of every nationality are made welcome in the London capital market, provided they settle their bills promptly and have either a comfortable personal estate or the promise of one in due course. Cosmopolitanism in this branch of the "catering" industry is shown by experience to be a paying proposition, but while the management may be desirous of maintaining that policy as far as possible, they are bound to ask themselves from time to time whether Country X is not drawing rather generously on the market's hospitality, whether the Colonial gentlemen in the Trustee suite or the South Americans on the upper floors are fully aware of the proportions their accounts are reaching, and, possibly, whether the increased demand for accommodation for home clients may not make necessary some restriction of the floor-space available for foreign boarders generally. Whether "restriction" on these lines is a practicable economic policy for other than short periods is an open question, but the perennial and quite legitimate concern of the higher financial authorities with such questions both emphasises the desirability of examining the borrowing record of individual countries, and robs the process of any suggestion of invidiousness. The conclusions of the British Economic Mission to Australia were recently reviewed in these columns. We now propose to transfer the methods there employed to a fresh continent, by setting out some of the leading features in the situation of another borrower of considerable importance to British investors—the United States of Brazil.

The extent to which Brazil has availed herself of outside help in developing her vast patrimony may be inferred from a few leading figures. Approximately £270,000,000 of Brazilian securities of all kinds are quoted on the London Stock Exchange. The total external debt of the Central Government, reduced to terms of pounds sterling, may be expressed at about £145,000,000. Particulars of the debts of the different States are difficult to obtain, but on the basis of an investigation recently carried out by the Bank of London and South America, we are inclined to put the total at a minimum of £65,000,000. Various "funding" schemes have been found necessary from time to time, but the rehabilitation of the credit of the Republic was completed with the resumption of sinking fund payments on the external debt in 1927, though the record of some of the States and Cities is more doubtful, a number continuing to figure in the defaulters' list. That Brazilian credit has recently improved, but is still viewed with a certain conservatism among British investors, may be seen from the following table of quotations and yields on a number of representative stocks :—

	Price. End of February. 1926.	1927.	1928.	Feb., 21, 1929.	Yield at last price.† £ s. d.
Brazilian Govt.:					
4%, 1889	58	58	63	62	7 0 0
5% Funding, 1914	82*	80*	87	87⅛*	5 15 9
5% (Coffee Security)	110	108½	108½	108	5 5 0
7½% Sterling Loan, 1927	...	...	‡91½	102	6 10 0
State Loans:					
Bahia 5%, 1904	52	52	70	62	8 1 3
Rio Janeiro 7% Sterl., 1927	...	...	102	102	6 10 3
San Paulo 8%, 1921	107	107½	108	107½	7 8 9§
San Paulo Coffee Inst. 7½%	...	104	104	103	7 5 0§
San Paulo Bank, of State of, 6% A	...	...	‡92	94½	6 11 9

*Ex dividend. ‡ Issue Price. † Including profit on Redemption. § Flat yield. No allowance for redemption.

The attitude of many investors towards the question of Brazilian borrowing may be summed up by saying that while they recognise the almost boundless possibilities of wealth with which nature has endowed the country, and the evident desire of the Brazilian authorities to honour their present engagements in the spirit and the letter, they are not completely satisfied with the progress made in the exploitation of the natural resources, the fruits of which must, in every relatively undeveloped country, provide both the justification for the incurring of capital obligations and the wherewithal for meeting them. On an area covering nearly half the South American Continent, with a seaboard of over 4,000 miles, Brazil supports a population which has increased by 50 per cent. since 1912, but is still only a third of that of the U.S.A. As only a thirteenth part of the whole area enjoys a temperate climate, the greater part falling within the Torrid Zone, it would be unfair to insist on comparisons based on relative areas : but as over 60 per cent. of the country even now consists of virgin forest, civilisation has evidently a considerable way still to go. Brazil's exports average £2,880 per thousand of her inhabitants, as compared with £8,200 in the case of the United States, £14,920 in Argentina, and £11,950 in Chile. She has 0·82 kilometres of railway per thousand people, against 3·40 in the United States, 3·55 in Argentina, and 2·16 in Chile. Her highways (excluding the streets of towns and cities) extend to 2·05 kilometres per thousand of her population, as compared with 40·65, 2·88, and 9·98 kilometres respectively in the three countries mentioned. These comparisons are significant, since transport facilities are generally recognised as the key to extensive colonisation in a "new" country. Of similar importance is the fact that in Brazil there are approximately four motor vehicles per thousand people, against 197 in the United States, 25 in Argentina, and 5 in Chile.

So far as these figures are indicative of underlying economic conditions, it would seem that not only will Brazilian development not bear comparison with that of the leading "new" country of the world, but that she is actually less advanced than her South American neighbours in the so-called A.B.C. group. This, of course, is no argument against the provision of fresh capital for her requirements; it may, indeed, measure both the necessity and the potential productiveness of such a policy. On a very different footing, however, is the contention that Brazil's whole economic structure is precariously based on a single commodity, maintained at a high price level by artificial means. In 1913, exports of coffee accounted for 62 per cent. of Brazil's total exports; over the last five years the proportion has averaged 73 per cent. The policy of holding back coffee to "steady" the market, with the aid of foreign capital, was incepted by the State of San Paulo as far back as 1906. The original loans have been paid off, but further borrowings have subsequently been effected, so that a very large sum representing payment of interest on foreign money must be added to the cost of production of each year's crop. Whereas the total coffee stocks in the interior of San Paulo had been reduced a couple of years ago to 5,990,000 bags (of 60 kg.), the total was estimated to have risen, at the end of last year, to 12,600,000 bags—an amount equal to about half an average world crop. "Valorisation" may be defensible as a means of obviating violent price changes due to the not uncommon sequence of heavy and light coffee crops, but so far as it aims at the continued exploitation of a monopoly it is a decidedly insecure foundation on which to build the permanent welfare of a great nation. In a normal year Brazil still contributes two-thirds of the world's coffee crop, but the production of her competitors, including the Dutch East Indies, Colombia and Venezuela—who obtain all the benefits of the scheme *gratis*—has risen from 8,726,000 bags in 1925-26, and 8,140,000 bags in 1926-27, to 9,911,000 in 1927-28, and an estimated total of 10,041,000 in the current crop year.

British observers readily admit that, judged by short-term standards, Brazil's position has recently shown a marked improvement. Budgetary surpluses have replaced the deficits of earlier years and the floating debt has been reduced. Last year was a good coffee year, and the national exports of all kinds reached a higher total than for many years past. The country has at last more or less adjusted itself to a milreis stabilised in 1927 at 5 29/32d.—a rate first enacted when the exchange stood at 7½d., apparently for no better reason than that 5 29/32d. was the arithmetic mean of the rates prevailing during the years 1922–26. The political situation, moreover, appears to be more stable than a few years ago, when internal strife and attempted revolution had impaired Brazilian credit abroad.

Without detracting, however, from the value of the work accomplished under the existing President, Dr. Washington Luis, the potential investor is called upon to take a longer view, and to ask whether Brazil has yet succeeded in living up to her great opportunities and basing her prosperity on an enduring foundation. He will inquire, for instance, as to the steps taken to give effect to the recommendations of the influential British commission which visited Brazil in 1925, particularly as regards the administration of the railways, the necessity for continuity of policy as between an existing Government and its successor, and the desirability of encouraging the cultivation of cotton and other products so as to reduce the dangers of over-dependence on a single artificially controlled commodity. He will ask whether a country in Brazil's position can afford the luxury of an import tariff among the highest in the world, designed to foster industries which—with the possible exception of cotton textile manufacture—are non-indigenous to her soil.

Sooner or later, the London capital market and Brazil herself will be called upon to consider the all-important question, which has not as yet been squarely faced, as to how far the institutions typical of a "Western" civilisation are applicable to a country lying mainly in the tropics. Her geographical position is, at bottom, the main factor distinguishing Brazil's problems and opportunities from those of the United States of America, of her sister republics Chile and Argentina, and, say, of Australia. Of the 691,700 immigrants which swelled her population in the ten years ended 1926, nearly two-thirds were of Southern European origin, and only approximately 10 per cent. of "Nordic" type. Which system is the more appropriate to a country in Brazil's situation: that of Western Europe, the United States and other countries in the "temperate" zone, or that of, say, the Dutch East Indies? The question is fundamental, and all concerned would do well to consider its implications.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET. March 5.	ACCOUNT. March 7.

AT last there is evidence that securities of an investment character are beginning to recover from the shock of dearer money. Business for a new Account remained very light throughout the week, and probably the gilt-edged market benefited by the lack of attraction elsewhere. Purchase by the Bank of gold in the open market was also duly noted. An unusually quiet week on Wall Street was the reason why the Anglo-American leaders absorbed less than their ordinary share of attention. Home Railway stocks for once did not prove an exception to the general rule, but with the rest remained quietly firm after the effect of last week's dividend announcements had worn off, as it soon did. A good rise in the price of the commodity made rubbers as strong and interesting a section as any.

A more hopeful view being taken of the monetary outlook, gilt-edged securities showed some recovery, the market being none too plentifully supplied with stock. After some irregularity the New York exchange was firmer, and conditions in Lombard Street were less stringent than had been anticipated. A quiet but steady business was done in the Three and a-Half and Four and a-Half Conversion Loans, War Loan and Four Per Cent. Consols. Victory Bonds, exceptionally, were on offer throughout the week. India loans were quiet, without definite trend, apart from the new Four and a-Half per Cents., which declined to 2¼ discount. Commonwealth stocks were similarly uninteresting, though Australia Five per Cent. scrip again touched par.

Despite its full subscription, the new Rumanian Loan opened at 1 discount, subsequently improving to ⅜ discount. Business in the Foreign market generally was inactive to the point of dullness, particularly as regards Chinese and a number of European issues. The liquidation of Peru Corporations, however, came to an end, a modest recovery being recorded in mid-week.

Home Rails opened inauspiciously, Monday's quotations in some cases falling below pre-dividend levels. The publication of the Great Western and Southern reports encouraged a small amount of inquiry, and the steadier tendency was not upset by the current traffic figures, showing a decline in revenue on all four group lines—a by-product, in part, of the abnormal meteorological conditions of last week. Business, however, remained of decidedly meagre dimensions. The request for more frequent information regarding net, as distinct from gross, traffic receipts deserves every support—in the interests of the railway managements as well as of shareholders—the benefits of early intimation of important "economies" being obvious. Apart from scattered realisations, the Foreign Railway market was featureless. The week's Argentine traffic figures made an indifferent showing, and dullness was common to most of the group. San Paulo again lost ground, and International of Central America suffered a sharp relapse.

Industrial stocks gave the new Account an uninspiring send-off, after the week-end reaction in Wall Street, but bear covering and a cautious recrudescence of speculations gave the market a better appearance as the week progressed. Interest chiefly centred in public utility stocks, including those of electric light and power companies at home and abroad, and of a number of foreign gas companies. Courtaulds had a slightly better tone, and the satisfactory report of the Bradford Dyers (described in a later "Investment Note") was reflected in a rise of 1s. on Tuesday. Margarine shares shook off their recent dullness, and match shares were in demand. Newspapers attracted little attention, shipping issues were quiet, and breweries irregular. The plain speaking of the chairman at the Imperial Tobacco meeting (described on a later page) was not without effect on values, though hope continued to spring eternal in some breasts. Marconis reacted after a tentative rise. Apart from an improvement in Leyland, on the report and the dropping of the capital reduction scheme, the motor group was quiet, and no clear trend was discernible among iron and steel shares. Despite the consistency shown by store profits in the reports now appearing, only a moderate business was done in that section. The firmness of insurance shares was a noteworthy feature throughout the week.

The recovery in rubber shares, which had been hanging fire for a week or two, again assumed prominence on the rise of the commodity to over 1s. a pound. The movement receives special treatment in a subsequent "Note." Dealings in the commodity tended to be erratic, a gain of ¼d. on Tuesday being lost on the following day. Orders came in steadily for rubber shares, but symptoms of enhanced "selectivity" were evident on the part of numerous buyers. "Mixed" tea and rubber companies hardened in sympathy with rubber's rise, but business in the tea market proper was limited, quotations showing a tendency to fall away. Oil shares were heavy and unsettled at the opening, but revived on news of a decrease in American crude production and the more hopeful sentiment of Wall Street. Eagles were bought in Paris, and Anglo-Persian recovered after initial weakness.

Mining markets shared in the general condition of early dullness and moderate subsequent interest, though Kaffirs were possibly the least affected by the latter tendency, neither Paris nor Johannesburg sending over much business. Rumours of consolidations imparted a show of activity to the diamond section. Rhodesians recovered a shadow of their recent animation, partly on optimistic

LONDON ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Closing Prices Feb. 14, 1929.	Closing Prices Feb. 21, 1929.	Rise or Fall.
Conv. Loan 3½%	77⅛	78 1/16	+ 1/16
Do. 4½% 1944.....	98	98⅛	+ ⅛
War Loan 5% 1929-47	101⅛	101⅛	— 1/16
Consols 2½%	55⅛	55⅛	+ ⅛
Do. 4%.....	85⅛	86⅛	+ ⅛
Funding 4%	88⅛	89⅛	+ ⅛
Victory Bonds 4% ..	94	91+x	—
Local Loans 3%	64⅛	64 1/16	+ 1/16
Treasury 5% (B)	100⅛	99⅛	— ⅛
Palestine 5% 1942-67	105	105	...
S. Africa 5% 1945-75..	103	102	— 1
India 3½%.....	69⅛	69⅛	...
Do. 4½% 1958-68 ...	91⅛	91⅛	— ⅛
Australia 5% 1945-75	98	98	...
N.S.Wales 5% 1935-55	98	98	...
N. Zealand 5% 1946	102	102	...

Foreign Government Securities.

Japanese 6% (1924)	96	96	...	French 5%	19⅛	19⅛	...
Argentine 4% Recns.	85⅛	85⅛	...	Do. 4% (Brit.)	17⅛	17⅛	...
Austrian 6% 1923-43	101⅛	101⅛	— ⅛	German 7%	106	106	...
Belgian 7%	108⅛	108⅛	...	Greek 7% Refugee ...	101	101	...
Brazil 5% Funding .	87⅛	87	— ⅛	Hungary 7½%	101	101	...
Bulgaria 7%	88⅛	88⅛	...	Chili 6%.....	99⅛	99⅛	— ⅛
China 5% (1912)	50	49	—1	Poland 7%	91⅛	91⅛	...
Egypt Unified 4% ...	85⅛	85⅛	...	Mexican 5% (1899) ...	34	32	— 2
Estonia 7% 1927	94	93	—1	S. Paulo Coffee 7½% .	102⅛	103	+ ⅛
Finland 6% 1923 ...	99	99	...	Siamese 6% (1924) ...	105	105	...

Corporation Stocks.

L.C.C. 3%	64x	64x	...	Sydney 5½% 1954	98	98	...
E. London 5% 1960-70	98	98	...	Berlin 6% Ster.	95	95	...

British and Foreign Railways.

G. Western Ord. Stk.	84	83⅛	— ⅛	Antofagasta Ord. Stk.	96⅛	96⅛	...
L.N.W., Def. Stk.	11⅛	11⅛	...	B.A.&Pacific Ord.Stk.	99⅛	99⅛	— ⅛
Do. 5% Pref. Stk..	24⅛	23⅛	— ⅛	B.A.Gt.Sthn. Ord.Stk.	108⅛	107⅛	— ⅛
L.M.S. Ord. Stk.	56⅛	55⅛	—1	B.A.Western. Ord.Stk.	98⅛	96⅛	—1⅛
Metropol'anCons.Stk.	65	64⅛	— ⅛	Beira 6½% Deb. Stk.	102	101⅛	— ⅛
Met. DistrictOrd. Stk.	80⅛	80⅛	...	Can. Pacific Com.Stk.	255⅛	255	— ⅛
Southern Def. Stk. ..	32⅛	32⅛	+ ⅛	C.Argentine Ord.Stk..	98⅛	98	— ⅛
Do. Pref. Ord. Stk.	76⅛	76⅛	— ⅛	Leopoldina Ord. Stk.	56⅛	56⅛	— ⅛
Underground Ord. £1	1 1/16	1 1/16	...	San Paulo Ord. Stock.	212⅛	207⅛	—5
Do. Income Bonds	121	121⅛	+ ⅛	Utd. Havana Ord. Stk.	45	42⅛	—2⅛

Banks.

Barclay B. (£1)	2⅛	2 1/16	— 1/16	Midland £1, fully paid	4⅛	4	— 1/16
Barcl.(Dom.&c.) A £1	1 1/16	1⅛	— 1/16	Nat. Prov. £20, £4 pd.	13⅛	13⅛	...
Baldwin (£/)	1/16	1/16	...	Hongk. and S. ($125)	145	146	+ 1
Bolckow Vaughan(£1)	⅛	⅛	...	St. of S.A. £20, £5 pd.	16	15⅛	— ⅛
Cory, William (£1) ...	3⅛	2 1/16	+ 1/16	W'minster £20, £5 pd.	20⅛	20⅛	— ⅛
Dorman, Long (£1)...	⅛	⅛	— 1/16	Vickers (6/8)	⅛	⅛	— 1/16

Textiles.

Bradford Dyers (£1)	2 1/16	2 1/16	...	Eng.Sewg.Cotton (£1).	2 1/16	2⅛	— 1/16
Brit.Celanese,Ord(10/)	1⅛	1⅛	...	Fine Cott. Spinn. (£1).	2 1/16	2 1/16	...
Coats, J. and P. (£1)	3 1/16	3⅛	— 1/16	Listers (£1)	1 1/16	1 1/16	— 1/16
Courtaulds	4⅛	4 1/16	— 1/16	Snia Viscosa (200 lire)	1 1/16	1 1/16	...

Electrical Manufacturing.

Associated Elec. (£1)	1⅛	1⅛	— 1/16	General Electric (£1).	3⅛	3⅛	— 1/16
British Insulated (£1)	4⅛	4⅛	— 1/16	Johnson&Phillips (£1)	1⅛	1⅛	...
Ever Ready (G.B.) (5/)	1 1/16	1 1/16	+ 1/16	Siemens (£1)	1⅛	1⅛	— 1/16

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅛	1 1/16	+ 1/16	Hydro-Elec. com. stk.	38	39⅛	+ 1⅛
Brnemth.& Poole (£1)	3⅛	3⅛	— 1/16	Newcastle-on-Ty (£1)	1 1/16	1 1/16	...
County of London (£1)	2 1/16	2⅛	+ ⅛	Scottish Power (£1) ...	1⅛	1⅛	...

Telegraphs and Cables.

Eastern Stk.	267½	264½	— 3	Marconi (10/)	4	3⅛	— ⅛
Eastern Exten. (£10)	26⅛	26⅛	— ⅛	Marconi Marine (£1)...	3⅛	3⅛	— 1/16

Motors.

Dennis (1s.)	2⅜	2⅜	+ 1/16	Morris 7½%Cm.Pf.(£1)	1⅛	1⅛	...
Ford Motors (£1).....	3⅛	3⅛	— ⅛	Singer (£1)	1⅛	1⅛	+ 1/16
Leyland (£1)	1⅛	1⅛	+ 1/16	Weymann Mot. Bodies	1 1/16	1⅛	— 1/16

Shipping.

Cunard (£1)	1⅛	1⅛	— 1/16	P. & O. Defd. (£1).....	3 1/16	3	— 1/16
Furness Withy (£1)	2⅛	2	— 1/16	Royal Mail Ord. Stk.	75	75	...

Tea and Rubber.

Anglo-Dutch (£1)	1⅞	2⅛	+ ⅛	London Asiatic (2/) ...	⅛	1/16	+ 1/16
Cons.Tea & Lnds (£10)	36⅛	35⅛	— ⅛	Rubber Trust (£1) ...	2 1/16	2 1/16	+ ⅛

Oil.

Anglo-Persian (£1)...	4⅛	4⅛	— ⅛	Mexican Eagle(£1/0/6)	⅛	⅛	+ 1/16
Attock (£1)	2⅛	2⅛	— 1/16	Royal Dutch (£34) ...	31⅛	32	+ ⅛
Burmah Oil (£1)	4⅛	4⅛	— 1/16	Shell (£1)	4⅛	4⅛	— 1/16

Miscellaneous.

Assoc. P. Cement (£1)	1⅛	1⅛	— 1/16	Imperial Tobacco (£1)	6⅛	6⅛	— 1/16
Brad. Traction, no par	71⅛	70⅛	— ⅛	Inter. Nic. of Canada	62⅛	63⅛	+ ⅛
Brit.-Am.Tobacco(£1)	6⅛	6⅛	...	Kreuger & Toll (kr.100)	38	39⅛	+ 1⅛
Carreras,"A" Ord.(£1)	14⅛	13⅞	— ⅛	Lyons (J.) (£1)	5⅛	5⅛	...
Columbia Graph.(10/)	15⅛	14⅛	— 1	Margarine Unie (fl.12).	4⅛	3 15/16	...
Crittall (£1)	2⅛	2⅛	— 1/16	Photomaton, Parent ..	⅛	⅛	— 1/16
Dunlop (6/8)	1⅛	1⅛	...	Swed. Match,B (kr100)	23⅛	23⅛	— ⅛
Forestal Land (£1) ..	1⅛	1⅛	— 1/16	Tate and Lyle (£1) ...	2⅛	2⅛	...
Gas Light & Coke (£1)	1	1⅛	— 1/16	Tilling, Thomas (£1) ..	5⅛	5⅛	— 1/16
Gramophone Co. (£1)	14⅛	14⅛	— 1/16	Turner & Newall (£1)..	5⅛	5⅛	+ 1/16
Hanrods (£1)	3⅛	3⅛	— 1/16	United Molasses (£1)	7 1/16	7 1/16	+ ⅛
Hudson's Bay (£1) ..	6⅛	6⅛	...	Victor Talking,no par	152	151⅛	— ⅛
Imp.Airways(£1 15/p)	1⅛	1⅛	...	Vocalion (10/)	1⅛	1⅛	— 1/16
Imp. Cleans., Ord. (£1)	2⅛	2⅛	— 1/16	Watney Combe Dt.(£1)	3⅛	3⅛	...

Mines.

Anglo-Amer.ctfs.A(£1)	2⅛	2⅛	+ 1/16	Johan. Cons. (£1)	2⅛	2⅛	+ ⅛
De Beers Def. (£2½)	12⅛	13⅛	+ ⅛	Lake View & Star (4/)	1/16	1/16	...
Rexspan (£1)	4⅛	4⅛	+ 1/16	London Tin (£1)	3⅛	3⅛	+ 1/16
"Chartered" 15/l.p..	1⅛	2⅛	+ ⅛	Rio Tinto (£5)	61⅛	60⅛	— 1
Burma Corp.(Rs. 10)	⅛	1/16x	...	RosnAntelopeCpr.(5/)	2⅛	2⅛	...
Bwana M'Kubwa,5/lp	1⅛	1⅛	+ 1/16	Sab-Nigel (10/)	2⅛	3⅛	+ 1/16
Central Provinces(£1)	4⅛	4⅛	...	Tanganyika (£1)	3⅛	4⅛	— 1/16
Geduld (£1)	3⅛	3⅛	— 1/16	UnionCorp.(12/6)fu.pd.	4⅛	...	...

rumours and partly on the "Chartered" report (discussed on a later page), which induced American buying. Tin shares were irregular, following the course of commodity prices, but copper shares gained ground, on balance, with the conspicuous exception of Rio Tinto.

FOREIGN STOCK EXCHANGES.

NEW YORK.

There was a more cheerful sentiment in the share market on anticipation of the discount rate remaining unchanged and on the further drop in brokers' loans, which is hoped in speculative quarters to satisfy the Reserve Board and ward off a rise in the rate. Easier money will probably vanish next week on the month-end settlements. The Reserve statement shows a cessation of sales of Government securities, but a continuance of the drop in bill holdings which are now on the level of a year ago. The decline in brokers' loans has substantially reduced borrowing at the Reserve, which is all taking place here against some increase elsewhere. The Reserve Board is scarcely likely to allow the bull market to hit up its old stride now without taking action by raising the discount rate, but there is strong opposition within as well as without the Reserve Board in favour of no change.

	Feb. 14.	Feb. 21.	Rise or Fall.
4½% Lib. Ln. '33–8	99⅛	99⅛	— 1/16
3½% Trs.Bs.'46–56	100⅛	100⅛	— 1/16
Ach., Top. San. Fe	199⅛	201	+ 1⅛
N. York Central	191	190⅛	— ⅛
Union Pacific.....	220	223	+ 3
Pennsylvania ...	78	77⅛	— ⅛
South. Railway	151⅛	148⅛	— 3⅛

	Feb. 14.	Feb. 21.	Rise or Fall.
U.S. Steel	175	182	+ 7
General Motors ...	81⅛	81⅛	— ⅛
Amer. Tel. & Tel.	210⅛	212⅛	+ 2
General Electric	235	239⅛	+ 4⅛
Victor Talking ...	148	148⅛	+ ⅛
Std. Oil of N.J....	50⅛	48⅛	— 1⅛
Anaconda	134	135⅛	— ⅛

PARIS.

The recent irregularity of the Bourse must be explained by the contrary factors by which it seems to have been influenced. The lowering of the contango rate to 3¾ per cent. at the mid-month settlement and the success of the Caisse d'Amortissement conversion and consolidation loan disclosed a sound monetary position. On the other side, prolonged uncertainty concerning the London and New York markets, abnormal fluctuations in one of the most outstandingly speculative groups, and even the subscription to the loan, which ought temporarily to have diverted available funds, all combined to depress the general tone of securities. Firmness was noticeable, however, in Suez, Forges et Aciéries du Nord et de l'Est, Mines de Lens, Compagnie Parisienne de Distribution d'Electricité, and the whole of the rubber section.

	Feb. 14.	Feb. 21.	Rise or Fall.
3% Perp. Rentes	71·40	71·50	+0·10
5% Rentes,'15–16	97·25	97·15	—0·10
5% Rentes, 1920	117·20	117·55	+0·35
Banq. de France	25,510	25,780	+ 270
Banq. de Paris	5,315	5,270	— 45
Crédit Lyonnais	4,330	4,495	+ 165
Nord.....	2,445	2,470	+ 25
Com. Gen. d'Elec.	4,420	4,590	+ 170
Littoral Médit. ...	1,490	1,537	+ 47

	Feb. 14.	Feb. 21.	Rise or Fall.
Mines de Lens ...	1,279	1,705	+ 126
Courrières.....	1,600	1,650	+ 50
Pechiney.....	4,310	4,320	+ 10
Kuhlmann.....	1,335	1,268	— 67
Com. Gen. Trans.	1,385	1,380	— 5
Suez Canal 25,550		26,300	+ 750
Assur. Gen. Vie	13,500	14,700	+1,200
Denain et Anzin	3,700	3,725	+ 25
Dolifus Mieg. ...13,250		13,600	+ 350

BERLIN.

Although money rates advanced a week ago, the Bourse was firm and somewhat more active. Short sellers bought in, and there was a revival of foreign buying. Monday began with a decline, and artificial silk stocks and Polyphon were sold. Owing to another advance in the private discount rate, the third within a week, Tuesday, after a firm opening, ended undecided and inactive. On Wednesday and Thursday the market was weak and dull, with selling of potash stocks in evidence.

	Feb. 14.	Feb. 21.	Rise or Fall.
Reichsbank	304·25	304·87	+0·62
Deutsche Bank....	169·50	169·75	+0·25
Disconto Bank ...	164·50	164·00	—0·50
Hamburg-Amer.	126·00	124·50	—1·50
Norddeut.-Lloyd	123·87	123·87	...
I.G. Farbeninds.	250·00	249·00	—1·00
Verein. Glanztff.	441·00	425·00	+16·00

	Feb. 14.	Feb. 21.	Rise or Fall.
Bemberg.....	407·00	392·50	—14·50
Verein. Stahlke ...	98·25	98·12	— 0·13
Mannes Rohrke ...	126·50	123·75	— 2·75
Allgemne. Elekt.	173·12	173·87	+ 0·75
Siemns. & Halske	377·00	378·00	+ 1·00
Daimler Benz.....	58·00	55·25	— 2·75
Cont. Caoutchuc.	137·00	137·50	+ 3·50
Salzdetfurt. Kali	470·25	...	...

AMSTERDAM.

Business during the past week was on a larger scale than for some time past. Interest was chiefly centred on rubber and artificial silk shares, the latter on the international agreement for price regulation made at the Paris conference. Sugar shares were firm on the lower taxation of the Cuban crop, though business was limited. Oils were weak, and tobaccos irregular. On Thursday the Bourse was firm generally. The money market was easier.

	Feb. 14.	Feb. 21.	Rise or Fall.
5% Bds. Neth.,'18	101⅛	101⅛	+ ⅛
4½% Ams.1913-14	99⅛	99⅛	...
Margarine Unie...	353	363⅛	+ 10⅛
Neth. Art. Silk ...	384½	383½	— 1⅛
Philips El. Lamp.	880⅛	885	+ 4⅛
Singkep Tin	347	331⅛	— 15⅛
Royal Dutch.....	379⅛	389	+ 9⅛
Amst. Rubber ...	276⅛	286⅛	+ 10⅛

	Feb. 14.	Feb. 21.	Rise or Fall.
Serbadjadi Sm.R.	232	243	+ 11
Holl. Amer. Line	79⅛	78⅛	— 1⅛
Navig. Co., Ned.	205	207	+ 2
Vorstenlanden ...	159⅛	159	— ⅛
Trading Co., Ams.	661	660⅛	— ⅛
Besoeki.....	561	567	+ 6
Deli	464⅛	444⅛	— 19⅛
Neth. Trad. Soc.	184⅛	186⅛	+ 1⅛

INVESTMENT NOTES.

The Position in Wall Street.—The monetary outlook is becoming more rather than less confused, cables our New York correspondent. The prevailing uncertainty is having its effect on the stock market, all but professional speculative business being restricted. While there is as yet no pressure of liquidation on the part of the public, prices are generally lower. The major investment interests, as well as the large stock market operators, are either keeping out altogether or standing by until the situation becomes clearer, and the volume of trading has fallen in consequence below 3,000,000 shares daily as compared with 4,000,000 to 5,000,000 during the period of rising markets. It is not believed that the New York Federal Reserve bank rate will be raised, unless the stock market makes a new advance with heavy public participation, or the trend of brokers' loans again turns upward. It is possible, however, that the reserve banks in the interior of the country will increase their rates, Minneapolis, Kansas City, Dallas and San Francisco still having rates of 4½ per cent. In the meantime, there are definite indications that the Federal Reserve authorities are determined to reduce the volume and increase the price of credit by stringent action in the bill market and by sales of Government securities. The policy of allowing bill holdings to run off has resulted in a rise in rates above the official discount level. There is some expectation of a further rise, the occurrence of which would increase the probability of a higher discount rate. Call money has been plentiful this week, but the effect will shortly be felt of month-end requirements and preparations for the March 1st settlement and mid-March income tax payments, and a fresh "run-up" of rates is looked for. The further outlook depends on the extent to which brokers' loans continue the decline initiated last week with a drop of over $100,000,000, and the probability of general business maintaining its rapid pace.

Rubber's New Rise.—At the end of last week "spot" rubber in London touched one shilling a pound for the first time since the beginning of last April, when the decision to abandon restriction was first announced. The present price is 1s. 0½d. The rubber share market has simultaneously been roused out of its prolonged lethargy, and become one of the most active parts of the "House." Some idea of the recent vicissitudes of typical share values may be obtained from the following table, which shows prices (*a*) on the eve of the announcement that the future of the restriction scheme was being examined by the Committee of Civil Research; (*b*) before the decision to abolish the scheme; (*c*) before the present upward movement in commodity prices was initiated, and (*d*) at the present time :—

Shares of £1.	Stock Exchange Quotations. Beginning Feb., 1928.	Beginning April, 1928.	Jan. 10, 1929.	Feb. 21, 1929.	Yield at last price.
Allied Sumatra	1 1/16	⅛	⅛	⅛	£ s. d.
Anglo-Malay	1⅛	1/16	1/16	1/16	Nil.
Besoeki	2⅛	1 1/16	⅛	1⅛	6 14 9
Highlands	2⅛	2	1⅛	2⅛	8 17 9
Malacca	2⅛	2⅛	1⅛	2⅛	6 13 3
Rubber Trust	2⅛	2⅛	1⅛	2⅛	4 9 0
Tebrau	2⅛	1⅛	⅛	2⅛	6 14 0
United Sua Betong.....	4⅛	1 1/16	1⅛	1⅛	2 18 0
		3⅛	3⅛	4⅛	4 14 0

The consistency with which rubber confounds the prophets suggests that the market's intelligence system relies rather less on ascertained fact and rather more on prevailing sentiment than is desirable, but on the present occasion the wisest of observers might well have been led astray. Broadly, when the repeal of restriction became effective, four months ago, the plantation industry was faced with two crucial problems, the first of temporary, the second of more permanent significance. How could the market dispose of the large stocks which, it was believed, were waiting to be shipped from British estates on November 1, without depressing prices? The stocks in question were believed to represent an addition of from 40 to 50 per cent. to normal visible supplies, or from two to three months' world rubber consumption. Providing this problem were satisfactorily disposed of, how could the industry bridge the gap between an "unrestricted" annual rubber output of about 700,000 tons and a world consumption of approximately 625,000 tons? In effect, America's increased demand has gone far to suggest a solution of both problems, the British Government, in removing restriction at the moment it did, having acted much more wisely than its best advisers were aware. American rubber consumption rose from 370,000 tons in 1927 to 441,000 tons in 1928, a result due in part to the stimulus of lower prices, in part to the activity of business generally, especially in the latter half of the year, and in part to the re-entry of Mr. Ford as a large-scale motor-car producer, after a prolonged suspension. The tendency on the part of some rubber publicists, however, to budget for a further large increase in American consumption during 1929 is, to say the least, premature. Past experience suggests that demand in that country seldom shows a steady upward curve, but is more or less stationary for a year or two after every marked rise, while the ground won is being "consolidated." The reclaimed rubber industry, moreover, has apparently come to stay, the last Census of Manufactures showing that the proportion of reclaimed to crude used in American factories was as high as 49 per cent. Finally, the rise in crude rubber consumption last year must be regarded as a *gross* rather than a *net* quantity, since the number of motor tyres in stock in the United States increased during 1928 by an amount sufficient to equip two months' production of the whole automobile industry of the country. The investor should also bear in mind the fact that numerous British companies have made forward contracts over 1929 at lower prices than those now prevailing, so that considerable discrimination is called for in the purchase of rubber shares at the moment.

American Acquisition of British Utilities.—We have recently noted the absorption by American interests of various public utility companies in Central and South America formerly owned by British interests—in particular, the Electric Bond and Share Company's acquisition of Pernambuco Tramways, the Mexican and Chilean holdings of the Whitehall Electric Investments and the Argentine holdings of Atlas Light and Power. We have now to record the expansion of American interests in the public utility field in Great Britain. Utilities Power and Light Corporation, which is one of the leading American systems, has acquired the entire ordinary share capital of seven British power companies—Bedfordshire, Cambridgeshire and Huntingdonshire Electricity Company, Cambridgeshire and District Electric Corporation, East Anglian Electric Supply Company, Edmundsons' Electricity Corporation, Oxford Electric Company, Wessex Electricity Company and Western Electricity Supply Company, together with subsidiary interests in other power companies

Lightness secured without sacrificing efficiency
ÆONIC
PORTABLE RADIO.
Suitcase Model. 5 valves, Weight 27 lbs., £16 16s. Complete, including royalties.
Demonstrated by all leading Dealers and Stores.
ÆONIC RADIO LTD.,
90, Regent Street, London, W.1.

including the North Metropolitan Electric. These holdings have been acquired through the Greater London and Counties Trust, the entire ordinary share capital of which (£300,000) is owned by Utilities Power and Light. An official of the American company has stated that extensions and developments which were necessary in the areas served by its English subsidiaries would require within five years an expenditure of £10,000,000, affecting 95 cities and towns in England and Scotland. Lord Birkenhead has apparently accepted (on the telephone) the chairmanship of the Greater London and Counties Trust, and has stated (if the telephone again is to be relied on) that he believed the use of American funds in the field of public utilities in England to be greatly in the national interest. Lord Birkenhead is said to have emphasised the fact that British industries would remain under British control, but presumably he referred to British management and the control laid down by British Acts of Parliament. Control of policy of these British companies would, of course, remain with the American board of directors of the Utilities Light and Power sitting in Chicago.

Imperial Finance and Canada.—In the *Economist* of January 19th last we discussed a review of Imperial finance issued by a well-known Stock Exchange house. A second review has now been issued, in which an analysis is made of the loans raised by the various British Dominions and Colonies between 1900 and 1928. The analysis shows that, while "business" (*i.e.*, industrial, commercial and utility) loans within the Empire have been on a much smaller scale than before the war, Government loans have increased—the latter fact being attributed to the very heavy borrowing of the Australian Commonwealth and State Governments, and the former to the "Americanisation" of Canadian finance. The amounts raised in the London capital market by Canada for business purposes during the last ten years have averaged £2,164,000 a year against £19,859,000 in the decade which ended in 1914. There have recently been signs, however, that London is likely again to play a part in this connection. This week, for example, a new Canadian finance company, the Consolidated Investment Corporation of Canada, which has been formed under the auspices of Messrs. Wood, Gundy and Co., has placed 80,000 5 per cent. cumulative preferred shares of $100 each (carrying warrants for common shares) in London among the important finance houses. This Corporation has been formed to finance industrial developments in Canada and will start with cash resources of $32,000,000. There should be good opportunities for the investment of British funds in Canada in view of the "record" trade and economic activity which has recently prevailed in the Dominion, and further developments along similar lines will be awaited with interest.

American Share Values—A New Service.—With every week that passes in the security markets, the implications of the interaction of London and New York become increasingly evident. To make any calculation as to the probable course of a single active British security without allowing for the effect of American intervention is admittedly to court disaster. Of even greater concern to the market are the wider forces which govern the Wall Street situation at a given moment—a fact exemplified by the tense interest with which observers on this side have followed every movement of the Federal Reserve authorities in New York during the past fortnight. To measure the fluctuations of every stock quoted in New York is obviously impracticable, but many observers are accustoming themselves to the use of index numbers, which show the average movement in a number of representative stocks, expressed as a percentage of a "base" figure. For the convenience of those of our readers who desire to follow contemporary movements in the American markets, we have made arrangements for the cabling of a series of index numbers of recognised authority in the United States, prepared and copyright by the Standard Statistics Company, Inc., of New York and 13, Copthall Avenue, London. The figures will show the price fluctuations of 392 common stocks, arranged in three main groups—industrial, railroad and public utility stocks—and will be computed as at the close of business on the Thursday of the week previous to that in which they appear. The recent course of these figures is shown below:

AMERICAN SECURITY VALUES.
(1926 = 100.)

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Jan.	Feb.	Middle of Feb.
324 Industrials....	104·7	137·1	132·5	186·4	182·8	197·1	191·9
33 Rails	106·1	128·0	120·5	139·7	140·9	145·3	141·2
35 Utilities	103·3	128·3	128·3	180·6	184·6	210·0	220·2
Total, 392 Stocks	104·7	134·1	130·3	178·9	182·8	191·6	186·3

In spite of the setback during February, American security values are, on the average, still nearly 80 per cent. above the lowest point touched in 1927. By contrast, the *Banker's Magazine* index shows an average rise in 278 British "variable dividend" securities of only 18 per cent. since January, 1927. Comparisons cannot be pressed too closely, but it would, nevertheless, appear that the increase in American values has considerably outstripped that of British securities. The Standard Statistics Company's indices will appear in future issues of *The Economist* in the section devoted to Foreign Stock Exchanges, under the heading "New York."

"Chartered" Company.—The financial results published by the "Chartered" Company for the year ended September 30 last contain few surprises. An increase of £26,379 in revenue from dividends and interest, and a welcome profit on the estates, after several lean seasons, of £34,450, against £9,472 last year and a loss of £43,046 the year before, explain a good rise in total net profits. On the other hand, the balance of profit on realisation of investments—a naturally variable item—is down from £122,591 to £86,858. Expenses are considerably reduced. Earnings and distribution for the last three years are shown below in tabular form:—

Years ended September 30.	1926.	1927.	1928.
Net profit	£ 539,128	£ 526,915	£ 569,920
Dividend { earned	10·1%	10%	10·3%
Dividend { paid, less tax	10%	10%	10%
Dividend { amount	529,737	525,630	550,269
Increase in carry-forward	+ 9,391	+ 1,285	+ 19,651

Few variations appear in the balance sheet, a summary of which will be found on a later page. The value of shares and debentures held is now entered at £6,332,272, comprising more than half the gross assets, and explanations annually given in a note make it clear that this is an undervaluation. The corresponding figure last year was £6,028,903. Net liquid assets are reduced from £623,043 to £383,449, but that leaves out of account an undisclosed sum invested in first-class securities. By far the most notable aspect of the current report is naturally the development that has taken place in the Northern Rhodesian copper fields. As a result of the year's prospecting, the series of sedimentary rocks, carrying a high percentage of copper for that type of deposit, have been traced over large areas. The report refers to a strike distance of 35,000 feet of these beds, with an average thickness of 30 feet, as having been proved by boreholes and underground development to contain a high-grade ore. Many more miles of outcrop have been traced but not yet proved. At the Roan Antelope and N'Kana mines actual ore reserves have been computed totalling together 50,000,000 tons, with an average grade of 3·65 per cent. copper, while other development work indicates a further 100,000,000 tons of ore of similar or better grade. The total recoverable copper contained in this tonnage might be supposed to amount to 4,500,000 tons, which, at the low valuation of £60 a ton, would be worth more than £250,000,000. This is, in fact, equal to more than one-quarter of the total value of gold won from the Rand up to date. The "Chartered" Company, besides receiving royalties on the copper and being interested through its shareholdings in the profits made in mining it, clearly hopes to benefit by the industrial development of the country which would be likely to follow the opening-up of the mines. It should, of course, be remembered that, though the existence of rich copper deposits is known, unexpected difficulties in exploitation must always be allowed for. The report stimulated "Chartered" shares, which have risen to 40s., and at that price give an apparent yield of £3 15s. per cent.

Imperial Tobacco Company.—The views of those who expect the Imperial Tobacco Company to maintain last year's rate of dividend on its increased capital received correction at the hands of the Chairman at the general meeting of the Company on February 19th. Last year the Company increased its cash dividends from 25 per cent. to 26 per cent. tax free and by a capital bonus distribution increased the number of its ordinary shares by one fourth. The views of the Chairman were expressed as follows:

> "During the year under review our trade largely increased and I am glad to say that we are still progressing. But to forecast a sudden leap in our prosperity such as would enable the company to increase the amount distributed in dividends on the ordinary shares by one fourth would be a flight of optimism in which I am not prepared to indulge."

What then, is a reasonable estimate to take of next year's dividends? In the last four years the net profits of the Imperial Tobacco Company have shown an average increase of £307,659 per annum. If the same average increase is shown in the year ending October next, the net profits should amount to £9,907,365, or £9,055,156 after allowing for preference dividends, which would be equivalent to 24·19 per cent. on the increased ordinary capital of £37,439,621. Last year the directors distributed in dividends 89 per cent. of the net profits remaining after payment of preference dividends. If they distributed this year again 89 per cent. of the surplus profits, estimated at £9,055,156, they would be able to pay a dividend of approximately 21½ per cent. tax free on the increased capital. The chairman refused to tell sharcholders the value of the investments in associated companies, or the percentage of profits derived from them, but he stated that these investments stood in their books at considerably less than their actual value. In the last balance-sheet, this item stood at £8,811,033, a very large part of this amount representing the holding in the British American Tobacco Company which measures the Imperial Tobacco Company's share of the export trade. It will be recalled that last year the British American Tobacco distributed to its shareholders free shares in the Tobacco Securities Trust. The Chairman of Imperial Tobacco stated that it was against the Company's interest to divulge the number of shares it held in British American Tobacco, but if Imperial Tobacco retains approximately the one-third interest which it took up when the British American Tobacco was formed in 1902, it would have been entitled to receive 979,150 ordinary shares of £1 and 979,150 deferred shares of 5s. in the Tobacco Securities Trust, which at the present market valuation would be worth well over £5,000,000. The next balance-sheet of the Imperial Tobacco Company will therefore contain probably as large hidden reserves as the balance-sheet of October 31st last. It remains to be seen whether the market, in valuing Imperial Tobacco shares, will pay due regard to the possibilities of a future share bonus, or whether it will consider only the possibility of a reduced rate of dividend of say, 21½ per cent. tax free. The Ordinary £1 shares have recently reacted from 133s. 6d. to 131s.

Bradford Dyers.—A substantial and welcome recovery in earnings was reported a year ago by the Bradford Dyers' Association, and the accounts for 1928 show that the movement has steadily continued. It will be seen from the table that more than three times as much was actually earned on the ordinary capital in 1928 as in 1926, and the dividend is now increased from 2s. to 2s. 3d. on the £1 shares. Considerable allocation to reserves is recommended for the first time since the bonus share issue in 1925, and though that necessitates drawing on the carry-forward, the latter still amounts to as much as £378,851.

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Profits	560,714	708,319	817,994
Debenture interest	58,150	58,150	58,150
Depreciation	224,914	221,740	208,821
Net earnings	267,650	428,429	551,023
Preference dividends	125,000	125,000	125,000
No. of times covered	*2·1*	*3·4*	*4·4*
Ordinary { earned	6½%	13½%	19½%
Ordinary { paid	10%	10%	11½%
Ordinary { amount	217,036	217,036	244,166
To reserves, etc.	...	...	356,028
For benefit of employees	...	...	10,000
Increase or decrease in carry-forward	– 74,386	+ 86,393	– 184,171

In the balance sheet, which is summarised on a later page, few changes occur. Land, buildings, goodwill, etc,. are written down from £4,860,784 to £4,746,681. Investments and loans are up from £2,230,969 to £2,288,434, and cash from £251,578 to £323,185. Creditors are reduced from £809,335 to £609,107. Reserves now aggregate £967,036. At their present price of 2¼ the £1 ordinary shares yield exactly 5 per cent., less tax.

John Barker.—The report and full accounts are not yet available, but Barker's preliminary profit statement goes to confirm the view that the great London stores have enjoyed a not unsatisfactory year. The figures, which are subject to final audit, show that the position has been more than maintained, so that after paying a 20 per cent. dividend for the tenth year in succession the company finds it possible to write £41,267 off fixtures and fittings (in view of the rebuilding programme) and £20,000 off goodwill—an item which is likely to disappear altogether in a year or two—and to place another £100,000 to the rebuilding and modernisation reserve, which stood in the last balance-sheet at £200,000. The usual £10,000 is allocated to the pension and benevolent fund. The increased aggregate appropriation to reserves is noteworthy.

Year ended January 31st.	1926–7.	1927–8.	1928–9.
	£	£	£
Net profit, after paying debenture int.	429,434	431,170	444,901
5½% preference dividend	10,175	10,175	10,175
6% preference dividend	36,000	36,000	36,000
Ordinary { Earned	34·6%	34·7%	36·0%
Ordinary { Paid	20%	20%	20%
Ordinary { Amount	221,266	221,266	221,266
To reserves, etc.	150,590	162,220	176,267
Increase in carry-forward	+11,403	+1,509	+1,193

In the last balance-sheet the reserve for general purposes stood at £827,000, and is not presumably being increased; the carry-forward now amounts to £291,010. Out of the rebuilding reserve £150,000 is to be applied forthwith to write down the book value of such premises as are involved in the rebuilding scheme. Doubtless further information about the progress of rebuilding arrangements will be given when the report appears, and it will be possible to view the extent of the available reserves in relation to the heavy demands likely to be made on them by the reconstruction of Kensington High Street. At their present price of 3 11/16 the £1 ordinary shares yield £5 8s. 9d., less tax.

Bovril.—The Bovril report for 1928 shows few outstanding changes. Sales have again been very satisfactory, say the directors; in 1927, it will be remembered, they exceeded all previous records. Attention is drawn in the report to the increase in net profits in spite of a further rise in the cost of "raw material," and it is true that a gradual fall which had been going on for the previous two years has now been checked. But it must be taken into account that £400,000 more capital, raised by 5½ per cent. eight-year notes which were heavily over-subscribed, was available for part of the last financial year. Gross trading profit has increased from £580,143 to £582,508. Virol, Limited, in which the company holds a controlling interest, continued to pay a 22½ per cent. dividend, as it has done regularly since 1925; but for the second year in succession the total income from subsidiaries has diminished, this time from £61,875 to

£54,190. The difference is more than set off by a reduction in working and other expenses.

Years ending December 31.	1926.	1927.	1928.
	£	£	£
Net profit	380,661	360,524	366,898
Interest on debentures	22,500	22,500	22,500
Interest on notes	16,500	16,492	26,873
Net earnings	341,661	321,532	317,525
Preference dividends	60,000	60,000	60,000
No. of times covered	*5·6*	*5·3*	*5·2*
Ordinary dividends	75,000	75,000	75,000
No. of times covered	*3·7*	*3·4*	*3·4*
Deferred { earned	20·6%	18·6%	18·2%
Deferred { paid	13%	13%	13%
Deferred { amount	130,000	130,000	130,000
To reserve	75,000	64,507	60,000
Increase or decrease in carry-forward	+ 1,661	− 7,975	− 7,475

The balance-sheet, a summary of which is given on a later page, shows a considerable increase in the valuation of "stock of cattle, raw materials, and manufactured products," the figure being £1,950,613, against £1,614,599. The holding of cash has been strengthened from £131,881 to £182,024, and bills payable are reduced from £110,000 to £30,000. The reserve now stands at £1,160,000, more than one-quarter of the total share and loan capital. We presume that the recent weather has been a bull point for Bovril, Limited, but for forecasting the future of the company that is a more ephemeral consideration than the price of materials. At their present price of 2 1/16 the £1 deferred shares yield £6 6s. per cent.

The Reaction in Northern Rhodesians.—Our Mining correspondent writes: This group of shares has recently enjoyed two spells of strength and activity under the influence of the schemes for the financing of the Bwana M'Kubwa Copper Co., and, secondly, of N'Changa. That a partial reaction should lately have been in progress should afford no ground for surprise. Quotations had in most cases been pushed ahead to a level discounting the results which may be secured in two or three years' time. The following table shows how the current prices of various shares compare with the highest levels touched this year and with the extremes of 1928:—

	Highest 1928.	*Lowest 1928.*	*Highest 1929.*	*Current price.*
	s. d.	s. d.	s. d.	s. d.
Bwana M'Kubwa (5s.)	14 3	3 10½	25 0	21 1½
Chartered (15s.)	35 3	25 7½	43 0	40 0
Loangwa (5s.)	5 6	3 6	8 0	6 7½
N'Changa (£1 with 17s. 6d. paid)	33 3	9 3	92 6	81 3
Rhodesian Anglo-Amer. (10s.)	28 1½	24 4½	36 3	31 3
Rhodesian Congo Border (£1)	61 6	16 3	103 9	95 0
Roan Antelope (5s.)	40 7½	23 9	53 1½	46 3
S. Rhodesia Base Metals (£1)	28 9	4 7½	15 0	8 9
Wankie Colliery (10s.)	26 9	23 6	30 9	28 6

The Wankie Colliery is included in the list since it possesses a virtual monopoly of the supply of fuel for Northern Rhodesian requirements.

It will be seen that in the majority of cases present prices contrast somewhat startlingly with the best of 1928, while as against the worst they appear inflated. Conditions have, of course, undergone a drastic alteration, but it is more than probable that the market will experience many more vicissitudes before some of the companies reach the stage of actual production.

CAPITAL ISSUES.

CAPITAL issues by public prospectus or offer for sale represented this week a sum of £4,934,500, against £4,442,500 in the corresponding week last year, bringing the total for the year 1929 to date up to £65,393,428, excluding conversions. Issues by existing companies to their shareholders amounting to £1,482,500 were also announced, and new securities coming on to the market by way of notices "for public information only" accounted for a further £1,791,416 on the basis of the opening price in each case. There were no Government or municipal issues, but two companies asked for seven-figure subscriptions. *Foreign Railways Investment Trust* has Lord St. Davids as chairman and a board of three well-qualified directors, but as the underwriters were left with 84 per cent. of the public issue investors were presumably inclined to doubt whether foreign railways—a relatively compact group, with the Argentine lines inevitably forming a large part of the whole—offer that opportunity of risk-spreading which is the chief merit of a trust company. The *Decca Record Company* would seem to have obtained nearly 96 per cent. of the share capital of the old Decca Gramophone Company. The profit estimate adds the conjectural figure of £160,000 "estimated profit from records" to the actual past profits, £61,134. A further 192,000 £1 shares are under option. *Alexander Drew and Sons*, which has taken over a prosperous private business of calico printers and merchants, is a fair industrial preference issue; the prospectus gives lucid information in a refreshingly conservative tone. A share is offered to the public in another successful private enterprise, *Smith's Potato Crisps* (1929). The process of disentangling the various transactions leading up to the issue is by no means facilitated by the wording of the offer for sale. *H. Yager* (*London*) is a timber and manufacturing concern requiring additional capital for industrial development. *Pye Radio* similarly issues participating preferred as well as ordinary shares, but as participation is limited to a maximum 10 per cent. dividend the public obtains, in effect, about 15 per cent. of the equity after subscribing more than half the total capital. The company is the outcome of the splitting of an existing firm, which has done well in the past. *Direct Produce* (*London*) is buying up 48 greengrocery and other leasehold shops, mostly in outlying districts of London, which are stated to have made an aggregate profit of £42,781 last year. In view of this, a purchase price averaging £1,636 per establishment seems strangely modest. *Vendomatic*, capitalised in shilling shares, will "carry on business as universal providers" by means of automatic machines. There has been some discussion in the daily Press as to the exact position of the gentleman described in the prospectus as the company's technical adviser. *Clifford Motor Components* amalgamates two private companies manufacturing valves and piston rings and celluloid coverings. Separate figures are not given, but combined profits have been on a rising scale.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total previously recorded, £58,726,428.
Including conversion total previously recorded, £72,300,979.

National Savings Certificates.

Net sales week ended February 16, 1929, £250,000.
Total receipts April 1, 1928, to February 16, 1929, Dr. £550,000.

Description and Date of Issue.	Nominal Capital.	Conversions or Repayments.	New Money Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
Decca Record Company, 1,000,000 Ord. Shs. of £1 each at par (Feb. 19)	1,000,000	...	1,000,000	125,000	875,000
H. Yager (London), Ltd., 150,000 8% Cum. Partic. Pref. Shs. of £1 each at par (Feb. 18)	150,000	...	150,000	18,750	131,250
Do., 300,000 Ord. Shs. of 1s. each at par (Feb. 18)	15,000	...	15,000	15,000	...
Foreign Railways Investment Trust, Ltd., 200,000 Shs. of £10 each at £10 10s. 0d. per share (Feb. 18)	2,000,000	...	2,100,000	200,000	1,900,000

Grace National Bank
Hanover Square, New York, U. S. A.

A thoroughly organized international bank, giving special attention to the requirements of European banking correspondents.

Special Representative

148 Leadenhall St. London, E. C. 3.

	£		£	£	£
Vendomatic, Ltd., 1,900,000 Ord. Shs. of 1s. each at par	950,000	...	950,000	475,000	475,000
Pye Radio, Ltd., 150,000 8% Cum. Partic. Preferred Ord. Shs. of £1 each at par (Feb. 19)	150,000	...	150,000	15,000	135,000
Do., 150,000 Def. Ord. Shs. of 1s. each at par (Feb. 19)	7,500	...	7,500	7,500	...
Smith's Potato Crisps (1929), Ltd., 780,000 Shs. of 5s. each at par (Feb. 19)	195,000	...	195,000	39,000	156,000
Clifford Motor Components, Ltd., 620,000 Ord. Shs. of 2s. each at par (Feb. 20)	62,000	...	62,000	31,000	31,000
Direct Produce (London), Ltd., 1,050,000 Shs. of 2s. each at par (Feb. 21)	105,000	...	105,000	52,500	52,500
Alexander Drew & Sons, Ltd., 200,000 7% Cum. Pref. Shs. of £1 each at par (Feb. 21)	200,000	...	200,000	25,000	175,000
Total offered to public week ended Feb. 23, 1929	4,834,500	...	4,934,500	1,003,750	3,930,750
To Shareholders only.					
Baru (Java) Estates, 20,000 Ord. £1 at 25s.	20,000	...	25,000	5,000	20,000
British Assets Trust, 100,000 new Ord. 5s. at par	25,000	...	25,000	25,000	...
Great Northern Investment Trust, 30,000 new £10 Shares at £16	300,000	...	480,000	150,000	330,000
London & Overseas Investment, 85,000 6% Cum. Pref. of £1 at par	85,000	...	85,000	21,250	63,750
Do., 10,000 Ord. of £1 at 25s.	10,000	...	12,500	2,500	10,000
Mercantile Investment and General Trust, 250,000 5% Cum. Pref. £1 each, and 250,000 Ord. £1 each at £3 for one Ord. and one Pref. Sh.	500,000	...	750,000	750,000	...
Simms Motor Units, 100,000 Pref. Shs. of £1 at 21s.	100,000	...	105,000	105,000	...
Total to Shareholders only, week ended Feb. 23, 1929	1,040,000	...	1,482,500	1,058,750	423,750

Total offered for Subscription.—

To date—	Including Conversions. £	Excluding Conversions. £
1929	78,967,979	65,393,428
1928	...	134,768,207
1927	...	111,910,709
1926	...	51,083,969
1925	...	28,782,546
1924	...	27,707,730
1923	...	53,675,018

Total offered for Subscription.—

Whole year—	Including Conversions. £	Excluding Conversions. £
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,601
1925	...	232,214,500
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Issue (in brackets).	Amount of Capital Introduced. £	Price at which Dealings Began.	Total Cash Involved. £
Amount previously recorded	2,991,450	...	6,565,071
Clarke (W. G.) and Sons (1929), 250,000 7½% Cum. Pref. £1 (Feb. 4)	250,000	21/3	265,625
De Havilland Aircraft, 300,000 Ord. £1 (Feb. 13)	300,000	23/–	345,000
Mayfair Trust, 650,000 Ord. 2s. (Jan. 30)	65,000	2/3	73,125
Zimbo Products, 640,000 Ord. 1s. (Feb. 13)	32,000	1/4	42,666
Romney Trust, £250,000 5% Deb. Stk. red. at par 1960–Feb. 1, 1970, sold at 96% (Feb. 6)	240,000	96	240,000
English and Scottish Investors, 75,000 Shares £10 (Feb. 13)	750,000	83/9†	825,000
Total, week ended Feb. 23, 1929	1,637,000	...	1,791,416

† £4 paid. Cash involved worked on basis of £11 for £10 share.

Total amount of capital introduced Jan. 1 to Feb. 23, 1929, £4,628,450.
Total Cash involved in introductions, Jan. 1 to Feb. 23, 1929, £8,356,487.

Foreign Railways Investment Trust, Limited.—Issue of 200,000 £10 shares at 10s. premium, to be converted when fully paid into £5 of 5 per cent. preference and £5 of ordinary stock. New stocks will then rank *pari passu* with £500,000 5 per cent. cumulative preference stock and £500,000 ordinary stock already issued. The company was incorporated last December to carry on investment trust business in all its branches and particularly, but not exclusively, to invest in the securities of foreign railways.

Decca Record Company, Limited.—Issue at par of 1,000,000 (out of 1,250,000) £1 ordinary shares; 221,763 (out of 231,250) £1 7 per cent. cumulative preference shares are issued to vendors. The company links up a gramophone record factory with a gramophone selling organisation. The purchase price for the factory (valued at £152,699) and 354,822 out of 370,000 shares in the Decca Gramophone Company is £847,852, payable as to £626,089 in cash and £221,763 in shares as above. A further £3,208 is payable for interest and compensation. Profits of Decca company have been: (years ended April 30th) 1925, £40,540; 1926, £69,398; (11 months to March 31st) 1927, £55,535; (year ended March 31st) 1928, £61,002. Proceeds of present issue (subject to preliminary expenses) available as working capital are estimated at £359,420. A further 192,000 shares are under option, 92,000 at 22s. 6d. and 100,000 at 27s. 6d.

Alexander Drew and Sons, Limited.—Issue at par of 200,000 £1 7 per cent. cumulative preference shares. The company acquires the goodwill and trading assets of a private company of calico printers and merchants, with net assets valued at £390,374 (excluding goodwill). The purchase price is £390,000, payable as to £180,000 in cash and £210,000 in £1 ordinary shares. A further 10,000 ordinary shares are reserved for issue to employees. Profits have been (to March 31): 1925, £83,901; 1926, £50,315; 1927, £57,544; 1928, £94,099. The present issue will provide £20,000 for working capital, in addition to net liquid assets acquired amounting to over £155,000.

Smith's Potato Crisps (1929) Limited.—Offer for sale of 780,000 (out of 1,300,000) 5s. shares at par. The company acquired, as from September 30th last, an existing business whose net assets were valued at £159,105 (excluding goodwill), for the sum of £290,000 in shares, which shares were then sold to the promoters of the new company, who also subscribed for the remaining 140,000 shares at par.

H. Yager (London), Limited.—Authorised capital consists of 325,000 £1 8 per cent. cumulative participating (*pari passu* with ordinary to 10 per cent.) preference shares (150,000 issued), and 3,500,000 1s. ordinary shares (3,000,000 issued). Issue at par of a further 150,000 £1 preference and 300,000 1s. ordinary shares. The company was incorporated in 1927 to acquire a timber importing and merchanting and cabinet manufacturing business. Net assets, excluding goodwill, are valued at £415,560. Profits for 14 months ended November 30, 1928, were £60,189.

Pye Radio, Limited.—Issue at par of 150,000 £1 8 per cent. cumulative participating preferred ordinary shares and 150,000 (out of 600,000) 1s. deferred ordinary shares, the former to participate *pari passu* with the latter to a maximum of 10 per cent. The company acquires, as from April 1, 1928, the radio branch of a business of scientific instrument and radio apparatus manufacturers. Net assets acquired are valued at £63,863. The purchase consideration is £100,600 (£12,458 for goodwill), payable as to £82,100 in cash and £18,500 in deferred shares. Profits have been (to March 31st): 1926, £4,972; 1927, £6,730; 1928, £16,166; 9 months to December 31, 1928, £24,279. Working capital, subject to preliminary and issuing expenses, is estimated at £79,400.

Direct Produce (London) Limited.—Issue at par of 1,050,000 (out of 1,750,000) 2s. shares. The company acquires 48 fruiterer, greengrocer, and florist shops, valued at £102,246 (including goodwill), and intends to supply garden produce and to acquire and establish further businesses in the London area. The purchase price is £78,500, payable as to £53,500 in cash and £25,000 in shares. Net profit of the 48 shops for the year ended January 12, 1929, was £42,781. Working capital is estimated at £27,000.

Vendomatic, Limited.—Issue at par of 1,900,000 (out of 2,200,000) 1s. ordinary shares. The company acquires an existing business, and will deal in automatic machines and sell articles therefrom. The purchase price is £7,500 (of which £6,000 is attributable to goodwill), payable in shares. Working capital is estimated at £87,750.

Clifford Motor Components, Limited.—Issue at par of 620,000 (out of 850,000) 2s. shares. The company acquires the total share capital of two businesses, manufacturing valves and piston rings and patent celluloid coverings respectively. Net assets, excluding goodwill, are valued at £44,637. The purchase price is £45,000, payable as to £22,000 in cash and £23,000 in shares. Profits have been: 1925–26, £4,905; 1926–7, £7,162; 1927–8, £10,241. Working capital is estimated at £23,850.

Particulars of the following have been issued for public information only in connection with Stock Exchange "introductions":—**London and Strathclyde Trust, Limited**; issued capital £300,000 5 per cent. cumulative preference and £200,000 ordinary stock; £500,000 5 per cent. debenture stock, 1953-8, has been created, of which £220,450 has been issued at 95. **Savings and Economic Bank of Bihar, Limited**; issued capital 52,500,000 lei, in 420,000 shares of lei 125 each; holders have the option to re-sell their shares at 5s. 9d., as to series "A" in 1938 and as to series "B" in 1948; from 1924 to 1927 dividends at 19½ per cent. were paid, and 20 per cent. is guaranteed for the years 1928, 1929, and 1930. **Alliance Trust Company, Limited**; issued capital £700,000 4½ per cent. cumulative preference stock, £650,000 4 per cent. cumulative preference stock, £565,000 5 per cent. cumulative preference stock (including £250,000 new, sold at 92½), and £907,500 ordinary stock, together with £1,780,400 4½ per cent. debenture stock, £500,000 redeemable in 1965, £780,400 in 1956, and £500,000 in 1952, and £3,346,905 terminable debentures and interim loans; registered in 1888 as a mortgage and investment trust company; ordinary dividends have been: 1924-5, 23 per cent.; 1925-6, 24; 1926-7, 25; 1927-8, 25 per cent. and a 20 per cent. capital bonus in preference shares. **Société Sucrière Anonyme de Marie**; issued capital frs. 12,750,000 in 100-franc shares; incorporated in France in 1890 to acquire an old-established business of beet-sugar manufacturers; dividends have been: 1926 and 1927, 21 per cent. tax free; 1928, 33 per cent. less tax.

COMPANY MEETINGS, &c.

IMPERIAL TOBACCO COMPANY (OF GREAT BRITAIN AND IRELAND), LIMITED.

SUCCESSFUL RESULTS OF THE YEAR.
INCREASED TURNOVER AND PROFIT.

The Annual Meeting of the Imperial Tobacco Company (of Great Britain and Ireland), Limited, was held at Bristol, on the 19th instant, Mr. Henry Wills Gunn presiding in the absence of the chairman, Sir Gilbert Wills, Bt., who is suffering from influenza.

Mr. Gunn, in moving the adoption of the report and accounts, referred to the great loss the company had sustained by the death of Sir George Wills, and proceeded :

Taking the balance sheet, the first item, land, buildings, plant, and machinery at cost, less amounts written off, £4,922,663, represents a net increase of £93,223 over the previous year. With the expansion of our business this item must increase. Ample depreciation has been provided for, and in the opinion of the board the figure at which it stands to-day is well within its actual value. Goodwill and patent rights remain, as in previous years, at £9,422,581, which, having regard to the extent of our business, profits earned, and the great commercial value of our brands and trade marks, is a very conservative figure. The investments in associated companies show an increase of £430,926, and now amount to £8,811,033, and, as stated in the balance sheet, the aggregate market value of these investments is largely in excess of book value.

SHAREHOLDING IN BRITISH-AMERICAN TOBACCO COMPANY.

It is perhaps unnecessary for me to remind you that a very large part of this amount represents our shareholding in the British-American Tobacco Company, Limited. Since the date of this balance sheet the British-American Tobacco Company has distributed to its shareholders shares in a subsidiary company, and of these shares our company receives its due proportion. I would, however, ask you to realise that our holding in the British-American Tobacco Company represents our interest in overseas trade in our brands, and the value of that interest as a revenue-producing item is included in our profit and loss account. Loans to and current accounts with associated companies amount to £1,052,744, an increase over 1927 of £28,582. Stock-in-trade, including leaf in transit at approximate cost and advances to branches abroad for purchases of leaf, etc., amounts to £30,495,433, a decrease in the year of £390,099. It will be noted that stock-in-trade and payments on account of leaf in transit have been shown in one amount this year.

Debtors, after making ample provision for discounts to be allowed and doubtful debts, amount to £6,606,770, an increase of £57,960. Government and other securities, at cost or market value, whichever is lower, stand at £12,939,952, an increase of £960,082 over 1927. Cash at bankers and in hand amounts to £4,766,561, showing an increase of £344,134.

Turning to the liabilities side of the balance sheet, capital issued remains at the same figure as last year. Creditors (including current accounts with associated companies), provisions for taxation and bonus to customers, estimated capital liability under dividend guarantees, amounts set aside for contingencies and to meet fluctuations in value of leaf tobacco stocks, employers' liability, marine and other funds, amount to £14,628,828, a decrease of £3,697,876. This decrease is more than accounted for by the transfer of £4,000,000 to general reserve, as shown on the balance sheet.

TRANSFERS TO GENERAL RESERVE.

In view of the fact that our stock-in-trade is taken into our accounts at approximate cost, your directors have for many years considered that provision to meet fluctuation in the value of leaf tobacco stocks is essential. You will appreciate that our leaf is not used as soon as it is bought, but is matured until the most favourable condition for manufacture is attained. Now the extent of provision to meet fluctuations must depend upon the limits within which fluctuations are likely to occur. We had in the past a considerable period of fluctuating markets. In recent years, however, prices have tended to become stabilised.

In part, therefore, the provision that has been made is no longer necessary, and to that extent the directors have made the transfer to general reserve.

Further, as a result of recent changes in the basis of assessment to income tax, a portion of the provision for taxation is, in the opinion of the directors, no longer required. In these matters it is our invariable practice to act with caution and prudence. That practice has resulted in great financial strength.

The transfer of £4,000,000 already mentioned and the £500,000 transferred from profit and loss account increase the general reserve to £11,500,000, and after the increase in the issued Ordinary share capital, which later this afternoon you will be asked to authorise, the general reserve will stand at £4,012,075. The provision for pensions, etc., amounts to £3,141,015, showing an increase of £265,112. This increase is made up of £250,000 transferred from profit and loss account and the difference between interest credited to the fund and the pensions paid during the year. The last item on the balance sheet is the balance of profit and loss account, particulars of which will be found in the report and accounts.

PROFIT AND LOSS ACCOUNT.

The net trading profit for the year and interest and dividends on investments (including a very substantial sum derived from dividends on capital employed outside the United Kingdom), and after fully providing for all charges, depreciation of property and plant, bonus to customers, and taxation, amounted, with the item of transfer fees, etc., to £9,599,705, as compared with £9,227,796 in the previous year, an increase in 1928 of £371,909. I am confident you will agree that this result is gratifying. It is, in fact, even more satisfactory than at first sight appears, because it has been made possible by a largely increased turnover on a smaller rate of profit. On the debit side of the profit and loss account we have made allocations, as before, of £250,000 to pensions and £500,000 to general reserve, leaving a balance of profit for the year of £8,849,705, which is carried to the appropriation account.

DIVIDENDS.

Adding to this balance of £8,849,705 the undivided profit brought forward from last year of £959,042, there remains an amount to be dealt with of £9,808,747. Out of this the total dividends upon three classes of preference shares have been provided. Upon the Ordinary shares an interim dividend of 7½ per cent., free of tax, was paid on 1st September last, and it is now proposed, with your consent, to declare a final dividend of 11 per cent. and a bonus of 1s. 6d. per share, both free of income tax, being a total for the year of 26 per cent., which is an increase of 10s. over the dividend for 1927. After these allocations there will remain to be carried forward to the current year, as undivided profit, the sum of £1,169,097.

By the increase in issued capital which you are being asked to approve, the existing number of Ordinary shares is increased by one-fourth. I have noticed that it is assumed in some quarters that the company will be able to maintain the present rate of dividend on the increased capital. I would like to state quite definitely that I see no justification for that assumption.

During the year under review our trade largely increased. But to forecast a sudden leap in our prosperity, such as would enable the company to increase the amount distributed in dividends on the Ordinary shares by one-quarter, would be a flight of optimism in which I am not prepared to indulge.

CONTRIBUTORY PENSION SCHEME.

During the last year the directors have given prolonged consideration to the question of the establishment of a contributory pension scheme for the company's employees. With the limited time at my disposal I cannot give you in detail particulars of the scheme we have decided upon after consultation with one of the leading actuaries of the day, but I think you would like, and, indeed, are entitled, to have an outline of the proposal. We propose to establish on May 1st next a contributory pension scheme, which all employees of the company in the United Kingdom and the Irish Free State who are over the age of 18 and on the regular employment list will be eligible to join, and which all other such employees will join as they attain the age of 18 or when they enter the company's service, if that is after 18 years of age. Directors and higher salaried officials will be excluded.

The Finance Act of 1921 contains provisions whereby income tax relief can be obtained on superannuation funds which are approved by the Commissioners of Inland Revenue. A voluntary scheme such as we have had hitherto cannot obtain that relief. A contributory scheme such as we propose to set up can and does obtain it. In the scheme proposed we have provided benefits which is no respect are less generous, and which in some respects are more generous, than those which have been given under our present scheme. Further, these benefits will be certain and definite.

To do this means alienating a large sum—exactly how much depends upon the number of employees who join the scheme. I think I can safely say that, including the interest on the capital required, no greater charge will be made on revenue than has been made in the past. The capital required is available, and the accrued liability is funded once and for all.

Mr. William Rennie seconded the resolution, which was carried unanimously.

At an extraordinary meeting held subsequently, resolutions were passed authorising that the capital of the company should be increased to £55,000,000, by the creation of 5,000,000 shares of £1 each, ranking with the existing Ordinary shares, and that the new shares be issued in the proportion of one for every four existing Ordinary shares.

THE SCOTTISH LIFE ASSURANCE COMPANY, LIMITED.

STEADY EXPANSION.
RECORD FIGURES.

The Annual Meeting of the Scottish Life Assurance Co., Limited, was held on the 19th inst., in Edinburgh, His Grace the Duke of Atholl, president of the company, presiding.

The Chairman, in moving the adoption of the report for 1928, said :—

It has always been a satisfaction to me to preside at the annual meeting, and it is an additional pleasure to do so on the present occasion, when it falls to us to report record figures. The year 1928 appears to have been a good one for life assurance, and I should like to think there is some justification on that account for drawing the inference that, slowly but surely, the trade of the country is on the upward grade. There are many parts of the country and there are many industries which are still in a distressed condition, but I am not without hope that, even in these districts and these industries, methods will be found for gradually surmounting the great difficulties of the position.

It seems to me that one reason why we and other insurance companies can produce a heartening report is that during 1928 there was a pleasing absence of industrial disputes, and a consequent period of peace in the labour world. If the spirit of conciliation between master and man continues, it will go far to remedy matters. It has been the absence of that spirit in the past which has led to such woeful results.

RECORD NEW BUSINESS.

The new assurances granted amounted to £1,402,000, of which £161,000 was reassured with other companies, leaving a net new business of £1,241,000, which is a considerably larger amount than had hitherto been transacted in any one year in the history of the company. The total life premium income was £593,000 net. The interest on the funds, after deducting income tax, reached £248,000. This represents a gross rate of interest of £5 10s. 4d. per cent., and a net rate of £4 15s. per cent. The fact that throughout the current quinquennium the company had been able to earn on the average distinctly more than 4¾ per cent. was an important factor in its success. The claims by death amounted to £147,000. Measured by the "Death strain" method, which is the most correct method actuarially, the ratio of actual claims to expected claims represented 59 per cent. It is a matter for congratulation that the mortality experienced has once more worked out so well, and this is a tribute to the care in selection of its lives, which has always been a characteristic of this company. The endowment assurances paid on survivance amounted, with bonus additions, to £153,000. The ratio of expenses of management (including commission) to the premium income was 12.7 per cent. The increase in the life funds was the very substantial one of £426,000, being a greater addition than had been made in any previous year, and this brought the funds up to £5,575,000. For the first time in the history of the company the gross income from all sources exceeded £1,000,000. The exact figure was £1,026,530, and the total outgo amounted to £605,504.

INTERMEDIATE BONUS INCREASED.

Owing to the successful working of the company during the current quinquennium, the directors saw their way to grant an additional benefit to policyholders. This took the form of increasing the intermediate bonus in respect of the two concluding years of the current quinquennium, 1929 and 1930. For the first three years the intermediate bonus was at the rate of 43s. per cent. This rate has now been increased for the two final years to 47s. per cent., and applies to full-profit policies which become claims by death during the years 1929 and 1930. This higher rate of bonus has, indeed, applied throughout to endowment assurances maturing during the quinquennium. We feel sure that this increased benefit will cause much gratification to our policyholders as giving evidence that the directors desire to do the very best that they can for them.

INCREASING FIELD FOR LIFE ASSURANCE.

The figures speak for themselves. I would only say what has been said so frequently from this chair, that I do think that there is an increasing field for life assurance in this country. The ordinary citizen is, speaking generally, content with a woefully inadequate provision for his wife and family, and I consider that the officials of this and other companies are doing a great national service in bringing home to their fellow-citizens the necessity for a more adequate provision being made as a safeguard against the poverty and destitution which would otherwise confront their families.

Sir John Lorne MacLeod, G.B.E., LL.D., chairman of the board, seconded, and the report was adopted with the declaration of a dividend of 18 per cent. less tax.

CLERICAL, MEDICAL AND GENERAL LIFE ASSURANCE SOCIETY.

RECORD NEW BUSINESS.

The annual general meeting of this Society was held on the 21st instant, at 15, St. James's Square, London, S.W.

Mr. Francis E. J. Smith (the chairman) first referred with regret to the death of Colonel Sir Edward Ward, chairman of the Employers' Liability Assurance Corporation, remarking that the directorate of this Society had lost a true friend, distinguished in many and very diverse fields. He added that the harmonious co-operation between the two companies, which reigned to-day to their mutual profit, had been fostered largely by Sir Edward's geniality.

Another change was patent in the building in which they met that day. Without any sacrifice of its distinctive beauty and dignity the house, which was built in 1770 by James Stuart, had been converted into an up-to-date office where the staff could work in healthy and comfortable surroundings. The Society had spent on alterations and new office equipment the large sum of £33,500, of which some £15,000 had been taken out of the past year's profits. Even that left the house standing in the books at only £40,000, which was far below its market price.

OVER TWO MILLION NET NEW LIFE BUSINESS.

As befitted the inauguration of their remodelled home, they had to report a record year's business. For the first time in their history of 104 years the Society had passed the two million mark with their net new life business. It had taken many years to reach the one million mark, but only 14 years to double that record. The single premiums showed an increase as compared with the previous year, but this was a class of business they had not specially sought.

They had paid in claims under Endowment Policies £186,000, or more than twice the amount of similar claims paid in any previous year. The figures, however, were not strictly comparable, as a large number of War Bond policies granted in the closing years of the war had matured for payment. Apart from the maturity of Endowment Assurance policies they had paid some £21,000 less in death claims than in the previous year; but this fall must be regarded as fortuitous seeing that it was inevitable, with the larger business they were doing, that claims would increase.

They had opened up successfully two other classes of business. They had recently started to lend to those purchasing houses for their own occupation two-thirds of the company's valuation if they took out an endowment policy as part of the security. They had also issued policies with monthly premiums to suit all those whose salaries were paid to them on a monthly basis. The past year had seen a great expansion of this class of business, which had proved extremely popular and had clearly met a real need. Over £200,000 of their new business had been effected under this system. As time went on and as the convenience of the system became more widely known, they had every reason to believe that its advantages would be more widely appreciated.

He now came to the crucial question in the conduct of any life assurance company, viz., its earned, as compared with its assumed, rate of interest. They were one of the few offices that assumed they would only make 2½ per cent. interest, and this was the governing factor in the whole of their valuation. Their net earnings did not represent quite twice that rate, but they made £4 17s. 5d., so that they were within 2s. 7d. of earning net twice their valuation rate. It was on this fact that the conviction rested that their bonuses were bound to be good. The rise of 2s. now shown in their net rate, translated into money, meant £10,000 into their coffers in one year.

EXPENSE RATIO.

Their expense ratio also was satisfactory, being £14 13s. 5d. per cent. of the premium income as compared with £15 0s. 8d. per cent. in the previous year, but to some extent this was a fallacious test, as single premiums had artificially swollen their premium income.

The balance sheet showed that the Life Assurance Fund had risen from £9,316,048 to £9, 791,105, which was very satisfactory when they remembered that matured endowment assurances had cost them £100,000 more than in 1927.

They were still taking only Stock Exchange and other securities with a fixed due date for redemption, and he was glad to say that, thanks largely to this policy, the excess of the value of their Stock Exchange securities over book values was nearly £200,000—a figure about £65,000 higher than a year ago.

All sources of profit remained unimpaired—surplus interest, mortality profit and economy in expense ratio. It was therefore only reasonable to expect that the Society's old record of continuously expanding profit would be repeated in 1931, when their bonus fell to be declared.

The report and accounts were unanimously adopted.

PROVIDENT MUTUAL LIFE ASSURANCE ASSOCIATION.

ANOTHER YEAR OF EXPANSION AND PROSPERITY.

The annual general meeting of the Provident Mutual Life Assurance Association was held on the 20th instant, at the offices of the association, 25–31, Moorgate, London. Mr. Owen Hugh Smith (chairman of the association) presiding.

The Manager and Actuary (Mr. C. V. R. Coutts, F.I.A.) having read the notice convening the meeting and the report of the auditors,

The Chairman, after a sympathetic reference to the loss sustained by the association in the deaths of the late Chairman, Mr. George Acton Davis, and a director, Mr. James Nicholson Stuart, said: I now turn to the report and accounts for the year. We have again to place before you a record of expansion and prosperity. The premium income has increased by £68,000 to £840,000, as compared with an increase in 1927 of £39,000. Five years ago the premium income was £581,000. There has therefore been an increase in the volume of the business of the association of nearly 50 per cent. in five years. The new business is almost identical with that placed on the books in the previous year. If measured by the new premiums it is slightly higher than that for 1927. If measured by the new sums assured it is slightly lower.

The expense ratio shows a fractional increase from 13·9 to 14·5. The increase is partly due to the increased volume of new business and partly to the fact that certain items of expenditure—as, for example, salaries of the staff, etc.—come up for revision after a quinquennial valuation.

Claims by death continue remarkably low, and, in fact, only represent 45 per cent. of the amount expected by the tables of mortality which we employ, as compared with 51 per cent. in the previous year.

THE FUNDS.

You will see from the revenue account that we have paid out £325,000 in cash bonuses during the year as the result of 54,000 of our members electing to take their quinquennial profits in this form. This item is, of course, of a non-recurring character, and, therefore, to some extent distorts the comparison with the previous year. But notwithstanding this large cash payment the funds have increased by £197,000.

The net rate of interest earned on the funds, as calculated by the usual methods, was £4 12s. 5d., which shows an apparent fall of 2s. 11d. as compared with the previous year. This is of no real significance. The formula assumes that our income and outgo is evenly distributed throughout the year, which is more or less true in a normal year, but the payment of over £300,000 in cash bonuses in the early months of the year has upset the equilibrium.

The investment of the association's funds continues to occupy the care and attention of the board and management. And I need hardly say that we are adhering to the general principles laid down so often on these occasions by our late chairman. You will see from the balance sheet that we have continued the policy, to which reference was made last year, of investing a limited proportion of our funds in ordinary stocks of the highest character. We have also taken advantage of the opportunity of increasing our holding of mortgages on properties in this country. In accordance with our practice in the past we have not brought into revenue any profits on securities either realised or appreciated in market value. It may interest you, therefore, to know that at the 31st December last the estimated market value of our Stock Exchange securities exceeded the aggregate value at which they stand in the balance sheet by approximately £320,000, without taking into account the investment reserve fund of £160,000. We are therefore in the happy position of holding a reserve against any future fluctuations in values of nearly half a million.

The quinquennial distribution of profits, in which over 110,000 policyholders participated, took place early in the year. And it is no small tribute to the efficiency of our staff that the whole of this work was carried through without outside assistance and without the discovery of a single mistake in the many hundreds of thousands of calculations which were required.

SATISFACTORY ACTUARIAL INVESTIGATION.

The usual actuarial investigation into our position at the end of the year has been made, and I am glad to be able to report that at the end of this, the first year of the current quinquennial period, the high profit-earning power which we experienced during the previous quinquennium has been fully maintained. The board, therefore, have no hesitation in deciding to maintain the interim bonuses at the full rates declared for the last quinquennium, which, as you all know, are by far the highest ever recorded in the history of this association, now extending over nearly 90 years. Now, gentlemen, I move the adoption of the report and accounts.

Mr. Herman B. Sim seconded the motion, which was carried unanimously.

The retiring directors having been re-elected and the auditors re-appointed, votes of thanks were passed to the manager and staff and also to the chairman and directors, and the proceedings then terminated.

THE UNDERGROUND GROUP.

RECORD TRAFFIC.

LORD ASHFIELD'S VIEWS.

The annual meetings of the Metropolitan District Railway Company, the London Electric Railway Company, the City and South London Railway Company, the Central London Railway Company, and the London General Omnibus Company, Limited, were held jointly on the 21st instant, at 55, Broadway, Westminster, S.W.

At the request of the chairmen of the respective companies, Mr. H. A. Vernet read the speech which had been prepared by Lord Ashfield (the chairman), who was absent through indisposition. The speech contained the following statements:—Almost for the first time in the 10 years of my chairmanship, it is with pleasure that I meet you to give an account of the affairs of your companies and of your Board's stewardship, for this is the first year since I have been associated with this group of companies that the results have been truly satisfactory. We have deserved, I hope, this success, and our measure of satisfaction is the greater when we see that the basis upon which it is founded has been widened, for the success of this last year, as of the year before it, has attended not only your omnibus undertaking, but also your railway undertakings. All have partaken in the progress that has been made. This makes us more hopeful of the future, for we cannot but think that the tide of misfortune that for so long overwhelmed us has surely and safely turned at last and that we may now look forward to a cheerful prospect in the future.

134 MILLION MORE PASSENGERS.

The total number of passengers carried during the year 1928 was 1,803 millions, an increase of 134 millions over the passengers carried in the preceding year. It is the highest number ever carried by your companies in one year; and I would ask you to note the succession of records which they have made and broken during recent years. If we omit the year 1926, which was prejudicially affected by the General Strike, there has been since 1922 an increase in the passengers carried of some 100 millions or more each year, a record of progress which cannot be paralleled at any other time in their career. This enlargement in the volume of traffic carried cannot be counted a normal growth. It has naturally been stimulated by the expansion of our activities. It may indeed be looked upon as a reward for our enterprise. The extensions of the Underground Railways to Edgware and Morden has led to the development of new populations north and south dependent mainly on these railways for their means of transport. The passengers carried on the Edgware extension have increased at the rate of almost 40 per cent. per annum; the passengers carried on the Morden extension at the rate of almost 20 per cent. per annum. Together they have contributed 8 millions of passengers to the increase of the year. Small it may be in relation to the total increase, but none the less encouraging, as indicating that a liberal policy in meeting the demands for fresh transport facilities is not without its compensations.

One important qualification must be made. In the year 1928, 196 omnibuses which had been acquired from independent companies were absorbed into the fleet of the London General Omnibus Company and the small companies previously owning them wound up. As a consequence some 75 millions of passengers in the increase that we have enjoyed are in the nature of a transfer, though there are secondary advantages in the step that we have taken in the economy resulting from consolidating our omnibus interests as far as possible in one hand.

TRAFFIC RECEIPTS.

The gross traffic receipts for the year 1928 amounted to almost £15,000,000, the expenditure to £12,000,000, so that the net receipts were almost £3,000,000, or, to be more exact, £2,895,000, an increase of £266,000 over the preceding year. The comparison is somewhat confused this year. For the first time we have been required to include in expenditure sums which previously had been treated as reserves and deducted at a later stage. The sums so dealt with amounted to £160,000 in round figures and therefore if we were to adjust the accounts for the year 1928 to agree with those for the year 1927, the increase in our net receipts would have been £426,000 instead of the £266,000 shown in the statistical supplement. Our miscellaneous receipts amounted to just over £1,050,000, or £27,000 more than they were a year ago, so that altogether the amount of money at our disposal at this stage was increased by £453,000, or, allowing for an increase of £108,000 in the amount carried forward from 1927, £561,000. This additional money has been applied in the following way: £183,000, or 33 per cent., was required to meet the increased fixed interest charges in respect of prior securities issued during the year and to provide £75,000 towards the writing down in the balance sheet of the unsatisfactory motor omnibuses taken over from the small companies wound up. If you will look at the capital table in the statistical supplement, you will see that the increase in our capital is £1,526,000, attributable to the issue of debenture stocks on behalf of the London General Omnibus Company and to a loan to the Metropolitan District Railway Company in connection with the construction of the new office building. Then a further £127,000, or 23 per cent. was applied to meet directly the cost of renewals or carried to the reserve for contingencies and renewals. Then £205,000, or 36 per cent., was applied to the payment of additional dividends on the ordinary stocks and shares.

Finally, £46,000 more, or 8 per cent., is carried forward to next year's accounts. I think you will agree that we have made a prudent distribution of the additional moneys at our disposal and that we have had regard in their disposal to the conflicting claims which can be made upon us, strengthening our companies' position on the one hand and satisfying the natural wishes of the shareholders for increased dividends on the other hand. The dividend paid on the stocks and shares of the four railway companies is to be, if you agree, at the rate of 5 per cent., and on the ordinary shares of the London General Omnibus Company at the rate of 8 per cent., free of tax. I give you the figures for the whole year. The average return upon the ordinary stocks and shares of the group of companies is now at the rate of 5·69 per cent., an increase of just over 1 per cent. over the rate for 1927 and the highest average rate so far paid in the history of this group of companies. Since 1915, when the common fund was instituted, the average rate of return per annum has only been a little over 3½ per cent. We may claim to have already suffered twice the term of lean years in Pharaoh's dream. May we now enjoy twice the term of fat years. The law of average should apply here.

Certain elements of cost are beyond our control and in the past year we have had one grave disappointment. I refer to the petrol tax of 4d. per gallon which was placed on the fuel used by our omnibuses. The tax only operated for a part of the year, but in the eight months it amounted to a sum of £249,000. For a full year it will amount to nearly £375,000. In addition to the petrol tax we have paid in licensed vehicle duty £400,000, so that the total amount paid in respect of the omnibuses was, in 1928, £649,000, and in a full year would amount to almost £800,000, which represents 5·35 per cent. of the gross traffic receipts of the group of companies taken together, and much more if the omnibus receipts were taken separately.

The report and accounts were unanimously adopted.

BORAX CONSOLIDATED.

NEW BORATE MINERAL DEVELOPMENTS.

The thirty-first ordinary general meeting of Borax Consolidated, Ltd., was held, on the 20th instant, at the Cannon Street Hotel, London.

The Right Hon. the Earl of Leven and Melville (the chairman) said that the net profit for the past year had amounted to £307,187, as compared with £320,738 for the previous year.

In the balance sheet the increase in the expenditure on buildings and plant referred largely to the works at Wilmington, California, the equipment of which they were contemplating, and to which they had transferred the manufacture hitherto carried on at New York. A large saving in cost had been effected by the operation of this new plant in conjunction with the new mineral.

At the last meeting he had reported that the company was developing on one of its properties in Southern California a new borate mineral which would be more economical for the purpose of borax production than the minerals they had hitherto worked. During the year a large amount of development work had been done, and they had proved the existence of a very large body of this ore on the property. The use of it at the company's refineries in the United States and in Europe had enabled them to show a profit for the year which they would probably not otherwise have made in face of the competition which they had had to meet from various sources in the U.S.A.

COMPETITION FROM U.S.A.

The competition arose from several sources, the largest and most important being that of an American company operating in California, producing potash from lake brines and also borax in the proportion of about one ton of borax to two tons of potash. The borax, being produced as part of the operations, had to be forced on to the market. This, with the competition from other U.S.A. sources, had led to a disastrous reduction in the price of both borax and boric acid, the market being flooded with more than it could at present absorb. So far as potash was concerned, the European producers had so far not met the competition by a reduction in price, as the production of potash at present in the United States supplied only about 20 per cent. of the consumption there. How long these conditions would last would presumably depend upon the development of potash production in the States and the necessity for the European producers to lower their price to meet the changed conditions. It appeared probable that a large increase of potash production in the States might take place in the near future.

So far as Searles Lake, where the potash he referred to was being produced, was concerned, the company had a large patented or freehold property on the lake, and had the right to work the brine free of royalty for the production of potash and by-products. During the war they had done a large amount of experimental work for the production of potash, but at that time processes were not sufficiently developed to enable this to be done at a profit, especially as they then did not aim at producing any by-products. Except for this work they had so far not thought it advisable to develop the property at Searles Lake for the production of potash and borax. The matter, however, was receiving most careful attention.

POSSIBILITIES OF THE NEW MINERAL.

The company's new mineral, to which he had referred, was not only the most economical ore as yet developed for the manufacture of borax, but it also had great possibilities in other directions for use in various industries, especially in a concentrated form. Difficulties in treating it had been overcome after lengthy experiments, and they had been engaged in erecting a plant at the mines, which was just being completed, for the concentration of this mineral. The processes were covered by patents either already granted or applied for.

The demand for borax had shown expansion. The low price had led to enlarged use in certain industries. The unsatisfactory feature was the unstable price, owing to the struggle to sell a product which was at present largely overproduced. Competition had become intensified during the current year, and it was difficult, therefore, to make a forecast, but shareholders might rest assured that the Board were leaving nothing undone to protect their interests.

The report and accounts were unanimously adopted.

SOUTH SUBURBAN GAS COMPANY.

INCREASED CONSUMPTION—LOWER PRICE OF GAS.

The annual ordinary meeting of the proprietors of the South Suburban Gas Company was held, on the 15th instant, at Cannon Street Hotel, London, Dr. Charles Carpenter, Chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said: Despite the unfavourable weather (I mean from the gas-maker's point of view) prevalent during the latter part of the year, we have had a—shall I say?—comforting increase of business and a satisfying addition to the number of our consumers. Now, the all-important means of achieving this result is through the medium of a low price for gas, and that is why, in my opinion, the first matter for congratulation in reviewing our figures for 1928 is that we have brought our price down to 9d. per therm. The price of coal is an important factor in this, but a greater one is the cost of labour. We need and employ more than our competitors, primarily because the foundation of our business is to use the raw material which this country itself provides, and instead of wasting its by-products or causing nuisance by blowing them into the atmosphere, utilises them for the general good.

The increase in our gas consumption—namely, 3¼ per cent.—is, under the circumstances, a satisfactory one; we could not expect it to be fully proportionate to that of the increase in the number of our consumers—namely, 4¼ per cent. bringing their total to 110,343. Apart from this, and as some indication of the popularity of gas-using apparatus, I may mention that we continue to have a considerable demand for these articles, which it is our practice to sell outright or to let on hire or hire-purchase, as the case may be.

The year under review sees the last of the sliding scale which broke down so hopelessly and operated so unfairly during the war. You are not likely to forget that, under it, our dividend authorised by the Act which put it into operation fell to 1s. 8d. per £100 of stock, and how we were by a special Act of Parliament allowed to add to this the totally inadequate figure of £3 13s. 4d. Our new arrangement provides, as you are aware, for a basic rate of 5 per cent., plus such additions as we may earn as the result of good working.

In accordance with the agreement made with our neighbours, we are now taking gas regularly from them. This will avoid any capital outlay upon carbonising plant, and this will prove in more ways than one a particular advantage to this company.

Mr. B. R. Green seconded the motion, which was carried unanimously.

ATLAS LIGHT AND POWER COMPANY, LIMITED.
SALE OF CERTAIN HOLDINGS

An extraordinary general meeting of this company was held on the 21st instant, at River Plate House, London, E.C., for the purpose of submitting an agreement with the American and Foreign Power Company, Incorporated, of New York, providing for the sale of all the Atlas Company's holdings in Electric Supply and Traction Companies operating in the Argentine Republic. Mr. W. Sandford Poole (the Chairman) presided, and first explained that although Sir George Touche had resigned the chairmanship he had agreed to remain on the board for some time longer.

After reviewing the early history of the Company, the Chairman referred to the negotiations resulting in the agreement for the sale of the holdings in Argentine subsidiary companies, which was before the meeting for approval, and explained its principal terms. He said the total amount to be received from the sale was £8,878,000, made up of a capital account figure of £8,500,000 and a revenue account figure of £378,000 for adjustment of earnings and interest. The sum of £855,500 had been received as deposit, and the further sums of £3,640,000 and £4,382,500 respectively would be received on March 11th and July 10th. The expenses of carrying through the transaction are to be divided equally.

The company had an option until April 1st, to take up to 100,000 shares of the South American Power Company at $100 per share, but full particulars of that company had not yet been supplied. The agreement provided for arbitration by Sir William Plender in the event of any statements made to the purchasers proving substantially incorrect. No part of the compensation fund of £37,500 would be appropriated to the board as a whole without the sanction of the shareholders at a subsequent general meeting.

The board recommended the sale because the amount offered for the properties was such as to make it wise to let a buyer have them. The chairman instanced the case of Consols going up to 112 in 1897. Competition, financed by cheap American money, was also being increasingly felt. The properties to be sold for £8,500,000 probably stand at about £5,000,000 in the Company's accounts.

If the agreement was approved the debenture holders would be offered repayment at 105 per cent. or the option of taking up a certain amount of new 5 per cent. debenture stock in lieu of cash. The balance of the purchase price would be available for the purchase of general investments and possibly the acquisition of some other electrical holdings if opportunities occurred of going into fresh and promising fields.

The provisional agreement submitted was approved after considerable discussion, and a further resolution was passed altering the provisions of the memorandum of association with a view to widening the objects and scope of the company.

ANGLO-CEYLON AND GENERAL ESTATES COMPANY, LIMITED.
INCREASE OF CAPITAL APPROVED.

An extraordinary general meeting of the Anglo-Ceylon and General Estates Co., Ltd., was held at 5, Fenchurch Street, E.C., on the 21st instant, to consider a proposal to increase the capital of the company to £600,000 by the creation of 50,000 new ordinary shares of £1 each.

Sir Edward Rosling presided, and said that the main reason for the need for more capital was the purchase of Holmwood Estate, which consisted of 370 acres of tea in one of the best tea-growing districts in Ceylon; but in addition to that they required further capital for the development of some of their unopened land, as well as the necessary work to bring their line accommodation up to the standard required by the Government—a work which they hoped to see practically completed in about two years' time.

In addition to the purchase of Holmwood, the Government had agreed to lease them 500 acres of forest land, which it was proposed to add to their existing estate of Niriella, bringing its total area up to nearly 2,000 acres. Of this, 520 acres were already under tea, and 147 acres in rubber and they had just completed building an up-to-date factory. This estate, when fully developed should prove to be a very valuable property.

Early last year they were approached by the Ceylon Tea Research Committee to sell St. Coombs Estate for the purpose of research work, and, after somewhat lengthy negotiations, the transfer was completed last November. It was largely owing to this sale that the directors decided on the purchase of Holmwood.

In Mauritius, they had purchased Colmar estate, consisting of 290 acres of cane land. The directors did not want to increase their sugar interests, but this property cut right into Britannia estate, so that they could not afford to allow competing interests to obtain possession of it.

In addition to their purchases, the net capital expenditure this year would amount approximately to £45,000, and as there was still a good deal of development work necessary, the directors had decided, in addition to the issue of shares, also to issue the balance of debentures, viz., £100,000. Both issues would be made towards the end of next month, and would first be issued to the shareholders and debentureholders. The shares would be offered at 40s., viz., £1 premium.

The increase of capital was unanimously approved.

THE
LIVERPOOL
AND
LONDON
AND
GLOBE
INSURANCE CO., LTD.
FOR ALL CLASSES OF INSURANCE
Head Office: 1, Dale St., Liverpool. London Chief Office: 1, Cornhill, E.C.3.
General Manager & Secretary: Hugh Lewis

THE BAH LIAS RUBBER ESTATES, LIMITED
SOUND FINANCIAL POSITION.

Mr. H. Eric Miller, presiding at the 18th Ordinary General Meeting of the Bah Lias Rubber Estates, Limited, held on February 21, said that the costs of their rubber showed a decrease of 2.35d. per lb. as compared with the previous year. A dividend of 6 per cent. was recommended, leaving the balance of £52,280 to carry forward. The financial position was thoroughly sound. They had some five hundred thousand lbs. of surplus stock carried forward at bare cost of collection and preparation at under 3d. per lb., so that the current year's account would have the benefit of that. No low-priced forward sales had been entered into. Although they were bound to see fluctuations in the day-to-day quotations for rubber, he thought the rise was based on a solid foundation. (Hear, hear.) He had dealt with the general situation of their industry at some length in his speech to the United Serdang shareholders, when he indicated that the absorption of crude rubber by manufacturers during the current year was likely to exceed new production, and that a further contraction in the already none too ample world's stocks would ensue. During the first half of the calender year manufacturing activity in the rubber industry was naturally greater than during the second half, and the fact that the U.S.A. manufacturers absorbed no less than 43,000 tons of rubber during January only emphasised that point. Some manufacturers had realised that rubber was too low in price last year, and took advantage of their opportunity to purchase freely. Others banked on prices being still lower, and had had to pay heavily and urgently regardless of price. Accumulations in the East had been eagerly absorbed, and the market had reached a more rational price level. Everything pointed to a further contraction of supplies in consuming countries, and speculators might carry the price very much higher than would be in the best interests of the industry. The removal of restriction was hailed by many Americans as opening up the prospects of attaining stability in the market at their own price, but in reality they were as far from stability as ever. In conclusion, he said the Board would continue to do their utmost to safeguard the interests of the shareholders, and he looked forward to meeting them a year hence with a good account of their stewardship.

The report and accounts were unanimously adopted, and the other routine business having been transacted, a cordial vote of thanks was passed to the directors, agents and staff in the East.

THE HOME AND COLONIAL STORES, LIMITED.
IMPORTANT COMBINATION OF INTERESTS.

The thirty-fourth Ordinary General Meeting of the Home and Colonial Stores, Limited, was held on the 21st inst. at 2 and 4 Paul Street, London.

Mr. W. May (the chairman) said that the year under review had proved a difficult and anxious one for those engaged in the management of the company. Industrial conditions had been, speaking generally, very unsatisfactory, and this had had a reflex action on their turnover; and, though there appeared to be some slight improvement in some directions, there was nothing to justify their thinking that anything like normal conditions were yet restored. To meet the situation, as also the keen competition they had experienced—and parenthetically he would remark that they did not fear fair competition, as they made no claim to be monopolists, their policy being big trade, small profits and quick returns—they had opened a number of new branches and availed themselves of every opportunity of serving new districts. They had, where possible, enlarged the floor space and frontages of many of their old branches and introduced several new lines of goods into most of them, and to-day they had, including those of their subsidiary companies, a total of 1,050 branches. He thought it would be agreed that, on the whole, the company had not done so badly during the last year, as they were able to maintain the same dividend on the ordinary shares which was paid for 1927.

The balance-sheet showed that, with the £45,409 now added, the total reserves amounted to the highly respectable figure of £1,306,319, and the balance on profit and loss account was £332,942. Their financial position was still strong and absolutely sound, their liquid assets totalling £1,247,967, against £307,232 liabilities, or nearly £950,000 net.

The directors recommended a final dividend on the ordinary shares of 1s. 6d. per share, making 15 per cent. for the year, and a special bonus, as before, of 2s. per share. This, with the interim dividend, made a total of 5s. per share, less tax, and after allocating £5,000 to the company's sick fund and £3,000 to the staff benevolent fund, they carried forward £131,942, or about £3,700 more than last year.

The report and accounts were unanimously adopted. The Chairman then explained the directors' proposals for a combination of interests of the Meadow Dairy Co. with those of this company, and the proposed increase of capital to enable this to be carried out was agreed to.

GOVERNMENT RETURNS, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 16, 1929:—

(000's omitted.)

Expenditure	£	Receipts	£
Supply Services	4,300	From Revenue	24,977
Interest, &c., on Debt	848	Decrease in Balances	363
Sinking Fund	505		
Sundries	409		
Decrease in Debt	19,278		
	25,340		25,340

The revenue for the week amounted to £24,977,332, as compared with £26,863,766 in the corresponding week last year. Property and Income-tax amounted to £14,809,000 as against £13,586,000, and super-tax to £2,960,000 as against £3,120,000. Customs brought in £1,529,000, against £1,290,000, and Excise £2,335,000, against £6,772,000. Ordinary receipts showed £28,373, against £608,766 a year ago.

The National Debt was reduced by £19,278,000, as shown below:—

(000's omitted.)

	£		£
National War Bonds	− 800	National Savings Certificates	+ 250
Public Department Advances	− 1,000		
Treasury Bills	− 17,322		
Sundries	− 406		
	− 19,528		+ 250

The floating debt was reduced by £18,365,000 to £790,465,000.

Financial Year, 1928-29, April 1 to Feb. 16, 1929.

	£		£
Expenditure	658,052,810	Revenue	599,779,611
		Amount borrowed	54,594,331
		Decrease in balances	3,678,868
	658,052,810	Total	658,052,810

Estimates (New Basis), 1928-29.

	£		£
Expenditure	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

Self-Balancing Revenue and Expenditure.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Feb. 16, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	...	...	...	...	...	166	204	204	204
3½% Conversion Loan	...	...	666	709	760	740	832	832	832
4½% Conversion Loan	...	...	...	210	211	211	221	221	221
3½% War Stock	...	63	63	63	63	63	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,166	2,052	2,109	2,154	2,253	2,253	2,253
National War Bonds	...	1,509	820	778	706	556	194	111	65
4% Funding Loan	...	409	396	394	390	389	385	385	385
4% Victory Bonds	...	360	314	303	292	277	261	261	261
Treasury Bonds	...	...	457	499	482	454	675	773	762
Exchequer Bonds	20	323	150	15	15	15	16	16	16
National Savings Certs.	...	267	366	369	375	372	362	360	360
Other Debt*	...	1,306	1,128	1,124	1,111	1,103	1,097	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	588	576	565	599	527	788	773
Temporary Advances	1	243	186	167	139	117	162	28	17
	654	8,033	7,641	7,598	7,558	7,555	7,528	7,665	7,582
Other Capital Liabilities	57	46	66	68	75	98	103	103	107
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,631	7,768	7,689

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances Outstanding—	Feb. 18, '28. £	Mar. 31, '28. £	Feb. 16, '29. £	Movement Week ended Feb. 16, '29. £
Advances by Bank of England	...	...	...	...
Advances by Public Depts.	131,660,000	161,850,000	16,640,000	− 1,000,000
Treasury Bills Outstanding	581,570,000	526,940,000	*773,825,000	− 17,365,000
Total Floating Debt	713,130,000	688,790,000	790,465,000	− 18,365,000

* Includes £37,000, the proceeds of which were not carried to the Exchequer within the period of the account.

PUBLIC INCOME AND EXPENDITURE.
RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1928-29.	Total Receipts into the Exchequer from April 1, 1928, to Feb. 16, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Feb. 18, 1928.	Week Ended Feb. 16, 1929.	Week Ended Feb. 18, 1928.
	£	£	£	£	£
Balances in Exchequer on 1st April:—					
Bank of England	...	5,918,513	6,003,023	...	...
Bank of Ireland	...	404,112	456,633	...	...
ORDINARY REVENUE.	...	6,322,625	6,459,656	...	...
Inland Revenue—					
Property and Income Tax	232,900,000	159,780,000	182,858,000	14,809,000	13,586,000
Super-Tax	60,000,000	35,540,000	39,940,000	2,960,000	3,120,000
Estate, &c., Duties	72,000,000	69,120,000	66,040,000	1,720,000	1,050,000
Stamps	28,000,000	24,470,000	21,100,000	850,000	450,000
Excess Profits Duties, &c.	1,000,000	...	...	...	...
Corporation Profits Tax	1,500,000	640,000	1,640,000	...	10,000
Land Tax, House Duty and Mineral Rights Duty	850,000	500,000	500,000	100,000	90,000
Total Inland Revenue	396,250,000	290,050,000	312,078,000	20,439,000	18,306,000
Customs and Excise—					
Customs	120,637,000	103,996,000	97,751,000	1,529,000	1,290,000
Excise	140,768,000	118,425,000	126,547,000	2,335,000	6,772,000
Total Customs & Excise	261,405,000	222,421,000	224,298,000	3,864,000	8,062,000
Motor Vehicle Duties (Exchequer Share)	4,400,000	3,991,067	4,531,985	42,000	613,000
Post Office (Net Receipts)	8,186,000	12,100,000	9,250,000	600,000	500,000
Crown Lands	1,100,000	1,120,000	1,000,000	...	...
Receipts from Sundry Loans	27,650,000	21,884,000	18,793,570	3,908	...
Miscellaneous: Ordinary Receipts	13,550,000	12,452,747	29,102,374	28,373	608,766
Miscellaneous: Special Receipts	40,362,000	35,760,797	24,314,831	51	...
Total Ordinary Revenue	752,903,000	599,779,611	623,368,760	24,977,332	26,863,766
SELF-BALANCING REVENUE.					
Post Office	57,314,000	47,500,000	47,750,000	1,000,000	800,000
Motor Vehicle Duties apportioned to Road Fund	21,300,000	20,858,933	19,212,015	207,000	613,000
Total Self-Balancing Revenue	78,614,000	68,358,933	66,962,015	1,207,000	1,413,000
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920-28		774,432	3,866,000	...	...
Road Fund		3,825,000	...	...	...
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		7,650,000	7,000,000	...	...
(b) Under the Unemployment Insurance Acts, 1920-28		10,250,000	3,110,000	260,000	310,000
(c) For other Issues:					
By Treasury Bills		2,433,456,000	2,184,470,000	45,448,000	37,624,000
By 4% Consolidated Loan		...	41,316,756	...	...
By National Savings Certificates		35,650,000	31,100,000	1,000,000	800,000
By National War Bonds		10	10	...	...
By 4½% Treasury Bonds, 1934		...	64,595,752	...	...
By 5% Treasury Bonds, 1933-35		93,603,348	20,800,000	...	1,900,000
By 4½% Treasury Bonds, 1932-34		18,910,000	...	...	...
(d) Ways and Means Advances		542,500,000	563,570,000	9,870,000	4,350,000
Repayments—					
In respect of Suez Canal Drawn Shares		5,733	4,536	...	...
In respect of Cunard Loan		...	130,000	...	...
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		132,325	181,241	...	...
Total		3,821,254,934	3,616,971,643	82,762,332	73,050,766

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1928-29 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Feb. 16, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1927, to Feb. 18, 1928.	Issues Week Ended Feb. 16, 1929.	Issues Week Ended Feb. 18, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt	304,000,000	300,126,757	297,928,856	848,144	862,008
Payments to Local Taxation Accounts	14,200,000	9,972,983	10,627,875	377,750	465,717
Payments to Northern Ireland Exchequer	5,600,000	3,892,843	3,324,186	31,428	...
Other Consolidated Fund Services	2,600,000	2,201,979	3,058,858	...	2,370
Supply Services (excluding Post Office)	352,083,000	293,653,906	306,376,099	4,300,000	8,600,000
Total Ordinary Expenditure	678,483,000	609,848,468	621,315,874	5,557,322	9,930,095
Sinking Fund	65,000,000	48,204,342	56,000,485	505,000	470,000
SELF-BALANCING EXPENDITURE.					
Post Office	57,314,000	47,500,000	47,750,000	1,000,000	800,000
Road Fund	21,300,000	20,858,933	19,212,015	207,000	613,000
Total Self-balancing Expenditure	78,614,000	68,358,933	66,962,015	1,207,000	1,413,000

	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Feb. 16, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1927, to Feb. 18, 1928.	Issues Week Ended Feb. 16, 1929.	Issues Week Ended Feb. 18, 1928.
OTHER ISSUES.	£	£	£	£
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920-28	10,250,000	3,110,000	260,000	310,000
Road Fund, under Section 27 of the Finance Act, 1928	3,825,000	...	...	...
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928	9,050,000	8,250,000	400,000	...
Unemployment Insur. Acts, 1920-28—				
Repayment of Amounts Borrowed	774,432	3,866,000	...	...
Redemption of Debt—				
Treasury Bills	2,186,605,000	2,202,105,000	62,770,000	52,600,000
Principal of National Savings Certificates	36,200,000	33,600,000	750,000	950,000
Principal of National Savings Bonds paid off	3,061	1,042	...	...
Principal of National £ War Bonds paid off ... 131,409,504				
Less paid off by the National Debt Commissioners ... 3,003,000	128,406,504	66,400,261	800,000	
Principal of Treasury Bonds paid off	25,990,787	3,403,035	...	...
Other Debt under the War Loan Acts, 1914 to 1919	3,341,000	100	...	...
Ways and Means Advances Repaid	687,710,000	548,611,000	10,870,000	7,150,000
Issues to National Debt Commissioners to Reduce Debt—				
Suez Canal Drawn Shares Repayments	5,733	4,536	5,733	...
Cunard Loan Repayments	...	130,000	...	...
Old Sinking Fund, 1907-08—				
Issued under Section 9 of the Finance Act, 1908	1,000	1,623	...	...
	3,818,611,177	3,613,797,888	83,125,055	72,823,095
		Feb. 16, '29.	Feb. 18, '28.	In. or Dec.	for Week.
Balances in Exchequer—					
Bank of England		2,101,150	2,103,272	+112,277	+ 89,671
Bank of Ireland		542,607	1,070,483	−475,000	+ 148,000
Total £		3,821,254,934	3,616,971,643	−362,723	+ 237,671

Treasury, February 11, 1929.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bills were opened on February 15, 1929, and the total amount applied for was £41,430,000. For bills at 3 months, dated Monday, at £98 14s. 3d., about 55 per cent., and above in full; Tuesday at £98 14s. 7d., and above in full; Wednesday at £98 14s., and above in full; Thursday to Saturday at £98 14s. 3d., about 55 per cent., and above in full. The amounts allotted were in bills at 3 months, £27,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1928:	£	£	£ s. d.
December 14	40,000,000	46,050,000	4 8 4·07
December 21	40,000,000	46,860,000	4 8 7·03
December 28	45,000,000	80,130,000	4 5 7·07
1929.			
January 4	45,000,000	59,700,000	4 6 5 99
January 11	35,000,000	57,915,000	4 5 4·26
January 18	45,000,000	58,035,000	4 5 2·06
January 25	45,000,000	55,210,000	4 6 6 73
February 1	40,000,000	47,120 000	4 5 2·83
February 8	35,000,000	52,695,000	5 2 5 68
February 15	30,000,000	41 430 000	5 5 3 43

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, February 20, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	351,819,064	Other Government Securities	234,506,627
In Banking Department	58,684,670	Other Securities	9,487,454
		Silver Coin	4,991,819
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	150,503,734
	410,503,734		410,503,734

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	46,331,855
Rest	3,649,836	Other Securities—	
Public Deposits*	15,076,218	Discounts and Advances £12,056,083	
Other Deposits—		Securities 18,692,087	
Bankers £65,694,762			30,748,170
Other Accounts £37,133,249		Notes	58,684,670
	102,828,011	Gold and Silver Coin	347,204
7-Day and Other Bills	4,834		
	136,111,899		136,111,899

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

Both Departments.	Amount Feb. 20, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	351,819,064	− 878,942	− 11,808,706
Public deposits	15,076,218	− 4,559,461	+ 152,307
Bankers' deposits	65,694,762	+ 7,494,885	
Other deposits	37,133,249	+ 695,693	+ 8,292,115
Seven-day bills	4,834	+ 137	+ 2,565
Total, outside liabilities	469,728,127	+ 2,752,312	− 3,361,729
Capital and rest	18,202,836	+ 14,204	− 4,293
Government debt and securities	291,852,582	− 1,549,271	+ 25,133,978
Discounts and advances	12,056,083	+ 1,609,424	
Other securities	28,179,541	+ 2,001,246	− 20,774,994
Silver coin in issue department	4,991,819	+ 8,554	− 658,181
Coin and bullion (bank's reserve)	150,850,938	+ 696,563	− 7,066,825
Reserve of notes and coin in banking department	59,031,874	+ 1,575,505	+ 15,431,881
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	50%	− ½%	+ 10½%
(b) Gold stocks to deposits and notes ("reserve ratio")	32½%	+ ½%	− 1%

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
Jan. 2	413,123,339	378,294,483	22,336,385	84,016,042	38,030,396	785,764 out	4½
9	414,284,469	369,517,787	10,944,607	67,491,247	36,813,416	1,157,054 in	4½
16	414,171,272	360,682,536	15,148,359	67,549,972	36,665,759	114,308 out	4½
23	413,103,414	355,366,406	16,850,494	60,841,865	37,481,693	1,078,579 out	4½
30	412,714,393	355,644,424	19,229,555	58,210,774	37,862,617	394,507 out	4½
Feb. 6	409,626,177	357,519,235	8,351,338	68,500,861	37,003,622	3,091,745 out	5½
13	409,837,878	352,698,006	19,635,679	58,199,877	36,437,556	133,139 in	5½
20	410,503,734	351,819,064	15,076,218	65,694,762	37,133,249	651,702 in	5½

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1929.	£	£	£ %	£	£	£	£ %
Jan. 2	244588281	10175611	153329533 29½	62636855	47745162	16962554	35035050 24½
9	244644115	10170725	154479280 31½	57736855	14687357	15969429	44961493 38½
16	244689806	10171370	154406085 32½	55121855	13058329	15540096	53723549 45
23	244848035	10172176	153342962 32½	49486855	10763570	15061023	57976556 50½
30	244884208	10170568	152978126 32½	50501855	9657227	15946436	57333702 49½
Feb. 6	244994469	10016515	149917446 31½	55386855	8714097	15528000	52398211 46
13	245524998	9491737	150154375 32½	47876855	10446657	16686558	57456367 50½
20	245520727	9487454	150850938 32½	46331855	12056083	18692087	59031874 50

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to Feb. 6	4,462,469	215.151	341,340	5,018,960
Week ended Feb. 13	858,071	35,522	58,116	951,709
Week ended Feb. 20	746,628	34,006	56,309	837,003
Total to date, 1929	6,067,168	284,739	455,765	6,807,672
Do. 1928	5,738,653	277,573	460,715	6,476,943
Increase or decrease in 1929	+ 328,513	+ 7,166	− 4,950	+ 330,729
	= 5·7%	= 2·5%	= 1·0%	= 5·1%
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,787	2,817,868	39,825,084
Increase or decrease in 1927	+1,473,253	+ 97,275	+ 154,959	+1,725,457
	= 4·1%	= 5·8%	= 5·4%	= 4·3%

PROVINCIAL CLEARING RETURNS.

	Month of January. 1928.	1929.	%	Aggregate Weekly Totals to Feb. 16. 1928.	1929.
Number of Working Days	26	27			
	£	£		£	£
BIRMINGHAM	11,558,000	12,309,000	+ 6·4	20,043,200	20,339,700
BRADFORD	6,208,000	5,172,000	− 16·6	...	...
BRISTOL	5,341,000	5,717,000	+ 7·7	8,621,000	8,785,000
DUBLIN	...	...	...	35,459,300	36,838,600
HULL	4,135,000	4,351,000	+ 5·2	6,601,000	6,638,700
LEEDS	5,195,000	4,792,000	− 7·7	8,144,600	7,349,500
LEICESTER	3,881,000	3,818,000	− 1·6	6,321,700	6,228 000
LIVERPOOL	38,959,000	38,762,000	− 0·5	62,990,900	60,604,600
MANCHESTER	62,791,000	59,045,000	− 5·9	99,847,400	92,042,800
NEWCASTLE-ON-TYNE	6,331,000	6,217,000	− 1·8	10,704,000	10,357 500
NOTTINGHAM	2,940,000	2,993,000	+ 1·8	4,740,300	4,862,700
SHEFFIELD	4,726,000	4,552,000	− 3·6	7,831,400	7,504,800
Total	152,065,000	147,728,000	− 2·8	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Egypt appeared in the *Economist* of Jan. 19; Canada in February 2; Denmark in February 9; Italy, Austria, Hungary, Finland, Serbs, etc., Lithuania in Feb. 16.

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

	Feb. 21, 1929.	Feb. 14 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Feb. 23, 1928.
RESOURCES.					
Total gold reserves	2,681,110	2,696,220	2,663,920	2,667,180	2,819,790
Total bills discounted	864,980	903,950	851,620	820,630	461,040
Bills bought in open market	355,640	391,060	410,740	435,610	353,230
Total U.S. Govt. securities	172,590	177,170	200,090	201,770	401,510
Total bills and securities	1,403,280	1,481,250	1,471,580	1,467,040	1,216,280
Total resources	5,107,100	5,143,940	5,102,150	5,093,730	4,991,800
LIABILITIES.					
Federal Reserve notes in actual circulation	1,651,600	1,659,780	1,646,310	1,645,490	1,591,900
Deposits—Member bank—reserve account	2,318,640	2,372,620	2,386,280	2,390,950	2,357,080
Total deposits	2,361,020	2,421,580	2,438,140	2,437,100	2,404,850
Capital paid in and surplus	404,590	404,160	403,960	403,200	369,790
Total liabilities	5,107,100	5,143,540	5,102,150	5,093,730	4,991,800
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	70·8%	69·8%	69·3%	69·4%	74·7%

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

	Feb. 21, 1929.	Feb. 14, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Feb. 23, 1928.
Total bills discounted	181,730	252,690	195,130	212,910	87,850
Bills bought in open market	70,360	94,600	103,730	115,440	102,800
Total U.S. Govt. securities	16,310	18,670	26,190	26,190	75,920
Total bills and securities	268,400	365,960	325,050	354,540	266,560
Deposits — Member bank — reserve account	917,400	947,150	948,520	963,960	917,040
Ratio of total res. to dep. and Federal Res. note liabilities combined	83·1%	76·7%	78·8%	77·0%	83·2%

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

	Jan. 25, 1929.	Jan. 18, 1929.	Jan. 11, 1929.	Jan. 4, 1929.	Dec. 28, 1928.	Jan. 27, 1928.
ASSETS.						
Gold coin and bullion	7,840	8,429	7,667	7,822	8,070	8,145
Subsidiary coin	107	102	84	75	78	229
Bills discounted	8,423	8,010	9,118	9,408	10,063	7,859
Investments	804	294	481	481	673	574
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	8,125	8,197	8,673	9,505	9,487	8,152
Government deposits	1,915	2,335	1,827	1,553	2,897	1,603
Bankers' deposits	5,079	4,807	4,752	4,809	5,001	5,014
Ratio of cash reserves to liabilities to public	50·3%	53·1%	48%	48%	45·5%	53·8%

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

	Jan. 25, 1929.	Jan. 18, 1929.	Jan. 11, 1929.	Jan. 4, 1929.	Dec. 28, 1928.	Jan. 27, 1928.
ASSETS.						
Total securities	21,52,58	21,62,50	21,64,01	21,70,32	21,78,89	18,22,96
Loans	15,48,26	15,20,86	15,29,43	20,50,81	21,38,00	12,34,01
Cash credits	27,27,21	26,35,97	26,22,31	26,16,78	26,67,10	30,87,87
Inland bills	13,37,69	13,17,21	12,47,01	13,30,05	12,37,21	18,28,58
Foreign bills	20,10	18,37	19,20	30,59	39,93	37,55
Dead stock	2,82,48	2,82,35	2,81,66	2,81,45	2,84,04	2,78,34
Bal. with other banks	30,26	39,53	34,44	20,43	11,66	19,95
Cash	12,44,57	11,57,84	11,61,36	10,28,20	11,21,64	13,60,31
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,17,50	5,17,50	5,12,50
Total deposits	75,60,06	76,37,57	75,74,88	77,12,74	78,37,49	77,94,23
The above includes—	£	£	£	£	£	£
Deposits in London	921	969	1,022	996	932	1,049
Advances in London	867	896	900	885	909	979
Cash, etc., at other Banks in London	208	293	259	130	90	140

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

	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 22, 1929.	Feb. 7, 1928.	Position May 31, 1914.
ASSETS.					
Coin and bullion—Gold	146,859	146,860	146,866	147,234	44,294
Balance abroad and foreign bills	34,692	31,678	31,196	20,256	28,533
Norwegian and Foreign Government securities	9,345	9,345	9,345	14,583	8,816
Discounts and loans	259,036	267,533	259,784	301,077	769,110
LIABILITIES.					
Notes in circulation	293,774	298,980	296,724	316,509	113,484
Deposits at sight	85,909	77,478	75,521	106,829	7,188

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

	Feb. 16, 1929.	Feb. 9, 1929.	Feb. 2, 1929.	Jan. 26, 1929.	Feb. 18, 1928.	Position May 30,1914.
ASSETS.						
Gold	189,100	190,000	191,700	192,100	173,657	22,971
Silver					17,644	29,785
Discounts, advances, and other investments	142,800	145,400	142,800	148,400	149,095	77,567
LIABILITIES.						
Notes in circulation	302,100	303,500	300,100	300,200	312,449	109,499
Deposits and bills payable	59,300	57,100	60,300	51,400	44,761	12,980

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

ASSETS.	Feb. 15, 1929.	Feb. 8, 1929.	Feb. 1, 1929.	Jan. 25, 1929.	Jan. 18 1929.
Gold	34,026,595	34,018,098	34,004,022	33,995,441	33,983,46
Foreign assets—					
Sight deposits	11,794,958	12,302,943	12,435,796	11,789,204	11,936,61
Bills discounted	18,273,609	18,208,245	18,164,725	18,632,864	18,617,91
Commercial bills discounted at home	4,098,719	4,836,061	4,081,916	5,051,886	3,993,64
Advances against sec.	9,130,000	9,130,000	9,130,000	9,130,000	9,130,00
To the State	2,325,002	2,314,091	2,339,440	2,198,407	2,243,93
Other advances	...	3,586,659	3,737,397	3,147,433	3,319,28
Other assets (excluding forward exch.)					
LIABILITIES.					
Notes in circulation	62,619,795	63,101,466	63,866,999	62,152,593	62,442,97
Public deposits	12,687,784	12,645,691	12,398,794	12,711,842	12,398,52
Private deposits	5,700,836	6,429,493	5,658,540	7,154,613	6,341,44
Other liabilities	...	2,143,175	1,968,963	1,926,188	1,936,36

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

ASSETS.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Feb. 15 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,21
Gold and bullion	2,728,910	2,729,111	2,729,182	1,886,38
Of which deposited abroad	85,626	85,626	85,626	83,53
Reserve in foreign currencies	100,354	140,295	152,216	292,82
Bills of exchange and cheques	1,446,569	1,707,182	1,783,054	1,963,86
Silver and other coin	125,364	119,634	121,478	78,15
Notes of other German banks	23,471	17,052	8,277	23,74
Advances	78,284	44,405	101,864	58,42
Investments	93,170	93,172	93,320	94,25
Other assets	544,577	469,409	480,783	577,16
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,78
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,21
Reserve	319,608	319,608	284,205	243,39
Notes in circulation	4,077,262	4,236,122	4,453,891	3,784,43
Other daily maturing obligations	467,171	501,314	422,929	532,57
Other liabilities	153,870	140,428	186,361	281,63

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

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

ASSETS.	Feb. 14, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 24, 1929.	Feb. 16, 1928.	Position May 28 1914.
Gold	906,091	905,029	905,104	904,985	742,597	(b)
Foreign Bills and Balances Abroad	493,790	532,101	536,514	524,742	463,013	232,65
Silver and other coin	1,662	1,702	1,789	1,836	1,481	
Securities	698,003	677,530	672,991	653,620	540,225	697,600
LIABILITIES.						
Notes in circulation	2,382,352	2,391,325	2,419,343	2,352,182	2,082,894	934,160
Current accounts	104,943	104,843	71,023	101,488	90,485	112,125

(b) In thousand francs.

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

ASSETS.	Feb. 11, 1929.	Feb. 4. 1929.	Jan. 28, 1929.	Jan. 21, 1929.	Feb. 13, 1928.	Position, May 30,1914
Gold	434,551	434,535	434,540	434,544	435,219	163,09
Silver	22,484	22,514	22,913	22,280	28,372	8,43
Dscts. and advances	358,358	373,430	363,270	374,148	383,438	153,50
LIABILITIES.						
Notes in circulation	784,770	808,052	782,727	88,959	774,878	316,83
Deposits	42,513	38,599	44,423	47,744	73,657	8,01

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

ASSETS.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 23, 1929.	Feb. 15, 1928.	Position May 31, 1914.
Gold	481,774	481,852	482,021	482,096	432,848	171,175
Silver	46,111	45,653	45,471	45,551	62,851	18,350
Foreign Bills and Balances abroad	180,192	186,952	184,653	189,503	...	...
Discounts	131,044	146,010	154,944	135,758	287,922	...
Advances	59,763	63,603	63,109	56,037	52,792	103,000
LIABILITIES.						
Notes in circulation	786,333	802,682	839,838	786,935	760,735	275,925
Deposits	84,545	85,041	66,622	87,514	120,196	33,750

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

ASSETS.	Feb. 16, 1929.	Feb. 9, 1929.	Feb. 2, 1929.	Jan. 26, 1929.	Feb. 18, 1928.
Gold	235,546	235,610	235,690	235,711	233,427
Government securities—Swedish	6,001	6,001	6,001	6,001	11,027
,, ,, Foreign	73,774	73,774	73,774	73,774	105,534
Other Swedish bonds quoted on foreign bourses	749	749	749	749	2,192
Bills payable in Sweden†	208,748	214,861	214,261	202,125	142,946
,, ,, abroad	67,983	68,907	64,174	69,288	81,819
Balance abroad	56,308	55,539	60,265	55,879	46,137
Advances made on government securities and bonds†	52,631	51,839	71,446	55,192	30,464
LIABILITIES.					
Notes in circulation	461,098	464,831	492,808	434,416	440,839
Government deposits	194,779	190,733	191,266	215,281	183,167
Private deposits	2,085	9,934	3,842	7,324	13,356

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are not available as cover for the note issue.

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

ASSETS.	Jan. 9, 1929.	Dec. 26, 1928.	Dec. 19, 1928.	Dec. 12, 1928.	Jan. 11, 1928.
Coin and bullion	9,361	9,500	9,481	9,464	3,492
Of which gold	8,577	8,577	8,577	8,577	6,877
Balances abroad	309,914	291,740	284,547	288,438	198,928
Discounts	239,902	249,656	247,521	242,724	252,943
Government loans	1,729,662	1,713,716	1,706,557	1,704,888	1,627,901
LIABILITIES.					
Notes in circulation	1,980,533	1,976,184	1,947,371	1,941,504	1,857,443
Deposits	68,062	73,376	74,306	79,248	75,764

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

ASSETS.	Feb. 16, 1929.	Feb. 9, 1929.	Feb. 2, 1929.	Jan. 26, 1929.	Feb. 18, 1928.	Position May 30,1914.
Gold	2,559,311	2,559,277	2,559,258	2,559,223	2,607,615	521,775
Silver	707,073	706,761	709,941	707,332	695,411	728,800
*Loans & Discounts	1,849,492	1,897,617	1,978,107	1,936,586	1,849,482	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,329,634	4,374,020	4,336,741	4,312,483	4,196,742	901,550
Deposits	1,043,136	894,975	993,998	972,440	999,882	477,500

* Including 25 million pesetas lent to the State.

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

ASSETS.	Jan. 26, 1929.	Jan. 19, 1929.	Dec. 22, 1928.	Jan. 28, 1928.	May 12, 1922.
Gold	259,795	259,795	585,461	578,896	545,275
Silver, etc.	3,992	3,320	3,959	10,080	775
Government loan	11,632,715	11,622,990	11,597,151	11,311,124	12,585,130
Other advances	14,020,843	13,975,314	15,142,797	13,712,686	5,037,432
LIABILITIES.					
Notes in circulation	20,134,681	20,161,701	21,320,552	21,026,679	15,845,426
Deposits	5,117,088	5,050,586	5,360,690	10,656,200	7,077,350

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

ASSETS.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7, 1929.	Dec. 30, 1928.	Jan. 23, 1928.
Gold and silver holdings	1,497,499	1,496,018	1 494,396	1,493,823	1,443,955
Balances abroad and foreign currencies	3,033,235	3,088,247	3,158,095	3,266,662	400,903
Discounts and advances	1,317,803	1,304,473	1,335,528	1,261,462	1,263,983
Advances to the Treasury	3,685,271	3,685,241	3,685,241	3,781,215	4,470,613
LIABILITIES.					
Capital paid in	500,000	500,000	500,000	500,000	516,422
Reserves	1,164,309	1,164,378	1,164,902	1,149,402	1,119,977
Bank notes in circulation	3,877,993	3,949,462	4,132,292	4,173,017	3,630,145
Sight liabilities	3,459,090	3,396,384	3,336,375	3,424,549	1,225,987
Deposits	472,340	472,365	472,510	472,307	1,495,650

RUSSIAN STATE BANK.—Note-Issuing Department.

(In Tchervonetz—000's omitted.) (NOTE: 1 Tchervonetz = 10 gold roubles.)

ASSETS.	Feb. 16, 1929.	Jan. 31, 1929.	Jan. 16, 1928.	Dec. 31, 1928.	Feb. 15, 1928.
Gold in coin and bullion	17,885	17,886	17,848	17,856	18,239
Other precious metals	4,240	4,319	4,336	4,436	2,468
Foreign bank notes	7,971	7,983	7,803	7,846	6,985
Drafts in sterling (less 10%)	276	276	276	275	265
Bills (less 10% discount)	78,354	76,262	79,463	82,312	68,768
Securities covering advances on goods (less 10%)	274	274	274	274	274
LIABILITIES.					
Bank notes	108,258	106,505	109,097	112,256	95,967
Balance to which notes may still be issued	742	495	903	744	1,033

BANK OF ESTONIA.—In Est. kroon (000's omitted).

ASSETS.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 23, 1929.	Jan. 15, 1929.	Feb. 7, 1928.
Gold coin and bullion	6,267	6,267	6,263	6,341	10,285
Net foreign exchange	23,462	22,523	22,936	23,647	31,452
Subsidiary Estonian coin	737	763	698	633	757
Home bills discounted	14,790	15,089	15,001	14,900	8,380
Loans and advances*	15,501	16,779	16,499	16,233	20,889
LIABILITIES.					
Notes in circulation	34,560	35,133	36,035	36,099	36,896
Sight deposits and current accounts	21,756	22,306	21,311	21,602	25,060
Ratio of reserve to current liabilities	52·78%	50·12%	50·91%	51·97%	67·36%

* Includes a sum not exceeding Ekr. 15,000,000, guaranteed by the Government.

BANK OF DANZIG.—In Danzig gulden (000's omitted).

ASSETS.	Feb. 15, 1929.	Jan. 31, 1929.	Jan. 15, 1929.	Dec. 31, 1928.	Dec. 15, 1928.	Nov. 30, 1928.	Feb. 15, 1928.
Coin and bullion	2,860	2,604	2,735	2,269	2,512	2,400	2,950
Of which gold coin	8	7	7	7	7	7	7
Danzig subsidiary coin	2,852	2,597	2,728	2,262	2,505	2,393	2,943
Bal., Bk. of Eng., inc. notes	11,726	13,204	12,323	18,242	14,297	17,211	12,634
Bills of exchange	21,712	22,060	19,906	21,952	21,860	22,684	20,062
Loans	...	685	...	560	245	460	...
Foreign exchange	689	18,670	19,461	18,647	19,314	18,559	31,950
Other bals. on dem'd	3,403	587	472	1,070	1,166	1,356	1,877
Securities	...	3,403	3,448	3,448	3,448	3,448	...
LIABILITIES.							
Capital paid up	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation	32,914	36,344	33,043	39,416	35,421	38,567	31,625
Deposits on demand	2,453	2,364	2,574	3,636	2,578	2,513	3,925

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

ASSETS.	Jan. 26, 1929.	Jan. 19, 1929.	Jan. 12, 1929.	Jan. 5, 1929.	Jan. 28, 1928.	Position June 30, 1914
Cash & bullion	1,114,676	1,115,659	1,115,265	1,112,835	1,110,055	221,320
Discounts	737,914	723,776	722,374	750,036	758,405	41,740
Advances	89,448	74,492	75,418	112,750	96,301	70,540
LIABILITIES.						
Notes	1,355,018	1,273,824	1,298,902	1,593,213	1,396,754	362,270
Govt. deposits	450,145	444,586	428,186	393,098	592,757	87,340
Other deposits	335,621	396,049	392,994	158,732	251,156	11,440

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

ASSETS.	Jan. 25, 1929.	Jan. 18, 1929.	Jan. 11, 1929.	Jan. 4, 1929.	Jan. 27, 1928.
Gold at home	60,689	60,545	60,523	60,517	61,259
Gold abroad	450,213	457,889	462,929	475,483	408,076
Discounts and advances	54,292	51,425	47,195	45,171	26,245
Loans to Government	1,997	1,997	1,997	1,997	11,237
LIABILITIES.					
Notes of the bank in circulation	333,554	330,490	334,270	337,822	269,857
Government notes in circulation	16,585	16,691	16,752	16,846	43,331
Deposits	128,363	123,791	110,864	121,984	101,100
Drafts	30,540	30,540	30,540	30,540	19,466
Paid-up capital	90,625	90,625	90,625	90,625	89,523

(*Continued on next page.*)

LONDON RATES.

	Feb. 14, 1929.	Feb. 15, 1929.	Feb. 16, 1929.	Feb. 18, 1929.	Feb. 19, 1929.	Feb. 20, 1929.	Feb. 21, 1929.
Bank rate (changed from 4½% Feb. 7, 1929)	5½	5½	5½	5½	5½	5½	5½
Market rates of discount—							
60 days' bankers' drafts	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
3 months' do.	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
4 months' do.	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
6 months' do.	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
Discount (Treasury Bills)—							
2 months'	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
3 months'‡	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
Loans—Day to day	5 6	4½ 5	4 5	4 4½	4½ 5	4½ 5	4 5
Short	4½ 5	4½ 5	4½	4½	4½	4½	4½
Deposit allowances: Banks	3½	3½	3½	3½	3½	3½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks :—

	Short Loans	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months	Trade Bills. 6 Months
1929.	%	%	%	%	%	%	%
Jna. 31	3½	4⅝	4⅝	4⅞	4½ ½	4⅝ 5	5 ½
Feb. 7	4½	5⅛	5⅛	5⅛	5⅛ ½	5⅛ 6	6
14	4½ ⅜	5⅛	5⅛	5⅛ ¼	5⅛ 6	5⅛ 6	6 ¼
21	4½ ⅜	5⅛ ½	5⅛ ½	5⅛ ¼	5⅛ ½	5⅛ 6	6 ¼

RATES OF EXCHANGE.

London on		Usance	Par.	Feb. 23, 1928.	Feb. 14, 1929.	Feb. 21, 1929.
New York	dollars to £1	Cable	4·86⅔	4·88	4·85	4·85
Montreal	dollars to £1	Cable	4·86⅔	4·88 9	4·85	4·87
Paris	francs to £1	T.T.	124·21	123⅝–4	124⅛	124⅛
Berlin	marks to £1	T.T.	20·43	20·44–½	20·45–46½	20·44–45
Amsterdam	florins to £1	T.T.	12·107	12·12½	12·11	12·11
Brussels	belga to £1	T.T.	35·00	35 03–½	34·92–93	34·94–95
Milan	lire to £1	T.T.	92·46	92·30–15	92·78 83	92·58 63
Berne	francs to £1	T.T.	25·22	25·35 4	25·23	25·25
Oslo	kroner to £1	T.T.	18·159	18·31–2	18·75	18·19
Stockholm	kronor to £1	T.T.	18·159	18·17–½	18·15–16	18·15–16
Copenhagen	kroner to £1	T.T.	18·159	18·20½	18·16–20	18·19–20
Madrid	pesetas to £1	T.T.	25·22½	28·78–80	30·50–55	31·22 25
Lisbon	escudo to £1	T.T.	4·50	2⅜–⅝	109¼–110	109½–110
Vienna	schillin to £1	T.T.	34·58½	34 62 5	34·53 6	34·53–56
Prague	krone to £1	T.T.	24·02(a)	164½	163–164	163
Belgrade	dinars to £1	T.T.	25·22½	277–8	276–277	276
Budapest	pengo to £1	T.T.	27·82	27·89 92	27·83–87	27·85 86
Bukarest	lei to £1	T.T.	813 6	794·7	810–813	813 815
Sofia	leva to £1	T.T.	25·22½	672–7	670–675	672 676
Athens	drachmæ to £1	T.T.	375	768–70	374–5	374–375
Constantin'ple	piastres to £1	T.T.	110	965–70	983–85	982 986
Warsaw	zloty to £1	T.T.	43·38	43½	43–⅛	43–⅛
Helsingfors	F. marks to £1	T.T.	193·23	192⅝	192–193	192–193
Kovno	lits to £1	T.T.	48·66	48½–9½	48½–49½	48½–49½
Reval	Kroon to £1	T.T.	18·159	18·00–18·40	18·15–25	18·15–22
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15·25	25·15–22
Alexandria	piastres to £1	Sight	97⅛	97⅛–⅜	97⅜–⅝	97⅛–⅜
Buenos Aires	pence to peso	T.T.	47·62d.	47⅞–⅝	47½–⅝	47⅝–⅞
Rio de Janeiro	pence to mils.	90 days	16	5⅛–⅜	5⅛–⅜	5⅛–⅜
Montevideo	pence to peso	T.T.	51	50¾–1⅛	50¾–51	50¾–1
Valparaiso	dollars to £1	90 days	40	39 38	39·59	39·59
Lima	Eng. to Per. £1	90 days	par	23½% prem.	19⅛% prem.	19⅛% prem.
Calcutta	pence to rupee	T.T.	18	1/5 11–1 6	1/6–⅛	1/6–⅛
Bombay	pence to rupee	T.T.	18	1/5 11–1 6	1/6–⅛	1/6–⅛
Madras	pence to rupee	T.T.	18	1/5 11–1/6	1/6–⅛	1/6–⅛
Hong Kong	ster. to dollar	T.T.	—	2/03–⅛	1/11½–2/–	1/11½–2/0⅛
Shanghai	ster. to tael	T.T.	—	2/7–⅜	...	2/6–2/6⅛
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3 11–2/4	2/3½–2/3⅝	2/3½–2/3⅝
Kobe	ster. to yen	T.T.	24·58d.	1/11⅛–⅜	1/11⅛–⅛	1/11⅛–⅛
Manila	ster. to peso	T.T.	24·066d.	†2s. 0⅛d.	2s. 0⅛d.	†2s. 0⅛d.
Mexico	pesos to £	T.T.	9·76	23·90–24–40 (b)	9·90–10·05	9·75–10·25

† Rate for previous day. ‡ Pence to rescudo.
(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, i.e., approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%
Amsterdam	Oct. 12, 1927	4½
Athens	Jan. 5, 1929	8
Belgrade	July 26, 1921	6
Berlin	Jan. 12, 1929	6½
Brussels	June 30, 1928	4
Bucharest	Sept. 4, 1920	6
Budapest	Oct. 1, 1928	7
Calcutta	Feb. 14, 1929	8
Copenhagen	June 23, 1927	5
Danzig	June 20, 1927	6
Helsingfors	Nov. 15, 1928	7
Kovno	Feb. 8, 1925	7
Lisbon	July 28, 1926	8
New York Federal Reserve	July 12, 1928	5
Madrid	Dec. 19, 1928	5½

	Changed.	%
Oslo	Mar. 26, 1928	5½
Paris	Jan. 19, 1928	3½
Prague	Mar. 8, 1927	5
Pretoria	Jan. 9, 1928	5½
Reval	Jan. 2, 1928	7½
Riga	April 1, 1928	6½ / 7½
Rome	Jan. 5, 1929	6
Sofia	Dec. 15, 1928	9
Stockholm	Aug. 24, 1928	4½
Swiss Bank places	Oct. 22, 1925	3½
Tokio	Oct. 18, 1927	5·48
Vienna	July 16, 1928	6½
Warsaw	Mar. 15, 1927	8
Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
+ 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	Feb. 21, 1928.	Jan. 23, 1929.	Jan. 30, 1929.	Feb. 6, 1929.	Feb. 13, 1929.	Feb. 20, 1929.
	%	%	%	%	%	%
Call money	4½	6	7	7	7½	6½
Time money (90 days' mixed coll.)	4½	7½	7½	7½	7½	7½
	Selling Rates.					
Bank's acceptances :—						
Members—eligible, 90 days	3⅜	5½	5½	5½	5½	5½
Non-mem.—eligible 90 days	3⅜	5½	5½	5½	5½	5½
Ineligible, 90 days	4	5½	5½	5½	5½	6
Commercial accept. days	4	5½	5½	5½	5½	5½

Rates of Exchange, New York on—		Par Level.	Feb. 21, 1928.	Feb. 6, 1929.	Feb. 13, 1929.	Feb. 20, 1929.
London—						
60 days	Dollars for £1	4·8666	4·8356	4·80⅜	4·80⅜	4·80
Cable			4·8781	4·85⅛	4·85⅜	4·85⅝
Cheques			4·8737	4·84⅜	4·85	4·84⅛
Paris	cheques					
Brussels	Cents for 1 franc	3·918	3·9306	3·90⅞	3·9025	3·9025
Switzerland	Cents for 1 Belga	13·90	13·915	13·895	13·90	13·88
Italy	Cents for 1 franc	19·30	19·235	19 23	19 22½	19·22½
Berlin	Cents for 1 lire	5·263	5·2937	5·23¼	5·22⅛	5·3375
Vienna	Cents for 1 mark	23·81	23·85	23·725	23·705	23·72
Madrid	Cts. for Austrn. shlg	14·07	14·09	14·05	14·05	14·05
Amsterdam	Cents for 1 peseta	19·30	16·98	15·86	15·68	15·50
Copenhagen	Cents for 1 guilder	40·195	40·20	40·04	40·02	40·015
Oslo	Cents for 1 kroner	26·80	26·78	26·65	26·66	26·645
Stockholm			26·81	26·635	26·665	26·65
Athens	Cents for 1 drachma	1·297	26·82	26·715	26·72	26·70
Montreal	Can. Cents for $1	100	1·325	1·29⅛	1·29⅛	1·2925
Yokohama	Cents for 1 yen	49·85	⅛ dis.	⅛ dis.	⅛ dis.	⅛ dis.
Hong Kong	Cents for H. Kong $	...	46·80	45·45	45·25	44·95
Shanghai	Cts. for 1 Shng. tael	...	49·875	49·25	48·90	48·50
Calcutta	Cents for 1 rupee	36·50	63·25	62·50	62·20	61·95
Buenos Aires	Gold Pesos for $100	103·65	36·43	36·34	36·30	36·33
Rio de Janeiro	Cents for 1 milreis	32·42	103·00	104·30	104·30	104·55
Valparaiso	Cents for 1 peso	12·125	12·01	11·93	11·90	11·88
			12·25	12·055	12·055	12·07

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·32
Venezuela	Bolivares to £	25·25	,,	25·27
Colombia (Bogota)	Pesos to £1	5	,,	5·02
Nicaragua	Cordobas to £	4·8665	,,	4·92
Salvador	Colones to £	9·73	,,	9·75
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Union of South Africa. From February 6, 1928. London on South Africa. Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Union of South Africa. From February 18, 1929. South Africa on London. Selling.
T.T.	—	⅛% dis.	par to ⅛% pm.	⅛% prem.
Demand	1⅛% dis.	⅛% ,,	⅛% dis.	⅛ to ⅜% ,,
30 days	1⅛ 5/16% ,,	⅜% ,,	⅛% ,,	⅛% ,,
60 days	2⅛ 5/16% ,,	⅝% ,,	1⅛% ,,	⅜% ,,
90 days	3⅛ 5/16% ,,	1⅛% ,,	1⅛% ,,	⅝% ,,
120 days	3⅞% ,,	1⅛% ,,	2⅛% ,,	...

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	London on Australia and New Zealand. Buying. New Zealand.	London on Australia and New Zealand. Selling. Australia.	London on Australia and New Zealand. Selling. New Zealand.	Australia and New Zealand on London. Buying. Australia.	Australia and New Zealand on London. Buying. New Zealand.	Australia and New Zealand on London. Selling. Australia.	Australia and New Zealand on London. Selling. New Zealand.
T.T.*	...	...	99½	99¾	...	...	101	100⅜
Demand	99⅛	98½	99⅜	99½	99⅜	99⅜	100⅜	100⅛
30 days	97⅞	97⅝	...	...	99⅛	98½	100⅛	99⅞
60 days	97	97⅛	...	...	98⅛	98⅜	99⅝	99⅛
90 days	96⅞	96⅛	...	...	98⅛	97⅛	...	99⅛

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz :—

£1,000 sterling equals 942·09–943·00 tchervontzi.
1 tchervonetz = 10 gold roubles. £1 sterling = 9·46 gold roubles.

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council from April 1st, 1928, to February 16th, 1929, amounted to £24,605,000 by means of purchases of sterling in India. Of this amount, £750,000 was remitted on account of the Paper Currency Reserve.

BULLION.

The following statistics of imports and exports of gold for week ended February 21, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland. From:—	£
France	5,636
British West Africa	33,697
British South Africa	921,799
Trinidad and Tobago	2,100
Other countries	738
Total declared value of imports	963,970

Exported from Great Britain and Northern Ireland. To—	£
Denmark	275
Poland	1,724
Germany	6,820
Netherlands	1,000
France	8,376
Switzerland	13,700
Austria	6,150
Egypt	15,240
Gibraltar	2,000
Kenya	3,866
British India	100,694
Other countries	903
Total declared value of exports	160,682

INDIAN CURRENCY RETURNS (in lacs of rupees).

	Feb. 7.	Jan. 31.	Jan. 22
Notes in circulation	18,916	18,974	18,909
Silver coin and bullion in India	9,882	9,955	9,890
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,221	3,221	3,221
Gold coin and bullion out of India	...	...	...
Securities (Indian Government)	4,327	4,327	4,327
Securities (British Government)	786	771	771
Bills of Exchange	700	700	700

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929. ARRIVALS.	£
Feb. 15	nil
,, 16	nil
,, 18	nil
,, 19 Bars bought	712,300
,, 20	nil
,, 21	nil
Total	£712,300

1929. WITHDRAWALS.	£
Feb. 15—Bars sold	8,652
,, 16—	nil
,, 18—Bars sold	3,419
,, 19—	nil
,, 20—Bars sold	8,621
,, 21—Bars sold	3,441
Govs	5,000
Total	£29,133

Net arrivals, £683,167.

Messrs. Samuel Montagu and Company write as follows on February 20, concerning the bullion market :—

GOLD.

The Bank of England gold reserve against notes amounted to £149,837,878 on the 13th instant (as compared with £149,626,177 on the previous Wednesday), and represents a decrease of £4,068,437 since April 29, 1925—when an effective gold standard was resumed. The bulk—about £710,000—of the £923,000 bar gold from South Africa available in the open market this week was secured by the Bank of England, the balance being disposed of as follows :—India, £80,000; Straits Settlements, £50,000; Home Trade, £40,000, and Continental Trade, £36,000. There was a net influx of gold of £651,702 during the week.

SILVER.

Silver prices continued their downward trend until the 16th instant, when the cash quotation was fixed at 25⅜d., and that for two months' delivery 25⅛d. The sagging prices were due more to reluctance on the part of buyers than any eagerness to sell, and the market was therefore in a condition easily responsive to pressure. On the resumption of business in Shanghai following the China New Year holidays, little activity was evident until yesterday, when some substantial buying orders from the Far East rather took the market by surprise, causing a sharp recovery to 25⅞d. for both positions —a rise of ⅛d. for cash and 3/16d. for two months' delivery. The enquiry was not resumed to-day, and quotations reacted ⅛d. in consequence. America has been a more willing seller during the week, but the Indian Bazaars were inclined to buy, especially at the lower level of prices. The following were the United Kingdom imports and exports of silver registered from mid-day on the 11th instant to mid-day on the 18th instant :—

IMPORTS.	£
Netherlands	11,150
Canada	34,979
Other countries	7,354
	£53,483

EXPORTS.	£
Netherlands	79,030
Austria	48,248
Hungary	37,425
British India	64,502
Irish Free State	12,058
Other countries	11,219
	£252,428

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Silver— Per Ounce. Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
Feb. 15	84 11½	25⅛	25 13/16	Mar. 2, 1923	31 9/16
,, 16	84 11½	25⅛	25 13/16	Feb. 29, 1924	33 15/16
,, 18	84 11½	25⅛	25⅞	,, 27, 1925	32⅛
,, 19	84 10⅞	25⅛	25⅛	,, 26, 1926	30 9/16
,, 20	84 11⅛	25 13/16	25 13/16	,, 25, 1927	26 9/16
,, 21	84 11½	25 13/16	25 13/16	,, 23, 1928	26⅛

Overseas Banks (continued from page 418).

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

ASSETS.	Feb. 13, 1929.	Feb. 6, 1929.	Jan. 30, 1929.	Jan. 23, 1929.	Jan. 16, 1929.	Feb. 15, 1928.
Gold bullion and coins	23,767	23,762	23,760	23,758	23,758	23,686
Silver coin	4,713	4,709	4,578	4,556	4,494	3,873
Balances abroad	70,131	66,567	66,559	67,206	65,317	56,171
Treas. notes and sm. change	11,991	11,653	11,660	12,553	12,411	10,776
Short term bills	84,808	85,241	85,217	85,756	86,700	79,659
Loans against securities	47,342	45,643	47,613	47,615	47,456	49,750
Other assets	18,161	18,752	14,440	13,899	12,535	19,601
LIABILITIES.						
Notes in circulation	42,428	43,142	43,121	42,136	41,354	36,858
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,585
Reserve	3,091	3,091	3,091	3,091	3,091	2,612
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,558	12,450	12,161	12,129	12,043	10,692
Current accounts	60,810	53,132	54,709	56,355	61,458	54,372
Government accounts	106,686	109,851	103,827	104,512	100,528	100,109
Other liabilities	17,190	16,571	18,856	19,040	16,618	21,988

NATIONAL BANK OF THE SERBS, &c.—In dinar (000's omitte l)

ASSETS.	Feb. 8, 1929.	Jan. 31, 1929.	Jan. 22, 1929.	Jan. 15, 1929.	Feb. 8, 1928.
Gold	91,209	91,157	91,122	91,114	89,960
Other coin and notes	18,193	18,505	18,164	17,867	17,829
Foreign credits	192,593	198,482	201,752	202,690	314,961
Bills	1,387,175	1,378,123	1,379,698	1,498,630	1,334,152
Government advances	4,201,148	4,201,146	4,201,110	4,201,109	4,338,118
LIABILITIES.					
Notes in circulation	5,237,883	5,193,595	5,114,804	5,271,215	5,478,619
State credits	227,868	227,864	227,825	227,825	299,098
Deposits	1,049,468	1,164,522	1,346,443	1,246,134	1,345,640

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

ASSETS.	Jan. 31, 1929.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7, 1929.	Dec. 31, 1928.
Gold	558,189	556,492	555,580	554,426	583,560
Gold exchange	4,734,745	4,473,152	4,610,923	4,624,662	4,590,493
Other foreign exchange	1,330	1,708	918	1,910	1,943
Bills discounted	56,502	55,523	57,142	56,350	55,682
Advances	59,619	60,461	55,924	55,758	53,813
Debt to the State	3,789,638	3,789,638	3,789,638	3,789,638	3,789,638
LIABILITIES.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,514,306	5,474,989	5,585,045	5,894,451	5,889,550
Deposits and current accounts	2,239,390	2,212,329	2,212,329	2,161,257	2,108,631
Foreign exchange liabilities	1,130,744	919,495	919,495	906,354	905,232

SUMMARY OF BALANCE-SHEETS.

BRADFORD DYERS' ASSOCIATION, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Pref. shares	2,500,000	...
Ord. shares	2,170,363	...
4% deb. stock	1,453,750	...
Int. accrued	29,075	...
Int. outstanding	771	+ 65
Sundry creditors	609,108	− 200,227
Investments, contingency fund	250,000	+ 85,754
Reserve for equalisation fund	135,648	...
Reserve fund	311,114	...
Profit and loss	857,273	+ 121,233
Total	8,317,102	+ 6,825

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Properties, &c.	4,746,681	−114,103
Stocks	349,308	− 625
Sundry debtors	609,494	− 7,519
Investments and loans	2,288,434	+ 57,465
Cash	323,185	+ 71,607
Tota	8,317,102	+ 6,825

BOVRIL, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Cum. pref. shares	1,000,000	...
Cum. ord. shares	1,000,000	...
Deferred shares	1,000,000	...
Debenture stock	500,000	...
5½ % 8-year notes	299,850	...
5½% Notes	400,000	+ 400,000
Sundry creditors	540,654	− 7,102
Bills payable	30,000	− 80,000
Reserve	1,100,000	+ 200,000
Reserve for debts, &c.	1,500	...
Premium on new issue, &c.	...	− 135,493
Profit and loss	278,635	− 11,982
Total	6,150,639	+ 365,423

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Goodwill, trademarks, freehold and leasehold properties and interest in associated companies, Government stock, &c.	3,042,783	+ 1,030
Plant & furniture	42,484	+ 974
Stock in hand	1,955,623	+ 332,914
Trade debtors, &c.	927,725	− 19,638
Cash	182,024	+ 50,143
Total	6,150,639	+ 365,423

THE BRITISH SOUTH AFRICA COMPANY.

September 30, 1928.

LIABILITIES.	Amount. £	Compared with Sept. 30, 1927 £
Ord. shares (15s., fully paid)	6,570,377	...
Creditors	401,423	+ 35,006
Staff reserve	199,808	+ 8,150
Reserve account	4,015,976	− 8,270
Profit and loss	1,094,456	+ 44,291
Total	12,282,040	+ 79,177

ASSETS.	Amount. £	Compared with Sept. 30, 1927. £
Cash	17,924	− 24,635
British, Colonial, Indian & Foreign Govt. and Municipal stks., bonds, & Notes	1,520,613	− 80,386
British, Colonial, & Foreign Railway and other securities	1,367,729	+ 72,139
Shares, debs., and interests	3,443,931	+ 311,618
Debtors, less res.	625,144	− 158,735
Estates, &c.	579,590	− 2,932
Moveable assets	141,804	− 21,218
Mineral rights, &c.	4,585,305	− 16,674
Total	12,282,040	+ 79,177

MANCHESTER SHIP CANAL COMPANY.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Temporary loan	343,690	+ 156,990
Unpaid interest	85,082	− 205
Unpaid dividends	21,335	+ 1,273
Amount due to railway clearing h'se	211,083	+ 2,770
Superannuation fund	41,755	+ 21,476
Accounts payable	198,802	− 74,835
Liabilities accrued	37,005	+ 2,036
Miscellaneous accounts	41,966	− 4,717
Insurance fund	2,266	+ 241
Reserve for contingencies	133,930	− 9,791
Balance for dividends	384,933	− 93,813
Total	1,501,847	+ 2,004

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Capital account balance at debit	379,078	+ 156,828
Cash at bankers	182,028	− 114,142
Cash in hand	16,413	− 3,913
Stock and materials	90,089	− 3,449
Traffic accounts	280,413	+ 23,493
Accounts receivable	56,841	− 321
Miscellaneous accounts	118,743	− 4,304
Suspense accounts	31,705	− 3,887
Investments	223,081	+ 23,081
Shares vested in trustees	...	− 73,081
Amounts paid towards extinguishment of 2nd debentures	53,617	+ 4,609
Discount, &c., 6% debentures	69,839	− 2,910
Total	1,501,847	+ 2,004

HARRODS, LIMITED.

January 31, 1929.

LIABILITIES.	Amount. £	Compared with Jan. 31, 1928. £
Ord. shares	2,213,396	+ 298,396
Pref. shares	4,000,000	...
Deposits, &c.	1,113,375	+ 105,844
Sundry creditors	1,351,763	+ 142,672
Reserve	1,000,000	...
Mumbles funds	74,428	6,151
Managers' and buyers' fund	...	− 7,756
Pens. funds	317,351	+ 14,706
Dividend diva.	6,237	+ 2,341
Profit and loss	623,043	+ 47,436
Total	10,699,593	+ 597,288

ASSETS.	Amount. £	Compared with Jan. 31, 1928. £
Property & goodwill, &c.	90,000	...
Sundry leaseholds	286,705	+ 86,653
Freeholds	3,777,774	− 3,189
Plant, &c.	973,168	− 3,500
Horses, vans, &c.	25,777	+ 402
Sundry debtors	1,267,202	+ 156060
Investments	2,518,651	+ 549,562
Stocks	1,041,944	+ 25,489
Unexpired insur.	18,912	+ 4,724
Cash	699,460	− 219,013
Total	10,699,593	+ 597,288

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Feb. 15, 1929. (c) Week ended Feb. 16, 1929.	Miles Open.	Week ended Feb. 17, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 7 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,733	172	187	118	305	477	1,325	1,442	901	2,343	3,668
Do. for 1928	3,734	187	224	119	343	530	1,387	1,483	841	2,324	3,711
Lon.&N.Eastn.(c)	6,345	273	386	284	670	943	2,023	2,749	1,909	4,658	6,681
Do. for 1928	6,363	295	426	257	683	978	2,117	2,934	1,780	4,714	6,651
Lond.,Mid.&Scot.	6,953½	399	539	324	863	1,262	2,963	3,738	2,168	5,906	8,869
Do. for 1928	6,950½	452	599	295	894	1,346	3,120	3,958	2,024	5,982	9,102
Southern	2,177	233	68	34	102	335	1,762	498	239	737	2,499
Do. for 1928	2,177	254	82	30	112	366	1,811	512	209	721	2,532
Metropolitan (c)	59	29·2	—	—	3·7	32·9	217·0	—	—	26·4	243·4
Do. for 1928	59	30·9	—	—	3·7	34·6	219·1	—	—	26·4	245·5
†Und'rgr'ndE.R.c	—	—	—	—	—	243·5	—	—	—	—	1,792·9
†Do. for 1928	—	—	—	—	—	271·2	—	—	—	—	1,840·9
Lon&Sub.Gr'upc	—	—	—	—	—	33·7	—	—	—	—	251·2
Do. for 1928	—	—	—	—	—	38·8	—	—	—	—	262·4
B'lf'st&Co.D'wn b	80	1·7	—	—	·8	2·5	12·9	—	—	5·7	18·6
Great Northern b	562	9·6	—	—	15·0	24·6	71·6	—	—	108·5	180·1
Great Southern b	2,187	21·1	—	—	46·0	67·1	157·3	—	—	319·8	477·1

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or −	Total Gross Receipts. 1929.	+ or −
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	42weeks	Jan.19	1,200	4,62,000	− 4,105	1,84,18,485	+ 6,73,198
Barsi Lt. Ry.	43weeks	26	202	59,100	− 9,500	20,11,600	+ 6,40,800
Bengal & N.Western	43weeks	26	2,078	7,42,563	− 17,343	1,16,01,594	− 4,40,943
Bengal-Nagpur	42weeks	19	2,979	19,37,000	− 7,026	7,07,67,825	− 2,27,395
Bombay, Bar.,& C.I.	45weeks	Feb. 9	3,022	23,03,000	−3,88,000	9,92,44,000	+33,42,000
Burma	35weeks	Dec. 1	1,349	7,24,790	− 80,277	2,73,09,216	− 1,42,540
Madras & S. Mahr	43weeks	Jan.26	3,074	20,95,000	+ 99,820	7,63,63,210	+ 55,54,000
Nizam'sGuarantd.(a)	43weeks	26	1,146	5,37,494	+ 51,788	1,68,56,401	+10,69,453
†Rohilk'd&Kumaon	43weeks	26	572	1,39,007	− 20,088	20,89,448	− 1,12,139
South Indian	43weeks	26	2,234	14,15,507	+ 71,424	5,07,65,988	− 5,393,04
CUBAN.				£	£	£	£
United of Havana†	33weeks	Feb.16	1,374	128,103	− 4,374	2,095,082	+ 37,919
URUGUAYAN.				£	£	£	£
Central Uruguay	33weeks	Feb.16	273	26,902	− 7,181	1,000,576	+ 5,998
C. Urug. (East Ext.)	33weeks	16	311	6,728	− 2,690	220,777	+ 1,185
C.Urug.(North.Ext.)	33weeks	16	185	3,185	− 1,018	118,588	+ 4,559
C. Urug.(West. Ext.)	33weeks	16	211	3,492	− 485	96,078	+ 4,579
CANADIAN.				$	$	$	$
Canadian National	5 weeks	Feb. 7	19364	4,375,872	− 33,694	22,553,557	− 727,640
Canadian Pacific	6 weeks	Feb.14	14823	3,426,000	−183000	22,351,000	+ 191,000
BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil	7 weeks	Feb.16	1,016	20,400	+ 1,900	156,600	+ 20,600
Leopoldina	7 weeks	16	1,856	33,363	− 23,882	242,059	− 92,518
Leopoldina Termnl.	7 weeks	16	Mlrs	289,000	+ 6,000	1,945,000	+ 97,000
San Paulo	7 weeks	17	153½	37,451	− 7,507	334,036	+ 36,760
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia)	7 weeks	Feb.17	838	37,290	+ 325	304,930	+ 53,866
Nitrate (½-monthly)	6 weeks	Feb.15	402	39,700	+ 1,965	126,346	+ 25,765
OTHER OVERSEAS.							
Alcoy and Gandia	52weeks	Dec.29	33	Ps. 35,500	—	1,388,700	+ 60,000
Egyptian Delta	43weeks	Jan.31	608	£12,169	+ 2,102	287,348	+ 50,000
Gt. Southn. of Spain	6weeks	Feb. 9	104	Ps.129,173	− 9,047	744,998	− 49,711
Mexican Railway	6weeks	14	483	$263,200	+ 13,300	1,950,300	− 22,400
Paraguay Central	32weeks	9	274	£4,070	+ 130	140,940	+ 2,400
Salvador	33weeks	16	100	£7,897	+ 943	150,521	+ 1,400

† Including Lucknow-Bareilly State Railway. (a) Total receipts of all lines.

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

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or −	Total Receipts. 1929.	+ or −
				£	£	£	£
Argentine N.E.	33weeks	Feb.16	753	14,300	− 200	519,100	+ 28,100
B.A. and Pacific	33weeks	16	2,694	194,000	+ 16,000	5,423,000	+ 547,000
B.A. Central	33weeks	17	—	15,671	+ 781	479,475	+ 14,638
B.A. Gt. Southern	33weeks	16	4,725	300,000	− 36,000	7,903,000	− 572,000
B.A. Western	33weeks	16	1,926	100,000	− 25,000	3,238,000	− 56,000
Central Argentine	33weeks	16	3,305	270,000	− 11,000	8,815,000	+ 215,000
Cordoba Central	33weeks	16	1,218	57,000	− 5,000	2,282,000	− 41,200
Entre Rios	33weeks	16	728	37,300	+ 300	1,014,600	+ 37,750

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or −	Total Receipts. 1929.	+ or −
				£	£	£	£
Anglo-Argentine	7weeks	Feb.18	329	£81,113	− 5,837	598,571	− 18,453
B. Aires Lacrose	33weeks	17	—	£13,095	− 193	432,064	+ 4,138
Burnley Corporation	1week	16	13	£2,598	− 367	—	—
Calcutta Tramways	1week	16	35½	Rs126,076	+ 921	—	—
Chatham & District	5weeks	Feb. 7	15	£991	− 204	5,410	− 1,524
Egyptian Markets	5weeks	7	—	£2,013	− 52	12,995	+ 110
Glasgow Corporation	31weeks	9	136‡	£43,073	− 2,949	1,593,902	− 53,063
Isle of Thanet Trams	5weeks	6	—	£736	− 14	3,919	− 51
Liverpool Corp.	46weeks	16	124	£26,031	− 2,361	1,359,631	− 48,306
L.C.C. Tramways	45weeks	13	166	£75,998	− 5,206	3,749,364	+ 121,146
Madras Electric	16weeks	15	—	£42,641	+ 5,982	1,14,015	− 6,815
Pernambuco Trams†	5weeks	10	—	£6,348	+ 727	28,545	+ 1,273

† Tramway Receipts only. ‡ Fortnightly figures.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Corresponding Period Last Year. Dividend.
Breweries.		£	£	£	£	£	%	£	£	£	%
Bent's Brewery	Dec. 31	37,927	30,465	68,392	7,699	21,000	15	2,000	37,693	32,763	15
Boddington's Breweries	Dec. 31	17,694	72,902	90,596	16,500	49,500	15	5,000	19,596	77,216	15
John Lovibond and Sons	Sept. 30	22,102	9,709	31,811	3,025	3,938	7½	2,000	22,848	10,262	7½
Octagon Brewery	Dec. 31	9,883	13,951	23,834	2,000	6,562	18¾	5,200	10,072	12,901	18¾
Canals and Docks.											
Manchester Ship Canal	Dec. 31	29,043	355,890	384,933	237,137	131,298	3½	—	16,498	447,309	5
Electric Lighting and Power											
Northampton Electric Light and Power	Dec. 31	9,910	52,679	62,589	2,625	40,274	9	10,000	9,690	58,528	9
Smithfield Markets Electric Supply	Dec. 31	2,530	13,779	16,309	—	4,800	8	9,000	2,509	14,008	8
Westminster Electric Supply	Dec. 31	35,551	157,654	193,205	24,750	110,824	1/9⅓	28,609	29,022	178,622	1/9⅓
Financial, Land and Investment.											
Cordova Land Co.	Dec. 31	19,623	60,077	79,700	—	48,964	4½	5,000	25,736	60,343	3½
Edinburgh Canadian Mortgage	Jan. 15	2,394	15,910	18,304	5,000	5,500	5½	5,000	2,804	14,173	5
Gas.											
Barnet District Gas and Water	Dec. 31	22,672	44,932	67,604	—	36,585	7	3,500	27,519	35,800	7
Bournemouth Gas and Water	Dec. 31	51,112	96,294	147,406	22,500	50,258	7 / 8½	20,000	54,648	108,876	7 / 8½
Hartlepool Gas and Water	Dec. 31	14,118	30,310	44,428	—	29,280	5	—	15,148	34,974	5
Liverpool Gas	Dec. 31	75,125	206,535	281,660	42,000	123,392	6	—	116,268	173,601	5½
Sheffield Gas	Dec. 31	85,973	84,169	170,142	—	86,848	6½	—	83,294	112,277	6
Swindon United Gas	Dec. 31	2,145	11,120	13,265	425	6,590	5½	824	5,426	9,710	5½
Tottenham and District Gas	Dec. 31	42,446	78,210	120,656	13,200	63,936	6⅝	—	43,520	79,269	7 / 6 / 5½
Tunbridge Wells Gas	Dec. 31	13,264	12,592	25,856	—	11,221	13¾ / 11½ / 10¾	—	14,635	11,638	13½ / 11 / 10½
Walton-on-Thames and Weybridge Gas	Dec. 31	7,546	5,076	12,622	720	6,545	11A / 8B	—	5,357	8,455	11A / 8B
Hotels, Restaurants, etc.											
Holborn and Frascati	Dec. 31	16,083	49,555	65,638	7,500	29,000	12½	12,500	16,638	46,920	12½
Langham Hotel	Dec. 31	26,394	12,367	38,761	—	10,773	12½†	—	27,988	11,742	12½
Iron, Coal and Steel.											
Steel Developments	Dec. 31	3,196	4,581	7,777	—	4,493	6†	—	3,284	4,847	6†
Motor and Cycle.											
Leyland Motors	Sep. 30	*Dr284,525*	493,179	208,554	*76,800	—	—	87,181	44,573	233,842	—
Rolls Royce	Oct. 31	30,295	185,769	216,064	—	81,379	10	70,000	64,685	156,878	10
Rubber, etc.											
Ratanui Estate	Sept. 30	4,959	*Dr. 2,071*	2,888	—	—	—	—	2,888	9,960	5
Wampoe Tobacco and Rubber	Oct. 31	5,656	3,727	9,383	—	4,375	2½	—	5,008	17,173	10
Shipping.											
British Oil Shipping Co.	Dec. 31	—	45,111	45,111	—	22,380	10	15,000	7,731	—	—
Isle of Man Steam Packet	Dec. 31	15,531	35,501	51,032	—	36,000	6	—	15,032	32,315	5
Shops and Stores.											
Harrods Limited	Jan. 31	113,557	775,156	888,713	300,000	442,680	20	30,000	116,033	721,751	20
Jeremiah Rotherham and Co.	Jan. 15	72,641	64,068	136,709	10,000	54,000	9	—	72,709	62,226	10
Pim Brothers	Jan. 31	2,737	3,680	6,417	5,500	—	—	—	917	10,830	5
Spencer, Turner and Boldero	Jan. 15	38,978	51,013	89,991	10,800	36,520	8	1,506	41,165	54,802	10
Thomas Wallis and Co.	Jan. 31	2,073	30,486	32,559	16,000	14,000	7	—	2,559	31,079	8
Textiles.											
Barlar and Jones	Dec. 31	56,364	101,825	158,189	31,129	50,000	12½†	22,000	55,060	117,640	12½
Bradford Dyers' Association	Dec. 31	563,022	551,023	1,114,045	125,000	244,166	11¼	366,028	378,851	428,429	10
A. and S. Henry and Co.	Nov. 30	5,181	14,451	19,632	5,000	—	—	—	14,632	*Dr623 11*	—
R.M.C. Textiles (1928)	Dec. 31	—	23,669	23,669	—	18,750	12½	—	4,919	—	—
Tramway and Omnibus.											
Lancashire United Transport and Power	Dec. 31	—	12,555	12,555	—	—	—	12,555	—	38	—
Torquay Tramways	Dec. 31	1,786	27,612	29,398	—	13,500	9†	14,112	1,786	—	—
Trust.											
General Investors and Trustees	Jan. 31	2,439	88,175	90,614	14,256	53,856	17	19,000	3,502	80,160	16
London Border and General Trust	Jan. 31	—	49,824	49,824	18,000	12,000	5	15,620	4,204	—	—
Mercantile Investment and General Trust	Jan. 31	36,319	310,911	347,230	60,000	192,000	16	50,000	45,230	293,024	15
Merchants' Trust	Jan. 31	88,079	138,919	226,998	32,500	91,000	14	10,000	93,498	136,645	13
Premier Investment	Jan. 31	45,445	102,892	148,337	35,833	45,000	10	50,000	17,504	81,269	10
Union Commercial Investment	Jan. 31	17,408	46,216	63,624	18,750	21,500	8	20,000	3,374	31,512	8
Waterworks.											
Bristol Waterworks	Dec. 31	50,229	143,865	194,094	49,613	75,575	6¼	15,000	53,906	134,302	6
Newcastle and Gateshead Water	Dec. 31	32,370	137,755	170,125	55,253	34,955 / 41,215	9 / 6⅗	—	38,702	132,668	9 / 6⅗
Tendring Hundred Waterworks	Dec. 31	11,989	14,315	26,304	—	11,120	7	3,000	12,184	15,971	7
Woking Water and Gas	Dec. 31‡	5,524	8,040	13,564	—	6,762	10 / 7	250	6,552	13,438	10 / 7

* Including arrears.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS—*continued.*

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Preference. Amount.	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, etc.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Corresponding Period Last Year. Dividend.
		£	£	£	£	£	%	£	£	£	%
Other Companies.											
Allied Dairies	Feb. 2	—	15,799	15,799	—	9,600	7½	5,000	1,199	—	—
Artizans', Labourers' and General Dwellings	Dec. 31	30,502	147,765	178,267	42,500	84,415	6	20,000	31,352	149,580	6
Bovril Limited	Dec. 31	78,610	318,025	396,135	60,000	75,000 / 130,000	7½ Ord. / 13 Def.	60,000	71,135	321,532	7½ / 13⅓
Cotton Plantations	Aug. 31	*Dr. 26,934*	*Dr. 11,406*	*Dr. 38,340*	—	—	—	—	*Dr38,340*	—	—
City Offices	Dec. 31	1,222	34,772	35,994	1,298	26,393	30/- p.s.	7,000	1,303	30,711	30/- p.s.
Copestake, Crampton and Co.	Dec. 31	946	21,609	22,555	—	12,800	2	8,190	1,565	32,452	5
Crossley Brothers	Dec. 31	96,724	56,813	153,537	28,237	—	—	—	125,300	51,882	—
Drage's Limited	Dec. 31	66,305	169,911	236,216	32,000	42,000 / 50,000	15 P.O. / 62½ O.	28,478	83,738	162,073	
Harrison, Barber & Co.	Dec. 31	2,757	11,967	14,724	—	11,700	9	1 000	2 024	10,641	7
Henry Faulkner and Co.	Dec. 31	5,737	5,515	11,252	625	—	—	10,331	296	—	—
International Lighting Association	Dec. 31	—	1,165	1,165	883	—	—	282	—	—	—
Liverpool Daily Post and Echo	Dec. 31	56,238	270,720	326,958	10,000	175,000	25	100,000	41,958	276,279	25
Moss' Empires	Dec. 31	65,308	117,378	182,686	19,151	67,200	15	30,000	66,335	137,131	16
Parry and Co.	Dec. 31	17,307	29,139	46,446	12,035	9,622	7½	—	24,789	23,930	7½
Richard Wheen and Sons	Nov. 30	1,413	6,692	8,105	7,076	—	—	—	1,029	8,054	—
United Picture Theatres	Dec. 30	—	29,563	29,563	—	26,641	10 P.O.	2,750	172	—	—
Vyse, Sons and Co.	Nov. 30	14,808	33,463	48,271	10,875	17,400	11	5,000	14,996	38,880	12
Wharncliffe Dwellings	Dec. 31	792	5,972	6,764	2,700	1,800	3	1,500	764	5,888	2½

* For Half Year. † Free of Income Tax.

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances. January, 1929.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills and Co.	Lloyds Bank, Limited.	Martins Bank, Limited.	Midland Bank, Limited.	National Bank, Limited.	National Provincial Bank, Limited.	Westminster Bank, Limited.	Williams Deacon's Bank, Limited.	Aggregate.
Assets.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes and balances with the Bank of England	34,009	1,518	3,456	39,213	8,580	46,444	3,544	31,574	29,889	3,364	201,591
Balances with and cheques in course of collection on other banks in the United Kingdom	9.011	729	1,449	8,625	2,293	13,477	149	8,181	9,692	1,149	54,755
Items in transit	—	—	—	2,404	—	—	—	—	—	—	2,404
Money at call and short notice	25,011	2,076	6,135	27,548	5,366	25,473	4,760	21,157	29,295	3,008	149,829
Bills discounted	53.715	1,485	1,659	50,825	3,818	62,897	2,322	48,587	47,345	3,821	276,474
Investments	60,567	3,775	7,874	37,298	25,673	34,716	15,117	35,998	38,439	5,367	264,824
Advances to customers and other accounts	168,308	10,010	14,056	195,526	41,885	214,302	15,445	148,628	145,811	17,597	971,568
Liabilities of customers for acceptances, endorsements, &c.	25,812	408	2,254	65,104	11,388	78,003	31	20,165	27,713	1,584	232,462
Bank premises account	5,500	372	695	6,787	2,084	8,725	786	5,765	4,714	971	36,399
Investments in affiliated banks	5,360	—	—	6,445	—	6,911	—	2,934	2,992	—	24,642
	387,293	20,373	37,578	439,775	101,087	490,948	42,154	322,989	335,890	36,861	2,214,948
Ratio of cash to current, deposit and other accounts	10·14	8·44	10·30	11·24	10·45	12·02	9·56	11·12	10·32	10·49	10·91
Liabilities.											
Capital paid up	15,858	1,000	1,060	15,810	4,160	13,433	1,500	9,479	9,320	1,875	73,495
Reserve fund	10,250	1,000	530	10,000	3,458	13,433	1,425	9,479	9,320	1,350	60,245
Current, deposit and other accounts	335,373	17,965	33.533	348,856	82,064	386.079	37,060	283,866	289,524	32,052	1,846,372
Acceptances, endorsements, &c.	25,812	408	2,254	65,104	11,388	78,003	31	20,165	27,713	1,584	232,462
Notes in circulation	—	—	—	5	17	—	2,138	—	13	—	2,173
Reduction of bank premises account	—	—	—	201	—	—	—	—	—	—	201
	387,293	20,373	37,578	439,775	101,087	490,948	42,154	322,989	335,890	36,861	2,214,948

Reports and Notices.

The 1929 edition of the "Stock Exchange Official Intelligence," the only work of its kind that is issued by the Stock Exchange—will be published on March 25th. The 1927 and 1928 editions (the latter of which was considerably larger than any previous issue) were exhausted soon after publication.

Waring and Gillow, Limited, announce that the address of their offices is now 61 and 62, Conduit Street, London, E.C.3.

The directors of the Phœnix Assurance Company, Limited, have appointed Mr. Arthur Melmoth Walters (of Messrs. Walters & Company) to be a deputy chairman jointly with Mr. E. G. Buxton, the present deputy chairman.

The directors of the Alliance Trust Company have appointed Mr. William Dunbar Macdougall, manager of the company, to be a director of the company in room of the late Mr. Thomas Maitland. Mr. Macdougall will still retain office as manager.

The head offices of the Universal Automobile Insurance Company, Limited, are now at 162, Buckingham Palace Road (corner of Elizabeth Street), London, S.W.1. Telephone numbers: Sloane 8276, 8277, 8278.

(Continued on page 425)

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Latest Year.	Previous Year.
RAILWAYS.					
Great Northern (Ireland)	2%†	Mar. 1	...	3	3
Mersey Railway	...	...	...	¾	¾
BANKS.					
Bank of Australasia	7%†	Mar. 22	Tax free	14	14
INSURANCE.					
Britannic Assurance (fullypaid)	5/-p.s.†	...	...	50	50
,, Assurance (partly paid)	2 6p.s.†	...	...	...	...
New Zealand Insurance	11d.*p.s.	Jan. 15	...	...	...
Road Transport and General Insurance	...	Apr. 3	Less tax	15	...
Scottish Temperance and General Assurance	...	Mar. 4	...	5	...
TEA AND RUBBER.					
Limbuguri Tea	7½%*	Feb. 20	...	...	...
Wampoe Tobacco and Rubber	...	...	...	2½	10
MINING.					
Kagera (Uganda) Tinfields	10%†	Mar. 5	...	20	20
Mysore Gold Mining	15%†	Mar. 23	...	22½	22½
North Broken Hill	10%	Mar. 27	Less tax	...	...
South African Townships Mining and Finance Corporation	1/-p.s.	Feb. 23	Less tax at 2/3	...	...
Tekka	4½d.p.s.	Mar. 2	...	...	...
OTHER COMPANIES.					
Allied Dairies	...	...	...	7½	...
Anglo-American Corporation of S. Africa	...	...	...	12½	12½
Artizans' Labourers' and General Dwellings	3%†	...	...	6	6
Assets Company	5%†	...	Less tax	8	...
Atlantic Leased Lines	2½%†	...	...	4½	4½
Barlow and Jones	...	...	Tax free	12½	12½
Bent's Brewery	5%†	and bonus of 5%		15	15
Blackwell Colliery	2%†	...	...	...	...
Boddington's Breweries	10%	and bonus of 5%.		15	15
Bolsover Colliery	...	...	Tax free	1½	2
Bradford Dyers	1/3p.s.†	...	...	2/3p.s.	...
Bristol and South Wales Railway-Waggon	...	...	Less tax	10	10
British American Tobacco	10d.p.s.*	Mar. 30	Tax free	...	...
British and European Timber Trust (deferred)	...	...	...	4	...
British Oil Shipping	...	...	...	10	...
Brown Bros.	7½%†	...	...	10	10
Caledonian Trust	8%†	...	Less tax	15	14
Chiswick Electricity Supply Corporation	8½%†	...	...	16	16
City Offices	15/-p.s.†	...	...	30/-p.s.	30/-p.s.
Courtaulds	10%†	...	Tax free	15	...
Clyde Valley Electric Power	5%†	...	Less tax	8	8
Cons. Gas of Baltimore	$½ p.s.*	Apr. 1	Quarterly	...	...
Crittall Manufacturing Co.	2½%*	Mar. 1	...	...	...
Dolton Bournes and Dolton	7½%†	...	...	10	10
Edinburgh Canadian Mortgage	...	...	Less tax	5½	...
English Assoc. of Amer. Bond and Share Holders	7%†	...	...	10	10
Entesee Trust	...	...	Less tax	10	...
Equitable Loan of Scotland	6d.p.s.*	...	Less tax	...	...
Eucryl	6%*	Mar. 31	...	17	16
General Investors and Trustees	11%†	...	...	15	10
Guy Motors	...	...	...	9	7
Harrison, Barber	6¼%†	...	...	5	5
Hartlepool Gas and Water	2½%†	...	Less tax	12½	12½
Hoods	...	...	Less tax	15	15
Hotel Victoria (Newquay)	12½%	and bonus of 2½%.		10	10
International Investment Trust	6%†	...	...	10	11½
Isaac Walter and Co.	6¼%†	...	Tax free	...	...
J. and P. Coats	9d. p.s.	...	Quarterly	9	10
Jeremiah Rotherham	10†	...	...	20	20
John Barker and Co.	15%†	...	...	7½	7½
John Lovibond and Sons	...	...	...	6½	6
Lancashire Shipping	...	Feb. 26	Less tax	10	10
Langham Hotel	5%†	...	Tax free	5/-p.s.	5/-p.s.
Liverpool Daily Post and Echo	3/- p.s.	...	...	6	5½
Liverpool Gas	3½%†	...	...	...	...
London Border and General Trust	2½%†	Mar. 8	Less tax	...	5
London United Laundries	5%*	Mar. 14	...	3½	15
Manchester Ship Canal	...	...	...	15	...
Mather and Platt	5%†	and bonus 5%		...	...
Mead	5%*	...	Less tax	...	...
Mercantile Investment and General Trust	...	...	...	16	15
Merchants Trust	10%†	...	...	14	13
Metropolitan Electric Supply	6%†	...	...	9	9
Meux's Brewery Co.	2/2 p.s.	...	Less tax	15	...
Newquay and District Water	4†	...	...	6	...
North American Co.	...	...	...	$4.68p.s	$4.06 p.s.
Northampton Electric	5%†	...	...	9	9
NorthMetropolitanElectricPower	...	...	...	10	10
Octagon Brewery	13½%†	...	...	18¾	18¾
Orient Trust	...	...	...	7½	12½
Papierfabrik R. Rube and Co. A.G.	...	...	...	18	12
Peck Frean	14†	...	Free of tax	...	...
Perry and Co.	...	...	Less tax	7½	...
Premier Investment	5%†	...	...	10	10
Quebec Power	$1¼ p.s.*	Apr. 15	Quarterly	...	...
Reckitt and Sons	10%†	...	...	21½	21½
Rhodesia Railways Trust	5%*	Feb. 25	Tax free	...	...
Rhodesian and General Asbestos Corp.	17½%*	Feb. 28	...	...	...
Rushden and District Electric Supply	4½%†	...	...	8	...
Saxone Shoe	8½%†	...	Less tax	15	15
Scottish Western Investment	9%†	Mar. 15	Less tax	18	17
Second American Trust	2½%*	...	Less tax	...	...
Shawinigan Water and Power	$1 p.s.	Apr. 10	Quarterly	...	...
Smithfield Markets Electric	4%†	...	...	4	...
Spencer, Turner and Bedford	4½%†	...	...	4½	...
Steel Developments	3%†	...	Tax free	6	6
Swan and Edgar	...	...	Tax free	4	3
Switzer and Co.	...	...	...	10	...
Thomas Wallis	4%†	...	...	7	8
Torquay Tramways	4%*	and bonus of 1%.		9	9
Union Commercial Investment	...	...	...	...	...
United States Debenture Corp.	9%*	...	...	15	15
Variety Theatres Consolidated	5¾%†	...	Less tax	6¼	...
Variety Theatres Consolidated (deferred)	...	...	Less tax	17½	...
Venture Trust	9d.p.s.†	...	Less tax	15	15½
Vyse Sons and Co.	4½%†	and bonus of 5%		14	12
Waller's Bradford Brewery	1½p.s.*	...	Less tax	...	...
Walkers, Parker and Co.	7½%†	and bonus of 3d. p.s.		11½	10
Watford Gas and Coke—"A"	4%†	...	...	8	8
Watford Gas and Coke—"B"	3½%†	...	...	6¼	6¼
Woolcombers	2 3 p.s.	and bonus 1/- p.s.		...	...

(Continued from page 422)

Mr. A. d'A. Willis, a partner in the firm of Messrs. Ogilvy, Gillanders & Co., has joined the board of Sika (India), Limited. Messrs. Ogilvy, Gillanders & Co. have arranged with their Indian houses, Messrs. Gillanders, Arbuthnot & Co., to act as managers of the Indian Sika business.

BANKS.

BANK OF NOVA SCOTIA (INCORPORATED 1832).—The statement for the year 1928 shows:—Profit and loss—balance December 31, 1927, $479,207; net profits for year 1928, losses by bad debts estimated and provided for, $2,535,518, against $2,965,310 for preceding year. The ordinary dividend is again 16 per cent. for the year, absorbing $1,600,000. War tax on circulation to December 31, 1928, $100,000; contribution to officers' pension fund, $100,000; written off bank premises account, $300,000; balance carried forward December 31, 1928, $914,725; reserve fund now amounts to $20,000,000. Deposits amounted to $212,487,129, against $203,498,571 at end of 1927.

MISCELLANEOUS.

SIR W. G. ARMSTRONG, WHITWORTH AND COMPANY.—At an extraordinary general meeting of the company held on February 19th resolutions were passed by the requisite majority for the subdivision and reorganisation of the capital, the alteration of the articles of association and other matters consequential on the scheme being sanctioned by the Court. The scheme was fully dealt with in the *Economist* of February 16th, pages 347 and 373.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday Evening.

Severe wintry weather has continued over the United Kingdom during the past week, and field work naturally remained in abeyance. Preparations, however, are well forward, and the land should be in excellent condition for spring sowings, when ploughing is resumed. Larger supplies of native wheat at the principal country markets experienced a better sale at rather firmer rates, while imported descriptions also moved off with more freedom. In the floating and forward cargo section, European buyers were busy operators following recent liberal bookings, but India continued to purchase freely in the Australian market. Prices fluctuated slightly. North American sellers being somewhat reserved owing to indifferent crop prospects, but the tone was largly influenced by some pressure to sell Southern Hemisphere supplies, and shipments from this quarter are increasing. To India, West Australian c.i.f. terms sold 46s. 6d., ditto 15th May–15th June 45s. 9d., East Australian 15th March shipment 45s. 3d., all basis Bombay, per qr. 480 lbs. c.i.f. Indian terms. Feeding stuffs generally quiet and maize easier on favourable Argentine crop reports. Flour steady.

Wheat steadier. No. 2 Northern Manitoba, 53s. 3d.; ditto, 51s. 9d.; No. 4 Manitoba, 50s. 6d.; No. 5, 46s.; No. 6, 45s. 6d.; No. 2 mixed Durum, 45s.; Rosafe, 64 lbs., 47s.; Barusso, 63½ lbs., 47s.; Australian, 50s. 6d., all ex-ship, per 496 lbs. Plate, 9s. 7d.–9s. 10d. per 112 lbs.

Flour maintained. London standard grade, 40s. 6d.; town whites, 41s. 6d.; patents, 42s. 6d.–43s. 6d. per sack delivered in the Home Counties, with 6d.–1s. per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 36s.–39s.; Minneapolis, 36s. 6d.–38s. 6d.; Australian, 36s. 6d. ex store. On c.i.f. terms Manitoba top patents February–March quoted 35s. 6d.–36s. 6d.; export ditto, 33s. 6d.–34s. 6d.; Australian, [illegible] 41s. 3d.; new

April-May, 39s. 9d.; May-June, also June-July, 39s. 3d.; No. 2 mixed American ex-ship to arrive, 41s.; ditto yellow, 41s.; No. 2 white flat African, 43s., landed, per 480 lbs. Yellow maize meal, £11 10s. ex-wharf; Hominy chop, £9 per ton.

Barley steady. Californian ex-ship, 45s.–52s.; Chilian Chevalier, 48s.–58s.; Australian, 45s.–49s.; Smyrna, 44s.–47s. per 448 lbs.; Algerian/Tunisian ex-ship, 34s. 6d.; Canadian feed, 32s. 6d.; ex-ship to arrive, 33s. 3d. landed; No. 3 Canadian Western, 36s.; No. 2 Federal American, 30s. 9d. ex-ship to arrive, per 400 lbs. English malting, 10s.–12s. 6d.; feed, 9s. 3d.–10s. per 112 lbs.

Oats firmer. Plate ex-ship to arrive, 25s.; February, 25s. 6d.; March, 25s. 9d.; black Plate landed, 25s.; No. 3 white clipped American 36 lbs. landed, 27s. 3d.; mixed Canadian feed ex-ship, 21s. 3d.; landed, 22s. 3d.; Chilian white, 32s. landed; German landed, 29s.; ex-ship to arrive, 28s. per 320 lbs. English, 9s. 4d.–10s. per 112 lbs. Scotch landed, 30s. per 336 lbs. Irish black, 26s. 6d. per 320 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928-1929.	1927-1928.	1926-1927.	1925-1926.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to February 16	277,114	277,908	289,058	292,461
22 weeks to February 16	6,482,568	6,101,480	8,427,102	9,554,769
Average price of English wheat per cwt.	s. d. 9 9	s. d. 9 6	s. d. 11 10	s. d. 11 10

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s. d.	s. d.	s. d.
Feb. 9	263,661	262,339	101,222	9 10	10 5	9 9
Feb. 16	277,114	234,598	88,772	9 9	10 3	9 9
Feb. 14, 1928	310,411	183,190	107,556	13 10	13 1	10 3
Feb. 15, 1927	291,201	199,495	73,486	11 10	9 9	9 2
Feb. 15, 1926	249,058	258,649	83,384	11 10	11 1	8 3
Feb. 16, 1925	277,908	258,515	96,199	9 6	10 10	10 3

—NOW READY.—

Published February 19, 1929. 43rd Year.

Contains fuller and more up-to-date information than any other book of reference.

THE

MINING YEAR BOOK

formerly known as

MINING MANUAL & MINING YEAR BOOK. 1929

By WALTER E. SKINNER.

The Standard Reference Work on Mines.

Price **20/-** net.

Post free (Inland), 20/9; Post free (Abroad), 21/6.

1,000 pages. In Demy 8vo, bound in RED Cloth.

A Recognised Indispensable Work of Reference

For MINING INVESTORS, MINING ENGINEERS, MINE MANAGERS, BANKERS, STOCKBROKERS, DIRECTORS, and others interested in the MINING INDUSTRY.

COMPLETE and UP-TO-DATE PARTICULARS concerning 1,642 Mining Companies operating in all parts of the world. Gold, Diamond, Copper, Tin, Platinum, Silver, Iron, and other Mines, Collieries, Exploration and Mining Finance Companies, arranged in alphabetical order.

Particulars given of each Company include the Directors and other officials; date of establishment; seat of operations; description of the property with the purchase consideration; plant erected or in course of erection; latest working results; ore reserves, details of capital; calls; dividends paid; and the financial position as disclosed by the latest accounts. Highest and lowest prices of the shares for the last three years; also latest prices.

Directories of Oil, Gold and Mining and Consulting ENGINEERS and MINE MANAGERS, with their addresses, and names of the Companies with which they are connected.

Stock Exchanges INDEX of private, dormant, or Companies which have ceased to be of public or market interest. One of the most useful and important features of the book. It is the only List of its kind published.

Statistical TABLES are given at the commencement of the volume, showing the annual yields of the principal mining companies, Gold Outputs of the World's Mining Fields, and the highest and lowest prices of base metals for the past eight years.

Glossary of MINING TERMS.—An up-to-date glossary covering 440 Mining terms, by means of which Mining developments can easily be followed, and the difficulties of understanding technical phraseology quickly mastered.

Full particulars of the book will be sent free on application to the Publishers,

WALTER E. SKINNER, 15, Dowgate Hill, London, E.C.4.

AND

FINANCIAL TIMES, 72, Coleman Street, London, E.C.2.

MINING OUTPUT STATISTICS FOR JAN., 1929.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Work	Mill.	Cyanide Work	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.		
El Oro	Clean-up					$2,624	$4,371
La Noria	12,463	...	...	...	...	$100,518	$5,035
Oriental Consolidated Mining Co.	21,583	(December)		...	...	$95,722	$26,236

	Output.	Other Notes in Return.
Tin.		
Berker River	5½	Concentrates.
Batura Monguna	4½	Concentrates.
United Tin Areas	7½	Concentrates.
Nigerian Base Metals	62½	Concentrates.
Brisevis	20	Black tin: cleaned up.
Teja Maiaya	4½	...
Eastern Siam	11	Concentrates.
Renong	20½	(1st half of Feb.).
Coal.		
Witbank Colliery	70,539	...
Miscellaneous.		
Electrolytic Zinc	3,849	Zinc; silver lead product for shipment to Port Pirie for realisation containing:—565 tons lead; 57,000 ounces silver.
Copper.		
Namaqua Copper	190	Blister copper.

THE MOUNT LYELL MINING AND RAILWAY COMPANY, LIMITED.—During the four weekly periods ended January 30 the mill treated 10,976 tons of ore, producing 1,869 tons of concentrates.

THE COTTON TRADE.

LIVERPOOL, February 20th.

The market continues to be dull and featureless. Spot sales for the week 14th to 20th (inclusive) are 28,000 bales, of which 18,900 are American, 850 Brazil, 600 Argentine, 3,850 Peru, 1,400 Egyptian, 1,100 African, 1,200 East Indian, and 100 sundries. Imports for the same period are 50,111 bales, of which 39,885 American, 1,283 Brazil, 1,022 Argentine, 1,822 Peru, 4,109 Egyptian, 168 African, 1,267 East Indian, 555 sundries. Quotations to-day are American Middling, 10·43; Egyptian Sakel, 17·90; Egyptian Uppers, 12·15; Brazil Fair, 10·73; Peru G.F. Mod-Rough, 12·75; Peru G.F. Smooth, 11·38; West African Mid., 10·48; East African G.F., 12·15.

MANCHESTER, February 20.

The market throughout the week has been steady. Both spinners and manufacturers have experienced an increased inquiry, and in some quarters rather more business has been done. All along the line, however, it has been most difficult to arrange sales, as most of the offers have been on a very low basis. Only minor fluctuations have occurred in raw material prices. Cloth merchants have reported more bids for India, and a rather better turnover has taken place for Calcutta and Bombay in light bleaching descriptions. Very little has been done in grey staples. Rather more encouraging news has come through from China, and owing to improved clearances some moderate contracts have been arranged in greys and whites. A little more activity has shown itself for Egypt. Only restricted operations have occurred for the Continent. The healthier offtake in home trade fabrics recently experienced has been maintained. American yarn quotations have been irregular when tested, but here and there the sales have been rather larger. Egyptian spinners have now begun organised short time, and rates have been firmer with a slight improvement in demand.

Comparative Statement of the Cotton Trade.

	1929.				Corresp'd'g Date.	
	Jan. 30.	Feb. 6.	Feb. 13.	Feb. 20.	1928.	1927.
	d.	d.	d.	d.	d.	d.
Raw Cotton—Mid. American ..... per lb.	10·34	10·28	10·68	10·43	10·37	7·84
— Sakellaridis Fully Good Fair Egyptian ..... per lb.	18·40	18·15	17·95	17·90	17·90	13·86
Yarns—32's twist..... per lb.	15	15½	15½	15½	15	13½
— 40's mule..... per lb.	16½	16	16	16	16	14
— 60's twist (Egyptian)..... per lb.	27½	27	26½	26½	27½	24½
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	26 0	26 0	26 0	25 9	25 6	24 0
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	28 3	28 0	28 0	28 0	27 9	27 0
38-in. ditto, 38 yds., 18 by 16, 10 lb.....	15 3	15 3	15 3	15 0	15 0	13 6
39-in. ditto, 37½ yds., 16 by 15, 8½ lb.	13 9	13 9	13 9	13 9	13 9	12 9

AMERICAN WHEAT MARKETS.

Early in the week there was some weakness owing to heavy Argentine offers, and some realising by bulls. Later there was a steady recovery owing to fears of damage to crops by sharp frosts; better export demand; and rumours of famine in Russia. The close was higher in the week. Quotations:—

Nearest Future.	Jan. 4, 1928.	Feb. 22, 1928.	Jan. 2, 1929.	Feb. 13, 1929.	Feb. 20, 1929.
Winnipeg No. 1 Manitoba—cents per bu.	137	135½	123	132½	134½
Chicago (No. 2 Winter)—Cents per bu.	130½	133½	116½	127½	128

Visible supplies of wheat in Canada at 82,874,000 bushels show an increase of 729,000 bushels, as compared with the previous figures. Supplies a year ago stood at 74,892,000 bushels.

COAL.

Our Cardiff correspondent writes:—Work at the South Wales docks has been severely dislocated by the snow and frost. Last week coal exports totalled only 281,375 tons, compared with 579,738 tons the previous week, and on Wednesday this week over 100 vessels were waiting loading turns. Temporarily a large number of the hydraulic shipping appliances have been disabled, and in some cases it will probably take a few weeks to repair the damage done by the frost. Fortunately, the position has been alleviated by an agreement between the employers and the workmen for the working of a third shift as an emergency measure, and after Tuesday the rate of shipment gradually improved. The collieries also have been better supplied with wagons, and pits which had stopped working owing to a scarcity of empties have resumed operations. Notwithstanding the disturbing effect of these adverse dock conditions, the market firmly maintains its recent improvement, and quotations are ruling at last week's figures. The following are the current approximate market prices:—Best Admiralties, 19s. 6d. to 19s. 9d.; seconds, 19s. to 19s. 6d.; best drys, 19s. to 19s. 3d.; Black Veins, 19s. 3d. to 19s. 6d.; Western Valleys, 19s. to 19s. 3d.; Eastern Valleys, 18s. 3d. to 18s. 9d.; best small steams, 14s. to 14s. 3d.; cargo smalls, 12s. 6d. to 13s.; cooking smalls, 14s. to 14s. 3d.; anthracite, best large, 33s. to 35s.; Red Vein, large, 21s. to 25s. 6d.; machine-made cobbles, 40s. to 42s. 6d.; French nuts, 41s. to 42s. 6d.; stove nuts, 40s. to 42s. 6d.; rubbly culm, 10s. to 10s. 3d.; foundry coke, 25s. to 37s.; patent fuel, 20s. to 21s. 6d.; pitwood, ex ship, 25s. 6d. to 26s.

Our Sheffield correspondent writes:—The cold spell has benefited both the house and export trade in coal. The call for house coal continues on a large scale and deliveries are in some cases in arrears. A slight improvement is also recorded in the demand for industrial fuel. South Yorkshire steams for export are firm at 16s. 6d. f.o.b. The market for blast furnace continues to harden and prices of best brands command 14s. and 14s. 6d. at ovens. The home demand for foundry coke continues light but shipments abroad are on a considerable scale.

Our Glasgow correspondent writes:—The demand from the Continent has fallen off to some extent, as importers realise that only small lots will be available for some weeks yet. The market all over is firm. There are various rumours current regarding a new scheme of co-operation among the coal owners. It is also rumoured that the coalowners' committee will recommend that the production quota fixed for each colliery should make provision for coal for shipment to Ireland and that quotas and prices should be reviewed once a month.

LANARKSHIRE.—Ell best, 18s. 6d.; splint best, 19s.; splint second, 18s. to 18s. 6d.; navigation, 17s. 6d.; navigation second 16s.; steam, 15s. 6d.; Hartley, 18s.; trebles, 16s. 6d.; doubles, 16s.; singles, 14s. 6d.; pearls, 12s. 6d.; dross, 10s. 6d. FIFE.—Screened navigation, 19s. 6d.; first-class steam, 17s. to 17s. 6d.; third-class steam, 17s.; trebles, 17s. 6d. to 18s. 6d.; doubles, 16s. 6d. to 17s.; singles, 14s. 6d. to 15s.; pearls, 13s. LOTHIANS.—Prime steam, 16s. 6d.; secondary steam, 16s.; trebles, 17s. 6d.; doubles, 16s. 6d.; singles, 13s.; pearls, 14s. 9d. AYRSHIRE.—Unscreened navigation, 16s. 6d.; jewel, 18s. 6d.; steam, 17s. 6d.; trebles, 17s. 6d.; doubles, 16s. 6d.; singles, 14s. 6d.; pearls, 12s. 9d.; dross, 11s.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron & Steel Exchange:—

A slightly quieter tone characterised the iron and steel markets during the past week. The recent advance in pig-iron prices has been maintained, and consumers are showing rather more inclination to cover their requirements, although most of the business transacted has been of a hand-to-mouth character. Notwithstanding the advance in prices, there is still a certain quantity of pig iron going from this country to Belgium and other parts of the Continent. There has been a fair amount of activity in the semi-finished steel market, some good inquiries having been in circulation. The bulk of this business has been taken by British producers, who are inclined to quote stiffer prices in some districts owing to the higher cost of raw material. The continental quotations for semi-finished materials also continue firm, but there is comparatively little offering, as the continental works appear to require most of their production of this class of steel for their own finishing works. The demand for finished steel products has been rather quieter than of late, but, nevertheless, the market has remained steady. Most of the British works have a good tonnage of orders on their books.

Our Cardiff correspondent writes:—The principal event in the South Wales steel and tinplate market this week has been the raising of the minimum price of Welsh tinplate bars from £6 to £6 2s. 6d. per ton, which is the highest official figure since July, 1925, when it was reduced from £6 5s. to £6 [illegible]. The quotations for foreign bars remain unaltered at £5 12s. 6d. There is important branches of the industry in the district, and it is anticipated that the minimum price for tinplates will be raised above the present minimum of 18s. per basis box. Galvanised sheets are unchanged at from £13 12s. 6d. to £13 15s. per ton. The shipments of tinplates last week totalled only 93,605 boxes compared with 115,074 boxes the previous week, and stocks have, consequently, further increased to 257,312 boxes.

Our Workington correspondent writes as follows:—

There is a real improvement in the North-West Coast hematite pig-iron trade this week, the demand having increased to such an extent that stocks are virtually extinguished in the southern part of the district and are falling rapidly in West Cumberland, and the price of iron has been advanced by 2s. per ton. Consumers, fearing that they may be caught, are ordering freely for prompt and forward delivery. The make of the eleven furnaces in blast between Workington and Ulverston is not adequate to meet requirements; an additional furnace was lighted at Millom a few weeks ago, and it is not improbable that production may shortly be increased in West Cumberland. Midland, Scottish and South Wales users all have substantial needs to satisfy. The Continent is buying iron to analysis, and there is also a good deal of inquiry from America. The situation is, in fact, stronger than for several years past, and if the improvement continues it cannot be long before values reach a level at which makers will command a reasonable margin of profit. Bessemer mixed numbers are quoted at £4 0s. 6d. per ton delivered at Glasgow: £4 4s. 6d. per ton delivered at Manchester; £4 6s. 6d. per ton delivered at Sheffield; £4 8s. per ton, delivered at Birmingham. Low-phosphorus iron is in firm request at 2s. 6d. to 5s. per ton higher than the afore-mentioned figures, and malleable iron is a better market at 98s. per ton. There is not yet much doing in manganese alloys, of which there are large stocks, the furnaces at Workington on ferro having been put out of commission. Ferro-manganese is quoted at £13 10s. per ton. The outlook in the steel trade is healthier, useful orders for railway material, mostly for South America and the Colonies, having been booked, and there is sufficient work to keep the mills at Workington going for three weeks in four during March and April. Steel sheets are being produced at Workington for the first time for many years. The native ore production is just sufficient to meet local, East Coast, and Scottish smelters' requirements. The ore is costed at 17s. to 18s. per ton, according to grade. Heavy importations of African ore are due at Workington.

The coal trade is very busy and a much bigger output could be marketed. Prices are firm. Best round coal for shipment is 20s. to 20s. 6d. per ton; washed doubles, 18s. 6d. to 19s. per ton; washed singles, 18s. to 18s. 6d. per ton; washed smalls, 18s. per ton, all f.o.b. Best house, 30s. per ton; house nuts, 28s. 6d. per ton; gas coal, 28s.; West Coast coke, 20s. per ton.

Our Glasgow correspondent writes:—Business in the Glasgow pig-iron market remains quiet and transactions are on a small scale. There is, however, greater activity in the steel trade generally, steelmakers now having better-filled order books than they have had for some considerable time. It is still almost impossible to place orders on the Continent for semis for forward delivery, and owing to weather conditions, delay in delivery of existing contracts is very general. The demand for black and galvanised sheets is fair and, of course, works have sufficient orders on hand to keep plants fully occupied meantime. Tube makers are also busy with plenty of new work coming forward. There is no settlement in the iron trade dispute. Prices remain at recent levels.

Our Middlesbrough correspondent writes:—*Pig Iron.*—The slight improvement reported over the last few weeks is maintained. The supplies of the various grades of pig iron are scarce, and the tendency is for prices to increase further. Notwithstanding the competition of Midland iron with Cleveland, there is a scarcity of the latter, and should the demand in any way increase, it is not unlikely that prices may be further advanced. In the meantime they are as follows: No. 1, 69s. 6d.; No. 3 G.M.B., 67s.; No. 4 foundry, 66s.; No. 4 forge, 65s. 6d. In the hematite market East Coast mixed numbers are still 72s. Iron is not too plentiful, and buyers are now showing more willingness to contract ahead in

For Life Assurance.

AMP

The Australian Mutual Provident Society is unique. That is to say, all divisible Surplus, viz. about £1,000,000 belongs to the Policy-holders themselves and is distributed yearly. Moreover, the Society, established 1849, has been for many years the largest and most successful British Mutual Life Office. Why is this? Because it offers to Assurers the Acme of Security and Profit, and because its satisfied members are its best advertisement. Why are policies with the A.M.P. Society unique? Because while its premium rates are below the average, it possesses in a unique degree the combination of low expense rate, a high interest return and favourable mortality experience. The A.M.P. Society should be covering you. You will be sent full particulars on application.

EVERY YEAR A BONUS YEAR.

Assets: £70,000,000. Annual Income: £10,000,000.
New Business for 1927: £15,397,624.
Cash Surplus for One Year (1927): £2,[illegible]454.

ROBERT THODEY, F.I.A., Manager for the United Kingdom.

AUSTRALIAN MUTUAL PROVIDENT SOCIETY

Established in Australia, 1849.

LONDON OFFICE: 73/79, King William St., E.C.4.

rder to make sure of deliveries. The recent improvement in manufactured iron and steel has been maintained and, generally speaking, the works are well off for orders. The only change to note in prices is that of soft steel billets, which has been advanced about 5s. per ton during the week. Otherwise quotations are unaltered on the following basis: Steel ship plates, £8 7s. 6d.; steel ship angles, £7 17s. 6d.; iron bars, £10 5s.; steel rails, £8 10s., and, of course, are subject to the usual rebate. The ore position is still very firm and although best rubio is quoted at 22s. 6d., it is doubtful whether it could be secured at this price. The coke market is also firm, and 1ss. for blast furnace coke delivered furnaces is a minimum price.

Our Sheffield correspondent writes:—The recent advance of 2s. 6d. on Derbyshire foundry pig iron is stabilised, and there has been a similar rise in other Midland brands. It is the outcome of concerted action on the part of producers to secure prices which ensure a margin of profit. Owing to competition, there has been a good deal of unremunerative trading in such irons. Demand is poor, especially from the light castings foundries, and expansion of activity at the engineering foundries is slow. Business is far from good in bar iron. The local steel trade continues to improve if sections, but the absence of waggon-building and the paucity on railway work is responsible for the quietude of a good many plants. Demand for soft basic steel in crude forms is still expanding, and a shortage of scrap to feed the furnaces is reported. Heavy basic scrap is fetching 10s. per ton more than a year ago. Business for tool steels keeps steady, and best brands do not sell so readily as the medium qualities. The position of acid steel is reported to be slightly better than of late, but remains unsatisfactory. Business in hand tools has been sluggish this month, although exports are well maintained. The cutlery and plate branches are generally slack, although large contracts from the public caterers continue to arrive.

OTHER METALS.

Tin.—The market this week exhibited a good deal of irregularity, and prices declined rather sharply in view of lower Eastern cables and selling pressure, while influenced by an increase in warehouse stocks. Later sellers showed more reserve in face of improved buying orders, and values partially recovered. Stocks in London and Liverpool warehouses for week ending 16th February amounted to 8,296 tons, compared with 2,563 tons at corresponding period last year. Standard cash changed hand at £221 10s., £220 15s., £222 7s., and £221 12s. 6d.; three months £223 15s., £222, £223 17s. 6d., £222 15s. In the East sales were reported at £223 17s. 6d., £222 15s. per ton c.i.f. terms. Straits shipments for the first half of February totalled 4,235 tons.

Copper continued in good demand, and despite slight fluctuations at times the general tone proved firmer. Standard cash sold at £76 2s. 6d. to £76 15s., with three months £76 17s. 6d. to £77 1s. 3d.

Lead continued a firm market, and with a good trade demand liberal offerings were readily absorbed. Good soft foreign pig, February sold at £23 1s. 3d. to £23 6s. 3d., March £23 2s. 6d. to £23 5s., April £23 2s. 6d. to £23 3s. 9d., May £23 2s. 6d. to £23 6s. 3d. ton.

Spelter quiet and slightly irregular. February sold at £26 2s. 6d., £26 1s. 3d. and £26 1s. 3d., March £26 3s. 9d., £26 2s. 6d. and £26 1s. 3d., April £26 5s. to £26 3s. 9d., May £26 5s. to £26 3s. 6d., June £26 5s. per ton.

Aluminium steady. Ingots and bars for home delivery £95 per ton.

Antimony maintained. English regulus £54 to £55, and foreign ditto spot £38 10s. per ton.

Wolfram quiet. Chinese, also Straits quality, quoted 18s. to 18s. 3d. per unit, c.i.f. terms.

Quicksilver steady. Spot £22 5s. to £22 10s. per bottle.

Tin Plates quiet. Coke prompt and forward quoted 18s. to 18s. 3d. per box, f.o.b. Swansea.

HIDE, LEATHER, AND ALLIED TRADES.

Although there is a slightly improved demand for leather, prices of hides remain very unstable, and tenners refuse to operate on a large scale. Prices of provincial hides, however, have been rather steadier of late, and best ox are now selling from 7d. to 7½d. per lb. At last week's Bermondsey auctions the bulk of the offering was withdrawn in the absence of suitable bids. Caliskins are again weaker and declines of ½d. per lb. have been common at auctions. Woolskins share the prevailing weakness, and may be quoted at 1s. to 1s. 6d. each decline. In overseas hides there is little improvement, and Argentine frigorifics are now selling at about 9½d. for light ox. In saladeros a few Bovril ox have been sold at 7½d., whilst there is a rumour current that 10,000 Rio Grande ox have been sold in Antwerp at 7¾d. re-weights. Dry hides continue in buyers' favour, and B.A. Americanos are selling at nominally 12¾d. Australians are a shade steadier, Queensland meatworks dry salted ranking 10½d. The Chicago market is calmer in steady, with prices at "bottom"; still, best heavy native steers are now quoted at 14½ cents, a fall of ½ cent on the week.

The recent spell of wintry weather has brought in orders to manufacturers for stouter boots, and this in turn has led to more enquiries for heavier grades of bends. Consumers, however, are only buying for immediate wants, as tanners' quotations show a wide variation. Collections are frequent, as to repudiation of contracts, and demands for "allowances" from merchants even when the goods have been well up to sample. Dry hide bellies are still weak in price, but wet salted are rather steadier in view of a better demand. There is a slight improvement in upper leathers, although the recent reduction in prices of box and willow calf has rather upset the market. Glacé kid in black and brown is selling fairly well, but no definite decision seems to have been reached in regard to spring shades for women's shoes. Curriers are still rather slack, but some of them have received orders for suitable leather for the stouter grades of footwear.

OIL OUTPUTS.

United British Oilfields of Trinidad, Limited.—Production for the week ending Wednesday, February 13, 1929, amounted to 1,691 tons.

British Controlled Oilfields, Limited.—Production for the week ended February 13th: Venezuela, 33,599 barrels; Trinidad, 22,416 barrels; total, 50,015 barrels.

The Mexican Eagle Oil Co.—The production for the week ended February 9, 1929, was 137,000 barrels.

Venezuelan Consolidated Oilfields, Ltd.—Production for week ended 16th inst., 2 835 barrels (405 tons).

The Venezuelan Oil Concessions, Limited.—Production for the week ended February 16th was 128,400 metric tons (previous week ended February 9th, 134,172 metric tons).

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

The decline which has taken place in all markets during the past *three* weeks has been expected by many in the home trade since last December. Until the third week in January prices for all classes of wool had the appearance of being fairly sound, and keen buying on the part of all sections of the trade continued. There was, however, even at that time evidence that all Continental countries were beginning to feel the effect of lack of demand for *piece goods*. Reports now being received from the textile manufacturing centres shows that business is no better in Germany or France than in the West Riding of Yorkshire. During the two past months, the piece-goods business has fallen off everywhere, and there is no doubt that the attitude necessarily taken up by wholesale piece-goods merchants is exercising a greater influence upon the raw material than during 1923 and 1924, when marked advances were seen. Australian and New Zealand selling brokers are doing the right thing to meet the market, for there seems to be nothing to indicate any return to higher values during the next few months.

The probability of the Safeguarding inquiry becoming a protracted affair has been commented upon, and there is no doubt that the exposure of the unsatisfactory aspects of the industry has helped to intensify the atmosphere of uncertainty and weaken confidence in the future. Among the evidence brought forward in favour of the imposition of duties on imported fabrics, is the data provided last Tuesday by the secretary of the Woollen and Worsted Trades Federation, relative to the employment of machinery. This showed that the activity in the middle of January was less than in November last year, only just over 70 per cent. of the machinery being running. Many manufacturers who profess to be neutral on the question of Safeguarding are afraid that if duties are levied against imported goods, foreign competition in outside markets which have hitherto been largely supplied with British goods will be keener.

THE TIMBER TRADE.

[FROM OUR OWN CORRESPONDENT.]

Notwithstanding the severe weather, the deliveries into consumption this year are still well above those of the opening weeks of 1928, and with smaller supplies on hand (except floorings) the market looks promising for sellers. The building trade is not nearly so active as was expected, but the official returns of costs of buildings for which plans were passed last month indicate that with the coming of milder weather, construction work will be much more brisk.

Imports of both sawn and planed wood descriptions, i.e., deals, battens, boards and floorings, were large last month, the result of *late purchasing at attractive rates on a buying market moderately supplied.*

Activity in the f.o.b. and c.i.f. markets is confined principally *to the distribution among importers* of the f.o.w. and early summer shipments of Russian wood. As previously mentioned, a syndicate of British importers has purchased the whole of the Russian wood cut for the United Kingdom this year, and proposes to apportion supplies required without favour to importers, whether in the syndicate or not. This new method of purchase and wood distribution has not yet received the general approval of the importing section of the trade owing to *certain conditions regarding re-selling.* The members of the syndicate, it seems, will have to exercise some patience with their colleagues in the trade who up to the present would have preferred to do their 1929 Russian business unfettered.

Other important wood-shipping countries seem to be more than ever. Finland (for many years until last year the

wood-shipping country of the United Kingdom) [illegible] maintaining her f.o.b. values in face of the severe competition of Russian wood, and proposes to reduce output by some 10 per cent! The shippers of that country know that Russia cannot supply all the goods required for the United Kingdom, and believe that with decreased cut and the expectations of a larger consumption and import in the United Kingdom this year, and normal Continental demand, at the least, they will be able to clear their million standards' production this year. As official sales to end January comprised 40 per cent. of the output for export (it is likely to be over 50 per cent. by this time), and they have a good nine months to sell the balance, their position cannot be described as bad. Shippers in Sweden also are adopting a firm attitude.

Canadian pine and spruce are moving slowly in the United Kingdom. While over half a million European deals, battens and boards were delivered from docks in London last month, Canadian pine and spruce so dispatched numbered only some 15,500 pieces.

The hardwood market is becoming more active. Stocks of mahogany in first hands are light, imports being on the small side. American hardwood imports also are decreasing, and with stocks here not so heavy, and better demand in the States, higher United Kingdom spot prices should not be so hard to obtain as during the closing months of 1928. The plywood market is very firm, and although imports seem to be ever on the increase consumption moves up to keep stocks in healthy volume.

THE WOOL TRADE.

Our Bradford correspondent writes:—There is very little change in any section of the industry as compared with conditions ruling during the last three or four weeks, and the present inactivity is in marked contrast to the good business which was done in the early part of last year. Lack of confidence following the decline in wool values appears to be as much in evidence in the United States and on the Continent as it is here, and until users feel satisfied that the bottom has been touched, they will not depart from their present policy of extreme caution. The only consolation is that no really large stocks are being carried in any section, so that when once the wheels begin to turn there should be a fair volume of orders for both tops and yarns. Meanwhile quotations are largely nominal, although the indications are that merinos are fast approaching a workable basis. Crossbreds, on the other hand, appear to be too high in comparison with merinos, and users are looking for a general revision of quotations for tops to bring them more into harmony with the finer qualities. Unfortunately, in the present disturbed state of affairs, it is almost impossible to arrive at a true market price.

VEGETABLE OILS AND OILSEEDS.

Trade in most sections is on quiet lines. Linseed oil continues firm in the absence of foreign competition and has advanced somewhat following speculative interest. After rising to £29 5s. per ton naked ex Hull for spot and February-April values have eased on profit taking. Cotton oil has been in better demand and prices are firmer, current value of crude Egyptians being £28 5s. and common edible £31 15s. spot and February-April ex Hull. Other seed oils are quiet. Castor oil (first pressure) has been advanced to £47 10s. (barrels free) and rape oil is also dearer.

In the oilseed section, linseed is very quiet, and prices have an easier tendency. Neither English nor continental crushers are showing much interest. Present value of Plate in spot is about £16 and on passage and for shipment £15 17s. 6d. The quantity of linseed on passage to Europe has undergone a substantial reduction and is now 220,900 tons or 43,800 tons less than last week and compares with 272,400 tons a year ago. Generally shipments to Europe so far this season are much in excess of last year. Cotton seed is neglected as crushers decline to concede the figures now asked for black Egyptian, the economical value of which is £10 2s. 6d. for February and March loading. A little business has been done in Sakellaridis, but Bombay is nominal. Oilcakes are in fair demand and late prices are maintained.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

Sugar.—The market furnishes very little matter for comment just now, and there is only moderate absorption in force, both on refinery and manufacturing account at previous rates. British refined and home-grown quite monopolise United Kingdom markets. An estimate by certain Cuban interests of 4½ millions of tons, expecting that crop, failed to influence the general position, as it was indicated quite a week ago, and taken, *cum grano salis*, by the London sugar circle, despite the knowledge of one or two centrals closing down owing to *unremunerative* prices ruling. There is no change in the Java position, but sellers adhere to full asking prices. An interesting fixture recorded to-day was the steamer "Comino," of 7,000 tons, London to Hong Kong, late February loading, at 25s., with sugar, this doubtless being part of the sale of 25,000 tons recently negotiated of the now predominant British refined T.L. granulated, to China. T.L. granulated spot London sold 22s., with business doing in Dutch J. to manufacturing exporters at 24s. 1½d. White Mauritius 21s.-21s. 4½d. as to quality. Parcels for shipment quite idle and Dutch [illegible] sellers 11s. 7½d. f.o.b. Rotterdam.

March-April quoted 9s. 1½d. c.i.f. United Kingdom. Terminal sections quiet and easier, while influenced by heavy liquidations of the March position in the New York centre. Of raws, March sold 8s. 5½d., May 8s. 8¼d., August 9s. 2½d. to 9s. 3½d., October 9s. 3¾d., December 9s. 4½d. White, March quoted 12s., May 11s. 8½d., August 12s., December sold 12s. 2½d. cwt. Cuban receipts last week 235,532 tons, against 321,656 last year; exports 123,157, against 81,077; stocks 712,245, against 567,332. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending February 16th amounted to 165,547 tons, against 94,079 last year.

Coffee.—The market during the week disclosed some irregularity, but fair absorption took place, and on balance there is no material change to note. Costa Rica fair to fine bold sold 139s. 6d. to 159s. 6d.; peas to 167s.; Kenya bold up to 153s. Uganda, Robusta 89s. 6d. to 99s.

Cocoa.—Market after showing very active movement forward assumed a quieter tone, and the general position still hinges upon manipulations in the New York centre. Accra F/F March-May sold up to 45s. 6d., 44s. 6d. and 43s. 3d. f.o.b. Terminal: March sold 49s. 6d., 49s. and 49s. 3d.; May 49s. 10½d., 49s. 9d., 49s. 3d.; July, 51s. to 50s. 10½d., 51s. 3d.; September, 52s. to 52s. 6d., and December, 52s., 51s. 6d. and 52s.

Tea.—Indian auctions during the week totalled 55,400 packages. A generally quiet market was experienced, but there was fair support accorded the *finer qualities, and which ruled steady.* Good medium down to clean common varieties declined ½d. to ¾d., and really inferior 1s. per lb. lower. Ceylon auctions of 22,400 packages received fair competition, and some irregularity characterised the market, plain and medium kinds being frequently ½d. to ¼d. lower. There is nothing fresh to add with regard to new season's China, business being *reduced to a minimum.* Java and Sumatra sales quiet and mostly in favour of buyers.

Rice.—Market unaltered, with small sales in oil crop, two Stars Burma at 13s. 9d. to 14s. New crop expected to reach the London market next week. Bran firm, quiet.

Beans.—Market very firm for Rangoon haricots, and Mandalay shipment sold 21s. cwt. c.i.f. London. Butters firm, unaltered.

Peas.—Quite steady, but demand only moderate.

Spice.—Pepper market generally dull, and forward prices trended against sellers. Lampong, January-March sellers 1s. 4½d., March-May 1s. 4d., May-July 1s. 2¼d., August-October 1s. 1d.; Alleppi white, January-March sold 2s. 2¾d., March-May 2s. 3d., May-July 2s. 2¼d., August-October 1s. 10¾d. sellers per lb. London stocks 34 tons lower on the week. Tellicherry, January-March 153s., February-April 141s., March-May 142s.; Aleppy, January-May 142s. 6d. cwt. c.i.f.; Pimento, spot, 1s. 0¼d., lb. and unaltered forward. Cloves rather irregular. Zanzibar, spot, 1s. 1¼d. to 1s. 4¾d. as to quality, due steamer 1s. 4d., March-May 1s. 4¼d. lb. Tapioca, Singapore flake, February-April to Havre, 19s. 9d.; Pearl seed to London 17s. c.i.f. Sago flour January-February 13s. 7½d. c.i.f. United Kingdom. Dutch Farina, 12s. 1½d. f.o.b. Amsterdam. Ginger, spot, 52s. 6d. paid, forward 49s. cwt. c.i.f London or New York.

Fruit (Dried)—Currants quiet, and prices tend in buyers' favour. Pyrgos quoted 45s. 6d., Patras 47s. 6d., choice Vostizza Amalias 46s.-46s. 6d., Gulf 49s.-51s., Vostizza 50s.-57s. Sultanas steady. Medium to good Smyrna spot 41s.-55s., Cretan 42s.-70s., Greek 35s.-65s.; Australian in better request at 32s.-60s.; Californian soda, bleached 35s.-38s., unbleached 29s.; Cape, unbleached 33s.-37s.; bleached 45s.-50s. Raisins slow of sale. Valencia, 4-crown boxes 50s.-55s.; Australian, 32s.-36s. Figs quiet. Genuine new spot 28s.-32s. Dates steady, with a fair demand for Hallowie new spot 28s.-30s., Khadrowie 23s., Siar 15s.-17s.

Evaporated Fruits.—The general tone continued steady, and there is rather a better movement, with apricots and apples for full rates. Plums in good demand, and large counts firmer on scanty offerings. Californian plums, 20's-30's 40's 57s., 60's-70's 43s.-43s. 6d. Australian pears 57s. 6d.-70s. as to quality. Apricots, South African Royal 60s.-117s. 6d., Cape 72s. 6d.-82s. 6d., Californian 117s. 6d. Peaches, Californian choice 50s., extra choice 58s. Apples, Californian spot sliced extra choice 67s. 6d. tend easier both spot and forward, trading being Mazagan 142s. 6d., Mogador 140s., Majorcas 145s., bitter Jordan 135s.-210s. cwt.

CANNED GOODS.

Canned Fruits.—Californian descriptions in fair supply, demand chiefly for peaches and pears, which realised steady. Shipment parcels met with *moderate support at about* Australian varieties move off steadily. The spot Singapore pines continues restricted, and the forward position remained without material change. Italian tomatoes firmly held, forward quotations are above buyers' ideas.

Canned Fish.—Trade demand is slow to expand, operating to cover immediate requirements. Portuguese quoted 5s. per dozen tins. Lobsters, best halves 140s. and quarters 77s. 6s.-82s. 6d. Salmon: Spot trade was of moderate dimensions, and market steady. Red tall spot 42s. 6d., pink talls spot 26s.-27s., halves 31s. 6d.-33s. 6d. Japanese firm in sympathy with high forward rates. Finest quality 95s.-97s. 6d.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, THURSDAY.

CEREALS AND MEAT.

GRAIN, &c.—	s.	d.
Wheat, No. 2, N. Man. 496 lb....	55	0
Eng. Gaz. av., per cwt.	9	9
Barley, Eng. Gaz. av.	10	3
Oats, " " "	9	9
Maize, La Plata, landed, 480 lb.	44	6
Flour, Lon. stan. ex mill, 280 lb.	38	6
Rice, No. 2 Burma, per cwt.....	13	1½
Sago, pearl, per cwt.	22	9
Tapioca, per cwt.—		
E.I. flake, fair spot 23	0 23	9
Medium pearl 20	0 22	0
Potatoes, good English, per ton...	110	0
MEAT—		
Beef, per 8 lbs.—	s. d.	s. d.
English sides.....	5 6	6 0
Argentine chilled hinds...	4 8	5 0
Mutton, per 8 lbs.—		
English wethers	6 8	7 8
N.Z. frozen "	3 2	5 4
Pork, English, per 8 lbs. ...	7 6	8 8

OTHER FOODS.

BACON—				
Irish .....per cwt.	116	0	122	0
Danish.....	105	0	110	0
Canadian.....	108	0	110	0
Dutch	103	0	110	0
Hams—Irish	0	0	0	0
Canadian.....	109	0	0	0
American	88	2	110	0
BUTTER—				
Irish creamery per cwt.	0	0	0	0
Australian	168	0	184	0
New Zealand	172	0	188	0
Danish.....	192	0	0	0
CHEESE—				
Canadian ..... per cwt.	94	0	112	0
New Zealand	86	0	92	0
English Cheddars	130	0	144	0
Dutch	50	0	99	0
COCOA—				
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)				
Accra f.i., per cwt.	49	0	50	0
Trinidad	60	0	63	0
Grenada	50	0	58	0
COFFEE—				
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)				
E.I., good to fine, per cwt.	147	0	160	0
Costa Rica, good to fine...	155	0	180	6
Cent. Amer., mid to fine	130	0	150	0
Kenya, bold sizes	118	0	153	0
Colombian, mid to fine...	130	0	145	0
EGGS—				
English..... per 120	22	0	24	0
Danish.....	21	0	25	6
FRUIT—				
Oranges, Denia & Val. 300	15	0	30	0
" " 360	15	6	20	0
" " 504	16	6	29	0
" ..... boxes 144	20	0	23	0
Lemons, Naples boxes	0	0	0	0
Sicilian ..... boxes	13	6	17	6
" ..... cases	15	6	25	0
Murcia ..... half cases	15	0	21	0
Malaga ..... cases 420 No. 1	0	0	0	0
Apples: Amer. (var.) bris.	21	0	28	0
(var.) boxes	10	0	12	0
Onions, Valencia :—				
" case 4s.	14	0	16	0
" case 5s.	16	6	18	0

FRUIT (*continued*)—	s.	d.	s.	d.
Chestnuts, Huelva bags	10	0	0	0
Grapes, Almeria .....brls.	0	0	0	0
LARD—				
Irish bladders.....	66	0	72	0
American boxes 56 lbs.	59	6	61	6
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	3½	0	0
Black Lampong	1	5	0	0
Cinnamon—1st sort, per lb.	2	3	0	0
Cloves—Zanzibar per lb.	1	4½	1	4½
Ginger—per cwt.—				
African	52	6	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	2	6	4	3
Nutmegs 65's	2	1	0	0
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	22	6	24	0
Java, white, c.i.f. India, July-Sept.	12	1½	0	0
REFINED—London—				
Yellow Crystals	21	4½	0	0
Cubes	25	6	26	0
Crushed	24	3	24	9
Granulated	23	0	23	4½
Home Grown (*prompt*)	22	3	22	9
TEA—				
(Duty 3½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	1	0½	2	1
Broken Pekoe	1	0½	2	1
Orange Pekoe	1	1½	2	2
Broken Orange	1	1½	2	8½
TOBACCO—				
(Duty 8/10-11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	4½	1	0

TEXTILES.

COTTON—	d.
Mid-American .....per lb.	10·43
Sakellaridis, f.g.f.	17·90
Yarns, 32's twist	15½
60's twist	26½

FLAX—	£	s.	£	s.
Livonian ZK .....per ton	90	0	0	0
Fermax HD.....	80	0	0	0
Slanetz Medium 1st sort	90	0	91	0

HEMP—				
Italian P.C. ..... per ton	63	0	0	0
Manila, Feb.-Apr. "J2"	35	0	0	0
N.Z., H.P. fair Feb.-Apr.	34	10	0	0

JUTE—		
Native 1st mks....per ton		
Mar.-Apr.	36/5/0	0/0/0
Apr.-May	36/15/0	0/0/0

SILK—	s.	d.	s.	d.
Canton .....per lb.	17	0	19	0
Tussah.....	8	0	10	0
Japan	20	6	23	0
Italian—Raw, fr. Milan	21	0	23	6

WOOL—	d.
English Southdown, washed per lb.	27
" Lincoln hog, washed	18
Queensland, scd. super cmbg.	42
N.S.W. greasy, super "	24
N.Z., grsy., half-bred 50–56	20
Crossbred 40–44	16
Tops—	
Merinos 70's	47
" 64's	44½
Crossbred 48's	25½-26
" 46's	24

MINERALS.

COAL—	s.	d.	s.	d.
Welsh, best Ad'ty...ton	19	6	20	0
Durham, best gas	14	9	15	6
Sheffield, best house ...	20	6	21	6
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	67	0	0	0
Bars, M'brough 205	0	0	0	
Steel Rails, heavy.....170	0	0	0	
Tin Plates, I.C., per box	18	0	18	3

METALS—	£	s.	£	s.
Copper, Electrolytic, ton	83	10	84	10
Sheets (strong) 108	0	0	0	
Standard 76/16/3			76/18/9	
Lead Eng. Pig ... per ton	24/15/0		0/0/0	
Soft Foreign	22/6/3		0/0/0	
Spelter G.O.B.	26/2/6		26/6/3	
Tin—English ingots ...	221/6/0		222/0/0	
Standard, cash	221/10/0		221/12/6	

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb. less 5%	2	1	2	2
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	10	10	0
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	12	0	13	0
Potash—Chlorate, net ...	0	3½	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	26	10	27	0

CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0

COPRA—				
F.M. Straits, c.i.f., per ton				
Mar.-Apr.	23/0/0		0/0/0	

DRUGS—	s.	d.	s.	d.
Camphor—				
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	0	14	6
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d.
Wet salted—Australian per lb.	0	5½	0	8
West Indian	0	4	0	7½
Cape	0	6	0	8
Dry and Drysalted Cape...	0	9	1	0½
Market Hides, London—				
Best heavy ox & heifer	0	7	0	7½
Best cow	0	6½	0	6½
Best calf	1	10½	1	1
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.—				
per lb.	1	5	2	4
Bark Tanned Sole	2	6	3	6
Shoulders fin DS Hides	11	0	1	2
Do Eng. or WS do.	1	4	1	10
Bellies from DS do.	0	9	1	0
Do. Eng. or WS do.	1	0	1	6
Dressing Hides.....	1	6	2	1
Ro. Eng. Calf, 20/30 lb.	4	3	4	8
Aust. Sides	1	0	1	6
VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	31	0	0	0
Rape, refined	44	10	0	0
Cotton-seed, crude	28	10	0	0
Coconut, crude.....	37	10	0	0
Palm 39/15/0			40/15/0	
Oil Cakes, Linseed, Eng., per ton 12/15/0			13/0/0	
Oil Seeds—Linseed—				
La Plata,p.ton Mar.-Apr.	15/17/6		0	0
Calcutta, p. ton	nom.			
	s.	d.	s.	d.
Turpentine, per cwt.	46	0	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	0	10½	0	0
Water-White	0	11½	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	13/10/0		34/5/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	19	5	26	0
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	1	0½	0	0
Fine Hard Para per lb.	1	1	0	0
SHELLAC—				
TN Orange ... per cwt.	197	0	0	0
SHELLS—	£	s.	£	s.
W. Aust., M.-o.-P. "	4	0	12	10
TIMBER—	£	s.	d.	
Swedish u/s 3 x 8 per std.	19	0	0	
Do. 2½ x 7 "	19	0	0	
Do. 2 x 4 "	19	0	0	
Can'dn Spruce, Dis. "	17	10	0	
Pitchpine ..... per load	9	0	0	
Rio Deals ..... per std.	32	0	0	
Teak ..... per load	20	0	0	
Honduras Mahg. logs c. ft.	0	11	0	
African "	0	8	0	
American Oak Boards "	0	8	0	
Do. Ash "	0	6	0	
English Oak Planks "	0	7	0	
Do. Ash "	0	6	0	

12 by 6 lb., quoted 92s. 6d.-107s. 6d. per dozen tins. Danish cooked hams move off freely at about 1s. 7d. per lb. for cases of 6 tins.

CONDENSED MILK AND MILK POWDERS.—Market steady. Full-cream sweetened English spot 45s., Dutch ditto 38s. 6d., February-March 38s. 6d., machine-skimmed sweetened English spot 30s., Dutch ditto 24s. 6d., February-March 24s., all in 5 cwt barrels. Powders: Spray F.C. 26 per cent., 2 by 56 lb. tins crated, prompt, 94s.; M.S. (1 cwt. cases) prompt, 40s. Roller process, F.C., 26 per cent., prompt, 78s.; M.S. ditto 31s., all net, duty paid, ex-wharf London. On the grocery side, F.C.S. 21s.; M.S.S. 10s., basis per case, usual packing. Danish cream sells steadily. Evaporated, unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., sweetened, condensed, 48 by 14 oz., 20s. per case.

HONEY.—Market continues firm for the better grades, with a fair business passing. Palish set Jamaica 54s., amber set 48s., and manufacturing kinds 42s. 6d. Haitian yellow palish set 50s. New Zealand sells well, dark amber at 50s.-55s., medium 55s.-65s., light, 65s.-85s., whites and water whites 65s.-87s. 6d. cwt.

RUBBER.

Market still unsettled and business confined to moderate limits. Sheet spot and February sold 1s. 0⅛d. to 1s. 0⅜d. and 1s. 0½d.; March, 1s. 0⅝d. to 1s. 0¾d.; April-June, 1s. 0¾d. to 1s. 0⅞d. and 1s. 0⅝d.; July-September, 1s. 0⅞d. to 1s. 0⅜d. and 1s. 1d.; October-December, 1s. 0⅞d. to 1s. 1d., and 1s. 1⅛d. lb. London stocks reduced 656 tons on the week, landings being 1,085, deliveries 1,741, stocks, 24,747, against 63,769 at same time last year. Liverpool landings 200 tons, deliveries 220, stocks 20 tons down at 4,086. Singapore shipments first half February, 21,000 tons, estimate for whole month, 40,000.

GENERAL.

JUTE.—Market again dearer while supported by sustained buying both in London and Calcutta. Firsts, February-March, sold £37 6d.; March-April, £36 5s.; April-May, £36 12s. 6d.-£36 15s. Hessians, February-March, done £34 10s. per ton. Hessians firm, but arrivals of jute in Hamburg first half February 43,329 bales, Antwerp arrivals during January 35,600 bales. Stocks in Hamburg and Bremen on the 15th inst. total 126,735 bales, a decrease of 8,681 bales on the fortnight. Antwerp stocks, 11,3[illegible] bales.

HEMP.—Manila quite steady, but business reduced to a minimum, with K grade still monopolising what support arises just now. Something resembling a deadlock remains in force in the Philippines between dealers and shippers, as the former cannot become reconciled to the much lower rates now in force. K grade February-April, quoted £33 5s.; April-June, £33 10s. buyers. Other scarcely mentioned. Sisal slow on former terms. Manila receipts for the past week totalled 41,000 bales, compared with 27,000 last year, estimate for next week 50,000, and following week 37,000.

SHELLAC.—Market steady. T.N. spot 197s. 6d.; March 191s. May sold 193s.; August, 195s. cwt.

COPRA.—A dull and uninteresting market resulted. Straits S.D. March-April, Rotterdam, quoted £24 5s.; April-May, £24 15s. Others call for no comment. Palm kernels, February-March, Hamburg, £19 15s. ton.

MISCELLANEOUS.—Coconuts quoted 18s. to 21s. per 100. Coir yarn, Ceylon, £18 5s. to £39 10s.; Cochin, £23 to £40 10s.; Ceylon bristle, £19 to £25; cinnamon leaf oil, 5¼d.; citronella, Ceylon, 1s. 10d.; Java, 2s.

METROPOLITAN CATTLE.—February 20.

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

	s.	d.	s.	d.		s.	d.
Beasts—Norfolk	6	4	6	8	Beasts—Heavy Bulls	...	
Irish	...		...		Canadian	...	
Cambridge.....	...		...		Sheep—Downs	8	4
Short Horns	6	0	6	4	Half-bred	...	
Herefords	...		...		Ewes	5	4
Devons	...		...		Scottish	...	
Leicester runts	...		...		Lambs—Downs	...	

LONDON POTATO MARKETS.—February 20

	Per Cwt. s.	d.
English King Edward—Lincoln	5	6
" " " —Essex and Bedford	4	6
" Arran Chief	4	0
" Majestic	4	0
" Great Scot	4	0

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, MARCH 2, 1929. No. 4,462.

ROYAL EXCHANGE ASSURANCE

Incorporated A.D. 1720.

All classes of Insurance transacted and the duties of Executor and Trustee undertaken.

For full particulars apply to :—

Head Office: Royal Exchange, London.

BANCO NACIONAL ULTRAMARINO.

STATE BANK OF THE PORTUGUESE COLONIES.

Head Office: LISBON.

Established 1864.

Capital: Esc. **50,000,000$00** fully paid.

Reserves: Esc. **49,000,000$00.**

OFFICES IN THE FOLLOWING COUNTRIES:

Portugal, Portuguese East and West Africa, India, China, Timor and Brazil.

Paris Office ... 8 Rue du Helder.

Angola, Belgian Congo } Banco de Angola

New York—Trust Co. of North America—93 Liberty Street.

AGENTS & CORRESPONDENTS IN ALL PARTS OF THE WORLD.

London Office: 9 BISHOPSGATE, E.C.2.

Telephone—London Wall 0295. *Telegrams—Ultranacio, London.*

BANCA COMMERCIALE ITALIANA.

Established in 1894. Head Office: MILAN. Capital 700 million Lire. Reserves 540 millions. Deposits 7,251 millions.

Branches in every centre of commercial and industrial importance in Italy; also in London, New York, and Constantinople.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Egypt, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

London Office

32, Threadneedle Street, E.C.2.

A. JOEL, *Manager.*

Correspondents to the Italian Treasury.

TABLE OF CONTENTS.

The Money Market 429

Leading Articles—
- Plain Questions for the Premier 431
- Black Africa 431
- The Balance of Trade 432
- Roumania: — Stabilisation and After 434
- The Shipping Situation 435
- How Railway Accidents Happen 436

Notes of the Week—
- The Campaign Develops 437
- The Employers and the T.U.C. 438
- Reparations Committee at Work 438
- The Evacuations from Kabul 438
- A Dictatorship in Liquidation 438
- Civil Service Estimates ... 439
- The Army Estimates 439
- The State of Agriculture 439
- Lace and Safeguarding ... 440
- British-American Coal Competition 440
- Wool in Cold Weather 440
- The Coffee Position 441
- Government Trading Accounts 441
- Chilean Budget 441
- The China Indemnity Fund 441
- German Artificial Silk Prices 441
- The French Deal in American War Stocks . 442
- Latin-American Loans ... 442
- Insurance against Illness 442
- Pearl Assurance Company 443
- United Kingdom Provident Institution 443
- Clerical, Medical and General Life Assurance Society 443
- Provident Mutual Life Assurance Association 444
- A Free Trade Conference 444

Overseas Correspondence—
- United States 444
- Germany 445
- Austria 445
- Denmark 446
- Argentina 447
- Australia 447

Letters to the Editor—
- "Bank Rate Policy" 448
- Imperial Finance and Canada 448

Books and Publications—
- Wartime Economics of Russia 449
- The Foreman's View 449
- An Important Work of Reference 449
- Books Received 450

The Stock Exchange—
- Cable Manufacturing Companies 451
- American Interest in British Securities.—I. . 452
- A Mysterious "Stores" Deal 453
- The Week in the Markets 453
- Foreign Stock Exchanges 455
- Home Railway Stocks ... 455
- The Yield on American Common Stocks 456
- Sir Basil Blackett on the War Loan 456
- Bulgarian Finances 456
- The Underground and the Petrol Tax 457
- Courtaulds 457
- Selfridge 457
- New Capital Issues in February 458
- Capital Issues 458

Company Meetings 460

Government Returns 471

Bankers' Gazette—
- Bank of England 472
- Bankers' Clearing Returns 473
- Overseas Bank Returns ... 473
- Loan and Discount Rates 475
- Rates of Exchange 475
- Bullion 476
- Weekly Traffic Returns ... 477
- Gold and Silver Prices ... 477

Company News—
- Dividend Announcements 477
- Profit and Loss Accounts 478
- Summary of Balance Sheets 479
- Reports and Notices 479

Commercial Reports—
- Corn Trade 479
- American Wheat Markets 480
- Coal 480
- Iron and Steel 480
- Other Metals 481
- Cotton Trade 481
- Wool Trade 482
- Colonial Wools 482
- Jute Market 482
- Hide and Leather Trades 482
- Vegetable Oils 483
- Overseas Produce 483
- Price Current 484

TERMS OF SUBSCRIPTION.

Quarterly, 11s. 6d.; Half-yearly, £1 9s. 0d.; Yearly £2 18s. 0d. Colonies and Abroad, £3 1s. 0d. per annum.

Single Copies, post free, 1s. 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4.

THE MONEY MARKET.

CONDITIONS this week have been relatively stringent, with rates for short loans ranging from 5 per cent. upwards. The market rate on three months' bank bills has been around 5¼ per cent., with a fair Continental demand for bills. Treasury bill repayments continue to be in excess of issues, but against this tax payments are continually

taking large sums off the market, and the cross-currents arising from these various factors are making the present situation unusually complex.

* * *

Over and above the internal difficulties of the London market comes the even greater obscurity attending the American outlook. On Wednesday the dollar exchange improved to $4·85\frac{7}{16}$, and this relieved London anxiety to some extent; but on Tuesday the Bank was only able to secure the balance of the South African gold by paying more than its minimum price, and it is possible that unless the Bank had bid for it, this gold would have gone to America. In bidding for this gold the Bank has not departed from its normal practice, but even so the American outlook and its possible reaction on London are viewed with some apprehension.

* * *

So long as the Reserve Banks refrain from raising their rates, there seems no reason to fear a further increase in Bank rate in London. At the moment the Reserve Banks are trying other methods to discourage the flow of money into Wall Street, and the fact that fresh foreign money is now being offered in London suggests that certain withdrawals from New York are taking place. It is, however, uncertain if the Reserve Banks' present policy will prove efficacious, and there are indeed signs that banking opinion in America is not unanimous. Definite action on the part of some of the Reserve Banks other than New York is a possibility that must not be lost sight of. But if the New York rate goes up, the probability is that the Bank of England would follow suit.

* * *

Meanwhile something can be done in London to relieve the present situation. The first need is to discountenance as strongly as possible any suggestion that British capital is being invested in the United States because of the possibility of a Labour victory at the election. Such a transfer of capital would merely mean the substitution of the greater for the smaller risk, and apart from this it is under present monetary conditions an unpatriotic action fraught with grave consequences to the country. Fortunately there is no real evidence that such a flight from the pound is taking place, but the mere unsupported suggestion, made in certain quarters, that such a movement is starting, is, to say the least of it, unhelpful.

	Feb. 28, 1929.	Feb. 21, 1929.	Feb. 14, 1929.	Feb. 7, 1929.	Previous Rate and Date Changed
	%	%	%	%	%
Bank Rate.....	5½	5½	5½	5½	4½ (Feb. 7,'29)
Banks' Deposit Rate..	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
Houses { Notice.....	3¾	3¾	3¾	3¾	2½ (Feb. 7,'29)
Market rate (3 months' bills)	5½	$5\frac{5}{16}$–½	5½	$5\frac{1}{8}$–$\frac{3}{16}$	...

Finally, if a 5½ per cent. Bank rate is to succeed in its object of attracting money from New York back to London, it must be made effective, and this involves a stable discount rate of around 5¼ per cent. It is suggested that the market can do *something to help in this* by taking a longer view than at present. The market admittedly has its own difficulties to contend with, including the varying Continental demand for bills, but the regular lapse in discount rates at the week-end, followed by their stiffening in the middle of the week, is liable to create a false impression in foreign centres and to add to the difficulties of the authorities at home. There is no need to feel unduly alarmed as to the outlook, especially in view of this week's improvement in the New York exchange, but it must be recognised that the situation is one of some difficulty and obscurity, and that in consequence the active co-operation of all involved is necessary, if undesirable developments are to be forestalled.

NEW YORK MARKETS.

Our New York correspondent cables:—This week's statement of the Federal Reserve system shows a substantial rise in discounts, the natural accompaniment of end-of-the-month settlements. There has been a further fall in bill holdings, and little change in Government securities. The total volume of reserve credit is only six millions higher; this, together with the decrease in the brokers' loans held by member banks, indicates that the banks are co-operating in deflation of credit. The New York reserve ratio is down from 83.1 to 81.6, and that of the system is practically unchanged at 69.9.

THE STOCK MARKETS.

Monetary uncertainties exercised a markedly unfavourable influence on the stock markets, a disposition to reduce commitments being widespread. Gilt-edged quotations were lower, and home rails remained in a dull condition. Apart from some little activity in motor shares and margarine issues, industrials tended to lose ground, investment as well as speculative securities coming within the orbit of the movement. Rubber shares were rather less active than of late, shares irregular, and oil shares quiet. In the mining markets, Kaffirs were largely unchanged, while Rhodesians marked time, but copper shares reflected the continued strength of the metal.

THE COMMODITY MARKETS.

The general tone of markets this week is promising. Collieries are more active than they have been for a very long time; as the result of an extension of working hours congestion at the South Wales ports is being steadily reduced. Iron and steel manufacturers are optimistic: pig iron continues to improve, and prices of semi-finished steel in most districts are now able easily to compete with those on the Continent. It has been decided not to raise the price of tin plates for the present. Liverpool cotton is at last showing signs of increased activity, and the hardening of raw material prices is reflected by some improvement in Manchester. Oversea outlets for piece-goods are improving, but spinners are still hampered by heavy stocks. Merino wools seem to be nearing stabilisation, but the future of crossbreds is still uncertain. Jute yarns and cloth are firm. Hides and leather have improved slightly. Little business has been done in vegetable oils and oilseeds. Wheat has declined.

FOREIGN EXCHANGES.

The market was quiet during this week. Sterling on New York was steady between $4·85\frac{1}{4}$ and $4·85\frac{3}{8}$, closing at $4·85\frac{5}{16}$, forwards being $\frac{5}{32}$ cents and $\frac{13}{32}$ cents discount for one and three months. Canada was erratic, moving between 4·87 and $4·87\frac{3}{4}$, with $4·87\frac{5}{8}$ quoted at the close. Paris improved to 124·18 on Tuesday, owing to the demand for funds over the month end, but was higher at 124·27 on Thursday. Forwards were 6 centimes and 18 centimes premium. Brussels improved to $34·93\frac{1}{2}$, as against $34·95\frac{1}{2}$ a week ago, and Holland depreciated to $12·11\frac{3}{4}$. Spain was very erratic, fluctuating between 31·20 and 32·05, with 31·85 quoted at the close. Forward Spain was in better demand at $7\frac{1}{2}$ and $18\frac{1}{2}$ centavos premium for the one and three months periods respectively. German marks were again on offer, and closed at 20·45. Forwards were $\frac{1}{2}$ and $1\frac{1}{2}$ pfennigs discount for one and three months. As a result of the stabilisation of the Czecho-Slovakian crown at 33·75 crowns per dollar, Prague was quoted $163\frac{7}{8}$. Japan was again lower at 1s. 10¼d., but Buenos Aires remained unchanged at $47\frac{5}{16}$d. Silver was in demand from China and closed ⅛d. higher at $25\frac{15}{16}$d. for spot and 26d. for forward delivery. Hong Kong was 2s. 0⅛d. and Shanghai 2s. 6⅞d.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—British and German Trust, Great Western Railway, Pearl Assurance, Manchester Ship Canal, National Provident Institution, E. N. V. Engineering, R. M. C. Textiles (1928), General Investors and Trustees, City Offices, Rolls-Royce, Selfridge and Co., Maple and Co., Leyland Motors, Bovril, Jeremiah Rotherham, and Pearl Automatic Machines. The chairman of the Great Western Railway discussed various aspects of the railway transport situation, and announced that the proposal to permit dealings in £1 units of the company's stock had not been favourably viewed. An informative review of international monetary questions was given by Mr. Alfred Wagg at the British and German Trust meeting.

PLAIN QUESTIONS FOR THE PREMIER.

Six years ago Mr. Baldwin did a very rash, but also a very straightforward thing. He came to the country and said in effect, "I cannot be responsible for the Government of the country unless you give me the power to institute a general tariff on imported manufactured goods." He put to the electorate a perfectly plain question and the electorate returned a perfectly plain negative. This year Mr. Baldwin is repeating his rashness. He is about to ask the country once more for authority to extend the protectionist experiments in which the present Government have already indulged. But we are still waiting for him to couple rashness with candour, for with the election only a few months distant it is by no means clear to the closest student of politics, and therefore entirely obscure to the general public, what the exact fiscal policy is to which Mr. Baldwin is about to ask the country's consent. Time is running short, and the country has a right to demand from the Prime Minister a clear statement of the intentions of himself and his colleagues in the matter of Protection, if they are returned to power at the coming election, the more so because the one thing that is abundantly clear in the present welter of fiscal perplexities is that the tariff question will transcend all other election issues in its vital importance to the future of industrial Britain.

The need for a clear and unequivocal statement of ministerial policy is gravely heightened by the publication of the letter addressed by the Prime Minister to the Secretary of the Iron and Steel Trades Confederation. The Confederation requested the Government to appoint a Royal Commission to investigate the troubles of the iron and steel industry. This request Mr. Baldwin refuses on the grounds that it would be an unnecessary and dilatory proceeding and that the Balfour Committee has already examined the relevant data. Instead he promises, if he is returned to power at the election, to allow the iron and steel industry immediately to bring its case to the "safeguarding" committee. We are not ourselves overenamoured of Royal Commissions as a step to rapid and effective action, but in fairness to the Steel Confederation, it must be pointed out that their request was for something analogous to the Samuel Inquiry on the coal industry—an investigation calculated to supplement the by no means exhaustive findings of the Balfour Committee—and that they were far from wishing for an inquiry which would confine itself solely to the question of an import duty. But that is by the way. The significance of the Prime Minister's letter lies in the lurid light which it throws on the apparent fiscal intentions of the Conservative Government if they are returned to office.

Given a new lease of power, we now know, they will immediately appoint a safeguarding inquiry before which the iron and steel trade may plead its case for protection. Of what nature will this inquiry be? For an answer to that question we have to turn back to a speech delivered in the House of Commons on November 14th by Sir L. Worthington Evans, in which he expounded on behalf of the Government the changes in the present safeguarding procedure, which the Government proposes to introduce if their policy is sanctioned at the polls. The principal change in procedure is that there should be one permanent tribunal in place of the present *ad hoc* committees—a tribunal to which every industry, except agriculture, would have the right to apply. The modifications in the regulations governing the applications and the work of the committee are comparatively slight, but as we pointed out at the time, they are changed in two particulars, and in each case the change has the effect of making it easier for any applicant industry to obtain the protection which it claims. The new regulations as propounded by Sir L. Worthington Evans, still include no provision to ensure either that the case of the trader and consumer is properly considered, or that any broad view is taken by the tribunal of the national interests as a whole.

We seem therefore to have reached this perplexing position. Three years ago the Prime Minister refused to allow the case of iron and steel to go to a "safeguarding" committee because a tariff "on a basic industry of this magnitude would have repercussions," which would have constituted a breach of his pledge not to introduce any general measure of protection during the present Parliament; and if Mr. Baldwin's speech to his own party conference at Yarmouth still holds good, he still regards himself as pledged not to introduce any general measure of protection after the next general election. Yet he now tells us quite clearly that if he is returned to power one of his first acts will be to see that the iron and steel industry's case for a tariff is heard by the "safeguarding" tribunal. Nor does this exhaust the significance of Mr. Baldwin's letter. The very emphasis which he lays on the slow and cumbersome method of a Royal Commission underlines the fact that the quicker procedure of the Safeguarding Tribunal will shut out all possibility of investigating the problem of a tariff for steel in the light of the needs of British industry as a whole.

It is hardly necessary to point out to readers of the *Economist* that, as Mr. Baldwin has admitted, the ramifications of effect that will be produced by an import duty on steel will be wide enough to touch the national life at a thousand-and-one points. The plain truth, which we defy any Minister to deny, is that as soon as you come to the question of a tariff for iron and steel you are immediately face to face with the whole question of a general tariff. That, and nothing short of that, is what the country has to face, if we may rely on the scattered dicta of the Prime Minister and his colleagues. We suggest to Mr. Baldwin that it is not fair to allow the country any longer to rely upon such dicta. He owes it to his political reputation to make clear without further delay precisely what the meaning is of the protectionist policy which in a few months is to be voted upon by the people. So long as we lack such a statement we are bound to conclude, on the only evidence, that behind all the professions of gradual extension of "safeguarding" experiment lies the full threat of a complete revolution of our fiscal system, and that if Mr. Baldwin wins the election, he will immediately claim a mandate from the country to carry this revolution into effect.

If then Mr. Baldwin has really been driven by the extremists in his own party to plunge once more into the deep waters of full-blown protection, it is pertinent to ask what is the position of the Chancellor of the Exchequer? On July 24th in the House of Commons, Mr. Churchill said:—"In the fiscal sphere it seems to me that we ought not to contemplate any fundamental reversal of the fiscal system upon which the whole industrial and economic structure of this country is erected, and with which it is profoundly interwoven." Even the unlimited ingenuity of the Chancellor could hardly reconcile the holding of this belief, and the clear view of Britain's dependence on export with which he justified it, with support of the policy into which his own Prime Minister appears to have been irrevocably forced. What is the Government's policy and what does it mean? We appeal to Mr. Baldwin to shake himself clear of equivocalities and nebulosities and to tell the country what he means in terms as clearly understandable as those which he employed in 1923.

BLACK AFRICA.

THE great question of Black Africa is in the air. We are all aware of its presence and alive to the momentous consequences which its settlement will have, for good or evil, in the history of the world. A few weeks ago the complexity and importance of the problems involved were brought out by the publication of the report of a British Commission on Closer Union of the Dependencies in Eastern and Central Africa (the Hilton Young Commission); and, in a letter published in *The Times* last week, seven distinguished public men, headed by Lord Lugard and Lord Davidson, pointed out how wide the ramifications of these East African territories were, and pleaded for a procedure that should be no less authoritative and exhaustive than that which followed the publication of the Montagu-Chelmsford Report on India. We trust that this wise counsel will be followed; and, meanwhile, we venture to underline a point on which the writers of this

letter and the members of the Hilton Young Commission alike have insisted: namely, that East Africa cannot be seen in true perspective except as part of the continent to which it belongs. That continent is not, indeed, quite co-extensive with the Africa whose boundaries every child learns at school. Black Africa reaches, not to the southern coasts of the Mediterranean, but only to the southern rim of the Sahara; and North-West Africa and Egypt have far more in common with Southern Europe and Western Asia than they have with the Dark Continent, from which they are isolated by a desert less easily passable than any sea. Still, the true Africa, extending from the Cape to the Sahara, is vast enough; and some general knowledge of this immense region and its constituent elements—human and material—is the essential background for dealing effectively with the local problems as these crowd upon us, to-day in the East and to-morrow in the South or the West.

As everywhere, the most important element is the human element—and first and foremost the race which held the ground at the moment when the first Europeans arrived, and which still holds most of the ground notwithstanding the terrific impact of Western civilisation. This is the Black Race of Africa, which has given its name to the whole continent south of the Sahara; and the most curious and baffling feature of the African problem is that this race, which is probably the determining factor, is still almost an unknown quantity. There is really only one thing that we know about the African race for certain, and that is its physical vitality. Where Caribs, Red Indians and South Sea Islanders have wilted away, even on their own ground, at the touch of the Western intruder, the African has survived—and survived under the most adverse conditions conceivable, as a transported slave. It is not likely that, if he has come through this ordeal in the New World, he will die out in his native African domain, especially in an age in which Western society has learnt, in dealing with "native races," to be ashamed of its old methods of barbarism. In the world as it is, the continued existence of the Black Race of Africa seems assured; but this sole solid fact gives the measure of our ignorance; for while we may be reasonably sure of the African's ability to survive, we have little means of estimating his capacity for civilisation. It is true that we are equally in the dark about the capacity of other races that have likewise remained hitherto at the level of Primitive Mankind; but these races are mostly small in numbers and dwindling rapidly, so that in their case the unknown quantity is a question of philosophic speculation rather than of practical importance for the future of the world. Again, there are other races which show no less ability than the African race to survive physically in a Westernised world; for instance, the Hindus or the Chinese or the Javanese; but in their case the future is at least illuminated by the past, for they have a long record of native civilisation in which their racial and social idiosyncrasies have been brought to light. The African race alone is both alive and an enigma.

Of course, it has been stoutly denied, especially by white men interested to deny it, that the Black Race is an enigma at all. If it is still near the primitive level to-day, when certain other races have gone through the cycle of civilisation two or three times, does not that show that the Black Race is spiritually sterile—that its members are incapable of progress or that, in the older theological language, "niggers have no souls"? The older formula, with its implication of a creation in 4004 B.C., is really more tenable than its modern counterpart, for the whole argument depends upon being ignorant of, or ignoring, the immensity of time. In the geological and astronomical perspectives of to-day the 6,000 years' start of the Egyptians, or the 1,300 years' start of the English over the Black Africans in making the experiment of civilisation, shrink to an infinitesimal quantity compared to the hundreds of thousands of years during which Egyptians and English and Black Africans have all vegetated on the primitive level, together with the rest of mankind. Because our neighbour remains standing a few seconds after we have started to run, shall we venture to argue that his limbs are not made for motion? A few seconds later he may be hard at our heels, and who can say, before the race is over, whether he may not end in the van?

Even while we have been asserting that he cannot move, we have ourselves been shaking him out of the lethargy in which we likewise lay a few dozen generations ago. The impact of Europe on Africa is now a commonplace, and it needs a certain effort of the imagination to realise how tremendous this impact is. Compare it with the impact of Europe on India and China, of which we are now beginning to see the dynamic effects. When these latter collisions occurred, the two colliding bodies were not so far apart nor so different in structure. India and China were already civilised, Europe was not yet industrialised. It is only in Africa that an industrialised Europe has collided with an alien race still on the primitive level and at the same time physically sturdy enough to take the shock and survive it. The dynamic effects may be expected to be proportionately greater than those which are declaring themselves in India and China now.

For Africa is no longer on the periphery of the Western world. On the economic plane, at any rate, it is being drawn rapidly nearer to the central eddy of our Western life. Tropical products play a larger and larger part in our industry, and Black African populations are now consciously reckoned into the Balance of Power—for instance, when French statesmen speak of France as "a nation of a hundred millions," with an eye to the black troops which the French General Staff can mobilise on European battle-fields. African "man-power" has played three successive rôles in the economy of the European world, and each rôle has been more important than the last. When African slaves were "black ivory" they were rare and exotic articles of luxury. In the next stage, when they hoed and picked the cotton of the New World, they were already one of the pillars of the Western Economic system. In the third stage, when African "man-power" is being applied at home to the wholesale economic development of Africa itself, it is not inconceivable that Africa may become, in its turn, "the workshop of the world."

In an Africa so transformed, would the African himself be slave or free? That is perhaps the greatest of the questions raised by the "opening-up" of Africa at the stage which it has reached to-day—for slavery cannot be exorcised merely by outlawing the name. It is a status which has many guises, and those which disguise it under the most specious names may be the most difficult to guard against. This is only another way of saying that the key-problem of Africa at the present time is the problem of labour. It was bound to arise in an acute form; for a population which had barely scratched the surface of a continent could not suffice to till the soil when it had been carved and turned over by the Western motor-plough. There would have been a shortage of African man-power, even if the impact of the West had left the native African population intact. And of course, it has not done so. The slave trade and forced labour have each taken their toll; and though the African race is going to survive under conditions in which Caribs and Polynesians have gone under, it naturally is not surviving without heavy losses. The question now is: What view of African "man-power" are Western "Empire-builders," as a whole, going to take? Are they going to regard it as a precious capital, the indispensable plant by which alone the potential riches of the continent can be transformed into tangible wealth? Or are they going to pursue a policy of human "Raubwirtschaft" until it is too late? There are welcome indications—for example, in the Belgian Congo—that the "scientific" policy of conserving native African "man-power" is in the ascendant. It is fortunate that, in this issue, science seems to agree with humanity: for though the question may be settled on the economic plane, it is on the moral plane that it will come up for judgment.

THE BALANCE OF TRADE.

In a recent article on Overseas Trade in 1928 we were able to point to a definite, if slight, improvement in the visible trade balance of the United Kingdom, and an estimate of the invisible items led to the provisional conclusion that the total balance would show a larger movement to our credit. The publication by the Board of

The New York Trust Company

Capital, Surplus & Undivided Profits - $35,000,000

COMPLETE INTERNATIONAL
BANKING FACILITIES

100 Broadway New York City

Trade of its customary estimate of the total balance of payments shows our conclusion to have been substantially accurate and to have erred slightly on the side of conservatism. The Board of Trade figures include all transactions of a revenue character between the United Kingdom and other countries, whether these originate with governments or individuals. They are, as usual, subject to later revision if fuller data become available. The subjoined table gives the figures for the past three years:—

BALANCES OF INCOME AND EXPENDITURE IN THE TRANSACTIONS (OTHER THAN LENDING AND REPAYMENT OF CAPITAL) BETWEEN THE UNITED KINGDOM AND ALL OTHER COUNTRIES.

(In million £'s.)

Particulars.	1926.	1927.	1928.
Excess of imports of merchandise and bullion	475	390	359
Estimated excess of Government receipts from overseas*	4	1	13
Estimated net national shipping income†	120	140	130
Estimated net income from overseas investments	285	285	285
Estimated net receipts from short interest and commission	60	63	65
Estimated net receipts from other services	15	15	15
Total	484	504	508
Estimated total credit balance on items specified above	9	114	149

* These include some items on loan account.
† Including disbursements by foreign ships in British ports.

The excess of imports of bullion and merchandise for 1927 is now given as £390 million, as against an original figure of £392 million. The reduction of this item by £31 million in 1928 must be slightly discounted, as imports in the first few months of 1927 were still abnormal as a result of the coal stoppage, but as the last eight months of 1928, taken alone, still compare favourably in this respect with the corresponding period of 1928, the improvement in the visible balance of trade may safely be regarded as genuine.

The item "Government receipts" is composed of receipts and payments in respect of loans between governments; reparation receipts; receipts on account of Indian home charges; and receipts and payments on account of the overseas activities of the various public departments. As only estimates are available for part of the year under review, these figures usually require revision, and the Board of Trade has now added one million to the estimated net revenue under this head for each of the years 1926 and 1927, making a credit balance of £4 million and £1 million respectively. For 1928 the estimate rises to £13 million; £6½ million of the increase seems to arise from alterations in our favour of net war debt and reparation payments, and it is fair to assume, since no special explanation is offered, that the rest is spread evenly over the other component items. In spite of the fact that shipping was more active in 1928 than in 1927, "whole-cargo" freight and "time charter" rates were lower, as the result of a substantial increase in the world's carrying space during the year 1927–28. Assuming that ships were loaded to the same proportion of their full capacity—a large assumption, to which reference is made in another article in this issue—and that the trade to and from home ports occupied the same proportion of British shipping activity, the Board of Trade estimates the net national income from shipping services at £130 million, with a margin of error of 5 per cent. each way. The inadequacy, however, of the data on which this estimate is based makes it impossible to reach a figure for which even this degree of accuracy can be safely claimed, since no method of measuring the earnings of cargo-liners, whose importance far outweighs that of "tramp" vessels, exists at all.

It has been frequently complained that the Board of Trade tends to underestimate the credit balance on the invisible foreign trade of the United Kingdom. This year the Board has taken an important step towards the removal of this reproach by availing itself of the results of the investigations carried out last year by Sir Robert Kindersley into the magnitude of income and sinking fund payments from investment overseas. Since, after consideration of all the factors involved, the estimates of £270 million for each of the years 1926 and 1927 are raised to £285 million, it is rather surprising that the 1928 figure is no higher; we suggest that if it were raised to £300 million the relation between the revenues from this item in the respective years would be more accurately reflected. This figure does not include the income derived from private investments or from short loans, since no data exist from which even a reasonable guess at these items could be made, so that it is unlikely to be an over-statement. As it is not practicable to revise the figures for the years before 1926, they are no longer accurately comparable with those of the last three years.

Under the heading "Receipts from short interest and commissions" satisfactory facts emerge regarding the position of this country as a financial centre. The diminution of the money value of our imports, together with the stabilisation of currencies, led to a reduction in the profits on exchange transactions, but this was more than offset by the progress made by London in recovering its position as an international financial centre. Imports of grain and cotton, which in 1927 were financed from the United States, were last year financed here, and the lower money rates in London as compared with those ruling in New York brought much business, especially in acceptances, to the London market. In order to register the fact of this increase, an addition of 5 per cent. is made to the estimated revenue under this heading, bringing the total to £65 million. This does not make any pretence of being a measurement of the increase, and the public will no doubt concur in the opinion expressed by the President of the Board of Trade, that if the members of the money market, who alone are in a position to get the facts, would co-operate in an investigation analogous to that of Sir Robert Kindersley', the results would be of great value.

With miscellaneous receipts left at their former level of £15 million, a credit balance of £149 million is thus established. For 1927 the balance was £114 million as against an original estimate of £96 million, and for 1927 the debit balance of £7 million has now been revised to a credit

balance of £9 million. Even after these two favourable revisions, which are mainly due to the increased valuation of the income from oversea investments, the estimated credit balance for 1928 is £35 million greater than the balance for the preceding year. When all allowance is made for abnormalities in the early months of 1927, this increase in the credit balance must still be regarded as evidence of progress. New overseas issues in the London market in 1928, which were not all taken up by British investors, amounted to some £143 million, and the international payments may in many cases have been postponed for some months after the actual issue. Apparently, therefore, the credit balance on revenue transactions is resuming its traditional part as the chief source of capital for new investment abroad. While the profit and loss account of the country can show such a healthy balance, available for foreign investment, it is difficult to see what ground there can be for arguing that our national accounts would look better if the import item were reduced. The corresponding reduction on the other side, which equilibrium would require, would be just so much good business lost to the country. The invisible items, which usually are conveniently left out of account by protectionists, represent services which, alike by tradition and by our geographical position, we are well fitted to perform, and in which we are once more making progress relatively to our competitors.

ROUMANIA:—STABILISATION AND AFTER.

(BY OUR BUCHAREST CORRESPONDENT.)

PUBLIC opinion in Roumania acclaims the introduction of the legal stabilisation and the foreign loan as a turning point in the economic history of this country after the war. The general relief is all the greater as the impatience felt by the population for a whole year, caused by the perpetual adjournments of the negotiations, had become very acute, and the delays, combined with the poor harvest of last year and the general trade depression, had at last given rise to serious apprehensions concerning the economic situation. Whether the sanguine hopes now entertained by many for a speedy return to normal conditions will be realised would appear to be more than doubtful. The recovery of the country can only be slow and depends to a large extent on the Roumanian people themselves, who should understand that the introduction of the present reforms represents only the foundation of the edifice of economic reconstruction, the building of which will call for sustained effort on the part of all sections of the community. It will be the task of the authorities, as well as of the business community, to rehabilitate Roumanian credit which has suffered so severely since the war in consequence of their shortsighted attitude so often taken up in debt settlements. That this view is shared by the foreign financiers with whose assistance the present reforms are made possible is evident by the guarantees on which they have insisted as a condition of their help. Indeed, the foreign loan has not been secured without heavy sacrifice, as it has been found necessary to pledge the State monopolies. A significant light, moreover, is thrown on the standing of Roumanian credit by the very elaborate precautions taken for the service of the loan as regards the transfer of the necessary funds and the payment in gold of the coupons and drawn bonds to the holders, whether they be Roumanian or foreign, ally, neutral or enemy. Another bitter pill which the Roumanian negotiators had to swallow was the appointment for the period of three years of a technical adviser to the National Bank, which, to judge by the powers attached to this office, is practically tantamount to a control of the finances of the country. But it cannot be denied that as a result of these precautions and sacrifices the measures now introduced inspire confidence, and by this fact alone bear within themselves the seeds of success.

For the moment the phenomenon which is disconcerting many of the uninitiated sections of the community is the almost general fall in the prices of shares on the Bucharest Stock Exchange, led by the shares of the National Bank. While this is due partly to realisations by subscribers to the stabilisation loan, the chief reason for the setback is the over-speculation which preceded the conclusion of the negotiations. Speculative interests dispose of too few funds to be able to sustain a general marking up of prices for any length of time, and the entry of money to relieve the strained condition of the money market can only be expected to be very slow as confidence in the success of the stabilisation gains ground. The foreign trade balance is unfavourable. The deficit will be counterbalanced for a time by the transfer of funds resulting from the loan. But the attempt should now be made to attract foreign capital by definite measures such as the revision of the Mining Law and the commercialisation of the sale of agricultural products. A definite turn for the better cannot, however, be expected before a really abundant harvest is secured. Here is the crux of the situation, and nothing should be left undone to encourage and develop the agriculture of the country.

The reforms now enacted are the stabilisation of the currency and the reorganisation of the National Bank, the regulations for the Budget of the State and the administration of the Treasury, and the reorganisation of the railways. The funds necessary for all these measures are provided by the foreign loan which is issued by the Kingdom of Roumania Monopolies Institute created for this purpose, and amounts to about 101 million dollars. The sum of 30 million dollars, as part of the above-mentioned total, has been taken up by the Swedish match syndicate in consideration of the concession of the match monopoly, and it is worthy of note that the minimum annual royalty guaranteed to the Institute by the Swedish syndicate under the contract amounts to 3 million dollars. The principal appropriations from the proceeds are the following:—

	Million Dollars.
Stabilisation of Currency:	
National Bank	10
Credit Institutes (Banques Populaires, Co-operatives and Crédit Industriel)	15
Total	25
Fond de Roulement:	
Treasury	11
Railways	9
Total	20
Railways and other Productive Works:	
Railways	35
Other public works	10
Total	45

By the Law of Stabilisation the Leu is established as the Roumanian monetary unit weighing 10 milligrams and containing $\frac{9}{10}$ths fine gold, which brings the parity of the pound sterling to about Lei 813, and the gold points to about Lei 811 and 815. The bank notes of the National Bank continue to be legal tender and are convertible at sight. The position of the National Bank, which had become immobilised by long term bills and advances, is relieved by the receipt of 25 million dollars from the proceeds of the loan, i.e., 10 million from the State and 15 million from the refund of advances made to the Banques Populaires, the Co-operative Societies and the Industrial Credit Institute. This sum, together with a part of the 75 million Marks due from Germany under the recent agreement, and the credits arranged with the foreign issuing banks, is believed to put the Bank sufficiently in funds for the defence of the Leu. The note circulation and other sight liabilities are amply secured by the gold and foreign bill reserve of 35 per cent., arranged by the new statutes of the Bank. According to the latest Bank Return the note issue amounted to about 20,500 million Lei, the other sight liabilities to about 5,000 million, whereas the value of the metallic cover calculated at the stabilised rate of the Leu would amount to over 10,000 million. It is intended gradually to raise the note circulation in accordance with the needs of the situation. Special care has been taken to eliminate the political interests as much as possible from the conduct of the National Bank. The State is not allowed to hold more than 10 per cent. of the shares. As its holding amounted to 66,000 of a total of 200,000, it follows that 46,000 shares must be disposed of. This is to be effected in the period of three years. The State's share in the profits of the Bank is fixed on a sliding scale, and can amount to three quarters of the amount of the net profits remaining after the appropriation of certain reserves, distributions to the staff, and a 10 per cent. dividend to the shareholders, if the amount be sufficient for making up the dividend to the total of 25 per cent. These regulations are used by the speculators at the Stock Exchange, not quite without reason, to drive the price of the National Bank shares down. The share capital of the Bank is raised to 600 million Lei by writing up the assets of the Bank.

The most interesting part of the reforms affecting the Treasury is that which limits the treasury bonds in circulation to the maximum of 2,000 million Lei with a term of not more than 12 months and restricts the advances from the National Bank, which, moreover, must only be of a temporary nature, to the same figure.

The programme established for the Railways with the assistance of Monsieur Leverve, the French expert, provides very extensive reconstruction of lines, stations, bridges, rolling stock, etc. The expenses are estimated at 130 million dollars, arranged in two parts according to their urgency, the first part amounting to 45 million and the second to 85 million dollars. The duration of the programme is estimated at three years.

The industrial departments of the State and the exploitation of its domains, i.e., the river and maritime transports, the bridges, docks, warehouses, fisheries, forests, mines, will receive a commercial organisation under an independent administration. Special legislation for this purpose is under consideration. Naturally, it will take a long time to carry out this vast programme. But the energetic manner in which the Government have so far attacked their problems augurs well for the future.

THE SHIPPING SITUATION.

THE reports of the Chamber of Shipping and of the Liverpool Steamship Owners' Association, whose annual meetings took place last month, both indicate that 1928 was as difficult a year for the shipping industry as any since the end of the post-war "boom." As in the seven previous years, the brunt of the depression has been borne by owners of cargo-carrying tonnage, whose voyage-accounts in 1928 yielded in most instances a margin barely sufficient to cover depreciation. The year began inauspiciously with cargo freights at the lowest point, for the month of January, recorded since the war; a further fall occurred in February; and up to end of September rates on the average were consistently below the level of 1913. The autumn, however, witnessed a marked improvement in the position. Canada had a record wheat harvest, and chartered a large volume of tonnage; there was greater activity in the Chilean nitrate and Cuban sugar trades; good crop prospects in the Southern hemisphere stimulated demand for "future" space; and the entry of India into the market as grain-importer from Australia helped to keep tonnage well spread throughout the world. Between September and December the average level of whole-cargo freights, as measured by the *Economist* index number, rose by about 14 per cent.—an upward fluctuation which seems likely from the present trend of the market to be short-lived, but which inspired sufficient optimism on the part of shipowners to lead to the placing of contracts for a substantial number of new vessels.

This belated recovery, however, did not suffice to save 1928 from being ranked as one more "slump" year to be added to the unbroken succession of unprofitable years which extends back to 1921. Not only were freights for whole cargoes lower by 10 per cent. on the average than in 1927, and fractionally below the average of the last pre-war year—the average freight for the round voyage from the U.K. to the Plate and back being 34s. 3d. in 1928, against 38s. in 1927, and 31s. in 1909–13—but liner services (other than those mainly concerned with passenger traffic) suffered severely from the incidence of a "load-factor" in many cases ruinously low. The following table summarises the best available data of the British shipping industry's working during the past year:—

	1913.	1927.	1928.
Laden Entrances, U.K. (Million net tons)	49·1	57·3	57·0
Percentage British	*66*	*65*	*65*
Laden Clearances, U.K. (Million net tons)	67·8	59·3	60·3
Percentage British	*59*	*64*	*65*
"Load Index" (1913 = 100)...			
Entrances	100	91*	82
Clearances*	100	72	74
Economist Freight Index	100	110	99
Idle tonnage, U.K. ports (Thousand net tons)	†	326‡	401‡

* Excluding coal. † Figure not available. ‡ Quarterly average.

It will be seen that the combined total of "laden" entrances and clearances of shipping at United Kingdom ports was fractionally higher last year than in 1927, the British proportion of the total traffic being rather more than maintained. On the other hand, a slight improvement in the "load index" of clearances ("laden" with whole or part cargoes other than coal) was more than outweighed by a serious drop in the "load index" of vessels "entered." These indices of the proportion of filled to unfilled space (expressed as percentages of the 1913 proportion) are calculated from estimates given in the Report of the Liverpool Steamship Owners' Association, which contains the grave statement that "one of the most disquieting features of the year is the extent to which this carrying power (i.e. of regular liners) has been wasted. The amount of import cargo carried per 100 tons net of shipping in 1928 was less than in any year since the war. Compared with 1913, available space capable of carrying 12 million tons of cargo in the case of imports, and 5 million tons of cargo in the case of exports, was not used in 1928, a total of 17 million tons of wasted ship carrying power." This operation of uneconomically filled tonnage is, in fact, a feature at present of the shipping industry in all countries. The Chamber of Shipping Report points out that in 1928 the combined entrances and clearances of the ships of seven countries representing 70 per cent. of the world's ownership show an increase of 33 per cent. in comparison with 1913, whereas the total volume of sea-borne trade has probably risen by not more than 10 per cent. This evidence of a consistently low "load-factor" in the case of regular services accounts in part for the depression of "tramp" freights, since lines are driven by the intensity of competition in many routes to take consignments of grain and other "bulk-cargo" materials in default of adequate supplies of more remunerative goods. Undercut by the liners, "tramp" vessels were compelled, as will be seen from the foregoing table, to "lay up" last year to a considerably greater extent than in 1927, though in this respect also an improvement in the position was witnessed at the beginning of 1929.

In these circumstances it is not surprising that three salient tendencies should emerge from the history of the shipping industry during the past twelve months. The first is the hastening of the rate of liquidation of State shipping—an experiment whose cost has grown with the intensified competition between privately-owned lines. In the spring

THE BRITISH LINEN BANK.
Incorporated by Royal Charter, 1746.
Capital and Reserve Funds, £3,400,000.
EXECUTOR and TRUSTEE DEPARTMENT.
Head Office: 38, St. Andrew Square, Edinburgh
The Bank is prepared to undertake the duties of Executor or Trustee, and to act as Trustee for Debenture Stockholders, Public Institutions, etc.
LONDON OFFICE: 38, Threadneedle St., E.C.2.
Every description of Banking Business transacted.

of 1928 the Commonwealth Line, whose working had cost the Government of Australia from first to last over £16 millions, was sold to the Royal Mail group. In the United States the passage of the Jones-White Act inaugurated a further stage in the process of withdrawal by the Government from the management, at least—if not from the policy of subsidies in aid—of shipping. During the past six months a substantial proportion of the Shipping Board's effective fleet has been transferred to private ownership, and, notably, in February of this year, the fleets of the United States lines and the American Merchant lines—including the s.s. "Leviathan" and five other N. Atlantic passenger liners—with an aggregate tonnage of 188,000 tons gross, have been bought by Messrs. P. W. Chapman and Co. for $16 millions.

The second tendency is the effort being made by shipowners of all countries, and not least in Great Britain, to achieve more economical motive power as an offset to continued restriction of gross earnings. At no period since the birth of steam has the shipping industry been so keenly engaged as now in experiments with new forms of propulsion—improved Diesel engines, high-pressure boilers, electric drive—and in investigating possibilities of fuel economy offered by the use of pulverised coal.

The third feature of the situation, exemplified strongly by the Reports both of the Liverpool Steamship Owners' Association and of the Chamber of Shipping, is the growing conviction of shipowners—enforced by the failure of seaborne traffic to keep pace with the growth of population—that the maritime supremacy of this country and the general weal are alike menaced by the threat of "protective" barriers to trade. In his Presidential Address to the Chamber of Shipping, Sir William Currie emphasised the abiding truth of the principle embodied in the petition presented in 1820 to Parliament by the merchants of the City of London :—

> "That foreign commerce is eminently conducive to the wealth and prosperity of a country by enabling it to import the commodities, for the production of which the soil, climate, capital and industry of other countries are best calculated; and to export in payment these articles for which its own situation is better adapted. That freedom from restraint is calculated to give the utmost extension to foreign trade and the best direction to the capital and industry of the country."

The Report of the Liverpool Steamship Owners' Association summarises the industry's point of view by the statement that "Unlike some other countries, our ability to import and pay for food and raw materials on a large scale is essential to us, and, if it fail, we as a nation fail with it. Our ability so to buy from other countries is, however, bound up with our ability to sell to them in return our own products . . . and the purchasing power of our customers must in the end be dependent on their finding purchasers for what they have to offer in exchange. It is the extent to which we can sell to our customers abroad that ultimately controls the standard of living in this country." Coming, as they do, unanimously from an industry whose contribution to our "invisible" exports even last year is placed at £125 millions, and whose leaders see little hope of better days for the world's trade save in the general lowering of tariff barriers, these pronouncements should give food for thought even to the least reflective among the Protectionist faction in this country.

HOW RAILWAY ACCIDENTS HAPPEN.

THE publication of the official Ministry of Transport report on the Charfield railway disaster of last October affords a convenient opportunity for considering the lessons of the recent series of accidents. They include two accidents, namely, Darlington and Charfield, which were unfortunately attended by a heavy casualty list, the latter being rendered still more appalling by the outbreak of fire, and others, such as Queen Street, Glasgow, Dinwoodie, Ashchurch and Doe Hill, near Alfreton, where the loss of life was less serious. The last three of these accidents are still subject to inquiry, so that any detailed comment upon them would be improper. Still, it is permissble to say of them, as of the other three, that the first lesson is that, when once a collision occurs, it is a pure matter of chance whether or not the results are serious. That is why we are glad to find in the Charfield report the repeated insistence on the fact that the vital point to concentrate upon is the prevention of collisions rather than the mitigation of their results.

This does not mean that suitable precautions should not be taken by way of insurance against the effects of accidents, and, in particular, we heartily endorse Sir John Pringle's strong recommendation as to the abolition of gas as an illuminant on trains. Still, vital as it is that the substitution of electricity should be accelerated, and disquieting as it is to learn that as recently as last November only 40.6 per cent. of the country's passenger carriages were lit by electricity as opposed to oil and gas, no agitation against the use of gas or of wooden, as opposed to steel carriages, should be allowed to mask the main point at stake, which is the prevention of collisions from taking place at all. As Sir John well says in the Charfield report, "However well fitted stock may be with shock-absorbing devices, serious ill-effects, when the momentum of a heavy train at high speed is too suddenly checked, cannot be prevented." This may be an euphemistic way of describing a collision, but it contains the kernel of the whole matter.

How is it that collisions take place? The principle of railway operation is that, apart from service slacks, so long as a driver gets a clear signal he is entitled to proceed at full speed. The rules of signalling are too complex to explain briefly, but their essence is that no signalman may pull a signal "off" to safety unless either the line is clear to a point a quarter of a mile beyond the next signal, or unless under certain well-defined circumstances the train has been checked and brought under control, and unless the driver knows he must be on his guard and may only proceed so far as the road is clear. The first alternative applies mainly to trains travelling on a through run at their normal speed, and the second covers shunting and other movements in busy yards. Hence, for a collision to occur, either a driver must misread a signal or a signalman break either the general regulations or the special regulations laid down for his box. It may here be added that at Charfield, and apparently also at Ashchurch, the signalman was protected by electrical controls from erring in such a way as to cause a dangerous situation.

At Darlington a parcels train was shunting to and fro in the station, picking up vans. The first shunt the driver did caused him to foul the main line, and permission to do so was properly granted by the man at the South Junction box, who pulled off his signal to permit of the movement. A few minutes later the driver had to do a second shunt. Permission for the movement was this time refused by South Junction, as the main line had been cleared for a through fast excursion train, but the driver of the parcels train was allowed to proceed under caution down to the South Junction home signal, which was 120 yards short of the point where he would foul the main line. There he should have stopped, but for some inexplicable reason he went on through the signal and found himself on the main line in the path of the excursion train. This disaster was a case, therefore, of a driver running through his signals.

Queen Street, Glasgow, is a terminus lying in a confined space at the mouth of a tunnel through which the line rises on a very steep gradient. There is the ever-present danger of a train failing to grip the rails on this gradient and slipping back again into the station. For this reason, whenever a train starts without a second engine to assist it, it is laid down that, until it emerges from the tunnel, the line must be left clear behind it in case it slips back. In a natural anxiety to expedite traffic a signalman at Queen Street allowed a second train to shunt into the tunnel before the first train had cleared. The first train failed on the bank and slipped back until it hit the second train behind. This was a case where a signalman broke one of a complex list of rules designed to cope with a very difficult but unavoidable situation.

At Charfield there was a conflict of evidence. What happened was that a goods train was being shunted clear of the main line to make room for a following express. While the train was being shunted it was protected by three signals, these being Charfield distant, outer home and inner home. The levers operating these three signals were all "on" in the danger position; of that there is no question, as during the shunting movement they were held "on" by electrical and mechanical locks. On reaching the distant signal the driver of the express was not bound to stop, even though it was "on," for a distant signal is simply a warning that subsequent signals may be "on." But the driver should have checked his speed at the distant, and have stopped dead at the outer home, if that was also "on." As the outer home was over 440 yards from the point of collision, the standard margin of safety obtained. What happened was that the driver read the distant as "off" and carried on. He failed to see either home signal owing to ground mist, but he knew that, if the distant was "off," both home signals must (owing to the mechanical interlocking between the levers) also be "off," and so thought he was justified in proceeding. The disaster followed.

If the driver was right and the distant signal was "off," it follows that the position of this signal did not correspond with that of its lever. Sir John Pringle reviewed this possibility at some length, and finally rejected it. But the important point is that, even if the driver were right, it did not justify him carrying on at full speed when both home signals were obscured by fog. We allude to this because on this point Sir John Pringle's report is not a little disquieting. It says: "It is not an infrequent, and indeed is sometimes an accepted, practice for drivers of trains, when they are assured that the distant signal is clear, to assume, when it is not possible to see them, that the signals in advance, the levers for which precede the distant signal, will also be in that position." Sir John makes no attempt to condone the conduct of the driver in not reducing speed when both home signals had been obscured by fog, but it is not reassuring to have to believe that drivers are accustomed to depend upon the distant signal alone. The distant signal is intended to give the driver a warning of the position of the subsequent stop signals, so that if necessary he can pull up deliberately and comfortably. If it is true that drivers treat it as suggested above, so far from being a warning this signal becomes a very dangerous trap. To mention one possibility, an emergency might well arise to cause all signals to be thrown to danger after the train had passed the distant. We find it difficult to believe that drivers commonly act as this passage suggests, and on many grounds we think it a pity that this view appeared in such terms in an official and judicial report.

It is clear that both the Darlington and Charfield disasters, as well as that at Ashchurch, would have been prevented if some device were in existence whereby the brakes were automatically applied on a train's reaching a signal at danger. Such a device is already in use on the London Underground, where the uniform traffic conditions and speed of trains makes its adoption a relatively easy matter. On the main lines, which have to carry all sorts and kinds of traffic, its institution is far less simple, as is shown by the fact that a Departmental Committee of experts has now been considering the matter for some years. The recent series of accidents has emphasised the urgency of the Committee's task, and a statement as to the progress so far made and the difficulties still to be overcome would help to allay public anxiety.

In any case, there is no need to lose a sense of proportion, and in this connection it is only fair to add that in his report for the year 1927 Sir John Pringle says that the number of cases where automatic train control would have proved beneficial is not such as would justify immediate action in the direction of its adoption. This is a matter of opinion, which will legitimately be guided inter alia by the 1928 accidents cited above. Meanwhile it may be recalled, with some degree of assurance, that over the period 1916-1927 the average number of passengers killed in train accidents each year was no more than ten. Compared with the total number carried each year, amounting to over 1,000,000,000, this figure is infinitesimal. It may be added that in 1927 no less than 4,701 people were killed as the result of road accidents. Railways still remain the safest form of travel in this country.

National Bank of Commerce
in New York

Chairman of the Board
JAMES S. ALEXANDER

President
STEVENSON E. WARD

Capital Paid up	$25,000,000
Surplus	$40,000,000
Undivided Profits	$5,000,000

The National Bank of Commerce in New York places complete banking services at the disposal of its customers throughout the world, bringing them into contact with all phases of commerce and industry in the United States.

LONDON REPRESENTATIVE
2 and 3, Crosby Square
Bishopsgate, E. C. 3

NATIONAL BANK OF COMMERCE 1839 IN NEW YORK

Notes of the Week.

The Campaign Develops.—With rumour whispering insistently that the General Election will be held in the second week of May, the three political parties are marshalling their forces for a contest which seems likely to be notable for the obscurity of policies no less than for the multiplicity of candidates. Mr. MacDonald's speech at Bolton last Saturday was vigorous in criticism of the Government's "inaction and reaction"; but, apart from an indication that, if returned to power, the Labour Party would institute inquiries on Samuel Commission lines into the cotton and iron and steel industries, the speech contained little in the way of a positive programme. Answering the leader of the Labour Opposition, Mr. Baldwin treated his followers assembled on Wednesday in the Free Trade Hall at Manchester to a Conservative antistrophe in which denunciation of "Socialism" as an economic "dance of death" had to eke out a none too convincing defence of a Government whose record contains too many sins of omission for its return to office to be assured on the strength of a de-rating measure which the electorate does not understand or of a complacent optimism which it does not share. We have still to hear Mr. Lloyd George's final shaping of the Liberal Party's appeal, and it is premature, as yet, to attempt to crystallise the questions on which the country will have to vote. The obvious danger of this election is that "hatred and coarse thinking" on the ill-defined and largely exploded issue of "Capitalism *versus* Socialism" may obscure the more important con-

structive policies of all parties, and, worst of all, prevent the electorate from expressing its opinions directly on the vital question of our future fiscal policy.

The Employers and the T.U.C.—If evidence were needed of the growth of statesmanship in the Trade Union movement, that evidence would be forthcoming in the restrained official announcement that the General Council of the T.U.C. has decided to accept the joint invitation to a conference with the National Confederation of Employers' Organisations and the Federation of British Industries. The employers' organisations have offered to explain at this meeting their reasons for rejecting the proposal of the Melchett–Turner Conference to establish a National Industrial Council. These reasons may have been of the best—the public has yet to learn what they were—but coupled with the lock, stock and barrel rejection of the interim report of the Conference, and following closely upon the highly provocative memorandum of the British Engineers' Association, the attitude of the two Employers' Associations was not calculated to create a welcoming atmosphere in the T.U.C. for the reception of their invitation. The General Council was wise not to put itself in the wrong by refusing the employers' offer. As things now stand, both sides have an unique opportunity of making history. The representatives of the two great national organisations of employers have never before met the representatives of the national organisation of the trade unions in consultation. In spite of their rejection of the interim report of the Melchett–Turner Conference, the employers suggest by their offer to examine the question of "usefully consulting together upon matters of common interest to British industry" that there may, in fact, be much in the spirit, if not the letter, of the report which they might eventually come to accept. Again, though there is no hint at present of permanent machinery for discussion, personal contacts are generally the best solvent for traditional and baseless hostilities. If the Trade Union representatives can convince the employers of their sincerity in pursuing a policy of industrial co-operation, more common ground may yet be found than is at present apparent. Moreover, the discussions will take place in an atmosphere which, thanks to the Melchett–Turner Conference, is conducive to good results.

Reparations Committee at Work.—Having at the outset cleared the field of certain initial obstacles, the Experts Committee has formed itself into groups, and the full committee is unlikely to meet again until the various groups have hammered out something which presents at least a basis of discussion. While the groups are at work on their very difficult task, rumour is equally busy and propagandists are not inactive. We would counsel our readers not to attach too much weight to either. When the Dawes Committee was sitting in 1924 we were treated to an almost daily crop of stories of "unbridgeable gaps," "intransigeant attitudes," and impracticable figures. Yet accommodation was reached. It is essential that the intricate group negotiations should proceed behind closed doors and the stage has not yet been reached at which a good purpose can be secured by discussing the various *ballons d'essai* which are being sent up on behalf of various interests. The Committee is an exceedingly strong one, and should be given every chance, without the intrusion of premature outside controversy, to carry its work to fruition. Some light on the German attitude to the problems under discussion is given in a letter from our Berlin correspondent which will be found on a later page

---

The Evacuations from Kabul.—The congratulations which the King sent to the Royal Air Force on Monday were indeed well deserved. Under the most difficult conditions in the air and on the ground the Air Force have now completed the evacuation of all foreign residents in Kabul who have desired to leave. The work began some weeks ago with the evacuation of women and children, and it was completed on Sunday and Monday last by the evacuation of the staffs of foreign legations. On Sunday the entire staffs of the French and Italian Legations and part of the staff of the British Legation were conveyed to Peshawar; on Monday the rest of the British Legation staff followed, including the Minister, Sir Francis Humphrys. From first to last the Air Force are estimated to have evacuated more than 500 people of many different nationalities—an unprecedented feat, considering that Afghanistan is in the grip of winter and civil war. The last batch of evacuations would have been effected a day earlier if the first aeroplane which arrived at Kabul on Saturday the 23rd had not found the aerodrome under snow—which had to be cleared before the operation could be performed. As for the civil war, it has naturally added an element of danger and uncertainty to the enterprise; but it is satisfactory that no one of the several contending factions in Afghanistan appears to have shown any inclination towards xenophobia. Even the tribesmen and the doctors of the Islamic law who have dislodged King Amanullah from his capital on account of his "Westernising" policy have not vented their dislike of Western civilisation upon those Westerners and Westernised Turks whom King Amanullah's policy has introduced as strangers into their midst. The political case for evacuation is not so much that there is a fear of foreigners being exposed to deliberate ill-usage, but that they might suffer injuries to life and property incidentally to the vicissitudes of the Afghan civil war, which will certainly light up when the snows melt in the spring. With Kabul as the bone of contention between several Afghan armies, the continued presence of foreigners there might easily give rise, without any malice prepense, to "incidents" which would force the British Government's hand and compel intervention under even more difficult political and internal conditions than those under which the present retirement has been carried out. Moreover, there is a strong diplomatic argument in favour of evacuation; for it would be difficult for foreign legations remaining in the capital of a country in the throes of civil war not to enter into *de facto* relations of a closer kind with the momentary Government on the spot than with its rivals in the provinces, and it would thus be virtually impossible to avoid the appearance of taking sides in a quarrel in which we are actually a disinterested neutral. Our one diplomatic interest in Afghanistan is that a strong and orderly government, exercising effective authority throughout the country, and especially in the zone adjoining the Indian frontiers, should emerge at the earliest possible date. Now a strong and orderly government means, in Afghanistan as elsewhere, a government resting on at least the tacit consent of a sufficient percentage of the governed; and it is only the Afghans themselves who can bring such a government into being. Therefore, the wise policy for the British Government is a policy of benevolent and impartial neutrality; and the fewer hostages we leave in the hands of fortune the easier it is to carry that policy through. For this reason we hold that the fine performance of the Royal Air Force is happily matched by the good sense of the political decision which the evacuations subserve.

A Dictatorship in Liquidation.—Something has happened to the Dictatorship in Spain. To judge by the sudden demoniac activity of the Dictator, we should guess that the ice is melting and that he is making for the shore before his footing gives way. This is interesting, for if once a political thaw sets in at one point in Southern or Eastern Europe, who knows how far it may go? Thaw, like dry-rot, is contagious. Meanwhile, we sincerely hope that the Marqués de Estella will get safely to land and that we shall indeed soon see him in the comfortable, if humdrum, rôle of a member of parliament which he foreshadows for himself. When Xerxes was retreating, baffled, from Greece, some of the Greek leaders were eager to cut off his retreat by breaking down in his rear the bridge of boats which he had built across the Dardanelles—until Themistocles explained to them that, so far from destroying the existing bridge, they would have been well advised to build their adversary a brand-new bridge in order to assist him to remove himself to a safe distance. A golden bridge for dictators in retreat is just what we want to-day—and especially in the first instance, for the Marqués's experiences in the immediate future will probably be taken as a test case by the Duce and the Ghazi and the Marshal at Warsaw and the Professor at Kovno. The awkward thing about dictatorships is just this difficulty of winding them up; and there are hardly any limits to the amount of damage which a dictator driven to desperation may do. For your dictator is nothing if not a romantic; and if he is really trapped in the middle of the pond he may elect to end in a grand holocaust—blowing the ice sky-high and involving in his own destruction a crowd of harmless people near the edge who might otherwise have slipped off safely just in time. However, on the whole, the Marqués's latest announcements are reassuring, for they seem to show that he is under no delusions about his ability to keep himself in power by a continual exercise of force. The disbandment of the Artillery Corps—which seems to have gone "according to plan"—is the kind of manœuvre which may cover a retreat, but that is all. For the dictator who finds himself compelled to repeated resort to sensational coups is virtually confessing that his glory has departed from him. Again we recall an aphorism which we have quoted before in this connection: "One can do anything with bayonets except sit on them." The Marqués de Estella seems to appreciate the force of this maxim, and that is so much to the good.

Civil Service Estimates.—Estimates for the Civil and Revenue services were issued on Monday. Unfortunately, they are compared, not with the corresponding figures for the previous year, but with the total net estimates including supplementary votes, which ought to be shown separately, and no explanatory memoranda have so far been issued. Compared with last year's Budget estimates, the civil and revenue figures, which total £308,563,759, show an increase of £15,668,896. This is almost entirely covered by estimates in connection with the De-rating scheme, which are as follows:—

	£
Grants to Rating Authorities (England and Wales)	12,000,000
Ditto (Scotland)	1,200,000
Railway Freight Rebates	2,333,333
Private Mineral Railways Rates Grants	27,000
	15,560,333

It must be remembered that the first two items cover only the last six months of the financial year. Comparing the sum of £13,200,000 with figures previously given by the Government, it appears that these estimates do not include anything on account of the new money (£5,000,000 a year) promised to the local authorities. Is de-rating to cost less than was thought, or is a larger raid on the Road Fund foreshadowed? Other large changes are:—

	Increase.	Decrease.
	£	£
Ministry of Labour	541,491	...
Health (Great Britain)	686,642	...
Education (Great Britain)	503,940	...
Police (Great Britain)	125,043	...
Pensions Group	...	3,544,769
Old Age Pensions	1,856,000	...
Agriculture (Great Britain)	760,232	...
Development Fund	...	100,000
Beet Sugar Subsidy	...	1,250,000
Dominion Services	...	229,179
Colonial and Mid-Eastern Services	...	159,828
Imperial War Graves Commission	...	135,366
Empire Marketing	50,000	...
Department of Overseas Trade	47,810	...
Oversea Settlement	50,000	...
Unemployment Schemes Grants	265,000	...
Australian Zinc Concentrates	195,850	...
Law Charges (Great Britain)	...	42,048
Board of Control	83,833	...
Electoral Charges	40,000	...
Mint (including coinage)	...	100,000
Post Office	796,000	...
Inland Revenue	...	245,225
Net increase of above	195,426	

It will be observed that the greater part of the saving is accounted for by the automatic reductions in war pensions and upkeep of war graves; and it is agreeable to see the beet sugar subsidy cut down by a million and a quarter; but genuine items of economy are few, and those who look for less taxation when there is de-rating to be paid for are likely to be disappointed. Not many will complain of the increasing cost of health and education services, but increases which need explanation are those for the Ministries of Labour and Agriculture.

The Army Estimates.—The Army Estimates for 1929 amount to £40,545,000, a decrease of £505,000 on last year's Budget. Of this decrease £280,650 is accounted for by a change-over from payments to receipts under the leading "War Terminal Charges." Effective charges are down by £348,350, non-effective charges up by £124,000; thus the ratio of organisation costs to the whole is raised by about 0·5 per cent. The Estimates are accompanied by an explanatory memorandum and by a supplementary estimate for £115,000 to meet the excess cost involved in the employment of extra troops in China; it should be added that supplementary estimates for the China forces will have to be presented during the coming year. The actual extra cost covered by the new supplementary estimate is £565,000, but this is offset by £450,000 savings on other services. The fall in the general estimate for effectives is chiefly accounted for by a decrease of 1,500 in the personnel, thanks to the withdrawal of some troops from China, the disbandment of the West African Regiment and the reduction of the Sierra Leone garrison, the mechanisation of another Field Brigade, R.A., the abolition of horse transport companies, R.A.S.C., and "economies resulting from the systematic examination of all establishments." The Memorandum goes on to state that "the policy of mechanisation will continue to be applied in the light of experience gained and as money becomes available," and that "special attention will be devoted to the mechanical training of all ranks."

The State of Agriculture.—In two recent articles which survey the present condition of agriculture in England and Wales, *The Times* gives some figures which, though they do not purport to be more than rough estimates, are a decided aid to the formation of a clearer and more definite picture of the extent of the present depression. The sources are the statistics published from time to time by the Ministry of Agriculture, supplemented and corrected by published farm accounts. It is estimated that on a sheep and corn farm on light land, the income of which is derived as to 30 or 40 per cent. from barley and as to 15 to 20 per cent. from sheep, the money value of a given output exceeded the pre-war value by 44·4 per cent. in 1927 and by 42·7 per cent. in 1928, whereas the cost exceeded the pre-war level by 55·2 and 55·3 per cent. in the same years. Where the pre-war average net return on farm capital was 10 per cent., it had fallen in 1927 and 1928 to 3·5 and 2·1 per cent. respectively, though on better land, where it used to average 15 per cent. before the war, there is still a respectable profit. On heavy clay land devoted to wheat, pigs and cattle, receipts in 1927 and 1928 respectively amounted to about 47 and 33·2 per cent. more than before the war, whereas outgoings in each year were 156 per cent. of the pre-war level. A pre-war profit of 8 per cent. had turned into one of 3·6 in 1927 and into a loss of 3·7 per cent. in 1928. In comparing these with industrial profits it must be borne in mind that on arable farms expenditure is incurred some fourteen months before receipts are forthcoming. On West-country grass dairy land the situation is less bad; receipts in 1928 were 52·3 per cent. above the pre-war level and costs 53·8, but this slightly diminished net income represents a smaller percentage on the capital, which is now larger. Limiting his application of the term "depressed" to farms which are near or below the margin of profit, *The Times* correspondent finds that the depressed areas amount to about 1,600,000 acres out of the 26,000,000 acres under crops and grass in England and Wales, or one out of a total of ten million arable acres. The depression is to some extent localised on the heavy clay, gault, oolite and chalk lands of East Anglia, the Cotswolds, and the Southern counties. The worst hit district is undoubtedly East Anglia, where one million acres out of a total of five million are estimated to be at or below the margin of profit. This situation is more serious than is generally realised, since

conditions of soil and climate make it difficult to adapt these lands to other uses than arable farming. The National Conference on Agriculture, just completed, made one of its principal objects the direction of public attention to the importance of wheat-growing as the pivot of British agriculture.

Lace and Safeguarding.—Sir Arthur Steel-Maitland, Minister of Labour, in a speech at Birmingham last week, made special reference to the effect of the lace duties. He accused Free Trade speakers of mis-stating the facts, notably in regard to the re-export trade. Lord Beauchamp had recently quoted in the House of Lords the figures which appeared in the Board of Trade Returns, from which it seemed that the re-exports of lace fell from £1,756,774 in 1924 to £128,639 in 1927. Sir Arthur Steel-Maitland rebuked Lord Beauchamp for failing to take into account the foreign lace "transhipped under bond" from British ports, which in 1927 amounted to £758,000, thus making the total 1927 figure of re-export not £128,000 but £873,000. The Minister, however, himself omitted to point out that, after taking all the factors into account, it is now established that, as compared with 1924 (which was the last complete free trade year), the year 1927 showed a decline in our lace re-export trade of nearly 50 per cent., or in value £870,000, which represents nearly twice the volume of lace accounted for by our retained imports. The figures of the bond transhipments were first disclosed for the Government by the Earl of Plymouth in the course of a debate in the House of Lords last November. He argued that the bulk of this lace in transit was "French lace on its way to the United States," and that the decline could be amply accounted for by the falling off in American demand. Unfortunately for his own argument, Lord Plymouth stated that the total of 1927 imports of lace into the U.S.A. from France and the United Kingdom in 1927 was only £712,000. We know from our own export Trade Returns that the British-made lace sent to the United States that year amounted to well over £400,000, so that the whole volume of French lace imported into the United States that year did not exceed £300,000, and this would include lace sent direct from France as well as that which came via British ports. Obviously, therefore, it is quite untrue to say that the "great bulk of the lace which is now transhipped under bond is French lace on its way to the United States." We fear that the safeguarders' explanation will not do; and the persistent testimony of our merchants to the effect that the safeguarding duty has seriously damaged our entrepot trade must be accepted as the true version.

British—American Coal Competition.—A correspondent writes: British coal exporters are regaining the trade lost to their American competitors. Between 1919 and 1926 the Americans secured a big overseas business in consequence of our industrial stoppages, restricted production and high costs. In a period of eighteen months in 1920 and 1921 the United States shipped 20,000,000 tons to this side of the Atlantic. In 1926, the year of our big strike, they sent 8,000,000 tons to Europe alone, besides doing great business in South America, Africa, and at various Pacific and Indian Ocean coaling stations. To-day, British exporters have displaced their American competitors in all neutral markets but Canada. In the first three quarters of 1928 United States exports to Europe reached only 200,000 tons—little more than "ballast" cargoes—compared with 650,000 tons in the corresponding period of 1927 and 6,700,000 tons in 1926. To the Argentine, Brazil and other overseas markets the American exports have diminished by about 90 per cent. as compared with 1926. The Americans built great hopes on the coal export trade when Great Britain was hampered by high costs and low output. The United States Government, as shipowner, was specially interested, as coal is an important cargo material, and it took elaborate steps to promote United States exports. However, since British coal cheapened, after reversion to the Eight Hours Day, the Americans have lost ground month by month, and costs are now against them. Owing to easy mining conditions, ordinary soft coal costs only about 8s. a ton at the pithead in the United States; but the pits are hundreds of miles from the ports, and the coal cannot be shipped at less than about £1 a ton, f.o.b., whereas British coal, including high-grade anthracite, averages less than 16s. per ton, f.o.b. Besides nearly beating American coal out of Europe, Africa and South America, our exporters are shipping anthracite "duff" to Boston in the United States; they have obtained some business in Canada against American competition; and in future shipping seasons they may, with suitable discharging plants and storage accommodation, beat American coal in the Canadian market. Canada imports from 14,000,000 to 18,000,000 tons of coal annually, and is, with the possible exception of France, the biggest coal importer in the world. The Dominion trade should, therefore, be highly attractive to British shippers. Cost of transport is the main factor in this case. Though American coal is mined some 4s. a ton cheaper than British, our coal can be shipped more cheaply, so that it can be quoted in Canada some shillings under the price of the American coal. Whether the American coal goes via the Atlantic Coast ports, or by rail, river, lake and canal to the Canadian cities such as Quebec, Montreal and Halifax, the transport charges range from 15s. to 25s. per ton—practically 100 per cent. more than the inclusive cost of taking our coal from mines here to the chief cities in Canada.

Wool in Cold Weather.—A Bradford correspondent writes: In warehouses in which no artificial heating is used it has been found very difficult during the cold spell to handle wool which has been stored in railway sidings. The only bales that can be opened and dealt with almost as well in extremely cold weather as in ordinary temperatures are those containing wool which will give 90 per cent. clean yield and upwards. Scoured merino containing a certain amount of fat might yield 90 per cent. and still be almost unusable at the present time without first being thawed. Ten per cent. of natural grease left in the wool during scouring will result in the fibres being frozen together, particularly if the bales have also been dumped in Australia and spent six to eight weeks in transit to Bradford. The bigger, less serrated staple of the crossbreds does not seem to melt into one mass like merinos. Yet in ordinary times, during the July sales in London for example, the coldest wool to handle in all warehouses is probably 36's to 44's quality. It is rather strange that, in ordinary temperatures or during the hottest months of the year, these qualities should absorb less heat from the atmosphere, and yet during the coldest periods they are least liable to freeze together. As the natural wool grease in both merinos and crossbreds has pretty much the same composition, whatever type of animal it comes from, this fact confirms another, which is that the crossbreds are carrying less grease. There is nothing new in this, but until the cold weather came many people had not been struck with the idea that, the harder wool freezes, the lower its yield. Even sliped wools are more difficult to handle during cold weather such as we have had. Any amount of 58's down to 48's slipes will only yield 80 to 86 per cent. Even when a fair part of this impurity is lime or earth, the remainder, which is chiefly grease, is sufficient to freeze the staples. The difficulty is not nearly so pronounced in low qualities, which respond to changes in temperature very much as the same qualities of greasy wool. It has been freely remarked that the cold wave has come too late to do much good to trade. We are too near spring for many people to start buying heavier clothing, though thousands in this country could do with it. It is possible that the hosiery trade might feel some benefit, because at a time like this, when a little extra warmth is needed, the purchase of better underwear is not such a serious outlay as the purchase of a new heavy-weight suit and overcoat. It is quite possible that the advantage to the trade of the present cold spell will not be felt until next July and August, when orders for winter-weight cloths and underwear will be larger from the retail distributors to the wholesalers on account of the clearance of their shelves which the present cold snap has helped them to make.

The Coffee Position.—A correspondent writes:—The pessimistic views expressed in some quarters regarding a glut in the world's coffee production have occasioned only a passing qualm in Brazil. Nevertheless, there is little evidence that the world's demands in 1929 for the coffee bean will be above the average, that is to say 24,000,000 bags; of this total the non-producing countries have consumed an average of 21,000,000 to 22,000,000 bags during the last five years. While some other producing countries appear likely to reap exceptionally abundant crops in 1929, it is not thought probable that the new Brazilian yield will exceed 9,000,000 bags against the 26,000,000 bags of the last crop; late advices from Santos suggest also that exports through that port will be anything from 20 to 30 per cent. below the quantity formerly estimated. It has been necessary, therefore, to modify the estimate of stocks in Brazilian warehouses at the end of June next. Reckoned a few months back as likely to reach 6,000,000 bags, these figures are now gauged at something under 3,000,000 bags. With this marked falling-off in quantities, there is not likely to be any notable fall in prices, although the value of all coffees entering the United States (Brazil's chief market) during 1928 averaged $0·213 per lb., or, 1 cent below the record values of 1925. So long as the finer grades of coffee are withheld from shipment in the warehouses of Brazil, coffee consumers are forced to use larger quantities of very fine Colombian, Venezuelan and Central American coffees. Colombia—in the absence of any untoward disaster—may gather a bumper crop. Already ranking as the second largest producer among the South American countries, this State derives 60 per cent. of its revenues from its coffee shipments. In Costa Rica coffee is also the leading export, representing 50 per cent. of that Republic's total foreign trade. The neighbouring State of Guatemala is anticipating a late but abundant crop, and exports may possibly exceed those of 1927, which ranked as a record season. Haiti, whose coffee sales represent 80 per cent. of its total export trade, has recovered almost completely from the last destructive hurricane, and Santo Domingo will contribute liberally; but Porto Rico will need more time before its former productive prosperity can be restored. Nicaraguan coffee, among the best that is grown in Central America, may again find its way abroad if sustained political peace will permit the release of some thousands of men to work on the neglected plantations. In El Salvador the crop may be somewhat late and also smaller than usual; but it is likely to be of an exceptionally high quality.

Government Trading Accounts.—The accounts of trading and commercial services conducted by the Government for the year ending March 31, 1928,* offer but little ammunition for interested persons anxious to prove a case for or against Government enterprise. The chief fact that emerges from a review of the few and unimportant commercial undertakings (other than the Post Office) in which the British Government at present engages, is the very great distance by which this country is removed from anything approaching State Socialism. The most active department, with the possible exception of the Admiralty, is the Ministry of Agriculture and Fisheries. This Ministry cuts its finances so fine that, according to a foreword (somewhat lacking in humour) to its Conway mussel-cleansing account, it was only the death of a superintendent which prevented a loss of £30 from being turned into a profit of £90. On estates held by the Ministry for the purpose of meeting the demand for small holdings there were losses varying from under £200 to over £8,000, and none showed a profit. The National Stud had a loss of £6,816; in every other year except 1923, since its acquisition in 1916, it has yielded a profit. Other accounts which record a net loss to the National Exchequer are those of Ramsgate Harbour; the sale of zinc concentrates; the Government wool-disinfecting station, and the sale of plaster casts by the Board of Education. The Mint, on the other hand, together with the Stationery Office and Richmond Park golf course, shows a respectable profit.

* H.M. Stationery Office. No. 32. 2s. 6d. net.

Chilean Budget, 1929.—A correspondent writes:—The ordinary 1929 budget of Chile, approved by Congress, is of particular interest in view of the larger amounts of both receipts and expenditures as compared with the previous year. The ordinary budget estimates receipts and expenditures at 1,123,291,500 pesos and 1,017,603,975 pesos, compared with 959,100,000 and 942,600,000 pesos respectively for 1928. Again, a surplus is anticipated, amounting to 51,687,525 pesos, compared with 16,500,000 pesos for the previous financial period. Of this latter surplus for the whole year, no less than 14,000,000 pesos were realised within the first seven months. The all-round advance in revenues is quite in keeping with the improved prospects of the country. Only one-third of the public revenue comes now from the Customs-house, whereas some fifteen years ago fully three-quarters of the national receipts was provided by import and export duties. The budget is divided into three parts: the first contains a summary of the budget of revenues and expenditures; the second, details of the revenues; and the third, details of the expenditures. It is provided that expenditures, based upon revenues and not in excess of such, are to be considered as the estimate of the amounts required to carry on the government services concerned. In the ordinary budget, the 1929 expenditures are 128,915,000 pesos greater than the total authorised in the 1928 ordinary budget; while, of the ordinary expenditures, 620,429,271 pesos are to be devoted to administrative purposes and 235,650,844 pesos for the service of the public debt. Other important expenditures are 119,114,200 pesos for social protection and 73,195,000 pesos for fiscal quotas to special funds and services. In regard to the extraordinary budget, as approved by Congress, it may be noted that the expenditures, totalling slightly over 225,000,000 pesos authorised, compare with 242,700,000 pesos for certain stated objects, and 59,800,000 pesos for such other items found to be necessary or advisable during the course of the previous year. For the second consecutive period in its recent history of financing, a careful demarcation of revenues and expenditures has been admitted in an ordinary and extraordinary budget. Before 1928, in addition to the ordinary appropriations, extraordinary expenditures had been provided for by separate legislation, each law being intended to create its own revenue for the sums to be expended. Exigencies, however, often rendered it necessary or advisable to set aside monies thus raised for purposes different from the original intention. Chile has commenced the new year well in many respects.

The China Indemnity Fund.—Events in China have revived interest in the position of the China Indemnity Fund, especially in view of the recent proposals of the advisory committee. The aggregate amount is approximately £11 millions, payable at the rate of £447,000 per annum until 1945. But in terms of the Act of 1925, and the recommendations of the committee, everything from 1922 will be placed at the disposal of educational and philanthropic schemes in China. Secured as they are on Customs receipts, the annual payments have been regularly made; and the latest return shows a balance in deposit and current account, under arrangement with banking authorities at Shanghai, of more than £2,353,000. The Chinese Government has earned certain concessions of interest on payments made before their due date. In the last financial year the expenditure has been negligible, since no legislative action has yet been taken in connection with the proposals of the advisory committee; and the funds are therefore accumulating for the philanthropic use which has been decided. It is understood, however, that the subject is now in active negotiation; and the British Government hopes that at an early date various schemes will be definitely started. Meanwhile minor but useful provision has been made for a number of Chinese students in London.

German Artificial Silk Prices.—Our Berlin correspondent writes:—The quotations of German artificial silk stocks in Berlin have of late sharply fluctuated, and in general fallen. In January, ostensibly in order to combat cheap

imports, the German manufacturers abandoned the principle of joint price-fixing, but gave to understand that this measure did not mean competition against one another. The weekly *Der Deutsche Volkswirt* affirms that nevertheless unprofitable competition has set in, and makes the following statements which, owing to the reticence of the concerns involved, cannot be tested: "At present a competition struggle is under way between Glanzstoff, I. G. Farbenindustrie, Küttner and the small producers, who have very materially reduced prices, on an average from 10 marks (price of 1928 before the *Treurabatten*) to at most 8 marks per kilogram. Therewith for the most popular middle qualities the selling price must have sunk to production cost or even under it, and a substantial margin of profit remains only on the dearer, finer yarns. It is possible that the present sharp struggle is due to the following considerations: The loose price-convention was bound sooner or later either to collapse or to take a closer form. Only a binding agreement, and also the fixing of production quotas, could be the basis of an understanding. To-day the aim is to increase sales as much as possible in order to come off well in negotiations as to quotas. The negotiations will certainly not be simple, especially because the I. G. Farbenindustrie has large pretensions in this . . . domain. Up to now conditions have developed rather to the disadvantage of Glanzstoff; the relative share of this company in the German market has in the last years declined. It may be assumed that Germany's total artificial silk production in 1928 was 20 million kilos (18 million in 1927). At present the daily production is about 70,000 kilos. To cupramonium silk, that is mainly to the Bemberg Co., falls 10,000 kilos, the remainder being viscose silk. Of this about 35,000 kilos falls to Glanzstoff, 9,000 kilos to Farbenindustrie, 7,000 kilos to Küttner, 6,000 to Zehlendorf, and 5,000 kilos to smaller companies. The expansion of Germany's production in the past year did not keep pace with world-production (rise from 121 to 157 million kilos). England, the United States and probably Italy increased their sales in 1928 more than Germany. That is probably partly due to the very low German import duty (60pf. per kilo)."

The French Deal in American War Stocks.—Our Paris Correspondent writes: The full facts, now made known, of the results of the French Government's agreement, in 1919, to purchase the American war stocks in France for $400,000,000, reveal that the transaction was one of the most disastrous on record. In view of the circumstance that payment of this sum falls due on August 1 next, and of the importance this factor will have in the pending debt settlement negotiations, the publication of the details of the deal will be found interesting. The Americans at first asked $840,000,000 (then 6,000,000,000f.) for the stocks, whereas the French initial bid was 1,500,000,000f., or $200,000,000. Eventually the Washington Government agreed to accept $400,000,000, payable in 5 per cent. bonds, reimbursable in ten years. This, with the dollar then at 7f. 25c., was equivalent to 2,900,000,000f., plus the interest. Towards the end of 1924, M. Clementel, the then Finance Minister, announced in his historic *Inventaire* that sales of stocks had been effected to a total of 3,317,237,604f., and that the liquidation might be regarded as completed. Of this total 2,739,070,721f. had actually been recovered down to August 31, 1924. A further 159,000,000f. was recovered during the following four years, leaving 419,500,000f. (say, £3,383,000) still outstanding at the end of 1928. Now, had the franc remained at 7f. 25c. to the dollar, the amount actually recovered from sales would have more or less equalled the purchase price to be paid to the American Government. Unfortunately, owing to the steady drop in the franc, the total amount recovered from the sales reported in 1924 by M. Clementel was equivalent, down to the end of 1928, to only $230,000,000, if calculated—as it obviously should be—at the exchange rates prevailing when the respective payments were actually received. The deficit to be borne by the French taxpayer, therefore, will be something like $170,000,000, quite apart from the interest charges during the ten years, or a total of approximately 6,250,000,000f.—always supposing that full payment in cash will be exacted on August 1 next. Worst of all, the condition of the French Treasury was such, during the period when the proceeds from the sales of stocks were mostly received, that not a centime of the 2,900,000,000f. recovered could be set aside with a view to ultimate use in payment for the stocks. The whole receipts had to be used, as and when received, to meet pressing needs; so that to-day, after having received nearly 3,000,000,000f. from the purchasers and having paid out nearly $8,000,000 in interest, the French Government is still faced with the obligation of having to pay the whole purchase price of the stocks, now equivalent to over 10,000,000,000f.

Latin American Loans.—A correspondent writes:—A feature of the past financial year has been, again, the large number of loans raised—apparently in no case with any difficulty—by Latin American countries. Formerly—and not so very long ago—it was necessary for the smaller and less responsible of the Republics to apply first to one and then to another of the European capitals for funds to carry on their national affairs, consisting not seldom of internecine warfare. To-day, however, happier conditions prevail, and the growing necessities of these countries, manifest in the form of extension of transport facilities, creation of monetary institutions, improvement of harbours and ports and construction of irrigation works, have been provided willingly by foreign—mainly American—financiers. During 1928 the Latin American Republics were enabled to raise in the form of loans—extending over long or short periods—something like £65,000,000. Of this total the United States provided in eleven months $303,355,000 (£60,671,000), which, however, was independent of $23,240,000 (£4,648,000) borrowed by corporations and municipalities. Large as this amount appears, it showed actually a decline from the total of similar borrowings in the previous year, when $335,360,300 (say, £67,072,060) and $90,000,000 (£18,000,000), representing respectively government and municipal issues, had been obtained. A considerable amount of private financing has also to be recorded, many electrical power, hydraulic, irrigation, mining, oil and other industrial enterprises having found financial support from both European and American syndicates. It is believed that from the latter source alone more than $500,000,000 (£100,000,000) has been received for the extension of existing or commencement of new Latin American industrial undertakings. Brazil and Bolivia were the largest borrowers among the Governments, and Cuba, Colombia, Guatemala and Argentina among the corporations. It is no less interesting to note that the greater part of the loans have been granted free of any kind of restrictions in regard to the manner or the locality in which the proceeds should be expended.

Insurance Against Illness.—Some four years ago there was inaugurated a novel form of insurance against doctors' bills. The scheme was really devised to meet the need of that large section of the middle classes outside the purview of the National Health Insurance Act, but with incomes incapable of meeting, without financial embarrassment, the heavy cost of unexpected doctors' bills and operations. Evidently at the outset the scheme was experimental, and to some extent tentative, but we are now advised that as the result of the experience gained, the whole of the benefits have been recast and the premiums revised. For instance, the joint annual premium for a man and wife not exceeding age 45 is now £4 2s. 6d. This premium secures indemnification for doctors' bills in excess of £3 10s. per annum, where the fee per visit is 5s., up to a maximum of 100 visits per annum per person. In addition, insurance against surgeons' fees is provided up to 25 guineas per annum per person; surgical applicances up to 10 guineas per annum per person; hospital and nursing home charges up to 6 weeks' treatment at 4 guineas per week per person, and other subsidiary benefits. The scheme still seems to suffer from the disadvantage of being somewhat complicated, but it is at any rate, an interesting experiment offering possibilities of great public utility. The new prospectus is issued by the Family Medical Services Limited, but the policies are apparently Lloyds' policies, and it is impossible therefore to obtain any information as to past underwriting experience of the scheme or of the extent to which it has been taken up by the general public.

Pearl Assurance Company.—The year 1928 has proved to be another highly successful one for this company—the first among the Ordinary-cum-Industrial Offices to issue its accounts. New life business amounted to £12,080,366, an increase of 18½ per cent., but there was a decline of 13½ per cent. in the Industrial branch, although the total, namely, £20,434,324, is still materially higher than the 1926 figure. Expenses are lower, the ratio to premium income being 10·5 per cent. in the Ordinary branch and 34·1 per cent. in the Industrial branch, compared with 11·1 per cent. and 35·5 per cent., respectively, in 1927. The interest earnings continue to show an upward tendency, being at the rate of £4 15s. 11d. per cent. on the combined Life branch funds as compared with £4 15s. 7d. per cent.

By far the most important feature of the year appears in the results of the annual valuation which in the Industrial branch has been made on the basis of the English Life Table No. 9 (based on the 1921 census), with interest at 2½ per cent. Hitherto the English Life Table No. 6 (based on the 1891 and 1901 census), with interest at 3 per cent., has been employed, and the change must have necessitated the addition of a large sum to the reserves. Unfortunately, the exact amount is not stated, so that comparison of the published results with those of preceding years is vitiated. This should be borne in mind when considering the following tables:—

	1926.	1927.	1928.
Ordinary Branch:—	£	£	£
Surplus earned during year	605,088	662,638	837,363
Brought forward from previous year	55,671	67,934	73,798
	660,759	730,572	911,161
Allocations:—			
To Policyholders' Bonus	454,300	504,572	617,375
„ Shareholders A/c	113,575	126,143	154,344
„ Staff Pension Fund	24,950	26,059	25,000
„ Carry forward to next year	67,934	73,798	114,442
	660,759	730,572	911,161
Industrial Branch:—			
Surplus earned during year	220,795	252,552	359,334
Brought forward from previous year	86,940	82,685	86,296
	307,735	335,237	445,630
Allocations:—			
To Policyholders' Bonus	150,000	175,000	275,000
„ Shareholders A/c	75,050	73,941	75,000
„ Staff Pension Fund	82,685	86,296	95,630
„ Carry forward to next year	307,735	335,237	445,630

The surplus in the Ordinary branch shows considerably more than the normal increase, and this explains the advance in the reversionary bonus from 42s. per cent. to 46s. per cent. But in the Industrial branch, notwithstanding the notable strengthening of reserves, the surplus is 50 per cent. greater than a year ago. This is really a very remarkable result. So extraordinary a rise in the profits cannot be due to an increase in the ordinary sources of profit, and it is to be hoped that further information on the point will be forthcoming at the annual meeting. The Industrial branch is now apparently capable of providing for the shareholders an immensely greater annual sum than ever before, and this year's allocation of £275,000 is nearly sufficient to meet the entire dividend—itself greatly increased. The Fire and Accident branch has made further progress, and the premium income has yielded a net profit of £54,807 and interest earnings of £15,486 after meeting the Preference dividend. Only one-half of the profit has been transferred to Profit and Loss Account, and the underwriting accounts are now supported by reserves amounting to 107 per cent. of the premium income. From the shareholders' point of view, the accounts may be epitomised in the statement that the total sum earned on the ordinary capital was £496,637, compared with which the dividend declared cost £297,778.

United Kingdom Provident Institution.—After a disappointing year in 1927—the United Kingdom Provident was one of the very few offices which failed to report an increase—the 1928 new business of £3,109,870 shows a small advance of some £68,000 over that of the preceding year. The total premium income is now £1,376,000 and the funds amount to £17,229,000. With so large a premium income the Institution has the advantage of a relatively big area over which to spread its overhead charges, and the expense ratio works out, therefore, at a low figure, being only 12·5 per cent. of the premiums, this figure being practically the same as that for 1927. The most notable feature of the 1928 report is the substantial rise in the net rate of interest, namely, £4 6s. 6d. per cent. in 1927 to £4 10s. 4d. per cent. in 1928. The Institution follows an admittedly ultra-conservative investment policy, and one result of this in recent years has been the very low rate of interest earned on its funds. Actually, in 1927 the rate of interest earned was the lowest of any of the offices whose accounts were reviewed in our Insurance Supplement of the 16th July, 1928. Even now, in spite of the advance of nearly 4s. in the rate earned, it is still a good deal less than the average rate earned by other offices, which is in the neighbourhood of 4¾ per cent. The advance in interest earnings is no doubt accounted for partly by the tendency to reduce the Institution's holding of British Government Securities, a movement which has evidently made further progress during 1928.

Clerical, Medical and General Life Assurance Society.—Last year's new business constituted a record, the amount—namely, £2,027,955—having exceeded the two-million mark for the first time. The expenses of management worked out at 14·7 per cent., compared with 15 per cent. in 1927, and the rate of interest earned has advanced appreciably from £4 15s. 4d. per cent. to £4 17s. 5d. per cent. In addition to interest earnings the Society realised invested profits of £15,492 and secured appreciation in values of £66,645. The accounts show that practically the whole of the realised profit has been devoted to meeting the cost of extensive alterations recently carried out at the Society's fine old Georgian offices in St. James's Square. The balance sheet of this Society is always of great interest, since it is one of the few offices which sets out its Stock Exchange securities in detail. There have been some notable changes during the past year in the investments. Mortgages on property within the United Kingdom have been increased by over £200,000, these being granted mostly in connection with private houses in respect of which the Society obtains by way of collateral security endowment assurance policies on the lives of the mortgagors. Mortgages outside the United Kingdom have risen by £230,000, and are stated to be secured wholly on city property in Toronto. These Canadian mortgages are being dealt with by a separate company with the title of C.M. and G. Investments, Ltd., having a capital of £5,000, the whole of which is held by the Society. Consequently, the Society secures the immense advantage of expert local knowledge, while retaining in its own hands the necessary measure of control. The rate of interest yielded by these mortgages is believed to be 6½ per cent., and the increase in their amount during last year must have contributed materially to the advance in total interest earnings. The only change of importance in the Stock Exchange securities is a further reduction in British Government securities brought about by the sale of £190,000 5 per cent. War Loan, and the redemption of £60,000 1928 National War Bonds. This reduction has been partly offset by an increase of £125,000 in Trade Facilities Acts securities. Thus in the main the changes appear to be consistent with the Society's traditional and declared policy of investing largely in mortgages, and in more recent times the development of mortgages in Canada. In this respect the Society's investment policy differs

widely from that of most other offices, and the following table is therefore of interest in this connection:—

	38 Principal Life Offices extracted from our Insurance Supplement, 16th July, 1928.	Clerical, Medical and General. 1927.	1928.
	Per cent.	Per cent.	Per cent.
Mortgages, including loans on policies	28·1	45·4	48·4
British Government Securities	23·4	12·6	10·9
Stock Exchange Securities other than British Government Securities	38·1	20·6	19·8
Employers Liability Assurance Co., 5,000 £1 shares		1·9	1·9
General Reversionary and Investment Co., 5,000 £100 shares		7·4	7·1
C.M. & G. Canadian Investments, Ltd., 500 £10 shares		—	—
Reversionary Interests, Properties, and other assets	10·4	12·1	11·9
	100·0	100·0	100·0

Lastly, it may be mentioned that the Society has a hidden reserve of £200,000 in the book value of the assets, and, in addition, it is stated that its subsidiary company, the General Reversionary and Investment Company, is worth fully £130,000 more than the book value.

Provident Mutual Life Assurance Association.—Realising the inadequacy of a comparison based merely on the amount of new sums assured effected as a criterion of growth, this Association prefers to concentrate on the figure of premium income. Although it is widely used as a test of progress, the amount of new business transacted takes no account either of natural wastage due to claims or of the element of surrenders and lapses. The premium income received each year includes both of these important factors and is therefore a more scientific measure. Thus last year's premium income amounted to £839,713 compared with £771,266 in 1927 and £396,668 in 1920—a highly creditable rate of increase. Last year's increase was achieved notwithstanding a small set-back in new sums assured from £2,301,061 to £2.273,014, but this reduction is easily explained by the fact that 1927 was the closing year of a quinquennium and produced no less than 70 per cent. more business than in 1926. The 1928 accounts show that the expense ratio is slightly higher at 14·5 per cent. compared with 13·9 per cent. in 1927, and the net rate of interest lower at £4 12s. 2d. per cent. compared with £4 14s. 11d. per cent., but the board have shown their confidence in the future by retaining for 1929 the same rates of interim bonus as were declared last year. The total balance-sheet assets now amount to £6,828,000 and the classification of the various types of security indicates that there have been during the year some important changes. Mortgages in in the United Kingdom have increased from £64,000 to £224,000. Holdings in British Government and Municipal securities have been realised to the amount of £212,000 and appear to have been re-invested mainly in ordinary shares which have risen from £416,458 to £716,849, and at the latter figure account for 10 per cent. of the total. It would seem that the Provident Mutual has become a convert to the principle of investment in Ordinary shares. Finally it is of interest to record that the Association's new chairman, Mr. Owen Hugh Smith, is a brother of Mr. Vivian Hugh Smith, who is himself the Governor of the Royal Exchange—a unique position for two members of the same family.

A Free Trade Conference—Under the auspices of the North Western Free Trade Union, a national conference on Free Trade will be held in the Free Trade Hall, Manchester, on Tuesday and Wednesday, March 19th and 20th. Among the addresses to be delivered the following may be mentioned: "Safeguarding and its General Application," by Sir George Paish; "Safeguarding and its Effect on Employment," by the Rt. Hon. J. M. Robertson; "Safeguarding Iron and Steel and its Counterblast," by David Macmullan; "Economic and Ethical Urgency for the Restoration of Free Trade," by Lord Parmoor; "Safeguarding and Agriculture," by Sir Robert Newman; "Safeguarding and Imperial Preference," by Harold Cox. Other addresses will deal with the cotton and woollen industries in relation to tariffs. We congratulate the Union on its enterprise in organising so timely and so comprehensive a conference, which should serve to stimulate the activities of Free Traders throughout the country.

Oversea Correspondence.

UNITED STATES.—WALL STREET—BANK STATEMENTS—MONEY PROSPECTS.

(FROM OUR CORRESPONDENT.)

New York, February 15.

Attention in Wall Street has continued to be divided between the share market and Federal Reserve policy and operations. The market has shown increased vulnerability since the advance of your Bank rate and the issue of the Federal Reserve "warning"; but at the same time it must be noted that the turnover on the Stock Exchange has not reached proportions of the first magnitude, and that the decline so far has been orderly. The greatest interest developed in this week's meetings of the directors of the Federal Reserve Bank of New York. In the first place it was announced last week that a special meeting of the board would be held on Monday. This announcement brought rumours that the discount rate would be advanced or that another "warning" statement would be issued. However, the meeting came and went without any public development whatever, leaving in its train the natural variety of conjectures as to the situation within the directorate of the bank and as between the bank and the Federal Reserve Board in Washington. A rally, meanwhile, had developed in the share market, and this continued for a brief space, until attention began to be centred on the regular meeting of the Bank board on Thursday. This meeting provided an abundance of excitement for Wall Street. Whereas the directors of the New York bank ordinarily complete their deliberations and announce any action by 3.30 in the afternoon, this particular meeting ran on until 6.50 p.m., when it was announced that there was no announcement to be made. Fresh rumours appeared on Friday, one of which was that the directors were seriously divided among themselves over policy. Another was that a controversy was in progress with the Board at Washington, the latter being unwilling to permit an advance in the discount rate. All that can be said with any positiveness is that there clearly are considerable differences of opinion within the system and that the indecisions of the past year have not been obliterated.

Meanwhile the weekly bank statements revealed a decrease of approximately $100,000,000 in brokers' loans at New York and a continuance of the system's policy of reducing its portfolio of paper purchased in the open market. With all the uncertainty and doubt concerning discount rates, this is the one bright spot of consistency and vigour in the system's attitude. It is steadily reducing the volume of bankers' bills held—with occasional reductions of its holdings of Government securities—and is thus pressing for a reduction in the total volume of credit extended. The member banks can, of course, offset this loss of central bank credit by increasing their discounts at the Reserve Bank; but any such action naturally increases official control of the money market, while it is a fact that, under existing circumstances, the member banks wish to reduce rather than to increase their discounts at the central institutions. If the authorities hold firm to this policy of selling bills—and the indications are that they will—a squeeze in the money market is likely to develop shortly, even without an advance in discount rates. Toward the end of February, in ordinary circumstances, a demand for funds develops in the interior of the country in anticipation of out-of-door work on the farms and of spring business. This demand usually results in a movement of funds from New York to the interior and in generally increased demands on the member banks for funds for commercial purposes. There results a tendency for the banks to withdraw money from the call money market in Wall Street, which action sometimes, and notably in March, 1926, has had a sharply deflating effect upon the share market. In good quarters there is a feeling that something of this kind is likely to develop this year, and that the share market has become, for the time being at least, a hazardous place for the bulls. Whether the history of 1926 will be repeated to the extent that general business will hold up well through the year despite a sharp share market reaction remains to be seen; but there is a considerable body of good opinion that favours that point of view. Certainly, industrial indices still point in a favourable direction.

GERMANY.—POLITICS—CREDIT—INDUSTRY—FOREIGN TRADE—BOURSE.

(FROM OUR CORRESPONDENT).

Berlin, February 26.

Within the next few days will probably be decided the question whether the long-promised Coalition Cabinet can be formed. The Foreign Minister, Dr. Stresemann, holds that his party, the Volkspartei, should not insist upon the condition laid down after the General Election of last year, that it should be taken into the Prussian Cabinet, which is at present on a "Weimar Coalition" basis, simultaneously with the reconstruction of the Federal Cabinet. The Volkspartei is not united, and some of its Press organs demand that, following the example of the Centre, it should withdraw from the Cabinet, although this would presumably mean the resignation of Dr. Stresemann. The public wish that a solid Coalition Cabinet should be formed before the meeting of the Paris Reparation Conference was not attained.

Developments in Paris, so far as they are known, have not caused much satisfaction here. The notion of "transfers protection" for part of the Reparation annuity is contrary to the desire of most Germans who have expressed themselves on the subject. But they hold that "transfers protection" should be abandoned only if the internally raised annuity is heavily reduced. If the transferability of the whole of the standard Dawes annuity is in doubt, then it would be in accordance with the Dawes Plan to reduce the annuity. The Dawes Plan, though it prescribed first a certain accumulation, assumed that in the end no more ought to be paid internally in marks than could certainly be transferred. The German view is that the annuity should be fixed at a sum which can certainly be transferred. This sum, however, is not determinable in advance. Even if the foreign-trade balance and foreign balance of payments should make it possible to transfer a given sum in one year, there is no guarantee that the same sum would be transferable in future years—the Dawes Committee itself declared that only "experience" could show what sum could be transferred. If the annuity were heavily reduced, German opinion would support the entire abandonment of "transfers protection," thus putting upon Germany the responsibility for the transfers. Partial "transfers protection" is here regarded as an Ally expedient for keeping the annuity at or about the present level, which Germans believe is too high.

The day-loan market has not recovered its fluidity, and at present it is under the influence of the month-end demand, with a rate to-day of $6\frac{1}{2}$-$8\frac{1}{2}$ per cent.; month loans are relatively easier at $6\frac{3}{4}$-$7\frac{3}{4}$ per cent. The private discount rate has again been advanced, to $6\frac{1}{2}$ per cent. The money market has been influenced by government sales of Treasury bills. The severe winter, by retarding activity in agriculture and in building, has somewhat reduced the demand for credit, but a heavier demand may be expected soon. The Reichsbank's return for the third week of February has not yet appeared, but it seems likely that sales of foreign exchange have continued. Sterling to-day again hardened to 20·45, the dollar to 4·214. Although the foreign exchanges are still somewhat below the German gold-export point, the financial Press consider a sale of German gold likely, on the ground that the complete depletion of the Reichsbank's exchange reserves should be avoided.

Revenue from taxation in January totalled 1,106,838,155 marks, the largest sum received in one month so far. Receipts in the first ten months of the financial year totalled 7,918,470,660 marks out of 8,862,000,000 marks estimated for the whole financial year.

Receipts for the ten months contain four instalments of those taxes which are payable quarterly, and no instalment of these falls to the remaining two months. The yield from Customs—971 million marks—is below the ten months' proportional share, the estimate for the whole financial year being 1,200 million marks.

The wholesale prices index number for February 20th is 140·0, against 139·5 a week earlier. Grain, livestock, dairy products, and fodder all show sharp rises. The trade position looks more favourable. Railway-car loadings in January were nearly 5 per cent. lower than in January, 1928, but the output of raw materials, in particular of iron and steel, is well maintained. Coal production continues to decline. Production of ingot steel in January was 1,469,653 metric tons, against 1,470,936 tons in January, 1928; of rolling-mill products, 1,001,824 tons, against 1,005,559 tons. The large steel production, taken together with the heavy imports of January, is regarded as an indication that no serious decline of trade is expected by manufacturers. A slight improvement is reported in the textiles branch. Shipbuilding orders in hand on January 1st were 402,261 gross tons, as against 524,991 tons on January 1, 1928; the volume of foreign orders has increased to 156,270 tons, as against 131,670 tons. The glass manufacturers are agitating for special protection against Czechoslovakia. German imports from which have about quadrupled in the last four years, whereas German exports to Czechoslovakia have increased very little. Simultaneously the Czechoslovak glass exporters are demanding reprisals against American tariff increases.

The foreign trade return for January, as compared with December, shows :—

	(000's omitted.) January Marks	December Marks
Imports—		
Livestock	12,080	13,162
Foodstuffs	404,240	332,146
Raw and half-manufactured materials	688,151	566,013
Manufactured goods	214,642	189,549
Commercial imports	1,319,113	1,100,870
Gold and silver	12,891	116,108
Totals	1,332,004	1,216,978
Exports—		
Livestock	1,297	900
Foodstuffs	65,414	65,939
Raw and Half-manufactured materials	247,352	224,178
Manufactured goods	790,935	737,922
Commercial exports	1,104,998	1,028,939
Thereof Reparations Deliveries	68,880	50,575
Gold and silver	3,070	4,568
Totals	1,108,068	1,033,507

The increase in imports as compared with December is in part due to the booking of goods released in earlier months from bond, but apart from that, imports increased by some 80 million marks. The export total, as shown, includes Reparation deliveries in kind. There was a considerable increase in exports of manufactured textiles and of heavy iron and steel goods, and a decline in exports of goods, such as toys and musical instruments, foreign purchases of which are dependent largely upon the Christmas demand.

The Bourse continues to be very nervous. It seems that uncertainty as to the English and American money-market outlook and fear of the effect of a possible failure of the Paris Reparations Conference are keeping the public out of the market. Automobile stocks have heavily fallen, and some other favourites, in particular Glanzstoffe and Bemberg (artificial silk) and Polyphone, have dropped. Potash stocks have also been weak; shipping stocks, in spite of the Hamburg-America's dividend reduction, relatively firm. Coal and steel stocks have been fairly well maintained. The "Frankfürter Zeitung's" stocks index (based on 100 as average of 1926) shows for February 22nd 128·48, as against 138·07 at the end of 1928, and a high point of 177·46 on May 2, 1927.

AUSTRIA.—INDUSTRIAL SET-BACK—SOCIAL SERVICES—TRADE AGREEMENTS—YEAR'S RESULTS—CAPITAL.

(FROM OUR CORRESPONDENT.)

Vienna, February 22.

In the last few weeks there has been a considerable decline in the business life of Austria. The unusually hard winter and the absence of foreign visitors have had an

unfavourable effect, which is strikingly illustrated by the fact that representatives of retail trade have approached the Minister of Finance and the Treasurer of the City of Vienna with a view to getting a grant of time in which to pay their taxes and local rates. This course of development has not yet expressed itself in an increase of bankruptcies and compositions; on the contrary, the weekly average for this January was 33 compositions and 9 bankruptcies compared with 46 compositions and 10 bankruptcies last January. On the other hand, less obvious liquidation is on the increase, and various firms are endeavouring to come to amicable settlements with their creditors without attracting public attention. Cafés and restaurants, which have sprung up like mushrooms during the last few years, are thinning out. Trade is feeling acutely the general reluctance to buy, and this carnival season is the worst Vienna has had for a number of years. Industry is less depressed than commerce, though the former is handicapped by shortage of coal, through frost and diminished electric power, whether this be drawn from the municipal generating stations or from private water-power plant. It is some consolation that the replenishment of depleted stocks of various kinds will call for the employment of more labour. The iron industry is fairly busy, and has orders both from abroad and from the domestic market. The State railways continue to be big consumers. Things are not going so well in the textile industry, which is cutting down output on account of slower sales to Germany and Hungary. Several cotton printing mills are to be closed down altogether, and the creation of a community of interest among the others is being planned.

An important obstacle in the way of the halting trade treaty negotiations between Germany and Austria is formed by the Austrian demand for a reduction of the German duty on cotton yarn. At the last moment a commercial war with Poland has been avoided. Conditions are excellent this year for the Austrian coal industry, and the Graz-Köflach Railway, which only last year was on the verge of bankruptcy, will be put on its feet much sooner than was expected by the Alpine Montangesellschaft for the sake of its coal mines. For some time now the Austrian soft coal industry has been trying to get greater tariff protection, but it is doubtful whether this demand will be granted after the serious coal shortage of the last few weeks, which has only been mitigated by heavy supplies from the Ruhr.

In consequence of the spell of very cold weather the number unemployed in Austria has risen from 250,750 in receipt of benefit and 31,000 not in receipt of benefit on February 1, to 300,000. This total will, however, be quickly reduced as soon as warmer weather sets in. Complaints about the burden of taxation and the expenditure on social schemes are becoming louder. While in the year 1923 34 million schillings had to be raised for national health insurance, no less than 100 million schillings were required last year. During the same period imposts for accident insurance rose from 6 to 26, pension insurance from 3 to 28, unemployment insurance from 50 to 160 million schillings. In addition to this, 60 millions have to be paid by industry for the health and unemployment insurance of employees. And yet it is vital to Austrian economy that the companies should be enabled to earn more, to make reserves and distribute higher dividends, for otherwise the urgently needed capital increases for the purpose of reducing bank debts cannot be effected. It appears that the banks will all distribute the same dividends as last year, although individual institutions considered the question of making a slight reduction in the dividend and adding to reserves. But as the Vienna banks act on an understanding the dividends of last year will most likely be maintained. The banks cannot look back to a very favourable year, as stock exchange business and capital issue were stagnant and old debts had still to be written off. In the current year the wide margin between the borrowing and lending rates will have effect. The reduction in the dividend of the Steyr Works, the largest automobile factory in Austria, from 10 per cent. to 5 per cent. has excited great interest. The reduction is a consequence of excessive indebtedness to the bank and of the difficulties in the way of issuing fresh shares. The National Bank is maintaining its rate of 6½ per cent., and hopes to continue without any change. This, however, will only be possible if the situation on the international money market does not further weaken. Interest rates on dollar credits have stiffened again, and up to 6¾ per cent. is now being paid. The hopes of issue of the investment loan in the near future have been dimmed by the present state of affairs in America. Efforts are still being continued to dispose of Austrian interests in petroleum concerns. The Vienna-Floridsdorf Mineral Oil Refinery has now passed into the possession of the Royal Dutch Group.

Savings deposits are increasing, and at the beginning of the month of February they had reached a level of 1,163 million schillings. This sum, however, also includes the proceeds of a number of sales of shares lately transacted by the public. The call on the National Bank is slight, and the bills receivable account, which at the end of January amounted to 165.2 million schillings, figured at only 123.7 million schillings at the middle of February.

DENMARK.—PRICES—FOREIGN TRADE—INDUSTRY.

(FROM OUR CORRESPONDENT.)

COPENHAGEN : February 16.

PRICES in Denmark are still stable. The retail price index for the beginning of January, showed that since October there has been a trifling rise, from 172 to 173. Some descriptions of food as well as fuel and light are dearer. Wholesale prices at 151 show no change at all for the last month, but the proportion between the prices of import goods and those of export goods showed a less favourable position than in December, import goods having risen from 146 to 148, while export goods had declined from 154 to 144.

In the general trade situation there is also little change. Several annual reports are favourable. The Landmandsbank, which had its capital affairs reorganised as from May 1st, 1928, shows a surplus for last year of just over Kr. 7,000,000. The bank has set aside Kr. 2,000,000 for a pension fund, and Kr. 1,000,000 for a price adjustment fund. Further, it is proposed—according to the Act providing for the reorganisation of the bank—that a dividend of 5 per cent. per annum for eight months be paid to the State, as the sole shareholder at present. As the share capital amounts to Kr. 50,000,000, this will be about Kr. 1,700,000. Finally, an amount of Kr. 1,700,000 is transferred to the reserve fund of the bank, by which the bond of Kr. 34,000,000 for reserves, given by the State at the reorganisation, is correspondingly reduced. This report is the first since the reorganisation, and it makes a very fair impression of the business of the bank. In considering the figures it should be borne in mind that until the reorganisation the bank was not only without proprietary capital, but actually worked with a considerable expenditure of interest owing to the deficit of the balance sheet. Not until this deficit had been covered and the new, considerable capital invested could the bank begin to work at a profit, and four months of the financial year had passed before this was the case.

The profits for 1928 of the Handelsbank were somewhat in excess of last year's figures, and the dividends are unchanged at 8 per cent. A few days ago the report of the East Asiatic Company was published, showing profits of Kr. 18,400,000, with the addition of Kr. 5,100,000 transferred from last year, making a total of Kr. 23,500,000. Last year the corresponding figures were: Profits, Kr. 16,600,000; transferred from the previous year, Kr. 4,300,000; total, Kr. 20,900,000. After deduction of administration expenses, writings-off for depreciation and setting aside for taxes, a dividend of 10 per cent. is proposed, corresponding to last year's dividend. An amount of Kr. 4,000,000 is placed to the disposition fund, and Kr. 2,000,000 are carried forward to next year's accounts. Further, it is reported that in compensation for Kr. 20,000,000 preference shares in the Landmandsbank, subscribed in 1922 and declared valueless by law, an amount of Kr. 10,000,000 is transferred from the disposition fund, whereby the said shares have been completely written off. After this the disposition fund amounts to Kr. 4,000,000, and the ordinary reserves are unchanged at Kr. 50,000,000, equal to the share capital. One of the big industrial concerns, De Forenede Papirfabriker (paper manufacturers), has declared a dividend of 10 per cent., against 8 per cent. last year. Naturally many companies have worked under difficulties in the past year, but the more important of the reports hitherto published may be said to confirm the impression of improving trade in 1928.

At the moment the hard frost and heavy snowfall are causing much difficulty to trade, especially to shipping, and in consequence unemployment shows a tendency to increase. Last week it increased by 2,500, but even after this the total number of 80,171 was slightly below the number last year at the same time. Every effort is made to maintain agricultural exports, and in agricultural quarters the courageous endeavours of the shipowners to keep up the exports of food to the United Kingdom have won much appreciation. For a country like Denmark, which does a very considerable foreign trade, a winter with ice troubles, like the present, is naturally a serious calamity. Last year the value of the imports into this country was Kr. 1,734,000,000, while the exports (re-exports included) have been computed to be of a value of Kr. 1,653,000,000. Should the hard weather continue for long, some setbacks to exports and imports alike can hardly be avoided, but up to the present the situation has been fairly well managed, more particularly as far as the supplies of agricultural produce for foreign markets are concerned.

ARGENTINA.—MONEY—MARKETS—RAILWAY PROJECTS—NEW INDICES.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, January 28th.

FINANCIAL conditions in Argentina continue to be marked by unusual supplies of loanable capital, upon which the growth of cereal exports has as yet made but little impression. General business is, however, brisker in many directions, with the prospect of various enterprises requiring financial accommodation during 1929. Therefore the tone of the local money market may reasonably be considered somewhat firmer, with rates for discounts and advances at 6 per cent. to 6½ per cent., with 7 per cent. for advances on current account; though these rates must be considered largely nominal, as business is very much a matter of individual arrangement at the present time. The effect of easy money has been particularly noticeable in the market for local securities; Argentine national, provincial, and municipal bonds have attained record quotations. Cédulas of the National Mortgage Bank, a 6 per cent. security, have touched 103·90 for certain series, while the Internal Credit bonds of 1925 are 102·30. This is principally due to the lack of issues by the Ministry of Finance, the National Mortgage Bank and the Municipality of Buenos Aires, while the funds in the hands of the investing public steadily increase. In 1908 the *per capita* sum on deposit with Argentine banks was $23 paper; in August, 1928, it had risen to $165. In other words, from deposits of $139,000,000 in 1908 the total had increased in 1928 to $1,780,000,000. This, of course, applies only to time and savings bank deposits, for the total of deposits in current account, time, and savings bank accounts on December 31, 1928, was, in round numbers, $4,020,000,000 paper. The cereal export movement has not been as heavy with respect to wheat as one would have expected to see in the month of January. Low prices for wheat and high prices for maize have to some extent checked shipment of the former grain, while the heavy yield, coupled with the system under which the Argentine crops are collected and shipped, has tended to keep prices low. Towards the end of January both wheat and linseed quotations improved a little, spot wheat being $9·60 paper per 100 kilos with $9·85 for March shipment. Linseed is $15·35 spot and $15·40 for March, while maize is $9·50 spot and $8·40 for May delivery. Conditions in the general produce markets have on the whole been satisfactory. Wool is moving with comparative freedom and prices are well maintained, though stocks on hand are somewhat higher than they were this time last year. Conditions in the hide market are not quite so satisfactory and prices tend to weaken all round. As a set-off to the unwelcome news of the sale of the Union Telephone Company to American interests may be cited the important extensions to be carried into effect by the Central Argentine and the Pacific railway systems. The latter concern is principally interested in the rearrangement of its Buenos Aires terminal facilities, and the bulk of its expenditure will be in connection with its station and goods yard at Retiro. The programme of the Central Argentine is much more exhaustive. Summarised as briefly as possible, it means the laying of close on a thousand kilometres of rail through what is practically virgin country in the north of the Republic, and the electrification of the second half of its suburban system in the vicinity of Buenos Aires, together with the abolition of level crossings within the municipal limits of that city. In all, the cost of this work is estimated to lie between £30 and £35 million sterling, and it is said, unofficially, that the necessary fresh capital will be sought at the rate of £4,000,000 a year. Relations between the railway companies and the Government are at the present time exceptionally cordial, and the general prospects for the second six months of the railway year, which ends on June 30th, 1929, are of the brightest. Exchange during January has slowly but surely moved in favour of Argentina, the cable rate for sterling being 47 1/32d. and that for United States dollars $104·40. Some small shipments of gold—barely £300,000 in all—have been made from Buenos Aires to Rio, but it is understood that this is for European account. The stock of gold in the Conversion Office has been increased by a deposit of some $15,000,000 gold previously held by the Banco de la Nación. It therefore now stands at $503,439,509 gold, the circulation in paper money being $1,437,198,932. As yet there are no indications of gold imports, but if exchange continues to move in favour of Argentina during February they may be expected to set in before the end of that month.

The Banco de la Nación has recently instituted a Bureau of Economic Research for the purpose of preparing and publishing monthly financial and economic statistics compiled in a more scientific and reliable manner than has hitherto been possible. It is intended to build up economic indices, and at the same time to investigate various local economic phenomena that have hitherto received little or no attention. As the review, which will be published in English as well as in Spanish, is purely scientific, and in no sense to be regarded as propaganda for the Bank in question, its value in estimating the trend of economic events in Argentina can scarcely be overrated, especially in view of the fact that the Bureau has been admirably staffed and placed under the direction of Señor Raúl Prebisch, well known as one of the leading modern Argentine economists and a Professor in the Faculty of Economic Sciences. Interested parties who care to apply to the Bank for copies of this publication will be placed free on the list of recipients.

AUSTRALIA.—PUBLIC FINANCE—EXPORTS.

(FROM OUR CORRESPONDENT.)

MELBOURNE, December 31, 1928.

THE public accounts of the Commonwealth and six States for 1927–28 show ordinary revenue and expenditure, loan expenditure, and public debts as at June 30, 1928, as follows :—

	Revenue.	Ordinary Expenditure.	Loan Expenditure.	Debt, June 30, 1928.
	£	£	£	£
New South Wales .	44,317,635	45,412,631	15,763,151	252,991,386
Victoria	26,566,864	26,730,217	9,016,208	158,183,470
Queensland.....	16,718,070	16,707,564	4,038,885	111,733,969
South Australia .	11,346,903	11,621,834	5,351,990	95,010,403
Western Australia .	9,807,949	9,834,414	4,680,259	76,427,764
Tasmania	2,962,687	2,867,605	404,486	24,872,785
Six States	111,720,108	113,174,265	39,254,979	719,219,777
Commonwealth.....	62,922,866*	68,373,103*	7,712,603	361,748,641†
Net total, 1927–28	174,642,974	181,547,368	46,967,582	1,080,968,418
Net total, 1926–27	175,978,256	173,807,381	50,257,983	1,037,293,394

* Commonwealth revenue and expenditure are shown after allowing £13,747,356 for duplication with States.
† Net Commonwealth debt, after allowing £132,380,458 for duplication with States.

The relations between Commonwealth and States finance are becoming more and more intricate, and the allowance necessary for duplications is increasing. Apart from this the Commonwealth revenue and expenditure figures above are gross. Post Office, railway and certain other items are taken into account in full on each side, and these figures therefore correspond with those shown for the States. The official Commonwealth statement, however, is drawn up on a net basis, and shows merely balances of Post Office accounts, etc. in the general consolidated revenue statement.

The total revenue of the Commonwealth and States for 1927–28 includes taxation £83,999,322, against £86,061,103 for 1926–27, the decrease of two millions being due to smaller Customs and Excise receipts. Customs revenue for 1927–28 was only £29,848,379, against £31,832,600 for 1926–27, and Excise £11,598,351, against £11,719,878. The decline in Customs revenue has resulted from the reaction in Australian imports during 1927–28, and although the revenue from this source for 1928–29 is estimated at £31,450,000, this would require a larger increase in imports than is apparent at the moment. In any case, the value of imports depends partly upon regular borrowing abroad.

The total estimated taxation to be collected by the Commonwealth and States during 1928–29 according to the Budgets is approximately 86 millions, or an increase of two millions compared with 1927–28. During the last year or two there has been a tendency to accelerate collections of income tax before June 30, and the arrears which were allowed to stand over a few years ago as a reserve from one financial year to another have been largely used up. While reluctant to increase taxation rates, some of the Governments, including the Commonwealth and New South Wales, are endeavouring to increase the revenue by administrative methods and by stiffening the law in various matters of detail. The tendency of expenditure is to increase, and the estimates of the six States for 1928–29 show a gross total of £117,818,692, against £113,174,265 for 1927–28, and £110,724,802 for 1926–27. The increase is partly due to increased working expenses on railways and other departments, and partly to the increase in interest on public debts, which for the six States is estimated at approximately 33½ millions, against £31,058,282 for 1927–28 and £29,413,148 for 1926–27. Including the interest paid by the Commonwealth, the total for the Commonwealth and States together for 1927–28 (after making allowance for duplications) was £50,018,349, against £48,498,966 for 1926–27. In addition, sinking funds absorbed over 4½ millions. The interest is partly provided by the net earnings of railways and other public works, and partly falls upon the taxpayers. The latter part includes £17,240,189 interest on war debt for 1927–28, for which purpose £17,813,032 is estimated for 1928–29. The gross revenue from Government railways and tramways in Australia for 1927–28 was 53½ millions, while for 1928–29 it is estimated at 57 millions, an increase which is partly accounted for by the larger wheat harvest.

Australian exports have been active during the last few weeks. The National Council of Wool Selling Brokers of Australia has added 115,000 bales to the estimate made last June of 2,462,000 bales expected to be received into store for offering in Australia during the 1928–29 season. Butter exports have been larger than for the similar period of the 1927–28 season, but in some States there have lately been complaints of dry weather in the dairying districts. The wheat harvest is turning out well, and an exportable surplus of approximately 3,000,000 tons or 112,000,000 bushels is hoped for, against 72,694,121 bushels (inclusive of flour) exported during the twelve months ended November 30, 1928. Shipments of wheat on account of the new season have become active earlier than usual; India is at present the principal destination.

Letters to the Editor.

"BANK RATE POLICY."

TO THE EDITOR OF THE ECONOMIST.

SIR,—It is always a pleasure to read anything from the pen of Mr. Francis W. Hirst, and his letter in your issue of the 23rd inst. is no exception to this experience. But I am bound to state that I find it difficult to agree with many of the statements contained in his letter. He states that "the problem deserves discussion" and "there is no reason why a mystery should be made of high finance." Is there any mystery, and was there general consternation at the rise in the Bank rate from 4½ to 5½ per cent.? You very pertinently observe that the Bank rate was raised in the same week in which gold stocks fell below £150 million, and that probably was the principal cause of the action taken by the directors of the Bank of England. Many people anticipated it, and probably were prepared for it, but why we should be regarded as "the catspaw that removes American chestnuts from the fire" because it was followed by a slump in Wall Street I fail to see. It was rather a tribute to the importance of London as a monetary centre, and shows that we are capable of acting and judging for ourselves. Mr. Hirst supplies an admirable explanation of the phenomenon in his quotation from Bagehot. Mr. Hirst describes our debt to the United States as an "exorbitant gold debt treaty," and mentions this as one of the causes of the gold drain to that country. Why describe it as a gold debt treaty? So far as I am aware it is a dollar debt, and must be paid in dollars or the equivalent, and as a result of the restoration of the gold standard (which the Bank directors were endeavouring to maintain) will save this country, as estimated by the Treasury, about £336,000,000 during the payment of the debt. I should like to know Mr. Hirst's authority for stating that the Federal Reserve Board has asked the Bank of England to help them at our expense by raising our Bank rate. No doubt there is co-operation, as there ought to be between all central banks, but, first and foremost, the directors are, and will be, guided by what constitutes sound monetary policy as it affects this country.

There is one cause, and here I am confident Mr. Hirst will agree with me, that the present scarcity of loanable capital throughout the world has been accentuated by the Government's failure to proceed with disarmament. Mr. Churchill wrecked the Geneva Disarmament Conference, and now America proposes to spend £54,800,000, and the present Government are proceeding with their programme of cruiser building. This means a waste of loanable capital, and means dearer money in the future in America and this country. The remedy, then, is largely in our own hands, and that is to practise the strictest economy.—I am, Sir, your obedient servant,

London, February 23, 1929. D. M. MASON.

IMPERIAL FINANCE AND CANADA.

TO THE EDITOR OF THE ECONOMIST.

SIR,—May we refer to the investment note in your issue of February 23rd on the subject of Imperial Finance in Canada, and take the liberty of correcting the implication of the term "Americanisation" of Canadian finance. This would seem to suggest that the United States is obtaining a large share of the Canadian "business loans." Actually that is not the situation.

While War Loans were largely financed at home it is true that subsequent government and municipal borrowing was done to a considerable extent in the United States for the reason that money could be obtained there cheaper than elsewhere. This enabled savings in Canada to largely flow into industrial and trade channels with the result that since the War Canada has been financing its own industrial development to a much greater extent than before. The participation of the United States in Canadian industrial borrowing has not been large. Owing to the expanding nature of the industry in Canada, however, opportunities to participate in the development of Canada are becoming available to investors in Great Britain.

This explains why Canadian government borrowing and Canadian business loans in London have both been of smaller volume since 1919, as indicated by the stockbrokers' review of Imperial Finance from which you quoted.—Yours faithfully,

WOOD, GUNDY AND CO., LIMITED.

14, Cornhill, London, E.C. 3, February 26, 1929.

Books and Publications.

WAR-TIME ECONOMICS OF RUSSIA.*

AT the outbreak of the war Russia, with an area of 8,532,900 square miles and a population of 170 million, was largely dependent on imports of foreign manufactured goods, machinery and capital for her development. The isolation from the world market, allocation of rail transport for military purposes, fall in the supply of available labour, and general economic disturbance were severely felt early in 1915. These and other influences of the war on the national economy are discussed in one of the two latest volumes in the Russian series of the Social and Economic History of the World War by M. Zagovsky, who then traces the organisation of national resources after the retreat in Galicia in April, 1915. The forms and methods of Government war-time control are dealt with in a third section of the book, and a fourth section describes the attempt made to complete the work of control under the Provisional Government from March to October, 1917. It is clear that the initial mistake made by the Imperial Government lay in not making any real effort to regulate industry until a year after the outbreak of war. When the effort was made, there was no clear line of policy. On the other hand, as the author reminds us, to clothe, feed, and supply an army of 15 million men, concentrated at one point, was a problem to which Russian industry, agriculture, and transport were in no way adapted, and even had there been no war the drastic reduction in imports alone would have provoked a serious crisis in the country. The control policy in the period from March to October, 1927, does not appear to justify devoting such a considerable section of the book to it. M. Zagovsky has written a careful analysis which can be recommended to students of the Russian economic situation. The book has a special value as an introduction to, and an aid to, understanding conditions under the present Government.

Professor Michelson's survey of revenue and expenditure on the eve of and during the war, supported by useful statistics, makes available for the first time a complete estimate of Russia's war expenditure, and the resources from which the expenditure was met. Count Kokovzov, in his introduction, looks back with pride on Russia's past financial history, on the scrupulousness of the Imperial Government in meeting its obligations, and on the absence of recklessness in financial policy during 75 years prior to the war. M. Michelson reminds us that at the outbreak of war Russia was confronted not only with the problem common to all the belligerent countries of raising resources to conduct the war, but with the necessity of filling the gap created by the abolition of the monopoly of alcohol, which deprived the State budget of its most important source of revenue. As direct taxation —Imperial and local—per head in Russia before the war was only 3.11 roubles a year, or about one-ninth that of Great Britain, vital changes in taxation were called for.

Schemes and ideas were never lacking, but it was not until January 1, 1917, that the practical step was taken of putting income-tax into force. The annual budgets, however, played little part in meeting war expenditure, and did not even provide fully for payment of interest on short-term debt. M. Apostol's study of the Russian Government's credit operations will, therefore, probably be of greater interest to the British reader. M. Bernatzky, in his discussion of the monetary policy of the Russian Government, says that up to August 1, 1916, the Government had to provide 5,000 million roubles by the issue of notes. By October, 1917, the Russian currency consisted of a heterogeneous collection of notes of various designs, and the currency chaos was no small factor in the general dissolution of the economic system. M. Bernatzky shows how in the control of foreign exchange the Government's policy was marked by procrastination. He estimates that at the end of the war the value of gold in the State Bank was as high as £137,800,000. The Carnegie Endowment has made available a valuable study of Russia's financial policy and operations during the war.

* "War Time Control of Industry in Russia." By S.O. Zagovsky. "Russian Public Finance During the War." (1928) By Alexander M. Michelson, Paul N. Apostol, Michael W. Bernatzky. (London) Oxford University Press, Warwick square, E.C. 4.

THE FOREMAN'S VIEW.*

THE employer, the employee, and—from his armchair—the consumer, have all contributed their quota to the discussion of how industrial peace is to be secured. Hitherto, however, the foreman has been silent, though his peculiar function places him more nearly than anybody in a position simultaneously to understand the view point of both sides. The enterprise of the Glasgow and West of Scotland Association of Foremen Engineers and Draughtsmen has put an end to this silence, and we are indebted to it for five prize essays which contribute a variety of suggestions.

The winner of the first prize is remarkable for his breadth of view, and the essay stands alone in its comprehensiveness of scope and its far-sightedness. The writer is a staunch advocate of rationalisation in all its bearings, and holds generous views about education. But while the reader feels that if any fair proportion of the personnel of industry held these views there would never have been any labour problem, it is to the other four writers that he turns for immediate and detailed suggestions as to what, in present circumstances, is the first step to take. The most striking point that emerges is the strong faith which most of them place in machinery for bringing the employer and employee together in regular consultation. One competitor goes so far as to substitute this for trade unions, and almost all of them give it a prominent place in their scheme. Two of the five also advocate profit-sharing, while one strongly condemns it, and, surprisingly, advocates a bonus system instead. Stress is laid in most cases on the importance of greater accessibility of management to employees who have grievances or constructive suggestions. Indeed, by far the most conspicuous fact brought out by this competition is the waste and friction which have resulted from the decline of personal contact between employer and workman. There is profound wisdom in the observation of the first prize winner that "the distinction between skilled and unskilled seems to lie not in the job but in the man." Rightly, in our opinion, he implies that one of the first requisites for the maintenance of industrial peace is the acquisition by all workers of a "skilled" attitude of mind towards their jobs, and few things are more calculated to promote this than the extension to all employees, along the lines suggested by some of the other competitors, of closer contact with the management force, if not actually of a voice in the management.

* *Goodwill in Industry.* A symposium by Five Practical Men. London General Press, 8 Bouverie Street. E.C. 4. 2s.

AN IMPORTANT WORK OF REFERENCE.†

To readers of the *Economist* the "Stock Exchange Year Book" needs no introduction. It is worth its weight in gold, and that is no light compliment. In the 1929 issue we do not notice any novel features, but no less than 128 extra pages are required by new companies registered during the past year, the total of which, we are told, was 9,721, with an authorised capital of £237,890,043, figures which exceed those of any year since 1920. Though it would mean a break with tradition, the publishers would do well to consider carefully whether by enlarging the size of the pages, or otherwise, the book could not be made more comfortable to handle. If it were less unwieldy it would become an even greater asset in every office than it is at present.

† "The Stock Exchange Year-Book for 1929." Thomas Skinner and Co. 50s. net.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

Trade and Credit. By R. G. Hawtrey. (London) Longmans, Green and Co., Limited, 39 Paternoster Row. 10s. 6d. net.

Of the eight essays in this volume the first three deal with the machinery of credit in relation to trade. In the remaining five Mr. Hawtrey further expounds and defends his thesis that the trade cycle is a purely monetary phenomenon. The last two deal respectively with "Working Capital" and with Professor Pigou's "*Industrial Fluctuations*," and were specially written for this volume.

Railway Electrification and Traffic Problems. By Philip Burtt. With a foreword by Frank Pick. (London) Sir Isaac Pitman and Sons, Limited, Parker Street, Kingsway. 10s. 6d. net.

In support of the contention that British railways can only recover their prosperity by a bold programme of electrification, the author adduces the experience of other countries. His discussion is fully intelligible to the layman.

The Punjab Peasant in Prosperity and Debt. By Malcolm L. Darling. With a Foreword by Sir Edward Maclagan. Second edition. (London) Oxford University Press, Warwick Square. 11s. 6d. net.

An interesting study, generously illustrated, of a particular problem in Indian economics.

Limitations of a Balance Sheet. By Sir Gilbert Garnsey. (London) Gee and Co. (Publishers), Limited, 6 Kirby Street. 3s. net.

A reprint of a paper read before the Institute of Chartered Accountants.

Investment Counsel. Sixth edition, revised, 1929. (New York) Scudder, Stevens and Clark, 111 Broadway.

A short, readable booklet of pocket size, containing general advice for the investor.

How to Read the Balance Sheet of a Commercial Concern. By F. W. Pixley. Seventh edition. (London) Gee and Co. (Publishers), Limited, 6 Kirby Street. 5s. net.

This clear and concise little book should be of great value to the inexperienced investor.

An Analysis of the Companies Act, 1928. By Daniel S. Fripp. (London) Gee and Co. (Publishers), Limited, 6 Kirby Street. 1s. 6d. net.

An analysis, accompanied by explanatory notes, for the use of secretaries and auditors.

Auditors and the Companies Act, 1928. By A. C. Hooper. (London) Gee and Co., 6 Kirby Street. 1s. 6d. net.

A reprint of a paper read before the South Wales and Monmouthshire Society of Chartered Accountants.

Tin. Salient Facts and Opinions. By J. A. L. Gallard and Murray Stuart. (London) Mining Publications, Limited, 724 Salisbury House. 2s. 6d.

This very slim volume contains useful information for the investor, both about tin in general and about specified tin companies in particular.

The Fundamentals of Manufacturing Costs. By Lawrence R. Dicksee. Second edition. (London) Gee and Co. (Publishers), Limited, 6 Kirby Street. 2s. 6d. net.

A pamphlet which emphasises the importance of accurate costing and discusses the fundamental principles which must be observed in compiling a system.

The Handbook of the British West Indies, British Guiana and British Honduras. (London) The West India Committee, 14 Trinity Square. 5s. net.

In addition to statistical tables and general information of a political or economic character, there is a whole section devoted to cricket.

Sells' Directory of Registered Telegraphic Addresses, 1929. (London) Business Dictionaries, Limited, 8 and 9 Johnson's Court, Fleet Street.

An indispensable directory which includes a certain number of foreign firms, classified by countries. There is a useful stock exchange section.

Die Internationale Preisbildung. By Eugen Melchinger. (Tübingen) Verlag von J. B. B. Mohr (Paul Siebeck). 7.58 mks.

An historic discussion, in German, of the theory of international trade, with a conclusion on foreign trade policy.

Probleme der Monopolpolitik. By Theodor Vogelstein. (Berlin) Der Deutsche Volkswirt. Rm. 2.

A German monograph on some legal aspects of monopolies and trusts.

Superphosphat auf dem Weltmarkt. By Dr. P. Weicksel. (Berlin) Verlag Chemie, G.m.b.H. 6.50 mks.

A detailed statistical study by countries of the production of superphosphates.

Agrar Probleme. (Berlin) Verlagsbuchhandlung Paul Parey, Hedemannstrasse 28 u. 29.

This periodical is published by the International Agriculture Institute in Moscow, but the text is in German. It includes articles on general agricultural questions and articles on agriculture in particular countries. Of these latter two deal with Russia.

Probleme der Reparationspolitik. By Gustav Stolper. (Berlin) Der Deutsche Volkswirt. Rm. 2.

Another contribution to the already vast body of German pamphlets on reparations.

La Revue Marxiste. (Paris) "Les Revues," 47 Rue Monsieur-le-Prince. 8 fr.

This revolutionary French periodical contains articles on: "What We Want"; "Communism and Private Property"; "Spinoza as a Precursor"; and "The Marxist Method."

Journal of the Parliaments of the Empire. January, 1929. (London) Empire Parliamentary Association, Westminster Hall, Houses of Parliament. 10s. net.

A record of the proceedings of the various parliaments during their last session.

The Journal of Political Economy. February, 1929. (Chicago) The University of Chicago Press.

This number includes articles on: "Gold Economics and Stable Prices"; "McCulloch and Neo-Malthusian Propaganda"; and "The Population Problem since the World War."

The Bankers' Magazine. February, 1929. (Cambridge, Mass.) Bankers' Publishing Company, 465 Main Street. 50 cents.

Special articles in this issue are: "Aviation's Financial Future" and "The Trend Toward Long Term Investments."

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C.2.

Memorandum showing the Progress and Development in the Colonial Empire and in the Machinery for dealing with Colonial Questions from November, 1924, to November, 1928. Cmd. 3268. 1s. 6d. net.

Department of Overseas Trade: Economic Conditions in the Dominican Republic (October, 1928), and in the Republic of Hayti (September, 1928). 1s. net.

Colonial Reports: No. 1418. Gold Coast, 1927–28. 2s. net. No. 1422. Barbados, 1927–28. 1s. net.

Army Estimates for the Financial Year, 1929. 6s. net.

Memorandum of the Secretary of State for War relating to the Army Estimates for 1929. Cmd. 3269. 2d. net.

Army: Supplementary Estimate, 1928. 2d. net.

Civil Estimates for the year ending 31st March, 1930. Class V—Health, Labour and Insurance. 1s. 6d. net.

Civil Estimates and Estimates for Revenue Departments: An estimate showing the Several Services for which a Vote on Account is required for the year ending 31st March, 1930. 2d. net.

Navy: Appropriation Account, 1927. 2s. 0d. net.

The Stock Exchange.

CABLE MANUFACTURING COMPANIES.

In the industrial share market of the Stock Exchange there is a select group of three companies whose shares, judged on a dividend yield basis, seem dearly priced. But good things are never cheap, and the companies concerned occupy privileged and unassailable positions in the industrial world. We refer to the three cable manufacturers —Callenders Cable and Construction, British Insulated Cables, and W. T. Henley's Telegraph Works.

These three companies have avoided the pitfalls of a general electrical engineering and manufacturing business, and have confined themselves to the manufacture of cables and electrical wires. Callenders has large works at Erith, Kent, where it manufactures heavy electric cables for lighting, power and telephones; it also owns the whole of the share capital of the Anchor Co., which has extensive works at Leigh in Lancashire for the manufacture of rubber insulated cables, and is largely interested in the Okonite-Callender Cable Co., one of the leading manufacturers of cables in the United States. British Insulated also confines itself to cable manufacturing, having long ago disposed of its telephone manufacturing business to the Automatic Telephone Manufacturing Co., in which it holds an interest. W. T. Henley's Telegraph disposed of its tyre business in 1918 to Henley's Tyre and Rubber Co., which it still controls. Callenders and British Insulated have, however, made considerable investments outside their own business, notably in electric light and power companies, for whom they manufacture cables and wires. For instance, Callenders Cable hold shares in the Lancashire Electric Light and Power, Scottish Power, South Wales Power, Yorkshire Electric Power, and abroad in Sociedad Anon. de Fuezas Electricitas, while British Insulated has holdings in the Midland Electric Corporation (whose 5 per cent. debenture stock it guarantees) and the Electric Supply Co. of Victoria, which it controls. Unfortunately, neither Callenders nor British Insulated distinguishes in its profit and loss account between income derived from manufacturing and that derived from dividends on investments.

The manufacturing position of the three cable companies has been cemented by the close working agreement signed in June, 1927, providing for collaboration on the buying and marketing side of the business, as well as in research. A year ago the chairmen of the three companies were saying that considerable economies in cost had already been secured, and that many improvements in design and manufacture, through collaboration in research, had been made. The full benefits of this close working arrangement should begin to be realised in the accounts which are now shortly to be presented. It is not impossible that collaboration may eventually develop even more closely. In the meantime, each company is, no doubt, taking an agreed share of the orders received under the national scheme for electrical development.

The Stock Exchange has been somewhat hasty in anticipating a big increase in the profits of the cable manufacturers as a result of the Government's plans for the linking up of existing generating stations. There has been considerable delay in giving out the contracts for what is known as "the over-head grid" and it is only this year that the cable manufacturers' accounts will begin to show the benefit of this work. The earnings of the three companies in the last three years reported, which are given in the annexed table, do not therefore include any profits directly attributable to the national electrification scheme.

A study of these figures reveals the secret of the attractiveness of the cable manufacturers' shares. The capital in each case is small in relation to earnings and the dividend policy is conservative to a degree, although it is more liberal in the case of Henley's than of the other two.

	Callenders.	British Insulated.	Henley's.
	£	£	£
Loan capital	300,000	700,000	150,000
Pref. capital	800,000	500,000	200,000
Ord. capital	800,000**	1,333,333	650,000
	1,900,000	2,533,333	1,000,000
Net profits*:			
1925	303,143	584,874	219,133†
1926	283,470	511,802	230,669†
1927	287,378	499,159	254,978†
1927 Deb. int.	13,500	35,000	6,750
1927 Pref. divs.	56,000	30,000	9,000
1927 Balance for ord. ...	217,878	434,159	239,228
Earned %...	30·36%	40·7%	41·7%
Divs %	15%	15%	25%
Amount of divs.	120,000	200,000	162,500
To Reserve	—	200,000	50,000
Carry forward	474,165	305,880	532,931

** Since increased—*see* later.
* Net profits after depreciation and income tax in all cases.
† Year ended 31st March, 1926, 1927 and 1928 respectively.

Callenders is earning twice as much on its ordinary share capital as it is paying out in dividends, British Insulated $2\frac{1}{2}$ times as much, and Henley's nearly $1\frac{3}{4}$ times as much. Callenders carried forward an amount equal to 59 per cent. on its ordinary capital, British Insulated, 23 per cent., and Henley's, 82 per cent. These impressive figures suggest that a distribution of bonus shares may be appropriate, sooner or later. Callenders declared a capital bonus of 100 per cent. in 1917 and $33\frac{1}{3}$ per cent. in 1925, British Insulated one of $33\frac{1}{3}$ per cent. in 1925, and Henley's one of 100 per cent. in 1918.

The last balance sheet figures may be examined with this possibility in mind:—

	Callenders.	British Insulated.	Henley's.
	£	£	£
Ord. capital	800,000	1,333,333	650,000
Net current assets	1,170,113	1,023,135	831,426
Net total assets	2,154,136	2,843,547	1,746,690
Book value of ord. shares ...	£2 13s. 11d.	£2 2s. 7d.	£2 13s. 7d.

The "net current assets" are arrived at after deducting from cash, debtors, bills receivable, work in hand and stocks, *i.e.*, current assets, all creditors and bills payable, *i.e.*, all current liabilities. The book values, that is, net assets belonging to the ordinary shares after paying off debenture and preference capital, represent a very conservative valuation of the companies' ordinary shares and do not, of course, take into account hidden reserves contained in the item of investments or property and plant. The next table suggests that the Stock Exchange is, quite rightly, valuing the ordinary shares, not on a dividend yield, but on an earnings yield basis:—

	Price.	Yield on Earnings.	Yield on Dividends.
Callenders	87/0 (old)	6·98%	3·45%
British Insulated ...	94/6	8·61%	3·17%
Henley's	120/-	6·95%	4·17%

From the point of view of yield on earnings, British Insulated is the cheapest share of the three. The ordinary share capital of Callenders has just been increased by the issue privately of 130,000 ordinary shares. This issue was made to provide for the Company's quota of payments in respect of the purchase by it and certain associates of substantially the whole of the share capital of an old-established company engaged in a similar business. These new shares are quoted at 83/- and, having regard to the fact that they rank for dividend from the beginning of 1929,

are relatively cheaper than the old ordinary shares at 87s. The highest and lowest prices for the shares in the last four years are shown in the next table :—

	1925.		1926.		1927.		1928.	
	High.	Low.	High.	Low.	High.	Low.	High.	Low.
Callenders	69/8	55/–	86/–	62/9	85/7	66/–	95/–	76/6
British Insulated	76/10	55/–	72/–	56/–	86/–	66/3	85/–	78/9
Henley's	70/–	56/–	89/9	69/4	5⅝	84/9	119/6	100/6

The accounts and balance sheets which we have been examining relate to the periods ended December 31st, 1927, except in the case of Henley's where the date is March 31st, 1928. In another month the 1928 reports for Callenders and British Insulated will be published, and will probably not show any appreciable increase in profits (in the case of Callenders, probably a decline) on account of the delay in proceeding with the national electricity development schemes. But the prospects for 1929 earnings are distinctly more promising.

The strength of the cable manufacturing companies' position in the long run, from the investor's point of view, is two-fold. On the financial side, having consistently followed a conservative policy for many years past, they have built up a position which, for real ultimate strength, is surpassed by few, if any, other companies whose shares are dealt in on the Stock Exchange. On the manufacturing side they are engaged in a compact branch of a trade ancillary to one of the most progressive of the "new" industries of Great Britain, and would seem already to have "rationalised" their production, with satisfactory results. The price of the shares naturally takes these facts into account, and the investor must inevitably be influenced by them in coming to a decision as to their attractions at the present level.

AMERICAN INTEREST IN BRITISH SECURITIES.—I.

The tendency of American investors and financial interests towards increased participation in British securities has recently been evidenced by such factors as the passing under American control of British public utility concerns in South America, and even in Great Britain ; the growth in the list of British company shares "traded in" in New York ; and the increasing readiness of the more speculative side of the British market to take its cue from the way New York "comes over." The interlocking of the two markets, once initiated, is obviously destined to go to considerable lengths, and to have far-reaching effects. In the following articles our New York correspondent examines the scope and importance of the movement, from the American point of view. Its evolution and present position are described below ; a later article will analyse the economic forces which have provided the main impetus, and are likely to ensure the permanence of the new development.

THE beginnings of the movement towards American participation in foreign finance go back to the period of the war, when, along with the homeward movement of American securities held in England and other European countries, the New York Stock Exchange listed as a temporary expedient the shares of De Beers Consolidated Mines, Rand Mines, the Royal Dutch Company, and Shell Transport and Trading. These listings were subject to renewal annually. With the exception of these shares, however, and of an Anglo-French loan of $500,000,000, American investors had little opportunity to buy British securities until October, 1927, when the New York Stock Exchange adopted listing regulations that standardised trading in foreign shares with all the convenience and elasticity of domestic bearer issues. The growth of the New York market in foreign securities dates from that time. The first shares to be listed under the new rules of the Exchange were Debenham's Securities, Limited, each American share representing the deposit of twelve ordinary shares.

At the end of 1928 there were listed on the New York Stock Exchange 6,030,985 shares of foreign companies, British shares accounting for roughly one-third of the total. The New York Curb market, however, has been by far the most active field for the exploitation of recognised foreign securities. At the end of last year 6,317,926 shares were listed on the Curb. During January of this year, a further 50,000 shares were added to the Stock Exchange list, and no less than 3,743,000 to the Curb. The above figures do not include Canadian and Latin-American securities. All listings are in the form of "American shares," *i.e.*, the receipts of a trust company issued in exchange for the original certificates deposited either in New York or at a foreign office.

The success of the importation of shares in the Ford Motor Company, Ltd., late last year, was the signal for many ventures by American capitalists, who bought up blocks of foreign shares, had trust company receipts issued, and created an international market by public offering of the "American shares." Special attention has now been turned to African shares. In the markets outside the two principal Exchanges activity has developed in such issues as Rhodesian Anglo-American Company, in which the Newmont Mining Company has an interest; in Rhodesian Selection Trust, N'Changa Copper Mines and Bwana M'Kubwa. Meanwhile, the flow of American capital into the oil, copper and public utility fields of South America is increasing. The recent acquisition of River Plate Telephone from its British owners by the American-owned International Telephone and Telegraph Company is an example of this tendency. The activities of United States interests are also marked among such companies as American and Foreign Power, controlled by the Electric Bond and Share Company, which has just acquired the Atlas Light and Power holdings. Another American public utility company to forge a link in the chain of American and British capital is Utilities Light and Power, which has announced the purchase of the common shares of the Greater London and Counties Trust, Ltd. (See the *Economist*, February 23, 1928, p. 405.) Another example is the passing of control of Columbia Graphophone from British to American hands. On the other side of the picture, British and Canadian interests have taken control of International Nickel.

The accompanying tables show the growth of listings and trading activity in British shares on the New York Stock Exchange and Curb market :—

British Shares Quoted on New York Stock Exchange.

Company (American Receipts).	Shares Traded. 1926.	1927.	1928.	Shares on List in 1928.
Columbia Graphophone, Ord. reg.	‡	‡	5,780,000	1,740,000
De Beers Cons. Mines, Ord. ...	3,800	900	1,700	13,690
Debenhams	‡	‡	56,300	69,550
Rand Mines	3,080	4,150	840	11,080
Royal Dutch (receipts for 100 florins)	235,845	155,350	428,500	68,380
Shell Transport and Trading..	17,450	16,100	15,900	65,703

‡ Not listed.

British Shares Quoted on New York Curb Market.

Company.	Turnover in 1927.	Turnover in 1928.	"American Shares" Outstanding.
Anglo-American Oil (Voting Coupon)..	‡	580,000	386,000
Anglo-Persian	‡	200	250
Associated Portland Cement	‡	...	1,000
British Aluminium	‡	200	300
British American Oil (Coupon)	‡	5,000	...
British American Tobacco	‡	89,000	29,000
British Celanese	‡	412,000	142,000
Burma Corporation	‡	‡	1,088,824
Burmah Oil	‡	200	†
Carreras (A & B Ord.)	‡	5,000	6,000
J. & P. Coats	3,000	...	†
Consolidated Goldfields of S.A.	‡	†	†
*Courtaulds (Ord. & Pref.)	36,000	37,000	55,000
Distillers	‡	1,800	100
Dunlop Rubber Co.	‡	160	2,500
Ford Motor Co., Ltd.	‡	2,500,000	2,452,726
General Electric Co., Ltd.	‡	154,000	16,000
Gramophone Co.	‡	17,300	7,500
Imperial Chemical Ind.	200	300	300
Imperial Tobacco of Gt. Britain	7,400	2,300	6,000
Johnson & Phillips	700	1,600	†
London Tin Syndicate	‡	1,900	4,700
Marconi International Marine	‡	430,000	47,500
*Marconi's Wireless (Ord. & Pref.)	44,600	1,500,000	623,000
Metropolitan Vickers Elec.	‡	†	200
Margarine Union	‡	†	†
Mond Nickel	‡	36,700	10,000
Rio Tinto (Ord. & Pref.)	‡	800	†
Roan Antelope (Warrants of 4 sh.)	‡	155,400	850,000
Selfridge Provincial Stores	84,510	52,000	250,000
Spanish and General Corp.	‡	824,000	442,000
Triplex Safety Glass	‡	3,000	9,570
V.O.C. Holding Co. (Ord. & Pref.)	‡	1,500	†

* Courtaulds and Marconi Wireless traded in 1926, but no figures for turnover available.
‡ No trading recorded.
† Information not available.
NOTE.—Figures for 1927 turnover apply to definitive shares.

Although public taste for investment is now running to stocks instead of bonds, the increase in listings of foreign bonds on the New York Stock Exchange is significant. The following table gives comparisons for recent years, the large addition in par value of bonds on the Exchange last year being mainly accounted for by the listing of approximately $12,000,000,000 of British Government bonds.

	Number of Listings.	Par Value $
January 1, 1925	163	3,881,058,000
January 1, 1926	184	4,410,811,000
January 1, 1927	225	4,848,507,000
October 1, 1927	271	5,350,903,000
August 1, 1928	313	18,138,803,000

The figures in all the above tables carry their own commentary, and certainly suggest that the movement has come to stay.

The incoming Hoover Administration is expected to stimulate the absorption of South American enterprises by United States companies, and the possibility of future supremacy of American capital in this field should be carefully considered by those it is likely to affect.

A MYSTERIOUS "STORES" DEAL.

If obscurantism were made a capital offence, the British company world would be deprived of some hundreds of its most conspicuously successful boards of directors. Whether the benefits of increased publicity might not be worth even so formidable a sacrifice is a question best left to the cynic, but recent events have certainly suggested the desirability of a more open-minded directorial policy towards shareholders when matters are afoot calculated permanently to affect the latters' interests.

A case in point is the acquisition of the Meadow Dairy by the Home and Colonial Stores. Both are old established and highly profitable concerns in the multiple food and provision trades, dating from 1901 and 1888 respectively. Both have been prominent in connection with recent developments in these trades, the Home and Colonial having, in 1924, obtained a substantial interest in the Maypole Dairy Company, while the Meadow Dairy has lately been associated with Liptons in a working agreement designed to retrieve the earning-power of that famous but unfortunate company. The Home and Colonial, at the beginning of last week, had an issued capital of £2,400,000, inclusive of £1,000,000 in £1 ordinary shares, which received 25 per cent. in dividends and bonus in respect of 1928. The Meadow Dairy's paid-up capital is £1,413,625, including £187,875 in 1s. preferred ordinary and £375,750 in 1s. ordinary shares, both of which for the last complete year (1927) received 30 per cent.

Early in February, for reasons not yet disclosed, the Meadow Dairy approached the Home and Colonial with "suggestions for an effective combination of interests," and so rapidly did the negotiations progress that in less than a fortnight the Home and Colonial Company's Secretary was able to issue a notice, with the annual report, of various resolutions designed to give practical effect to an agreement between the two companies. The meeting was held on February 21st, and, an independent motion for an adjournment being lost, it was resolved to split the existing £1 ordinary into five 4s. shares, and to increase the authorised capital by 3,000,000 new 4s. ordinary ranking *pari passu*, except that 775,000 of these shares were to carry ten times the voting power of the remaining ordinary shares. On the Meadow Dairy side it would appear that certain individual shareholders have contracted to sell 1,596,156 preferred and 4,873,051 ordinary shares—representing approximately 42½ per cent. and 65 per cent. of the outstanding total in each class respectively—to the Home and Colonial, on the basis of 5 Home and Colonial 4s. shares for every 21 preferred, and 5 for every 18 ordinary in the Meadow Dairy, the latter's shares being transferred *cum* a final dividend (which is apparently to be 20 per cent.) while the Home and Colonial shares given in exchange are to be *ex* the final dividend and bonus of 17½ per cent.

The first point which strikes the outside observer is the relatively unfavourable nature of the terms offered to the Meadow Dairy shareholders. On the basis of present dividends, every holder of 21 preferred shares who makes the exchange will, in addition to losing his final dividend for 1928, receive only 5s. in in dividends in succeeding years, as against 6s. 3·6d. at present, while the holder of 18 ordinary will receive 5s. against 5s. 4·8d. at present. If the calculation is workep on *earnings*, rather than dividends, per share, the result is as follows :—

	s.	d.
Earnings (1927) on 21 Meadow Dairy preferred	7	7·2
Earnings (1927) on 18 Meadow Dairy ordinary	6	6·2
Earnings (1928) on 5 Home and Colonial 4s. shares	6	1·7

On the basis of the Stock Exchange quotations prevailing in the middle of this week, 21 Meadow Dairy preferred are worth £4 14s. 6d., and 18 ordinary £4 12s. 3d., while five "split" 4s. Home and Colonial ordinary shares (*i.e.*, one existing £1 share) are worth, *ex* 3s. 6d. final dividend, £4 6s. 6d.

From the point of view of the outside Meadow Dairy shareholders, therefore, the terms are clearly not attractive. Why, then, did they prove sufficiently so to the insiders to induce them to enter the merger on such a footing? To return, for the moment, to the Home and Colonial side of the question, it will be found that if (*a*) the newly created "privileged" ordinary shares, with special voting rights, which have a nominal value of £155,000, are taken up by Home and Colonial rather than by Meadow Dairy interests, and (*b*) the whole of the Meadow Dairy shareholders, "insiders" and "outsiders," come in under the terms of the present offer, the issued capital of the Home and Colonial will be £3,151,428. But at last week's meeting the latter's maximum authorised capital was raised only to £3,000,000. Can it be that the Meadow Dairy interests who have contracted to come into the merger, are to receive, in fact, the new "privileged" shares as part of their holding? If the figures are recalculated on this hypothetical basis, it would appear that the interests in question will hold £155,000 out of a total issued capital of £2,996,428 in the Home and Colonial and will have 1,550,000 votes, or 50·1 per cent. of a total of 3,091,428. Does the merger, then, represent, *not* the acquisition of the Meadow Dairy by the Home and Colonial, but the control of the latter by certain interests which already control the Meadow Dairy? The Home and Colonial chairman stated at last week's meeting that the creation of the "privileged" shares "is simply to ensure that the control of the company remains in the same hands as for many years past, and incidentally it will secure the effective working of the joint management proposals," and also declared that the control would not be foreign.

There for the present, the matter rests. In this article we have merely attempted to seek from available evidence an explanation of a somewhat obscure transaction. A full official statement would seem to be desirable.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
March 5.	March 7.

MARKETS opened in quiet though not uncheerful fashion, but on Tuesday took a definite downward turn. To describe the movement as reactionary would be inaccurate; rather, the word went round, and the markets stood fast. Monetary factors were the *fons et origo* of the development, particularly the fear lest an upward movement of the New York Federal Reserve rate should force the hand of the Bank of England. In their pursuance of a cautious policy operators had the double consolation of knowing that they were avoiding the dangers of fishing in troubled waters and were furthering the interests of higher authority.

The week's events naturally provided an unfavourable environment for gilt-edged stocks, and quotations were lower all round. Money was tight in Lombard Street, and though the Bank obtained £413,000 of bar gold in the market, the New York exchange tended to be easier, and a certain uneasiness as to the outlook became general. Most stocks were offered. Four per Cent.

Consols were weak, and Funding Loan lost ground, Five per Cent. War Loan offering, possibly, the most effective resistance to prevailing conditions. Indian loans were dull, and little business was done in Colonial issues.

The Foreign market was, as a whole, less markedly affected. Scattered selling was in evidence from time to time, but quotations showed few extensive changes. A few European issues were inquired for early in the week, but became easier in the absence of sustained interest. Turkish Unified was sold, while among South American stocks Brazilians lost their early support, and Peru Corporations were on offer. Chinese loans developed a dull tendency, but Japanese generally held their ground.

Though no considerable pressure to sell Home Railways was observable, the market remained in a dispirited condition, and was not at all assisted by the publication of traffic returns showing a fresh fall in gross revenue as compared with the corresponding week of 1928. Great Western lost ground, but all the group lines were easier in tendency, while little interest was shown in Underground stocks. The course of Foreign Railway values was uneventful. The Argentine lines failed to respond to fairly satisfactory traffic figures. Leopoldina, however, had a better tone, and San Paulo was higher on the week. Beira Railways were purchased at one time, on the dividend statement. Canadian Pacifics were quiet in the absence of confident buying over the water.

A general tendency towards reduced commitments was very markedly in evidence in the industrial markets. New York came over with an appearance of strength after the holiday, but the movement lacked stamina, and fears of unpleasant monetary possibilities produced a dull inertia. Foreign gas stocks came in for somewhat extensive profit-taking after last week's activity, and a recession took place in electric lighting issues. Match shares were sold, but the gramophone group made a partial rally after early weakness. International Nickel followed a broadly similar course. A few strong features stood out amidst the general unsettlement, motor shares being firm at one time, though Rolls-Royce could not hold the ground gained on the report. Napiers were prominent in view of the return of 15s. of capital to ordinary shareholders, and Tilling-Stevens on the preference arrears scheme. Courtaulds were better, and British Celanese slightly improved, but textiles as a whole were inactive. Margarine issues continued to attract a certain interest. Movements in brewery shares were adverse, and among shipping concerns P. & O. units came on offer. The insurance market was reactionary, and an easier tendency obtained in bank shares.

Rubber shares opened in brisk fashion, but were subsequently inclined to droop under the dual influence of a temporary halt in the rise of prices for the commodity and the omnipresent dullness of the House. The market remained, however, a centre of decided interest. A limited turnover was again reported in tea shares, with an easy tendency persisting for all but the rubber-cum-tea concerns. Oil shares were active on Monday, with rumours current of an agreement in the matter of the distribution of Russian petrol. The leading issues, however, quickly met with profit-taking, though the tone subsequently improved on a very moderate buying movement.

Kaffirs showed the same impassivity in the face of discouraging general conditions as during the Stock Exchange activity of earlier weeks, prices holding, for the most part, in the absence of any open speculative position, though business was reduced to meagre dimensions. Chartered lost ground on profit-taking before and after the meeting. Rhodesians marked time rather than halted, attempts to exploit current conditions meeting with no success. Tin shares had an unsettled appearance, reflecting the irregular course of prices for the metal, but the continued strength of copper was a bull point for Tinto and Tharsis. In the Western Australian section, the week's chief event was the announcement of the taking over of the Golden Horse Shoe by Lake View and Star.

LONDON ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Closing Prices Feb. 21.	Feb. 28.	Rise or Fall.
Conv. Loan 3½%	78	76⅞	− ⅛
Do. 4½% 1944	98⅜	98½	− ⅛
War Loan 5% 1929-47	101⅜	101⅜	− ⅛
Consols 2½%	55⅜	55⅛	− ⅛
Do. 4%	86⅛	85⅞	− ⅛
Funding 4%	89⅛	88⅞	− ⅛
Victory Bonds 4%	91⅛x	91⅛	+ ⅛
Local Loans 3%	64⅛	64⅛	− ⅛
Treasury 5% (B)	99⅝	99⅝	...
Palestine 5% 1942-67	105	105	...
S. Africa 5% 1945-75..	102	102	...
India 3½%	...	...	...
Do. 4½% 1958-68	69⅛	69	− ⅛
Australia 5% 1945-75	91⅛	91⅛	+ ⅛
N.S.Wales 5% 1935-55	98	99	+ 1
N. Zealand 5% 1946	98	98	...
	102	102	...

Foreign Government Securities.

Japanese 6% (1924)	96	96	...
Argentine 4% Reciss.	85⅛	85⅛	...
Austrian 6% 1923-43	101⅛	101⅛	...
Belgian 7%	108⅛	108⅛	...
Brazil 5% Funding	87	86⅞	− ⅛
Bulgaria 7%	88⅛	88	− ⅛
China 5% (1912)	49	46	− 3
Egypt Unified 4%	85⅛	85⅛	− ⅛
Estonia 7% 1927	93	93	...
Finland 6% 1923	99	99	...
French 5%	19⅛	19⅛	− ⅛
Do. 4% (Brit.)	17⅛	17	− ⅛
German 7%	106	105⅞	− ⅛
Greek 7% Refugee	101	101	...
Hungary 7½%	101	101	...
Chili 6%	99⅛	98⅛	−1
Poland 7%	91⅛	92	+ ⅛
Mexican 5% (1899)	32	33	+1
S. Paulo Coffee 7½%	103	102⅛	− ⅛
Siamese 6% (1924)	105	105	...

Corporation Stocks.

L.C.C. 3%	64x	64	...
E. London 5% 1960-70	98	98	...
Sydney 5½% 1954	98	98	...
Berlin 6% Ster.	95	94	...

British and Foreign Railways.

G. Western Ord. Stk.	83⅛	82	−1⅛
L.N.E., Def. Stk.	11⅛	10⅞	− ⅛
Do. 5% Pref. Stk..	23⅛	23⅛	− ⅛
L.M.S. Ord. Stk.	55⅛	53	−2⅛
Metropol'anCons.Stk.	64⅛	64	− ⅛
Met. DistrictOrd. Stk.	80⅛	80⅛	...
Southern Def. Stk.	32⅛	32	− ⅛
Do. Pref. Ord. Stk.	76⅛	76	− ⅛
Underground Ord. £1	1⅛	1⅛	− ⅛
Do. Income Bonds	121⅛	119⅛	−2
Antofagasta Ord. Stk.	96⅛	95	−1⅛
B.A.&Pacific Ord.Stk.	99⅛	99⅛	+ ⅛
B.A.Gt.Sthn. Ord.Stk.	107⅛	107⅛	− ⅛
B.A.Western. Ord.Stk.	96⅛	96	− ⅛
Beira 6½% Deb. Stk.	101⅛	101⅛	...
Can. Pacific Com.Stk.	255	259	+4
C.Argentine Ord.Stk..	98	98⅛	+ ⅛
Leopoldina Ord. Stk.	56⅛	56	− ⅛
San Paulo Ord. Stock.	207⅛	208⅛	+1
Utd. Havana Ord. Stk.	42⅛	41	−1⅛

Banks.

Barclay B. (£1)	2⅞	2⅞	...
Barcl.(Dom.&c.) A £1	1⅜	1⅜	+ ⅛
Lloyds £5, with £1 pd.	3⅞	3⅞	...
Mid. £12, with £2½pd.	9⅛	9⅜	− ⅛
Do. £2½, fully paid	9⅛	9⅛	...
Midland £1, fully paid	4	4	...
Nat. Prov. £20, £4 pd.	13⅛	13⅛	...
Hongk. and S. ($125)	146	146	...
St. of S.A. £20, £5 pd.	15⅛	15⅛	− ⅛
W'minster £40, £1 pd.	4	4	...

Insurance.

Alliance £1, fully paid	22	22	...
Com. Un. £2½, fully pd.	28⅛	28⅛	...
Ldn.&Lanc.£5,£1 pd.	31	31⅜	+ ⅛
N.B.&Merc.£5,£1¼pd.	37⅛	38	+ ⅛
Royal Ex. £1, fully pd.	6⅛	6⅛	− ⅛
Roy.ln.£1,with 10/ pd.	8⅛	8⅛	...

Coal, Iron and Steel.

Amal. Anthracite (£1)	⅞	⅞	+ ⅛
Babcock, Wilcox (£1)	3⅛	3⅛	− ⅛
Baldwin (4/)	⅛	⅛	...
Bolckow Vaughan(£1)	⅛	⅛	...
Cory, William (£1)	2⅛	3	+ ⅛
Dorman, Long (£1)	⅛	⅛	...
Guest, Keen (£1)	1⅜	1⅜	...
L.&N.Coal Distillation	1⅛	1⅛	− ⅛
Stewart&Lloyds(£1)..	1⅛	1⅛	...
Swan, Hunter (£1)	1⅛	1⅛	− ⅛
Thornycroft,John (£1)	4⅛	4⅛	...
Vickers (6/8)	⅛	⅛	− ⅛

Textiles.

Bradford Dyers (£1)	2⅞	2⅞	− ⅛
Brit.Celanese,Ord(10/)	1⅛	1⅛	− ⅛
Coats, J. and P. (£1)	3⅜	3⅛	− ⅛
Courtaulds	4⅛	4⅛	− ⅛
Eng.Sewg.Cotton (£1).	2⅛	2⅛	− ⅛
Fine Cott. Spinn. (£1).	2⅛	2⅛	+ ⅛
Listers (£1)	1⅛x	1⅛	...
Snia Viscosa (200 lire)	1⅛	1⅛	...

Electrical Manufacturing.

Associated Elec. (£1)	1⅛	1⅛	− ⅛
British Insulated (£1)	4⅛	4⅛	− ⅛
Ever Ready (G.B.) (5/)	1⅛	1⅛	− ⅛
General Electric (£1).	3⅛	3⅛	− ⅛
Johnson&Phillips (£1)	1⅛	1⅛	...
Siemens (£1)	1⅛	1⅛	− ⅛

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅞	1⅞	...
Brnemth.& Poole (£1)	3⅛	3⅛	− ⅛
County of London (£1)	2⅛	2⅛	− ⅛
Hydro-Elec. com. stk.	39⅛	39⅛	+ ⅛
Newcastle-on-Ty (£1)	1⅛	1⅛	...
Scottish Power (£1)	1⅛	1⅛	...

Telegraphs and Cables.

Eastern Stk.	264⅛	264	− ⅛
Eastern Exten. (£10)	26⅛	26⅛	...
Marconi (10/)	3⅛	3⅛	− ⅛
Marconi Marine (£1)	3⅛	3⅛	− ⅛

Motors.

Dennis (1s.)	2⅛	2⅛	− ⅛
Ford Motors (£1)	3⅛	3⅛	+ ⅛
Leyland (£1)	1⅛	1⅛	+ ⅛
Morris 7½%Cm.Pf.(£1)	1⅛	1⅛	...
Singer (£1)	1⅛	1⅛	− ⅛
Weymann Mot. Bodies	1⅛	1⅛	− ⅛

Shipping.

Cunard (£1)	1⅛	1⅛	+ ⅛
Furness Withy (£1)	2	2	...
P. & O. Defd. (£1)	3	3⅛	+ ⅛
Royal Mail Ord. Stk.	75	74	− 1

Tea and Rubber.

Anglo-Dutch (£1)	2⅛	2⅛	− ⅛
Cons.Tea & Lnds (£10)	35⅛	35	− ⅛
London Asiatic (2/)	⅛	⅛	...
Rubber Trust (£1)	2⅛	2⅛	...

Oil.

Anglo-Persian (£1)	4⅛	4⅛	+ ⅛
Attock (£1)	2⅛	2⅛	+ ⅛
Burmah Oil (£1)	4⅛	4⅛	+ ⅛
Mexican Eagle(£1/0/6)	⅜	⅜	− ⅛
Royal Dutch (£3⅛)	32	32⅛	+ ⅛
Shell (£1)	4⅛	4⅛	+ ⅛

Miscellaneous.

Assoc. P. Cement (£1)	1⅛	1⅛	...
Braz. Traction, no par	70⅛	69⅛	− 1
Brit.-Am.Tobacco(£1)	6⅛	6⅛	− ⅛
Carreras,"A" Ord.(£1)	13⅛	13⅛	...
Columbia Graph.(10/)	14⅛	15⅛	+ 1⅛
Crittall (£1)	2⅛	2⅛	− ⅛
Dunlop (6/8)	1⅛	1⅛	− ⅛
Forestal Land (£1)	1⅛	1⅛	...
Gas Light & Coke (£1)	⅛	⅛	...
Gramophone Co. (£1)	14⅛	14⅛	+ ⅛
Harrods (£1)	3⅛	3⅛	...
Hudson's Bay (£1)	6⅛	5⅛	− ⅛
Imp.Airways(£1 15/p)	1⅛	1⅛	− ⅛
Imp. Chem., Ord. (£1)	2⅛	2⅛	− ⅛
Imperial Tobacco (£1)	6⅛	6⅛	...
Inter. Nickel of Can...	63⅛	64⅛	+ 1
Kreuger & Toll (kr.100)	39⅛	40	+ ⅛
Lyons (J.) (£1)	5⅛	5⅛	...
Margarine Unie (fl.12).	3⅛	3⅛	...
Photomaton Parent...	⅛	⅛	+ ⅛
Swed. Match,B (kr100)	23⅛	23⅛	+ ⅛
Tate and Lyle (£1)	2⅛	2⅛	...
Tilling, Thomas (£1)	5⅛	5⅛	...
Turner & Newall (£1)..	5⅛	5	− ⅛
United Molasses (£1)	7⅛	8	+ ⅛
Victor Talking,no par	151⅛	161⅛	+10
Vocalion (10/)	2⅛	2⅛	− ⅛
Watney Combe Dt.(£1)	3⅛	3⅛	− ⅛

Mines.

Anglo-Amer.ofS.A(£1)	2⅛	2⅛	+ ⅛
De Beers Def. (£2½)	13⅛	13⅛	...
Brakpan (£1)	4⅛	4⅛	...
"Chartered" 15/f.p..	2⅛	1⅛	− ⅛
Burma Corp.(Rs. 10)	⅜x	⅜	+ ⅛
Bwana M'Kubwa,5/fp	1⅛	1⅛	− ⅛
Central Provinces(£1)	4⅛	4⅛	...
Geduld (£1)	3⅛	3⅛	− ⅛
Johan. Cons. (£1)	2⅛	2⅛	+ ⅛
Lake View & Star (4/)	⅛	⅛	...
London Tin (£1)	3⅛	3⅛	...
Rio Tinto (£5)	60⅛	63⅛	+ 3⅛
RoanAntelopeCpr.(5/)	2⅛	2⅛	+ ⅛
Sub-Nigel (10/)	2⅛	2	− ⅛
Tanganyika (£1)	3⅛	3⅛	+ ⅛
UnionCrp.(12/6)fu.pd.	4⅛	4⅛	− ⅛

FOREIGN STOCK EXCHANGES.

NEW YORK.

Buoyancy in the share market continues, and prices in most sections have now fully recovered the loss which followed the break, early in the month, due to the Reserve Board's " warning." The outstanding feature is the sharp rise in copper shares, following the successive increases in the price of the metal, which is now 19½ cents per lb., and is expected to rise further. Steel shares are also good, stimulated by the capital readjustment programme of the United States Steel Corporation, and by higher prices. Motor shares are also reviving with a record output in hopes of heavy spring sales. Shares are encouraged by the growing belief that no change will be made in the New York discount rate, and by the fact that the market is becoming inured to high discount rates. End-of-the-month demands sent call money up to 10 per cent. at the close, but failed to halt speculative enthusiasm, and brokers' loans again took an upward course with a rise of $30 million. Bonds gradually sank, with the best railroad descriptions at the lowest level for several years, on the anticipation of a long period of comparatively high money rates.

	Feb. 21.	Feb. 28.	Rise or Fall.
4½% Lib. Ln. '33–8	99⅜	99⅛	− ⅛
3½% Trs.Bs.'46–56	100⅜	100⅜	...
Ach., Top. &an. Fé	201	202	...
N. York Central	190½	194½	+ 4
Union Pacific	223	225	+ 1½
Pennsylvania	77½	78½	+ 2
South. Railway	148⅜	148½	+ 1
U.S. Steel	182	191½	+ 9½
General Motors	81½	83⅝	+ 2⅛
Amer. Tel. & Tel.	212⅜	215½	+ 2⅜
General Electric	239½	245½	+ 5⅝
Victor Talking	148½	155⅜	+ 6⅛
Std. Oil of N.J.	48½	49⅜	+ ⅞
Anaconda	135⅜	147	+ 11⅝

By the courtesy of the Standard Statistics Company, Inc., of New York, and 13, Copthall Avenue, London, we reproduce the following index figures of American security values and yields, as at the close of business on the days stated :—

(1926 = 100.)

	1927. Lowest.	1927. Highest	1928. Lowest.	1928. Highest.	1929. Beginning of Year.	1929. Feb. 14.	1929. Feb. 21.
342 Industrials	104·7	137·1	132·5	186·4	182·8	191·9	189·7
33 Rails	106·1	128·0	120·5	139·7	140·9	141·2	140·8
35 Utilities	103·3	128·3	128·3	180·6	184·6	220·2	201·3
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	186·3	184·4
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·50%	3·90%

PARIS.

A number of important companies have recently decided to increase their capital, and this will probably have the effect of withdrawing considerable funds off the markets for a time. These happenings were discounted months ago; once again, fact played false with theory, and the stocks hardly held their own, especially since the bear interest, on the eve of the declaration of options, tended to exploit the uncertainties of the political situation and the international monetary difficulties. The general tendency has been one of hesitation, and the majority of stocks (banks, coal, electricity, chemicals, etc.) have lost a certain amount of ground. Suez is well placed. Rubbers have advanced appreciably, and copper shares have been very firm, Boléo and Tharsis in particular.

	Feb. 21.	Feb. 28.	Rise or Fall.
3% Perp. Rentes	71·50	69·85	−1·65
5% Rentes,'15–16	97·15	96·95	−0·20
5% Rentes, 1920	117·55	115·60	−1·95
Banq. de France	25,780	25,225	− 555
Banq. de Paris	5,270	5,310	+ 40
Crédit Lyonnais	4,495	4,320	− 175
Nord	2,470	2,520	+ 50
Com. Gen. d'Elec.	4,590	4,475	− 115
Littoral Médit.	1,537	1,465	+ 72
Mines de Lens	1,405	1,355	− 50
Courrières	1,650	1,600	− 50
Pechiney	4,320	4,100	− 220
Kuhlmann	1,268	1,225	− 43
Com. Gen. Trans.	1,380	1,350	− 30
Sues Canal	26,300	26,100	− 200
Assur. Gen. Vie	14,700	14,500	− 200
Denain et Anzin	3,725	3,670	− 55
Dollfus Mieg.	13,600	13,375	− 225

BERLIN.

A week ago the Bourse closed with a slight recovery, due in part to foreign buying, but the new week began with a heavy and almost general decline, which was not checked by the intervention purchases of two leading " D " banks. Bemberg and Polyphon dropped sharply, and Farbenindustrie touched the low level of last March. Nervousness was caused by a fresh advance in the private discount rate. Tuesday opened with a moderate recovery, but in the absence of a buying public prices later declined. On Wednesday and Thursday a more substantial recovery took place, most marked in potash stocks, Polyphon, and others which had declined badly earlier in the week. Buying on Paris, Vienna and Prague orders was reported.

	Feb. 21.	Feb. 28.	Rise or Fall.
Reichsbank	304·87	297·25	−7·62
Deutsche Bank	159·75	158·25	−1·50
Disconto Bank	164·00	163·00	−1·00
Hamburg-Amer.	124·50	124·63	+0·13
Norddeut.-Lloyd	123·87	124·88	+1·01
I.G. Farbeninds.	249·00	244·00	−5·00
Verein. Glanzstf.	425·00	410·50	−14·50
Bemberg	392·50	360·00	−32·50
Verein. Stahlke	98·12	97·13	− 0·99
Mannes Rohrke	123·75	122·00	− 1·75
Allgemne. Elekt.	173·87	164·75	− 9·12
Siemns. & Halske	378·00	368·25	− 9·75
Daimler Benz	55·25	53·50	− 1·75
Cont. Caoutchuc.	137·50	140·25	+ 2·75
Salzdetfurt. Kali	325·00	303·50	−21·50

AMSTERDAM.

Business on the Bourse was restricted owing to the higher money rates, and the tendency was irregular, industrials weakening. Rubbers only, on the better prices for the commodity, were firm. Interest in oils centred chiefly on Royal Dutch, as a result of higher 1928 production. Sugar shares were steady, but shipping irregular, and tobaccos received little attention. Later in the week the market became more settled.

The money market was steady.

	Feb. 21.	Feb. 28.	Rise or Fall.
5% Bds. Neth.,'18	101⅛	101⅛	...
4½% Arns.1913–14	99⅝	99	− ⅝
Maryarine Unie	363⅛	370½	+ 6⅜
Neth. Art. Silk	383⅛	380½	− 2⅝
Philips El. Lamp.	885	874	− 11
Singkep Tin	331⅛	335	+ 4⅛
Royal Dutch	389	395⅜	+ 6⅜
Amst. Rubber	286⅛	287½	+ ⅜
Serbadjadi Sm.R.	243	254½	+ 11½
Holl. Amer. Line	78⅛	77⅛	− 1
Navig. Co., Ned.	207	206½	− ½
Vorstenlanden	159	159	...
Trading Co., Ams.	660⅛	660½	− ⅛
Bescoki	567	559	− 8
Deli	444⅛	450	+ 5½
Neth. Trad. Soc.	186½	186½	+ ⅜

INVESTMENT NOTES.

Home Railway Stocks.—The London and North-Eastern Railway having announced its decision to pay the 2nd preference dividend for the year 1928 in full, and a nominal amount of ¼ per cent. on the preferred ordinary (as against ⅜ per cent. a year ago), the trustee character of the company's fixed charges is maintained. No draft is being made on reserves, " economies " of approximately £2,900,000 in working expenses having been effected —a creditable performance in a year of unusual difficulties. We hope next week to publish the first of our usual series of articles on the position of the great British railways, as evidenced by the detailed figures given in the reports for last year. Meanwhile, an examination of present Stock Exchange values, as compared with those prevailing after the dividend declarations of earlier years, reveals many points of interest. The following table shows the price and yield of the leading " senior " securities of the four group lines, at the end of February, in 1926, 1928, and 1929 respectively (the figures for February, 1927, are omitted, since they reflect the results of the abnormal coal-stoppage year, 1926) :—

DEBENTURE, GUARANTEED AND PREFERENCE STOCKS.

	End Feb., 1926. Price.	Yield.	End Feb., 1928. Price.	Yield.	Present Time. Price.	Yield.
		£ s. d.		£ s. d.		£ s. d.
Debenture Stocks :						
L.M.S.R. 4%	80	5 0 0	80	5 0 0	78⅜	5 1 6
L.N.E.R. 3%	58	5 3 6	58½	5 2 6	57½	5 4 9
L.N.E.R 4%	78½	5 2 6	79	5 1 3	77	5 4 0
G.W.R. 4%	81	4 18 6	81⅛	4 18 3	81⅛	4 18 3
S.R. 4%	80	5 0 0	79⅛	5 0 3	78⅛	5 1 6
Guaranteed Stocks :						
L.M.S.R. 4%	80	5 0 9	79⅛	5 1 0	78	5 2 6
L.N.E.R. 4% 1st	74	5 8 9	75⅛	5 6 0	72	5 11 0
L.N.E.R. 4% 2nd	71	5 12 9	72⅛	5 10 3	68⅛	5 16 9
G.W.R. 5% Consol.	100⅛	5 2 0	100	5 2 6	100	5 2 6
S.R. 5% Guar. Pref.	100⅛	5 2 0	100	5 2 6	100	5 2 6
Preference Stocks :						
L.M.S.R. 4%	75	5 9 6	75½	5 8 9	72	5 14 3
L.M.S.R. 4% 1923	73	5 12 9	74⅛	5 10 9	70	5 17 9
L.N.E.R. 1st 4%	67	6 3 0	70½	5 16 9	64	6 9 0
L.N.E.R. 2nd 4%	62	6 13 3	65	6 11 3	55½	7 15 3
G.W.R. 5% Consol.	95	5 8 0	99	5 3 9	96	5 7 0
S.R. 5%	94	5 9 3	93½*	5 7 0	93	5 10 0

Note.—The above prices include accrued interest, which has been deducted in calculating the respective yields. * Ex dividend.

Despite the difficulties of the recent months, very slight depreciation has occurred in the value of debenture and guaranteed stocks. In other words, the position of trustees who hold fixed charge securities is much happier than might have been expected, particularly as rates for money generally are somewhat higher to-day than three years

ago. In the case of preference stocks the fall in values is more noteworthy, except as regards the Great Western and the Southern. The position as regards ordinary stocks is as shown :—

ORDINARY STOCKS.

	End Feb., 1926.			End Feb., 1928.			Present Time.		
	Total Dividend.	Price.	Yield.	Total Dividend.	Price.	Yield.	Total Dividend.	Price.	Yield.
	%		£ s. d.	%		£ s. d.	%		£ s. d.
L.M.S.R. ...	6	76½	7 16 9	4½	72½	6 11 0	3½	53	6 12 0
L.N.E.R. 5% Pref.	5	56½	8 17 0	⅜	38	1 0 0	½	23½	1 1 6
L.N.E.R. Deferred	1	18¼	5 6 9	Nil	15½	Nil	11¼	10⅞	Nil
G.W.R. Consol ...	7	90	7 15 6	7	102½	6 16 6	5	82	6 2 0
S.R. Prefd.	5	79	6 6 6	5	79	6 6 6	5	76	6 11 6
S.R. Defd.	3¼	45	7 15 6	2	35	5 14 3	2	325	6 5 0

The figures reveal the significant fact that, extensive as has been the fall in values (again with one or two exceptions) since 1926, the drop has not been fully proportionate to the decline in dividends, so that the yield obtained, in the majority of cases, is actually *lower* than it was three years ago. The dividends of that period were unrepresentative of true railway earning power, since they were paid to a significant extent by drafts on reserves—a policy which has, happily, been avoided during the last two years. It will be observed, finally, that, all through the list for the present year, Great Western stocks give a smaller yield (*i.e.*, stand at a higher average level) and North-Eastern a greater yield, than those of the other groups (apart from North-Eastern ordinary stocks, to which special conditions apply). Otherwise the average current yield on home railway debentures may be put at about 5–5¼ per cent.; on preference stocks at 5½–5¾ per cent.; and on ordinary stocks at 6–6½ per cent.

The Yield on American Common Stocks.—In the *Economist* of last week (page 406) we described various index numbers of American security values which we hope to publish regularly, week by week, in our columns, by the courtesy of the Standard Statistics Company, Inc., of New York and 13, Copthall Avenue, London. The figures for the current week will be found on page 455 of this issue, in the section devoted to Foreign Stock Exchanges. A further subject of interest to those desirous of keeping in touch with security market trends is that of variations in the dividend yield obtainable on a representative holding of stocks. It is generally understood that the average figure is appreciably lower in America than in Great Britain, and further, that the level in the former country has lately been declining—in other words, that the recent increase in stock values has outrun that in earning power. How far is this true? An approximate answer can be given by reference to a further index prepared by the Standard Statistics Company, which shows the dividend yield on 50 American common stocks during the last few years, based on the closing prices of Thursday in each week. The recent course of this index is shown :—

DIVIDEND YIELD ON 50 INDUSTRIAL COMMON STOCKS.

Date.	1927.		1928.		1929.	
	Lowest.	Highest.	Lowest.	Highest.	Jan. 24.	Feb. 21.
Average yield per cent.	4·21	5·12	3·32	4·42	3·33	3·90

The figures suggest that the fall in yields has been considerable, a "middle" figure of 4·66 per cent. in 1927, comparing with 3·87 per cent. in 1928. Exact comparison of American and British levels, in this respect, is not possible in the present state of knowledge, but a certain interest attaches, in a broad way, to the results shown below. The British index is our own, and is based on the yield obtainable at various dates, on an investment of £1,000 in each of 25 representative and "active" industrial ordinary shares :—

	American Common Stocks. End of				British Ordinary Shares. End of			
	Mar.	June.	Sept.	Dec.	Mar.	June.	Sept.	Dec.
	%	%	%	%	%	%	%	%
1926	5·00	5·17	4·76	4·88	6·28	6·36	6·18	6·14
1927	5·07	5·11	4·31	4·22	5·91	5·64	5·40	5·31
1928	4·03	4·11	3·72	3·44	5·31	5·31	5·28	5·16

No deduction for tax has been made in either case. Not only would the yield on a representative British holding appear higher than on an American, but the gap has recently tended to widen, the American index having fallen more rapidly than the British. We hope to indicate future changes in the American figures in the column to which reference has already been made.

Sir Basil Blackett on the War Loan.—The annual banking supplement of the *Financial News* was noteworthy for an article by Sir Basil Blackett, lately appointed a director of the Bank, on the problem of dealing with the Five per Cent. War Loan, which, he says, deserves more thorough examination and more general attention than it is receiving. We wholly concur, and it is well that men of such authority as Sir Basil Blackett should give prominence, as this article lucidly does, to the desiderata and the difficulties. Disclaiming the intention of suggesting or even discussing particular proposals, he presses for thorough recognition of two facts, that a reduction of ½ per cent. in the rate of interest on this loan is worth over £10 million a year to the Exchequer, and that the mere existence of this 5 per cent. loan is responsible for adding at least ½ per cent. to the cost of all new borrowing in the London market. The latter statement cannot be directly proved, but we would agree with him that it is not open to question, and that the cost of borrowing in London affects the cost in every other important market in the world; in fact, to convert this loan on to cheaper terms might help indirectly to stimulate industry all the world over. The obstacles in the way of conversion do not need to be reiterated here; Sir Basil suggests that the rest of the difficulties are small compared with those that arise purely from the magnitude of the loan and the proportionately tremendous risk which the Treasury would have to face whatever action were taken. But it concerns everyone that after June 1st next the Government will be paying a higher rate than is obligatory under the terms of the original contract upon more than £2,000,000,000 of the National Debt, besides losing a not inconsiderable sum yearly owing to interest on War Loan not being subject to tax deduction at the source. And, in Sir Basil Blackett's opinion, even holders of the loan would gain on balance as citizens and taxpayers, not to speak of the benefit to British industry, if the interest rate on this part of the debt could be reduced.

Bulgarian Finances.—The Information Section of the League of Nations has published official statistics of the Ministry of Finance of Bulgaria which shows that for the nine months period, December 31, 1928, there has been an appreciable increase in the budget receipts over the corresponding period of 1927. The actual receipts proved to be 6·1 per cent. higher, while the actual expenditure was 3·8 per cent. lower than the budget estimates in each case. As a surplus balance was allowed for in the estimates, it would appear that the Bulgarian budget was drawn up on conservative lines. It may be recalled that the special security assigned to the Bulgaria 7½ per cent. Stabilisation Loan of 1928, which was issued under the auspices of the League of Nations, was the receipts obtained from all import and export duties, which were estimated on the basis of last year's figures to cover the service of the loan over four times. If at any time the total yield of these revenues fell below 150 per cent. of the annual sum required to meet the service of the loan, the Inter-Allied Commission undertook to release, at the request of the League, such additional revenues as might be sufficient to bring the yield up to 150 per cent., but it would appear

that the improvement in Bulgarian finances might allow the 7½ per cent. Stabilisation Loan to stand, as it were, on its own legs. This would be another achievement of the League of Nations in the work of reconstructing the finances of belligerent Europe.

The Underground and the Petrol Tax.—At the general meeting of the Underground group of railways, Lord Ashfield, through his deputy, referred to the question of motor taxation, which in view of the coming Budget has become the subject of much discussion. The petrol tax of 4d. a gallon, according to Lord Ashfield, costs the Underground group nearly £375,000 in a full year, in addition to which the licensed vehicle duty costs £425,000, making a total of £800,000, which represented 5·35 per cent. of the gross traffic receipts of the Underground group, or a much greater percentage if the omnibuses were taken separately. The present taxation represented a charge for the Underground of 1·2d. per mile run. For every 14 passengers carried in an omnibus one is required to meet the burden of taxation. The latest figures available for the cost of maintaining roadways in the London area indicated an average cost of under £1,000 a mile, yet the contribution made through taxation by the London General Omnibus Company and its associates in 1929 would amount to over £900 per annum per mile of roadway run over. Lord Ashfield concluded that his group paid more than their fair share of the cost of the roadways which they used, and that the pedestrians, cyclists, horse vehicles and motor vehicles of all sorts other than motor omnibuses, not to mention gas pipes, water pipes, electric cables and telephones, all used the roadways practically for nothing if the money contributed by the Underground group was directly devoted to the maintenance and upkeep of those roads. Lord Ashfield remarked that the real burden of taxation must fall upon the ultimate consumer, so that if the price of petrol were to rise some adjustment in omnibus fares would be unavoidable. The question, is perhaps, more urgent than Lord Ashfield imagines. In a pamphlet on "The Price of Petrol," by Mr. E. H. Davenport, which has just been published by the London General Press, it is pointed out that the over-production of crude oil and a fall in crude oil prices do not always lead to a fall in petrol prices. Petrol is not the only product of the crude oil. If the market for other products is weak and their prices fall, petrol will have to be increased in price to cover the deficiency. This is happening to-day with regard to fuel oil, which has fallen considerably in price, and is now selling at a very low level. While coal remains cheap it cannot be expected that the price of fuel oil will recover. Petrol will therefore have to bear the burden of the deficiency on the sales of fuel oil, for the total receipts from all oil products must somehow cover the total cost of refining, producing and marketing the crude oil. Read in conjunction with Lord Ashfield's views on the subject of motor taxation and omnibus fares, this argument in "The Price of Petrol" does not make the outlook too promising for the travelling community.

The above was written before the increase in the price, which was actually announced as we went to press.

Courtaulds.—The 1928 report may most appropriately be read in the context of the chairman's recent letter to "The Times," on which we commented in our issue of February 16th (p. 351). The actual results for the last three years are tabulated below. Incidentally, the report shows that no allocation has been made this year to special reserve before striking profits, so that the real increase in earnings is £250,000 less than the apparent figure:—

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Profits	3,840,791	4,585,921*	5,171,997
Preference dividend	400,000	400,000	400,000
Ordinary { Earned, after tax	28·6%	34·8%	(a)19·8%
Ordinary { paid, tax free	22½%	25%	(b)15%
Ordinary { amount	2,700,000	3,000,000	3,600,000
To general reserve	750,000	1,000,000	1,000,000
Increase or decrease in carry-forward	− 9,209	+ 185,921	+ 171,997

* Excluding £250,000 carried to special reserve.
(a) Equivalent to 39·7% on old capital. (b) Equivalent to 30% on old capital.

The balance-sheet figure for stock-in-trade has gone up from £2,058,671 to £2,283,903, in spite of a substantial price cut last December. "During the last quarter of the year," says the report, the home market "was disturbed by very low offers from new producers, coupled with a similar state of affairs on the Continent, and stocks increased" in consequence. The assets side of the balance-sheet shows the all-round increase in earning assets that one has come to expect of this company. Cash has fallen from £3,532,325 to £1,634,709. The cautious phraseology employed in Courtalds' reports is proverbial, and though favourable reference is made to the United States of America and Canada, the state of Continental markets is described as chaotic. In this country the recent price reduction, though "favourably received" (whatever the phrase may mean), has not yet resulted in increased business. The shares were up to 5 at the time of Mr. Courtauld's letter; just before the appearance of the report they were being dealt in around 4½, and are now down to 4⅜, at which they yield £3 11s. 6d. per cent. free of tax.

Selfridge.—The full accounts for 1928-9 are less favourable, in one respect, than might have been hoped for. Under Selfridge's guarantee of a 25 per cent. dividend on 450,000 ordinary £1 shares of William Whiteley, Limited (for fifteen years from February, 1927), some £46,105, approximately two-fifths of the maximum liability, actually fell to be paid. Consequently, though allocations against depreciation and for writing down of balance-sheet items were diminished, and nothing was put to reserve, a small draft had to be made on the £148,950 carried forward in order to maintain the dividend on the privately held Selfridge ordinary shares at 20 per cent. The cover on both classes of preferred shares was slightly reduced :—

Year ending January 31.	1926-7.	1927-8.	1928-9.
	£	£	£
Net trading profit	504,214	475,192	476,417
Profit on sale of investments	330,950	...	...
Debenture interest	14,042	13,614	13,293
Paid under guarantee to Whiteley's	...	...	46,105
Depreciation, income tax, etc.	150,000	91,000	80,000
Net earnings	671,122	370,578	337,019
6% tax free preference dividend	78,000	78,000	78,000
No. of times covered	...	*4·7*	*4·3*
10% preferred ordinary dividend	100,000	100,000	100,000
No. of times covered	...	*2·9*	*2·5*
Dividend on staff shares	9,686	11,059	11,032
Ordinary dividend (20%)	150,000	150,000	150,000
To staff clubs	3,000	1,000	...
To reserve fund	325,000	25,000	...
Increase or decrease in carry-forward	+ 5,436	+ 5,519	− 2,013

A summary of the balance sheet, which shows no noteworthy changes except a reduction from £149,479 to £90,575 in the cash holding, will be found on a later page. As to the future, a good deal depends on the contingent liabilities of the company. The guarantee on the ordinary shares in Selfridge Provincial Stores comes to an end in November of this year. The latter closes its financial year on August 31st, so that from the time when its last report was issued the guarantee had another 14 months to run, but as the Provincial dividend was covered 1·3 times by earnings last year the parent may escape further liability. The case of Whiteley's, however, is not quite on the same footing. The 1928–9 report of Whiteleys shows that profits, less depreciation charges, have increased from £106,570 to £142,551, though the latter included an unstated sum transferred from reserves no longer required. The apparent earnings amount to 16⅜ per cent. on the ordinary shares, leaving £38,753 to be provided by Selfridge's during the current year. Though this is better than last year, and though, according to the directors, Whiteley's business has shown progress in all sections and the expenditure on improvements and maintenance of property has been deliberately on a larger scale than hitherto, it is possible that Selfridge's may still have to meet a certain charge for some time. It happens that Whiteley's ordinary shares and Selfridges,

preferred ordinary at their present prices of 3½ and 1 13/32 respectively give almost identical yields, viz., 7⅛ per cent., less tax. As regards the status of the two securities, however, the investor may find it of interest to consider whether payments by Selfridge's to Whiteley's under the guarantee would not take precedence, if necessary, over dividends on the former's preferred ordinary shares.

New Capital Issues in February.—In the table below we show the new capital raised in London by issue to the public or shareholders in February, 1929; comparative figures for the previous month and for the corresponding months of 1928 are given, together with the monthly averages for preceding years :—

(000's omitted).

Monthly Average.	United Kingdom.		British Possessions.	Foreign Countries.	Total.
	£		£	£	£
1912 and 1913 ...	3,387		6,199	7,388	16,974
1924	7,051		6,023	4,370	17,444
1925	12,918		5,077	1,356	19,351
1926	10,765		4,431	4,036	19,232
1927	17,240		8,318	4,039	29,597
1928	21,965		5,263	3,526	30,754
	Govt.	Other.			
January, 1928 ...	*86,861*	*12,802*	*10,055*	*6,188*	*115,906*
February, 1928...	*Dr. 250*	*24,972*	*2,471*	*297*	*27,490*
January, 1929...	650	14,080	24,897	2,983	42,610
February, 1929..	950	22,427	372	2,005	25,754

The £950,000 obtained by the British Government consists entirely of National Savings Certificates, new sales of which have exceeded encashments every week since the beginning of the year. Issues exceeding £2 million in each case were made by Debenhams, J. Sears & Co., and the London Power Company, but no less than £9,719,000 of the United Kingdom total must be credited to investment trust companies. No corporation borrowing took place. The Roumanian stabilisation and development loan supplied the bulk of the £2,005,000 raised for foreign countries.

CAPITAL ISSUES.

PROBABLY by reason of the general dullness of the City, the week was a light one for prospectus issues, which amounted to £3,152,470, bringing the total for the year to date up to £68,675,978, excluding conversions. The corresponding figures for last year were £7,248,250 and £144,167,729. Issues totalling £685,080 to shareholders only were also announced, and new securities that came on the market by way of advertisements "for information only" accounted for a further £1,259,617 on the basis of the opening price. Trust companies were represented as usual, this time by the *Clyde and Mersey Investment Trust*, on the board of which Glasgow names were prominent. £1 million of the total of £1¼ millions had already been privately placed. Three debenture issues of £150,000 each were made by the three *Scottish National Trust* companies following their latest issues of share capital. The first of the three issues, apparently, is not to be dealt in on the London Stock Exchange. Bovril, Limited, offered first preference shares in the *Argentine Estates of Bovril*, the dividend for six years being guaranteed by the parent company. No dividend was paid in the last financial year on the two classes of junior shares. *Petroleum Refineries* proposes to exploit a licence obtained from Detroit and to set up a factory to produce motor spirit on the Humber. The prospectus includes a profit estimate calculated on the assumption that the plant will work a 24-hour day for no less than 340 days in the year. The failure of some speculative issues to obtain full subscription contrasts sharply with the eagerness shown by subscribers a few weeks ago. *Saint Raphaël Casino and Hotels* involves a double gamble. *Ice-Rinks* would seem to have been designed to seize a climatic opportunity; its programme extends to "London and leading British and Continental resorts," and a start is being made by the purchase of land at Golders Green. The *Guinea Portable Gramophone* is to be "almost" dust-proof and rain-proof; 3,000,000 shilling shares were offered to the public, the issuing house obtaining an option on no less than another 1,200,000. Certain aspects of the issue aroused debate in the daily Press. *Malaysiam Tin* is entering an admittedly speculative field; one of two mines acquired is already in production, but the mining rights on another estate which is to be purchased have not yet been procured. *Sphinx Electric* draws a rosy picture of the future of its patent products, but gives only combined *gross* profits for the last five years of three businesses, two out of which are being acquired.

ISSUES OF THE WEEK.

By Prospectus or Offer of Sale.

Net total previously recorded, £64,538,428.
Including conversion total previously recorded, £78,112,979.

National Savings Certificates.
Net sales week ended February 23, 1929, £300,000.
Total receipts April 1, 1928, to February 23, 1929, Dr. £250,000.

Description and Date of Issue.	Nominal Capital.	Conversions or Repayments.	New Money Cash Subscription.	First Payment.	Further Liability
To the Public.	£	£	£	£	£
Guinea Portable Gramophone 3,000,000 Ord. Shs. of 1s. each at par (Feb. 25)	150,000	...	150,000	75,000	75,000
Ice-Rinks, Ltd., 850,000 Shs. of 5s. each at par (Feb. 25)...	212,500	...	212,500	42,500	170,000
Saint Raphael Casino and Hotels 700,000 8% Cum. Partic. Pref. Shs. of 5s. each at par.....	175,000	...	175,000	35,000	140,000
Do. 700,000 Deferred Shs. of 1s. each at 2s. (Feb. 25)	35,000	...	70,000	70,000	...
Petroleum Refineries, Ltd., 700,000 Partic. Pref. Ord. Shs. of 10s. each at par	350,000	...	350,000	87,500	262,500
Do. 700,000 Ord. Shs. of 1s. each at par (Feb. 26)	35,000	...	35,000	35,000	...
Clyde and Mersey Investment Trust, Ltd., 120,000 Shs. of £10 each at par (Feb. 26) ...	1,200,000	...	1,200,000	60,000	1,140,000
Malaysiam Tin, Ltd., 460,000 Shs. of 5s. each at par (Feb. 27)	115,000	...	115,000	46,000	69,000
Scottish National Trust 5% Deb. Stk. (red. at par June 30, 1950–55; at 96 (Feb. 26)·	150,000	...	144,000	144,000	...
Second Scottish National Trust 5% Deb. Stk. (red. at par June 30, 1951–56); at 96 (Feb. 26)	150,000	...	144,000	144,000	...
Third Scottish National Trust 5% Deb. Stk. (red. at par Dec. 31, 1952–57); at 96 (Feb. 26)	150,000	...	144,000	144,000	...
Argentine Estates of Bovril, 311,470 6% Cum. Pref. Shs. of £1 each at par (Mar. 1) ...	311,470	...	311,470	31,147	280,323
Sphinx Electric, 290,000 10% Partic. Pref. Shs. of 5s. each at par.....	72,500	...	72,500	14,500	58,000
Do. 580,000 Ord. Shs. of 1s. each at par (Feb. 28)	29,000	...	29,000	29,000	...
Total offered to public week ended March 2, 1929	3,135,470	...	3,152,470	957,647	2,194,823
To Shareholders only.					
Edinburgh Investment Trust, 50,000 Shs. of £5 each at par	250,000	...	250,000	250,000	...
Ever Ready (Great Britain) 395,200 Shs. of 5s. each at 20s. 6d.	98,800	...	405,080	49,400	355,680
Kalidjerock Rubber, 20,000 Ord. Shs. of £1 each at 30s....	20,000	...	30,000	5,000	25,000
Total to Shareholders only week ended March 2, 1929	368,800	...	685,080	304,400	380,680

Total offered for Subscription.—

To date—	Including Conversions. £	Excluding Conversions. £
1929	82,250,529	68,675,978
1928	...	144,167,729
1927	...	116,656,331
1926	...	53,271,455
1925	...	30,295,871
1924	...	27,849,075
1923	...	57,153,799

Total offered for Subscription.—

Whole year—	Including Conversions. £	Excluding Conversions. £
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,601
1925	...	232,214,500
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Issue (in brackets).	Amount of Capital Introduced. £	Price at which Dealings Began.	Total Cash Involved. £
Amount previously recorded	4,628,450	...	8,356,487
W. G. Clarke & Sons (1929), 250,000 7½% Cum. Pref. £1 (Feb. 4)	250,000	21/3	281,250
D. Smith & Sons (1924), 405,000 Shares 1s. at par.....	20,250	5/1½	151,062
Do., 195,000 Shares 1s. at 3s.	9,250	5/1½	
Lightfoot Refrigeration Co.–£150,000 6½% Debs. at 94½, red. Jan. 1, 1939 (Jan. 28)	141,750	96⅛	144,935
Marshall, Morgan and Scott, 120,000 7% Cum. Ptg. Pref. £1 (Jan. 29).....	120,000	20/6	123,000
Preanger (Java) Rubber, 500,000 Shares, 2s. (Feb. 13)	50,000	3/4½	84,370
London and Strathclyde Trust, £500,000 5% Debs. issued at 95, red. 1953–58 ...	475,000	95	475,000
Total week ended March 2, 1929	1,066,250	...	1,259,617

Total amount of capital introduced Jan. 1 to March 2, 1929—£5,694,700.
Total Cash involved in introductions, Jan. 1 to March 2, 1929. £9,615,104.

Clyde and Mersey Investment Trust, Limited.—Issue at par of 125,000 (out of 200,000) £10 shares, to be converted when fully paid into £6 of 5 per cent. preference and £4 of ordinary stock.

Scottish National Trust Company, Limited; Second Scottish National Trust Company, Limited; Third Scottish National Trust Company, Limited.—These three investment trust companies were incorporated in 1924, 1925 and 1926 respectively. Issued capital in each case consists of £360,000 5 per cent. cumulative preference stock, £240,000 ordinary stock, and 15,000 £10 shares convertible into £90,000 preference and £60,000 ordinary stock. Each is now issuing £150,000 5 per cent. debenture stock at 96, redeemable in 1950–5, 1951–6, and 1952–7 respectively, ranking with some £600,000 already issued.

Argentine Estates of Bovril Limited.—Offer for sale at par, with guarantee of dividend up to 1935 by Bovril, Limited, of 311,470 £1 6 per cent. cumulative preference shares. The Argentine company farms a group of estancias stocked with cattle, together with meat-preserving factories. Issued capital consists of 188,530 £1 6 per cent. cumulative preference, 460,000 £1 8 per cent. cumulative preferred ordinary, and 482,028 10s. ordinary shares, together with £198,700 5¼ per cent. first mortgage debentures and £200,000 6 per cent. redeemable debenture stock. Profits for 5 years ending September 30, 1927, averaged £69,743. Proceeds of present issue will be available for further working capital and redemption of debentures.

Petroleum Refineries, Limited.—Issue at par of 700,000 10s. 8 per cent. participating preferred ordinary and 700,000 (out of 2,400,000) 1s. ordinary shares, the former entitled to two-fifths of the surplus distributed profits after payment of 8 per cent. on the ordinary. The company acquires a licence to produce motor spirit from petroleum oils or other raw material under certain patents, options to acquire a freehold site and an existing sales organisation for £59,000 in all, and the benefit of a contract to construct plant at a cost of £150,000. The total purchase consideration is £72,000, payable as to £25,000 in cash and £47,000 in ordinary shares. Working capital, after payment for site and plant, is estimated at £70,000. A further 700,000 1s. shares are under option at par.

Saint Raphaël Casino and Hotels, Limited.—Issue of 700,000 (out of 1,000,000) 5s. 8 per cent. cumulative participating preference shares at par and 700,000 (out of 1,000,000) 1s. deferred shares at 2s., the former entitled, after payment of 20 per cent. on the deferred, to half the surplus distributed profit, subject to a maximum additional dividend of 10 per cent. The company acquires control of two French companies owning a casino and a hotel at St. Raphael. The 95 per cent. interest to be acquired represents a valuation of approximately £204,400. Purchase consideration is £182,435 in cash and £10,000 in deferred shares. Working capital is estimated at £35,000. The remaining 100,000 1s. shares are under option at par.

Ice-Rinks, Limited.—Issue at par of 850,000 (out of 1,320,000) 5s. shares. The company will erect, finance, and manage ice-skating rinks in London and British and Continental resorts. A freehold site at Golder's Green is acquired for the sum of £22,500 in cash, and 150,000 shares are issued as fully paid to the promoters. Working capital is estimated at over £20,000.

Guinea Portable Gramophone Company, Limited.—Issue at par of 3,000,000 (out of 5,000,000) 1s. ordinary shares. The company acquires an invention embodied in a British patent, with patent rights for nine foreign countries. The purchase consideration is £75,000, payable as to £35,000 in cash and £40,000 in shares. Working capital is estimated at £65,000. The remaining 1,200,000 shares are under option at par.

Grace National Bank
Hanover Square, New York, U. S. A.

Commercial Banking. Execution of orders in New York for European banking correspondents.

Special Representative

148 Leadenhall St. London, E. C. 3.

Malaysiam Tin, Limited.—Issue at par of 460,000 (out of 1,000,000) 5s. shares. The company acquires tin-bearing properties in the State of Perak. The purchase consideration is £85,763 in cash, £20,000 in shares, and an option on a further 20,000 shares at par. Working capital is estimated at £10,000. The company also has an option on another area.

Sphinx Electric, Limited.—Issue at par of 290,000 (out of 300,000) 5s. 10 per cent. participating preference and 580,000 (out of 1,500,000) 1s. ordinary shares, the former entitled to one-quarter of the surplus distributed profits after payment of 10 per cent. on the ordinary. The company acquires an established business of electrical apparatus manufacturers, together with the share capital of a similar business in the Irish Free State, valued in all at £88,700. The purchase price is £88,000 (including £34,000 for goodwill), payable as to £47,000 in cash, £2,500 in preference and £38,500 in ordinary shares. Gross profits are given over five years. Working capital is estimated at £42,000. The remaining 150,000 ordinary shares are under option at par.

Particulars of the following have been issued for public information only in connection with Stock Exchange "introductions" :—**English and New York Trust Company, Limited** issued capital £45,000 5 per cent. cumulative preference stock and £300,000 ordinary stock; incorporated in 1912, and objects now limited to those of an investment trust company; £250,000 5 per cent. debenture stock, 1979, has been placed at 96½. **Nevett, Limited**; issued capital 79,487 £1 shares; incorporated in 1918 as a private company of bookbinders, etc., and converted into a public company in 1920; recent dividends have been: 1925-26 and 1926-27, 6 per cent.; 1927-28, 7½ per cent. **Hungarian General Savings Bank, Limite** issued capital 400,000 shares of 50 pengö each; the bank was founded in 1881, and carries on all branches of banking business. **British Indestructo Glass, Limited**; issued capita £95,000 in 2s. shares; acquires the exclusive licence to manufacture a certain type of glass in England, Scotland, and Wales; purchase price is $20,000 in cash and £45,000 in shares; a further 540,000 shares are under option at 3s.

OIL OUTPUTS.

THE MEXICAN EAGLE OIL.—The production for the week ended February 16, 1929, was 130,000 barrels.

VENEZUELAN CONSOLIDATED OILFIELDS.—Production for week ended February 23, 2,779 barrels (397 tons).

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended February 20: Venezuela, 35,590 barrels; Trinidad, 19,834 barrels; total, 55,424 barrels.

THE VENEZUELAN OIL CONCESSIONS, LIMITED, announces that its production for the week ending February 23 was 124,210 metric tons (previous week ended February 16, 128,400 metric tons). In addition to this output the company has a substantial quantity of potential production in completed wells in non-competitive territory which is closed in.

MINING OUTPUT STATISTICS FOR JAN., 1929.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Lena.....	...	...	...	...	3,911	16,426	...
Waihi Gold Mining Co....	21,485	...	...	...	7,230	...	...
Oroville Dredging (Pato)	...	...	...	(silver)	34,998	$17,709	...

First half of February.

	Output.	Other Notes in Return.
Tin.	Tons.	
Amari (Nigeria).....	4⅛	...
Diamond.		
New Vaal River.....	1,073 carats.	February—realised £7,839.
Coal.		
Singareni Collieries.....	61,119	...

WORKING PROFIT, TRANSVAAL.—The total estimated working profit of the gold mines of the Transvaal for the month of January, 1929, amounted to :—
Witwatersrand, £1,051,543; Outside districts, £43,527. Total, £1,095,070.

COMPANY MEETINGS, &c.

PEARL ASSURANCE COMPANY, LIMITED.

A YEAR OF SOLID PROGRESS.
FURTHER FALL IN EXPENSE RATIO.
FAVOURABLE MORTALITY EXPERIENCE.
TOTAL FUNDS EXCEED £53½ MILLION.

The sixty-fifth annual general meeting of the Pearl Assurance Company, Limited, was held on Thursday, February 28th, at the registered offices, High Holborn, London, W.C.1.

Mr. George Tilley (the chairman of the company) presided.

The secretary (Mr. W. N. Proddow, F.C.I.S.) having read the auditors' certificate.

The Chairman said :—

LADIES AND GENTLEMEN,—

It is the custom of your chairman, at this our annual meeting, to comment on the salient features of the report, and on the principal events affecting the business of the company through the year under review.

The figures of the report now in your hands tell such a plain tale of solid progress that comment upon them seems almost superfluous, but you will doubtless like to hear something about the inner meaning of those figures, and I need hardly say that in reviewing such a report a chairman has quite a pleasant task.

ORDINARY BRANCH.

The new business of this branch (as you may have read when we published the figures) is again a record for the company. Indeed, we have broken so many records in 1928 that you would become tired of hearing the word, were not the records in question of such a pleasant nature.

The number of policies issued during the year in this branch was 42,133, assuring the sum of £12,080,366, and producing a new annual premium income of £670,334. The amount of single premiums was £512,105. Included in these totals there are no less than 11,902 policies which assure sums of £500 or more.

The composition of our new business is of interest as showing that although we are quite commonly known as an industrial office, yet we attract business from all classes of the community, and the only sense in which we could be termed a "class" office is perhaps in the term "first class."

PREMIUM INCOME.

The premium income of the year at £4,659,731, shows an increase of over half a million, an imposing figure, and the more remarkable in that so many of our policies are now terminating by maturity and thereby involving payment to policyholders of sums assured and bonus additions far in excess of anything in the past. Thus on claims by death or on survival to the end of the chosen endowment period we paid £3,048,605, as compared with totals of £2,122,396 in 1927, and £992,429 in 1926. These increases in payments of about £1,000,000 each year are foreseen and provided for; they are the justification of our business, the object of which is to accumulate savings and to pay claims, but a most interesting point to observe in this connection is that further business follows these huge payments in ever increasing proportions, which seems good evidence of the satisfaction we give our policyholders.

GROWING VOGUE AND POPULARITY OF INSURANCE.

In dealing with assurance matters comment is frequently made in the Press of its growing vogue and popularity. Comparisons are made of the amount of life assurance carried per head of the population in this country as compared with others, for instance America—comparisons which are usually unfavourable to us. There is now, however, without doubt, evidence of a decided move forward in this country in the matter of provision by insurance on a more adequate scale for the needs of the family, for the needs of old age, for meeting the great inroads made into capital by the death duties, and for many other things to which insurance adapts itself. The movement has not yet gone sufficiently fast or far, but that it is manifesting itself is a fact to be welcomed by all who prize the spirit of thrift, responsibility and forethought, which lies at the root of all proper insurance. In this movement the Pearl is pre-eminent among British life offices, and I am pleased to tell you that we can see no indications of any approaching limit to our rapid expansion.

I would add that although our claim payments naturally increase each year, the rate of mortality we experience is *very* favourable, and testifies to the care with which we write our business.

INDUSTRIAL BRANCH.

The outstanding feature of this branch, as with the ordinary branch, is the great increase shown in the premium income of the year. This income has increased by over half a million to a total of £6,490,894. The record set up is striking in its magnitude, and particularly so when regard is had to the disappointing lack of progress in the industrial situation of the country, and the continuance of disastrous and widespread unemployment. In the aggregate, the areas of marked unemployment contribute but little to our figures of increase, and our staff as a whole, and not least those in the badly affected districts, have worked magnificently to bring about such results as we are showing.

This is the third year in succession that I have had to tell you of our difficulties in regard to policyholders who found themselves in distress through unemployment or under-employment following on troubles in the coalfields in 1926. I am sure you will be pleased to know that we are continuing our efforts to ease the situation by offering every facility to enable policyholders gradually to reduce arrears of premiums which had accumulated, and so to avoid the lapsing of their policies. Our efforts have been very successful, and tens of thousands of policies, highly valued by their owners, are now either running normally or are within sight of normality.

The rate of mortality in this branch also is very favourable, and a considerable improvement on that of 1927. It may be noted, however, that our payments upon maturity of endowments rose by nearly £84,000 to a total of £484,022, and increases in these figures may be looked for as a regular feature of the future in this, as in the ordinary branch. It is our constant aim to ensure prompt payment of these endowments as well as claims on death, as there is no time at which promptitude is more appreciated by the public than when claims become payable.

FIRE BRANCH.

The premium income in the fire branch during the year amounted to £500,984. Losses incurred, including ample provision for all losses outstanding, and after deduction of amounts recoverable under reinsurance, absorb the sum of £255,963, being 51 per cent. of the premiums. Commission and expenses of management amounted to £215,318, or 43 per cent. of the premiums. After the adjustment of the premium reserve on our usual basis of 40 per cent. of the year's income, there is a surplus, including interest, of £61,608, of which £22,000 has been carried to the profit and loss account and the balance of £39,608 to additional reserve.

This is the first occasion on which we have transferred an amount from the fire account to the profit and loss account. It has always been the policy of your directors to build up the fire reserves, but the position has now become so strong that we may safely transfer some of the profit. Even now we are leaving the underwriting profit practically untouched, for the amount transferred to the profit and loss account is only a trifle larger than the net interest on the fire funds. The fire insurance fund at the end of the year was £535,168, representing considerably more than 100 per cent. of the year's premiums.

BUSINESS ABROAD.

With regard to our operations both at home and abroad, the past year has been a satisfactory one. At the last meeting I mentioned that we had commenced business in Canada, and I am now able to say that our results so far have come up to our expectations, both as regards the volume of business and underwriting profit. In the United States I am happy to say that fire business has shown a distinct improvement, and that we have ourselves participated in the benefits arising therefrom. In other areas we are pursuing a steady policy of expansion, and during the year operations have been commenced in Cuba and Germany. I may say, however, that the establishment of business abroad is becoming more complicated and difficult every year, owing to constantly increasing competition, and to the growth of national spirit, which finds its expression in Government legislation, involving protracted negotiations and difficulties before authority to commence operations can be obtained.

In past years we have relied to a considerable extent for our fire income on business received by reinsurance, which, owing largely to prevailing economic conditions, tends to decrease in volume year by year. While we hope that this tendency will soon be checked, the board decided, in order to replace the business which is being lost in this manner, to get their staff more interested in the fire business, so that a greater rate of progress might be achieved. This new movement was begun in March last, and during the last nine months of the year under review produced most gratifying results. I rely upon our outdoor staff to bring to bear on the fire business the same energy and determination as has made our ordinary and industrial life business such a signal success.

At one of our annual meetings, after we commenced to transact fire business, the hope was expressed from the chair that our shareholders would assist in the development of that branch of the company's work by transferring to us their own fire insurances and general business, and I am happy to say that a very good response was made to that appeal, which has been greatly appreciated by the directors; but we feel that there is a large number of new shareholders who have not so far placed their risks with this company, and I would ask them to give consideration to this subject, with a view to placing with us not only their own business but that of any of their connections which they can influence.

ACCIDENT BRANCH.

Premiums in the personal accident, employers' liability and general accident accounts amounted to £118,125. Claims paid and outstanding, less recoveries under reinsurances, were £46,466, or 39.3 per cent. of the premiums. Commission and expenses of management were £40,663, being 34.4 per cent. After the adjustment of the premium reserves there remains a surplus, with interest, of £29,872, of which £12,000 has been transferred to the profit and loss account, and the remainder, £17,872, to additional reserves. The accident funds now amount to £143,246, which again indicates a strong position.

CONTROL OF EXPENSES.

It is usual to find that a large expansion of business is accompanied with an increase in expenses, an increase not only absolute, but relative to the premium income. This, indeed, is natural, because in the first year of the existence of a policy there falls to be paid fees to agents for introduction, stamp duties, fees for medical examination, besides the clerical costs involved in setting up the records.

It is with the greatest satisfaction, therefore, that I am again able to direct your attention to a further fall in the rate of our expenses as measured by the premium income, in both the ordinary and the industrial branches. Our progress in this respect for five years, and a comparison with the figures for the year 1913, is as follows :—

Year.	Expense Ratios Per Cent. Ordinary Branch.	Industrial Branch.
1913	14.67	45.13
1924	11.79	38.10
1925	11.36	37.59
1926	10.20	36.63
1927	11.14	35.55
1928	10.53	34.11

Our premium income in the ordinary branch is over £4,600,000, and in the industrial branch over £6,400,000, and a simple calculation shows that a saving of only 1 per cent. in the expense rate represents a gain in one year of £46,000 in the ordinary and £64,000 in the industrial branch.

The importance, therefore, of any improvement in methods, or in organisation, which reduces expenses is very apparent, and it is largely due to our efforts in these directions that our results are so progressively good from year to year.

GENERAL RESULTS.

Looking at the results as a whole, our total income for the year was £14,222,066, showing an increase of £1,348,076, which is another record for the company. If it is realised that an income of £1,000,000 puts an office in the category known as the "Big Offices," the fact that in *one year we made an* increase of more than that amount gives some idea of the magnitude of our progress. It is peculiarly gratifying that such a phenomenal increase should be recorded in the first complete year for which Mr. McIntyre has been managing director, and proves that the directors have been justified in their choice. I have known Mr. McIntyre for over 40 years, and when we appointed him to his present position I know he possessed a vigorous personality and a very intimate knowledge of our business, and this, added to the esteem in which he is held by the staff, caused us confidently to anticipate the great success which has attended his management.

The splendid results of the year's working may, therefore, be attributed in a great measure to the guidance and untiring efforts of the managing director, assisted by a board whose members devote their whole time to our business and assist him with their great experience. As an example of such experience I would like to refer to Mr. Abel, seeing he has recently completed his fiftieth year in the service of the company. Entering our employ in 1879, he was elected to the board after 39 years' service on the outdoor staff, having travelled steadily through every grade of the outdoor organisation, filling in turn every office which it was within the power of the directors to entrust to him, and bringing to each those high qualities of mind and character, and that absolute devotion to the interests of the company, which have made his career at once an example and an encouragement to the generation which has followed him.

Whatever troubles may beset us in the future (and, judging by the past, they are bound to be many and serious) it is evident that under our managing director, so well backed and advised by his colleagues, we are well equipped for meeting them.

FUNDS AND INTEREST.

The total funds now stand at the imposing figure of £53,582,028, this being an increase in the year in excess of £5,000,000. There is scarcely a more important duty in the hands of your board of directors than that of securing the best possible results from the investment of these huge funds, and I can assure you that a very great amount of time and care is devoted to this subject. In this matter we rely not only on ourselves and our trained officials, but upon the most expert advice that we can obtain from brokers and financial houses. The large amount we have available for investment is by itself sufficient inducement to those experts to give us of their best, but independently of this, our association with them is of a happy and most friendly nature. That our diligence in these matters is justified in the results may be seen from the fact that once again the rates of interest on our funds show a satisfactory advance. The gross rates earned upon our two principal funds are £5 5s. 10d. per cent. in the ordinary and £5 4s per cent. in the industrial branch, these being increases of nearly 1s. per cent. in each case.

Surplus interest being one of the main sources of profit in life assurance business, is a very significant item. Thus each increase of 1s. per cent. in the rate earned represents on our present funds an increased annual income of approximately £27,000.

Although our funds are shown as exceeding £53,000,000, we possess, in addition, another great asset which is not mentioned in the balance-sheet. I refer to our staff, which, I claim, is one of the best in the country, and an asset the great worth of which is constantly impressed on our minds.

VALUATION.

The annual valuation has again been made by Mr. Austin, F.I.A., and the process of building up the strength of our reserves in the industrial branch has been carried a stage further, to what we are almost safe in denominating an ultimate or permanent basis. The mortality table is that which is known as the English Life No. 9 (Males), a more up-to-date table than that previously employed, while the rate of interest assumed in the calculation is 2½ per cent. This basis may be claimed as one of unchallengeable strength, and we believe we are the first industrial company to attain to such a position. I shall have more to say on this matter at a later stage, and in connection with another subject.

The surplus of the year from this branch is £445,630, including £86,296 brought forward from the previous account.

In the ordinary branch the surplus is £911,161, including £73,798 brought forward from the previous account. In accordance with the recommendation of our actuary we have declared a reversionary bonus to participating policyholders at the rate of 46s. per cent. for the year. This is an increase of 4s. per cent. upon the rate last declared, and is convincing evidence of the strength and soundness of the business. Bonuses on such a generous scale as this are most satisfactory to our policyholders; they are a great attraction to prospective policyholders, and of great help to our staff, whose path is smoothed and made comparatively easy by such an attractive rate.

The following is a record of our bonus in recent years, showing the rapid progress that has been made.

Year.	Rate of Bonus Per Cent.
1923	£1 16 0
1924-25	2 0 0
1926-27	2 2 0
1928	2 6 0

Notwithstanding the increase in the bonus, I would observe that the amount carried forward in this branch to the next account is greater than the amount brought in. We confidently anticipate a continuance of good bonus rates in the future.

PROFIT SHARING.

The board contemplate at an early date asking the shareholders to approve a scheme whereby policyholders in the industrial branch will be accorded a definite share in profits. This is so important a step that I must explain briefly the reasons which actuate us in the proposed course. The basis to which we have attained in the valuation of our industrial branch policies is the culmination of years of effort in this direction. Anyone, even though little versed in the technique of the actuary, can see by a perusal of our reports, that we have for years past steadily added to, and built up, the strength of our valuation reserves, and we consider that the present position calls for, and justifies, a change in this policy. Without abandoning our usual caution, therefore, it must be expected that surpluses will emerge in future in totals greatly exceeding those of past years, and a wise and proper disposal of these profits is a plain duty confronting us.

A few words on the origin of such surpluses is desirable, as such origins have a very pertinent bearing upon the application of the results. The premiums to be charged for the various benefits offered in the prospectus are calculated by the actuary on the best assumptions he can make. The rates of mortality that will probably be experienced in the future, the rates of interest that will be earned on the funds as they accumulate, and the expenses that will be incurred in securing and managing the business, are all the subject of careful estimate, and according as the estimates are in excess or defect of the actual experience, as it emerges, so will profit or loss on the transactions eventuate.

Of recent years profound changes have taken place practically in all three of these factors, and the changes are partly the result of forces over which we have no control, and partly from causes which do come under the general heading of enterprising and efficient management. Thus, in the case of rates of mortality, there has been a general betterment, partly due to improved social conditions, to the extension of health services, greater temperance, better education, and so on, but in the case of our own policyholders, also due in part to care in the selection of lives.

EFFICIENCY OF ADMINISTRATION.

In the case of interest earnings, the general rate has ruled higher during, and since, the war than before, and our accumulated funds consequently earn more than was the case years ago. But here, again, management is applied, and by a careful, well-considered investment policy, the returns are even more enhanced.

In the matter of expenses, good management is able to introduce improved methods in many directions. Some such improvements are rendered possible solely by the great growth of the business, and the general result shows that appreciable savings have been effected, and this without detriment to the remuneration of the staff.

From the foregoing remarks it may be seen that a part of the surpluses of the company may legitimately be claimed to result from efficiency of administration, while another part is independent of this factor. It is, therefore, just that our policyholders should participate in the beneficial results which flow from a general improvement, and especially so when the latter is brought about by a more or less conscious forward movement of the nation towards a saner and healthier conception of life and living.

A policy of distributing profits to industrial branch policyholders is, as you know, not new to this company, for on two previous occasions distributions have been made, although on a different system from that which is now in mind. Thus, in 1906, we increased the sums assured in the great bulk of the industrial business by amounts ranging from 5 to 7½ per cent. The estimated cost of this concession was £482,000, which was a very substantial figure in relation to the funds of those days. Again, in 1926, the sums then assured were increased by an average of 11 per cent., the total increases in the sums assured amounting to over £9,000,000. This latter distribution was accompanied by a general revision of the prospectus in favour of future entrants, giving them the same increased sums assured as had been granted to existing policyholders.

There was, and is, nothing in the policies issued by, or in the constitution of, the company which confers on these policyholders any right to claim benefits greater than those contracted for, and the allocations of profit referred to were entirely voluntary acts on the part of the company. We are convinced, however, that these acts were not merely generous, but were businesslike in the best sense of the word, and the results are reflected in the great increase in the assurances effected with us subsequent to the distribution.

STAFF PENSIONS AND GRANTS.

In the past, distribution of profits to policyholders such as I have just dealt with has been only one of the calls on what I may term our surplus funds. Of other calls I may instance the staff pension fund as one of the most important. Another is grants and allowances to members of the staff or their dependants, in cases of death or withdrawal from the service, and where there is no claim upon the pension fund. During the past year we paid £12,546 in such grants, and we are, as usual, carrying £100,000 to the pension fund, thus raising the total of that fund to £909,240. Total allocations for these objects are likely to increase in future years, and we feel that one of the first calls to be made on the increasing profits of the company must be to meet growing demands in these directions. I feel assured that the directors have the full and cordial agreement of the shareholders in the policy of thus helping and supporting the staff or their dependant survivors at a time when their needs are greatest. This is a most practical way in which to express appreciation of the staff, and of the great part they take in making the company the success it is. Appreciation in such a form is worth much more than the most sincere vote of thanks.

NATIONAL HEALTH INSURANCE.

I am pleased to say that our staff continues to administer National Health Insurance to the satisfaction both of the members and of the National Amalgamated Approved Society, in whose hands is placed the administration of this side of our activities. The "Pearl" membership of this society is increasing satisfactorily, the new entrants during the year numbering 55,000. Our representatives paid to insured members no less than 1,199,073 benefit payments in respect of sickness, disablement and maternity benefits, amounting in all to a total of £739,409. It may be noted that as from January 1, 1928, insured persons upon attainment of the age of 65, ceased to be entitled to cash benefits.

The National Amalgamated Approved Society is doing a splendid work in providing various treatment benefits for its members, benefits which in many cases they would not otherwise be able to afford. These benefits, by helping the members to retain health, and consequently employment, are of inestimable value to them, and also lessen claims on the benefit funds of the society.

I may say that, in additional (treatment) benefits, the disbursements of the society in respect of dental, optical, hospital and convalescent home treatment, medical and surgical appliances and nursing benefit for the year 1928 amounted to £441,601.

On the occasion of our last annual meeting I drew your attention to the fact that the society had taken steps to obtain the consent of the members to a separation of the funds of the male and female sections. As I anticipated, there was a large majority in favour of the change, which I am now able to inform you has received the approval and consent of the Ministry of Health.

SURPLUS.

The total surplus shown in the report as arising from the valuation of the life branches is £1,356,791, including £160,094 brought forward. This is disposed of as follows: £617,375 to participating policyholders; £429,344 to profit and loss account; £100,000 to the staff pension fund, leaving £210,072 to be carried forward. The balance of the profit and loss account at the end of the year was £105,457, which, when added to the amount now appropriated from the life branches, totals £534,801, and from this it is proposed to distribute £172,652 13s. 5d. as a final dividend to the ordinary shareholders.

The Chairman then moved that the report, balance-sheet and statement of accounts for the year ended December 31, 1928, be received, adopted and entered on the minutes. Mr. A. T. Abel seconded the resolution, which was agreed to.

Mr. J. Pierce proposed: "That the retiring directors, Mr. George Tilley and Sir Frederick J. Roll, be re-elected." This motion was seconded by Mr. E. Gay and carried.

A resolution of thanks to the directors was proposed by Mr. E. Taylor, seconded by Mr. L. Campbell, and duly carried.

Mr. J. McIntyre proposed a hearty vote of thanks to the staff, which was seconded by Mr. A. T. Abel.

The Secretary (Mr. W. N. Proddow) responded on behalf of the staff.

GREAT WESTERN RAILWAY COMPANY.
RESULTS OF A DIFFICULT YEAR.
CO-ORDINATION OF ROAD AND RAIL TRANSPORT.

The annual general meeting of the proprietors of the Great Western Railway Company was held, on the 27th ultimo, at Paddington Station, London. The Right Hon. Viscount Churchill, G.C.V.O., Chairman of the company, presiding.

The Secretary (Mr. F. R. E. Davis) read the notice convening the meeting and the report of the Audit Committee.

The Chairman (who was received with applause), in an exhaustive and comparative review of the more important figures in the accounts, said: The receipts from railway and ancillary businesses amounted to £35,527,544, as compared with £37,079,012 in 1927, a decrease of £1,551,468. We can identify most of this loss with our business in the South Wales area. It is some consolation to know that on the other parts of our system traffics were fairly well maintained, and if the outlook in South Wales, which I am glad to say is now brighter, continues to improve, I hope we shall have better results to place before you in twelve months' time. The gross expenditure on the railway and ancillary businesses was £29,408,172, as compared with £30,016,268, a reduction of £608,096, which, I am sure, you will view with satisfaction, having regard to the large economies which we had already effected, in the immediately preceding years. This reduction, I am pleased to say, does not in any way represent deferred expenditure, as their permanent way, rolling stock and buildings had been properly maintained. The interim dividend of 1½ per cent. paid for the June half-year absorbed £636,928, leaving a balance of £1,590,797, which enables us to pay a dividend of 3½ per cent. for the past half-year, making 5 per cent. for the year and leaving a balance of £104,631 to be carried forward. This compares with a dividend of 7 per cent. for the year 1927, when £58,220 was carried forward.

TRIBUTE TO EMPLOYEES.

Ladies and gentlemen, much as we regret the reduction in the dividend, which is entirely due to abnormal conditions, the financial results would have been even more unfavourable but for the praiseworthy efforts which all grades made to meet the position with which we were faced, and events have shown that our employees are keenly alive to the fact that their own welfare depends on the prosperity of the company. This is evidenced by the voluntary arrangement agreed to in August last under which 2½ per cent. of payments for directors' fees, salaries and wages was surrendered by all concerned so that there might be some set-off to the diminished revenue, and I feel sure that you, the proprietors, will appreciate this tangible effort on the part of the staff to share in the hardship which must necessarily follow in the train of such acute depression as prevailed last year.

It will be apparent to you that the year 1928 was a disappointing one for the company. The slight improvement in the trade outlook which took place in the early part of the year was not maintained, and as the year wore on, it became obvious that we should have to reconcile ourselves to the task of combating the consequences of severe depression in those branches of industry upon which we rely for so much of our traffic, namely, the coal, iron and steel industries.

TONNAGE OF EXPORTS AND IMPORTS.

You will appreciate the difficult position in which we found ourselves when I tell you that whereas the tonnage of exports at our six principal ports in South Wales was approximately thirty-one and a half millions in 1927, the figure for last year dropped to about twenty-nine million seven hundred thousand tons, being a decrease of one million eight hundred thousand tons. The tonnage of imports for the year 1927 was about six millions, whereas the figure for 1928 dropped to five millions, being a decrease of one million tons, and an aggregate decrease, taking both exports and imports, of very nearly three million tons, which meant a loss to us of nearly £300,000 in revenue at the docks alone, and in addition to this we also lost revenue on the railway through the traffic not passing.

IRON AND STEEL INDUSTRIES.

In the iron and steel industries the position was much the same. Here, again, the figures of production for these commodities in the United Kingdom did not compare favourably with those for Europe as a whole, and it is significant that whilst the production in the United Kingdom shows in the aggregate a decrease compared with the pre-war figures, there is a considerable increase in the production for the entire European Continent. Competition from Continental manufacturers is still very acute, but due probably to an increase in Continental labour costs and to a reduction in those of home manufacturers—the tonnage of iron and steel, especially iron ore, imported at our docks last year was much less than in previous years, and this no doubt has helped to alleviate unemployment in this country. The total output, however, did not show any marked increase for the year, and our revenue from the carriage of iron and steel goods showed a decrease compared with 1927.

ROAD BILLS.

Paragraph 4 of the report refers to the principal developments which have taken place as the result of the negotiations which we have had with some of our road competitors since we obtained our extended road powers in August last. The proceedings before the Joint Committee of both Houses of Parliament on the Railway Companies Bills occupied 37 days, and although the opposition to the Bills was very considerable, I am glad to say that Parliament recognised the merit of our case, and the Bills duly received the Royal Assent, with the exception of the one which was promoted by the Metropolitan Company. We immediately took active steps to avail ourselves of the new powers, and entered into discussions with our road competitors with the view of giving effect to a policy of co-operation. The result, I am pleased to say, has been most satisfactory, and I should like to take this opportunity of thanking those gentlemen who represented the omnibus undertakings for the friendly spirit in which they carried out the negotiations. The road services hitherto operated by us in the counties of Devon and Cornwall, and most of those in the same area under the jurisdiction of the National Omnibus and Transport Company, Limited, have been transferred to a new company which has been formed under the title of the Western National Omnibus Company, Limited, with an authorised capital of £1,000,000, and each of the promoting parties is contributing assets, or money of the same total value, so as to give it an equal interest in the new company with equal representation on the Board.

RAIL AND ROAD CO-ORDINATION.

You will, I am sure, realise the great benefits which should follow from this arrangement and the potentialities which it possesses. Wasteful competition will be avoided; the whole of the transport services, both rail and road, in the area served by the new company can now be co-ordinated so as to meet the requirements of the districts in the best possible way, with due regard to economy in working, and the opportunity will also be taken of reviewing the services now provided, in case it should be found advantageous, under the joint arrangements, to improve, or extend, the facilities already available. A similar arrangement has been made with the South Wales Commercial Motors, Limited, and I am confident you will agree with me that we have adopted the most sensible and businesslike way of meeting the situation. I should like to add that we hope to deal with these road problems in other parts of our system on much the same lines.

ROYAL COMMISSION ON TRANSPORT.

Paragraph 5 of the report refers to the appointment of a Royal Commission on Transport (under the chairmanship of the Right Hon. Sir Arthur Griffith-Boscawen): "To consider the problems arising out of the growth of road traffic, and, with a view to securing the employment of the available means of transport in Great Britain to the greatest public advantage, to consider and report what measures, if any, should be adopted for their better regulation and control, and, so far as is desirable in the public interest, to promote their co-ordinated working and development."

Preliminary evidence on behalf of the Railway Companies generally has been given by Sir Josiah Stamp, the chairman of the London Midland and Scottish Railway Company, and he has directed attention to the desirability of co-ordination between rail and road transport in the public interest, and has emphasised the differences which put road transport companies in an advantageous position as compared with the railway companies.

As has so often been pointed out, the monopoly theory, upon which legislative regulation and control of the railways has gradually been built up, has now largely disappeared, and in the present state of things the diversion of traffic from rail to road is artificially and unfairly stimulated, which, we maintain, leads to excessive national transport costs.

The Chairman then criticised the unfair distribution of the Road Fund Grants and pointed out that the railway companies between them maintain, in the aggregate, over 700 miles of public road throughout Great Britain, under the obligation which devolves upon them when they alter the gradients of highways in connection with the construction of bridges to carry the roads over the railway. Like the imposition of railway passenger duty, that was a liability in respect of which they ought to be given relief now that the conditions had changed so radically.

Sir S. Ernest Palmer, Bart. (deputy chairman), seconded the resolution, which was carried unanimously.

BRITISH AND GERMAN TRUST, LIMITED.

DIVIDEND OF 7 PER CENT.
NEW CAPITAL PROPOSALS.
REVENUE PROSPECTS FOR 1929.
MR. ALFRED WAGG'S REVIEW OF THE INTERNATIONAL SITUATION.

The third annual general meeting of the British and German Trust, Limited, was held, on the 28th ultimo, at the registered offices of the company, 41 Threadneedle Street, London, E.C.

Mr. Alfred R. Wagg, the Chairman of the company, presided.

The Secretary (Mr. D. H. Scott), having read the notice convening the meeting,

The Chairman said: Gentlemen,—You have doubtless already had an opportunity of studying the report and accounts, and with your permission I will take them as read.

INVESTMENTS AND LOANS.

You will see from the asset side of the balance sheet that the total of our investments and loans on mortgage on December 31, 1928, stood at £1,849,987 10s. 6d., as compared with £1,559,190 13s. 9d, at the close of the previous year. The increase is due to the investment of the balance of the proceeds of the issue of £750,000 Five per Cent. Debenture stock made in February, 1928, after repayment of the advance of £500,000, and to the reinvestment of profits realised on the sale of sundry securities during the year. Of this total the sum representing our loans on first mortgage to German companies is £946,594 10s. 8d., as compared with £970,041 at the end of 1927. The difference is due to the repayments made in accordance with the sinking funds provided when the loans were contracted.

I may say that the German members of your board keep a most careful eye upon the progress of the companies who have borrowed from us, and that their report upon the position of these loans is entirely satisfactory. The book value of our miscellaneous investments at December 31, 1928, was £903,392 19s. 10d., as compared with £589,149 3s. 6d. at the end of 1927. These securities are well spread geographically, and their aggregate market value to-day is substantially in excess of their book value. During the year 1928 profits on sales of investments amounted to £70,929 15s. 4d., and were carried to capital reserve. The board have thought it desirable to write off the whole of the discount and expenses of the issue of the Debenture stock, amounting to £68,668, and after doing so there remains on the capital reserve account a sum of £49,236 4s.

REVENUE.

The revenue account shows a balance of £52,298 1s. 2d., but as you will have seen from the report, on the basis of the income actually received during the year, the net revenue amounted to £62,452 2s. 9d., the difference being due to the effect of the change in the method of accounting authorised at the extraordinary general meetings held on April 17, 1928, and May 3, 1928. The full benefit of the proceeds of the Debenture issue was not realised in the year under review, as the final call which provided the surplus over the temporary advances was not received until the middle of April. On the basis of the present investments the revenue for 1929 should show a satisfactory increase over that for last year without taking into account any funds received from the proposed increase of capital, with which I will deal in a few moments.

In June of last year Sir Laurence Nunns Guillemard, G.C.M.G., K.C.B., joined the board. I take this opportunity of officially welcoming him as a colleague. His mature experience gained in different fields of activity is proving of great benefit to the Trust. Under the articles of association he retires and, being eligible, offers himself for re-election.

I am very glad to see that within the past fortnight, he has been elected a director of the Prudential Assurance Company.

As you will have seen from the report, Dr. Paul Millington-Herrmann has decided to retire. Dr. Millington-Herrmann has been associated with the Trust since its formation, and I need not tell you how much we regret his resignation. We wish him every happiness and good health in his retirement. I look forward to our connection with the Deutsche Bank being maintained by Dr. Paul Bonn, another member of the board of management of that institution, who will be proposed for election to the board at the end of this meeting.

INCREASE OF CAPITAL.

You will have seen from the papers sent to you with the report that the directors proposed to increase the capital of the company by the issue of £500,000 Five-and-a-Half per cent. Cumulative Second Preference shares, carrying the right to subscribe to 250,000 Ordinary shares at 200 per cent. The appropriate resolutions to give effect to this proposal will be submitted for your consideration immediately after this meeting at an extraordinary general meeting, which in turn will be followed by a class meeting of the Ordinary stockholders. The directors feel that further capital can be profitably employed by the company, and after careful consideration they have come to the conclusion that the proposed scheme is the most satisfactory way of finding such capital. The issue of the Second Preference shares, which will be covered practically twice on capital account and over three times on revenue account, will increase the funds of the company at once by approximately £500,000 and a further £500,000 will be received as and when the option on the Ordinary shares is exercised.

The issue will not be underwritten, and the expenses, other than Government stamp duty on the increase in capital, have been reduced to about 1 per cent. on the new money.

The directors propose to offer the Ordinary stockholders the right to subscribe one new Five-and-a-Half per cent. Cumulative Second Preference share for each £2 of Ordinary stock held. It is not proposed to make a public issue of the balance, which will be placed privately. Stockholders will be given an opportunity of applying for a further amount, should they desire to do so, but we cannot, of course, guarantee that we shall be able to meet their requirements in full.

Application will be made in due course to the Committee of the London Stock Exchange for leave to deal and for an official quotation.

The announcement of the scheme in the Press has aroused a good deal of interest, and we have already received indications of a considerable demand for the new shares.

If the resolutions submitted to the extraordinary general meeting of the company and the class meeting of ordinary stockholders are duly passed, notices will be sent out to-night enclosing application forms.

GENERAL CONDITIONS DURING 1928.

I now propose, with your permission, to say a few words of more general interest.

When reviewing the world's financial and economic developments during 1928, I feel that progress has been made, and that a greater measure of stability, the world over, has been attained. It is true that the unchanged conditions in Russia, and to a lesser degree the Chinese upheaval, continue to retard European recovery, but on the other hand greater monetary and economic stability has been characteristic of practically all countries which were engaged in the Great War. With few exceptions, the currencies of Continental Europe have now been stabilised, and in most countries the consequent readjustment of prices has begun to take effect. This can only benefit this country, whose industries will be gradually relieved of the handicap hitherto laid upon them by the depreciated exchange of their competitors in the world's markets.

The principal changes which have taken place in the world's capital markets, especially during the latter half of 1928, have been the gradual increase of London's importance as an international money centre, compared with that of New York, and the advent of easy money conditions in France, which has once more become an important source of money supply for international purposes, although for the time being this is mainly restricted to the short-term money market.

Whether this change is lasting or not is difficult to say, but it seems clear that the uninterrupted industrial expansion in America, coupled with increased speculative activity and the accompanying restrictive credit policy of the Federal Reserve Board, has at last begun to tell. This is shown by America's declining power to absorb foreign loans and the withdrawal of considerable amounts of short time money from Europe.

In fact, America has become a borrower of short-term money to quite an appreciable extent of late. London, on the other hand, seems to be rapidly regaining its pivotal position as the world's credit market, to judge from the increase in acceptance credits of the London Joint Stock Banks (which otherwise do not show a very considerable increase in turnover) and from the fact that the total of foreign issues during the latter half of 1928 has exceeded the total of New York. Against this, however, it is only fair to point out that this enhanced elasticity of the London money market may be partly caused by a contraction in production in the United Kingdom, accompanied by a release of funds otherwise tied up in industry.

SMOOTHER WORKING OF INTERNATIONAL CREDIT MACHINERY.

Another noteworthy feature of the past year, which still continues, was the improved smoothness with which the international credit machinery worked and the ease with which money flowed from one centre to another. It is not so long ago that apprehension was expressed about the amounts of short-term credit which Germany had taken up in the world's markets, and it was held at times that, if developments in America should cause considerable withdrawals, a very difficult position might arise in the Berlin money market. Contrary to these expectations very heavy American withdrawals have been promptly replaced by short-term money from France, England, Holland, and Switzerland, and although perhaps for a very short period some strain was felt in Berlin the situation very quickly readjusted itself. This aspect of the international situation reflects that growth of confidence between the different banking centres which from the investors' point of view is so desirable.

If I have dwelt at some length on the international aspect of things, it is because, with the growth of our available funds, we are now using a large proportion of our money outside Germany, and, as a result, are spreading our risks over a much larger area.

I was asked the other day, when yet another giant American trust company came into being, whether the investment trust movement was not being overdone, and whether I considered the present-day chances of profitable investment by trust companies warranted the enormous expansion in the number of these which has taken place recently. I should be inclined to say that, given good management, there is plenty of scope for new investment trust companies. I doubt if the uninitiated investor can find better employment for his money than the stock of a well-managed trust. His investments are selected for him by experts; he gets a larger spread of risk; and he enjoys the opportunity of participating in transactions which ordinarily are outside the scope of a private investor's activity.

THE SITUATION IN GERMANY.

To return for one moment to Germany, the remarkable compilation of facts set out in the last report of Mr. Parker Gilbert, the Agent-General for Reparations, which deals this time with the whole period from 1924–28, makes it almost superfluous for anyone to dwell in detail on Germany's economic development. It is unquestionably a record of inherent strength and rapid recovery. But it brings one to the burning question of reparations. I feel that it would not be right to discuss the various problems at issue while the committee of experts is sitting in Paris, but I would like to remind you of the real crux of the matter. Reparations—with minor exceptions—can only be paid in two ways: by the delivery of goods, or the performance of services, direct or indirect. It is true that Germany may defer the evil day by long-term borrowing, be it industrial, municipal, or State borrowing, but in the long-run the account must be settled by goods or services. In delivering goods or rendering services Germany must find herself in competition with the rest of the world. Although it seems a paradox, it is a fact that the former Allies clamour for goods from Germany (some of them unknowingly) while the majority of them have raised tariff walls high enough to prevent these goods from reaching their markets.

I now have pleasure in formally moving: "That the directors' report and accounts for the year ended December 31, 1928, submitted to this meeting be and are hereby received and adopted, and that for the year ended December 31, 1928, a dividend on the ordinary stock of 7 per cent., less tax, be declared, and paid."

Sir George E. May, K.B.E., seconded the resolution, which was carried unanimously.

Sir Laurence Nunns Guillemard, G.C.M.G., K.C.B., who retired under the Articles of Association, was re-elected as a director, and Dr. Paul Bonn was also appointed to the Board.

Messrs. Deloitte, Plender, Griffiths & Co. were reappointed Auditors.

The Annual General Meeting was followed successively by an Extraordinary General Meeting of the Company, and a Class Meeting of the Ordinary Stockholders, at which the resolutions authorising the proposed increase in capital were duly passed.

MANCHESTER SHIP CANAL COMPANY.
NEGLECT OF THE CANAL BY STEAMSHIP CONFERENCES.

The annual meeting of the Manchester Ship Canal Company was held, on the 21st ultimo, in the Houldsworth Hall, Manchester.

Mr. W. C. Bacon (chairman of the company) presided, and, in the course of his address, said: The year under review has been a difficult one for the company. We have had to meet a considerable increase in capital charges incurred in developing the resources of the port in order to meet the steady expansion of our trade. It is unfortunate that this additional financial burden coincided with a check in the steady upward trend of our business. When our trade improves, as I am confident it will, our present sacrifice will bear fruit. In a word, we have been assuring the permanent establishment of our prosperity. It is no doubt disappointing to all concerned that it has not been found possible to maintain the dividend of 5 per cent. which has been paid on the ordinary shares for the last few years. The position of the company, however, need cause you no undue concern. The company has attained its present position by its consistent policy of providing for the future, and it can only be by a continuance of this policy that progress can be maintained.

The result for the year of the whole of the company's undertakings showed a net revenue of £908,687, including £29,043 brought forward from the previous year. Deduct payments in respect of interest, rentals, and other fixed charges on loan capital amounting to £523,754, and there is left a balance available for distribution of £384,933.

The directors recommend the declaration of the following dividends (less income tax) for the year 1928: 3½ per cent. on the Manchester Ship Canal Corporation preference stock, £37,143; 5 per cent. on the preference shares, £199,994; and 3½ per cent. on the ordinary shares, £131,298; making a total of £368,435; leaving a balance to carry forward to next year's account of £16,498.

PROSPECTS.

Now as to the future. You may possibly have remarked that prophecy has been somewhat shy regarding 1929. Caution is certainly called for. The past year certainly did not justify its promising beginning. Although there was some prosperity in the lesser industries, it was not enjoyed by the basic industries. Unfortunately, the commodities principally responsible for the reduced imports for the whole country include some of our most important traffics, while the increase in exports did not extend to cotton yarn and manufactures, upon which much of the prosperity of this area depends. On the contrary, the export of cotton yarn and manufactures was considerably less. Cotton imports last year, as you know only too well, were depressed, but it is worthy of remark that, although the amount imported last year was less than that imported in the previous year, Manchester got a bigger proportion of the total coming to the United Kingdom. Already in the current season there has been an increase of over 100,000 bales compared with the corresponding period of last season. There would certainly seem to be some ground for modified optimism or, at the least, no grounds for unqualified depression.

CONFERENCE COMPANIES AND THE CANAL.

I have left to the conclusion of my speech to you a very important subject which I wish to mention this morning—that is, the neglect of the use of the Manchester Ship Canal by the Steamship Conferences. You all know that the large steamship companies in this country and elsewhere have conferences whereby liners plying for passengers and trade along the sea-routes of the world are governed and regulated. Your directors feel that hitherto the port of Manchester has not had the favourable consideration of the English Conference Companies to which it is entitled.

Whatever may have been the position hitherto, there is every facility to-day for cargo-carrying vessels of the largest type to use the Ship Canal safely. When I tell you that it is the practice, weekly and monthly, for steamships whose owners are in various conference groups, to load homewards, discharge their cargoes at the Manchester docks, and then, because of conference restrictions, leave the port light to load cargo elsewhere instead of loading in Manchester, you will, I am sure, be surprised, if not amazed. That, however, is the case.

This company has spent a large sum of money deepening the Ship Canal to 30 feet of salt water up to the Oil Dock at Stanlow, about half a mile from Ellesmere Port—that is, four miles from the entrance of the Ship Canal at Eastham. This facility has been designed to allow, amongst other things, conference steamers an opportunity of loading outwards from the port of Manchester as their last port of call.

The coal bunkering appliances at Ellesmere Port are of an unique character. Coal can be purchased and put on board as cheaply as, if not more cheaply than, at other competing ports.

The report was adopted, and at an extraordinary general meeting the borrowing powers of the company were increased by a further £500,000.

LEYLAND MOTORS, LIMITED.

SUBSTANTIAL INCREASE IN PROFIT.

PAYMENT OF ARREARS OF PREFERENCE DIVIDENDS.

The tenth annual general meeting of the shareholders of Leyland Motors, Limited, was held, on the 27th ultimo, at the head offices of the company at Leyland, Lancashire.

Mr. J. H. Toulmin, J.P. (the chairman of the company), presided.

The secretary (Mr. T. Phillips-Conn) read the notice convening the meeting and the auditors' report.

The chairman, in proposing the adoption of the report and the accounts for the year ended September 30, 1928, said: Ladies and gentlemen,—May I assume you will follow the customary practice and take the report and accounts as read? To-day we are very pleased to be able to submit to you accounts which, we think you will agree, are eminently satisfactory in every way.

The good work put in by our staff and the superiority of our products, combined with an excellent market, have wrought wonders. The accounts before you clearly show that the uniform progress of the last few years has not only been maintained, but accelerated.

INCREASED PROFIT.

The gross profit is £586,693, an increase of £190,959 on the figure for 1927, while the net profit (after making full provision for income tax, depreciation and all contingencies) is £405,988, against £233,842, an increase of £172,156.

The adverse profit and loss balance of £284,625 is now converted into a credit balance of £121,373, out of which it is proposed to pay the eight years' accumulated dividends up to December 31st last on the six per cent. cumulative preference shares, which will absorb the sum of £76,800 net (the tax already having been provided for by the company), leaving to carry forward £44,573.

The sums necessary for income tax and depreciation have, of course, unavoidably increased.

The amount owing to our bankers at September 30th last was reduced to £337,027, and a further considerable reduction has taken place since the date of the balance sheet you are now considering.

At to-day's date, the whole of the purchase money in respect of the Kingston factory has been paid. This property will shortly be conveyed to the company.

THE BALANCE SHEET.

Land, buildings, plant, furniture, patterns, drawings, etc., are less, compared with last year, by £34,386; in other words, the depreciation written off and sales of dwelling-house sites have exceeded the additional capital expenditure by that amount. The board are fully alive to the importance of keeping the works thoroughly up to date, and are taking all necessary steps. The sum of £37,734 was spent on new machinery during the year. It is your directors' intention to devote a somewhat larger sum this year for this purpose, so that our factories shall be as well equipped as any in the competition for business which lies before us.

"Stock in trade and work in progress" has increased by £44,521, a very moderate sum in relation to the greatly increased business with which the company is dealing.

Our "Trade and other debtors," compared with last year, are up by £154,993, while our liabilities to the bank and other creditor are down by £226,406, which are both movements in the right direction.

EIGHT YEARS' ARREARS TO BE PAID.

When replying to a vote of thanks to the directors and staff at the close of our last annual meeting, held on 29th February, 1928, I remarked we were hopeful that the financial result would enable a payment on account of dividends to be made in 1929.

Well, ladies and gentlemen, you will see from the report in your hands that our hopes have been realised. We feel that we are now in a position to recommend the payment of the whole of the arrears of the Six per Cent. Preference dividends, and a resolution to that effect will be submitted to you later on.

On account of the fact that dividends have been in arrears for several years, we have been under the necessity of inviting you, who are only holders of the Six per Cent. Preference shares, to these meetings. I do not think we have put you to any avoidable inconvenience. I trust you will carry away pleasant recollections of this meeting, because, much as we appreciate your help and forbearance, we sincerely hope that we shall never again be under the obligation of calling you to another annual general meeting.

While I am speaking about the pleasant subject of dividends, let me say, but without making any definite promise, we hope that it may be possible, later in the year, to pay something on account of the accumulated arrears of the Seven and a-Half per Cent. dividends.

REORGANISATION NOT RECOMMENDED.

You will recollect that a suggested scheme of reorganisation was put before you on 30th March, 1928. This was amended on 12th April. On 19th April an extraordinary general meeting was held, when the amended scheme was approved, but it was rejected at the meeting of the holders of the Six per Cent. Preference shares which followed.

Owing to a continued demand for some such scheme, modified proposals were tentatively submitted to you in a circular dated 19th May. A card vote was taken. As stated in my circular of 16th June, the voting was indecisive, and no further action was taken regarding any other alternative.

Such was the divergence of views expressed in the correspondence which naturally followed the issue of the circular to which I have just referred that the Board felt it would not be in the best interests of the company to pursue the subject further. That is still our view and we do not propose to put forward any further scheme of capital reorganisation.

FUTURE PROSPECTS.

Perhaps I may now say a few words as to the present position and prospects.

Our latest models have become well established. The double-decked 'bus, the "Titan," in particular stands in a class by itself, and has become very popular. Owing to the outstanding success of the "Lion" single-decked four-cylinder 'bus, we have decided to continue its manufacture with a number of important improvements.

Your directors are fully alive to the importance of investigating every new development in commercial-vehicle design, and the company's research department is always actively engaged in testing out new appliances and developing new ideas.

We started the present financial year with many more orders on our books than at the commencement of the previous year. The weekly returns of orders and deliveries have been very satisfactory up to date.

The steel foundry is fully employed and we have attained quite a reputation for high-class steel castings.

SOUTH AMERICA.

The deputy managing director was absent from our last meeting, being engaged on a business survey of the prospects in Argentina and some of the adjacent South American countries. Mr. Nixon confirms what others have reported publicly, that South America is a very rich continent, and he found that certain regions were developing very rapidly. Great Britain has been much interested in the progress of this continent, and has vast sums invested there. It is essential, however, to adopt progressive methods if we are to avoid retiring before the attack of organised scientific North American enterprise and salesmanship.

Since Mr. Nixon's visit our business in Argentina has improved, and there is no doubt that there is trade to be done in many directions. The Board are taking steps to develop the company's business in the South American market.

TAXATION.

During the financial year a very heavy additional tax burden has been placed on the industry—namely, the tax of 4d. per gallon on petrol. The receipts from this tax are, as you know, intended to provide the greater part of the money for the Government's scheme of derating manufacturing industry. We shall, therefore, as manufacturers, in due course receive some relief from this source.

During this period the railway companies have obtained their road powers enabling them to run passenger and goods vehicles on the roads. We have been entrusted with certain of their contracts.

APPRECIATION OF EMPLOYEES' SERVICES.

I feel sure you will not wish me to sit down without expressing the appreciation of the shareholders, and of the directors, of the excellent work which has been done by all the company's employees. The relationship between the management and the employees has continued to be most cordial. The motor industry is contributing materially to the solution of the unemployment problem. The number employed by us has increased during the past year by 750 and is now well over the 5,000 mark.

The Chairman then moved the adoption of the directors' report and statement of accounts as at 30th September, 1928.

The motion was duly seconded, and, after the Chairman had replied to certain questions put by individual shareholders, was carried by the meeting.

The managing director (Mr. Henry Spurrier) moved the dividend resolution, which was seconded and duly carried.

Mr. J. H. Toulmin, J.P., the director who retired in rotation, offered himself for re-election and was reappointed.

Messrs. Geo. A. Touche and Co. and Messrs. Davies and Crane were reappointed joint auditors to the company.

The proceedings then terminated.

ROLLS-ROYCE, LIMITED.

INCREASED BUSINESS AT HOME AND ABROAD.

The twenty-second annual ordinary general meeting of Rolls-Royce, Ltd., was held, on the 22nd ultimo at Derby, Lord Wargrave, the chairman, presiding.

The annual report and accounts were taken as read.

The chairman said that the issued capital at £813,787 remained as last year. Sundry creditors, including reserves for taxation, had decreased by £49,439. This reduction was principally due to arrears of taxation paid during the year. The consolidated reserve fund was increased by £50,000, allocated from the 1927 accounts, and a further allocation of £40,000 was proposed that year. On the assets side property showed a small increase of £9,378 after ample depreciation. Stock-in-trade and work in progress showed a decrease of £101,819. Sundry debtors were £71,370 less than a year ago. This was the result of repayment by Automobiles Rolls-Royce (France), Ltd., of a loan in connection with their Paris premises, which were their own property. Cash in hand and at the banks showed a decrease of £128,889, but this was offset by investments in gilt-edged securities of £327,652, which, together with cash in hand, amounted to £450,305, or £198,762 more than last year. That favourable cash position was principally the result of reduced working stocks and repayment of loan by Automobiles Rolls-Royce (France), Ltd.

YEAR'S PROFIT.

The profit for the year amounted to £185,769, which, including the carry-forward from the previous year, gave £216,064 for disposal. Their directors proposed to follow their inherently wise practice of building up reserves. They considered that a prosperous company like Rolls-Royce had an obligation to its staff over pensions, which, sooner or later, they must face. Their directors recommended a dividend of 8 per cent. and a bonus of 2 per cent., which would absorb £81,379. They proposed to allocate the balance as follows: Income-tax, £30,000; reserve fund, £40,000; carry forward, £64,685.

It was with great regret that he had to report the resignation of their managing director, Mr. Basil Johnson, owing to ill-health.

Mr. A. F. Sidgreaves, O.B.E., had been elected to the board, and appointed managing director. Mr. Sidgreaves, who was their general manager, and had for some time been sharing with Mr. Johnson the responsibilities of the administration, had a unique knowledge of the motor business, having been closely connected with it during the past twenty-six years, and had held responsible positions in the management of the company for over eight and a half years. Mr. Arthur Wormald, their general works manager, who had been with them since the inauguration of the company, had been elected to a seat on the board, and Mr. W. Cowan had been appointed as their general manager.

Their holding in Rolls-Royce of America, Inc., did not, and never had, appeared in their accounts as an asset. Their holding was in the common stock, which had not received a dividend since the inception of the company.

BRIGHTER PROSPECTS.

From reports received they were hopeful that 1928 would result in an improved position. The demand for Rolls-Royce cars had appreciably exceeded that of the previous year, not only in the home market but also in the export markets of the world. They had unquestionably achieved great success in practically every country in which motoring was possible, and laid the foundation for a still greater increase of business in the future. The Rolls-Royce car held its undisputed position as the best car in the world. During the past twelve months a further number of their new "F" aero engines had been fitted to a large number of experimental types of Royal Air Force aircraft, and were rapidly completing their tests, and a number of "F" engines had also been used in a flight of Royal Air Force Service machines intended for regular use in one of the permanent squadrons.

In order to obviate inconvenience and dislocation in future, it had been decided to close the financial year on December 31.

There could be no two opinions with regard to the national character of the property of Rolls-Royce, Limited. They had only to recall the invaluable services rendered by the company on land and in the air during the war to give proof to that statement. While they had no desire to interfere with the free market in their shares, they were determined that the voting control of a national industry like Rolls-Royce, Limited, must remain in the hands of British citizens. They were not preventing foreigners holding their shares, but simply from exercising voting powers.

The report and accounts were unanimously adopted.

At a subsequent extra-ordinary general meeting the directors' proposals to alter the Articles of Association so as to ensure that shares in the hands of foreigners should not carry votes was also adopted.

R.M.C. TEXTILES (1928), LIMITED.

A SUCCESSFUL START.

CAPITAL INCREASE APPROVED.

The first ordinary general meeting of R.M.C. Textiles (1928), Ltd., was held, on the 22nd ultimo, at the Hotel Cecil, Strand, London, Mr. J. M. Waterhouse (chairman and managing director) presiding.

The Secretary (Mr. J. M. Brandreth, A.C.A.) read the notice convening the meeting and the report of the auditors.

The Chairman said: Ladies and gentlemen, I have pleasure in rising to move the adoption of the report and accounts for the thirteen months ended 31st December, 1928, and I trust that you will recognise a satisfactory record in our first accounts. The net profits for the period, after making provision for all working and administrative expenses, amount to £28,861, less bank and other interest of £5,192, leaving a balance of £23,668, with which I beg to deal in the resolution to be proposed after I have made a few remarks on trading conditions and prospects.

Research work during the year has resulted in the production of a much more comprehensive range of high-grade fabrics for both ladies' and gentlemen's wear and suitable for every market. I believe that with this attractive and extensive collection of plain and fancy cloths, along with the increased facilities for producing at prices which compare favourably with inferior foreign goods, we have sound reasons for anticipating that we shall secure a sufficient share of home and foreign trade as will keep our organisation well employed at all times. Our company is unique in that it has its own distributive as well as productive side and is therefore less subject to market vagaries. As time passes it is certain that we shall be able still further to consolidate our position by exploiting the preparatory work hitherto done.

NEW SILK-WEAVING PLANT.

Large as is our production of fine worsted fabrics, we are opening up a promising trade by means of our new silk-weaving plant, which is already turning out excellent goods of a type appealing to the popular demand. These are made from the finer grades of yarn, which, I am glad to say, are gradually being reduced in price, thus assisting a broadening of demand.

We are now paying particular attention to the development of our vitally important merchanting section, and especially to the exploitation of foreign markets. European currencies have become stabilised and spending power increased. Negotiations have just been concluded for the expansion of the company's trade in France through union with an established Paris house. A little later we anticipate making a similar arrangement in Germany.

After considerable experiment and investigation, the Board has found it desirable to take over an established first-class modern dyeing and finishing business, which will achieve the dual purpose of making our organisation more self-contained—thereby making many economies—and of securing appreciable profits. You will no doubt be aware that a Government inquiry is proceeding in the matter of the safeguarding of our section of the textile industry. If Parliament sanctions the present application for safeguarding, we should share largely in any benefits which may accrue.

ELIMINATING UNNECESSARY MIDDLEMEN.

To summarise the position, I would say that the company intensively produces the highest class up-to-date fabrics at minimum cost. It has a unique and most promising distributive section operating the world over, and it is able to offer maximum value to its clientele by eliminating unnecessary middlemen. Our prices are highly competitive and meet the call of the times for first-class apparel at prices which are in consonance with the purchasing power of the public.

In conclusion, I believe that shareholders may reasonably expect a satisfactory return on their investments in this company, which is not engaged in an industry depending on the passing vogue, but in catering for the regular basic demand for clothing. There seem to be fairly good grounds, with the help of the developments already outlined, for assuming that the year 1929 should compare favourably with the year under review.

The report and accounts were unanimously adopted, and the final dividend of 7½ per cent., making 12½ per cent. for the year, was approved.

The Chairman, in proposing a resolution increasing the capital of the company to £250,000 by the creation of 400,000 additional shares of 5s. each, of which it was intended to offer 300,000 to the shareholders at the price of 5s. 6d. per share, said that the Directors had made sure of the profitable employment of the proceeds of the issue. It was reasonable to expect that total profits on the increased capital would not be less than £40,000 per annum, or sufficient to pay 16 per cent. on the whole capital.

The increase of capital was unanimously approved, and a cordial vote of thanks to the Chairman terminated the proceedings.

E.N.V. ENGINEERING COMPANY, LIMITED.

GRATIFYING RESULTS—10 PER CENT. DIVIDEND.

The annual general meeting of E.N.V. Engineering Company, Limited, was held, on the 21st ultimo, at Winchester House, London, E.C.

Mr. Charles G. Twallin (the chairman of the company) presided.

The Chairman : Ladies and Gentlemen,—As the directors' report has now been in your hands for some days, I suggest, with your kind permission, we may take it as read, and I will confine the few remarks that I wish to make to the position of the company and its balance sheet.

I think that you will agree with me that we have every reason to be satisfied with the position of this company, as disclosed by the balance sheet now before you.

As this is the first annual general meeting since the company was converted into a public company, I propose to take the items of the balance sheet in detail.

Looking at the assets side first, the amount entered for trade debtors is small compared with the size of the business of the company. It shows that we collect our money promptly, and that our accounts are in a very healthy condition. The few bad debts we make represent a very small percentage of our turnover, and for such contingency we have allocated a reserve, which in our opinion is quite adequate.

Cash at bank and in hand really needs no explanation.

Stock and work in progress : This item is valued on the certificate of our managing director, and I know no one in a better position to value it than Mr. Hukins.

The Machinery, Plant, etc., is up to date and kept in first-class order. We pride ourselves on the accuracy of the work we turn out, and to ensure that, it is essential that our plant is maintained in a high state of efficiency. Reasonable and adequate depreciation has been allowed for.

Freehold Land and Buildings : The figure here is based on the valuation made by Messrs. Alaway and Partners, plus certain additions which have been made, less depreciation on the buildings.

The buildings themselves have been well built, are up to date, and admirably suited for the purpose for which they are used. Negotiations are now in progress whereby provision is being made for extending our business as necessity demands.

The item down for goodwill is a real asset, as the name of "E.N.V." is a hall-mark of quality on gearing. May I remind you of the gruelling tests our gears were put to in the Le Mans 24-hour endurance race, in which case we supplied all of the gears in the winning car, and also in the Tourist Trophy races in Northern Ireland last year, when six out of the first eight cars to finish the course were fitted with our final drive gears. A further testimonial to the quality of our gears, camshafts, etc., is instanced by the demand we have for our products from the continent of Europe.

The expense incurred in increasing the capital and converting the business into a public company is included as an asset in the balance sheet, but on referring to the allocation of profits you will observe we recommend writing this off.

On the liability side there is nothing that calls for specific notice, except in passing I would point out that our trade creditors are not unduly large, having regard to the size of the business.

It should be borne in mind that the accounts before you cover a full year's trading to December 31, 1928, in spite of the fact that the shares were not put on the market until the autumn.

It has been suggested to us that it will be a convenience to shareholders if, in the future, instead of waiting for the completion of the year's accounts, your directors consider the advisability of paying an interim dividend. I would assure you that this matter has had our sympathetic consideration, and, subject to reasonable trade conditions, it is our intention to do this.

The directors' fees are fixed by the Articles of Association at £200 per annum each.

I should like to take this opportunity of testifying to the loyalty and co-operation of our managers, foremen and staff, and to say that the gratifying results disclosed by the balance sheet are due to their support, and also to the untiring efforts, energy and zeal of our managing director, Mr. Hukins.

Mr. Buskard now spends the whole of his time at the works in the capacity of works director.

I have pleasure in stating that our works are fully occupied, and that we have booked sufficient work to keep us going for some months ahead, and that our business generally is in a healthy condition.

I have much pleasure in moving :—

"That the directors' report and the accounts of the company for the year ended December 31, 1928, be and they are hereby approved and adopted."

Mr. Hugh Purdy seconded the motion, which was carried unanimously.

The chairman then moved : "That a dividend at the rate of 10 per cent., less tax, be paid to all shareholders on the register on February 12, 1929."

Mr. A. E. Hukins seconded the motion, which was carried unanimously.

The retiring director (Mr. Charles G. Twallin) was re-elected and the auditors (Messrs. Hackett, Radley and Johnson) were reappointed.

A vote of thanks to the chairman, directors and staff brought the proceedings to a close.

SELFRIDGE AND COMPANY, LIMITED.

ANOTHER SUCCESSFUL YEAR.

The twenty-first annual general meeting of Selfridge and Co., Limited, was held on the 28th ultimo, at the company's store, Oxford Street, London, Mr. H. Gordon Selfridge (chairman and managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, said : Another year has been spent by the men of business of this country in climbing out of the pit of difficulties and distress into which the Great War plunged us all. In this effort we cannot discover the least discouragement or faint-heartedness, but all recognise now that the recovery to even fairly normal conditions is a process requiring a much longer time than any of us who, with the optimism of inexperience of great wars and their after-clap, had thought possible.

To a great distributing business like this a vital factor is the buying strength of the members of the public. If the average individual finds his or her income reduced, no matter in what way, he has less to spend and his strength or ability to buy is, of course, accordingly reduced. For example : There are living in the small radius of 25 miles of this room between 9,000,000 and 10,000,000 people. If each of these finds his income diminished by so little, even, as 1d. a day, it means to the supplying division of London's commercial public a decrease in the expenditure of £38,000 to £40,000 each day.

We, here, are continually dissatisfied with the amount of our daily and annual returns, for, with the great throngs who make our store their daily or weekly buying headquarters, we could—if the purchasing strength of these customers were equal to their reasonable desires, or even to their pre-war abilities—easily double our returns.

But there has been some determined climbing done by British commerce during the past 12 months, and, as far as our own figures are concerned, they are comparatively the best we have ever shown. We are doing our full share of this climbing, and in this competition for increased annual returns we are inclined to feel that perhaps more than could ordinarily be considered as our proportion is coming our way. The balance-sheet has been before you for some days. It tells its own story and practically everything there is to tell.

WILLIAM WHITELEY, LIMITED.

The least agreeable item is the charge of £46,105 5s. 4d., which we paid under guarantee to William Whiteley, Limited, in respect of the year ended January 31, 1928. This is one of the temporary penalties of acquiring an old business which has demanded an enormous amount of effort in being reconstructed and brought reasonably up to date. This investment will eventually and before long prove a splendid asset to this house, but we have to go through a certain amount of loss before reaching a period of profit. This payment has, of course, reduced the sum usually used by us for writing down properties, etc., but, even so, a considerable amount has been so applied. We like the writing down of assets and always favour it rather than the payment up to the hilt in dividends. One keeps the money in the business and permits expansion and the other does not. The former is conservative, and in this, if in little else, we are extremely conservative.

Our large investment in the Selfridge Provincial Stores is also an asset of great future value. Conservatism insists, however, that it is wiser to retain the profits of these excellent businesses in their own treasuries rather than to declare them as dividends. We prefer greater and continually greater financial strength to increased dividends, all of which will make such of the shares of this business as are in the hands of the public, a permanent investment rather than a speculative one.

I may say of the year 1928 that the first six months were extremely difficult. We seemed to try as hard as ever, but the returns in several divisions failed to increase, and, of course, everything else being equal, returns are vital. In the last six months, however, we recovered handsomely, and, as you may have seen in our public announcements, we continually, month by month, broke previous highest records.

The Chairman having paid an eloquent tribute to the staff, the report and accounts were unanimously adopted.

The formal business having been transacted, a vote of thanks to the chairman, directors and staff terminated the proceedings.

BOVRIL, LIMITED.

STEADY GROWTH OF BOVRIL EXPORTS.

The thirty-second annual general meeting of Bovril, Limited, was held, on the 26th ultimo, at River Plate House, London, the chairman, Sir George Lawson Johnston, presiding.

The Chairman, in moving the adoption of the report and accounts, said that they were acquiring 311,470 6 per cent. £1 cumulative preference shares in Argentine Estates of Bovril, Limited, at par, and would be offering these to the public during the next few days at the price at which they obtained them, with their guarantee of dividend up to March 31, 1935, and he would only say that, so far as the Bovril shareholders' applications were concerned, they would avoid closing the lists till, at any rate, the first post on Monday morning.

As the offer for sale of the preference shares contained the necessary information, he would not repeat it there, but he would just say one thing with regard to the large area of land owned by the Argentine Estates of Bovril, Limited, and that was, that land in the Argentine had a habit of continually growing in value, and that some portions of the Entre Rios Estates which he bought for the Argentine Estates of Bovril, Limited, twenty years ago at $40 a hectare were being sold at four and five times that price. Of course, they were improving the estates by clearing and putting under Colony. In some cases, clearing and taking out tree roots cost more than the original price of the land.

GROWING BOVRIL EXPORTS.

During the war, the export of Bovril was restricted; for a period it was prohibited. However, with a special effort in 1919, they got their export sales up to pre-war figures. Each year since 1919 had shown an increased export of Bovril over its predecessor; 1928 again showed this continued advance in their exports.

In a competition recently promoted to encourage amateur advertisers, no fewer than 3,600 entries for Bovril advertisements were sent in. Some of the suggestions they had used in their publicity work, some they had not, although they had given a good deal of private amusement. One suggestion, accompanied by an appropriate sketch, showed a Bovril bottle knocking the letter "L" out of the word "Influenza." Another design depicted Samson reclining in his tent asleep, with Delilah standing beside him holding a large bottle of Bovril in her hand, listening to the voice of a Philistine outside urging her to "leave his hair, Delilah, but take his Bovril."

They were still keeping up their weekly, or, at any rate, fortnightly, change of slogan, and most of them must have seen a good many examples. Some of them might not have seen a new one now appearing on railway platforms which read : "Before the next (s)train, take Bovril."

The report and accounts were unanimously adopted.

SIR JAMES CRICHTON-BROWNE ON BODY-BUILDING.

Sir James Crichton-Browne, M.D., F.R.S., said there had never been a time when more nonsense about nutrition and foods and body-building was talked and written than the present. Only the other day he had come across what he would respectfully designate a bit of mischievous nonsense uttered by a learned Professor on the wireless, in which, referring to meat extracts, the learned gentleman, to use colloquial language, "damned the lot," and denied that they had any body-building power. Sir James thought the Professor must take a very narrow view of body-building, and must have forgotten, or overlooked, the experiments made with Bovril by the late Professor Thompson, of Trinity College, Dublin, and of Mr. Caldwell and Mr. Wallace. These led to the definite conclusion that Bovril had both an indirect and a direct nutritive value, the former being due to a better digestion and absorption of the food to which it was added, and the latter to a retention of nitrogen, which was furnished in part by Bovril and part by the ordinary food. It was demonstrated that the addition of Bovril to the food of animals and men was invariably followed by a decisive increase of weight.

Body-building, Sir James pointed out, was a very comprehensive term, and daily became more so.

The Chairman, in thanking Sir James for one of his unique speeches, said how delighted they all were to see that he had suffered no serious ill-effects from the railway accident he had been involved in.

Sir George added that they lived on very good terms, not only with their workpeople, but with their Union, and he would like to read them the postscript to a letter, dated February 14, from the Union Group Secretary, dealing with an Agreement covering the rates of pay and working conditions of their factory employees. It ran as follows :—

"We observe from this morning's papers that one of your directors, Sir James Crichton-Browne, was implicated in the train disaster at Alfreton, and would take this opportunity of hoping that no ill-effect follows his unpleasant experience."

JEREMIAH ROTHERHAM AND COMPANY, LIMITED.

"AN EXTRAORDINARILY GOOD YEAR."

The thirty-first annual general meeting of Jeremiah Rotherham and Co., Ltd., was held, on the 27th ultimo, at the Town Hall, Shoreditch.

Mr. Joseph Hockley, the chairman of the company, presided, and in moving the adoption of the report and accounts to January 15, 1929, said that last year he presided in the absence of Mr. Richard Bowden, who had met with a serious accident. Since then, in consequence of that accident and his advancing years, that gentleman had resigned from the board, but was present with them that day. The past year had been a very difficult one for their trade. The year started well, but May and June were very cold. Better weather in the second half of the year made up for that, and he was glad to be able to present results of what he considered would be regarded as an extraordinarily good year. The reduced profit was due to a slight decline in sales. The net profit was £64,068, which with the balance brought forward from last year of £72,641 made a total of £136,709.

After deducting the interim dividends paid on the Preference and Ordinary shares, there remained £107,709 to be dealt with, and out of this the directors recommended the following distributions : on the Preference shares at the rate of 5 per cent. per annum for the half-year ended January 15, 1929, absorbing £5,000, and on the Ordinary shares at the rate of 10 per cent. per annum for the half-year ended January 15, 1929, making with the interim dividend 9 per cent. for the year, absorbing £30,000. There then remained £72,709 to carry forward.

Dealing with the accounts generally, he said that they were in a position of financial strength upon which they could congratulate themselves. The past year had been a very difficult one, and the current year was also much of the same nature. It was not proposed to fill the vacancy caused by the resignation of Mr. R. Bowden yet, and that would reduce the amount of the directors' fees by £2,000 per annum, which would go to the benefit of the shareholders. As to the prospects of the current year, he did not desire to prophesy, but they knew that since the year began there had been a decrease in unemployment, and there had been greater activity in the big industries of coal, shipbuilding, cotton, and agriculture. The clouds seemed to be passing away and gleams of light showing.

The report and accounts were unanimously adopted.

CONQUISTADORES!

¶ It is a far cry since the adventurous days of the Spanish Conquistadores and their pioneer expeditions to the ancient American civilisations.

¶ To-day, a great and growing volume of overseas trade is transacted annually by the Republics of the New World, and unrivalled facilities for every description of modern banking business are afforded by

THE ANGLO-SOUTH AMERICAN BANK LTD
117 OLD BROAD ST, LONDON, EC2

NATIONAL PROVIDENT INSTITUTION.
RECORD NEW BUSINESS.

The 93rd annual meeting of the National Provident Institution for Mutual Life Assurance was held, on the 21st ultimo, at the Cannon Street Hotel, London.

The Hon. Vicary Gibbs (the chairman) said that the report submitted was evidence that the institution had made a most satisfactory start for the new quinquennium, progress being shown under all headings. As regarded new business, they had achieved another record by writing policies for new sums assured amounting to £1,511,950, carrying a new net annual premium of £52,253, and they had also received £187,914 as single premiums. Last year was evidently a good year for life assurance from the new business point of view, as he saw from an article in the "Economist" that in the case of the returns of twenty-eight of the leading life companies in every instance except one additions to previous figures had been recorded, the total showing a net increase for these offices of 11 per cent. The increase in the case of this institution amounted to over 27 per cent., so they had done substantially better than the average.

SATISFACTORY FEATURES.

The increase in new business in recent years had not been accompanied by any increase in expenses, for in the year ended November, 1923, when the new business amounted to only £1,089,503, the expense ratio was then £13 11s. 3d. per cent., against this year's figure of £12 8s. per cent.

Another satisfactory feature about last year's new business was that the increase was largely in policies payable at death only—what they termed whole-life policies. The bonus they were now paying on these policies—an initial flat bonus of 2½ per cent., increasing rapidly after the assured had reached his expectation—made them very attractive at all ages, but perhaps particularly in the case of lives advanced in years, for whom they quoted very low premiums as compared with the average market rate.

The mortality experience of the institution was again very favourable. The net rate of interest realised on the funds had again increased, being £4 14s. 2d. per cent., as compared with £4 13s. 7d. per cent. for the previous year. The premium and interest income both showed substantial increases. Their funds last year showed an increase of £197,000 in spite of the fact that they had paid away in cash bonuses nearly £200,000.

The report and accounts were unanimously adopted.

MAPLE AND COMPANY, LIMITED.
BETTER PROSPECTS FOR CURRENT YEAR.

The meeting of Maple and Co., Ltd., was held in London, on the 27th ultimo, Mr. Charles Clare Regnart (president) presiding.

The Chairman, in moving the adoption of the report and accounts, said that trade during the opening months was encouraging, and they were justified at one time in anticipating that they would have been able to show an increased profit for the year. Trade in London had been quite satisfactory and the profit equal to the previous year. Their South American business, however, had shown disappointing results—competition had been and was exceedingly keen, and the population was over catered for, particularly in the furnishing trade. It was some small consolation to hear that other large furnishing houses had been no more successful.

The net results attained, embracing the branches and foreign subsidiary companies, showed that net profits were less by £26,024 compared with the previous year. The board, however, felt they were justified in recommending the payment of a final dividend of 12½ per cent., making a total distribution of 15 per cent. for the year, necessitating, though it did, taking an amount of £12,848 from the carry forward of £61,782 which, as shareholders were aware, existed for the purpose of equalising dividends. The company's shipping trade, he was glad to say, showed signs of improvement—although 1928 did not benefit to any large extent from this source. Judging from the number of foreign orders they now had in hand, the current year should show a distinct advance.

It could not be too widely known and, therefore, the shareholders' assistance could be of the greatest value, that a large number of their customers took advantage of the company's deferred payment system—the whole of the vast stocks for that purpose being at the disposal of the public. All goods in their establishment were marked in plain figures and at prices considerably less than those offered by the ordinary hire purchase houses.

Last year shareholders were good enough to support a resolution to allocate £5,000 towards a staff benevolent fund. This, he would say, had been highly appreciated by the employees, and he felt confident that the shareholders would again willingly consent to that recommendation.

Mr. H. Stanley Wharton seconded the motion, which was unanimously approved.

CITY OFFICES COMPANY, LIMITED.
VALUE OF CITY FREEHOLD PROPERTY.

The annual general meeting of the City Offices Co., Limited, was held, on the 26th ultimo, at Palmerston House, Old Broad Street, London, Mr. E. M. Rodocanachi (chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The past year has again been a good one for this company, and, generally, business has been satisfactory in the South of England. The General Election will take place this summer, and is bound to have a disturbing effect on business, otherwise I look for increased prosperity this year, as there is distinct evidence of better trade and increased surplus wealth both here and abroad.

In conclusion, referring to the revenue account, this, he said, they would all agree, was most satisfactory. After calling attention to the chief differences in that account, he said that he told the shareholders last year the Board wished substantially to reduce the bank loan, which stood at £17,000 on December 31, before increasing the dividend, and that a reserve of this sort would be useful should the board decide to rebuild any of their freehold properties. The value of freehold property in the City of London and in Westminster was, in his opinion, bound to increase every 10 years, as history proved, because the supply was limited, and the demand increased each year. A given site in the City in Queen Elizabeth's reign was worth only a few pounds; in Queen Anne's reign it had increased considerably, and again in Queen Victoria's reign, until at the present time they heard of sales of freehold near the Bank of England at £85 per foot super., and £50 was quite a usual price in Threadneedle and Old Broad Streets. Taxation may, of course, come to deprive the owners of part of this increment, but where the supply was limited taxation could generally be passed on to the consumer, the tenant in the company's case. It had been so in the case of the enormous increase in rates. The company paid on rates in 1867, £2,613; in 1877, £6,413; in 1887, £6,877; in 1897, £8,398, in 1907, £9,695; in 1917, £11,204; in 1927, £19,782; whilst for the past year the figure was £18,802, the whole of which they had been able to pass on to their tenants. He thought, therefore, he was justified in saying that he believed in the future of freehold property, especially in the City of London, because he could see no reason why that class of property should not continue to increase in value every 10 years (with ups and downs, perhaps, during each decade), as it had done since Queen Elizabeth's reign.

The report and accounts were unanimously adopted

GENERAL INVESTORS AND TRUSTEES, LIMITED.
SUCCESSFUL RESULTS—INCREASED DIVIDENDS.

The twenty-second annual general meeting of General Investors and Trustees, Limited, was held on the 28th ultimo, at Winchester House, London.

Mr. Gerald T. Moody (the chairman) said that, in addressing the stockholders a year ago, he referred to the issue on bonus terms which the company had recently made to holders of ordinary stock. That issue was based on terms which would require the resulting money to be invested to yield upwards of 7 per cent. if the distribution on the ordinary stock was to be continued at 16 per cent., the rate paid last year. It must be a matter of satisfaction to all concerned that the progress of the company had been such as to permit them not only to maintain the dividend at 16 per cent., but to recommend an increase of 1 per cent., making 17 per cent. for the year on the ordinary stock, including that issued on bonus terms. In making this recommendation the directors had not been unmindful of those allocations of prime importance to all conservatively-managed investment companies, for they proposed to carry £17,000 to reserve account, making it £265,000, or 66 per cent. of the ordinary stock, to place a further £2,000 to staff superannuation fund, and to increase the carry-forward by more than £1,000.

For those who subscribed for and retained the bonus issue referred to, and who elected to sell the resulting stocks at present prices, the bonus was equal to a further dividend of approximately 19 per cent., free of both income tax and super tax, on the ordinary stock. The directors had no immediate intention of making a further issue on bonus terms, though he had no doubt they would give the matter their favourable consideration so soon as general conditions and expansion in revenue made such a course desirable in the interests both of the company and of its stockholders. They had issued £28,000 of 4 per cent. debenture stock during the year, the discount on issue of which had been provided from the balance arising from exchange of securities. A further £100,000 had since been placed, and it was not unreasonable to suppose that these issues would in time provide additional revenue available for distribution on the ordinary stock. Investments at or under cost figured in the balance-sheet at £1,504,951, and a valuation of these, 94 per cent. of which were quoted securities, showed a substantial surplus over the issued capital and reserve account.

The report and accounts were unanimously adopted.

155 Branches in Finland

CAPITAL AND RESERVES: Fmk.403,000,000.
TOTAL ASSETS (30/6/28): Fmk.2,896,902,000.

KANSALLIS-OSAKE-PANKKI
(National Joint Stock Bank)

HEAD OFFICE: HELSINKI (HELSINGFORS), FINLAND
Established 1889.

PEARL AUTOMATIC MACHINES, LIMITED.
IMPORTANT NEW BUSINESS.

The Statutory Meeting of the Pearl Automatic Machines, Limited, was held on 26th ultimo, at Winchester House, Old Broad Street, London, E.C.

Sir T. J. Leigh Maclachlan, Kt., the chairman, who presided, said:—The accounts show the strong financial position of this company, the cash resources being sufficient for the company's requirements. The trader as well as the purchasing public is rapidly realising and beginning to take advantage of the labour-saving and economical help of automatic machines.

The prospectus stated that signed applications for over 17,000 machines had been received. You will be glad to know that the company has already completed signed contracts for 15,000 machines on which deposits have been paid and deliveries begun, and that negotiations for large numbers are expected by Mr. Lawrence, the managing director, to be completed within a few days, still leaving very large districts and many populous areas to be supplied. In all cases the machines are being delivered up to contract time, and in many cases before. This is indeed a wonderful achievement to have been brought about in such a short period, and could not have been done were it not for the fact that the Pearl automatic machine is compact, of good appearance and can be fixed in places where the majority of machines are not available.

The Pearl automatic machines have already been fixed in many of the leading thoroughfares in London, and contracts have been entered into with several institutions. The contracts already signed should provide the company with a gross income of over £39,000 per annum. The field of its operations is so large that at present we have only touched the fringe.

That the machines meet a public need can be proved by two illustrations. A battery of ten machines was fixed in one position, and in one week they served 3,003 customers; 80 machines placed in various parts of the West End and City showed average sales for the past week of over 16s. per machine. Your board are satisfied with the progress shown, and look forward confidently to the future.

In conclusion, the chairman said that he should mention that, since entering the room, he had had news of a further offer which had been accepted by the company, subject to contract. That new business would provide the company with an additional income of £25,000 a year.

A hearty vote of thanks to the chairman and directors closed the meeting.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended February 23, 1929:—

(000's omitted.)

EXPENDITURE.	£	RECEIPTS.	£
Supply Services	8,028	From Revenue	26,351
Interest, &c., on Debt	800		
Sinking Fund	1,332		
Sundries	151		
Decrease in Debt	15,952		
Increase in Balances	88		
	26,351		26,351

The revenue for the week amounted to £26,351,200, as compared with £21,687,600 in the corresponding week last year. Property and Income-tax brought in £13,967,000 against £12,683,000, and Super-tax £2,060,000 against £2,780,000. Customs and Excise were higher at £3,050,000 and £5,734,000 against £2,822,000 and £1,723,000 respectively. Revenue to date amounts to £626,131,000, against £645,056,000 at this time last year, whilst expenditure at £668,365,000 compares with £685,736,000 a year ago. With five more weeks to run to the end of the financial year, there is a deficit of £42,234,000 as compared with £40,680,000 at this time last year. The National Debt was reduced by £15,952,000 as shown below:—

(000's omitted.)

	£		£
National War Bonds	− 500	National Savings Certificates	+ 300
Treasury Bills	− 20,902	Public Department Advances	+ 5,100
		Sundries	+ 50
	− 21,402		+ 5,450

The floating debt was reduced by £15,810,000 to £774,655,000.

FINANCIAL YEAR, 1928-29, April 1 to Feb. 23, 1929.

	£		£
Expenditure	668,364,565	Revenue	626,130,807
		Amount borrowed	38,642,331
		Decrease in balances	3,591,427
	668,364,565	Total	668,364,565

ESTIMATES (New Basis), 1928-29.

	£		£
Expenditure	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

SELF-BALANCING REVENUE and EXPENDITURE.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Feb. 16, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	...	...	...	...	...	166	204	204	204
3½% Conversion Loan	...	...	666	709	760	740	832	832	832
4½% Conversion Loan	...	...	...	210	211	211	221	221	221
3½% War Stock	...	63	63	63	63	63	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,166	2,052	2,109	2,154	2,253	2,253	2,253
National War Bonds	...	1,509	820	778	706	556	194	111	65
4% Funding Loan	...	409	396	394	390	389	385	385	385
4% Victory Bonds	...	360	314	303	292	277	261	261	261
Treasury Bonds	...	...	457	499	482	454	675	773	762
Exchequer Bonds	20	323	150	15	15	15	16	16	16
National Savings Certs.	...	267	366	369	375	372	362	360	360
Other Debt*	...	1,306	1,128	1,124	1,111	1,103	1,097	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	588	576	565	599	527	788	752
Temporary Advances	1	243	186	167	139	117	162	28	22
	654	8,033	7,641	7,598	7,558	7,555	7,528	7,665	7,566
Other Capital Liabilities	57	46	66	68	75	98	103	103	107
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,631	7,768	7,673

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances Outstanding—	Feb. 25, '28. £	Mar. 31, '28. £	Feb. 23, '29. £	Movemen Week ended Feb. 23, '29. £
Advances by Bank of England	...	...	...	...
Advances by Public Deptmts.	123,960,000	161,850,000	21,740,000	+ 5,100,000
Treasury Bills Outstanding	576,350,000	526,940,000	*752,915,000	− 20,910,000
Total Floating Debt	700,310,000	688,790,000	774,655,000	− 15,810,000

* Includes £29,000, the proceeds of which were not carried to the Exchequer within the period of the account.

PUBLIC INCOME AND EXPENDITURE.
RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1928–29.	Total Receipts into the Exchequer from April 1, 1928, to Feb. 23, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Feb. 25, 1928.	Week Ended Feb. 23, 1929.	Week Ended Feb. 25, 1928.
	£	£	£	£	£
Balances in Exchequer on 1st April:—					
Bank of England	...	5,918,513	6,003,023	...	...
Bank of Ireland	...	404,112	456,633	...	...
	...	6,322,625	6,459,656	...	...
ORDINARY REVENUE.					
Inland Revenue—					
Property and Income Tax	232,900,000	173,747,000	195,541,000	13,967,000	12,683,000
Super-Tax	60,000,000	37,600,000	42,720,000	2,060,000	2,780,000
Estate, &c., Duties	72,000,000	70,910,000	68,200,000	1,790,000	2,160,000

	Estimate for the Year 1928-29.	Total Receipts into the Exchequer from April 1, 1928, to Feb. 23, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Feb. 25, 1928.	Week Ended Feb. 23, 1929.	Week Ended Feb. 25, 1928.
	£	£	£	£	£
Stamps	28,000,000	24,920,000	21,720,000	450,000	620,000
Excess Profits Duties, &c.	1,000,000	...	...	...	...
Corporation Profits Tax	1,500,000	760,000	1,640,000	120,000	...
Land Tax, House Duty and Mineral Rights Duty	850,000	570,000	520,000	70,000	20,000
Total Inland Revenue	396,250,000	308,507,000	330,341,000	18,457,000	18,263,000
Customs and Excise—					
Customs	120,637,000	107,046,000	100,573,000	3,050,000	2,822,000
Excise	140,768,000	124,159,000	128,270,000	5,734,000	1,723,000
Total Customs & Excise	261,405,000	231,205,000	228,843,000	8,784,000	4,545,000
Motor Vehicle Duties (Exchequer Share)	4,400,000	3,991,067	4,531,985	...	...
Post Office (Net Receipts)	8,186,000	11,200,000	7,850,000	*Dr*900,000	*Dr*1400000
Crown Lands	1,100,000	1,120,000	1,050,000	...	50,000
Receipts from Sundry Loans	27,650,000	21,887,500	18,795,320	3,500	1,750
Miscellaneous: Ordinary Receipts	13,550,000	12,459,443	29,318,796	6,696	216,422
Miscellaneous: Special Receipts	40,362,000	35,760,797	24,326,280	...	11,449
Total Ordinary Revenue	752,903,000	626,130,807	645,056,381	26,351,196	21,687,621
SELF-BALANCING REVENUE.					
Post Office	57,314,000	49,500,000	50,250,000	2,000,000	2,500,000
Motor Vehicle Duties apportioned to Road Fund	21,300,000	20,858,933	19,212,015	...	...
Total Self-Balancing Revenue	78,614,000	70,358,933	69,462,015	2,000,000	2,500,000
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920-28		774,432	3,866,000	...	...
Road Fund		3,825,000	...	...	...
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues:					
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		7,650,000	7,000,000	...	...
(b) Under the Unemployment Insurance Acts, 1920-28		10,450,000	3,290,000	200,000	180,000
(c) For other Issues:					
By Treasury Bills		2,475,489,000	2,225,217,000	42,033,000	40,747,000
By 4% Consolidated Loan		...	41,316,756	...	...
By National Savings Certificates		36,650,000	31,850,000	1,000,000	750,000
By National War Bonds		10	10	...	...
By 4½% Treasury Bonds, 1934		...	64,595,752	...	...
By 5% Treasury Bonds, 1933-35		93,603,348	20,800,000	...	...
By 4½% Treasury Bonds, 1932-34		18,960,000	...	50,000	...
(d) Ways and Means Advances		554,540,000	563,570,000	12,040,000	...
Repayments—					
In respect of Suez Canal Drawn Shares		5,733	4,586	...	...
In respect of Cunard Loan		...	130,000	...	...
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		132,325	181,241	...	...
Total	£	3,904,929,130	3,682,836,264	83,674,196	65,864,621

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1928-29 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Feb. 23, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1927, to Feb. 25, 1928.	Issues Week Ended Feb. 23, 1929.	Issues Week Ended Feb. 25, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt	304,000,000	300,927,194	298,809,658	800,437	880,802
Payments to Local Taxation Accounts	14,200,000	10,107,983	10,762,875	135,000	135,000
Payments to Northern Ireland Exchequer	5,600,000	3,908,843	3,946,812	16,000	622,626
Other Consolidated Fund Services	2,600,000	2,202,247	3,058,858	268	...
Supply Services (excluding Post Office)	352,552,000	301,681,956	311,609,899	8,028,050	5,233,800
Total Ordinary Expenditure	678,952,000	618,828,223	628,188,102	8,979,755	6,872,228
Sinking Fund	65,000,000	49,536,342	57,547,485	1,332,000	1,547,000
SELF-BALANCING EXPENDITURE.					
Post Office	57,314,000	49,500,000	50,250,000	2,000,000	2,500,000
Road Fund	21,300,000	20,858,933	19,212,015	...	...
Total Self-balancing Expenditure	78,614,000	70,358,933	69,462,015	2,000,000	2,500,000

	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Feb. 23, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1927, to Feb. 25, 1928.	Issues Week Ended Feb. 23, 1929.	Issues Week Ended Feb. 25, 1928.
OTHER ISSUES.	£	£	£	£
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920-28	10,450,000	3,290,000	200,000	180,000
Road Fund, under Section 27 of the Finance Act, 1928	3,825,000	...	...	...
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928	9,050,000	8,500,000	...	250,000
Unemployment Insur. Acts, 1920-28—				
Repayment of Amounts Borrowed	774,432	3,866,000	...	...

	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Feb. 23, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1927, to Feb. 25, 1928.	Issues Week Ended Feb. 23, 1929.	Issues Week Ended Feb. 25, 1928.
	£	£	£	£
Redemption of Debt—				
Treasury Bills	2,249,540,000	2,248,055,000	62,935,000	45,950,000
Principal of National Savings Certificates	36,900,000	34,450,000	700,000	850,000
Principal of National Savings Bonds paid off	3,061	1,042	...	...
Principal of National War Bonds paid off ... 131,909,504				
Less paid off by the National Debt Commissioners ... 3,003,000				
	128,906,504	66,400,261	500,000	...
Principal of Treasury Bonds paid off	25,990,787	3,403,035	...	...
Other Debt under the War Loan Acts, 1914 to 1919	3,341,000	100	...	...
Ways and Means Advances Repaid	694,650,000	556,211,000	6,940,000	7,600,000
Issues to National Debt Commissioners to Reduce Debt—				
Suez Canal Drawn Shares Repayments	5,733	4,536	...	...
Cunard Loan Repayments	...	130,000	...	...
Old Sinking Fund, 1907-08—				
Issued under Section 9 of the Finance Act, 1908	1,000	1,623	...	...
	3,902,197,932	3,679,547,116	83,586,755	65,749,228
Balances in Exchequer—	Feb. 23, '29.	Feb. 25, '28.	In. or Dec.	for Week.
Bank of England	2,052,591	2,071,665	− 48,559	− 31,607
Bank of Ireland	678,607	1,217,483	+ 136,000	+ 147,000
Total £	3,904,929,130	3,682,836,264	+ 87,441	+ 115,393

Treasury, February 18, 1929.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bills were opened on February 22, 1929, and the total amount applied for was £39,545,000. For bills at 3 months, dated Monday, at £98 14s. 8d., and above in full; Tuesday at £98 14s. 11d., and above in full; Wednesday and Thursday at £98 14s. 8d., and above in full; Friday at £98 13s. 9d., about 71 per cent., and above in full; Saturday at £98 14s. 1d., and above in full. The amounts allotted were in bills at 3 months, £30,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1928.	£	£	£ s. d.
December 21	40,000,000	46,860,000	4 8 7·03
December 28	45,000,000	80,130,000	4 5 7·07
1929.			
January 4	45,000,000	59,700,000	4 6 5·99
January 11	35,000,000	57,915,000	4 5 4·26
January 18	45,000,000	58,035,000	4 5 2·06
January 25	45,000,000	55,210,000	4 6 6·73
February 1	40,000,000	47,120 000	4 5 2·83
February 8	35,000,000	52,695.000	5 2 5·68
February 15	30,000,000	41 430,000	5 5 3·43
February 22	30,000,000	39,545,000	5 3 8·78

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.
ASSETS - - - - £9,101,717
CLAIMS PAID - - - £41,161,592
Accidents and Illness.
Employers' Liability. Fidelity Guarantees.
Burglary. Fire. Motor Cars. Public Liability
Inspection and Insurance of Boilers, Engines, Electrical Plant and Lifts.
Executorships and Trusteeships.
Head Office: 36-44 MOORGATE, LONDON, E.C. 2

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, February 27, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	352,253,215	Other Government Securities	234,525,232
In Banking Department	58,643,787	Other Securities	9,464,764
		Silver Coin	4,994,904
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	150,897,002
	£410,897,002		£410,897,000

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	42,976,855
Rest	3,703,363	Other Securities—	
Public Deposits*	13,966,893	Discounts and Advances ... £8,353,509	
Other Deposits—		Securities ... 15,593,988	
Bankers ... £57,040,301			23,947,497
Other Accounts 36,661,690		Notes	58,643,787
	93,701,991	Gold and Silver Coin	358,515
7-Day and Other Bills	1,407		
	£125,926,654		£125,926,654

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

Both Departments.	Amount Feb. 27, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	352,253,215	+ 434,151	− 14,326,245
Public deposits	13,966,893	− 1,109,325	+ 3,969,258
Bankers' deposits	57,040,301	− 8,654,461	− 4,805,280
Other deposits	36,661,690	− 491,559	
Seven-day bills	1,407	− 3,427	− 548
Total, outside liabilities	459,923,506	− 9,804,621	− 15,162,815
Capital and rest	18,256,363	+ 53,527	− 15,449
Government debt and securities	288,517,187	− 3,335,395	+ 21,230,960
Discounts and advances	8,353,509	− 3,702,574	− 29,909,737
Other securities	25,058,752	− 3,120,789	
Silver coin in issue department	4,994,904	+ 3,085	− 505,096
Coin and bullion (bank's reserve)	151,255,517	+ 404,579	− 5,994,391
Reserve of notes and coin in banking department	59,002,302	− 29,572	+ 17,351,854
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	54⅜%	+ 4⅜%	+ 16⅜%
(b) Gold stocks to deposits and notes ("reserve ratio")	32½%	+ ⅛%	− ⅛%

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
Jan. 9	414,284,469	369,517,787	10,944,607	67,491,247	36,813,416	1,157,054 in	4½
16	414,171,272	360,682,536	15,148,359	67,549,972	36,665,759	114,308 out	4½
23	413,103,414	355,366,406	16,850,494	60,841,865	37,481,693	1,078,579 out	4½
30	412,714,393	355,644,424	19,229,555	58,210,774	37,862,617	394,507 out	4½
Feb. 6	409,626,177	357,519,235	8,351,338	68,500,861	37,003,622	3,091,745 out	5½
13	409,837,878	352,698.006	19,635,679	58,199,877	36,437,556	133,139 in	5½
20	410,503,734	351,819,064	15,076,218	65,694,762	37,133,249	651,702 in	5½
Feb.27	410,897,002	352,253,215	13,966,893	57,040,301	36,661,690	389,932 in	5½

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1929.	£	£	£ %	£	£	£	£ %
Jan. 9	244644115	10170725	154479280 31⅜	57736855	14687357	15969429	44961493 38½
16	244689806	10171370	154406085 32⅛	55121855	13058329	15540096	53723549 45
23	244848035	10172176	153342962 32⅛	49486855	10763570	15061023	57976556 50⅛
30	244884208	10170568	152978126 32⅛	50501855	9657227	15946436	57333702 49⅜
Feb 6	244994469	10016515	149917446 31⅜	55386855	8714097	15528000	52398211 46
13	245524998	9491737	150154375 32⅛	47876855	10446657	16686558	57456367 50½
20	245520727	9487454	150850938 32⅛	46331855	12056083	18692087	59031874 50
Feb. 27	245540332	9464764	151255517 32⅛	42976855	8353509	15593988	59002302 54⅜

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to Feb. 13	5,320,540	250.473	399 456	5,970,669
Week ended Feb. 20	746,628	34,006	56,309	837,003
Week ended Feb. 27	744,426	33,314	53,193	830,933
Total to date, 1929	6,811,594	318.053	508.958	7,638,605
Do. 1928	6,525,582	309,507	511,883	7,346,972
Increase or decrease in 1929	+ 286,012 = 4·6%	+ 8,546 = 2·7%	− 2,925 = 0·5%	+ 291,633 = 3·9%
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,757	2,817,868	39,825,054
Increase or decrease in 1927	+ 1,473,253 = 4·1%	+ 97,275 = 5·8%	+ 154,959 = 5·4%	+ 1,725,487 = 4·3%

PROVINCIAL CLEARING RETURNS.

	Month of January. 1928.	Month of January. 1929.	Month of January. %	Aggregate Weekly Totals to Feb. 23. 1928.	Aggregate Weekly Totals to Feb. 23. 1929.
Number of Working Days	26	27			
	£	£		£	£
BIRMINGHAM	11,558,000	12,309,000	+ 6·4	22,120,200	22 768,800
BRADFORD	6,208,000	5,172,000	−16·6	...	...
BRISTOL	5,341,000	5,717,000	+ 7·7	9.715,000	10,285,000
DUBLIN	...	...	...	39,508,300	41,467 200
HULL	4,135,000	4,351,000	+ 5·2	7,516,800	7,542,800
LEEDS	5,195,000	4,792,000	− 7·7	8,926,700	8,419,700
LEICESTER	3,881,000	3,818,000	− 1·6	7,106,600	6 913,600
LIVERPOOL	38,959,000	38,762,000	− 0·5	70.382,500	68,422,900
MANCHESTER	62,791,000	59 045,000	− 5·9	111,995,100	104,775,400
NEWCASTLE-ON-TYNE	6,331,000	6.217,000	− 1·8	12.014,200	11,645,900
NOTTINGHAM	2,940,000	2,993,000	+ 1·8	5.278,000	5,452,400
SHEFFIELD	4,726,000	4,552,000	− 3·6	8,498,200	8,312,700
Total	152.065,000	147.728,000	− 2·8	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Egypt appeared in the *Economist* of Jan. 19; Denmark in February 9; Poland, Russia, Danzig and Chile in Feb. 23.

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

	Feb. 28, 1929.	Feb. 21, 1929.	Feb. 14 1929.	Feb. 7, 1929.	Mar. 1, 1928.
RESOURCES.					
Total gold reserves	2,686,850	2,681,110	2,896,220	2,653,920	2,808,370
Total bills discounted	952,480	864,980	903,950	851,620	492,510
Bills bought in open market	334,080	355,840	391,050	410,740	343,760
Total U.S. Govt. securities	166,400	172,590	177,170	200,090	407,600
Total bills and securities	1,463,030	1,403,280	1,481,250	1,471,580	1,244,930
Total resources	5,166,590	5,107,100	5,143,940	5,102,150	4,974,850
LIABILITIES.					
Federal Reserve notes in actual circulation	1,653,970	1,651,600	1,659,780	1,646,310	1,588,240
Deposits—Memberbank—reserve account	2,367,250	2,318,640	2,372,620	2,386,280	2,374,520
Total deposits	2,412,970	2,361,020	2,421,580	2,438,140	2,425,610
Capital paid in and surplus	405.660	404,590	401,160	403,960	369,910
Total liabilities	6,165.590	5,107,100	5,143,540	5,102,150	4,974,850
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	69·9%	70·8%	69·8%	69·3%	74·1%

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

	Feb. 28, 1929.	Feb. 21, 1929.	Feb. 14, 1929.	Feb. 7, 1929.	Mar. 1, 1928.
Total bills discounted	222,390	161,730	252,690	195.130	83,330
Bills bought in open market	66,630	70,360	94,600	103.730	96,510
Total U.S. Govt. securities	15,320	16,310	18,670	26.190	80.940
Total bills and securities	304,340	268,400	365,960	325,050	260,780
Deposits — Member bank — reserve account	959,850	917,400	947,150	948,520	938,060
Ratio of total res. to dep. and Federal Res. note liabilities combined	81·5%	83·1%	76·7%	78·8%	83·4%

STATEMENT OF CANADIAN BANKS.—In $'s (000's omitted).

	Nov. 30, 1928.	Oct. 31, 1928.	Sept. 30, 1928.	Aug. 31, 1928.	Nov. 30, 1927.
ASSETS.					
Cash and bank balances	556,277	515,921	436,657	441,675	546,100
Bank balances abroad	81,697	72,986	71,899	71,322	81,069
Call and short loans	526,531	545,649	554,745	565,695	521,974
Securities	488,291	495,064	486,464	500,455	487,678
Loans in Canada	1,361,129	1,344,972	1,315,864	1,285,456	1,181,259
Loans abroad	239,325	249,067	237,951	239,268	249,822
Other assets	197,932	198,496	198,107	197,982	174,495
LIABILITIES.					
Note circulation	186,631	190,304	193,492	176,025	180,859
Deposits—					
Government	127,395	139,325	102,016	107,211	101,632
Public in Canada	2,249,718	2,228,453	2,138,011	2,142,065	2,141,278
Foreign	383,331	356,389	371,542	391,225	380,186
Bank balances—					
Canadian	16,754	17,765	13,726	13,722	13,632
Foreign	91,611	86,302	79,920	67,778	60,576
Bills payable, &c.	118,488	116,002	111,958	114,686	89,627
Capital and rest	258,754	256,831	256,331	256,331	254,806
Other liabilities	7,194	4,698	2,801	5,014	6,745

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

	Feb. 1, 1929.	Jan. 25, 1929.	Jan. 18, 1929.	Jan. 11, 1929.	Jan. 4, 1929.	Feb. 3, 1928.
ASSETS.						
Gold coin and bullion	8,119	7,840	8,429	7,667	7,822	8,246
Subsidiary coin	101	107	102	84	75	220
Bills discounted	8,835	8,423	8,010	9,118	9,408	8,253
Investments	721	804	294	481	481	574
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	9,392	8,125	8,197	8,673	9,505	8,594
Government deposits	2,220	1,915	2,335	1,827	1,553	1,555
Bankers' deposits	5,394	5,079	4,807	4,752	4,809	5,793
Ratio of cash reserves to liabilities to public	46·7%	50·3%	53·1%	48%	48%	51·1%

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

	Feb. 1, 1929.	Jan. 25, 1929.	Jan. 18, 1929.	Jan. 11, 1929.	Jan. 4, 1929.	Feb. 3, 1928.
ASSETS.						
Total securities	21,44,40	21,52,58	21,62,50	21,64,01	21,70,32	18,20,46
Loans	17,33,27	15,48,26	18,20,86	18.29,43	20,50.81	13,02,85
Cash credits	29,10,51	27,27,21	26,35,97	26.82,31	26,16.78	31,45,01
Inland bills	13,00,86	13,37,69	13,17,21	12,47,01	13,30,05	17,27,50
Foreign bills	37,72	20,10	18,37	19,20	30.59	46,34
Dead stock	2 82,19	2,82,48	2,82,35	2,81,66	2,81,45	2,77,99
Bal. with other banks	14,05	30,26	39,53	34,44	20,43	17,37
Cash	11,68,01	12,44,57	11,57,84	11,61,36	10,28,20	11,45,04
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62.50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,17,50	5,12,50
Total deposits	78,23,08	75,60,06	76,37,57	75,74,88	77,12,74	76,05,90
The above includes—	£	£	£	£	£	£
Deposits in London	869	921	969	1,022	996	997
Advances in London	914	867	896	900	885	944
Cash, etc., at other Banks in London	106	208	293	259	130	123

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

	Feb. 22, 1929.	Feb. 15, 1929.	Feb. 8, 1929.	Feb. 1, 1929.	Jan. 25, 1929.
ASSETS.					
Gold	34,037,604	34,026,595	34,018,098	34,004,022	33,995,441
Foreign assets—					
Sight deposits	11,538,871	11,794,958	12,302,943	12,435,796	11,789.204
Bills discounted	18,283,146	18,273,609	18,208,245	18,164,725	18,632,864
Commercial bills discounted at home	5,238,627	3,967,089	4,836,061	4,081,916	5,051,886
Advances against sec.					
To the State	9,130,000	9,130,000	9,130,000	9,130,000	9,130,000
Other advances	2,263,008	2,325,002	2,314,091	2,339,440	2,198,407
Other assets (excluding forward exch.)	3,147,734	3,504,164	3,570,386	3,737,397	3,147,433
LIABILITIES.					
Notes in circulation	62,505,668	62,619,795	63,101,466	63,866,999	62.152.593
Public deposits	12,299,992	12,687.784	12,645,691	12,398.794	12,711.842
Private deposits	6,884,626	5,700,836	6,429,493	5.658,540	7,154.613
Other liabilities	1,948.703	2,013,002	2,113,175	1,968,963	1,926,188

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

ASSETS.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 7, 1929.	Feb. 23, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,728,962	2,728,910	2,729,111	1,886,263
Of which deposited abroad	85,626	85,626	85,626	83,532
Reserve in foreign currencies	99,134	100,354	140,295	295,088
Bills of exchange and cheques	1,471,350	1,446,569	1,707,182	1,924,712
Silver and other coin	132,175	125,364	119,634	83,515
Notes of other German banks	28,815	23,471	17,052	25,380
Advances	38,467	78,284	44,405	22,575
Investments	93,170	93,170	93,172	94,256
Other assets	481,459	544,577	469,409	506,243
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	319,608	319,608	243,393
Notes in circulation	3,902,094	4,077,262	4,236,122	3,652,870
Other daily maturing obligations	572,696	467,171	501,314	604,189
Other liabilities	156,346	153,870	140,428	214,792

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

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

ASSETS.	Feb 21, 1929.	Feb. 14, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Feb. 23, 1928.	Position, May 28, 1914.
Gold	906,105	906,091	905,029	905,104	742,725	(b)
Foreign Bills and Balances Abroad	474,121	493,790	532,101	536,514	454,076	232,650
Silver and other coin	1,617	1,662	1,702	1,789	1,622	
Securities	708,367	698,003	677,530	672,991	536,543	697,600
LIABILITIES.						
Notes in circulation	2,368,620	2,382,352	2,391,325	2,419,343	2,065,508	934,150
Current accounts	98,258	104,943	104,843	71,023	92,430	112,125

(b) In thousand francs.

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

ASSETS.	Feb. 18, 1929.	Feb. 11, 1929.	Feb. 4. 1929.	Jan. 28, 1929.	Feb. 20, 1928.	Position, May 30,1914.
Gold	434,549	434,551	434,535	434,540	435,217	163,092
Silver	22,252	22,484	22,514	22,913	27,488	8,436
Dects. and advances	338,412	358,358	373,430	363,270	371,085	153,504
LIABILITIES.						
Notes in circulation	775,128	784,770	808,052	782,727	769,012	316,632
Deposits	28,560	42,513	38,599	44,423	63,426	5,016

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

ASSETS.	Feb. 23, 1929.	Feb. 16, 1929.	Feb. 9, 1929.	Feb. 2, 1929.	Feb. 25, 1928.	Position May 30,1914.
Gold	190,200	189,100	190,000	191,700	173,594	22,971
Silver					18,397	29,785
Discounts, advances, and other investments	141,700	142,800	145,400	142,800	145,253	77,567
LIABILITIES.						
Notes in circulation	299,900	302,100	303,500	300,100	309,402	109,499
Deposits and bills payable	52,400	59,300	57,100	60,200	40,270	11,250

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

ASSETS.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Feb. 23, 1928.	Position, May 31, 1914.
Gold	481,675	481,774	481,852	482,021	432,680	171,175
Silver	45,697	46,111	45,653	45,471	63,156	18,350
Foreign Bills and Balances abroad	174,501	180,192	186,952	184,653	...	...
Discounts	143,001	131,041	146,010	154,944	284,135	...
Advances	61,976	59,763	63,603	63,109	52,631	103,000
LIABILITIES.						
Notes in circulation	780,279	786,373	802,682	839,838	758,074	275,925
Deposits	86,923	84,545	85,041	66,622	76,586	33,750

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

ASSETS.	Feb. 10, 1929.	Jan. 31, 1929.	Jan. 20, 1929.	Jan. 10, 1929.	Dec. 31, 1928.
Gold, coin and bullion	5,058,500	5,052,100	5,052,000	5,051,961	5,051,900
Foreign bills and balances abroad	5,765,900	5,729,400	5,875,000	5,945,320	6,018,900
Other cash	196,000	170,200	141,100	131,550	102,321
Gold deposited abroad due by the State	1,836,200	1,836,200	1,836,200	1,836,187	1,836,200
Discounts	3,504,200	3,581,200	3,623,200	3,678,984	3,720,300
Advances	1,129,800	1,229,500	1,113,400	1,299,568	1,761,900
Credit with "Istituto di Liquidazioni"	1,102,800	1,102,800	1,160,000	1,102,763	1,160,000
Government securities	1,041,800	1,041,700	1,080,000	1,041,468	1,080,400
LIABILITIES.					
Notes in circulation	16,393,100	16,589,500	16,464,000	16,882,413	17,295,400
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	2,575,400	2,444,800	2,411,200	2,257,860	2,241,300
Ratio of reserve to note and sight liabilities combined	56·17%	55·76%	56·98%	56·57%	55·81%

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

ASSETS.	Feb. 23, 1929.	Feb. 16, 1929.	Feb. 9, 1929.	Feb. 2, 1929.	Feb. 25, 1928.
Gold	235,460	235,546	235,610	235,690	233,278
Government securities—Swedish	6,001	6,001	6,001	6,001	11,027
Foreign	73,774	73,774	73,774	73,774	105,524
Other Swedish bonds quoted on foreign bourses	749	749	749	749	2,192
Bills payable in Sweden†	195,309	208,748	214,861	214,261	142,894
" abroad	78,386	67,983	68,907	64,174	79,230
Balance abroad	45,935	56,308	55,539	60,265	35,883
Advances made on government securities and bonds†	47,917	52,631	51,839	71,446	41,233
LIABILITIES.					
Notes in circulation	442,974	461,098	464,831	492,808	431,191
Government deposits	192,558	194,779	190,733	191,266	181,614
Private deposits	4,182	2,085	9,934	3,842	11,337

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are *not* available as cover for the note issue.

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

ASSETS.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Feb. 15, 1928.	Position May 31, 1914.
Coin and bullion—Gold	146,856	146,859	146,860	147,234	44,224
Balance abroad and foreign bills	31,834	34,692	31,678	30,064	28,533
Norwegian and Foreign Government securities	9,345	9,345	9,345	10,359	8,816
Discounts and loans	261 480	259,036	267,533	301,304	769,110
LIABILITIES.					
Notes in circulation	291,984	293,774	298,980	308,404	113,484
Deposits at sight	88,091	85,909	77,478	121,017	7,188

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

ASSETS.	Feb. 23, 1929.	Feb. 16, 1929.	Feb. 9, 1929.	Feb. 2, 1929.	Feb. 25, 1928.	Position, May 30,1914.
Gold	2,559,359	2,559,311	2,559,277	2,559,258	2,607,702	521,775
Silver	713,062	707,073	706,761	709,941	697,681	728,600
*Loans & Discounts	1,798,891	1,849,490	1,897,817	1,978,107	1,806,641	800,725
Spanish 4% stock	344,475	344,475	344,475	344,474	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,294,282	4,339,634	4,374,520	4,336,741	4,170,347	901,550
Deposits	1,025,991	1,043,135	988,675	993,598	998,760	477,500

* Including 91 million pesetas lent to the State.

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

ASSETS.	Feb. 6, 1929.	Jan. 30, 1929.	Jan. 23, 1929.	Jan. 16, 1929.	Feb. 8, 1928.
Coin and bullion	9,362	9,343	9,374	9,380	9,172
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	316,564	304 419	310,961	304,042	165,410
Discounts	248,082	253,775	243,547	244,948	264,655
Government loans	1,739,126	1,722,864	1,729,604	1,722,636	1,601,917
LIABILITIES.					
Notes in circulation	1,929,497	1,943,635	1,927,618	1,953,770	1,847,063
Deposits	50,786	59,274	74,588	77,350	60,966

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

ASSETS.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 23, 1929.	Feb. 15, 1928.
Cash Reserve—					
Gold coin and bullion	168,752	168,752	168,752	168,752	84,456
Foreign exchange	204,095	198,862	199,124	196,314	314,632
Other foreign exchange†	360,476	359,420	365,674	361,370	256,599
Bills discounted	123,690	143,936	165,210	132,465	75,105
Advances	116,069	116,069	116,118	116,118	173,042
LIABILITIES.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	8,167	8,167	8,167	8,167	6,367
Notes in circulation	882,230	906,060	965,200	848,663	838,215
Deposits	93,788	84,095	52,663	129,696	68,301

† In dollar and sterling only.

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

ASSETS.	Feb. 15, 1929.	Feb 7, 1929.	Jan 31, 1929.	Jan. 23, 1929.	Feb. 15, 1928.
Metal reserve—					
Gold coin and bullion	204,437	204,467	204,551	204,551	196,623
Drafts and notes	51,372	56,157	45.530	53,670	97,241
Silver coin and bullion	773	779	783	782	789
Inland bills, warrants and securities	292,108	318,562	357,784	315,413	286,697
Advances to the Treasury	92,398	93,143	97,181	97,181	106,254
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,755	34,756	34,756	34,756	34,756
Notes in circulation	418,894	453,723	484,587	392,525	412,999
Current accounts, deposits, &c.	232,369	227,424	212,587	270,177	317,052

* Calculated at pre-war parity of exchange.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

ASSETS.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 23, 1929.	Feb. 15, 1928.
Gold and silver holdings	1,206,310	1,206,303	1,206,001	1,205,810	1,108,344
Balance abroad and foreign currency	1,842,243	1,938,955	2,009.514	2,111.259	2,032.859
Discounts and advances	161,753	163,353	184,032	286.588	66,973
State notes debt balance	4,076,770	4,080,745	4,084,445	4,085,980	4,408,708
Other assets	895,614	900,870	945,993	1,164,479	1,066,930
LIABILITIES.					
Bank notes in circulation	6,540,622	6,820,218	7,115,338	6,493,113	6,509,049
Check account balances	879,355	711,922	561,673	1,576,740	1,433,258
Other liabilities	324,166	319,539	314,427	345,716	328,425

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

ASSETS.	Feb. 15, 1929.	Feb. 8, 1929.	Jan. 31, 1929.	Jan. 22, 1929.	Feb. 15, 1928.
Gold	91,251	91,209	91,157	91,122	89,132
Other coin and notes	18,422	18,193	18,506	18.164	17,969
Foreign credits	194,510	192,593	196.482	201,752	312,689
Bills	1,369,079	1,387,175	1,378,129	1,379,698	1,316,248
Government advances	4,201,152	4,201,148	4,201,146	4,201,110	4,338,168
LIABILITIES.					
Notes in circulation	5,142,995	5,237,883	5,193,595	5,114,804	5,401,774
State credits	227,873	227,868	227,864	227,827	299,148
Deposits	1,168,663	1,049,468	1,164,522	1,346,443	1,387,753

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

ASSETS.	Feb. 2, 1929.	Jan. 26, 1929.	Jan. 19, 1929.	Feb. 4, 1928.	May 12, 1922.
Gold	259,795	259,795	259,795	578,796	545,275
Silver, etc.	3,289	3,992	3,320	9,974	775
Government loan	11,635,418	11,632,715	11,622,990	11,308,122	12,585,130
Other advances	14,126,331	14,020,843	13,975,314	13,472,121	5,037,432
LIABILITIES.					
Notes in circulation	20,390,976	20,134,681	20,161,701	21,025,316	15,845,426
Deposits	4,954,184	5,117,088	5,050,566	10,411,594	7,077,350

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

ASSETS.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 23, 1929.	Jan. 15, 1929.	Feb. 7, 1928.
Gold and silver holdings	1,449,824	1,499,021	1,497,499	1,496,018	1,446,037
Balances abroad and foreign currencies	2,948,418	2,990,057	3,033,235	3,088,247	446,759
Discounts and advances	1,323,821	1,344,985	1,317,803	1,304,473	1,256,617
Advances to the Treasury	3,685,241	3,685,241	3,685,271	3,685,241	4,470,613
LIABILITIES.					
Capital paid up	500,000	500,000	500,000	500,000	516,422
Reserves	1,164,597	1,164,427	1,164,309	1,164,378	1,120,953
Bank notes in circulation	3,896,015	3,897,683	3,877,993	3,949,462	3,586,870
Sight liabilities	3,314,390	3,398,975	3,459,090	3,396,384	1,125,499
Deposits	471,628	477,891	472,340	472.365	1 529.546

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

ASSETS.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 23, 1929.	Jan. 15, 1929.	Jan. 7, 1929.
Gold	558,294	558,189	555,491	555,580	554,426
Gold exchange	4,678,642	4,734,735	4,473,152	4,610,923	4,624,662
Other foreign exchange	1,057	1,330	1,708	918	1,910
Bills discounted	55,942	56,502	55,523	57,142	56,350
Advances	70,139	59,619	60,461	55,924	55,758
Debt to the State	3,789,638	3,789,638	3,789,638	3,789,638	3,789,638
LIABILITIES.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,490,150	5,514,306	5,474,969	5,585,045	5,694,451
Deposits and current accounts	2,205,277	2,239,390	2,212,329	2,212,329	2,161,257
Foreign exchange liabilities	1,145,219	1,130,744	919,495	919,495	906,354

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

ASSETS.	Feb. 8, 1929.	Jan. 31, 1929.	Jan. 23, 1929.	Feb. 8, 1928.	Position, May 30,1914.
Gold	303.606	303.765	303.933	315,621	35.091
Balance abroad and foreign bills	743,013	737.103	742.552	1,294,640	90,379
Finnish and Foreign Government securities	304,254	300.673	300.673	402.245	21,826
Discounts and loans	1,470,988	1,396.172	1,408 423	884,076	105,151
LIABILITIES.					
Notes in circulation	1,432,876	1 430,689	1,382 305	1,507,386	123.941
Deposits at notice	428,946	360 724	406.026	577,105	21,228

BANK OF ESTONIA.—In Est. kroon (000's omitted).

ASSETS.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 23, 1929.	Feb. 15, 1928.
Gold coin and bullion	6,228	6,267	6,267	6,263	10,285
Net foreign exchange	22,886	23,462	22,523	22,936	29,077
Subsidiary Estonian coin	786	737	763	698	797
Home bills discounted	15,142	14,790	15,089	15,001	8,927
Loans and advances*	15,762	15,501	16,779	16,499	15,870
LIABILITIES.					
Notes in circulation	34,345	34,560	35.133	36,035	36,854
Sight deposits and current accounts	21,005	21,756	22,306	21,311	22,550
Ratio of reserve to current liabilities	52·59%	52·78%	50·12%	50·91%	66·26%

* Includes a sum not exceeding Ekr. 15,000,000, guaranteed by the Government.

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

ASSETS.	Feb. 20, 1929.	Feb. 13, 1929.	Feb. 6, 1929.	Jan. 30, 1929.	Jan. 23, 1929.	Feb. 22, 1928.
Gold bullion and coins	23,771	23,767	23,762	23,750	23,758	23,688
Silver coin	4,748	4,713	4,700	4,578	4,556	3,921
Balance abroad	69.703	70,131	66.587	66.559	67,206	59,211
Treas. notes and sm. change	12.281	11,991	11,653	11,660	12.553	9,932
Short term bills	83,203	84,808	85,241	85,217	85,756	79,627
Loans against securities	46 675	47,342	45,643	47,613	47,615	46,793
Other assets	19,609	18,161	18,732	14,440	13,899	6,108
LIABILITIES.						
Notes in circulation	42.433	42,498	43,142	43.121	42.136	37,138
Capital paid up	15,581	15,581	15,581	15.581	15,581	14,385
Reserve	3.091	3,091	3,091	3,091	3,091	2,612
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,518	12,558	12,450	12,161	12,129	10,780
Current accounts	62.792	60,810	53,132	54,709	56,355	53,414
Government accounts	104,987	106,686	109,851	103,827	104,512	99,348
Other liabilities	16,087	17,190	16,571	18,836	19,040	9,102

BANK OF LITHUANIA.—In lt. (000's omitted).

ASSETS.	Feb. 15 1929.	Jan. 31, 1929.	Jan. 15, 1929.	Dec. 31, 1928.	Dec. 15. 1928.	Feb. 15, 1928.
Gold	34,302	34,288	34,270	34,265	34,264	34,184
Silver	4.391	4,406	4,444	4,363	4,304	4,652
State Treasury coins	1,858	1,858	1,847	1,843	1,841	1,867
Foreign currency	40,378	43,018	42,785	43,621	42,973	56,668
Discount and credit	'61,197	82,082	84,859	91,492	88,964	79,324
LIABILITIES.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Reserve	1,200	1,200	1,200	1,200	1,200	1,000
Banknotes in circulation	81,585	83,642	81,584	84,774	83,683	100,064
Deposits	71,118	71,475	75,683	80,382	78,669	64,626

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

ASSETS.	Feb. 2, 1929.	Jan. 26, 1929.	Jan. 19, 1929.	Jan. 12, 1929.	Feb. 4. 1928.	Position June 30,1914
Cash & bullion	1,113,234	1,114,676	1,115,659	1,115,265	1,111,295	221,320
Discounts	749,890	737,914	723,776	722,374	746,995	41,740
Advances	89,982	89,448	74,492	75,418	83,995	70,540
LIABILITIES.						
Notes	1,405,060	1,355,018	1,273,824	1,298,902	1,297,203	362,270
Govt. deposits	466,951	450,145	444,586	428,186	636,088	87,340
Other deposits	276,079	335,621	396,049	392,994	282,721	11,440

LONDON RATES.

	Feb. 21 1929.	Feb. 22, 1929.	Feb. 23, 1929.	Feb. 25, 1929.	Feb. 26, 1929.	Feb. 27, 1929.	Feb. 28, 1929.
Bank rate (changed from 4½% Feb. 7, 1929)	% 5½	% 5½	% 5½	% 5½	% 5½	% 5½	% 5½
Market rates of discount—							
60 days' bankers' drafts	5 3/16 1/4	5 1/4	5 1/4	5 1/4	5 1/4	5 1/4	5 1/4
3 months' do.	5 3/16 1/4	5 1/4	5 1/4	5 1/4	5 1/4 3/16	5 1/4 3/16	5 1/4 3/16
4 months' do.	5 3/16 1/4	5 1/4 1/4	5 1/4 1/4	5 1/4 1/4	5 1/4 1/4	5 1/4 1/4	5 1/4 1/4
6 months' do.	5 3/16 1/4	5 1/4 1/4	5 1/4 1/4	5 1/4 1/4	5 1/4 1/4	5 1/4 1/4	5 1/4 1/4
Discount (Treasury Bills)—							
2 months'	5 3/16 1/4	5 1/4 1/4	5 1/4 1/4	5 1/4 1/4	5 1/4 1/4	5 1/4	5 1/4
3 months'†	5 3/16 1/4	5 1/4 1/4	5 1/4 1/4	5 1/4 1/4	5 1/4 7/16	5 1/4	5 1/4
Loans—Day to day	4	3 1/4	3 1/4	4 1/4	4 1/4	4 1/4	4 1/4
Short	4 1/4 1/4	4 1/4 1/4	4 1/4 1/4	4 1/4 1/4	4 1/4 6	4 1/4 5	4 1/4 5
Deposit allowances: Banks	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4 1/4	3 1/4 1/4	3 1/4 1/4
Discount houses at call	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
At notice	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4

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

Comparison with previous weeks :—

	Short Loans	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months	Trade Bills. 6 Months
1929.	%	%	%	%	%	%	%
Feb. 7	4½	5½	5½	5½	5½ 1/4	5¾ 6	6
14	4½ 1/4	5¼	5¼	5¼ 1/4	5¼ 6	5¾ 6	6 1/4
21	4½ 1/4	5 3/16 1/4	5 3/16 1/4	5 3/16 1/4	5¼ 6	5¾ 6	6 1/4
28	4½ 1/4	5 1/16 1/4	5¼	5¼ 1/4	5¼ 6	5¾ 6	6 6¼

RATES OF EXCHANGE.

London on		Usance	Par.	Mar. 1, 1928.	Feb. 21. 1929.	Feb. 28, 1929.
New York	dollars to £1	Cable	4·86⅝	4·87 3/16 1/4	4·85 3/16 1/4	4·85 3/16 1/4
Montreal	dollars to £1	Cable	4·86⅝	4·88 3/16 1/4	4·87 1/4	4·87 1/4 1/4
Paris	francs to £1	T.T.	124·21	123 11/16 4 1/4	124 1/4	124·23–28
Berlin	marks to £1	T.T.	20·43	20·42½–3	20·44 1/4–45	20·44 1/4–45 1/2
Amsterdam	florins to £1	T.T.	12·107	12 12 1/16 1/2	12 11 3/16 1/4	12 11 3/16 1/4
Brussels	belga to £1	T.T.	35·00	35 01 1/16 1/4	34 94 3/16 95 1/16	34 93 1/16 1/4
Milan	lire to £1	T.T.	92·46	92 7/16 1/4	92 58 63	92 63 68
Berne	francs to £1	T.T.	25·22	25·34–½	25·23 1/16 1/2	25·23 1/16 1/2
Oslo	kroner to £1	T.T.	18·159	18·31–2	18·19 3/16 1/4	18·16 1/16 1/4
Stockholm	kronor to £1	T.T.	18·159	18·17–7/16	18·15 3/16 16 1/16	18 19 1/16–19 3/16
Copenhagen	kroner to £1	T.T.	18·159	18·19 3/16 1/2	18·19 3/16 20 1/16	18·20 1/16–20 3/16
Madrid	pesetas to £1	T.T.	25·22½	28 87 9	31 22 25	31 95–98
Lisbon	escudo to £1	T.T.	4·50	2 3/16–7/16 1/2	109 1/16–110	109 1/16–110
Vienna	schillgs. to £1	T.T.	34·58½	34 61 1/16 4	34·53 3/16	34·50–54
Prague	krone to £1	T.T.	24·02½	164 1/16 1/2	163 1/16 1/2	163 1/16–164
Belgrade	dinars to £1	T.T.	25·22½	277 8	276 1/16 1/2	276 1/16–1/2
Budapest	pengo to £1	T.T.	27·82	27·88 91	27·83 86	27·84–87
Bukarest	lei to £1	T.T.	813·6	793·5	813 815	815–818
Sofia	leva to £1	T.T.	25·22½	672–7	672–676	672–675
Athens	drachmæ to £1	T.T.	375	368 1/16–9 1/16	374 1/16–375 1/16	374 1/16–375 1/16
Constantin'ple	piastres to £1	T.T.	110	970–5	982 986	983 9·6
Warsaw	zloty to £1	T.T.	43·38	43 1/16–3/16	43 3/16–1/4	43 1/16 43 1/16
Helsingfors	F. marks to £1	T.T.	193 23	193 1/16 1/2	192 1/16 193	192 1/16–193
Kovno	lits to £1	T.T.	48·66	48 1/16–9 1/16	48 1/16–49 1/16	48 1/16–49 1/16
Reval	Kroon to £1	T.T.	18·159	18·00–18·40	18·15–22	18·15–25
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15–22	25·15–25
Alexandria	piastres to £1	Sight	97 1/16	97 1/16–1/16	97 1/16–1/16	97 1/16–1/16
Buenos Aires	pence to peso	T.T.	47·62d.	47 3/16–1/16	47 3/16–1/16	47 3/16–1/16
Rio de Janeiro	pence to mils.	90 days	16	5 1/16–1/16	5 1/16–1/16	5 1/16
Montevideo	pence to peso	T.T.	51	50 1/16–1/16	50 1/16–1/16	50 1/16–1/16
Valparaiso	dollars to £1	90 days	40	39·41	39·59	39·58
Lima	Eng. to Per. £1	90 days	par	23 1/16 % prem.	191% prem	191% prem.
Calcutta	pence to rupee	T.T.	18	1/16 3/16–6	1/16 1/16–1/16	1/16–1/16
Bombay	pence to rupee	T.T.	18	1/16 3/16–6	1/16 1/16–1/16	1/16–1/16
Madras	pence to rupee	T.T.	18	1/16 3/16–6	1/16 1/16–1/16	1/16–1/16
Hong Kong	ster. to dollar	T.T.	—	2/01 1/16	1/11 13/16–2/0 1/16	1,11 3/16–2/1/16
Shanghai	ster. to tael	T.T.	—	2/7–8	2/6 1/16–2,6 13/16	2 6 1/16–2 7 3/16
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3 11/16–2/4	2/3 13/16–2/3 15/16	2/3 13/16–2/3 15/16
Kobe	ster. to yen	T.T.	24·58d.	1/11 3/16–5/16	1/10 15/16–1/11 1/16	1/10 15/16–1/10 1/16
Manila	ster. to peso	T.T.	24·066d.	†2s. 0 3/16d.	†2s. 0 1/16d.	†2·0 3/16d.
Mexico	pesos to £	T.T.	9·76	24–1/16 1/2	9·75–10·25	9·75–10·05

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, i.e., approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Oct. 12, 1927	4½	Oslo	Mar. 26, 1928	5½
Athens	Jan. 5, 1929	8	Paris	Jan. 19, 1928	3½
Belgrade	July 26, 1921	6	Prague	Mar. 8, 1927	5
Berlin	Jan. 12, 1929	6½	Pretoria	Jan. 9, 1928	5½
Brussels	June 30, 1928	4	Reval	Jan. 2, 1928	7½
Bucharest	Sept. 4, 1920	6	Riga	April 1, 1928	6½
Budapest	Oct. 1, 1928	7			7½
Calcutta	Feb. 14, 1929	8	Rome	Jan. 5, 1929	6
Copenhagen	June 23, 1927	5	Sofia	Dec. 15, 1928	9
Danzig	June 20, 1927	6	Stockholm	Aug. 24, 1928	4½
Helsingfors	Nov. 15, 1928	7	Swiss Bank		
Kovno	Feb. 8, 1925	7	places	Oct. 22, 1925	3½
Lisbon	July 28, 1926	8	Tokio	Oct. 18, 1927	5·48
New York Federal Re

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Union of South Africa. From February 6, 1928. London on South Africa. Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Union of South Africa. From February 18, 1929. South Africa on London. Selling.
T.T.	—	⅛% dis.	par to ⅛% pm.	⅛% prem.
Demand	1⅛% dis.	¼% „	⅛% dis.	⅛% „
30 days	1⅜% „	⅜% „	⅛% „	⅛% „
60 days	2⅛% „	⅜% „	1⅛% „	⅛% „
90 days	3% „	½% „	1⅜% „	⅛% „
120 days	3¼% „	1¼% „	2⅛% „	...

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	New Zealand.	Selling. Australia.	New Zealand.	Australia and New Zealand on London. Buying. Australia.	New Zealand.	Selling. Australia.	New Zealand.
T.T.	...	...	99½	99⅝	...	...	101	100⅜
Demand	98⅛	98⅛	99⅛	99⅛	99⅜	99⅜	100⅜	100⅛
30 days	97 11/16	97 11/16	...	...	99⅛	98⅛	100⅛	99⅞
60 days	97	97⅛	...	...	98⅛	98⅛	99⅛	99⅛
90 days	96 15/16	96 15/16	...	...	98⅛	97⅛	...	99⅛

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz :—

£1,000 sterling equals 942·21–944·09 tchervontzi.

1 tchervonetz = 10 gold roubles. £1 sterling = 9·46 gold roubles.

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council from April 1, 1928, to February 23, 1929, amounted to £25,803,000 by means of purchases of sterling in India. Of this amount, £750,000 was remitted on account of the Paper Currency Reserve.

BULLION.

The following statistics of imports and exports of gold for week ended February 28, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland. From—	£
France	1[illegible]6
British South Africa	70 25
Other countries	1[illegible]47
Total declared value of imports	721,808

Exported from Great Britain and Northern Ireland. To—	£
Poland	3,398
Germany	15,310
France	13,613
Switzerland	71,700
Austria	9,550
Egypt	20,700
Gibraltar	2,000
Kenya	2,030
British India	96,296
Straits Settlements	72,083
Other countries	1,268
Total declared value of exports	307,948

INDIAN CURRENCY RETURNS (in lacs of rupees).

	Feb. 7.	Jan. 31.	Jan. 22.
Notes in circulation	18,916	18,974	18,909
Silver coin and bullion in India	9,882	9,955	9,890
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,221	3,221	3,221
Gold coin and bullion out of India	...	...	...
Securities (Indian Government)	4,327	4,327	4,327
Securities (British Government)	786	771	771
Bills of Exchange	700	700	700

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

Capital Subscribed - - - Y15,000,000
Capital Paid Up - - - - Y13,125,000

Head Office - - TAIPEH, FORMOSA.

London Office 40/41, OLD BROAD STREET, E.C.2

BRANCHES :

Amoy, Batavia, Bombay, Calcutta, Canton, Foochow, Hankow, Hongkong, Keelung, Kobe, New York, Osaka, Semarang, Shanghai, Singapore, Soerabaya, Swatow, Tainan, Tokyo, Yokohama, &c., &c., and Correspondents in every principal town of the world.

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

OVER ONE HUNDRED YEARS OF SERVICE.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ASSETS - - £14,500,000

FIRE. LIFE. ACCIDENT. MARINE.

Edinburgh : 35, St. Andrew Square.

London : 5, Walbrook, E.C.4, and 4, St. James's Street, S.W.1.

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929. ARRIVALS.	£	1929. WITHDRAWALS.	£
Feb. 22 Bars bought	7,453	Feb. 22—Sovs. for export	5,000
„ 23	nil	„ 23—	nil
„ 25	nil	„ 25—Bars sold	13,741
„ 26 Bars bought	413,000	„ 26—	nil
„ 27	nil	„ 27—Bars sold	3,439
„ 28 Bars bought	1,681	„ 28—Bars	15,472
		Sovs	2,000
Total	£422,134	Total	£39,652

Net arrivals, £382,482.

Messrs. Samuel Montagu and Company write as follows on February 27, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £150,503,734 on the 20th instant (as compared with £149,837,878 on the previous Wednesday), and represents a decrease of £3,402,581 since April 29, 1925—when an effective gold standard was resumed. About £706,000 bar gold from South Africa was available in the open market this week. The bulk—about £413,000—of this amount was secured by the Bank of England, as shown in the figures below, and the balance was disposed of as follows :—£110,000 for a special Continental order, £55,000 for India and £124,000 for the Home and Continental trade. There was a net influx of gold of £389,932 during the week.

It was announced in Prague on February 26th that a Bill would shortly be introduced to stabilise the Czechoslovakian currency. The rate of stabilisation is to be Cz.K. 33·75 to the U.S. dollar, thus fixing the gold contents at 44·58 milligrammes of fine gold and making the gold parity with the pound sterling Cz.K. 164·25.

Following are the balance of trade figures for India for the month of January (in lacs of rupees) :—

Imports of merchandise on private account	26,84
Exports, including re-exports, of merchandise on private account	30,33
Net imports of gold	1,31
Net imports of silver	1,02
Net imports of currency notes	...
Total visible balance of trade (in favour of India)	1,25
Net balance on remittance of funds (against India)	2,65

SILVER.

During the week under review silver has been steady and a fair demand was received from China until some hesitation was manifest owing to prices here rising rather above Eastern parities. India has shown some interest in the market, but quotations generally ruled above those which Bazaar operators were willing to pay. On the 25th instant the market rose sharply in response to a good Eastern demand, which, owing to scanty offerings, carried the rates to 26d. for cash and 26 1/16d. for two months' delivery, representing rises of 1/16d. and ¼d. in the respective prices. America and the Continent have contributed to the supplies and there has also been some reselling on China account, but the higher prices have not so far provoked any freedom of selling and the tone of the market in consequence remains steady. The following were the United Kingdom imports and exports of silver registered from mid-day on the 18th instant to mid-day on the 25th instant :—

IMPORTS.	£	EXPORTS.	£
Germany	23,237	British India	13,033
Other countries	8,220	Other countries	5,010
	£31,457		£18,043

INDIAN CURRENCY RETURNS (in lacs of rupees).

	Feb. 22.	Feb. 15.	Feb. 7.
Notes in circulation	19,170	19,144	18,916
Silver coin and bullion in India	9,936	9,910	9,882
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,221	3,221	3,221
Gold coin and bullion out of India	...	...	...
Securities (Indian Government)	4,327	4,327	4,327
Securities (British Government)	786	786	786
Bills of exchange	900	900	700

The stock in Shanghai on the 23rd instant consisted of about 70,700,000 ounces in sycee, 109,000,000 dollars and 10,020 silver bars, as compared with about 69,700,000 ounces in sycee, 109,000,000 dollars and 7,800 silver bars on the 16th instant.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Feb. 22, 1929. (c) Week ended Feb. 23, 1929.	Miles Open.	Week ended Feb. 24, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 8 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,733	178	199	139	338	516	1,503	1,641	1,040	2,681	4,184
Do. for 1928	3,734	190	225	123	348	538	1,577	1,708	964	2,672	4,249
Lon.& N.Eastn.(c)	6,345	270	370	303	673	943	2,293	3,119	2,212	5,331	7,624
Do. for 1928	6,363	301	447	260	707	1,008	2,418	3,381	2,040	5,421	7,839
Lond.,Mid.&Scot.	6,953½	411	525	340	865	1,276	3,374	4,263	2,508	6,771	10,145
Do. for 1928	6,950½	462	608	284	892	1,354	3,582	4,566	2,308	6,874	10,456
Southern	2,177	236	73	38	111	347	1,998	570	278	848	2,846
Do. for 1928	2,177	261	88	30	118	379	2,072	600	239	839	2,911
Metropolitan (c)	59	29·8	—	—	3·7	33·5	246 8	—	—	30·1	276 9
Do. for 1928	59	31·2	—	—	3·7	34·9	250·3	—	—	30·1	280 4
†Und'rgr'ndE.R.c	—	—	—	—	—	257·0	—	—	—	—	2,049 9
†Do. for 1928	—	—	—	—	—	278·5	—	—	—	—	2,119 4
Lon& Sub.Gr'upc	—	—	—	—	—	35·8	—	—	—	—	287·0
Do. for 1928	—	—	—	—	—	39·5	—	—	—	—	301 9
B'lf'st&Co.D'wn b	80	1·7	—	—	·8	2·5	14·6	—	—	6·5	21·1
Great Northern b	562	9·8	—	—	14·8	24·6	81·4	—	—	123·3	204·7
Great Southern b	2,187	20·5	—	—	42·1	62·6	177·8	—	—	361·9	539·8

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or −	Total Gross Receipts. 1929.	+ or −
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	43weeks	Jan.26	1,200	4,70,000	+ 3,895	1,88,88,485	+ 6,77,093
Barsi Lt. Ry.	44weeks	Feb. 2	202	51,800	− 10,500	20,63,400	+ 6,30,300
Bengal & N.Western	44weeks	2	2,078	6,96,976	− 65,146	1,22,98,570	− 5,06,089
Bengal-Nagpur	43weeks	26	2,979	20,20,000	+ 39,635	7,27,87,825	− 1,87,760
Bombay, Bar.,& C.I.	46weeks	16	3,022	24,08,000	−2,83,000	10,16,52,000	+ 30,59,000
Burma	35weeks	Dec. 1	1,349	7,24,790	− 80,277	2,73,09,216	− 1,42,540
Madras & S. Mahr	44weeks	Feb. 2	3,074	20,56,000	+ 29,535	7,84,20,396	+ 55,94,740
Nizam'sGuarantd.(s)	44weeks	2	1,146	5,34,878	+ 61,679	1,73,91,279	+ 10,67,130
†Rohilk'd& Kumaon	44weeks	2	572	1,41,875	− 12,853	22,31,323	− 1,25,185
South Indian	43weeks	26	2,234	14,15,507	+ 71,424	5,07,65,988	− 5,393,04

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

				£	£	£	£
ARGENTINE (a).							
Argentine N.E.	34weeks	Feb.23	753	14,600	− 1,000	533,700	+ 27,100
B.A. and Pacific	34weeks	23	2,694	205,000	+ 35,000	5,628,000	+ 582,000
B.A. Central	34weeks	24	—	14,405	+ 219	493,880	+ 14,907
B.A. Gt. Southern	34weeks	23	4,725	324,000	+ 12,000	8,227,000	− 560,000
B.A. Western	34weeks	23	1,926	105,000	—	3,343,000	− 56,000
Central Argentine	34weeks	23	3,305	293,000	+ 19,000	9,108,000	+ 234,000
Cordoba Central	34weeks	23	1,218	70,000	+ 10 000	2,352,000	− 31,200
Entre Rios	34weeks	23	728	40,600	+ 600	1,055,200	+ 88,300
CUBAN.							
United of Havana†	34weeks	Feb.23	1,374	131,565	+ 7,731	2,226,647	+ 45,650

† Figures include Havana Central Railway.

				$	$	$	$
URUGUAYAN.							
Central Uruguay	34weeks	Feb.23	273	31,487	+ 1,314	1,032,063	+ 6,984
C. Urug. (East Ext.)	34weeks	23	311	8,195	+ 30	228,972	+ 1,195
C.Urug.(North.Ext.)	34weeks	23	185	4,205	+ 629	122,793	+ 4,529
C. Urug.(West. Ext.)	34weeks	23	211	3,098	− 750	99,176	+ 4,129
CANADIAN.							
Canadian National	7 weeks	Feb.21	19364	4,766,892	+ 206608	32,193,867	− 356,146
Canadian Pacific	7 weeks	Feb.21	14822	3,387,000	− 92,000	25,738,000	− 283,000
BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil	8 weeks	Feb.23	1,016	21,800	+ 8,200	178,400	+ 28,800
Leopoldina	8 weeks	23	1,856	38,620	− 4,895	280,679	− 97,413
Leopoldina Termnl.	8 weeks	23	Mlrs	284,000	− 14,000	2,229,000	+ 83,000
San Paulo	8 weeks	24	153½	17,454	− 13,035	351,490	+ 23,725
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia)	8 weeks	Feb.24	838	37,880	+ 8,845	342,810	+ 61,710
Nitrate (½-monthly)	6 weeks	Feb.15	402	39,700	+ 1,965	126,346	+ 25,765
OTHER OVERSEAS.							
Alcoy and Gandia	52weeks	Dec.29	33	Ps. 35,500	—	1,388,700	+ 60,200
Egyptian Delta	43weeks	Jan.31	608	£12,169	+ 2,102	287,248	+ 20,823
Gt. Southn. of Spain	7weeks	Feb.16	104	Ps.133,651	+ 2,220	878,650	− 47,293
Mexican Railway	7weeks	21	483	$262,500	− 40,400	1,812,700	− 71,800
Paraguay Central	33weeks	16	274	£4,500	+ 600	145,440	+ 1,200
Salvador	34weeks	23	100	£8,103	+ 1.641	158.624	+ 3,010

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or −	Total Receipts. 1929.	+ or −
Anglo-Argentine	8weeks	Feb.25	329	£85,069	+ 2,520	683,640	− 16,133
B. Aires Lacroze	34weeks	24	—	£13.095	− 31	445,159	+ 4,101
Aurnley Corporation	1week	23	13	£2.668	− 238	—	—
Calcutta Tramways	1week	23	35½	Rs129,218	+ 1,267	—	—
Chatham & District	6weeks	14	15	£879	− 310	6,289	− 1,834
Egyptian Markets	6weeks	14	—	£2,254	+ 20	15,249	+ 130
Glasgow Corporation	31weeks	9	136½	£43,073	− 2,949	1,593,902	− 53,053
Isle of Thanet Trams	6weeks	13	—	£712	− 92	4,631	− 411
Liverpool Corp.	47weeks	13	124	£27.193	− 957	1,386,815	+ 47,434
L.C.C. Tramways	46weeks	20	166	£73.640	− 7.648	3,822.905	+ 113.959
Madras Electric	16weeks	15	—	£42.641	+ 5,982	134.036	− 6.812
Pernambuco Tramst	5weeks	10	—	£6.348	+ 727	36.565	+ 1.799

† Tramway Receipts only ‡ Fortnightly figures.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
Feb. 22	84 11½	25 1/16	25⅜	Mar. 9, 1923	32 7/16
„ 23	84 11½	25 1/16	25 13/16	„ 7, 1924	33 1/16
„ 25	84 11½	26	26 1/16	„ 6, 1925	32½
„ 26	84 10 3/16	26	26 1/16	„ 5, 1926	30 3/16
„ 27	84 11½	25 15/16	26	„ 4, 1927	25⅜
„ 28	84 11½	26⅛	26⅛	„ 1, 1928	26⅛

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum except where marked % or Stated in Cash. * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Latest Year.	Previous Years.
RAILWAYS.					
Beira	1s.6d.ps*	...	...	...	...
Isle of Man	...	...	...	2½	...
Nizam's Gtd. State	6%*	Apr. 16	...	...	...
Southern Punjab	6%† & bonus 4%	...	...	16	1
BANKS.					
Banco di Roma	...	...	...	6	...
Banco Nazionale Credito	...	...	...	6	6
British Linen	...	...	...	16	16
Swiss Bank Corporation	...	...	...	8	8
INSURANCE.					
Federated Employers'	9d. p.s.†	and bonus of 6d. p.s., Tax free		2s. p.s.	1/6p.s.
TEA AND RUBBER.					
Bajoe Kidoel Rubber	5%*	Mar. 12	...	...	...
Batu Lintang Rubber	2½%*	Mar. 18	...	...	...
Beaufort Borneo Rubber	2½%*	...	...	...	...
Krian Rubber	...	...	...	6	10
Telok (F.M.S.) Rubber	5%*	Mar. 1	...	...	...
Templestowe Estate	...	...	...	30	...
MINING.					
Amalgamated Zinc (De Bavay's)	4%*	Apr. 10	Half-yearly	...	...
Associated Anglo-Atlantic Corporation	...	...	...	15	10
Consolidated Mines Selection	...	...	Less tax	20	20
Malayan Tin Dredging	10%*	Mar. 13	...	...	...
Kramat Pulai	2½%*	Mar. 11	...	...	...
Petaling Tin	7½%†	...	...	35	...
Southern Perak Dredging	5%*	Mar. 11	...	...	...
South Malayan Tin Dredging	5%*	Mar. 12	...	...	...
Tanganyika Diamonds	25%*	Apr. 16	...	...	...
OTHER COMPANIES.					
Alexander Fergusson	...	...	Less tax	20	17½
Alhambra	7½%†	and bonus of 5%		20	20
American Trust	7½%†	...	...	13	...
Bradford Exchange	...	...	Less tax	12½	...
Brighton & Hove General Gas	...	...	...	6¼	...
Bristol Gas	...	...	...	5	...
Broadstone Mills	3d.p.s.	...	Less tax	...	...
Brooks Thomas & Co.	5%†	and bonus of 3½%		11½	11½
Burlesdon Brick	6½%*	Mar. 16	Less tax	...	...
Cairn Line	...	...	...	5	5
City Property Investment Trust (deferred)	9%†	...	Less tax	14	14
City Safe Deposit	...	...	...	7½	7½
Claud Hamilton	5%*	...	...	...	...
Coliseum Syndicate	12½%†	...	...	25	25
Constantinople Land & Building	...	...	Less tax	4½	3

Continued on p. 479.

CENTRAL UNION TRUST COMPANY OF NEW YORK

Head Office:
80 Broadway
NEW YORK

London Representative:
C. Noël Hume
1 & 2 Gracechurch Street, E.C.3

Complete Commercial & Foreign Banking Service

Acts in every Fiduciary Capacity

Capital, Surplus and Undivided Profits over $55,000,000.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount.	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Corresponding Period Last Year. Dividend.
Banks.		£	£	£	£	£	%	£	£	£	%
British Linen Bank	Jan. 15	54,732	330,040	384,772	—	160,000	16	150,000	74,772	321,361	16
Canals and Docks.											
Grand Union Canal	Dec. 31*	2,012	18,688	20,700	—	16,927	2½	*1,500*	2,273	18,581	2½
Electric Lighting & Power.											
Charing Cross { West End	Dec. 31	43,008	179,699	222,707	18,000	84,510	1/7 5/16	40,491	79,706	169,298	1/7 5/16
Electricity { City	Dec. 31	1,472	158,213	159,685	18,000	49,000	{ 10 / 7 }	74,458	18,227	143,247	{ 10 / 7
Chiswick Electricity Supply	Dec. 31	2,212	40,442	42,654	—	24,000	16	16 000	2,654	36,889	16
Electrical Distribution of Yorkshire	Dec. 31	18,723	78,281	97,004	—	57,600	9	17,500	21,904	63,217	9
Metropolitan Electric Supply	Dec. 31	83,508	329,489	412,997	22,500	135,000	9	168,348	87,149	313,490	9
Midland Counties Electric Supply	Dec. 31	4,106	190,100	194,206	78,000	88,495	6½	22,035	5,676	168,050	6½
Gas.											
Bishop's Stortford, &c., Gas	Dec. 31	3,192	10,329	13,521	1,636	6,101	{ 6¾A / 6½B }	403	5,381	10,142	{ 6¾A / 6B
Gloucester Gas Light	Dec. 31	2,833	13,034	15,867	—	11,212	5	—	4,655	11,372	5
Southampton Gas Light and Coke	Dec. 31	7,101	41,113	48,214	—	32,387	5	7,000	8,827	38,660	5
Wolverhampton Gas	Dec. 31	91,100	23,091	114,191	4,722	{ 8,709 / 4,743 }	{ 5½ / 3½ }	4,916	91,101	47,246	{ 5½ / 3½
Financial Land and Investment.											
Associated Anglo-Atlantic Corporation	Dec. 31	52,993	379,750	432,743	—	{ 135,000 / 55,000 }	15 Ord. / 55 Def.	149,000	93,743	282993	{ Ord.10 / Def.10
Law Land Co.	Dec. 31	11,634	81,514	93,148	14,611	36,850	11(*t*)	28,639	13,048	78,940	8½(*s*)
Hotels, Restaurants, &c.											
R. E. Jones	Oct. 31	16,419	38,997	55,416	—	—	—	17,451	37,965	54,861	—
Iron, Coal and Steel.											
Mather and Platt	Dec. 31	131,945	241,520	373,465	20,000	204,549	15†	40,910	108,006	232,946	15†
Spencer (Melksham)	Sep. 30	*Dr. 72,063*	*Dr. 5,412*	*Dr. 77,475*	—	—	—	—	*Dr77,475*	—	—
Motor and Cycle.											
Tilling-Stevens Motors	Dec. 31	8,169	81,105	89,274	17,412	—	—	27,000	44,862	24,899	—
Willys Overland Crossley	Dec. 31	66,462	50,329	116,791	36,000	—	—	—	80,791	75,988	—
Rubber, &c.											
Gedong (Perak)	Oct. 31	2,155	561	2,716	—	—	—	—	2,716	—	—
Ipoh Estates	Oct. 31	2,649	318	2,967	—	—	—	—	2,967	—	—
Shipping.											
Cairn Line of Steamships	Dec. 31	23,082	44,711	67,793	—	24,000	5	21,862	21,931	49,261	5
Shops and Stores.											
Selfridge and Co.	Jan. 31	148,950	463,124	612,074	178,000	{ 11,032 / 150,000 }	12Stf. / 20Ord.	126,105(*n*)	146,937	460577	{ 12Stf. / 20Ord.
William Whiteley, Limited	Jan. 31	91,070	126,551	217,621	22,500	{ 6,304 Mngnt. / 73,747 }	25(*w*)	24,000	91,070	(*b*) 72,190	25
Textiles.											
Courtaulds, Limited	Dec. 31	1,222,719	5,171,997	6,394,716	400,000	3,600,000	15†	1,000,000	1,394,716	4,835,921	25†(*v*)
Jackson and Steeple	Dec. 31	*Dr. 8,367*	*Dr. 10,175*	*Dr. 18,542*	—	—	—	—	*Dr18,542*	3,204	—
Trust Companies.											
American Trust	Jan. 31	4,846	48,865	53,711	15,000	26,000	13	8,568	4,143	42,588	12
British Assets Trust	Jan. 15	38,874	186,304	225,178	78,590	64,000	20	55,000	27,588	148,789	20
Friars Investment Trust	Feb. 15	3,808	43,794	47,602	—	20,000	5	18,296	9,306	—	—
International Investment Trust	Jan. 31	365	67,105	67,470	21,600	32,000	10	10,000	3,870	67,781	10
Second British Assets Trust	Dec. 31	27,316	60,556	87,872	16,200	30,000	15	25,000	16,672	—	—
United States Debenture Corporation	Jan. 31	80,191	182,820	263,011	57,750	116.663	15	—	88,598	147,200	15
Waterworks.											
Colne Valley Water	Dec. 31	26,752	33,288	59,040	12,737	22,111	{ 10 / 7 }	10,000	14,192	38,303	{ 10 / 7
Other Companies.											
Aberdeen Combworks	Dec. 31	2,154	6,502	8,656	...	{ 6,000 / 500 }	6 Ord. / 1¼Def.	—	2,156	5,228	{ 5Ord. / NilDef
City Safe Deposit and Agency	Dec. 31	3,676	5,181	8,857	1,300	1,875	72	2,000	3,682	—	—
Culter Mills Paper Co.	Dec. 31	24,620	28,085	52,705	—	10,500	10	17,911	24,294	23.177	7½
East End Dwellings	Dec. 31	1,335	21,705	23,040	2,000	8,072	5†	11,000	1,968	21,652	5†
General Hydraulic Power	Dec. 31	7,807	91,113	98,920	2,500	56,000	7	33,000	7,420	92,485	6½
H.P. Sauce	Dec. 31	40,868	153,172	194,040	14,560	60,000	25	75,000	44,480	150,649	25
John Oakey and Sons	Dec. 31	3,657	48.731	52.388	6,000	31,252	12½	10,000	5.136	43,771	11
Joseph Nathan and Co.	Sep. 30	7,666	61,217	68,883	51,000	—	—	8,500	9,383	55,474	—
National Gas Engine	Dec. 31	24,610	72,440	97,050	12,000	42,000	7	20,000	23,050	51,350	5
Slazengers Limited	Dec. 31	12,268	24,543	36,811	6,000	14,910	7½	3,132	12,769	22,980	7
Woolcombers Limited	Dec. 31	63,104	78.213	141,317	15,750	65,000	16¾†	—	60,567	86,280	11¼†
Yorkshire Indigo, Scarlet and Colour Dyers	Dec. 31	2,806	9,742	12,548	4,652	2,336	7½	1,000	4,560	8,289	2½

* For half-year. † Free of Income Tax. (*b*) A change in presentation of accounts makes this figure not comparable with £126,551. (*n*) Includes £46,105 amount paid under guarantee to William Whiteley, Limited, in respect of year ended January 31, 1928. (*s*) Also 4 Preference for each 100 ordinary shares. (*t*) Also 2 Preference for each 100 ordinary shares. (*v*) Paid on a capital of £12,000,000. The 15 per cent. is paid on a capital of £24,000,000. (*w*) Absorbs £90,000. The sum of £16,253 will be forthcoming under the agreement with Selfridge and Co., Ltd. Of preceding year's dividend Selfridge and Co., Ltd., paid £46,105.

Name of Company	Rate % per Annum except where marked % or Stated in Cash. * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Latest Year.	Previous Year.
Cork Gas Consumers	4%†	...	...	...	...
Country Life	10%†	...	...	15	...
Cowans Sheldon and Co.	5%*	...	Less tax	...	...
Crompton Parkinson	11½%*	Mar. 31	...	...	...
Culter Mills Paper	...	...	Less tax	10	7½
Dundee Floorcloth	10%†	and bonus	1/- p.s.	...	...
East End Dwellings	...	...	Tax free	5	5
E. Fogarty and Co.	7½%†	...	Less tax	12½	12½
Electrical Distribution of Yorkshire	...	...	...	9	9
Fisher & Ludlow	12½%†	...	Less tax	20	20
Four Per Cent. Industrial Dwellings	2%†	...	...	...	...
Friars Investment Trust	...	...	...	5	...
Gandy Belt Manufacturing	11%†	...	Less tax	15	12½
General Hydraulic Power	4½%†	...	...	7	6½
Grand Union Canal	1½%*	Mar. 15	...	...	...
Hackney & Shepherd's Bush Empire	5%†	...	...	10	10
Hampton Court Gas	...	...	...	7½	7
Hector Powe	15%†	...	...	25	...
Heritable Securities & Mortgage Investment	6%†	...	...	9	8
Hill, Evans & Co.	...	...	Tax free	15	20
Hollins (Wm.) and Co.	6%†	...	...	8½	7½
Hughes-Johnson Stampings	1/- p.s.*	Feb. 28	Less tax	...	...
Hugon & Co.	7½%†	...	Less tax	10	10
Hurst Nelson	7½%*	...	...	...	...
Imperial Tobacco of Canada	1½%*	Mar. 28	...	...	...
International Investment Trust (deferred)	...	...	Less tax	10	...
Isle of Man Steam Packet	...	...	...	6	5
Isle of Thanet Electric Supply Co.	...	...	Less tax	4	4
J. Gerrard & Sons	...	...	Less tax	10	10
James Colmer	...	...	...	10	10
John Oakey & Sons	10%†	...	...	12½	11
Kellner-Partington Paper Pulp	...	...	Tax free	7½	7½
La Concordia Estancia	3/- p.s.*	Feb. 25	...	...	...
Law Land	...	...	...	11	8½
Lea Bridge District Gas	4%†	...	Less tax	7½	...
Leicester Palace	5%†	...	...	10	10
Linoleum Manufacturing	17½%†	...	Tax free	25	25
London & Thames Haven Oil Wharves	5%†	and bonus	of 5% Tax free	15	15
Manchester Hippodrome	5%*	...	...	...	...
Marconi International Marine	7½%†	...	...	15	12½
Mercantile Dry Dock	...	...	...	6	6
Metropolitan Electric Supply	12†	...	...	9	9
Metropolitan Gas (of Melbourne)	7/6 p.s.*	...	...	...	...
Morton (C. and E.)	12½†	...	...	19	19
National Gas Engine	...	...	...	7	5
Newcastle Electric Supply	3½%†	...	...	6	6
North British Locomotive	...	...	Less tax	2½	4
North Middlesex Gas	...	...	...	7½	6¾
Northern General Transport	6%†	...	...	10	10
O. C. Hawkes	...	...	...	10	10
Pennsylvania Water and Power	$¾	Apr. 1	Quarterly	...	...
Peter Robinson	7%†	...	...	12	12
Property and Estates Company	5%†	and bonus	of 15%	20	12½
Richmond Park Laundry	10%	...	...	...	...
Rivet Bolt and Nut	...	...	Less tax	10	10(*a*)
Rochdale Canal	1%*	...	...	...	...
Rowntree & Co.	...	...	...	10	...
St. Augustine's Parade Hippodrome	5%†	...	...	10	10

(*a*) Tax free.

SUMMARY OF BALANCE-SHEETS.

COURTAULDS, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec., 31, 1927.
	£	£
Ord. shares (£1)	24,000,000	+12000000
5% cum. prf. (£1)	8,000,000	...
Creditors	3,865,262	+ 333,209
Capital reserve	514,338	−8,617,360
Special reserve	1,197,243	+ 55,856
Employers' res.	811,096	− 3,720
General reserve	6,000,000	−2,000,000
Profit and loss	3,794,716	+ 471,997
Total	48,182,655	+2,239,982

ASSETS.	Amount.	Compared with Dec., 31, 1927.
	£	£
Freehold properties, etc.	6,593,318	+ 886,864
Stock-in-trade	2,283,903	+ 225,232
British Govt. stks. and other investments	9,888,264	+ 494,260
Investments in and advances to artificial silk and allied cos.	26,490,475	+2,520,666
Debtors	1,291,987	+ 10,577
Cash	1,634,708	−1,897,617
Total	48,182,655	+2,239,982

SELFRIDGE AND CO., LIMITED.

January 31, 1929.

LIABILITIES.	Amount.	Compared with Jan. 31, 1928.
	£	£
Ord. shares	750,000	...
Staff ptg. shares	96,097	+ 3,395
Pref. shares	1,300,000	...
10% pref. ord.	1,000,000	...
5% Debentures	263,400	− 7,000
Interest on debs.	4,390	− 117
Reserve fund	425,000	...
Mortgages	434,869	+ 39,973
Creditors	533,442	+ 6,399
Accs. with allied & subsidiary co's	57,200	+ 18,917
Taxation reserve	17,256	− 3,657
Staff club	...	− 1,000
Accrued dividend on pref.	67,450	− 18
Div. on ord. shares	150,000	...
Profit	146,937	− 2,013
Total	5,246,041	+ 55,079

ASSETS.	Amount.	Compared with Jan. 31, 1928.
	£	£
Purchase consideration, &c.	3,216,050	+ 136,856
Fixtures, &c.	178,614	+ 11,572
Vans, &c.	62,907	− 1,942
Stocks	542,033	− 36,906
Debtors	382,347	− 8,509
Investments in subsidiary cos.	537,906	− 8,614
Current and loan account	217,310	+ 20,784
Payments in advance	18,299	+ 542
Cash	90,575	− 58,904
Total	5,246,041	+ 55,079

BARCLAYS BANK
LIMITED

Executor and Trustee Business transacted. Every class of Banking Business undertaken. Agents and Correspondents throughout the world.

HEAD OFFICE: 54, LOMBARD STREET, LONDON, E.C. 3.

And over 1950 Branches in England and Wales.

Reports and Notices.

LEYLAND MOTORS LIMITED.—The report for year ended September 30, 1928, reveals an increased profit on trading, the gross profit being £586,694 against a gross profit of £395,734 for preceding year. The net profit is £405,999 against £233,842. Deducting an adverse balance of £284,625 at September 30, 1927 there is a credit of £121,373 available. Out of this eight years ended December 31, 1928 of 6 per cent. cumulative preference dividend are being paid, absorbing £76,800, thus leaving a credit of £44,573 to carry forward. The directors state that they do not propose to submit any further scheme for the reorganisation of the capital of the Company.

ROLLS ROYCE, LIMITED.—The report for the year ended October 31, 1928, shows that the company has had a good year, for net profits have expanded from £156,727 for year 1926-7 to £185,610 for 1927-8. The ordinary shareholders again receive 10 per cent. The sum of £30,000 is put to income tax reserve. The previous year this fund received an allocation of £20,000. The sum of £40,000 is put to reserve against £50,000 last year. The carry forward is increased from £30,294 to £64,685.

TILLING-STEVENS MOTORS, LIMITED.—The report and accounts for the year 1928 shows a profit of £81,105 (last year £24,899), adding the amounts brought forward there is a total available of £89,274. From this is deducted depreciation reserve £10,000 (last year same), reserve for contingencies £7,500 (last year same), reserve for taxation £9,500 (last year nil). In addition the preference dividend for the half-year to June 30, 1926 (£8,700), was paid on September 1, 1928, and the preference dividend for the half-year to December 31, 1926, is payable March 1, 1929, which leaves a balance of £44,862. A proposal is made to give preference shareholders the whole of their arrears and to enable the company to make a distribution to the holders of ordinary shares without unduly depleting the company's cash resources.

D. NAPIER & SON.—The Directors propose to distribute by way of return of capital to shareholders part of the funds invested outside the business (resulting largely from the realisation of the car stock). Whilst strictly the capital to be paid off should be that paid up on the 7½ per cent. and the 8 per cent. preference shares, since this ranks for repayment in priority to the ordinary capital, such a return of capital would hardly be acceptable to holders of these preference shares, which stand at a premium. They will, therefore, submit proposals (which if passed by all classes of shareholders will be subject to confirmation by the Court) for the return of 15s. per share of the capital paid up on the ordinary shares, leaving the preference capital unaffected. The outstanding debenture stock will be paid off at the same time. The company will still retain a sum in excess of the total issued preference capital invested outside the business in Government securities.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

Field work remains in abeyance owing to the prolonged spell of severe wintry weather over the United Kingdom, so that crop conditions are unchanged. The heavy frosts, however, will greatly improve the seed bed. Native wheat was freely offered at most of the Statute markets and prices tend easier in sympathy with imported descriptions. In the floating and forward cargo section, prices have steadily fallen under pressure to sell Plate descriptions, due to increasing supplies and unsold cargoes afloat. Demand continues restricted by the suspension of transport on Continental

SECURITY FIRST
ROYAL
INSURANCE COMPANY, LIMITED
HEAD OFFICES: LIVERPOOL AND LONDON.

waterways, which are still in a frozen condition, the small inquiry being chiefly from Italy and France. North American sellers were reluctant to grant concessions, but are now being forced to come into line under competition from Argentina, and with improved crop reports, some attempt may be made to dispose of the large reserves on hand. Meanwhile, shipments continue on a liberal scale. Part cargoes of Australian afloat sold 47s. 9d., ditto February-10th March 48s. 6d. to Italy, and Rosafe, 63 lb. March, 44s.; ditto, 64 lb. afloat, 43s. 9d., both to France, all per 480 lb. c.i.f. terms. Feeding stuffs quiet, but Plate maize firmly held, reports of rain impeding harvest operations. Wheat easier. No. 2, Northern Manitoba, 52s.; No. 3 ditto, 51s.; No. 4 Manitoba, 49s. 6d.; No. 5, 45s.; No. 6, 39s. 6d.; Rosafe, 64 lb., 46s.; Barusso, 63½ lb., 46s.; Australian, 49s. 6d., all ex ship per 496 lb.; English, 9s. 7d.-9s. 10d. per 112 lb. Flour quiet. London standard grade, 39s. 6d.; town whites, 40s. 6d.; patents, 41s. 6d.-42s. 6d. per sack delivered in the Home Counties, with 6d.-1s. per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 36s.-38s. 6d.; Minneapolis, 36s. 6d.-38s. 6d.; Australian, 36s.-36s. 6d. ex store. On c.i.f. terms Manitoba top patents, February-March, quoted 35s. 6d.-36s. 6d.; export ditto, 33s. 6d.-34s. 6d.; Australian, 33s.-33s. 6d. per 280 lb. Maize easier spot and near, but distant positions steady. Plate, landed, 44s., ex ship to arrive, 43s.; February-March, 43s. 6d.; March-April, 40s. 9d.; new April-May, 39s. 6d.; May-June, also June-July, 39s.; No. 2, mixed American, ex ship to arrive, 40s. 3d.; ditto yellow, 40s. 3d.; No. 2, white flat African, 42s. 6d., landed, per 480 lb.; yellow maize meal, £11 10s., ex wharf; Hominy chop, £ per ton. Barley quiet. Californian, ex ship, 45s.-52s.; Chilian Chevalier, 48s.-58s.; Australian, 45s.-49s.; Smyrna, 44s.-47s. per 448 lb.; Algerian-Tunisian, ex ship, 34s. 6d.; Canadian feed 32s. 6d., ex ship to arrive, 33s. landed; No. 3 Canadian Western, 36s.; No. 2 Federal American, 31s., ex ship to arrive, per 400 lb.; English malting, 10s.-12s. 6d.; feed, 9s. 3d.-10s. per 112 lb. Oats steady. Plate, landed, 26s., ex ship to arrive, 25s; February 25s. 6d.; March, 25s. 6d.; black Plate, landed, 25s 3d; No. 3 white clipped American, 36 lb., landed, 27s. 3d.; mixed Canadian feed, landed, 22s. 3d.; Chilian white, 32s., landed; German, landed, 29s., ex ship to arrive 28s. per 320 lb.; English, 9s. 4d.-10s. per 112 lb.; Scotch, landed, 30s. per 336 lb.; Irish, black, 26s. 6d. per 320 lb.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to February 23	Cwts. 324 562	Cwts. 258.268	Cwts. 292,000	Cwts. 276,693
23 weeks to February 23	6,807,130	6,359,748	8,719,102	9.831.462
Average price of English wheat per cwt.	s. d. 9 9	s. d. 9 4	s. d. 11 10	s. d. 11 10

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s. d.	s. d.	s. d.
Feb. 16	277.114	234.598	88.772	9 9	10 3	9 9
Feb. 23	3 4.562	219.459	63.561	9 9	10 4	9 9
Feb. 21, 1925...	259.074	192.521	99.115	13 7	12 8	10 1
Feb. 20, 1926...	292.461	195.378	77.689	11 10	9 5	9 0
Feb. 26, 1927...	292.000	222.972	89 837	11 10	11 2	8 3
Feb. 25, 1928...	258.268	196,977	75,728	9 4	10 9	10 3

AMERICAN WHEAT MARKETS.

Reports of drought in India, coupled with sporadic revivals in export inquiry, were insufficient to counteract the effects of better weather news in America and heavy outbreaks of professional selling. The tendency throughout the week was downward, with occasional short-lived rallies. Quotations:—

Nearest Future.	Jan. 4, 1928.	Feb. 29, 1928.	Jan. 2, 1929.	Feb. 20. 1929.	Feb. 27, 1929.
Winnipeg (No. 1 Manitoba)—Cents per 60 lb.)	137	139	122	134⅞	130⅛
Chicago (No. 2 Winter)—Cents per 60 lb.	130⅜	133⅝	116⅜	128⅝	123⅛

Visible supplies of wheat in Canada at 84,164,000 bushels show an increase of 1,290,000 bushels as compared with the previous figure. Supplies a year ago stood at 75,209,000 bushels.

COAL.

Our Cardiff correspondent writes:—As a result of agreements with the tippers and trimmers for an extension of working hours, the congestion at the South Wales docks has been considerably reduced, and this week the number of vessels waiting loading turns has been reduced to about 60, compared with over 100 a fortnight ago. Overtime is being worked, and shipment is now almost continuous round the clock. In the absence of further frost, it is anticipated that conditions at the ports will again be normal in the course of the next two or three weeks. Notwithstanding the accumulation of stocks, the market has firmly maintained its recently improved condition, and for some qualities prices are even higher than they were a week ago. There is a broadening of inquiry, and the French, Italian and other railways are at present buying on a greater scale than they have done at any period during the past three or four years. Moreover, many new contracts have been arranged for backward positions, and a large proportion of the collieries are now well sold over the whole of the year. The following are the current approximate quotations:—Best Admiralties, 19s. 9d. to 20s. 3d.; seconds, 19s. 6d. to 19s. 9d.; best drys, 19s. 3d. to 19s. 9d.; Black Veins, 19s. 3d. to 19s 6d.; Western Valleys, 19s. to 19s. 3d.; Eastern Valleys, 18s. 6d. to 19s.; best small steams. 14s. to 14s. 3d.; cargo smalls, 12s. 6d. to 13s.; coking smalls, 14s. to 14s. 3d.; anthracite best large, 33s. to 35s.; Red Vein, large, 21s. to 25s. 6d.; machine-made cobbles, 40s. to 43s. 6d.; French nuts, 41s. to 43s. 6d.; stove nuts, 40s. to 42s. 6d.; rubbly culm, 10s. 9d. to 11s. 3d.; foundry coke, 25s. to 37s.; patent fuel, 19s. 6d. to 21s. 3d.; pitwood, ex ship, 25s. 3d. to 25s. 9d.

Our Sheffield correspondent writes:—The recurrence of the wintry weather has increased further the demand for house coal, deliveries of which are considerably in arrears. Business has also expanded in fuel for overseas and for industry. The working of collieries has greatly improved. Several idle pits in South Yorkshire have been restarted, and others are now working up to capacity. Prices are firmer all round. The improvement in the fuel market has extended to coke. Iron smelters are buying on a more liberal scale than for a long time, and there is a brisk overseas demand for foundry coke. Prices continue to stiffen. Best brands of blast-furnace coke are now 14s. and 14s. 6d. at ovens.

Our Glasgow correspondent writes:—The market position has not changed much. There is still little coal available and prices all over are fairly maintained. No official announcement has yet been made concerning the coal owners' new scheme. Shipping prices are approximately as follows (f.o.b. district ports):—Lanarkshire: Ell best, 18s. 6d.; splint best, 19s. 6d.; splint second, 18s. 6d. to 19s. 6d.; navigation, 18s. 6d.; splint second, 16s. 6d.; steam, 16s. 6d.; hartley. 18s. 6d.; trebles, 17s. 6d.; doubles, 16s.; singles, 14s. 6d.; pearls, 12s. 6d.; dross, 10s. 6d. Fife: screened navigation, 19s. 6d.; first-class steam, 18s.–18s. 6d.; third-class steam, 17s.; trebles, 17s. 6d.–18s. 6d.; doubles, 17s.; singles, 15s.; pearls, 13s. Lothians: Prime steam, 16s. 6d.; secondary steam, 16s.; trebles, 17s. 6d.; doubles, 16s. 6d.; singles, 14s. 9d.; pearls, 13s. Ayrshire: Unscreened navigation, 16s. 6d.; jewel, 18s. 6d.; steam, 17s. 6d.; trebles, 17s. 6d.; doubles, 16s. 6d.; singles, 14s. 6d.; pearls, 12s. 9d.; dross, 11s.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—Rather quieter conditions have developed in the iron and steel markets during the past week, but the general view has been that this is only temporary. The recent price advances in some descriptions of British materials and the difficulty of doing business with Continental steelmakers under the existing conditions of high prices and prolonged delivery have resulted in buyers adopting a reserved attitude. This, however, was only to be expected, and it is thought that more active business will develop within a week or two. The advance in the price of British pig iron has been maintained, although it has caused buyers to resort to a hand-to-mouth policy again. In the semi-finished steel department a considerable inquiry has been reported, and most of the business which resulted has gone to the British steelworks. In most of the districts in which Continental

HARRISONS & CROSFIELD LTD
East India Merchants.
Agents and Secretaries of Tea and Rubber Estates.
General Exporters and Importers.
1-4, Great Tower Street, London, E.C.3

semis are largely used British prices are now competitive. The demand for finished steel has become somewhat erratic, and the higher cost of raw materials, including pig iron, semis and scrap, has resulted in an advance in the price of some descriptions of British finished steel Export business has been irregular, but it is anticipated that certain overseas markets from which the demand has been disappointing will shortly begin buying on an improved scale.

Our Middlesbrough correspondent writes:—Pig Iron: The position regarding pig iron still continues to improve. The comparatively small output of pig iron is not equal to the demand, and iron of all descriptions is extremely scarce, and practically impossible to buy for prompt shipment. Cleveland iron is very scarce and quantities can only be purchased for delivery some months ahead. Notwithstanding, the makers have not increased prices, which remain on the following basis:—No. 1, 69s. 6d.; No. 3 G.M.B., 67s.; No. 4 foundry, 66s.; No. 4 forge, 65s. 6d. The hematite position is distinctly better, with iron scarce. Mixed numbers are quoted at 72s 6d., but the production is not equal to the demand; a further rise in price is anticipated, and possibly more furnaces on this class of iron will be put in to meet the demand. The steel trade still continues to improve, and practically no further business is being done with the Continent. Any imports arriving are under old contracts. The steelworks are busy on shipbuilding material, and orders for three new ships, totalling 30,000 tons, have been placed locally. In other directions the works still continue fairly busy, and prices remain on the following basis:—Steel ship plates, £8 7s. 6d.; steel ship angles, £7 17s. 6d.; iron bars, £10 5s.; steel rails, £8 10s. The ore market is distinctly strong, with prices increasing, and available supplies very scarce. Coke also is a firmer market, and best Durham blast-furnace coke is nearly 18s. 6d. per ton delivered.

Our Sheffield correspondent writes:—A further stiffening of the scrap market indicates increased production and improved outlook for steel, but the expansion is still mainly in the cheaper basic qualities. Basic steel scrap has gone up this week to 66s., and there is a ready market for all that can be obtained by the merchants. The export demand, too, is being maintained. Owing to the dearness of scrap makers of basic steel are finding it necessary to put up their quotations. The position of best acid steels, owing to the absence of substantial railway work, improves but slowly and ordinary lines of Sheffield steel are still quiet. The requirements of the automobile industry, although large, are rather disappointing, compared with recent years. Best tool steels are quiet, with a better demand for the less expensive qualities. The severe weather is affecting adversely all trades supplying tools and steel material for building and out-door occupations. Exports of tools and cutlery are rather brisk, whereas the home trade lacks vitality. Local sentiment is fairly optimistic.

Our Glasgow correspondent writes:—There is still no settlement of the dispute in the manufactured iron trade, which is now in its fourth week, and it is understood that the Ministry of Labour is endeavouring to secure a resumption of negotiations. Business in the heavy steel trade shows some expansion, and the demand is steady. The difficulties in obtaining supplies of semi-raw material from the Continent have not yet been overcome, and home makers are benefiting accordingly. Several very considerable orders have been placed with local structural engineers within the past few weeks, both for home and export, and the position in this branch of industry is at the moment satisfactory. Locomotive builders in Glasgow have not been fully employed of late; but the North British Locomotive Co., Limited, of Glasgow, have secured a contract for thirteen locomotives (the total value of which is approximately £100,000) for South Africa, of which early delivery is required. Within the past few days a number of shipbuilding orders have been placed in Scotland with yards on the Clyde, Forth and Tay. In the sheet trade, while plants are running at full capacity, the volume of new business placed is not quite satisfactory, but prices remain firm.

Our Cardiff correspondent writes:—In the South Wales iron and steel trade the market position remains, as a whole, quite good, and during the present week a number of tinplate mills have resumed operations. The recent increase in the price of steel bars, and also in the cost of coal, had induced manufacturers to consider the question of the advisability of raising the minimum price of tinplates above the present figure of 18s. per box, but at a meeting at Swansea on Tuesday a decision was reached to make no change at present. Galvanised sheets are easier at £13 10s. to £13 12s. 6d., compared with £13 12s. 6d. to £13 15s. per ton the previous week. There has been a further advance in heavy steel scrap, which was quoted at Swansea on Tuesday at 71s. to 72s. 6d. per ton, compared with 68s. 6d. to 70s. at the beginning of the year. Shipments of tinplates last week totalled 142,022 boxes, but increased supplies were received from the factories, and stocks totalled 260 319, compared with 257,312 boxes the previous week, and with 198,164 boxes at the corresponding period last year.

OTHER METALS.

Tin.—The market opened with a firm tone, due largely to reserved offerings, and an improvement in Eastern advices, but later sellers were more in evidence, and, with buyers somewhat indifferent, values receded. Stocks in London and Liverpool warehouses for week ended February 23rd amounted to 8,804 tons, compared with 2,776 tons at corresponding period last year. Dealings in standard cash were recorded at £220 5s. to £220 15s.; three months, £222 12s. 6d. to £222 and £222 15s. In the East 350 tons sold at £225 2s. 6d. ton c.i.f. terms.

Copper market active and prices further hardened sympathetically, with stronger advices from New York, and a brisk demand for forward dates, sellers adopting reserved measures. Standard cash sold £82 12s. 6d. to £82 13s. 9d.; three months, £83 12s. 6d. to £83 13s. 9d.

Lead.—Slight irregularity was noticeable at times, but a good turnover resulted at firm prices, though offerings proved adequate for requirements. Good soft foreign pig, March, sold £23 17s. 6d.; April, £23 17s. 6d. to £23 18s 3d: May, £23 17s. 6d., £23 16s. 3d. and £23 17s. 6d.; **June, £23 17s. 6d.**

Spelter remained quiet, but market about steady as sellers refrained from pressing. February sold £26 7s. 6d.; March, £26 3s. 9d.; April, £26 6s. 3d.; May, £26 8s. 9d.; June, £26 8s. 9d.

Antimony slow. English regulus, spot, £54 to £55; foreign ditto, spot, £38; February-March, £34 ton c.i.f.

Aluminium steady. Ingots and bars for home delivery, £95 ton.

Wolfram quiet. Straits quality, 18s. to 18s. 3d. per unit.

Quicksilver maintained. Spot, £22 5s. to £22 10s. per bottle.

Tin Plates steady. I.C. coke prompt and forward, 18s. to 18s. 3d. f.o.b. Swansea.

THE COTTON TRADE.

Liverpool, February 27th.

Since last week-end much more activity has been shown and prices are about 20 points higher than a week ago. The market is still waiting for something upon which to work, but in the meantime consumption is going on. Forecasts of the world's consumption of American cotton are in the neighbourhood of 15 to 15½ million bales. These figures of consumption mean a drain on reserves, which are below those of several years, and barely the average of the past eight to ten years. Attention will soon be paid to new crop prospects, and one or two things should be kept in mind. The sale of fertilisers is small, 20 per cent. below the normal, the seed is none too good, whilst the Mississippi, with an enormous amount of snow and ice in the hinterland, is less than 2 feet below flood level. Further rains, which delay farming preparations, are reported to-day from the Eastern belt. Spot sales for the week, 21st to 27th (inclusive), are 43,000 bales, of which

"The Magic of Islam"
NORTH AFRICAN MOTOR TOURS
Verdure and blossom . . . Peak and chasm . . . Mosque and minaret . . . Ghostly ruins and teeming bazaars . . . Golden sands and glittering seguias . . . Princely palaces and mud cities . . . Sunset and the Muezzin.
A magnificent tour in the Land of the stork, the scarlet ibis and the golden date—the land of blood red awn gorgeous sunset, and peerless translucent night.
ALGERIA — TUNISIA — MOROCCO
THE SAHARA
Private Tours by Modèle de Luxe six-cylinder 4 and 5-seater landaulet saloon limousines. Arrange the route and details yourself, but let us assist with expert advice.
Tours for separate bookings by ten-seater landaulet type cars running to scheduled itineraries. 270 to choose from.
Forty two of the famous "Transatlantique" hotels erected especially for these tours. A fleet of six-wheeled "D" sert Cars" for the South.
Unparalleled service, comfort and courteous attention in the Company's own Mail steamers, cars, and hotels. Write for booklet,
FRENCH LINE
Compagnie Générale
TRANSATLANTIQUE LTD
20, Cockspur Street, London, S.W.1.
TANGIER GIBRALTAR TENES ALGIERS BOUGIE BONE TUNIS ORAN CONSTANTINE BISKRA TOZEUR GABES MARRAKESH IGLI EL GOLEA WARGLA 0 50 100 200 MILES

23,050 bales are American, 400 Brazil, 1,700 Argentine, 6,750 Peru, 8,650 Egyptian, 400 African, 1,750 East Indian and 300 sundries. Imports for the same period are 70,926, of which 48,838 American, 399 Argentine, 13,232 Egyptian, 3,796 African, 4,572 East Indian and 88 sundries. Quotations to-day are: American middling, 10.71; Egyptian Sakel., 18.15; Egyptian uppers, 12.55; Brazil fair, 10.91; Peru G.F. mod.-rough, 12.75; Peru G.F. smooth, 11.66; West African midd., 10.76; East African G.F., 12.45.

MANCHESTER, February 27th.

There has been a welcome improvement in demand. Inquiry in yarn and piece-goods has undoubtedly been stimulated by the hardening tendency in raw material rates, and buyers have displayed increased confidence in present values. In cloth for India a larger business has been offering than for some time back. Substantial buying has taken place in dhooties and other light fabrics for Calcutta, and useful support has come from Bombay and the up-country markets. Some merchants have purchased speculatively on a considerable scale. Although a little uncertainty exists with regard to trade for China, some very fair lines have been booked for Shanghai in greys and whites, and further orders have been placed for Singapore and Java. A little more activity has been reported for Egypt and South America, and the recent improvement in the offtake in home trade fabrics has been maintained. Inquiry in American and Egyptian yarns has broadened and the turnover has increased, but it has been exceedingly difficult for spinners to improve prices. The short-time movement in the Egyptian section has not yet brought relief, and some spinners are hampered by heavy stocks.

Comparative Statement of the Cotton Trade.

	1929.				Corresp'd'g Date.	
	Feb. 6.	Feb. 13.	Feb. 20.	Feb. 27.	1928.	1927.
Raw Cotton—Mid. American ..... per lb.	d. 10·28	d. 10·48	d. 10·43	d. 10·71	d. 10·36	d. 7·93
— Sakellaridis Fully Good Fair Egyptian ..... per lb.	18·15	17·95	17·90	18·15	18·00	13·95
Yarns—32's twist..... per lb.	15½	15½	15½	15¾	15½	13¾
— 40's weft..... per lb.	16	16	16	16½	16	
— 60's twist (Egyptian)..... per lb.	27	26½	26½	26½	27½	24¾
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	s. d. 26 0	s. d. 26 0	s. d. 25 9	s. d. 25 9	s. d. 25 9	s. d. 24 3
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	28 0	28 0	28 0	28 0	27 9	27 3
38-in. ditto, 38 yds., 18 by 16, 10 lb.....	15 3	15 3	15 0	15 0	15 1½	13 6
39-in. ditto, 37½ yds., 16 by 15, 8¼ lb.	13 9	13 9	13 9	13 9	13 10½	12 9

THE WOOL TRADE.

Our Bradford correspondent writes: The market is still suffering from the feeling of uncertainty caused by the recent decline in wool values, and although there are indications that users are beginning to take a little more interest in tops and yarns, the actual turnover is still very restricted. No doubt many are waiting for a lead from Coleman Street Wool Exchange next week, but it seems probable that London will only confirm what has already taken place in the primary markets. Merino wool seems to be approaching the stabilisation point, and at current rates is certainly not without attraction. Crossbreds, on the other hand, are still uncertain, and users are evidently waiting for a further readjustment of values to bring the lower qualities more into harmony with merinos. There has been more inquiry for merino tops and some fair orders have been booked, but spinners show little inclination to depart from their established hand-to-mouth buying. Crossbred tops are largely neglected and prices remain very irregular. Demand for yarn remains restricted and in the case of botanies offers are generally very low—mostly on a basis of about 3s. 6d. for 64's tops which, even allowing for the recent decline, is still unworkable. Crossbred yarns are very dull and quotations are nominal. Demand for piece-goods is less active so far as the home trade is concerned, but a moderate amount of business is being done on export account.

Facilities for Travellers in S. America

Travellers to Latin-American countries can obtain valuable facilities through the Bank of London & South America. With branches and agencies at all strategical points, this Bank issues letters of credit, renders status reports on South American firms, supplies a free Monthly Review of market information, and offers a complete international banking service between Great Britain and South America.

Estd. 1862.

BANK OF LONDON & SOUTH AMERICA LIMITED

6, 7 & 8, Tokenhouse Yard, London, E.C 2

MANCHESTER: 36, Charlotte Street. BRADFORD: 33, Hustlergate.

Affiliated to Lloyds Bank Limited.

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

Better news has come to hand this week from all the different selling centres in Australia, and at current values selling brokers are apparently prepared to meet the market. As there is still a very considerable weight of wool to sell, the policy now adopted is the right one. It is understood that there is a reasonable amount of Cape wool still to offer, largely owned by up-country speculators, and they are all waiting for values to recover to the level ruling at the beginning of the year. The probability is that they will have to wait a considerable time before such a recovery as this is realised. There seems to be far more speculative buying of the South African than the Australian clip. All sections continue to be fairly free buyers in Australia. Japan is still actively competing for the best wools, and there is also a fair measure of buying by Germany and the home trade, but France is still slack. Moderate prices have ruled this week at Melbourne for some well-known marks, and anyone buying to-day can apparently obtain good wool at reasonable cost. During the week the list of arrivals for the London sales which begin next Tuesday has been published, 114,000 bales being available. Puntas will be represented by some good quantities of new clip, and no doubt these will sell readily. New Zealand offerings will overshadow all the rest, practically 46,000 bales being available. There should be an excellent show of slipes and greasy fleece, probably the best display of any series this year. It is difficult to say how prices are likely to move, but most people are looking for an average fall of a good 5 per cent. It may be found necessary to carry forward a fair quantity, for most of the buyers are now landing considerable weights of wool from overseas. It is quite possible, however, that under the combined competition of home trade and Continental buyers a good buying spirit will be seen. There is a feeling that values have about touched bottom. Slightly lower values in London will bring that centre more into line with Australia, but there are indications of more interest in merino tops and if this continues no further serious fall is likely in that description of wool.

THE JUTE MARKET.

DUNDEE, February 27.

Prices of raw jute have fluctuated to some extent since the last report. Calcutta mills and shippers were eager buyers, which sent the value of First Marks to £40, but, with a cessation of business and speculators depressing the market for end of the month settlements, a return to lower prices resulted, and Firsts could again be bought at £38 10s. for good marks, March-April shipment. Spinners here have acted cautiously all the time, and their purchases have been confined mostly to secured parcels on spot and afloat which the holders were offering at much less than the rates quoted for shipment material. Daisee assortment rose to £35 for March-April shipment, but sales were taking place on the spot at £34, at which rate some sellers are willing to sell for shipment now. The spot supply has been considerably reduced in recent weeks, and sellers are becoming more reserved in offering. Shippers have been reluctant to offer to this market on account of the scarcity of material in India available for sale. Preparations for the sowing of the new crop are being commenced under what are described as favourable conditions. Already, sellers are indicating a price of £38 for August-September shipment of First Marks, c.i.f., the Continent. Jute yarns are very firm, but now quieter. Spinners are all asking 3s. 7½d. for common 8 lb. cops and 3s. 8½d. for 8 lb. spools, but so long as buyers are able to satisfy their needs from second hand sellers at ½d. less spinners are unable to obtain their quoted rates. They are well foresold, however, and are refusing to accept less. Twist is firm at 5⅞d. to 6d. for 3-ply 8 lb., and sacking yarns are raised to 4d. lowest for 24 lb. weft and 5⅛d. for 8 lb. chains. Rove is higher at £28 10s. wanted for 48 lb. and £18 10s. for 200 lb., while fine yarns are very firm. Carpet 14 lb. warp has been more freely purchased at 5⅞d. A good inquiry prevails for hessian cloth, but buyers are not keen to add to their already large purchases. A very good business has been done during the past month, however, and prices are very firm. According to width and weight 4 11/16d. to 4⅜d. is being paid for 10½ oz. 40 in. hessians and 3 9/16d. to 3⅝d. for 8 oz. The widths, 45 in. to 60 in., are very well sold, and difficult to obtain before June. Manufacturers on the whole, are satisfactorily placed, and orders are being refused owing to their inability to deliver in time. Linoleum hessians have improved as the result of a good business done, while heavy goods makers are slowly but steadily obtaining higher prices.

HIDE, LEATHER, AND ALLIED TRADES.

In spite of the slight improvement in the demand for leather, prices of domestic hides and skins were again easier at the auctions held last week. In Bermondsey all ox and heifer hides, together with cows, were unsold on account of the lowness of the bids, while in the provinces these goods sold on average at from 7d. to 7⅞d. for firsts and 6⅞d. to 7d. for seconds. Calf skins were a slightly better market for the lighter weights, but heavies were inclined to show further weakness. Sheepskins were also easier, wools and hogs being from 6d. to 1s. per skin cheaper. At the time of writing there seems to be a little more optimism in regard to the position of English hides, and it is expected that this week's sales will show more stability. In the foreign hide market a slight improvement is already noted in the face of rather more activity on the part of America, and to a lesser extent Russia. Prices have shown little alteration—Argentine ox being quoted at 9¼d.—but the marked depreciations which have been in evidence of late have ceased in regard to certain lines, with the result that more interest is to be noted. This does not mean to say that further fluctuations will not take place, as it is felt that dry hides, particularly, must go still further lower. The Chicago market is called as steadier, with packer hides unchanged from the previous week at 14½ cents. The demand for sole leather continues to show signs of further slight improvement, and some seem to think that bottom has been touched. At the same time, business continues to be confined to the smallest possible amounts, and no matter what inducements are held out to purchasers, bulk business is impossible to transact. With the bad weather experienced of late, it naturally follows there has been an increase in the demand for bends for repair purposes, while in addition the commoner grades suitable for manufacturing purposes show signs of looking up. Upper leathers are only in limited request, glace kid in both black and browns account for the best part of the business done. The unsettled state of prices for box and willow calf leathers makes consumers shy of placing orders for anything except to cover their immediate wants. Curriers report trade as quiet, with hardly any orders being received for export.

VEGETABLE OILS AND OILSEEDS.

Markets this week have been dull and only a small business has been done. Linseed oil is weak for lack of support. Current value is around £29 per tin naked ex Hull mill for spot and March-April delivery, later positions being at a small premium. Cotton oil is slow and unchanged. Crude Egyptian offers at £28 5s. and common edible at £31 15s. spot and March-April ex Hull, but fails to attract. Other soft oils are quiet and unchanged. In the oil-seed section linseed has been a declining market and more interest is in evidence at the lower level. Plate on spot at Hull is quoted £16 2s. 6d. and £15 17s. 6d. is reported paid for afloat and about represents the value of the distant position and February-March shipment. The quantity of linseed on passage to Europe has increased to 240,700 tons, an advance of 19,800 tons on the week, and compares with 282,000 tons a year ago. Little ispassing in cottonseed, £10 5s. being current nominal value of black Egyptian for shipment. For Sakellaridis on passage £9 15s. has been paid, and for Bombay, March-April £8 10s. Oilcakes and meals are in moderate demand and late prices are maintained.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—There is an improvement in trade demand both here, and in the United States, which shows signs of dispelling the marked depression that has now prevailed for a prolonged period. Supply and demand now bid fair to become adjusted, as latest reports from Cuban sources point to the fact that yield from canes neglected during the period of restriction is decidedly deficient over a large area. With the exception of T.L. granulated, Messrs. Tate and Lyle raised quotations 3d. per cwt. There was quite a liberal offtake of home-grown granulated at full recent rates. Imported steadier. Messrs. Tate and Lyle's cubes now 25s. 9d. to 29s. 3d. as to quality; No. 2, also London and T.L. granulated, 22s. 10½d.; yellow crystals, 21s. 7½d.; home-grown granulated, 22s. 3d. to 22s. 6d. as to factory, and Cupar 22s. 9d. T.L. granulated sold 22s. 1½d.; Dutch J., 24s. 3d.; white Mauritius, 21s.-21s. 9d.; American pieces, good yellow, 18s. 6d. to 18s. 9d. Continental parcels for shipment unaltered. Foreign, 96 per cent., March, sellers, 9s. 3d.; April, 9s. 4½d. c.i.f. U.K. Fair sales in the terminal sections and market firm. Raw, July sold 9s.; August, 9s. 3½d.; December, 9s. 6d. White, March sold 12s. 3d., August 12s. 4½d. cwt. Cuban receipts last week 232,886 tons, as against 229,964 last year; exports 123,458, against 82,828; stocks, 820,593, against 709,706. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending February 23rd totalled 153,396 tons, compared with 93,901 at corresponding period last year.

TEA.—Indian auctions during the week totalled 48,655 packages being on a smaller scale than the preceding week. The auctions went off with a decidedly better swing and quite a steady market was experienced. A few finest autumnal parcels tended in sellers favour and cleared readily; 25,870 packages Ceylon were offered and met a fair general demand. Finest descriptions, which were in rather light supply, cleared readily at firm prices, but plain and medium sorts were occasionally easier. Of leaf kinds, orange pekoe were well competed for, partly on export account. Java and Sumatra auctions met with fair support at steady to rather easier prices. There is no improvement to note in the market for China teas.

COFFEE.—Market shows general stability and fair supplies in auction mostly cleared at full to rather dearer prices. Costa Rica sold readily. Good to fine bold colory at 155s. to 183s.; peas to 177s. 6d.; Kenya bold sizes reached 142s. 6d.; Kilimanjaro, 139s. 6d.; Uganda, 117s.

COCOA.—Market generally quieter during the week. Accra F/F March-May sold 46s. 3d. to 46s. 9d., 46s. 3d.-47s. f.o.b. Terminal: March sold 49s. 6d.-50s.; April, 50s. 6d.-51s.; May, 51s. 3d.; July, 52s. 7½d.; September, 53s. 3d.-54s.; December, 53s. 3d.

RICE.—Market quite idle and Eastern, also Spanish grain, unaltered The sale of 100 tons Egyptian is recorded at 19s. landed terms London, just arrived. Bran, steady quiet. Broken rice, dull.

BEANS.—In demand and strong features prevail for butters Madagascar new crop spot London sold 44s.; old, 40s.-41s.; afloat, "Clan Macintosh," at 40s. to 40s. 6d.; "Marechal de Gallieni," 40s. 9d. to 41s.; Rangoon haricots, March, sold 20s. 6d.; April 19s.; May, 18s. cwt. c.i.f.

PEAS.—Steady quiet. Japanese new crop spot 20s. 3d.; afloat 19s.-19s. 9d.; February-March sold 18s. 3d.; March-April, 18s. 1½d. cwt. c.i.f.

SPICE.—A quiet market for Pepper. Lampong, January-March, 1s. 4d.; March-May, 1s. 3⅝d.; May-July, sold 1s. 2½d.; August-October, quoted 1s. 1⅝d. Muntok, January-March, 2s. 2½d.; March-May, 2s. 2½d.; May-July, 2s. 1⅝d.; August-October, 1s. 10½d. lb. London stocks increased 165 tons on the week, mainly black. Malabar unaltered. Zanzibar cloves, spot, 1s. 4⅜d.; December-February, 1s. 5d. lb. Pimento unaltered. Sago flour afloat, 11s. 6d.; February-April, 11s. 7½d. c.i.f.; U.K.-Dutch Farina, 12s. 1½d. cwt. f.o.b. Tapioca and ginger unchanged.

FRUIT (dried).—Currants continue in quiet request and barely steady. Pyrgos quoted, 45s.-46s.; Patras, 47s. 6d.; choice, up to 51s.; Amalias, 46s.-46s. 6d.; Gulf, 49s.-52s.; Vostizza, 50s.-56s. Sultanas, steady, with old crop Australian chiefly inquired for. Medium to good Smyrna, spot, 37s.-45s.; Cretan, 40s.-70s.; Greek, 36s.-65s.; Australian old, 27s. 6d.-31s.; new, 33s.-15s.; Californian soda, bleached, 35s.-38s.; unbleached, 29s.; Cape unbleached, 33s.-37s.; bleached, 45s.-50s. Raisins, dull. Valencia quarter boxes, 50s.-53s.; Australian, 32s.-36s. Figs in better demand. Genuine new, spot, 28s.-32s. Dates maintained, with Siar in chief request. Hallowis new, spot, 28s.-30s.; Khadrowie, 23s.; Siar, 15s.-17s.

EVAPORATED FRUITS.—Market fully steady as stocks are in manageable compass, but business is slow to expand. Plums experienced a better movement, especially for medium sizes, but pears move off slowly and other descriptions without material change. Californian plums, 20's-30's, 65s.; 30's-40's, 57s.; 60's-70's, 43s.-43s. 6d. Australian pears range from 57s. 6d.-70s. as to quality. Apricots, South African new crop, Royal, 60s.-117s. 6d.; Cape, 72s. 6d.-82s. 6d.; Californian, new, 85s.-117s. 6d. Peaches, Californian choice, 50s.; extra choice, 53s.; fancy, 58s. Apples, Californian spot sliced, extra choice, 67s. 6d. Almonds, steady, but trading restricted. Mazagan, 142s. 6d.; Mogador, 140s.; Majorcas, 145s.; Bitter-Jordan, 185s.-210s. cwt.

CANNED GOODS.

CANNED FRUITS.—Trading is adversely affected by the spell of cold weather, but arrivals of Californian were somewhat lighter and prices keep steady for all descriptions. Singapore pines quiet on spot, but forward parcels attract rather more attention, while there is also some inquiry for South African to arrive. Italian tomatoes in moderate demand on spot, but forward business checked by high-asking prices.

CANNED FISH.—Business continues restricted, and generally position unaltered. Portuguese clubs quoted 5s. per dozen tins. Lobsters: Best halves, 140s.-145s.; and quarters, 77s. 6d.-82s. 6d. Salmon steady. Red tall, spot, 42h. 6d.-45s.; pink, talls, spot, 26s.-27s. 6d.; halves, 32s.-34s. Japanese crab firmer and finest quality realises 97s. 6d.-100s.

CANNED MEATS.—Firm, and Ox Tongues realise extreme rate on scarcity, but lower prices are being accepted for lunch tongues. Danish cooked hams move off steadily at about 1s. 7d. per lb. for cases of 6 tins.

CONDENSED MILK AND MILK POWDERS.—Market steady as Continental supplies are held up owing to severe weather. Full cream sweetened English, spot, 45s.; Dutch ditto, 38s. 6d.; March-April, 38s.; machine skimmed, sweetened English, spot, 30s.; Dutch ditto, 25s.; March April, 24s.; all in 5 cwt. barrels. Powders: Spray F.O., 26 per cent., 2 by 56 lb. tins crated, prompt,

PLAYER'S WHITE LABEL NAVY MIXTURE

—smoke it for a change—you won't want to change again.

2oz. POCKET TIN 1/10

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, THURSDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 2, N. Man. 496 lb....	52	0
Eng. Gaz. av., per cwt.	9	9
Barley, Eng. Gaz. av.	10	4
Oats, " "	9	9
Maize, La Plata, landed, 480 lb.	44	0
Flour, Lon. stan. ex mill, 280 lb.	37	6
Rice, No. 2 Burma, per cwt.....	13	1½
Sago, pearl, per cwt.	22	9
Tapioca, per cwt.—		
E.I. flake, fair spot 23	0 23	9
Medium pearl 20	0 22	0
Potatoes, good English, per ton...	150	0
MEAT—		
Beef, per 8 lbs.—	s. d.	s. d.
English sides.....	5 4	5 10
Argentine chilled hinds...	4 2	4 8
Mutton, per 8 lbs.—		
English wethers	6 4	7 4
N.Z. frozen "	3 2	5 2
Pork, English, per 8 lbs. ...	7 0	8 0

OTHER FOODS.

BACON—				
Irish .....per cwt.	117	0	126	0
Danish.....	111	0	116	0
Canadian.....	112	0	114	0
Dutch	108	0	114	0
HAMS—Irish.....	0	0	0	0
Canadian.....	0	0	0	0
American	90	0	110	0
BUTTER—				
Irish creamery per cwt.	0	0	0	0
Australian	164	0	182	0
New Zealand	166	0	186	0
Danish.....	190	0	192	0
CHEESE—				
Canadian ..... per cwt.	96	0	110	0
New Zealand	84	0	88	0
English Cheddars	130	0	144	0
Dutch	48	0	99	0
COCOA—				
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)				
Accra f.f., per cwt.	49	0	50	0
Trinidad	60	0	63	0
Grenada	50	0	58	0
COFFEE—				
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)				
E.I., good to fine, per cwt.	147	0	160	0
Costa Rica, good to fine...	155	0	183	6
Cent. Amer., mid to fine	130	0	150	0
Kenya, bold sizes	128	0	153	0
Colombian, mid to fine...	130	0	145	0
EGGS—				
English ..... per 120	22	0	24	0
Danish.....	20	0	24	6
FRUIT—				
Oranges, Denia & Val. 300	15	6	26	0
" " 360	15	6	20	0
" " 504	16	0	20	0
Jaffa ..... boxes 144	21	0	25	0
Lemons, Naples boxes	0	0	0	0
Sicilian ..... boxes	12	0	16	0
" .....cases	15	0	30	0
Murcia ..... half cases	14	0	21	0
Malaga ...cases 420 No. 1	0	0	0	0
Apples: Amer. (var.) bris.	20	0	33	0
(var.) boxes	10	0	12	0
Onions, Valencia :—				
case 4s.	16	0	17	0
case 5s.	18	0	20	0

FRUIT *(continued)*—	s.	d.	s.	d.
Chestnuts, Huelva bags	10	0	0	0
Grapes, Almeria .....bris.	0	0	0	0
LARD—				
Irish bladders.....	66	0	72	0
American boxes 56 lbs.	60	0	61	6
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	3½	0	0
Black Lampong	1	5	0	0
Cinnamon—1st sort, per lb.	2	3½	0	0
Cloves—Zanzibar per lb.	1	4½	1	4½
Ginger—per cwt.—				
African	53	0	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	2	6	4	3
Nutmegs 65's	2	1	0	0
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	22	6	23	6
Java, white, c.i.f. India, July-Sept.	12	1½	0	0
REFINED—London—				
Yellow Crystals	21	7½	0	0
Cubes	25	9	26	3
Crushed	24	6	25	0
Granulated	23	3	23	7½
Home Grown (prompt)	22	3	22	9
TEA—				
(Duty 3½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	1	0½	2	1
Broken Pekoe	1	0½	2	1
Orange Pekoe.....	1	2½	2	3
Broken Orange	1	1½	2	9
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	4½	1	0

TEXTILES.

COTTON—		d.		
Mid-American .....per lb.		10·71		
Sakellaridis, f.g.f.		18·15		
Yarns, 32's twist		15½		
60's twist		26½		
FLAX—	£	s.	£	s.
Livonian ZK .....per ton	90	0	0	0
Pernau HD.....	80	0	0	0
Slanetz Medium 1st sort	90	0	0	0
HEMP—				
Italian P.C. ..... per ton	65	0	0	0
Manilla, Apr.–June "J2"	36	15	0	0
N.Z., H.F. fair Feb.–Apr.	0	0	0	0
JUTE—				
Native 1st mks....per ton				
Mar.–Apr.	35/0/0		0/0/0	
Apr.–May	35/12/6		0/0/0	
SILK—	s.	d.	s.	d.
Canton .....per lb.	17	0	19	0
Tussah.....	8	0	10	0
Japan	20	6	23	0
Italian—Raw, fr. Milan	21	0	23	6

WOOL—	d.
English Southdown, washed per lb.	27
" Lincoln hog, washed	18
Queensland, scd. super cmbg.	42
N.S.W. greasy, super "	24
N.Z., grsy., half-bred 50–56	20
Crossbred 40–44	16
Tops—	
Merinos 70's	47½
" 64's	44
Crossbred 48's	25½
" 46's	23½–24

MINERALS.

COAL—	s.	d.	s.	d.
Welsh, best Ad'ty...ton	19	6	20	0
Durham, best gas	14	9	15	6
Sheffield, best house ...	20	6	21	6
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	67	0	0	0
Bars, M'brough 205	0	0	0	0
Steel Rails, heavy.....170	0	0	0	0
Tin Plates, I.C., per box	18	0	18	3
METALS—	£	s.	£	s.
Copper, Electrolytic, ton	88	10	89	10
Sheets (strong) 108	0	0	0	0
Standard 82/12/6			82/13/9	
Lead Eng. Pig ... per ton	25/0/0		0/0/0	
Soft Foreign	23/17/6		0/0/0	
Spelter G.O.B.	26/7/6		26/8/9	
Tin—English ingots ...	221/0/0		222/0/0	
Standard, cash	220/5/0		220/7/6	

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb. less 5%	2	1	2	2
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	10	10	0
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	12	0	13	0
Potash—Chlorate, net ...	0	3½	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	27	0	27	10
CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
F.M. Straits, c.i.f., per ton Mar.–Apr.	23/0/0		0/0/0	
DRUGS—				
Camphor—	s.	d.	s.	d.
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	0	14	6
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d.
Wet salted—Australian per lb.	0	5½	0	7½
West Indian	0	4	0	7½
Cape	0	6	0	7½
Dry and Drysalted Cape...	0	9	1	0
Market Hides, London—				
Best heavy ox & heifer	0	7	0	7½
Best cow	0	6½	0	6½
Best calf	1	10½	1	1½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.—				
per lb.	1	5	2	4
Bark Tanned Sole	2	6	3	0
Shoulders fm DS Hides	11	0	1	2
Do Eng. or WS do.	1	3	1	9
Bellies from DS do.	0	9	1	0
Do. Eng. or WS do.	1	0	1	5
Dressing Hides.....	1	6	2	2
Ro. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Sides	1	0	1	6
VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	30	6	0	0
Rape, refined	44	6	0	0
Cotton-seed, crude	28	10	0	0
Coconut, crude.....	37	10	0	0
Palm	37/0/0		40/0/0	
Oil Cakes, Linseed, Eng., per ton 12/10/0			12/15/0	
Oil Seeds—Linseed—				
La Plata, p.ton Mar.-Apr.	15/17/6		0	0
Calcutta, p.ton Apl.–May	19/0/0		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	45	6	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	0	10½	0	0
Water-White	0	11½	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	13/10/0		34/5/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	18	10	26	0
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	1	1	0	0
Fine Hard Para per lb.	1	1½	0	0
SHELLAC—				
TN Orange ... per cwt.	195	0	0	0
SHELLS—	£	s.	£	s.
W. Aust., M.-o.-P. "	4	0	12	10
TIMBER—			£	s. d.
Swedish u/s 3 x 8 per std.			19	0 0
Do. 2½ x 7 "			19	0 0
Do. 2 x 4 "			19	0 0
Can'dn Spruce, Dis. "			17	10 0
Pitchpine ..... per load			9	0 0
Rio Deals ..... per std.			32	0 0
Teak ..... per load			20	0 0
Honduras Mahg. logs c. ft.			0	11 6
African "			0	6 0
American Oak Boards "			0	6 0
Do. Ash "			0	6 0
English Oak Planks "			0	7 0
Do. Ash "			0	6 6

94s.; M.S. (1 cwt. cases), prompt, 40s., roller process F.O., 26 per cent., prompt, 78s. 6d.; M.S. ditto, 31s. 6d.; all net, duty paid ex wharf London. On the grocery side F.O.S., 21s.; M.S.S., 10s.; basis per case, usual packing. Danish cream, evaporated unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d.; sweetened condensed, 48 by 14 oz., 20s. per case.

HONEY.—Market continues firm with a good demand. Palish set Jamaica, 54s.; amber, set, 48s.; and manufacturing kinds, 42s. 6d.; Haitian, yellow palish, set, 50s; New Zealand sells readily, dark amber at 50s. 55s.; medium, 55s.-65s.; light, 65s.-85s.; whites and water whites, 65s.-87s. 6d. cwt.

RUBBER.

Market firmer, though attended by slight irregularity at times, and business proceeds with fair freedom. Sheet, spot, and February sold 1s. 1⅜d. to 1s. 1½d.; March, 1s. 1⅛d. to 1s. 0⅞d.; April, 1s. 1½d.; May, 1s. 1⅝d.; April-June, 1s 1⅜d. to 1s. 1½d.; July-September, 1s. 1⅛d. to 1s. 1¾d.; October-December, 1s. 2d. to 1s. 1⅜d.; January-March, 1930, at 1s. 2½d. to 1s. 2d.; January-June, 1s. 2d.; July-December, 1s. 2d.; and January-December, 1930, at 1s. 1⅞d. per lb. London stocks increased by 248 tons at 25,005, against 63,103 at same time last year; landings being 1,833 and deliveries 1,585. Liverpool stocks, 65 tons up at 4,151; landings, 316; deliveries, 251.

GENERAL.

JUTE.—Quiet and rather featureless. First February-March sellers, £34 10s.; March-April, £34 17s. 6d.; buyers, April-May sold, £35 10s. Lightnings, March-April, sellers, £33 7s. 6d. ton. Hessians very quiet.

HEMP.—Market for Manilla descriptions subject to some irregularity and prices were easier as shippers were more in evidence, and this, for the moment, proves a disturbing factor. J.2, April-June, quoted £36 15s.; K, ditto, buyers, £33 10s.; sellers, £34 10s.; **L.1, buyers, £33 10s.**; L.2, quoted, £28 15s.; M 1, £30 10s.; M.2, £27 10s. Flax quite a firm market, and, owing to closed navigation in the Baltic Sea, there is a mild run upon all spot parcels and prices move steadily against the buyer. Good qualities of flax tow also sought after and market very firm, but inferior grades remain dull. African and Mexican sisal unaltered. Manilla receipts for past week, 50,000 bales, against 21,000 last year; estimate for next week, 35,000; and following week 29,000. Shipments to U.K./Continent, last week, 5,000 bales; U.S.A., 10,000; Japan, 7,000; other countries, 5,000.

SHELLAC.—Market quiet. T.N. spot 195s.; May, 190s. cwt.; August 192s. 6d. to 194s. 6d.

COPRA.—A most dull and uninteresting market. Quotations largely nominal. F.M.S. Straits, February-March, Rotterdam, quoted £23 17s. 6d.; March-April, £24 2s. 6d.; April-May, £24 5s. South Sea, sun-dried, February-March, Rotterdam, £22 17s. 6d.; smoked ditto to Marseilles, 22 12s. 6d.; also February-March, Rabaul to Rotterdam, £23. Palm kernels, February-March, Hamburg, £19 6s. 3d.

MISCELLANEOUS.—Coconuts quoted 18s. to 20s. per 100. Coir yarn, Ceylon, £19 to £39 10s.; Cochin, £23 to £40 5s.; Ceylon bristle, £19 to £24 15s.; cinnamon leaf oil, 5½d.; citronella, Ceylon, 1s. 10d.; Java, 2s.

METROPOLITAN CATTLE.—February 27.

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

	s.	d.	s.	d.		s.	d.	s.	d.
Beasts—Norfolk	6	4	6	8	Beasts—Heavy Bulls		...		...
Irish	...		...		Canadian		...		...
Cambridge.....	...		...		Sheep—Downs	8	8	9	8
Short Horns	6	2	6	4	Half bred		...		...
Herefords	...		...		Ewes	5	4	5	8
Devons	...		...		Scottish		...		...
Leicester runts	...		...		Lamb—Downs	10	4	11	0

LONDON POTATO MARKETS.—February 27

	Per Cwt.	
	s.	d.
English King Edward—Lincoln	7	0
White varieties	5	0

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, MARCH 9, 1929. No. 4,463.

ALLIANCE
ASSURANCE COMPANY, LIMITED.
(*Established in* 1824.)
HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.
Marine Department: 2-6, Billiter Square, London, E.C.3.
ASSETS EXCEED £30,000,000.
THE ALLIANCE GRANTS INSURANCES OF ALL KINDS.
LIFE DEPARTMENT.
INCREASED INTERIM BONUSES ALLOWED on Participating Policies.
Assurances granted with DISABILITY BENEFITS. Children's Educational Policies and Deferred Assurances.
For full information apply to the Head Office or to any of the Offices or Agents of the Company.

CHRISTIANIA BANK OG KREDITKASSE
OSLO.
Established 1848.
Paid-up Capital and Reserve Funds,
Kr. 40.000.000.—.
Oldest Norwegian Joint Stock Bank. Direct correspondents throughout the country. Offering complete services to banks and firms doing business on Norway.
Correspondence invited.

CREDITO ITALIANO
Capital Subscribed - - - Lire 400,000,000
Capital Paid-up - - - Lire 354,694,900
Reserve - - - - - Lire 190,000,000
Head Office of the Bank: MILAN.
THE BANK HAS BRANCHES AND CORRESPONDENTS THROUGHOUT ITALY.
London Branch: 2 ROYAL EXCHANGE AVENUE, E.C. 3.
Transacts a general Foreign Banking Business.
STERLING DRAFTS AND DOCUMENTS ON ITALY COLLECTED ON SPECIALLY FAVOURABLE TERMS.
CORRESPONDENT OF THE ROYAL ITALIAN TREASURY.
Telegrams: "Italcredi, London."
Telephone: Avenue 3031-4.

TABLE OF CONTENTS.

The Money Market	486
Leading Articles—	
Mr. Lloyd George's Pledge	487
Minorities	487
The Price of Petrol	489
The Prudential	490
The Gas Industry	491
The Freedom of Authorship	492
Notes of the Week—	
President Hoover	493
The Upheaval in Mexico	494
Parliament and Whitehall	494
Air Estimates	494
Leon Trotsky	495
The Indian Budget	495
The Effects of Foreign Lending	496
A Higher Birth Rate	496
The De-Rating of Hospitals	496
Import Duties and Prices	497
The European Steel Cartel	497
More Cotton Mill Amalgamations	497
Taxation and Savings	497
Britannic Assurance Co., Limited	498
Pearl Assurance Company	498
National Mutual Life Association of Australasia, Limited	498
Scottish Widows' Fund	499
Maritime Insurance Co., Limited	499
Refuge Assurance Co., Limited	499
Oversea Correspondence—	
United States	499
France	501
Germany	501
Switzerland	502
Greece	503
South Africa	504
Letters to the Editor—	
The Effect of Foreign Loans	504
Bank Rate Policy	505
Italy and Divorce	505
Books and Publications—	
A Study of Social Theories	505
A Legal Digest	506
Books Received	506
The Stock Exchange—	
Home Railways Position	507
American Interest in British Securities—II.	508
The Week in the Markets	509
Foreign Stock Exchanges	510
The Royal Dutch-Shell Group and Russia	511
Stock Exchange "Majorities"	511
Kreuger and Toll	511
British Assets Trust	511
Wolsey	512
Courage and Co	512
Massey-Harris	512
Baltimore and Ohio Railroad	513
Modder B	513
Capital Issues	513
Summary of Balance Sheets	515
Company Meetings	516
Government Returns	537
Bankers' Gazette—	
Bank of England	538
Bankers' Clearing Returns	539
Overseas Bank Returns	539
Loan and Discount Rates	541
Rates of Exchange	541
Bullion	541
Gold and Silver Prices	542
Weekly Traffic Returns	542
Mining Output Statistics for February	543
Company News—	
Dividend Announcements	543
Profit and Loss Accounts	544
Reports and Notices	545
Commercial Reports—	
Corn Trade	545
American Wheat Markets	546
Coal	546
Iron and Steel	546
Other Metals	547
Wool Trade	547
Colonial Wools	547
Hide and Leather Trades	548
Vegetable Oils	548
Overseas Produce	548
Prices Current	549

TERMS OF SUBSCRIPTION.
Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly £2 18s. 0d. Colonies and Abroad, £3 1s. 9d. per annum.
Single Copies, post free, 1s. 1d.
Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.
Office: 6 Bouverie street, Fleet street, London, E.C.4.

THE MONEY MARKET.

Conditions were a little easier this week, and, as a rule, money was obtainable at around 5 per cent. The market rate on three months' bills was a full 5¼ per cent., this being the rate needed to make the present 5½ per cent. Bank rate effective. On Tuesday the Bank of England again succeeded in obtaining the balance of the gold arrivals from South Africa, and the Bank return reveals

an increase of £573,281 in the Bank's gold stock, but to obtain the gold the Bank had to pay 84s. 10½d. per ounce, which is a little too near the Bank's selling price for comfort. The American exchange still keeps above the danger-point of $4.85, but the margin remains a small one, and early in the week a general feeling of nervousness was still apparent in the market.

* * *

As the week progressed the tone generally improved; for one thing money became more plentiful, for, as the Bank return reveals, bankers' deposits gained £7,143,224 during the week, largely as a result of a loss of £5,683,878 by Public Deposits. It would seem that this week Government disbursements more than balanced the steady influx of revenue. Next, the news regarding the American position has become more reassuring. It is becoming clear that New York banks are not inclined to take more European money for employment on the New York call market, and there is definite evidence that, as time deposits run off, the money so released is returning to London. A few weeks ago any foreign house in possession of dollars could find a ready use for them. To-day dollars are not so usable, unless, indeed, the foreign holder is prepared to lend them on the call market at his own risk.

* * *

It is this knowledge that has prompted some curiosity in the market as to the reasons for the steadiness of the New York exchange, and opinions have been expressed that the rate is being deliberately pegged at $4.85¼. No confirmation of these suggestions is forthcoming, and there seems no ground for placing any especial credence in them. This week there has been little business in dollars at all either way, and so little has occurred to move the rate up and down. From the standpoint of the Bank's gold stocks, the margin of safety is a small one, but as the demand for dollars has largely dried up, the market is coming to believe that it will prove sufficient.

* * * *

In short, the market is beginning to hope that the worst of the strain is now past. Of course, a rise in the New York rediscount rate would still profoundly modify the London outlook, but here again opinion in London is more hopeful. If it is true that foreign money is being driven out of Wall Street by the deliberate action of the American bank—and all the evidence points to this being the case—there is certainly good ground for hoping that an increase in rates in both centres will be avoided.

	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 21, 1929.	Feb. 14, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5½	5½	5½	5½	4½ (Feb. 7,'29)
Banks' Deposit Rate..	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount Houses { Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount Houses { Notice.....	3¾	3¾	3¾	3¾	2¾ (Feb. 7,'29)
Market rate (3 months' bills)	5¼	5¼	5 3/16–¼	5¼	...

The period of anxiety, however, is not yet over, and another month must pass before it can definitely be said that no increase in rates need be feared. This month, too, will, apart from the main factor, be not too easy a period. It includes the end of the financial year and the Easter holidays, while at the end of the month, too, there will be a big turnover of funds in connection with Government repayments of maturing debt, and the final and big call due on the Treasury Bonds issued at the end of last year. In addition, the next three weeks will witness the final drive on the part of the tax collector. For these reasons, easy monetary conditions must not be anticipated, even though the recent tension is now slightly relieved.

NEW YORK MARKETS.

Our New York correspondent cables:—This week's Federal Reserve statement discloses a rise of $140 million in brokers' loans, the greatest increase being for demand loans. The member banks contributed to the rise, and borrowings at the Federal Reserve Banks are up on the week, but the latter rise is mainly due to seasonal causes. Bill holdings stand at a lower figure than a week ago, but there is little change in the Government security item, and the total credits of the reserve system are only slightly higher. The system reserve ratio is 69.7, showing a fall of 0.2 on the week, that for the New York banks being 77.3 (against 81.6 last week).

THE STOCK MARKETS.

The stock markets were dull as a result of monetary uncertainties and the reaction in New York, the tendency towards reduction of commitments being again in evidence. Gilt-edged lost ground, but a slight recrudescence in demand was experienced in home rails. In the industrial markets tobacco, gramophone and artificial silk shares, with certain exceptions, were subject to selling, and numerous investment securities, including bank and insurance shares, were lower on balance. Rubber shares were steady, but less active, while tea shares continued to decline and oils were reactionary. Kaffirs attracted little public interest, and dealings in Rhodesian mines were on a reduced scale.

THE COMMODITY MARKETS.

Trade reports this week indicate that activity has been well maintained. Supplies of coal for prompt shipment are scarce, and collieries are well booked for a few weeks to come. Activity in almost all branches of iron and steel is well maintained. Other metals are steady. The Liverpool cotton market is at last waking up, and prices have advanced. Manchester piece-goods are meeting with much better demand, both at home and abroad, but the American and Egyptian yarn sections still show little sign of improvement. Raw wool values, especially merinos, show signs of approaching a stable level, and Bradford topmakers are putting through some business, though the effect has not yet spread to spinners and manufacturers. The decline in hide values is now checked; there is a slightly improved demand for leather, and sections of the shoe trade are fairly well employed. Vegetable oils and oilseeds have declined. Wheat is slightly lower.

FOREIGN EXCHANGES.

The Foreign Exchange market was quiet, principal interest being centred in the dollar and the peseta. Sterling fell to within a fraction of the gold export point at 4.85 3/16, but the Montreal rate rose to 4.88. Paris gained three points at 124.24, while Brussels lost to the same extent at 34.96. Madrid was out of control and, after erratic movements, during which 33.10 was touched, the rate on Thursday was 32.80, against 31.85 last week. Berlin, after being 20.46, recovered to 20.45½. Stockholm touched 18.17, but settled down at 18.16½. The South American currencies were steady, though Buenos Aires lost 1/32d. at 47 2/32d. In the Far East the rupee was firm at 1s. 6d., but the yen again revealed weakness, being at one time below 1s. 9⅞d., but recovering on Thursday to 1s. 10 1/32d. Amongst forward rate movements, dollars were quoted at narrowed discounts of 3/32 cent and 5/16 cent for the two periods; the premium on forward Paris declined from 6 to 5 centimes for one month, and from 18 centimes to 15 centimes for three months. Brussels went to ½ centime premium for both periods. The silver market was steady, closing at 26d. for both spot and forward delivery as a result of a fair India and China demand. Hongkong remained unchanged at 2s. 0⅛d., but Shanghai gained ⅛d. at 2s. 7d.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies: London Midland and Scottish Railway, Southern Railway, Underground Electric Railways of London, Britannic Assurance, Refuge Assurance, Prudential Assurance, Scottish Widows' Fund and Life Assurance Society, United Kingdom Temperance and Provident Institution, Farmers' National Mortgage Institute of Budapest, Law Land, Courtaulds, Harrods, Associated Anglo-Atlantic Corporation, Golden Horse-Shoe Estates, and Spencer, Turner and Boldero. The railway situation is discussed in a leading article in the Stock Exchange section. The Prudential chairman's review dealt, *inter alia*, with the further reduction of the industrial expense ratio, and the distribution of the company's investments.

Mr LLOYD GEORGE'S PLEDGE.

THE big guns of the Conservative and Labour Parties have for some weeks been booming in the country, and on Friday of last week, at a luncheon to Liberal members and candidates, Mr Lloyd George sounded the tocsin and blazed the trail along which the Liberal hosts are to march to the battlefield. With the destructive criticism with which he opened his speech we do not propose to deal, although, if space permitted, we would break a lance with him over his attack upon the return to the gold standard, and range ourselves with him in his comments on recent blunders in foreign policy. It is, however, for a dramatic pronouncement of constructive policy that Mr Lloyd George's speech is notable. He gave to the country a definite pledge that, if the Liberal Party were elected to office in the coming election, they would "reduce the terrible figures of the workless in the course of a single year to normal proportions," and that not one penny would be added to the national or local taxation.

The pledge is startling in its boldness. The problem of persistent large-scale unemployment has been the tragedy of the last few years—the one vital problem for which nothing but petty alleviations have been found by any party in the State. This problem Mr Lloyd George now promises not merely to solve, but to solve within twelve months, and without adding one iota to the burden of rates or taxes. It is not unnatural that such a pledge by a political leader on the eve of a General Election should arouse scepticism among those whose experience of political pledges is at all considerable. But since unemployment is the great national question of the day, every contribution, from whatever quarter it is made, towards its solution demands the most careful and open-minded consideration from all who care for the country's welfare.

The first point to notice about Mr Lloyd George's pledge is that, although it is new and dramatic in itself, the proposals upon which it rests are not new. The methods by which Mr Lloyd George promises to remove abnormal unemployment are all to be found among the recommendations of the Liberal Industrial Inquiry. They comprise the reorganisation of transport, the intensive construction of roads and bridges, the clearance of the slums, accelerated housing schemes, quicker electrical development, large-scale telephone extension, land reclamation and drainage and afforestation. In principle all these measures were accepted by the Liberal Party a year ago. The one thing that is new about Mr Lloyd George's pronouncement is that he has staked his reputation by putting down in black and white the amount of employment that can be created and the length of time necessary for its creation. It is not possible to say precisely what is normal or abnormal unemployment, but a fair interpretation of Mr Lloyd George's pledge is that, in the space of one year, he will put between 500,000 and 600,000 idle workers into jobs. It is perhaps the time limit that is most startling. The schemes, he tells us, are ready. But it is possible for Mr Lloyd George, or anyone else, to cause Government departments to put them into operation so speedily that their progress at the end of twelve months could justify the hopes which he entertains? In the ordinary way we should reply that it is impossible, but we must confess that, where the personality of Mr Lloyd George is concerned, a prophecy would be rash. It is conceivable that the unrivalled driving force which created a great flow of munitions in war time could equally quickly and equally successfully tackle an equally big task in the days of peace.

If doubts are inevitable over the time elements of the programme, they are at first sight inevitable also on the subject of cost. On this side of the question Mr Lloyd George in his speech was not very explicit. He will save on armaments; "postpone Singapore until you have attended to England, Scotland and Wales." He will use the Road Fund for the roads; he will tax the betterment of site values upon the land to which value is given by the public expenditure on roads; he will expend on constructive works the public money which now has to go to bolster up the unemployment fund. Clearly, something very much more explicit than this is required if the country is to be persuaded that it is to get activity and prosperity without paying for it. But a full explanation both of the proposals and their finance is to be published next week, and we can only reserve judgment until full details are available.

While we await this further and fuller information we may content ourselves with making one or two general observations. In the first place, the critical and dangerous continuance of abnormal unemployment has brought us to a stage in which a bold vision and a vigorous constructive programme, such as have been definitely eschewed by the present Government, are necessary. Whatever criticisms may be levelled at Mr Lloyd George's programme it certainly does not lack in either vision or boldness. Nor do we think that in principle it is open to criticism. Times are critically out of joint, and the concentration of national resources upon employing the workless, not on "digging holes in the ground and filling them in again"—not, in other words, on relief works pure and simple—but on equipping the nation with assets which it requires, is statesmanlike in conception. Everything, however, depends upon the extent to which, and the speed with which, the principle is pressed, and the cost it will involve. If, for instance, to mention but one minor point, a big national loan is in prospect, what effect will be produced on the conversion prospects of the 5 per cent. War Loan, and in that way upon the course of the debt charges?

It is as unfortunate as it is inevitable that the vital question of unemployment should be made the shuttlecock of politics. It is not at the moment among the probabilities that at the next election the Liberal Party will climb from a tiny representation in the House to the largest party in the State, and it is, therefore, unlikely that Mr Lloyd George will have the chance of delivering the goods which he now promises. We hope, however, that, when the full details of his plan are available, they will be impartially studied by experts and politicians of all shades of opinion, and that all that is good and practicable in them will be adopted and put into force by any Government that the country may return to power in a few months' time.

MINORITIES.

THE most important item of business on the agenda of the Council of the League of Nations this week has been the problem of minorities, which has been raised by the representatives of two States members of the Council. It has been raised by the representative of Canada, Senator Dandurand, who himself belongs to a minority which is both linguistic and religious; and it has been raised simultaneously by the representative of Germany, Dr. Stresemann. Canada is one of those overseas countries in which the common adventure of ploughing virgin soil and planting new institutions on the new ground has happily created a sense of solidarity between diverse elements that might have remained asunder for centuries in the traditional atmosphere of the Old World. Germany is a country which has not had the best record in the Old World for the treatment of minorities in the past, which has had the tables turned on it in the Peace Settlement after the war of 1914-18, and which has now conspicuously mended its ways. The small Polish and Danish minorities that still remain within the frontiers of the Reich are at this moment probably as well off as any minorities anywhere. The other side of the picture is that the Germans themselves—who in pre-war Germany, pre-war Austria, and even pre-war Russia as far as the Baltic Provinces went, were a dominant nationality—have become a non-dominant minority in at least ten States on the new map of Europe: Estonia, Latvia, Lithuania, Poland, Czechoslovakia, Hungary, Rumania, Jugoslavia, Italy, Belgium. The treatment which these German minorities receive varies greatly according to the character and policy of the particular non-German State in which they happen to find themselves, but their aggregate numbers are so considerable that Germany evidently has a greater direct interest than any other permanent member of the League Council in seeing to it that this

problem shall be solved satisfactorily. Thus Germany and Canada both have special claims to speak—and it is to be hoped that the other members of the Council will give them a sympathetic hearing; for, on a broader view, a solution of this problem is a vital interest, not merely of this State or that, but of the world in general.

Why is it so necessary that the problem of minorities should be solved? Because the minorities themselves will be always with us in a world which is mapped out politically into a number of sovereign independent States, each aiming, within its own frontiers, at visible and tangible homogeneity—the kind of homogeneity that consists in uniformity of race or language or religion. For it is quite impossible to draw the frontiers between 50 or 60 sovereign independent States so neatly that those frontiers shall coincide exactly with the boundaries between racial, linguistic or religious groups. The nearest approximation to that ideal at the present time is probably to be found in the internal political map of the U.S.S.R., on which the most remote and backward Asiatic tribe has its own autonomous republic or province; but this is within the bosom of an all-embracing federal State, and even here minorities are not eliminated, though they are reduced to a minimum. In the nature of the case they cannot be eliminated completely, here or anywhere, because the boundaries dictated by administrative and economic (not to speak of strategic) necessity, can never exactly coincide with those which historical accidents have drawn between races, languages or religions. An irreducible " margin " must remain; and in so far as the men, women and children who constitute this " margin " are unhappy, or even uncomfortable, the existing frontiers will be unstable. Since instability of frontiers is one of the potent causes of war, it will be seen that a solution of the minorities problem is everybody's affair.

Fortunately the problem is not insoluble, as is proved conclusively by the fact that we can point to a number of minorities which are happy and comfortable in the world to-day. In Great Britain we have religious minorities like the Jews and Roman Catholics, linguistic minorities like the Welsh, and even racial minorities like the gypsies, whose position *vis-à-vis* Protestants, English-speakers and " Britons " of " Caucasian " race (whatever that may mean) is not a problem to-day. Similarly, no problem arises over the Bretons and Flemings in France, over the Basques in France and Spain, over the Catholics in Holland and Prussia. The region where the problem is acute is Eastern and Central Europe; for here national consciousnesses have emerged late in the day; they have taken identity and difference of language as their exclusive bases of association and disassociation; and this " linguistic nationalism " (so oddly different from the nationalism of Switzerland or Scotland, which binds the speakers of two or three languages together) has only succeeded in attaining " Statehood " in the peace settlement following the Great War.

This is the situation out of which there arose the treaties, clauses in treaties, and undertakings to the Council of the League whereby certain newly created or newly enlarged States in Central and Eastern Europe stand pledged to give equitable treatment to those racial, linguistic and religious minorities which were included within their frontiers on administrative, economic or strategic considerations (sometimes interpreted generously in the new or enlarged State's favour). In many cases the relative positions of the communities which were to constitute the minorities and majorities on the new political map of Europe were being reversed. The " top-dog " of yesterday was becoming the " under-dog " of to-day and to-morrow; the " under-dog " of yesterday was becoming his old master's master; and neither party could be expected immediately to forget and forgive the past—a past which had culminated in the intense bitterness of the Great War. In these circumstances, the representatives of the principal Allied and Associated Powers felt that they could not simply hand over the new minorities to the unfettered discretion of the new majorities, as represented by the Governments of the " successor States " of the fallen empires, without insisting on certain international guarantees. To have omitted to insist on these would not only have been flagrantly inhumane; it would also have been grossly irresponsible; for it was evident then, and remains evident to-day, that the new political map of Central and Eastern Europe could not be drawn without creating new minorities, and cannot be maintained without securing for these minorities certain minimum standards of well-being. Moreover, if the Principal Allied and Associated Powers had not fought and won the war the " Successor States " of the defeated empires could never have come into existence; and if the " Successor States " were to be overthrown by desperate revolts of the new minorties against intolerable conditions imposed by the new Governments without international restraint, then again the brunt of a fresh European catastrophe would have to be borne once more by the Principal Allied Powers. Thus the Principal Allied Powers, and the Council of the League of Nations after them, have been not only justified in insisting, but morally bound to insist, upon those international guarantees for minorities which are now in question.

The minorities problem is still with us after nine years, because these international guarantees have not so far been effective. This is now admitted by all unprejudiced observers, and the first step towards a remedy is to search for the causes of the complaint. The minorities treaties, clauses and undertakings were all placed under the auspices of the League of Nations. So was the mandates system, which, in spite of many difficulties, has certainly worked successfully on the whole. The arrangements which were inaugurated simultaneously for the protection of minorities nine years ago has so far virtually been a failure. To what is this unfortunate difference due?

First, is it due to differences of procedure? In supervising the working of the mandates system the Council of the League is advised by a permanent commission of experts, who are chosen for their individual merits and do not act as representatives of the States of which they happen to be nationals. The reports of this commission are considered by the Council as a whole, and the commission itself is kept informed by other reports which have to be rendered annually to it, as the representative of the Council, by the mandatory Powers. By contrast, the Governments that have signed minorities treaties are not under any obligation to report periodically on the working of these treaties. Instead of regular information, there are only *ad hoc* petitions presented by the minorities themselves or by private international organisations on their behalf; and the procedure for presenting petitions is so intricate that it is a miracle if the petitioner escapes being disqualified—while, even if the petition is successfully filed, that is usually the last that the petitioner himself ever hears about it. For in this case there is no permanent commission of experts, no publicity, and no consideration of cases by the Council as a whole. Any petition which runs the gauntlet of the preliminary stages is referred by the Council to an *ad hoc* committee of three of its members; this committee, if it finds the leisure, talks the business over in private with the Government (but not with the minority) concerned; and if it then recommends that no action should be taken, there the matter ends. There seem only to have been two occasions in nine years on which any other recommendation has been given! The pigeon-holes of the Secretariat at Geneva must be filled to overflowing with petitions that have come to grief on their long and difficult road. Yet the minorities that can boast even of rejected petitions are comparatively well off. The worst-treated minorities are afraid to attempt petitioning at all!

Clearly the procedure is bad, and there has been a steady tendency to make it worse as time has gone on. This is the immediate reason for the unsatisfactory working of the guarantees. But we must seek the motive which has led the States bound by minorities treaties to make a dead set against the effective working of the guarantees, and which has also led the Principal Allied Powers, in their present capacity as permanent members of the Council of the League, to connive at the stultification of solemn international obligations. The idol to which the minorities are being sacrificed is the fetish of sovereignty: the " divine right " of States, conceived as mystical abstractions or corporate personalities, to override the interests of mere flesh-and-blood men, women and children. Mankind to-day is martyring itself for this inveterate superstition as painfully as ever it martyred itself for the " divine right " of kings. The sacrosanct sovereignty of States is the stumbling-block in the way of implementing the minorities treaties. By the same token, it is the seed of future wars.

Can the peoples, and through the peoples the Governments, be made to see that the principle of sovereignty can only be upheld in the modern world on condition that it is not pushed to extremes? In concrete terms, can they be made to see that the effective working of the guarantees for the new minorities would be the best guarantee for the maintenance of the new frontiers? That degree of common sense is surely not too much to hope for. There is, however, the special difficulty that the existing minorities treaties, having arisen out of a particular emergency, are binding on certain States only; so that these States feel, not simply that their sovereignty is being impaired, but that they have been specially singled out for treatment which is not applied to other States that also have alien minorities within their frontiers. The natural impulse of Poland and her fellows is to offer their good will for the implementation of the minorities treaties on condition that similar obligations are accepted by all sovereign States in the world; and on grounds of equity there is something to be said for this attitude. On grounds of expediency, however, it is unacceptable; for the inevitable effect would be to postpone a solution of the problem *sine die*.

The decision of the Council to refer the whole minorities question to a committee of three of its members is on the whole satisfactory, provided that the committee infuse into their work the spirit of earnestness and determination which marked the debate in the Council. If such an investigation is honestly and ably carried out, the findings ought to provide a basis for the solution of a grave problem which has been neglected far too long.

THE PRICE OF PETROL.

THE recent rise of 2½d. in petrol has a dual interest—political and commercial. It is a reminder of the danger, of which we warned Mr. Churchill a year ago, of taxing a commodity because it is in a period of cheapness, and of relying on the results to finance a far-reaching scheme of domestic reform. It raises also public discussion of the position of the Government, which has a large holding in, and two representatives on the Board of, one of the oil producing companies. Clearly, the British Government of itself can do nothing towards controlling the price policy of the international oil combine; and it is absurd for a political leader to say, as was said this week: " If my Government were in power the rise in petrol would not be tolerated." The commercial aspects of the affair require much more detailed consideration. But before turning to a review of the position, we may be allowed two general observations. The first is that the oil companies have been guilty of very bad tactics in launching this increase upon the public immediately after their agreement with Russian Oil Products, Ltd., and in offering the public no reasoned explanation of their action. Secondly, our sympathy with the British motor industry is qualified by the fact that it has been favoured by abnormally low prices for petrol for some considerable time, and would still be enjoying very cheap petrol, if it were not for Mr. Churchill's tax.

It should not be forgotten that the price of petrol would have gone up last year in Great Britain if it had not been for a matter of domestic politics in the oil business. It is necessary to have in mind the situation in the American oil markets which dominate the world markets. There has been continued over-production of crude oil in the United States, but that, as experts have pointed out,* does not always lead to a fall in petrol prices. Petrol is not the only product of crude oil. The other products—kerosene lubricating oils, fuel oils—have to be sold and if the market for these products is weak and their prices fall, petrol will have to be increased in price to cover the deficiency, for it is obvious that the total receipts for all the crude oil products must somehow cover the total cost of producing, refining and marketing the crude oil. The price of petrol is therefore affected not only by the state of supply of the raw material, crude oil, but by the state of the demand for the other products of the crude oil. On an average the receipts from the sales of petrol represent rather more than 50 per cent. of the total receipts from all the products derived from the crude oil, but if a slump occurs in the market for fuel oil, for example (owing to the competition from cheap coal) petrol will have to bear the burden of making up a still larger proportion than the 50 per cent.

This is the situation which has developed at the present time. Fuel oil prices fell last year by about 35 per cent. Taking the export quotations for fuel oil in bulk at the Gulf ports of America, the market dropped from 2⅝ cents per gallon to 1⅝ cents per gallon. At the same time the price of petrol rose by about 45 per cent., the " U.S. Motor " grade being advanced for export from 7¼ cents per gallon at the beginning of the year to 10½ cents per gallon by August. In fact, a temporary shortage developed in the gasoline market and the internal prices for gasoline in America rose by 70 per cent. None of this rise was reflected in Great Britain, although the companies buying American gasoline for the British market were badly hit in consequence. The increase in the production of gasoline, however, in the second half of the year—arising partly from the larger supplies of crude oil and partly from the increased " cracking " of fuel oil—brought down the price of gasoline, but not to the extent of the previous rise. At the end of the year the export price for the " U.S. Motor " grade of gasoline was 8¼ cents per gallon and the present export price, fixed by the American Oil Exporters' Association, is 8½ cents per gallon. Thus the present quotation for American gasoline for export is 17 per cent. higher than the quotation ruling at the beginning of 1928. The recent rise in the price of petrol in Great Britain is apparently only keeping pace with the change in the American market, assuming that the cost of transportation has remained constant.

In point of fact the balance is still in favour of the petrol consumer in Great Britain seeing that the price of British petrol at the end of March last year was reduced by 1d. per gallon ex pump in London and the Home Counties areas and by 1½d. per gallon ex pump outside these areas. Why this reduction was made is not clear, but it brought the retail price of petrol ex pump in the London zone down to 1s. 0½d. per gallon, which was the lowest it has ever been in this country. The following table shows the highest and lowest retail prices since the war.

BRITISH PETROL PRICES " EX CAN."

	Highest.	Lowest.
1914	1/7	1/6
1918	3/3	3/0½
1919	2/9½	2/7
1920	3/9½	2/7
1921	3/5½	2/5½
1922	2/5½	2/–
1923	2/–	1/6½
1924	1/11	1/8
1925	1/7½	1/7½
1926	1/7½	1/5½
1927	1/5½	1/1½
1928	1/1½	1/1½

HIGHEST AND LOWEST RETAIL PRICES " EX PUMP."

1927	1/5½	1/1½
1928	1/1½	1/0½

About 80 per cent. of the petrol trade in this country is in the hands of the three large groups, Shell, the Anglo-Persian and the Anglo-American, the last being a subsidiary of the Standard Oil Company, of New Jersey. These companies, together with the National Benzole Company, agree upon prices to be fixed for the retailer and the public. The Russian Oil Products, Ltd., and a few other independent companies, undercut the " agreed " prices, and it has always been clear to the student of

* *See* Mr. E. H. Davenport's " The Price of Petrol " (London General Press 1s.) from which this argument is taken.

oil economics that any rise in petrol prices in this country would give a larger share of the trade to the Russian Oil Products, Ltd. Negotiations have, therefore, taken place from time to time between the big petrol companies and the Soviet oil agency. In this particular instance, the lead was taken by the Anglo-American Oil Company, which had a particular interest in seeing a rise in prices in this country, because it was being charged by its parent company upwards of 8½ cents per gallon for American petrol at the Gulf. The Anglo-American came to an agreement with the Soviet oil agency whereby the export of petrol from Russia to Great Britain was to be limited to approximately 200,000 tons, while the Russian Oil Products, Ltd., were left free to sell that quota at prices below the "agreed" prices. This agreement enabled the long-delayed rise in the price of petrol in Great Britain to take place. That briefly is the story; and although it does not altogether remove the suspicions of the consumer, the companies would have done well to tell it. Mr. Baldwin in the House of Commons on Thursday announced the Government's intention to invite the companies to give a full explanation, and made it clear, that he was not in any way prejudging the question of whether the rise was justified or not. The rulers of the oil world are under no compulsion, of course, to reply. But we think that there are many reasons why they would be wise to do so clearly and promptly.

If the petrol tax of 4d., and the ½d. which is added to cover the cost of its collection be deducted, the price of 1s. 2¾d. per gallon cannot be regarded as dear for a gallon of motor fuel having regard to the past level of petrol prices. That the increase in price will seriously damage the British motor industry, is, we think, an over-statement, because the cost of petrol is one of the minor items in the running cost of a motor vehicle. Even if the private motor car sections of the industry were to suffer somewhat from the rise in the price of petrol, another section of British industry is likely to benefit from dearer petrol. We refer to the coal industry. Petrol produced from British coal is already excluded from the petrol duty, but even with this preference the profit derived on the distillation of coal has previously depended on the sale of smokeless fuel rather than on the sale of the oil products. If the rise of 2½d. per gallon in petrol prices gives a stimulus to the distillation of British coal, the effect of the petrol companies' action will be to that extent mitigated. But with such ultimate consequences the public mind is not at present concerned, and, from a political point of view, the Government has to face the fact that the unpopularity of the petrol tax rises proportionately with every increase in the price of the commodity.

THE PRUDENTIAL.

THE progress and prosperity of the Prudential Assurance Co., Limited, are not merely of interest to the policy holders and shareholders, for their company is both the largest insurance institution and the largest corporation in the country; and its operations and their result as presented in the annual report may truly be said to be of national interest.

On December 31, 1928, the total assets of the company amounted to £219 million, and showed an increase of £10 million during the year. The total income during 1928 was £42 million. The company's vast ramifications are best illustrated by the simple statement that the number of life policies in force in both the ordinary and industrial branches is now 26 millions, so that, allowing for duplicates, almost one-half of the entire population is insured with the Prudential. The results in the life branches of the working of the year 1928 may conveniently be set out in comparison with those of previous years :—

ORDINARY LIFE BUSINESS.

Year.	New Business Sums Assured.	Premium Income.	Fund.
	£	£	£
1924	14,217,481	10,012,236	72,595,918
1925	14,641,970	10,676,733	76,667,882
1926	14,924,203	11,103,514	81,454,429
1927	16,941,000	11,160,399	84,040,489
1928	17,401,001	11,778,847	87,105,294

INDUSTRIAL LIFE BUSINESS.

Year.	New Business Sums Assured.	Premium Income.	Fund.
	£	£	£
1924	50,303,442	15,210,289	86,784,727
1925	47,593,623	15,883,871	94,991,727
1926	45,349,654	16,081,240	102,128,555
1927	53,735,678	16,593,151	108,216,335
1928	58,511,995	17,143,456	113,108,058

In the ordinary branch both the new sums assured and the total premium income are affected by the fact that in 1928 the company received in single premiums £1,147,000, compared with £677,000 in the preceding year. This accounts for the whole of last year's increase in new business, and also for the unusual jump in premium income. The industrial branch continues to show a large increase both in new sums assured and total premiums, although it may be remarked that new sums assured are still lower than in 1923. New business in this branch was probably adversely affected by the Widows' and Orphans' Pensions Act, while another factor mitigating against growth is the tendency for policies to be effected in the ordinary branch owing to the greater facilities now available for easy payments by monthly instalments. Further evidence of the gradually changing character of industrial business is to be found in the fact that whereas the average sum assured in respect of existing policies is about £17, the average sum assured for each new policy issued in 1928 was £27.

Coming now to the profits earned, an indication of these will be found in the following table :—

Year.	Expense Ratio.		Net Rate of Interest
	Ordinary Branch.	Industrial Branch.	Ordinary and Industrial Branch combined.
	Per cent	Per cent.	Per cent. £ s. d.
1924	12·5	27·86	4 17 6
1925	11·7	26·59	4 17 11
1926	11·0	25·90	5 2 3
1927	11·2	25·47	5 3 0
1928	10·8	24·89	5 2 11

Impressive though the progression in these figures is, the table does not measure the full achievement of the post-war years, especially in the industrial branch's expenses. The industrial branch expense ratio so recently as 1920 was 40·5 per cent. To-day it is 24·89 per cent. The saving thus effected in eight years means an additional profit of £2,670,000 per annum. Last year's saving has induced the directors to make yet another concession in the shape of the right to free paid-up policies after payment of one year's premiums.

The company makes an annual valuation of its liabilities on the basis of 3 per cent. net premiums, and the results of the last three valuations are compared as follows :—

	1926.	1927.	1928.
Ordinary Branch.	£	£	£
Surplus earned during the year	2,742,063	2,868,073	2,884,124
Brought forward from previous year	187,948	192,523	194,889
	2,930,011	3,060,596	3,079,013
Allocations :—			
To Bonuses to policyholders	2,014,936	2,130,396	2,365,902
,, Investment Reserve Fund	500,000	500,000	250,000
,, Shareholders' Account	222,552	235,311	261,368
,, Carried forward to next year	192,523	194,889	201,743
	2,930,011	3,060,596	3,079,013
Industrial Branch.			
Surplus earned during the year	4,624,586	5,203,614	5,444,404
Brought forward from previous year	255,868	259,256	264,847
	4,880,454	5,462,870	5,709,251
Allocations :—			
To Bonuses to policyholders	2,500,000	2,916,667	3,265,306
,, Investment Reserve Fund	500,000	500,000	250,000
,, Common Contingency Fund	250,000	250,000	250,000
,, Special Contingency Fund	250,000	366,667	483,333
,, Bonuses to Outside Staff	468,750	500,000	520,408
,, Shareholders' Account	652,448	664,689	663,632
,, Carried forward to next year	259,256	264,847	276,572
	4,880,454	5,462,870	5,709,251

The surplus in each case shows a smaller increase than before, possibly because the advance in the rate of interest earned is beginning to show inevitable signs of slackening. In both branches the allocations to policyholders are again increased, though it has been necessary to reduce the usual transfer of £500,000 to investment reserve fund to £250,000 in each case. The reversionary bonus in the ordinary branch is at the rate of 46s. per cent. for endowment assurances and 50s. per cent. for whole life assurances—compared with 44s. per cent. for all policies in 1927—and in thus differentiating between the two classes the mighty Prudential has not been too proud to follow the lead set three years ago by one of the smaller Mutual Offices, namely, the National Mutual. The industrial branch bonus is allotted at different rates for pre-1923 policies and post-1922 policies. For post-1922 policies, *i.e.*, all policies issued on or after January 1, 1923, a reversionary bonus of 34s. per cent. has been declared and the vesting period, originally 10 and then 5 years, has been entirely abolished. Thus all such policies, and all new policies hereafter, will for the first time share in profits on the same basis as ordinary branch policies. The administration of industrial assurance has passed another notable landmark.

The total sum transferred to profit and loss account was £925,000, sufficient to pay a dividend on the "A" shares of 18s. 6d. per share free of tax, compared with 18s. per share in 1927. It is worth noting that the shareholders' portion of profits, amounting in all to £8,330,000, was only £925,000, less than 12 per cent. of the total, while the policyholders receive £5,630,000 and the outside staff £520,000. It is idle to talk of nationalising the Prudential in face of such figures as these. The company has voluntarily nationalised itself.

Lastly, reference must be made to the now important fire and accident departments comprised in the general branch, from the profits of which a maiden dividend of 1s. per share, tax free, has been declared on the "B" shares. Since the "A" shares are entitled to a 25 per cent. interest in the divisible profits of the general branch, this declaration has automatically provided these shares with a further 4⅛d. per share, making a total of 18s. 4⅛d. per share. The "B" shares were first issued in 1919, and have therefore had a long period of waiting. The event provides an appropriate opportunity for analysing the general branch accounts rather more closely than we have been accustomed to do.

	1926.		1927.		1928.	
	Amount.	Percentage of Premiums	Amount.	Percentage of Premiums.	Amount.	Percentage of Premiums
Underwriting Profit :—	£	%	£	%	£	%
Fire	40,318	7·6	67,489	10·2	18,481	2·4
Employers' Liability (Home)	10,100	14·1	9,727	12·6	8,901	11·2
Employers' Liability (Irish Free State)	12	2·9	– 327	– 43·8	– 386	– 50·5
Miscellaneous	23,420	9·7	11,092	3·7	28,359	8·6
Marine	– 120,359	– 23·2	– 546,117	– 142·4	– 61,665	– 16·8
Sinking Fund	2,796	...	4,081	...	11,054	...
Sickness and Accident	27,039	...	31,204	...	33,593	...
Investment and Exchange Profit	15,075	...	12,792	...	220	...
Fees	1,309	...	1,868	...	3,315	...
	– 290	...	– 408,191	...	41,872	...
Less :—						
Corporations Profit Tax	1,012	...	...	...	...	...
Income Tax	23,129	...	10,256	...	8,735	...
Total Net Surplus	– 24,431	...	– 397,935	...	33,137	...
Net Interest Earnings	64,967	...	72,251	...	93,320	...
Dividend	Nil	...	Nil	...	66,667	...
	64,967	...	72,251	...	26,653	...
Total Net Increase in Surplus Assets	40,536	...	– 325,684	...	59,790	...

The table clearly exhibits the disastrous results of the marine department, which necessitated in 1927 a draft on reserves to the extent of £500,000. The loss shown in 1928 merely represents the interest, etc., left in the account and it is to be hoped that the fund, which now amounts to nearly two years' premium income, is sufficiently strong not to require further support.

THE MERCANTILE BANK OF INDIA, Ltd.

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

Capital Authorised	£3,000,000
Subscribed Capital	1,800,000
Paid-up Capital	1,050,000
Reserve Fund and Undivided Profits	1,584,846

Branches and Agencies:

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

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and conducts every description of Banking Business in Connection with the East.

Fixed Deposit Rates will be quoted on application.

On CURRENT ACCOUNTS interest is allowed at 2 per cent. per annum on daily balances, provided interest for the half-year amounts to £1.

Trusteeships and Executorships Undertaken.

JAMES STEUART, *Chief Manager.*

THE GAS INDUSTRY.

(BY A CORRESPONDENT.)

IT has been clear for some time that revision of the statutory requirements and limitations governing the gas industry is very much needed, not merely because those concerned in the development of the industry have been pressing for relief—though they have, in fact, continued to urge their claims upon the Board of Trade—but for the much stronger reason that a thorough overhauling of the existing legislative provisions and restrictions is called for in the public interest. A recent report from the National Fuel and Power Committee—the publication of which was noted in the *Economist* of January 19th last—admitted this to be the case. The passing of suitable legislation giving the gas industry greater freedom to develop along ordinary commercial lines is really a question of finding the necessary Parliamentary time. It was feared that nothing would be practicable in the lifetime of the present Parliament, but a short Bill, covering a few points as a first instalment of reform, has been introduced in the House of Lords by the Government with the intention that the measure should, if possible, pass this Session. Further reference will be made to this, but, first, it may be useful to summarise a few broad points as to the industry and the course of events which has led to the present position.

The uses of gas are now so manifold and widespread that it needs an effort of mind to recall that, in the early days, gas was manufactured simply as an illuminant. The gas itself was the single product, and the value of coke, tar, ammonia and other products was then held of no great account, with the consequence that their value went unrecognised by the many industries which took these raw materials. The legislation governing the manufacture of this single product—gas for lighting purposes—regulated what was then virtually a monopoly. It contained provisions intended to protect interests which, without them, might have suffered. This legislation had in view also operations much more restricted as to locality than are now practicable or desirable. Despite the sweeping changes which have since taken place in almost every feature of the gas industry—despite its enormous expansion and the alterations in its relations with other industries—obsolete legislative provisions have been allowed to remain in force and to operate by way of putting a drag on needed developments.

In the early part of the nineteenth century, when gas came into extended use as an illuminant, gas undertakings could not be incorporated under the Companies Acts because those were of later date. The method of establishing a company was by Royal Charter or special Act of Parliament—the Gas Light and Coke Co. was founded by Charter in 1812—and so the constitution of many gas companies took on an earlier and more rigid form than might have been adopted in later years. The clauses which became usual were standardised in the Gas Clauses Act of 1847, and this, as modified by a later Act of 1871, has remained the principal legislation regulating the industry. Severe limitations were laid down as to the amount of capital permitted, and the making of additions to it. The prices to be charged, the dividends allowable, and the amounts which might be put to reserve were also dealt with, but, as already indicated, there were no provisions for large-scale operations or joint working with

any allied industries. In course of time there came the development of gas supply for heat as well as light, and the development of trade in coke and residuals, such as tar, sulphate of ammonia, sulphuric acid, benzole, dyes and other products. There came into the field also other sources of light and heat, in particular electricity. This, being a later entrant, made its way untrammelled by the restrictions to which the gas industry remained subject. The position which thus developed was that gas had to enter into competition tied with monopoly bonds from which its competitors were free. That position has become more and more difficult, though the use of gas for various purposes, industrial as well as domestic, has continued to expand, contrary to expectations at one time freely voiced. The gas industry survived the war in a shattered state. The sliding scale regulating the relationship between the price of gas chargeable and the dividends distributable had been disorganised in its working owing to the changed level of all prices and expenditure. The market valuation of gas ordinary stocks had fallen 50 per cent. as compared with 1914. A revision carried out under the Gas Regulation Act of 1920 brought some relief, but a more complete overhaul and relaxation of needlessly hampering old restrictions has been admitted to be necessary by the report of the National Fuel and Power Committee already referred to.

The situation was summed up by Sir David Milne-Watson, the Governor of the Gas Light and Coke Co., at the annual meeting a few weeks ago. "We are hampered as an industry," he said, "by inadequate and old-fashioned methods of raising capital, restrictions which do not apply to our younger rivals; we are handicapped with limitations in the handling of our residuals; and we are limited with regard to working with allied industries. There are many other minor disadvantages under which we labour. The industry feels that it has a real grievance, and this has been fully recognised, I think, in the Committee's main report, where it is recommended that we should be allowed to adopt more up-to-date methods and bring ourselves into line with modern practice." Sir David Milne-Watson went on to refer to the promise of the Government to introduce a Bill giving effect to some of these recommendations, some only because, in the last Session of a Parliament, they could not expect to get a Bill dealing with all their grievances. The measure referred to has, as already mentioned, been introduced in the House of Lords. It was read a second time on the last day of February, and entered the Committee stage last Thursday. The amendments in the law proposed by its clauses do not by any means embody the whole of the recommendations of the National Fuel and Power Committee. The Committee indicated that the facilities, in favour of which it reported, could be granted without prejudice to the interests of consumers and other interested parties if the safeguards recommended were adopted, but, instead, those responsible for preparing the Government Bill have included only a selection, with the idea perhaps that these are so manifestly necessary that they will not be made the subject of prolonged discussion or real objection, which, in the present state of Parliamentary business, might imperil the passage of the Bill.

The Bill includes provisions (1) for simplifying the procedure in connection with increase of share capital and of loans, the Board of Trade being given power to make, in cases where there is no real opposition, orders authorising (a) the raising of share capital and (b) borrowing to an extent not exceeding paid-up capital; (2) for borrowing (without the formal order which must at present be obtained) up to half this amount; (3) for increasing the amounts which may be placed to reserve or special purposes funds, the new limit being calculated not by reference to share capital only, but share and loan capital; (4) for the making of orders authorising supply of gas to consumers just beyond a company's limits; (5) for extending the thermal system of charge for gas among the few statutory concerns which have not already adopted this basis; (6) for extending the powers of the Board of Trade to make "special orders" (after a local enquiry and with the approval of both Houses of Parliament) under the Act of 1920; and (7) for making some minor amendments.

On comparing the Bill with the Committee's recommendations it is at once apparent that the measure which the Government has offered is by no means a complete solution of the industry's difficulties. A pressing, but still unsatisfied, need is to implement that recommendation of the National Fuel and Power Committee which relates to greater facilities for gas undertakings to engage in joint working with one another and with allied industries, and thus to enable the gas industry to rationalise itself on obvious lines of sound economic progress.

THE FREEDOM OF AUTHORSHIP.

KNOWLEDGE and ideas are assets so intrinsically precious that attempts made by "authority," ecclesiastic or temporal, to restrict or coerce the free expression of opinion or the written dissemination of learning have always been justly regarded with suspicion, and in most cases have been vigorously opposed, by men of liberal minds. In a sphere in which standards are peculiarly fluid and susceptible of rapid changes, a wise rule for Governments is to pursue the policy of the maximum tolerance compatible with the preservation of "peace and good order." It is a principle which in many important directions has won recognition in England. A wide latitude in religious and political criticism has been very properly conceded under pressure of enlightened public opinion. The Acts which remain in the Statute Book relating to blasphemy and sedition are virtually a dead letter, for the simple reason that they were passed at a time when beliefs and circumstances alike were utterly alien to those of to-day. Were indictments to be brought, juries would not convict. Save in cases where it can be established that there is blasphemy so gross and offensive as to be likely to cause a breach of the peace, or that there is incitement to acts of a criminal nature, the contemporary critic of established religious or political doctrines is tolerably safe from prosecution. It is with feelings of grave doubt, therefore, that we view the recent activity of the Home Office in restricting the freedom of authorship in the highly debatable realm of morality. What were the merits or faults of the books in question is not the only point to be considered, for the maleficent effects of censorship of thought cannot be measured solely in terms of books actually seized and burned on their production; the mere fear of censorship may go far towards cramping knowledge and stultifying opinion; and it is of high social importance that we should see on what powers the Home Secretary is acting, whether the procedure is appropriate and equitable, and to what lengths his activity may be carried.

By the beginning of the nineteenth century the sale of obscene literature had been established by precedent as a crime under English Common Law, and such it remains to-day. In recent cases, however, action was taken by the Home Secretary under the Act of 1857 (20 and 21 Vict., Cap. 83), the history of whose passage through Parliament is interesting. Introducing the Bill, which was strongly opposed by Lord Brougham, its author, Lord Chief Justice Campbell, was at pains to make it clear that he was concerned solely to suppress the traffic (then rampant) in pictorial and written pornography, a defect in the existing law being that the Courts had no power to confiscate obscenities even on conviction of their vendors. In respect to books, he said, "the measure was intended to apply exclusively to works written for the single purpose of corrupting the morals of youth and of a nature calculated to shock the common feelings of decency in any well-regulated mind" (Hansard). On the strength of this assurance Parliament passed an Act which gives power to magistrates "upon complaint made on oath" to authorise the seizure by the police of "any obscene books, papers, writings, prints . . . kept in any house, shop, room . . . for the purpose of sale . . . or being otherwise published for purposes of gain." Upon seizure, the publisher shall be summoned to show cause why the articles should not be destroyed, with the right of appeal to Quarter Sessions against a magistrate's order for destruction.

It will be observed that this Act did not include any explicit definition of obscenity, however clearly Lord Chief Justice Campbell may have explained his intentions in the Upper House. The magistrates before whom the recent proceedings have been brought have accordingly had to rely on the ruling dictum of Lord Chief Justice Cockburn (Regina *v.* Hickling, 1868), who laid down the test of obscenity as: "Whether the tendency of the matter charged as obscene is to deprave or corrupt those whose minds are open to such immoral influences and into whose hands a publication of this sort may fall." It is difficult to imagine a more widely-drawn definition. Travelling far from his predecessor's "single purpose of corrupting," Lord Chief Justice Cockburn rendered theoretically, indeed legally, indictable much of the great literature of the world.

Given the Act of 1857, given the ruling judgment of 1868, the intervention of the Home Secretary as "authority" for the prosecution (*cf.* the status of the "Competent Military Authority" in trials under the D.O.R.A.), the exclusion as "irrelevant" of all evidence which the defence may seek to bring in the shape of testimony from educationists, publicists, churchmen or other persons presumably sensitive to current moral opinion, and, finally, given a right of appeal so limited as in practice to be almost nugatory—it is difficult not to feel that, as matters stand, conviction for literary obscenity is almost inevitable as soon as the Home Office sets the law in motion.

"I am not a literary censor. I have no qualifications for the post. It is my duty to call the attention of the Director of Public Prosecutions to the publication of indecent matter." Thus Sir William Joynson-Hicks on Tuesday, in answer to a Public Morality deputation, crystallised all the confusion of a legal position which is tolerable only so long as a Home Secretary entertains wholesome doubts as to his own accuracy in diagnosing indecency. On this matter, up to a point, there will be general agreement among persons posssesing what Lord Chief Justice Campbell described as "well-regulated minds"—if not on the absolute definition of obscenity, at least on the pragmatic utility of suppressing the sale of certain gross indecencies. Traffic in visual representations of the obscene is justly indictable on social grounds, and the same considerations may apply to certain notorious volumes of flagrant *erotica* collected by amateurs of literary "curiosities." With these Common Law, reinforced by the Customs and Post Office Acts, is competent to deal without need of the Statute of 1857. But beyond this point there appears to us to be more risked than gained by over-much zeal for restriction on the Home Secretary's part. To select suitable reading matter for children is the function of parents and teachers, not of the State. For the adult we decline to believe in the efficacy of salvation by ignorance.

As the law now stands, there is no restraint set upon meretricious vulgarity in print, with all its debasing influence on public thought and taste; yet an Anthony Comstock at the Home Office could secure the destruction of classic works of imagination to be found, we make bold to believe, in the library of every High Court judge. Publishers, who have to risk considerable sums in the production of a book, have no means of determining where the arbitrary intervention of "authority" will take place. On the basis of a recent decision, a theme, however unexceptionable its wording, may be indecent. To judge, again, from *obiter dicta* of the Home Secretary, with reference to Shakespeare, cheapness of price renders indelicacy illegal—a remarkable view in a democracy. The gravest danger, perhaps, is that the law, which tolerates a Sunday Press purveying to millions lurid details of theft, murder, incest, and rape, may be invoked to suppress sincere and original studies of psychology or physiology whose treatment offends some "taboo" of the pruriently-minded. If we are to have in England a wave of official hysteria against "obscenity" in books, it will undoubtedly be necessary for Parliament to amend the Act of 1857 and restrict severely Lord Chief Justice Cockburn's definition. Meantime we would urge upon the Home Secretary to remember that mankind has never ceased to mourn the destruction of the library at Alexandria thirteen centuries ago; that standards of taste in literature and morality are highly debatable and always changing; and that, above all, there are more important tasks for the Government than to turn books which would otherwise attract little attention into ridiculous *causes célèbres*.

Travel and Money

The far too common method—or lack of method—of carrying cash in bulk when abroad, is wholly unsatisfactory. Travellers are invited to consider the arguments of two leaflets issued by the Westminster Bank, *Points before Travelling*, and *Safeguards for the Traveller*, which will be gladly sent by the Secretary of the Bank on application.

WESTMINSTER BANK
LIMITED
Head Office: 41 Lothbury, London, E.C.2

Notes of the Week.

President Hoover.—On Monday, March 4th, Mr. Herbert Hoover was inaugurated at Washington as President of the United States, took the oath and delivered the customary address. It is a straightforward, quiet, dignified speech, with the two qualities that such speeches ought to have: a sense of responsibility and a sense of proportion. The President concentrates upon two great tasks: the promotion of respect for the law at home; the promotion of peace in international relations. The first of these tasks is hardly our concern, except to wish Mr. Hoover all success in attaining his aspiration in this as well as in the international field. As for his pronouncements in regard to that, they are very welcome. "The United States fully accepts the profound truth that our own progress, prosperity and peace are interlocked with the progress and prosperity and peace of all humanity."—"We ought in our own lifetime to find a way to permanent peace."—"I covet for this Administration a record of having further contributed to the advance of the cause of peace." These are indeed auspicious words in the mouth of a statesman assuming an office which, during the next four years, may confer on its occupant a greater power in international affairs than will be concentrated in the hands of any other individual. Nor is there much fear that the words will prove empty; for Mr. Hoover is a man of action, and in this same address he foreshadows some of the lines along which he hopes to act. Under his Administration the United States will make another, and this time a very determined, attempt to become a party to the Statute of the Permanent International Court; and though she will not do this without reservations, she will take pains to present her reservations in a form which the other parties will be able to accept. This fresh attempt to become a party to the World Court will be part of a wider policy of implementing "the Kellogg Pact." The acceptance of the Pact "should pave the way to the greater limitation of armaments, the offer of which we sincerely extend to the

world, but its full realisation also implies a greater and greater perfection in the instrumentalities for the pacific settlement of controversies between the nations. In the creation and use of these instrumentalities we should support every sound method of conciliation, arbitration and judicial settlement." Thus, Mr. Hoover holds out the hope that America, having taken the initiative in bringing about the treaty for the renunciation of war as an instrument of national policy, may likewise take the initiative in the next step forward. The essence of " the Kellogg Pact " was a profession of faith and a vow of high and difficult conduct. The next step is a fresh essay in international organisation—and Mr. Hoover has made his name as a great international organiser. But organisation, though indispensable, is not enough; and it is, therefore, still more important that Mr. Hoover has also shown himself a man of heart. " Abroad, to west and east, are nations whose sons mingled their blood with the blood of our sons on the battlefields. Most of these nations have contributed to our race, to our culture, to our knowledge and our progress. From one of them we derive our very language, and from many of them much of the genius of our institutions. Their desire for peace is as deep and sincere as our own." This is finely and generously said, and it comes from the heart. The response must be in kind. It is our business to put men in power in this country who share those feelings and speak that language.

The Upheaval in Mexico.—Last Sunday an armed insurrection against the present *régime* in Mexico broke out simultaneously in the State of Vera Cruz, which lies between the Federal Capital and the Gulf of Mexico, and in the State of Sonora, in the far north-west. Half-a-dozen States have been reported since to have joined in, and there is thus a prospect that Mexico may relapse into that condition of general civil war and chronic anarchy under which she suffered from 1910 to 1920 and out of which she has slowly been extricating herself since then. The immediate quarrel is between the two parties on whose co-operation the progressive reconstruction of the country has depended: the Agrarians, whose leader was the late ex-President and President-Elect Obregon, and the Labour Party, whose leader is Señor Morones, but whose interests have also been represented politically by ex-President Calles. The co-operation of these two parties, whose union was irresistible, was assured during the fruitful years of reconstruction by the personal friendship and mutual loyalty of Calles and Obregon. Obregon passed on the Presidency of the Republic to Calles, and Calles was on the point of handing it back to Obregon again, when Obregon—now for the second time President-Elect—was assassinated, as Calles' term of office was on the point of running out. It is this crime which is the origin of the present upheaval; for it brought to a head the latent antagonism between the peasantry and the urban proletariat which the friendship between Calles and Obregon had kept under. The peasantry, who constitute the vast majority of the population, were content to get the land; the urban proletariat—a small minority entrenched at the centre of political power—have aspirations of their own with which the peasantry do not sympathise. When Obregon was murdered the Agrarians at once maintained that the Labour Party were the instigators of the crime, while the Labour Party attributed the guilt to the Catholics, who had long been at war with the Calles-Obregon *régime*. The present outbreak at Vera Cruz is a revolt of the Agrarians against Labour, for President Gil, who fills the late President Obregon's place in Mexico City, is regarded by the Agrarians as ex-President Calles's nominee and tool. The fact, however, that the northern States, which are the stronghold of Catholicism, are joining in indicates that the Agrarians have Catholic support, and the present *régime* would find an Agrarian-Catholic coalition very formidable. This renewal of civil war in Mexico is a great misfortune not only for Mexico herself, but for the world in general—particularly for her most important neighbour, the United States. The last few years, during which Mr. Morrow has been United States Ambassador in Mexico City, have seen a remarkable current improvement in the internal condition of Mexico and in her relations with foreign Powers. We profoundly hope that this good work is not going to be undone.

Parliament and Whitehall.—In the House of Commons on Monday the Prime Minister made a statement of considerable importance with regard to the question of legislation by means of Departmental Order—a development whose implications and dangers were discussed recently in these columns (*Economist*, February 23, 1929, p. 383). Sir J. Marriott had suggested that all Statutory Rules and Orders issued by the Privy Council or by public Departments should be scrutinised by a Sessional Joint Committee before they acquire the force of law. Mr. Baldwin's considered reply was that the suggestion was impracticable, and that the powers of the Courts provided adequate safeguards against abuse by Departments of delegated authority. Amplifying his reasons for reaching this conclusion, the Prime Minister pointed to the fact that during the last three years the average number of Acts placed per annum on the Statute Book was 50.6, occupying 539 pages, whereas the average number of Rules and Orders issued was 1,409, filling 1,844 " more closely printed " pages. To examine this mass of detailed material, he argued, would be beyond the competence of a committee, even if it sat continuously, hearing evidence, throughout Session and Recess. The argument, however, is double-edged, since if an *ad hoc* committee be considered incapable of keeping pace with the formidable output of bureaucratic *fiats*, how much less chance has Parliament—i.e., the private member—of detecting in the 1,409 pages annually " laid upon the table " every clause calculated to wrong an individual. Nor can we agree with Mr. Baldwin that the Judiciary can be relied upon to redress grievances. Admittedly, if an Order can be proved to be *ultra vires*, the Courts will annul it. But the kernel of the case for strengthening the control of Parliament over Departmental rule-making is that by Clauses in Acts, such as the " power to remove difficulties " proviso in the Local Government Bill, the Judiciary is deliberately precluded from finding any Orders *ultra vires*, so wide and sweeping is the express delegation of authority by Parliament to the Executive. It may be that a Sessional Joint Committee is not the ideal machinery for solving this problem, but there is real need for a workable mechanism to be devised, whereby sufficient discretion in matters of detail may be allowed to the Departments without undermining the essential supremacy of Parliament as the sole depository of legislative power.

Air Estimates.—The net Air Estimates for 1929 total £16,200,000, compared with £16,250,000 last year. The reduction, however, is really fictitious, since the " super-cut," which is deducted from the sum of the individual items of expenditure, has been increased by £150,000 in order to discount at its very maximum the possible failure to mature of various liabilities for which provision is made. The true gross estimate shows an increase of £660,000, which is offset by larger appropriations-in-aid, chiefly from the Fleet Air Arm and from the Government of India. It is worth noting that the net diminution of £50,000 in the total Air Vote would be more than absorbed by the current increase in the price of petrol. The present strength of the Royal Air Force is 73 squadrons, to be raised to 80 in 1929; numbers on the establishment, on the other hand, show a decrease of 500, reflecting the policy of substituting civilians for airmen wherever advantageous. There is a net increase of £35,000 in the civil aviation vote, which now stands at £450,000 (net). Much public doubt has been expressed whether that sum is adequate, whether indeed we are not living in the past, when our defence estimates show a ratio of roughly 5 to 1 between the Navy and the Air Force votes. Sir Samuel Hoare's warning, that the progressive reduction of net Air Estimates cannot be expected to continue, is not perturbing, provided that severe retrenchment is undertaken in those branches of our armament which the art of war is beginning to outgrow.

Leon Trotsky.—The German Government, after anxious deliberation, have decided not to grant a visa to Leon Trotsky for entry into Germany. We do not wonder. He would be a formidable guest—formidable in himself and formidable in his extraordinary relation to the Russian Communist Party. Apparently the Russian Communist Party cannot do with either a Trotsky living or a Trotsky dead. If he is admitted dead, he is a martyr, instinct with the dynamic force which that noble army has at its command. If he is alive, he is a possible successor to Stalin, whom he far surpasses in brilliance and versatility and fame. Therefore, life-in-death in some really safe place of internment is the destiny for Trotsky which the present leaders of the Russian Communist Party find least inconvenient for themselves; and we venture to assert that, if a dead-alive-Trotsky does not exist already, he will have to be created. Some people declare that he has been created already. It was not, they tell us, the real Trotsky who was put on board that train from Moscow to Central Asia rather more than a year ago, and who latterly endured a stormy passage across the Black Sea in order to find a temporary haven in the Russian Consulate at Constantinople. It was, in fact, somebody playing Trotsky's part (though " playing " is perhaps not the right word)—a sort of commandeered " False Dmitri." Such things, no doubt, have happened before. For instance, when the generals of Alexander the Great were fighting for their master's inheritance, one of them retained the loyalty of the Royal Guards for years by nightly pitching the dead king's tent with all due pomp and parade but with no king inside. That kind of thing can be done—but we beg leave to doubt whether it is now being repeated.

The Indian Budget.—In following in the footsteps of Sir Basil Blackett, Sir George Schuster, India's new Finance Minister would be the first to admit that he had a difficult task, and his first Budget speech shows that his difficulties have not been eased at all by current circumstances. The 1928-29 Budget has apparently benefited from a windfall of 105 lakhs of rupees due to the concentration in that year of salt revenue which properly belonged to both the preceding and succeeding years. Apart from this, the year would have closed with a deficit of 75 lakhs, thus showing that the revenue lost by the remission of provincial contributions has not yet been replaced. Sir George is not proposing new taxation for the forthcoming year, but in announcing his decision he said, significantly, " If additional taxation proves to be necessary in the following year the need will have to be boldly faced. My present action is governed not by any fear of doing this, but by the desire to defer taking any step until I am quite certain, firstly, that it is necessary, and, secondly, what is the best direction in which to take it." Words such as these can only be regarded as a definite warning. Later in his speech Sir George Schuster had a certain amount to say upon capital expenditure by the Government upon railways and other public works which is not without interest to London. He means to get the course of capital expenditure under control, while at the same time recognising the unwisdom of abandoning expenditure upon productive works at a time when the state of trade is " at least somewhat below par." On the question of financing these works Sir George is at one with Sir Basil Blackett in raising as much capital as possible inside India, and he said pertinently that " if all the money which now goes to private imports of gold and silver could be made available for investment in productive undertakings India's needs for foreign capital might well disappear." At the same time, the London market will note that " it would be a far greater evil to hold up the proper development of the country merely for the sake of avoiding sterling borrowing within reasonable limits." He concluded with an allusion to India's " priceless possession of her credit with the outside world," and with a plea that no fears of political disturbance might arise such as to endanger the credit structure. It is clear that this and many other passages in his speech could have been delivered with equal pertinence in many other countries besides India.

BANK ESTABLISHED IN 1864.

SKANDINAVISKA KREDITAKTIEBOLAGET

GOTHENBURG, STOCKHOLM, MALMO.

Branches in all parts of Sweden.

Paid-up Capital and Reserves - Kr.182,000,000

Telegraphic Address: "Kreditbolaget."

THE BANK AFFORDS EVERY FACILITY FOR BANKING BUSINESS WITH SCANDINAVIA.

Our Index Number.—The general level of wholesale prices moved upwards in February, our index number recording at the end of the month a rise of approximately 1 per cent. Changes in the group figures are summarised below:—

AVERAGE, 1927 = 100.

	Feb., 1928.	Nov., 1928.	Dec., 1928.	Jan., 1929.	Feb., 1929.
Cereals and meat	101·6	97·4	97·6	96·7	101·2
Other Foods	98·3	90·4	90·2	89·4	88·5
Textiles	104·1	102·3	101·7	101·3	99·9
Minerals	91·0	93·8	94·1	94·8	96·4
Miscellaneous	97·5	92·4	91·4	91·2	91·4
Complete Index	98·5	95·3	95·0	94·7	95·6

It will be observed that last month's rise was caused in the main by higher values for cereals and meat. The figure for minerals also showed an increase, whereas textiles and " other foods " declined. In the case of individual commodities, as will be seen below, price-changes last month had a somewhat wide range.

	Inc. (+) or Dec. (−) per cent. compared with Month Ago.	Year Ago.		Inc. (+) or Dec. (−) per cent. compared with Month Ago.	Year Ago.
Wheat—For.	+ 3·0	− 9·9	Flax	...	−15·9
,, Eng.	+ 0·8	+ 4·5	Hemp	− 2·0	− 7·0
Flour	+ 2·8	− 6·2	Jute	+ 3·7	+20·0
Barley	+ 0·8	− 4·0			
Oats	+ 3·5	− 4·9	Textiles	− 1·4	− 4·0
Maize	− 1·7	+ 0·6			
Rice	− 5·8	−14·0	Pig Iron	+ 1·5	+ 3·1
Potatoes	+27·3	+ 7·7	Steel Rails	...	...
Beef—Eng.	...	− 4·5	Iron Bars	...	...
,, Arg.	+ 1·9	...	Tin plates	...	...
Mutton—Eng.	+ 9·6	− 6·7	Coal, Welsh exp.	+ 2·0	+ 3·9
,, N.Z.	− 1·6	+ 1·9	Coal, Dur. gas	...	− 1·7
Bacon, Danish	+24·2	+38·6	Coal, household	+ 2·4	+13·2
			Lead	+ 6·4	+16·3
Cereals and meat	+ 4·7	− 0·4	Tin	+ 0·2	− 3·7
			Copper	+ 6·0	+33·3
Tea	− 5·6	...	Spelter	+ 0·9	+ 6·0
Coffee	+ 4·6	− 6·9			
Cocoa	+ 0·8	+20·0	Minerals	+ 1·7	+ 5·9
Sugar, cane	− 4·2	−23·3			
Sugar, ref.	+ 0·7	−19·9	Timber, Eng.	...	...
Cheese, Can.	− 1·0	+ 2·0	Timber, Swed.	...	...
Butter, Dan.	− 0·5	− 5·0	Cement	...	...
Coco. oil	− 3·8	−11·8	Hides	− 6·7	−30·0
Tobacco	...	...	Leather	− 4·2	−25·0
			Petrol No. 1	...	+32·
Other Foods	− 1·0	−10·0	Petroleum Oil	...	...
			Fuel Oil	...	− 6·9
Cotton, A.	+ 3·8	+ 3·9	Linseed Oil	+ 3·2	− 7·1
Cotton, E.	− 1·4	+ 0·8	Tallow	− 1·3	+ 8·6
Cotton Yarn	+ 1·6	+ 1·6	Rubber	+18·4	− 8·1
Cotton Cloth	...	...	Soda crystals	...	...
Wool, Eng.	− 1·8	− 6·9	Sulph. ammon.	...	...
Wool, Aust.	− 2·3	−12·5	Creosote	− 4·3	−33·3
Wool tops	− 8·5	−21·8			
Silk	− 1·1	+ 6·0	Miscellaneous	+ 0·2	− 6·3

In the cereals and meat section notable movements, attributable in part to the severe weather, were advances in the price of bacon and potatoes. English mutton was also dearer; grain prices were mostly firm on balance; rice declined. Among " other foods " higher values for cocoa and coffee were offset by falls in the price of tea, cane sugar, cheese, and coconut oil. The textile group as a whole declined, cheaper wool, silk, hemp and Egyptian cotton counterbalancing increases in the price of American cotton and jute. The minerals group advanced as a result mainly of higher quotations for copper and lead. Coal prices were also firmer, and pig iron rose by 1s. a ton. In the miscellaneous group the

chief features were a sharp advance in rubber prices, and a further fall in the price of hides and leather. The following table gives the figures of our index number converted to a percentage of the average for 1913:—

AVERAGE, 1913 = 100.

Date.	Cereals and Meat.	Other Foods.	Textiles.	Minerals.	Miscellaneous.	Complete Index.
Average, 1924	168·5	215·8	214·7	149·3	122·6	166·2
" 1925	168·4	204·2	194·6	139·8	126·2	160·9
" 1926	151·7	195·3	152·6	149·8	120·7	149·4
" 1927	147·6	202·2	157·0	125·1	116·1	143·7
" 1928	152·9	189·7	165·0	115·2	111·2	140·9
End Feb., 1928	149·9	198·8	163·4	113·8	113·2	141·5
" Jan., 1929	142·7	180·8	159·0	118·6	105·9	136·1
" Feb., 1929	149·3	179·0	156·8	120·6	106 1	137·3

Expressed as a percentage of the average for 1924, the index figure for the end of February was 82.6, the greatest decline since 1924 being shown in the textile group.

The Effects of Foreign Lending.—Continued interest in the discussions which have recently appeared in the *Economist* upon the subject of the export of capital is revealed by our correspondence columns to-day, in which we print letters by Mr. J. M. Keynes and Mr. Vaughan. Mr. Keynes asks how far it is true to say, as was said in the *Economist* a fortnight ago, that capital exports stimulate commodity exports. He suggests that 20 per cent. of the sums borrowed in London by foreign interests may be spent directly here, but asks us to trace what happens to the other 80 per cent. Mr. Vaughan addresses himself to the same problem, and suffers from none of the doubts which apparently assail Mr. Keynes on this point. The gist of his argument is as follows:—

To grant international consumer credit means a corresponding temporary increase in home exports. It is as if the home investor in foreign enterprise ordered goods from the home manufacturer and sold them abroad on credit. In point of fact, not a penny of currency, either cash or credit, actually leaves the creditor country in respect of a foreign investment; nor, therefore, is the volume of credit available for home industry diminished. In effect, the investor has simply poured his savings into home industry in the best possible way; as effective demand for its products; but he holds the foreigner in debit for it, because the latter receives the goods. Far from this causing a reduction of home industrial capital, it actually increases the capital value of exporting industries, and attracts to them financial capital for their development.

To return to the exercise which Mr. Keynes sets us, we would point out, first, that his figures of 20 per cent. and 80 per cent. are arbitrary (and we should be interested to see the calculations on which they are based), and, secondly, that tracing the various stages of the effect of an investment abroad is as difficult a task as tracing the course of a drop of sea water that rolls around the oceans of the world. Accepting, however, for the sake of argument, Mr. Keynes' figure, we would say that the 80 per cent. of the sterling sum subscribed, which is not used to purchase British goods directly, is sold for the currencies of those countries in which the borrowers do wish to spend it. The cumulative effect on the world's exchanges as a whole of such increases in the supply of sterling for sale is to make the pound cheaper, which involves the relative cheapening of goods whose price is expressed in terms of sterling; in other words, to stimulate British exports and to hinder our imports. In this way a net export surplus equivalent to the 80 per cent. is obtained; because the absorption of that sum in sterling bills requires either the appearance of fresh buyers of sterling (and ultimately of British goods), or the withdrawal of some who were previously selling sterling on account of trade transactions (that is, a diminution of imports), or both. Thus, though the effect of an export of capital cannot be exactly traced, we can be sure that, to the extent to which it is not manifested ultimately in an increase of exports, it will give rise to a diminution of imports, and our position as a manufacturing country makes it almost certain that the major part will be taken up by an increase of exports. Nor, we presume, does Mr. Keynes forget the gain to this country from the transport and insurance of even the original 20 per cent., and from entrepôt, financial and shipping services done in respect of purchases made in other countries, nor the subsequent demand created at a further stage, which tends to concentrate upon Britain with various degrees of directness—most directly in the case of loans to those countries which have tastes and traditions similar to our own. Moreover, just as Mr. Keynes recalls the direct effects of Railway Loans in the mid-nineteenth century, so he may see much the same thing going on in the case of investments, for instance, in British West African colonies. These are only tentative exercises in tracing Mr. Keynes' 80 per cent., a task which, to be performed adequately, would require a vast research and a volume from a pen of the calibre of Mr. Keynes' own.

A Higher Birth Rate.—The natural increase of population by excess of births over deaths, according to the recent quarterly report of the Registrar-General, was 199,827 in 1928, against an average annual increase in the preceding five years of 243,621. None the less, there has been a check to the steady diminution in the birth rate, which rose 0.1 per thousand to 16.7 per thousand in 1928, after attaining a record low level of 16.6 in the preceding year. The death rate of 11.7 per thousand in 1928 also compares favourably with a rate of 12.3 in 1927. This is partly attributable to comparative freedom from influenza in the early months of the year, and in view of the fact that the death rate from influenza has recently risen to over 5 per 1,000 in many districts, it is unlikely that 1929 will show such a favourable result. The infant mortality, at 65 per 1,000, was higher than in 1927, the lowest on record. Heart disease remains the principal cause of mortality among the population as a whole; respiratory diseases, exclusive of tuberculosis, rank second, and cancer third. Among the age groups from 45 to 65 cancer is the principal cause; from 15 to 45 tuberculosis. After 65 the biggest single cause of death is heart disease. The increasing preponderance of these causes of death is largely due to the fact that the further science progresses in controlling some fatal diseases the more persons are saved as potential victims of the remainder.

The De-Rating of Hospitals.—Colonel Gretton, supported by members of all political parties, has obtained a first reading for his Bill to relieve voluntary hospitals from local rates. When such a proposal was raised in the debates on the Local Government Bill, and later at question time, the Government definitely stated their inability to support a measure for the de-rating of hospitals in the life of the present Parliament. The chief ground of their objection seems to have been the alleged impossibility of fairly distinguishing institutions which would be de-rated from those that would not. The definition in Colonel Gretton's Bill is very comprehensive—" hospitals for the treatment of disease, sickness, accidents, deformity or other afflictions of persons, including convalescent homes, nursing institutions, sanatoria, infirmaries and other institutions of a similar character." Though the vagueness of the last phrase is excessive, and it is a little doubtful whether maternity hospitals are included (since pregnancy is not *per se* sickness), the Government has yet to show that the application of such a definition will cause more unfairness than is inherent in the present situation with regard to the rating of hospitals. The application of the Rating and Valuation Act (1925) has acted seriously to their detriment, as was shown a few weeks ago by the results of an inquiry made by the Central Bureau of Hospital Information. Complete replies covering 40,285 beds enabled the following conclusions to be made:—(1) That the English and Welsh provincial hospitals before revision were assessed at £63,000, or £1.56 per patient bed, on which a total of some £44,000 was paid annually in rates; (2) that the revised assessments under the Act of 1925 will amount to £95,000, or £2.36 per patient bed, the annual rates charge being raised to about £66,000. All that the Government has offered yet in mitigation of this hardship is a consultation which the Minister of Health had with the British Hospitals Association, on the basis whereof the Central Valuation Committee has been advised as to the framing of uniform rules for the assessment of voluntary hospitals; but if and when that committee recommends, its recommendations are binding on no one, and the time in which they would be immediately valuable has passed. Will Colonel Gretton be as successful in bending the Government to his will in this matter as he was recently in the matter of the Irish Loyalists?

Import Duties and Prices.—In their efforts to prove the unproveable, *i.e.*, that import duties do not artificially raise prices, our Protectionists resort to strange methods of arguing. We observe, for example, that, speaking in the City to a Conservative audience last week, Sir Stanley Machin produced what he called " a list of some of the safeguarded goods with the prices before safeguarding in 1925 and the import prices of 1927." The articles chosen for this comparison were clocks and watches, certain silk and artificial silk goods, leather and fabric gloves, and packing and wrapping paper; the 1925 and 1927 " prices " being placed in parallel columns, and the 1927 figures being, of course, the lower—proving (according to Sir Stanley Machin) " that foreign manufacturers have to cut their prices in order to enter our market." On this we would make three comments:—(1) That the figures given merely indicate the quantities of these goods registered for Customs entry at our ports divided into the declared values of these goods, showing therefore the average landed price of the goods actually imported in the respective years. There is nothing whatever to show that the goods imported in 1927 were proportionately of the same sub-classes or of the same qualities as in 1925. (In some instances we know they were not.) Therefore, the figures prove nothing to the point. (2) But even if this were otherwise, there had been a substantial decline in world wholesale prices as between 1925 and 1927, and when this is taken into account the reductions referred to are none of them specially striking. (3) The prices given by Sir Stanley Machin for 1927 are the prices *before the payment of the import duties*. The case of packing and wrapping paper serve to illustrate how this works out. The average " entered " value of imported packing and wrapping paper in 1925 was 24s. 2d. per cwt., and in 1927 22s. 4d.; but the corresponding prices of printing and writing papers (not dutiable) were 19s. 3d. and 17s. 8d. respectively. Obviously, therefore, there had been a fall in the price of *all* papers—the reason being a substantial drop in the world price of wood pulp. But observe that the benefit of this drop in prices of imported paper was not allowed to reach those many British industries to whom this " wrapping " paper is raw material. On top of the 22s. 4d. there had to be paid 16⅔ per cent. duty to the Treasury, making the 1927 price to the buyer, not 22s. 4d., but 26s.; or 1s. 10d. more even than the 1925 price, when it should have been 1s. 10d. less.

The European Steel Cartel.—Our Paris Correspondent writes: The chief business to be discussed at the meeting which is to take place on March 14th, between the representatives of the four countries comprised in the European Steel Cartel (Germany, France, Belgium and Luxemburg) will be the delicate question of Germany's maximum export quota. The detailed figures for 1928, which are now available, show that, while each of the four countries exceeded its agreed export quota throughout the year (with the exception of Germany in the last quarter), Germany's excess of foreign sales was out of all proportion to those of her three associates in the Cartel. The figures (in tons) are as follows:—

1928	Germany	France	Belgium	Luxemburg
1st Quarter	+1,956,000	+ 14,000	+ 78,000	+ 30,000
2nd Quarter	+ 547,000	+ 44,000	+ 86,000	+ 24,000
3rd Quarter	+ 676,000	+ 20,000	+ 110,000	+ 33,000
4th Quarter	+ 405,000	+ 177,000	+ 154,000	+ 52,000
Total excess	+2,774,000	+ 255,000	+ 428,000	+ 139,000

The comparative total output tonnage of the four countries during the same year was as follows:—

1928	Germany	France	Belgium	Luxemburg
1st Quarter	4,217,000	2,297,000	924,000	638,000
2nd Quarter	3,708,000	2,327,000	932,000	632,000
3rd Quarter	3,837,000	2,303,000	965,000	641,000
4th Quarter	2,750,000	2,460,000	1,000,000	660,000
Totals	14,512,000	9,387,000	3,821,000	2,571,000

The regularity with which the quota of each of the four countries was exceeded last year (with the single exception of Germany in the last quarter, which was due to exceptional causes), suggests that an all-round revision upwards of the export allowance of each party to the Cartel is already called for. In view of Germany's notably disproportional excess of steel exports (which should apparently involve her industrials, under the Cartel's rules, in very heavy penalties) the position of her representatives at next Thursday's meeting will presumably be somewhat delicate. German reports received in Paris are to the effect that some of the German industrials involved have been considering the possibility of their representatives denouncing the Cartel agreement. Denouncement, however, would be a double-edged weapon, and the German steel masters would probably hesitate seriously before liberating their Lorraine and Luxemburg brethren from their present engagements and setting them free to carry keen competition into what Germany regards as her own private spheres of influence. It is understood that, once the revision of the quota programme is settled, the associates in the Cartel will have to deal with the question whether Poland shall be admitted to membership. The fact that Germany and Poland have already come to a working agreement on the steel problem suggests that Poland's proposed admission will not raise serious differences of opinion among the existing members.

More Cotton Mill Amalgamations.—Our Manchester correspondent writes:—For some two or three weeks past there have been rumours on the Manchester Royal Exchange of pending mill amalgamations. The latest development is the report that a number of influential spinners in the Egyptian section, controlling about 3,000,000 spindles, have signified their willingness to form a combine of mills spinning Egyptian cotton. It is understood that the mills concerned are in a healthy position financially. It is also reported that three mills in Rochdale, having a total spindleage of about 270,000, are to amalgamate. These developments are being watched closely, and are definite evidence of the attempts being made by Lancashire mill directors to sink individualism and to work by combine methods.

Taxation and Savings.—In his address this year to the members of the United Kingdom Temperance and General Provident Institution, Mr Walter Runciman developed his theme of previous years on the question of the extent and nature of national savings. This year he dealt with the vital point of the relation between national savings and taxation, and, in the course of his speech, he found it necessary to animadvert upon the past financial policy of the Government. There is, of course, no question that income tax, super tax and death duties between them make heavy inroads upon the savings fund of the nation, and Mr Runciman admits that the present burden of taxation makes such inroads inevitable, and also agrees that some of the money collected in taxes is returned to the nation in the form of interest upon Government loans, and so becomes once more available for savings. Where he becomes more critical of the Government is in their appropriating capital receipts for current revenue, and more particularly in respect of their sinking fund policy. This criticism is supported by a detailed analysis of the debt items in the Budget, which is too long to be reproduced here. His main conclusions are two in number. The first is that, had " the unsound elements been removed from the Budgets of 1924-28, and the resulting gap in the revenue filled without absorbing savings, it would seem that the effect upon savings of the full sinking funds as originally provided would have been just about sufficient to counteract the evil effects of the heavy direct taxation." The actual gap he calculated is only £15 million. His next conclusion is based upon recent Government policy as it actually operated. Here he calculates that " there appears to have been a drain on savings to the extent of £200 million . . ., being an increase of £185 million over the loss of savings that would have occurred if the Budget had been soundly constructed." The implications of

these figures are many and complex, but we will content ourselves with pointing out that the more money the Government spends on behalf of the nation the less the nation has to spend or save for itself.

Britannic Assurance Co., Limited.—It would be an interesting subject to speculate as to the reasons why industrial life assurance is so largely identified with the provinces whilst ordinary life assurance is almost wholly administered from London. True, the two largest companies, the Prudential and the Pearl, have their head offices in London, but Manchester claims the Refuge and the Co-operative, while the headquarters of two more, the Britannic and the Wesleyan and General are in Birmingham. Of these provincial companies, none has been more progressive and successful than the Britannic, whose accounts for 1928 are now available. The report shows that in both the ordinary and the industrial branches there was again a substantial advance in premium income. The ordinary branch new business amounted to £2,520,333, compared with £2,162,554, but industrial new business declined from £8,274,905 to £6,807,482, although the latter figure is well above the 1926 level of new business. There has been a welcome reduction in the expense ratio from 14.6 per cent. to 13.1 per cent. in the ordinary branch and from 37.6 per cent. to 35.9 per cent. in the industrial branch, while the combined interest earnings have been maintained at a rate of £5 1s. 11d. per cent. net of income tax. In addition to the life business, a small but increasing fire and accident business is transacted, the whole of which is reinsured with the British General. The figures do not appear in the accounts, and the only information disclosed is to the effect that last year's premium income was £52,644 and that it contributed a profit of £2,851. The usual annual 3 per cent. net premium valuation has been made, and the comparative results of the past three years are as follows:—

	1926.	1927.	1928.
Ordinary Branch.	£	£	£
Surplus earned during the year	216,476	225,630	237,709
Brought forward from previous year	59,743	51,986	61,327
	276,219	277,616	299,036
Allocations:			
To Bonuses to policyholders	147,810	163,160	182,667
„ Shareholders' account	16,423	18,129	20,296
„ Contingency account	25,000	...	...
„ Staff pension fund	10,000	10,000	...
„ Investment reserve fund	25,000	25,000	...
„ Written off cost of British Legal	...	...	...
„ Carried forward to next year	51,986	61,327	96,073
	276,219	277,616	299,036
Industrial Branch.			
Surplus earned during the year	139,780	251,212	350,237
Brought forward from previous year	53,521	48,301	54,513
	193,301	299,513	404,750
Allocations:			
Bonuses to policyholders	...	...	100,000
„ Shareholders' account	75,000	85,000	100,000
„ Staff pension fund	20,000	40,000	...
„ Investment reserve fund	50,000	50,000	...
„ Written off cost of British Legal	...	70,000	100,000
„ Carried forward to next year	48,301	54,513	104,750
	193,301	299,513	404,750

In the ordinary branch a reversionary bonus at the rate of 42s. per cent. has again been declared, and, although no provision in the industrial branch for this purpose appears in the table, the chairman announced at the meeting this week the directors' intention of introducing a profit-sharing scheme at an early date. As a preliminary to this the carry-forward in this branch has been almost doubled. In another part of his speech the chairman stated that during the year the Britannic has supported, in conjunction with other insurance companies, the flotation of a number of investment trust companies, and the balance sheet shows that ordinary shareholdings have risen from £870,000 to £1,200,000. Mr. Jefferson said that during 1928 no fewer than 72 new trust companies were formed, and expressed the view that there is a danger of that class of company being overdone.

Pearl Assurance Company.—In the course of his speech at the annual meeting of this company the chairman made an announcement of very great importance to the industrial branch policyholders and to the conduct of industrial insurance generally. The company has decided to inaugurate a scheme of profit-sharing for the policyholders in this branch, and proposals to that end will shortly be brought before the shareholders for their sanction. We are particularly interested in this decision, since a year ago we stated in these columns "that the position and prestige of the Pearl, as the second largest ordinary-cum-industrial office, makes it desirable that early consideration should be given to the question of instituting some sort of profit-sharing scheme for the industrial branch policyholders." The chairman made it plain that the event is the culmination of years of preparation, during which the actuarial reserves have been continuously strengthened. The present basis of valuation, namely a 2½ per cent. net premium valuation, is exceedingly strong, and the Pearl is the first industrial company to have attained such a valuation basis. There is, of course, nothing in the contracts of industrial branch policyholders to give them any rights in the matter of profit-sharing, and the policies are legally non-profit contracts. But the surpluses now being earned on these policies have grown to undreamed-of dimensions, and profit-sharing has now become a practical necessity. The Prudential has had for many years a scheme of this kind, and a year ago the Wesleyan and General inaugurated a profit-sharing plan also.

National Mutual Life Association of Australasia, Limited.—This company is one of the best known of the Colonial offices and has the distinction of transacting a larger proportion of its total new business in this country than any other of the Dominion offices. The new business in 1928 showed a further large advance from £8,234,713 to £9,807,845, the increase being assisted by a larger volume of single premium business and also by the fact that the triennial valuation was due to take place as at September 30, 1928. Of the total amount, the Board of Trade Returns for 1926—the last year for which the figures are available—indicate that in 1926 nearly 25 per cent. was transacted in this country, although, curiously enough, the annual report omits any mention of the proportion of United Kingdom business. The expense ratio is on a moderate scale, being at the rate of 15.1 per cent. last year, compared with 14.6 per cent. in the preceding year, excluding single premiums in each case. A feature of the Dominion offices is the high rate of interest earned on the funds, and, in the case of the National Mutual of Australasia, the report shows that last year this amounted to £5 10s. 11d. per cent. net, compared with £5 11s. 6d. per cent. net in the preceding year. The usual triennial valuation of liabilities has been made, and the actuarial reserves have been strengthened in order to put them on a 3 per cent. basis instead of, as heretofore, on a 3½ per cent. basis. The comparative results of the last two valuations are shown in the following table:—

	1923–1925.	1926–1928.
	£	£
Surplus earned during triennium	2,612,493	3,511,687
Brought forward from previous valuation	250,000	736,149
	2,862,493	4,247,836
Allocations:—		
To Bonuses to Policyholders	2,126,344	3,013,518
„ Strengthening of Actuarial valuation	...	1,234,318
„ Carried forward to next valuation	736,149	...
	2,862,493	4,247,836

The profits are allotted on a special plan, and the reversionary bonuses vary with the age and term of assurance. For whole-life policies the annual bonus just declared commences at 48s. per cent. and for endowment assurances commences at 44s. per cent.

Scottish Widows' Fund.—Interest in the 1928 report centres mainly in the results of the quinquennial valuation made as at December 31 last. In view of the approach of that event, it is natural to find that the business last year showed a substantial increase over that for 1927. In 1928 new life policies were issued for net sums assured of £3,173,220, compared with £2,664,189 in the year preceding. The expense ratio for the year worked out at 11.75 per cent., compared with 11.91 per cent. in 1927, and the net rate of interest earned was £4 13s. 6d. per cent., compared with £4 12s. 9d. per cent. As at December 31st last the life assurance contracts in force were represented by 78,924 policies, carrying a total sum assured and bonus additions of £53,372,761. The valuation was made on the same basis as before, except that the rate of interest assumed was reduced from 3 per cent. to 2¾ per cent., with the result that the reserves have been considerably strengthened. This reduction in the rate of interest does not, of course, affect the profits earned, though it does alter the incidence of their distribution. The surplus disclosed at the present valuation is much reduced by the increase in reserves, while the surpluses to be shown in succeeding valuations will be increased by reason of the larger profits thrown into surplus from interest earnings. The comparative results of the valuation just made and of the corresponding valuation made five years ago are as follows:—

	1919–23.	1924–28.
	£	£
Surplus earned during quinquennium	2,947,959	3,364,064
Special Reserves released	338,040	—
Brought forward from previous quinquennium	58,720	62,126
	3,344,719	3,426,190
Allocations:—		
To Bonuses to policyholders	2,869,593	3,344,943
„ Staff Pensions	63,000	—
„ Special Investment Reserve	350,000	—
„ Carried forward to next valuation	62,126	81,247
	3,344,719	3,426,190

Thus, in spite of the strengthening of reserves, the surplus earned shows a material increase during the last five years, and enables the society to distribute a reversionary bonus of 42s. per cent. per annum compound, compared with 40s. per cent. per annum compound five years ago. It will be observed that no credit has been taken during the last five years for capital profits realised, and the balance-sheet indicates that the market value on December 31st last of the Stock Exchange securities was greatly in excess of the book values. The hidden reserves of the Scottish Widows must now amount to a very large sum.

Maritime Insurance Co., Ltd.—This company is one of the very few in the marine insurance world which has succeeded in showing each year a profit on its operations. That this should be the case and that many other large and well-known offices transacting marine insurance should exhibit large and sometimes disastrous losses year after year is inexplicable to the layman. Even the expert is hard put to it to explain it, and his difficulty is increased by the company's method of presenting its accounts. For the account is modelled on that of fire insurance companies, and the claims are lumped together in respect of the underwriting year to which they relate, so that with the best will in the world it is quite impossible to make anything but a very general survey of the results. Thus for 1928 the premium income is slightly reduced at £365,590, and after meeting claims and expenses amounting to £383,589 and a reserve allocation, there remained for transfer to profit and loss account a sum of £15,000. This amount is the same as that transferred in respect of the year 1927. The profit and loss account shows a net interest income of £53,875, compared with which the dividend, costing only £24,000, appears to be very moderate indeed. The company is controlled by the Scottish Union and National Insurance Co., which owns the share capital.

Refuge Assurance Co., Ltd.—As at December 31, 1928, the total funds of this company amounted to nearly £43 million, and the premium income to £8,300,000. The Ordinary life branch, which is responsible for two-thirds of the totality, yielded an increased new business amounting to £6,377,442, but the Industrial new business was slightly lower at £16,952,369. Expenses are lower, though in the Ordinary branch especially the ratio compares not too favourably with other similar companies. In 1928 the ratios worked out at 16·1 per cent. and 37·3 per cent. for the Ordinary and Industrial branches respectively. The combined net rate of interest earned is at the high rate of £5 2s. 10d. per cent. The following shows the results of the last three annual valuations in both branches:—

Ordinary Branch.	1926.	1927.	1928.
	£	£	£
Surplus earned during the year	962,149	958,262	1,077,630
Brought forward from previous year	565,769	692,981	726,447
	1,527,928	1,651,243	1,804,077
Allocations:			
To bonuses to policyholders	751,443	832,316	880,636
„ sharepolders' a/c	83,494	92,480	97,849
„ investment reserve fund	—	—	100,000
„ carry-forward to next year	692,981	726,447	725,592
	1,527,918	1,651,243	1,804,077
Industrial Branch.			
Surplus earned during the year	37,128	42,839	567,024
Brought forward from previous year	21,630	29,752	37,571
	58,758	72,591	604,595
Allocations:			
To bonuses to policyholders	...	...	407,728
„ shareholders' a/c	29,006	35,020	52,152
„ investment reserve fund	...	...	100,000
„ carry-forward to next year	29,752	37,571	44,715
	58,758	72,591	604,595

A reversionary bonus of 44s. per cent. has been allotted to with-profit policyholders in the Ordinary branch, being at the same rate as that for 1927. For the first time in the Company's history Industrial branch policyholders, although their contracts are on a non-profit basis, will receive a share of the profits. The sum of £407,728 set aside for this purpose will be utilised in some cases to increase the sums assured up to the amount now offered in the latest prospectus, and in other cases to pay a bonus of 5 per cent. on claims arising after March 2, 1930. A remarkable feature of the Industrial branch valuation is the growth of the surplus from £43,000 in 1927 to no less than £567,000 in 1928. The abnormal increase must be due to the release of hidden reserves no longer required. The relatively small surplus in the Industrial branch has hitherto been a marked characteristic of the Refuge, but the 1928 surplus, which may be assumed to reflect the true position, now compares well with that shown by other industrial companies. The dividend has been raised from 42½ per cent. to 50 per cent.

Oversea Correspondence.

UNITED STATES.—SECURITY MARKETS—MONEY—INDUSTRY—PUBLIC FINANCE.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 22.

TRADING in the security markets has been at a considerably reduced pace during the past week, as the hesitancy created by the uncertainties of the credit situation combined with a double holiday to cut down Stock Exchange business. Share prices, however, have rallied for four successive days, and approximately half the losses suffered since the decline began on February 5th have been made good. Whether the recovery will carry through to new high levels, as it did last December, or whether the rally was premature and a secondary reaction will follow remains to be seen. Now that another week has gone by without change in the New York Federal Reserve Bank's discount rate of 5 per cent., and with a further reduction of 91 millions in brokers' loans along with easier call money at 5½ to 6½ per cent., the tone of the market has noticeably improved. Among the banks and the more conservative sections of the Stock Exchange a spirit of caution still rules, based on the idea that the Federal Reserve Board will not be satisfied with the deflation already secured. The general public also is holding aloof

from the stock market, wishing neither to part with any more stocks nor to increase holdings. Professional traders, however, have been more bullishly inclined, and shorts have been forced to cover rather hurriedly.

Developments of the week in banking indicate that the astringent policy of the Federal Reserve authorities has been partially successful. Seasonal deflation in commercial demand for credit has about run its course, but the reduced loans on the Stock Exchange, amounting to nearly 200 millions for the fortnight, and receipt early in the week of some more gold, enabled the member banks to reduce their borrowings from the Reserve by 39 millions. At New York the reduction amounted to 71 millions. Sales of Government securities by the Reserve Banks were negligible, but holdings of bankers' bills continued to fall, the drop for the week being 35 millions for the system. Lower bill holdings, combined with the reduction in discounts, brought a decline in total Federal Reserve credit outstanding to $90,000,000, and the item is now only 187 millions higher than a year ago. Since brokers' loans in the New York district on February 20th were $1,748,000,000 higher than a week ago, it is apparent that in warning the member banks of over-expansion of credit the Federal Reserve authorities were less concerned about the position of the Reserve system than they were about the member banks. Discounts, it is true, at $865,000,000 are nearly double those of a year ago, but in view of the loss of $500,000,000 in gold in the period the position does not appear to be particularly alarming. These circumstances give rise to the prevailing belief that the Reserve authorities are less anxious greatly to deflate credit than they are to put a stop for a while to the rapid expansion which has taken place in recent months.

The rise in your Bank rate has effectually put an end to the gold movement from London, and bankers here believe that should rising money rates here again threaten the position of sterling a further rise in your Bank rate would take place. Unless the share market regains its old speculative vigour it is thought that there is a good chance of the New York discount rate remaining at 5 per cent., although in all probability some or all of the four Reserve Banks still on a 4½ per cent. basis will raise their rates, and some increases above 5 per cent. at interior institutions would not be surprising. Support was lent to this view during the week by approval by the Reserve Board of a uniform Reserve Bank buying rate for bills at 5 to 5½ per cent., the rate prevailing in the New York district. The movement to shift the burden of the bill market from Reserve Banks to commercial banks is proving successful, but rates are now above the discount level, and any further rise would be regarded as the signal for a change in the latter.

Business has been somewhat disturbed over the credit and share market situation. The small business man for the past year has had to pay moderately higher interest rates for money, but the larger concerns are not affected. They are not now and are not likely to become borrowers. On the contrary, they are heavy lenders in the call market. Most of their new capital issues have consisted of stock, and these issues have gone well in spite of high money rates, since they were put out on a rising stock market. Corporations as a whole would temporarily be the losers from a deflationist policy, since their earnings on surplus cash would diminish and they would find it more difficult to raise new capital. So far as consumer buying is concerned, that scarcely would be diminished unless a real bear market should set in.

Meanwhile the fundamentals of business are too sound to warrant belief in anything more than a temporary set-back. Commodity prices are not inflated, nor has there been any piling up of inventories. Wholesale prices, according to the Bureau of Labour Statistics index, rose a half of one per cent. in January, the index standing at 97.2 per cent., as against 96.3 per cent. for the same time last year. Most of the increase made during the month was in the farm products groups. Employment in January, according to the same Bureau, dropped six-tenths of one per cent. in January and pay-rolls decreased 2.9 per cent. as compared with December. The decline, however, was entirely seasonal, and it is noted that the level of employment in manufacturing industries in January was 3.9 per cent. higher than in the same month of last year. Pay-roll totals were 5.5 per cent. higher.

The Bureau of Labour Statistics weighted index, taking the average prices for 1926 as 100, is given below by groups:—

1929.	All Articles.	Per cent. Chge.	Farm Prod.	Food.	Text. Prod.	Hides, Leather.
January	97·2	+ 0·5	105·9	98·8	96·4	113·6
1928						
December	96·7	...	103·6	98·0	96·1	115·7
November	96·7	− 1·1	101·6	100·1	96·1	115·5
October	97·8	− 2·3	103·5	102·3	96·1	117·5
September	100·1	+ 1·2	108·8	106·9	95·6	120·7
August	98·9	+ 0·5	107·0	104·1	96·3	121·0
July	98·3	+ 0·7	107·1	102·3	96·8	124·2
June	97·6	− 1·0	106·7	100·3	96·3	123·7
May	98·6	+ 1·2	109·8	101·2	96·6	126·3
April	97·4	+ 1·5	107·6	99·5	96·5	126·7
March	96·0	− 0·5	106·5	98·0	96·5	124·0
February	96·4	+ 0·1	104·5	97·7	96·6	124·1
January	96·3	− 0·2	106·1	98·5	96·7	121·0

1929.	Fuel, Light.	Metals.	Bldg. Mater.	Chem. and Dr.	House Furn.	Misc.
January	82·5	103·6	96·6	95·9	96·6	80·5
1928.						
December	83·5	102·9	96·8	96·1	96·4	80·1
November	94·4	101·7	96·0	96·0	96·4	80·0
October	84·9	101·0	95·0	95·6	96·5	80·3
September	85·1	100·5	94·7	95·1	97·2	79·7
August	84·6	100·4	94·6	94·7	97·2	79·3
July	82·8	98·6	94·4	94·5	96 9	80·8
June	82·1	98·7	93·9	94·9	97·0	82·2
May	81·8	98·6	93·5	95·3	97·8	85·1
April	80·8	98·4	92·5	95·8	97·9	84·9
March	80·8	98·4	91·0	95·6	98·3	86·8
February	81·1	98·3	91·0	95·8	98·4	87·3
January	80·8	98·1	90·8	96·3	98·6	89·0

Publication of corporation earning reports for 1928 reveals greater improvement than had been anticipated. Some 250 of the leading corporations in the industrial, public utility and railroad fields earned approximately 17 per cent. larger profits last year than in 1927, and it is believed that the year will prove to have been the most profitable in history for American industry. Public utility companies made the best showing, with a gain of over 20 per cent. in net income. Industrials did about as well, however, with 17 per cent., and railroad profits rose by about 13.5 per cent. Certain sections of the textile industry, the rubber and type groups, and railroad equipment manufacturers failed to improve. The greatest expansion for any single industry was found in the oil company group, as was to be expected in view of the extreme depression in 1927. Corporate earnings for the first quarter of the current year are expected to exceed those of 1928, but the feeling is growing that a tapering off in activity will come by early summer. January earnings of the railroads are turning out to be above those of a year ago, and traffic continues to increase in the current month. The steel industry is maintaining its operating rate of around 90 per cent. of capacity, and prices have further stiffened. Building construction, however, is already slowing down somewhat, and the long-term outlook for money is not favourable for activity in this industry.

The Treasury is beginning to make plans for its March 15 financing. Income-tax collections are expected to amount to over $500,000,000, but the Treasury has to meet short-term maturities of $571,000,000 on that date and will need ready cash until the June collections. An issue of close to $500,000,000 is anticipated. Unless the Reserve rate goes up in the meantime, it is probable that the Treasury will be able to borrow for less than the 4½ per cent. paid on the last short-term issue.

FRANCE.—POLITICS—FINANCE—FOREIGN TRADE—INDUSTRY.

(FROM OUR CORRESPONDENT.)

PARIS, March 3.

THE political atmosphere is again disturbed, and a further Ministerial crisis is more than possible. M. Poincaré is known to have taken more seriously than was at first realised the recent drop in his majority to half a dozen votes on the question of the re-reform of the provincial law court system. He is believed to be anxious to bring back into the Cabinet representatives of the Radical Party, whose four Ministerial colleagues withdrew as the outcome of the resolutions passed at the unfortunate Angers congress of the Party. MM. Daladier, Caillaux and other Radical leaders have been prosecuting an extremely active Opposition campaign during the past few weeks, and the Chamber has been kept in such a state of unrest that M. Poincaré appears anxious not to take the risk of carrying on with a majority that is subject to constant ebbs and flows. The return of Radical representatives to the Cabinet would almost certainly mean the elimination of any Minister belonging to the Marin group of 101 National Union deputies, but these, at the worst, might be expected to assume an attitude of benevolent neutrality towards the modified Cabinet on all vital questions. At the same time, the Radicals, by accepting the responsibilities of office, would be more or less effectively muzzled, and M. Poincaré would be less unfavourably handicapped for the apparently pending settlement of the reparations and inter-allied debt problems, which more than ever (next to individual and party ambitions) dominate the political situation.

The Chamber will to-morrow begin discussing the Supplementary Credits connected with the last financial year, which will involve the Government in danger on several points, not the least of which will concern the frequently postponed question of authorising certain of the religious orders to return to France. The question of whether the realised surplus of 3,000 millions odd, at the end of the last financial year, shall be dissipated forthwith, in order to enable the Government to remedy immediately certain of the more glaring inequalities in the incidence of taxation appears to have been shelved for the moment. It is unofficially announced that the Finance Minister proposes to create a special commission to study the best means of reducing the more unjustifiably onerous forms of taxation without compromising the equilibrium of the Budget. M. Poincaré is believed to be ready to accept the principle of the proposed fiscal reform and to favour a plan to allow the existing realised surplus for 1928, together with that which it is expected will be realised in 1929, to accumulate in readiness to be utilised by his successor in carrying out taxation reform on fixed and carefully considered lines.

The foreign trade returns for January show total imports to a value of 5,173,843,000f, against exports of only 3,701,892,000f, or a deficit balance on the month's exchanges of 1,471,950,000f. January was the eleventh month since the beginning of 1928, in which there was an adverse balance, the total deficit during the 13 months now totalling 3,574,000,000f. The detailed comparative figures are as follows:—

Imports.	1928	Month of January. 1929	Inc. or Dec. in 1929
Foodstuffs	918,937,000f	1,198,291,000f	+ 279,354,000f
Raw materials	2,702,418,000f	3,259,655,000f	+ 557,237,000f
Manufactured goods	456,656,000f	715,397,000f	+ 258,741,000f
Totals	4,078,011,000f	5,173,343,000f	+ 1,095,332,000f
Exports.			
Foodstuffs	527,829,000f	465,276,000f	− 62,553,000f
Raw materials	1,078,746,000f	1,034,562,000f	− 44,184,000f
Manufactured goods	2,413,143,000f	2,202,054,000f	− 211,089,000f
Totals	4,019,718,000f	3,701 892,000f	− 317,826,000f

The heavy deficit in January, as will be seen, was chiefly due to increased imports of raw materials for manufacturing purposes (as compared with the figures for January, 1928), which cannot be regarded as a pessimistic indication, in view of the present general economic situation here. At the same time, comparison of the totals for January and December show that on the month French exports fell off by over 1,000 million francs (3,701,892,000f. against 4,733,095,000f.), whereas the drop in imports on the month was only 39½ millions. The falling off in exports was common to all three classifications, and the rise in imports was distributed equally generally. The most serious indication, perhaps, is that exports of manufactured goods were 211 millions less than in January, 1928, while imports of foreign manufactured products were 258¾ millions larger. These returns, it should be repeated, are somewhat vitiated by the fact that French exports are calculated on f.o.b. bases, while imports are given c.i.f. values; neither do they take into account the large amount of invisible exports in the form of the French tourist traffic.

Coal-production figures for January, which are issued to-day, indicate a total output of 4,527,951 tons for 26 working days, as against 4,178,028 tons in December (24 working days). The average daily output was 174,152 tons with a total working force of 297,058, as compared with 170,863 tons per day in January, 1928, with 316,130 labour units engaged. The Northern coalfield produced in January a daily average of 113,868 tons, or 22,571 tons a day more than in 1913. The collieries in the Centre and South, where strikes have been in progress, showed results averaging 4,727 tons a day below their pre-war figure. The Lorraine coalfield, now included in France, furnished an average of 20,161 tons a day in January, in addition to the mines comprised within the old pre-war frontiers. The output of metallurgical coke by the colliery plants totalled 396,460 tons during the month, or 150,000 tons more than the monthly average in 1913. Delivery delays, owing to the frozen rivers and canals having been unutilisable by barge traffic, are hampering the trade in combustibles in the North and East. The demand for coal and coke remains lively, both in regard to industry and household consumption, as merchant stocks are threatening exhaustion. Large stocks still exist at the pits, but there is ground for expecting that the stimulus given to industry now that the spring is at hand will soon render it necessary to replace these with newly extracted combustible.

Iron and steel production in January were alike appreciably larger than in the previous month, the total output of iron being 905,000 tons, against 883,000 tons in December, and against a monthly average of 756,000 tons in 1913 (Alsace-Lorraine output included). The output of steel in January was 837,000 tons, against 828,000 tons in December and a monthly average of 581,240 tons in 1913. The number of blast furnaces in activity in January was 157 (with 66 ready for activity, or under reconstruction or repair), as compared with 190 in 1913 (Alsace-Lorraine plants included). The market for both iron and steel continues firm on the whole. There is a fairly active demand, and prices at the week-end remained without appreciable change. Export trade is steadier, the price fluctuations to be noted a fortnight ago having now practically disappeared.

GERMANY.—POLITICS—CREDIT—CAPITAL MARKET—FINANCE—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, March 5.

THE Chancellor's attempt to form a "Great Coalition" Cabinet has failed. The programme was that the Social-Democrats, German-Democrats, Centre, and German and Bavarian People's Parties should support the Government on coalition principles without committing themselves to accept in their present form bills already submitted. The Centre representatives declared that their

LEGAL & GENERAL
ASSURANCE SOCIETY LIMITED
Established 1836.
ESTATE DUTY ASSURANCES
Head Office: 10, FLEET STREET, LONDON, E.C.4.
near Temple Bar.
Assets Exceed - - £20,750,000
General Manager: W. A. WORKMAN, F.I.A.

party would probably be willing to re-enter the Cabinet on that basis, but the German People's Party declined to participate in any consolidation of the Government until pending Budget and taxation questions are settled. The Chancellor thereupon, with the approval of the President, decided that his Cabinet would remain in power with its present composition. This means that two portfolios, Communications and Occupied Territories, are provisionally managed. The formation of a firm Coalition Cabinet would perhaps have strengthened the German delegates' hands in the Reparation discussions; but it need not be assumed that the present anomalous Cabinet will fail in domestic legislation or that its days are numbered.

The money market situation continues to be strained. The February month-end settlements brought a heavy demand, and day loans on the 28th rose to 8-10 per cent., declined only by ½ per cent. in the first four days of March, and were to-day 7½-9 per cent. The private discount rate remains 6⅛ per cent. The unfavourable cash situation of the Republic and the impending further great demand for cash at the end of March influenced the market, and it is doubtful whether the various public funds from which the Republic borrowed at the end of the December quarter will be available to the same extent. Another factor in the money market is the 150 million marks liability on the Reparations industrial bonds. It was assumed that, as the Reichsbank in discounting counts 30 days in February, the discount portfolio increase in the last week of the month would be small, in order to save two days' interest to borrowers, and that advances would be correspondingly large; but, in fact, while advances increased by the very large sum of 259 million marks, discounts also increased considerably by 415 million marks. Normally, a great part of the advances would be paid back in the first days of the new month. It is stated that the repayments of funds abroad have almost ceased, and that some banks have of late again increased their foreign indebtedness; but the Reichsbank's return shows a further drop of 9 million marks in the legal-cover exchange reserve and a considerably larger sum, about 30 million marks, was lost from the free, unspecified, exchange reserve. Circulation rose to 4,553 million marks, as against 4,454 million marks at the end of January.

Home loans in February totalled 68 million marks, as against 34 million marks in January; foreign loans 161.4 million marks, against 27 million marks. The shares of the United States, Holland and Switzerland increased materially, and Holland also bought reichsmark fixed-interest securities. The price of capital at home has slightly risen this year. At the beginning of March the average yield of home loans, with nominal interest rates varying from 4½ to 10 per cent., was 7.8 per cent., as against 7.7 per cent. in January, and 6.8 per cent. in June, 1927. The average yield of German loans abroad is calculated at 7.05 per cent., as against 6.5 per cent. in June, 1927. Savings deposits in the savings banks at the end of 1928 are returned at 6,988 million marks, as against 4,667 million marks at the end of 1927, and 608 million marks at the end of 1924, one year after the currency stabilisation.

The Finance Ministry's return for the end of January shows on the ordinary budget a deficit of 32.2 million marks since the beginning of the financial year, on the extraordinary budget a deficit of 216.5 million marks. The deficit on the ordinary budget was reduced by the large taxation receipts of January. The status of both accounts, including the credit and debit carry-overs from the preceding financial year, is a deficit of 31.9 million marks.

The wholesale-prices index number for February 27th was 139.6, as against 140.0 on the 20th. The cost-of-living index for February shows 154.4, against 153.1 for January, and is the highest so far. Since October, 1928, the food group in this index has risen from 151.8 to 155.7. Bankruptcies in February numbered 806, against 829 in January; compulsory compositions 364, against 252. The high point of winter unemployment seems to be past. In the first half of February the number of unemployed rose by only some 50,000 to (provisional return) 2,300,000. The Prussian Trade Ministry's monthly report states that the trade decline (apart from seasonal influences, which, owing to the cold winter, were more marked than usual) continues, and mentions that orders are declining in the chemicals branch, which has, in general, done well of late. The official Institute for Study of Trade Fluctuations predicts a continuing trade decline for the next few months. The Institute is pessimistic about the trade prospect in the world generally, making an exception only for the United States. The Leipzig Spring Fair, as regards number of visitors, has been badly hit by the cold weather; but in other respects it will be a good average Fair. Fifteen per cent. more English visitors were expected than a year ago. The tendency of German firms is to exhibit better-quality goods.

Ruhr coal production shows signs of increasing. The iron and steel market is dullish, except for semi-products, for which there is a great demand. The pig-iron market is weak. The Prussian State, following the example of the Reich, is creating a holding company for its four mining and electricity companies. The export of Solingen steel wares in 1928 was 7,455 metric tons, the largest so far. The highest pre-war figure, in 1913, was 5,951 tons. The value in 1928 was 70,680,000 marks, against 38,325,000 marks in 1913. The proportion of sales to Europe and Asia is larger than before the war, to America much smaller.

The Government has rejected a demand made in the Reichstag for the imposition of a prohibitive import duty on foreign boots and shoes. The cotton manufacturers are campaigning for a revision of the commercial treaty of 1927 with France; but, in view of the fact that the German trade-balance with France has greatly improved since the conclusion of the treaty, the manufacturers are hardly likely to succeed. The gross value of textiles production in 1928 is officially estimated at 8,560 million marks, as against 9,360 million marks in 1927. The import of finished textiles slightly declined in 1928, whereas export had a value of 1,609 million marks, as against 1,489 million marks in 1927, and 1,325 million marks in 1925. Raw cotton import in 1928 was 462,982 metric tons, as against 590,705 tons in 1927; export, 110,810 tons, against 115,260 tons. The American proceedings against the Franco-German potash cartel have been settled out of court. The cartel has been recognised as a foreign organisation doing business in America, and, therefore, as lawful, but there is a prohibition against violating anti-trust legislation by fixing prices and differentiating between customers.

SWITZERLAND.—NATIONAL BANK—BUSINESS—MONEY—CAPITAL—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

GENEVA, February 16.

THE Swiss Federal Government has examined and approved the report and the 1928 accounts of the Swiss National Bank, the situation of which may be regarded as very prosperous. The profit reaches £275,930 compared with £270,126 in 1927. A sum of £22,355 will be paid to the reserve fund; £50,000 will be used in paying a dividend of 5 per cent., and £10,000 in paying an extra dividend of 1 per cent. The remaining sum—£193,575—will be paid to the Federal Treasury, which will distribute it as usual among the Cantons. In 1928, the bank notes circulation reached an average of £32,733,200 as against £31,951,520 in 1927, while the legal metallic reserve averaged £20,259,120, or 61.89 per cent.; the total reserve, including gold deposits abroad, securities and advances on securities, totalled £37,524,560.

The report notes that in 1928 business in Switzerland was more active than during any one of the past six years; this should be ascribed to the great improvement in the metallurgical and mechanical as well as in the watch-making industry, while, on the other hand, the persistence of fine weather had an excellent influence on the tourist traffic, the result being that the earnings and profits of all transport undertakings were much higher. Another consequence of general prosperity is the improvement in the financial position of the Federal Government and of the Federal Railways.

In regard to the monetary policy of Switzerland it was decided to continue the policy pursued during the past years with a view to maintaining the Swiss currency within the limits of gold value in comparison with the countries where the gold market is free. Monetary policy was further examined quite recently at a meeting of financial experts convened by Federal Councillor Mr. Musy, Chief of the Finance Department. The experts decided against the reintroduction asked by public opinion of the 5 f. and 10 f. notes which were put into circulation during the war and withdrawn a few years ago They were of opinion that the silver piece should be maintained, but its weight reduced to 12 grammes and its diameter to 31 millimetres. In spite of the general recovery, borrowings were less important than during the previous year. The Federal Government was not in need of capital and it repaid by its own means £1,944,000 worth of bonds due in September; the Federal Railways issued a loan of £6,000,000 at 4½ per cent. for repaying and converting a loan placed in 1918–19; the Cantons and Communes borrowed £4,235,800 as against £3,478,440 in 1927; and industrialists, transport undertakings and banks borrowed £5,159,200 compared with £6,562,000 the previous year, altogether £15,395,000 as against £20,040,444 in 1927. The Swiss market was furthermore in a position to lend £3,604,760 to foreign Governments and industries, compared with £9,430,400, the interests ranging from 5½ to 7½ per cent. The principal of these loans were placed by the Greek and Bulgarian Governments, and by the French Chemins de Fer du Midi, while several German industries borrowed together a sum of £2,120,000. The decrease in foreign borrowing has much relieved those Swiss financiers and statesmen who, during the past years, repeatedly insisted on the danger the exportation of Swiss capital was constituting for the country.

Imports in 1928 amounted to £109,787,213, as compared with £102,551,762 in 1927, and exports increased from £80,929,983 to £85,377,430. Exports to Great Britain showed a very slight decline; imports from Great Britain rose from £7·6 million in 1927, to £9·1 million in 1928. The British Industries Fair brought many Swiss orders to British firms.

GREECE.—BRITISH CAPITAL—BANKERS' REPUTATION—PUBLIC FINANCE—INTEREST—FOREIGN TRADE—ITALIAN BANK IN GREECE.

(FROM OUR CORRESPONDENT.)

ATHENS, February 22.

A REPRESENTATIVE of the Prudential Assurance Company of London arrived here some days ago for the purpose of expressing verbally to the Government the complaints of his company at the obstruction systematically put by Governmental departments to the task of certain companies with which the Prudential is closely allied and the syndicate of Greek banks to carry out electricity and transportation works in Athens and the Piræus. Doubts are expressed, however, as to the effectiveness of this step, for the open war declared against these companies by the responsible Minister and the Press has created a very delicate situation, which it is now extremely difficult to improve. The facts that the contract for these works was concluded at the time of the dictatorship of General Pangalos, and is considered unduly favourable to the contracting companies, together with the inevitable expenses and annoyance for the public occasioned by the change of the electric current and the execution of the transportation works, have produced an ill-feeling against the contractors—a psychological ground, moreover, cleverly exploited to the detriment of British interests by certain influential foreign competitors. Hence the daily increasing Press attacks on the Power and Traction, and the unfriendly attitude of the present Government, not only in the case of that company but towards British interests generally. The unfriendly feelings of the authorities were clearly shown also in the course of the negotiations concerning the issue of the Public Works Loan, and in a recent speech of Mr. Venizelos (delivered by him in Parliament on the occasion of the ratification of the agreement with Seligman and Company of New York for the issue of dollar bonds up to $54,000,000, against this loan), in which several misstatements and unjust criticisms concerning Hambros Bank were contained.

A committee of the managers of Greek banks has recently visited the Prime Minister to submit to him various demands on behalf of the banking community, and to formulate some remarks of a more general character touching the economic interests of the country. The attention of the Premier was particularly drawn to the ill-effects of the right given to the authorities to inquire at the banks regarding private deposits, a policy which has resulted in a flight of capital from the country. The necessity of amending the law concerning the obligatory employment of reservists, in the light of the corresponding measures adopted by other countries, was also emphasised to him. Further points raised by the Committee in the course of their discussion with the Prime Minister was the taxation of joint-stock companies, which is heavier than in any other country, and which, by allowing investigations to be carried out by tax officials, violates banking secrecy, and, consequently, shakes confidence; it was further pointed out to him that every care should be taken, by inspiring confidence, to encourage the return of Greek funds which have migrated to other countries where they find all sorts of facilities and protection. In this connection Mr. Venizelos was reminded that the large commercial deficit of the country is normally set off by the invisible exports, which, with a terroristic tax *régime*, are diminishing every day. Mr. Venizelos promised that banking secrecy will be respected and that all the necessary measures will be taken with a view to restoring confidence and attracting the capital so badly needed for the economic reconstruction of Greece. It remains to be seen how far the promises of the Premier will be translated in facts.

Public revenue for the first nine months of the current financial year amounted to Drs. 6,317 million, against estimated revenue for the whole year of 11,115 millions and receipts for the corresponding period of last year of Drs. 6,023 million. Expenditure for the same months reached Drs. 4,780 million, against an estimated amount of Drs. 11,115 million for the whole year and expenditure of Drs. 4,436 million for the same period of the previous year. Receipts from the revenues assigned for the service of the public debt totalled in 1928 a sum of Drs. 3,973 million, showing an increase of Drs. 172 million over those of 1927. The National Debt amounts to Drs. 38,155 million, with a proportion of Drs. 6,000, or £16, in round figures, per head of population. The latter, according to the recent census, is 6,205,000 souls. As the American Senate has recently passed the Bill ratifying the agreement concerning the funding of the war debt of Greece and the granting of a loan to her of $12,167,000 for the settlement of the refugees, the National Debt will increase by $32,497,000.

A recent law provides that the contractual rate of interest on civil and commercial transactions cannot exceed

BARCLAYS BANK (DOMINION, COLONIAL AND OVERSEAS).

OVER 400 BRANCHES IN

THE UNION OF SOUTH AFRICA
(Natal Cape Province Transvaal Orange Free State)
NORTHERN & SOUTHERN RHODESIA
KENYA TANGANYIKA UGANDA NYASALAND
BRITISH WEST INDIES BRITISH WEST AFRICA
PORTUGUESE EAST AFRICA SOUTH WEST AFRICA
EGYPT SUDAN PALESTINE MALTA GIBRALTAR
MAURITIUS
LIVERPOOL MANCHESTER NEW YORK Agency HAMBURG

FACILITIES FOR THE IMPORT OF PRODUCE ARRANGED.

HEAD OFFICE:
54, LOMBARD STREET, LONDON, E.C.3.

by more than 4 per cent. the discount rate of the Bank of Greece—amounting at present to 9 per cent. On the other hand, the legal and overdue rate is fixed at 3 per cent. above the official rate. Imports for the first eleven months of 1928 amounted to Drs. 11,461 million, and exports to 5,097 millions, as compared with imports of 12,602 millions and exports of 6,037 millions for the year 1927. The United States of America come first with 16 per cent. and Great Britain second with 14 per cent. of the imports. As regards exports, Germany is first with 25 per cent., the U.S.A. second with 20 per cent., Italy third with 17 per cent., and Great Britain fourth with 13 per cent. of the total. The Banca Commerciale Italiana founded recently an associated bank in Greece with an authorised capital of 60,000,000 drachmas, of which 15,000,000 have been paid up. The new bank has its registered office at Athens and branches in Piræus, Salonika and Cavalla.

SOUTH AFRICA.—POLITICS—GERMAN TRADE TREATY—NEW COMPANIES—COST OF LIVING—PUBLIC DEBT.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, February 3.

THE last session of the present Parliament opened on the 25th January. Apart from various formal statements, the Governor-General's speech referred to the signing of the Trade Treaty with Germany and of the Kellogg Pact, the early convening of a joint sitting to deal with the Representation of Natives in Parliament Bill, and the provision of funds for the investigation of the problem of the obtaining of oil from coal. At the opening sitting General Smuts gave notice of his intention to move a motion of no confidence in the Government. The debate on this latter motion has occupied a large part of the time of the House to date. No business except that possessing immediate importance is to be brought before the House this session.

The Government is experiencing the usual troubles of moribund governments. It is divided and again subdivided. (By the way, the Prime Minister has definitely declared for the Labour Party of his colleague, Col. Cresswell, and against the National Council Party.) It has disappointed some of its friends and given handles to most of its enemies. Nevertheless, the latter hardly hope for a definite defeat of the Pact. A more probable and perhaps more satisfactory result would be such a condition of balance amongst parties as would render re-alignments necessary. At present several partitions depend on differences of personality rather than of opinion. Certain politicians, however, are busy with tones and language which may prejudice the formation of any fresh alliances.

General Smuts, speaking at Ermelo, suggested that the Trade Treaty with Germany arose out of a desire on the part of the Government to "show off." It seemed good to the Government, in an attitude typical of immaturity of experience, to make a treaty just to prove its independence. The suggestion does little credit to the South African parties to the Treaty, but a good many people think General Smuts' powers of penetration have not misled him. Meantime the Government inform us that agreements with other nations are under consideration. It is believed in some quarters that the Government will attempt to adopt the Treaty without submitting it to the Senate. If this is done, it is likely that the constitutional legitimacy of the procedure will be tested at law. In other quarters it is believed that the Government will realise that the Treaty would please certain individuals at heavy cost to the country; in this case some more or less ungraceful retreat might be made. Support for the former view is derived from the fact that it is proposed not to submit the Kellogg Pact to the Senate, although that body would be certain to approve of it.

During 1928, approximately 700 limited companies were registered in Pretoria, having a total capital of £13,160,000. About 600 were "private" companies, having a total capital of £3,437,000; 78 were "public" companies, with a total capital of £4,500,000; 12 were "foreign" companies with a capital of £1,700,000; the South African Iron and Steel Corporation was constituted under a special Act (No. 11 of 1928) with a capital of £3,500,000. Two hundred and seven companies with nominal capitals amounting in all to £4,294,000 went into liquidation; 160 companies increased their capital by £5,500,000 in all, whilst 21 companies reduced their capital by £1,500,000. Of the new companies 57 proposed to engage in mining, 42 in "finance," 60 in land development and exploration, and 27 in some branch of industry; the 474 "commercial" companies include a number whose business is not disclosed by the title of the company.

The "Cost of Living" is again attracting notice and a further commission of inquiry is talked of. Such a commission might attract some attention to the general principles and also ventilate some important details, but the present level of prices in South Africa can quite safely be attributed to small-scale enterprise, to tariff policy, and to railway rates to the interior. It is doubtful, however, whether any Commission or Commissioner will risk public opprobrium by preaching too powerful a sermon from that text.

On the 31st March, 1928, the Public Debt of the Union amounted to £238,926,064, of which sum £4,472,828 was in Union Loan Certificates and £10,075,189 in Treasury Bills. The increase since the 31st March, 1927, was £7,450,117. Of the total of £239 millions 63·4 per cent. is external debt, and 36·6 per cent. internal, these figures showing a further movement of public securities from overseas to South Africa. The average debt is £138 per European head, and £30 17s. per head of total population. The average interest charge figures (per European and per head of total population) are respectively £6 5s. 6d. and £1 8s. 1d. gross, and £1 17s. 6d. and 8s. 5d. net after deduction of interest received from the railways, the post office and on various balances. The productive debt is 79·2 per cent. of the whole.

Letters to the Editor.

THE EFFECT OF FOREIGN LOANS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In an article on Free Trade and Protection published in your issue of February 23 you write as follows:—"Capital exports stimulate commodity exports—a statement which will be supported by all, only with a variety of emphasis and qualification." It will, I think, be helpful if you will develop this point a little further, explaining by what chain of causation the result follows.

Where the borrower borrows expressly for the purpose of making purchases in this country, as was often the case with the railway loans of the mid-nineteenth century, the connection is obvious. It is also arguable that any loan gives a fillip to international trade, from which we shall benefit roughly in the proportion which our trade bears to the trade of the world. Let us suppose, for the sake of illustration, that 20 per cent. of the sums which we lend abroad—and I should think that this proportion is higher than the truth—leads more or less directly to exports in the manner described above. But what about the remaining 80 per cent.? The train of causation by which this leads to commodity exports is what I should like to see explained in detail.—Yours, etc.,

J. M. KEYNES.

46 Gordon Square, Bloomsbury, February 26, 1929.

[Reference to this letter is made in a Note of the Week.—ED., *Econ.*]

TO THE EDITOR OF THE ECONOMIST.

SIR,—There seems to be much misapprehension regarding the true meaning of "capital import" and "capital export."

It appears to be a general assumption that it is the advent of financial capital which creates employment and causes production. If this were so, then we should expect the wealthiest countries to have the last unemployment; while the amassing of wealth would lead to a solution of our gravest social problem. But there is no ground for such expectations. The truth is that financial capital is not the *cause* of production and employment, but the *means* to bring the real causative factors into effect. The real cause of production is effective demand for consumable things; this produces demand for the production of physical capital means of production; and this second demand requires and attracts financial capital for the purpose of producing these means of production. It is essential to recognise that financial capital is not productive apart from real or physical capital, and that unless the primary condition of effective demand for consumable things is present no amount of increased financial capital will cause increased employment and production. This is made manifest in the present situation in this country. We have no lack of financial capital; the rate of profit has been on the up-grade; the consequent amassing of credit has been absorbed in a Stock Exchange boom. Yet we fail to employ our labourers, and our rate of production is not satisfactory.

Another false assumption is that "capital invested abroad" means a diminution of the amount of industrial capital available for home use. The truth is exactly the contrary. "Capital export" is one of the many misleading terms in economics. So far as the country which exports the financial capital is concerned, this capital export is simply the granting of consumer credit to the country which imports the capital. For, considered as the direct or indirect customer for the former country's goods, the latter country consumes the value of the credit lent to it, although it may use that credit for capital purposes. To grant international consumer credit means a corresponding temporary increase in home exports. It it as if the home investor in foreign enterprise ordered goods from the home manufacturer and sold them abroad on credit. In point of fact, not a penny of currency, either cash or credit, actually leaves the creditor country in respect of a foreign investment; nor, therefore, is the volume of credit available for home industry diminished. In effect, the investor has simply poured his savings into home industry in the best possible way—as effective demand for its products; but he holds the foreigner in debit for it, because the latter receives the goods. Far from this causing a reduction of home industrial capital, it actually increases the capital value of exporting industries, and attracts to them financial capital for their development. Does anyone really imagine, for instance, that the so-called "export of capital" from this country during the last century deprived British industry of the necessary financial capital for development? Has the post-war foreign investment of America impoverished American industry?

But what is the effect of "importing capital"? It is obvious that, since international credit is consumer credit, the receipt of this credit is beneficial to the borrowing country only in so far as that country did not previously possess the financial means to develop its resources. Thus we find the import of financial capital is most desired and needed by those countries which are farthest below the mean world level of industrial development: Russia, China, India, South America, etc. On the other hand, capital import into an industrially advanced country like Britain will bring no benefit at all. We do not need consumer credit in respect of foreign goods to enable us to construct the means of production, because we have the means to construct or produce all the value we want. The import of foreign capital hither can be regarded as beneficial to us only on the assumption that we have not the means to develop our own resources to meet a pressing world demand for our goods.

It is also a mistake to think that more exports can be pushed out of this country by increasing the volume of financial capital in this country. British exports depend on foreign purchasing power that is specific to British goods. But this specific foreign purchasing power is no other than British credit—sterling bills in the foreigner's hands. This is the operative, generating cause of British exports. The richest country in the world will not buy our goods except as it acquires British purchasing power; nor will the poorest country fail to buy them, directly or indirectly, if it possesses British credit. And there are only two ways by which more British bills can reach foreign hands: by increased imports; and by increased export of British capital (the granting of consumer credit). As to the first, it can be done only by increasing British consumption. Increased consumption will increase imports; and increased imports will place more British bills in foreign hands. Thus British demand for consumptibles, even when it finds its first expression in a demand for foreign goods, is really an indirect demand for the products of British industry.

As to the second way of placing sterling bills in foreign hands, namely, by capital export, this cannot be a permanent solution of the problem of increasing exports, because the interest on the capital causes a complication. For whereas the total value of goods exported in respect of exported credit is limited to the amount of the latter, the interest on continuously exported credit is cumulative, and this returning interest credit serves to nullify the effect of capital credit export in stimulating the export of goods. A country which has been for many years exporting capital credit in this way eventually finds itself receiving annually more interest than it is exporting of capital credit. This is the position of this country at present; which position, by the way, is a standing proof of the fact that every export must have its corresponding import. For we are now being compelled to import more goods than we export, to the tune of £350 million per annum, because some time ago we exported (by granting consumer credit) more goods than we imported. This is a back swing of the trade balance with a vengeance.

But to-day we are also up against another problem. Some of the countries to which we in the past granted consumer credit for capital purposes have now developed their resources so far that they have begun to do the same thing, notably America. America is now exporting credit and accumulating interest claims on other countries, as we have been and are doing; and other countries are preparing and striving to follow suit. Britain and America are now creditor countries; which implies that some other countries must be debtor countries. But no country will be content to remain in a debtor position indefinitely after it has developed its resources; while the foreign exchanges always operate powerfully towards equilibrium in international indebtedness. How are we going to meet this international striving for creditorship, which is certain to grow as the world develops industrially?

Is it not manifest that we, as the first country to develop industrially, are already entering into the shadow of this world struggle? A question which has recently become prominent is that of the apportionment of the world's gold. Is not this part of the far larger and more important problem of international indebtedness?—Your faithfully,

E. LLEW. VAUGHAN.

23 Paget Street, Grangetown, Cardiff.
March 5th.

[Reference to this letter is made in a Note of the Week.—ED., *Econ.*]

BANK RATE POLICY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—My friend, Mr. Mason, has not followed or restated my opinions correctly; but in any case I cannot understand why he should object to the statement that the Baldwin Treaty was a gold debt treaty, seeing that the principal and interest have to be paid in gold dollars. I agree with him that the gold standard must be maintained, and that the present depression of trade and public credit is largely due to wasteful and excessive national expenditure; but I am not inclined to withdraw or modify any portion of the argument which I presented to your readers in my letter on Bank Rate Policy.—Yours faithfully,

FRANCIS W. HIRST.

London, March 6, 1929.

ITALY AND DIVORCE.

TO THE EDITOR OF THE ECONOMIST.

DEAR SIR,—I read in your issue of 16th inst. in the article "The Pact of the Lateran" the following inquiry: "Are we to understand that in Italy, henceforth, divorce and re-marriage will be legally impossible?" To which I would reply that divorce and remarriage have always been legally impossible in Italy and will continue to be so. In this no change is made in existing conditions, as Italy is one of the few countries where no divorce law has ever existed. The main change which the Concordat makes in the existing law is that a church marriage henceforth becomes a legal marriage without the need of a separate ceremony, as heretofore, of civil marriage before the mayor. Civil marriage, however, will continue to be celebrated for those who desire it—non-Catholics or others.—Faithfully yours,

OLIVIA ROSSETTI AGRESTI.

Associazione Fra Le Società Italiane per Azioni,
121 Via Cesare Battisti, Roma.
February 19, 1929.

[Inquiries in official quarters support the correctness of our correspondent's contentions.—ED. *Econ.*]

Books and Publications.

A STUDY OF SOCIAL THEORIES.

THE subtitle to Professor House's book on "The Range Social Theory"* is "A survey of the development, literature, tendencies and fundamental problems of the social sciences." In a work extending to nearly 600

* "The Range of Social Theory." By Floyd N. House. (New York) Henry Holt and Co., 1929. $3.60.

pages, and including a full index, the author has made "The range of social theory itself an object of reflective scrutiny." His reflections are based on a study, which must have been wide indeed, of the literature of his wide subject. There is scarcely a page which does not refer to several learned works. A large proportion are American. This is essentially a book of reference, and the service which it may render is to present within moderate compass summaries of all kinds of theories and ideas bearing upon social evolution. This, rather than the expression of views of his own, appears to be the writer's purpose, though he does in places state his own opinion.

After treating of (1) geography and social differentiation, Professor House turns to (2) human nature and collective behaviour, and (3) conflict and social control, and concludes with a couple of chapters on (4) the trend of social theory. Perhaps rather too much attention is given to verbal distinctions and questions of classification, but a reader who overcomes the feeling of being lost in a maze may be helped by this work.

A LEGAL DIGEST.*

SOME ten years back the issue was commenced in volume form of reports of law cases reprinted from "Lloyds List." Perhaps to a greater degree than most publications of the kind, these appeal to business readers. While shipping litigation forms the backbone of the series, it covers also the decisions on many commercial matters such as arbitration, sale of goods (including both c.i.f. and f.o.b. contracts) and most classes of insurance. Cases on bills of lading, the Carriage of Goods by Sea Act, and charter parties are also included. Published in serial parts from time to time, the contents of the volumes themselves necessarily are not classified, and at intervals, therefore, digests have been issued. These, by bringing together the decisions of a few years under alphabetical headings, provide a useful review. Digest No. 3, covering the period of about three years from the beginning of 1925, has now been published, and presents in summary form a record of many decisions of note on shipping and commercial questions.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

Gold and Central Banks. By Feliks Mlynarski. (New York) The Macmillan Company. $2.00.

A study, by the Vice-President of the Bank of Poland, of the question of gold policy as it confronts central banks to-day. His principal conclusion is the urgent need for international co-operation.

Bankers' Balances. By Leonard L. Watkins. (Chicago) A. W. Shaw Company.

This study of the effects of the Federal Reserve System on banking relationships won the triennial prize of the Chicago Trust Company.

"Fairplay's" Annual Summary of British Shipping Finance. Compiled by "Fairplay," 51–56 Palmerston House, 51 Bishopsgate. 10s. 6d. net.

An invaluable book of reference on all matters connected with shipping. It includes tables of lines, cargo-lines and cargo-boat earnings for some twenty years past; tables of recent coal and oil prices; details of the principal shipping companies, and of British marine insurance companies; details of vessels sold in 1928, and a variety of other information.

The Study of Economic History. By J. H. Clapham. (London) Cambridge University Press, Fetter Lane. 1s. 6d. net.

This is Dr. Clapham's inaugural lecture as Professor of Economic History in the University of Cambridge.

Money Making in Stocks and Shares. By Sydney A. Moseley. Third Edition. (London) Sir Isaac Pitman and Sons, Ltd, Parker Street, Kingsway. 7s. 6d. net.

The third edition of this popular guide to investment and speculation for amateurs has been brought thoroughly up to date.

The Liberal Year Book for 1929. (London) Liberal Publication Department, 42 Parliament Street. 1s. 6d.

In addition to a large collection of miscellaneous information this work of reference contains a simple "guide to Parliamentary procedure"; the biographies of Liberal members and candidates; and the results of all parliamentary elections since 1918. There is also a useful section on registration and election law.

Rules and Regulations of the Stock Exchange, 1929. (London) Edward Satterthwaite, New Court, Throgmorton Street. 1s.

This compilation of the Stock Exchange rules is admirably indexed.

The Post Office London Directory for 1929. (London) Kelly's Directories, Ltd., 186 Strand. 55s.

This directory is indispensable to business offices. It includes a large-scale map of London, a street directory, commercial and trade directories, and a directory of private residents. There is also a suburban section.

Exercises in Economics. By Alfred Plummer. (London) Sir Isaac Pitman and Sons, Ltd., Parker Street, Kingsway. 2s. net.

A book of questions, accompanied by short answers, intended to enable the beginner to test his ability to apply his knowledge of economics to concrete problems.

Topsy Turvy. By Vernon Bartlett. (London) Constable, 10–12 Orange Street. 5s. net.

A collection of short stories of post-war Europe.

Bankers' Magazine, March, 1929. (London) Waterlow and Sons, Ltd., London Wall, E.C. 2. 2s. 6d. net.

This issue includes articles on "Bankers and Industry" and "The Rise in the Bank Rate."

The Round Table. March, 1929. (London) Macmillan and Co., Ltd., St. Martin's Street. 5s.

Articles in this number include: "The British Commonwealth, Freedom of the Seas"; "Towards Industrial Renaissance"; "Great Britain: The Political Temperature."

Australian Wool Annual. Vol. I. 1927-28. Edited by D. B. Copland with a Foreword by Sir George Fairburn (Melbourne). Reviews. Proprietary, Ltd., Henty House, 499, Lit. Collins Street. 17s. 6d.

An extremely elegant, illustrated publication which contains *inter alia* articles on "Wool Prices: Influences Affecting Them"; "The World Supply and Demand for Wool"; and "Climatic Control of Wool Production."

Britain's Pledge. By Ramrai M. Munshi. (Bombay) D. B. Taaporewalla Sons and Co. 1s.

A draft bill, with commentary by its author, for the amendment of the Government of India Act.

India, March, 1929. (London) "India" Publications, Ltd., 19 Charing Cross Road. 1s.

An illustrated monthly magazine devoted to Indian affairs.

Prospettive Economiche. By Giorgio Mortara. (Milan) Universita Bocconi.

These four further volumes in the series already frequently noted in these columns deal respectively with iron, copper, land and sea transport.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C.2.

Government of Northern Ireland: Seventh Annual Report of the Ministry of Agriculture, 1927-28. Cmd. 92. 2s. 6d. net.

Air Estimates for the Year 1929. 4s. 6d. net.

Memorandum by the Secretary of State for Air to accompany Air Estimates for 1929. Cmd. 3274. 3d. net.

Memorandum on the Board of Education Estimates, 1929. Cmd. 3275. 6d. net.

Civil Estimates for the year ending March 31, 1930: Class I. Central Government and Finance. 1s. 6d. net.—Class IV. Education. 1s. 3d. net.—Class IX. Miscellaneous (Expiring Services). 3d. net.

Proposals for Reform in Local Government and in the Financial Relations between the Exchequer and Local Authorities. Cmd. 3285. 9d. net.

* Digest No. 3 of Lloyds' List Law Reports, edited by C. W. Muir and R. U. Davis. (London) Lloyds 1929. 42s. net

The Stock Exchange.

HOME RAILWAYS POSITION.

THERE never was a time when a sound understanding of the railway position was more essential on the part of the investor and the general public, or the true facts were so difficult of interpretation as at the present moment. The detailed reports of the four great lines, and the very full reviews given by the chairmen at the companies' meetings, have thrown an abundance of light on the events of the past year, which stands revealed, not merely as a period of unusual difficulty, from which the railways emerged much more creditably than had at one time been anticipated, but as a definite historical landmark in post-war railroad administration. During 1928 the new system foreshadowed in the Railways Act of 1921 came, for the first time, completely into operation, under conditions which provided a searching test of its efficiency. Simultaneously, the whole basis of that system—the possession by the railways of quasi-monopoly powers—was shaken by the challenge of a new and "uncontrolled" method of transport, and Parliament reached a memorable decision to implement the expressed desire of the companies to seek their future prosperity, not in destructive competition, but in self-interested future co-operation with the road services.

A statistical picture of the year's operations is given in the following table:—

	London Midland and Scottish Railway.	London and North-Eastern Railway.	Great Western Railway.	Southern Railway.	Total—Four Group Railways.
	(£.000)	(£.000)	(£.000)	(£.000)	(£.000)
Railway Receipts—1928	73,870	54,113	30,486	23,019	181,488
Compared with 1927	− 3,947	− 2,614	− 1,297	− 584	− 8,442
Railway Expenditure—1928	58,945	43,331	24,476	18,447	145,199
Compared with 1927	− 2,512	− 2,779	− 535	− 757	− 6,583
*Ancillary Businesses—Receipts—1928	8,388	7,311	5,042	3,497	24,238
Compared with 1927	− 129	− 263	− 254	+ 27	− 619
Ancillary Businesses—Expenditure—1928	8,642	7,407	4,932	2,696	23,677
Compared with 1927	− 201	− 149	− 73	− 7	− 430
Net Revenue from All Sources‡—1928	16,271	11,278	7,057	6,394	41,000
Compared with 1927	− 1,040	+ 10	− 767	+ 175	− 1,623

* Including road transport, steamboats, canals, docks, hotels, collection and delivery services.
‡ Including joint lines, and miscellaneous receipts *less* charges.

All the four lines suffered a considerable loss in gross revenue last year, the L.M.S. showing a falling off, as compared with 1927, of 5.1 per cent. in railway and 1.5 per cent. in ancillary receipts, the L.N.E. of 4.6 per cent. and 3.5 per cent. respectively, the G.W. of 4.1 per cent. and 4.8 per cent., and the Southern of 2.5 per cent. in railway with a gain of 0.8 per cent. in ancillary receipts. In every case, however, significant economies were achieved in expenditure, so that the L.N.E., after being £2,877,483 down in gross receipts, was £9,738 up on the final reckoning, while the Southern transformed a gross decline of £556,038 into a net gain of £174,861. The G.W. recovered £784,664 of a gross loss of £1,551,468, and the L.M.S. £3,034,669 of a total falling-off of £4,074,539. The figures take account in every case of the savings accruing as a result of the 2½ per cent. "cut" in wages and salaries in August last.

Three significant features of these results will call for detailed subsequent examination—the heavy decline in receipts, the remarkable extent of the savings effected, and the striking divergencies in the experience of individual railways. For the present, however, attention may be concentrated on the task of putting the 1928 figures into their true perspective. The next table, accordingly, shows the total net revenue, and the manner of its distribution in 1923 (the first year of grouping), 1925 (the least "abnormal" subsequent year), 1927 and 1928:—

Railway Revenue.
(000's omitted.)

	Net Revenue (before debenture interest).				Year's Revenue available for ordinary dividends.			
	1923.	1925.	1927.	1928.	1923.	1925.	1927.	1928.
	£	£	£	£	£	£	£	£
L.M.S.R.—Amount	18,629	16,589	17,311	16,271	6,465	4,065	4,581	3,432
Per cent. of 1923	*100*	*89*	*93*	*87½*	*100*	*63*	*71*	*53*
L.N.E.R.—Amount	13,185	9,235	11,268	11,278	2,502	−1670	154	89
Per cent. of 1923	*100*	*70*	*85½*	*85½*	*100*	*−67*	*6*	*3½*
G.W.R.—Amount	7,678	6,531	7,824	7,057	3,243	1,785	2,927	2,160
Per cent. of 1923	*100*	*85*	*102*	*92*	*100*	*55*	*90*	*66½*
S.R.—Amount	6,092	6,266	6,220	6,394	2,181	2,219	1,964	2,039
Per cent. of 1923	*100*	*103*	*102*	*105*	*100*	*101½*	*90*	*93½*
Four Groups—Amount	45,584	38,621	42,623	41,000	14,391	6,399	9,626	7,720
Per cent. of 1923	*100*	*84½*	*93½*	*90*	*100*	*44½*	*67*	*53½*

Railway Dividends.

	Rate of Dividend Paid.				Increase or Decrease in Reserves and Carry forward.			
	1923.	1925.	1927.	1928.	1923.	1925.	1927.	1928.
	%	%	%	%	£,000	£,000	£,000	£'000
L.M.S.R. Ord.	7	6	4½	3½	−199	−1,647	+59	+100
L.N.E.R.—Preferred	5	5	¾	¼	−509	−4,147	+12	−13
—Deferred	2½	1	Nil	Nil				
G.W.R.—Consolidated	8	7	7	5	−153	−931	+46	+46
S.R.—Preferred	5	5	5	5	−247	−213	−45	+30
—Deferred	3½†	3½†	2	2				
Four Groups	—	—	—	—	−1,108	−6,938	+72	+163

† 3½ per cent. paid also on "A" ordinary.

Rightly to understand these figures, it must be remembered that when the "Big Four" groups came into being in 1923 there were two distinct factors calculated to make for economy in future operations. The first was the increased efficiency resulting from "rationalisation," regarding which the sponsors of the 1921 Railways Act had been so eloquent, and the second the catching up of the serious arrears of maintenance and equipment which had accumulated, not merely during the wartime period of Government control, but also during subsequent years, when the then separate railways were reluctant to purchase new stock some of which might have to be scrapped under the "standardised" requirements of grouping. For the latter purpose, among others, the railways had at their disposal no less than £60,000,000 provided by the State under the Railways Act. The Great Western, which had fewer "assimilation" problems than any other line, was first off the mark, but by the latter part of 1924 all the groups were pushing forward with far-reaching plans of development. The Coal Stoppage of 1926 held up some of these schemes for the time being, but five complete years have now elapsed since the amalgamations came into being, and the investor is naturally inclined to ask where are the visible fruits of the policy.

The answer is that the fruits are, in fact, being reaped at the present moment. The rolling-stock position is better as regards quantity, quality and efficiency than at any previous time, and the reduction in expenditure of over £7,000,000 on the four group lines in the last twelve months alone—in spite of the fact that normally only 40 per cent. of railway expenditure varies with the volume of traffic—shows how far the movement has gone.

Why, then, were the net earnings of the four companies last year 10 per cent. below the level of 1923? The reasons for this disappointing position are of crucial

importance, not primarily for the light they throw on the results of 1928, but because they afford a clue to the whole railway outlook for the next few years. Conditions in 1923 were somewhat abnormal, as a result of the stimulus given by the Ruhr occupation to the " heavy " trades of Great Britain—railway users *par excellence*—but the situation has subsequently changed profoundly to the railways' disadvantage, partly as a result of the long drawn-out depression in those trades, partly by the emergence of formidable road competition, and partly, it must be admitted, by the dissipation of a considerable share of the £60,000,000 " compensation money " from the Government in the payment of dividends, from 1923 to 1926, at a level disproportionate to that of current earnings. The two former factors—bad trade and road competition—will be discussed in greater detail in a succeeding article, but it may be well here to record the opinion that the distribution from reserves of £26,000,000 (a conservative figure) in payment of dividends, between 1923 and 1926, has been shown by events to have been a most unfortunate policy. It has deprived the railways of resources which would have been of indispensable service in increasing their efficiency under the present difficult conditions, it has reduced interest receipts by amounts which are certainly not negligible from the ordinary stockholder's point of view, and it has accomplished nothing more than the postponement of the evil day of dividend reductions. Most railwaymen would readily confess to an honest error of judgment in this respect, and would urge that in 1926, at least, the policy was forced upon them by outside circumstances. An end was, happily, put to the practice in 1927, but its consequences should certainly not be overlooked in considering the contemporary state of railway finance.

The railways, therefore, can point on the one hand to a significant reduction of working costs, while on the other they are confronted by difficulties which, while not necessarily permanent in character, cannot possibly be expected to disappear in a relatively short time. The net result is not that the economies of grouping are non-existent, as is frequently asserted, but that they have been swallowed up, in the words of the L.M.S. chairman, " by reduced rates and charges and by a loss of traffic partly due to the effects of road competition, but largely to the effects of depression in the iron and steel and other 'heavy' industries." The implications of this statement may better be understood when it is pointed out that the reduction of railway expenditure in 1928, as compared with the year before amalgamation, amounted to over £8,000,000 on the L.M.S. alone. This year's ordinary dividend on that line absorbed £3,332,085. The whole of the reduction in the expenses is not, of course, attributable to amalgamation, lower prices and better equipment having played a part, but the investor may well ask himself what would have been the position to-day of the junior stockholders in many of the weaker pre-grouping companies, had the Railways Act not been placed on the Statute Book.

There, for the present, we propose to leave the matter, and to give next week a further analysis of the main factors which should guide the judgment of the contemporary investor in home railway stock. The position of the individual companies will form the subject of a final article.

AMERICAN INTEREST IN BRITISH SECURITIES.—II.

(BY OUR NEW YORK CORRESPONDENT.)

AN earlier article described the growth, and the present dimensions, of America's interest in British securities. It is necessary now to endeavour to understand why American capital is flowing into British enterprises and to appreciate the likelihood of the permanence of the tendency. For this purpose an idea of the implication of the change in the United States from a debtor to a creditor nation is essential. Pioneering work, the building of the railroads, development of natural resources, colonising and building of the country generally, although accomplished by native resourcefulness and enterprise, were nevertheless dependent on the entry of foreign capital, by far the greater portion of which was borrowed from Great Britain. As the country developed national income increased rapidly; but so great was the field for expansion that, throughout the past century and into the present, all American capital found employment at home. Little or no attention was given by American investors, big or little, to foreign securities, those of Mexico and Canada excepted.

After the first decade of the present century, however, the tide began to turn. Former outlets for the investment of new capital began to close up. Railroad building ended, mine development reached the limit of consuming capacity, and virgin agricultural lands disappeared. Meanwhile, business operations, partly through the formation of the great trusts, had become so profitable that investment capital began to accumulate rapidly. New enterprises, such as the motor industry, sprang up and absorbed large amounts of capital, but they provided merely temporary relief.

The war, naturally, greatly accentuated these tendencies. Before America itself entered the conflict the change of the nation to creditor status was hastened by sale of its manufactured and agricultural products abroad in exchange for American securities owned abroad and for foreign securities. America's participation in the war slowed down the movement for a time, all the available savings of the country being required by the Government, although much was reloaned to the Allies. Following the setback entailed by the severe post-war depression, the accumulation of capital through increased efficiency of production and economies reasserted itself. Foreign loans began in earnest, and soon reached the high total of $1,000,000,000 a year. By 1927 America was lending other nations $1,500,000,000 (gross), and last year's foreign borrowings were nearly as large.

A glance at the picture of the rising national income makes it easy to understand how America has been able to pay off her large foreign indebtedness and, in turn, become a lender. According to the National Bureau of Economic Research the *per capita* income in 1850 was only $51; in 1926 it had reached $770. In the 65 years from 1850 to 1915 the advance in *per capita* income was from $51 to $326 a year—*i.e.*, by $275. In the years 1915-1926, however, the increase was as much as $444. Even allowing for the war-time rise of prices, the recent rate of increase has been very rapid. Figures of individual and corporate net income, as shown by the Bureau of Internal Revenue, are also illuminating, although net income, as reported to the tax-gatherer, leaves out a great deal of the country's actual income. Below is a table of personal incomes since 1913; the slowing down in the increase since 1924 was largely the result of increase in exemption allowances:—

Year.	No. of Returns.	Net Income.
1913	357,598	$3,900,000,000
1924	7,369,788	25,700,000,000
1925	4,171,051	21,900,000,000
1926	4,138,092	21,960,000,000
1926*	4,075,542	21,565,000,000
1927†	4,122,242	22,573,000,000

* Returns filed up to Aug. 31, 1927.
† Returns filed up to Aug. 31, 1928.

Corporate incomes were affected by the trade setback in 1927, but nevertheless show a considerable increase in the past seven years:—

	Total No. of Corporations.	Corporations Reporting Net Income. Number.	Net Income. (Thous. Doll.)
1916	341,253	206,984	8,765,909
1924	417,421	236,389	7,586,652
1925	430,072	252,334	9,583,684
1926	455,320	258,134	9,673,403
1926*	412,763	248,892	9,212,264
1927†	452,853	249,847	8,068,201

* Returns filed up to Aug. 31, 1927.
† Returns filed up to Aug. 31, 1928.

Even if the rate of increase in America's national income should slow down considerably in the next few years, there is no reason to anticipate a check to the movement of capital into foreign securities. America at present has more than enough for her own needs, and the low yields at which the better grade shares and bonds are selling is a force impelling capital to look across the water. The excess of merchandise exports over imports continues at around $1,000,000,000 a year.

The change from debtor to creditor has come so quickly, as such things are measured, that as yet only a small percentage of investors has much real knowledge of the businesses which foreign securities represent. But a new factor has come into the situation. The development of the investment trust has been one of the interesting phenomena of the past year. These huge aggregations of investment capital, which have been springing up almost daily, are enabling the investor to entrust his funds to those in a position to investigate the conditions attaching to any stock. It is too much to expect that all the trusts will be well managed, but many certainly are, and are placing an appreciable portion of their funds into foreign securities.

It is natural, of course, that in the early stages of a foreign investing movement British securities should be favoured. The investing public has great faith in the soundness of British business and British finance. Moreover, Great Britain was the first of the European nations to set its financial house in order and to return to the gold standard. Blind acceptance of everything which happened to have a British origin would, of course, be unwise, and, fortunately, the Stock Exchange is taking due precautions in the listing of British securities. Ultimately, most of the securities now finding a ready market on the Curb will find their way to the Stock Exchange, while other issues will fill the gaps on the smaller Exchange.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
March 19.	March 21.

WITH prices trending downwards everywhere and the international money situation not yet allowing nervousness to be shaken off, interest was at a low ebb. A sudden and short-lived recrudescence of boom conditions in New York a week ago passed without affecting London, and the " Hoover Boom " was conspicuous by its absence. A number of well-known shares might have looked cheap, at any rate by comparison with their prices at the end of January, were it not for the general feeling that they might go lower still before the tide turned. It was said, moreover, that dealers were discounting the risk of another rise in Bank rate. The " House " was more cheerful for a time on Wednesday, but the public refused to hear the voice of the speculative charmer, and the tone became irregular once again.

The market for gilt-edged securities was quiet and cautious—possibly over-cautious. Supplies of money were adequate in Lombard Street, but fears of a 6½ per cent. Bank rate caused attention to be directed rather towards events in America. The Bank obtained £593,000 of bar gold in the market by paying a high price, but the New York exchange continued to be none too firm at an uncomfortably low level. Four per cent. Consols and Funding Loan were among the British stocks tending further to lose ground, despite a hardening tendency in mid-week, when a certain shortage of stock was experienced in some quarters. War Loan, however, had a slightly better tone. Indian loans were quiet in response to the prevailing tendency, and dullness was common to most Dominion stocks, new and old.

Business was again restricted in the foreign market, though price changes were not as a rule extensive. French loans received some support, and Hungarians were firm, but Greek scrip was sold, while Turkish Unified failed to maintain an early advance. Mexican bonds were depressed on the news of a fresh revolutionary outbreak, and Brazilians tended to weaken. Chinese bonds lost ground, but Japanese, though quiet, were generally steady.

Home rails had a slightly improved appearance, in response to a moderate investment demand. The traffic returns published during the week continued to reflect the unfavourable meteorological conditions (and, possibly, being *gross* figures, the concessions in heavy traffic charges under the de-rating scheme), but the impression given by

LONDON ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Closing Prices Feb. 28.	Mar. 7.	Rise or Fall.
Conv. Loan 3½%	76⅝	76	— ⅝
Do. 4½% 1944	98¼	97½	— ¾
War Loan 5% 1929-47	101½	101⅜	— ⅛
Consols 2½%	55⅛	54⅞x	— ¼
Do. 4%	85⅞	84⅞	— 1
Funding 4%	88⅛	87⅛	— 1¼
Victory Bonds 4%	91⅛	91⅜	+ ⅛
Local Loans 3%	64⅛	63⅛x	— ⅛
Treasury 5% (B)	99½	99⅛	— ⅜
Palestine 5% 1942-67	105	105	...
S. Africa 5% 1945-75	102	102	...
India 3½%	69	67⅞x	— ⅛
Do. 4½% 1958-68	91½	90⅝	+ ⅛
Australia 5% 1945-75	99	98	— 1
N.S.Wales 5% 1935-55	98	96x	+ ⅛
N. Zealand 5% 1946	102	102	...

Foreign Government Securities.

Japanese 6% (1924)	96	96	...
Argentine 4% Reciss.	85½	85	— ½
Austrian 6% 1923-43	101½	102	+ ½
Belgian 7%	108½	108½	...
Brazil 5% Funding	86½	85⅝	— ⅝
Bulgaria 7%	88	87	— 1
China 5% (1912)	46	43	— 3
Egypt Unified 4%	85½	85½	— ...
Estonia 7% 1927	93	93	...
Finland 6% 1923	99	98½	— ½
French 5%	19⅝	19⅝	+ ⅛
Do. 4% (Brit.)	17	17¼	+ ¼
German 7%	105⅛	106	+ ⅛
Greek 7% Refugee	101	100⅝	— ⅜
Hungary 7½%	101	100⅝	— ⅜
Chili 6%	98⅛	98	— ⅛
Poland 7%	92	92	...
Mexican 5% (1899)	33	30½	—2½
S. Paulo Coffee 7½%	102⅛	103	+ ⅞
Siamese 6% (1924)	105	105½	+ ½

Corporation Stocks.

L.C.C. 3%	64	63	— 1
E. London 5% 1960-70	98	98	...
Sydney 5½% 1954	98	98	...
Berlin 6% Ster.	94	93	— 1

British and Foreign Railways.

G. Western Ord. Stk.	82	83⅛x	+ 2½
L.N.E., Def. Stk.	10⅞	11½	+ ⅝
Do. 5% Pref. Stk.	23½	24½	+ 1
L.M.S. Ord. Stk.	53	52¼x	+ 1½
Metropol'anCons.Stk.	64	61⅝	...
Met. DistrictOrd. Stk.	80¼	78⅛x	+ ⅛
Southern Def. Stk.	32	31⅛x	+ 1⅛
Do. Pref. Ord. Stk.	76	74x	+ ⅛
Underground Ord. £1	1½	1½	...
Do. Income Bonds	119½	115½x	— 1
Antofagasta Ord. Stk.	95	94½	— ½
B.A.&Pacific Ord.Stk.	99½	100½	+ ½
B.A.Gt.Sthn. Ord.Stk.	107⅛	108¼	+ ⅛
B.A.Western. Ord.Stk.	96	97	+ 1
Beira Ord.	...	1⅛	...
Can. Pacific Com.Stk.	259	255x	—1½
C.Argentine Ord.Stk.	98½	98¼	+ ⅛
Leopoldina Ord. Stk.	56	56	...
San Paulo Ord. Stock.	208½	211	+2½
Utd. Havana Ord. Stk.	41	42½	+1½

Banks.

Barclay B. (£1)	2⅝	2⅝	...
Barcl.(Dom.&c.) A £1	1⅜	1⅜	— ⅛
Lloyds £5, with £1 pd.	3⅞	3⅞	...
Mid. £12, with £2½pd.	9⅛	9⅛	— ⅛
Do. £2½, fully paid	9⅞	9⅛	— ⅛
Midland £1, fully paid	4	3⅜	— ⅛
Nat. Prov. £20, £4 pd.	13⅛	13⅛	...
Hongk. and S. ($125)	146	140x	— 1
St. of S.A. £20, £5 pd.	15½	15½	...
W'minster £40, £1 pd.	4	4	...

Insurance.

Alliance £1, fully paid	22	21½	—½
Com. Un. £2½, fully pd.	28½	27½	— 1
Ldn.&Lanc.£5,£1 pd.	31⅜	30½	—1⅛
N.B.&Merc.£5,£1¼pd.	38	36½	— 1½
Royal Ex. £1, fully pd.	6⅜	6½	— ⅛
Roy.In.£1,with 10/ pd.	8½	8⅜	— ⅛

Coal, Iron and Steel.

Amal. Anthracite (£1)	⅜	⅜	+ ⅛
Babcock, Wilcox (£1)	3½	3⅝	+ ⅛
Baldwin (4/)	⅞	⅞	...
Bolckow Vaughan(£1)	⅛	⅛	...
Cory, William (£1)	3	2⅞	— ⅛
Dorman, Long (£1)	½	⅝	+ ⅛
Guest, Keen (£1)	1⅜	1⅜	+ ⅛
Powell Duffryn (£1)	⅝	⅝	+ ⅛
Stewartst&Lloyds(£1)	1⅛	1⅛	...
Swan, Hunter (£1)	1½	1½	...
Thornycroft, John (£1)	4½	4⅜	— ⅛
Vickers (6/8)	⅝	⅝	— ⅛

Textiles.

Bradford Dyers (£1)	2⅛	2⅛x	— ...
Brit.Celanese,Ord(10/)	1⅛	1⅛	— ⅛
Coats, J. and P. (£1)	3⅛	3⅛x	— ...
Courtaulds	4⅛	4⅛	— ...
Eng.Sewg.Cotton (£1).	2⅜	2⅜	— ⅛
Fine Cott. Spinn. (£1).	2⅛	2⅛	— ⅛
Listers (£1)	1⅛	1⅛	...
Snia Viscosa (200 lire)	1⅛	1⅛	+ ⅛

Electrical Manufacturing.

Associated Elec. (£1)	1⅜	1⅛	— ⅛
British Insulated (£1)	4⅜	4⅜	+ ⅛
Ever Ready (G.B.) (5/)	1⅛	1⅛	— ⅛
General Electric (£1).	3⅛	2⅜	—7/8
Johnson&Phillips (£1)	1⅜	1⅜	— ⅛
Siemens (£1)	1⅛	1⅛	...

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅞	1⅜	+ ⅛
Brmemth.& Poole (£1)	3⅜	3⅜	— ⅛
County of London (£1)	2⅛	2⅛	— ⅛
Hydro-Elec. com. stk.	39⅛	41	+1⅛
Newcastle-on-Ty (£1)	1⅛	1⅛	— ⅛
Scottish Power (£1)	1⅜	1⅜	...

Telegraphs and Cables.

Eastern Stk.	264	258½	— 5½
Eastern Exten. (£10)	26½	25⅞	— ⅝
Marconi (10/)	3⅜	3⅜	...
Marconi Marine (£1)	3⅛	3⅛	...

Motors.

Dennis (1s.)	2⅜	2⅜	— ⅛
Ford Motors (£1)	3⅜	3⅛	+ ⅛
Leyland (£1)	1⅜	1⅜	+ ⅛
Morris 7½%Cm.Pf.(£1)	1⅛x	1⅛x	...
Singer (£1)	1⅛	1⅛	— ⅛
Weymann Mot. Bodies	1⅛	1⅛	— ⅛

Shipping.

Cunard (£1)	1⅛	1⅛	— ⅛
Furness Withy (£1)	2	2⅛	+⅛
P. & O. Defd. (£1)	3⅛	3⅛	+ ...
Royal Mail Ord. Stk.	74	72	— 2

Tea and Rubber.

Anglo-Dutch (£1)	2⅜	2⅛	— ⅛
Cons.Tea & Lnds (£10)	35	34½	— ½
London Asiatic (2/)	⅛	⅛	...
Rubber Trust (£1)	2⅛	2⅛	...

Oil.

Anglo-Persian (£1)	4⅛	4⅛	— ⅛
Attock (£1)	2⅛	2⅛	— ⅛
Burmah Oil (£1)	4½	4⅛	— ⅛
Mexican Eagle(£1/0/6)	⅛	⅛	...
Royal Dutch (£3⅛)	32⅛	32½	— ⅛
Shell (£1)	4⅛	4⅛	— ⅛

Miscellaneous.

Assoc. P. Cement (£1)	1½	1⅜	— ⅛
Braz. Traction, no par	69½	68	— 1½
Brit.-Am.Tobacco(£1)	6⅛	6⅛x	...
Carreras,"A" Ord.(£1)	13⅛	13⅛	— ⅛
Columbia Graph.(10/)	15⅛	14½	— ⅛
Crittall (£1)	2⅛	2⅛	— ...
Dunlop (6/8)	1⅛	1⅛	...
Forestal Land (£1)	1⅛	1⅛	...
Gas Light & Coke (£1)	⅜	⅜	...
Gramophone Co. (£1)	14½	16	+ 1½
Harrods (£1)	3⅛	3⅛x	...
Hudson's Bay (£1)	5⅛	5⅛	...
Imp.Airways(£1 15/p)	1⅛	1⅛	— ⅛
Imp. Chem., Ord. (£1)	2⅛	2⅛	— ⅛
Imperial Tobacco (£1)	6⅛	6⅛	+ ⅛
Inter. Nickel of Can.	64½	63⅛	— ⅛
Kreuger & Toll (kr.100)	40	41½	+ 1½
Lyons (J.) (£1)	5⅜	5⅜	+ ⅛
Margarine Unie (fl.12).	3⅛	3⅛	—⅛
Photomaton Parent.	⅛	⅛	...
Swed. Match,B (kr100)	23⅛	22⅛	— ⅛
Tate and Lyle (£1)	2⅛	2⅛	...
Tilling, Thomas (£1)	5⅛	5⅛	— ⅛
Turner & Newall (£1)	5	4⅞	— ⅛
United Molasses (£1)	8	7⅞	— ⅛
Victor Talking,no par	161½	159	— 2½
Vocalion (10/)	2⅛	2⅛	— ⅛
Watney Combe Df.(£1)	3⅛	3⅛	+ ⅛

Mines.

Anglo-Amer.ofS.A(£1)	2⅛	2⅛	— ⅛
De Beers Def. (£2½)	13½	14⅛	+ ⅛
Brakpan (£1)	4⅛	4⅛	— ⅛
"Chartered" 15/6 p.	1⅛	1⅛x	— ...
Burma Corp.(Rs. 10)	⅛	⅛	...
Bwana M'Kubwa,5/tp	1⅛	1⅛	— ⅛
Central Provinces(£1)	4⅛	4⅛	...
Geduld (£1)	3⅛	3⅛	...
Johan. Cons. (£1)	2⅛	2⅞x	...
Lake View & Star (4/)	⅛	⅛	+ ⅛
London Tin (£1)	3⅛	4	+⅛
Rio Tinto (£5)	63⅛	62½	— 1⅛
RoanAntelopeCpr.(5/)	⅛	⅛	— ⅛
Sub-Nigel (10/)	2⅛	2⅛	— ⅛
Tanganyika (£1)	2	1⅞	— ⅛
UnionCorp.(12/6)fu.pd.	3⅜	3⅛	— ⅛

the Southern Railway meeting was on the whole favourable. Fluctuations in foreign railway stocks were generally not extensive, though quietness again pervaded the market. Argentine rails were firm on satisfactory traffic returns, and, among Brazilians, San Paulo rallied after initial weakness. Canadian Pacific was irregular. Beira Railway came on offer.

The industrial markets made a poor start to the new account, in the absence of news calculated even remotely to justify any fresh extension of speculative commitments. The open position showed a further reduction at the carry-over from the last account. Although Imperial Tobaccos received some support as the week progressed, tobacco shares generally were influenced by entirely hypothetical reports of increased duties in next month's Budget. The artificial group was dull to a degree, with the exception of Snia Viscosa, the conservative finance evidenced by the report of this concern being well regarded in the market, The leading gramophone shares were offered in New York, H.M.V., however, being an exception to the prevailing tendency on bonus reports. Match shares were dull before the publication of the Kreuger and Toll report for 1928, and the secured debenture issue (discussed on a later page). General Electrics declined on the new capital offer, but subsequently rallied. The latest rebellion was naturally a bear point for Mexican issues, Mexican Light and Power being especially affected. Following the increased price of petrol, motor shares failed to maintain last week's position in the forefront of the market, Rolls-Royce coming on offer. Cable stocks were idle. Marconi gained ground in irregular fashion, but Radio fell on profit-taking after the report. Dealings in bank shares were on a restricted scale, with a downward tendency, and declines were frequent in insurance shares.

Rubber shares were less active than of late, though the tone was steady to firm, with considerable buying support on any reaction, and some evidence of Continental interest. After a smart recovery on Monday, the commodity became irregular. Price movements in tea shares continued unfavourable, particularly among the higher-denominational issues, the week's commodity auctions revealing an easier tendency for all but the finer grades. Oil shares were reactionary, in view of the Press campaign against higher petrol prices, uncertainty as to the position under the Russian agreement, profit-taking after last week-end's rise, and liquidation from the Continent and America. Eagles were weak on the Mexican insurrection, and most of the leading concerns were of interest only to the professional.

The mining markets were unsettled, though the lack of public interest was reflected in reduced business rather than lower prices. Rand shares as a whole were disproportionately affected by unfavourable reports on the future of West Springs, while Modder "B" were sold on last week's report. Diamond shares had an initial appearance of strength, under the lead of De Beers deferred, but failed to retain outside attention. Rhodesian shares were less active. No extensive variations were recorded in the tin share market, beyond an advance in London Syndicate, and weakness in Patino. Coppers were unsteady, in sympathy with the extensive daily fluctuations of the metal, and Mexican mines were marked down on the political news.

FOREIGN STOCK EXCHANGES.

NEW YORK.

Stocks have been selling at lower prices this week, thanks to the weakened technical position which followed the attempt to discount the inauguration of Mr. Hoover as President, and to the sharp advance in call money rates to 12 per cent. At that price there is a scarcity of funds for dealings, and brokers fear the advent of even higher rates and an increase in the Federal Reserve discount rate. Average prices are now about ten points below the peak of early February, and the public has practically left the market to the professionals. Apart from buying special stocks, the latter have been merely betting on day-to-day changes in call money rates. No easing of the situation is expected before the tax date, when the Treasury borrows money from the reserve banks and seasonal influences make for a reduction in money rates. Copper stocks have been strong, reflecting heavy production at rising prices for the metal, and favourable company announcements. Utilities are also holding well, and some hardening in railroad shares has followed statements of January earnings, which are 30 per cent. higher than a year ago.

	Feb. 28.	Mar. 7.	Rise or Fall.
4½% Lib. Ln. '33–8	99⅜	99⅛	– ⅛
3½% Trs.Bs.'46–56	100⅛	100⅛	– ⅛
Ach., Top. San. Fé	202⅛	201	– 1⅛
N. York Central	194⅛	192	– 2⅛
Union Pacific.....	225	225⅛	+ ⅛
Pennsylvania	78⅛	77⅛	– 1⅛
South. Railway	148⅛	148	– ⅛

	Feb. 28.	Mar. 7.	Rise or Fall.
U.S. Steel	191⅛	184	– 7⅛
General Motors ...	83⅜	80⅛	– 3⅛
Amer. Tel. & Tel.	215⅛	213⅛	– 2
General Electric	248⅛	235⅛	– 9⅛
Victor Talking ...	155⅜	160⅛	+ 4⅛
Std. Oil of N.J....	49⅜	49	– ⅜
Anaconda	147	158⅛	+ 11⅛

By the courtesy of the Standard Statistics Company, Inc., of New York, and 13, Copthall Avenue, London, we reproduce the following index figures of American security values and yields, as at the close of business on the days stated :—

(1926 = 100.)

	1927.		1928.		1929.		
	Lowest.	Highest	Lowest.	Highest.	Beginning of Year.	Feb. 21.	Feb. 28.
342 Industrials....	104·7	137·1	132·5	186·4	182·8	189·7	196·7
33 Rails	106·1	128·0	120·5	139·7	140·9	140·8	142·6
35 Utilities	103·3	128·3	128·3	180·6	184·6	201·3	207·2
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	184·4	190·5
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·90%	3·24%

In view of the importance of Wall Street movements at the present time, special interest attaches to the following cabled figures from the Standard Statistics Co. showing the average price of 50 industrial common stocks (1926=100):—December 31st, 207.7; February 28th, 216.6; March 1st, 218.0; 2nd, 217.3; 4th, 214.8; 5th, 213.5; 6th, 210.4. The recession is an instructive commentary on the conditions described above by our New York correspondent.

PARIS.

Business on the Bourse has been slow, in view of the drain on available funds by increases of capital and the tendency of professionals to hold off till the political situation has cleared. French stocks showed powers of resistance, though certain bank, chemical, engineering and electricity shares were adversely affected. Motors have reacted, but coppers, Penarroya, De Beers, and, notably, phosphate shares all show improvement. Rubbers are rising again. Among Mexicans, realising has been in progress of Banque Nationale du Mexique and Bons Huerta.

	Feb. 28.	Mar. 7.	Rise or Fall.
3% Perp. Rentes	69·85	71·35	+1·50
5% Rentes,'15–16	96·95	97·65	+1·30
5% Rentes, 1920	115·60	116·90	+1·30
Banq. de France	25,225	25,550	+ 325
Banq. de Paris	5,310	5,210	– 100
Crédit Lyonnais	4,320	4,250	– 80
Nord.....	2,520	2,640	+ 120
Com. Gen. d'Elec.	4,475	4,320	– 155
Littoral Médit. ...	1,465	1,452	– 13

	Feb. 28.	Mar. 7	Rise or Fall.
Mines de Lens ...	1,355	1,410	+ 55
Courrières.....	1,600	1,655	+ 55
Pechiney.....	4,100	4,055	– 45
Kuhlmann.....	1,225	1,243	+ 18
Com. Gen. Trans.	1,350	1,363	+ 13
Suez Canal 26,100		25,770	– 330
Assur. Gen. Vie	14,500	16,180	+1680
Denain et Anzin	3,670	3,575	– 150
Dollfus Mieg. ...13,375		12,950	– 650

BERLIN.

The *Frankfurter Zeitung's* stocks index for March 1st was 128·25, compared with 129·92 a month before. A week ago the Bourse closed firm; short sellers bought in, and there were heavy foreign buying orders. Artificial silk and electrotechnical stocks led the upward movement, with an unexpected recovery in motor-car securities, which have of late been depressed. The new week began in uncertainty through fear of unfavourable developments in the international money market, but business on Monday was active and firm later. Tuesday's Bourse, influenced by Wall Street reports and the Mexican revolt, was very dull and weak, though steel and coal stocks remained relatively firm. On Wednesday and Thursday a moderate recovery took place, with Reichbank shares prominent.

	Feb. 28.	Mar. 7:	Rise or Fall.
Reichsbank	297·25	308·50	+11·25
Deutsche Bank....	168·25	170·50	+2·25
Disconto Bank ...	163·00	163·75	+0·75
Hamburg-Amer.	124·63	127·75	+3·12
Norddeut.-Lloyd	124·88	127·00	+2·12
I.G. Farbeninds.	244·00	249·60	+ 5·00
Verein. Glanztff.	410·50	428·00	+17·50
Bemberg	360·00	371·50	+11·50

	Feb. 28.	Mar. 7.	Rise or Fall.
Verein. Stahlke ...	97·13	93·25	– 3·88
Mannes Rohrke ...	122·00	121·50	– 0·50
Allgemne. Elekt.	164·75	167·63	+ 2·88
Siemns. & Halske	368·25	376·00	+ 7·75
Daimler Benz.....	53·50	57·75	+ 4·25
Cont. Caoutchuc.	140·25	139·00	– 1·25
Salzdetfurt. Kali	303·50	307·00	+ 3·50

AMSTERDAM.

Owing to the higher money rates and on the expectation that the Netherlands Bank will increase its official rate, the tendency on the Bourse was undecided, and the volume of transactions remained restricted generally. Industrials and artificial silks weakened, but sugars improved, and oils were firm on the statement that Royal Dutch was concerned in the agreement with Moscow. Rubbers and tobaccos were steady, and there was some activity in shipping shares, while mines advanced, but the bond market was dull.

	Feb. 28.	Mar. 7.	Rise or Fall.
5% Bds. Neth.,'18	101⅞	101⅞	...
4½% Ams.1913-14	99	99¼	+ ¼
Margarine Unie...	370⅛	361⅛	– 8⅛
Neth. Art. Silk ...	380⅛	375	– 5⅛
Philips El. Lamp.	874	858⅛	– 15⅞
Singkep Tin	335	315	– 20
Royal Dutch.....	395⅛	396	+ ⅛
Amst. Rubber ...	287½	282½	– 5

	Feb. 28.	Mar. 7.	Rise or Fall.
Serbadjadi Sm.R.	254½	245½	– 9
Holl. Amer. Line	77½	78½	+ 1
Navig. Co., Ned.	206½	212	+ 5½
Vorstenlanden ...	159	160½	+ 1½
Trading Co., Ams.	660½	667½	+ 7
Besoeki.....	559	556	– 3
Deli	450	454½	+ 4½
Neth. Trad. Soc.	186½	185½	– 1

INVESTMENT NOTES.

The Royal Dutch-Shell Group and Russia.—The announcement of an agreement between the big petrol companies and Russian Oil Products regarding the marketing of Russian petrol in Great Britain has been followed by a statement by the Shell group correcting certain expressions of optimism in the Moscow Press. The Shell group declares (1) that the Russian Oil Products will not be given an equal share of the British market with other companies, (2) that the agreement does not provide for the sale of Russian petrol or crude oil to any companies of the Royal Dutch-Shell group, (3) that so far as other products are concerned the agreement does provide for compensation to the owners of Russian oil properties, the price having been fixed purposely below the world market price so that the difference may be applied towards compensation. The chairman of the Soviet Oil Syndicate has, however, come forward to contradict every item in the Shell statement, except the first, in regard to which he affirms that the Russian Oil Products never put forward any demand for an equal share of the British market with the other petrol companies. The share which the Russian Oil Products is to receive in the petrol market is, we understand, fixed at 200,000 tons, which is under 10 per cent. of the trade. With regard to the question of compensation for former owners of Russian oil properties, it would appear that the petrol agreement was made between the Soviet Oil Syndicate and the Anglo-American Oil Company, and that the Shell were parties only to an agreement to purchase kerosene which was fixed at a rate below the market to allow the Shell to set aside the difference in a fund for the compensation of former owners of oil properties in Russia. The Shell apparently refused to deal except on those terms, but the Soviet Oil Syndicate appear to deny all knowledge of what the Shell intend to do with the difference between the purchase price and the world market price. How the compensation will be paid remains to be seen. The contradictory statements made by the Shell group and the Soviet Oil Syndicate may perhaps be harmonised in the light of this information.

Stock Exchange "Majorities."—Dealings are now taking place in what are known as "Stock Exchange majorities," that is, the Stock Exchange forecasts of the coming election results. The speculator who feels so inclined can buy or sell any one of the parties' "worth" as estimated at the current market rate. Incidentally, the popular gamble at the moment is a "buy" of the Liberal Party's stock, the market price of which has risen at a greater pace than that of Labour, as the following figures show :—

	Conservatives.	Labour.	Liberal.
"Par Value"*	405	161	43
Market price, February 23rd	292–297	250–255	62–67
" " March 5th	277–281	259–263	74–78

* *I.e.*, the present number of seats held in the House of Commons.

The buyer of Liberal stock at 78 is entitled to receive in £'s whatever is the excess of the Liberal polls above 78, and will lose the difference if the result is below 78. There is not yet an active market in "majorities," but it is obvious which way the political wind is blowing in the "House" in Throgmorton Street.

Kreuger and Toll.—The offer for sale of $10,000,000 of this company's debentures, particulars of which are given on a later page, marks an important step in the history of one of the most remarkable companies in the world. Established in 1911 as a Swedish trust company, Kreuger and Toll is financially interested in a variety of economic activities, including iron mining, real estate, and banking, but its importance to the investor lies chiefly in its position as the largest stockholder in the Swedish Match Company, and the latter's subsidiary, the International Match Corporation. As we showed in a recent article in the *Economist* (April 28, 1928, p. 857) the organisation of the Swedish Match Company is literally world-wide, and is still being extended. This policy is reflected, naturally, in the accounts of Kreuger and Toll, the total of whose balance sheet has risen in the twelve months ended December 31, 1928, from 248 million kronor to 363 million kronor. The net profits of the company and its two subsidiaries in the last two years have been :—

	1927. Kronor.	1928. Kronor.
Aktiebolaget Kreuger and Toll— Net profit	18,737,795·50	19,853,869·69
N.V. Financieele Maatschappi Kreuger and Toll— Net profit at rate of Kr. 150 per Fl. 100	13,253,428·08	36,168,920·40
Swedish American Investment Corp.— Net profit after deduction of dividends paid during the year	5,648,283·99	3,034,407·98
Total	37,639,507·57	59,057,198·0

The actual increase in the parent company's profits is higher than the above return suggests, since the 1928 figure is arrived at after allowing for interest on participating debentures, due in July next. The dividend is maintained at 25 per cent., on a capital increased by a bonus issue of 30 per cent. last May, and the carry forward increased by 3,603,869 kronor. The reserve fund amounts to 133,700,000 kronor, against a capital of 65,000,000 kronor in shares and a like amount of participating debentures. The Swedish Match Company, in pursuance of its policy of obtaining the right to manufacture and sell matches in different countries, has attained the dimensions of a large-scale international Government financier. As its interests, however, are predominantly industrial, it has been deemed advisable that Kreuger and Toll, rather than Swedish Match, should hold the large amounts of Government securities which have been received against advances made to the authorities concerned. To finance this operation, $10,000,000 5 per cent. secured sinking fund debentures of Kreuger and Toll are being offered, forming part of $50,000,000, the balance of which is being offered simultaneously in America and other countries. The company is also about to offer 16,250,000 kronor participating debentures to existing holders at a premium of 500 per cent. The secured sinking fund debentures are four times covered as to principal and 5¾ times as to earnings, on the basis of last year's results. Their appeal to the investor is enhanced by the option granted to holders of every $500 debentures to subscribe for eight American certificates, each representing 20 kronor of the company's participating debentures, at $45 per certificate.

British Assets Trust.—One of the most successful of the Scottish investment trust companies—and the Scottish have often shown better results than the English—is British Assets Trust, Ltd., which has recently issued its report for the year to January 15, 1929. This company increased its share capital last year by the issue of £450,000 preference stock and 200,000 ordinary shares of 5s. (bringing the total share capital to £2,600,000) and the loan capital by £400,000 (to £2,620,804). A year ago the Company reported that the valuation of its assets showed a large surplus over capital reserve funds and carry-forward, and that this surplus had been increased by a further £600,000 as at January 15, 1928. The present report repeats its modest statement of a "large surplus" over the valuation of its assets, and adds "that a valuation as at January 30, 1929, showed an appreciation

during the year of over £1,000,000 after allowing for discount and expenses of the new issues." This is an astounding result which few investment trust companies of similar capitalisation could equal. The actual net surplus derived from the sale of securities during the year amounted to £305,452, which was applied to the capital reserve. The general reserve fund stood at £550,000 and the capital reserve fund at £700,000. The total reserves and revenue balance amounted to nearly 300 per cent. on the ordinary share capital, then consisting of £400,000 in 5s. shares. The balance-sheet is, of course, no criterion of the financial strength of the Company, because there is an enormous " hidden " reserve created by the market appreciation in its investments. The Company, *inter alia*, owns the Second British Assets Trust, which in turn has a very large surplus on the book value of its assets. The earning position of the Company is shown in the following figures:—

	Gross Revenue less Income Tax, etc.	Expenses.	% on Capital.	Deb. Int., Pref. div. etc. (less tax).	Revenue avail. for Ord. Stock.	% Earned Gross.	% Paid Gross.
	£	£		£	£		
1926-27	177,313	13,339	42	96,671	66,303	27·63	20
1927-28	232,900	17,632	43	129,029	86,239	30·80	20
1928-29	271,195	22,162	42	163,481	107,714	44·38	20

It will be seen that a relatively small proportion of the earnings is being paid out in dividends, but it must be remembered that capital bonuses have been a recurring feature of the British Assets distribution policy. In February, 1928, for example, one new share of 5s. was allotted at 15s. per share in the proportion of one for every seven shares held. This year the directors announce that one new share of 5s. is being allotted at par to ordinary shareholders in the proportion of one new share for every 16 shares held. At the present price of 42s. 6d. cum final dividend of 6d. (15 per cent., making 20 per cent. for the year), the ordinary shares yield only 2.38 per cent .on dividends, or 5.28 per cent. on earnings, but having regard to the fact that the rights to two new shares on bonus terms are valued in the market at 2s. per share, the actual return on the shares at 42s. 6d. is 2.38 per cent. in dividends, subject to tax, and 4.76 per cent. by way of capital profits not subject to tax. For the wealthy investor who is paying large sums to the Government in super-tax a holding in British Assets Trust is in the nature of a godsend.

Wolsey.—In our issue of last week (page 440) a correspondent gave various reasons suggesting that the recent icy weather is likely to benefit the hosiery trade next July or August rather than at the present time. In any case, such a company as Wolsey, which closes its financial year on December 31, will not show the effect for another twelve months. In spite, however, of the mild weather of last autumn, profits rose once again, and an increase in dividends from 5 to 7½ per cent. is now recommended. The " B " ordinary are vendors' shares, which were written down from £1 to 1s. in 1922, but still rank for dividend with the " A " ordinary on the basis of their former nominal value:—

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Net profit	114,885	154,449	167,818
Preference dividends	75,000	75,000	75,000
No. of times covered	*1·5*	*2·0*	*2·2*
"A" ordinary Earned	3·9%	7·9%	9·2%
"A" ordinary Paid	5%	5%	7½%
"A" ordinary Amount	39,635	39,635	59,453
"B" ordinary dividend	10,365	10,365	15,547
To general reserve	Nil	25,000	10,000
Increase or decrease in carry-forward	−10,115	+ 4,449	+ 7,818

This year the whole of the share premium account, amounting to £63,958, has been used to write down machinery, plant, and fixtures, which now stand at £449,290. A striking reduction in the cash holding, from £167,111 to £29,926, with a rise of £79,302 in stock-in-trade, may conceivably be attributable to the mild autumn. The general reserve amounts to £160,000. The policy, announced only a year ago, of identifying the Wolsey trade mark with silk and artificial silk has been fully justified, in the directors' view. Wolsey " A " shares at $1\frac{1}{16}$ offer a yield of £7 1s. 2d., if the 7½ per cent. dividend is maintained.

Courage and Co.—The 1928 accounts of Courage and Co. suggest that the purchase of Farnham United Breweries, involving the transference of actual brewing operations to its Alton brewery, has given very satisfactory results. Profits have risen by 34 per cent. on the year, and though the 150,000 new ordinary £1 shares, issued in 1927 at 35s. premium, rank for a full year's dividend for the first time, a special bonus of 2 per cent. is recommended in addition to the 23 per cent. paid on the ordinary capital since 1926. The apparent fall in profits a year ago may, however, have reflected the decision to charge the expenses of the brewery acquisition and of the new issue of shares entirely against the 1927 profits:—

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Profits	421,914	378,682	508,725
Debenture interest	38,000	38,000	38,000
Net earnings	383,914	340,682	470,725
Preference dividend	20,000	20,000	20,000
Ordinary Earned	33%	26·7%	36%
Ordinary Paid, less tax	23%	23%	25%
Ordinary Amount	253,000	277,000	312,500
To reserve accounts	97,000	44,000	130,754
Increase or decrease in carry-forward	+13,914	− 318	+ 7,471

Reserves as shown in the balance sheet aggregate £930,229, a fall of £54,127 in spite of the allocation of £130,754 to various reserve accounts. Evidently the company has been spending liberally from its brewery premises and licensed houses rebuilding reserve, for that account shows a net fall of £117,000, taking into consideration the £50,000 allotted to it from profits. But whereas freehold and leasehold houses (which might with advantage be shown separately) are valued at £36,805 more, the valuation of the breweries, etc., is down by £36,490. Further, the share premium reserve account is reduced from its original figure of £262,500 to £200,000. Perhaps the directors are following the wise policy of using this fund to write down fixed assets, but such changes might well be made clear in the annual report. The same comment applies to a £50,000 bank loan, appearing among the liabilities but not otherwise mentioned. Fuller information will doubtless be obtained at next Monday's meeting. The £1 ordinary shares are priced at $3\frac{15}{32}$, yielding £7 4s. on the current dividend rate.

Massey-Harris.—The annual report of Massey-Harris Co., Limited, the largest manufacturers of farm implements in the British Empire, and one of the oldest of Canadian industrial organisations, shows a satisfactory increase in net profits:—

	1926.	1927.	1928.
	$	$	$
Operating income	3,005,220	3,866,601	4,072,916
Net income*	1,995,768	2,149,274	2,710,919
Less preference dividends	846,293	846,293	846,293
Transfer to surplus	1,149,475	1,302,981	1,864,626

* After deduction of interest, reserves for accounts and foreign exchange, pensions, insurance and depreciation.

The directors announce an important scheme of capital reorganisation. The 7 per cent. preferred shareholders are offered repayment in cash at 110, or an exchange into 5 per cent. preferred stock callable at 125 and convertible into ordinary stock on a share for share basis. At the same time, the ordinary shareholders are offered the right to purchase one additional common share for every two shares held at $60 per share. There are at present 483,596 common shares outstanding, and the disclosed net earnings, after deduction of preference dividends, work out at $3·85 per share, or $4·35 per share if the saving of 2 per cent. in interest on the $12,089,900 preferred stock is added. At $92 the rights on the old common shares are calculated to be worth about $11. The rise in the prosperity of Massey-Harris has been one of the features of the Canadian industrial boom.

Baltimore and Ohio Railroad.—According to the preliminary profit statement of this company, total operating revenue decreased by 3.76 per cent. in 1928, but as corresponding expenses were reduced 7.32 per cent. there was a rise in net operating revenue from $59,911,005 to $64,267,813, notwithstanding that passenger-miles fell from 844 to 768 millions and freight ton-miles from 20,841 to 20,243 millions. Traffic conditions during the first half of the year were less favourable, but from July onwards there was an increase in the volume of freight, though not in passengers. After taking into account rents, income from investments, and all charges against income, the balance of earnings available for dividends and other purposes amounted to $29,100,931, the largest net income in the history of the company, and an increase of 28.58 per cent. over 1927.

Years ended December 31.	1927.	1928.
	$	$
Net earnings	22,633,345	29,100,931
Dividend on 4% preferred stock	2,354,528	2,354,528
Common stock earned	11·10%	12·43%
Common stock paid	6%	6%
Common stock amount	10,964,491	12,911,275
Increase in surplus	9,314,326	13,835,128

The total surplus now stands in the balance sheet at $103,905,106, and in addition the reserve for taxes, insurance, operation, etc., amounts to $15,252,017. An increase of $7,049,022 in investment in road is reported for 1928, and a net increase of $871,793 in investment in equipment. Readers of the *Economist* will remember that we published an article three weeks ago in connection with the request by this company for permission to control the Reading and the New Jersey Railroads. The company's common stock, at its present London price of 133 per $100 share, offers a yield of £4 10s. 2d. per cent.

Modder B.—Our mining correspondent writes:—From the production standpoint the results of this Eastern Rand enterprise for last year differ little from those of 1927. The crushing of an increased tonnage was accompanied by a decline in average yield, giving a slightly reduced net profit. Once again the appropriation account receives a credit from claim property account, the net amount being £27,750, as against £34,250 last time. Even so, the maintenance of the dividend rate entails a further, though small, draft upon the carry-forward. Our usual table is appended:—

	1926.	1927.	1928.
Ore milled ……tons	792,000	804,000	830,000
Yield per ton ……dwts.	7·8	7·7	7·5
Costs per ton ……	18/5	18/2	18/3
Profit per ton ……	15/-	14/8	14/-
Total working profit ……£	595,110	588,800	580,280
Dividends ……£	560,000	560,000	560,000
Rate per cent. ……	80	80	80
Carried forward ……£	373,970	373,450	356,050
Ore reserves ……tons	2,461,780	2,273,320	1,814,800
Value ……dwt.	7·4	7·4	7·5

In last year's note we emphasised the point that the major development programme of the mine was almost completed. The consulting engineers now observe that " the areas remaining to be proved are not extensive and are of doubtful value "; although it is hoped that the upper leaders will open up a considerable tonnage of low-grade ore. In these circumstances a large proportion, if not the bulk, of the handsome dividends being paid must necessarily be regarded as in the nature of a return of capital.

CAPITAL ISSUES.

THE tide of new issues is flowing as strongly as ever, this week's total, despite the absence of government or municipal borrowing, being £9,067,831, exclusive of conversions. The total for the year is now £77,893,730, against £153,838,410 for the corresponding period of 1928. Among the more important issues, that of *Kreuger and Toll* is discussed in an earlier Investment Note. The offer had interesting and attractive features. Brewery companies were prominent, two offers being made of 5½ per cent. redeemable debentures, *Watney Combe Reid* obtaining slightly more favourable terms than *Barclay, Perkins* for a much larger issue. The latter is acquiring control of Style and Winch, while Watney Combe has purchased Huggins and Company and is concluding negotiations for the acquisition of an unnamed business. Yet another £2 million issue was made, in the form of 7 per cent. preference shares, by *Montague Burton*, a multiple bespoke tailoring business previously in private hands, the whole of the ordinary shares going to the owners of the old company. Dividends were covered barely three times by 1928 profits. The speculative element involved in all low-temperature carbonisation issues attached to that of *Parent Coal Carbonisation Trust*, which has secured the services of a Ruhr engineer with a secret process. *British Quarrying Company* made a straightforward issue of debentures and participating preference shares to " rationalise " seven road-stone quarries in different parts of the country, the combined profits of which have remained steady for several years. Nearly half the purchase price was payable in cash. An issue by *Kolster-Brandes*, the offspring of an American radio business, proved highly popular, possibly owing to an option on 200,000 £1 shares at 1½. *Morgan Squire and Company* (1929) is a " good medium class " drapery and fashion store at Leicester, which after several years of rising profits is launching out under the auspices of Swears and Wells. Advantage will be taken of road-transport development by the *Trowbridge Tyre and Rubber Company* (1929), capitalised wholly in 5s. shares. The uncertainties inherent in such an issue are not lessened by the fact that past results are not accurately ascertainable. The *London and Provincial Sporting News Agency*, whose so-called " blower service " for commission agents has shown very variable profits during the six years of its existence, appealed for public support for its " vast " organisation. Of the purchase consideration—attributable wholly to goodwill—£42,500 was payable in cash. *Menuphone Publicity* exploits advertising devices, but has cautiously limited its profit estimate to the first year's working. *Viborita Gold Mines* is apparently acquiring, and re-financing, a property which may have considerable potentialities, but has not achieved financial success in the past.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total previously recorded, £68,430,978.*
Including conversion total previously recorded, £82,005,529.*

National Savings Certificates.
Net sales week ended March 2, 1929. £200,000.
Total receipts April 1, 1928, to March 2, 1929, Dr. 50,000.

Description and Date of Issue.	Nominal Capital.	Conversions or Repayments.	New Money Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
British Quarrying Co., 250,000 7½% Cum. Partic. Pref. Shs. of £1 each at par (Mar. 4)…	250,000	…	250,000	31,250	218,750
Do., £300,000 7% 1st Mtge. Deb. Stk. at par (Mar. 4)…	300,000	…	300,000	30,000	270,000
Parent Coal Carbonisation Trust, 1,200,000 8% Cum. Partic. Pref. Shs. of 10s. each at par (Mar. 5) ……	600,000	…	600,000	120,000	480,000
Do., 1,200,000 Def. Ord. Shs. of 1s. each at par (Mar. 5)…	60,000	…	60,000	60,000	…
Kolster-Brandes, 350,000 Ord. Shs. of £1 each at par (Mar. 5)	350,000	…	350,000	87,500	262,500
Watney Combe Reid and Co., £2,500,000 5½% Debs. (finally red. Mar. 15, 1959) at 99% (Mar. 6) ……	2,500,000	…	2,475,000	250,000	2,225,000
Barclay, Perkins and Co., £500,000 5½% Mtge. Deb. Stk at 98, red. Oct. 1st, 1940-65 (Mar. 5) ……	500,000	34,669	455,331	50,000	440,000
Trowbridge Tyre and Rubber Co. (1929), 550,000 Ord. Shs. of 5s. each at par ……	137,500	…	137,500	27,500	110,000
Morgan Squire and Co. (1929), 200,000 8% Cum. Pref. Shs. of 10s. each at par ……	100,000	…	100,000	25,000	75,000
Do., 200,000 Ord. Shs. of 5s. each at par ……	50,000	…	50,000	10,000	40,000

London and Provincial Sporting News Agency (1929), 470,000 Ord. Shs. of 5s. each at par (Mar. 5)	£ 117,500	...	£ 117,500	£ 58,750	£ 58,750
Montague Burton, 2,000,000 7% Cum. Pref. £1 each at par (Mar. 5)	2,000,000	...	2,000,000	250,000	1 750,000
Menuphone Publicity, 475,000 Ord. Shs. of 4s. each at par (Mar. 7)	95,000	...	95,000	23,750	71,250
Viborita Gold Mincs, 240,000 Shs. of 5s. each at par (Mar. 7)	60,000	...	60,000	18,000	42,000
Kreuger and Toll, £2,050,000 5% Secured Sinking Fund Gold Debs. at 98, finally red. Mar. 1, 1959	2,050,000	...	2,017,500	100,000	1,917,500
Total offered to public, week ended Mar. 9, 1929	9,170,000	34,669	9,067,831	1,141,750	7,960,000
To Shareholders only.					
Associated Reinsurers, 50,000 £1 Shs. at 30s.	50,000	...	75,000	25,000	50,000
R.M.C. Textiles (1928), 300,000 Ord. Shs. at 5s. 6d.	75,000	...	82,500	82,500	...
Rubber and Industrial Trust, 299,373 10% Cum. Partic. Preferred Shs. of 2s. at 2s. 6d.	29 937	...	37,421	7,484	29,937
Total to Shareholders, week ended March 9, 1929	154,937	...	194,921	114,984	79,937

* Adjusted figure.

Total offer for Subscription.—

To date—	Including Conversions. £	Excluding Conversions. £
1929	91,502,950	77,893,730
1928	...	153,838,410
1927	...	118,153,831
1926	...	56,991,580
1925	...	32,697,876
1924	...	28,766,305
1923	...	58,956,203

Total offer for Subscription.—

Whole year—	Including Conversions. £	Excluding Conversions. £
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,601
1925	...	232,214,500
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Issue (in brackets).	Amount of Capital Introduced. £	Price at which Dealings Began.	Total Cash Involved. £
Amount previously recorded	5,694,760	...	9,616,104
Société Sucriere Anonyme De Marle, 127,000 Shares of 100 francs each at 124·21 francs to £1=17s. (Feb. 20).	87,950	6¼	549.687
Hungarian General Savings Bank, 400,000 Shares of 50 pengö each at 27·82 to £1=36s. (Feb. 26)	720,000	70/-	1,400,000
British Indestructo Glass, Limited, 500,000 Shares 2s. (Feb. 2)	50,000	3/3	81,250
Total week ended March 9, 1929	857,950	...	2,030,937

Total amount of capital introduced Jan. 1 to March 9, 1929—£6,552,650.
Total Cash involved in introductions, Jan. 1 to March 9, 1929—£11,647,041.

Watney, Combe, Reid and Company, Limited.—Issue at 99 of £2,500,000 redeemable 5½ per cent. debentures, 1940-59, a floating charge on the whole undertaking subject only to £4,358,702 3½ per cent. perpetual first debenture stock outstanding. The sum of £83,000 annually will be applied to redemption by purchase or drawings at par. Share capital consists of £1,684,939 5 per cent. cumulative first preference, £3,185,410 4 per cent. preferred ordinary, and £3,185,410 deferred ordinary stock. At June 30, 1928, assets exceeded liabilities by £9,580,852, and profits have been, after paying first debenture interest:—1924-25, £1,198,489; 1925-26, £1,135,116; 1926-27, £1,188,180; 1927-28, £1,212,929. Proceeds of this issue will be applied in paying off temporary loans and financing the purchase of a further brewery business.

Kreuger and Toll Company (a limited liability company incorporated under the laws of Sweden).—Offer for sale at 98 of $10,000,000 (£2,050,000) 5 per cent. secured sinking fund debentures, 1959, part of a total issue of $50,000,000. Principal and interest are payable in United States gold coin or at holder's option in sterling at £102 10s. per $500. A semi-annual cumulative sinking fund will operate by purchase at or below 105 or drawings at 105; the company has the right to redeem at any time at 105 on notice. Issued capital consists of kr. 65,000,000 in "A" and "B" shares, together with kr. 65,000,000 participating debentures. The new debentures carry an option on participating debentures.

Grace National Bank

Hanover Square, New York, U. S. A.

Collections made and credits established anywhere in the United States for banking correspondents.

Special Representative

148 Leadenhall St. London, E.C.3.

Proceeds of this issue and of kr. 16,250,000 participating debentures simultaneously offered to existing debenture- and shareholders will be applied towards acquiring from Swedish Match Company and/or International Match Corporation approximately $78,000,000 par value securities. Foreign government securities equivalent to not less than 120 per cent. of the par value of the present issue will be pledged as security for it. Net earnings, including no income from securities now acquired, have been: 1926, $7,981,325; 1927, $12,409,605; 1928, $21,025,988.

Montague Burton, Limited.—Issue at par of 2,000,000 £1 7 per cent. cumulative preference shares. The company takes over an existing clothing and tailoring business, with 364 retail shops, with net assets valued at £2,256,924 excluding goodwill. The purchase price is £2,087,835 12s. 8d., payable as to £87,835 12s. 8d. in cash and £2,000,000 in 10s. ordinary shares. Profits for year ending March 31, 1928, were £419,091.

Parent Coal Carbonisation Trust.—Issue at par of 1,200,000 10s. 8 per cent. cumulative participating preference and 1,200,000 1s. deferred ordinary shares, the former entitled to one-quarter of the remaining distributed profits. The company acquires the rights for Great Britain of a low-temperature carboninsation process, and will erect installations and form subsidiary companies for special coal areas. The purchase price is £327,500 in cash; vendors have applied for shares to the value of £255,000. Working capital is estimated at £340,000.

British Quarrying Company, Limited.—Issue at par of 250,000 £1 7½ per cent. cumulative participating preference shares and £300,000 7 per cent. first mortgage debenture stock 1935-58. Vendors and promoters receive 133,196 "A" and 308,035 (out of 318,604) "B" £1 ordinary shares. The preference shares are entitled to a further 2½ per cent. after the "A" shares have received 8 per cent. and the "B" shares 10 per cent. The debenture stock is redeemable by purchase at or below 102½ or annual drawings at 102½ by a 1½ per cent. cumulative sinking fund. The company amalgamates seven established road-stone quarries, valued at £702,252 excluding goodwill. The purchase price is £808,660, payable as to £392,429 in cash, £133,196 in "A" and £283,035 in "B" £1 ordinary shares. Combined profits, before certain deductions, have been:—1923-24, £88,810; 1924-25, £86,724; 1925-26, £83,913; 1926-27, £87,415; 1927-28, £85,613. Working capital is estimated at £120,000.

Barclay, Perkins and Company, Limited.—Offer for sale at 98 of £500,000 5½ per cent. mortgage debenture stock, 1940-65, a first specific mortgage on licensed properties valued at £753,156 and a floating charge on remaining assets, subject to charges in favour of £1,450,000 3½ per cent. mortgage debenture stock and £345,130 5 per cent. mortgage debenture stock, 1937-77, outstanding. A 1 per cent. cumulative sinking fund will be applied by purchase or drawings at par. Share capital consists of 756,000 £1 10 per cent. cumulative preference and 1,710,109 £1 ordinary shares. Net assets are valued at £6,192,186, and profits, before charging debenture interest, have been (to March 31):—1926, £327,282; 1927, £313,804; 1928, £347,124. Proceeds of this issue will be used to redeem £34,669 5 per cent. debenture stock and to finance in part the purchase of Style and Winch, Limited.

Kolster-Brandes, Limited.—Issue at par of 350,000 (out of 1,300,000) £1 ordinary shares. The company has acquired the right to exploit in the British Isles, the British Empire (except Canada, Australia, and New Zealand) and Europe all inventions belonging to an American radio corporation, taking over the company previously exploiting their inventions. The purchase consideration is £750,000 in shares. The remaining 200,000 shares are under option.

Morgan Squire and Company (1929), Limited.—Offer at par of 200,000 10s. 8 per cent. cumulative preference and 200,000 (out of 400,000) 5s. ordinary shares. The company acquires a Leicester drapery and furnishing business, founded in 1831. Net assets are valued at £154,086, excluding goodwill. The purchase price is £172,500 in cash (£18,414 for goodwill). Profits have been (to end January):—1926, £15,623; 1927, £17,544; 1928, £24,454; 1929, £25,886. Proceeds of present issue and proposed mortgage will amount to £67,500. Swears and Wells, Limited, is subscribing for a further 100,000 ordinary shares and obtaining an option on the remaining 100,000 at par.

Trowbridge Tyre and Rubber Company (1929), Limited.—Issue at par of 550,000 (out of 700,000) 5s. ordinary shares. The company acquires a business, founded 21 years ago, specialising in the manufacture and sale of solid and pneumatic tyres for commercial vehicles. Net assets acquired are valued at £70,522, excluding goodwill. The purchase price is £60,000, payable as to £25,000 in shares and £35,000 in cash. Past profits are estimated only, as the tyre business was part of a larger undertaking. Working capital is estimated at £85,593.

London and Provincial Sporting News Agency (1929), Limited.—Issue of 470,000 (out of 800,000) 5s. ordinary shares. The company acquires a news agency giving to commission agents communication facilities with racecourses. The purchase consideration is £125,000, payable as to £42,500 in cash and £82,500 in shares, attributable to goodwill. Profits have been (to December 31st):—1923, £34,628; 1924, £27,050; 1925, £14,392; 1926, £33,443; 1927, £13,937; 1928, £15,737. Working capital is estimated at £52,000.

Menuphone Publicity, Limited.—Issue at par of 475,000 (out of 1,000,000) 4s. ordinary shares. The company exploits patent menu-holders and telephone index stands in Great Britain, Northern Ireland and the Irish Free State. The purchase consideration for rights and contracts is £20,000 in cash, £80,000 in shares, and an option on the remaining 125,000 shares at par. Working capital is estimated at £50,000.

Viborita Gold Mines, Limited.—Issue at par of 240,000 (out of 520,000) 5s. shares. The company acquires rights and interests in an alluvial gold-bearing property in Colombia, at a purchase price of £61,000 in shares, paying also the liabilities of the vendor company and winding-up expenses. Working capital is estimated at £50,000.

Rugby Gas Company.—Offer for sale by tender of £25,000 5½ per cent. perpetual debenture stock (minimum price, par). Issued stock capital amounts to £148,004, and loan capital to £26,750. Net revenue for 1928 was £10,050; interest on loan capital, including present issue, requires £2,801.

The directors of **Saint Raphael Casino and Hotels, Limited,** announce that in consequence of the death of the vendor and guarantor the contracts cannot be carried out in their existing form. They have therefore decided not to go to allotment and to return all cheques for applications. Steps are being taken to carry the matter through as soon as fresh arrangements have been completed. (A summary of the prospectus appeared in this column last week; our figures have now been readjusted.)

Particulars of the following have been issued for public information only in connection with Stock Exchange "introductions":—**Celestion, Limited;** issued capital £103,007 in £1 7½ per cent. cumulative participating preferred ordinary and £150,000 in 5s. deferred ordinary shares, the former entitled to one-fourth of the surplus profits after payment of 10 per cent. on the deferred; acquires the business of a radio company, with net assets £81,190 (excluding goodwill), for £54,000 in cash and £100,000 in deferred shares; profits have been: 1926-27, £11,063; 1927-28, £51,744; 1928 (10 months), £51,744; a further 130,000 preferred ordinary shares are under option. **Brotex Cellulose Fibres, Limited;** issued capital £700,000 in £1 7½ per cent. non-cumulative participating preferred and £206,000 7s. in 1s. ordinary shares, the former entitled to three-tenths of the surplus profits; acquires world rights, a freehold farm, and all other assets of a company cultivating an agricultural plant with various potentialities, for a consideration of 600,000 preferred and 3,600,000 ordinary shares; a further 600,000 ordinary shares are under option. **D. Gestetner, Limited;** issued capital 350,000 £1 7 per cent. cumulative preference and 650,000 10s. ordinary shares; manufacturers of duplicating and office printing machines; established in 1881, recent dividend distributions having been: 1925-26, £51,840; 1926-27, £82,560; 1927-28, £98,059. **London, Border and General Trust, Limited;** issued capital £900,000 5 per cent. cumulative preference and £600,000 ordinary stock, with £500,000 4½ per cent. debenture stock, 1959-64, now to be issued. **British and German Trust, Limited;** issued capital £600,000 5 per cent. cumulative preference and £400,000 ordinary stock, with 500,000 £1 5½ per cent. cumulative second preference shares now to be issued; ordinary dividends have been: 1926 (May, date of incorporation, to December), 4 per cent.; 1927, 5 per cent.; 1928, 7 per cent. **Manchester Trust, Limited;** issued capital £100,000 in £1 6 per cent. cumulative preference shares and £39,060 8s. in 1s. ordinary shares; incorporated in 1912; no dividend has been paid on the ordinary shares. **Grand Union Canal Company;** issued capital £2,159,542 ordinary stock, together with £730,634 3 per cent. and £397,359 5½ per cent. perpetual debenture stock; £250,000 6 per cent. preference stock is now issued at 102. **Kelvin Investment Trust, Limited;** issued capital 80,000 £1 ordinary shares; incorporated in October, 1928.

Pending Issue.—British Dardelet Threadlock (D.D.G.) Corporation, Limited, will issue next Tuesday 295,000 £1 "B" ordinary shares at par. The company acquires patents and rights for the British Empire relating to a tight-locking screw thread.

SUMMARY OF BALANCE-SHEETS.

COURAGE AND COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Pref. shares	400,000	...
Ord. shares (£1)	1,250,000	...
4% Deb. stk.	600,000	...
3½% "B" deb.	400,000	...
General reserve	520,000	+ 50,000
Premium on ord. shares reserve	200,000	− 62,500
Licenses Insurance reserve	21,248	...
Pensions reserve	99,706	+ 25,515
Rebuilding reserve	83,000	− 67,000
Staff bonus reserve	6,275	− 142
Int. accrued and pref. div.	14,500	...
Deposit accounts	180,838	+ 14,055
Trade creditors	295,723	− 34,600
Loan from bankers	50,000	+ 50,000
Profit and loss	330,074	+ 32,472
Total	4,451,364	+ 7,800

ASSETS.	Amount. £	Compared with Dec 31, 1927. £
Freehold and leasehold premises and plant	417,175	− 36,490
Freehold and leasehold properties	2,527,798	+ 36,805
Trade loans	385,478	− 6,875
Investments at cost†	254,502	+ 4,667
Debentures and shares on Farnham United Breweries at cost	506,963	+ 293
Stocks	185,308	+ 11,628
Debtors	139,834	+ 20,938
Cash	34,306	− 23,166
Total	4.451,364	+ 7,800

† Market value December 31, 1928, £327,913.

MARCONI INTERNATIONAL MARINE COMMUNICATION COMPANY.

December 31, 1928.

LIABILITIES.	Amount £	Compared with Dec. 31, 1927. £
Ord. shares (£1)	1,192,726	...
General reserve	208,014	...
Creditors	319,692	+ 29,264
Profit and loss	126,143	− 23,916
Total	1,846,575	+ 5,348

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Plant, etc.	552,631	+ 36,353
Freehold properties	9,388	+ 9,388
Licence and rights	185,292	...
Shares and debentures in subsidiaries	291,950	− 25,754
Shares in associated cos. at cost	97,666	+ 72,000
Debtors	156,416	+ 7,899
Cash	38,672	+ 5,405
5% War loan	514,126	− 99,941
5% Irish Compensation stk.	434	− 2
Total	1,846,575	+ 5,348

SWAN AND EDGAR (1927), LIMITED.

January 31, 1929.

LIABILITIES.	Amount. £	Compared with Jan. 31, 1928. £
Ord. shares (£1)	1,250,000	+ 17
Creditors	55,921	+ 8,303
Leasehold Sinking Fund	2,954	+ 1,504
Reserve	...	− 1,820
Profit and loss	80,067	+ 27,150
Total	1,388,942	+ 35,154

ASSETS.	Amount. £	Compared with Jan. 31, 1928. £
Leasehold property	688,628	+ 8,581
Fixtures, etc.	135,843	− 5,581
Stocks	66,917	+ 6,873
Debtors	105,690	+ 76,483
Cash	17,904	− 62,554
Investments at cost†	50,052	+ 21,681
Preliminary expenses	92,954	− 10,329
Goodwill at cost	230,954	...
Total	1,388,942	+ 35,154

† Market value £50,645.

WOLSEY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
7½% Cum. pref. (£1)	1,000,000	...
A ord. (£1)	792,700	...
B ord. (1s.)	10,365	...
Creditors	261,627	− 16,660
Unclaimed divs.	465	+ 8
Share premium a/c.	...	− 63,958
General reserve	160,000	+ 10,000
Profit and loss	182,588	+ 32,817
Total	2,407,745	− 37,793

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Freehold properties	487,669	+ 12,976
Plant	449,290	− 26,546
Debtors	513,812	+ 23,660
Stocks	889,637	+ 79,302
Investments at cost	37,411	+ 10,000
Cash	29,926	− 137,185
Total	2,407,745	− 37,793

OIL OUTPUTS.

ANGLO-ECUADORIAN OILFIELDS, LIMITED.—The production for February is cabled as 12,024 tons.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The results for the month of February are as follows:—Production of oil, 31,880 tons; deliveries, 30,430 tons.

THE ATTOCK OIL CO., LIMITED.—Production for February, 49,945 barrels.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended February 27th:—Venezuela, 36,873 barrels; Trinidad, 20,149 barrels; total, 57,022 barrels.

HAMILTON'S OIL CONCESSIONS (ROUMANIA), LIMITED.—Production for month of February, 5,320 tons (37,240 barrels).

LOBITOS OILFIELDS, LIMITED.—The production of the Peruvian company for February is cabled as 25,268 tons.

THE MEXICAN EAGLE OIL.—The production for the week ended February 23, 1929, was 146,000 barrels.

VENEZUELAN CONSOLIDATED OILFIELDS, LIMITED.—Total production for week ended March 2, 3,381 barrels (483 tons).

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during February 28,800 tons; oil purchased during February from other companies 35,500 tons.

COMPANY MEETINGS, &c.

LONDON MIDLAND AND SCOTTISH RAILWAY COMPANY.

A YEAR OF EXTREME DIFFICULTY.
REASONS FOR REDUCED RECEIPTS.
LARGE SAVINGS IN EXPENDITURE.
NEGOTIATIONS WITH ROAD UNDERTAKINGS.
SIR JOSIAH STAMP'S EXHAUSTIVE REVIEW.

The Sixth Annual General Meeting of the London Midland and Scottish Railway Co. was held, on the 1st instant, at Euston Station, London, N.W.

Sir Josiah Charles Stamp, G.B.E. (chairman of the company), presided.

The Secretary (Mr. Owen Glynne Roberts) having read the notice convening the meeting,

The Chairman, who was received with cheers, said: Ladies and gentlemen,—We have, this year, issued a condensed statement of the financial results, and only those asking for the full accounts, either before or at this meeting, have been supplied with copies. The printing and distribution of the full accounts involve considerable expense, and it is found that the short summary has met the wishes of the general body of stockholders who are interested in the broad results of the year's working, though, of course, each is entitled to the full statements on request.

REVISED FORM OF ACCOUNTS.

The form of accounts submitted this year has been altered, but the figures published in the 1927 accounts have been rearranged in order to permit of proper comparisons. The old form was designed in 1911, and the changes since then owing to the Railways Act of 1921 and other new circumstances have resulted in the new form agreed with the Minister of Transport, under the powers vested in him. For the sake of those who are interested in the full form of accounts I may mention that the chief alterations are in :—

No. 8 Account.—The joint line results previously shown in three separate accounts are now brought together in one amount in this account, with an analysis in abstract "J."

Certain charges for rents, interests, etc., previously included in account No. 9 are transferred to account No. 8, so that the total of this account represents the "Net Revenue" in the sense used in the Railways Act of 1921.

No. 10 Account.—An important change is the transfer from this account to a separate account, No. 16, of the receipts and expenses from collection and delivery of rail-borne traffic.

Balance-sheet.—Fuller details are shown of the renewal funds and the investments.

RESULTS OF THE YEAR'S WORKING.

RAILWAY RECEIPTS.

The losses in traffic receipts for the year were extremely severe, and were, shortly :—

	£	%
Passenger traffic	696,000	or 2.3
Freight traffic—		
Merchandise, Class 7 and upwards	1,394,000	,, 5.9
Merchandise, Classes 1 to 6	585,000	,, 8.1
(approximately the old "other minerals" section)		
Coal, coke, etc.	1,325,000	,, 8.9
Livestock	7,000	,, 0.8
Total	£4,007,000	,, 5.2

The reasons for the decline in passenger traffic are threefold :—

(1) Industrial depression,
(2) Road competition, and
(3) Reduced fares to conserve traffic against further losses to the roads.

The first two of these contributory causes I will deal with separately at a later stage, and, as regards the third, the company, in common with the other companies, greatly widened its cheap travel arrangements by revision of fares and extensions of ticket availability. While this has attracted a considerable number of passengers who would not otherwise have travelled by railway, it has also involved a transfer of passengers from ordinary to cheap fares. The policy pursued has, however, resulted in a less decline of revenue than if the old arrangements had continued.

On long-distance traffic we have had increased receipts and the analyses of our earnings show that the losses are mainly in the areas suffering from trade depression, though there have been very heavy losses to the roads in certain areas. For example, passenger receipts are greater between London and such towns as Birmingham, Belfast, Leicester, Nottingham, Manchester, Glasgow and Edinburgh in each case, but the receipts from the industrial towns to Blackpool show the opposite result.

LOWER SEASON TICKET RECEIPTS.

Season ticket receipts fell by £243,000, a heavy loss, but those from workmen increased by £26,000, with 5,000,000 additional passengers. The lower workmen's fares in operation in many cases from January 1, 1928 (an exceptional decrease being the Birmingham and Coventry return fare 1s. 9d. to 1s. 2d.), apparently caused a certain amount of transfer from ordinary passengers.

The reasons for the loss of freight train revenue are, shortly, bad trade and road competition, with the emphasis on the former, but one other factor is the new method of charging in operation from January 1 under which rates are calculated on the throughout mileage as if the mileage were continuous on one railway, and for this purpose the shortest working distance is assumed to be the route used. This statutory requirement has resulted in reduced rates in many cases. While it is difficult to isolate this factor it is thought that it represents about from 1 to 2 per cent. of the freight receipts as a whole, and probably amounts to £500,000, equal to one-half of 1 per cent. on our ordinary stock. In this respect, therefore, it is not so much a loss of receipts or traffic as a reduced rate of charging by which the community benefit.

COAL TRAFFIC.

The coal traffic was particularly bad, and, ignoring the year 1926, realised £700,000 less than the previous worst year since amalgamation—1925. The very serious decline was checked about the end of August, and in the current year the receipts are better than in the corresponding period of 1928, but the improvement has so far only partially made good the loss in that year as compared with 1927.

The national coal output fell 5.6 per cent., but the heaviest decreases were in the areas in which we are most concerned—those dealing with the home trade—and largely reflect the depressed state of the heavy industries. That is further illustrated by the reduction in production of pig iron by 9½ per cent. and steel ingots and castings by 6 per cent.—the chief cause of the reduction in mineral receipts. While 1927 was a good year for iron-ore traffic the fact that our carryings in 1928 fell by 532,000 tons, or 11 per cent., has consequences far beyond a loss of £77,000 in receipts from that traffic.

As evidence that it is not for the most part road competition which has brought about the decrease, I would point out that our diminution in total tonnage carried was 9,500,000 tons, and in the heavy classes of traffic which are seldom dealt with on the roads about 9,000,000 tons.

RAILWAY EXPENDITURE.

You will have seen from the summary accompanying the report that the savings amount to £2,511,517, and I would like to repeat them here.

	1928	1927	Decrease
	£	£	£
Maintenance and Way and Works	7,761,550	7,945,081	183,531
Maintenance of Rolling Stock ...	10,052,896	10,704,888	651,992
Locomotive Running Expenses ...	14,219,642	15,283,707	1,064,065
Traffic Expenses	21,302,840	21,685,619	382,779
General Charges	2,126,328	2,130,569	4,241
Rates	2,343,295	2,555,306	212,011
Miscellaneous	1,138,886	1,151,784	12,898
	£58,945,437	£61,456,954	£2,511,517

This decrease of £2,500,000 does not include the railway working portion of the £418,500 gained by the deduction of 2½ per cent. from salaries, wages, and fees since August last.

Arising out of the expenditure savings which I have quoted there are a few matters of general interest to which I should like to refer. Of course, when we have a decreased traffic we expect to spend less money, but only about 40 per cent. of expenses varies with the traffic and the utmost we can expect on the lower mileage run would be less than £1,000,000.

The further reduction in expenditure is explained by lower prices of materials and by actual economies in working, which are the fruition of the effects of amalgamation and the special efforts which have been made by the officers to consolidate the undertaking; for instance, closing one workshop to concentrate in another gave a net saving of £30,000 per annum and the rearrangement of another £90,000 per annum. The striking increase in the availability of locomotives is seen from the figures circulated, and the rolling stock position is better than at any previous date alike as regards quantity, quality and efficiency. There is a marked reduction in the cost of permanent way and locomotive and carriage and wagon work. There are many contributory factors, including reduced price levels, but the multitude of these unit savings plays a material part, and the reduction of annual railway expenditure on this line, compared with the year prior to amalgamation, is over £8,000,000.

ECONOMIES OF AMALGAMATION.

You will now have some measure of the answer to a question that is often put in a derisory way—"What are the economies of amalgamation?" You are equally entitled to ask, "What has become of them?" The answer is, "They have been offset by reduced rates and charges and by a loss of traffic partly due to the effects of road competition, but largely to the effects of depression in the iron and steel and other heavy industries."

It may be asked whether the savings effected have brought the expenditure down to a level which may be regarded as a new standard, and to that, while the answer is broadly "Yes," there are a few qualifications. The most obvious of these is that of price levels, and it is hardly probable that with a revival of trade prices will not rise. With an increase of traffic that portion of the expenditure which varies with the volume will also increase, though as I have explained that is the lesser part of railway outlay.

On the other side, the reductions secured in 1928 were greater in the latter part of the year, and continuance of expenditure at recent levels will effect further reductions.

In the abstract of general charges there is an item "Superannuation and benevolent funds, pensions, etc., £1,519,000." I ought to make clear that this item represents almost entirely the statutory or customary payments which have become conditions of service, and have under the terms of the Railways Act of 1921 practically the force of statute. At a time when retrenchments are being undertaken it is inevitable that this outlay should be heavy, and it must be regarded as consequential on the reductions in the salaries and wages bill. For the last two years an analysis of this expenditure shows :—

Contributions to	1928 £	1927 £	Inc. or (Dec.*) £
Superannuation fund	1,032,000	1,048,000	*16,000
Other benevolent funds	309,000	313,000	*4,000
Direct payments of gratuities and pensions	178,000	129,000	49,000
	£1,519,000	£1,490,000	£29,000

The first two items are specific legal obligations, and the third, which alone shows an increase, is mainly in respect of semi-legal requirements, which were abnormal in 1928 owing to the retrenchments mentioned.

Attention is also directed to the reduction of £212,000 in "Rates." Railway profits form the basis of the local valuations, and the reductions of these profits in recent years have their correlative, though delayed, effect on the rates paid. Certain critics of railways who were silent when the railway valuations were ascending now dislike the profits system of valuation, particularly when profits are made on the road instead of the rail, for then they cease to be rated. This loss of rates falls on the general ratepayer and not on the road user.

RAILWAY NET RECEIPTS.

The net effect of the loss of traffic receipts and the reduction in working expenses before reckoning the 2½ per cent. salaries and wages deduction of £418,500 is a reduction in the profit of £1,435,000, or 36 per cent. of the gross loss.

Other Businesses: Net Receipts, Collection and Delivery.—For the first time a separate account of collection and delivery is available, and it will be seen that, regarded as a separate business, there is a debit balance of £716,000 for the year 1928. This is not really a loss, for economy accrues to the company out of these services. The steady clearance of the goods depôts by the company's vehicles and the corresponding collection of inwards traffic enables the depôt accommodation to be used with the utmost economy. Were it not for this the existing accommodation would be most inadequate, and we should be obliged to spend large sums in providing additional wagons, sidings, and depôts, and in operating expenses. At present the same wagons run daily between, say, London and Birmingham, but that could not be done if each trader collected or delivered his own traffic and took full advantage of the time we are required to allow him to do so.

The position is not dissimilar to that of the Post Office, and anyone can imagine the great additions which would be necessary to the post offices and their staffs if each customer called for his letters and parcels.

Docks.—The loss of £127,000 on dock working reflects the depressed state of the coal industry. The company's docks at Garston, Grangemouth and Ayr handle 70 per cent. of our total dock tonnage and are provided mainly for coal traffic.

Hotels and Catering.—This account continues to show a healthy condition, and the extension of the refreshment car services on excursion and ordinary trains has a further value in obtaining passenger traffic. Special attention has been directed to the improvement of hotels in Scotland, and the policy was threefold—to provide attractive accommodation for holiday purposes and for visitors from abroad as part of the "Come to Britain" movement; to obtain railway revenue from visitors; and, of course, hotel profits. The hotels at Gleneagles and Turnberry in particular have raised the prestige of British hotelkeeping all over the world.

IMPROVED STEAMBOAT RECEIPTS.

The improvement of £36,000 in the net receipts from steamboats is satisfactory, and the result is the best yet experienced, notwithstanding a reduction on the Goole and Continental services. The Irish traffic was appreciably better, but the chief factor was the fusion of the Fleetwood and Heysham services with Belfast, made possible through the amalgamation. Moreover, the fact that the steamers on each service were nearing the end of their useful life for the Belfast traffic made a close investigation imperative, and it was decided to concentrate the traffic upon Heysham and construct larger vessels of the most modern type to carry the Irish traffic of both English ports. It was not without much thought that the Fleetwood service, run for over 50 years, was transferred, the risk of altering a well-established service being evident, but the dominating factors were the greater suitability of Heysham for direct transfer of passengers between rail and boat, its capacity for extension and the economy of the concentration. The economies anticipated are being fully realised, and there has, in addition, been an increase in the gross traffic. At the same time we are improving the position at Fleetwood by concentrating further efforts and expenditure on the development of other traffic, particularly fish.

NET REVENUE.

The total net revenue amounts to £16,271,000, and in the circumstances the decrease compared with 1927 of £1,040,000 is not discouraging.

It falls short of the standard contemplated by the Railways Act, 1921, by £4,056,000, the present figure of standard revenue being £20,327,000. The position falls to be reviewed by the Railway Rates Tribunal in the next couple of months.

The actual results of the year and those contemplated by the Act of 1921 may be summarised thus :—

	1928 Net Revenue	Standard Revenue
Per cent. of total capital receipts	3.80	4.75
Per cent. of ordinary capital after meeting all pre-ordinary interest and dividends	3.61	7.87

You will see, therefore, that a reduction of the net revenue below the standard by about 20 per cent. reduces by over 50 per cent. the ordinary stockholders' proportion of the standard revenue.

THE REQUEST FOR NET FIGURES.

There has been a revival of the request for the publication of net revenue figures at monthly periods.

While this further representation has been given full consideration, it serves to confirm the opinion of your board that, taking a wide view of the general interest, the advantages of that course are largely illusory and counter-balanced by the serious difficulties and certainty of misunderstanding involved.

The publication of gross figures has always been a valuable branch of national statistics giving general information as to the course of trade. They were never intended to be the organ of the day-to-day market valuation of railway stocks, and I know of no practical method which would serve that purpose satisfactorily.

BALANCE SHEET.

The amounts held by the company in respect of the staff superannuation and pension funds and savings bank have increased by £1,189,000 to £32,199,000, and on the other side of the balance sheet it will be seen that the cash and liquid resources amount to the

substantial sum of £31,078,000, there being a reduction of £612,000 on the year.

FRUITION OF IMPROVED METHODS.

Turning now from the accounts of the past year I should like to speak upon a few general topics, the first being the fruition of improved methods. These relate to the quantity and maintenance of plant, widening of tracks, working of terminals, shunting, and marshalling of trains, to which special attention has been directed.

The "Royal Scot" type of locomotive has been so successful that experiments with higher boiler pressure will be undertaken this year, and for this purpose the company are having built in this country a locomotive on the Schmidt-Henschel principle, using steam at 850 lb. pressure. This system has been very fully tried out abroad, and it is hoped that the tests under L.M.S. conditions will give valuable information. A number of "Sentinel Cammell" steam coaches, which are employed chiefly on certain Scottish branches and local services, will, it is hoped, prove useful and economical; the results are being carefully watched. In view of the improvements made in internal combustion engines using heavy oil, experiments are being made on a section of the line with a short train driven by a "Beardmore Diesel" engine with electrical transmission. The preliminary results are promising. We have also been experimenting in a number of other directions—for example, the "Ljungstrom" and the "Garratt" types of locomotive—and the whole of the arrangements for scientific research and experimentation in all directions are undergoing complete overhaul.

MERCHANDISE TRAFFIC CONTAINERS.

The use of containers for merchandise traffic is proving of great advantage in giving a door-to-door service with the minimum of handling. In December, 1927—the first month after the acknowledged establishment of the container—1,168 container loads were dispatched from our stations; for December, 1928, this had grown to 2,273 loads, the revenue therefrom having increased four and a half times to upwards of £10,000. Even yet we are scarcely beyond the initial stages of this development, which is opening up several new phases, such as the minimization of breakages hitherto common with brittle goods by railway, and the year 1929 promises greater progress. On the completion of further orders placed, our total stock of containers will be over 1,300.

There have also been extensions of the railhead distribution system, while comprehensive schemes for linking up by road outlying districts with railway centres are being introduced.

ADMINISTRATION.

We much regret the death of Mr. R. M. Wilson, who was a member of our Scottish committee since the amalgamation, and was formerly a member of the Highland Railway board. It has not been considered necessary to fill the vacancy. Mr. S. H. Hunt, vice-president, retired at the end of 1928, after valuable services with the former London and North Western Railway Co. and the amalgamated company extending over 46 years. Mr. F. G. Evans, formerly the secretary, has been appointed to succeed Mr. Hunt as vice-president, and Mr. O. Glynne Roberts has succeeded Mr. Evans as secretary.

DE-RATING.

The Government, as part of their local government reform proposals now before Parliament, have formulated a scheme under which, from October 1st next, there will be a remission of 100 per cent. of local rates paid by agriculture and 75 per cent. of local rates paid in respect of factories, workshops, coalmines, etc., railways, canals, and docks. The railway undertakings thus partially de-rated are required to set apart the whole of this reduction in local rates for the payment of rebates to certain specified traffics, and from December 1, 1928, these rebates have been anticipated by payments out of moneys voted by Parliament. The experiment is one which will be watched with close interest, and if it succeeds in permanently stimulating the industries concerned it is bound to assist railway revenues. Only in that indirect way, however, will the railways be affected, as no portion of the reduction in local rates will accrue to them in relief of their expenditures.

STATE OF TRADE.

In the directors' report for 1927 it was thought desirable to point out that there were no strong indications that the heavy trades were improving materially. The course of trade in 1928 was, in fact, even worse than appeared probable a year ago, and particularly from March to August the freight traffic receipts were extremely bad. Since August there has been, not an increase, but a progressive reduction in the rate of decrease, and it is hoped that this tendency will continue. It is most marked in the raw materials traffic, which would first reflect improved trade, and if the next few months continue to show increasing minerals traffic we can count on having passed the worst period. To some extent the loss is attributable, directly or indirectly, to the extension of road competition. While there are obvious difficulties in examining the several hundred million transactions of the company in one year and deciding the relative effect upon them of the competing roadways and of the state of trade, it is clear that the loss owing to the former cause is important.

We often make it clear that our objection is to the levy upon the general body of rate and tax payers in aid of one form of commercial transport, but our opponents distort the objection by narrowing it down to the amount of local rates paid by the railways for current highway expenditure—roughly "a mere £1,600,000" to them. If the Government started a newspaper and gave it assistance from public funds, other privately-owned newspapers would, obviously, have a grievance, but their owners would hardly agree to measure their disability by the proportion of the subsidy paid out of their pockets, or be reassured by a grudging assent that they also could buy copies of the State-backed paper.

THE RAILWAY CASE.

The railway case so often stated is:—

(1) Motor traffic does not bear its economic costs;

(2) Commercial motor traffic does not bear its fair share of the charges paid by motor users and is, therefore, doubly subsidised;

(3) The public generally bear the subsidy, though the private car may assist, and the railway companies' share in that public burden is a less important point.

The attention of the stockholders is again directed to this disability, which the new road powers have only partially relieved, because its national importance is often overlooked, and while the directors will continue to urge their views upon the Government, it is a matter in which the stockholders can aid in securing equitable treatment.

The position of road competition in this country is not unique, though it is, perhaps, more aggravated than in those European countries where the State concern with railways is not merely to regulate them. The United States position is more comparable, and there, with immense national prosperity, the railways are suffering severely from the same cause. In 1928 their passenger traffic was the lowest for 20 years, and it has fallen by one-third since the peak year, 1920, a loss worse than ours in proportion. Passengers can now travel from New York to San Francisco by omnibus, there being two services starting from each end daily. But, as in this country, the real loss is in short-distance traffic, though in regard to goods traffic the prosperity of trade with the high proportion of long hauls in the United States has obscured the loss in the total figures. It is, however, quite clear in practice, since, for example, virtually the whole of the freight traffic previously carried between New York and Philadelphia is now on the road. To regain this traffic the American companies are now adopting collection and delivery methods similar to those in operation here. In other respects the American problem is akin to ours, and one question already receiving attention is to what extent the railway companies can abandon unprofitable sections and transfer the traffic to the roadways.

ROYAL COMMISSION ON TRANSPORT.

A short time ago the Government appointed a Royal Commission with very wide terms of reference to report upon transport questions. The investigations will doubtless take a considerable time, but I understand it is intended to issue an interim report on road transport, and the views of the railway companies on these particular aspects were recently submitted, the evidence being given for the railway companies by Mr. Thornhill, our chief legal adviser, and myself. We laid emphasis upon (*a*) the community of interests established by the Railways Act, 1921, between the railway companies and the public and traders of the country; (*b*) the difficulties which rail transport has in meeting the competition of unregulated and subsidised road transport; (*c*) the adverse effects upon the railway industry; (*d*) the repercussions upon the public and the traders, particularly the heavy industries, which must depend in a great measure upon the railways for their transport requirements; and (*e*) the need for regulating road transport and making it carry—as rail transport does—the burden of its economic costs. It was urged that the adoption of a policy on these lines is not only justified from the point of view of fair treatment to our own State-regulated and self-supporting industry, but is one which would influence effective co-ordination of rail and road transport and the giving of the most efficient national transport services at the least economic cost.

ROAD POWERS.

As you know, our application for road powers last year met with a better fate than that of the old L. and N.W. and Midland Companies in 1922, but we had to meet strenuous opposition during the passage of our Bill, the struggle before the Select Committee lasting no less than 37 days. It became law in the autumn, and we immediately attacked the question as to the best way in which we could use our new powers.

Investigations confirmed the view that it should be our first policy to co-operate with existing road transport undertakings to the greatest possible extent consistent with our own and the public interest, and our officers fully appreciate the necessity for exploring every reasonable alternative before putting forward proposals involving heavy capital expenditure upon road transport equipment to compete with existing undertakings possibly with large initial losses and with the inevitable result that the congestion upon the roads would be intensified, the cost of upkeep of roads increased, and our contributions for such upkeep greater. But your board is determined that the company shall in one way or another share in the road business.

NEGOTIATIONS WITH ROAD TRANSPORT UNDERTAKINGS.

As to the progress made, and dealing first with the passenger side, active negotiations are proceeding with the road transport undertakings over the whole of our area, both municipal and independent; arrangements have been made with certain corporations and negotiations with others are in various stages towards—we hope—equally promising results. You will all see the reason why I cannot be more explicit on this point.

As to goods traffic, our first policy is to utilise to the full our existing assets and convey goods by rail where this is possible and convenient, but where the traffic can better be taken on the road and the rail facilities are inadequate or inappropriate we intend to develop that traffic on the road wherever it can yield us a profit.

THIRD-CLASS SLEEPING CARS.

Specially designed third-class carriages capable of being used either for day traffic or for sleeping purposes at night were introduced in September.

This new facility has been extensively used, and, although until there is experience of summer traffic any expression of opinion regarding its value must be provisional, the revenue earned has so far well justified their introduction.

WESTERN HIGHLANDS AND ISLANDS TRANSPORT SERVICES.

During the summer your directors had to deal with a situation of some difficulty in the Western Highlands. The arrangements between the Government and the Steamship Co. which for years had carried on the mail and general services had broken down, and a Select Committee of the House of Commons had been unsuccessful in getting any substituted proposals until Coast Lines, Limited, stated that they would be willing to submit a scheme if the railways would participate. While in the ordinary course as a commercial proposition we should not have been attracted by the prospects in this area, we felt that the presence of our terminal facilities upon the coast line gave us a position of some responsibility on grounds of public policy, and if our proprietors were reasonably secured against actual loss it was our duty to do all we could from a national point of view to prevent a serious situation arising in that area. Accordingly we agreed to be interested equally with Coast Lines, Limited, in a new company which has taken over the fleet of the old company and entered into a contract with the Government. Under these arrangements with the Government we believe that we shall secure a return throughout the contract of 6 per cent. upon our investment, any surplus above this being divided between the company and the Government in relief of their payments.

At the same time the arrangements have included an immediate reduction of rates in that area, and although we are not optimistic as to the extent to which such reduction will stimulate traffic we believe that everything reasonable that can be done for these isolated parts of the kingdom is now assured. The new company is not a statutory company, and has air powers which may in course of time be useful in the development of some of the services.

TILBURY AND DUNKERQUE SERVICE.

The great industrial north has long felt the need of an independent outlet to the Continent, and this was facilitated by the Nord Railway o. France by means of an agreement with them and an independent French shipping company for a service between Tilbury and Dunkerque.

A nightly service in each direction was inaugurated in May, 1927, and this enables business men on both sides of the Channel to economise their time by travelling entirely out of business hours.

Taking into account the time usually required to develop a new service of this kind, the results attained so far may be regarded as satisfactory. It is interesting to note that during the first seven months of the operation of the service over 38,000 passengers were carried, and that in the corresponding period of last year over 60,000 passengers used the route. The figures of parcels and mails show an even more gratifying result. The general cargoes, too, with the Midlands, have shown an upward trend.

The steamers berth alongside the trains on each side of the Channel, and in the very severe conditions prevailing this winter, the services have been maintained with the utmost regularity.

The route is undoubtedly increasing in popularity, and we are confidently looking forward to still better results from this venture.

STAFF CO-OPERATION.

Twelve months ago I spoke at some length on the growing disposition of the two parties actively concerned in our great industries to approach closer together in consultation and concerted effort, with the object of advancing our mutual interests. I also explained in some detail the co-operation scheme just previously launched on our own railway.

Though much of interest and encouragement might be said to-day about the development of that movement generally, and on our railway in particular, I cannot take up much of your time with that theme, but I think I ought to tell you this much, that the leaven of good will and helpfulness lodged in the minds of our officers and men a year ago is quietly but surely spreading, and is working with pronounced effectiveness. I will content myself by saying without details that, having carefully watched the progress of the movement, I have reached the very definite conviction that a substantial advance has been made along right lines, and that a continuance of these friendly co-operative activities will add materially to the satisfactory and successful working of this great railway undertaking.

I must make a special reference here to the agreement we were able to reach in July last with the trade union leaders, by which they undertook that railway employees should contribute to the heavy losses suffered by the companies a sum of 2½ per cent. of their total earnings. That deduction is also being made from the pay of all the officers, as well as from the earnings of other ranks who were not represented by the trade unions in the negotiations. By these arrangements the railways will receive assistance at the rate of just under £3,000,000 a year, the share of this company being rather more than £1,000,000 It would, of course, be an unpardonable ignorance of human nature to suggest that this deduction from earnings was welcomed by anybody who had to make the surrender, but it will be on record in railway history to the enduring credit of all concerned that the judgment and foresight of the trade union leaders prompted them to negotiate such a settlement, and that their constituents loyally acquiesced in the action of their leaders.

The spirit of co-operation which has been in evidence on the railways cannot, perhaps, be quoted as the foundation or the inspiration of this wage agreement; but it would be less than justice not to acknowledge the undoubted influence of that new spirit in making possible an arrangement so unprecedented in scope and character.

DIFFICULTIES OF THE YEAR.

Having reviewed the salient points on the accounts in your possession and dealt in as brief a manner as possible with conditions and affairs affecting your undertaking, I ought to tell you that looking at the year as a whole it has been one of extreme difficulty for your officers. The first day of the year was the "Appointed Day," fixed by the Railway Rates Tribunal, from which the standard charges and the relevant exceptional rates sanctioned under the provisions of the Railways Act, 1921, were to operate. These charges were aimed at producing the standard revenue already referred to, but as events turned out a more difficult year in which to realise that end it would be hard to imagine.

The factors which have made the task of securing the standard revenue quite impossible have already been mentioned—extraordinary trade depression with one resultant—an abnormal unemployment figure and the privileged competition which is maintained against us and our inability, by reason of our legislative regulation, to combat it effectually.

The weather during the holiday season was such that, had normal circumstances obtained, we should have had a very successful year of passenger traffic, and yet it has been impossible to secure anything further than the results placed before you.

ORGANISATION CONSOLIDATED.

On the other hand, the efforts of the officers and their staffs have been directed to obtaining the utmost revenue possible from old and new sources. Every one is keenly alive to the necessity of adequately serving the travelling public and the trading community. Our organisation has been consolidated, improvements have been effected in rolling stock equipment and accommodation for dealing with traffic, and many of the provisions made in previous years are now realising the results for which expenditure was incurred otherwise the economies which have been made could not possibly have been achieved. Given an increase in trade we are fully prepared for successfully dealing with a greater volume of business.

Regrettable accidents in the closing months of 1928 and in the early period of the current year resulted in a loss of life which we greatly deplore, and these events call for my comment. I can assure the proprietors that the provision of improved safety appliances receives our constant attention, and every reasonable opportunity is taken of adopting the latest developments where, after examination by the company's officers, they are found to be desirable in the interests of safety on the railway; a very large sum has been expended during the past 15 years with the aim of directly or indirectly improving the safety of the line and to prevent accidents happening. We are also not without anxiety to secure that if accidents should unfortunately occur their consequences shall be minimised.

ELECTRICALLY LIGHTED TRAINS.

A great deal of attention has been directed to the gas lighting of trains. The proprietors will be interested to learn that all new stock built or purchased for many years back is electrically lighted, and the elimination of gas-light fittings has been expedited by the conversion to electric light of vehicles which still have a substantial period of usefulness, and by the extensive building of new carriages, a policy which is being continued. At the present time less than one quarter of the stock employed in the main line services is fitted with gas lighting; the bulk of gas-lighted stock is in use on local services or held in reserve for peak traffic or holiday periods.

A further step towards ensuring safety of passenger travel has been taken by the construction of vehicles in steel. When an existing order for construction has been completed we shall have upwards of 500 vehicles constructed wholly of steel—for many years past we have used only steel underframes for carriage stock.

In all the circumstances of this difficult year the net results, moderate as they are, can, I think, be regarded as satisfactory.

Ladies and gentlemen, I now beg to move "That the report now read, with the statement of accounts, be received and adopted."

I shall ask the deputy-chairman to second that resolution, and then I shall be pleased to hear any comments which shareholders may desire to make. (Cheers.)

Mr. E. B. Fielden, M.P. (deputy-chairman), seconded the resolution.

SHAREHOLDERS' REMARKS.

Mr. E. C. McAdam congratulated the directors and officials on the great economies which had been effected and expressed the hope that those economies would continue during the current and succeeding years. He raised a number of points on the accounts and suggested the setting up of a sales department as a means of obtaining fresh business. He also suggested that the company should use the spare land which it had at different places for the provision of motor-car parks or garages, which, he thought, would produce considerable revenue.

Mr. J. J. Rowley supported the suggestion of a sales organisation, and said that he thought that if privilege tickets were issued to stockholders a considerable increase in revenue would result.

Mr. Max N. Bingen requested that further consideration should be given to the question of publishing monthly net earnings, such as was done by all the big railway systems in America.

Mr. Noel asked if any profit was made on the Tilbury and Dunkerque steamboat services.

THE CHAIRMAN'S REPLY.

The Chairman, in reply, said that he was very glad to hear Mr. McAdam's appreciation of the striking results of the efforts of the officers in securing the economies which he had mentioned. He would point out that very substantial reductions had been made in the cost of superintendence throughout the whole of the departments of the line since the amalgamation. He did not think he could add to what he had already said about the publication of monthly net earnings, but he would remind Mr. Bingen of the differences between American conditions and theirs. The railway profit from the Tilbury-Dunkerque service would come indirectly from the new traffic which it was hoped that this service would create, rather than directly from the actual steamers. The points which had been raised about the operation of the line would be looked into by the officers. They already had the question of providing garages under consideration.

The resolution was carried unanimously.

The dividends, as recommended, were declared; the retiring directors (Sir Alan Garrett Anderson, K.B.E., Mr. James Hamilton Houldsworth, Mr. Charles Ker, LL.D., C.A., General the Hon. Sir Herbert Alexander Lawrence, G.C.B., Mr. Frederic James Ramsden, Sir Thomas Royden, Bart., C.H., Mr. Douglas Vickers, and Mr. Alfred Harold Wiggin) were re-elected; and the retiring auditor (Mr. Frederic D. Morris) was reappointed.

A cordial vote of thanks to the chairman concluded the proceedings.

SOUTHERN RAILWAY COMPANY.

IMPROVED NET RESULTS—ROAD SERVICES.

The annual general meeting of the Southern Railway Company was held, on the 6th instant, at the Cannon Street Hotel, London, E.C.

Brig.-Gen. the Hon. Everard Baring, C.V.O., C.B.E. (the chairman), said that in the past year they carried altogether 306,673,000 passengers, there being an increase as compared with 1927 of nearly 8,000,000 passenger journeys. In the electrified area passenger journeys increased by no less than 6,000,000 and their receipts by £213,000. Outside the electrified area, although they had an increase of nearly 2,000,000 passengers, their revenue decreased by about £200,000. A very large proportion of this loss was due to the competition of the private motor, and it was difficult to know what they could do to recover this traffic. In order to compete with the motor coach and local omnibus services outside the electrified area they had, in common with the other railway companies, been compelled to offer a large number of reduced fare facilities throughout the country. By this means they had increased the number of passengers carried, but they had not succeeded in avoiding a loss in revenue. Goods train receipts showed a decrease of 9½ per cent., whereas the tonnage carried declined by 6 per cent.

The total results of the working of the railway and other ancillary businesses was that, while the total receipts had fallen away by £556,000, the expenditure had decreased by £763,000, thus giving an increase in net receipt of £207,000. This result had been achieved partly as a result of the decreased price they had had to pay for coal; by a reduction of £112,000 in rates and taxes; by the agreement arrived at with the railway trades unions in July last under which a deduction of 2½ per cent. had been made from all salaries and wages, which accounted for about £108,000; and, lastly, by the considerable economies effected in nearly every department, which they hoped would be of a permanent nature. They had £2,144,000 available for dividend on the ordinary stocks, an increase of £30,000, and there would be an increased carry forward of £30,000 after paying the same dividend on the deferred stock as was paid for 1927. He was sanguine enough to believe that if trade recovered, and if they got their fair share of the traffic, they would yet earn the standard net revenue contemplated under the Act of 1921.

Referring to the proposed new Charing Cross bridge, the chairman said that there was no doubt the site on the river bank suggested for the station would provide a fine frontage, with all the space required for sidings, offices, platforms, etc., and if it were part of a far-reaching scheme for the improvement of London and of national advantage, the shareholders would be justified in giving their consent to the proposal, but that consent would only be asked for by the directors provided the conditions and undertakings they had demanded were granted.

The Bill giving the company powers to operate road services obtained the Royal Assent on August 3rd last, and they were now in conjunction with other railway companies, in active negotiation with a large number of omnibus companies throughout the country. With regard to the goods traffic, here again they were working out a scheme of railhead distribution and collection throughout the area they served. This, of course, would necessitate a certain amount of expenditure in the establishment of garages, warehouse accommodation, and the like. They expected to have some of those railheads in operation within the next few months.

Having mentioned, with regard to goods traffic, that a scheme of railhead distribution and collection throughout the company's area was being worked out, the chairman said that on Sunday last they inaugurated the last stage of the two extensive schemes of electrification that had been taken in hand since the formation of the Southern Railway in 1923. Altogether they or the constituent companies had spent upon electrification up to the end of last year £10,500,000, but only £6,000,000 of this had been charged to capital. They had electrified 270 route miles and 748 track miles, so that over 13 per cent. of their total track mileage had now been dealt with. Obviously, they must wait some time before they reaped the full benefit of these schemes, but he was able to say that, after allowing interest upon the whole of the expenditure and bringing to debit the whole of the running and other costs involved, there was a very considerable profit.

With reference to the Channel Tunnel, the Prime Minister had announced that he proposed to appoint a Committee to examine the whole question, not only on its military side, but also with regard to the economic aspect. He (the chairman) did not consider it was within the company's province to go into the question of whether such a tunnel would be of advantage from a national point of view—that was for the Government to decide—but it would no doubt be necessary for them to go closely into the many serious problems which would confront the Railway Companies.

The report was adopted after considerable discussion, and at a special meeting the company's Parliamentary Bills, including one empowering the company to provide air transport services, were approved.

UNDERGROUND ELECTRIC RAILWAYS COMPANY OF LONDON, LIMITED.

SATISFACTORY RESULTS OF THE YEAR.

The annual general meeting of this company was held, on the 7th inst., at Caxton Hall, London.

The Right Hon. Lord Ashfield (the chairman) presided, and in the course of his speech said:—I do not propose to review once again the accounts and statistics of the operating companies. I may sum up their position in a few words. The year 1928 has, on the whole, been the best year which we have so far experienced, and the results attained so far as the common fund companies are concerned cannot be unsatisfactory to you.

We may ask ourselves whether we may count on the position, built up by many years of abstinence on your part and effort on ours, remaining stable and affording a secure basis upon which to build a larger enterprise and to achieve a still better result in the future. There are several factors which demand and deserve your consideration.

London continues to expand and to draw to itself additional population. The built-up area has now overlapped on all sides the boundaries of London County, and is reaching out in long stretches of houses to the twelve-mile limit from the centre. The problem of planning for the amenities and conveniences of these new colonies grows yearly more difficult, and the distribution of the people healthily and pleasantly over wide tracts of country at such a distance from the heart of things turns upon the provision of rapid transit facilities, which mean, in truth, more underground railways. I cannot, therefore, fear any stagnation of London which would depress our transport industry unless we stifled it ourselves by failing to provide by further facilities for the continuous growth in the number of passengers. So far, therefore, as receipts are concerned, I can foresee nothing which need induce us to pause or to have doubt as to our future.

EXPENSES.

When I turn to expenses, the situation is not quite so certain. The principal element of cost is wages. The wages bills represent 61 per cent. of our total operating expenditure. We have always shared our prosperity with our employees, and even when we were unable to pay anything like adequate dividends we have not failed to maintain our wage levels at and even above those paid in comparable businesses. In the last five years, although the index number for the cost of living has fallen from 180 to 167 points, we have slightly increased the average wage paid to our staff; the percentage increase being 6 per cent. We have achieved this result by two means. We have received better service from our staff, and for this I would make full acknowledgment, and we have enabled that better service by putting at their disposal the best equipment and machinery that we could obtain. From 1924 to 1928, in five years, we have increased the car mileage run by trains, omnibuses and trams from 227 to 274 millions of miles, or by 21 per cent. Yet the number of persons employed has only increased from 41,700 to 43,500, or by 4 per cent. In this last year our services have expanded by 6 per cent., yet our staff has been kept practically stationary. Paying, therefore, as we do, as good or better wages than any other transport undertaking, we should be entitled to expect what we have, a contented and loyal staff.

COAL AND PETROL.

Then we are dependent upon two commodities for the power which keeps our transport facilities moving: coal for conversion into electricity, and petrol. So far as coal is concerned, we are enjoying favourable terms at this time, having made extensive contracts at a time when coal was relatively cheap. Our power houses are being re-modelled and re-equipped with machinery which will add appreciably to their efficiency, and although there is a tendency for the price of coal to harden once again, it cannot lead, I think, to an advance in our working costs, for the measures which we have already taken should be sufficient to counteract any rise that can be anticipated.

With petrol it is different, and I hardly know what to say. The recent increase of 2½d. per gallon affects us seriously. Our contract for supplies was not unfavourable, at any rate on a comparative basis, but since our price is adjusted in relation to the current market price, we shall have, this year, to find another £200,000 to meet our petrol bills, assuming, as I must, for want of any real information or understanding of the situation, that no further advance in price will occur. It is exceptionally regrettable that there should have been any action by way of taxation to add to the price of petrol. The present tax of 4d. per gallon bears hardly upon our undertakings. It represents a burden of £400,000 a year to be met out of 1d., 2d. and 3d. fares, since our average receipt per passenger for 1928 is less than 2d. We feel the burden the more in that the proceeds of the tax are being diverted from any gain or purpose in which we can share. We are compelled to reiterate our view of the unfairness of this taxation, and we can only hope that the Chancellor of the Exchequer will be able to afford us relief in the forthcoming Budget—a relief to which we are clearly entitled.

THE ACCOUNTS.

Referring to the report and accounts of the Underground Company, you will see from the revenue account that the income from your investments amounted to £1,118,473, which is an increase of £160,170 compared with 1927, due primarily to the increased dividends paid by the common fund companies. Miscellaneous receipts amounted to £35,325, or £28,782 more than last year, so that the total income of your company was £1,153,798. Expenditure amounted to £68,277, representing a decrease of £11,724, principally as the result of a reduction in general interest, and the net receipts were, therefore, £1,085,521, or £200,676 more than in 1927. The final balance carried to the balance sheet is £709,401. In August last an interim dividend of 3 per cent. was paid on the 5,549,435 £1 ordinary shares which had been issued up to the end of the half-year, and your directors now recommend that a final dividend of 4 per cent. be paid on the 7,010,340 £1 ordinary shares outstanding on 31st December last. This will make a dividend at the rate of 7 per cent. for the full year as against 5 per cent. for last year, but it should be borne in mind that the amount of the ordinary shares outstanding was varied during the year under review. This will leave a balance of £262,504 to be carried forward to next year's accounts, or £92,743 more than the amount brought in from last year.

As you will have observed by the weekly traffic returns, our earnings have considerably decreased. The increased cost of petrol is too large an amount to be altogether ignored. But in spite of all drawbacks and uncertainties I am not inclined to take a pessimistic view of the future. Recent past experience leads me to hope and believe that the same success may attend our efforts this year as has fortunately waited upon them during the past few years, and that in spite of increased expenses and increased taxation we may, by increased efficiency and by increased traffic in the months still to come, be able to show as good results next year as those which I have been privileged to place before you to-day.

The report and accounts were adopted.

An
International Bank
The FIRST
NATIONAL BANK of
BOSTON
1784 :: :: 1929
BOSTON, U.S.A.
Foreign Branches
ARGENTINA
BUENOS AIRES
CUBA
HAVANA, CIENFUEGOS, SANTIAGO
European Representatives
LONDON
24, Old Broad St.
PARIS
39, Rue Cambon
BERLIN
52, Unter den Linden
Capital and Surplus
$50,000,000

BRITANNIC ASSURANCE COMPANY, LIMITED.

ANOTHER SUCCESSFUL YEAR.

INDUSTRIAL BRANCH BONUS—PRELIMINARY ANNOUNCEMENT.

INFLUENZA EPIDEMIC SHOWS THE VALUE OF LIFE ASSURANCE.

The sixty-third annual ordinary general meeting of the shareholders of the Britannic Assurance Co., Limited, was held on Friday, March 1st, at the chief offices, Broad Street Corner, Birmingham, Mr. J. A. Jefferson, F.I.A. (chairman), presiding.

Mr. Jefferson, in moving the adoption of the report, said :—

Ladies and gentlemen,—Perhaps you will be good enough to allow me to assume the directors' report and accounts as having been read. (Agreed.)

Before dealing with the actual figures I would like to refer to some features of interest that have arisen during the period under review. Our hopes that 1928 would show a general improvement in trade for the country have not been realised, although undoubtedly the trend of events has been towards a gradual improvement, and I really do feel convinced that slight as the evidence may appear upon the surface, we have, nevertheless, been gradually tending towards the goal so devoutly hoped for by all of us.

AMALGAMATION SUCCESS.

The year 1928 was the first complete year's experience we had of working since the British Legal amalgamation, as, of course, the actual physical taking over of that company was in September, 1927, and I can only reiterate what I have said before on this subject, namely, that the board still considers the amalgamation has been a success from every point of view. When speaking previously on this subject I had a good deal to say about the staff of the British Legal, because in an amalgamation of this kind it is a matter of the utmost importance that the good will and loyal co-operation of the staff should be secured, and I can say quite emphatically that we have an excellent asset in the ex-British Legal staff, because now that they have had over twelve months' association with us we feel we have fully obtained their "good will." In this connection it will, no doubt, interest you to know that of the original British Legal staff taken over by us, 48 have been granted pensions under our pension scheme, and 69 who had not complied with the conditions of our pension scheme, and who could never hope by reason of old age or infirmity to comply with those conditions, have been granted gratuities on retirement, whilst no fewer than 92 have been promoted to supervisory positions in this company. Whilst dealing with this matter I will refer to just two germane items appearing in the accounts. In the first place you will notice we have written off £100,000 from the cost of purchase of the British Legal, as against £70,000 last year—leaving the goodwill item standing in the balance sheet at £150,000, and I am sure you will agree with the soundness of the directors' policy in seeing that this item disappears as an asset as early as possible. The other item to which I would refer is the proposed allocation of £100,000 to the trustees of the staff pension fund. The desirability of this transfer will be obvious to you from the figures I have given as to the pensions granted to ex-British Legal representatives, and also bearing in mind the fact that our own staff are coming on to the pension fund in increasing numbers.

SOUND INVESTMENTS.

The investing of the company's funds engages my particular attention, and during the year under review a sum of no less than two and a half million pounds has been dealt with. The valuation of our Stock Exchange securities by our auditors has disclosed such a healthy position that the directors have considered it quite unnecessary to make any transfer to investment reserve fund. As a matter of fact, our assets are worth more than the amount at which they stand in the balance sheet, and therefore the investment reserve fund is available to meet any possible future depreciation.

We have, during the year, supported the flotation of several investment trust companies, where they were connected with one or other of the well-known insurance companies. Whilst on this subject I may say that I do feel there is a danger of this class of company being somewhat over-done, and in 1928, I believe, seventy-two new trust companies were formed with many millions of capital, and many have been floated since. Obviously, competition amongst them will be such that unless managed with considerable ability difficulties may be experienced in giving as satisfactory returns to the shareholders as some of the latter may be hoping for. I am not, of course, referring to the older companies which have well established connections, and have had the advantage of a period when very profitable investments could be made. It will no doubt interest you to know that recently we have acquired a substantial holding in the Midland Trust Co. of this city; a company which has been established over thirty-two years, and I have been offered and accepted the charmanship, and I am hoping the connection will be mutually advantageous.

I have dealt somewhat generally with the question of investments because arising directly therefrom is the subject of the interest yield we obtain.

INVESTMENT YIELD.

For several years now I have at these meetings uttered a warning in respect of the growing tendency towards a gradual reduction in the gross rate of interest earned by our funds; the reason obviously being that it is not possible to-day to invest new money at the high rates obtainable a few years ago and at the same time retain the same margin of safety, which, of course, is ever to be borne in mind. To show how well founded these warnings have been I may say that since 1923 our gross rate has gradually gone down year by year from £5 17s. 6d. to £5 11s. 11d. The net rate during the same period has followed the same trend, except that, of course, there has been a slight fluctuation owing to a reduction in the rate of income tax, and even at the present time it is only in the relief we may be able to obtain from the Chancellor of the Exchequer that I can see any real possibility of our combating a still further gradual reduction in the rate of interest earned in the years to come. This matter of yield is perhaps the most important factor in deciding the rate of bonus to our with-profit policyholders in the ordinary branch, and this is self-evident to all of you when you consider that we are valuing on a 3 per cent. basis, whilst the funds are earning practically 5 per cent., or, in other words, we have an interest profit margin of 2 per cent. on our mean funds in the ordinary branch, which funds amount to approximately 5¾ millions.

Each year in deciding the rate of bonus the board has always been influenced as much by a consideration of the future outlook as by the actual surplus made in the year under review. I would remind you that on more than one occasion I have referred to this aspect, namely, that "It is the defined policy of the board to declare only such a rate of bonus as, so far as it is humanly possible to foresee, can be maintained." In this connection you will remember that the avowed object of setting up the ordinary branch contingency fund, amounting to £50,000, was solely for the purpose of ensuring the maintenance in the future of the highest rate of bonus ever declared by us in the past. Such a policy makes for stability—a characteristic which perhaps more than any other is so essential in a life assurance contract. As a matter of interest, may I point out that even to maintain the same rate of bonus each year costs a progressive company an ever-growing amount. For instance, for the year 1927 the cost of the £2 2s. bonus was £163,160, as against £182,667 this year—an increase in cost of nearly £20,000 for the same rate of bonus.

Of the £197,810 carried forward into 1929 out of the total surplus, the sum of £93,539 appertains to the ordinary branch, as against £60,854 carried forward from the previous year, and from this you can see that we could have increased our rate of bonus had we been concerned only with the immediate present, but, as already stated, we prefer to adopt a cautious policy.

INDUSTRIAL BRANCH BONUS.

As already stated, out of the total carried forward £93,539 is in respect of the ordinary branch, and this leaves a carry forward of £104,271 in respect of the industrial branch, as compared with £52,276 for 1927. The object of this large increase in the carry forward is one upon which it gives me the greatest possible pleasure to make a preliminary announcement. Having regard to the present very stringent bases of valuation, arrived at only after many years of effort in conserving our resources, and having regard to the surplus we are now able to show, the directors feel the time has arrived when they may consider some scheme of bonuses to clients in the industrial branch. We have not yet formulated a scheme, and you will doubtless realise that the whole question requires our most careful consideration in order that we may be sure the scheme does justice to all concerned. We shall give the profit-sharing scheme our careful attention, and I hope in due course to be able to make an announcement on the subject.

I know that this announcement will please our outside staff as much as the policyholders who will directly benefit by the scheme, and we sincerely hope, as a result, we shall obtain a much larger inflow of new business, which, of course, will be pleasing to everybody.

As regards the future I have ever been an optimist, and I trust I always shall be; and just as there is no smoke without fire, so I believe from the reports in the press of an increase in the coal export trade and from the reports received from our own representatives that 1929 holds out brighter prospects than we have had for some years. Frankly, I believe the country is just about turning the corner. In our progress towards the goal so desired by all, I feel this grand old country is going forward step by step in real solid progress rather than by the leaps and bounds of a fictitious boom.

At a previous meeting I referred to the heavy drain on the resources, not only of this company but of the country as a whole, caused by these recurring influenza epidemics. Our staff at chief office has been, and still is, suffering heavily from sickness. However, ours is a business which must go on without cessation, so we are carrying on as well as possible under the circumstances. Our claims department in particular has been working at high pressure, and you will understand the reason when I tell you that already our death claims in the industrial branch are £35,000 in excess of those of the corresponding period of 1928. Again I say that our great medical profession has a tremendous field for research in trying to stamp out this scourge.

SATISFACTORY FIGURES.

We are proud of the report and the figures we are privileged to place before you. Our funds are now over sixteen and a half millions, and the increase in funds, exclusive of capital paid up, is £1,420,052—the largest ever recorded. The total income now exceeds £4,681,000—over two and a half times that of 1918—and has increased by over £352,000, which is the largest increase we have made with the exception of the boom year of 1920.

Of our total claims paid during the year, amounting to £1,574,570, no less than £637,897 has been paid to policyholders who are alive and able to enjoy the fruits of their foresight in the years gone by.

In the ordinary branch we have created another record, inasmuch as we have for the first time written over two and a half millions in new sums assured, and increased the premium income by £129,387 to over £993,000. I am disappointed that this figure falls just short of enabling me to announce a further milestone in the history of our progress.

In the industrial branch there is a satisfactory increase of some £155,000 in our premium income, which amounted for the year to over £2,850,000. Our debit is really solid, so that when the trade of the country becomes more normal we hope to be able to report even bigger increases.

STEADY GROWTH OF GENERAL BRANCH.

In our general branch, which we all look upon as the baby of the family, you will notice the premium income amounted to £52,644, an increase of £13,540 over the previous year. Despite the fact that it is perhaps the Cinderella of our activities, I think you will agree that the steady growth in our premium income is a good augury for the future. Our relations with the British General, which underwrites and manages the whole of this business for us, remain as cordial as ever, and I have good ground for believing that Mr. Norman Walker and his colleagues are so satisfied with their association with the Britannic that they would be sorry to sever the connection.

With regard to the valuation, I shall leave this subject to Mr. Laing's capable hands to enlarge upon. I would just like to refer, however, to the fact that as regards the British Legal business the small surplus shown in both branches is not in any way on account of the unprofitableness of that business, but simply because we are gradually strengthening the bases of the valuation to the utmost capacity of the funds in an endeavour ultimately to have the whole of the business valued on lines identical to those of the Britannic.

I will now ask you to turn to the revenue account in the ordinary branch. In this branch our claims by death amounted to just over £116,000. Our payments under maturing policies have increased by over £87,000 to £342,017.

Surrenders have also increased by £20,000, and the policyholders have also surrendered reversionary bonuses representing a cash value of over £16,000. An increase in these latter items, I submit, simply reflects the condition of affairs for 1928.

The total amount paid away to our policyholders in this branch represented over 54 per cent. of our premium income, and I would ask you to bear this in mind when considering the figure I have mentioned as to our increase in premium income.

Dealing now with the expenses of conducting this branch, I am pleased, indeed, to be able to report a total reduction in ratio of over 1½ per cent. The total expense ratio for 1928 is just over 13 per cent., which compares quite favourably with the ratio of most of the offices.

Turning now to the industrial branch revenue account, our premium income is over £2,850,000, and if 1929 is as favourable as we hope it is going to be, then our premium income in this branch will exceed the three million mark by the time we meet you again next year.

The claims in this branch follow very much the lines reported in regard to the ordinary branch. Claims by death are some £17,000 less than in 1927, whereas claims under maturing policies, amounting to £295,881, show an increase of over £78,000, whilst surrenders show a big proportionate increase of over £21,000—the amount paid under this heading being no less than £56,000. This last item reflects very clearly the adverse conditions affecting many of our policyholders during the past twelve months, since the bulk of these surrenders have been granted for the purpose of maintaing the premiums on other policies in the families concerned.

In regard to the expenses, here again I am able to report a substantial reduction; and at this juncture I would like to make it quite clear that when I say I report a reduction in expenses with pleasure, I do not for one moment want to convey the impression that we have in any way reduced the individual earnings of our outside staff. This is the last thing the directors desire, but as our business grows it is possible to adopt certain measures of reorganisation and administration not formerly practicable. The result is that, whilst we are able to announce a substantial reduction in our total expenses, at the same time we are able to state that the average earnings of our outside staff have actually increased. Our total expense ratio in this branch is 35.9 per cent., as against 37.6 per cent. for 1927, which, we think, is a very satisfactory reduction indeed.

Turning now to our balance sheet, it is my custom to draw your attention to any outstanding features, and I will therefore briefly state the main fluctuations that have occurred under the various headings of our assets. Mortgages have increased by over £111,000, and again this is mainly on account of our house purchase scheme. You will doubtless be interested to know that up to the end of last year we had helped over seven thousand people to buy their own houses.

Loans on parochial and other public rates have increased by over £66,000, whilst loans on company's policies have increased by nearly £15,000. This latter item, like the item of surrenders, not only shows the trend of the times, but also shows the value of a policy of assurance in time of trouble.

ORDINARY STOCK HOLDINGS.

There has been a small decrease in British Government securities of over £51,000, due to the maturity of certain series of National War Bonds. Indian and Colonial Government securities have increased by practically £180,000, and I am a great believer in supporting our Colonies, because I have such strong faith in their future. Foreign Government securities have increased by practically £55,000, and you will notice that well over one million pounds, or a big proportion of our savings for the year, has been invested in practically equal proportions in debentures, preference and ordinary stocks.

House property, you will notice, has gone up by £42,000, and this again is solely on account of our growing practice of buying our branch offices. Cash in hand and on current account shows the rather large amount of over £242,000; but let me assure you that this was not on account of any slackness in investing our money, because within a week or two of the end of the year more than this amount had been invested.

TRIBUTE TO EMPLOYEES.

As is customary, our report ends by the directors tendering their sincere thanks to the inside and outside staffs, and as I have said on previous occasions this is not a mere formality on our side, but our thanks are offered in all sincerity. We, as a board, realise that many of our men have passed through the most trying times, but as I said in a New Year's message to the field staff, all the obstacles have been overcome by reason of the true Britannic spirit which permeates our company.

VIEWS OF MR. J. MURRAY LAING.

Mr. Murray Laing, in seconding the resolution, expressed his satisfaction with the strength of the company's financial position as disclosed by the latest valuation, which had been made on the most approved actuarial standards. The preliminary announce-

ment made by the chairman regarding the proposed inauguration of a profit-sharing scheme in the industrial branch marked a new era for the company.

On the subject of the claim experience, Mr. Laing pointed out that the effects of the present influenza epidemic served to emphasise the supreme value of a good life policy. No better method of guarding against the disastrous consequences to a dependent family caused by the untimely death of the breadwinner existed than that afforded by life assurance, because the risk, which was too great for the individual to bear alone, could be borne with comparative ease when spread over a large body of persons, and this, to put it very simply, was the basic principle of life assurance.

The claim rate of the company had been well within the "expectation" both in the industrial and ordinary branches, and this was a feature of the highest importance in assisting the company to improve the benefits offered to the public. This satisfactory position was largely due to the careful selection exercised in the acceptance of business.

Turning to the ordinary branch, Mr. Laing strongly supported the chairman's remarks in regard to the decision of the directors to repeat the previous year's excellent bonus of £2 2s. per cent. He thought that an office such as the Britannic, which made a distribution of surplus to policyholders every year, hardly got the credit which was given to an office which made quinquennial distributions only. He illustrated this by pointing out that the amount distributed to policyholders during the past five years represented nearly three-quarters of a million in cash, as compared with less than £300,000 in the preceding quinquennium. Such a large proportionate expansion in so short a space of time afforded solid ground for hopefulness in regard to the future.

Mr. Laing referred to a recent development in the ordinary branch. He said that, whilst a policy which grew annually by the addition of bonuses possessed undoubted attractions to many persons, yet there was a large class whose needs were more immediately pressing, and to whom a policy giving the maximum protection at the outset for the money expended was more suitable. To meet this class the company had recently decided to issue policies for sums of £1,000 and upwards, the premiums under which had been reduced to the lowest minimum. These policies did not share in profits, but gave much bigger immediate protection than was possible in the case of a participating policy. For instance, at age thirty the premium for a whole life participating policy of £1,000 was £23 17s. 6d.; for a similar premium a sum assured of £1,422 could be secured under the latest table. Already the gratifying response made had satisfied the directors that there was a growing demand for such a policy. This was but a further evidence of the efforts of the company to keep pace with the times.

The report and accounts were unanimously adopted. Mr. J. Murray Laing was unanimously re-elected a director of the company, and Messrs. Flint and Thompson re-elected auditors to the company.

Votes of thanks to the directors, officials, and the inside and outside staffs of the company for their loyal and efficient services throughout the year, and to the chairman for presiding, terminated the proceedings.

SPENCER, TURNER AND BOLDERO, LIMITED.

The thirty-fifth annual general meeting of this company was held on February 28th, at 18 Duke Street, Lisson Grove, London.

Mr. John Boldero (the chairman) said that, looking back over many years, they had had some fat years and some lean ones, but the great majority had been good average years, and such, he considered, 1928 had been. The season opened in a very promising fashion, but just when it should have broadened and grown it rather seemed to deflate. With regard to the board's decision to make a cut in the dividend on the ordinary shares, he would point out that their financial distributions had always been on a very conservative basis as was shown by the reserves which they had accumulated. For the last two years, however, they had been perfectly frank in pointing out that they had divided slightly more than they had made, and so had reduced their carry-forward—a step which he thought was justified at the time as an exception. This year they had determined to take their courage in both hands and work again on the road of paying rather less than the actual profit made. They had actually made £900 less than was sufficient to pay 9 per cent. on the ordinary capital, so that they decided to continue their donation of £1,000 to the provident fund and to pay a dividend of 8 per cent. for the year, increasing the amount carried forward by £2,186.

The report and accounts were unanimously adopted.

HARRODS LIMITED.

EXCELLENT RESULTS—PROMISING OUTLOOK.

The thirty-ninth annual general meeting of Harrods Ltd. was held on the 4th instant, at the company's premises, Brompton Road, London, Sir Woodman Burbidge, Bt., C.B.E. (chairman and managing director), presided.

The secretary (Mr. R. H. Griffiths) having read the notice convening the meeting and the report of the auditors.

The chairman, in moving the adoption of the report and accounts, dealing with the figures in the balance sheet, said the net profit for the year was £775,156, as compared with £721,751 for the previous year. Those results would have been still more favourable but for the fact that they had brought only to the credit of their profit and loss account the gross interim dividend from D. H. Evans, amounting to £29,839. The final dividend on D. H. Evans ordinary shares had been declared, making 25 per cent. for the year—amounting to £44,759—which would be included in next year's accounts. The gross profit on trading showed a satisfactory increase of £95,000. The board proposed the payment of a final dividend of 15 per cent. (making 20 per cent. for the year), carrying forward £116,033.

In regard to the item shares in subsidiary and allied companies, there were 54,000 Harrods (B.A.) deferred shares of 1s. each, which stood in the balance sheet at cost price of £2,700, whereas the market value to-day was over £350,000. (Hear, hear.) The company was in an exceptionally strong financial position. The investments in British Government securities and cash totalled £1,928,397, a reduction of £245,914, due to the cash payment of £298,000—being 16s. per share and expenses on the 298,000 shares in D. H. Evans. Shareholders would no doubt agree with him that their business was built on a foundation as solid as a rock.

IMPROVEMENTS.

Further changes had been made within the last year in certain of the departments by the introduction of new fixtures and fittings. Those departments they had already completed fully justified the new expenditure, and this was evidenced by the appreciation and response of their customers as shown in their increased trade. When their whole scheme was carried into effect and all the improvements contemplated were made, for comfort, convenience, and shopping facilities they would have a store without equal in this country, or any other country in the world.

The results of Kendal Milne, their Manchester branch, for the past year showed an increase in trade, and they had served a record number of customers. These increases evidenced the popularity of Kendal Milne. This was especially the case if they had regard to the unsatisfactory conditions in the cotton industry which had prevailed throughout the year. They trusted the efforts now being made to consolidate and strengthen the position of this important industry would be crowned with success, and that they might soon realise revival in that trade. The directors were fully convinced that their present store was not adequate to meet the reasonable needs of their growing business, and give to their customers the convenience and facilities that present-day shopping demanded. For these and other good reasons they had decided to erect a new store in place of the old buildings immediately opposite their main store in Deansgate. They had secured the whole of the magnificent island site, with an area of about 35,000 square feet. They were considering the plans, and proposed commencing the building next year. To meet the whole of the expenditure for building, equipment, and the extra stock required they had the funds available, so that it would not be necessary to issue any fresh capital.

The business of Dickins and Jones, Ltd., also maintained a satisfactory progress. They were able to report not only increased trade and net profits, but also an increased rate of dividend on the ordinary share capital. The net profit for the year was £125,632, against £123,133 last year, an increase of £2,500, and the dividend on the ordinary shares was increased to 12 per cent., against 10 per cent. last year.

OUTLOOK FOR THE CURRENT YEAR.

As to the business outlook for the current year, with regard to the trade of the country generally—this was distinctly promising. In regard to their own business, after what he had put before them and had said of the position and progress of the business, they would expect him to view the possibilities of the current year with optimism. They were continuing to reap the benefit of their departmental alterations. They were serving more customers now than they had ever done in the history of the business, and what was more important, they were giving constantly better service.

Sir Harry K. Newton seconded the resolution, which was carried unanimously.

The formal business having been transacted, a vote of thanks to the chairman, directors and staff terminated the proceedings.

SCOTTISH WIDOWS' FUND AND LIFE ASSURANCE SOCIETY.

LARGE INCREASE IN NEW BUSINESS.

RESERVES CONSIDERABLY STRENGTHENED.

The 115th stated annual meeting of the Scottish Widows' Fund and Life Assurance Society was held in the society's office, Edinburgh, on Tuesday, March 5, 1929, the Right Hon. Lord Kinross, K.C. (chairman of the ordinary court of directors), presiding.

The chairman, in opening the proceedings, expressed his regret—which would be shared by all present—that the President, Lord Rosebery, was unable to be present and take the chair.

The secretary read the notice convening the meeting and the minutes of the 114th annual general court, held on March 1, 1928, which were approved; and the report and accounts were taken as read.

In moving the adoption of the report and accounts, the chairman referred with great regret to the death of Sir Henry Cook, W.S., the senior member of the ordinary court of directors, and the Hon. Lord Trayner, LL.D., one of the extra-ordinary directors of the society. He also stated that the directors had elected as an ordinary director the Marquess of Linlithgow, K.T., who has been an extra-ordinary director and vice-president since 1910; also that an extra-ordinary court of directors had appointed the Very Reverend Sir George Adam Smith, Principal of Aberdeen University, who has for many years been one of the extra-ordinary directors, to be a vice-president in place of Lord Linlithgow.

NET NEW ASSURANCES OF £3,173,000.

Continuing, he said: We are glad to report that the new business of 1928 considerably exceeded that of 1927, which itself showed a large increase over that of the previous year, 1926. We granted last year new life assurances to the total amount of £3,362,000, of which £189,000 was reassured with other offices, leaving net assurances of £3,173,000. The gross amount exceeded that of 1927 by £383,000, and the corresponding increase in the net amount after deduction of reassurances was £509,000. The single premiums received amounted to £89,165, including those payable in respect of deferred annuities, and the new annual premiums to £119,194.

REVENUE ACCOUNT.

Our revenue account shows a satisfactory increase in our premium income, which exceeded £1,750,000 sterling, and in our interest income, both gross and net, and the gross rate of interest, reckoned on the entire funds, has increased by 1s. 6d. per cent.

I referred last year to an unwelcome increase in surrenders. I am glad to say to-day that not only has the increase been checked, but we are able to point to a very considerable fall in this item, which it is our aim to keep as low as practicable. This drop may of course be partly accidental, but it is, I hope, at least partly due to special measures which we have taken with the object of preventing unnecessary surrenders.

Our death claims must always show fluctuations from year to year, and last year there was an upward swing to £1,282,120, which is about £147,000 in excess of the previous year. But the claims were satisfactory in their incidence and well within the amount provided for, so that favourable mortality again showed a considerable contribution to surplus.

TOTAL INCOME AND OUTGOINGS.

The total income of the year amounted to £3,130,573, and the total outgoings to £2,414,863, showing an excess income amounting to £715,710, of which £712,648 falls into the life assurance fund, increasing it from £26,834,908 to £27,547,556. As we are now thinking quinquennially, it may be of interest to state that during the last five years the funds have increased from about 24¼ millions to 27⅛ millions, or by about 13½ per cent. The mode of investment of this great sum is shown by the balance sheet.

From this you will see that, while we still hold a large amount in British Government securities, we have made further progress in our policy of reducing this item as opportunity offers, and reinvesting in securities of a wider range and yielding a higher rate of interest. The effect of this process is to be seen in the increase of the overhead rate of interest to which I have already referred.

SOUNDNESS OF THE ASSETS.

While we are amply satisfied as to the soundness of the assets, and indeed keep them under constant review, it is our custom at each quinquennial investigation to appoint a committee of directors to overhaul the assets and report specially upon them to the members.

You will see that the committee's report is entirely satisfactory, and it is confirmed by the auditor, who certifies, in the restrained language laid down by Act of Parliament, that the assets are in the aggregate fully of the value stated. The market values, in fact, show a considerable surplus over the balance-sheet figures, and this surplus forms an inner reserve which not only helps to keep up our rate of interest—a very important factor in the working of our business—but also supplies a comfortable buffer against the possible depreciation of prices in the future. The members will appreciate that ample reserves not only make for financial strength, which must be our first consideration, but also conserve our future profit-earning power. We have borne this in mind in valuing our liabilities as well as our assets.

We have valued the liabilities on the same basis as regards mortality tables as in 1923, and, as before, only the pure or net premiums have been taken into account, the whole of the loading being reserved as a provision for expenses, contingencies and profits. But on this occasion the net rate of interest assumed and anticipated in the valuation is 2¾ per cent., as compared with 3 per cent. on previous occasions, and by the adoption of the lower rate the reserves have been considerably strengthened.

RECORD SURPLUS.

These stronger reserves having been made, and our general reserve fund of £350,000 maintained in addition, there remains a surplus of £3,034,247, which is the largest for any five years in the history of the society. This surplus has enabled us to declare a bonus for the past five years at the very high rate of £2 2s. per cent. per annum, calculated—as you must not forget—not only on the sums assured, but also on existing bonuses, so that the actual rate of bonus addition, if reckoned on the original sums assured alone, ranges from £2 2s. per cent. for recently effected policies up to about 5 per cent. per annum, or 25 per cent. for the quinquennium, on the oldest cases. This bonus will absorb the sum of £2,953,000, leaving an undivided balance of £81,247 to be carried forward.

25 PER CENT. HIGHER BONUS.

The rate of bonus we have now declared is nearly 25 per cent. in excess of the pre-war rate, and is even higher than the rate which we declared five years ago, although on that occasion the bonus was partly provided out of a special source, and accordingly the rate was then regarded as, and frankly stated to be, at a special rate, a repetition of which was not to be expected. We, however, then went on to say that we were not without hope that it might be possible at the next investigation—that is, the one just concluded—to declare a bonus somewhat higher than the pre-war rate, and you will admit that in this matter we have been better than our word.

As the quinquennium wore on and we examined the results of each year, we felt justified in making gradual increases in the rate of intermediate bonus, which is allowed under our liberal regulations, not only in the case of claims, but also in case of surrenders of policies during the quinquennium. Now that the results of the full period are available, they must, I think, be as gratifying to our fellow-members as they are to the directors themselves, for we are able to point to the strongest reserves, the largest quinquennial surplus, and the highest rate of compound bonus in our history.

Bonuses depend upon surplus, and the surplus depends upon conditions current from time to time, so I shall not be so foolish as to indulge in prophecy. But having made the high reserves which are so necessary to support the maintenance of a high and greatly increased rate of bonus, we have every hope that the rate we have declared for the past five years, high though it is, is one that we shall be able to maintain in the future—unless there should be some considerable change in conditions, such as would affect all offices in common. We have, therefore, had no hesitation in fixing the same rate—£2 2s. per cent. compound—for the intermediate bonus to be allowed in respect of claims and surrenders arising during the current year.

RESIGNATION OF MR. LIDSTONE.

It is a matter of great regret that our manager and actuary, Mr. Lidstone, whose ability and skill have contributed in large measure to the successful results of the quinquennium, is forced on grounds of health to resign his post; his position in the insurance world is one of outstanding eminence, and the society in its time has had no more loyal and devoted servant. I am glad to be able to inform you that we are not going to lose him altogether, and that, after a period of well-merited rest, he will join the Board as an ordinary director.

We have appointed Mr. Sharp, our present secretary, to succeed him as manager and actuary. From our knowledge and experience of Mr. Sharp's ability and capacity we are confident that he possesses the qualifications necessary for this responsible post, and I am sure you will be glad, as we are, that we have been able not only to make the principal appointment, but also all the consequential ones from within our own service.

In conclusion, I will only repeat what we have said in our report, that we can with complete confidence say to-day, as we said five years ago, that we believe the society was never in a stronger position or the bonus prospects more favourable.

The report and accounts having been unanimously adopted, the retiring directors re-elected and the auditor re-appointed, the thanks of the meeting were accorded to the directors, agents and officials for their services during the past year, and the proceedings terminated with a cordial vote of thanks to the chairman.

THE PRUDENTIAL ASSURANCE COMPANY, LIMITED.

FAVOURABLE RESULTS OF THE YEAR.
VALUES OF THE PROFIT-SHARING SCHEME.
PROGRESS IN ALL DEPARTMENTS.
SIR EDGAR HORNE ON THE POSITION AND PROSPECTS.

The annual general meeting of the Prudential Assurance Co., Ltd., was held on Thursday, 7th March, 1929, at the chief office, Holborn Bars, London.

Sir Edgar Horne, Bart., the chairman of the company, presided.

The secretary, Sir George May, K.B.E., having read the notice convening the meeting and the auditors' report,

The Chairman said : Ladies and Gentlemen,—

The 80th annual report gives the results achieved by the Prudential during the year 1928.

GENERAL BRANCH BUSINESS.

The steady progress of the general branch was continued. The combined premium income from all classes, excluding marine, was £1,386,130—an increase of £150,684 over the preceding year.

The loss ratio for the fire, accident, employers' liability, and miscellaneous sections combined was only 47.3 per cent. of the premium income. The expense ratio for the same sections was 41.4 per cent., making a total outgoing of 88.7 per cent. for these sections.

The premiums written in 1928 in the marine insurance section of our business amounted to £367,589, and the fund at the end of the year was £697,088, which, in our opinion, will be ample to meet all claims under the accounts which were open at the end of 1928.

ORDINARY BRANCH RESULTS.

In the ordinary branch the sums assured written under new policies issued in 1928 amounted to £17,401,000, about £500,000 more than the corresponding figure for 1927. The new annual premium income produced by this business was £1,072,977, and in addition we received £1,146,810 by way of single premiums.

The total premium income in this branch for the year 1928, including purchase-money for annuities, was £11,884,527, and the net interest income was £4,029,754. The total amount paid out under claims, surrenders and annuities during the year was £11,062,244, or rather more than £500,000 in excess of the corresponding figure for 1927.

INDUSTRIAL BRANCH RESULTS.

In the industrial branch the number of new policies issued was 2,219,712, assuring a total sum of £58,511,995, that is an increase of 157,646 policies, and £4,776,317 in amount over the new business figures for 1927. The total premiums received during the year amounted to £17,143,456, or £550,002 more than in the previous year, and the amount received by way of interest was £5,796,993, after deduction of tax.

The claims and surrenders, including bonus, amounted to £11,613,501, or £1,988,252 more than the similar item of last year.

The total expenses of the industrial branch were £4,267,852, or 24.89 per cent. of the premiums received, this being more than one-half of one per cent. lower than last year's rate.

SURPLUS.

The total surplus for the year was £9,050,197, made up of £261,933 from the general branch, £3,079,013 from the ordinary branch, and £5,709,251 from the industrial branch.

GENERAL BRANCH PROGRESS.

It is just ten years since we started to transact general branch business, and during that period we have built up a substantial income, whilst at the same time making a careful selection of risks and building up reserves. We believe that by so conserving our resources we have acted in the best interests of everybody concerned, but the time has now arrived when it is no longer essential to devote the whole of our profits to strengthening reserves, and we have, therefore, decided to pay a first dividend.

You will remember that at the end of 1927 the necessary notice was given in order to terminate our agreement with the Royal Exchange Assurance in respect of marine insurance business on 31st December, 1928. We have come to a mutually satisfactory arrangement with them, whereby they will continue to act for us in all matters relating to risks written by them on our behalf before that date.

After a very thorough survey of all the factors involved, your directors decided to continue to write this class of business, but only to accept risks for which reasonable rates of premium can be obtained. I am pleased to say we were able to come to an arrangement whereby, as from 1st January, 1929, Mr. G. Garfield Sharman underwrites marine risks on our behalf.

ORDINARY BRANCH PROGRESS.

During the past year there has been a considerable expansion in the business which we have secured in connection with group schemes of death benefits and staff schemes to provide pensions for employees. We are able to offer these benefits on advantageous terms and thus meet what is becoming to an ever-increasing extent a necessity of the business community in this country.

The rate of reversionary bonus declared upon the original sums assured, namely, £2 6s. per cent. upon the participating endowment assurances in this branch, is an increase of 2s. per cent. over that declared for 1927, whilst the rate of £2 10s. per cent. to whole life participating policies is 6s. per cent. greater than that declared for 1927.

INDUSTRIAL BRANCH PROGRESS.

In the industrial branch, in spite of the large amount of unemployment, which unfortunately prevailed during the year, very good progress has been made. The increase of half a million in the premium receipts is not in itself a complete index of the work done because the claims have increased by nearly two millions, and claims mean cessation of premiums. At the same time, however, the payment of over five and a half millions under maturing endowment assurances during a period of distress due to unemployment must have been not only a great assistance to the assured, but also a practical example of the value of life assurance in general and a Prudential policy in particular.

REAL VALUE OF PROFIT-SHARING SCHEME.

As claimants all over the country find the sums assured under our policies substantially increased by bonus, the real value of our profit-sharing scheme is more and more appreciated. This year £3,265,306 of the surplus has been allocated as bonus to industrial branch policies. This amount has enabled us to increase the reversionary bonus from £1 2s. per cent. of the sum assured to £1 14s. per cent., and also to make this and all previously declared reversionary bonuses vest immediately instead of after five years as heretofore. The bonus on policies issued before 1923 has also been increased at certain durations, and the period for which it is guaranteed has been extended from 12 years to 14 years, except in the Irish Free State, where the guarantee is for one year only, as the conditions there prevailing are such that the business does not yield so high a rate of profit.

REDUCED EXPENSE RATIO IN INDUSTRIAL BRANCH.

We have again been successful in reducing the expense ratio in the industrial branch, and since industrial companies have not only to comply with many statutory requirements from which ordinary companies are exempt, but also to maintain an agency organisation for the weekly collection of premiums, an expense ratio of under 25 per cent. is therefore a notable example of what has been achieved by our methods of organisation.

When it was evident that there was a further fall in the expense ratio in this branch, the directors decided to grant free policies to holders of industrial branch policies in Great Britain and Northern Ireland on which premiums have been discontinued after 31st December, 1927, and after payment of one year's premiums, provided age 10 has been attained. We also guarantee that the amount of free policy shall never be less than the proportion of the sum assured under the original policy that the number of years' premiums paid bears to the total number payable under the policy.

NEW JUVENILE TABLE.

The directors during the year have issued a new juvenile table which not only provides the full statutory sums assured, but also incorporates an endowment amount which, having regard to the death cover provided and the reversionary bonus additions, we are confident will compare favourably with the results obtained from National Savings Certificates.

INVESTMENTS.

The investment and financial side of our business, with its ever-increasing responsibility, has received, as usual, the unremitting care and attention of your directors, and there is every reason for congratulation on the general results obtained during the past year.

We have made no marked change in our investment policy during the past year. As in the immediately preceding years, we have for the most part sought outlets for our new money in securities giving a higher yield than that obtainable from the trustee group. You must bear in mind that the proportion of our funds in the trustee type of security rose to an unusually high figure a few years ago on account of our large participations in Government war-time borrowings, and or present policy is therefore in the nature of a logical corrective of this position.

DISTRIBUTION OF INVESTMENTS.

The distribution of our investments over Great Britain, the Colonies and foreign countries is as follows :—

Home securities, 64½ per cent.

Indian and Colonial securities, 12¼ per cent.

Foreign securities, 23¼ per cent.

You will see that the proportion invested in foreign securities has once again risen, the present figure comparing with 20½ per cent. a year ago. The new investments in this group are mainly European, as the comparatively low yields and additional income tax practically preclude a British company from investing to any great extent in U.S.A. bonds. It is interesting to notice that although the proportion of British securities has slightly diminished, the amount so invested has actually increased, the total now being £109,724,003 against £105,826,356 last year. Our holding of British Government securities has, however, been reduced from £68,595,880 to £66,895,995, but even now this latter figure is more than 39 per cent. of our total Stock Exchange securities.

The net rate of interest on our total life funds, viz., £5 2s. 11d. per cent., is almost identical with that of last year; this fully bears out what I said last March, in seconding Mr. Thompson's resolution, viz., that there were definite signs that we were approaching a peak in our interest rate, unless or until there was some reduction in the present high rate of income tax.

PRUDENTIAL APPROVED SOCIETIES.

The Prudential Approved Societies continue to play their part in the administration of the National Health Act, and during 1928 paid out to or on behalf of their members £4,699,400. The number of persons admitted to membership of the societies during the year was 274,691, of whom 118,043 were men and 156,648 women.

It is interesting to note that the general experience since the war has been increasing rates of sickness but decreasing rates of mortality, factors which both tend in the same direction, namely, to increase the cost of sickness benefits. In spite of this, however, we were able to grant during 1928 a sum of £520,204 as additional (non-cash) benefits; of that sum £349,907 was expended in meeting the cost of dental treatment to members.

As we all know, sickness is seasonal in its incidence, but the severity of the influenza epidemic during the past few weeks is indicated by the fact that whereas the number of new sickness and disablement claims received by the Prudential Approved Societies in December, 1928, averaged 16,000 per week, the average for the 7 weeks commencing 6th January last was 33,372 per week, and for the week ended February 23rd the actual number was 44,873.

OFFICE ORGANISATION.

I cannot speak too highly of the excellent spirit which prevails amongst the staff, who have efficiently maintained and extended the company's wide connection in face of the acute difficulties arising from the abnormal amount of unemployment during the past two or three years.

CONCLUSION.

In conclusion, I venture to think that this, the 80th report, shows that we are still young and vigorous, flexible, full of initiative, and prepared to take advantage of all opportunities which present themselves. The future is bright and full of possibilities; under our profit-sharing scheme our policyholders will benefit in the main by our progress, and this is as we would have it, for our aim has always been to give them an increasing share of our prosperity.

I now beg to move : "That the report of the directors and accounts certified by the auditors be received and adopted," the statutory report of the auditors having been previously read to the meeting.

VIEWS OF MR. FREDERICK SCHOOLING.

Mr. Frederick Schooling, F.I.A. (deputy-chairman), in seconding the motion, said : My first duty—and it is a very pleasurable one—is to congratulate our chairman upon the honour which has recently been conferred upon him by His Majesty the King. (Applause.) We all feel that it is a fitting tribute to the wholehearted way in which Sir Edgar has devoted his time and abilities to the service of the public, whilst at the same time finding opportunity to play an important part in the business life of the community.

With regard to the industrial branch, as a result of the decrease in costs, combined with increased interest revenue, we are now giving an annual bonus in the industrial branch of exactly the same kind as is given in the ordinary branch, and at a rate which a few years ago would have been considered highly satisfactory for large policies of £1,000 or more, subject to annual premiums. (Applause.) That is to say, small policies with premiums of 1d. per week are getting each year bonus additions at rates comparable to those obtainable on big policies owned by wealthy people. (Applause.)

You may know that last year we were favoured by a visit from H.R.H. the Duke of York, who, whilst here, took the opportunity of effecting a penny a week policy—(laughter)—which, of course, is in force and will be entitled to an immediate bonus. The Duke is aged 33, and the sum assured under his Prudential industrial policy is £7 2s., which, if our present rate of bonus is only maintained—we hope it will be increased from time to time—will in 20 years amount to £9 10s. 3d. and in 40 years to £11 18s. 6d. I am sure we all hope that no claim will arise on that policy until long after the 40 years have expired. (Laughter and applause.)

Our ordinary branch figures are large, but the benefits under our policies are such as to justify even greater results, for we are able to compete for business amongst all classes of the community. That we have attained some measure of success among the more wealthy classes is evidenced by the fact that our new business in policies for sums assured of £500 and upwards was about £7,500,000.

SIR WILLIAM PLENDER'S REMARKS.

Sir William Plender, Bt., G.B.E. : Mr. Chairman, permit me at the outset to congratulate you on the well-merited honour which His Majesty the King has conferred on you, which will, I am sure, afford much gratification to all the members of this company, and add not a little to the pleasure with which they see you occupying the post of chairman, which was held by your late father for so long a period. I should like to identify myself with the remarks that you have made as to the grievous loss which the company has sustained in the deaths of the late chairman, Mr. Thompson, and of Sir John Paget Mellor, and I would add the name of Sir William Lancaster, who, although having retired from the board eight years ago for reasons of health, will long be remembered in connection with his exceptional period of association with the company, extending over 62 years.

The balance sheet now before the meeting is the fortieth to which my firm has added a report with regard to the investments. The balance sheet at the 31st December, 1889, when we were first called in, showed the total assets at about 10 millions sterling. They are now 219 millions.

There can be few, if any, institutions which have shown such marvellous growth in the space of 40 years, which, I venture to think, would not have been possible but for the enlightened policy which has been pursued by the company in the facilities and privileges granted to the industrial policyholders as the prosperity of the company expanded. (Applause.) The latest instance of this is your recent determination to grant free policies to industrial branch policyholders when only one year's premium has been paid on their policies if the assurance is discontinued and provided the age of 10 has been reached.

In regard to the investments, with which I am principally concerned, they show an increase in the year of almost 10 millions, and I have pleasure in stating that the same care with regard to their custody continues to be observed, to which I have so frequently alluded. The average net rate of interest earned on the combined assurance funds, exclusive of reversions, is stated by the actuary in his report to be £5 2s. 11d. per cent., which is a convincing testimony of the judgment and skill of the board and management in selecting investments. (Hear, hear.) I may conclude by stating that the securities of, or guaranteed by the British Government, held by the company at 31st December, 1928, reach a total of no less than about 67 millions sterling. (Applause.)

The resolution was passed unanimously, and the formal business having been transacted, the usual votes of thanks concluded the proceedings.

REFUGE ASSURANCE COMPANY, LIMITED.

SATISFACTORY PROGRESS.

BONUS TO INDUSTRIAL BRANCH POLICYHOLDERS.

INCOME EXCEEDS £10,000,000.

ASSETS £42,866,260.

The sixty-fifth annual ordinary general meeting of the Refuge Assurance Company, Limited, was held, on the 4th instant, at the Chief Office of the Company, Oxford Street, Manchester. Mr. J. Wilcock Holgate (the chairman of the Company) presided.

The secretary (Mr. John W. Moss) having read the notice convening the meeting and the auditors' report,

The Chairman, in moving the adoption of the report and accounts, which were taken as read, said: Gentlemen, before proceeding with the business of this meeting it is my sad duty to refer to the loss we have sustained since our last annual meeting through the death of our late chairman, Mr. James S. Proctor.

Mr. Proctor, who was a grandson of the founder of the Company, commenced his commercial career with this office at an early age, and during the whole of his life-long connection he maintained to the full the traditions of his predecessors, possessing, as he did, a thorough knowledge of the business, having passed through all the phases of the Company's operations. He entered the service of the Company in 1890, was appointed a director in 1907, and held successively the positions of joint general manager and joint managing director, being elected chairman in 1922, a position which he retained to the time of his lamented death.

Mr. Proctor was president of the National Amalgamated Approved Society, having been connected with this institution from its inception, and he took a keen interest in the activities of the society. He was also a vice-president of the National Conference of Industrial Assurance Companies and Collecting Friendly Societies, and a member of the executive of the Association of Industrial Assurance Companies and Collecting Friendly Societies, in all the affairs of which he rendered willing and useful service.

We and many of our large staff will miss him, both as a personal friend and business colleague we held him in the highest esteem. He was an exceedingly approachable man, possessed of a kindly and attractive personality, and he brought to bear upon the Company's affairs a sound judgment, the outcome of his many years' experience. He will not only be missed from our own boardroom, but also from the councils of those many committees of which he was a member.

I am sure we all desire to offer our sincere sympathy to the members of his family in the sad bereavement which has befallen them.

It has become customary at our annual meeting, before presenting the report and accounts, to make some observations on the general industrial conditions prevailing during the year under review, for it must indeed be apparent to all that a business of the magnitude of the Refuge reflects very quickly—in fact, almost instantaneously—any variations or changing conditions in the commerce and trade of the country.

Our late chairman in his speech last year ventured to express the hope that the process of recuperation from the far-reaching and devastating effects of the calamitous upheaval of 1926, of which some slight evidence was provided in the industrial position of 1927, would continue, and that the year 1928 would see the return of a more prosperous condition of affairs. This hope, unfortunately, has not fully materialised, for it must be admitted that the trade of the country as a whole has not yet substantially improved. There may perhaps have been some improvement in certain directions, but the great employing, wage-paying industries of iron, coal and shipbuilding, and the enormous exporting textile trades have again experienced a period of very serious depression, the outcome of which will be felt for a considerable time. Though one cannot point to that definite indication of trade revival so much desired, there are schemes and plans of far-reaching importance to the whole nation being discussed by the great industrial trading undertakings of the country, the continuance and prosperity of which are of such vital importance to many millions of our population; and if the hopes and aspirations of those who are working in these directions are fulfilled, then I am sure with time and patience we shall see the return to an industrial peace and prosperity which will be reflected throughout the length and breadth of the land, and we look forward to seeing in 1929 some tangible results of the labours of these captains of industry, representing both the employer and the employee.

Dealing now with the report, I think we can regard 1928, notwithstanding the adverse conditions to which I have just made reference, as a year of satisfactory progress in all the different branches of the Company's operations; and it is with pleasure that your board present for your approval the report and accounts for the period in question. I feel that I am very fortunate, on this the first occasion on which I have had the honour of presiding over this meeting as chairman of the Company, in being in a position to refer to such eminently gratifying results.

The total premium income amounted to £8,335,127, an increase of £508,700 over that of the previous year, and the total net interest income was £1,964,952, showing an increase under this heading of £164,510. The total assets now stand at £42,866,260, showing a record increase of £3,589,632. The amount paid in claims by death or maturity during the year was £3,868,535, or more than £12,000 each working day, and the total sum paid under this head since the inception of the Company is now £56,977,564. After the transfer of £200,000 to the investments reserve funds the aggregate surplus shown by the valuations of the two branches of the Company's business is £2,208,672, which includes £764,018 brought forward from the previous valuation. It is proposed to allot £1,288,365 to the policyholders, and to carry forward unappropriated the sum of £770,307.

INDUSTRIAL BRANCH.

It is with pleasure we again report that this important branch of the Company's business continues to make excellent progress, ndicating the great confidence of the industrial population of this country in the Refuge for its fair treatment, generous dealings, and prompt payment of its claims, features which have always been characteristic of the Company.

The new business consisted of 918,603 policies, assuring the sum of £16,952,369. The premium revenue was £4,632,782, an increase of £251,365 over the corresponding figure for 1927, and the net ncome from investments, after deduction of income tax, was £669,803, showing a net yield of £5 3s. per cent. on the entire assets of the branch, both invested and uninvested, this figure being the same as that of last year. The death claims amounted to £1,536,923, and £256,076 was paid to policyholders under matured endowment assurances. The claim ratio was 38·70 per cent., showing a decrease of 2·17 per cent. as compared with the previous year. The industrial branch fund now amounts to £13,222,558, having increased by £1,501,470 during the year.

You will recollect that last year reference was made to the operation of the Arrears Liquidation Scheme which had been formulated to assist the policyholders in the payment of arrears which had accumulated as a direct consequence of the coal stoppage, and it was observed that the very substantial increase in the premium income of the industrial branch for that year was partly owing to the successful application of this scheme. It is necessary to have regard to this fact when comparing the increase in the premium income for 1928 with the corresponding figure for the preceding year.

INDUSTRIAL BRANCH VALUATION.

The valuation of this branch has again been made on the basis of the English Life Mortality Table No. 8, Males, with interest at 3 per cent. for all classes of policy except adult single whole-life assurances by weekly premiums, and infantile whole-life assurances by weekly premiums not exceeding one penny, which are valued at 3½ per cent. As regards these policies, the valuation has been further strengthened, the percentage thrown off the office premiums before valuation varying from 35 per cent. upwards, and providing a net positive liability in every case. The remaining policies, including the whole-life assurances by monthly premiums, have again been valued on a strict net premium basis.

This valuation marks the close of a stage in the development of a definite programme to which I shall later refer in more detail, and the effect is to set free for distribution in accordance with this programme, the sum of £504,595, out of which it is proposed to allocate to the policyholders the sum of £407,728, and to the shareholders £29,652, and to declare a dividend of 7½ per cent., absorbing £22,500, the balance of £44,715 being carried forward unappropriated.

The number of industrial branch policies existing at the valuation date was 6,161,677, assuring the sum of £82,568,469, and the average duration of the policies was 10½ years.

BONUS TO POLICYHOLDERS IN THE INDUSTRIAL BRANCH.

The issue of the improved tables in 1923 and again in 1927 raised the important question of discrimination between the old and the new policyholders, and it was recognised that for many reasons it was undesirable that this discrimination should persist.

With the object therefore of remitting all policyholders to a common—and that the most favourable—basis, steps were taken to build up the necessary reserves to enable this to be done, these steps being taken in addition to and in conjunction with the policy of systematic strengthening of the valuation reserves which has been carried out by the Company during recent years. In the development of this programme a stage has now been reached at which a beginning may safely be made in the direction of giving old policyholders the benefit of the more favourable terms now offered to new assurants, and the sum of £407,728 is being allocated for application in this direction.

The present accounts represent a landmark in the progress of the Company in that, for the first time, policyholders in the industrial branch take a proportion of the profits for the year, notwithstanding that policies in this branch are in form non-profit. We are justified in feeling very proud of the position we have reached, and I need not add that it will remain our constant endeavour not only to maintain but to increase still further the benefits we can offer to the insuring public.

ORDINARY BRANCH.

This branch has again contributed its quota to the substantial progress the Company has achieved, a fact which indicates the favour in which our policies are held by the assuring public. The number of policies issued in the year was 49,160, assuring the sum of £6,377,442, the annual premiums payable thereon being £450,257 and the single premiums £96,872. A very limited number of single-premium policies was issued by means of immediate loan on what is known as the super-tax saving plan, the total sum assured under this head being £31,500. The premium revenue for the year was £3,702,345, an increase of £257,335 over the previous year, and the net income from interest, after deduction of tax, was £1,295,150. The net rate of interest earned on the entire assets of the ordinary branch is well maintained at £4 15s. 8d. per cent., as compared with £4 15s. 10d. per cent. the previous year. Payments under the head of claims amounted to £2,075,490, of which £652,013 was paid in respect of deaths, and £1,423,477 to policyholders under matured endowment assurances. The ordinary branch fund now amounts to £27,677,034, showing an increase during the year of £1,892,778.

An interesting feature in the balance sheet is the reduction in the item of outstanding premiums, which is less than the corresponding item in 1927 by £29,203, a reduction of nearly 25 per cent.

ORDINARY BRANCH VALUATION.

The ordinary branch has again been valued by the O^{m} Table of Mortality in conjunction with interest at 3 per cent. Only the net premiums corresponding to the ages at entry have been taken into account, and on this stringent basis, and after transferring £100,000 to the investments reserve fund, the gratifying surplus of £1,704,077 has emerged. As the surplus brought forward from the previous valuation was £726,447, the actual profit for the year is £977,630, after making the transfer to which I have referred. It is proposed to maintain the reversionary bonus at the present rate of £2 4s. per cent. on with profit policies, absorbing £880,637, and to allocate £97,848 to the shareholders, the balance of £725,592 being carried forward unappropriated.

The total number of ordinary branch policies existing at December 31, 1928, was 529,976, assuring the sum of £60,501,567, including bonus additions of £6,024,514.

MORTALITY.

The light mortality experienced in both branches during the year is evidence not only of the care exercised by the Company in the selection of lives proposed for assurance, but also of the favourable weather conditions prevailing during the period, and the consequent freedom from epidemic of any serious nature. Life assurance and meteorology are not usually supposed to have much in common; yet an intimate and a very important connection exists in the fact that certain climatic conditions at certain times of the year inevitably exert a certain effect on the claims of the Company. It seems unfortunate that the popular belief as to what constitutes healthy weather is not always borne out in fact; for example, it will be found that a rainy summer is accompanied by relatively fewer deaths than the hot, dry season usually regarded with such satisfaction.

The past year was noteworthy for the fact that throughout its course the prevailing weather conditions were of the type most favourable to the general health of the community. The effect is reflected in our claims for the year; in the industrial branch the amount paid in respect of claims by death increased by only £5,056, whilst in the ordinary branch the corresponding amount was less than in 1927 by £73,312. This result is the more satisfactory in view of the economic conditions prevailing during the period, and which might have been expected to have exercised an adverse effect on the mortality of our members.

EXPENSE RATIO.

As a measure of the cost of conducting the business of life assurance it is usual to consider the ratio between the total expenses for the year and the premium income. This ratio is, of course, an average figure which makes no attempt to distinguish between the heavy expenses incidental to the first year of a policy's existence, and the very much lighter costs of the subsequent administration of the contract, and it must not therefore be understood as representing the amount absorbed in expenses out of each premium paid by an individual policyholder throughout the duration of his contract. It is, as you know, the declared object of the Company to exert every effort to reduce to the absolute minimum the costs of the administration of our organisation, consistently with efficiency and equity, and in respect of the year of account I am very glad to be able to report a slight reduction in the expense ratio in each branch of the Company's activities. In the ordinary branch the ratio has fallen from 16·16 per cent. in 1927 to 16·14 per cent., and in the industrial branch from 37·68 per cent. to 37·26 per cent.—the lowest in the history of the Company. It is interesting to record that the steady reduction in our expense ratio during the last few years has been accompanied by a substantial increase in the average earnings of our field staff.

INVESTMENTS.

The fact that the success of a life office depends to a substantial degree upon the skilful handling of its investments will lead you to anticipate some reference by me to this important aspect of our business.

I have already drawn your attention to the fact that our assets now amount to £42,866,260, showing a record increase of £3,589,632 during the year. When, in addition, it is realised that an amount very considerably in excess of this increase in the funds becomes available for reinvestment each year, it will afford some indication as to the magnitude of the task devolving upon your Board in selecting suitable outlets for the investment of the Company's funds.

Turning to the balance sheet, I would draw your attention to the fact that, of the principal classifications of investments, those relating to railway and other debentures and debenture stocks, mortgages on property within the United Kingdom, and railway and other preference and guaranteed stocks are the ones to which, in the order named, the largest additions have been made during the year, a considerable proportion of the amount advanced on mortgages on property being due to the operation of the Company's house purchase scheme. It is also worthy of note that the amount invested in British Government securities has slightly advanced, and now stands at just over £10,000,000.

The amount of interest (less income tax) received during the year was £1,964,952, giving a net yield on the total assets of the Company, invested and uninvested, of £4 18s. per cent., compared with a yield of £4 18s. 1d. per cent. in 1927. Applying the income to the life assurance funds only, we get a net yield of £5 2s. 10d. per cent., as against £5 2s. 11d. per cent. for the preceding year. I think that all indications suggest that it will gradually become increasingly difficult to maintain the rate of interest which has been obtainable during recent years and at the same time retain those elements of safety and stability which are so essential to the finances of an assurance company. This country is by degrees emerging from its post-war uncertainties and difficulties, and its credit is slowly, but surely, being enhanced. It follows inevitably that the yield obtainable on gilt-edged and other first-class securities will react to the changing conditions, and gradually fall to a lower level.

As already stated, we have added £200,000 to the investments reserve funds, bringing those funds up to £1,100,000. You will, I am sure, be gratified by this addition, made despite the fact that the realisation of investments during the year has again in the aggregate resulted in a substantial profit, which, as hitherto, has been utilised in writing down the book values of our securities; and also, that taking market values as our basis on December 31st as regards Stock Exchange securities, and after making generous

allowance for all known and contingent losses on investments other than Stock Exchange securities, the margin by which the actual value of our investments exceeds the amount at which they stand in the balance sheet has again been considerably increased during the year, leaving the augmented investments reserve funds intact.

NATIONAL HEALTH INSURANCE.

In connection with the Company's participation in the scheme of National Health Insurance, an event of considerable importance to Refuge contributors took place in the early part of the year in the decision of the members of the National Amalgamated Approved Society—with which, as you are aware, this Company is associated for National Health purposes—to keep the funds of the Society relating to women members separate from those relating to the men, and to treat the Society for valuation purposes as if it consisted of two branches, one for male members and the other for female members. The financial effect will not be apparent until the commencement of the new additional benefit period in July, 1931, but it is anticipated that this decision will not only operate to the advantage of the members, but will also enable the Society to add still further to the efficient administration of a scheme which has come to constitute an important feature in the social fabric of the community.

On behalf of the Society, the Company administers the National Health Insurance of a membership of over 650,000 persons. In the course of the year 1,234,000 payments of benefit were made, amounting to £759,941, including £78,681 in respect of maternity benefits. The number of new members admitted to the Refuge section of the Society was 44,160.

During recent years a disquieting feature of National Health Insurance has been the very heavy and increasing number of claims on the sickness funds of societies throughout the country. The management of the National Amalgamated Approved Society have therefore been compelled to institute a closer system of sickness visitation, and it is anticipated that the introduction of this system will prove of real service to genuine claimants, in addition to exercising an excellent effect in the elimination of claims which are not only medically unjustifiable, but also definitely detrimental to the interests of the general body of insured members.

GROWTH OF THE COMPANY.

It is interesting and very encouraging to look back over the history of the Company, and to observe the steady growth of our business year by year. Fifteen years ago our total income was £3,741,599; it is now £10,310,975. In the same period our total assets increased from £10,000,000 to £42,000,000, and whereas in 1913 we paid in claims the sum of £1,470,458—or nearly £5,000 each working day—in 1928 the corresponding amount was £3,868,535, representing a sum of over £12,000 paid out in claims each working day. In 1913 we declared a reversionary bonus in the ordinary branch of £1 14s. per cent.; in 1928 our bonus has increased to £2 4s. per cent. in the ordinary branch, absorbing £880,637, whilst, in addition, the sum of £407,728 is allocated for division in the form of increased benefits amongst policyholders in the industrial branch. Progress such as this is, of course, gratifying evidence of the public confidence in the Company. It is at the same time evidence of the tradition of the Company for dealing generously with its policyholders, and for securing for them the maximum of insurance benefit their premiums will provide. Never in our long history have our rates of premium been increased; on the contrary, the benefits secured by the successful management of the Company have at once been passed on to the policyholders, either in the form of increased bonuses, or by the issue of new or revised tables. Further, in times of industrial distress, such as we have experienced on so many occasions during recent years, every effort has been made to enable policyholders to maintain their policies in force, involving the Company in many instances in the provision of months of free insurance.

People are inclined, I think, to take their life assurance policies for granted, and to overlook the enthusiasm, the high degree of technical skill, and the unremitting attention to detail essential to the successful management of a life assurance institution. The ever-increasing expansion of the business affords an illuminating proof of the value of the work carried out by the staffs of life assurance organisations in taking insurance into the homes of the people, and so securing for them a protection which, left to themselves, they would never have made an effort to provide.

TRIBUTE TO THE STAFF.

This meeting would indeed be incomplete without a sincere expression of our real appreciation of the efforts exerted by our staff during the past year in assisting to achieve the very excellent results presented to you to-day, and which have been secured despite the many difficulties, both for the management and the staff, to which I have already referred.

Like many other progressive concerns, we have our own staff organisations, constituting the medium of contact between each individual employee and the Company, and I am glad to be able to report that the good feeling which has existed for so long continues. It is pleasing to know that in the many discussions which have taken place there has been a desire by all the responsible parties to see both sides of any question under review. I am sure we all hope these cordial relations will continue, because they tend to bring about that spirit of helpful co-operation between management and staff which must of necessity be beneficial to all concerned.

Gentlemen, I have now much pleasure in moving the adoption of the annual report and accounts.

The report and accounts were adopted. Messrs. William Proctor Smith and James Wilcock Holgate were re-appointed directors of the Company.

Messrs. Walton, Watts & Co. were re-appointed auditors.

The meeting terminated with a vote of thanks to the chairman.

GOLDEN HORSESHOE ESTATES COMPANY, LIMITED.

MINING PROPERTIES ACQUIRED BY LAKE VIEW AND STAR, LIMITED.

Presiding at an extraordinary general meeting of the Golden Horseshoe Estates Company, Limited, on the 7th instant, in London, Mr. F. H. Hamilton (chairman) said the contract which they had to approve provided for the sale to the Lake View and Star, Limited, of the Golden Horseshoe's mining properties with the exception of its cash, tailings, etc., for 900,000 fully paid shares in Lake View and Star, Limited. Of the advisability of the principle of such a fusion, which had been recommended by two Government Commissions, there was, he thought, not a shadow of doubt. Under the arrangement their company would own one-third of the issued capital of Lake View and Star, and had the right to claim from that company free of cost any plant or stores at present their own property, which might be considered necessary for the new tailing plants it was proposed to erect to treat their 2½ millions accumulated tailings. They had, also, the right to nominate two directors to the board of Lake View and Star. When the amalgamation was given effect to the Lake View and Star would own a large mining area of nearly 1 square mile in extent. Over one million tons of ore were already developed, which, including the ore so far opened up in the Chaffers lease, was estimated at about 36s. per ton, and it was believed a large tonnage of definitely higher grade could be rapidly obtained.

EXTENSIVE ORE RESERVES.

The active scheme of development which the Lake View and Star proposed to carry out, on the recommendation of Dr. Maclaren, should provide extensive ore reserves for many years. It was proposed to double the present Lake View and Star plant when the fusion was accomplished and there seemed no reason why, under the new conditions, working costs should not be brought down to between 20s. to 25s. per ton. The management would be disappointed if, when in full working swing, the reserves would not reach an average assay value of 38s. per ton.

In the shares of the Lake View and Star which they were receiving they would possess an asset of great demonstrable value, presenting in addition very attractive possibilities of considerable appreciation. Their other assets included cash to the value of over £100,000, and their accumulated tailings which, under the conditions which they proposed to work them, should yield very considerable net profits recoverable over four or five years.

TRIBUTE TO GOVERNMENT OF WESTERN AUSTRALIA.

In conclusion, he paid tribute to the valuable assistance the Government of Western Australia had rendered to the mining industry, not alone in the money guarantees which they had afforded, but in particular to its whole attitude and sympathy with the mining industry of late years. That attitude emboldened them to believe they would witness in Western Australia an improved order of things characterised not by lower wages but by higher outputs and consequently lower costs, factors which should react favourably on the interests of legitimate mining investments in that country.

The resolutions sanctioning the contract were unanimously adopted and the proceedings closed with a vote of thanks to the chairman.

UNITED KINGDOM PROVIDENT INSTITUTION.

MR. WALTER RUNCIMAN ON NATIONAL SAVINGS.

The Annual Meeting of the members of the United Kingdom Temperance and General Provident Institution was held on Wednesday, March 6, at the Cannon Street Hotel, London, E.C.

The Right Hon. Walter Runciman, M.P. (Chairman of the Institution) presided.

The Chairman, in presenting the report and moving the adoption of the balance sheet said: Ladies and gentlemen,—Amongst the facts of life and the habits and institutions of our people which directly concern us, I drew your attention three years ago and again in 1927 and in 1928, to the growth in the numbers of small investors in this country and the immense sum of nearly £2,000,000,000 held by them visibly and beyond all doubt. This movement, which had grown remarkably during and after the war, has not exhausted itself. Building societies are doing more business than ever before and their advances are now up to £200,000,000. Insurance institutions are issuing more and more policies. Trustee saving banks record another increase in deposits. National Savings Certificates maintain their popularity. Friendly societies' capital and reserves which were about £50,000,000 in 1911, are now over £93,000,000. Life insurance is not yet the invariable habit of the householder, but amongst the thrifty folk who grasp at happiness by means of a small house, a small car and a small family we may hope that instinct and intelligence may lead them more rapidly to the substantial policy. We are still an under-insured people, making too small a provision for the contingency and misfortune of death.

GOVERNMENT CREDIT.

How far has taxation reduced the capacity of the British citizen to save is a pertinent question which induces me to turn to another region of our recent investigations, namely, the value and standard of British national credit—a subject of universal interest.

The assertions made by me in 1928 were, as I anticipated, quite well founded and the final finance accounts of 1927–28 confirm all our conclusions. Let me repeat that events have shown that the sinking fund for the redemption of the National and War debt has proved to be illusory; we are no farther forward now than we were then: the debt is as large as it was, and the amount of revenue mortgaged to the payment of interest on the debt is no less than it was. Consequently the recovery of British credit is still slower than the recovery of the credit of every other Power, except Chili and China. A real, active, and not merely a nominal sinking fund could have in the past four years brought us on to a 4¼ or a 4½ per cent. basis and secured us huge economies in the annual service of the debt. Unfortunately, our hopes have not, and my forebodings have, been realised. So much the worse for everyone.

NECESSITY FOR SAVINGS.

Savings made by men and women in this country have long been a source of much of our industrial and financial strength, and it has been out of savings that we have built up the stupendous British investments abroad which last year brought no less than £285,000,000 of interest to Great Britain from overseas. Our whole future as a trading and industrial people depends on our power to save, for without savings we cannot extend our activities nor even keep pace with the requirements of a growing population.

Now, when we come to consider the whole field of savings, we are brought face to face with a remarkable fact; namely, that although the savings of the small investor have grown remarkably in the last few years, there has been a serious curtailment in the savings of the wealthier classes. The President of the Royal Statistical Society has estimated that in the year 1924 the country's new savings amounted to £300 million. In 1907 the country's new savings reached a figure of £260 million, and allowing for the increase in price-level that has taken place since that date, present savings should be 88 per cent. more, or £480 million, if they are to be as effective as the £260 million saved in 1907. Accordingly, we arrive at the startling conclusion that the real or effective savings of the people in 1924, namely £300,000,000, marked a decline of 40 per cent. since pre-war days.

THE BUDGET AND SAVINGS.

Undoubtedly the greatest single instrument in the country for wisely increasing or unwisely dissipating the nation's savings is to be found in the Budget, which disposes of over £800 million or 20 per cent. of the national income of £4,000 million. In order to estimate the effect of recent Budgets upon the savings of the people, it will be necessary to consider the items of revenue that discourage savings and to set against them such items of expenditure as encourage savings.

First, it is not fully realised how serious an inroad upon savings is made by the present methods of collecting revenue. Consider the death duties. By means of this tax a large volume of past savings is collected into revenue. The total yield of these duties in the four years 1924–28 was £265 million. Another tax which makes great demands upon savings is the super-tax or surtax. In the four years under consideration, no less than £258 million was collected by this tax, and practically the whole of this sum represents money that would have been saved.

A more difficult point is raised in income tax. In the years 1924–28 the average taxable income (before making allowance for abatements and children's reliefs, &c.) was about £2,300 million per annum. Of this total, some 40 per cent. may be estimated as applicable to incomes of £2,000 per annum and over, making £920 million, which may be divided into two portions, say, £440 million attributed to incomes of £5,000 and over, the remaining £480 million being applicable to incomes between £2,000 and £5,000.

If we take the tax at the full rate on the £440 million of incomes over £5,000 per annum and tax at half the full rate on the £480 million of incomes between £2,000 and £5,000 per annum, we shall have a conservative estimate of the amount of potential savings taken from income tax payers. The rate of tax was 4s. 6d. in 1924–25 and 4s. in the other three years, so that our estimate of the depletion of savings for the four years reaches £560 million taken from the tax payers in reduction of savings by this amount.

It may thus be estimated that the three great direct taxes took £1,083 million of potential savings from the pockets of the people in these four years.

But this is not all. Revenue was also collected by means of sales of assets (the realisation of past savings) totalling £55 million; loans made to the Allies and the Dominions out of past savings were repaid to the extent of £15 million and the proceeds swept into the Exchequer. These two items reach £70 million, making an imposing estimated total of £1,153 million, by which the Government's methods of obtaining revenue tended to reduce savings in the four years 1924–28.

It may be conceded at once that in collecting a total revenue of £3,000 million (excluding Post Office receipts) in the four years, the Treasury would have found it difficult not to trench heavily upon savings. It is to the Debt items that we must look for any stimulus given by the Government to the free savings of the people.

Some portion of the sums expended by the Government in these four years for interest and sinking fund must be set off against the loss of potential savings involved in items of taxation that we have considered. How much? The interest payments of the four years amounted to £1,344 million, of which £133 million went to foreign creditors, leaving a balance of £1,211 million at home. The disposal of this sum was outside the control of the Government, and no means are available for deciding how much of it was saved. Certainly a large proportion of it may be set off against the reductions of savings caused by the revenue collections.

Such portion of the interest as was handed over to wealthy individuals or to business concerns may be assumed to have been used in part to pay income tax, partly to make savings, and partly for spending in the ordinary course of business. A very large proportion of it must, however, have been *spent* in the same way as any other income.

If, say, two-thirds of the total interest payment of £1,211 million were either returned to the Government by way of taxation or else saved, we arrive at a figure of £800 million for the portion of the interest payment in 1924–8 that may be set off against the reduction of savings caused by taxation.

When we come to the sinking fund expenditure, we are on surer ground. This is at the will of the Government, and we ought to be able to rely on it (if it is made effective) to stimulate savings to the full.

The total of sinking fund provision was £173 million, but we must deduct from this figure £20 million paid to America and not available for the British public, leaving a net figure of £153 million.

£800 million from debt interest and £153 million from the sinking fund make a total of £953 million, and if this be deducted from the £1,153 million by which the taxation of these four years absorbed potential savings, we get a balance of £200 million as a estimate of the final amount by which the Government's activities curtailed savings in the four years 1924–28.

Now let us see what would have happened if the Budgets of these four years had been all that they appeared to be; if the sinking funds had been fully effective in their purpose of stimulating savings and there had been no deficits.

SAVINGS REDUCED BY RECENT BUDGETS.

	£	
The total amount provided for sinking fund in these four Budgets as originally drafted was	220	millions
On sound principles of Budget making, a reserve should have been set up to provide for the accruing interest on Savings Certificates which was not being paid, making a further	48	,,
We have assumed above that interest payments on the debt may be allowed to the credit of savings to the extent of	800	,,
Giving a total of	1,068	,,

This figure may be set against the estimate of £1,083 millions of potential savings taken from the people by the three great direct taxes in the same period—it is £15 million short. If, therefore, the unsound elements had been removed from the Budgets of 1924–28 and the resulting gap in the revenue filled without absorbing savings, it would seem that the effect upon savings of the full sinking funds as originally provided would have been just about sufficient to counteract the evil effects of the heavy direct taxation.

DRAIN ON SAVINGS.

Actually there appears to have been a drain on savings to the extent of £200 million. Let us see again how this was made up:—

	£	
It has been seen that the 1924–28 Budgets, if soundly constructed, would have involved an estimated loss of savings of	15	millions
To this must be added deficits totalling	47	,,
Sales of assets reached a figure of	55	,,
Repaid loans from Foreign Governments swept into revenue amounted to	15	,,
Unpaid interest on Savings Certificates for which a reserve fund should have been set up amounted to	48	,,
The principal repaid to America which went out of the country totalled	20	,,
Making our total of the drain on savings	200	,,

being an increase of £185 million over the loss of savings that would have occurred if the Budgets had been soundly constructed.

Even apart from £47 million of deficits, the unsound elements in the Budgets amounted to £185 million, less this £47 million—namely, £138 million.

An increase of £138 million in the volume of capital seeking employment in those four years would undoubtedly have greatly augmented the demand from private sources for sound constructional projects in Great Britain, and for the development of the world's resources abroad in the form of increased foreign investments Unfortunately, British Government finance has intensified our industrial difficulties and relatively weakened our national wealth.

This potent influence on the volume of savings is of prime interest to insurance institutions, for we are really organs for the encouragement and defence of savings, and the less there is available in the pockets of the people for life insurance premium the slower must be the spread of the insurance habit and the less will be the provision made against future contingencies and the sudden and sometimes crippling demands of the Death Duties collector.

COURTAULDS, LIMITED.

NEW PRICE LEVEL ESTABLISHED.
COMPANY'S PRODUCTS IMPROVED IN QUALITY AND VARIETY.
ENCOURAGING PROSPECTS IN THE WEAVING BRANCH.
MR. SAMUEL COURTAULD'S INTERESTING SURVEY.

The sixteenth ordinary general meeting of Courtaulds, Limited, was held, on the 7th instant, at the Cannon Street Hotel, London, E.C.

Mr. Samuel Courtauld (the chairman) presided.

The secretary (Mr. Ernest Kettle) read the notice convening the meeting and the report of the auditors.

The directors report and accounts were taken as read.

The chairman said: Ladies and gentlemen, I beg to move "That the report of the directors dated February 14, 1929, and the balance sheet of December 31, 1928, now submitted, be, and the same are hereby received and adopted, and that a final dividend on the ordinary shares for the year ended December 31, 1928, of 10 per cent. (ten per cent.) free of income tax (making with the interim dividend already paid 15 per cent. total for the year, free of income tax) be declared and paid."

Ladies and gentlemen: Before putting the motion, I will follow my annual custom of giving you my view of the present state of our business.

Our weaving branch has had its usual hard struggle against competition of all kinds, but I am glad to say its trading results are somewhat better than in 1927, and its present prospects are distinctly encouraging; this, we hope, may prove to be a good omen for the other and much larger branch of our business.

"RAYON"—NEW GENERIC NAME.

Before saying anything about the present position of this other branch, I must tell you that we recently decided to adopt the word "rayon" as the new generic name for artificial silk. We have long felt that the word "artificial" implied a stigma on this wonderful new textile product, besides being responsible for a certain amount of misdescription and confusion. When you consider that varieties of this new material are already being made with fibres finer, and at the same time stronger, than real silk, when you consider also that the price of the new yarns is on the average lower than that of any of the staple textile yarns except cotton, you will agree that the reputation of "rayon," as we shall now call it, should no longer appear to depend in any degree upon its resemblance to something else.

The word "rayon" was officially adopted a few years ago in the United States—it is, in addition, now used in all American schools—and it has made a good deal of headway in this country in the trade and in the press. So when we felt the time was ripe for a change, we decided that it would be best to adopt the word which was already in wide use. I believe that there is a good prospect of this word being adopted for official purposes in this country; and, furthermore, artificial silk makers on the continent are sympathetically considering the adoption of this—or a phonetically similar—name for use in their respective countries.

TRADING CONDITIONS.

Turning now to our own rayon (or artificial silk) business, I must warn you that the picture I have to put before you is a mixed one—mixed as regards the trading history of the past year—and indefinite as to the future. We started 1928 under good conditions, with steady sales and a possibility of increased production, though you may remember my pointing out at our last meeting that it was impossible for turnover to increase in 1928 as it had done the year before, for 1927 started with large stocks in hand while in January, 1928, shelves were comparatively bare. I also said that we could not forecast the course of business beyond August, and that this course would be mainly determined by the weight of new production which might be put on the market in the autumn; if this weight exceeded the demand, the industry would certainly be faced with a difficult time.

In England and Europe generally this difficult time has certainly arrived again; production has overtaken consumption, and the inevitable consequences have followed; loss of confidence on the part of buyers, curtailment of orders, a lowering of prices all round, and widespread dislocation of business from which we have not yet recovered.

PRODUCTION, PRICES AND COMPETITION.

Such readjustments are inevitable from time to time, and it is certain that they can never be effected without some jolts, but on this occasion the disorganisation has been unusually pronounced, and in my opinion to a great extent unnecessary. We have experienced periods of excessive production before, but this is the first occasion on which we have seen large weights of yarn from diverse quarters offered at prices well below any possible true cost. The explanation can only be that a number of new producers have been so short of cash with which to carry on their operations that they have incontinently thrown their production—good, bad and indifferent—upon the market at any price which it would fetch. We may leave them to find some way of retracing their steps if they can. (Hear, hear.)

The fact that much of this production has been indifferent, not to say bad, in quality, is doubly unfortunate in that it must cause trouble and disappointment to the manufacturer who turns it into fabrics and to the public which uses them, and every fresh crop of trouble of this kind gives our commodity a bad mark and causes a set-back to the industry at large. These things need not have happened if newcomers had not started so light-heartedly without sufficient resources either in capital or in experience; they would not have been in such a hurry to see something coming into the exchequer, and in the long run their prospects would have been distinctly more pleasing than they actually are. If the trade could not absorb the total output of the country at the old price level—which I doubt—cuts could have been made with greater deliberation, with more uniformity, and upon a less drastic scale, and the market would not have been unduly upset.

Personally, I am not convinced that the trade could not have consumed the whole of this output at the prices prevailing at the beginning of last year, for, if an article has not proved intrinsically too dear, price-stability is the one thing above all others needed by the user to promote the growth of his own business and thereby increase the consumption of the materials he buys. This, indeed, is the outstanding truth which needs to be realised by everyone who has a hand in the direction of this industry.

INTRINSIC WORTH OF RAYON.

As to the intrinsic worth of rayon, I believe that even at last year's prices it would still offer by far the most profitable field to the manufacturer of textile fabrics, and the best value to everyone who handles it, including the ultimate consumer. But the possibility of selling at the old prices has gone by; once they have dropped it is very difficult to raise them again; at present one can hardly foresee such a shortage coming about as would make higher prices a possibility, and even if possible they might not again be desirable from our point of view.

Now that the fall has taken place, and the new price-level is established, we believe that another period of development will follow; but meantime valuable months have elapsed with sales restricted by the nervousness of buyers, and although we are beginning to see signs of reapproaching confidence, and hope to see an increased volume of business coming along soon, we cannot count on this with certainty. And I must point out to you that the reduction of our selling prices in December by an average of over 15 per cent. has cut a very big slice off our margin of profit.

THE IMPORT DUTIES.

I think I might say at this stage that uncertainty as to the result of the coming General Election seems to have something to do with the general want of confidence, and of course the artificial silk duties are constantly in our minds. I do not profess to know what attitude any alternative Government may take towards them. I am not a party man myself, and hold no rigid views on the question of Free Trade *versus* Protection; I do not think that any sacred principle is involved, and I feel that fiscal questions ought not to be party matters at all. Also, I can say that this company never asked to have the duties imposed, but once they were put on, in the modified form finally adopted, we, like others, naturally made the best of them, and the *import* duties undoubtedly resulted in a great expansion of the rayon industry in this country. (Hear, hear.) From 1926 to 1928 our own sales and production expanded by over 40 per cent., and the production of the country as a whole by at least 100 per cent. This refers to the production of rayon yarn only; there is no doubt that the corresponding increase in the use of it (which is largely for the export trade) represents a still greater increase in the number of people employed in weaving, knitting and otherwise manipulating the yarn, for it takes many more people to turn a given weight of rayon into a fabric than it does to make it in the first place.

DANGERS OF REMOVAL.

Now I feel bound to say, and I say it deliberately, that, in my opinion, the withdrawal of the measure of protection afforded by the present artificial silk duties to all branches of this greatly expanded industry would be a first-class calamity from the point of view of all those engaged in it to-day. We with our unequalled resources would certainly put up a stiff fight against foreign competition, but I sincerely believe that there are many who would go under. When I tell you that the average wages in the rayon industry in the three largest producing continental countries are from 40 per cent. to 60 per cent. below ours in England, it will be obvious to you that foreign competition is not just a bogey, but a matter to be seriously weighed by members of all parties alike.

The difference in the wage factor is now a serious matter; the lower the margin of profit the more serious does it become, and, unless there were compensations at home, we should be compelled to take into account such an advantage offered by manufacture on the Continent, which under certain circumstances might be enough to deflect abroad our main stream of development. Certainly I should hesitate a very long time before agreeing to further extensions in this country if I heard that the import duties on artificial silk were to be abolished.

CONDITIONS ON THE CONTINENT.

Now to return to our own business, we find that conditions on the continent of Europe are as disordered as they are here, with some rayon makers selling at or under cost price, and very few working with any profit worth speaking of. The change did not come about so quickly as in England, as signs of weakness made themselves manifest in certain quarters very much earlier than they did here. Under these circumstances production has not been pressed to its fullest extent either at Calais or at Cologne; in some degree both places are marking time and waiting for the renewal of confidence which we hope will not be delayed much longer; for here also we see signs of returning stability.

POSITION IN U.S.A.

Now I have left to the last the territory of which I can give you the most favourable account, that is, the United States of America. Prices there were maintained at the 1927 level throughout the whole of last year, and there was some increase in the weight sold. It might have been more but for the influence of the weakness in Europe, which always makes itself felt across the Atlantic after an interval. Since our report was printed I have learned that certain American producers have lowered their prices, and that the Viscose Company has followed suit.

This is only what we expected, and it was no doubt foreseen by the trade in general. At any rate, the news of the reductions, which are less drastic than in Europe, does not seem to have been accompanied by any great market upset, and there seems good reason to hope that the transition to a lower and stable price level will take place without any serious falling off in the volume of business, which should soon begin to expand again at a reasonable rate. This is the best we can look for, for the possibilities do not allow of any sensational improvement.

CURRENT YEAR'S PROSPECTS.

Now I hope you will not complain because my account of the state of the industry may be rather confused, for that is exactly what the conditions themselves are. Briefly, in America the outlook seems to be settled but not especially brilliant, while conditions in Europe are still very difficult; while we hope these will improve, any rapid improvement is far from certain. And I must remind you once again that our margins of profit are reduced everywhere; the very best we could hope for during the current year would be for expanding output and sales to compensate for this reduction in the margins, but the recent state of uncertainty in England and the rest of Europe has had a depressing effect upon markets, from which they can hardly recover in a moment.

CONTINUED TECHNICAL PROGRESS.

If we now turn our eyes for a moment away from the commercial side of our business, with its rather stormy outlook, and consider the technical aspects, we shall find much more cause for satisfaction. Our technical progress during the year has been continuous and widespread, and we have no fear of losing the leading place in the industry which we have held in the past. The yarns which we make are always increasing in variety and improving in quality, and this is reflected in our own weaving department, which is continually expanding its range of the highest-class fabrics while more and more replacing real silk by rayon; many experts now consider the best rayon fabrics to be superior in most respects to anything made of the natural fibre, and indeed the extent to which fine rayon yarns have displaced real silk during the last two years is remarkable.

Beside the fine varieties of ordinary viscose which have had an increasing success during the past year, we have made progress with the new strong yarn manufactured under the Lilienfeld patents, to which we have given the name "Durafil." This yarn

has made a favourable start; we are already supplying it commercially in small quantities, and it is meeting with a good reception. The plant is being increased, but progress at this stage is necessarily slow, and growth cannot be great during the current year.

Our acetate yarn is also making its way and is reputed to be second to none in quality, and we shall increase our output of this class of rayon as required. Though there are undoubtedly uses for it, these lie, on account of its high cost, mainly in the field of specialities, and there is every prospect of viscose continuing to be the staple article of the future. At any rate, it is fairly safe to say that nothing has yet been discovered in relation to the acetate —or any other—process to shake this belief.

ECONOMICAL MANUFACTURE.

While improving our products in quality and variety, we have by no means lost sight of the important question of costs. Apart from unavoidable differences in wages, I believe we are manufacturing in England to-day as cheaply as anyone in the world, and we are continually improving and simplifying our methods with a view to economy, though, as I have had occasion to point out before, nothing very drastic in this direction can be looked for as the field of possible economies still remaining is small. I must ask you not to be unduly alarmed by claims which we hear made occasionally relating to much cheaper processes, extraordinary economies in labour, etc.; you can rely on it that we know as much about that side of manufacture as anybody, and we shall not spend many sleepless nights on account of such tales; in fact we believe our competitive strength to be greater than ever. (Hear, hear.)

THE BALANCE SHEET.

If you will now look at the balance sheet, I will explain a few of the figures.

The first figure I have to draw your attention to is "Creditors, etc," £3,865,262. Under this head you will notice that reserves are provided for taxation and contingencies, and in connection with this I may mention that it has been considered desirable that any reserves which may be no longer required for taxation should be retained as reserves for contingencies.

The next figure, "Capital reserve account," £514,337, requires a little explanation. During the year our Canadian undertaking was transferred to a Canadian company, at a capitalisation in excess of the value appearing in our books. The surplus arising has been credited to capital reserve, while the corresponding shares are included at par in the item "Investments in and advances to rayon (artificial silk) and allied companies" on the other side of the balance sheet.

Turning now to the other side, you will see that property, plant, etc., are up by about £900,000. This is accounted for by the completion of the machinery at Wolverhampton, and expenditure on our acetate works.

The next important increase is in the "Investments in and advances to other rayon (artificial silk) companies." Part of it represents the shares in the Canadian company already mentioned, and the remainder advances in connection with the completion of the works at Calais and Cologne.

Cash at bankers is less than last year; the money has partly been used for the financing of the above-mentioned Continental companies, and partly invested.

In conclusion, I would like to express my thanks once again to all our administrative and working staffs—men and women—and to put it on record that in my opinion 1928, in respect of technical progress and the quality of the products manufactured, marks an advance on any previous year within my own memory. (Applause.)

Mr. S. Stanley Bourne (deputy-chairman) seconded the resolution.

The Chairman: Before putting the resolution to the meeting I shall be pleased to answer any questions to the best of my ability.

SHAREHOLDERS' QUESTIONS.

Mr. Williams: There are one or two questions which I should like to ask. The first question is, why is there no specific sum allocated in the balance sheet for the depreciation of buildings, plant, stocks-in-trade and investments. The second question is, what sum has been allocated for the depreciation of these items; and the third question is, why is there no profit and loss account accompanying the balance sheet? The fourth question is, how much of the £3,865,262, which forms the item "Creditors, six months' preference dividend accrued and reserves," on the liabilities side of the balance sheet is due to creditors only; and the last question is, how much of the total sum of £9,888,263 on the assets side of the balance sheet as "British Government securities and other investments" is invested in British Government securities?

The Chairman: Are there any other questions?

Mr. Morrison: In addition to the questions which have already been put, may I ask whether there is any reason other than that it may not be good for shareholders to know how wealthy they are, why the revenue from investments and the trading revenue should not be shown separately? The directors' report and the chairman's speech are, as usual, informative rather in appearance than in actual fact—a condition to which shareholders of this company are well accustomed. But, Mr. Chairman, I think the board might perhaps pay some attention to the change in feeling which is taking place among investors generally. Industrial companies to-day have become such great organisations that their affairs are of interest to circles far outside their immediate shareholders. Organisations such as Courtaulds have an effect on the social and economic lives of the countries in which they operate such as to cause an increasing desire for knowledge of their operations, scope and prospects among a very large circle of people. I consider this is a very justifiable desire, and I suggest, Mr. Chairman, that it would be a wise thing for the board to recognise this interest which is being taken.

THE TECHNICAL SIDE.

I should like to say something on the technical side, and I speak here quite as a layman seeking information. We have seen during the past year or so certain references to the linking up of the trade or industry in an international sense. It would be very interesting, I am sure, to everybody to learn how far that linking up has gone, and what its future possibilities are. You referred, Mr. Chairman, to the dislocation which, in your opinion, was unnecessary. Is there any possibility that by a further linking up of these international interests amongst big producers the disturbance of the industry by "bulls in the china shop" can be eliminated or reduced by a further closer working between the big producers?

On the question of quality you, sir, have referred to the very low quality produced by so many of your competitors. During the last few months there has been some mention of standards of quality, and I should like to know whether it is possible for a company such as Courtaulds, in conjunction with its associate, to lay down international standards for qualities. If such standards could be laid down and accepted by the trade generally, it would either compel these new producers to manufacture up to the standard or to go out of business altogether.

There is one other point, Mr. Chairman, to which I would like to refer. That is, when you speak of the increased consumption which has taken place, and which we all anticipate will go on, whether you as a board would look at the abnormal difference in value of the article as it is produced and sold by the manufacturer, and that same article as it is purchased by the consumer. I feel that if anything can be done by which that abnormal margin can be produced—that is, distributing profits—that the result would be a fall in the price of the article which would create an extension of demand that would amaze even the board of Courtaulds.

CHAIRMAN'S REPLY.

The Chairman, in reply, said: The questions put by the first shareholders were very largely connected with the form of the accounts. For instance, he asked why we did not show a separate profit and loss account. The account is shown in the form in which it has appeared for the last 15 years or more. We are not the only people who issue a combined account like this, and I do not think that the question has been put to us before. The amount of the profit is certified by the auditors, but that has always been taken to be satisfactory. (Hear, hear.)

Then he asked why no specific sum was allocated for depreciation. The two figures at the top of the right-hand side of the account have already had depreciation deducted, and in the report we mention the charging of depreciation of buildings, plant, stocks-in-trade and investments. That is the form in which we have always done it. The depreciation deducted from the property and plant is the full amount allowed by the Revenue Authorities in this country. That is the plan which we have always pursued, so that the values appearing are already written down before we announce the profit. We think that that is a more straightforward way of doing it than by announcing a profit and then saying that it is subject to depreciation. We do not consider it a profit until depreciation has been deducted. (Hear, hear.)

The item of creditors, etc., and reserves in respect of taxation and contingencies is a sum which we have always found to be convenient to keep together in one figure like this, and I do not think that there is any sufficient reason for altering our method. With regard to the amount of British Government stocks included in the investment item, over 90 per cent.—nearly 100 per cent., in fact—is in British Government securities. (Applause.)

The first question asked by the second shareholder was also about the accounts—why the revenue from investments and the trading income are not shown separately. That is the kind of thing which we do not want to tell everybody too exactly. There are many people who would like to know exactly what we make from every branch of our operations; it would be extremely useful information to them, and it would not serve any practical purpose to set it out here; so we like to leave them guessing. (Laughter and applause.)

This same shareholder raised one or two quite interesting points with regard to further co-operation between different producers. That is a thing which we are always studying, and I think that gradually, perhaps, the big producers are getting closer together, but it is an extremely difficult and intricate question. All that I can tell you is that it is a matter of which we do not lose sight—in fact, it is one of our main preoccupations. Curiously enough, the question of standardisation is also one of which we have thought a great deal during the last twelve months or so. As a matter of fact, there has been an international bureau started, to which most of the big producers in Europe are parties, to work on this question and to see whether it is possible to arrive at any standards.

Then he touched on the question of the difference in value between what we get for the article and what the public pays for it. He is treading there on very delicate ground, and I think I would rather keep off it. The distributing trades are our very good friends, and I should be very sorry to say anything here in criticism of their methods. (Hear, hear.)

The resolution was then put to the meeting and carried unanimously.

The Chairman next moved the re-election of Mr. F. J. Nettlefold and Mr. J. S. Addison as directors.

This resolution was seconded by Mr. S. A. Courtauld, and unanimously approved.

Mr. Stanley Bourne (deputy-chairman) proposed the re-election of the other retiring director, Mr. Samuel Courtauld. In doing so he said that he was sure that the shareholders would have no hesitation in re-electing Mr. Courtauld.

Sir Thomas P. Latham, Bart., seconded the motion, and it was unanimously adopted.

VOTE OF THANKS.

Mr. I. B. Davidson: Mr. Chairman, Ladies and gentlemen, it is again my privilege to move a resolution which I have been asked to propose on many previous occasions. I will read it: "That Messrs. W. Elles-Hill and Co., and Messrs. Price, Waterhouse and Co. be and they are hereby re-elected joint auditors of the company for the year 1929." Having proposed that resolution, which will be seconded in due course, may I be permitted once again to voice our feelings of thanks to the chairman and the board for the wonderful progress the company has made in the past year, and for the splendid balance sheet they have been able to place before us. A great many of us came to this meeting to-day almost prepared for anything (laughter), but, despite this, through the mist of pessimism and doubts for the future my own opinion is that we shall witness for this great and wonderful business a continuation of the brilliant expansion of the past.

These ups and downs are not new, they have happened before, and, probably, will happen again. But after listening to our chairman to-day, as we have all done, with great interest and care, we do see behind his address the wonderful way in which these gentlemen have built up this business, prepared for the future, and for the fight which was bound to come, in view of the number of small artificial silk concerns which have been springing up on all sides. What will happen to these small concerns in the future time alone will show. Personally, I would rather be a shareholder in Courtaulds than in one of these smaller concerns (laughter).

THREE MAIN FACTORS.

What have we, the shareholders, in Courtaulds, to look forward to? In my opinion, there are three main factors—the product, the men, and the future of the industry. As to the product, that can be summed up in one word—"Courtaulds," and we will leave it at that. The "men"—the men are there, seated at the board table, and they have shown in the past and will show in the future what they can achieve, and, therefore, we can leave the business and our own particular interests in the company, to be looked after by them, safely leaving the control in their capable hands. As to the future, when you consider (I think I am right in what I am going to state, for I have endeavoured to find the exact position, and I do not wish to give you any inaccurate information)—when you consider that the proportion of Rayon compared with cotton is about 3 per cent. it is obvious to everybody that rayon is pushing every year further and further into the uses for which cotton is now used, and that so long as our lady friends continue to purchase this beautiful article of adornment, I think the future can speak for itself.

A GREAT BUSINESS.

We know, as I have said before, that we have a great business. Look at the balance sheet and study it, and you will find there is only one word to describe the business—it is stupendous, and certainly it ranks as one of the finest in the whole of the British Empire. I will not further labour these points, but will content myself by asking you to accord your sincere thanks and admiration for the successful labours of the chairman and the board. I hope all of you will go away from this meeting more than satisfied with all that they have done, and with every hope that this business will continue to prosper as in the past. I personally believe this will be the case.

I am only a small shareholder, and I have held my shares for 16 years. I, along with my friends, have always regarded our holdings as an investment, for I do not look on Courtaulds' shares as speculative or gambling, but I regard the company as a sound commercial undertaking controlled and guided by a very sound body of business men. I have the greatest pleasure in proposing that a hearty vote of thanks be given to the chairman and the board. (Applause.)

The motion for the re-election of the auditors having been seconded by Mr. F. G. Brenton, was carried, and the vote of thanks to the chairman and the directors was unanimously accorded.

The Chairman: I thank Mr. Davidson for his appreciative remarks, and you, the shareholders, for the kind vote you have passed, and for your attendance here to-day.

The proceedings then terminated.

LAW LAND COMPANY, LIMITED.
ANOTHER SUCCESSFUL YEAR.
COMPANY'S BEST REPORT.

The forty-sixth annual general meeting of the Law Land Co., Limited, was held, on the 6th instant, at the offices of the company, 30 Norfolk Street, Strand, W.C., Col Sir Courtenay T. Warner, Bt., C.B. (chairman of the company), presiding.

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

The Chairman said: I presume you will allow me to take the report as read. It is a good report: the best, I think you will agree with me, that we have ever issued. For some years past each new report has shown results better than the last, and I think we may now congratulate ourselves on the company's affairs being in a very sound and prosperous condition.

Our year's rent roll, at £221,873, is about £2,000 in advance of that for the previous year, and, after adding £6,938 to the leaseholds redemption account and including the £11,633 brought forward from last year, we have an available balance of £86,208—an increase on the previous year of about £1,700. Out of this the interim dividend on the ordinary shares and the year's dividend on the preference shares have been paid and £21,700 has been added to the reserve. On the last occasion we put £28,400 to this account and paid a 4 per cent. bonus in preference shares. We now propose to pay half the bonus in cash—cash which would have otherwise been transferred to reserve.

DIVIDEND AND BONUS.

As you will have gathered from the report, we recommend on this occasion a final dividend of 10 per cent. on the ordinary capital, making, with the interim dividend paid in September last, 9 per cent. for the year, a cash bonus of 2 per cent. and a bonus in preference shares of two such shares for every 100 ordinary shares. The reserve account will then stand at £253,000, and the leaseholds redemption account at the amount stated in the balance sheet, viz., £119,673.

This is all, I think, I need say with regard to the report. I should now like to give you an idea of what your directors think of the outlook for the future. You will have observed that for some time past we have been keeping a rather large amount of capital in more or less liquid form. This we have considered advisable as we have been hoping to find a property which we could acquire and which would yield a reasonable return without the risk of depreciation. We have, however, in the course of our inspections and investigations formed the opinion that the inflated prices and high rentals which appear to be asked throughout London are unlikely to be maintained, even with the hoped-for improvement in trade. You will, therefore, I am sure, agree with our policy in employing our surplus cash to the best advantage whilst keeping it available in the event of our being able to find a permanent investment of the class which is in accordance with our traditions.

We have also to bear in mind that new buildings are continuing to be erected in our midst, and we must be prepared to spend a good deal of money to keep our buildings supplied with up-to-date requirements and up to that high standard at which we have always aimed and which has enabled us to keep fully let in spite of the competition to which I have referred. This entails each year a heavy outlay.

LETTING DEPARTMENT.

Our letting department, which, as you know, is in charge of our assistant manager, Mr. A. S. Ford, has had another very successful year, to which no doubt our system of maintaining our buildings at the highest state of efficiency has very largely contributed. Mr. Ford has renewed or effected fresh tenancies yielding an annual income of £32,000. I, therefore, do not regret the heavy bill for repairs as the harmonious working between the two departments—one spending and the other revenue producing—will, I feel sure, enable us to show you an improving net rental years by year. It has never been our policy to extract the last farthing in the way of rent from our tenants, and we are now reaping the benefit of this, since we can renew the leases made many years ago and which are now expiring, at an increased rental, or, at any rate, at no lower rental, and have also kept that invaluable asset, the goodwill of our tenants.

I consider our success is very largely due to the close and expert watch which our secretary, Mr. H. H. Sparks, keeps over all departments in our business. When I tell you that when he first came to the firm the rent roll was £27,000 per annum and now, as you see, it is £222,000 per annum, you will appreciate how much we owe him and his assistants. I see our general manager is due to retire from the board; if you re-elect him I expect he will, as in past years, make some reference to the work of the staff generally.

The report and accounts were unanimously adopted.

ASSOCIATED ANGLO-ATLANTIC CORPORATION, LIMITED.

PROFIT DUE TO LEGITIMATE ENTERPRISE.

SUBSTANTIAL EXPANSION FORESHADOWED.

The annual general meeting of the Associated Anglo-Atlantic Corporation, Ltd., was held, on the 7th instant, at Winchester House, Old Broad Street, London.

Mr. Henry S. Horne, the chairman, presided.

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

The Chairman, in moving the adoption of the report and accounts, dealt first with the figures in the balance sheet. In particular he emphasised the fact that, in connection with the figure of £728,523, representing unquoted investments, that the unquoted investments to which he had referred last year, and which constituted the control of valuable industrial situations, still remained in the balance sheet at the nominal figure of £1. In accordance with the policy of assisting in the scientific co-ordination of certain companies engaged in the cement manufacturing industry, the Board had, however, acquired other interests which had absorbed a sum in excess of £500,000. They were confident that those acquisitions would in due course amply demonstrate the wisdom of their plans of constructive and sound development in regard to that particular industry.

THE NEWSPAPER INTERESTS.

As to the quoted investments, figuring at £1,161,255, the Corporation's newspaper holdings had not materially changed. His forecast of a big expansion in earnings of a year ago had been amply fulfilled, and he was more confident than even last year that it was reasonable to anticipate continuing expansion having regard to the growth of the field of advertising. As to the Carmelite Trust, for the formation of which the Corporation were responsible, the Board knew that the confidence placed in it would be justified, and in that connection he would refer to the operation carried out recently, jointly with the Trust, in offering for sale 3,000,000 ordinary shares and 375,000 deferred shares in Anglo-Foreign Newspapers, Limited. That company had been formed as a result of the most careful inquiry and investigation by experts, and the offer for sale had been an enormous and unqualified success. Despite the short period of the Company's existence, important and immediate revenue-earning properties had already been acquired on favourable terms, and others were the subject of negotiation. The Company was already on a revenue-earning basis, and its field for development was considerable.

As to the interest in the Anglo-Newfoundland Development Company, every report went to show that as a result of the active development of its mineral rights that company possessed a great future; it was only a matter of time before the segregation of its mineral rights would take place, and what a year ago might have been termed a "prospect" had now become a definitely proved mine.

AMERICAN AND CANADIAN INTERESTS.

It had been possible, as a result of the support of powerful interests, for the Corporation to carry out its original policy of co-operation with American interests with great advantage. He was a great believer in America and American industrial concerns, as also in the enormous future opportunities of Canada as a field for profitable investment. That country, in his opinion, stood on the threshold of truly wonderful development. The Board, accordingly, had invested a considerable sum in the British Columbia Power Corporation, which they were confident would prove an asset of ever-increasing value and income to the Corporation. Generally, he thought that results proved that the employment of their funds had provided the Corporation with increasingly valuable assets.

PROFIT AND DIVIDEND.

The profit figure of £384,749 was one of which the directors and the shareholders might well feel proud; it was equivalent to approximately 38½ per cent. on the capital, and it was a net figure computed not only after charging depreciation on a generous scale, but without in any form or shape writing up values from last year. The directors recommended a dividend of 15 per cent. on the ordinary shares and a dividend of 55 per cent. on the deferred shares, transferring £100,000 to general reserve and leaving £93,743 to be carried forward.

Dealing with the general situation, the Chairman said the Board anticipated that if there were no unexpected adverse developments in industry or world politics they would be able to place before the shareholders next year a statement of added strength and an even more comprehensive programme, as they had several further important businesses on hand.

The report and accounts were unanimously adopted.

FARMERS' NATIONAL MORTGAGE INSTITUTE.

BUDAPEST, HUNGARY.

SUCCESSFUL RESULTS OF THE YEAR.

COUNT HADIK'S SURVEY.

The forty-ninth annual general meeting of the Farmers' National Mortgage Institute, Budapest (Hungary), was held on February 14, 1929. Count Hadik presided, and, presenting the directors' report, noted with satisfaction the great progress achieved in the course of the past year. He recalled the pernicious effect of the inflation period which has paralysed the activities of the institute for several years, but was glad to say that in less than a year the reorganised institute afforded striking evidence of its necessity and its success.

RESULTS OF FIRST YEAR.

The following data show the results achieved in the first year of the reconstruction of the institute.

The institute placed mortgage-bonds for two million dollars in America, and the value thereof was lent to its customers in the form of amortisable long-term loans. The total amount of loans granted by the institute on December 31, 1928, was 16,329,240 pengös. Loans were granted, secured by mortgaged real estates upwards from 60 dollars, and no discrimination whatever was made between smaller and larger borrowers, as the chief aim of the institute is to provide farmers, according to their legitimate needs, with accommodation at the easiest terms. This is illustrated by the fact that 80 per cent. of the loans granted represents credits under 2,000 dollars each. The careful credit policy of our institute is demonstrated by the fact that the loans granted amount only to 27.5 per cent. of the estimated value of the mortgaged property. Apart from mortgage loans the institute granted credits to the amount of 2,634,000 pengös, which will be transformed later on into mortgage loans.

CO-OPERATION WITH FINANCIAL INSTITUTIONS AND MINISTRY OF AGRICULTURE.

In order to widen the field of co-operation our institute entered into agreement with 135 provisional financial institutions which are bound to grant credits on the altruistic lines prescribed by our institute, and every attention is paid to the fact that the agricultural community should be provided with cheap and sufficient accommodation in the provinces. To this effect the institute rediscounted agricultural bills of the said provincial institutes of

9,835,594 pengös. We have also granted credits for cattle-feeding purposes within the scheme worked out by the Ministry of Agriculture for 3,623,000 pengös. We are the Hungarian trustees of the American loan of the Protestant Central Credit Union of Hungary. The proceeds of the Protestant loan has been paid into our institute and from the proceeds we have already paid out up to the end of 1928, for approved loans to the churches and parishes, 4,151,064 pengös. In accordance with the above figures the total amount of loans granted by our institute has increased from 2,737,373 to 38,636,856 pengös during the past year.

LAND ALLOTMENT ACTIVITIES.

The institute resumed its land allotment activities, practised so successfully in the pre-war years, and at the end of 1928 there were 13 such allotment schemes in operation. We took also an active part in the formation of the institute for the carrying of the financial part of the Hungarian Land Reform and shall co-operate in this work.

INTEREST OF AGRICULTURAL COMMUNITY.

The interest of the agricultural community in our institute is shown by the fact that the founders' share capital has increased by 263,950 pengös. Savings deposits and deposits on current accounts have increased from 668,667 pengös to 12,018,349 pengös during 1928, and the bills portfolio has increased from 1,060,576 to 13,459,194 pengös.

NET PROFITS.

Net profits amounted to 124,272 pengös, comparatively a small figure, but Count Hadik reminded the meeting that the aim of the institute is not profit-making but to help the farmers in their struggle out of the world-wide agricultural crisis, and finished his interesting review amid the cheers of the general meeting; the report and accounts were unanimously adopted.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended March 2, 1929:—

(000's omitted.)

Expenditure	£	Receipts.	£
Supply Services	7,030	From Revenue	25,033
Interest, &c., on Debt	5,396		
Sinking Fund	1,784		
Sundries	299		
Decrease in Debt	10,308		
Increase in Balances	216		
	25,033		25,033

The Ordinary Revenue for the week amounted to £25,033,100, as compared with £24,767,500 in the corresponding week last year. Property and Income-tax was higher at £17,248,000, against £13,305,000, but Super-tax was lower at £2,410,000, against £3,080,000. Customs and Excise amounted to £1,877,000 and £1,219,000, against £1,482,000 and £1,012,000 respectively. Ordinary Receipts brought in £19,600, as compared with £233,000, but Special Receipts were nil, against £3,541,500. The total Revenue to date amounts to £651,163,900, as compared with £669,823,900 at this time last year. Expenditure amounts to £682,873,900, against £704,269,100. The deficit to date is therefore £31,710,000, as compared with a deficit of £34,445,200 for the corresponding period last year. The National Debt was reduced by £10,308,000 as shown below:—

(000's omitted.)

	£		£
National War Bonds	— 250	National Savings Certificates	+ 200
Treasury Bills	— 14,198	Public Department Advances	+ 4,400
Sundries	— 460		
	— 14,908		+ 4,600

The floating debt was reduced by £9,790,000 to £764,865,000.

FINANCIAL YEAR, 1928-29, April 1 to Mar. 2, 1929.

Expenditure	£	Revenue	£
	682,873,901	Revenue	651,163,943
		Amount borrowed	28,334,299
		Decrease in balances	3,375,659
	682,873,901	Total	682,873,901

ESTIMATES (New Basis), 1928-29.

Expenditure	£	Revenue	£
	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

SELF-BALANCING REVENUE and EXPENDITURE.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 2, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	...	...	...	...	...	166	204	204	204
3½% Conversion Loan	...	...	666	709	760	740	832	832	832
4½% Conversion Loan	...	...	...	210	211	211	221	221	221
3½% War Stock	...	63	63	63	63	63	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,166	2,052	2,109	2,154	2,253	2,253	2,255
National War Bonds	...	1,509	820	778	706	556	194	111	55
4% Funding Loan	...	409	395	394	390	389	385	385	385
4% Victory Bonds	...	360	314	303	292	277	261	261	261
Treasury Bonds	...	...	457	499	482	454	675	773	762
Exchequer Bonds	20	323	150	15	15	15	16	16	16
National Savings Certs.	...	267	366	369	375	372	362	360	360
Other Debt*	...	1,306	1,128	1,124	1,111	1,103	1,097	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	588	576	585	599	527	788	738
Temporary Advances	1	243	186	167	139	117	162	28	28
	654	8,033	7,641	7,598	7,558	7,555	7,528	7,665	7,656
Other Capital Liabilities	57	46	66	68	75	98	103	103	107
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,631	7,768	7,663

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances Outstanding—	Mar. 3, '28. £	Mar. 31, '28. £	Mar. 2, '29. £	Movements Week ended Mar. 2, '29. £
Advances by Bank of England	...	...	...	...
Advances by Public Deptmts.	168,010,000	161,850,000	26,140,000	+ 4,400,000
Treasury Bills Outstanding	564,650,000	526,940,000	*738,725,000	— 14,190,000
Total Floating Debt	732,660,000	688,790,000	764,865,000	— 9,790,000

* Includes £37,000, the proceeds of which were not carried to the Exchequer within the period of the account.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1928–29.	Total Receipts into the Exchequer from April 1, 1928, to Mar. 2, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Mar. 3, 1928.	Week Ended Mar. 2, 1929.	Week Ended Mar. 3, 1928.
Balances in Exchequer on 1st April:—	£	£	£	£	£
Bank of England	...	5,918,513	6,003,023	...	...
Bank of Ireland	...	404,112	456,633	...	...
	...	6,322,625	6,459,656	...	...
ORDINARY REVENUE.					
Inland Revenue—					
Property and Income Tax	232,900,000	190,995,000	208,846,000	17,248,000	13,305,000
Super-Tax	60,000,000	40,010,000	45,800,000	2,410,000	3,080,000
Estate, &c., Duties	72,000,000	72,980,000	69,610,000	2,070,000	1,410,000
Stamps	28,000,000	25,610,000	22,070,000	690,000	350,000
Excess Profits Duties, &c.	1,000,000	...	...	...	...
Corporation Profits Tax	1,500,000	780,000	1,640,000	20,000	...
Land Tax, House Duty and Mineral Rights Duty	850,000	600,000	630,000	30,000	110,000
Total Inland Revenue	396,250,000	330,975,000	348,596,000	22,468,000	18,255,000
Customs and Excise—					
Customs	120,637,000	108,923,000	102,055,000	1,877,000	1,482,000
Excise	140,768,000	125,378,000	129,282,000	1,219,000	1,012,000
Total Customs & Excise	261,405,000	234,301,000	231,337,000	3,096,000	2,494,000
Motor Vehicle Duties (Exchequer Share)	4,400,000	3,991,067	4,531,985	...	...
Post Office (Net Receipts)	8,186,000	10,500,000	8,050,000	Dr700,000	Dr200,000
Crown Lands	1,100,000	1,190,000	1,050,000	70,000	...
Receipts from Sundry Loans	27,650,000	21,966,990	18,839,309	79,490	43,989
Miscellaneous: Ordinary Receipts	13,550,000	12,479,089	29,551,804	19,646	233,008
Miscellaneous: Special Receipts	40,362,000	35,760,797	27,867,811	...	3,541,531
Total Ordinary Revenue	752,903,000	651,163,943	669,823,909	25,033,136	24,767,528
SELF-BALANCING REVENUE.					
Post Office	57,314,000	51,200,000	51,050,000	1,700,000	800,000
Motor Vehicle Duties apportioned to Road Fund	21,300,000	20,858,933	19,212,015	...	...
Total Self-Balancing Revenue	78,614,000	72,058,933	70,262,015	1,700,000	800,000
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920–28		774,432	3,866,000	...	...
Road Fund		3,825,000	...	...	...
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		7,650,000	7,000,000	...	...
(b) Under the Unemployment Insurance Acts, 1920–28		10,870,000	3,370,000	420,000	80,000
(c) For other Issues—					
By Treasury Bills		2,529,866,000	2,266,196,000	54,377,000	40,979,000
By 4% Consolidated Loan		...	41,316,756	...	...
By National Savings Certificates		37,500,000	32,620,000	850,000	750,000
By National War Bonds		10	10	...	...

	Total Receipts into the Exchequer from		Week Ended Mar. 2, 1929.	Week Ended Mar. 3, 1928.
	April 1, 1928, to Mar. 2, 1929.	April 1, 1927, to Mar. 3, 1928.		
	£	£	£	£
By 4½% Treasury Bonds, 1934 ..	...	64,595,752	...	...
By 5% Treasury Bonds, 1933-35	93,603,348	21,300,000	...	500,000
By 4½% Treasury Bonds, 1932-34	18,960,000	...	...	...
(d) Ways and Means Advances.....	568,080,000	621,370,000	13,540,000	57,800,000
Repayments—				
In respect of Suez Canal Drawn Shares.....	5,733	4,536	...	...
In respect of Cunard Loan.....	...	130,000	...	...
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	172,293	185,991	39,968	4,750
Total .....£	4,000,889,234	3,808,517,542	95,960,104	125681278

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1928-29 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from		Issues	
		Apr. 1, 1928, to Mar. 2, 1929.	Apr. 1, 1927, to Mar. 3, 1928.	Week Ended Mar. 2, 1929.	Week Ended Mar. 3, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt	304,000,000	306,322,931	308,002,817	5,395,737	9,193,159
Payments to Local Taxation Accounts	14,200,000	10,107,983	10,802,875	...	40,000
Payments to Northern Ireland Exchequer.....	5,600,000	4,181,224	4,021,812	272,381	75,000
Other Consolidated Fund Services	2,600,000	2,228,720	3,087,620	26,473	28,762
Supply Services (excluding Post Office).....	352,552,000	308,712,434	319,105,943	7,030,478	7,496,044
Total Ordinary Expenditure.....	678,952,000	631,553,292	645,021,067	12,725,069	16,832,965
Sinking Fund	65,000,000	51,320,609	59,248,045	1,784,267	1,700,560
SELF-BALANCING EXPENDITURE.					
Post Office.....	57,314,000	51,200,000	51,050,000	1,700,000	800,000
Road Fund	21,300,000	20,858,933	19,212,015	...	...
Total Self-balancing Expenditure	78,614,000	72,058,933	70,262,015	1,700,000	800,000

	Total Issues out of the Exchequer to meet Payments from		Issues	
	Apr. 1, 1928, to Mar. 2, 1929.	Apr. 1, 1927, to Mar. 3, 1928.	Week Ended Mar. 2, 1929.	Week Ended Mar. 3, 1928.
OTHER ISSUES.	£	£	£	£
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920-28	10,870,000	3,370,000	420,000	80,000
Road Fund, under Section 27 of the Finance Act, 1928.....	3,825,000	...	...	...
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928.....	9,550,000	8,500,000	500,000	...
Unemployment Insur. Acts, 1920-28—				
Repayment of Amounts Borrowed...	774,432	3,866,000	...	...
Redemption of Debt—				
Treasury Bills	2,318,115,000	2,300,715,000	68,575,000	52,660,000
Principal of 3½% War Loan, 1925-28, paid off	...	39,864,875	...	39,864,875
Principal of National Savings Certificates	37,550,000	35,300,000	650,000	850,000
Principal of National Savings Bonds paid off	3,061	1,042	...	...
Principal of National £. War Bonds paid off ... 132,159,504				
Less paid off by the National Debt Commissioners 3,003,000	129,156,504	66,400,261	250,000	...
Principal of Treasury Bonds paid off	25,990,787	3,403,035	...	...
Other Debt under the War Loan Acts, 1914 to 1919.....	3,341,000	100	...	...
Ways and Means Advances Repaid..	703,790,000	569,961,000	9,140,000	13,750,000
Issues to National Debt Commissioners to Reduce Debt—				
Suez Canal Drawn Shares Repayments	5,733	4,536	...	...
Cunard Loan Repayments.....	...	130,000	...	...
Old Sinking Fund, 1907-08—				
Issued under Section 9 of the Finance Act, 1908	1,000	1,623	...	...
	3,997,942,268	3,806,085,516	95,744,336	126538400
	Mar. 2, '29.	Mar. 3, '28.	In. or Dec.	for Week.
Balances in Exchequer—				
Bank of England	2,134,359	2,081,913	- 81,768	+ 10,248
Bank of Ireland.....	812,607	350,113	+ 134,000	- 867,370
Total .....£	4,000,889,234	3,808,517,542	+ 215,768	- 857,122

Treasury, February 18, 1929.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bills were opened on March 1, 1929, and the total amount applied for was £40,330,000. For bills at 3 months, dated Monday to Friday, at £98 13s. 7d., and above in full; Saturday at £98 13s. 10d., about 72 per cent., and above in full. The amounts allotted were in bills at 3 months, £30,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1928.	£	£	£ s. d.
December 28	45,000,000	80,130,000	4 5 7·07
1929.			
January 4	45,000,000	59,700,000	4 6 5·99
January 11	35,000,000	57,915,000	4 5 4·26
January 18	45,000,000	58,035 000	4 5 2·06
January 25	45,000,000	55,210 000	4 6 5·73
February 1	40,000,000	47 120 000	4 5 2·83
February 8	35,000,000	52,695.000	5 2 5·68
February 15	30,000,000	41 430,000	5 5 3·43
February 22	30,000,000	39,545,000	5 3 8 78
March 1	35,000,000	40,330,000	5 4 6 06

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, March 6, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt.....	11,015,100
In Circulation.....	355,088,201	Other Government Securities	234,873,999
In Banking Department.....	56,385,124	Other Securities	9,266,559
		Silver Coin	4,844,342
		Amount of Fiduciary Issue.....	260,000,000
		Gold Coin and Bullion.....	151,473,325
	£411,473,325		£411,473,325

BANKING DEPARTMENT.

	£		£
Proprietors' Capital.....	14,553,000	Government Securities.....	44,796,855
Rest.....	3,713,923	Other Securities—	
Public Deposits*	8,283,015	Discounts and Advances..... £10,379,411	
Other Deposits—		Securities..... 16,115,462	
Bankers..... £64,183,525			26,494,873
Other Accounts 37,296,117		Notes.....	56,385,124
	101,479,642	Gold and Silver Coin	355,473
7-Day and Other Bills	2,745		
	£128,032,325		£128,032,325

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

Both Departments.	Amount Mar. 6, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	355,088,201	+ 2,834,986	- 13,615,469
Public deposits	8,283,015	- 5,683,878	- 107,145
Bankers' deposits	64,183,525	+ 7,143,224	
Other deposits	37,296,117	+ 634,427	- 1,399,525
Seven-day bills.....	2,745	+ 1,338	- 231
Total, outside liabilities	464,853,603	+ 4,930,097	- 15,122,370
Capital and rest	18,266,923	+ 10,560	- 5,518
Government debt and securities.....	290,685,954	+ 2,168,767	+ 19,892,040
Discounts and advances	10,379,411	+ 2,025,902	
Other securities	25,382,021	+ 323,269	- 28,295,011
Silver coin in issue department.....	4,844,342	- 150,562	- 655,658
Coin and bullion (bank's reserve).....	151,828,798	+ 573,281	- 6,069,266
Reserve of notes and coin in banking department	56,740,597	- 2,261,705	+ 14,207,210
Proportion of reserve to outside liabilities—			
(a) Banking department only (" proportion ")	51 11/16 %	- 3 1/16 %	+ 13 11/16 %
(b) Gold stocks to deposits and notes (" reserve ratio ")	32 11/16 %	- 1/16 %	- 1/16 %

* Comparison includes old currency notes return.

Date.	Issue Department.		Banking Department.			Gold in or out of Bank.	Bank Rate.
	Notes Issued.	Circulation.	Public Deposits.	Bankers' Deposits.	Other Deposits.		
1929.	£	£	£	£	£	£	%
Jan. 16	414,171,272	360,682,536	15,148,359	67,549,972	36,665,759	114,308 out	4½
23	413,103,414	355,366,406	16,850,494	60,841,865	37,481,593	1,078,579 out	4½
30	412,714,393	355,644,424	19,229.555	58,210,774	37,862,617	394,507 out	4½
Feb. 6	409,626,177	357,519,235	8,351,338	68,500,861	37,003,622	3,091,745 out	5½
13	409,837,878	352,698.006	19,635,679	58,199,877	36,437.556	133,139 in	5½
20	410,503,734	351,819,064	15,176,218	65,694,762	37,133,249	651,702 in	5½
27	410,897,002	352,253,215	13,966,893	57,040,301	36,661,690	389 932 in	5½
Mar. 6	411,473,325	355,088,201	8,283,015	64,183,525	37,286,117	570,581 in	5½

Date.	Issue Department.		Both Depts.	Banking Department.				
	Govt. Debt and Securities.	Other Securities.	Gold Coin and Bullion and Reserve Ratio.	Govt. Securities.	Discounts & Advances.	Other Securities.	Reserve & the " Proportion."	
1929.	£	£	£	£	£	£	£	%
Jan. 16	244689805	10171370	154406085	32 1/4	55121855	13058329	15540096	53723549	45
23	244848035	10172176	153342962	32 1/16	49486855	10763570	15061023	57976556	50 3/16
30	244884208	10170568	152978126	32 1/16	50501855	9657227	15946436	57333702	49 11/16
Feb. 6	244994469	10016515	149917446	31 11/16	55386855	8714 97	15528000	52398211	46
13	245524998	9491737	150154375	32 1/16	47876855	10446657	16586558	57436367	50 1/16
20	245520727	9487454	150850938	32 1/16	46331855	12056043	14692087	59011874	50
27	245540332	9464764	151255517	32 1/16	42976855	8353509	15593988	59002302	54 1/16
Mar. 6	245889099	9266559	151828798	32 11/16	44796855	10379411	16115462	56740597	51 11/16

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to Feb. 20	6,067,168	284.739	455,765	6,807,672
Week ended Feb. 27	744,426	33,314	53,193	830,933
Week ended Mar. 6	836,536	40,584	66,740	943,860
Total to date, 1929	7,648,130	358.637	575.698	8,582,465
Do. 1928	7,284,701	348,198	578,674	8,211,573
Increase or decrease in 1929.....	+ 363,429 = 5·0%	+ 10,439 = 3·0%	- 2,976 = 0·5%	+ 370.892 = 4·5%
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,757	2,817,868	39,825,054
Increase or decrease in 1927.....	+1,473,253 = 4·1%	+ 97,275 = 5·8%	+ 154,959 = 5·4%	+1,725,487 = 4·3%

PROVINCIAL CLEARING RETURNS.

	Month of February.			Aggregate Weekly Totals to Mar. 2	
	1928.	1929.	%	1928.	1929.
Number of Working Days	25	24			
	£	£		£	£
BIRMINGHAM	11,993,000	12,233,000	+ 2·0	25,896,100	26,286,900
BRADFORD	6,821,000	5,058,000	- 25·8	...	...
BRISTOL	5,023,000	5,445,000	+ 8·4	11.010,000	11,607,000
DUBLIN	...	...	...	44.032.300	46,002 800
HULL	4,111,000	3,818,000	- 7·1	8.674,100	8,567.100
LEEDS	4,272,000	4,540,000	+ 6·2	10.197,700	9,823,200
LEICESTER	3,641,000	3,593,000	- 1·3	8.028,400	7,774,600
LIVERPOOL	36.127,000	34.080,000	- 5·6	79 886,700	77,026,200
MANCHESTER	57,199,000	55 589,000	- 2·8	128.001.700	120,148,300
NEWCASTLE-ON-TYNE	6,463,000	6,374,000	- 1·3	14.021,200	13,391,900
NOTTINGHAM	2,621,000	2,651,000	+ 1·1	5.977.200	6,104,500
SHEFFIELD	4,277,000	4,437,000	+ 3·7	10.097,000	9,672,700
Total	142,548,000	137.818,000	- 3·3	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Egypt appeared in the *Economist* of Jan. 19; Canada, India, Roumania and Lithuania in Mar. 2.

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

RESOURCES.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 21, 1929.	Feb. 14 1929.	Mar. 8, 1928.
Total gold reserves	2,682,840	2,686,850	2,681.110	2,896,220	2,812,220
Total bills discounted.....	989,170	952,480	864,980	903,950	482,110
Bills bought in open market	304,640	334,080	355,640	391,060	338,500
Total U.S. Govt. securities	162,960	166,400	172,590	177,170	402,710
Total bills and securities ...	1,467,030	1,463,030	1,403,280	1,481,250	1,224,320
Total resources	5,123,780	5,166,590	5,107,100	5,143,940	4,951,020
LIABILITIES.					
Federal Reserve notes in actual circulation	1,666,570	1,653,970	1,651,600	1,659,780	1,591,370
Deposits—Memberbank—reserve account	2,350,500	2,367,250	2,318,640	2,372,620	2,361,460
Total deposits	2,402,540	2,412,970	2,361,020	2,421,580	2,410,740
Capital paid in and surplus	406,510	405.660	404,590	404,160	369,920
Total liabilities	5,123,780	6,165,590	5,107,100	5,143,540	4,951,020
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	69·7%	69·9%	70·8%	69·8%	74·4%

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

	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 21, 1929.	Feb. 14, 1929.	Mar. 8, 1928.
Total bills discounted.....	270.610	222,390	161,730	252,690	124.390
Bills bought in open market	65,690	66,630	70,360	94,600	93,240
Total U.S. Govt. securities	13,640	15,320	16,310	18,670	75.920
Total bills and securities ...	349,930	304,340	268,400	365,960	293,550
Deposits — Member bank — reserve account	922,240	959,850	917,400	947,150	934,620
Ratio of total res. to dep. and Federal Res. note liabilities combined	77·3%	81·5%	83·1%	76·7%	80·7%

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

ASSETS.	Feb. 8 1929.	Feb. 1, 1929.	Jan. 25, 1929.	Jan. 18, 1929.	Jan. 11, 1929.	Feb. 10, 1928.
Gold coin and bullion	7,603	8,119	7,840	8,429	7,667	8,057
Subsidiary coin	102	101	107	102	84	223
Bills discounted	8,688	8,835	8,423	8,010	9,118	7,811
Investments	694	721	804	294	481	574
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	8,690	9,392	8,125	8,197	8,673	8,027
Government deposits	1,510	2,220	1,915	2,335	1,827	1,333
Bankers' deposits.....	5,033	5,394	5,079	4,807	4,752	5,752
Ratio of cash reserves to liabilities to public	43·4%	46·7%	50·3%	53·1%	48%	52·7%

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

ASSETS.	Mar. 1, 1929.	Feb. 22, 1929.	Feb. 15, 1929.	Feb. 8, 1929.	Feb. 1, 1929.
Gold	34,063,147	34,037,604	34,026,595	34,018,098	34,004,022
Foreign assets—					
Sight deposits	11,473,971	11,538,871	11,794,958	12,302,943	12,435,796
Bills discounted ...	18,383,875	18,283,146	18,273,609	18,208,245	18,164,725
Commercial bills discounted at home ...	4,235,415	5,238,627	3,967,089	4,836,061	4,081,916
Advances against sec. To the State.....	9,130,000	9,130,000	9,130,000	9,130,000	9,130,000
Other advances ...	2,404,732	2,263,008	2,325.002	2,314,091	2,339,440
Other assets (excluding forward exch.)	4,047,720	3,147,734	3,504,164	3,570,386	3,737,397
LIABILITIES.					
Notes in circulation	64,226,373	62,505,668	62,619.795	63,101,466	63,866,999
Public deposits	11,566,738	12,299,992	12,687.784	12,645,691	12,398.794
Private deposits	5,885,015	6,884,626	5,700,836	6,429,493	5,658,540
Other liabilities	2,060,734	1,948,703	2,013,002	2,143,175	1,968,963

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

ASSETS.	Mar. 2, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 29, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,728,933	2,728,962	2,728,910	1,888,350
Of which deposited abroad	85,626	85,626	85,626	85,626
Reserve in foreign currencies	90,386	99,134	100,354	281,953
Bills of exchange and cheques	1,888,919	1,471,350	1,446,569	2,336,275
Silver and other coin	114,352	132,175	125,364	67,666
Notes of other German banks	7.244	28,815	23.471	9.303
Advances	297.247	38,467	78,284	117,112
Investments	93.170	93,170	93,170	94,239
Other assets	470,718	481,459	544,577	551,823
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319.608	319,608	319.608	243,393
Notes in circulation	4,553.026	3,902,094	4,077,262	4,268.220
Other daily maturing obligations	525,560	572,696	467,171	491.035
Other liabilities	169.987	156,346	153,870	221,285

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

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

ASSETS.	Feb. 28, 1929.	Feb 21, 1929.	Feb. 14, 1929.	Feb. 7, 1929.	Mar. 1, 1928.	Position, May 28, 1914.
Gold	906,207	906,105	906,091	905,029	742,056	(b)
Foreign Bills and Balances Abroad	490,128	474,121	493,790	532,101	457.307	232,650
Silver and other coin	1,543	1,617	1,662	1,702	1.670	
Securities	738,468	708,367	698,003	677,530	517,889	697,600
LIABILITIES.						
Notes in circulation...	2,432,417	2,368,620	2,382,352	2,391,325	2,106,959	934,150
Current accounts	75,122	98,258	104,943	104,843	63.044	112,125

(b) In thousand francs.

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

ASSETS.	Feb. 25, 1929.	Feb. 18, 1929.	Feb. 11, 1929.	Feb. 4. 1929.	Feb. 27, 1928.	Position, May 30,1914.
Gold	434,548	434,549	434,551	434,535	435,195	163,092
Silver	22,143	22,252	22,484	22,514	27,357	8,436
Dacts. and advances	239,306	338,412	358,358	373,430	361,796	153,504
LIABILITIES.						
Notes in circulation	775,868	775,128	784,770	808,052	776,785	316,632
Deposits	31,489	28,560	42,513	38,599	48,017	5,016

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

ASSETS.	Mar. 2, 1929.	Feb. 23, 1929.	Feb. 16, 1929.	Feb. 9, 1929.	Mar. 4, 1928.	Position May 30,1914.
Gold	189,500	190,200	189,100	190,000	173,468	22,971
Silver					19,028	29,785
Discounts, advances, and other investments ...	138,200	141,700	142,800	145,400	143,115	77,567
LIABILITIES.						
Notes in circulation ...	302,100	299,900	302,100	303,500	309,302	109,499
Deposits and bills payable	46,900	54,200	59,300	57,100	42,859	11,250

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

ASSETS.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 7, 1929.	Feb. 29, 1928.	Position, May 31, 1914.
Gold	481,600	481.675	481,774	481.852	432,611	171,175
Silver	45,185	45,697	46,111	45,653	62,457	18,350
Foreign Bills and Balances abroad.....	180,719	174,501	180,192	186,952	...	...
Discounts	169,554	143,001	131,041	146.010	315,160	...
Advances	71,328	61,976	59,763	63,603	62,690	103,000
LIABILITIES.						
Notes in circulation...	842,929	780.279	786,333	802,682	819,245	275,925
Deposits	76,736	86,923	84,545	85.041	65,344	33,750

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

ASSETS.	Feb 20, 1929.	Feb. 10, 1929.	Jan. 31, 1929.	Jan. 20, 1929.	Jan. 10, 1929.
Gold, coin and bullion	5,058,600	5,058.525	5,052,071	5,051,982	5,051,951
Foreign bills and balances abroad	5,724,400	5,794,460	5,743,334	5,878,070	5,945,320
Other cash	207,900	192,768	170,038	141,203	131,550
Gold deposited abroad due by the State	1,836,200	1,836,187	1,836,187	1,836,187	1,836,187
Discounts	3,421,200	3,504,734	3,581,041	3,622,993	3,678,984
Advances.....	1,084,100	1,127,667	1,228,617	1,112,096	1,299,568
Credit with " Istituto di Liquidazioni "	1,077,800	1,102,763	1,102,763	1,102,763	1,102,763
Government securities	1,042,400	1,042,354	1,041,762	1,041,696	1,041,468
LIABILITIES.					
Notes in circulation	15,940,800	16,383,168	16,589,517	16,464,082	16,882,413
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts.....	2,618,100	2,475,806	2,449,518	2,411,398	2,257,860
Ratio of reserve to note and sight liabilities combined	57·17%	56·65%	55·82%	57·00%	56·57%

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

ASSETS.	Mar. 2, 1929.	Feb. 23, 1929.	Feb. 16, 1929.	Feb. 9, 1929.	Mar. 3, 1928.
Gold	235,163	235,460	235,546	235,610	233,141
Government securities—Swedish	6,001	6,001	6,001	6,001	11,027
Other Swedish bonds quoted on foreign bourses	73,774	73,774	73,774	73,774	105,534
Bills payable in Sweden†	749	749	749	749	2,187
" " abroad	219,740	195,309	208,748	214,861	177,558
Balance abroad	83,985	78,386	67,983	68,907	70,881
Advances made on government securities and bonds†	40,223	45,935	56,308	55,539	39,355
LIABILITIES.	65,192	47,917	52,631	51,839	52,015
Notes in circulation	503,941	442,974	461,098	464,831	483,189
Government deposits	175,823	192,558	194,779	190.733	165,867
Private deposits	4,851	4,182	2,085	9,934	4,627

† The sum of the items " Bills payable in Sweden " and " Advances made on Government Securities and Bonds " excludes advances and cash credits which are *not* available as cover for the note issue.

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

ASSETS.	Feb. 22, 1929.	Feb. 15, 1929.	Feb. 7, 1929.	Feb. 22, 1928.	Position, May 31, 1914.
Coin and bullion—Gold	146,853	146,856	146,859	147,234	44,224
Balance abroad and foreign bills	31,086	31,834	34,692	26,398	28,533
Norwegian and Foreign Government securities	9,345	9,345	9,345	10,106	8,816
Discounts and loans	261,080	261,480	259,036	298,518	769,110
LIABILITIES.					
Notes in circulation	293.666	291,984	293,774	307,565	113,484
Deposits at sight	87,642	88,091	85.909	120,428	7,188

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

ASSETS.	Feb. 28, 1929.	Jan. 31, 1929.	Dec. 31, 1928.	Nov. 30, 1928.	Feb. 29, 1928.	Position May 30, 1914.
Coin and bullion....	172,670	172,715	172,755	172,756	181,978	76,644
Loans & discounts	89,240	90,005	94,595	87,406	102,211	88,470
Debtors abroad ...	99,307	92,412	112,359	94,547	64,799	24,102
Securities.....	36,050	35,023	34,758	31,263	15,974	11,988
LIABILITIES.						
Circulation	341,873	336,349	360,157	353,861	335,697	157,266
Deposits.....	29,848	28,645	52,945	25,731	23,938	6,696

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

ASSETS.	Mar. 2, 1929.	Feb. 23, 1929.	Feb. 16, 1929.	Feb. 9, 1929.	Mar. 3, 1928.	Position, May 30, 1914.
Gold	2,559,370	2,559,359	2,559,311	2,559,277	2,607,748	521,775
Silver	712,972	713,062	707,073	706,761	697,105	728,600
*Loans & Discounts	1,842,987	1,798,891	1,849,490	1,897,817	1,863,473	800,725
Spanish 4% stock...	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,305,811	4,294,282	4,339,634	4,374,520	4,206,414	901,550
Deposits.....	1,036,789	1,025,991	1,043,135	988,675	943,497	477,500

* Including 91 million pesetas lent to the State.

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

ASSETS.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Feb. 23, 1928.
Cash Reserve—					
Gold coin and bullion ...	168,752	168,752	168,752	168,752	84,456
Foreign exchange	203,804	204,095	198,862	199,124	315,760
Other foreign exchange† ...	359,487	360,476	359,420	365,674	257,585
Bills discounted	126,525	123,690	143,936	165,210	67,654
Advances	116,066	116,069	116,069	116,118	173,042
LIABILITIES.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	8,167	8,167	8,167	8,167	6,367
Notes in circulation	858,280	882,230	906,060	965,200	815,035
Deposits	119,501	93,788	84,095	52,663	86,037

† In dollar and sterling only.

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

ASSETS.	Feb. 20, 1929.	Feb. 13, 1929.	Feb. 6, 1929.	Jan. 30, 1929.	Feb. 22, 1928.
Coin and bullion	10,273	9,377	9,362	9,343	9,139
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	331,616	323,900	316,564	304 419	169,538
Discounts	257,879	251.709	248,082	253,775	242.261
Government loans	1,753,432	1,745,990	1,739,126	1,722,864	1,606,604
LIABILITIES.					
Notes in circulation	1,878,755	1,902.020	1,929,497	1,943,635	1,801,567
Deposits	60,949	49,266	50,786	59,274	64,565

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

ASSETS.	Feb. 23, 1929.	Feb. 15, 1929.	Feb 7, 1929.	Jan 31, 1929.	Feb. 23 1928.
Metal reserve—					
Gold coin and bullion	204,431	204,437	204,467	204,551	196,617
Drafts and notes	46,777	51,372	56,157	45.530	97,176
Silver coin and bullion	773	773	779	783	804
Inland bills, warrants and securities...	291,282	292,108	318,562	357,784	285 307
Advances to the Treasury.....	92,351	92,398	95,143	97,181	106,039
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	391.978	418,894	453,723	484,587	388,022
Current accounts, deposits, &c.	255,645	232,369	227,424	212,587	339,574

* Calculated at pre-war parity of exchange.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

ASSETS.	Feb. 23, 1929.	F b. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Feb. 23, 1928.
Gold and silver holdings ...	1,206,310	1,206,310	1,206,303	1,206,001	1,108,561
Balance abroad and foreign currency	1,859.277	1,842,243	1,938,955	2,009 514	2,001,987
Discounts and advances ...	162.012	161,753	163,353	184.032	67.210
State notes debt balance ...	4,071.968	4,076,770	4,080,745	4,084.445	4,400,710
Other assets	875,116	895,614	900,870	945.993	1,058,750
LIABILITIES.					
Bank notes in circulation	6,417,920	6,540.622	6,820,218	7,115.338	6,429,165
Check account balances ...	975,026	879,355	711,922	561.673	1,442.192
Other liabilities	343,190	324,166	319,539	314,427	352,779

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

ASSETS.	Feb. 22, 1929.	Feb. 15, 1929.	Feb. 8, 1929.	Jan. 31, 1929.	Feb. 22, 1928.
Gold	91,302	91,251	91,209	91.157	89,176
Other coin and notes	18.484	18,422	18,193	18.506	17,918
Foreign credits	189.107	194.510	192.593	198.482	303.455
Bills	1,362,476	1,369,079	1,387,175	1.378.129	1,312,718
Government advances	4,201,152	4,201,152	4,201,148	4,201,146	4,338,222
LIABILITIES.					
Notes in circulation	5,090,197	5,142,995	5,237.883	5,193 595	5,339,760
State credits	227,873	227,873	227.868	227.864	299.203
Deposits	1,155,514	1,168,663	1,049,468	1,164,522	1,369,895

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

ASSETS.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 23, 1929.	Feb. 15, 1928.
Gold and silver holdings ...	1,500,423	1,449,824	1,499,021	1,497,499	1,447,179
Balances abroad and foreign currencies	2,851,664	2,948,418	2,990,057	3,033,235	516,633
Discounts and advances ...	1,334,241	1,323,821	1,344,985	1,317,803	1,263,614
Advances to the Treasury	3,685,241	3,685,241	3,685,241	3,685,271	4,470,613
LIABILITIES.					
Capital paid up	500,000	500,000	500,000	500,000	516,722
Reserves	1,164,553	1,164,597	1,164,427	1,164,309	1,121,498
Bank notes in circulation	3,849,068	3,896,015	3,897,683	3,877,993	3,562,319
Sight liabilities	3,259,258	3,314,390	3,398,975	3,459,090	1,297,402
Deposits	471,370	471,628	471,891	472,340	1,430,128

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

ASSETS.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 23, 1929.	Jan. 15, 1929.
Gold	558.728	558.294	558,189	556,491	555,580
Gold exchange	4,520.811	4,678.642	4,734,735	4,473,152	4,610,923
Other foreign exchange ...	1,710	1,057	1,330	1,708	918
Bills discounted.....	56,329	55,942	56,502	55,523	57,142
Advances	69,373	70.139	59.619	60.461	55,924
Debt to the State	3,789,638	3,789,638	3,789,638	3,789,638	3,789,638
LIABILITIES.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,430,809	5,490,150	5,514,306	5,474,969	5,585,045
Deposits and current accounts	2,113,702	2,205,277	2,239,390	2,212,329	2,212,329
Foreign exchange liabilities	1,134,776	1,145,219	1,130,744	919,495	919,495

BANK OF POLAND.—In zloty* (000's omitted).

ASSETS.	Feb. 20, 1929.	Feb. 10, 1929.	Jan. 31, 1929.	Jan. 20, 1929.	Feb. 20, 1928.
Gold	621.418	621,361	621,257	621.168	526,504
Of which held abroad	195,402	195,402	195,402	195,402	173,388
Foreign currencies	683,960	694,779	685,189	671.493	844,145
Bills discounted.....	87,188	87,893	89,059	98.236	50,278
Reserve fund securities.....	69,243	69,244	69,241	69,801	55,173
Liability of the Treasury....	25,000	25,000	25,000	25,000	25,000
LIABILITIES.					
Share capital.....	150,000	150,000	150,000	150,000	150,000
Reserve funds	100,000	100,000	100,000	100,000	94,435
Notes in circulation	1,157,847	1,200,164	1,222,106	1,149,410	974,624
Current accounts	649,117	626,322	553,799	607,167	702,289
Government accounts	75,000	75,000	75,000	75,000	75,000

* As from October 13, 1927, 8·91 zlotys equals 1 U.S. dollar.

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

ASSETS.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 8, 1929.	Feb. 23, 1928.	Position, May 30,1914
Gold	303,363	303,500	303,606	315.234	35,091
Balance abroad and foreign bills	698,378	723,463	743,013	1,260,869	90,379
Finnish and Foreign Government securities	301,708	301,708	304,254	366,649	21,826
Discounts and loans	1,519,389	1,469,649	1,470,988	921,777	105,151
LIABILITIES.					
Notes in circulation	1,441,057	1,435,704	1,432,876	1,517,020	123 941
Deposits at notice	398,049	398,652	428,946	589,603	21,225

BANK OF ESTONIA.—In Est. kroon (000's omitted).

ASSETS.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Feb. 23. 1928.
Gold coin and bullion	6,228	6,228	6,267	6,267	10,285
Net foreign exchange	23,229	22,886	23,462	22,523	29,795
Subsidiary Estonian coin.....	703	786	737	763	778
Home bills discounted	15,279	15,142	14,790	15,089	8,915
Loans and advances*	15,312	15,762	15,501	16,779	19,810
LIABILITIES.					
Notes in circulation	35,936	34,345	34,560	35.133	39,042
Sight deposits and current accounts ...	20,362	21,008	21,756	22,306	21,179
Ratio of reserve to current liabilities...	52·32%	52·59%	52·78%	50·12%	66·55%

* Includes Ekr. 11,213,783, guaranteed by the Government.

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

ASSETS.	Feb. 27, 1929.	Feb. 20, 1929.	Feb. 13, 1929.	Feb. 6, 1929.	Jan. 30, 1929.	Feb. 29, 1928.
Gold bullion and coins.....	23,771	23,771	23,767	23,762	23,750	23,688
Silver coin.....	4,733	4,748	4,713	4,700	4,578	3,895
Balance abroad.....	70,923	69,703	70,131	66.587	66.559	61,221
Treas. notes and sm. change	10.688	12,281	11,991	11.653	11,660	8,841
Short term bills	82,023	83,203	84,803	85,241	85,217	79,839
Loans against securities	46,589	46,675	47,342	45,643	47,613	47,271
Other assets.....	13,260	19,609	14,161	18,732	14,440	6,628
LIABILITIES.						
Notes in circulation.....	44,360	42,433	42,498	43,142	43,121	38,589
Capital paid up.....	15,581	15,581	15,581	15,581	15.581	14,385
Reserve	3,091	3,091	3,091	3,091	3.091	2,612
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits.....	12,612	12,518	12,558	12,450	12.161	10,838
Current accounts.....	62,628	62,792	60,810	53,132	54,709	54,272
Government accounts.....	102,403	104,987	106,686	109.851	103,827	99,529
Other liabilities.....	8,812	16,087	17,190	16,571	18,836	8,659

RUSSIAN STATE BANK.—Note-Issuing Department.

(In Tchervonets—000's omitted.) (NOTE: 1 Tchervonetz = 10 gold roubles.)

ASSETS.	Mar. 1, 1929.	Feb. 16, 1929.	Jan. 31, 1929.	Jan. 16, 1928.	Mar. 1 1928.
Gold in coin and bullion	17,885	17,885	17,886	17,848	17,745
Other precious metals	4,340	4,240	4,319	4,336	2,468
Foreign bank notes	8,942	7,971	7,983	7,803	6,985
Drafts in sterling (less 10%)...	277	276	276	276	286
Bills (less 10% discount).....	77,282	78,354	76,262	79,463	68,262
Securities covering advances on goods (less 10%).....	274	274	274	274	274
LIABILITIES.					
Bank notes.....	108,365	108,258	106,505	109,097	94,121
Balance to which notes may still be issued.....	635	742	495	903	1,879

BANK OF DANZIG.—In Danzig gulden (000's omitted).

ASSETS.	F b. 28, 1929.	Feb. 15, 1929.	Jan. 31, 1929.	Jan. 15, 1929.	Dec. 31, 1928.	Dec. 15, 1928.	Feb. 29, 1928.
Coin and bullion....	2,564	2,860	2,604	2,735	2,269	2,512	2,571
Of which gold coin	8	8	7	7	7	7	7
Danzig subsidiary coin.....	2,556	2,852	2,597	2,728	2,262	2,505	2,564
Bal., Bk. of Eng., inc. notes.....	14,516	11.726	13,204	12,323	18,242	14,297	14,485
Bills of exchange...	20,769	21,712	22,060	19,906	21,952	21,860	21,192
Loans	425	20	685	...	560	245	75
Foreign exchange	18,267	17,271	18,670	19,461	18,647	19,314	30,462
Other bals.on dem'd	313	689	587	472	1,070	1,166	2,739
Securities	3,403	3,403	3,403	3,448	3.448	3,448	...
LIABILITIES.							
Capital paid up.....	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation	36,923	32,914	36,344	33,043	39,416	35,421	35,038
Deposits on demand	2,174	2,453	2,364	2,574	3,636	2,578	2,389

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

ASSETS.	Feb. 9, 1929.	Feb. 2, 1929.	Jan. 26, 1929.	Jan. 19, 1929.	Feb. 11, 1928.	Position June 30,1914
Cash & bullion	1,112,400	1,113,234	1,114,676	1,115,659	1,113,714	221,320
Discounts.....	740,733	749,890	737,914	723,776	722,813	41,749
Advances	75,217	89,982	89,443	74,492	83,976	70,540
LIABILITIES.						
Notes	1,349,348	1,406,060	1,355,018	1,273,824	1,211,814	362,270
Govt. deposits	512,552	466,951	450,145	444,586	669,287	87,340
Other deposits	274,849	276,079	335,621	396.049	292,095	11,446

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

ASSETS.	Feb. 1, 1929.	Jan. 25, 1929.	Jan. 18, 1929.	Jan. 11, 1929.	Feb. 3, 1928.
Gold at home	60,683	60,689	60,545	60,523	61,249
Gold abroad.....	444,947	450 213	457 889	462,929	408,212
Discounts and advances.....	71,419	54,292	51.425	47,195	24,463
Loans to Government.....	1,997	1,997	1,997	1,997	11,636
LIABILITIES.					
Notes of the bank in circulation	343,267	333,554	330,490	334,270	283,176
Government notes in circulation	16,488	16,585	16,691	16.752	42,869
Deposits	115,435	128.363	123.791	110.864	87,120
Drafts	30,540	30,540	30.540	30.540	19,389
Paid-up capital	90,625	90,625	90,625	90.625	89,523

LONDON RATES.

	Feb. 28, 1929.	Mar. 1, 1929.	Mar. 2, 1929.	Mar. 4, 1929.	Mar. 5, 1929.	Mar. 6, 1929.	Mar. 7, 1929.
	%	%	%	%	%	%	%
Bank rate (changed from 4½% Feb. 7, 1929)	5½	5½	5½	5½	5½	5½	5½
Market rates of discount—							
60 days' bankers' drafts	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛
3 months' do.....	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛
4 months' do.....	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛
6 months' do.....	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
Discount (Treasury Bills)—							
2 months'	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
3 months'†	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
Loans—Day to day	5	5	5	5	5	5	5
Short	5	5	5	5	5	5	5
Deposit allowances: Banks	3½	3½	3½	3½	3½	3½	3½
Discount houses at call ...	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months	6 Months
1929.	%	%	%	%	%	%	%
Feb. 14	4½	5⅛	5⅛	5⅛	5⅛ 6	5⅛ 6	6 6
21	4½	5⅛ ¼	5⅛ ¼	5⅛ ¼	5⅛ ¼	5⅛ 6	6 6
28	4½	5⅛ ⅛	5⅛ ⅛	5⅛	5⅛ 6	5⅛ 6	6 6
Mar. 7	4½	5⅛	5⅛	5⅛	5⅛ 6	5⅛ 6	6 6

RATES OF EXCHANGE.

London on		Usance	Par.	Mar. 8, 1928.	Feb. 28, 1929.	Mar. 7. 1929.
New York ...	dollars to £1	Cable	4·86⅜	4·87 11-16 - ⅜	4·85½ ⅛	4·85½ ⅛
Montreal.....	dollars to £1	Cable	4·86⅜	4·87 11-16 - ⅜	4·87 ⅛ ⅜	4·88 88½
Paris	francs to £1	T.T.	124·21	124- ⅛	124·23-38	124⅛ - ¼
Berlin	marks to £1	T.T.	20·43	20·40·1	20·44¼ - 45¼	20 45-45½
Amsterdam ...	florins to £1	T.T.	12·107	12·12½-¾	12·11⅜ - ½	12·11-11⅜
Brussels	belga to £1	T.T.	35·00	34·99 - ½	34·93½ - ¾	34·95½ 95⅞
Milan	lire to £1	T.T.	92·46	92½ - ⅝	92 63-68	92·65 70
Berne	francs to £1	T.T.	25·22	25·33½ - ¾	25·23 - ½	25·22½ - 23½
Oslo.....	kroner to £1	T.T.	18·159	18·31½-2	18·16 - ½	18·19½-19⅜
Stockholm.....	kronor to £1	T.T.	18·159	18·17⅛-18	18·19½-19⅜	18·16½-16⅜
Copenhagen ..	kroner to £1	T.T.	18·159	18·21½-¾	18·20½-20⅛	18·20½ 20⅜
Madrid.....	pesetas to £1	T.T.	25·22½	29·06-8	31·95-98	32 95 33·00
Lisbon	escudo to £1	T.T.	4·50	2⅛-⅜	109⅛-110	109-109⅛
Vienna	schligs. to £1	T.T.	34·58½	34·63-6	34·50-54	34·50·55
Prague.....	krone to £1	T.T.	24·02(a)	164 ⅛ - ⅜	163⅛-164	163⅛-164
Belgrade	dinars to £1	T.T.	25·22½	277·½	276½-¾	276½-¾
Budapest	pengo to £1	T.T.	27·82	27·88 92	27·84-87	27·82 87
Bukarest	lei to £1	T.T.	813·6	790 3	815-818	815-818
Sofia	leva to £1	T.T.	25·22½	672-7	672-675	673-675
Athens	drachmæ to £1	T.T.	375	367½-68½	374¼-375¼	374¼-375¼
Constantin'ple	piastres to £1	T.T.	110	957·60	983-986	983 988
Warsaw	zloty to £1	T.T.	43·38	43½·¾	43¼ 43⅜	43¼ ⅜
Helsingfors ...	F. marks to £1	T.T.	193·23	193¼-½	192½-193	192½ 193
Kovno	lits to £1	T.T.	48·66	48½-9¼	48¼-49½	48¼-49½
Reval	Kroon to £1	T.T.	18·159	18·00-18·40	18·15-25	18·15-22
Riga	lats to £1	T.T.	25·22½	25·15-30	25·15-25	25·15-25
Alexandria ...	piastres to £1	Sight	97⅛	97 11-16 - 11	97 11-16 - ⅝	97 11-16 - ½
Buenos Aires	pence to peso	T.T.	47·62d.	47 5-32 - ⅜	47 7-16 - ½	47⅞ - ⅝
Rio de Janeiro	pence to mils.	90 days	16	5 15-16 - ⅞	5⅞ - ⅞	5 31-32 - 5
Montevideo ...	pence to peso	T.T.	51	50⅞-1⅛	50⅛-⅜	50⅛-⅜
Valparaiso.....	dollars to £1	90 days	40	39·38	39·58	39·46
Lima	Eng. to Per. £1	90 days	par	23⅛% prem.	19⅛% prem.	19⅛% prem.
Calcutta	pence to rupee	T.T.	18	1/5 13-16 - 1/6 1/32	1/6 - 1/6 1/32	1/6-1/6 1/32
Bombay	pence to rupee	T.T.	18	1/5 13-16 - 1/6 1/32	1/6 - 1/6 1/32	1/6-1/6 1/32
Madras	pence to rupee	T.T.	18	1/5 13-16 - 1/6 1/32	1/6 - 1/6 1/32	1/6-1/6 1/32
Hong Kong ...	ster. to dollar	T.T.	—	2/0 1-16	1/11 1-2/0 1/8	2/0 1-8
Shanghai	ster. to tael	T.T.	—	2/6 1-2 - 7 1/8	2/6 1-2 - 2 7/8	2/6 1-2 - 2/7 1/8
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3 11-16 - ¾	2/3 11-16 - 2/3 ¾	2/3 11-16 - ¾
Kobe.....	ster. to yen	T.T.	24·58d.	1/11 ⅛ - ¼	1/10 15-16 - 1/10 1/16	1/10-1/10 1/16
Manila	ster. to peso	T.T.	24·066d.	†2s. 0 1-16 d.	†2·0 1-16 d.	†2s. 0 1-16 d.
Mexico	pesos to £	T.T.	9·76	24-¼	9·75-10·05	9·75-10·25

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90-3·03 dollars to 100 krone, i.e., approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Oct. 12, 1927	4½	Oslo	Mar. 26, 1928	5½
Athens	Jan. 5, 1929	8	Paris.....	Jan. 19, 1928	3½
Belgrade	July 26, 1921	6	Prague	Mar. 8, 1927	5
Berlin.....	Jan. 12, 1929	6½	Pretoria	Jan. 9, 1928	5½
Brussels	June 30, 1928	4	Reval	Jan. 2, 1928	7½
Bucharest.....	Sept. 4, 1920	6			
Budapest	Oct. 1, 1928	7	Riga	April 1, 1928	6½ 7½
Calcutta.....	Feb. 14, 1929	8	Rome	Jan. 5, 1929	6
Copenhagen.....	June 23, 1927	5	Sofia	Dec. 15, 1928	9
Danzig	June 20, 1927	6	Stockholm	Aug. 24, 1928	4½
Helsingfors	Nov. 15, 1928	7	Swiss Bank		
Kovno.....	Feb. 8, 1925	7	places	Oct. 22, 1925	3½
Lisbon.....	July 28, 1926	8	Tokio.....	Oct. 18, 1927	5·48
New York Federal Reserve....	July 12, 1928	5	Vienna	July 16, 1928	6½
			Warsaw.....	May 13, 1927	8
Madrid	Dec. 19, 1928	5½	Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7⅛%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	Mar. 7, 1928.	Feb. 6, 1929.	Feb. 13, 1929.	Feb. 20, 1929.	Feb. 27, 1929.	Mar. 6, 1929.
	%	%	%	%	%	%
Call money	4½	7	7½	6½	8	8
Time money (90 days' mixed coll.)	4½	7½	7½	7⅛	7½	7⅛
Bank acceptances :—	Selling Rates.					
Members—eligible, 90 days	3⅛	5⅛	5½	5⅛	5⅛	5⅛
Non-mem.—eligible 90 days	3⅛	5⅛	5⅛	5⅛	5⅛	5⅛
Ineligible, 90 days.....	4	5½	5½	6	6	6
Commercial accept. 90 days	4	5½	5½	5½	5½	5½

Rates of Exchange, New York on—		Par Level.	Mar. 7, 1928.	Feb. 20, 1929.	Feb. 27, 1929.	Mar 6, 1929.
London—						
60 days.....	Dollars for £1	4·8666	4·83 11-16	4·80	4·80 ⅛	4·80
Cable			4·87 ⅛	4·85 ⅛	4·85 ⅛	4·83 15-16
Cheques			4·87 1-16	4·84 15-16	4·84 15-16	4·84 15-16
Paris..... cheques	Cents for 1 franc	3·918	3·93 25	3·90 25	3·90 ⅛	3·90 25
Brussels ..... ,,	Cents for 1 Belga	13·90	13·93	13·88	13·885	13·875
Switzerland ..... ,,	Cents for 1 franc	19·30	19·24 ⅛	19·22 ½	19·22 ½	19·22 ½
Italy..... ,,	Cents for 1 lire	5·263	5·28 ⅜	5·33 75	5·235	5·2325
Berlin ..... ,,	Cents for 1 mark	23·81	23·88	23·72	23·71	23·70
Vienna ..... ,,	Cts.for Austrn.shlg	14·07	14·10	14·05	14·05	14·07
Madrid ..... ,,	Cents for 1 peseta	19·30	16·78	15·50	15·235	14·78
Amsterdam ..... ,,	Cents for 1 guilder	40·195	40·20	40·015	40·02	40·02
Copenhagen ..... ,,			26·775	26·645	26·64	26·635
Oslo..... ,,	Cents for 1 kroner	26·80	26·63	26·65	26·645	26·645
Stockholm..... ,,			26·83	25·70 ½	26·70 ½	26·69
Athens ..... ,,	Centsforldrachma	1·297	1·325	1·2925	1·2925	1·2925
Montreal..... ,,	Can. Cents for $1	100	⅛ dis.	⅛ dis.	⅛ dis.	⅛ dis.
Yokohama ..... ,,	Cents for 1 yen	49·85	46·82	44·95	44·90	44·15
Hong Kong ..... ,,	Cents for H.Kong $	...	49·75	48·50	48·85	48·90
Shanghai ..... ,,	Cts. for 1 Shng.tael	...	63·	61·95	62·20	62·40
Calcutta ..... ,,	Cents for 1 rupee	36·50	36·58	36·33	36·33	36·34
Buenos Aires ... ,,	Gold Pesos for $100	103·65	102·95	104·55	104·70	104·70
Rio de Janeiro ,,	Cents for 1 milreis	32·42	12·00	11·88	11·87	11·82
Valparaiso..... ,,	Cents for 1 peso	12·125

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929.	ARRIVALS.	£	1929.	WITHDRAWALS.	£
Mar. 1	Bars bought	2,056	Mar. 1	—Sovs. for export	5,000
„ 2		nil	„ 2		nil
„ 4	For. coin bought	11	„ 4	—Sovs. for export	4,000
„ 5	Bars bought	593,300	„ 5		nil
	For. coin bought	11	„ 6		nil
„ 6		nil	„ 7	—Sovs. for export	2,000
„ 7	Bars bought	1,618			
Total		£596,996	Total		£11,000

Net arrivals, £585,996.

Messrs. Samuel Montagu and Company write as follows on March 6, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £150,897,002 on the 27th ultimo (as compared with £150,503,734 on the previous Wednesday), and represents a decrease of £3,009,313 since April 29, 1925—when an effective gold standard was resumed.

The bar gold available in the open market this week amounted to about £805,000, of which about £593,000 was secured by the Bank of England, as shown in the figures below. Home and Continental trade requirements absorbed £94,000, India £60,000, and the Straits Settlements £54,000. There was a net influx of gold of £570,581 during the week.

SILVER.

Although prices have shown some fluctuations during the week the steadiness of the market has been maintained. China has again been the chief operator, and besides making some re-sales, has supported the market by purchasing silver, presumably as a counterpart of operations in yen exchange, which has continued to show weakness. The Indian Bazaars have worked both ways, but offerings from the Continent have been small. America has been more disposed to buy than to sell. The news that another revolution had broken out in Mexico naturally gives rise to some speculation as to its effect on silver, as, in view of the position occupied by Mexico as a producer, a prolonged struggle is obviously likely to prove an important factor. It is to be hoped, however, that the trouble will not be of long duration, as events in the past have shown the enduring ill-effects of such civil strife on the commercial interests of the country.

The following were the United Kingdom imports and exports of silver registered from mid-day on February 25th to mid-day on March 4th :—

IMPORTS.	£	EXPORTS.	£
Mexico	187,904	France	7,624
Belgium	9,070	Austria	18,880
U.S.A.	10,200	Egypt	7,560
Irish Free State	13,600	Persia	80,657
Other countries	2,766	Irish Free State	12,058
		British India	70,178
		Other countries	3,393
	£223,540		£200,350

INDIAN CURRENCY RETURNS (in lacs of rupees).

	Feb. 28.	Feb. 22.	Feb. 15.
Notes in circulation	19,247	19,170	19,144
Silver coin and bullion in India	9,996	9,936	9,910
Silver coin and bullion out of India	—	—	—
Gold coin and bullion in India	3,221	3,221	3,221
Gold coin and bullion out of India	—	—	—
Securities (Indian Government)	4,327	4,327	4,327
Securities (British Government)	1,053	786	786
Bills of exchange	650	900	900

The stock in Shanghai on the 2nd instant consisted of about 69,900,000 ounces in sycee, 111,000,000 dollars and 11,900 silver bars, as compared with about 70,700,000 ounces in sycee, 109,000,000 dollars and 10,020 silver bars on the 23rd ultimo.

Statistics for the month of February last are appended :—

	BAR SILVER per oz. std. Cash delivery.	Two mos. delivery.	BAR GOLD. per oz. fine.
Highest price	26·$\frac{5}{16}$d.	26·$\frac{1}{2}$d.	84s. 11·$\frac{1}{2}$d.
Lowest price	25·$\frac{5}{8}$d.	25·$\frac{11}{16}$d.	84s. 10$\frac{3}{4}$d.
Average price	25·909d.	25·935d.	84s. 11·42d.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
Mar. 1	84 11$\frac{1}{2}$	26	26$\frac{1}{16}$	Mar. 16, 1923	32$\frac{1}{4}$
„ 2	84 11$\frac{1}{2}$	26	25$\frac{15}{16}$	„ 14, 1924	33$\frac{3}{8}$
„ 4	84 11$\frac{1}{2}$	26	26$\frac{1}{16}$	„ 13, 1925	31$\frac{15}{16}$
„ 5	84 10$\frac{7}{8}$	25$\frac{15}{16}$	26$\frac{1}{16}$	„ 20, 1926	30$\frac{5}{16}$
„ 6	84 11$\frac{1}{2}$	26	26	„ 11, 1927	25$\frac{11}{16}$
„ 7	84 11$\frac{1}{2}$	26$\frac{1}{16}$	26$\frac{1}{8}$	„ 8, 1928	26$\frac{5}{16}$

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Mar. 22, 1929. (c) Week ended Mar. 2, 1929.	Miles Open.	Week ended Mar. 3, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 9 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,733	180	209	136	345	525	1,683	1,850	1,176	3,026	4,709
Do. for 1928	3,734	196	228	119	347	543	1,773	1,936	1,083	3,019	4,792
Lon.& N.Eastn.(c)	6,345	293	398	307	705	998	2,586	3,517	2,579	6,036	8,622
Do. for 1928	6,363	315	456	258	714	1,029	2,733	3,837	2,298	6,135	8,868
Lond.,Mid.&Scot.	6,953½	433	520	344	864	1,297	3,807	4,782	2,853	7,635	11,442
Do. for 1928	6,950½	466	605	276	881	1,347	4,048	5,171	2,584	7,755	11,803
Southern	2,177	249	73	44	117	366	2,247	644	321	965	3,212
Do. for 1928	2,177	273	99	32	131	384	2,345	679	271	950	3,295
Metropolitan (c)	59	30·4	—	—	3·8	34·2	277·2	—	—	33·9	311·1
Do. for 1928	59	31·6	—	—	3·8	35·4	281·9	—	—	33·9	315·8
†Und'rgr'ndE.R.c	—	—	—	—	—	260·6	—	—	—	—	2,310·5
†Do. for 1928	—	—	—	—	—	284·6	—	—	—	—	2,404·0
Lon.&Sub.Gr'upc	—	—	—	—	—	36·2	—	—	—	—	323·2
Do. for 1928	—	—	—	—	—	40·7	—	—	—	—	342·6
B'lf'st&Co.D'wn b	80	1·8	—	—	1·0	2·8	16·4	—	—	7·5	23·9
Great Northern b	562	10·7	—	—	17·9	28·6	92·1	—	—	141·2	233·3
Great Southern b	2,187	24·3	—	—	48·5	72·8	202·1	—	—	410·5	612·6

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or −	Total Gross Receipts. 1929.	+ or −
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	44weeks	Feb. 2	1,200	4,74,000	+ 5,651	1,93,62,485	+ 6,81,744
Barsi Lt. Ry.	45weeks	9	202	41,800	− 2,500	21,05,200	+ 6,27,800
Bengal & N.Western	45weeks	9	2,078	7,70,323	− 56,931	1,30,68,893	− 5,63,020
Bengal-Nagpur	44weeks	2	2,979	18,95,000	− 71,532	7,46,82,825	− 2,59,292
Bombay, Bar.,& C.I.	47weeks	23	3,022	26,83,000	− 9,000	10,46,31,000	+ 33,46,000
Burma	35weeks	Dec. 1	1,349	7,24,790	− 80,277	2,73,09,216	− 1,42,549
Madras & S. Mahr	45weeks	Feb. 9	3,074	20,35,000	+ 90,397	8,04,55,396	+ 56,85,137
Nizam'sGuarantd.(a)	45weeks	9	1,146	4,94,660	+ 39,418	1,78,85,939	+ 11,06,548
†Rohilk'd& Kumaon	45weeks	9	572	1,50,632	− 22,546	23,81,953	− 1,47,731
South Indian	44weeks	2	2,234	6,46,159	+ 65,909	5,19,92,519	− 4,87,756
ARGENTINE (a).				£	£	£	£
Argentine N.E.	35weeks	Mar. 2	753	13,900	− 3,100	547,600	+ 24,000
B.A. and Pacific	35weeks	2	2,694	207,000	+ 27,000	5,833,000	+ 609,000
B.A. Central	35weeks	3	—	13,532	+ 331	507,412	+ 15,238
B.A. Gt. Southern	35weeks	2	4,725	319,000	+ 16,000	8,546,000	− 544,000
B.A. Western	35weeks	2	1,926	125,000	—	3,468,000	− 56,000
Central Argentine	35weeks	2	3,305	300,000	+ 16,000	9,408,000	+ 250,000
Cordoba Central	35weeks	2	1,218	67,000	+ 2,000	2,419,000	− 29,200
Entre Rios	35weeks	2	728	33,900	+ 10,400	1,089,100	+ 77,900
CUBAN.				£	£	£	£
United of Havana†	34weeks	Feb.23	1,374	131,565	+ 7,731	2,226,647	+ 45,650

† Figures include Havana Central Railway.

URUGUAYAN.

				£	£	£	£
Central Uruguay	36weeks	Mar. 2	273	32,765	− 2,244	1,064,828	+ 4,740
C. Urug. (East Ext.)	35weeks	2	311	8,663	− 203	237,635	+ 992
C.Urug.(North.Ext.)	35weeks	2	185	4,353	+ 472	127,146	+ 5,000
C. Urug.(West. Ext.)	35weeks	2	211	4,097	− 227	103,373	+ 3,902

CANADIAN.

				$	$	$	$
Canadian National	8 weeks	Feb.28	19364	5,598,337	+ 310,815	37,792,194	− 666,961
Canadian Pacific	8 weeks	Feb.28	14822	3,929,000	− 68,000	29,920,000	− 373,000

BRAZILIAN (b).

				£	£	£	£
Gt. West. of Brazil	9 weeks	Mar. 2	1,016	21,700	+ 6,700	200,100	+ 35,500
Leopoldina	9 weeks	2	1,856	39,902	− 13,399	320,581	− 110,812
Leopoldina Termnl.	9 weeks	2	Mlrs	288,000	+ 32,000	2,517,000	− 115,000
San Paulo	9 weeks	3	153½	47,191	+ 806	398,981	+ 24,531
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia)	9 weeks	Mar. 3	838	40,810	+ 7,825	385,620	+ 69,835
Nitrate (½-monthly)	8 weeks	Feb.28	402	35,038	− 1,049	161,384	+ 24,716
OTHER OVERSEAS.				£	£	£	£
Egyptian Delta	44weeks	Feb.10	608	£10,243	+ 1,465	297,491	+ 22,288
Gt. Southn. of Spain	8weeks	23	104	Ps.135,289	− 3,216	1,013,939	− 50,509
Mexican Railway	8weeks	28	483	$280,200	− 60,600	2,099,700	− 125,600
Paraguay Central	34weeks	23	274	£4,600	− 750	150,040	+ 1,950
Salvador	35weeks	Mar. 2	100	£8,103	+ 1,641	166,727	+ 4,681

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or −	Total Receipts. 1929.	+ or −
Anglo-Argentine	9weeks	Mar. 4	329	£89,171	− 11,712	772,811	− 27,845
B. Aires Lacroze	35weeks	3	—	£13,226	+ 122	458,385	+ 4,223
Burnley Corporation	1week	2	13	£2,705	− 298	—	—
Calcutta Tramways	1week	2	35½	Rs129,123	− 10,303	—	—
Chatham & District	7weeks	Feb.21	15	£846	− 368	7,135	− 2,208
Egyptian Markets	7weeks	21	—	£2,236	+ 129	17,485	+ 259
Glasgow Corporation	33weeks	23	136¼	£40,420	− 4,838	1,673,849	− 64,577
Isle of Thanet Trams	7weeks	20	—	£627	− 184	5,258	− 595
Liverpool Corp.	48weeks	Mar. 2	124	£27,489	− 1,374	1,414,306	+ 46,060
L.C.C. Tramways	47weeks	Feb.28	166	£77 082	− 4,325	3,899,992	+ 110,099
Madras Electric	28weeks	28	—	£35,800	+ 437	169,836	+ 7,240
Pernambuco Trams†	5weeks	10	—	‡ £6,348	+ 727	36,565	+ 1,788

† Tramway Receipts only ‡ Fortnightly figures.

MINING OUTPUT STATISTICS FOR FEB., 1929.

	Tons Crushed. Mill.	Tons Crushed. Cyanide Works.	Gold Recovered. Mill.	Gold Recovered. Cyanide Works.	Gold Recovered. Total.	Value.	Profit.
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Associated	4,885	...	...	...	...	7,160	...
Balaghat	3,700	...	...	...	2,356	...	...
Blackwater	3,400	...	...	...	...	5,826	1,091
Cam and Motor	22,000	...	...	...	...	48,018	20,327
Champion Reef	8,650	20,841	4,344	870	5,214	...	...
Frontino and Bolivia	1,900	...	...	...	...	6,319	...
Gabait Tributing	490	...	...	...	253	935	...
Luipaard's Vlei	21,200	...	...	...	5,421	...	3,238
Lydenburg Platinum	3,235	...	...	...	607	(platinum)	
Marmajito	540	...	...	...	...	3,019	...
Mysore	15,660	...	7,628	394	8,022	...	...
Nundydroog	10,300	17,460	5,477	1,025	6,502	...	...
Ooregum	13,500	17,500	6,330	882	7,212	...	...
Oriental Consolidated	...	...	...	(Clean-up)		$69,000	...
Rezende	6,000	...	...	...	...	12,488	5,009
Sherwood Starr	4,600	...	...	...	...	7,640	2,458
Sons of Gwalia	13,294	...	...	...	...	10,596	...
St. John del Rey	...	...	...	...	...	29,000	...
Taquah and Abosso	9,680	...	...	...	...	13,287	...

	Output.	Other Notes in Return.
Tin.	Tons.	
Bangrin	41½	...
Bisichi	56	...
Chenderiang Tin Dredging	20	Estimated value, £2,462.
Daffo	5	...
Filani	1½	Tin concentrates.
Geevor	68	Black tin; amount realised, £9,304.
Gopeng	77½	Estimated value, £10,010; estimated profit, £7,375.
Idris	35½	Estimated value, £4,328; estimated profit, £2,514.
Ipoh	33½	...
Jos	17	...
Kagera	23	...
Kampong Kamunting	538	Piculs. Net value, $34,720.
Kamunting Tin Dredging	63	Estimated value, £8,225.
Kent	51	Estimated value, £6,395; estimated profit, £4,210.
Kinta	30	Estimated value, £3,943; approx. *mining* profit, £2,561.
Kinta Kellas	25	Estimated value, £3,883.
Kramat Pulai	22½	Estimated value, £2,912; estimated mine profit, £1,944.
Lahat	19½	Estimated value, £2,646; estimated mine profit, £810.
Malaya Consolidated	66·4	...
Malayan Dredging	154½	Estimated value, £21,244; estimated mine profit, £11,712.
Naraguta Extended	10	...
Nigerian Consolidated	20	...
Pahang	203	Black tin.
Pattani Consolidated	70	Piculs.
Offin River	12	...
Pengkalen	51	Estimated value, £6,730; estimated profit, £4,230.
Petaling	220	Estimated value, £28,000; estimated profit, £21,000.
Rambutan	12	Estimated value, £1,470; estimated profit, £630.
Rantan	55	Estimated profit, £3,967
Renong	50½	...
Ropp	81	...
Siamese	98	...
South Bukern	12½	...
Southern Perak	47	Estimated value, £6,267; estimated mine profit, £2,042.
Southern Malayan	95½	Estimated value, £12,725; estimated mine profit, £7,369.
Sungei Besi	43	Estimated value, £5,838; estimated mine profit, £2,027.
Sungei Kinta	33½	...
Sungei Way	47½	Estimated value, £5,700; estimated mine profit, £2,100.
Taiping	41	*Estimated profit*, £2,567.
Tanjong	24	Estimated value, £3,231; approx. mining profit, £1,434.
Teja Malaya	6	...
Tekka	50½	Estimated value, £6,370; estimated profit, £4,300.
Tekka-Taiping	45	Estimated value, £5,940; estimated profit, £3,000.
Temoh	15½	...
Thabawleik	490	...
Tin Fields of Nigeria	6½	Piculs. Net value, $39,373.
Tongkah Harbour	86	...
Tronoh	109½	Estimated value, £13,556; estimated mine profit, £7,736.
Ulu Yam	534	Piculs. Net value, $34,599.
Yarde Kerri Group	15	...
Coal.		
Clydesdale (Transvaal)	38,764	...
Dundee	45,613	...
Durban Navigation	51,076	...
Natal Navigation	105,276	...
Tweefontein United	63,764	...
Vereeniging	231,338	...
Wankie	43,114	1st half of February.
Diamond.		
Crown	5,387	Carats.
Tanganyika	3,012½	Carats.
Copper.		
Messina (Transvaal)	448	...
Miscellaneous.		
Onverwacht	{ 822 / 355	Slab zinc. / Lead.
Rhodesia Broken Hill	475	Refined platinum.

RHODESIAN GOLD OUTPUT.

Month.	1926.	1927.	1928.	1929.
	£	£	£	£
January	207,021	206,094	217,027	195,481
February	194,556	195,996	196,649	...
March	197,908	213,708	204,000	...
April	219,984	204,876	206,234	...
May	209,331	207,818	200,130	...
June	221,560	223,418	218,745	...
July	213,500	207,448	206,877	...
August	209,982	199,860	214,077	...
September	204,187	193,646	201,625	...
October	211,680	197,501	182,032	...
November	215,982	200,481	201,685	...
December	202,836	208,016	189,319	...
Total Gold	2,508,527	2,458,862	2,438,404	...

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum except where marked % or Stated in Cash. * Interim div. · † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Latest Year.	Previous Year.
BANKS.					
Banca Commerciale Italiana	...	...	...	13	13
Bank of Nova Scotia	4%*	...	Quarterly	...	...
Dominion	3%*	...	Quarterly	...	...
Eastern	5/-p.s.†	...	Less tax	9	9
Internationale Bank te Amsterdam	...	...	...	6	6
Northern (Ireland) "A"	8½%*	Mar. 15	...	...	...
„ "B"	4½%*	Mar. 15	...	...	...
INSURANCE.					
Maritime	3%†	Mar. 14	Less tax	6	...
Road Transport & General	...	Apr. 3	Less tax	15	...
TEA AND RUBBER.					
Bandjarsarie (Java) Rubber	7½%†	...	...	7½	7½
Banteng Rubber	5%*	Mar. 15	...	...	...
Cromlix Rubber	...	...	Less tax	7½	14½
Great Western Tea	25%†	...	...	45	—
Gula-Kalumpong Rubber	...	...	...	7½	10
Kombok (F.M.S.) Rubber	...	...	...	7½	10
Mapalagama Rubber	...	...	Tax free	6½	Nil
New Dimbula	15%*	Mar. 13	...	...	...
Tamac	...	Mar. 22	...	5½	4½
MINING.					
Balaghat Gold	5%†	Apr. 3	...	5	5
Fife Coal	...	...	Tax free	3	5
Koffyfontein Mines	...	...	...	15	...
Modderfontein "B" Gold	...	...	...	80	80
Nundydroog	15%†	Mar. 27	...	20	17½
South African Gold Trust	10%†	Mar. 26	...	15	12½
South African Gold Trust	...	...	...	15	12½
OTHER COMPANIES.					
Aplin and Barrett	...	...	Less tax	30	25
A. W. Gamage	...	...	Less tax	7	6
Barnet District Gas and Water	...	...	...	7	7
British, Foreign and Colonial Corporation	...	...	...	10	10
British Metal Corporation	...	...	...	10	10
British Tobacco (Australia)	2½%*	Mar. 28	Quarterly	...	...
Bruce Peebles	5%*	...	Less tax	...	...
B. Morris and Sons	4½%†	...	...	7	11
Canning Town Glass	...	Apr. 30	...	5	...
Cannock and Co.	...	...	...	8	8
Cash and Co.	...	...	Tax free	6	6
Cerebos	...	...	Tax free	25	25
Charles Clifford and Son	...	...	Tax free	15	15
Colonial Securities (deferred)	5%†	...	...	7	7
Courage and Co.	16%†	and bonus of 2%		25	23
Dartford Brewery	5%†	...	...	8	...
Davis and Timmins	16½%†	...	...	20	8
Derby Gas Light and Coke	5%†	...	...	8½	8½
Dover Gas	3½%†	...	Less tax	7½	...
East Asiatic (Copenhagen)	...	...	...	10	10
Ebonite Container	10%†	and bonus of 2½%		12½	...
En-Tout-Cas (Syston) Def.	...	...	...	45	30
Equitable Trust of New York	3%*	Mar. 30	Quarterly	...	...
Exploration Co.	...	Mar. 30	...	12½	18½(a)
Foster (M. B.) and Sons	5%†	...	Tax free	9	8
Frederick Hotels	5%*	Mar. 30	...	...	...
Grimbly Hughes	...	...	...	8	6
Grout and Co.	...	...	...	10	7½
Harris and Sheldon	10%†	...	...	12½	12½
Harrisons and Crosfield	10%*	Apr. 8	...	...	...
Henry C. Stephens	...	...	...	8	7½
Hine Parker	7½%†	and bonus 2½%		12½	12½
Hoffman Manufacturing	6%†	...	Tax free	10	10
H. P. Tyler	...	...	...	10	10
Isle of Thanet Electric	...	...	...	4	...
James Booth	...	...	Tax free	15	...
James Cartland	...	...	...	5	5
J. G. Mooney	...	...	...	20	20
J. and J. Lonsdale	...	...	...	3/6 p.s.	3/- p.s.
Joseph Crosfield and Sons	...	...	...	10	10
King Line	3%†	...	Less tax	6	...
Lincoln Wagon and Engine	...	...	Less tax	15(b)	15(b)
Liverpool Exchange	...	...	Less tax	5	5
Liverpool Exchange	2½%†	...	...	5	5
Macdonald Fraser	...	...	Less tax	4	8
Maxim's	...	...	...	4	8
McCrae and Drew	6%†	...	Less tax	10	5‡
Midland Electric Manufacturing	10%†	and bonus of 25% less tax		35	25‡
Natal Land and Colonisation	...	...	...	8	8
Néstle and Anglo-Swiss Condensed Milk	...	...	...	12	10
Newcastle Electric Supply	3½%†	...	...	6	6
Peterborough Electric Traction	...	...	...	10	10

(a) Bonus 6¼ per cent. (b) Bonus of 5 per cent. tax free. ‡ Bonus of 15 per cent.

(*Continued on page 545.*)

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Corresponding Period Last Year. Dividend.
Breweries.		£	£	£	£	£	%	£	£	£	%
Courage and Co.	Dec. 31	97,602	470,725	568,327	20,000	312,500	25	130,753	105,074	340,682	23
Royal Brewery, Brentford	Dec. 31	50,429	56,250	106,679	6,400	30,000	12½	25,000	45,279	54,374	10
Shrewsbury and Wem Brewery	Dec. 31	9,838	22,841	32,679	13,812	...	...	...	18,867	12,239	...
W. B. Reid and Co.	Dec. 31	39,762	21,510	61,272	...	18,400	8	3,112	39,760	26,711	8
Electric Lighting and Power.											
Isle of Thanet Electric Supply	Dec. 31	4,535	54,589	59,124	16,920	6,000	4	30,000	6,204	53,995	4
Kensington and Knightsbridge Electric	Dec. 31	15,513	53,136	68,649	5,500	25,375	1/7·1811	27,111	10,663	45,929	1/7·223
London Electric Supply	Dec. 31	19,709	161,497	181,206	41,952	62,937	9	50,880	25,437	125,911	8/8/6‡
Gas.											
Brighton and Hove General Gas	Dec. 31	64,262	77,034	141,296	9,400	51,944	7½ / 6¾	2,535	77,417	83.677	7½ / 6/11/9‡
European Gas	Dec. 31	11,660	49,645	61,205	...	55,120	5½†	...	6,085	61.413	5†
Rhymney and Aber Gas	Dec. 31	2,008	10,637	12,645	957	10,780	7	...	908	11,292	7
Woking District Gas	Dec. 31†	4,743	3,767	8,510	1,641	1,510	10 / 7	500	4,859	2.542	10 / 7
Iron, Coal, and Steel.											
Barrow Hematite Steel	Dec. 31	*Dr. 74,067*	15,001	*Dr. 59,066*	...	...	...	...	*Dr59,066*	29,058	...
Davis and Timmins	Dec. 31	18,168	23,997	42,165	5,050	13,400	20	2,398	21,317	6,639	8†
Financial Land and Investment.											
Assets Co.	Dec. 31	572	2,151	2,723	...	2,000	5	...	723	3,157	8
British, Foreign and Colonial Corporation	Dec. 31	25,183	126,364	151,547	...	30,800	10	101,500	19,247	118,528	10
Liverpool Exchange	Dec. 31	...	30,680	30,680	...	20,000	5	10,680	...	32,057	5
Hotels, Restaurants, &c.											
Prince of Wales (Southport)	Dec. 31	11,576	12,379	23,955	...	6,400	10	6,098	11,457	11,885	10
Shipping.											
King Line	Dec. 31	40,227	24,032	64,259	...	24,000	6	...	40,259	56,013	6
Shops and Stores.											
Dickins and Jones	Jan. 31	34,248	65,633	99,881	13,750	42,000	12	5,000	39,131	63,134	10
Peter Robinson	Jan. 31	29,135	126,194	155,329	66,782	56,377	12	...	32,170	123,431	12
Swan and Edgar	Jan. 31	11,986	83,181	95,167	...	50,000	4	33,054	12,113	65,379	3
Telegraphic.											
Marconi International Marine	Dec. 31	22,178	193,420	215,598	...	178,909	15	...	36,689	179,730	12½
Textiles.											
Grant and Co.	Dec. 31	8,038	24,990	33,028	804	24,000	10	...	8,224	16,749	7½
Linen Thread Co.	Sep. 30	182,742	263,862	446,604	121,000	140,250	8½†	...	185,356	337,776	8½†
Samnugger Jute Factory	Dec. 31	104,051	286,603	390,654	9,000	161,100	30	110,000	110,554	226,193	30
Titaghur Jute Factory	Dec. 31	92,814	238,157	330,971	9,000	158,100	30	70,000	93,871	212,346	30
Victoria Jute Co.	Dec. 31	55,086	193,492	248,578	9,000	107,100	30	75,000	57,478	156,106	30
Wolsey, Limited	Dec. 31	62,270	167,818	230,088	75,000	59,452 / 15,548	7½A / 150B	10,000	70,088	154,449	5 A / 100B
Tramway and Omnibus.											
Chatham and District Light Railways	Dec. 31	1,259	4,153	5,412	...	...	...	...	5,412	9,597	2½
Trust Companies.											
City Property Investment Trust	Jan. 31	557	11,466	12,023	5,195	5,549	14	500	779	11,420	14
Colonial Securities Trust	Jan. 31	4,841	22,745	27,586	9,495	11,077	7	...	7,014	...	...
South African Gold Trust	Dec. 31	15,114	97,228	112,342	25,606	64,443	15	...	22,293	77,253	12½
Other Companies.											
Aplin and Barrett	Dec. 31	84,782	86,912	171,694	15,330	33,300	30	33,000	90,064	78,346	25
B. Morris and Sons	Dec. 31	1,621	15,581	17,202	7,000	9,406	7	*Dr. 1,650*	2,446	22,380	11
C. and E. Motors	Dec. 31	33,194	124,463	157,657	28,000	85,500	19	12,500	31,657	100,380	15
Cerebos Limited	Nov. 30	51,761	177,326	229,087	...	100,000	25†	50,000	79,087	151,429	25†
Dundee Floorcloth and Linoleum	Jan. 31	11,651	27,925	39,576	1,919	18,484	15	5,000	14,173	31,779	20
Hoffmann Manufacturing	Dec. 31	52,125	75,595	127,720	37,500	25,000	10†	10,000	55,220	70,999	10†
India Tyre and Rubber Co. (Great Britain)	Dec. 31	...	30,945	30,945	9,146	4,518	17½	12,469	4,812	...	...
Industrial Discount	Dec. 31	*Dr. 3,305*	*Dr. 9,639*	*Dr. 12,944*	...	...	...	...	*Dr.12944*	...	...
J. and J. Lonsdale and Co.	Dec. 31	11,906	81,116	93,022	16,000	52,763	17½	10,000	14,259	75,000	15
Joseph Crosfield and Sons	Nov. 30	44,857	455,755	500,612	227,500	150,000	10	100,000	23,112	461,806	10
Lincoln Wagon and Engine	Dec. 31	16,244	29,338	45,582	...	19,500	25	10,000	16,082	29,838	25
Provincial Cinematograph Theatres	Jan. 31	115,066	366,890	481,956	185,609	75,000	15	115,413	105,934	348,807	15
Southall Brothers and Barclay	Dec. 31	15,852	64,200	80,052	6,500	26,000	20†	30,826	16,726	53,540	17½†
Switzer and Co.	Dec. 31	11,236	12,366	23,602	1,500	8,000	8	3,100	11,002	12,547	8
United Carlo Gatti and Co.	Dec. 31	23,094	58,470	81,564	5,500	37,500	12½†	15,500	23,064	61,296	12½†

† Free of income tax.

(*Continued from page 543*).

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Latest Year.	Previous Year.
Provincial Cinema Theatres	...	...	...	15	15
Plymouth Breweries	...	...	...	15	15
Queen's Hotel, Hastings	...	...	Less tax	7	7
River Plate Trust Loan & Agency—"A" Shares	13%†	...	...	24	24
Do. "B" Shares	5%†	...	...	9	9
Rochdale Prop. Theatres	3%*	...	Half-yearly	...	...
Salt Union	...	...	...	12½	12½
Samnuggur Jute Factory	20%†	...	...	30	...
Scottish Iron and Steel	...	Apr. 1	Less tax	5	8
Scottish Northern Investment	...	...	...	15	15
Second British Assets Trust	7½%†	...	Less tax	15	...
Second Scottish Investment Trust	10%*	...	Less tax	...	...
Settle Speakman and Co.	...	...	Less tax	1s. p.s.	...
Shanghai Waterworks Fittings	8%	Mar. 20	...	...	...
Slazengers	...	...	...	7½	7
Smedley's Hydropathic	6½%*	...	Tax free	...	...
Southall Bros. and Barclay	7½%†	and bon	us of 7½% Tax free	20	17½
South West Suburban Water	...	...	Less tax	7	...
Spratt's Patent	7½%†	...	...	12½	12½
Stagg and Russell	...	...	...	5	5
Stamford (Lincs.) Gas	7%†	...	...	11	...
Standard Property Investment	...	...	...	11	11
Staveley Trust	2½%*	...	...	...	...
St. Ivel	...	...	Tax free	25	25
Stoneware (1928)	...	...	...	7½	...
Switzer and Co.	5%†	...	Tax free	8	8
Taylor Walker	1/3 p.s.†	—	—	2/1 p.s.	...
Telegraph Construction & Maintenance	7½%†	...	Tax free	10	10
Titaghur Jute Factory	20%†	...	...	30	...
Torbay Paint	...	...	Less tax	15	12½
Triplex Safety Glass	5%*	...	...	...	...
United Carlo Gatti	8%†	...	Tax free	12½	12½
United Steamship	...	...	...	6	6
United Tobacco (South)	6d. p.s.*	Mar. 31	Tax free	...	...
Victoria Jute Co.	20%†	...	...	30	...
Vine Products	17½%†	...	...	30	30
Viscose Development	...	...	...	4	3
Wakefield Gaslight	4%†	...	...	6½	...
Walkers Parker	7½%†	and bon	us of 1½%	11½	10
Wallsend Slipway and Engineering	...	...	...	6	...
Waxed-Papers	...	...	Less tax	2½	5
Western Mansions	...	...	...	8	7
Western Telegraph	2½%*	Mar. 25	Quarterly	...	...
Westminster Chambers	6½%†	...	Less tax	12½	...
William Whiteley	15%†	Apr. 1	...	...	...
Wolsey "A" Shares	...	...	...	7½	5
" "B" Shares	...	...	...	1/6 p.s.	1/- p.s.
Woking District Gas "A" shares	...	...	...	5	5
" "B" shares	...	...	...	3½	3½
W. B. Reid and Co.	...	...	...	8	8
W. Canning and Co.	7½%†	and bon	us of 1s. p.s. Less tax	15	12½
Yeast-Vite (deferred)	...	...	...	7½	...
Yorkshire Indigo Colour Dyers	...	...	Less tax	7½	2½

Reports and Notices.

The Hon. H. C. Hull has resigned from the board of the Consolidated Diamond Mines of South-West Africa, Limited. Sir Ernest Oppenheimer, M.L.A., has been elected chairman of the company.

Mr. H. E. Hyett, who has recently resigned from the British, Foreign and Colonial Corporation, Ltd., has been appointed general manager of the Charterhouse Investment Trust, Limited.

Mr. Walter McDermott and Mr. A. E. Ford have joined the board of Mawchi Mines, Limited.

The Millom and Askam Hematite Iron Co., Limited, announce that iron ore shipments at Almeria from their Alquife mines for the month of February totalled 29,500 tons.

Barclays Bank Dramatic Society will give performances of "Ambrose Applejohn's Adventure" at the Arts Theatre, near Leicester Square Tube Station, for six nights commencing Monday next, March 11. The proceeds will go to the funds of the Bank Clerks' Orphanage. Tickets are on sale and can be obtained through any branch of the Bank.

BANKS.

THE BRITISH AND POLISH TRADE BANK (DANZIG).—Considerable expansion is shown in the profits for 1928. The profit and loss account shows that the sum brought into the accounts from 1927 was 2,585 gulden. Interest, etc., produced 546,732 gulden. Commission amounted to 92,049 gulden. Profit of foreign exchange stocks, &c., amounted to 87,370 gulden, making total receipts 728,736 gulden, which compares with 495,883 gulden for 1927 and 32,739 gulden for 1926. From these receipts 463,344 is deducted for expenses, including taxes, and 21,167 gulden was utilised to write down buildings, etc., leaving a profit of 241,640 gulden for 1928, against 174,189 gulden for 1927, and a loss of 171,603 gulden for 1926. The share capital of the bank is unchanged at 3,000,000 gulden. Deposits have increased from 43,195,417 gulden to 6,665,800 gulden. Balances at banks are higher at 802,270 gulden, against 513,823 gulden at the end of 1927. Cash amounts to 179,592 gulden, against 106,007 gulden. Balances at clearing banks amounted to 271,084 gulden at the end of 1928. Balances abroad stand at 2,619,702 gulden, against 2,531,754 gulden twelve months ago.

S. JAPHET AND COMPANY, LIMITED.—The Balance Sheet dated December 31, 1928, shows total assets £16,464,228, which compares with total assets of £13,350,102 on December 31, 1927. Cash in hand is higher at £468,257, compared with £437,995. Cash at call is also higher at £2,202,970 against £1,835,180 at end of 1927. The holding of Treasury Bills and other British Government securities has increased from £1,021,509 to £1,140,960, and Colonial Foreign Government and other securities are higher at £696,061 compared with £556,178. Bills discounted stand at £886,126 against £693,888; advances are at £3,579,575 against £3,221,247; acceptances have risen from £5,426,388 to £7,306,372. With regard to liabilities, share capital has increased from £1,000,000 to £1,250,000; reserve is higher at £600,000 compared with £400,000; deposits have risen from £6,523,714 to £7,307,856.

MISCELLANEOUS.

SINCLAIR IRON COMPANY, LIMITED.—We are informed by the secretary of Sinclair Iron Co., Limited, that the requisite number of acceptances have been obtained from shareholders of that company, and notice has been received that the merger will now proceed.

PENINSULAR AND ORIENTAL STEAM NAVIGATION COMPANY.—The arrangements made by the P. & O. Company to meet the needs of holiday-makers during the coming spring and summer are on a more extensive scale than in previous years. Beginning at Easter with the maiden departure from London (March 28th) of their new oil-burning turbo-electric ship "Viceroy of India," reduced summer return fares to Gibraltar, Tangier, Casablanca, Melilla and Marseilles will be available on each weekly boat from London up to September 13th. Reduced summer fares, London to Egypt, will be in operation between April 26th and August 16th, and will apply to the return journey from Port Said up to September 16th. Fourteen days' holiday need cost, at sea and ashore, no more than £20 to £25, including hotels, many of which quote special rates for P. & O. passengers. Fifteen cruises will, during the summer, be made by the "Ranchi," "Ranpura" and "Viceroy of India." The "Viceroy of India," with few exceptions, provides a single-berth cabin for every passenger.

C. AND E. MORTON, LIMITED.—The profit for 1928 was £124,463, as compared with £100,380 for 1927. The ordinary shareholders receive 19 per cent. for 1928, against 15 per cent. for 1927. The carry-forward is £31,657. It is proposed that the company's capital, while remaining the same in amount as at present, shall consist of 400,000 7 per cent. cumulative preference shares of £1, 225,000 8 per cent. cumulative preferred ordinary shares of £1, and 450,000 ordinary shares of 10s. The new preferred ordinary shares, which will be issued as fully paid to the holders of the ordinary shares in the proportion of one preferred ordinary share to every two ordinary shares held, will rank for dividend after the 7 per cent. preference shares and the existing voting rights of holders of the latter shares will remain undisturbed. The scheme further provides for the repayment in cash to the ordinary shareholders of paid-up capital to the extent of £225,000 (being 10s. per share).

MARCONI INTERNATIONAL MARINE COMMUNICATION COMPANY.—Gross receipts for 1928 were £905,816, against £912,640 for 1927. The net profit shows a steady expansion, having been £83,576 for 1924, £118,979 for 1925, £126,132 for 1926, £179,730 for 1927, and £193,420 for 1928. Ordinary shareholders receive 15 per cent., against 12½ per cent. for 1927. The sum of £36,689 is carried forward, an increase of £13,011 on the previous carry-forward.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday Evening.

Climatic conditions have taken a milder turn, but the land is not yet in a fit state to resume ploughing operations. Reports of standing crops appear favourable, despite the recent spell of severe frost. Liberal supplies of native wheat at the principal country markets proved difficult to sell, and prices tended easier in sympathy with the decline in imported varieties. The floating and forward cargo section displayed dull features, and values continued on a downward course under pressure to market Plate descriptions, and larger offerings from North America. Australians were also more readily obtainable now that Indian wants are apparently satisfied. Argentine supplies continue to receive chief attention, being still the best value for price, and shipments from this source were again on a liberal scale. Better prospects of the new crops in North America may encourage sellers to dispose of liberal reserves on hand, particularly in the United States. These are a depressing factor in the general situation, while increased competition will no doubt be felt from Canada when the spring movement is resumed. Cargoes of Australian afloat sold 47s. 1½d., Rosafe 64 lb. afloat 43s. 6d. per 480 lb. c.i.f. Feeding stuffs quiet, but rates

firm, especially for Plate maize, owing to wet weather in Argentina impeding harvesting, also the movement of grain to the shipping ports.

Wheat easier. No. 2 Northern Manitoba, 51s. 9d.; No. 3, 50s. 3d.; No. 4 Manitoba, 49s.; No. 5, 44s. 6d.; No. 6, 39s. 6d.; Rosafe, 64 lbs., 45s. 9d.; Barusso, 63½ lbs., 45s. 9d.; Australian, 49s. 3d.; all ex-ship, per 496 lbs. English 9s. 6d.-9s. 9d. per 112 lbs.

Flour dull. London standard grade, 39s. 6d.; town whites, 40s. 6d.; patents 41s. 6d.-42s. 6d. per sack delivered in the Home Counties, with 6d.-1s. per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 35s.-38s., Minneapolis, 35s. 6d.-38s.; Australian, 36s.-36s. 6d. ex-store.

Maize dearer. Plate landed, 44s. 6d., ex-ship to arrive, 43s. 6d.; February-March, 43s. 9d.; March-April, 41s.; new April-May, 39s. 6d.; May-June, also June-July, 39s.; No. 2 yellow American, 42s. 3d. landed; No. 2 white flat African, 43s. 3d. landed, per 480 lbs. Yellow maize meal, £11 10s. ex-wharf; Hominy chop, £9 per ton.

Barley steady. Californian, ex-ship, 45s.-52s.; Chilian Chevalier, 48s.-58s.; Australian, 45s.-49s.; Smyrna, 44s.-47s. per 448 lbs. Algerian/Tunisian, ex-ship, 34s. 6d.; Canadian feed, 32s. 6d., ex-ship to arrive, 33s. landed; No. 3 Canadian Western, 36s.; No. 2 Federal American, 30s. 9d. ex-ship to arrive, per 400 lbs. English malting, 10s.-12s. 6d.; feed, 9s. 3d.-10s. per 112 lbs.

Oats, fully steady. Plate landed, 26s. 3d., ex-ship to arrive, 25s. 6d.; March 25s. 6d; black Plate landed, 25s. 3d.; mixed Canadian feed landed, 22s. 3d.; Chilian white, 32s. landed; German landed 29s., ex-ship to arrive, 28s. per 320 lbs. English 9s. 4d.-10s. per 112 lbs. Scotch landed, 30s. per 336 lbs. Irish black, 26s. 6d. per 320 lbs.

AMERICAN WHEAT MARKETS.

Wheat was firm during the early part of the week, under the influence of unfavourable weather reports, better export demand, and bear covering. Less favourable advices from Liverpool produced a reaction which was checked by hopes of farm relief under the Hoover régime. Later there was a fall owing to an increase in visible supply figures and pressure of bear selling. The close was slightly lower in the week. Quotations:—

Nearest Future.	Jan. 4, 1928.	Feb. 29, 1928.	Jan. 2, 1929.	Feb. 20, 1929.	Feb. 27, 1929.	Mar. 6, 1929.
Winnipeg (No. 1 Manitoba) —Cents per 60 lb.)	137	139	122	134⅞	130½	128⅝
Chicago (No. Winter)— Cents per 60 lb.....	130⅝	133⅝	116⅝	128⅝	123½	121½

Visible supplies of wheat in Canada at 84,712,000 bushels show an increase of 548,000 bushels as compared with the previous figure. Supplies a year ago stood at 75,851,000 bushels.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to March 2	Cwts. 312,567	Cwts. 252,969	Cwts. 257,874	Cwts. 241,707
24 weeks to March 2	7,119,697	6,612,717	8,976,976	10,073,169
Average price of English wheat per cwt.	s. d. 9 9	s. d. 9 6	s. d. 11 10	s. d. 11 8

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s. d.	s. d.	s. d.
Feb. 23	324,562	219,459	63,561	9 9	10 4	9 9
Mar. 2	312,567	183,167	74,491	9 9	10 4	9 8
Feb. 28, 1925...	280,541	165,056	92,416	13 5	12 4	9 11
Feb. 27, 1926...	276,693	198,858	69,356	11 10	9 5	8 11
Mar. 5, 1927...	257,874	180 525	78 296	11 10	11 0	8 2
Mar. 3, 1928...	252,969	168,217	75,839	9 6	10 8	10 4

THE COAL TRADE.

Our Sheffield correspondent writes:—Demand for house coal has been maintained this week and there is a marked scarcity of best qualities. The inquiry for coal for export and industrial purposes is fairly heavy. The market for coke has developed further strength. The larger consumption recently for central heating has caused a scarcity of blast-furnace sorts and there is a prospect of additional furnaces being put into blast. The price is firm at 14s. 6d. at ovens. Producers of Durham foundry coke are talking of higher prices, notwithstanding the poor home demand. Quotations for same time have been from 18s. 9d. to 22s. at ovens.

Our Glasgow correspondent writes:—There is still a strong demand for all classes of coal, and though the output is being increased a little by the reopening of a number of pits, supplies are still short. It is virtually impossible to arrange for prompt supplies, while the collieries are well booked for two or three weeks ahead. Shipping prices are firm at round the following, which are f.o.b. district ports:—Lanarkshire: Ell best, 19s. 9d.; splint best, 19s. 6d.; splint second, 18s. 6d. to 19s.; navigation, 18s. 6d.; navigation second, 16s.; steam, 16s. 6d.; Hartley, 18s. 6d.; trebles, 17s. 6d.; doubles, 16s.; singles, 14s. 6d.; pearls, 12s. 6d.; dross, 10s. 6d. to 11s. Fife: Screened navigation, 19s. 6d.; first-class steam, 18s. to 18s. 6d.; third-class steam, 17s.; trebles, 17s. 6d. to 18s. 6d.; doubles, 17s. to 17s. 6d.; singles, 15s.; pearls, 13s. Lothians: Prime steam, 16s. 6d.; secondary steam, 16s.; trebles, 17s. 6d.; doubles, 16s. 6d.; singles, 14s. 9d.; pearls, 13s. Ayrshire: Unscreened navigation, 16s. 6d.; jewel, 18s. 6d.; steam, 17s. 6d.; trebles, 17s. 6d.; doubles, 16s. 6d.; singles, 15s.; pearls, 12s. 9d.; dross, 11s.

Our Cardiff correspondent writes:—The strength of the Cardiff steam coal market is being well maintained. Supplies for prompt shipment continue scarce and most of the large coals obtainable are now realising round about 20s. per ton, the dearth of supplies and the pressure of immediate demand having obliterated the differences between the normal prices and the various qualities of large coals. The market for small descriptions is also strong and quotations have ruled up to 14s. 6d. for best bunker and coking descriptions and up to 13s. for ordinary cargo qualities. The congestion at the docks is being steadily relieved, but it is hoped that the temporary arrangement for the extension of working hours on the day and night shifts will be continued till normal conditions have been restored at all the South Wales ports. The Portuguese State Railways have placed a contract for 120,000 tons of small coal on the basis of c.i.f. prices ranging from 21s. 7d. to 21s. 11d., according to port of delivery. It transpires that there is a project afoot in France for the establishment of a syndicate representative of a number of the leading French importing firms for the purchase and distribution of all the anthracite coals exported to France between the ports of Caen and Dunkirk from the pits of the Amalgamated Anthracite Collieries, Ltd., but inquiries in South Wales show that in the absence of Sir Alfred Cope in the United States negotiations in regard to it are being delayed. The following are the current approximate quotations:—Best Admiralties, 20s. to 20s. 6d.; seconds, 19s. 9d. to 20s.; best drys, 19s. 9d. to 20s. 3d.; Black Veins, 20s. to 20s. 3d.; Western Valleys, 19s. 9d. to 20s. 3d.; Eastern Valleys, 19s. to 19s. 6d.; best small steams, 14s. to 14s. 6d.; cargo smalls, 12s. 6d. to 13s.; coking smalls, 14s. to 14s. 6d.; anthracite best large, 33s. 6d. to 35s.; Red Vein large, 22s. to 26s.; machine-made cobbles, 40s. to 43s. 6d.; French nuts, 41s. to 43s. 6d.; stove nuts, 40s. to 43s.; rubbly culm, 10s. 9d. to 11s. 3d.; foundry coke, 25s. to 37s.; patent fuel, 19s. 6d. to 21s.; pitwood, ex ship, 27s. to 27s. 6d.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—Trading in the iron and steel markets has been somewhat dull this week. Nevertheless, the undertone is good and the general feeling is that, although there may be a quiet period for a time, there are prospects of a good spring demand developing. The pig-iron market is now settling down to the recent price advances and buying has been taking place on a moderate scale. There is a likelihood also that additional furnaces will be put into operation in some of the pig-iron producing districts. In the semi-finished steel department there has been a good inquiry, but the actual volume of buying has not been large. The Continental steel works are offering little material for reasonable delivery, and there is also a considerable difference between British consumers' and Continental sellers' ideas of price. The strengthening in the prices of British semi-finished material has to a certain extent checked buying, but, nevertheless, by far the largest part of the business transacted in this material has gone to the home works, which are probably better off for orders of this description than they have been for many years past. In the finished steel department the demand on the whole has been rather quiet, but British works are busy against old contracts, and there has been some increase in the inquiry from overseas markets which it is expected will result in business. The advances in this market which have been due to the higher cost of raw materials are expected to have only a temporary effect upon the volume of trade when the usual spring-buying movement develops.

Our Middlesbrough correspondent writes:—The recent improvement in both the pig iron and the steel trades is well maintained. Pig iron of all descriptions is scarce. There is a keen inquiry for Cleveland iron, and substantial contracts have been entered into which will further curtail the iron available for the market. Prices are unchanged on the following basis:—No. 1 Cleveland, 69s. 6d.; No. 3 G.M.B., 67s.; No. 4 Foundry, 66s; No. 4 forge, 65s. 6d.; but in view of the demand it would not be surprising if prices are shortly increased. East Coast hematite is also scarce, the price for mixed numbers being fairly firm at 73s. Prompt iron is difficult to obtain, and should the present demand increase it is anticipated the price will also have to be increased. With regard to manufactured iron and steel, the increased activity still continues, and local works are working to much greater capacity, although possibly not to full capacity. Owing to the absence of foreign competition, more orders for semis are being placed with home works, while also the inquiry from abroad is expanding. The steelworks are busy on shipbuilding material, while also orders for other specifications are improving. Meantime prices are on the following basis:—Steel ship plates, £8 7s. 6d.; steel ship angles, £7 17s. 6d.; iron bars, £10 5s.; steel rails, £8 10s. The ore market is very firm, and best rubio is now called about 23s. per ton c.i.f. Tees, but supplies are extremely limited. Blast-furnace coke is also a firm market, with supplies scarce. For good quality delivered blast furnaces 18s. 6d. to 18s. 9d. is being asked.

Our Sheffield correspondent writes: The recent improvement in the position of basic steel appears to be extending to the better qualities of steel, and makers of the latter are booking orders for cast and forged material more freely than for a long time. The present month appears to be opening rather auspiciously. There are more open-hearth furnaces working to-day in the Sheffield district than at any time last year. The only really weak spot in the situation now is the absence of substantial railway work, and that may be regarded as a temporary condition. The position of and the outlook for the iron trade fail to improve although producers are enforcing the higher prices of foundry pig. Work continues scarce at the light foundries and at the malleable iron works. Fairly good business is being booked by the makers of engineers' small tools, and orders from the automobile industry maintain a good level. The demand for wood-working tools is moderate and the same may be said of the cutlery and electro-plate branches.

Our Glasgow correspondent writes: The improvement in the iron and steel industry which has been noticeable for some little time still steadily continues in almost every branch. A settlement has been reached in the manufactured iron trade dispute in so far that the matter has been referred to arbitration and operations at the Lanarkshire works, which had been closed for four weeks, were resumed in the beginning of this week. There is considerably more activity in the steel works and, as further shipbuilding contracts and locomotive orders have been placed in this district within the past few days the outlook for makers of materials required in these industries is encouraging. Supplies of Continental semis are still very limited and prices continue to advance, so that competition in this branch is at the moment negligible. Although sheet makers are finding a very restricted demand for both black and galvanised sheets, the tonnage placed within the past week shows a slight increase, and as order books are well filled, makers are able to maintain prices at recent levels.

Our Cardiff correspondent writes:—The Welsh tinplate market remains quiet, although the Continent and the Far East have bought fair quantities during the past week. In view of the increasing costs of production it is considered probable that the proposal to raise the minimum prices of tinplates will be revived. Prices on the Swansea Metal Exchange on Tuesday were nominally unchanged at 18s. to 18s. 3d. per basis box; there was no variation also in the prices of galvanised sheets, tinplate bars, or tin; but scrap and spelter were quoted slightly higher. Shipments of tinplates from Swansea last week totalled 114,566 boxes, compared with 142,022 boxes the previous week, and stocks have further increased to 276,878 boxes, compared with 183,689 boxes in the corresponding week of last year. The tinplate manufacturers are considering the advisability of superseding the present scheme for the regulation of output through periodical stoppages by another for the pooling of the current volume of business and its distribution between manufacturers on a quota basis.

OTHER METALS.

Tin.—Despite slight irregularity at times, the market displayed fairly steady features, Eastern advices being maintained, and here sellers showed rather more reserve, though operations were on a moderate scale. The closing tone, however, was easier. Stocks in London and Liverpool warehouses for week ending March 2nd amounted to 9,354 tons, compared with 2,956 tons at corresponding period last year. Dealings were recorded in standard cash at £219 15s.-£220 5s. and £218 15s., with three months, £223, £220 5s. and £220 10s. In the East, business was reported on the basis of £225 5s. to £224 ton c.i.f. terms.

Copper experienced a slight set-back at opening on profit taking, but values recovered as offerings were readily absorbed, and a firm tone governed the market. Standard cash sold £82 15s.-£83 10s.; three months, £85-£83 10s., £84 15s. and £84.

Lead slightly irregular, but business proceeded with fair freedom, and tone firm. Good soft foreign pig, March sold £23 12s. 6d., £23 8s. 9d. and £23 18s. 9d.; April £23 13s. 9d., £23 7s. 6d. and £24; May, £23 15s., £23 10s. and £24; June, £23 15s. to £24 2s. 6d

Spelter in fair demand, but values easy on liberal offerings March sold £26 8s. 9d. to £26 2s. 6d.; April, £26 7s. 6d., £26 8s. 9d., £26 5s.; May, £26 8s. 9d.-£26 6s. 3d.; June £26 12s. 6d., £26 8s. 9d.; July, £26 12s. 6d., £26 10s., £26 11s. 3d. ton.

Aluminium steady. Ingots and bars for home delivery, £95 ton.

Antimony dull. English regulus quoted £54 to £55, foreign spot, £38 to £38 10s.; March-April, £33 10s. per ton c.i.f. terms.

Quicksilver steady. Spot £22 5s. to £22 10s. per bottle.

Tin Plates steady. I.C. coke, prompt and forward 18s. to 18s. 3d. per box f.o.b. Swansea.

COTTON TRADE.

Manchester, March 5th.

The trade position has become more cheerful, and in certain quarters a larger business has been done than for a long time back. From the point of view of prices the position is sounder, and there is less fear of lower values. A large business has undoubtedly just been done in piece goods, and producers are now in a position to present a stiffer front to customers. An extensive turnover has recently taken place in light cloths for India. Useful sales have also been recorded in prints and fancies. More encouraging advices have been received from China, and a steady business continues to be done in bleached shirtings and grey staples. There has also been more activity for the remaining minor outlets. There are few signs of healthier conditions in the American yarn section. Most buyers of Egyptian yarns have operated from hand to mouth, and organised short-time working has not yet brought the desired relief.

Liverpool, March 6th.

Prices to-day are 23 to 34 points higher than a week ago; the near positions are the strong. March shows 34, May 31, October 24 and January 23 points advance. A considerably increased volume of business has been put through, and the market has at last shaken off the lethargy which has characterised it so long. Figures are beginning to attract the attention which they deserve. The advance has been persistent, and has revealed a shortage of contracts. Last week world spinners' takings of American cotton amounted to 340,000 bales, against 231,000 bales for the same week last year, while total takings to date are over 400,000 bales more than at the same period last season The Garside Cotton Service, commenting upon the consumption in America, says that if American consumption be maintained into May world consumption may be well over 15¼ million bales for the season. Crop news is not good, as farm work has been delayed by heavy rains. Hester estimates sales of fertilisers for the past seven months at 1,187,000 tons, against 1,728,000 tons for the same period last year. To-day there was considerable profit-taking by recent purchasers. Spot sales for the week February 28th to March 6th (inclusive) are 49,000 bales, of which 28,590 are American, 1,200 Brazil, 1,750 Argentine, 4,500 Peru, 9,600 Egyptian, 2,400 African, 950 East Indian, and 10 sundries. Imports for the same period are 84,579 bales, of which 49,588 are American, 517 Peru, 20,724 Egyptian, 759 African, 12,400 East Indian, and 591 sundries. Quotations to-day are: American Middling, 11.01; Egyptian Sakel, 18.55; Uppers, 12.74; Brazil Fair, 11.21; Peru G.F. Mod.-Rough, 13.00; Smoooth, 11.96; West African Middling, 11.06; and East African G.F., 12.65.

WOOL TRADE.

Our Bradford correspondent writes: The postponement of the first day's sale in London this week caused great disappointment. Spinners and manufacturers in the West Riding and on the Continent are awaiting with more than ordinary interest the result of the auctions in Coleman Street, as they look to the current series to give some indication of the true position of the raw material. Reports from the primary markets certainly suggest that demand is more general and that values of merinos are stabilising on the lower level now ruling, and if the sales in London confirm the belief that bottom has been touched, it will encourage users to operate with more confidence and in larger weights. Already a fair amount of business has been put through in merino tops, many spinners being of the opinion that nothing is to be gained by waiting, and quotations are much steadier than at any time during the last month. Crossbreds are still erratic, but it should be noted that in New Zealand this week wool has been taken more freely and prices of crossbreds are reported to be about ½d. per clean lb. higher than those ruling last week at Wanganui. There is, however, a good deal of irregularity in quotations for crossbred tops, and the same applies to yarns. As regards merino yarns, there has been a certain amount of speculative buying, but prices are very unsatisfactory and there is no bulk buying. Particulars against old contracts are also slow in coming to hand.

COLONIAL WOOLS.

(from a correspondent.)

The commencement of the second series of London sales has been delayed one day by fog, but the results of the auctions held have been quite as good as could be expected. All sections did some useful bidding, the average decline being a good 5 per cent. If values remain around Wednesday's level, and there is no big weight to carry forward, neither buyers nor sellers will have any reason for dissatisfaction. Even yet there is less confidence among wool users than for quite a long time, and it is very difficult to find out the real reason. The Safeguarding Inquiry has been both blamed for the depression and credited with helping to bring out such improvement as has taken place during the past fortnight. Within that period there has been quite a considerable turnover in wool and tops in Bradford, and no doubt the business done has been the outcome of the development of the opinion that wool is now approaching an attractive price. The total quantity available (114,000 bales) is not excessive, and as the sales proceed there should be some good offerings of both merinos and crossbreds, particularly the latter. New Zealand always furnishes the best wools at the January and March series, and as the Puntas are all new clip, they should appeal to the Continental section. There is quite a reasonable prospect of an encouraging series, and the fact that values have

fallen to a level which corresponds to those in Australia should help good clearances to be made. Large quantities of wool and tops have been sold to Russia. The reports of the trade done appear to have been somewhat exaggerated, but it is a fact that about 2,000,000 lb. have been sold, and this, along with the other business done, has helped to improve the outlook. If only spinners and manufacturers were participating more definitely in the developments which have actually taken place, the tone of the market would improve very quickly. The standing of the raw material is, however, fairly good.

HIDE, LEATHER AND ALLIED TRADES.

The general position in the hide market is rather steadier as the severe declines so long reported appear to have been checked. Tanners, however, are *buying very cautiously*, and there are fairly large quantities of market hides under salt which must have depreciated in value. Best ox hides are now wroth from 7d. to 7⅞d. per lb., and *seconds* 6⅝d. to 7d. A feature of business has been that large quantities of cow and bull hides have been sold on export account. Calfskins remain steady, but woolskins have fallen 3d. to 6d. each. Oversea hides are rather firmer, and under the active buying of the United States Argentine ox have sold at 9⅝d. In saladeros it is significant to know that at the Leibig auction in Antwerp last week, 35,000 Colon Paraguay hides all sold, Colon ox making from 8⅜d. to 8⅝d. Dry River Plates have improved in value, although tanners are not buying largely. B.A. Americanos are quoted at 13½d. and Becorros at 13d. Africans are steadier, dry salted Capes in first and seconds making 12½d.–11½d. Australians are firm at origin although European buyers are not interested in the market. Cables from Chicago report a steady market with best heavy packer steers selling at 14½ cents, and other classes a cent down on last week's quotations. As shoe manufacturers are receiving more orders they are coming into the market more freely for sole leather at the reduced prices now offered. Bulk business is, however, absent but merchants are now throwing out feelers as to future supplies. Light bends are going to the shoe centres in larger quantities, and repairers are accounting for fair supplies of wet salted bends at reduced prices. There is little movement in upper leathers owing to instability of prices. Box and willow calf are selling in small parcels, at lower prices, and glacé kid in black and colours is also wanted for spring shoes. Kip curriers are still rather slack, but report indications of improvement. The shoe trade is rather better, the centres making ladies' and children's shoes being now fairly well off for work.

VEGETABLE OILS AND OILSEEDS.

Markets have an easy tendency and are only moderately active. Linseed oil is in poor demand, and is easier, current value being around £28 15s. per ton, naked, ex Hull mill for spot and March-April delivery, with *later positions at a small progressive* premium. Cotton oil continues slow, present value being for crude Egyptian £28 and common edible £31 10s. ex Hull for spot and March-April. Palm kernel oil is lower, at £35 10s., but with prices of other seed oils are unchanged. In the oilseed section there has been some little demand by crushers for Plate linseed on passage and early shipment, but supply is in excess of demand, and prices are definitely easier. Plate on passage to Hull has been done at £15 15s., and this remains the approximate value; also for Ferbuary-March shipment. Some seed intended for the Continent has been re-sold owing to the inability to receive delivery. The quantity of linseed on passage to Europe is 238,000 tons, or slightly less than last week. Cotton seed is lower, but demand is poor. Black Egyptian to Hull has been done at £10 1s. 3d., March and April loadings. Soya beans are dull. Demand for oilcakes continues fair and late prices are maintained.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—A generally quiet tone was apparent respecting movement in spot goods, but quotations were 1½d. to 3d. up for British refined and home-grown granulated. Trade buyers, however, still manifest interest in the more distant deliveries of British varieties. The market, without doubt, now rests on much better foundations than seemed possible a little time back, the flaccid appearance giving place to more cheerful conditions. Steady progress continues in the matter of marketing a liberal production in Cuba, and *which receives* every assistance by virtue of the fact that invisible supplies scarcely exist in the full sense of the term, and this necessitates continuous steady absorption of offers put out by producing countries and proved the antiseptic to the marked downward move. Improving signs are also in evidence, according to cables from Java, and for the small quantities of old crop still available from second-hand sellers a substantial premium is easily obtainable. Up to 15⅜ guilders has been paid for whites, March shipment, ex go-down, with further buyers, sellers asking 15⅝. From second-hands, white May-June held for 13¼, and more distant 17½ guilders. Continental parcels for shipment mostly held for previous prices, but interest on U.K. account reduced to a minimum. Raw refining descriptions sparingly offered and firm. B.R.B. crystals, April shipment, to Bombay/Karachi, sold 12s. 6d. c. and f. Terminal sections steady, moderate dealings. Of raw, May sellers, 9s., August sold 9s. 4½d.-9s. 6d.; December 9s. 7½d., 9s. 8½d.; white, March sold 12s. 6d., May quoted 12s., August buyers 12s. 3d., December quoted 12s. 6d., January sold 12s. 8½d. cwt. Cuban receipts last week totalled 243,759 tons, against 222,598 last year; exports 113,124, against 80,093; stocks 948,995, against 851,113. Central workings 163 tons, as compared with 170 last year. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending March 2nd totalled 152,755 tons, against 89,032 last year.

COFFEE.—There is a good demand for all the finer qualities, and a firm tone governs the market. Medium descriptions meet a fair movement. Some attractive samples of new crop Costa Rica were on offer during the week at public sale. Kenya, bold, sold 128s., with fine colory up to 151s. Costa Rica, bold colory fancy, reached 176s.; others from 128s. to 156s. Colombian, fine bold greenish, 127s. 6d.

COCOA.—Market irregular with a moderate spot demand Accra F/F March-May sold 46s. 3d. to 46s. 6d., and April-June 47s. 6d. to 47s. f.o.b. Terminal, April sold 50s. to 50s. 4½d.-50s.; May, 51s. 1½d. to 51s. 6d.-50s. 3d.; July, 52s. 10½d. to 53s. and 52s.; September, 53s. 7½d. to 54s. 1½d and 53s; December, 53s. 1½d. to 53s. 6d. and 52s. 6d.

TEA.—Indian auctions of 47,770 packages came to a fair market steady progress being made with most descriptions, and prices in the main showed *little or no alteration*. Finest autumnal tippy teas commanded full rates, but common tended against sellers. Ceylon auctions of 25,200 packages met a fairly good demand, and all the better kinds sold at recent rates, but common and plain liquoring mostly ¼d. to ½d. lb. lower. Java and Sumatra auctions fair demand at steady to easier prices. New season's China in rather better request at steady prices. Keemuns sold 1s. 8d. to 2s., Ichang 1s. 9d. Landings in London during last month 36,948,087 lb., against 33,458,079 at same time last year, deliveries 32,904,717, against 35,989,387; stocks 237,459,158, against 233,415,788.

RICE.—Market idle. Two Stars old crop, spot, London, 13s. 6d.-13s. 9d.; new, 14s. 3d. cwt. c.i.f. A steamer cargo 5/6,000 tons Saigon meal, May-June, to Liverpool, sold £6 7s. 6d. ton c.i.f.

BEANS.—Steady quiet. Madagascar butters, afloat steamer "Clan Macintosh," sellers, 41s. 6d.; per "Marechal Gallieni," 42s. Rangoon haricots April 15th, sellers, 19s. 4½d., April 19s., May 18s. cwt. c.i.f. London.

PEAS.—Steady with fair inquiries. Japanese afloat sold 19s. 3d. 19s. 9d. as to position, January-February, 18s. 7½d., February-March sold 18s.-18s. 6d., March-April 18s. 5½d., and buyers c.i.f. London. Dutch firms unaltered.

SPICE.—Pepper fully steady, but trade rather quiet though buyers are in evidence with regard to forward positions. Lampong, spot, 1s. 5½d.; black Singapore, 1s. 5d.; Muntok, 2s. 3½d. Malabar quite nominal. Lampong, January-March, quoted 1s. 4½d.; March-May, 1s. 4d.; April-June, 1s. 3d.; May-July, 1s. 2⅞d.; August-October sold 1s. 1½d. Muntok, white, January-March, quoted 2s. 2½d.; March-May, 2s. 2⅜d.; April-June, 2s. 2⅜d.; May-July, 2s. 1⅜d.; August-October, 1s. 11d. lb. London stocks reduced 6 tons on the week. Tellicherry, January-March, value 150s.; February-April, 149s.; March-May, 148s. Aleppy, January-March, sold 150s. cwt. c.i.f. Cloves steady, unaltered. Sago flour and topioca nominally unaltered. African ginger, spot, 52s. 6d. cwt.

FRUIT (Dried).—Currants steady, with a good demand for smalls. Pyrgos quoted 45s.; Patras, 47s. 6d.; choice up to 51s.; Amalias, 46s.-46s. 6d.; Gulf, 48s.-51s.; Vostizza, 49s.-56s. Sultanas dull. Medium to good Smyrna, spot, 41s.-54s.; Cretan, 40s.-72s.; Greek, 38s.-65s.; Australian, old, practically cleared at 27s. 6d.-35s.; new, ranging from 33s.-51s.; Californian soda, bleached, 35s.-38s.; unbleached, 29s.; Cape, unbleached, 33s.-37s.; bleached, 45s.-50s. Raisins: Valencia steady, but Capes and Australian difficult to vend. Valencia quarter boxes, 50s.-55s.; Australian, 32s.-36s. Figs in good demand. Genuine new, spot, 28s.-33s. Dates steady, with a fair business in Siar. Hallowie, *fruits: Market very steady*, with improved inquiries for plums, pears and apricots, but apple rings move off slowly. Californian plums, 20's-30's, 65s.; 30's-40's, 57s.; 60's-70's, 43s.-43s. 6d. Australian pears range from 57s. 6d.-70s. as to quality; Lake County, good, 67s. 6d.-70s. Apricots, South African new crop, Royal 60s.-117s. 6d.; Cape, 72s. 6d.-82s. 6d.; Californian, new, 85s.-117s. 6d. Peaches, Californian, choice, 50s.; extra choice, 53s.; fancy, 58s. Apples, Californian, spot, sliced, extra choice, 65s. Almonds quiet and tendency easier. Mazagan, 140s.; Mogador, 140s.; Majorcas, 142s. 6d.; Bitter-Jordan, 185s.-210s. cwt.

CANNED GOODS.

CANNED FRUITS.—Consumption has been restricted by the recent spell of severe wintry weather, but with milder conditions now prevailing some improvement in demand is anticipated. Pears were offering at attractive rates on spot, but firm for shipment parcels. Other descriptions being steady. *Singapore pines in slow request at about late rates*, little interest being evinced in shipment parcels, which are steadily held. Italian tomatoes steady, with a moderate spot trade.

CANNED FISH.—Business in sardines continues restricted. Portuguese clubs quoted 5s. per dozen tins. Lobsters steady. Best halves 140s.-145s., and quarters 77s. 6d.-82s. 6d. Salman maintained, but business small. Red tall, spot, 42s. 6d.-44s. 6d.; pink talls, spot, 26s.-27s. 6d.; halves, 32s.-34s. Japanese crab firm, and finest quality 97s. 6d.-100s.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, THURSDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, *No. 2, N. Man.* 496 lb.	51	9
Eng. Gaz. av., per cwt.	9	9
Barley, *Eng. Gaz. av.*	10	4
Oats, " " "	9	8
Maize, La Plata, landed, 480 lb.	44	6
Flour, Lon. stan. ex mill, 280 lb.	37	6
Rice, No. 2 Burma, per cwt.	13	0
Sago, pearl, per cwt.	22	9
Tapioca, per cwt.—		
E.I. flake, fair spot	23	0
Medium pearl	20	0
Potatoes, good English, per ton	120	0
MEAT—		
Beef, per 8 lbs.—	s.	d.
English sides	5	0
Argentine chilled hinds	4	0
Mutton, per 8 lbs.—		
English wethers	6	8
N.Z. frozen "	3	2
Pork, English, per 8 lbs.	7	4

	s.	d.
23	0	9
20	0	22	0
130	0	0
7	8	8
5	5	4
4	4	4
7	8	8
3	2	5	4
7	4	8	4

OTHER FOODS.

BACON—			
Irish ..... per cwt.	108	0	120	0
Danish	*105*	*0*	*110*	*0*
Canadian	103	0	105	0
Dutch	94	0	103	0
HAMS—Irish	0	0	0	0
Canadian	0	0	0	0
American	90	0	109	0
BUTTER—				
Irish creamery per cwt.	0	0	0	0
Australian	160	0	178	0
New Zealand	164	0	182	0
Danish	184	0	186	0
CHEESE—				
Canadian ..... per cwt.	94	0	112	0
New Zealand	88	0	89	0
English Cheddars	130	0	144	0
Dutch	50	0	86	0
COCOA—				
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)				
Accra f.f., per cwt.	50	0	51	0
Trinidad	60	0	63	0
Grenada	50	0	60	0
COFFEE—				
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)				
E.I., good to fine, per cwt.	147	0	160	0
Costa Rica, good to fine	155	0	183	6
Cent. Amer., mid to fine	130	0	150	0
Kenya, bold sizes	125	0	152	0
Colombian, mid to fine	130	0	145	0
EGGS—				
English ..... per 120	24	6	26	0
Danish		nom.		
FRUIT—				
Oranges, Denia & Val. 300	17	0	30	0
" " 360	17	0	23	0
" " 504	22	0	22	0
Jaffa ..... boxes 144	0	0	26	0
Lemons, Naples boxes	13	0	0	0
Sicilian ..... boxes	17	0	17	0
" ..... cases	4	0	30	0
Murcia ..... half cases	14	0	21	0
Malaga ...*cases 420 No. 1*	*0*	*0*	*0*	*0*
Apples: Amer. (var.) brls.	22	0	36	0
(var.) boxes	9	0	12	6
Onions, Valencia:—				
case 4s.	21	0	23	0
case 5s.	25	0	27	0

	s.	d.	s.	d.
FRUIT (*continued*)—				
Chestnuts, Huelva bags	10	0	0	0
Grapes, Almeria .....brls.	0	0	0	0
LARD—				
Irish bladders	66	0	72	0
American boxes 56 lbs.	62	0	62	9
SPICES—				
Pepper, per lb.—				
Muntok, fair White	2	3½	0	0
Black Lampong	1	5½	0	0
Cinnamon—1st sort, per lb.	2	3½	0	0
Cloves—Zanzibar per lb.	1	4½	1	4½
Ginger—per cwt.—				
African	52	6	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	2	6	4	3
Nutmegs 65's	2	1	0	0
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	23	6	24	6
Java, white, c.i.f. India, July-Sept.	12	3	0	0
REFINED—London—				
Yellow Crystals	21	7½	0	0
Cubes	25	9	26	3
Crushed	24	6	25	0
Granulated	22	10½	23	7½
Home Grown (prompt)	22	3	22	9
TEA—				
(Duty 3½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	1	0	2	1
Broken Pekoe	1	0½	2	2
Orange Pekoe	1	2	2	3
Broken Orange	1	1½	2	11
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	4½	1	0

TEXTILES.

	d.
COTTON—	
Mid-American ..... per lb.	11·01
Sakellaridis, f.g.f.	18·55
Yarns, 32's twist	15½
60's twist	26½

	£	s.	£	s.
FLAX—				
Livonian ZK ..... per ton	90	0	0	0
Pernau HD	80	0	0	0
Sianetz Medium 1st sort	90	0	0	0
HEMP—				
Italian P.C. ..... per ton	65	0	0	0
Manila, Apr.-June "J2"	37	0	12	6
N.Z., H.P. fair Feb.–Apr.	34	0	0	0
JUTE—				
Native 1st mks....per ton Mar.–Apr.	34/7/6		0/0/0	
Apr.–May	34/17/6		0/0/0	

	s.	d.	s.	d.
SILK—				
Canton .....per lb.	17	0	19	0
Tussah	8	0	10	0
Japan	21	0	23	6
Italian—Raw, fr. Milan	21	0	23	6

	d.	d.
WOOL—		
English Southdown, washed per lb.	26½	
" Lincoln hog, washed	17½	
Queensland, scd. *super cmbg.*	42	
N.S.W. greasy, super "	24	
N.Z., grsy., half-bred 50–56	20	
Crossbred 40–44	16	
Tops—		
Merinos 70's	47	
" 64's	43½	
Crossbred 48's	25	
" 46's	23	

MINERALS.

	s.	d.	s.	d.
COAL—				
Welsh, best Ad'ty...ton	20	0	21	0
Durham, best gas	14	9	15	6
Sheffield, best house	20	6	21	6
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	67	0	0	0
Bars, M'brough 205	0	0	0	0
Steel Rails, heavy.....170	0	0	0	0
Tin Plates, I.C., per box	18	0	18	3

	£	s.	£	s.
METALS—				
Copper, Electrolytic, ton	91	0	91	10
Sheets (strong)	116	0	0	0
Standard	83/10/0		83/11/3	
Lead Eng. Pig ... per ton	25/0/0		0/0/0	
Soft Foreign	23/13/9		23/16/3	
Spelter G.O.B.	26/7/6		26/11/3	
Tin—English ingots	220/0/0		221/0/0	
Standard, cash	220/0/0		220/2/6	

MISCELLANEOUS.

	s.	d.	s.	d.
CHEMICALS—				
Acid, citric, per lb. less 5%	2	0½	2	1
Nitric	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	10	10	0
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	12	0	13	0
Potash—Chlorate, net	0	3½	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	27	0	27	10
CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
F.M. Straits, c.i.f., per ton Mar.–Apr.		nom.		
DRUGS—				
Camphor—	s.	d.	s.	d.
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	0	14	6
Peppermint, Wayne Co.	14	6	14	9

	s.	d.	s.	d.
HIDES—				
Wet salted—Australian per lb.	0	5½	0	7½
West Indian	0	4	0	7½
Cape	0	6	0	7½
Dry and Drysalted Cape	0	9	1	0
Market Hides, London—				
Best heavy ox & heifer	0	7	0	7½
Best cow	0	6½	0	6½
Best calf	1	10½	1	1½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.— per lb.	1	4	2	4
Bark Tanned Sole	2	6	3	0
Shoulders fm DS Hides	11	0	1	2
Do Eng. or WS do.	1	3	1	9
Bellies from DS do.	0	9	1	0
Do. Eng. or WS do.	1	0	1	5
Dressing Hides	1	6	2	0
Ro. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Sides	1	0	1	6

	£	s.	£	s.
VEGETABLE OILS—				
Linseed, naked, p. ton net	29	15	0	0
Rape, refined	44	10	0	0
Cotton-seed, crude	28	10	0	0
Coconut, crude	36	10	0	0
Palm	36/0/0		38/5/0	
Oil Cakes, Linseed, Eng., per ton	12/12/6		12/15/0	
Oil Seeds—Linseed—				
LaPlata,p.ton Mar.-Apr.	15/16/3		0	0
Calcutta, p.ton Apl.-May	*18/12/6*		*0*	*0*
	s.	d.	s.	d.
Turpentine, per cwt.	45	9	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	13/10/0		34/5/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910	82	6	0	0
" 950	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	18	10	24	0
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	1	0½	0	0
Fine Hard Para per lb.	1	1½	0	0
SHELLAC—				
TN Orange ... per cwt.	195	0	0	0
SHELLS—	£	s.	£	s.
W. Aust., M.-o.-P. "	4	0	12	10
TIMBER—			£	s. d.
Swedish u/s 3 x 8 per std.			19	0 0
Do. 2½ x 7 "			19	0 0
Do. 2 x 4 "			17	10 0
Can'dn Spruce, Dis. "			17	10 0
Pitchpine ..... per load			9	0 0
Rio Deals ..... per std.			32	0 0
Teak ..... per load			20	0 0
Honduras Mahg. logs c. ft.			0	11 6
African "			0	6 6
American Oak Boards "			0	6 0
Do. Ash "			0	6 6
English Oak Planks "			0	7 0
Do. Ash "			0	6 6

CANNED MEATS.—Firm, and ox tongues realise full rates on short supplies, but lunch tongues were obtainable on reasonable terms. Danish cooked hams in steady request at about 1s. 7d. per lb. for cases of 6 tins.

CONDENSED MILK AND MILK POWDERS.—Spot steady, but shipment parcels occasionally the turn easier. Full-cream, sweetened, English, spot, 45s.; Dutch ditto, 38s. 6d.; March-April, 38s. Machine-skimmed, sweetened, English, spot, 30s.; Dutch ditto, 24s. 6d.; March-April, 23s. 9d.; all in 5-cwt. barrels. Powders: Spray F.C., 26 per cent., 2 by 56 lb. tins, crated, prompt, 92s.; M.S. (1-cwt. cases), prompt, 40s.; Roller process F.C. 26 per cent., prompt, 78s.; M.S. ditto, 31s. 6d.; all net, duty paid, ex-wharf London. On the grocery side, F.C.S. 21s., M.S.S. 10s., basis per case, usual packing. Danish cream: Evaporated, unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d.; sweetened, condensed, 48 by 14 oz., 20s. per case.

HONEY.—Market firmer with a good demand, spot stocks being in small compass. New crop Jamaica sold 37s. 6d.-40s., March-April shipment, while good pale on the spot commands 55s.; light amber, 47s. 6d.; and manufacturing grades, 45s. New Zealand in request; dark amber quoted 50s.-55s.; medium, 55s.-65s.; light, 65s.-85s.; whites and water whites, 65s.-87s. 6d. cwt.

RUBBER.

RUBBER.—Subdued conditions pervaded this market and which is rather featureless at the moment in the absence of any fresh tonic Standard sheet, spot and March, sold 1s. 0⅜d. to 1s. 0⅝d.; April-June, 1s. 1d.; July-September, 1s. 1¼d.; October-December, 1s. 1⅜d. per lb. London stocks increased 436 tons on the week; landing amounted to 1,992; deliveries, 1,556; stocks, 25,441, against 61,978. Liverpool landings, 274 tons; deliveries, 170; stocks increased 104 at 4,255. Singapore shipments during last month are officially given at 47,920 tons.

GENERAL.

JUTE.—Market dull and prices again weaker. First, Feb.-Mar. sellers, £34; March-April sold £34 10s.; April-May buyers, £35 7s. 6d. ton. *Hamburg stocks, at 124,405 bales, show a* decrease on fortnight of 2,330 bales.

HEMP.—Manila fully steady on reserved offers. K grade Apr.-June, buyers, £34 10s.; L.1, £34; M.1, £30 10s.; M.2, £27 10s. ton. Manila receipts for the week totalled 44,000 bales, compared with 28,000 at corresponding period last year; estimate for next week 33,000 and following week 34,000. During last week 10,000 bales were shipped to U.K./Continent, 17,000 U.S.A., and 9,000 Japan.

SHELLAC.—Market slow. T.N. spot 192s. 6d., Mar. 185s., May 187s.; August, 192s.

COPRA.—Market dull and depressed. Straits S.D., Mar.-Apr. Rotterdam sold £23 7s. 6d.; April-May, £23 10s.; Dutch E.I., March-April, £23; K.D. South Sea arrived Marseilles, £21 5s. Palm kernels, March-April, Hamburg, quoted £18 17s. 6d. ton.

MISCELLANEOUS.—Cocoanuts quoted 18s. to 24s. per 100. Coir yarn, Ceylon, £19 to £39 10s.; Cochin, £23 to £40 5s.; Ceylon bristle, £19 to £24 15s.; cinnamon leaf oil, 5½d.; citronella, Ceylon, 1s. 10d.; Java, 2s.

METROPOLITAN CATTLE.—March 6.

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

	s.	d.	s.	d.
Beasts—Norfolk	6	4	6	8
Irish	...		...	
Cambridge	...		...	
Short Horns	6	0	6	4
Herefords	...		...	
Devons	...		...	
Leicester runts	...		...	

	s.	d.	s.	d.
Beasts—Heavy Bulls	...		...	
Canadian	...		...	
Sheep—Downs	9	0	10	0
Half bred	...		...	
Ewes	5	4	5	8
Scottish	...		...	
Lamb—Downs	11	0	11	4

LONDON POTATO MARKETS.—March 6

	Per Cwt. s.	d.	s.	d.
English King Edward—Lincoln	7	0	...	
White varieties	5	0	...	

PRELIMINARY ANNOUNCEMENT.

BRITISH DARDELET THREADLOCK (D.D.G.) CORPORATION, LTD.

The Subscription List will open on Tuesday next, March 12th, in connection with an Issue at par of

295,000 "B" ORDINARY SHARES OF £1 EACH

in

British Dardelet Threadlock (D.D.G.) Corporation, Ltd.

DIRECTORS:

CHARLES PAUL GIAFFERI, Wissous, Seine et Oise, France (Administrateur Délégué de La Société Française de Filetage Indesserrable, D.D.G.).

EUSTACE CUTHBERT QUILTER, 33, Dover Street, W.1. (Director of Anglo-Portugese Telephone Company, Limited.

EUGENE RILLING, 41, Boulevard Ney, Paris (Engineer).

ROGER BENJAMIN BICKLEY WRIGHT, 17, Berkeley Street, W.1. (Director of Buenos Ayres and Pacific Railway Company, Limited).

Prospectuses and Forms of Application will be available this (Friday) afternoon, and may be obtained from:—

NATIONAL PROVINCIAL BANK LIMITED, 15, Bishopsgate, E.C.2, and Branches;
QUILTER AND CO., 32, Old Jewry, London, E.C.2, and Stock Exchange;
or from
GUBBINS AND CO., LTD., 36, New Broad Street, London, E.C.2.

REFUGE
ASSURANCE COMPANY LIMITED.

Chief Office: Oxford Street, Manchester.

(Incorporated in England 1864).

Summary of Directors' Report for the year ended 31st December, 1928.

Reversionary Bonus of £2 4s. 0d. per cent. again declared on all Ordinary Branch participating Policies.

Total Income for year £10,310,975, being an increase of **£680,711** over the previous year.

Total Assets at the end of the year, **£42,866,260,** being an increase of **£3,589,632** during the year.

Total Claims Paid in the year, **£3,868,535.** The Company has paid **£56,977,564** in claims since its establishment.

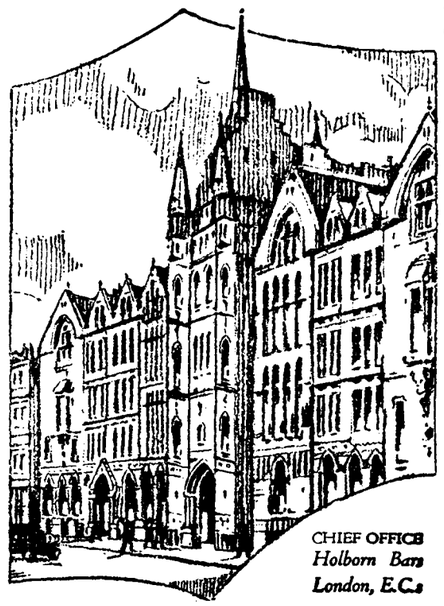
The Total Assurances existing on December 31st, 1928, amounted to **£60,501,567** in the Ordinary Branch and **£82,568,469** in the Industrial Branch.

The Premium Income in the Ordinary Branch was **£3,702,345,** being an increase of **£257,336** over the previous year; and in the Industrial Branch it was **£4,632,782,** being an increase of **£251,365.**

The Company transacts Life Assurance business of every description.

J. WILCOCK HOLGATE,
Chairman.

The Largest Insurance Institution in the British Empire



THE PRUDENTIAL ASSURANCE CO. LTD.
EXTRACTS FROM THE
EIGHTIETH ANNUAL REPORT
YEAR ENDING 31ST DECEMBER, 1928.

Ordinary Branch

New Sums Assured	£17,401,001
Total Sums Assured & Bonus	£182,491,792
Premiums received	£11,778,847
Payments to Policyholders	£11,062,244
Policyholders' share of profits	£2,365,902
Reversionary Bonus	£2 10s. % Whole Life Assurances; £2 6s. % Endowment Assurances

Industrial Branch

New Sums Assured	£58,511,995
Total Sums Assured & Bonus	£458,417,970
Premiums received	£17,143,456
Payments to Policyholders	£11,613,501
Policyholders' share of profits	£3,265,306
Reversionary Bonus	£1 14s.%

General Branch

Premiums received	£1,753,719
Payments to Policyholders	£1,177,110

Total Assets exceed
£219,000,000

Total Claims Paid exceed
£313,000,000

Payments to Policyholders in 1928
£23,852,855

Copies of the Directors' Report, Chairman's Speech and Prospectus, forwarded on application.

THE
PRUDENTIAL
Assurance Company Limited

THE BALTIMORE & OHIO RAILROAD COMPANY

OFFICE OF THE PRESIDENT.

To the Stockholders of

Baltimore, Md., February 28, 1929.

THE BALTIMORE AND OHIO RAILROAD COMPANY:

In order that you may be informed as promptly as may be of the results obtained from the operation of your property for the year ended December 31, 1928, the President and Directors submit herewith a condensed income statement, compared with the preceding year, together with balance sheet, as of December 31, 1928, and certain other general information which it is thought will be of interest.

The Annual Report in the customary form will be prepared and forwarded later to those stockholders who have or may advise the Secretary of the Company of their desire to receive a copy.

The net income for the year available for dividends and other corporate purposes, after the payment of interest, rentals, taxes and other fixed charges, was ..... $29,100,931.

This was an increase of $6,467,586, compared with 1927, and was the largest net income in the history of your Company.

After paying the 4 per cent. dividend upon the Preferred Stock there remained ..... $26,746,403, equal to $12·43 per share on the common stock outstanding. Dividends at the rate of 6 per cent. were declared on the common stock outstanding during the year, after which there remained from the year's operations to be carried to profit and loss $13,835,128. The total accumulated surplus of your Company on December 31, 1928, was $103,905,106·21.

During the year there was an increase in investment in road of.....		$7,049,022
New equipment was acquired at a cost of	$6,030,213	
and old equipment retired in the amount of	5,158,420	
Resulting in a net increase in Investment in Equipment of		871,793
Total		$7,920,815

The additional equipment consisted of one especially heavy passenger locomotive of the "President" type and three heavy freight locomotives; these engines built to demonstrate new features were constructed at the Company's Mt. Clare Shops; also 10 new, all-steel baggage and mail cars, 2,200 all-steel box cars and certain miscellaneous pieces of equipment. In order to effect the more economical operation of local passenger service, 13 additional gas-electric motor cars and 3 gas-electric car trailers were purchased.

One hundred and eight locomotives, 4 passenger train cars, 3,707 freight train cars, 423 pieces of work equipment and 2 units of floating equipment, no longer suitable for modern and efficient service, were retired during the year.

On December 17, 1928, a new passenger terminal in the Chanin Building at 42nd Street and Lexington Avenue, New York, was placed in service. From this station direct access is had to the subway, Grand Central Terminal, and various hotels. To and from this station the train connection motor coaches are operated to trainside at the Jersey City Terminal. Passengers may board and leave the coaches within the building.

Traffic conditions during the first six months of 1928 were not as favourable as during the preceding year; the first half of the year showed a decrease in revenue of $12,164,633, of which $10,692,460 was in freight earnings. Beginning with and subsequent to July, however, there was an increase in the volume of traffic, so that at the end of the year the decrease in total operating revenues had been reduced to $9,263,386, of which $6,356,000 was on account of freight, or 3·12 per cent. Passenger traffic continued to decrease, the loss in such revenue for the year having been $2,574,577, or 9·79 per cent.

The reduction in operating revenues of	$9,263,386
was more than offset by a reduction in operating expenses of	13,620,194
Resulting in an increase in net revenue of	$4,356,808

Transportation expenses decreased $4,860,803, or 5·57 per cent., and consumed 34·81 cents of each dollar earned in 1928, compared with 35·47 cents in 1927. This was accomplished notwithstanding the reduction in gross revenues and increases in rates of pay granted through arbitration in 1928 and increases granted in 1927, not fully reflected in that year.

The operating expense ratio in 1928 was 72·86 per cent., as compared with 75·65 per cent. in 1927.

The property has been well maintained and was in good physical condition at the end of the year.

The Management commends the Baltimore and Ohio service to the shareholders and through them to the general public, and solicits their co-operation towards securing a greater proportion of the business moving to and from the territory which it serves. The assistance given by the shareholders in the past has been most helpful, and it is hoped this co-operation will be continued and extended where opportunity may offer.

DANIEL WILLARD, President.

INCOME ACCOUNT.

—	1928.	1927.	Inc. or Dec. Amount.	Inc. or Dec. %
	$	$	$	
Revenue from freight transportation..	197,215,444	203,571,444	*6,356,000	*3·12
Revenue from passenger transportation	23,712,130	26,286,707	*2,574,577	*9·79
Revenue from mail, express and other transportation service.....	15,891,107	16,223,916	*332,809	*2·05
Total Railway Operating Revenues....	236,818,681	246,082,067	*9,263,386	*3·76
Maintenance of Way and Structures	26,895,746	30,895,333	*3,999,587	*12·95
Maintenance of Equipment	47,404,095	51,318,762	*3,914,667	*7·63
Traffic	5,748,601	5,599,463	149,138	2·66
Transportation.....	82,429,731	87,290,534	*4,860,803	*5·57
General	7,958,369	8,851,616	*893,247	*10·09
Miscellaneous	2,114,326	2,215,354	*101,028	*4·56
Total Railway Operating Expenses	172,550,868	186,171,062	*13,620,194	*7·32
Transportation Ratio	34·81%	35·47%		
Total Operating Ratio	72·86%	75·65%		
Net Revenue from Railway Operations	64,267,813	59,911,005	4,356,808	7·27
Taxes.....	11,638,718	12,286,663	*647,945	*5·27
Equipment, Joint Facility Rents, etc.	3,241,378	2,806,145	435,233	15·51
Total Charges to Net Revenue.....	14,880,096	15,092,808	*212,712	*1·41
Net Railway Operating Income, as defined in Transportation Act of 1920	49,387,717	44,818,197	4,569,520	10·20
Other Income—Rents, Dividends on Stock and Interest on Bonds owned	7,378,325	8,570,727	*1,192,402	*13·91
Total Income from all sources	56,766,042	53,388,924	3,377,118	6·33
Deductions for Interest and Rentals	26,997,767	30,091,086	*3,093,319	*10·28
All Other Charges against Income.....	667,344	664,493	2,851	·43
Total Deductions from Income.....	27,665,111	30,755,579	*3,090,468	*10·05
Balance of Income available for dividends and other Corporate purposes	29,100,931	22,633,345	6,467,586	28·58
Dividends declared:				
Preferred Stock—4%	2,354,528	2,354,528	...	...
Common Stock—6%	12,911,275	10,964,491	1,946,784	17·76
Total Dividends	15,265,803	13,319,019	1,946,784	14·62
Leaving a Surplus, after all charges and dividends declared, of.....	13,835,128	9,314,326	4,520,802	48·54

STATISTICS.

—	1928.	1927.	Inc. or Dec. Amount.	Inc. or Dec. %
Revenue Passengers Carried...	10,257,996	12,873,274	*2,615,278	*20·32
Revenue Passenger Miles.....	768,550,062	844,449,038	*75,898,974	*8·99
Average Miles per Passenger..	74·92	65·60	9·32	14·21
Average Rate per Passenger Mile (cents).....	3·085	3·113	*·028	*·90
Tons of Revenue Freight Handled	103,714,942	108,495,849	*4,780,907	*4·41
Revenue Ton Miles	20,243,199,084	20,841,869,236	*598,670,152	*2·87
Average Miles per Ton	195·18	192·10	3·08	1·60
Average Rate per Ton Mile (mills)	9·74	9·77	*0·03	*·31
Revenue Tons per Train Mile	868·28	856·67	11·61	1·36
Freight Train Miles per Train Hour	11·43	10·67	·76	7·12

* Decrease.

CONDENSED BALANCE SHEET—DECEMBER 31, 1928.

ASSETS.

Investment in Property used in Transportation Service.....		$869,468,135
Road.....	$617,048,276	
Equipment	252,419,859	
Investment in Separately Operated Companies, including Miscellaneous Physical Property		58,962,821
Investment in Sinking Funds and Deposits account. Property Sold		668,544
Investment in Other Companies		58,778,954
Total Investments.....		$987,878,454
Current Assets.....		57,184,712
Cash.....	$19,196,369	
Other	37,988,343	
Deferred Assets		4,811,837
Total Assets.....		$1,049,875,003

LIABILITIES.

Capital Stock Outstanding		$274,051,038
Preferred.....	$58,863,181	
Common	215,187,854	
Premium on Capital Stock		3,320,231
Long Term Debt.....		549,062,689
Mortgage Debt	$477,433,039	
Equipment Obligations.....	65,193,700	
Capitalized Leaseholds	6,435,950	
Current Liabilities—Traffic and Car Service Balances, Accounts and Wages Payable, Interest and Dividends Matured and Unpaid, Unmatured Dividends Declared, and Other Current Liabilities...		28,514,869
Liability for Provident Funds and Other Deferred Items		9,325,212
Accrued Depreciation—Equipment.....		66,443,844
Reserve for Taxes, Insurance, Operation, etc.		15,252,017
Surplus.....		103,905,106
Total Liabilities		$1,049,875,003

ROAD OPERATED AND EQUIPMENT.

Total Miles of Road Operated		5,639
Total Miles of All Track Operated		11,058
Locomotives		
	Steam..... 2,435	
	Electric..... 13	
	Other 2	
		2,450
Passenger Train Cars.....		1,680
Freight Train Cars.....		103,893
Tugs, Barges and Other Boats		177
Work Equipment.....		3,207

THE BALTIMORE AND OHIO RAILROAD COMPANY, European Traffic Manager, Thomas W. Jacobs, 23/25, Billiter Street, London, E.C. 3.

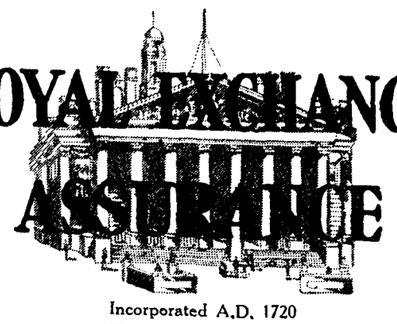
The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, MARCH 16, 1929. No. 4,464.



Incorporated A.D. 1720

ALL CLASSES OF INSURANCE TRANSACTED

Head Office: Royal Exchange, London, E.C.3

WITH PROFIT
ASSURANCE
AT
NON PROFIT RATES

Full particulars will be sent on application

The Scottish Provident Institution

for Mutual Life Assurance

Head Office: 6 ST. ANDREW SQUARE, EDINBURGH.
London: 3 Lombard Street, E.C.3; 56 Chancery Lane, W.C.2.
17 Pall Mall, S.W.1.

FUNDS £20,500,000

BANCA COMMERCIALE ITALIANA.

Established in 1894. Head Office: MILAN. Capital 700 million Lire. Reserves 540 millions. Deposits 7,251 millions.

Branches in every centre of commercial and industrial importance in Italy; also in London, New York, and Constantinople.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Egypt, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

London Office

32, Threadneedle Street, E.C.2.

A. JOEL, *Manager.*

Correspondents to the Italian Treasury.

TABLE OF CONTENTS.

The Money Market	553
Leading Articles—	
Trade Troubles & Remedies	555
The International Outlook	556
Budget Prospects	557
The Work of the League Council	558
Linen and Flax	559
Group Pension Schemes	560
Notes of the Week—	
Mr Lloyd George's Pledge	562
The Eight Hours' Convention	562
The Proposed Reparations Bank	562
The League and War Finance	563
The League and Gold	563
The Outbreak in Mexico	563
Chinese Peace in the Balance	563
Naval Estimates	564
Overseas Trade in February	564
Conditions in South China	565
The Effects of Foreign Lending	565
Iron and Steel Production in February	565
Shipping Freight Index Number	566
The British Beet Sugar Subsidy	566
More Short Time in Lancashire	566
International Cotton Statistics	567
The Halifax Bldg. Society	567
Transvaal Output in February	567
Sun Life Assurance Co. of Canada	567
Scottish Provident Institution	568
London Life Association	568
Marine & General Mutual Life Assurance Society	568
Oversea Correspondence—	
United States	569
Germany	570
Italy	571
Holland	571
Czechoslovakia	572
Canada	572
Letters to the Editor—	
The Effect of Foreign Loans	575
Lace and Safeguarding	575
Books and Publications—	
Agricultural Economics	576
Marketing English Grain	576
Books Received	577
The Stock Exchange—	
Trustee Securities	578
Home Railway Position—II	579
The Week in the Markets	581
Foreign Stock Exchange	582
General Electric "British Share" Issue	583
Stock Exchange Comm.	583
The Rayon Position	584
American Celanese and Snia Viscosa	584
Hongkong and Shanghai Banking Corporation	584
Victor, H.M.V. and Marconiphone	584
Swan, Hunter and Wigham Richardson	585
Norddeutscher Lloyd A.G.	585
Hamburg-America Co.	585
English Electric	585
Hollins Mill	586
British Metal Corporation	586
Rand Deep Levels	586
Canadian Pacific Railway	586
Capital Issues	586
Company Meetings	589
Government Returns	593
Bankers' Gazette—	
Bank of England	594
Bankers' Clearing Returns	594
Overseas Bank Returns	595
Loans and Discount Rates	597
Rates of Exchange	597
Bullion	598
Gold and Silver Prices	598
Summary of Balance Sheets	598
Transvaal Gold Output Statistics	599
Weekly Traffic Returns	599
Monthly Statement of London Clearing Banks	600
Company News—	
Reports and Notices	600
Profit and Loss Accounts	601
Oil Outputs	602
Commercial Reports—	
Corn Trade	602
American Wheat Markets	602
Coal Trade	602
Iron and Steel	603
Other Metals	603
Cotton Trade	603
Wool Trade	604
Colonial Wools	604
Jute Trade	604
Hide and Leather Trades	604
Overseas Trade Returns	605
Vegetable Oils	605
Overseas Produce	605
Prices Current	606

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly £2 18s. 0d. Colonies and Abroad, £3 1s. 0d. per annum.

Single Copies, post free, 1s. 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4.

THE MONEY MARKET.

At the beginning of the week the market was feeling extremely nervous as to the outlook regarding bank rate and the American exchange, and by Tuesday market rate had firmed up to $5\frac{3}{8}$-$\frac{7}{16}$ per cent., or only $\frac{1}{16}$ per cent. below bank rate. The American exchange at that time was weak, and it was feared that the balance of the new gold on offer on Tuesday could be taken at a slight profit

by American buyers. *Fortunately*, on Tuesday, the pound improved sharply to $4.85\frac{3}{8}$, and the bank was consequently able to secure £221,000 of gold at a price of 84s. $10\frac{3}{4}$d., or $\frac{1}{8}$d. below the price it had to pay last week. On Wednesday the pound underwent a further improvement to $4.85\frac{7}{16}$-$\frac{1}{2}$.

* * * *

These developments have for the moment removed all fears of further gold losses to America, and the market consequently became much more cheerful. Three months bills on Wednesday could only be bought with difficulty at $5\frac{3}{8}$ per cent., while the gilt-edged market also presented a firmer tone. Market opinion once more inclined to the view that a $6\frac{1}{2}$ per cent. bank rate need no longer be feared, though these hopes are qualified by the knowledge that the period of anxiety is not yet over. For this reason the general policy is still one of caution, and dealings in bills have shrunk to a comparatively small volume. Despite the recent improvement, the outlook is still obscure, and it is feared that the recent opportune improvements in sterling have been largely caused by good fortune, which cannot be relied upon in the future. No evidence can be found in support of the suggestion that operations by the Banque de France have been supporting the pound against the dollar, and the chief hope of relief as a result of Continental developments is that gold shipments from Germany may ease the strain on the sterling-dollar exchange. It is possible that rates in Berlin and Amsterdam will shortly have to be raised. This will check gold shipments from Germany, but inasmuch as increases in these rates will be a reflection of last month's increase in London, and so will reinforce London against New York, they will assist rather than impede the efforts now being made to maintain the present situation.

* * * *

The Bank return shows an increase of £3,651,000 in public deposits, which is balanced mainly by an increase of £2,138,000 in discount and advances. As the reserve has only risen by £324,000, the proportion has fallen by $1\frac{3}{32}$ per cent.

	Mar. 14, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 21, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate	5	5	5	5	4½ (Feb. 7,'29)
Banks' Deposit Rate	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Notice	3¼	3¼	3¼	3¼	2½ (Feb. 7,'29)
Market rate (3 months' bills)	5⅜	5½	5½	5 3/16-¼	...

The monthly statement of the nine English clearing banks reveals a decline of £32 million in deposits between January and February, which is possibly due to the influx of revenue. The recent rapid expansion in acceptances has also come to an end.

	Oct., 1928.	Nov., 1928.	Dec., 1928.	Jan., 1929.	Feb., 1929.
Capital and reserves	130·8	130·8	130·8	130·8	130·8
Acceptances	182·2	200·5	217·3	232·4	230·8
Deposits (including undivided profits, &c.)	1,752·9	1,751·8	1,806·3	1,809·6	1,773·4
Total liabilities	2,065·9	2,083·1	2,154·4	2,172·8	2,139·0
Coin, notes, balance at bank, and cheques in course of collection	251·9	250·4	268·9	255·1	240·5
Money at call	142·7	141·8	159·9	145·1	133·4
Investments	267·4	265·4	269·0	274·3	270·8
Discounts	248·1	248·4	258·7	274·2	260·2
Loans and advances	937·9	940·8	944·5	956·1	967·5
Cover for accept., premises, &c.	217·9	236·3	253·4	268·0	266·6
Total assets	2,065·9	2,083·1	2,154·5	2,172·8	2,139·0

Bank "cash" has fallen from £269 to £255 million, or by £14 million. As regards other assets, the market has lost £11.7 million of call money, while discounts are lower by £14 million. It must be remembered that between the New Year and the end of February the volume of Treasury bills outstanding fell by £50 million, so that the Bank figures show that they are still taking their share in holding and financing outstanding commercial bills. The same applies to the assistance they are giving to borrowers generally, for advances have risen by a further £11 million. Taken as a whole the February banking figures confirm the view that the rise in Bank rate was not accompanied by a definite restriction of credit.

NEW YORK MARKETS.

Our New York correspondent cables:—Sentiment in the share market is helped by easy money, incidental on banking preparations for the tax date and temporary Treasury borrowing to meet interest and maturing notes; a firmer tone is anticipated late next week. No important gold shipments are expected following the current arrivals of about $12 million from Germany and Argentina. Tax payments are likely to exceed last year's totals. The week's reduction in discounts and the rise in the Federal Reserve ratio explain the failure to change the discount rate. The New York ratio is 80.6, that of the system 70.7, with the total Reserve credit down by $43 million here and by $46 million for the system. Local banks cut brokers' loans by $117 million, but out-town banks and corporations made up all but $20 million of the difference.

THE STOCK MARKETS.

The improved sentiment regarding the monetary outlook produced a better tone in the stock markets, after the week had opened in dull conditions. Gilt-edged recovered sharply, home railways were better, and a firmer tone obtained for investment securities generally, though there was no marked accession of business in industrials. Rubber shares again attracted no more than a medium of interest, and the downward trend of tea share values continued. Oils were more active after a dull start. Kaffirs were sparsely dealt in, but a moderate activity centred round particular Rhodesian counters, while copper shares were active on a noteworthy mid-week increase in the price of the metal.

THE COMMODITY MARKETS.

The recent strength of the coal market has been maintained in most districts, and the outlook is *favourable*. Pig iron is quiet, but there is a fairly steady home demand, whilst the steel position is more satisfactory than for some time, Continental competition having practically ceased. Liverpool raw cotton prices have advanced, and this has caused some nervousness in Manchester. There have, however, been fairly steady purchases of piece-goods. Wool prices are now more reasonable, so that more business has been done in tops and yarns, and Bradford is also experiencing the usual seasonal demand for piece-goods. Raw jute is fluctuating according to the weather prospects for the new crop, but yarns and piece-goods, though quiet, are steady. Wheat prices are firm.

FOREIGN EXCHANGES.

Rather more activity was evident in the Foreign Exchange market last week. Measures taken to discourage the holding of dollars in New York by foreign banks, and the anticipation in some quarters of a rise in the Bank rate here caused a recovery of the New York exchange after early weakness; but when it was announced on Thursday that no change had been made, sterling reacted. The rate on Thursday was $4.85\frac{5}{16}$, after touching $4.85\frac{9}{16}$. Montreal rose two points to 4.90. Paris was a shade better at 124.25. After being 92.72, Milan gained 6 points at 92.60 as a result of raising the Bank rate to 7 per cent. The peseta again fluctuated widely, but steadied later and finished at 32.30 after reaching 33.18. Lisbon improved to $108\frac{1}{4}$. Amsterdam was erratic, but practically unchanged on balance at $12.11\frac{7}{8}$, after sinking to $12.12\frac{3}{8}$. Geneva touched $25.24\frac{1}{2}$, but recovered. Stockholm lost a point at 18.20. Of the South American exchanges, Montevideo again lost a little at $50\frac{1}{4}$d. and the premium for 90 days Lima on London fell to $19\frac{1}{2}$ per cent. No change occurred in the Far East, after some hesitation in the yen. The silver market was quiet and prices remained practically unchanged. Hong Kong was unmoved at 2s. $0\frac{1}{8}$d. but Shanghai lost $\frac{1}{4}$d. at $26\frac{1}{4}$d.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—British Foreign and Colonial Corporation, General Electric, Marconi International Marine Communications, Joseph Nathan, Vine Products, B. Morris and Sons, and Walkers, Parker.

TRADE TROUBLES AND REMEDIES.

To an extent rarely, if ever, paralleled in the past, the columns of the daily Press have been occupied this week by summaries of documents dealing, from one angle or another, with the single problem of unemployment. On Monday the Balfour Committee on Industry and Trade concluded its four years' work with the issue of its Final Report*; on Tuesday came an Interim Joint Report on Unemployment from the Melchett-Turner Conference; on Wednesday there was published the promised explanation† of the plans whereby Mr Lloyd George, if returned to power, would implement his recent pledge to reduce unemployment to normal proportions within one year. Taken together, these three publications form an impressive addition to the growing list of theses on a question whose gravity needs little emphasis. Viewed in relation to each other, they provide an interesting indication of the reactions created by the problem on different minds.

The Final Report of Sir Arthur Balfour's Committee, supplemented by the six volumes of Interim Reports previously issued, represents the results not simply of an inquiry into causes of and remedies for unemployment, but of an attempt, backed with the authority of the Government, at a national stock-taking. At the same time, though the Committee's task was to survey and report on "the conditions and prospects of British Industry and Commerce, with special reference to the export trade," the Report points out that the problems of production and trade are but the problems of employment and unemployment viewed from a different angle, and that, in seeking means to ensure "the fullest participation of British trade in the markets of the world and the improvement of the productive capacity and efficiency of British industry," the Committee's "ultimate object" was necessarily "to ensure sufficient and continuous employment," so that the underlying question of increasing the amount of available paid work "runs like a thread" through the whole of their findings.

In diagnosing the causes of the severe under-employment from which the country has suffered consistently for eight years, the Committee has reached conclusions which are, in the main, re-echoed by the Melchett-Turner Conference, and which should command general agreement. The growing tendency towards economic nationalism, the industrialisation of agricultural countries, the impoverishment and loss of purchasing power caused by the war and the collapse of currencies, the increase of tariffs and trade barriers—these and other factors have combined to restrict British trade in overseas markets. In addition, British industry has not yet fully succeeded in adapting itself to the needs of a world economy thus radically altered. In medical terms, we are suffering from an industrial "disfunctioning," whose visible symptoms are to be found in unemployment which threatens to become chronic in the basic industries normally providing occupation for a large proportion of the working population.

It is only when the doctors proceed to recommend treatment for the disease that divergence of opinion begins to appear. The Balfour Report—leaving out of account for the moment its appended Memorandum of Reservations—may be said to represent non-politically the school of economic "sound conservatism." Having recorded its inability to discover a "single sovereign specific for all the difficulties" of British industry (a wholly excusable failure, be it said), the Committee admits that in its seven-volume survey it has done no more than describe facts and make "certain recommendations, some giving rise to practical action, others deprecating forms of action which we believe to be harmful. The net result is a multiplicity of findings, some positive and some negative." It is difficult to summarise such findings or to disentangle from their multiplicity a single central idea. The truth is certainly emphasised that the country can only buy its necessary food and raw materials by exporting British products and services; that the maintenance of a high standard of living is dependent upon the export trade; and that an increase in the export of capital is necessary to stimulate our commodity exports. On the controversial issue of Protection the Committee disagreed, a minority demanding the repeal of the McKenna and "Safeguarding" duties, while the majority considered the results to be "inconclusive," but recommended that a time limit for such duties should be set, with reconsideration of the industry's claims one year before the duty's expiration. In general, however, the salient impression left by the perusal of a great medley of findings is that the majority of the Committee were, above all, reluctant to depart further than could be helped from the principle of *laisser faire*—a reluctance which went far to leading the Committee to an over-complacent view of the situation and prospects. Having stated that "the only real cure for unemployment is the expansion of production and trade," the Report ends, it is true, with a plea for the thorough re-conditioning of British industry, accompanied by the recognition of the fact that this presupposes an active will to reorganise and the power to reorganise, based on adequate means of access to the necessary financial and technical resources. The necessity for drastic processes of financial reconstruction and rationalisation is frankly admitted. On the other hand, "we are profoundly convinced that the first steps . . . must come from the industries themselves. We do not believe that any of our principle basic industries have been so weakened . . . as not to have the power within themselves to take the first measures towards their own regeneration." The functions of the State should be limited to "general economic policy" calculated to "ease the difficulties of the transition."

Given this viewpoint, it is not surprising that the forms of action "deprecated" in the Report should somewhat overshadow the constructive recommendations. Collective purchase of raw materials is considered to offer no advantages; any departure from the gold standard is to be condemned; the financial needs of industry are for the most part adequately met by the banks; long-term credits should be provided by private enterprise, and the Government's export credit scheme should be wound up in 1931. Finally, though the fact is faced that rationalisation "in its early stages may involve an actual increase in the number wholly unemployed," the Report comments discouragingly on the possibility of providing publicly (save within very narrow limits) productive work to occupy those whom reorganisation displaces from employment, but whom "we may be confident that in the long run the industries which have regained their prosperity will be more than able to re-absorb."

The complacency of such a long view as this is small comfort to those who may be faced with several years' unemployment while the transition is taking place, and the inclusion of such minor enthusiasms as warm commendation for fuel research, study of scientific marketing, and joint consultation between employers and employed does not save the Report—for all that much of its caution is wise and its garnered data of high value—from being in sum a rather insipid pronouncement. For proposals of greater constructive vigour, bearing more directly on the immediate needs of the situation, we must turn, not indeed to the Minority Memorandum appended to the Balfour Report (a Memorandum embodying a mere statement *in vacuo* of Labour political doctrine), but to the Melchett-Turner Joint Report, and Mr Lloyd George's pamphlet.

Of these two documents, the first has a special interest in that it embodies the views, not merely of a group of progressive employers, but of representatives of the General Council of the T.U.C. At one with the Balfour Committee in emphasising the need for industrial "rationalisation," the Joint Report recognises that the existing degree of unemployment—apart from the temporary aggravation likely to be caused by "long run" remedies of economy in labour—calls for other measures than mere industrial "self-help." To mitigate the hardship of displacements, it is suggested that, *in so far as circumstances* allow, industries should create Labour reserve funds out of profits to assist displaced workers. The State, however, is allotted a large constructive part to play: "a national programme should be evolved and put into operation without delay" [illegible]

* Cmd. 3282. H.M. Stationery Office. Price 5s. 6d. net.

† "We can Conquer Unemployment." (London) Cassell & Co., Ltd. 6d. net.

order to place " national credit behind trade depression," trade facilities should be reinstituted under more liberal conditions, and export credits further extended; a State development fund should be created to finance " important national schemes "; employment of younger men should be stimulated by encouraging workers over 65 to retire by means of augmented pensions; consideration should be given to the question of raising the school leaving age; funds for assisting emigration should be largely increased and found by loan instead of out of revenue; a Crown Colonies development committee should stimulate the placing of orders for plant in Britain. In addition, apart from relief measures in the mining areas, the Conference urges that work schemes, such as the construction of roads, bridges and harbours, should be further extended.

As an interim statement, this Joint Report shows both courage and imagination on the part of its signatories. The proposals clearly need further elaboration in detail, and, in particular, with regard to " work schemes " and the *rôle* to be assigned to the " State development fund " the Conference—possibly by design—has been guilty of a certain vagueness. This criticism at least can no longer be levelled at Mr Lloyd George. His pamphlet, whose contents we review in greater detail on a later page of this issue, is confined deliberately to an elaboration of an immediate *ad hoc* policy of national development, whose essential feature is the proposition that " in the present stagnation the Government must supply that initiative which will help to set going a great progressive movement." In other words, *pari passu* with reorganisation of individual industries by the joint efforts of employers and employed, and as a condition precedent to the full success of such reorganisation, there must be a mobilisation of employment by the State.

From the largely negative attitude of the Balfour Committee at one end of the scale, to the almost aggressively positive proposals of " We Can Conquer Unemployment " at the other, the quest for a solution of the unemployment problem traverses a wide range of theory, involving highly controversial issues. For our part, we are conscious of the limits which must be set to extensions of the State's sphere of activity in industry. Yet can the community, as such, afford to neglect any method which holds out the promise of alleviating a social evil whose moral and physical effects, unchecked, will be a disastrous heritage for the future? For good or ill, the unemployment question is bound to be the cardinal issue at the General Election. Those who have the country's best interests at heart, and who see obvious dangers in hasty short-cuts to a solution of our industrial troubles, will do well to realise that less is likely to be lost by a certain boldness in attempting to deal with an intractable situation than by a caution which the electorate will condemn as callousness and history assess as lack of statesmanship and vision.

THE INTERNATIONAL OUTLOOK.

For the past ten years two incompatible systems of international relations have been in competition for mastery; and the same statesmen in the same countries have been promoting both systems with even-handed inconsistency. With one hand they have been preparing for perpetual peace, with the other hand for periodical war. This is a situation which has occurred before, on the morrow of great wars in the past; and usually it has ended in an eclipse of the vision of peace as soon as the memory of the last war has had the acute edge of its horror blunted by the passage of years. Thereafter, the system of preparedness for war has usually gained the upper hand until it has duly resulted in war again. History seems to show that, in previous cases, the interval between the end of one great war and the beginning of the next crop of wars has been one of about thirty years. On this analogy, we in our generation are now entering on the decisive middle decade, in which it will become clear whether the Covenant of the League of Nations and the Locarno Agreements and the Kellogg Pact are mere transitory reactions to the Great War of 1914-18, or whether they are what we hope: the firm foundations of a system of universal and enduring peace. At this moment, we cannot tell. We can only see that the inconsistency between the two series of diplomatic activities becomes more glaring. The French and British Governments negotiate the " naval compromise " with one another while they are negotiating the Kellogg Pact with the United States; the Senate at Washington votes the Kellogg Pact and the cruiser Bill in rapid succession. This simultaneous construction of the peace system and the war system cannot go on indefinitely—sooner or later one of them is bound to oust the other and take the whole field for itself. Ten years hence we shall know which is going to prevail; but we are still in the dark to-day. We simply have the feeling that the wheel has reached a dead point, from which a comparatively small impulsion might suffice to set it moving either forward or backward.

This international situation lends exceptional interest to those changes of *régime* in a number of leading countries which either have just occurred or may possibly occur in the near future. In the United States, President Coolidge has just been succeeded by President Hoover; in Great Britain, a general election is to take place less than three months hence; in France, Monsieur Poincaré may succumb to the parties of the left; in Germany, Herr Stresemann is threatened by the parties of the right. In these changes, or possible changes, there is certainly sufficient potential energy to set the wheel of international affairs moving decisively towards peace or towards war during this fateful decade on which we are entering now. In some or all of these four great countries, will new men bring new measures? If we cannot answer that question at present, we can at any rate foresee what the main international issues confronting the American, British, French and German Governments are going to be in the immediate future.

President Hoover has already stated the main international issue which confronts his Administration in a passage in his inaugural address, which we quoted last week. He has to bring into being the practical arrangements which are necessary in order to make the Kellogg Pact workable as far as the United States is concerned. For it is evident that a pledge to renounce the use of war as an instrument of national policy cannot be left in the air. National policy will remain a living force so long as there is a national organisation and a national consciousness; and when the old, disastrous instrument for giving effect to it has been renounced, new instruments of a different nature will have to be found if the pledge is to be carried out. Mr Hoover himself has expressed it, the " full realisation " of the Kellogg Pact " implies a greater and greater perfection in the instrumentalities for the pacific settlement of controversies between the nations." The new Administration has lost no time in making a fresh attempt to negotiate the adhesion of the United States to the statute of the Permanent International Court; and it may be expected to be active in extending the network of arbitration and conciliation treaties between the United States and other countries individually—a line of approach towards permanent peace in which the State Department at Washington has always been in the van. These are the obvious positive measures for the United States to take now, and Mr Hoover is likely to push them forward with energy and vision. In this field there is much for American statesmanship to do, since the United States is not a party to those already existing arrangements for implementing the Kellogg Pact which are provided in the League Covenant. But perhaps the most difficult problem which Mr Hoover will have to solve is presented by this very fact that the League of Nations is the organ through which the Kellogg Pact will be implemented by the majority of the States which have become parties to it; for though the United States is not a member of the League, the League machinery cannot be employed effectively for the implementation of the Kellogg Pact unless the United States refrains from placing obstacles in the way of it. The problem for American diplomacy during Mr Hoover's Administration will be to find some way of assuring League members a free hand for implementing the Kellogg Pact through the League machinery without committing the United States to active obligations towards the League which might be construed as a first instalment of membership.

The New York Trust Company

Capital, Surplus & Undivided Profits - $35,000,000

COMPLETE INTERNATIONAL
BANKING FACILITIES

100 Broadway New York City

In concrete terms, this means the achievement of an understanding between the United States and Great Britain regarding the rules of international police operations at sea in a public war—that is, in a war waged in order to put restraint upon a party to the Kellogg Pact which has broken its pledge. It is to be hoped, of course, that a would-be pledge-breaker may be restrained from crossing the Rubicon by the pacific use of organised international pressure through the channels of diplomacy and public opinion. If, however, a State does actually resort to war as an instrument of national policy in violation of its word, it is essential that it should be prevented from using the instrument successfully for this unlawful end; and prevention might require the waging of a public war against the private war-maker as an instrument of international police. If the private war-maker were a member of the League, the duty of waging the public war would devolve upon other League members, including Great Britain; but the use of British sea-power in these circumstances presupposes a previous agreement between Great Britain and the principal party to the Kellogg Pact which is not also a member of the League; that is, the United States.

This brings us face to face with the main international issue which will confront whatever Ministry the General Election brings into office in this country. To what use, in future, are we going to put the British Navy? For two centuries before we became parties to the League Covenant and to the Kellogg Pact, the British Navy was used for making private war an instrument of British national policy, and during those centuries it was the most effective national weapon in the world. In pledging ourselves to a system of organised permanent international peace, have we clearly and definitively accepted the implication that henceforth the British Navy must be used only for the larger purpose of making public war an instrument of international police? Until we can honestly say to ourselves and make it evident to others that we have changed our naval policy in this way, there can be no Anglo-American understanding, and, therefore, no comprehensive arrangements for implementing the Kellogg Pact. The change of policy which is required of us is very great, and very difficult to make, because it means departure from a tradition which has been consecrated by sentiment and success. Yet unless we make it, and make it without mental reservations, we shall jeopardise the existence of the British Empire as well as the peace of the world. There, indeed, is an international issue large enough to occupy the next British Government's mind.

In France, Monsieur Poincaré's successors will have to face a somewhat similar issue in the matter of armaments on land. During the past ten years France, on the basis of the four European peace-treaties, has built up for herself a system of national security based on the command of superior military force. She has kept her late Continental adversaries more or less isolated while she has surrounded herself with Continental allies. She has kept her late adversaries disarmed, while she has armed herself and her allies as no nations have ever been armed before. Yet, under the conditions of the modern world, such security is as precarious as it is momentarily effective. For in the modern world, *la guerre* (the French themselves first said it) has become *la guerre totale*—the mobilisation of the sum total of the belligerent people's energies and resources; and in this same modern world, with the increasing pace of scientific invention, there is no longer any stable military currency in which energies and resources can be invested. Invest in " man-power " and in heavy artillery to-day, and to-morrow you will find that their military value has been depreciated to vanishing point by poison gas and aircraft; invest in aircraft, and you may conceivably find it depreciated to an equal degree by the unsuspected inventions that the day after to-morrow will bring forth. Under modern conditions the only security in which national energies and resources can be invested without the certainty of immediate depreciation is the organisation of permanent peace. The task of Monsieur Poincaré's successors will be to " convert " their present national investment from war-security to peace-security before their existing war-stock loses its value.

As for Herr Stresemann's possible successors in Germany, we hope that he will have none; for, in the international situation which we have rapidly reviewed, the policy of patience is the policy in which Germany ought to persevere; and there is no German statesman so capable as Herr Stresemann himself of carrying that policy through, with a stout heart, in the reasonable hope that the long frost may end at last in a thaw.

BUDGET PROSPECTS.

There seemed a while ago to be two reasons why this year's Budget should be looked forward to with more than usual interest by the country as a whole. The taxpayer had allowed himself to argue that a Government on the eve of an appeal to the country would strain every nerve to produce a popular Budget; while the student of politics had felt that Mr Churchill was *not* the man to lose what may be his last chance for the time being of stamping his name upon the financial history of the country. But as Budget day draws nearer it is seen more and more clearly that hard financial circumstances are such as to make it very difficult for the Chancellor to do anything that will be either very popular or very dramatic.

Although there is scarcely a fortnight to go before the end of the financial year, surprises are still possible, and forecasts of the outcome of the present year's accounts, as of next year's proposals, cannot be more than tentative. But at least it is possible to survey such information as is available, and to form some opinion as to what it will be practicable for the Chancellor to do. We cannot tell which way the cat is going to jump, but we can guess what sort of take-off it will have.

Let us glance first at the state of the national ordinary accounts at March 9th last, and compare the position with that recorded at the corresponding time last year.

EXCHEQUER RECEIPTS AND EXPENDITURE.

	Apr. 1, 1927, to Mar. 10, 1928.	Apr. 1, 1927, to Mar. 31, 1928.	Apr. 1, 1928, to Mar. 9, 1929.	Revised Estimates, 1928–29.
	£	£	£	£
I. *Receipts:*				
Inland Revenue	369,285,000	418,083,000	349,475,000	396,250,000
Customs and Excise	234,733,000	257,880,000	238,062,000	261,405,000
Other ordinary revenue	90,494,795	97,455,000	87,328,216	95,248,000
Total ordinary revenue	694,512,795	773,418,000	674,865,216	752,903,000
II. *Expenditure:*				
Interest and Management of National Debt	308,873,283	313,816,000	307,453,317	304,000,000
Total ordinary expenditure	653,146,341	697,119,000	641,044,807	678,952,000
III. *Self-Balancing Items:*				
Post Office	52,050,000	56,800,000	52,200,000	57,314,000
Road Fund	19,212,015	19,666,000	21,130,933	21,300,000

It will be seen that up to March 9th roughly £675 million had come into the Exchequer from ordinary revenue; to this we must add a day's revenue, £2 million odd, to make the periods exactly comparable, and subtract £13 million, the proceeds of realising the currency note reserve, which is the chief item under the head "special receipts." Then, raising this figure in the proportion of 773 to 695, we see that on the basis of last year's events the Chancellor can reasonably expect an ordinary income of £739, plus the £13 million already referred to, which is only £1 million short of his revised estimate of £753 million. Treating expenditure in the same way, we can forecast an outgo on ordinary account of £684 million, which exceeds estimates by £5 million. To the foregoing expenditure we must add sinking fund payments, for which the Budget provided £65 million, on account of which only £52 million have been paid up to date, as compared with £63 million a year ago. Some allowance must be made for the increased yield of taxes which has been shown in the last few weeks, but it would be unwise to put it at more than £3 million, so that if Mr Churchill keeps his Budget promise with regard to sinking fund we can expect, on the whole, a deficiency on revised estimates which may be as high as £3 million, arising chiefly from over-assessment of the yield of income and super taxes, and from considerable under-estimation of the cost of national debt service.

Mr Churchill budgeted for a surplus of £14½ million, which was reduced by over £3 million through concessions made during the passage of the Finance Bill, and by £2½ million of supplementary estimates already included in the quoted estimate of £679 million. On this basis of calculation, it will be further reduced to £6½ million. No peculiar sources of income other than those already allowed for are apparent, although there is always the bare possibility of some minor windfall. To this surplus must be added the £4 million brought forward from 1927-28. The following are the estimates already issued:—

	1928-29	1929-300
Army	41,050,000	40,545,000
Navy	57,300,000	55,865,000
Air Force	16,250,000	16,200,000
Civil, Revenue and Post Office (gross)	292,894,863	308,563,759
	407,494,863	421,173,759

Mr Churchill has therefore to provide, for supply services, £13,678,896 more than he budgeted for in 1928. De-rating, of course, is responsible for most of the increase.

The Chancellor has already stated, in his Budget speech of last year, his intention of applying £355 million to national debt service, that amount being £14 million less than was provided for the current year, but there is no expectation of any large change in the remaining Consolidated Fund vote. The apparent result is a small reduction of expenditure, but as the total includes the gross Post Office estimate, the increase of £796,000 in which can be ascribed to the natural growth of the service and is therefore self-balancing, the net result is a diminution of expenditure by over a million pounds. On the basis of present taxation yield as estimated above this should produce a surplus of between £9,500,000 and £10,000,000. Mr Churchill will also have an accumulated surplus of some £11 million, but on the other hand he can count on no such windfall as the £13.2 million which he received this year from the currency notes reserve, and there are Supplementary Estimates to be thought of. Next year, moreover, the cost of de-rating will be approximately doubled, and £8 million with which to face a prospective charge of £30 million is scarcely the great "mass of manœuvre" which Mr Churchill promised to mobilise to carry out his schemes. Yet so soon before a General Election he must think twice about any augmentation of the tax burden. The circumstances are such, indeed, that one may almost pardon the cynic who suggests that Mr Churchill may ride for a fall, relying either on a return to power or on leaving an uncomfortable legacy to his successor.

Two things may be guessed from Mr Churchill's recent pronouncements: that he cannot reduce, though he may attempt to reform, the present taxes on motor vehicles or the petrol duty, and that he is relying on an appreciable increase in the yield of the present staple taxes. In this expectation he is probably not far wrong, since the prospects of trade have improved and he may find it possible to forecast more than the usual rise in receipts from certain imports. The influenza epidemic may have caused a considerably augmented yield of death and estate duties. On the other hand, the dislocation of a General Election diminishes the earning power of the country.

On balance of all considerations one may expect Mr Churchill somehow to elude the necessity for increasing taxation. But is it possible that he can find means to effect a reduction? Sixpence off income tax means over £24 million to the Exchequer, which is more than can possibly be spared, so that we can rule that out of the question. Incidentally, relief in direct taxation in these days is not by any means necessarily an asset at a General Election. The same also applies, probably, to motor vehicle duties and petrol tax, though a few concessions costing a million or so might be valuable to the Government. A penny off the petrol duty would reduce the yield by about £3,500,000. It is among the food, drink and tobacco duties that a Chancellor seeking a popular budget is wont to gambol. Twopence off tea would cost between £2,500,000 and £3,000,000, a halfpenny off sugar about the same, a halfpenny an ounce off tobacco about £4 million. It is possible that Mr Churchill, with an eye to the hustings, may elect any one of these remissions. A halfpenny a pint off beer, costing £10 million, would be altogether too expensive, and a poor bait to the women's vote. The Betting Duty has been the most disappointing in yield of any of our taxes, and while Mr Churchill is unlikely to retrace his steps, he is likely to reform the provision under which the duty is levied. He will be bound to insert in the Finance Act clauses to upset the recent judicial decision in the House of Lords to the effect that totalisators are not liable to betting duty, and it is possible that he may face the problem of the street bookmaker. We need not expect humbug from Mr Churchill, and no party is anxious visibly to court the aid of the bookmaking fraternity.

It seems, then, a reasonable deduction that no big changes will be found when the Budget is opened. We are not inclined to envy Mr Churchill his dual task of satisfying the electorate and of providing full and sufficient finance for the far-reaching de-rating measure, which has so substantially mortgaged his future revenue. His ingenuity will be tested to the uttermost; but let us not forget that it has come successfully through even more severe tests in the past.

THE WORK OF THE LEAGUE COUNCIL.

(BY A GENEVA CORRESPONDENT.)

THE main business of the League of Nations Council which has just concluded was, of course, the general debate on minorities. The report of the Committee of Three Members of the Council, including Sir Austen Chamberlain, will be awaited with close interest, and the crucial discussion will take place when their report is ready, presumably for the next Council meeting in June, which is to take place in Madrid. Meanwhile it is fair to say that there has been a considerable amount of exaggeration regarding the so-called negligence of the Council in this matter, and, while the debate showed perhaps a tendency to throw more weight on the obligations of the minorities towards the States than on the obligations of the States towards the minorities, it would be idle to pretend, after following for some years the continuous stream of cases dealt with by the Council and the controversies which they have involved, that there is any clear ground for the frequent assumption that all the faults, or indeed that more than 50 per cent. of the faults, are on the side of the States, still less on the side of the League. The linking up of the minorities question—as Dr Stresemann did, though with considerable tact—with Article 19 of the Covenant, which deals vaguely with the possible revision of inapplicable treaties, certainly does not indicate on the part of the minorities a very firm determination to throw themselves into the lives of the States to which they are attached. It looks more like a form of more or less concealed irridentism. It is equally true to say that the minorities are too often made the sport of political interests between Governments, and it is doubtful whether a cautious variation of League procedure—which is the most that can be expected—will make any substantial difference, unless the two parties directly concerned—that is to say, the States and the minorities within their borders—change the whole spirit in which they approach the problem.

Another subject of general importance and interest was the resolution adopted on the proposal of Sir Austen Chamberlain concerned the note, addressed by the United States Government to the signatories of the Statute of the Permanent Court of International Justice and also to the League, relating to America's membership of the Court. In this note the American Government suggested that a further informal exchange of views ought to lead to an agreement satisfactory to all parties, and the Council decided to request the Committee of Jurists, now in session for the purpose of considering any possible amendment to the Court statute, to consider the present situation with regard to the accession of the United States and to make any suggestions for facilitating such accession. This Committee includes Mr Elihu Root, the famous American jurist, who was on the committee which drew up the original statute of the Court, and the main point at issue is to find some formula which will meet the American attitude with regard to advisory opinions of the Court.

The American Government originally laid down as one of its reservations that the Court should give no advisory opinion on any questions upon which the United States had or claimed an interest without America's consent. This was the stumbling block at the conference of States signatory to the Court statute, and it is on this point that America now suggests that some other satisfactory formula might be found. It is, therefore, within the competence of the Committee now sitting to discover and recommend a formula which will permit of America joining the Court. It is a matter of general agreement that America should be put in no inferior position by reason of her non-membership of the League, but it is also equally important that America should not be given a privileged position, more especially as the power of the Council (or Assembly) to ask for advisory opinions is one of the elements of increasing value in the settlement of international disputes. The Committee of Jurists is expected to find a solution, and this optimism is based on the fact that Mr Root is a member of it. He has already put forward a practical plan. Every individual member of the Council associated himself with the hopes expressed by Sir Austen Chamberlain that a successful solution would be found, and it was decided to send the minutes of the discussion to the United States Government.

As usual, the Council considered the work done by the League through its various committees, and took a considerable number of decisions. One of the more important of these related to a report from the Financial Committee on financial assistance for States victims of aggression. It takes the form of a draft convention, upon which the Committee has been at work for nearly three years. Its object is to provide machinery by which the Council of the League may authorise financial assistance to members involved in war or threat of war; the aim is to aid a member in favour of whom the League has decided to enforce the convention, to reinforce its credit by the guarantee of all other members. The convention contemplates that a loan would be obtained in the ordinary way in the money market, and that the Government concerned should itself contract such a loan on the general security of its revenues. It would be helped in so doing by the moral and material support of an international guarantee provided by the other signatories of the convention. This guarantee would cover the full service of the loan. The advantage to the guaranteed Government would be the moral support of the League and the consequent classification of the loan as one issued under the auspices of the League; the market value of a guarantee at a moment when the borrower's credit was weak; the signatories' promise of access to their markets, etc. The guarantors would only become liable in the contingency that the borrowing Government itself was unable to meet its loan charges.

In order to limit this contingent liability the guarantors are protected by a maximum limit on the total annual service guaranteed; a limit of the maximum annual liability; the primary responsibility of the borrowing Government; the provision for a reserve, and the requirement of a unanimous decision of the Council before a guarantee is given in any individual case. The draft convention is to be submitted to all States Members of the League in preparation for the examination by the Assembly at its next session. The plan goes far beyond the limits of a purely financial technical question, as it offers guarantees for security, increases considerably the choice of measures open to the Council in times of crisis, and is an additional deterrent to any country meditating attack on another. Sir Austen Chamberlain gave support to the general principle, and went out of his way to draw attention to the fact that the British Government was one of the first to do so when the proposal was initiated several years ago by Finland. Clearly, one of the essential requirements for the successful adoption of such a scheme is the co-operation of the greatest possible number of countries.

The Council decided to forward to all States, recommending them to their attention, the conclusions of the Economic Committee on the most-favoured-nation treatment in Customs matters. Numerous decisions were taken on Mandates, Health and other subjects, and from many aspects the March Council meeting has been useful and important.

LINEN AND FLAX.

(BY AN IRISH CORRESPONDENT.)

The continuance of depression in the linen industry of Northern Ireland has given rise to a demand for "Safeguarding," which has recently been sponsored by the Northern Ireland Premier. In the following article an Irish correspondent shows the extent to which the recent troubles of the industry have been due to the high price of flax—a condition which a linen import duty could not alleviate.

As regards the supply of flax, it is undoubted that the linen industry has been adversely affected by the high prices which have been ruling during the past year. The predominant factor in connection with the recent rise in the price of flax has been the reduction in the supply from Russia and the Russian Secession States. The following table gives the quantity, value and average price per ton of flax imported into the United Kingdom during the past three years, and shows a decline of

practically 50 per cent. in the 1928 supply of flax from the Baltic States as compared with 1926:—

Country.	1926.			1927.			1928.		
	Quantity.	Value.	Av. price per ton.	Quantity.	Value.	Av. price per ton.	Quantity.	Value.	Av. price per ton.
From:	Tons.	£	£	Tons.	£	£	Tons.	£	£
Russia ...	1,779	129,700	72·9	799	58,738	73·5	679	63,320	93·3
Estonia ...	5,091	343,062	67·4	3,044	233,344	76·7	1,930	177,827	92·1
Latvia ...	16,526	1,084,841	65·6	12,729	827,511	65·0	9,303	854,038	91·8
Netherlands ...	1,886	166,291	88·2	2,432	199,494	82·0	1,654	181,800	109·9
Belgium...	10,817	1,415,057	130·8	16,397	1,501,026	91·5	12,303	1,346,975	109·5
Other Countries	2,802	194,659	69·5	4,705	367,972	78·2	3,201	274,909	85·9
Total ...	38,901	3,333,610	85·7	40,106	3,188,085	79·5	29,070	2,898,869	99·7

There was also a decrease from 7,599 tons in 1927 to 4,319 tons in 1928 in the imports of flax tow or cordilla into the United Kingdom.

This reduction in imports of flax from abroad came at a time when Irish supplies of flax were exceptionally low. The Northern Ireland flax crop in 1927 amounted to less than five thousand tons, and, with the exception of the years 1921 and 1922, was the smallest on record. Prices rose to over 16s. per stone—fully 100 per cent. above the pre-war level—and, as a consequence, there was in 1928 an increase from 26,334 acres to 37,248 acres in the area under flax. It may be doubted whether this area will be maintained in 1929, despite the growing demand on the part of the linen industry that an increased area of flax should be sown in Ireland. Although there has been an appreciable decline in acreage since before the war—the area under flax in Ireland in the years 1909-13 averaged 55,014 acres, as compared with 43,322 acres in 1924-28—it appears that the proportion of Irish flax to the total flax supply of the linen industry is almost the same as in pre-war years.*

Years.	Total net supply of flax.†	Irish production.	Irish production as % of total.
1912–13	55,408 tons	13,945 tons	25·2 per cent.
1926–27	27,527 ,,	6,575 ,,	23·9 ,,

† Including imported flax tow or cordilla.

Prices for the 1928 flax crop in Northern Ireland have been substantially lower than those realised for the 1927 crop. The average price for the last quarter of 1928 was 11s. 4½d. per stone, as compared with 15s. 1d. per stone in the corresponding period of 1927. At the same time, the 1928 price was still 49 per cent. above the 1911-13 average, and flax shows a higher percentage increase above the pre-war average than any other crop sold off Ulster farms. The extremely wide fluctuations in the price of flax which have been experienced during recent years have, however, interfered with any considerable extension of the area under this crop. The following table shows the average price of flax in the last quarter of each of the past five years:—

Last Quarter of	1924.	1925.	1926.	1927.	1928.
Average price of flax per stone	19/8½	11/4½	8/3	15/1	11/4½

The period of the year at which the price obtained for the previous year's crop is likely to exercise the greatest influence upon farmers in determining the area they will sow in the coming season is during March and April, yet in each of the past eight years—with the exceptions of 1924 and 1927—the price has tended to fall in these months.

As producer of approximately only one-quarter of the flax used in the Irish linen industry, the Irish farmer finds that the price he obtains for his flax is determined by the price at which Continental flax can be obtained by the spinners. He may even discover—as was his experience earlier this winter—that Russian flax is quoted at a higher level than Irish flax, although admittedly Irish flax is of superior quality to Russian. Until some of the speculative features of flax growing in Ireland have been removed a permanent extension of the area devoted to this crop can hardly be looked for.

The question of the provision of an adequate supply of flax seed of high quality is a further problem confronting the industry. At present the bulk of the flax seed sown in Ireland is obtained from Holland or from the Baltic. A considerable amount of research work has been done in an effort to propagate new and higher-yielding strains of flax seed. An improved variety known as "J.W.S." seed has been in existence for a number of years, but up to the present only a small supply of bulk seed has been made available for distribution to farmers, largely owing to the difficulty of saving flax seed in this country. Arrangements have recently been made, however, for the propagation of this seed in Canada, and the Empire Marketing Board has given a grant for this purpose. It is hoped that an adequate supply of "J.W.S." seed will soon be available for distribution to farmers in Ireland, and that a substantial increase in the yield of flax will be obtained. During recent years yields of flax have shown a tendency to fall. To some extent this decline in yields has doubtless been due to the intervention of the war years, when difficulty was experienced in obtaining supplies of reliable seed, but it appears undoubted that one of the most promising ways of increasing the supply of Irish flax is by means of an increase in the yield per acre.

* Based on figures given in the 59th Report of the Flax Supply Association.

GROUP PENSION SCHEMES.

(BY A CORRESPONDENT.)

THE social conscience of every first-class country to-day is fully committed to the idea of pensions or retirement allowances of some kind for all industrial workers who have attained the normal age for superannuation, generally placed at 65. There has been a good deal of experimentation and grouping in attempts to find the best means of accomplishing so desirable an object, and a good deal of financial loss and distress has accompanied the various plans tried by many employers, mutual benefit associations, and other groups before the particular plan upon which in many cases reliance had been placed was found to be unsound.

In Great Britain the pension movement applied to industry was very early adopted, and, in the main, it has worked well so far as the restricted class to which it applies is concerned, but until recently it has seldom been granted to all workers in an industrial enterprise extending from the well-paid managerial staff to the ordinary common labourer. It has been left to the State to supply the means of livelihood in old age for those who have spent their lives in industry, and whose income has never been sufficient to allow them to accumulate even the barest competence.

Meanwhile, as has happened in the case of life assurance, problems have arisen across the Atlantic which have, in the opinion of a great many employers, made it imperative that a more scientific plan for old-age pensions should be worked out. Such plans as had been in effect in the United States and Canada were largely modelled on older English plans, but a few years' experience made it clear that such plans, to be sound and capable of extension to workers of every grade, must be radically revised. This led to studies which have ushered in a new and broader conception of the *rôle* which service pensions should play in industry, and this new conception, with suitable adaptations, is to-day making great strides in the more progressive industries of this country.

It may be said with the utmost assurance that a pension plan, to fulfil the social, economic and industrial purposes for which it is created and to react to the complete satisfaction of both employer and worker, must have one quality and should have another: It must be contractual, and it should be contributory. If all the study which has been given to pension plans had disclosed nothing beyond these two points it would still have been worth while.

Until recently, practically every pension plan in the country has contained these or similar words: "The right is reserved to alter, amend or wholly to withdraw the plan," usually without notice and whenever the judgment of the board find such action necessary. Boards have rightly hesitated to take action which would bind their successors in far distant years with liabilities of incalculable amount. To get away from this liability, and, at the same time, institute a pension plan that would enjoy the workers' confidence, it was obviously necessary that the contract should be made, not between employer and worker, but between employer and some institution whose business it is to make such contracts, in other words, a life assurance company. It is still possible to "alter, amend or withdraw" such plans even when made by a life assurance company, if such action seems advisable, but with the vital difference that such withdrawal does not affect the pension benefits which have already been provided.

Experience has shown that such contractual pensions, if they are to realise all that is hoped from them by employers and by the more intelligent workers who are able to appreciate their benefits, should also be contributory. Something for nothing is seldom properly valued. And, from the larger point of view, while there is an implied obligation on employers in this age to assist their workers towards a means of existence when their active working days are over, there is a greater obligation on the worker to do something for his own old age, and the group pension, as the system is called, provides an unsurpassed means by which the contributions of both may be conserved and mobilised to accomplish the desired end.

The contributory pension has another advantage, and in this respect it typifies, in the opinion of many students of old-age problems, the greatest advance that has been made. The old difficulty in pension plans, even where they were solvent and were paid for, was that workers had to remain practically all their lives in the service of one enterprise to receive the pension. This is not a desirable situation. A worker may often benefit himself, his industry and the nation by a wise change of employers. What has been needed is some means by which such a worker could accumulate pension benefits and not lose them by making such a change. This has been accomplished, to an admirable extent, in the contractual contributory, group pension plan.

Group pensions are really the extension of the group assurance idea to a retirement system. They are annuities written on a mass scale, and such plans should be so written that the worker's rights should be non-forfeitable to the extent, at least, that he should never lose any benefit from contributions out of his wages by reason of changing or losing his employment. In all probability the principle will in time be adopted of making the worker an outright annual gift of the deferred annuity purchased by his own contribution for the year and that of his employer. In some of the plans so far instituted the worker is given the employer's contribution after three years' service. In England a method viewed with favour is to give the pension purchased by the employer's contribution on a 15-year basis, that is, an employee leaving after two years' operation of the plan would be given two-fifteenths of the cash value of the employer's contributions, and so on. In many other plans, of course, the employee only receives back his own contributions unless he remains in the service until the actual pension age, almost invariably 65, is reached.

Where an employee leaves his employment it should be provided that he should have the following options: (a) The right to a return of the sum of his contributions, with or without interest. (b) The right to continue as a contributor—his then past employer's contributions, of course, ceasing. (c) The right to a paid-up annuity, to begin upon his reaching the age for retirement, based upon the amount of his contributions to date, without further contributions.

In the event of a contributing employee's death it should be provided (a) if his annuity has not been begun, then the sum of his contributions should be paid to his beneficiaries, with or without interest, or (b) if his annuity has begun, then the sum of his contributions, less the amount already paid to him, should be paid to his beneficiaries either with or without interest.

In Great Britain many employers have hesitated to investigate the subject of group pensions because of a feeling that a plan which promises so much must of necessity be costly. Many have feared that the cost of pensions in respect of past service of older employees would make the cost of a group pension scheme prohibitive. Happily this is not the case, because means for funding the past service pensions have been worked out in such a manner that the total load has been considered by many British employers and institutions to be well worth the price.

Practically all the group pension plans so far instituted in this country have combined group assurance and group pensions, and experts consider this the ideal method. Workers, especially at the younger ages, appreciate the assurance more than a pension, which to them appears too far off to matter. It may be said in broad terms that under such a plan the large assurance is usually equal to one year's earnings of the worker.

A system of group pensions combined with group assurance will cost the employer between 2½ and 3 per cent. of his pay-roll, including substantial pensions in respect of past service of his workers. To the employee the cost will be the same. This means that for a contribution of not more than 3 per cent. of earnings the employee gets life assurance amounting to his earnings for one year, plus a retirement pension amounting to 1 per cent. of his year's earnings multipled by his years of service. Thus a worker retiring after 40 years' service secures a pension of 40 per cent. of his average annual earnings. Such a scheme is adaptable to cover all employees in the average manufacturing or trading enterprise. In many instances it will be found desirable and at the same time economic to provide a larger pension for the salaried staff. Many schemes applying to salaried staff provide pensions equal to 2 per cent. of salary

National Bank of Commerce
in New York

Chairman of the Board
JAMES S. ALEXANDER

President
STEVENSON E. WARD

Capital Paid up $25,000,000
Surplus $40,000,000
Undivided Profits $5,000,000

The National Bank of Commerce in New York places complete banking services at the disposal of its customers throughout the world, bringing them into contact with all phases of commerce and industry in the United States.

LONDON REPRESENTATIVE
2 and 3, Crosby Square
Bishopsgate, E. C. 3

NATIONAL BANK OF COMMERCE 1929 IN NEW YORK

multiplied by number of years of service, thus giving the retired employee a pension more in accord with the requirements of the scale of living to which he has been accustomed. For instance, an employee retiring with 40 years of service would receive a pension of 80 per cent. of average salary, 35 years' of service would provide a 70 per cent. pension, 30 years 60 per cent., and so on. On a 2 per cent. plan the usual employee's cost is 5 per cent. of salary, and the cost to the employer, including substantial pensions in respect of past service, will approximate from 4½ to 5½ per cent. of the pay-roll.

It is recognised that the cost of a pension plan must not exceed its value judged from the standpoint of keeping an organisation efficient by the retiring of its superannuated workers and making room for younger and more efficient men and women. Industry to-day is paying many hidden pensions. Hundreds of old workers are retained whose retirement would greatly increase the efficiency of the organisations on which they are now a drag. A well-conceived and properly drawn pension plan is clearly the best cure for this evil.

Notes of the Week.

Mr Lloyd George's Pledge.—The pamphlet, to which reference is made in a leading article, issued by Mr Lloyd George in amplification of his pledge that, if returned to power, he would reduce the "figures of the workless in the course of a single year to normal proportions" without adding "one penny to national or local taxation," is an unusual and to the economic student a somewhat embarrassing "cross" between an expert report and an electioneering leaflet. We rise from its perusal feeling that there is little to add to the comments which we made last week on Mr Lloyd George's speech. A bold attack on unemployment is overdue. The fundamental conception that it is better to employ the workless in building reproductive assets for the nation rather than maintain them in impoverished idleness is sound. To what extent can the conception be translated into reality? The pamphlet sets out, with great precision, the estimated number of unemployed workers who could be absorbed by schemes of work, as follows:—

	Within the First Year from the Scheme's start.	Within the Second Year from the Scheme's start.
Roads and Bridges	350,000	375,000
Housing	60,000	60,000
Telephone Development	60,000	60,000
Electrical Development	62,000	62,000
Land Drainage	30,000	30,000
London Passenger Transport	24,000	24,000

It is proposed in two years to spend £145 million on road improvements, the necessary capital to be raised by a road loan secured upon the increasing income of the Road Fund, which would provide interest and amortisation. For the acceleration of housing, capital would be raised as hitherto by local authorities. On telephone development an additional expenditure of £30 million in two years is recommended, on electrical development £24 million, and on London Tube schemes £17 million. For these three forms of development capital would be raised in the ordinary way of business with the assistance, possibly, of reduced interest at the State's expense. Land drainage would be a net additional cost to the Exchequer, but against that must be set the estimated saving of £30 millions a year to the Unemployment Insurance Fund, plus a large increase in ordinary tax receipts as the result of improved industrial activity. Baldly stated, this is Mr. Lloyd George's plan, which deserves careful study unbiassed by political prejudices. If we are not yet wholly convinced of its practicability, it is because we still doubt gravely whether its author has not transcended the limits, both in extent and speed, of what can be attained. We should like, for example, a more exhaustive explanation of how the difficulties of willingness, capability, and accommodation involved in mobilising an army of road workers are to be overcome so speedily, how demand for telephones is to be equated with the artificially enlarged supply, and, in general, whether so sweeping an acceleration of expenditure will not lead to awkward repercussions on prices. Above all, ready though we are to concede that the present situation calls for a concerted policy of treatment on the part of Government, we should be glad of further assurance that the medicine will, as Mr Lloyd George hopes, continue to act after the first stimulus is over. To predict that, by concentrating in two years expenditure which would otherwise be spread over twenty, the nation can be guaranteed a "snowball" prosperity thereafter, involves large and questionable assumptions, even if in the meantime industry as a whole sets its house in good "rationalised" order. On all these questions we hope more light will be thrown before election day.

The Eight Hours' Convention.—Sir Arthur Steel-Maitland's defence at Geneva of the British Government's policy with regard to the Washington Convention on Hours of Labour, answered some questions only to raise fresh points of mystification. He explained that Britain's demand for a revision of the Convention was actuated by a sense of the dangers of ambiguity in international law. The Convention lacked clarity in many respects. What, he asked, was the proper interpretation of "hours of work," of "a week," and of "intermittent work"? What were the limits of overtime as applied to railways and of "exceptional cases" in their application to such trades as building. The London Conference of Ministers of Labour had, it was true, reached a measure of agreement on these difficulties, but a fresh obstacle to British ratification had arisen through the fact that the Law Officers of the Crown had given an opinion that the London Conference interpretations were inconsistent with those which a British Court of Law would place on the Convention. Moreover, assuming the correctness of the Law Officers' opinion, if the Convention were ratified without revision, not only would Great Britain be prejudiced by laxer interpretation of its provisions in other ratifying countries, but a number of our industrial agreements, e.g., those based on a 5-day, 47-hour, week, would have to be abrogated. Thus stated, the case for clarifying and, indeed, strengthening the Convention is weighty, but it is deplorable that the British Government should have taken over nine years to make up their mind, in Sir Arthur Steel-Maitland's words, to "put all their cards on the table." Why, it may be asked, was the urgent need of revision not mooted till a year ago, and then only in vague terms? For what reason had another year to elapse before the points in respect to which revision is judged necessary were explained with any sort of precision? The meeting of the Governing Body of the International Labour Office has ended, after two days of fruitless debate, with the British proposal neither rejected nor accepted, and with little prospect that anything definite will be done until the Convention comes up automatically for revision next October. If the British Government cannot but be suspected abroad of having followed a policy of calculated vacillation and evasion in a matter in which every British interest demanded energy and resolution in furthering international standardisation, they have only themselves to thank.

The Proposed Reparations Bank.—The communiqué issued by the Committee of Experts, setting forth a suggested "Plan of a Bank for International Payments," is clearly more than a *ballon d'essai*, and the Committee is equally clearly at work on a project of the greatest public significance. But the communiqué itself is in many respects so vague that considered judgment of the scheme under discussion must be suspended until a great many gaps in our present knowledge of it have been filled in. Since the ambiguities of the statement of necessity lend themselves to a variety of interpretation, we hope that the Committee will at the earliest possible stage enlighten the public as to essential features of the scheme. Foremost and in particular the world will look for elucidation of the proposal which would appear to aim at linking up the great issues of the day in the sphere of international finance, the reparations problem, and the central bank and gold problems, by creating a new institution whose concern they will be. Here the field of conjecture is enormous, and, pending a further statement by the experts, the puzzles are not a few. In other respects, too, judgment must, in the present stage, be tentative. To some extent, apparently, the proposed institution would merely replace existing agencies, such as the office of the Agent-General, and, we presume, the Transfer Committee; but the scheme goes very much further than this, proposing as it does, to confer on the new institution the financing of reparations in kind, the co-ordinating rôle in the marketing of German Reparations Bonds and the receipt from existing central banks of "both clearing and investment deposits," if that is considered desirable. We take it that each of the central banks of the creditor countries, as well as the Reichsbank, would place a certain volume of gold and of foreign exchange at the disposal of the new institution, thus creating deposits which could be utilised for the purpose of financing deliveries in kind. Thus, presumably, the accounts of the various banks would fluctuate in amount relatively to one another, while transfer from one central bank account to another would leave the mass of gold, foreign exchange and earning assets at the command of the new bank unchanged. The gold and foreign exchange pool so created would presumably be more efficacious in overcoming pressure on the exchanges arising from transfers than temporary loans which are possible even under present circumstances, simply because such a pool need not be organised *de novo* on each occasion of pressure, whilst its very existence would as a known and existing factor in the situation help to keep the ship on an even keel. In so far as the new institution provided a meeting ground for the discussion of central bank policy and furnished machinery by which the divorce between the political and economic aspects of the transfer problem could be painlessly effected, the step would be very welcome. For more light we must wait. But it is necessary to remember that the Experts' discussions of machinery are academic unless and until they have solved the formidable problem of the totality of Germany's payments.

The League and War Finance.—In an article on a previous page of this issue a Geneva correspondent discusses the debates at the recent Council meeting of the League of Nations on the scheme for financial assistance to members of the League who may become involved in war. The Council commended this scheme, which was originated two years ago on the initiative of Finland to the consideration of all members of the League. The scheme is of no small importance as a step in constructive effort to reach the final goal of international security. Or to put the matter another way, it has the practical aim of making warlike aggression a more formidable undertaking for any Power. The scheme, which is described by our correspondent, has from the start had the support of Sir Austen Chamberlain and the British Government, and we trust that this support will not in any way be lessened on account of the criticisms which have this week been levelled against the scheme in certain responsible papers. These criticisms seem to us to proceed upon an insufficient understanding of the proposal. It is an essential point that the scheme for financing, or rather for guaranteeing the war finances of a State which is subjected to aggression, can only be put into force by the unanimous vote of the League Council, on which, of course, Great Britain has a permanent seat and a permanent vote. It is difficult to see, therefore, how, under the scheme, Great Britain can be involved in a position seriously antagonistic to her interests. For should such an occasion arise, the British representative's hostile vote at the Council meeting would be sufficient to prevent the scheme being put into force.

The League and Gold.—It will be recalled that at its December meeting at Lugano the Council of the League of Nations approved the suggestion of the Financial Committee that a special committee should be appointed "to examine into and report upon the causes of fluctuations in the purchasing power of gold and their effect on the economic life of nations." It was suggested that this special committee should consist of eight or nine persons, including a few members of the Financial Committee, and for the rest other persons of international authority. At the March Council meeting at Geneva last week the Financial Committee reported that it was in a position to propose to the Council the names of some, but not of all, of the members of the Special Committee, and it therefore decided to await the June session of the Council before submitting a complete list. Happily this does not mean that preparations for this important investigation are at a standstill. On the contrary, preliminary work is going on. The Financial Committee reported that good progress has been made in the collection of data, and the work is being actively continued. Thus the ground is being cleared for a real start in June.

The Outbreak in Mexico.—The news from Mexico is still obscure. Fighting is now going on all over the country. Roughly, the Government forces hold a central position, while the insurgents are scattered round the periphery. In a country of vast distances, with a network of communications radiating in wide meshes from the capital, the respective geographical positions of the combatants give the Government an advantage; and, indeed, Señor Calles' forces seem to be making good use of their interior lines. On the other hand, the great scale of the country and the paucity of communication make it very difficult for the Government to stamp out the insurrection promptly, even if it has the upper hand. Mexican insurgents are more easily defeated than put out of action; and this factor of time is on the insurgents' side; for, the longer the fighting goes on, the more temptation there will be for the Catholics—who have been under arms in the north for several years—to come into the arena on the Agrarian insurgents' side. Meanwhile, the decisive factor in this new outbreak of the Mexican civil war may be the attitude of President Hoover's administration; and the new President has lost no time in making it absolutely clear that the United States, while remaining neutral, will continue, in all proper ways, to support the existing Government, and will refrain from giving any countenance or encouragement to its opponents. This means, in effect, that the Mexican Government will, and the Mexican insurgents will not, be able to buy munitions from the United States—and this advantage, together with the interior lines, may give Señor Calles the victory in the end, even if in the meantime the insurrection spreads further than at present.

Chinese Peace in the Balance.—With the return of spring, the various commanders or groups of commanders of the Chinese armies paying allegiance to the central Kuomintang Government are beginning to manœuvre for position *vis-à-vis* one another. If one were merely to forecast the immediate future on the analogy of the immediate past, it would be difficult to prophesy smooth things; for the lists are certainly set for a renewal of the civil war; and if fighting were really to break out again between Nanking and Hankow and Canton and Honan, then Chang Chung-Chang would have a good chance of re-establishing himself in Shantung, the three Mandarin provinces would go their own way—or the Japanese way—and the national unity restored last year with so much labour and suffering would have proved ephemeral. Fortunately, there are also other signs of the times. There is now a civilian public opinion which is making itself practically felt, however faintly at first, and the rival Nationalist generals seem to have a feeling that they cannot outrage this opinion with impunity. There are limits to the degree of misrule which any people will stand; and the Chinese, though long-suffering, have mysterious but effective ways of bringing the powers-that-be to heel when they have made up their minds that the limit has been reached. Another sign of the times is the Nanking Government's request to Sir Frederick Whyte to become their political adviser, and Sir Frederick Whyte's acceptance on condition that the post shall be onerous but honorary. A distinguished Western publicist and man of affairs, holding this position in China at this time, may achieve great things—for Sir Frederick is appointed in a purely private capacity. He does not represent the British Government, and will not look to them for support; so that he will not have to contend against the disability of being identified, in the Chinese

mind, with the régime of "the unequal treatment" and of the ascendancy of the foreign Powers. He may therefore hope to possess the friendship and goodwill, as well as the trust and respect, of the rival Chinese leaders; and a foreign adviser in that happy relationship with them all may succeed in persuading them not to carry their rivalries once again to the disastrous length of civil war.

Naval Estimates.—Estimates for supply services in 1929-30 have been completed with the publication of the Navy Estimates and an explanatory memorandum by the First Lord of the Admiralty. The net total is £55,865,000, which is £1,435,000 below the Estimates for 1928-29. It is, however, greater than the naval expenditure in either 1923 or 1924, years of higher prices than to-day. Increases are shown in the non-effective votes, thanks to the automatic advance in the amount of pensions, and the assumption by the Admiralty of the entire charge of the production of charts requires an addition of £37,900 on the scientific research vote, which is offset by an equivalent saving in civil service votes, but a policy of economy in small things is certainly reflected in the reduction of all the other votes, with the exception of that for the Fleet Air Arm, which is up by £220,000 to provide two new flights, and of the provision for works and buildings, whose increase by £102,700 reflects the expanding cost of the Singapore Base. So far the latter charge has been almost entirely borne by Dominion Governments, but Mr Bridgeman warns us that the cost to Navy Votes must largely increase during the next few years. The amount proposed for new construction is £8,621,626, or £1,008,231 less than in 1928. The reduction is due, not to any curtailment of the programme, but to the fact that by the provisions of the 1925 programme fewer cruisers building this year will be at a stage requiring large payments, and to the very conservative estimation of the cost of new construction, as an incentive to economy. The new programme for 1929 includes three cruisers, one flotilla leader, eight destroyers, six submarines, one netlayer, and six sloops. The tonnage of the new cruisers has not yet been stated. It must be confessed that the Naval Estimates are disappointing; no hint is given of any expectation that international agreement on naval armaments might reduce the immense burden of the Navy to this country, let alone a lead in naval disarmament. The "absence of any disturbing feature in the general naval position," which Mr Bridgeman admits, was expected to bear better fruit than this.

Overseas Trade in February.—In comparing this month's trade returns with those of a year ago allowance must be made for the fact that this February was a day shorter. Even so the returns are a little disappointing after those of January, though they are not sufficiently reduced to prevent the combined figures for the two months from presenting a satisfactory appearance:—

MONTH OF FEBRUARY.

	1929.	Increase or Decrease compared with 1928.		Increase or Decrease compared with 1927.	
	£	£	%	£	%
Imports	91,349,354	−7,503,012	− 7·6	−2,508,059	− 2·7
British Exports	55,664,975	−1,571,173	− 2·7	+2,727,575	+ 5·2
Re-exports	10,300,896	−1,363,993	−11·7	− 505,825	− 4·6
Total exports	65,695,871	−2,935,166	− 4·3	+2,221,750	+ 3·5
Excess of imports over total exports	25,383,483	−4,567,846	−15·3	−4,729,809	−15·7

FIRST TWO MONTHS.

	1929.	Increase or Decrease compared with 1928.		Increase or Decrease compared with 1927.	
	£	£	%	£	%
Imports	207,418,890	+8,172,951	+4·1	− 16,352	
British exports	122,544,582	+5,565,701	+4·8	+14,185,334	+13·1
Re-exports	20,111,578	−1,860,096	−8·5	− 556,581	− 2·7
Total exports	142,656,160	+3,705,605	+2·7	+13,628,753	+10·8
Excess of imports over total exports	64,762,730	+4,467,346	+7·1	−13,645,105	−17·5

Retained imports of raw materials for the two months together contain some satisfactory elements. As the following table shows, imports of several raw materials, including iron ore and cotton, have substantially increased as compared with the corresponding period of last year, but unfortunately in many cases the increase is largely attributable to January. February imports of iron ore, cotton, flax, hemp and jute, timber and rubber were slightly below those of February, 1928. On the other hand, linseed, wood pulp and raw silk imports were higher. Imports of wool, hides and petroleum are badly down:—

SOME LEADING RAW MATERIAL IMPORTS.
(Quantity Retained.)

	First Two Months. 1927.	1928.	1929.
Iron ore tons	477,065	777,425	807,312
Wood and timber, soft sawn loads	417,327	291,389	392,462
Cotton, raw centals	3,836,828	2,091,054	3,592,319
Wool, sheep's and lambs' centals	1,472,488	1,443,574	1,326,362
Silk, raw lbs.	174,481	271,387	277,372
Flax, hemp and jute tons	89,765	88,228	94,998
Cotton seed tons	93,809	122,179	133,672
Flax or linseed tons	34,709	50,211	55,125
Petroleum, crude thous. gals.	92,644	74,171	53,475
Hides, wet cwts.	97,138	94,531	67,980
Hides, dry cwts.	105,106	153,538	62,013
Wood pulp tons	204,471	146,639	231,025
Rubber centals	400,591	113,437	383,694

Export figures show less recession. It is evident from our concluding table that, where improvement was recorded in January it has been maintained, except in the case of wool tops:—

SOME LEADING EXPORTS.

	First Two Months. 1927.	1928.	1929.
Coal tons	8,265,735	7,912,331	8,362,661
Pig iron tons	13,990	48,486	79,147
Railway material tons	35,465	118,035	100,152
Total of iron and steel manufactures tons	471,084	649,221	801,266
Total machinery tons	75,718	93,793	96,178
Cotton yarns lbs.	30,165,500	29,385,600	30,630,900
Cotton piece goods sq. yds.	621,098,900	653,606,000	705,412,100
Wool tops centals	60,464	59,176	55,906
Woollen tissues sq. yds.	22,934,300	24,613,400	22,414,000
Worsted tissues sq. yds.	7,954,600	6,763,400	10,737,200
Linen piece goods sq. yds.	12,061,300	13,965,500	11,925,800
Boots and shoes doz. prs.	131,572	166,189	132,957
Leather cwts.	61,242	78,529	50,829
Paper and cardboard cwts.	785,932	751,716	794,078
Locomotives tons	1,462	4,427	5,879
Motor cars and chassis number	8,133	4,828	7,345

February figures taken alone, however, reveal a slight decline in exports of coal and of locomotives, while those of railway material, woollen tissues, linen piece-goods and boots, shoes and leather continue to be below last year's level. The most noticeable increases on the year to date are those in the exports of pig iron, worsted tissues and motor cars respectively. While it would be rash to deduce much from a single month's returns, it is disappointing to find no more ground for encouragement in the February figures. It is, however, possible to take some comfort in the thought that the check may have been a temporary one due to the abnormal weather.

Conditions in South China.—Our Hong Kong correspondent writes:—The comparative ease with which the New Year settlement was arranged and the absence of any serious failures augur well for the coming year. Prosperity is, of course, still a long way off, and until the Nanking Government is able to acquire control of the administration of the whole country military adventurers will continue to ply their trade. But as regards the South the outlook is much brighter, and the opening up of the provinces of Kwangtung and Kwangsi by the construction of motor roads is making the task of government very much easier than it was when the rivers were the only channels of communication. During January there was a brisk movement of cargo from Hong Kong to Canton and the West River ports in view of the inauguration of the new Customs Tariff. There has, however, been nothing approaching a panic to rush goods through in time, such as existed in the North, and there has been no nervousness as to the effect of the increased duties on trade generally. Local dealers have accepted the new order quite calmly, but they are under no misapprehension as to the precise value to be attached to the Nanking guarantee of the abolition of likin. A concrete example of the attitude of the provincial authorities has come to light within the past few days. A shipment of 1,000 bags of sugar reached Canton after February 1st, and the importer tendered the appropriate duty under the new scale. Further duties were demanded, but the importer refused to pay, as he maintained that the new tariff consolidated all surtaxes. At the moment the cargo is held up, and an official of the Foreign Office has issued a statement, for the benefit of all other importers, to the effect that the Chinese Government is not concerned as to what any individual may think about the injustice of collecting several taxes on imports. The statement continues that the Foreign Powers have seen fit to concede to the Nationalist Government complete Customs autonomy, and that term connotes the right to levy such duties and to collect such taxes as it judges proper. It is possible, of course, that Nanking may dissociate itself from this ruling, but it is powerless to prevent it being put into effect. The fact remains that Customs autonomy has been achieved, and however much the conditions on which it was gratified may be abused Chinese officials are fully confident that the Foreign Powers will never make any attempt to regain control. During 1928 there were approximately 700 shipping casualties on the Chinese coast, 500 steamers being involved. A good proportion of the accidents were due to grounding, and little damage resulted, but there were 229 steamers in collision and six steamers totally wrecked. In view of the heavy claims which have arisen marine insurance companies are discussing the question of increasing rates where Chinese steamers are concerned. Many of the casualties have occurred when uncertificated officers have been in charge, and as the Chinese mercantile marine has no Board of Trade, or the equivalent, to regulate it, the navigation of a steamer is often left in incompetent hands. A few weeks ago there was a serious disaster, during night time, at the outer entrance to Hong Kong harbour, resulting in the loss of 400 lives. This steamer was officered by a European captain and a European chief officer, but at the time the vessel struck a Chinese officer was in charge of the bridge. The captain had left orders to be called on sighting the light, but apparently his instructions had been neglected. The night was clear, and the lighthouse keeper was able to watch the steamer's course. Owing to faulty communication with the shore wireless station, valuable time was lost in summoning help, and ultimately only about a score of those on board were saved. At the inquiry which followed there was no direct evidence which could assist in determining the cause of the disaster, and the jury confined themselves to a recommendation for the improvement of the existing arrangements for rescue work.

The Effects of Foreign Lending.—At the risk of wearying our readers we are constrained to return once more to the question of the effect of capital exports on British trade, a subject on which three further letters will be found in our correspondence columns to-day. A "Student of Economics" it will be seen, basing his conclusions not on imaginary suppositions but on what "is likely to correspond or could correspond with reality," supports strongly our view that capital exports lead in fact to subsequent exports of commodities. Even when capital exports do not take the immediate direct form of shipments of British goods, he holds that "the development of so-called 'new' or backward countries (by capital loans) tends very strongly to stimulate international trade, and in this trade it may be expected that Great Britain will obtain a share probably more than corresponding to her proportion of the international trade of the world." Mr Frank Morris also agrees with us in the main issue, but suggests that if we are "borrowing short" in order to "lend long" we risk creating an "unsatisfactory position" entailing dangers to our gold reserve. In answer to this criticism we give below, for the past five years, the figures of our real Trade Balance, as estimated by the Board of Trade, and of the annual total of capital issues in London, as compiled by the *Economist*, destined for abroad. This total, of course, will require to be reduced by the amount of foreign money annually placed for long-term investment in British securities—a sum probably not inconsiderable—and it must be remembered that a proportion of the issues made in London is subscribed by foreigners. Apart from these factors, however, the figures for 1928 suggest that, whatever may have been the case at an earlier period, recent developments are such as to allay Mr. Morris's apprehensions.

	Board of Trade Figures of Real Balance of Trade. (In Million £'s).	*Economist* Figures of Overseas Lendings. (Million £'s)
1924	+ 86	124·7
1925	+ 54	77·2
1926	+ 9	101·6
1927	+114	148·3
1928	+149	105·5

Mr J. M. Keynes returns to the attack, and, concentrating upon one of the points in our reply to him last week, asks whether we overlooked the fact of our return to gold. On no other supposition can he accept our contention that even if British lending abroad did not lead directly to the placing of orders for British goods (a fact which Mr. Keynes pre-supposed *ex hypothesi*) increases in the supply of sterling for sale must, in the last resort, always tend to stimulate British exports by cheapening relatively the price of goods quoted in sterling. In following Mr. Keynes last week into realms of somewhat abstract theory, we did not, of course, overlook the existence of the gold standard. Admittedly gold points restrict, but they do not destroy, the tendencies which we described. Further, when exchange threatens to break the gold point, the discount rate policy imposed by the gold standard comes into force, with its effect upon the internal price level. In normal circumstances the variations in relative prices possible through restriction or expansion of credit are commensurate with those which would occur under a free currency system. Incidentally, we would refer Mr. Keynes to the conclusion reached by the Balfour Committee (Final Report, p. 44), that: "The advantages derived from the export of capital in the past are clear. . . . Full employment in our exporting industries, having regard to their character and extent, can only be attained in the near future if there is a substantial increase in the export of capital."

Iron and Steel Production in February.—The improvement in iron and steel production recorded in the last few months was continued into February for, in spite of the shorter month, steel production was higher than in any month since March, 1928 (and, if the number of working days be taken into account, was higher than in any month since May, 1927), while pig iron production, though less in volume than in previous months, was at a higher daily rate than in any month since June, 1928. There has, however, been a reluctance to blow in fresh furnaces, and the number of furnaces in operation increased by one only during the month, three furnaces having suspended operations and four having been blown in. The unequal rate of increase of pig iron and of steel has naturally led to increased demands for scrap with a consequent substantial rise in price. It is therefore expected that additional blast furnaces will be blown in during March. In spite of the short supplies of pig iron few increases in price have been registered, and the price of Cleveland No. 3, for example, remains at 67s., to which it was advanced by 1s. per ton on February 14th last. The production of pig iron in February amounted to 519,600 tons, compared with 563,900 tons in January and 550,800 tons in February, 1928; the daily rate of production was 18,557 tons in February, compared with 18,190 tons in January and 18,993 tons in February, 1928. Steel production amounted to 782,900 tons in February, compared with 764,600 tons in January and 764,400 tons in February, 1928. Imports of iron and steel amounted to 160,000 tons, and were the lowest in

any month since January, 1924, when imports were beginning to increase after the very low level caused by the Ruhr occupation. The lowness of the imports is probably accounted for in part by the bad weather experienced on the Continent during February, which interfered with shipping from the Port of Antwerp. Although some decline in imports was expected, owing to the pre-occupation of Continental works with their home market and foreign markets other than Great Britain, the substantial decline registered in February does not accurately reflect the measure of the decline. Exports of iron and steel in February amounted to 380,100 tons, compared with 421,200 tons in January and 317,000 tons in February, 1928. In spite of the increasing scarcity and the rise in price of scrap, exports of scrap in February amounted to 37,100 tons, after having been 47,400 tons in January. Imports of scrap, on the other hand, amounted to only 3,400 tons, since the export of steel scrap is prohibited, or strictly controlled by all other steel-producing countries.

Shipping Freight Index Number.—Our Index Number of whole-cargo shipping freights for the month of February works out at 124.1, a figure representing a fall of 2.7 per cent. in comparison with January. A year ago the index number stood at 109.7, against 140.2 in the corresponding month of 1927. The recent movements of the various groups in the index are summarised below:—

AVERAGE, 1898–1913 = 100.

	Average, 1913.	Feb., 1928.	Dec., 1928.	Jan., 1929.	Feb., 1929.
European Waters	110·0	105·5	122·1	119·2	122·7
North America	113·1	106·4	131·3	128·6	125·1
South America	123·4	106·2	125·6	125·2	121·5
India	106·3	112·4	126·8	123·7	117·4
Far East and Pacific	117·4	114·0	127·4	126·2	122·0
Australia	127·9	113·9	156·7	142·4	136·2
Total	116·3	109·7	131·7	127·5	124·1

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

	Index No.	Inc. or Dec. Points.		Index No.	Inc. or Dec. Points.
Home Trade	106·6	+12·5	South America—Outwards	92·2	− 2·7
Bay—Outwards	132·1	+ 1·8	South America—Homewards	150·8	− 4·6
Bay—Homewards	140·3	...	India—Outwards	122·1	− 2·1
Mediterranean—Outwards	143·1	− 2·9	India—Homewards	112·7	−10·4
Mediterranean—Homewards	107·3	− 3·1	Far East, etc.	122·0	− 4·2
North America	125·1	− 3·5	Australia	136·2	− 6 2

The best feature of the month was the activity of chartering in the Near Continental coal trade. Outward freights to Southern Europe, on the other hand, were barely maintained, and homeward quotations on the more distant overseas routes all had a declining tendency, freights from India being notably weak. The volume of business last month was only moderate for this season of the year, and demand for grain space from the Plate and elsewhere was somewhat disappointing. Expressed as a percentage of the average for 1913, the total figure of our index number for February works out at 106.7, as compared with 109.6 in January and 94.3 a year ago.

The British Beet Sugar Subsidy.—The latest analysis of the beet sugar subsidy indicates that since the beginning of operations under the legislation of 1925 the total cost to the taxpayers, up to the end of the present month, and including on that basis a small part of estimated rather than actual outlay, has been approximately £12 million. In all 600,000 acres have been cultivated for this purpose. The subsidy is on a ten years' programme of 19s. 6d. per cwt. for the first four years, which have now elapsed; 13s. for the next three, which is the present period of the beginning of the tapering subsidy; and 6s. 6d. for the last three. Although strongly criticised by certain schools in Parliament, the Government, most of the Labour members, and one or two Liberals have defended the subsidy on the ground that it brought a new industry to the countryside, gave an alternative occupation, and had certain agricultural advantages. The farmers have complained that the terms they are able to obtain from the factories, although so far regulated by the governing Act, should be improved; while financial critics have urged that the dividend distribution of some of the factories has been too substantial, having regard to the fact that the whole enterprise depended on a heavy contribution from public funds. Apparently owing to the adverse climatic and agricultural conditions in 1927 the total acreage under beet fell off; but during the past year there was a revival. It is admitted, however, that, as the subsidy tapers, the additional land to come under cultivation for this purpose will probably be restricted. In some quarters pleas are being advanced for reconsideration of the scale of the subsidy, the hint being that parts of the industry at least may not, as the promoters of the subsidy hoped, be able to get on their legs effectively during the subsidy period. But it would probably be very difficult to get any Government favourably to entertain such a request. Nearly six years of the period are still to run; the taxpayers have already provided £12 million; and the ultimate aggregate cost, even when allowance is made for the reduced rates, will be undeniably considerable.

More Short Time in Lancashire.—Our Manchester correspondent writes:—Although the cotton trade position in Lancashire remains deplorable, there was some surprise at the end of last week when it was announced that the State of Trade Committee of the Master Spinners' Federation had decided to recommend users of American cotton to curtail production on an organised scale. The proposal is that the mills should be stopped on Saturdays and Mondays during the month of April, thus reducing output from 48 to 35 hours per week. This recommendation has been made in view of the falling away in yarn prices and the sharp rise in the price of raw cotton. It is stated that the suggestion is intended only as a temporary measure with the object of preventing undue accumulation of stock and generally improving the position of spinners, which for some time past has been most unsatisfactory. The voting papers have to be returned to the offices of the Federation in Manchester not later than Thursday, the 21st instant, and it is expected that the result of the ballot will be announced on the following day. Although the depression in this section of the trade remains very acute, there is some doubt as to whether the members will support this action to the extent of 80 per cent., which is necessary if the scheme is to be put into operation. In the meantime, the short-time movement in the Egyptian spinning branch of the industry continues, the curtailment being equal to 33 per cent. amongst the members of the Bolton Master Spinners' Association. It is estimated that, owing to many spinners being outside that organisation, the restriction means that total output is about 75 per cent. of full capacity. This short-time scheme has now been in operation three weeks and there are indications of spinners obtaining some relief, as in certain directions stocks are being reduced. The question of the policy of the Government in finance as it affects trade and industry has recently been receiving the attention of the leaders in the cotton industry. The matter first gained prominence at the annual meeting of the Oldham Master Spinners' Association, which represents the American section, when the President, Mr Fred Mills, suggested that it was time an inquiry was made by a Government Committee or a Royal Commission into the manner in which the basis and course of national credit was decided, and its effect on the industries of the country. The Parliamentary Committee of the Master Spinners' Federation has now discussed the question, and it has been decided to make representations to the Prime Minister for the appointment of a Royal Commission. Further than that, the British Economic Federation will hold a conference in London on April 3rd to discuss the question of national policy in finance, and at that conference the Master Spinners' Federation will be represented by three leading men.

International Cotton Statistics.—Our Manchester correspondent writes:—In trade circles there is always considerable interest in the statistics relating to consumption and stocks issued by the International Cotton Federation, and the half-yearly figures published this week have attracted much attention. During the six months ended January 31st last the world consumption of American cotton was 7,613,000 bales, against 7,181,000 bales in the previous half-year and 8,226,000 bales in the corresponding six months of last year. This total was rather larger than expected, and had a bullish influence upon prices in New York and Liverpool. A feature of the returns is the increased consumption of East Indian cotton, the total for the first half of this season being 2,574,000 bales, against 2,220,000 bales in the six months ended July 31st last, and 2,303,000 bales in the half-year ended January 31, 1928. With regard to Egyptian the consumption during the first half of this season was 497,000 bales, against 467,000 bales in the second half of last season, and 489,000 bales in the six months ended January 31, 1928. With sundries, the total consumption throughout the world of all kinds of cotton during the half-year ended January 31, 1929, was 12,772,000 bales, against 12,553,000 bales in the previous half-year and 12,987,000 bales in the half-year ended January 31, 1928. With regard to mill stocks of cotton, the total of American qualities throughout the world on January 31st last was 2,958,000 bales, against 2,112,000 bales six months earlier, and 2,867,000 bales on January 31, 1928. The figures for East Indian are 1,216,000 bales on January 31st last, against 1,728,000 bales on July 31st last year and 969,000 bales on January 31, 1928. With regard to Egyptian, the total on January 31st last was 182,000 bales, against 170,000 bales six months earlier and 183,000 bales on January 31, 1928. Mill stocks of all kinds of cotton on January 31st last were 5,257,000 bales, against 4,787,000 bales on July 31, 1928, and 4,882,000 bales on January 31, 1928. It is evident from these statistics that spinners during the past half-year have tended to increase their stocks. This is rather surprising in view of the trade depression and the expectation of difficulties in financing supplies. It is anticipated that the world consumption of American cotton this season will be fully 15 million bales, and, as the growth is rather less than 14½ million bales, there is bound to be a fair reduction in the carryover at the end of next July.

The Halifax Building Society.—The Halifax Building Society, whose first report has just been issued, stands towards building societies in almost the same relation as does the Prudential to the life insurance world. It was formed by the amalgamation, on February 1, 1928, of the Halifax Permanent and the Halifax Equitable Building Societies, which were even then the two largest societies in the country. The total assets at January 31st last amounted to £54,155,040, compared with £46,981,512 at the time of the amalgamation. Advances on new mortgages were granted during the year to the total of £10,214,528, mainly to assist borrowers to buy or build houses for their personal occupation, £40,570,655 being owed upon mortgages by 106,896 members at the striking of the balance sheet. It is noteworthy that 81 per cent. of the total outstanding mortgages are for less than £500 each, and indeed the average amount owing on all the Society's mortgages is only £379. The soundness of the security chosen is indicated by the absence of any entries in the statutory schedule of mortgages which have been twelve months in possession. Additional security to depositors and shareholders is given by the large volume of liquid assets, which totalled £12,987,127 on January 31st, including £5,017,572 in cash at banks. Though share liability increased during the year by £7,356,791, deposits show at decline of £411,271, probably thanks to the comparatively unattractive rate of interest, which is apparently nearly 1½ per cent. below the 5 per cent. paid on shares. The society's liquid investments bring in slightly over 4½ per cent., and mortgages about 6 per cent. The ratio of management expenses (other than those of the amalgamation) to total share and deposit liability is about 0.52 per cent. It will be seen that the profit margin on which the society works is not high, but nevertheless £228,038 has been added during the year to the reserve fund, which now stands at £1,689,239.

Transvaal Output in February.—The output of gold of the mines of the Transvaal for February amounted to 815,284 ozs. of fine gold. For February, 1928, the output was 816,133 ozs. of fine gold. The following table shows the monthly output since the beginning of 1923:—

Months of	1923.	1924.	1925.	1926.	1927.	1928.	1929.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January	764,469	796,768	823,692	796,270	839,782	843,857	876,452
February	704,970	760,617	753,925	753,924	779,339	816,133	815,284
2 months	1,469,439	1,557,385	1,577,617	1,550,194	1,619,121	1,659,990	1,691,736
March	761,586	795,671	825,479	834,340	860,511	877,380	...
April	743,651	768,923	787,519	803,303	824,014	825,907	...
May	786,564	809,003	813,249	849,214	859,479	886,186	...
June	755,309	773,053	780,251	852,145	855,154	862,363	...
July	754,306	829,437	818,202	860,134	851,861	867,211	...
August	769,371	809,571	808,218	843,854	863,345	891,863	...
September	739,504	799,422	797,247	839,939	842,118	857,731	...
October	793,842	827,583	812,832	853,296	855,743	897,720	...
November	780,539	802,313	787,633	840,276	848,059	872,484	...
December	778,849	825,273	791,455	836,157	851,225	859,761	...
Total	9,133,060	9,597,634	9,599,702	9,962,852	10,130,630	10,358,596	1,691,736

The number of natives employed by members of the Witwatersrand Native Labour Association and Contractors over the past few months was as follows:—

	June, 1928.	July, 1928.	Aug., 1928.	Sept., 1928.	Oct., 1928.	Nov., 1928.	Dec., 1928.	Jan., 1929.	Feb., 1929.
Gold mines	197,186	194,584	194,788	194,936	193,147	190,870	187,970	192,526	196,150
Coal mines	16,533	16,724	16,767	16,803	16,506	16,241	16,059	15,845	15,940
Diamond mines	4,839	4,535	4,807	4,889	4,762	4,481	4,444	5,056	5,635
	218,578	215,843	216,362	216,628	214,415	211,592	208,473	213,427	217,725

The number of natives employed in all branches of mining showed an increase in February.

Sun Life Assurance Co. of Canada.—The growth of this company has been phenomenal, and to-day with assets of approximately £100 million sterling, less than one-half of those of the Prudential, the company transacts each year nearly three times the amount of new business. For the first time a definite indication has now been furnished that progress towards great financial strength has been no less rapid, and the company's hidden reserves are stated to amount to approximately £20 million, in addition to which there is an undivided disclosed surplus of £11 million. How has this wonderful result been attained? Put briefly, the answer is to be found in the fact that at the end of 1927 41 per cent. of the total assets were invested in ordinary shares—a far higher proportion than in the case of the foremost British exponents of the ordinary share investment policy. In his address at the annual meeting, the president, Mr T. B. Macaulay, gave a detailed exposition of the company's investment policy, which has been its distinguishing characteristic. The limits of the company's investments are prescribed by the Dominion Insurance Act, and to this Act Mr Macaulay paid a remarkable tribute, on the ground that its provisions steered a clear course between unwise freedom on one side and hampering restrictions on the other side. It appears that under this Act life assurance companies are permitted to invest first in mortgages up to 60 per cent. of appraised value, in all kinds of Government securities, and in bonds, in preferred stocks of corporations which have paid dividends for the preceding five years, and lastly and most important, in common stocks of corporations which have paid dividends at a rate not less than 4 per cent. per annum for the preceding seven years. During the last few years the course of corporation finance has been rather in the direction of redemption of bonds by stock issues, and consequently the company has found itself compelled to invest a very large proportion of its rapidly increasing funds in common stocks. Mr Macaulay stated that the average interest rate yielded by these investments had mounted steadily year by year, and that, for instance, the actual cash yield

in 1928 of all common stocks purchased in 1923 represented a return greater by 2.38 per cent. of the purchase price, than the dividends paid at the time of purchase, while the average value of the rights and bonuses during the intervening five years had amounted to a further 0.38 per cent. per annum. Amongst the company's innumerable holdings the most important are the Montreal Light, Heat and Power, American Telephone and Telegraph, General Electric, and Commonwealth Edison. It is to be noted that the Dominion law automatically excludes stocks of companies not having a reasonable record of dividend paid, and of prosperity; but the Sun Life is able to pursue the process of elimination much further than that by confining itself to corporations into whose history and prospects it has first made an exhaustive study, and generally to corporations supplying some product or service essential to the life of the community and dominant in their particular sphere of operations.

Scottish Provident Institution.—In advance of the publication of the annual report the directors have announced the rates of bonuses to be distributed as a result of the quinquennial valuation made on December 31, 1928. The Scottish Provident maintains two separate classes of with-profit policyholders. In the whole-life assurance class the system of allocating bonuses is a peculiar one. No bonus is allotted at all until the policyholder has survived to the time when the premiums paid, accumulating at 4 per cent., equal the sum assured. When that time is reached the bonus on the occasion of a first profit-sharing is allotted in the form of a percentage of the sum assured for each year of the whole duration of the policy, and the arrangement is, therefore, in effect a semi-tontine. On this occasion the policies sharing for the first time will receive a reversionary bonus of 30s. per cent. per annum for the full period of their duration (less the war years 1914-1918), this rate comparing with 28s. per cent. five years ago. Policies sharing for the second time will receive a reversionary bonus of 35s. per cent. per annum for the quinquennium, compared with 30s. per cent., and a new class of policyholders who have already shared at least twice will receive on this occasion a reversionary bonus of 40s. per cent. per annum for the quinquennium. In the endowment assurance class the bonus is allotted on the more usual plan of a reversionary addition calculated on the original sum assured and existing bonuses. For the quinquennium 1924-1928 the reversionary bonus in this class will be at the rate of 40s. per cent. per annum compound, compared with 38s. per cent. compound for the preceding quinquennium. Interim bonuses for the current quinquennium have been fixed at the same rates as those declared for the past quinquennium.

London Life Association.—An analysis furnished with the annual report of the constitution of the new life business enables some interesting comparisons to be made. The table which follows exhibits the details of the last two years' business:—

	£	£
Life Assurances:—		
Reduction of Premium Fund	406,539	685,059
Reversionary Bonus Fund	752,324	799,715
Non-Profits	1,047,704	1,018,151
	2,206,567	2,502,925
Annuities:—		
Immediate	4,352 p.a.	4,041 p.a.
Deferred	70,671 p.a.	91,936 p.a.
	75,023	95,977

The reduction of premium fund comprises policies on which the profits are applied solely to reduce the premiums, and practically the whole of the increase of the year was due to this fund. An unusually large proportion of the total business is transacted on a non-profits basis, and the association issues each year an increasingly large number of deferred annuity policies, mostly, it is believed, in connection with superannuation schemes, of which it has made a speciality. The changing character of the life assurance business is evidenced by the fact that, at the end of 1927, some 55 per cent. of the total liability was on account of the reduction of premium fund, 25 per cent. for the reversionary bonus fund, and only 20 per cent. for non-profit assurances, whereas the above table shows that, of the new business, nearly 50 per cent. is now non-profits. The working of the year has had a successful outcome, for the net rate of interest has increased by 1s. 6d. per cent. to £4 12s. 5d. per cent., while the expense ratio is little different at 5.6 per cent.—this exceptionally low figure being due to the fact that no commission is paid for new business introduced. The usual annual valuation discloses the following results, which are compared with those of 1926 and 1927:—

Reduction of Premium Fund.	1926.	1927.	1928.
	£	£	£
Surplus earned during the year	165,253	143,601	153,361
Investment profits realised	23,572	37,156	25,523
Brought forward from previous year	14,337	20,982	33,450
	203,162	201,739	212,334
Allocations—			
To Bonuses to Policyholders	26,916	18,144	21,244
„ Strengthening of Valuation Reserves	76,462	115,365	121,044
„ Provision for Increase in rates of reduction of premium	50,000	...	...
„ Reserve Fund	28,802	34,780	22,631
„ Investment Reserve Fund	...	...	13,138
„ Staff Superannuation Fund	20,982	33,450	34,077
„ Office Premises	203,162	201,739	212,334
„ Carried forward to next year			

The rates of reduction of premium have again been increased by three, and a complete revision of the terms for new entrants and of their future rates of reduction is foreshadowed:—

Reversionary Bonus Fund.	1926.	1927.	1928.
	£	£	£
Surplus earned during the year	102,528	121,649	128,536
Investment Profits realised	4,957	8,639	6,666
Brought forward from previous year	11,203	12,691	7,751
	118,688	142,979	142,953
Allocations:—			
To Bonuses to Policyholders	79,940	90,846	108,675
„ Strengthening of Valuation Reserves	...	33,874	...
„ Provision for increase in rates of reduction of premium	...	...	...
„ Reserve Fund	20,000	...	...
„ Investment Reserve Fund	6,057	10,508	8,972
„ Staff Superannuation Fund	...	...	4,868
„ Office Premises	12,691	7,751	20,438
„ Carried forward to next year	118,688	142,979	142,953

The reversionary bonus has been increased from 38s. per cent. compound to 40s. per cent. compound, and in this class also it is proposed shortly to publish a revised table of premium rates adjusted to take account of the most modern experience. A study of the report leads to the conclusion that the financial position of the combined offices, the London Life, Clergy Mutual, and Metropolitan, is a strong one. The surplus resources are stated to amount to £1,390,000.

Marine and General Mutual Life Assurance Society.—This society is the smallest amongst the mutual life offices though founded three-quarters of a century ago. During the past few years there has been some evidence of a quickened progress assisted by a relatively large volume of single premium business. The total of the 1928 new business was £380,911, which, though less than that of the previous year, was above the level of the 1927 figure. The net rate of interest earned last year was £4 17s. 11d. per cent., while the ratio of expenses to premium income worked out at 15.5 per cent., being in both cases the same as the corresponding rates in 1927. The year just closed marks the completion of four years of the current quinquennium, and it is interesting to observe that the average net rate of interest earned during these four years was £4 17s. 6d. per cent., compared with £4 8s. 11d. in the corresponding part of the preceding quinquennium. The additional 8s. 7d. per cent., if maintained in 1929, means that the surplus at the coming valuation from interest alone should be some £90,000 greater than at the 1924 valuation. In his speech at the annual meeting the chairman referred to the Government life insurance scheme conducted for many years by the Post Office and recently discontinued. The new business transacted by the Post Office scheme, he said, amounted only to about £11,000 per annum, as compared with a total of £145 million per annum for all the life assurance offices. The miserable failure of the Government scheme may seem remarkable when it is considered that every Post Office throughout the country is available for life assurance, but the chairman pointed out that the life offices' results were secured because of the unremitting efforts of their inspectors and agents, whereas the Post Office scheme wholly lacked the driving force of a sales organisation. The public requires to be cajoled and persuaded to take out life policies. It rarely effects policies on its own initiative. That has been the position in the past, but, slowly though surely, circumstances are changing, and the great hope for the future is that the gradual spread of the knowledge and unique advantages of life assurance will result in a greatly increased volume of business in return for the present effort and expense.

At the meeting of the Royal Statistical Society, on the 19th instant, Dr E. C. Snow will read a paper on "The Limits of Industrial Employment."

Oversea Correspondence.

UNITED STATES.—MONEY—STEEL ACTIVITY—FEDERAL RESERVE POLICY.

(FROM OUR CORRESPONDENT.)

NEW YORK, February 28.

THE new month begins with the customary lively flurry in call money rates, but with the stock market paying little heed to what it regards as merely temporary hardness in the money market. Call money fluctuated between 8 and 10 per cent. all week, closing at the higher figure, as against 6 and 6½ per cent. in the previous week. While the increase at first glance seems very large, it must be remembered that our call market is now running on such a narrow margin of reserve that as little as $5,000,000 added to or taken from the market affects the rate appreciably. One thing in the rather foggy situation here is clear enough: that is that money rates are going to be firm for some time to come. In the absence of a severe enough decline in the stock market to upset business confidence, any hope of really easy money in the next few months is bound to be disappointed.

The new Administration at Washington has under it a firm foundation of prosperity, and the corner-stone undoubtedly is lack of inflation in the commodity markets. Some indications of speculation in spots may be seen, but in the opinion of superficial observers at least, the situation will not become really dangerous until the exuberance of the share market overflows into commodities. The sharp advance in copper metal may be a straw in the wind, but most likely the advance is justified on the basis of supply and demand. Some speculative buying is undoubtedly taking place, but the fact remains that the large producers have been unable to supply enough copper to keep the price within reasonable limits, although they have tried to do so. In the past week the price here has risen a cent and a half a pound.

Activity in the steel industry has seldom been so pronounced at this time of year. Operations are on a theoretical 90 per cent. of capacity basis, which, because of the difference in real and apparent capacity, means as they are able. Prices, meanwhile, are holding firm. The motor industry is feeling the stimulus of spring-demand and is increasing its production. January output set a new high record for the month. Affairs are not going so well with the oil trade. The leading factor in the industry, the Standard Oil Co. of New Jersey, is proposing that all drilling operations be suspended for two months. The important companies are taking the proposal seriously, although opposition is bound to spring up.

In addition to the bull market in coppers, a fillip was given to the share market by the capital readjustment plan of the United States Steel Corporation. It is proposed to pay off approximately $271,000,000 of the Corporation's 5 per cent. bonds, which will obliterate all the funded debt of the corporation proper, although some $200,000,000 in bonds of subsidiary companies will remain outstanding. The money for the retirement of the bonds will be obtained from shareholders, who will be offered additional common shares. The amount of new shares and the price have not yet been stated. Authorised capital stock will be increased from 7,533,000 shares to 12,500,000 shares. Only enough stock will be sold at this time to take care of bond retirement, and probably not much over 1,000,000 shares will be issued, say at the rate of one new share for each six outstanding. The new stock if sold at around $150 a share would give the corporation nearly all it needs for bond purposes, and the balance is available from Treasury funds, recently increased by the receipt of $30,000,000 tax refund.

It is apparent that the Federal Reserve Board has once more failed to stem the flow of money into the stock market with half-way measures. Bullish sentiment has gained momentum during the week, and the bull party is talking enthusiastically of its "victory" over the banking authorities. As this is written the Dallas Reserve Bank announces a rise in its discount rate from 4½ to 5 per cent., leaving three institutions, those at Kansas City, Minneapolis and San Francisco, on the lower basis. It had been expected that increases in rates by interior institutions, and probably by all those still on the 4½ per cent. rate, would be made.

The rise at Dallas no doubt was a reflection of local conditions. For the past three or four years the Dallas Reserve authorities have complained that the banks in the district were, in effect, using Reserve Bank credit to bolster up their own capital. Little headway in the campaign of moral suasion instituted by the Reserve Board last month was made in the Dallas district, and the bank's reserve ratio at 58 per cent. for this week is the lowest of all the twelve banks. It compares with a system average of 69.9 per cent., and with a New York ratio of 81.6 per cent. An immediate cause of the increase in rate seems to have been the rising rates for bankers' acceptances. Cotton factors and dealers have been obliged to pay around 6⅜ per cent. to finance transactions by means of cotton bills, and they have found it cheaper to go directly to the commercial banks for loans. This has brought an expansion of member bank credit and forced the member banks to increase their discounts at the Federal Reserve Bank.

Following a reduction of nearly $200,000,000 in loans since early February, the account rose $30,000,000 this week. The gain, however, was entirely due to larger amounts placed at Wall Street's disposal by corporations and foreign lenders. Money clearly leaves Wall Street when the call rate is lowered to 6 per cent. or so, and it comes back with 8 and 10 per cent. money. That the rise in loans was not larger was due in part to the small volume of new flotations and the abundance of short covering in shares. Stock prices have regained all their losses which followed the Reserve Board's warning on credit, and in the popular view are now beginning to discount the "Hoover prosperity."

Prosperity we undoubtedly have, and the market probably will discount it. In banking quarters there is no quarrel with that, but it is felt that prosperity would last longer if a little deflation took place now and then. However, the incoming administration at Washington, it is believed, will favour an easy money policy. Hoover is regarded as an expansionist, and Secretary Mellon is a business man who believes in cheap money. Both will listen closely to the protests of business men over a firm money policy before favouring higher discount rates. Business men, of course, are saying that business is good and there is no good reason for change. They cannot be expected to take the economist's view, that a stitch in time will save nine. Meanwhile the Administration's ideas necessarily will have much weight in framing central banking policy, and if the warnings already given do not turn the scale the inflationary tendencies in the share market probably will simply have to run their course, even though, as some fear, commodity inflation will come before it is over.

It is now learned that Hoover will call a special session of Congress for April 10. No legislation is likely to be considered then, however, other than that dealing with farm problems. Some sort of " farm relief " measure will no doubt be passed. Hoover made his promises before election, but just what his ideas on the subject may be are not generally known. The financial district, while disliking the idea of Governmental interference with the free play of economic forces, does not expect that any risky experiments will be made.

The Treasury is about to announce its tax date financing plans. Banks have been notified that an issue of approximately $500,000,000 of Treasury obligations will be sold. The high interest rates which the Treasury must pay suggest that only short-term issues will be sold, and yields on existing notes and certificates indicate that the Government will pay around 4½ per cent. for its money.

GERMANY.—REPARATIONS—GOLD EXPORT—BANKS—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, March 12.

THE Reparation Committee's suggested plan of a bank for international payments has not been very well received here. The bank, it is reasoned, is designed to be primarily an institution for regulating transfers, and the admission of a need for regulation indicates that there is to be no material reduction of the present standard annuity. A reduction is the only thing in which Germany is much interested. The view of most Germans who have so far expressed themselves publicly has been that, if the annuity were to be heavily reduced, Germany could surrender the so-called "transfers protection "; that is, could absolutely undertake to transfer, whether in cash or in kind, the whole sum. In this case she could not default without proclaiming State bankruptcy. The creditor countries would be freed from their present responsibility for the transfers and from the possible compulsion provided for by the Dawes Plan to reduce or suspend the internal reichsmark payments, and, further, the first and chief obstacle to commercialisation would disappear. Theoretically, this German attitude has its flaw; for if the ability to transfer 2,500 million marks is in doubt there is no guarantee that the transfer of the 1,000 or 1,250 millions, which Germans considered reasonable, would be feasible; indeed, the Dawes Committee did not venture to express the view that any transfer, however small, would be possible. In practice, however, Germans were simply hoping for a bargain, the essence of which would be that, in exchange for monetary relief, they would consent to rid the creditors of a possible cause of embarrassment. The bank plan, it is reasoned, means that the Experts regard some form of transfer regulation as being permanently necessary, and this, in turn, must mean that the new annuity will be high. Independently of that, financial circles do not favour the notion of confusing Reparations with the other " war debts " referred to in the Committee's communication and with general exchange and currency questions.

The sub-committee of the Inter-State Conference entrusted with submitting a plan for constitutional reform has rendered a report, which is too detailed, and too much qualified by minority opinions to be summarised satisfactorily here. The sub-committee's chief suggestion is that there shall be two classes of German States; firstly, States of the present character, that is, the South-German States and Saxony, which should be somewhat more closely attached to the Federal system; and, secondly, States created out of the present Prussian provinces, united with the neighbouring small North-German States. The second class of States would have common legislation and administration. The Prussian Government would disappear.

After the development of the exchange market in the last two months and after the Reichsbank's heavy loss from its legal-cover exchange reserve and its free exchange holding, the sale of 46 million marks of gold, the first such sale since May, 1927, caused no surprise. As already reported from here the Reichsbank preferred to sacrifice gold without waiting for the complete exhaustion of its exchange holdings. Had it waited, it might have been compelled to export gold at an inconvenient juncture. The Bank's return for March 7th shows a drop in the gold reserve by 46,104,000 marks to 2,682,829,000 marks, and a corresponding increase in the legal-cover exchange reserve by 37,552,000 marks to 127,938,000 marks. As the gold reserve on deposit in foreign central banks declined only from 85,626,000 marks to 73,058,000 marks, it appears that the greater part of the sold gold is taken from Berlin. The dollar and sterling, which during the greater part of 1928 were below par, have this year steadily risen. The Reichsbank's intervention in the exchange market had little effect. The passive foreign-trade balance, demands for interest and amortisation of foreign loans, Reparation cash transfers, and, of late, heavy withdrawals for voluntary repayments of foreign short credits and funds, which far exceeded the receipts from long-term foreign loans, are the causes of this change. Whether further gold export is to take place will depend mainly upon developments in New York, but should the dollar go higher arbitrage sales of German gold may begin; and it is even possible that the Reichsbank will be compelled to raise its discount rate. At present the status in the matter of reserve is satisfactory; owing to the decline in circulation the gold cover for notes rose in the first March week from 59.9 to 61.8 per cent.; combined gold and exchange cover from 61.9 to 64.8 per cent. The dollar is slightly weaker since the sale of gold, sterling a little firmer.

Money continues relatively dear. The demand from public bodies continues, and new sales of Reich treasury bills this month are possible. The payment of industrial-bonds interest and the purchases of exchange have also affected the market. The private discount rate was last week put up to 6¼ per cent. To-day's day-loan rate was 6½-8½ per cent., month loans 7½-8½ per cent. The quotations of home industrial debentures have sharply fallen. The reports for 1928 of three of the " D " banks show:—

(Millions of Marks.)

	Gross Profit.		Nett Profit.		Dividend % Unchanged.
	1928.	1927.	1928.	1927.	
Deutsche	128·0	129·1	23·8	23·5	10
Disconto	71·3	70·0	15·4	15·4	10
Dresdner	78·9	77·2	13·4	13 1	10

The balance sheets show large increases under the heading of Creditors, in great part foreign. The Darmstaedter Bank's annual report has not yet appeared.

The wholesale price-index number for March 6th is 140.1, as against 139.6 on February 27th. Railway Corporation's car-loadings in February were considerably behind those of February, 1928 and 1927. The Labour market shows no improvement. The home steel market has not improved, and export is active only in semi-products and wire rods. The steel trade Press is pessimistic about the prolongation of the international steel, tubes, and rails agreements, and of the home syndicates. The fates of the international and home combines are connected. The question of prolongation of the International Steel Sartel after September 30th is apparently not to be considered at Brussels this week. The home Tubes Syndicate is threatened with dissolution owing to impending competition by Krupps, an outsider, whose present plans of construction would mean a tubes output equal to about 25 per cent. of the whole German demand. Dissolution of the Tubes Syndicate is provided for in the event of such outside competition. There is, further, doubt whether the German A.-Products Syndicate, which controls rails, will be renewed; and also doubt about the Ingot Steel Syndicate (*Rohstahlgemeinschaft*), which expires on November 1st. Steel experts are already speaking of a coming non-syndicate time. It seems likely that if the native syndicates lapse Germany will withdraw from the international combines. Net export of heavy iron and steel in January was 243,000 metric tons, as against a monthly average in 1928 of 219,000 tons. The Hansa Shipping Co. reports net profits in 1928 of 3,457,147 marks, against 2,802,314 marks; dividends unchanged 10 per cent. The Opel-Werke, the chief German manufacturers of cheap cars, has, according to report, been sold to General Motors at a price of 125 million marks for 80 per cent. of the 60 million marks capital. The number of motor vehicles in Germany on January 1st is returned at 1,034,300, whereof 389,000 private cars, 133,000 lorries, and 351,000 heavy cycles. The Potash Testing Board reports an increase in total sales in 1928 of 14.69 per cent., in sales to abroad 20.06 per cent. Potash " rationalisation " measures have had great success; with increasing output, the number of manual employees fell between 1922 and 1927 from 48,999 to 21,267.

ITALY.—DEBT REDEMPTION—PUBLIC EXPENDITURE—LEVEL OF TAXATION.

(FROM OUR CORRESPONDENT.)

TURIN, March 5.

AN interesting explanation of the torpid state of Stock Exchange quotations in Italy and the difficulties experienced here in the return to prosperity have been given in the February number of *Rivista Bancaria*, by Signor Mazzauchelli. Put in a nutshell, the thesis, which has been much discussed, is that the State must increase taxation so as to divert into the exchequer private income which would have been expended, on condition that the exchequer does not spend it, but devotes it to the amortization of public debt. The external war debt is in Italy amortized through the instrumentality of a special fund, into which the German war indemnities are paid. The amortization of the internal public debt is provided for by another special fund, consisting mainly, in addition to various miscellaneous items, of the yearly surpluses of the Budget. Now the opinion is gaining ground that the reduction of public debt must not be limited to the possible surpluses; but that a special increase of taxation should be enacted. Signor Mazzuchelli maintains that the extraordinary prosperity of the United States in after-war years is not to be attributed to plentiful national resources or to the inventiveness of industry, which having always existed, cannot explain the new phenomenon, but to the big reimbursements of public debt which convert a part of current income from expenditure to productive channels. In the same way the rapid recovery from the revaluation and stabilisation in France and Belgium is explained by the same authority as a consequence of the outpouring of taxation money into the capital market through the amortization process. Tax first and amortize next: this is the new financial creed. Some cold water is perhaps thrown on the theory by a perusal of the figures of public income and expenditure. I quote, from the public treasury accounts, the usual double set of figures for the last seven years, adding for comparison's sake the last pre-war year (in milliards of lire).

	Budget.			Treasury Accounts.		
	Revenue.	Expenditure.	+ or −	Incomings.	Outgoings.	+ or −
1913–14	2·57	2·73	− 0·16	2·62	2·87	−0·25
1922–23	19·16	22·21	− 3·05	27·50	40·73	−13·23
1923–24	20·98	21·40	− 0·42	26·15	28·91	−2·76
1924–25	20·69	20·27	+ 0·42	22·41	19·50	+2·91
1925–26	21·29	20·82	+ 0·47	21·50	18·79	+2·71
1926–27	21·45	21·01	+ 0·44	20·28	19·53	+0·75
1927–28	20·07	19·57	+ 0·50	19·06	20·59	−1·53
1928–29 (*)	10·82	10·78	+ 0·04	10·45	12·07	−1·62

* Seven months from July 1, 1928, to January 31, 1929.

As I have repeatedly explained, the first " budget " set of figures is the rational one, because it contains all the revenue, which has gone into the exchequer on the current year account, and the rest, usually small, which remains to be cashed at the end of financial year; and on the expenditure side, all sums expended and remaining to be spent on the year's appropriations. To study the yearly variations of the budget results severally year by year this is the set of figures at which we must look. The second " Treasury accounts " set of figures is also useful because it pictures the *de facto* incomings and outgoings of the exchequer, without distinction as to the appropriation year. In the second set sums are registered when they come in or are paid, even if they refer to a previous year.

The first set proves that equilibrium has come to stay and has not been shaken even by the revaluation crisis. The second set indicates that some expenditures which were budgeted for in past years, and were not paid in the appropriation year (e.g., public works only just completed) are now falling due. The exchequer, which in 1924-25 to 1926-27 paid less than was appropriated, must now pay the arrears. It seems that the present Finance Minister, Senator Mosconi, is accelerating payments of arrears. As arrears are also a debt, their payment reduces public debt just as much as extinction of consols; and if payment is made to creditors for public works or goods sold to the State it should have on the money market about the same effect as reduction of public debt.

It seems doubtful whether it is possible, at the present time, to increase taxation appreciably in order to reduce on a grand scale public debt proper, as distinct from reduction of arrears. Professor Mortara, in the chapter on Finance in his forthcoming *Prospettive Economiche*, has pointed out that public revenue which appears to have decreased from 21.3 milliards in 1925-26 and 21.4 in 1926-27 to 20.1 milliards in 1927-28 has really increased, if we reduce all figures to the present stabilised lira, from 15.8 milliards in 1925-26 to 17.2 in 1926-27 and to 20.4 in 1927-28. This is a portentous increase of taxation of 29 per cent. in three years. Taxes, apparently stationary, are much more hard to pay than before revaluation. It is therefore very difficult further to increase taxes on the top of such a hidden increased pressure of public expenditure on national income. Mortara's guess at the proportion of public (State, local and corporations) taxation to the national income is to-day 24 per cent. against 12.5 per cent. in 1913-14. Probably there is no other country in the world which has so gallantly faced the consequence of the post-war world in which we live. Italians pay 24 per cent. on an average individual yearly income of £23-£24; the British 24 per cent. on £80; Frenchmen 22 per cent. on £47; Germans 18 per cent. on £51; Americans 7 per cent. on £152. As the burden of taxation diminishes with the increase of income, we are bound to conclude that Italian taxpayers cannot easily bear further taxes. Senator Mosconi's programme of reduction of public expenditure is not only the best suggestion for the reduction of the national debt, but the best also for creating a margin for savings, which is the only road to prosperity.

HOLLAND.—MONEY—CAPITAL—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, March 4.

THE increase of the official London discount rate to 5½ per cent. has greatly influenced both the bill market and the money market here. A considerable amount of capital found its way to London and was reflected in the rise of sterling. It was only by support on the part of the Netherlands Bank that the guilder rate was prevented from reaching the export gold point. Our central bank at once liquidated large amounts of sterling in the form of bills, thereby greatly reducing both the items foreign bills and miscellaneous accounts. On February 4th the value of the foreign bills held by our national bank was still 205 million guilders, compared with 166 million on February 8th. The miscellaneous accounts dropped from 34 million to 27 million, while the gold supply remained unchanged. The value of the notes in circulation consequently shrank from 808 to 774 million. This diminution promoted a firmer tendency in the money market, so that rates increased considerably. The rate for " prolongation " even rose to 5½ per cent., while the rate for private discounts rose above the level of the official rate, viz., 4½ per cent. As a result a greater call was made on the Netherlands Bank, causing the value of the Dutch bills held by the Bank to increase from 59 to 67 millions on February 18th, while the amount of money lent also showed a sharp advance. The high rate of interest is evidenced by the average rate for " prolongations " during the month of February, which was 4.78, compared with 4.47 in January, 1929, and 3.79 in February, 1928.

Although on the Stock Exchange a rise in the Netherlands Bank rate for discounts is anticipated, the position

of the Bank is at present nevertheless considered sufficiently strong, so that there is no fear of an immediate advance. In this connection the fact that the entire Dutch dollar loan of $40 million is to be redeemed by April 1st is also important. For a considerable part of this loan no provision has yet been made; consequently the coming redemption will have a depressing effect on the dollar rate.

The firm tone of the money market has had little influence on the Exchange here. It is true that business was limited, but the market was not really dull. The figures regarding the issues market do not correctly represent the extent of the activity on the market or of the money taken up. In addition to the usual issues there were, in fact, various stocks introduced or negotiated, but for the amounts furnished by Dutch investors as buyers of these stocks no figures are to hand. This is all the more regrettable seeing that this category has become considerably greater of late. During February there were also several important issues, American being most prominent. The sensational rise in the price of copper led to the introduction of certificates of 10 ordinary shares of the Nevada Consolidated Co. at $51 per share, and of certificates of 10 shares of the Kennecott Copper Corporation at $79 per share. The International Nickel Co. of Canada, Limited, likewise offered a number of shares at $68 each. The briskness conspicuous at the commencement of 1929 has increased this month. Whilst 61 million guilders new capital was called for last month, this month no less than 100.9 million (excluding conversion loans) have been taken up, compared with 60.3 in February, 1928. The aggregate of the conversion loans was 2.9 million guilders. The issues for which applications were invited were confined to only a small variety, including "Industry," which accounted for not more than 79,616,925 guilders. It appears that during the past month Dutch stocks absorbed 61.8 million and foreign stocks 39 million, so that the comparison was approximately 1.6 to 1, as compared with 7 to 1 a year ago.

The value of Dutch imports for January last was 233,250,889 guilders, of the exports 152,191,563, and of the import balance 81,059,326.

For January of the years 1926-1929 these figures were as follows:—

	1926	1927	1928	1929
		(In millions of guilders)		
January—				
Imports	205·1	188·0	216·3	233·3
Exports	121·6	135·1	139·5	152·2
Import balance	83·5	52·9	76·8	81·1

The weight of imports and exports during the past three years was as follows:—

	Imports.	Exports.
	(In metric tons).	
1927	2,035,568	1,095,422
1928	2,068,142	1,122,225
1929	2,346,966	1,223,094

Half the increase in the weight of the imports is due to the increased imports of the minerals and metals group and not of the other groups of articles manufactured from these materials. The same applies to exports. The value of imported industrial products increased from 82.5 million guilders in January, 1928, to 89.2 in January, 1929; the value of these products exported increased from 56.7 million in January, 1928, to 68.1 in January, 1929.

CZECHOSLOVAKIA.—POLITICS—GOLD STANDARD—TRADE RETURNS.

(FROM OUR CORRESPONDENT.)

PRAGUE, February 27.

CZECHOSLOVAK politics are at the moment in a state of flux. The retirement of the Premier, Dr. Anton Svehla, was no surprise, on account of his continued ill-health, but it was difficult to find a successor who would combine his prestige and ability with the necessary popularity among the Coalition parties. The choice of Dr. Frantisek Udrzal, Minister of National Defence, was the best. He is highly respected for his sincerity and matter-of-factness, and as he also belongs to the Czech Agrarian Party, his appointment involves no Cabinet issue; in fact, it removes a number of personal differences which were well-known; and, by the retention of Dr Sramek as Deputy-Premier, secures the continued support of the Czech Clericals. Dr. Udrzal had not been in office more than a few days before changes in the Cabinet personnel were brought about, arising not from his appointment, but from party reasons. Dr. Gazik, Minister of Unification, and Dr. Milan Hodza, Minister of Education, both resigned. The latter's retirement from politics is of great significance, for he was a man of great influence and ability in the Agrarian Party. The present Coalition may continue in power for a few months longer, but it is clear that there is little unity among its members. Undoubtedly, if the last local elections (November, 1928) had not dealt such a heavy blow at the Czech and Slovak Clericals, so that they fear a new appeal to the country, the change would not be long delayed; in such a case, present events seem to point to a return of the Socialists to the Government.

It is because the Agrarians have such control of the political situation in this State that the economic discussions of the Little Entente representatives at Bucharest recently have amounted to so little. Resolutions as to examination of transport and traffic questions which are the joint concern of the three States, etc., do not hide the fact that attempts to develop an economic *entente* have failed. Jugoslavia charges this State with impeding its import of Jugoslav pigs, while the Czech Agrarians are ever on the alert lest their own industrials will obtain reductions and concessions at the expense of agricultural interests.

For the last few years the average quotation of the Czechoslovak crown has been 33.75 to the dollar; that is, it has had an actual value of 44.58 milligrams of fine gold. Its stabilisation has been assured from 1921, and in a currency Bill shortly to be laid before Parliament it is proposed to give the crown (Kc) a direct relation to gold instead of the present indirect relation *via* the dollar. It is not expected that gold currency proper will be introduced, as in France, but a gold exchange standard, similar to the system about to come into force in Switzerland. The steady progress made in this respect during the past ten years is due to Ministers Rasin and Englis, and to the Governor of the National Bank, Dr. Pospisil. Last year an amortisation fund of 414 million Kc., or 9 per cent. of the national debt, was established from capital levy contributions and direct State payments.

Trade returns for January, though showing an increase on those for the corresponding month last year, leave an unfavourable trade balance of 285 million Czechoslovak crowns, as shown by the following figures:—

	Imports.	Exports.	Balance.
	(In million Kc's.)		
January, 1928	1,315·5	1,551·4	+ 235·9
January, 1929	1,692·1	1,407·0	− 285·1

Among the imports for last month are included 212 million Kc. for raw materials, so that a favourable reaction in increased exports of manufactured articles is to be looked for later. Exports of finished goods declined in January by 54 million Kc., though imports of the same increased by 171 million Kc., which is explained by the greater purchasing power of the population.

Reports from the savings banks and other deposit institutions show that the general tendency towards thrift, which is so marked a characteristic of the Czech, is being continued. The last official reports from the insurance companies, those issued for 1927, show an increase in funds during that year from 4,640 to 5,330 million Kc., that is, 15 per cent. The extension of the State subsidy for building has given that industry a new impetus, though it is not to be expected that the boom of the past few years will continue in the future. Reports from coal, iron, automobile and most of the other leading industries are favourable.

CANADA.—BUSINESS—THE NEWSPRINT INDUSTRY—RAILWAYS—PARLIAMENT—ESTIMATES—ST. LAWRENCE WATERWAY.

(FROM OUR CORRESPONDENT.)

OTTAWA, February 27.

BUSINESS conditions remain very satisfactory, although it is quite clear now that the purchasing power of the rural community, especially in the West, is lower than it was last winter. It is true that the car-loading figures for the

SUN LIFE ASSURANCE COMPANY OF CANADA

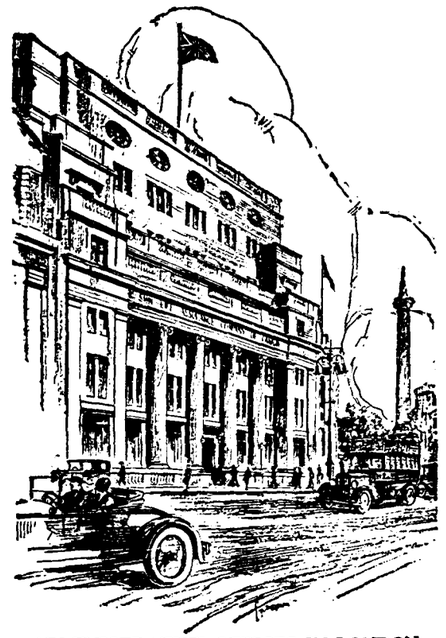
A TOWER OF STRENGTH

1928

Assurances in force (net) - An Increase of £84,025,000	£389,777,000
New Assurances Paid for - An Increase of £23,185,000	£90,666,000
Total Revenue - - - - - An Increase of £9,336,000	£30,675,000
Surplus earned during the Year - - - - - -	£8,273,000
Payments to Policyholders and Beneficiaries - - -	£10,615,000
Surplus and Contingency Reserve - - - - - An Increase of £1,881,000	£13,754,000
Funds at December 31st, 1928 - - - - - - An Increase of £17,209,000	£97,445,000
Rate of Interest earned on mean invested assets (net)	£6. 11s. 7d.%

DIVIDENDS TO POLICYHOLDERS INCREASED FOR NINTH SUCCESSIVE YEAR

The Company has also inaugurated the practice of paying a Special Maturity Dividend on participating policies, ten or more years in force, terminating by death or maturity.



ADMINISTRATIVE OFFICES IN LONDON
2-3-4 Cockspur Street

EXTRACTS FROM DIRECTORS' REPORT

... After deducting amounts re-assured, the total assurances in force now amount to £389,777,246, an increase of £84,025,737. Policies in force number 633,240, and in addition 136,293 certificates of assurance are held by employees of corporations and firms under the group plan.

While every field of operation contributed its full share to these impressive advances, the rapid development of our business in Great Britain and the United States is especially noteworthy. The generous reception of our Company in countries served by powerful domestic institutions is particularly gratifying, as testifying to widespread appreciation of our record and services.

... The amount paid to policyholders since organization, together with the amount at present held for their security or benefit, exceeds the total amount received from them in premiums by £22,884,293.

The strength and resources of the Company have been still further enhanced.

The net rate of interest earned on the mean invested assets, after making provision for investment expenses, has risen to 6.58 per cent. Dividend increases, bonuses and stock privileges, accruing on many of the Company's holdings, contributed substantially to this gratifying result.

A net profit of £2,266,202 has been realized from the redemption or sale of securities which had risen to high premiums.

The securities listed in the assets have been valued at figures substantially below the values placed on them by the Government. This under-valuation of our securities represents an important safeguard against possible adverse market fluctuations, additional to the reserves specifically provided against that contingency.

We are again able to report that on the bonds and preferred stocks listed in the assets not one pound, due either as interest or as dividend, is in arrear for a single day; while the dividends accruing to common stocks exceed by approximately one million pounds those payable on the same stocks at the time of purchase.

The surplus earned during the year, based on the values given in the accounts, amounted to £8,273,442.

£2,054,794. has been deducted from the already heavily marked-down value of securities, as additional provision against possible fluctuations, increasing the amount so set aside to £4,109,589.

The special amount set aside as a liability to provide for unforeseen contingencies has been maintained at £2,568,493.

£3,251,165 has been paid or allotted as profits to policyholders during the year.

After making all deductions and allocations, £1,881,774 has been added to the undivided surplus, bringing the total over liabilities, contingency accounts, and capital stock to £11,186,067.

The continued prosperity of the Company enables your Directors to announce, for the ninth successive year, a substantial increase in the scale of profits to be distributed to participating policy-holders during the ensuing year.

In addition, your Directors have inaugurated the principle of granting a Special Dividend on participating policies maturing after having been in force ten years or longer. This new bonus will enable policyholders or beneficiaries whose withdrawal is occasioned by the maturity of policy contracts, to participate in the accumulated surplus which it has not as yet been considered prudent to divide.

The effort to provide life assurance at the lowest net cost obtainable has been increasingly appreciated. Our policyholders will be gratified by this further evidence of our desire that the Company's prosperity shall be fully shared by its members.

SUN LIFE ASSURANCE COMPANY OF CANADA

HEAD OFFICE - MONTREAL

week ending September 15th, placed at 65,516 cars, show gains of 1,471 and 829 cars respectively in comparison with the figures of the previous week and the parallel week of 1927, but the aggregate for the year up to the same date is only 411,308 cars, as compared with 438,780 cars for the corresponding period of the previous year. These figures reflect a decreased movement of merchandise, but they are partly accounted for by the fact that a much larger proportion of the crop of the year 1927 was not marketed in the autumn months, but was left over to swell the carloadings of the early months of 1928.

Western members in the House of Commons have asserted that there is a great deal of unemployment in the urban centres of the prairies, and it is prevalent to a certain extent in the Eastern towns and cities, but the general level of industrial operations is satisfactory. The motor industry has the prospect of a very busy year, the structural steel mills are well provided with orders, and both the woollen and cotton textile plants are working nearer capacity than they have been for some time. The boot and shoe trade is also showing considerable improvement, and the promise of another large programme of new construction offers an auspicious outlook for firms dealing in builders' supplies and hardware. On every side there is evidence of confidence in the economic outlook for Canada. The Montreal Harbour Commission has decided upon improvements which will cost ten million dollars in anticipation of a steadily growing volume of business. Again, several large American chain-store organisations have entered the Canadian field, and have incorporated themselves under the Canadian law with Montreal as their headquarters.

Conferences between the leaders of the newsprint industry and publishing interests have been continuing steadily for the purpose of securing an agreement for price stabilisation at a profitable level, and to-day the Montreal *Star* announces that a settlement has been achieved through the signing of an agreement between the producers and the publishers which fixes a price of $55.20 per ton and restricts the output of the Canadian newsprint mills to a 75 per cent. basis. The new agreement does improve the prospects of the industry, and the stocks of newsprint companies have reacted favourably to the news.

The Canadian National Railways has just made public a statement of its earnings and expenses of the calendar year 1928, the figures with the comparative data for the previous year being as follows:—

	1928.	1927.
	$	$
Gross earnings	276,631,921	248,716,374
Expenses	218,248,343	203,315,684
Net earnings	58,383,578	45,400,690

The figures accordingly show that, while gross earnings increased 11.22 per cent., there was an increase of nearly 13 millions in net earnings, which is equivalent to 28.60 per cent. A further satisfactory aspect of the report is that, during 1928, the operating ratio of the system was reduced from 81.75 per cent. to 78.89 per cent. These figures are very encouraging to the defenders of the State-owned system, although it is admitted that, owing to the abnormally heavy yield of the Western crop, 1928 was a particularly favourable year for the earnings of the C.N.R. However, it is planning a very extensive programme of expansion. Not only has it secured a half interest in the railways of the Peace River country, in conjunction with the Canadian Pacific Railways, but Mr. Dunning, the Minister of Railways, announced in the House of Commons on February 22nd that the directors had decided to acquire some minor systems in Eastern Canada. In addition, it has its very substantial programme of new branch-line construction in Western Canada, which has been involving it in controversies with the Canadian Pacific Railway. But the Department of Railways at Ottawa has apparently been exercising its gifts as a mediator between the two companies with considerable success. Mr. Dunning at any rate informed Parliament that a satisfactory compromise had been reached in connection with their competing claims for charters, except in one instance, which was still the subject of conferences. On account of this compromise the C.N.R.'s branch line programme has been curtailed to 701 miles, which will involve an expense of about 28 million dollars. Some of the proposed branches will merely shorten or improve existing routes, but the longest are colonisation and development roads which will open up new territory for settlement. Most of them are in the two prairie provinces of Saskatchewan and Alberta; one branch in Saskatchewan will run into a new district north-west of North Battleford which is now well settled, and another will provide a direct link between Saskatoon, the commercial metropolis of Saskatchewan, and Fort Churchill, the tidewater terminus of the new Hudson Bay Railway from which steel is now only about 36 miles distant.

The Government has now received the petition of right filed by the minority stockholders of the Grand Trunk Railway, who are seeking authority to test their rights in the courts of Canada and will give it careful consideration. It raises very complicated legal questions and its appearance is credited with inducing the Government to postpone the submission of its plan, which was forecast for the present session of Parliament, for the recapitalisation of the Canadian National Railways.

The Federal Parliament continues to make rapid progress with its business, and it is now predicted that the budget will be produced before the end of the financial year, March 31st. Nothing but a few minor adjustments of taxation and tariff are predicted, and it is therefore unlikely to arouse much controversy. Once it is disposed of there will remain comparatively little important business to be tackled, and the way should be clear for the closing of the session by the middle of May.

The Government estimates for the fiscal year 1929-30 call for total appropriations of $391,507,840, an increase of some $6,000,000 over the aggregate for the current fiscal year. But before the session ends supplementary estimates will probably add another $20,000,000 to the estimates and produce the very substantial increase of at least $25,000,000. The increase is spread over most of the departments, which all claim to need more funds for expanded activities, and the only notable decrease is in the interest requirements for the public debt, which are cut by $3,500,000 as the result of the redemption of maturing loans from current revenues and the flotation of refunding loans at lower rates.

On February 25th the House of Commons debated the thorny problem of the St. Lawrence Waterway on the resolution of a Conservative private member to the effect that the Government should immediately conclude a treaty with the United States for its construction and undertake the Canadian part of the project as a public enterprise. The debate produced an interesting announcement from Premier King. He intimated that, like everybody else, his Government regarded the recent decision of the Supreme Court of Canada about the respective jurisdiction of the Federal and provincial authorities over water powers as nebulous and unsatisfactory, and saw no prospect of getting any more helpful verdict from the Privy Council. So they had decided to abandon the idea of any further reference to the law courts and to seek an equitable settlement of the conflicting claims by a conference with the governments of Ontario and Quebec which will be held as soon as the session ends. The United States Government has been notified of the plan and has acquiesced in it.

The Dominion Bureau of Statistics has recently altered its base for commodity price quotations, and will hence-forth take the base 1926 as 100. On this basis the January figures showed no change as compared with the December, being 94.15 for both months. While there were important price changes, the upward and downward movements tended to counter-balance one another: 99 price quotations were higher and 63 lower, while 340 were unchanged.

Letters to the Editor.

THE EFFECT OF FOREIGN LOANS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In reply to my inquiry for an explanation as to *how* foreign investment stimulates exports, in those cases in which it does not directly lead to additional purchases of British goods by foreigners, you reply:—"The cumulative effect on the world's exchanges as a whole of such increases in the supply of sterling for sale is to make the pound cheaper, which involves the relative cheapening of goods whose price is expressed in terms of sterling; in other words, to stimulate British exports and to hinder our imports."

This seems to me to be quite a correct account of what would happen if we were not on the gold standard. Is it that you have overlooked the fact of our return to gold? For the possible changes in the price of sterling within the gold points are insignificant in their effect on the prices of goods. Moreover, it is impossible that sterling should be cheaper than it is now—so long as we remain on the gold standard.

Your argument does not make sense, therefore, unless your meaning is that foreign investment stimulates exports by driving us off the gold standard. But this, I take it, is not your meaning. So I still await an answer to my question.—Yours, etc.,

J. M. KEYNES.

[This letter is referred to in a Note of the Week.—ED. *Econ.*]

TO THE EDITOR OF THE ECONOMIST.

SIR,—In considering the connection between capital exports and commodity exports it appears clearly necessary to distinguish between immediate reactions and ultimate reactions.

The immediate trade phenomena corresponding to an increase in the export of capital may be either an increase in exports or a decline in imports, including invisible items in both cases. Experience seems to show that, so far as Great Britain is concerned, the widest fluctuations are on the side of exports. Moreover, the tendency seems to be for variations from year to year in commodity imports and exports to be in the same direction, an increase in the export of capital, taking the form of a greater increase in exports than in imports, and *vice versa* in the case of a decrease in the export of capital. No doubt the correspondence in the movements of imports and exports may be partly accounted for by the fact that the quantity of imported raw materials required is to a substantial extent dependent upon the state of the export trade, as well perhaps as by general price movements; but I think it would be difficult to show that the quantity of goods imported for consumption is on the whole smaller when the export of capital is increasing than at other times. Imports of some goods (*e.g.*, manufactures competing with British goods) may be less, but the general level of imports for consumption is probably at least maintained.

The inference is that fluctuations in the export of capital from Great Britain are as a rule particularly closely connected with corresponding movements in the export of commodities and in invisible exports. The connection may not be one of cause and effect, as it seems just as likely that the export of capital may be a resultant as that it is a determinant of the commercial movements. The Balfour Committee (see their Final Report, p. 264) in fact regard the falling off in the export of capital since the war as "to a greater extent a result than a cause of the falling off in the export trade." As regards the ultimate reactions of the export of capital, it seems difficult to regard the development of the world as tending otherwise than to give a strong impetus to commodity exports. One can, of course, imagine this country as paying for its imports entirely by its invisible exports—such as interest on capital invested abroad in the past. But there is no suggestion that this is likely to correspond or could correspond with reality. Where capital exports take the form of British plant and machinery it may often be expected that the original purchase will give rise to a stream of later orders for purposes of replacement or extensions (as notably, for example, in the case of the British railways in Argentina). But apart from this, the development of so-called "new" or backward countries tends very strongly to stimulate international trade, and in this trade it may be expected that Great Britain will obtain a share probably more than corresponding to her proportion of the international trade of the world. Many of the countries in question produce foodstuffs and raw materials of which large quantities are required by Great Britain, and they need manufactured goods. The existence in many cases of regular shipping lines to this country, and of commercial and financial houses established in both countries, is likely materially to facilitate the export trade in British goods to the newly developed countries.

It must, of course, be admitted that the volume of the British export trade is to a great extent dependent upon general forces which control the volume of international trade of the world. The spirit of national self-sufficiency bolstered up by tariffs may at times do more to check the growth of international trade (and consequently it may be of British trade) than the development of new countries by overseas investment can do to expand it.

I enclose my card, and remain, yours, etc.,

STUDENT OF ECONOMICS.

London, March 11th.

[This letter is referred to in a Note of the Week.—ED. *Econ.*]

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your very lucid explanation in last week's notes of how an export of capital is always reflected in increased trade leaves no room for criticism on the main issue. Nevertheless there are certain by-products resulting from a foreign loan of sterling to which I think attention should be drawn.

Consider the particular case which you discuss of a foreign loan of which 20 per cent. is spent in this country and 80 per cent. converted into dollars and spent by the borrowing country in the U.S.A. Now assume that America takes over the sterling, invests the same in short-dated securities in our market, and thus indirectly promotes trade. Clearly your major proposition remains unchallenged. But what has actually happened? We have *lent long* and *borrowed short*, and thus put it in the power of the U.S.A. to deplete our gold reserves whenever the speculative position or other circumstances render such procedure desirable. Furthermore, our trade position has not been improved, since it is fair to assume that the sterling available for the foreign loan would otherwise have been employed internally in the same way as the short loans acquired by the U.S.A. in this country are utilised.

I am inclined to think that something of that nature has been going on for a considerable period, and if that is so you may agree that an unsatisfactory position has been created with little compensating advantage. Again, this view may offer an explanation of why our foreign loans, taken over a period, have exceeded our estimated exportable surplus. I have not access at the moment to all the figures for the last few years, and it might be of interest if you would summarise these for the benefit of your readers. If these figures confirm my conclusion they would offer an additional reason why foreign loans are, in certain circumstances, to be deprecated.—Yours faithfully,

FRANK MORRIS.

Constitutional Club, Northumberland Avenue,
March 12, 1929.

[This letter is referred to in a Note of the Week.—ED. *Econ.*]

LACE AND SAFEGUARDING.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In an article on the subject of lace and Safeguarding in your issue of March 2nd, you base certain conclusions hostile to the policy of Safeguarding upon results which you claim have occurred in the Lace Industry. The conclusions you reach are derived, in part, from certain figures quoted by Lord Plymouth, namely, the total imports of lace into the United States from France and the United Kingdom in 1927, a total of £712,000. You then tell us that the trade returns show that British-made lace sent to the United States in that year amounted to well over £400,000, and that, therefore, the volume of French lace imported into the United States that year did not exceed £300,000.

If you will refer to Lord Plymouth's speech (delivered in the House of Lords on November 21, 1928) you will find that the figure of £712,000 which he quotes, applied to machine-made lace only, whereas the figure of £400,000 which you deduct therefrom covers all kinds of lace. As a matter of fact, Lord Plymouth's figure is made up of imports into the United States from the United Kingdom to the amount of £90,000 only, while those from France amounted to £622,000. This alone appears to invalidate the arguments which you put forward, but a closer examination of French exports of lace into the United States is still more illuminating. The United States imports of French machine-made lace in 1924 amounted to $7,251,000; in 1927 they were substantially less than half that amount, namely, $3,020,000.

Now, in all arguments on the British lace trade the decline in exports and in re-exports is laid at the door of the lace duty. Many controversialists take the figures of re-exports as they appear in the Trade and Navigation Returns and tell us

that this is the figure to which they have sunk. Sir Arthur Steel-Maitland's statement gives us, as you point out, a total re-export trade in lace for 1927 of £873,000, which again you point out to be a decline of nearly 50 per cent. Does not this figure bear a very striking relationship to the decline in United States imports from France, which show a decline of more than 50 per cent.?

The persistent testimony of our merchants to which you refer may be perfectly correct as to the serious losses which the lace trade has suffered of recent years, but is it not abundantly clear that these losses arise from causes very far removed from the lace duty?—Yours truly,

DOROTHY JACOBS, Secretary.

Empire Industries Association,
26 Abingdon Street, Westminster, S.W. 1.
March 4, 1929.

[We are obliged for the correction. Lord Plymouth's U.S.A. figures related only to "machine-made" laces. To this extent the form of our argument needs qualifying, but there is no ground whatever for the suggestion that of the £822,000 (cotton machine-made laces) even the major proportion came through British ports transhipped under bond in order to get to the U.S.A., and our main argument still stands. It is true that French exports to the U.S.A. fell from 7¼ million dollars to 3 million dollars (1924-27), but the same Returns show that the corresponding United Kingdom exports fell from 1,432,032 dollars to 439,814 dollars—a much heavier percentage decline. —ED. *Econ.*]

Books and Publications.

AGRICULTURAL ECONOMICS.*

IN a country where the bulk of the population live within the shadow of the factory wall or within sound of the traffic's daily rumble, it is perhaps not surprising to find agricultural and rural problems relegated to positions of minor importance, or overshadowed by an urbanisation of outlook amongst students of sociological phenomena. Whether we regard ourselves as a nation of shopkeepers or as employees in the world's workshop, it is worth while remembering that there are still one and a quarter million of people actively engaged in some branch or other of the farmers' calling; that the country still produces some £225 million worth of foodstuffs, and that the economic activities associated with the welfare of an industry of such importance are as deserving of attention from scientific minds as the maze of parallel problems created by the industrial revolution.

While the importance of agricultural economics is now readily admitted, however, it can hardly be said that there is general agreement as to its scope, and particular value attaches, therefore, to this work of Professor O'Brien's, which is an attempt not only to beat the bounds of the subject, but also to indicate the nature of the problems which have legitimate place within the pale. Justification for the publication of such a work is found not only in the relation of agricultural economics to the general science, but also in the neglect which is apparent in the application of scientific knowledge generally to agricultural practice. While intensive efforts have been made to apply the advances made in the natural and physical sciences to the improvement in the quantity and quality of the agricultural output, the fact that agriculture is a business as well as a science has been neglected both by students of the subject and, to some extent, by those responsible for public policy in regard to the assistance of agricultural production.

The severe economic depression of recent years has no doubt been largely responsible for the awakened interest in the need for close study of the causes underlying agricultural prosperity. The contribution made to the literature of the subject, so far as this country is concerned, are to be found mainly in the pages of scientific journals and certain official publications. The time is ripe, therefore, for some attempt to present within the covers of one book a summary of the researches and the scattered publications which have already taken place.

Professor O'Brien has done his task well, and it would be entirely misleading to say that his book is merely a boiled-down version of the work of other writers. The author's conception of agricultural economics is a logical application of general economic principles to the peculiar circumstances of the agricultural industry. It is assumed, therefore, that readers of the book will have a preliminary acquaintance with the technique of the economist; he will need to understand, for example, such terms as "elasticity of supply," "the economic lag," "instantaneous lag," and "instantaneous costs," and "utilities of time, place and possession." To those familiar with economic nomenclature it will be apparent that this assumption of knowledge on the part of the reader has enabled the author to dispense with a good deal of exposition in elementary economic theory, with considerable advantage to the concise and yet adequate statement of his argument.

The general thesis of the work proceeds from the rather free description of agricultural economics as the science of agricultural prices, and the treatment adopted involves discussion, first, as to the causes which affect the prices of agricultural products in general, and the causes which affect the prices of particular agricultural products. The chapters under these headings contain most suggestive discussions on such matters as the trade cycle in agriculture, the elasticity of demand for agricultural produce in relation to purchasing power of the community, the possibilities for stimulating consumption by advertisement, the economic significance of the law of diminishing returns, the value of cost accounting in agriculture, the size and layout of farms, the causes which affect particular items of farming costs, the influence of systems of land tenure upon costs, and the analysis of marketing functions in their relation to costs of production. Considerable space is devoted also to the economic significance of the relations which exist, or which may be contemplated, between the State and the industry.

The work throughout is exceptionally well annotated with references to existing publications, and the book may be welcomed as a timely contribution to the literature of the subject, particularly for those whose interest is of the new-born order and whose immediate need is a competent guide to give them a general survey of the ground to be covered, whilst pointing out at each stage of progress where digressions may be most profitably undertaken.

* "Agricultural Economics." By George O'Brien. (Longmans). 10s. 6d. net.

MARKETING ENGLISH GRAIN.*

NUMBER 18 of the admirable series of Economic Reports published by the Ministry of Agriculture, deals with the marketing of wheat, barley and oats in England and Wales. The organisation of the trade in imported grain is described, but the chief importance and interest lie in the description and discussion of the methods by which home-grown grain is marketed. The proportion of total supplies of each of the three grains which is produced at home varies widely, being 22 per cent. of wheat, 56 per cent. of barley and 85 per cent. of oats. In the case of wheat, a point is emphasised which is commonly overlooked. It is reckoned that not more than 30 per cent. of home-grown wheat is made into bread, the remainder being used, in about equal proportions, for biscuit-making, blending and scaling flours and feeding stock (mainly poultry). Justice is done in the Report to the efficiency of the service rendered by merchants who keep the country regularly supplied with wheat, and to the narrowness of the margins on which this immense business is financed. The tendency for the manufacture of cereal products to become concentrated in larger units is pointed out, and it is suggested that, as a result, "the balance of bargaining power has gone against the seller." The establishment of a recognised system of grading for home-grown grain is the chief proposal made.

* "Report on the Marketing of Wheat, Barley and Oats in England and Wales." 24-40-18. H.M. Stationery Office. 6d. net.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

Survey of American Foreign Relations, 1928. By Charles P. Howland. Oxford University Press. 24s.

This is the first volume of a series inaugurated by the Council on Foreign Relations. It is proposed to select each year those topics which either have been thrown into high relief by some sort of culmination, or have reached a stage of temporary arrest which allows of deliberate examination. The principal sections under which the chapters in the present volume are grouped are: American Foreign Policy; The United States as an Economic Power; The United States and the League of Nations; Financial Relations of the United States Government after the World War and Limitation of Armament.

Double Taxation and International Fiscal Co-operation. By Edwin R. A. Seligman. (London) Macmillan and Co., Ltd., St. Martin's Street. 8s. 6d. net.

Professor Seligman gives a clear and interesting account of the progress that has been made in dealing with the question of double taxation, and concludes with further suggestions.

Wirtschaftstheorie und Wirtschaftsbeschreibung. By Robert Liefmann. (Tübingen) Verlag Von J. C. B. Mohr (Paul Siebeck). 1.80m.

A discussion, by a distinguished German economist, of the scope of economic theory.

Political Handbook of the World, 1929. Edited by Malcolm W. Davis and Walter H. Mallory. (New York) Council on Foreign Relations, 25, West 43rd Street. $2.50.

This handbook gives a summary of the party programme, the Government and the Press of each of sixty-four countries. It is unfortunate that this useful publication makes (on p. 80) an erroneous entry regarding the *Economist*. It is indicated that Financial Newspaper Proprietors, Ltd., are the proprietors of this journal. This is not the case. As stated in these columns, that company owns 50 per cent. of the voting shares, the other 50 per cent. being held by a separate group of individual shareholders. Moreover, adequate provision has been made to secure the complete editorial independence of the *Economist*, and independent trustees have been appointed with the power of veto on the transfer of voting shares.

Mergers and the Law. (New York) National Industrial Conference Board Inc., 247, Park Avenue. $3.00.

A valuable discussion of American anti-trust law and its working.

Some Aspects of Rationalization. By Sir Mark Webster Jenkinson. (London) Gee and Co. (Publishers), Ltd., 6, Kirby Street.

This is a full discussion, within the limits of a short paper, of the essential of rationalization.

The Future of the Railways. By Ashley Brown. (London) Simpkin Marshall, Ltd., Stationers' Hall Court.

A pamphlet of practical suggestions for increasing the efficiency of British railways.

The Companies Act, 1928—*As It Affects the Business Man.* By Sir Mark Webster Jenkinson. (London) Gee and Co. (Publishers), Ltd., 6, Kirby Street.

This is a reprint of an address delivered to the members of the Rotherham Chamber of Commerce.

Un' Indagine Sulla Dinamica della Distribuzione dei Reddite. By Francesco Antonio Rèpaci. (Bari) Tipografia Cressati.

A discussion of recent changes in income distribution in Italy.

The Economic Journal, March, 1929. (London) Macmillan and Co., Ltd., St. Martin's Street. 6s. net.

This unusually interesting number contains articles on "The German Transfer Problem," by J. M. Keynes; "The Economic Effects of Variations of Hours of Labour," by Lionel Robbins; "A New Study of British Foreign Investments," by Sir Robert Kindersley; and "Output per Head in U.S.A. and U.K.," by G. L. Edwards.

Journal of the Royal Statistical Society, Part I, 1929. (London) Royal Statistical Society, 9, Adelphi Terrace. 7s. 6d.

This number contains Mr. Flux's inaugural address on "The National Income."

The Banker, March, 1929. (London) Eyre and Spottiswoode, Ltd., 9, East Harding Street, Fleet Street. 2s. 6d.

This interesting number contains, *inter alia*, articles on British-American Banking Relations, and Labour, Reparations and Trade Recovery.

Report of the Superintendent of Insurance of the Dominion of Canada for the Year ended December 31, 1927. Vol. II., Life Insurance Companies. (Ottawa) Department of Insurance.

This volume contains an immense mass of information, including legal decisions in 1927, particulars of premium income, valuation of policies, amount of insurance effected, in force and terminated, details of insurances, companies, etc.

Traffic Tables for use from January to June, 1929. (London) Fredc. C. Mathieson and Sons, 16, Copthall Avenue. 1s.

Gives highest and lowest prices of stocks, together with classified traffic receipts of British and South American railways for each week during the first half of 1927 and 1928.

Nitrate Facts and Figures, 1929. Compiled by E. T. Tatham. (London) Fredc. C. Mathieson and Sons, 16, Copthall Avenue.

A useful manual of statistics relating to Chilean nitrates and nitrate companies.

Manual of Argentine Railways for 1929. By Sir Stephen Killik. (London) Effingham Watson, 15, Copthall Avenue. 2s. 6d. net.

Unusually full details of the respective Argentine railways are given in this little handbook. There is also a useful map.

Sub-standard Lives and Their Assessment in Life Assurance. By Jehangir J. Cursetji. Published by the author, Oriental Life Assurance Co., Ltd., Post Box No. 148, Bombay. 3s. 6d.

A short pamphlet for the guidance of insurance companies.

Gramophone Companies, Mid-February, 1929. (London) Fredc. C. Mathieson and Sons, 16, Copthall Avenue. 1s.

Contains particulars of the capital, dividends and prices of stocks of all gramophone companies.

Mobilizing Mutual Benefit Associations for Health. By Magnus Alexander. Published by the American Public Health Association.

A reprint from the American Journal of Public Health.

Operazioni di "Portafoglio Estero" e "Corso" dei Cambi. By Guiseppe Ingo Papi. (Rome) Tipografia delle Terme, Piazza delle Terme 6.

A short work in Italian on the working of the foreign exchanges.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C.2.

Statement of the First Lord of the Admiralty Explanatory of the Navy Estimates, 1929. Cmd. 3283. 3d. net.

Particulars of the Fleets of the British Empire, United States of America, Japan, France, Italy, Soviet Union and Germany, on Feb. 1, 1929. Cmd. 3277. 2s. net.

Merchandise Marks Act, 1926: *Report of Standing Committee Respecting (a) Tea*, Cmd. 3288, 3d. net; *(b) Firearms*, Cmd. 3289, 2d. net.

Army Appropriation Account, 1927. 2s. net.

Estimates for Revenue Departments for the Year Ending March 31, 1930. 2s. net.

Civil Estimates for the Year Ending March 31, 1930: *Class III., Home Department, Law and Justice.* 2s. 6d. net.

National Insurance (Unemployment) Acts: Selected Decisions Given by the Umpire Prior to April 19, 1928, *Respecting Claims to Benefit and Donation.* 15s. net.

Department of Overseas Trade: A Review of the External Trade of the United States of America in 1928. 1s. 6d. net; Economic Conditions in Bolivia to Oct., 1928. 1s. 6d. net.

Report on the Finances, Administration and Condition of the Sudan in 1927. Cmd. 3284. 2s. 6d. net.

The Stock Exchange.

TRUSTEE SECURITIES.

THE question whether the law as regards trustee securities is not ripe for revision has, in recent times, been brought into public prominence by numerous developments, two of which deserve special notice. We refer to the controversy regarding the investment qualities of Australian stocks, and the post-war decline in revenue of the British railways. In both cases the status of certain issues held largely by trustees has been affected, and the resulting discussion has tended to spread over the *terrain* of trustee investment as a whole. The effect of the Trustee Acts is, of course, to divert a portion of the stream of capital into a limited range of investments, the intention being not necessarily to secure the "trust funds" against the possibility of capital depreciation, but to safeguard the annual income and relieve the trustee himself of personal liability for losses. We do not propose, in the present article, to discuss the wide economic issues involved in the concentration of capital resources along lines which must necessarily be arbitrary, but to confine ourselves to the more practical question whether the present Trustee List might not advantageously be extended, in response to changed conditions in the investment markets as a whole.

The present position is governed by the terms of the Trustee Act of 1925, which consolidated previous legislative measures. Under its terms, a trustee is limited to investment in:—(1) British Government funds, including stocks guaranteed by Parliament; (2) Bank of England stock; (3) India Government stock; (4) London County Council, Metropolitan Board of Works or Metropolitan Water Board stock; (5) the debenture, rent charge, guaranteed or preference stock of the home railways which are paying a dividend on their ordinary stock, or any stock of a railway or canal leased to one of the home railways; (6) the debenture stock of Indian railways, the interest on which is guaranteed by the Indian Government, Indian railway annuities, and Indian railway ordinary stocks on which a fixed or minimum dividend is guaranteed by the Indian Government; (7) the debenture, guaranteed or preference stocks of water boards which are paying a dividend of not less than 5 per cent. on their ordinary stock; (8) stocks of home corporations with a population exceeding 50,000, and all County Council stocks; (9) Colonial Government stocks authorised under the Colonial Stock Act; (10) any stocks authorised by rules of the Supreme Court. The Act of 1925 cleared up a few doubtful points, such as the eligibility of Northern Ireland stocks, and the eligibility, under certain conditions, of bearer securities, but otherwise made little change in the position laid down under earlier Acts.

The approximate nominal value of the securities comprised in the Trustee List has been computed by a firm of London stockbrokers as shown below, the totals being based on the Stock Exchange Official List, and therefore excluding a number of home corporation and water board stocks which have not received a quotation:—

Trustee Securities in the London "Official List."

	January, 1913.	January, 1923.	January, 1929.
	£	£	£
British Funds	983,756,082	5,417,643,697	6,112,659,721
Trade Facilities' Stocks	...	...	38,830,000
Corporation and County Stocks	187,701,803	225,135,372	270,845,089
Public Boards and Waterworks	48,804,317	53,216,951	54,763,241
Dominion and Colonial Government Stocks	319,734,003	463,254,388	655,930,891
	723,729,901	732,034,740	859,934,248
British Railways	52,232,837	62,785,131	52,466,310
Indian Railways			
Total	2,315,958,943	6,954,070,279	8,045,429,500

Omitting the large, and abnormal, war-time increase in British Funds, the expansion in the total since 1913 has been very small, and since 1923 has been, on the average, no more than 2.6 per cent. per annum. Actually, since that date, the supply of Dominion and Colonial Government stocks has been increased by £192.7 million, Corporation stocks by £45 million, Public Boards and Water Works stocks by £1.5 million, and Home Railway stocks by £127.9 million.

The firm whose estimates we have quoted makes the important point that, as trustees generally prefer not to hold too large a proportion of British Funds in their portfolios, on account of the relatively low yield offered (except in the case of 5 per cent. War Loan) a considerable proportion of trustee funds is, in fact, drawn into Colonial Government securities, whose only effective rivals are the Home Corporation stocks. There is a good deal of popular misapprehension as to the terms of the Colonial Stock Act of 1900, which brought loans of Colonial Governments, under certain conditions, into the trustee fold. It is often imagined that the Colonial Stock Act affords real protection for the investor, that all Colonial prospectuses are examined by officials of the Treasury, and that none is allowed to appear until the Treasury has fully assured itself of the necessity of the loan and of the soundness of the security behind it. It is even imagined that, in the event of default, the British Government would be bound to come to the rescue of the investor. All these beliefs are fallacious. The Colonial Stock Act merely lays down that the Trustee Acts shall include any Colonial stock which has been duly registered in the United Kingdom and which has observed whatever conditions have been prescribed in Treasury orders. The pertinent Treasury order in force is one of December 6, 1900, which declares that the Colonies shall provide by legislation for the payment out of their revenues of any sums which may become payable to stockholders under any judgment, decree or rule or order of the Court in the United Kingdom, and that the Colonial Governments shall formally agree that any Colonial legislation which appears to the British Government to alter any of the provisions of the stock to the injury of the stockholder, or to involve a departure from the original contract in regard to the stock, will properly be disallowed. This order does not provide for any guarantee of Colonial Government securities by the British Government.

It has recently been suggested that the provisions of the Colonial Stock Act should be left untouched, but that the effective preference which Dominion stocks enjoy should be modified by the admission, on their merits, of a new range of securities to the Trustee List. The following are mentioned in this connection: the debentures and preference stocks of electric supply and gas companies, which are earning 5 per cent. on their ordinary share capital; the preference shares of the new Communications Company and the debentures of the Cable Companies; the debentures of investment trust companies which have a capital of £1,000,000 or more, are earning more than 5 per cent. on their ordinary stocks, and regularly publish a list of their investments; and debentures of canals, docks and other public boards which are earning 5 per cent. on their ordinary share capital.

While there is obviously much to be said for the principle involved, there is room for considerable divergence of view as to detail, which only a thoroughly expert and representative body could settle. We would suggest, however, that the reform of the present system might go further, and, having considered such anomalies as the exclusion of the debenture stocks of the London Power Company, the Manchester Ship Canal, and the Port of London Authority, in face of the inclusion of the home railway preference stocks, might inquire as to the effect of the provisions which make trustee status depend on the payment of dividends. Under the terms of the Trustee Act, for example, the prior charges of the home railways are included only if the railway company concerned has paid a dividend on its ordinary stock for the last ten years at the rate of 3 per cent. This has been modified by an order of the Court, which admits such stocks if the railway company has paid *any* dividends, however small, on its ordinary stock. The effect has been that, in 1926 for instance, more than one British railway has been forced to pay dividends out of reserves in order to maintain its trustee status at a time when conservative finance would have dictated a husbanding of cash resources. Sound investment canons would suggest that *earnings*, not dividends, should be the future criterion of fitness to be included in the list.

Such changes as these would require legislative action, and could only come into force after prolonged discussion. The Treasury could, however, consider in the meantime whether action might not profitably be taken under the powers it already possesses to enforce certain reforms upon Colonial borrowers. Already the Australian Commonwealth and States have begun to furnish in their prospectuses more adequate information as to their financial position, but the Treasury might go further and prescribe that no loan of a Colonial Government should be admitted to the Trustee List if the Budgets of that Government had not balanced during the three preceding financial years; if revenue surpluses had not been applied to the reduction of debt; and if adequate sinking funds were not maintained for the repayment of loans. Finally, the suggestion of a firm of brokers that a Committee be set up, charged with the duty of reporting to the Treasury each year its suggestions for stocks to be included in the Trustee List, deserves serious consideration. It goes without saying that any measure likely to increase the confidence of the investment world generally in the intrinsic merits and stability of trustee securities would be of the utmost benefit both to trustees and beneficiaries. The impartial consideration by a competent body of the question of revising the scope of the list would be welcomed on all sides at the present day.

HOME RAILWAY POSITION.—II.

IN an earlier article we showed that the "Big Four" railways of Great Britain succeeded in offsetting a falling-off of over £9,000,000 in gross receipts last year, as compared with 1927, by reductions in expenditure to the extent of £7,000,000. We now propose to examine the receipts and expenditure figures for 1928 in a somewhat more detailed fashion.

Few things in this world are more difficult to interpret than railway statistics, or contain more traps for the unwary. Possibly this fact is reflected in the experience of the London, Midland and Scottish Railway, which, having furnished its stockholders on this occasion with a summary (omitting, among other things, the company's balance sheet) and an intimation that the full accounts would be forwarded on request, is understood to have received applications for the latter from only a few hundreds of its 300,000 proprietors. In these conditions it may be well to distinguish, at the outset, four leading factors in present-day British railway administration which will serve as guiding threads in the subsequent statistical labyrinth. In the first place, the railways, being "common carriers," are under a statutory obligation to move all traffic offered them, with the exception, broadly, of wild beasts and dynamite. In the second, only about 40 per cent. of railway expenditure varies with the volume of traffic moved. Thirdly, when the railways are competing with other agencies, so long as a particular traffic yields even the smallest of margins over the out-of-pocket expense of moving it, good policy requires that it should be moved, even at a "cut" rate. Contributions, however small, are welcome, which help to relieve the proportionate burden of "fixed" expenditure. Fourthly, the Railways Act of 1921 ordained that the level of future charges should be such as would provide the railways with a "standard" net revenue equal to that of 1913, with certain adjustments. The system thus postulated came, theoretically, into force for the first time last year.

Bearing these principles in mind, we may proceed to examine the detailed figures for the past two years. The main features as regards receipts are set out in the following table:—

RAILWAY RECEIPTS, 1928.

(Percentage comparison with 1927 shown in brackets.)

(000's omitted.)		London Midland and Scottish Railway.	London and North-Eastern Railway.	Great Western Railway.	Southern Railway.	Total—Four Railways.
PASSENGER TRAFFIC:—						
Ordinary Passengers	Number	221,519 (− 1·9%)	147,407 (− 1·2%)	102,324 (+ 0·1%)	148,214 (− 1·1%)	619,464 (− 1·2%)
	Receipts £	18,612 (− 2·4%)	11,778 (− 1·8%)	8,670 (− 1·8%)	11,212 (− 1·3%)	50,272 (− 2·5%)
Workmen	Number	96,994 (+ 5·6%)	52,514 (− 0·2%)	28,702 (+ 3·0%)	53,854 (+ 9·8%)	232,064 (+ 4·7%)
	Receipts £	1,239 (+ 2·1%)	710 (+ 4·3%)	317 (+ 3·3%)	783 (+ 8·6%)	3,048 (+ 4·4%)
Season Tickets	Number	253 (− 6·2%)	195 (− 3·9%)	79 (− 3·1%)	174 (+ 4·9%)	701 (− 2·6%)
	Receipts £	3,067 (− 7·3%)	2,315 (− 3·5%)	793 (− 3·8%)	2,617 (+ 3·9%)	8,792 (− 2·9%)
Total Passenger Journeys.	Number	318,767 (+ 0·2%)	200,116 (− 1·0%)	131,104 (+ 0·7%)	202,242 (+ 1·5%)	852,228 (+ 0·3%)
	No., adjusted for season tickets†	*469,992 (− 2·0%)*	*317,090 (− 2·0%)*	*178,349 (− 0·3%)*	*306,673 (+ 2·7%)*	*1,272,104 (− 0·7%)*
	Receipts £	22,917 (− 2·8%)	14,803 (− 3·7%)	9,780 (− 1·8%)	14,612 (+ 0·1%)	62,112 (− 2·2%)
	Average per Passenger (Ordinary and Workmen)	1s. 2·96d. (− 2·2%)	1s. 2·99d. (− 3·2%)	1s. 4·46d. (− 2·3%)	1s. 2·25d. (− 2·2%)	...
Total Passenger Train Receipts * £		29,780 (− 2·3%)	19,585 (− 3·7%)	13,059 (− 1·7%)	17,134 (+0·01%)	79,557 (− 1·9%)
GOODS TRAFFIC:—						
Coal, Coke and Patent Fuel	Tonnage	80,095 (− 6·8%)	83,015 (− 2·4%)	49,574 (− 5·2%)	7,556 (− 7·8%)	220,240 (− 4·9%)
	Receipts £	13,573 (− 8·9%)	12,559 (− 6·2%)	5,940 (− 9·1%)	1,475 (−14·7%)	33,546 (− 8·2%)
	Average per ton	3s. 4·67d. (− 2·2%)	3s. 0·31d. (− 3·9%)	2s. 4·76d. (− 4·0%)	3s. 10·84d. (− 9·2%)	...
Merchandise, Classes 1 to 6 (mainly "other minerals")	Tonnage	31,563 (− 6·4%)	27,611 (− 6·8%)	11,973 (− 4·1%)	3,787 (− 4·7%)	74,934 (− 6·1%)
	Receipts £	6,626 (− 8·1%)	5,283 (− 7·1%)	2,585 (− 6·2%)	824 (− 9·7%)	15,317 (− 7·5%)
	Average per Ton	4s. 2·39d. (− 1·8%)	3s. 9·92d. (− 0·4%)	4s. 3·81d. (− 2·0%)	4s. 4·20d. (− 8·7%)	...
Merchandise, Classes 7 and upwards (mainly "general merchandise.")	Tonnage	31,846 (− 4·4%)	26,205 (− 5·0%)	13,764 (− 4·9%)	5,552 (− 4·2%)	77,367 (− 4·6%)
	Receipts £	22,339 (− 5·9%)	15,571 (− 4·7%)	8,308 (− 3·6%)	3,199 (− 7·5%)	49,417 (− 5·2%)
	Average per Ton	14s. 0·35d. (− 1·6%)	11s. 10·61d. (+ 0·6%)	12s. 0·86d. (+ 1·3%)	11s. 6·29d. (− 3·5%)	...
Total Goods Train Receipts (including live stock)... £		43,410 (− 7·1%)	34,040 (− 5·5%)	17,177 (− 5·8%)	5,598 (− 9·6%)	100,225 (− 6·5%)
Total Receipts from Railway Working‡ £		73,870 (− 5·1%)	54,113 (− 4·7%)	30,486 (− 4·1%)	23,019 (− 2·5%)	181,488 (− 4·5%)

* Including parcels under 2 cwt. and excess luggage, other merchandise by passenger trains, and mails and parcels post.
† Assuming 600 journeys per season ticket per annum.
‡ Including miscellaneous receipts.

Taking the figures for the four lines as a whole, passenger receipts, which accounted for 44 per cent. of the total, fell off by approximately 2 per cent. last year, the L.N.E. being the most seriously affected, while the Southern regained on workmen's and season tickets rather more than its losses on ordinary passengers. In the evidence supporting their Road Transport Bills last year the railways intimated that they were suffering severely from motor vehicle competition. Their reaction towards it, last year, was governed by the third principle we mentioned above—they greatly increased their cheap fare facilities, deeming it preferable to reduce their margin

over out-of-pocket expenses than to lose further traffic to the roads. There are, however, numerous objections to the indefinite continuance of a " rate war " with competing transport agencies. It is a costly method. It has a limited usefulness as applied to the *shorter-distance* traffic, where the economic competition of road transport is at its maximum. As the railways' experience on the goods side amply proves, it is an exceedingly difficult matter to withdraw anything in the nature of an exceptional facility once it has been granted. Above all, the conception that road and rail transport are necessarily competitive rather than complementary is bound to be productive of loss to *all* the agencies concerned, and, ultimately, to the community. For this reason the use made by the railways of their new road powers will be watched with keen interest during the next few years.

The heaviest loss of revenue last year, however, arose on the goods traffic side, where new road competition was a less important factor than the depression of British trade generally. The decline in revenue from coal traffic may be read in conjunction with the drop of 5.7 per cent. in the British coal output last year, but the 5 per cent. decrease in revenue in Classes 7 and upwards (mainly " general merchandise "), which accounted last year for nearly half the total goods receipts, would seem to have exaggerated the recession in general trade. The Board of Trade's indices showed a drop of only 0.6 per cent. in British production as compared with 1927, a decline of 2.9 per cent. in imports (in terms of volume), and an increase of 2.3 per cent. in British exports, as compared with a decrease of 5.2 per cent. in railway receipts from general merchandise, and of 6.5 in receipts from all goods train traffic.

The railways, as we showed last week, were able to offset a large part of the falling-off in their revenue by very considerable reductions in expenditure. The distribution of these economies is shown below:—

RAILWAY EXPENDITURE, 1928.

(Percentage comparison with 1927 shown in brackets.)

(000's omitted.)	London Midland and Scottish Railway.	London and North-Eastern Railway.	Great Western Railway.	Southern Railway.	Total—Four Railways.
	£	£	£	£	£
MAINTENANCE:—					
Way and Works	7,762 (− 2·3%)	5,988 (− 0·2%)	4,019 (+ 1·0%)	3,392 (+ 2·2%)	21,161 (− 0·3%)
Rolling stock	10,053 (− 6·0%)	8,502 (− 9·3%)	4,082 (− 0·5%)	2,900 (− 3·8%)	25,537 (− 6·1%)
RUNNING EXPENSES:—					
Locomotives	14,220 (− 7·0%)	10,263 (−10·9%)	5,534 (− 5·9%)	4,289 (−10·2%)	34,306 (− 8·4%)
Traffic	21,303 (− 1·7%)	15,098 (− 3·0%)	8,187 (− 1·3%)	5,773 (− 1·8%)	50,361 (− 2·1%)
General Charges	2,126 (− 0·2%)	1,267 (+ 1·0%)	966 (+ 1·1%)	716 (− 0·7%)	5,075 (+ 0·2%)
Rates	2,343 (− 8·2%)	1,652 (−13·2%)	1,301 (− 7·0%)	940 (−10·6%)	6,236 (− 9·7%)
Other Expenses	1,139 (− 1·2%)	561 (+11·0%)	387 (− 0·3%)	437 (− 1·3%)	2,524 (+ 1·2%)
Total Railway Working Expenses*	58,945 (− 4·1%)	43,331 (− 6·3%)	24,476 (− 2·1%)	18,447 (− 4·0%)	145,199 (− 4·4%)

* These totals are struck, in the case of the L.M.S.R and G.W.R., before allowing for reductions in expenses amounting to £418,501 and £180,591 respectively, as a result of the 2½ per cent. cut in wages and salaries from August last. The total for the S.R. is apparently arrived at *after* allowing for a saving of about £108,000, and that of the L.N.E.R. after allowing for an undisclosed amount under that heading.

Broadly, about three-fifths of the railways' annual bill is attributable to running expenses (including station staffs) and one-third to maintenance. Last year's savings were demonstrably greatest in the matter of rolling stock, which cost less to move and to maintain. The heavier locomotives introduced in recent years are now, literally, pulling their weight. The L.M.S. saved £90,000 last year by rearranging one of its workshops, and £30,000 by completely closing another. The L.N.E. has reduced the multiplicity of pre-amalgamation standard engine types to no more than ten so far as *new* locomotives are concerned. The same line is now able to erect a 12-ton open goods wagon in 12 minutes at a wages cost of 19s., against a previous figure of 62s. The average number of locomotives " eating their heads off " while awaiting repairs, again, has been considerably reduced on all the railways.

Outside the main revenue-producing activities of the railways are certain ancillary services, the net results of which, from the financial point of view, are shown in the succeeding table:—

NET RECEIPTS FROM ANCILLARY BUSINESSES, 1928.

(Percentage comparison with 1927 shown in brackets.*)

(000's omitted.)	London Midland and Scottish Railway.	London and North-Eastern Railway.	Great Western Railway.	Southern Railway.	Total—Four Railways.
	£	£	£	£	£
Road Transport	*Dr.* 0·07 (−67·8%)	*Dr.* 9 (+11·1%)	*Dr.* 11 (†)	0·6 (+48·9%)	*Dr.* 19 (†)
Steamboats	108 (+50·1%)	164 (+ 3·5%)	*Dr.* 42 (+18·9%)	477 (+16·7%)	709 (+17·5%)
Canals	*Dr.* 3 (−70·8%)	*Dr.* 15 (+ 7·1%)	*Dr.* 27 (− 3·7%)	0·2 (+93·7%)	*Dr.* 45 (−14·5%)
Roads, Harbours and Wharves	*Dr.* 127 (+49·5%)	*Dr.* 74 (−34·4%)	387 (−21·0%)	306 (+ 8·9%)	492 (−14·2%)
Hotels, Refreshment Rooms and Cars	483 (+ 1·8%)	191 (−14·3%)	68 (− 7·8%)	9 (− 7·9%)	751 (− 3·8%)
Collection and Delivery of Parcels and Goods	*Dr.* 716 (− 8·2%)	*Dr.* 353 (+54·8%)	*Dr.* 266 (+20·6%)	8 (−87·4%)	*Dr.*1,326 (+14·2%)
Other Ancillary Businesses	1 (−58·7%)				1 (−58·7%)
Total Net Receipts from Ancillary Businesses	*Dr.* 254 (−22·3%)	*Dr.* 96 (†)	110 (−62·2%)	801 (+ 4·4%)	562 (−24·6%)

*Where losses have been made (shown by the prefix *Dr.*), the figures in brackets indicate the percentage increase or decrease in the *loss*, as compared with the previous year.
† Small net profit made in 1927.

Railwaymen are not, as a rule, unduly enthusiastic over the results of these ancillary services. Their interests are subordinated to those of railway operation, with certain exceptions, such as the Great Western docks in South Wales, or those of the Southern at Southampton and the North Eastern at Hull and elsewhere. They are, in fact, regarded as " feeders " of the various lines, and apart from this contributive value—which is doubtless considerable—they do not earn anything like an economic return on the large amount of capital invested in them. This policy has an obvious relevance to current problems, since the road services to be carried on under the new powers obtained last year will fall into this ancillary group. Will they be expected to pay their way, or will their rates and fares be " cut " in pursuance of the " contributive " policy applied to other non-railway services?

The main conclusions of this survey may now be briefly set out. The results of 1928 deserve very careful consideration by all railway stockholders, since neither the drop in gross revenue nor the savings in expenditure can be explained away under the heading of abnormality. Both are the outward and visible sign of underlying conditions which will endure for some little time to come. The *extent* of last year's fluctuations is significant from the dividend point of view. Had gross receipts, on the one hand, maintained the 1927 level the ordinary stockholders would have been in a decidedly comfortable position. Had expenditure, on the other hand, fallen by no more than normal proportions, in relation to the decline in receipts, there would have been very little available in the way of net revenue for the ordinary stockholders. Future receipts depend on a variety of factors—the state of trade, the use made of the new road powers, the level of fares, the national policy as regards road-construction and road transport rating, and, finally, the possibility of *remunerative* changes under the Standard Revenue provisions of the 1921 Act. The last question will be discussed in a concluding article next week, when the position of each of the individual companies will be considered. As regards future expenditure, Sir Josiah Stamp's declaration that last year's savings had brought expenditure to a level which might be regarded broadly as a new standard—subject to price changes, traffic variations, and the cryptic comment that " continuance of expenditure at recent levels would effect further reductions "—represents the limit of the extent to which most railwaymen are willing to commit themselves at the moment.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
March 19.	March 21.

FOR several days dullness continued to rule. Little business was done, save for some activity in American and Canadian stocks, and the market was still falling, jobbers being reluctant to take stock on their books after their experience of overnight losses during the past five weeks. The coming heavy call on the new Treasury Bonds showed itself as a growing factor in the gilt-edged market, and the General Electric situation, described in a subsequent " Investment Note," had a disturbing effect all through the " House." But monetary uncertainty was the real power at work. Tuesday's improvement in sterling, though it caused some little surprise, was more than welcome, and with the movement continuing on Wednesday and with news circulating that steps were to be taken in fresh directions by American banks towards cutting off supplies of credit in New York, that afternoon saw a timely rally which gave promise of being more substantial than any that has occurred since February 7th.

The gilt-edged markets opened, like other sections of the " House," in a dull condition, but proved decidedly sensitive to the improvement in the monetary atmosphere. By Wednesday the " House " had made up its mind that the possibility of an immediate rise in Bank rate might be dismissed, and a smart recovery in British funds found dealers carrying little stock on their books. The subsequent recovery in quotations was thus disproportionate to the moderate amount of business done. Funding Loan and Three and a Half Per Cent. Conversion Loan gained ⅞ on the day, Five Per Cent. War Loan 1 1/16, Four per Cent. " Consols " ¼, and Four and a Half per Cent. Conversion Loan ¼. Indian Loans, which had been steadily falling away, shared fully in the improved conditions. The movement was less noteworthy, however, among Dominion and Colonial stocks, which had been much less extensively affected by the earlier marking down.

The foreign market reflected the betterment in other parts of the " House." The Chilean Loan opened at par to ¼ premium. Greek bonds rallied perceptibly, but the outstanding feature was the widespread recovery of Chinese issues on the welcome news that the Finance Ministry was transferring the salt revenues for the payment of the loans secured on them.

The better tone of markets came opportunely for Home Rails, which had been marked down all round despite the absence of a sustained volume of selling. The traffic returns for the week, showing a small decline in gross revenue on each of the four lines, were charitably interpreted, and Midland and Scottish led the rise with the gain of a full point, though Underground stocks were quiet and unaltered. An analysis of the financial position of the four group companies is given in a leading

LONDON ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Closing Prices Mar. 7.	Mar. 14.	Rise or Fall.
Conv. Loan 3½%	76	76¼	+ ¼
Do. 4½% 1944	97¼	97⅛	+ ⅛
War Loan 5% 1929-47	101 1/16	102 1/16	+
Consols 2½%	54 1/16 x	55⅛	+ 1/16
Do. 4%	84 1/16	84⅛	+ 1/16
Funding 4%	87⅛	88⅛	+ ⅛
Victory Bonds 4%	91 1/16	91⅛	− 1/16
Local Loans 3%	63½x	63½	+ ½
Treasury 5% (B)	99⅛	98⅛	− ⅛
Palestine 5% 1942-67	105	105	...
S. Africa 5% 1945-75..	102	101	− 1
India 3½%	67⅛x	67½	− ⅛
Do. 4½% 1958-68	90⅜	90⅛	− ⅛
Australia 5% 1945-75	99	99	...
N.S.Wales 5% 1935-55	96x	96	...
N. Zealand 5% 1946	102	102	...

Foreign Government Securities.

Japanese 6% (1924)	96	95⅜	− ⅜
Argentine 4% Recns.	85	84¼	− ¼
Austrian 6% 1923-43	102	102	...
Belgian 7%	108⅛	108⅛	− ⅛
Brazil 5% Funding	85⅛	85	− ⅛
Bulgaria 7%	87	87	...
China 5% (1912)	43	49	+ 6
Egypt Unified 4%	85½	85½	...
Estonia 7% 1927	93	92	− 1
Finland 6% 1923	98½	98½	...
French 5%	19⅜	19⅜	+ ⅛
Do. 4% (Brit.)	17⅛	17⅛	+ ⅛
German 7%	106	106	...
Greek 7% Refugee	100⅜	101⅛	+ ⅛
Hungary 7½%	100⅛	101	+ ⅛
Chili 6%	98	96	− 2
Poland 7%	92	92	...
Mexican 5% (1899)	30⅛	31	+ ⅛
S. Paulo Coffee 7½%	103	101⅛	−1⅛
Siamese 6% (1924)	105⅛	105⅛	...

Corporation Stocks.

L.C.C. 3%	63	63	...
E. London 5% 1960-70	98	98	...
Sydney 5½% 1954	98	98	...
Berlin 6% Ster.	93	93	...

British and Foreign Railways.

G. Western Ord. Stk.	83⅞x	79⅛	− 4
L.N.E., Def. Stk.	11⅛	10⅛	− ⅛
Do. 5% Pref. Stk.	24⅛	24	− ⅛
L.M.S. Ord. Stk.	52⅛x	51	−1⅛
Metropol'anCons.Stk.	61⅛	59⅛	−2⅛
Met. DistrictOrd. Stk.	78⅛x	76⅛	− 2
Southern Def. Stk.	31⅛x	30⅞	− ⅛
Do. Pref. Ord. Stk.	74x	72⅛	−1⅛
Underground Ord. £1	1⅛	1 1/16	− 1/16
Do. Income Bonds	115⅛x	109	− 6⅛
Antofagasta Ord. Stk.	94⅛	94⅛	...
B.A.&Pacific Ord.Stk.	100⅛	100⅛	+ ⅛
B.A.Gt.Sthn. Ord.Stk.	108⅛	108⅛	+ ⅛
B.A.Western. Ord.Stk.	97	97⅛	+ ⅛
Beira Ord.	1 1/16	1 1/16 x	...
Can. Pacific Com.Stk.	255x	253	− 2
C.Argentine Ord.Stk.	98⅛	98⅛	− ⅛
Leopoldina Ord. Stk.	56	56⅛	+ ⅛
San Paulo Ord. Stock.	211	210	−1
Utd. Havana Ord. Stk.	42⅛	43	+ ⅛

Banks.

Barclay B. (£1)	2 3/16	2 1/16	− 1/16
Barcl.(Dom.&c.) A £1	1⅛	1⅛	...
Lloyds £5, with £1 pd.	3⅜	3⅜	...
Mid. £12, with £2½ pd.	9⅛	9⅛	− 1/16
Do. £2½, fully paid	9 1/16	9 1/16	− ⅛
Midland £1, fully paid	3 1/16	3⅛	− 1/16
Nat. Prov. £20, £4 pd.	13⅛	13⅜	− ⅛
Hongk. and S. ($125)	140x	134½	−5½
St. of S.A. £20, £5 pd.	15⅛	15⅛	− ⅛
W'minster £40, £1 pd.	4	3 1/16	− 1/16

Insurance.

Alliance £1, fully paid	21⅛	21	− ⅛
Com. Un. £2½, fully pd.	27⅛	27⅛	...
Ldn.&Lanc.£5,£1 pd.	30⅛	30⅛	...
N.B.&Merc.£5,£1¼pd.	36⅛	36	− ⅛
Royal Ex. £1, fully pd.	6⅛	6⅛	...
Roy.In.£1,with 10/ pd.	8⅛	8⅛	+ ⅛

Coal, Iron and Steel.

Amal. Anthracite (£1)	⅛	⅛	− 1/16
Babcock, Wilcox (£1)	3⅛	3 1/16	− 1/16
Baldwin (4/)	1/16	1/16	...
Bolckow Vaughan(£1)	1/16	1/16	...
Cory, William (£1)	2 1/16	2 1/16	...
Dornan, Long (£1)	1/16	1/16	− 1/16
Guest, Keen (£1)	1 1/16	1 1/16	...
Powell Duffryn (£1)	1/16	1/16	...
Stewart&Lloyds(£1)	1⅛	1⅛	− 1/16
Swan, Hunter (£1)	1⅛	1⅛	...
Thornycroft,John (£1)	4⅛	3⅛	− 1/16
Vickers (6/8)	1/16	1/16	...

Textiles.

Bradford Dyers (£1)	2⅛x	2⅛	− 1/16
Brit.Celanese,Ord(10/)	1⅛	1⅛	...
Coats, J. and P. (£1)	3⅛x	3⅛	− 1/16
Courtaulds	4⅛	4⅛	− 1/16
Eng.Sewg.Cotton (£1)	2⅛	2⅛	...
Fine Cott. Spinn. (£1)	2⅛	2⅛	− 1/16
Listers (£1)	1⅛	1⅛	...
Snia Viscosa (200 lire)	1⅛	1 1/16	− 1/16

Electrical Manufacturing.

Associated Elec. (£1)	1⅜	1⅜	...
British Insulated (£1)	4 1/16	4⅛	− 1/16
Ever Ready (G.B.) (5/)	1⅛	1⅛	− ...
General Electric (£1)	2 1/16	2 1/16	− 1/16
Johnson&Phillips (£1)	1 1/16	1 1/16	− 1/16
Siemens (£1)	1⅛	1 1/16	− 1/16

Electric Light and Power.

Atlas L'ht & P'er (£1)	1 1/16	1 1/16	− 1/16
Brnemth.& Poole (£1)	3 1/16	3 1/16	− 1/16
County of London (£1)	2⅛	2⅛	...
Hydro-Elec. com. stk.	41	39½	− 1½
Newcastle-on-Ty (£1)	1½	1½	...
Scottish Power (£1)	1 1/16	1 1/16	...

Telegraphs and Cables.

Eastern Stk.	258⅛	257½	− 1
Eastern Exten. (£10)	25⅛	25⅛	− ⅛
Marconi (10/)	3 1/16	4 1/16	+ 1/16
Marconi Marine (£1)	3⅛	3¼	+ 1/16

Motors.

Dennis (1s.)	2 1/16	2 1/16	− ⅛
Ford Motors (£1)	3⅛	3⅛	+ 1/16
Leyland (£1)	1 1/16	1 1/16	+ 1/16
Morris 7½%Cm.Pf.(£1)	1⅛x	1⅛	...
Singer (£1)	1⅛	1⅛	− ⅛
Weymann Mot. Bodies	1⅛	1	− 1/16

Shipping.

Cunard (£1)	1½	1½	...
Furness Withy (£1)	2⅛	2⅛	− 1/16
P. & O. Defd. (£1)	3⅛	3⅛	− 1/16
Royal Mail Ord. Stk.	72	71⅛	− ⅛

Tea and Rubber.

Anglo-Dutch (£1)	2 1/16	1 1/16	− 1/16
Cons.Tea & Lnds (£10)	34½	34	− ½
London Asiatic (2/)	⅛	⅛	− 1/16
Rubber Trust (£1)	2⅛	2⅛	− 1/16

Oil.

Anglo-Persian (£1)	4 1/16	4 1/16	− 1/16
Attock (£1)	2⅛	3 1/16	+ ⅛
Burmah Oil (£1)	4⅛	4⅛	− 1/16
Mexican Eagle(£1/0/6)	⅛	⅛	...
Royal Dutch (£3½)	32⅛	32⅛	− ⅛
Shell (£1)	4⅛	4⅛	− 1/16

Miscellaneous.

Assoc. P. Cement (£1)	1 1/16	1⅛	− 1/16
Braz. Traction, no par	68	66⅛	− 1⅛
Brit.-Am.Tobacco(£1)	6⅛ x	6⅛	− 1/16
Carreras,"A" Ord.(£1)	13 1/16	13	− 1/16
Columbia Graph.(10/)	14⅛	15½	+ ⅛
Crittall (£1)	2 1/16	2 1/16	− ⅛
Dunlop (6/8)	1⅛	1⅛	− 1/16
Forestal Land (£1)	1⅛	1⅛	− 1/16
Gas Light & Coke (£1)	⅛	⅛	− 1/16
Gramophone Co. (£1)	16	18	+ 2
Harrods (£1)	3⅛x	3⅛	− 1/16
Hudson's Bay (£1)	5⅛	5⅛	− 1/16
Imp.Airways(£1 15/p)	1⅛	1⅛	...
Imp. Chem., Ord. (£1)	2⅛	2⅛	...
Imperial Tobacco (£1)	6⅛	6⅛	− 1/16
Inter. Nickel of Can.	63⅛	62⅛	− 1⅛
Kreuger & Toll (kr.100)	41½	40	− 1½
Lyons (J.) (£1)	5⅛	5⅛	− 1/16
Margarine Unie (fl.12)	3⅛	3⅛	+ 1/16
Photomaton Parent	⅛	⅛	+ 1/16
Swed. Match,B (kr100)	22⅛	22⅛	− 1/16
Tate and Lyle (£1)	2⅛	2⅛	− 1/16
Tilling, Thomas (£1)	5⅛	5⅛	− 1/16
Turner & Newall (£1)	4⅛	4⅛	− 1/16
United Molasses (£1)	7⅛	7⅛	− 1/16
Victor Talking,no par	159	182	+ 23
Vocalion (10/)	2⅛	2⅛	+ 1/16
Watney Combe Df.(£1)	3⅛	3⅛	− 1/16

Mines.

Anglo-Amer.ofS.A(£1)	2⅛	2⅛	− 1/16
De Beers Def. (£2½)	14⅜	13⅝	− ⅛
Brakpan (£1)	1⅛	1⅛	− 1/16
"Chartered" 15/f.p.	1 1/16 x	1 1/16	+ 1/16
Burma Corp.(Rs. 10)	⅛	⅛	...
Bwana M'Kubwa,5/fp	1⅛	1⅛	− 1/16
Central Provinces(£1)	4⅛	4⅛	+ 1/16
Geduld (£1)	3⅛	3⅛	− 1/16
Johan. Cons. (£1)	2 1/16 x	2⅛	− 1/16
Lake View & Star (4/)	⅛	⅛	− 1/16
London Tin (£1)	4	4⅛	+ ⅛
Rio Tinto (£5)	62½	63	+ ½
RoanAntelopeCpr.(5/)	2⅛	2⅛	+ 1/16
Sub-Nigel (10/)	1⅛	1⅛	+ 1/16
Tanganyika (£1)	3⅛	3⅛	− 1/16
UnionCrp.(12/6)fu.pd.	4⅛	4⅛	− 1/16

article on an earlier page of this issue. The tone of the Foreign Railway market became steadier, though dealings were on quiet lines.

The somewhat unexpected improvement in sentiment caused a certain bear covering in Industrials, though business showed no fundamental tendency to expand. H.M.V. reached a new high level, after the Marconiphone announcement, assisted by the activity of Victor and Radio. General Electric was weak on the " British share " agitation (discussed in a subsequent Investment Note), but firmed on the authorisation of the capital scheme at Wednesday's meeting. Marconi was better, but Cables remained quiet and uninteresting. Courtaulds made some recovery in the artificial silk group, but other textile companies failed to shake off their earlier dullness. The motor group was weaker in the early dealings. Newspaper shares were quiet. Swedish Match had a steady appearance, but Kreuger and Toll were easier. Newspapers were quiet, breweries irregular, and shipping shares slightly harder after being sold early in the week. Excited dealings took place in Kolster-Brandes £1 shares, which touched 32s. 6d. premium on Thursday. Bank shares remained dull, but selling of insurance shares was less in evidence.

Support for rubber shares was noticeably lacking at the beginning of the week, and with business tending to run on " retail " lines, a certain marking down of quotations occurred. The February figures of American rubber consumption, which were well above current expectation, produced a slight improvement, but few noteworthy price changes resulted. The demand for tea at the commodity auctions was firmer than last week, but there was no corresponding movement in the share market, where values continued to trend downwards. Interest, public or professional, in oil shares, was of the smallest dimensions at the beginning of the week, and with Amsterdam selling Royal Dutch and Paris selling Eagles a heavy tone pervaded the whole market. The movement was reversed, however, on Wednesday, by reason of the improved monetary outlook, a decline in the daily crude production of the United States and the adoption by the Continent of a buying rôle.

Kaffirs continued to attract rather less than their due share of public attention. A moderate amount of selling made prices easier all along the line on Monday and Tuesday, while the better tone of later days was reflected rather in the cessation of selling orders than in any marked accession of business. Crown Mines showed little response to the favourable report. A decline in De Beers brought in moderate British and American buying. Congo Borders came into the limelight on the latest borehole results, and American demand produced a further rise in Roan Antelopes. Tin shares were dull and dispirited in sympathy with the course of commodity prices, London Syndicate relapsing after showing some resistance to the prevailing tendency. The extraordinary rise in the price of copper in mid-week was reflected in the strength of Tinto and Tharsis. Arizona Copper spurted before and after the announcement of the sale of the company's holdings of Phelps Dodge shares at a price yielding about 40s. per Arizona share.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The market has broken out of its rut, in anticipation of another week's grace and no change in the discount rate. The bond market is still weak, but Secretary Mellon's advice to buy bonds now helped shares also, by the belief that peak money rates were at hand, speculators jumping to the conclusion that no change in the discount rate was likely. Copper shares are still the most active, on the price advance to 20 cents, with a further rise expected. Steel shares are also higher, on the capacity rate and better prices for products. Rubbers are buoyant, there being talk of an increase in tyre prices, and motors are responding to February's record output Brokers' loans are down by $20,000,000, reflecting scattered liquidation early in the week and sagging prices Utilities are holding well, and oils have improved. Record first quarter trade earnings are in sight, but there is little prospect of a relief from dear money, which is still checking bullish sentiment.

	Mar. 7.	Mar. 14.	Rise or Fall.
4½% Lib. Ln. '33–8	99¼	98 16/32	– ⅛
3½% Trs. Bs. '46–56	100 4/32	99	– 1 4/32
Ach., Top. San. Fé	201	200	– 1
N. York Central	192	190½	– 1½
Union Pacific	225½	223½	– 1½
Pennsylvania	77⅛	76⅝	– ½
South. Railway	148	147	– 1

	Mar. 7.	Mar. 14.	Rise or Fall.
U.S. Steel	184	184⅛	+ ⅛
General Motors	80⅛	85⅛	+ 5⅛
Amer. Tel. & Tel.	213½	215½x	+ 2
General Electric	235⅛	237½	+ 2
Victor Talking	160½	178½	+ 18
Std. Oil of N.J.	49	50⅛	+ 1⅛
Anaconda	158⅛	156½	– 2⅛

By courtesy of the Standard Statistics Company, Inc., of New York, and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices:—

(1926 = 100.)

	1927.		1928.		1929.		
	Lowest.	Highest	Lowest.	Highest.	Beginning of Year.	Feb. 28.	Mar. 7.
342 Industrials	104·7	137·1	132·5	186·4	191·1	196·7	193·0
33 Rails	106·1	128·0	120·5	139·7	140·9	142·6	142·6
35 Utilities	103·3	128·3	128·3	180·6	184·6	207·2	203·4
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	190·5	187·3
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·24%	3·28%

The following cabled figures show the day-to-day average of 50 industrial common stocks (1926=100):—December 31st, 207.7; March 6th, 210.4; 7th, 212.3; 8th, 214.0; 9th, 214.3; 11th, 210.6; 12th, 211.3; 13th, 213.8.

PARIS.

In addition to the realisations brought about by the need of liquid funds for subscribing to the increases certain businesses are making to their capital, some subscribers for new shares are covering themselves by starting to sell for the account a corresponding quantity of old shares, so as to provide against a possible fall after the assimilation of the two. The consequence is a flow of liquidation, which affects prices all the more because the eventual buyers are none too anxious to take delively, with the monetary situation in London still rousing apprehension and the political atmosphere in France not yet clear. That the latter preoccupation is secondary is, however, shown by the resistance of Rentes. Chemicals, engineering and electrical stocks, phosphates, rubbers, and not least bank shares have lost ground.

	Mar. 7.	Mar. 14.	Rise or Fall.
3% Perp. Rentes	71·35	71·65	+ 0·30
5% Rentes, '15–16	97·65	98 10	+ 04·5
5% Rentes, 1920	116 90	117 40	+ 0 50
Banq. de France	25,550	25,550	...
Banq. de Paris	5,210	5,070	– 140
Crédit Lyonnais	4,250	4,090	– 160
Nord	2,640	2,650	+ 10
Com. Gen. d'Elec.	4,320	4,305	– 15
Littoral Médit.	1,452	1,470	+ 18

	Mar. 7	Mar. 14.	Rise or Fall.
Mines de Lens	1,410	1,417	+ 7
Courrières	1,655	1,632	– 23
Pechiney	4,055	4,010	– 45
Kuhlmann	1,243	1,206	– 37
Com. Gen. Trans.	1,363	1,325	– 38
Sues Canal	25,770	25,730	– 40
Assur. Gen. Vie	16,180	15,400	– 780
Denain et Anzin	3,575	3,465	– 110
Dollfus Mieg.	12,950	12,850	– 100

BERLIN.

A week ago stocks were being depressed by the Reichsbank's gold exports and by unfavourable rumours about the Reparations Conference and Cabinet troubles. In spite of cheaper money, the new week began with a further decline, though there was buying of shipping stocks. Prices continued to fall on Tuesday, and business was dull. Loans were sold, and valorised " new-owned " paper-mark bonds fell to 11.50. Wednesday again was dull and uncertain, but Thursday saw a general rise, with home loans firmer.

	Mar. 7.	Mar. 14.	Rise or Fall.
Reichsbank	308 50	303 25	– 5·25
Deutsche Bank	170 50	170 50	...
Disconto Bank	163·75	162 00	– 1·75
Hamburg-Amer.	127·75	127 50	– 0 25
Norddeut.-Lloyd	127·00	125 63	– 1 37
I.G. Farbeninds.	249·00	244 75	– 4·25
Vereig. Glanstff.	428 00	422 00	– 6 00
Bemberg	371·50	355 13	– 16·37

	Mar. 7.	Mar. 14	Rise or Fall.
Verein. Stahlke	93·25	92·13	– 1·12
Mannes Robrke	121·50	117 75	– 3 75
Allgemne. Elekt.	167·63	164 50	– 3·13
Siemns. & Halske	376·00	371 50	– 4 50
Daimler Benz	57·75	54 75	– 3 00
Cont. Caoutchuc.	139·00	137 00	– 2·00
Salzdetfurt. Kali	307·00	311·50	+ 4·50

AMSTERDAM.

The general undertone of the Bourse remained dull, business being restricted by the monetary uncertainty and by the unfavourable position of the Netherlands Bank, and industrial reacted sharply. Though they moved irregularly, there was good interest in tobaccos on the results of the Amsterdam auction of Sumatra tobacco. Rubbers weakened, and sugars were dull on lower Cuban prices. Russian oil shares were firm, but Royal Dutch reacted. The Bourse was steady on Thursday. The money market was firm, with the private discount rate 4 9/16 per cent., and prolongation 5 per cent.

	Mar. 7.	Mar. 14.	Rise or Fall.
5% Bds. Neth., '18	101⅛	101⅛	...
4½% Ams. 1913–14	99⅛	99⅛	+ ⅛
Margarine Unie	361½	371½	+ 10
Neth. Art. Silk	375	379	+ 4
Philips El. Lamp.	858⅛	867	+ 8⅞
Singkep Tin	315	312½	– 2½
Royal Dutch	396	391⅜	+ 4⅛
Amst. Rubber	282½	274½	– 7½

	Mar. 7.	Mar. 14.	Rise or Fall.
Serbadjadi Sm.R.	245½	235	– 10½
Holl. Amer. Line	78½	77	– 1½
Navig. Co., Ned.	212	207½	– 4½
Vorstenlanden	160½	159	– 1½
Trading Co., Ams.	667½	663½	– 4
Bescoeki	556	545	– 11
Deli	454½	443½	– 10⅞
Neth. Trad. Soc.	185½	183⅝	+ ⅛

INVESTMENT NOTES.

General Electric " British Share " Issue.—The restriction of the voting rights of shares held by foreigners is a common feature of company law and practice in most countries. The Swedish Match group, for example, in order to comply with the requirements of Swedish law, makes its foreign issues in the form of " B " shares, carrying one-thousandth of a vote per share, as distinct from " A " shares, which carry one vote per share and are held by Swedish subjects. The American buying of British securities has caused a number of important British companies to take steps to prevent control passing out of British hands. Among the first of such companies was the General Electric Company. In September, 1928, the General Electric altered its articles of association for the purpose of disfranchising foreign shareholders. After defining the expression " foreigner " and " foreign corporation," its articles of association now prescribe that: " No vote shall be given at any general meeting of the company by a foreign corporation or corporation under foreign control or by any person who holds the shares, in respect of which he proposes to vote, directly or indirectly for a foreigner or a foreign corporation or a corporation under foreign control." It is surprising that no great objection was taken by American shareholders to this far-reaching change. Indeed, Sir Hugo Hirst has stated that the big American buying of General Electric shares took place after the disfranchisement had been passed, and that the American holding of the company's ordinary capital now exceeds 60 per cent. The General Electric Company has, however, taken a step further, which has exasperated American shareholders, annoyed Stock Exchange dealers and brokers, and incurred the disfavour of responsible authorities. The company proposes to redeem its outstanding £3,249,600 7 per cent. debenture stock, which has constituted a heavy charge on the company's profits, by an issue of ordinary shares, and for this and other purposes the capital has been increased by the creation of 1,600,000 new shares of £1. These new shares are called " British ordinary shares," and are to be issued subject to the condition that they shall not be registered in the name of or transferable to or held on behalf of any foreigner, foreign corporation or corporation under foreign control. In all other respects they will rank equally with the existing ordinary shares. It has emerged that 1,500,000 of the new British shares have been sold to the British Foreign and Colonial Corporation at 40s., and that this financial house is offering them to the British public at 42s. At the time the announcement was made the ordinary shares were standing at about 62s. 6d., and the present price is 52s. 6d. Judged by equitable standards, little can be said for a proposal which allows one class of shareholder to make a profit by subscribing to new shares on " bonus " terms while another—the foreign holder—is precluded from subscribing. The directors may, of course, argue that the American buying carried the market price of the shares far above their intrinsic value. Indeed, the highest price recorded in the official list of the Stock Exchange this year was 81s. 3d. and the lowest 44s. 3d. With dividends at the present rate of 10 per cent., subject to tax, it may be agreed that 42s. is a reasonable price at which to offer the shares to the public (why a financial house is called in as intermediary and allowed to make a profit of 2s. per share, less expenses, is not clear), but the invariable practice of British companies in issuing new shares at a price substantially below the market price is to make the offer to shareholders only, without differentiating between one class of shareholders and another. Would it be tolerated if the General Electric proceeded to declare dividends of 15 per cent. on all " British " shares and 10 per cent. on the foreign shares? It is to be hoped that the General Electric precedent will not be followed by other British companies. It must be borne in mind that the foreign investments of this country are of enormous value, and that if foreign companies began to differentiate in the same manner against British shareholders, the value of British investments abroad would be jeopardised. The Stock Exchange Committee—which has earlier given a ruling that members of the Stock Exchange, and the public dealing in shares quoted on the Stock Exchange, are entitled to reasonable protection against having *bona fide* transactions upset by retro-active company resolutions—will not, doubtless, overlook the wider implications of the present development. It is, of course, in the highest degree desirable that the London Stock Exchange should remain an international market and not be merely a market for British investors.

Stock Exchange Committee.—In March, writes a " House " correspondent, the choice is made of the thirty members of the Stock Exchange who comprise the Committee for General Purposes. It usually happens, on such an occasion, that some question is before the House on which opinion is divided. To-day, however, the Stock Exchange is, as a House, at unity with itself, though one point has recently emerged from the domestic side of House politics that has evoked no little discussion. Put briefly, the proposal is that there should be two classes of members—one class of which should hold Nominations, while the other should not. Under the existing constitution of the Stock Exchange, it is necessary for every candidate who becomes a member to acquire a Nomination, the value of which has ranged during the past few years from a £5 note to £2,000, and at the moment stands at about £1,250. It is the settled policy of the Stock Exchange Committee, however, to admit each year a certain number of candidates drawn from those clerks who have served four years in the Stock Exchange, and to endow this number—twenty-five, as it is now—with the rights of membership without calling upon them to acquire a Nomination. Those who maintain that membership of the London Stock Exchange should always be worth several thousands of pounds, as compared with the existing and fluctuating value that prevails, contend that until the membership of the Stock Exchange is strictly fixed within a specified number, it is impossible to anticipate that membership can become of real and permanent worth. A scheme has been laid before the Committee, urging the creation of two classes of members, one of which, on a failure, would have a Nomination, while the other would not. The Stock Exchange Committee has given the proposal serious and not unsympathetic hearing, but has held over its consideration until after the present month. One member of the present Committee is retiring, and his place will be taken by Sir Herbert Ellissen. This makes up the thirty seats, and the election is complete without a contest. The work of the Stock Exchange Committee is done without payment or consideration, but the demands made upon a member's time and energies are considerable. There are still a number of Stock Exchange Committeemen who regard their posts as being a pleasant variation of club life. Retired from active business, but unwilling to sever City connections, they retain their seats on the Committee, although out of touch with the requirements of modern business, and having little but experience and leisure to recommend their retention of the responsible positions they hold. On the other hand, the successful Stock Exchange member, who is engaged actively in business, and who would make an ideal member of the Committee, finds himself far too much

occupied to give up the time and thought necessary if he is to take Committee duties seriously. How to surmount the difficulties surrounding the manner in which the best men can be attracted to serve on the Committee is a constant theme. The proposal is frequently put forward that members of the Committee should be remunerated in some tangible manner—although here again the busy member could scarcely be compensated for the time he gave up to Committee work, except at a rate which shareholders in the Stock Exchange might certainly object to pay. The days are long past when the House was regarded as a close corporation, whose domestic affairs held no interest for the public. It is almost unanimously held in the Stock Exchange that the interests of members and of clients are so closely interwoven that few, if any, matters of consequence can happen in the House without affecting the public.

The Rayon Position.—Mr. Samuel Courtauld's address to shareholders last week was, as usual, a reasoned and informative review of the rayon position which, despite its traditionally cautious tenor, suggested ample confidence in the future of the industry. This clearly rests not upon the condition of the market at any particular time, but upon the intrinsic merit of the commodity, and Mr. Courtauld is quite definite in his view of rayon from this angle. Yarns are always increasing in variety and quality, he declares, and, according to expert opinion, the best fabrics are now being made with fibres finer and at the same time stronger than silk. This statement refers to the higher grades, but nevertheless suggests that the adoption of the generic name " Rayon " (*vice* " artificial silk ") is contemporaneous with an important development in the status of the world's new textile. It affords, moreover, an indication of some of the influences which have had such an important effect on the state of the rayon market and the position of viscose *vis-à-vis* cellulose acetate. The development of fine viscose yarns, to which Mr. Courtauld first referred in 1927, has evidently had much to do with the fact that, while in the latter part of last year the yarns of the leading cellulose acetate manufacturer were reduced in price by 30 per cent. and over, Courtauld's viscose yarns were reduced by approximately 15 per cent. only. The disappearance of the large premium, grade for grade, previously commanded by cellulose acetate, in conjunction with the general decline in prices, adequately explains the falsification of many profit estimates. Mr. Courtauld stated that the output of the company's own acetate yarn would be increased " as required," but that, in his opinion, viscose would continue to be the staple product of the future. As regards the market position and outlook, Mr. Courtauld adopted his customary cautious attitude, but admitted that, on the basis of the newly established price level, another period of development was anticipated. This attitude seems justified as regards the industry as a whole, but the outlook for those companies unable to keep pace with technical advances is uncertain to a degree.

American Celanese and Snia Viscosa.—The 1928 accounts of the Celanese Corporation of America are disappointing, having regard to the anticipations roused by the directors' previous report. A reduction in the operating profit from $4,036,389 to $4,012,895 and an increase in the deductions (which include income tax, depreciation and inventory adjustment) combine to produce a decline in net income from $2,754,071 to $2,356,976, notwithstanding that owing to the replacement of bonds by preferred shares a charge amounting in 1927 to $127,259 does not recur. As the result of the year's operations the earned surplus is increased by $740,895 to $2,074,506, subject to the preferred participation amounting to about $74,000. The report states that sales of yarn and fabric were substantially larger and that the cost per pound was lower, but refers to the effect of the price cuts which took place in November, 1927, and August, 1928. As the capacity of the plant was doubled in March the impression is confirmed that to maintain results in this industry in the face of reduced prices is a matter of exceptional difficulty. The reductions which came into force in August, 1928, will, of course, apply during the whole of the current year, even if no further concessions are necessary as the result of the more recent reductions made by the American viscose producers. The directors state, however, that sales and deliveries were highest at the end of the year, and are continuing at record levels. In this connection it is interesting to note that additions to the Board during 1928 seem to indicate close co-operation with Montgomery Ward and Sears Roebuck, the great U.S. chain store concerns. In accordance with the 1927 expansion programme, output capacity will be still further increased during the current year. The balance sheet position is sound, and as regards liquid resources the company is well provided. Current assets at the date of the balance sheet amount to $20,510,631 (including inventories $6,929,378) against current liabilities of $1,361,143 and new construction requirements estimated at $4,750,000. The company, however, has still some way to go to justify the present price of £9 for its 1,000,000 common shares of no par value:—

	Profit from Operations.	Net Income.*	Percentage of Charges to Operating Profit.*	Earned per Share on Common.
	$	$		$
1926	1,458,517	1,082,012	25·8	Nil
1927	4,036,389	2,881,331	28·6	1·5
1928	4,012,895	2,356,976	41·2	0·67

* As the Bond Issue outstanding in 1926 and 1927 has been replaced by preferred stock, the bond service has been eliminated in order to give a satisfactory basis for comparison with the 1928 results.

Among the large European producers, an improved position is recorded by Snia Viscosa. The net profit reported is 72,228,898 lire, which it is intended to retain in the business. The amount earned on the shares of 120 lire is approximately 8 per cent., the present London quotation being round 25s. (equal to 116 lire). The 1927 profit was 20,099,399 lire, but this result was adversely affected by changes in the value of the lira, and is consequently not comparable with the 1928 figure.

Hongkong and Shanghai Banking Corporation.—The accounts of this important Eastern bank show that the net profit in 1928 declined by $809,226, but the usual dividend of £8 per $125 share was nevertheless fully earned. No additions are recommended to the already strong sterling and silver reserves, which amount to £6,000,000 and $14,000,000 respectively, but $750,000 is to be applied to writing down bank premises, of which the present valuation is $19,169,641 (£1,936,932).

Years ending December 31.	1926.	1927.	1928.
	$	$	$
Net profits	14,158,067	14,239,288	13,430,062
Directors' remuneration	50,000	50,000	50,000
Dividend (£8 per $125 share)	12,456,724	12,676,923	12,643,679
To silver reserve	650,000	500,000	...
To bank premises account	1,000,000	1,000,000	750,000
Increase or decrease in carry-forward	+ 1,343	+ 12,365	− 13,618

The bullion holding has been raised to $8,687,039 from $1,949,225 at the date of the last balance sheet, and with cash increased by $13,958,142, cash and bullion together are now equal to approximately 18 per cent. of the total liabilities. Acceptances have risen by $1,066,963, but other items mostly show a small decline. The present price of the shares is £136 ex dividend, offering a yield of £5 17s. 7d. per cent.

Victor, H.M.V. and Marconiphone.—The Gramophone Company (H.M.V.) has concluded an agreement with the Marconi Company whereby it acquires the Marconiphone Company, as well as the right to use Marconi patents in the field of public entertainment and education. The Marconi Company will receive cash and shares in the Gramophone Company. This announcement is the more interesting since the Gramophone Company is a subsidiary of the Victor Talking Machine of America, which has now been acquired by the Radio Corporation. The 1928 report of Victor Talking discloses larger sales but a smaller operating profit, although the net profit, after including other income, is substantially the same as before:—

	1927.	1928.
	$	$
Sales	46,886,842	52,054,419
Operating profit	3,228,791	7,854,179
Other income	1,472,422	2,017,693
	9,701,214	9,854,872
Less depreciation	1,576,691	1,654,654
Taxes	855,000	876,000
Surplus	7,269,523	7,324,018

It is estimated that these earnings, assuming that all the $6 preferred stock is converted into common shares, will show, together with the estimated profits of Radio Corporation, earnings of about $3.16 per share for the new Radio common stock after the proposed merger.

Swan, Hunter and Wigham Richardson.—The earnings of this Tyneside shipbuilding firm recovered last year more than half the ground lost in 1927. At the turn of the year the yards were not employed to their full capacity, but a large and varied volume of work was in hand:—

Year ended December 31.	1926.	1927.	1928.
	£	£	£
Profit	212,524	140,122	183,437
Debenture interest and sinking fund	14,742	14,742	14,742
Net earnings	197,782	125,380	168,695
Preference dividends	47,391	47,391	47,391
Number of times covered	4·1	2·6	3·5
Ordinary { earned	8½%	4½%	7%
Ordinary { paid	7½%	4½%	7%
Ordinary { amount	128,330	128,330	128,330
Increase or decrease in carry-forward	+ 22,062	− 50,340	− 7,025

Examination of the balance sheet does not add much to previous knowledge. " Work in progress at cost, less instalments thereon " has come down sharply from £323,946 to £47,351, a possible explanation being that large payments, perhaps for the Singapore dock, fell due before the end of December, a view confirmed by a rise in the holding of cash and bills from £646,266 to £986,226. Investments in associated and other companies, which constitute two-fifths of the gross assets, stand at £2,169,551, a fall of £118,880 on the year. On the liabilities side " loans, employees' deposits, etc.," are down from £366,590 to £325,579. This and other items might well be subdivided for clearness' sake. Visible reserves aggregate £1,378,320. At 25s. the ordinary £1 shares yield exactly 6 per cent.

Norddeutscher Lloyd A.G.—The North German Lloyd Co. retains unchanged for 1928 its 8 per cent. dividend. The results are fairly satisfactory if allowance is made for the heavy expenditure incurred without any return upon the two 46,000-ton ocean liners, " Europa " and " Bremen," and the full year's dividend payable on an addition to the share capital which was made only in November. The gross profit, including carry-over, was 46,561,000 marks, against 40,144,000 marks in 1927. Administration costs, taxes and social contributions accounted for 12,631,000 marks against 11,092,000 marks, while there was allowed for depreciation, almost entirely on seagoing ships, 15,590,000 marks against 15,668,000 marks. The profit and loss account shows the following position:—

Years ended December 31st.	1926.	1927.	1928.
Net profit—marks	6,933,000	11,735,000	13,468,000
Dividend on ordinary shares—%	6%	8%	8%
Amount of dividend—marks	3,900,000	10,000,000	12,800,000

In view of the additions made to the fleet in service—the latter, according to the American prospectus, totalling 782,000 gross tons in November, 1928, as against 723,000 gross tons at the end of 1927—the increase in gross profits is moderate. German shipping returns in general, however, indicate that the period of most rapid expansion and increased dividends has ended for the present. Interest on the company's American loans requires 4,150,000 mark against 1,649,000 marks in 1927. The balance sheet shows an increase in the valuation of seagoing ships from 156 million marks to 165 million marks, and in payments on account of new tonnage from 64 million marks to 84 million marks. " Participations " have risen from 9½ million marks to 25½ million marks. On the liabilities side increases are shown in capital from 129 million marks to 165 million marks, in legal reserve from 17 million marks to 22½ million marks, and in creditors from 27 millions to 31 millions. The decline in cash holdings indicates that the large investments in constructions and participations were not fully financed by the capital increase. The prospect for 1929 is somewhat impaired by the fact that as a result of the autumn shipyard strike the two new ocean liners will be in service some months later than was originally planned.

Hamburg-America Company.—The Hamburg-America Company's dividend for 1928 is reduced by 1 per cent. to 7 per cent., mainly on the ground of adequate writing-down of tonnage. Gross takings increased in 1928 by 7½ per cent., the average capacity of the fleet by 5½ per cent. Gross profits were 59,696,621 marks, against 49,462,110 marks, but this increase is in great part due to a changed method of booking social burdens. The profit and loss account shows:—

Year ending December 31st.	1926.	1927.	1928.
Net profit—marks	5,720,000	12,044,000	11,561,000
Dividend on ordinary shares	6%	8%	7%
Amount—marks	3,870,000	11,600,016	11,200,014

The balance sheet shows shipping in service at 240,200,570 marks, and instalments paid on pending constructions at 34,737,876 marks, as against 228,340,747 marks for both items in 1927. The fleet, including some 70,000 tons of the Stinnes Line, is returned at 990,000 gross tons, to which will be added 122,700 tons of new constructions. The large investments account for a decline in liquidity, cash and bank deposits being 19,083,798 marks against 29,594,491 marks in 1927. On the liabilities side the reserve is 18,235,000 marks as against 16,923,293 marks. The company last year paid off 2,100,000 marks of its 6½ per cent. American loan of 1925; but the $10,000,000 bank-syndicate credit contracted for new constructions has raised the long-term liabilities from 28,990,276 marks to 80,765,276 marks. Short-term liabilities declined from 20,398,723 marks to 10,246,836 marks.

English Electric.—A post-war combine that has fallen on difficult days, the English Electric Company carries forward a debit balance of £433,516 to 1929, besides having cumulative preference dividends in arrear to the extent of £147,535. The meeting on Monday next will show whether the directors consider that the time has come for a re-arrangement of capital. No mention of policy is made in the current report, which thus contrasts with the previous one, when a long statement included the disclosure that any scheme of reconstruction would involve a revaluation of assets, and that the board thought it advisable to concentrate " in the first instance " on the more pressing problems of economy. In the following table the 1926 profit is not comparable with the later figures, since in 1927 a more rigorous method of charging depreciation was adopted, which is largely responsible for the size of the debit balance.

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Profit	10,244	*Dr. 12,237(b)*	96,292 (c)
Debenture interest, etc.	133,426(a)	122,167	119,909
Balance	*Dr.123,182*	*Dr.134,404*	*Dr. 33,617*
Cumulative preference dividend	29,507	Nil	Nil
Ordinary dividend	Nil	Nil	Nil
Special provision for depreciation and reorganisation expenses	...	123,905	...
Provision for taxation	...	63,000	...
Carry-forward	*Dr. 78,591*	*Dr.399,899*	*Dr.433,516*

(a) Including £9,007 written off expenses of debenture issue.
(b) After charging £88,494 additional depreciation on tools, patterns, drawings, etc.
(c) After charging actual expenditure during year on tools, patterns, drawings, etc.

As before, the auditors sign the consolidated balance sheet "subject to the sufficiency of depreciation." Goodwill, patents, issue expenses, etc., aggregating £448,753, have not yet been written off, and the only reserves amount to £175,433. Creditors are down from £1,313,956 to £1,056,990, but debtors are up by some £66,000, and a sharp fall has occurred in stocks and work in progress. The company has at least set a good example by the pains it has taken to clarify its annual statement.

William Hollins.—The report for 1928 reveals that, for the third year in succession, earnings have shown progressive expansion. The purchase of the share capital of the Seedhill Finishing Company in July last may have contributed to the improvement:—

	1926.	1927.	1928.
	£	£	£
Net profit	125,473	139,435	153,446
Preference dividend	18,000	18,000	18,000
Ordinary { Earned	9·3%	10·3%	10·6%
Ordinary { Paid	7¼%	8%	8½%
Ordinary { Amount	86,673	86,673	107,950
To general reserve	20,000	25,000	25,000
Increase in carry-forward	800	9,761	2,496

The balance sheet discloses a liquid position, stocks, debtors and cash totalling £1,367,736, as against creditors £154,050, employees' deposits £28,745, and final dividend requirements £76,200. During the period more than £220,000 has been expended on improvements and additions, all provided out of the company's resources. With regard to the increased dividend, the chairman stated, at the last meeting, that the board felt that it was better to pay a steady dividend and to maintain it than to pay a larger dividend one year and have possibly to reduce it later. The shares are quoted a little below 26s., and yield over £6 10s. per cent.

British Metal Corporation.—In the metal trade of this country the British Metal Corporation, which was organised in 1918 to safeguard the non-ferrous metal interests of British manufacturers, has already attained an important position. The company has holdings in importing, producing, smelting and distributing companies and in particular is interested in the Burma Corporation and the National Smelting Company. The progress of its trading in the last three years is shown in the following table:—

	1926.	1927.	1928.
Ordinary capital	£981,000*	£900,000	£900,000
Net profits	131,791	195,454	194,452
Preference dividends	—	54,000	54,000
Available for ordinary capital	131,791	141,454	140,452
Per cent. earned (subject to tax)	13·43%	15·72%	15·61%
Per cent. paid (subject to tax)	8%	10%	10%
Added to reserves	50,000	50,000	100,000†

* The capital was re-arranged at the end of 1926, being divided into ordinary and preference shares.
† Including £40,000 from contingency reserve.

It will be seen that the company is earning over 1½ times as much as it is paying out in dividends. In the last two years it has suffered from falling metal prices, except in the case of copper, but in view of the recent improvement in the price of lead and tin, its trading prospects for the current year are distinctly improved. The balance sheet is strong, the surplus of current assets over current liabilities being £1,758,649. The shares are quoted in the official supplementary list of the Stock Exchange at £2 1/16, and yield £4 17s. per cent., or 7.5 per cent. on earnings.

Rand Deep Levels.—Our mining correspondent writes: The reports for 1928 of three of these undertakings are now available. The least encouraging is that of the Durban Roodepoort, whose working profit of £19,800 was almost identical with that of the preceding year. Interest, etc., absorbed £9,200, and the balance was applied towards capital expenditure, totalling £17,650. Provision of £19,950 for debenture redemption has entailed an almost corresponding expansion in the indebtedness (£34,200) to the Central Mining Corporation and the Rand Mines. The cash position shows a deficiency of £30,100 irrespective of contingent liabilities in connection with miners' phthisis. At 1,488,600 tons, value 7.3 dwts., the ore reserves display an expansion of 434,500 tons in quantity, with a small decline in value; the tonnage represents approximately three years' supply for the mill. The plan accompanying the report indicates that the area remaining to be developed is becoming restricted, and that some arrangement in respect of dip ground will become imperative before very long. From £63,250 in 1926 the net profit of the Geldenhuis Deep shrank to £29,100 in 1927 and £15,400 last year, a good proportion of the latter amounts consisting of sundry revenue. For each of the past two sessions 2½ per cent. has been paid, the bulk of the amount last time coming out of the carry-forward, miners' phthisis absorbing £13,440. At 760,300 tons the ore reserves represent less than a year's supply; but in this connection it should be noted that last year less than 20 per cent. of the tonnage mined was drawn from reserve blocks. The net cash assets amount to £72,600, disregarding the outstanding liability of £77,070 in respect of miners' phthisis. The shares stand at about 4s. 6d. With the Rose Deep the position is much the same. During the past three years the working profits have been £84,700, £49,300, and £28,900 respectively; dividends have declined from 6¼ per cent. to 5 per cent. and lastly 2½ per cent. As capital expenditure in 1928 called for £13,400, the carry-forward had to be drawn upon to some extent. Further outlay is envisaged during the current year. Net cash and investments amount to £94,300; outstanding balance in respect of miners' phthisis, £73,300. Owing to the opening up of the southern section of the mine the reserve position is slightly better at 922,700 tons, of which 652,300 tons are available. Subject to labour and other conditions, some improvement in profits is forecast for the current year, but the margin is obviously limited.

Canadian Pacific Railway.—The position of this historic company—which retains a significant British shareholding interest—continues to reflect the healthy state of Canadian agriculture and industry. Gross earnings from railways and lake steamers increased last year by 14 per cent., while the net amount available for dividends much more than regained the loss of ground of 1927:—

	1926.	1927.	1928.
	$	$	$
Gross earnings: Railways and Lake Steamers	198,025,591	201,145,751	223,039,297
Working expenses	153,080,464	161,630,180	177,344,845
Net earnings	44,945,126	39,515,571	51,694,452
Special income	11,056,270	11,876,560	12,677,683
Total income	56,001,397	51,392,131	64,372,135
Fixed charges	14,676,358	15,378,867	15,308,698
Surplus	41,325 038	36,013,264	49,063,437
To pension fund	600,000	600,000	750,000
Available for dividends	40,725,038	35,413,264	48,313,437

The company has paid the usual 10 per cent. in dividends on the common stock, but as net available earnings were equal to 16 per cent. the surplus carried forward has been increased by $9,484,937 to $14,892,257. The common stock at 252xd yields a shade under 4 per cent.

CAPITAL ISSUES.

Apart from one foreign government loan, prospectus issues during the week were less substantial than of late, though hardly less numerous, aggregating £4,353,500, excluding conversions, against £155,555,110 in the corresponding period of 1928. *Chile* was responsible for a quickly over-subscribed £2 million issue at 94½, redeemable by 1962 and giving a flat yield of £6 6s. 11d. per cent. The loan, which is required for public works, is not specifically secured, but the bonds will be secured equally with any future borrowing which may be charged on revenue. Two-thirds of the whole issue of the *Compass Investment Trust*, an S. Japhet and Co. flotation, whose prospectus was otherwise colourless, were taken by inside interests. *India Tyre and Rubber Co. (Great Britain)*, the fifteen months' old offspring of an Ohio firm, made an issue of participating preferred and shilling deferred shares at a premium. The Renfrewshire factory is operating 24 hours a day, including Sundays, and will reach full production next month, but obviously future earnings must depend largely on the price of rubber. *British Dardelet Threadlock (D.D.G.) Corporation*, which is to exploit British Empire rights for a tight-locking screw granted by a successful French company, proved a highly popular speculation. Something out of the common was provided by the *Albanian National Brewery*, a company which, under the chairmanship of an ex-British Minister to the country, has obtained a 99-year virtual monopoly, protected by a safeguarding duty, to provide Albania with beer. The terms on which the Minister of Public Works and Agriculture granted the original concession to the promoters are, unfortunately, not stated. *Curzon Brothers and Maxims* represents the amalgamation of two multiple-shop tailoring businesses, and the absorption of a few other small shops, in anticipation of an annual saving of £7,000. The prospectus, otherwise straightforward, is ambiguous concerning payments for stock-in-trade. *Genval* is a speculative attempt to exploit natural springs near Brussels, and in spite of the publicity afforded by a contract with the Phospherine Co., its prospects are mainly dependent on the degree of success of the inevitable advertising campaign. In the prospectus of *Associated Fisheries*, acquiring a wholesale fish business, options are prominent, nearly two-thirds of the purchase price apparently represents goodwill, and the public is asked to subscribe 36⅔ per cent. of the capital in return for 12 per cent. of the equity. *De Lavaud Free-Wheel Differential* is a typical patent issue, exploiting a device well reported on but not tried out commercially. The result of another 5s. share issue, *Roadway Time Tables*, was not publicly announced; its expectations of profits were mainly based on advertising revenue from a "Bradshaw" of the road, a field in which it could scarcely expect a monopoly. Finally, a curious prospectus appeared for *Couéism*, which offered to the investor little more than a hope that profits would respond to the famous formula.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total previously recorded, £77,893,730.
Including conversion total previously recorded, £91,502,950.

National Savings Certificates.
Net sales week ended March 9, 1929, £100,000.
Total receipts April 1, 1928, to March 9, 1929, £50,000,000.

Description and Date of Issue.	Nominal Capital.	Conversions or Repayments.	New Money. Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
Associated Fisheries, 200,000 7½% Cum. Partic. Pref. Ord. 10s. at par	100,000	...	100,000	25,000	75,000
Do., 200,000 Def. Ord. 1s. at par (Mar. 11)	10,000	...	10,000	10,000	...
Roadway Time Tables, 320,000 Ord. 5s. at par (Mar. 11)	80,000	...	80,000	16,000	64,000
Genval, 1,350,000 Ord. 2s. at par (Mar. 11)	135,000	...	135,000	67,500	67,500
British Dardelet Threadlock (D.D.G.), 295,000 "B" Ord. £1 at par (Mar. 12)	295,000	...	295,000	29,500	265,500
India Tyre and Rubber Co. (Great Britain), 400,000 7½% Cum. Partic. Pref. £1 at 21s. (Mar. 11)	400,000	...	420,000	50,000	370,000
Do., 1,600,000 Def. 1s. at 2s. 6d. (Mar. 11)	80,000	...	200,000	80,000	120,000
Albanian National Brewery, 800,000 Ord. 5s. at par (Mar. 12)	200,000	...	200,000	100,000	100,000
De Lavaud Free-Wheel Differential, 380,000 Ord. 5s. at par (Mar. 12)	95,000	...	95,000	19,000	76,000
Chilean Govt., £2,000,000 6% Steri. Bonds at 94½ (Mar 12)	2,000,000	...	1,890,000	200,000	1,690,000
Compass Investment Trust, 75,000 Ord. £10 at par (Mar 13)	750,000	...	750,000	37,500	712,500
Curzon Brothers & Maxims, 594,000 Ord. 5s. at par (Mar. 14)	148,500	...	148,500	29 700	118,800
Couéism, 600,000 Ord. 1s. (Mar. 14)	30,000	...	30,000	3,000	27,000
Total offered to public, week ended Mar. 16, 1929	4,323,500	...	4,353,500	667,200	3,686,300
To Shareholders only.					
Acme Tea Chest, 80,000 Ord. £1 at 25s.	80,000	...	100,000	20,000	80,000
Associated Automatic Machine, 1,000,000 Ord. 5s. at 10s.	250,000	...	500,000	250,000	250,000
British Assets Trust, 100,000 Ord. 5s. at par	25,000	...	25,000	25,0	
British, Foreign and Colonial Corporation, 460,000 Ord. 5s. at 6s. 9d	115,000	...	155,250	155,250	...
Daggofontein Mines, 308,993 Ord. £1 at 22s. 6d	308,993	...	340,320	340,320	...
Rambla Rubber Estates, 2,500 Convertible Debs. £10 at par	25,000	...	25,000	3,125	21,875
Shanghai Waterworks, 250,000 "C" Shs. £1 at par	250,000	...	250,000	125,000	125,000
Tea Corporation, 17,500 Ord. £1 at 22s.	17,500	...	19,250	6,125	13,125
Glasgow Stockholders' Trust, 20,000 £10 Ord. at £11	200,000	...	220,000	80,000	140,000
Chemical and Metallurgical Corporation, 2,000,000 Ord. 2s. at 3s. 6d.	200,000	...	350,000	350,000	...
Total to Shareholders only, week ended Mar. 16, 1929	1,471,493	...	1,984,820	1,354,820	630,000

Total offer for Subscription.—	Including Conversions.	Excluding Conversions.
To date—	£	£
1929	97,911,270	84,332,050
1928	...	155,555,110
1927	...	130,493,081
1926	...	63,507,780
1925	...	40,183,403
1924	...	30,670,655
1923	...	70,967,616

Total offer for Subscription.—	Including Conversions.	Excluding Conversions.
Whole year—	£	£
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,601
1925	...	232,214,500
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Issue (in brackets).	Amount of Capital Introduced.	Price at which Dealings Began.	Total Cash Involved.
	£	£	£
Amount previously recorded	6,552,650	...	11,647,041
Celestion, Limited, 103,007 7½% Cum. Ptg. Pref. Ord. £1 (Mar. 4)	103,007	36/–	185,407
Do., 600,000 Def. 5s.	150,000	18/–	540,000
D. Gestetner, 650,000 Ord. 10s. (Mar. 6)	325,000	30/–	975,000
Grand Union Canal, £250,000 6% Pref. Stk. at 102 (Mar. 7)	255,000	105½	263,750
Brotex Cellulose Fibres, 4,120,007 Shs. 1s. (Mar. 4)	206,000	3/1½	643,750
Do., 700,000 7½% Non-Cum. Ptg. Pref. £1	700,000	16/3	568,750
Manchester Trust, 1,000,000 Ord. 1s. (Mar. 6)	50,000	1/9	87,500
Total, week ended Mar. 16, 1929	1,789,007	...	3,264,157
Total to date, 1929	8,341,657	...	14,911,198

Chilean Government Six Per Cent. Sterling Loan.—Offer at 94½ of £2,000,000 6 per cent. sterling bonds to bearer, part of a present issue of approximately $20,000,000. Principal and interest are payable at holder's option in London in sterling or in New York in dollars ($4.8665=£1), without deduction of Chilean taxes. The bonds are to be redeemed by 1962 by a 1 per cent. accumulative sinking fund applied half-yearly by drawings at par, or the Government may redeem them at any time on three months' notice. The proceeds will be applied to the construction of public works.

Compass Investment Trust, Limited.—Issue at par of 75,000 £10 shares, to be converted when fully paid into £6 of 5½ per cent. cumulative preference stock and £4 of ordinary stock.

India Tyre and Rubber Company (Great Britain), Limited.—Issue of 400,000 (out of 625,000) £1 7½ per cent. cumulative participating preference shares at 21s. and 1,600,000 (out of 2,500,000) 1s. deferred shares at 2s. 6d., the former entitled to one-fifth of the remaining distributed profits after payment of 7½ per cent. on the deferred. The company was formed in 1927 to manufacture and sell in the British Empire (except Canada) tyres, tubes, and other rubber products, under licence from an American company. Net assets before present issue were valued at £142,710, and profits (December 6, 1927-December 31, 1928) were £30,945, less depreciation. A dividend at the rate of 8 per cent. on the issued 125,000 preference shares and of 17½ per cent. on the issued 500,000 deferred shares has been declared. Present issue is intended for repayment of temporary loans and for development purposes.

Grace National Bank
Hanover Square, New York, U. S. A.

We undertake the investment of funds in U. S. Government Bonds, Ban Acceptances and American securities for our banking correspondents.

Special Representative

148 Leadenhall St. London, E. C. 3.

British Dardelet Threadlock (D.D.G.) Corporation, Limited.—Issue at par of 295,000 (out of 480,000) £1 "B" ordinary shares, entitled to seven-tenths of the distributed profits. The company acquires patents and rights for the British Empire relating to a tight-locking screw thread. The purchase consideration is £325,000, payable as to £20,000 in cash, £120,000 in £1 "A" ordinary shares and £185,000 in "B" ordinary shares, and a royalty. Working capital is estimated at £239,000.

Albanian National Brewery, Limited.—Offer at par of 800,000 (out of 1,600,000) 5s. ordinary shares. The company acquires the sole concession for 99 years to manufacture beer in Albania. The purchase price for that and for a freehold brewery site is £74,000 in cash and £150,000 in shares. Working capital is estimated at £40,000. The remaining 200,000 shares are under option at par.

Curzon Brothers and Maxims, Limited.—Issue at par of 594,000 (out of 800,000) 5s. ordinary shares. The company acquires and amalgamates a chain of established retail tailoring and outfitting businesses. The 41 leasehold establishments, together with a factory and a warehouse, to be acquired are valued at £99,715. The purchase price is £99,500, payable as to £48,000 in cash and £51,500 in shares. The issue will provide about £75,000 for working capital, out of which the company will purchase the stocks of the businesses at a sum estimated at £40,000. Combined profits have been:—1925-26, £30,146; 1926-27, £33,200; 1927-28, £34,160.

Genval, Limited.—Issue at par of 1,350,000 (out of 1,500,000) 2s. ordinary shares. The company acquires mineral water springs and bottling works in Belgium, valued at £39,560, with the benefit of certain agreements. The purchase price is £40,000, payable as to £25,000 in cash and £15,000 in shares and a royalty. Working capital is estimated at £53,000.

Associated Fisheries, Limited.—Issue at par of 200,000 (out of 300,000) 10s. 7½ per cent. cumulative participating preferred ordinary and 200,000 (out of 3,000,000) 1s. deferred ordinary shares, the former entitled to one-fifth of the remaining distributed profits. The company acquires the whole issued capital of a fish merchanting business founded in 1889, and will acquire a controlling interest in similar businesses. Net assets exclusive of goodwill are valued at £59,253. The purchase price is £145,000, payable as to £55,000 in cash and £90,000 in deferred shares, and an option on 550,000 unissued deferred shares at 1s. 6d. Profits have been:—1926, £24,284; 1927, £27,730; 1928, £40,960. Working capital is estimated at £35,000. A further 250,000 deferred shares are also under option on the same terms.

De Lavaud Free-Wheel Differential, Limited.—Issue at par of 380,000 (out of 800,000) 5s. shares. The company acquires patent rights in a free-wheel differential for Great Britain, Northern Ireland and the Irish Free State, and a one-fifth interest in rights throughout the world, with a sub-licence to use certain free-wheel patents. The purchase consideration is £85,000, payable as to £40,000 in cash and £45,000 in shares. Working capital is estimated at £40,000. A further 140,000 shares are under option at 6s.

Roadway Time Tables, Limited.—Issue at par of 320,000 (out of 800,000) 5s. shares. The company will exploit the copyright and publishing rights in a new motor coach and bus time table, acquiring a business previously engaged in the preliminary work. The purchase consideration is £50,000, payable as to £12,000 in cash and £38,000 in shares. Working capital is estimated at £45,000.

Conéism, Limited.—Issue at par of 1,000,000 (out of 1,500,000) 1s. ordinary shares. The company acquires the existing Coué Institute, with all rights, assets, and concessions, and will extend its work. The purchase consideration is £59,450, payable as to £34,500 in cash and £24,950 in shares. Working capital is estimated at £8,000.

Bognor Gas and Electricity Co.—Offer for sale by tender of £35,000 new consolidated stock (minimum price, 102), ranking for a maximum dividend of 7 per cent. equally with existing stock now receiving this rate.

Pending Issues.—Central Argentine Railway Co., Limited, will issue on Monday next £3,000,000 5 per cent. redeemable debenture stock, 1967-87, at 94½

Salerni Coupling, Limited, will issue on Monday 1,500,000 2s. shares at par. The company acquires world rights, outside America, for a patent gear-changing device.

Particulars of the following have been issued for public information only in connection with Stock Exchange "introductions":—**Fairey Aviation Co., Limited**; issue of £300,000 8 per cent. first mortgage debenture stock, 1940, at 99 and 300,000 10s. ordinary shares at 10s. 6d.; acquires an established business of aircraft manufacturers, with net assets valued at £787,485, for £325,000 in cash and £350,000 in shares; profits have been (1926-27) £125,363, (1927-28) £160,192; working capital is estimated at £166,000. **Sika (Africa), Limited**; issued capital 40,000 10s. (5s. paid) 10 per cent. cumulative preference and 80,000 1s. ordinary shares; exploits rights in waterproofing compounds for the Union of South Africa and Rhodesia. **British, Foreign, and Colonial Corporation, Limited**; issued capital 1,540,000 (out of 4,000,000) 5s. ordinary shares; incorporated in 1910 to carry on all descriptions of banking, mercantile and financial business; 10 per cent. dividends were paid for the last three years.

MINING OUTPUT STATISTICS FOR FEB. 1929.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Ashanti	8,500	...	...	...	9,061	38,492	14,883
Boulder Perseverance	5,869	...	...	...	...	15,927	1,075
Chosen Syndicate	6,585	...	...	...	...	9,920	1,887
El Oro	...	...	...	...	...	$2,725	$3,257
Lena	...	...	...	...	3,618	15,195	...
Lonely Reef	5,000	15,000	3,140	926	4,066	...	8,017
Oriental Consolidated	20,189	(January)		...	...	$85,487	$14,067
Shamva	43,900	...	...	...	...	23,874	1,067
South Kalgurli	8,167	...	...	...	...	15,038	3,027

	Output.	Other Notes in Return.
Tin.	Tons.	
Ampang	15½	...
Anglo-Burma	6	...
Anglo-Nigerian	60	Concentrates.
Aramayo	251	Silver—177,000 ozs.
Assoc. Tin Mines of Nigeria	237	...
Baba River	4½	Concentrates.
Briseis	20	Black tin cleaned up.
Changkat	60	...
Eastern Siam	3½	Concentrates.
Ex-Lands Nigeria	50	Concentrates.
Fabulosa Consolidated	145	Tin barrila.
Jantar Nigeria	35	...
Jelapang	21	...
Juga Valley	11	...
Junction Tin Mine	20	...
Kaduna Prospectors	18	...
Kaduna Syndicate	30½	...
Kassa	11	Concentrates.
Kepong	18	Tin ore; est. value, £2,286; profit £534.
Kuala Kampar	130	...
Kundang	32	...
Larut	70	...
Lower Bisichi	4	...
Meru	17·8	...
Mongu	35	...
Naraguta	16	...
Naraguta Durumi	9	...
Naraguta Karama	18½	...
Naraguta Korot	15	...
Northern Nigeria (Bauchi)	150	Value £23,100; est. profit £17,000.
Rahman	56½	...
Rawang	65	...
Ribon Valley	18	Concentrates.
Rubuka	4	...
San Finx	16·1	Concentrates; 11 tons wolfram.
Selayang	12½	Concentrates.
South Crofty	61	Black tin; estimated value, £8,453.
Tavoy	44½	...
Theindaw	4½	...
Tin Properties	27	...
Toyo	43	...
United Tin Areas	4½	Concentrates.
Wheal Kitty	55	...
Copper.		
Bwana M'Kubwa	514	Refined.
Poderosa	804	Metric tons—18% copper.
Diamond.	Carats.	
West African	13,000	...
Miscellaneous.		
European and N. African	1,472	Iron ore.
	82	Lead concentrates.
Mount Lyell	2,289	Concentrates.
Rhodesian & General Asbestos	2,046	Sales. £47,403 gross.
Tetiuhe	1,079	Zinc concentrates—45·8% zinc.
	586	Lead concentrates—74·8% lead; 55 ozs. silver.
Zinc Corporation	5,084	Lead concentrates.
	4,763	Zinc concentrates.

Sulphide Corporation, Limited.—During the four weeks ended February 23, 1929, 11,180 tons of Central Mine ore, together with 1,778 tons of slimes, were milled at the Central Mine, producing 2,030 tons of leady concentrates (including 67 tons from the de-leading plant), which assayed 51 ozs. silver, 66 per cent. lead, together with 3,024 tons of zinc concentrates, assaying 7 ozs. silver, 4 per cent. lead and 50 per cent. zinc per ton and 226 tons special slimes, assaying 9 ozs. silver, 13 per cent. lead and 5 per cent. zinc per ton.

Burma Corporation, Limited (*incorporated in India*).—During the month of February, 37,939 tons of ore were mined, including 2,765 tons of high-grade ore. 28,500 tons of ore were milled in the treatment plant, producing 9,300 tons of leady concentrates. 12,731 tons of lead-bearing material, including 3,290 tons of high-grade ore, were smelted in the blast furnaces, producing 6,205 tons of hard lead for treatment in the refinery. Refinery products were 6,506 tons refined lead and 618,141 ozs. refined silver. Of silver production 12,121 ozs. were recovered from the treatment of copper matte. Zinc plant produced 4,950 tons zinc concentrates, assaying 8.79 ozs. silver, 5.69 per cent. lead and 51.4 per cent. zinc. In addition to the above, 750 tons copper matte were produced from the treatment of accumulated smelter by-products and 5,228 tons copper ore. 100 tons of refined antimonial lead were also produced. Included in the tonnage of refined lead is 302 tons recovered from the smelting of copper ore.

COMPANY MEETINGS, &c.

BRITISH FOREIGN AND COLONIAL CORPORATION, LIMITED.

RECORD PROFITS—CONDITIONS IN U.S.A.

The seventeenth ordinary general meeting of the British Foreign and Colonial Corporation, Limited, was held, on the 11th instant, at B. F. C. House, Gresham Street, London, Mr F. A. Szarvasy (chairman and managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The year again shows satisfactory progress in our activities, and the profits earned are the highest in the history of the company. We have now attained one goal in our programme—namely, that with the allocation made out of 1928 profits our reserve account will stand at a figure equal to the issued capital. We were able to achieve this and recommend a dividend at the rate of 10 per cent. for the fourth successive year, having concurrently increased the salaries and bonuses paid to our staff.

You have received with the accounts a circular offering 460,000 shares at a premium of 1s. 9d. per share. Based on the figures shown in the circular, issuing these shares in the manner indicated is equal to approximately a 10 per cent. dividend on your shares. The company's capital will now stand at a round £500,000, and if the current year's results justify it, as I hope they will, I trust that within a year from now our reserve fund will again be equal to our capital.

The accounts presented disclose a liquid position with ample cash resources, and, on the whole, they are drawn in a conservative manner. I trust, in view of some very important business which we have in hand, that the current year will be equally satisfactory, unless, of course, unforeseen circumstances should supervene.

CONDITIONS IN AMERICA.

In trying to estimate business conditions in 1929 one of the most important commercial factors to consider is the U.S.A., since that great country is playing an increasingly influential part in European business, the fortunes of war having turned her from a debtor into a creditor country. One must adopt new standards of measurement and be prepared to discard old methods as you would scrap useless machinery.

The fact that most of the leading spokesmen of labour have recognised that the maintenance of a high scale of wages pre-supposes a high scale of production has given American industry a new orientation, and has led to the creation of a nation of mass consumers in which the employer is mindful of the workers' rights and sentiments and of paying not the lowest wages to which labour can be squeezed down, but the highest wages compatible with the proper and successful conduct of business.

The nation as a whole has learned that to promote the common welfare is not to pull the successful down, but to try and pull everyone up; not to take away from some, but to add to all. They have observed that the mathematics of prosperity consist not in division, but in multiplication.

The maladjustments which were largely the consequences of war conditions have been, or are being, gradually adjusted, and, apart from monetary conditions, one can see no menacing clouds on the horizon as far as general progress and prosperity of the States are concerned.

Looking at statistical data, one is impressed mainly by the constantly increasing car-loadings and by the fact that industrial earnings are on a higher level than they have ever been before. There seems to be no superfluity of manufactured articles in stock, and, so far, at least, there has been no speculation in raw commodities. The basic conditions, therefore, seem to be sound.

FUTURE COURSE OF SECURITY PRICES.

The past few years have witnessed an accumulation of wealth almost unbelievable. In face of this encouraging condition of affairs and the pleasing picture which it reveals, one cannot help being somewhat astonished at the pessimistic forecasts and the cautious note sounded regarding the future course of security prices by so many important American bankers and financiers.

The reason seems to be in the apprehension that the credit structure of American banking is being overstrained, and the high volume of "brokers' loans" is instanced as the danger point in the situation. I am afraid that those who attach such overwhelming importance to the comparatively high figure of brokers' loans have not perhaps examined conditions sufficiently closely to realise that the trend towards consolidation in industry has produced a state of affairs in which the utilisation of credit from banks has taken a different form from that which one was accustomed to see.

What I mean is that many small individual producers and distributors have found it necessary either to sell out to the larger units or to fail; that an increasing amount of surplus capital will go into the securities of the larger units instead of being employed in originating small individual enterprises, or in the participation in local partnerships; that the financing of enterprises is being accomplished more and more through what are popularly called brokers' loans, but which are to a very considerable extent only an altered form of commercial loans.

Remove this bugbear of brokers' loans by regarding it in its proper light, and the horizon clears at once.

I personally see no reason why, if it is realised that the high figure of brokers' loans does not in itself necessarily represent over-speculation, there should not be a greater abundance of credit made available in America (to which the elastic Federal reserve system lends itself admirably), and that thereby easier money conditions should not be brought about to the benefit of America itself and to the relief of Europe generally.

In throwing out this hint I am not oblivious to the fact that in certain securities speculation is rampant, but it is up to the banker to discriminate against the collateral he accepts and to vary his rates and margins accordingly, as has been the habit in the London Money market as far back as I can remember.

AMERICA'S PROBLEMS.

How America will ultimately solve the problem of gathering interest on her loans, of increasing her export trade, of being the main supplier of many raw materials to the world, and yet be hemmed in by high tariff walls, refusing to purchase manufactured articles from outside, remains to be seen. As is well known, her tourist traffic represents a considerable expenditure, and as long as there are art treasures, wonderful pictures, tapestry, silver and old furniture to be bought in Europe there exists a further counterweight. But how long is this going to last? Here is one of the problems which American industrialists will sooner or later have to face seriously.

Generally, it seems likely that the wave of prosperity in America will continue for the major portion of the current year, and that, on the whole, should exercise a beneficial influence on European business.

FAVOURABLE OUTLOOK IN GREAT BRITAIN.

If I have spoken in somewhat optimistic terms about the situation in America, I do not want to imply that conditions in Great Britain have not also taken a favourable turn. During the last two years the 10-year-old struggle of "who is to pay for the War?" has found at least a partial solution. The capitalist has paid and is paying to the extent to which the cost of living has risen in comparison with pre-War figures, and the worker paid mainly during the period of partial inflation following the War through having to accept a standard of living lower than that ruling pre-War. To some extent this condition still prevails, but the warfare is no longer carried on in the acute form of strikes and lock-outs. The one visible sign, however, that conditions have not finally settled down is our unemployment problem, which does not lend itself to treatment as in the United States, because fundamental conditions are different.

We have made great progress in what is commonly called the rationalisation of our industries, and many schemes are now being matured, the fact having been recognised generally that unrestricted competition is not an unmixed blessing, and that to co-operate with your competitor is not a sign of weakness, but a sign of advancement of civilisation.

What is disturbing business with us is the uncertain monetary outlook, brought about partly in any case by the resumption of our position as an international money centre, and by trying to apply old remedies to a new set of conditions.

The raising of the Bank Rate hardly ever failed to achieve its object before the war, but in the peculiar and special set of circumstances of the international money market which prevail to-day I am afraid that a further rise in our Bank Rate may conceivably have little or no effect in bringing relief.

If the moneyed classes are afraid of the advent of a Socialist Government and wish to export capital, or if favourable opportunities for increasing their capital are found in other countries, the fact of sterling being at a discount will not stop such operations, and unless other central banks are prepared to co-operate with us and make their resources available for the common good, a further rise in our Bank Rate might only result in a general rise in the official discount rates of other countries and would, therefore, remain without effect.

Apart, therefore, from the special set of circumstances which I have mentioned, and which may have a disturbing effect on trade and security values, I think that the current year will, at any rate, not prove to be a bad one.

The report and accounts were unanimously adopted.

At an extraordinary meeting which followed, a resolution providing for alterations in the articles of association was unanimously agreed to.

MARCONI INTERNATIONAL MARINE COMMUNICATION COMPANY, LIMITED.
ANOTHER YEAR OF PROGRESS.

The twenty-ninth ordinary general meeting of the Marconi International Marine Communication Co., Limited, was held at the Connaught Rooms, Great Queen Street, Kingsway, London.

The Right Hon. F. G. Kellaway, P.C. (deputy-chairman and managing director), who presided, said: There is a total of £215,597 available for distribution. On October 17th last an interim dividend of 7½ per cent. was paid, which absorbed £89,454. There is thus left for appropriation a sum of £126,143. It would be possible for your directors, as you will see, to recommend a final dividend of 10 per cent., making a total of 17½ per cent. for the year and leaving a carry-forward of something under £7,000. We have, however, decided, in accordance with the policy which has been pursued during the past four years, not to recommend a distribution up to the hilt of the whole amount available. The experience of the past few years has emphasised the necessity for conservative finance in all companies which depend to a considerable extent, as your company does, on the prosperity of the shipping industry.

A GOOD RECORD.

During the 29 years that your company has been in existence the dividends paid have averaged nearly 7½ per cent. per annum for the whole period. As the company was operated at a loss for the first nine years, and in the tenth year paid no dividend, I think you will agree that an average of 7½ per cent. is a good record.

In November, 1924, the board of the company was reorganised and I became managing director, and I should like to call attention to the progress which has been made. In 1924 the profit was £83,576; in 1925, £118,979; in 1926, £126,132; in 1927, £179,730, and in 1928, £193,420.

As you know, the improvement in the position of our parent company has been even more remarkable. I do not suppose there are many other industrial concerns in this country whose position has shown so striking an improvement in the past four years as has been shown by the Marconi International Marine Communication Company and Marconi's Wireless Telegraph Company. This continuous and gratifying improvement in the position of both companies has not been obtained by increasing charges. On the contrary, when charges have been changed the changes have been downwards.

The year 1928 has been one of preparation for the new order of things that comes into force at the end of 1929. Designs of ship wireless telegraph and telephone apparatus have been made to meet the new requirements, and this year they are being offered to our clients at prices which, I am glad to say, approximate very closely to the standard figures for spark outfits.

The year 1928 was particularly interesting from the technical point of view because of the practical tests made in every sea and on every class of ship of the Four-second Auto Alarm Device. The reports from nearly 1,000 ships equipped with this apparatus have been carefully analysed by a specialist staff, and we are satisfied that the auto alarm device of your company's design has an efficiency of not less than 90 per cent., with prospects of improvement as further experience is gained. I dare say that all business men, and shipowners in particular, would wish that human efficiency stood at so high a figure. The wireless direction finder—a voluntary fitting that has captured the imagination of the progressive shipowner—is being employed to an increasing extent.

THE OUTLOOK.

As for the prospects for the current year, reports reach us on all hands of increased activities in shipbuilding and improvements in freights. A very safe guide to the state of business in the shipping industry is found in the returns of ships laid up unemployed. For the vessels in which your company is interested, the average in the spring of each of the last three years has been roughly 6 per cent. laid up, whilst at the present moment the comparative figure is 5 per cent.

Apart from these considerations, your company has begun the present year with a large number of orders in hand for execution, promises of many more, and the prospect of less adverse effects from reduced wastage through sales of ships abroad and for breaking up.

I should like now to make a reference to an announcement which appeared in Saturday's papers that the Gramophone Company ("His Master's Voice") has acquired the Marconiphone Company. The public may rest assured that the arrangements which have been made between the Marconi Company and the Gramophone Company will increase the volume of employment in this country, and will strengthen our technical resources. Had I not been satisfied on these two points I would not—attractive as the proposition was from the financial point of view—have agreed to entertain it.

The report and accounts were unanimously adopted.

GENERAL ELECTRIC COMPANY, LIMITED.
CAPITAL INCREASE APPROVED.

An extraordinary general meeting of the General Electric Co., Limited, was held, on the 13th instant, at Magnet House, Kingsway, London, for the purpose of considering the following resolutions: (1) That the capital of the company be increased to £7,600,000 by the creation of 1,600,000 new shares of £1 each; (2) that the new shares be called "British ordinary shares," and that they be issued only subject to the condition that they shall not be registered in the name of or transferable to or held on behalf of any foreigner, foreign corporation, or corporation under foreign control as defined by the articles of association of the company for the time being, but that in all other respects (including participation in profits and surplus assets of the company and voting rights) they rank equally with the existing ordinary shares of the company; and (3) a further resolution modifying the articles of association of the company.

Sir Hugo Hirst, Bt. (chairman and managing director of the company) presided.

The Chairman, in the course of his speech, said: We have called this meeting in order to submit for your approval (1) a resolution in favour of increasing our ordinary share capital by £1,600,000, and (2) confining such issue to British subjects.

REASON FOR INCREASE OF CAPITAL.

The reason for this increase of capital is primarily due to our desire to redeem the outstanding debentures as soon as possible—at any rate in September, 1931, the date when we have the power of redemption. I have not ceased to regard a Seven per cent. debenture a blot on the balance sheet of a company such as ours, and I have been waiting for a favourable opportunity to efface them from our accounts.

By redemption, and occasional purchases when they were offered in the market, we have reduced the debentures by approximately £400,000, and we now desire to have the necessary means at our disposal to redeem the balance without weakening the cash resources of the company, which are essential for the development of this great and expanding business, and I do not think there can be two views on the soundness of this policy

As to the second resolution, I regret that this has apparently given umbrage in some quarters, and I am particularly sorry that for the first time in our long and peaceful history any financial scheme proposed by this company should be unfavourably commented on. I believe that this criticism is entirely due to a misunderstanding of our aims and our objects. I do hope and believe that if the newspapers which commented upon it adversely this morning will carefully study what I say in this address, they will readjust their views.

BRITISH CHARACTER VITAL.

The G.E.C. has always been regarded as an essentially British concern, and has derived no small amount of its strength from the co-operation it received from British shareholders, both in home and Empire markets. It is, therefore, absolutely vital that, apart altogether from control, its British character should be preserved, and therefore its shareholders should include in their number a considerable percentage of subjects of the British Empire. We need them, as our experience teaches us what great part they play towards securing continuity of employment for the company's 25,000 workers, whose well-being and happiness we claim plays an important part in our management. Every shareholder is a potential customer.

It is for these reasons, and for these reasons only, that it is proposed to confine the present issue to the British public. The American public, who before long may hold practically all our ordinary shares issued, are barred from giving us this help by their protective fiscal legislation.

The shareholders will, I am sure, agree with me that the result of this issue will be for the utmost benefit of the company. We shall have in hand £3,000,000 to pay off our debentures. This, on a dividend of 10 per cent., which I have every reason to believe will continue to be paid by this company, means, at 40s. per share, a cost to us of 5 per cent. The debentures bear 7 per cent., and this will be a saving to the ordinary shareholders of £60,000 per annum. We shall have an additional £1,500,000 to reserve, the security of the preference shareholders will be enhanced by the removal of £3,000,000 debentures at present standing in front, and the addition of £3,000,000 behind them. And, lastly, we shall have a large additional and permanent body of British shareholders to preserve and maintain the traditions of this great and prosperous company.

There is no national or anti-national feeling, there is no personal interest concerned in it: it is simply what we consider for the best of the company.

The resolutions were carried by a large majority.

VINE PRODUCTS, LIMITED.
SATISFACTORY RESULTS IN A YEAR OF DIFFICULTIES.

The annual general meeting of Vine Products, Limited, was held, on the 12th instant, at Winchester House, Old Broad Street, London, Sir Reginald Brade, G.C.B. (the chairman) presiding.

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

The chairman first referred to the loss sustained by the company in the death of the late chairman, Mr Louis Campbell-Johnston. Dealing with the balance sheet, the chairman called attention to the strong financial position, the liquid assets being about £417,000, as against creditors of only £70,000. It was proposed to pay a final dividend on the ordinary shares at the rate of 35 per cent. per annum, making a total of 30 per cent. for the year, to write off special advertising account £12,171, to place to general reserve £20,000, and to carry forward £13,828. With the addition of £20,000, the reserve would now amount to £138,773. For a company to have such an amount to the credit of reserve in a period of less than three years, after having written off the whole of the preliminary expenses, must give considerable satisfaction to the shareholders. (Hear, hear.) Shareholders would doubtless consider the result of the year's trading satisfactory, but he would like them to know something of the difficult conditions in spite of which such a result had been achieved, as it would show them the vitality of the business and the strength of the company's position in the trade.

ADDITIONAL DUTY.

In the Budget of 1928 an unexpected additional duty of 6d. per gallon was added to the 1s. duty imposed in 1927. Having regard to the fact that the company's wines appealed principally to those who could not afford any imported wine, the Board had felt that the additional duty could not be passed on to the consumer without the risk of curtailing consumption, and the fact that a large proportion of the tax had been borne by the company accounted for a certain diminution in the profit, which diminution would have been greater had they not been able to recoup themselves in other directions.

The taxation two years in succession of a British product was unwise; taking other fiscal burdens into consideration, British wines were now being taxed at a higher rate per gallon than Dominion wines of a similar strength. The Government should remember that the British wine industry had a history of at least two centuries, and that many years ago taxation had had to be repealed on account of damage the industry suffered.

He might mention that during last year the consumption of imported wines decreased by no less than 3,500,000 gallons, or 20 per cent., partly due to increased taxation in 1927, but undoubtedly accentuated by the bad economic conditions and general depression prevailing. The further taxation of British wines had been advocated in the Press on the ground that they displaced imported wines; as a matter of fact, that could not be so, as the additional 6d. per gallon duty had prevented any increase in British wine consumption. Their company, too, was certainly the largest buyer and distributor in this country of Dominion wines, and there should be no antagonism between the two sections of the wine trade.

COMPANY'S PRE-EMINENT POSITION.

During 1928 a few new companies had been formed for the purpose of making British wines, but competition was no new thing to the company; prior to the formation of the companies to which he had referred there had been, and still were, upwards of 100 British wine makers in the United Kingdom. That had not prevented the company from rising to its pre-eminent position, achieved by the excellence of its matured and standardised products, the result of twenty-six years' scientific production. In their own interests their customers were unlikely to forsake an article of such established reliability, realising the risk of handling wines of unproved stability. As regarded the Dominion wine side of the business, the market had suffered again from the dumping of Australian sweet wine. The sales of South African wines had, however, been very satisfactory, realising prices well above the Australian level. There was no doubt the port style wines of South Africa represented the best imported wine value ever placed on the British market.

On the whole they could certainly say that their Dominion wine trade prospects during 1929 were much brighter.

With regard to their home wines, they had, as he had told them, during 1928 greatly perfected and enlarged their equipment, and therefore, with better industrial conditions and improved employment, they hoped for the continuance of their prosperity.

The chairman concluded by moving the adoption of the report and accounts, which was seconded by Mr. John Davie, C.A., and the chairman having replied to questions, it was carried unanimously.

JOSEPH NATHAN AND COMPANY, LIMITED.
IMPROVED RESULTS—VITAMIN "D" DEVELOPMENTS.

The twenty-ninth annual general meeting of Joseph Nathan and Co., Limited, was held, on the 12th instant, at the Glaxo House, 56, Osnaburgh Street, London.

Mr. Alec Nathan, the chairman, presided.

The Secretary (Mr. Fred. C. Randall, M.C., F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: Ladies and gentlemen,—I feel that you will agree with your directors' views that the accounts before this meeting show, both in the balance sheet and in the profit and loss account, a gratifying improvement over last year.

Continuing, the Chairman said that with the proposed allocation of £5,000, the reserve now reached the highly satisfactory figure of £25,560, while cash in hand and bills receivable were up £9,000 at £83,000. The reduction of £6,800 in dividends received was in part due to a rearrangement of the accounts of the subsidiary companies, which would now all close on the same date. From the net profit of £61,216 they were paying a full year's dividend on the preferred ordinary capital, transferring £5,000 to reserve, as mentioned, placing £3,500 as provision for income tax, and carrying forward £9,383. As to an ordinary dividend, the directors felt that their duty was still to strengthen the financial resources of the company by building up reserves.

VITAMIN D.

Continuing, he said: Generally, all departments are in a healthy state. In regard to your main proprietary, Glaxo, there has been an important development. This has been made possible by the separation and concentration of a tasteless and odourless Vitamin D. The chief problem we had to solve was to find out the precise quantity of Sunshine Vitamin D to be added. Feeding trials lasting over two years had to be carried out before we were able to arrive at the correct quantity. It has met with a gratifying reception and approval of both doctors and nurses. We look forward with assurance to its future success.

Though Vitamin D, as a separate entity, has only been before the members of the medical profession for a few years, it has now an assured future. Its uses are manifold. It is necessary for everyone's good health, young and old alike, and it is the one vitamin which is usually deficient in one's everyday diet. Holding this view, we are proud to be able to state that we have been the pioneers in both the production and marketing of **Vitamin D**, not only in this country, but also in several export markets. **Last** year it was stated that Vitamin D Ostelin preparations had become an appreciable item in the company's business. For this year one can confirm that statement with greater emphasis, and also state that the future prospect for these preparations is bright. Among the latest boats to be fitted with Nathan's Iron Cow are the new Duchess boats for the Canadian Pacific Steamship Company, the new motor ships of the New Zealand Shipping Company, Ltd., and nine steamers of the P. and O. branch line.

SEVENTY EXPORT MARKETS.

In a recent speech the Prince of Wales commented upon the necessity for local knowledge if success is to be attained in export markets. From our own experiences in trading in foreign markets we can most heartily endorse the remarks of His Royal Highness. For many years past we have ourselves been particularly engaged in building up and strengthening our foreign connections, and we are now working in no less than 70 export markets. To attempt merely to sell the product or preparation which has been acceptable at home is only to court failure. Each country is an individual—success is attained only by building up a *personnel* knowing the customs, desires, and peculiarities of the country, and by having a staff which is resident in the country, perfectly familiar with the trading customs, and speaking the language as natives. Such an organisation we have endeavoured to build; the measure of our success has been the expansion of our export business. We are proud, and justly proud, of our export organisations. Apart from our Australian and New Zealand houses, we have unique organisations for a firm of our size, both in India and the East and throughout South America.

In South America we have no less than five of our own offices, and are fully represented in thirty different countries. With this highly organised export staff we have not only been able greatly to increase our export trade, but also to assist other manufacturers to sell their products successfully.

It is some satisfaction for the immense amount of effort and work which your directors devote to their duties for them to be able to present to you results showing steady improvement, and, while naturally one wishes to be safe in one's optimism, there is evidence that your company's business is moving towards more prosperous and more stable times.

The report and accounts were unanimously adopted.

WALKERS, PARKER AND COMPANY, LIMITED.

SUCCESSFUL RESULTS—BONUS RESUMED.

The annual general meeting of this company was held on the 14th instant at Winchester House, London, Mr. George Strachan Pawle, J.P., D.L. (the chairman), presiding.

The Chairman said: It may be in your recollection that when we had the pleasure of meeting you here at our general meeting last year I did not follow the usual course of comparing the various items in the balance sheet as a basis for my remarks, because the figures for the past year and comparison with those of the previous year are so clearly set forth that any further reference is unnecessary, beyond the agreeable fact that our net profit on trading comes out at £29,454 16s. 3d., against £20,991 8s. 3d. in 1927, which enables us to pay our regular 10 per cent. and also to resume the 3d. per share bonus which we had to drop on that occasion. I feel, however, that it should be made quite clear to you that this year there is again no provision for income tax, as owing to the favourable position in which we stand with the Revenue authorities, owing to their method of valuing our stock, we have still to our credit, as it were, the statutory loss referred to at our last meeting. At the same time, any questions you may wish to put to me about any details in these accounts will be welcomed and fully answered.

HISTORY OF COMPANY.

On this occasion I think some reference to the 150 years' history of Walkers, Parker and Co. is called for, to enable you to fully understand our actual position at the present time.

In the year 1881 the actual paid-up capital of the old private firm stood at £400,000, while deposits amounted to £75,000, making a total of £475,000. Please remember the assets which were acquired by the present company in 1888 for a cash payment of £502,000, were, in fact, the accumulations of undivided profits made during the period of 100 years by the partners in the private firm. This policy of accumulating profits has been pursued by the board ever since the present company was reorganised in 1893, with the result that our assets to-day foot up to £813,000, as you see in the balance sheet, while our actual liabilities are :—

Creditors; Interest accrued on debentures dividend now payable, less tax	£78,000
Making our net assets	£735,000

against our capital account of £260,000 in shares and £298,000 in debentures = £558,000.

I should mention that our stock of lead included in the £146,000 is taken into our balance sheet at £10 per ton basis for pig lead, the market price on December 31st last being £22.

Beyond this I would point out that £298,000 of the capital here represented is irredeemable, and bears interest at the low rate of 4½ per cent. Taking, then, this investment of capital as £735,000, the profit we divide to-day shows a return of *under 6 per cent.* on the money employed in our business. On previous occasions your board have been severely criticised for these capital accumulations, while in recent years shareholders have agitated for distribution in the form of cash or bonus shares. Indeed, you will recollect that, in defending our policy, not only I, but Sir John Mann, impressed upon you the necessity of this conservative finance, owing to the severe competition in the lead trade, which has reduced manufacturing profits to a minimum. Now it is said, and one may be bold enough to believe, that a revival of trade is on the horizon at last. However that may be, one thing is certain, that shareholders will no longer be content to see their capital and capital accumulations employed in business bringing in such a low return.

The lead industry as a whole is a large and should be a profitable one, but the actual manufacturers of lead products are deprived of their fair share of profits owing to intense competition here and abroad. Our trade is not alone in this respect, as you all know, and so the demand has arisen for the policy of rationalisation, which means, I take it to be, the elimination of all waste effort and the concentration of production and distribution where it can be most profitably carried on. Gentlemen, the world does not stand still. You may say that this is a discovery which has at last dawned upon the directors of Walkers, Parker and Co., but I have shown you that not only have we steadily pursued a policy which has weathered all the trade storms of 150 years, but we are now in a position, through our accumulation of savings, to render our company and our friends in the lead manufacturing trades every facility for carrying out a system of mutual co-operation, which wiser heads than mine have recently perfected in other important industries.

EFFORTS FOR PROMOTION OF TRADE AGREEMENTS.

On this occasion I would specially bring to your notice the efforts made by my colleagues in promoting agreements in trade circles. They have, besides their daily routine of work, had to hammer out agreements and settle numerous and complicated questions which constantly arise and must arise between parties which, however amicably disposed to each other, have each their own point of view to consider. We all long for peace and goodwill in the world, but until quite recently nobody has been able to produce a scheme by which Labour and Capital can combine to create not only a better understanding between these two great productive powers, but with a consideration for the mutual benefit of producer and consumer.

It has been our earnest desire to carry on the traditions of the firm we have the honour to serve, and if in the future a more enlightened policy, with a greater vision, is likely to appeal to you in the changed and changing times, we can confidently say that we leave you with a goodly heritage. If and when we are able to put before you any proposal for bringing into effect the ideas now perhaps lightly sketched in these remarks, I can promise you that our only effort will be to further your interests, and that no consideration for the individual claims of your directors will influence their judgment in entering into any arrangements which they at some future time may be able to recommend for the benefit of the shareholders.

The report and accounts were adopted.

B. MORRIS AND SONS, LIMITED.

SOUND FINANCIAL POSITION.

The annual general meeting of B. Morris and Sons, Limited, was held, on the 13th instant, at Winchester House, Old Broad Street, London.

Mr W. Somers L. Schuster (the chairman) said that the profit for the year was less by £4,299. The year 1928 had not been an easy one as far as the smaller independent companies in the tobacco trade were concerned. What with the aftermath of the coal strike, bad trade in the North and Midlands, and the very extensive advertising of the bigger firms they had been confronted with a very difficult problem, but the 7 per cent. they were paying was, after all, nearly 10 per cent. on the old ordinary capital, and, considering the record which the company had had for the last 40 years, he did not think the shareholders had much reason to complain. The capital of the company had never been in a more liquid state. They had ample freehold premises, a good stock of well-selected tobaccos, and ample cash resources. If one took the difference between creditors and debtors, their tobacco at home and in bond, and their cash and investments they would find that they equalled the whole issued capital, and left the freehold premises, plant and machinery, and goodwill as a premium on the ordinary shares.

Mr A. J. May (managing director) said that their trading had undoubtedly been affected by the fire at their London factory, and the cigar trade had not been quite up to the usual standard. Cigar manufacturing was a very large portion of their business and it was not easy to increase sales when the yearly consumption of cigars remained practically stationary. The high rate of duty on raw material was one of the chief causes of the depression in the cigar industry. One of these days he hoped they would have a lower rate of duty, and there should be a good future for the cigar trade when they were able to sell at lower prices by reason of a lower duty. In the tobacco section of their trade they were hopeful of doing more business than last year.

162 Branches in Finland

CAPITAL AND RESERVES: Fmk.417,000,000.
TOTAL ASSETS (31/12 28): Fmk.2,934,742,000.

KANSALLIS-OSAKE-PANKKI
(National Joint Stock Bank)

HEAD OFFICE: HELSINKI (HELSINGFORS), FINLAND
Established 1889.

They were continually endeavouring to progress, and he could safely say that the bulk of their business to-day was being done on productions introduced in the last few years. Their resources were spread over a large number of various lines, a policy which had earned good dividends for years and resulted in a sound financial position.

After making full allowances for current dividends, preference capital, creditors, and the amount written off to advertising in 1929, a surplus of assets over the par value of the ordinary shares was disclosed of £37,000.

The report and accounts were unanimously adopted.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended March 9, 1929:—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	7,545	From Revenue	23,701
Interest, &c., on Debt	1,130		
Sinking Fund	620		
Sundries	816		
Decrease in Debt	13,467		
Increase in Balances	123		
	23,701		23,701

The ordinary revenue for the week amounted to £23,701,300, as compared with £24,688,900 in the corresponding week last year. Property and Income Tax was lower at £12,820,000, against £13,169,000, but Super Tax at £3,260,000 was £260,000 higher. Customs and Excise amounted to £2,689,000 and £1,072,000, against £2,436,000 and £960,000 respectively. Ordinary receipts brought in £233,600, as compared with £213,900, and special receipts £1,650,200 against nil. The Revenue to date amounts to £674,865,200, as compared with £694,512,800 at this time last year. The excess of Expenditure over Revenue to date is £18,120,000, as compared with £21,461,600. The National Debt was reduced by £13,467,000, as shown below :—

(000's omitted.)

	£		£
Public Department Advances	— 2,140	National Savings Certificates	+ 100
National War Bonds	— 200		
Treasury Bills	— 11,227		
	— 13,567		+ 100

The floating debt was reduced by £13,380,000 to £751,485,000.

FINANCIAL YEAR, 1928-29, April 1 to Mar. 9, 1929.

	£		£
Expenditure	692,985,416	Revenue	674,865,216
		Amount borrowed..	14,867,299
		Decrease in balances	3,252,901
	692,985,416	Total	692,985,416

ESTIMATES (New Basis), 1928-29.

	£		£
Expenditure	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

SELF-BALANCING REVENUE and EXPENDITURE.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 9, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	...	...	...	...	...	166	204	204	204
3½% Conversion Loan	...	...	666	709	760	740	832	832	832
4½% Conversion Loan	...	...	...	210	211	211	221	221	221
3½% War Stock	...	63	63	63	63	63	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,166	2,052	2,109	2,154	2,253	2,253	2,253
National War Bonds	...	1,509	820	778	706	556	194	111	65
4% Funding Loan	...	409	396	394	390	389	385	385	385
4% Victory Bonds	...	360	314	303	292	277	261	261	261
Treasury Bonds	...	...	457	499	482	454	675	773	762
Exchequer Bonds	20	323	150	15	15	15	16	16	16
National Savings Certs.	...	267	366	369	375	372	362	360	360
Other Debt*	...	1,306	1,128	1,124	1,111	1,103	1,097	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	588	576	565	599	527	788	727
Temporary Advances	1	243	186	167	139	117	162	28	24
	654	8,033	7,641	7,598	7,558	7,555	7,528	7,665	7,543
Other Capital Liabilities	57	46	66	68	75	98	103	103	107
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,631	7,768	7,650

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances Outstanding—	Mar. 10, '28. £	Mar. 31, '28. £	Mar. 9, '29. £	Movement Week ended Mar. 9, '29. £
Advances by Bank of England	...	...	...	...
Advances by Public Deptmts.	162,210,000	161,850,000	24,000,000	— 2,140,000
Treasury Bills Outstanding	554,540,000	526,940,000	*727,485,000	— 11,240,000
Total Floating Debt	716,750,000	688,790,000	751,485,000	— 13,380,000

* Includes £24,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bills were opened on March 8, 1929, and the total amount applied for was £33,190,000. For bills at 3 months, dated Monday to Friday, at £98 12s. 10d., about 84 per cent., and above in full; Saturday at £98 13s. 2d., and above in full. The amounts allotted were in bills at 3 months, £30,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.	£	£	£ s. d.
January 4	45,000,000	59,700,000	4 6 5·99
January 11	35,000,000	57,915,000	4 5 4·26
January 18	45,000,000	58,035 000	4 5 2·06
January 25	45,000,000	55,210 000	4 6 6·73
February 1	40,000,000	47 120 000	4 5 2 83
February 8	35,000,000	52,695 000	5 2 5·68
February 15	30,000,000	41 430,000	5 5 3·43
February 22	30,000,000	39,545,000	5 3 8 78
March 1	35,000,000	40,330,000	5 4 6 06
March 8	30,000,000	33,190,000	5 6 8 41

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1928-29.	Total Receipts into the Exchequer from April 1, 1928, to Mar. 9, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Mar. 10, 1928.	Week Ended Mar. 9, 1929.	Week Ended Mar. 10, 1928.
Balances in Exchequer on 1st April :—	£	£	£	£	£
Bank of England	...	5,918,513	6,003,023	...	...
Bank of Ireland	...	404,112	456,633	...	...
	...	6,322,625	6,459,656	...	...
ORDINARY REVENUE.					
Inland Revenue—					
Property and Income Tax	232,900,000	203,815,000	222,015,000	12,820,000	13,169,000
Super-Tax	60,000,000	43,270,000	48,800,000	3,260,000	3,000,000
Estate, &c., Duties	72,000,000	74,170,000	72,610,000	1,190.000	3,000,000
Stamps	28,000,000	26,760,000	23,530,000	1,150,000	1,460,000
Excess Profits Duties, &c.	1,000,000	...	...	...	...
Corporation Profits Tax	1,500,000	810,000	1,650,000	30,000	10,000
Land Tax, House Duty and Mineral Rights Duty	850,000	650,000	680,000	50,000	50,000
Total Inland Revenue	396,250,000	349,475,000	369,285,000	18,500,000	20,689,000
Customs and Excise—					
Customs	120,637,000	111,612,000	104,491,000	2.689.000	2,436,000
Excise	140,768,000	126,450,000	130.242,000	1,072,000	960,000
Total Customs & Excise	261,405,000	238,062,000	234,733,000	3,761,000	3,396,000
Motor Vehicle Duties (Exchequer Share)	4,400,000	4,045,067	4,921,985	54,000	390,000
Post Office (Net Receipts)	8,186,000	10,000,000	8,050,000	*Dr500,000*	...
Crown Lands	1,100,000	1,190,000	1,050,000	...	...
Receipts from Sundry Loans	27,650,000	21,969,402	18,839,309	2,412	...
Miscellaneous: Ordinary Receipts	13,550,000	12,712,708	29,765,690	233,619	213,886
Miscellaneous: Special Receipts	40,362,000	37,411,039	27,867,811	1,650,242	...
Total Ordinary Revenue	752,903,000	674,865,216	694,512,795	23,701,273	24,688,886
SELF-BALANCING REVENUE.					
Post Office	57,314,000	52,200,000	52,050,000	1,000,000	1,000,000
Motor Vehicle Duties apportioned to Road Fund	21,300,000	21,130,933	19,212,015	272,000	...
Total Self-Balancing Revenue	78,614,000	73,330,933	71,262,015	1,272,000	1,000,000
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920–28		774,432	3,866,000	...	...
Road Fund		3,825,000	...	...	...
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		7,650,000	7,000,000	...	...
(b) Under the Unemployment Insurance Acts, 1920–28		11,090,000	3,490,000	220,000	120,000
(c) For other Issues:					
By Treasury Bills		2,581,669,000	2,307.258.000	51,803.000	41,062,000
By 4% Consolidated Loan		...	41,316,756	...	...
By National Savings Certificates		38,300,000	33,350,000	800,000	750,000
By National War Bonds		10	10	...	...
By 4½% Treasury Bonds, 1934		...	64,595,752	...	...
By Treasury Bonds, 1933–35		93,603,348	22,250,000	...	950,000
By 5% Treasury Bonds, 1932–34		18,960,000	...	...	...
By 4½% Treasury Bonds, 1936–48		571,635,000	623,170,000	3,555,000	1,800,000
(d) Ways and Means Advances					
Repayments—					
In respect of Suez Canal Drawn Shares		5,733	4,536	...	...
In respect of Cunard Loan		...	130,000	...	—
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		172,293	185,991	...	...
Total	£	4,082,240,507	3,878,888,428	81.351.273	70,370,886

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1928-29 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Mar. 9, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1927, to Mar. 10, 1928.	Issues Week Ended Mar. 9, 1929.	Issues Week Ended Mar. 10, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt	304,000,000	307,453,317	308,873,283	1,130,386	870,466
Payments to Local Taxation Accounts	14,200,000	10,651,731	10,969,564	543,748	166,689
Payments to Northern Ireland Exchequer	5,600,000	4,453,605	4,034,931	272,381	13,119
Other Consolidated Fund Services	2,600,000	2,228,720	3,087,620	...	...
Supply Services (excluding Post Office)	352,552,000	316,257,434	326,180,943	7,545,000	7,075,000
Total Ordinary Expenditure	678,952,000	641,044,807	653,146,341	9,491,515	8,125,274
Sinking Fund	65,000,000	51,940,609	62,828,045	620,000	3,580,000
SELF-BALANCING EXPENDITURE.					
Post Office	57,314,000	52,200,000	52,050,000	1,000,000	1,000,000
Road Fund	21,300,000	21,130,933	19,212,015	272,000	...
Total Self-balancing Expenditure	78,614,000	73,330,933	71,262,015	1,272,000	1,000,000

	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Mar. 9, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1927, to Mar. 10, 1928.	Issues Week Ended Mar. 9, 1929.	Issues Week Ended Mar. 10, 1928.
OTHER ISSUES.	£	£	£	£
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920-28	11,090,000	3,490,000	220,000	120,000
Road Fund, under Section 27 of the Finance Act, 1928	3,825,000	...	...	...
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1925, the Post Office and Telegraph (*Money*) *Act*, 1928	9,550,000	8,500,000	...	...
Unemployment Insur. Acts, 1920-28—				
Repayment of Amounts Borrowed	774,432	3,866,000	...	...
Redemption of Debt—				
Treasury Bills	2,381,145,000	2,348,890,000	63,030,000	48,175,000
Principal of 3½% War Loan, 1925-28, paid off	...	40,714,875	...	850,000
Principal of National Savings Certificates	38,250,000	36,100,000	700,000	800,000
Principal of National Savings Bonds paid off	3,061	1,042	...	...
Principal of National War Bonds paid off £ ... 132,359,504				
Less paid off by the National Debt Commissioners 3,003,000	129,356,504	66,400,261	200,000	...
Principal of Treasury Bonds paid off	25,990,787	3,403,035	...	...
Other Debt under the War Loan Acts, 1914 to 1919	3,341,000	100	...	...
Ways and Means Advances Repaid	709,485,000	577,561,000	5,695,000	7,600,000
Issues to National Debt Commissioners to Reduce Debt—				
Suez Canal Drawn Shares Repayments	5,733	4,536	...	...
Cunard Loan Repayments	...	130,000	...	...
Old Sinking Fund, 1907-08—				
Issued under Section 9 of the Finance Act, 1908	1,000	1,623	...	...
	4,079,170,783	3,876,335,790	81,228,515	70,250,274
Balances in Exchequer—	Mar. 9, '29.	Mar. 10, '28.	In. or Dec.	for Week.
Bank of England	2,087,117	2,040,526	— 47,242	— 41,387
Bank of Ireland	982,607	512,112	+ 170,000	+ 161,999
Total £	4,082,240,507	3,878,888,428	+ 122,758	+ 120,612

Treasury, March 11,1929.

PLAYER'S WHITE LABEL
NAVY MIXTURE
—smoke it for a change—you won't want to change again.

2oz. POCKET TIN 1/10

R.M.399

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, March 13, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	355,004,507	Other Government Securities	234,931,910
In Banking Department	56,699,766	Other Securities	9,214,076
		Silver Coin	4,838,914
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	151,704,273
	£411,704,273		£411,704,273

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	44,836,855
Rest	3,722,284	Other Securities—	
Public Deposits*	11,933,957	Discounts and Advances £12,517,418	
Other Deposits—		Securities 16,809,283	
Bankers £63,384,137			29,326,701
Other Accounts 37,631,060		Notes	56,699,766
	101,015,197	Gold and Silver Coin	364,607
7-Day and Other Bills	3,491		
	£131,227,929		£131,227,929

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

Both Departments.	Amount Mar. 13, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	355,344,507	— 83,694	— 13,684,743
Public deposits	11,933,957	+ 3,650,942	+ 2,264,562
Bankers' deposits	63,384,137	— 799,388	— 2,617,246
Other deposits	37,631,060	+ 334,943	
Seven-day bills	3,491	+ 746	+ 1,422
Total, outside liabilities	467,957,152	+ 3,103,549	— 14,036,005
Capital and rest	18,275,284	+ 8,361	— 9,477
Government debt and securities	290,783,865	+ 97,911	+ 19,575,951
Discounts and advances	12,517,418	+ 2,138,007	— 27,176,509
Other securities	26,023,359	+ 641,538	
Silver coin in issue department	4,838,914	— 5,428	— 661,086
Coin and bullion (bank's reserve)	152,068,880	+ 240,082	— 5,783,838
Reserve of notes and coin in banking department	57,064,373	+ 323,776	+ 13,863,905
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	50½%	— 1 1/16%	+ 12½%
(b) Gold stocks to deposits and notes ("reserve ratio")	32½%	— 1/16%	— ½%

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
Jan. 23	413,103,414	355,366,406	16,850,494	60,841,865	37,481,693	1,078,579 out	4½
30	412,714,393	355,644,424	19,229,555	58,210,774	37,862,617	394,507 out	4½
Feb. 6	409,626,177	357,519,235	8,351,338	68,500,861	37,003,622	3,091,745 out	5
13	409,837,878	352,698,006	19,635,679	58,199,877	36,437,556	133,139 in	5
20	410,503,734	351,819,064	15,076,218	65,694,762	37,133,249	651,702 in	5
27	410,897,002	352,253,215	13,966,893	57,040,301	36,661,690	389,932 in	5
Mar. 6	411,473,325	355,088,201	8,283,015	64,183,525	37,286,117	570,581 in	5
13	411,704,273	355,004,507	11,933,957	63,384,137	37,631,060	222,872 in	5

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1929.	£	£	£	%	£	£	£	£	%
Jan. 23	244848035	10172176	153342962	32½	49486855	10763570	15061023	57976556	50½
30	244884208	10170568	152978126	32½	50501855	9657227	15946436	57333702	49½
Feb. 6	244994469	10016515	149917446	31½	55386855	8714497	15528000	52398211	46½
13	245524998	9491737	150154375	32½	47876855	10446657	16686558	57456367	50½
20	245520727	9487454	150859938	32½	46331855	12056083	14692087	59031874	50
27	245540332	9464764	151255517	32½	42976855	8353509	15593988	59002302	54½
Mar. 6	245889099	9266559	151828798	32½	44796855	10379411	16115462	56740597	51½
13	245947010	9214076	152068880	32½	44836855	12517418	16809283	57064373	50½

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to Feb. 27	6,811,594	318 053	508 958	7,638,605
Week ended Mar. 6	836,536	40,584	66,740	943,860
Week ended Mar. 13	791,707	34,833	55,807	882,347
Total to date, 1929	8,439,837	393,470	631,505	9,464,812
Do. 1928	8,043,629	380 918	633,093	9,057,640
Increase or decrease in 1929	+ 396,208	+ 12,552	— 1,588	+ 407,172
	= 4·9%	= 3·2%	= 0·25%	= 4·4%
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,757	2,817,868	39,825,054
Increase or decrease in 1927	+ 1,473,253	+ 97,275	+ 154,959	+ 1,725,487
	= 4·1%	= 5·8%	= 5·4%	= 4·3%

PROVINCIAL CLEARING RETURNS.

	Month of February. 1928.	1929.	%	Aggregate Weekly Totals to Mar. 9. 1928.	1929.
Number of Working Days	25	24			
	£	£		£	£
BIRMINGHAM	11,993,000	12,233,000	+ 2·0	28,425,600	28,929,400
BRADFORD	6,821,000	5,058,000	— 25·8	...	...
BRISTOL	5,023,000	5,445,000	+ 8·4	11,010 000	11,607,000
DUBLIN	...	...	...	48,421,400	50,746 000
HULL	4 111,000	3,818,000	— 7·1	9,626,000	9,556 600
LEEDS	4,272,000	4,540,000	+ 6·2	10 944,800	10,674,900
LEICESTER	3,641,000	3,593,000	— 1·3	8,952,200	8,544,800
LIVERPOOL	36,127,000	34,080,000	— 5·6	86 272,700	85,063,400
MANCHESTER	57,199,000	55 589,000	— 2·8	141,739,400	133,664,300
NEWCASTLE-ON-TYNE	6,463,000	6,374,000	— 1·3	15 422,300	14,761,100
NOTTINGHAM	2,621,000	2,651,000	+ 1·1	6 569,800	6,793,400
SHEFFIELD	4,277,000	4,437,000	+ 3·7	11,012,100	10,719,900
Total	142,548,000	137,818,000	— 3·3	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Egypt appeared in the *Economist* of Jan. 19; Canada and Roumania in Mar. 2; Belgium, Sweden, Denmark, Russia, and Danzig in Mar. 9.

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

	Mar. 14, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 21, 1929.	Mar. 16, 1928
RESOURCES.					
Total gold reserves	2,700,130	2,682,840	2,686,850	2.681.110	2,788,420
Total bills discounted	955,620	989,170	952,480	864,980	472,300
Bills bought in open market	283,100	304,640	334,080	355,640	343,330
Total U.S. Govt. securities	165,300	162,960	166,400	172,590	400.890
Total bills and securities	1,421,830	1,467,030	1,463,030	1,403,280	1.217.510
Total resources	5,182,990	5,123,780	5,166,590	5,107,100	5,060,700
LIABILITIES.					
Federal Reserve notes in actual circulation	1,650,010	1,666,570	1,653,970	1,651,600	1,574,110
Deposits—Memberbank—reserve account	2,362,570	2,350,500	2,367,250	2,318,640	2,362,420
Total deposits	2,396,790	2,402,540	2,412,970	2,361,020	2,402,930
Capital paid in and surplus	406,920	406,510	405.660	404,590	369,780
Total liabilities	5,182,990	5,123,780	6,165,590	5,107,100	5,060,700
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	70·7%	69·7%	69·9%	70·8%	74·3%

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

	Mar. 14, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 21, 1929.	Mar. 16, 1928.
Total bills discounted	224,720	270,610	222,390	181,750	111,040
Bills bought in open market	65,280	65,690	66,630	70,360	100,320
Total U.S. Govt. securities	13,480	13,640	15,320	16,310	75.920
Total bills and securities	306,130	349,930	304,340	268,400	287,770
Deposits — Memberbank — reserve account	931,600	922,240	959,850	917,400	919,620
Ratio of total res. to dep. and Federal Res. note liabilities combined	80·6%	77·3%	81·5%	83·1%	80·7%

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

	Feb. 15, 1929.	Feb. 1, 1929.	Jan. 25, 1929.	Jan. 18, 1929.	Jan. 11, 1929.	Feb. 17, 1928.
ASSETS.						
Total securities	21,22,75	21,44,40	21,52,58	21,62,50	21,64,01	18,26.50
Loans	19,47,11	17,33,27	15,48,26	18,20,86	18,29,43	13,03.38
Cash credits	30,53,98	29,10,51	27,27,21	26,35,97	26,82.31	30,59.95
Inland bills	13,84,05	13,00,86	13,37,69	13,17,21	12,47.01	17,06.11
Foreign bills	47.53	37,72	20,10	18.37	19.20	39 54
Dead stock	2,83,15	2,82,19	2,82,48	2,82.35	2,81.66	2,78,45
Bal. with other banks	8,72	14,05	30,26	39.53	34.44	9,84
Cash	9,24,66	11,68,01	12,44,57	11,57.84	11,61,36	12,33,76
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5.62.50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22.50	5.22.50	5 12.50
Total deposits	77,95.87	78,23,08	75,60,06	76 37,57	75,74,88	75,77,66
The above includes—	£	£	£	£	£	£
Deposits in London	1,007	869	921	969	1,022	994
Advances in London	954	914	867	896	900	1,001
Cash, etc., at other Banks in London	67	106	208	293	259	75

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

	Feb. 15, 1929.	Feb. 8, 1929.	Feb. 1, 1929.	Jan. 25, 1929.	Jan. 18, 1929.	Feb. 17, 1928.
ASSETS.						
Gold coin and bullion	8,388	7,603	8,119	7,840	8,429	8,307
Subsidiary coin	109	102	101	107	102	230
Bills discounted	8,310	8,688	8,835	8,423	8,010	7,936
Investments	705	694	721	809	294	574
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	8,206	8,690	9,392	8,125	8,197	7,600
Government deposits	1,921	1,510	2,220	1,915	2,335	1,696
Bankers' deposits	5,072	5,033	5,394	5,079	4,807	6,023
Ratio of cash reserves to liabilities to public	54·5%	48·4%	46·7%	50·3%	53·1%	53·7%

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

	Mar. 8, 1929.	Mar. 1, 1929.	Feb. 22, 1929.	Feb. 15, 1929.	Feb. 8, 1929.
ASSETS.					
Gold	34,023,888	34,063,147	34,037,604	34,026,595	34,018,098
Foreign assets—					
Sight deposits	11,476,025	11,473,971	11,538,871	11,794,958	12,302,943
Bills discounted	18,349,112	18,383,875	18,283,146	18,273,609	18,208,245
Commercial bills discounted at home	5,290,014	4,235,415	5,238,627	3,967,089	4,836,061
Advances against sec.					
To the State	9.130.000	9,130,000	9,130,000	9,130.000	9,130,000
Other advances	2,366,089	2,404,732	2,263,008	2,325.002	2,314,091
Other assets (excluding forward exch.)	3,398,699	4,047,720	3.147,734	3,504,164	3,570,386
LIABILITIES.					
Notes in circulation	63,414,800	64,226,373	62,505,668	62.619.795	63,101,466
Public deposits	11,338,598	11,566,738	12,299,992	12,687.784	12,645,691
Private deposits	7,231,172	5,885,015	6,884,626	5,700,836	6,429,493
Other liabilities	2,089,255	2,060,734	1,948,703	2,013,002	2,143,176

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

ASSETS.	Mar. 7, 1929.	Mar. 2, 1929.	Feb. 23, 1929.	Mar. 7, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,682,829	2,728,933	2,728,962	1,888,253
Of which deposited abroad	73.058	85,626	85,626	85,626
Reserve in foreign currencies	127,938	90.386	99,134	297,344
Bills of exchange and cheques	1,770 509	1,888.919	1,471,350	2,260,942
Silver and other coin	113,260	114.352	132,175	63,059
Notes of other German banks	17,140	7.244	28,815	18,776
Advances	153 795	297.247	38,467	50,630
Investments	93,136	93.170	93,170	94,239
Other assets	506,095	470,718	481,459	509,987
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319.608	319.608	319,608	243,393
Notes in circulation	4,337,660	4,553.026	3,902,094	4,067.656
Other daily maturing obligations	502.947	525.560	572,696	526,523
Other liabilities	181 699	169.987	156,346	222,870

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

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

ASSETS.	Mar. 4. 1929.	Fe . 25, 1929.	Feb. 18, 1929.	Feb. 11, 1929.	Mar. 5, 1928.	Position, May 30,1914.
Gold	434,543	434,548	434,549	434,551	435,188	163,092
Silver	21,330	22,143	22,252	22,484	26,660	8,436
Bacts. and advances	348,237	239,306	338,412	358,358	365,258	153,504
LIABILITIES.						
Notes in circulation	809,036	775,868	775,128	784,770	797,349	316,633
Deposits	12,194	31,489	28,560	42,513	36,571	5,016

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

ASSETS.	Mar. 9, 1929.	Mar. 2, 1929.	Feb. 23, 1929.	Feb. 16, 1929.	Mar. 10, 1928.	Position May 30,1914,
Gold	188,200	189,500	190,200	189,100	173,447	22,971
Silver					19,813	29,785
Discounts, advances, and other investments	140,900	138,200	141,700	142,800	139,381	77,567
LIABILITIES.						
Notes in circulation	308,900	302,100	299,900	302,100	312,645	109,499
Deposits and bills payable	43,600	46,900	54,200	59,300	40,523	11,250

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

ASSETS.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Mar. 7, 1928.	Position, May 31, 1914.
Gold	481,485	481,600	481.675	481,774	432,546	171,175
Silver	45,156	45,185	45,697	46,111	62,267	18,350
Foreign Bills and Balances abroad	171,235	180,719	174,501	180,192	...	...
Discounts	158,213	169,554	143,001	131,041	315,189	...
Advances	68,784	71,328	61,976	59,763	64,107	103,000
LIABILITIES.						
Notes in circulation	819,892	842.929	780.279	786,333	795,819	275,925
Deposits	83,548	76,736	86,923	84,545	91,705	33,750

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

ASSETS.	Feb. 28, 1929.	Feb 20, 1929.	Feb. 10, 1929.	Jan. 31, 1929.	Jan. 20, 1929.
Gold, coin and bullion	5,058.600	5,058.567	5,058.525	5,052,071	5,051.962
Foreign bills and balances abroad	5,514.600	5,683,916	5,794,460	5,743,334	5,878,070
Other cash	221,900	207,191	192,768	170,038	141,203
Gold deposited abroad due by the State	1,836,200	1,836,187	1,836,187	1,836,187	1,836,187
Discounts	3,475.500	3,421,040	3,504,734	3,581,041	3,622,993
Advances	1,730,000	1,082,381	1,127,667	1,228,617	1,112,096
Credits with "Istituto di Liquidazioni"	1,077,300	1,077,341	1,102,763	1,102,763	1,102.763
Government securities	1,043,300	1,043,318	1,042,354	1,041,762	1,041,696
LIABILITIES.					
Notes in circulation	16,197 300	15,940.030	16,383,168	16,589,517	16,464,082
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	2,429,400	2,632,842	2,475,806	2,449,518	2,411,398
Ratio of reserve to note and sight liabilities combined	55·86%	56·92%	56·65%	55·82%	57·00%

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

ASSETS.	Feb. 28, 1929.	Feb. 22, 1929.	Feb. 15, 1929.	Feb. 29, 1928.	Position, May 31, 1914.
Coin and bullion—Gold	146.851	146,853	146.856	147,234	44,224
Balance abroad and foreign bills	35,715	31,086	31,834	33,324	28,533
Norwegian and Foreign Government securities	9,345	9,345	9,345	10,106	8,816
Discounts and loans	266,185	261,080	261,480	314,285	769,110
LIABILITIES.					
Notes in circulation	301,169	293.666	291,984	313,609	113,484
Deposits at sight	90,804	87,642	88,091	138,852	7,188

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

ASSETS.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Mar. 7, 1928.
Cash Reserve—					
Gold coin and bullion	168,752	168,752	168,752	168,752	117,199
Foreign exchange	206.831	209,263	203.804	204,095	308.915
Other foreign exchange†	356,268	361,189	359,487	360,476	260,810
Bills discounted	156.861	163,535	126,525	123,690	90,028
Advances	116,017	116,066	116,066	116,069	172,970
LIABILITIES.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	8,167	8.167	8,167	8,167	6.367
Notes in circulation	924,346	976,726	858,280	882,230	877,695
Deposits	83,365	44,874	119,501	93,788	74,516

† In dollar and sterling only.

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

ASSETS.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Feb 7, 1929.	Feb. 29, 1928.
Metal reserve—					
Gold coin and bullion	204,430	204,431	204,457	204,467	196,608
Drafts and notes	42,613	46,777	51,372	56,157	105,376
Silver coin and bullion	784	773	773	779	787
Inland bills, warrants and securities	313,752	291,282	292,108	318,562	304,452
Advances to the Treasury	92,351	92,351	92,398	93,143	106,069
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	450,623	391,978	418,894	453,723	442,067
Current accounts, deposits, &c.	216,430	255,645	232,369	227,424	314,039

* Calculated at pre-war parity of exchange.

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

ASSETS.	Feb. 28, 1929.	Feb. 22, 1929.	Feb. 15, 1929.	Feb. 8, 1929.	Feb. 29, 1928.
Gold	91,341	91,302	91,251	91,209	89,242
Other coin and notes	18,102	18,484	18,422	18,193	17,984
Foreign credits	184,896	189,107	194,510	192,593	294,761
Bills	1,358,571	1,362,476	1,369,079	1,387,175	1,301,036
Government advances	4,201,148	4,201,152	4,201,152	4,201,148	4,338,235
LIABILITIES.					
Notes in circulation	5,158,663	5,090,197	5,142,995	5,237,883	5,396,547
State credits	227,874	227,873	227,873	227,868	229,216
Deposits	1,064,685	1,155,514	1,168,663	1,049,468	1,210,773

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

ASSETS.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 7, 1929.	Feb. 29, 1928.
Gold and silver holdings	1,206,369	1,206,310	1,206,310	1,206,303	1,117,783
Balance abroad and foreign currency	1,841,009	1,859,277	1,842,243	1,938,955	1,962,609
Discounts and advances	196,477	162,012	161,753	163,353	68,305
State notes debt balance	4,050,492	4,071,968	4,076,770	4,080,745	4,382,616
Other assets	869,823	875,116	895,614	900,870	1,060,804
LIABILITIES.					
Bank notes in circulation	7,062,612	6,417,920	6,540,622	6,820,218	7,074,559
Check account balances	405,477	975,026	879,355	711,922	812,786
Other liabilities	223,487	343,190	324,166	319,539	272,147

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

ASSETS.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Feb. 23, 1928.
Gold and silver holdings	1,501,913	1,500,423	1,449,824	1,499,021	1,447,709
Balances abroad and foreign currencies	3,003,153	2,851,664	2,948,418	2,990,057	544,219
Discounts and advances	1,352,030	1,334,241	1,323,821	1,344,985	1,222,542
Advances to the Treasury	3,685,271	3,685,241	3,685,241	3,685,241	4,470,613
LIABILITIES.					
Capital paid up	500,000	500,000	500,000	500,000	516,422
Reserves	1,164,359	1,164,553	1,164,597	1,164,427	1,123,006
Bank notes in circulation	3,824,931	3,849,068	3,896,015	3,897,683	3,540,807
Sight liabilities	3,256,655	3,259,258	3,314,190	3,398,975	1,270,500
Deposits	471,205	471,370	471,528	471,891	1,428,444

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

ASSETS.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.	Jan. 23, 1929.
Gold	560,335	558,728	558,294	558,189	556,491
Gold exchange	4,391,460	4,520,811	4,678,642	4,734,735	4,473,152
Other foreign exchange	1,712	1,710	1,057	1,330	1,708
Bills discounted	56,591	56,329	55,942	56,502	55,523
Advances	71,964	69,373	70,139	59,619	60,461
Debt to the State	3,789,638	3,789,638	3,789,638	3,789,638	3,789,638
LIABILITIES.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,398,713	5,430,809	5,490,150	5,514,306	5,474,969
Deposits and current accounts	2,014,974	2,113,702	2,205,277	2,239,390	2,212,329
Foreign exchange liabilities	1,130,171	1,134,776	1,145,219	1,130,744	919,495

THE

STANDARD BANK

OF SOUTH AFRICA, LIMITED

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

AUTHORISED CAPITAL	£10,000,000
SUBSCRIBED CAPITAL	£8,916,660
PAID-UP CAPITAL	£2,229,165
RESERVE FUND	£2,893,335
UNCALLED CAPITAL	£6,687,495
	£11,809,995

Board of Directors.

William Reierson Arbuthnot, Esq.
Rt. Hon. Lord Balfour of Burleigh.
Stanley Christopherson, Esq.
Edward Clifton-Brown, Esq.
Robert E. Dickinson, Esq.
James Fairbairn Finlay, Esq., C.S.I.
Solomon B. Joel, Esq.
Horace Peel, Esq.
Rt. Hon. the Earl of Selborne, K.G.
William Smart, Esq.
Rt. Hon. Lord Sydenham, G.C.S.I., F.R.S.

Joint General Managers in South Africa—John Jeffrey, James S. Shiel. Deputy General Managers in South Africa—G. F. Le Sueur, W. K. Robertson. Assistant General Manager in South Africa—Francis E. King. London Manager—Bertram Lowerdes. Secretary—Herbert G. Hoey.

Head Office: 10 CLEMENTS LANE, LOMBARD STREET,

and 77, KING WILLIAM STREET, LONDON, E.C.4.
London Wall Branch: 63, LONDON WALL, E.C.2.
West End Branch: 9, NORTHUMBERLAND AVENUE, W.C.2.
NEW YORK AGENCY: 67, WALL STREET.
HAMBURG AGENCY.

Bank of British West Africa, Ltd., 49-53, SCHAUENBURGER-STRASSE.
Over 350 Branches, Sub-Branches, and Agencies in SOUTH AND EAST AFRICA.

EXECUTORSHIPS AND TRUSTEESHIPS UNDERTAKEN.

INCOME TAX.—Claims for recovery of Income Tax undertaken.

COMMERCIAL SERVICE.

The Bank has over 350 Branches in Africa, and Agents and Correspondents throughout the World. The closest touch with Trade and Industrial conditions is maintained, with special attention to Commercial and Credit Intelligence. This service is available to Exporters, Importers and others wishing to develop trade between South and East Africa, the United States of America and the Continent of Europe.

THE STANDARD BANK MONTHLY REVIEW is sent post free on application. It gives the latest information on all South and East African matters of Trade and Commercial Interest.

BANK OF POLAND.—In zloty* (000's omitted).

ASSETS.	Feb. 28, 1929.	Feb. 20, 1929.	Feb. 10, 1929.	Jan. 31, 1929.	Feb. 29, 1928.
Gold	621,532	621 418	621,361	621.257	526,552
Of which held abroad	195,402	195,402	195,402	195.402	173,388
Foreign currencies	697,733	683,960	694,779	685.189	851,561
Bills discounted	660,195	640,856	650,822	638.007	469,216
Loans against securities	87.676	87,188	87,893	89.059	51,880
Reserve fund securities	69.243	69,243	69,244	69.241	55,173
Liability of the Treasury	25,000	25,000	25,000	25,000	25,000
LIABILITIES.					
Share capital	150,000	150,000	150,000	150,000	150,000
Reserve funds	100.000	100,000	100,000	100.000	94,435
Notes in circulation	1,248,791	1,157,847	1,200.164	1,222.106	1,047,716
Current accounts	593,456	649,117	626,322	553.799	634,192
Government accounts	75,000	75,000	75,000	75,000	75,000

* As from October 13, 1927, 8·91 zlotys equals 1 U.S. dollar.

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

ASSETS.	Mar. 9, 1929.	Mar. 2, 1929.	Feb. 23, 1929.	Feb. 16, 1929.	Mar. 10, 1928.	Position, May 30, 1914.
Gold	2,559,421	2,559,370	2,559,359	2,559,311	2,607,778	521,775
Silver	710,378	712,972	713,062	707,073	695,414	728,600
*Loans & Discounts	1,785,381	1,842,987	1,798,891	1,849,490	1,807,720	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,326,995	4,305,811	4,294,282	4,339,634	4,215,554	901,550
Deposits	1,026,187	1,036,789	1,025,991	1,043,135	978,866	477,500

* Including 91 million pesetas lent to the State.

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

ASSETS.	Feb. 27, 1929.	Feb. 20, 1929.	Feb. 13, 1929.	Feb. 6, 1929.	Feb. 29, 1928.
Coin and bullion	10.183	10.273	9,377	9,362	9,162
Of which gold	8,577	8,577	8,577	8,577	8,577
Discounts	329 220	331,616	323,900	316.564	172.836
Government loans	280,656	257,879	251.709	248.082	245.382
LIABILITIES.	1,751,023	1,753,432	1,745,990	1,739,126	1,611,501
Notes in circulation	1,879.534	1,878,755	1,902,020	1,929,497	1,819,545
Deposits	71,561	60,949	49,266	50,786	71,146

BANK OF LITHUANIA.—In lt. (000's omitted).

ASSETS.	Feb. 28, 1929.	Feb. 15 1929.	Jan. 31, 1929.	Jan. 15, 1929.	Dec. 31, 1928.	Feb 29, 1928.
Gold	34,320	34,302	34,288	34,270	34,265	34,189
Silver	4,403	4,391	4,406	4,444	4,363	4,678
State Treasury coins	1.867	1,858	1.858	1.847	1,843	1.875
Foreign currency	38,453	40,378	43,018	42,785	43,621	57,133
Discount and credit	82,335	81,197	82,082	84,859	91,492	77,875
LIABILITIES.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Reserve	1,200	1,200	1,200	1,200	1,200	1,000
Banknotes in circulation	85,302	81,585	83,642	81,584	84,774	99,559
Deposits	66,679	71,118	71,475	75,683	80,382	65,745

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

ASSETS.	Mar. 6, 1929.	Feb. 27, 1929.	Feb. 20, 1929.	Feb. 13, 1929.	Feb. 6, 1929.	Mar. 7, 1928.
Gold bullion and coins	23,774	23,771	23,771	23,767	23,762	23,691
Silver coin	4.767	4,733	4,748	4,713	4,700	3,916
Balance abroad	68,536	70,923	69,703	70,131	66.587	63,106
Treas. notes and sm. change	9,230	10,688	12,281	11,991	11.653	8,566
Short term bills	83,024	82,023	83,203	84,808	85,241	80,251
Loans against securities	47,382	46,589	46,675	47,342	45,643	47,435
Other assets	15,101	13,260	19,609	18,161	18,732	6,138
LIABILITIES.						
Notes in circulation	44,677	44,360	42,433	42,498	43,142	39,502
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,385
Reserve	3,091	3,091	3,091	3,091	3,091	2,612
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,617	12,612	12,518	12,558	12.450	11,013
Current accounts	64,958	62,628	62,792	60,810	53,132	54,347
Government accounts	99,899	102,403	104,987	106,686	109.851	102,058
Other liabilities	8,490	8,812	16,087	17,190	16,571	6,687

BANK OF ESTONIA.—In Est. kroon (000's omitted).

ASSETS.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 7, 1929.	Feb. 29, 1928.
Gold coin and bullion	6,234	6,228	6,228	6,267	10,281
Net foreign exchange	22,980	23,229	22,886	23,462	29,822
Subsidiary Estonian coin	721	703	786	737	708
Home bills discounted	15,077	15,279	15,142	14,790	8,740
Loans and advances*	16,262	15,312	15,762	15,501	20,122
LIABILITIES.					
Notes in circulation	35.760	35,936	34,345	34,560	38,529
Sight deposits and current accounts	21,290	20,362	21.005	21,756	21,864
Ratio of reserve to current liabilities	51·20%	52·32%	52·59%	52·78%	66·40%

* Includes Ekr. 11,424,968·08, guaranteed by the Government.

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

ASSETS.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 29, 1928	Position, May 30, 1914
Gold	303,194	303,363	303 500	315.039	35.091
Balance abroad and foreign bills	713,846	698,378	723,463	1,248,860	90,379
Finnish and Foreign Government securities	301,708	301,708	301.708	332.174	21,826
Discounts and loans	1,516,721	1,519,389	1,469,649	913,632	105,151
LIABILITIES.					
Notes in circulation	1,522,690	1,441,057	1,435,704	1.592.569	123 941
Deposits at notice	346,910	398,049	398,652	380,799	21,225

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

ASSETS.	Feb. 16, 1929.	Feb. 9, 1929.	Feb. 2, 1929.	Jan. 26, 1929.	Feb. 18, 1928.	Position June 30, 1914
Cash & bullion	1,114,443	1,112,400	1,113,234	1,114,676	1,114,969	221,320
Discounts	732,414	740,733	749,890	737,914	717,053	41,740
Advances	74,888	75,217	89,982	89,448	82,659	70,540
LIABILITIES.						
Notes	1,229,358	1,349,348	1,405,060	1,355,018	1,190,681	362,270
Govt. deposits	528,992	512,552	466,951	450,145	685,541	87,340
Other deposits	389,014	274,849	276,079	335,621	287 774	11,440

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

ASSETS.	Feb. 8, 1929.	Feb. 1, 1929.	Jan. 25, 1929.	Jan. 18, 1929.	Feb. 10, 1928.
Gold at home	60,681	60,683	60,689	60,545	61,235
Gold abroad	439,542	444,947	450 213	457 889	412,769
Discounts and advances	79,239	71,419	54,292	51,425	20,095
Loans to Government	1,997	1,997	1,997	1,997	11,830
LIABILITIES.					
Notes of the bank in circulation	345,286	343,267	333,554	330,490	280,499
Government notes in circulation	16,437	16,488	16,585	16,691	42,203
Deposits	116,214	115,435	128,363	123,791	107,273
Drafts	30,540	30,540	30.540	30.540	3,178
Paid-up capital	90,625	90,625	90,625	90,625	89,523

LONDON RATES.

	Mar. 7, 1929.	Mar. 8, 1929.	Mar. 9, 1929.	Mar. 11, 1929.	Mar. 12, 1929.	Mar. 13, 1929.	Mar. 14, 1929.
Bank rate (changed from 4½% Feb. 7, 1929)	% 5½	% 5½	% 5½	% 5½	% 5½	% 5½	% 5½
Market rates of discount—							
60 days' bankers' drafts	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
3 months' do.	5⅛–¼	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
4 months' do.	5⅛–¼	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
6 months' do.	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
Discount (Treasury Bills)—							
2 months'	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
3 months't	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
Loans—Day to day	4½–5½	3½	4½	4½	4½ 5	5½	4½ 5
Short	4½	4½	4½	4½	4½	4½	4½
Deposit allowances: Banks	3½	3½	3½	3½	3½	3½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks:—

	Short Loans	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months	Trade Bills. 6 Months
1929.	%	%	%	%	%	%	%
Feb. 21	4½	5⅛	5⅛	5⅛	5⅛	5⅛	6
Feb. 28	4½	5⅛	5⅛	5⅛	5⅛	6	6 6⅛
Mar. 7	4½	5⅛	5⅛	5⅛	5⅛	6	6 6⅛
14	4½ 5	5⅛	5⅛	5⅛	5⅛	5⅛ 6	6 6⅛

RATES OF EXCHANGE.

London on		Usance	Par.	Mar. 15, 1928.	Mar. 7, 1929.	Mar. 14, 1929.
New York	dollars to £1	Cable	4·86⅝	4·87 11/16–⅞	4·85 15/16–31/32	4·85 31/32
Montreal	dollars to £1	Cable	4·86⅝	4·87⅜–½	4·88 88/32	4·90½ ⅜
Paris	francs to £1	T.T.	124·21	123 11/16–4 7/16	124 3/16–¼	124·23–·28
Berlin	marks to £1	T.T.	20·43	20·40¼–41	20·45–45½	20·45½–·46
Amsterdam	florins to £1	T.T.	12·107	12·12½–⅝	12·11–11½	12·11½–12
Brussels	belga to £1	T.T.	35·00	35·00·01	34·95½–95⅝	34·95–·95½
Milan	lire to £1	T.T.	92·46	92⅜–7/16	92·65 70	92 60–·65
Berne	francs to £1	T.T.	25·22	25·34–½	25·22½–23½	25·23 –23½
Oslo	kroner to £1	T.T.	18·159	18·31¼–32	18·19½–19⅝	18·19½–·20
Stockholm	kronor to £1	T.T.	18·159	18·18–¼	18·16½–16⅝	18·16½–·17
Copenhagen	kroner to £1	T.T.	18·159	18·21½–⅝	18·20½ 20⅝	18·20⅝–21½
Madrid	pesetas to £1	T.T.	25·22½	29·01 03	32 95 33·00	32 10–·13
Lisbon	escudo to £1	T.T.	4·50	1/16–⅛	109·109½	108 108½
Vienna	schillgs. to £1	T.T.	34·58½	34·63–7	34·50 55	34·54–·58
Prague	krone to £1	T.T.	24·02(a)	164½–⅝	163⅝ 164	163⅜–164
Belgrade	dinars to £1	T.T.	25·22½	277 ⅜	276½–⅝	276½–⅝
Budapest	pengo to £1	T.T.	27·82	27·88 92	27·82 87	27·84–·88
Bukarest	lei to £1	T.T.	813·6	787 90	815–818	814–817
Sofia	leva to £1	T.T.	25·22½	672–7	673–675	672–676
Athens	drachmæ to £1	T.T.	375	367–8	374⅜–375½	374⅜–375½
Constantin'ple	piastres to £1	T.T.	110	962 7	983 988	985 990
Warsaw	zloty to £1	T.T.	43·38	43½–⅜	43⅛ ⅜	43⅜–7/16
Helsingfors	F. marks to £1	T.T.	193·23	193½–¾	192½ 193	192½ 193
Kovno	lits to £1	T.T.	48·66	48⅛–9½	48⅛–49½	48⅛–49½
Reval	Kroon to £1	T.T.	18·159	18·00–18·40	18·15–22	18·16–·23
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15–25	25·15–·25
Alexandria	piastres to £1	Sight	97⅛	97 11/16–¾	97 11/16–¾	97 11/16–¾
Buenos Aires	pence to peso	T.T.	47·62d.	47⅛–·¼	47⅛–⅜	47⅛–⅜
Rio de Janeiro	pence to mils.	90 days	16	5 15/16–¾	5 3/32–·64	5 3/32–·64
Montevideo	pence to peso	T.T.	51	50½–1½	50⅛–⅜	50–50⅛
Valparaiso	dollars to £1	90 days	40	39·37	39·46	39·50
Lima	Eng. to Per. £1	90 days	par	23½% prm.	19⅜% prem.	19⅛% prem.
Calcutta	pence to rupee	T.T.	18	1/6–⅛	1/6–1 6/16	1/6–·⅛
Bombay	pence to rupee	T.T.	18	1/6–⅛	1/6–1 6/16	1/6–·⅛
Madras	pence to rupee	T.T.	18	1/6 ⅛	1/6–1 6/16	1/6–·⅛
Hong Kong	ster. to dollar	T.T.	—	2/0⅛–⅜	2/0⅛–⅜	1,11⅞–2/0⅜
Shanghai	ster. to tael	T.T.	—	2/6⅜–7⅜	2/6⅜–2/7⅛	2 6⅛–2·7⅛
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3⅛–⅜	2/3 15/16–⅛	2/3 15/16–2/3 31/32
Kobe	ster. to yen	T.T.	24·58d.	1/11⅛–⅜	1/10–1/10⅛	1/10–1/10⅛
Manila	ster. to peso	T.T.	24·066d.	†2s. 0⅛d.	†2s. 0⅛d.	†2·0⅛d.
Mexico	pesos to £	T.T.	9·76	23–⅛	9·75–10·25	10·00–10·50

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90–3·05 dollars to 100 krone, i.e., approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%
Amsterdam	Oct. 12, 1927	4½
Athens	Jan. 5, 1929	8
Belgrade	July 26, 1921	6
Berlin	Jan. 12, 1929	6½
Brussels	June 30, 1928	4
Bucharest	Sept. 4, 1920	6
Budapest	Oct. 1, 1928	7
Calcutta	Feb. 14, 1929	8
Copenhagen	June 23, 1927	5
Danzig	June 20, 1927	6
Helsingfors	Nov. 15, 1928	7
Kovno	Feb. 8, 1925	7
Lisbon	July 28, 1926	8
New York Federal Reserve	July 12, 1928	5
Madrid	Dec. 19, 1928	5½
Oslo	Mar. 26, 1928	5½
Paris	Jan. 19, 1928	3½
Prague	Mar. 8, 1927	5
Pretoria	Jan. 9, 1928	5½
Reval	Jan. 2, 1928	7½
Riga	April 1, 1928	6† 7†
Rome	Mar. 13, 1929	7
Sofia	Dec. 15, 1928	9
Stockholm	Aug. 24, 1928	4½
Swiss Bank places	Oct. 22, 1925	3½
Tokio	Oct. 18, 1927	5·48
Vienna	July 16, 1928	6½
Warsaw	May 13, 1927	8
Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York:—

	Mar. 14, 1928.	Feb. 13, 1929.	Feb. 20, 1929.	Feb. 27, 1929.	Mar. 6, 1929.	Mar. 13 1929.
	%	%	%	%	%	%
Call money	4½	7½	6½	8	8	7
Time money (90 days' mixed coll.)	4½	7½	7½	7½	7½	7½
Bank acceptances:—	Selling Rates.					
Members—eligible, 90 days	3½	5½	5½	5½	5½	5½
Non-mem.—eligible 90 days	3½	5½	5½	5½	5½	5½
Ineligible, 90 days	4	5½	6	6	6	6
Commercial accept. 90 days	4	5½	5½	5½	5½	5½

Rates of Exchange, New York on—		Par Level.	Mar. 14, 1928.	Feb. 27, 1929.	Mar. 6, 1929.	Mar. 13, 1929.
London—						
60 days	Dollars for £1	4·8666	4·8362	4·80 3/16	4·80	4·8025
Cable			4·8787	4·85 11/16	4·83 7/16	4·85 5/16
Cheques			4·8746	4·84 15/16	4·84 1/16	4·85
Paris	Cents for 1 franc	3·918	3·9306	3·90 3/16	3·9025	3·90 1/16
Brussels	Cents for 1 Belga	13·90	13·93	13·885	13·875	13·895
Switzerland	Cents for 1 franc	19·30	19·242	19·22½	19·22½	19·225
Italy	Cents for 1 lire	5·263	5·287	5·235	5·2325	5·23 1/16
Berlin	Cents for 1 mark	23·81	23·885	23·71	23·70	23·705
Vienna	Cts. for Austrn. shlg	14·07	14·10	14·05	14·07	14·07
Madrid	Cents for 1 peseta	19·30	16·77	15·235	14·78	14·99
Amsterdam	Cents for 1 guilder	40·195	40·205	40·02	40·02	40·025
Copenhagen	Cents for 1 kroner	26·80	26·775	26·64	26·635	26·64
Oslo			26·625	26·645	26·645	26·645
Stockholm			26·82	26·70½	26·69	26·695
Athens	Centsforldrachma	1·297	1·3275	1·2925	1·2925	1·2950
Montreal	Can. Cents for $1	100	par.	⅛ dis.	⅛ dis.	1 dis.
Yokohama	Cents for 1 yen	49·85	46·85	44·90	44·15	44·50
Hong Kong	Cents for H. Kong $	...	49·75	48·85	48·90	48 80
Shanghai	Cts. for 1 Shng. tael	...	63·	62·20	62·40	62·15
Calcutta	Cents for 1 rupee	36·50	36·51	36·33	36·34	36·33
Buenos Aires	Gold Pesos for $100	103·65	102·95	104·70	104·70	104·80
Rio de Janeiro	Cents for 1 milreis	32·42	12·00	11·87	11·82	11·82
Valparaiso	Cents for 1 peso	12·125	12·25	12·07	12·07	12·07

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange:—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·32
Venezuela	Bolivares to £	25·25	,,	25·19
Colombia (Bogota)	Pesos to £1	5	,,	5·00
Nicaragua	Cordobas to £	4·8665	,,	4·92
Salvador	Colones to £	9·73	,,	9·75
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Union of South Africa. From February 6, 1928. London on South Africa. Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Union of South Africa. From February 18, 1929. South Africa on London. Selling.
T.T.	—	⅛% dis.	par to ⅛% pm.	⅛% prem.
Demand	1⅛% dis.	⅛% dis.	⅛% dis.	⅛ to ⅜% ,,
30 days	1 1/16% ,,	1/16% ,,	1/16% ,,	⅜% ,,
60 days	2⅛% ,,	⅛% ,,	1⅛% ,,	⅜% ,,
90 days	3% ,,	1/16% ,,	1 1/16% ,,	⅜% ,,
120 days	3⅛% ,,	1⅛% ,,	2⅛% ,,	...

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	London on Australia and New Zealand. Buying. New Zealand.	London on Australia and New Zealand. Selling. Australia.	London on Australia and New Zealand. Selling. New Zealand.	Australia and New Zealand on London. Buying. Australia.	Australia and New Zealand on London. Buying. New Zealand.	Australia and New Zealand on London. Selling. Australia.	Australia and New Zealand on London. Selling. New Zealand
T.T.	...	...	99⅛	99⅛	...	...	101	100⅛
Demand	98⅛	98⅛	99⅛	99⅛	99⅛	99⅛	100⅛	100⅛
30 days	97 3/16	97 1/16	...	...	99 1/16	98⅞	100⅛	99⅛
60 days	97	97⅛	...	...	98 15/16	98⅛	99⅛	99⅛
90 days	96 13/16	96 15/16	...	...	98 13/16	97⅛	...	99⅛

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz:—

£1,000 sterling equals 941·73–943·61 tchervontzi.
1 tchervonetz = 10 gold roubles. £1 sterling = 9·46 gold roubles.

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council from April 1, 1928, to March 9, 1929, amounted to £27,915,000 by means of purchases of sterling in India. Of this amount, £2,625,000 was remitted on account of the Paper Currency Reserve.

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the Reserve was held on the 28th February, 1929 :—

	£	£
In India		Nil
In England		
Cash at Bank of England	1,493	
Gold	2,152,334	
British Treasury Bills :—Value as on 28th February, 1929	6,091,615	
Other British and Dominion Government Securities :—Value as on 28th February, 1929	31,754,558	
		40,000,000
		£40,000,000

SIDNEY TURNER,
Accountant-General.

India Office,
11th March, 1929.

BULLION.

The following statistics of imports and exports of gold for week ended March 14, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland.

From—	£
France	5,806
British South Africa	384,556
Netherlands	983,000
Irish Free State	10,000
Venezuela	6,500
Total declared value of imports	1,389,862

Exported from Great Britain and Northern Ireland.

To—	£
Poland	1,700
Germany	38,938
France	22,880
Netherlands	3,400
Austria	8,875
Egypt	35,850
Spain	1,730
Switzerland	46,350
Morocco	2,000
Gibraltar	2,000
Bombay via Other Ports	3,810
Other Countries	680
Straits Settlements	72,340
Total declared value of exports	240,553

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929.	ARRIVALS.	£	1929.	WITHDRAWALS.	£
Mar. 8	Bars bought	4,104	Mar. 8		nil
" 9		nil	" 9	Bars sold	5,149
" 11	Sovs. from abroad	10,000	" 11	Sovs. for export	5,000
" 12	Bars bought	221,000	" 12		nil
" 13		nil	" 13	Bars sold	1,701
" 14	Bars bought	2,767	" 14	Bars sold	5,148
				Sovs.	18,000
Total		£237,871	Total		£34,998

Net arrivals, £202,873.

Messrs. Samuel Montagu and Co. write as follows on March 13, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £151,473,325 on the 6th inst. (as compared with £150,897,002 on the previous Wednesday), and represents a decrease of £2,432,990 since April 29, 1925—when an effective gold standard was resumed. In the open market this week about £382,000 bar gold from South Africa was available. India took about £39,000, the Continental trade £70,000, and the home trade £50,000; the balance was secured by the Bank of England. There was a net influx of gold of £222,872 during the week.

SILVER.

The week has seen no movement of importance in silver prices, and a quietly steady tone has been maintained. The Indian bazaars show few signs of activity, but China has taken some interest in the market, and fresh buying has been recorded for this account, although re-sales have also been made by the same quarter. American operators have worked both ways, but on balance have been rather buyers. The market continues narrow, and with none of the factors most concerned exhibiting any decided attitude towards silver, there is, at the moment, nothing to indicate the likelihood of any appreciable departure from the present level of prices.

The following were the United Kingdom imports and exports of silver registered from midday on the 4th inst. to midday on the 11th inst. :—

IMPORTS.	£	EXPORTS.	£
Irish Free State	20,000	Germany	15,000
British West Africa	11,575	Netherlands	75,470
Canada	31,070	Egypt	24,095
Other countries	2,083	Irish Free State	12,058
		British India	30,644
		Other countries	10,506
	£64,728		£167,773

INDIAN CURRENCY RETURNS (in lacs of rupees).

	Mar. 7.	Feb. 28.	Feb. 22.
Notes in circulation	19,155	19,247	19,170
Silver coin and bullion in India	9,902	9,996	9,936
Silver coin and bullion out of India	—	—	—
Gold coin and bullion in India	3,222	3,221	3,221
Gold coin and bullion out of India	—	—	—
Securities (Indian Government)	4,327	4,327	4,327
Securities (British Government)	1,054	1,053	786
Bills of exchange	650	650	900

The stock in Shanghai on the 9th inst. consisted of about 71,100,000 ounces in sycee, 112,000,000 dollars, and 10,800 silver bars, as compared with about 69,900,000 ounces in sycee, 111,000,000 dollars, and 11,900 silver bars on the 2nd inst.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
Mar. 8	84 11½	26	26	Mar. 16, 1923	32⅞
" 9	84 11½	26	26	" 14. 1924	33⅛
" 11	84 11½	25 15/16	25 15/16	" 20. 1925	32
" 12	84 10½	26	26	" 19, 1926	30¼
" 13	84 11½	26	26 1/16	" 18. 1927	25 7/16
" 14	84 11½	26	26 1/16	" 15, 1928	26 7/16

NOTICES.

Barclays Bank (Dominion, Colonial and Overseas) have opened a new branch at Lusaka (Northern Rhodesia) and also at Iringa (Tanganyika).

A branch of the National Provincial Bank is now open at 51-53 High Street, Epsom.

The consolidation between the Continental National Bank and Trust Co. of Chicago and the Illinois Merchants Bank, Chicago, will become effective on March 18th. The Continental National Bank and Trust Co. of Chicago will be known, as from that date, under the new name: Continental Illinois Bank and Trust Co.

Sir John Field Beale, K.B.E., has been elected to a seat on the board of the Midland Bank, Limited.

Barclays Bank, Limited, have opened new sub-branches at Kidlington, Oxon., also at Cherry Tree House, Aysgarth, Yorks.

SUMMARY OF BALANCE-SHEETS.

ANGLO-INTERNATIONAL BANK, LIMITED.

LIABILITIES.	Dec. 31, 1927.	Dec. 31, 1928.
Ord. shares £1	1,960,008	1,960,008
Deposits	4,219,023	5,139,035
Acceptances	2,637,295	3,147,924
Profit and loss	80,448	155,532
	8,896,774	10,402,499

ASSETS.	Dec. 31, 1927.	Dec. 31, 1928.
Cash	132,891	111,851
Money at call	300,000	350,000
Balances abroad	302,153	345,561
Bills receivable	480,950	488,509
British Government securities	530,132	531,340
Other Investments	977,684	751,363
Advances	3,269,404	4,438,783
Acceptances	2,637,295	3,147,924
Premises	238,264	237,168
Preliminary exps.	28,001	...
	8,896,774	10,402,499

BANK OF AUSTRALASIA.

October 15, 1928.

LIABILITIES.	Oct. 10, 1927. £	Oct. 15, 1928. £
Circulation	427,542	428,622
Deposits	31,478,756	33,876,329
Bills payable, &c., including provision for contingencies	4,418,994	3,909,217
Capital	4,000,000	4,500,000
Reserve	3,850,000	4,450,000
Div. payable	280,000	315,000
Profit and loss	139,568	139,760
Total	44,594,860	47,618,928

ASSETS.	Oct. 10, 1927. £	Oct. 15, 1928. £
Specie, bullion, Govt. notes, and cash	6,645,234	7,385,811
Loans	110,000	120,000
British Govt. Stks.	2,584,548	3,641,295
Govt. securities of Australasia and other investments	1,079,901	1,440,788
Bills receivable and remittances	4,355,725	3,307,544
Advances, &c.	29,689,660	31,564,314
Bank premises	129,792	159,176
Total	44,594,860	47,618,928

BRITISH PORTLAND CEMENT MANUFACTURERS LIMITED.

December 31, 1928

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Pref. shares	1,400,000	...
Ord. shares	1,680,000	...
5% deb. stock	1,389,723	— 36,539
4% deb.	264,448	— 7,934
Creditors	485,749	+ 14,571
Profit and loss	403,662	+ 1,740
Total	5,623,582	— 28,162

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Property, plant, &c.	3,306,349	+ 264,187
Investments, at cost and loans	974,075	+ 82,130
Stock-in-trade	501,036	— 121,885
Debtors	598,933	+ 17,654
Cash	243,189	— 270,248
Total	5,623,582	— 28,162

CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA.

LIABILITIES.	End of 1927. £	End of 1928. £
Capital	3,000,000	3,000,000
Reserve	4,000,000	4,000,000
Notes in circulation	1,984,334	1,749,125
Current & other Accounts	27,551,955	26,514,995
Fixed deposits	17,569,951	17,489,916
Bills payable	2,166,137	3,360,274
Acceptances	2,554,165	2,620,424
Loans payable	3,350,963	811,262
Due to agents	6,689	5,000
Sundry liabilities	1,529,241	816,217
Profit and loss	729,393	624,156
	64,442,828	60,991,369

ASSETS.	End of 1927. £	End of 1928. £
Cash	3,552,479	4,551,931
Bullion on hand	819,230	809,265
Govt. and other securities	11,531,298	9,238,054
Shares in P. and O. Bank	2,138,980	2,276,333
Security lodged against note issue, &c.	2,137,000	2,250,250
Bills of exchange	19,761,881	14,816,215
Bills discounted	20,670,405	22,947,901
Acceptances	2,554,165	2,620,423
Due by agents	48,469	102,764
Sundry assets	202,499	283,772
Bank premises	1,026,422	1,094,461
	64,442,828	60,991,369

ENGLISH ELECTRIC COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
6% cum. pref. shrs., £1	983,565	...
Ord. shares	1,664,023	...
5½% debs.	701,000	— 43,600
6% debs.	1,329,916	...
Creditors	1,186,190	— 210,295
Capital reserve	127,632	— 18,470
Total	5,992,326	— 272,365

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Land	961,412	— 4,507
Plant	1,362,883	— 7,654
Fixtures	52,599	— 5,913
Goodwill, &c.	386,501	— 1,640
Investments	428,782	— 37,923
Debtors	1,316,676	+ 66,309
Stocks	987,705	— 314,655
Discounts, &c.	62,251	...
Profit and loss	433,517	+ 33,618
Total	5,992,326	— 272,365

SWAN, HUNTER, AND WIGHAM RICHARDSON, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Pref. shares	789,845	...
Ord. shares	1,711,064	...
4½% deb. stock	323,340	...
Deb. interest	5,497	...
Loans, &c.	325,579	— 41,011
Creditors	738,401	+ 52,398
Unclaimed divs.	580	+ 100
Leasehold amortisation account	45,621	+ 2,930
Sinking fund ac.	42,699	+ 2,381
Reserve account	770 000	...
Insurance reserve	50,000	...
Reserve for dividend equalisation	470,000	...
Profit and loss	125,989	— 7,026
Total	5,398,615	+ 9,772

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Properties	1,213,609	— 10,152
Work in progress	47,351	— 276,595
Stocks	227,350	+ 26,283
Debtors	565,840	+ 48,675
Shares and debs. in associated and other cos.	2,169,551	— 118,880
British and Allied Government securities	145,991	— 1,898
Investment sinking fund account	42,698	+ 2,380
Cash and bills	986,225	+ 339,959
Total	5,398,615	+ 9,772

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	January, 1929. Ore.	Est. Yield.	Est. Profit.	February, 1929. Ore.	Est. Yield.	Est. Profit.
	Tons.	£	£	Tons.	£	£
Brakpan	84,500	134,547	51,044	80,800	131,315	50,611
City Deep	91,500	101,476	19,241*	83,000	93,860	17,552*
Consolidated Main Reef	60,500	94,217	15,845	53,000	88,246	14,852
Crown Mines (10s. shs.)	208,000	289,514	74,772	195,000	278,723	74,760
Durban Roodepoort Deep	40,300	59,992	4,007	35,300	53,449	2,520
East Rand Proprietary	140,500	160,800	11,113	132,000	149,517	8,609
Ferreira Deep	32,000	22,788	551	30,400	20,933	1,281
Geduld Proprietary	85,500	114,573	44,447	79,050	107,069	41,069
Geldenhuis Deep	63,000	61,597	3,595	55,000	56,950	2,358
Glynn's Lydenburg	6,200	8,323	116	5,200	6,924	1,050*
Government Areas	208,000	400,810	235,121	187,000	363,220	212,673
Kleinfontein, New	53,100	48,244	1,990*	48,400	46,003	39
Langlaagte Estate	83,000	110,095	26,510	76,000	104,161	25,262
Meyer and Charlton	17,200	18,946	1,708	16,200	18,329	1,702
Modderfontein B.	71,500	114,139	50,061	64,000	105,158	46,005
Modderfontein Deep Levels	45,700	102,456	66,988	41,800	94,192	61,768
Modderfontein East	65,000	85,372	18,429	61,000	80,980	17,106
Modderfontein, New (£4 shares)	147,000	314,701	190,233	133,000	291,896	170,566
New State Areas	78,000	138,490	60,036	71,000	129,184	56,880
Nourse Mines	61,000	71,547	2,030	57,000	69,419	3,035
Randfontein Estates	207,000	207,098	22,584	191,000	189,123	15,151
Robinson Deep	77,700	92,903	16,667	67,000	84,093	13,573
Rose Deep	55,800	49,445	2,186	50,300	45,611	2,301
Simmer and Jack	74,300	79,789	7,307	67,500	73,035	5,204
Spring Mines	72,000	147,605	71,281	64,000	132,001	60,560
Sub-Nigel	23,700	95,407	44,127	23,400	89,987	39,157
Transvaal Gold Mining Estates	14,620	19,292	84	13,320	19,709	1,013
Van Ryn	39,000	40,555	5,096	37,000	38,636	4,078
Van Ryn Deep	66,000	107,053	44,126	60,000	99,268	40,157
Village Deep	59,000	66,012	5,034	55,000	61,472	3,761
West Rand Consolid'td	86,000	90,766	16,047	77,000	82,737	12,144
West Springs	63,000	80,785	23,023	57,000	72,694	19,607
Witwatersrand Deep	43,000	41,646	452*	41,500	39,955	207
Witwatersrand Knight's	53,000	45,137	1,022	48,000	42,809	1,045
Wolhuter	27,700	27,130	512	25,900	25,500	350

* Loss.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Mar. 8, 1929. (c) Week ended Mar. 9, 1929.	Miles Open.	Week ended Mar. 10, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 10 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,733	191	219	138	357	548	1,874	2,069	1,314	3,383	5,257
Do. for 1928	3,734	198	230	122	352	550	1,971	2,166	1,205	3,371	5,342
Lon.& N.Eastn.(c)	6,345	289	389	294	683	972	2,875	3,906	2,813	6,719	9,594
Do. for 1928	6,363	310	425	253	678	988	3,043	4,262	2,551	6,813	9,856
Lond.,Mid.&Scot.	6,953½	434	562	342	904	1,338	4,241	5,344	3,195	8,539	12,780
Do. for 1928	6,950½	455	628	275	903	1,358	4,503	5,799	2,859	8,658	13,161
Southern	2,177	251	70	34	104	355	2,498	714	355	1,069	3,567
Do. for 1928	2,177	261	83	28	111	372	2,606	762	299	1,061	3,667
Metropolitan (c)	59	31·4	—	—	3·9	35·3	308·6	—	—	37·8	346·4
Do. for 1928	59	32·1	—	—	3·8	35·9	314·0	—	—	37·7	351·7
†Und'rgr'nd E.R.c	—	—	—	—	—	274·0	—	—	—	—	2,584·5
†Do. for 1928	—	—	—	—	—	279·0	—	—	—	—	2,683·0
Lon&Sub.Gr'upe	—	—	—	—	—	39·1	—	—	—	—	362·3
Do. for 1928	—	—	—	—	—	40·1	—	—	—	—	382·7
B'lf'st&Co.D'wn b	80	2·1	—	—	1·1	3·2	18·5	—	—	8·6	27·1
Great Northern b	562	11·0	—	—	14·8	25·8	102·1	—	—	156·0	258·1
Great Southern b	2,187	22·9	—	—	51·3	74·2	225·0	—	—	461·8	686·8

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or —	Total Gross Receipts. 1929.	+ or —
INDIAN.				Rs.		Rs.	Rs.
Assam Bengal	45weeks	Feb. 9	1,200	4,96,000	— 15,194	1,98,58,485	+ 6,66,550
Barsi Lt. Ry.	46weeks	16	202	42,800	+ 6,900	21,48,000	+ 6,34,700
Bengal & N.Western	46weeks	16	2,078	7,83,481	— 53,143	1,38,52,374	— 6,16,163
Bengal-Nagpur	45weeks	9	2,979	19,26,000	— 23,612	7,66,08,825	— 2,82,904
Bombay, Bar.,& C.I.	47weeks	Mar. 2	3,022	27,94,000	+ 110000	10,74,25,000	+ 34,56,000
Burma	35weeks	Dec. 1	1,349	7,24,790	— 80,277	2,73,09,216	— 1,42,540
Madras & S. Mahr	46weeks	Feb. 16	3,074	21,64,000	+ 150050	8,26,19,396	+ 58,35,187
Nizam'sGuarantd.(s)	46weeks	16	1,146	4,80,442	+ 25,200	1,83,66,381	+ 11,31,748
†Rohilk'd&Kumaon	45weeks	9	572	1,50,632	— 22,546	23,81,953	— 1,47,731
South Indian	45weeks	9	2,294	12,10,406	+ 46,939	5,32,02,925	— 4,40,817

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

				£	£	£	£
ARGENTINE (a).							
Argentine N.E.	36weeks	Mar. 9	753	14,200	600	561,800	+ 23,400
B.A. and Pacific	36weeks	9	2,694	208,000	+ 22,000	6,043,000	+ 631,000
B.A. Central	36weeks	10	—	14,754	+ 481	522,166	+ 15,719
B.A. Gt. Southern	36weeks	9	4,725	323,000	+ 34,000	8,869,000	— 510,000
B.A. Western	36weeks	9	1,926	115,000	— 10,000	3,583,000	— 66,000
Central Argentine	36weeks	9	3,305	301,000	+ 16,000	9,709,000	+ 266,000
Cordoba Central	36weeks	9	1,218	70,000	+ 7,000	2,489,000	— 22,200
Entre Rios	36weeks	9	728	30,200	— 8,500	1,119,300	+ 69,400
CUBAN.							
United of Havana†	36weeks	Mar. 9	1,374	130,085	+ 4,311	2,489,189	+ 55,739
URUGUAYAN.							
Central Uruguay	36weeks	Mar. 9	273	28,596	— 5,568	1,093,424	— 828
C. Urug. (East Ext.)	36weeks	9	311	7,727	— 851	245,362	+ 141
C.Urug.(North.Ext.)	36weeks	9	185	3,885	— 345	131,031	+ 4,655
C. Urug.(West. Ext.)	36weeks	9	211	3,935	— 116	107,208	+ 3,786
CANADIAN.							
Canadian National	8 weeks	Feb.28	19364	$ 5,598,337	+ 310,815	$ 37,792,194	— 666,961
Canadian Pacific	9 weeks	Mar. 7	14822	3,802,000	+ 143,000	33,722,000	— 230,000
BRAZILIAN (b).							
Gt. West. of Brazil	10weeks	Mar. 9	1,016	£ 21,900	£ 8,400	£ 222,000	£ + 43,900
Leopoldina	10weeks	9	1,856	36,716	— 11,319	357,297	— 122,131
Leopoldina Termnl.	10weeks	9	Mlrs	313,000	+ 25,000	2,830,000	+ 140,000
San Paulo	10weeks	10	153½	54,642	+ 9,617	453,323	+ 34,148
CHILEAN.							
Antofagasta (Chili and Bolivia)	10weeks	Mar.10	838	37,010	— 2,980	420.630	+ 66,555
Nitrate (½-monthly)	8 weeks	Feb.28	402	35,038	— 1,049	161,384	+ 24,716
OTHER OVERSEAS.							
Egyptian Delta	45weeks	Feb.20	608	£8,686	— 129	306,177	+ 22,159
Gt. Southn. of Spain	9weeks	Mar. 2	104	Ps. 89,826	— 509	1,103,765	— 51,018
Mexican Railway	9weeks	7	483	$135,300	-154,600	2,235,000	— 280,200
Paraguay Central	35weeks	2	274	£4,180	+ 330	154,220	+ 2,280
Salvador	36weeks	9	100	£6,338	— 226	173,065	+ 4,425

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or —	Total Receipts. 1929.	+ or —
				£	£	£	£
Anglo-Argentine	10weeks	Mar.11	329	£90,545	— 2,734	863,356	— 30,579
B. Aires Lacroze	36weeks	10	—	£13,357	— 660	471,742	+ 3,563
Burnley Corporation	1week	9	13	£3,074	— 43	—	—
Calcutta Tramways	1week	9	35½	Rs134,726	+ 12,092	—	—
Chatham & District	8weeks	Feb.28	15	£868	— 328	8,003	— 2,530
Egyptian Markets	8weeks	28		£2,231	+ 584	19,716	+ 843
Glasgow Corporation	33weeks	23	136½	£40,420	— 4,838	1,673,849	— 64,577
Isle of Thanet Trams	8weeks	27	—	£789	— 37	6,048	— 632
Liverpool Corp.	49weeks	Mar.10	124	£28,698	+ 442	1,443,004	+ 46,502
L.C.O. Tramways	48weeks	6	166	£78,357	— 4,605	3,978,356	+ 105,961
Madras Electric	18weeks	28	—	£35,800	+ 437	169,836	+ 7,249

‡ Fortnightly figures.

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

Average Weekly Balances. February, 1929.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills and Co.	Lloyds Bank, Limited.	Martins Bank, Limited.	Midland Bank, Limited.	National Bank, Limited.	National Provincial Bank, Limited.	Westminster Bank, Limited.	Williams Deacon's Bank, Limited.	Aggregate.
Assets.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes and balances with the Bank of England	31,159	1,619	3,540	38,466	7,837	41,347	3,488	30,431	28,822	3,273	189,982
Balances with and cheques in course of collection on other banks in the United Kingdom	9,006	718	1,625	8,561	2,261	12,384	147	7,386	8,218	1,160	51,466
Items in transit	...	...	...	2,627	...	...	...	...	...	...	2,627
Money at call and short notice	22,938	2,461	7,767	24,516	3,779	23,810	4,783	18,344	27,712	2,104	138,214
Bills discounted	52,598	2,227	1,467	46,499	3,950	60,993	2,309	45,117	44,051	3,275	262,486
Investments	60,685	3,778	7,543	36,695	24,506	34,899	15,108	38,780	36,641	5,541	264,176
Advances to customers and other accounts	171,140	9,561	13,618	199,140	41,706	217,569	15,429	149,296	147,389	18,092	982,940
Liabilities of customers for acceptances, endorsements, etc.	25,317	416	2,217	68,099	7,926	76,777	29	20,589	27,964	1,486	230,820
Bank premises account	5,500	372	695	6,819	2,113	8,725	771	5,783	4,757	974	36,509
Investments in affiliated banks	5,360	...	...	6,535	...	6,949	...	...	2,992	...	21,836
	383,703	21,152	38,472	437,957	94,078	483,453	42,064	315,726	328,546	35,905	2,181,056
Ratio of cash to current, deposit and other accounts	9·37	8·64	10·27	11·18	9·98	10·88	9·38	11·01	10·22	10·49	10·47
Liabilities.											
Capital paid up	15,858	1,000	1,060	15,810	4,160	13,433	1,500	9,479	9,320	1,875	73,495
Reserve fund	10,250	1,000	530	10,000	3,458	13,433	1,440	9,479	9,320	1,350	60,260
Current, deposit and other accounts	332,278	18,736	34,461	344,043	78,518	379,810	37,158	276,179	281,929	31,194	1,814,306
Acceptances, endorsements, etc.	25,317	416	2,217	68,099	7,926	76,777	29	20,589	27,964	1,486	230,820
Notes in circulation	...	...	...	5	16	...	1,937	...	13	...	1,971
Reduction of bank premises account	...	...	204	...	...	...	...	...	...	...	204
	383,703	21,152	38,472	437,957	94,078	483,453	42,064	315,726	328,546	35,905	2,181,056

Reports and Notices.

The National Provincial Insurance Co., Limited, announces that Mr. William Melville Codrington, M.C., has been appointed to a seat on its board of directors at head office.

The directors of the Scottish Equitable Life Assurance Society have appointed Mr. Kenneth K. Weatherhead, M.A., F.F.A., to be joint assistant actuary to the Society along with Mr. B. B. Maxwell, F.F.A., the present assistant actuary.

Mr. Edwin Gray, having resigned the chairmanship of the Yorkshire Insurance Co., Ltd., through ill health, the directors have elected Sir James Hamilton chairman, in addition to his present position of managing director. Mr. J. O. M. Clark has been elected to a seat on the head office Board.

BANKS.

ANGLO-INTERNATIONAL BANK, LIMITED.—During 1928 the current business of the Bank has shown steady development, whilst substantial progress has been made in the liquidation of the affairs of its predecessors. The net profit for 1928 was £103,085, compared with £80,448 for 1927. Brought in from 1927 £52,447, making available balance £155,532. Proposed to place to premises amortisation £10,000, contingency reserve £125,000, carry forward £20,532.

BANK FOR RUSSIAN TRADE, LIMITED.—The following is the balance sheet for December 31, 1928, compared with 1927:—

Liabilities.	Dec. 31, 1927. £	Dec. 31, 1928. £	Assets.	Dec. 31, 1927. £	Dec. 31 1928. £
Shares of £1	550,000	550,000	Cash in London	471,766	503,893
Reserve	165,000	190,000	Cash abroad	357,579	180,360
Loans	659,551	934,400	Loans at call	...	300,000
Deposits, etc.	1,447,011	1,462,008	Bills receivable	680,689	634,737
Acceptances	3,072,325	3,559,053	Investments (Brit. Govt. securities)	455,594	640,994
Bills	406,043	731,926	Loans	855,934	876,424
			Acceptances	3,072,325	3,559,053
			Bills	406,043	731,926
Total	6,299,930	7,427,387	Total	6,299,930	7,427,387

RAILWAYS.

BEIRA RAILWAY COMPANY, LIMITED.—The Report for the year ended September 30, 1928, shows total receipts £314,565 against £245,149 for preceding year. Apart from fixed charges, the company has made provision of £15,000 for pension liability. Reserve for taxation, £20,000. Out of the available balance of £115,734, the directors recommend a dividend of one shilling and sixpence per share less tax be paid, requiring £45,000; that £50,000 be placed to reserve, and £20,734 carried forward. The chairman, at the general meeting, on March 13th, said there was no difference between Beira Railway Chartered Scrip and Beira Railway Mozambique Scrip.

MISCELLANEOUS.

AFRICAN AND EASTERN TRADE CORPORATION, LIMITED.—The directors have entered into a provisional agreement with the directors of The Niger Co., Limited, and Messrs. Lever Bros., Limited, whereby, subject to the early completion of certain further arrangements, the businesses of this company and The Niger Co., Limited, will be amalgamated as from May 1st next by transferring the whole of their assets and liabilities, with certain specified exceptions, to a new company in which this company and The Niger Co., Limited, will have equality of interest and control. The arrangement is subject to the approval of the shareholders of the two companies within the present month. At the request of the chairman of Messrs. Lever Bros., Limited—who hold practically the whole of the share capital of The Niger Co., Limited—and of the chairman of the Niger Co., Limited, Sir Robert Waley Cohen has agreed to become the first chairman of the new company.

PINCHIN, JOHNSON AND COMPANY.—The net profit for 1928 was £422,796, which compares with £327,942 for 1927, but the latter included a non-recurring capital profit of some £26,000. The ordinary dividend of 30 per cent. absorbed £233,450. This dividend is the same as for 1927, but it absorbed £160,240. The sum of £67,000 is put to reserve against £55,000. The carry-forward is increased from £52,273 to £80,103. Reserves stand at £1,134,545 against £273,063. Cash is at £855,647, against £271,575. Investments in associated companies are at £493,580 against £117,446. Holdings of British Government and other trustee securities are at £146,640 against £106,756. The directors have decided to issue to ordinary shareholders one new £1 ordinary share for each three ordinary shares held. Meeting at Hotel Cecil, Strand, on March 25th, at 11.30 a.m.

SOUTH AFRICAN GOLD TRUST.—Our mining correspondent writes: The full text of the accounts indicates last year's results to have been better than might have been inferred from the increase in the dividend. The profit of the operating concern, the New Gold Trust, amounted to £197,800, as against £97,850. Of the former total, £47,100 is required for depreciation on investments, or £30,000 more than in respect of 1927, and £30,000 as against nil is applied to reserve, raising the fund to £50,000. There remains sufficient to provide a final dividend of 7 per cent., making 9½ per cent. for the year, as compared with 7½ per cent. for 1927. In these circumstances the South African Gold Trust—who made a departure in announcing an interim dividend of 5 per cent.—is able to declare a final of 10 per cent., carrying forward the increased balance of £22,300. In respect of 1927 there was one distribution of 12½ per cent. On the basis of the past year's dividends, and allowing for the 2s. included in the price, the yield shown is rather over 8½ per cent. No material changes have occurred in the balance sheet items of either of the companies.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
Banks.		£	£	£	£	£	%	£	£	£	%
Anglo-International Bank	Dec. 31	52,447	103,085	155,532	...	...	...	135,000	20,532	80,448	...
Bank of Australasia	Oct. 15	139,568	675,192	814,760	...	595,000	14†	80,000	139,760	654,060	14†
Chartered of India, &c.	Dec. 31	206,893	627,263	834,156	...	607,500	20½†	40,000	186,656	724,039	20½†
Breweries.											
Dartford Brewery	Dec. 31	22,033	37,591	59,624	7,975	16,400	8	12,370	22,879	33,457	8
Holt Brewery	Dec. 31	52,675	83,169	135,744	23,493	49,287	8½	10,500	52,464	88,498	8½
John Groves & Sons	Dec. 31	11,855	21,520	33,375	5,000	13,515	11½	3,000	11,860	19,124	15
Meux's Brewery	Dec. 31	44,330	201,664	245,994	21,622	124,531	15	23,843	75,998	156,197	70
Electric Lighting and Power.											
City of London Electric	Dec. 31	...	379,799	379,799	48,000	120,000	10	204,142	7,657	337,297	10
Newcastle and District	Dec. 31	15,658	54,876	70,534	...	18,000	7½	36,970	15,564	54,300	7½
Scottish Power	Dec. 31	3,253	80,897	84,150	16,800	58,515	8	5,436	3,399	48,388	8
Financial, Land, &c.											
Exploration Co.	Dec. 31	42,929	61,261	104,190	...	35,925	12½	25,000	43,265	104,039	18¾
Natal Land and Colonisation	Dec. 31	25,915	35,647	61,562	3,962	27,226	8	5,000	25,374	45,815	8
River Plate Trust Loan, &c.	Dec. 31	210,222	339,303	549,525	75,000	120,000 / 89,200	24 A / 9B	53,238	212,087	328,160	24A / 9B
Gas.											
British Gas Light	Dec. 31*	82,368	34,402	116,770	7,000	25,650	3½	...	84,120	...	...
Hotels, Restaurants, &c.											
Burlington Hotels	Dec. 31	6,249	5,620	11,869	3,750	3,000	5	2,000	3,119	11,314	7½
Rowton Houses	Dec. 31	4,331	29,081	33,412	6,142	10,166	5†	12,000	5,104	25,801	5†
Iron, Coal and Steel.											
Drakes, Limited	Dec. 31	2,737	*Dr. 24,424*	*Dr. 21,687*	1,200	...	...	...	*Dr22,887*	8,679	10
North British Locomotive	Dec. 31	7,623	*Dr. 2,305*	5,318	30,000	25,000	9½	*Dr.50,000*	318	38,334	4
Projectile and Engineering	Dec. 31	28,278	8,427	36,705	...	6,250	5	...	30,455	15,415	7½
Swan, Hunter, &c.	Dec. 31	32,321	168,695	201,016	47,390	128,330	...	...	25,296	125,379	7½
Motor and Cycle.											
D. Napier and Son	Sept. 30	45,622	167,438	213,060	37,060	81,900	15	50,000	44,100	169,037	15
Rubber, &c.											
Krian Rubber	Dec. 31	3,707	8,220	11,927	...	6,000	6	2,000	3,927	14,089	10
Rangoon Para	Dec. 31	2,300	1,396	3,696	...	...	...	...	5,696	22,272	7½
South Perak	Nov. 30	6,099	21	6,020	...	...	...	...	6,020	14,404	15
Shipping.											
Fairwater Shipping	Dec. 31	...	330	330	...	...	...	...	330	...	...
United British Steamship	Dec. 31	30,588	54,239	54,827	...	35,310	5	...	39,517	62,087	7
Shops and Stores.											
Charles Baker and Co.	Jan. 31	*Dr. 48,742*	*Dr. 1,913*	*Dr. 50,655*	...	...	...	...	*Dr50,655*	2,389	...
D. H. Evans and Co.	Jan. 31	38,109	93,273	131,382	12,000	75,049	25	6,127	36,206	110,356	25
Greenlees and Sons	Dec. 29	4,260	31,021	35,281	15,000	...	...	16,181	4,100	20,260	...
J. R. Roberts' Stores	Feb. 14	14,574	17,496	32,070	1,000	13,570	17½	6,500	12,008	18,841	17½
Lewis's, Limited	Feb. 1	50,305	646,268	696,573	108,000	158,625 / 237,688	... / 12½	135,000	57,260	589,538	15 / 12½
Liberty and Co.	Jan. 31	18,984	83,373	102,357	6,000	20,000	20†	56,000	20,357	81,083	20†
Stagg and Russell	Jan. 31	31,054	23,956	55,010	18,750	4,350	5	...	31,910	...	...
Trust.											
Caledonian Trust	Jan. 31	18,893	80,398	99,291	20,400	48,000	15	15,000	15,891	79,164	14
Fourth Co-operative	Dec. 31	...	405	405	322	...	...	...	83	...	...
Scottish Eastern Investm't	Jan. 31	1,619	25,295	26,914	10,290	9,800	7	4,000	2,824	17,627	6½
Scottish Western Investm't	Jan. 31	29,289	101,815	131,104	20,400	57,600	18	25,000	28,104	32,706	6
Waterworks.											
Falmouth Waterworks	Dec. 31	3,699	3,437	7,136	2,150	1,824	10 / 6	500	2,662	4,373	10 / 6
Southend Waterworks	Dec. 31	45,215	113,087	158,302	43,985	62,465	...	5,158	46,694	107,332	...
Other Companies.											
Barrow, Hepburn and Gale	Dec. 31	23,520	*Dr. 84,817*	*Dr. 61,297*	...	...	...	70,000	*Dr131297*	...	...
Bath and Portland Stone	Dec. 31	58,108	36,919	95,027	...	37,500	15	...	57,527	57,084	20
British Portland Cement	Dec. 31	191,922	636,045	827,967	84,000	252,000	15	298,305	193,662	633,625	15
Canning Town Glass Works	Dec. 31	7,428	35,406	42,834	...	14,350	5	17,500	10,984	14,927	...
Cooper, McDougall, &c.	Sept. 30	18,770	249,849	268,619	52,323	112,120	15	50,000	54,176	190,298	15
Ebonite Container	Dec. 31	8,339	12,758	21,097	225	7,500	12½	10,138	3,234	...	...
Edward Lloyd	Dec. 31	51,479	360,814	412,293	84,000	240,000	15†	25,000	63,293	344,892	15†
English Electric	Dec. 31	*Dr399,900*	*Dr. 33,616*	*Dr433,516*	...	...	...	...	*Dr433516*	*Dr134403*	...
Evans Sons, Lescher, &c.	Dec. 31	3,247	12,229	15,476	11,606	...	...	1,078	2,792	12,775	...
Hine, Parker and Co.	Jan. 31	28,436	16,853	45,289	2,500	13,750	12½	...	29,039	20,810	12½
Hugon and Co.	Dec. 31	57,881	75,948	133,829	...	57,445	10	20,000	56,384	84,050	10
International Cold Storage	Dec. 31	1,185	*Dr.1405*	*Dr.220*	...	...	...	...	*Dr220*	*Dr3,015*	5
International Paint	Dec. 31	13,792	76,579	90,371	12,000	37,125	9	26,000	15,246	70,302	7
London and Thames, &c., Wharves	Dec. 31	94,601	124,882	219,483	1,400	108,750	15†	...	109,333	111,085	15†
Manchester Royal Exchange	Feb. 28	129,566	44,540	174,106	...	51,200	8	...	122,906	48,767	8
New Era National Pictures	Jan. 31	...	18,735	18,735	...	8,919 / 5,200	9½ Ord. / 20 Def.	...	4,616	...	...
Spratt's Patent	Dec. 31	17,315	97,982	115,297	2,500	56,250	12½	40,000	16,547	89,489	12½
Tarmac	Dec. 31	2,017	76,685	78,702	11,000	25,929	5½	36,615	5,158	72,351	4½
Telegraph Construction, &c.	Dec. 31	112,618	106,144	218,762	...	89,640	10†	15,000	114,122	110,135	10†
Thomas Tilling	Dec. 31	60,985	228,678	289,663	16,500	105,470	20	100,000	67,693	219,476	30
United Turkey Red	Dec. 31	50,052	124,814	174,866	42,064	68,250	10	20,000	44,552	178,428	10
Walkers, Parker and Co.	Dec. 31	59,085	29,455	88,540	...	29,250	11½	...	59,290	20,992	10
Waygood Otis	Dec. 31	12,316	77,254	89,570	9,000	29,000	10	36,000	15,570	68,115	20
W. Canning and Co.	Dec. 31	7,031	49,215	56,246	...	36,000	15	11,000	9,246	43,467	12½
Western Wagon & Property	Dec. 31	2,359	11,096	13,455	...	11,200	10	...	2,255	13,384	10

* For Half Year. † Free of Income Tax.

SECURITY FIRST
ROYAL
INSURANCE COMPANY, LIMITED
HEAD OFFICES: LIVERPOOL AND LONDON.

OIL OUTPUTS.

TAMPICO OIL, LIMITED.—The total production on the company's properties in Mexico during February was 20,811 barrels, in respect of which the royalty due to Tampico Oil, Limited, amounted to 1,561 barrels.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended March 6th: Venezuela, 35,082 barrels; Trinidad, 24,353 barrels; total, 59,435 barrels. Production for February: Venezuela, 138,936 barrels; Trinidad, 81,758 barrels; total, 220,694 barrels. Deliveries for February: Venezuela, 121,567 barrels; Trinidad, 113,991 barrels; total, 235,558 barrels.

THE UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Production for the week ending Wednesday, March 6, 1929, amounted to 2,534 tons.

THE BRITISH BURMAH PETROLEUM CO., LIMITED.—A cablegram has been received from Burma reporting the production of crude oil by this company for the month of February, amounting to 35,111 barrels.

MEXICAN EAGLE OIL.—The production for the week ended March 2, 1929, was 153,000 barrels.

VENEZUELAN CONSOLIDATED OILFIELDS.—Production for week ended March 9th, 2,786 barrels (398 tons).

VENEZUELAN OIL CONCESSIONS.—Production for the week ended March 9th was 119,182 metric tons.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday Evening.

A spell of fine open weather during the past week over the United Kingdom has permitted the resumption of ploughing operations, and preparations for the spring seed bed are in full swing, the ground being in good condition after the severe frosts. Supplies of native wheat were on a lighter scale, and prices show a hardening tendency in sympathy with the improvement of imported descriptions. Trade generally, however, made quiet progress, as buyers appear reluctant to follow the upward trend. In the floating and forward cargo section demand was somewhat restricted by the higher limits imposed by sellers. North American grades, in particular, were reservedly offered at harder rates, and expectations of Russian buying in the near future tended to strengthen sellers' hands. Meanwhile, consumptive requirements are being covered by increasing arrivals, both here and at the chief Continental ports, and with continued large Argentine shipments buyers were not encouraged to enter the market at this juncture. Feeding stuffs exceedingly quiet, and, with regard to new crop La Plata maize, sellers are more inclined to meet the market in order to stimulate trade. Part cargoes of Australian afloat sold at 46s. 3d. to 46s. 6d.; No. 3 Northern Manitoba, 47s.; and No. 4 Manitoba, 45s. 6d. per 480 lbs. c.i.f. terms.

Wheat firmer. No. 2 Northern Manitoba, 51s. 9d.; No. 3, 50s. 9d.; No. 4 Manitoba, 49s. 6d.; No. 5, 45s. 3d.; No. 6, 40s.; Rosafe, 64 lbs., 46s. 6d.; Barusso, 63½ lbs., 46s. 6d.; Australian, 49s. 6d., all ex-ship, per 496 lbs. English, 9s. 6d.-9s. 8d. per 112 lbs.

Flour steady. London standard grade, 39s. 6d.; town whites, 40s. 6d.; patents, 41s. 6d.-42s. 6d. per sack delivered in the Home Counties, with 6d.-1s. per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 35s.-38s.; Minneapolis, 35s. 6d.-38s.; Australian, 36s.-36s. 6d., ex-store. On c.i.f. terms, Manitoba top patents March quoted 35s. 6d.-36s. 6d., export ditto, 33s. 6d.-34s. 6d.; Australian, 33s.-33s. 6d. per 280 lbs.

Maize. Near positions steady, but distant rather easier. Plate landed, 45s.; ex-ship to arrive, 43s. 6d.-43s. 9d. as to position; March-April, 40s. 9d.; new April-May, 39s. 3d.; May-June, also June-July, 38s. 9d.; No. 2 yellow American, 42s. landed; No. 2 white flat African, 43s. landed per 480 lbs. Yellow maize meal, £11 10s. ex-wharf; Hominy chop, £9 7s. 6d. per ton.

Barley quiet. Californian ex-ship, 45s.-52s.; Chilian Chevalier, 48s.-58s.; Australian, 45s.-49s.; Smyrna, 44s.-47s. per 448 lbs.; Algerian/Tunisian ex-ship, 34s. 6d.; Canadian feed, 32s. 6d. landed; No. 3 Canadian Western, 35s. 9d.; No. 2 Federal American, 30s. 3d. ex ship to arrive, per 400 lbs. English malting, 10s.-12s. 6d.; feed, 9s. 3d.-10s. per 112 lbs.

HARRISONS & CROSFIELD LTD
East India Merchants.
Shipping and Insurance Agents.
Dealers in all Classes of Eastern Produce.
1-4 Great Tower Street, London. E.C.3

Oats quietly steady. Plate landed, 26s. 3d.; ex-ship to arrive, 25s. 6d.; March, 25s. 6d.; black Plate landed 25s. 3d.; mixed Canadian feed landed, 22s. 3d.; Chilian white, 32s. landed; German landed, 29s.; ex-ship to arrive, 28s. per 320 lbs. English, 9s. 4d.-10s. per 112 lbs. Scotch landed, 30s. per 336 lbs. Irish black, 26s. 6d. per 320 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928-29, 1927-28, 1926-27, 1925-26:—

	1928-1929.	1927-1928.	1926-1927.	1925-1926.
Estimated sales of home-grown wheat—				
1 week to March 9	Qrs. 240,677	Qrs. 281,322	Qrs. 214,744	Qrs. 234,420
25 weeks to March 9	7,432,264	6,894,039	9,191,720	10,307,589
Average price of English wheat per cwt.	s. d. 9 9	s. d. 9 7	s. d. 11 8	s. d. 11 6

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold.			Average Price per Qwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Qrs.	Qrs.	Qrs.	s. d.	s. d.	s. d.
Mar. 2	312,567	183,167	74,491	9 9	10 4	9 8
Mar. 9	240,677	159,989	58,472	9 9	10 3	9 7
Mar. 7, 1925	353,210	197,739	96,091	13 5	12 2	9 9
Mar. 13, 1926	234,420	151,810	60,286	11 6	9 2	8 11
Mar. 12, 1927	214,744	146,019	68,567	11 8	11 0	8 1
Mar. 10, 1928	281,332	181,514	73,871	9 7	10 8	10 6

AMERICAN WHEAT MARKETS.

Keener export buying and unfavourable weather reports kept prices up during the early part of the week. Later weather reports were better and there was some commission home selling, but frequent rallies were induced by reports of crop damage, stronger demand, and forecasts of favourable farm legislation, so that the close was firm at a slight advance on the week.

Nearest Future.	Jan. 4, 1928.	Mar. 14, 1929.	Jan. 2, 1929.	Feb. 27, 1929.	Mar. 6, 1929.	Mar. 13, 1929.
Winnipeg (No. 1 Manitoba) —Cents per 60 lb.)	137	141	122	130⅛	128⅝	132½
Chicago (No. Winter)— Cents per 60 lb.	130⅜	138½	116⅝	123⅛	121½	125⅛

Visible supplies of wheat in Canada at 86,251,000 bushels show an increase of 1,539,000 bushels as compared with the previous figure. Supplies a year ago stood at 77,095,000.

THE COAL TRADE.

Our Sheffield correspondent writes:—The export market for coal is scarcely so strong as it has been and sales of household fuel have fallen off. Business is, however, brisk on the whole, and the outlook may be regarded as more favourable than at any time last year. Demand for steam coal for industrial purposes is steady, but there is a weakness in small fuel. The position of coke continues to gain strength. Consumption at the British blast furnaces is now on a large scale, and there is a good export demand. Best qualities fetch 14s. 6d. at ovens; South Yorkshire steam coal is quoted at 16s. 6d. at pits.

Our Glasgow correspondent writes:—The market all over is still strong. The collieries have little or nothing available for this month's shipment, and a good many of them are fully booked up further ahead. Shipping prices are firm round the following, which are all f.o.b. district ports:—LANARKSHIRE.—Ell best, 19s.; splint best, 19s. 6d.; splint second, 19s.; navigation, 18s. 6d.; navigation second, 16s.; steam, 16s. 6d.; Hartley, 18s. 6d.; trebles, 17s. 6d.; doubles, 16s.; singles, 14s. 6d.; pearls, 12s. 6d.; dross, 10s. 6d.-11s. FIFE.—Screened navigation, 19s. 6d.; first-class steam, 18s.-18s. 6d.; third-class steam, 17s.; trebles, 17s. 6d.-18s. 6d.; doubles, 17s.-17s. 6d.; singles, 15s.; pearls, 13s.; 16s. 6d.; trebles, 17s. 6d.-18s.; doubles, 16s. 6d.; singles, 14s. 9d.; pearls, 13s. AYRSHIRE.—Unscreened navigation, 16s. 6d.; jewel, 18s. 6d.; steam 17s. 6d.; trebles, 17s. 6d.; doubles, 16s. 6d.; singles, 15s.; pearls, 12s. 9d.; dross, 11s.

Our Cardiff correspondent writes:—There has been no relaxation this week in the strength of the Cardiff coal market, notwithstanding greater shipment activity. According to the official returns of the Great Western Railway Co. the quantity of coal shipped in the week ended March 9th totalled 655,645 tons, compared with 641,144 tons in the previous week and 543,330 tons in the corresponding week last year. The docks continue to be well supplied with tonnage and collieries are finding it very difficult to satisfy the demand over the next few weeks. Under these conditions quotations for spot parcels have further advanced, and a large number of collieries are now obtaining 21s. per ton f.o.b. over the next two or three weeks. Even for some of the Monmouthshire coals these prices have been paid, while best Admiralty descriptions are in some cases ruling up to 21s. 6d. per ton. Small coals are participating in the price improvement, and the best grades are quoted up to 15s, with even inferior qualities ruling between 12s. 6d. and 13s. Furnace coke is quoted at between 21s. and 22s. 6d. for shipment, and foundry coke between 27s. 6d. and 37s. At the annual meeting this week of the South Wales Coalowners' Association, it was reported that the associated output at 40·8 million tons was 2·2 million tons less than in 1927, but that the assured output for the present year was 44·8 millions. The following are the current approximate quotations:—Best Admiralties, 21s. to 21s. 6d.; seconds, 20s. 6d. to 21s.; best drys, 20s. to 20s. 6d.; Black Veins, 20s. to 20s. 6d.; Western Valleys, 20s. to 20s. 3d.; Eastern Valleys, 19s. 3d. to 19s. 9d.; best small steams, 14s. 6d. to 15s.; cargo smalls, 13s. to 14s; coking smalls, 14s. 6d. to 15s.; anthracite best large, 33s. 6d. to 35s.; Red Vein large, 25s. to 27s.; machine made cobbles, 40s. to 43s. 6d.; French nuts, 42s. to 44s.; stove nuts, 40s. to 43s.; rubbly culm, 10s. 9d. to 11s. 6d.; foundry coke, 27s. 6d. to 37s.; patent fuel, 20s. to 21s.; pitwood, ex-ship, 27s. 6d. to 27s. 9d.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—

The quieter conditions which recently developed in the iron and steel markets have continued, but general confidence is expressed that this is only temporary. Both English and foreign works appear to be comfortably situated as regards orders. Business with the Continent has been made more difficult by the attitude of Continental manufacturers who are holding off the market pending the result of this week's meeting of the European Steel Cartel. The home demand for British pig-iron is steady and sufficiently important to enable the producers to maintain their recent increase in prices. In the semi-finished steel department a fair business has been transacted. The quotations of British producers show a tendency to advance, partly owing to the increased cost of raw materials, and partly owing to the fact that quotations for Continental material show no inclination to recede, so that there is very little advantage from the point of view of price in buying foreign steel. Business in finished material has been spasmodic, and on the whole rather quiet, but there has been a good inquiry in the market and it is expected that the export demand will shortly broaden.

Our Middlesbrough correspondent writes:—The chief factor in local market conditions is the scarcity of pig iron for anything like prompt delivery. Pig-iron makers are well sold for a month or two ahead, and it would appear that the make will have to be increased by the lighting up of additional furnaces. Works, however, are inclined to wait and see whether the recent improvement is going to be maintained before doing this, while the increase in prices of ore and coke is a big factor. The scarcity of these two commodities will be accentuated when more furnaces are put into blast. The price of hematite mixed numbers is firm at 73s., with makers asking 73s. 6d. Cleveland iron is on the basis of 67s. for No. 3 G.M.B. The position here is again strong, owing to the limited output. Notwithstanding this, the impression is that there will be no immediate rise in price. Basic iron is scarce, and local steelworks had to import from other districts to supplement their own make. As regards the steel trade, although none of the works are working to full capacity, they are certainly showing more activity than for some time. The Continental competition has practically ceased, while the inquiry for export is decidedly better. Prices remain unchanged on the following basis, subject to the usual rebates: Steel ship plates, £8 7s. 6d.; steel ship angles, £7 17s 6d.; iron bars, £10 5s.; steel rails, £8 10s. The iron ore market is very firm, with best rubio at 23s., while coke is also a firm market, and sellers are now asking 19s. delivered works.

Our Sheffield correspondent writes:—Business in ordinary steel lines is rather quieter, both in the home and export markets, but makers of specialities are very busy. Large tonnages of stainless steel have been booked lately. There is activity in special forgings. Demand for steel for automobiles and cold wrought material is being maintained on a large scale. There is now a pronounced scarcity of basic steel scrap of which a considerable tonnage is going to countries on the Continent, chiefly Poland. The price of this material continues to rise, and is 12s. higher than a year ago. To cover the consequent increase in the cost of producing basic steel, makers have advanced their rates for finished and partly finished material. British firms have lately succeeded in winning a considerable amount of trade in marine forgings from Germany and Belgium. For a good many years these countries have been under-selling the home steel makers in shafting in various British shipyards, but British prices now approximate the foreign ones and less business is going abroad. The pig-iron market is firm, but consumption keeps at a low level owing to the quietude of the foundries. In the softer basic steels, Continental competition now scarcely counts, and British furnaces are getting most of the business. The tool, cutlery and electro-plate branches are quiet. The outlook for steel and iron is believed to be brightening, and there is no lack of confidence in local industrial circles.

Our Glasgow correspondent writes:—Business in the pig-iron market remains quiet and transactions small. In terms of an arrangement come to last week by the members of the Scottish Ironmasters' Association, prices have been slightly advanced, to-day's quotations being 72s. 6d. for No. 3 Foundry and 75s. for No. 1 Foundry, both f.o.t. makers' works. In the steel trade generally, inquiries are more numerous, and there is now a steady business being done in shipbuilding materials. Among contracts announced this week is an order for a New Clan Liner to be built by the Greenock Dockyard Co., Limited, and engined by Messrs. John G. Kincaid & Co., Limited, also of Greenock. The increased demand for semis is maintained and Continental prices and deliveries are not competitive. Tube makers in the West of Scotland are all well employed. There is no change in the position in the sheet trade.

OVER ONE HUNDRED YEARS OF SERVICE.
SCOTTISH UNION & NATIONAL
INSURANCE COMPANY.
ASSETS - - £14,500,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4, and 4, St. James's Street, S.W.1.

Our Cardiff correspondent writes:—The inauguration of the new pooling scheme has created a more settled position in the tinplate trade, and on the Swansea Metal Exchange on Tuesday it was reported that inquiries were broadening, particularly from the Continent. In view of the increasing cost of coal and scrap there is a revival of the proposal for increasing the prices of tinplate bars. Heavy steel scrap shows an increase since last week from 72s. 6d.-75s. to 75s.-76s., and mixed iron and steel scrap from 65s.-66s. to 66s.-68s. 6d. The prices of tin-plates and galvanised sheets are nominally unchanged. Shipments of tinplates last week totalled 117,624 boxes, compared with 114,566 boxes the previous week, but as there was a slight increase in the supplies received from works the stocks further increased from 276,878 boxes to 292,706 boxes.

OTHER METALS.

TIN.—The standard market opened with a steady tone, but with quiet support accorded; values subsequently gave way on selling pressure, combined with lower Eastern advices. The closing tone was firmer, however. Stocks in London and Liverpool warehouses for week ending March 9th were returned at 8,253 tons, compared with 2,693 tons at corresponding period last year. Standard cash changed hands at £220 15s. to £218 5d. and £220, and three months £222 to £219 12s. 6d. In the East, sales were recorded at £225-£225 7s. 6d., £222, and £222 15s. per ton c.i.f. terms.

COPPER.—Quieter conditions prevailed in this market, and with pressure to sell forward positions, opening values showed slight irregularity and weakness. Later values responded to higher American advices and active dealings here. Standard cash sold at £82 5s. to £86 8s. 9d.; three months £83 12s. 6d., £83 2s. 6d. and £87 15s. ton.

LEAD was in liberal supply, but tone firm, with a fair business passing. Good soft foreign pig, March, sold £23 12s. 6d.-£23 5s., and £23 15s.; April, £23 12s. 6d., £23 15s.; May, £23 10s. to £23 17s. 6d.; June, £23 16s. 3d.-£23 11s. 3d. and £23 17s. 6d.

SPELTER met a good demand, and with moderate offerings prices advanced. March sold at £26 2s. 6d. to £26 12s. 6d.; April £26 10s. to £26 15s.; May, £26 10s. to £26 15s.; June, £26 11s. 3d. to £26 18s. 9d. ton.

ALUMINIUM steady. Ingots and bars for home delivery quoted £95 ton.

ANTIMONY dull. English regulus, £54 to £55; foreign spot, £38; March-April, £32 15s. ton, c.i.f. terms.

QUICKSILVER steady. Spot, £22 5s. to £22 10s. per bottle.

WOLFRAM quiet. Chinese also Straits quoted 18s. 6d. to 19s. per unit c.i.f.

TIN PLATES quiet. I.C. Coke quoted 18s. to 18s. 3d. per box, f.o.b. Swansea.

COTTON TRADE.

LIVERPOOL, March 13th.

Spot sales for the week 7th to 13th (inclusive) are 36,000 bales, of which 23,250 are American, 350 Brazil, 600 Argentine, 4,250 Peru, 6,150 Egyptian, 850 African, 450 East Indian, and 100 sundries. Imports for the same period are 43,416 American, 1,424 Brazil, 378 Peru, 16,532 Egyptian, 1,876 African, 8,272 East Indian, making a total of 71,898 bales. Quotations to-day are American Middling, 11·08; Egyptian Sakel, 18·90, Uppers, 12·97; Brazil Fair, 11.28; Peru G.F. Mod-Rough, 13.00; Smooth, 12.03; West African Middling, 11·18, and East African G.F. 12·20. Prices on the week show an advance mainly owing to the strength of the statistical position being realised. The Spinners' Federation estimate the consumption of American cotton for the half-year ending January 31st at 7,613,000 bales, and the Garside Cotton Service yesterday estimated the February consumption of cotton in U.S.A. at 594,000 bales. This approaches very nearly the record for U.S.A. per day, being 27,630 bales against 27,700 bales in March, 1927. Fears of an increase in the Bank Rate caused some

liquidation, and a slight reaction from the highest prices reached on Monday when May was quoted at 10·99 and July 10·98. Weather news is none too good, rains being much too prevalent east of the Mississippi, and fears are expressed that the increase in acreage may not be quite so large as looked for.

MANCHESTER, March, 13.

The tone of the market during the past week has continued firmer, but trade has been rather less active. Some nervousness has arisen with regard to the recent advance in raw material rates, and it is recognised that at the higher prices there will be every inducement for farmers to plant a big acreage in America this Spring. India has provided a very fair cloth inquiry, but dealers on the other side are slow in raising limits and most of the contracts have been for limited quantities in light fabrics and fancies. The better news from China continues and steady buying has taken place, especially in bleached shirtings. Useful support has also been given by Singapore. There has not been any general activity for the Near Eastern and South American outlets. Fine goods have attracted attention for the Continent. Steady buying has taken place in goods suitable for home consumption. American yarns have moved off quietly and there are loud complaints from spinners with regard to prices. It is proposed to stop the mills on Saturdays and Mondays during April, but it is doubtful whether the ballot on this recommendation will be carried. Rates in Egyptian yarns have been firmer and some spinners have sold a little more freely.

Comparative Statement of the Cotton Trade.

	1929.				Corresp'd'g Date.	
	Feb. 20.	Feb. 27.	Mar. 6.	Mar. 13.	1928.	1927.
Raw Cotton—Mid. American ..... per lb.	d. 10·43	d. 10·71	d. 11·01	d. 11·08	d. 10·63	d. 10·56
— Sakellaridis Fully Good Fair Egyptian ..... per lb.	17·90	18·15	18·55	18·90	19·30	18·90
Yarns—32's twist..... per lb.	15½	15½	16	16	15½	15½
— 40's weft..... per lb.	16	16½	16½	16½	16½	16½
— 60's twist (Egyptian)..... per lb.	26½	26½	26½	27	28	28
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	s. d. 25 9	s. d. 25 9	s. d. 25 10½	s. d. 26 0	s. d. 26 0	s. d. 26 0
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	28 0	28 0	28 1½	28 3	28 0	28 0
38-in. ditto, 38 yds., 18 by 16, 10 lb......	15 9	15 0	15 1½	15 3	15 1½	15 1½
39-in. ditto, 37¼ yds., 16 by 15, 8¼ lb.	13 9	13 9	13 10½	14 0	14 0	14 0

WOOL TRADE.

Our Bradford correspondent, writes :—The general tone of the market is more cheerful, and although there is no big volume of business in any section, more interest is being shown in quotations and some buyers are disposed to cover rather more distant requirements than has been the practice hitherto. This applies more particularly to merinos, the opinion being that at to-day's prices the finer qualities, both in tops and in yarn, are not without attraction. The firmer tendency in the primary markets is undoubtedly influencing users, the majority of whom do not expect to see lower values in the near future. Topmakers are also taking their cue from the overseas markets, and although it is difficult to make more money, quotations are certainly firmer, and sellers are not prepared to consider offers which would have been accepted a fortnight ago. The outlook for crossbreds seems to be rather uncertain, especially in the finer qualities. There is a feeling that fine crossbred tops are relatively dear compared with merinos, and users both at home and abroad seem to be waiting for some further readjustment of values in these descriptions. In the same way, current prices of most by-products are considered to be out of harmony with wool and tops, but in this case the comparatively small production is helping to maintain prices in face of a somewhat restricted demand. More interest is being shown in Botany yarns, and a fair amount of speculative buying has been indulged in during the last week or two. Prices still leave much to be desired, but spinners are offering stronger opposition to the very low offers which have been general in recent weeks. Crossbred yarns are quiet. In the piece goods section the usual seasonal demand has received a fillip from the warmer weather, and a considerable amount of business is being put through on home trade account. The bulk is for quick delivery, and activity is expected to continue right through till Whitsuntide.

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

The progress of the second series of London sales has been somewhat hindered by fog, but at the sales held competition has been good and the opening level of values maintained. The cost of practically all classes of raw material is now reasonable, and both home and Continental buyers have been prepared to operate freely. The only wools that seem to hang fire are the speculators' lots. Most of these have cost more than is being bid for them, with the result that there are considerable withdrawals. All straight growers' clips are meeting with most encouraging competition, making prices fully equal to those ruling at the beginning of the series. Considering the quantity of crossbreds available these are selling very well indeed, the clips offered being well grown and in good light condition. Bradford is the principal operator in this description, France taking considerable quantities of 56-58's, whilst there is some competition for medium sorts by Germany. Considering that most firms in this country are receiving big quantities of direct imports, it is encouraging to see crossbred wool moving so freely into users' hands. The offerings of slipes have been better this week than last, up to 25d. having been paid for really good parcels of halfbred lambs. These wools are selling anywhere from 24d. to 25d., a price which is scarcely likely to be exceeded for some time. No large quantity of scoureds has been offered except from Victoria, and these seem to be selling at prices which correspond to those realised for other classes.

The selection of merinos is not particularly good, there being no really important offerings from any part of Australia. There are, however, some very good Tasmanian wools to be catalogued, and some New England greasies. The latter are making very different prices from those realised twelve months ago. On two occasions some nice lines of South African farmers' clips have been catalogued, these selling readily at market prices, 19½d. to 20½d. in the grease being paid for some of the best lots. The Orange Free State wools offered last Tuesday met with good Continental competition and sold up to 21½d.

NATIONAL PROVIDENT INSTITUTION

48, GRACECHURCH STREET, E.C.3.

BONUS DECLARATION 1927.

ENDOWMENT ASSURANCE.

£2 : 8 :— % per annum on maturity at age 55
£2 : 13 :— % " " " 60
£2 : 18 :— % " " " 65

In cases of death before the maturity age is reached the Bonuses will be 5/-% per annum less than the above rates.

Surplus Dividend £1,249,700. Carried Forward £329,000

JUTE TRADE.

DUNDEE, March 13.

Some fluctuation is taking place in prices of raw jute, which is created to a large extent by the weather prospects for the sowing of the new crop. The new crop reports will have a more important bearing than usual this season, as a larger suuply will be required to satisfy the world's needs. New mills are being erected in Calcutta and will probably be working by the time another season commences on July 1st, while the Calcutta Mills have decided to work an extra six hours per week beginning on that date. In other producing centres, especially the Continent of Europe, the output of jute fabrics has gradually increased in recent years, and it is estimated that an additional million bales will be needed in the course of a season. It seems probable, therefore, that the keen demand for the fibre will help to maintain prices at a comparatively high level, and great interest will be centred in the supply. What effect the increased production will have on prices of the finished article cannot be conjectured, but there is no doubt that competition will be keen. With cheap labour and their raw material grown at their doors the Calcutta Mills have an undoubted advantage over other producers. The available supply for sale of the present jute crop appears to be very small. Shippers are not offering to this market nor to the Continent, so that any prices mentioned are for secured lots which holders would sell at much under the rates prevailing in Calcutta. First Marks and Lightnings are nominal at £38 10s. and £36 10s. respectively, for March/April shipment. Daisee assortment is offered at £34 10s., threes at £33 5s. and fours at £31 5s., while Tossa assortment is quoted at £36 10s., threes at £35 15s. and fours at £33 10s. to £34, March/April. Some small lots are being bought on spot, in which position prices are 5s. to 10s. lower than those named for shipment. Jute yarns are quiet, but prices are steady in consequence of the favourable manner in which spinners are foresold. The value of common 8 lb. cops is 3s. 7d. to 3s. 7½d., and 8 lb. spools are 3s. 8d. to 3s. 8½d. Twist is steady at 5⅞d. to 6d. for 3-ply 8 lb., and Rove is slow at from £28 to £28 10s. for 48 lb., and £18 to £18 10s. for 200 lb. Sacking qualities are very firm at 4 1/16d. to 4⅛d. for 24 lb. weft, and 5 1/16d. to 5⅛d. for 8 lb. chains. Fine yarns are quiet but firm, and a good deal of business has been transacted in carpet descriptions at from 5⅜d. to 5½d. for 14 lb. warp. Cloth business is very quiet. Buyers appear to be satisfied for the present. Any transactions are for small lots for delivery as early as can be given. Manufacturers, however, are well foresold, and are displaying no undue anxiety to secure fresh orders. Prices are firm at from 4 11/16d. to 4⅝d. for 10½ oz. 40 in. hessians, and from 3 9/16d. to 3⅝d. for 8 oz. Linoleum hessians are slow, but firm, and heavy goods are steadily but slowly improving.

HIDE, LEATHER AND ALLIED TRADES.

The hide market is gradually becoming stabilised, although confidence is by no means fully restored, so that tanners are still reducing input. At most of the provincial auctions ox hides have advanced ⅛d. to ¼d. per lb., best hides now realising from 6½d. to 7½d. per lb. Calfskins are also in better demand, and are advancing in price. Woolskins are steady at previous rates, with pelts firm. Foreign hides show an improved tone, but enquiries have resulted in a firm tone at origin which has checked business somewhat. Argentine hides show a better demand, best frigorific hides now realising 9⅜d. c.i.f., with Montevidoes at the same price. Saladeros are firmer, Bovril ox selling at 8⅜d. and Uruguays at 9⅜d. African dry hides are selling better, and dry Capes in first and seconds are offered at 12⅜d. and 11⅜d. respectively. Australians, Brazils and West Coasts have all slightly hardened, but there is as yet little trade passing. Latest cables from Chicago report the packer market as steady, with best heavy steers selling still at 14½ cents. There is a slight improvement in the demand for sole leather, as shoe manufacturers are now coming into the market for small quantities. Light bends are still bad sellers, but there is a better trade doing in medium weights of wet salted for manufacturers' and repairers' use. Prices are not yet stable, and buyers are picking up bargain lots at below cost of production. Stocks, however, are dwindling, and any increase in the demand will at once firm up values all round. The bad state of the tanning trade has been shown by the loss last year of about £150,000 by one of the biggest tanning concerns in Bermondsey. The fluid nature of prices has affected the demand for light leather, and sellers of willow and box-calf report a slow business. Glace kid in black and brown is still popular, the lower grades meeting with the best demand. Kip leathers are slow, and very few curriers have enough orders on their books to keep all hands employed.

VEGETABLE OILS AND OILSEEDS.

Markets are only moderately active. Linseed oil met with some demand at the lower level of values, but is now quiet and values somewhat higher at £28 15s. per ton naked ex-mill for spot and March-April delivery. Crude cotton oil has been in substantial request, and is steadier, current values being for crude Egyptian £28 5s., and common edible £31 10s. ex Hull spot and March-April. Soya and palm kernel oils are easier. In the oilseed section linseed is in fair demand in near positions. For Plate on spot at Hull £15 15s. has been accepted, and this is about current value for seed on passage and shipment to April. The quantity of linseed on passage to Europe is 205,700 tons, or 22,300 tons less than a week ago. Cottonseed is steady, but not very active. For black Egyptian on spot £10 2s. 6d. is demanded, and seed for March and April loadings has been done at £9 17s. 6d. Oilseed cakes and meals are in fair request and prices generally are unchanged.

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended February 28.		2 Months Ended February 28.	
	1928.	1929.	1928.	1929.
I.—Food, Drink, and Tobacco—	£	£	£	£
A. Grain and flour	7,509,677	6,552,516	14,683,875	14,903,207
B. Feeding stuffs for animals	912,122	605,272	1,845,513	1,713,735
C. Meat	7,852,150	7,733,736	16,011,265	17,087,100
D. Animals, living, for food	831,626	1,096,905	2,072,480	2,469,151
E. Other food and drink, non-dutiable	13,942,645	13,137,718	27,218,787	30,050,625
F. Other food and drink, dutiable	9,416,443	9,905,148	20,538,149	20,239,488
G. Tobacco	1,270,974	1,449,221	2,755,144	3,106,997
Total, Class I.	41,735,637	40,480,516	85,125,213	89,570,303
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	1,501	4,802	4,009	6,882
B. Other non-metallic mining and quarry products and the like	400,995	393,714	826,290	954,834
C. Iron ore and scrap	431,171	341,129	823,507	871,559
D. Non-ferrous metalliferous ores and scrap	1,244,559	1,437,136	3,085,072	2,983,263
E. Wood and timber	1,773,658	1,585,823	4,192,245	4,642,589
F. Raw cotton and cotton waste	6,612,900	6,393,910	11,575,424	18,368,634
G. Wool, raw and waste, and woollen rags	9,399,756	7,604,608	17,781,600	15,787,977
H. Silk, raw, knubs and noils	148,045	152,493	366,362	362,509
I. Other textile materials	1,981,884	1,540,103	3,943,745	4,043,916
J. Oil seeds, nuts, oils, fats, resins and gums	4,009,145	3,737,694	7,536,148	7,560,241
K. Hides and skins, undressed	2,272,216	1,487,198	5,209,196	4,049,709
L. Paper-making materials	497,930	566,266	1,400,009	1,843,325
M. Rubber	1,342,100	951,994	3,388,247	2,654,408
N. Miscellaneous, raw materials and articles mainly unmanufactured	1,015,993	815,747	2,069,627	2,026,789
Total, Class II.	31,131.853	27,012,617	62,201,481	66,156,635
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	4,635	131	5,207	572
B. Earthenware, glass, abrasives, etc.	796,336	664,240	1,576,307	1,644,309
C. Iron and steel and manufactures thereof	2,259,024	1,491,165	4,556,944	3,564,130
D. Non-ferrous metals and manufactures thereof	2,400,525	2,482,601	5,116,818	5,615,923
E. Cutlery, hardware, implements, and instruments	556,630	549,901	1,099,445	1,225,741
F. Electrical goods and apparatus	340,148	388,036	764,806	829,477
G. Machinery	1,218,420	1,234,671	2,562,989	2,862,043
H. Manufactures of wood and timber	650,729	588,398	1,289,253	1,436,142
I. Cotton yarns and manufactures	918,250	766,595	1,800,610	1,679,369
J. Woollen and worsted yarns and manufactures	1,513,385	1,271,862	2,929,598	2,714,691
K. Silk and silk manufactures	1,182,854	1,073,936	2,395,257	2,227,644
L. Manufactures of other textile materials	1,438,048	1,272,120	2,824,554	2,666,396
M. Apparel	1,723,007	1,489,804	3,152,773	2,877,246
N. Chemicals, drugs, dyes and colours	1,150,942	1,149,640	2,498,304	2,682,828
O. Oils, fats, and resins, manufactured	2,458,641	3,187,700	5,266,300	6,146,549
P. Leather and manufactures thereof	1,944,227	1,046,548	3,687,263	2,391,647
Q. Paper and cardboard	1,237,573	1,089,647	2,545,634	2,536,326
R. Vehicles (including locomotives, ships, and aircraft)	747,069	940,952	1,402,691	1,604,193
S. Rubber manufactures	236,537	215,898	460,461	504,097
T. Miscellaneous articles, mainly or wholly manufactured	2,550,155	2,159,709	5,037,823	4,643,147
Total, Class III.	25,327,135	23,063,554	50,973,037	49,852,470
IV.—Animals, not for food	151,206	249,061	263,708	491,735
V.—Parcel Post, non-dutiable articles	506,535	543,606	682,500	1,347,747
Total	98,852,366	91,349,354	199,245,939	207,418,890

EXPORTS OF PRODUCE and MANUFACTURES of the UNITED KINGDOM (Value F.O.B.)

	Month Ended February 28.		2 Months Ended February 28.	
	1928.	1929.	1928.	1929.
I.—Food, Drink, and Tobacco—	£	£	£	£
A. Grain and flour	480,709	337,079	888,819	719,263
B. Feeding stuffs for animals	271,610	280,004	573,749	568,599
C. Meat	149,741	124,702	285,979	290,173
D. Animals, living, for food	6,269	8,690	15,309	17, 96
E & F. Other food and drink	2,780,602	2,488,557	5,471,208	5,078,961
G. Tobacco	847,128	802,354	1,554,644	1,593,833
Total, Class I.	4,536,059	4,041,386	8,789,708	8,268,325
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	3,152,273	3,050,121	6,226,369	6,525,797
B. Other non-metallic mining and quarry products and the like	115,171	114,329	275,976	295,698
C. Iron ore and scrap	83,234	122,837	156,709	274,677
D. Non-ferrous metalliferous ores and scrap	181,320	184,509	336,316	376,705
E. Wood and timber	34,233	25,996	66,533	65,738
F. Raw cotton and cotton waste	152,246	111,883	294,819	263,374
G. Wool, raw and waste, and woollen rags	893,140	757,058	1,742,399	1,802,425
H. Silk, raw, knubs and noils	7,904	3,973	10,624	5,463
I. Other textile materials	27,604	28,594	72,842	43,160
J. Oil seeds, nuts, oils, fats, resins, and gums	486,077	349,438	880,052	806,922
K. Hides and skins, undressed	388,562	342,904	671,799	698,637
L. Paper-making materials	108,456	104,720	233,315	222,897
M. Rubber	27,027	22,687	53,124	47,345
N. Miscellaneous raw materials and articles mainly unmanufactured	328,100	340,370	733,647	775,965
Total, Class II.	5,985,347	5,559,419	11,754,524	12,204,803
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	297,565	304,546	655,521	714,752
B. Earthenware, glass, abrasives, etc.	928,605	952,141	1,917,444	2,165,594
C. Iron and steel and manufactures thereof	5,098,673	5,571,383	10,414,813	11,991,217
D. Non-ferrous metals and manufactures thereof	1,402,624	1,338,332	2,704,270	2,916,886
E. Cutlery, hardware, implements, and instruments	661,396	640,540	1,380,280	1,485,423
F. Electrical goods and apparatus	992,014	950,588	1,937,625	1,901,450
G. Machinery	4,071,887	4,107,637	8,876,870	9,185,210
H. Manufactures of wood and timber	188,547	198,504	357,857	414,683
I. Cotton yarns and manufactures	11,896,493	11,828,492	25,104,178	25,649,077
J. Woollen and worsted yarns and manufactures	4,979,078	4,833,389	10,208,460	10,430,162
K. Silk and silk manufactures	208,025	169,706	389,370	362,258
L. Manufactures of other textile materials	2,367,427	2,100,392	4,901,017	4,476,449
M. Apparel	2,229,737	2,010,598	4,105,281	4,104,270
N. Chemicals, drugs, dyes, and colours	1,993,789	1,936,017	4,067,950	4,166,279
O. Oils, fats, and resins, manufactured	678,009	634,619	1,436,571	1,417,567
P. Leather and manufactures thereof	818,877	533,997	1,629,651	1,151,751
Q. Paper and cardboard	741,447	734,186	1,513,265	1,538,342
R. Vehicles (including locomotives, ships, and aircraft)	2,928,944	2,722,006	6,243,342	7,659,603
S. Rubber manufactures	239,317	229,098	487,214	520,548
T. Miscellaneous articles mainly or wholly manufactured	2,754,258	2,527,420	5,434,013	5,914,708
Total, Class III.	45,476,712	44,323,591	93,764,992	98,166,229
IV.—Animals, not for food	148,574	96,744	344,157	298,127
V.—Parcel Post	1,089,456	1,643,835	2,325,500	3,607,098
Total	57,236,148	55,664,975	116,978,881	122,544,582

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—The market produced no new feature to-day. General tone continues steady with regard to spot goods, but very little new business arises, as trade buyers are busily engaged in taking delivery of parcels purchased previously. Deliveries from British refineries, also home grown factories, are on an extensive scale. The market now seems to rest on a safe basis, and though a prolonged period of very low, not to say unremunerative, prices is naturally unpleasant to producers, it must result, sooner or later, in purifying the position and clearing the substratum of much of the decaying refuse of over-production. Previous quotations stand good for both British refined and home-grown granulated. The slow sale attaching to white Mauritius is difficult to explain, as some very attractive parcels, both with regard to colour and grain, are obtainable at 21s. to 21s. 3d., indeed very cheap sugars. Raw refining kinds quiet and barely steady. Continental parcels for shipment, scarcely worthy of comment. There is nothing new to note in the Java position. Total shipments thence during last month reach 185,750 tons, against 118,350 same time last year, of which British India took 87,000 against 63,000, China 31,000 against 16,000, Japan 18,000 against 18,000, Europe 11,000 against 2,000, and Port Said for orders 15,000 against nil. Terminal sections steady, quiet. Of raws, May sold 8s. 10½d., August 9s. 4½d., December 9s. 6¾d.,

THE HALIFAX

THE WORLD'S LARGEST BUILDING SOCIETY.

GREAT INCREASE OF BUSINESS.
TOTAL ASSETS - £54,155,000.

ANNUAL REPORT OF THE DIRECTORS

to be presented to the Shareholders at the Annual General Meeting of the Society, to be held at Halifax, on Monday, the 25th day of March, 1929.

The Directors have great pleasure in submitting to the Members the Annual Statement of Accounts, shewing the operations of the Society during the financial year ended the 31st January, 1929.

The business of the Society for the year has been highly satisfactory, and there have been large increases in the Funds and Membership.

On the 1st February, 1928, the Halifax Permanent Building Society and the Halifax Equitable Building Society were legally united under the name of "The Halifax Building Society," and the Statement of Accounts now presented covers the transactions of the Society for the first year from the date of the amalgamation.

ASSETS.—The Total Assets at the end of the year amounted to £54,155,040 5s. 2d., an increase of £7,173,558 2s. 1d.

RESERVE FUND.—The Reserve Fund, after providing for all interest and bonus allotted up to the date of the account, stands at £1,689,238 19s. 4d., being an increase of £228,038 0s. 6d.

INCOME.—The Income for the Year, exclusive of investments realised, was £30,683,773 10s. 10d.

MORTGAGES.—The amount advanced upon new mortgages during the year was £10,214,528 12s. 7d., mainly upon the security of dwelling-houses acquired by borrowers for their personal occupation.

The new Borrowers number 20,936, shewing an average of only £483 per new mortgage completed. The total amount now due upon Mortgages is £40,570,655, an increase during the year of £2,456,670, and the total number of Borrowers is 106,896, an increase of 9,396.

Of this total 81 per cent. are in respect of Mortgages where the debt does not exceed £500, and the average amount owing on all the Society's mortgages is only £379 each. The Mortgage Accounts are in an entirely satisfactory condition, and there are no properties of borrowers in the possession of the Society to be reported in the statutory Schedule.

SHARE AND DEPOSIT FUNDS.—The amount standing to the credit of the Investing Shareholders and Depositors is £52,465,801 5s. 10d., being £6,945,520 1s. 7d. of an increase during the year.

PROFITS.—The gross profit of the year, after payment of all expenses and Income Tax, amounted to £2,459,564 7s. 5d., and after providing for all interest due to Depositors and Shareholders up to the date of the Account, there remains a surplus profit of £414,875 2s. 9d.

The Directors recommend that there shall be distributed in addition to the interest, a bonus of £1 10s. 0d. per cent. upon the sum standing to the credit of Paid-up Shareholders, Class 1, and a bonus of £2 10s. 0d. per cent. to the Subscription Investing Shareholders upon the total amount paid by them up to the end of the preceding year.

This distribution will make a total yield to the Paid-up Shareholders in Class 1 of £5 per cent., and to the Subscription Shareholders of £6 per cent., both interest and Bonus being free from Income Tax.

They also recommend that the sum of £15,000 be granted to the Staff Superannuation Fund and that £30,000 be written off Office Properties Account.

The new Accounts opened during the year numbered 79,297, and the total number of Shareholders and Depositors accounts open at the end of the year was 361,967, an increase of 32,743.

NEW BRANCHES.—New Branches have been opened at Baildon, Basingstoke, Bedford, Billingham, Chapel-en-le-Frith, Cheadle, Colne, Exeter, Farnham, Ilkeston, Luton, Maidstone, Norwich, Salisbury, West Hartlepool and High Wycombe.

NEW OFFICE PREMISES.—New and permanent office premises, staffed by the Society, have been opened during the year at Cleveleys, Croydon, Edinburgh, Glasgow, Hull, Liverpool, Manchester, Morley, Oldham and Stockport.

GENERAL.—The Directors very greatly regret to report the loss to the Society by the death of Sir William Ramsden, J.P., on the 22nd October last. He had been a Director of the Society since 1910, and served as President from 1921 to 1925, and from January, 1927, to the date of his decease. His long continued and devoted services during this period were of incalculable value to the Society.

In his place Sir Enoch Hill, J.P., the Vice-President, was elected President of the Society.

The Directors desire to congratulate the Members and Officials upon the remarkable expansion of the business of the Society during the past year, as revealed by the Statement of Accounts, and also upon the fact that the Society has still further strengthened the predominant position it has held for many years as by far the largest Building Society in the World.

ENOCH HILL, President.

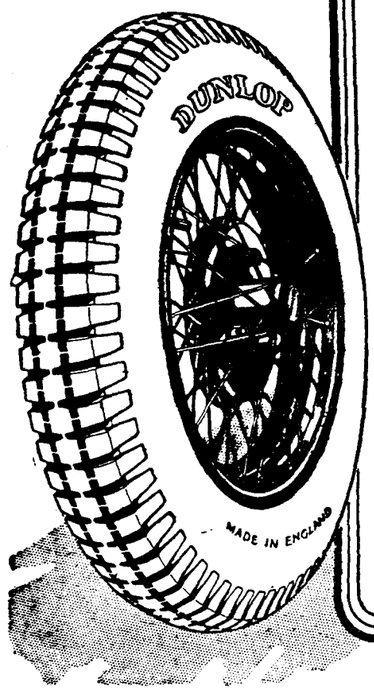
New Balance Sheet and Full Information Free on Application.

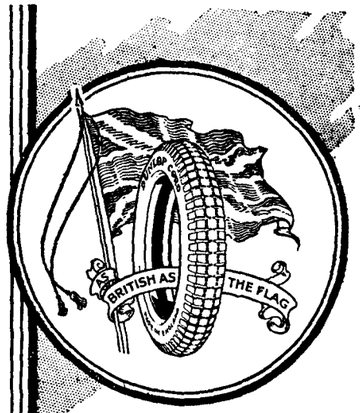
HEAD OFFICE: PERMANENT BUILDINGS, HALIFAX.
LONDON OFFICE: 124, CHARING CROSS ROAD, W.C.2.
Tel. Gerrard 4443.

"The bending of the wall"—

might be the title of a "crook" play, but here it describes something that happens to tyres. Bending or "flexing" goes on all the time a pneumatic tyre is working. Take a piece of cardboard, a piece of steel or a piece of wire. Bend them slightly, and you will find that you can repeat the bending over and over again until the materials break. But if you bend them *excessively* breakage occurs more quickly. Tyre 'walls' will stand more bending than the cardboard or the steel or the wire, but they will break unless they are supported by adequate air pressure.

Air in a Pneumatic Tyre is a free insurance policy. It is a vital element which alone makes possible the pneumatic principle. The "air doses" for the varying tyre sections are given in Dunlop literature available at any Dunlop Service Depot.





The Dunlop Triple-Stud Tread is your safeguard and the most efficient of non-skids.

DUNLOP

C.F.H. 999

Preliminary Notice.

An issue will be made on Monday next (March 18th)
BY THE

CENTRAL ARGENTINE RAILWAY LIMITED

OF

£3,000,000 Five per Cent. Redeemable Debenture Stock, 1967-87, at 94½ per cent.

Interest will be payable half-yearly on the 1st May and 1st November. The first payment, which will be for a full half-year's interest, will be made on 1st November, 1929.

The Stock will be repayable at par on the 1st May, 1987, but the Company reserves the right to redeem all or any part of the Stock at 102½ per cent. and accrued interest on any interest date after the 1st May, 1967, on three months' previous notice by the Company. In case of voluntary liquidation of the Company the Stock is repayable at £102 10s. per cent.

The Stock, when registered, will be transferable in amounts of £1 or multiples thereof.

The proceeds of the issue will be applied towards repayment of temporary advances from the Company's Bankers, the prosecution of various new works under construction by the Company, the acquisition of further rolling stock, and for the general purposes of the Company.

The net receipts, after deduction of fixed charges for the past four years, have been as follows:—

1924/1925	1925/1926	1926/1927	1927/1928
£2,597,712	£2,485,677	£3,297,461	£3,696,480

The annual charge for interest on the present issue of Five per Cent. Redeemable Debenture Stock is £150,000.

Prospectuses and forms of Application can be obtained this (Friday) afternoon at the Company's Offices, 3a, Coleman Street, E.C. 2, or from Messrs. Greenwood & Co., 28, Austin Friars, London, E.C. 2, or the Company's Bankers, Westminster Bank Limited, 41, Lothbury, E.C. 2.

COPIES OF THE OFFER FOR SALE ARE NOW AVAILABLE.

1,500,000 British Ordinary Shares of £1 each
of

The GENERAL ELECTRIC COMPANY, Ltd.

will be offered for sale at 42/- per share, on Monday next, March 18th, 1929,
by

THE BRITISH, FOREIGN & COLONIAL CORPORATION, LIMITED,
B.F.C. House, Gresham Street, E.C. 2.

THE OFFER FOR SALE WILL SHOW—

That the shares rank equally with the existing Ordinary Shares of the Company for dividends and all other rights.

That the published net profits of the Company, after providing for full depreciation, have been as follows:—

For the year ended March 31st,	1924	£395,930
" " " " " "	1925	584,588
" " " " " "	1926	629,016
" " " " " "	1927	584,382
" " " " " "	1928	611,839

and that the results for the current financial year will be quite up to the standard of the last three years.

That the net Assets of the Company at the date of the last Balance Sheet were	£7,292,101
to which should be added the proceeds of the present issue	3,000,000
Total	£10,292,101

That the Company was established in 1900 and is one of the largest manufacturers of electrical appliances of all kinds.

That the issued Share Capital of the Company is **£7,353,645.**

Copies of the OFFER FOR SALE and APPLICATION FORMS may be obtained from THE BRITISH, FOREIGN AND COLONIAL CORPORATION, LIMITED, B.F.C. House, Gresham Street, E.C. 2; and Bankers, MIDLAND BANK, LTD., Threadneedle Street, E.C. 2, and Branches; LLOYDS BANK, LTD., 20, King William Street, E.C. 4, and Branches, and MARTINS BANK, LTD., 12, Abchurch Lane, E.C. 4, and Branches, or the Brokers to the offer:

J. and A. SCRIMGEOUR,
6 Austin Friars, London, E.C. 2.
BUCHANAN, GAIRDNER, and TENNANT,
19 St. Vincent Place, Glasgow.
HORNBY, TOBIN and OCKLESTON,
3 Tithebarn Street, Liverpool.
PANMURE, GORDON & CO.,
1 St. Michael's Alley, E.C. 3.
FYSHE and HORTON,
5 Temple Row West, Birmingham.
COPPOCK and BRATBY,
57 King Street, Manchester.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, THURSDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 2, N. Man. 496 lb....	51	9
Eng. Gaz. av., per cwt.	9	9
Barley, Eng. Gaz. av.	10	3
Oats, " " "	9	7
Maize, La Plata, landed, 480 lb.	45	0
Flour, Lon. stan. ex mill, 280 lb.	37	6
Rice, No. 2 Burma, per cwt.....	12	10½
Sago, pearl, per cwt. 22	3 22	6
Tapioca, per cwt.—		
E.I. flake, fair spot 21	0 21	6
Medium pearl 20	0 21	0
Potatoes, good English, per ton... 120	0 130	0
MEAT—	s. d.	s. d.
Beef, per 8 lbs.—		
English sides.....	5 0	5 8
Argentine chilled hinds...	4 0	4 6
Mutton, per 8 lbs.—		
English wethers	6 0	7 4
N.Z. frozen "	3 2	5 4
Pork, English, per 8 lbs. ...	6 10	7 10

OTHER FOODS.

BACON—		
Irish .....per cwt.	106	0 118 0
Danish.....	99	0 108 0
Canadian.....	102	0 104 0
Dutch	88	0 101 0
HAMS—Irish.....	0	0 0 0
Canadian.....	0	0 0 0
American	95	0 109 6
BUTTER—		
Irish creamery per cwt.	0	0 0 0
Australian	160	0 176 0
New Zealand	164	0 182 0
Danish.....	181	0 182 0
CHEESE—		
Canadian ..... per cwt.	106	0 112 0
New Zealand	88	0 90 0
English Cheddars	130	0 144 0
Dutch	49	0 99 0
COCOA—		
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)		
Accra f.f., per cwt.	50	0 51 0
Trinidad	60	0 63 0
Grenada	50	0 60 0
COFFEE—		
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)		
E.I., good to fine, per cwt.	147	0 160 0
Costa Rica, good to fine...	155	0 183 6
Cent. Amer., mid to fine	130	0 150 0
Kenya, bold sizes	128	0 150 0
Colombian, mid to fine...	130	0 145 0
EGGS—		
English ..... per 120	21	0 22 6
Danish.....		nom.
FRUIT—		
Oranges, Denia & Val. 300	20	0 35 0
" " 360	20	0 26 0
" " 504	20	0 25 0
Jaffa " ..... boxes 144	22	0 27 0
Lemons, Naples boxes	15	6 0 0
Sicilian ..... boxes	0	0 17 0
" .....cases	17	0 30 0
Murcia ..... half cases	0	0 0 0
Malaga ...cases 420 No. 1	0	0 0 0
Apples: Amer. (var.) brls.	22	0 36 0
(var.) boxes	9	0 12 6
Onions, Valencia :—		
case 4s.	21	0 23 0
case 5s.	25	0 27 0

	s.	d.	s.	d.
FRUIT (*continued*)—				
Chestnuts, Huelva bags	10	0	0	0
Grapes, Almeria .....brls.	0	0	0	0
LARD—				
Irish bladders.....	66	0	72	0
American boxes 56 lbs.	64	3	64	6
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	3½	0	0
Black Lampong	1	5½	0	0
Cinnamon—1st sort, per lb.	2	3	0	0
Cloves—Zanzibar per lb.	1	5½	1	5½
Ginger—per cwt.—				
African	51	0	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	4	0	4	6
Nutmegs 65's	1	9	1	11
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	22	6	23	6
Java, white, c.i.f. India, July–Sept.	12	3	0	0
REFINED—London—				
Yellow Crystals	21	10½	0	0
Cubes	26	0	26	6
Crushed	24	9	25	3
Granulated	23	0	23	10½
Home Grown (prompt)	22	3	22	4½
TEA—				
(Duty 3½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	1	0	2	2
Broken Pekoe	1	0½	2	5½
Orange Pekoe.....	1	2	2	3
Broken Orange	1	2½	2	8½
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	4½	1	0

TEXTILES.

COTTON—	d.	
Mid-American .....per lb.	11·08	
Sakellaridis, f.g.f.	18·19	
Yarns, 32's twist	15½	
60's twist	26½	
FLAX—	£ s.	£ s.
Livonian ZK .....per ton	90 0	0 0
Pernau HD.....	80 0	0 0
Slanetz Medium 1st sort	89 0	0 0
HEMP—		
Italian P.C. ..... per ton	65 0	0 0
Manila, Apr.–June "J 2"	37 10	38 0
N.Z., H.P. fair Feb.–Apr.	34 10	0 0
JUTE—		
Native 1st mks....per ton		
Mar.–Apr.	34/15/0	0/0/0
Apr.–May	35/2/6	0/0/0
SILK—	s. d.	s. d.
Canton .....per lb.	17 0	19 0
Tussah.....	8 0	10 0
Japan	21 0	23 6
Italian—Raw, fr. Milan	21 0	23 6

WOOL—				
English Southdown, washed		d.		
per lb.		26½		
" Lincoln hog, washed		17½		
Queensland, scd. super cmbg.		42		
N.S.W. greasy, super "		24		
N.Z., grsy., half-bred 50–56		20		
Crossbred 40–44		16		
Tops—				
Merinos 70's		47		
" 64's		44½		
Crossbred 48's		25		
" 46's		23½		

MINERALS.

	s.	d.	s.	d.
COAL—				
Welsh, best Ad'ty...ton	20	0	21	0
Durham, best gas	14	9	15	6
Sheffield, best house ...	20	6	21	6
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	67	0	0	0
Bars, M'brough 205		0	0	0
Steel Rails, heavy.....170		0	0	0
Tin Plates, I.C., per box	18	0	18	3
METALS—	£	s.	£	s.
Copper, Electrolytic, ton	93	10	94	0
Sheets (strong) 116		0	0	0
Standard	85	0	85	5
Lead Eng. Pig ... per ton	25/0/0		0/0/0	
Soft Foreign	23/10/0		23/16/3	
Spelter G.O.B. 26/12/6			26/18/9	
Tin—English ingots ...	218/15/0		219/5/0	
Standard, cash	219/2/6		219/7/6	

MISCELLANEOUS.

	s.	d.	s.	d.
CHEMICALS—				
Acid, citric, per lb. less 5%	2	0½	2	1
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	10	10	0
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3½	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	28	0	28	10
CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
F.M. Straits, c.i.f., per ton Mar.–Apr.		nom.		
DRUGS—	s.	d.	s.	d.
Camphor—				
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	0	14	6
Peppermint, Wayne Co....	14	6	14	9

	s.	d.	s.	d.
HIDES—				
Wet salted—Australian per lb.	0	5½	0	7½
West Indian	0	4	0	7½
Cape	0	6	0	7½
Dry and Drysalted Cape...	0	9	1	0
Market Hides, London—				
Best heavy ox & heifer	0	7½	0	7
Best cow	0	6½	0	6
Best calf	1	10½	1	1½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.— per lb.	1	4	2	4
Bark Tanned Sole	2	6	3	0
Shoulders fm DS Hides	0	11	1	2
Do. Eng. or WS do.	1	2	1	8
Bellies from DS do.	0	9	1	0
Do. Eng. or WS do.	1	0	1	4
Dressing Hides.....	1	6	2	0
Ro. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Sides	1	0	1	6
VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	29	15	0	0
Rape, refined	44	0	0	0
Cotton-seed, crude	28	10	0	0
Coconut, crude.....	36	10	0	0
Palm	37	15	40	0
Oil Cakes, Linseed, Eng., per ton	12	15	30	0
Oil Seeds—Linseed—				
LaPlata,p.ton Mar.-Apr.	15/17/6		0	0
Calcutta, p.ton Apl.–May	18/10/0		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	45	6	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	13/10/0		34/5/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	18	5	24	15
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	1	0½	0	0
Fine Hard Para per lb.	1	1½	0	0
SHELLAC—				
TN Orange ... per cwt.	195	0	0	0
SHELLS—	£	s.	£	s.
W. Aust., M.-o.-P. "	4	0	12	10
TIMBER—			£	s. d.
Swedish u/s 3 x 8 per std.			19	0 0
Do. 2½ x 7 "			19	0 0
Do. 2 x 4 "			19	0 0
Can'dn Spruce, Dis. "			17	10 0
Pitchpine ..... per load			9	0 0
Rio Deals ..... per std.			32	0 0
Teak ..... per load			20	0 0
Honduras Mahg. logs c. ft.			0	11 6
African "			0	6 6
American Oak Boards "			0	6 0
Do. Ash "			0	6 0
English Oak Planks "			0	7 0
Do. Ash "			0	6 6

white, March 12s. 3d. to 12s. 3¾d., May 11s. 9¾d., August 12s. 3¾d.-12s. 4½d., December quoted 12s. 4½d. cwt. Cuban receipts last week totalled 244,250 tons, against 201,730 last year; exports 158,700, against 100,630; stocks, 1,032,540, against 912,670. Centrals working 163 tons against 171 last year. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending March 9th amounted to 140,644 tons, compared with 87,164 at corresponding period last year. U.K. imports last month 189,328 tons, against 132,921 at same time last year; consumption 163,320, against 116,698.

COFFEE.—The market continues to show general stability, and sustained absorption constituted a feature during the week. Kenya, bold sizes, sold 123s. 6d. to 147s.; peas, 126s. to 140s. Uganda, bold dull grey, 112s. 6d. Arusha, good bold colory, 129s. to 131s.; peas, 132s. 6d. to 134s. 6d. Kilimanjaro, bold, 117s. to 129s. 6d. Colombian, bold dull colory, 127s. 6d. Costa Rica, bold, from 134s. to 169s.; fancy, 183s. 6d.

COCOA.—Market generally quiet during the week. Accra F/F March-May, sold, 45s.-44s. 9d.; April-June, 46s.-45s. 6d., f.o.b. Terminal.—March, sold, 48s. 3d. to 48s.; May, 49s. 6d.; July. 51s. to 50s. 6d.; September, 52s. to 51s. 3d. and 51s. 9d.; December, 51s. 6d.

TEA.—Indian auctions during the week totalled 50,984 packages, which came to quite a good market in the main. Best autumnals and tippy teas were wanted and cleared at full prices, but brown and stalky mediums tended in buyers' favour. Later, a firm market, and common ¼d. to ½d. up. Southern Indian a shade easier in most cases owing to quality marking a falling off. Ceylon sales of 19,337 packages engaged active competition at firm to dearer rates. Improvement in quality was marked in many instances and much appreciated by buyers. Java and Sumatra met a good demand at firm prices. China teas met an improved sale and very fine Keemuns sold up to 3s., also fine Oolongs and supplies are now in narrow compass. Siftings at 5d. to 6d. per lb. meet with attention.

RICE.—Market dull and Burma grain weak. Two stars March-April, 12s. 10½d. c.i.f. London, S.Q. to Cuba, double bags, 13s. 3d.; Spanish to London, 18s. 6d.

BEANS.—A subdued tone characterised this market, but prices held together very well. Madagascar butters afloat steamer "Clan Macintosh," also per "Eugene Erossos," sellers, 40s. 6d. Rangoon haricots, April 15th, 19s.; April, 18s. 6d.; May, 18s., cwt. c.i.f. London.

PEAS.—A quiet but steady market. Japanese afloat 19s. 6d. to 21s. as to position. February-March, 19s. 6d.; March-April, 19s. 3d.; April-May, 19s., cwt. c.i.f.

SPICE.—Pepper market firm with fair inquiries. Lampong May-July, sold, 1s. 3⅜d.; August-October, 1s. 2⅝d.; Muntok, white, March-May, 2s. 2¾d.; May-July, 2s. 2¾d.; August-October, 1s. 11½d. lb. London stocks increased 42 tons on the week. Tellicherry, January-March, quoted, 154s., with sales in Aleppy, March-May, to New York at 152s. cwt. c.i.f. Cloves dearer. Zanzibar, spot, sold, 1s. 5½d.-1s. 6d.; March-May, sellers, 1s. 6d. lb. African ginger, spot, London, 51s.; March-May, steamer, 45s. cwt. c.i.f. Tapioca and Sago flour unaltered.

FRUIT (Dried)—Currants firm with improved inquiries. Pyrgos quoted, 45s. 6d.-46s. 6d.; Patras, 47s. 6d.; choice, up to 51s.; Amalias, 46s.-46s. 6d.; Gulf, 47s. 6d.-50s.; Vostizza, 49s.-57s. Sultanas attract more attention. Medium to good Smyrna, spot, 27s. 6d.-35s.; new, ranging from 34s.-50s. Californian soda, bleached, 34s.-36s.; unbleached, 28s.-29s.; Cape, unbleached, 33s.-37s.; bleached, 45s.-50s. Raisins, slow of sale, but Valencias steady. Quarter boxes quoted 50s.-55s.; Australian, 32s.-36s. Figs quieter. Genuine new, spot, 28s.-29s. Dates continue in fair request. Hallowie, new, spot, 28s.-30s.; Khadrowie, 23s.; Siar, 15s.-17s.

EVAPORATED FRUITS.—With available stocks in manageable compass the market continues very steady for all descriptions, plums tending dearer, while there was a fair trade in force. Pears and apricots being in chief request. Californian plums. 20's-30's, 65s.; 30's-40's, 56s.-57s.; 60's-70's, 43s.-43s. 6d. Australian pears range from 57s. 6d.-70s. as to quality; Lake County, good, 67s. 6d.-70s. Apricots, South African new crop, Royal, 60s.-117s. 6d.; Cape, 72s. 6d.-82s. 6d.; Californian, 85s.-117s. 6d. Peaches, Californian, choice, 50s.; extra choice, 53s.; fancy, 58s. Apples, Californian, *spot, sliced, extra choice, 64s. Almonds quiet, but* generally steady. Mazagan, 140s.; Mogador, 140s.; Majorcas, 142s. 6d.; Bitter-Jordan, 185s.-210s. cwt.

CANNED GOODS.

CANNED FRUITS.—A return to milder climatic conditions has improved trade prospects, but demand at the moment is still largely measured by immediate wants. Prices generally are maintained, although slight pressure is shown on certain lines. Forward quotations remain steady, but with slow support accorded. Singapore pines move off slowly, both spot and forward, but South African find a fairly ready sale, and distant shipments reservedly offered. Tomatoes sold quietly on about former.

CANNED FISH.—Sardines quiet except for some inquiry for best quality. Portuguese clubs quoted 5s. per dozen tins. Lobsters slow of sale. Best halves, 140s.-145s., and quarters, 77s. 6d.-82s. 6d. Salmon quiet but fully steady. Red talls spot, 42s. 6d.-44s. 6d.; pink talls spot, 26s.-27s. 6d.; halves, 31s. 6d.-34s. Japanese crab firm and finest quality, 97s. 6d.-100s.

CANNED MEATS.—Demand slow but Ox tongues realise firm rates on restricted offerings. Lunch tongues steady and forward business increasing. Danish cooked hams also move off freely at about 1s. 7d. per lb. for cases of 6 tins.

CONDENSED MILK AND MILK POWDERS.—Spot steady but forward, parcels again the turn in buyers' favour. Full cream sweetened English spot, 45s.; Dutch ditto, 38s. 3d., March-April, 37s. 6d. Machine skimmed sweetened English spot, 30s.; Dutch ditto, 24s., March-April, 23s. 6d., all in 5 cwt. barrels. Powders: Spray F.C., 26 per cent., 2 lb. by 56 lb. tins, crated, prompt, 92s.; M.S. (1 cwt. cases), prompt, 40s.; Roller process F.C., 26 per cent., prompt, 78s.; M.S. ditto, 31s.; all net, duty paid, ex-wharf London. On the grocery side, F.C.S., 21s.; M.S.S., 10s., basis per case, usual packing. Danish cream: Evaporated unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d. Sweetened condensed, 48 by 14 oz., 20s. per case.

HONEY.—Market firm with a good demand. Good pale Jamaica on the spot quoted 55s.; light amber, 47s. 6d.; and manufacturing grades, 45s. New Zealand dark amber quoted 50s.-55s.; medium, 56s.-65s.; light, 65s.-85s.; whites and water whites, 65s.-87s. 6d. cwt.

RUBBER.

Business again conducted quietly, and prices are barely steady. Sheet, spot and March, sold 1s. 0⅜d., 1s. 0⅝d., 1s. 0⅜d.; April-June, 1s. 1d.-1s. 0⅜d., 1s. 0⅜d.; July-September, 1s. 1¼d., 1s. 0⅞d.; October-December, 1s. 1⅜d., 1s. 1¼d. To New York, sheet, March-April, 1s. 0⅜d. lb. c.i.f. American Questionnaire figures for last month: Arrivals, 64,538 tons; consumption, 40,690; quantity afloat, 63,825; stocks, 90,558 tons. London stocks increased by 479 tons on the week at 25,920, against 61,920 at same time last year; landings amounted to 1,854; deliveries, 1,375. Liverpool stocks reduced 119 tons on the week, landings being 81, deliveries 200, stocks 4,136.

GENERAL.

JUTE.—Firm but quiet. Firsts March-April sold £34 12s. 6d.; £34 7s. 6d.; April-May, £34 15s.; May-June, £35 10s. to £35 2s. 6d. Lightings, March-April, sellers, £33 10s. ton.

HEMP.—Manila grades still sparingly offered and prices gradually move upward, while there is some revival in spinning demand. J.2, April-June, quoted £38; K. 34s. 10d.; L.1, £35; L.2, £30 10s.; M.1, £31 10s.; M.2, £28 10s.; F, £64; S.1, £63; S.2, £55; S.3, £44; H, £35; G, £40; C.2, £35; C.3, £31 10s. ton. Sisal quiet but steady. Mexican receipts last week, 11,000; deliveries, 11,000; stocks, 49,000. Manila receipts last week 33,000 bales, against 25,000 last year; estimate for next week 35,000, and following week 29,000. Shipments to U.K. last week 4,000 bales, Continent 8,000, U.S.A. 14,000, other countries 6,000.

SHELLAC.—Steady quiet. T.N. spot 195s., May 187s. 6d. August 192s. 6d. cwt.

COPRA.—Market quiet and rather featureless. Straits to Rotterdam, March-April, quoted £23 3s. 9d.; April-May, £23 7s. 6d.; May-June, £23 10s.; June-July, £23 17s. 6d. Dutch East Indies, March-April, £22 18s. 9d. Ceylon, March-April, £24 10s.; May-June, £24 12s. 6d. South Sea, sun-dried, March-April, £22 10s. To Marseilles, smoked, South Sea, March-April, £22 7s. 6d. Palm kernels to Hamburg, March-April, £18 18s. 9d. ton.

MISCELLANEOUS.—Coconuts quoted 18s. to 24s. per 100. Coir yarn, Ceylon, £19 to £39 10s.; Cochin, £23 to £40 5s.; Ceylon bristle, £19 to £24 15s.; cinnamon leaf oil, 5½d.; citronella, Ceylon, 1s. 11d.; Java, 2s.

METROPOLITAN CATTLE.—March 13.

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

	s. d.	s. d.		s. d.	s. d.
Beasts—Norfolk	6 4	6 6	Beasts—Heavy Bulls	...	...
Irish	...	...	Canadian	...	...
Cambridge.....	...	...	Sheep—Downs	9 0	10 4
Short Horns	5 6	6 2	Half bred	...	...
Herefords	...	...	Ewes	...	...
Devons	...	...	Scottish	...	...
Leicester runts	...	...	Lamb—Downs	12 0	...

LONDON POTATO MARKETS.—March 13.

	Per Cwt.	
	s. d.	s. d.
English King Edward—Lincoln	6 0	6 6
White varieties.....	4 6	5 0

SCOTTISH FINANCE COMPANY LIMITED

announces that the issue for subscription at par of

1,500,000 SHARES OF 2/- EACH

in

THE SALERNI COUPLING LIMITED

will be made next week.

The Capital of the Company is £300,000, divided into 3,000,000 shares of 2s. each.
The Prospectus will show that:—

1. **The Salerni Coupling entirely removes the difficulty of changing gears either up or down at any speed, infallibly, silently and without shock, prolongs the life of the engine and materially reduces running costs, provides all the advantages of "coasting" without the loss of engine-braking, and weakness and defects of "free-wheel" mechanisms. Can be included in the transmission system at a trifling cost.**
2. **The Company secures a contract for the sale of a minimum of 50,000 Couplings in the first year, rising to 100,000 a year, which will show 20 per cent. on its capital, issued and under option. A deposit of £12,500 in cash has already been paid on this account.**
3. **Mr. Salerni, the Inventor, takes the post of Technical Adviser for five years, and Mr. Geo. W. Watson, M.I.Mech.E., M.I.A.E., becomes Consulting Engineer.**

BANKERS.

LLOYDS BANK, LIMITED, City Office, 20, King William Street, London, E.C. 4, and Branches.
THE NATIONAL BANK OF SCOTLAND, LIMITED, Head Office, Edinburgh, London, and Branches.

BROKERS.

T. GORDON HENSLER AND CO., Capel House, 62, New Broad Street, London, E.C. 2, and Stock Exchange.
ALBERT E. BARTLETT AND CO., Shannon Court, Corn Street, Bristol, and Stock Exchange.
R. AND F. WOOTTON AND WOOLLEY, 41, Church Street, Birmingham, and Stock Exchange.

ISSUING HOUSE.

SCOTTISH FINANCE COMPANY, LIMITED, 3, London Wall Buildings, London, E.C. 2, and 14, St. Vincent Place, Glasgow, C. 1.

Prospectuses are now available, and may be obtained from the Bankers, Brokers and Issuing House as above.

THE HALIFAX

THE WORLD'S LARGEST BUILDING SOCIETY.

GREAT INCREASE OF BUSINESS.
TOTAL ASSETS - £54,155,000.

ANNUAL REPORT OF THE DIRECTORS

to be presented to the Shareholders at the Annual General Meeting of the Society, to be held at Halifax, on Monday, the 25th day of March, 1929.

The Directors have great pleasure in submitting to the Members the Annual Statement of Accounts, shewing the operations of the Society during the financial year ended the 31st January, 1929.

The business of the Society for the year has been highly satisfactory, and there have been large increases in the Funds and Membership.

On the 1st February, 1928, the Halifax Permanent Building Society and the Halifax Equitable Building Society were legally united under the name of "The Halifax Building Society," and the Statement of Accounts now presented covers the transactions of the Society for the first year from the date of the amalgamation.

ASSETS.—The Total Assets at the end of the year amounted to £54,155,040 5s. 2d., an increase of £7,173,558 2s. 1d.

RESERVE FUND.—The Reserve Fund, after providing for all interest and bonus allotted up to the date of the account, stands at £1,689,238 19s. 4d., being an increase of £228,038 0s. 6d.

INCOME.—The Income for the Year, exclusive of investments realised, was £30,683,773 10s. 10d.

MORTGAGES.—The amount advanced upon new mortgages during the year was £10,214,528 12s. 7d., mainly upon the security of dwelling-houses acquired by borrowers for their personal occupation.

The new Borrowers number 20,936, shewing an average of only £488 per new mortgage completed. The total amount now due upon Mortgages is £40,570,655, an increase during the year of £2,456,670, and the total number of Borrowers is 106,896, an increase of 9,396.

Of this total 81 per cent. are in respect of Mortgages where the debt does not exceed £500, and the average amount owing on all the Society's mortgages is only £379 each. The Mortgage Accounts are in an entirely satisfactory condition, and there are no properties of borrowers in the possession of the Society to be reported in the statutory Schedule.

SHARE AND DEPOSIT FUNDS.—The amount standing to the credit of the Investing Shareholders and Depositors is £52,465,801 5s. 10d., being £6,945,520 1s. 7d. of an increase during the year.

PROFITS.—The gross profit of the year, after payment of all expenses and Income Tax, amounted to £2,459,564 7s. 5d., and after providing for all interest due to Depositors and Shareholders up to the date of the Account, there remains a surplus profit of £414,875 2s. 9d.

The Directors recommend that there shall be distributed in addition to the interest, a bonus of £1 10s. 0d. per cent. upon the sum standing to the credit of Paid-up Shareholders, Class 1, and a bonus of £2 10s. 0d. per cent. to the Subscription Investing Shareholders upon the total amount paid by them up to the end of the preceding year.

This distribution will make a total yield to the Paid-up Shareholders in Class 1 of £5 per cent., and to the Subscription Shareholders of £6 per cent., both interest and Bonus being free from Income Tax.

They also recommend that the sum of £15,000 be granted to the Staff Superannuation Fund and that £30,000 be written off Office Properties Account.

The new Accounts opened during the year numbered 79,297, and the total number of Shareholders and Depositors accounts open at the end of the year was 361,967, an increase of 32,743.

NEW BRANCHES.—New Branches have been opened at Baildon, Basingstoke, Bedford, Billingham, Chapel-en-le-Frith, Cheadle, Colne, Exeter, Farnham, Ilkeston, Luton, Maidstone, Norwich, Salisbury, West Hartlepool and High Wycombe.

NEW OFFICE PREMISES.—New and permanent office premises, staffed by the Society, have been opened during the year at Cleveleys, Croydon, Edinburgh, Glasgow, Hull, Liverpool, Manchester, Morley, Oldham and Stockport.

GENERAL.—The Directors very greatly regret to report the loss to the Society by the death of Sir William Ramsden, J.P., on the 22nd October last. He had been a Director of the Society since 1910, and served as President from 1921 to 1925, and from January, 1927, to the date of his decease. His long continued and devoted services during this period were of incalculable value to the Society.

In his place Sir Enoch Hill, J.P., the Vice-President, was elected President of the Society.

The Directors desire to congratulate the Members and Officials upon the remarkable expansion of the business of the Society during the past year, as revealed by the Statement of Accounts, and also upon the fact that the Society has still further strengthened the predominant position it has held for many years as by far the largest Building Society in the World.

ENOCH HILL, President.

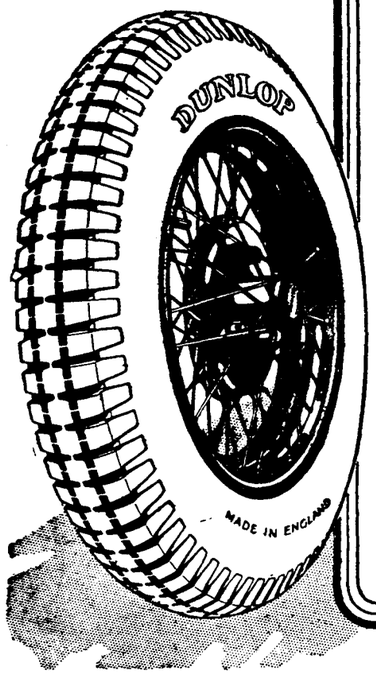
New Balance Sheet and Full Information Free on Application.

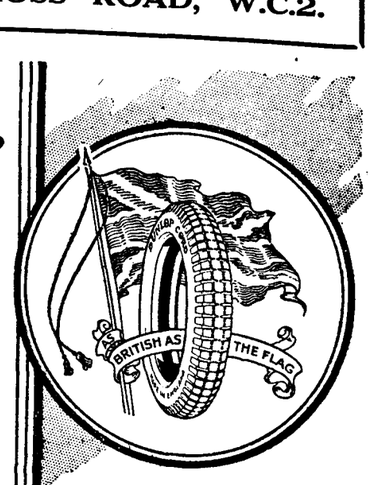
HEAD OFFICE: PERMANENT BUILDINGS, HALIFAX.
LONDON OFFICE: 124, CHARING CROSS ROAD, W.C.2.
Tel. Gerrard 4443.

"The bending of the 'wall'"

might be the title of a "crook" play, but here it describes something that happens to tyres. Bending or "flexing" goes on all the time a pneumatic tyre is working. Take a piece of cardboard, a piece of steel or a piece of wire. Bend them slightly, and you will find that you can repeat the bending over and over again until the materials break. But if you bend them *excessively* breakage occurs more quickly. Tyre 'walls' will stand more bending than the cardboard or the steel or the wire, but they will break unless they are supported by adequate air pressure.

Air in a Pneumatic Tyre is a free insurance policy. It is a vital element which alone makes possible the pneumatic principle. The "air doses" for the varying tyre sections are given in Dunlop literature available at any Dunlop Service Depot.





The Dunlop Triple-Stud Tread is your safeguard and the most efficient of non-skids.

DUNLOP

C.F.H. 999

Preliminary Notice.

An issue will be made on Monday next (March 18th)

BY THE

CENTRAL ARGENTINE RAILWAY LIMITED

OF

£3,000,000 Five per Cent. Redeemable Debenture Stock, 1967-87, at 94½ per cent.

Interest will be payable half-yearly on the 1st May and 1st November. The first payment, which will be for a full half-year's interest, will be made on 1st November, 1929.

The Stock will be repayable at par on the 1st May, 1987, but the Company reserves the right to redeem all or any part of the Stock at 102½ per cent. and accrued interest on any interest date after the 1st May, 1967, on three months' previous notice by the Company. In case of voluntary liquidation of the Company the Stock is repayable at £102 10s. per cent.

The Stock, when registered, will be transferable in amounts of £1 or multiples thereof.

The proceeds of the issue will be applied towards repayment of temporary advances from the Company's Bankers, the prosecution of various new works under construction by the Company, the acquisition of further rolling stock, and for the general purposes of the Company.

The net receipts, after deduction of fixed charges for the past four years, have been as follows:—

1924/1925	1925/1926	1926/1927	1927/1928
£2,597,712	£2,485,677	£3,297,461	£3,696,480

The annual charge for interest on the present issue of Five per Cent. Redeemable Debenture Stock is £150,000.

Prospectuses and forms of Application can be obtained this (Friday) afternoon at the Company's Offices, 3a, Coleman Street, E.C. 2, or from Messrs. Greenwood & Co., 28, Austin Friars, London, E.C. 2, or the Company's Bankers, Westminster Bank Limited, 41, Lothbury, E.C. 2.

COPIES OF THE OFFER FOR SALE ARE NOW AVAILABLE.

1,500,000 British Ordinary Shares of £1 each
of
The GENERAL ELECTRIC COMPANY, Ltd.

will be offered for sale at 42/- per share, on Monday next, March 18th, 1929,
by
THE BRITISH, FOREIGN & COLONIAL CORPORATION, LIMITED,
B.F.C. House, Gresham Street, E.C. 2.

THE OFFER FOR SALE WILL SHOW—

That the shares rank equally with the existing Ordinary Shares of the Company for dividends and all other rights.

That the published net profits of the Company, after providing for full depreciation, have been as follows:—

For the year ended March 31st,	1924	£395,930
" " " " " "	1925	584,588
" " " " " "	1926	629,016
" " " " " "	1927	584,382
" " " " " "	1928	611,839

and that the results for the current financial year will be quite up to the standard of the last three years.

That the net Assets of the Company at the date of the last Balance Sheet were £7,292,101
to which should be added the proceeds of the present issue 3,000,000
Total £10,292,101

That the Company was established in 1900 and is one of the largest manufacturers of electrical appliances of all kinds.

That the issued Share Capital of the Company is **£7,353,645.**

Copies of the OFFER FOR SALE and APPLICATION FORMS may be obtained from THE BRITISH, FOREIGN AND COLONIAL CORPORATION, LIMITED, B.F.C. House, Gresham Street, E.C. 2; and Bankers, MIDLAND BANK, LTD., Threadneedle Street, E.C. 2, and Branches; LLOYDS BANK, LTD., 20, King William Street, E.C. 4, and Branches, and MARTINS BANK, LTD., 12, Abchurch Lane, E.C. 4, and Branches, or the Brokers to the offer:

J. and A. SCRIMGEOUR,
6 Austin Friars, London, E.C. 2.
BUCHANAN, GAIRDNER, and TENNANT,
19 St. Vincent Place, Glasgow.
HORNBY, TOBIN and OCKLESTON,
3 Tithebarn Street, Liverpool.
PANMURE, GORDON & CO.,
1 St. Michael's Alley, E.C. 3.
FYSHE and HORTON,
5 Temple Row West, Birmingham.
COPPOCK and BRATSY,
57 King Street, Manchester.

This Statement is issued in accordance with the regulations of the Committee of the London Stock Exchange, is for information only, and is not an invitation to subscribe. The directors, individually and collectively, are responsible for the information contained in the statement.

CONSOLIDATED INVESTMENT CORPORATION OF CANADA.

(Incorporated with limited liability under the laws of the Province of Quebec, Canada.)

SHARE CAPITAL.

	Authorised.	Now being Issued.
5% Cumulative Preferred Shares par value $100	**$25,000,000**	**$10,000,000**
Common Shares, no par value	**1,500,000 Shrs.****	**1,375,000 Shrs.***

* Including 250,000 shares deposited with Montreal Trust Company to satisfy warrants entitling the holders of $15,000,000 bonds of Series "A" and of the Preferred shares now being issued to receive without additional cost fully paid common shares of no par value of the Corporation as hereinafter provided.
**The Corporation will reserve 125,000 common shares for issue from time to time to holders of $15,000,000 bonds of Series "A" and of this issue of preferred shares exercising common share purchase rights attaching thereto.

LOAN CAPITAL.

First Collateral Trust Gold Bonds	**$30,000,000**	**$15,000,000†**

† 4½% Bonds due 1959 Series "A."

Consolidated Investment Corporation of Canada was incorporated 11th February, 1929, under the laws of the Province of Quebec, with powers to invest and re-invest its resources in government, municipal, public service and industrial bonds and shares, to participate in underwritings, to organise or assist in organising companies and syndicates, to act as managers, and to engage in public service, financial, commercial and other undertakings. The policy of the Corporation will be to distribute its investments and operations over a broad range of enterprises both domestic and foreign.

The preferred shares will be preferred as to capital and will carry the right to cumulative preferred dividends at the rate of 5 per cent. per annum payable quarterly, by cheque or warrant in Canadian funds, but will not be entitled to further participate in the profits of the Corporation. The preferred shares now being issued will be cumulative from March 1st, 1929. Preferred shares will be transferable on registers kept in Montreal and Toronto.

Preferred shares will be redeemable as a whole or in part at the option of the Corporation on any dividend payment date on sixty days' notice at 105 plus accrued and unpaid dividends to date of redemption. In the event of voluntary liquidation of the Corporation holders of preferred shares shall be entitled to receive 105 for their shares plus accrued and unpaid dividends and in the event of enforced liquidation such holders shall be entitled to receive par plus accrued and unpaid dividends, in either case prior to any distribution to holders of any other class of shares of capital stock.

No modification of the priorities, privileges and limitations affecting the preferred shares and no increase in the authorised amount thereof and no sale of the Corporation's undertaking shall be made except with the consent of the preferred shareholders expressed by the vote of the holders of at least three-quarters in value of the preferred shares represented at a meeting called for that purpose at which holders of not less than a majority of the then outstanding preferred shares are represented. Except as aforesaid the preferred shares carry no voting rights unless and so long as dividends to the extent of 7½ per cent. or more on the preferred shares are in arrears and unpaid, in which case the preferred shareholders will have one vote per share.

A non-detachable warrant will be attached to each certificate for preferred shares now to be issued entitling the holders to receive, without additional cost, on surrender of such warrant, from Montreal Trust Company (on the record date of the first dividend on the common shares declared by the directors of the Corporation, or, at the option of the directors of the Corporation, at an earlier date) one fully paid common share for each preferred share represented by such certificates. In the event that the warrant becomes exercisable by reason of the declaration of such dividend, the shares represented by such warrant will carry the dividend so declared. If any such preferred share is called for redemption but not otherwise the holder will have the right to detach the share warrant.

Additional non-detachable warrants will be attached to the certificates for this issue of preferred shares giving holders of such preferred shares upon application and presentation to Montreal Trust Company, on or before February 15th, 1934, of their preferred share certificates, with such warrants attached, the right to purchase from the Corporation at $30 per share one common share without nominal or par value, for each two preferred shares then held by them respectively. At any time before February 15th, 1934, the directors of the Corporation, at their option, may declare such non-detachable warrants exchangeable for negotiable warrants on presentation to Montreal Trust Company of preferred share certificates for detachment and cancellation of the share purchase warrants attached thereto. Provision will be made for the issue of negotiable fractional warrants. If any preferred share carrying this common share purchase right is redeemed on or prior to February 15th, 1934, the holder thereof will be entitled, notwithstanding the call for redemption, to exercise this right in respect of such preferred share at any time before the redemption date.

An appropriate adjustment in the number and price of shares purchasable as aforesaid and in the number of common shares represented by warrants shall be made in case the Corporation's common shares shall be sub-divided or combined into a different number of shares.

In the event of the reconstruction of the Corporation (otherwise than by the increase in the amount or number of its authorised or outstanding preferred or common shares, or by sub-dividing or combining the common shares which the Corporation will reserve the right at any time to effect) or in the event of the merger or amalgamation of the Corporation or the sale of its assets as an entirety the Corporation shall be entitled on not less than sixty days' notice to terminate the share purchase right, but this right may be exercised at any time prior to such termination.

Scrip certificates to bearer have been issued for the shares now being issued, and these certificates will be exchangeable for the company's definitive certificates in due course. Notice will be given in the press when the Scrip Certificates, with the form endorsed thereon duly completed, may be lodged for exchange for the definitive certificate at the office of Wood, Gundy and Company, Limited (Incorporated in Canada), 14, Cornhill, London, E.C. 3.

The 30-year first collateral trust gold bonds 4½ per cent. Series "A" carry non-detachable warrants entitling holders to receive common shares (without additional cost) at the rate of 10 such shares for each $1,000 principal amount of bonds. Holders of such bonds will also be entitled to purchase on or before 15th February, 1934, additional common shares at $30 per share, at the rate of 5 such shares for each $1,000 principal amount of bonds. Under the terms of the trust deed there will be initially pledged with the trustee under the first specific lien of the deed marketable securities (or cash) having a current market value of not less than $18,750,000. The bonds will be additionally secured by a floating charge on all other assets of the Corporation. The bonds are redeemable at par on 15th February, 1959, or prior to that date in whole or in part on 60 days' notice at any time at 105 and accrued interest.

Messrs. Wood, Gundy and Company, Limited, by contract dated February 13th, 1929, have agreed to purchase from the Corporation the entire present issues of $15,000,000 30-year First Collateral Trust Gold Bonds 4½ per cent. Series "A" and $10,000,000 preferred shares together with 1,374,990 common shares of no par value for the net sum of $32,000,000 in cash. Ten common shares have been subscribed for by the applicants for the charter, have been allotted to them and are fully paid. Messrs. Wood, Gundy and Company, Limited, are paying all the incorporation and organisation expenses and the cost of placing the said $15,000,000 4½ per cent. bonds and $10,000,000 preferred shares, including the cost of printing the debentures and the initial cost of impressing the certificates (in denominations of ten shares each or less) for the preferred shares with the British Government stamp. Mr. James H. Gundy and Mr. William E. Wilder are directors and shareholders in Wood, Gundy and Company, Limited, and, therefore, interested in the above mentioned contract. No other contract (except in the ordinary course of business) has been entered into by the Corporation. Copies of this contract, together with the Letters Patent and bylaws, will be available for inspection at the offices of Messrs. Slaughter and May, 18, Austin Friars, London, E.C., for seven days from date of publication of this statement, during the ordinary business hours.

The Corporation was incorporated on the 14th February, 1929, and no dividends have been paid on either class of shares.

Provisions to the following effect are included in the charter or bylaws of the Corporation:—

For management expenses of the Corporation during each financial year, the directors may set aside out of the income of the Corporation for such year a sum equal to not more than ¼ of 1 per cent. of the Corporation's total funds.

Of the sum set aside in each financial year or period, the directors shall meet and discharge all the management expenses of the Corporation during such year or period, including the remuneration of the directors, who shall be entitled to receive (in such proportion and manner as they may agree, and failing agreement equally) as their remuneration for their services during such year, or period, any balance of the sum so set aside remaining after payment of all the other management expenses. The shareholders of the Corporation, in general meeting, may vote the directors further remuneration for their services. Provided, however, that no remuneration shall be paid to the directors for their services unless and until the first dividend is declared and paid in respect of the outstanding common shares of the Corporation's capital stock. The directors may from time to time appoint one or more of their body to the office of managing director at such remuneration (whether by way of salary or commission or participation in profits or partly in one way or partly in another) as the directors may think fit.

For the purpose of the last preceding paragraph, the expression "Management Expenses" shall mean and include rent of offices, rates and other ordinary office expenses, salaries or remuneration of the secretaries, managers, clerks and other employees, directors' ordinary remuneration and generally all ordinary management and administrative expenses of the Corporation, but shall not include directors' travelling expenses, managing director's remuneration (if any), auditors' fees, legal expenses, commission or brokerage payable on purchase, sales or changes of securities and investments, cables, income or other taxes or expenses of or in connection with any issue of the Corporation's shares or securities.

Each director during his tenure of office shall own absolutely in his own right at least one common share of the capital stock of the Corporation, and shall not be in arrears of any calls thereon.

The directors are authorised to borrow money and obtain advances upon the credit of the Corporation from any bank, corporation, firm or person, and upon such terms, covenants and conditions at such time in such sums as the Board of Directors in their discretion may deem expedient.

DIRECTORS.

JAMES H. GUNDY, President.
President, Wood, Gundy & Company Limited.
Director, Canada Cement Company Limited.
Director, Massey-Harris Company Limited.
Director, British Columbia Power Corporation Limited.

GEORGE H. MONTGOMERY, K.C.
Director, Montreal Light, Heat & Power Consolidated.
Director, Montreal Tramways Company.
Director, The North American Life Assurance Company.
Director, Canada Power & Paper Corporation.

SIR HERBERT S. HOLT.
President, The Royal Bank of Canada.
President, Montreal Light, Heat & Power Consolidated.
President, Montreal Trust Company.
Director, Canadian Pacific Railway Company.

C. B. McNAUGHT.
Vice-President, The Goodyear Tire and Rubber Company of Canada Limited.
Director, Sun Life Assurance Company of Canada.
Director, The Royal Bank of Canada.
Director, Dominion Bridge Company Limited.

WILLIAM E. WILDER.
Vice-President, Wood, Gundy & Company Limited.
Director, London Canadian Investment Corporation.
Director, Howard Smith Paper Mills, Limited.
Director, Canada Power & Paper Corporation.

BANKERS.
THE ROYAL BANK OF CANADA.
SOLICITORS TO THE CORPORATION.
BROWN, MONTGOMERY & McMICHAEL,
The Royal Bank Building, Montreal.
REGISTERED OFFICE.
The Royal Bank Building, Montreal.
TRANSFER AGENT.
Montreal Trust Company.

LONDON BROKERS.
ROWE & PITMAN, 48 Bishopsgate, London, E.C. 2.
AUDITORS.
PRICE, WATERHOUSE & COMPANY, Montreal.
TRUSTEES FOR BONDHOLDERS.
Montreal Trust Company.
REGISTRAR.
The Royal Trust Company.

14th March, 1929.

HONGKONG AND SHANGHAI BANKING CORPORATION

ONE HUNDRED AND THIRTEENTH REPORT OF THE COURT OF DIRECTORS to the Ordinary Yearly General Meeting of Shareholders, held at the City Hall, Hongkong, on Saturday, 23rd February, 1929, at Noon.

TO THE PROPRIETORS OF THE HONGKONG AND SHANGHAI BANKING CORPORATION.

Gentlemen,—The Directors have now to submit to you a General Statement of the affairs of the Bank, and Balance Sheet for the year ending 31st December, 1928.

The net profits for the year, together with $3,411,430·90 balance brought forward from last account, after paying all charges, deducting interest paid and due, and making provision for bad and doubtful accounts and contingencies, amount to $16,841,492·51.

The Directors recommend writing off Bank Premises Account the sum of $750,000.

After making this transfer, deducting the Interim Dividend of £3 per share, paid on 7th August last, viz., £480,000 at 2s. 0⅛d. = $4,726,153·85, and Remuneration to Directors, there remains for appropriation $11,315,338·66, out of which the Directors recommend the payment of a Final Dividend of £3 per Share, viz., £480,000, and a Bonus of £2 per Share, viz., £320,000, amounting in all to £800,000, which, at 2s. 0⅛d., the rate of the day, will absorb $7,917,525·77.

The Balance, $3,397,812·89, to be carried to New Profit and Loss Account.

The Sterling equivalents of the Assets and Liabilities are shown at 2s. 0⅛d., the rate ruling on the last day of the year.

BRANCHES AND AGENCIES.

A Sub-Agency of the Bank was opened at Kowloon on 2nd January, 1929.

DIRECTORS.

Mr. Nellage S. Brown has been elected Chairman for the year 1929, and Mr. W. H. Bell has been elected Deputy-Chairman.

Mr. D. G. M. Bernard, Mr. A. MacGowan and Mr. P. W. Massey resigned their seats on leaving the Colony, and Mr. J. A. Plummer, Mr. B. D. F. Belth and Mr. B. Lander Lewis were invited to join the Board.

These appointments require confirmation at this Meeting.

Mr. H. P. White, Mr. T. G. Weall and Mr. W. H. Bell retire in rotation, but being eligible for re-election, offer themselves accordingly.

AUDITORS.

The accounts have been audited by Mr. C. Bernard Brown, A.C.A., and Mr. John Fleming, C.A., who offer themselves for re-election.

A. H. COMPTON, Chairman.

Hongkong, 5th February, 1929.

ABSTRACT OF ASSETS AND LIABILITIES.
31st December, 1928.

LIABILITIES.		Sterling Equivalent. £ s. d.	Dollars.
Authorised Capital:—			
400,000 Shares of $125 each	$50,000,000		
Issued and Paid-up Capital:—			
160,000 Shares of $125 each		2,020,833 6 8	20,000,000·00
Reserve Liability of Proprietors:—			
$125 per Share on 160,000 Shares issued	$20,000,000		
Sterling Reserve		6,000,000 0 0	59,381,443·29
Silver Reserve		1,414,583 6 8	14,000,000·00
Notes in Circulation:—			
(Authorised and Additional Issue against Securities and Coin amounting to $63,216,437·36 deposited with the Crown Agents for the Colonies, their Trustees, and the Hongkong Government)		4,887,237 19 11	48,368,541·00
Current Accounts		38,016,600 14 7	376,246,770·08
Fixed Deposits		17,354,198 17 0	171,752,895·85
Bills Payable:—			
(Including Call Loans and Short Sight Drawings on London Office and Drafts on London Bankers)		339,523 3 9	3,360,229·49
Acceptances on Account of Constituents		569,395 11 8	5,635,255·26
Profit and Loss Account		1,219,101 18 6	12,065,338·66
Liability on Bills of Exchange re-discounted, £5,717,648 16s. 2d., of which £5,481,150 11s. 8d. have since run off.			
		£71,821,474 18 9	$710,810,473·63

ASSETS.	Sterling Equivalent. £ s. d.	Dollars.
Cash (including $25,900,000 Coin lodged with the Hongkong Government and $7,600,000 Coin lodged with H.B.M. Consul-General, Shanghai, against authorised and/or excess Note circulation)	10,059,792 2 3	99,560,829·17
Bullion in Hand and in Transit	877,752 18 6	8,687,039·24
British Government, Indian, Colonial and other Securities	11,827,383 16 6	117,054,520·33
Bills Discounted, Loans and Credits	27,129,317 7 10	268,496,337·09
Bills Receivable and Balance of Remittances and Drafts in Transit	19,420,900 12 7	192,206,851·58
Liabilities of Constituents for Acceptances, per Contra	569,395 11 8	5,635,255·26
Bank Premises	1,936,932 9 5	19,169,640·96
	£71,821,474 18 9	$710,810,473·63

Sterling Exchange taken at 2/0⅛d.

GENERAL PROFIT AND LOSS ACCOUNT.
31st December, 1928.

Dr.	Dollars.	Dollars.
To Interim Dividend:—		
Paid on 7th August, 1928, of £3 per Share on 160,000 Shares = £480,000 at 2/0⅛ =		4,726,153·85
To Remuneration to Directors		50,000·00
To Balance to be Appropriated:—		
To Final Dividend:—		
Of £3 per Share on 160,000 Shares = £480,000 at 2/0⅛ = $4,750,515·46		
Bonus of £2 per Share on 160,000 Shares = £320,000 at 2s. 0⅛d. = 3,167,010·31		
	7,917,525·77	
To Transfer to Bank Premises Account	750,000·00	
To Balance forward to next year	3,397,812·89	
		12,065,338·66
		$16,841,492·51

Cr.	Dollars.	Dollars.
By Balance of Undivided Profits, 31st December, 1927	3,411,430·90	
By Amount of Net Profits for the year ending 31st December, 1928, after making provision for bad and doubtful debts and contingencies, deducting all Expenses and Interest paid and due	13,430,061·61	
		16,841,492·51
		$16,841,492·51

STERLING RESERVE.

	Sterling.
To Balance	£6,000,000 0 0
	£6,000,000 0 0
By Balance 31st December, 1927	£6,000,000 0 0
	£6,000,000 0 0

SILVER RESERVE.

	Dollars.
To Balance	$14,000,000·00
	$14,000,000·00
By Balance 31st December, 1927	$14,000,000·00

A. C. HYNES, Chief Manager. G. E. TOWNS, Chief Accountant. A. H. COMPTON, NELLAGE BROWN, W. H. BELL, Directors.

We have audited the above Balance Sheet with the Books, Vouchers and Securities at the Head Office and with the certified Returns from the Branches and Agencies made up to 31st December, 1928, with the exception of certain distant offices where the year is closed on 31st October or 30th November.

We have obtained all the information and explanations we have required. In our opinion such Balance Sheet is full and fair, and properly drawn up so as to exhibit a true and correct view of the Corporation's affairs according to the best of our information and the explanations given to us and as shown by the Books of the Corporation.

Hongkong, 5th February, 1929.

C. BERNARD BROWN, JOHN FLEMING, } Chartered Accountants. Auditors.

CANADIAN PACIFIC RAILWAY COMPANY.

NOTICE TO SHAREHOLDERS.

The Forty-eighth Annual General Meeting of the Shareholders for the election of Directors to take the places of retiring Directors and for the transaction of business generally, will be held on Wednesday, the first day of May next, at the principal office of the Company, at Montreal, at 12 o'clock noon. The Common Stock Transfer Books will be closed in Montreal, New York, and London, at 3 p.m. on Tuesday, the second day of April. The Preference Stock Books will be closed in London at the same time. All books will be re-opened on Thursday, the second day of May.

By Order of the Board, ERNEST ALEXANDER, Secretary.

Montreal, 11th March, 1929.

THE SOCIETY OF INCORPORATED ACCOUNTANTS AND AUDITORS.

A.D. 1885.

EXAMINATIONS.

Notice is hereby given that the next Examination of Candidates resident in England and Wales will be held in London, Manchester, Cardiff and Leeds, on the following dates:—

Preliminary Examination, April 29th and 30th, 1929.
Intermediate Examination, May 1st and 2nd, 1929.
Final Examination, April 30th, May 1st and 2nd, 1929.

Candidates desirous of presenting themselves must give notice on or before March 26th, 1929, to the Secretary, Incorporated Accountants' Hall, Victoria Embankment, London, W.C. 2.

CANADIAN GENERAL ELECTRIC COMPANY, LIMITED.

The Canadian General Electric Company give notice that the Directors have declared a quarterly dividend of 1¾ per cent. for the three months ending 31st March, 1929, being at the rate of 7 per cent. per annum on the Preference Stock of the Company, and that the said Dividend is payable on the 1st April, 1929, to Shareholders on record on 16th March, 1929.

The Transfer Books will not be closed.

For The Canadian Bank of Commerce,
Registrars of the Canadian General Electric Company, Limited.
CHARLES CAMBIE, Manager.

2, Lombard Street, E.C. 3, 9th March, 1929.

SUMMARY OF THE ANNUAL REPORT OF THE AMERICAN TELEPHONE AND TELEGRAPH COMPANY FOR 1928.

Improvements in Service.

The annual report of President Walter S. Gifford, of the American Telephone and Telegraph Company, is devoted as much to the service rendered to the public as to the financial facts of the Company and the Bell System.

In discussing the service improvements in the Bell System, which comprises the American Telephone and Telegraph Company and the operating companies covering the United States, Mr. Gifford says:—

Long Distance Service.

"The most striking development in the telephone business in the United States during 1928 has been the increased use of the telephone for long-distance calls. While this use has been undoubtedly stimulated by general business activity and the rate reductions made in 1926 and 1927, the increased speed and improved quality of service have been the largest contributing factors.

"The total number of messages handled over the long-distance lines of the American Telephone and Telegraph Company was 18 per cent. in excess of those handled in the previous year. For the longer distances, such as between the Atlantic and Pacific Coasts, the increase has been 100 per cent. The country is becoming 'long-distance minded' and is acquiring a new telephone habit.

"Improvement of service—an essential factor in this growth in long-distance usage—is in turn dependent upon adequate and dependable facilities. With this in mind, the Company began some years ago the construction of long-distance toll cables. At the beginning of 1925 the investment in the long lines plant and equipment of the American Telephone and Telegraph Company was $140,000,000. At the end of 1928 the investment was $262,000,000, and it is planned to spend more than $80,000,000 for additional facilities in 1929.

"At the same time that the number of long-distance telephone messages has been increasing, the other services furnished through the use of the long-distance plant have been steadily growing. Chain broadcasting on a national scale, which has become such an important factor in the life of the nation, is making extensive use of telephone wires for the interconnection of broadcasting stations located throughout the country.

"Press associations, manufacturing enterprises, commercial and banking houses, are making more and more use of networks of circuits leased for their own exclusive use between widely separated points. The majority of these circuits are operated as telegraph or typewriter circuits, although many are for telephone use.

"In eight of the principal cities, offices are maintained for the transmission of pictures by wire, and during 1928 arrangements were made with the telegraph companies by which facsimile telegrams and messages are sent over this telephoto system."

Transatlantic Service.

"The volume of transatlantic telephone business continues to increase and has at times overloaded the radio-telephone facilities. A short-wave channel is now in use supplementing the long-wave channel.

"The increasing use and further development of transatlantic telephony will require further facilities. During the year the research engineers of the Bell Telephone Laboratories perfected a means of making a transatlantic telephone cable. This cable, when constructed and laid, will not only substantially increase the facilities for transatlantic communication but will also provide a circuit of maximum reliability. In the meantime, radio-telephone transmission is being further developed and more transatlantic radio channels are planned.

"There is also under way the establishment of a short-wave channel between the United States and the Argentine which should meet the initial requirements for telephone communication between the two countries."

Service Movements.

"During 1928 there was further definite improvement in local exchange telephone service. Operating errors, including those made by the users as well as those of the operating forces, were reduced 10 per cent.

"The telephone calls that failed of completion on first attempt were reduced by 3 per cent., meaning a better handling of more than 150,000,000 calls a year.

"Toll and long-distance service has shown further improvement. The average length of time for handling a call was 1·2 minutes, as compared with 1·5 minutes in 1927 and 2·6 minutes in 1925. At the present time about 95 per cent. of all toll and long-distance calls are handled while the calling party remains at the telephone, as compared with 90 per cent. a year ago and 70 per cent. in 1925 With this improvement in speed there has been continued gain in the clearness of voice transmission.

"About 750,000 calls a day are for 'Information.' In some cases, information operators must have ready access to as many as a million names and addresses. Better equipment and improved methods have produced a better handling of these calls. The more rapid toll service makes it necessary that 'Information' furnish subscribers' numbers in distant cities, and plans are now under way which will make it possible for information operators to increase the numbers which they can furnish immediately to as many as 5,000,000.

"The general quality of service in our business offices continues to improve. In many, it has been found advantageous to remove the counters and install desks at which each customer receives more personal attention. In the larger cities additional offices have been opened in an effort to bring them within easy reach of all customers. Transactions between customers and business offices approximate 100,000,000 a year.

"Primarily as a convenience to the public, time-of-day service has been established in a number of places, including several large cities.

"During the year 4,235,000 telephones were connected and 3,485,000 were disconnected. The elapsed time between application and installation or move was reduced 5 per cent. The companies aim ultimately to install or move all telephones by appointment on the dates requested by subscribers.

"These measurable improvements in service, as well as many others, in 1928 have been effected with due regard to every practical economy in operation."

AMERICAN TELEPHONE AND TELEGRAPH COMPANY.

Balance Sheet, December 31, 1928.

ASSETS.

Stocks of Associated Companies	$1,498,895,557·01
Stocks of Other Companies	91,663,691·36
Bonds and Notes of, and Advances to, Associated Companies	190,210,873·07
Notes of, and Advances to, Other Companies	8,550,000·00
Long Lines Plant and Equipment	262,233,248·19
General Equipment	1,285,059·33
Accounts Receivable	16,913,064·98
Temporary Cash Investments	122,880,924·01
Cash	20,695,267·43
Total Assets	$2,213,327,685·38

LIABILITIES.

Stock Issued and Outstanding	$1,289,691,400·00
Instalments	57,870,062·99
Bonds and Debentures	380,196,000·00
Notes	8,409,911·58
Dividend Payable January 15, 1929	28,991,317·50
Accounts Payable	10,806,868·22
Interest and Taxes Accrued, Not Due	13,337,308·14
Reserves for Depreciation and Contingencies	106,619,402·10
Surplus (including Capital Stock Premiums)	317,405,414·85
Total Liabilities	$2,213,327,685·38

C. A. HEISS,

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, MARCH 23, 1929. No. 4,465.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

(Established in 1824)

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

Marine Department: 2-6, Billiter Square, London, E.C.3.

ASSETS EXCEED £30,000,000.

THE ALLIANCE GRANTS INSURANCES OF ALL KINDS.

LIFE DEPARTMENT.

INCREASED INTERIM BONUSES ALLOWED on Participating Policies.

Assurances granted with DISABILITY BENEFITS. Children's Educational Policies and Deferred Assurances.

For full information apply to the Head Office or to any of the Offices or Agents of the Company.

CHRISTIANIA BANK OG KREDITKASSE

OSLO.

Established 1848.

Paid-up Capital and Reserve Funds,

Kr. 40.000.000.—.

Oldest Norwegian Joint Stock Bank. Direct correspondents throughout the country. Offering complete services to banks and firms doing business on Norway.

Correspondence invited.

CREDITO ITALIANO

Capital Subscribed	Lire 400,000,000
Capital Paid-up	Lire 354,694,900
Reserve	Lire 210,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES AND CORRESPONDENTS THROUGHOUT ITALY.

London Branch: 2 ROYAL EXCHANGE AVENUE, E.C. 3.

Transacts a general Foreign Banking Business.
STERLING DRAFTS AND DOCUMENTS ON ITALY COLLECTED ON SPECIALLY FAVOURABLE TERMS.
CORRESPONDENT OF THE ROYAL ITALIAN TREASURY.

Telegrams: "Italocredi, London."
Telephone: Avenue 3081-4.

OWING TO THE EASTER HOLIDAYS "THE ECONOMIST" WILL BE PUBLISHED NEXT WEEK ON THURSDAY AFTERNOON, MARCH 28th, INSTEAD OF FRIDAY, THE 29th.

TABLE OF CONTENTS.

The Money Market	613
Leading Articles—	
The Menace of Trade Restriction	615
Anglo-Amer. Relations: A Constructive Proposal	616
French Newspaper Press—I	617
Industrial Life Assurance—A Revolution	618
The Value of Small Savings	619
The Slum Problem	620
Notes of the Week—	
The By-Elections	621
The Petrol Case	621
Marshal Foch	621
Monsieur Poincaré Survives	622
The Closing of Madrid University	622
The Future of East Africa	622
Milk Prices	623
Civil Estimates: Rating Relief	623
Employment in Germany	623
Cost of Living	624
Dominion Status	624
South Wales Coal Trade Losses	624
The European Metallurgical Cartels	625
The Trade in Agricultural Machinery	625
Leather and Shoe Trades	625
American Cotton Crop	625
An American Bank Merger	626
Employers' Liability Assurance Corporation	626
Provident Association of London, Limited	626
British and Foreign Marine Insurance Co., Limited	626
Merchants' Marine Insurance Co., Limited	627
Oversea Correspondence—	
United States	627
France	628
Germany	629
Belgium	630
Sweden	630
India	631
Argentina	632
Letters to the Editor—	
Brazil's Borrowing Status	632
Effect of Foreign Loans	633
Gas Industry	634
Books and Publications—	
American Economic Imperialism	634
Handwriting	634
Books Received	635
The Stock Exchange—	
British Control — The G.E.C. Affair	636
Home Rly. Position—III.	637
The Week in the Markets	639
Foreign Stock Exchanges	640
Oil Shares	641
The Rise in Copper	641
Vickers	641
English Steel Corporation	642
Imperial Chemical Results	642
Assoc. Portland Cement	642
Crown Mines	643
East Rand Proprietary	643
Capital Issues	643
Mining Output Statistics	645
Company Meetings	646
Government Returns	652
Bankers' Gazette—	
Bank of England	654
Bankers' Clearing Returns	654
Overseas Bank Returns	654
Loan and Discount Rates	656
Rates of Exchange	656
Bullion	657
Gold and Silver Prices	657
Weekly Traffic Returns	658
Monthly Traffic Returns	658
Summary of Bal. Sheets	659
Company News—	
Dividend Announcements	660
Reports and Notices	660
Profit and Loss Accounts	661
Oil Outputs	662
Commercial Reports—	
The Corn Trade	662
American Wheat Markets	663
Coal Trade	663
Iron and Steel	663
Other Metals	664
Cotton Trade	664
Wool Trade	664
Colonial Wools	665
Hide and Leather Trades	665
Overseas Produce	665
Prices Current	668

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d. Colonies and Abroad, £3 1s. 0d. per annum.

Single Copies, post free, 1s. 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4

THE MONEY MARKET.

Rather more hopeful conditions prevailed this week, and money consequently was a little easier. On Tuesday the Bank of England managed to secure £894,200 of the new gold available in the market, this being the biggest acquisition in any one operation since the rise in the Bank rate. Moreover, the price paid for Tuesday's gold was 84s. 10½d., or ½d. less than the price paid in the

previous week. It was this news that imparted a better tone to the market, and stimulated a keener demand for bills. The " market rate " on three months' bills has fallen slightly to 5 5/16-3/8 per cent., with the Continent paying a fraction less.

* * * *

The money market is not exempt from the general rule that when confidence is lacking, opinion often flies to extremes. There is a feeling in some quarters that just as last week's pessimism was overdone, so, this week, too many are taking a more hopeful view than is warranted by the facts. It is significant, too, that Paris has this week held a more pessimistic opinion of the international monetary situation than has either London or New York. This last fact, perhaps, has its compensations, for whatever may be the truth of recent rumours, there is no question that the Banque de France is in a position to take action, which would have a very considerable effect upon the relation between the pound and the dollar.

* * * *

This view places the London situation in a more hopeful light, but it must be remembered that the whole position is extremely difficult to gauge, so long as it is masked by the rapid inflow of revenue. In a fortnight's time, when the new financial year will have opened, the outlook may be much clearer, if only because it will be possible to see the weight of the international factors, unobscured by the seasonal stringency of money in London. Market rate, too, will be a better test of the position in a fortnight's time than it is to-day, for next week the three months' bill will be the favourite end-of-June maturity, and the rate is consequently likely to be lower than the current situation warrants.

* * * *

Another point to be remembered is that the end of March will witness a substantial movement of money, due to dividend payments and maturities of Government debt on the one hand, and to the final call on last December's Treasury Bond issue on the other hand. In one sense, it is fortunate that this year Easter falls at the end of March, for this coincidence enables these big transfers to be made at a time when the market will be inactive.

	Mar. 21, 1929.	Mar. 14, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5½	5½	5½	5½	4½ (Feb. 7,'29)
Banks' Deposit Rate..	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
Houses { Notice.....	3½	3½	3½	3½	2½ (Feb. 7,'29)
Market rate (3 months' bills)	5 9/16 - 5/8	5⅝	5½	5½	...

So far as the outlook can be measured at all before the end of the month, it would seem that sterling is holding its ground, and even at times gaining a little. This is all to the good, for at the moment time is on the side of the pound. Extreme optimism to-day is no more justified than was the extreme pessimism of ten days ago, and if the market could stabilise both its opinion and its rates, it would be of distinct use at the present juncture. At the moment the omens are favourable, but it would be wrong to say that the period of anxiety had passed.

NEW YORK MARKETS.

Our New York correspondent cables:—Governor Young's address on credit was interpreted to mean that no immediate change in discount rate would be made. From this the market derived some encouragement, but yesterday's quarter per cent. rise in the bill rate and the tightness of money in other sections of the market increases the probability of an early change, beginning, possibly, in Boston or Chicago. Call money stands at nine to ten per cent. Time rates are firm at eight per cent,. and bills are a full five-eighths per cent. above discount rate, leaving the Reserve rate further than ever behind the money market. This week's Federal Reserve statement shows a further reduction in bills and member banks 'discounts. The ratio is 71.7 against 70.7. Brokers' loans are up by $146 million, an unexpectedly large rise.

THE STOCK MARKETS.

The stock markets were irregular, with only a moderate business passing. Gilt-edged stocks improved initially with the rise in the New York exchange, but lost ground as the American monetary outlook became more uncertain. Home rails were better, reflecting the better trade outlook and a favourable movement in traffic figures. Among industrials, " Anglo-American " stocks were an uncertain quantity, but motor shares again came into prominence. Rubber shares declined on the fall in the price of the commodity below 1s. a pound, but tea shares were stronger, and a more hopeful view was taken of the oil outlook. Considerable interest was attracted to base metal shares by extensive movements in the commodity markets, and Rhodesian issues were again conspicuous by their activity.

THE COMMODITY MARKETS.

Though there is nothing outstanding in this week's reports, they suggest that inertia is gradually being shaken off, even in the more stagnant markets. Coal stocks are inadequate to meet immediate shipment demands, and prices are consequently firm, but not much forward business is being done. Iron and steel markets, though quiet, are firm, and some anticipate increased activity after Easter. The price of tinplate bars has again been raised, owing to dearness and scarcity of raw materials, but the minimum price of tinplates has not yet risen. Other metals are firm. There has been some fluctuation in raw cotton, and prices show a slight decline on the week. The Manchester market is in consequence rather unsettled; Indian demand for piece-goods is disappointing, but other outlets, including the home market, have been favourable. There is some increased activity in Bradford cloths. The timber trade has suffered from the bad weather. In the hides and leather market some improvement is at last perceptible, and rather more orders are being received by shoe manufacturers. Oilseeds and their products are in poor demand. Wheat has tended slightly but steadily downward.

FOREIGN EXCHANGES.

The market displayed considerable activity, a slightly more optimistic feeling being evident as a result of the brighter outlook for sterling generally, as well as in appreciation of the active steps taken by the New York authorities to discourage the retention of foreign money in the New York call loan market. From 4.85 5/16 last week sterling improved to 4.85⅝ on 19th inst., principally on New York offerings of dollars. It eased off later, to close at 4.85⅜, but maintained a stronger undertone than has been apparent for some weeks. Forward dollars were in better demand at 1/16 cent discount for one month and 5/32 cent for three. Canada showed distinct improvement at 4.87⅛, but the market remained nominal and dealings were of an erratic nature. Paris further depreciated to 124.29, with forwards 10 and 18 centimes premium for the one and three months' periods. Brussels was offered up to 34.96¼, while Italy lost its previous gain and closed 92.73. Holland fluctuated within narrow limits, and closed at 12.11⅞. Spain was erratic, improving to 31.50, but being subsequently offered at 32.50. The close was 31.90, with forwards in exceptionally strong demand at 10½ for one month and 28 for three. Switzerland moved with the dollar, but German marks were higher at 20.46, notwithstanding the heavy gold shipments to America. Forward narrowed to ½ pfennig and 1 pfennig discount. Silver closed easier at 25 13/16d. for spot and 26d. for forward delivery. Hong Kong was 2s. 0⅛d., and Shanghai 2s. 6 7/8d.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Bank of Australasia, National Bank of Egypt, Anglo-International Bank, Scottish Provident Institution, River Plate Trust Loan and Agency, English Electric, City of London Electric Lighting, Achille Serre, London and Thames Haven Oil Wharves, and Dickens and Jones. Economic conditions in the Austrian Succession States were discussed by the Chairman of the Anglo-International Bank. Mr. W. L. Hichens described the economies effected in working expenditure by the English Electric Company.

THE MENACE OF TRADE RESTRICTION.

The North-Western Free Trade Union is to be congratulated upon its enterprise in holding this week at Manchester a non-party conference on Free Trade. From all points of view the conference was welcome and successful. It was timely in that it gave to the country a needed warning of the attack on our fiscal system which has to be repelled at the polls in a few weeks' time; and it was serviceable in that it produced a large number of important pronouncements from responsible spokesmen of varied and representative industrial and economic experience. Mr J. L. Tattersall and Mr Tom Garret dealt very effectively with the cotton industry's interest in wanting Free Trade; the cases of iron and steel and woollen textiles were effectively put by a number of speakers; Sir Robert Newman, the Conservative M.P. for Exeter, pleaded the agricultural case against industrial protection; Mr Harold Cox and others travelled over a wide field and emphasised fundamental but easily forgotten points in the case against trade restriction. All this refreshment for the short public memory is useful. But of all the points emphasised at the conference we are inclined to select for the most urgent attention of Free Traders the stern warnings of Sir William Milligan and Mr J. M. Robertson that the present attack on our existing fiscal system is one that must be defeated here and now, unless we are to abandon hope of the maintenance of Free Trade.

Protection, said Sir William, " is a disease like tuberculosis. Once you have got it, it is extraordinarily difficult to get rid of it." Mr J. M. Robertson, in less picturesque but equally forcible terms, uttered the warning that the tariff party was gradually strengthening its hold every year, and, unless the electors killed the tariff doctrine at the next election he had begun to suspect they would never be able to do so afterwards. The suspicion, we agree, is by no means ill-founded. Apart from the " McKenna " duties, the unobtrusive encroachments of " Safeguarding " (albeit confined so far to relatively unimportant trades) have already resulted in a numerically formidable list of Customs dues levied at our ports; the " Safeguarding " procedure is being exploited in an attempt to rush through, on the eve of the dissolution, a protective tariff for wool textiles, an industry of major importance; Mr Baldwin has promised the iron and steel industry, whose products are an essential factor in our whole national economy, that the same procedure shall be available to pronounce upon its claims for a duty. In short, if the Conservative Party is returned to power the fact must be faced that the country will have elected a Government whose inner conviction are those of " whole-hogging ' Protectionists, and whose avowed intention (however careful they may be disingenuously to profess aversion from a so-called " general " tariff) is, in Sir L. Worthington-Evans's words, to make the present " Safeguarding " machinery " less expensive and obstructive." With the Primrose path thus cleared for every claimant industry, great or small, what hope is there of our avoiding such an increase in " Safeguarding " duties that our fiscal system will be in fact, if not in name, essentially Protectionist? And if such duties are imposed, will the forces of Free Trade be able, before irreparable harm is done to the country's interests, to overcome, in the struggle for their repeal, the vested interests which each new tariff creates?

The danger of established duties winning acquiescence in the supposed interests of " stability of policy " is amply illustrated by the attitude of the Balfour Committee to the whole tariff question. The section of the Committee's Final Report dealing with British Customs policy in relation to competitive power starts with the unquestionable proposition that for this country the tariff problem is dominated by the governing condition of " the essential dependence of Great Britain on external trade." The Committee was unanimous (save for the two Socialist members who were unable on general grounds to sign the Report) that since " we are an island people dependent for life and employment on the free inflow of imports," revenue alone must be " the main objective of any conceivable British Customs tariff." The arguments that Great Britain should adopt Protection either (1) to provide a weapon for tariff negotiations, (2) to compensate the Dominions for preferential tariffs in our favour, or (3) to equalise conditions of labour cost as between this country and the countries in which imports originate, were examined by the Committee and decisively rejected as impracticable and not apposite to our circumstances.

Thus far the Committee was of one mind, and it may be surmised that their unanimous endorsement in these general terms of the whole basis of the case for Free Trade proved a serious disappointment to the present Government's hopes. But when the Committee, having pointed so unerringly to the only " conceivable " British tariff policy, turned to examine the " Safeguarding " and " McKenna " duties, an illuminating divergence of view at once became manifest. A section of the Committee, in the light of all the available evidence of the duties' effects, found no warrant for the belief that such departures from Free Trade policy could enable us to attain the object which the whole Committee recognised to be essential to our national well-being—increase of exporting power. Both the " Safeguarding " and the " McKenna " duties were pronounced by this section—with unimpeachable logic—to be opposed to what the Committee, as we have seen, unanimously held should be the governing condition of British tariff policy. Their repeal was roundly recommended " in the national interest."

With these conclusions, whose validity we wholeheartedly endorse, another section of the Committee was unable to agree. The results, it is true, of the " McKenna " and " Safeguarding " duties, regarded as means to " strengthen the position of the British manufacturers in the home market," were admitted even by these members of the Committee to be " inconclusive." Nor did they seek to disguise their recognition of the possibility of these forms of Protection causing " serious prejudice by an increase of prices to consumers," a possibility which led them to recommend that the Board of Trade should be furnished with special returns of " prices, production, employment, and costs " in protected industries and should " exercise continual vigilance " over their working. At the same time, they were not in favour of the immediate repeal of the duties. The reason given (the quotation refers specifically to the " McKenna " duties but appears to indicate equally the view of this section of the Committee on " Safeguarding ") is worth committing to memory by all Free Traders.

> " It appears to us that the really valid justification (for non-repeal) is that the duties are in existence without giving rise to any substantial dissatisfaction, and that consequently, in the interests both of trade stability and of revenue, they should not be disturbed without adequate reason in each case."

Here, crystallised in the conclusions of a body of men who start by frankly admitting that we live only by the free flow of imports, is the *vis inertiae* which, as we have said, constitutes a grave danger when once a duty has been established. The whole history of Customs barriers goes to show that it is far easier to erect a tariff wall than to demolish it when built. " Substantial dissatisfaction " cannot readily be mobilised against the *status quo*, and every interest which has succeeded in entrenching itself behind fiscal " shelter " will be quick to utilise the argument that " disturbance " of settled tariffs is prejudicial to trade.

As the Free Traders on the Balfour Committee cogently pointed out, the result of each fresh experiment in " Safeguarding " Protectionism is to create " new ' sheltered ' industries working and trading under the special protection of the State, but living on the overseas supplies of food and materials that have to be paid for by the ' exposed ' industries working on a competitive basis in the markets of the world." Let this inequitable " shelter " at others' expense be extended to cover one or two of our major industries, and there will inevitably follow a self-defensive *sauve qui peut* on the part of the remainder to share in the spoils. The prime need of reorganising our industries, increasing their efficiency, and bringing down our general costs of production, so as to enable us to compete successfully in the world's markets, will be forgotten behind the decep-

tive security of a tariff wall rendered more difficult to pull down by every extension of its scope. In a few weeks' time the electorate will have the opportunity to decide whether that wall shall be built. It is of paramount importance that they should realise that the forthcoming General Election may well be the last chance successfully to repel the attack on Free Trade and to prevent the Protectionist party "*digging in*" on ground from which, at the end of another Parliament, it would be doubly difficult to dislodge their hold. A crucial battle is pending. Free Traders must sharpen every weapon in their armoury.

ANGLO-AMERICAN RELATIONS: A CONSTRUCTIVE PROPOSAL.

SINCE we emerged from the catastrophe of 1914-18 our eyes have remained fixed on the international landscape, scanning the horizon anxiously for the portents of peace or war. In moments of depression when we are affected by the gloom of these still lowering skies, we sometimes yield to the despairing thought that mankind is unteachable by anything but first-hand experience; that "plus ça change, plus c'est la même chose"; and that the next generation will duly make the next war, as our generation made the last. Yet there is one difference in the international situation since the war which may work our salvation, for our anxieties are not now either blind or dumb. Public opinion is concerning itself with this vital problem in a much more intelligent and systematic way than ever before. It is reacting to a danger which it now realises vividly, not by the old ostrich method of hiding its head in the sand, but by the human method of frank and friendly public discussion across the frontiers. It is remarkable and encouraging to see how organised intelligence and goodwill is now learning to come to the rescue whenever a diplomatic crisis containing the seeds of war arises. But public opinion, to be effective, requires a lead; and the greatest of public service is a lead from some statesman who knows what he is talking about, has thought out a definite line of action, and does not hesitate to speak openly and sharply to his fellow-men.

In the issue of *Foreign Affairs*, which was published in New York on Thursday, March 14th, a lead of just this kind has been given by a statesman particularly well qualified to advise upon what is perhaps the most delicate international problem of to-day. This problem is stated in the title of the article: "Anglo-American Relations and Sea-Power." The writer is Mr John W. Davis, the former American Ambassador in London. His exposition is a shaft of light illuminating dark places at just the moment when there is a prospect of our getting to work again on both sides of the Atlantic to clear Anglo-American relations up.

In this article, Mr Davis first analyses "those specific matters which seem most likely to tax the friendly feelings of the two peoples"; then he concentrates attention on one of them which is susceptible of treatment here and now; and finally he offers a practical suggestion for policy, which he bases, realistically, upon the actual additions to the structure of international relations which have been made since the Great War.

The specific sources of friction which Mr Davis finds are three: "first, commercial rivalries in Latin America, the Far East and elsewhere, and the struggle for raw supplies"; second, inter-ally (or, rather, inter-associate) debts; and, "third, the problems, psychological, legal, and technical, connected with naval power." Perhaps he rather minimises the first—for when he points out that there are no current territorial controversies between us, and that we are one another's best customers, an English reader will feel a certain sinking of the heart as he recalls that this was equally true, in 1914, of Great Britain and Germany. And we may as well face the fact that the United States in the 20th century is likely to be a much more formidable economic "competitor" of Great Britain than Germany was in the latter part of the 19th century—if we are foolish enough to look at the situation in competitive terms. Undoubtedly, the United States is destined to play, during this century, substantially that part in world economy which Great Britain played during the last century; and she will do it on a scale which will put our economic achievements into the shade. We have to adjust ourselves to this, and that is not easy; but it is certainly not impossible; while on the other hand, a refusal on our part to make the possible and necessary adjustment would court political and economic disaster. The solution, of course, is to be found in the fact that as the volume of America's economic activity rises, the total volume of world-production and world-trade will rise as well. In the 20th century world there is room for both Americans and British to do their business if they do it not in hostile competition, but in friendly co-operation; and it is for us to set the tone, because it is we who have to make the adjustment through our having been the first in the field. We can certainly do this—which it is indeed our vital interest to do—if we have the will; but then we must see to it that the solution of the economic problem has a fair field. There must be no "queering of the pitch"; and this is where the naval problem comes in. The danger is that a temporary discomfort and soreness, arising out of the economic problem in the background, may express itself in naval terms. Mr John W. Davis naturally does not deal with this point, for it can only be dealt with effectively on our side. He simply postulates that, tactically, the naval problem is the first thing to clear out of the way—and here he offers suggestions, which should be read and marked as carefully on this side of the Atlantic as on the other. We need not recapitulate his concise and able review of the Anglo-American naval controversy in the past—except to say that he shows the same clear understanding and sympathetic appreciation of the British position as he does of the American. We want to concentrate attention upon the essence of his argument; and this is that, since the end of the Great War, there have been changes in the system of international relations which turn the postulates of the historical Anglo-American controversy into anachronisms.

There cannot be a controversy without a basis of common ground. The common ground in the Anglo-American controversy was that, when a state of war existed anywhere in the world, the countries of the world automatically fell into two precise categories, and two only, that is: "belligerents" and "neutrals." The controversy turned upon what the respective rights of belligerents and neutrals should be. There was no dispute as to whether the two categories existed; and, indeed, there could not be, because at that time the classification corresponded to the real facts. The essence of Mr Davis's argument is that the Kellogg Pact (and he will doubtless allow us to add the Covenant of the League as far as State members of the League are concerned) has made the old categories as much out of date as, let us say, the invention of steamers made sailing-ships, and so has cut away the ground from under the feet of the old-fashioned controversialists on both sides. For, under the new conditions created by the Pact, if war breaks out, there are presumably not two categories of countries, but three, none of which correspond to the "belligerents" and "neutrals" of the old-fashioned classification. First of all, there is the violator or violators of the Pact. It may not be possible to establish forthwith who these are; but the presumption is that the breach of the peace must have been caused by one or other of the nations under arms. Then there is the direct victim or victims of the violation (i.e., those of the parties under arms that may prove to have been forced to take up arms in self-defence). In a general way, these two categories do correspond collectively to the old-fashioned category of "belligerents"—though they are now vitally, if only potentially, differentiated from the moral and juridical points of view, whereas the old-fashioned belligerents were *morally* and juridically on a precisely equal footing from the standpoint of the old-fashioned "neutrals." Indeed, the scrupulous avoidance of any differentiation between one belligerent and another was the very definition of "neutrality"—and this fact indicates how remote from neutrality is the position of the third category of countries in war-time, under the dispensation of the Kellogg Pact. Under this dispensation, if a breach of the peace occurs, the parties to the Pact who do not find themselves at war, can no more be "neutral" than the King of England can be "neutral" when a breach of the peace occurs among his subjects. Just as the King's Majesty is affronted and his lawful interest injured when his peace is broken, so (to quote Mr Davis) "the breach of [the Kellogg Pact], or the approaching probability of its breach, is a cause of concern to all the signatories whose covenant is or is to be broken."

From this premise, Mr Davis draws a practical conclusion which, to our minds, offers a solution of the Anglo-American naval problem. "The nations thus affronted," he continues, "may—nay, they must be expected to—consult together for the protection of their common interest; that common interest is the preservation of peace; consultation is idle unless it leads to a concert of measures of some sort—economic, diplomatic, or what-not—of a co-operative character. . . . The resulting co-operation might . . . at first, be *ad hoc*"; but Mr Davis points out that "one of its first consequences undoubtedly would be that of making neutrality under the assumed circumstances immoral."

Through what sort of procedure should such co-operation be put into effect? With the sure touch of the practical statesman, Mr Davis puts his finger on a case in which the United States has already undertaken to act in a certain way in concert with other nations in pursuance of a certain treaty, when there is danger of a breach of the peace; and he proposes, in effect, that this procedure, which, in the case in point, has a regional limitation, should be adopted without regional limitation in pursuance of the Kellogg Pact. "The United States," he says, "should accept what the Treaty for the Renunciation of War may be said to imply, viz., that all the nations whose treaty is broken, or threatened so to be, have a mandate to concert measures to prevent the breach or to repress it; that there must be introduced, in short, into the rest of the world the principle established for the Pacific area by the Four-Power Treaty of 1921, that of 'joint conference . . . for consideration and adjustment.'" This is clearly the natural line of approach for the American people; for the Treaty of 1921 embodies an American scheme of insurance against war in a particular field of international relations, in which the Americans then already felt that they were concerned. If the logic of the situation has now made them feel that they are concerned in insurance against war all the world over, and if they have expressed this feeling in sponsoring the Kellogg Pact, then the natural way for them to give practical effect to the Pact is to apply the procedure of the Four-Power Treaty on a world-wide range.

We, in this country, could wish nothing better than to enter into an arrangement with the United States on these very lines; for the implications of such an arrangement, as they are brought out by Mr Davis, would remove one great anxiety from our minds. It might come to be understood "that, in the event of constabulary action against a covenant-breaking State, the navies of the two countries will act together, or at least that, as a result of diplomatic consultation, neither will be used to protect the trade, in-bound or out-bound, of an outlaw State." But if the Americans are to contemplate renouncing their traditional claim regarding "neutral rights" against the mandatories of an international police-operation, we have to respond by renouncing our traditional claim regarding "belligerent rights" if ever we find ourselves at war under the old conditions. "On the basis of such an understanding, however informal, it would not be unreasonable to expect Great Britain to agree that if she were engaged in an old-fashioned 'private war'—a war, let us say, in which, though she might not be the aggressor, it could not be clearly established, nevertheless, that her adversary had broken the Covenant of the League or the Locarno Treaties or the Kellogg-Briand Pact—she would not attempt to interfere with the fullest freedom of sea transit by all nations not engaged in the war."

Here is a fair offer in clear, practical terms. Mr Davis has struck a trail which may lead both nations out of the wood.

THE FRENCH NEWSPAPER PRESS.—I.

(BY A PARIS CORRESPONDENT.)

LIKE Germany, France possesses no newspaper organisation comparable to the Rothermere or Berry groups in England, or to the Hearst and other American combinations. Syndication of news by individual newspapers is unknown, and both newspapers and journalists are so efficiently organised for protective purposes that no Paris news agency is permitted to furnish any general service of metropolitan news to any journal in the capital itself. With the exception of an excellent supply of international political news, no French newspaper attempts to utilise anything which English or American newspaper conductors would regard as more than a skeleton news service. For the vast majority of French newspapers the source of a very large proportion of the general foreign news supply of the world is London, whence it is transmitted to Paris by the resident correspondents and published either under London or original date lines.

The commercial methods of French newspapers, for the rest, are so widely different from those practised in England and America that it is impossible to institute any real comparison between the French newspaper industry and that of Great Britain. Further, French newspaper owners maintain practically impenetrable secrecy, not only as to their circulations, but as to the volume and especially as to the nature of their advertising revenue. Nearly all French newspaper undertakings have their ownership vested in limited liability companies—almost always of the "private" kind. Even in the three cases in which newspaper shares are quoted on the Paris Bourse—the *Petit Parisien*, the *Temps* and the *Petit Journal*—balance sheets are published only by two of these papers. The excessive degree to which the French carry the doctrine of the sacredness of *la vie privée*, even in ordinary business life, is one of the main reasons why it is so difficult for the foreigner to arrive at an exact comprehension of practically any aspect of French life.

France is as well supplied with periodical publications as any country in the world, and their general intellectual value is above the average. In Paris alone there are 2,500 daily and weekly publications of all kinds, plus another 2,000 in the provinces. Practically each of these belongs to a separate owner, like French house property. Mass production of "periodical" literary pabulum, on the lines made popular by the purveyors of the *Tit-Bits* and *Answers* class of weekly periodical in Great Britain, does not exist in France.

The Paris daily newspapers (morning and evening) now number 56—before the war there were over 100—and there are between 230 and 240 others in the provinces. All these may be characterised as *journaux d'opinion*—which still constitute an influential factor in French life, although they seem to have almost died out in England—and may be accepted as wielding a powerful influence over all those interested in politics and finance—which in France means the entire population. There are also in Paris about 200 "political" weeklies (plus 232 weeklies devoted solely to finance and investment).

The provinces possess over 1,500 weekly papers, which correspond in general form to the English provincial weekly, but differ from the latter by reason of the fact that in France the local weekly newspaper *is, above all* else, a ceaselessly active organ of political propaganda, not merely at election time, but throughout every week of the year. French newspaper "families," like those of the inhabitants, are generally small, and each morning, evening or weekly newspaper, as a rule, is under separate proprietorship.

Competition between newspapers, as it is understood in England, is practically non-existent. Insurance schemes and football competitions have never been even dreamed of. Newspapers of all kinds seek public favour

by their individual merits and appeal. The average French journal follows its own *petit bonhomme de chemin*, regardless of what others are doing.

Distribution is leisurely and primitive. "Let well alone" seems to be the motto of the French newspaper conductor, and he refuses even to think of the enormously costly fleet of delivery vans which is common in London. The *Temps*, which is an institution in every well-bred Paris home, is distributed to subscribers in the capital by hand, and to retailers by men and women on foot and by boys on bicycles, supplemented by a few carts. Evening papers cannot be obtained in many parts of the city until a couple of hours after publication. Even the result of the Grand Prix is not of sufficient importance to inspire a single special edition, and the name of the winner is made known only in the regular six o'clock editions, 2½ hours after the great race.

There is only one firm of wholesale newsagents in Paris—the great Hachette concern of booksellers, publishers, newspaper distributors and transportation agents. "Hachettes" have a practical monopoly of the news-agency business in France. They, and they alone, supply practically every metropolitan periodical publication to the whole of the railway bookstalls, newspaper shops, street kiosks and other retailers throughout France, the colonies and the rest of the world. No new French publication can hope to come under the eye of the French public unless its conductors are prepared to pay the firm its regular scale rates for undertaking the distribution of it, this payment being entirely supplementary to the firm's ordinary trade profit derived from acting as wholesale newsagents. All attempts to set up any kind of competition in newspaper distribution have hitherto failed. Two London firms, who attempted to share with Messrs. Hachette the distribution of English journals in Paris, were, within the past few years, driven off the field.

Another enormous factor in the French newspaper world is the Agence Havas, which occupies a unique position as the principal furnisher of foreign news to the French Press and the recognised channel used by the Government for official and other announcements designed for distribution by the newspapers. What is not generally known outside France is that the Agence Havas, powerful as it is as the leading French news agency, occupies an immensely more important and profitable position as the holder of a quasi-monopoly over newspaper advertising business in France. It is an open secret that several of the more important Paris advertising agencies, although trading under quite different titles, are actually subsidiaries of the Agence Havas. Its ramifications, indeed, as in the case of most of the leading French commercial and industrial undertakings, are innumerable.

The importance of the Havas factor in French newspaper economy lies in the fact it holds exclusive advertising agency rights (except as regards purely local advertisements) over probably the majority of the provincial newspapers, and certainly over most of the more important of them. Some years ago these were reported to number over 800. Many French newspapers sell much of their advertising space on yearly contracts, by which the agent guarantees to pay for one, two or more columns of space per day, which he handles on the "farming" principle. When, as often happens, the advertising agency is in close relations with a news agency, part of the payment for the advertising space is made in kind, the newspaper concerned accepting the news service instead of cash. This interlocking system, whereby various interests combine for mutual profit, is probably carried to a greater extent in France than in any other country.

It is also quite a common practice with French newspapers, both in Paris and the provinces, to hand over their financial news columns, in return for sums that are based on the journal's importance, to the absolute control of advertising agencies. In some cases the exclusive right to make use of that section of a newspaper devoted to financial matters is directly acquired by a bank or some other financial or other organisation, which is thus furnished with an invaluable means for influencing investors. The revelations connected with the recent *Gazette du Franc* scandal furnished unquestionable evidence as to the extent to which this practice prevails, even amongst Paris newspapers.

The French press, indeed, has developed this means of revenue to such an extent that the sale of "publicity inserted in customary and reserved portions of the paper, at rates which are known to everybody," which is the French way of describing the sale of editorial columns for sometimes distinctly questionable commercial purposes, is now regarded as entirely legitimate. The curious thing is that, although everybody is aware of these practices, no section of public opinion appears to regard as in any way questionable this utilisation of what everybody proudly insists is "an absolutely free and independent Press."

INDUSTRIAL LIFE ASSURANCE—A REVOLUTION.

THERE has recently occurred a revolution in the conduct of industrial life assurance. As is the habit of revolutions in the economic sphere, unlike similar manifestations in the political world, the event has passed unnoticed by the press. The public in general are probably not even aware that it has happened. Three of the largest offices transacting industrial life assurance, namely, the Pearl, the Britannic, and the Refuge, have announced their intention to institute for industrial policyholders a profit-sharing scheme. Although the announcement has been made almost simultaneously by these three offices, the history of this latest and highly significant move goes back many years.

It is to be clearly understood that industrial life policyholders have no kind of legal right to any participation in profits. The contracts are all of them issued on a non-profit basis, and at the time when the majority of those now existing were first effected the profits earned in respect of the business were extremely small, and any profit-sharing was quite out of the question. The first move was made by the Prudential as far back as 1907, when the company decided to set aside a modest sum for distribution to its industrial policyholders. This scheme, though temporarily suspended during the war period, has grown in importance ever since, and the amounts now divided in this way are both absolutely and relatively very much greater than at the first beginnings 20 years ago. This action of the Prudential, and the fact that its size constituted it a natural leader in the business, has virtually forced the other offices to follow suit. The process has naturally been a gradual one, for the offices have had to cope with a great many difficulties, and profit-sharing has had to wait upon a due strengthening of actuarial reserves. Of all the factors that have contributed to the inauguration of profit-sharing, none has been so important as the immense saving in expenses since the war. These savings have been reflected in continually increasing surpluses, which, indeed, are now on a scale never before contemplated, and are such as to confer on the policyholders at least a moral right to some participation in them.

In view of the announcements by the three companies above referred to, it will be appropriate briefly to survey the progress of the business since the period immediately preceding the war. The following table, therefore, sets out the new business and the assurance fund in 1912, in 1920, and in 1928 for each of the four leading offices in the business:—

	New Business.			Assurance Fund.		
	1912.	1920.	1928.	1912.	1920.	1928.
Prudential ...	16,907,186	52,265,142	58,511,995	37,207,843	59,244,233	113,108,058
Pearl	17,501,434	20,647,125	20,434,324	4,427,272	9,137,013	24,236,925
Britannic.....	4,621,010	6,402,040	6,807,482	1,723,469	3,126,602	9,371,162
Refuge.....	12,593,010	11,331,058	16,952,369	2,366,698	4,572,994	13,222,558

Although the intervening period has been the same, it will be seen that the progress of the new business has been unequal between 1912 and 1920 and between 1920 and 1928, but part of the explanation is to be found in the fact that 1920 was a boom year. The figures relating to the assurance funds exhibit the commanding position held by the Prudential, although it will be observed that the other three offices have increased their funds during the 16 years at a greater proportionate rate even than the Prudential. More important, from the point of view of our survey, will be a comparison of the respective profit-earning capacities of the various offices at each of these three points of time. These are most clearly expressed in the form of the ratio of expenses and commission to premium income on the one hand and on the other hand the rate of interest earned on the life assurance fund each year after deduction of income tax. The relevant figures are set out in the following table:—

	Expense Ratio %.			Net Rate of Interest Earned %.		
	1912.	1920.	1928.	1912.	1920.	1928.
				£ s. d.	£ s. d.	£ s. d.
Prudential	38·5	40·5	24·9	3 14 8	4 9 0	5 7 7
Pearl	44·7	45·5	34·1	3 10 1	3 15 2	4 19 0
Britannic.....	40·5	47·4	35·9	4 6 3	4 6 8	5 3 7
Refuge	48·7	49·7	37·3	3 17 3	4 5 4	5 10 6

Regarding first the expense ratios, the effect of the war is clearly seen in the fact that, in spite of the growth of business between 1912 and 1920, the expense ratios in the latter year were in all cases slightly higher than in 1912. The whole of the improvement, therefore, has occurred in the last eight years, and it has been very great indeed. In this respect the Prudential deserves the greatest possible credit for having succeeded in reducing its expense ratio from 40½ per cent. to under 25 per cent. In particular the "block" system of collection has been introduced, the whole of the country has been mapped out into thousands of different blocks, and each block has been assigned to an agent responsible for the whole of the collections in his particular area. The old system, whereby one street has been canvassed perhaps by half-a-dozen agents of the same company, has been abolished, with the result that is seen in the table before us. The upward progression in the rates of interest earned is also impressive, and if we were concerned here to institute comparisons between the different offices it would be interesting, for instance, to learn the reason why the rate of interest earned by the Pearl has been throughout so much lower than that of its competitors.

Although these three companies—the Pearl, the Britannic, and the Refuge—have announced their intention to institute profit-sharing, only one of them, namely, the Refuge, has set aside a definite sum out of its 1928 profits, and in the case of this company the amount allocated is £400,000 out of a total profit for the year of £570,000, equal to 70 per cent. of the total. To show the effect of the profit-sharing scheme of the leading office, we give below an analysis of the surplus earned in 1928 by the Prudential and of its allocation:—

	£
Surplus earned during year.....	5,444,404
Brought forward from previous year	264,847
	5,709,251
Allocations:—	
To Bonuses to policyholders.....	3,265,306
„ Reserves.....	983,333
„ Shareholders	663,632
„ Bonuses to outside staff.....	520,408
„ Carried forward to next year	276,572
	£5,709,251

If, instead of the expense ratio actually incurred and the net rate of interest actually earned last year, the company had spent 38.5 per cent. of its premiums and had earned £3 14s. 8d. per cent. net interest, as was the case in 1912, the surplus of the year would have worked out at about £1¾ million in a place of nearly £5½ million earned. The illustration is a sufficient indication of the growth in profit-earning capacity.

In the publication, "Labour and the Nation," which is the official programme of the Labour Party, there appears a reference to industrial life assurance in the following terms:—

> The system of industrial life insurance needed to safeguard the worker against the risks confronting him, and through which he too often to-day is shamelessly exploited—these and other fundamental necessities are too vital to the welfare of the nation to be organised and exploited for private profit. Without haste, but without rest, with careful preparation, with the use of the best technical knowledge and managerial skill, and with due compensation to the persons affected, the Labour Party will vest their ownership in the nation, and their administration in authorities acting on the nation's behalf.

The Labour Party is too late. The nationalisation of industrial life assurance has already been accomplished voluntarily by capitalist corporations.

BANK ESTABLISHED IN 1864.

SKANDINAVISKA KREDITAKTIEBOLAGET

GOTHENBURG, STOCKHOLM, MALMO.

Branches in all parts of Sweden.

Paid-up Capital and Reserves - Kr.182,000,000

Telegraphic Address: "Kreditbolaget."

THE BANK AFFORDS EVERY FACILITY FOR BANKING BUSINESS WITH SCANDINAVIA.

THE VALUE OF SMALL SAVINGS.

[In an article in the "Economist" of February 23, 1929, we examined the available evidence of the rate of "small" savings, and reached the conclusion that, however valuable morally and socially the encouragement of thrift may be, "small" savings are a relatively unimportant factor in the supply of fresh capital for the maintenance of our industrial economic structure. The following article, contributed by a correspondent in close touch with the National Savings Movement, deals critically in detail, though not in general, with the views which we expressed.]

While it is probably true that only a comparatively insignificant part of the fresh capital continually being raised by industrial means is directly supplied by small savings, it does not necessarily follow that small savings have only a trifling economic value. In qualification of the conclusions drawn by the *Economist* from the fact, among others, that in the years 1923-27 the withdrawals from the Post Office Savings Bank exceeded the deposits by £17 million, it may fairly be pointed out that this period included the exceptional labour troubles and acute industrial depression of 1926, a year in which the excess of withdrawals over deposits was no less than £8½ million. Moreover, the figure of £17 million was arrived at by excluding the interest credited to depositors during those years, amounting to no less than £33 million. A proportion at least of the withdrawals would certainly represent interest earned by deposits and the difference between deposits and withdrawals will not actually represent the net amount saved during the period.

There are also two further forms of savings bank which may be mentioned. The large joint-stock banks now have special savings bank departments for the accumulation of small savings on terms similar to those offered by the Post Office and the trustee banks. No separate figures are made public of the activities and of the results achieved by these savings bank departments, and it is doubtful whether they attract any great amount from the "small saver" in the strict sense of the term. The second savings bank of which no mention was made is the Birmingham Municipal Bank, founded in 1919. The figures published by this bank show a steady increase in the balances due to depositors in the savings bank department, the total at March 31, 1928, standing at over 9 million pounds, or approximately £10 per head of the population of Birmingham. The increase in depositors' balances during the year 1927-28 was no less than £1,269,000, while interest allowed to depositors during the year was £272,000. There was, therefore, a net increase in deposits, excluding interest, of practically one million pounds.

Moreover, what is the function of a savings bank? Is it not for the accumulation of small savings until they become sufficiently large to be invested else-

where or used in some other fashion? It is admittedly doubtful whether any large proportion of the withdrawals from the savings banks are re-invested in Stock Exchange securities, but anyone who has been in close contact with the better class artisan and the small shopkeeper, who form an important section of the " small savers," is well aware of the fact that savings are frequently accumulated in the savings bank or in National Savings Certificates for the special purpose of buying or setting up a small business, or, still more frequently, for the purchase of a house. Such savings, although they may not have much direct effect on the problems of international trade, undoubtedly have an economic effect. Even when savings are used for a more transitory purpose, such as higher education for a child, better furniture for the home, or even for a good holiday in the summer, they are helping to raise the standard of living and to improve the status and mental outlook of the saver. The National Savings Committee have emphasised continually the necessity for wise spending as well as for saving.

But the indirect effects of this saving and wise spending go much deeper. The buying of houses and furniture, the setting up of small businesses, all tend to stimulate useful and profitable production, and so indirectly will tend to provide (out of the further profits so created) a further surplus for investment in productive industry. In fact, it is hardly too much to say that wise spending is even more important than saving.

In arriving at the total amount of small savings there are several items which can only be vaguely conjectured. The report of the Chief Registrar of Friendly Societies on the activities of building societies throws some light on one important item, that of house property. The balance due to the building societies on mortgages in 1926 amounted to 171 millions. Detailed figures published in the report show that of 109 millions due on mortgages to 32 large societies 77.8 per cent. was in respect of mortgages of £1,000 and under. The same proportion of the total for all societies is £133 million, which we may take as an approximate figure of the total balances due on mortgages of £1,000 and under. Each individual mortgage is in respect of property the price of which has been paid in part by the owner, and it is not unreasonable to assume that, on the average, the balances due on mortgages do not represent more than half the value of the property, the other half having generally been raised by the purchaser out of his savings. The total balance due on mortgages was 25 millions more than in the preceding year, advances during the year amounting to 36 millions. Taking the same proportion of this, viz., 77.8 per cent., we have a figure of £28 million advanced on small mortgages during the year. It is reasonable to assume that practically the whole of these advances were in respect of small houses purchased by the occupiers, and in most cases a substantial deposit will have been paid by the purchaser out of his savings. Assuming that on the average mortgages were for two-thirds of the purchase price, we arrive at a figure of £14 million paid as deposits on the purchase of houses. These deposits will, as a rule, have been paid by savings withdrawn from savings banks, from Savings Certificates or from deposits with the building societies themselves.

There is, therefore, reasonable ground for assuming a withdrawal from savings banks and kindred organisations of savings amounting to no less than £14 million in a year —and that year, 1926, a year of most acute industrial disturbance—and the reinvestment of those savings in house property. Such a transfer of savings would more than account for the excess of withdrawals over deposits in the savings banks even in that disastrous year.

Taking these various factors into consideration, we need not be despondent about the apparent falling off in small savings in some directions, but may reasonably assume that the savings banks and kindred organisations are fulfilling the important duty of taking charge of small savings until they become sufficiently large to be suitable for investment elsewhere. The old proverb, " Take care of the pence and the pounds will take care of themselves," is as true to-day as ever it was.

THE SLUM PROBLEM.

The vagueness of the discussion that followed, in Parliament and in the Press and elsewhere, on the recent decision of the Government to cut a second slice off the existing housing subsidies showed how few people there are who have at their finger-tips a considered policy for providing the right quantity and the right quality of houses that the country now needs. Ten years ago the cry, and it was a good cry then, was for houses and more houses, never mind how high their class. For ten years houses have been built under all sorts of schemes, and now the post-war eagerness has melted away. Unemployment has ousted housing from the forefront of election programmes. And yet, when stock is taken of what has been achieved, it appears that, though higher up the scale the end of the job is in sight, the evils of the slums have literally been scarcely touched. If in other respects we are coming near to the pre-war housing position, it is the more necessary at this critical point, when post-war enthusiasm is waning, not to let ourselves slip back into the old habit of acquiescing in the existence of slums. Far from accepting them as blots, but inevitable blots, what if the country sets itself a time-limit in which to wipe them out? Is the idea as visionary as at first it sounds?

Mr E. D. Simon, who has just published a very timely book* on this subject, is known far beyond the borders of his own City of Manchester as a practical authority on housing reform. To his detailed experience, gleaned from the day-to-day work of his own Corporation Housing Committee during its most difficult post-war years, he adds an outstanding capacity for visualising needs and possibilities over a wide area and an extended period of time. His statements are measured, his references documented, the frontiers of his subject rigidly defined. Equipped with these qualities, his recent treatise on the slum problem emerges as a perfectly definite policy, costs weighed, time limit indicated, such as a government, given the goodwill of the local authorities, might adopt lock, stock and barrel, as a complete and self-contained programme of housing reform.

The book is divided into two parts. In Part I the author surveys and analyses the present position. Post-war building has, he thinks, already satiated the abnormal demand for houses rented at 15s. and over, and is within measurable distance of meeting the demand for houses rented at between 10s. and 15s. This has not, and is not likely, however, to relieve pressure on houses rented at less than 10s. a week, which pressure is, in fact, expressed to-day in the persistence of unrelieved overcrowding on slum property. Slum clearance schemes he regards as no remedy, rather as the final concomitant of a constructive effort for the provision of new houses at rents which compete with those of the slum property to be cleared. Reconditioning is a palliative for which there is perhaps greater scope in some parts of the country than there is in Manchester, where a policy of reconditioning was pushed to its structural limits before the war. What, then, are the possibilities as regards a new advance towards such provision of lower rented houses as will stimulate an effective " filtering up " of slum tenants? This is the question which he attempts to answer in Part II. He is convinced, in the first place, that salvation lies only through the method of the subsidy; but it must be a subsidy scientifically adjusted to give maximum returns for a minimum of cost. His first string is a measure of de-rating affecting all houses rented at less than 20s. and affording cumulative relief down to a flat-rate assessment for those below 10s., in order that the minimum standard new house may not be penalised as against the lower rented slum property. This would of necessity involve a direct or indirect charge upon the national exchequer. Additional subsidies should be based not on the type of house but on the needs of the tenants, and should take the form of a family rent allowance. He tentatively suggests that an abatement of 1s. per week per child for every family in receipt of an income of 60s. or less would cost some £5 millions per year, and would in effect be the cheapest way of attaining a definite minimum standard of housing. Together with the existing

* " How to Abolish the Slums." By E. D. Simon. Longmans Green & Co. 4s. 6d. net. (Paper cover 2s. 6d.) Pp. xi–146.

Wheatley subsidy, it should enable every family to pay for a standard minimum house. Such, in bare outline, are his major proposals, though they are qualified and expanded in directions which space forbids us to indicate.

Indubitably he has put his finger on the spot in pointing out that whereas the very rich man pays in rates about 1 per cent. of his income, the rates on the cheapest types of post-war houses represent some 10 per cent. of the income of the lower-paid workers. Ultimately it is as true here, though on different grounds, as it is in the case of industry that the traditional rating scheme fails to take account of that ruling principle of good taxation, ability to pay. Some measure such as the one he suggests is sure to be adopted in the end. The problem of reimbursing local authorities for loss of rates has been shown in the last few months not to be insoluble. Whether Mr Simon is on equally firm ground in advocating a rent allowance for children is more questionable. Critics might remind him of the danger of any policy which might conceivably encourage breeding from the least fit section of the people. But this is the only place where he fails to show that he is fully aware of, and ready with an answer to, the possible criticisms that his proposals might raise.

The book supplies just that stimulant which a great body of public opinion, vaguely feeling after better things, needs in order to concentrate its ideas. It provides the data for clear thinking. By stressing facts scarcely realised yet in this connection, that by about 1950 the population of this country is likely to become stationary and therefore that each year, if the rate of building is maintained, a smaller percentage of the houses built will be required for new families and a greater percentage will be available for replacing dilapidated houses, it gives a new and unexpected hope. Collating the evidence of inspectors in new housing estates, Mr Simon has laid once and for all, one would think, the old bogey that most slum-dwellers will take slum habits with them wherever they go. And he has done a service in pointing out so succinctly that we are approaching a housing crisis of a particularly subtle kind. His plans for meeting it form a unity which should encourage administrators to regard the problem of the slums as a manageable problem. The ordinary citizen is thus entitled to ask: " If manageable, why not managed? "

Notes of the Week.

The By-Elections.—The by-election results announced up to the time we go to press are cold comfort for the present Government. In East Toxteth the Conservatives retained the seat, but only by a majority of 3,129 votes, against 9,519 in 1924—the contest on each occasion being three cornered. The Conservative poll shows a drop of 7,447, the Labour a decline of 57, and the Liberal an increase of over 2,000. For the first time in the history of this constituency a Conservative candidate is returned by a minority vote, Mr. Mond's poll of 9,692 comparing with an aggregate vote of 12,769 for the other two parties combined. The loss of the Eddisbury Division of Cheshire, where, in a straight fight, a Conservative majority of 1,669 has been turned into a Liberal majority of 1,292, is even more discouraging for Mr Baldwin's supporters, and suggests not only that Liberalism is far from being a spent force in politics, but that, even in the rural constituencies, the tide is setting against the Government more strongly than might be thought. Finally, the result of the triangular contest at Bath is far from being an encouragement to Conservatives. The seat, recognised as almost impregnably " safe," was held, indeed, by the Government, but the Conservative poll fell from 16,067 to 11,171, and the majority from 7,267 to 3,916. The Liberal vote in this constituency was 1,545 lower at 7,255, and the Labour poll up by 2,445 at 6,359. Yet another minority member is thus returned. The moral of these three by-elections seems to be that Mr Baldwin's essentially negative attitude, exemplified once more by his Leicester speech on Thursday night, is unlikely to secure a working majority for his party at the General Election.

The Petrol Case.—The statement issued by the petrol companies—Anglo-American Oil, Anglo-Persian Oil and Shell-Mex—in response to the Prime Minister's enquiry, is satisfactory as far as it goes, and it is difficult to see what more the Government can expect. The actual costs of producing crude oil are never exactly ascertainable, because allowance must be made for so many intangible expenses, such as drilling failures, depletion of properties and general prospecting. It is therefore impossible for the petrol companies to present exact costs as manufacturing companies in other industries can do. The best that can be expected is to have comparative market prices of the manufactured article in America and Great Britain. These figures are contained in the petrol companies' statement in adequate detail. They show that the cost of landing and delivering in Great Britain a " commercial " grade of motor spirit purchased at the market price of 9¼ cents per American gallon in bulk at U.S. ports is 1s. 2d. per Imperial gallon. This figure includes the petrol tax of 4d. and inland distribution costs of 2¼d.—a reasonable estimate. The retail price of this commercial grade is 1s. 5d. inside the London zone and 1s. 5½d. outside, but allowing for the garage or dealer's margin of 3d. and for rebates given to big commercial users, the average price realised by the petrol companies is stated to be 1s. 1½d. or 1s. 2d. per gallon, according to the zone. These calculations relate to commercial spirit, but this is said to represent the major portion of the trade. On this basis the petrol companies would still be conducting the bulk of their trade, even after the recent rice of 2¼d., at a loss or without profit. The fact is that the Anglo-American Oil Company is the only one of the three which is actually buying its supplies from America. The Anglo-Persian draws its supplies from Persia, and the Shell from all over the world. The Anglo-American does not specifically state that it is paying 9¼ cents for U.S. gallon for its " commercial " spirit, but the passing of its interim dividend in respect of 1928 showed that it was feeling the pinch pretty severely. The general case of the three companies is that the dumping of Russian petrol into Great Britain had forced prices below the level of world values, and that the recent agreement with the Soviet oil agency, which terminated the " price-war," had allowed a return towards the " world-level of prices which in the long run is essential to the maintenance of supplies for the British market." When it is appreciated that the annual consumption of motor spirit in Great Britain amounts to more than 2,500,000 tons (or 750,000,000 gallons) it becomes obvious that the maintenance of the big petrol companies' supplies is a very important matter. The Soviet Government and the " independents " together could not do more than supply fifteen per cent. of the requirements. We are, in fact, dependent upon the good will of the petrol companies for the life-blood of our transport system. It is not, perhaps, a happy thought, but the Government would do well to face it.

Marshal Foch.—With the death of Ferdinand Foch, Marshal of France, a great figure, perhaps the greatest, of the World War has passed from the scene. In measuring his military achievements with those of his predecessors in command of the French army it must be recognised that unity of command, achieved at the Doullens Conference almost exactly eleven years ago, gave him an opportunity vouchsafed to no other general on the Allies' side. To say this, however, is not to detract from his pre-eminence as a soldier and as a personality. The history of 1918 is still vivid in living memory. Convinced that success could be attained only by a war of manœuvre, Marshal Foch proved the truth of his conviction by a masterly conception of strategy which earned him the undying glory, not only of winning victory for the Allied cause, but of shortening the war itself. Those who knew him intimately testify to the many endearing qualities of an unassuming, humorous, and essentially sympathetic character. If proof were needed of his outstanding greatness as a commander-in-chief it is to be found in the simple fact that he was the only man to whom the Allied Governments consented to entrust their combined forces. In his ability to command such confidence, Marshal Foch, so far as it lay in the power of

any one human being, was the architect of victory. France, mourning one of her greatest servants, does not mourn alone.

Monsieur Poincaré Survives.—Last week Monsieur Poincaré succeeded in carrying three motions of confidence through the Chamber—two on Thursday the 14th and one on Saturday the 16th, or, rather, after dawn on Sunday morning. The debate on Saturday related to a matter for which the Government had *technical rather than* political responsibility: the mortality in the French Army on German occupied territory during the recent spell of severe weather. On the other hand, the debate on Thursday turned on what is perhaps the deepest and certainly the most characteristic controversy in modern French politics: the question of Secularism. In general, we may take it as established that, in France, secularism has come to stay; and if the debate on Thursday had turned on the general issue the anti-clericals in the Chamber would have polled a majority that would have included Monsieur Poincaré himself. Many Frenchmen, however, are hostile to the Catholic Church, not so much on principle but because they regard loyalty to the Church as being irreconcilable with loyalty to the State. They are patriots first and anti-clericals incidentally; and it follows logically that the perfect French patriot ought to drop his anti-clericalism in any situation where it can be demonstrated that this international Church is working in the interests of French nationalism. Now in one field this exceptional situation has existed at least since the sixteenth century—one might almost say since the Crusades. In several quarters of the world Roman Catholic missions *in partibus infidelium* have been carried on under the protection of the French State and to a large extent through the agency of French nationals. These missions have propagated, not only the Catholic Faith, but the French language, French culture and French political prestige; and in return they have been consistently supported by the French Government—whether or not the Ministry of the day happened, in home politics, to be of a secularist complexion. As a French secularist patriot once wittily put it, "Anti-clericalism is not for export." But the *mot contains* an awkward implication; for if French Catholic missionaries are still to be exported for the benefit of their mother-country, they must first be manufactured, and where can that be done except on French soil? In other words, French Catholic missionary congregations must have seminaries, headquarters, recruiting stations and bases of operations at home; and the law which aroused such a storm in the Chamber last week, before Monsieur Poincaré carried it through, was precisely a law for granting such indispensable privileges to nine selected missionary bodies. The law has now passed, but the dilemma remains; for while these facilities in France are essential to the congregations if they are to work for France abroad efficiently, the grant of them is undoubtedly a breach in the solid ramparts of secularism at home—and nobody knows better than the Catholic Church how to use such footholds to the best advantage. Thus the French secularists are torn in two directions. There is an issue here which is much bigger than the mere question of how many weeks longer Monsieur Poincaré is to remain in power.

The Closing of Madrid University.—When students intervene in politics it is a symptom that their elders are in some way failing to discharge their civic responsibilities; for other things than politics are normally uppermost in young people's minds, and they do not take political action unless politics are forced on their attention by something obviously and gravely amiss. This can be illustrated by the history of Europe from 1815 to 1848, and from the more recent histories of Russia, Egypt and China. We now have another illustration from Spain; and we judge that the Spanish Dictator's collision with the students of the University of Madrid is of much worse augury for his regime than his previous collision with the officers of the Artillery Corps. The Dictator himself takes the symptom seriously, to judge by the drastic character of his measures of repression as compared with the rather trivial provocation which the students offered him. What the students did was to go on strike from the university courses and to demonstrate in the streets, and it is significant that the professors and the university authorities refrain from condemning their conduct. The Dictator's first step was to set the police on the students, with drawn sabres. He has now gone so far as to close the University of Madrid for a year and a half, and to order all students who are not residents of Madrid to leave the city immediately. The Chancellor and Chapter of the University have been dismissed, and their functions have been handed over to a Royal Commission. Other commissions have been appointed to deal with several technical schools—some in the capital and some in the provinces. Proceedings against the professors are reserved until these commissions have presented their reports. This action is a far more serious blow to the national life of Spain than the disbandment of the Artillery Corps. Spain could well dispense with part of her present army, now that she has happily come to the end of the Moroccan War; but the University of Madrid is a vital intellectual organ of the Spanish nation; and this organ is now to be atrophied at a time when the nation needs—and knows that it needs—to make up intellectual arrears. We prophesy that this last act of the Dictatorship will arouse a more formidable opposition than any that it has yet encountered. Incidentally, this opposition will be stimulated by economic conditions—for the university is one of the sources of the prosperity of Madrid, and the Madrid Chamber of Commerce is already reported to be contemplating a petition to the Government to reverse its decision in the interests of trade. The Spanish Dictatorship is getting into deep waters.

The Future of East Africa.—On Wednesday, March 13th, a debate on the report of the Commission on Closer Union of the Dependencies in Eastern and Central Africa was opened in the House of Lords by Lord Lugard. The opener is the most distinguished living authority on Tropical African administration. His first-hand personal experience covers practically the whole of the latest phase of African history; this experience has been acquired not only at first-hand, but in the practical task of administration; and at the same time, Lord Lugard has retained the mental attitude of a detached observer. Thus, on this occasion, a statesmanlike report was reviewed by a statesmanlike mind; and Lord Lugard's speech should be read widely by his countrymen, in whose hands lies the ultimate responsibility for the wise and right development of these vast African dependencies of the British Empire. Lord Lugard pointed out that the principal issues involved extended far beyond any single colony or group of dependencies; and he suggested that the report might play the same historic *role* in the constitutional development of tropical territories as the famous Durham Report has played in the development of Dominion Status. Accordingly, he urged the Government to take as a pattern the procedure which was to be adopted on the presentation of the Simon Commission's forthcoming report on the Government of India: The proposals of the Government on the African Report should be submitted to a Joint Committee of all parties in both Houses, and a delegation representative of every section of opinion in Africa should attend the Committee and present the whole gamut of local views. Further, Lord Lugard recalled the famous pronouncement which the Imperial Government made in 1923, to the effect that the trusteeship for the native population was the Imperial Government's paramount obligation, and that the existence of this paramount obligation made the grant of "responsible government" out of the question within any period of time that need be considered. On this question he exhorted the tiny minority of white settlers—who, of course, want "responsible government" here and now, on a franchise confined to them—to refrain from forming a hasty judgment. Later in the debate, Lord Davidson expressed a pious belief that "the principles of the settlers were precisely the same principles as were advocated in the report." That remains to be seen—and meanwhile Lord Plymouth, in replying for His Majesty's present Government, intimated that there was no intention of taking action on the report until after the General Election. He also intimated that the present Government still held to the principles set forth in the Declaration of 1923. That is an important point; for if that declaration is definitely accepted by all parties as an agreed and permanent basis of British policy in Tropical Africa, then the future discussion of the Commission's Report can proceed on concrete and constructive lines.

Milk Prices.—In view of the unusual asperity which characterised the annual price discussion last September, between producers and distributors of milk, the report which the Food Council has just presented to the Board of Trade will be read by the public with keen interest. The *casus belli* was the demand of the producers for improved terms, which, they contended, need involve no increase in price to the consumer. In the ultimate settlement, the farmers gained most of what they asked, but only at the expense of an increase in the retail price, which was to be 7d. per gallon for eight months, and 6d. for four months, whereas winter prices had only been charged for six months in 1927-28. The public was on the whole sympathetic to the farmers' demands, but, like the farmers themselves, saw no reason why it should foot the bill. The Food Council, with the aid of a Government threat of compulsory powers, secured trading accounts representing about one-third of the sales of milk in Greater London, and, after adjusting the results, has produced an analysis which is distinctly disquieting. A small group of five private firms, submitting accounts for the year 1927, made a profit of almost 50 per cent. on their capital. The other groups' accounts relate in part to the abnormal year 1926, and, except in the case of a further five private firms, representing again a very small proportion of the total sales, whose profits on capital amounted to 34 per cent., the rate of profit is not given, but judging by the rate of profit on sales, it must have been very substantial indeed. The Food Council then proceeds to calculate the probable sales and profits for 1928-29 on the basis of winter prices for eight, seven, and six months respectively, and reaches the conclusion that there is no justification for charging 7d. a quart for more than seven months. A glance at the table below suggests that this conclusion is probably conservative, especially as the Council points out that where accounts are available for 1927-28 they show much more favourable results than those on which the bulk of the table is based:—

	Net profits in periods covered by accounts.		Estimated net profits in 1928–29 if retail prices of 7d. per quart is charged during:					
	£	% on sales.	8 months. £	8 months. %	7 months. £	7 months. %	6 months. £	6 months. %
2 Co-operative Societies	63,784	10·8	76,427	12·9	68,725	11·6	61,023	10·3
5 Private firms, 1926 & 1926–27	3,397	3·9	3,285	3·8	2,480	2·9	1,675	1·9
6 Limited companies, 1926 & 1926–27	119,790	2·1	148,816	2·6	80,006	1·4	11,196	0·2
6 Limited companies, 1927 & 1927–28*	223,670	3·9	182,470	3·1	124,561	2·1	52,852	0·9
5 Private firms, 1927	3,657	6·4	2,785	4·8	2,225	3·9	1,665	2·9

* Estimated.

The Food Council itself issued a report in 1926, moved thereto by the distributors' action in charging 7d. per quart in September, in which it expressed the hope that in future winter prices would only be charged from October to March. This hope was fulfilled for two years, but now that the dairymen have suddenly demanded two extra months of winter prices, involving higher prices than any charged since 1923-24, and increasing their own margin by nearly ½d. per gallon, the Food Council seems prepared to concede them one extra month in recognition, perhaps, of difficulties caused by the abnormal frost. That the Council's verdicts have weight is shown by the announcement of the co-operative societies that they intend to begin summer prices on the 1st of April instead of on the 1st of May. None the less it is doubtful whether the light of publicity alone can be relied upon to give the consumer all the protection which he needs against price-fixing by powerful trade associations. The Food Council does its work of investigation well. Means have yet to be found whereby to make its decisions uniformly effective.

Civil Estimates: Rating Relief.—A White Paper has now been issued explaining Class X of the Civil Estimates under the title of Exchequer contributions to local revenue, etc. These are all new items compared with original estimates last year, and consist of railway freight rebate, £2½ million; private mineral railways local rates grants, £27,000; and a grant of £13·2 million to rating authorities in respect of loss of rates for the latter half of the coming financial year, in consequence of rating relief to industry and agriculture. It is apropos of this third large item that we would call attention to the confusion and mystery surrounding the finance of de-rating. In the Financial Memorandum attached to the Local Government Bill the cost of the reduction of rateable values was reckoned at £24 million per annum for England and Wales, and £3.2 million for Scotland; these figures included the relief to railways. The Civil Estimates now provide for, roughly, £1½ million more than this. So far, so good. But the Local Government Bill imposes other new charges for which provision does not yet appear to have been made. Additional and supplementary grants to local authorities were estimated in the Memorandum at £2,330,000 in the first full year; it is possible that a proportionate allowance for this has been included in the new estimate, though it certainly does not appear so from the meagre explanation given in the White Paper; and if it is included, why could the fact not have been made clear? There are also to be new grants of at least £5 million a year for England and Wales, and £750,000 for Scotland, which appear nowhere in the published estimates. Where are the £3 million for the half-year, and the administrative expenses of the upheaval, to come from? The Local Government Bills, indeed, provide for an annual raid on the Road Fund to the tune of £3 million, but that is no reason for omitting these new grants from the Budget estimates, and only illustrates the confusion into which the national finances are thrown when a fund created for a specific purpose is used as an extraordinary source of revenue for ordinary expenditure.

Employment in February.—As was to be expected, the volume of employment in this country during February was affected by the severe weather which set in in the middle of the month. The improvement recorded during the first two weeks of the month was followed in the latter part of the month by heavy increases in the numbers of unemployed in trades dependent upon weather conditions, such as the building trade, public works contracting, brick, tile, cement and artificial stone manufacture, canal, river, dock and harbour services, and all branches of the mining group of industries, other than coal mining. An improvement in employment was recorded in many industries unaffected by the weather. There was a substantial increase in the numbers employed in coal mines, while pottery, pig iron manufacture, general and marine engineering, shipbuilding and ship repairing, the textile trades other than cotton and carpet manufacture, the clothing trades, boot and shoe manufacture, and shipping services also showed improvement. According to the *Ministry of Labour Gazette*, among the 11.9 million workpeople insured under the Unemployment Insurance Acts of Great Britain and Northern Ireland, the percentage unemployed (wholly and partially) at February 25th was 12.2. This compares with 12.3 per cent. at January 21st, and 10.4 per cent, at February 20, 1928. The total number of registered unemployed at February 25th was approximately 1,430,000, as compared with 1,434,000 at January 28th, and 1,139,000 at February 27th, 1928. The following table gives the

monthly movements in the unemployment percentage for some years past:—

PERCENTAGE UNEMPLOYED AMONG INSURED WORKPEOPLE IN GREAT BRITAIN AND NORTHERN IRELAND.

	1922.	1923.	1924.	1925.	1926.	1927.	1928.	1929.
End of—	%	%	%	%	%	%	%	%
January	16·2	12·7	11·9	11·5	11·0	*12·0	10·7	12·3
February	15·7	11·8	10·7	11·3	10·4	10·9	10·4	12·2
March	14·6	11·1	9·9	11·1	9·8	9·8	9·6	...
April	14·4	10·9	9·7	10·9	9·1	9·4	9·6	...
May	13·5	10·7	9·5	10·9	*14·3	8·7	9·9	...
June	12·7	11·3	9·4	11·9	*14·6	8·8	10·8	...
July	12·3	11·5	9·9	11·2	*14·4	9·2	11·7	...
August	12·0	11·8	10·6	12·1	*14·0	9·3	11·7	...
September ...	11·9	11·7	10·8	12·0	*13·7	9·3	11·4	...
October	12·0	11·7	11·1	11·4	*13·6	9·5	11·8	...
November ...	12·4	11·5	11·0	11·0	*13·5	9·9	12·2	...
December ...	12·2	10·7	10·9	10·4	*11·9	9·8	11·2	...

* Excluding workpeople in the coal-mining industry who were disqualified for unemployment benefit owing to the dispute.

Since the above figures were compiled there has been, during the early part of March, a marked decline in unemployment, the total number registered unemployed having fallen to 1,268,000 on March 11th. This compares with 1,071,700 at the corresponding date last year.

Cost of Living.—There was a rise in the cost of living during February. At March 1st the index number of the Ministry of Labour stood at 66 per cent. above the level of July, 1914. This compares with 65 per cent. a month ago and 64 per cent. a year ago. The following table shows the monthly movements of the index figures over a number of years:—

AVERAGE PERCENTAGE INCREASE over JULY, 1914.—All Items. (Food, Rent, Clothing, Fuel, and Light, &c.)

1st Day of	1918.	1921.	1924.	1925.	1926.	1927.	1928.	1929.
	%	%	%	%	%	%	%	%
January ...	85–90	165	77	80	75	75	68	67
February ...	90	151	79	79	73	72	66	65
March.....	90	141	78	79	72	71	64	66
April	90–95	133	73	75	68	65	64	...
May	85–100	128	71	73	67	64	64	...
June	100	119	69	72	68	63	65	...
July	100–105	119	70	73	70	66	65	...
August	110	122	71	73	70	64	65	...
September..	110	120	72	74	72	65	65	...
October.....	115–120	110	76	76	74	67	66	...
November ..	120–125	103	80	76	79	69	67	...
December ..	120	99	81	77	79	69	68	...

For food alone the index stood at 57 per cent. at March 1st as compared with 56 per cent. at the beginning of February, and 55 per cent. a year ago. The increases recorded were largely due to the effects of the very severe weather experienced during February.

Dominion Status.—A Dominion, in the mathematician's phrase, can only be defined by extension; if we want to know what the Dominions are we must first know what are Dominions. The peculiar functions and properties of Dominions have to be discovered in what is common to the members of the list. But the conclusion must conflict with the existence of a single legal, international structure, and as the international status of the Dominions develops, their status in law expands in interest. The Rhodes lecture, delivered last Friday by Mr J. H. Morgan, K.C., Professor of Constitutional Law in the University of London, was valuable in providing a lawyer's answer to the question: What is Dominion status? The key to Mr Morgan's view is his insistence on the maxim, laid down and applied by the Judicial Committee of the Privy Council, the Imperial supreme court, that the Crown is one and indivisible throughout the Empire. The King can indeed sign treaties for Canada alone, make laws for Canada alone, but as King in Canada and not as King of Canada. His ancestors in the Hanoverian succession, down to Queen Victoria, were Kings of two places, Hanover and Great Britain; to-day, no longer two sovereigns in one man, George V. is one sovereign over many places. It follows that in his external sovereign acts he cannot promise for one of his Dominions what he forswears for another. Mr Morgan emphasised this proposition with two illustrations. Dominions have now the power to possess accredited Ministers to Foreign Courts, but the recognition of a foreign sovereign lies exclusively with the King, on the advice of the British Secretary of State for Foreign Affairs. Thus a Dominion could not take upon itself to recognise a *de facto* government in China or Mexico, or the Soviet Union, until it had been recognised by the British Government. Even more pregnant is the proposition that "if war was declared by the King on the advice of his Ministers in Downing Street, nothing short of a Declaration of Independence could achieve the neutrality of a Dominion." The tenor of recent debates in their Parliaments suggests that certain elements in the Dominions are not prepared to accept such a subordinate status and insist on the right of abstention, and therefore of secession on the occasion of war. The refusal of the present Government to acknowledge the proposition is shown by its action in signing the Locarno treaties, not in the name of the whole Empire, but for Great Britain alone, and in the first instance without consultation with the Dominions. Locarno might land us in a war in which the Dominions had no desire to participate, but in which they were legally involved. Whether Mr Morgan is wholly right or not, it is plain that the organisation of the British Empire in its external and intra-Imperial affairs needs clarification and amendment. At present it requires little cynicism to suggest that in international affairs the cumbersome process of consultations with the Dominions is only employed when long delay is convenient. The problem of Dominion independence is linked with that of separating internal affairs from those with international implications—not necessarily more difficult than seems to have been solved in the days when the Secretaryship of State was divided into a Secretaryship for Northern and one for Southern Affairs. At least it seems certain that if the continuance of the British Empire is to be reconciled with the growing independence of its parts, we shall have to implement our promise to abandon war.

South Wales Coal Trade Losses.—A Cardiff correspondent writes:—All the audits of trading results in the coalfields of the United Kingdom during recent months show an improving financial position. In the South Wales coalfield the audit for the three months ended last January records a trading loss of only £222,148, equivalent to 5.54d. per ton on an output of 9,631,630 tons, compared with a loss of £755,153, or 1s. 6.25d. per ton on an output of 9,931,971 tons in the preceding three months. These are the least unfavourable figures for many quarters issued by the Conciliation Board under the agreement entered into on the termination of the national stoppage in 1926, and compare satisfactorily with the debit balance of £216,776, equivalent to 4.41d. per ton on an output of 11,788,224 tons in the three months ended April, 1927. The detailed returns show for the three months ended last January an increase in the average realised pit head price to 13s. 2.26d. per ton, compared with 12s. 9.62d. per ton in the preceding three months, and with the lowest figure of 12s. 8.95d. per ton under the present agreement touched in the quarter ended July, 1928. Even more encouraging than this increase in price is a decrease in the costs of production of about 8d. per ton. The expenditure per ton raised, amounting to 13s. 7.80d., compared with 14s. 3.87d. in the previous three months, and with 14s. 8.50d. per ton in the corresponding period ended January, 1928. The explanation of this decrease in costs of working during a period when there was an actual fall in the quantity of coal produced is to be found in the fact that one of the effects of the wholesale closing down of pits last year was to bring the supply into closer relation to the demand, and that during the period covered by the audit there was a slight expansion in the volume of the export trade. The total losses under the present agreement amount to £4,684,966, and the deficiency represented by the actual trading losses and the sacrifice by the owners of their prescribed nominal share of the net proceeds of the industry reaches the enormous figure of £10,870,608. In view, however, of the improved position of the industry there is now a reasonable expectation that the audit for the three months ended April will, for the first time during the past two and a half years, show a trading profit.

The European Metallurgical Cartels.—Our Paris correspondent writes:—The representatives of the French, German, Belgian and Luxemburg steel concerns, which form the European Steel Cartel, decided at their quarterly meeting last week to increase their maximum export total by 2,000,000 tons during the ensuing three months. This decision was reached in view of the fact that, during the past twelve months, all four parties to the international agreement, as set forth in the *Economist* for March 9th, were compelled, under pressure of the largely increased demand for steel, to exceed their respective maximum quotas. Germany's demand to be allowed to increase her fixed maximum quota was refused by the other representatives, in view of the excessive extent by which she exceeded her maximum last year. The scale of fines for exceeding the fixed export quotas, which it had been suggested should be revised upwards, was left without modification. The question of the admission of Poland to the Cartel was left over until the next quarterly meeting, which will take place in June. The delegates to "Erma," the international rail agreement organisation, following a preliminary meeting in Paris, at which they discussed the renewal of the agreement (which would otherwise expire on March 31), have decided to renew it for a further six years. No communiqué was issued after the meeting, but it is understood that complete agreement was reached between the British and the Continental producers, and that certain concessions were made by the former. The scale of fines for exceeding the export quota fixed in respect of each of the groups in the organisation starts from 20s. per ton. The members of the zinc producers' Cartel, who recently came to an agreement, covering a period of six months, have held a second meeting to examine the conditions in which the agreement shall operate, and to fix definite arrangements. A communiqué issued at the end of the meeting stated that the producers were agreed that the improvement in the situation justified a slowing down in the rate of reduction of production, which rate had been previously fixed at 10 per cent. The rate has now been reduced to 7 per cent., with the understanding that if, for some time, demand continues good, this reduction obligation will be removed.

The Trade in Agricultural Machinery.—The Imperial Economic Committee has published, in its eleventh report (H.M. Stationery Office, 6d. net), a survey of the trade in agricultural machinery which offers one more illustration of the urgent need for international co-operation to secure greater uniformity of statistics. The committee has succeeded in selecting groups of products which offer tolerably comparable figures for the various exporting countries, but there is evidence that these groups give an unduly pessimistic view of Great Britain's position. A further drawback is that, for the bulk of the report, the latest statistics available were those for the abnormal year 1926, though such figures as are available for 1927 and 1928 suggest that this makes less difference than might have been imagined. Of the four chief exporting countries, the United States, Canada, Germany and Great Britain, the last-named was the only one which had not substantially increased its exports of agricultural machinery since 1913, and the United Kingdom's share in 1926 of the total exported by these four countries was less than 8 per cent. Europe, which took nearly two-thirds of British exports (excluding prime movers and tractors) in 1911-13, took only 38 per cent. in 1927, whereas the proportion taken jointly by British South Africa, Australia, New Zealand and India rose in the same period from 9.7 to 34.6. Europe still remains the best market, but 41.1 per cent. of her imports come from the United States and 30.1 per cent. from Germany. Total imports into Europe in 1926 amounted to £5,047,000; imports into South America in the same year amounted to £4,276,000, of which 74.2 per cent. came from the United States, whose total exports of agricultural machinery exceeded those of the other three countries combined. Russia formed a substantial market, taking £1,695,000 of machinery, of which 75.8 per cent. came from Germany. Germany's share in the European market, excluding Russia, amounted to 30.1 per cent., but her exports to the New World formed a very small proportion of the total. The Committee scouts the idea that the preponderance of the United States and Canada in this trade is due to their large home markets, observing that, while a home market is admittedly an advantage, "it is a mistake to assume that foreign markets, even with approximately similar climatic conditions, will demand duplicates of the local patterns. The market ultimately goes to the country which most closely satisfies local requirements both in design, in service for repairs, and in methods of sale." Steps in this direction are already being taken by British producers, but there is still much to be done, and the Committee utters a warning that foreign competition is likely to be more severe than before the war.

Leather and Shoe Trades.—A correspondent writes:—The quiet conditions prevailing in the leather and kindred industries are shown by the latest Board of Trade figures. For instance, the export of boots and shoes made of leather and other materials was valued at £430,982 for February, 1928, and fell to £360,069 for the corresponding month of the present year. The net imports of footwear—after deducting re-exports—for the Februaries of 1928-29 were valued at £291,094 and £218,473. Exports of British sole, dressed, and other sorts of light leather were valued at £711,834 and £443,437 for the two Februaries of 1928-29 respectively—a serious decline which shows the poor purchasing power of customers overseas, and the uncertainty in prices, which, of course, has checked business in leather all over the world. Imports of dressed leather also dropped considerably last month, as compared with February, 1928, the figures for February, 1928, being £819,286 and £484,243 for February, 1929. In undressed leather the decline is even greater, the value for February, 1928, being £1,021,199, as against £475,445 for February of the current year. The uncertain condition of the tanning industry is shown by the fact that imports of wet hides for February, 1928, were valued at £298,425, and dropped to £135,821 last month. In the import of dry hides the figures are even more striking, the value for February, 1928, being £538,007 and dropping to £254,733 for February, 1929. At time of writing, however, values of hides show some signs of stabilisation, and if this turns out to be the case, it will mean a return of confidence, which will do much to pull the allied trades out of the slough of despond in which they have been floundering for the past six months.

American Cotton Crop.—Our Manchester correspondent writes:—On Wednesday last the United States Government published the final report on the cotton crop for the season 1928-9, the amount ginned being given as 14,269,000 bales, against 12,955,000 bales a year ago, and 17,755,000 bales in 1926. The statement published this week was rather below expectations, and, on the figures becoming known, prices in New York and Liverpool advanced several points. It should be mentioned that, on December 8th last, the Government estimated the crop at 14,373,000 bales, and up to January 15th the amount ginned was 13,892,000 bales. During the last few weeks there has been increased speculative interest in cotton, especially in the New York market, and a leading operator bought freely at the end of February, but it is understood he took his profit, which was not very great, last week-end. Owing to big world consumption the statistical position of the article has recently been stronger, and the visible supply is declining from week to week. On the other hand, traders anticipate that at present prices farmers will make every effort to produce a big growth this summer, and there is every expectation of a fair increase in the area under cultivation. The extent of the growth will depend upon the weather later on, but it is recognised that, if higher prices are to be avoided, there will have to be an indication of a yield of not less than 15 million bales. Recently heavy rains in the belt have delayed farm work, but drier conditions are now reported.

An American Bank Merger.—The news of the impending merger between the Hanover National Bank and the Central Union Trust Co. of New York shows once more that American bankers are not unmindful of the advantages of large-scale operation as practised in Great Britain. The new company will have net deposits of $400,000,000, which, while still small when judged by the standards of the "Big Five," nevertheless bring this institution well into the front rank of American banks. The new combination, too, seems likely to be a well-balanced one, the Central Union Trust Co. supplying the "city" and foreign element, and the Hanover National Bank the country connections. In one sense there is no question of the new organisation being in any way comparable with a large British bank, if only because of the absence in America of the British system of branch banking. In this particular case, the Hanover National Bank only possesses eleven branches; it is not clear that these branches have power to carry out every kind of banking business. The strength of the Hanover National Bank clearly lies in the fact that it acts as New York correspondent for numerous up-country banks. It must be remembered that while such up-country banks all preserve their nominal independence, in many cases their relations with their New York correspondent are very close indeed, so close as to resemble the relations between a parent and its offspring. In fact, the distinction between the British system of many branch banks under a common ownership and control and the American system of families of banks is at times a fine one. This both emphasises the need in this country of a better knowledge of the actual operation of the American banking organism, and also adds to the importance of mergers such as the one discussed above.

Employers' Liability Assurance Corporation. — The shares of this company have recently weakened, partly on account of fears as to the outcome last year of the American casualty business, in which it is heavily interested. The 1928 accounts are reassuring, for although the profit in this section is lower, it is still substantial, and the decline has been more than made up in other directions. Nearly 90 per cent. of the total premium income of £7,493,000 is derived from the general department, which is understood to be preponderatingly American casualty business; and, so long as the company's business is not more diversified, fluctuations of fortune must naturally occur on a greater scale than is usual with other composite offices. During last year the total premium income expanded by £924,000, practically the whole increase being due to the General department. The unfortunate experience of the company's subsidiary, the Merchants' Marine, has been responsible for a serious drain on resources in recent years. The investment has now been written down from an original cost of £750,000 to £125,000, and, including a transfer last year of £165,000 from general reserve, an investment reserve of £290,000 is now available to meet eventualities. The complete results of the past two years are set out below:—

	1927.		1928.	
	Amount.	Percentage of Premiums.	Amount.	Percentage of Premiums.
	£	%	£	%
Fire	64,482	16·1	45,053	11·0
Accident	— 6,153	— 1·7	33,587	9·0
General	275,847	4·7	225,715	3·4
	334,176		304,355	
Adjustment of Exchange	9,329		15,771	
Profit from Investments	22,174		20,469	
	365,679		340,595	
Taxes	190,213		147,843	
	175,466		192,752	
Written off Merchants' Marine Investment	125,000		...	
Total Net Surplus	50,466		192,752	
Excess of Cost of Dividend over Interest Earnings	59,274		57,958	
Net Increase in Total Resources	— 8,812		134,794	

The dividend, at the rate of 80 per cent., is the same as in each of the preceding seven years, and the higher cost is due to the issue at 80s. last December of an additional 100,000 shares at £1, with 5s. paid up. This issue was made as part of an arrangement whereby the share capital of the two American subsidiaries was transferred to American Trustees, and the original amount of £870,000 sunk in this investment was repaid in cash. This sum will be fully remunerative during the current year, and may be expected to reduce the gap between cost of dividend and interest earnings from nearly £60,000, to about £30,000. At the present price of 80s. the shares yield 5 per cent. net of income tax—a high return for an insurance share.

Provident Association of London, Limited.—Although this company transacts ordinary life assurance business, its principal activities are connected with the issue of what are known as Bond Investment Policies. These policies are in reality sinking fund assurances and their purpose is mainly to act as collateral security for the mortgage of house property. The Association has, in fact, made a speciality of assisting the middle classes to purchase, by the aid of mortgages, their own houses. In this sphere it has done, and is doing, a very useful work with great success. At the end of last year in respect of total funds of £10,355,000, no less than £5,678,000 was outstanding in respect of advances to policyholders. During 1928 the Association granted advances upon house property to the amount of £863,000, this figure being a large increase on the 1927 total of £670,000. An interesting analysis of the advances during 1928 is furnished in the report, and from this it appears that the total of £863,000 advanced was in respect of 1,950 borrowers, the average amount of each advance being £443. The rate of interest charged on the advances is 5 per cent., so that the annual liability of the borrowers in respect of interest is £43,000. According to the surveyor's reports, the annual income from properties mortgaged amounts to £86,000, and this is said to be sufficient to meet the whole of the interest payable, the rents, rates, taxes and repairs, and a substantial part also of the yearly payments required for premiums on the policies mortgaged as collateral security. It may be mentioned that advances for purchase of house properties are granted to policyholders of one year's duration to the extent of 80 per cent. of the purchase money, and after 5 years 100 per cent. of the purchase money is advanced subject to certain qualifications.

British and Foreign Marine Insurance Co., Limited.—The adverse experience of marine insurance, which has been common to so many companies, is in no way reflected in the accounts of this Liverpool marine institution, for in each of the last five years, from 1923 to 1927 inclusive, the company has earned a profit, even though in some years the amount has been small. The form of accounting used by the company is that known as the "Liverpool" plan, whereby each underwriting account is kept open for two years and thereafter balanced by a transfer to suspense account charged with the function of meeting the third and subsequent years' claims. The underwriting results of the last five completed underwriting accounts are shown below:—

Year.	Premium Income.	1st and 2nd Year Claims & Transfer to Suspense Account.	Expenses.	Surplus.
	£	£	£	£
1923	589,465	451,080	118,646	19,739
1924	592,961	455,558	123,395	14,007
1925	489,382	343,807	92,015	53,560
1926	469,493	366,979	96,462	6,052
1927	502,387	385,100	93,152	24,134

The new underwriting account of 1928 shows a large increase in premium income from £502,387 to £611,729. The experience so far holds out promise that a fair amount of profit will emerge when the account is closed at the end of the current year. The claims and expenses have together absorbed £250,271, leaving a fund of £361,458, equivalent to 59 per cent. of the premiums. The corresponding fund at the end of the first year of the 1927 account was 56 per cent. of the relative premium income. The normal dividend of £2 10s. per share has been maintained and will cost £134,000, and this will be met out of the interest income, which has risen to £137,594. The company is controlled by the Royal Insurance Co.

Merchants' Marine Insurance Co., Limited.—In conspicuous contrast with the consistent profit record of the British and Foreign (whose accounts are reviewed elsewhere) is the devastating experience of the Merchants' Marine. How it happens that two such companies (and there are other examples) working in the same field, each presumably with much the same opportunities, should produce such diverse results it were hard to explain. The outcome of the 1927 underwriting account as shown in the report for 1928 is another serious loss amounting to £175,776. The following table sets out the results of the last five underwriting accounts:—

Year.	Premium Income.	1st and 2nd Year Claims and Transfers to Suspense Account.	Expenses.	Deficit.
	£	£	£	£
1923	446,401	484,695	46,706	85,000
1924	395,466	450,985	45,734	101,253
1925	335,557	388,656	43,644	96,743
1926	325,939	472,049	41,301	187,411
1927	396,295	533,169	38,902	175,776

The effect of the loss on the 1927 account has been to increase the profit and loss debit balance to £301,281. The directors have taken drastic steps in the hope of bringing about an improvement, and the 1928 account in the first year of its history certainly inspires some hope that their efforts may meet with a measure of success. The 1928 premiums amounted to £367,999, and, after meeting expenses and first-year claims, there remains a sum of £230,435, equivalent to 63 per cent. of the premiums, wherewith to enter the second year, compared with 58 per cent. in each of the past two years. So far as the policyholders are concerned their contracts are protected by the guarantee of the Employers' Liability, by whom the company is controlled. In addition to the marine department, there is a small fire and general business, which produced last year a premium income of £62,058 and yielded a profit of £5,000.

Oversea Correspondence.

UNITED STATES.—MONEY—TREASURY BORROWINGS—INDUSTRY.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 8.

While the attention of the financial community was temporarily diverted to the inauguration of President Hoover, the forces working for a tight money market gained further ground. Call money rose to 12 per cent., and even that rate, the highest in effect since the beginning of the year, did not draw much money this way. The last week in February and the first half of March are a period of heavy demand for credit. Money rates are often firm in early spring. The farming country makes its yearly settlements around March 1st, and interior banks withdraw funds on deposit in New York. Corporation dividend and interest payments are large, this year totalling close to $500,000,000. Activity in building and other industries rises with open weather and more credit is needed. Finally, preparations by the banks, corporations and individuals for income tax payments on March 15th have an astringent effect on outstanding credit.

The New York Stock Exchange is now operating on a small margin of call money. Small deductions or additions to the supply affect the rate in marked fashion. Speculative Wall Street, however, had counted on any rise in the call rate above 8 per cent. attracting plenty of money. Failure of the 8 per cent. renewal rates of the past few days to bring in money, and the consequent necessity for stock traders to raise their bids to as high as 12 per cent. for accommodation, first caused surprise. Finally, however, the feeling grew that the Federal Reserve Board's influence was becoming real, and the more hasty at once jumped to the conclusion that an immediate rise in the discount rate would take place.

The stock market, which last week made a great show of "discounting" the incoming administration, and talked glibly of a great "Hoover bull market" which would make the "Coolidge bull market" look insignificant, found itself overbought on inauguration day and sold off sharply. The decline was extended a great deal further by high money, and at the moment the market is a trifle steadier on the passing of another week without change in the discount rate. However, prices after recovering all the early February loss are now about 10 points below the recent peak. Sentiment remains as confused as ever, with the majority expecting a further decline but no real bear market.

It is fair to presume that the current high money rates could not exist without co-operation on the part of the member banks with the Federal Reserve banks. At this time corporations are unable to place more credit into the call money market; instead commercial borrowing has been rising steadily for the past three weeks. Member banks, meanwhile, are doing their best to refrain from increasing their loans in the call market in an effort to conform to the wishes of the Federal Reserve authorities. The resultant high money rates and the decline in share prices is, for the moment, increasing the chances of the Reserve banks of regaining control of the money market. But in the best banking quarters there is a good deal of doubt of eventual success without firmer steps being taken, and taken shortly. Certainly the spectacle of 12 per cent. call money, good commercial paper commanding 5¾ per cent., time money tight at 7¾ per cent. and a bill rate of 5¼ per cent. seems curious alongside a 5 per cent. bank rate.

The week's reports of the Federal Reserve banks throw no great light on the situation. The system has continued to allow its bill holdings to decline, a drop of $30,000,000 being shown for the week of March 6th. Holdings of Government securities were only nominally smaller, and the member banks increased their borrowings by 37 millions. These changes brought a net increase in total reserve credit outstanding of only $4,000,000. The total is, however, $243,000,000 above a year ago, and around $500,000,000 higher than what was considered a normal figure before last year. All the increase in discounts was accounted for by the member banks in this district, but it probably was due to making good the withdrawals by interior correspondents. New York lost gold to the country during the week, and although its reserve ratio dropped from 81.6 per cent. to 77.3 per cent., it remains the highest in the system.

Brokers' loans are rising. After a net decline of $50,000,000 in February, for the New York district, last week brought a gain of $30,000,000, and this week there was a rise of $140,000,000. A month after the Federal Reserve Board issued its warning to the member banks and to the stock market, credit in use on the Stock Exchange has risen to within $22,000,000 of a new high record. Still, the feeling prevails that no immediate discount rate action is likely. The feeling is less pronounced than it was, chiefly because this week the Treasury announced its financing programme for March 15th, and with borrowing out of the way some people feel that the Treasury, which has opposed a higher discount rate, would be more favourable to a restrictive policy.

The Treasury is having to pay 4¾ per cent. on the nine months notes announced for March 15th, as compared with a 4¼ per cent. rate paid last December and a 4¾ per cent. rate paid last autumn. A year ago, however, the Treasury was able to borrow at 4¼ and 4⅜ per cent., but it was criticised vigorously because, after cutting a close corner, the Reserve discount rates were raised, in April and May, from 4 to 4½ per cent., and the new issues went to a considerable discount. The high rate being paid at this time probably is significant of nothing more than that the Treasury wishes to give the banks a fair chance, since similar Treasury notes are selling on about a 4.60

per cent. yield basis. The Treasury on March 15th will have to meet maturing obligations of $559,831,000 and interest payments of $60,000,000. The new issue is for but $475,000,000, so that an increase in income tax collections evidently is expected.

Although the corporation tax rate has been reduced from 12½ per cent. to 12 per cent., annual reports submitted to date indicate that profits were about 14 per cent. higher in 1928 than in 1927. Individual earnings probably also were higher, and the Government stands to collect more tax money. First-quarter earnings in the current year are bound to be higher in the main than for the same period of last year. Already the steel industry has reached an operating rate of between 90 and 95 per cent. of theoretical capacity, which means close to actual effective capacity. Prices continue to grow firmer and demand broadens. Copper and mining companies generally are producing at full capacity, and copper metal is firmly established at 19½ cents a pound, the highest prices in five years. Motor production so far this year has increased 10 per cent. over 1928. Estimated output for February of 468,000 cars and trucks, including Ford, sets a new high record for the month.

FRANCE.—POLITICS—FOREIGN TRADE—PRICES—PRODUCTION—BOURSE.

(BY OUR CORRESPONDENT.)

PARIS, March 20.

THE attacks of the Radicals against the Government are continuing, but these do not now appear likely, for the moment, to attain even the level of success that recently resulted in M Poincaré's majority being brought down to the nominal one of six votes. Majorities of 46 and 68 votes have this week confirmed the belief that the Ministry commands sufficient support, independent of a single Radical vote, to enable it to carry on. Owing to Radical obstruction, the new Rent Bill, which it was hoped to being into operation with the coming quarter day, has had to be postponed, and for the same reason progress with other measures is slow.

In response to the clamour from all parties for some immediate measure of fiscal reform, to remove the more glaring anomalies in taxation created by years of desperate expedients to keep the wolf from the Treasury door, the Government has promised that this shall be dealt with in the Budget Bill, which is to be laid before the Chamber in May. A large section of opinion urges that part at least of last year's realised surplus of £24,000,000 odd shall be utilised for taxation relief. M Chéron takes the view that such a course would be a palliative only, and that the whole question should be dealt with comprehensively. Reform of the inequalities in taxation on yield from securities may possibly form part of the 1930 Budget Bill. The main lines of M Chéron's programme include modification of the land tax, the extension to all forms of taxation of the recognition of the principle of lightening the burden on taxpayers who have family obligations, the prudent replacement of the tax on turnover by one on production (as already in operation in regard to meat and coal), the "perfecting" of the luxury tax (which the Minister insists cannot reasonably be suppressed), the lowering of transport taxes on foodstuffs, and the reduction of succession duties on small estates passing in direct line.

The taxation problem is assuming even greater importance here than in Great Britain owing to the fact that French manufacturers, as shown by the wholesale prices index figures below, have now lost the export premium they possessed during the long vicissitudes of the franc and have to face keen competition, unaided by this artificial support. Last year's foreign trade returns left this country with an adverse balance of 2,101 millions, imports having exceeded exports by just over 4 per cent. This, although apparently serious, was really negligible, seeing that in pre-war days France normally had an adverse balance of from 20 to 25 per cent. The January figures, however, when imports exceeded exports by 1,472 millions, or 40 per cent., were much more significant, particularly when it is noted that imports of foreign manufactured goods were 258¾ millions more during the month and exports of French goods of the same kind 211 millions less. Exports of traditionally French products, such as yarns, piece-goods, dresses and *lingerie*, are being particularly hard hit in the foreign market by German and Swiss competition. The French manufacturer's problem, now that he is again forced to compete on equal terms, is to find the means to bring down his cost of production and recover his lost foreign markets. In January France sold 30 per cent. less of her products to the United States, 20 per cent. less to Germany, and 10 per cent. less to Great Britain, as compared with January, 1928, while the United States increased her sales to France by over 33 per cent., Germany by over 30 per cent., and Great Britain by nearly 10 per cent.

The general index figure for French wholesale prices at the end of February is returned by the Statistique Générale at 652, or a rise of 8 points on the month and of 15 since December, the figure for which was the same as for February, 1928. This figure is the highest recorded since November, 1927, but is still 202 points below that returned for July, 1926. The detailed figures (based on 100 as representing prices in July, 1914) are as follows:—

	Articles.	End of month of Dec.	Jan.	Feb.
General index figure	45	637	634	652
French products	29	631	639	648
Imported products	16	646	651	658
Foodstuffs (general figure)	20	589	599	611
Vegetables	8	590	616	629
Meats	8	579	580	590
Sugar, coffee, cacao	4	607	605	617
Raw materials (general figure)	25	679	683	687
Minerals and metals	7	609	610	627
Textiles	12	762	775	772
Various	12	673	672	672

The principal rise was one of 17 points in ores and metals, but the marking up of meat and vegetable prices, owing to the arctic weather, was also appreciable. The most notable feature of the return, however, is that at the end of last month the prices of native French and imported products were represented by index figures that left goods of foreign origin only 10 points dearer than native goods, which is a closer approximation than has hitherto been reached. Worked out into gold, the French figure for February is equivalent to 130.4, as compared with 142 in England at the end of January, 139 in Germany, 143 in Switzerland, 146 in Holland, 122.4 in Belgium, and about 135 in Italy. The retail price figure for Paris at the end of February (based on 13 articles in common use, nearly all of French origin) is returned as 602, as against 522 in February, 1928, and 585 in February, 1927.

Industrial production in January is given a general index figure of 136, as compared with 134 in December, 132 in November, and 116 in January, 1928. Of the seven categories of industry covered by these figures, which are based on 100, as representing production results in 1913, motor-car manufacture maintains its long lead with a general figure for January of 692, against 599 last March, when this industry was first included in the list. Textiles lost another point in January, and dropped to 97, or three points below their 1913 level. Engineering (154) and metallurgy (132) have each a slightly improved figure, but building, although a substantial amount of work appears to be in hand throughout the country, is four points below its pre-war situation, although still 29 points better than in January last year. Railways, notwithstanding improved receipts (due to increased fares, which have been cancelled out by additional taxation) had scarcely as good a volume of traffic in January as in the corresponding month of last year, the number of wagons loaded per day being only 59,584, as against an average of 60,426 in January, 1928. Shipping figures for January, although substantially below those for December, show inward cargoes totalling 4,138,000 tons, against 3,563,000 tons in January, 1928, and outward cargoes of 3,534,000 tons, against 3,147,000 tons in the corrseponding month of 1928.

Iron and steel production figures for January, which are now available, show appreciable increases in the output of both staples, and set up entirely fresh monthly records for this country. The total output of iron during the month was 837,000 tons, against 828,000 tons in December, 763,000 tons in January, 1928, 673,000 tons in January, 1927, and 559,000 tons, the average monthly output in 1913 (Alsace-Lorraine plants included). The total output of steel was 905,000 tons, against 882,000 tons in December, 809,000 tons in January, 1928, 805,000 tons in January, 1927, and a monthly average of 749,000 tons in 1913 (Alsace-Lorraine plants included). The number of blast furnaces in activity at the end of January was 157, compared with a monthly average of 190 in 1913.

Bourse quotations for leading industrial and financial issues suffered a slight setback during February. The figure for 52 French shares giving a fixed yield, which in January touched 86 (as compared with 100 in 1913), having steadily moved up from 80.4 at the beginning of 1928, dropped to 84.5 at the end of February. The figure for shares in French companies yielding variable dividends (based on 100, representing the 288 quotations as they stood in 1913), and which had an index figure of 334 in February, 1928, are for last month returned at 548—a rise of 5 points on the month, and indicating an improvement of 10 per cent. on their 1913 quotations.

GERMANY.—BUDGET—CREDIT.

(FROM OUR CORRESPONDENT.)

BERLIN, March 19.

THE Finance Bill, containing the Budget for 1929-30, was last week read to the Reichstag and is now in the hands of the Budget Committee. As the Bill could not become law before the end of the financial year, an emergency Bill, authorising the Government to spend until June 30th on basis of the 1928-29 Budget, had to be presented. In Committee the authorisation to make one-quarter of a year's expenditure was altered to one-fifth. The Budget is not likely to be disposed of before June, and its fate is doubtful. The Cabinet insists upon a deficitless Budget, and will resign if it does not get its way. The four parties which are associated with the Government, though they have not bound themselves to support it, have not come to an agreement, and are not at present conducting any formal negotiations. The chief difficulty lies with the German People's Party, which has declared against any addition to taxation, and holds that the whole deficit which would result if its demand were conceded could be covered by cutting down expenditure. It has behind it all the central industrial, commercial, and banking associations which have so far expressed themselves. The opposition German Nationals also oppose new taxation, but profess to hold that the Government, in view of the Reparation position, should have "the courage" to put through a Budget with a deficit. This is, of course, a wrecker view, and there is strong suspicion that the People's Party, without wishing to go so far, is influenced by the desire to demonstrate to Paris that the Finances are hopeless. The Socialists wish the Budget to pass, though they do not approve of all of it, and have announced that they reserve their judgment on the increase in the beer excise duty. The Centre stands for an inter-party agreement, but would oppose any reduction of social expenditure; and the German-Democrats, also in general friendly, desire a practical policy of reduction of expenditure. The People's Party declares that its anti-taxation programme is not presented as an ultimatum, but it shows no sign of weakening.

Dr Hilferding's plan for additional taxation has not been changed. As already reported, the total is 379 million marks, that is 165 million marks from beer, 90 million marks from spirits, 20 million marks from the inheritance tax, and 104 million marks from the property tax. The beer tax, as Dr Helferding pointed out, is still low, being about one-fifth of the British, while the spirits tax is one-fourth of the British. The Reichsrat rejected the Cabinet plan (which fulfils a promise made last year when the wage-income-tax was reduced) to cut down slightly the income tax rate on medium incomes. The Reichsrat changes are not very important, but this will have the effect of delaying the passing of the Budget by the Reichstag.

The real question is whether the new taxes will be voted, or will be rejected with the result of a Cabinet resignation. The third course, a sufficient reduction of expenditure to make new taxation unnecessary, is hardly practicable. The People's Party, which insists on it, has put forward no concrete scheme. It is true that expenditure might be greatly reduced if the proposed general scheme of central and local administrative reform were put through; but without that, and in the short time available, a heavy reduction seems to be prevented by the circumstance, above referred to, that by far the greatest part of the federal expenditure is, by its nature, practically fixed. The net expenditure of the Republic is 9,825 million marks. Entirely or practically irreducible are the items:—

	Millions of Marks.
Reparations	1,540·5
Internal war burdens	270·6
Military and war pensions	1,671·7
Financial administration	514·9
Service of debt	435·5
Subventions	3,470·9
	7,904·1

Of the remaining sum, which is less than 2,000 million marks, 690 million marks go for social purposes, 255 million marks for economic purposes, 750 million marks for defence, and only 125 million marks for general administration; that is, for President, Legislature, and the Ministries of Foreign Affairs, Interior, Industry, Labour, Food, and Communications.

A Budget with a deficit is out of the question. Apart from objections of policy, it is impossible to float a long-term loan, and the Government's need of short-term credit for existing and impending liabilities is already too great. The Finance Ministry has had to arrange for a 150 million mark credit from the commercial banks, which will be repaid in April when the quarterly tax payments come in. The cash position is bad, in part because expenditure in the second half of the financial year normally exceeds revenue, but mainly because of the carrying-over from year to year of extraordinary-Budget deficits, which it was optimistically expected could be covered out of long-term loans. The proposal that for this purpose the Republic should dispose of Railways Corporation preference shares is rejected by Dr Helferding on the grounds that this would hamper the reorganisation of the railways after the Reparation charge is paid off, and further that, in the present position of the capital market, the shares would depreciate.

As the attempt made here to spread panic about the Republic's finances may have some effect—as is, indeed, designed—abroad, it may be said that there is no good reason why the proposed taxes should not be voted. The additional taxation of consumption is very small, the addition to the inheritance and property taxes is infinitesimal. All the new taxation is only some 6 marks per head of population, and it is only 1 mark per head if the additional Reparations liability, which was foreseen, is ignored. A report accompanying the Budget shows that on July 1, 1928, nearly 1,200 million marks credits had been given to agriculture, shipping, housing, and other interests, part of these credits to individual industrial concerns which had no claim on the State; and that further 800 million marks had been guaranteed (in addition to a 400 million mark dividend guarantee for Railways Corporation shares) to other interests. Losses, which will not be made good, have already been suffered on some of the guarantees to private interests.

Money last week remained relatively dear. Preparations for the quarterly settlement began earlier than usual. This week, day loan rates declined, being to-day 5-7⅛ per cent. Month loans have been dear, and the private discount rate remains high at 6⅛ per cent. The Reichsbank's return for the second week of March shows a very small

THE MERCANTILE BANK OF INDIA, Ltd.

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

Capital Authorised	£3,000,000
Subscribed Capital	1,800,000
Paid-up Capital	1,050,000
Reserve Fund and Undivided Profits	1,584,846

Branches and Agencies:

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

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and conducts every description of Banking Business in Connection with the East.

Fixed Deposit Rates will be quoted on application.

On CURRENT ACCOUNTS interest is allowed at 2 per cent. per annum on daily balances, provided interest for the half-year amounts to £1.

Trusteeships and Executorships Undertaken.

JAMES STEUART. *Chief Manager.*

decline in discounts, and a new heavy drop of 60 million marks in the legal-cover exchange reserve, which is down to 68 million marks. The fourth of the " D " banks, the Darmstaedter und National, announces a 12 per cent. dividend, unchanged. The gross profit was 82,932,515 marks, as against 80,785,555 marks in 1927; net, 16,710,349 marks, against 16,270,553 marks. By adding 5,000,000 to the special reserve, the combined general and special reserve is brought up to 60,000,000, or 100 per cent. of the capital. Turnover increased 30 per cent., deposits 33 per cent. The bank seems to be in a very strong position. About one-third of deposit liabilities are to foreigners; 24.6 per cent. are in foreign currencies, and these are covered as to 62 per cent. by liquid foreign-currency assets. Over 81 per cent. of total balances with banks are held with firms abroad.

BELGIUM.—COAL INDUSTRY—RAILWAY RATES —INDUSTRIAL ACTIVITY.

(FROM OUR CORRESPONDENT.)

LOUVAIN, March 16.

THE position of the coal industry in Belgium has greatly improved since the beginning of the winter. The most visible sign is the diminution of coal stocks, which fell from 1,800,000 tons in January, 1928 to 977,000 tons at the end of January, 1929. This, the latest available figure, does not yet show the influence of the extremely cold weather, which increased the demand for fuel and gave a feverish turn to the market. At the same time, transport was paralysed, and the cold weather interrupted the washing of coal, while influenza prevailed among the workmen and hence output decreased. Thus fuel prices are beginning to rise. Although the position has been abused by some sellers, the increment is generally moderate, amounting to about 10 francs (1s. 2d.) per ton. Foreign competition is likely to prevent any exaggerated increase in prices.

Apart from these purely temporary influences, some permanent factors are at work to bring about improvement in the coal industry. Rationalisation has increased the output per man. It was 525 kg. per working day in 1913 and fell to 461 kg. in 1924. The average production of 1927 rose to 517 kg.; in the last four months it appears to have reached about 565 kg. This is less than in Great Britain, where it is about 1,050 kg., but one ought not to lose sight of the fact that Belgian coalmines work their coal by washing, sorting and blending it, so that, though hands are more numerous, much more profitable prices can be obtained.

In 1928 five amalgamations of coal companies were registered, and eight pits of small value were closed. Notwithstanding this, there is actually a shortage of labour. Further, the " Comptoir des Charbons," which was founded at the end of 1928 in order to rationalise selling, has started operating; it groups all the Belgian coal mines, exclusive of those of the Liege basin, which are of little importance.

Recently, under the patronage of the Société Générale de Belgique two companies were created which will improve the position of mines extracting gas coal in the district of Mons. They are the Carbonisation Centrale (subscribed capital amounting to 75 million francs, or £420,000), which controls the best coke-furnaces and recovering apparatus, and the Carbochimique (capital 150 million francs), which will manufacture chemical fertilisers from by-products. It will principally make sulphate of ammonia by a process resembling the Haber process used by the Germans. The position of Belgian collieries has been distinctly improved by general activity of the fuel-consuming industries and particularly of the heavy metal trades. The output of cast iron and steel keeps on progressing, and the blowing in of blast furnaces now in construction will raise it still higher.

Finally, the competition of German coal has slackened a little in consequence of a rise in the Ruhr costs resulting from an increase in wages.

In Belgium transport, especially of fuel, was very defective in February, and still is so. The railways are short of trucks, as much rolling stock has been held up by the cold weather. A request for a loan of trucks was addressed to France and to Germany; Germany immediately sent 1,800 trucks. On March 1st railway goods rates were raised 10 per cent. and passenger fares 5 per cent. Probably it will be necessary later on to increase the rates again.

Economic activity remains very satisfactory throughout the country and every day new businesses are created. At Louvain the building of Philips's new works began this week. The Boerenbond (League of Peasants), who enjoy enormous financial power, are going to build a big slaughter house for the preparation and tinning of pork. This is a line in which Belgium has not hitherto engaged. The Boerenbond, whose endeavours are usually successful, have prepared this project carefully in every detail. In the textile industry the situation is mediocre. For the rest, Belgian industry is really active and sufficiently prosperous in spite of unavoidable difficulties. The Legislative Elections, which will take place at the end of May, are important enough to give rise to a certain anxiety, especially as regards the financial situation.

SWEDEN.—PRODUCTION—TRADE BALANCE— CAPITAL EXPORT—STOCK EXCHANGE.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, March 16.

A FINAL review of 1928 shows that the great labour conflicts only temporarily checked the very favourable economic development of recent years. For the first quarter the *Svensk Finanstidning's* index-number fell from 117 to 78 (1923/4=100), but in the second and third quarters it rose again to 115 and 114 respectively, the latter figure being higher than the corresponding 111 of 1927, despite the fact that the dispute in the iron mines was not concluded until the end of August. For the fourth quarter the figure rose to 129, compared with 117 in 1927. The average for the whole year was 110, compared with 115 in 1927, though these figures scarcely give a fair representation of the development of production during the year as a whole. We shall come nearer to the truth if we ignore the abnormal conditions of the first quarter and compare the three last quarters of the last two years. For this period the volume of production for 1928 was 120 and for 1927 it was 115.

The effects of the labour conflict are naturally most clearly seen in the output of iron ore, which did not exceed 71 per cent. of the 1923-4 production, as against 164 per cent. in 1927. Pulp suffered next in order. The index-number sank from 134 to 117 and the decline affected all kinds except wet mechanical. The output of paper was reduced surprisingly little—from 126 to 122—i.e., only 3.3 per cent. as compared with 14.5 per cent. for pulp. Finally, as regards the sawmills, production was even increased from 97 in 1927 to 100 for 1928. If it is possible to observe, as a rule, expansion during 1928 in the industries affected by the labour disputes, this is true also, though in a higher degree, of other important industries. Most pronounced, is the recovery in the iron and steel industry. During the year as a whole production increased by no less than 14 per cent., an improvement which mainly affected finished goods, though also to a considerable extent semi-manufactured goods. In the engineering industries exports, which amounted on the average in 1923-4 to Kr. 133 million, reached Kr. 201 million in 1927 and Kr. 259 million in 1928.

As a result of the quickening of output during the autumn, the trade balance was much more satisfactory than could have been expected at an earlier stage. As against the estimated excess of imports of Kr. 200 million, the actual figure was only Kr. 143 million. Even this figure is much worse than that of 1927, when there was a favourable balance of Kr. 34 million. A closer analysis of import and export figures shows that this movement of the trade balance was due mainly to the labour disputes. It is true that imports increased considerably, both of capital, raw materials, semi-manufactures and foodstuffs. But this increase may be regarded as the natural result of the economic progress of the country and its increased prosperity. As seen against the background of expanding exports it is in no way disquieting.

The contrast with 1927. if we consider the effects of these developments on the money market, was striking. Whilst the volume of credit in the latter year sank by Kr. 218 million, it was increased in 1928 by Kr. 159 million, and whereas the balance of payment in 1927 showed an improvement of no less than Kr. 200 million, in 1928 the position was worse by Kr. 37 million.

A material change in exports of capital is evidenced in 1928. Taken over the whole year the net export of capital rose from 46 millions in 1927 to 65 millions in 1928, but quarter by quarter there was a sharp decline. Gross exports fell from 208 millions in 1927 to 190 millions in 1928. It may be regarded as fairly certain, however, that this movement is merely of a temporary nature, for Sweden has in the course of her rapid economic progress of recent years reached a position in which the export of capital is a perfectly normal feature. As Sweden formerly imported capital, this is a valuable and reliable gauge of what the post-war expansion has really meant. Import of capital still continues—to quite a large extent, in fact—but even if it stopped altogether there is little doubt that there would still be a margin for export, given a reasonably normal freight revenue and a not too adverse trade balance. As the revenue from freights tend to rise with the growth of Swedish shipping and the adverse trade balance is likely to diminish and even to be transformed into an active balance, it is probable that the export of Swedish capital will continue as a factor of importance.

The intimate connection with the international money market to which these movements give rise, cannot of course fail to influence the Swedish money rate. Thus the rising tendency in foreign discount rates, coupled with a growing demand on the home money market, resulted in 1928 in successively rising money rates. The Riksbank had at the beginning of the year reduced its discount rate to 3½ per cent. and its rediscount rate to 3 per cent., but it was compelled to increase the discount rate to 4 per cent. in May and to 4½ per cent. in August, at which time the lower rediscount rate was also withdrawn. The effective increase was therefore 1½ per cent.

The growing confidence in investments constituted the deciding factor in the course of stock exchange values. It frequently happens that independent initiative is lacking almost entirely and that the Stockholm Exchange confines itself to registering the changes which have taken place on foreign exchanges in Swedish securities. But even if every allowance is made for this a very material improvement can be recorded for 1928. The " A " list shares rose in all by 818 million kronor, as against 598 million kronor in 1927. If the shares affected by quotations abroad are disregarded the increase of the remainder is found to be 364 million kronor, as against 326 millions in the previous year. This slowing-down of the pace as compared with earlier years is wholly due to the labour conflicts. The long drawn-out strike in the iron mines caused the Grängesberg shares to fall 7 million kroner, against a rise of 69 millions in 1927. If this concern is also left out of the calculations the increase in all other shares quoted becomes 372 million kronor, as against 257 million kronor the year before. These figures gives a fairly reliable indication of the general improvement during 1928, and this improvement is the more encouraging, as the figures given include those for timber, pulp and paper mills, which industries suffered from prolonged labour troubles in the early months of the year.

INDIA.—BANKING—RAILWAY PROFITS— COASTAL SHIPPING.

(FROM OUR CORRESPONDENT.)

CALCUTTA, February 21.

THE increase in the Bank rate to 8 per cent. was unexpected, unwelcome and, in the opinion of those in control of the Imperial Bank, whose hand was forced by Government, unjustifiable; indeed, the announcement of the increase was accompanied by a joint intimation that Government accepted the sole responsibility for the policy pursued. The objection taken to the procedure adopted is that, having allowed the Imperial Bank to borrow nine crores against inland bills at 7 per cent., Government made the new rate applicable not only to further borrowings, but to the nine crores already advanced, a step not only without precedent, but one not heretofore deemed permissible under the provisions, extremely elastic though these may be, of the Act governing the issue of emergency currency, with the object of defin-reacted sharply on Government securities, and creates a new and formidable obstacle to financing by the Government of its heavy capital commitments without further recourse to sterling borrowing. As a result, two reforms may be demanded—first, a revision of the Act governing the issue of emergency currency, with the object of defining with greater precision the rates of interest payable by the Imperial Bank on the advances made against inland bills; and, second, the establishment, at the earliest possible date, of a Reserve Bank, unifying the control of currency and credit, and freeing both from the supervision of the India Office.

The appointment of a Banking Commission, to survey the whole field of Indian banking organisation, commercial, agricultural and industrial, has been decided upon, and, unless the Blackett Bill is revived and reaches the Statute Book before the initiation of this inquiry, it is quite inevitable that the issues to be considered in establishing such a Bank will be included in the terms of reference. Taking all factors into consideration it appears desirable, if practicable, to make a further endeavour to place the Reserve Bank Bill on the Statute Book before the Banking Commission is appointed. On the point of principle, the desirability of a Reserve Bank commands general recognition, the sole obstacle to action being a difference of opinion concerning the composition of the Board of Governors—a difference it should not be beyond the competence of the new Finance Member, who approaches the whole question free from previous discussions and commitments, to remove, thus freeing the new Banking Commission to investigate those many and important aspects of the Indian banking problem which the Hilton Young Commission made no endeavour to probe. Until banking facilities are extended, especially rural and industrial facilities, economic progress here will remain subject to severe limitations, crippling to domestic and foreign trade alike. In relation to agriculture, scientific research is of recognised importance, but a need no less urgent and important is to equip the cultivator financially to effect improvements already known to be desirable but which are not being brought into operation chiefly because the financial stranglehold of the moneylender renders them impracticable. Similarly, the lack of industrial banks is hindering the establishment and expansion of industries capable of manufacturing commodities essential to India, but which are not at present being produced either in India or abroad—as, for instance, cheap, standardised agricultural implements, which are badly needed in the fields, and will ultimately be required in numbers large enough to occupy factories dotted throughout the country. It is often too readily assumed that industrial expansion can occur in India only at the expense of imports, but no assumption could be further from the truth. Displacement will occur in some cases, one commodity, in such instances, however, disappearing from the import list only to make room for another. Thus, while local manufacture has recently made India less dependent on imported railway wagons, there has been a compensating increase in the imports of motor vehicles, the demand for which is limited at present only by the small mileage of motorable roads; and such examples could be multiplied. More often new industries will, however, spring up, as in the case of agricultural implements, to meet wants now either dormant or only just emerging into industrial importance. But to foster such industries, industrial banks are essential.

Railway profits, as disclosed in the railway budget, remain on a high level, and, to this extent, State management, which is being steadily extended, has been amply justified, eliminating unnecessary competition, reducing rates and fares, building up large reserves, making adequate provision for depreciation, embarking on impressive programmes of improvement and extension, and, this

year, making a start in the direction of increasing the wages of the lower grades of railway employees. More could be done in all these directions, were the railways not under obligation to pay substantial contributions in relief of general taxation, the taxpayer under this arrangement obviously profiting at the expense of travellers and traders, as well as the railway employees. The justification lies in the fact that for many years the taxpayer was called upon to bridge railway deficits.

The Coastal Shipping Bill is being proceeded with, supplemented by a Bill designed to abolish deferred rebates, Government opposing both measures. Despite all indications to the contrary, the promoters of these measures will not be either surprised or greatly disappointed if they fail to place them on the Statute Book, subject, however, to Government evolving alternative measures which will give India's infant mercantile marine a chance of developing by freeing it from the rate wars which have heretofore prevented indigenous shipping companies from securing more than a negligible percentage of the coastal shipping trade. Although the Viceroy has plainly indicated his desire to find a *via media*, no alternative proposals have yet been formulated; nor is it easy to evolve a scheme free from the reproach of discrimination.

ARGENTINA.—MONEY—CROPS—AMERICAN PENETRATION.

(FROM OUR OWN CORRESPONDENT.)

BUENOS AIRES, February 16.

MONETARY conditions in Argentina, though they have not as yet shown any direct reaction to the recent rise in the Bank of England rate, are decidedly firmer in respect to loanable capital, and it is possible that higher rates will be successfully demanded ere the month is out. For general business at the present time discounts and advances are nominally unchanged at 6 per cent. to 6½ per cent., current account advances being charged 7 per cent., but there are clear indications of a more pronounced demand for money, together with possible restrictions in the sources of supply. It is the reaction on the American market that is likely to affect Buenos Aires, since it is now evident that Argentine loans, national, municipal or provincial, will not be placeable in New York at anything like the favourable conditions ruling during the first half of 1928. Cordoba province is likely to be shortly in the market for a loan of $72,000,000 paper, and the Province of Buenos Aires proposes to sell, through the intermediary of the Provincial Bank, bonds bearing interest at 6 per cent., to a total of $13,000,000 paper. The minimum issue price is fixed at 93, and this method of marketing a loan that will be strictly internal is contrasted favourably by the Argentine press with the methods of Cordoba province, wherein reliance is placed on finding the money abroad and no minimum price of issue quoted in the bill, on the grounds that its omission will make for keenness in competition on the part of the tenderers. There has also been some talk of a national conversion loan to take advantage of the present high quotation for all national securities, but it may be doubted whether the matter will be carried any further, seeing that during the last fortnight there has been a general decline of approximately fifty cents in local bonds, which is probably the precursor of further depreciation. In a word, the Argentine monetary position is not quite so clear as it was when the year opened, nor can the fact be overlooked that exchange has also moved a little against Argentina, with the cable rate for sterling now at 47 5/16d., and the rate on New York 104.60, banks' drawing. The Continental rates also reflect the same tendency, with the exception of the Spanish peseta, now quoted at 6.11 to the Argentine gold dollar after having touched 6.24. In view of the arrangement between the Argentine Government and a consortium of Spanish bankers, covering proposed sales of Argentine produce to the Peninsula, the question of the peseta exchange becomes important, though as yet barely one and a half million dollars paper has been used out of the credit of fifty million, as buyers in Spain still find Argentine wheat prices too high, notwithstanding that on this side lamentations concerning the low price of wheat are very general. Compared with a fortnight ago, quotations have risen a little, spot wheat being $9.80 paper per 100 kilos, with $10.00 for April delivery. Maize and linseed are practically unchanged at $9.45 spot and $8.25 for May delivery in the case of maize, and $15.60 spot and forward for linseed.

There are no official estimates of the maize crop yet published, but private estimates, working on the knowledge that damage by drought has not been as severe as was feared a fortnight ago, now speak of an exportable surplus in the neighbourhood of 5,000,000 tons, which may be considered as equivalent to a fair to medium harvest. Indeed, the general demand for Argentine produce continues reasonably constant, and, notwithstanding the immense crop of linseed secured this year, buying orders from Europe and the States are important and continuous.

Some alarm has been felt in Argentine export circles at the wholesale nature of the proposals brought forward in the United States in respect to the tariff charges to be imposed on Argentine produce. As yet none of these extreme suggestions have been adopted, and it is evident to anyone able to read between the lines that a powerful body of American opinion interested in the expansion of manufactures and exports is opposed to any such changes. During 1928 the United States took Argentine produce to a total value of $99,962,000 U.S., while their shipments hither reached the record sum of $178,708,000 U.S., which latter figure places America at the top of the list where Argentine imports are concerned. The steady and purposeful penetration of American industrial finance has again been exemplified by the purchase of the Atlas Light and Power Company. Satisfactory enough to the shareholders of that concern though this transaction may be, it certainly circumscribes the Argentine market for British electrical material. Before the War this market was divided between British and German interests, whereas now American and German interests predominate, with the balance in favour of America. Cereal shipments are heavy, but the market for ocean freight remains steady at 25s. San Lorenzo/U.K./Continent February-March loading, with 23s. 6d. Bahia Blanca to U.K./Continent March loading. Linseed freights to the United States are firmer at $7.25 gold Santa Fé to Philadelphia.

Letters to the Editor.

BRAZIL'S BORROWING STATUS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The article in your issue of February 23rd on "Brazil's Borrowing Status" is bound to impress the more as it is written in dispassionate language and displays a large array of figures. But I wish to be allowed to express the opinion that its figures are not convincing, and its conclusion is unacceptable.

In order to show that "not only will Brazilian development not bear comparison with that of the leading 'new' country of the world (U.S.A.), but that she is actually less advanced than her South American neighbours in the so-called A.B.C. group" (Argentina and Chile, although Chile is not a *neighbour* of Brazil), your article quotes figures which show that, after all, the U.S. are *not* the leading country, but are far behind Argentina as regards exports and railways and still are behind Chile as regards exports. The little table below, drawn up with the figures of your article, shows my point more clearly:—

Per 1,000 inhabs.	Argentina.	Chile.	U.S.A.
Exports.....	£14,920	11,950	8,200
Railways ...	Kms. 3·55	2·05	3·40

This contradiction alone, between what your figures actually show and what your article purposes them to show, should have been sufficient indication that the criterion chosen, *i.e.*, the mere percentage of population, is a wrong one. Commercial advancement is not to be judged by the export figures alone, but by the total of internal and external trade, and your article has no reference to the industrial development of Brazil, *which* is incomparably larger than that of any other Latin-American republic, and is responsible for a considerable internal trade. As for railway construction, it is simply unfair, to say the least, to compare a country like Argentina, whose extensive plains are the ideal of the railway constructor, with a country like Brazil, the principal part of which is a large table-land falling abruptly over the coast, so that railways that are to connect the hinterland with the ports must climb mountains some 3,000 ft. high. Besides, you might have mentioned that Brazil has a highly developed system of navigable rivers and a mercantile fleet which is incomparably larger than those of Argentina and Chile put together.

It is strange, anyhow, that, while applying that criterion of percentage of population to trade and means of transport, your article, when dealing with the total of public debt, does not point out that the indebtedness of Brazil *per capita* is ridiculously small in comparison with that of any of the larger and more prosperous Latin-American republics. As for the yield of the British capital involved, I am afraid that your figures again are against your pessimism. Taking into account only the nine "representative stocks," which you quote in order to demonstrate that "Brazilian credit has recently improved, but is still viewed with a certain conservatism among British investors," I have worked out a mean yield which amounts to a little over £6 14s. 2d., and I do not believe that any investor could consider it but as an excellent average for investments in any country.

The plan for the defence of coffee prices may certainly be criticised, and has been criticised in Brazil itself in the same way, and for the same reasons, as the Stevenson plan for the defence of rubber prices was criticised in England—but it has worked well up till now, and, like the English plan, should be given a chance to show its efficacy. Anyhow, it is exaggerated to say, as has often been repeated, that "Brazil's whole economic structure is precariously based on a single commodity (coffee)." It is the same confusion of export trade with production. If, up till now, Brazil has found easy and remunerative markets for its coffee output, as before for cotton and sugar, why should it drop its cultivation and exploitation? But coffee is not the only exportable produce of Brazil, nor even the largest item in its agricultural production (*vide*, for instance, page 75 of the report just published by the Department of Overseas Trade), which includes more than twenty important articles, each one of which might be developed, like rubber, sugar, cocoa, tobacco, cotton, oil nuts, fruits, into a very remunerative export trade.

Finally, there is also much exaggeration in your geographical considerations. But even if only the large table-land, which includes the whole of the States of Rio Grande do Sul, Santa Catharina, Parana, Sao Paulo, Minas Geraes, half of Goyaz and of Rio de Janeiro, were temperate enough (and in Parana there was plenty of snow last year), this represents much more temperate lands than the whole of the four or five richest and most advanced countries of Europe. With that nucleus of temperate country we can afford to wait for the future, when we will be then in a position more thoroughly to exploit what can be considered as our "empire," *i.e.*, that fabulous wealth of forests which your—here very generous—estimate puts at over 60 per cent.!

As to the "all-important question" as to how far the institutions typical of "Western" civilisation are applicable to a country lying mainly in the tropics, etc., etc., you may rest assured that neither the London capital market, nor any other capital market, will be called upon to consider it, because Brazil has made up its mind a long time ago that it will live like the other large countries of its continent, be it "Western" civilisation or not.—I remain, Sir, yours faithfully,

JOAQUIM EULALIO,
Brazilian Consul-General.

Brazilian Consulate-General, Aldwych House,
Aldwych, London, W.C. 2.,
March 9th, 1929.

[The Brazilian Consul-General's letter emphasises the main contention of our article—that Brazil ought to develop the vast and varied resources of her territory, in the way of rubber, sugar, cocoa, tobacco, cotton, &c., and so avoid the dangers of reliance, as to nearly three-fourths of her export trade, on a single commodity, the selling price of which is artificially controlled. It is, of course, with the figures of export and not of home trade that the British holder of Brazilian securities is chiefly concerned, since exports alone finance the payment of his annual interest. Our criticism of certain aspects of the national policy was offered, it is needless to say, in a spirit of entire friendliness towards Brazil.—ED. *Econ.*]

THE EFFECT OF FOREIGN LOANS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I thank you for your comment on my letter, which carries the argument a step further. In answer to my question as to how foreign lending on our part indirectly stimulates British exports in those cases where it does not do so directly, you reply that (amongst other things) it causes a tendency for gold to flow abroad, which in turn leads to a rise in bank rate, and it is this rise in bank rate which stimulates exports. I think that exporters (who have not been as grateful as, on your theory, they should have been for the recent rise of bank rate) would like to have it explained in what way a higher bank rate improves their competitive position in foreign markets. For, on the face of it, it is a paradox that an increase in one of the items of their costs of production should have this effect. Since you think my method a little abstract, I suggest that you might illustrate your reply by reference to the benefits accruing from a higher bank rate to one or another of our leading export industries—for example, textiles or coal or the iron and steel trades.

Yes; I had noticed that the Balfour Commission agree with you—which makes it all the more important that the details of the argument should be elucidated.—Yours, etc.,

J. M. KEYNES.

46, Gordon Square, Bloomsbury, March 18, 1929.

[Let us recapitulate. This discussion on the effect of foreign loans was started by our statement (with qualifications) that capital exports stimulate commodity exports. Mr. Keynes then suggested that only 20 per cent. of the proceeds of foreign loans was spent directly in this country, and asked us to trace the other 80 per cent. Without accepting these arbitrary figures, we traced, in reply to Mr. Keynes, a number of the links in the long chain of effect. Mr. Keynes next fixed upon the exchange link, and suggested that our argument was destroyed by the existence of the Gold Standard. Our further reply to Mr. Keynes mentioned discount rate movements as a further detail in the story. In now asking us to specify particular exports which are assisted by a rise in bank rate, Mr. Keynes takes us far away from our starting point and at the same time misinterprets our case. We naturally did not suggest that higher interest on bank loans is calculated *per se* directly to lower production costs in industries burdened with this form of indebtedness. Our contention is that if our export of capital failed to stimulate quickly enough a compensatory export of goods—so that a condition of "overlending abroad" might be said to have arisen—the resulting movement of discount rates would tend to lower sterling prices in general, and thus to enhance British competitive power in foreign markets.—Ed., *Econ.*]

TO THE EDITOR OF THE ECONOMIST.

SIR,—It may interest your readers to have a concrete example to illustrate the reply you have given to Mr. Keynes.

Take the case of a loan to India. The Bank here with which the loan is deposited will have instructions to transfer a portion, if not the whole, to an Indian Bank in the form of rupees. To do this, it must go into the exchange market and use the pounds to buy rupees. These will be in the form of bills which have been drawn by English shippers on Indian importers to pay for cloth or other exports to India. As, however, there is another use and demand for such bills by those who owe money to Indian nationals to pay for the tea and produce imported from India, the bank's action will have the effect of raising the price of these bills, or, in other words, of raising the price of rupees expressed in pounds. Those in touch with the Indian business as I have been, realise that at all times there is a volume of business under negotiation far in excess of what will normally be booked, and that there are always in the hands of shippers offers, many of which come very near to the point at which they can be accepted. So that as soon as the Indian exchange improves as the result of the bankers' purchases, offers from India, which on, say, Is. 4d. basis for the rupee were too low, become at Is. 4⅛d. basis possible of acceptance; and it is my experience that on the rising of the rupee exchange to a very slight extent, a larger volume of business is arranged. The action of the banker in bidding up the price of rupee bills induces, by its effect on the exchange, transactions which would not otherwise take place, and brings into existence more of these bills, and so the transfer of substantial funds to India induces the trade in goods which represents this transfer.

If the movement of the exchange goes beyond the gold points and gold is sent instead of goods to represent the loan, the Bank of England intervenes, and by raising the discount rate both makes it desirable to dispose of stocks of goods more freely abroad and to India and less desirable to continue the importations which cause the competing demand for the bills in question. Financial houses are prepared for even smaller margins than are usual in the goods trade, either to take up bills that are redundant or create bills for which there is a demand, in order to reverse this action and secure a profit on the exchange moving back.—Yours truly,

GILBERT BEARD.

Reform Club, Manchester.
March [illegible], 1929.

GAS INDUSTRY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—May I congratulate you very warmly on the interesting article you published on the gas industry in your last issue. I quite agree that the present Bill as it passed the House of Lords is by no means a complete solution of the industry's difficulties.

These can only be met by a comprehensive measure, carrying out the recommendations of the National Fuel and Power Committee. It is, however, recognised that this would need legislation of a controversial nature on a very considerable scale, and for this I am afraid the time available is inadequate.

Those interested in the gas industry, however, must keep their requirements prominently to the front, so that they may be deal with by some Government at an early date.—Yours faithfully,

V. S. STEPHENS.

Books and Publications.

AMERICAN ECONOMIC IMPERIALISM.*

IT is a commonplace that economic jealousies and rivalries provide the main dangers to the peace of the world, and that few international problems more urgently demand solution than those occasioned by the scramble for raw materials and markets. The intensity of the feelings they arouse in small but highly influential circles is often not shared nor even suspected by the average man who is most likely to suffer by their outcome. To extend as widely as possible some knowledge of the main forces at work in the world of international trade will therefore always be essential in the promotion of world peace. Professor Benjamin H. Williams has made a notable contribution to this cause in his work on the economic motives which have influenced the foreign policy of the United States of America. It is an eminently lucid account of the political aspects of American investment and commerce overseas, the manner in which the State has sought to safeguard the prosperity of its citizens indulging in these activities, and the lengths to which it has gone in such attempts. On several occasions the world at large has regarded American action in its relations with smaller powers, notably in Latin America, with an undisguised cynicism which the phrase "dollar diplomacy" well indicates. An excellent feature of the present work is the same balanced and judicial attitude which the author has displayed in dealing with these aims and methods. The utmost frankness is essential if a book of this sort is to have any value, and Professor Williams has acquitted himself admirably in preserving this attitude throughout. He has, moreover, planned his book less as a connected history of foreign policy than as a classification of the various types of action which the development of foreign policy exhibits, such as political encouragement to capital exports, capital embargoes, tariffs, shipping policies, and the various forms of protection afforded by the Department of State to investors—from ordinary legal and diplomatic action up to financial supervision and armed interference. This arrangement, aided by the clear style in which it is written, makes it an admirable introduction to a complex and difficult subject. For the English reader it is specially valuable for the insight which it gives into the American outlook on world commerce in general and on British policy in particular (the recent controversies over rubber and oil may be instanced). But its main value must lie in its emphasis on the need for a saner international atmosphere and for a realisation of the political dangers of shortsighted policies imposing protective tariffs and other obstacles to world trade, an emphasis all the more effectively provided by allowing the facts to speak for themselves with a minimum of moralising comment.

* "Economic Foreign Policy of the United States." By Benjamin H. Williams, Associate Professor of Political Science, University of Pittsburgh. 8vo., pp. xi.+426. McGraw-Hill Book Co. Inc., New York. 20s.

EXPERIMENTS WITH HANDWRITING.*

SINCE publishing his book on the "Psychology of Handwriting" Mr. Sandek has made a deeper and more elaborate study of the subject, and in the present book has given us a wonderful collection of results from experiments which he made in order to prove his theory. His researches have led him to exclude all mystical and metaphorical methods as uncertain, while the new method can be depended upon for accuracy. The twenty-six years of work which he has devoted to this study have yielded results which have never before been possible nor even attempted. He has gone to all countries for investigation and taken unlimited pains to prove every statement.

Mr. Sandek says that he expects hostility from those of his colleagues who are unwilling to see their results subjected to expert criticism, but it would seem impossible to ignore such a mass of evidence as he brings to bear on the subject. He finds that visual memory is one most powerful help in learning to write, and a child begins to learn writing from the moment he looks at and pays attention to printed matter.

This he has proved by the examination of 2,000 children, some in remote farming communities in U.S.A. who had never gone to school nor had any reading or writing lessons at home. On being given a test in block letters they were ably to copy it without understanding a word, and to make it legible, but if given script to copy with up and down strokes the same children were hopelessly muddled and could not reproduce it.

The chapter on Authentic and Spurious expression is particularly interesting and enlightening. Auto-suggestion he considers the most dangtrous and potent power which rules our psychical life. The author diagnoses and illustrates in a supplement enclosed in the cover of the book several interesting handwritings, specially those written under any stress, such as the writing of Lord Grey in his note on the eve of the war to the French and German Governments about the neutrality of Belgium, in which the author points out many signs of the emotion he felt as well as the restraint he imposed on himself.

In the matter of wishing for any reason to disguise handwriting he points out the fallacy of thinking that the substituting of one hand for the other is a disguise, and he gives interesting examples of Nelson's writing with his left hand, which became, after some years of practice, exactly the same as that with his right.

He also says that the influence of bad writing materials on handwriting is greater than the loss of any of the sensory or physical organs. This is specially a doctrine of the author's, and is as yet unknown in the literature of the subject.

Probably the most remarkable results of his methods will be found in the detecting of forgeries and of dishonesty in general. He had signal success in studying material from 14 English firms for this purpose, and out of 73 handwritings he diagnosed dishonesty in 14 cases, and was correct in each case—a very useful and practical help. All students will be grateful to Mr. Sandek for his thrilling and valuable book, and the deep study he has given to it.

* London: George Allen and Unwin, Ltd., Museum Street.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

War as an Instrument of National Policy. By James T. Shotwell. With an Introduction by Professor Gilbert Murray. (London) Constable, 10-12 Orange Street. 15s. net.

A history and discussion of the Paris Pact by a distinguished American is a welcome contribution indeed to the history of international relations. Professor Shotwell divides his treatment into three sections, one dealing with the historical background of the Pact; one tracing its diplomatic history, and the last, which in view of the author's qualifications is likely to be of the greatest popular interest, devoted to a discussion of the Pact.

Post-War Monetary Stabilisation. By Gustav Cassel. (London) Oxford University Press, Warwick Square, 12s. 6d. net.

These three lectures, delivered by Professor Cassell in the United States, deal respectively with "Inflation and Stabilisation of Currencies," "The Stabilisation of the Value of Gold," and "The New Gold Standard."

Strukturwandlungen der Deutschen Volkswirtschaft. Edited by Dr Bernhard Harms. In two volumes. (Berlin) Verlag von Reimar Hobbing.

This monumental work constitutes a complete survey of modern German economic life. Each chapter represents a lecture by an expert, originally given before the *Deutsche Vereinigung für staatswissenschaftliche Fortbildung*, and between them they cover almost every economic development of post-war Germany.

The Law of Master and Servant. By Francis Raleigh Balt. (London) Sir Isaac Pitman and Sons, Ltd., Parker Street, Kingsway. 10s. 6d. net.

A very thorough and learned treatment of the subject. Though the book is intended for students and legal practitioners, the author has aimed at making it intelligible also to the layman.

The History of Taxation in North Carolina during the Colonial Period. By Coralie Parker. (London) Oxford University Press, Warwick Square. 20s. net.

This monograph, which is well documented and has a good bibliography, begins with a survey of the English colonial system. The remainder of the book is divided under the heads: Quit-rents; Customs Duties; Poll Tax; Land and Miscellaneous Taxes; and Local Taxes.

Problems of Peace. Lectures delivered at the Geneva Institute of International Relations, August, 1928. (London) Oxford University Press, Warwick Square. 10s. 6d. net.

A collection of lectures, on important aspects of the activity of the League of Nations, by such authorities as Professors Mantoux, de Madariaga and Brierley, Sir Arthur Salter, and Lord Olivier.

Freedom of Association. Vol. IV. Published for the International Labour Office, by P. S. King and Son, Limited, 14 Great Smith Street, London. 5s.

This volume deals with the history, legal status and organisation of trade unionism in Italy, Spain, Portugal, Greece, Yugoslavia, Bulgaria and Rumania.

We Can Conquer Unemployment. (London) Cassell and Co., Ltd., La Belle Sauvage. 6d. net.

This publication receives notice in a leading article in our issue of March 9th.

Common Sense about the Surtax. By Geoffrey Hutchinson. With a Foreword by the Right Hon. Walter Runciman, P.C., M.P. (London) Victor Gollancz, Limited, 14 Henrietta Street, Covent Garden. 3s. 6d. net.

The author opposes the surtax on the ground of the deleterious industrial reactions which he believes will follow from it.

Hertfordshire County Records. Sessions Books, 1619 *to* 1657. *Volume V.* Compiled by William Le Hardy. (Hertford) Charles E. Longmore, Clerk of the Peace Office.

This volume deals with all county records of the period indicated, except sessions rolls, which were dealt with in the first three volumes of the series. All subjects mentioned in the original records have been noticed.

The 100 *Best Investments.* 19th Annual Volume. (London) British, Foreign and Colonial Corporation, Ltd., B.F.C. House, Gresham Street. 2s. net.

In addition to very full particulars of a hundred selected investments, this useful handbook has three introductory articles, and a table for calculating yields.

The Anglo-American Year Book, 1929. Edited by H. Russell Amory. (London) American Chamber of Commerce in London, Inc., Aldwych House, Aldwych. 15s. net.

This is a reference book on Anglo-American institutions and business. It contains a section on the taxes of each country as affecting the citizens of the other; a commercial directory; a summary of Anglo-American trade in 1928, and various other useful features.

The Year Book of the Czechoslovak Republic, 1929. Edited by Bohuslav Horák. (Prague) "Orkis" Fochova, 62.

This pleasantly illustrated little book is apparently intended for continuous reading, rather than as a work of reference. It does, however, contain a certain number of statistics in convenient form.

Archiv für Eisenbahnwesen, Marz-April. (Berlin) Verlag von Julius Springer.

Countries, other than Germany, to whose railways articles are devoted in this issue are: China, Belgium, Schleswig-Holstein, Palestine, Austria.

The Position of Foreign Minorities in Germany. By Martin Dachselt. Preface by Adolf Grabowsky. (Berlin) Carl Heymanns Verlag.

An *apologia* for the treatment of minorities in Germany.

La Moneda Española. By Aurelio Ribalta. (Madrid) Imprenta y Encuadernacion de Julian Espinosa. Caracas 10.

A small pamphlet in Spanish on the monetary system and monetary problems of Spain.

Prospettive Economiche. By Giorgio Mortara. (Milan) Università Bocconi.

Here we have, bound in one volume, the complete collection of studies which have been noted separately in these columns for several months past.

Die Rumanische Nationalbank. By Dr Xenofon Netta. (Leipzig) A. Deichertsche. Verlagsbuchandlung Dr Werner Scholl.

This is a very detailed treaties, in German, on the National Bank of Rumania.

Confederación Argentina Commercio de la Industria y de la Producción. Memoria del Consejo Directivo. (Buenos Aires) Compañia Impresora Argentina, Alsina 2049.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C.2.

Department of Overseas Trade: Economic conditions in the Netherlands East Indies to October 31, 1928. 3s. net; Economic conditions in the Republic of Nicaragua, October, 1928. 1s. 6d. net.

Civil Estimates for the year ending March 31, 1930: Class VI, Trade and Industry, 2s. 6d. net; Class VIII, Non-effective Charges (Pensions), 9d. net; Class X, Exchequer Contributions to Local Revenues, &c., 2d. net.

"IMPERIAL FINANCE"

by

SIDNEY RUSSELL COOKE

and

E. H. DAVENPORT.

¶ A Study of the Loan Policy of the British Commonwealth of Nations.

Price

TWO SHILLINGS

(*Post Free Two Shillings & Threepence*)

Order from your Bookseller

PUBLISHED BY

PELICAN PRESS

2, Carmelite Street,

London, E.C. 4

The Stock Exchange.

BRITISH CONTROL—THE G.E.C. AFFAIR.

Sir Hugo Hirst has wisely bowed before the storm raised by the proposed issue of General Electric shares on bonus terms to British subjects only. The American shareholders, having appointed a "Protective Committee," sent a diplomatically worded cable to Sir Hugo Hirst asking for a postponement of the issue pending friendly negotiations. Sir Hugo cabled back his acceptance, the issue was withdrawn, and the applications for shares, which had already poured in from British subjects, were returned. Meanwhile a renewal of American buying, assisted no doubt by "bear" covering, caused the shares to recover from 52s. 6d. to 61s. 3d., which makes the attempt to issue shares at 42s. to the general British public instead of to shareholders, appear all the more extraordinary. A new financial plan has been formulated by Sir Hugo Hirst, but until he has settled with the representatives of the American shareholders nothing is likely to be announced. It may, however, be regarded as certain that the General Electric will not now issue shares at £1 below the market price without allowing all shareholders to participate *pari passu* and in advance of the outside public. Meanwhile a number of reflections are suggested on the broader issue involved in the General Electric "attack" on foreigners—the question of British control of British companies.

A number of important companies besides General Electric have been faced with this problem. In December last year the directors of the Marconi International Marine Communication Company stated that, in view of the foreign buying of their company's shares, they considered it of national importance that "any danger of the company passing under foreign control should at once be removed." In this case the articles of association were altered to secure that not more than 25 per cent. of the total number of the issued shares at any time outstanding should be under foreign control and that the directors should be natural-born British subjects. The General Electric, it will be recalled, went a stage further by disfranchising foreign held or controlled shares altogether. The Imperial Airways Company also altered its articles last year, so as to preclude any possibility of foreign control. Another company which has now followed the General Electric example is Burma Corporation. This is a somewhat peculiar case, because the terms of the lease, under which the Burma Corporation holds its property from the Indian Government, specifically require that the corporation shall remain under British control and that certain of its officers must be British. The proposed alteration to the corporation's articles of association takes the following form:—

> No foreigner or foreign corporation or corporation under foreign control shall in respect of his or their shares in the company be entitled to any vote either in person on a show of hands or by proxy on a poll at any general meeting of the shareholders of the company; and
>
> Every transfer of any share in respect of which the transferee claims to be entitled to a vote must contain or be accompanied by a declaration as follows, namely:—
>
> (*a*) Where the transfer is not to a corporation a declaration by the transferee (1) that he is a British subject and (2) that there is not any arrangement under which he will hold the said shares or any of them in trust for or in any way under the control of any foreigner or foreign corporation or any corporation under foreign control; or
>
> (*b*) Where the transfer is to a corporation a declaration by some principal officer of such corporation, duly authorised by such corporation to make the same, that such corporation is not a foreign corporation, or a corporation under foreign control, within the meaning of Clause 1 hereof, and that to the best of his knowledge there is no arrangement under which the transferee is to hold such shares or any of them in trust for, or in any way under the control of, any foreigner or foreign corporation, or any corporation under foreign control, within the meaning of Clause 1 hereof.

The same question has been raised in the case of the Canadian Pacific Railway Company. An amendment was recently introduced into the Ottawa House of Commons by the Railway Committee requiring all stock issues to be first approved by the Federal Railway Commission. The object of the amendment was to ensure control of the Canadian Pacific Railway remaining in British hands. Mr Beatty, the president of the company, stated that 18 per cent. of the ordinary stock was held in Canada, 48 per cent. in Great Britain, and 30 per cent. in the United States. Of the combined preferred and common stocks 70 per cent. was held in the British Empire and 24 per cent. in the United States. This particular amendment was defeated because there was general agreement that the company could best look after itself in the matter of retaining British control.

The City of London is compelled to regard these questions from the point of view of an international money centre. Every step taken to rouse national animosities is therefore embarrassing and a restriction upon the trade of the City. The Stock Exchange, as we pointed out last week, is not a market for British investors only, but for investors throughout the world. It is the practice of the Committee of the Stock Exchange to make it a condition of granting a quotation for shares that the transfer of fully-paid shares should not be restricted by the articles of association. If, therefore, a company feels that it must protect itself against foreign control the Committee of the Stock Exchange would prefer to see the shares held by foreigners disfranchised rather than the transfer of shares to foreign holders prohibited or restricted, so that dealings in the shares can remain unrestricted.

But even total disfranchisement of foreign-held shares does not satisfy the holders of extreme "nationalist" views. If, say, American investors have acquired shares to the extent of 80 per cent. of a company's total share capital it may be argued that they have some moral claim to a voice in the management of the company. We cannot believe, however, that American investors who buy British shares *with full knowledge of this disfranchisement* have any equitable claim to a voice in the management. They are buying with their eyes open, and they must be prepared for the consequences. The view put forward by Sir Hugo Hirst that a company gains strength from the consciousness that its shareholders are users of its products and are interested in its welfare, loses force when a company's zone of operations is no longer confined to a particular locality but has reached the widespread scope of the General Electric.

A compromise between total disfranchisement on the one hand, and restriction upon share transfers on the other, may be found in the Swedish method of limiting the voting rights of shares held by foreigners to one-thousandth of a vote per share. The Swedish case is not exactly parallel, because Swedish Match and other large industrial companies have made issues of shares on foreign markets and have created for that purpose the "B" class of share ranking *pari passu* with the Swedish-held "A" shares except as regards voting rights. The "B" shares, in practice, have always been a wider and better market than the "A" shares. Whether it be practicable to make two markets in British shares quoted on the London Stock Exchange may be questioned. From the City point of view the ideal solution would be for a company to avoid the question of control altogether. If a company is so important nationally that control should be vested in British hands, Parliament should protect it by legislation.

There is always the broad national consideration that no step should be taken by British companies to deter foreign investment in Great Britain. The purchase of British securities by foreigners brings strength to the sterling exchange and helps to increase the amount of capital that we have available for foreign investments. Two years ago, when we made a special examination of this question in the light of contemporary evidence at Somerset House, we came to the conclusion that the investments of foreigners in British industrial concerns were not very extensive. In the last twelve months, however, American buying of British securities has developed to a surprising extent. Indeed, if Sir Hugo Hirst's action had caused New York to retaliate, and if American operators had sold British securities heavily on the London Stock Exchange, it is quite conceivable that the sterling exchange would have suffered, gold would have flowed out, and Bank rate would have necessarily been advanced. National interests as well as those of the Stock Exchange make it desirable that dealings in British securities should go on as far as possible without the disturbing issue of British control being raised.

HOME RAILWAY POSITION—III.

There are many reasons why a scrutiny of the most recent results attained by individual British railways is calculated to interest the discerning investor. Perhaps the most relevant is the well-known principle that, while in an active market the worst stocks are usually overvalued, in a depressed market the best are almost invariably undervalued. Day-to-day quotations for Home Rails on the Stock Exchange are liable to err, not merely because, through no fault of the investor, up-to-date traffic information is confined to gross rather than net figures, but also because it is natural, in a time of difficulty, to regard all railway stocks as coming under "the same condemnation." A few moments' consideration, however, will suggest a dozen explanations of the undoubted fact that no two railways can ever enjoy a precisely identical experience, in good times or bad. It is our intention, therefore, to round off our survey of the conditions which affected *all* the trunk railways last year, by calling attention to various points of divergence between the position of individual companies, which are of sufficient cumulative significance to afford a *prima facie* case for informed discrimination by the careful investor.

Apart altogether from differences in management, geographical position, or nature of traffic, it is obvious that extremely varied ingredients went to make up the four railway groups which six years' experience has succeeded in fusing into more or less coherent and self-contained organisations. We are merely stating what all railwaymen have freely admitted for years past, in pointing out that the London and North-Eastern was called on, from 1923 onwards, to carry a generous proportion of the less prosperous pre-amalgamation lines of the country, and the London and Midland and Scottish by no means avoided a similar responsibility. For the Great Western, however, the problem scarcely existed, and the Southern, despite popular ideas to the contrary, took over a number of companies whose position was more likely to improve than to deteriorate as time went on. Further, as the amalgamation terms were settled, in all important cases but one, by agreement between the companies concerned, it was inevitable that bargaining-power as well as earning-power should play a part in the ultimate apportionment of "group" stock. Now, after six years, it is possible to ascertain the manner in which the arrange-

		Dividends paid on Pre-Amalgamation Stocks (1913) and Equivalent Post-War Dividends (1923 & 1928). *Per Cent.*			*Comparison between Pre-War and Post-War Figures (1913 = 100).*	
		1913.	1923.	1928.	1923.	1928.
		£ s. d.	£ s. d.	£ s. d.		
London, Midland and Scottish Railway:—						
London and North-Western	Cons. Ord.	7 0 0	7 0 0	3 10 0	*100*	*50*
Midland	Pref. Conv. Ord.	2 10 0	2 10 0	2 10 0	*100*	*100*
	Def. Conv. Ord.	4 5 0	4 15 2	2 7 7	*112*	*56*
Lancashire and Yorkshire	Cons. Ord.	4 10 0	5 2 2	2 11 1	*113½*	*57*
North Staffordshire	Ord.	5 0 0	5 3 7	2 11 10	*103½*	*52*
Furness	Cons. Ord.	2 10 0	2 2 0	1 1 0	*88*	*44*
Caledonian	Pref. Conv. Ord.	3 0 0	2 18 8	2 9 4	*98*	*82*
	Def. Conv. Ord.	0 10 0	0 14 0	0 7 0	*140*	*70*
Glasgow and South-Western	2½% Pref. Conv. Ord.	2 10 0	2 10 0	2 10 0	*100*	*100*
	Def. Conv. Ord.	2 12 6	2 7 7	1 3 10	*90½*	*45½*
	Def.	0 5 0	0 4 2	0 2 1	*83½*	*41½*
Highland	Ord.	2 10 0	2 5 3	1 2 7½	*90½*	*45½*
London and North-Eastern Railway:—						
North-Eastern	Consols.	7 0 0	7 10 0	4 2 6	*107*	*59*
Hull and Barnsley	Cons. Ord.	3 10 0	4 2 6	2 5 4½	*118*	*65*
Great Central	4% Pref., 1891	4 0 0	4 0 0	2 2 0	*100*	*52½*
	5% Pref., 1894	2 0 0	5 0 0	0 5 0	*250*	*12½*
	6% Prefd. Ord.	Nil	1 17 6	0 1 0	...	...
	Def. Ord.	Nil	0 15 0	Nil	...	...
Great Eastern	Ord.	2 10 0	2 17 6	0 1 9	*115*	*3½*
Great Northern	6% Cons. "B"	6 0 0	6 0 0	4 9 7	*100*	*74½*
	4% Pref. Conv. Ord.	4 0 0	4 0 0	2 14 8	*100*	*68½*
	Consol. "A"	3 0 0	3 7 6	0 1 9	*112½*	*3*
	Def. Conv. Ord.	3 0 0	3 7 6	0 1 9	*112½*	*3*
North British	3% Pref. Ord.	3 0 0	3 0 0	0 3 0	*100*	*5*
	Def. Ord.	1 5 0	1 10 0	0 0 6	*120*	*2*
Great North of Scotland	3% Pref. Conv. Ord.	3 0 0	3 0 0	0 3 0	*100*	*6*
	Def. Conv. Ord.	1 10 0	1 10 0	Nil	*100*	Nil
	No. 2 Def. Ord.	Nil	0 4 0	Nil	...	...
Great Western Railway:—						
Great Western	Consol. Ord.	6 5 0	8 0 0	5 0 0	*128*	*80*
Southern Railway:—						
London and South-Western	Undiv. Ord.	5 17 6	7 6 2	5 17 10	*124½*	*100½*
	Def. Conv. Ord.	1 17 6	3 6 2	1 17 10	*176*	*101*
London, Brighton and South Coast	Undiv. Ord.	5 5 0	6 2 0	4 15 5	*116*	*91*
	Def. Ord.	4 10 0	6 3 11	3 10 10	*137½*	*78½*
South-Eastern	Undiv. Ord.	4 0 0	4 10 5	3 17 4	*113*	*96½*
	Def. Ord.	2 0 0	3 0 9	1 14 9	*152*	*86½*
London, Chatham and Dover	4½% Arb. Pref.	4 10 0	4 12 1	4 2 1	*102½*	*91*
	4½% 2nd Pref.	1 10 0	4 10 10	3 16 6	*303*	*255*
	Arb. Ord.	Nil	Nil	0 5 3	...	...

ments have worked out. We have already declared our view that, had grouping not come about, the ordinary proprietors of many of the less happily situated companies would have been faced with a decidedly serious situation to-day.* The table on the previous page shows how much the holder of £100 nominal of junior stock in each of the most important pre-amalgamation companies has actually received in dividends—on the basis of the merger terms—in 1923 and 1928 (a relatively satisfactory and a difficult year respectively), as compared with his actual receipts in 1913.

The table will repay close scrutiny, though space forbids the mention here of more than a few of the conclusions suggested. Former stockholders in the companies making up the Southern group have fared, relatively, best of all, next in order coming the Great Western, the Midland and Scottish and the North-Eastern groups of holders. Of the more famous pre-war securities, North-Westerns and North-Easterns have fared worse than Great Westerns, both in times of moderate prosperity and of adversity. Preferred ordinary stockholders absorbed into the Midland and Scottish have been much more fortunate, in time of trouble, than their opposite numbers in the London and North-Eastern. The terms of settlement—as was, perhaps, inevitable whatever the basis adopted—have not worked out equally well for all concerned, and one may, without casting stones, while congratulating former holders of, say, Chatham second preference, offer a word of sympathy to their colleagues who held Great Eastern ordinary, or the stocks of certain pre-amalgamation companies north of the Border. The figures do not afford a conclusive answer to the question whether a lower all-round basis of capitalisation might not, in some cases, have been advantageous when amalgamation took place, but they do at least suggest that fluctuations in dividends as between good and bad times tend frequently to be more severe under the new than under the old dispensation.

The Railways Act of 1921 did not merely provide for the grouping of the main British railways; it involved the re-designing of the whole freight classification, and instructed a body known as the Railway Rates Tribunal to draw up a system of passenger and freight charges which would provide the railways with a "standard net revenue" equivalent to that of 1913, with certain adjustments. In view of the onerous nature of the preliminary work, the system did not come completely into force until January 1, 1928, so that last year was the earliest period in which a trial could be made of its efficiency. The following table shows how the actual net revenue of recent years has compared with the present "standard revenue," and how last year's ordinary dividends and earnings contrast with "standard" earnings, on each of the four group lines:—

ACTUAL REVENUE AND "STANDARD REVENUE."
(000's omitted.)

		London, Midland and Scottish Railway.	London and North-Eastern Railway.	Great Western Railway.	Southern Railway.
		£	£	£	£
Net Revenue	1913	18,606	13,378	7,115	5,788
	1923	18,629	13,185	7,678	6,092
	1925	16,589	9,235	6,531	6,266
	1927	17,311	11,268	7,824	6,220
	1928	16,271	11,278	7,057	6,394
"Standard Revenue" under Railways Act		*20,327*	*14,788*	*8,312*	*6,631*
1928 Revenue as % of "Standard Revenue"		*80·0%*	*76·3%*	*84·9%*	*96·4%*
			Pref. / Def.		Pref. / Def.
Earnings on Ordinary Stock, 1928		3·6%	0·21% / Nil	5·1%	5·0% / 2·1%
Dividends on Ordinary Stock, 1928		3·5%	0·25% / Nil	5·0%	5·0% / 2·0%
"Standard" Earnings on Ordinary Stock		*7·87%*	*5·0% / 4·12%*	*7·96%**	*5·0% / 2·85%*

* Allowing for £467,835 of additional consolidated ordinary stock, which will rank for dividend in 1929.

The Southern, it will be seen, is the only company in sight of earning its "standard revenue" at the present time. The Great Western's net revenue last year fell approximately 15 per cent. short of the "standard" level, that of the Midland and Scottish 20 per cent. and that of the North-Eastern nearly 24 per cent. The Railway Rates Tribunal will meet shortly and consider such adjustments of charges as will, in theory, enable the "standard revenue" to be earned. In practice such a policy may be feasible on the Southern, if the ordinary course of trade does not itself bring about the desired result, but on the other three lines the attainment of the "standard revenue" by any adjustment of rates and fares cannot, from the investor's point of view, be regarded as practical politics during the next few months. The railways may be relied on to explore all possible avenues for such action, but the scope for *remunerative* changes is limited, since the prosperous industries of Great Britain are, as a rule, in a position to utilise alternative forms of transport in proportion as railway charges are revised against them. The same remark applies to a good deal of passenger traffic, while the "heavier" industries, which are most dependent on railway facilities, are in too depressed a condition to bear any significant increase—having, in fact, been lately the recipients of special freight concessions under the Government's derating scheme. Before the new system of charging came into being, 70 per cent. of the total railway-moved merchandise traffic was carried at "exceptional rates," and as the latter, whether applied to goods or passenger traffic, are merely the corollary of competition, their disappearance, or even their significant reduction, is highly improbable under any scheme of rate-control, so long as present economic conditions obtain.

We may conclude, therefore, that any substantial and early increase in the net revenue of the railway companies must be obtained either by an improvement in British trade activity from without or by further economies in expenditure from within. How far is a trade revival likely to benefit the several groups? Data bearing on this and other questions will be found in the next table:—

RAILWAY TRAFFIC AND FINANCE.

		London, Midland and Scottish Railway.	London and North-Eastern Railway.	Great Western Railway.	Southern Railway.
Distribution of Earnings by Traffic:					
Percentage of Gross Railway Receipts derived from	Passengers ..... %	40·3	36·2	42·8	74·4
	Coal, etc. ..... %	18·4	23·2	19·5	6·4
	"Other Minerals"* %	9·0	9·8	8·5	3·6
	All Goods ..... %	58·8	62·9	56·3	24·3
Trend of Traffic over Last Six Years:					
Million Passenger Journeys originating on System (excluding season tickets)	1923	336	227	124	188
	1928	302	186¼	113½	195½
Million Loaded Passenger Train Miles	1923	85	58½	36½	39
	1928	90	63	39	41
Million Tons of Goods Originating on System	1923	128	129	69½	7½
	1928	112	115½	60½	8
Million Loaded Goods Train Miles	1923	54½	41	23	6½
	1928	53½	40	22	7
Balance Sheet Items, December 31, 1928:		(£'000).	(£'000).	(£'000).	(£'000)
Railways Renewal Funds	Way and Works	3,021	6,354	6,537	784
	Rolling Stock	8,068	1,814	5,282	2,707
	Other Funds	1,711	1,587	1,115	648
General Reserve Fund†		2,850	802	2,944	163
Cash		9,193	6,174	5,081	3,083
Government Securities		17,302	4,506	17,745	6,954
Stocks of Stores & Materials	1923	*8,934*	*6,135*	*3,252*	*1,892*
	1928	9,728	7,100	3,392	2,258
"Cover" for Interest and Dividends:					
Total Debenture Interest—*No. of times Covered by Earnings*	1923	No. 4·5	No. 3·5	No. 5·2	No. 3·9
	1928	3·7	2·8	4·6	3·6
Total Guaranteed and Preference Dividends—*No. of Times Covered by Earnings*	1923	1·8	1·4	2·0	1·9
	1928	1·4	1·02	1·7	1·8

* i.e., "Merchandise, Classes 1 to 6." † Including "Contingency Fund."

The figures showing "distribution of earnings by traffic" reveal that the Southern stands out sharply from the other three groups by reason of its relative "independence" of goods traffic. Its future, therefore, is likely to depend more on its own exertions and less on circumstances outside its control (such as the contemporary state of British industry) than that of the other three companies. The London and North-Eastern, on the other hand, has most to gain by an industrial revival. Even in a "bad" year it obtained nearly 63 per cent. of its railway receipts from goods traffic, against 59 per cent. and 56 per cent. on the Midland and Scottish and the Great Western respectively.

* *See* the *Economist*, March 9, 1929, pages 507-8.

In a year of severe depression in the "heavy" industries it drew one-third of its whole railway takings from—in the main—the coal, iron and steel industries; as compared with 27 to 28 per cent. in the case of the other two groups mentioned. The latter would also, of course, obtain very considerable benefit from a recovery of prosperity in these trades. The "trend of traffic" figures show that all the companies (except the Southern) have been compelled to run an enhanced number of train miles to retain a reduced number of "originating" passengers over the last six years, while the reduction in loaded goods train miles has been less than proportionate to the falling off in "originating" tonnage. The visible signs of increased external competition are here apparent, and the investor will discover much that is suggestive in a close comparison of the *relative* movements of the figures for each company. Some idea of the amounts at the disposal of the various managements for renewals, &c., and of the general financial position of the groups may be obtained from the selected balance sheet items given in the table, which, incidentally, reveal the strength of the internal finances of the Great Western, and, next in order, the Midland and Scottish. In a minor, but not unimportant, context the investor will scan future reports for evidence of reductions in "stocks of stores and materials," in which some £22½ million of railway capital is locked up to-day, against £20 million in 1923.

What, finally, is the degree of security offered by the debentures and stocks of the four leading railways to-day? Taking each class as a whole, every railway debenture holder may regard himself as reasonably well covered on the basis of the figures given in our table, though there is a substantial difference in this respect between the position of, say, the Great Western and the London and North-Eastern. The position, however, is not quite so strong as in 1923. The "junior" preference stockholders have a closer personal interest in the absence of any further decline in net revenue. The prospects for ordinary stockholders are more difficult to prophesy. Their dividends are likely to fluctuate considerably for some years to come. Probably the most concise method of summing up their prospects is by saying that, if receipts remained constant, every fresh "economy" which reduced railway expenditure by 1 per cent. of last year's total would provide the wherewithal for an extra ½ per cent. dividend on Midland and Scottish ordinary, Great Western ordinary, and Southern deferred, and an extra 1 per cent. on North-Eastern preferred. An increase of 1 per cent. in railway receipts, supposing no change in expenditure, would make possible a further ¾ per cent. dividend on each of the former, and a further 1¼ per cent. on the latter stock.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
April 9.	April 11.

Relief was felt at the strategic withdrawal of the General Electric issue, and a three-weeks account opened on Monday in relatively cheerful fashion. On the absence of further enlivening influences, however, business fell away into idleness, until outside the mining markets activity worthy the name was difficult indeed to discover. Such confidence as was given on Tuesday by the Bank's acquisition of new gold was more than offset later by current talk of an increase in the New York re-discount rate. A speech by the Minister of Labour, drawing attention to a notable fall in the unemployment figures, and the unwonted spectacle of a rise in railway traffic returns, duly exercised their temporary effect, but neither indicated necessarily anything more than our release from recent severe weather conditions. In general, no one is anxious to increase his commitments for the present.

The gilt-edged market reflected every change in the prevailing monetary breeze. On Monday the strength of the American exchange produced a sizeable recovery in quotations, while on Tuesday nervousness as to American prospects outweighed satisfaction over the Bank's pur-

LONDON ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Closing Prices Mar. 14.	Closing Prices Mar. 21.	Rise or Fall.
Conv. Loan 3½%	76½	75½	– 1
Do. 4½% 1944	97⅝	97½	– ⅛
War Loan 5% 1929-47	102 1/32	101 31/32	– ⅛
Consols 2½%	55⅛	55 1/16	+ 1/16
Do. 4%	84⅜	84½	– ⅛
Funding 4%	88⅛	87⅞	– ⅛
Victory Bonds 4%	91⅛	91¼	– ⅛
Local Loans 3%	63½	63½	– ⅛
Treasury 5% (B)	98⅞	98 31/32	– 1/32
Palestine 5% 1942-67	105	104	–1
S. Africa 5% 1945-75	101	101	...
India 3½%	67⅛	67⅜	+ ⅛
Do. 4½% 1958-68	90⅛	90½	+ ⅛
Australia 5% 1945-75	99	99	...
N.S.Wales 5% 1935-55	96	96	...
N. Zealand 5% 1946	102	102	...

Foreign Government Securities.

Japanese 6% (1924)	95⅜	95⅜	...
Argentine 4% Reciss.	84⅛	85⅛	+ ⅛
Austrian 6% 1923-43	102	101⅛	– ⅛
Belgian 7%	108⅛	108⅛	...
Brazil 5% Funding	85	85	...
Bulgaria 7%	87	87⅛	+ ⅛
China 5% (1912)	49	50	+ 1
Egypt Unified 4%	85½	85½	...
Estonia 7% 1927	92	92	...
Finland'6% 1923	98⅛	98⅜	+ ⅛
French 5%	19⅜	19⅝	+ ⅛
Do. 4% (Brit.)	17⅛	17⅜	+ ⅛
German 7%	106	106⅛	+ ⅛
Greek 7% Refugee	101⅛	102⅛	+ 1⅛
Hungary 7½%	101	101⅛	+ ⅛
Chili 6%	96	96	...
Poland 7%	92	93	+1
Mexican 5% (1899)	31	33	+2
S. Paulo Coffee 7½%	101⅜	102	+ ⅛
Siamese 6% (1924)	105⅛	105⅛	...

Corporation Stocks.

C.C. 3%	63	63	...
E. London 5% 1960-70	98	98	...
Sydney 5½% 1954	98	98	...
Berlin 6% Ster.	93	94	+1

British and Foreign Railways.

G. Western Ord. Stk.	79⅜	81	+1⅛
L.N.E., Def. Stk.	10⅜	11⅛	+ ⅛
Do. 5% Pref. Stk.	24	25¼x	+1⅛
L.M.S. Ord. Stk.	51		
Metropol'anCons.Stk.	59⅛	60	+ ⅛
Met. DistrictOrd. Stk.	76⅛	76	– ⅛
Southern Def. Stk.	30⅜	31⅛	+ ⅛
Do. Pref. Ord. Stk.	72⅛	73	+ ⅛
Underground Ord. £1	1⅛	1⅛x	...
Do. Income Bonds	109	114	+ 5
Antofagasta Ord. Stk.	94⅛	94½	...
B.A.&Pacific Ord.Stk.	100⅛	101⅛	+ 1
B.A.Gt.Sthn. Ord.Stk.	108⅛	107x	+1⅛
B.A.Western. Ord.Stk.	97⅛	95x	+ ⅛
Beira Ord.	1⅛	1⅛	...
Can. Pacific Com.Stk.	253	254½	+1⅛
C.Argentine Ord.Stk.	98⅛	97x	+ ⅛
Leopoldina Ord. Stk.	56⅛	58	+1⅛
San Paulo Ord. Stock.	210	210	...
Utd. Havana Ord. Stk.	43	42⅛	– ⅛

Banks.

Barclay B. (£1)	2 3/32	2 3/32	...
Barcl.(Dom.&c.) A £1	1⅛	1⅛	...
Lloyds £5, with £1 pd.	3 1/32	3 1/32	...
Mid. £12, with £2½pd.	9⅛	9	– ⅛
Do. £2½, fully paid	9 1/32	9⅛	– 1/32
Midland £1, fully paid	3⅞	3⅞	...
Nat. Prov. £20, £4 pd.	13⅜	13½	+ ⅛
Hongk. and S. ($125)	134½	133	–1½
St. of S.A. £20, £5 pd.	15⅛	15	– ⅛
W'minster £48, £1 pd.	3⅛	4	+ ⅛

Insurance.

Alliance £1, fully paid	21	20½	– ½
Com. Un. £2½, fully pd.	27⅛	27⅛	...
Ldn.&Lanc.£5,£1 pd.	30⅛	31	+ ⅛
N.B.&Merc.£5,£1¼pd.	36	36⅛	+ ⅛
Royal Ex. £1, fully pd.	6⅛	6⅛	...
Roy.In.£1,with 10/ pd.	8⅛	8⅛	...

Coal, Iron and Steel.

Amal. Anthracite (£1)	⅛	⅛ + 1/32	
Babcock, Wilcox (£1)	3⅛	3⅛	...
Baldwin (4/)	⅛	⅛	...
Bolckow Vaughan(£1)	⅛	⅛	...
Cory, William (£1)	2⅛	3 + 1/16	
Dorman, Long (£1)	⅛	⅛	...
Guest, Keen (£1)	1⅛	2	+ ⅛
Powell Duffryn (£1)	⅛	⅛	...
Stewarts& Lloyds(£1)	1⅛	1⅛	+ ⅛
Swan, Hunter (£1)	1⅛	1⅛x	...
Thornycroft, John (£1)	3⅛	4⅛	+ ⅛
Vickers (6/8)	⅛	⅛	...

Textiles.

Bradford Dyers (£1)	2⅛	2⅛	...
Brit.Celanese,Ord(10/)	1⅛	1⅛ + ⅛	
Coats, J. and P. (£1)	3⅛	3⅛ + ⅛	
Courtaulds	4⅛	4x – ⅛	
Eng.Sewg.Cotton (£1).	2⅛	2⅛	...
Fine Cott. Spinn. (£1).	2⅛	2⅛	...
Listers (£1)	1⅛	1⅛	...
Snia Viscosa (200 lire)	1⅛	1⅛	...

Electrical Manufacturing.

Associated Elec. (£1)	1⅛	1⅛ + ⅛	
British Insulated (£1)	4⅛	4⅛ + ⅛	
Ever Ready (G.B.) (5/)	1⅛	1⅛ –	
General Electric (£1).	2⅛	3⅛	+ ⅛
Johnson& Phillips (£1)	1⅛	1⅛ + ⅛	
Siemens (£1)	1⅛	1⅛	+ ⅛

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅛	1⅛	...
Brnemth.& Poole (£1)	3⅛	3⅛ – 1/32	
County of London (£1)	2⅛	2⅛ + ⅛	
Hydro-Elec. com. stk.	39⅛	39⅛	+ ⅛
Newcastle-on-Ty (£1)	1⅛	1⅛	...
Scottish Power (£1)	1⅛	1⅛ – ⅛	

Telegraphs and Cables.

Eastern Stk.	257½	272½	+ 15
Eastern Exten. (£10)	25⅛	26⅜	+ 1⅛
Marconi (10/)	4⅛	4⅛	+ ⅛
Marconi Marine (£1)	3⅛	3⅛x	...

Motors.

Dennis (1s.)	3⅜	3⅜ + ⅛	
Ford Motors (£1)	3⅛	4⅛ + ⅛	
Leyland (£1)	1⅛	2⅛ + ⅛	
Morris 7½%Cm.Pf.(£1)	1⅛	1⅛	...
Singer (£1)	1⅛	1⅛	+ ⅛
Weymann Mot. Bodies	1	1⅛	– ⅛

Shipping.

Cunard (£1)	1⅛	1⅛ – ⅛	
Furness Withy (£1)	2⅛	2⅛ ...	
P. & O. Defd. (£1)	3⅛	3⅛ – ⅛	
Royal Mail Ord. Stk.	71⅛	69⅛	–2

Tea and Rubber.

Anglo-Dutch (£1)	1⅛	1⅛ – ⅛	
Cons.Tea & Lnds (£10)	34	34⅛ + ⅛	
London Asiatic (2/)	⅛	⅛ – ⅛	
Rubber Trust (£1)	2⅛	2⅛ – ⅛	

Oil.

Anglo-Persian (£1)	4⅛	4⅛ – ⅛	
Attock (£1)	3⅛	3 – ⅛	
Burmah Oil (£1)	4⅛	4⅛ + ⅛	
Mexican Eagle(£1/0/6)	⅛	⅛	...
Royal Dutch (£5)	32⅛	32⅛	+ ⅛
Shell (£1)	4⅛	4⅛	+ ⅛

Miscellaneous.

Assoc. P. Cement (£1)	1⅛	1⅛ + ⅛	
Braz. Traction, no par	66⅛	65 – 1⅛	
Brit.-Am.Tobacco(£1)	6⅛	6⅛ – ⅛	
Carreras,"A" Ord.(£1)	13	13½ + ⅛	
Columbia Graph.(10/)	15½	16⅛ + ⅛	
Crittall (£1)	2⅛	2⅛ – ⅛	
Dunlop (5/8)	1⅛	1⅛ + ⅛	
Forestal Land (£1)	1⅛	1⅛ ...	
Gas Light & Coke (£1)	⅛	⅛	
Gramophone Co. (£1)	18	17⅛ – ⅛	
Harrods (£1)	3⅛	3⅛	...
Hudson's Bay (£1)	5⅛	5⅛ + ⅛	
Imp.Airways(£1 15/p)	1⅛	1⅛ ...	
Imp. Chem., Ord. (£1)	2⅛	2 – ⅛	
Johan. Cons. (£1)	2⅛	2⅛	+ ⅛
Lake View & Star (4/)	⅛	⅛	...
London Tin (£1)	4⅛	4	– ⅛
Rio Tinto (£5)	63	63	...
RoanAntelopeOpr.(5/)	2⅛	2⅛	+ ⅛
Sub-Nigel (10/)	1⅛	1⅛	– ⅛
Tanganyika (£1)	3⅛	3⅛	+ ⅛
UnionCorp.(12/6)fn.pd.	4⅛	4⅛	+ ⅛
Vacuum Oil (£1)	3⅛	3⅛	...
Waring & Gillow, Ord.	1⅛	1⅛	...
Watney Combe Dt.(£1)	3⅛	3⅛	...
Westd. Rly. Sign. (£1)	3⅛	3⅛	...
Wolsey Hosiery (£1)	1⅛	1⅛	...
Woolworth (£1)	3⅛	3⅛	...
Yukon Gold (5/)	⅛	⅛	...

chase of £894,200 of bar gold in the market, and on Wednesday a certain amount of selling was in evidence, on rumours of a coming increase in the New York Federal Reserve rate. Business in all cases was of narrow dimensions. The Five per Cent. War Loan, after nearly reaching 102¼, relapsed to 101$\frac{11}{16}$. The Three and a Half and Four and a Half per Cent. Conversion Loans were even more notably affected by monetary uncertainties. Indian Loans were in better demand early in the week, and were subsequently less affected than British stocks by unfavourable influences. A moderate business in Dominion and Colonial stocks had no marked effect on quotations.

Foreign bonds showed, under the conditions, a gratifying degree of firmness, with a fair business passing. A number of European loans improved, and Turkish Unified had a sharp rise (followed by profit-taking) on the news that payment was to be made on the coupon on April 5. Support was forthcoming also for Chinese bonds, and, to a less degree, of Mexican, on that Government's further successes over the rebel forces. Brazilian bonds, however, were quiet to dull.

Home Rails had a better tone than for some time past, and though dealings were never on a large scale all the group stocks improved in quotation. The traffic figures published on Wednesday were notable as revealing an increase in gross revenue, as compared with a year ago, on all the lines except the Midland and Scottish (which showed but a small decline). The investment possibilities of the " group " stocks are discussed in a leading article on an earlier page. Influential buying caused an improvement in Underground Electrics at the beginning of the week. The foreign railway market attracted wider interest than of late. A steady demand was experienced for Argentine Rails, encouraged by a satisfactory week's traffic figures, while San Paulo and Leopoldina were in evidence among Brazilians. Rumours of negotiations between Leopoldina Terminal and Brazilian Traction have been contradicted. Canadian Pacifics were irregular, without much change on balance.

Industrials had no decided tendency, the appreciable price fluctuations which occurred from day to day tending to obscure the paucity of actual business. American-quoted stocks were an uncertain quantity on the rapid changes in the Transatlantic speculative temperature. Columbia Graphophones suffered in Tuesday's reaction, and H.M.V. failed to maintain a fresh rise. Radios were reactionary, and General Electric lost ground after a substantial recovery on the abandonment of the " British share " issue (discussed in an earlier leading article). The motor manufacturing group was among the most active in the House, Ford Motors rising on prospects of the early flotation of Continental subsidiaries, while Leyland and Napier were strong. The Imperial Chemical dividend (described in an " Investment Note ") did not satisfy the more optimistic operators, who were inclined to afford less than its meed of attention to the substantial strengthening of the reserve position. Nitrates were in demand, by reason of the betterment in the outlook indicated by recent developments. Dullness again obtained in match issues. Newspapers improved, and breweries were better, pre-Budget fears being less in evidence. Rayon shares also strengthened, and Marconi and cable stocks were strong. Among the sensational movements of the week was a jump from £9 to £11, on Wednesday, in the sixpenny shares of Calgary and Edmonton Lands, on the report of an offer for the oil rights. Insurance shares were irregular, but bank shares showed a hardening tendency.

Dealings in rubber shares were dominated by the weakness of the price of the commodity, especially on Wednesday, when the " spot " quotation fell ½d. to 11$\frac{3}{8}$d. Little selling of shares was recorded, but dealers marked down stock somewhat extensively. The sagging tendency of tea shares in recent weeks was arrested, a strengthening of demand for the commodity at the week's auctions imparting a steady tone throughout the list. The more cheerful feeling in the oil share market forms the subject of a subsequent " Investment Note." Paris buying was evidenced by the firmness of Eagles.

The mining markets provided most of the week's quota of excitement. Kaffirs, as usual, were on the margin rather than at the centre of interest. East Geduld and its controlling house, Union Corporation, moved up on rumours that the latter's forthcoming report will mention favourable developments, but Modder Easts were sold from Johannesburg. Among diamond shares, De Beers continued their steady improvement. Rhodesian copper shares again blazed into activity, Rhodesia Katangas, Loangwas, Congo Borders, and Bwanas recording gains typical of numerous companies in the list. Base metal shares generally reflected the stirring movements in the commodity markets, though most rises were inevitably followed by profit-taking. Tin shares at one time joined in the upward movement, but as the metal lost ground speculation lost its edge, and quotations receded, with Patino heading the few exceptions to the tendency.

FOREIGN STOCK EXCHANGES.

NEW YORK.

Money is tight, and speculative enthusiasm has been somewhat chilled. The share market is irregular and dealings have been largely on professional account. Pools have operated with fair success but have been jumping rapidly from one stock to another. The rise in copper prices to 23 cents per pound has given the copper group a buoyant tone, quotations being talked higher. Other mining issues are also good. The bull market in rubbers has been halted by a sudden drop in the price of the commodity. Steels move forward on the certainty of record-breaking earnings in the first quarter. Motors are irregular, although output is at record level. The market as a whole has no position-direction of movement after its brisk rise last week.

	Mar. 14.	Mar. 21.	Rise or Fall.
4½% Lib. Ln. '33–8	98$\frac{16}{32}$	98$\frac{17}{32}$	– $\frac{1}{32}$
3½% Trs.Bs.'46–56	99	99$\frac{1}{32}$	+ $\frac{1}{32}$
Ach., Top. San. Fé	200	199½	– ½
N. York Central	190½	188	– 2½
Union Pacific.....	233½	218	– 5½
Pennsylvania ...	76½	76½	– ½
South. Railway	147	146	– 1

	Mar. 14.	Mar. 21.	Rise or Fall.
U.S. Steel	184½	186½	+ 2
General Motors ...	85½	89¼	+ 3¾
Amer. Tel. & Tel.	215½x	215	– ½
General Electric	237½	232	– 5½
Victor Talking ...	178½	165	– 13½
Std. Oil of N.J....	50⅝	54⅛	+ 4⅛
Anaconda	156½	171½	+ 15

By courtesy of the Standard Statistics Company, Inc., of New York, and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices:—

(1926 = 100.)

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	Mar. 7.	Mar. 14.
342 Industrials	104·7	137·1	132·5	186·4	191·1	193·0	197·2
33 Rails	106·1	128·0	120·5	139·7	140·9	142·6	141·1
35 Utilities ...	103·3	128·3	128·3	180·6	184·6	203·4	204·6
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	187·3	190·2
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·28%	3·18%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Dec. 31.	Feb. 28.	Mar. 13.	Mar. 14.	Mar. 15.	Mar. 16.	Mar. 18.	Mar. 19.	Mar. 20.
207·7	216·6	213·8	218·8	223·0	223·5	222·7	222·2	222·4

PARIS.

At the last settlement the shares of the principal companies that are increasing their capital went ex rights. The backwardation being fixed at a rate below that corresponding to their market price, very substantial funds were put at the disposal of the market by syndicates desirous of exploiting this difference, and the price of money was reduced to 2¾ per cent. This apparent ease did not stimulate the Bourse at all, and the week was entirely uninteresting. Rentes and Banque de France were firm. Coal shares were decidedly prominent. Coppers did not benefit by the rise in the metal, but Penarroya mounted in sympathy with lead. De Beers were sought after. Rubbers reacted appreciably. A 2,300,000,000 francs loan at 4½ per cent. is to be issued on behalf of the Ville de Paris, and the price of issue is likely to cause a fresh fall in the price of long-term money.

	Mar. 14.	Mar. 21.	Rise or Fall.
3% Perp. Rentes	71·65	71·75	+ 0·10
5% Rentes, '16–16	98·10	98·95	+ 0·85
5% Rentes, 1920	117·40	117·90	+ 0·50
Banq. de France	25,550	25,550	...
Banq. de Paris	5,070	4,675	– 395
Crédit Lyonnais	4,090	3,220	– 870
Nord.....	2,650	2,615	– 35
Com. Gen. d'Elec.	4,305	3,895	– 410
Littoral Médit. ...	1,470	1,420	– 50

	Mar. 14.	Mar. 21.	Rise or Fall.
Mines de Lens ...	1,417	1,435	+ 18
Courrières.....	1,632	1,658	+ 26
Pechiney.....	4,010	3,520	– 490
Kuhlmann.....	1,206	1,150	– 56
Com. Gen. Trans.	1,325	1,271	– 54
Suez Canal 25,730		25,505	– 225
Assur. Gen. Vie	15,400	15,500	+ 100
Denain et Anzin	3,465	3,340	– 125
Dollfus Mieg. ...12,850		12,600	– 250

BERLIN.

Thanks to easier money and a better outlook for a settlement of the Budget controversy in the Reichstag, stocks closed last week fairly firm. The new week began with a general rise, buying orders coming from Paris and London. Electrical manufacturing companies were the centre of the upward movement, and the two leading artificial silk stocks also benefited. Foreign buying continued on Tuesday, when the rise in non-ferrous metal prices in London sent up the stocks of copper and zinc companies. In general Wednesday was firm, though there was some foreign selling. On Thursday chief interest lay in Reichsbank, and otherwise the market was dull.

	Mar. 14.	Mar. 21.	Rise or Fall.
Reichsbank	303·25	319·00	+ 15·75
Deutsche Bank....	170·50	174·88	+ 4·38
Disconto Bank ...	162·00	165·50	+ 3·50
Hamburg-Amer.	127·50	128·50	+ 1·00
Norddeut.-Lloyd	125·63	126·25	+ 0·62
I.G. Farbenindu.	244·75	250·00	+ 5·25
Verein. Glanstff.	422·00	446·00	+ 24·00
Bemberg	355·13	386·50	+ 31·37

	Mar. 14.	Mar. 21.	Rise or Fall.
Verein. Stahlks ...	92·13	92·00	– 0·13
Mannes Rohrks ...	117·75	115·13	– 2·62
Allgemne. Elekt.	164·50	175·38	+ 10·88
Siemns. & Halske	371·50	387·50	+ 16·00
Daimler Bens.....	54·75	56·00	+ 1·25
Cont. Caoutchuc.	137·00	143·00	+ 6·00
Salzdetfurt. Kali	311·50	335·25	+ 23·75

AMSTERDAM.

The better monetary outlook created a firmer tone, especially for industrials. Interest, however, remained restricted, and early in the week business showed less animation. Artificial silk shares advanced sharply. Sugars were firm on favourable dividend reports, but tobaccos were easier owing to the tendency of the Sumatra tobacco auctions. Later on the tone became weaker. The money market was easier, with the private discount rate 4⅜ per cent.

	Mar. 14.	Mar. 21.	Rise or Fall.
5% Bds. Neth. '18	101⅛	101⅛	– ⅛
4½% Amst.1913-14	99½	99	– ½
Margarine Unie...	371½	370½	– 1
Neth. Art. Silk ...	379	393½	+ 14½
Philips El. Lamp.	867	887	+ 20
Singkep Tin	312½	320	+ 7½
Royal Dutch.....	391½	397½	+ 5½
Amst. Rubber ...	274½	268	– 6½

	Mar. 14.	Mar. 21.	Rise or Fall.
Serbadjadi Sm.R.	236	223½	– 11½
Holl. Amer. Line	77	75½	– 1½
Nwvgt. Cc., Med.	207½	207	– ½
Voorslanden ...	159	166½	+ 7½
Trading Co., Amc.	663½	657	– 6½
Bencokl.....	545	531	– 14
Deli	443½	433	– 10½
Neth. Trad. Soc.	183½	185½	+ 2

INVESTMENT NOTES.

Oil Shares.—The publication of the petrol companies' statement coincided with a rise in oil share prices. The two events were not necessarily connected. The better sentiment has been created rather by the news of a further fall in the daily average production of crude oil in America and a fresh attempt to tighten up " restriction." The operators in Oklahoma have agreed to restrict production for that State to 650,000 barrels a day, against a previous level of 728,000 barrels a day. The carrying out of this local restriction was responsible for the considerable drop in the last two weeks in the daily average production of the United States. Meanwhile, the American Petroleum Institute has taken further action. It has adopted a recommendation that, from April 1st, the output of crude oil in the United States, Mexico and North and South America be restricted so as not to exceed the average daily production of 1928. Regional committees of producers have been appointed to study the means of carrying out this far-reaching scheme of restriction. In some States legislation may be necessary, and it will no doubt be a long time before practical steps can be taken, but it is considered a hopeful sign that the big producers in Venezuela should have agreed to restrict their output. No change has occurred in crude oil prices, but there has been a hardening of gasoline prices. The next meeting of the Conservation Committee of the American Petroleum Institute will be held on March 27th, when the reports of the regional committees will be considered. The Standard Oil of New Jersey has made the suggestion that drilling should be stopped for two months throughout the country. The purpose of the restriction campaign in America is being watched by the oil share market with no little interest, but opinion is somewhat sceptical of its success.

The Rise in Copper.—The notable recent strength of certain of the base metal markets, especially copper and, to a less degree, lead, has been reflected in share values on the Stock Exchange. What appeared to be temporary strength in the copper situation just before the end of last year, due mainly to a shortage of blister copper through the Chilean earthquake, has developed into a rise equalled only during the days of the war. Since December 31st the price of electro has risen nearly £30, is now some £10 above aluminium, and may conceivably go to £125 before many weeks are past. Prices of manufactured copper have been raised in a like proportion, while brass is now dearer than for some years past. The effect on the quotation of some of the leading Stock Exchange counters is shown below:—

	Shares fully paid.	Price. Jan. 1. 1929.	Price. March 1. 1929.	Price. March 21. 1929.	Yield at present price.
	£				£ s. d.
Rio Tinto	5	62½	63½	63	4 0 0
Tharsis	2	4½	6⅝	6⅝	3 0 9
Mount Lyell	1	1⅞	2½	2⅜	5 14 9
Namaqua	2	⅝	1⅛	1⅛	Nil
Anaconda	£50	£23¾	£29	£33¾	2 1 9
Arizona	5/–	1	1⅛	1⅛	3 5 0

Tharsis has this week declared a dividend, for 1928, of 10 per cent., against 8½ per cent. for 1927. The rise in Arizona is due not only to events in the copper market, but also to last week's announcement of the sale of the company's holding of Phelps Dodge shares at a price yielding about 40s. per Arizona share. The present position as regards the metal is governed by the fact that although the American Copper Exporters, Incorporated, set out to eliminate speculation and control the copper quotation, a very extensive bull account is open on the standard market, the daily sessions in London having recently been little more than a scramble to buy warrants. In America the position has been, on the confession of the leading producers, completely out of hand, and in spite of efforts to stem the rush of buying by successive price advances, consumers have continued in their policy of purchasing every ton of copper on which they could lay their hands. For nearly twelve months reserves of refined copper in America have stood at a dangerously low level, and consumption has exceeded 80,000 short tons per month. Latterly this figure has approached 100,000 tons, and since refinery production cannot be increased at a moment's notice there are grave fears of a famine in the summer months. In this lies the reason for the present heavy buying in the United States, which, coupled with a wave of speculation on the London market, has forced up the price well beyond the safety limit. Taking a longer view of the future, however, it may be assumed that mine production throughout the world will be pushed to the utmost limits, and that, even if the refineries cannot give the world more refined copper, reserves of blister will increase. This should in due course give a pause to consumers' desire to increase their holding, for it will mark the beginning of a downward movement. Consumption, too, is bound to fall off at the present inflated price, and signs of this are already evident in this country.

Vickers.—Disappointment has been expressed in some quarters that Vickers' profits, which rose by 50 per cent. in 1927, apparently fell away by some 3 per cent. last year, but this is a misreading of the figures. With the formation of Vickers-Armstrongs and the Metropolitan-Cammell Carriage, Wagon and Finance Company, Vickers has now become entirely a holding company. As a proportion of accrued profit on work-in-progress at December 31, 1928, was to be retained by Vickers under the agreement for sale to Vickers-Armstrongs, the latter is unable to distribute any dividend, preference or ordinary, but after writing £12,968 off formation expenses and transferring £105,000 to renewals fund, it has £64,765 to carry forward. If Vickers be credited with 97 per cent. of this carry-forward, in proportion to its holding of first preference Vickers-Armstrong shares, the decrease in Vickers' profits is

turned into an increase. The company, further, is following the sound policy of including in its profit figure dividends declared by subsidiaries making profits, but deducting the losses of the less fortunate concerns, the latter amounts being written off the book values of the shares in and loans to the companies concerned:—

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Net profit, after payment of debenture interest	562,284	992,985	939,903
Dividend on preferred 5% stock	37,500	37,500	37,500
Dividend on 5% preference shares	37,500	37,500	37,500
Dividend on 5% (tax free) cumulative preference shares	343,190	343,190	343,190
Number of times covered	*1·4*	*2·6*	*2·5*
Ordinary — Earned	4½%	17½%	15½%
Ordinary — paid, less tax	Nil	8%	8%
Ordinary — amount	Nil	262,730	262,730
To reserve fund	200,000	238,211	250,000
Increase or decrease in carry-forward	−55,907	+73,853	+6,982

The balance sheet, drawn up in a new form on the lines of the Companies Act, 1928, is lucid and informative to a degree, and suggests that when, in due course, the provisions of that Act become compulsory on all companies, many balance sheets will be far more illuminating documents than they are to-day. Investments in Vickers-Armstrongs are valued according to the book values of the fixed assets at the time of transfer, with the result that the £5,206,800 of ordinary shares in the latter concern are written down to less than nothing. Effect has been given to the agreement with Cammell, Laird, dated December 17, 1928, and shares to the nominal value of £3,251,150 in Metropolitan Cammell, the new wagon company, stand at £2,721,813. The remaining investments are separated into their different classes, and the basis of valuation in each case is explained. The reserve fund and the carry-forward aggregate £967,704, against £708,722 a year ago. Conversion into a holding company explains the disappearance of allowance for depreciation, but this year £125,000 is set aside for income tax. The balance sheets of Vickers-Armstrongs and of Vickers and its subsidiaries (excepting Vickers-Armstrongs and Metropolitan Cammell) are published in the same clear form. But not even the most lucid accountancy will enable the outside observer to estimate the true probable earning power of Vickers for the next year or two. The current year's results will in their turn be complicated by the creation of the English Steel Corporation, the share allotments of which are recorded in the next note. The present price of Vickers' ordinary shares, of 6s. 8d. denomination, is 11s. 6d., at which the dividend yield is £4 12s. 8d. per cent, less tax, and the yield on earnings 9¼ per cent.

English Steel Corporation.—It is announced that this new steel combine is to have a capital of £8,000,000, divided into £1 shares, 2,000,000 7 per cent. cumulative preference and 6,000,000 ordinary. In return for the assets it acquires, shares will be allotted as follows:—To Vickers-Armstrongs (for works at Sheffield, Manchester and Elswick), 1,285,815 preference and 3,272,031 ordinary; to Vickers (for the shares of Taylor Bros. and Co., Manchester), 95,975 preference and 404,946 ordinary; to Cammell Laird (for works at Sheffield and Penistone), 599,539 preference and 2,033,149 ordinary. It was part of the original agreement that the value of fixed assets should be satisfied by the allotment of ordinary shares, preference shares being allotted in respect of liquid assets. In fact, therefore, Cammell Laird is contributing 35⅝ per cent. of the fixed and 30¼ per cent. of the liquid assets. As all shares carry one vote, Vickers, through Vickers-Armstrongs, will hold the ultimate control. The new company will eschew shipbuilding, nor will it manufacture armaments except for Vickers-Armstrongs or Cammell Laird. The *Economist* discussed the importance of the merger in a leading article on December 22, 1928 (p. 1149), and the financial details, as then known, in an "Investment Note" the following week (p. 1224).

Imperial Chemical Results.—The published profit statement of Imperial Chemical Industries discloses the highly satisfactory phenomenon of an increase of £921,018 in earnings, which last year totalled £5,488,243, before deducting income tax, against £4,567,225 in 1927. The statement does not reveal to what extent this expansion of 20 per cent. in receipts is due to improved trading, and to what extent to the acquisition of new interests. It will be remembered that the company was incorporated in December, 1926, as a fusion of Brunner Mond, the United Alkali Company, Nobel Industries and British Dyestuffs Corporation. In 1927 the company obtained control of Cassel Cyanide, Casebourne and Co., Union Acid and Oliver Wilkins and Co., while last year its interests were further extended by the control of Elliott's Metal, Tees Salt, British Copper Manufacturers, and Welsbach Light Company. The present appropriation of profits is distinctly conservative. Some £275,540 is required for income tax account; £1,000,000 is placed to general reserve (against £408,977 a year ago); preference dividends require £1,194,550 (against £1,145,501); a total of £2,991,200 paid in dividends of 8 per cent. and 1¾ per cent. (less tax) on the ordinary and deferred shares respectively (the 1927 dividend rates being unchanged in both cases); and the amount carried forward is increased by £26,953 to £109,633. Certain capital transactions of first-rate importance are to be inferred from the company's statement, regarding which fuller information should certainly be forthcoming in the report, or at the meeting on April 18th. All that is at present disclosed is that considerable appreciation took place, in 1927 and 1928, in the value of investments held by the company's subsidiaries, and the share transferred to the company, "through distributions of assets on liquidations," was sufficient to allow of the latter's writing off the whole of its preliminary expenses of £1,260,953, making "certain appropriations," the nature of which is not revealed, and —with share premiums and last year's allocation—raising its reserves to over £11,000,000, as compared with £700,000 at December 31, 1927. The financial position is so obviously strong that a full disclosure of the operations in question will be calculated to enhance rather than to diminish the company's prestige.

Associated Portland Cement.—The report of the Associated Portland Cement Company, which controls British Portland Cement, is much more satisfactory than would appear from the published figures. The directors refer to keen competition and lower selling prices. In point of fact, for five months of last year there was a price-cutting war between the Associated group, the Horne group of companies and other independent companies. This was brought to end in November, when the Horne group and the independents joined the Cement Manufacturers' Association. In spite of the price war the Associated was able, by reducing its costs and increasing its turnover, to increase its net profits by 10 per cent., as the following figures show:—

	1926.	1927.	1928.
	£	£	£
Ord. capital	2,257,215	2,500,000	3,000,000
Gross profits	788,379	901,649	934,579
Net profits*	216,123	333,437	366,379
Pref. divs.	125,659	125,659	125,659
Available for ordinary	90,464	207,778	240,720
Earned	4·01%	8·31%	8·02%
Paid in dividends	4%	8%	8%
Carried forward	131,509	139,286	140,006

* After depreciation, debenture interest, and sinking funds.

The earnings shown in this table do not bring out the real strength of the Associated group's trading position. In the last five years the group has been engaged in reconstructing plants out of revenue. After an expenditure in this period of about £4,500,000 the Associated and British have now completed their rebuilding programme, with the exception of the reconstruction of the Swanscombe works, which will be ready in a few months' time. Their working costs have thus been considerably reduced, and it will not be necessary to set aside such large sums in future for depreciation. In the five years ending December, 1929, the two companies will have allocated to depreciation £3,315,000 apart from sinking funds. Last year the net profits of the British, after allowing for

preference dividends, but adding back depreciation of £250,000, amounted to £503,000, of which 75 per cent. (£377,000) belonged to the Associated. If this sum is added to the Associated net profits, after deduction of preference dividends of £240,720 and if the depreciation of £265,000 is also added back, the total earnings of Associated in 1928 are found to be £882,000, or 29 per cent., on the ordinary capital of £3,000,000. Actually real earnings were even higher because sinking funds of £144,000 were allowed for in arriving at this figure. The balance sheet of the Associated shows a strong position, the surplus of current assets over current liabilities amounting to £1,137,606. Investments, which include over 75 per cent. of the British Portland ordinary capital of 1,680,000 shares, and loans, amounted to £2,478,330, against £1,975,526 in the previous year. At the present price of 29s. 3d. cum dividend the ordinary shares yield 5.7 per cent. on the basis of last year's dividend of 8 per cent. The company's prospects for 1929 will no doubt be reviewed by the chairman at the general meeting on March 27th.

Crown Mines.—By contrast with some of its neighbours, writes our mining correspondent, this—the biggest of the Central Rand consolidations—presents an eminently satisfactory annual statement. Decrease in grade, due chiefly to the treatment of a larger proportion of development ore, has been counteracted by expansion in the tonnage milled. As a result, the working profit is almost identical with that of 1927. The reduction in the dividend rate arose partly from the larger capital expenditure, this absorbing £285,300, as against £251,800; taxation, &c., on the other hand, required £154,000, in place of £163,980, leaving £346,200 to be carried forward, or £32,000 more than brought in. We contrast the results of the past three years:—

	1926.	1927.	1928.
Tonnage milled	2,611,000	2,508,000	2,611,000
Revenue per ton	26/11	28/1	27/10
Working costs per ton	18/11	20/4	20/5
Profit per ton	8/0	7/9	7/5
Total working profit £	1,047,530	970,690	969,090
Dividends £	553,840	623,070	507,680
Rate per cent.	60	67½	55
Ore reserves tons	9,710,430	10,224,740	10,962,250
Average dwt.	6·5	6·5	6·7

The performance of an additional 12,300 ft. of development (total, 99,700 ft.), provided a net increase in the ore reserves of three-quarters of a million tons, accompanied by some improvement in the value. A gratifying feature of the developments was the "excellent" grade disclosed by the main reef-leader—the principal ore body—in the deeper portions of the mine to the south of the South Rand dyke. Heavy capital expenditure has to be envisaged for the current and two following years; subseuently, other things being equal, higher dividends should be practicable. On last year's rate the gross yield is about 8½ per cent.

East Rand Proprietary.—The Stock Exchange took a mildly favourable view of the 1928 report, emphasing the repayment of the balance of the debenture debt and the adequacy of the company's supply of native labour. There was also, as will be seen from the table given below, a relatively considerable expansion in the profit and in the ore reserve tonnage. The former feature is attributable to the crushing of an increased tonnage for a slightly higher average yield; the latter to the performance of an additional 10,000 ft. of development.

	1926.	1927.	1928.
Tons milled	1,577,500	1,586,500	1,685,700
Revenue per ton	21/5	22/0	22/3
Costs per ton	20/7	21/6	21/1
Profit per ton	−/10	−/6	1/2
Total working profit £	68,260	112,540	96,340
Ore reserves tons	2,414,450	3,130,000	3,624,000
Value per ton dwt.	6·6	6·4	6·4

The working profit set out above was supplemented by £17,300 sundry revenue, less £10,600 debenture interest, directors' fees, and the like. Expenditure on excess development absorbed nearly £35,000; debenture redemption, including the balance due on March 1st last, £89,600; £221,400 remains to be carried forward, or £23,400 less than brought in. The year's capital outlay amounted to £171,000, leaving a balance of £123,900 still in hand. With a considerable amount of work yet to be accomplished, this sum is not likely to prove any too much. Nothing further will be required for debenture interest; on the other hand, it is proposed to set aside £10,000 per annum towards the heavy liability in respect of miners' phthisis. Development in the East Rand property last year was attended with mixed results, low values rather predominating. Completion of the resampling of the Cinderella section showed that the reserve taken over at the time of the amalgamation was 400,100 tons, value 6.1 dwt. Both in respect of quantity and value this falls appreciably short of the estimate.

The Trustees and Managers, and the Committee for General Purposes of the Stock Exchange announce that no "Stock Exchange" sweepstakes or mutual subscription funds on horse races and other similar events are officially recognised or promoted, and that they accept no responsibility for the administration or conduct thereof.

CAPITAL ISSUES.

Four large prospectus issues and a pre-Easter crowd of smaller offers made their appearance during the week, aggregating £7,892,250, and bringing the total for the year to £95,127,050, against £164,478,100 for the corresponding period of 1928. The *Central Argentine Railway Co.* made a substantial issue of debentures, the lists for which were closed at 1 p.m. on the second day. Interest charges on the company's debentures (including the present issue, which offered a yield of £5 6s. per cent.) were covered five times by the revenue of the last financial year. Five-sixths of a £1½ million issue by the *London and Holyrood Trust*, which has a strong board, go to inside interests. A well-known concern, *Provincial Cinematograph Theatres*, now controlled by Gaumont British Picture Corporation, offered £1½ million of debentures, giving a flat yield of £6 7s. 7d., or over 6½ per cent. allowing for redemption at latest date. A further £750,000 were reserved for future issue. Assets valued at over £5 million will be available for these debentures, and profits for each of the last two years cover interest charges roughly five times. A sound issue of £1,000,000, 6 per cent. debentures at 102, with redemption at 105 in or before 1973, was made by *Hambleden Estates*, a new company formed to acquire the freehold and leasehold properties of W. H. Smith & Sons; a further £700,000 was already issued to nominees of the latter firm, but the whole was well secured and provided for by the certain nature of the income receivable. An Edinburgh issue of debentures, not underwritten, by an eighteen-months-old trust company, the *Second Scottish Eastern Investment Trust*, completed the list of important prospectuses, the remainder being of the moderately or highly speculative order. *Waste Food Products* needs no introduction; it requires £175,000 to complete one factory and to acquire, extend, or erect others. Its profit estimates are imposing, but past profits are not disclosed. *Salerni Coupling* quickly obtained over-subscription for a patent issue, in which options at a large premium were prominent. An attempt to develop a business carried on successfully for the last five years on a small capital is represented by *Berry's Insulating and Building Products*, specialising in articles for which there is stated to be a large demand in the building and allied electrical trades. The original founder of the business has no reason to be dissatisfied with the terms of its conversion into a public company; whether the new business can earn profits on a capital of £175,000 at all comparable to those it earned on £10,002, time alone can show. The manufacturers of a home dry cleaner regard the possibilities of their product as sufficiently great to call for the formation of a separate export

company, *Thawpit Exports*, and the further formation of separate companies in many countries" is foreshadowed. The prospectus might well have included a statement of past trading results at home. *Automatic Trade Mark Machine* and *Harper Automatic Machine Manufacturing* companies broke the recent lull in this class of issue; neither waited to see whether its patent applications were granted before making its appeal to the public. The *Vortex Silencer* was awarded gold and silver medals for efficiency at Auto Cycle Union trials in 1927, and production on a large scale is now to be attempted. The whole purchase consideration is attributable to patent rights. *Walls and Highley Theatres*, formed to amalgamate the Fortune and Aldwych theatres in London, must, by its nature, be subject to wide trading risks. *Transmutograph* acquires the benefit of patent applications, not yet granted, in a commercial advertising device for which a great future is predicted, though it enters a highly competitive field. Lastly, *Ralph Alcock and Sons* is floating a public company to exploit a new type of spring, which certainly has already attracted important users. In contrast to the usual practice, it was noticeable that the results of a number of the above issues were not hurriedly disclosed in the daily Press.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total previously recorded, £84,307,050.*
Including conversion total previously recorded, £97,886,270.*

National Savings Certificates.
Net sales week ended March 16, 1929, Nil.
Total receipts April 1, 1928, to March 16, 1929, £50,000.

Description and Date of Issue.	Nominal Capital.	Conversions or Repayments.	New Money, Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
Salerni Coupling, 1,500,000 2s. Ord. at par (Mar. 18)	150,000	...	150,000	75,000	75,000
Central Argentine Railway £3,000,000 5% Red. Debs. (fin. red. at par, May 1, 1987) at 94½ (Mar. 18)	3,000,000	...	2,835,000	300,000	2,535,000
Provincial Cinematograph Theatres, £1,250,000 6% 1st Mtge. Debs. at 94, fin. red. at 102½ 1958 (Mar. 19)	1,250,000	...	1,175,000	125,000	1,050,000
Hambleden Estates, £1,000,000 6% 1st Mtge. Debs. at 102, red. on or before April 1, 1973, at 105 (Mar. 19)	1,000,000	...	1,020,000	100,000	920,000
Harper Automatic Machine Manufg. 150,000 Ord. 10s. at par (Mar. 19)	75,000	...	75,000	18,750	56,250
Automatic Trade Mark Machine 300,000 8% Pref. Ord. 5s. at par (Mar. 20)	75,000	...	75,000	15,000	60,000
Do., 600,000 Def. 1s. at par	30,000	...	30,000	30,000	...
Walls & Highley Theatres, 95,000 8% Cum. Partic. Pref. £1 at par (Mar. 20)	95,000	...	95,000	11,875	83,125
Do., 95,000 Ord. 1s. at par	4,750	...	4,750	4,750	...
Thawpit Exports, 500,000 Ord. 5s. at par (Mar. 21)	125,000	...	125,000	25,000	100,000
Vortex Silencer, 500,000 Ord. 4s. at par (Mar. 20)	100,000	...	100,000	25,000	75,000
Waste Food Products, 175,000 New Ord. £1 at par (Mar. 20)	175,000	...	175,000	21,875	153,125
Transmutograph, 830,000 Ord. 2s. at par (Mar. 22)	83,000	...	83,000	20,750	62,250
Ralph Alcock and Sons, 800,000 2s. at par (Mar. 21)	80,000	...	80,000	20,000	60,000
Berry's Insulating and Building Products, 528,000 Ord. 5s. at par (Mar. 21)	132,000	...	132,000	26,400	105,600
London and Holyrood Trust, 150,000 Ord. £10 at par (Mar. 21)	1,500,000	...	1,500,000	75,000	1,425,000
Second Scottish Eastern Investment Trust, £250,000 5% Deb. 1960–70 at 95%	250,000	...	237,500	237,500	...
Total offered to public, week ended Mar. 23, 1929	8,124,750	...	7,892,250	1,131,900	6,760,350
To Shareholders only.					
Alliance Trust, 92,500 Ord. £1 at £5	92,500	...	462,500	462,500	...
American Trust, 17,500 Ord. £10 at £15	175,000	...	262,500	105,000	157,500
Anglo-Dutch Plantations of Java, £400,000 6% 1st Mtge. Debs. at 96	400,000	...	384,000	40,000	344,000
Electrical Distribution of Yorkshire, 600,000 £1 at 25s.	600,000	...	750,000	150,000	600,000
Foreign, Amer. & General Investments Trust, 25,000 £10 at £13	250,000	...	325,000	325,000	...
Friars Investment Trust, 250,000 £1 at 22s. 6d.	250,000	...	281,250	93,750	187,500
New York & General Trust, 10,000 £11 at £11¼	110,000	...	112,500	10,000	102,500
Premier Investment, 50,000 Pref. £3 at par	150,000	...	150,000	12,500	137,500
Do., 50,000 Ord. £2 at £3	100,000	...	150,000	12,500	137,500
Woodford & Wormleighton, 50,000 Pref. £1 at par	50,000	...	50,000	12,500	37,500
Total offered to Shareholders, week ended Mar. 23, 1929	2,177,500	...	2,927,750	1,223,750	1,704,000

* Adjusted figures.

Total offer for Subscription.—

To date—	Including Conversions. £	Excluding Conversions. £
1929	108,706,270	95,127,050
1928	...	164,478,100
1927	...	139,492,581
1926	...	73,472,145
1925	...	44,246,381
1924	...	36,012,900
1923	...	86,089,616

Total offer for Subscription.—

Whole year—	Including Conversions. £	Excluding Conversions. £
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,601
1925	...	232,214,500
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Issue (in brackets).	Amount of Capital Introduced. £	Price at which Dealings Began. £	Total Cash Involved. £
Amount previously recorded	8,341,657	...	14,911,198
Fairey Aviation Co., 300,000 Ord. 10s. (March 9)	150,000	14/-	210,000
Sika (Africa), 80,000 Ord. 1s. (March 13)	4,000	6/9	27,000
Norwich Electric Tramways, 26,400 Ord. £10 at £5 (Jan. 28)	132,000	7¼	188,100
Kelvin Investment Trust, 80,000 Ord. £1 (March 7)	80,000	23/4½	93,500
British Foreign and Colonial Corporation, 154,000 Ord. 5s. (March 14)	385,000	5/3	404,750
Consolidated Investment Corporation of Canada, 1,250,000 Shares no par value (March 15)	...	78/9	...
$10,000,000 5% Cum. Pref. $100 (dollar taken at 4·86 to £1)	2,057,610	£22	2,263,371
De Vere Hotels, 800,000 ord. 5s. (March 15)	200,000	5/3	210,000
Brownlac, Limited, 400,000 ord. 5s. (March 18)	100,000	15/1½	303,125
Total, week ended March 23, 1929 ...	3,108,610	...	3,699,846
Total to date, 1929	11,450,267	...	18,611,044

Central Argentine Railway Company, Limited.—Issue at 94½ of £3,000,000 5 per cent. redeemable debenture stock, 1967-87, carrying a floating charge with the right to convert into 4 per cent. stock at any time at par, and repayable at par in 1987 or at 102½ after 1967. The issued share capital amounts to £43,694,468; 5 per cent. notes, totalling £1,985,700, are repayable in 1933. Receipts, less interest on loan capital, have been:—1924-25, £2,597,712; 1925-26, £2,485,677; 1926-27, £3,297,461; 1927-28, £3,696,480.

London and Holyrood Trust, Limited.—Issue at par of 150,000 £10 shares, to be converted when fully paid into £6 of 5 per cent. cumulative preference and £4 of ordinary stock. The company carries on investment trust business.

Provincial Cinematograph Theatres, Limited.—Issue at 94 of £1,250,000 (out of £2,000,000) 6 per cent. first mortgage debenture stock, a specific charge on fixed assets and on shares in associated companies, and redeemable by a 1½ per cent. cumulative sinking fund; repayable at any time at 105 or at 102½ in 1958. Issued share capital amounts to £3,200,000. The company was formed in 1909, and owns, controls, or manages 113 picture theatres, dance halls, and restaurants. Surplus assets at January 31st were valued at £3,992,352. Profits, before certain deductions, have been (to January 31st):—1925, £246,731; 1926, £249,422; 1927, £287,683; 1928, £369,611; 1929, £380,948.

Hambleden Estates, Limited.—Issue at 102 of £1,000,000 (out of £1,700,000) 6 per cent. first mortgage debenture stock, a specific first charge on property and on a £1,000,000 6 per cent. debenture of W. H. Smith and Son, Ltd., and repayable by 1973 at 105 by a cumulative redemption fund or after 1929 at 110. Issued share capital amounts to £1,000,000. The company acquires the freehold and leasehold properties, valued at £1,711,855, on which the business of W. H. Smith and Son is carried on. Net rents receivable, plus interest on the £1,000,000 debenture, will provide £172,000 for service of this issue.

Second Scottish Eastern Investment Trust, Limited.—Issue at 95 of £250,000 5 per cent. debenture stock, 1960-70. Issued share capital amounts to £750,000, and £114,615 terminable debentures, ranking *pari passu* with this stock, have been issued. The company was incorporated in 1927. Balance on £17,427.

Grace National Bank
Hanover Square, New York, U. S. A.
A thoroughly organized international bank, giving special attention to the requirements of European banking correspondents.
Special Representative
148 Leadenhall St. London, E. C. 3.

Waste Food Products, Limited.—Issue at par of 175,000 new £1 ordinary shares, ranking *pari passu* with 125,000 already issued, entitled to an 8 per cent. preferential dividend, and to 55 per cent. of the remaining distributed profits after payment of 8 per cent. on 500,000 1s. deferred shares. The company was formed in June, 1928, and has acquired certain businesses and world rights. The present issue will provide capital for extensions, &c., including the purchase of a further business for £55,000 (£5,477 for goodwill), and involving expenditure of £132,500; approximately £19,000 should remain as working capital out of the proceeds.

Salerni Coupling, Limited.—Issue at par of 1,500,000 (out o 3,000,000) 2s. shares. The company acquires patent rights, for the world outside America, in a coupling device for gear-changing, and the benefit of a sales contract. The purchase consideration is £100,000, payable as to £60,000 in cash and £40,000 in shares, an option on 250,000 shares at 3s., and a royalty. Working capital is estimated at £70,000. A further 350,000 shares are also under option on the same terms.

Berry's Insulating and Building Products, Limited.—Issue at par of 528,000 (out of 700,000) 5s. ordinary shares. The company acquires the share capital of a business engaged in the manufacture of insulating materials, with assets valued at £80,100, excluding goodwill. The purchase price is £98,000, payable as to £55,000 in cash and £43,000 in shares. Working capital is estimated at £63,600.

Thawpit Exports, Limited.—Issue at par of 500,000 (out of 700,000) 5s. shares. The company acquires exclusive manufacturing and selling rights, patents, and trade marks in all countries except Great Britain, Northern Ireland, Irish Free State and Channel Isles, of two dry-cleaning preparations. The purchase consideration is £50,000, payable as to £25,000 in cash and £25,000 in shares. Working capital is estimated at £75,250. Promoters receive 20,000 shares and an option on the remaining 80,000 at par.

Automatic Trade Mark Machine Company, Limited.—Issue at par of 300,000 5s. 8 per cent. preferred ordinary and 600,000 (out of 1,100,000) 1s. deferred shares, the former entitled to one quarter of the remaining distributed profits after payment of 8 per cent. on the deferred. The company will manufacture, distribute, and deal in automatic machines. The purchase consideration is £39,000, including £6,900 in cash for an existing business and £7,100 in cash and £25,000 in deferred shares for certain world rights, &c. Working capital is estimated at £65,000.

Vortex Silencer Company, Limited.—Issue at par of 500,000 (out of 750,000) 4s. shares. The company acquires patents for Great Britain and Canada and a patent application for the Irish Free State relating to a silencer, with options concerning foreign patents. The purchase consideration is £45,000, payable as to £20,000 in cash and £25,000 in shares. Working capital is estimated at £45,000. The remaining 125,000 shares are under option at par.

Walls and Highley Theatres, Limited.—Issue at par of 95,000 (out of 110,000) £1 8 per cent. cumulative participating preference and 95,000 (out of 400,000) 1s. ordinary shares, the former entitled to one quarter of the remaining distributed profits. The company acquires controlling interests in two theatre companies, with net assets valued at £20,210. The purchase consideration is £14,700 in preference and £8,537 10s. in ordinary shares, plus £6,712 10s. in ordinary shares for the benefit of agreements with authors and artistes, and the company purchases £26,210 debentures in one company for cash.

Transmutograph, Limited.—Issue at par of 830,000 (out of 1,300,000) 2s. ordinary shares. The company acquires a licence for the United Kingdom to manufacture and sell an electric luminous advertising device. The purchase consideration is £34,000, payable as to £17,000 in cash and £17,000 in shares. Working capital is estimated at £46,000. The remaining 300,000 shares are under option at various premiums.

Ralph Alcock and Sons, Limited.—Issue at par of 800,000 (out of 1,500,000) 2s. shares. The company acquires rights to manufacture and sell a patent spring in Great Britain and Northern Ireland, together with two existing businesses valued at £9,276. The purchase consideration is £25,000, payable as to £5,000 in cash and £20,000 in shares, an option on 500,000 shares, and a royalty. Working capital will suffice for erecting and equipping an additional factory.

Harper Automatic Machine Manufacturing Company, Limited.—Issue at par of 150,000 (out of 300,000) 10s. ordinary shares. The company acquires an existing business of automatic machine manufacturers, and the benefit of six patent applications, for £60,000, payable as to £10,000 in cash and £50,000 in shares, and an option on 20,000 shares at par. Profits have been:—1926 (6 months), £484; 1927, £4,062; 1928, £10,221. Working capital is estimated at £37,000.

West Hampshire Water Company.—Offer for sale by tender of 2,500 £10 5½ per cent. preference shares (minimum price, £10). Issued share capital amounts to £120,195, and loan capital to £49,996. Net revenue for year ended June 30, 1928, was £13,797. Debenture interest requires £2,498, and dividends on preference shares (including present issue) will amount to £3,719. Reserve fund is £11,500. The company supplies an area of some 125 square miles.

Particulars of the following have been issued for public information only in connection with Stock Exchange "introductions":—**Consolidated Investment Corporation of Canada** (incorporated with limited liability under the laws of the Province of Quebec); issued capital 100,000 $100 5 per cent. cumulative preferred shares and 1,375,000 common shares of no par value, together with $15,000,000 4½ per cent. first collateral trust gold bonds, 1959. **Pentland Investment Trust, Limited**; issued capital 50,000 £10 shares, to be converted when fully paid up into £6 of 5 per cent. preference and £4 of ordinary stock. **De Vere Hotels, Limited**; issued capital 400,000 5s. ordinary shares, together with £90,000 7 per cent. debenture stock; originally incorporated in 1912; profits have averaged £21,426 over 5 years, less debenture interest. **Eclipse Automatic Devices, Limited**; issued capital £50,000 in 2s. shares; acquires exclusive licence to manufacture and sell patent lubricating pumps in the British Empire (except Canada), France and her dependencies, for £20,000 in shares and a royalty. **Brownlac, Limited**; issued capital £100,000 in 5s. shares; will manufacture synthetic shellac. **Second Scottish United Investors, Limited**; issued capital £450,000 5 per cent. cumulative preference and £300,000 ordinary stock; issue of £434,090 5 per cent. debenture stock, 1958-63, at 95; incorporated in January, 1928. **General Engineering Development Trust, Limited**; issued capital, £150,000 in 5s. shares; formed in 1924 as a trust company engaged in general, engineering and development business, and, *inter alia*, to acquire and deal in patent rights and inventions. **International Proprietaries, Limited**; issued capital, 225,000 shares class "A" stock and 112,500 shares class "B" stock, all of no par value, the former entitled to $2.60 per share, payable quarterly, and one-fifth of the surplus up to an annual maximum of 80 cents; incorporated in Canada, 1928; formed as a holding company to acquire shares of J. C. Eno, Limited, and similar companies.

MINING OUTPUT STATISTICS FOR FEB. 1929.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.		
Oroville (Pato)	...	...	...	...	...	$17,328	...
La Noria	...	...	...	...	...	$115,400	$34,400
Mexican Cap	84,386	...	...	...	...	$120,759	...

	Tons.	Other Notes in Return.
Tin.		
Renong	20½	1st half of March.
Patino	1,650	January.
Amari (Nigeria)	4½	
Colsol. Mines of Burma	87	Mixed concentrates.
Berenguela	27	Black tin concentrates.
Teza Malaya	6½	1st half of March.
Coal.		
Witbank	65,090	
Copper.		
Indian	16	Jan. and Feb.
	47½	1st two weeks of March.
Namaqua	136	Blister copper.

SAN FRANCISCO MINES OF MEXICO, LIMITED.—Operations for February:—Ore treated, 23,580 tons; lead concentrates produced, 2,020 tons; zinc concentrates produced, 3,606 tons. Estimated net smelter returns, $276,080. Operating expenses, $115,402. Estimated operating profit, $160,678. Office Note.—The return includes a minus adjustment of $1,107, being excess of valuations of products over realisations in respect of previous months.

BROKEN HILL, LIMITED.—For the month of February the production was as follows:—32,033 tons of crude ore were treated, assaying 14.4 per cent. lead, 8 ozs. silver per ton, and 19.5 per cent. zinc, producing 7,200 tons lead concentrates, assaying 64 per cent. lead, 22.5 ozs. silver per ton and 8.2 per cent. zinc; also 5,410 tons zinc concentrates, assaying 49.6 per cent. zinc, 2.5 per cent. lead, and 3.2 ozs. silver per ton. 6,050 tons dump slimes were treated, assaying 10.5 per cent. lead, 6 ozs. silver per ton and 15.9 per cent. zinc, producing 320 tons lead concentrates, assaying 56 per cent. lead, 30.5 ozs. silver per ton and 12.5 per cent. zinc; also 1,750 tons zinc concentrates, assaying 46.6 per cent. zinc, 4.6 per cent. lead and 5 ozs. silver per ton.

COMPANY MEETINGS, &c.

NATIONAL BANK OF EGYPT.

SUCCESSFUL RESULTS OF THE YEAR.

DIVIDEND INCREASED TO 18 PER CENT.

The twenty-ninth annual general meeting of the shareholders in the National Bank of Egypt was held on Thursday, March 21st, at the head office of the Bank, in Cairo.

Sir Bertram Hornsby, C.B.E. (the Governor), presided.

DIRECTORS' REPORT.

The directors' report was as follows :—

The directors present to the shareholders the balance sheet and profit and loss account for the year ending December 31, 1928.

The gross profit for the year, after providing for depreciation on the Bank's buildings and furniture, for rebate of discount, and for doubtful debts, amounts to

	£	s.	d.
	1,127,579	10	7
After deducting from this sum :—			
For directors' fees 14,000	0	0	
For current expenses 461,957	8	2	
	475,957	8	2
there remains	651,622	2	5
In conformity with Article 49 of the Bank's statutes a dividend of 4 per cent. is payable on the share capital	120,000	0	0
After this distribution there remains	531,622	2	5
Adding to this the balance brought forward from last year	210,172	10	4
the amount available is	741,794	12	9
The directors consider it prudent to allocate to special reserve for contingencies a sum of	100,000	0	0
which leaves	641,794	12	9
From this amount the directors recommend the payment of an additional dividend of 14 per cent. on the Share capital which will absorb	420,000	0	0
and to carry forward the balance of	221,794	12	9

The total dividend for the year will thus be at the rate of 18 per cent., equivalent to £1 16s. 0d. per share. An interim dividend of 8s. having been paid on September 3, 1928, there remains to be distributed the balance of £1 8s. 0d. per share.

BALANCE SHEET, DECEMBER 31, 1928.

LIABILITIES.

	£E.	MM.	£ST.	s.	d.
Share capital—					
300,000 fully paid shares of £10 each	2,925,000	000	3,000,000	0	0
Statutory reserve fund	1,462,500	000	1,500,000	0	0
Special reserve	1,340,625	000	1,375,000	0	0
Current, deposit and other accounts	15,616,286	530	16,016,704	2	8
Egyptian Government	18,317,500	883	18,787,180	7	10
Sudan Government	139,297	537	142,869	5	4
Mixed Tribunals.....	1,869,492	329	1,917,428	0	7
Bankers' accounts	384,685	526	394,549	5	2
Cheques and bills payable	230,877	262	236,797	3	10
Rebate of discount on Bills not yet due	33,062	423	33,910	3	7
Dividends unclaimed.....	23,093	071	23,685	4	0
Acceptances, &c.	933,845	972	957,790	14	10
Provision for payment of final dividend at the rate of 14% p.a.	409,500	000	420,000	0	0
Profit and loss account balance	216,249	771	221,794	12	9
	43,902,016	304	45,027,709	0	7

ASSETS.

	£E.	MM.	£ST.	s.	d.
Government securities and securities guaranteed by the Egyptian Government	20,083,559	831	20,598,522	18	1
Sundry securities	508,659	406	521,701	19	1
Advances on merchandise	5,734,235	954	5,881,267	12	11
Advances on securities	5,657,794	799	5,802,866	9	2
Advances otherwise secured.....	1,369,319	435	1,404,430	3	10
Sundry other advances	683,939	886	701,476	16	1
Bills of exchange	4,841,655	357	4,965,800	7	4
Local bills discounted	468,769	622	480,789	7	1
Buildings, furniture, &c.	215,009	074	220,522	2	7

ASSETS.—*Continued.*

	£E.	MM.	£ST.	s.	d.
Money at call and at short notice	1,072,500	000	1,100,000	0	0
Bankers' accounts	388,415	793	398,375	3	5
Clients' liability for acceptances, &c., as per contra	933,845	972	957,790	14	10
Cash :					
Notes ... £E. 1,452,472,000...					
Gold and silver coin, &c. 491,839,175	1,944,311	175	1,994,165	6	2
	43,902,016	304	45,027,709	0	7

There is a contingent liability in respect of bills rediscounted of £1,051,760 16s. 10d.

ADLY YEGHEN,
H. E. BARKER,
Directors.

B. HORNSBY,
Governor.

REPORT OF THE AUDITORS.

We have examined the books of the National Bank of Egypt and in our opinion the above balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs as shown by the books. We have also verified the cash, notes and securities at the head office and at the Cairo and Alexandria branches, and have found the same correct. The London returns have been audited and certified by Messrs. Deloitte, Plender, Griffiths and Co., chartered accountants.

J. C. SIDLEY.
W. G. CARMICHAEL.

Cairo, February 20, 1929.

ISSUE DEPARTMENT.

	£E.	MM.
Notes issued	31,800,000	000
	31,800,000	000

	£E.	MM.	£E.	MM.
Gold	3,339,570	000		
*British Treasury bills	12,560,430	000	15,900,000	000
Securities :				
Egyptian Government securities and securities guaranteed by the Egyptian Government	1,500,000	000		
British Treasury bills and British War Loan	14,400,000	000	15,900,000	000
			31,800,000	000

* By authority of the Egyptian Government these Treasury bills are deposited in lieu of gold. (See *Journal Officiel* of October 30, 1916.)

PROFIT AND LOSS ACCOUNT.

Dr.	£E.	MM.	£ST.	s.	d.
Directors' remuneration	13,650	000	14,000	0	0
Current expenses	450,408	472	461,957	8	2
Interim dividend at the rate of 4% p.a.	117,000	000	120,000	0	0
Transferred to special reserve ...	97,500	000	100,000	0	0
Provision for payment of final dividend at the rate of 14% p.a.	409,500	000	420,000	0	0
Balance carried forward	216,249	771	221,794	12	9
	1,304,308	243	1,337,752	0	11

Cr.	£E.	MM.	£ST.	s.	d.
Gross profit for the year ending December 31, 1928, after providing for depreciation of buildings and furniture, for rebate of discount, and for doubtful debts	1,099,390	041	1,127,579	10	7
Balance brought forward from last year	204,918	202	210,172	10	4
	1,304,308	243	1,337,752	0	11

THE GOVERNOR'S SPEECH.

EGYPT'S PROSPERITY.

SUDAN TRADE FIGURES.

The Governor, addressing the shareholders, said :—Gentlemen,—From the balance sheet and profit and loss account which are in your hands, you will see that the gross profit, at £1,127,579, is slightly less than that of 1927; but, on the other hand, expenses being £42,000 less, the net profit of £651,622 is nearly 37,000 more than last year.

In view of these satisfactory results your directors have decided to recommend an increase of 1 per cent. in the dividend, which, if you approve, will therefore be at the rate of 18 per cent., as against the 17 per cent. paid for the last few years.

BALANCE SHEET ITEMS—ASSETS.

On the assets side of the balance sheet the total of our advances at £13,790,000 shows a marked increase as compared with the figure of £11,930,000, at which they stood last year. Of these advances, £5,900,000 are covered by merchandise, chiefly cotton, and £5,800,000 are covered by stocks and shares, the corresponding figures for last year being £4,921,000 and £4,498,000. These increased advances are the result of a larger demand for accommodation from our customers on account of the greater activity of the cotton market; they fall to be repaid as the season draws to a close.

Our holding of foreign bills at £4,965,000 shows an increase of £2,250,000 over last year, arising also from the active state of the cotton trade. The bulk of these bills bear the acceptance of first class banks and they form an asset of great liquidity. Our holding of British Treasury Bills is not comprised under this heading, but is included under that of Government securities.

Our local bills discounted show little change. They represent in part commercial bills and in part what are in reality advances to landowners for the purposes of their cultivation. We should have no difficulty in increasing this latter category but for the fact that it is not our practice to lend a larger sum than the borrower can conveniently repay out of the proceeds of his crop.

LIABILITIES.

On the liability side of the balance sheet you will see that the account of the Egyptian Government stands at £18,800,000. Of this amount, £8,000,000 were on deposit for fixed periods. Our deposits from the public, at £16,000,000, are lower by £900,000 than they were a year ago. This is explained by the fact that the figure of December 31, 1927, was swollen by deposits of a temporary character at our London agency, which were withdrawn after the close of the year.

The note issue calls for no special comment. The average issue for the year was about £27,700,000, against £28,600,000 in 1927, but the figure is affected by the withdrawal in the latter year of our notes from circulation in Palestine.

The maximum and minimum for the last five years were as follows :—

	£E.	£E.
1924	42,400,000	26,900,000
1925	41,900,000	28,700,000
1926	35,300,000	25,300,000
1927	33,600,000	24,400,000
1928	33,900,000	22,300,000

PROSPEROUS STATE OF THE COUNTRY.

I am happy to state that the prosperity of the Bank is only one indication of the prosperous state of the country in general. The cotton crop of the current season 1928–29 is estimated at about 7,500,000 centars and is selling freely at prices which are remunerative to growers.

I referred last year to the surplus of funds in the country seeking investment and the consequent rise in the value of local securities. This movement continued during 1928 and it is now difficult to obtain any fixed interest security at better than a 5 per cent. yield. The ordinary shares of certain of the larger companies are capitalised on an even lower basis, which indicates an optimistic outlook for the future on the part of buyers.

Four years ago I drew your attention to the remarkable increase in the percentages of coupons of the Egyptian Unified and Privileged Debt paid in Egypt, as given in the annual reports of the Caisse de la Dette. In 1927 these percentages were 68 and 58 respectively, as against 16¾ and 7½ in 1919. Though considerable purchases of these bonds have of later years been made on behalf of the Egyptian Government, the private holding has been largely extended; in either case the transfer of securities to this country from abroad represents an accretion to the public fortune.

Another indication of prosperity may be found in the great activity which still continues in the building trade. Visitors to Cairo and Alexandria are invariably impressed by the large and handsome buildings which have been erected of late years and by the improvements which have been effected in these two towns.

COMPARATIVE FIGURES OF IMPORTS AND EXPORTS.

I make no apology for again submitting to you the figures of Egypt's foreign trade for the last five years. In accordance with past practice each year is made to run from September 1st to August 31st, so that, as nearly as possible, it may cover a complete cotton crop.

You will see that whereas the season 1926–27 resulted in an excess of imports over exports of some £E2,500,000, the situation has been entirely reversed in 1927–28, exports showing an excess of about £E2,750,000. It is to be expected that the figures for the current season will not be less favourable.

Sept. 1st–Aug. 31st	Imports. £E.	Exports. (inc. re-exports). £E.
1923–1924.....	47,440,590	64,109,696
1924–1925.....	56,257,511	67,592,808
1925–1926.....	55,973,075	52,855,630
1926–1927.....	48,230,223	45,823,035
1927–1928.....	51,565,388	54,310,983

In the course of the year the Government decided to put into operation various projects which will increase the material and moral welfare of the country. The proposed programme of irrigation works will, when completed, add considerably to the resources of the country, and by bringing more land into cultivation will provide an outlet for the energies of the ever-growing population. In the meantime the capital expenditure involved should benefit the trade of the country.

In 1930 expires the last convention binding Egypt to its present customs system which, as you know, is on an "ad valorem" basis, the rate in general being 8 per cent., subject to higher rates for a few articles and to lower rates for certain others regarded as prime necessities. The Government is now studying the whole question of the modifications whether of principle or of detail which the interests of the country seem to require. From the point of view of trade and commerce, the essential requisite is that the system should be simple in itself and practical in its application.

SUDAN TRADE FIGURES.

There is a steady growth in the foreign trade of the Sudan, as may be seen from the subjoined figures of imports and exports for the last five years :—

	Imports. £E.	Exports. (inc. re-exports). £E.
1924	5,474,910	3,830,171
1925	5,437,727	4,168,364
1926	5,574,401	5,190,505
1927	6,155,314	5,229,419
1928	6,436,206	5,947,026

The chief item on the export side is cotton from the Gezira, valued at £E.3,600,000, as against £E.3,200,000 in 1927. Other items of importance are gum and hides. Apart from goods imported on Government account, cotton piece goods take first place among the imports, and are followed by tea, sugar and tobacco, which seems to show that the native of the country is developing new tastes and habits.

The rains were satisfactory to the extent that sufficient maize was grown to meet local consumption without the necessity of recourse to importation. On the other hand, there was no surplus available for export.

DIRECTORATE

Since the close of the year our colleague in London, Lord Cullen of Ashbourne, has tendered his resignation, which we have accepted with the greatest regret, and we take this opportunity of expressing our thanks for the wise counsels which his long experience in the City of London has so admirably qualified him to give. In his place we have nominated Sir Otto Niemeyer, who has played such an important part in international finance. I shall in a moment submit this nomination for your ratification.

The director who retires by rotation this year is Mr M. C. Salvago, who offers himself for re-election.

In conclusion, the directors wish to express their thanks to the sub-governors, the managers and the staff for their services during the past year.

THE BANK OF AUSTRALASIA.

SUCCESSFUL YEAR—INCREASED PROFIT.

SATISFACTORY EXPANSION IN BALANCE SHEET.

The ninety-fifth annual general meeting of the proprietors of the Bank of Australasia was held, on Thursday, March 21st, at the office of the Corporation, 4, Threadneedle Street, London, E.C.

Mr. T. R. Johnson presided.

The Manager (Mr. Edmund Godward) having read the notice convening the meetng,

The Chairman said: Ladies and gentlemen, I presume that, following our usual practice, you will take the report and statement of accounts as read. If that is agreed, we will turn at once to the balance sheet. The total figures show an increase of £3,024,000, of which the increase in the capital and reserve fund accounts for £1,100,000, and I think you will agree that the expansion in our balance sheet is satisfactory, particularly as a very liquid position is disclosed. Specie, bullion, Government notes, cash balances, and loans at call, show an increase of £740,578, and at balance date were 19 per cent. of our liabilities to the public. Our position in Australia in this respect still compares very favourably with that of any of the other banks.

YEAR'S PROFIT.

As regards the profit account, the gross profit is greater by £76,157, but as charges of management are up by £15,320—largely due to the opening of new branches, and increased salaries due to arbitration awards—and rates and taxes both in the Dominions and London are up by £39,700, the increase in net profit is brought down to £21,133. This result is not unsatisfactory when it is remembered that parts of Australia, notably New South Wales and Queensland, were affected by severe drought conditions during the year under notice.

It is just eleven years since I last occupied the chair at a general meeting of the Bank, and it may interest the shareholders if I very briefly compare the position in October, 1917, with October, 1928.

The capital was £2,000,000, as compared with 4½ millions. The reserve fund was £2,905,000, compared with £4,450,000, and this does not tell the whole story, for, in 1920, £1,000,000 of the reserve fund was capitalised. Deposits in 1917 were £20,891,000. In October last they had reached £33,876,000. On the assets side, British Government securities were £1,142,884, as compared with £3,641,294, and other investments have also increased. Advances on securities and other assets were £20,219,000, including bills receivable, whereas, in October last, they had reached £31,564,000, without bills receivable, which alone stood at £3,300,000.

On the capital, increased to four and a half millions, the shareholders will receive, to-morrow, the final half-yearly dividend at the rate of fourteen per cent. per annum, and I would repeat what has been said from the chair on many previous occasions, that over and above the subscribed capital on which the dividend is declared, there is a large amount of other capital in the form of reserves, set aside from time to time, employed in the business of the Bank, and, taking this into account, it is quite evident that we are not making more than a fair trading profit.

The report gives a list of new branches opened, and I should like to mention that the new chief office in Brisbane has been brought into use during the year. Having seen the new building in the course of construction, I can assure you that the Bank is worthily housed in the capital of Queensland.

In Melbourne our principal office is in course of enlargement, and, at the present time, the superintendent and his staff are occupying temporary premises. A contract has been arranged which will provide three additional floors and afford much-needed room for expansion.

THE BRITISH MISSION.

Australia's financial policy has, from time to time, both at home and abroad, been subject to some criticism, and this may have influenced the Commonwealth authorities in their decision, early last year, to invite four prominent business men, nominated by the British Government, to proceed to Australia as a Mission with the following terms of reference, viz.: "To confer with the Commonwealth and State Governments, with the Development and Migration Commission and the leaders of industry and commerce in Australia, on the development of Australian resources, and on any other matters of mutual economic interest to Great Britain and the Commonwealth, which may tend to the promotion of trade between the two countries, and the increase of settlement in Australia."

THREE OF THE CONCLUSIONS OF REPORT.

None of the members of the Mission had previously visited Australia and, their selection having been approved by the Commonwealth Government, they sailed from Marseilles on August 31, 1928, and landed at Fremantle on September 25th last year. The work of this Commission, therefore, commenced before the close of our financial year now under review, and, although their report was not issued until January 7, 1929, I make no apology for briefly referring to it. The report is summarised, and I mention three of the conclusions, viz.:—

"(1) The indispensable condition of the promotion of trade between Great Britain and Australia and of the increase of settlement in Australia is the prosperity and absorptive power of Australia itself.

"(2) The present financial position of Australia is sound in the sense that her national income and sources of public revenue are amply sufficient to pay for her Government and to provide for the service and repayment of her public debt. But,

"(3) Australia has, in past years, spent too much unprofitably on development schemes which have been undertaken either without sufficient regard to their probable financial and economic results or without adequate preliminary investigation of the schemes themselves. She has been mortgaging the future too deeply, and would do well to restrict her expenditure of borrowed money for development, notwithstanding the inconveniences that must follow from deflation, and to leave the field more widely open for private enterprise."

This latter conclusion follows, opportunely, the views expressed last year by our colleague, Mr John Sanderson, who is away from this meeting through a visit to Australia on business. Presiding a year ago, he said: "The adequate development of such a vast continent as Australia must always require expenditure of capital, but so long as it be reproductive expenditure, wisely administered, and accompanied by sufficient increase of production in the country districts, one need not be too greatly concerned about the result."

It may not be out of place to emphasise these words to-day and to note that country districts were particularly mentioned as the quarter from which increased production should be expected; for the fact cannot be ignored in the Dominions that the services of every new loan from abroad must be met by increased exports, and this can only be accomplished by an increase in the primary products of the soil.

UNIFICATION OF GAUGES.

In a supplementary memorandum, the Commissioners refer at length to the much-discussed railway question, known as the "Unification of Gauges," and ask whether this important work should not be seriously taken in hand with a view to early completion.

It must be admitted that action in this direction has not moved rapidly, but it should be remembered that the Trans-Continental Railway from Kalgoorlie, in Western Australia, to Port Augusta, in South Australia, a distance of over 1,000 miles, and opened for traffic in 1918, was constructed to the standard gauge, and Western Australia is preparing for the widening of the railway track from Kalgoorlie to Fremantle, from 3 ft. 6 in. to 4 ft. 8½ in.

On the other side of the Continent, New South Wales is busy strengthening the line from North Grafton to Kyogle—where the gauge is at present to standard dimensions—by laying heavier rails suitable for heavy and fast traffic. Queensland, on the other hand, is altering her 3 ft. 6 in. gauge south of Brisbane to join up with the new railway still to be completed from Kyogle northwards via Richmond Gap, so that, when the new bridge over the River Clarence at Grafton is completed, it will be possible to convey both passengers and goods by through trains from Sydney to Brisbane without a break of gauge.

Seeing that the development of Australia depends, to a considerable extent, upon good means of communication by railway and road, I have referred to the unification problem as being of real interest to this Bank and similar institutions.

WEATHER CABLE FROM SUPERINTENDENT.

We have received the following weather cable from the superintendent: "Season conditions coastal and agricultural areas Australia satisfactory, but inland pastoral districts badly need rain, particularly West and South-West Queensland. New Zealand prospects good."

I now beg to move the adoption of the report, and when the resolution has been seconded, if any proprietor has any question to ask, I will endeavour to answer it.

The Rt. Hon. Lord Aldenham seconded the resolution, and, no questions being asked, it was put to the meeting and carried unanimously.

RE-ELECTION OF DIRECTORS.

The Chairman: We now come to the re-election of directors, and the first name is that of Lord Aldenham, our senior director. I have very much pleasure in moving his re-election.

The Rt. Hon. the Earl of Midleton, K.P., seconded the motion, which was unanimously adopted, and Lord Aldenham briefly acknowledged his re-election.

The Chairman next moved that Mr Kenneth Goschen be re-elected a director.

Lord Aldenham seconded the motion, which was unanimously agreed to.

The Chairman further moved the re-election of Mr Horace Peel as a director, which was also seconded by Lord Aldenham, and passed unanimously.

On the motion of Mr J. H. Butterworth, seconded by Mr Jones, Messrs Deloitte, Plender, Griffiths and Co. were reappointed auditors.

VOTE OF THANKS TO STAFF.

The Chairman: It is now my gratifying duty to propose a vote of thanks to the staff in Australia, New Zealand and London, for their services rendered during the past year.

I visited New Zealand and Australia in 1927 on other business, but I was very glad to have the opportunity of meeting the superintendent and some of his principal officers and of visiting all the branches in Melbourne, Sydney, Brisbane, Wellington and Auckland. I can testify, therefore, from personal observations, to the good work the Dominion officers are doing.

As regards London, Mr Godward—whom many of you know—with his staff, has carried on the work of the head office and West End branch in a most successful manner.

I move this resolution with great pleasure, and should like to ask a shareholder to be good enough to second it.

Mr Welch seconded the vote, which was unanimously accorded.

VOTE OF THANKS TO CHAIRMAN AND DIRECTORS.

Mr A. Hood: Sir, May I, on behalf of the shareholders, offer to you and to the other directors a vote of thanks? What impressed me very much in your speech was your reference to the position of the Bank eleven years ago. Comparing the present position with that prevailing at that time, I think we shall all agree that the business of the Bank must have been built on a very solid foundation I propose a vote of thanks to the Chairman and the other directors.

Mr Butterworth: I have very much pleasure in seconding the vote proposed by Mr Hood. I think it is fully deserved, and I hope—indeed I am sure—every shareholder will agree with me.

The proposition was carried with acclamation, and a brief acknowledgment having been made by the Chairman, the proceedings then terminated.

THE SCOTTISH PROVIDENT INSTITUTION MUTUAL LIFE ASSURANCE.

LARGE INCREASE IN NEW BUSINESS.

HIGHLY FAVOURABLE QUINQUENNIAL RESULTS.

The ninety-first annual general meeting of The Scottish Provident Institution was held in Edinburgh on Wednesday, March 20, 1929.

Mr Alexander Maitland, K.C., in the chair.

The Chairman, in moving the adoption of the report, said:—

REPORT FOR THE YEAR 1928.

We are glad to report that the net new business completed, £2,789,885, is over £329,000 more than in 1927. This, naturally, brings an increase in the new premium income, the figure for the past year being £191,241 against £122,226 for the previous year—an improvement of £69,000. You may remember that in 1927 we increased our annuity rates, or, in other words, reduced our price, for annuities. The public response thereto is shown by the figures under the heading of annuities. 378 Bonds were granted, in respect of which the large sum of £331,498 was received in single payments and £1,522 16s. 3d. in annual premiums—a total increase of nearly £200,000 over the 1927 figure. The satisfactory feature in doing this business is not so much the profit we may earn as the connections formed, which we anticipate will prove new sources of life assurance business. The total receipts, including net interest, at £2,485,328 show a satisfactory increase of over £320,000. The mortality experience, at 73 per cent. of the "expected" claims, has been favourable, and maturing endowment assurances at £314,055 show, as is to be anticipated, an increase over the corresponding claims of former years. The total claims paid in the year were £1,253,664 as against £1,228,190 for 1927. It is pleasing to report an increase in the funds of nearly £682,000 for the year, one of the largest increases we have ever reported—and this after writing off from certain securities the sum of £100,362 in connection with our investigation. The rate of interest realised on the total funds, including the reserve fund, at £4 14s. 8d. net, shows an improvement of 2s. 5d. per cent. Our expense ratio at 16·1 per cent. of the premium income is practically identical with the ratio of the previous year, and cannot be regarded as extravagant, looking to the low rates of premium which we charge. As a percentage of the total receipts it shows at 7·81 a slight decrease.

QUINQUENNIAL INVESTIGATION.

After referring to the loss sustained through the death of Sir James Hodsdon, the Chief Medical Officer, and Mr. Robert W. Dundas, W.S., Director, and intimating the resignation from the Board of Mr James Graham Watson, the former Manager, and Mr D. Douglas Maclagan, the Senior Director, the Chairman proceeded to deal with the results of the quinquennial investigation, and in the course of his remarks said that a valuation on the usual stringent basis disclosed a surplus of £2,088,425, of which £1,619,795 arose on the common fund, £468,077 on the endowment assurance fund, and £553 on the capital redemption fund.

BONUSES ON WHOLE LIFE POLICIES.

On whole-life policies (common fund), entitled to participate, the following bonuses had been declared:—

(*a*) to policies sharing for the first time, £1 10s. per cent. per annum, for the full period of their duration, less the years 1914-1918;

(*b*) to those sharing for the second time, £1 15s. per cent. per annum, for the quinquennium;

(*c*) to those which have already shared at least twice, £2 per cent. per annum, for the quinquennium.

This absorbed £1,010,286 of the surplus on the common fund. Of the balance, £342,450 was reserved in respect of policies not yet entitled to participate, and £267,059 was retained as an additional reserve to provide for the valuation on the present basis of new business at the revised premium rates.

ENDOWMENT ASSURANCE BONUS.

Endowment assurances (special fund) received £2 per cent. per annum (compound), for the quinquennium. This absorbed £446,876 of the surplus of this fund, the balance of £21,201 being carried forward.

A PROUD RECORD.

After commenting on the highly favourable results of the investigation, referring to the recent reduction in the premium rates for whole-life assurance and explaining the necessity for the special reserve in connection therewith, the Chairman concluded:

We enter upon a fresh quinquennium with a record of which we may well be proud, and with a distinctive system so peculiarly suited to meet the need for protection arising out of present-day conditions that we are confident it will appeal to an ever-increasing section of the insuring public. I would again remind our policyholders that as members of a mutual association they can perform no more useful service than that of recommending the institution to their friends. Before formally putting the motion for the adoption of the report I would acknowledge on behalf of the directors, and speaking as a representative of the members, the services of the officials at head office and branches, and the staffs under their control. The report submitted affords ample testimony to the value of these services, and to the loyalty with which all concerned have co-operated in producing such satisfactory results.

The motion was seconded by Professor E. M. Wedderburn, and carried unanimously.

The directorate was thereafter constituted.

Mr Francis More, C.A., was reappointed auditor.

On the motion of Mr A. Douglas Haddon, Hawick, thanks were voted to the directors, and to the chairman on the motion of Mr Alfred Shephard, W.S.

ANGLO-INTERNATIONAL BANK, LIMITED.

YEAR'S PROGRESS—CONDITIONS IN SUCCESSION STATES.

The third ordinary general meeting of the Anglo-International Bank, Ltd., was held, on the 15th instant, at Winchester House, London, General the Hon. Sir Herbert A. Lawrence, G.C.B. (the chairman) presiding.

The Secretary (Mr. J. Back) read the notice convening the meeting and the report of the auditors.

The Chairman said: During the past year your board has continued to be engaged in liquidating the affairs of our predecessors and in building up the business of the bank. I am glad to be able to say that, although, as I mentioned last year, the process of liquidation is bound to be protracted in view of the widely-spread international interests of our predecessors, a considerable advance has been made; but until the liquidation is nearer completion your directors feel it expedient, whilst devoting close attention to the development of the business, to adhere to their policy of consolidating our position.

THE ACCOUNTS.

I will now refer to the principal items in the report and accounts, which are in your hands. The cash in hand and with bankers, money at call and balances with bankers abroad amount to £807,000. Adding to this British Government securities and Treasury bills, the total of our immediately available cash resources is brought up to £1,338,000. As regards other investments, which chiefly comprise holdings in banks of first-class standing on the Continent, you will observe that we are pursuing the policy, mentioned to you at our last meeting, and have further reduced this item during the year from £978,000 to £751,000. At the same time we have maintained our valuable Continental connections, and the shares remaining in our possession are valued at market or purchase price, whichever is lower.

We are continuing to develop the acceptance branch of our business, taking precautions to ensure that risks are well spread in regard to both countries and commodities, and you will note that acceptances and guarantees have increased since the previous accounts were laid before you from £2,637,000 to £3,147,000. Further indications of the expansion of business are to be seen in the increased figures for deposits, and for advances to customers.

The profits for the period under review amount to £103,000, which, together with the sum of £52,500 brought forward from 1927, brings the total amount standing to the credit of profit and loss account to £155,500. Of this amount it is intended, in order to strengthen our position, to place £10,000 to premises amortisation, and £125,000 to contingency reserve, leaving a balance of £20,532 4s. 4d., which your directors propose to carry forward.

PROGRESS IN SUCCESSION STATES.

As a large portion of the bank's business is with the Continent, I should like to give you a short survey of the economic conditions prevailing during the past year in the countries in which we are chiefly interested. Our colleague, Sir Henry Strakosch, has recently submitted to the Finance Committee of the League of Nations a memorandum which contains some striking figures regarding the progress achieved in the Succession States. These figures show that the foreign trade returns of the Succession States have increased in steady progression from the equivalent of $1,870,000,000 in 1922 to $2,944,000,000 in 1927. This is a clear indication of the great advance which has been made in the past few years.

The financial policy of nearly all the Succession States has been characterised by a strengthening of, and an increased tendency to co-operation between, central banks. The process of stabilisation and currency reform has now been nearly completed, and is a very satisfactory feature of the general situation. On the other hand, industrial enterprises have, on the whole, had a hard struggle to exist, and this was to be expected during a period of readjustment. There is still a serious amount of over-industrialisation, due to the desire of each politically independent State to be self-supporting in industry, and a reluctance to recognise that their territories together form an economic entity. The progress towards economic co-operation has, therefore, been slow, but it is the earnest hope of all friends of these new countries that the present year will see a more rapid advance in this direction.

The chairman, having reviewed the situation in the individual countries of Central Europe, concluded by moving the adoption of the report and accounts.

Sir Harry Goschen seconded the resolution, which was carried unanimously.

The retiring directors (General the Hon. Sir Herbert A. Lawrence, G.C.B., Mr Julian Day, M.C., Mr Zoltan Hajdu, Sir Gordon Nairne, Bart., and Mr Kunes Sonntag) were re-elected, and Messrs Deloitte, Plender, Griffiths and Co. and Messrs. Binder, Hamlyn and Co. were re-appointed auditors.

CITY OF LONDON ELECTRIC LIGHTING COMPANY, LIMITED.

INCREASED SALES—REDUCED TARIFFS.

The ordinary general meeting of the City of London Electric Lighting Co., Limited, was held, on the 20th instant, at Falcon House, Aldersgate Street, London, E.C.

Mr. J. B. Braithwaite (the chairman) said that under the London Electricity (No. 1) Act, 1925, the Electricity Commissioners had fixed the company's standard price to private consumers at 3·069d. per unit and for street lighting at ·794d. per unit. The consumers' benefit during the three years which had elapsed since the passing of the Act had amounted to nearly £600,000. The company retained £86,651, and the addition of that amount to the special reserve raised it to £185,095. He hoped that in 1932, when the standard dividend would be reduced to 7 per cent. on the ordinary capital, the company would be able to increase the ordinary capital sufficiently to maintain the present cash distribution to shareholders.

ELECTRICITY AND GAS PRICES COMPARED.

In the past year the company's output showed an increase of 8,400,000 units, as compared with an increase in the previous year of 5,000,000 units, so that, in spite of the fact that they had only one square mile of territory to serve, the increase in business was progressive from year to year. They were continually endeavouring to reduce their tariff in various directions. In 1921 the average price charged was 4·37d. per unit, and this had been gradually reduced to 2·23d. in 1928—a reduction of 49 per cent. They were sometimes told that gas companies reduced their prices, but electricity companies did not reduce theirs. It was therefore interesting to point out that this reduction of 49 per cent. compared with a reduction of 38·57 per cent. in the case of the gas companies in the period 1920–28.

The lighting load in 1928 showed an increase of 1,450,424 units, or 5 per cent., as compared with the previous year; the power load, an increase of 5,337,284 units, or 16·35 per cent.; and the heating load an increase of 1,327,057 units, or 14½ per cent. It was satisfactory to see that each class of load was increasing, but the power and heating loads were far outstripping the lighting load, and this was a good augury for the future.

The gross revenue from private consumers showed a reduction of £7,417 in spite of the increased output. That was due to the reductions made in their tariff, especially perhaps to the reduction made last year of the maximum rate on the lighting scale from 6d. to 5d. per unit. They also reduced their charges for power supply. Although there was this reduction in the receipts, there was a still greater reduction in the expenses. A year ago he reported a reduction of £65,000 in generating costs, &c., and this year the generating and distribution expenses showed a reduction of £32,595. The net result on the revenue account was an increased profit of £45,501. This had been achieved owing to the policy they had adopted for some years past of scrapping all plant that was inefficient or obsolete in any way and replacing it with the most up-to-date plant that could be obtained.

YEAR'S RESULTS SUMMARISED.

There had been an increase of 4,768 kw. in their connections, raising the figure to about 100,000 kw.; an increase of over 8,000,000 units in their sales of electricity; an economy of £32,595 in their generating and distribution expenses; a reduction of the average price paid by their consumers to 2⅞d. per unit; an addition of £45,989 to their reserves available for capitalisation; and, after adding £11,831 to the benevolent fund, £2,830 to the provident fund, making the necessary allocation to the "A" and "B" sinking funds, setting aside £31,694 for the co-partners, providing the statutory dividend of £120,000 for the ordinary shareholders, and adding £9,250 to the contingency fund, they were still able to carry forward £7,656.

So much for the results of the past year, but shareholders would naturally say that that was all past history, and would ask, What of the future? They had begun the year well. They had had a prolonged cold spell, accompanied with a good deal of fog, and as a result they already had an increase of over 6,000,000 units as compared with the corresponding period of last year. Then 1928 did not get quite the full benefit of their latest economies in generation and distribution for the entire year, so that they should gain something there.

The Central Electricity Board, as he stated a year ago, had appointed the company's Bankside power house as one of its "selected generating stations." This should lead to interesting developments, owing not only to its favourable situation for economical generation, but also to its central position in the London area, and, indeed, for the South-East England scheme as a whole, which extended from Peterborough to the South Coast. He thought, therefore, they might look forward hopefully to the future.

The report and accounts were adopted unanimously, and a dividend of 10 per cent. on the ordinary shares for the year was approved.

ACHILLE SERRE, LIMITED.

RESULTS OF A DIFFICULT YEAR.

The twenty-third annual general meeting of the shareholders of Achille Serre, Ltd., was held, on the 20th instant, at the registered offices of the company, Blackhorse Lane, Walthamstow, London, Mr Eugene A. Serre (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The balance sheet which we present this year is transitional, inasmuch as it does not show the final figures of the cost of our removal nor a detailed statement of the value of our new assets. At the end of the present year it will be possible to lay before you a clear statement, including a revaluation of our buildings and plant, which will be carried out by Messrs. Fuller Horsey Sons and Cassell, but I will now refer to the items one by one, so that you will understand the present position a little more clearly.

On the credit side we have a new item under the heading of "Debentures and interest owing to December 31st last, £153,643 15s. 5d." This, as you know, refers to part of the Debenture issue which was sanctioned for the purpose of purchasing and equipping these works. Sundry creditors at £75,632 11s. 9d., compared with £36,729 2s. 7d., show an increase of nearly £40,000, but this increase is chiefly accounted for by amounts due for labour, materials and plant in connection with the fitting up of our new works, and is included in the expenditure on these works to the date of the accounts.

Another fresh item is the new reserve fund of £2,500, and if you approve and pass the resolution it will be increased by a further amount of £2,500, making a total of £5,000. The amounts under the headings of "Securities realisation fund" and "Equalisation of dividends fund," remain the same. On the debit side the value of the old works and plant and the amount expended on the new works are shown separately, but, as I have already explained, the whole of our assets will be revalued before the end of this year, and for the moment no further comment is necessary.

YEAR'S PROFIT.

Turning now to the general profit and loss account, you will note the directors' remuneration has increased by nearly £1,200. National Health Insurance, for the first time on record, has cost us over £5,000 for the year. The principal alteration, and the one which accounts for the decrease in our net profits, is interest paid on debentures, £7,680 16s. 5d. After providing for all these items and taking credit for transfer fees and income from investments, we have, including the amount brought forward, a net profit of £23,796 3s. 3d.

I should like to point out, however, that the net business profit amounts to £43,584 16s. 7d., as compared with £46,844 14s. 10d. for the previous year. If we had not had to bear the burden of the extra tax on petrol, to which I will refer later, our business profit for the year would have been practically the same.

PROTEST AGAINST PETROL TAX.

The actual increase we had to pay owing to the imposition of the tax on petrol was over £2,100, and I should like to take this opportunity of protesting strongly against this tax. Hydro-carbons are the raw materials which we use in our business, and yet under the present method of collecting the petrol tax we cannot obtain a rebate for the quantity we use for cleaning purposes. In my opinion it is an iniquity to tax the raw materials used by manufacturers, and I claim that hydro-carbons are as necessary to dry cleaners as cotton is to the Lancashire mills. Representations are now being made to the Chancellor of the Exchequer by the London Chamber of Commerce, and possibly we may obtain some relief, as we have done in the past when a similar tax was imposed.

We now come to the divisible profit, and this, including £4,287 0s. 10d. brought forward, is reduced to £23,796 3s. 3d., owing principally to the interest paid on the debenture issue which has been used to purchase our new works, and to equip them.

It must not be overlooked that the amount of the debenture issue has not yet been productive, because we could not reap the benefit of our improved facilities for dealing with work until the installations were complete and in running order.

The profits made during the year at our old works have therefore had to provide the Debenture interest, which reduced the amount of profit available for general distribution. It is too much, of course, to expect to derive the full benefit of our removal for some little time to come, but we are getting our new home in order very quickly, and it will not be long before these very fine new works of ours are as perfect as experience and organisation can make them. We could not work economically in the works which we have vacated, but there is no doubt that when our new organisation is complete, possibilities of very considerable reductions in our working costs will be found.

Mr W. S. Argent seconded the resolution, which was carried unanimously.

ENGLISH ELECTRIC COMPANY, LIMITED.

"SUBSTANTIAL AND PROGRESSIVE IMPROVEMENT."

The tenth ordinary general meeting of the English Electric Co., Limited, was held on the 18th instant, at the Connaught Rooms, London.

Mr W. L. Hichens (the chairman), who presided, said: Unlike 1927, no provision had to be made in 1928 for exceptional losses, and the loss for the year had been reduced by over £100,000 to £33,600. As the trading profit for 1927 was £66,000 better than in 1926, the improvement was substantial and progressive. It might not be maintained at the same rate; but, if prices did not fall further and the same volume of orders were secured, the company should continue on the upgrade. If the electrical industry expanded during the next few years, improvement should be more rapid.

The company had secured an important share in foreign business. Among the orders secured through the Power and Traction Finance Co., the 45,000 k.w. power station near Athens would probably be in operation in June, and the 65,000 k.w. station near Budapest was progressing satisfactorily. The Power and Traction Co. had other schemes under consideration, notably two hydro-electric schemes in Scotland.

The improved results of 1928 were due to the important economies introduced in the latter part of 1927, but there was still room for improving equipment and cheapening manufacture and design. By annual redemptions the first debentures had been reduced from £744,600 to £701,000, and the debenture stock of Williams and Robinson from £132,114 to £120,346. The sinking fund for the latter stock had increased from £78,768 to £89,719, and would in two years cover the stock then outstanding. While sundry creditors and credit balances were down by £257,000, stocks, work in progress and debtors had decreased by £248,000. It was hoped to reduce the stocks still further. The general and special dividend reserves of Willans and Robinson had been transferred from sundry creditors to capital and other reserves.

Fixed assets had been reduced by £18,000, but considerable expenditure had been incurred on new plant and machinery, which had been offset by the provision for depreciation and the sale of certain surplus plant. The allowance for depreciation had been raised by about £6,000. As in 1927 all the expenditure on tools, patterns, and drawings had been charged to revenue. There had been a net reduction of £38,000 in investments. The improvement was, therefore, not confined to reduction in the loss.

The report and accounts were approved.

RIVER PLATE TRUST LOAN AND AGENCY COMPANY, LIMITED.

MR JAMES ANDERSON ON CHANGING INVESTMENT CONDITIONS.

The forty-eighth ordinary general meeting of the River Plate Trust Loan and Agency Co., Limited, was held, on the 18th instant, at the offices of the company, 52 Moorgate, London, E.C., Mr. James Anderson (chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said that the net profits for the year, after providing for all charges, amounted to £339,302, an increase of £11,143 over those of the year preceding. This increase in the profits was the more satisfactory in view of the addition of £200,000 to the "B" share capital. Towards meeting the additional dividend charge, there were this year additional net profits of £11,143. The board proposed to place £53,237 to reserve, bringing it up to the even sum of £1,175,000.

MORTGAGE OPERATIONS.

On the assets side of the balance sheet the first item, loans on first mortgage of freehold properties, £1,975,673, showed a reduction from last year of £110,911, loans repaid having been in excess of the new loans granted. The demand for loans had been very quiet, and for the present there seemed little prospect of an early improvement. The gradual falling off in their mortgage business had continued for a good many years past. The years of war which had impoverished this country had brought prosperity to the Argentine; old loans had been paid off and new applications had not come forward in sufficient volume to take their place. It was in anticipation of such a contingency that, in the palmy days of the mortgage business, the board had built up a large reserve to assist the revenue when income from mortgages fell off.

There was still a great field in the Argentine for mortgage operations. That business was, however, being more and more taken over by the National Mortgage Bank, a Government institution which, with no share capital to pay dividends on, could offer facilities with which other lenders of money found it difficult to compete. There were, however, borrowers who preferred to deal with companies such as theirs offering advantages which could not be obtained from the Government institution. That was preventing any very rapid

decline in the volume of loans outstanding. They might accordingly still have before the company a paying business in mortgages for many years to come.

THE INVESTMENTS.

The total of the investments at the close of the year amounted to £3,485,128, an increase of £132,000, entirely in general investments and representing for the most part a transfer of assets from mortgages to investments. When their mortgage business was in full swing, the company's investments in London represented little over 10 per cent. of their total assets. At the present time they were 60 per cent., which showed how, by force of circumstances, the company had become more of the nature of an investment trust company than a mortgage company. It was gratifying that the change had been brought about without prejudicially affecting profits. In selecting investments the board's first care was safety of the principal, and then the rate of interest or dividend yielded. The question of a possible increment of market value was a consideration, but not the principal one; it was a steady income the board were looking for, and not the hope of a quick turnover. The preponderance of the investments was in the nature of prior charges having a fixed income. The company's assets were worth to-day considerably more than the figure at which they appeared in the balance sheet, and the capital, reserve fund and undistributed profits were all intact.

As to the outlook for the current year, it was quite satisfactory. The Argentine Republic was on the crest of a wave of prosperity, and, so far as one could judge, the company's profits for the current year were likely to be as good, if not somewhat better, than those set out in the accounts then presented.

Mr Philip W. Carr seconded the resolution, which was unanimously adopted.

DICKINS AND JONES, LIMITED.

"EMINENTLY SATISFACTORY RESULTS."

The twenty-ninth annual general meeting of Dickins and Jones, Limited, was held, on the 21st instant, at 29, Argyll Street, London.

Sir Woodman Burbidge, Bt., C.B.E. (the chairman), said he was sure it would be agreed that the past year's results were eminently satisfactory, reflecting as they did the steady growth of trading and net profits which had followed the rebuilding of the main premises in Regent Street, while the accounts revealed a strengthening in the position.

The profit for the year amounted to £125,632, as against £123,133 for the previous year, and the directors recommended a balance dividend at the rate of 14 per cent. per annum, making 12 per cent. for the year, against 10 per cent. last year. The reserves amounted to £218,823, apart from the preference shareholders' special reserve fund and the Hanover House employees' investment and bonus fund.

The rate of turnover of the average stocks showed an improvement as compared with previous years, and they had thus been able to keep before the public the most fashionable and seasonable merchandise. Considering the position of the company, he thought it would be agreed that the confidence he had expressed in the past had been quite justified. There had been a steady increase in the volume of business and the number of transactions, and the total of their trading had exceeded previous records. It was also satisfactory to note that year by year they continued to record an increase in the number of their open accounts, showing that to their old and valued clientele was being added a steady flow of new and regular customers, which indicated that the discriminating purchaser was becoming appreciative of the quality and excellent value to be obtained by shopping at Dickins and Jones.

As to the future, the improvement in the basic industries which was gradually becoming apparent was hopeful, and the continuance and increase of the good feeling between employers and employed which had been manifest during the year should help to produce a healthier tone in trade. These matters should reflect in the well-being of the dry goods store, and he hoped that next year's results would show progress as satisfactory as that of past years.

The report and accounts were unanimously adopted.

LONDON AND THAMES HAVEN OIL WHARVES, LIMITED.

"STEADY GROWTH AND DEVELOPMENT."

The thirty-first annual general meeting of the London and Thames Haven Oil Wharves, Limited, was held, on the 19th instant, at Winchester House, London, the Rt. Hon. Lord Kylsant, G.C.M.G. (the chairman) presiding.

The Chairman said that the history of the company constituted a remarkable record of steady growth and development, and the accounts presented might be fairly said to represent a further high-water mark of progressive attainment.

He desired to emphasise once more that the company did not deal in any way with the products it handled, and that it was, therefore, in no way responsible for, or concerned with, the price of petroleum or of petroleum products. The company carried on purely and simply a handling business as wharfingers, blenders, refiners, &c., owning the largest depot of the kind in the world, and placing its facilities and experience at the disposal of any responsible trader at charges which insured his goods being handled not only as efficiently as possible, but more economically than he could handle them himself. The unique position the company occupied to-day was due to this, and to the impartiality and secrecy with which operations for their clients were conducted, together with the far-sighted policy of always keeping ahead of the requirements of a rapidly developing trade.

The Compagnie Industrielle Maritime, the French company in which the Thames Haven Co. was interested, also continued steadily to progress, and to establish itself in the goodwill of the trade it served and of the French nation, of whose industrial activities it formed a not unimportant part. Their relations with the French company continued to be of the most cordial description, and their confidence in its management and prospects remained unabated.

The decision of the Minister of Transport, given during the year, that there should be no change in the limit beyond which low-test petroleum ships should navigate the Thames, whilst causing the board no surprise, had been a matter of much gratification. The company had been accused of being monopolists and barring progress, but its position had been vindicated, and after 26 days of an exhaustive enquiry the existing arrangements for the Trade had not been found wanting. The board looked forward to continuing usefully to serve the Trade, and both here and in France to maintain and enhance the high traditions of the past.

The report and accounts were unanimously adopted; a final dividend and bonus, amounting to 10 per cent., were declared; and the usual votes of thanks were passed.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended March 16, 1929:—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	5,957	From Revenue	29,114
Interest, &c., on Debt	769		
Sinking Fund	505		
Sundries	1,529	Decrease in Balances	514
Decrease in Debt	20,868		
	29,628		29,628

The ordinary revenue for the week amounted to £29,114,400, as compared with £20,104,600 in the corresponding week last year. Property and Income Tax showed an increase of £2,304,000, and Super Tax an increase of £1,590,000. Customs receipts were £1,849,000, against £1,452,000 a year ago, but Excise receipts were only £1,775,000, as compared with £4,905,000 a year ago. Ordinary receipts brought in £64,400, as compared with £6,100, and Special receipts £1,140,000, against nil. The Revenue to date amounts to £703,979,600, as compared with £714,617,400 at this time last year. The excess of Revenue over Expenditure to date is £2,234,000. At this time last year Expenditure exceeded Revenue by £9,053,000.

The National Debt was reduced by £20,868,000 as shown below :—

(000's omitted.)

	£		£
Public Department Advances	— 4,300	Treasury Bonds	+ 50
National War Bonds	— 602		
Treasury Bills	— 15,616		
Sundries	— 400		
	— 20,918		+ 50

The floating debt was reduced by £19,925,000 to £731,560,000.

FINANCIAL YEAR, 1928-29, April 1 to Mar. 16, 1929.

	£		£
Expenditure	701,746,248	Revenue	703,979,564
Amount repaid	6,000,611	Decrease in balances	3,767,295
	707,746,859	Total	707,746,859

ESTIMATES (New Basis), 1928-29.

	£		£
Expenditure	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

SELF-BALANCING REVENUE and EXPENDITURE.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 16, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	...	...	...	...	...	166	204	204	204
3½% Conversion Loan	...	...	666	709	760	740	832	832	832
4½% Conversion Loan	...	...	...	210	211	211	221	221	221
3½% War Stock	...	63	63	63	63	63	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,166	2,052	2,109	2,154	2,253	2,253	2,253
National War Bonds	...	1,509	820	778	706	556	194	111	64
4% Funding Loan	...	409	396	394	390	389	385	385	385
4% Victory Bonds	...	360	314	303	292	277	261	261	261
Treasury Bonds	...	...	457	499	482	454	675	773	762
Exchequer Bonds	20	323	150	15	15	15	16	16	16
National Savings Certs.	...	267	366	369	375	372	362	360	360
Other Debt*	...	1,306	1,128	1,124	1,111	1,103	1,097	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	588	576	565	599	527	788	711
Temporary Advances	1	243	186	167	139	117	162	28	20
	654	8,033	7,641	7,598	7,558	7,555	7,528	7,665	7,522
Other Capital Liabilities	57	46	66	68	75	98	103	103	107
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,631	7,768	7,629

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Mar. 17, '28.	Mar. 31, '28.	Mar. 16, '29.	Movement Week ended Mar. 16, '29.
Ways and Means Advances Outstanding—	£	£	£	£
Advances by Bank of England	...	...	...	...
Advances by Public Deptmts.	160,960,000	161,850,000	19,700,000	— 4,300,000
Treasury Bills Outstanding	542,065,000	526,940,000	*711,860,000	— 15,625,000
Total Floating Debt	703,025,000	688,790,000	731,560,000	— 19,925,000

* Includes £15,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bills were opened on March 15, 1929, and the total amount applied for was £46,695,000. For bills at 3 months, dated Monday to Friday, at £98 13s. 0d., about 22 per cent., and above in full; Saturday at £98 13s. 4d., and above in full. The amounts allotted were in bills at 3 months, £33,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.	£	£	£ s. d.
January 11	35,000,000	57,915,000	4 5 4·26
January 18	45,000,000	58,035,000	4 5 2·06
January 25	45,000,000	55,210,000	4 6 6·73
February 1	40,000,000	47,120,000	4 5 2·83
February 8	35,000,000	52,695,000	5 2 5·68
February 15	30,000,000	41,430,000	5 5 3·43
February 22	30,000,000	39,545,000	5 3 8·78
March 1	35,000,000	40,330,000	5 4 6·06
March 8	30,000,000	33,190,000	5 6 8 41
March 15	35,000,000	46,695,000	5 6 9·26

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1928-29.	Total Receipts into the Exchequer from April 1, 1928, to Mar. 16, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Mar. 17, 1928.	Week Ended Mar. 16, 1929.	Week Ended Mar. 17, 1928.
Balances in Exchequer on 1st April :—	£	£	£	£	£
Bank of England	...	5,918,513	6,003,023	...	...
Bank of Ireland	...	404,112	456,633	...	...
	...	6,322,625	6,459,656	...	...
ORDINARY REVENUE.					
Inland Revenue—					
Property and Income Tax	232,900,000	214,990,000	230,886,000	11,175,000	8,871,000
Super-Tax	60,000,000	48,340,000	52,280,000	5,070,000	3,480,000
Estate, &c., Duties	72,000,000	75,730,000	73,870,000	1,560,000	1,260,000
Stamps	28,000,000	27,090,000	23,730,000	330,000	200,000
Excess Profits Duties, &c.	1,000,000	...	...	...	...
Corporation Profits Tax	1,500,000	810,000	1,700,000	...	50,000
Land Tax, House Duty and Mineral Rights Duty	850,000	720,000	730,000	0,000	50,000
Total Inland Revenue	396,250,000	367,680,000	383,196,000	18 205,000	13,911,000
Customs and Excise—					
Customs	120,637,000	113,461,000	105,943,000	1,849,000	1,452,000
Excise	140,768,000	128,225,000	135,147,000	1,775,000	4,905,000
Total Customs & Excise	261,405,000	241,686,000	241,090,000	3,624,000	6,357,000
Motor Vehicle Duties (Exchequer Share)	4,400,000	4,226,067	4,852,420	181,000	*Dr 69,565*
Post Office (Net Receipts)	8,186,000	9,900,000	7,950,000	*Dr100,000*	*Dr100000*
Crown Lands	1,100,000	1,190,000	1,050,000	...	...
Receipts from Sundry Loans	27,650,000	27,969,402	18,839,309	6,000,000	...
Miscellaneous : Ordinary Receipts	13,550,000	12,777,056	29,771,820	64,348	6,130
Miscellaneous : Special Receipts	40,362,000	38,551,039	27,867,811	1,140,000	...
Total Ordinary Revenue	752,903,000	703,979,564	714,617,360	29,114,348	20,104,565
SELF-BALANCING REVENUE.					
Post Office	57,314,000	53,200,000	53,050,000	1,000,000	1,000,000
Motor Vehicle Duties apportioned to Road Fund	21,300,000	21,130,933	19,509,580	...	297,565
Total Self - Balancing Revenue	78,614,000	74,330,933	72,559,580	1,000,000	1,297,565

	Total Receipts into the Exchequer from April 1, 1928, to Mar. 16, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Mar. 17, 1928.	Week Ended Mar. 16, 1929.	Week Ended Mar. 17, 1928.
OTHER RECEIPTS.				
Temporary Advances Repaid—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920-28	774,432	3,996,000	...	130,000
Road Fund	3,825,000	...	...	...
Money Raised by Creation of Debt—				
(a) For Capital Expenditure Issues : Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928	7,650,000	7,000,000	...	...
(b) Under the Unemployment Insurance Acts, 1920-28	11,430,000	3,490,000	340,000	...
(c) For other Issues :				
By Treasury Bills	2,627,938,000	2,340,683,000	46,269,000	33,425,000
By 4% Consolidated Loan	...	41,316,756	...	...
By National Savings Certificates	39,100,000	34,250,000	800,000	900,000
By National War Bonds	10	10	...	...
By 4½% Treasury Bonds, 1934	...	64,595,752	...	...
By 5% Treasury Bonds, 1933-35	93,603,348	24,050,000	...	1,800,000
By 4¼% Treasury Bonds, 1932-34	19,010,000	...	50,000	...
(d) Ways and Means Advances	575,065,000	623,720,000	3,430,000	9,550,000
Repayments—				
In respect of Suez Canal Drawn Shares	5,733	4,536	...	...
In respect of Cunard Loan	...	130,000	...	...
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	172,293	185,991	...	...
Total £	4,163,243,855	3,946,095,558	81,003,348	67,207,130

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1928-29 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Mar. 16, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1927, to Mar. 17, 1928.	Issues Week Ended Mar. 16, 1929.	Issues Week Ended Mar. 17, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt	304,000,000	308,222,771	310,025,077	769,454	1,151,794
Payments to Local Taxation Accounts	14,200,000	12,061,665	11,139,564	1,409,934	170,000
Payments to Northern Ireland Exchequer	5,600,000	4,477,350	4,050,931	23,745	16,000
Other Consolidated Fund Services	2,600,000	2,324,139	3,087,620	95,419	...
Supply Services (excluding Post Office)	353,765,000	322,214,714	331,068,485	5,957,280	4,887,542
Total Ordinary Expenditure	680,165,000	649,300,639	659,371,677	8,255,832	6,225,336
Sinking Fund	65,000,000	52,445,609	63,298,046	505,000	470,001
SELF-BALANCING EXPENDITURE.					
Post Office	57,314,000	53,200,000	53,050,000	1,000,000	1,000,000
Road Fund	21,300,000	21,130,933	19,509,580	...	297,565
Total Self-balancing Expenditure	78,614,000	74,330,933	72,559,580	1,000,000	1,297,565

	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Mar. 16, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1927, to Mar. 17, 1928.	Issues Week Ended Mar. 16, 1929.	Issues Week Ended Mar. 17, 1928.
OTHER ISSUES.	£	£	£	£
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920-28	11,430,000	3,490,000	340,000	...
Road Fund, under Section 27 of the Finance Act, 1928	3,825,000	...	...	...
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928	9,950,000	8,900,000	400,000	400,000
Unemployment Insur. Acts, 1920-28—				
Repayment of Amounts Borrowed	774,432	3,996,000	...	130,000
Redemption of Debt—				
Treasury Bills	2,443,030,000	2,394,785,000	61,885,000	45,895,000
Principal of 3½% War Loan, 1925-28, paid off	...	41,014,875	...	300,000
Principal of National Savings Certificates	39,050,000	37,300,000	800,000	1,200,000
Principal of National Savings Bonds paid off	3,061	1,042	...	...
Principal of National £ War Bonds paid off ... 132,961,414				
Less paid off by the National Debt Commissioners ... 3,003,000	129,958,414	66,697,646	601,910	297,385
Principal of Treasury Bonds paid off	25,990,787	3,403,035	...	...
Other Debt under the War Loan Acts, 1914 to 1919	3,341,000	100	...	...
Ways and Means Advances Repaid	717,215,000	588,361,000	7,730,000	10,800,000
Issues to National Debt Commissioners to Reduce Debt—				
Suez Canal Drawn Shares Repayments	5,733	4,536	...	...
Cunard Loan Repayments	...	130,000	...	...
Old Sinking Fund, 1907-08—				
Issued under Section 9 of the Finance Act, 1908	1,000	1,623	...	...
	4,160,688,525	3,943,351,077	81,517,742	67,015,287
Balances in Exchequer—	Mar. 16, '29.	Mar. 17, '28.	In. or Dec.	for Week.
Bank of England	2,048,723	2,139,369	— 38,394	+ 98,843
Bank of Ireland	506,607	605,112	— 476,000	+ 93,000
Total £	4,163,243,855	3,946,095,558	81,003,348	67,207,130

Treasury, March 18, 1929.

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, March 20, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	353,868,645	Other Government Securities	235,072,511
In Banking Department	58,574,194	Other Securities	9,082,594
		Silver Coin	4,829,795
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	152,442,839
	£412,442,839		£412,442,839

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	47,916,855
Rest	3,767,790	Other Securities—	
Public Deposits*	19,423,868	Discounts and Advances £12,582,128	
Other Deposits—		Securities 17,885,667	
Bankers £62,332,186			30,467,795
Other Accounts 37,262,399		Notes	58,574,194
	99,594,585	Gold and Silver Coin	383,013
7-Day and Other Bills	2,614		
	£137,341,857		£137,341,857

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

Both Departments.	Amount Mar. 20, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	353,868,645	− 1,175,862	− 14,571,985
Public deposits	19,423,868	+ 7,489,911	+ 4,396,509
Bankers' deposits	62,332,186	− 1,051,951	− 1,979,043
Other deposits	37,262,399	− 368,661	
Seven-day bills	2,614	− 877	− 1,188
Total, outside liabilities	472,889,712	+ 4,931,960	− 11,155,707
Capital and rest	18,320,790	+ 45,506	+ 18,557
Government debt and securities	294,004,466	+ 3,220,601	+ 21,674,333
Discounts and advances	12,582,128	+ 64,710	− 27,314,841
Other securities	26,968,261	+ 944,902	
Silver coin in issue department	4,829,795	− 9,113	− 670,205
Coin and bullion (bank's reserve)	152,825,852	+ 756,972	− 4,827,437
Reserve of notes and coin in banking department	58,957,207	+ 1,892,834	+ 15,945,548
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	49¼%	− 1%	+ 12⅝%
(b) Gold stocks to deposits and notes ("reserve ratio")	32 1/16 %	− 1/16 %	− 3/32 %

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
Jan. 30	412,714,393	355,644,424	19,229,555	58,210,774	37,862,617	394,507 out	4½
Feb. 6	409,626,177	357,519,235	8,351,338	68,500,861	37,003,622	3,091,745 out	5
13	409,837,878	352,698,006	19,635,679	58,199,877	36,437,556	133,139 in	5
20	410,503,734	351,819,054	15,076,218	65,694,762	37,133,249	651,702 in	5
27	410,897,002	352,253,215	13,966,893	57,040,301	36,661,690	389,932 in	5
Mar. 6	411,473,325	355,088,201	8,283,015	64,183,525	37,286,117	570,581 in	5
13	411,704,273	355,004,507	11,933,957	63,384,137	37,631,060	222,872 in	5
20	412,442,839	353,868,645	19,423,868	62,332,186	37,262,399	736,976 in	5

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1929.	£	£	%	£	£	£	%
Jan. 30	244884208	10170568	152978126 32⅛	50501855	9657227	15946436	57333702 49
Feb. 6	244994469	10016515	149917446 31⅛	55386855	8714097	15528000	52398211 46
13	245524998	9491737	150154375 32⅛	47876855	10446657	16686558	57456367 50½
20	245520727	9487454	150850938 32⅛	46331855	12056083	18692087	59031874 50
27	245540332	9464764	151255517 32⅛	42976855	8353509	15593988	59002302 54
Mar 6	245889099	9266559	151828798 32⅛	44796855	10379411	16115462	56740597 51
13	245947010	9214076	152068880 32⅛	44836855	12517418	16809283	57064373 50½
20	246087611	9082594	152825852 32⅛	47916855	12582128	17885667	58957207 49½

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to Mar. 6	7,648,130	358,637	575,698	8,582,465
Week ended Mar. 13	791,707	34,833	55,807	882,347
Week ended Mar. 20	767,692	35,294	58,737	861,723
Total to date, 1929	9,207,529	428,764	690,242	10,326,535
Do. 1928	8,712,854	414,096	689,942	9,816,892
Increase or decrease in 1929	+ 494,675	+ 14,668	+ 300	+ 509,643
	= 5·6%	= 3·5%	= 0·04%	= 5·1%
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,757	2,817,868	39,825,054
Increase or decrease in 1927	+ 1,473,253	+ 97,275	+ 154,959	+ 1,725,487
	= 4·1%	= 5·8%	= 5·4%	= 4·3%

PROVINCIAL CLEARING RETURNS.

	Month of February. 1928.	1929.	%	Aggregate Weekly Totals to Mar. 16. 1928.	1929.
Number of Working Days	25	24			
	£	£		£	£
BIRMINGHAM	11,993,000	12,233,000	+ 2·0	31,045,100	31,324,900
BRADFORD	6,821,000	5,058,000	− 25·8	...	...
BRISTOL	5,023,000	5,445,000	+ 8·4	13,447,000	14,015,000
DUBLIN	...	...	...	52,430,000	55,318,000
HULL	4,111,000	3,818,000	− 7·1	10,492,000	10,442,000
LEEDS	4,272,000	4,540,000	+ 6·2	11,975,400	11,444,000
LEICESTER	3,641,000	3,593,000	− 1·3	10,026,000	9,589,800
LIVERPOOL	36,127,000	34,080,000	− 5·6	96,046,500	93,054,100
MANCHESTER	57,199,000	55,589,000	− 2·8	156,031,000	147,208,900
NEWCASTLE-ON-TYNE	6,463,000	6,374,000	− 1·3	16,812,200	16,197,300
NOTTINGHAM	2,621,000	2,651,000	+ 1·1	7,247,900	7,377,500
SHEFFIELD	4,277,000	4,437,000	+ 3·7	11,901,200	11,620,500
Total	142,548,000	137,818,000	− 3·3	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Egypt appeared in the *Economist* of Jan. 19; Canada in Mar. 2; Denmark in Mar. 9; Austria and Lithuania in Mar. 16.

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

Resources.	Mar. 21, 1929.	Mar. 14, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Mar. 22, 1928.
Total gold reserves	2,712,010	2,700,130	2,682,840	2,686,850	2,775,770
Total bills discounted	942,740	955,620	989,170	952,480	476,980
Bills bought in open market	236,840	283,100	304,640	334,080	332,730
Total U.S. Govt. securities	185,350	165,300	162,960	168,400	385,250
Total bills and securities	1,371,770	1,421,830	1,467,030	1,463,030	1,195,470
Total resources	5,143,040	5,182,990	5,123,780	5,166,590	4,954,470
Liabilities.					
Federal Reserve notes in actual circulation	1,641,580	1,650,010	1,666,570	1,653,970	1,565,290
Deposits—Memberbank—reserve account	2,339,540	2,362,570	2,350,500	2,367,250	2,322,240
Total deposits	2,370,310	2,396,790	2,402,540	2,412,970	2,359,700
Capital paid in and surplus	408,130	406,920	406,510	405,660	369,960
Total liabilities	5,143,040	5,182,990	5,123,780	6,165,590	4,954,470
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	71·7%	70·7%	69·7%	69·9%	75·1%

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

	Mar. 21, 1929.	Mar. 14, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Mar. 22, 1928.
Total bills discounted	208,140	224,720	270,610	222,390	82,400
Bills bought in open market	43,820	65,280	65,690	66,630	92,590
Total U.S. Govt. securities	36,170	13,480	13,640	15,320	69,960
Total bills and securities	290,220	306,130	349,930	304,340	244,950
Deposits — Memberbank — reserve account	936,580	931,600	922,240	959,850	902,600
Ratio of total res. to dep. and Federal Res. note liabilities combined	81·9%	80·6%	77·3%	81·5%	84·4%

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

Assets.	Feb. 22, 1929.	Feb. 15, 1929.	Feb. 8, 1929.	Feb. 1, 1929.	Jan. 25, 1929.	Feb. 24, 1928.
Total securities	21,20,08	21,22,75	21,35,56	21,44,40	21,52,58	17,97,54
Loans	16,66,09	19,47,11	16,94,14	17,33,27	15,48,26	12,70,03
Cash credits	31,99,26	30,53,98	29,74,12	29,10,51	27,27,21	30,57,90
Inland bills	12,59,95	13,84,05	13,80,52	13,00,86	13,37,69	17,08,68
Foreign bills	44,99	47,53	42,04	37,72	20,10	35,98
Dead stock	2,83,36	2,83,15	2,82,28	2,82,19	2,82,48	2,78,70
Bal. with other banks	30,46	8,72	27,73	14,05	30,26	5,37
Cash	12,02,35	9,24,66	10,08,24	11,68,01	12,44,57	14,07,57
Liabilities.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,22,50	5,12,50
Total deposits	78,14,25	77,95,87	75,71,05	78,23,08	75,60,05	76,74,16
The above includes—	£	£	£	£	£	£
Deposits in London	1,077	1,007	974	869	921	929
Advances in London	887	954	911	914	867	954
Cash, etc., at other Banks in London	225	67	196	106	208	42

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

Assets.	Feb. 22, 1929.	Feb. 15, 1929.	Feb. 8, 1929.	Feb. 1, 1929.	Jan. 25, 1929.	Feb. 24, 1928.
Gold coin and bullion	7,757	8,388	7,603	8,119	7,840	8,638
Subsidiary coin	117	109	102	101	107	234
Bills discounted	7,998	8,310	8,688	8,835	8,423	7,588
Investments	710	705	694	721	809	575
Liabilities.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	8,088	8,206	8,690	9,392	8,125	7,638
Government deposits	2,038	1,921	1,510	2,220	1,915	1,696
Bankers' deposits	4,964	5,072	5,033	5,394	5,079	6,626
Ratio of cash reserves to liabilities to public	50·9%	54·5%	48·4%	46·7%	50·3%	54·4%

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

Assets.	Mar. 15, 1929.	Mar. 8, 1929.	Mar. 1, 1929.	Feb. 22, 1929.	Feb. 15, 1929.
Gold	34,034,736	34,023,888	34,063,147	34,037,604	34,026,595
Foreign assets—					
Sight deposits	10,965,483	11,476,025	11,473,971	11,538,871	11,794,958
Bills discounted	18,308,443	18,349,112	18,383,875	18,283,146	18,273,609
Commercial bills discounted at home	4,566,347	5,290,014	4,235,415	5,238,627	3,967,089
Advances against sec. To the State	9,130,000	9,130,000	9,130,000	9,130,000	9,130,000
Other advances	2,384,467	2,366,089	2,404,732	2,263,008	2,325,002
Other assets (excluding forward exch.)	3,386,203	3,398,699	4,047,720	3,147,734	3,504,164
Liabilities.					
Notes in circulation	62,879,764	63,414,800	64,226,373	62,505,668	62,619,795
Public deposits	11,534,489	11,338,598	11,566,738	12,299,992	12,687,784
Private deposits	6,261,245	7,231,172	5,885,015	6,884,626	5,700,836
Other liabilities	2,100,222	2,089,255	2,060,734	1,948,703	2,013,002

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

Assets.	Mar. 15, 1929.	Mar. 7, 1929.	Mar. 2, 1929.	Mar. 15, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,646,874	2,682,829	2,728,933	1,888,097
Of which deposited abroad	94,031	73,058	85,626	85,626
Reserve in foreign currencies	67,769	127,938	90,386	262,070
Bills of exchange and cheques	1,720,214	1,770,509	1,888,919	2,000,685
Silver and other coin	125,945	113,260	114,352	69,578
Notes of other German banks	21,078	17,140	7,244	22,428
Advances	58,983	153,795	297,247	91,040
Investments	93,136	93,136	93,170	94,239
Other assets	517,443	506,095	470,718	534,433
Liabilities.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	319,608	319,608	284,205
Notes in circulation	4,165,804	4,337,660	4,553,026	3,885,783
Other daily maturing obligations	448,517	502,947	525,560	492,057
Other liabilities	194,725	181 699	169,987	177,737

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

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

Assets.	Mar. 14, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 21, 1929.	Mar. 15, 1928.	Position, May 28, 1914.
Gold	907,623	906,565	906,207	906,105	750,407	(b) 232,650
Foreign Bills and Balances Abroad	456,003	454,007	490,128	474,121	437,112	
Silver and other coin	1,485	1,489	1,543	1,617	1,995	
Securities	742,570	721,881	738,468	708,367	525,102	697,600
Liabilities.						
Notes in circulation	2,393,872	2,394,228	2,432,417	2,368,620	2,084,080	934,150
Current accounts	106,309	72,717	75,122	98,258	54,690	112,125

(b) In thousand francs.

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

Assets.	Mar. 11, 1929.	Mar. 4. 1929.	Feb. 25, 1929.	Feb. 18, 1929.	Mar. 12, 1928.	Position, May 30,1914.
Gold	434,544	434,543	434,548	434,549	435,184	163,092
Silver	21,232	21,330	22,143	22,252	26,547	8,436
Dscts. and advances	343,857	348,237	239,306	338,412	347,453	153,504
Liabilities.						
Notes in circulation	791,685	809,036	775,868	775,128	782,182	316,632
Deposits	24,282	12,194	31,489	28,560	36,938	5,016

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

Assets.	Mar. 16, 1929.	Mar. 9, 1929.	Mar. 2, 1929.	Feb. 23, 1929.	Mar. 17, 1928.	Position May 30,1914.
Gold	186,800	188,200	189,500	190,200	173,597	22,971
Silver					19,097	29,785
Discounts, advances, and other investments	141,100	140,900	138,200	141,700	137,094	77,567
Liabilities.						
Notes in circulation	310,700	308,900	302,100	299,900	312,349	109,499
Deposits and bills payable	42,400	43,600	46,900	54,200	41,508	11,250

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

Assets.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 23, 1929.	Mar. 15, 1928.	Position, May 31, 1914.
Gold	481,416	481,485	481,600	481,675	432,344	171,175
Silver	45,331	45,156	45,185	45,697	62,661	18,350
Foreign Bills and Balances abroad	159,442	171,235	180,719	174,501	...	...
Discounts	137,370	158,213	169,554	143,001	292,995	...
Advances	64,749	68,784	71,328	61,976	55,806	103,000
Liabilities.						
Notes in circulation	805,255	819,892	842,929	780,279	779,457	275,925
Deposits	82,208	83,548	76,736	86,923	98,243	33,750

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

Assets.	Mar. 10, 1929.	Feb. 28, 1929.	Feb 20, 1929.	Feb. 10, 1929.	Jan. 31, 1929.
Gold, coin and bullion	5,077 500	5,058,600	5,058,567	5,058,525	5,052,071
Foreign bills and balances abroad	5,397,200	5,514,600	5,683,916	5,794,460	5,743,334
Other cash	251,400	221,900	207,191	192,768	170,038
Gold deposited abroad due by the State	1,836,200	1,836,200	1,836,187	1,836,187	1,836,187
Discounts	3,439,300	3,475,500	3,421,040	3,504,734	3,581,041
Advances	1,584,000	1,730,000	1,082,381	1,127,667	1,228,617
Credit with "Istituto di Liquidazioni"	1,077,300	1,077,300	1,077,341	1,102,763	1,102,763
Government securities	1,041,700	1,043,300	1,043,318	1,042,354	1,041,762
Liabilities.					
Notes in circulation	16,060,000	16,197,300	15,940,030	16,383,168	16,589,517
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	2,145,900	2,429,400	2,632,842	2,475,806	2,449,518
Ratio of reserve to note and sight liabilities combined	56·60%	55·86%	56·92%	56·65%	55·82%

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

Assets.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 22, 1929.	Mar. 7, 1928.	Position, May 31, 1914.
Coin and bullion—Gold	146,843	146,851	146,853	147,235	44,224
Balance abroad and foreign bills	35,856	35,715	31,086	34,260	28,533
Norwegian and Foreign Government securities	9,345	9,345	9,345	10,106	8,816
Discounts and loans	258,179	266,185	261,080	311,040	769,110
Liabilities.					
Notes in circulation	298,344	301,169	293,666	312,346	113,484
Deposits at sight	86,154	90,804	87,642	137,712	7,188

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

Assets.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Mar. 7 1928.
Metal reserve—					
Gold coin and bullion	204,429	204,430	204,431	204,437	196,605
Drafts and notes	45,346	42,613	46,777	51,372	107,072
Silver coin and bullion	...	784	773	773	789
Inland bills, warrants and securities	301,763	313,752	291,282	292,108	295,585
Advances to the Treasury	92,296	92,351	92,351	92,398	105,989
Liabilities.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	420,606	450,623	391,978	418,894	421,360
Current accounts, deposits, &c.	236,245	216,430	255,645	232,369	326,360

* Calculated at pre-war parity of exchange.

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

Assets.	Mar. 9, 1929.	Mar. 2, 1929.	Feb. 23, 1929.	Feb. 16, 1929.	Mar. 10, 1928.
Gold	235,300	235,363	235,460	235,546	233,067
Government securities—Swedish	6,001	6,001	6,001	6,001	11,027
" " Foreign	73,774	73,774	73,774	73,774	105,524
Other Swedish bonds quoted on foreign bourses	743	749	749	749	2,187
Bills payable in Sweden†	207,472	219,740	195,309	208,748	167,490
" " abroad	82,941	83,985	78,386	67,983	65,128
Balance abroad	35,929	40,223	45,935	56,308	41,172
Advances made on government securities and bonds†	52,712	65,192	47,917	52,631	43,853
Liabilities.					
Notes in circulation	469,819	503,941	442,974	461,098	457,812
Government deposits	175,416	175,823	192,558	194,779	168,222
Private deposits	9,930	4,851	4,182	2,085	6,994

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are not available as cover for the note issue.

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

Assets.	Mar. 8, 1929.	Feb. 28, 1929.	Feb. 22, 1929.	Feb. 15, 1929.	Mar. 8, 1928.
Gold	91,428	91,341	91,302	91,251	89,324
Other coin and notes	18,290	18,102	18,484	18,422	18,057
Foreign credits	179,983	184,896	189,107	194,510	293,080
Bills	1,377,133	1,358,571	1,362,476	1,369,079	1,346,027
Government advances	4,201,149	4,201,148	4,201,152	4,201,152	4,338,362
Liabilities.					
Notes in circulation	5,252,317	5,158,663	5,090,197	5,142,995	5,470,636
State credits	227,875	227,874	227,873	227,873	299,342
Deposits	902,211	1,064,685	1,155,514	1,168,663	1,163,901

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

Assets.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Mar. 7, 1928.
Gold and silver holdings	1,206,370	1,206,369	1,206,310	1,206,310	1,117,830
Balance abroad and foreign currency	1,818,198	1,841,009	1,859,277	1,842,243	1,962,884
Discounts and advances	220,503	196,477	162,012	161,753	86,211
State notes debt balance	4,047,027	4,050,492	4,071,968	4,076,770	4,373,993
Other assets	850,774	869,823	875,116	895,614	1,046,487
Liabilities.					
Bank notes in circulation	6,807,623	7,062,617	6,417,920	6,540,622	6,814,261
Check account balances	636,046	405,477	975,026	879,355	1,044,391
Other liabilities	226,609	223,487	343,190	324,166	296,128

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

Assets.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Mar. 7, 1928.
Gold and silver holdings	1,503,628	1,502,151	1,501,913	1,500,423	1,450,935
Balances abroad and foreign currencies	2,983,071	2,999,520	3,003,153	2,851,664	498,025
Discounts and advances	1,399,719	1,377,386	1,352,030	1,334,241	1,259,143
Advances to the Treasury	3,685,241	3,685,241	3,685,271	3,685,241	4,470,613
Liabilities.					
Capital paid up	500,000	500,000	500,000	500,000	516,422
Reserves	1,164,206	1,164,723	1,164,359	1,164,553	1,123,965
Bank notes in circulation	3,920,470	3,893,900	3,824,931	3,849,068	3,620,385
Sight liabilities	3,157,719	3,209,921	3,256,655	3,259,258	1,153,861
Deposits	470,661	471,094	471,205	471,370	1,424,078

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

Assets.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 7, 1929.	Jan. 31, 1929.
Gold	560,444	560,335	558,728	558,294	558,189
Gold exchange	4,603,136	4,391,460	4,520,811	4,678,642	4,734,736
Other foreign exchange	1,719	1,712	1,710	1,057	1,330
Bills discounted	53,850	56,991	56,329	55,942	56,502
Advances	73,592	71,964	69,373	70,139	59,619
Debt to the State	3,789,638	3,789,638	3,789,638	3,789,638	3,789,638
Liabilities.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,465,262	5,398,713	5,430,809	5,490,150	5,514,306
Deposits and current accounts	2,136,212	2,014,974	2,113,702	2,205,277	2,239,390
Foreign exchange liabilities	1,158,442	1,130,171	1,134,776	1,145,219	1,130,744

BANK OF POLAND.—In zloty* (000's omitted).

Assets.	Mar. 10, 1929	Feb. 28, 1929.	Feb. 20, 1929.	Feb. 10, 1929.	Mar. 10, 1928.
Gold	621,711	621,532	621,418	621,361	533,192
Of which held abroad	195,402	195,402	195,402	195,402	179,983
Foreign currencies	684,969	697,733	683,960	694,779	839,719
Bills discounted	662,918	660,195	640,856	650,822	476,259
Loans against securities	84,079	87,676	87,188	87,893	53,651
Reserve fund securities	69,705	69,243	69,243	69,244	55,934
Liability of the Treasury	25,000	25,000	25,000	25,000	25,000
Liabilities.					
Share capital	150,000	150,000	150,000	150,000	150,000
Reserve funds	100,000	100,000	100,000	100,000	94,436
Notes in circulation	1,215,890	1,248,791	1,157,847	1,200,164	1,044,850
Current accounts	605,040	593,456	649,117	626,322	634,003
Government accounts	75,000	75,000	75,000	75,000	75,000

* As from October 13, 1927, 8·91 zlotys equals 1 U.S. dollar.

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

Assets.	Mar. 2, 1929.	Feb. 23, 1929.	Feb. 16, 1929.	Feb. 9, 1929.	Mar. 3, 1928.
Gold	8,269,265	8,268,947	8,265,212	8,258,564	7,034,409
Silver, etc.	6,122	6,122	5,680	5,680	8,478
Bills	9,031,893	9,120,537	9,104,219	9,179,503	8,949,967
Government loan	4,000,000	4,000,000	4,000,000	4,000,000	10,678,976
Other advances, &c.	8,325,033	7,768,024	7,185,289	7,081,734	6,658,821
Liabilities.					
Notes in circulation	20,325,004	20,074,483	20,191,361	20,173,566	21,027,437
Deposits, &c.	9,572,862	9,362,852	8,644,873	8,622,478	12,131,796

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

Assets.	Mar. 16, 1929.	Mar. 9, 1929.	Mar. 2, 1929.	Feb. 23, 1929.	Mar. 17, 1928.	Position, May 30,1914.
Gold	2,559,519	2,559,421	2,559,370	2,559,359	2,607,768	521,775
Silver	712,446	710,378	712,972	713,062	698,359	724,600
*Loans & Discounts	1,997,278	1,785,381	1,642,987	1,798,891	1,780,076	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
Liabilities.						
Circulation	4,270,131	4,326,995	4,305,811	4,294,282	4,174,618	901,550
Deposits	987,157	1,026,187	1,036,789	1,025,991	983,396	477,500

* Including 91 million pesetas lent to the State.

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

ASSETS.	Mar. 6, 1929.	Feb. 27, 1929.	Feb. 20, 1929.	Feb. 13, 1929.	Mar. 7, 1928.
Coin and bullion	10,016	10,183	10,273	9,377	9,183
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	336,962	329,220	331,616	323,900	176,523
Discounts	274,399	280,656	257,879	251,709	247,807
Government loans	1,758,799	1,751,023	1,753,432	1,745,990	1,614,080
LIABILITIES.					
Notes in circulation	1,896,828	1,879,534	1,878,755	1,902,020	1,838,681
Deposits	63,924	71,561	60,949	49,266	78,266

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

ASSETS.	Mar. 13, 1929.	Mar. 6, 1929.	Feb. 27, 1929.	Feb. 20, 1929.	Feb. 13, 1929.	Mar. 14 1928.
Gold bullion and coins	23,777	23,774	23,771	23,771	23,767	23,693
Silver coin	4,713	4,767	4,733	4,748	4,713	3,914
Balance abroad	66,004	68,536	70,923	69,703	70,131	65,148
Treas. notes and sm. change	10,818	9,230	10,688	12,281	11,991	9,805
Short term bills	82,521	83,024	82,023	83,203	84,808	80,272
Loans against securities	47,646	47,382	46,589	46,675	47,342	48,053
Other assets	15,414	15,101	13,260	19,609	18,161	5,375
LIABILITIES.						
Notes in circulation	43,257	44,677	44,360	42,433	42,498	38,215
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,385
Reserve	3,091	3,091	3,091	3,091	3,091	2,612
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,571	12,617	12,612	12,518	12,558	10,992
Current accounts	64,205	64,958	62,628	62,792	60,810	55,253
Government accounts	101,340	99,899	102,403	104,987	106,686	102,900
Other liabilities	8,349	8,490	8,812	16,087	17,190	9,402

BANK OF ESTONIA.—In Est. kroon (000's omitted).

ASSETS.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Mar. 7, 1928.
Gold coin and bullion	6,234	6,234	6,228	6,228	10,281
Net foreign exchange	22,895	22,980	23,229	22,886	29,546
Subsidiary Estonian coin	716	721	703	786	812
Home bills discounted	14,829	15,077	15,279	15,142	8,445
Loans and advances*	15,354	16,262	15,312	15,762	19,876
LIABILITIES.					
Notes in circulation	34,862	35,760	35,936	34,345	37,614
Sight deposits and current accounts	20,771	21,290	20,362	21,005	21,956
Ratio of reserve to current liabilities	52·35%	51·20%	52·32%	52·59%	66·85%

* Includes Ekr. 11,169,614·64, guaranteed by the Government.

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

ASSETS.	Mar. 8, 1929.	Feb. 28, 1929.	Feb. 23, 1929.	Mar. 8, 1928.	Position, May 30,1914
Gold	303,001	303,194	303,363	314,818	35,091
Balance abroad and foreign bills	755,761	713,846	698,378	1,252,752	90,379
Finnish and Foreign Government securities	301,708	301,708	301,708	332,174	21,826
Discounts and loans	1,511,926	1,516,721	1,519,389	907,683	105,151
LIABILITIES.					
Notes in circulation	1,533,754	1,522,690	1,441,057	1,607,990	123,941
Deposits at notice	352,057	346,910	398,049	353,153	21,225

RUSSIAN STATE BANK.—Note-Issuing Department.

(In Tchervonetz—000's omitted.) (NOTE: 1 Tchervonetz = 10 gold roubles.)

ASSETS.	Mar. 16, 1929.	Mar. 1, 1929.	Feb. 16, 1929.	Jan. 31, 1929.	Mar. 15, 1928.
Gold in coin and bullion	17,883	17,885	17,885	17,886	17,656
Other precious metals	4,361	4,340	4,240	4,319	2,468
Foreign bank notes	8,889	8,942	7,971	7,983	5,914
Drafts in sterling (less 10%)	277	277	276	276	266
Bills (less 10% discount)	80,317	77,282	78,354	76,262	71,422
Securities covering advances on goods (less 10%)	274	274	274	274	274
LIABILITIES.					
Bank notes	110,958	108,365	108,258	106,505	96,257
Balance to which notes may still be issued	1,042	635	742	495	1,743

BANK OF DANZIG.—In Danzig gulden (000's omitted).

ASSETS.	Mar. 15, 1929.	Feb. 28, 1929.	Feb. 15, 1929.	Jan. 31, 1929.	Jan. 15, 1929.	Dec. 31, 1928.	Mar. 15, 1928.
Coin and bullion	2,805	2,564	2,860	2,604	2,735	2,269	2,854
Of which gold coin	8	8	8	7	7	7	6
Danzig subsidiary coin	2,797	2,556	2,852	2,597	2,728	2,262	2,848
Bal., Bk. of Eng., inc. notes	12,277	14,516	11,726	13,204	12,323	18,242	12,407
Bills of exchange	22,058	20,769	21,712	22,060	19,906	21,952	21,464
Loans		425	20	685	...	560	...
Foreign exchange	12,295	18,267	17,271	18,670	19,461	18,647	29,459
Other bals. on dem'd	672	313	689	587	472	1,070	1,755
Securities	3,403	3,403	3,403	3,403	3,448	3,448	3,448
LIABILITIES.							
Capital paid up	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation	33,166	36,923	32,914	36,344	33,043	39,416	32,255
Deposits on demand	2,168	2,174	2,453	2,364	2,574	3,636	4,155

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

ASSETS.	Feb. 23, 1929.	Feb. 16, 1929.	Feb. 9, 1929.	Feb. 2, 1929.	Feb. 25, 1928.	Position June 30,1914
Cash & bullion	1,116,108	1,114,443	1,112,400	1,113,234	1,116,633	221,320
Discounts	722,868	732,414	740,733	749,890	722,435	41,740
Advances	74,787	74,888	75,217	89,982	82,727	70,540
LIABILITIES.						
Notes	1,231,359	1,229,358	1,349,348	1,405,060	1,240,244	362,270
Govt. deposits	523,406	528,992	512,552	466,951	703,686	87,340
Other deposits	395,343	389,014	274,849	276,079	214,913	11,440

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

ASSETS.	Feb. 15, 1929.	Feb. 8, 1929.	Feb. 1, 1929.	Jan. 25, 1929.	Feb. 17, 1928.
Gold at home	60,663	60,681	60,683	60,689	61,241
Gold abroad	432,468	439,542	444,947	450,213	408,189
Discounts and advances	72,368	79,239	71,419	54,292	16,713
Loans to Government	...	1,997	1,997	1,997	12,118
LIABILITIES.					
Notes of the bank in circulation	343,381	345,286	343,267	333,554	277,866
Government notes in circulation	16,394	16,437	16,488	16,585	41,944
Deposits	115,184	116,214	115,435	128,363	104,980
Drafts	24,340	30,540	30,540	30,540	138
Paid-up capital	90,625	90,625	90,625	90,625	89,523

LONDON RATES.

	Mar. 14, 1929.	Mar. 15, 1929.	Mar. 16, 1929.	Mar. 18, 1929.	Mar. 19, 1929.	Mar. 20, 1929.	Mar. 21, 1929.
	%	%	%	%	%	%	%
Bank rate (changed from 4½% Feb. 7, 1929)	5½	5½	5½	5½	5½	5½	5½
Market rates of discount—							
60 days' bankers' drafts	5⅛ – ¼	5⅛ – ¼	5⅛ – ¼	5⅛ – ¼	5⅛ – ¼	5⅛ – ¼	5⅛ – ¼
3 months' do.	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
4 months' do.	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
6 months' do.	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
Discount (Treasury Bills)—							
2 months'	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
3 months' †	5⅛ – ¼	5⅛ – ¼	5⅛ – ¼	5⅛	5⅛	5⅛	5⅛
Loans—Day to day	4½ 5	4 4½	4 4½	4½ 5	4½ 5	4½ 5	4½ 5
Short	4½	4½	4½	4½	4½	4½	4½
Deposit allowances: Banks	3½	3½	3½	3½	3½	3½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months	Trade Bills. 6 Months
1929.	%	%	%	%	%	%	%
Feb. 28	4½ 2	5½ ⅛	5½ ⅛	5⅝	5½ 6	5⅝ 6	6 6⅛
Mar. 7	4½	5½ ⅛	5½ ⅛	5⅝	5½ 6	5⅝ 6	6 6⅛
14	4½ 5	5⅝ ⅛	5⅝ ⅛	5⅝ ¼	5½ 6	5⅝ 6	6 6⅛
21	4½ 5	5⅝ ⅛	5⅝ ⅛	5⅝ ¼	5½ 6	5⅝ 6	6 6⅛

RATES OF EXCHANGE.

London on		Usance	Par.	Mar. 22 1928.	Mar. 14, 1929.	Mar. 21, 1929.
New York	dollars to £1	Cable	4·86⅜	4·88½–⅝	4·85⅛–¼	4·85⅛–¼
Montreal	dollars to £1	Cable	4·86⅜	4·87½–¾	4·90½–¾	4·87½–¾
Paris	francs to £1	T.T.	124·21	123⅛–4⅛	124·23–·28	124·26–·30
Berlin	marks to £1	T.T.	20·43	20·41½	20·45½–·46	20·45½–·46
Amsterdam	florins to £1	T.T.	12·107	12·12½	12·11½–·12	12.11½–12.12
Brussels	belga to £1	T.T.	35·00	35·01¼–02½	34·95–·95½	34·95¼–·96
Milan	lire to £1	T.T.	92·46	92⅜–⅝	92·60–·65	92·68–·73
Berne	francs to £1	T.T.	25·22	25·33¾–34	25·23–·23½	25·23–·23½
Oslo	kroner to £1	T.T.	18·159	18·27½–8½	18·19½–·20	18·19½–·20
Stockholm	kronor to £1	T.T.	18·159	18·18–⅛	18·16½–·17	18·17–·17½
Copenhagen	kroner to £1	T.T.	18·159	18·21–½	18·20¾–21½	18·21½–⅝
Madrid	pesetas to £1	T.T.	25·22½	29·06–8	32·10–·15	31·75–·85
Lisbon	escudo to £1	T.T.	4·50	2⅛–⅜	108–108½	107⅝–108½
Vienna	schilgs. to £1	T.T.	34·58½	34·68–71	34·54–·58	34·52½–·55
Prague	krone to £1	T.T.	24·02(a)	164⅜–½	163⅝–164	163⅝–164
Belgrade	dinars to £1	T.T.	25·22½	277–8	276½–¾	276½–¾
Budapest	pengo to £1	T.T.	27·82	27·92–5	27·84–·88	27·85–·87
Bukarest	lei to £1	T.T.	813·6	783–6	814–817	814–817
Sofia	leva to £1	T.T.	25·22½	672–7	672–676	674–676
Athens	drachmæ to £1	T.T.	375	367–9	374½–375½	374½–375
Constantin'ple	piastres to £1	T.T.	110	960–5	985–990	990–995
Warsaw	zloty to £1	T.T.	43·38	43½–¾	43⅜–½	43⅜–½
Helsingfors	F. marks to £1	T.T.	193·23	193½–194	192½–193	192½–193
Kovno	lits to £1	T.T.	48·66	48¾–9¼	48¼–49½	48¼–49½
Reval	kroon to £1	T.T.	18·159	18·00–18·40	18·16–·23	18·16–·23
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15–·25	25·15–·25
Alexandria	piastres to £1	Sight	97½	97⅛–⅜	97⅛–⅜	97⅛–⅜
Buenos Aires	pence to peso	T.T.	47·62d.	47⅛–⅜	47⅛–⅜	47⅛–⅜
Rio de Janeiro	pence to mils.	90 days	16	5⅜–⅛	5⅝–⅞	5⅛–⅜
Montevideo	pence to peso	T.T.	51	50⅞–⅞	50–50⅛	50–50⅛
Valparaiso	dollars to £1	90 days	40	39·35	39·50	39·50
Lima	Eng. to Per. £1	90 days	par	23% prem.	19⅛% prem.	19½% prem.
Calcutta	pence to rupee	T.T.	18	1/5⅝–1/6⅛	1/6–⅛	1/6–1/6⅛
Bombay	pence to rupee	T.T.	18	1/5⅝–1/6⅛	1/6–⅛	1/6–1/6⅛
Madras	pence to rupee	T.T.	18	1/5⅝–1/6⅛	1/6–⅛	1/6–1/6⅛
Hong Kong	ster. to dollar	T.T.	—	2/0⅛–⅛	1/11½–2/0⅛	1/11½–2 ⅛
Shanghai	ster. to tael	T.T.	—	2/7–⅛	2/6½–2/7½	2/6½–2/7 ⅛
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3⅞–⅝	2/3⅝–2/3⅝	2/3½–2/3⅝
Kobe	ster. to yen	T.T.	24·58d.	1/11⅞–⅝	1/10–1/10⅞	1/10–1/10⅝
Manila	ster. to peso	T.T.	24·066d.	†2s. 0⅛d.	†2. 0⅛d.	†2s. 0⅛d.
Mexico	pesos to £	T.T.	9·76	24–½	10·00–10·50	10·0–10·50

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, *i.e.*, approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Oct. 12, 1927	4½	Oslo	Mar. 26, 1928	5
Athens	Dec. 2, 1928	9	Paris	Jan. 19, 1928	5½
Belgrade	July 26, 1921	6	Prague	Mar. 8, 1927	3½
Berlin	Jan. 12, 1929	5	Pretoria	Jan. 9, 1928	5
Brussels	June 30, 1928	4½	Reval	Jan. 2, 1928	5½
Bucharest	Sept. 4, 1920	4	Riga	April 1, 1928	7½
Budapest	Oct. 1, 1928	6			6†
Calcutta	Feb. 14, 1929	7	Rome	Mar. 13, 1929	7†
Copenhagen	June 23, 1927	8	Sofia	Dec. 15, 1928	7
Danzig	June 20, 1927	5	Stockholm	Aug. 24, 1928	9
Helsingfors	Nov. 15, 1928	6	Swiss Bank		4½
Kovno	Feb. 8, 1925	7	places	Oct. 22, 1925	3½
Lisbon	July 28, 1926	8	Tokio	Oct. 18, 1927	5·48
New York Federal Reserve	July 12, 1928	5	Vienna	July 16, 1928	6½
Madrid	Dec. 19, 1928	5½	Warsaw	May 13, 1927	8
			Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	Mar. 21, 1928.	Feb. 20, 1929.	Feb. 27, 1929.	Mar. 6, 1929.	Mar. 13, 1929.	Mar. 20 1929.
	%	%	%	%	%	%
Call money	4½	6½	8	8	7	9
Time money (90 days' mixed coll.)	4½	7½	7½	7½	7½	8
Bank acceptances :—			Selling Rates.			
Members—eligible, 90 days	3½	5½	5½	5½	5½	5½
Non-mem.—eligible, 90 days	3½	5½	5½	5½	5½	5½
Ineligible, 90 days	4	6	6	6	6	6
Commercial accept. 90 days	4	5½	5½	5½	5½	

Rates of Exchange, New York on—		Par Level.	Mar. 21, 1928.	Mar. 6, 1929.	Mar. 13, 1929.	Mar. 20, 1929.
London—						
60 days	Dollars for £1	4·8666	4·84⅛	4·80	4·8025	4·80⅛
Cable			4·8825	4·83⅞	4·85⅛	4·85⅛
Cheques			4·87⅛	4·84⅞	4·85	4·85
Paris	Cents for 1 franc	3·918	3·9350	3·9025	3·90⅛	3·9025
Brussels	Cents for 1 Belga	13·90	13·93	13·875	13·895	13·885
Switzerland	Cents for 1 franc	19·30	19·26	19·22½	19·225	19·225
Italy	Cents for 1 lire	5·263	5·2825	5·2325	5·23⅛	5·23⅛
Berlin	Cents for 1 mark	23·81	23·89⅛	23·70	23·705	23·705
Vienna	Cts. for Austrn. shlg	14·07	14·08	14·07	14·07	14·07
Madrid	Cents for 1 peseta	19·30	16·77	14·78	14·99	15·29
Amsterdam	Cents for 1 guilder	40·195	40·24	40·02	40·025	40·015
Copenhagen	Cents for 1 kroner	26·80	26·80	26·635	26·64	26·63
Oslo			26·70	26·645	26·645	26·65
Stockholm			26·84	26·69	26·695	26·695
Athens	Cents for 1 drachma	1·297	1·3275	1·2925	1·2950	1·2950
Montreal	Can. Cents for $1	100	⅛ prem.	⅛ dis.	1 dis.	⅛ dis.
Yokohama	Cents for 1 yen	49·85	46·91	44·15	44·50	44·45
Hong Kong	Cents for H.Kong $	...	49·75	48·90	48·80	48·85
Shanghai	Cts. for 1 Shng. tael	...	63·125	62·40	62·15	62·20
Calcutta	Cents for 1 rupee	36·50	36·52	36·34	36·33	36·34
Buenos Aires	Gold Pesos for $100	103·65	102·95	104·70	104·80	104·80
Rio de Janeiro	Cents for 1 milreis	32·42	12·02	11·82	11·82	11·78
Valparaiso	Cents for 1 peso	12·125	12·28	12·07	12·07	12·07

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·32
Venezuela	Bolivares to £	25·25	"	25·12
Colombia (Bogota)	Pesos to £1	5	"	5·00
Nicaragua	Cordobas to £	4·8665	"	4·92
Salvador	Colones to £	9·73	"	9·77
Bolivia	pence to Bolivian	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Union of South Africa. From February 6, 1928. London on South Africa. Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Union of South Africa. From February 18, 1929. South Africa on London. Selling.
T.T.	—	⅛% dis.	par to ⅛% pm.	⅛% prem.
Demand	1⅛% dis.	⅛% "	⅛% dis.	⅛ to ¼% "
30 days	1⅛% "	¼% "	⅛% "	¼% "
60 days	2⅛% "	⅜% "	¼% "	⅜% "
90 days	3% "	½% "	⅜% "	½% "
120 days	3¾% "	⅝% "	½% "	⅝% "

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	London on Australia and New Zealand. Buying. New Zealand.	London on Australia and New Zealand. Selling. Australia.	London on Australia and New Zealand. Selling. New Zealand.	Australia and New Zealand on London. Buying. Australia.	Australia and New Zealand on London. Buying. New Zealand.	Australia and New Zealand on London. Selling. Australia.	Australia and New Zealand on London. Selling. New Zealand.
T.T.	...	...	99½	99½	...	...	101	100⅝
Demand	98⅛	98½	99½	99½	99⅛	99⅜	100⅜	100⅛
30 days	97⅞	97⅛	...	...	99⅛	98⅛	100⅛	99⅛
60 days	97	97⅛	...	...	98⅛	98⅜	99⅛	99⅛
90 days	96⅛	96⅜	...	...	98⅛	97⅛	...	99⅛

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz :—

£1,000 sterling equals 943·39–944·27 tchervontzi.
1 tchervonets = 10 gold roubles. £1 sterling = 9·46 gold roubles.

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council from April 1, 1928, to March 16, 1929, amounted to £29,183,000 by means of purchases of sterling in India. Of this amount, £2,625,000 was remitted on account of the Paper Currency Reserve.

BULLION.

The following statistics of imports and exports of gold for week ended March 21, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland. From—	£
France	3,706
British South Africa	1,024,391
British West Africa	29,961
Netherlands	1,000,800
Irish Free State	1,000
Other countries	1,197
Total declared value of imports	2,061,055

Exported from Great Britain and Northern Ireland. To—	£
Poland	2,120
Germany	44,520
France	13,676
Netherlands	10,442
Switzerland	29,100
Italy	2,040
British India	131,337
Other Countries	700
Total declared value of exports	233,935

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929.	ARRIVALS.	£
Mar. 15		nil
" 16		nil
" 18		nil
" 19	Bars bought	894,200
" 20		nil
" 21	Bars bought	1,555
Total		£895,755

1929.	WITHDRAWALS.	£
Mar. 15	Bars sold	5,132
	Sovs. for export	125,000
" 16	Bars sold	1,171
"	Sovs. for export	2,000
" 18		nil
" 19		nil
" 20	Sovs. for export	3,000
" 21	Sovs. for export	12,000
Total		£148,842

Net arrivals, £746,913.

Messrs. Samuel Montagu and Co. write as follows on March 20, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £151,704,273 on the 13th instant (as compared with £151,473,325 on the previous Wednesday), and represents a decrease of £2,202,042 since April 29, 1925—when an effective gold standard was resumed. In the open market this week about £1,022,000 bar gold from South Africa was available. The Bank of England secured the bulk of this amount—about £894,000—as shown in the figures below, and the balance was absorbed by the requirements of India and the Home and Continental Trade. There was a net influx of gold of £736,976 during the week.

SILVER.

Silver prices have moved only within narrow limits. Support has been given by China, but this quarter has again worked both ways, for selling on China account was responsible for a fall of 1s. 8d. in the cash and $\frac{3}{16}$d. in the two months' quotations on the 16th instant, although the lapse was in part attributable to a lack of demand. The Indian Bazaars have shown some disposition to acquire silver for prompt shipment, but their interest has been rather restricted to the lower prices, and some orders have in consequence proved inoperative at a subsequent advance in rates.

America has been rather inactive and has only been inclined to work moderately in both directions.

The following were the United Kingdom imports and exports of silver registered from mid-day on the 11th instant to mid-day on the 18th instant :—

IMPORTS.	£	EXPORTS.	£
Netherlands	10,300	Egypt	19.888
Irish Free State	16,400	China	58,780
Other countries	4,965	British India	31,351
		Other countries	10.683
	£31,665		£120,702

INDIAN CURRENCY RETURNS (in lacs of rupees).

	Mar. 15.	Mar. 7.	Feb. 28.
Notes in circulation	19,123	19,155	19,247
Silver coin and bullion in India	9,871	9,902	9,996
Silver coin and bullion out of India	—	—	—
Gold coin and bullion in India	3,222	3,222	3,221
Gold coin and bullion out of India	—	—	—
Securities (Indian Government)	4,327	4,327	4,327
Securities (British Government)	1,053	1,054	1,053
Bills of exchange	650	650	650

Coinage during the week ended 15th instant amounted to 5 lacs.

The stock in Shanghai on the 16th instant consisted of about 76,300,000 oz. in sycee, 112,000,000 dollars and 10,000 silver bars, as compared with about 71,100,000 oz. in sycee, 112,000,000 dollars and 10,800 silver bars on the 9th instant.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
Mar. 15	84 11½	26	26 1/16	Mar. 23, 1923	32 7/16
" 16	84 11½	25 7/8	25 7/8	" 28, 1924	33⅛
" 18	84 11½	26	26	" 27, 1925	31⅛
" 19	84 10½	25 7/16	25 1/16	" 26, 1926	30 7/16
" 20	84 10½	25 1/16	26	" 25, 1927	25 1/16
" 21	84 11	26⅛	26⅜	" 22, 1928	26⅛

NOTICES.

A branch of the Union Bank of Scotland, Limited, has been opened at 488 Crow Road, Glasgow, W. 1.

Lloyds Bank, Limited, announce that a branch of the bank is now open at 1 Castle Hill Avenue, West Folkestone, also a sub-branch at Marnhull.

Barclays Bank, Limited, have opened a new branch at 28 East Street, Bridport, Dorset.

The National Provincial Bank have opened a branch at Clock House, The Parade, Carshalton.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Mar. 15, 1929. (c) Week ended Mar. 16, 1929.	Miles Open.	Week ended Mar. 17, 1929 (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 11 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western....	3,733	196	226	141	367	563	2,070	2,295	1,455	3,750	5,820
Do. for 1928 ..	3,734	196	227	126	353	549	2,167	2,393	1,331	3,724	5,891
Lon.&N.Eastn.(c)	6,345	309	430	312	742	1,051	3,184	4,336	3,125	7,461	10,645
Do. for 1928 ..	6,363	311	429	261	690	1,001	3,354	4,691	2,812	7,503	10,857
Lond.,Mid.&Scot.	6,953½	453	592	342	934	1,387	4,694	5,936	3,537	9,473	14,167
Do. for 1928 ..	6,950½	462	627	304	931	1,393	4,965	6,426	3,163	9,589	14,554
Southern	2,177	261	78	38	116	377	2,759	792	393	1,185	3,944
Do. for 1928 ..	2,177	259	87	30	117	376	2,865	850	328	1,178	4,043
Metropolitan (c)	59	32·0	...	...	4·0	36·0	340·6	...	...	41·8	382·4
Do. for 1928 ..	59	31·9	...	...	3·9	35·8	345·9	...	...	41·6	387·5
†Und'rgr'ndE.R.c	...	...	...	...	...	279·3	...	...	...	...	2,863·8
†Do. for 1928	...	...	...	...	...	268·6	...	...	...	...	2,951·6
Lon.&Sub.Gr'upc	...	...	...	...	...	39·8	...	...	...	...	402·1
Do. for 1928 ..	...	...	...	...	...	38·0	...	...	...	...	420·7
B'f't'n&Co.D'wn b	80	2·0	...	...	1·2	3·2	20·4	...	...	9·8	30·2
Great Northern b	562	10·1	...	...	18·6	28·7	112·2	...	...	174·6	286·8
Great Southern b	2,187	22·4	...	...	52·9	75·3	247·4	...	...	514·7	762·1

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or −	Total Gross Receipts. 1929.	+ or −
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	46weeks	Feb.16	1,206	4,61,000	− 55,052	2,02,53,337	+ 5,45,350
Barsi Lt. Ry.....	47weeks	23	202	71,000	+ 33,000	22,19,000	+ 6,67,700
Bengal & N.Western	47weeks	23	2,078	7,97,433	− 19,478	1,47,44,850	− 5,40,598
Bengal-Nagpur.....	46weeks	16	2,979	4,95,000	− 81,480	18,84,000	− 2,00,952
Bombay, Bar.,& C.I.	48weeks	Mar. 9	3,022	28,16,000	+151000	11,02,41,000	+36,07,000
Burma	35weeks	Dec. 1	1,349	7,24,790	− 80,277	2,73,09,216	− 1,42,540
Madras & S. Mahr ..	47weeks	Feb.23	3,121	22,00.00	+131637	8,48,19,396	+59,66,824
Nizam'sGuarantd.(s)	47weeks	23	1,146	5,25,663	+ 68,428	1,88,95,237	+12,03,869
†Rohilk'd&Kumaon	46weeks	16	572	1,46,817	− 19,087	25,57,756	− 1,37,834
South Indian	47weeks	23	2,294	12,11,778	+ 6,954	5,56,69,899	− 3,80,677
ARGENTINE (a).				£	£	£	£
Argentine N.E.	37weeks	Mar.16	753	15,300	− 100	577,100	+ 23,300
B.A. and Pacific ...	37weeks	16	2,806	210,000	+ 20,000	6,253,000	+ 651,000
B.A. Central	37weeks	17	...	14,841	+ 325	537,007	+ 16,044
B.A. Gt. Southern	37weeks	16	4,725	301,000	− 2,000	9,170,000	− 512,000
B.A. Western	37weeks	16	1,926	125,000	...	3,708,000	− 66,000
Central Argentine .	37weeks	16	3,319	298,000	...	10,007,000	+ 266,000
Cordoba Central....	37weeks	16	1,218	70,000	+ 4,000	2,559,000	− 18,200
Entre Rios	37weeks	16	728	30,700	− 6,900	1,150,000	+ 62,500
CUBAN.				£	£	£	£
United of Havana†	37weeks	Mar.16	1,374	134,397	− 3,586	2,623,586	+ 52,153
URUGUAYAN.				£	£	£	£
Central Uruguay ..	37weeks	Mar.16	273	29,810	− 5,006	1,123,234	− 5,834
C. Urug. (East Ext.)	37weeks	16	311	7,453	− 1,823	252,815	− 1,682
C.Urug.(North.Ext.)	37weeks	16	185	4,555	− 230	135,586	+ 4,425
C. Urug.(West. Ext.)	37weeks	16	211	3,342	− 634	110,550	+ 3,152
CANADIAN.				$	$	$	$
Canadian National	9weeks	Mar. 7	19364	4,891,839	+410566	42,684,033	− 256,395
Canadian Pacific ...	10weeks	14	14822	3,855,000	+182000	37,578,000	− 48,000
BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil	10weeks	Mar. 9	1,016	21,900	+ 8,400	222,000	+ 43,900
Leopoldina.....	11weeks	16	1,856	38,418	− 14,113	395,715	− 136,244
Leopoldina Termnl.	11weeks	16	Mtrs	258,000	− 8,000	3,088,000	+ 132,000
San Paulo	11weeks	17	153½	67,061	+ 23,436	520,384	+ 57,584
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia).....	11weeks	Mar.17	838	42,960	+ 3,395	463,590	+ 69,950
Nitrate (¼-monthly)	10weeks	15	402	41,756	+ 4,261	203,140	+ 28,977
OTHER OVERSEAS.				£	£	£	£
Egyptian Delta	46weeks	Feb.28	608	£6,481	+ 241	312,658	+ 22,400
Gt. Southn. of Spain	10weeks	Mar. 9	104	Ps 136,600	+ 3,550	1,240,365	− 47,468
Mexican Railway...	10weeks	14	483	$ 169,600	−145600	2,404,600	− 425,800
Paraguay Central ..	36weeks	9	274	£4,670	+ 710	158,890	+ 2,990
Salvador.....	37weeks	16	100	£8,821	+ 3,016	181,886	+ 7,441

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

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or −	Total Receipts. 1929.	+ or −
				£	£	£	£
Anglo-Argentine ...	10weeks	Mar.11	329	£90,545	− 2,734	863,356	− 30,579
B. Aires Lacroze ...	37weeks	17	...	£13,235	− 300	484,977	+ 3,263
Burnley Corporation	1week	16	13	£2,932	+ 76	...	...
Calcutta Tramways	1week	16	35½	Rs134,753	+ 12,322	...	...
Chatham & District	9weeks	7	15	£905	− 358	8,908	− 2,888
Egyptian Markets..	9weeks	9	...	£2,247	+ 33	21,963	+ 876
Glasgow Corporation	35weeks	9	136¼	£42,626	− 2,187	1,757,497	− 77,386
Isle of Thanet Trams	9weeks	8	...	£752	− 118	6,800	− 750
Liverpool Corp.....	50weeks	16	124	£29,139	+ 1,814	1,472,144	+ 48,318
L.O.O. Tramways .	49weeks	13	166	£81,730	+ 3,206	4,060,336	109,878
Madras Electric ...	†10w'ks	15	...	Rs. 44,921	+ 3,157	2,14,757	+ 10,406

‡ Fortnightly figures.

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the *Commercial and Financial Chronicle* of New York.

Date.	Miles of Road. 1926.	Miles of Road. 1927.	Gross Earnings. 1927.	Gross Earnings. Increase or Decrease.	Net Earnings 1927.	Net Earnings Increase or Decrease.
			$	$	$	$
Nov.....	238,142	238,711	502,994,051	− 58,159,905	125,957,014	+32,544,547
Dec.....	237,711	238,552	466,526,003	− 59,294,705	90,351,147	−28,169,018
	1927.	1928.	1928.		1928.	
Jan.....	237,846	239,476	456,560,897	− 30,161,740	93,990,640	− 5,558,796
Feb.	237,970	239,584	455,681,258	− 12,850,859	108,120,729	+ 541,678
Mar.	237,804	239,649	504,233,099	− 26,410,659	131,840,275	− 4,034,267
Apr.	238,904	239,852	473,428,231	− 24,437,149	110,907,453	− 2,910,862
May.....	239,079	240,120	509,746,395	− 8,823,323	128,780,393	+ 840,317
June	238,870	239,833	501,676,771	− 14,871,440	127,284,367	− 1,827,387
July	238,316	240,430	512,145,231	+ 3,333,445	137,412,487	+11,711,856
Aug.	238,672	240,724	556,908,120	+ 165,107	173,922,684	+ 9,835,559
Sept.	239,499	240,693	554,440,941	− 9,980,689	180,359,111	+ 1,711,331
Oct.	238,828	240,661	616,710,737	+ 36,755,850	216,522,015	+35,437,734
Nov.	239,982	241,138	530,909,223	+ 26,968,447	157,140,516	+29,896,691
Dec.....	239,286	240,337	495,574,485	+ 27,178,944	138,293,445	+48,444,421

OVERSEAS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month. 1927-28.	+ or −	Aggregate Receipts. 1927-28.	+ or −
INDIAN.				Rs.	Rs.	Rs.	Rs.
Southern Punjab	2 mths	Nov. 30	931	13,34,075	+1,45,536	25,94,363	3,17,051
CANADIAN.							
Canadian National	1 mth	Jan. 31	Gross	$18,177,685	− 693,986	...	...
			Net	$ 2,084,740	− 236.270	...	...
Canadian Pacific	1 mth	Jan. 31	Gross	$15,866,000	+ 546,000	...	...
			Net	$ 1,896,000	+ 18,000	...	...
BRAZILIAN.				£	£	£	£
State of Bahia..	9 mths	Jan. 31	52	£7,813	+ 362	67,541	− 1,763
CHILE AND PERU.				£	£	£	£
Peruvian Corp..	8 mths	Feb. 28	31066	£130,478	− 7,144	1,190,664	− 2,471
Taltal.....	8 mths	Feb. 28	174	15,785	− 266	118,145	+ 1,620
URUGUAYAN.				£	£	£	£
Midland Uruguay	8 mths	Feb. 28	319	20,426	− 638	149,044	− 4,998
N.-W. Uruguay	8 mths	Feb. 28	113	7,021	+ 1,432	53,742	− 1,538
Uruguay North	8 mths	Feb. 28	73	2,979	+ 319	23,618	+ 267
OTHER OVERSEAS.							
Alcox & Gandia	2 mths	Feb. 28	33	3,876	− 1,169	9,051	− 946
Algoma Cent. & Hudson Bay (a)	7 mths	Jan. 31	Gross	$198,802	+ 17,240	1,065,530	+ 197,908
Beira and Mashonaland	1 mth	Dec. 31	740	126,878	− 17,920	—	—
Bilbao River	1 mth	Jan. 31	15	2,924	+ 1,177	—	—
Bolivar	2 mths	Feb. 28	170	13,900	+ 4,100	24,750	+ 7,650
Colombia Rlys.&c	7 mths	Jan. 31	Gross	£36,556	+ 4,745	274,981	− 15,556
Costa Rica	6 mths	Dec. 31	190	15,464	− 17,862	216,871	+ 10,571
Dorado Railway	2 mths	Feb. 28	70	29,000	− 9,400	69,800	− 4,500
Dorado Rope. Ex.	2 mths	Feb. 28	45	4,700	− 1,800	10,800	− 100
International of Central America	1 mth	Jn.31	Gross	174,934	+ 13,313	—	—
			Net	86,310	+ 13,968	—	—
La Guaira & Car.	2 mths	Feb. 28	22½	13,755	+ 1,470	28,255	+ 2,705
Mid. of W. Aust.	6 mths	Dec. 31	277	25,377	+ 5,200	110,299	+ 7,020
Nassjo Oscarsh	4 mths	June 30	—	9,859	− 1,160	41,481	+ 1,332
PuertoCabello,&c.	1 mth	Jan. 31	35	5,500	+ 500	—	—
Rhodesia Rail'ys	1 mth	Dec. 31	1,397	211,137	− 2,605	—	—
Samana&Sant'go	2 mths	Feb. 28	—	2,530	− 468	5,420	− 818
Sante Fe Prov. .	1 mth	Jan. 31	—	189,095	+ 9,052	—	—
Zafra and Huelva	12 mths	Dec. 31	112	Ps. 383,244	− 18,711	5,019,626	+ 776,506

(a) Railway receipts only.

TRAMWAY AND OTHER RECEIPTS.

Barcelona Trac rcpts.in pstas.	1 mth	Jan.31	Gross	Ps8653,862	+ 515,300	—	—	
			Net	Ps6701,471	+ 258,342	—	—	
Brazilian Trac. receipts in $..	1 mth	Jan. 31	Gross	$3,892,833	+ 585,658	—	—	
			Net	$2,220,055	+ 297,485	—	—	
Brit. Columbia Electric, &c..	5 mths	Nov.30	Gross	$1,162,171	+ 22,426	5,619,612	+ 233,371	
			Net	$420,025	+ 73,619	1,724,843	+ 209,590	
Burmah Electric Supply Co.	1 mth	Jan. 31	—	—	—	—	—	
Cape Elec. Tram.	1 mth	Jan. 31	Gross	Rs. 64,372	− 4,744	—	—	
Carthagena and Herrerias Trms.				£41,070	—	—	—	
Catalinas Warehs	10 mths	Dec.31	—	—	—	—	—	
Cities Service Co.	1 mth	Feb. 28	—	£778	− 328	11,521	− 2,693	
International Light&Power	12 mths	Jan. 31	Gross	£7,800	+ 2,100	—	—	
		June30	Gross	$3,393,118	+ 497,535	35,242,133	+2,391,291	
			Net	£34,072	+ 962	395,658	+ 6,489	
Kalgoorlie Elec Tramways ...	11 mths	Nov.30	Gross	£8,671	+ 2,197	94,990	+ 6,058	
			Net	£1,721	—	19,225	—	
La Guaira Harb.	1 mth	Feb. 28	—	£332	—	—	—	
La Plata Electric	1 mth	Jan. 31	—	£14,389	+ 872	—	—	
Madras Electric	4 mths	May30	—	£10,014	+ 140	—	—	
N'rth'nMexico Power	Year	Dec.31	Gross	Rs. 79,888	− 17,303	321,806	− 67,896	
			Gross	£123,924	+ 26,157			
			Net	$103,948	+ 25,020	$1,055,265	+ 244,520	
Para Electric ...	2 mths	Jan.31	Gross	£14,028	− 870	28,388	− 1,362	
			Net	£4,395	− 1,475	19,084	+ 1,154	
Puebla Tram, &c	9 mths	Sep.30	Net Mx.	$98,000	− 9,800	984,000	− 32,200	
Rangoon Electric	12 mths	Dec.31	Gross	Rs.4,56,120	− 8,530	52,60,039	− 99,336	
			Net	Rs.2,40,320	− 16,890	27,49,055	3,21,805	
Shanghai Elec.,	2 mths	Feb. 28	—	$294,708	+ 20,848	613,928	+ 53,191	
Singapore Trac.	5 mths	Feb. 28	—	$117,000	+ 24,000	563,000	+ 115,000	
United Electric T. of Caracas	7 mths	Jan. 31	Gross	Bol.193,717	− 1,417	1,432,979	− 16,415	
United Electric T. of Montevideo	1 mth	Nov.30	Gross	$58,112	− 2,405	—	—	
Vera Cruz	9 mths	Sep.30	Net Mx.	$17,600	—	175,400	+ 108,600	
Winnipeg Electric	12 mths	Dec.31	Gross	$586,264	− 19,633	6,186,863	+ 171,727	
			Net	£225,069	− 2,507	2,072,572	− 109,860	

SUMMARY OF BALANCE-SHEETS.

MERCANTILE BANK OF INDIA, LIMITED.

Liabilities.	End of 1927. £	End of 1928. £
Capital paid up	1,050,000	1,050,000
Reserve fund.....	1,420,000	1,450,000
Notes in circulation	234,536	228,271
Current accounts and deposits	14,442,526	13,493,253
Bills payable.....	803,001	621,678
Loans payable.....	...	1,600,000
Acceptances.....	188,317	300,160
Profit and loss.....	248,846	246,047
	18,387,226	18,989,409

Assets.	End of 1927. £	End of 1928. £
Cash.....	1,915,167	1,767,867
Bullion.....	134,088	321,586
Securities & coin	283,025	290,025
Government and other stocks.....	5,755,532	4,937,400
Bills receivable	2,651,125	3,706,033
Bills discounted...	96,735	92,517
Loans receivable	6,737,186	6,897,746
Freehold banking premises.....	322,018	333,627
Acceptances	188,317	300,160
Sundry accounts	304,033	342,448
	18,387,226	18,989,409

NATIONAL BANK OF INDIA, LIMITED.

Liabilities.	End of 1927. £	End of 1928. £
Paid-up capital	2,000,000	2,000,000
Reserve fund ...	2,900,000	2,950,000
Current, fixed, deposit and other accounts	33,655,120	34,088,230
Bills payable	1,247,043	1,040,331
Acceptances	1,091,118	953,448
Profit and loss ...	596,500	607,329
Total	41,489,781	41,639,338

Assets.	End of 1927. £	End of 1928. £
Cash	3,718,800	4,590,002
Bullion	811,908	743,825
Indian Govern't. rupee sec'rities	6,869,988	6,589,808
British Government securities and other investments	6,396,922	6,261,486
House property & furniture	540,323	507,679
Bills of exchange	7,926,463	7,768,527
Discounts, &c. ...	14,134,259	14,224,563
Acceptances	1,091,118	953,448
Total	41,489,781	41,639,338

ASSOCIATED PORTLAND CEMENT MANUFACTURERS, LIMITED.

December 31, 1928.

Liabilities.	Amount. £	Compared with Dec. 31, 1927. £
Ord. shares	3,000,000	+ 500,000
Pref. shares	2,284,720	—
4½% deb. stock	1,845,976	− 36,744
5% second deb. stock	1,637,061	− 53,541
Kent 5½% debs.	557,650	− 8,200
Creditors	488,492	− 63,998
Profit and loss ...	442,836	+ 42,720
Total	10,256,735	+ 378,237

Assets.	Amount. £	Compared with Dec. 31, 1927. £
Freehold & leasehold est.	6,152,297	+ 90,334
Stock-in-trade....	467,760	− 23,643
Debtors	810,957	− 21,724
Investments at or under cost and loans	2,478,340	+ 502,814
Cash and bills ...	347,381	− 169,544
Total	10,256,735	+ 378,237

BRITISH INSULATED CABLES, LIMITED.

December 31, 1928.

Liabilities.	Amount. £	Compared with Dec. 31, 1927. £
6% cum. pref. (£1)	500,000	...
Ord. shares (£1) ...	1,333,333	...
5% deb. stock ...	700,000	...
Int. accrued	14,000	...
Reserve account...	1,535,000	+ 485,000
5% deb. stock	...	...
Creditors.....	1,138,055	+ 128,163
Pref. dividend ...	12,000	− 281
Divs. unclaimed...	954	− 10
Profit and loss ...	383,423	− 55,790
Total	5,637,765	+ 557,082

Assets.	Amount. £	Compared with Dec. 31, 1927. £
Properties	1,464,823	+ 67,876
Stocks and work in progress	1,026,347	+ 109,778
Debtors	1,473,789	− 26,307
Investments at cost	909,562	+ 157,513
Cash.....	525,930	+ 238,984
Bills receivable ..	22,354	− 35,644
British & Colonial Govt. securities & secured loans	209,312	+ 44,391
Unexpired insurance premiums, etc.	5,648	+ 491
Total	5,637,765	+ 557,082

DEBENHAMS, LIMITED.

January 31, 1929.

Liabilities.	Amount. £	Compared with Jan. 31, 1928. £
6½% cum. 1st pref. £1	2,000,000	+ 270,000
7½% cum. 2nd pref. £1	2,000,000	+ 980,875
10% cum. pref. ord. £1	1,000,000	...
"A" ord. £1 ...	1,200,000	+ 700,000
"B" ord. £1 ...	500,000	...
5½% 1st debs. ...	664,601	− 42,104
Int. accrued.....	9,138	− 579
Mortgage	48,704	...
Creditors	970,908	+ 188,400
Depositors	259,913	+ 37,208
Reserve and deb. sinking funds..	1,422,670	+ 376,848
Profit and loss....	542,558	+ 18,598
Total 10,618,492		+2,529,246

Assets.	Amount. £	Compared with Jan., 1928. £
Properties.....	3,297,323	+ 80,098
Furniture, plant, etc.....	310,927	+ 4,510
Stocks	930,897	− 17,232
Debtors.....	1,317,969	+ 106,357
Bills receivable...	129,982	− 8,831
Shares held in trading cos. at cost	3,352,796	+2,307,768
Balances of current accounts..	1,010,790	+ 172,940
Investments ...	237,528	+ 34,945
Cash	16,318	− 150,333
Insurance	13,962	− 976
Goodwill	Nil	...
Total 10,618,492		+2,529,246

MAYPOLE DAIRY COMPANY, LIMITED.

December 29, 1928.

Liabilities.	Amount. £	Compared with Dec. 31, 1927. £
5% cum. pref. £1, fully paid	350,000	...
20% cum.pref. ord. (5s.), fully paid	450,000	...
Df.ord.2s. fully pd.	2,158,333	...
Reserve fund	101,667	+ 10,000
Suspend reserve...	508,272	...
Provident fund ...	31,701	+ 7,129
Divs. unclaimed...	3,904	+ 347
Creditors.....	359,699	+ 1,784
Profit and loss ...	476,399	+ 20,313
Total	4,439,975	+ 36,005

Assets.	Amount. £	Compared with Dec. 31, 1927. £
Cash.....	167,517	− 18,793
Divs. accrued.....	59,600	+ 43,050
Investments in Govt. securities	198,216	− 22
Freehold and long leasehold props.	775,242	+ 104,704
Stocks	809,633	+ 57,720
Debtors	72,402	+ 8,507
Investment—Provident fund.....	31,608	+ 7,576
Goodwill and trade marks	422,900	...
Branch shops, etc.	229,593	+ 7,653
Shares in subsidiary co's, loans & trading inves'ts	1,673,264	− 174,390
Total	4,439,975	+36,005

NEWCASTLE-UPON-TYNE ELECTRIC SUPPLY COMPANY, LIMITED.

December 31, 1928.

Liabilities.	Amount. £	Compared with Dec. 31, 1927. £
Capital account...	9,958,713	+ 482,607
Depreciation and contingencies reserve	761,359	− 130,804
Reserve for plant renewals	51,920	+ 73
Secured loans.....	426,610	− 12,580
Temporary loans	45,397	− 303,498
Creditors	397,498	+ 67,281
Profit and loss ...	279,486	+ 50,086
Total 11,920,983		+ 242,165

Assets.	Amount. £	Compared with Dec. 31, 1927. £
Capital expend. ...	7,012,450	+ 318,812
Investments in and advances to associated cos. ...	4,308,944	+ 116,085
Furniture, etc. ...	20,000	...
Stores	198,694	+ 6,448
Debtors	219,959	− 26,095
Cash	148,862	+ 147,885
Suspense accounts written off	12,074	− 895
Discounts and expenses deb. issues	...	− 409,075
Total 11,920,983		+ 242,16

POWELL-DUFFRYN STEAM COAL COMPANY, LIMITED.

December 31, 1928.

Liabilities.	Amount. £	Compared with Dec. 31, 1927. £
6% pref. shs. (£5)	155,795	...
6% second pf.(£1)	105,141	...
Ord. shares (£1)	3,661,935	+ 309,968
7% 1st mt.db.stk.	1,410,000	− 60,000
Do. due for redemption ...	30,000	...
Int. on deb. stk.	40,320	− 1,680
6% Notes, 1935	1,350,000	+1,350,000
Int. accrued.....	16,209	+ 16,209
6% Notes, 1953	1,350,000	+1,350,000
General reserve...	375,000	...
Premium on shrs. account.....	179,123	− 80,395
Fire insnce. resv.	15,000	...
Pensions reserve	10,000	...
Bank overdraft...	320,771	+ 320,771
Creditors	762,072	+ 45,557
Profit and loss...	...	− 30,162
Total	9,781,366	+3,220,268

Assets.	Amount. £	Compared with Dec. 31, 1927. £
Collieries, works, etc.....	4,564,334	+ 272,576
Investments in & loans to cos. for housing ...	203,506	− 2,033
Investments in & loans to associated cos.	4,005,118	+2,692,391
Dead rents recoverable	155,382	+ 10,751
Debtors.....	368,572	+ 152,937
Stocks	192,116	− 7,380
5% War Stock, 1929–47, at par	50,000	...
Cash	4,434	− 106,878
Cash on deposit with trust's for first mt. db. stk.	30,000	...
Profit and loss ...	207,904	+ 207,904
Total	9,781,366	+3,220,268

THE SALT UNION, LIMITED.

December 31, 1928.

Liabilities.	Amount. £	Compared with Dec. 31, 1927. £
Preference shares	600,000	...
Ordinary shares...	800,000	...
Debenture stock...	939,934	...
Sundry creditors...	330,278	+ 11,860
Contingencies account	35,000	+ 35,000
Insurance reserve	54,052	+ 66
General reserve ...	550,000	...
Investments provision	29,739	...
Profit and loss ...	219,984	− 22,754
Total	3,558,987	+ 24,172

Assets.	Amount. £	Compared with Dec. 31, 1927. £
Freehold, etc., properties, plant, & goodwill	1,677,135	− 16,254
Steamers, barges, etc.	52,929	− 573
Rolling-stock	64,258	− 5,490
Stocks of salt.....	90,978	− 24,379
Fuel and material	100,926	− 9,192
Sundry debtors ...	175,023	+ 16,541
Debit balance, etc.	5,602	− 1,762
Investm'nts at cost	400,912	+ 36,195
Shares and debs. in and loans to allied companies	693,687	− 4,250
Cash.....	297,537	+ 23,336
Total	3,558,987	+ 24,172

SAVOY HOTEL, LIMITED.

December 31, 1928.

Liabilities.	Amount. £	Compared with Dec. 31, 1927. £
7% pref. shares ...	250,000	...
Ord. shares	738,934	...
Debentures and mortgages	1,220,000	− 28,600
Staff Superannuation fund	35,348	+ 2,330
Reserve and redemption accounts ...	420,800	+ 55,600
Creditors	230,298	+ 19,891
Profit and loss.....	114,576	+ 8,078
Total	3,009,956	+ 57,279

Assets.	Amount. £	Compared with Dec. 31, 1927. £
Savoy Hotel, etc.	1,873,093	− 6,800
Claridge's Hotel ...	180,000	...
Berkeley Hotel ...	100,000	...
Stocks	323,111	+ 7,738
Investments in War Loan, Treasury Bonds and Nat. War Bonds at cost	385,570	+ 48,874
Cash	148,182	+ 7,487
Total	3,009,956	+ 57,299

VICKERS, LIMITED.

Liabilities.	Dec. 31, 1927. £	Dec. 31, 1928. £
5% Pref. Stl. ...	750,000	750,000
5% Pref. £1	750,000	750,000
5% (Tax free) Pref. £1	6,863,807	6,863,807
Ord. Shares (5/8) fully pd.	4,105,161	4,105,161
Reserve	261,789	500,000
5% Deb. Stk. ...	1,250,000	1,250,000
5½ Deb. Stk. ...	2,000,000	2,000,000
Int. accrued ...	34,784	34,784
Creditors	2,055,616	1,269,232
Contingent Liabilities	2,232,776	2,662,376
Owing to Subsidiaries	2,353,768	150,650
Final Pref. Divs.	201,595	201,595
Profit and Loss	709,663	730,435
Total ...	23,568,959	21,268,040

Assets.	Dec. 31, 1927. £	Dec. 31, 1928. £
Properties	3,229,236	...
Investments in Vickers-Armstrongs ...	12,124,421	6,189,356
Metropolitan-Cammell Co.		2,721,813
Other Subsidiaries ...		3,595,453
Stocks	889,963	62,466
Debtors	2,384,628	399,461
Owing by Subsidiaries	600,580	1,559,124
Owing to Vickers-Armstrongs and Metropolitan-Cammell	...	561,232
Investments in Unquoted Securities	292,968	253,516
Quoted Securities	492,802	220,492
Bills receivable	154,974	289,402
Cash	1,256,881	1,349,191

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Latest Year.	Previous Year.
RAILWAYS.					
Barsi Light	...	...	...	5	5
Bilbao River and Cantabrian	...	...	Less tax	10	...
Central Argentine	3%*	Apr. 26	...	...	...
New York Central	2	May 1	...	...	...
BANKS.					
Austrian National	...	...	...	11½p.s.	...
INSURANCE.					
British and Foreign Marine	...	...	...	50/-ps.	50/-ps.
Eagle Star and Br. Dominions	5%*	...	Quarterly	...	...
Provident Accident and White Cross	37/6 p.s.†	and bon	us 30/- p.s.	...	...
TEA AND RUBBER.					
Dickwella Tea	...	...	Less tax	5	10
Dimbula Valley (Ceylon) Tea	12½%†	...	...	25	30
Greengate and Irwell Rubber	1/6p.s.†	May 1	...	2/6p.s.	2/3p.s.
Gula-Kalumpong Rub.	...	...	...	7½	10
Heffa Rubber	...	...	...	30	40
Hickleton Main Colliery	...	...	Tax free	2	4
Highland Tea (Ceylon)	15%†	...	...	25	25
Jasin Rubber	...	Apr. 19	...	10	5
Kampong Kuantan Rubber	...	...	...	25	25
Mapalagama Rubber	...	...	Tax free	6¼	...
Mengkibol Rubber	...	...	Less tax	2½	8
Parit-Bruas (Malay) Rub.	3%*	Apr. 3	...	10	18
Pilmoor Rubber	7½%†	...	...	...	...
Sungei Way Rubber	...	...	Less tax	7	10
Travancore Tea	25%†	...	Less tax	40	30
Victoria Rubber	...	...	...	20	20
MINING.					
Anglo-Continental	...	...	...	12½	Nil.
Gopeng Consol	9d.p.s.*	Apr. 6	...	...	...
Hickleton Main Colliery	...	...	Tax free	2	4
Jelapang Tin	2½	Mar. 27	...	...	...
Kinta Tin	5%*	Mar. 28	...	...	...
Kundang Tin	2½	Mar. 27	...	...	...
Lampa	2½%*	Mar. 18	Less tax	...	...
Larut Tin	2½	Mar. 27	...	...	...
New Jagersfontein	2/- p.s.	...	...	...	...
Surprise Mining and Finance	...	...	...	16¾	12½
Tanjong Tin	5%*	Mar. 28	...	...	...
Wankie Colliery	5%*	Apr. 3	Less tax	...	...
OTHER COMPANIES.					
Albion Motor	...	...	Less tax	12½	12½
Automatic Telephone Manuf.	6¼%†	and bon	us of 2½%	12½	...
Barlow Taylor	10%†	...	...	10½	...
Barry, Ostlere and Shepherd	1/3 p.s.†	...	...	15‡	15‡
Bede Metal and Chemical	1½%*	May 1	Less tax	1/6 p.s.	5d. p.s.
Boardman's United Breweries	14%†	Apr. 18	...	...	...
Bradley's (Chepstow Place)	...	...	Less tax	20	20
Briton Ferry Chemical Manure	10%†	...	...	1/-p.s.	1/-p.s.
British Insulated Cables	...	...	...	15	15
Bruce Peebles and Co.	...	...	Tax free	5	10
Buttons	...	...	Tax free	10	10
Cannon Brewery (def.)	...	...	...	16	16
Chicago-Gaika	...	...	...	17½	15
Clyde Valley Elec. Power	5%†	...	...	8	8
Coleman and Co.	...	...	...	12½	17½
Colonial Gas Assoc.	4½%*	Apr. 1	Less tax	...	...
Coltness Iron	2½%†	...	Less tax	5	10
Cope Allman and Co.	...	...	Less tax	10	10
Cunard	...	...	Less tax	7½	7½
Currys (1927)	...	...	...	5	...
Egham and Staines Electricity	...	...	Less tax	7½	7½
Eastern Extension Australasia etc.	2½%†	Apr. 15	Tax free	10	10
Eastern Telegraph	2½%†	Apr. 15	Tax free	10	10
Edwin Jones and Co.	...	...	...	55	...
English Margarine Works	...	...	Less tax	8	6
Ericsson Telephones	...	...	Less tax	5	5
Financial News	100%†	...	...	175	25
Folkestone Electricity	...	...	Tax free	10	10
Foreign, Amer. and Gen. Invest.	6½%†	...	...	9½	8½
Fred. W. Millington (1920)	...	...	...	12½	12½
Gandy Belt Manufacturing	11%†	Mar. 31	...	15	12½
Gaskell and Chambers	10%	and bon	us 1/- p.s.	...	...
Gibbons (Dudley)	4%†	...	Tax free	7½	10
Great Eastern Train Ferries	...	...	Less tax	1/1 p.s.	1/-p.s.
Hadfields	5%*	...	...	2½	5
Hemel Hempstead Brick	...	...	...	...	...
Henry Dodgson (1928)	...	...	Less tax	14	...
Hide and Co.	33½%	and bon	us of 16⅔%	50	20·83
Howard and Wyndham	...	...	Less tax	10	10
Humber Graving Dock, etc.	2%*	Mar. 22	Less tax	...	...
Hyde's Bird Seeds	3½%*	Apr. 1	Quarterly	...	...
Internat. Automatic Tele. (Def.)	...	...	Less tax	12½	...
International Match Corp.	80 cents*	Apr. 15	Quarterly	...	...
Investors Trust (Def.)	...	...	...	5	...
Investment Trust	...	...	...	5§	...
J. Stone and Co.	...	...	...	20	15
James Cycle Co.	...	...	Less tax	2½	...
Jay's	...	...	Less tax	5	4
John Baker (Rotherham)	...	...	...	5	5
John Groves and Sons	...	...	...	15	15
Jones and Co.	...	...	Less tax	22½	17½
Lamot	...	...	Less tax	6	...
Lamson Paragon Supply	...	...	...	7	6
Lancashire Dynamo and Motor	9%†	...	...	5	5
Limmer & Trinidad Lake Asphalt	...	...	Tax free	15	15
Linoleum Manufg.	2½%*	Apr. 1	Tax free	25	25
Maynards	10%†	...	Less tax	...	...
Maypole Dairy (Def.)	...	...	...	17½	17½
Mazawattee Tea	...	Apr. 12	...	15	15
McDonalds	5½%†	...	...	5	10
Midland Electric Power Distrib.	3½%† &	bonus 5	% tax free	8	15
Nat. Mtge. & Agency of N. Zealand	...	...	...	12½	12½
New Egyptian	...	...	...	23½	13½
Nicholsons	...	...	...	5	7½
Northern General Transport	...	...	...	10	10
Radiation	...	...	Less tax	12½	12½
R. and J. Pullman	...	...	Less tax	9d. p.s.	3d. p.s.
Rivet, Bolt and Nut	...	...	...	10	10
St. James' Court Estate	5%*	...	Less tax	8	...
Savoy Hotel	7%†	and bon	us of 2½%	12½	10
Scottish Iron and Steel	...	...	...	5	8
Scottish Motor Traction	...	...	Tax free	12½	10
Second Caledonian Trust	3½%†	Apr. 9	Less tax	6	...
Smart Bros.	...	...	...	13	11
South Kent Water	3%*	...	...	...	...
Tees Power Station	...	...	Less tax	6	5
Thaisis Sulphur and Copper	...	...	...	10	8½
Thawpit	10%*	...	...	...	...
Thomas Robinson	...	...	...	5	10
Thorne and Co.	...	...	...	10	Nil.
United Dairies	5%*	Apr. 3	Less tax	...	...
W. J. Harris	...	...	...	7½	7½
Walker and Homfrays	5%*	...	Quarterly	...	...
Waller and Hartley (1927)	...	...	Less tax	20	20
Ward (Thos. W.)	2½%*	Apr. 9	Tax free	...	...
Warwicks and Richardsons	4%*	Apr. 1	Less tax	...	...
Waste Heat and Gas, Electrical	...	...	...	8	8
Western Wagon and Property	...	...	...	10	10
West of Scotland Amer. Invest.	5%†	...	...	11	...
William Gossage	...	...	...	20	20
Windsor Trust	30%*	Mar. 26	Less tax	12½	11½
Wright and Co.	...	...	...		

§ Dividend rate for 5 months only. ‡ Bonus 2/- p.s.

Reports and Notices.

The Hon. Edmund W. Parker has been elected chairman of the board of directors of the Union Bank of Australia, Limited.

Messrs. J. and A. Scrimgeour beg to announce that their offices have been removed to 3 Lothbury, London, E.C. 2.

City of Cape Town 4 per cent. municipal loan £178,050.—The Standard Bank of South Africa, Limited, announce the numbers of certain debentures for repayment at par on July 1st.

The offices of the Bartholomay Brewing Co. (of Rochester), Limited, have been removed to 1 and 2 Gracechurch Street, E.C. 2.

BANKS.

THE YOKOHAMA SPECIE BANK, LIMITED.—The accounts for the half-year ended December 31, 1928, as presented at the meeting of the shareholders, held in Japan on March 9th, show net profit for the past half-year of 17,346,622 yen, including 8,281,611 yen brought forward from the preceding half-year. Distributed as follows:—To reserve fund, 3,000,000 yen; to dividend, 5,000,000 yen; to balance carried forward, 9,346,622.43 yen. The rate of dividend declared was 10 per cent., as on the previous occasion, and the amount placed to reserve was again 3,000,000 yen, which brings the total reserve to 105,500,000 yen. It will be noticed that the amount carried forward has again increased by over a million yen.

NATIONAL BANK OF INDIA, LIMITED.—Report for year 1928 shows net profits amount to £530,829, as compared with £541,099 for 1927. Interim dividend at the rate of 20 per cent. per annum free of income tax has been paid. The directors recommend a further dividend at the same rate, adding £50,000 to reserve fund, writing £30,000 off House Property Account, adding £50,000 to Officers' Pension Fund, leaving £277,328 to be carried forward, against £276,499 brought in. The balance sheet is fully summarised in another column. The meeting will be held on April 2nd, at the Wesleyan Hall, Bishopsgate, London, at noon.

MINES.

RAND MINES, LIMITED.—The report for 1928 discloses a profit of £526,190, which compares with £673,970 for 1927. Government and provincial taxes absorbed £33,738, against £38,776. The dividend is again 100 per cent. The net amount expended on investments in 1928 was £289,004, against £44,630 in 1927. The surplus to be carried forward is £897,792, against £1,205,286, the decline being chiefly due to expenditure on investments. The reserve account stands at £2,303,167, an increase of £228,849 compared with end of 1927.

MISCELLANEOUS.

CANNING TOWN GLASS WORKS, LIMITED.—The second annual report shows a net trading profit for 1928 of £33,406 (last report November 5, 1926, to December 31, 1927, £14,927), adding £2,000 realised on investment account, and £7,427 brought forward, there is £42,833 available. The directors propose to write down certain items included in buildings, plant and machinery £5,000, transfer depreciation reserve account £5,000, transfer to general reserve £7,500, and the payment of a dividend of 5 per cent. (payable April 30th) £14,349, leaving £10,984 to be carried forward. Cash and bills receivable are higher at £31,618 against £10,165. Bank loan has been reduced from £35,500 to £30,000. It is proposed that the shares, which are at present 9d. each, should be consolidated into shares of 5s. each.

(*Continued on page* 662.)

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.		
					Prefce.	Ordinary.					
					Amount	Amount.	Rate.			Net Profit.	Dividend.
Banks.		£	£	£	£	£	%	£	£	£	%
Mercantile Bank of India	Dec. 31	164,846	250,201	415,047	...	168,000	16	85,000	162,047	257,179	16
Electric Lighting & Power.											
Clyde Valley Power	Dec. 31	84,290	304,297	388,587	58,000	96,000	8	150,000	84,587	288,166	8
Folkestone Electricity	Dec. 31	2,047	38,096	40,143	2,500	15,500	10†	20,249	1,894	38,685	10†
Llanelly & District Electric	Dec. 31	1,279	37,696	38,975	12,000	...	...	23,648	3,327	29,510	Nil.
Mersey Power	Dec. 31	16,420	59,797	76,217	...	17,089	5	42,047	17,081	...	...
Midland Electric Corportn.	Dec. 31	9,128	154,460	163,588	14,000	56,000	8	69,039	24,549	173,185	15
Newcastle-upon-Tyne Elec.	Dec. 31	43,206	614,786	657,992	181,878	184,961	6	210,500	80,653	562,028	6
Financial, Land, &c.											
National Mort., etc., of N.Z.	Sep. 30	14,061	42,756	56,817	...	31,250	20†	10,000	15,567	31,826	12½†
Standard Property Invest.	Dec. 31	1,191	5,678	6,869	...	2,640	11	2,850	1,379	5,866	11
Gas.											
Alliance and Dublin	Dec. 31*	30,947	56,279	87,226	...	59,165	7⅞	...	28,061	54,861	7
Hotels, Restaurants, &c.											
Savoy Hotel	Dec. 31	46,022	193,400	239,422	17,500	92,359	12½	93,936	35,627	183,358	10
Iron, Coal and Steel.											
Baker (John) & Co.	Dec. 31	14,483	18,485	32,968	10,500	9,000	5	...	13,468	...	...
Hadfields	Dec. 31	86,366	54,901	141,267	13,500	37,196	2½	...	90,571	130,067	5
Henry Bessemer and Co.	Dec. 31	11,312	24,334(s)	35,646	...	...	...	...	35,646	11,312	...
Merry and Cunninghame	Nov. 30	*Dr185,191*	*Dr.41,149*	*Dr226,340*	...	...	...	...	*Dr226340*	*Dr36,346*	...
Penrikyber Navigation Coy.	Dec. 31	14,130	*Dr. 8,324*	5,806	12,000	...	...	*Dr.12,000*	5,806	13,655	...
Powell Duffryn Steam Coal	Dec. 31	23,900	*Dr231,805*	*Dr207,905*	...	...	...	...	*Dr207905*	28,775	...
Scottish Iron and Steel	Dec. 31	19,374	47,055	66,429	18,000	18,000	5	16,104	14,325	72,002	8
Stewarts and Lloyds	Dec. 31	114,724	582,114	696,838	94,400	164,543	5	315,000	122,895	615,742	5
United Collieries	Dec. 31	63,443(t)	*Dr. 58,840*	4,603	...	...	...	...	4,603	*Dr31,423*	...
Vickers, Limited	Dec. 31	208,722	939,903	1,148,625	418,190	262,730	8	250,000	217,705	992,985	8
Rubber, etc.											
Gula-Kalumpong	Dec. 31	61,367	58,483	119,850	...	49,875	7½	10,000	59,975	88,392	10
Lavant	Dec. 31	1,471	4,327	5,798	3,150	...	...	853	1,795	7,521	5
Lower Perak	Dec. 31	7,572	7,550	15,122	...	5,653	8	3,750	5,719	12,888	5
Mengkibol (Central Johore)	Dec. 31	4,817	6,693	11,510	668	3,646	2½	3,000	4,196	14,662	8
Serdang Central	Dec. 31	7,140	7,434	14,574	...	8,848	10	2,000	3,726	15,884	10
Shipping.											
Great Eastern Train Ferries	Dec. 31	5,003	22,129	27,132	...	21,667	1/1 p.s.	...	5,465	21,024	1/ p.s.
Shops and Stores.											
Debenhams	Jan. 31	17,097	945,347	962,444	377,380	117,507 379,798	10A 76B	50,960(m)	36,799	734,093	10A 66B
Jay's, Limited	Jan. 31	10,255	21,772	32,027	12,375	8,000	5	...	11,652	20,452	4
Mappin and Webb	Dec. 31	24,696	102,781	127,477	36,000	25,600	10	50,000	15,877	86,817	10
Maypole Dairy	Dec. 31	176,503	525,521	702,024	107,500	377,708	17½	20,000	196,816	523,712	17½
Tea.											
Travancore Estates	Sep. 30	6,576	57,589	64,165	4,833	36,000	40	17,000	6,332	50,419	30
Telegraphs and Telephones.											
Automatic Telephone	Dec. 31	81,755	171,228	252,983	12,000	62,500	12½	85,000	93,483	178,903	10
International Auto. Tele.	Dec. 31	59,592	130,817	190,409	11,924	53,750 45,000	12½ Ord. 12½ Def.	10,000	69,735	124,278	10 Ord. 10 Def.
Textiles.											
Melso	Dec. 31	9,208	*Dr. 2,480*	6,728	5,625	...	...	...	1,103	30,260	7½
William Hollins and Co.	Dec. 31	41,249	153,446	194,695	18,000	107,950	8½	25,000	43,745	139,435	7½
Tramways.											
Bristol Tramways	Dec. 31	5,915	77,871	83,786	16,000	49,000	7	15,000	3,786	75,926	7
Imperial Tramways	Dec. 31	1,394	17,084	18,478	9,600	8,000	5	...	878	15,431	Nil
West Yorkshire Road Car	Dec. 31	7,330	28,311	35,641	4,283	24,024	12½	...	7,334	...	...
Trusts.											
General and Commercial Inv.	Feb. 28	24,394	46,103	70,497	12,000	32,400	11	1,000	25,097	40,065	11
Investors Trust Association	Feb. 28	...	21,784	21,784	6,250	6,250	5	5,000	4,284	...	...
Municipal Trust	Feb. 28	4,332	33,385	37,717	26,256	737	5	...	10,724	35,149	10
Other Companies.											
Bowater (W. V.) and Sons	Dec. 31	6,480	41,674	48,154	16,000	9,021	7½	13,167	9,966	...	...
British Insulated Cables	Dec. 31	305,880	574,175	880,055	30,000	200,000	15	399,966	250,089	564,159	15
Briton Ferry Chemical	Dec. 31	1,949	27,722	39,671	4,599	7,940	5	15,000	12,132	23,573	5
Bruce Peebles and Co.	Dec. 31	5,967	1,140	7,107	3,830	8,123	5	*Dr. 10,000*	5,154	25,509	10
Buttons, Limited	Dec. 31	7,730	30,483	38,213	6,333	17,605	10†	5,500	8,775	30,842	10†
Cavendish House (Cheltnm.)	Jan. 31	...	19,778	19,778	6,875	8,333	15	1,661	2,909	...	...
Gossage (William) and Sons	Dec. 31	19,231	296,412	315,643	71,250	140,000	20	75,000	29,393	245,231	20
Henry Dodgson (1928)	Jan. 31	...	19,120	19,120	9,500	7,000	14	2,000	620	...	...
Hide and Co.	Jan. 31	3,516	17,734	21.250	5,120	8,000	50	3,500	4,630	...	...
Holborough Cement	Dec. 31	11,636	91,237	102.873	...	75,000	7½	20,000	7,873	...	...
Hooper, Struve and Co.	Dec. 31	930	5,080	6,010	4,000	...	...	1,000	1,010	2,024	...
Howard and Wyndham	Feb. 28	3,789	19,380	23,169	1,200	15,444	10	2,481	4,044	17,665	10
Lamson Paragon Supply	Jan. 31	14,200	80,029	94,229	35,396	28,000	7	10,000	20,833	70,541	6
London Brick Co., &c.	Dec. 31	218,670	333,330	552,000	32,000	175,000	20	125,000	220,000	325,886	25
Pinchin, Johnson and Co.	Dec. 31	52,273	354,280	406,553	26,000	233,450	30	67,000	80,103	262,942	30
Pullman (R. and J.)	Dec. 31	1,174	11,458	12,632	3,500	5,250	75	796	3,086	3,971	25
Radiation	Dec. 31	122,728	279,650	402.378	52,202	226,251	12½	...	123,925	280,292	12½
Rivet, Bolt and Nut Co.	Dec. 31	10,885	42,954	53,839	...	33,000	10	10,893	9,946	54,891	10†
Robinson (T.) and Son	Dec. 31	28,310	2,124	30,434	10,368	11,080	5	...	8,986	...	...
Salt Union	Dec. 31	32,399	187,584	219,983	70,000	100,000	12½	26,000	23,983	222,781	12½
United Glass Bottle	Dec. 31	42,929	104,055	146,984	38,863	16,701	5	48,760	42,660	77,230	Nil.

* For half-year. † Free of Income Tax. (m) To Staff Participation Fund.
(s) Includes £28,868 Net Refund of Excess Profits Duty. (t) Includes transfer of £55,000 as result of adjustment with Mines Department.

(*Continued from page* 660.)

INCORPORATED ACCOUNTANTS' EXAMINATIONS.—The next examinations of candidates for admission to the Society of Incorporated Accountants and Auditors will be held on April 29th, 30th, May 1st and 2nd, in London, Manchester, Cardiff, Leeds, Glasgow, Dublin, Belfast, Cape Town, Johannesburg and Durban. Women are eligible under the Society's regulations to qualify as Incorporated Accountants upon the same terms and conditions as men. Particulars and forms are obtainable at the offices of the Society, Incorporated Accountants' Hall, Victoria Embankment, W.C.2. These will be the first examinations held since Incorporated Accountants' Hall (formerly Astor House) was opened by H.R.H. The Duke of York.

NESTLÉ AND ANGLO-SWISS CONDENSED MILK COMPANY.—The profit for 1928 is Frs. 23,614,314.82, to which must be added the balance brought forward from 1927 of Frs. 5,088,841.98. The board propose to allocate 1,000,000 francs to statutory reserve, also 10,000,000 francs to provident and pension funds, and 6,500,000 francs to special reserve. The preference shareholders receive 8 per cent. The ordinary shareholders receive 5 per cent. and a further dividend of 7 per cent., making 12 per cent. for year. The carry-forward is Frs. 6,210,961, of which the board shall distribute, on July 1, 1929, and January 1, 1930, the amounts required for the payment of the half-yearly dividends on the preference capital, which will require £160,000, or about Frs. 4,040,000. The issued ordinary capital of the company is to be increased from Frs. 80,000,000 to Frs. 97,500,000 for the purpose of absorbing Peter, Cailler, Kohler, Chocolate Suisses S.A.

MAYPOLE DAIRY COMPANY, LIMITED.—The report for 1928 shows a net profit of £533,254, against £531,418 for 1927. The sum of £10,000 is again put to reserve and £10,000 is put to provident fund as last year. The dividend on the deferred shares is again 17½ per cent. for the year. The carry-forward is increased from £176,503 to £196,816. The directors state that conditions for the past year continued to reflect the general industrial depression prevalent in many of the important centres where the company has branches; on the other hand, in some districts considerable improvement has been evident during the latter part of the year. The directors add that this progress continues to be well maintained this year. The meeting will be held at Winchester House, London, on March 25th at noon.

SAVOY HOTEL LIMITED.—The trading profit for 1928 was £236,002, against £229,062 for 1927. The ordinary shareholders receive 12½ per cent., against 10 per cent. for 1927. The sum of £50,000 is put to reserve and £5,000 to staff superannuation and benevolent fund. A provision of £30,000 has been made for alterations at Claridge's Hotel. The directors continue to pursue the policy of maintaining all the company's properties at the highest possible state of efficiency.

LONDON BRICK COMPANY AND FORDERS.—The Directors report that by the extension of sales over a wider area the full production of bricks during the year 1928 has been marketed. Reductions made in the selling prices have been set off by the increased quantities delivered which have enabled the profits to be maintained. The total revenue for the year amounted to £334,113, which compares with £326,745 earned in the previous year. The ordinary dividend for 1928 is 20 per cent., absorbing £175,000. This compares with a dividend of 25 per cent. for 1927, absorbing £150,000. The sum of £125,000 has been put to general depreciation reserve account, as compared with £75,000 last year; there remains a balance of £1,330 to be added to the amount carried forward, which will then stand at £220,000. The businesses of Plowman's Brickfields, Arlesey Brick Co. (Bearts), and Hicks and Company Fletton, have been acquired and the companies liquidated. The share capital in Itter's Brick Company, and a controlling interest in the shares of Beebys Brick Company, have also been acquired. These purchases, together with extensions being effected, will bring the company's productive capacity up to 1,000,000,000 bricks per annum. Meeting at Connaught Rooms, Great Queen Street, Kingsway, London, on March 25th at noon.

MANCHESTER SHIP CANAL.—Mr Ernest Latimer has retired from the position of managing director of the company, but retains his seat on the board of directors. Mr F. A. Eyre, secretary and accountant of the company, has been appointed general manager. Mr Matthew Kissane, assistant secretary, has been appointed secretary. Mr. H. O. Whitelegg, assistant accountant, has been appointed accountant. Mr Herbert Mends Gibson retains his position as chief superintendent and will, as heretofore, control the commercial section, including development of traffic and tolls rates and charges. Mr William Browning retains his position as traffic superintendent in charge of the administrative work of the Ship Canal and Docks. The latest traffic figures are: February, 1928, £105,747; February, 1929, £105,845; increase, £98. Total for two months: 1928, £221,405; 1929, £221,624; total increase, 1929, £219.

ISLAS DEL GUADALQUIVIR S.A.—Following the approval by the board of this company of the report of the Consultative Committee, the appointment of which was announced in the press on November 12, 1928, a circular will shortly be published in the press addressed to the holders of founders' shares, together with a notice convening an extraordinary general meeting for the purpose of obtaining the sanction of shareholders to an increase in the capital of the company, in accordance with the recommendations of the committee. If the increase in capital is authorised by the meeting it will take the form of an offer to holders of founders' shares. The publication of the circular is rendered necessary by the fact that all the company's founders' shares are of bearer denomination.

THE ASSOCIATED GAS AND ELECTRIC COMPANY.—We are informed that the Associated Gas and Electric Company has concluded a contract to acquire control of the General Gas and Electric Corporation, and upon consummation of this transaction the gross earnings of the Associated System will exceed $70,000,000, which will place it among the seven or eight largest power groups in the United States.

THE BENGAL IRON COMPANY, LIMITED.—We are informed that the usual half-yearly dividend on the preference shares will be paid on April 2, 1929. The result of the year's working to March 31 will not be as satisfactory as that of the previous year. This is partly due to falling off in orders for sleepers and pipes, and partly to the fact that the Railway Board are not now entering into long-term contracts as formerly. This leads to irregular employment of labour and to increased working costs. While orders for pipes and sleepers have been disappointing, the demand for pig iron has been fairly good. The board anticipate that the profit-sharing arrangement with the Indian Iron and Steel Co., Limited, will show a net result approximating that of last year.

THE "FINANCIAL NEWS," LIMITED.—The report just issued shows that profits for 1928 were £93,546, after providing for income tax. This compares with a profit of £77,437 for 1927. The ordinary shareholders receive a dividend of 175 per cent. for 1928, which compares with a dividend of 25 per cent. for 1927. The carry-forward is increased from £115,738 to £130,854. Copyright and goodwill remains at £198,232. There is a secured loan of £243,000, which did not appear in 1927 balance sheet. Investments in Government stocks are at £12,849, while trade investments are at £23,812. Investments in the 1927 balance sheet totalled £119,365. Debtors are at £43,163, against £28,739. Reserve account, being profit on investment realisations, stands at £81,958. The new address of the company is 20 Bishopsgate, E.C.2.

OIL OUTPUTS.

THE MEXICAN EAGLE OIL COMPANY, LIMITED.—The output for the week ended March 9, 1929, was 159,000 barrels.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended March 13th:—Venezuela, 35,417 barrels; Trinidad, 20,161 barrels; total, 55,578 barrels.

VENEZUELAN CONSOLIDATED OILFIELDS.—Output for week ended March 16th, 2,744 barrels (392 tons).

VENEZUELAN OIL CONCESSIONS.—Output for the week ended March 16th was 120,868 metric tons (previous week ended March 9th, 119,182 metric tons).

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

Climatic conditions during the past week continued favourable for outdoor work, and with the land in good condition farmers were busily occupied in ploughing and sowing operations. Native wheat was in small supply at the principal Statute markets, and prices were kept at a fairly steady level. A moderate business resulted in imported descriptions, but the tendency is weaker in sympathy with the forward position. In the cargo section buyers manifested little interest as present wants are largely covered by increasing arrivals at the chief European ports. Despite lighter shipments of late, Argentine qualities were freely offered at rather less money, and which imparted a weaker tone to the market generally, although North American shippers refrain from pressing owing to variable weather reports. Additional moisture is apparently needed in Canada to ensure proper germination of the new sowings, but United States advices are more favourable in his respect. Steamers of No. 2 Northern Manitoba afloat sold 49s., No. 3 46s. 7½d., No. 4 45s. 6d., Rosafe 64 lb. afloat 43s. 7½d., and a part cargo of West Australian ditto at 46s. 7½d., the latter to the Mediterranean, all per 480 lb. c.i.f. terms. Feeding stuffs quiet and trend of values lower, Plate maize being difficult to vend, as prices are considered too high compared with other feeding stuffs.

Wheat.—Quiet and easier in sympathy with forward weakness. No. 2 Northern Manitoba, 51s. 6d.; No. 3, 50s. 6d.; No. 4 Manitoba, 49s. 6d.; No. 5, 45s. 3d.; No. 6, 39s. 6d.; Rosafe, 64 lb., 46s.; Barusso, 63½ lb., 46s.; Australian, 49s. all ex-ship, per 496 lb.; English, 9s. 6d.-9s. 8d. per 112 lb.

Flour dull and easier. London standard grade, 37s. 6d.; town whites, 38s. 6d.; patents, 39s. 6d.-40s. 6d. per sack, delivered in the Home Counties, with 6d.-1s. per sack less for deliveries in the London districts. Of imported, Mantioba patents range from 34s. 6d.-37s.; Minneapolis, 35s.-37s. 6d.; Australian, 35s. 6d. ex store; Australian, 32s. 6d.-33s. per 280 lb.

Maize easier for near positions. Plate, landed, 43s. 9d.; ex ship, to arrive, 42s. 6d.; March-April, 39s. 6d.; new April-May, 38s. 6d.; May-June, also June-July, 38s.; No. 2, white, flat, African, 43s., landed, per 480 lb. Yellow maize meal, £11 10s., ex wharf; Hominy chop, £9 7s. 6d. per ton.

Barley dull. Californian, ex ship, 45s.-52s.; Chilean Chevalier, 48s.-58s.; Australian, 45s.-49s.; Smyrna, 44s.-47s. per 448 lb.; Algerian/Tunisian, ex ship, 34s. 6d.; Canadian feed, 32s. 6d., landed; No. 3 Canadian Western, 36s.; No. 2 Federal American, 30s., ex ship, to arrive, per 400 lb.; English malting, 10s.-12s. 6d.; feed, 9s. 3d.-10s. per 112 lb.

Oats quietly steady. Plate, landed, 26s. 3d.; ex ship, to arrive, 25s. 3d.; March, 25s. 3d.; black Plate, landed, 25s.; mixed Canadian feed, landed, 22s. 3d.; Chilian, white, 32s., landed; German, landed, 29s. 3d.; ex ship, to arrive, 28s. per 320 lb.; English, 9s. 4d.-10s. per 112 lb.; Scotch, landed, 30s. 9d. per 336 lb.; Irish, black, 27s. 6d. per 320 lb.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to March 16	Qrts. 229,446	Qrts. 285,040	Qrts. 216,412	Qrts. 188,338
25 weeks to March 16	7,672,941	7,179,079	9,191,720	10,495,927
Average price of English wheat per cwt.	s. d. 9 8	s. d. 9 9	s. d. 11 7	s. d. 11 5

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold.			Average Price per Qwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Qrts.	Qrts.	Qrts.	s. d.	s. d.	s. d.
Mar. 9	240,677	159,989	58,472	9 9	10 3	9 7
Mar. 16	229,446	141,451	64,058	9 8	10 2	9 8
Mar. 14, 1925	343,228	134,335	82,044	13 5	11 6	9 9
Mar. 20, 1926	188,338	147,083	47,910	11 5	9 0	8 9
Mar. 19, 1927	216,412	120,408	56,486	11 7	10 11	8 0
Mar. 17, 1928	285,040	133,515	70,075	9 9	10 8	10 7

AMERICAN WHEAT MARKETS.

There has been a downward tendency in wheat prices most of this week, owing to consistently favourable weather reports, together with an inactive demand. Occasional rallies due to less good weather news were offset by renewed commission house selling, until Wednesday, when there was a slight rise as a result of improved export demand. Quotations:—

Nearest Future.	Jan. 4, 1928.	Mar. 21. 1928.	Jan. 2, 1929.	Mar. 6, 1929.	Mar. 13, 1929.	Mar. 21, 1929.
Winnipeg (No. 1 Manitoba)—Cents per 60 lb.)	137	142⅜	122	128⅛	132½	129⅜
Chicago (No. Winter)—Cents per 60 lb.	130⅜	141½	116⅜	121½	125½	123½

Visible supplies of wheat in Canada at 86,783,000 bushels show an increase of 532,000 bushels as compared with the previous figure. Supplies a year ago stood at 76,931,000.

THE COAL TRADE.

Our Sheffield correspondent writes:—Although prices of export coal are weaker the position of the market continues strong, and supplies are on the short side, although the pits are working well. The industrial demand is steady at former prices, while sales of house coal have fallen off. Stocks generally are low, and deliveries in arrears. Coke is none too plentiful owing to the increased demand, and prices are firm. Coking slacks are scarce. South Yorkshire best steams are quoted at 19s. to 20s. f.o.b. Blast-furnace coke is quoted at 14s. 6d. at ovens.

Our Glasgow correspondent writes:—There is still very little coal available for shipment before the middle of April, and the collieries have no difficulty in maintaining prices. Slightly easier rates are quoted for forward business, but not much new business is being arranged, as foreign buyers and exporters both are anticipating still lower prices, and are consequently holding off meantime. There was a meeting of the coalowners' committee on Monday in connection with the new scheme of control that is being arranged, but it is understood that no definite arrangements were come to regarding the actual working of the scheme. It appears that while over 90 per cent. of the collieries in Fife, the Lothians, and Ayrshire have given their consent to the scheme, replies have still to be received from a number of the Lanarkshire collieries, and nothing is likely to be done until these are received. Shipper's prices are approximately as follows (f.o.b. district ports):—LANARKSHIRE.—Ell best, 19s.; splint best, 19s. 6d.; splint second, 19s.; navigation, 18s. 6d.; navigation second, 16s.; steam, 17s.; Hartley, 19s.; trebles, 17s. 6d.; doubles, 16s. 6d.; singles, 14s. 6d.; pearls, 12s. 6d.; dross, 10s. 6d.-11s. FIFE.—Screened navigation, 19s. 6d.; first-class steam, 17s. 6d.-18s.; third-class steam, 17s.; trebles, 17s. 6d.-18s.; doubles, 16s. 6d.-17s.; singles, 14s. 6d.; pearls, 12s. 9d. LOTHIANS.—Price steam, 16s. 6d.-17s.; secondary steam, 16s.-16s. 6d.; trebles, 17s. 6d.; doubles, 16s. 6d.; singles, 14s. 6d.; pearls, 12s. 9d. AYRSHIRE.—Unscreened navigation, 16s. 6d.; jewel, 18s. 6d.; steam, 16s. 6d.; trebles, 17s. 6d.; doubles, 16s. 6d.; singles, 14s. 6d;. pearls, 12s. 9d.; dross, 11s.

Our Cardiff correspondent writes:—The South Wales coal market has firmly maintained its strength during the present week, and the prospects are that prices will continue to be dominated by collieries for several weeks to come. Next week the pressure will probably be accentuated by an effort on the part of shippers and shipowners to get tonnage away before the Easter holidays, and immediately after the holidays the market will have to face a situation in which it will have been deprived of at least half a normal week's production. Merchants are complaining of great difficulty in obtaining even small parcels to complete shipments, and what current transactions are taking place are mainly through contractors. Except in a few cases there has not been this week any further rise in f.o.b. prices, and no important contracts have been placed for forward deliveries. The joint audit of the coalfield for the three months ended last January shows a loss of £222,148, equivalent to 5.54d. per ton, compared with £755,153 in the preceding three months. The following are the current approximate quotations: Best Admiralties, 21s. to 22s.; seconds, 21s. to 21s. 6d.; best drys, 21s. to 21s. 6d.; Black Veins, 20s. 6d. to 21s.; Western Valleys, 20s. to 20s. 6d.; Eastern Valleys, 20s. to 20s. 3d.; best small steams, 14s. 6d. to 15s. 6d.; cargo smalls, 13s. 6d. to 14s.; coking smalls, 14s. 6d. to 15s. 6d.; anthracite, best large, 33s. 6d. to 35s.; Red Vein, large, 25s. to 27s.; machine-made cobbles, 40s. to 43s. 6d.; French nuts, 42s. to 44s.; stove nuts, 40s. to 43s.; rubbly culm, 10s. 9d. to 11s. 6d.; foundry coke, 27s. 6d. to 37s.; patent fuel, 20s. to 21s.; pitwood, ex ship, 27s. 3d. to 27s. 6d.

IRON AND STEEL.

We extract the following from the Weekly Report of the London Iron and Steel Exchange:—The quiet conditions recently noticed in the iron and steel markets are not expected to improve much before the Easter holidays. Nevertheless, the undertone of the market is

Thieves, Ancient and Modern.

THE CHATWOOD SAFE

Has a strong deep hold upon Bankers and those with treasure to protect.

It gives a feeling of confidence that only work of quality can give.

The protection lies in the strength of the defence, while the design embodies the experience of the past and the knowledge of the present.

What The Chatwood Safe has it holds, for delivery only to the keeper of the key.

It is the cheapest safe that can be bought having regard to the contented security offered.

THE CHATWOOD SECURITY

THE CHATWOOD SAFE CO. Limited, Bankers' Engineers, SHREWSBURY, ENGLAND.

sound, and there was a general note of confidence at the weekly meeting of the London Iron and Steel Exchange. Although orders are not coming forward in the tonnages of recent weeks, the works are fairly well provided with contracts booked in the early part of the year. A fair business is passing in British pig iron; the advances recently made have become stabilised, and producers are talking of still further increasing their prices. Buying, however, has been on a somewhat limited scale as regards tonnages, although there has been a fair volume of small orders. In the semi-finished steel department conditions remain practically unchanged, with the Continental works quoting the prices which have been ruling of late, and which cannot be regarded as competitive in the interior districts of this country. As a result users are still obtaining most of their requirements from the British producers of semi-finished steel, and consequently the prices of the latter have been slightly advanced. The demand for finished steel materials has been somewhat irregular, as the overseas markets for the most part, while closely watching the position, have not placed the amount of business expected. It is anticipated, however, that these conditions will alter soon after Easter, and that export buying on a good scale will begin.

Our Middlesbrough correspondent writes :—Market conditions remain firm. Pig iron of all descriptions is scarce, and works have already secured fairly large forward contracts. Prompt iron is very scarce. Cleveland is still on the following basis : No. 1 foundry, 69s. 6d.; No. 3 G.M.B., 67s.; No. 4 foundry, 66s.; No. 4 forge, 65s. 6d. Sellers are asking a premium of 1s. 6d. per ton for contracts for delivery over the second half of this year. The steady demand for hematite has been maintained, and the export trade is better. The average price for mixed numbers is 73s. 6d., with 74s. for No. 1 quality. There is nothing fresh to report as far as the steel trade is concerned; the works continue moderately busy, with fairly good order books for some months to come. Prices remain on the following basis, subject to the usual rebates : Steel ship plates, £8 7s. 6d.; steel ship angles, £7 17s. 6d.; iron bars, £10 5s.; Steel rails, £8 10s. The ore market is still very firm, with best rubio at 23s. per ton c.i.f. Tees. Prompt supplies of coke are very scarce, with the result that prices have increased. Good Durham blast-furnace quality delivered furnaces is now very firm at 19s., with some makers asking 19s. 6d.

Our Sheffield correspondent writes :—Recent advances of Midlands pig-iron prices are now well established, and a new arrangement for securing uniformity in delivered quotations has come into operation. The country is divided into zones, each consisting of a group of localities, and there are fixed prices for these zones based on distances from sources of supply. For the Sheffield zone the minimum quotation is 67s. 6d. Lincolnshire foundry is quoted at 65s. and basis at 62s. on trucks. The steel trade continues busy on basic steel, materials for the motor industry, forgings and castings of a special character, and cold-wrought material; but the demand for ordinary competitive lines is patchy and generally unsatisfactory. Keen competition from other centres of the country is being experienced. Business with collieries is picking up, but the position still leaves much to be desired. Steel scrap continues to be scarce and dear, owing to the activity of the basic steel branch. The demand for tool steels is steady, but fails to expand. Additional business is being obtained from the shipbuilding industry. Cutlery and plate are quiet, but the condition of the tool branch is fairly good. Prices of materials used for steel making are still rising.

Our Cardiff correspondent writes :—On the Swansea Metal Exchange on Tuesday it was announced that the South Wales tinplate bar manufacturers had increased their minimum from £6 2s. 6d. to £6 6s. 3d. per ton. This is the second increase since the middle of February, when the minimum was raised from £6 to £6 2s. 6d. The rise in imported bars has been even greater, for these are now quoted at £5 17s. 6d., compared with £5 12s. 6d. last week and with £5 10s. at the beginning of the year. The cause of the increase in the price of the local bar is stated to be the scarcity and dearness of steel scrap, some grades of which are now quoted up to £28 per ton, compared with £26 15s. early in January, and the advance in the prices of coal and other raw materials. No change has yet been made in the minimum prices of tinplates, but it is anticipated that it will be raised in the course of the next few weeks. Shipments from Swansea last week totalled 129,719 boxes, compared with 117,624 boxes in the previous week, but deliveries into warehouses have increased, and stocks have been brought to the record high figure of 308,550 boxes.

OTHER METALS.

TIN.—The market for tin displayed firmer features, buyers showing more disposition to operate, and sellers reserved in face of stimulating Eastern and American advices, a feature being the demand for forward positions. Movements, however, were attended by a good deal of irregularity at times. Stocks in London and Liverpool warehouses for week ending March 16th totalled 8,454 tons, against 2,534 tons at corresponding period last year. Dealings were recorded in standard cash at £222 10s., £222-£226, and £222 17s. 6d., three months £222-£227, and £223. In the East, sales were reported at £224 to £227, and £225 per ton c.i.f. terms.

COPPER market continued active and strong at a further sharp advance, while influenced by higher New York cables, but profit-taking imparted irregularity. Near positions were reservedly offered, but business resulted in three months at £94 15s., £99, £96 10s., and £98 18s. 9d., with cash at £96 10s. to £97 7s. 6d. per ton.

LEAD active and firmer. Good soft foreign pig, March, sold, £27 to £27 17s. 6d., April, £28 15s., £29 10s., and £27 17s. 6d.; May, £29, £29 15s., £26 10s., £28 15s.; June, £28, £30, £27 5s., £28 15s.; July, £30 to £27 18s. 9d.

SPELTER firmer, but irregular, with dealings on a liberal scale. March, sold, £28 17s. 6d. to £27 17s. d6. and £28 7s. 6d.; April, £29 5s., £27 17s. 6d., and £28 1s. 3d.; May, £29 to £27 15s., and £28 5s.; June, £28 3s. 9d., £26 15s., and £28 7s. 6d. ton.

ALUMINIOUM steady. Ingots and bars for home delivery, £95 ton.

ANTIMONY easier, English regulus, £54 to £55; foreign spot, £37 10s. to £38 ton.

WOLFRAM steady. Chinese, also Straits, qualities, 21s. 6d. to 21s. 9d. per unit c.i.f.

QUICKSILVER steady. Spot, £22 5s. to £22 10s. per bottle.

TIN PLATES maintained. I.C. coke prompt and forward, 18s. to 18s. 3d. per box, f.o.b., Swansea.

COTTON TRADE.

LIVERPOOL, March 20, 1929.

In the earlier part of the week under review the market fluctuated within small compass and on Saturday reached the high level of 10.98 for July delivery. It was followed on Monday by a wave of selling from both New York and Liverpool, which caused a decline of some 25 points from the high level. The final ginnings figures published to-day of 14,269,000 in running bales, equivalent to 14,450,000 in 500-lb. bales, was considered bullish, and prices quickly advanced some 20 points. The whole of the gain was, however, not held, and prices on the week show a decline of 2 to 6 points. Weather news has been fairly good. Spot sales for the week, 14th to 20th (inclusive), are 37,000 bales, of which 19,990 are American, 600 Brazil, 500 Argentine, 4,750 Peru, 5,050 Egyptian, 3,550 African, 2,350 East Indian, and 210 sundries. Imports for the same period are 54,790 bales, of which 40,707 are American, 665 Peru, 11,270 Egyptian, 79 African, 1,593 East Indian, and 476 sundries. Quotations to-day are : American Middling, 10.92; Egyptian Sakel., 19.15; Uppers, 12.95; Brazil Fair, 11.12; Peru, G.F. Mod-Rough, 13.00; Smooth, 11.87; West African Middling, 10.97; and East African, G.F., 11.90.

MANCHESTER, March 20.

The market during the past week has been unsettled. Wider fluctuations have occurred in raw material rates and buyers have been afraid to commit themselves to contracts of importance. Cloth demand for India has been very disappointing. Trade abroad is being adversely affected by political unrest, and, owing to limited clearances in the bazaars, replacement buying is very restricted. An encouraging inquiry has been met with for China, and good news has been received with regard to the auctions in Shanghai. Manufacturers have bought very fair lines in grey and white shirtings. Steady support has been met with from Singapore, with rather increased activity in printing and finishing styles for the Near East, South America and the West Coast of Africa. Generally favourable reports have come to hand from the home trade section. In American yarns for home use there has been some irregularity in quotations, and buyers have purchased sparingly. Some fair orders have been secured in Egyptian counts, and rates are firmer, but many firms report serious losses.

Comparative Statement of the Cotton Trade.

	1929.				Corresponding Date.	
	Feb. 27.	Mar. 6.	Mar. 13.	Mar. 20.	1928.	1927.
Raw Cotton—Mid. American ..... per lb.	d. 10·71	d. 11·01	d. 11·08	d. 10·92	d. 11·10	d. 7·73
— Sakellaridis Fully Good Fair Egyptian ..... per lb.	18·15	18·55	18·90	19·15	20·60	13·35
Yarns—32's twist ..... per lb.	15⅜	16	16	16	16¼	13
— 40's weft ..... per lb.	16¼	16¼	16½	16½	16⅜	13⅜
— 60's twist (Egyptian) ..... per lb.	26½	26½	27	27	29¼	24¼
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	s. d. 25 9	s. d. 25 10½	s. d. 26 0	s. d. 26 3	s. d. 26 4½	s. d. 24 0
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	28 0	28 1½	28 3	28 6	28 6	27 0
38-in. ditto, 38 yds., 18 by 16, 10 lb.	15 0	15 1½	15 3	15 4½	15 4¼	13 3
39-in. ditto, 37½ yds., 16 by 15, 8¼ lb.	13 9	13 10½	14 0	14 0	14 3	12 6

WOOL TRADE.

Our Bradford correspondent writes :—A general lack of activity continues to characterise the market, and neither spinners nor manufacturers show much confidence in the wool position. Many importers who refrained from buying heavily during the first part of the season are now operating extensively in the belief that wool is not likely to be much, if any, cheaper. Users, however, are influenced by the machinery position more than by the state of the raw wool market, and apparently they prefer to continue operating on hand-to-mouth lines rather than indulge in speculative buying on forward account. Tops are meeting fairly general inquiry, but the actual turnover leaves much to be desired. Although prices obtainable in Bradford are still below the primary markets in many qualities, concessions on quoted rates can be got in some cases. Really good standard types are steady at recent rates, most top-

makers being unwilling to accept lower prices in view of the difficulty in regard to replacement. There has been a certain amount of speculative buying in Botany yarns at very much cut prices, but particulars are slow in coming to hand. Crossbred yarns are quiet and prices remain irregular. The usual seasonal demand for piece goods is being experienced, and business both on home and export account shows considerable expansion.

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

In some respects the second series of London sales are closing in a more satisfactory fashion than was originally anticipated. A good deal of uncertainty has existed with regard to crossbreds, particularly as these have predominated in the catalogues throughout the series. Before the auctions began prices for tops in Bradford were unsatisfactory compared with the primary cost of the raw material, but as the opening level for crossbreds was below the close of the January series this paved the way for excellent competition, and during the latter part of the series in particular the home trade has been a very extensive buyer, topmakers operating freely in 40's to good 50's qualities. Continental competition has not been so much in evidence this week, though France has bought the bulk of the greasy half-breds and crossbred pieces. The offerings of New Zealands have included a large proportion of half-breds, home trade and Continental representatives taking these freely at around prices corresponding with those established at the opening, which means a decline of 1d. to 2d. per lb. compared with January. The record price for slipe lambs is 25½d., which was paid for WME 56-58's. Slipes have not figured as prominently in the catalogues as last series, and there has been very little of combing length. Considering the latter fact prices have been about on a parity with January rates. Owing to French competition scoured halfbred slipe lamb pieces have realised up to 27½d., though these were in heavy condition and were not free of kemp.

During the last few days the merino offerings have been of a miscellaneous character, though a feature of this description this series has been the offering of some exceptionally fine Tasmanian clips. ENC/Ross met with strong competition from home trade and French manufacturers, though the latter took the major portion. The top lot realised about 75d. clean. This was of exceptionally fine quality. Home trade spinners have operated in Victorian wools of 70's to 74's quality of warp length and quite superior style. The price paid has been up to 31d., which is equivalent to 48d. clean scoured. Several of the Geelong wools have fared much less satisfactorily, being mostly withdrawn at around 40d. clean. Importers' wools have naturally fared the worst throughout the whole series, and including interest and other charges will involve the owners in loss unless better prices are ultimately forthcoming.

HIDE, LEATHER AND ALLIED TRADES.

The hide position is gradually approaching stability, and tanners are showing more confidence, as market hides all sell as offered. Best ox have slightly advanced in price, and may be quoted at 6¾d. to 7d. per lb., with seconds 6¾d. to 7d. per lb. Calfskins are also firmer, best selections making from 7¾d. to 14d. at last week's Bermondsey auctions. Wools sold from 5s. to 12s. 6d., and hoggs from 5s. to 16s. each. Oversea hides are also steadier, but chagrin is felt that some foreign merchants are already asking higher prices, in spite of the tanners' large holding of finished leather and reluctance to buy hides. Argentine fregorifics—used by European sole tanners—continue steady, and ox have sold at 9 5/16d. Last week 16,000 Colon hides were sold at 9½d.-9⅝d. for heavy, and 9d. to 9 1/32d. for light—these prices showing a ¼d. reduction on last prices obtained. Dry hides are more in request, and B. A. Americanos are now fetching as high as 13 1/16d. and M. V. Americanos 14¾d. Dry salted Capes are selling at 10½d. to 9½d. for firsts and seconds respectively. Latest cables report the Chicago market as steadier, with best heavy steers selling at 14½ cents. Although shoe manufacturers are in receipt of better orders for footwear—especially makers of ladies' shoes—business in sole leather is for small parcels for immediate delivery. Prices are still rather fluid, but tanners, whilst willing to meet the market, are refusing the "sporting offers" of certain buyers. Medium weights of wet salted bends and repairers' bends have sold better of late, but repairers' stock is quiet, as the fine weather affects their business. Curriers are still none too well off for orders for kip leathers, but deliveries of willow and box calf are regularly made at reduced prices. Patent is still a good seller, and there is quite a fair demand for glacé kid in black and brown shades.

THE TIMBER TRADE.

The wintry conditions did much more harm than was anticipated. Deliveries of sawn deals, battens and boards into consumption were very poor, whilst the building trade, the chief consumer, was slack, the employment percentage among London's unemployed skilled operatives amounting to 24.8. Since the warmer weather, however, trade has been brighter, and now that the winter is over better opportunities are forthcoming for the making up of lost time in building trade operations.

To spot timber sellers the redeeming feature of February wintry conditions was a smaller import of European sawn building woods, following large receipts of the first few weeks of the year. Even now stocks are large, which has altogether upset the views of the majority of the trade, who anticipated that holdings would be getting low about this time, and a few weeks before the opening of the new season. Flooring boards are particularly heavy in supply, but for these the demand has been exceptionally good considering the time of the year.

The turnover of the Russian cut to the United Kingdom to buyers here created surprise in North of Europe shipping centres, not only on account of the c.i.f. prices, but also the larger quantity of goods that Russia had to offer for this year's delivery. Yet Finnish and Swedish sales for this coming season's shipment are larger this year than last, more trade being done on the Continent, while United Kingdom business has not been much lower. It is reported in the *Bank of Finland Monthly Bulletin*, just to hand, that according to an investigation made by the board of the Finnish Saw Mill Owners' Association this year's lumbering in Finland should be reduced by 75 million cubic feet, "equivalent to 300,000 standards" (the writer makes it 454,545 standards), from last year's exports. From the consumers' point of view restrictions on any such scale as those given above are much too drastic, and as sales up to date are above those of 1928, and prospects are brighter this year, if but little, it is to be hoped that Finnish millowners will reconsider their decision and take a brighter view of the United Kingdom and Continental markets.

The hardwood market has shown little activity this month. Mahogany logs have decreased in import, stocks in first hands being small and values firm, if not so strong as shippers consider they should be. Indian teak is arriving very slowly, and is very dear, but it seems that supplies of Europe quality at shipping ports are low, as they are here, so that prices are likely to remain strong and the inevitable substitutes brought still more into requisition. All other hardwood logs—little in stock, small in demand—are firm in value. American hardwood lumber also is firm, with not so much coming forward, whilst an improved consumption is reported from the States. Higher values of States lumber should have the effect of stimulating the demand for home and Colonial woods, of which comparatively little is in demand.

VEGETABLE OILS AND OILSEEDS.

Markets generally are very quiet, and the easy feeling is accentuated if anything. Trade in linseed oil is very slow, and although crushers have met the market and prices are lower consumers are not much in evidence. Continental linseed oil for forward delivery is again offering, most of the mills abroad having been able to resume operations, as conditions on the waterways have improved. Current value is about £28 10s. per ton, naked, ex Hull mill, for March, with later positions at a small premium. Cotton oil is neglected, crude Egyptian offering at £28 and common edible at £31 10s., ex Hull, without response. In the oilseed section, demand for linseed is restricted to near positions, which are at a discount, and for Plate on passage £15 11s. 3d. and April-May £15 12s. 6d. have been accepted. The quantity of linseed on passage to Europe has undergone further diminution, and is 22,000 tons less than last week. Cottonseed is steady, but in slow demand. Black Egyptian, March loading, is reported done at £9 17s. 6d. Oilcakes are in fair demand at unchanged prices.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—No new development crept into the general situation and a quiet state of affairs predominated, due in a great measure by the near approach of the Budget announcement. Meantime, trade buyers are largely occupied in taking delivery of March parcels, purchased previously. Raw refining kinds remain dull. Previous quotations were repeated for British refined, and also home-grown. Imported descriptions fail to command much support. Continental parcels for shipment continue largely nominal. Terminal sections steady, with fair dealings. Of raws, May quoted 8s. 9¾d.; August, fair lines, sold, 9s. 3¾d.; December, quoted, 9s. 7½d.; white, March, sold, 12s. 6d.; May, sellers, 11s. 9¾d.; July, 12s. paid; August, sold, 12s. 0¾d.; December, 12s. 5¼d. cwt. Cuban receipts last week, 249.692 tons, against 261,491 last year; exports, 141,694, against 162,033; stocks, 1,134,600, against 1,046,370. Central workings, 163 tons, against 168. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending March 16th totalled 139,537 tons, compared with 80,463 at same time last year.

For Life Assurance.

AMP

The Australian Mutual Provident Society is mutual. That is to say, all divisible Surplus, without deduction, belongs to the Policy-holders themselves and is distributed yearly. Moreover, the Society, established in 1849, has been for many years the largest and most prosperous British Mutual Life Office. Why is this? Because it offers to Assurers the Acme of Security and Profit, and because its satisfied members are its best advertisement. Why are policies with the A.M.P. Society so profitable? Because while its premium rates are below the average, it possesses in a unique degree the combination of a low expense rate, a high interest return and a favourable mortality experience. The A.M.P. Society should be covering you. You will be sent full particulars on application.

EVERY YEAR A BONUS YEAR.

Assets: £70,000,000. Annual Income: £10,000,000.
New Business for 1927: £15,397,528.
Cash Surplus for One Year (1927): £2,895,454.

ROBERT THODEY, F.I.A. Manager for the United Kingdom.

AUSTRALIAN MUTUAL PROVIDENT SOCIETY
Established in Australia, 1849.

LONDON OFFICE: 73-76, King William St., E.C.4.

TEA.—Indian auctions during the week totalled 45,029 pkgs. Competition was carried on with animation, and a firm market resulted. All the attractive liquoring teas cleared readily at full recent rates, while common and low medium were well sought after and advanced ¼d. to occasionally ½d. per lb. Good qualities of Southern Indian sold well, but inferior tended against sellers. Ceylon auctions of 19,621 packages met with very brisk biddings, as a decided improvement in general run of quality was much appreciated by buyers and prices responded. Common and low-medium grades advanced ¼d. to ½d. per lb., and finer from 1d. to 2d. and occasionally 3d. There is a fair demand for China descriptions. Java and Sumatra met a good demand at firm to dearer rates.

COFFEE.—Market quite steady and there is a fair trade doing, especially in qualities with liquor. Business is assisted by the fact that importers continue to show willingness to meet the market. Costa Rica fine bold coloury, sold, 165s.; fine mid, 142s.; peas to 161s. 6d. Belgian Congo, good bold coloury, sold, 126s.

COCOA.—Spot market dull unaltered. Forward positions quiet. Accra: F/F, April-June, sold, 44s. 6d.; mid crop, 42s. 9d.; and October-December, 45s., f.o.b. Terminal: May, sold, 48s. 9d. to 49s. 6d. and 48s. 6d; July, 50s.; September, 51s. 6d.-51s. 7½d. and 51s.; December, 51s. to 51s. 6d. and 50s. 9d.

RICE.—This market remains without improvement. Two Stars March-April, London, 12s. 9d.; April-May, 12s. 10½d. Spanish, oiled, March-April, 18s. 9d. cwt.

BEANS.—Market firm and there is a fair inquiry for spot and near-at-hand parcels. Madagascar butters, new crop, spot, London, sold, 43s. to 44s. as to sample; afloat steamer "Clan Macintosh," 40s. 6d. to 41s. This steamer is due on Tuesday next. Rangoon haricots, re-sales of spot, London, made at 34s. Parcels afloat steamer "Yorkshire" changed hands at 28s.; March shipment, 21s. 6d. to 22s.; April 15th, 20s. to 20s. 6d.; all April, 19s. 6d. to 20s. 6d., cwt. c.i.f. London.

PEAS.—An active and buoyant market was witnessed. A factor for the upward move was to be found in reports from near Continental countries of extensive damage to potatoes in silos, over a large area, particularly Germany and Belgium. Kiln-drying is being resorted to in order that the damaged crop may be utilised for pig-feeding. Japanese crop, 1927, sold, 22s. 6d. to 23s.; new crop, 23s. 6d. Parcels afloat steamer "Keemun," sold, 20s.; per "Delagoa Maru," at 20s.; per "Ningchow," to Liverpool, at 20s.; February-March, sold, 19s. 9d. to 20s. 3d.; March-April, 19s. 6d. to 19s. 9d.; April-May, 19s. 3d., c.i.f. London. Very few first-hand offers of Dutch received. Marrowfats, prompt, quoted, 23s. 6d.; imperial blues, 22s. 6d. to 23s.; small blues, 21s. to 21s. 3d., f.o.b. There is more attention now paid to Maple varieties.

SPICE.—Pepper market disclosed general quietness. Lampong January-March, sellers, 1s. 4d.; March-May, 1s. 3½d.; May-July, 1s. 2½d.; August-October, sold, 1s. 1¾d.; Muntok, white, March-May, 2s. 1½d.; August-October, sold, 1s. 10d. lb. London stocks on the week increased 29 tons. Pimento, August-October, sellers, 120s., cwt. c.i.f. Sago flour, tapioca and ginger, unchanged. Cloves firm, quiet.

FRUIT (Dried).—Currants firm with a better demand. Pyrgos, quoted, 45s. 6d.-47s.; Patras, 47s. 6d.; choice, up to 51s.; Amalias, 46s.-46s. 6d.; Gif, 47s. 6d.-50s.; Vostizza, 49s.-53s. Sultanas, steady. Medium to good, Smyrna, spot, 38s.-54s.; Cretan, 42s.-72s.; Australian new ranges, from 32s.-50s.; Californian soda, bleached, 34s.-38s.; unbleached, 28s.-29s. Rasins, quietly steady. Valencia, quarter boxes, quoted, 48s.-53s.; Australian and Cape, neglected. Figs in small supply. Genuine new, spot, 28s.-29s. Dates move off steadily. Hallowie, new, spot, 25s.-30s.; Khadrowie, 21s.-23s.; Siar, 14s. 6d.-16s. 6d.

EVAPORATED FRUITS.—An improved demand was dealt with for Californian plums and large sizes tend dearer, with limited supplies available. Forward parcels also firmer, and sellers reserved. Apricots and apple rings move off slowly, while other descriptions showed no material change. Californian plums, 20's-30's., 65s.; 30's-40's, 56s.-47s.; 60's-70's, 43s.-43s. 6d. Australian pears range from 57s. 6d.-70s. as to quality; Lake County, 70s.-95s. Apricots, South African, new crop, Royal, 60s.-117s. 6d.; Cape, 72s. 6d.-82s. 6d.; Californian, 85s.-117s. 6d. Peaches, Californian choice, 52s; extra choice, 54s.; fancy, 58s. Apples, Californian, spot, sliced, extra choice, 64s. Almonds, quiet and tendency weaker. Mazagan, 137s. 6d.; Mogador, 135s.; Majorcas, 140s.; Bitter-Jordan, 185s.-210s. cwt.

CANNED GOODS.

CANNED FRUITS.—Inquiries are more numerous on favourable climatic conditions, and prices were maintained for all descriptions. Lower-grade peaches are moving off more freely at attractive prices, but pears and apricots remain firm on light offerings. Loganberries, quiet, but fruit salad is selling fairly well. The Australian new pack is offering at reasonable rates. Singapore pines, dull on spot, and forward business still checked by firm selling limits, while forward parcels of Hawaiian are reservedly offered. Tomatoes in moderate request at generally steady rates.

CANNED FISH.—Sardines in better request, but best quality still scarce. Portuguese clubs, quoted, 5s. per dozen tins. Lobsters sell readily. Best halves, 140s.-145s.; and quarters, 77s. 6d.-82s. 6d. Salmon in fair demand and full steady. Red talls, spot, 42s. 6d.-44s. 6d.; pink talls, spot, 26s.-27s. 6d.; halves, 31s. 6d.-34s.; Japanese crab, firm, finest quality selling at 97s. 6d.-100s.

CANNED MEATS.—Move off slowly at late rates, but ox tongues firm on scarcity. Lunch tongues steady and forward demand maintained. Danish cooked hams also in good request at about 1s. 7d. per lb. for case of 6 tins.

PRELIMINARY NOTICE.

Multidoor Limited

(DISPLAYED SALES).

Capital - - £200,000

divided into

800,000 Shares of 5/- each.

The Subscription List will open on Tuesday, March 26th, 1929, for an issue at par of

580,000 Shares of 5/- each.

Directors:

Lt.-Col. WILLIAM MARSHALL TICKLER, M.C., Torrens House, North Common Road, Ealing, London, W. 5. (Managing Director, T. G. Tickler, G.m.b.H., Lubeck, Jam Manufacturers), Chairman.

HENRY DOBSON JACOBSEN, 80 Bedford Street, Liverpool (Managing Director of Barker and Dobson, Limited, Chocolate and Confectionery Manuacturers).

CHARLES GORDON MAYNARD, Springfield, Northaw, Herts. (Managing Director of H. E. Davenport, Limited, Chocolate Manufacturers).

SYDNEY WILLIAM MILLER, Elmfield, Oulton Broad, Suffolk (General Sales Manager, A. J. Caley and Sons, Limited, Norwich, Chocolate Manufacturers).

The Hon. MONTAGU PARKER, 31 Prince's Gardens, London, S.W. 7 (Director, English China Clays, Limited).

ARTHUR McKENZIE, Grosvenor House, Park Lane, London, W. 1 (Chairman of Lavell and Co., Limited, Multiple Retail Confectioners), Managing Director.

The Prospectus will show that:—

1. The MULTIDOOR is a specially attractive sales machine catering for all kinds of goods, and has many advantages over other machines.

2. The Company has secured the services of Mr. Arthur McKenzie as Managing Director, whose technical knowledge will prove a valuable asset to the Company.

3. Arrangements have been made for a regular delivery of machines on satisfactory terms.

4. Contracts have been concluded for the hiring of 1,967 Multidoor Machines producing a rental of £45,547 per annum.

5. Additional revenue will accrue from the sale of illuminated advertisements on the machine.

6. The net profits from all sources are estimated at over £82,000 per annum.

Prospectuses are now available from:—

Bankers:

MIDLAND BANK LIMITED, Theobalds Road Branch, W.C. 1,; Head Office, and all branches.

Brokers:

JAS. FLOWERS & SONS, 4, Copthall Court, London, E.C. 2., and Stock Exchange.

And from the Issuing House:

WOODGER INDUSTRIAL TRUST LTD., 62, London Wall, London, E.C.2.

ISLAS DEL GUADALQUIVIR S.A.

AN EXTRAORDINARY GENERAL MEETING of Shareholders of this Company will be held at the Registered Offices, at No. 2, Calle de Canalejas, Seville, Spain, on the 15th day of April, 1929, at 11 a.m., in accordance with the following Agenda:—

1. Read, discuss and approve Minutes of last Meeting.
2. Increase of Capital.
3. Issue of Bonds.
4. Modification of the Articles Nos. 2, 5, 10, 13, 15, 28, 36 and 39 of the Articles of Association.

Shareholders who desire to attend the Meeting should deposit their Shares before the 12th day of April, 1929, with one or other of the undermentioned, viz.:—

BANCO INTERNACIONAL DE INDUSTRIA Y COMERCIO, Madrid and Seville;
BANCA MARSANS, S.A., Barcelona;
S.A. ARNUS-GARI, Barcelona;
BANCO COMERCIAL DE BARCELONA, Barcelona;
MIDLAND BANK LIMITED, London, Threadneedle Street and Branches;

when they will receive in exchange a card of admission to the Meeting, with Proxy Form endorsed.

Shareholders depositing Founders' Shares in accordance with the foregoing provisions will also receive Letters of Rights and Underwriting Letters which, in the event of the necessary Resolutions being passed at the General Meeting, will entitle them to subscribe in proportion to their holdings of Founders' Shares for the new Ordinary Shares which will be issued by the Company and to participate in the underwriting of the issue if they desire to do so.

SEVILLE, 18*th March*, 1929.

The publication of this circular, which is not an invitation to subscribe, is rendered necessary by the fact that all the shares of the Company are in Bearer form.

CIRCULAR TO THE SHAREHOLDERS.

Since the date of the last General Meeting your Company acquired a property named Isla Minima, adjacent to the Company's lands on the River Guadalquivir, comprising about 5,000 acres of the best land in the district, with extensive farm buildings and a small irrigation pump thereon. The purchase price of Pts. 3,700,000 included four River Steamers, landing stages at Seville and at San Lucar, and a perpetual concession to navigate the River Guadalquivir, which, in view of the large amount of produce from the Company's lands that will have to be transported in later years, should prove of considerable value. With this latest addition the Company's property consists of 58,679 hectares (about 145,000 acres), of which 47,879 hectares are freehold, and the balance of 10,800 is held under a perpetual concession convertible into freehold on completion of partial reclamation.

The Company has in addition secured a five years' option to acquire a 50 per cent. interest in the St. Augustine Corporation, Ltd., which has purchased at a favourable price approximately 20,000 acres of land in the vicinity of the Company's estates. The option price is based on the cost of the land acquired with interest to the date of exercise of the option.

The position of work accomplished and of material in stock up to date is as follows:—

About 24,800 hectares in Zones I and II have been protected by banks. The main drains and all valve stations in Zone I, covering 13,900 hectares, have now been constructed and in respect of some 1,800 hectares thereof, conversion to irrigation is practically complete. The whole of this area of 1,800 hectares has been leased to 210 colonists who, with their families, comprise approximately 1,500 people, at rentals of Pts. 400 per hectare. Almost all of Zone I and 3,960 hectares of Zone II have already been ploughed.

The Company has an Irrigation Pump at Marmol, with a capacity of 1,600 litres per second, and a Drainage Pump at Ermita, with a capacity of 4,000 litres per second. A second Drainage Pump at Puntal, and a relay Irrigation Pump for Marmol at Los Pobres, are in construction.

Office accommodation, staff houses, canteen and mess, stores, temporary huts and 195 colonists' houses have been erected.

Fifty-six kilometres of narrow-gauge railway covering part of Zone I have been constructed, and this railway is served by six locomotives and 221 trucks. A sum of Pts. 900,000 has already been spent in the purchase of 32 kilometres of metre gauge railway, together with sleepers, points, etc., which it is proposed shall run from Dora to Reina Victoria, replacing part of the existing narrow gauge line, which will later be relaid in Zone II.

Forty-three kilometres of roads and bridges have been constructed in Zone I.

Excavating machinery, comprising six Ruston draglines, 14 Western graders and 17 caterpillars, and Agricultural machinery, comprising 14 mechanical windlasses, 70 motor tractors, 51 cultivators, 65 sowing machines, together with harrow and seed drillers, ditchers, reaping, binding and threshing machines, and motor transport, acquired at a cost of Pts. 4,345,000, is on the site and available for the Company's agricultural and engineering requirements.

In October last the Board invited some of the larger Shareholders, and others possessing specialised knowledge of the business carried on by the Company, to review the work which has been carried on in the past and to collaborate with the Board in deciding the future programme.

The Committee was composed as follows:—

Mr. E. R. DEBENHAM (*Chairman*).
Mr. A. BALLINGAL.
Mr. R. LUSCHER.
Mr. E. RECHNITZER.
Mr. C. WEHRLI-THIELEN.
Colonel H. W. WOODALL, C.I.E., M.Inst.C.E., M.Inst.M.E.
Mr. F. H. E. BRANSON, of Messrs. Linklaters & Paines.
Dr. J. A. HANLEY, Principal of Cirencester Royal Agricultural College.
Sir BASIL MAYHEW, F.C.A., of Messrs. Blackburns, Barton, Mayhew and Company.

The material before the Committee included detailed reports on the Agricultural, Engineering, and Financial aspects of the Company's undertaking, prepared by:—

Dr. J. A. HANLEY, Principal of Cirencester Royal Agricultural College.
Mr. ERNEST LATHAM, F.C.G.I., M.Inst.C.E., M.Inst.M.E., of 36, Victoria Street, S.W. 1; assisted by
Mr. J. E. B. POTTER, A.C.G.I., A.M.Inst.C.E., and
Messrs. BLACKBURNS, BARTON, MAYHEW & CO., Chartered Accountants, of Alderman's House, Bishopsgate, E.C. 2.

The Committee have made a full Report to the Board, signed by all members except Colonel Woodall, who was prevented by ill-health from attending the meetings of the Committee.

The Reports of the Committee and Experts disclose that the early stages of the development of the Company's undertaking have been attended by unforeseen difficulties, and those errors of judgment which occur in almost every new enterprise of this description, and the Experts have come to the conclusion that, if the programme envisaged by the Committee is carried out as a whole:—

(1) There is nothing to prevent the draining, cleaning and irrigation of the property from being successfully achieved.
(2) By suitable development and cultivation the bulk of the 145,000 acres of land comprised in the Company's property can ultimately be brought into a condition in which its productivity will approach, and may even exceed in some respects, that of lands in Valencia on which irrigation farming is already being carried out, and which at present command prices in the neighbourhood of Pts. 15,000 per hectare, say, £200 per acre.
(3) An estimate has been prepared showing that the cost of constructing the necessary banks, drains and irrigation works would average about £18 per acre. Expenses other than direct engineering costs are not included in this figure.
(4) The Engineers, to whom the records made over a period of time by the Officers of the Company have been submitted, are satisfied that a sufficient supply of fresh water throughout the year, suitable for irrigation purposes for Isla Minima, Zone I and part of Zone II, comprising the 20,000 hectares involved in the new programme, is available from the River Guadalquivir at points suitable for the erection of pumping stations and giving adequate command over the Company's lands, and the works now being carried out by the Government and private enterprise are designed to provide further supplies from which the Company should be able to arrange for its requirements as they increase.

The following is a summarised extract of the Committee's recommendations:—

(*a*) As a result of the opinions expressed in the Experts' Reports, the Committee recommend that the development should be undertaken by areas; the first area being brought as nearly as possible to a state of complete development before operations are commenced in the next, which can best be achieved by concentrating in the first place on Zone I and part of Zone II of the property and Isla Minima, which together comprise about one-third of the total area. If this programme is put into operation without undue delay and strictly adhered to, and the necessary funds are provided, three years' work at a cost of Pts. 41,950,000 will give the Company 8,000 hectares of land producing crops under a complete irrigation system and 5,000 hectares of cultivated land to which, together with a further 7,000 hectares of partially prepared land, the irrigation system can readily be extended.
(*b*) The Company should, at the earliest suitable moment, make arrangements to provide for the above requirements, and for the payment of its existing liabilities amounting to approximately Pts. 9,000,000, consisting in part of bank overdrafts and partly of the unpaid balance of the purchase price of Isla Minima and another estate.
(*c*) As a step towards raising the required finance, the Company should create Pts. 30,000,000 in Ordinary Shares, carrying 7 per cent. non-cumulative interest in priority to the Founders' Shares and one-third of the equity.
(*d*) The necessary steps should be taken to qualify the Company to apply to the Spanish Government for a concession, to enable it to avail itself of the subsidies prescribed by law. The Committee understands that, according to the Ley de Marismas of the 24th June, 1918, the Spanish Government may be expected to grant the Company 50 per cent. of all Capital Expenditure it may incur on reclamation, and that, under a law of the year 1911, the Government may also be expected to make a grant of 50 per cent. of Capital Expenditure on irrigation and to advance a further 40 per cent. of such expenditure at a very favourable rate of interest. It is also understood that the Government is disposed to extend to undertakings promoting colonization the provisions of an existing law which authorises a grant of 50 per cent. of Capital Expenditure on houses in urban areas.

The Board readily accepts these recommendations, and proposes to invite the Committee to continue to render to the Company the valuable assistance which it has rendered by its Report. In view of the national importance of the enterprise and the favourable attitude already taken up by the Government, the Board is confident of obtaining the above subsidies as soon as the necessary detailed projects can be prepared for submission to the Ministry concerned.

In order to provide the Capital necessary for carrying into effect the recommendations of the Committee, the Shareholders will be invited to sanction the creation of 300,000 Ordinary Shares of Pts. 100 each, entitled as a class to a non-cumulative dividend at the rate of 7 per cent. per annum, and to a participation to the extent of 33⅓ per cent. in the surplus profits of the Company after provision has been made for the service of the Debentures and for the amounts payable on the Preference Shares, and Pts. 30,000,000 of 6 per cent. Mortgage Debentures.

While it is obviously not possible, at this stage, to give accurate estimates of future gross receipts, or profits, year by year, it may be stated that, during the early development period, earnings must necessarily be restricted, but should be gradually rising as irrigation farming is extended and the colonists year by year improve their land, so as to obtain, after a few years of their tenure, the maximum results with a corresponding increase in Revenue to the Company.

The numerous applications by colonists during the last year for leases of irrigated land even before irrigation was actually completed largely exceeded the area available at the end of the year and confirm the Board's expectations that many of the emigrants annually leaving the Spanish ports for foreign countries can be diverted to the Company's property. Official statistics of emigration show that in the years 1922 to 1925 the number of emigrants averaged over 100,000 per annum, while the Company's land can only absorb a maximum of 20,000 families on the whole of its area.

The policy of the Company will be to secure the best possible conditions and returns to the Colonists. The Company will retain the sale of irrigation water and should, by bulking, grading, preparing, and marketing the produce of the colonists' crops, derive additional revenue from these sources.

In view of the large ultimate increment in values of the land and its productivity foreshadowed by the Experts' Reports, Shareholders should be amply compensated, in future years, for the absence of dividends in the early stages of the development of the Company's property.

On the basis of a valuation of £200 per acre which should, according to the Experts' opinion, be ultimately attainable and assuming that 125,000 acres will remain available for irrigation farming, after elimination of inferior lands and deduction of the land required for houses, drains, irrigation canals, roads and railways, the total value of the Company's land would amount to £25,000,000.

The engineering cost of converting this land to irrigation taken at £18 per acre will be £2,250,000, to which should be added the cost of housing, say, £1,000,000, the cost of railways, roads, overhead charges, etc., which may be put at £900,000, and the amount already expended on the acquisition and development of the Estates, making together, say, £5,500,000. The value of the equity should therefore be equal to £19,500,000, which shows a surplus value of about £21 per Ordinary Share (assuming the whole of the 300,000 Ordinary Shares are issued), and £65 per Founders' Share. In the above figures no account has been taken of any subsidies to be obtained from the Government, which will therefore go to increase the value of the equity.

Of the Debentures and Ordinary Shares above referred to, the Board proposes to issue forthwith 200,000 Ordinary Shares of Pts. 100 each and as required, Pts. 15,000,000 of 6 per cent. Mortgage Debentures.

The balance of 100,000 Ordinary Shares and Pts. 15,000,000 6 per cent. Mortgage Debentures will be held in reserve for future issue should necessity arise.

When the necessary Resolutions have been passed at the meeting of Shareholders the 200,000 Ordinary Shares will be offered at 105 per cent., share for share, to the Holders of the 200,000 Founders' Shares.

Shareholders are particularly requested to attend the meeting in person, or to sign and send the form of proxy to the Company's Bankers so as to ensure the necessary quorum.

On liquidation of the Company, the assets would be divided as follows:—

(*a*) In redemption of the Debentures at par with accrued interest.
(*b*) Payment of the amount paid up upon the Preference Shares of 500 Pts.
(*c*) Half of the surplus assets remaining, up to Pts. 500 per Preference Share, to be paid to the Preference Shareholders.
(*d*) Payment to the Ordinary Shareholders of Pts. 100 per Ordinary Share, and, in addition, 33⅓ per cent. of the assets then remaining.
(*e*) The residue to be divided equally amongst the Founders' Shares.

The Non-Cumulative Participating Ordinary Shares will confer on their holders one vote for each complete ten shares held.

Holders of Founders' Shares will receive, on depositing their shares with the Company's Bankers, letters of rights enabling them to take up, share for share, the Non-Cumulative Participating Ordinary Shares to be now issued.

Special application forms will be provided for applications by holders of Preference Shares, and the general public, whose applications will be considered.

The proposed issue of 200,000 Ordinary Shares has been underwritten for a commission of Pts. 4 per Share, but holders of Founders' Shares who desire to participate in the underwriting can do so, share for share, to the extent of their holdings, provided they deposit their Shares in accordance with the conditions set out in the Notice convening an Extraordinary General Meeting of the Company for the 15th day of April, 1929, and in due course complete and return the form of underwriting letter which will be issued to them against such deposit to the Bankers with whom they deposit their Shares not later than the 12th April, 1929.

The Company will also pay a brokerage of one-half per cent. on allotments made in respect of applications bearing the stamp of a Banker, Broker, or other approved agent.

J. SOTO REGUERA,
Vice-President.

Seville, 18th March, 1929.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, THURSDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 2, N. Man. 496 lb....	51	6
Eng. Gas. av., per cwt.	9	9
Barley, Eng. Gaz. av.	10	2
Oats, ,, ,, ,, ...	9	8
Maize, La Plata, landed, 480 lb.	43	9
Flour, Lon. stan. ex mill, 280 lb.	35	6
Rice, No. 2 Burma, per cwt.....	12	9
Sago, pearl, per cwt. 22	3 22	6
Tapioca, per cwt.—		
E.I. flake, fair spot 21	0 21	6
Medium pearl 20	0 21	0
Potatoes, good English, per ton... 120	0 130	0

MEAT—	s.	d.	s.	d.
Beef, per 8 lbs.—				
English sides.....	5	0	5	6
Argentine chilled hinds...	4	6	4	10
Mutton, per 8 lbs.—				
English wethers	7	0	8	0
N.Z. frozen ,, ...	3	0	5	4
Pork, English, per 8 lbs. ...	8	0	8	8

OTHER FOODS.

BACON—			
Irish .....per cwt.	114	0 124	0
Danish.....	106	0 114	6
Canadian.....	108	0 110	0
Dutch	100	0 108	0
HAMS—Irish.....	0	0 0	0
Canadian.....	0	0 0	0
American	112	0 116	0
BUTTER—			
Irish creamery per cwt.	0	0 0	0
Australian	156	0 174	0
New Zealand	164	0 180	0
Danish.....	170	0 172	0
CHEESE—			
Canadian ..... per cwt.	106	0 112	0
New Zealand	87	0 90	0
English Cheddars	130	0 144	0
Dutch	52	0 99	0
COCOA—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
Accra f.f., per cwt.	50	0 51	0
Trinidad	64	0 70	0
Grenada	50	0 60	0
COFFEE—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
E.I., good to fine, per cwt.	147	0 160	0
Costa Rica, good to fine...	155	0 183	6
Cent. Amer., mid to fine	130	0 150	0
Kenya, bold sizes	128	0 150	0
Colombian, mid to fine...	130	0 145	0
EGGS—			
English ..... per 120	14	0 16	0
Danish.....		nom.	
FRUIT—			
Oranges, Denia & Val. 300	19	0 30	0
,, ,, 360	19	0 25	0
,, ,, 504	19	0 24	0
Jaffa ,, ... ,, boxes 144	22	0 27	0
Lemons, Naples boxes	0	0 0	0
Sicilian ..... boxes	13	0 16	0
,, ...cases	17	0 30	0
Murcia ..... half cases	0	0 0	0
Malaga ...cases 420 No. 1	0	0 0	0
Apples: Amer. (var.) brls.	24	0 38	0
(var.) boxes	9	0 13	0
Onions, Valencia :—			
case 4s.	20	0 22	0
case 5s.	24	0 25	0

FRUIT (*continued*)—	s.	d.	s.	d.
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....brls.	0	0	0	0
LARD—				
Irish bladders.....	66	0	72	0
American boxes 56 lbs.	64	0	64	9
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	3½	0	0
Black Lampong	1	5½	0	0
Cinnamon—1st sort, per lb.	2	3	0	0
Cloves—Zanzibar per lb.	1	6	0	0
Ginger—per cwt.—				
African	51	6	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	3	0	4	0
Nutmegs 65's	1	9	1	11
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	21	6	23	6
Java, white, c.i.f. India, July-Sept.	12	3	0	0
REFINED—London—				
Yellow Crystals	21	10½	0	0
Cubes	26	0	26	6
Crushed	24	9	25	3
Granulated	23	0	23	10½
Home Grown (prompt)	22	3	22	4½
TEA—				
(Duty 3½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	1	0½	2	2
Broken Pekoe	1	1½	2	4½
Orange Pekoe.....	1	2½	2	3
Broken Orange	1	3	2	7
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	4½	1	0

TEXTILES.

COTTON—	d.
Mid-American .....per lb.	10·92
Sakellaridis, f.g.f.	19·15
Yarns, 32's twist	16
60's twist	27

FLAX—	£	s.	£	s.
Livonian ZK .....per ton	89	0	90	0
Pernau HD.....	80	0	0	0
Slanetz Medium 1st sort	88	0	0	0
HEMP—				
Italian P.C. ..... per ton	64	0	0	0
Manila, Apr.–June "J2"	37	0	0	0
N.Z., H.P. fair Feb.–Apr.	34	10	0	0
JUTE—				
Native 1st mks....per ton				
Apr.–May	33/12/6		0/0/0	
May–June	34/0/0		0/0/0	

SILK—	s.	d.	s.	d.
Canton .....per lb.	17	0	19	0
Tussah.....	8	0	10	0
Japan	21	0	23	6
Italian—Raw, fr. Milan	21	0	23	6

WOOL—	d.
English Southdown, washed per lb.	26
,, Lincoln hog, washed	17½
Queensland, scd. super cmbg.	41
N.S.W. greasy, super ,,	23
N.Z., grsy., half-bred 50–56 Crossbred 40–44	20 16
Tops—	
Merinos 70's	46
,, 64's	44
Crossbred 48's	25
,, 46's	23

MINERALS.

COAL—	s.	d.	s.	d.
Welsh, best Ad'ty...ton	21	0	21	6
Durham, best gas	15	0	15	6
Sheffield, best house ...	21	0	22	0
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	67	0	0	0
Bars, M'brough 205		0	0	0
Steel Rails, heavy.....170		0	0	0
Tin Plates, I.C., per box	18	0	18	3

METALS—	£	s.	£	s.
Copper, Electrolytic, ton	102	10	103	10
Sheets (strong) 125		0	0	0
Standard	96/5/0		96/7/6	
Lead Eng. Pig ... per ton	29/10/0		0/0/0	
Soft Foreign	27/16/3		28/1/3	
Spelter G.O.B.	28/6/3		28/12/6	
Tin—English ingots ...	222/15/0		223/5/0	
Standard, cash 222/15/0			223/0/0	

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb. less 5%	2	1	0	0
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	10	10	0
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3½	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac .... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	28	0	28	10

CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
F.M. Straits, c.i.f., per ton		nom.		
DRUGS—				
Camphor—	s.	d.	s.	d.
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	0	14	6
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d.
Wet salted—Australian per lb.	0	5½	0	7½
West Indian	0	4	0	7½
Cape	0	6	0	7½
Dry and Drysalted Cape...	0	9	1	0
Market Hides, London—				
Best heavy ox & heifer	0	7	0	7
Best cow	0	6½	0	6
Best calf	1	10½	1	1½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.— per lb.	1	4	2	4
Bark Tanned Sole	2	6	3	3
Shoulders fm DS Hides	0	11	1	1½
Do. Eng. or WS do.	1	2	1	8
Bellies from DS do.	0	8½	0	11
Do. Eng. or WS do.	0	11½	1	4
Dressing Hides.....	1	6	2	0
Ro. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Sides	1	0	1	6
VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	29	5	0	0
Rape, refined	44	0	0	0
Cotton-seed, crude	28	10	0	0
Coconut, crude.....	35	10	0	0
Palm	36	0	38	10
Oil Cakes, Linseed, Eng., per ton 12/12/6			12/17/6	
Oil Seeds—Linseed—				
LaPlata,p.ton Apr.-May	15/13/9		0	0
Calcutta, p.ton Apr.–May	18/7/6		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	45	6	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	13/10/0		34/5/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
,, 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	18	0	25	0
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	11½	0	0
Fine Hard Para per lb.	1	1½	0	0
SHELLAC—				
TN Orange ... per cwt.	192	6	0	0
SHELLS—	£	s.	£	s.
W. Aust., M.-o.-P. ,,	4	0	12	10
TIMBER—	£	s.	£	s.
Swedish u/s 3 x 8 per std.	19	0	0	0
Do. 2½ x 7 ,,	19	0	0	0
Do. 2 x 4 ,,	19	0	0	0
Can'dn Spruce, Dis. ,,	17	10	0	0
Pitchpine ..... per load	9	0	0	0
Rio Deals ..... per std.	32	0	0	0
Teak ..... per load	20	0	0	0
Honduras Mahg. logs c. ft.	0	11	0	0
African ,,	0	6	0	0
American Oak Boards ,,	0	6	0	0
Do. Ash ,,	0	6	0	0
English Oak Planks ,,	0	7	0	0
Do. Ash ,,	0	6	0	0

CONDENSED MILK AND MILK POWDERS.—Market easier. Full cream, sweetened: English, spot, 45s.; Dutch, ditto, 38s.; April-June, 37s. 6d. Machine skimmed, sweetened: English, spot, 27s. 6d.; Dutch, ditto, 23s. 6d.; April-June, 23s., all in 5 cwt. barrels. Powders, Spray process, F.C. 26 per cent., 2 by 56 lb. tins, crated, 88s.; M.S. (1 cwt. cases), 40s; Roller, ditto, F.C. 26 per cent., 77s. 6d.; M.S., 30s., all nett, duty paid ex-wharf London. On the Grocery side: F.C.S., 21s.; M.S.S., 10s., basis per case, usual packing. Danish cream: Evaporated, unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d. Condensed, sweetened, 48 by 14 oz., 20s. per case.

HONEY.—Spot supplies remain in short compass with a good demand at advancing prices. Importers have mostly withdrawn and forward offers very scarce. On the spot, white Jamaica, is almost unobtainable, pale amber selling at 48s.-50s. Small supplies of manufacturing grades realised up to 46s. New crop, March-April shipment, pale amber, sold, at 42s. 6d.; and f.a.q., 38s.-40s. New Zealand sells readily, dark amber, quoted, 50s.-55s.; medium, 55s.-65s.; light, 65s.-85s.; whites and water whites, 65s.-87s. 6d. cwt.

RUBBER.

Prices took a further slight dip, as there is nothing much in the nature of buying interest shown just now, while sellers are well to the fore. Sheet spot and March sold 11⅞d. to 11¼d.; April-June, 11⅞d. to 11⅞d. and 11⅜d.; July-September, 1s. 0⅛d. to 11⅜d.; October-December, 1s. 0⅜d. to 11⅜d.; January-December, 1930, 1s. 0⅜d. To New York, European estate sheet, March-April, sold, 11¼d.; April-May, 11⅝d. per lb. c.i.f. London stocks, 522 tons higher on the week, landings being 2,067, deliveries, 1,545; stocks, 26,442; against 61,033 at corresponding period last year. Liverpool stocks, 36 tons lower; landings, 122; deliveries, 158; stocks, 4,100. Straits shipments, first half March, 23,000 tons.

GENERAL.

JUTE.—Market generally steady. Firsts, March-April, Hamburg, quoted, £33 2s. 6d.; April-May, sold, £33 15s.-£33 12s. 6d.; May-June, £34 ton. Hamburg stocks, 114,318 bales, against 107,263 last year, being a decrease of 10,089 on the fortnight.

HEMP.—There was a slightly steadier tone observable in the section for Manila. There was quite a fair inquiry, partly on covering account, which caused sellers to adopt more reserved measures. J.2, April-June, quoted £36 10s.; K, buyers, £32 10s.; K, May-July buyers, £33; L.1, April-June, £33 15s.; sellers, L.2, £29 10s.; M.1, at £30, and M.2, quoted £27 ton. New Zealand more or less nominal. African Sisal No. 1, March-May, £40, sellers; No. 2, £38 ton c.i.f. Manila receipts for the past week, 38,000 bales, against 24,000 last year; estimate for next week, 31,000, and following week, 32,000. Manila shipments during last week amount to 9,000 bales, U.K./Continent; 6,000, U.S.A.; 16,000, Japan; and 2,000 other countries. Stocks are 5,000 bales higher on the week at 219,000.

SHELLAC.—Market dull. T.N., spot, 192s. 6d.; May, 186s.; August, 191s. cwt.

COPRA.—Market continues quiet. Straits, sundried, April-May quoted £23 7s. 6d.; May-June, £23 10s.; June-July, £23 12s. 6d.; Dutch East Indies, April-May, £23 2s. 6d.; May-June, £23 5s.; Ceylon, March-April, £24 5s.; South Sea kiln-dried to London, March-April, £22 2s. 6d., and Marseilles, £22 2s. 6d. Palm kernels dull. To Hull, March-April, £18 16s. 3d.; ditto to Hamburg, £18 16s. 3d. ton.

MISCELLANEOUS.—Coconuts quoted 18s. to 24s. per 100. Coir yarn, Ceylon, £19 to £39 10s.; Cochin, £23 to £40 5s.; Ceylon bristle, £18 10s. to £25; cinnamon leaf oil, 5½d.; citronella, Ceylon, 2s.; Java, 2s.

METROPOLITAN CATTLE.—March 20.

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

	s.	d.	s.	d.		s.	d.	s.	d.
Beasts—Norfolk	6	6	6	8	Beasts—Heavy Bulls	...		...	
Irish	...		...		Canadian	...		...	
Cambridge.....	...		...		Sheep—Downs	9	0	10	0
Short Horns	6	2	6	4	Half bred	...		...	
Herefords	...		...		Ewes	5	4	5	8
Devons	...		...		Scottish	...		...	
Leicester runts	...		...		Lamb—Downs	11	0	13	4

LONDON POTATO MARKETS.—March 20.

	Per Cwt. s.	d.	s.	d.
English King Edward—Lincoln	6	0	6	6
White varieties	4	0	4	6

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, MARCH 30, 1929. No. 4,466.

ROYAL EXCHANGE ASSURANCE

Incorporated A.D. 1720.

All classes of Insurance transacted and the duties of Executor and Trustee undertaken.

For full particulars apply to :—

Head Office: Royal Exchange, London.

BANCO NACIONAL ULTRAMARINO.

STATE BANK OF THE PORTUGUESE COLONIES.

Head Office: LISBON. Established 1864.

Capital: Esc. 50,000,000$00 fully paid. Reserves: Esc. 49,000,000$00.

OFFICES IN THE FOLLOWING COUNTRIES:

Portugal, Portuguese East and West Africa, India, China, Timor and Brazil.

Paris Office ... 8 Rue du Helder.

Angola, Belgian Congo } Banco de Angola

New York—Trust Co. of N. America—93 Liberty Street.

AGENTS & CORRESPONDENTS IN ALL PARTS OF THE WORLD.

London Office: 9 BISHOPSGATE, E.C.2.

Telephone—London Wall 0295. Telegrams—Ultranacio, London.

BANCA COMMERCIALE ITALIANA.

Established in 1894. Head Office: MILAN. Capital 700 million Lire. Reserves 540 millions. Deposits 7,251 millions.

Branches in every centre of commercial and industrial importance in Italy; also in London, New York, and Constantinople.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Egypt, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

London Office

32, Threadneedle Street, E.C.2.

A. JOEL, *Manager.*

Correspondents to the Italian Treasury.

TABLE OF CONTENTS.

The Money Market	669
Leading Articles—	
Stocktaking	671
The Police and the Citizen	672
Fleets and Policy	673
French Newspaper Press —II	674
A Quarter's New Capital	675
America as an Exporter	677
Notes of the Week—	
The Political Campaign	678
The National Accounts	678
The Coalfields	678
Reparations	679
The American Secretaryship of State	679
The New American Immigration Quotas	679
The Italian Elections	680
Another War Cloud in China	680
The Case of "I'm Alone"	681
Local Government Bill: Lords' Amendments	681
Lancashire Cotton Corporation	681
Australian Coal—and British	681
A New Diagnosis of Unemployment	682
Scottish Provident Institution	682
Overseas Correspondence—	
United States	682
France	683
Germany	684
Hungary	686
Russia	686
Canada	687
South Africa	688
Letters to the Editor—	
The Demand for Steel	689
Books and Publications—	
Administering Protection	689
"Burdett"	690
Books Received	690
The Stock Exchange—	
Shareholders and Control	691
The "Johnnies" Group in 1928	692
The Week in the Markets	693
Foreign Stock Exchanges	694
A Quarter's Trust Companies	695
Cunard Steam Ship Co.	695
African and Eastern—Niger Merger	695
Powell Duffryn Steam Coal	696
Debenhams	696
Newcastle-upon-Tyne Electric Supply	696
American Telephone and Telegraph	697
Rand Mines	697
International Nickel of Canada	697
Islas del Guadalquivir	698
Canadian Pacific Railway	698
Capital Issues	698
Oil Outputs	699
Mining Output Statistics for February	699
Company Meetings	700
Government Returns	716
Bankers' Gazette—	
Provincial Clearing Returns	717
Overseas Bank Returns	718
Loan and Discount Rates	718
Rates of Exchange	718
Gold and Silver Prices	719
Company News—	
Reports and Notices	719
Profit and Loss Accounts	720
Summary of Balance Sheets	720
Dividend Announcements	721
Commercial Reports—	
The Corn Trade	721
American Wheat Markets	722
Coal Trade	722
Iron and Steel	722
Other Metals	723
The Cotton Trade	723
The Wool Trade	724
Colonial Wools	724
Hide and Leather Trades	724
The Jute Trade	724
Vegetable Oils and Seeds	724
Overseas Produce	724
Prices Current	726

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d. Colonies and Abroad, £3 1s. 0d. per annum.

Single Copies, post free, 1s. 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4

THE MONEY MARKET.

THOUGH conditions proved difficult this week, as much as 6 per cent. being paid for money on Tuesday, the general tone of the market has become much more hopeful. The reason is that there are at last definite signs that the 5½ per cent. Bank rate is proving effective. The first of these signs was the report last week that £2,000,000 in gold had been imported from Holland, a

shipment which had the instant effect of forcing the Dutch Bank rate up from 4½ to 5½ per cent., or into line with London. This was followed on Monday by the news that the Bank of England had acquired £976,000 of new gold. The origin of this gold is not disclosed, but it is assumed that it represents part of the Dutch shipments of the preceding week. It is thus possible that the remainder will soon pass into the hands of the Bank, though now that the Dutch rate has been raised the Netherlands Bank may decide to hold it in London earmarked on its own account. This week it was also announced that £1,000,000 in sovereigns was on its way from Australia to the Bank of England, while next week, and also the week after, there will be £800,000 in gold available in the market, while in the second week there is also due an additional £500,000 in sovereigns. If all these expectations are fulfilled, the Bank will be able to make a substantial addition to its gold stocks within the next few weeks.

* * * *

Meanwhile, this week's news from America is of definite importance. It is now quite clear that foreign money is in practice debarred from the New York call market, simply because the foreign lender now has to lend at his own risk. Foreign money is thus leaving America, and the 20 per cent. call rate registered on Tuesday is simply a famine rate offered in desperation for money that is no longer there. The following day there came an unofficial report of still greater moment. This was that the Reserve Banks are now insisting that for every loan made in the New York call market, bankers should also buy a proportionate volume of acceptances.

* * * *

This would mean not only that still further pressure is being applied to Wall Street, but that the demand for acceptances will increase. This would tend to reduce the discount rate on acceptances, and so decrease the likelihood of an increase in the Reserve Banks' own rediscount rates. Thus all the American news is favourable. Falling stock prices, a severely rationed call market, and support to the acceptance market, all point to the American situation being brought under control, and this news, coupled with that of the Bank of England's fresh gold acquisition, arouses the hope that the corner in London has at last been turned.

* * * *

It is now possible to take stock of the situation. Market opinion, in its anxiety over London's position *vis-à-vis* New York, has been a little prone to neglect London's position against the rest of the world. Now it is clear that during recent months the real struggle has not been so much between New York and London as between New York and the world. Until two months ago London was ranged against New York, and had to bear the full brunt of the American attack. The institution of the 5½ per cent. rate in London has not only helped to bring the struggle to an end, but has also brought London from a defensive into an attacking position.

	Mar. 27, 1929.	Mar. 21, 1929.	Mar. 14, 1929.	Mar. 7, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5½	5½	5½	5½	4½ (Feb. 7,'29)
Banks' Deposit Rate ..	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
Houses { Notice.....	3¾	3¾	3¾	3¾	2¾ (Feb. 7,'29)
Market rate (3 months' bills)	5 5/16 – 3/8	5 5/16 – 3/8	5⅜	5¼	...

The change in London's position has been a gradual one, which has not been easy to detect, but it is now possible to see that this is so. Except the dollar, most foreign exchanges have latterly been in favour of London, and the Dutch gold shipments of last week are by themselves conclusive proof. It is thus at last possible to take a more hopeful view of the outlook, and to believe that the time is near when recent fears of a 6½ per cent. Bank rate in London can be safely abandoned.

NEW YORK MARKETS.

Our New York correspondent cables:—A ½ per cent. decrease in the bill rate is due largely to foreign buying. The money market is far out of line with the discount rate, which is expected eventually to rise to 6 per cent.; heavy liquidation this week may mean a postponement of action. Local banks are borrowing again now, but they were well out of the Reserve Bank last week. There is a great outcry among stock traders against the Reserve and member banks; best banking circles are regretting that drastic measures had to be taken, but they were regarded as unavoidable under the circumstances of delayed action —better late than never. Business is maintained in the steel industry at virtually full capacity, and railroad traffic is growing. There is optimism at the prospect of an agreement in the oil trade for world curtailment.

THE STOCK MARKETS

The break in Wall Street produced few untoward developments in London. The tone of the investment markets improved on the Bank of England's unexpected but welcome accession of gold, gilt-edged quotations enjoying a measurable recovery, while home rails were in better demand. "Anglo-American" stocks inevitably reflected Transatlantic liquidation, but though other industrials were dull and heavy, no wide movements in prices were recorded. Idle conditions ruled in the rubber share market, but oil shares were moderately active. The "Johnnies" reports produced few changes in Kaffirs, but Rhodesian shares were dull on events in New York, as were other base metal counters.

THE COMMODITY MARKETS.

Coal prices in Scotland show signs of becoming easier, but elsewhere they are firm. Changes in the iron and steel trades are in the direction of greater activity and the tone is good. Other metals, except tin, are steady. Raw cotton is again down, but the unevenness of the markets for cloth has prevented this from having any marked effect on Manchester trade. Wool prices are at last considered to be on a sound basis, though this development has not yet been followed by much increase of activity in Bradford. The jute trade is quiet. Hides, leather and their products are showing more signs of activity than they have for some time. Wheat has declined sharply.

THE FOREIGN EXCHANGES.

Sterling on New York remained steady, with a firm undertone throughout the week, around 4.85⅜. The close was 4.85 5/16, with forwards unchanged at 1/16 cent and ⅛ cent discount. Canada further improved to 4.87⅛ on 26th instant, but reacted to 4.88½ at the close. Paris improved to 124.17, and Brussels was also better at 34.95½, and Italy at 92.70. The Dutch Exchange appreciated to 12.10 consequent upon the raising of the Bank rate to 5½ per cent., but reacted later. Spain fluctuated around 32.00, closing at 32.07. Forwards were in more offer, being 9 and 25 cents premium for one and three months. Switzerland was offered at 25.23½ at one time, but improved later to 25.23, while forwards moved from a premium to a small discount. Among the Scandinavians the only movement of note was a slight appreciation in Stockholm from 18.17½ to 18.16¾. Reichsmarks were 20.46. Japan was in good demand at 1s. 10 3/32d., with more activity apparent than recently. Buenos Aires was weaker at 47¼d., as was Rio at 5 27/32d. Lisbon was better at 108. After considerable fluctuations, silver closed at 26 1/16d. for spot and 26⅛d. for forward delivery. Hong Kong was 2s. 0⅛d., and Shanghai 2s. 0⅞d.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Mercantile Bank of India, Chartered Bank of India, Australia and China, the Eastern Bank, London Life Association, Trade Indemnity Company, the Employers' Liability Assurance, Newcastle-upon-Tyne Electric Supply, British Insulated Cables, Midland Electric Corporation for Power Distribution, Powell Duffryn Steam Coal, International Automatic Telephone, Salt Union, Radiation, Associated Portland Cement Manufacturers, Pinchin Johnson, Vickers, Mengkibol (Central Johore) Rubber British Aluminium, Mazawattee Tea, and *The Financial News*.

STOCKTAKING.

WELCOME always in that for many thousands of the "gainfully occupied" it represents the first chance in the year to taste—away from factory and office—the breath of spring, Eastertide on this occasion comes as a boon to be the more appreciated after a severe, influenza-laden winter, and as an opportunity, which we ought not as a nation to neglect, for a moment's calm consideration. Coinciding closely with the vernal equinox, with quarter-day, and with the conclusion of "stock-taking" in many branches of our commercial life, the Easter holidays this year are a peculiarly apt occasion in which to pause and reflect, not merely on the way in which the year is beginning to shape, but also on the great decisions which the nation has to take within a few short weeks.

Looking back over the past quarter, what conclusions and hopes can we deduce from the course of events? Abroad, the year has so far brought both good and ill. It has seen the world's prospects of peace enlarged by the decision of the United States to ratify the Kellogg Pact, and by her new approach to membership of the World Court. The Lateran Pact has ended for Italy the long-lived "Roman question"; reconstruction and the tranquillisation of political tension in Central Europe have made further progress. On the debit side of the account there have to be set the outbreak of civil war in Mexico and renewed hostilities threatening once again the internal order of China, whose troubled affairs seemed earlier in the year to be well on the way to being composed. In Jugo-Slavia a dictatorship has to be added to a list which Spain has shown signs of desiring to shorten. The protracted Conference of the Experts in Paris has reminded us that an end to the Reparations question has yet to be found. When the field of foreign affairs is thus summarily reviewed, it is difficult to speak more encouragingly of 1929 than to say that if it has not brought a solution of any of the major problems of international politics, it has at least not witnessed any serious crisis endangering the world's precarious stability.

It is with our domestic situation and problems that circumstances force us to be mainly pre-occupied. Here, too, there are developments of the past quarter to be set on both sides of the ledger. The recovery, slow and painful though it has been, of his Majesty the King has been a matter for unfeigned rejoicing on the part of the whole nation. The course of trade, on the other hand, has been watched with an anxiety deepened by the continued severity of unemployment, and the knowledge that a year ago Easter was a critical turning-point from which a serious recession began to take effect. In our Monthly Supplement, published with this issue of the *Economist*, we examine in some detail the present tendency of industry. The verdict is "open." Tentative, but encouraging, signs of improvement, not only in the coal industry, but in a number of directions, are discernible, but there is as yet no quite convincing evidence of a movement or of an expansion which seems certain to be sustained.

In the financial sphere, the rise in Bank rate on February 7th from 4½ to 5½ per cent. frustrated hopes that, despite last autumn's heavy gold losses, and the continuance of speculative activity in Wall Street, dearer money in this country could, after all, be avoided. Inevitable though it was, the Bank's decision caused disappointment in industrial circles, and the course of New York money rates has since been anxiously watched, lest an increase in the Federal Reserve Bank's rediscount rate should be the precursor of a further rise in rates in London. Recent developments in New York have done much to allay apprehensions on this score, although all danger is not quite past.

Looking back over other developments of the quarter, it is difficult to be wholly satisfied that all is being done that might be done to reorganise British industry and raise its productive efficiency uniformly to the maximum attainable. The cotton trade, it is true, has taken a notable step forward through the formation some weeks ago of the Lancashire Cotton Corporation. The wool textile industry, on the other hand, divided in its own counsels, has been content to let the pressing needs of "rationalising" its costs of production wait upon the upshot of a defeatist and ill-considered application for a protective tariff. The coal trade, it is to be feared, has allowed a helpful gain in exports at the expense of a frost-bound Europe to obscure to some extent its internal shortcomings in organisation and the need to press forward amalgamations and schemes for better-regulated selling. Finally, turning to the relations between capital and labour—another aspect of the vital "reorganisation" issue—we have to recall the grave disappointment occasioned by the employers' reception of the proposals contained in the Melchett-Turner report, and to take what comfort we can from the fact that new discussions are afoot. In fine, the impression left by the past three months' events is that industrially we have tended on the whole to "drift along."

Politically, the same appearance of "drift" is to be recorded, with the important difference that here the stream is carrying us unmistakably to a weir, beyond which the state of the water cannot be predicted. The House of Commons has spent the quarter yawning over a Local Government Bill which aroused little enthusiasm and provoked less criticism than its failure to deal adequately with the Poor Law issue deserved. Outside Parliament, Mr. Lloyd George has succeeded in galvanising Liberalism by his dramatic schemes for providing work for the unemployed; the leaders of the Labour Party have endeavoured with some skill to combine the *rôle* of persuasively "reasonable" Statesmen with that of authorship of "Labour and the Nation"; Mr. Baldwin, in the part of Fabius Cunctator, promises for the end of April a battle-cry that shall rouse the Conservative legions to the discomfiting of both the invading Punic hosts. Meantime, the electorate, still in the main apathetic, shows signs of being awakened from apathy by growing impatience with the Government's delay in producing a constructive policy for the future. At Boston, North Lanark and Eddisbury the portion of the forces of Fabius has been that of Lake Trasimene. Examining the voting at last week's five by-elections, in which the Government lost three seats, we find that out of a total poll of 127,824, only 47,184 votes, or 37 per cent. of the total, were cast for Conservative candidates, the Liberal poll being 39,172, and the Labour aggregate 37,927. The Conservative vote fell by 35 per cent., the average number of votes per candidate declining from 14,510 in 1924 to 9,439 this year. The average Labour vote per candidate rose from 8,269 to 9,482, and the Liberal vote from 7,178 to 7,834, or (excluding North Lanark, where there was no Liberal candidate in 1924) to 9,171. In 1923, it may be recalled, when the Conservative poll amounted to 38 per cent. of the total votes cast, the Conservatives secured only 258 seats. Their percentage in last week's contest suggests that the results of that year may well be repeated more or less at the forthcoming General Election, unless—and here, of course, big uncertainties creep in—the incalculable chances of triangular fights, with a greatly increased electorate, favour unexpectedly Mr. Baldwin's fortunes.

In his speech last week at Leicester the Prime Minister referred to this journal as an organ strongly supporting one particular shade of political opinion. We would assure Mr Baldwin, and our other readers, that the views expressed in these columns are not those of any single political party. Endeavouring to further the general interest, as we see it, we are not concerned to canvass votes for the Government or for either of the two Oppositions. What we chiefly hope to-day is that the electors will use their Easter holiday not only for recreation and careless enjoyment, but also for a little quiet thinking about the country's needs both politically and industrially. But we have the right to demand that the leaders of all three parties shall determine in this lull before battle not to exploit the capacity of a democracy such as ours to be confused and misled by propaganda and passion, but to deem those whose suffrages they seek worthy at least of having clear, detailed and intelligible programmes laid clearly before them for their consideration and choice.

THE POLICE AND THE CITIZEN.

After a long, patient and searching investigation the "Royal Commission on Police Powers and Procedure" has published a Report, which has the merit of being unanimous and is in many ways reassuring to the public mind. We are told that the Commission has formed a very favourable opinion of the conduct, tone and efficiency of the police service, and that its general level of competency is higher than it was; that corruption in the force has been greatly exaggerated and arises mainly out of laws which are out of harmony with public opinion; that certain charges of deliberate trickery in dealing with accused persons have not been proved, and that there is no credible evidence of such treatment as could properly be described as "third degree methods."

These findings are very satisfactory, and in so far as the Commission was set up as a jury to try the police force of the country on a charge of corruption and dishonesty, the Report may be read definitely as a verdict of not guilty. But the Commission had much more to decide upon than the honesty of policemen, and the really difficult judicial act that it had to perform turned on the treatment of accused persons and witnesses who may develop into accused persons—and in particular on the statements that such witnesses were invited to make to the police and the use that may properly be made of such statements in the trial. This is an extraordinarily difficult subject, and if we read the Report of the Commission aright it caused the members of the Commission no little searching of heart and trouble of mind. The problem of these statements touches at one end the laws of evidence which, properly regarded, were outside the territory to be covered, and at the other the liberty of the individual and the limits of police investigation. In spite of the recommendations, unanimously made, it does not appear that the Commission, after all the evidence had been heard and the whole enquiry completed, was really settled in its mind or altogether happy in its convictions. We none of us like the thought of hampering the police by instructions which will enable a criminal, who ought to pay the penalty, to escape; but we all of us hate the thought of a British citizen, perhaps uneducated, frightened, friendless and unprotected, giving away his liberty or his life in secret to a police officer convinced of his guilt before the statement has begun.

On this question of the admissibility of statements made by an accused person before his trial the law is complicated and very difficult; but the principle, as set out in the Report, is that a statement is admissible if it is true, but "any form of threat or inducement prior to its being made introduces so great a risk of unreliability that any statement made under threat or inducement has come to be treated as necessarily inadmissible." Whether there has been "threat or inducement" is for the judge to decide, and as the statement has been made without the presence of witnesses, and as the prisoner will almost certainly say that he was "threatened or induced," and as the police will with equal certainty say that he was not "threatened or induced," it must be a matter of the greatest difficulty for the judge to decide how it was in fact obtained. For the guidance of the police His Majesty's judges have drawn up a set of rules known as the Judges' Rules for the proper interpretation of the law, and with great respect to the high authority on which these rules are based they are a very masterpiece of confusion and ambiguity. Some of the rules refer to "a person in custody" and others to "a prisoner," and as both phrases appear to refer to the same person we start with a breach of an elementary rule of draftsmanship, that in one document the same thing should always be called by the same name. The third rule says that "persons in custody" should not be questioned without the usual caution being administered, the obvious implication being that once the caution has been given they may be questioned and cross-examined. The seventh rule, on the other hand, lays it down that "a prisoner" must not be cross-examined and no questions should be put to him except for clearing up such points of ambiguity as whether an hour mentioned is a.m. or p.m., and he may only be questioned sufficiently to clear up the ambiguity. Rule two says that "when a police officer has made up his mind to charge a person he should first caution such person before asking any question or any further questions as the case may be," so that under this rule the man may be questioned, and until the police officer has *made up his mind* he may be questioned without a caution. Making up one's mind is a vague term. We may be almost determined on a line of action, practically convinced that we are going to adopt a line of action, but still our mind is not made up; and a police man acting on this rule may have got a man well into the toils of the law before warning him that what he says may be used in evidence in court. Altogether the rules are very unsatisfactory; they are interpreted in different senses in different police stations, and it is clearly impossible for any judge on the bench to decide exactly the circumstances in which any given statement was made. He cannot know what questions, if any, were put, what stage of weariness and exhaustion the prisoner reached during the examination (the Report calls this a very real danger), or what view the officer who obtained the statement took of his duty and his examining rights. The Commission itself is in doubt, but records a "disturbing impression" that Scotland Yard regards itself as "a thing apart to which the restraints and limitations placed on the ordinary police do not or should not apply"—perhaps the most damaging and critical sentence in the whole Report.

These, then, appear to be the facts: that the rules governing statements are ambiguous and hard to interpret; that they are, in fact, very variously interpreted by the police; that Scotland Yard thinks itself to be in a privileged position with special rights and special privileges; that the protection of a prisoner begins at the moment when a police officer says to himself, "I have now made up my mind"; that the circumstances in which any particular statement was obtained, the fairness or unfairness of the methods employed to get it, the language even in which the statement was made, are all extraordinarily difficult to ascertain.

What conclusion, then, is a layman anxious for the fair administration of justice to come to? He sees the dangers, and he knows that during the last few years the number of statements produced against prisoners on trial for murder has greatly increased. He knows that under English law, evidence in open court must be given in accordance with the rules of evidence, that every question is heard by the judge and jury and the prisoner's counsel, that his reaction to every question and the answer he gives to it are watched and noted, and that all improper questions can be objected to and disallowed. This protection is the prisoner's right, and whether he be innocent or guilty he is equally entitled to it. But when the prosecution comes into court with a prisoner's statement or confession already made and signed and produces it against the prisoner, it is in effect giving the man's evidence for him before he ever gets into the box, and the evidence so given has been obtained without any of the safeguards of legal advice, publicity and laws of evidence that the law has provided for him. He may have been cross-examined in secret and in secret badgered into admissions that put the noose round his neck before ever he comes into the court. That is the possibility that makes the man in the street distrust these statements and confessions, and we have no doubt that the uncomfortable feeling of the plain layman finds some echo in the minds of those who constituted this Commission. If the statements of accused men must be produced in evidence we should like to have them limited to such statements, and such statements only, as are made in the presence of the prisoner's legal adviser.

The New York Trust Company

Capital, Surplus & Undivided Profits - $35,000,000

COMPLETE INTERNATIONAL
BANKING FACILITIES

100 Broadway New York City

FLEETS AND POLICY.

It is the custom of the Admiralty to lay yearly before the House of Commons a command paper giving particulars of the relative naval strengths of the great Powers. The current issue of this comparative statement* of the composition of fleets serves as a useful, if unpalatable, reminder that, whereas the size and character of battle squadrons is regulated by the Five-Power Naval Limitation Treaty signed at Washington in 1921, the construction of every other class of naval vessel is still subject to no law except that of international rivalry and competition. The failure of the Geneva Conference in 1927 gave scope, except in the sphere of capital ships, for apprehensions that the world might be burdened with a fresh race in naval armaments. With two years still to elapse before the next Conference on limitation of armaments is due to be held, it is of interest to see from the Admiralty's command paper how far those apprehensions are on the way to being realised.

So far as capital ships are concerned, the return shows that, with the exception of the "Ersatz Preussen," a vessel of 10,000 tons displacement armed with 11-inch guns building in Germany, no battleship or battle-cruiser has been laid down, or is scheduled as "projected," in the world since the laying down of the two British battleships —the "Nelson" and the "Rodney"—commenced in 1922 in accordance with the provisions of the Washington Treaty and completed five years later. Neither France nor Italy availed themselves of their right under that Treaty to lay down one battleship each in 1927, and the present strengths of the Five Powers in capital ships are as follows:—Great Britain, 20; U.S.A., 18; Japan, 6; France, 9; Italy, 4. Future scrapping and replacement is so arranged under the Treaty that by 1941 Great Britain and the United States will each have 15 post-Jutland ships, against nine post-Jutland ships sanctioned for Japan.

The successful issue of the Washington Conference in respect to capital ships was due primarily to the fact that it regulated a political problem and a conception of naval strategy which the layman in every country could understand. A battle fleet is an easily contrasted combatant force with two potential functions: (i) to protect a belligerent's coast from hostile aggression, (ii) to carry offensive operations into an enemy's water. The object of the Washington Treaty was to restrict all battle fleets to the first of these two functions, and so to limit them in numbers and size of units that it would be difficult for them to execute the second. The delicacy and complexity of the combatant mechanism of a battle fleet gives naval commanders a strong distaste for high strategical adventures. The Treaty, therefore, excited no "expert" apprehensions or prejudices. In all countries, lay opinion, rendered uncertain of the future value of capital units by the inconclusive "battleship *versus* submarine" controversy, eager for some relief from naval expenditure, and in no mind to contemplate the possibility of future wars between Grand Fleets, gave the Treaty a warm welcome.

It is because it lacks the common political denominator of the battleship issue that the problem of cruiser limitation has hitherto been insoluble. To Great Britain a considerable cruiser strength is generally recognised to be a matter of national security. From the "expert" point of view, the strength that constitutes security has, until recently, been calculable. If the operations at sea during 1917 and 1918 proved anything, it was that our ability to secure essential imports is contingent on our ability to place the entire Atlantic trade in convoy. The forces necessary for that purpose have up to now been considered not to be large. Some 50 cruisers, of which at least half can be armed merchantmen, and about 100 destroyers, have until recently been held sufficient. But this estimate of an adequate defensive force for commerce has hitherto been based on the assumption that the form of attack against which Great Britain would have to provide would be an attack by submarines—an assumption made reasonable by the naval strengths of the Continental Powers of Europe and the tendency of their naval policies. To what extent is that assumption still justifiable?

Before an answer to that question can be given, it is necessary to trace briefly the indirect consequences of the Washington Conference in a sphere other than that of battle fleets. The Five-Power Treaty, it may be recalled, defined as a "capital ship" (subject, as such, to the Treaty's regulation) any vessel of war whose displacement exceeded 10,000 tons, and the calibre of whose guns exceeded 8 inches. Unhappily, in such matters maxima tend to become the standard, and the Admiralty's return, giving the comparative cruiser strengths and building plans of the Five Powers, shows only too clearly the emergence of the debatable "8-inch gun" type of cruiser. In 1923, Japan—the armament of whose cruisers laid down in 1920-22 had been 5.5-inch guns—laid down two cruisers armed with 8-inch guns, of 7,100 tons displacement. In 1924, Great Britain laid down five 10,000-ton 8-inch gun cruisers, France began to build a similar vessel, and Japan repeated her previous year's programme, with the addition of two 10,000-ton ships. Next year two cruisers of this tonnage and armament were laid down for the Australian navy, one for France, two for Japan and two for Italy. Since 1925 Great Britain has built one 10,000-ton 8-inch gun cruiser, and has three building, the United States have eight under construction to be completed in 1929-31, Japan has six building, France three, Italy none. In addition the United States have 15 cruisers of this large, heavily armed type "projected."

It will thus be seen that from the aspect of convoying Great Britain's Atlantic trade a new problem is rapidly arising. However unthinkable politically the outbreak of hostilities between X and Y may be, from the "experts'" angle it remains an unalterable rule of naval strategy that every mercantile convoy must be escorted by a force equal to any force that may be sent to attack it. But it

* Cmd. 3277. H.M. Stationery Office. Price 2s. net.

is one thing to make provision against an attack by submarines, and quite another to secure the vital avenues of sea-borne commerce against attack on the high seas by concentrated squadrons of heavily armed 10,000-ton cruisers.

The Geneva Conference broke down, it has been said, on the impossibility of finding a formula to equate the 8-inch with the 6-inch gun. The cause of the failure was, in fact, more substantial. In asking for the right to build 25 " maximum type " cruisers, the United States preferred a demand, acceptance of which would have entailed either the formal abandonment by Great Britain of the principle (mutually desired in theory) of cruiser parity with the United States, or a building programme intolerable in itself and which would have raised our total cruiser strength (including a reasonable allowance of smaller, strictly " defensive " craft) to a figure which the United States regard as unacceptable.

For the decision to lay down five " maximum type " cruisers in 1924, the British Government bears a grave responsibility, for which the simultaneous programmes of France and Japan in this class of construction offer small excuse. The result is to be seen in the United States' decision to construct a formidable squadron of what the " experts," rightly or wrongly, regard as a primarily " offensive " type of ship. To build ship for ship against the United States in the 10,000-ton class would be on Great Britain's part an act of national madness, and it is satisfactory that in the 1927 and 1928 programmes three 8-inch gun ships (of 8,400 tons) originally planned should have been dropped, and that the First Lord should have announced in the House of Commons on March 14th that of the three new cruisers provided for in the current year's replacement programme, two at least will carry only 6-inch guns. It is important, however, that we should do more than refuse to be drawn into a building contest with the richest nation in the world. We must think out clearly the implications of the position which is developing, and recognise that if the United States carry out their full cruiser plans, the classic " expert " view of naval " security "—*i.e.*, a force adequate for every contingency—must be jettisoned in favour of another conception. Our naval defence of trade must be supplemented by a political defence. A rule of war must be sought which gives the greatest possible immunity to private property at sea. The traditional British doctrine of " contraband " has been enforceable in the past only by overwhelming naval strength. Apart from the fact that stubborn adherence to that doctrine constitutes, as we have repeatedly emphasised in these columns, the most serious obstacle to agreement with the United States to limit cruiser construction, the desirability of revising our views of maritime rights in war is doubly reinforced by the fact that, given our threatened inferiority in " maximum type " cruisers, those long-cherished views are now inimical to our own material interests.

THE FRENCH NEWSPAPER PRESS.—II.

(BY A PARIS CORRESPONDENT.)

THE practical effectiveness of the alliance between the French newspapers and the distributing and advertising organisations has been strikingly shown for some months past in the homeric conflict that is still proceeding between M. François Coty and the rest of the French newspaper owners. Nothing of the kind has ever been witnessed in any other country in the world.

In February, 1926, under pressure of economic factors, practically the whole of the French newspaper owners formed themselves into what is called the " Fédération Nationale des Journaux Français " for the defence of their mutual interests. The moving spirit of the new organisation was (and still is) M. Jean Sapène, a civil engineer whom M. Bunau-Varilla, the proprietor of the *Matin*, many years ago, placed at the head of the commercial side of his newspaper. Like Herr Hugenberg, in Germany, M. Sapène is now also the principal figure in his country's film industry. One of the first acts of the new body was to pledge all its members, under substantial penalty clauses, not to allow any of their newspapers to be sold at less than 25c. per copy.

Early in 1928 M. François Coty, who has made an enormous fortune in the manufacture of perfumery, conceived the idea of publishing a daily paper which should be free of the party, political, financial and other fetters which, in his opinion, have made the expression " a free Press " a misnomer in France. He was already the owner of the *Figaro* and the *Gaulois*, but these journals did not give him a sufficient platform to reach the greater public whom it was his ambition to influence. He proposed to produce a full-sized daily journal, to be called *L'Ami du Peuple*—Marat's old title, although M. Coty is by no means a sympathiser with revolutionary doctrines—and to sell it at 10c. in Paris and 15c. in the provinces.

Two days before his new paper was due to appear the large newspaper printing firm who were to produce it suddenly notified him that they would be unable to carry out their contract. MM. Hachette, who had signed a contract to act as sole distributors and to advertise the paper throughout the country (in consideration of a payment of 550,000f. (£4,400), of which two-thirds was paid in advance) simultaneously announced that they must decline to distribute the paper.

Some weeks later M. Coty's new paper appeared, but was boycotted by every retailer in the country. They asserted that they had been told by all the other newspapers to take the choice between selling *L'Ami du Peuple* and the certainty of having their supplies of all the rest cut off. This threat was actually carried into effect in some cases, particularly in connection with the boulevard kiosks. M. Coty's efforts to induce the Paris Municipal Council, the proprietors of the boulevard kiosks, to intervene proved vain. Advertisers were systematically informed, before their orders were accepted, that if they advertised in *L'Ami du Peuple* their announcements would not be allowed to appear in the other newspapers.

Nothing daunted, M. Coty organised a scratch distribution service all over the country, and with such success that the circulation of *L'Ami du Peuple* within six months reached 800,000 copies a day, while " outside " advertising, and particularly " smalls," grew to such an extent as to justify 10- or 12-page issues on several days of the week, whereas the average Paris daily seldom exceeds six pages.

Judgments given by the Tribunal de Commerce a few weeks ago awarded M. Coty 200,000f. as damages against the printers, 500,000f. against MM. Hachette and 1,200,000f. and costs " jointly and severally " against the National Federation and 38 of the editors or managers of the leading newspapers. A counter-action entered against M. Coty for alleged " unfair competition " in selling his newspaper at 10c. per copy was dismissed with costs. Notice of appeal was given. Meanwhile the boycotts continue. M. Coty, however, is apparently well satisfied with his success. Shortly before Christmas he issued an evening edition of *L'Ami du Peuple*, which he claims has already a steady sale of over 400,000.

The point ostensibly at issue is whether, in present conditions, it is possible to make a commercial success of a standard-sized daily paper sold at less than 25c. The National Federation insists that it is impossible to produce the average 6-page newspaper now in vogue at a prime cost below 23c., and that the price at which they sell to the retailers averages 18c. per copy. Seeing that 25c. paper represents only 5c. gold, which was the price of the average French daily before the war, and that newsprint in France is now eight to nine times its pre-war figure (or nearly twice its gold cost in 1914), while labour, taxation, overhead and other production costs have also swollen enormously, the surprising thing is that a sale price of 25c. should be regarded as economically sound, in view of the fact that the advertisement revenue of the average Paris journal is not comparable with that enjoyed by British newspapers.

M. Coty claims that he can sell his newspaper without loss at 10c. because he applies to newspaper production the improved methods which have brought him an enormous fortune in his perfumery business. Unfortunately, neither party to the quarrel has submitted accounts for independent inspection. One of the National Federation's chief arguments is that M. Coty did not enter the newspaper field with commercial motives, but with a view to utilising his admittedly large fortune to preach an individual brand of policy.

Exactly what degree of prosperity the average French newspaper enjoys it is difficult to estimate. The *Petit Parisien*, which is generally credited with having the largest circulation, was understood to have yielded a net income before the war of about £160,000 a year. In 1926 the net profits were only 1,444,000f. and 30f. per share was distributed. For 1927 a dividend of 75f. per share was paid, and it is reported that for the past year this will be increased to 90f. per share. The capital of the company is small, and consists of 24,000 ordinary shares of 125f. nominal (which would represent £120,000 at the time the company was formed in 1884, but which is now equivalent, owing to the drop in the franc, to only £24,000), plus 70,000 *parts*, or founders' shares, ranking *pari passu* with the ordinaries for dividend. On March 2 the ordinaries were quoted on the Paris Bourse at 1,700f., and the *parts* at 1,530f.

The *Petit Journal*, which has a nominal capital of 27,500,000f., has of recent years lost its proud position as the possessor of " the largest circulation in the world," and has paid no dividend since 1922, when 10f. per 500f. share was distributed. In 1926 the preference shares received 23f. 50c., representing cumulative dividends for the previous three years. The shares are now quoted at 170. The *Temps*, which is the only other French newspaper whose shares are quoted on the Bourse, for the past three years has paid dividends of 10 per cent. on its 500-franc shares, which are quoted at 4,850f.

Circulation figures are difficult to ascertain, but the following estimates are regarded by experts in advertising as approximately near the facts: *Petit Parisien*, 1,600,000 copies per day; *Le Journal*, about 1,000,000; *L'Ami du Peuple* (morning edition), 800,000—900,000; *Matin*, 800,000; *Humanité* (the official Communist journal), 800,000; *Echo de Paris* (Nationalist), 600,000; *L'Ami du Peuple* (evening), 400,000. With the exceptions of the last-named and of the *Intransigeant* (Henri Rochefort's old tribune, which has been developed into a very fine property since the war and usually devotes three of its 10 or 12 pages to " small " advertisements), the Paris evening newspapers have small circulations.

Several of the other morning papers are credited with circulations in the neighbourhood of 200,000. *Excelsior*, the only Paris daily approximating to the English picture-daily type, claims 185,000. The *Œuvre* and the *Quotidien*, of which M. Jean Hennessy, now Minister for Agriculture and the head of the great Cognac firm, is the principal shareholder, may be placed in this class. The *Journal des Débats*, although it still has considerable influence, lost much of its circulation, curiously enough, when it reduced its sale price, some time before the war, from 15c. (which was then regarded as a high price for a newspaper) to 10c. It is significant of the paradoxical general situation that the *Temps*, which was sold at 15c. before the war, is now only 40c., or less than a pre-war halfpenny. Many of the other dailies which are often quoted by English correspondents, and which represent the official opinions and aspirations of important sections of opinion, have microscopical circulations and are practically void of advertisements, and cannot be described as " commercial newspapers " in any sense of the word.

In the provinces, individual ownership is also the rule. Most of the leading provincial dailies, which have circulations of from 200,000 to 350,000 copies, print from 10 to 20 distinct editions, all issued from the same office but mostly sent out under separate local titles. They are well filled with news, and articles signed by well-known names are a feature. Their advertising revenue is large. These papers usually comprise six small pages of wretchedly inferior paper, crowded with matter printed from exasperatingly small type.

The only organisation approaching a " combine " in France is what is known as " La Presse Régionale," a company with a capital of 3,350,000f. and some 12 subsidiaries, which owns or controls 14 provincial dailies (some of which print from 10 to 15 editions each) and 30 to 40 weeklies. The company's objects are avowedly religious (that is, Roman Catholic), social and patriotic propaganda. It acts as common buying agency for all its journals, but commercial interests are quite a secondary consideration.

The editorial and business staffs of the French newspapers are, from the English point of view, excessively large, and journalists' salaries are in most cases incredibly small. The minimum salary for whole-time staff men of two years' experience (mostly working seven days a week) was fixed in 1926 at 1,200f. (£9 14s.) per month. Speaking generally, French newspaper salaries have been increased since 1914 by the co-efficient of 3, so that they are now equivalent in gold to about three-fifths of their pre-war amount. French journalists have a similar professional status to that of doctors and lawyers, but it is difficult to understand how they can live on their pay.

LEGAL & GENERAL
ASSURANCE SOCIETY LIMITED
Established 1836.
EDUCATIONAL ASSURANCES
Head Office: 10, FLEET STREET, LONDON, E.C. 4
near Temple Bar.
Assets Exceed - - £20,750,000
General Manager: W. A. WORKMAN, F.I.A.

A QUARTER'S NEW CAPITAL.

RECENT political discussion with regard to the possibility of floating big Government loans adds interest to our examination of the new issues made in the first three months of 1929. The first quarter is usually the most active of the year, but, even so, this year promises a larger total of new issues in London, British Government borrowings excepted, than any other since the war. In reading the following table it must be noticed that there has been no cash subscription to Treasury funds to compare with £87 million under this head last year.

(Million £'s.)

	First Quarter.		Whole Year.	
	British Government.	Total.	British Government.	Total.
1913	Nil.	50·3	Nil.	196·5
1914	Nil.	97·6	332·5	512·5
1920	7·5	135·1	37·5	367·5
1921	17·0	63·4	202·3	389·0
1922	211·9	286·2	369·6	573·7
1923	43·8	86·3	77·5	271·4
1924	*Dr. 1·3*	36·0	13·7	209·3
1925	4·6	47·6	45·6	232·2
1926	5·4	75·0	4·6	230·7
1927	68·2	144·8	66·0	335·1
1928	85·8	169·0	83·9	369·0
1929	1·9	96·9	...	...

Conversion operations are naturally not included in the total, and the £1,900,000 for British Government represents a gratifying excess of sales over encashments of National Savings Certificates. In the next table the most noticeable changes from previous years are the continued dwindling of corporation loans, the revival of in-

terest in foreign railways and the further advance of the section "Mines, Finance and Exploration."

IN MILLION £'S.

	Total.	British Government.	Foreign and Colonial Govt.	British Colonial and Foreign Corpn.	Foreign Railways.	Mines, Finance, and Exploration.	Rubber and Oil.	Balance (Mainly Home Industry).
Total whole year, 1919	1,017·4	805·8	14·8	2·9	...	15·3	18·3	160·3
Total whole year, 1920	367·5	37·6	12·0	46·5	1·1	10·3	18·9	241·1
Total whole year, 1921	389·0	202·8	79·5	23·9	·6	2·4	16·9	62·9
Total whole year, 1922	573·7	369·7	72·9	20·0	14·8	9·4	17·4	69·5
Total whole year, 1923	271·4	77·7	95·8	4·8	5·4	15·5	7·7	64·5
Total whole year, 1924	209·3	13·7	90·6	18·8	1·0	12·7	2·3	70·2
Total whole year, 1925	232·2	45·6	30·7	25·3	3·8	18·0	19·1	89·7
Total whole year, 1926	230·7	4·7	54·6	49·2	8·2	26·9	6·2	80·9
Total whole year, 1927	355·1	66·0	67·5	37·9	5·4	33·2	11·0	134·1
1928—1st quarter ...	169·0	85·7	22·7	3·0	1·0	16·7	2·2	37·7
2nd " ...	75·7	*Dr 0·5*	14·4	10·0	Nil	11·0	0·6	40·2
3rd " ...	45·9	*Dr 0·9*	11·4	4·0	Nil	6·5	0·3	24·6
4th " ...	78·4	*Dr 0·5*	7·6	9·4	2·1	15·5	5·6	38·7
Total whole year, 1928	369·0	83·8	56·1	26·4	3·1	49·7	8·7	141·2
1929—1st quarter ...	96·9	1·9	27·2	·3	3·8	21·2	4·9	37·6

When these changes are analysed further it will be seen that Mines must not be credited with responsibility for the increase, but rather the large figure of £20,280,600 for "Exploration, financial and investment trusts," which, with the exception of £2,017,500 subscribed for Kreuger and Toll debentures, is almost exclusively made up of investment trust issues. This movement, which is one of the most significant features of the Stock Exchange to-day, is of great value from the national point of view, since it offers to the small investor enlarged opportunities of investing his savings in productive enterprise; care, however, must be taken in computing the new capital available for industry or governments to avoid duplication by deducting from the total of new issues all subscriptions which are merely reinvested.

ANALYSIS OF NEW CAPITAL APPLICATIONS.

	Total for First Quarters of Years.			
	1926.	1927.	1928.	1929.
	£	£	£	£
British Government loans ...	5,455,100	68,253,800	85,761,000	1,900,000
Colonial Government loans ...	8,134,000	5,380,600	17,930,100	23,590,000
Foreign Government loans ...	8,800,500	Nil	4,765,100	3,650,000
British Corporation and County loans ...	15,707,500	16,113,700	1,010,000	336,000
Colonial Corporations ...	388,000	1,331,500	1,228,700	Nil.
Foreign Corporations ...	Nil	Nil	772,000	Nil.
British railways ...	Nil	4,750,000	Nil	Nil.
Colonial railways ...	Nil	6,842,600	Nil	Nil.
Foreign railways ...	1,500,000	1,487,500	980,000	3,835,000
Australasian mines ...	Nil	Nil	Nil	12,000
South African mines ...	Nil	50,000	67,700	340,300
Other mines ...	489,400	1,425,000	2,770,800	607,500
Exploration, financial, and investment trust ...	3,422,500	6,661,700	13,913,200	20,280,600
Breweries and distilleries ...	20,000	261,200	Nil	3,130,300
Merchants, importers, &c. ...	126,500	593,100	Nil	425,300
Stores and trading ...	2,060,600	2,350,000	4,310,000	2,577,200
Estate and land ...	620,000	670,000	478,700	1,555,900
Rubber ...	2,028,000	822,400	2,239,800	566,500
Oil ...	Nil	3,985,400	Nil	4,315,800
Iron, coal, steel & engineering	4,518,100	400,000	1,047,500	712,000
Electric light, power, and telegraph ...	3,920,700	1,229,200	5,275,400	6,389,200
Tramway and omnibus ...	Nil	137,200	583,500	165,000
Motor traction & manufact'ing	2,083,400	280,400	581,900	222,000
Gas and water ...	159,400	444,900	177,700	250,000
Hotels, theatres, and entertainments ...	Nil	210,600	6,181,700	1,487,200
Patents & proprietary articles	Nil	1,005,000	2,691,700	5,913,400
Docks, harbours and shipping	5,367,000	6,387,500	300,000	Nil.
Banks and insurance ...	839,600	6,349,000	3,625,900	575,000
Manufacturing & Miscellaneous	9,388,100	7,466,100	12,351,400	14,116,800
Total ...	75,028,400	144,888,400	169,043,800	96,953,000

In the above table several items call for comment. The figure for Colonial Government loans is the sum of three abnormally large issues, namely, £7,840,000, subscribed for Australian Commonwealth 5 per cent. stock (the same amount as in the first quarter of last year), £6,650,000 lent to the Government of New Zealand and £9,100,000 to the Government of India at the beginning of the year. There had been some doubt whether the terms of the Australian loan were sufficiently attractive in view of the suspicion which has been cast on the financial structure of that Dominion, but the issue was successfully covered. One small loan raised by the Corporation of Wakefield was the only contribution to the corporation group. It may be that that form of investment is sated, or possibly that there is considerable further scope for national improvement through this medium. Two big issues have been made by the Buenos Ayres and Pacific and the Central Argentine Railways to enliven the foreign railways group, which had been rather inactive in the last few years. £3,930,855 paid for ordinary shares in Shell Transport and Trading accounts for the big rise in the Oil item. The increase in the Electric group is a sign of the times, and included £2,985,000 for the London Power Company. The heading Hotels, Theatres and Entertainments refers chiefly to cinema enterprises, which were unusually active last year.

But it is towards the two groups "Patents and Proprietary Articles" and "Manufacturing and Miscellaneous" that chief lay interest, and possibly criticism, will be directed, and so we have analysed them further, as follows:—

PATENTS AND MANUFACTURING AND MISCELLANEOUS ISSUES ANALYSED.

	£
1. Food, Drink and Tobacco ...	1,804,875
2. Textiles and Clothing ...	5,295,000
3. Newspapers and Publicity ...	1,306,250
4. Radio and Electrical Equipment ...	1,378,780
5. Motor Car Accessories ...	1,007,000
6. Gramophones ...	1,235,000
7. Coal Products ...	765,000
8. Quarrying and Building Materials ...	1,019,500
9. Wholesale and Retail Trade ...	564,750
10. Automatic Machines ...	1,442,500
11. Chemical, Engineering and Miscellaneous ...	4,211,545
	£20,030,200

It is unprofitable to analyse the last item more closely; the largest single issue which it includes is £620,000 in preferred and deferred shares offered by the India Tyre and Rubber Co. (Great Britain), which might have been classed with motor-car accessories. Textiles and Clothing include nearly a million pounds for artificial silk, and £2,000,000 preference shares issued by a combined chain store and manufacturing firm of ready-made clothiers; while a single tobacco issue of £1,025,000 quite outweighs £779,875 for food and mineral waters. £995,000 for Associated Newspapers is the staple of item 3. Criticism might quite fairly be directed towards the total of a million and a half for automatic machines. There undoubtedly is a future for this form of retail trade, but some of the ten ventures represented in the total must rest on prospects of the most speculative kind. However, they have not been disappointed in their requests for capital. In an industry where everything depends on getting the public accustomed to making purchases in this way, by a systematic and widespread distribution of machines, it would seem that the future would lie rather with a few large organisations than with a multitude of small firms such as these. On the whole, however, there is no evidence that any considerable proportion of new capital is being dissipated in ultra-speculative or wasteful enterprises.

A further table shows the destination of the new capital raised in the first quarters of a number of past years:—

DESTINATION OF NEW CAPITAL.

	First Quarters of Years.					
	1913.	1925.	1926.	1927.	1928.	1929.
United Kingdom—	£	£	£	£	£	£
Government	Nil	4,600,000	5,455,100	68,253,800	85,761,000	1,900,000
Other ...	7,542,000	32,815,000	39,708,300	47,651,200	48,646,000	56,220,000
	7,542,000	37,415,000	45,163,400	115,905,000	134,407,000	58,120,000
British Possessions—						
Government	7,626,600	822,000	8,134,000	5,380,600	17,930,100	23,590,000
Other ...	14,327,500	6,530,300	6,541,400	15,135,900	3,672,600	2,801,100
	21,954,100	7,352,300	14,675,400	20,516,500	21,602,700	26,391,100
Foreign countries—						
Government	3,523,600	Nil	8,800,500	Nil	4,765,100	3,650,000
Other ...	17,325,000	2,838,500	6,389,100	8,466,900	8,269,000	8,791,900
	20,848,600	2,838,500	15,189,600	8,466,900	13,034,100	12,441,900
Grand total	50,344,700	47,605,800	75,028,400	144,888,400	169,043,800	96,953,000

This shows a definite alteration of the direction of overseas investment from foreign countries in favour of the Dominions and Colonies, but it must be remembered that the total lent to the Empire included three large Government issues, which may not indicate any general increase over the whole of the current year. Plainly, although London is no longer unique as an international financial centre she is losing little, if any, ground to New York. Of course, the ultimate direction of international investment is not precisely shown by new issue figures, since a portion of them is subscribed by foreigners, and at least one recent issue (Kolster-Brandes) went at once to a big premium on heavy American buying, as Ford Motors did just before Christmas.

The following table shows some of the most important issues during the quarter:—

Date of Issue.	Name and Description.	Nominal Amount.	Issue Price.	Price, End March, 1929.
1929.		£		
Jan. 3	Govt. of India 4½% Loan, 1958–1968...	10,000,000	91	87
9	New Zealand Govt. 4½% Stk., 1948–1958 ...	19,510,000 (a)	95	1½—⅝ dis
16	Commonwealth of Australia 5% Stk., 1945–1975 ...	8,000,000	98	¼ dis
Feb. 13	Roumanian Stabilisation 7% Loan, 1937–59 ...	2,000,000	88	1½—¾ dis
Mar. 12	Chilian Govt. 6% Bds., 1962 ...	2,000,000	94½	¾—½ dis
6	Watney Combe Reid 5½% Debs., 1959	2,500,000	99	½ dis—¼ pr.
6	Barclay Perkins 5½% Debs., 1940–65...	500,000	98	¼ dis—par
Feb. 6	London Power 5% Debs., 1972.....	3,000,000	99½	¾—½ pr.
5	J. Sears and Co. 7% Cum. Pref.	2,000,000	Par	21/3

(a) £12,510,000 for Conversions.

Current prices do not show particularly in favour of these issues, but that has been due not so much to lack of response on the part of investors as to the increase in money rates—an increase reflected in the general depreciation of fixed interest-bearing securities.

AMERICA AS AN EXPORTER.

(BY A CORRESPONDENT.)

ONE of the many disconcerting circumstances which exporters to overseas markets have encountered in recent years has been the increasing impact of United States competition. American exports, always very large, used to be welcomed, except by agriculturists, since they consisted for the most part of food and raw materials, in which the manufacturers of older countries found valuable auxiliaries, offering no competition with their own activities. But of recent years the older manufacturing countries have been finding more and more branches of activity in which the United States shows signs of beating them at their own game. If Great Britain intends to set seriously to work in an endeavour to recover her overseas markets it is important that she should ask herself the question: What exactly is happening to the export trade of the United States, and what developments in it may be expected in the future? The future of United States foreign trade touches us the more poignantly in that we are under an obligation to pay that country an increasing annuity over the next fifty-six years. The amount of that annuity, which began in 1923 at $23 million, and is now $27 million, will reach $175 million by 1984. The interest charge amounts, in 1929, to a further $134 million. Everything which affects the balance of payment of the United States is, therefore, a matter of acute interest to Great Britain.

The list of countries which import more from the United States than from any other single country is very long, and includes the United Kingdom, Canada, Japan, Germany, France, Spain, Italy and Hungary. Attention has recently been drawn* to significant changes which are taking place in the order of importance to the United States of her principal customers. The United Kingdom still heads the list, but her percentage has fallen from 26.2 in 1910-14 to 17.3 in 1927, while Canada, which in 1927 took only 0.1 per cent. less than the United Kingdom, was a very poor second to her in 1910-14 with only 14.5 per cent. Germany still comes third, but with only 9.9 per cent., as against 14.0 per cent. in the pre-war period. These changes are typical. All the older industrial countries, with scarcely an exception, are taking a diminishing proportion of United States exports, while those countries in which industrial activity is comparatively backward are playing an increasing part. This change in the direction of American foreign trade is the direct consequence of a change in its nature. While raw cotton still ranks first, it accounts for a smaller proportion of the total; machinery, automobiles, cotton manufactures and chemicals, on the other hand, constituted a bigger proportion in 1927 than in 1910-14. The United States, that is to say, having embarked on her transformation from an exporter of food and raw materials into a leading exporter of manufactures, finds her products more welcome in those countries which are still in need of external supplies of the manufactured appliances of production than in old industrial centres, where the chief demand is for food and raw materials.

Those traders who have already felt the force of American competition in the markets of the British Empire and South America might reasonably suppose it to be well under way. But an examination of the available data suggests that American manufactured exports, so far, have been the merest wavelets compared with the tide that is to come. The keynote of American success in manufacture is large-scale production, and in certain industries—of which cotton manufacture is the most conspicuous—the productive capacity of the country far exceeds the consuming power of the home market, so that increased exports are essential if the plant is to be economically worked. Rationalisation, with its increase in the output per worker, has given rise to an unemployment problem which can only be solved in the same way, while the automobile industry is being more and more nearly threatened with saturation point in the home market. Evidently, the United States is bound to make a vigorous effort to increase its export markets; circumstances suggest that it is likely to meet with a substantial measure of success.

Dr. Bowley estimated, in a recent issue of this Journal, that from 25 to 30 per cent. of the production of the United Kingdom was for export. Now in 1925 the net output of manufacturing industry in the United States was $26,778 million; the output of mines and quarries amounted to $5,678 million; of agriculture, less $981 million spent on fertilisers and feed, $12,050 million; while a rough estimate of the output of forests and fisheries amounts to $1,183 million, making a rough total of $45,689 million. Exports of domestic merchandise amounted to $4,819 million. A deduction of $500 million for the cost of conveying them to the ports leaves $4,322 million as the value at the place of manufacture of exported merchandise. This is a generous estimate, since in arriving at a figure of $500 million the total revenue from inland transport has been allocated in almost equal proportions between commodities for home use and for export, whereas the position of the chief manufacturing centres suggests that exported goods would incur the heavier charges. Deducting a further $212 million as a rough allowance for the imported raw material content we get a final figure of $4,110 million. This represents some 9 per cent. of the total net output of the country. In respect of manufactured goods alone an official estimate places the proportion of exports at from 7.6 to 8 per cent. of the total output. Contract this with the estimates of 25 and 30 per cent. respectively for Great Britain, and it becomes sufficiently evident that the United States as an exporter of manufactured goods is still an infant, though with formidable potentialities. A particularly good instance of this is afforded by the iron and steel trades, which in 1927 contributed a smaller proportion of United States exports than in 1910-14. At present these industries export less than 5 per cent. of their output, and the United States ranks only fifth among the steel exporting countries of the world. A preliminary confirmation of the obvious inference that this state of affairs is not likely to last long is to be found in the formation by the United States Steel Corporation and the Bethlehem Steel Corporation of the Steel Export Association of America, registered under the Webb-Pomerene Act, which exempts from the Anti-Trust Laws associations formed for purposes of export only.

*Department of Overseas Trade. *A Review of the External Trade of the U.S.A.* H.M. Stationery Office. 1s. 6d. net.

Another influence which must tend in some degree to increase American exports of manufactured goods is the increasing extent to which American capital is being used in the development of new and renascent countries. This export of capital, which there is every reason to suppose will continue to increase, is bound sooner or later to be embodied in corresponding exports of American goods.

When, finally, the American genius for salesmanship is taken into consideration, it seems that the stage is set for a great increase in United States competition in world markets. Nor do we find it easy to accept the soothing view offered in the Report above quoted, that this expansion will be advantageous to ourselves by opening up new areas and increasing the demand for our own products, for it is difficult to suppose that the country which was the first in the field would not also be the first to take advantage of any such development in the market.

There is, however, one serious obstacle to the smooth working out of this programme. As an American speaker has observed: "A so-called favourable trade balance is merely a measure of the extent to which the country enjoying it is not receiving payment," and for the United States to obtain the increased volume of export trade which she needs, while retaining her present tariff, would mean that the rest of the world was largely living on her willingness to forego, *ad infinitum*, repayment of her foreign loans. It is stated in the Report that "Exporters have had to exercise considerable tact and skill in cultivating markets whose own export trade has been seriously curtailed by the high tariff now ruling in the United States." As a result of this, there is said to be a growing body of opinion among Americans engaged in export trade in favour of less stringent tariffs. If, as seems inevitable, this is to be one postulate of keener American competition abroad, the prospect can be viewed with very much less anxiety than the first superficial glance would suggest.

Notes of the Week.

The Political Campaign.—The first round of the political battle ends with the Easter holidays. The second and last opens with the resumption of Parliament and the introduction of the Budget on April 15th, and will continue without a breathing space during the six or seven weeks remaining before polling day. Unprejudiced observers are bound to admit that at the end of the first round Mr. Lloyd George is leading on points. The two remarkable Liberal victories at Eddisbury and Boston cannot be dismissed as meaningless, even by those who realise most clearly that individual contests of this kind may be very misleading. It is, in fact, clear that Mr. Lloyd George, with his pledge and his plans for reducing unemployment, has stirred the public imagination, less, perhaps, because of their merits or by the conviction which they carry, than by the contrast which they make with the policies of the other two parties. Mr Baldwin, in his Leicester speech, his last pre-Easter pronouncement, confined himself mainly to destructive criticism of Mr Lloyd George's schemes; Mr Ramsay MacDonald has not yet selected the items of a definite Labour programme from that complex and comprehensive brochure, "Labour and the Nation." And so, while his opponents hesitate, Mr Lloyd George goes ahead and is working upon the obvious temper of the country, which is at the moment intolerant of the negative or the nebulous in political policy. Mr Lloyd George ran a considerable risk, perhaps, in producing his programme early enough to allow his opponents full time to criticise and counter it. But, as the big Albert Hall demonstration on Tuesday night showed, he is standing very stoutly to his guns; he has set a Liberal revival in motion, and there is no reason to suppose that the impetus will not be sustained. If the estimate of the Stock Exchange is any guide, it may be no idle boast of Mr Lloyd George that he will have in the next Parliament a sufficiently strong following to force the next Government to "get on" with his unemployment schemes or "get out."

The National Accounts.—The accounts of public income and expenditure very often behave unexpectedly in the last few weeks of the year, giving the Chancellor the laugh over the prophets. This year he is doubly fortunate, since in the last two weeks revenue has been remarkably large, as the following table shows:—

EXCHEQUER RECEIPTS AND EXPENDITURE.

	Fortnight ending Mar. 24, 1928.	Fortnight ending Mar. 23, 1929.	Apr. 1, 1928, to Mar. 23, 1929.	Revised Estimate, 1928–29.
I. RECEIPTS:	£	£	£	£
Inland Revenue	31,434,000	38,403,000	387,878,000	396,250,000
Customs and Excise	13,471,000	12,368,000	250,430,000	261,405,000
Other Ordinary Revenue	4,259,513	6,602,331	93,930,547	95,248,000
Total Ordinary Revenue	49,164,513	57,373,331	732,238,547	752,903,000
II. EXPENDITURE:				
National Debt Service ...	2,526,172	2,226,215	309,679,532	304,000,000
Consolidated Fund Services	2,922,344	4,216,007	20,750,063	22,400,000
Supply Services (excluding Post Office)	20,526,218	21,192,714	338,250,148	353,765,000
Total Ordinary Expenditure	25,974,734	27,634,936	668,679,743	680,165,000
Sinking Fund	1,050,001	2,137,000	54,077,609	65,000,000

It will be seen that in the fortnight following our last summing up of the National Accounts, ordinary revenue was greater by some £8 million than in the corresponding period of last year, and ordinary expenditure about £2 million greater. Payments to the Sinking Fund were also up by £1 million. Of the increase in receipts £7 million came from Inland Revenue, both income tax and estate duties showing increased yields. The recent drive against the small income-tax payer appears to have wrung water from that stone. On account of sundry loans £6 million was received, but there was a corresponding windfall of £5 million last year. On the expenditure side the interest on the National Debt is proving a costly item, while the increase under Consolidated Fund Services arises from larger payments to Local Taxation Accounts. These figures call for a slight revision in our previous estimates. On the basis of data then available, we forecast a surplus of £6½ million in this estimate. Only £3 million was allowed for greater revenue receipts than in the last weeks of 1928-29, and were it not for the incidence of holidays in the last week of the financial year it would appear that, making allowance for abnormal expenditure as well, the estimated surplus should be substantially raised. The excess of all receipts over outgo is at present £7,481,200, compared with £658,200 at this time last year, but Mr. Churchill has considerable leeway still to make up in the Sinking Fund Account. We are still assuming that he will carry out his promise of applying £65 million to debt reduction.

The Coalfields.—The Lord Mayor of London has decided to close the Mansion House Fund for the relief of distress in the mining areas on April 30th next. Up to the present £770,000 has been received from a generous public, and the pound-for-pound grant from the Government raises the total to £1,540,000. Conceivably a fresh appeal may be needed later on, but that is all the more reason why it is better that a time-limit now should be set to the flow of subscriptions. Great services are being rendered by the fund, especially to the children, and the money available will suffice to continue them for a considerable time, as well as to provide for additional activities, probably concerning the young unmarried men, which the Lord Mayor's central committee has now under consideration. Meanwhile, little has been heard about the taking of official action on the report, dated January 29th, of two chief medical officers of the Ministry of Health, who were sent to make a thorough investigation in South Wales. A criticism in this report which has not received its due share of attention concerned the Bedwellty and Pontypridd Unions, where payment of outdoor relief, they said, "is based upon the needs of the wife and children only, the man being offered relief in the workhouse. It seems to us that this practice cannot be regarded as regular unless the man does enter the workhouse, and that, if an able-bodied man whose family they relieve is in fact at home, the Guardians should set him to work and not exclude him in calculating the amount of relief required." It was from these two areas that most of the alleged cases of virtual starvation have in the past been reported. Seeing that the Bedwellty Union is administered by commissioners specially appointed by the Ministry, there above all a mistaken policy, which must have involved great suffering, ought not to have been allowed to continue for so long. As for general conditions, the report fulfilled the expectations of those who have had opportunity to form private judgments. It discredited wild statements that irresponsible people have made; grave anxiety, for instance, is not warranted on the score of mortality rates. But the inspectors marked an increase in the occurrence of rickets, in their opinion the first manifestation of physical deterioration. They found that the diet in the households of unemployed men comprised little beyond bread, butter or margarine, sugar, jam, tea and bacon in limited quantity, and they saw no fresh milk; but "the dangers to be apprehended from the continued use of such a diet can be obviated without serious difficulty" by the supply of extra nourishment, as is actually being done by the Lord Mayor's Fund. The report closed with searching references to the "more intangible features of the situation." It supported transference as the only right policy, deprecating the initiation of local relief works as likely to counteract the inducements to leave the area. At the present time pits are reopening in some parts of South Wales, but the effect of the restarting of any one colliery is extremely localised, and there will still be many districts where, unless work can be found for them elsewhere, "a large number of men must remain exposed to the demoralising effects of idleness."

Reparations.—Easter arrives to find the Expert Reparations Committee reaching a crucial stage. The early weeks of the life of the Committee were spent mainly upon questions of devising machinery of a nature that would make an ultimate settlement more palatable than it would otherwise be to some of the parties concerned. This stage has now reached its conclusion, and the Committee are now finding themselves up against their main problem—the number of annuities Germany is to pay, and the amount of each annuity. So far, little definite news has emerged, and this is all to the good, for the last thing conducive to success is that the Committee's deliberations should be advertised abroad. This much, however, is clear. The French wish the annuities to be big enough to permit of their share leaving over a substantial margin for actual reparations after providing for their own annual payments in respect of their war debts. It would appear, too, that the Continental participants in the discussion have not the same objection to payments in kind—*e.g.*, in coal—that British interests entertain. The Committee's main task is clearly to reconcile these various points of view that arise, not only between Germany and her creditors, but also between the creditors themselves. Certain broad facts, of course, must already be apparent to the members of the Committee, the most prominent of which is that whether the payments take the initial form of cash or commodities, in the long run they can only be made in kind. To a certain extent the creditor nations still have to cross their main fence, which is that if Germany is to pay reparations she must be permitted to develop an export surplus, and the creditor nations, including the ultimate creditor America, must consent to receive it. It was always known that a complete settlement would be neither easy nor quick; but we entertain the hope that, with the grave consequences of failure clear before their eyes, the exceedingly strong Expert Committee will contrive to succeed, if given a fair field by politicians, Press, and public opinion.

The American Secretaryship of State.—The office of Secretary of State at Washington has become one of the most important, and not the least arduous, posts in the field of international relations—contrary to the expectation of the Fathers of the Republic. For in styling this officer "Secretary of State" without qualification, the authors of the Constitution seem to have implied that his responsibilities as Foreign Minister would sit upon him so lightly that he would be free to serve as a sort of general ministerial factotum. That expectation was falsified from the outset, and the Secretary of State's departmental duties have steadily grown heavier from decade to decade, until to-day it is a very formidable burden indeed that Mr. Stimson is taking over from Mr. Kellogg. Fortunately, Mr. Stimson has been admirably exercised, by his previous career, for carrying this burden successfully. As a private practitioner of the law, as well as in politics both national and international, Mr. Stimson has been associated for many years with Mr. Elihu Root. He has also been in close personal relations with Mr. Roosevelt. He has already held Cabinet office as Secretary of War in the Cabinet of President Taft. He has fought in the Great War in the American Expeditionary Force in Europe. He has acquired experience of Latin American affairs by performing a very important special mission in Nicaragua for President Coolidge. He has since acquired experience of colonial administration by serving as Governor-General of the Philippines, and it is from this post that he has been called now to Washington. His action in Nicaragua proclaims him a realist, while his friendships, as well as his policy in the Philippines, mark him out, nevertheless, as a man of liberal outlook. It is seldom that the Foreign Office of a great country is directed by a statesman of such varied and far-reaching experience, and the world, as well as President Hoover, is entitled to expect great things of Mr. Stimson in his new position. It is unfortunate that he should be greeted by the "I'm Alone" incident as he is in the act of stepping into the State Department; but we take it for granted that he will show his ability by disposing of this incident, in concert with Sir Esmé Howard, very quickly. There are greater affairs than this for the two Governments to discuss during the next few years—and in this matter a high standard has been set to the new Secretary of State by his predecessor in office, Mr. Kellogg. Mr. Kellogg's name will always be associated with a great act, grandly conceived and simply done. The implications of "the Kellogg Pact" are immense; and, if all goes well in international affairs, they will work themselves out over a span of many generations. It is Mr. Stimson's privilege to keep in motion the ball that Mr. Kellogg has set rolling.

The New American Immigration Quotas.—Under the American Immigration Restriction Act of 1924 it was provided that immigration into the United States from all non-American countries should be subject to maximum annual quotas. This provision raised the problem of how the total maximum figure for annual immigration was to be apportioned between the different countries, and two methods of apportionment were laid down. In the first instance, the respective quotas of the different countries were to be made proportionate to the numbers of foreign-born persons of those respective nationalities who were resident in the United States in the year 1890, as determined by the census of that year. The year 1890 was deliberately chosen because it ante-dated the major part of the immigration from Southern and Eastern Europe, and there was a desire to differentiate against immigrants from those regions in favour of immigrants from Western and Northern Europe, who were felt to be more readily assimilable. This basis, however, was obviously open to criticism, and it was only applied as an interim measure. As a permanent basis, the Act of 1924 provided that the maximum total figure for annual immigration should be 150,000, and that the annual quota of any nationality was to be "a number which bears the same ratio to 150,000 as the number of inhabitants in Continental United States in 1920 having that national origin . . . bears to the [total] number of inhabitants in Continental United States in 1920." In other words, the quotas were to be based on the respective volumes of immigration not merely during the generation ending in 1890, but during the whole period, ending in 1920 and beginning in the seventeenth century, during which immigration had been

taking place. The interim quotas on the first basis were proclaimed by President Coolidge on June 30, 1924. The permanent quotas on the second basis were proclaimed by President Hoover last week; and it is interesting to compare the respective quotas of the three countries that head the list:—

	1924.	1929.
Great Britain and Northern Ireland.....	34·007	65·721
Germany	51·227	25·957
Irish Free State	28·567	17·853
Aggregate quotas of these three countries...	113·801	109·531

It will be seen that, while the aggregate of these three quotas has slightly diminished, the British quota has increased very greatly at the expense of the German and the Irish. It may also be noted that the new system does not seem to secure the general object which is desired so effectively as the old did; for under the new system the third largest quota is the Polish (with 6.524) and the fourth the Italian (with 5.802), while under the old system the third was the Swedish (with 9.561) and the fourth the Norwegian (with 6.453).

The Italian Elections.—In considering the Italian elections which took place last Sunday, March 24th, we must distinguish between the method on which the selection of candidates is made under the new electoral law and the question whether, within the framework of this system, a free vote has been given. As for the system, it may be described briefly as "occupational," in contrast to the geographical basis of constituencies in countries where the English or Anglo-French system of representative parliamentary responsible government prevails. Under the new Italian system, the first stage is the nomination of 1,000 candidates by a number of "nation-wide" occupational organisations, to which quotas of nominations are arbitrarily assigned in proportion to their supposed relative importance in the general community. Out of these 1,000 primary candidates the Fascist Grand Council selects 400 "deputies designate"; and the electorate then votes either for or against these 400 *en bloc*. It is here that the question of free voting comes in, for it is obvious that the only alternative are an all-Fascist Chamber or a revolution—and if there seemed a likelihood of the 400 being rejected and not accepted *en bloc* the Fascist Militia might have something to say. Not that this theoretical possibility arose in practice on this occasion. Far from it. The figures speak for themselves. Between 89 and 90 per cent. of the total electorate voted; and, of those who voted, 98 per cent. voted for the 400 "deputies designate," which is another way of saying that they voted for Signor Mussolini. In democratically governed countries these figures will create such a ludicrous impression that we may be in danger of ignoring the interesting and important issue involved in the substitution of occupational for territorial constituencies. This experiment is not logically bound up with Fascism, and it may have its value for democracy in an age when the increase in the scale on which social life is lived has turned the old local constituencies—as they still exist in Great Britain or France or the United States—into rather meaningless entities. For the good democrat, in these hard times, *fas est etab hoste doceri.*

Another War Cloud in China.—In China, as in Mexico, all men of good sense and good will, be they foreigners or natives of the distracted country, have one common fundamental desire: that troubles should cease and that stability should come to stay. A few weeks ago the well-wishers of Mexico were disappointed by a fresh outbreak of civil war; and this week the well-wishers of China seem doomed to suffer the same disappointment, for the fresh cloud of civil war which has been gathering for some time on the Yangtse is now reported to have burst. In other words, hostilities are reported to have broken out between General Chiang Kai-shek, the President of the All-China (or would-be All-China) Kuomintang Government at Nanking, and the clique of generals from Kwangsi (the south coast province west of Kwangtung), who at present control the middle section of the Yangtse Basin, with their headquarters at Hankow. Chiang accuses the Kwangsi generals of treason against the Nanking Government to which they nominally pay allegiance. The Kwangsi generals retort that Chiang has been packing the Nanking Government with his own nominees; and both they and the Cantonese have now been stung to fury by the arrest of General Li Chai-sum when he was on his way from Canton to Nanking to attend the Kuomintang Congress there. If there is another outbreak of civil war the *tertius gaudens* will, very justly, be Feng Yu-hsiang. Significantly, Feng has already issued circular telegrams castigating both factions; and if the present spell of peace and unity is wantonly brought to an end by the folly of Feng's colleagues, it is conceivable that the Chinese people may turn to Feng as a possible saviour of society. For one thing is certain. The Chinese people, of all classes and in all provinces, are intensely eager for stability and reconstruction; and the old mood of helplessness or cynical toleration, which was the War Lord's charter of misrule, is rapidly passing away. Chinese public opinion has become self-conscious and vocal, and has learned how to translate its desires into action not only effectively but rapidly. On this account we are optimistic on the whole about the outlook in China as well as in Mexico. Even if the worst occurs and the Yangtse Valley once again becomes a theatre of civil war, we do not believe that this will result in an undoing of all the constructive work of the past year and a return to the anarchy which prevailed from 1911 to 1927. On the contrary, it may very well excite a revolt of public opinion which, in the end, may actually make the restoration of stability come more quickly. Meanwhile, it is noteworthy that the work of placing China's relations with foreign Powers upon a new footing continues to make headway, in spite of fresh alarums and excursions in Chinese internal affairs. It looks as though the news that the Nanking Government has arrived at a permanent settlement with Japan may be announced simultaneously with the news that the Nanking Government has again gone into temporary dissolution. Incidentally, a settlement of the Shantung question would strengthen the hands of Feng Yu-hsiang, for, where and when the Japanese troops go out, it is Feng's troops that are most likely to march in.

The Case of the "I'm Alone."—The shelling and sinking of the British smuggling schooner "I'm Alone" by a United States coastguard patrol ship, apparently on "the high seas," raises a complicated set of issues. We cannot feel much sympathy for fellow-countrymen who have made it their profession to break the laws of a friendly country—and this in a matter which the people of that country regard as being of vital import for their social welfare. At the same time, it is a sound moral rule of thumb that one should "make the punishment fit the crime"; and gunfire, resulting in the sinking of a ship and the loss of the life of one of her crew, does seem an excessive punishment for the crime of smuggling, even if the smuggler disobeyed a previous warning to heave to. Moreover, there is the juridical question of where the incident occurred. Under the Anglo-American Liquor Convention of 1924, the British Government, while refraining in principle from conceding any extension of the three-mile limit of territorial waters, agreed that United States Government vessels might search private vessels flying the British flag, under suspicion of liquor smuggling, up to a distance of one hour's steam from the coasts of the United States. This was a friendly concession on the British side to a reasonable request on the American side; and the service done to the United States Government was the greater, inasmuch as the agreement with Great Britain opened the way for the State Department to negotiate a series of similar agreements with other countries. Thus, in this matter, the United States and Great Britain are each under a moral obligation to treat one another with consideration; and we may take it for granted that the incident of the "I'm Alone" will be settled in this spirit between the British Ambassador in Washington and the new Secretary of State, Mr. Henry Stimson. The incident has, however, two morals which are not unconnected with one another. The first moral is that, through the modern conquest of space and time (which may be only just at its beginning) a number of traditional juridical conventions, which worked well enough under the old conditions, need a thorough overhauling and reconsideration; for instance, the old distinction between "territorial waters" and "high seas." The second moral is that, in a world in which international law, such as it is, has gone into the melting pot, the only safe rule of the international road is the outlawry of war. It is encouraging to note that nobody on either side of the Atlantic seems to have been fatuous enough to suggest that the sinking of the "I'm Alone" is a *casus belli*. Yet it would have been a first-class *casus belli* until a very short time ago. Witness the consequences of the nineteenth-century incident of the lorcha "Arrow," or the origins of the eighteenth-century "War of Jenkins's Ear." For all his folly, man does at last yield to the logic of facts.

Local Government Bill: Lords' Amendments.—Consideration was given last Friday by the House of Commons to the amendments made by the Lords in the Local Government Bill, and the occasion provides a good opportunity for taking stock of the latest changes which the Bill has undergone. They are not very large. The preamble has been amended, and a new clause added, to ensure that "one-man workshops" receive the benefit of de-rating; this was necessary, but in default of a centrally controlled system of valuation does not yet make it certain that borderline cases will be treated uniformly throughout the country. Lord Dawson of Penn's amendment to provide that, when making provision for hospital accommodation in discharge of its new functions, each county council or county borough council shall consult with a committee representing both the governing bodies and the professional staffs of the local voluntary hospitals, was met with the jibe from Mr Greenwood that the Government had accepted the principle of syndicalism, and with some doubts of its legal effectiveness, but was generally welcomed. The provision made for agreement between the poor law authorities and benefit societies or funds for the payment by the latter of the expenses incurred in maintaining their members in poor law institutions, was accepted by the Commons. The only amendment rejected, indeed, was one to substitute the applicability of the Agricultural Wages Act to the occupier's wages as the test whether his house should or should not be rated at its value for non-agricultural purposes, in place of occupation by virtue of agricultural employment. The principle that a man can carry around with him rating privileges associated with the mere nature of his employment was too much for the Government to swallow. But they must have a good digestion to be able to accept so smoothly the provision which they had firmly rejected in the House of Commons for the alteration of the latest date for the preparation of town-planning schemes from the end of 1938 to the end of 1934. That was a welcome change, but the Lords' most valuable achievement was the further safeguarding of the rights of an elected Parliament against the bureaucracy. The clause giving the Minister power to remove difficulties by Order, which was severely criticised from all sides, and was modified at the third reading stage, has been further weakened by the provision that although the Order shall come into force at once it shall expire after a limited period, unless it receive the positive confirmation of both Houses. Thus the need for rapid action in emergencies and democratic scruples are both satisfied.

Lancashire Cotton Corporation.—Our Manchester correspondent writes:—According to an official announcement, the Lancashire Cotton Corporation, Ltd., has received requests from 107 mills for valuation, so that the Corporation can state the terms on which the companies can be absorbed. It is also stated that firm offers have been made for 15 concerns and the valuation of the other 92 mills is now proceeding. This week there has been considerable interest in the announcement of the first meeting of shareholders called to consider a definite proposal from the Corporation, the company being the Ace Mill, Limited, Hollinwood. The directors are in favour of accepting the terms put forward, but particulars will not be definitely divulged until April 3rd, the date of the meeting. The Ace Mill, Limited, has a capital of £400,000 in £1 shares, of which 160,000 are 10 per cent. preference shares, with 7s. 6d. paid up, and 240,000 £1 shares fully paid. The mill contains about 120,000 spindles. It is significant that the chairman of the company is Mr A. W. Brierley, one of the executive officers of the Lancashire Cotton Corporation, Ltd. This shareholders' meeting is causing great interest, as it will be the first opportunity of dealing with a definite offer from the Corporation. In this case an important factor is that the ordinary shares are fully paid, and in the circumstances the shareholders have nothing to lose; it is quite possible, unless the purchase terms are favourable, the owners may decide to carry on in the hope of a change for the better in the state of trade. The difficulties of spinners of American yarns in Lancashire do not decrease At the end of last week, however, it was announced that the ballot on organised curtailment of production had failed to show the necessary majority in favour. The actual figures have not been given by the Masters' Federation, but it is understood that whereas, according to the rules the owners of 80 per cent. of the spindles have to vote in favour of such a course of action to put it into effect, the returns showed only about 60 per cent., and in trade circles the vote was considered very unsatisfactory. The result does not mean that spinners are improving their position in any way, but is rather an indication that employers have lost faith in short-time as a remedy for their troubles. In this instance the proposal was that the mills should be stopped on Saturdays and Mondays during April, but the Masters' Federation has now decided not to make any further recommendation to the members.

Australian Coal—and British.—A correspondent writes:—The crisis in the Australian coal trade has a special interest from a British point of view because it involves not only the matter of competition in bunker coals in the Indian and South Pacific Oceans, but the possibility of developing a coal shipment trade from the Old Country to Australia itself. There are both State and private mines in Australia, mostly in New South Wales. Before the war a considerable export trade was done, coal being shipped for bunkering and industrial purposes to the Pacific Coast of South America, even as far North as Central America, to South Africa, and to a few coaling stations in the Indian Ocean. Since the war Australia has exported coal to 22 different countries. That was in the period 1919-26, when, for the greater part of the time, British coal was scarce and very costly. In recent months, with our coal abundant and cheap, and our shipping freights very low, the Australian export trade has been lost. Not only so, but it is found that our coal can be delivered in Australia at a price below the bare cost of the Commonwealth coal. The Prime Minister of South Australia points out that the people of his Colony can save 10s. a ton by importing British coal. Those of Western Australia might save more, for Australian bunker coal is quoted as high as £2 10s. per ton. The New South Wales costs, at the pits, are more than 100 per cent. higher than in 1913, and the freights from Newcastle to other ports in Australia are exceedingly high, as are the port charges and dockers' wages. Sir Arthur Duckham, who has been over to Australia as a member of the Special Economic Commission, says the position of the mining industry is so acute that he hesitates to suggest a remedy. He says the mines have not only to face the competition of imported coal, but that their costs are such as to prevent the development of the Australian iron and steel and related industries. The fact is that mining wages are far too high, and the cost per ton far above competitive levels. The industry, therefore, is faced with the question of either drastically cutting its costs or going out of business. The

Commonwealth Government has appealed strongly to the industry to reduce its costs, and offered to subsidise the trade if only the miners will accept some substantial reduction of wages. The men are stubborn. Their union refuses to make concessions. The Government has decided to appoint a Royal Commission to represent jointly the Governments of the Commonwealth and of New South Wales, to deal with the entire coal trade situation. The Commonwealth Prime Minister, Mr. Bruce, complains strongly of the attitude of Labour, of the high costs of mining, the loss of export trade, and the price of coal. Added to the high cost, there is the uncertainty of delivery owing to strikes or strike threats. Meantime, a few cargoes of British coal are being shipped to Australia. At several ports in the Commonwealth our coal can be delivered 10s. and 15s. cheaper than the New South Wales coal.

A New Diagnosis of Unemployment.—Before the Royal Statistical Society, on Monday, March 19th, Dr E. C. Snow read a paper entitled, "The Limits of Industrial Employment," which attempted to exhibit the relationship between unemployment and the decline in the growth of population, and to deduce a warning to the industrial community to draw in its horns lest our difficulties should be accentuated by further over-production. Dr Snow began by showing that not only is population increasing less rapidly than at any previous period of the industrial age, but the increase is concentrated on the highest age-groups. He then applied "consumption factors" for the various age-groups in order to obtain figures of total consumption demand, his conclusion being that the consumption power of the country is now increasing only one-half as fast as in 1906, and that in ten years' time the annual increase will be further reduced to less than one-half its present scale. Since industry is always tending to expand, and is basing its expansion on obsolete ideas of the growth of demand, over-production is, and will be, the inevitable result, the evil effect on employment being multiplied as the rebuff reverberates through the complicated industrial strata topped by the production of consumers' goods. The greater the extent to which a country's labour resources are devoted to manufacturing industry, the worse will be the results of the alleged excessive industrial expansion, and Dr Snow adduced figures to show that for this reason Great Britain is far more vulnerable than any other country of comparable size. "We do not need," said Dr Snow, "new factories or new machinery or equipment at the same rate as before." His theory, which is curiously akin to the "over-saving and under-spending" analysis of Mr J. A. Hobson, was aptly described at the meeting as an inverted Malthusianism. Dr Malthus declared that the population was increasing faster than the means of subsistence, and that unless measures were taken to check the growth of population it would be painfully checked by famine, disease and natural disaster. Now Dr Snow assures us that the means of subsistence are increasing faster than the population, and that unless measures are taken to check the increase of output it will be painfully checked by unemployment. Dr Malthus was proved wrong, chiefly because he failed to allow sufficiently for the increased output which the increased population itself made possible; and we believe that Dr Snow will be proved wrong because he fails to allow sufficiently for the increased consumption per head likely to attend increased output. His figures of demand by age-groups are not absolute qualities but ratios in which a given demand is distributed. Until the poorest surfeit with too much, there are no absolute limits to the potential demand of human beings for goods of consumption. Over-production is always over-production at a price, but prices cannot be regarded as immutable and elasticity of demand is not always zero. We agree with Dr Snow that over-production in individual industries is evil, and that manufacturers, before embarking on large schemes of expansion, should look carefully to the potential markets, but we adhere to the orthodox economic view that, rationally financed and organised, there are no definite limits to industrial employment.

Scottish Provident Institution.—As is usually the case during the closing year of a quinquennial period, the 1928 new business of this institution shows a large advance, the net amount having risen from £2,460,787 to £2,789,886, equivalent to an increase of 13 per cent. Moreover there was a substantial increase in the number of new annuity bonds granted, the amount of single premiums received in respect of these having advanced from £136,000 to £331,000. The cost at which the business was conducted was again 16.1 per cent. of the premium income. We have so often pointed out before in this connection that the crude percentage of premium income is little real guide to the actual cost of administration. This is particularly true in the case of the Scottish Provident, where not only are the whole life with profit premium rates unusually low, but also an exceptionally large proportion of assurances were originally effected by limited payments, many of which have now ceased to be payable and therefore yield no income against which to measure expenses. The classification of the assets in the balance sheet shows that the tendency to reduce the holdings in British Government securities has been continued. On this occasion the feature of most interest is the fact that the holdings in the year from £706,000, equal to 3 per cent. of the total assets, to £1,984,000, equal to 9 per cent. of the total assets. It is becoming evident that part of the prolonged and persistent rise in price of ordinary shares is to be explained by institutional buying on a large and increasing scale. Included in the annual report is a statement of the results of the quinquennial valuation made as at December 31, 1928. The figures relating to this valuation, and also to the preceding valuation five years ago, are set out below:—

	1919–1923.	1924–1928.
	£	£
Surplus earned during quinquennium ...	1,527,348	1,953,776
Brought forward	366,295	327,710
	1,893,643	2,281,486
Allocations:—		
To bonuses to policyholders	1,380,389	1,550,413
,, strengthening of actuarial reserves...	...	267,059
,, Transferred to Capital Redemption Fund	20,779	...
,, Written off securities or transferred to investment reserve	164,765	100,363
,, Carried forward.....	327,710	363,651
	1,893,643	2,281,486

The rates of reversionary bonus declared were announced in these columns a week ago, and it will be sufficient to say here that they vary in the whole life class from 30s. per cent. per annum to 40s. per cent. per annum, and in the endowment class the rate is 40s. per cent. per annum compound. As is well known, the special characteristic of the institution's whole life with profit policies is the peculiar profit-sharing arrangement. Under this arrangement bonuses are not allotted until the accumulations at 4 per cent. interest of the premiums paid reach the amount of the original sum assured. Although the rates of bonus have been increased in both classes, the amount required for the whole life assurance class on this occasion shows a decline on that of five years ago, whereas the opposite is the case in the endowment assurance class, thus showing that the institution's new business has been of recent years predominantly in the form of endowment assurances.

Oversea Correspondence.

UNITED STATES.—MONEY—STOCK EXCHANGE—CAPITAL ISSUES—REPARATIONS BANK.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 15.

THE financial picture continues to be one of contrasting colours. It is made up of expanding business activity, rising corporation earnings, absence of inflation in commodity prices and high money rates. Naturally, business optimism is tempered by the fear that an active stock market will raise money rates to a point at which trade will have to suffer, or at least will maintain present levels until the pressure extends to industry. So far the tight money market has not had much effect on business. By maintaining discount rates at 4½ to 5 per cent., the Reserve Banks have made accommodation available to commercial borrowers at 5 to 5½ per cent., which seems low compared with the average stock market rate of 7 and 8 per cent. Business men are uneasy, however, lest the Federal Reserve authorities, in another effort to bring about liquidation of loans on stock exchange collateral, raise discount rates. Stock market traders also for the most part rather expect higher rates, but many are confident that the Reserve authorities are too completely without control of the money market to stop the bull movement. Early this week a wave of pessimism as to the money outlook swept over the financial district, but it has now given place to more confidence.

Another week has passed without change in discount rate. It may be that action was merely postponed until the Treasury financing was out of the way, but at any rate the week's statement of the Reserve Banks shows an improved position. Member banks were able to reduce their borrowings by 34 millions. The drop at the New York bank was 46 millions. Government security holdings increased slightly and bills continued to decline. These changes reduced the total of Reserve Bank credit outstanding by 46 millions, and the reserve ratio rose from 69.7 to 70.7 per cent. The local bank's ratio jumped from 77.3 to 80.6 per cent., virtually the same as last year.

Money rates during the week have been distinctly easy. Call money was plentiful at 5½ to 6 per cent., but the low rates were recognised as temporary. They resulted from the piling up here of funds to meet the tax date turnover in interest, dividends and tax payments. To-day the Treasury retires 572 millions in short-term certificates and places a new issue, of which 475 millions were offered. Over-subscription amounted to about 50 millions, but allotments have not been announced. Meanwhile Secretary Mellon has predicted larger income-tax collections for the quarter than were turned in last year on March 15. Corporate and individual earnings were larger, which should offset the lower corporation tax. In all probability tax payments will total over $600 million.

To meet its immediate obligations, such as retirement of the short-term notes and interest payments of 60 millions, the Treasury borrowed between 150 and 200 millions at the Reserve Bank, pending collection of the income-tax checks. This will make money easy for a few days. The banks have allowed their reserve balances at the Federal Reserve to run down in anticipation of the Treasury overdraft, but as the Treasury pays it off, money rates should harden again. Doubtless, by the end of next week the share market again will worry about high money and the discount rate.

The temporary ease in money has not helped fixed-interest-bearing securities. In fact, Government issues have sunk to the lowest prices for several years. In view of the depressed state of the bond market, Wall Street was greatly interested in an interview given by Secretary Mellon this week in which he gave it his opinion that bond prices were at bottom. That was naturally interpreted to mean that the Secretary thought the money market had reached its peak. Read in conjunction with another statement made a few days previously, in which he said that he would not interfere with the Federal Reserve Board's decisions on discount rates, the financial district found it difficult to avoid the conclusion that it was being given a tip. But it is becoming wary of statements from high places on the money outlook. Out of the confusion one fact emerges, which is that money is dear and is likely to remain so for some time.

New financing remains surprisingly high in view of dear money, and the proportion of bonds to shares has increased in the past fortnight. Last week, new flotations amounted to over 210 millions, about half being bonds, and there was a sharp gain in foreign issues. This week the total is lower at 137 millions, with 79 millions in bonds. In general, coupon rates have not been raised to any great extent, and the scarcity of good bonds, together with the necessity which insurance and certain other investing companies are under to invest in bonds, is making a fair market for such issues as do come out. Nevertheless, the popular mode of corporate financing is now with shares, and that is one reason why business expansion has not been halted by high money rates.

Broker's loans declined this week by 20 millions and are now 42 millions below the peak of $5,669,000,000 reached on February 6, according to Federal Reserve Board calculations. Member banks here drew in their loans by 113 millions, but out of town banks and corporations made up most of the deficit. Loans to brokers in this district made by "others"—which includes money from corporation treasuries, foreign balances and private funds—now make up more than half the total, at $2,800,000,000. Loans for New York member banks are only $1,000,000,000. The proportion of demand to time loans is growing. Demand loans now amount to $5,149,000,000, against $478,000,000 for time loans. It is the overwhelming proportion of demand money in the market and the large amount lent by corporations that are causing misgivings on the part of the more cautious element, but it is doubtful whether corporations will withdraw any considerable amount for more than a day or two. Reduction in loans for their account is apt to be gradual.

Some interest has been aroused in the reported plan of the reparations experts for an international bank to handle reparations payments and international debts. Bankers here prefer to await more detailed information before expressing opinions, but in general the scheme is considered good, even though it has novel features. The gold clearing house feature is particularly well liked by those who have studied central banking problems. Much hope is held out here of an early settlement of the whole reparations problem.

FRANCE.—COMPARATIVE TAX BURDEN—FOREIGN TRADE—REVENUE.

(BY OUR CORRESPONDENT.)

PARIS, March 26.

THE vexed question of the comparative burdens of the French and the British taxpayer has again been raised, and in a rather interesting form, by M. Pierre Lemy, vice-president of the Paris Chamber of Commerce. M. Lemy takes exception to a statement recently made in Paris by Mr Herbert Williams, M.P., to the effect that the British taxpayer is called on to pay rather more than double the amount of taxation levied on his French brother. Mr Williams appears to have taken the total amount of local and national taxation raised in Great Britain and France respectively, and divided it, in each case, by the figure representing the population. The British total for 1927-28 he places at £881,420,000, and the French total at 50,650,000,000 francs (roughly, £408,500,000), the latter including, as well as local and State taxation, the amount raised through the Caisse d'Amortissement for debt extinction purposes. These figures, divided by that of the respective populations, Mr Williams suggests, show that the British pay £20 12s. per head in taxation, and the French only £10 2s. 8d.

M. Lemy's argument is that this method of comparison is fallacious, as it does not take into account the respective national incomes of the two countries, out of which alone the money to pay taxation must come. Sir Josiah Stamp calculates that the British national income in 1926 amounted to between £3,700,000,000 and £4,100,000,000; a *Times* estimate placed it for 1925 at £3,800,000,000; Professor Gini (1925) at £3,940,000,000; and Professor Baudhoin (1927) at £4,000,000,000. The French national income in 1925, according to the *Times*, was 107,000,000,000 francs, according to Professor Gini 150,000,000,000 francs, to the *Revue Politique et Parliamentaire* 130,000,000,000, and to Professor Baudhoin 146,000,000,000 francs. The estimate of the *Revue Politique*, M Levy suggests, is probably the more exact, as it was arrived at after taking into account the bases afforded by the total taxation paid (51,650,000,000 francs),

which worked out at 39 per cent. of the national income. Taking £3,800,000,000 as representing the British national income, the amount of taxation paid in Great Britain would represent 23 per cent. of the total income. M. Lemy argues that, as the national income in France works out at about 3,200 francs per head, or £25 12s., and as out of this the Frenchman contributes 39 per cent. to the State, whereas the British citizen, with an average income of £86 11s. per head, pays only 23 per cent. of it in taxation, the Frenchman is really shouldering twice as heavy a taxation burden as his English fellow sufferer. "If the British and French had to pay the same amount of taxation per head," M Lemy asserts, "the Frenchman would have only £5 a year left to live upon, while the Englishman would still have £55 8s. available for that purpose." It is to be regretted that anything like exact estimates of either French taxation totals or French national income are necessarily impossible for want of reliable data.

The foreign trade returns for February record imports to the value of 5,162,237,000 francs, while exports were only 4,117,941,000 francs, leaving an adverse balance of 1,044 millions, following one of 1,472 millions in January. February was the twelfth month since the beginning of 1928 which has been marked by an excess of imports. The adverse balances during 1928 were in several cases fractional, however, the total deficit for the year amounting only to 2,102 millions, whereas that for the first two months only of 1929 has reached 2,516 millions. The detailed comparative figures are:—

Imports.	First two months of 1928.	First two months of 1929.	In 1929 Difference.
	Frs.	Frs.	Frs.
Foodstuffs	1,846,309,000	2,367,412,000	+ 521,103,000
Raw materials	5,547,344,000	6,502,735,000	+ 955,391,000
Manufactured goods	1,036,859,000	1,465,433,000	+ 428,574,000
Total	8,430,512,000	10,335,580,000	+ 1,905,068,000
Exports.			
Foodstuffs	1,062,498,000	930,924,000	− 131,574,000
Raw materials	2,235,023,000	2,094,808,000	− 140,215,000
Manufactured goods	5,127,866,000	4,794,101,000	− 333,765,000
Total	8,425,387,000	7,819,833,000	− 605,554,000

The increase in imports and the decrease in exports, it will be noted, has been common to all the categories, but the most striking modification has been the increase of imports of manufactured goods, which were 41 per cent. larger during the first two months of 1929 than in the corresponding period of last year. Tonnage figures have now become consistent with values, exports during the two months having dropped 198,000 tons, while imports show an increase of 1,440,601 tons. The fact that one-half of the increased imports consists of raw materials and that February showed an appreciable improvement in the situation affords ground for the presumption that the position may improve as soon as these raw materials have been transformed into manufactured goods.

While the country at large is apparently impoverishing itself by buying from the foreigner more than it is selling to him, the State continues to accumulate larger and larger sums from taxation. The revenue returns for February record total recoveries, from all sources covered by the General Budget, amounting to 2,755,777,000 francs (exclusive, of course, of the revenue from taxation allocated to the Caisse d'Amortissement and the yield from the tobacco monopoly, and also of the yield from Posts, Telegraphs and Telephones, which is included in an independent Budget). Of this total 2,717,071,900 francs was derived from "normal and permanent sources," as compared with 2,545 millions in February, 1928, and 2,428 millions in February, 1927. Direct taxation produced only 286 millions during the month, but this is to be explained by the much closer method of collection now in force, which has left a much smaller total of outstanding direct taxation than was usual in years gone by. Indirect taxation (which in this country includes the stamp and registration duties and the various taxes on securities, motor cars, &c.) yielded 2,421,925,000 francs for the month, or over 200 millions more than in February, 1928.

The Poincaré policy of super-balanced Budgets continues to produce substantial results. The total yield from indirect taxes and monopolies in January was over 436,500,000 francs in excess of Budget estimates, and in February over 374,000,000 francs more, so that, on the first two months of the year only, M. Chéron has realised a surplus of some 810 millions (equivalent to £6,500,000 in round figures). It is not yet possible to state exactly the amount of the realised surplus arising from the Budget for 1928, but enough is known to show that it will prove to be appreciably larger than the figures first announced. During January it was officially stated that the total yield for the year, as far as was then ascertainable, would prove to have been 3,268 millions more than had been anticipated in M. Poincaré's Budget estimates, drawn up in the middle of 1927, which provided for a purely nominal surplus. It is now known that this total will be largely exceeded, and that, although the final figures are not yet available, the surplus will be at least 4,629,421,000 francs. Allowing for various items of supplementary expenditure which will have to be provided for, and taking into account a number of annulments of credits voted but not utilised during the year, there appears to be ground for expecting that M. Chéron will be able to count on a clear available surplus of at least 2,000 millions. How much of this will be utilised for reduction of some of the admittedly inequitable over-assessed forms of taxation, which it is promised shall be revised downwards under the 1930 Budget, and whether anything will be left over for debt reduction, which is theoretically the destination of all realised Budget surpluses, remains to be seen.

GERMANY.—CREDIT—FINANCES—INDUSTRY—FOREIGN TRADE—AGRICULTURE.

(FROM OUR CORRESPONDENT.)

BERLIN, March 25.

THE money market position has somewhat improved, and the end-of-March settlement is looked forward to without anxiety. The immediate cash needs of the Republic have been provided for. The outflow of funds to abroad seems last week to have slackened. That this happened in spite of high New York rates seems to be due to the fact that America's short-term claims have probably shrunk to small dimensions, although there is still a very heavy short-term indebtedness to West European countries. The advance in the Netherlands Bank rediscount rate has so far had no visible effect. Although the Republic has secured cash for its March-end needs, its new loans will have to be paid back out of April quarterly tax receipts; and after that, at least before the end of June, the same unsatisfactory cash situation will probably recur, and, indeed, keep on recurring until a long-term loan can be floated for payment of the extraordinary budget liabilities. For exchange there was last week a reduced demand, and the dollar weakened a little, but rose again to-day. Sterling was steady at a little above the rate of a week ago. The month-loan rate continued last week at around 6⅜-8 per cent., and there was a considerable demand; but the day loan rate declined by about 1 per cent., and was to-day 4-6½ per cent. The banks have apparently supplied themselves abundantly with cash by rediscounting; but there is likely to be a sharp rise in day rates at the end of the month. No further sale of gold is reported. The Reichsbank shipped 36 million marks in gold to New York to replenish its deposited reserve, and this, taken together with the extreme shrinkage in the legal-cover exchange reserve, seems to indicate that the Bank considers a further sale of gold may be necessary in the near future. The gold reserves of all the issue banks on March 7th totalled 2,749 million marks, as against 1,997 million marks on the same date of 1928; combined gold and exchange reserves (legal-cover exchange only) 2,960 million marks against 2,209 million marks.

No progress in the Federal taxation controversy can be reported. Federal tax receipts in February totalled 604 million marks as against 1,107 million marks (including quarterly payments) in January and 611½ million marks in February, 1928. In the lapsed eleven months of the financial year taxation yielded 8,522 million marks cut of 8,862 million marks estimated for the twelve months. Direct taxes yielded 5,873 million marks out of 6,060 million marks estimated, and Customs and taxes on consumption 2,649 million marks out of 2,802 million marks estimated, whereof the Controlled Revenues (Customs, tobacco, sugar, beer and spirits) yielded 2,604 million marks out of 2,760 million marks. The yields of the tobacco, sugar and beer taxes exceeded in the eleven months the whole year's estimate, but Customs, with 1,033 million marks, fell short of their proportional share, the year's estimate being 1,200 million marks. The remaining Reparations tax, that on railway transport, yielded 331 million marks out of 340 million marks estimated for the year. Should March tax receipts be on the level of those of March, 1928, the year's realised revenue will be around 9,055 million marks, or 193 million marks more than the estimate.

The wholesale prices index number for March 20th is 139.3 as against 139.9 on the 13th. Agricultural products are 132.9, Colonial goods 125,4, industrial raw and half-manufactured materials 134.5, industrial finished goods 158. Wages continue to increase, though very slowly. The winter unemployment wave seems to be receding. At the end of February 22.3 per cent. of trade union members were fully employed, as against 10.5 per cent. in February, 1928.

Ruhr coal production has been rising for the last five weeks, and in the last reported week reached the high average figure of 403,710 tons a day. Production of iron and steel is fairly well maintained, though below the high figures of a year ago. February pig-iron output was 981,695 metric tons against 1,122,384 tons in February, 1928, ingot steel 1,269,874 tons against 1,323,499 tons, rolling-mill products 864,801 tons against 942,344 tons. The output of tinplates in 1928 is returned at 135,779 metric tons against 128,357 tons in 1927, and 83,052 tons in 1913; export at 34,789 tons against 29,589 tons and 760 tons respectively. The export of machinery to East Europe continues to rise; Russia, Poland, the new Baltic States and Danzig took machinery amounting to 232 million marks in 1928, against 198 million marks in 1927 and 70 million marks in 1924. Export of agricultural machinery to these countries has been declining since 1926, but this is due to a heavy drop—to about one-fifth—in Russia's purchases. Export to all countries in 1928 of electrotechnical wares, that is, cables, lamps, telephones, wireless apparatus, meters, &c., shows a large increase.

No first-hand statement has been made here as to the reported artificial silk price agreement, embracing Courtaulds, Vereinigte, Glanzstoffe, and Snia Viscosa, or (according to another story) embracing also the Milan Soie de Chatillon. The trade Press speaks of uncompleted negotiations in Paris. It is reported that the acetate artificial silk concerns of the Continent are coming to a price agreement, the ground being that their production this year will greatly increase, and that production costs will be cut as a result of new processes and of new means of exploiting by-products. The German Viscose-Silk Price Convention came to a temporary end in January, and at present competition prevails, and home prices—it is affirmed—are too low to yield a profit. Statements by the Bemberg, the Enka (Holland) and other companies are optimistic as to the future. The Vereinigte Glanzstoffe is reported to have rationalised its works successfully, and the Bemberg company is proceeding with the construction of new works at Siegburg, in the Rhineland. The New York story that I.G. Farbenindustrie will follow the example of Glanzstoffe and Bemberg by establishing its own artificial silk works in the United States is not confirmed here. The German concerns report an increasing demand for high-quality artificial silk; and to that they attribute the fall off in 1928 of imports, which have been largely of lower quality.

Both imports and exports in February show considerable declines, due partly to the shortness of the month, partly to the severe frost, and, as regards imports, partly to the trade slackness. Imports are the lowest since November, 1926. The greater part of the decline in exports falls to manufactured goods, but exports of machinery was more than maintained. The adverse balance (commercial wares only) is 96 million marks, as against 283 million marks in January. The adverse balances in February and January, 1928, were 305 and 495 million marks respectively:—

	February.	January.	Jan.-Feb.
	Marks	(000's omitted).	
Imports:—			
Livestock	8,842	12,080	20,922
Foodstuffs	279,574	404,238	683,812
Raw and half-manufactured materials	546,051	688,151	1,234,202
Manufactured goods	182,386	214,645	397,031
Commercial wares	1,016,853	1,319,114	2,335,967
Gold and silver	7,183	12,891	20,074
Totals	1,024,036	1,332,005	2,356,041
Exports:—			
Livestock	1,380	1,297	2,677
Foodstuffs	48,373	65,392	113,765
Raw and half-manufactured materials	210,803	247,352	458,155
Manufactured goods	712,765	790,685	1,503,450
Commercial wares	973,321	1,104,726	2,078,047
Thereof Reparation deliveries	52,260	68,885	121,145
Gold and silver	3,990	3,070	7,060
Totals	977,311	1,107,796	2,085,107

The combined farmers' associations have handed in a petition demanding State measures of support, including higher duties on grain, flour, potatoes, meat, dairy products, sugar, and fruit, the establishment of a Federal Grain Board, which will fix prices and keep them stable, compulsion to mill home grain, reduction of taxes, and better credit facilities. The long- and short-term debts of agriculture on December 31st are officially estimated at 11,720 million marks, the annual interest liability at 1,049 million marks. Only 2,800 million marks represents valorised old debts; the remainder is new. The rapid growth of agricultural indebtedness is being emphasised in connection with the Reparation Conference. It is, however, not stated how far the farmers have counter claims. According to another official report, a good deal of the newly borrowed money went on mistaken investments.

National Bank of Commerce in New York

Chairman of the Board
JAMES S. ALEXANDER

President
STEVENSON E. WARD

Capital Paid up	$25,000,000
Surplus	$40,000,000
Undivided Profits	$5,000,000

The National Bank of Commerce in New York places complete banking services at the disposal of its customers throughout the world, bringing them into contact with all phases of commerce and industry in the United States.

LONDON REPRESENTATIVE
2 and 3, Cresby Square
Bishopsgate, E. C. 3

NATIONAL BANK OF COMMERCE 1929 IN NEW YORK

HUNGARY.—MINORITIES—BUDGET FOR 1929-30 —FOREIGN TRADE—TARIFFS.

(FROM OUR CORRESPONDENT.)

BUDAPEST, March 17.

THE decision of the Council of the League at Geneva to refer the whole question of minorities to a committee for investigation was received with satisfaction here. It should be remembered that more than three million Hungarians live under the sovereignty of the neighbouring "Successor States," and Hungary cannot be indifferent to their welfare. The long protracted dispute of the Hungarian Optants who lost their properties by the application of the Roumanian Agrarian Reform did not come before the Council at its last session, as direct negotiations are still in progress. It is asserted that the representatives of the Governments of Hungary and Roumania will meet in April in Vienna to conclude their business. Foreign Press rumours that Roumania offered a lump sum of 100 million gold Kronen for compensation have not been denied, and it is rumoured that the Hungarian claim is about 150 million. It seems that there is a reasonable hope for settlement in the near future, although difficulties still exist. It would be in the interest of both countries to solve that long-delayed affair, which certainly does not contribute to the political and economic understanding of the countries concerned.

On March 13th the Finance Minister, Dr Wekerle, introduced the Budget for 1929-30, and met with a favourable reception in the House of Deputies. The Budget was drawn up in a conservative manner, fully maintaining the principles of the reconstruction scheme of the League. The revenue is estimated at 923 million pengös, leaving a surplus of 2.2 million. Considering that revenue in the last fiscal year amounted to 961.4 million, there is every reason to believe that receipts will substantially exceed estimates, and that there will be a considerable surplus to be used for public works and investments. The Budget includes among the ordinary expenditure 30 million pengös for various kinds of capital investments, the most notable of which is the spending of 15.4 million for road-making, bridges, etc. The service of the national debt amounts to 92.7 million pengös, the charges arising out of the Trianon Treaty to 7.5 million. The salary of the State employees and pensions amounts to 475 million, which is a very high figure considering that it represents 52 per cent. of the total gross expenditure. The high proportion of the salaries and pensions is explained by the fact that many thousands of the civil servants who fled from the Successor States were either maintained or pensioned at the charge of the Treasury. The cost of the national defence amounts to 150 million, including a sum of 44 million for military pensions. The costs of the fiscal administration are estimated at 7 per cent. of the total revenue.

The Finance Minister pointed out in his Budget speech that the first consideration of the Government is to ensure the equilibrium of the Budget, and expenditures were therefore carefully considered. Several Finance Bills were introduced in order to relieve the country from the onerous tax burden. It is fortunate that the land tax is going to be reduced, because the agricultural community is in a difficult position, partly because of the low prices of agricultural products, partly because of the high industrial tariffs which adversely affect the rural population. Perhaps the most favourable feature of the Budget is the lower estimate for Custom receipts, amounting to 128.6 million, as against 148.1 million realised in the past fiscal year. The yield of direct taxes is estimated at 181 million, stamps and dues at 101.5 million; the unpopular turnover tax figures with 26 million less than in the past fiscal year at 115 million, excises are to bring in 101.6 million, salt and tobacco monopoly 184 million. Non-tax revenue is estimated at 111.3 million.

The Budget of the State enterprises balances at 509.2 million pengös, with a surplus of 1.3 million. The receipts of the State railways are estimated at 314.8 million, those of the Post Office at 112.7 million. There are 18.7 million pengös included within the ordinary expenditures for capital investments, of which 11.2 million are for railways and 5.4 million for the Post Office, etc. All State enterprises showed considerable progress during the past year, and their efficiency is constantly improving owing to the renewal of their plant. Rumours of a foreign loan for the reorganisation of the State railways were categorically denied by the Finance Minister.

The corrected figures for foreign trade in 1928 are now available. Imports amounted to 1,189 million pengös, as against 1,146.8 in 1927; exports totalled 818.7, as against 800.5 in the previous year. Thus the adverse balance increased from 346.3 in 1927 to 370.3 million pengös in 1928. However, the situation is more promising as the big grain surplus of the bumper wheat harvest of 1928 still awaits export. It is asserted by prominent agricultural experts that the high industrial tariffs involve a burden of two pengös per quintal of wheat, the price of which is now about 26 pengös. The protection of home-made jute sacks alone inflicts a charge of about 30 pengös per quintal, and often renders flour export impossible in the competitive areas. It is true that Austria, Czechoslovakia and Germany, with their protective agricultural duties, cause much difficulty to the natural trend of Hungarian exports, but this applies more to live-stock exports than to grain and flour. An analysis of imports reveals that in spite of the reduced textile duties Hungary has imported cotton and woollen cloth and yarn to the value of 178.2 million only, as against 210.1 million in 1927, whereas the imports of raw cotton increased from 15 million to 23 million. The deficit of Hungarian foreign trade is eagerly discussed in the domestic press. The press and also the politicians are beginning to realise how the high prices of industrial products, artificially kept up by tariffs, are damaging the economic recovery of the country. It is estimated that wholesale prices of the protected industrial commodities are some twenty per cent. higher in Hungary than they are abroad. A thorough revision of the tariff system, with due regard to the agricultural interests of the country, is in preparation, and no doubt will improve materially the economic conditions of Hungary, including its capacity to export.

RUSSIA.—AGRICULTURE—CREDIT—INDUSTRY —FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

March 18.

ALTHOUGH the winter crops, according to official report, have suffered no damage, the prospect of a good harvest this year is impaired by failure to fulfil the official sowing programme. The area under cultivation was to be 7 per cent. larger than in 1928, but new reports show that there has been difficulty in supplying seed corn, and that in some districts spring sowing will be belated. The Government has been obliged to make further tax concessions to the peasants, from which in general the *sredniaki*—farmers of medium prosperity—are to benefit. Further, communes which execute the official plan of December 15th for increasing the yield will receive a 10 per cent. abatement in the agricultural tax. In order to prevent the division of farms tax exemptions are to be granted to large families. At present 35 per cent. of farms—classed as "poor"—are entirely exempted from the agricultural tax; and the yield in 1929-30 is to decline to 375 million roubles, as against 400 millions in 1928-29. Brigades of factory workmen are being organised to assist farmers at times of pressure. The supply of manufactured goods to districts which produce a grain surplus, and which, therefore, determine the fate of the State buying-up campaign, is being increased at the cost of a 30 per cent. reduction of the already insufficient supply to the towns.

The credit system, for seasonal reasons, improved after the turn of the year. In January, total circulation fell from 2,028 to 1,922 million roubles; bank credits declined; and industrial-commercial bank deposits increased. In February State Bank circulation increased from 1,065 to 1,083 tchervonetz-roubles, and Finance Commissariat circulation from 927 to 946 million roubles, whereof 735 million roubles were treasury notes, the remainder coins. Prices continue to rise, though slowly. The wholesale-prices index number on February 1st was 1,772 (1,000 in 1913), against 1,768 a month earlier; retail index (1 in 1913), 2.18, against 2.16. The indexes show the price-rise to be confined to agricultural produce; but other reports complain that retail prices of manufactured goods have risen sharply in many towns, in particular Moscow. Since the visit of M. Scheinmann, director of the State Bank, to New York, the official Press has been even more optimistic as to the prospect of getting American capital. Complaints are made that the peasants obdurately refuse to subscribe to State loans. It is alleged that large sums are hoarded in the country. The newest savings banks report, however, shows that at the beginning of the current business year only 4.7 per cent. of deposits belonged to peasants, whereas 33 per cent. belonged to the much less numerous official class. Between October, 1925, and October, 1928, the number of savings bank accounts increased from 817,735 to 3,825,931, and deposits from 33,493,400 roubles to 314,832,800 roubles.

The value of industrial output in the first four months (October-January) of the current business year is returned at 19.6 per cent. higher than in the corresponding part of 1927-28. Production in the finishing industries is increasing more rapidly than in the heavy branches. Owing to this, and in spite of a large recent increase in imports, there is likely to be a severe shortage of materials late this year. The Council of Labour and Defence complains that individual concerns have much too large stocks of materials, the effect of which is to tie up working capital and add to the credit strain on the banks; and the Council has ordered measures to be taken for the realisation of these stocks.

The official Press is reassuring Communist stalwarts on the vexed question of industrial and commercial concessions, declaring that in spite of the ordinance of last autumn increasing the scope of concessions, it is not intended that the foreign share in Russian business shall ever attain appreciable dimensions. The domains which, according to this ordinance, foreigners may enter number 16: railways; canals; glass; potash; cement; leather; wood; paper-pulp; textiles; land amelioration and irrigation; electro-technical production; metallurgy; works in the Dnieper electric-power district; machinery; mining; generation of electricity; and municipal services, such as gas, tramways, and drainage. Coal output has declined, and the production cost is rising. Pig-iron production has increased this year; but the programme for the first four months of the business year has not been fulfilled. Oil output in January was 1,095,800 metric tons.

The Government has published new plans for increasing the output of the mechanical branches, among them for establishment, entirely with native resources, of a works capable of producing 100,000 motor cars a year. The mechanical branches all report great increases in production, as compared with last year. In some branches production exceeds threefold or fourfold that of before the war. But the compulsion felt by directors of these undertakings to fulfil at all costs the ambitious official programmes is having an increasingly bad effect upon quality. The agricultural machinery output is this year to be four times that of 1913; but the official *Ekonomitcheskaya Zhizn* reports that farmers complain of the low quality of agricultural machines manufactured by Russian works. Serious complaints are also made about home-produced electrical apparatus. The agreement come to in October with the American General Electric Co. for delivery of goods has been supplemented by a new agreement, whereunder, according to Soviet account, Russia will be entitled to use G.E.C. patents, and will be supplied with G.E.C. designs (except for electric lamps and electric porcelain). The construction of three oil pipe-lines is being considered.

Imports in January (European frontiers) were 51,800,000 roubles, exports 52,200,000 roubles. In the first four months of the business year, export (also European frontiers) was 231,600,000 roubles, and import 218,600,000 roubles. Export was about 11 per cent. higher than in the same months of 1927-28; import about the same. The chief feature in import is the increase in raw materials. The total agricultural export shows a decline, but agricultural export other than grain increased; and there was a large increase in the export of industrial products. The detailed trade report now published for the last completed business year shows a large increase in the total import of machinery and factory equipment, but a decline in import of agricultural machinery, from which German manufacturers suffered most. In export there was a heavy fall in foodstuffs, but a large increase in raw and half-manufactured products. Export over both European and Asiatic frontiers was 774 million roubles, against 1,273 million roubles (as officially estimated) for the present area, in 1913. The group figures (for European frontiers only) are:—

	1927–28	1926–27
	Roubles (000's omitted)	
Export—		
Foodstuffs	197,826	328,978
Raw and half-manufactured materials	414,580	339,527
Livestock	3,216	3,181
Manufactured goods	20,219	6,554
	635,841	678,240
Import—		
Foodstuffs	68,011	30,268
Raw and half-manufactured materials	443,095	381,617
Livestock	4,471	2,622
Manufactured goods	304,509	209,302
	820,086	623,809

The export of matches is rapidly increasing, being 2,223,000 roubles in 1927-28, against only 43,000 roubles in 1926-27. The German Match Sales A.G., which is the selling syndicate of the match industry, complains that this export constitutes dumping, and that it is conducted at a heavy loss to Russia. The Russian Press, in fact, admits that at home matches are one of the dearer commodities. Export of matches to Germany in 1927-28 had a value of 315,000 roubles against nothing in 1926-27; to Great Britain 1,018,000 roubles, against 37,000 roubles.

CANADA.—THE FEDERAL BUDGET—TAXATION AND TARIFF CHANGES—PRICES.

(FROM OUR CORRESPONDENT.)

OTTAWA, March 6.

The annual Federal Budget was submitted to the Canadian House of Commons on March 1st by Mr. Robb, the Finance Minister. As the fiscal year was not completed, many of his estimates could only be of a provisional character. However, he forecast for the current year revenues totalling $454,942,000, and as he placed the expenditures for the same period at $385,160,000, he claimed a net surplus of $69,782,000, which is admitted on all hands to be a very satisfactory showing. A sum exactly equivalent to this amount had been applied to the reduction of the national debt, which Mr. Robb estimated would at the end of the fiscal year stand at $2,22[illegible],068,000. He also took credit for a reduction of the debt during the last six years by $226,708,000, which had meant a saving of about 16¼ million dollars in annual interest charges. He was able to give a very roseate survey of the Canadian National Railway's financial position and declared that in 1928, after paying all interest charges with the exception of those due to the Government, it would show a surplus of at least 7 million dollars. But he also revealed what a serious drain the system had been upon the national exchequer, offering figures to show that between 1920 and 1927 the Federal Government had made good annual deficits of the C.N.R. to the amount of 202 million dollars without taking any account of interest due to itself and in addition had provided capital loans to the company to the tune of roughly 165 million dollars.

Mr. Robb fulfilled a general expectation by not announcing any sweeping changes of taxation or tariff duties. The most important change was the reduction of the sales tax by one-third of its present rate; it will henceforth have an average rate of about 2 per cent. He also made a beginning of the abolition of the so-called "nuisance taxes"; the tax on insurance premiums other than life and marine will disappear, and with it will go the taxes on steamship and railway tickets and on cables and telegrams. He also proposed an adjustment of the tax on sales and transfers of stock by replacing the

present flat rate of 3 per cent. by a graded scale of four divisions as follows:—

	Tax.
Stocks valued at $3 or less ...	1 cent per share.
,, ,, from $4 to $20 ...	2 cents ,, ,,
,, ,, from $20 to $100	3 ,, ,, ,,
,, ,, above $100 ...	4 ,, ,, ,,

The change in this tax has avowedly a dual purpose—to simplify collection and to discourage speculation in the "penny" mining stocks, which has been responsible for a series of wild gambles in recent years. But the fraternity of mining brokers dislike the change exceedingly, as they assert that under the new plan of taxation it will be almost impossible to make a market for the "penny" stocks, because if a stock is selling at 3 cents the Government will claim one-third of the sale price. They point out that such rich mines as Lake Shore and Sherritt-Gordon were at one time "penny" stocks and that the effect will be to discourage mining enterprise. So deputations have begun to descend upon Ottawa from the mining exchanges and the Finance Minister is being urged to modify the rate of the impost on the low-priced stocks.

Mr. Robb also announced a series of some thirty tariff changes, which he asserted were the result of the investigations and recommendations of the Tariff Advisory Board. The most important change is the imposition of a new duty of half a cent per pound on copper rods, which have hitherto entered free. This duty is the direct consequence of an application to the Tariff Advisory Board by the Eugene Phillips Co., of Brockville and Montreal, which complained that the American Copper Export Association was practising an unfair discrimination against it by charging it higher prices for copper bars than it exacted from its American competitors, and the avowed object of the new duty is to compensate for this alleged discrimination. There are to be some downward cuts in the duties on machinery and equipment utilised for the mining and fishing industries. Mr. Robb declared that in all these changes the British preference, which he characterised as the keystone of the Government's fiscal policy, had been carefully safeguarded, and he estimated that they would entail a revenue loss of approximately 25 million dollars. But he also predicted that the coming fiscal year would show such a general expansion of revenue that at its close there would be found to have been no diminution of the aggregate yield of taxes as compared with the present year, and that he expected to be in a position to redeem in cash a loan of 60 million dollars which matures on August 1 of this year.

Discussing the trade situation, he claimed that the statistics of foreign trade for the first ten months of the present fiscal year showed a favourable balance of 154 million dollars, exports being estimated at 1,187 and imports at 1,033 million dollars. He argued that the series of commercial treaties which the Government had concluded with different foreign countries had resulted in a great stimulation of trade with them. He pointed out that while sufficient time had not elapsed to justify a final judgment upon these treaties, the trade figures for the fiscal year 1927-28 showed that Canada's exports and imports to and from countries giving her most-favoured-nation treatment were respectively 165 and 103 million dollars, which almost doubled the corresponding figures for the fiscal year 1921-22, placed at 82 and 57 million dollars respectively. Mr. Robb also dealt with a statistical aspect of the trade problem and declared that no method had been yet devised for the accurate determination of the destination of Canada's exports. The difficulty was particularly acute in regard to grains, which constituted one-third of the Dominion's exports.

In his speech Mr Robb made no direct reference to trade relations with the United States, but he did interpolate some cryptic observations, which are generally taken both here and in the U.S. as being addressed to Washington. "It is," he said, "our desire to trade freely with any and all who are willing to trade freely with us. What may or may not be possible in this particular depends necessarily in some measure on the purchasing power and fiscal policies of other countries. The policy of this administration is not a high tariff policy; it is a low tariff policy. Its policy is to encourage production at home and the marketing of our excess of production abroad. In applying this policy both domestic and international factors must be considered." Mr Robb then added that the Tariff Advisory Board was prosecuting the investigation of several larger fiscal problems which involved the consideration of whole tariff schedules and the inter-relation of many important Canadian industries, and he added this observation—"While these inquiries are being pursued opportunity will be afforded for considering the possible effect on trade of changes being proposed in the tariff schedules of other countries, should they be implemented by legislation."

Commodity prices showed a slightly upward tendency last month and the index figure of the Dominion Bureau of Statistics on the base 1926=100 was 95.7, as compared was 94.5 in January. 109 price quotations were higher, 48 lower, and 345 unchanged. The stock markets have been rather listless during the past fortnight, and the speculating public seems to have lost some of its enthusiasm. Price fluctuations have been within moderate range and the Bureau of Statistics Investors' Index of industrial common stocks for the week ending February 28th was 287.5, as compared with 280.0 for the previous week. The mining market has shown greater briskness and as the result of the rise in the price of copper there has been an upward movement in most of the copper stocks. The weighted index of the 17 most popular mining stocks for the week ending February 28th was 124.7, as compared with 121.7 for the previous week.

SOUTH AFRICA.—POLITICS—GERMAN TREATY —PUBLIC FINANCE.

(FROM OUR CORRESPONDENT).

JOHANNESBURG, February 27.

On Monday, February 25, a division was reached in the joint sitting of the Senate and the Assembly to consider the two native Bills (the Natives Representation in Parliament Bill and the Coloured Persons Rights Bill). The voting on the Coloured Persons Rights Bill was: Ayes, 74; Noes, 69. The position has thus provided an illustration of the working of Section 152 of the South Africa Act. The Section was designed to curb the enthusiasm of extremists on either the English or Dutch sides by providing that any Bill proposing to alter the rights of native voters in the Cape or the rights of equality of both languages must be passed by two-thirds of the total number of both Houses. These Bills would at present require 117 votes, and in the next Parliament will require 126 votes (after effect has been given to the last Delimitation). As the Natives Representation in Parliament Bill thus failed to pass, the Prime Minister did not proceed with the Coloured Persons Rights Bill. General Smuts has published a statement once more advocating agreement between the parties, and setting out afresh the view of the South African Party. The statement points out that Section 152 of the South Africa Act renders national agreement an almost indispensable precedent to any disturbance of the position of the native voter in the Cape. It is in the highest degree unlikely that any party is going to achieve such a sweeping success as to command two-thirds of both Houses. General Smuts suggests that his party's co-operation was rejected by the Government in order that the latter might be able to appropriate the credit for a "solution" when appealing to the electors. If so, the Government has courted and sustained a heavy defeat. The prevailing sentiment of the country may be anti-native, but many strong passive believers in that sentiment are nevertheless not blind to certain important practical considerations. The native is getting wiser, and he is getting stronger. General Smuts reiterates his statement that such questions as the franchise are not of immediate political importance, while economic aspects of the native problem are pressing harder day by day. The suggestion is made for another National Convention, and should the South African Party be returned at the election in June this procedure will be adopted. If the present Government are returned the same course may appear to them equally inevitable.

At the time of writing, the German Treaty is before the House of Assembly. Mr Beyers (Minister of Mines and Industries) moved its ratification. He is an extremely able man, perhaps not well known outside this country. He defends unpopular proposals in the slashing style of the man who not only knows his subject but disdains support and despises opposition. He trounced the suggestion of anti-British feeling on the part of the Government. He made at least one sound point when he said that many opponents of the treaty already bought German and other foreign goods merely because they were cheaper. The speaker also discounted the threat of retaliation from Britain, saying that there were no grounds for retaliation. The Opposition, led by Mr Jagger, objected that, apart from sentimental considerations appealing to the Britisher, the treaty is bad business because it gives something for nothing and slights a good customer to favour an unimportant one. Meanwhile a new body of objectors has arisen—the various engineering societies here suspect that one clause in the treaty would enable Germany to object to specifications calling for British standards. If this be true, then the work and policy of years is in danger in a matter which goes far beyond political considerations into the realms of established everyday technical practice.

There has been a renewal of the complaints in regard to the business methods of British firms. There have been renewed allegations that British manufacturers do not study the market, that their publicity is inadequate and not of a high standard, and that they are backward in seeking business which is actually on offer. A good deal of this discussion has arisen from the fact that in response to an advertisement by the Johannesburg City Council, only one British car agent tendered for the order for a new car for the Mayor. This single incident has caused a surprising amount of disturbance.

The Government published yesterday the estimates of expenditure to be defrayed from the Revenue funds during the year ending March 31, 1930. The estimates provide for an expenditure of £29,696,780, against £28,584,682 in 1928-29. Pensions account for £600,000 of the increase, whilst subsidies to the provinces account for £116,000. In the latter connection it may be said that the claim at the time of union that economy of administration would result is now regarded merely as a piece of amusing history. Allowing everything possible for changed ideas and natural growth, economy has not resulted from union.

The railway strike in Rhodesia is providing that country with a very bad advertisement as well as inflicting heavy immediate loss. The rains prevent very much reliable road transport. The cause of the argument is the question of the restoration of a cut in wages agreed to some years ago. At the time of writing the strike seems to be collapsing. Wages and cost of living in Rhodesia are higher than in the Transvaal.

Letters to the Editor.

THE DEMAND FOR STEEL.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The extraordinary contrast between the expansion of the U.S.A. consumption of steel since 1913 and that of the rest of the world should occasion some hesitation in the acceptance of the statement that "it is unlikely that demand will again exceed capacity (for steel production) unless some new uses for steel are discovered."

According to the Survey of the Metal Industries issued by the Committee on Industry and Trade, the 28,000,000 tons of steel available for internal consumption in U.S.A. in 1913 expanded to 43,700,000 tons in 1925, while that of the next six steel producing countries rose by only 600,000 tons from 22,600,000 to 23,200,000 tons. The world's production of steel ingots and castings in 1925 was 89,150,000 tons, an increase of 14,000,000 tons over 1913, the whole of which increase was both *produced and absorbed* by the U.S.A. In recent years, some important increase of consumption has taken place outside America (mainly in Germany), but the U.S.A. consumption in 1928 reached 50,000,000 tons.

It seems highly improbable that there has been "a permanent and profound change in the world's economic scheme" which has brought about a cessation of the expansion of steel consumption in the world except in the U.S.A. Neither is an explanation to be found in the price factor. More favourable British prices may bring to this country a larger share of *present business* than it has had in recent years, but low Continental prices have not expanded the world consumption as it should have been expanding. Before the war, the rate of expansion outside U.S.A. was approximately 1¼ times that within the States.

Unfortunately statistics are not available which would help us to discover where the primary demand outside U.S.A. is failing. The requirement for steel for war purposes is less, but that for the motor and building industries is more, than before the war. Replacements and maintenance depend upon general prosperity. The numerous schemes of construction initiated by Governments, etc., since the war may be assumed to have maintained steel consumption for these purposes at a higher level than before the war. The only remaining type of demand for steel for new developments seems to be that for works or enterprises of only local interest, those costing a few thousand pounds as distinct from those costing hundreds of thousands.

The inferences, therefore, are that the smaller capitalists throughout the world exercise an important influence at all times upon the demand for steel, and that in the aggregate the fluctuations in their demands, coupled with the effect upon transport, etc., determine the prosperity or depression of the heavy industries. It would be useful if statistics could be obtained to check these inferences. They are supported by the consumption contrast already mentioned, America's smaller capitalists being scarcely affected by the post-war concentration of capital. Furthermore, in this country, according to Mr. McKenna, there has been a decrease in "demand deposits" compared with "time deposits," which latter he describes as "money for which no trading use can be found at the moment." Is it possible, then, to trace the fall in the demand for steel to the lack of adequate organisation for bringing these "time deposits" into effective use by the men throughout the world whose schemes for local developments have been in abeyance for ten years? The implication that the men worthy of trust and the opportunities for developments are to be found only in the U.S.A. can hardly be accepted.

Uses for this money at home for purposes which will revive the demand for steel are unlikely to be extensive until the forward movement has begun abroad, where openings exist for the mechanical developments which increase productivity. The types of developments which should be supported are those prompted by responsible individuals for personal profit, because those of Governments are limited by the taxable resources of the community. Much might be done by co-operation between large-scale investors, responsible local individuals and British industrialists generally, with the world-wide correspondents of the British banks as primary sources of information as to suitable openings for this co-operation.

An investigation of the contrast in steel consumption which is revealed by modern statistics may also show that the downward trend of a trade cycle is due to the inaction following the temporary exhaustion of the resources of local capitalists, and that this can be minimised by the co-operation of financial interests in this country. The influence of the latter might be so exercised that work in particular areas might be initiated or delayed in order to maintain *in the aggregate* a more or less continuous advance in the demand upon the heavy industries. In other words, insofar as they are due to this cause, the recession and depression of a trade cycle in one area might be compensated by recovery and prosperity in another, influenced and organised by British interests, as the result of previous sustained surveys of the various openings and of co-operation with the leaders of local communities.—I am, etc.,

H. W. GRIFFIN.

52 Foxley Lane, Purley, Surrey, March 1929.

Books and Publications.

ADMINISTERING PROTECTION.*

IT is quite impossible to give in a limited space any idea of the administrative and technical complications involved in keeping the tariff machine in something approximating to working order, as these are revealed by the annual reports of the United States Tariff Commission. The standing orders of that Commission are staggering. A small part of them requires it to investigate and report

* Twelfth Annual Report of the U.S. Tariff Commission. (Washington, D.C.) U.S. Government Printing Office. 25 cents.

upon " the administration of the Customs laws " and their " fiscal and industrial effects," upon the relations between the rates of duty on raw materials and finished or partly finished products, upon " the effects of compound and *ad valorem* specific duties," upon " all questions relative to the arrangement of schedules and classifications of articles in the several schedules," and upon " the volume of importations compared with domestic production and consumption, and conditions, causes and effects relating to competition of foreign industries with those of the United States, including dumping and cost of production." All this it does, and very much more, and it is hardly to be wondered at that the report contains a plaintive section setting forth the difficulties encountered in the process. An example of one such difficulty, encountered last year for the first time, is the case of a commodity produced in two European countries at entirely different costs, production in both cases being controlled by a cartel. If the country where cost is higher is the principal competing country the duty must be fixed on that basis, whereupon the cartel has only to restrict its American sales to the product of the other country and the effect of the duty is nullified. Problems like this abound, and may well serve as a warning to people who think that " put a duty on it " is a simple order, easily understood and executed.

To secure the maximum aid from experts the Commission has organised itself into separate divisions. In order to avoid the danger that the members of the economics division might begin to function when it was too late for their advice to be effective they were assigned this year the investigation of some half-dozen commodities, the list of which is headed by peanuts and onions. These expertly prepared reports are not yet to hand, but statisticians who are addicted to the *post hoc ergo propter hoc* line of argument will find plenty of tables showing imports, before and after a change in duty, of such key commodities as " hit and miss " rugs or cherries, sulphured or in brine. Small wonder that the Commission reports that it has recently been obliged to increase its staff of experts.

" BURDETT."*

Edited by the Secretary of the Share and Loans Department and published under the sanction of the Committee of the Stock Exchange, " Burdett " is too well known in financial and business houses to need commendation. Good wine needs no bush. An effort has been made in the 1929 volume, now available, to retard increasing bulk by greater condensation of contents, with the result that though the proportion of new companies, 613 in all, exceeds that of any year since 1911, only 21 additional pages are this time required. The special articles on company law deal with recent legal decisions and contain explanatory references to the 1928 Act. A useful innovation for facilitating comparison is the reduction to sterling of all the figures given in the Dominion and Colonial and the British and Foreign Finance tables. The article on income tax has been re-written, the Act transferring the currency note issue to the Bank is summarised, and particulars of the National Debt sinking funds of 1875, 1923 and 1928 are included. Figures also are inserted for the first time showing the working results of each of the four grouped railway companies since the date of amalgamation.

BOOKS RECEIVED.

Liberalism and Some Problems of To-Day. Edited by H. L. Nathan and H. Heathcote Williams. (London) Victor Gollancz, Ltd., 14 Henrietta Street, Covent Garden. 10s. 6d. net.

This volume is composed of chapters on various important political and international problems, by such prominent Liberals as Sir John Simon, Sir Herbert Samuel, Mr. Philip Kerr, Mr. W. T. Layton and Mr. H. D. Henderson.

*The Stock Exchange Official Intelligence for 1929. 60s. net. London. Spottiswoode, Ballantyne & Co., Limited.

Scambi Internazionali e Politica Bancaria. By Prof. Attilio Cabiati. (Torino) Fratelli Bocca, 3 Via Carlo Alberto.

This second and very much enlarged edition of an Italian treatise on foreign trade and foreign exchanges is very welcome. It starts out with a restatement of the Ricardian theory of comparative costs, and the thesis of the book is that this theory remains valid in the case of trade between countries with inflated currencies.

Geldtheorie und Konjunkturtheorie. By Friedrich A. Hayek. (Vienna and Leipzig) Hölder-Pichler-Tempsky, A.G. Rm. 6.25.

A treatise in German on the place of monetary theory in the theory of business cycles.

Die Agrarreformen der Österreich-ungarischen Nachfolgestaaten. By Dr Heinz Haushofer. (München) Südost-Verlag Adolf Dresler.

A critical account, in German, of agrarian reforms in the Succession States.

Industrial Psychology. Edited by Charles S. Myers. (London) Thornton Butterworth, Ltd., 15 Bedford Street. 2s. 6d. net.

This is a collection of monographs, by a number of research workers, on various problems in industrial psychology. Several of the contributions deal with the question of choice of occupation.

Industrial Relations Programs in Small Plants. (New York) National Industrial Conference Board, Inc., 247 Park Avenue.

A critical discussion of the activities of small American plants in connection with financial incentives; housing; health and safety work; recreation; organised training and education, &c.

The Case of Benn versus Maxton. (London) Ernest Benn, Ltd., Bouverie House, Fleet Street. 5s. net.

A debate, by correspondence, between Mr. Benn and Mr. Maxton, which is nothing if not lively.

Gold and the Future. By W. L. P. Knight. (London) Headley Bros., 18 Devonshire Street. 7s. 6d. net.

The thesis of this incoherent work is stated as follows :—" That all issues of public currency should be secured against an equal value of actual commodities. That is all."

Relief for the Ratepayer. By Sir Kingsley Wood. (London) Ernest Benn, Ltd., Bouverie House, Fleet Street. 1s. 6d. net.

A popular explanation of the Local Government Bill.

The Realist. Vol. I, No. 1. April, 1929. (London) Macmillan and Co., St. Martin's Street. 2s. net.

This first issue of a new monthly review includes articles on : " The Progress of the Novel," by Arnold Bennett; " Pascal," by Aldous Huxley; " Science and the Farmer," by Sir Daniel Hall; " What is Individuality? " by Julian Huxley.

Tea Producing Companies, 1928-29. The Indian Tea Share Exchange, Winchester House, E.C.2. 2s. 6d. net.

This new edition covers 231 companies and has been brought up to date at the middle of February, 1929. Full particulars are given of each company, including crops, profit and dividends for the past four years.

Rubber Facts and Figures. March, 1929. (London) F. C. Mathieson and Sons, 16 Copthall Avenue, E.C.2. 2s. net.

The Countryman. May-June, No. 1, Vol. III, 1929. (Oxford) J. W. Robertson Scott, Idbury, Kingham. 2s. 6d.

This unique little periodical is celebrating its birthday. We congratulate it on the continued maintenance of its refreshing individuality.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C.2.

Prices of Petroleum Products: Statement by the Oil Companies Concerned. Cmd. 3296. 3d. net.

Civil Estimates for the Year Ending March 31, 1930: Class II., Foreign and Imperial, 2s. net.; Class VII., Common Services (Works, Stationery, etc.), 2s. net.

Report of the Royal Commission on Police Powers and Procedure. March 16, 1929. Cmd. 3297. 3s. net.

Report of the Commissioners of Prisons and the Directors of Convict Prisons for the Year 1927. Cmd. 3292. 1s. net.

The Stock Exchange.

SHAREHOLDERS AND CONTROL.

A WEEK ago we discussed some of the main issues involved in the General Electric Company's proposal to exclude its American and other non-British shareholders from participation in an issue of new capital on bonus terms. Sir Hugo Hirst has undoubtedly troubled the City waters, and much more is likely to be heard of the principles at stake, whatever the settlement reached in this particular case. We do not propose to go further, for the moment, into the question whether foreign control, as distinct from ownership, is desirable, of British concerns having a quasi-national importance. We are concerned rather with a tendency affecting investors of all nationalities—the tendency, that is, of post-war finance to limit the effective sphere of control exercised by shareholders over the affairs of the companies of which they are, legally, the proprietors. There may be, in practice, much to be said for arrangements which ensure the retention in British hands of control over the ultimate fortunes of companies such as General Electric, Imperial Airways, and Burma Corporation, while leaving the right of share *ownership* open to all comers. There is much less to be said for the practice of whittling away the rights of shareholders generally, which has, unfortunately been prominent in a number of recent cases.

The theory of the matter, as embodied in the Companies Acts, is quite clear. Under British law, shareholders are a representative democracy, electing their " Cabinet " by rotation, and possessing, in their articles of association, a written constitution which can be varied by internal " legislation " at any time. Certain safeguards are laid down for the protection of minorities, such as the requirement of a three-fourths majority for any alteration in the articles, but for the most part the underlying assumption of the law is that ultimate power lies with the majority of shareholders, who regularly exert that power through the appropriate machinery. In other words, while capital ownership and *management* are sharply differentiated, under the British system of limited liability, no such distinction is made between ownership and *control*. It has, consequently, been popularly assumed, up to the present, that any financial interest desirous of becoming the arbiter of a company's fortunes must first obtain more than fifty per cent. of its capital. How far is this assumption borne out in practice?

Some few months ago we had reason to investigate the Somerset House files of a number of famous companies in the course of an inquiry into the ownership of British capital. Certain of the results have an obvious bearing on the questions we are now considering. Our researches suggested that the proprietors of British companies were, as a rule, a scattered body of small holders, the £152 million of issued ordinary and preference capital of some eighteen companies coming within our survey being parcelled out among more than 500,000 individual shareholders, each possessing, on the average, no more than £300. Even more significant, however, was the evidence in the matter of large holdings. We extracted from the shareholders' list every example of an individual holding of £10,000, nominal, or over, and calculated the proportion of the total capital thus controlled by the most influential proprietors. The following state of affairs was revealed :—

Large Shareholdings in British Companies.

Company.	Total Shareholders.	Number of shareholders each owning £10,000 or more.	Percentage of total capital held by shareholders in Column (3).
(1)	(2)	(3)	(4)
Large-size Companies :—			
Imperial Tobacco	77,200	233	43·0
Courtaulds	28,200	57	26·2
Anglo-Persian Oil	17,100	4†	13·1†
Brunner Mond*	26,200	66	31·4
Vickers	46,400	30	4·8
Dunlop Rubber	51,600	162	20·3
Cunard	14,000	39	30·4
Companies of Moderate Size :—			
General Electric	10,100	11	10·3
Spiller's Milling	8,300	20	21·5
Phœnix Assurance	8,500	18	26·2
Ebbw Vale Steel	7,800	15	29·8
Bass	1,900	21	59·8
Marconi's Wireless	24,600	7	3·8
English Sewing Cotton	9,700	3	2·7
Debenture Corporation	2,000	9	12·2
Cairn Line	2,900	8	20·1
Rover Company	8,300	None	...
Savoy Hotel	2,400	1	1·6

* Subsequently merged in Imperial Chemical Industries.
† Excluding British Government's holding.

There is no reason to doubt that the above eighteen concerns afford a reasonably representative sample of the whole field of company finance. It is common knowledge that many of them are associated with definite financial or administrative interests, who have exercised a predominating influence on their fortunes for years past. Yet only in one case do large shareholders deem it necessary to hold anything like a fifty per cent. interest, and they seldom hold as much as 25 per cent. of the issued capital.

That such a state of affairs is possible reflects less on the present state of company law than on the attitude of many British shareholders. Investors, as a rule, have doubtless better motives than those which inspired certain purchasers of Irish railway stock who were desirous merely of utilising the free transport facilities provided for the annual Dublin meeting. There is, nevertheless, a certain force in the allegation that shareholders are apt all too readily to assent to any proposals put up to them, so long as their dividends are not touched. In other words, " the party in power " on the board of any company can, in ordinary circumstances, rely far more extensively on the inertia of their constituents, as a factor in deciding how far they can safely go, than can any British Government, *vis-à-vis* its electors. Experience goes to show that boards of directors fail to carry their proposals only when some determined outside shareholding interest raises the standard of rebellion, and goes to considerable expenditure of time and money to *mobilise* the thousands of small shareholders whose votes are the real controlling factor. Geographical conditions are a further powerful factor making for inarticulacy of shareholding opinion. Altogether, if company control tends too often to be in the hands of an oligarchy, rather than of the democracy which the authors of the British legal system clearly had in mind, an explanation must be sought in the essential difficulty of organising a changing and widely scattered body of small holders, who do not know, and have probably never seen, each other, and who possess no closer visible bond of union than the receipt of dividend cheques or annual reports.

Of late years, however, there has been observable on the part of certain boards of directors a desire to translate into *de jure* terms the element of control which, as we have seen, contemporary conditions seem to give them *de facto*. The practice of issuing preference shares carrying no voting rights, except when their dividends were

in arrear (*i.e.*, when their investment status had already been prejudiced) was by no means unknown before the war, but has become increasingly prevalent of late. Debentures, of course, have rarely possessed any voting rights whatever, their holders being looked upon rather as creditors than as proprietors of their respective businesses, though this assumption may well call for revision if the precedent of regarding *earning power* as the real ultimate security of a debenture (as in recent iron and steel company reorganisations) is at all widely followed in the future. Recent methods of capitalising new concerns, especially by the issue of " shilling deferred " shares backed by participating securities of higher denomination, lend themselves readily to discrimination between " insiders " and " outsiders " in the matter of voting power. A glance at the list of prospectus issues during the last year or two will reveal numerous examples similar to that of Blue Bird Oil Importers, where inside interests put up 14½ per cent. of the original paid-up capital, and obtained 54½ per cent. of the total voting power, or of Safetex Safety Glass, where insiders put up 16½ per cent. of the original capital and received 67½ per cent. of the voting power. An instance, though doubtless an extreme one, of the extent to which shareholders may be persuaded to relinquish their rights of control in an existing concern, provided their dividends are unaffected, is furnished by the resolution passed at the Home and Colonial meeting on February 21st of this year, under which the shareholders agreed, in effect, to allow the owners of " privileged " shares, representing less than 5½ per cent. of the total issued capital, to control 50.1 per cent. of the total voting power, although the chairman of the company declined to divulge the identity of the interests to whom those shares would be allotted.

Examples need not be multiplied, nor can it be denied that history affords certain, though not very numerous, instances of shareholders successfully resisting proposals —as, for instance, in capital reconstructions—which appeared to them undesirable in one way or another. The 6 per cent. preference shareholders of Leyland Motors, for example, refused to assent to a scheme for wiping off dividend arrears at a time when the company was earning the equivalent of 18 per cent. on its ordinary capital (apart from such arrears), and a few months later received an intimation that their accumulated dividends would be paid in full out of profits and the capital reorganisation proposals be dropped entirely. Nor would we deny that a case may, at times, be made out for privilege in the matter of voting power, on grounds, possibly, of " national " expediency, as in the case of the General Electric Company, or the Burma Corporation, or on other grounds—as, for instance, if public policy requires that other than purely commercial considerations shall affect a company's conduct. In general, however, discrimination and " shareholders' inertia " alike are calculated to leave open the door for abuses, which may be the more serious at a time like the present, when the need for " rationalisation " of industry is being urged in many quarters, and when the alleged reluctance of some industries to submit to the process is a subject of comment. The admirable paper read this month at Leeds by Sir Mark Webster Jenkinson*, a prominent advocate of the policy, who has been closely identified with the reorganisation of Vickers, points out that " rationalisation " is frequently impeded owing to the difficulty of safeguarding the rights of different classes of shareholders, of writing off lost capital and raising fresh resources, and of convincing " the majority of those engaged in trade " of the necessity for and the advantages of consolidation. In all these respects a more active interest on the part of the shareholders concerned, before, and not after, irretrievable damage has been done, would have beneficial results.

How best to bring about such a result is a question to which no categorical answer can be given. Legislation against " plural voting," on the lines of the Bill introduced in France last year, would be undesirable, if only for the reason that it would attack a symptom of the present condition of affairs, rather than its root causes, which, as we have endeavoured to show, have somewhat far-reaching physical and psychological, as well as legal, aspects. A wider publicity in all matters connected with company finance may be, in the long run, the most effective form of treatment, and for this reason the provisions of the new Companies Act, making for greater detail and clarity in published accounts, are to be welcomed as a first—though no more than a first—instalment.

* " Some Aspects of Rationalisation." (London). Gee and Co.

THE " JOHNNIES " GROUP IN 1928.

(BY OUR MINING CORRESPONDENT.)

As a whole, the Rand gold-producing subsidiaries of the Johannesburg Consolidated Investment Co. last year maintained their positions fairly well. Two of the concerns paid increased dividends, two the same as before, and one was under the necessity of making a relatively substantial cut. Variations in the ore reserves, however, were mainly in the direction of contraction—in some cases accompanied by improvement in value.

With the leader of the group, the Government Areas, the ability to increase the dividend rate is attributable partly to further reduction in the amount required for capital expenditure, last year's appropriation being only £10,200; but the carry-forward was drawn upon to the extent of £28,500. The Union Government's share of the profits represented no less than £1,434,200. Results in the less valuable north-eastern area of the mine proved somewhat better than in 1927; the changes in the ore reserve figures are mainly due to a reduction of three inches in the estimated stoping width.

Langlaagte Estate has a generally satisfactory story to tell. Some increase in the tonnage milled was accompanied by an appreciable advance in the revenue per ton; and although costs also rose, the net outcome was an expansion in the profit permitting the distribution of 2½ per cent. more than for either of the two preceding periods. Miners' phthisis, at £26,400, showed a small increase; but capital expenditure absorbed only £3,600 in place of £36,100. The ore reserve figures are quite good. Unfortunately the mine is approaching the stage of completed development.

By the treatment of an expanded tonnage at a slightly lower cost ratio, the New State Areas put up an appreciably higher profit than before. The difference was more than absorbed by larger requirements on the part of the Union Government, together with increased capital outlay and debenture redemption, the latter item absorbing £99,400 as against £64,500. At £41,750 the carry-forward is £17,500 less than a year ago. Shareholders will note with satisfaction that last year's capital expenditure is described as abnormal. The debenture debt now stands at £326,550.

Appended is a five-year contrast of the results of the six principal companies:—

	Ore Crushed.	Results per Ton.			Working Profit.	Divs.	Ore Reserves.	
		Yield.	Costs.	Profit.			Tonnage.	Value.
Govt. Areas—	Tons.					%		Dwt.
1924	1,874,000	42/1	17/5	24/7	2,309,700	65	10,970,000	9·1
1925	1,932,500	38/4	16/9	21/7	2,088,300	65	11,355,000	9·0
1926	2,239,000	38/7	16/4	22,3	2,448,070	72½	11,384,000	8·9
1927	2,359,000	38,8	16/4	22/4	2,679,500	85	11,288,000	8·8
1928	2,383,500	38/9	16/7	22/2	2,639,700	90	10,973,000	8·9
Langlaagte Est.—								
1924	1,147,900	25/4	19/11	5/5	310,380	12½	1,693,700	6·4
1925	934,000	24/–	21/1	3/–	139,980	5	1,695,200	6·5
1926	950,000	24/7	20/3	4/4	205,130	12½	1,548,000	6·5
1927	964,500	25/1	20/1	5/–	240,900	12½	1,559,000	6·9
1928	970,000	26/7	20/9	5/10	282,650	15	1,567,500	7·1
New State Areas—								
1924	754,000	34/1	22/2	11/11	449,430	...	2,582,400	8·8
1925	843,000	34/4	20/3	14/1	592,200	15	2,604,000	8·6
1926	889,000	35/3	20/7	14/8	653,100	15	2,621,500	8·8
1927	867,000	35/10	21/3	14/7	632,540	12½	2,726,000	8·6
1928	908,000	35/9	21/–	14/9	668,900	12½	2,678,000	8·7
Randfontein—								
1924	2,432,000	24/8	18/11	5/9	701,100	†15	5,085,700	6·1
1925	2,311,000	21/9	18/2	3/7	408,900	5	5,119,400	6·1
1926	2,304,000	21/1	18/4	2/9	319,250	...	4,885,000	6·0
1927	2,401,000	20/6	17/11	2/7	313,410	...	4,387,000	5·8
1928	2,500,000	19/4	17/4	2/–	246,860	...	4,196,800	5·8
Van Ryn Deep—								
1924	790,000	41/8	19/3	22/5	888,000	62½	3,655,000	7·5
1925	795,400	33/1	17/1	16/–	637,840	50	3,521,900	7·3
1926	818,900	31/1	16/5	14/8	600,850	45	3,479,000	7·5
1927	761,900	33/5	18/–	15/5	587,460	40	3,292,000	7·6
1928	759,000	33/9	19/4	14/5	545,860	40	3,110,700	7·4
Wit. Gold—								
1924	582,700	21/1	18/4	2/9	79,900	17½	350,600	5·4
1925	562,000	18/2	17/8	–/6	14,540	5	431,200	5·2
1926	613,700	17/4	15/10	1/6	46,800	10	501,400	5·0
1927	575,400	19/–	18/–	1/–	28,720	7½	448,000	5·6
1928	630,000	17/11	17/6	–/5	11,760	2½	404,000	5·2

† Including 10 per cent. special.

On the part of that disappointing proposition, the Randfontein, the effect of further expansion in the tonnage of ore treated at a somewhat lower cost ratio has been more than offset by decline in grade, the profit indicating a fresh and accentuated shrinkage. The net sum available has once again been insufficient to cover the requirements for capital expenditure and debenture redemption, the balance forward being £49,300 down at £180,300. There still remain £616,760 of bonds to be cleared off.

The chief points of interest in connection with the Van Ryn Deep relate to the upper leaders. Last year over one-third of the area stoped was in these ore bodies, " and this percentage will increase from year to year." Mining operations are being facilitated by the " packing " of the old workings with residues. Maintenance of the dividend has entailed a draft upon the carry-forward.

The position of the Witwatersrand Gold, whose discouraging outlook was referred to in last year's article, has failed to improve. It is significant that of the 1928 available balance of £28,200 nearly one-half was required for miners' phthisis liability.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
April 9.	April 11.

EVENTS in London and New York followed anything but a parallel course. While extensive selling was taking place on Wall Street, the London Stock Exchange was, if anything, rather more cheerful. News that the Bank had bought nearly £1,000,000 in foreign gold coin, though the operation was believed to be of a special character, gave a slight fillip to investment securities on Monday afternoon. Later, the effect of the Wall Street collapse was instructive. Apart from bringing down " Anglo-Americans," this development tended to strengthen Government, railway and similar stocks, and markets reacted speedily to the suggestion that means had at last been found of curbing American speculation. Industrials, however, remained flat, for there was no new inducement to buy, and the holidays loomed ahead, with the General Election beyond them.

Apart from the effect of the customary withdrawal of currency for the holidays, and of end-of-the-month money market requirements, the monetary news of the week was favourable, so far as it went, and some recovery ensued in gilt-edged quotations. Five per cent. War Loan gained $\frac{5}{16}$ in a short period on Monday, on the news of the Bank's accession of gold, and Three-and-a-Half per Cent. Conversion Loan was prominent on the following day, with Victory Bonds and Funding Loan also showing appreciable gains of ground. Dealings in India Loans were on a moderate scale, mainly at unchanged prices, while Dominion and Colonial Loans maintained the decidedly even tenour of their way.

The foreign markets opened with a tendency towards scattered liquidation, but became steadier as the week progressed. Chinese Loans were sold after their recent improvement, on fears of a renewal of civil warfare. Brazilian Bonds showed further weakness at the start, but subsequently received a certain amount of support. Among European issues, Greek Loans were dull, the Six per Cent. scrip falling to 4 discount, while German Seven per Cents. reflected conflicting views of the Reparations outlook.

A slight investment demand arose for Home Railway stocks as the week progressed, the origin of the movement being the improved general outlook, as evidenced by another batch of favourable traffic returns. No brisk business was done, but North-Eastern stocks were bought to a moderate extent, and the other groups showed small gains on balance. Interest was again lacking in Underground issues. Foreign rails were quiet, the dividend announcements, on the same lines as a year ago, being in accordance with market expectations. San Paulo weakened slightly, despite the maintenance of its dividend and bonus, and the Argentine stocks were irregular,

LONDON ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Closing Prices Mar. 21.	Mar. 27.	Rise or Fall.		Closing Prices Mar. 21.	Mar. 27.	Rise or Fall.
Conv. Loan 3½%	75½	76½	+ ½	Treasury 5% (B)	98⅝	98⅝	+ ⅛
Do. 4½% 1944	97½	97½	+ ½	Palestine 5% 1942-67	104	103	–1
War Loan 5% 1929-47	101⅜	101⅜	+ ⅛	S. Africa 5% 1945-75	101	101	...
Consols 2½%	55⅛	55½	+ ⅛	India 3½%	67⅜	67	– ⅜
Do. 4%	84½	85½	+ ½	Do. 4½% 1958-68	90½	90½	...
Funding 4%	87½	86½x	+ ½	Australia 5% 1945-75	99	98	–1
Victory Bonds 4%	91½	91½	+ ½	N.S.Wales 5% 1935-55	96	96	...
Local Loans 3%	63½	63½	+ ½	N. Zealand 5% 1946	102	102	...
Foreign Government Securities.							
Japanese 6% (1924)	95⅛	95⅛	...	French 5%	19⅛	19⅛	– ⅛
Argentine 4% Recns.	85½	84½	– ½	Do. 4% (Brit.)	17⅜	17⅜	...
Austrian 6% 1923-43	101½	101½	...	German 7%	106½	106½	– ½
Belgian 7%	108½	108	– ½	Greek 7% Refugee	102½	102	– ½
Brazil 5% Funding	85	83½	– 1½	Hungary 7½%	101½	101½	...
Bulgaria 7%	87½	87	– ½	Chili 6%	96	95½	– ½
China 5% (1912)	50	48	– 2	Poland 7%	93	92	–1
Egypt Unified 4%	85½	85½	...	Mexican 5% (1899)	33	32½	–1
Estonia 7% 1927	92	92	...	S. Paulo Coffee 7½%	102	102	...
Finland 6% 1923	98⅛	98⅛	– ⅛	Siamese 6% (1924)	105½	105½	...
Corporation Stocks.							
C.C. 3%	63	63	...	Sydney 5½% 1954	96	96	...
E. London 5% 1960-70	98	98	...	Berlin 6% Ster.	94	94	...
British and Foreign Railways.							
G. Western Ord. Stk.	81	82	+1	Antofagasta Ord. Stk.	94½	95	+ ½
L.N.E., Def. Stk.	11⅜	12½	+ 1⅛	B.A.& Pacific Ord.Stk.	101½	101½	+ ½
Do. 5% Pref. Stk.	25⅛x	27½	+ 2	B.A.G.S.Stn. Ord.Stk.	107x	107½	+ ½
L.M.S. Ord. Stk.	51½	53½	+ 1⅛	B.A.Western. Ord.Stk.	95x	94½	– ½
Metropol'anCons.Stk.	60	60	...	Beira Ord.	1⅛	1⅛	...
Met. DistrictOrd. Stk.	76	76	...	Can. Pacific Com.Stk.	254½	239½	–15
Southern Def. Stk.	31⅜	32½	+ ⅛	C. Argentine Ord. Stk.	97x	96⅞	– ⅛
Do. Pref. Ord. Stk.	73	73	...	Leopoldina Ord. Stk.	58	57	–1
Underground Ord. £1	1⅛x	1⅛	...	San Paulo Ord. Stock.	210	210	...
Do. Income Bonds	114	113½	– ½	Utd. Havana Ord. Stk.	42½	42	– ½
Banks.							
Barclay B. (£1)	2⅜	2⅜	– ⅛	Midland £1, fully paid	3⅛	3⅛	– ⅛
Barcl.(Dom.&c.) A £1	1⅜	1⅜	– ⅛	Nat. Prov. £20, £4 pd.	13½	13⅜	– ⅛
Lloyds £5, with £1 pd.	3⅛	3⅛	– ⅛	Hongk. and S. ($125)	133	133	...
Mid. £12, with £2½pd.	9	9	...	St. of S.A. £20, £5 pd.	15	14⅝	– ⅛
Do. £2½, fully paid	9½	9½	– ⅛	W'minster £48, £1 pd.	4	3⅝	– ⅛
Insurance.							
Alliance £1, fully paid	20½	21	+ ½	N.B.&Merc.£5,£1½pd.	36½	36⅝	+ ⅛
Com. Un. £2½, fully pd.	27⅛	27½	+ ⅜	Royal Ex. £1, fully pd.	6⅛	6⅛	...
Ldn.&Lanc.£5,£1 pd.	31	31	...	Roy.In.£1,with 10/pd.	8⅛	8⅛	...
Coal, Iron and Steel.							
Amal. Anthracite (£1)	⅜	⅜	– ⅛	Guest, Keen (£1)	2	1⅞	– ⅛
Babcock, Wilcox (£1)	3⅜	3⅜	...	Powell Duffryn (£1)	⅞	⅞	...
Baldwin (4/)	⅛	⅛	...	Stewarts&Lloyds(£1)	1⅛	1⅛	...
Bolckow Vaughan(£1)	⅛	⅛	...	Swan, Hunter (£1)	1⅛x	1⅛	– ⅛
Cory, William (£1)	3	2⅞	+ ⅛	Thornycroft, John (£1)	4⅛	4	+ ⅛
Dorman, Long (£1)	⅛	⅛	...	Vickers (6/8)	⅜	⅜	– ⅛
Textiles.							
Bradford Dyers (£1)	2⅛	2⅛	...	Eng.Sewg.Cotton (£1)	2⅝	2⅝	– ⅛
Brit.Celanese,Ord(10/)	1⅜	1⅛	– ⅛	Fine Cott. Spinn. (£1)	2⅛	2⅛	+ ⅛
Coats, J. and P. (£1)	3⅛	3⅛	– ⅛	Listers (£1)	1⅛	1⅛	+ ⅛
Courtaulds	4x	3⅞	– ⅛	Snia Viscosa (200 lire)	1⅛	1⅛	+ ⅛
Electrical Manufacturing.							
Associated Elec. (£1)	1⅜	1⅜	+ ⅛	General Electric (£1)	3⅛	2⅝	– ⅛
British Insulated (£1)	4⅜	4⅜	– ⅛	Johnson&Phillips (£1)	1⅜	1⅜	– ⅛
Ever Ready (G.B.) (5/)	1⅛	1⅛	– ...	Siemens (£1)	1⅛	1⅛	...
Electric Light and Power.							
Atlas L'ht & P'er (£1)	1⅜	1⅛	– ⅛	Hydro-Elec. com. stk.	39½	37½	– 2⅛
Brnemth.& Poole (£1)	3⅛	3⅛	– ⅛	Newcastle-on-Ty (£1)	1⅛	1⅛	...
County of London (£1)	2⅜	2⅛	– ⅛	Scottish Power (£1)	1⅛	1⅛x	+ ⅛
Telegraphs and Cables.							
Eastern Stk.	272½	266½	– 6	Marconi (10/)	4⅛	4⅛	– ⅛
Eastern Exten. (£10)	26⅛	26⅛	– ⅛	Marconi Marine (£1)	3⅛x	3⅛	– ⅛
Motors.							
Dennis (1/)	2⅞	2⅝	– ⅛	Morris 7½%Cm.Pf.(£1)	1⅛	1⅛	+ ⅛
Ford Motors (£1)	4⅛	3⅞	– ⅛	Singer (£1)	1⅛	1⅛	– ⅛
Leyland (£1)	2⅜	2⅛	– ⅛	Weymann Mot. Bodies	⅜	⅜	– ⅛
Shipping.							
Cunard (£1)	1⅜	1⅛	– ⅛	P. & O. Defd. (£1)	3⅛	3⅛	...
Furness Withy (£1)	2⅛	2	– ⅛	Royal Mail Ord. Stk.	69½	68½	– 1
Tea and Rubber.							
Anglo-Dutch (£1)	1⅜	1⅜	– ⅛	London Asiatic (2/)	⅛	⅛	...
Cons.Tea & Lnds (£10)	34½	34	– ½	Rubber Trust (£1)	2⅛	2⅛	...
Oil.							
Anglo-Persian (£1)	4⅛	4⅜	+ ⅛	Mexican Eagle(£1/0/6)	⅜	⅜	...
Attock (£1)	3	2⅞	– ⅛	Royal Dutch (£34)	32⅜	32⅜	...
Burmah Oil (£1)	4⅜	4⅜	– ⅛	Shell (£1)	4⅜	4⅜	...
Miscellaneous.							
Assoc. P. Cement (£1)	1⅛	1⅛	– ⅛	Imperial Tobacco (£1)	6⅜	6	...
Bras. Traction, no par	65	57	– 8	Inter. Nickel of Can...	59⅜	57	...
Brit.-Am.Tobacco(£1)	6⅜	6⅛	– ⅛	Krueger & Toll (kr.100)	38⅜	38⅜	...
Carreras,"A" Ord.(£1)	13⅛	13⅛	...	Lyons (J.) (£1)	5⅛	5⅛	...
Columbia Graph.(10/)	16⅛	14⅜	– 1⅜	Margarine Unie (fl.125).	3⅛	3⅛	...
Crittall (£1)	2⅛	2⅛	– ⅛	Photomacon Patent	⅜	⅜	...
Gramlop (6/8)	1⅛	1⅛	– ⅛	Swed. Match, B (kr100)	21⅛	21⅛	...
Imperial Land (£1)	1⅛	1⅛	– ⅛	Tate and Lyle (£1)	2⅛	2⅛	...
Gas Light & Coke (£1)	⅜	⅜	...	Tilling, Thomas (£1)	5⅛	5⅛	...
Gramophone Co. (£1)	17⅛	16⅛	– 1⅛	Turner & Newall (£1)	5⅛	4⅞	...
Harrods (£1)	3⅛	3⅛	...	United Molasses (£1)	7⅛	7⅛	– ⅛
Hudson's Bay (£1)	5⅛	5⅛	– ⅛	Vocalion (10/)	3⅛	2⅞	– ⅛
Imp.Airways(£1 15/p)	1⅛	1⅛	...	Watney Combe Dt.(£1)	3⅛	3⅛	– ⅛
Imp. Chem., Ord. (£1)	2	2	...				
Mines.							
Anglo-Amer.ofS.A(£1)	2⅛x	2⅛	– ⅛	Johan. Cons. (£1)	2⅜	2⅛	–
De Beers Def. (£2½)	14⅜	14⅜	– ⅛	Lake View & Star (4/)	⅛	⅛	...
Rhokana (£1)	4⅛	4⅛	– ⅛	London Tin (£1)	4	3⅞	– ⅛
" Chartered" 15/1.p.	1⅜	1⅜	– ⅛	Rio Tinto (£5)	6⅜	6⅛	– ⅛
Burma Corp.(Rs. 10)	⅜	⅜	– ⅛	Roan Antelope Cpr.(5/)	2⅛	2⅛	– ⅛
Bwana M'Kubwa,5/tp	1⅛	⅜	– ⅛	Sub-Nigel (10/)	1⅛	1⅛	...
Central Provinces(£1)	4⅛	4⅛	...	Tanganyika (£1)	3⅛	3⅛	–
Geduld (£1)	3⅛	3⅛	– ⅛	UnionCorp.(12/6)fu.pd.	4⅛	1⅜	– ⅛

with a downward tendency. Canadian Pacifics came, of course, within the orbit of Wall Street liquidation, losing 12 points during and after London official hours on Tuesday.

Industrial shares were, naturally, dull all round, the three-weeks' account for once maintaining its traditional character. The reduction of the open position to quite moderate proportions, however, obviated any possibility of dramatic developments at all resembling those of New York, though "international" counters inevitably had a weak appearance. H.M.V. and Columbia were among the sufferers in the gramophone group, and match shares further reacted. Imperial Tobacco came on offer, and Dunlops were sold on rumours of a decline in the dividend. The Cunard figures (discussed in a later "Investment Note") came somewhat as a shock to the market, causing a fall of 2s. 6d. in the shares, but other shipping securities were not affected. A tendency to take profits in motor shares was in evidence, though Leylands, exceptionally, enjoyed a sharp recovery after the early selling. Dealings in rayon shares were on a small scale, and prices irregular, while general textile shares again attracted no large amount of public interest. Associated Electrics stood out strongly against the prevailing dullness in their group. Nitrates were heavy, Lautaros losing ground. Iron and steel quotations were lower where changed, and breweries were a heavy market. A small amount of business resulted in numerous fractional declines in bank share values, but gains and losses approximately balanced in the insurance share market.

Rubber share dealings opened under the depressing influence of a fresh fall in the price of the commodity, but the harder subsequent tendency of prices checked any further marking-down of share quotations. Dealings, however, were in few cases sufficiently numerous to test the level of prices, the whole market having a decidedly idle appearance. Business in tea shares ruled also on scanty lines, but the firmer tone of the tea auctions served to check an incipient tendency towards easier values. Oil shares were less widely affected by New York's weakness than might have been expected, dealings having a fair amount of animation, with strong buying of Anglo-Persians a leading feature.

The "Johnnies" group reports (dealt with in a leading article) did little to stir opinion regarding Kaffirs either way, apart from inducing a certain amount of selling of Van Ryn Deep and Randfontein. Rhodesian copper shares were much more directly influenced by developments in America—whence has come most of the impetus of recent activity—all the leaders being affected. Last week's excitement in the copper market having quite subsided, movements in share values were uninspiring, prices shading off all round. Other base metal shares moved downwards in sympathy with commodity prices, Patino again losing ground in the tin group, while further selling took place of London Tin Syndicate.

FOREIGN STOCK EXCHANGES.

NEW YORK.

After experiencing the worst break of recent years, share prices recovered sharply. Month-end settlements were partly to blame, with call rate as high as 20 per cent., but the principal factor was the deliberate intention of the banks to starve the stock market into submission, and, while the banks sent money to the Exchange when a 20 per cent. rate was reached, they did so merely to avoid the panic which seemed imminent; holders were dumping stocks at any price, brokers were calling for more margin, and the banks were marking down the collateral given by brokers on loans. The confusion of trading in an 8,000,000 share session accentuated the decline and made it easier for professionals on the floor of the Exchange to sense the proper time to try for a rally. Confidence is now somewhat restored, but in the best quarters money is thought likely to remain high for some time, so that a renewal of the advance is scarcely justified from levels which are not really far below recent weeks. All classes of stocks suffered in the selling, with the high-priced issues showing the sharpest drops, while the recovery was most pronounced in Coppers, Utilities, and high earners. Bonds are suffering owing to dear money.

	Mar. 21.	Mar. 27.	Rise or Fall.
4½% Lib. Ln. '33–8	98⅛	98¼	— ⅛
3½% Trs.Bs.'46–56	99⅛	99⅛	— nil
Ach., Top. San. Fé	192½	191¼	— 1¼
N. York Central	188	184	— 4
Union Pacific.....	218	216	— 2
Pennsylvania ...	76⅛	75	— 1⅛
South. Railway	146	142½	— 3½

	Mar. 21.	Mar. 27.	Rise or Fall.
U.S. Steel	186⅜	179½	— 7⅛
General Motors ...	89½	84	— 5½
Amer. Tel. & Tel.	215	217	+ 2
General Electric	232	235⅜	+ 3⅜
Victor Talking ...	165	170	+ 5
Std. Oil of N.J....	54⅜	56⅜	+ 2⅛
Anaconda	171⅛	158⅛	— 13

By courtesy of the Standard Statistics Company, Inc., of New York, and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926 = 100):—

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	Mar. 14.	Mar. 21.
342 Industrials	104·7	137·1	132·5	186·4	191·1	197·2	198·8
33 Rails	106·1	128·0	120·5	139·7	140·9	141·1	139·7
35 Utilities ...	103·3	128·3	128·3	180·6	184·6	204·6	203·7
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	190·2	190·9
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·18%	3·16%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Dec. 31.	Feb. 28.	Mar. 19.	Mar. 20.	Mar. 21.	Mar. 22.	Mar. 23.	Mar. 25.	Mar. 26.
207·7	216·6	222·2	222·4	221·2	217·8	214·6	208·6	207·1

PARIS.

Unfavourable influences at home and abroad, such as have been referred to for some weeks past, continue to exercise a depressing effect on quotations. Moreover, the closing of the Bourse on the day of the funeral of Marshal Foch, to be followed immediately by the Easter holidays, played a part in restricting business. Further falls have taken place in most directions. Rentes, on the other hand, remain firm, adapting themselves to the probable level of the large loans which are to be issued by the Ville de Paris and certain colonies. Turkish bonds, on which payments will be resumed at the beginning of April, are very well supported. Among miscellaneous shares, Citroën and, in a less degree, Lautaro Nitrate, are the only ones to show substantial improvement.

BERLIN.

With easier money and a report, not confirmed, that Dr. Schacht had submitted a favourable Reparations annuity proposal to the Berlin Cabinet, the market at the end of last week was active and rising. On the 22nd the upward movement took an almost stormy character, and, helped by foreign buying, it continued on the following day, though profit-taking led to a reaction later. The cash market, which has long been neglected, showed signs of a revival. The current week opened with realisations and considerable declines, which were followed by some recovery. Tuesday's market was at first reserved on the New York market report, but later a general rise occurred, continuing into Wednesday, with foreign buying in evidence.

	Mar. 21.	Mar. 27.	Rise or Fall.
Reichsbank	319·00	323·00	+ 4·00
Deutsche Bank....	174·88	176·50	+ 1·62
Disconto Bank ...	165·50	156·75	— 8·75
Hamburg-Amer.	128·50	122·00	— 6·50
Norddeut.-Lloyd	126·25	115·88	- 10·37
I.G. Farbeninds.	250·00	255·50	+ 5·50
Verein. Glanstff.	446·00	456·00	+ 10·00
Bemberg	386·50	396·00	+ 9·50

	Mar. 21.	Mar. 27.	Rise or Fall.
Verein. Stahlke ...	92·00	91·50	— 0·50
Mannes Rohrke ...	115·13	115·50	+ 0·37
Allgemne. Elekt.	175·38	180·00	+ 4·62
Siemns. & Halske	387·50	403·00	+ 15·50
Daimler Bens.....	56·00	60·88	+ 4·88
Cont. Caoutchuc.	143·00	151·75	+ 8·75
Saladetfurt. Kali	335·25	367·50	+ 32·25

AMSTERDAM.

On Friday and Saturday last the Bourse remained dull owing to the weakened position of the Bill market, high money rates, and lower New York prices. The Netherlands Bank increased its official discount rate on the 23rd from 4½ to 5½ per cent., and the share market on Monday was irregular in consequence. Industrials remained at the same level, but rubbers reacted appreciably on a fall in the price of the commodity. Tobaccos were dull, sugars and oils easier. Quotations in the bond market were lowered. The money market was firm, the private discount rate being raised to 4⅞-5⅛ per cent., and 5¼ per cent. charged for prolongation.

	Mar. 21.	Mar. 27.	Rise or Fall.
5% Bds. Neth.,'13	101⅛	101⅛	— ⅛
4½% Ams.1913-14	99	97⅛	— 1⅞
Margarine Unie...	370⅛	357	— 13⅛
Neth. Art. Silk ...	393⅛	387⅛	— 6⅛
Philips El. Lamp.	887	856½	— 30½
Singkep Tin	320	315	— 5
Royal Dutch.....	397½	389½	— 8
Amst. Rubber ...	268	267½	— ½

	Mar. 21.	Mar. 27.	Rise or Fall.
Serbadjadi Sm.R.	223⅜	223	— ⅜
Holl. Amer. Line	75½	76	+ ½
Navig. Co., Ned.	207	204½	— 2½
Vorstenlanden ...	166⅜	164½	— 1⅞
Trading Co., Ams.	657	654½	— 2½
Besoeki.....	531	505	— 26
Deli	433	427	— 6
Neth. Trad. Soc.	185½	184⅜	— 1⅛

INVESTMENT NOTES.

A Quarter's Trust Companies.—Issues on behalf of investment trust companies account for a growing proportion of the total capital raised in London, our usual quarterly analysis of which appears this week on page 675. Their aggregate for the past three months is constituted as follows, only those concerns which are strictly investment trusts, and not land, property, or finance companies, being included:—

	£
Prospectus issues.....	11,269,500
Allotted to "insiders" ..... (over)	6,050,000
Available to public..... (under)	5,219,000
Issues to shareholders only	5,853,396
Total	£17,122,896

These figures speak for themselves. The extent to which "the directors are already aware of applications for" a large proportion of the issues is not generally realised. The subscriber to an investment trust must necessarily give what is largely a blank cheque to the directors, but the figures suggest also that the majority voting control is usually in the hands of the inside interests, who take up the shares in priority to the general public. The conduct of the most reputable trust companies is, of course, beyond reproach, but the investor will always be well advised to give a close regard to the auspices under which new trust companies are formed, since they are, for practical purposes, the best criterion on which to judge of the attractiveness of a new trust company investment. The following table showing the fifteen companies, averaging more than one a week, which have made issues to the public this year, may therefore be of interest:—

	Total Issue.	Allotted to "Insiders"	Auspices or Origin.
	£	£	
Aberdeen, Ceylon & Eastern Tr.	250,000	125,000	Aberdeen Trust group.
Clyde & Mersey Inv. Trust ...	1,250,000	1,000,000	(Glasgow).
Compass Investment Trust	750,000	500,000	S. Japhet and Co.
English and International Tr.	1,000,000	750,000	International bankers (including Schroder and Co.).
Foreign Railways Inv. Trust...	2,100,000	...	Lord St. Davids and others.
London and Holyrood Trust...	1,500,000	1,250,000	Lord Bearsted and others.
Monks Investment Trust	600,000	400,000†	Im Thurn group.
Nat. Dom. & Gen. Inv. Corp.	150,000	75,000	
Nineteen Twenty-Nine Inv. Tr.	1,000,000	700,000	Lord Bearsted and others.
Scottish National Trust	144,000*	...	(Scotland).
Second Scottish National Trust	144,000*	...	
Third Scottish National Trust	144,000*	...	
Second Scottish East. Inv. Tr.	237,500*	...	(Edinburgh).
Tr. Co. of London & Scotland..	1,000,000	750,000†	British Assets Trust, Anglo-American Debenture Corp. etc.
Winterbottom Trust	1,000,000	500,000	Winterbottom Book Cloth Co., Grange Trust, etc.

* Debenture stock. † At least.

The Aberdeen, Ceylon and Eastern Trust announced that it would give special attention to tea and rubber investments, and the Foreign Railways Investment Trust, 84 per cent. of whose issue was left with the underwriters, "particularly but not exclusively" invests in the securities of foreign railways. The scope of the remaining thirteen companies is of a general character; the prospectus of the Nineteen Twenty-Nine Investment Trust stated that special attention would be given to Irish applications.

Cunard Steam Ship Co.—The report of this company proved a disappointment to the Stock Exchange, which had anticipated an increase in profits, if not in dividend, on account of the savings which the company had made in its fuel bill. The net profits were £550,478, as compared with £659,748 in the previous year. The directors do not give any specific reason for the decline except that cargo rates were lower, freight earnings showing some decrease, and that the strike of wharf labourers in Australia had caused great dislocation to the Australian and New Zealand services. It must be assumed that competition in the passenger transport business was exceptionally severe, seeing that, in spite of the lower cost of fuel oil—which had been estimated to show a saving to the company of over £500,000—the gross income was lower by £126,000. The following figures show the trading results over the past three years:—

	1926.	1927.	1928.
	£	£	£
Ordinary capital	4,456,209	5,570,261	5,570,261
Gross income.....	3,057,366	3,339,713	3,213,600
Depreciation and overhead expenses...	2,156,846	2,386,537	2,408,078
Debenture interest	356,390	275,782	245,052
Debenture issue expenses	27,800	17,646	10,000
Net profits	516,329	659,748	550,478
Pref. dividends.....	135,000	135,000	135,000
Balance	381,329	524,748	415,478
Ordinary earned %	8·56%	9·42%	7·46%
Ordinary paid %	6·0%	7·5%	7·5%
Transfer to reserve	100,000	100,000	Nil
Carried forward	183,709	190,688	188,396

It will be seen that the 7½ per cent. dividend was not quite earned and that no transfer was made to the reserve fund, which in the previous years received £100,000. The balance sheet actually shows an excess of current liabilities over current assets amounting to approximately £400,000. Moreover, total assets as at December 31, 1928, are about £1,000,000 lower at £19,538,292. The item of Steamships and Shipping Investments stands at £14,763,316, as compared with £15,434,864 in the previous year, and Freehold and Leasehold Properties at £639,170, as compared with £666,897. These items presumably contain large hidden reserves on account of the generous depreciation which has been allowed in former years. In spite of this the book value of the ordinary shares works out at 27s. 2d., which is actually above the market price. At 26s. 9d., the ordinary shares return a yield of £5 11s. 9d. on the basis of last year's dividend.

African and Eastern—Niger Merger.—We announced in our issue of March 16th that the directors of the African and Eastern Trade Corporation, the Niger Co. and Messrs Lever Brothers had entered into a provisional agreement for the merger of the businesses of African and Eastern and Niger. It is understood that a new company, to be called United Africa, Limited, is to be formed to amalgamate the trading interests of the two companies, that its capital will consist of £14,000,000 in £1 ordinary shares divided equally into two classes, "A" and "B," and that Sir Robert Waley Cohen is to be its first chairman. The African and Eastern are to take 6,500,000 "A" shares for their undertakings and liabilities other than Africa House in Kingsway, London, and Hampden House, while the Niger Co. are to take 6,500,000 "B" shares for their undertakings and liabilities, with the exception of their debenture liabilities and their interests in Lever Brothers, in certain plantations and land in the Belgian Congo, and some investments in tin-mining companies. The share and debenture-holders of the Niger Co. have already approved the scheme, and a meeting of the African and Eastern shareholders is called for this week, when Sir Robert Waley Cohen will no doubt give further details of the merger. The capital of the African and Eastern consists of £7,366,165 in 3,366,165 6 per cent. preference shares and 4,000,000 ordinary shares of £1, while that of the Niger Co. consists of £4,750,000 in 3,500,000 preference shares and 1,250,000 ordinary shares of £1. The debenture capital, guaranteed by Lever Brothers, which has not been taken over, consists of £5,414,680. After deducting all liabilities and the preference share liability the book value of African and Eastern ordinary shares at the date of the last published balance sheet, viz., December 30, 1927, excluding the property in London and Liverpool, was £6,767,191, while that of the Niger Co. ordinary

shares, excluding the debenture liabilities, was £6,687,175 as at June 30, 1928. This rough calculation shows how the two companies could come together on an equal basis. Until further information is given as to the rights of the two classes of shares, " A " and " B " of United Africa, it is not clear how the allocation of profits is to be divided as between the two companies. The Niger Co., which for some years before 1924 traded at a loss, showed, for the year ending June 30, 1928, a trading profit, less depreciation and preference dividend, of £316,572 (not allowing for interest on debentures which are not taken over). African and Eastern net profits for the year ending September 30, 1927, less preference dividend, amounted to £221,037, but as the company passed its interim on the ordinary shares in respect of 1928, these figures are probably no criterion of the present trading position. The combined total of Niger and African and Eastern net profits on this calculation amounts to £537,609, which seems out of proportion to the capital of the new company, United Africa, of £13,000,000. No doubt Sir Robert Waley Cohen will throw some light on this point at the general meeting this week. Mr. D'Arcy Cooper, chairman of Lever Brothers, has already stated that the merger will enable great savings to be effected in overhead expenses, and that unnecessary establishment charges in West Africa will be eliminated. Both companies trade with the natives of West Africa and buy native produce for export—palm kernels, palm oil, ground nuts, cotton lint, hides, mahogany, etc. Both have established a large number of retail trading stations, each complete with motor transport and river equipment. Clearly, the avoidance of duplication of trading equipment in future will mean an immense saving for the two companies. There appears to be a clear case for amalgamation, and the directors may be justified in declaring that the merger will prove to be of benefit to the whole trade of West Africa.

Powell Duffryn Steam Coal.—The Powell Duffryn Co. has recently shown its faith in the future of the South Wales coal industry by buying up independent South Wales collieries which have gone into liquidation. Were an eventual recovery to come about, Powell Duffryn would consequently be in the forefront of the industry. By its purchase of Stephenson, Clarke and Co., coal factors and distributors, the chairman in his annual speech claimed that it had merged production and marketing on a scale never previously attained in the coal trade, though he demanded " a broad and enlightened policy " for the industry as a whole if full prosperity was to return. In fact, he expressed his belief that nothing less than a central organisation of the whole country for regulating output to meet demand would suffice. Meanwhile, the company's working loss last year was £35,656, before charging interest totalling £196,149 on debentures and notes. In 1927 a small profit was made, but then the company had the advantage of the period of relatively good trade immediately following the coal stoppage. Nothing is paid on the first and second preference dividends, which are non-cumulative, and the holders of these shares may regret the distribution of a wholly unearned ordinary dividend in 1926:—

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Profit, after charging debenture interest, &c.	*Dr. 118,810*	28,775	*Dr. 231,805*
Transfer from general reserve	25,000	...	...
6% preference dividend	7,478	7,478	...
6% second preference dividend	5,047	5,047	...
Ordinary dividend { rate	2½%	...	...
Ordinary dividend { amount	63,466	...	...
Increase or decrease in carry-forward	−169,801	+16,250	−231,805

The authorised share capital was increased by £2,500,000 in March, 1928, to provide for the purchase of the Great Western Colliery Co. There were actually issued to shareholders in that company 259,883 £1 shares, but the £1,350,000 6 per cent. notes, 1935, subscribed for as part of the same plan by J. Henry Schröder and Co. are convertible into ordinary shares, as are also £450,000 6½ per cent. new Great Western Colliery debentures. Presumably the other £1,350,000 6 per cent. notes, redeemable in 1953, which make their appearance without comment, are connected with the purchase of the Lewis Merthyr collieries, but here the balance sheet is unnecessarily reticent. The developments have caused " investments in, and loans to, associated companies " to grow from £1,312,727 to £3,632,355. Reserves have fallen from £683,418 to £579,123, cash is down from £111,312 to £4,434, the carry-forward of £23,900 from 1927 has become a debit balance of £207,905, and there is a bank overdraft now of £320,771. Against these unwelcome movements may be set the directors' statement that there has been a substantial increase in the demand for coal since the beginning of this year, so that two of the four idle collieries belonging to the company have been reopened. The joint ascertainments for the whole South Wales coalfield, published ten days ago, showed that the loss per ton for the three months ended January 31st was approximately 5½d., against losses of 1s. 4d. to 1s. 6¾d. in the four previous quarters. The outlook for Powell Duffryn depends largely on the possibility of consolidating and extending the ground gained recently by the South Wales steam coal industry as a whole.

Debenhams.—The accounts to January 31st last are the first issued since the purchase of practically the whole ordinary capital of the Drapery Trust. How far the increase of £228,350 in profits is attributable to this acquisition can only be conjectured, but the shares issued to finance the transaction call for an extra £157,952 in dividends. Shareholders in Debenhams Securities, which holds all the " A " and " B " ordinary shares of Debenhams, will note that the latter receive some 76 per cent. for 1928-9, against 66 per cent. in 1927-28:—

Years ended January 31.	1927.	1928.	1929.
	£	£	£
Balance of profit	688,181	734,093	962,444
Cumulative first preference dividend	110,500	110,500	130,000
Number of times covered	*6·1*	*6·6*	*7·4*
Cumulative second preference dividend	76,434	76,434	147,380
Number of times covered	*7·5*	*8·1*	*6·6*
Reserve fund	65,361	...	...
Cumulative preferred ordinary dividend	100,000	100,000	100,000
Number of times covered	*4·3*	*5·4*	*6·8*
Participation fund	120,374	49,977	50,961
" A " 10% ordinary dividend	50,000	50,000	117,507
" B " ordinary dividend	165,511	330,085	379,798
Amount unappropriated	...	17,097	36,799

The valuation of London properties, on which apparently it is not thought necessary to provide depreciation, is altered only by the expenditure of some £80,000 during the year, but investments in trading companies have grown from £1,045,028 to £3,352,796, mainly owing to the Drapery Trust deal. With £327,131 received from share premiums, visible reserves now amount to £1,422,670, but though the position is still entirely liquid the cash item is down from £166,651 to a mere £16,318. Since the date of the balance sheet £3,000,000 5 per cent. first mortgage debenture stock has been issued at 96 to provide for repayments and improvements, and, as the report points out, the terms of the issue can be regarded as advantageous considering the subsequent rise in money rates, the issue being actually made on the morning of the rise in Bank rate. The directors indicate that the various controlled businesses, which have " on the whole " made steady progress, are capable of considerable expansion and development. The junior shares dealt in on the Stock Exchange, the 10 per cent. preferred ordinary, are obtainable around 27s. 6d. ex dividend, offering the yield of £7 5s. 5d. per cent., less tax.

Newcastle-upon-Tyne Electric Supply.—Although the area served by this company is suffering from prolonged depression in its chief industries, coal and shipbuilding, profits were fully maintained in 1928, and the 6 per cent. dividend was earned, in spite of the 770,000 £1 ordinary shares issued in June, 1927, ranking for a full year's dividend for the first time. The 925,000 ordinary shares issued in November last at 3s. 6d. premium do not rank for dividends on this occasion. The company's connections continue to increase at the rate of about 30,000 H.P. per annum. In 1928 expenditure on plant renewals and improvements rose from £39,717 to £60,426, and additional capital expenditure on works from £169,056 to £318,811.

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Profit	576,421	783,493	819,456
Interest on debenture stock, loans, etc.	204,713	221,465	204,671
Reserves for special depreciation and contingencies	75,000	150,000	150,000
Reserve for plant renewals and improvements	25,000	50,000	60,500
Net earnings	271,708	362,028	404,286
7% cumulative preference dividend	105,000	105,000	105,000
5% preference dividend	76,601	76,613	76,878
Ordinary dividend { rate	5%	6%	6%
Ordinary dividend { amount	115,654	153,198	184,961
Increase or decrease in carry-forward	− 25,528	+ 27,216	+ 37,447

From the reserve for special depreciation, to which premiums received on share issues are credited, £409,074 was taken last year to write off completely debenture issue expenses; the reserve now amounts to £761,359. As the present issued share and loan capital (including the final call on the new shares after the date of the balance sheet) exceeds £10,000,000, visible reserves are not large. Probably the share issue accounts for the improved liquidity of the balance sheet position; temporary loans are reduced from £348,895 to a mere £45,397, and cash at bank (none last year) amounts to £148,014, though " debtors " have fallen from £246,054 to £219,959 and " creditors " have advanced from £330,217 to £397,498. The company, of course, will benefit materially from any future revival of the heavy industries of the Tyne. At the meeting the chairman disclosed that output had increased, though not very greatly, up to the latest date this year for which he had information, as compared with the same period of 1928. The ordinary shares, which have lately received a good deal of attention, stand around 24s. 9d., and yield £4 17s., less tax.

American Telephone and Telegraph.—The net earnings of the American Telephone and Telegraph Company rose by almost 10 per cent. in 1928, before deduction of interest on bonds, debentures, and other indebtedness. The stated policy of the company is to pay reasonable and regular dividends only, and, for part of the new capital needed, to offer additional stock to its stockholders on favourable terms. Accordingly the dividend on the common stock for 1928 was kept at $9.00 per share, though $12.11 was earned, and $185,863,000 of stock was offered at par to existing stockholders in June last. Expenditure for plant amounted to $428,700,000, the largest total ever expended in one year, and 798,592 telephones were added to the number owned and operated by the Bell System, with which at the end of the year 19,200,000 telephones in the United States were inter-connected. The most striking development of 1928, according to the report, was the increased use of the telephone for long-distance calls, the number of which increased by 18 per cent., while over the longer distances, such as between the Atlantic and Pacific Coasts, the increase was 100 per cent. About 95 per cent. of all toll and long-distance calls are now handled while the caller remains at the telephone, a standard which the post office telephones in Great Britain cannot approach. The achievements, technical and financial alike, of this company deserve the attention of everyone who is interested in the controversy between the advocates of public and of private ownership of utility services.

Years ending December 31.	1927.	1928.
	$	$
Revenue	216,524,824	235,781,978
Expenses	66,140,930	70,513,929
Interest on bonds, debentures, etc.	21,768,984	22,097,558
Net income	128,614,910	143,170,491
Dividends on capital stock { earned per share	11·89	12·11
Dividends on capital stock { paid per share	9·00	9·00
Dividends on capital stock { amount	97,379,934	103,821,440
Carried to surplus	31,234,976	39,349,051

The reserve for depreciation and contingencies amounts to $106,619,402, the surplus (including stock premiums) to $317,405,415, the two aggregating nearly one-quarter of the issued stock and loan capital. At its present price of $223 per share the common stock yields only £4 0s. 9d. per cent., but its real attraction is the prospect of further offers of stock at or near par.

Rand Mines.—The less favourable market conditions prevailing last year are reflected in the results of this Kaffir finance company, the profits from share realisation having been a negligible quantity. No change is made in the dividend rate, but it absorbed rather more than the net earnings. The company's portfolio has, on balance, been appreciably expanded, now standing at £2,572,000, as against £2,339,500. The results of the past three years are summarised below:—

	1926.	1927.	1928.
	£	£	£
Dividends on shareholdings	431,830	436,360	419,330
Sundries	115,800	121,600	123,640
Investment realisation profits	169,040	151,820	19,700
Total income	716,670	709,780	562,670
Administration expenses	27,230	25,140	26,240
Taxation	35,160	38,780	33,740
Prospecting	9,050	10,670	10,250
Net profit	645,240	635,190	492,800
Dividends	511,290	†511,330	511,290
Rate per cent.	100	100	100
To pension fund	14,180	...	...
To reserve account	116,650	272,190	395,060
From reserve account	209,680	227,560	106,060
Brought forward	913,210	1,126,060	1,205,290
Carried forward	1,126,060	1,205,290	897,800

† Including forfeited dividends refunded.

The new purchases included City of Durban Deep, Daggafontein options, and New Modders; also considerable blocks of Trinidad leaseholds and Tocuyo Oilfields; the realisations, Crown Mines, East Rands and Ferreira Deeps. Satisfactory progress is reported in respect of the Anglo-Spanish Construction Company (Railway). On the basis of the recent dividends Rand Mines 5s. shares at 3⅛ yield about 8 per cent.

International Nickel of Canada.—This former subsidiary of the International Nickel of New Jersey now controls its original parent, together with the Mond Nickel Co. and the International Nickel, Inc. (of Delaware), which was formed in 1928, and conducts the operations of the united concerns in America. The report of the Canadian company for 1928 covers the period before the Mond fusion occurred, but the exchange of position with the New Jersey company took effect two months before the end of the year, and the figures are therefore comparable with those previously shown by the New Jersey company. Owing to a 52 per cent. advance in the world's purchases of metallic nickel and a 35 per cent. advance in the company's sales of monel metal and rolled nickel the total income for the year is nearly doubled at $16,706,594 (against $8,985,625 in 1927) and the profit is more than doubled at $12,399,317 (against $6,064,544). The 6 per cent. preferred dividend absorbed $557,034 and the common dividend (which aggregated $2.50 for the year, having been raised from 50c. quarterly to 75c. quarterly with the August distribution) took £4,331,095, leaving a balance to be added to the surplus of $7,511,187—rather over 60 per cent. of the year's profit. The surplus, including the premium realised on the sale of 262,066 common shares during the year and the surpluses which formerly figured in the accounts of the New Jersey subsidiaries, is thus raised from $18,863,503 to $33,166,648. On the shares issued in exchange for New Jersey Nickel, but excluding those issued in exchange for Mond, the book value at December 31, 1928, works out at $7 per share, and on a similar basis the year's earnings represent $1.05 per share, which would compare with about $0.5 for 1927. The smelter ran throughout the year exclusively on ore from the Creighton mine, but, of course, the principal factor in the future of the concern lies in the Frood disclosures, the rational exploitation of which was the *raison d'être* of the absorption of Mond Nickel,

in whose property part of the reef lies. The development of the International's Frood mine was commenced in 1924, and the directors state that the completion of the programme is now assured without further financing. At the date of the balance sheet current assets amounted to $34,080,070, against current liabilities of only $3,616,595. It is estimated that both mine and smelter will be in operation by late in 1930. A few figures are given regarding the Frood ore, but it is stated that the management are unable to report exact tonnages or metal content. Reasons are given for anticipating a continued expansion in the demand for nickel—a matter, obviously, of special importance in view of the large content of copper-nickel ore in the Frood and Frood Extension.

Islas del Guadalquivir, S.A.—The latest progress circular of this company, in addition to announcing the purchase of another property of 5,000 acres and of a five-years' option on a 50 per cent. interest in a company owning another 20,000 acres, sets out the terms of an offer which the directors propose to make of 200,000 (out of 300,000) ordinary shares of 100 pesetas each (forthwith) and 15,000,000 pesetas (out of 30,000,000 pesetas) of 6 per cent. mortgage debentures (as required). The ordinary shares will be entitled to a non-cumulative 7 per cent., and participation in one-third of surplus profits after the service of debenture and preference shares, and will be offered at 105 per cent. to holders of the existing 200,000 founders' shares. The new capital is required to finance developments recommended by a committee of the larger shareholders and others possessing expert knowledge, presided over by Mr E. R. Debenham. The latter's report to the board is described as having revealed "that the early stages of the development of the company's undertaking have been attended by unforeseen difficulties and those errors of judgment which occur in almost every new enterprise of this description." Nevertheless, according to the experts," there is nothing to prevent" the company achieving its purpose if various conditions are fulfilled. Steps are to be taken to qualify the company for the receipt of various subsidies from the Spanish Government, but if no account is taken of this possibility the cost of carrying out the company's programme is estimated at approximately £5,500,000, the chief constituents in the total being:—Engineering cost of converting 125,000 acres to irrigation, £2,250,000; housing, £1,000,000; railways, roads, overhead charges, &c., £900,000; together with the amount already expended on acquiring and developing the estates (apparently about £1,350,000). On a valuation of £200 per acre, the company's land would eventually be worth £25,000,000, leaving an "equity" of £19,500,000, equal to about £21 per ordinary share, and £65 per founders' share. These figures, of course, are of the nature of prospectus estimates, pure and simple, and time alone will show how closely they are borne out by facts. Meanwhile, particular interest has been aroused by the statement that the engineering experts who examined the company's property and records are satisfied that a sufficient supply of fresh water is available for irrigation purposes from the River Guadalquivir. Our correspondent who visited the property last year recorded his impression that the river water, at the point at which the estates are situated, was tidal, non-drinkable, and, presumably, not suitable for irrigation. (See the *Economist*, July 7, 1928, page 21, and July 21, 1928, page 127.) It was also intimated that a project was afoot for obtaining fresh water from mountain reservoirs some miles away. A fuller statement on this matter would be welcomed. For the present, however, the company's most recent statement suggests no reason for significant modification of the opinion formerly expressed by our correspondent—that the investor should take a conservative view of shares whose main basis is an anticipated appreciation of land values.

Canadian Pacific Railway.—The full report for 1928 (preliminary figures from which were given in an Investment Note in the *Economist* of March 16 last, page 586) shows that net railway earnings, at $51,694,451, were the largest in the company's history, as a result, mainly, of the large crop handled under favourable harvesting conditions, and to the improvement in Canadian business generally. Working expenses were equivalent to 77.43 per cent. of gross earnings (against 80.36 per cent. in 1927), and net earnings to 22.57 per cent. (against 19.64 per cent.). Much the largest share of the company's earnings is derived from freight traffic, which accounted for nearly 75 per cent. of last year's gross receipts, against 15½ per cent. from passengers, 1½ per cent. from mails, and 8 per cent. from sleeping cars, express, and miscellaneous traffic. Transportation expenses represented 42 per cent. of the total expenditure, and maintenance 45 per cent. The effect of the bumper harvest was seen in an increase in the volume of grain transported, from 259,979,845 bushels in 1927 to 395,753,732 bushels last year, while a rise in the tonnage of manufactured articles, from 9,994,083 tons to 11,354,476 tons, reflected the activity of Canadian industrial plants. The total ton-mileage of 18,287 millions showed an enhancement of 12½ per cent. The balance-sheet position is strong, "investments and available resources" standing at $160,296,650, while "working assets" total $93,773,506, as compared with $79,848,068 a year earlier. Application has been made to the Dominion Parliament for authority to construct new branch lines having an aggregate length of approximately 1,200 miles.

We are officially informed that at the first meeting of the Committee for General Purposes of the Stock Exchange elected for the year 1929-30, Mr. Archibald Henry Campbell was elected chairman, and Mr. Herbert Francis Chamen deputy-chairman.

CAPITAL ISSUES.

Capital issues this week amounted to £1,403,500, bringing the total for the year 1929 to date up to £96,953,050, excluding conversions, as against £169,043,750 for the corresponding period last year. At a time when the investing public is not feeling at all disposed towards fresh commitments, it has been asked to subscribe to the development of four new inventions. *Metduro* has been formed to exploit an invention relating to a liquid plastic substance which can be moulded into any shape, which is fire-proof, water-proof, acid-proof and oil-proof, and which can be used for a variety of trades and industries. This is one of the developments of Metropole Gramophones, and is believed to have a big future, but, of course, the issue was frankly speculative. The inventor is receiving £27,000 in cash and a contract for five years at a salary of £7,500, together with £2,500 in ordinary shares of 1s., these obligations being taken over by Metropole Developments for £40,000 in preference and £27,000 in ordinary shares. *Multidoor* proposes to manufacture a machine which contains glass fronted compartments in which 6d. and 1s. goods can be displayed. The purchase price is £40,000, payable as to £10,000 in cash and £30,000 in 5s. shares, together with a call at 1s. premium on 40,000 shares of 5s. for 18 months. An option has also been given to the underwriters on 60,000 5s. shares on the same terms, while 580,000 shares at 5s. are offered to the public. *"J.M." Motor Fenders* is formed to develop a patent fender or buffer for motor vehicles. The motor-car business is itself speculative enough, but this proposition runs a double risk. To the public 940,000 shares of 2s. each are being issued at par and 260,000 shares are allotted fully paid to the vendors, who receive also £10,000 in cash. *Automatic Record Players* intends to exploit an invention permitting gramophone records to be changed automatically. The vendors receive £25,000 in cash and 350,000 shares of 2s. The remaining 850,000 shares of 2s. are offered to the public. This is the sort of invention which is most advantageously financed by private capital. It becomes increasingly strange that the public should be induced to subscribe money to pay inventors and promoters hard cash for inventions which ought first to be commercially tried out. *British Automatic Refrigerators* appeals for £132,000 to develop the business of Thomas Hall and Sons, Rotherham, manufacturers of refrigerators, who receive £72,500, of which £42,500 is paid in deferred shares of 2s. It appears that 175,000 deferred shares are being allotted to the promoter. *Metropolitan Housing Corporation* has been formed to acquire the share capital of the Metropolitan United Estates, which owns property chiefly in South-East London. After completing the purchase of properties acquired and paying the preliminary expenses, £290,000 will be available for the purchase of further properties. The net income to be derived from properties acquired shows a return of 11 per cent., and on the assumption that the remaining funds will provide a similar return the directors hope to pay initial dividends of 7½ per cent.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total previously recorded, £95,127,050.
Including conversion total previously recorded, £108,706,270.

National Savings Certificates.
Net sales week ended March 23, 1929, Nil.
Total receipts April 1, 1928, to March 23, 1929, £50,000.

Description and Date of Issue.	Nominal Capital.	Conversions or Repayments.	New Money, Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
"J.M." Motor Fenders, 940,000 Ord. 2s. (Mar. 25)	94,000	...	94,000	47,000	47,000
Metduro, 450,000 Ord. 1s.	22,500	...	22,500	22,500	...
Do., 450,000 7% Cum. Ptg. Pref. £1. (Mar. 25)	450,000	...	450,000	112,500	337,500
Multidoor, 580,000 Ord. 5s. (Mar. 26)	145,000	...	145,000	29,000	116,000
Metropolitan Housing Corporation, 475,000 Ord. £1 (Mar. 26)	475,000	...	475,000	59,375	415,625
Automatic Records Player, 850,000 Ord. 2s. (Mar. 26)	85,000	...	85,000	21,250	63,750
British Automatic Refrigerators, 240,000 10% Ptg. Pref. Ord. 10s. (Mar. 26)	120,000	...	120,000	30,000	90,000
Do., 120,000 Def. Ord. 2s.	12,000	...	12,000	12,000	...
Total offered to Public, week ended March 30, 1929	1,403,500	...	1,403,500	333,625	1,069,875
To Shareholders only.					
Anglo-Ceylon and General Estates, 50,000 Ord. £1 at £2	50,000	...	100,000	50,000	50,000
Do., £100,000 6% Deb. Stk. at par	100,000	...	100,000	25,000	75,000
Bukit Kajang Rubber, 25,000 Ord. £1 at £1 10s.	25,000	...	37,500	37,500	...
Hants. and District Motor Services, 50,000 Ord. £1 at par	50,000	...	50,000	6,250	43,750
Lomah (Rhodesia) Mining, 300,000 Shrs. 5s. at par	75,000	...	75,000	15,000	60,000
Luiri Gold Areas, 240,000 Ord. 5s. at par	60,000	...	60,000	12,000	48,000
Total to Shareholders only, week ended March 30, 1929	360,000	...	422,500	145,750	276,750

Total offer for Subscription.—	Including Conversions.	Excluding Conversions
To date—	£	£
1929	110,532,270	96,953,050
1928	...	169,043,750
1927	...	144,888,400
1926	...	75,028,400
1925	...	49,950,256
1924	...	42,109,306
1923	...	86,484,000

Total offer for Subscription.—	Including Conversions.	Excluding Conversions.
Whole year—	£	£
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,601
1925	...	232,214,500
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Issue (in brackets).	Amount of Capital Introduced.	Price at which Dealings Began.	Total Cash Involved.
	£	£	£
Amount previously recorded	11,450,267	...	18,611,044
Eclipse Automatic Devices, 500,000 Shares 2s. (Mar. 18)	50,000	2/9	68,750
Total, week ended March 30, 1929	50,000	...	68,750
Total to date, 1929	11,500,267	...	18,679,794

Metropolitan Housing Corporation, Limited.—Issue at par of 475,000 (out of 1,000,000) £1 shares. The company acquires an existing firm, founded in 1926 and carrying on business as owners of property in the Metropolitan area. Net assets are valued at £287,426. The purchase consideration is £175,000 in shares. The balance of the capital will be employed in acquiring other similar properties.

Grace National Bank
Hanover Square, New York, U. S. A.
Commercial Banking. Execution of orders in New York for European banking correspondents.
Special Representative
148 Leadenhall St. London, E. C. 3.

Metduro, Limited.—Issue at par of 450,000 (out of 550,000) £1 7 per cent. cumulative participating preference and 450,000 (out of 3,000,000) 1s. ordinary shares, the former entitled to an extra 1 per cent. (to a maximum of 3) for every 1 per cent. paid on the latter. The company acquires and exploits an invention relating to a liquid plastic substance, which can be moulded without pressure, solidifies rapidly under heat, and possesses other qualities. The purchase price for the invention and the services of the inventor for five years is £40,000 in preference and £27,000 in ordinary shares. After purchase of a factory and equipment, working capital, including premiums on 350,000 ordinary shares privately subscribed for at 5s., will exceed £450,000.

Multidoor, Limited.—Issue at par of 580,000 (out of 800,000) 5s. shares. The company will sell, rent and work sales machines. The purchase price for three provisionally protected inventions and other patent rights is £40,000, payable as to £10,000 in cash and £30,000 in shares, an option on 40,000 shares at 1s. premium, and a royalty. The remaining shares are under option on the same terms.

British Automatic Refrigerators, Limited.—Issue at par of 240,000 (out of 340,000) 10s. 10 per cent. participating preferred ordinary and 120,000 (out of 800,000) 2s. deferred ordinary shares, the former entitled to one-third of the surplus profits distributed. The company acquires a refrigerator-manufacturing business, valued at £47,000, and the net assets and goodwill of another company, including the benefit and patent applications (valued at £40,000) and contracts in hand. The purchase price is £72,500, payable as to £30,000 in cash and £42,500 in deferred shares. A further 175,000 deferred shares are allotted to the promoter. After expending £25,000 on extensions, working capital is estimated at £51,000.

"J.M." Motor Fenders, Limited.—Issue at par of 940,000 (out of 1,200,000) 2s. ordinary shares. The company acquires an existing business, with premises and patents. The purchase consideration is £36,000, payable as to £10,000 in cash and £26,000 in shares. Working capital is estimated at £60,000.

Automatic Records Player, Limited.—Issue at par of 850,000 (out of 1,200,000) 2s. shares. The company acquires patent rights in a gramophone accessory. The purchase consideration is £60,000, payable as to £25,000 in cash and £35,000 in shares. Working capital is estimated at £40,000.

Particulars of the following have been issued for public information only in connection with Stock Exchange "introductions":—**Cavendish Furniture Company, Limited; issued capital** 500,000 £1 8 per cent. cumulative preference and 1,500,000 1s. ordinary shares, guaranteed as to capital and dividends by the British and Colonial Furniture Co., Limited (Jas. Woodhouse and Sons); will establish furniture stores for the supply of goods principally on the hire-purchase system. **British National Petroleum Refineries, Limited**; issued capital 800,000 1s. shares, holds a lease of premises in Kent, on which an oil refinery plant has been erected.

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Production for the week ending Wednesday, March 20, 1929, amounted to 2,209 tons.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended March 20th:—Venezuela, 33,134 barrels; Trinidad, 16,444 barrels; total, 49,578 barrels.

THE MEXICAN EAGLE OIL.—The production for the week ended march 16, 1929, was 158,000 barrels.

MINING OUTPUT STATISTICS FOR FEB. 1929.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.							
Waihi	Tons. 17,203	Tons. ...	Ozs. ...	Ozs. ...	Ozs. ...	... (Silver)	5,342 43,853

	Tons.	Other Notes in Return.
COAL.		
Singareni	60,502	...
MISCELLANEOUS.		
Mount Lyell	1,104 270	Flotation concentrates. Cathode copper.

WORKING PROFIT, TRANSVAAL. The total estimated working profit of the gold mines of the Transvaal for the month of February, 1929, amounted to:—Witwatersrand, £952,622; Outside Districts, £38,320; Total £990,942.
The estimated working profit in January, 1929, was:—Witwatersrand, £1,051,548, Outside Districts, £43,527, Total, £1,095,070.

COMPANY MEETINGS, &c.

THE MERCANTILE BANK OF INDIA, LIMITED.

SATISFACTORY RESULTS FOR THE YEAR.
16 PER CENT. DIVIDEND MAINTAINED.
PROSPECTS FOR CURRENT YEAR.

MR J. M. RYRIE'S REVIEW OF FINANCIAL AND TRADE CONDITIONS IN INDIA AND THE EAST.

The thirty-sixth annual general meeting of the shareholders of The Mercantile Bank of India, Limited, was held on the 26th instant, at Winchester House, Old Broad Street, London, E.C.

Mr J. M. Ryrie (the chairman) presided.

The chief manager (Mr. J. Steuart) having read the notice convening the meeting and the auditors' certificate,

The chairman said: Gentlemen, I will if you permit me, take the directors' report and the accounts as read. (Agreed).

Before proceeding I may mention that, in a letter I have received from Mr Shelford, he asks me to apologize for his absence here to-day, but as he is in Switzerland with members of his family who are recovering from illness you will, I am sure, understand that he is unavoidably detained there.

It is with profound regret that I have to record the great loss we have sustained by the death on July 3 last of Sir David Yule, who had been a director of the bank for 23 years, and joined the Board when we acquired the business of the Bank of Calcutta, of which he was the chairman. It is not only on account of his wide interests in India and ripe experience of that country that we miss Sir David, but for the valuable assistance and advice he gave us at all times and for his invariable geniality and sound judgment.

In succession to Sir David Yule, however, on the Board we have been fortunate in securing the services of Sir Thomas Catto, who is not only closely associated with Messrs. Andrew Yule and Company, of Calcutta, and Messrs. Yule, Catto, and Company, of London, but who, I may say, has a world-wide experience of finance and commerce.

MERCANTILE BANK OF INDIA (AGENCY), LTD.

The only other important matters of a domestic nature I need mention are that, as mentioned in the directors' report, we have registered a company in India under the name of The Mercantile Bank of India (Agency), Limited, so that we may undertake the duties of executors and trustees in the East, our Articles of Association already giving us power to undertake such duties in this country; and that our important new building at Singapore is nearing completion, the bank indeed being already in occupation of part of the premises they will occupy while we are hopeful of letting the remainder of the building to good tenants upon satisfactory terms.

The extension of our operations to Ipoh in the Federated Malay States is also mentioned in the directors' report, Ipoh, I may mention, being already a tin and rubber centre and of growing importance.

FINANCIAL AND TRADE CONDITIONS IN 1928.

Though it is true that the past year did not come up to expectations, and therefore may be said to have been disappointing on the whole, there was further recovery from the devastating effects of the war and which must leave their mark for some time to come. We were fortunate in having a steady bank rate of 4½ per cent. throughout the year in spite of the heavy movements of gold that took place and the high money rates ruling in the United States, as this helped to maintain a steady price level and inspired confidence. I do not believe that a reduction in the bank rate, with the consequent tendency to inflation, would have been of any assistance to trade, and, with comparatively cheap money here, the prestige of London as a financial centre has been maintained, as evidence of which there was a large increase in the item of acceptances appearing in the balance sheets of London banks generally. Then taking invisible exports into account, there was a balance of trade in our favour of £149,000,000 last year, which compares with £114,000,000 in 1927, and oversea issues of capital amounting to £143,000,000. The results of the good work done by the National Savings Committee are also encouraging, as the sales of savings certificates during last year were at the rate of a million a week, the amount remaining invested in these certificates at the end of the year, including interest, being £485,000,000.

It is in some of the staple industries of the country that depression continued, coal and cotton being the really dark spots, but, as the result of what is called rationalisation, which means not only amalgamation but the co-operation of all interested in the production and distribution of a particular commodity, with a view to meeting the serious competition our manufacturers are now confronted with in the markets of the world, we can, I think, look forward to an improvement in these and other industries similarly placed. It is this competition that is the cause of our unemployment problem and the failure hitherto of industry generally to recognise the altered conditions, though, of course, industry in this country is handicapped by high taxation resulting largely from the heavy expenditure upon social services.

INDIA.

So far as the political situation in India is concerned, I cannot record any improvement, and, in view of the marked division between Hindus and Moslems, it is difficult to see how the Statutory Commission can report in favour of any further advance in the direction of meeting the demands of the Extremists. The recent resolution passed unanimously in the Chamber of Princes indicates the difficulties of the problem. In spite, however, of the fact that the interests of trade are ignored by most of the Indian politicians, and of serious labour troubles, fomented by the growing Communist element, the financial position is unimpaired, as, while the most recent Budget estimates show a small deficit, this is due to the complete remission of provincial contributions and is to be met out of the revenue reserve fund. There is to be an inquiry into banking facilities, and if these can be extended under suitable organisation I should expect to see less hoarding of gold and silver. No further move has been made towards the formation of a reserve bank, so that the control of credit, currency, and exchange remains the responsibility of Government. The critics of the 1s. 6d. rupee are more inclined to accept the situation, and, with stability in both exchange and commodity prices, the trade of India is now more or less normal, but competition grows and profits are reduced. Money was dearer than in 1927, the Imperial Bank of India rate having averaged 6·20 per cent., with 7 per cent. the highest and 5 per cent. the lowest rate.

TRADE FIGURES.

The figures relating to the trade during the calendar year 1928, for which I am indebted to Mr. Lindsay, the Trade Commissioner, compare favourably with those for 1927. The total imports of merchandise at £185,000,000 show very little change, but the exports increased from £244,000,000 to £253,000,000. The imports of gold increased from £12,000,000 to nearly £16,000,000, while the imports of silver declined to a small extent. The balance of trade, therefore, in favour of India was over £42,000,000, compared with £37,000,000 in 1927, the net transfer of funds against this balance of trade amounting to over £26,000,000, consisting almost entirely of purchases of sterling in India by the Government. A feature of the year was the sale of 26,000,000 oz. of silver by the Government, and this was carried out with little or no effect on the market. The monsoon last year was good except in the United Provinces, and, as I have said, the total exports for the year increased.

INDUSTRIAL ACTIVITIES.

As compared with 1927 there were increased shipments of cotton, and, with higher prices, there was a substantial increase in the value of these shipments, the bulk of which unfortunately go to Japan and China to be turned into goods which compete successfully throughout the East with not only goods manufactured in Lancashire but those produced in the Indian cotton mills. The shipments of raw jute did not vary much from the previous year in quantity, but with some advance in prices the value increased, and the same remarks apply to jute goods. There was a falling off in the quantity of tea shipped from India, but some increase in the shipments from Ceylon, and, with lower prices, the value of the Indian shipments declined by about £4,000,000. The shipments of ground-nuts increased from 427,000 tons in 1927 to 686,000 tons last year. A feature of the import trade was the large imports of wheat, from Australia particularly, the imports of American cotton in 1928 being quite small. The total value of imports of cotton piece-goods at £39,750,000 shows a decline of £1,500,000 when compared with 1927, while, including cotton yarn, the value of the imports from the United Kingdom declined from £34,000,000 to £33,000,000, those from Japan falling from £8,000,000 to £6,500,000. As I have said, imports generally were more or less stationary, a hand-to-mouth policy being the order of the day pending more settled conditions.

MALAYA.

If in referring to the trade of British Malaya I said that last year was one of the worst ever experienced, I should not be exaggerating, but, with the average price of rubber at under 10d. against over 1s. 6d. in 1927, and with a fall in the average price of tin from £289 to £227, it is not surprising that trade generally suffered. It was, of course, first, the announcement that an inquiry was to be held into the question of restriction, and, secondly, the intimation that the restriction regulations would cease entirely, instead of being gradually withdrawn, on November 1st last that brought about the disastrous decline in rubber.

The value of the total exports of British Malaya last year amounted to £98,000,000, as compared with £123,000,000 in 1927, the figures relating to imports being £100,000,000 and £115,000,000 respectively. The gross shipments of rubber, which include the bulk of the rubber produced in the Dutch East Indies, are put down at 409,000 tons, valued at £36,000,000, the corresponding figures for 1927 being 371,000 tons and £61,000,000, which practically accounts for the fall in the value of the total exports. I may mention here that shipments of rubber from Ceylon at 57,000 tons compare with 55,000 tons in 1927, but, of course, the value was much less. The exports of tin from Malaya in 1928 are given as 97,000 tons, valued at £22,000,000, the corresponding figures for 1927 being 81,000 tons and £23,000,000. There was a further decline in the value of cotton piece-goods and yarns shipped from the United Kingdom to Malaya, the figures for last year and 1927 being £1,900,000 and £2,400,000 respectively, and the import trade generally was difficult and unprofitable, as the result largely of the decline in the price of rubber and the consequent reduced purchasing power of the people.

BURMA AND SIAM.

There were good crops of rice in both Burma and Siam, over 2,900,000 tons being exported from Burma and 1,500,000 tons from Siam, the lower prices ruling in the first half of the year advancing in the second half, a feature of the rice trade last year being the competition of Saigon rice in markets usually supplied by Burma and Siam. An embargo existed on shipments from Burma to Japan throughout the year, while the anti-Japanese boycott completely stopped shipments to that country from Siam in the second half of the year. Though I am pleased to say we escaped entirely, heavy losses were made in Burma as the result of failures among the Chinese rice dealers, and, speaking generally, I am afraid it was not a profitable year for anybody in either Burma or Siam, the import trade of both countries failing to keep pace with the exports. At about £20,000,000 the total exports from Siam were nearly £2,000,000 less than in 1927, the imports also showing a decline in value.

I am indebted to Sir Edward Cook, the financial adviser, for a copy of his report on the Siamese Budget for 1928-29, and from this I find a substantial surplus is promised for the third year in succession, the surplus being utilised not only to meet capital expenditure on railways and irrigation projects, but for the reduction of debt. The currency position is of exceptional strength in view of the large reserve held against the note issue, and, apart from a catastrophe, there is no risk of the Government failing in its undertaking to maintain the gold exchange value of the Tical, the regular balances of trade in favour of Siam each year enabling her to build up the reserve held abroad in gold which can be used to support the exchange position in case of need.

JAVA AND MAURITIUS.

At over 3,000,000 tons the shipments of sugar from Java again increased, but, as the production in other countries likewise increased, the value of sugar declined steadily throughout the year, and, like Malaya, Java suffered also from the low price of rubber. But Java is not so dependent on rubber as Malaya, as she produces tea and coffee, among other produce, and tin, while, owing to an increase in her rice crop, part of which is actually exported, she is now less dependent on Burma, Siam, and Saigon for her supplies of food. If, therefore, I include Sumatra, where the oil palm is coming to the front, the economic position of the Dutch East Indies may be said to be satisfactory, and there is a growing market for imports.

Of Mauritius I am sorry to say I cannot give you a good account, as, owing to the serious fall in the price of sugar, our friends there are passing through a very difficult time, the prosperity of the island depending almost entirely upon the price obtained for the crop of sugar. The crop last year at 250,000 tons was better than the estimate at the beginning of the season, but the proceeds realised were substantially less than the sum obtained for the smaller crop in 1927, and many planters are unable to meet their obligations. The position is so bad that, to assist the industry, the Government have been asked to provide a further loan of £450,000, though of the loan of £375,000 granted to the planters in 1926 there is £330,000 still outstanding. At 1s. 6d. exchange the exports from Mauritius in 1928 were valued at £3,500,000, which is £690,000 less than in 1927, while the imports, which slightly exceeded the exports, show a reduction of about £430,000. The fall in imports, however, was welcome, as the bazaars were overstocked and competition severe, while failures among the dealers were again numerous.

CHINA.

Though it is too soon to estimate how far the National Government will succeed in establishing its authority throughout China, and there are many uncertain factors bearing upon trade, the conditions prevailing last year certainly show improvement, though the present quarrel between Nanking and Hankow is disturbing, and the massing of troops on both sides shows that the decision to disband the armies has not been carried out to a large extent. By treaties with the various Powers, fiscal autonomy has been granted to China, but the recent increase in the tariff has disorganised business in the meantime, and it remains to be seen if, as promised by the Government, likin is abolished. But the increase in the Customs receipts from H.K. Taels 68,687,000 in 1927 to H.K. Taels 82,332,000 in 1928 is an indication of how trade goes on in China in spite of civil war.

Then, largely owing to the demand from China—though this is not necessarily a sign of prosperity—the price of silver was maintained, in spite of the sales made by the Government of India, the fluctuations having been even narrower than in 1927, the highest and lowest quotations being 28⅞d. and 26 11/16d. respectively, with 26¾d. the average. The variations in China exchanges therefore were again moderate, the Shanghai tael fluctuating between 2s. 10 7/16d. the highest rate touched, and 2s. 6¾d., the lowest; while the Hong-kong dollar did not go above 2s. 1 13/16d. or below 2s. 0¼d. The value of the total British imports into China last year at £21,000,000 compares with £14,500,000 in 1927, and, due partly, no doubt, to the anti-Japanese boycott, the value of cotton piece-goods exported from the United Kingdom to China, including Hong-kong, increased from £3,800,000 in 1927 to £6,400,000 in 1928.

THE ACCOUNTS.

I will now turn to the accounts, which have been in your hands for some days, and which I hope you will consider satisfactory. In spite of a larger turnover, the net profit, you will notice, is nearly £7,000 less than in the previous year, and about the same as in 1926; but it will be found that our neighbours have had the same experience, and I attribute this reduction in profits chiefly to the suicidal competition that continues between the exchange banks in India. I referred to this competition last year, and said that, after taking into account brokerage and our heavy expenses, the margin of profit on our exchange operations was disappearing, and I regret to say that, as the result of our operations in the past year, I can see no improvement in the position, which is such that, but for our local business, we should lose very little by declining to do any exchange business. As this state of affairs exists more particularly in India, the time has come for the British exchange banks at any rate to make some effort to co-operate, and I hope it will not be long before something is done in this direction. I need hardly say it is not for the purpose of placing our constituents at any disadvantage that I make this suggestion, but solely for the purpose of providing the banks with a margin of profit consistent with the risks and expenses they have to bear and the services they render.

ALLOCATIONS.

In spite, however, of the reduced profit, we have no hesitation in recommending what I may call our usual dividend of 16 per cent.

for the year, while you will see that, as before, we allocate £85,000 to the reserve fund, officers' pension fund, and to writing down freehold banking premises, the only difference here being that, to bring the reserve fund to an even £1,450,000, we add only £30,000 to that fund this time instead of £35,000, and increase the amount used for the purpose of writing down the item of freehold banking premises from £35,000 to £40,000, in view particularly of the further expenditure we have to meet upon our new building at Singapore.

The balance sheet, I think you will agree, presents a satisfactory and liquid position. The only liability that did not appear in the previous balance sheet is the item loans payable £1,600,000, but this is largely offset by the increase of £1,055,000 in bills receivable, and the increase of £160,000 in loans receivable, and advances on the other side of the account, while you will notice a further decline of £949,000 in our liability under the head of current, fixed deposit and other accounts, this being due, as before, to dear money in India. There is a slight increase in cash in hand and at bankers, including bullion, but on the whole our resources have been better employed than in the previous year, the reduction of £800,000 in Government and other stocks indicating this, and the increase of £112,000 in acceptances on account of customers is a satisfactory feature.

TRIBUTE TO STAFF.

That is all I have to say about the past year except that, on behalf of my colleagues on the Board and myself, I wish to thank the staff in London and at our branches in the East for their good work and the close watch they keep over the interests of the bank. I am, of course, in more or less daily touch with Mr Steuart and Mr Crichton, not to mention Mr Linton, and I am indebted to these gentlemen for the assistance they give me in carrying out my duties. To the heads of departments and the rest of the staff at the head office our thanks are also due, while to our managers in the East and the staff working under them, both Europeans and those engaged locally, we are particularly indebted, for it is at our branches that much of our business is initiated, and these gentlemen are often called upon to carry out their work under trying conditions of climate.

CURRENT YEAR'S OUTLOOK.

As at the beginning of each year recently optimistic views as to an improvement in trade have been general, while disappointment has followed, I feel that it is necessary to be cautious in referring to the outlook for the current year; but as the disappointment has been largely due to extravagant hopes and failure to appreciate that, in order to meet the ever-increasing competition, reorganisation was necessary, there is encouragement in the fact that progress is being made in that direction. There has been further stabilisation of currencies, the relations between capital and labour have improved, the recent improvement in the coal industry is a good sign, and, though the unemployed figures are still high, there has been a reduction in these lately, and, as there has always been a certain amount of unemployment, we cannot hope to see this disappear entirely. The fact that other countries, even America, have large numbers of unemployed is often overlooked, and as the subject has become a party question in this country our position is made to seem worse than it is.

The monetary situation at the moment, due to the wild gamble in stocks and shares in America, certainly gives cause for some anxiety, but we can rely upon the Bank of England to do all in its power to prevent any disturbance to trade. Then the coming Budget and, more particularly, the approaching General Election, are unsettling factors in the position, and until these are events of the past we cannot look for any real activity.

PROSPECTS IN INDIA.

So far as India is concerned, as usual much depends upon the monsoon, but the most disturbing feature at present is the frequency of labour troubles, which break out without any apparent provocation, and unless the Communists, whose business it is to foster strikes, are suppressed I am afraid we shall not see the end of these troubles. In the meantime, however, trade may be described as normal, if I except the cotton mill industry, which was thrown back last year by a prolonged strike from which it has not yet recovered. The estimate of the cotton crop is below that of the previous season, from which there was a large carry-over, but stocks are being liquidated, and there should be some increase in both the volume and value of exports this year. The jute crop is estimated at 10,000,000 bales, and, with steady prices, shipments should be maintained, though I ought to mention that the prosperous Calcutta mills propose to run their machinery for 60 hours per week from July 1st. Tea is in a healthy position after the recent drop in prices, and as consumption tends to increase I should not expect to see any falling off in the quantity exported from either India or Ceylon, provided the crop does not suffer from bad weather. In the import trade generally I do not look for any marked improvement, though, if the price of cotton were stabilised for a time and the cost of the manufactured article reduced, I feel sure our friends in Lancashire would find an increased demand for their goods.

RUBBER AND OTHER INDUSTRIES.

In British Malaya, which has come through a period of difficulty as the result of the removal of all restrictions upon the export of rubber remarkably well, there is a more hopeful feeling all round, and, though the price of rubber and tin is a very important factor in the position, I look for an improvement in trade generally there. Then it is a sign of progress and a desire to be not entirely dependent upon rubber to hear that not only the cultivation of oil palms but tea also is being developed in Malaya.

The estimated exportable surplus of rice from Burma and Siam at 2,800,000 and 1,300,000 tons respectively is lower than last year; but at the present reasonable level of prices there should be free exports, particularly as the Saigon estimate is also lower. The termination of the anti-Japanese boycott should be helpful to Siam, and China will want rice, if finance can be arranged; but, with a good crop of her own, India will not require to import so much as last year.

Of Java I can only say that, in spite of a large crop of sugar, estimated at 3,250,000 tons, the present low price of this commodity, together with the equally low price of rubber, does not point to any improvement in the situation; and in Mauritius it will be some time before the position improves, and not until a marked rise in the price of sugar takes place.

In China, together with Hong-Kong, if I may judge by the improved position of last year, and provided there is no resumption of military operations and the new tariff is fairly administered, I think we can look for a further gradual improvement in the trade of the country, which, of course, is capable of great development under settled conditions. I hope, therefore, that when we meet you again next year we shall be able to present you with accounts no less satisfactory than those I am about to ask you to approve and adopt.

THE DIVIDEND.

I have now to propose: "That the report of the directors with the audited statement of accounts and balance sheet at December 31, 1928, presented to this meeting, be and the same is hereby received, approved and adopted, and that a final dividend on the 'A,' 'B,' and 'C' shares of this bank of 8 per cent. be paid, making 16 per cent. for the year, less income tax, as recommended in the report, be and the same is hereby confirmed."

I will ask Sir Thomas Catto to second this resolution, but before I put it to the meeting I shall be happy to answer any questions which any shareholder may wish to ask.

Sir Thomas S. Catto, Bart., seconded the resolution, and, no questions being asked, it was put to the meeting and carried unanimously.

Mr P. R. Chalmers: I have great pleasure in proposing "That Mr J. M. Ryrie and Sir Thomas S. Catto, Bart., the directors retiring from the Board in rotation, be and are hereby re-elected directors of this bank." Mr Ryrie, of course, is our invaluable chairman, and you have just heard what he has said in welcoming Sir Thomas Catto to our number.

Mr C. J. Hambro seconded the motion, which was unanimously adopted.

On the proposition of Mr R. G. Bamford, seconded by Mr A. Muirhead, Messrs Cooper Brothers and Co. and Messrs W. A. Browne and Co. were reappointed auditors of the bank.

Mr J. Sutherland: Before we separate, gentlemen, I should like to propose a very hearty vote of thanks to our chairman, not only for his able management of the affairs of the bank during the past year, but also for his excellent survey of conditions in the East and the activities of the bank in general.

The vote was seconded by Mr P. E. Gourju and unanimously accorded.

The Chairman: On behalf of my colleagues and myself in the first place, and—as I am sure the speaker intended to include our staff—on behalf of our loyal staff in the second place, I thank you all for this very kind vote of thanks, and I should like to thank the proposer for his very kind reference to our work.

The proceedings then terminated.

CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA.

REVIEW OF A DIFFICULT YEAR.

SIR MONTAGU CORNISH TURNER ON THE OUTLOOK.

The seventy-fifth ordinary general meeting of the shareholders of the Chartered Bank of India, Australia and China was held on the 27th instant at the Bank's premises, 38 Bishopsgate, London, E.C.

Sir Montagu Cornish Turner (chairman) presided.

The Chief Manager, Mr. W. E. Preston, read the notice and the auditors' report.

The Chairman said: I greatly regret that the results for 1928 have proved disappointing and less favourable than we anticipated at the commencement of the year. Just as trade conditions at home proved, in the working out, to be less favourable than anticipated, and the expected and hoped-for improvement in trade generally petered out as the past year progressed, so in the East our hopeful anticipations have not been realised. I cannot say that there has been a great decrease in the volume of trade, but it has been a difficult time for merchants and bankers, especially in India and China, the causes for which I shall presently with with.

India, as we know, has been for some months greatly disturbed by political turmoil, entirely detrimental to the interests of the country. Added to this various disastrous strikes, fomented, we believe, by outside evil influences, have occurred in the railways, the mills and other basic industries. These strikes have done more to prejudice the prosperity of India than any depression in the markets of the world which are consumers of Indian goods. At the present time firmness tempered with good judgment is required to prevent further mischief.

In my speech last year I referred to the absurd and excessive competition amongst the Exchange Banks to secure the business offering at nearly every trade centre in the East, with the result that exchange margins have been cut to vanishing point.

From every point of view this is deplorable and disastrous. It is true that the number of Exchange Banks both in India and China is much in excess of trade requirements, but to my mind there is no sense in working for nothing and taking risks merely to secure business. There should be limits fixed beyond which business should be refused. I trust that an improvement will be made in this respect in the near future.

GENERAL TRADE POSITION OF INDIA.

As regards the trade of India generally, there was a balance in favour of India of some 9 million sterling for the 9 months ending December, 1928. For the first two months of the year a favourable balance was shown in January, but in February an adverse balance of some 117 lakhs of rupees. This adverse balance was due chiefly to the import of wheat from Australia and Canada, which is now in course of development. India normally imports about 50,000 tons of foreign wheat, and the unusual imports which are now taking place are due to (1) partial failure of the monsoon in the North-West Provinces and Punjab, (2) the restriction of the area under cultivation, and poor crop for last year, (3) the higher standard of living amongst Indians in the big towns in the North of India; for what rice is to Eastern and Southern India wheat is to Northern India, and in case of failure of the monsoon, not only is there no balance of wheat in the country for exports, but, as is the case now, large imports are necessary.

In the Punjab the crop for last year was 20 per cent. below the normal, and in the United Provinces 7 per cent. The average crop in the Punjab and the United Provinces is about 9 million tons, of which 8 million tons are consumed in the country. At the present moment, we believe, some 800,000 tons have arrived or are in course of transit, from Australia and Canada to India, so that for this month there is likely to be again an adverse balance of trade. This 800,000 tons wheat represents a sterling value of about £8,000,000. Had wheat been available for export bills would be offering to that extent.

INDIA'S COTTON CROP.

The cotton crop for all India is estimated round about 6,000,000 bales, and exports up to date from Bombay and Kurrachee are in excess of those for last year by some 350,000 bales. Indian mills will also be consuming more if the insane policy of strikes in Bombay comes to an end through sheer exhaustion. I regret to say that there is no sign of improvement in the Bombay mill industry, which would seem to need drastic handling, but with a strike lasting for more than six months no result but disaster could be possible.

Exports of jute and tea have been quite up to the normal, and we should say that both the jute mill and tea industries are in a very healthy condition.

A noticeable feature in the export trade of India has been the increased shipments of ground nuts, which now exceed one million tons.

As regards imports of yarn and piece goods, it appears that though Manchester still maintains its hold on the trade in white goods, Japan is increasingly supplying India's requirements for unbleached and coloured piece goods.

The increase in the sales of coloured goods from the Continent and Japan is undoubtedly due to the cheaper cost of production in those countries.

With cost of production in the United Kingdom on the present basis, sales of Manchester goods must suffer. The purchasing power of India is little, if any, above what it was in pre-war days, and, in view of this, India can hardly be expected to be in a position to purchase the same quantity of goods at higher prices.

Admittedly Manchester goods still hold their own when quality, compared with price, is concerned, but when the purchasing power of the consumer is small, price is a much more important factor than quality. It is, therefore, of prime importance that the question of cost should be seriously and efficiently tackled by the Lancashire mills. I welcome, therefore, the movement initiated by the Lancashire Cotton Corporation, Limited, and wish it all success.

BURMAH AND CEYLON.

In Burmah, trade conditions, with the exception of timber and oil, have been decidedly unsatisfactory. The foreign demand for rice was weak and prices accordingly dropped, and as a corollary the piece-goods market sagged and importers suffered.

In Ceylon the cloth bazaar has also suffered, its buying power being curtailed by the lower prices obtained for the principal exports, tax and rubber, especially the latter: but at the moment the outlook is hopeful.

STRAITS AND F.M.S.

As regards the Straits and F.M.S., the chief feature of interest has been the effect of the withdrawal of the restriction scheme connected with the rubber industry. The anticipation of this withdrawal caused, perhaps, even more trouble and anxiety than when the restriction actually came to an end in November: but it meant this, a reduction in price for spot rubber from 1s. 8d. per lb. to the lowest limit of 7¾d. in November. That such a decline in price of the commodity eventuated without a great catastrophe, although, of course, difficulties have been created, is a remarkable testimony to the soundness of the trade. With the price of rubber at about 1s. a lb. and practically on rock-bottom basis, the outlook is healthy. The American consumption has increased, the world's consumption should increase, and with the economies effected and likely to be effected in the working of estates, we can look foward to the prospects of the rubber industry with confidence.

The output of tin also showed an increase and the price has dropped about £20 per ton, as compared with prices for the two preceding years.

As regards imports, the fall in the price of rubber has naturally reacted on the consumption of imported goods, but not to the extent anticipated, and the general evidence is that normal trading in the bazaars has recommenced.

The boycott of Japanese goods continues locally amongst the Chinese section of the community in the Straits. This is to the advantage of imports from Europe.

The outlook generally in Malaya for the coming year seems much brighter than was anticipated some months ago.

CHINA.

Now about China, there has been a remarkable recovery during the past year. Civil war has stopped, and there are distinct signs of a will to peace on the part of the generals and party leaders who control the various areas in that vast country. They have been sitting round the same table for some months and the Government at Nanking is now formally recognised as a Central Government representing the whole country. With the general desire for peace amongst its leaders backed up by the powerful Chinese banking and commercial interests I cannot believe that the present movement of troops will lead to anything like the recurrence of civil war. China is in a state of transition from civil war to settled civil government, and in that process troubles of minor magnitude are bound to arise. With the partial restoration of internal order there has been an immediate improvement in trade, the Customs figures showing an increase of Tls. 8,000,000 for the past year. Business in North China and Manchuria has been fairly good on the whole, and one of the outstanding features in that sphere has been the huge import of flour from Canada.

JAPAN.

In my speech last year I referred to the effects of the financial crisis of 1927 in Japan, when several banks had to go into liquidation; an interesting sidelight on the events which then took place is that 567 banks have since participated in various amalgamations, and the net decrease in the number of banks of all kinds is no less than 317. At the end of 1926 the number of banks of all kinds operating in Japan proper amounted to the formidable total og 1,704, and there is little doubt that the weeding-out process country as a whole.

Trade and economic conditions in Japan showed no improvement during the past year, and the adverse balance of trade was approximately Yen 122,000,000. The agitation in the Press and in certain financial circles for the lifting of the gold embargo still goes on, resulting every now and again in a wild gamble in Yen, but no authoritative statement has yet been made by the Government of definite plans for the removal of the embargo—other than that it can only come about when the stabilisation of the country's finances has been completed and on a settlement of the China problem.

BALANCE SHEET ITEMS.

Turning to the balance sheet the item of bills of exhange and Treasury bills shows a reduction of £5,945,666, as compared with 1927. But of this amount over £2,000,000, is accounted for by the sale of Treasury bills held in India, proceeds of which were remitted to London. Against this we have an increase in cash £999,000, and an increase in loans and bills discounted of £2,277,000. Sundry assets also show an increase of £81,000. On the liability side loans payable show a reduction of £2,639,000.

In conclusion, I desire to express the thanks of the board to Mr Preston, our chief manager, and his fellow managers at head office, Mr Bruce and Mr Miller, for their untiring and ceaseless attention to the interests of the bank. I would also thank, on behalf of the board, the managers abroad and the entire staff, home and foreign, for their loyal and devoted efforts to serve, in the best possible manner, the interests of the bank.

The report and accounts were unanimously adopted.

THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION, LIMITED.

LARGE INCREASE IN PREMIUM INCOME.

The forty-eighth ordinary general meeting of The Employers' Liability Assurance Corporation, Limited, was held, on the 27th instant, at Hamilton House, Victoria Embankment, London.

Sir Joseph Broodbank (the chairman) said that the Corporation had again made a large and satisfactory increase in total premium income, which had been obtained in every country where they were established. The fire account showed an increase of £6,920, and, while the resulting profit was not as large as last year, it was still quite good. The accident account, which last year showed a loss of £6,153, this year had resulted in the substantial profit of £33,586.

The general account showed the large increase of £900,488, the largest portion of which, £659,475, was from business in the United States of America. He wished to emphasise that their American business, which was by far the largest portion of the total, had shown a substantial average profit for at least the last ten years. Their business in Canada, while showing a large increase, had again resulted in a loss.

The amount carried to profit and loss account was £435,111, and, after providing for the usual dividend of 4s. per share, free of income tax, there was carried to the general reserve fund £134,793—the largest sum they had carried forward since 1920, which was the last of the boom years after the war. As to the associated companies, in December last the shares of their two American subsidiary companies were sold.

With regard to the Clerical, Medical and General Life Assurance Society, they had this year established a record, and had passed the £2,000,000 mark of new life business for the first time in their century-old history. It was one of the most prosperous life offices in the kingdom. Its bonuses increased every quinquennium, and it was expected that the next distribution to be made in 1930 would prove to be the record one to the benefit of both the policyholders and the Corporation as shareholders.

In conclusion, the chairman said that, taken as a whole, the Corporation had a fine business—widespread over the whole world—and they had a high reputation which was international. Their finance was perfectly sound and healthy, and they had a competent staff to organise and administer the business.

The report was unanimously adopted.

EASTERN BANK, LIMITED.

DIVIDEND OF 9 PER CENT.

The nineteenth annual general meeting of the Eastern Bank, Limited, was held, on the 27th instant, at the offices of the bank, 2 and 3, Crosby Square, London.

Mr J. S. Haskell (chairman of the company) said: The profits for the year, including the amount brought forward, amount to £164,469 19s. 8d. After carrying £25,000 to the reserve fund, thereby increasing it to £450,000, and writing down premises and furniture by £5,000 to £189,576 11s. 2d., we are able to recommend a final dividend of 5s. per share, which, with the interim dividend paid in October last, is equal to a distribution of 9 per cent. for the year, the rate maintained during each of the seven preceding years.

INDIA.

India was once more blessed with a good monsoon. The figures relating to her trade in 1928 show an improvement upon those of 1927. Thus the imports and exports of merchandise during 1928 amounted to £186,000,000 and £253,500,000 against £185,000,000 and £245,000,000 in 1927. The imports of gold and silver in 1928 amounted to £15,800,000 and £10,800,000, against £12,300,000 and £11,300,000 in 1927. Thus there was a visible balance of trade in favour of India of £42,350,000 in 1928 against £37,500,000 in 1927. As regards the share of this country in India's trade the figures for 1928 show a contraction of both imports and exports in comparison with those of 1927. Of the decrease in imports cotton goods accounted for £500,000. This particular decrease is, to say the least, unfortunate if regard be had to the leeway it is necessary to make up in order to attain figures approaching those prevailing before the war.

There is, however, ground for hope. Competition such as has now to be faced in India and elsewhere can only be met by combined effort. That effort is to be made, at any rate by a section of the Lancashire cotton trade, by a scheme of rationalisation which has been conceived under most favourable auspices. The scheme must necessarily take time to yield appreciable results. There is, however, every reason for believing that ultimately substantial results will be attained. 1928 was in certain respects a trying year for India. It was marked by strikes in various industrial centres, particularly Bombay, where there was a stoppage of some six months in the cotton mill industry. The sinister feature about the strikes throughout India has been the Communistic influence in their inception and conduct.

Communism is not of indigenous growth in India. It is a foreign importation. The Public Safety Bill recently re-introduced into the Legislative Assembly, which provides in effect for the deportation of Communists who have come from without and the forfeiture and control of Communist funds remitted to India, would go far towards cutting off the importation.

CEYLON AND IRAQ.

The prosperity of Ceylon depends in the main upon rubber and tea. The prices of both these commodities in 1928 were lower than in 1927, that of rubber being considerably lower. With an increase in the price of rubber, offset it is true by a small decrease in the price of tea, the prospects of Ceylon are brighter than they were a year ago.

Trade in Iraq during 1928 showed little if any improvement over 1927. The economic development of the country will of necessity be a matter of time.

The Government of H.M. King Feisal have spent and are continuing to spend substantial sums upon irrigation. An Agricultural Department of the Government is ready to give advice upon modern methods to the individual, whilst an Agriculture Society recently formed under royal auspices aids co-operation. H.M. King Feisal is himself an enthusiast, his farms being equipped with modern machinery.

PROSPECTS.

The prospects for the current year are still uncertain. There have been indications of an improvement in trade in certain directions, but a disturbing factor has been introduced by the rise in the Bank of England rate to 5½ per cent., followed by a rise in the Imperial Bank of India rate to 8 per cent. The latter, though the highest since 1924, is seasonable A decline should take place when the export season is drawing to a close. The crucial factor is that of the Bank of England rate. If a further advance can be avoided and great efforts are being made to that end, trade should adjust itself to the present rate and the improvement we have so long desired may not be appreciably checked.

The report and accounts were unanimously adopted and the formal business was duly transacted.

On the proposition of Mr Joseph Nissim a resolution was passed amending certain provisions relating to the remuneration of the directors, and the proceedings terminated with a vote of thanks to the chairman, directors and staff.

THE SALT UNION, LIMITED.

THE TRADING OUTLOOK.

SALT INTERESTS SHOULD BE MERGED.

MERSEY POWER: ENCOURAGING PROSPECTS.

The fortieth ordinary general meeting of shareholders of the Salt Union, Limited, was held, on the 26th instant, at the Exchange Station Hotel, Liverpool.

Mr George Henry Cox, J.P., chairman of the company, presided over a good attendance of shareholders.

Mr E. C. Wickes, secretary, having read the notice convening the meeting,

The chairman said: Ladies and gentlemen, as you have had an opportunity of perusing the report and accounts—which are again very satisfactory—no doubt you will agree to take them as read. (Agreed.)

Before commenting upon them, I wish to refer to the death of Mr John Rigby, who passed away in January last in his 84th year. He occupied many responsible positions with the company, and was for several years prior to his retirement a member of the board.

SATISFACTORY FIGURES.

The figures before you, having regard to the difficulties of the trade situation, form an account of our stewardship with which I think you may be well satisfied. On your behalf I should like to take this opportunity of thanking the managing directors, the staff and workpeople for their respective efforts culminating in these excellent results.

The balance sheet calls for very little comment. There is a net decrease of £16,254 in the properties account chiefly due to sales of unwanted properties and especially of cottages. These latter are not economic holdings, due to taxation and high rates and heavy costs of repairs.

Investments show an increase of £36,196, representing purchases of gilt-edged stocks.

The general reserve fund remains at the substantial figure of £550,000 and does not require further additions for the time being.

With regard to shares in allied companies, I will refer later to the changes in form of our Mersey Power Investment, which is the only item calling for special comment.

Turning to the other side of the balance sheet, contingencies account, which after being utilised for the purposes contemplated was started again with an allocation of £35,000 out of the profits of 1927, will total £60,000 with the £25,000 it is to receive out of the profits of 1928.

With regard to the profit and loss account, the gross profit shows a decrease of £40,678 for reasons which you will understand when I go more closely into the trade matters, as I propose to do in a moment. You must bear in mind that, as usual, we have made ample provisions for depreciation and obsolescence before arriving at the profit.

Other items in the profit and loss account call for no special comment.

TRADE MATTERS.

To deal with trade matters, our total deliveries for home and export markets were practically the same as those for the previous year. There have been decreases in certain directions, but increases in others.

CALCUTTA AND THE EAST.

To Calcutta we shipped less than in 1927, but obtained a better profit. The competition of Solar Salt from several sources by new shippers outside the Importers' Association of Bengal has been very active, and has compelled the latter to drop prices. It may result at the end of the year in the resumption of unrestricted shipments, which will make the regulation of prices impracticable. It will be a great pity should this occur, for it must result in an unprofitable trade for all concerned.

We shipped considerably more to Japan and obtained satisfactory prices, but there again great competition is threatened, and of a character that it will be very difficult for us to cope with.

WORLD-WIDE SALESMANSHIP.

Generally speaking I may say that only constant and strenuous efforts on our part enable us to hold what export trade we still retain. We long since followed the excellent advice as regards salesmanship recently given by the Prince of Wales. We employ a large number of travellers both at home and abroad who possess in an appreciable degree the qualifications commended by His Royal Highness. Chief among them is Mr. J. Parke Jackson, a member of the board, who has travelled for us repeatedly in many foreign countries, and throughout the length and breadth of the British Empire. (Hear, hear.)

ORGANISATION OF SALT TRADE.

Last year I foreshadowed the possible calling of meetings for the transaction of important business. There was then good reason to believe that the salt trade might be consolidated, and to do so effectively would have necessitated the widening of the present Salt Union borders, which in turn would have involved our obtaining powers to issue new shares, &c. This was the very simple meaning of the hint just referred to, which led to fantastic speculations on the part of certain sections of the press. Although the merging of all existing salt interests is not yet possible, we still regard it as the only rational method of organising the trade, and placing it upon a sound economic basis. (Hear, hear.)

In the meantime, our deputy chairman, Mr Clark (who as you know is also chairman of the Salt Manufacturers' Association), has succeeded in getting that Association renewed for the current year as a minimum period on a quota basis, each member of the Association being entitled to a specified share of the trade. Mr Clark showed great tact and patience throughout these very protracted negotiations, and it was only at the eleventh hour that the present settlement was arrived at. Mr Clark and the whole associated salt trade are to be congratulated upon the successful outcome. (Hear, hear.) But competition is still keen as a result of the tactics of certain opposition salt-makers, both at home and abroad. They have been, and will continue to be, checkmated with the result in many cases of the lowering of prices. The expense of preserving our business against such attacks is considerable, and in due time will, if wiser counsels do not prevail, be reflected in the accounts of all salt manufacturers.

LABOUR.

Excellent relations have existed throughout the year between the management and the large body of artisans in our employ.

The conditions of the trade have so far enabled us to pay the full rates of wages, and we hope this state of things may continue, but all parties must bear in mind that the keen competition existing lowers prices, and so reduces the amount of the fund available for wages. We have helped to promote welfare schemes in connection with the works, and especially at our Stoke Prior Works in Worcester, where a wonderful spirit of self-help and good feeling has resulted. Bowling greens, tennis lawns, cricket and football, and camera and fishing clubs, have been established and suitable recreation rooms provided. An interesting magazine is regularly published. The initiative has come from the men and women of our staff, who have done much of the work themselves, in which, of course, the Board has also assisted. Such a centre as has thus been provided is of special value at a place like Stoke Prior, where there is not even a village near at hand. We are also about to erect new offices at Stoke for the old ones are quite inadequate for present requirements.

We are much indebted to our manager, Mr Lockhead, for the work and enthusiasm he has displayed in connection with these affairs. (Hear, hear.)

COAL AND ECONOMY.

Coal has once more been the predominant factor in the economic production of our salt, and has thus helped us to achieve the favourable results shown in the balance sheet.

Having been entirely free from contracts, we have taken full advantage of the declining markets. We have provided large reserve stocks at the works, and at the same time regularly bought our weekly requirements in addition.

Our average purchasing prices have been the lowest since 1922 but there is now a tendency for them to steady, and in some cases slightly to advance.

We cannot expect that the recent low prices will be permanent; and it must ultimately be in the interests of the collieries and consumers alike that the mines should not be worked at a loss, but that they should yield a reasonable profit.

MOST UP-TO-DATE MINE.

I mentioned at our last meeting that we had been compelled to abandon the Adelaide Mine and that we had taken steps immediately to open the Meadow Bank Mine.

This was rapidly carried out, and simultaneously 13,000 tons of rock salt were raised by makeshift gear.

The mine is now unquestionably the most up-to-date salt mine in the world, being equipped with electric winding gear, electrically operated rock salt cutters and electric locomotives instead of ponies down below; and the most complete labour-saving arrangements for grinding, grading and dispatch of rock salt on top.

With the exception of the purchase of part of the machinery' the whole of the work was done by our own staff. This is a most excellent performance, and Mr Malcolm and the members of his staff are to be highly congratulated upon it.

We have thus added a very valuable and profitable adjunct to our estate. (Hear, hear.)

PURCHASE OF BRIDGE SALT WORKS.

During the year we negotiated the purchase of the Bridge Salt-works owned by Messrs John Garner and Co., these works being exceptionally well placed on the River Weaver at Winsford. The transaction does not appear in the accounts before you, as it was not completed by 31st December. But I can say that the Salt Union have acquired control of a works with a potential capacity of 35,000 tons a year (together with rights over certain other lands of the vendors and valuable export connections) on reasonable terms. At the same time the danger of competition from those works is now removed. The Salt Union Board has, subject to your confirmation to-day, been strengthened by the addition of Mr Barton, one of the vendors of the Bridge Works. (Hear, hear.)

DE-RATING.

The new Local Government Bill which is certain in due course to be placed on the statute book, should afford us some relief in a full year, assuming that assessments are not substantially raised under the provisions of the 1925 Rating and Valuation Act. So far as the current year is concerned, the new Local Government measure can only benefit the final quarter, as the rating relief provisions do not come into force until 1st October. No relief is provided for our great undertaking, the Mersey Power Company, because that ranks among the public utility concerns which are excepted.

The Bill illustrates the current tendency of legislation towards a centralising and bureaucratic policy, which takes little account of local conditions and local patriotism. In a sense it may be designated a semi-revolutionary measure, for it completely alters both rating and the machinery of local government. The ultimate outcome it is impossible to forecast, but some of the consequences may turn out to be unfavourable.

MERSEY POWER COMPANY'S PROSPECTS.

Before dealing with the position of the Mersey Power Company and its relation to the parent company, the Salt Union, I desire to say a few words about certain overtures that were made to us by wealthy American and other buyers with a view to our selling the undertaking to them.

After going very carefully into the matter we decided not to sell at the figures indicated. We consider that it is in your best interest to retain this very valuable property for the present.

Since we last met the subscribed share capital of the Mersey Power Company has been greatly enlarged, which has enabled the Power Company to pay off all the mortgages and loans with the exception of £200,000 lent under the Trade Facilities Act on favour-able terms. Thus the balance of the loan of £300,000 from the Government has been paid off; also the second debenture for £296,475 held by the Salt Union. A public issue of 400,000 6 per cent. cumulative preference shares of £1 each at par was made by the Power Company's directors last autumn, with preferential forms for Salt Union shareholders. The result was an over-subscription of rather more than ten times the amount.

In addition 150,000 6 per cent. cumulative preference shares, ranking *pari passu* in all respects with the issue just mentioned after June next, were allotted to the Salt Union in part satisfaction for the cancellation of its second debenture. The remainder of the second debenture, namely £146,475, was satisfied by the allotment to the Salt Union, at par, of 146,475 ordinary shares in the Power Company. The Union's holding is now 495,471 ordinary and 150,000 preference shares, a total of 645,471 shares of £1 each out of 1,046,475. With the exception of 250 shares held by each director of the Power Company as his qualification, the whole of the ordinary shares, with their valuable future possibilities and voting power are held by the Salt Union.

I will not take up your time in describing the progress of the Power Company in 1928, as immediately these proceedings are through it is to hold its first public meeting, which many of you will doubtless attend as subscribers to the preference issue. I need only say here that a dividend of 5 per cent. has been declared, and that the prospects are most encouraging. A higher dividend could have easily been declared, but the Power Company deemed it wiser to conserve its resources and build up adequate reserves. (Hear, hear.)

I now beg to move: "That the report of the directors with statements of accounts for the year ended December 31, 1928, now submitted, be received and adopted." (Applause.)

Mr H. J. Falk seconded the motion, which was carried unanimously.

Messrs R. G. Barton and J. H. Beazley were re-elected directors, and the remaining business was routine.

VICKERS LIMITED.

BENEFITS OF AMALGAMATION.

The annual general meeting of shareholders of Vickers, Limited, was held, on the 25th instant, at the River Don Works, Sheffield. General the Hon. Sir Herbert A. Lawrence, G.C.B., chairman of directors, presiding.

The chairman, in the course of his address, said that the net profit for the year ended December 31st last was £939,902, including dividends from subsidiary companies and investments. The profit included the trading profits on certain armament and other contracts which under the terms of the agreement for sale to Vickers-Armstrongs had been retained and completed by the company.

Proceeding, the chairman explained that in view of the critical times through which industry was passing it was desirable that the company should build up sound revenue reserves. It had to be remembered that there had not yet been time to effect the economies which it was hoped to secure from the amalgamation policy which had been steadily pursued since the reorganisation, and the financial assistance required by the amalgamated businesses must be provided by Vickers.

During the past year the fusion with Armstrong Whitworth and Co. had been completed, and in furtherance of the reorganisation policy Vickers-Armstrongs had disposed of the Sheffield and Openshaw undertakings, and the stamping department at Elswick to the English Steel Corporation, a company which had been formed to consolidate the commercial steel interests of Vickers, Vickers-Armstrongs, and Cammell Laird and Co. In addition to its share interest in the new corporation Vickers had agreed to advance to it a sum up to half a million pounds for working capital.

The formation of the new company afforded an opportunity for placing that section of the steel industry in a position to secure greater efficiency and substantial economies in production, so that it might be able to meet successfully the ever-growing competition of foreign manufacturers. Negotiations were already taking place for the inclusion of other firms in the combine. Ultimately the English Steel Corporation should become a powerful unit. It could not, however, be stressed too strongly, that the full benefit of the re-organisation of the steel industry which was taking place would not be apparent for two or three years.

It was essential that each of the works should instal the latest and most efficient plant if they were to produce on a competitive basis. The companies must be in a financial position both to if they were to keep up-to-date with the latest methods of pro-duction.

Vickers-Armstrongs, Limited, had earned a profit of £182,734 in the past year, though owing to the retained contracts, &c., that did not represent the true earning capacity. Further, the year had been one of transition for the company.

The process of rebuilding the fortunes of the company had been a difficult one, and the task was not yet completed, but they had laid the foundations of what they believed would be a successful future. They were sowing the seeds of a new industrial era, and he believed the time was not far distant when the changes in production methods and the advantages of co-operation, would again give a satisfactory yield to those associated with British industry.

The report was adopted, and the dividend of 8 per cent. agreed to.

BRITISH INSULATED CABLES, LIMITED.

BONUS SHARES.

IMPORTANT CONTRACTS ON HAND.

CHAIRMAN ON THE COMPANY'S SUCCESS.

The thirty-third ordinary general meeting of shareholders of the British Insulated Cables, Limited, was held on Tuesday, the 26th instant, at the Exchange Station Hotel, Liverpool.

Mr D. Sinclair, Chairman of Directors, presided over a good attendance of shareholders.

Mr W. Kerfoot (Secretary), having read the notice convening the meeting,

The Chairman, in moving the adoption of the report and accounts, congratulated the shareholders on another successful year of trading.

SATISFACTORY PROFIT.

They would agree, he said, that the profit of £617,951, which compared with £609,242 for the previous year, was a satisfactory result. The profit, with the balance brought forward of £305,880, made a total of £923,831.

After payment of directors' and trustees' fees, &c., debenture interest, preference dividend and interim dividend on ordinary shares, amounting to £140,442, a disposable balance remained of £783,389. Allowing for the transference of £100,000 to depreciation account and £299,966 to reserve account, the balance available for dividend was £383,423. From this was recommended a further dividend of 10 per cent. on ordinary share capital, making, with the interim dividend already paid, a total distribution of 15 per cent. for the year in addition to the share bonus distribution, and leaving £250,089 to be carried forward.

RESERVES AND DEPRECIATION.

Issued share capital and debenture stock remained unchanged in the balance sheet. The reserve account, increased by last year's appropriation of £200,000, now stood at £900,000. Besides being augmented by the transference of £299,966 from trading account, the directors had brought £185,034 from investment reserve and £150,000 from special reserve, thus merging all the reserves shown in the balance sheet in one group, aggregating £1,535,000. To this he would refer later.

The value of property, plant and machinery, standing at £1,564,823, was an increase of £167,877 on last year. The increase represented expenditure on capital account over and above main-tenance and upkeep of buildings and plant charged to revenue. From the total value of property and plant, it was again proposed to write off £100,000 for depreciation.

Stocks and work in progress at £1,026,347, an increase of £109,779, was a fluctuating figure depending on the amount of work on hand and the cost of raw materials. Debtors at £1,473,789 closely corresponded to last year.

INVESTMENTS.

The value of investments had hitherto been subject to a contin-gent reservation which, on a careful review of present and probable future values, was now regarded as unnecessarily conservative. Accordingly, the amount of £185,034 had been, as explained, transferred to the reserve account.

Looking at the figures, it would be observed that the company was possessed of ample cash resources, not only for carrying on its business, but to enable it to participate in any trade or other investment deemed to be beneficial to its interests.

BONUS SHARE DISTRIBUTION.

"As a result of the adjustments and transfers to which I have referred (the chairman proceeded), the company's reserves now amount to the large sum of £1,535,000, exclusive of the carry-forward of £250,089.

"It is the opinion of your directors that this amount is in excess of the requirements of the company, and it is therefore proposed to distribute from this reserve to the ordinary shareholders, by way of bonus, one ordinary share free for every existing four ordinary shares held, together with 500,000 'A' 5½ per cent. cumulative preference shares of £1 each in the proportion of three such shares free for every existing eight ordinary shares held, such shares to rank for dividend as from 1st January, 1929.

"The effect of this will be to increase the issued capital of the company by a total of £833,333, which will, of course, in the following balance sheet reduce the amount of the reserve account by that sum and, after adding something like the annual increment to reserve in recent years, leave the reserve account in the region of £900,000. The interest on this additional capital will involve a somewhat heavy burden of new interest to find, but with con-tinued hard work on the part of everyone and a certain amount of confidence which our past history justifies, we hope to be able to carry the weight." (Hear, hear.)

ALLIED COMPANIES.

The various companies in which British Insulated Cables, Limited, was particularly interested continued to do well.

The Midland Electric Corporation for Power Distribution, Limited, having distributed the bonus of share for share referred to last year, now proposed to pay a dividend of 8 per cent. on the increased capital, equivalent to 1 per cent. better than last year.

The Electric Supply Company of Victoria was in a much more favourable position and had entered into a provisional agreement with the Victorian Government by which the whole undertaking would be sold to them in three years' time on terms and conditions fair and advantageous to both parties.

VALUABLE AGREEMENT.

The "Closer Working" Agreement, to which he had previously referred, continued to work smoothly and satisfactorily. Valuable results had been achieved by combination in research, and these were reflected in the improvement of quality and processes of manufacture. The full benefits of the arrangement had not as yet been reaped. A great deal remained to be done, on the result of which it was hoped further advantages would accrue to the company.

STAFF AND WORKPEOPLE.

To the excellent staff pension fund the company had now con-tributed a sufficient sum to place it on a thoroughly sound actuarial basis, making unnecessary the provision of further sums beyond the regular contributory payments.

With regard to the workpeople, the year had been marked by an absence of disputes and an increase in cordiality. As denoting their keen interest in the welfare of the employees, the directors recommended that £50,000 be set aside from reserves, the income from which was to be utilised to provide compassionate allowances for workpeople and their dependents. It was intended that each individual case should be dealt with on its merits in so far as the fund permitted.

IMPORTANT NEW CONTRACTS.

During the last twelve months the company had fully maintained its position in the electrical world. Its products covered all kinds of electric conductors, both bare and insulated, and they were well equipped to deal efficiently with all reasonable demands that might be made upon them.

The large contract recently secured to supply and lay cables in the London area for the Central Electricity Board was of a value of well over £500,000. The major portion of the cable would be for a working pressure of 66,000 volts, practically a replica of their cables which had been working successfully for the past three years on the North East Coast. These were still the only cables in this country working at so high a pressure.

Important contracts on hand included railway electrification in India, big transmission lines in this country for the Central Elec-tricity Board, and in the Federated Malay States for the Perak River Hydro Electric Power Company. The conductors for the overhead grid system in this country were of steel-cored aluminium, and in addition to supplying their own requirements for this material they had secured large orders for the sections being carried out by other contractors.

A NEW PRODUCT.

Steel cores coated with copper were a recent development of the business. They had entered into an arrangement with an American firm to manufacture and sell material of this description known as copper-weld wire, which had the advantage of high tensile strength coupled with comparatively high conductivity, and was particularly suited for overhead line work, in which a growing business was being done in this country and abroad.

The chairman referred with regret to the resignation of the senior director, Mr J. C. Stitt, and expressed high appreciation of his services. Mr D. Johnstone Sinclair had been elected a director.

Owing to the increasing burden of executive affairs he (the chairman) had resigned the position of managing director, and

Mr G. H. Nisbett had been unanimously appointed to the vacancy, while Sir Alexander Roger had been appointed vice-chairman.

APPRECIATION OF SERVICES.

The chairman concluded by expressing thanks to officers, staff and all, from the highest to the lowest, who by their devotion to the company's interests had contributed to the success attained during the past year. They would like them to know their services were appreciated, and shareholders, he was sure, would associate themselves with this expression of thanks. (Applause.)

The directors' report was adopted, and the accounts were approved and confirmed.

Messrs J. A. Smith, D. Sinclair, and Eric Taylor, were re-elected directors, and the appointment of Mr D. Johnstone Sinclair as a director was confirmed.

A resolution was carried in favour of the payment of a further dividend of ten per cent. on the ordinary shares, making with the interim dividend already paid a total distribution of fifteen per cent. for the year ended December 31, 1928.

Messrs Chalmers Wade and Company were re-appointed auditors.

Mr J. McKay, in proposing a vote of thanks to the chairman and directors for their services during the year, made a commendatory reference to the recommendation of the Board to set aside £50,000 from reserves for the provision of compassionate allowances for the company's employees and their dependents. He said it showed the democratic spirit of the Board, and the spirit of humanity which prevailed amongst its members. (Hear, hear.) In conversation with many people on the subject before coming to that meeting the expression had been unanimously used that the Board had done a very wise act, especially in these days when labour was always wanting to know where its rights were. The Board of the British Insulated Company had demonstrated to the public that they had the right spirit, which ought to permeate all industry, and the right spirit which shareholders also ought to have. (Hear, hear.)

At an extraordinary general meeting of the company, held subsequently, a resclution was adopted deleting Articles 116 of the Company's Articles of Association, and substituting a new Article, which it was explained, would give the Company and its directors the widest possible powers in connection with capitalisation, and would cover all reasonable requirements.

BRITISH ALUMINIUM COMPANY, LIMITED.

INCREASED TRADING PROFIT.

The annual general meeting of the British Aluminium Co., Limited, was held, on the 27th instant, at Winchester House, London, E.C. 1.

Lt.-Col. Stephen H. Pollen, C.M.G., who presided, said that the net profit was £441,383 against £432,176 for the previous year. A year ago he drew attention to increased competition and lower prices. A further reduction in prices occurred towards the end of the first half of 1928, and competition was intensified, particularly in semi-manufactured products. In spite of these conditions (which continued) the trading profit had increased, mainly due to more stable industrial conditions and to higher efficiency, record production, and materially decreased costs.

Out of the profits of the year, £50,000 had been appropriated to the depreciation reserve account, which now stood at £900,000. The debenture redemption account and the depreciation reserve amounted together to £1,345,055. The directors had again made an allocation of £100,000 to the reserve account, bringing it up to £850,000. He again would draw attention to their considerable financial obligations in respect of the Lochaber scheme, involving the guarantee of the debenture stock of the North British Aluminium Co., Limited, and the provision of the ordinary share capital of that company. In addition, the British Aluminium Co. was itself incurring further considerable capital expenditure to provide the raw materials for Lochaber. In these circumstances, they considered it quite essential to continue to build up a very strong reserve account. An interim dividend of 4 per cent. had been paid on the ordinary share capital, and a final dividend of 6 per cent. was recommended, payable on April 1st next. There would remain £33,843 to be carried forward.

The results showed that they had been able to do rather more than offset the reduced prices by reductions in costs and increased efficiency. There was a limit to what could be achieved in this direction, and in considering the prospects for 1929 it must be remembered that they started the year with a lower level of prices, whereas last year a higher range of prices ruled for the first few months. Against this they had the pleasing feature of the maintenance of the demand for their products, which encouraged anticipation of a satisfactory volume of sales this year.

The report and accounts were unanimously adopted.

TRADE INDEMNITY COMPANY, LIMITED.

MR C. E. HEATH ON CREDIT INSURANCE.

The eleventh ordinary general meeting of Trade Indemnity Co., Limited, was held, on the 22nd instant, at the Cannon Street Hotel, London.

Mr C. E. Heath, O.B.E., the chairman, presided, and in the course of his address said: Gentlemen, we have to point to varying results. 1927 has not wound up quite as it should have done; 1928, on the contrary, is very good, but I hope you will agree with us that on the whole satisfactory progress has been made. So far as the year 1927, with which we are now principally dealing, is concerned, there was a falling off in premiums as compared with 1926. But besides the smaller premium received in 1927, we have had to reckon with the fact that, so far from having to add additional premiums received in 1928 on that account, the returns, reinsurances, and so on have more than swallowed them up. Then, too, the loss ratio for the year was at the rate of 63 per cent. of the premiums as against 57 per cent. in 1926. Notwithstanding these disadvantages, we have been justified in recommending the same dividend—6 per cent.—and putting the same amount to reserve—£15,000—thus bringing it up to £50,000. The carry-forward is necessarily less, but, as against that, instead of a depreciation in our investments of about £1,000, there is an appreciation of nearly £5,000. The amount reserved to meet claims still to be paid for 1927 and previous years is rather less—£30,463, against £33,389. These figures are the estimated known losses. Here the smaller liability may be put down to the smaller total of 1927 premiums. I am glad to be able to state that Mr Spain's estimates in this respect have turned out in the result to have been very accurate. Considering the state of trade in 1927 it must be admitted that we have not come out at all badly. As regards 1928, the figures are very encouraging. For the first time our gross premiums, without deducting brokerages and returns, have passed the £200,000 mark. After deducting brokerages and returns they are 24 per cent. up on those of 1927. Our own retained premiums have risen from £68,000 to £80,000, an increase of 17½ per cent. The number of policies issued has increased from 2,798 to 3,463, being 23·7 per cent. A satisfactory feature about the number of policies issued is that those for the export trade have increased by 30 per cent.—this in spite of very strong Government competition, and are now just double what they were four years ago There is no doubt, therefore, that we have really been of great use to what is perhaps the most important part of the country's trade.

"A VERY FINE POSITION."

At a rough guess at least ten million pounds worth of export transactions have been insured by your company last year—transactions which could probably not have taken place without your help. Altogether, 1928 so far looks quite satisfactory. Of 1929, of course, it is far too early to say much. It is of interest, however, to state that the gross premiums for January and February this year have beaten those for the same months in 1928 by about £10,000.

As regards our general position, it is quite first-rate. I remember it used to be said that it was safe to insure with any company which had assets equal to 100 per cent. of its retained premiums. We are able to say that our assets come to no less han 450 per cent. of our net premiums. That is a very fine position to be in and it puts us high up in the list of insurance companies.

The first world meeting of Credit Insurers, which was held in London, was followed by a second, which took place last year in Paris. As many as 200 persons took part in it. Among others, there were representatives of 40 French banks. Some of them made very interesting speeches on what is certainly one of the most important of our problems—the linking up of banking and credit insurance. It is in France, I think, that the need for his linking up has been most appreciated, and it is there that the alliance between the two has been more effectually consolidated than anywhere else. Quite apart from the practical questions of procedure and the methods of improving credit business which these international meetings have helped to solve, they have undoubtedly led to a strengthening of the bonds which unite the different credit insurance companies in different parts of the world. At home still more of the leading insurance companies have joined in our enterprise by becoming our reinsurers. We now have 18 companies in Great Britain, besides a good number of Lloyd's underwriters working with us.

As to the future, though we may be effected by depression in trade, and shall necessarily have our ups and downs, it now seems certain that credit insurance has come to stay. Not only are inquiries increasing daily in number, but new wants and new opportunities for credit insurance are constantly presenting themselves. The variety and versatility of our business is extraordinary.

The report was unanimously adopted.

LONDON LIFE.

CLERGY MUTUAL AND METROPOLITAN.

MARKED PROGRESS.

SURVEY OF ASSURANCE PROSPERITY.

QUESTIONS OF FUTURE POLICY.

The ordinary general meetings of the above companies were held on the 29th instant, at 81, King William Street, London, E.C.

Mr Reginald B. Jacomb (President of the London Life Association), in opening the proceedings referred to the resignation from the Board of Sir Fairfax Luxmoore on his appointment as one of His Majesty's judges and to the death of Mr. Francis Henry Beaumont, for 25 years President of the Association.

Continuing, he said "The publication for the first time of a balance sheet of the joint fund of the three offices, the London Life, the Clergy Mutual and the Metropolitan, makes this occasion an interesting one. The joint fund amounts to a little under £20,000,000. This figure makes one realise to what an important standing the association has attained.

Associated together are the London Life with two distinct funds, and the Clergy Mutual and the Metropolitan and in each case there are different problems arising in connection with distributions of surplus and other matters.

The problems which have come before us as directors are similar to those which have had or will have to be faced by many other companies, and for that reason I think that a general survey of the position of life assurance at the present time may be of interest.

PROSPERITY OF LIFE ASSURANCE COMPANIES.

Life assurance companies at the present time appear to be suffering from prosperity. Don't misunderstand me please. I only mean that the prosperity has come rather suddenly as a result of several causes all working the same way and, as a result of this prosperity, they are confronted with serious questions of inequity both as between different classes of assurance and as between existing and new policyholders.

The outbreak of war was followed by a tremendous depreciation in the value of securities and most offices had to pass their bonus altogether in order to meet the writing down in values. As prices gradually recovered, most of the appreciation was kept as a hidden reserve or actually transferred to reserve. (I am, of course, only speaking of the general tendency, and not referring to any particular office). At the same time, in spite of the heavy drag of income tax, the offices found they were able to get a better return on their new investments and, what is of greater importance still, they found that there had been a wonderful improvement in the rates of mortality. All these factors combined to make for prosperity, and as a result you will have noted the large bonuses which are being declared by nearly every company.

The very prosperity itself to which I have alluded is a danger, for it is easy to be persuaded into thinking that these bonuses can be maintained indefinitely. The real test which I want to emphasise is—"Are the rates of premium which are being charged for new assurances adequate, assuming that the rates of mortality will continue as favourable and the rates of interest earned be maintained—are these rates of premium adequate to provide the large bonuses which are now being given?" In many cases, indeed in most, I am afraid the answer is in the negative, and if large bonuses attract much new business, then some time or other in the future those bonuses must be reduced. Indeed, it is quite possible that in comparing two offices, the one which is giving the larger bonus may give the poorer result in the long run. This problem of the adequacy of the rates of premium to provide the rates of bonus declared is not a new one, but present conditions have made it of very great importance. There would appear to be three courses open to an office which is declaring an abnormally high rate of bonus if it desires to maintain this rate in the future. (1) To increase the rates of premium for new entrants, (2) To cease to transact new business, (3) To look for a higher return on investments—indeed, for such a return, whether in capital appreciation or in interest, as will provide the high rate of bonus to new entrants.

Each office will no doubt find the solution in its own way, but in No. 3 if it were to be adopted there seems to me to be an element of danger.

While we should, I think, get the best possible advice on investments with a view to the yield to be obtained, and while, with the very large funds we have to keep invested, we should spread our investments over a wide field, we should not forget that security is of greater importance than yield.

POSITION OF ASSOCIATED COMPANIES.

I will now consider the position of our own associated companies.

Take first the London Life and its reduction of premium system, which has been in force ever since its foundation in 1806; here we have an example of the prosperity I alluded to just now; we have been able for the second year in succession to grant increases of three in the rates of reduction, increases which were never contemplated in pre-war times, and there would not appear to be any difficulty in giving this increase for many years to come so far as existing members are concerned. The terms for new entrants are, however, too favourable, and a large new business would inevitably have an adverse effect on future distributions. In fairness to our present members it is right that the terms for new entrants should be revised and I hope that members will approve of the gradual steps suggested in the report.

Turning to the reversionary bonus system of the London Life, we are faced with quite a different situation. Here we have a young fund only started in 1914, a few weeks before the war broke out, which has been remarkably successful, but being a young fund it did not suffer materially from depreciation of securities nor broadly speaking has it gained to the same extent as older funds from the subsequent recovery in values. Its position is a normal one as compared with the abnormal position of the majority of companies. It is a great pleasure to be able to announce the increase of reversionary bonus from 38s. per cent. to 40s. This is a compound reversionary bonus, that is to say, it is calculated on the sums assured and existing bonuses and as compared with the rates of premium charged it is a remarkably good one. It is hardly necessary to remind you that on this class of policy we have declared yearly bonuses right from the commencement, at first 35s., then 36s., then 38s., and now 40s."

The President then reviewed the position of the Clergy Mutual before and after the war and, after alluding to the rapid recovery from the war position, said he was sure that with the bonus of £4 per cent. for whole life assurances with increases above age 65 and £5 per cent. for endowment assurances, the members would feel that the Society had done well for them.

"With the Metropolitan," he said, "we have an entirely different position. At the outbreak of war the Metropolitan adopted a cautious policy and increased their reserves in every possible way, with the result that, after having received but a small increase in rates of reduction during the last 14 years, the prospects for Metropolitan members are now extraordinarily good. With the 3 per cent. increase in rates of reduction mentioned in the report, we look forward to being able to give in the future better results still."

The President concluded his address with a tribute to the services of Mr Trouncer and the staff.

The reports and accounts submitted were unanimously adopted.

PINCHIN, JOHNSON AND COMPANY, LIMITED.

YEAR OF BRILLIANT PROGRESS.

CONTINUED EXPANSION.

The annual general meeting of the shareholders of Pinchin, Johnson and Co., Limited, was held, on Monday, the 25th instant, at the Hotel Cecil, London.

Mr Edward Robson (chairman) presided.

The Secretary (Mr. E. P. Thompson) read the notice convening the meeting, and the report and certificate of the auditors (Messrs. Gully, Stephens, Baillie and Co.) having been read,

The Chairman said: My Lords, Ladies and gentlemen, I beg to move "that the report of the directors dated March 13, 1929, and the balance sheet of December 31, 1928, now submitted, be, and the same are, hereby received and adopted, and that a final dividend on the ordinary shares for the year ended December 31, 1928, of 20 per cent. less tax, making, with the interim dividend already paid, 30 per cent. total for the year, less income tax, be declared and paid."

Before formally submitting the resolution for your approval, I should like to deal with the principal points referred to in our report and balance sheet recently submitted.

In the first place, I think I may congratulate you as shareholders upon the extremely satisfactory result obtained from the past year's trading.

RECORD PROFITS.

The net profit for the year, amounting to £422,796 1s. 7d., constitutes a further record in the history of this undertaking, and I think the extent of the figures given in the balance sheet indicates very clearly the very satisfactory progress that has been made during 1928. In every essential department of the undertaking we are able to record improved results, and I think the figures submitted to you emphasise in no uncertain manner the virility, strength and progressive nature of this highly successful undertaking.

As explained in the report, we have not brought into the accounts for the past year profits earned by the recently acquired Australian

and Indian undertakings, as owing to the necessity for changing the accounting period, it has not been found possible to bring the profits of these undertakings into our present accounts, although such profits are, I may tell you, very satisfactory.

STRONG BALANCE SHEET.

With regard to the balance-sheet items, other than our share capital, practically our only liabilities consist of the sum of £313,827 8s. for sundry creditors, so that the liability side of the balance sheet is not a very serious item.

With regard to the principal items on the asset side, I may mention that before bringing into the accounts the items of properties, plant and machinery, your board have made provision for a very substantial figure of extra depreciation on these items over and above the normal depreciation considered necessary. This special provision ensures to us a most conservative valuation of the assets referred to.

The items of stock in trade and sundry creditors call for no comment on my part, other than to formally assure you that the figures given have been arrived at after the fullest provision has been made for all likely contingencies.

ASSOCIATED AND SUBSIDIARY COMPANIES.

The item of associated and subsidiary companies, amounting to £493,580, is again a most conservatively valued asset. I might tell you that this item covers investments in various companies associated with us and allied to our particular industry, and I might further explain that in every instance the market valuation or the known value of the investments concerned, far exceeds the figures at which they are carried in our accounts.

The remaining items of interest on the asset side of the balance sheet consist of British Government and other trustee securities and cash at bankers and at call. These two items amount to over one million pounds, and I think that this must indicate to all of you the enormous strength of our position in relation to future prospects and developments.

HANDSOME BONUS DISTRIBUTION.

With regard to the resolution submitted: "That it is desirable to capitalise the sum of £344,989, part of the reserve and to allot and issue fully-paid ordinary shares to the ordinary shareholders on the Company's Register, March 14, 1929, in the proportion of one new share for each three old shares, held on that date," the Chairman said: I would mention that your board are fully convinced that they are justified in making this proposed distribution of reserves. If you refer to our balance sheet, you will notice that even after making the proposed distribution our reserves and carry-forward will amount to over £900,000, which figure we consider more than ample for the normal requirements of the business. In addition, we anticipate that these reserves will be further strengthened from time to time.

The resolutions were seconded by Mr C. G. Heywood (vice-chairman) and duly carried.

The retiring directors and auditors having been re-elected, the proceedings terminated with a hearty vote of thanks to the chairman.

An extraordinary general meeting followed, at which the proposal to sub-divide the 1,500,000 ordinary shares of £1 each into 3,000,000 ordinary shares of 10s. each was duly approved.

162 Branches in Finland

CAPITAL AND RESERVES: Fmk.417,000,000.
TOTAL ASSETS (31/12/28): Fmk.2,934,742,000.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank)

HEAD OFFICE: HELSINKI (HELSINGFORS), FINLAND

Established 1889.

POWELL DUFFRYN STEAM COAL COMPANY LIMITED.

DEFINITE SIGNS OF IMPROVEMENT.

The annual general meeting of the Powell Duffryn Steam Coal Company, Ltd., was held, on the 26th instant, at Winchester House, Old Broad Street, London.

Mr Edmund L. Hann (the acting chairman and managing director), after referring to the resignation of Mr. Joseph Shaw, K.C., from the chairmanship of the company, and having dealt with several of the more important items in the balance sheet, said:

The profit and loss account shows for the year a debit balance of £231,805, which, after deducting £23,900 credit balance brought forward from last year, leaves a net debit balance on the account of £207,904.

The deplorable state into which the coal industry of this country fell has been the subject of much comment in the Press during the past year. In order that you may be in a position to grasp the essential factors of the situation, I think it would be useful to review briefly the history of the past few years.

CAUSES OF DEPRESSION.

During the years preceding the war there was a steady increase in the cost of production of coal, due entirely to legislation and increases in wages, but, notwithstanding this, the increasing demand for coal made a steady rise in prices possible, and consequently the coal trade during this period maintained a condition of comparative prosperity. During the war period and immediately afterwards, the world shortage in supplies caused an enormous increase in the price of coal, with the result that every nation having coal deposits of its own developed them to the fullest extent possible. Coupled with this there was a gradual replacement of coal for marine purposes of the monetary exchanges of the world, there was a general stagnation of trade.

During the period 1921 to 1926, when the coal trade of this country should have been doing all that was possible to maintain its share of the trade of the world and to reduce its costs to an economic level, the country had to endure a period of intense labour unrest, resulting in the strikes of 1921 and 1926.

A further material factor which has added enormously to our difficulties is the question of reparations. It is a fact which is not sufficiently recognised that the arrangements for reparations in kind have gravely injured the industries of this country and at the same time have conferred advantages both on our Allies and on our former enemies. Of all the industries in this country the coal trade has been the greatest sufferer, and of all the coalfields, South Wales has had to bear the greatest share of the burden, as German reparations coal has invaded markets which formerly drew the bulk of their coal supplies from South Wales.

Italy provides a striking example of what has happened. In 1913 Italy imported 10,700,000 tons of coal, of which 9,600,000 tons were supplied by Great Britain, the South Wales share being 5,500,000 tons. In 1927, Italy imported 14,000,000 tons, of which only 6,800,000 tons were imported from Great Britain, South Wales supplying 3,200,000 tons for the Italian market—a decrease so far as South Wales is concerned of 2,300,000 tons. The import of German coal into Italy has, on the other hand, increased from 950,000 tons in 1913 to 4,100,000 tons in 1927—an increase of over 3,000,000 tons.

I am afraid that unless, as a result of the discussions which are at present taking place, there is a substantial reduction in the amount of reparations in kind which Germany is permitted to make, these deliveries will continue to have a depressing influence on our industry.

Finally, as you will be well aware, there has been depression in the iron and steel industry. This had had the natural result of depressing the market for coke, and our ovens have been working considerably below their normal output during the whole of the year with a very low level of prices. As a result of these factors the year 1928 found the coal trade of this country weakened and disorganised by the labour troubles which had been inflicted on it, with a considerable amount of its trade secured by its competitors, and this, of course, at a time when these competitors were in a strong position consequent upon the profits made while the British coal trade was being almost destroyed by the 1926 strike.

EFFECT ON POWELL DUFFRYN COMPANY.

With such conditions prevailing, the company's collieries have unfortunately been working very irregularly and prices fell to a quite uneconomic level. It may not be fully realised to how large an extent satisfactory results in coal mining, especially in South Wales, are dependent upon regular working at the collieries, and it has been largely owing to intermittent working that the results for 1928 have been so disappointing.

To give you an indication of the extent to which the volume of trade has fallen, the exports of coal from the United Kingdom fell from 73,400,000 tons in 1913 to 50,000,000 tons in 1928—a decrease of 23,400,000 tons.

It may be of interest to you to know that the average loss per ton, as shown by the ascertainment figures, on the output of the South Wales coalfield during the nine months ended October 31st last, was 1s. 6d. per ton. This figure does not represent the total loss per ton suffered in the South Wales coalfield, because there are items of cost which are not taken into account in the ascertainment. These can be put at from 5d. to 6d. per ton. It will be seen, therefore, that the total loss sustained by the owners is more in the neighbourhood of 2s. per ton.

I venture to say that we may almost congratulate ourselves that the position of this company as reflected in the profit and loss account is not worse.

There is little doubt, ladies and gentlemen, that the year 1928 will go down to history as the worst experienced in the British coal industry within living memory. It is with a feeling of relief, therefore, as well as of pleasure, that I am able to tell you now that there are definite signs of improvement before us. As it has always been our policy to maintain our undertaking in a state of full efficiency, and that policy has been maintained during the past year in spite of bad times, the company is well equipped to take advantage of prosperity when it returns.

From the point of view of the Powell Duffryn Company, the year 1928 has conclusively proved that the whole aspect of the coal trade has completely altered. The marketing of coal has become an increasingly important and difficult part of our business. As a result of the most careful study of the problem which confronted them, the Board, as has already been indicated to you, came to the conclusion that the right policy was to link up with a large, well-established and comprehensive marketing organisation.

STEPHENSON CLARKE AND ASSOCIATED COMPANIES, LTD.

The Board are confident that in purchasing the business of Stephenson Clarke and Company, Ltd., the well-known firm of coal factors and distributors, they have taken a step which not only makes for the Powell Duffryn Company's success, but also adds to its security. Stephenson Clarke and Associated Company, Ltd., have been appointed sole vendors of the company's coal, coke and by-products, and in order to co-ordinate the whole of the services of distribution, this company's wagons have also been transferred to them. We have, then, two organisations, one confining itself to efficiency in production, the other to efficiency in marketing, and both co-ordinated and controlled by a central committee consisting of Sir Stephenson Kent, Sir John Hindley, Mr. Evan Williams and myself.

This is the first occasion in the history of the coal trade of this country in which the functions of production and marketing have been merged on such a scale. I am sure that this principle is one which eventually will have to be applied to the coal industry generally, for the experience of the last year has demonstrated that, standing alone, production is quite unable to protect itself, as is shown by the low level of prices which has been forced upon the collieries. It is not suggested that such organisations should be used for the purpose of forcing up prices, but rather for the purpose of obtaining an economic price for the products of the industry which would ensure a fair wage for those engaged in it, and a reasonable return on the capital employed, while, at the same time, tending to prevent the wide fluctuations in prices which in the past have been so detrimental to the coal trade, as well as to the general business interests of this country.

"PENALLTA MIXTURE" AND "PRESOTIM."

You will remember that last year I referred to plant which we had installed at Penallta Colliery for producing a special mixture of large coal and washed small coal. I am glad to be able to report that this Penallta mixture is becoming increasingly popular, and the excellent results of tests, to which I then referred, have been confirmed in a number of other cases. We believe that we have placed on the market a fuel which is most perfectly adapted for marine purposes and we look forward to its increasing popularity.

Again, the new by-product "Presotim," which we placed on the market as a wood preservative, is growing in popularity as it becomes known.

It will interest you to know that at Newport, Monmouthshire, over 400 houses are being built in which no paint is being used internally. The whole of the interiors of these houses are being decorated with Presotim.

The report and accounts were unanimously adopted.

NEWCASTLE-UPON-TYNE ELECTRIC SUPPLY COMPANY, LIMITED.

SUCCESSFUL RESULTS OF DIFFICULT YEAR.

The forty-first annual general meeting of the Newcastle-upon-Tyne Electric Supply Company, Limited, was held, on the 26th instant, at the Central Station Hotel, Newcastle-upon-Tyne, Mr R. P. Sloan, C.B.E. (chairman) presiding.

The notice convening the meeting and the auditor's report having been read by Mr M. Short (joint secretary),

The chairman, in moving the adoption of the report and accounts, said: When I addressed you last year I refrained from forecasting our prospects so far as supplies to collieries were concerned, as the position was full of uncertainties. I did not anticipate then that this important section of our business would suffer to the extent to which it has done. Last year proved to be one of the worst periods experienced by the coal trade in the counties of Northumberland and Durham for many years past, excluding, of course, the strike year of 1926.

In the case of another important section of our business, namely, shipbuilding and engineering, no great improvement was shown as compared with the previous year. While the tonnage of ships launched during the year, on the four rivers within our area, shows a substantial increase as compared with the year 1927, the new tonnage laid down showed a steady decline until towards the end of the year. It is, however, the new tonnage commenced which affects us rather than the actual tonnage launched, as the latter is the result of work carried out in the yards at an earlier period.

ALLOCATIONS.

The year's profit shows an improvement of £35,963, which, I think, may be considered satisfactory, bearing in mind the unsatisfactory condition of trade generally.

Interest on debentures and loans is less by £16,794, due to our having placed further share capital during the year 1927, which reduced the indebtedness to our bankers.

The transfer from profit to general reserve is the same as in the previous year, viz., £150,000, but the transfer to renewals and improvements reserve has been increased to £60,500, as against £50,000 last year. I shall refer to this later.

While the profit available would permit of the payment of a higher dividend on the ordinary shares, the directors consider it the wiser course to adopt a conservative policy, and they recommend the payment of a dividend at the same rate as that paid in the previous year, viz., 6 per cent., and that the balance of profit be carried forward, which will make the total sum to be carried forward to the current year £80,653.

While no increase in the rate of ordinary dividend is recommended, the amount required is £31,762 in excess of that required in the previous year.

The directors' recommendation with regard to the ordinary dividend was forecasted in the circular letter, in connection with the issue of 925,000 ordinary shares, which was sent to the shareholders in November last.

These new shares were, as usual, offered to the holders of 5 per cent. preference and ordinary shares of the Company. On this occasion, the issue was made at a premium of 3s. 6d. per share, and was underwritten. The shares were readily taken up, and I regret that many applicants for additional shares were much disappointed by the smallness of the allotments they received.

Reference is made in the directors' report to the fact that Royal Assent to the Bill, promoted by our associated company, the Cleveland and Durham County Electric Power Co., was given on August 3rd last. A commencement will be made shortly in developing this new area.

LIGHTING PRICES.

Many of you will be aware that, some little time ago, there was considerable correspondence in the local press regarding our flat-rate price for lighting. Much of this correspondence was anonymous, and, in many instances, full of inaccuracies and misleading statements. The subject was, however, taken up by a number of local authorities within our area of supply, and we were in due course invited by the Corporation of Newcastle to attend a Conference of Local Authorities to discuss the matter.

I do not propose to take up your time by going into the case put forward by the representatives of these authorities, nor the Company's reply, but I should like to mention one of the more important points which we put before the conference, and which it is important should be borne in mind.

In spite of the very rapid increase of our domestic supply business during the last four or five years, the great bulk of our business is that of supplying power to industries.

It will readily be appreciated that trade depression does not affect the consumption of electrical energy by domestic consumers to anything like the same extent as it affects consumption by industrial consumers. Any electrical undertaking which is mainly concerned

in supplying domestic consumers, has, consequently, not suffered on account of the acute trade depression in the way in which we have done.

At the conference to which I have referred, I intimated that we had had the question of a revision of tariffs under consideration for some time, and had decided to issue two new tariffs—one applicable to shops, which would operate as from the commencement of this year, and the other, applicable to domestic supplies, which would come into operation at the end of the current quarter.

In the case of the tariff for supplies for domestic purposes, we have framed this on a sliding-scale basis, which, besides giving a reduction in the standard flat rate per unit, will enable any consumer who increases his consumption beyond a certain quantity to get his additional units at progressively lower rates. The quantity referred to will be so graded as to represent a moderate use of electricity for ordinary lighting purposes.

We have also decided to withdraw all meter rentals, except in a few special cases. In the case of the smaller class of consumer—where the consumption of electricity is not great—a meter rental naturally represents a large proportion of the total bill, and we feel that this withdrawal will be welcomed by a very large number of our consumers.

The introduction of these tariffs will, in the aggregate, represent a very substantial concession to our own consumers, and those of our associated companies, which will be of the order of £45,000 per annum.

I may add that we anticipate a considerable increase in the consumption and use of electricity as a result of the concessions we are now making.

During the past year we connected up an additional 29,119 horse-power. As these connections were made throughout the twelve months, we did not reap the full benefit of the potential business they represent. Since the commencement of the current year we have connected 4,027 additional h.p. to our system, and orders for further supplies now in hand represent 31,600 h.p., which will become revenue-earning in due course.

We are continuing to develop our domestic business, principally concentrating on filling up networks already laid. This policy, as I have previously mentioned, does not enable us to secure so great a number of new consumers in any year, but it is a more profitable one for the company to pursue at the present time, as it improves our return on capital already expended.

There is evidence of some improvement in the shipbuilding trade. A considerable number of orders were placed during the earlier part of this year, of which local shipyards have secured a fair share.

The outlook in the coal and coke trades is distinctly brighter, and some collieries are booked well ahead.

The position of the iron and steel trades also appears to be improving.

The actual increase in our output, up to the latest date for which we have information, shows an improvement compared with the corresponding period of last year, and although this is not very great, the rate of improvement has been on the increase during the last few weeks. Generally speaking, I think the prospects are favourable, and the assistance to productive industries under the Government's de-rating scheme will, I have no doubt, still further improve the position.

As a public utility undertaking, we are precluded from any relief under that scheme, but as the great bulk of our business is that of supplying power to productive industries, anything which may assist them will indirectly be to our benefit.

In one respect, the passing into law of the De-Rating Act places a difficulty in the way of those whose business it is to develop the public supply of electricity in this country. The principal aim of the Government electricity scheme, as contemplated under the Electricity (Supply) Act, 1926, is to cheapen the cost and extend the use of electricity, and the possibility of achieving these results will depend, in a large measure, upon the extent to which electricity is supplied from the Central Transmission System or "grid." As the proposed rates rebate of 75 per cent. to "industrial heredita-ments" will apply to privately owned generating stations in factories, the rates rebate, in effect, puts a premium on privately owned stations, which will be an inducement to the continuance of those now in operation, and may also prove an inducement towards installing new private plants.

While the De-Rating Bills were under consideration by Parliament, efforts were repeatedly made by us and others interested to get electricity supply authorities placed in the same category as "freight transport hereditaments"—in which case the whole relief obtained has to be passed on to certain customers, or alternatively, that electricity supply authorities should receive the benefit of the rates rebate upon such portion of their works as were used for the purpose of supplying "industrial hereditaments." These efforts, I regret to say, met with no success.

The report and accounts were unanimously adopted.

ASSOCIATED PORTLAND CEMENT MANUFACTURERS, LIMITED.

PROFIT MAINTAINED IN DIFFICULT YEAR.

The thirtieth ordinary general meeting of the Associated Portland Cement Manufacturers, Limited, was held, on the 27th instant, at River Plate House, London.

Mr P. Malcom Stewart (chairman of the Company) presided, and, in moving the adoption of the report, said: The balance from the trading account at £568,016 is less by £56,536 than last year's figure, but the reduction is more than set off by the receipts from interest and dividends, which at £365,257 show an increase of £88,913. The total revenue for the year at £934,579 shows an increase of £32,930, which enables us to recommend the payment of a dividend of 8 per cent. on the increased ordinary share capital. That we should have been able to maintain our profits despite the adverse circumstances operating during the year is an achievement which, I believe, will be regarded by you with some degree of satisfaction.

ADVERSE CIRCUMSTANCES.

What were these adverse circumstances? We had at the outset to face a lower but not unsatisfactory average selling price than we had enjoyed the previous year. Unfortunately, this level of prices was not long maintained. The further co-operation advocated in my speech last year was not forthcoming for some time, and we had to face a period of intense competition which continued until the end of October and has left its trail of low-priced contracts to be completed. If co-operation is to be established, opportunities for friendly discussion must be facilitated. These were forthcoming. Ultimately, with the creation of a better understanding all round wiser counsels prevailed, and competitive manufacturers resolved to join the Cement Makers' Federation, the doors of which had always been kept open. Thus was the industry enabled to a considerable extent to stabilise selling prices. There was never any foundation for the statements appearing in the press that our companies had entered into agreements or made territorial arrangements. Further, it should not be assumed that, on the cessation of price cutting such as was experienced, the situation could immediately revert to the status quo ante bellum. Most industries pass through periods of price warfare, often brought about by over-production, and the attempt of manufacturers individually to force on to the market more than it can consume. The unrivalled service which we can give, combined with the recognised quality of Blue Circle Portland Cement and Ferrocrete, enables us to hold our own at equal prices. We do not rest on our goodwill; we are always striving to merit it increasingly. But there is a difference in price at which the buyer, often reluctantly, will feel compelled to purchase the cheaper article, and when faced with this situation we are not prepared complacently to see our old-established connections taken away from us by undercutting. Indeed, I would like you as shareholders to know that in such circumstances we deem your true interests to be best protected by the maintenance of our trade connections. We strive to give effect to a policy which will bring a reasonable degree of prosperity to all efficient manufacturers in the industry, but when attacked we are not prepared to sit down and see our trade filched away.

Nevertheless, I wish it to be clearly understood that no effort has been or will be spared on our part to further the cause of co-operation, to the service of which I have devoted myself during the past twenty years, first as chairman of the Inland Cement Makers' Alliance, and since as chairman of the Cement Makers' Federation. It is mainly due to the beneficent influence of the Federation that our industry has been able to pull through the difficult post-war period with a reasonable degree of prosperity.

You will have seen that we passed through a period of severe competition, culminating in the restoration of more stable prices on a reduced basis. How is it, then, that we have been able to maintain our dividend under these adverse circumstances? This result is due to two causes: in the first place, we last year began to reap the harvest of our reconstruction policy launched four years ago.

The second contributing cause of the maintenance of our profits was the fact that the reduction in our trading account profit was more than compensated for by the increased revenue from investments. We have not been favoured with any windfalls; our dividend has been earned from the production of Portland cement manufactured at home and abroad.

Last year I reminded you of the works reconstruction programme laid down four years ago and informed you of the progress effected to date.

anticipate obtaining from them 7,500 tons weekly, with a high degree of economy. To-day your company can face the future equipped with modern plant and served by a highly trained technical staff always striving to attain further efficiency and economy. There is no feeling that the task is ended, no inclination to rest on our oars. This year we are already working at the application of the lessons learned from the vast programme carried out. Our companies are now operating no fewer than 20 rotary kiln works spread over the United Kingdom. Briefly stated, we have closed our smaller and less efficient units and increased the production at works equipped with the best economic advantages, thereby decreasing our manufacturing costs. Further, we have reduced selling prices and increased the tonnage sold. At the same time we have maintained the wages paid to our employees; these to-day are well over 100 per cent. higher than paid pre-war, and are, in addition, earned in shorter hours.

Whatever help or hindrance may come from legislation, there is room for something to be done by voluntary effort through the influencing of public opinion. The growing tendency to buy British or Empire goods is encouraging. The influence of "Buy British" propaganda is stirring the conscience of the buyer with sufficient imagination to visualise the dark picture of unemployment.

You will be interested to learn that we made our first distribution last Christmas under the profit-sharing bonus scheme, announced last year. Over six thousand of our employees participated, of whom some fifty per cent. had served the company for ten years and over. Our men are gratified with the putting of this scheme into operation, and we are confident that it gives expression to a sound principle which I trust we shall see more generally adopted.

WORKS ABROAD.

Our works abroad call for comment. The results obtained during the past year in South Africa have been satisfactory, and this applies equally to Mexico and British Columbia.

Towards the end of November last, I sailed for India, and spent two months there. The position in India, which was one of acute depression in 1924, has since witnessed a remarkable change. Many manufacturers have embarked on programmes of extension, and although there is a risk of over-production when the increased tonnages come on the market, we have decided that to retain our relative position we must extend our works. These have now been brought up to a most satisfactory state of efficiency.

SALES POSITION.

Referring now to our sales position, our total deliveries as already mentioned constitute a record, the outstanding features being increased deliveries in the export trade and of Ferrocrete, which is growingly appreciated by engineers and contractors. As an illustration, I will cite the new docks at Tilbury, now being completed under scheduled time, largely due, I am given to understand, to the use of Ferrocrete. It is also being used for the new docks at Southampton, and other important public works.

Our "Blue Circle" propaganda and publicity is being vigorously pushed, and there is growing evidence that these efforts are successfully extending the uses of Portland cement, a matter of the utmost importance in view of the increasing production in this country.

To summarise the events of the past year, the trade has suffered from severe competition, followed by the stabilisation of prices at a low level. A four years' programme of reconstruction has been virtually completed, resulting in decreased manufacturing costs and increased efficiency and productive capacity; thus have we placed ourselves in a position to meet the growing demand for Portland cement which we look for. Finally, our profits have been maintained, and we recommend the payment of a dividend on the increased ordinary share capital of eight per cent., the same rate as was paid last year.

CURRENT YEAR'S PROSPECTS.

With regard to the current year, prices are undoubtedly on the low side, and early prospects have been somewhat blighted by the severe weather, but trade is now picking up satisfactorily. We shall seek to consolidate and put the finishing touches to the work already accomplished and look for some further reduction of our manufacturing costs. Whether any advantage gained in this direction will be neutralised by market conditions is a question to which I shall give you the answer when we meet next year.

The report and accounts were unanimously adopted.

RADIATION, LIMITED.

WELL IN THE FOREFRONT.

CURRENT TRADING SATISFACTORY.

The annual general meeting of Radiation, Limited, was held on the 25th instant at the Cannon Street Hotel, London, E.C., Mr. H. James Yates (the chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said that during the past year in some sections of the business they had been up against keen and, he must say, most foolish competition. Naturally, that competition had had to be met, and as a result they had had to supply certain goods at prices which did not enable them to recover overhead charges, to say nothing of making a profit. For those reasons profits for the past year had suffered. In addition to those difficulties, the directors had been obliged to give much time and attention in relation to the events which had happened a year ago, and to which he did not desire to make further reference, except to say that it was to be hoped those matters were now finally closed. He was pleased to say, however that so far in the current year trading results showed a very satisfactory increase on last year.

It had been decided to hold the meetings of the company in future in London. There appeared to be an impression in some quarters that the greater proportion of the shareholders were in the Birmingham district, but that impression was quite erroneous. London was the centre which suited the convenience of the majority of the shareholders.

IMPROVING THE GAS FIRE.

At the meeting last year he had made reference to an investigation on which the Board had been engaged for a number of years, having for its object the possibility of improving the quality of heat emitted by the gas fire. To explain what was meant by improving the quality of heat, everyone would agree that the heat experienced when in the sunshine was more pleasant than that felt when sitting in front of a domestic fire of any type. The human body could bear without discomfort a greater intensity of the sun's heat than of that emitted by any other forms of heating. That effect was due to the difference between the quality of the heat from the sun and that emitted by domestic fires; hence, if something of that distinctive feature of the sun's heat could be imparted to the heat given out by a gas fire, a greater degree of comfort would be ensured.

Energy radiated from a source travelled like series of waves through the ether, and the character of the energy was determined by its wave length. It was only in respect of wave length that light differed from the longer and invisible rays to which the sensation of heat was attributed.

The sun's energy had the power of penetrating the outer layer of the skin and getting directly to the nerve ends which lay very near the surface, and also of travelling through to the fine blood capillaries which lay immediately underneath. As a result of their research work the Board had succeeded in producing a new radiant, which provided a more congenial warmth, and the scorching and drying sensation often experienced when sitting in front of a domestic fire had been done away with. The company had thus produced a gas-fire radiant greatly in advance of anything hitherto made, called the "Thermo-XX Beam" radiant. It was strictly interchangeable with its predecessor, the "Thermo-XX" radiant, which up to the present had proved to be the most efficient gas-fire radiant made. Those radiants could be obtained from any gas undertaking and could be fitted in place of the "Thermo-XX" radiants in existing radiation "Injector-Ventilator" gas fires.

The new "Thermo-XX Beam" radiants had had a remarkable reception, not only from the gas industry, but among medical men and the general public.

The ultimate ideal of making a gas fire which would give the beneficial effect of sunshine in every home was still being pursued. The Radiation "Injector-Ventilator" gas fire fitted with the new "Thermo-XX Beam" radiant was hygienically perfect. It warmed the room and at the same time ventilated it, thus being the means of causing the admission of cool and fresh air to the room.

COOKING DE LUXE.

Radiation was an organisation that never rested, as was exemplified by continued developments in all the various apparatus which they made, and, in particular, in the "New World" cooker. Its introduction some years ago marked an epoch. Ever since, the Board had experimented continuously to bring about still further improvements, and were now introducing a new type of hotplate, known as the "Disc-Bar." While still maintaining the highest economy, it greatly improved the general utility of the hotplate, and upheld the company's high hygienic standard. On the introduction of the "New World" cooker, and with the "Regulo," which enabled automatic control of the oven to be effected, he had prophesied that the day would come when no gas oven would be

used without some form of automatic control. That prophecy was being borne out, and to-day it was an exception for them to supply a "New World" cooker without the "Regulo." The "Regulo" was the only absolutely reliable automatic control made to-day. At that the housewife had to do was to place the food in the oven, set the "Regulo" at the prescribed mark, and after the lapse of the necessary time remove the food perfectly cooked. Another feature of their "New World" cookers was the mottled enamel finish, Apart from the improvement in the appearance, the enamel required very little labour to keep clean.

PATENT LAW DEFICIENCIES.

In his opinion, the patent laws of this country did not provide inventors with the same degree of protection as was to be obtained in other industrial countries—notably the U.S.A. Many of the developments in the company's apparatus had been the result of long-continued and costly research. When they had reached their goal they had frequently found themselves in the unfortunate position of not being able to retain the results of their great expenditure and pioneer work, which became at once available to competitors who made no corresponding contributions to the progress the company had thus effected. Developments, however, on hand fully assured the company continuing to hold the premier position in all the types of apparatus they made, and the Board would continue to take every step which they considered essential to protect the company's inventions and designs and to prevent the use of any name which could be regarded as trespassing upon or infringing their rights, especially having regard to the energies—representing years of work—which had been spent and the great expenditure which had been incurred in the extensive research work carried out.

At an extraordinary general meeting held last year provision had been made for the annual retirement of one-third of the directors liable to retire. This year it fell to Messrs. T. B. Peattie and Edward Markwick to retire, and their re-election would be dealt with by resolutions to be submitted subsequently.

Sir David Brooks seconded the motion and, the chairman having replied to questions, it was put to the meeting and carried *nem. con.*

The retiring directors, Mr. Edward Markwick and Mr. T. B. Peattie, were re-elected, and the auditors, Messrs. Peat Marwick, Mitchell and Co., having been re-elected, the proceedings terminated.

MIDLAND ELECTRIC CORPORATION FOR POWER DISTRIBUTION, LIMITED.

DEBENTURES PAID OFF.
9 PER CENT. DIVIDEND.
A RATING ANOMALY.

The thirty-first ordinary general meeting of shareholders of the Midland Electric Corporation for Power Distribution, Ltd., was held on Tuesday, the 26th instant, at the Exchange Hotel, Liverpool.

Mr D. Sinclair, M.I.E.E., Chairman of the Company, presided.

Mr C. Heathcock, Secretary, having read the notice convening the meeting,

The Chairman, in moving the adoption of the report and accounts for the year, said: The profit for the year amounted to £154,460, an apparent decrease of £40,462 from the previous year. These figures, however, are not a true comparison, for it will be borne in mind that in 1927 we owned and operated the generating station at Ocker Hill.

From the purchase money obtained from the sale of the station, we have paid off the whole of the debentures and have filed satisfaction at Somerset House. The interest on the debentures, has, therefore, been saved, with a reduction of sundry administrative items, such as rates and insurances. After making the necessary adjustments, the financial result is very little different from the previous year.

It is as yet too early to estimate the effect of purchasing all our supplies, as the interlinking of the various generating stations is not completed. In the meantime the charges for current are being regulated by the proportional cost to us previous to handing over the station. The West Midlands Joint Electricity Authority hopes to fix its tariff at the end of March, and the effect may be to increase costs somewhat until the full advantage of joint working of the stations is obtained.

CAPITAL.

At the last annual meeting resolutions were passed increasing the nominal capital of the company, and such resolutions were confirmed in April, 1928.

Of the additional capital thus authorised, 350,000 ordinary shares were issued in June as a bonus distribution of share for share to ordinary shareholders, so that the share capital issued now more nearly corresponds to the capital attributable to the undertaking.

DIVIDEND.

Your directors recommend a final dividend of 5½ per cent., making, with the interim dividend of 2½ per cent., a total distribution for the year of 8 per cent. on the increased capital. It is proposed to carry forward the sum of £24,549 remaining.

AREA OF SUPPLY.

An application for a special order to extend the company's area of supply to the parishes of Swindon, Seisdon, Trysull, Bobbington and Claverley was lodged in April last, and the order was confirmed on the 11th instant. To expedite supply to a large works in Swindon, a Fringe Order was obtained in November last, and overhead mains are now in course of erection. The new areas are at present almost entirely rural, and the increased load, apart from the one works at Swindon, will not be large. The company's area is now entirely surrounded by the areas of other undertakers, so that further extensions are unlikely. On the other hand, your directors have contracted to sell a small portion of the undertaking lying in the urban districts of Heath Town, portions of Upper and Lower Penn, together with Tettenhall.

Wolverhampton extended the borough boundaries and had the right to purchase, in 1940, a substantial portion of the area sold, by virtue of such extension. They approached the company as to an immediate sale, and a price was agreed that will result in a substantial profit to this company.

EXTENSION OF TENURE.

I mentioned at our meeting last year that various local authorities had the right to purchase the company's distribution system in their particular areas in 1940 or any subsequent tenth year. Your directors are now in negotiation with the respective councils to obtain an indication of their views on this matter so as to be able to plan the development of the area accordingly.

CENTRAL ENGLAND SCHEME.

During the year a scheme for the electrical development of central England, which included our area of supply, was published.

Your directors, from a long experience of supply in the area, made several representations with regard to the scheme, and in reply received an invitation to meet the Central Electricity Board. The deputation was received in a very courteous manner, when representations made were considered and fully met.

LOCAL RATES.

The properties of the company have been re-assessed for local rates, under the provisions of the Rating and Valuation Act of 1925. The new assessments will operate from April next, and will result in a substantial increase in the company's costs.

Public utility companies were unable to secure any relief from rates under the Rating and Valuation (Apportionment) Act, 1928, so that now you have the anomaly that a privately operated generating station obtains relief, while a station operated for public supply has to pay.

LOYAL SERVICE OF STAFF.

Before moving the adoption of the reports and accounts, I want you to join the Board in an expression of grateful appreciation to the whole of the employees for the loyal and efficient service they have rendered during the past year. We have the chief officers here in Mr Parkinson, the manager and engineer, and Mr Heathcock, the secretary, and I am sure you will wish to join in a hearty vote of thanks, and ask them to accept it for themselves, and also on behalf of all their absent colleagues, to whom I ask them to convey it.

I have now to move that the report and accounts for the year ended December 31, 1928, as certified by the company's auditors, be received, approved and adopted.

Mr G. H. Nisbett seconded the resolution, which was unanimously adopted.

The meeting approved of the payment of a further dividend of 5½ per cent., making, with the interim dividend paid, a total distribution of 8 per cent. for the year.

On the motion of Sir Arthur Stanley, seconded by Mr D. Johnstone Sinclair, Sir James Devonshire was re-elected a director of the company.

The meeting closed with a very hearty vote of thanks to the chairman and directors for their services.

INTERNATIONAL AUTOMATIC TELEPHONE COMPANY, LIMITED.

SATISFACTORY INCREASE IN PROFITS. BONUS DISTRIBUTION. DEVELOPMENT OF OVERSEAS MARKETS.

The ninth ordinary general meeting of the International Automatic Telephone Company, Limited, was held, on the 27th instant, at Winchester House, Old Broad Street, London, E.C.

Sir Alexander Roger (chairman of the company) presided.

The secretary (Mr C. H. W. Brougham) having read the notice convening the meeting and the report of the auditors,

The Chairman said; It is with deep regret I have to record the death of Mr John Lee in December last. He was returning from a visit to the United States undertaken in the company's interests.

Mr Lee was a recognised authority on communications and his death is keenly felt by the company. As a colleague Mr John Lee was held in high esteem by his fellow-directors and by his death we have all lost a lovable friend and an enthusiastic official who will be difficult to replace.

PROFIT AND ALLOCATIONS.

As your directors report and balance sheet have been available for some days, I assume that in the usual way you will take them as read. Both show a satisfactory increase in the profits of the company.

For the year under review the profits, after providing for contingencies, and after writing off certain small items, are £130,823, compared with £124,369 for 1927.

After providing for dividend on the 7 per cent. cumulative preference shares, amounting to £11,923, and interim dividend at the rate of 3½ per cent. per annum (less income tax) on the ordinary shares, amounting to £16,125, both of which have already been paid, your directors recommend that a further £10,000 be transferred to reserve, leaving an available balance of £152,359.

Your directors then recommend payment of a final dividend at the rate of 6½ per cent. per annum (less income tax) on the ordinary shares, making, with the interim dividend already paid, a total of 10 per cent. (less income tax) for the year. A bonus of 2½ per cent. (less tax) on the ordinary shares is also recommended.

On the deferred shares there is recommended a dividend of 10 per cent. (less income tax) for the year, together with a bonus of 2½ per cent. (less income tax).

I should like to emphasise that the directors truly consider the additional distributions in the light of bonuses and not as a change in the dividend rates.

These dividends and bonuses will take in all £82,625, compared with the figure of £62,875 in 1927, leaving a sum of £69,735 to be carried to the next account, as against £59,592 brought in from the previous year. Your directors feel that having made substantial provision for contingencies, the recommendations now submitted may be safely approved.

As you are aware, this company is engaged principally in selling in overseas markets—through its agents—the Strowger system of automatic telephony manufactured by Automatic Telephone Manufacturing Company, Limited, of Liverpool. A substantial amount of revenue is disbursed annually in the development and consolidation of overseas markets, and, in addition, the patent rights of the Strowger system of automatic telephony are being maintained by this company and its associated companies in all important markets of the world. By agreements there is a mutual exchange of patent licences in the common interests of the associated companies and of the system.

BALANCE SHEET.

My remarks in regard to the balance sheet must, of necessity, be largely a reiteration of those of previous years.

We recommend steadily adding to reserve account, and this year suggest that it be increased by a further £10,000. The fund will then stand at £120,000.

A small amount expended on office furniture and fittings during the year has been written off.

The sum of investments and loans has increased from the net figure of £758,449 in the 1927 balance sheet to the net figure of £897,732 in this balance sheet. The book figure for investments is some few thousands of pounds below cost, and the market value of these investments at date is in excess of both the book figure and cost.

As I said a year ago, our investments are made for a double purpose. We not only consider them from an investment or security point of view, but we always have in mind the purpose of furthering the sales exploitation activities of this company, and in consequence the manufacturing efforts of Automatic Telephone Manufacturing Co., Limited.

The return from investments is satisfactory, and shows some increase irrespective of the bonus of 2½ per cent. on Automatic Telephone Manufacturing Co., Limited's ordinary shares approved at the general meeting of that company which was held yesterday in Liverpool.

In the 1927 balance sheet there was a notation to the effect that your Company had undertaken to subscribe for further investments amounting to approximately £100,000. There were, in fact, two undertakings included in this sum; one amounting approximately to £80,000, and the other for £20,000. The trading benefits expected to accrue from the former have been arranged without the necessity to subscribe arising. The second undertaking in respect of the sum of £20,000 still stands and is expected to produce trading benefits.

Sundry debtors and debit balances, together with bills receivable, amount to £126,627 against £112,466 in the 1927 balance sheet.

Sundry creditors and credit balances amount to £150,506, as compared with £37,235 in the previous balance sheet. In the figure for creditors and credit balances there is the sum of £40,000 being provision for contingencies; also a small reserve for income tax liability on undistributed profits.

You will appreciate that in a company of this character, dealing with varying world conditions, provision for contingencies arises in the ordinary course of trading.

The increase in both debtors and creditors is substantial, but is in large measure accounted for by one purchase account and its corresponding sale account, the latter amounting to approximately £56,000.

AUTOMATIC TELEPHONE MANUFACTURING CO., LTD.

Yesterday I presided in Liverpool at the annual general meeting of Automatic Telephone Manufacturing Company, Ltd., and the profits of that company amount, on true comparison, to £175,670, compared with £171,359 for the previous year. The reserves and depreciation which were approved, amounted to £85,000, and the payment of 10 per cent. dividend, together with a bonus of 2½ per cent., was declared on the ordinary shares. The carry forward was increased from £81,755 to £93,482.

BUSINESS OVERSEAS.

Competition in our field, which lies overseas entirely, continues to be keen, and changes and developments are constantly taking place. By reason of the excellence of the products of Automatic Telephone Manufacturing Company, Ltd., and the standing which the Strowger system has secured throughout the world, we have hitherto secured our fair share of the business available, and with the resources at our disposal, both technical and financial, we hope that we shall continue to secure our share.

In conclusion, I would ask you to join with your directors in thanking the secretary and the staff for their very efficient work during the year.

I have much pleasure in moving "That the directors' report and accounts be approved and adopted, and that the dividends and bonuses recommended therein be paid."

Mr D. Sinclair (Vice-Chairman) seconded the resolution, which was carried unanimously.

The Board of Directors was unanimously re-elected on the motion of Mr H. B. Johnstone, seconded by Mr G. W. Younger.

The auditors, Messrs Harmood Banner and Son, were re-appointed and the proceedings terminated with cordial votes of thanks to the chairman, directors and staff.

MAZAWATTEE TEA COMPANY LIMITED.

STRONG POSITION.

The thirty-third ordinary general meeting of the Mazawattee Tea Company, Limited, was held, on the 26th instant, at the Cannon Street Hotel, London, Mr Alexander Jackson (the chairman of the company) presiding.

The Chairman said that although the past year's profit was less than that of 1927 the trading result of the year was highly satisfactory, particularly as it enabled the directors to raise the total reserve funds to £100,000, pay 15 per cent. on the ordinary shares, and carry forward £1,112 more than last year. Holding the large stocks which they did they were bound to feel the effect of varying markets, and the fluctuations in the price of tea had been most violent, particularly during the first half of the year. It had always been the directors' policy to create a substantial reserve as a set-off against the item of trademarks and goodwill, and as the reserves and carry-forward now amounted to £153,000 odd, it left only £110,673, or less than two years' purchase on the basis of the net trading profit for the past year. It was their intention to continue that policy and further to consolidate their already sound financial position, because such a business as theirs required a large amount of capital to finance it and to enable them to meet

THE
LIVERPOOL
AND
LONDON
AND
GLOBE
INSURANCE CO., LTD.
FOR ALL CLASSES OF INSURANCE
Head Office: 1, Dale St., Liverpool. London
Chief Office: 1, Cornhill, E.C.3.
General Manager & Secretary: Hugh Lewis

changing market conditions. After payment of the dividends recommended there would remain a balance of £53,185 to be carried forward, subject to directors' commission.

The company had been faced with adverse markets and varying duty conditions, which had added to their difficulties, and the competition in chocolate and confectionery had been very keen indeed. The turnover in tea had been quite satisfactory, so also had the turnover in other departments, and the growing popularity of high-class Mazawattee tea was most encouraging. Towards the end of the year under review trade, and especially in tea, began to improve, and this improvement was continuing not only at home, but also abroad.

As to the company's reserves, these were all invested in the business and formed a very important part of their working capital, for were they invested outside the business it would only mean that they would have to lodge the documents at the bank as security against further loans in order properly to finance their commitments, and loans on to-day's Bank Rate were anything but a luxury.

The chairman concluded by moving the adoption of the report and accounts, which was seconded by Mr Joseph A. Densham and unanimously adopted.

"THE FINANCIAL NEWS."

ADVERTISEMENT REVENUE.
LARGE INCREASE.
STRONG POSITION.

The ordinary general meeting of The Financial News, Limited, was held on the 25th instant, at 20 Bishopsgate, London, E.C., Mr Brendan Bracken (chairman) presiding.

The chairman, in moving the adoption of the report and accounts, said: The year again shows satisfactory progress; the circulation and advertisement revenues have increased considerably, and the profits earned are the highest in the company's history. The accounts presented show the strength of our resources. We were able to recommend dividends at the rate of 175 per cent. for the year, and the carry-forward has been brought up from £115,700 to over £130,000. These undistributed profits are sufficient to pay the full preference dividend, and an 88 per cent. dividend on the ordinary shares for three years, without allowing for any profits earned in that period.

The reserve account profit on realisation of investments amounts to nearly £82,000, and the investment and loans items disclose a liquid position with ample cash resources.

An examination into the profit and loss account shows a profit of £93,500, as compared with £77,436 last year, which latter figure, however, included two years' dividends on investment in the Argus Press. The directly comparable figures are actually as follows, taking the profits before allowance for income-tax and adjusting by elimination of the Argus Press dividends in 1927, and interest on the funds liquidated by the sale of that investment in so far as they were not reinvested in newspaper properties:—

1927.—Profit as above £56,774
1928.—Profit as above £107,998

CURRENT YEAR'S LARGER PROFITS.

Finally, although the year 1928 was a very exceptional year, and the profits for January and February of that year were higher than for any previous corresponding period, the profits for January and February of the current year have again largely exceeded them.

The Board regret greatly that the Right Hon. Sir Hilton Young, M.P., will shortly retire from the office of Editor-in-Chief of The *Financial News* and general manager of the editorial department of our associated company, Financial Newspaper Proprietors, Ltd. He has played a great part in the direction of our affairs, and all who have had the advantage of working with him will forever remember his eminent services. The Board have appointed Mr O. R. Hobson, Financial Editor of the *Manchester Guardian*, to succeed Sir Hilton Young as Editor-in-Chief.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended March 23, 1929:—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	16,035	From Revenue	28,259
Interest, &c., on Debt	1,457		
Sinking Fund	1,632		
Sundries	1,887		
Decrease in Debt	7,103		
Increase in Balances	145		
	28,259		28,259

The ordinary revenue for the week amounted to £28,258,900, as compared with £29,059,900 in the corresponding week last year. Property and Income Tax showed an increase of £555,000, and Super Tax an increase of £470,000. Customs receipts were £3,878,000, against £4,088,000 a year ago, and Excise receipts were £4,866,000, as compared with £3,026,000 a year ago.

Ordinary receipts brought in £14,500, as compared with £374,800, and Special receipts nil, against £48,000. The Revenue to date amounts to £732,238,500, as compared with £743,677,300 at this time last year. With one more week to run the excess of Revenue over Expenditure is £7,481,200. At this time last year Revenue exceded Expenditure by £658,200.

The National Debt was reduced by £7,103,000 as shown below:—

(000's omitted.)

	£		£
Treasury Bills	− 11,503	Treasury Bonds	+ 200
		Public Department Advances	+ 4,200
	−111,503		+ 4,400

The floating debt was reduced by £7,310,000 to £724,250,000.

FINANCIAL YEAR, 1928-29, April 1 to Mar. 23, 1929.

	£		£
Expenditure	722,757,352	Revenue	732,238,547
Amount repaid	13,103,611	Decrease in balances	3,622,416
	735,860,963	Total	735,860,963

ESTIMATES (New Basis), 1928-29.

	£		£
Expenditure	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

SELF-BALANCING REVENUE and EXPENDITURE.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1924.	Mar. 31, 1926.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 23, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	...	...	...	...	...	166	204	204	204
3½% Conversion Loan	...	...	666	709	760	740	832	832	832
4½% Conversion Loan	...	...	...	210	211	211	221	221	221
3½% War Stock	...	63	63	63	63	63	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,166	2,052	2,109	2,154	2,253	2,253	2,253
National War Bonds	...	1,509	820	778	706	586	194	111	64
4% Funding Loan	...	409	396	394	390	389	385	385	385
4% Victory Bonds	...	360	314	303	292	277	261	261	261
Treasury Bonds	...	...	457	499	482	454	675	775	762
Exchequer Bonds	20	323	150	15	15	15	16	16	16
National Savings Certs.	...	267	366	369	375	372	362	360	360
Other Debt*	...	1,306	1,128	1,124	1,111	1,103	1,097	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	588	576	565	599	527	788	700
Temporary Advances	1	243	186	167	139	117	162	28	24
	654	8,033	7,841	7,598	7,558	7,555	7,528	7,665	7,515
Other Capital Liabilities	57	46	66	68	75	98	103	103	107
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,631	7,768	7,622

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances Outstanding—	Mar. 24, '28. £	Mar. 31, '28. £	Mar. 23, '29. £	Movement Week ended Mar. 23, '29. £
Advances by Bank of England	...	...	...	...
Advances by Public Deptmts.	161,300,000	161,850,000	23,900,000	+ 4,200,000
Treasury Bills Outstanding	532,070,000	526,940,000	*700,350,000	− 11,510,000
Total Floating Debt	693,370,000	688,790,000	724,250,000	− 7,310,000

* Includes £8,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bills were opened on March 22, 1929, and the total amount applied for was £46,515,000. For bills at 3 months, dated Monday to Thursday, at £98 13s. 5d., about 84 per cent., and above in full; Saturday at £98 13s. 9d., and above in full. The amounts allotted were in bills at 3 months, £35,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.	£	£	£ s. d.
January 18	45,000,000	58,035,000	4 5 2·06
January 25	45,000,000	55,210,000	4 5 6·73
February 1	40,000,000	47,120,000	4 5 2·83
February 8	35,000,000	52,695,000	5 2 5·68
February 15	30,000,000	41,430,000	5 5 3·43
February 22	30,000,000	39,545,000	5 3 8·78
March 1	35,000,000	40,330,000	5 4 6·06
March 8	30,000,000	33,190,000	5 6 8·41
March 15	35,000,000	46,695,000	5 6 9·26
March 22	35,000,000	46,515,000	5 5 1·71

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1928-29.	Total Receipts into the Exchequer from April 1, 1928, to Mar. 23, 1929.	Total Receipts into the Exchequer from April 1, 1927, to Mar. 24, 1928.	Week Ended Mar. 23, 1929.	Week Ended Mar. 24, 1928.
Balances in Exchequer on 1st April:—	£	£	£	£	£
Bank of England	...	5,918,513	6,003,023	...	...
Bank of Ireland	...	404,112	456,633	...	...
	...	6,322,625	6,459,656	...	...
ORDINARY REVENUE.					
Inland Revenue—					
Property and Income Tax	232,900,000	226,458,000	241,799,000	11,468,000	10,913,000
Super-Tax	60,000,000	52,230,000	55,700,000	3,890,000	3,420,000
Estate, &c., Duties	72,000,000	78,480,000	75,100,000	2,750,000	1,230,000
Stamps	28,000,000	29,120,000	26,620,000	2,030,000	1,890,000
Excess Profits Duties, &c.	1,000,000	...	...	...	...
Corporation Profits Tax	1,500,000	810,000	1,730,000	...	30,000
Land Tax, House Duty and Mineral Rights Duty	850,000	780,000	770,000	60,000	40,000
Total Inland Revenue	396,250,000	387,878,000	400,719,000	20,198,000	17,523,000
Customs and Excise—					
Customs	120,637,000	117,339,000	110,031,000	3,878,000	4,088,000
Excise	140,768,000	133,091,000	138,173,000	4,866,000	3,026,000
Total Customs & Excise	261,405,000	250,430,000	248,204,000	8,744,000	7,114,000
Motor Vehicle Duties (Exchequer Share)	4,400,000	4,226,057	4,852,420	...	...
Post Office (Net Receipts)	8,186,000	9,200,000	6,950,000	*Dr700,000*	*D1000000*
Crown Lands	1,100,000	1,190,000	1,050,000	...	...
Receipts from Sundry Loans	27,650,000	27,971,892	23,839,479	2,490	5,000,170
Miscellaneous: Ordinary Receipts	13,550,000	12,791,549	30,146,588	14,493	374,768
Miscellaneous: Special Receipts	40,362,000	38,551,039	27,915,821	...	48,010
Total Ordinary Revenue	752,903,000	732,238,547	743,677,308	28,258,983	29,059,948
SELF-BALANCING REVENUE.					
Post Office	57,314,000	54,900,000	55,050,000	1,700,000	2,000,000
Motor Vehicle Duties apportioned to Road Fund	21,300,000	21,130,933	19,509,580	...	...
Total Self-Balancing Revenue	78,614,000	76,030,933	74,559,580	1,700,000	2,000,000
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920-28		774,432	3,996,000	...	...
Road Fund		3,825,000	...	...	...
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues:					
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		7,650,000	7,000,000	...	...
(b) Under the Unemployment Insurance Acts, 1920-28		11,690,000	3,550,000	260,000	60,000
(c) For other Issues:					
By Treasury Bills	2,676,735,000	2,376,231,000	48,797,000	35,548,000	
By 4% Consolidated Loan	...	41,316,756	...	...	
By National Savings Certificates	40,000,000	34,950,000	900,000	700,000	
By National War Bonds	10	...	...	...	
By 4½% Treasury Bonds, 1934	...	64,595,752	...	...	
By 5% Treasury Bonds, 1933-35	93,603,348	25,425,000	...	1,375,000	
By 4½% Treasury Bonds, 1932-34	19,210,000	...	20,000	...	
(d) Ways and Means Advances	581,564,000	794,420,000	6,499,000	161700000	
Repayments—					
In respect of Sues Canal Drawn Shares		5,733	4,536	...	...
In respect of Cunard Loan		...	130,000	...	...
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		172,293	185,991	...	...
Total £		4,249,858,838	4,176,538,506	86,614,983	23044294

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1928-29 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from April 1, 1928, to Mar. 23, 1929.	Total Issues out of the Exchequer to meet Payments from April 1, 1927, to Mar. 24, 1928.	Issues Week Ended Mar. 23, 1929.	Issues Week Ended Mar. 24, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt	304,000,000	309,679,532	311,399,455	1,456,761	1,374,378
Payments to Local Taxation Accounts	14,200,000	13,554,324	12,690,114	1,492,659	1,550,559
Payments to Northern Ireland Exchequer	5,600,000	4,477,350	5,191,613	...	1,140,682
Other Consolidated Fund Services	2,600,000	2,718,389	3,152,732	394,250	65,112
Supply Services (excluding Post Office)	353,765,000	338,250,148	346,707,161	16,035,434	15,638,676
Total Ordinary Expenditure	680,165,000	668,679,743	679,141,075	19,379,104	19,769,308
Sinking Fund	65,000,000	54,077,609	63,878,046	1,632,000	580,000
SELF-BALANCING EXPENDITURE.					
Post Office	57,314,000	54,900,000	55,050,000	1,700,000	2,000,000
Road Fund	21,300,000	21,130,933	19,509,580	...	...
Total Self-balancing Expenditure	78,614,000	76,030,933	74,559,580	1,700,000	2,000,000

	Total Issues out of the Exchequer to meet Payments from April 1, 1928, to Mar. 23, 1929.	Total Issues out of the Exchequer to meet Payments from April 1, 1927, to Mar. 24, 1928.	Issues Week Ended Mar. 23, 1929.	Issues Week Ended Mar. 24, 1928.
OTHER ISSUES.	£	£	£	£
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917	...	...
Under the Unemployment Insurance Acts, 1920-28	11,690,000	3,550,000	260,000	60,000
Road Fund, under Section 27 of the Finance Act, 1928	3,825,000	...	...	...
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928	9,950,000	8,900,000	...	...
Unemployment Insur. Acts, 1920-28—				
Repayment of Amounts Borrowed	774,432	3,996,000	...	...
Redemption of Debt—				
Treasury Bills	2,503,330,000	2,440,325,000	60,300,000	45,540,000
Principal of 3½% War Loan, 1925-28, paid off	...	41,014,875	...	...
Principal of National Savings Certificates	39,950,000	38,400,000	900,000	1,100,000
Principal of National Savings Bonds paid off	3,061	1,042	...	...
Principal of National £ War Bonds paid off ... 132,961,414				
Less paid off by the National Debt Commissioners ... 3,003,000	129,958,414	66,697,646	...	...
Principal of Treasury Bonds paid off	25,990,787	3,403,035	...	...
Other Debt under the War Loan Acts, 1914 to 1919	3,341,000	100	...	...
Ways and Means Advances Repaid	719,514,000	749,721,000	2,299,000	161360000
Issues to National Debt Commissioners to Reduce Debt—				
Sues Canal Drawn Shares Repayments	5,733	4,536	...	...
Cunard Loan Repayments	...	130,000	...	...
Old Sinking Fund, 1907-08—				
Issued under Section 9 of the Finance Act, 1908	1,000	1,623	...	...
	4,247,158,629	4,173,760,475	86,470,104	23040938

Balances in Exchequer—	Mar. 23, '29.	Mar. 24, '28.	In. or Dec.	for Week.
Bank of England	2,093,602	2,054,919	+ 44,879	− 84,450
Bank of Ireland	606,607	723,112	+100,000	+ 116,000
Total £	2,700,209	2,778,031	+144,879	+ 33,250

Treasury, March 27, 1929.

The Bankers' Gazette.

As the *Economist* goes to press earlier this week, in consequence of the Easter holidays, we are unable to give the returns of the Bank of England and other customary statistical matter.

PROVINCIAL CLEARING RETURNS.

	Month of February. 1928.	1929.	%	Aggregate Weekly Totals to Mar. 23. 1928.	1929.
Number of Working Days	25	24			
	£	£		£	£
BIRMINGHAM	11,993,000	12,233,000	+ 2·0	33,284,700	33,640,400
BRADFORD	6,821,000	5,058,000	− 25·8	...	...
BRISTOL	5,023,000	5,445,000	+ 8·4	14,605,000	15,283,000
DUBLIN	...	...	...	57,301,900	59,563,000
HULL	4,111,000	3,818,000	− 7·1	11,551,500	11,333,700
LEEDS	4,272,000	4,540,000	+ 6·2	12,768,400	12,585,500
LEICESTER	3,641,000	3,593,000	− 1·3	10,838,400	10,322,600
LIVERPOOL	36,127,000	34,080,000	− 5·6	8,608,400	7,959,500
MANCHESTER	57,199,000	55,569,000	− 2·8	168,512,500	159,228,500
NEWCASTLE-ON-TYNE	6,483,000	6,374,000	− 1·3	18,272,300	17,650,900
NOTTINGHAM	2,621,000	2,651,000	+ 1·1	7,919,000	7,994,600
SHEFFIELD	4,377,000	4,457,000	+ 3·7	12,822,900	12,770,900
Total	142,568,000	137,818,000	− 3·3	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Egypt appeared in the *Economist* of Jan. 19; Canada in Mar. 2; Denmark in Mar. 9; U.S. Federal Reserve, New York Federal Reserve, France, Germany, Java, Switzerland, Italy, Bulgaria, Poland, Roumania, Spain, Russia and Danzig in Mar. 23.

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

ASSETS.	Mar. 1, 1929.	Feb. 22, 1929.	Feb. 15, 1929.	Feb. 8, 1929.	Feb. 1, 1929.	Mar. 2. 1928.
Total securities	21,42,64	21,20,08	21,22,75	21,35,56	21,44,40	19,48,58
Loans	14,20,51	16,66,09	19,47,11	16,94,14	17,33,27	13,26,33
Cash credits	32,75,31	31,99,26	30,53,98	29,74,12	29,10,51	31,77,43
Inland bills	11,73,90	12,59,95	13,84,05	13,80,52	13,00,86	15,03,15
Foreign bills	38,12	44,99	47,53	42,04	37,72	26,49
Dead stock	2,83,14	2,83,36	2,83,15	2,82,28	2,82,19	2,78,39
Bal. with other banks	2,77	30,46	8,72	27,73	14,05	16,01
Cash	13,34,35	12,02,35	9,24,66	10,08,24	11,68,01	12,76,06
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,22,50	5,12,50
Total deposits	79,28,84	78,14,25	77,95,87	75,71,05	78,23,08	76,65,59
The above includes—	£	£	£	£	£	£
Deposits in London	846	1,077	1,007	974	869	999
Advances in London	912	887	954	911	914	981
Cash, etc., at other Banks in London	15	225	67	196	106	114

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

ASSETS.	Mar. 1, 1929.	Feb. 22, 1929.	Feb. 15, 1929.	Feb. 8, 1929.	Feb. 1, 1929.	Mar. 2, 1928.
Gold coin and bullion	7,623	7,757	8,388	7,603	8,119	8,259
Subsidiary coin	106	117	109	102	101	223
Bills discounted	9,560	7,998	8,310	8,688	8,335	8,683
Investments	782	710	705	694	721	575
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	9,419	8,088	8,206	8,690	9,392	8,668
Government deposits	1,699	2,038	1,921	1,510	2,220	2,047
Bankers' deposits	5,001	4,964	5,072	5,033	5,394	5,348
Ratio of cash reserves to liabilities to public	46·3%	50·9%	54·5%	48·4%	46·7%	50·4%

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

ASSETS.	Mar. 21, 1929.	Mar. 14, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Mar 22, 1928.	Position, May 28, 1914.
Gold	907,681	907,623	906,565	906,207	750,974	(b) 232,650
Foreign Bills and Balances Abroad	463,806	456,003	454,007	490,128	428,028	
Silver and other coin	1,474	1,485	1,489	1,543	2,173	
Securities	728,508	742,570	721,881	738,468	515,887	697,600
LIABILITIES.						
Notes in circulation	2,380,055	2,393,872	2,394,228	2,432,417	2,056,854	934,150
Current accounts	87,649	106,309	72,717	75,122	74,445	112,125

(b) In thousand francs.

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

ASSETS.	Mar. 18, 1929.	Mar. 11, 1929.	Mar. 4. 1929.	Feb. 25, 1929.	Mar. 19, 1928.	Position, May 30, 1914.
Gold	434,313	434,544	434,543	434,548	435,182	163,092
Silver	21,233	21,232	21,330	22,143	26,536	8,436
Dects. and advances	308,979	343,857	348,237	239,306	350,699	153,504
LIABILITIES.						
Notes in circulation	783,133	791,685	809,036	775,868	770,079	316,632
Deposits	11,479	24,282	12,194	31,489	48,935	5,016

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

ASSETS.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Mar. 15, 1928.	Position, May 31, 1914.
Coin and bullion—Gold	146,839	146,843	146,851	147,235	44,224
Balance abroad and foreign bills	35,539	35,856	35,715	35,822	28,533
Norwegian and Foreign Government securities	9,345	9,345	9,345	10,047	8,816
Discounts and loans	262,466	258,179	266,185	308,258	769,110
LIABILITIES.					
Notes in circulation	296,008	298,344	301,169	309,951	113,484
Deposits at sight	92,518	86,154	90,804	138,010	7,188

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

ASSETS.	Mar. 16, 1929.	Mar. 9, 1929.	Mar. 2, 1929.	Feb. 23, 1929.	Mar. 17, 1928.
Gold	235,199	235,300	235,363	235,460	232,930
Government securities—Swedish	6,001	6,001	6,001	6,001	11,027
" Foreign	73,774	73,774	73,774	73,774	105,524
Other Swedish bonds quoted on foreign bourses	743	743	749	749	2,172
Bills payable in Sweden†	212,283	207,472	219,740	195,309	188,134
" abroad	79,763	82,941	83,985	78,386	54,176
Balance abroad	37,168	35,929	40,223	45,935	38,449
Advances made on government securities and bonds†	57,690	52,712	65,192	47,917	47,070
LIABILITIES.					
Notes in circulation	481,653	469,819	503,941	442,974	465,493
Government deposits	174,662	175,416	175,823	192,558	168,534
Private deposits	3,972	9,930	4,851	4,182	9,018

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are *not* available as cover for the note issue.

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

ASSETS.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.	Feb. 7, 1929.
Gold	560,725	560,444	560,335	558,728	558,294
Gold exchange	4,555,770	4,603,136	4,391,460	4,520,811	4,678,642
Other foreign exchange	2,011	1,719	1,712	1,710	1,057
Bills discounted	74,843	73,592	71,964	69,373	70,139
Advances	3,789,638	3,789,638	3,789,638	3,789,638	3,789,638
Debt to the State					
LIABILITIES.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,549,853	5,465,262	5,398,713	5,430,809	5,490,150
Deposits and current accounts	2,049,428	2,136,212	2,014,974	2,113,702	2,205,277
Foreign exchange liabilities	1,108,222	1,158,442	1,130,171	1,134,776	1,145,219

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

ASSETS.	Mar. 13, 1929.	Mar. 6, 1929.	Feb. 27, 1929.	Feb. 20, 1929.	Mar. 14, 1928.
Coin and bullion	9,991	10,016	10,183	10,273	9,136
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	332,635	336,962	329,220	331,616	171,080
Discounts	279,312	274,399	280,656	257,879	246,756
Government loans	1,754,194	1,758,799	1,751,023	1,753,432	1,609,587
LIABILITIES.					
Notes in circulation	1,873,647	1,896,828	1,879,534	1,878,755	1,628,759
Deposits	71,116	63,924	71,561	60,949	72,739

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

ASSETS.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 23, 1929.	Mar. 15, 1928.
Cash Reserve—					
Gold coin and bullion	168,752	168,752	168,752	168,752	117,199
Foreign exchange	206,917	206,831	209,263	203,804	308,685
Other foreign exchange†	356,291	356,268	361,189	359,487	263,051
Bills discounted	131,232	156,861	163,535	126,525	64,170
Advances	112,385	116,017	116,066	116,066	172,970
LIABILITIES.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	9,283	8,167	8,167	8,167	6,367
Notes in circulation	892,209	924,346	976,726	858,280	854,618
Deposits	86,875	83,365	44,874	119,501	74,027

† In dollar and sterling only.

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

ASSETS.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 23, 1929.	Mar. 15, 1928.
Metal reserve—					
Gold coin and bullion	204,427	204,429	204,430	204,431	196,603
Drafts and notes	37,674	45,346	42,613	46,777	104,345
Silver coin and bullion	10,068	...	784	773	792
Inland bills, warrants and securities	299,909	301,763	313,752	291,282	285,569
Advances to the Treasury	92,296	92,296	92,351	92,351	105,989
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	405,350	420,606	450,623	391,978	404,797
Current accounts, deposits, &c.	233,654	236,245	216,430	255,645	330,286

* Calculated at pre-war parity of exchange.

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

ASSETS.	Mar. 15, 1929.	Mar. 8, 1929.	Feb. 28, 1929.	Feb. 22, 1929.	Mar. 15, 1928.
Gold	91,542	91,428	91,341	91,302	89,380
Other coin and notes	18,668	18,290	18,102	18,484	18,198
Foreign credits	178,587	179,983	184,896	189,107	290,577
Bills	1,357,617	1,377,133	1,358,571	1,362,476	1,326,148
Government advances	4,201,167	4,201,149	4,201,148	4,201,152	4,338,449
LIABILITIES.					
Notes in circulation	5,167,142	5,252,317	5,158,663	5,090,197	5,386,016
State credits	227,893	227,875	227,874	227,873	299,430
Deposits	1,033,680	902,211	1,064,685	1,155,514	1,234,462

LONDON RATES.

	Mar. 21, 1929.	Mar. 22, 1929.	Mar. 23, 1929.	Mar. 25, 1929.	Mar. 26, 1929.	Mar. 27, 1929.	Mar. 28 1929.
Bank rate (changed from 4½% Feb. 7, 1929)	% 5½	% 5½	% 5½	% 5½	% 5½	% 5½	% ...
Market rates of discount—							
60 days' bankers' drafts	5 3/8	5 3/8	5 3/8	5 3/8	5 3/8	5½	...
3 months' do.	5 3/8	5 3/8	5 3/8	5 3/8	5 3/8	5 3/8	...
4 months' do.	5 3/8	5 3/8	5 3/8	5 3/8	5 3/8	5 3/8	...
6 months' do.	5 3/8	5 3/8	5 3/8	5 3/8	5 3/8	5 3/8	...
Discount (Treasury Bills)—							
2 months'	5½	5 3/8	5 3/8	5 3/8	5 3/8	5 3/8	...
3 months'‡	5½	5½	5½	5½	5½	5½	...
Loans—Day to day	4½ 5	4 4½	3½ 4½	4½ 5	4½ 5	5	...
Short	4½ 5	4½ ½	4½ ½	4½ 5	4½ 5	4½ 5	...
Deposit allowances: Banks	3½	3½	3½	3½	3½	3½	...
Discount houses at call	3½	3½	3½	3½	3½	3½	...
At notice	3½	3½	3½	3½	3½	3½	...

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months	Trade Bills. 6 Months
1929.	%	%	%	%	%	%	%
Mar. 7	4½	5½ 3/8	5½ 3/8	5½	5½ 6	5½ 6	6 6½
14	4½ 5	5½ 3/8	5½ 3/8	5½ ½	5½ 6	5½ 6	6 6½
21	4½ 5	5½ 3/8	5½ 3/8	5½ ½	5½ 6	5½ 6	6 6½
27	4½ 5	5½	5½	5½ ½	5½ 6	5½ 6	6 6½

RATES OF EXCHANGE.

London on		Usance	Par.	Mar. 29, 1928.	Mar. 21, 1929.	Mar. 27, 1929.
New York	dollars to £1	Cable	4·86⅝	4·88 1/16–⅛	4·85 7/16–½	4·85 7/16–½
Montreal	dollars to £1	Cable	4·86⅝	4·87 7/16–½	4·87 7/16–½	4·88 1/16–⅛
Paris	francs to £1	T.T.	124·21	123 11/16–4 1/16	124·26–30	124·17–20
Berlin	marks to £1	T.T.	20·43	20·40 3/16–41	20·45 1/16–46	20·46–46 1/16
Amsterdam	florins to £1	T.T.	12·107	12·12 1/16	12·11 7/16–12·12	12·10 1/16–11
Brussels	belga to £1	T.T.	35·00	34·96 1/16–½	34·95 1/16–96	34·94–94 1/16
Milan	lire to £1	T.T.	92·46	92 3/16–⅛	92·68–·73	92·70–·72
Berne	francs to £1	T.T.	25·22	25·33 1/16–½	25·23–·23 1/16	25·22 1/16–·23
Oslo	kroner to £1	T.T.	18·159	18·28 1/16–29	18·19 1/16–·20	18·19 1/16–19 3/16
Stockholm	kronor to £1	T.T.	18·159	18·18–3/16	18·17–·17 1/16	18·16 1/16–·17
Copenhagen	kroner to £1	T.T.	18·159	18·21 1/16–½	18·21 1/16–½	18·21 1/16–21 3/16
Madrid	pesetas to £1	T.T.	25·22½	29·00 02	31·75–·85	32·14–·17
Lisbon	escudo to £1	T.T.	4·50	2 1/16–⅛ T	107 3/16–108 1/16	107 3/16–108 1/16
Vienna	schllgs. to £1	T.T.	34·58½	34·67–71	34·52–·55	34·50–·55
Prague	krone to £1	T.T.	24·02(a)	164 1/16–½	163 1/16–164	163 1/16–½
Belgrade	dinars to £1	T.T.	25·22½	277·8	276 1/16–½	276 1/16–½
Budapest	pengo to £1	T.T.	27·82	27·92–97	27·83–·87	27·83–·88
Bukarest	lei to £1	T.T.	813·6	782·785	814–817	813–816
Sofia	leva to £1	T.T.	25·22½	672–7	674–676	674–677
Athens	drachmæ to £1	T.T.	375	368–9	374 1/16–375	374 1/16–375
Constantin'ple	piastres to £1	T.T.	110	962–7	990–995	990–995
Warsaw	zloty to £1	T.T.	43·38	43 1/16–⅛	43 1/16–⅛	43 1/16–⅛
Helsingfors	F. marks to £1	T.T.	193·23	193 1/16–4	192 1/16–193	192 1/16–193
Kovno	lits to £1	T.T.	48·66	48 1/16–9 1/16	48 1/16–49 1/16	48 1/16–49 1/16
Reval	kroon to £1	T.T.	18·159	18·00–18·40	18·16–·23	18·16–·23
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15–·25	25·15–·25
Alexandria	piastres to £1	Sight	97½	97 11/16–¾	97 1/16–⅛	97 11/16–¾
Buenos Aires	pence to peso	T.T.	47·62d.	47 13/16–¾	47 11/16–¾	47 1/16–⅛
Rio de Janeiro	pence to mils.	90 days	16	5 13/16–⅞	5 13/16–⅞	5 13/16–⅞
Montevideo	pence to peso	T.T.	51	50 1/16–1	50–50 1/16	49 1/16–50 1/16
Valparaiso	dollars to £1	90 days	40	39·36	39·50	39·52
Lima	Eng. to Per. £1	90 days	par	22 1/16% prm.†	19 1/16 prem.	19 1/16% prem.
Calcutta	pence	T.T.	18	1/5 13/16–6 1/16	1/6–1/6 1/16	1/6–1/6 1/16
Bombay	to	T.T.		1/5 13/16–6 1/16	1/6–1/6 1/16	1/6–1/6 1/16
Madras	rupee	T.T.		1/5 13/16–6 1/16	1/6–1/6 1/16	1/6–1/6 1/16
Hong Kong	ster. to dollar	T.T.	—	2/0 1/16	1/11 13/16–2 1/16	1/11 13/16–2/0 1/16
Shanghai	ster. to tael	T.T.	—	2/6 1/16	2/6 1/16–2/7 1/16	2/6 1/16–2/7 1/16
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3 1/16	2/3 1/16–2/3 1/16	2/3 1/16–2/3 1/16
Kobe	ster. to yen	T.T.	24·58d.	1/11 15/16–¾	1/10–1/10 1/16	1/10–1/10 1/16
Manila	ster. to peso	T.T.	24·066d.	†2s. 0 1/16 d.	†2s. 0 1/16 d.	†2/0 1/16
Mexico	pesos to £	T.T.	9·76	24–1(b)	10·0–10·50	9·95–10·20

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, i.e., approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Mar. 23, 1929	5½	Oslo	Mar. 26, 1928	5½
Athens	Dec. 2, 1928	9	Paris	Jan. 19, 1928	3½
Belgrade	July 26, 1921	6	Prague	Mar. 8, 1927	5
Berlin	Jan. 12, 1929	6½	Pretoria	Jan. 9, 1928	5½
Brussels	June 30, 1928	4	Reval	Jan. 2, 1928	7½
Bucharest	Sept. 4, 1920	6	Riga	April 1, 1928	6† 7†
Budapest	Oct. 1, 1928	7			
Calcutta	Feb. 14, 1929	8	Rome	Mar. 13, 1929	7
Copenhagen	June 23, 1927	5	Sofia	Dec. 15, 1928	9
Danzig	June 20, 1927	6	Stockholm	Aug. 24, 1928	4½
Helsingfors	Nov. 15, 1928	7	Swiss Bank places	Oct. 22, 1925	3½
Kovno	Feb. 8, 1925	7	Tokio	Oct. 18, 1927	5·48
Lisbon	July 28, 1926	8	Vienna	July 16, 1928	6½
New York Federal Reserve	July 12, 1928	5	Warsaw	May 13, 1927	8
Madrid	Dec. 19, 1928	5½	Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·38
Venezuela	Bolivares to £	25·25	,,	25·12
Colombia (Bogota)	Pesos to £1	5	,,	5·00
Nicaragua	Cordobas to £	4·8665	,,	4·92
Salvador	Colones to £	9·73	,,	9·77
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Selling.
T.T.	—	⅛% dis.	par to ⅛% pm.	⅛% prem.
Demand	13/16% dis.	⅛% ,,	⅛% dis.	⅛ to 3/16% ,,
30 days	1⅛% ,,	¼% ,,	1/16% ,,	⅛% ,,
60 days	2 1/16% ,,	5/16% ,,	⅛% ,,	3/16% ,,
90 days	2⅞% ,,	7/16% ,,	1⅛% ,,	¼% ,,
120 days	3¾% ,,	1½% ,,	2⅜% ,,	...

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	New Zealand.	Selling. Australia.	New Zealand.	Australia and New Zealand on London. Buying. Australia.	New Zealand.	Selling. Australia.	New Zealand
T.T.	...	...	99⅛	99⅛	...	...	101	100⅝
Demand	98⅛	98⅛	99⅛	99⅛	99⅛	99⅛	100⅛	100⅛
30 days	97 1/16	97 1/16	...	...	99 1/16	98 1/16	100 1/16	99 1/16
60 days	97	97⅛	...	...	98 1/16	98 1/16	99 1/16	99 1/16
90 days	96 1/16	96 1/16	...	...	98⅛	97⅛	...	99⅛

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz :—

£1,000 sterling equals 942·27–944·15 tchervontsi.
1 tchervonetz = 10 gold roubles. £1 sterling = 9·46 gold roubles.

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council from April 1, 1928, to March 23, 1929, amounted to £30,077,000, by means of purchases of sterling in India. Of this amount, £2,265,000 was remitted on account of the paper currency reserve.

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929. ARRIVALS.	£	1929. WITHDRAWALS.	£
Mar. 22 Bars bought	6,462	Mar. 22	nil
,, 23	nil	,, 23	nil
,, 25 Coin bought	975,849	,, 25 Sovs. for export	4,000
,, 26	nil	,, 26 Bars sold	37,717
,, 27	nil	,, 27 Bars sold	17,099
		Sovs. for export	30,000
Total	£982,311	Total	£84,816

Net arrivals, £897,495.

Messrs. Samuel Montagu and Co. write as follows on March 27, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £152,442,839 on the 20th instant (as compared with £151,704,273 on the previous Wednesday), and represents a decrease of £1,463,476 since April 29, 1925—when an effective gold standard was resumed.

Only about £17,000 of bar gold was available in the open market this week, and the additional requirements of India and the trade were met by withdrawals from the Bank of England. There was a net influx of gold of £883,050 during the week under review.

SILVER.

Silver has been a steady market and during the week prices have reached a slightly higher level.

There has been rather more inquiry from India, but Bazaar operators have not been keen to pursue any upward trend. China has been the chief support of the market, and buying from this quarter carried quotations to 26½d. for cash and 26¼d. for two months' delivery on the 22nd instant.

The market has been rather poorly supplied, as America has bought as well as sold, but China operators made some re-sales at the higher rates.

The difference between the two quotations widened on the 22nd instant, when cash silver was quoted at ⅛d. discount as compared with two months' delivery. The difference of 1/16d. was, however, re-established on the following day.

The following were the United Kingdom imports and exports of silver registered from mid-day on the 18th instant to mid-day on the 25th instant :—

IMPORTS.	£	EXPORTS.	£
Germany	11,643	British India	40,603
Canada	17,200	Other countries	6,838
Other countries	14,735		
	£43,578		£47,441

INDIAN CURRENCY RETURNS (in lacs of rupees).

	Mar. 22.	Mar. 15.	Mar. 7.
Notes in circulation	18,946	19,123	19,155
Silver coin and bullion in India	9,943	9,871	9,902
Silver coin and bullion out of India	—	—	—
Gold coin and bullion in India	3,222	3,222	3,222
Gold coin and bullion out of India	—	—	—
Securities (Indian Government)	4,327	4,327	4,327
Securities (British Government)	1,054	1,053	1,054
Bills of exchange	400	650	650

The silver coinage during the week ended the 22nd instant amounted to seven lacs.

The stock in Shanghai on the 23rd instant consisted of about 76,300,000 ounces in sycee, 115,000,000 dollars and 9,300 silver bars, as compared with about 76,300,000 ounces in sycee, 112,000,000 dollars and 10,000 silver bars on the 16th instant.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
Mar. 22	84 11½	26⅛	26¼	Mar. 23, 1923	32 7/16
,, 23	84 11½	26⅛	26 1/16	April 4, 1924	32⅜
,, 25	84 11½	26	26 1/16	,, 3, 1925	31 7/16
,, 26	84 11½	26 1/16	26⅛	,, 9, 1926	30
,, 27	84 11½	26 1/16	26⅛	,, 1, 1927	26⅛
,, 28	...	...	...	,, 4, 1928	26⅛

NOTICES.

Mr. William Macnamara Goodenough has been elected to a seat on the board of Barclays Bank, Limited. The bank has opened a new sub-branch at No. 6 The Strand, Moordown (Bournemouth), under the management of Mr. W. J. Bond, who is also manager of Winton branch.

A branch of the National Provincial Bank is now open at Kenton Road, Kenton.

The night safe service introduced by the Midland Bank into this country in August last is now in operation at 127 London and provincial branches of that institution.

Reports and Notices.

BRITISH RAILWAY TRAFFICS.

The following are the traffic returns of the four British railways for the week ended March 24, also the aggregate receipts for first twelve weeks of 1929 :—

	Week ended March 24, 1929.	Increase or Decrease	Aggregate 12 Weeks, 1929.	Increase or Decrease
	£	£	£	£
Great Western	579,000	+ 30,000	6,399,000	− 41,000
London and North Eastern	1,059,000	+ 52,000	11,704,000	− 160,000
London Midland and Scottish	1,415,000	+ 24,000	15,582,000	− 363,000
Southern	391,000	+ 6,000	4,335,000	− 93,000

We hope to publish our usual full statement of receipts next week.

MISCELLANEOUS.

THE PARÁ ELECTRIC RAILWAYS AND LIGHTING COMPANY.—Gross receipts for year to November 30, 1928, amounted to £179,146, against £173,032. Net revenue was £71,193, against £69,832. The preference shareholders receive 6 per cent. The sum of £10,000 is put to Renewals Reserve.

(*Continued on page 720.*)

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Dividend. Ordinary. Amount.	Dividend. Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Corresponding Period Last Year. Dividend.
		£	£	£	£	£	%	£	£	£	%
Banks.											
Commercial of Near East ...	Dec. 31	434	10,533	10,967	...	9,600	6	1,000	367	9,914	5½
National Bank of Egypt.....	Dec. 31	210,172	651,623	861,795	...	540,000	18	100,000	221,795	614,099	17
Breweries.											
Cannon Brewery.....	Dec. 31	184,603	296,611	481,214	112,500	63,000	36†	100,000	205,714	252,561	36†
Shipstone (James) and Sons	Dec. 31	66,364	170,142	236,506	23,817	76,995	15†	60,000	75,694	160,493	12½†
Style and Winch	Dec. 31	73,722	135,523	209,245	21,897	87,500	17½	25,000	74,848	130,636	17½
Financial Land, etc.											
Matador Land and Cattle ..	Dec. 15	32,145	81,358	113,503	...	280,000	17½	50,000	35,503	69,570	15
Hotels, Restaurants, etc.											
Dolphin Hotel, etc.	Dec. 31	28	*Dr.442*	*Dr.414*	...	...	...	...	*Dr.414*	868	Nil
Iron, Coal and Steel.											
Scottish Tube	Dec. 31	20,819	711	21,530	15,000	...	...	...	6,530	69,457	7
Sir William Arrol and Co....	Dec. 31	21,028	64,443	85,471	24,080	...	...	40,000	21,391	54,095	...
Rubber, etc.											
Johore River Rubber	Dec. 31	9,141	4,575	13,716	...	...	...	2,000	11,716	...	...
Sungei Choh	Dec. 31	5,371	6,780	12,151	...	6,000	3	3,000	3,151	18,004	7
Teluk Gong	Dec. 31	1,406	722	2,128	...	1,600	5	...	528	2,103	5
Shipping.											
Cunard Steam Ship	Dec. 31	190,688	550,478	741,166	135,000	417,770	7½	...	188,396	649,748	7
Shops and Stores.											
Bradleys (Chepstow Place)	Jan. 12	83,214	141,156	224,370	16,500	80,000	20	17,581	110,289	129,501	20½
Gamage (A. W.).....	Jan. 31	22,475	71,315	93,790	26,000	40,000	20	5,162	22,628	71,060	18
Plummer Roddis	Feb. 12	10,089	50,935	61,024	9,625	33,250	7	7,000	11,149	47,740	6
Tea.											
Highland Tea of Ceylon	Dec. 31	1,314	20,561	21,875	...	14,500	25	5,723	1,652	20,523	25
Telegraphs, etc.											
Ericsson Telephones	Dec. 31	18,223	31,012	49,235	13,998	12,001	5	5,000	18,236	27,005	5
Tramway and Omnibus.											
Para Electric Railways	Nov. 30	5,698	28,804	34,502	19,500	...	...	10,000	5,002	27,663	...
Waterworks.											
Jersey New	Dec 31	2,067	10,177	12,244	2,250	8,400	5	...	1,594	10,469	10
Other Companies.											
Barry Ostlere and Shepherd	Jan. 31	106,780	213,042	319,822	21,000	130,000	25	40,000	128,822	239,650	25
British Aluminium.....	Dec 31	27,858	387,286	415,144	17,974	100,103	10	263,224	33,843	382,592	10
Dwyer and Co.	Jan. 31	14,108	10,299	24,407	1,402	5,500	10†	1,500	16,005	10,115	10†
Jones and Co.	Feb. 9	23,305	56,497	79,802	17,500	33,750	22½†	4,722	23,830	...	...
Jones (Edwin) and Co.....	Jan. 31	21,328	92,362	113,690	19,250	68,750	55	...	25,690	...	...
Limmer and Trinidad Asphalt.....	Dec. 31	31,689	113,110	144,799	...	74,875	15†	36,000	33,924	112,825	15†
Waste Heat and Gas	Jan. 31	15,044	28,470	43,514	...	25,600	8	...	17,914	28,348	8

† Free of Income Tax.

(*Continued from page* 719.)

The following statistics give a comparison of the business done with that of the previous year :—

	1927.	1928.	Increase or Decrease per cent.
Passengers carried.....	22,792,878	22,874,398	+ ·36
Car miles run	4,048,834	4,337,899	+7·14
Consumers connected	10,492	11,298	+7·68
Units sold for lighting and power ...	4,488,080	4,775,289	+6·39

The carry forward is £5,002.

BRITISH ALUMINIUM COMPANY.—The report for 1928 shows a net profit of £441,383, as compared with £432,176 for 1927. The ordinary dividend is again 10 per cent. The redemption accounts in respect of prior lien debentures and the debenture stock have been increased during the year by £35,912, and now amount to £445,055. The depreciation reserve account, including £50,000 appropriated out of the profits of the year amounts to £900,000, the total of these two accounts being £1,345,055. The sum of £100,000 out of the profits of the year has been placed to the credit of reserve account, which now amounts to £850,000. The capital expenditure during the year amounts to £116,101. The whole of the works and plant at the various factories has been well maintained out of revenue. The selling prices of the company's products were further reduced during the year, but the demand was well maintained and economies were effected in the costs of production. The carry forward has been increased from £27,858 to £33,843.

PLUMMER RODDIS LIMITED.—The Report for the year ended February 12, 1929, shows a net profit, after payment of all trading expenses, and providing for bad debts, depreciation, interest, directors' fees and managing directors' remuneration, of £71,314 (last year, £71,059). Adding the amount brought forward, and deducting dividends on the first and second preference shares, and the interim dividend of 5 per cent. on the ordinary shares, there is a balance of £57,789, from which it is proposed to pay a final dividend on the ordinary shares of 15 per cent., making 20 per cent. for the year (last year, 18½ per cent.), transfer to reserve £5,000 (last year, £7,500), transfer to superannuation fund £161 (last year, £1,000), leaving £22,627 to be carried forward (last year, £22,474). With the proposed addition, the reserve will amount to £112,500. Cash is at £92,226, against £63,632. Goodwill remains at £26,000. Bank overdraft is £77,267 against £77,767. Meeting: April 3, 1929, at 14 Henrietta Street, W.1, at 12.30 p.m.

SUMMARY OF BALANCE-SHEETS.

BRITISH ALUMINIUM COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Pref. shares, £1	299,570	...
Ord. shares, £1...	1,001,034	...
Prior lien debs.	768,100	– 21,300
Deb. stock.....	521,770	– 13,851
Interest account	27,266	– 711
Creditors	384,678	+ 27,456
Redemption accts.	445,056	+ 35,913
Depreciation res.	900,000	+ 50,000
Reserve account	850,000	+ 100,000
Staff benefit fund	10,000	...
Profit and loss....	102,893	+ 5,986
Total.....	5,310,367	+ 183,493

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Properties, plant, &c.....	2,737,079	+ 116,101
Shares in and advances to subsidiaries.....	890,996	+ 51,914
Government and other securities (at cost)	904,683	– 6,995
Stocks	262,502	+ 34,563
Debtors.....	369,631	– 10,235
Cash	145,476	– 1,855
Total.....	5,310,367	+ 183,493

CUNARD STEAMSHIP COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Pref. stock	1,500,000	...
2nd cum. pref....	1,000,000	...
Ord. shares	5,570,241	...
Govt. share	20	...
Reserve.....	1,450,000	...
5% deb. stock...	4,000,000	...
Int. accrued ...	83,333	...
Loan	420,000	+ 210,000
4½% 2-year notes	513,347	...
Int. accrued ...	1,932	+ 7
Savings fund ...	111,978	+ 6,725
Creditors	4,333,775	– 1,281,578
Profit and loss ...	673,666	– 2,292
Total 19,658,292		– 1,167,138

ASSETS.	Amount. £	Compared with Dec 31, 1927. £
Fleet & shipping investments...	14,763,317	– 671,543
Properties, &c...	639,170	– 27,727
Plant	77,026	– 4,463
Stores, &c.....	357,231	+ 16,658
Debtors	775,316	+ 44,033
General investments	2,463,301	– 71
Discount on deb. stock	120,000	– 10,000
Cash.....	462,931	– 414,020
Total	19,658,292	– 1,167,138

LONDON BRICK COMPANY AND FORDERS, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
8% cum. pref. shares (£1).....	400,000	+ 94,809
Ord. shares (£1)...	1,000,000	+ 400,000
Creditors	232,099	+ 10,439
Pref. div.	12,800	+ 3,034
Deprec'n. reserve	400,000	+ 125,000
Profit and loss ...	320,000	+ 11,330
Total	2,364,899	+ 644,612

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Properties	1,292,104	+ 333,980
Stocks	85,461	+ 15,535
Debtors	219,732	+ 74,412
Investments	659,985	+ 462,662
Cash and British Govt. securities at cost	107,617	– 241,977
Total	2,364,899	+ 644,612

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Latest Year.	Previous Year.
RAILWAYS.					
B. A. and Pacific	3%	Apr. 30	...	...	...
Bengal Dooars	4%*	...	...	...	...
Entre Rios	3%*	Apr. 30	...	...	...
San Paulo (Brazilian).....	5%†	and bonus	2% tax free	12	12
Taltal	2%*	Apr. 19	Tax free	...	...
BANKS.					
British and Hungarian	...	...	...	14	13
Chekiang Industrial	...	...	...	11	10
Commercial Bk. of Near East ...	...	...	...	6	5½
Darmstadter und National	...	...	...	12	12
Deutsche Sud-Amerikanische.....	...	...	...	6	5
German Overseas Bank.....	...	...	...	7	7
INSURANCE.					
General Accident, Fire and Life	7/- p.s.	May 1	Tax free	12/-p.s.	10/-p.s.
Guildhall	...	...	Less tax	5	...
Northern Maritime.....	15%†	...	...	30	...
Provincial Insurance	...	...	Less tax	20	...
World Marine and General	30%†	and bonus	25% tax free	65	40
TEA AND RUBBER.					
Augusta Tea	...	...	...	5	...
Batu Caves Rubber	...	...	Less tax	5	...
British Malay Rubber	...	May 6	...	4	5
Bukit Lintang Rubber	5%*	Apr. 18	Less tax	...	...
Ceylon Amal. Tea and Rubber...	3½%*	Mar. 28	...	...	...
Damansara Rubber	...	Apr. 9	...	4	6
Eow Seng Rubber	...	...	...	4	3
Harpenden Rubber.....	...	Apr. 11	...	4	5
Leyland and Birmingham Rub.	2½%*	...	...	...	...
Oriental Rubber	...	May 6	...	4	7½
Rosevale Rubber	8%†	...	...	13	28
Teluk Gong Rubber.....	2½%†	...	...	5	5
MINING.					
Broken Hill South	...	May 15	...	7½	5
Central Provinces Manganese Ore	15%†	...	Tax free	22½	30
Consolidated Mines Selection ...	...	...	...	20	20
Gov. Gold Mng. (Modderfontein)	...	...	...	90	85
Langlaagte Estate and Gold.....	...	...	...	15	12½
New State Areas	...	...	...	12½	12½
Transvaal Gold.....	2½%†	May 3	...	5	5
Van Ryn Deep	...	...	...	40	40
Witwatersrand Gold.....	...	...	...	2½	7½
OTHER COMPANIES.					
Aberdeen Coal and Shipping.....	...	...	Tax free	2/- p.s.	2/- p.s.
Aktiebolaget Separator	...	...	...	9/2 p.s.	8/10p.s.
Alfred Dunhill	5%†	...	Tax free	20	30
American Invest. and Gen. Trust	7%†	...	...	12	12
American Potash and Chemical..	25 cts.p.s	Mar. 30	...	...	...
Barlows	3%†	...	...	6	6
British Oil and Cake Mills	...	...	Less tax	6	8½
British Syphon	...	...	Tax free	4	4
Carrick's (Caterers)	5%*	...	...	8	8
Credito Italiano	...	...	...	8	8
Direct Spanish Telegraph.....	6%†	Apr. 2	Tax free	10	10
Duck, Son and Pinker.....	...	...	...	7	7
Dwyer and Co.	...	...	...	10	10
East of Scotland Trust	3%*	...	...	...	...
Equitable Reversionary Interest	...	...	Less tax	6	7
First Co-operative Invest.	3½%†	Apr. 11	Tax free	7	7
Fleming and Ferguson	2%*	...	...	...	...
General Steam Navigation	...	...	Tax free	6	...
George H. Leavey	5½%†	...	...	8	8
German Kali-Chemie.....	...	...	...	7	5
H. and M. Rayne	5%*	Apr. 2	Less tax	...	...
International Linotype	4½%†	Apr. 30	...	7	6½
Jabez Johnson, Hodgkinson (def.)	1/- p.s.	...	Less tax	...	...
James Shipstone and Co.	...	...	Tax free	15	12½
John Summers and Sons	...	...	...	10	10
Jones and Higgins	9%†	...	...	12½	...
Kean and Scott	...	...	...	10	10
Lawsons.....	...	...	Tax free	10	10
London Assoc. Reinsurance	...	...	...	10	10
Mason and Barry	...	...	...	20	15
Matador Land and Cattle	...	...	...	17½	15
Mellersh and Neale	...	...	Less tax	15	15
Monte Video Waterworks	5%†	...	...	8	8
Murdoch (John G.)	2½%*	...	...	...	...
National Omnibus and Transport	5%*	...	Less tax	...	...
National Trust (of Canada)	...	...	...	12	...
Paterson Laing and Bruce	3½%*	Apr. 2	Tax free	...	...
Plummer Roddis	15%†	...	...	20	18½
Price and Pierce.....	1/- p.s.	Apr. 15	Less tax	...	...
Pyne Bros.	...	...	...	8	7
Reversionary Interest Society ...	...	...	Less tax	6	...
Ritz Hotel (Paris)	15%	...	Tax free	25	...
Scottish Capital Investment.....	...	...	...	6	5
Slough Estates	...	...	Less tax	10	10
Spratts Patent (America)	7½%†	Apr. 20	...	12½	12½
Style and Winch	...	...	...	17½	...
Thomas Wolfe and Son.....	...	...	Less tax	8½	8½
Trust and Agency of Australasia	10%†	and bonus 5%	Tax free	20	17½
Vereenigung Estates	7½%†	June 30	...	12½	12½
Willey and Co.	7½%†	...	...	17½	...

SECURITY FIRST
ROYAL
INSURANCE COMPANY, LIMITED
HEAD OFFICES: LIVERPOOL AND LONDON.

OVER ONE HUNDRED YEARS OF SERVICE.
SCOTTISH UNION & NATIONAL
INSURANCE COMPANY.
ASSETS - - £14,500,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4, and 4, St. James's Street, S.W.1.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Wednesday evening.

A spell of fine open weather over the United Kingdom has facilitated field work, and with the land in good tilth rapid progress was made with ploughing and seeding of cereals. Rain would now be welcomed in order to assist germination and spring growth. Only small supplies of native wheat are reaching the statute markets, but prices were maintained with difficulty owing to the weakness of imported varieties. In the floating and forward cargo section, dull features continue to prevail, and values declined sharply on pressure to sell both Canadian and Plate descriptions. Large weekly shipments and sagging prices afforded little inducement for buyers to operate beyond immediate needs, though Continental and Mediterranean countries are reported to be taking fair quantities direct. A feature was the weakness of North American markets, due to favourable crop prospects and export selling of Manitobas, while also influenced by improved Indian crop reports, which was naturally reflected on this side. Canadian wheat is now moving more freely from the interior, so that ample supplies should be available for shipment when navigation is resumed on the St. Lawrence. Feeding stuffs experienced a slow sale, and trend of values were favourable to buyers. Active chartering, however, continues of Plate maize to Europe for all positions up to June loading.

Wheat, quiet and easier. No. 2 Northern Manitoba, 50s. 3d.; No. 3, ditto, 49s.; No. 4 Manitoba, 48s. 3d.; No. 5, 44s. 3d.; No. 6, 38s.; Rosafe, 63½ lbs., 45.; Barusso, 63½ lbs., 45s. 3d.; Australian, 47s. 3d., all ex-ship, per 496 lbs. English, 9s. 8d.-9s. 8d. per 112 lbs.

Flour, dull and values weak. London standard grade, 37s. 6d.; town whites, 38s. 6d.; patents, 39s. 6d.-40s. 6d. per sack delivered in the Home Counties, with 6d.-1s. per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 34s.-37s.; Minneapolis, 34s. 6d.-37s.; Australian, 35s.-35s. 6d., ex-store. On c.i.f. Manitoba top patents March-April quoted, 35s. 6d.-36s. 6d.; export ditto, 33s. 6d.-34s. 6d.; Australian, 32s. 6d.-33s. per 280 lbs.

Maize, quiet and the turn easier. Plate landed, 43s. 3d.; ex-ship to arrive, 42s.; March-April, 39s.; new April-May, 38s.; May-June, also June-July and July-August, 37s. 9d.; No. 2 white flat African, 41s. 9d. landed; No. 2 yellow American, 41s. 3d.; mixed ditto, 41s. landed, per 480 lbs. Yellow maize meal, £11 10s. ex-wharf; Hominy chop, £9 7s. 6d. per ton.

Barley dull. Californian ex-ship, 45s.-52s.; Chilian Chevalier, 48s.-58s.; Australian, 43s.-48s.; Smyrna, 44s.-47s. per 448 lbs. Algerian/Tunisian ex-ship, 34s. 6d.; Canadian feed, 29s. 9d.; No. 3 Canadian Western, April, 33s. 3d.; No. 2 Federal American, 29s. 9d., all ex-ship to arrive, per 400 lbs. English malting, 10s.-12s.; feed, 9s. 3d.-10s. per 112 lbs.

Oats quietly steady. Plate landed, 26s. 3d.; ex-ship to arrive, 25s. 3d.; March, 25s. 3d.; black Plate landed, 25s.; mixed Canadian feed landed, 22s.; Chilian white, 32s. landed; German landed, 29s. 3d.; ex-ship to arrive, 28s. per 320 lbs. English, 9s. 4d.-10s. per 112 lbs. Scotch landed, 30s. 9d. per 336 lbs. Irish black, 27s. 6d. per 320 lbs.

Millers' offals steady. Broad digestive bran, 9s.; middlings, 8s.; fine ditto, 9s. 6d.; feed oatmeal, 8s. 3d.; No. 1 oat feed, 9s. 3d.; ground oats, 12s. ex-mill per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to March 23	Qrs. 203,739	Qrs. 277,834	Qrs. 215,752	Qrs. 176,683
25 weeks to March 23	7,876,680	7,466,913	9,407,472	10,572,610
Average price of English wheat per cwt.	s. d. 9 9	s. d. 9 10	s. d. 11 8	s. d. 11 7

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928 :—

Weeks ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s. d.	s. d.	s. d.
Mar. 16	229,446	141,451	64,058	9 8	10 2	9 8
Mar. 23	203,739	108,456	58,074	9 9	10 2	9 8
Mar. 21, 1925...	287,610	124,181	80,606	13 4	11 5	9 9
Mar. 27, 1926...	176,683	104,858	49,884	11 7	9 0	8 10
Mar. 26, 1927...	215,752	107,409	68,150	11 8	11 0	8 2
Mar. 24, 1928...	277,834	126,543	64,001	9 10	10 10	10 9

AMERICAN WHEAT MARKETS.

The tendency of the markets has been almost steadily downward, owing to favourable weather reports and absence of export enquiries. There was a rally on Monday, as a result of reports of storms together with a decrease in the visible supply, but this ground was lost afterwards under a flood of liquidation resulting from the further rise in call money. Quotations :—

Nearest Future.	Jan. 4, 1928.	Mar. 28, 1928.	Jan. 2, 1929.	Mar. 13, 1929.	Mar. 20, 1929.	Mar. 26, 1929.
Winnipeg (No. 1 Manitoba) —Cents per 60 lb.)	137	142⅛	122	132½	129⅝	123⅛
Chicago (No. Winter)— Cents per 60 lb.....	130⅛	142⅜	116⅜	125⅛	123⅛	116⅛

Visible supplies of wheat in Canada at 87,786 bushels show an increase of 1,003,000 bushels as compared with the previous figure. Supplies a year ago stood at 76,931,000.

THE COAL TRADE.

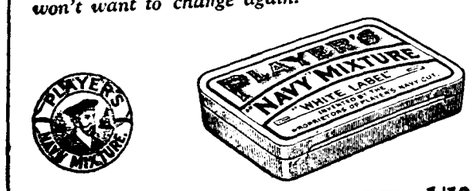
Our Sheffield correspondent writes :—The export coal trade continues strong, and supplies of best steams are scarce, owing to the reduction of output through sickness among the workpeople. A good many of the pits are working full time and expect to continue doing so for a considerable period forward. Inland demand for industrial fuel expands slowly. Prices all round are firm. All kinds of coke are wanted in large quantities.

Our Glasgow correspondent writes :—The stringency that has ruled for two or three months is gradually easing, owing partly to the seasoned falling off in demands, and partly to increased outputs. A number of the collieries in Fife and the Lothians are now looking for prompt business, and are willing to shade prices a little. There is not much business passing in the market, and easier prices in April seem probable. Current shipping quotations are round the following (f.o.b. district ports) :—Lanarkshire.—Ell best, 19s. ; splint best, 19s. 6d. ; splint second, 19s. ; navigation, 18s. 6d. ; navigation second, 16s. ; steam, 17s. ; Hartley, 19s. ; trebles, 17s. ; doubles, 16s.-16s. 6d. ; singles, 14s. 6d. ; pearls, 12s. 6d. ; dross, 10s. 6d.-11s. Fife.—Screened navigation, 19s. 6d. ; first-class steam, 17s. 3d.-17s. 6d. ; third-class steam, 16s. 6d.-17s. ; trebles, 17s. 6d.-18s. ; doubles, 16s. 6d.-17s. ; singles, 14s. 6d. ; pearls, 12s. Lothians.—Prime steam, 16s. 6d. ; secondary steam, 16s.-16s. 6d. ; trebles, 17s. ; doubles, 16s. 3d. ; singles, 14s. ; pearls, 12s. 6d. Ayrshire.—Unscreened navigation, 16s. 6d. ; jewel, 18s. 6d. ; steam, 16s. 6d. ; trebles, 17s. 6d. ; doubles, 16s. 6d. ; singles, 14s. 6d. ; pearls, 12s. 9d. ; dross, 11s. Ayr or Troon.

Our Cardiff correspondent writes :—The approach of the Easter holidays has been accompanied by an abatement of the pressure of the current volume of business, and efforts this week are being directed chiefly towards a greater despatch in loading operations, so as to get as many as possible of the vessels away before Friday, when the docks will be closed as well as on Monday next. The scarcity of prompt supplies has been as great as ever, and a large proportion of the collieries have been finding it extremely difficult to comply with their contract commitments notwithstanding a general policy of speeding up outputs. Last week the quantity of coal shipped at the South Wales docks in the foreign and coastwise trade was 633,577 tons, compared with 604,830 tons in the previous week, and just under 555,000 tons in the corresponding week last year. Quotations for all classes of coal have been very firm, with some grades ruling at slightly higher figures than those ruling a week ago. There has been a fair demand also for coke and patent fuel. The following are the current approximate quotations :—Best Admiralties, 21s. to 21s. 6d. ; seconds, 21s. to 21s. 6d. ; best drys, 21s. to 21s. 6d. ; Black Veins, 20s. 6d. to 21s. ; Western Valleys, 20s. to 20s. 6d. ; Eastern Valleys, 20s. to 20s. 3d. ; best small steams, 14s. 6d. to 15s. 6d. ; cargo smalls, 13s. 6d. to 14s. ; coking smalls, 14s. 6d. to 15s. 6d. ; anthracite best large, 33s. 6d. to 35s. ; Red Vein large, 25s. to 27s. ; machine-made cobbles, 40s. to 43s. 6d. ; French nuts, 42s. to 44s. ; stove nuts, 40s. to 43s. ; rubbly culm, 10s. 9d. to 11s. 6d. ; foundry coke, 27s. 6d. to 37s. ; patent fuel, 20s. to 21s. ; pitwood, ex ship, 27s. to 27s. 3d.

PLAYER'S WHITE LABEL NAVY MIXTURE

—smoke it for a change—you won't want to change again.



2OZ. POCKET TIN 1/10

IRON AND STEEL.

We extract the following weekly report from the London Iron and Steel Exchange :—

The slackening in business which usually precedes a holiday has been less noticeable than usual. Business in the pig-iron market has been quiet, following the institution by the Midland manufacturers of their new "zone" scheme of quoting delivered prices in various zones according to the distances from the blast-furnaces. Consumers are not yet accustomed to the new quotations and are holding off the market for the time being. In the Cleveland district some scarcity of pig-iron has developed, and there is little material offering for near delivery. A feature of this market has been some good sales of pig-iron to Italy. In the semi-finished steel department the position remains similar to that existing for some weeks. Only a comparatively small share of the business passing goes to the Continent, in marked contrast to the situation existing a year ago. British works producing this class of material are well off as regards work. The demand for finished steel continues erratic, and whilst some good orders have been booked the export demand continues somewhat disappointing. Lately, however, there have been indications that a revival in this direction may not be long delayed.

Our Workington corespondent writes :—Demand in the Cumberland and North Lancashire hematite pig-iron trade is increasing steadily, and such headway has been made since the middle of January in the reduction of stocks that an expansion of the make must shortly take place. Continental, Midland, Scottish, South Wales, and local needs are bigger than can be satisfied by the output of the eleven furnaces in blast between Workington and Ulverston. A furnace is being relighted in the course of a few days by the United Steel Co., at Oldside, at Workington, but this will be put on to manganese, the stocks of which have now been cleared. Makers are, of course, in a stronger position to deal with customers, and they are quoting Bessemer mixed numbers firmly at 74s. per ton at works, and at a somewhat higher figure for prompt delivery. Low-phosphorus iron is in firm Continental demand for malleable iron at 99s. per ton delivered, and ferro-manganese is a better market at £13 15s. per ton. In the steel trade activity is becoming brisker. After the Easter holidays are over the rail, fish-plate and sleeper mills at Workington will be continuously employed until the end of June by Argentine, Colonial and home railways. Native ore is being raised only by the large producers. It is in firm request by local, East Coast and Scottish smelters at 17s. 6d. to 18s. 6d. per ton. Despite the warmer weather, the coal trade is strong. Cumberland has recovered its footing in the Irish market, in which the demand is heavier than can be dealt with, and in which prices have reached a more satisfactory level. Local landsale is firm, and there is a fair outlet for industrial fuel. Small coal is in short supply, and the West Cumberland coking plants are not working at full capacity. West Coast coke commands 18s 6d. per ton.

Our Middlesbrough correspondent writes :—With the approach of the Easter holidays, market conditions are somewhat quieter than of late. The pig-iron position, however, still maintains its strength, and Cleveland prices are firm on the following basis :—No. 1 Cleveland, 69s. 6d. ; No. 3 G.M.B., 67s. ; No. 4 foundry, 66s. ; No. 4 forge, 65s. 6d. For contracts over the second half of the year works are asking a premium of up to 1s. 6d. on the above prices. The hematite market is also fairly active, with mixed numbers about 74s. There is a fairly good inquiry, both from home and abroad. The steel position is fairly satisfactory, and works, although not working to full capacity, are busy. Prices remain unchanged on the following basis, subject to the usual rebates :—Steel ship plates, £8 7s. 6d. ; steel ship angles, £7 17s. 6d. ; iron bars, £10 5s. ; steel rails, £8 10s. The ore market still remains very firm, the price of best rubio being 23s. c.i.f. Middlesbrough, with supplies not too plentiful. Coke, also, is very scarce, and producers are now asking 19s. 6d. per ton delivered furnaces. The increase of price in these two raw materials must ultimately have the effect of increasing pig-iron prices.

Our Sheffield correspondent writes :—The upward movement in the iron market, which began earlier in the year, now comprises pig iron, basic steel billets, bar iron, manufactured steel, ferro-

chrome, tungsten and copper. Although prices have been advanced demand has not increased to any appreciable extent. Producers state that they have been losing money on the old prices, and these are now being placed on an economic basis. The local position is slightly better as regards home trade, but overseas demand for ordinary steels has been quieter this month. Business continues brisk in the more special products of the steel works. Expansion of pig-iron production has been checked by a scarcity of coke, due to the brisk overseas demand. For some time past practically the whole of the surplus output of the ovens over contract commitments have been sold to the Continent at good prices. Demand for foundry iron continues quiet, but there is rather more doing at the engineering foundries. Basic steel sells freely, although the position is not quite so strong as a few weeks ago. The call for acid steel, while disappointing, is slightly better. Basic steel scrap is scarce and dear.

Our Glasgow correspondent writes :—In Glasgow and the West of Scotland, conditions generally in the iron and steel industry are unchanged. In the pig-iron market business remains quiet and is confined to small parcels. The improvement noted in the heavy steel trade continues, and the demand for shipbuilding material and structural sections is satisfactory. Structural engineers in the Glasgow district are well employed at present, and are obtaining a considerable amount of export business at prices, which though competitive, leave a fair margin of profit. The arbitrator appointed by the Ministry of Labour in the malleable iron trade dispute has this week issued his award. He favours the institution of a 45 hours working week in five shifts, which is a compromise between the employers' claim for the introduction of a 47½-hour week and the operatives' demand for the retention of the eight hours day arrangement. In the black and galvanised sheet trades the position is practically unchanged, business is rather dull, but prices are held firm. Tube makers are fully employed.

Our Cardiff correspondent writes :—The recently improved position in the iron and steel trades is being fully maintained, and Sir Frederick Mills, the chairman and managing director of the Ebbw Vale Company, in the course of a speech at Ebbw Vale on Monday, expressed the view that the worst was now over, and that there would follow a period, if not of great, at least of reasonable, prosperity in the immediate future. Supplies of foreign blooms, billets and steel bars showed a considerable increase last week, totalling nearly 10,000 tons, compared with less than 900 tons the previous week, but the prices both of the imported and the native bar are unaltered. The recent increase, however, in the cost of the local steel bar has had a hardening effect on tinplate prices, which are now quoted up to 18s. 6d. compared with the minimum price of 18s. per basis box.

OTHER METALS.

Tin.—Quieter conditions prevailed in the standard market, buyers being less in evidence following lower Eastern advices, and, with sellers prominent, values gave way, especially for near positions, dealings being attended by slight irregularity. The closing tone was firm. Stocks in London and Liverpool warehouses for week ending March 23rd were returned at 8,844 tons, compared with 1,376 tons at corresponding period last year. Standard cash sold £220 17s. 6d.-£220 10s., £221 5s. and £220 15s. ; three months, £222 15s., £220,10s., £221 17s. 6d. In the East business was reported at £225 15s. to £224 5s. and £224 15s. per ton c.i.f. terms.

Copper market opened firmer, but buyers were reluctant to follow and subsequent realisations imparted weakness. Standard cash changed hands at £96 12s. 6d. to £93 17s. 6d., and three months £99-£96 10s., £98 12s. 6d. and £95 3s. 9d. ton.

Lead continued in good demand, but market ruled easier for distant positions under heavy offerings. Good soft foreign pig, March, sold, £26 15s. to £26 7s. 6d. ; April, £26 15s., £27 5s., £26 5s. ; May, £26 17s. 6d., £26 10s., £27 5s., £26 1s. 3d. ; June, £28, £26 10s., £27 7s. 6d., £26 2s. 6d. ; July, £26 15s. to £27 5s. and £26 3s. 9d. ton.

Spelter.—Business continued on fairly active lines at irregular prices though market fully steady on balance. March, sold, £27 3s. 9d. to £27 10s. ; April, £27 3s. 9d. to £27 12s. 6d. and £27 10s. ; May, £27 10s., £27 7s. 6d., £27 10s. ; June, £27 10s. to £27 15s., £27 8s. 9d. ; July, £27 10s., £27 11s. 3d. and £27 10s.

Aluminium steady. Ingots and bars for home delivery quoted £95 ton.

Antimony steadier. English regulus quoted £54 to £55 ; foreign spot, £38 to £38 10s. ; March-April, £35, c.i.f. terms.

Wolfram maintained. Chinese, also Straits qualities, 21s. 6d. to 21s. 9d. per unit, c.i.f.

Quicksilver steady. Spot, £22 5s. to £22 10s. per bottle.

Tin Plates firm. I.C. coke, prompt and forward, 18s. 3d. to 18s. 9d. per box, f b. Swansea.

THE COTTON TRADE.

Liverpool, March 26.

During the week prices have fallen some 15 points, largely owing to the less confident tone of the "bulls." This is due to the weakness of the stock markets in America, caused by the action of the banks there. Call money yesterday at one time was as high as 16 per cent. Weather news last week was a little better throughout the belt, but land preparation has been delayed by at least two weeks later than last year. Early indications of acreage would point to a moderate increase in the west, but a slight reduction in the east and south-east. Spot sales for the period from Thursday last to to-day (inclusive) are 33,000 bales, of which 17,850 are American, 50 Brazil, 250 Argentine, 3,500 Peru, 5,150 Egyptian, 5,050 African, 650 East Indian and 500 sundries. Imports for the same period are 47,301 bales, of which 19,847 are American, 232 Brazil, 524 Argentine, 189 Peru, 14,578 Egyptian, 6,103 African, 5,673 East Indian and 155 sundries. Quotations to-day are : American Middling, 10.92 ; Egyptian F.G.F. Sakel, 19.40, Uppers, 12.95 ; Brazile Fair, 11.12 ; Peru G.F. Mod-Rough, 13.00, Smooth, 11.87 ; West African Middling, 10.97 and East African G.F., 12.40.

Manchester, March 26.

Prices in the market have not shown very much change, but on the whole there has been more disposition to anticipate cheaper raw material as a result of better advices from the United States relating to the outlook for the new crop. Buyers of yarn and cloth have not been in the mood to operate with any freedom. In the piece-goods section the absence of workable demand for India has been rather marked, and undoubtedly the disturbances abroad continue to have an adverse effect upon trade. Advices from China continue more cheerful, and steady buying has taken place in a variety of goods. A little more activity has shown itself in printing and finishing styles for South America and the West Coast of Africa, but only retail orders have been secured for Egypt and the Near East. Reports from the home trade are generally healthy, and there are good clearances in the retail and wholesale establishments. American yarns remain dull, and there are no indications of any improvement in prices. A dragging demand has also been reported in Egyptian counts, and it seems likely that the short-time arrangement in this section will be extended.

Comparative Statement of the Cotton Trade.

	1929.				Corresponding Date.	
	Mar. 6.	Mar. 13.	Mar. 20.	Mar. 26.	1928.	1927.
Raw Cotton—Mid. American .....per lb.	d. 11·01	d. 11·08	d. 10·92	d. 10·92	d. 10·94	d. 7·82
— Sakellaridis Fully Good Fair Egyptian .....per lb.	18·55	18·90	19·15	19·40	20·50	13·35
Yarns—32's twist .....per lb.	16	16	16	16	16½	12⅝
— 40's weft .....per lb.	16½	16½	16½	16½	16⅝	13⅛
— 60's twist (Egyptian) .....per lb.	26½	27	27	27	30	24½
32-in. Printers, 116 yds., 16 by 16, 32's and 50's.....	s. d. 25 10½	s. d. 26 0	s. d. 26 3	s. d. 26 3	s. d. 26 4½	s. d. 24 0
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's.....	28 1½	28 3	28 6	28 6	28 6	27 0
38-in. ditto, 38 yds., 18 by 16, 10 lb.	15 1½	15 3	15 4½	15 4½	15 4½	13 3
39-in. ditto, 37½ yds., 16 by 15, 8¼ lb.	13 10½	14 0	14 0	14 0	14 3	12 6

HARRISONS & CROSFIELD LTD

East India Merchants.

Agents and Secretaries of Tea, Rubber and other Produce Estates and Companies.

1-4, Great Tower Street, London, E.C.3.

Financing Shipments to S. America

Through the medium of branches and agencies situated at all strategical points, the Bank of London & South America does everything possible to further trade between Great Britain and Latin-American countries. Shipments are financed, status reports issued on South American firms, and a Monthly Review of existing market and other conditions is supplied free on application.

Estd. 1862.

BANK OF LONDON & SOUTH AMERICA LIMITED

6, 7 & 8, Tokenhouse Yard, London, E.C.2

MANCHESTER : 36, Charlotte Street.

BRADFORD : 33, Hustlergate.

Affiliated to Lloyds Bank Limited.

THE WOOL TRADE.

Our Bradford correspondent, writing on Tuesday, says :—Demand for tops and yarns has doubtless been affected to some extent by the approaching holidays and the inactivity of the market has been accentuated. The general complaint is that trade is exceedingly disappointing, and this applies not only to the smallness of the orders, but even more to the poor offers. Although the raw material markets appear to have settled on a stable basis, with values which appear to be quite reasonable, spinners do not seem able to break away from their hand-to-mouth policy of buying, and, in the absence of bulk business, it is difficult to say with any certainty what is the actual market price of any commodity. On the other hand, importers are evidently under the impression that wool is not without attraction at to-day's level of prices, and in recent weeks there has been some heavy buying in the primary markets. This movement, however, was overdue, as comparatively little wool was bought in the first part of the season, and stocks are light for the time of year. Quotations for tops are steady, but there is still a good deal of irregularity in yarns, and the speculative buying of a week or two ago has not yet brought much relief. A spurt of activity in the piece-goods trade is encouraging, some good orders having been placed on home trade account in both men's and women's wear, especially the former.

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

Since last writing the second series of London sales has closed, and though the position cannot be differently described, it may be emphasised that practically all classes of raw materials are now in an exceedingly good position. The declines seen, compared with a year ago, are very large, amounting in merinos to around 10d. per lb. clean scoured, and in crossbreds 4d. to 6d. The main thing, however, is that, after the opening decline previously reported, there has been no further fall, and, though there is a fair quantity held over for the next series, opening April 30, this amounting to 28,500 bales, the possibilities of expanding consumption at home and abroad are such that no real uneasiness need be felt. Opinion about the future of both merinos and crossbreds is that these will continue to sell around the present level, confidence in the latter having been strengthened by the free way in which crossbreds have been cleared in Coleman Street without any further depreciation in value. No doubt some of the second-hand wools have had rather a bad time, having been withdrawn at bids about 2d. per lb. clean scoured below the actual selling level, but home trade buyers and users are gradually adapting themselves to the changed conditions. Values now being comparatively reasonable, even the dear stocks should be eventually cleared by averaging out with more recent purchases.

The New Zealand season is practically closed. The only other sale to be held is a supplementary one fixed for Wanganui on April 10, when about 7,000 bales of seedy wool will be offered. The sale at Napier last Friday passed off very well indeed, the major portion of the offerings being taken by Yorkshire and Continental buyers at prices showing a slight advance. Clean costs appear to be fully equal to those current in London at the last sales. There is also firmness in the Australian selling centres, Sydney, for example, apparently being a dear market. The vital thing, however, is that during the past few months Bradford buyers have been able to operate on a more satisfactory level than in the early part of the season.

HIDE, LEATHER AND ALLIED TRADES.

There is a rather more buoyant tone about the allied leather industries this week, and many people take the view that the wave of depression is receding at last. Possibly the fine weather has something to do with it, whilst the improved demand for footwear and travelling goods may also be a factor. In any event, the rot in the hide and skins market seems to have ceased, as prices, both at home and abroad, are firmer. Hides all advanced in the British markets last week, and no sign of further weakness was apparent. Calfskins were also firmer, and advanced in some cases by ¼d. to ⅜d. per lb. Overseas hides are also firming up, and although business in South Americans is confined to Russia and the United States, quite a good business has been put through, fregorifics selling at 9 7/16d. Dry River Plates are dearer, and 13¾d. is now asked for B.A. Americanos and 14¾d. for M.V. Americanos. Chicago cables the market as steady, with 14½ cents asked and obtained for best native steers. While trade in sole leather is not normal for the season, fair amounts of bends and butts have changed hands this week, mainly in small parcels for immediate wants. Repairers are rather slack owing to the fine weather, but have been taking fair sized blocks of wet salted bends in the medium averages. Merchants are pressing sales, and there is plenty of sole leather being offered at prices below cost of production. Upper leather continues to sell slowly in small parcels. Curriers find a poor demand for wax butts, splits and semi-chrome, but some seem better employed on lining and fancy leathers. Glace kid in blacks, and a few shades of brown move off in the lower grades, and makers of patent ladies' shoes are again ordering this class of material rather more freely. Already retailers are doing a better trade in shoes in anticipation of the holidays, and it is sincerely hoped by leather and footwear producers that a good clearance will be made.

CENTRAL UNION TRUST COMPANY OF NEW YORK

Head Office:
80 Broadway
NEW YORK

London Representative:
C. Noël Hume
1 & 2 Gracechurch Street, E.C.3

Complete Commercial & Foreign Banking Service

Acts in every Fiduciary Capacity

Capital, Surplus and Undivided Profits over $55,000,000.

THE JUTE TRADE.

DUNDEE, March 26.

Absence of demand for all commodities is the feature of the jute trade, and the prolonged spell of quietness is having a disturbing effect on the market. Prices are no easier, but there is a tendency for producers of fabrics to show more anxiety to secure new business to follow on existing contracts. Buyers of jute cloth are refusing to go forward for their requirements, contenting themselves with satisfying their immediate needs with small orders. Relief in the shape of lower prices for the raw material is not in sight. The supply of old crop jute appears to be almost exhausted. Shippers are sending extremely few offers from Calcutta and, while one or two are giving indications of new crop prices, the latter are not yet freely quoted. Anxious times are ahead for the jute trade. New mills and extension of time working by the Calcutta mills call for a much larger supply of the fibre, and much interest will be vested in the progress of the new crop, which is now being sown under favourable conditions. Spinners here are purchasing small lots from spot and also for shipment at round about £33 10s. to £34 for Daisee assortment and £33 for threes. First Marks and Lightings are of small interest, and prices of old crop are purely nominal. New crop offers have been made at £38 for First Marks and £35 5s. to £36 for good Lightnings, August/September shipment. Jute yarns have ruled dull, with little doing to test prices. Spinners continue to name 3s. 7d. as the minimum for common 8 lb. cops and 3s. 8d. for 8 lb. spools, at which rates a trifling business is reported. Twist is sometimes stated to be obtainable at 5⅜d. for 3 ply 8 lb., but the usual rates are 5 13/16d. to 5⅞d. Sacking yarns are steady at from 4 7/16d. to 4½d. for 24 lb. weft, and from 5⅝d. to 5 11/16d. for 8 lb. chains. Rove is quiet and unchanged at £28 for 48 lb. and £18 for 200 lb. Fine yarns have been in most request and a fair business has been done for both home trade and export. Fine hessian makers are busy. Carpet yarns have sold on moderate lines at from 5⅜d. to 5½d. for 14 lb. warp. The value of 10½ oz. 40 in. hessians is usualy 4 11/16d. to 4⅝d. and 8 oz. from 5 5/16d. to 5⅝d. Manufacturers are desirous of securing orders for the 40 in. widths and would shade these rates by 1/16d. if business were offered. Easter holidays will prevent any improvement taking place for a week at least, and the approach of the General Election will probably hamper trade until it is over. Linoleum hessians are firm, but quiet, and heavy goods are again falling into a state of listlessness.

VEGETABLE OILS AND OILSEEDS.

Markets are not very active and the tone is easy. Linseed oil is barely steady, and consumers have bought more at the lower level of values. Current prices for raw oil are £28 10s per ton naked ex Hull mill for spot, and March-April delivery with later positions at a small premium. Cotton oils are slow and prices have further declined, crude Egyptian now offering at £27 10s. and common edible at £31 spot and March-April ex Hull. Other seed oils are quiet and about unchanged. In the oilseed section linseed is easier and demand of only moderate dimensions. Plate has declined to £15 12s. 6d. on spot and early shipment, with £15 15s. accepted for May-June to Hull. Arrivals have been fairly substantial and the quantity on passage to Europe has been reduced to 144,200 tons. Cottonseed is quiet, and only a small business done in black Egyptian at easier figures, £9 13s. 9d. and £9 15s. having been paid for March and April loadings to Hull. Soya beans are inactive and £11 2s. 6d. represents no nominal value afloat. Oilcakes are about steady, but the demand is falling off as the open weather is at hand.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—There was no special feature to note. Only moderate clearances in spot goods at previous rates. T.L. granulated 22s. 4½d. ex refinery. White Mauritius, spot, London, 21s. to 21s. 6d., as to quality. Forward parcels quiet, and quotations nominally unchanged for Continental. White Java, May-June, to Europe, sellers, 11s. 4½d. c.i.f. According to cables from Cuba the formation of an Export Pool is now taking definite shape, and doubtless it would come in quite useful, if only to ensure orderly distribution of the remainder of this crop. Its sphere of influence would be outside that of U.S.A. requirements. Cuban, 96 per cent., centrifugal, May, sellers, 9s. 4½d. c.i.f. U.K. Terminals quiet and easier. Of raws, May sold 8s. 6¾d., August 9s. 1½d. to 9s. 0¾d., December 9s. 6d. to 9s. 5½d. White, May sold 11s. 5¾d., August 11s. 11¼d., September 12s., December 12s. 3d. cwt. Cuban receipts last week 257,963 tons, against 221,152 same time last year; exports 163,446, against 139,225; stocks 1,228,168, against 1,127,089. Centrals 161, against 155. Production to date about 600,000 tons excess, against last campaign. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending March 23rd amounted to 138,306 tons, compared with 78,391 at corresponding period last year.

COFFEE.—All the finer qualities in demand at full rates, but ordinary rather quiet and slightly irregular.

COCOA.—Market quiet. In auction, a fair quantity offered, and only a small part sold. Fine red Grenada at 58s. 6d.; Accra, F/F, April-June, quoted 43s. 9d.; mid-crop, 42s. 3d.; October-December, sellers, 45s. f.o.b. Terminal, July sold, 49s. 1½d.; September, 50s. 1½d.; December, 50s. 4½d. cwt.

TEA.—Indian auctions embraced some 31,472 packages. Competition was carried on with animation, which resulted in a firm market. Previous prices were not only fully maintained, but in several instances exceeded by ¼d. to ½d. per lb. Pekoe sold 1s. 0¾d. to 1s. 11d.; broken ditto, 1s. 1d. to 2s. 5d.; orange, 1s. 1½d. to 2s. 2d.; broken orange, 1s. 2½d. to 2s. 0½d.; finer parcels, 2s. 2d. to 2s. 9d. per lb. in bond. Ceylon auctions totalled 21,206 packages. Competition for all descriptions was carried on with activity, which resulted in a decidedly healthy market. Pekoe sold 1s. 1½d. to 2s. 4½d.; broken ditto, 1s. 2½d. to 2s. 4d.; orange, 1s. 4½d. to 2s. 5d.; broken orange, 1s. 4¾d. to 2s. 7d. per lb. Of China there is a fair demand, and Lapsang Souchong sold 1s. 10d., also a wad of Monings at 8½d., and siftings 5½d. to 6d. per lb. in bonds.

RICE.—Market idle and nominally unaltered.

RICE-MEAL.—Market steady and following business recorded. A steamer cargo, 7,000 tons Saigon to Liverpool, May-June shipment, at £6 7s. 6d. per ton c.i.f. terms.

BEANS.—In slow request, but sellers asked late rates. Madagascar butters, spot, 43s.-44s.; afloat "Clan Macintosh," 40s. 6d. Rangoon haricots, March 21s. 9d., April 15th 20s., April 19s., May 18s. c.i.f. London.

PEAS.—Marrowfats very firm, but otherwise market slow. Dutch marrowfat, prompt, held for 27s. f.o.b. Japanese blues, afloat, quoted 20s. 6d. to 22s. as to position of steamer, March 20s., April 19s. 6d., May 19s. cwt. c.i.f. London.

SPICE.—Pepper market dull and forward positions weaker. Lampong, March-May, 1s. 2¾d.; May-July, sold, 1s. 2½d.; August-October, 1s. 1½d. Muntok, white, March-May sellers, 2s.; May-July, 1s. 11⅞d.; August-October buyers, 1s. 9½d. lb. London stocks reduced 123 tons on the week. Tellicherry, January-March sellers, 147s.; February-April, also March-May, 144s. cwt. c.i.f. Pimento, August-October, to London, sellers, 118s. cwt. Cloves, Zanzibar, spot, 1s. 6d.; March-May sellers, 1s. 6¼d.; May-July, 1s. 3½d.; August-October, 1s. 0¼d. Madagascar, spot, London, sold, 1s. 5¼d. lb. Tapioca, dull. Singapore flake, March-April to Havre, quoted, 18s. 6d., c.i.f. African ginger, spot, London, sold, 51s. cwt.

FRUIT (Dried).—Currants firm with a good demand. Pyrgos quoted, 45s.-46s.; Patras, 46s. 6d.-47s. 6d.; choice, up to 51s.; Amalias, 46s.-46s. 6d.; Gulf, 47s. 6d.-50s.; Vostizza, 49s.-52s. Sultanas, Smyrna, in better request. Medium to good, spot, 36s.-53s.; Cretan, 45s.-72s.; Australian now ranges from 30s.-50s.; Californian soda, bleached, 30s.-36s.; natural, 27s. 6d.-29s. Raisins, steady. Valencia, quarter boxes, sold, from 45s.-53s., as to quality, but Australian and Cape difficult to vend. Figs in small supply. Genuine new, spot, 28s.-29s. Dates experienced a fair inquiry, chiefly for Siar, at 14s. 6d.-16s. 6d.; with Khadrowie, 21s.-28s.

EVAPORATED FRUITS.—Market keeps firm with supplies in manageable compass, but, apart from a fair inquiry for Californian plums and apricots, demand lacks activity, while still largely measured by immediate wants. Californian plums, 20's-30's, 65s.; 30's-40's, 56s.-57s.; 60's-70's, 43s.-43s. 6d. Australian pears range from 57s. 6d.-70s., as to quality. Lake County, 72s. 6d.-97s. 6d. Apricots, South African new crop, Royal, 57s. 6d.-117s. 6d.; Cape, 72s. 6d.-82s. 6d.; Californian, 85s.-117s. 6d. Peaches, Californian, choice, 52s.; extra choice, 54s.; fancy, 58s. Apples, Californian, spot, sliced, extra choice, 64s. Almonds quiet and values weak. Mazagan, 132s. 6d.; Mogador, 130s.; Majorcas, 130s.; Bitter-Jordan, 185s.-210s. cwt.

CANNED GOODS.

CANNED FRUITS.—There is no material change in the general situation, but business is expected to improve after the Easter recess, while favourably influenced by warmer weather. Singapore pines continue slow of sale at late rates on the spot, and buyers still indifferent regarding forward parcels. Hawaiian, scarce on spot, and firmly held; but South African are now available. Tomatoes, firmly held, and business restricted.

CANNED FISH.—Sardines in quiet support, but best quality reservedly offered. Portuguese clubs, quoted, 5s. per dozen tins. Lobsters, scarce. Best halves, 140s.-145s.; and quarters, 77s. 6d.-82s. 6d. Salmon, steady. Red, talls, spot, sold, 42s. 6d.-44s.; pink, talls, 26s.-27s. 6d.; halves, 32s.-34s. 6d. Japanese crab realised full rates; finest quality at 97s. 6d.-100s.

FOREIGN AFFAIRS

AN AMERICAN QUARTERLY REVIEW

IN THE APRIL ISSUE

Anglo-American Relations and Sea Power
By **JOHN W. DAVIS**

The former American Ambassador at the Court of St. James' discusses how to improve Anglo-American relations. In his view, trade rivalries and the unpaid debt are questions which at the moment do not lie in the field of useful debate. His definite recommendations concern the naval dispute.

ALSO

The Pact of Paris : a Gesture or a Pledge? *George W. Wickersham*
Governor Stimson in the Philippines ..... *Maximo M. Kalaw*
How the War Came ..... *Pierre Renouvin*
American Missions in the Near East ..... *Edward Mead Earle*
The Development of American Policy .. *General Tasker H. Bliss*
Biology and War ..... *Alexander M. Carr-Saunders*
Two Lessons in Colonial Rule ..... *Raymond Leslie Buell*
Regionalism and Nationalism ..... *N. S. B. Gras*
Greece Since the Return of Venizelos ..... *William Miller*
The Russian Peasant Sphinx ..... *William Henry Chamberlain*
American Supervision of the Nicaraguan Election *H. W. Dodds*
China's New Tariff Autonomy ..... *Walter H. Mallory*
Comparative Naval Strengths .....

Single copies may be obtained from leading booksellers or through

THE INTERNATIONAL NEWS COMPANY, LTD.
5 Breams Buildings, London, E.C. 4

Subscriptions $5 a year, post free

FOREIGN AFFAIRS
25 West 93rd Street — New York, N.Y., U.S.A.

der deutsche Volkswirt

A JOURNAL OF FINANCE AND POLITICAL ECONOMY.

Editor : GUSTAV STOLPER.

A knowledge of what is going on in contemporary Germany is an indispensable part of the equipment of all business men, economists and students of political life generally. There is no better way of obtaining this knowledge than by reading

Der deutsche Volkswirt

the brilliant Berlin weekly which occupies a place in German business and political life similar to that occupied by the great weeklies in this country.

Der deutsche Volkswirt

provides as regular features, detailed reports and special statistics upon the movements of German and continental stock and commodity markets, detailed critical analyses of the balance sheets of all leading German companies, Berlin financial news, weekly letters from the chief international centres of world commerce and notes upon the chief economic and political events of the day. In addition to these will be found special articles by public men and experts of international standing.

Der deutsche Volkswirt

is printed in roman type. The subscription price is £3 per annum post free.

Specimen copy gratis on request to
BELLEVUESTRASSE, 14, BERLIN W 9
GERMANY.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 2, N. Man. 496 lb....	51	0
Eng. Gas. av., per cwt.	9	9
Barley, Eng. Gas. av.	10	2
Oats, " "	9	8
Maize, La Plata, landed, 480 lb.	43	6
Flour, Lon. stan. ex mill, 280 lb.	35	6
Rice, No. 2 Burma, per cwt.....	12	9
Sago, pearl, per cwt. 22	3	22 6
Tapioca, per cwt.—		
R.I. flake, fair spot 21	0	21 6
Medium pearl 20	0	21 0
Potatoes, good English, per ton... 120	0	130 0

MEAT—	s.	d.	s.	d.
Beef, per 8 lbs.—				
English sides.....	5	4	6	0
Argentine chilled hinds...	4	6	5	0
Mutton, per 8 lbs.—				
English wethers	5	8	7	4
N.Z. frozen "	4	8	5	4
Pork, English, per 8 lbs. ...	7	4	8	0

BACON— OTHER FOODS.

Irish .....per cwt.	118	0	126 0
Danish.....	108	0	116 0
Canadian.....	110	0	112 0
Dutch	103	0	111 0
HAMS—Irish.....	0	0	0 0
Canadian	0	0	0 0
American	112	0	118 0
BUTTER—			
Irish creamery per cwt.	0	0	0 0
Australian	152	0	168 0
New Zealand	156	0	172 0
Danish.....	168	0	170 0
CHEESE—			
Canadian ..... per cwt.	96	0	112 0
New Zealand	86	0	90 0
English Cheddars	130	0	144 0
Dutch	50	0	96 0
COCOA—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
Accra f.f., per cwt.	50	0	51 0
Trinidad	64	0	70 0
Grenada	50	0	60 0
COFFEE—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
E.I., good to fine, per cwt.	147	0	160 0
Costa Rica, good to fine...	155	0	185 0
Cent. Amer., mid to fine	130	0	150 0
Kenya, bold ises	128	0	150 0
Colombian, mid to fine...	130	0	145 0
EGGS—			
English ..... per 120	12	9	14 6
Danish.....	12	0	15 0
FRUIT—			
Oranges, Denia & Val. 300	15	0	25 0
" " 360	15	0	21 3
" " 504	16	0	20 0
Jaffa ..... boxes 144	00	0	00 0
Lemons, Naples boxes	0	0	0 0
Sicilian ..... boxes	11	0	14 0
" .....cases	17	0	30 0
Murcia ..... half cases	0	0	0 0
Malaga ...cases 420 No. 1	0	0	0 0
Apples : Amer. (var.) bris.	24	0	38 0
" (var.) boxes	9	0	13 0
Onions, Valencia :—			
case 4s.	00	0	00 0
case 5s.	00	0	00 0
" Egyptian, bag	14	0	17 0

FRUIT (*continued*)—	s.	d.	s.	d.
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....bris.	0	0	0	0
LARD—				
Irish bladders.....	66	0	72	0
American boxes 56 lbs.	63	0	64	0
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	2½	0	0
Black Lampong	1	5	0	0
Cinnamon—1st sort, per lb.	2	3	0	0
Cloves—Zanzibar per lb.	1	6	0	0
Ginger—per cwt.—				
African	51	6	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	3	0	4	0
Nutmegs 65's	1	9	1	11
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	21	6	23	6
Java, white, c.i.f. India, July-Sept.	12	4½	0	0
REFINED—London—				
Yellow Crystals	21	10½	0	0
Cubes	26	0	26	6
Crushed	24	9	25	3
Granulated	23	0	23	10½
Home Grown (prompt)	22	3	22	4½
TEA—				
(Duty 3½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	1	0½	2	4½
Broken Pekoe	1	1	2	5
Orange Pekoe.....	1	1½	2	5
Broken Orange	1	2½	2	9
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	4½	1	0

TEXTILES.

COTTON—	d.
Mid-American .....per lb.	10·92
Sakellaridis, f.g.f.	19·40
Yarns, 32's twist	16
60's twist	27

FLAX—	£	s.	£	s.
Livonian ZK .....per ton	89	0	90	0
Pernau HD.....	80	0	0	0
Slanetz Medium 1st sort	88	0	0	0
HEMP—				
Italian P.C. ..... per ton	63	0	0	0
Manila, Apr.-June "J2"	36	15	0	0
N.Z., H.P. fair Apr.-June	34	0	0	0
JUTE—				
Native 1st mks....per ton Apr.-May	34/10/0		0/0/0	
May-June	34/0/0		0/0/0	

SILK—	s.	d.	s.	d.
Canton .....per lb.	17	0	19	0
Tussah.....	8	0	10	0
Japan	21	0	23	6
Italian—Raw, fr. Milan	21	0	23	6

WOOL—	d.
English Southdown, washed per lb.	26
" Lincoln hog, washed	17½
Queensland, scd. super cmbg.	41
N.S.W. greasy, super "	23
N.Z., grsy., half-bred 50–56	20
Crossbred 40–44	15
Tops—	
Merinos 70's	46
" 64's	44
Crossbred 48's	25
" 46's	23

MINERALS.

COAL—	s.	d.	s.	d.
Welsh, best Ad'ty...ton	21	0	21	6
Durham, best gas	15	0	15	6
Sheffield, best house ...	21	0	22	0
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	67	0	0	0
Bars, M'brough 205		0	0	0
Steel Rails, heavy.....170		0	0	0
Tin Plates, I.C., per box	18	3	18	9

METALS—	£	s.	£	s.
Copper, Electrolytic, ton	111	10	112	10
Sheets (strong) 133		0	0	0
Standard	95/7/6		95/8/9	
Lead Eng. Pig ... per ton	28/0/0		0/0/0	
Soft Foreign	26/7/6		26/6/3	
Spelter G.O.B.	27/10/0		27/8/9	
Tin—English ingots ...	220/0/0		220/10/0	
Standard, cash 220/0/0			220/15/0	

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb. less 5%	2	1	0	0
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	10	10	0
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3½	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	28	0	28	10

CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
F.M. Straits, c. .f., per ton		nom.		

DRUGS—	s.	d.	s.	d.
Camphor—				
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	0	14	6
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d.
Wet salted—Australian per lb.	0	5½	0	7½
West Indian	0	4	0	7½
Cape	0	6	0	7½
Dry and Drysalted Cape...	0	9	1	0
Market Hides, London—				
Best heavy ox & heifer	0	7	0	7
Best cow	0	6½	0	6
Best calf	1	10½	1	1½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.— per lb.	1	4	2	4
Bark Tanned Sole	2	6	3	3
Shoulders fm DS Hides	0	11	1	1½
Do. Eng. or WS do.	1	2	1	8
Bellies from DS do.	0	8½	0	10½
Do. Eng. or WS do.	0	11	1	4
Dressing Hides.....	1	6	2	0
Ro. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Sides	1	0	1	6
VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	29	0	0	0
Rape, refined	44	0	0	0
Cotton-seed, crude	28	10	0	0
Coconut, crude.....	35	10	0	0
Palm	35	0	37	10
Oil Cakes, Linseed, Eng., per ton	12	15	13	0
Oil Seeds—Linseed—				
LaPlata,p.ton Apr.-May	15/13/9		0	0
Calcutta, p.ton Apr.-May	18/6/3		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	45	0	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	13/10/0		34/5/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	18	0	25	0
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	10½	0	0
Fine Hard Para per lb.	1	1½	0	0
SHELLAC—				
TN Orange ... per cwt.	190	0	0	0
SHELLS—	£	s.	£	s.
W. Aust., M.-o.-P. "	4	0	12	10
TIMBER—	£	s.	£	s.
Swedish u/s 3 x 8 per std.	19	0	0	0
Do. 2½ x 7 "	19	0	0	0
Do. 2 x 4 "	19	0	0	0
Can'dn Spruce, Dis. "	17	10	0	0
Pitchpine ..... per load	9	0	0	0
Rio Deals ..... per std.	32	0	0	0
Teak ..... per load	20	0	0	0
Honduras Mahg. logs c. ft.	0	11	0	0
African "	0	6	0	0
American Oak Boards "	0	6	0	0
Do. Ash "	0	6	0	0
English Oak Planks "	0	7	0	0
Do. Ash "	0	6	0	0

CANNED MEATS.—Corned beef quiet of sale, but ox tongues firm on limited offerings. Lunch tongues firmer and forward business brisk for delivery over the next six months. Cases of 12 by 6 tins, quoted, 107s. 6d. dozen. Tinned hams, quiet on spot, but large contracts have been made for delivery ahead on the basis of 1s. 7d. lb., ex-wharf London.

CONDENSED MILK AND MILK POWDERS.—Market without material change, but there is a good demand for evaporated, and stocks are moving off readily. Full cream, sweetened, English, spot, 45s.; Dutch ditto, 38s.; April-June, 37s. 6d. Machine skimmed, sweetened, English, spot, 27s. 6d.; Dutch ditto, 23s. 3d.; April-June, 23s., all in 5-cwt. barrels. Powders, Spray process, F.C. 26 per cent., 2 by 56 lb. tins, crated, 88s.; M.S. (1 cwt. cases), 40s.; Roller ditto, F.C. 26 per cent., 75s.; M.S., 28s. 6d., all net., duty paid ex-wharf London. On the Grocery side: F.C.S., 21s.; M.S.S., 10s., basis per case, usual packing. Danish cream, evaporated unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d. Condensed, sweetened, 48 by 14 oz., 20s. per case.

HONEY.—Market firm, with spot supplies in short compass. On the spot, Jamaican, pale amber, quoted at 48s.-51s. Small supplies of manufacturing grades up to 46s. 6d. New crop, March-April shipment, pale amber, quoted at 42s. 6d.-45s.; and f.a.q., 40s.-42s. 6d. New Zealand in brisk demand, dark amber, quoted, 50s.-55s.; medium, 55s.-65s.; light, 65s.-85s.; whites and water whites, 65s.-87s. 6d., cwt.

RUBBER.

Market firmer, due to cessation of selling orders from Singapore and fair buying orders, partly on covering account in the London centre. A subdued tone, however, subsequently set in. Sheet, spot, and March also April, sold, 10⅜d. to 11⅛d.; May, 11d., 11⅛d. and 11⅜d.; June, 11⅛d. to 11⅛d.; July-September, 11⅛d. to 11⅜d.; October-December, 11⅜d. to 1s.; January-March, 1s. to 1s. 0⅜d.; January-December, 1930, at 1s. 0⅛d. to 1s. 0⅛d. lb. London stocks increased 1,214 tons on the week at 27,656, against 59,644 at same time last year; deliveries, 1,211; landings, 2,425. Liverpool stocks increased 233 tons at 4,333; deliveries, 272; landings, 505.

GENERAL.

JUTE.—Market quite steady, fair demand. Firsts, April-May Continent, quoted, £34; May-June, £34 10s. ton. Hessians, dull.

HEMP.—There is a fair inquiry for Manila, and market remains firm. K grade, April-June, £33 10s.; May-July, sold, £33 15s.; L.1, April-June, quoted, £33 15s.; L.2, £30; M.1, buyers, £30 ton. Sisal, steady. Manila receipts last week, 37,000 bales, against 32,000; estimate for next week, 31,000, and following week, 30,000. Manila shipments last week, to U.K./Continent, 11,000 bales; U.S.A., 7,000; Japan, 7,000; other countries, 1,000.

SHELLAC.—Quiet. T.N., spot, 190s., May buyers, 185s., August sold, 191s. cwt.

COPRA.—Very dull but prices show no material change. Straits April-May, Rotterdam, quoted, £23 5s. Mixed Dutch East Indies, excluding Padang, steady to Marseilles, with buying cabled orders, mostly unaccepted by shippers. April-May, buyers, £22 5s.; and K.D., South Sea, quoted, £22 5s. Palm Kernels, March-April, Hamburg, £18 15s. ton.

MISCELLANEOUS.—Coconuts quoted 18s. to 24s. per 100. Coir yarn, Ceylon, £19 to £38 10s.; Cochin, £22 10s. to £40; Ceylon bristle, £18 10s. to £25; cinnamon leaf oil, 5½d.; citronelle, Ceylon, 2s.; Java, 2s.

METROPOLITAN CATTLE.—March 26.

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

	s.	d.	s.	d.
Beasts—Norfolk	6	6	6	8
Irish	...		...	
Cambridge.....	...		...	
Short Horns	...		...	
Herefords	6	2	6	4
Devons	...		...	
Leicester runts	...		...	
Beasts—Heavy Bulls	...		...	
Canadian	...		...	
Sheep—Downs	9	0	10	0
Half bred	...		...	
Ewes	5	4	5	8
Scottish	...		...	
Lamb—Downs	11	0	13	4

LONDON POTATO MARKETS.—March 26.

	Per Cwt. s.	d.	s.	d.
English King Edward—Lincoln	5	0	6	6
White varieties	4	0	4	6

NEW STATE AREAS, LIMITED.

(Incorporated in the Union of South Africa.)

Issued Capital - - £1,514,037, in 1,514,037 Shares of £1 each.

Six per Cent. Debentures - - £326,550.

DIRECTORATE.

S. B. JOEL, J.P. (Chairman). J. H. CROSBY (Deputy-Chairman).
SIR REGINALD A. BLANKENBERG, K.B.E. J. G. LAWN, C.B.E. G. J. JOEL, M.C.
A. J. ANDERSON and W. S. WEBBER.

Extracted from the Annual Report to 31st December, 1928.

Tons crushed, **908,000**, yielding **381,022** fine ounces of gold.

		Per ton, based on tonnage crushed.
Total Working Revenue	£1,623,844 16 8	£1 15 9
Total Working Costs	954,943 18 10	1 1 0
Working Profit	£668,900 17 10	£0 14 9
Rents, Interest and Sundry Revenue	15,586 15 7	
Balance at 31st December, 1927, brought forward	59,246 15 7	
	£743,734 9 0	
This amount has been dealt with as follows:—		
Government's Share of Profits (estimated)	£357,190 12 0	
Taxation—Union and Provincial (estimated)	31,152 15 0	
Debenture Interest and Expenses	21,191 0 0	
Miners' Phthisis Sanatoria, Donations and Depreciation	2,389 16 5	
Miners' Phthisis—Provision on account of outstanding liabilities of Compensation Fund	1,413 19 7	
Miners' Phthisis—Provision on account of Debentures	98,386 4 6	
Capital Expenditure and Redemption of Debentures	189,254 12 6	
Dividends Nos. 7 and **8** of **5** per cent. and **7½** per cent. respectively	701,979 0 0	
Leaving a balance carried forward of	£41,755 9 0	

The **Ore Reserves**, which exclude ore of less value than **4·5** dwts. at the year end were estimated to amount to **2,678,000** tons, with an average value of **8.7** dwts. over an estimated stoping width of 51 inches.

The full Report and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Ltd., 10/11, Austin Friars, London, E.C. 2.

VAN RYN DEEP, LIMITED.

(Incorporated in the Union of South Africa.)

Issued Capital, £1,196,892, in 1,196,892 Shares of £1 each.

DIRECTORATE.

J. H. CROSBY (Chairman).
S. B. JOEL, J.P.; SIR REGINALD A. BLANKENBERG, K.B.E.; J. G. LAWN, C.B.E.;
SIR WM. DALRYMPLE, K.B.E.; SIR ABE BAILEY, Bart.; G. J. JOEL, M.C.; and A. J. ANDERSON.

Extracted from the Annual Report to 31st December, 1928.

Tons crushed, **759,000**, yielding **300,367** fine ounces of gold.

		Per ton, based on tonnage crushed.
Total Working Revenue	£1,280,227 2 4	£1 13 9
Total Working Costs	734,364 9 8	0 19 4
Working Profit	£545,862 12 8	£0 14 5
Rents, Interest and Sundry Revenue	11,540 7 5	
Balance at 31st December, 1927, brought forward	69,112 0 0	
	£626,515 0 1	
This amount has been dealt with as follows:—		
Taxation—Union and Provincial	£73,771 0 0	
Miners' Phthisis Sanatoria—Donations and Depreciation	1,761 11 8	
Miners' Phthisis—Provision on account of outstanding liabilities of Compensation Fund	15,577 19 6	
Capital Expenditure	13,126 19 10	
Dividends Nos. 30 and **31** of **20** per cent. each	478,756 16 0	
	582,994 7 0	
Leaving a balance carried forward of	£43,520 13 1	

The **Ore Reserves** at the end of the year were estimated to amount to **3,110,700** tons, with an average value of **7.4** dwts. over a stoping width of **50** inches.

The full Report and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Co., Ltd., 10/11, Austin Friars, London, E.C. 2.

ALEXANDRIA WATER COMPANY, LIMITED,

ALEXANDRIA, EGYPT.

Notice is hereby given that the fifty-first ORDINARY GENERAL MEETING of the Shareholders will be held at the Company's Offices, 54 Rue Fouad 1er, Alexandria, on Friday the 12th April, 1929, at four o'clock in the afternoon, for the transaction of the ordinary business of the Company, pursuant to Act of Parliament.

Holders of share warrants to bearer desiring to attend or to be represented at the Meeting must deposit their share warrants, in London before the 29th March, 1929, or in Alexandria before the 9th April, 1929, until after the Meeting, at the National Bank of Egypt, 6 King William Street, London, E.C. 4, or at the National Bank of Egypt, Alexandria, or at some other approved bank in London or Alexandria.

Dated, Alexandria, Egypt, the 1st March, 1929.

By order of the Board,
K. B. WOODD SMITH,
Manager.

UNIVERSITY OF LONDON.

The Senate invite applications for the University Chair of Imperial Economic Relations tenable at the London School of Economics. Salary £1,000 a year. Applications (12 copies) must be received not later than first post on 30th April, 1929, by the Academic Registrar, University of London, South Kensington, S.W.7, from whom further particulars may be obtained.

MIDLAND ELECTRIC CORPORATION FOR POWER DISTRIBUTION, LIMITED.

Notice is hereby given that the TRANSFER BOOKS of the Company will be CLOSED from April 2nd to April 13th, 1929, both dates inclusive, for the preparation of Preference and Ordinary Dividend Warrants.

Warrants will be posted on April 13th.

C. HEATHCOCK, Secretary.

27, Temple Street,
Birmingham.
March 27th, 1929.

REFUGE ASSURANCE COMPANY LIMITED

Chief Office: Oxford St., Manchester

Annual Income Exceeds - - -	£10,300,000
Assets Exceed - - -	£42,000,000
Claims Paid Exceed - - -	£56,000,000

The Investor's Monthly Manual

(Established 1864)

Price - 2s. 3d. Post Free.

Publishing and Advertisement Offices:
BOUVERIE ST., FLEET ST., E.C. 4.

THE LANGLAAGTE ESTATE AND GOLD MINING COMPANY, LIMITED.

(Incorporated in the Union of South Africa.)

Issued Capital, £1,519,833 in 1,519,833 Shares of £1 each.

DIRECTORATE.

S. B. JOEL, J.P. (Chairman).
J. H. CROSBY (Vice-Chairman), Sir REGINALD A. BLANKENBERG, K.B.E., J. G. LAWN, C.B.E., G. J. JOEL M.C., F. L. MARX and Sir WILLEM VAN HULSTEYN.

Extracted from the Annual Report to 31st December, 1928.

Tons crushed, **970,000**, yielding **303,132** fine ounces of gold.

		Per ton, based on tonnage crushed.
Total Working Revenue	£1,291,470 16 6	£1 6 8
Total Working Costs	1,008,819 18 1	1 0 10
Working Profit	£282,650 18 5	5 10
Rents, Interest and Sundry Revenue	17,821 9 7	
Balance at 31st December, 1927, brought forward	59,616 16 7	
	£360,089 4 7	
This amount has been dealt with as follows:—		
Taxation, Union and Provincial	£33,357 14 6	
Government's share of profits (Bewaarplaatsen)	3,493 3 2	
Royalty on Ore	1,246 5 9	
Miners' Phthisis Sanatoria, Donations and Depreciation	2,188 13 1	
Miners' Phthisis—Provision on account of outstanding liabilities of Compensation Fund	26,379 15 1	
Capital Expenditure	3,569 3 0	
Dividends Nos. 74 and 75 of 7½ per cent. each	227,974 19 0	
	£298,209 13 7	
Leaving a balance carried forward of	£61,879 11 0	

The **Ore Reserves** at the end of the year were estimated to amount to **1,567,500** tons, with a value of **7.1** dwts. over a stoping width of 42 inches.

The full Report and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Ltd., 10/11, Austin Friars, London, E.C. 2.

THE RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LTD.

(Incorporated in the Union of South Africa.)

Issued Capital, £4,063,553 in 4,063,553 Shares of £1 each.
Six per Cent. Debentures - - £616,760.

DIRECTORATE.

S. B. JOEL, J.P. (Chairman).
J. H. CROSBY (Vice-Chairman), Sir REGINALD A. BLANKENBERG, K.B.E., J. G. LAWN, C.B.E., G. J. JOEL, M.C., Sir WILLEM VAN HULSTEYN and A. J. ANDERSON.

Extracted from the Annual Report to 31st December, 1928.

Tons crushed, **2,500,000**, yielding **587,707** fine ounces of gold.

		Per ton based on tonnage crushed.
Total Working Revenue	£2,421,446 2 3	£0 19 4
Total Working Costs	2,174,589 4 7	0 17 4
Working Profit	£246,856 17 8	£0 2 0
Rents, Sundry Revenue, etc.	24,764 2 6	
Balance at 31st December, 1927, brought forward	217,990 1 10	
	£489,611 2 0	
This amount has been dealt with as follows:—		
Taxation—Union and Provincial	£1,048 7 6	
Debenture Interest and Expenses	38,443 13 9	
Miners' Phthisis Sanatoria, Donations and Depreciation	2,543 3 6	
Miners' Phthisis—Provision on account of outstanding liabilities of Compensation Fund	17,993 11 7	
Debenture Redemption and Capital Expenditure	249,276 8 8	
	309,305 5 0	
Leaving a balance carried forward of	£180,305 17 0	

The **Ore Reserves** at the end of the year were estimated to amount to **4,196,800** tons, with an average value of **5·8** dwts. over a stoping width of 42 inches.

The full Report and Accounts may be obtained from the London Agents, The Johannesburg Consolidated Investment Company, Ltd., 10/11, Austin Friars, London, E.C. 2.

THE PROVIDENT ASSOCIATION OF LONDON LIMITED.

PROVIDENT HOUSE, 246, BISHOPSGATE, LONDON, E.C. 2.

Founded 1877.

Authorised by Act of Parliament, Intituled Provident Association of London Act, 1910.

INVESTED FUNDS

£10,355,316

Total Advances upon House Property to Policy-holders and Certificate-holders considerably exceed

FIFTEEN MILLIONS

R. S. JACKSON, *Chairman.* W. W. BENHAM, *Managing Director.* Provident House, 246, Bishopsgate, London, E.C. 2.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, APRIL 6, 1929. No. 4,467.

ALLIANCE ASSURANCE COMPANY, LIMITED.

(Established in 1824)

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.
Marine Department: 2-6, Billiter Square, London, E.C.3.

ASSETS EXCEED £30,000,000.

THE ALLIANCE GRANTS INSURANCES OF ALL KINDS.

LIFE DEPARTMENT.

INCREASED INTERIM BONUSES ALLOWED on Participating Policies.

Assurances granted with DISABILITY BENEFITS. Children's Educational Policies and Deferred Assurances.

For full information apply to the Head Office or to any of the Offices or Agents of the Company.

CHRISTIANIA BANK OG KREDITKASSE OSLO.

Established 1848.

Paid-up Capital and Reserve Funds,
Kr. 40.000.000.—.

Oldest Norwegian Joint Stock Bank. Direct correspondents throughout the country. Offering complete services to banks and firms doing business on Norway.

Correspondence invited.

CREDITO ITALIANO

Capital Subscribed	Lire 400,000,000
Capital Paid-up	Lire 354,777,700
Reserve	Lire 210,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES AND CORRESPONDENTS THROUGHOUT ITALY.

London Branch: 2 ROYAL EXCHANGE AVENUE, E.C. 3.

Transacts a general Foreign Banking Business.
STERLING DRAFTS AND DOCUMENTS ON ITALY COLLECTED ON SPECIALLY FAVOURABLE TERMS.
CORRESPONDENT OF THE ROYAL ITALIAN TREASURY.

Telegrams: "Italocredi, London."
Telephone: Avenue 3031-4.

TABLE OF CONTENTS.

The Money Market 729

Leading Articles—
Surplus and the Budget 731
War and National Policy 732
The American Press 733
Our Index Number: The Quarter's Prices..... 734
Co-operative Business Administration 735
Sinking of "I'm Alone" and "Hot Pursuit" ... 736

Notes of the Week—
Reparations 737
Five Years' Revenue and Expenditure 737
Labour and the I.L.P. ... 738
New Civil War in China 738
Monsieur Poincaré's Further Success 739
America and World Court 739
The "Small Investor" ... 739
Medical Research 740
The Fight for the European Coal Markets..... 740
New Capital Issues in the United States..... 740
Lancashire Cotton Corporation 740
Peru's Economic Year ... 740
A Dutch Bank Amalgamation 741
Fire Losses in the U.S.A. and Canada..... 741
Standard Life Insurance Company..... 741
Scottish Amicable Life Assurance Society 742
Life Association of Scotland 742
Equity and Law Life Assurance Society 742
The Revenue 743
Provincial Insurance Co., Limited 744
Guildhall Insurance Co. 744

Oversea Correspondence—
United States..... 744
France 745
Germany 746
Austria 747
Roumania 748
Argentina 749

Letters to the Editor—
Effect of Foreign Loans.. 749
Income Tax and Residents Abroad 750
Lace and Safeguarding ... 750

Books and Publications—
An Economist Discourses 750
Iron and Steel Statistics 751
Books Received..... 751

The Stock Exchange—
Stock Exchange Outlook 752
The Week in the Markets 753
Foreign Stock Exchanges 754
Developments in the G.E.C. Affair 755
Home Railway Revenue 755
Public Response to Recent Issues..... 756
Oil Restriction 756
Insurance Share Index.... 756
Mexico and Railway Investors..... 757
Bank of Scotland 757
General Motors 757
Morris Motors 758
African and Eastern-Niger Merger 758
County of London Electric Supply..... 758
Modder Deep 759
Robinson Deep 759
Consolidated Mines 759
Capital Issues..... 759

Company Meetings..... 760
Government Returns 766

Bankers' Gazette—
Bank of England..... 767
Bankers' Clearing Returns 767
Overseas Bank Returns.. 767
Loan and Discount Rates 769
Rates of Exchange..... 770
Bullion..... 770
Gold and Silver Prices... 771
Summary of Bal. Sheets. 771
Mining Output Statistics 771
Weekly Traffic Returns.. 772

Company News—
Dividend Announcements 772
Reports and Notices..... 772
Profit and Loss Accounts 773

Commercial Reports—
The Corn Trade..... 774
American Wheat Markets 775
The Coal Trade..... 775
Iron and Steel..... 775
Other Metals..... 776
The Cotton Trade..... 776
The Wool Trade..... 776
Colonial Wools..... 776
Hide and Leather Trades 776
Vegetable Oils and Seeds 776
Overseas Produce..... 778
Weekly Price Current ... 780

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d.
Colonies and Abroad, £3 1s. 0d. per annum.
Single Copies, post free, 1s. 1d.
Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.
Office: 6 Bouverie street, Fleet street, London, E.C.4

THE MONEY MARKET.

At the beginning of the week about £30 million of maturing Treasury Bonds fell due for repayment, while the Treasury paid out a further £10 million in Conversion Loan dividend. Against this, on Wednesday, the final call on the December issue of Treasury Bonds fell due, and allowing for the proportion of holders who had previously paid up this call under discount, it was cal-

culated that about £30 million was taken off the market. Other movements comprised certain calls and dividend payments on other stocks and shares, and also the return of money from the country after the Easter holidays. The market consequently was prepared to face this week difficult and disturbed conditions.

* * * *

As matters turned out, these fears were not realised, and the position throughout the whole week remained quite comfortable. In a few cases 5 per cent. had to be paid for loans on Wednesday, but the ruling rate was around 4½ per cent. The market rate of discount upon three months' bank bills remained at 5-5/16-⅜ per cent., but the general feeling was happier, and the restoration of confidence made itself felt in a rather freer movement of bills. Although the American situation is still far from clear, hopes that an increase in the New York rediscount rate will be avoided are growing, and on balance these now appear to be justified. It is, however, only right to add that certain authorities still take the contrary view that an increase is inevitable.

* * * *

Meanwhile, the Bank is adding to its gold stocks, and this week's return reveals an increase of £1,600,000 during the past fortnight. This week the Bank secured £702,100 at a price of 84s. 10½d. per ounce in the open market. No fast boat was leaving for New York on the day of the sale, and this removed any possibility of American competition, but even so, this week's price compares favourably with those of previous weeks. Next week £800,000 is due from South Africa for the market, and also £500,000 in sovereigns for the Bank, while the following week £650,000 is expected. The £1,000,000 in sovereigns from Australia will arrive on May 8th. In addition to this, £3,000,000 of Dutch gold is known to have passed through the Customs, and of this the Bank has only so far had £900,000. There is no assurance that the balance will be transferred to the Bank, but the possibility of this taking place must be remembered.

* * * *

It may be that the Bank is making deliberate efforts to replenish its gold stocks from all quarters, and it is true that it now has only another four or five months at the most before it will once more be faced with the autumn drain. Still, the immediate outlook does seem to be more comfortable, and if there is no possibility of an early reduction in Bank rate, the fear of a further increase is beginning to recede. The present indications are that April will be a month of uneventful stability, which will come as a relief to the market after the excitement of the previous months.

	April 4, 1929.	Mar. 27, 1929.	Mar. 21, 1929.	Mar. 14, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5½	5½	5½	5½	4½ (Feb. 7,'29)
Banks' Deposit Rate..	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Notice.....	3¾	3¾	3¾	3¾	2¾ (Feb. 7,'29)
Market rate (3 months' bills)	5 5/16 - ⅜	5 5/16 - ⅜	5 5/16 - ⅜	5⅜	...

Apart from the increase of £1,600,000 in the Bank's gold stocks during the past fortnight, as noted above, the main changes in the Bank return are net increases during the same period of £4,900,000 in Bankers' deposits, and of £12,000,000 in Government Securities held by the Banking Department. The holidays, too, have raised the note circulation by £9,100,000, with the result that the Banking Department's reserve has fallen by £7,800,000, and the Proportion from 49½ to 41 23/32 per cent. It is not easy to account for the changes in Bankers' deposits and Government Securities, though they, in their turn, explain this week's monetary ease. As has already been pointed out, this week has witnessed wide movements in funds, and these may possibly be the true explanation.

NEW YORK MARKETS.

Our New York correspondent cables:—The Stock Exchange is marking time pending the clearing up of the uncertain monetary position. Call money has been easier after the passing of the month-end settlements, the call rate dropping to 6 per cent., after being firm at 10 to 12 per cent. Bankers generally favour a stringent policy pending further share liquidation, in the belief that the latter will be sufficiently speedy to prevent tight money cutting down business activity. The weekly statement of the Federal Reserve system shows little change in discounts and Government security holdings, but a further large decline in bills and a reduction of $30,000,000 in the total reserve. The ratio is 71.5 per cent. Brokers' loans show a fresh reduction, partly due to a shifting of direct borrowing by customers from the banks. The release from earmarking of $13,600,000 of gold is attributed to a sale from the Bank of France to the Reichsbank, to avoid the necessity of direct shipment.

THE STOCK MARKETS.

The tone of the Stock Markets was mainly firm, in a week when the unofficial extensions of the holidays was reflected in an attenuated "House." Anglo-American securities were unfavourably affected by Wall Street uncertainties, but investment stocks made some little headway, gilt-edged, in particular, being assisted by the Bank's fresh accession of gold, and the repayment of Five Per Cent. Treasury Bonds. Home Rails were subjected to profit-taking after another week's favourable traffic return. Industrials had no definite trend, a general reluctance to undertake fresh commitments being observable in many quarters. Tea shares, though quiet, were steady, but dealings in rubber shares were of the smallest dimensions, and the restriction "hitch" discouraged public interest in oil shares. Rhodesian counters were moderately active, but almost the sole interest in Kaffirs came from Johannesburg.

THE COMMODITY MARKETS.

There is no longer any shortage of coal, but the undertone remains good in most markets. Coke is extremely scarce. The iron and steel position remains fairly steady. Tin is weak, but other metals remained firm until Thursday, when a sharp decline in copper occurred. The Liverpool cotton market is unsettled, and business in Manchester is far from satisfactory. The wool textiles trades are quiet, but the position is growing gradually healthier. Trade in hides and leather is improving. Vegetable oils and oilseeds are in very poor demand. Wheat has risen slightly.

THE FOREIGN EXCHANGES.

Notwithstanding the holiday period, the Foreign Exchange Market displayed considerable activity during this week, but business was principally confined to arrangements for the end of the quarter settlements. Sterling on New York was slightly lower at 4.85¼, with forwards strongly offered at discounts of ⅛ct. and 5/16ct. for the one and three months periods. Canada was offered at 4.88½. There was a good demand for Paris at 124.15 for the Stock Exchange settlement on 5th instant, but the close was higher at 124.21. Forwards were on offer at 2½ cents and 9 cents premium. Brussels was 34.95½ and Italy depreciated slightly to 92.74. Amsterdam remained steady around 12.11, forwards being ¼ cent and 2½ cent premium. Spain was comparatively steady between 32.00 and 32.20 and closed at 32.15. Switzerland improved to 25.22½. Among the Scandinavian Exchanges Stockholm depreciated again to 18.17. German Reichsmarks were offered up to 20.47, there being a strong German demand for dollars and sterling; forward Reichsmarks were quoted at discounts of ¼ pfennig for one month and ¾ per three. Among the Eastern Exchanges Japan eased off to 1s. 10 1/32d., as did also Bombay to 1s. 6d. Silver declined during the week, principally as a result of American selling, and closed 25⅞d. for both spot and forward positions. Hong Kong was 2s. 0½d. and Shanghai 2s. 6½d.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Bank of Scotland, National Bank of India, Wesleyan and General Assurance Society, African and Eastern Trade Corporation, Nestlé and Anglo-Swiss Condensed Milk, Ceylon Consolidated Estates, General Electric, and Consolidated Mines Selection. Sir Charles McLeod, Bart., gave an informative review of Indian economic conditions at the National Bank meeting. The Nestlé chairman dealt, *inter alia*, with the company's developments in Brazil, South Africa, and other foreign countries.

THE SURPLUS AND THE BUDGET.

Fuel was added to the short-lived fires of holiday enthusiasm by the announcement, on Easter Saturday, of a realised surplus of £18,394,463 on the National Accounts for 1928-29. We trust that Mr Churchill's financial conscience prevented his feeling as elated as he might have been excused for feeling were that surplus all that it appears. A few weeks ago we forecast a much smaller balance, partly because we under-estimated the abnormal increase of revenue in the last month of the year, but chiefly because we supposed the Chancellor would pay the £65 million, which in his Budget speech last year he proposed to devote to the Sinking Fund. He has actually paid only £57½ million, and meanwhile the Floating Debt has been increased by £48½ million. It is true that his main pledge was to devote £369 million to National Debt charges, interest as well as repayment, and that, his short-term borrowings having been more expensive than he foresaw, he has actually carried out that promise. The fact remains, however, that in his Sinking Fund payments he is £7½ million short of the amount which the country believed it had a right to expect, and which was itself £10 million less than the minimum figure proposed by the Colwyn Committee. This occurs in spite of the fact that £13,200,000 was realised from the Currency Note Reserve; the remainder when this is deducted, £44,300,000, represents the only provision for debt repayment out of ordinary revenue.

Under that system of national finance which we have long regarded as sound, failure to bring Sinking Fund up to promise is irrelevant, if the deficiency is more than covered by the surplus, since the year's account is closed by handing over the surplus for the repayment of debt. But Mr Churchill, faced with the task of paying for derating, has taken upon himself to abandon that practice by accumulating not only his £18 million, but the £4 million which he realised last year, in a special suspense account. Thus his "surplus" has no proper claim to the title, being no more than the proceeds of taxation for expenditure which happens to fall due next year and not this year. The petrol tax was, in fact, imposed for this specific purpose. This system of anticipatory finance is only justified in so far as it spreads tax-burdens evenly over a given period, and therefore any reduction in central taxation which Mr Churchill makes in the coming year, while at the same time he is relieving local taxation, will expose the fact that 1928 has been over-taxed—or the Sinking Fund excessively diminished.

What we see in the figures of last year's revenue and expenditure, which are set out in full on page 743, gives no particular cause of jubilation. The best point is the saving of £6 million on the Supply Services, as compared with total estimates. On the basis of Budget estimates the saving is only £2½ million. The main items of saving are £1,245,000 on Defence, £1,426,000 on Imperial and Foreign Services, £1,205,000 on War and Civil Pensions, and £2,612,000 on the votes for Health, Labour and Insurance, where the supplementary estimates are chiefly concentrated. This is satisfactory as far as it goes, but it is hardly sufficient to bear out Mr Churchill's standing prediction of economy. In his 1925 Budget speech he admitted the possibility of reducing the Supply Votes by £10 million a year—scarcely a promise, but nevertheless a self-imposed standard. At that date the estimates for the Supply Services totalled £407.5 million, expenditure the previous year having been £402 million. Expenditure on Supply Services in 1928-29 has been £411 million, and the estimate for the current year is £421 million, which must be reduced by the £15 million provided for derating in order to render the figures comparable. We must also put on Mr Churchill's side the natural increase in the gross Post Office estimates from £53 million in his first Budget to £65½ million in his fifth, the greater part of which is self-balancing. But when the fall of 15 per cent. in wholesale prices between 1924 and to-day is taken into account, the extent to which the Chancellor has fallen behind his own standard of economy is blatantly obvious.

He has, admittedly, been fortunate on the Revenue side. Super-tax realised £4 million below estimate, and the remnants of Excess Profits Duty and Corporation Profits Tax have once more been disappointing, but Income Tax yield was in excess of the estimate by nearly £5 million, Stamp Duty by £2 million and Estates Duties by over £8½ million. The buoyancy of Stamp Duty, of course, reflects a livelier Stock Exchange year than had been expected, but the other items of gain bear very little relation to the actual trade prospects of the country. More up to date in their connection with business activity are the Customs and Excise figures, which show a deficiency of £8½ million, nearly £7 million of which is concentrated on excise. Details have not yet been published, but it looks as if Mr Churchill will once more be able to say: "The Lords Commissioners of His Majesty's Treasury have been increasingly uncheered by alcoholic stimulants. Death has been their frequent companion, and almost their only friend."

Still, he has a surplus of sorts, and his Rating Relief Suspense Account now totals £22,633,587. The announcement of the Conservative election programme, we are told, awaits Mr Churchill's statement, a fact which naturally leads us to fear that every effort will be made to produce a popular Budget, even at the expense of that sound finance which we still hope for from so able a Statesman, but the benefits of which seem obscure and belated to the ordinary voter. If we think politically, we cannot rule out the possibility of a reduction of taxes in excess of what the hard facts of the financial position would appear to justify. The possibilities have already been summarised in the *Economist* of March 16th. Estimates for supply services exceed the expenditure in 1928-29 by £16.4 million, and although Mr Churchill's provision for interest and repayment of debt is £14 million less, that is offset by the realisation last year of £13.2 million in the Currency Notes Reserve, a non-recurring item. If his ordinary revenue were the same as this year, therefore, he would have a surplus of a couple of million, beside his hoarded £22.6 million. In our opinion, given the principle of the Suspense Account, that would not be an excessive total with which to face a full year of de-rating, costing over £35 million. But Mr Churchill will certainly count on an advance of revenue and he may be tempted to sue for the favour of the housewife or the motorist. Twopence off the petrol duty would cost him £7 million, while a combined reduction of twopence in the tea duty and a penny in the sugar duty would be not quite so expensive. These would probably be the most popular remissions.

They would, however, render possible an estimated deficit on the year, apart from the Suspense Account. And even all Mr Churchill's ingenuity may not be able to justify the continuance of the Sinking Fund scheme which he inaugurated last year. His proposal was to devote to interest and repayment combined a fixed sum, which was to be £369 million last year, when the Currency Notes Reserve fell in, and £355 million in subsequent years. Of these sums, Mr Churchill allowed for interest on the debt (other than Savings Certificates) £290,500,000 in 1928, £288,500,000 in 1929, £286,000,000 in 1930, £283,000,000 in 1931, £281,500,000 in 1932, and in 1933 (when our War Debt payment to the United States increases by £4,000,000), £284,000,000. The remainder, for Sinking Fund and for interest on Savings Certificates, would be £78,500,000 last year, £66,500,000 this year, £69,000,000 in 1930, £72,000,000 in 1931, £73,500,000 in 1932 and £71,000,000 in 1933.

All these calculations were made on the assumption that the Treasury Bill rate would average 4 per cent., which the Chancellor regarded as a conservative estimate. But he has been sadly disappointed, the cost of issuing Treasury Bills last year having been well over 4½ per cent. on the average, and over 5½ per cent. after the rise in Bank Rate. His total interest payment was, in fact, £311,490,566, against an estimate of £304,000,000. If the rate which he has to pay were to remain at its present figure over the whole of the financial year—a not impossible contingency—interest charges might easily rise by £20 to £30 million above the estimate which Mr Churchill made a year ago, and this would leave him with

only some £40,000,000 out of his £355,000,000, for Sinking Fund and interest paid on Savings Certificates. Statutory Sinking Fund obligations alone total over £50,000,000, and £20,000,000 would not be a " scare " estimate of the provision which ought to be made for interest on Savings Certificates presented for encashment. The extent of this annual obligation is unknown before the event, but interest on certificates left outstanding increases at the rate of £15 million to £20 million a year, and the time is at hand when heavy realisations of early certificates may be expected. The average charge expected by Mr Churchill in the six years which he reviewed in his Budget speech a year ago was £20,250,000. Last year we wrote: " Not only, therefore, has Mr. Churchill reduced the rate at which debt will be repaid, but he has based his plan on figures which will make the situation a very tight squeeze in the years immediately ahead." Events have already proved that criticism more than justified, for the New Sinking Fund plan has become a veritable strait-jacket. The pressure could be relieved if the surplus were used, as a surplus ought to be used, for the reduction of debt, and if de-rating (which is only a transfer of rate- and tax-burdens) were paid for as its benefits are felt.

Behind the glamour of ingenuity in revenue devices, for which the general public may mainly remember his Chancellorship, Mr Churchill has not seldom revealed a grasp of sound financial principle. His financial rectitude, marred so far by occasional lapses, is now, apparently, to be put to an acid test. We trust that he will not blot his record by bowing too low before the severe pressure to which Party managers and strategists will inevitably submit him, but rather that he will crown his five years' administration of the national finances by winning a victory for sound principle over political temptation.

WAR AND NATIONAL POLICY.

THE Pact of 1928 for the renunciation of war as an instrument of national policy deserves a fine historian; and, if the Pact holds, its history will doubtless be written again and again as its effects work themselves out ever deeper and wider in the life of the world. At the same time, a special interest always attaches to those first histories of great events that are written by contemporaries. Whatever the contemporary historian may lack in perspective, he alone can convey to later generations the intellectual and emotional atmosphere in which the genesis of the great event occurred. His testimony will, of course, be doubly precious if he himself was an important actor in the drama—and not least if he deliberately confined himself to an unobtrusive *rôle* in the rear of the stage, whence he could scrutinise the movements of the other actors while still performing his own. On all these counts, Professor Shotwell's book* on the Pact—of which the English edition has just been published—might be expected *à priori* to be a work of high interest and enduring value; and this expectation is entirely borne out now that the book is in our hands. Professor Shotwell is not only a contemporary observer sensitive to the spiritual and political currents of the age; he is also, in a very definite sense, one of the architects of the Pact; and, over and above this, he always retains the historian's sense of perspective. He sees the negotiation of the Peace Pact in the light of the devastation produced by the General War of 1914-18 (For is he not the editor of the great series of Carnegie Endowment monographs on the economic and social history of the war?); and he sees the war of 1914-18 against the still more tragic background of all the wars of the past six millennia—since the simultaneous birth of war and civilisation. Thus, " War as an Instrument of National Policy " is at once a deep and a simple book. In other words, it is a book in which " the plain man " can study an issue which concerns him every bit as much as it concerns the statesman, because it affects the whole future of mankind. But this does not mean that the book is of secondary importance for " the expert "; for Professor Shotwell shows himself not only a historian with wide vision but also an interpreter of diplomatic documents with a very penetrating acumen. Anyone who, looking towards the future with a practical aim, is anxious to explore the diplomatic implications of the Pact itself and of the diplomatic correspondence out of which it emerged, will find Professor Shotwell's work indispensable.

Perhaps the most interesting single point that stands out in the book is the fact that both the idea expressed in the Pact and the momentum which carried this idea into the treaty stage were supplied by public opinion. The first suggestion was given in a message addressed by Monsieur Briand, not to his official " opposite number," the Secretary of State at Washington, but to the American people at large through a non-official agency, the American " Associated Press." In this message, Monsieur Briand deliberately took up a current popular American " slogan," the " Outlawry of War." Monsieur Briand's message, in turn, was taken up in America by private individuals—we may mention Professor Shotwell himself, Dr Nicholas Murray Butler, and Mr S. O. Levinson—and it was really they who got up the steam which started the diplomatic machinery working in good earnest nine months later, when Mr Secretary Kellogg made his formal proposal for a general treaty on December 28, 1927. The effect produced by these unofficial American missionaries of the Peace Pact was very imposing. In the first place, they succeeded in uniting the peace movement in the United States on a common programme—for the first time since that movement had been split over the question whether the United States should become a member of the League of Nations. They also aroused the interest of the American people as a whole, and the active sympathy of a very large majority of it—a majority far larger than the adherents of the peace movement in the narrower sense. But their effective action was by no means confined to their own country. Mr. Levinson conferred with Monsieur Briand in Paris—and what he was able to tell him about the state of American public opinion may well have been the decisive consideration that moved Monsieur Briand to follow up his first unofficial suggestion with a formal offer of a bi-lateral Franco-American treaty two months later. A few months later again, at the Honolulu Conference of the Institute of Pacific Relations, Professor Shotwell took the opportunity to explain the idea to the assembled national groups (Chinese, Japanese, Canadian, Australian and New Zealand, as well as American), and the seeds of the idea which were carried home by individual members of the Japanese group seem to have started that remarkable development of Japanese opinion which led to the Japanese Government, months afterwards, accepting Mr Kellogg's full-fledged proposal without reservations. It should be noted that the Institute of Pacific Relations, though an international institution, was a purely private association of non-official organisations in the several countries affiliated to it; and this was a projection, on the international scale, of an American way of doing things; for the initiative in the foundation of the I.P.R. had originally come from private American citizens resident in Hawaii. Moreover, the *rôle* of public opinion did not come to an end even when the official negotiations that eventually resulted in the Treaty of Paris began. For this public opinion overleapt the national frontiers and displayed itself as a worldwide force which no local Government could ignore. In Great Britain, a Ministry which did not reveal much spontaneous enthusiasm for Mr Kellogg's proposal was impelled by public opinion, energetically and persistently, along the proper course. And the effect of this worldwide opinion upon Governments was even more striking where, as in France and in the U.S.S.R., local public opinion either did not or could not assert itself. The French and Russian Governments were drawn along by this imponderable but pervasive and powerful world force no less effectively than if they had been subjected to close-range bombardments by Press campaigns in their own capitals.

In emphasising the *rôle* of international public opinion, we do not mean for one moment to call in question the brilliance of Mr Kellogg's diplomacy; for public opinion, by its nature, can only provide the driving power for political achievements; and all honour to the political engineer who, when he is presented with a fine head of steam, shows himself competent to get the utmost out of it. The brilliance of Mr Kellogg's work can be measured by its simplicity and sincerity; for it is a far harder task to induce other negotiators to refrain from importing subtleties, complications and reservations into a straightforward formula than it is to play the opposite part. Nothing could have been more masterly than Mr Kellogg's method of saving " the simplicity and purity " of Monsieur Briand's original formula by a series of timely moves—partly in the shape of conciliatory interpretations and partly through enlisting an ever-widening circle of Governments in favour of his own plan.

Thus the world will to peace—skilfully interpreted by Mr Kellogg in terms which " the plain man " could appreciate—found fulfilment in the signature of a Pact which would have been greeted either as a stumbling-block or as a folly not many years earlier. But of course the Pact is not the last but the first act of a play. This can be realised at once by comparing the contents of the Pact with those of the Covenant of the League of Nations. The Covenant contains three distinct elements: first, a partial renunciation of war without qualification; second, the provision of alternative, *i.e.*, pacific, means for the settlement of international disputes; third, the holding in reserve of sanctions against States which refuse to fall in with these alternative means of settlement—the first resort being economic pressure and the *ultima ratio* collective war against the Covenant-breaker. By contrast, the Peace Pact pledges the parties to a total renunciation of war as an instrument of national policy—though without impugning the right of self-defence, and that at a party's own sole discretion; it merely provides that international disputes shall not be settled except by pacific means, without itself making any arrangements for that purpose; and it is silent about sanctions. Thus, at best, for parties to the Peace Pact, who do not happen also to be States Members of the League, and possibly for all parties to the Peace Pact, acceptance of the Pact presupposes certain further action. As far as the United States is concerned, she is taking some of this action by busily weaving a network of bilateral conciliation and arbitration treaties with as many other States as possible. Sanctions are another matter—but perhaps it would not be altogether accurate to say that the Pact leaves them out of account; for in the preamble there is the very significant postulate that any party which violates the Pact shall automatically lose the benefit of it *vis-à-vis* all the other parties. In other words, there really is a sanction, though it consists not in the certainty of coercion but in the loss of certainty of immunity from coercion. It may well be, psychologically, that this unpredictable kind of sanction has a greater deterrent effect than the kind in which the worst that can happen can be calculated—and so perhaps provided against—in advance.

THE AMERICAN PRESS.

(BY A NEW YORK CORRESPONDENT.)

THE American Press, founded originally upon personalities, is becoming institutionalised. The past ten years have been a period of striking growth of newspaper chains, and have witnessed increased linking of local journals in widely scattered cities under single ownership and management, though not necessarily under uniform editorial direction. In the last five years the number of chains has more than doubled and the number of controlled papers has increased by more than half. It has been a period, too, of consolidation of competing papers in the same city, not only through purchase by the chains, but also by necessity, political partisanship having become insufficient to support two or more journals. Although the population is growing, the number of periodicals is decreasing. Some 20,600 daily and other periodicals are published now in the United States. The total is a few score less than in 1927.

The present magnitude of the newspaper business is apparent in the circulation figures, which show a daily sale of over 27,000,000 evening papers and 6,000,000 morning papers—a combined total of over 33,000,000—while circulation of Sunday newspapers aggregates more than 28,000,000. But whereas the beginnings of the industry are to be found in political opinion and the personality of colourful editors, it shows to-day definite signs of having outgrown these aids to greatness; of having become a business more than an art.

The most conspicuous example of the consolidation of competitive journals was the work of the late Frank A. Munsey, in New York City. His mergers reduced the morning papers there from seven to four and the evening papers from seven to five. Beginning with the *New York Press* in 1912, he bought the *Sun* and *Evening Sun* in 1916 and submerged the *Press*, retaining its Associated Press Franchise. In 1920 he purchased the *Herald*, with the *Telegram* and the European edition of the *Herald*, for the sum of $4,000,000. He amalgamated the *Sun* and *Herald*, later separating them and making the *Sun* an evening paper to replace the *Evening Sun*. In 1924, failing to buy the *Tribune*, he sold the *Herald* to that paper for $5,000,000. He combined the *Telegram* with the *Evening Mail* and the *Sun* with the *Globe*, later dropping the names of the *Mail* and the *Globe* from the merged organisations. These steps left the *World*, the *Times*, the *Herald-Tribune*, and the *New York American* in the morning field, and the *Sun*, the *Telegram*, the *Evening World*, the *Evening Post*, and the *Journal* in the evening field of the full-sized Manhattan dailies.

Three dailies, whose circulation figures outshine most of these, however, have been created within the last ten years. The *Daily News*, an experiment launched by *Chicago Tribune* interests, was the first. The others, the *Daily Mirror* and the *Evening Graphic*, are patterned after it, as are many others now throughout the country. They are half-sized newspapers, with news condensed, special emphasis on the sensational and sordid, and profuse illustration. The so-called " tabloid " is the modern " yellow " journal, appealing frankly to unintelligent masses. William Randolph Hearst sponsored the *Mirror* for a while, as he did also " tabloid " papers in Boston and Baltimore, but subsequently sold all three.

Mr. Hearst was the pioneer in the creation of huge newspaper systems. He began with the *San Francisco Examiner*, a paper owned by his father. He transformed it into a nationally known feature newspaper. He did the same to the *New York Journal*. His group to-day includes twenty-eight newspapers, published in such leading cities as New York, Chicago, Boston, San Francisco, Los Angeles, Detroit, Washington, Albany, Atlanta, and others. In the last two years, by the sale of the " tabloids " and the consolidation of several papers, he has made the first reversal of his policy of expansion.

The aggressive Scripps-Howard newspapers are running Hearst a close second. From the *Cleveland Press*, this organisation has reached out to acquire twenty-five other dailies, having a combined circulation of over 2,500,000. Its journals include the *New York Telegram*—bought from the *Sun* in spite of a higher tender by Hearst—and publications in Cleveland, Baltimore, Pittsburgh, San Francisco, Washington, Cincinnati, Indianapolis, and other cities.

The third powerful group, younger still, is the Frank E. Gannett system of sixteen newspapers, fourteen of which are in New York State. Its last acquisition was the time-honoured *Brooklyn Eagle*, in December, 1928. The Gannett chain last year alone spent $10,500,000 on the purchase of additional journals, exclusive of the $6,000,000 reported to have been paid for the *Eagle*. The Sentress Narsh organisation, with seven papers in Texas and others in the southwest, and the Ira C. Copley chain, with eighteen in California and four in Illinois, are other growing national groups.

The trend towards the formation of a " national " Press in the United States is apparent in the growth of

* " War as an Instrument of National Policy." By James T. Shotwell. (Constable, 15s. net).

the syndicates—companies which buy the output of comic artists and feature writers and distribute them all over the country for fees based upon the circulation of the subscribing journal. There are about 100 of such organisations. In any large city the itinerant reader may pick up a daily paper and find the favourite comic strip or feature article of his home town paper. The syndicates go even farther than supplying contributions to the make-up of a daily. The smaller publications, the semi-weekly or weekly paper of the rural districts, may contract for whole pages. They may even buy their paper already printed on one side with special news, educational features, and entertainment matter. Moreover, co-operative organisations among such small journals are active and extensive. The Western Newspaper Union, for example, embraces some 3,780 papers; the Montana News Association, 100; the United Weeklies, the Public Press, and the Northwest Newspaper Association, smaller numbers.

The effect of the newspaper chain upon the independence of individual papers has not been as great as might be surmised. For example, it is the policy of the Gannett managers to leave the editorial opinions and politics of their units unchanged. Thus they conduct a Democratic paper in one city and a Republican paper in another adhering to the traditions of each publication. The Scripps-Howard organisation controls the national and international policies, but leaves local jurisdiction in charge of local editors. It sends by leased wire from Washington editorial matter on national questions, though there is no strict rule about the use of such editorials. During the last presidential campaign it supported Mr. Hoover. Before his nomination it had announced that if Governor Smith were nominated and any other Republican than Hoover placed in the race, it would support Smith. The Hearst group, more than the others, is dominated by the policies of its commander.

Public ownership of the American Press, in the British manner, is practically non-existent. Financially, the newspaper business is in much the same position as that in which industrial corporations were placed a quarter of a century ago, when railroads were the prime investments, and other industries were not regarded favourably by the bankers or the public. The hazards of the publishing business appear to the American investor to be considerable. Profitable individual enterprises are held closely; to seek public financing has been considered a sign of weakness. One step, however, in the direction of widespread ownership has been the development of employee stockholding. The Scripps-Howard organisation, forming what amounts to investment pools in shares of various newspapers of the chain, has been successful in selling shares in the investment companies to their employees. Individual newspapers, in a few instances, have offered their workers a chance to share in the profits. These include the *Kansas City Star*, the *Chicago Daily News*, and the *New York Sun*. Following out the wishes of Mr. Munsey, William T. Dewart, the present publisher, offered all employees an opportunity to buy preferred stock, non-voting, non-cumulative and non-transferable. In addition, department heads and other executives were granted common stock. The *New York Post* and the *Philadelphia Public Ledger* stand almost alone as an example of public participation in the newspaper business—and this only through the stock of the Curtis Publishing Co., whose interests include three great national magazines. On the other hand, there has been some success in the floating of bond issues by newspapers. Hearst has gone to the public several times with mortgage or debenture issues backed by his personal guarantee. That guarantee in turn is backed by a net fortune of more than $25,000,000. The Scripps-Howard Newspapers also floated a $8,500,000 issue last year, in the form of 5½ per cent. unsecured debentures sold at $99, one of the highest known industrial issue prices either in this country or in Europe. It was their first outside financing except for a mortgage bond on real estate. The magnitude of the Gannett operations drove that group also to the open market with $5,000,000 in debentures, which were successfully disposed of.

As the benefits of chain operations become more apparent, through economies in purchase of raw material and production of entertainment features as well as through standardisation of mechanical practices, it seems apparent that a place will be found for newspaper equity securities in the investment market. Just as personal journalism has passed from the editorial side of newspaper making, so, according to leaders of the chain movement, personal financing is destined to pass from the business side of newspaper operation.

OUR INDEX NUMBER: THE QUARTER'S PRICES.

A FURTHER fractional rise took place last month in the general level of wholesale prices, our index number at the end of March being approximately one-half of 1 per cent. higher than a month ago, and nearly 1.2 per cent. above the figure recorded at the end of 1928. Changes in the indices of each price-group during the past quarter are summarised in the following table, the figures for the end of March, 1928, being added for purposes of comparison:—

Average, 1927 = 100.

End of—	Mar., 1928.	Dec., 1928.	Jan., 1929.	Feb., 1929.	Mar., 1929.
Cereals and meat	107·0	97·6	96·7	101·2	100·9
Other foods	96·9	90·2	89·4	88·5	87·3
Textiles	107·4	101·7	101·3	99·9	100·8
Minerals	91·4	94·1	94·8	96·4	99·7
Miscellaneous	96·9	91·4	91·2	91·4	91·4
Complete Index	99·9	95·0	94·7	95·6	96·1

Food prices, it will be observed, fell during March, whereas the value of materials rose, as a result, chiefly, of a further sharp advance in mineral prices. Textiles also recovered, while the " miscellaneous " group on balance showed no change. Fluctuations in the prices of individual commodities last month were considerable, as may be seen from the following analysis of the 58 articles comprised in our index number:—

	Inc. (+) or Dec. (−) per cent. compared with Month Ago.	Year Ago.		Inc. (+) or Dec. (−) per cent. compared with Month Ago.	Year Ago.
Wheat—For.	− 3·8	−15·9	Flax	− 1·1	−16·8
Wheat—Eng.	...	− 2·5	Hemp	...	− 3·3
Flour	− 5·4	−13·4	Jute	− 2·9	+ 5·1
Barley	− 0·8	− 6·1	Textiles	+ 0·9	− 6·1
Oats	...	−11·4			
Maize	− 1·7	− 7·3	Pig iron	...	+ 1·5
Rice	+ 4·1	− 7·3	Steel rails	...	...
Potatoes	−10·7	−16·6	Iron bars	...	...
Beef—Eng.	...	−11·2	Tin plates	+ 1·4	...
Beef—Arg.	+19·5	+ 8·8	Coal, Welsh exp.	+ 8·9	+11·7
Mutton—Eng.	− 9·8	−16·4	Coal, Dur. gas	+ 3·4	+ 1·7
Mutton—N.Z.	+ 1·6	+ 3·5	Coal, household	...	+13·2
Bacon, Danish	− 0·9	+32·0	Lead	+ 5·0	+25·0
Cereals and meat	− 0·3	− 5·7	Tin	...	− 7·7
			Copper	+15·9	+56·3
Tea	+ 0·7	+11·6	Spelter	+ 4·3	+10·6
Coffee	+ 0·5	− 4·2	Minerals	+ 3·4	+ 9·1
Cocoa	+ 4·0	−17·0			
Sugar, cane	...	−17·8	Timber, Eng.	...	...
Sugar, ref.	+ 0·4	−23·2	Timber, Swed.	...	...
Cheese, Can.	+ 1·0	− 2·8	Cement	...	−13·0
Butter, Dan.	−12·2	−15·3	Hides	...	−27·3
Coco. oil	− 5·3	−15·0	Leather	− 2·2	−26·7
Tobacco	...	...	Petrol No. 1	+14·8	+52·2
Other Foods	− 1·4	− 9·9	Petroleum oil	+14·2	+14·2
			Fuel oil	...	− 6·9
Cotton A	+ 1·8	+ 1·7	Linseed oil	− 4·1	− 1·7
Cotton E	+ 6·9	− 3·7	Tallow	...	+ 7·9
Cotton yarn	+ 1·6	− 1·5	Rubber	−14·5	−17·0
Cotton cloth	+ 1·8	− 1·7	Soda crystals	...	...
Wool, Eng.	− 3·7	−10·3	Sulph. ammon.	...	...
Wool, Aust.	− 2·4	−17·1	Creosote	− 4·5	−34·8
Wool tops	+ 2·3	−20·1			
Silk	...	+ 1·4	Miscellaneous	...	− 5·7

Among cereals and meat a notable feature last month was an advance in the price of Argentine beef, as opposed to falls in the price of English mutton and potatoes. Imported wheat and flour quotations also declined. In the " other foods " group, cocoa appreciated, but values of Danish butter and coconut oil were lower. Wool prices fell, among textiles, but the price of Egyptian cotton, and to a less extent that of American cotton, advanced. In the mineral section, coal prices, particularly of Welsh export coal, recovered substantially, and metals, other than tin, rose under the lead of " booming " copper prices. Among " miscellaneous " commodities, advances in petrol and petroleum prices were balanced by declines in the case of rubber, creosote and leather. In comparison with a year ago, it will be seen that the chief alterations in prices at the end of March were advances in the case of bacon, coal, lead, copper, spelter and petrol, offset by declines in most other commodities — wheat, potatoes, English mutton, sugar, butter, wool, flax, hides, rubber, and creosote being notably cheaper. In the next table we give actual price-quotations for a number of important articles at the end of last month in comparison with their price at the beginning of the quarter and at earlier dates:

	End 1926.	End 1927.	1928. End March.	1928. End Dec.	1929. End March.
Wheat, Canadian, per qr.	57/6	58/−	59/9	49/3	50/3
Potatoes, per ton	£6/10/0	£6	£7/10/0	£6/0/0	£6/5/0
Beef, English sides, per 8 lbs.	4/10	4/8	6/−	5/4	5/4
Mutton, New Zealand, per 8 lbs.	4/3	4/9	4/10	5/−	5/−
Tea, Indian auction average, per lb.	1/3½	1/6½	1/3½	1/5½	1/5½
Sugar, granulated, per cwt.	34/1½	29/9½	30/7	24/7½	23/6
Cotton, American middling, per lb.	6·90d.	11·06d.	10·77d.	10·59d.	10·96d.
Cotton yarn, 32's twist, per lb.	12·37d.	15·25d.	16·25d.	15·50d.	16d.
Wool, Australian, per lb.	45d.	48d.	48d.	44d.	41d.
Jute, per ton	£31/5/0	£31/15/0	£31/17/6	£32/5/0	£33/10/0
Pig iron, Cleveland No. 3, per ton	87/6	65/−	66/−	66/−	67/−
Coal, best Welsh, per ton	29/3	19/1½	19/3	19/4½	21/6
Tin, Standard, per ton	£300/7/6	£265/2/6	£239	£225/15/−	£220/10/0
Copper, per ton	£56/4/0	£60/18/3	£61/6/0	£74	£95/15/0
Linseed oil, per ton	£31/5/0	£28	£29/10/0	£29	£29
Rubber, plant, sheet, per lb.	19·12d.	20d.	13·25d.	8·69d.	11d.
Cement, Portland, per ton	60/9	54/−	54/−	47/−	47/−

Compared with the position three months ago the salient changes shown in the foregoing list are the advances in the price of copper, coal, and rubber. With these exceptions—to which petrol has also to be added—the quarter has been a period of relatively stable prices. The severe weather of February occasioned short supplies and temporarily higher prices in the case of certain foodstuffs, and, though a reaction came with the end of the frost, there has been a fairly general advance, of no great extent, in cereal and meat prices as compared with the end of 1928. Among " other foods " butter and sugar have declined. After weakness in January, cotton values have recovered to a point somewhat above the level of three months ago; wool prices have had a downward tendency; other textiles have been barely maintained. Except for a rise of 1s. per ton in Cleveland pig iron, steel and iron prices have undergone no alteration. Tin has been steady at the lower figure established in January; coal prices have latterly been firmer; and copper and other metals have gone strongly ahead. Hides and leather quotations have declined, and rubber, after reaching nearly 13d. per lb. at the end of February, was 2d. per lb. lower at the end of the quarter. Movements, in short, during the first three months of 1929 have been conflicting, and the rise on balance of 1.2 per cent. in the general price level shows that the rise in Bank Rate early in February has not resulted in any general fall in prices.

Calculated with 1924 as the base year, our index number at the end of last month works out at 83.1. Recent changes, measured on this basis, are summarised below:—

1924 = 100.

Date.	Cereals and Meat	Other Foods.	Textiles.	Minerals.	Miscellaneous.	Complete Index.
Average, 1925	99·9	94·7	90·6	93·6	102·9	96·8
" 1926	90·0	90·6	71·1	100·3	98·4	89·9
" 1927	87·5	93·8	73·1	83·7	94·7	86·4
End March, 1928	93·7	90·9	78·6	76·6	91·8	86·4
" June, "	98·8	86·7	80·3	76·4	90·8	86·9
" Sept., "	84·5	87·6	74·1	76·9	90·2	82·7
" Dec., "	85·5	84·5	74·3	78·7	86·5	82·1
" March, "	88·4	81·9	73·7	83·5	86·6	83·1

Since 1924, it will be noted, the decline in the textile group index figure has been substantially greater than that shown by the other groups, while " other foods " have fallen more than cereals and meat. These apparent divergencies in the rate of fall become more understandable when our index number is converted (by the method explained in the *Economist* of December 15, 1928) to a percentage of 1913:—

1913 = 100.

Date.	Cereals and Meat.	Other Foods.	Textiles.	Minerals.	Miscellaneous.	Complete Index.
Average, 1924	168·5	215·8	214·7	149·3	122·6	166·2
" 1925	168·4	204·2	194·6	139·8	126·2	160·9
" 1926	151·7	195·3	152·6	149·8	120·7	149·4
" 1927	147·6	202·2	157·0	125·1	116·1	143·7
End June, 1927	155·5	199·4	157·3	123·9	113·9	144·1
" Dec., 1927	143·7	198·6	160·9	117·8	117·8	141·9
" June, 1928	166·4	187·3	172·3	114·2	111·3	144·5
" Dec., 1928	144·0	182·4	159·6	117·7	106·1	136·5
" Jan., 1929	142·7	180·8	159·0	118·6	105·9	136·1
" Feb., 1929	149·3	179·0	156·8	120·6	106·1	137·3
" Mar., 1929	148·9	176·5	158·2	124·7	106·1	138·1

In 1924 the increases since 1913 in the case of " other foods " and textiles greatly exceeded the general average. Thus, the relatively greater decline which has occurred in these two groups during the past four years has been in the nature of a step towards restoration of the pre-war balance of prices. " Other foods," it may be remarked, are still comparatively " dear," while, at the other end of the scale, the altered cost of rubber is largely responsible for the " cheapness " of the miscellaneous section. The increase of 38.1 per cent. over 1913, recorded at the end of March, compares with 43.5 per cent. a year ago and two years ago, and with 47.1 per cent. at the end of March, 1926. Thus, during the past three years the fall in prices as a whole has averaged no more than 0.17 per cent. per month—a high degree of stability in comparison with the previous five years.

The MERCANTILE BANK *of* INDIA
LIMITED.
Head Office: 15, Gracechurch St., London, E.C.3
Branches and Agencies throughout the East
Capital Authorised - - - £3,000,000
Capital Paid Up - - - £1,050,000
Reserved Fund and Undivided Profits £1,622,047

CO-OPERATIVE BUSINESS ADMINISTRATION.

(BY A CORRESPONDENT.)

POST-WAR expansion of the Co-operative Wholesale Society has outgrown the methods of supervision which were laid down when the society was mainly a distributing agency, with only a few advances into production. Now it has depôts abroad, agents in the British Colonies, investments in outside financial interests, joint partnorship with the Scottish C.W.S. in India and Ceylon and with Russian co-operators in the wheat supply, and a score of other enterprises—including the ownership, recently acquired, of a Sunday newspaper—involving expert guidance and direction. New problems with regard to the relation of the organisation towards commercial rivals, the experience in farming, the apathy of some retail societies to the productions from the works they have established through the C.W.S. have become insistently urgent. These facts, combined with the impression that an improvement was desirable in the status and emoluments of the directors and a change in the unwieldy character of the business meetings, led to the appointment, in January, 1928, of a Special Committee, thoroughly representative of the experienced leaders of the movement, to consider the whole matter and make recommendations with a view to helping the C.W.S. more adequately to meet the new conditions.

The Committee has now completed its inquiry, and the report, which has just been issued to the retail societies, will be considered at the delegates' meeting in April.

Tribute is paid to the efficient management and financial stability of the organisation; but it is recognised that the " unparalleled growth " of the society suggests the need for improvements in administration consequent on the expansion. Apart from its significance to the co-operative movement, the report of the Special Committee is of general importance in virtue of its plans for the election of directors from a panel of selected persons, and of its formulation of a policy to secure more considered examination of accounts by a lessened number of accredited delegates.

These reforms constitute an innovation in a movement that has stood for widening the area from which the candidates for responsible office should be drawn and extending the control by the members. The necessity for an overhaul of the executive machinery has been forced by the new factors which have entered into commerce—both on the economic and on the industrial side. Co-operation is no longer represented by small shops in the back streets of purely industrial areas. It is alongside Big Business in all the markets of the world.

The present directorate consists of 32 members, nominated and elected by the 1,200 retail societies. There is no shareholding qualification; and the individual interests are on a different basis from that which obtains in ordinary companies. Only societies may hold shares in the C.W.S., so that there are no individual members. The directors are elected in three districts—Manchester, which embraces half the societies, and Newcastle and London. The recent advance in the latter area, and the trade depression on Tyneside, have altered the proportionate importance of the divisions. Hence the new proposals to institute a national election and to reduce the number of directors to 28, from 32. Starting salaries of £750, rising to £1,000, are suggested, with pensions not exceeding £500 per annum on reaching the proposed retiring age of 68 years.

Under the present system the delegates are mainly dependent for their knowledge of the candidates from their speeches at the conferences frequently held in various districts. The problem is to distinguish between business acumen and oratorical power. It is now proposed to meet the position by setting up a Reference Committee consisting of two representatives of the retail societies in the seven areas into which England will be divided for the purpose. These fourteen, with two members of the C.W.S. board, will determine upon two or three candidates who, on the first ballot, secure more than the average number of votes for each nominee in the election. Thus the societies will, in the first place, vote for a national list. The result of that ballot will determine the most popular candidates by deleting all who fail to reach the average of votes. Then the Reference Committee will interview and examine the qualifications of those with the greater number of votes, and when they have decided on the two or three with the necessary qualifications, the societies will, on a final election, decide their choice. This is an interesting experiment in democratic business control, and is an adaptation of some of the methods practised by co-operative societies on the Continent. It is a recognition of the essential difference between political and business democracy.

In order to secure more thorough examination of the commercial affairs of the co-operative movement the Special Committee is recommending—and the present C.W.S. board intends immediately to adopt—the holding of delegate conferences to examine the balance-sheet in detail and to consider the account in a more detailed way than is possible in meetings attended by several hundred people. Representation at these quarterly business assemblies (and also the voting for the directors) will be based upon one vote as a member of the C.W.S., another for the first complete £20,000 of goods purchased, and another for each £40,000 of goods bought from the C.W.S. Thus the controlling power will be removed from the shareholding qualification and will be entirely regulated by the degree of loyalty to the institution as measured by purchases. This, again, is an innovation which is calculated to encourage the retail societies to draw all their trade stocks from the federation, and so extend its influence in the commercial markets as well as help the development of its own productive enterprises.

Apart from these two variations in the election, or selection, of directors and the transfer of governing power from capital to trade, the recommendations are designed to concentrate the central authority at the Manchester headquarters, where the board meetings are to be held 34 weeks in the year, the other weekly meetings being twice in London to once in Newcastle. The directors are to be divided into three sections dealing with finance, food supplies, and dry goods, with a view to their specialising in the various departments. There are 200 managers of works and departments now responsible to the directors, and the idea is to form these into groups " with a view to a reduction in the number of persons directly responsible to the board." Proposals are also to be made for the furtherance of education and welfare work among the 50,000 employees, the formation of workers' advisory councils, and the employment of specialists in agriculture to give expert advice on farming policy. The Special Committee has offered a suggestion for the consideration of the C.W.S. and the retail societies in its approval of " the principle of fixed maximum retail prices for suitable goods manufactured by the C.W.S."—thus (if the idea is adopted by the societies) meeting the controversy that has recently been raised by outside manufacturers seeking to prevent co-operative societies giving their usual dividends on goods with prices fixed by the makers.

Altogether the recommendations indicate the feeling among co-operators that the new competition they have to meet, and the fresh fields into which they are venturing, require the overhaul of their methods so as to preserve the traditional principles in a new policy of more intensive business application and a more extensive range of commercial enterprise. Their reception by the delegates at the meetings to be held next month will determine the rate of co-operative progress for another quarter of a century.

THE SINKING OF THE "I'M ALONE" AND "HOT PURSUIT."

(BY A LEGAL CORRESPONDENT.)

He would be an imprudent man who would attempt a judgment upon the case of the " I'm Alone," the Canadian schooner sunk by a United States coastguard vessel over 200 miles from the American coast, until the facts have been approved or agreed. But it is not too early to explore some of the legal principles and doctrines which are being bandied about to and fro across the Atlantic, and in particular the doctrine of " hot pursuit."

Territorial Jurisdiction.—The normal limit within which a State can lawfully exercise jurisdiction over foreign merchant ships is the extent of its territorial waters or marginal belt, as to which there is universal agreement upon three miles as a minimum and very general agreement upon that distance as a maximum. The principal parties to the present dispute—the United States and Canada—are in agreement upon three miles both as a maximum and as a minimum, and have solemnly declared their agreement in the first clause of the Liquor Treaty of January 23, 1924, between the British Empire and the United States. France, who is also interested because (it is said) the member of the crew of the " I'm Alone " who was killed was a French citizen, does not hold the same clear-cut view as to the limits of territorial waters, and the Franco-American Liquor Treaty of March 12, 1927, contains no such declaration.

Jurisdiction Outside Territorial Waters.—In addition, however, to this undoubted jurisdiction within territorial waters there is a controversial protective jurisdiction extending beyond it to an undefined extent (see the *Economist*, December 1, 1923, page 958). Lord Chief Justice Russell, when arguing as Attorney-General at the Behring Sea Arbitration in 1893, asked on what principle the Hovering Acts rested, and answered his own question as follows:—

" On the principle that no civilised State will encourage offences against the laws of another State, the justice of which laws it recognises. It willingly allows a foreign State to take reasonable measures of prevention within a moderate distance, even outside territorial waters; but all these offences, and all offences of the same class and character relating to revenue and to trade, are measures directed against a breach of the law contemplated to be consummated within the territory. . . ."

Whether this extended jurisdiction should be based upon international law proper or merely upon international comity is not clear, but its existence in one form or the other is recognised.

It was presumably with reference to this extra-territorial protective jurisdiction, and upon the analogy of the old Hovering Acts (both British and American) that in 1922 Congress enacted the Tariff Act of 1922, which made provision for the enforcement of the Prohibition Amendment within a distance of four leagues of the American coasts. But this being a purely municipal enactment did not thereby acquire international validity. The important event from the international point of view was the conclusion by the United States in the years 1924 to 1928 of a number of so-called " Liquor Treaties " with foreign States, whereby that country acquired a right to enforce her Prohibition law within a much greater distance than three miles or even four leagues. By the British-American Treaty of 1924 (to which Canada is a party) His Britannic Majesty agreed

" that he will raise no objection to the boarding of private vessels under the British flag outside the limits of territorial waters by the authorities of the United States . . . in order that enquiries may be addressed to those on board and an examination be made of the ship's papers for the purpose of ascertaining whether the vessel or those on board are endeavouring to import or have imported alcoholic beverages into the United States . . . in violation of the laws there in force. . . .

" The rights conferred by this article shall not be exercised at a greater distance from the coast of the United States . . . than can be *traversed in one hour by the vessel suspected* of endeavouring to commit the offence. In cases, however, in which the liquor is intended to be conveyed to the United States . . . by a vessel other than the one boarded and searched, it shall be the speed of such other vessel, and not the speed of the vessel boarded, which shall determine the distance from the coast at which the right under this article can be exercised."

The Doctrine of Hot Pursuit.—The further question arises: May a vessel, having committed an offence within a given area of jurisdiction in which she may lawfully be seized and then escaping beyond it, be pursued and seized on the high seas? May a pursuit lawfully commenced at spot A be lawfully consummated by seizure at spot B, where the pursuit could not lawfully have commenced? There is a general consensus of authority, both British and American, in favour of an affirmative answer to these questions in the case of an offence committed, and a pursuit commenced, within territorial waters, that is, within the three-mile limit. Sir Charles Russell, arguing in the arbitration mentioned above, said that "there is a general consent on the part of nations to the action of a State pursuing a vessel under such circumstances out of its territorial waters and on to the high sea." Though he regarded it not as " a strict right by international law, but something which nations will stand by and see done, and not interpose if they think that the particular person has been endeavouring to commit a fraud against the laws of a friendly Power," most authorities state it as a rule of law, and for our present purposes it does not greatly matter which view is the correct one. He also said: " It must be a hot pursuit, it must be immediate, and it must be within limits of moderation." The facts of the " I'm Alone " case, when established, will show whether these conditions are satisfied or not. The point of law, or one of the points, which the sinking of the " I'm Alone " seems likely to raise is whether this doctrine of hot pursuit is confined to offences committed within the strict limits of territorial waters or whether it applies by analogy to offences committed within the wider zone created by treaty between the United States and Britain. So far as we are aware, no international tribunal has yet been called upon to pass judgment upon this point. But there is nothing inherently improbable in the extension by the application of analogy. During the late war the British Prize Court was invited to apply the doctrine to the case of maritime property placed on land to avoid capture at sea, but upon the facts the necessity of an express decision of the point did not arise. Again, the doctrine has been invoked by the United States to justify the pursuit of Indian and Mexican raiders into adjacent foreign territory. And in the case of " The Vinces " it was decided by the United States District Court of South Carolina in 1927 that a vessel of British registry which committed an offence against the American Prohibition laws *within* twelve miles of the American coast could be pursued and lawfully seized at a point which was 12¼ to 13 miles from the coast. What attitude the British Government adopted towards this decision is not known.

A point of minor interest to observers of the development of Dominion status is the part which will be played by Mr Vincent Massey, the Canadian Minister at Washington, in the negotiations now taking place. In conclusion, it may be added that we need not anticipate serious difficulty in the solution of the matter. If even there were a " justiciable " dispute, it is this one, and the moderation of the British and American Press is of welcome good omen.

Notes of the Week.

Reparations.—Re-assembling at Paris this week after its Easter recess, the Committee of Experts apparently is entering on the final phase of its work with rather good prospects of success. Progress has been slower than was anticipated, but it seems to have been substantial. Machinery to replace that created by the Dawes Plan and a large part of that now in the hands of the Reparations Commission has been planned, and the ultimate operation of this machinery should do much finally to replace the war atmosphere by that of peace and to stimulate international economic co-operation and prosperity. The plan for a new bank for international payments has apparently been worked over carefully, and its sponsors have emphasised the intention of making it supplementary and helpful to existing institutions, and of not giving it powers to dominate. As an agency for co-operation between central banks it is envisaged as providing for regular meetings between the heads of existing central banks, or their representatives, much as the League of Nations provides opportunities for regular meetings between the statesmen of different countries. These seem to be the best grounds for believing that the bank would not attempt to interfere with the control of domestic money markets by their respective central banks, and that it would not compete with existing commercial institutions. In short, the bank as it has been developed bears, we gather, little resemblance to the " super-bank " that some early reports described. Meanwhile it would appear that the ideas of creditors and of the debtor regarding annuities have gradually been brought close enough together to permit concrete discussions in plenary sessions. At the last meeting before the recess was taken memoranda of principles to be employed for the determination of annuities were submitted by certain of the delegations. Judging by the optimism displayed at the adjournment, these memoranda contain nothing irreconcilable. Difficulties undoubtedly remain to be surmounted, and in negotiations of this kind the possibility of a hitch is always present. However, the Committee has been able to preserve good feeling within its ranks for a period of two months, and the quality of its membership should assure a sufficient supply of the give-and-take spirit to permit it to provide Europe with the basis for a real and lasting settlement.

Five Years' Revenue and Expenditure.—Political statisticians are hard at work totting up the evidence of Mr Churchill's luck and management in the four financial years in which he has had charge of the national accounts. They will be disappointed in their search for murderous bombs or lavish bouquets to hurl at the Chan-

cellor, but the following table, comparing the revenue and expenditure of the last four years with those of 1924-25, when Mr Snowden was in office, allows some interesting conclusions to be drawn:—

NATIONAL REVENUE AND EXPENDITURE, 1924–29.

£ (000's omitted.)

	1924–25.	1925–26.	1926–27.	1927–28.	1928–29.
1. *Revenue.*					
Income tax	273,836	259,411	234,717	250,583	237,620
Other Inland Revenue	165,230	169,030	167,330	167,500	169,320
Customs	99,344	103,487	107,515	111,620	118,972
Excise	135,128	134,560	132,978	139,200	134,000
Motor duties (net)	601	601	4,020	4,852	4,226
Total from taxes	674,139	667,089	646,560	673,755	664,138
Post Office (net)	5,070	3,400	3,950	6,200	8,100
Other revenue	54,284	70,168	82,918	86,403	85,866
Total revenue	733,493	740,657	733,428	766,358	758,104
2. *Expenditure.*					
Interest and management of National Debt	312,161	308,229	318,584	313,816	311,491
Other Consolidated Fund services	20,883	22,466	22,808	24,303	23,109
Defence	114,700	119,377	116,730	117,440	113,470
Civil and Revenue Depts. (exc. Post Office)	237,090	254,623	252,000	241,560	234,130
Sinking Fund	45,000	50,000	60,000	65,000	57,509
Total	729,834	754,695	770,122	762,119	739,709
3. *Self-Balancing Items.*					
Post Office	50,380	53,950	54,900	56,800	57,200
Road Fund	15,563	17,455	17,373	19,666	21,131
Total	65,943	71,405	72,273	76,466	78,331
4. *Balance*	+3,659	−14,038	−36,694	+4,239	+18,395

By far the most erratic item in the table is the yield of income tax, which, having stood at £274 million in 1924-25, amounted to no more than £235 million in 1926-27, thanks to the industrial troubles of that year, and to £238 million in 1928-29, chiefly on account of the remission made in last year's Budget. Meanwhile the yield of customs duties has steadily risen, against a nearly constant return from excise, a fact which reflects not merely the imposition of the petrol duties, but also the Protectionist tendencies of the present Government. Mr Churchill has, no doubt, been fighting a rearguard action for Free Trade, but he must nevertheless accept responsibility for the continuous increase in the proportion of tax revenue raised by indirect taxation. It will not escape notice that tax revenue has declined by £10 million in the space of four years, while expenditure has increased by the same amount. Mr Churchill found £3 million more coming in from the Post Office at his fifth account-making than at his first, but his non-tax revenue has been chiefly augmented by £16 million of receipts from loans and by a like total of special receipts (including last year the Currency Note Reserve). These heads of revenue are to a great extent both unpredictable and non-recurrent, and although there are similar items on the expenditure side, they are comparatively insignificant, so that the basis of the enlarged Budget is neither very stable nor very reliable. The cost of interest and of the supply services shows no tendency to decline by any serious amount. A million less for defence and £3 million less for civil departments, though better than an increase, are no evidence of thorough-going economy. The increased expenditure arises from sinking fund payments, which steadily rose until Mr Churchill inaugurated his New Sinking Fund; the Colwyn Committee recommended "that steps should be taken to increase the Sinking Fund as early as possible to £75 million a year," and that the aim should be to increase it by degrees to £100 million. Progress towards the realisation of their proposal has been rudely interrupted. In four years Mr Churchill has paid £232,509,434 for the reduction of debt. At the same time he has increased the debt by £50,732,120 on account of his two deficits. The annual average reduction is therefore about £45½ million, appreciably less than was provided in the year in which Mr Churchill took charge.

Labour and the I.L.P.—Few conclaves can have succeeded in passing so many foolish resolutions in so short a time as the Easter Conference of the Independent Labour Party. Meeting under the shadow of further losses in membership and branches during the past twelve months, the delegates were stirred by Mr. Maxton's presidential address to a creditable renewal of that "first fine careless rapture" whence the policy of "Socialism in Our Time" was conceived. The revised plan for the establishment (within two years from the accession of Labour to power) of a "living income standard" for every employed—and unemployed—worker was promptly endorsed, despite the cogent objections of a solitary critic, who doubted the merits of a policy which would begin by remunerating idleness more highly than many grades of skilled work. Having thus solved the problems of unemployment and under-consumption by the happy expedient of transferring wealth on a scale adumbrated as "hundreds of millions" from the "income-tax paying" class, the Conference proceeded, in the interests of world-peace, to instruct I.L.P. members of Parliament to vote against any expenditure on armaments. This embarassing decision called forth protests from more than one member, but the realists were overborne, and the conference concluded by deciding that in the event of the Labour Party being asked by the King to form a Government, the Party should immediately re-elect its leader and should thereafter select the Cabinet. Not without justification had Mr Roden Buxton complained at an earlier stage of the proceedings that the I.L.P. was "sowing suspicion of the Labour movement," though it may be questioned whether the sowers can find richer fields than they have found in the minds of the accredited leaders of that movement. For those outside the Labour Party's ranks the chief interest which attaches to the I.L.P.'s activities is not the degree of visionary enthusiasm with which the delegates succeeded in turning Carlisle into Cloud-Cuckoo-Town, but the extent of the Party's influence over its hundred odd members who are likely to sit in the next Parliament, and over the Labour Front Bench itself. Mr Macdonald has said hard words of the I.L.P.'s "futilities," but there is enough I.L.P. leaven in the mass of "Labour and the Nation" to render that encyclopædic document an acceptable bible for many of those who look for the "living income standard" in twenty-four months, and who would acclaim the total disarmament of a Great Britain no longer tainted by the supposed infamy of her present "Imperialism." Mr Macdonald owes it to the electorate to clarify and publish without further delay his Party's official policy, should they be enabled once more to take office.

The New Civil War in China.—This week, unfortunately, the "war-cloud" in China has turned into an unmistakable war—in fact, into two; for while a larger contest between Chiang Kei-shek and the Kwangsi groups is being fought out in the valley of the Yangtse, the resuscitated Northern War Lord, Chang Chung-chang, after taking Chefoo, has made a motion of advancing into the interior of Shantung. We do not take Chang very seriously, for before long he is bound to come into collision with Feng Yu-hsiang; and Feng, being aloof from the Yangtse campaign, ought to have sufficient forces available to suppress him with ease. As for the Yangtse campaign, it looks as though, in the military sense, Chiang Kei-shek is going to secure a rapid success. His advance guard is already converging on Hankow from several directions, and in the South, Canton has repudiated the Kwangsi leaders and rallied to Nanking. All the same, we prophesy that, even if Chiang Kei-shek gains his immediate military objective, he will have done so at a cost in political popularity and prestige which, on the balance, will make him a heavy loser. What the Chinese people want above all things now is peace; and it has become an odious rôle for any general to break this peace for the sake of anything that can be interpreted by his critics as a personal cause. Therefore, we foresee that, whatever may happen in this campaign, Chiang's stock will go down and Feng's stock rise in proportion. Feng is now more than ever in the favourite position of Chinese statesmen—the position of holding the scales between mutually hostile colleagues. And, several times in the past, Feng has shown consummate skill in exploiting this position to the maximum advantage. If China proves unable to get peace and reconstruction without dictatorship, everything now points to Feng being the man of destiny.

Monsieur Poincaré's Further Success.—The session of the Chamber has come to an end with Monsieur Poincaré still left in power. It is not easy to see what stronger weight of forces could be concentrated against him than that with which he has had to reckon since the Radical-Socialists reunited in opposition to him. Nor, again, is it easy to see what more contentious issue could arise than that of the religious congregations—a question which stirs France to its depths, as we pointed out when the debate on this matter was at its height some weeks ago. Therefore, if Monsieur Poincaré has survived thus far, it seems probable that he will go on surviving for some time to come. In these circumstances, the main concern for us is whether, or rather to what extent, he will continue to allow Monsieur Briand a free hand in foreign affairs. At the best, Monsieur Briand's position as a member of a Poincaré Ministry inevitably cramps his style. A little more, and the foreign policy of France might again lose touch with the international movement for peace and reconciliation—and this with unfortunate results both for France and for the world at large. It is too much to hope that Monsieur Poincaré should feel any positive sympathy for this movement; but at least we may hope that he has come to the practical conclusion that he cannot permanently hold it at bay, for, in that case, he may be the more inclined to leave the control of French foreign policy in the hands of colleagues who are more *en rapport* with the spirit of the age.

America and the World Court.—A Geneva correspondent writes:—A long step has been taken in the path of American membership of the Permanent Court of International Justice which should mark an important and significant development in the permanent peace organisation of the world. The League Committee of Jurists, which included Mr Elihu Root, the former Republican Secretary of State, and, for Great Britain, Sir Cecil Hurst, succeeded with very little difficulty in carrying out the mandate given to it by the Council to seek a solution, as suggested in the American note to States signatories to the Court Statute, of the difficulties still outstanding with regard to the previous American reservation concerning advisory opinions. The original formula, which was not accepted, was that the Court should give no advisory opinion on any matter in which the United States had or claimed an interest without its consent. The plan upon which the Jurists have agreed as being prejudicial neither to the interests of the League nor to the United States, is that whenever the Council contemplates asking the advisory opinion of the Court the United States will be informed and will have the right, within a given period, to ask for delay so that she may be heard. In the improbable event of no agreement being reached, the United States retains the right to resign from the Court. What virtually happens is that the United States, if she becomes a member of the Court, will have the same rights as any member of the League, which is as it should be. There are signs still of some hesitation on the part of one or two of the die-hard American senators, because apparently the exact wording of Mr Root's proposal, which formed the basis of the Committee's report, was a little altered here and there with his complete agreement. The idea that American participation in international meetings consists in presenting untouchable schemes still seems to linger in some quarters, but it ought to be possible for the Administration to make out a sufficiently convincing case. It is true, also, that there have been certain tentative criticisms of the solution in one or two European quarters, but they are "finicking" and not likely to have any consequence. The report will be presented to the Council, and the matter should be settled at the time of the September Assembly. If that is the case, as most reasonable people hope, it will be a fitting rounding-off of Mr Root's distinguished career. He has fought long and tenaciously for the development of an international court of justice; it was he who, with the late Lord Phillimore (both members of the committee which originally drafted the Statute of the Court in 1920) was responsible for the solution of the problem which had baffled previous efforts, namely, the discovery of a satisfactory means of electing the judges. It is true that they were helped by the mere existence of the Council and Assembly of the League of Nations, which were ingeniously used for the election procedure. If, therefore, Mr Root is also the instrument in clearing the way at last for American membership of an organisation which has always been dear to the mind of American jurists, it will be a fine distinction for this great old man. A further feature of general significance has been the deposit with the League secretariat of the United States accession to the Slavery Convention drawn up by the seventh Assembly of the League. It is the first League Convention to which the United States has become a party, and accession raised the question of the recognition of the League for certain formalities. When the Convention was transmitted for the approval of the Senate it was accompanied by a covering letter from the Secretary of State stating that it was not considered necessary to make any reservation indicating the position of the United States Government with respect to the League, but that if the Senate should consider a reservation of this kind desirable one might be made. The Senate, however, did not so consider, and no such reservation was made. This first acceptance of a League Convention without any reservation as to the League formalities, is an interesting development, and one more sign that the United States Administration can now afford to ignore the League of Nations bogey.

The "Small Investor."—The articles in the *Economist* of February 23 and March 23, with regard to the comparative unimportance of the "small investor" as a factor in industrial development, have confirmation (writes a correspondent) in the experience of the co-operative movement with regard to its increased share and loan capital. Between 1920 and 1927 the number of shareholders in the retail distributive societies increased by about a million to 5,579,038; their share and loan capital rose from £86,553,168 in 1920 to £109,773,835 in 1927. But this increase of £23,220,667 was not the result of actual investment; it was, in the main, due to the accumulation of a portion of the interest on capital and the dividend on purchases. For the year 1927 alone the profit of the societies was £23,424,744, and after the payment of share interest the remaining surplus was £19,499,487, of which about £17 million were distributed as dividends on the purchases. Co-operators are generally regarded as the most thrifty section of the people; but they are not subscribing such a large proportion of their own individual savings as was previously the case. But for the retention of the dividends in the societies there would be comparatively little additional money available for the new services that are now being developed in many districts. As a matter of fact the average share and loan holding of the individual members was £19 18s. in 1927, whereas it was £19 13s. in 1920. A rise of 5s. in the average capital holding of the members in eight years is not suggestive of the increasing power of the small investor—except from the accumulation of the dividends on his purchases. This is the point of advantage that the co-operative societies enjoy as compared with other forms of commercial organisation. Figures such as these reveal a position that even the most ardent co-operators scarcely appreciate. In 1913, the year before the war, the average share and loan capital of each of the 2,878,648 members at that time was £14 10s. Since then the aggregate share and loan capital has risen from £42,601,765—and is now two and a half times as much, while the membership has doubled. But the average individual holding has advanced only from £14 10s. in 1913 to £19 18s. in 1927. In the aggregate the value of the small investor appears pretty considerable, but the increase of capital of only £5 8s. per individual co-operator in fifteen years suggests that, but for a portion of the dividends being retained in the societies, the progress would have been comparatively small. When considered alongside the public subscriptions of large sums towards the capital of recent joint stock issues, the financial resources of the "small investor" seem of the restricted character suggested in the *Economist* of February 23. For, in many ways, the co-operators may be regarded as the most prudent of the thrifty classes of the people.

Medical Research.—The work carried on with assistance from the Medical Research Council, as related in its report for the year 1927-28, is so various and covers such a wide range that any attempt to summarise it is out of the question. Of considerable economic interest are two announcements in connection with cattle diseases. The new "double intradermal" test for tuberculosis, which the Council recommended in 1925, is now widely used, and has been found both more reliable and easier to perform than the old "subcutaneous" tuberculin test. A by-product of this discovery has been the elaboration of a test for early diagnosis of Johne's disease, which the Council regards as an effective means of saving large sums annually to the agricultural community. Among human diseases, progress is claimed in the radium treatment of cancer, and further investigation, with very satisfactory results, into the use of liver extract as a cure for pernicious anæmia, has been made in collaboration with the Harvard Medical School. The section of the report which has attracted considerable popular interest is that which deals with the effects of artificial sunlight. Experiments during the year covered by the report have strengthened the suggestion of previous investigations that violet-ray treatment does nothing for deficiency diseases that proper food, with an adequate content of vitamin D, will not do at a small fraction of the cost. It is similarly pointed out that there is no evidence that the reactions which follow a slight inflammatory action of the skin, consequent on light treatment, produce permanent effects of value, and that in any case they can be more cheaply induced by a mustard plaster. This is a bombshell to the public, who, in view of the wholesale adoption of this treatment by hospitals and private doctors, had formed a very different opinion. Which view is right? And how are the public to know? Progress has been made in innumerable other fields, but it is more than surprising that such a negligible amount of attention should have been devoted to the extraordinarily important fields of bacteriology and radio-therapy, and to the equally promising realm of bio-chemistry. Interesting though the report is, one is left wondering whether in the Research Council the country really has a fully-equipped General Headquarters Staff in the battle against disease. Can the public feel assured that important claims to new discoveries are promptly sifted and tried out, and that where new methods prove themselves effective they are not blocked by prejudice? It is said that Jenner's work was 20 years old before the general public was able to benefit from it. Would such a disastrous delay be possible to-day? We are not wholly confident of the answer.

The Fight for the European Coal Markets.—The various forms of "dumping" to which the European coal-exporting countries are now resorting, in order to secure outlets for their product, is strikingly summarised (writes our Paris correspondent) in the annual report which has just been issued by the Central Committee of French Coalowners. In Germany, it states, the Rheino-Westphalian Coal Syndicate is imposing a tax of 2.20 marks per ton on all internal sales, for the purpose of compensating colliery owners for the losses sustained in competing in foreign markets. "This questionable and terribly onerous means of preserving recently conquered foreign markets is proving effective, since at this price the Syndicate has been able to keep its export sales up to a monthly average of 2,825,000 tons." England is "openly applying an export subsidy of 4s. to 5s. a ton to the output from the great Midland coalfield, and appears to be ready to follow the same example in the Scottish coalfield, in order to recover her lost markets. In all the British coalfields selling prices are so plainly below the cost of production that a loss of £18,000,000 was incurred during the period of nine months, and wages generally were painfully lowered." Poland, by quoting Silesian coal f.o.b. Danzig at prices that practically ignore the cost of transporting it over the 370 to 400 miles that lie between the mine and the port," has driven English combustibles out of the Scandinavian markets and diverted them to nearer Continental markets." No better evidence could be afforded, the report contends, of the confusion and general anarchy into which the export markets have been thrown by these abnormal and unwholesome practices than the fact that last year the unit price per ton of imported coal on the French market fell to 129 francs—or, in gold values, 7 per cent. more than in 1913, whereas the general rise in wholesale prices averaged 29 per cent. The French defensive steps against the attacks of foreign competitors, according to the report, have been limited to "suitable modifications in railway rates for coal transport, which have rendered useful and in some cases decisive aid, and which, coupled with an especially energetic reduction of production cost, has rendered it possible to reduce the difference between French selling prices and those offered by more or less adventurous or more or less favoured foreign competitors."

* H.M. Stationery Office. Cmd. 3276. 3s. net.

New Capital Issues in the United States.—By courtesy of the New York *Journal of Commerce*, we are able to supplement our article last week on new capital raised in London during the past quarter with the corresponding figures for the United States. In our table we show the first quarter of 1929 in comparison with the whole-year totals for 1928, 1927, and 1926:—

	1926.	1927.	1928.	1929. Jan.-Mar.
	$	$	$	$
Foreign—				
Government	634,338,500	786,630,000	764,943,000	42,167,000
Corporate	725,877,040	601,563,375	811,550,482	126,925,000
Domestic—				
Municipal	1,922,007,101	1,867,230,449	1,123,940,316	180,306,289
Railroad	360,743,500	791,202,000	668,488,843	232,673,000
Public utility	1,667,750,950	2,405,298,362	2,427,790,217	488,512,350
Industrial	1,230,580,600	2,013,430,220	2,311,350,808	709,983,822
Others	770,520,400	1,132,307,589	1,783,542,833	993,626,182
Totals	7,311,818,091	9,597,662,015	9,891,606,499	2,774,193,643

Foreign borrowing has greatly diminished since this time last year, but that is offset by the prolific flow of industrial and miscellaneous issues.

Lancashire Cotton Corporation.—Our Manchester correspondent writes:—More than ordinary interest was taken in the meetings of creditors, preference shareholders and ordinary shareholders of the Ace Mill, Limited, which were held in Manchester on Wednesday for the purpose of considering the offer made by the Lancashire Cotton Corporation, Limited. This mill is one of the finest equipped coarse spinning mills in the trade, and the machinery is entirely post-war, averaging about 1921-24. It contains 118,032 spindles, and is specially fitted for the very coarse trade which the Lancashire Cotton Corporation is endeavouring to recover in the Far Eastern markets. At all the meetings a resolution was passed approving of the proposal that the Ace Mill should join the Corporation on the terms submitted. There were no dissentients at the creditors' and preference shareholders' meetings, and only two voted against at the largely-attended ordinary shareholders' meetings. It is estimated that the debenture-holders will receive about 17s. 6d. in the £ upon claims for £320,000, the unsecured creditors about 2s. 4d. in the £ for claims of £174,000, and the shareholders £22,000 in shares, to be divided amongst the preference and ordinary shareholders in a manner not yet finally decided. This is the first of the many meetings of creditors, &c., which will be held for the purpose of deciding whether to join the Corporation.

Peru's Economic Year.—A correspondent writes:—The current year will witness some interesting economic developments in Peru. On June 1 the Government will exercise its right to redeem, by direct payment at par, the 5 per cent. Gold Bonds of 1920, although redemption is not due before January 1, 1946. Notification

of its intention has already been given. The issue totalled £720,620, of which bonds for £617,950 are still outstanding. Another interesting feature will be the issue of 8 per cent internal bonds, with a maximum of £P1,500,000. This flotation, having already obtained the consent of the Chamber of Deputies, is assured of the approval of the Senate. The purpose of the new loan is to consolidate the floating debt accumulated during the last four years, the funding of which will, it is thought, greatly improve the Federal financial and local economic conditions. The systematic recording of the floating debt constitutes a feature of Peruvian debt history of the later years. The advance made in the regularisation of fiscal affairs, nowithstanding the setback suffered in 1921 and 1922, can be recognised, not only in the recent funding of various liabilities long ignored, but in an advance in accounting procedure and in statistical presentation. None of the floating debt bears interest (except such interest as may ultimately be conceded in the process of liquidation); it represents in general those obligations which have been delayed beyond the budgetary period to which they belong, or are in dispute, or are destined for funding. So far as the total public debt of the Republic is concerned, this was equivalent, at June 30th last, to approximately £26,476,719 (exclusive of £291,482 of Provincial Bonds guaranteed by the Republic, but inclusive of £2,040,886 of the bonds forming part of said debt which the Republic had acquired by purchase), of which £19,988,608 was external funded debt. The total annual service charges on the external funded debt of the Republic, prior to the issue of £2,000,000 6 per cent. sterling bonds made in October last, was approximately £1,754,658, or about 20.99 per cent. of the Republic's revenues, and, on the entire funded debt, approximately £2,048,990, or, about 24.5 per cent. of the 1927 revenues. The total income for the current year is estimated at £P12,450,636, or £P640,000 more than for 1928; but notwithstanding this, it is known that the budget expenditure for 1929 will exceed revenue by £P476,836. There have been somewhat higher ordinary expenditures than total revenues since, and including, 1925. The Government, finding it impossible to reduce outgoings, has been obliged to resort to the creation of several fresh sources of revenue to meet these heavy expenditures. On the other hand, the foreign trade of the Republic has advanced notably during the past few years; while imports have been steady, the exports have advanced in a highly-encouraging manner, exemplified by the fact that in 1927 the excess of exports increased threefold.

A Dutch Bank Amalgamation.—Our Amsterdam correspondent writes:—The Rotterdam Bankvereeniging and the Nationale Bankvereeniging at Utrecht have come to an agreement, by virtue of which the two banks will amalgamate in the course of this year. This amalgamation, or rather fusion, is to be considered as having taken place on January 1, 1929. For many years past the two concerns have really formed one banking group, not only on account of the fact that the Rotterdam Bankvereeniging holds the greater part of the Nationale Bankvereeniging's shares, but also because the former guarantees the latter's engagements. The Nationale Bankvereeniging deals with the provincial business of the group. It is intended to give the shareholders of the Nationale Bankvereeniging an opportunity of disposing of their stock in exchange for Rotterdam Bankvereeniging shares of an equivalent nominal value. This amalgamation will considerably increase the capital and the scope of the Rotterdam Bank. The present capital of the Nationale Bank is 10 million guilders, with a reserve of 2.7 millions. The gross profits during the year 1928 amounted to 5.7 millions, compared with 5.2 millions in 1927, while a dividend of 5 per cent. (same as in the previous year) was paid on the ordinary shares. At the close of 1928 the Bank held deposits to the extent of 94 million odd guilders. The shares of the company are quoted at 103 per cent. The Rotterdam Bank has a capital of 50 million guilders, with a reserve of some 20 million odd guilders. At the end of 1927 this Bank held deposits to the extent of approximately 39 millions, and moneys in current account to the extent of 99 millions. The dividend paid in 1927 was 5 per cent. (last year 4 per cent.). The gross profits for 1927 amounted to 7 million odd guilders. The prices quoted during recent years for the shares of the Rotterdam Bankvereeniging were: 1928, 62½-87 per cent.; 1927, 84½-98 per cent.; 1928, 95¾-108¼ per cent.; and at present 118 per cent. The sharp rise in the values of the shares of this banking concern goes to prove how favourably its affairs have developed of late years. The Rotterdam Bankvereeniging must be considered as one of the great Dutch banks, and through this agreement with the Nationale Bankvereeniging its affairs will become more extensive than ever.

Fire Losses in the U.S.A. and Canada.—The wastage from fire losses during the month of February exhibits a further decline compared with the corresponding month in 1928, and the aggregate losses during the first two months of this year now total $63,097,800, compared with $84,366,200 in the same period of last year—a substantial decrease amounting to 25 per cent. The comparison, however, is an unduly favourable one, since it happened that fire losses during the first two months of last year were on an exceptionally high level, and the following table of monthly losses during the past three years, extracted from figures compiled and published by *The Journal of Commerce, New York*, shows that this year's losses to date are at about the same level as those of two years ago:—

	1926.	1927.	1928.	1929.
	$	$	$	$
January	41,118,750	37,910,600	43,260,800	36,225,400
February	30,963,750	26,285,000	41,105,400	26,872,400
March	42,852,600	26,807,600	30,377,000	...
April	52,408,400	39,720,600	25,980,600	...
May	32,764,200	20,713,000	23,202,000	...
June	28,676,000	25,481,200	11,123,000	...
July	31,723,400	24,248,000	17,106,400	...
August	27,833,400	24,299,600	17,723,600	...
September	19,309,000	21,875,000	17,182,800	...
October	14,877,000	22,326,600	22,414,160	...
November	26,724,400	18,992,200	20,587,800	...
December	43,757,600	31,936,400	31,204,000	...
Total	393,010,500	320,595,000	301,267,560	...

The table exhibits clearly the considerable diminution in fire wastage in the past three years, the total of each year having declined continuously since 1926, the decline from that year being as much as 23 per cent. When this fact is considered in conjunction with the vast volume of building which has been in progress in the U.S.A. since the war, with a consequent increase in property values, it will be realised that the economic saving which these figures represent is very great indeed. The statistics of fire losses in the United Kingdom, compiled and published monthly by the *Times*, indicate that home fire losses have been on the up-grade since 1927. For instance, the total losses for 1928 aggregated £8,088,700, compared with £6,478,000 in 1927, and the total of the losses in the first two months of this year amount to £1,818,700, as against £1,187,000 in the same period of 1928.

Standard Life Insurance Company.—During the greater part of its history before the war, this company's activities had been mainly associated with overseas business. The company was a pioneer in the development of Colonial business, which it has transacted since 1845 and, beginning in 1890, gradually built up also strong connections in Europe, where it issued policies in many countries in a great variety of currencies. The war, of course, seriously interrupted this business. And, after that event, the opportunity was taken to dispose of the existing business in ex-enemy countries on exceptionally advantageous terms. No new business has since been accepted in Europe, so that the company was left free to expand the home business. It is of interest to observe, therefore, the changing character of the company's new

business over the period since 1913, the year immediately preceding the war:—

Year.	Total New Business.	Amount of Foreign Business included in Total.
	£	£
1913	2,189,324	1,506,924
1918	1,170,406	485,625
1923	1,977,098	1,115,105
1927	3,000,840	1,415,127
1928	2,989,766	not stated

Whereas in 1913 nearly 75 per cent. of the total was derived from abroad, it will be seen that this percentage has gradually fallen, and for the latest year for which particulars are available, was less than 50 per cent. A further step in the direction of freeing itself from Continental business has been taken by the decision to transfer the whole of the existing Spanish business, as from January 1, 1929, to a Spanish Life Office. It should be mentioned that, in addition to Life Assurance business, the Standard now transacts a greatly increased Annuity business, and in respect of new Annuity policies granted last year, received by way of purchase price the sum of almost £500,000. As regards the results of the year, the net interest earnings work out at the equivalent of £5 0s. 11d. per cent., compared with £5 0s. 9d. per cent. in 1927, while the expense ratio was 17.3 per cent., compared with 17.7 per cent.—the change in both cases being in a direction favourable to the company. The results of the annual valuation are disclosed in the report, and the calculations were made on the same basis as before, a basis which, so far as we are aware, is not exceeded in stringency by any other British Office. The results of the last two annual valuations are set out below.

	1926/1927.	1927/1928.
	£	£
Surplus earned during the year	370,513	342,617
Surplus income transferred from Guarantee Fund	21,496	26,091
Brought forward from previous year	21,580	34,967
	413,589	403,675
Allocations—		
To Bonuses to policyholders	278,622	281,864
„ Guarantee Fund	100,000	100,000
„ Carried forward to next year	34,967	21,811
	413,589	403,675

There was evidently a slight falling off in surplus earned during last year, but since interest earnings were higher, and expenses were lower, this would appear to have been due to a more unfavourable incidence of the death claims. The reversionary bonus has been maintained at the same rate as before, viz:—42s., per cent. compound. The Guarantee Fund, mentioned in the above table, now amounts to £1,450,000, and constitutes the security for £850,000 5 per cent. perpetual stock created in 1925 in exchange for the surrender by the shareholders of their participating rights and voting powers. The amount of the Fund being so greatly in excess of the liability, there is now, and will be hereafter, a considerable yearly surplus from interest earnings, and it appears to be the intention to transfer this surplus each year to the Life Assurance Fund.

Scottish Amicable Life Assurance Society.—In the course of our usual review early in the year of new life assurance business for 1928 we showed that the "Scottish Amicable" alone amongst 28 offices reported a decrease in business. The accounts for 1928 now to hand show that the falling off is more than accounted for by a reduced volume of single premium policies, a type of business which the society does not seek to encourage. The 1928 total of new business amounted to £1,267,028, but the accounts show that the volume of existing business advanced by only £209,742. The wastage is due to claims and, more especially, to surrenders and lapses, which appear to have been larger than usual, and its amount illustrates the amount of effort required merely to maintain a life office in a state of *status quo*. It is a custom among many offices to set out a comparison between the actual claims and the amount expected according to the mortality table employed in the valuation. The comparison is an unhelpful one because mortality profit or loss depends on the circumstance whether the deaths occurred among recently effected policies or among policies of long duration with substantial reserves accumulated against them. Thus the true measure of the strain arising from death claims is the difference between the amounts paid and the reserves in respect therof. The "Scottish Amicable" estimates that last year this difference amounted only to 56½ per cent. of that expected, and consequently that mortality profits yielded a substantial contribution to total surplus. As might be expected in the case of an office which the chief officer, Mr. William Hutton, and several directors are identified with trust company finance, an enlightened investment policy is pursued. The society takes no credit in its accounts either for appreciation or for realised profits, with the result that for many years an increasing hidden reserve has been accumulated. The chairman stated that this had been increased last year by no less than £200,000, equal to more than 2 per cent. of the funds. The interest earnings in 1928 worked out at £4 13s. 11d. per cent., net of tax, compared with £4 12s. 4d. per cent. in 1927, the increase being no doubt the result, in part, of the policy of reducing gradually the holdings in British Government securities in favour of higher yielding bonds, debentures, or preference shares. At the end of 1926 British Government securities accounted for 47 per cent. of the total assurance assets, but at the end of last year had fallen to 26 per cent.

Life Association of Scotland.—This Scottish life assurance company has been established now for 90 years, and is one of the very few surviving independent proprietary companies transacting life assurance business only. For many years the association's financial year has coincided with the income-tax year, but has recently been changed so as to end on December 31st. Consequently the present report is for a broken period from April 6, 1928 to December 31, 1928, and exact comparison with the previous report is impracticable. Net new life business was completed for this period amounting to £725,670, and it is stated that new business for the calendar year 1928 exceeded that of 1927 by over £250,000. During the period covered by the accounts the expense ratio worked out at 19.6 per cent., compared with 17.3 per cent. in the preceding financial year, but the increase may well be due to incidence of expenditure in the broken period rather than to an increase in costs of administration. The net rate of interest earned was equivalent to £4 11s. 6d. per cent. per annum, compared with £4 12s. 1d. per cent. The next quinquennial valuation and distribution of profits is due to be made at the end of 1930, but, meanwhile, the dividend has been raised from 30s. per share to 32s. 6d. per share, and, at their present price of £44, the shares yield approximately 3¾ per cent.

Equity and Law Life Assurance Society.—The distinguishing characteristic of this Society's business in the last five years has been the very large volume of new policies issued in the now familiar form of single premium super-tax saving contracts. Last year there was recorded a notable advance of 55 per cent. in the total new life business, the figures being £1,807,749 for 1928, and £1,177,461 for 1927. The 1928 report makes it clear, however, that the reason is again due to new single premium policies, the amount received by way of single premiums having advanced from £257,000 to £673,000. The first year in which these policies became fashionable was 1924. During the years from 1924 to 1928 this Society has collected over £2 million in single premiums, while loans on policies—largely in connection with this type of assurance—have increased from £160,000 to £2,105,000, the latter figure being equivalent to 25 per cent. of the total assets. With regard to the investment of the funds, the Society has always been a leading exponent of reversionary interests, which its strong legal connections and experience have enabled it to exploit with consistent success. At the end of last year £808,000 was invested in reversions and life interests pur-

(*Continued on page 744.*)

THE REVENUE.

I.—An Account of the Total Revenue of the United Kingdom in the undermentioned periods of the Year ending March 31, 1929, as compared with the corresponding periods of the preceding Year.

	Quarter from Jan. 1 to Mar. 31, 1929, compared with the corresponding Quarter of the preceding Year.				Year ending Mar. 31, 1929, compared with the preceding Year.			
	Quarter ending Mar. 31, 1929.	Quarter ending Mar. 31, 1928.	Increase.	Decrease.	Year ending Mar. 31, 1929.	Year ending Mar. 31, 1928.	Increase.	Decrease.
Ordinary Revenue.								
Inland Revenue—	£	£	£	£	£	£	£	£
Property and Income Tax	162,207,000	153,333,000	8,874,000	...	237,620,000	250,583,000	...	12,963,000
Super-Tax	41,010,000	41,130,000	...	120,000	56,150,000	60,600,000	...	4,450,000
Estate, etc., Duties	20,210,000	22,570,000	...	2,360,000	80,570,000	77,310,000	3,260,000	...
Stamps	9,600,000	9,240,000	360,000	...	30,060,000	27,030,000	3,030,000	...
Excess Profits Duties, etc.	850,000	...	850,000	...	850,000	...	850,000	...
Corporation Profits Tax	270,000	500,000	...	230,000	850,000	1,780,000	...	930,000
Land Tax, House Duty and Mineral Rights Duty	670,000	640,000	30,000	...	840,000	780,000	60,000	...
Total Inland Revenue	234,817,000	227,413,000	10,114,000	2,710,000	406,940,000	418,083,000	7,200,000	18,345,000
Customs and Excise—								
Customs	28,568,000	27,217,000	1,351,000	...	118,972,000	111,620,000	7,352,000	...
Excise	30,265,000	32,649,000	...	2,384,000	134,000,000	139,200,000	...	5,200,000
Total Customs and Excise	58,833,000	59,866,000	1,351,000	2,384,000	252,972,000	250,820,000	7,352,000	5,200,000
Motor Vehicle Duties (Exchequer share)	2,669,000	2,645,462	23,538	...	4,226,067	4,852,420	...	626,353
Post Office (Net Receipt)	900,000	850,000	50,000	...	8,100,000	6,200,000	1,900,000	...
Crown Lands	290,000	190,000	100,000	...	1,210,000	1,070,000	140,000	...
Receipts from Sundry Loans	7,818,424	6,473,019	1,345,405	...	28,110,697	23,952,506	4,158,191	...
Miscellaneous—								
Ordinary Receipts	1,464,770	14,219,085	...	12,754,315	13,142,946	30,892,725	...	17,749,779
Special Receipts	14,751,399	9,695,049	5,056,350	...	43,402,345	30,488,234	12,914,111	...
Total Ordinary Revenue	321,543,593	321,351,615	18,040,293	17,848,315	758,104,055	766,358,885	33,664,302	41,919,132
Self-Balancing Revenue.								
Post Office	16,200,000	15,850,000	£191,978	Net Increase	57,200,000	56,800,000	£8,254,830	Net Decrease.
Motor Vehicle Duties apportioned to Road Fund	13,068,000	13,008,538	350,000 59,462	...	21,130,933	19,665,580	400,000 1,465,353	...
Total Self-Balancing Revenue	29,268,000	28,858,538	409,462	...	78,330,933	76,465,580	1,865,353	...
Total	350,811,593	350,210,153	18,449,755	17,848,315	836,434,988	842,824,465	35,529,655	41,919,132
			£601,400 Net Increase				£6,389,477 Net Decrease	

II.—Receipts into and Issues out of the Exchequer in the Year ending March 31, 1929, as compared with the preceding Year.

RECEIPTS.	Year ending Mar. 31, 1929.	Year ending Mar. 31, 1928.	ISSUES.	Year ending Mar. 31, 1929.	Year ending Mar. 31, 1928.
	£	£	Ordinary Expenditure.	£	£
Ordinary Revenue, as shown in Account I.	758,104,055	766,358,885	Interest and Management of National Debt	311,490,566	313,816,287
Self-Balancing Revenue as shown in Account I.	78,330,933	76,465,580	Payments to Local Taxation Accounts	15,202,644	15,369,445
			Payments to Northern Ireland Exchequer	5,100,410	5,277,266
Total Revenue	836,434,988	842,824,465	Other Consolidated Fund Services	2,806,538	3,656,783
Temporary Advances Repaid—			Total	334,600,158	338,119,781
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917	Supply Services—		
Under the Unemployment Insurance Acts, 1920 to 1928	774,432	3,996,000	Army, Navy and Air Votes	113,470,000	117,440,000
Road Fund	3,825,000	...	Civil and Revenue Votes (excluding Post Office)	234,130,000	241,560,000
Money raised by Creation of Debt—			Total, Supply Services (excluding Post Office)	347,600,000	359,000,000
(a) For Capital Expenditure Issues—					
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928	10,550,000	9,900,000	Total Ordinary Expenditure	682,200,158	697,119,781
(b) Under the Unemployment Insurance Acts, 1920 to 1928	12,180,000	3,640,000	New Sinking Fund (1928)	57,509,434	65,000,000
(c) For other Issues—			Self-Balancing Expenditure.		
By Treasury Bills	2,731,691,000	2,417,374,000	Post Office	57,200,000	56,800,000
By 4 per cent. Consolidated Loan	...	41,316,756	Road Fund	21,130,933	19,665,580
By National Savings Certificates	40,850,000	36,000,000	Total Self-Balancing Expenditure	78,330,933	76,465,580
By National War Bonds	10	10	Surplus Revenue, 1928, issued to Rating Relief Suspense Account	18,394,463	...
By 4½ per cent. Treasury Bonds, 1934	...	64,595,752			
By 5 per cent. Treasury Bonds, 1933-35	93,603,348	28,661,243	Total	836,434,988	838,585,341
By 4½ per cent. Treasury Bonds, 1932-34	19,290,000	...	Surplus Revenue, 1927—		
(d) Ways and Means Advances	613,834,000	808,870,000	Issued to Rating Relief Suspense Account	4,239,124	...
Repayments—			Temporary Advances—		
In respect of Suez Canal Drawn Shares	5,733	4,536	Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,917	36,917
In respect of Cunard Loan	...	130,000	Under Unemployment Insurance Acts, 1920 to 1928	12,180,000	3,640,000
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	172,293	185,991	Road Fund, Section 27 of the Finance Act, 1928	3,825,000	...
	4,363,247,721	4,257,535,670	Issues to meet Capital Expenditure—		
			Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928	10,550,000	9,900,000
			Unemployment Insurance Acts, 1920 to 1928—		
			Repayment of Amounts Borrowed	774,432	3,996,000
			Redemption of Debt— £		
			Treasury Bills paid off 2,567,365,000		
			Less: Paid off by the National Debt Commissioners 1,635,000		
				2,555,730,000	2,486,250,000
			Principal of 3½ per cent. War Loan, 1925-28, paid off	...	41,545,000
			Principal of National Savings Certificates:—		
			(a) Repaid Issues Section 33 (1), Finance Act, 1923	40,850,000	36,000,000
			(b) Repaid otherwise	...	3,500,000
			Principal of National Savings Bonds paid off	7,746	2,077
			£		
			Principal National War Bds paid off 132,961,414		
			Less: National Debt Commissioners 3,003,000		
				129,958,414	67,667,872
			Principal of Treasury Bonds paid off	26,749,468	3,403,035
			Other Debt under the War Loan Acts, 1914 to 1919	3,341,000	100
			Ways and Means Advances Repaid	738,634,000	763,631,000
			National Debt Commissioners to Reduce Debt—		
			Suez Canal Drawn Shares Repayments	5,733	4,536
			Cunard Loan Repayments	...	130,000
			Old Sinking Fund, 1907-08—		
			Issued under Section 9 of the Finance Act, 1908	1,000	1,635
	1928.	1927.			
Balances in Exchequer on 1st April:—	£	£	Balances in Exchequer on 31st March—	1929.	1928.
Bank of England	5,918,513	6,003,023		£	£
Bank of Ireland	404,112	456,633	Bank of England	5,515,917	5,918,513
			Bank of Ireland	736,607	404,112
	6,322,625	6,459,656		6,252,524	6,322,625
	4,369,570,346	4,263,995,326		4,369,570,346	4,263,995,326

Ways and Means Advances outstanding—	Mar. 31, 1929	Mar. 31, 1928
	£	£
Advances by Bank of England	37,050,000	161,850,000
Advances by Public Departments	*700,295,000	526,940,000
Treasury Bills outstanding		
Total Floating Debt outstanding	737,345,000	688,790,000
Net Increase	£48,555,000	

*Includes £32,000, the proceeds of which were not carried to the Exchequer within the period of the account.

chased—the book value being calculated to yield an average of 6 per cent. per annum over a series of years. A further £1,022,000 stands invested on mortgage in this form of security to yield probably at least 6 per cent., while the Society also owns the capital stock of the Law Reversionary Interest Society with a book value of £448,000. Thus, directly and indirectly, some 27 per cent. of the total assets are represented by reversionary investments. The balance sheet shows that in regard to the remainder of the assets the Society has, contrary to the prevailing tendency, actually increased its holding of British Government Securities last year by over £100,000. On the whole the investments are distributed in rather an unusual form, as may be seen from the following table:—

British Government securities	18 per cent.
Reversionary investments	27 „
Loans on the Society's own policies	25 „
Other investments	30 „
	100 per cent.

The rate of interest yielded last year by the funds, excluding amounts invested in reversions, was £4 6s. 6d. per cent., compared with £4 6s. 9d. per cent. in 1927. This comparatively low yield is, however, compensated for by the favourable return on that portion of the fund invested in reversions.

Provincial Insurance Co., Limited.—The 1928 report of this company coincides with the attainment by the company of its twenty-fifth birthday, and it is, therefore, pleasing to observe that the results of last year were, on the whole, very satisfactory. The accounts do, nevertheless, contain one blemish, namely, the marine department. Before 1927 the marine department was very small in size, but in that year the company acquired the business of the Hull Underwriters Association, Ltd., for a payment of £68,000 in cash. This has meant a fourfold expansion of the premium income, which last year amounted to £172,000, but the acquisition resulted in a loss in 1927 of £20,000, and a further loss of £36,849 in 1928. In the two main departments of the company's business, namely, the fire and accident departments, the results are excellent, and both sections exhibit steady growth in premiums. Fire premiums amounted last year to £151,000, to which Canadian business contributed approximately £60,000, and the total underwriting profit equivalent to 12.7 per cent. of the premiums, is at a high level. In the accident department the premiums amount to £485,000, and the profit has risen from 3.6 per cent. of the premiums in 1927 to 10.1 per cent. of the 1928 premiums. The detailed results of the last two years are set out below:—

	1927.		1928.	
	Amount.	Percentage of Premiums.	Amount.	Percentage of Premiums.
	£		£	
Fire	20,223	14·5	19,215	12·7
Accident	16,001	3·6	48,915	10·1
Marine.....	− 20,000	−13·4	− 36,849	−14·1
	16,224		31,281	
Less: Items debited to profit and loss account	9,100		7,345	
Written off cost of acquiring subsidiary companies.....	5,000		10,000	
Net trading surplus.....	2,124		13,936	

Net interest earnings have grown from £24,586 in 1927 to £26,940 in 1928, and the preference and ordinary dividends, the latter being increased from 15 per cent. to 20 per cent., absorbed £18,400, compared with £14,200. The effect of writing a further £10,000 off the cost of the acquisition of subsidiary companies has been to reduce this item in the balance sheet to under £15,000. Part of the surplus of last year has been applied to increasing the general reserve fund by £20,000, and this fund now totals £80,000.

Guildhall Insurance Co.—This company was formed in 1919 with the title of the Autocar Fire and Accident Insurance Co., Limited, but in view of the widened scope of the business it was felt that the old title had become too restrictive in character. This has, therefore, now been changed to the Guildhall Insurance Co. The company's figures are presented in the report in an unnecessarily obscure form. One revenue account only is furnished, although the company transacts both fire and accident business, and on this occasion a special premium income amounting to £115,000 appears in the account in respect of "Special Contracts in respect of which all liability had expired at December 31, 1928." Apart from this item, which, according to the chairman in his speech at the annual meeting, represents a new sphere of enterprise which is showing material progress, the premium income shows an increase of £58,000 over that for 1927, and now amounts to £524,000. After the account has been debited with unexpired risk reserve on the basis of 40 per cent. of the normal premium income the underwriting profit for the year 1928 works out at £6,516, equivalent to a trifle over 1 per cent. of the premiums. This result compares with an underwriting profit in 1927 equivalent to 2 per cent. of the relative premium income for that year. The profit and loss account includes sundry items of credits and debits, and, allowance made for these, there was a net trading loss on the year of £625, compared with a surplus of £5,192 for the preceding year. The company first declared a dividend in 1926 at the rate of 5 per cent., and this has been maintained in 1927 and again last year. The cost of the dividend is £5,000, and the distribution appears moderate in relation to the interest earnings, which amount to £18,838.

Oversea Correspondence.

UNITED STATES.—INDUSTRY—PRICES—PROFITS—MONEY—STOCKS.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 22.

THE beginning of Spring finds the financial community as cheerful as ever about the business prospect, and as much confused as ever as to the credit situation. Volume of trade has increased beyond the expectations of most people, and it is now generally believed that, failing any unexpected development, the first six months, at least, will bring new earning records for corporations. This view of the matter is not concurred in by everybody, and continued high money rates set in motion from time to time a wave of pessimism. Discordant notes in the prosperity symphony are struck from time to time; there was, for example, a considerable increase in unemployment in the spring. However, alarmist predictions are coldly received here, whether they come from American or British economists.

Whatever may be the ultimate effect of dear money on trade, considerable momentum has been attained in spite of the high rates in effect for nearly a year. The steel industry is now operating virtually at capacity, and the volume of new orders suggests that no substantial curtailment will occur during the next two or three months. Prices continue firm, and the week has brought all round advances in the base metals. Copper, lead, zinc and other members of the non-ferrous group are exceptionally strong. Copper, indeed, is getting out of hand. Producers, fearing the encouragement of use of substitutes, are somewhat alarmed over the rapid rise, but they assert that the fault lies with consumers who are bidding for the metal.

In spite of the sharp advances in some of the metals, the Bureau of Labour index of wholesale commodity prices shows a slight decline from January to February. The decrease was one-half of one per cent., and the index now stands at about one-third of one per cent. above a year ago. This remarkable stability in commodity prices gives the business man confidence in spite of speculation in securities. The Bureau of Labour Statistics weighted index, taking the average prices for 1926 as 100, is given below:—

	All 100.	Percentage Change.	Farm Products.	Food.	Textiles Products.	Hides and Leather.
1929—						
January	97·2	+0·5	105·9	98·8	96·4	113·6
February	96·7	−0·5	105·4	98·1	96·1	109·0
1928—						
December ...	96·7	−0·1	103·6	98·0	96·1	115·7
November ...	96·7	−1·1	101·6	100·1	96·1	115·5
October.....	97·8	−2·3	103·5	102·3	96·1	117·5
September ...	100·1	+1·2	108·8	106·9	95·6	120·7
August	99·9	+0·5	107·0	104·1	96·3	121·0
July	98·3	+0·6	107·1	102·3	96·8	124·2
June	97·6	−1·0	106·7	100·3	96·3	123·7
May	98·6	+1·2	109·8	101·2	96·6	126·3
April	97·4	+1·1	107·6	99·5	96·5	126·7
March.....	96·0	+0·5	106·5	98·0	96·5	124·0
February	96·4	+0·1	104·5	97·7	96·6	124·1
January	96·3	−0·2	106·1	98·5	96·7	121·0

	Fuel & Lt.	Mtls. Mtl.	Bldg. Mater.	Chem. & Dr.	House Farm.	Misc.
1929—						
January	82·5	103·6	96·6	95·9	96·6	80·5
February	81·3	104·4	97·5	96·1	96·6	80·4
1928—						
December ...	83·5	102·9	96·8	96·1	96·4	80·1
November ...	84·4	101·7	96·0	96·0	96·4	80·0
October.....	84·9	101·0	95·0	95·6	96·5	80·3
September ...	85·1	100·5	94·7	95·1	97·2	79·7
August	84·6	100·4	94·6	94·7	97·2	79·3
July	82·8	98·6	94·4	94·5	96·9	80·8
June	82·1	98·7	93·9	94·9	97·0	82·2
May	81·8	98·6	93·5	95·3	97·8	85·1
April	80·8	98·4	92·5	95·8	97·9	84·9
March.....	80·8	98·4	91·0	95·6	98·3	86·8
February	81·1	98·3	91·0	95·8	98·4	87·3
January	80·8	98·1	90·8	96·3	98·6	89·0

Further light on the extraordinary earnings of corporations and individuals during the past year is shown by income tax collections for the first quarter. Complete figures will not be available for a few days, but the Treasury announces that tabulations of payments for the first 19 days of March show an increase of $99.3 million over the same period of last year. This gain may not be maintained, but the increase probably will not be much under that, and total collections may reach 600 millions in March, as against 513 millions last year. Although the corporation tax was reduced 1½ per cent., profits were so much larger that the tax collected far exceeds that of 1927.

Changes in the credit position for the week have been about the same on both sides of the ledger. Brokers' loans for the New York district rose $166 million to a new high record of $5,793 million. It is rather a sad commentary on the efficacy of admonition as a means of reducing credit on securities that, six weeks after the Bank of England raised its rate and the Federal Reserve Board issued its "warning," more credit than ever is employed on the Stock Exchange. It should be noted, however, that, so far as Reserve Bank credit is concerned, some gain has been made. In the past week member banks in this district reduced their discounts, though they contributed $90 million to the increase in brokers' loans.

For the system the week's drop in member bank borrowing was $13 million. Holdings of Government securities rose $20 million, but that was merely the residue of the heavy Treasury overdraft, represented by a special certificate of deposit, incident to tax date operations. The effect on the money market was partly offset by a further decline of nearly $50 million in bill holdings, which are now nearly $100 million lower than a year ago. The net result of changes was a reduction of $20 million in total Reserve Bank credit outstanding and an increase in the reserve ratio from 70.7 to 71.7 per cent. Total credit is, however, $176 million above last year, and against total reserves with Federal Reserve Banks of $1,726 million for reporting member banks in leading cities, borrowings from the Federal Reserve amount to $716 million.

Money was tight this week with the withdrawal of Treasury funds as income-tax check collections progressed. The call rate rose to 10 per cent. and averaged 9 per cent., while time money held firm at 8 per cent. Commercial paper also was a shade firmer, and best names now go at 6 per cent. An interesting development was an increase here and in other financial centres of ¼ of 1 per cent. for all maturities in the bill rate. The 90-day asking rate is now ⅝ of 1 per cent., against the New York 5 per cent. discount rate, an unprecedented situation and a striking illustration of how deeply submerged the discount rate is by the money market. Bill rates are now the highest for eight years. It would now appear that an increase of as much as 1 per cent. in the New York bank rate would have no great astringent effect on speculation, inasmuch as it would merely be official recognition of actual conditions in the money market.

Share prices are, however, gradually shading off under the influence of high money rates, and, apart from spurts in pool favourites and stocks enjoying special advantages, such as the copper and steel issues, the market is modest enough. No attention was paid to the gloomy predictions of Sir George Paish. On the other hand, stock traders were encouraged by an address of Governor Young, of the Federal Reserve Board, given a few days ago. Wall Street interpreted Governor Young's remark that the Reserve Board had no idea of advancing discount rates "until every effort to accomplish the desired results has been made by other means" to mean that no immediate change was in sight. In good quarters it is felt that Governor Young was placed in an embarrassing position in attempting to defend the policy of the board as a whole, but it was much deplored that, in the circumstances, he did not choose to say nothing at all.

BANK ESTABLISHED IN 1864.

SKANDINAVISKA KREDITAKTIEBOLAGET

GOTHENBURG, STOCKHOLM, MALMO.

Branches in all parts of Sweden.

Paid-up Capital and Reserves - Kr.182,000,000

Telegraphic Address: "Kreditbolaget."

THE BANK AFFORDS EVERY FACILITY FOR BANKING BUSINESS WITH SCANDINAVIA.

FRANCE.—PUBLIC FINANCES—IRON AND STEEL—COAL PRODUCTION—SUGAR OUTPUT—MONEY.

(FROM OUR CORRESPONDENT.)

PARIS, April 4.

THE Chamber, after disposing of the "Collectif" for December—which means the various Supplementary Credits and annulments of credits hitherto outstanding in regard to the 1928 financial year—has risen for a recess of several weeks, which will be longer than usual this year, owing to the pending municipal elections. The extra credits accorded have absorbed (after allowing for credits authorised but not utilised) over 2,000,000,000f. of M Chéron's surplus of 4,629,000,000f. How much of this provisional balance of 2,500,000,000f. will remain for debt extinction purposes, after the adjustments that will be included in the July "collectif" (which will be the final one affecting the 1928 financial year), remains to be seen. The recent adjustments include provision amounting to 59,000,000f. to meet additional annual charges involved by the issue of 5 per cent. Rentes, which immediately preceded and facilitated stabilisation, and also furnished an additional 164 millions for the naval programme, 20 millions for new roads, 18 millions for port improvements, and 50 millions for overseas postal needs. As was expected, the demands made in the Chamber that a substantial portion of the realised surplus should be devoted to reducing certain categories of taxation to a more equitable level, have not received a favourable reply, except in one or two trifling instances.

Iron and steel production figures for February indicate falls of nearly 14 per cent. and 10 per cent. respectively, as compared with January's record figures, and disclose that the month's output was, in each case, substantially below the monthly average recorded throughout 1928.

The total output of iron was 781,000 tons, as compared with 904,000 tons in January (rectified figure), 882,000 tons in December, 784,000 tons in February, 1928, a monthly average last year of 841,000 tons, and of 749,000 tons in 1913 (Alsace-Lorraine included). The number of blast furnaces in operation during the month was 157, or the same as in January, compared with a monthly average of 190 in 1913. The total output of steel was 738,000 tons, as in February, 1928, as against 838,000 tons (rectified figure) in January, 828,000 tons in December, a monthly average of 782,000 tons in 1928, of 689,000 tons in 1927, and 559,000 tons (Alsace-Lorraine included) in 1913. This slowing down in production was due to the fact that the expected large orders for important projected public works and private contracts have not yet been given, although the reason for the delay is not clear. Owing to the absence of orders, production figures for March will also be found below the average. Delivery delays now range from eight to sixteen weeks, according to plant capacity, the majority being apparently between two and three months. Prices remain firm, and a resumption of activity is expected now the holidays are over.

Figures published by the Comité Central des Houillères de France show that the total output of the French collieries in 1928 was 52,429,468 tons, or 418,000 tons less than in 1927, and approximately the same as in 1926, whereas the amount extracted during the six years 1920-1925 increased by from four to five million tons a year. The other Continental coal-producing countries, on the contrary, all showed continued increase of output last year. Holland recorded an increase of 1,598,000 tons in 1928 (that country's total having previously increased to five times its pre-war figure); Czechoslovakia an increase of 500,000 tons; Belgium, 223,000 tons; Poland, 2,526,000 tons. In Germany there was a falling off of 2,700,000 tons in ordinary coal production, owing to the temporary stoppage in the metallurgical industry, but this was more than compensated for by increased lignite production, equivalent to 3,400,000 tons of ordinary coal. Under the impetus given by the great British coal strike in 1926, the Continental coal-producing countries have increased their output since that date as follows: Holland, 53½ per cent.; Poland, 40 per cent.; Czechoslovakia and Belgium, 19 per cent.; Germany (giving lignite its equivalent value in ordinary coal), 14 per cent.; France (including the Saar area), 7 per cent. Taking the Continental coal-producing countries as a whole, the average increase in output since 1925 has been 17 per cent. French coal consumption last year (exclusive of the amount used in the Saar region) totalled 80,000,000 tons, or 1,500,000 tons more than in 1927. Of this the French mines furnished 65½ per cent. The amount of foreign coal imported, which, in 1920 was equal to 54 per cent. of the total consumption, had been brought down by 1926 to 33 per cent., but is now again slightly on the up grade. Coke imports, which amounted to 4,720,000 tons in 1927, totalled 5,368,000 tons last year, in spite of an increase of 332,000 tons in the output of the colliery coke plants. French purchases of foreign coal in 1928 had a value of 3,220 millions, representing 6 per cent. of the total imports. In spite of the drop in production last year, the accumulated stocks at the pit-heads were reduced by only 500,000 tons, leaving 2,886,000 tons still available.

The French sugar crop for 1928-9, which was officially estimated, down to January 31, to total 810,311 tons (in refined product), is now reported as having attained, down to March 1, 812,911 tons, against 775,171 tons during the corresponding period of the previous season. Domestic consumption from September 1st to March 1st is returned as 459,543 tons, as against 441,844 tons for the same period last season. Imported sugars totalled 212,558 tons (against 136,368), while exports were 144,778 tons (against 132,946). Stocks on March 1st amounted to 501,107 tons, against 433,976 tons on the same date in 1928. The Rome Agricultural Institute estimates that the world's total production of sugar (cane and beet) for 1928-9 amounts to 27,270,000 tons, against 25,326,000 tons in 1928, 8,414,000 tons in 1900, and 2,416,000 tons in 1869-70.

For the end of the month settlement yesterday the rate was 5 per cent. in the Parquet (as against 2¾ per cent. on March 15th), and 7½ per cent. in the coulisse. The rise in the Parquet rate was due chiefly to the large recent issues of fresh capital by the banks and other institutions, and to the new Ville de Paris conversion loan. The latter consists of an issue, as from April 10, of 4½ per cent. 1,000-franc bonds at 910, in exchange for scrip of the 1921 5¼ per cent. issue. The new bond is attractive, not only because of its low issue price, but by reason of the fact that it will be free of all taxation, the coupons being paid net, whereas those of the 1921 issue were burdened with taxation amounting to 36 per cent. of the yield.

GERMANY.—CREDIT—STATES' DEBTS—INDUSTRY—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, April 2.

THE March settlements passed with less tension in the money market than was expected; the quarter-end, in fact, developed like an ordinary month-end. The day-loan rate immediately preceding the Easter closing of markets rose to only 7½-9½ per cent.; month loans 7-8 per cent. The banks had provided themselves with money well in advance. Money, however, remains dearer than a year ago. The average rate for day loans in the last week of March was 6.59 per cent., against 6.23 per cent. in the same week of 1928, and 4.14 per cent. in 1927. To-day, on the reopening of markets, day money was in continued demand at the closing rate of last month, month loans 7½-8½ per cent., private discounts 6½ per cent. The Reichsbank's return for the third week of March shows a decline in discounts of 42 million marks, in advances of 15 million marks, in circulation of 133 million marks. Only a small decline in the legal-cover part of the bank's exchange holding is shown, but it is stated that there was a further drain, not disclosed, but estimated at 80 million marks, in the free exchange holding. This would account for the decline in discounts, with which part of the free exchange holding is booked. The net loss of exchange and gold since the beginning of February is about 370 million marks. Although the legal-cover exchange reserve is down to 69 million marks, the combined gold and exchange cover for Reichsbank and Rentenbank notes is 60.3 per cent., as against 48.9 per cent. a year ago. There is no sign of a lasting return to cheap money. The easy quarter-end market was in part due to a reduced demand from agriculture, which was the result of belated field work, but the agricultural demand will be felt in April.

Foreign loans in March totalled only 9 million marks, against 161 million marks in February; home loans, 24½ million marks, against 68 million marks. Foreign "loans," as so classed, are losing their relative importance as a source of capital supply. On the Berlin Bourse there have been large sales to foreigners of mark securities, whole blocks of new issues have also been sold to foreigners, and reichsmarks loans have been partly placed in Holland. Transactions such as the sale of the majority of the Opel motor car interests to General Motors bring in capital, and have the same effect as loans in increasing the current liability to abroad for dividends and interest. The commercial banks' reports for 1928 show that foreign funds at call are an increasing source of supply of working capital to bank customers. The banks' transactions are increasing much more rapidly than their own capital resources. The liabilities of the great banks have more than doubled since 1925, but their combined capitals and disclosed reserves have increased by only about 25 per cent, plus an unknown sum of new undisclosed reserves.

It is estimated that, at the end of the year, 43 per cent. of all bank liabilities were to abroad, as against 35 per cent. one year before. Half the liabilities of two of the big banks, and 60 per cent. of the liabilities of a third, are to abroad. The total bank liability to abroad (big banks only) is estimated at 4,500 million marks. The heavy outflow of funds in recent weeks, which resulted from the money market tension in America, is a warning that this dependence of German business upon foreign short-term credits and bank deposits may have serious inconveniences, all the more because a great part of German bank credits to industry cannot be called in without causing trouble.

The wholesale-prices index number for March 26th is 138.9, as against 139.3 on March 20th. In the last three weeks the agricultural products group has fallen from 135.0 to 130.4. The trade situation is somewhat better. Since the middle of February railway goods traffic has been rapidly increasing, and the last weekly return shows it to have recovered nearly to the figure for the corresponding week of 1928. The number of unemployed declined about 5 per cent. in the first half of March, but this apparently was due to seasonal causes. Coal production in February was 12,103,571 metric tons; in the first two months of the year 25,593,869 tons, as against 26,346,626 tons in the same months of 1928. The Ruhr miners' organisations have given notice to terminate the existing wage agreement. The home steel market is dull, but export is well maintained, and prices are firm. Home syndicate prices for April are unchanged. The steel trade Press discusses as possible Great Britain's entry into the International Steel Cartel upon its renewal after October 31st. These conjectures seem to have their source merely in the successful settlement of the international tubes and rails syndicate questions. It is not yet certain whether Germany herself will remain in the Cartel, which, without her participation, would necessarily dissolve. The home steel syndicate (Rohstahlgemeinschaft) expires simultaneously with the international Cartel, and the "A" products, "B" products, bars, bands, wire rods, and sheets syndicates will all soon terminate. Owing to the displacement which has taken place since 1925-26, when the syndicates were organised, in total production of the different products, and in particular in the relative production capacities of the individual concerns, the new negotiations will be accompanied by sharp struggles over the quotas question. It is not certain whether the syndicates will be renewed. Germany has already reserved the right to secede from the "Erma" Cartel if her own "A" Products Syndicate, which controls, among other things, steel rails, is not prolonged; and failure to renew the Rohstahlgemeinschaft and the syndicates for separate products would make Germany's continued participation in the International Steel Cartel impossible. Some of the larger concerns are indifferent, if not hostile, to syndicate-renewal, although they realise that failure to renew would be followed by a price-fall at home and, further, by price-instability, such as prevailed before the war, when the steel industry was not so completely syndicated as it is to-day. To-day only thin sheets are without an organisation. The report that Germany is about to join the Franco-Belgian-Luxemburg Pig-Iron "Entente" is denied.

The foreign trade return for 1928 for countries of origin and destination shows for imports a decline in the percentage shares of Europe and America and an increase in those of Asia and Africa; and for exports an increase in the share to Europe. Of imports, 51.1 per cent., as against 53.2 per cent. in 1927, came from Europe, and 29.4 per cent., against 30.0 per cent., from America. Of exports, 74.8 per cent., as against 74.0 per cent., went to Europe, and 14.6 per cent., as against 15.2 per cent., to America. Europe took 86.8 per cent. of exports of foodstuffs, 85.3 per cent. of raw and half-manufactured materials, and 70.7 per cent. of manufactured goods. All these figures refer to commodities only (without gold and silver). The share of Europe in Germany's imports is smaller than before the war. The share of Europe in her exports is also smaller, but it is increasing, having been only 72.0 per cent. in 1924, as against 76.1 per cent. in 1913.

AUSTRIA.—BANKS—LABOUR—STEAMSHIP CARTEL—TEXTILES.

(FROM OUR CORRESPONDENT.)

VIENNA, March 23.

THIS year's report of the Austrian National Bank contains a number of interesting points. In the first place reference is made to the serious injury which the postponement of the investment loan caused to economy. The management of the Bank also brings up the question whether further retrenchment should be made by the banks, as activity in the banking business did not come up to expectations last year, and this year, too, the complete stagnation on the share market prevents improvement. The question of fusion is certainly not a simple one in regard to the Vienna banks in view of the fact that there are only four big banks remaining. Of these the Escomptegesellschaft is the only one with a completely centralised business, for it has no branches. The Creditanstalt, the Bodencreditanstalt and the Bankverein all have numerous branches, and it is, therefore, difficult to see how amalgamation would be possible. No reduction of overhead costs would result therefrom, and that is one of the chief problems of the Vienna banks. The charges made on the banks for taxes and social imposts are extremely burdensome. Moreover, owing to the loss of the territory forming the Succession States, in which the Vienna banks once had very profitable branches, the sphere of their business is circumscribed, for the banks hold but few shares in their former branches, and in many cases have no longer any interest at all in their development. Most of these branches had to be sold to national banks. At home, business possibilities have been greatly discounted, and for this reason the Escomptegesellschaft and the Creditanstalt, which devote themselves more to foreign business than do the Bodencreditanstalt and the Bankverein, are better off than the latter banks. The balance sheet of the Bodencreditanstalt shows a recession of revenue from interest of 0.7 million schillings, the present figure being 15.9 millions. Commissions have sunk by 0.19 to 8.9 millions; revenue from foreign bill, security and syndicate business have sunk by 1.9 to 4.5 million schillings. On the other hand, the Bodencreditanstalt was in a position to reduce its burdens, as far as salaries, purchases and taxes are concerned, and was, therefore, able to distribute the same dividend as last year. Owing to the big sums of money it had lent to Poland and Roumania, and to its increased activities in those countries, the Escomptegesellschaft was able to show 0.8 million schillings more revenue from interest, the total revenue from interest being 6.8 millions; commissions aggregated 7.5 (minus 0.17); foreign bill, security and syndicate business, 2.13 (minus 0.53) million schillings. The Bankverein showed revenue from interest 12.6 (minus 0.35); there was a drop in the commission account, the total being 9.28 (minus 1.04); the profit on foreign notes and bills was 2.73 (minus 0.12); that on syndicate business, 2.9 (minus 0.1); on stocks, 1.9 (minus 0.9) million schillings. On the other hand, salaries, expenses and taxes called for an expenditure of 1.6 millions less than last year, so that the reduced profit was faced by smaller expenditure. The Austrian Credit Anstalt pays the same dividend. The revenue from interest shows an increase of 2.88 millions to 22.7 millions. Commissions have sunk by 0.74 to 15.9 million schillings, the revenue on security and syndicate business has fallen by 0.88 to 4.26 millions. Of all the Austrian banks the Nationalbank has done best. Its dividend, which was 11 per cent. last year, has been raised to 11½ per cent., its holdings of gold have gone up from 84.4 million schillings to 168.7 millions, and, even though the holdings of foreign bills have been reduced not inconsiderably, the total of foreign values available as cover for the fiduciary circulation is nevertheless higher by 8.06 per cent.

The Social-Democratic Party still maintains its negative attitude in the housing question, and even demands the dissolution of Parliament or a referendum. On account of this quarrel between the political parties, private house building in Austria is practically at a standstill. Efforts towards the introduction of a brown coal Customs duty are extending, and are receiving some measure of support from the Government. The Styrian industry demands the protection of its coalmines against German and Czechoslovakian competition. After long negotiations a cartel of the Danube steamship companies has been arranged to embrace not only the Austrian and German companies, but also the Czechoslovakian, Hungarian, Yugoslavian and Roumanian companies. The object of the understanding is the abolition of rate cutting. The Danubian steamship company is trying in Austria to get a State subsidy for

the maintenance of the passenger service, which, on account of the unimportant stopping places and the poor traffic, would otherwise show a loss. This service tended towards the reduction of the company's dividend for last year.

Unemployment, which has been the source of much worry during the last few months, as there were over 300,000 unemployed, is being diminished now that the warmer weather has set in. Textiles are still very weak and a number of smaller concerns are fighting for a bare existence. Several larger textile firms have also got into difficulties, and it is uncertain, as in the case of the firm of Max Kohn and Co., one of the oldest textile houses, which has 700 creditors and liabilities of over 2½ million schillings, whether it will be possible to arrange composition without bankruptcy. It is possible that, in the near future, an intense process of concentration will take place in the Austrian textile and print industry. The hopes of getting at least a part of the investment loan, which is pending, have not yet been fulfilled, and it is therefore possible that, in the course of this year, the Ministry of Finance will be obliged to make use of its right to issue 75 million schillings in Treasury bonds.

ROUMANIA.—COMMERCIALISATION—CO-OPERATIVE LAW—MINING LAW—MONEY—PETROLEUM.

(FROM OUR CORRESPONDENT.)

BUCHAREST, March 19.

MEASURES are being introduced which will have a profound effect on the development of the economic forces of Roumania, and there is no doubt that the Government and Parliament are working hard. The most important Bills placed before Parliament recently are the following: The commercialisation and organisation of the possessions and enterprises of the State, which has been voted by both Houses and become law, the reorganisation of the Co-operative System, and the alteration of the Mining Law of 1924.

By the Law of Commercialisation it is intended to carry out the administration of the State possessions, the domains and the industrial departments, such as the maritime and river transports, docks, bridges, fisheries, mines, &c., on a commercial basis. It is accompanied by an inventory of these possessions, and provides all forms in which they may be administered, such as concession, lease, State régie, mixed regié or any combined system. It is one of the features of this law that it secures equal treatment for Roumanian and foreign capital. The Government probably intends sooner or later to use this measure to attract foreign capital.

One of the avowed aims of the reorganisation of the co-operative system is the suppression of political influence. Further, the various spheres of action of the central institutions of the present co-operative system will be strictly outlined in order to prevent overlapping, which at present causes much waste and disorder. The institutions in question are the Central Office of the Peoples' Banks, the Central Office of the Co-operative Societies of Production and Consumption. and the Central Office of the Villages. The first named will be replaced by the Central Co-operative Bank, which will be as much as possible autonomous. The State participates in the capital with 500 million lei, to which will be added the amount subscribed by the associated co-operative societies. The vote of the State at the general meetings is limited to 50 per cent. of the votes present. The Board will be composed of nine members, *i.e.*, three delegates of various Government Departments, one delegate of the National Bank, and five members elected by the co-operative societies. The co-operative societies will be under the control of a central office called the National Office of the Co-operative Societies of Roumania, which will function as an autonomous institution at the Ministry of Labour. It will be conducted by a general council composed of six members of various Government Departments, six members elected by the societies, and three specialists in the co-operative movement elected by the council itself. In view of the important part played by the co-operative movement in the agricultural activities of the country, the reform is certain to have a far-reaching effect. The almost predominant participation of the State in the financial and administrative arrangements is much criticised, but it is considered in official circles that the present conditions in Roumania render a greater independence of the movement inadvisable.

The alteration of the Mining Law of 1924, which is of such great importance to the petroleum industry, will revolutionise the policy so far adopted by the State towards the underground wealth of the country. Some of its main aspects may here be outlined. The position of the State with regard to acquired rights will be determined, and the speedy organisation of an office of land registration will be taken in hand. By stimulating the exploration of unknown districts, assuring continuance of production and husbanding the reserves, it is hoped to secure the greatest possible advantage from this part of the country's resources, the State ownership of which is confirmed. Foreign capital will be assured equal treatment with that of Roumanian originan. The provisions of the old law regarding the registration of the shares and the obligation of the Roumanian mining companies to have some Roumanian capital and to have a certain number of Roumanian citizens on the board, are cancelled. The commerce in the interior is to be free of restrictions. While the establishment of a syndicate for the organisation of the sales of petroleum products in the interior is not to be prevented, it is not intended to permit the creation of a monopoly. The State will have the right to export crude oil. The same right is given to the producer in so far as the production surpasses the capacity of the refineries existing in the country. The principle of the control by the State of the pipe-line system is confirmed, but this control will be exercised in accordance with the law of commercialisation. The royalty due to the State on the production of petroleum is fixed on a sliding scale, in proportion to the amount produced, from 12 per cent. on the first 1,000 wagons up to a maximum of 50 per cent. The proposed reform has been received with satisfaction by the interested circles. Another important measure which is being contemplated is the revision of the customs tariff, which has been adjourned for over a year pending the introduction of the stabilisation, and has become of urgent necessity to the commerce and industry of the country. It is now in the hands of a Commission.

The effect of the foreign loan on the monetary conditions in the country is not yet noticeable, as money is still very scarce. This is due to the fact that so far the preparations have not been completed for the payment of the vast sums owed by the Government. The Minister of Finance has now obtained from Parliament authority to open an extraordinary credit of 6,000 million lei. It is hoped that the disbursement by the Government of this amount will not be delayed much longer, and that it will bring a much-needed relief to the money market.

Activity on the oil fields has been restricted during the last two months owing to the cold weather. Production hardly reached 1,300 wagons per day. With warmer weather approaching, the production should show a marked increase now. Nevertheless, feeling in the industry is depressed by the unfavourable reports from the world markets and the want of capital. Consequently there have been new low records in the prices of the shares on the Stock Exchange.

Fairly definite reports have made their appearance concerning an important credit amounting to 125 million marks which is being offered to Roumania by Germany through the Reichsverband der Deutschen Industrie. The credit is to be available in goods or material of which Roumania may have need. It is a sign of the efforts made by Germany to recapture the Roumanian market.

ARGENTINA.—MONEY—SECURITIES—CEREALS—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, March 5.

GENERAL financial conditions in Argentina all indicate the reasonable certainty that while money will be dearer by the end of March, such a condition is not likely to act as a serious handicap to import or export trade. Bank deposits at January 31, the latest date of official publication, showed an increase on the month of $61,000,000 paper. Current discount rates are 6½ per cent. to 7 per cent., and current account advances 7 per cent to 8 per cent. per annum, the latter rate being charged by certain of the smaller institutions. Cordoba province has not yet decided what sum it will authorise the Government to borrow, the Provincial Senate rejecting the Deputies' sanction of $72,000,000 paper. $45,000,000 paper is now spoken of and will assuredly, if sanctioned, be sought abroad. All first-class local securities stand very high. Argentine investors grow more numerous every day, and the supply of national bonds, and Cédulas of the National Mortgage Bank, is likely for another couple of months to be limited to what is on the market. The National Mortgage Bank has indeed only the right to issue a further $100,000,000 paper in Cédulas without seeking fresh legislation, and inasmuch as it is for the time being without a directorate, and therefore cannot grant any loans at all, there is no likelihood of new Cédulas being issued, with the consequent effect on current prices. Altogether the Argentine investment position may be considered thoroughly sound, though it is locally regretted that as yet the Argentine public are not to any great extent buyers even of first-class industrial shares. Holders of these are mostly persons of foreign origin, the volume of Stock Exchange business is painfully small, and it is no exaggeration to say that a free market for even the best industrial shares does not exist. This seriously hampers commercial development depending on limited liability enterprise, calls to public subscription being almost unknown and shares as a rule held by a comparatively limited number of proprietors.

The wheat position is much what it was a fortnight ago, liberal offers from this country to Europe being made and shippers having about half the exportable surplus already on their hands. Spot wheat is $9.85 paper per 100 kilos, with $10.05 for May delivery. The linseed market is firmer, with good demand from the United States and Europe, and a reasonable certainty that the crop will be smaller than was first anticipated, say 1,800,000 tons exportable surplus. For spot linseed $15.60 is quoted, with $15.75 for May delivery. Maize is in firm demand at $9.00 for spot grain and $8.25 for May delivery. An estimate of the export surplus puts the figure at 4,000,000 tons, a considerable reduction even on what was hoped for a fortnight ago.

For general produce, markets are quiet, but this is in a manner seasonal. The quotations for wool are, however somewhat disappointing, and the heavy supplies from the southern territories excite little interest, $16.00 paper per 10 kilos being merely a nominal quotation for the finest Santa Cruz wools. Hide prices, too, show a marked decline at $12.00 paper per 10 kilos for Buenos Aires hides. Import business is very brisk, and some idea of the increase in values may be gathered when one states that the Buenos Aires Custom House revenue to the end of February was $59,719,784 paper, as against $54,913,460 for the corresponding period of 1928. This increased import, combined with debt services and remittances made on behalf of the railway companies, is gradually driving Argentine exchange to the gold point; latest banks' cable rates being 47 7/32d. and 104.75 drawing on London and New York respectively. Some $3,000,000 gold has been withdrawn from the Conversion Office, which now shows a balance of $499,987,630 gold. One shipment of $1,000,000 U.S. has been made to New York, and it is possible that more specie will follow; a contrast to the position this time last year, when gold was still entering the country.

THE BRITISH LINEN BANK.

Incorporated by Royal Charter, 1746.

Capital and Reserve Funds, £3,400,000.

EXECUTOR and TRUSTEE DEPARTMENT.

Head Office: 38, St. Andrew Square, Edinburgh

The Bank is prepared to undertake the duties of Executor or Trustee, and to act as Trustee for Debenture Stockholders, Public Institutions, etc.

LONDON OFFICE: 38, Threadneedle St., E.C.2

Every description of Banking Business transacted.

Letters to the Editor.

THE EFFECT OF FOREIGN LOANS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—This time, I fear, your comment on my letter does *not* carry the argument a step further. For you only repeat what you said before—namely, that a higher Bank rate stimulates exports because it "tends to lower sterling prices in general and thus enhances British competitive power in foreign markets." But you do not give your readers the slightest hint as to *how* a higher Bank rate brings this about.

May I, therefore, offer a suggestion? I know of only two ways in which this effect can be produced by that cause, of which the first can be only temporary and of secondary importance. In the first place, holders of stocks of commodities may (conceivably) be induced by the higher cost of carrying them to throw their goods on the market at a loss or at less than their usual profit. But, clearly, this cannot last, and is a precarious (and unprofitable) foundation on which to base an increased export trade. May I take it that you do not merely mean that a higher Bank rate stimulates exports by compelling British manufacturers to sell their goods at a loss?

If, then, we dismiss this particular effect of dear money as having no enduring value, it would seem that a higher Bank rate can only stimulate exports if it reduces, not merely prices, but *costs of production*. For here we should be on firmer ground. And here, indeed, we may find the answer to the conundrum. For a higher Bank rate, due to a loss of gold, is generally associated with a curtailment of credit, which in turn limits the opportunities of business men to provide employment. Now unemployment, if it is sufficiently severe and sufficiently prolonged, may be expected in the end to bring down the rates of wages. Here at last is our goal. For if wages are reduced, "British competitive power in foreign markets" is indubitably enhanced; and exports are increased.

Have I rightly interpreted your meaning? Have you any other explanation?

I have not ventured at any time in the course of this correspondence to deny your conclusion that, if we lend more abroad, this will stimulate our exports. For, evidently, there must be a balance between the two. I have only wanted to be clear just how this comes about; and I thank you for your collaboration in reaching the above conclusion. If next time you applaud the tendency of foreign lending to stimulate exports, you will add the explanatory words "because it will make the maintenance of full employment impossible at the present level of wages, so that unemployment will continue until British wages are reduced, which will enhance our competitive power in foreign markets," then I will promise to write you no more letters!—Yours, &c.,

March 26, 1929. J. M. KEYNES.

[Mr Keynes with great ingenuity endeavours to fasten upon us the statement that export of capital only stimulates commodity exports because it creates unemployment and lower wages. Naturally we do not concur. Mr Keynes turns away from all the other ramifications of effect and concentrates merely on one of the points which we raised in elucidation of his questions. He also appears to forget that wages are not the sole item in costs of production, and is guilty of ambiguity in using the word "wages" without indicating whether he means money wages or real wages. Nevertheless we welcome this letter, because at last we discover that Mr. Keynes agrees with us in our general conclusion, although critical of some of the arguments by which we reach it. So, after all, this long correspondence has a happy ending.—ED. ECON.]

INCOME TAX AND RESIDENTS ABROAD.

TO THE EDITOR OF THE ECONOMIST.

SIR,—With regard to the printed circular recently issued by the Board of Inland Revenue concerning United Kingdom Income Tax on visitors from the Dominions and Foreign Countries, the circular makes clear that only income arising from sources within the United Kingdom is chargeable to United Kingdom income tax, and that no part of a visitor's income from sources outside the United Kingdom is chargeable "unless as a person residing in the United Kingdom."

Article (3) of the circular defines what constitutes "residence," while Article (4), under the heading "Extent of liability to the tax on income arising abroad," reads as follows:—"A visitor who thus becomes chargeable as a resident is liable not on the whole of his income arising abroad, but only on so much of that income as is received in or *remitted to the United Kingdom*."

I put in italics the words on which I wish to lay emphasis, for this would appear to infer that a person ordinarily resident abroad, but who at the same time maintains a place of abode or is regarded by his habitual visits as being resident in the United Kingdom, is debarred from remitting money to the United Kingdom for investment purposes except under pain of having to pay income tax thereon.

Surely some differentiation should be made in the object of which such remittances are made—whether for ordinary expenditure or for purely investment purposes? To tax remittances made for the latter purpose is to tax capital, and so to discourage it entering the country.—Yours faithfully,

"A BRITISH SUBJECT RESIDENT ABROAD."

Aliartos, Greece, March 21st.

LACE AND SAFEGUARDING.

TO THE EDITOR OF THE ECONOMIST.

SIR,—You were kind enough, in your issue of the 16th, to admit that your argument needed qualifying. You go on to say that "There is no ground whatever for the suggestion that, of the £622,000 (cotton machine-made laces) imported from France into the United States in 1927, even the major portion came through British ports transhipped under bond."

Now, according to the answer given by the Parliamentary Secretary to the Board of Trade in the House of Commons on March 20th, lace and net, valued at £569,000, was in transit via Dover and Southampton to the United States during the year 1927. This is lace and net of all kinds, and no official information is available as to what proportion was machine-made. However, the proportion of machine-made lace to lace of other sorts imported from France into the United States was in 1927 as six to one. We shall probably then not be far out if we assume that about six-sevenths of this total of £569,000 was machine-made lace on its way from France to the United States. I suggest, therefore, that Lord Plymouth was entitled to make the statement which, in your issue of March 2nd, you endeavoured to disprove, and which you again deny in your reply to my letter.

In taking up my point that the French exports to the United States fell from seven-and-a-quarter million dollars to three million dollars (1924-27), you say that, during the same period, United Kingdom exports fell from 1,432,032 dollars to 439,814 dollars, "a much heavier percentage decline." The actual percentage declines are 58 per cent. and 69 per cent., but there is a point which you appear to have overlooked. You mean, of course, not "French exports" and "United Kingdom exports," but "United States imports from France and the United Kingdom." When goods were cleared through our Customs and re-exported, in many cases it will have happened that the United States authorities classified them as imports from the United Kingdom, though the goods were really from France. When, however, they are transhipped in bond, the United States authorities are far more likely to classify them correctly as imports from France, and this technical change would operate to increase the nominal imports from France and to decrease the nominal imports from the United Kingdom in 1927 as compared with 1924. If we could obtain the correct figures, it is more than probable that the percentage decline in both cases would be about the same.

Much has been made of the difficulties of the lace trade over the past three years, and in most cases the endeavour to connect these difficulties with the lace duty has been a complacent assumption that the duty has been responsible. You have made an endeavour to prove that this is so. I submit, however, that the facts are against you, and that there is not the smallest evidence, when the facts are closely examined, that the lace duty, imposed in 1925, can in any way be connected with the decline either of exports or re-exports of this industry. I do not think it is disputed that the home trade has greatly benefited, in which circumstance the case against the lace duty completely fails.—Yours truly,

Empire Industries Association,
26 Abingdon Street, S.W. 1.
March 25, 1929.

D. JACOBS,
Secretary.

[Our correspondent, in her attempt to justify Lord Plymouth's explanation of our re-export losses, has imperfectly examined the U.S.A. statistics, else she could not make the remarkable statement that "the proportion of machine-made lace to laces of other sorts imported from France into the United States was in 1927 as 6:1." The machine-made lace referred to is cotton, and Miss Jacobs's assertion would be correct if she had written "*cotton* laces of other sorts" (U.S.A. Returns 3170-3180); but when linen, silk and artificial silk, and metal laces (*ibid.* 3383, 3781-3, 3854 and 6691) are taken into the account (as clearly they must be) the proportion instead of being 6-1 cannot be much more than 50-50, and her argument collapses.

With regard to the further (hypothetical) argument contained in her penultimate paragraph, Miss Jacobs apparently overlooks the fact that, if we accept her hypothesis of erroneous classification, we make our pre-duty re-exports larger in volume than we have hitherto supposed, and we should accordingly magnify the decline which this trade has suffered.

As to the general effects of the duty, we have made no "complacent assumption." The persistent and detailed testimony of the City Wholesale Houses is evidence of the first order that one effect of these duties has been to send their Colonial and other overseas customers direct to Continental sources of supply. If confirmation were needed it is found in the experience of other trades similarly interfered with by safeguarding duties.—ED., *Econ.*]

Books and Publications.

AN ECONOMIST DISCOURSES.*

When Sir Josiah Stamp is not directing the affairs of the London Midland and Scottish Railway, or of the Bank of England, or of the Abbey Road Building Society, or settling the question of Germany's capacity to pay, or doing all kinds of good works that nobody hears about, he devotes some of his exuberant energy to giving lectures and addresses, and as he says in the preface to this volume, some of these efforts "seem to have, if they do not deserve" (which, of course, is merely his modesty) "an appeal beyond their lawful occasions. Hence this collection." Such books are necessarily difficult to review, but when produced by Sir Josiah they are eminently easy and instructive to read. Turning these pages is like going for a walk with a cheery companion who discourses on æsthetics, inheritance, invention, industrial co-operation, amalgamations, and so on. He is always light and lucid, and he turns one's mind inside out by the pleasant ease with which he exposes one's prejudices without saying anything unkind, but rather after having shown us what sound opinions they are, if only one remembers that they may be quite wrong. For instance, those who believe in hereditary wealth as the corner stone of capitalist production will glow with satisfaction when they read how an able man, under the stimulus of the power of bequest, "exerts his ingenuity to the highest degree, creates new capital forms and new mental embodiment of his genius in organisation," raising the potentiality of the average worker as a unit in the social system, enriching himself and his social environment simultaneously. Then comes the cold douche—let us "suppose that the knowledge that the individual can leave his wealth to his son and not to the community acts as a social irritant, an economic 'sulkifier.' All workers' efforts are then crabbed and limited by their psychological state; their output is restricted, and often interrupted on trivial pretexts; they have no ready elasticity to participate willingly in new combinations of the organising mind. Then the total economic result of the community's efforts may be less than if our original mind had never exerted itself at all, producing individual wealth for individual bequest." And so we are left wondering, which is the state of mind most to be desired by the true philosopher. Also, we are often

* "Some Economic Factors in Modern Life." By Sir Josiah Stamp, G.B.E. P. S. King. 10s. 6d.

amused by the way, as when we are told a story about Harold Cox and a Judge in India who said to him, "Cox, when you are a bit older, you will not quote Indian statistics with that assurance. The Government are very keen on amassing statistics—they collect them, add them, raise them to the *n*th power, take the cube root and prepare wonderful diagrams. But what you must never forget is that every one of those figures comes in the first instance from the chowkidar (village watchman), who just puts down what he damn pleases"—a bitter reflection for the statistician.

IRON AND STEEL STATISTICS.

"Statistics of the Iron and Steel Industries," a new edition of which has just been issued by the National Federation of Iron and Steel Manufacturers, contains the most comprehensive statistics of any volume dealing with the iron and steel industry. Not only are statistics of production, imports, exports, consumption of raw material, prices, etc., given for Great Britain in great detail, but figures are given in scarcely less detail for most other iron and steel producing countries. The volume is rendered more complete with each new edition, and there are now 170 pages, or twice as many as ten years ago. Thirty-four of the new pages are devoted to the tariffs on iron and steel imported into the principal consuming countries. Needless to say, the volume is indispensable to all interested in Great Britain's basic industries. The volume is published at 5s. 4d. post free, and can be obtained from the offices of the National Federation of Iron and Steel Manufacturers, Caxton House (E), Westminster, S.W.1.

BOOKS RECEIVED.

The Consumption of Wealth. By Elizabeth Ellis Hoyt. (London) Macmillan and Co., St. Martin's Street. 8s. 6d. net.

This is a very much more interesting treatment of the subject than is usually offered by books purporting to deal with consumption. There are four general sections, dealing with such matters as culture; the psychology of consumption; factors unconsciously controlling consumption; and the deliberate control of consumption by the consumer. The last section compares the standards of consumption of various past and present communities, and there is a detailed discussion of American habits in this respect.

The Morris Plan of Industrial Banking. By Peter W. Herzog. (London) A. W. Shaw and Co., 6 Carmelite Street, E.C. 4.

A study of a new development in banking which is playing a growing part in the financial structure of the United States.

Memoires et Documents pour servir à l'histoire du Commerce et de l'Industrie en France. (Paris) Librairie des Sciences Economiques et Sociales, 31 Rue Jacob.

A collection of very short monographs on modern French economic history. The range of subjects covered is extremely wide.

Die Frankfurter Bank, 1854-1929. (Frankfurt) Frankfurter Bank.

A history, in German, of the Frankfurter Bank.

The Annals: Farm Relief. March, 1929. American Academy of Political and Social Science. (London) P. S. King and Son, 2 Great Smith Street, Westminster.

A collection of over fifty articles which should form a useful body of information relating to American agriculture.

The Municipal Year Book, 1929. (London) Municipal Journal, Limited, Sardinia House, Sardinia Street, W.C. 2. 20s. net.

This compendious volume gives very complete information as to the position of municipal undertakings and of limited liability companies responsible for public utility services. It summarises the work of all local governing bodies and gives the names and addresses of officers. There is also a full list of water companies and a complete record of all the larger gas, electricity and tramway companies.

Twenty-eighth Financial and Economic Manual of Japan, 1928. (Tokio) Government Printing Office. Yen 2.00.

This very useful year-book contains comprehensive statistics of Japanese production, trade, communications, and public finance. There are also full notes on such matters as taxation, national debt, patents, foreign trade, and the currency system.

International Labour Review. March, 1929. (London) George Allen and Unwin, 40 Museum Street, W.C.1. 2s. 6d.

This number includes articles on: "The Organisation of State Industry in Soviet Russia," and "Seasonal Unemployment in the Building Industry in certain European Countries: III."

Radio: Supplement to the Annals of the American Academy of Political and Economic Science. (London) P. S. King and Son.

A collection of articles on the development and uses of radio in the United States. There is also a section on radio in international affairs.

Review of the Oilseed, Oil and Oil Cake Markets for 1928. (London) Frank Fehr and Co., Holland House, Bury Street, E.C. 3.

A very conveniently indexed collection of statistical and other information for persons interested in these commodities.

Bulletin of the Stable Money Association. January-February, 1929. *Bankers' Number.* (New York) Stable Money Association, 104 Fifth Avenue.

This number includes an article by Professor Jeremiah Jenks on the question of the retirement of the National banknotes in the United States.

La Revue Marxiste. March, 1929. (Paris) "Les Revues," 47 Rue Monsieur-le-Prince. 6 francs.

The editorial article in this number is entitled: "Democracy in Action."

Revista Mexicana de Economia. December, 1928. (Mexico) Talleres Eduardo Limon, Donceles 26.

A periodical, in Spanish, on Mexican affairs.

Bulletin of the British Library of Political and Economic Science, March, 1929. (London) London School of Economics, Houghton Street, W.C. 2. 6d.

There is the usual list of important recent additions to the Library and of duplicates available for exchange. The subject of the bibliography this time is the Channel Tunnel.

English Grammar and Composition, Part II. By Leonard Le Marchant Minty. (London) Sir Isaac Pitman and Sons, Ltd., Parker Street, Kingsway. 5s.

The questions set at the examinations of the Institute of Bankers are reproduced here with model answers.

Foreign Affairs. April, 1929. (New York) Council on Foreign Relations, Inc., 25 West 43rd Street. $1.25.

Among a number of interesting articles this issue includes:—"Anglo-American Relations and Sea Power," by John W. Davis; "Biology and War," by Alexander Carr-Saunders; and "China's New Tariff Autonomy," by Walter H. Mallory.

Seventieth Annual Report of the Superintendent of Insurance, State of New York, March, 1929. (Albany) J. B. Lyon Company.

This report contains such information as is already available relating to insurance companies subject to the supervision of the Department, and a full account of the insurance legislation of the year.

The Economic Position of Hungary Between East and West. By Emel Stein. (Budapest) The Athenæum.

A short essay by the managing director of a Hungarian bank.

Austria of To-Day. (Vienna) Vienna Chamber of Commerce, Trade and Industry.

A small illustrated guide book containing a certain amount of economic information in condensed form.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C.2.

Seventeenth Report of the Board of Agriculture for Scotland, being for the year ended December 31, 1928. Cmd. 3,293. 1s. 6d. net.

Statistical Abstract for British India, 1917-18 to 1926-27. Cmd. 3,291. 4s. net.

Report of the Chief Registrar of Friendly Societies, for the year 1927. Part 4—Trade Unions. 2s. 6d. net.

The Stock Exchange.

THE STOCK EXCHANGE OUTLOOK.

MARKET movements in the past three months may be summarised by saying that bullish sentiments prevailed in January, that reaction set in with the rise in the Bank rate from 4½ per cent. to 5½ per cent. on February 7th, and that thereafter markets have continued to be unsettled in daily expectation of a break in Wall Street. A more cheerful feeling has been manifest on the Stock Exchange this week, but, like all holiday sentiments, it needs critical examination in the light of facts. The shake-out in Wall Street has undoubtedly been welcomed as lessening the risk of a further rise in the Federal Reserve re-discount rate and as lightening the Bank of England's problems in this country. At the same time, there are tentative signs of an improvement in domestic trade, evidenced by increased traffic on the railways and by the decline in the numbers of the unemployed. There is something to be said, therefore, for the view that, with a brighter monetary outlook, markets should be firm in spite of the coming elections. If we cannot altogether subscribe to this view, it is not because we regard the coming elections as an impending disaster, but because a review of the last three months leads us to the conclusion that the Stock Exchange is not yet free of certain influences which have been making for reactionary markets.

Apart from dearer money, the main features of Stock Exchange business in the past quarter have been the flood of new issues, the mixed nature of industrial reports, and the active participation of American speculators and investors in British securities. It was pointed out in the *Economist* last week that, if British Government borrowing were excluded from calculation, the London market had been called on to find £12,000,000 more in the last three months than in the first quarter of 1928, the total public offerings being £95,053,000, as against £83,282,000 in 1928. Among these new issues have been important Colonial Government loans amounting to £23,590,000, with £11,269,500 of investment trust company issues. Some of the more speculative of recent company emissions have been largely left with the underwriters (as we show in a subsequent "Investment Note"). The weight of new issues, however, is bound to tell upon markets as a whole for some time to come. Nor is the publication of the reports of the leading industrial companies for the financial years ending December 31, 1928, or March 31, 1929, likely to lend much encouragement to "bullish" views. A year ago industrial results stood out in contrast with those of 1926, the year of the coal stoppage, and naturally made cheerful reading. This year, with a few exceptions, company reports disclose profits at levels not much better than in 1927, and bear witness to the keen competition which has lately prevailed in many industries. In short, the "domestic" situation is not sufficiently favourable to offset adverse factors from outside. Definite bear points during the last two months have been dearer money and the gyrations of Wall Street, and it is doubtful whether, except in the gilt-edged market, market prices have yet completely adjusted themselves to this situation.

In the latter market prices suffered so severely from the rise in Bank rate that a recovery seems overdue, given any continued improvement in sterling. This particularly applies to the short-dated securities. The table in the preceding column shows the highest prices so far recorded this year, the prices ruling two weeks after the rise in Bank rate and to-day, and the yields obtainable at current prices.

	Highest, 1929.	Feb. 22.	To-day.	Flat Yield. £ s. d.	Redemp. Yield. £ s. d.
Conversion 3½%	80⅝	78½	76¾	4 11 0	...
,, 4½%	100	98¾	97¾	4 12 9	4 16 3
Consols 4%	88⅝	86½	85¾	4 14 0	...
Funding 4%	91¾	89½	87½	4 11 6	4 12 6
War Loan 5%	103½	101⅜	102¼	4 19 3	...
Treasury 5%, 1933/35	101⅛	100	99½	5 1 3	5 3 2
,, 4½%, 1932/4	100⅛	99½	96¾	4 13 6	5 7 4
,, 5½%, C. 1930	101⅛	100½	100⅛	5 10 0	5 6 4

The exceptional reaction in the price of 4½ per Cent. Treasury Bonds 1932-34 has no doubt been due to the selling of disappointed "stags," who applied for this issue at 99 on payment of £10, and had no desire to meet the £89 call due this week. The weakness of this stock has naturally affected other short-dated securities. As the Treasury 4½ per Cent. Bonds 1932-34 are convertible into 4 per Cent. Consols next July at the rate of £112, Consols, ex dividend, per £100 Treasury Bond, ex dividend, they will probably begin to attract buyers who desire to hold a short-dated security until the result of the General Election is known. Any brightening of the monetary outlook and any improvement in sterling will, of course, assist the recovery of both short-dated and long-dated securities in the gilt-edged market.

At this point it may be observed that, with the rise in Bank rate and the fall in the prices of British Government funds, disappears the last hope of any heroic attempt on the part of the Treasury to refund 5 per Cent. War Loan at any lower interest rate in this, the first optional year of its redemption. A reduction of ½ per cent. in the rate of interest payable on the £2,000,000,000 5 per Cent. War Loan would mean a saving of £10,000,000 a year to the British taxpayer. The reaction of the last two months has left the market in an unfavourable mood for refunding operations on the grand scale. Nor does the market take an unduly optimistic view of the Budget surplus of £18,400,000, seeing that £13,200,000 of the "surplus" is a windfall consequent upon the amalgamation of the Note Issues, while the Sinking Fund has, in effect, been raided to the tune of £7,400,000.

Apart from the gilt-edged market, the prospects of an early recovery in other sections of the Stock Exchange do not appear so favourable, but there are qualifications to any general view. As regards industrial shares, it is necessary in these days to make a distinction between those in which New York does and does not take an interest. In the case of purely domestic shares, which have not so far attracted the attention of the American investor, it will be found that prices have suffered in all cases from the rise in Bank rate, but that the yields obtainable at the present market prices are not high in relation to a 5½ per cent. Bank rate. The following table gives the relevant facts relating to shares representative of different markets which have not received American attention:—

	Highest 1929.	April 3.	Yield. £ s. d.
Midland Bank, £12—£2 10s. paid	9⅜	8⅜	5 0 8
Commercial Union	29¼	27½	3 5 6
Babcock and Wilcox	73/6	68/9	4 7 11†
Guest, Keen and Nettlefolds	41/3	39/10½	5 0 0†
Wm. Cory	63/10	59/3	5 18 2
Bradford Dyers	47/3	41/6	5 8 5
J. and P. Coats	73/3	65/6	5 6 11
Johnson and Phillips	41/-	36/-	5 11 1
County of London Electric	57/3	53/-	5 11 6
Dennis Motors	64/9	2⅜	3 16 3
Cunard	34/-	27/-	5 13 3
P. and O. defd.	69/3	61/-	5 11 1
Associated Portland Cement	32/6	28/6	4 0 0†
Dunlops	26/9	22/-	5 17 5
Gas Light and Coke	20/6	19/-	7 11 6*
Harrods	79/-	72/3	5 6 4
Watney Combe	68/3	59/6	5 10 9
Turner and Newall	5⅜	5	6 12 3
Thos. Tilling	6¼	5¼	3 0 0
			3 17 1

* Based on last year's dividend of 25 per cent. † Tax free.

Turning to the industrial shares which have been popular with the American speculator, it will be found that, while prices have reacted considerably, they have not reacted to a point which allows even a moderate return on present dividends. With Bank rate at 5½ per cent., it would be impossible to run a bank overdraft to hold, for example, the following American-favoured shares:—

	Highest. 1929.	April 3.	Yield. £ s. d.
British American Tobacco	5⅜	6¼	4 2 6†
Courtaulds	5⅜	3⅜	3 15 7†
Col. Graphophone	18	14½	1 0 8
Gramophone	18⅛	16½	3 6 8
Imperial Chemical	45/6	40/-	4 0 0
Imperial Tobacco	6⅜	6	3 13 0†*
Swedish Match "B"	24⅜	21½	3 17 6
General Electric	81/3	60/9	5 4 0
Imp. Continental Gas	428	397½	2 10 0
Can. Pacific Common	273	244	4 2 0
Marconi	84/-	83/-	1 16 2

* This yield is worked out on the basis of a 21½ per cent. dividend. † Tax free.

It may be asked whether these leading industrial shares can continue to command such high prices if Bank rate remains for any length of time at 5½ per cent., or if money in New York remains dear. Sooner or later, the speculative fever in New York will receive correction—either by pressure from the banks or by a change in sentiment—and if industrial earnings in America begin to show signs of falling off, a revulsion of sentiment in the industrial share markets may be inevitable. In such an event, an unduly low dividend yield basis is bound to make an impression upon market valuations. From this point of view the outlook for industrial shares affected by American operators is not altogether favourable.

We have omitted from this review any detailed consideration of the speculative markets—land, rubber, tea, oil and mining—as these markets are affected by their own peculiar conditions. The past quarter, for example, has seen a remarkable boom in Rhodesian copper mining shares, which now shows signs of having spent its force. When the price of copper reacts, as sooner or later it must react, public attention on both sides of the Atlantic will turn away from the Rhodesian market. The rubber share market has also received a burst of support with the rise in the price of the commodity, but here again interest has tended quickly to decline on any reaction in the commodity's price. Buyers of tea shares have, for the most part, been discounting probable "cuts" in dividends, while the South African and nitrate markets have been featureless and neglected. There has been a disposition on the part of speculators to take an interest in tin shares, but the absence of any sustained rise in the price of the metal has restrained enthusiasm. Oil shares have been in and out of popular favour as the news from America has varied between depression and hopefulness. The rise in petrol prices and the attempt to impose national restriction of oil production in the United States, have, however, recently brought back this market into favour.

In our review of Stock Exchange markets during 1928 we suggested that even the more speculative section of Stock Exchange opinion was not prepared to support indefinitely the rise in prices, and that the first impetus towards a decline in values might be expected to come from America. This view has been largely confirmed in the last three months, particularly since the occurrence of the most serious break in Wall Street since June, 1928. At the moment of writing there is every indication that the correction of market values in America has still to make further progress. Security values still appear high, even after the slump in Wall Street last week, and, as far as American-favoured industrial shares on the London Stock Exchange are concerned, deflation has not yet occurred to any appreciable extent. We come to the conclusion, therefore, that, outside the gilt-edged market, a recovery in Stock Exchange values before the General Election is improbable.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
April 9.	April 11.

THE House reopened on Tuesday in quiet mood, and holiday influences persisted through the week in the absence of any news calculated to affect markets either favourably

LONDON ACTIVE SECURITIES.

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

	Closing Prices Mar. 27.	Closing Prices April 4.	Rise or Fall.
British and Colonial Government Securities.			
Conv. Loan 3½%	76¼	77	+ ¼
Do. 4½% 1944	97½	97⅝	+ ⅛
War Loan 5% 1929-47	101⅜	102⅛	+ ⅛
Consols 2½%	55¼	55⅜	+ ⅛
Do. 4%	85⅛	86	+ ⅛
Funding 4%	86⅛x	87⅛	+ ⅛
Victory Bonds 4%	91⅛	92⅛	+ ⅛
Local Loans 3%	63¼	63¼	...
Treasury 5% (B)	98⅛	99⅛	+ ⅛
Palestine 5% 1942-67	103	101x	+ ⅛
S. Africa 5% 1945-75	101	101	...
India 3½%	67	67⅛	+ ⅛
Do. 4½% 1958-68	90½	89	−1⅛
Australia 5% 1945-75	98	99	+1
N.S.Wales 5% 1935-55	96	96	...
N. Zealand 5% 1946	102	102	...
Foreign Government Securities.			
Japanese 6% (1924)	95⅛	96	+ ⅛
Argentine 4% Recles	84⅛	84⅛	...
Austrian 5% 1923-43	101⅛	101½	...
Belgian 7%	108	108	...
Brazil 5% Funding	83¼	84	+ ¼
Bulgaria 7%	87	87	...
China 5% (1912)	48¼	48x	+ ⅛
Egypt Unified 4%	85	85	...
Estonia 7% 1927	92	91⅛	− ⅛
Finland 6% 1923	98⅛	98⅛	...
French 5%	19⅝	20	+ ⅜
Do. 4% (Brit.)	17⅛	17⅛	+ ⅛
German 7%	106¼	106⅜	...
Greek 7% Refugee	102	101⅞	− ⅛
Hungary 7½%	101¼	101⅛	...
Chili 6%	95⅞	96	+ ⅛
Poland 7%	92	91⅞	− ⅛
Mexican 5% (1899)	32½	33	...
S. Paulo Coffee 7½%	102	102⅛	+ ⅛
Siamese 6% (1924)	105⅛	105⅛	...
Corporation Stocks.			
L.C.C. 3%	63	63	...
B. London 5% 1960-70	98	98	...
Sydney 5½% 1954	98	98	...
Berlin 6% Ster.	94	94	...
British and Foreign Railways.			
G. Western Ord. Stk.	82	82⅛	+ ⅛
L.N.E., Def. Stk.	12½	13⅝	+ 1⅛
Do. 5% Pref. Stk.	27½	30	+ 2½
L.M.S. Ord. Stk.	53⅛	54⅛	+ 1⅛
Metropol'anCons.Stk.	60	60½	+ ½
Met. DistrictOrd. Stk.	76	76	...
Southern Def. Stk.	32½	32⅜	+ ⅛
Do. Pref. Ord. Stk.	73	73⅛	+ ⅛
Underground Ord. £1	1⅛	1⅛	...
Do. Income Bonds	113½	112	−1½
Antofagasta Ord. Stk.	95	96	+1
B.A.&Pacific Ord.Stk.	101⅛	101⅛	...
B.A.Gt.Sthn. Ord.Stk.	107½	107⅝	...
B.A. Western. Ord.Stk.	94½	93⅝	−1⅛
Beira Ord.	11	11⅛	− ⅛
Can. Pacific Com.Stk.	239½	241⅛	+ ⅜
C. Argentine Ord. Stk.	96⅜	95⅛	−1⅛
Leopoldina Ord. Stk.	57	56⅝	− ⅜
San Paulo Ord. Stock.	210	213	+ 3
Utd. Havana Ord. Stk.	42	42	...
Banks.			
Barclay B. (£1)	2⅜	2⅜	+ ⅛
Barcl.(Dom.&c.) A £1	1⅛	1⅛	...
Lloyds £5, with £1 pd.	3⅛	3⅛	+ ⅛
Mid. £12, with £3½pd.	9	9⅛	+ ⅛
Do. £2½, fully paid	9⅛	9⅛	+ ⅛
Midland £1, fully paid	3⅜	3⅜	...
Nat. Prov. £20, £4 pd.	13⅛	13⅛	+ ⅛
Hongk. and S. (£125)	133	132	− 1
St. of S.A. £20, £5 pd.	14¼	14¼	+ ⅛
W'minster £48, £1 pd.	3⅜	3⅜	...
Insurance.			
Alliance £1, fully paid	21	21	...
Com. Un. £2½, fully pd.	27⅛	27⅛	...
Ldn.&Lanc.£5,£1 pd.	31	30⅛	− ⅛
N.B.&Merc.£5,£1¼pd.	36⅛	36½	− ⅛
Royal Ex. £1, fully pd.	6⅛	6⅛	...
Roy.In.£1,with 10/ pd.	8⅛	8⅛	− ⅛
Coal, Iron and Steel.			
Amal. Anthracite (£1)	⅛	⅛	+ ⅛
Babcock, Wilcox (£1)	3⅛	3⅛	− ⅛
Baldwin (£)	⅛	⅛	+ ⅛
Bolckow Vaughan(£1)	⅛	⅛	...
Cory, William (£1)	2⅛	2⅛	− ⅛
Dorman, Long (£1)	⅛	⅛	...
Guest, Keen (£1)	1⅛	1⅛	...
Powell Duffryn (£1)	⅛	⅛	+ ⅛
Stewarts&Lloyds(£1)	1⅛	1⅛	− ⅛
Swan, Hunter (£1)	1⅛	1⅛	− ⅛
Thornycroft,John (£1)	4	3⅞	− ⅛
Vickers (6/8)	⅛	⅛	...
Textiles.			
Bradford Dyers (£1)	2⅛	2⅛	+ ⅛
Brit.Celanese,Ord(10/)	1⅛	1⅛	+ ⅛
Coats, J. and P. (£1)	3⅛	3⅛	...
Courtaulds	3⅛	4	+ ⅛
Bng.Sewg.Cotton (£1)	2⅛	2⅛	+ ⅛
Fine Cott. Spinn. (£1)	2⅛	2⅛	− ⅛
Listers (£1)	1⅛	1⅛	...
Snia Viscosa (200 lire)	1⅛	1⅛	...
Electrical Manufacturing.			
Associated Elec. (£1)	1⅜	1⅜	− ⅛
British Insulated (£1)	4⅛	4⅛	...
Hver Ready (G.B.) (5/)	1⅛	1⅛	...
General Electric (£1)	2⅜	3	+ ⅛
Johnson&Phillips (£1)	1⅜	1⅜	...
Siemens (£1)	1⅛	1⅛	...
Electric Light and Power.			
Atlas L'ht & P'er (£1)	1⅛	1⅛	...
Brnemth.& Poole (£1)	3⅛	3⅛	+ ⅛
County of London (£1)	2⅛	2⅛	...
Hydro-Elec. com. stk.	37⅛	37⅛	...
Newcastle-on-Ty (£1)	1⅛	1⅛	...
Scottish Power (£1)	1⅛x	1⅛	...
Telegraphs and Cables.			
Eastern Stk.	266½	277½	+ 11
Eastern Exten. (£10)	26⅛	27⅛	+ 1
Marconi (10/)	4⅛	4⅛	+ ⅛
Marconi Marine (£1)	3⅛	3⅛	...
Motors.			
Dennis (1/)	2⅜	2⅜	...
Ford Motors (£1)	3⅛	3⅜	+ ⅛
Leyland (£1)	2⅛	2⅛	+ ⅛
Morris 7½% Cm.Pf.(£1)	1⅛	1⅛	...
Singer (£1)	1⅛	1⅛	...
Weymann Mot. Bodies	⅛	⅛	− ⅛
Shipping.			
Cunard (£1)	1⅛	1⅛	...
Furness Withy (£1)	2	2	...
P. & O. Defd. (£1)	5⅛	3⅛	− ⅛
Royal Mail Ord. Stk.	68⅛	69	+ ⅛
Tea and Rubber.			
Anglo-Dutch (£1)	1⅜	1⅜	...
Cons.Tea & Lnds (£10)	34	34	...
London Asiatic (2/)	2⅛	2⅛	...
Rubber Trust (£1)	2⅛	2⅛	...
Oil.			
Anglo-Persian (£1)	4⅛	4⅛	+ ⅛
Attock (£1)	2⅛	3	+ ⅛
Burmah Oil (£1)	4⅛	4⅛	− ⅛
Mexican Eagle(£1/0/6)	6	6	...
Royal Dutch (£34)	32⅛	32⅜	+ ⅛
Shell (£1)	4⅛	4⅛	+ ⅛
Miscellaneous.			
Assoc. P. Cement (£1)	1⅜	1⅜	+ ⅛
Brns. Traction, no par	57	62½	+ 5½
Brit.-Am.Tobacco(£1)	6⅛	6⅛	+ ⅛
Carreras,"A" Ord.(£1)	13⅛	13⅛	...
Columbia Graph.(10/)	14⅛	14⅛	...
Crittall (£1)	2⅛	2⅛	...
Dunlop (5/8)	1⅛	1⅛	− ⅛
Forestal Land (£1)	1⅛	1⅛	+ ⅛
Gas Light & Coke (£1)	⅛	⅛	...
Gramophone Co. (£1)	15½	16⅛	+ ⅛
Harrods (£1)	3⅛	3⅛	+ ⅛
Hudson's Bay (£1)	5⅛	5⅛	...
Imp.Airways(£1 15/0)	1⅛	1⅛	+ ⅛
Imp. Chem., Ord. (£1)	2	2	...
Imperial Tobacco (£1)	6	6	...
Inter. Nickel of Can.	47	49⅛	+ 2⅛
Kreuger & Toll (kr.100)	36xr	35	− 1
Lyons (J.) (£1)	5⅛	5⅛	...
Margarine Unie (8.12)	3⅛	3⅛	+ ⅛
Photomaton Parent	⅛	⅛	...
Swed. Match,B (kr100)	21⅛	21⅛	− ⅛
Tate and Lyle (£1)	2⅛	2⅛	− ⅛
Tilling, Thomas (£1)	5⅛	5⅛	+ ⅛
Turner & Newall (£1)	4⅛	4⅛	+ ⅛
United Molasses (£1)	7⅛	7⅛	+ ⅛
Vocalion (10/)	2⅛	2⅛	− ⅛
Watney Combe Df.(£1)	2⅛	3⅛	+ ⅛
Mines.			
Anglo-Amer.ctf.A(£1)	2⅛	2⅛	+ ⅛
De Beers Def. (£24)	14⅛	14⅛	− ⅛
Brakpan (£1)	4⅛	4⅛	...
"Chartered" 15/(1p.	1⅛	1⅛	+ ⅛
Burma Corp(Rs. 10)	⅛	⅛	...
Bwana M'Kubwa,£/sp	⅛	1⅛	+ ⅛
Central Provinces(£1)	4⅛	4⅛	− ⅛
Geduld (£1)	3⅛	3⅛	...
Johan. Cons. (£1)	2⅛	2⅛	...
Lake View & Star (4/)	⅛	⅛	...
London Tin (£1)	4⅛	4⅛	...
Rio Tinto (£5)	3⅛	3⅛	...
RoanAntelopeOpr.(5/)	61⅛	62	+ ⅛
Sub-Nigel (10/)	2⅛	2⅛	+ ⅛
Tanganyika (£1)	1⅛	1⅛	...
UnionCrp.(12/6)fn.pd.	3⅛	4⅛	− ⅛

or otherwise. The last days of the three-weeks account, it is true, saw the undoing of commitments in certain directions, particularly by profit-taking in the junior Home Railway stocks, some of which had been unusually hard to obtain earlier in the week. The new General Electric situation, discussed in an "Investment Note" hereafter, lessened, but did not remove, the old resentment against any interference with the Stock Exchange as a free, fair market.

To benefit the gilt-edged market there were the Wall Street shake-out of ten days ago, the Bank's acquisition of £700,000 of new gold, and Conversion Loan interest to the tune of over £10 million net available for reinvestment. The recovery, in evidence before the holidays, made further headway. Five per Cent. War Loan was again in demand, and both Three-and-a-Half and Four-and-a-Half Conversion Loan showed steady improvement. India Loans showed a similar hardening tendency. Dominion and Colonial stocks attracted no more than a moderate interest, but quotations were firmer where tested.

The Foreign market was inactive but steady. European loans showed fractional rises whenever business was done. A few South American stocks, including Chilean Six per Cents. and San Paulo Coffee Bonds, were marked up to a limited extent, but Brazilians as a group did not sustain their early appearance of firmness. Chinese Bonds were unshaken by the resumption of military operations, the market being inclined rather to concentrate on such bull points as the payment of the March, 1928, coupon on the Five per Cents. of 1912.

Once again the Home Railway traffic figures were encouraging—too encouraging, perhaps, since their publication was followed by a bout of undue eagerness to take profits accruing from the recent advance. North-Eastern stocks were most noticeably affected by this development, though the other three groups by no means escaped its effects. The senior stocks, however, showed a firmer front, coming within the orbit of the improvement in investment securities as a whole. The railway revenue figures are discussed in a subsequent "Investment Note." The Foreign Railway market was quiet, but as the latest traffic figures made a fair showing, the general tone was firm. Further buying of Central Argentine was in evidence, and San Paulo continued its steady rise.

Industrial shares had no well-marked tendency. The reactionary state of New York on Monday was reflected in the marking down of Anglo-American counters on Tuesday morning, and the uncertainty of Transatlantic conditions acted as a brake on business throughout the week. Columbia Graphophone was weak on Tuesday, but later improved along with H.M.V., which was not visibly affected by the proposal to issue new shares. On the pending publication of the merger terms, a fair demand sprung up for Marconi's, and Eastern Telegraphs were in request. The match companies failed to shake off the dullness of recent weeks. Gas shares were quiet, and shipping shares irregular, the market being still under the influence of the setback administered by the Cunard report. Tobacco shares continued to attract less than normal attention, and motors were less active than last week, though Fords rose on the forthcoming Continental issue. Distillers were active in the brewery group, the company's overseas business being reported to be in a healthy condition. Sustained buying was recorded of Lautaro Nitrates. United Molasses were an uncertain quantity before and after the dividend announcement. After reacting to 7 the shares rose sharply later to 7½. Courtaulds showed little or no movement, though the textile group as a whole was a shade harder than last week. Caledonians were an outstanding feature in a mostly irregular insurance market. Bank shares showed a slight fractional gain on a moderate investment inquiry.

Business was on a most attenuated scale in the rubber share market, sellers and buyers being equally difficult to discover. The commodity tended, if anything, towards greater firmness of price, but in informed quarters the view was current that the "resting" of the trees under restriction might result in more than normal yields for a few months after the wintering season. No tea auctions were held this week, but the tone of the share market was firm. Jhanzie being prominent on the company's reserve capitalisation proposals. The latest turn in the oil restrictions negotiations, which is described in detail on a later page, served to check incipient public interest in oil shares, the leading counters being all subjected to profit-taking.

Kaffirs opened with a steady tone, due rather to Johannesburg's operations, especially in Daggafontein, than to any interest taken by London or Paris, which was of the slightest. A certain liveliness marked Rhodesian copper shares, encouraged by glowing reports of Mr S. Joel's impressions on his recent trip to South Africa, and unsubstantial rumours of American offers for control of Bwana M'Kubwa. Elsewhere, dealings were on little more than a nominal scale. Rio Tinto came on offer on Paris account, tin shares were easy (Patino being sold from New York), and Burma Corporations moved within the narrowest of limits.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The New York share market is doing little beyond marking time, and waiting till the uncertainties of the credit position are cleared up. The passing of the month-end settlements is giving an easier tone to money, the call rate having fallen to 6 per cent., after being firm at 10 to 12 per cent. earlier in the week. Sentiment has been heartened by extraordinarily good reports from the steel and motor industries, while bull operators are basing their hopes on the pressure of public opinion bringing a change in the tight money policy of the Federal Reserve Board. The outcome, however, is problematical, bankers generally preferring a stringent policy until further liquidation has been effected, and believing that, once the process begins, it will be speedy enough to ensure its completion before tight money can seriously diminish business. Steel shares are buoyant on the record-breaking earnings of the first quarter, motors are improving on the record March output, and railroad shares are more active on good traffic returns. Enthusiasm in the oil market has been damped as a result of the Hoover administration's decision, Washington doubtless disliking a defensive *rôle* in case gasoline prices go up in the summer.

	Mar. 27.	Apr. 4.	Rise or Fall.
4½% Lib. Ln. '33–8	98½	98¹¹⁄₃₂	+ ³⁄₃₂
3½% Trs.Bs.'46–56	99¹⁄₃₂	99¹⁵⁄₃₂	+ ¹³⁄₃₂
Ach., Top. San. Fé	197½	199½	+ 2
N. York Central	184	184½	+ ½
Union Pacific	216	217	+ 1
Pennsylvania	75	75½	+ ½
South. Railway	142½	145½	+ 3

	Mar. 27.	Apr. 4.	Rise or Fall.
U.S. Steel	179½	186	+ 6½
General Motors	84	86½	+ 2½
Amer. Tel. & Tel.	217	221½	+ 4½
General Electric	235½	234	− 1½
Victor Talking	170	180	+ 10
Std. Oil of N.J.	56½	58½	+ 1½
Anaconda	158½	153½	− 5

By courtesy of the Standard Statistics Company, Inc., of New York, and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926 = 100):—

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	Mar. 21.	Mar. 28.
342 Industrials	104·7	137·1	132·5	186·4	191·1	198·8	194·9
33 Rails	106·1	128·0	120·5	139·7	140·9	139·7	138·2
35 Utilities	103·3	128·3	128·3	180·6	184·6	203·7	203·1
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	190·9	187·9
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·16%	3·22%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Dec. 31.	Feb. 28.	Mar. 27.	Mar. 28.	Mar. 29.	Mar. 30.	Apr. 1.	Apr. 2.	Apr. 3.
207·7	216·6	213·6	217·5	—	—	211·9	214·8	211·5

PARIS.

The closing of the Bourse for four days at Easter restricted business still further. To the caprices of Wall Street the market was indifferent, and the undertone was fairly firm, though a weaker note was sounded by the quotation of rights to participate in the Banque de Paris

capital augmentation at a lower price than their par value, which brought out offers at that "datum" level. Rentes made fresh progress. Chemins de Fer du Nord, Citroën, and coal shares were in prominent demand. Finally, the oil group showed a reawakened activity, a number of appreciable gains giving some tone to the market. At the month-end settlement, the contango rate was 5 per cent. on the Parquet and 7½ per cent. on the Coulisse.

	Mar. 27.	Apr. 4.	Rise or Fall.
3% Perp. Rentes	72·47	72·90	+ 0·43
5% Rentes,'15–16	99·27	99·35	+ 0·08
5% Rentes, 1920	119·27	120·95	+ 1·68
Banq. de France	25,555	25,850	+ 295
Banq. de Paris	4,850	4,685	− 165
Crédit Lyonnais	3,220	3,230	+ 10
Nord	2,645	2,665	+ 20
Com. Gen. d'Elec.	3,875	3,825	− 50
Littoral Médit.	1,421	1,440	+ 19

	Mar. 27.	Apr. 4.	Rise or Fall.
Mines de Lens	1,435	1,463	+ 28
Courrières	1,654	1,678	+ 24
Pechiney	3,580	3,635	+ 55
Kuhlmann	1,165	1,184	+ 19
Com. Gen. Trans.	1,270	1,286	+ 16
Suez Canal	25,540	25,800	+ 260
Assur. Gen. Vie	15,450	15,500	+ 50
Denain et Anzin	3,325	3,450	+ 125
Dolfus Mieg.	12,600	12,700	+ 100

BERLIN.

Trading was on a narrow basis when the Bourse reopened on Tuesday, but foreign buying was reported and prices rose, large gainers being the chief artificial silks and some coal and steel stocks. A sharp reaction followed. Wednesday's market was dull and undecided, weakening later under foreign selling, a rise in the dollar exchange, and fears of an advance in the Reichsbank's discount rate. With the money market easier on Thursday stocks hardened somewhat.

	Mar. 27.	Apr. 4.	Rise or Fall.
Reichsbank	323·00	322·00	− 1·00
Deutsche Bank	176·50	169·00	− 7·50
Disconto Bank	156·75	160·00	+ 3·25
Hamburg-Amer.	122·00	120·50	− 1·50
Norddeut.-Lloyd	115·88	114·00	− 1·88
I.G. Farbenindu.	255·50	251·00	− 4·50
Verein. Glanstff.	456·00	465·00	+ 9·00
Benberg	396·00	393·00	− 3·00

	Mar. 27.	Apr. 4.	Rise or Fall.
Verein. Stahlw.	91·50	91·50	...
Mannes Rohrke	115·50	117·00	+ 1·50
Allgemne. Elekt.	180·00	180·25	+ 0·25
Siemns. & Halske	403·00	399·00	− 4·00
Daimler Bens.	60·88	57·25	− 3·63
Cont. Caoutchuc.	151·75	150·50	− 1·25
Salzdetfurt. Kali	367·50	358·00	− 9·50

AMSTERDAM.

The market was closed on Friday, Saturday and Monday, and it reopened with an irregular tendency, business remaining restricted by reason of the firmness of the money market. The private discount rate rose to 5 per cent., and 5⅜-6 per cent. was quoted for prolongation. The steadiness of oils provided a favourable exception, but industrials were lower, and rubbers dull, Tobacco shares were on offer after the Sumatra tobacco auctions in Amsterdam. Dull conditions prevailed on Thursday, Margarine Unie, exceptionally, showing strength. Shipping shares were easier.

	Mar. 27.	Apr. 4.	Rise or Fall.
5% Bds. 'oth.,'18	101½	101	− ½
4½% Ams.1913–14	97½	98½	+ ½
Margarin Unie	357	372	+ 15
Neth. ArtSilk	387½	399½	+ 12
Philips Elt.amp.	856½	868½	+ 11½
Singkep Tn	315	311½	− 3½
Royal Dutch	389½	398½	+ 9
Amst. Rubber	267½	266½	− ½

	Mar. 27.	Apr. 4.	Rise or Fall.
Serbadjadi Sm.R.	223	222	− 1
Holl. Amer. Line	76	73	− 3
Navig. Co., Ned.	204½	205	+ ½
Vorstenlanden	164½	166	+ 1½
Trading Co., Ams.	654½	650	− 4½
Bescekl	505	525	+ 20
Deli	427	435	+ 8
Neth. Trad. Soc.	184½	188½	+ 3½

INVESTMENT NOTES.

Developments in the G.E.C. Affair.—Further important developments have occurred since the eve of the holidays in the matter of the proposed "British share" issue of the General Electric Co., to which reference was made in the *Economist* of March 16 and 23 last (pages 583 and 636). At a meeting to confirm the necessary changes in the company's articles of association, held on the day before Good Friday (when the American shareholders' representatives were still on the high seas, two days short of Southampton, it was announced that the issue contract with the Brish, Foreign and Colonial Corporation was still legally biding. The corporation had, however, proposed new terms to the Americans, under which the G.E.C. would issue (a) 140,853 new shares, at a maximum price of 40s., to *all* existing shareholders, and, subsequently, (b) 1,596,332 "Brish" shares at 42s. to holders in the proportion of two to every three, accompanied by renunciation letters, which holders, disqualified by nationality for permanent ownership, could dispose of, either on the Stock Exchange, or, after the end of May, to the British, Foreign and Colonial Corporation at an agreed price. The amended scheme, it will be seen, made certain by no means negligible concessions, inasmuch as it limited the offer to existing shareholders instead of throwing it open to all and sundry British subjects, and recognised the prerogative of holders of all nationalities to participate in any "bonus" accruing as a result of the issue. The "wirelessed" refusal of the American representatives to have anything to do with the new scheme, though worded, possibly, with emotion rather than lucidity, would seem to have been based on the undoubted fact that the terms involved the reduction of their share of the equity in the company from approximately 60 per cent. to 36 per cent., as the following figures show:—

	No. of £1 Shares.
Present issued ordinary capital of G.E.C.	2,253,645
No. of shares held by Americans (presuming 60 per cent. of total so held)	1,352,187
Capital, after issue of 140,853 new shares to all existing holders	2,394,498
No. of shares then held by Americans	1,436,699
Capital, after issue of 1,596,332 new "British" shares	3,990,830
Shares held by Americans { Number	1,436,699
Shares held by Americans { % of Total	36%

The G.E.C. is, in fact, endeavouring, by a retrospective and roundabout method, to put itself into much the same position as the Marconi International Marine Co., which limited foreign ownership to 25 per cent. of its shares before, and not after, that ownership had reached very large dimensions. It is understood that the G.E.C. is less interested than are some of its competitors in orders emanating, say, from South America, but has an influential clientèle in Australia and other parts of the British Empire, where, sentiment being what it is, future orders might be affected by the allegation that the company was not a truly "British" concern. Similar considerations may, indeed, have influenced the company in standing outside the recent Metro-Vickers—Thomson Houston merger. The conversations between Sir Hugo Hirst and Messrs. Chadbourne and Swope, the American representatives, which began on Tuesday last, will doubtless have centred round this main point. We have already stated that we regard the introduction of the "nationalist" criterion as unfortunate and dangerous at this juncture. Whatever might have been said for an attempt to exclude American investors from any but a minimum participation in the company twelve months ago, the process of locking the door must inevitably involve the trapping of somebody's fingers to-day.

Home Railway Revenue.—After several weeks of depression, home railway receipts would seem, at long last, to have taken a turn for the better. As will appear from the following table, the falling off in gross railway revenue, which was of significant proportions in February of this year, was definitely arrested last month, when the Midland and Scottish and the North Eastern companies recovered part of the ground previously lost, and the Great Western and Southern systems contrived to end the quarter with a small "surplus" by comparison with the corresponding figures for 1928:—

(000's omitted.)

Increase (+) or Decrease (−) in total railway receipts in 1929, as compared with 1928.	London Midland and Scottish Railway.	London and North-Eastern Railway.	Great Western Railway.	Southern Railway.	Total —Four Groups.
	£	£	£	£	£
Aggregate to January 27	− 78	− 65	+ 8	+ 5	−130
Aggregate to February 24	− 311	− 215	− 65	− 65	−656
Aggregate to March 31	− 287	− 124	+ 34	+ 53	−324
Week ended March 23	+ 24	+ 52	+ 30	+ 6	+112
Week ended March 31	+ 76	+ 36	+ 75	+146	+333
Week ended March 31, compared with Good Friday week, 1928	+ 4	+ 51	+ 20	+ 39	+114

The recovery, it will be seen, has been particularly in evidence during the past two weeks. The seven days ended March included the heavy outward passenger movement of the Easter holiday, but the figures remain favourable when related to those of Good Friday week last year. The absence of any general recrudescence of investment interest in home railway stocks may be ascribed to the reactionary mood of Stock Exchange markets as a whole in view of prevailing monetary con-

ditions, to the general realisation on the part of oft-disappointed railway investors that one swallow—or even two—does not make a summer, and to recognition of the fact that both the decline of receipts in February, and the recovery of the later days of March were probably exaggerated by the effects of the recent severe climatic conditions. Allowing for the last-named factor, it would still appear that the railways should shortly begin to reap the benefit of the contemporary improvement in British trade generally—a conclusion reinforced by the following comparisons of the various traffics:—

(000's omitted.)

Receipts for Thirteen Weeks to Mar. 31, 1929. Increase (+) or Decrease (−) on 1928.	London, Midland and Scottish Railway.	London and North Eastern Railway.	Great Western Railway.	Southern Railway.	Total—Four Groups.
	£	£	£	£	£
Passengers	− 45	− 65	Nil	+ 59	− 51
Merchandise, etc.	− 618	− 416	− 102	− 73	− 1,209
Coal and Coke	+ 376	+ 357	+ 136	+ 67	+ 936
Total receipts	− 287	− 124	+ 34	+ 53	− 324

Passenger traffic shows no great change from last year's levels, but general merchandise receipts have been running well below the corresponding figures for 1928, though allowance must be made for the effect on the figures of the de-rating concessions to the heavy industries. Coal and coke transport, however, shows a distinct recovery from its former very depressed level. How far this welcome development will be maintained over the summer months is not, of course, certain at the moment. On the whole, the figures so far suggest no reason for significantly revising dividend estimates either way—apart from the unknown quantity represented by economies in working expenditure, regarding which, presumably, the investor will remain in the dark for another three or four months.

Public Response to Recent Issues.—The well-worn maxim that the time to float off new joint-stock concerns is when the Stock Exchange is active and existing stocks are rising involves the corollary that promoters are, as a rule, well advised to "go slow" whenever Stock Exchange conditions are reactionary. That certain of the more speculative capital issues of last month would never have been made had this principle been closely followed is suggested by the number of instances where underwriters were left with large amounts of stock on their hands. It is true that 18 offers last month were said to have been "over-subscribed" or "fully subscribed," though the exact interpretation of these terms is less certain to-day, when so much "placing" is arranged for by the issue house before the formal offer is made, than it would have been a few years ago. In numerous other instances no intimation was afforded of the result of the public issue, such as might, possibly, have been expected had a conspicuous success been achieved. As to the fate of numerous other emissions, there is, unfortunately, much less doubt, as the following figures show:—

Company.	Nature of Offer.*	Proportion left with Underwriters.
Albanian National Brewery	800,000 5s. ordinary	70%
Ralph Alcock and Sons	1,000,000 2s. shares	30% to 35%†
Berry's Insulating and Building Products	528,000 5s. shares	30%†
British Quarrying Company	250,000 7½% £1 Cum. Part. Pref.	70% to 75%
	£300,000 7% 1st Mort. Deb. Stock	
Montague Burton	2,000,000 7% £1 Cum. Pref.	70%
Curzon Bros. and Maxims	594,000 5s. ordinary	90%
Metduro	450,000 £1 Part. Cum. Pref. and 450,000 1s. ord.	80%
Metropolitan Housing Corporation	475,000 £1 shares	80%
Multidoor	580,000 5s. shares	80%
Provincial Cinematograph Theatres	£1,250,000 6% 1st Mort. Deb. Stock at 94	75%
	320,000 5s. shares	92%
Roadway Time Tables	500,000 5s. shares	36%
Thawpit Exports		
Trowbridge Tyre and Rubber Co. (1929)	550,000 5s. ordinary	90%
Walls and Highley Theatres	95,000 8% £1 Cum. Part. Pref. and 400,000 1s. ord.	82%

* Made at par, unless otherwise stated.
† Percentage left unabsorbed; issue not underwritten.

The advent of "dearer money" early in February was bound in the long run to check any tendency towards exuberance in the capital market, as in other directions. Long-term borrowers of assured standing are naturally inclined to postpone their pending issues for the time being. A simultaneous lull in the creation of new and speculative company propositions would assuredly be beneficial to all concerned.

Oil Restriction.—A hitch has occurred in the movement towards world restriction of oil production. It was stated in the *Economist* of March 23rd last, that the American Petroleum Institute had put forward a plan for limiting, as from April 1st, the output of oil in the United States, Mexico and South America, to the level of the daily average production for 1928, and that regional committees of producers had been appointed to study the means of carrying out this scheme. At the meeting of the American Petroleum Institute Conservation Committee on March 27, which was attended by Sir Henry Deterding on behalf of the Royal Dutch-Shell interests outside America, the reports of the regional committees were received, and it was unanimously resolved to recommend this international restriction scheme to the Federal Oil Conservation Board. Mr. Hoover's administration has now made known its attitude. It effect, it is opposed to the scheme, partly because it is an infraction of the Sherman Anti-Trust law and would require legislation by Congress before it could be carried out, partly because it would involve a setting up of another Federal Commission which would have to interfere in the fixing of oil prices as well as in the fixing of production. It is apparently considered in Washington that oil restriction should be left to the producers in the different States to carry out, and that where necessary the different State legislatures should take action to regulate drilling. The American Government's attitude definitely upsets the American Petroleum Institute's scheme, which embraced restriction in Venezuela, Columbia and Mexico as well as the United States. Clearly, without the co-operation of producers in every oilfield of the United States, there can be no worldwide agreement to restrict over-production. The success achieved by obtaining the support of the Royal Dutch-Shell group and other big producers in Venezuela and Mexico for the restriction policy has thus been largely offset. Discussions are now proceeding between the American Petroleum Institute's representatives and the Federal Oil Conservation Board at Washington, and it remains to be seen what restriction plan can be evolved for America, which would induce the big producers outside the United States to restrict their output. The optimism which was manifest early this week in the oil share market in New York and London would, therefore, appear to have been somewhat premature.

Insurance Share Index.—It might have been thought that the insurance share market would have suffered more than most from the rise in Bank Rate, since it is obviously unprofitable to pay for a share yielding about 3 per cent. by money borrowed at 5½ per cent. and upwards. Although, in fact, our quarterly index shows a drop during the last three months, the decline is quite small, and many individual shares have actually appreciated during the period. The truth is that insurance shares are not the sport of speculators. They are bought as a rule by far-seeing investors content to sacrifice something in the way of income in order to enjoy an almost certain gradual appreciation. The table which appears below exhibits the history of an investment, in 1913, of £1,000 in the ordinary shares of each of twenty-five leading companies, and an index also of the total. Columns have been added to show the values as at December 31, 1928, and March 28, 1929. The figures are based on the mean of the highest and lowest prices in each year, except in the case of the last two columns,

which relate to the middle market prices on the dates specified.

SHARE INDEX.

Office.	1913.	1920.	1926.	1927.	1928.	Dec. 31, 1928.	Mar. 28, 1929.
Alliance	1,000	1,018	1,323	1,424	1,738	1,669	1,680
Atlas	1,000	2,059	2,361	2,746	3,595	3,873	3,809
Caledonian*	1,000	1,776	3,663	3,815	5,254	6,432	6,068
Commercial Union†	1,000	2,453	3,867	4,695	5,038	4,963	4,789
Employers' Liability	1,000	3,558	2,928	2,825	2,955	3,063	2,793
Equity and Law	1,000	922	1,210	1,196	1,725	2,098	1,986
General Accident	1,000	2,650	4,200	4,314	6,538	7,999	8,266
Gresham Fire	1,000	2,869	3,476	4,145	3,886	3,333	3,095
Gresham Life	1,000	649	2,065	2,916	3,852	4,030	4,030
Guardian‡	1,000	1,731	2,111	2,215	2,678	2,628	2,654
Legal and General	1,000	1,443	2,746	3,524	5,233	5,902	6,011
Life Assoc. of Scotland	1,000	1,009	1,403	1,584	1,804	1,896	1,902
London and Lancashire	1,000	1,801	3,212	3,625	4,673	4,769	4,769
London Assurance	1,000	1,832	2,159	2,207	2,350	2,377	2,135
N. British & Mercantile	1,000	1,338	2,934	3,368	4,467	4,713	4,650
Northern	1,000	2,067	1,683	1,736	2,068	2,149	2,090
Phœnix	1,000	1,429	1,778	1,740	1,937	1,996	1,996
Prudential	1,000	730	1,862	1,821	1,995	2,163	2,041
Royal Exchange§	1,000	2,325	3,386	3,635	3,481	3,327	3,204
Royal	1,000	1,379	2,245	2,425	2,961	3,011	3,011
Scottish Life	1,000	1,129	1,736	1,762	2,242	2,360	2,584
Scottish Union and National	1,000	2,764	3,106	3,715	5,032	5,324	5,472
Sun Fire	1,000	1,159	1,627	1,933	2,604	2,916	2,916
Sun Life	1,000	645	1,733	1,708	2,138	2,297	2,217
Yorkshire	1,000	2,293	2,157	2,224	3,005	3,253	3,253
Average	1,000	1,721	2,439	2,692	3,330	3,542	3,497

* Caledonian, 1923.—£25 shares split into £5 shares, 1 new £5 share at 6 premium for each £25 share. † Commercial Union, 1927.—New shares of £2 10s. offered in proportion of 1 share for each 5 held at £16 per share. ‡ Guardian, 1917.—£10 shares split into 2 £3 shares and 1 £4 Pref. share each. § Royal Exchange, 1927.—New shares £1—offered in proportion of 1 share for each £5 stock held at £6 10s. per share.

Over the last three months the shares of as many as eight companies shows an appreciation; five register no change; the remaining twelve show varying degrees of depreciation. Of the companies whose shares have risen in value, the General Accident is again conspicuous with a substantial rise, and in a lesser degree the Legal and General and the Scottish Life. Amongst the shares which have depreciated, the Caledonian and the Gresham Fire both exhibit substantial falls.

Mexico and Railway Investors.—The rebellion in Mexico is naturally occasioning some perturbation among bondholders and shareholders affected, writes a correspondent. The area of conflict has already taken in a number of important districts, like those of Monterrey and Vera Cruz, in which the railways are largely the property of foreigners. The port of Vera Cruz, which is understood to have suffered physical damage, is the terminus of no fewer than four systems, the Mexican, the Interoceanic, the Vera Cruz and Isthmus, and the Ferrocarril-de-Vera Cruz railways, in all of which foreign bondholders are interested. At the end of last year British investors in the Interoceanic Railway of Mexico (Acapulco to Vera Cruz) were condoled with by the chairman (Mr Sandford Poole) upon a pecuniary loss on the year of £263,000, which followed a previous loss of £100,000. The Mexican Railway, after a prolonged period of obstruction and destruction, had once again commenced to earn a modest profit (only $240,000, or, say, £24,000), with indications pointing to higher gross receipts in the near future. Nevertheless the chairman (Mr Vincent W. York) prudently warned his fellow-shareholders, at the last meeting, that the situation was still serious, "the country having received a very severe shock from which recovery would be slow." In the States of Mexico which are in revolution against the Federal Government—*i.e.*, Durango, Guanjuato and Puébla in the centre; Chihuahua, Coahuíla, Nuévo León and Sonora in the north; Vera Cruz on the Gulf; and Oaxaca, Sinaloa and Jalisco on the Pacific—the railways in which foreigners are largely interested, have part or whole of their tracks laid. While Durango is served by the International Railway (National Railways of Mexico), Guanajuato depends upon the Mexican Central Railway; Puébla is served by both the Interoceanic and the Mexican Southern. Chihuahua, the most important city of north-central Mexico, where severe fighting is described as taking place, is served by the National Railways (Mexican Central line). Nuévo León, of which Monterrey is the capital, is crossed by the National Railways from west to north-east, which have no fewer than 31 stations in a course of 200 kms. of lines. Oaxaca relies for its transport upon the Mexican Southern Railway, largely owned by British bondholders. The State of Jalisco, one of the most turbulent (of which Guadalajara, the second city of importance in the Republic, is the capital) is connected with Mexico City by the National Railways, which possess numerous remunerative branches. Finally, in the State of Sinaloa is not only the terminus of the Kansas City-Mexico and Orient Railway, but also that of the Sinaloa and Durango—called also the Mexican Western—Railway, while the International Railways have a small branch ine from Villa Lardo (Durango) to the coast.

Bank of Scotland.—An increase in the dividend paid by an old-established British bank is always a noteworthy phenomenon. After maintaining its distribution at 16 per cent. on the paid-up capital over a large number of years, the Bank of Scotland raised its rate to 17 per cent. a year ago, and for 1928-29 is paying 18 per cent. Trade depression has not prevented a repetition of the slow but steady increase of profits of recent years:—

Years ended February 28 (or 29).	1927.	1928.	1929.
	£	£	£
Net profits	370,119	372,335	374,283
Dividends { earned	30·8%	31·0%	31·1%
Dividends { paid, less tax	16%	17%	18%
Dividends { amount	192,000	204,000	216,000
To reserve fund	125,000	125,000	125,000
To reduce bank premises and heritable properties accounts	50,000	30,000	30,000
Increase in carry-forward	3,119	13,335	3,283

The paid-up capital is £1,500,000, but the reserve fund and the carry-forward together now exceed £2 million. Acceptances to banking customers are up by £66,000, to other customers down by £96,000. An increase of £1,083,965 in deposits and credit balances is partially offset by a reduction from £784,256 to £266,951 in drafts payable within 14 days. Cash, money at call, and bills discounted total 28¼ per cent. of the liabilities to the public, against 27¼ per cent. a year ago, but the holding of Government securities is down from £13,429,806 to £10,750,658—which, in conjunction with a 33 per cent. rise in discounts, shows the effect of the 5½ per cent. Bank rate on joint-stock bank action. The present price of £150 of stock (£100 paid) at Edinburgh is 380½, giving a yield of £4 17s., less tax, allowing for accrued dividend.

General Motors.—An increase in profits of 17.6 per cent. to a new record level is reported by the General Motors Corporation. The earnings on the common stock were equivalent to $15.35, against $12.99 in 1927, on each of the old $25 shares, which, since January 10th last, have been split into $10 denominations. The Wall Street price of the new shares is round about $83½, at which they give a yield of 4½ per cent. on dividends, and over 7½ per cent. on 1928 earnings.

Years ended December 31.	1926.	1927.	1928.
	$	$	$
Net earnings	186,231,182	235,104,826	275,[illegible]
Debenture and preferred dividends	7,645,287	9,109,330	9,404,[illegible]
Dividends on common stock	103,930,993	134,836,081	165,[illegible]
To surplus	74,654,902	91,159,415	101,[illegible]

The sales of cars and trucks, by dealers to users, numbered 1,215,826, 1,554,577, and 1,842,443 in the last three years respectively. In 1926 the corporation claims to have manufactured approximately 25 per cent. of the cars produced in the U.S.A. and Canada, in 1927 44 per cent., and in 1928 40 per cent., the cessation of Ford production during part of 1927 obviously making that an abnormal period. Sales were kept down in the autumn of 1928 by changes in the Chevrolet and Pontiac models. Sales overseas have risen from 118,791 in 1926

and 193,830 in 1927, to 282,157 in 1928. Recognising that the development curve within the U.S.A. is bound to flatten out, the directorate is clearly determined to take every opportunity of expansion in other countries; in the words of the report, "to make the corporation a real factor in the industrial life of each country in which it operates." British manufacturers have not found the study of General Motors ideals of service and selling organisation altogether unprofitable.

Morris Motors.—Doubts whether Morris Motors would show results for 1928 at all commensurate with those of the previous year have been set at rest by the issue of a report showing that, despite a very difficult year in the motor trade generally, and a slight decline in profit on trading (from £1,242,524 to £1,198,015), the net reduction in earnings was no more than £20,818. Once again Sir William Morris has refrained from taking any dividend on the ordinary shares. As a result of this policy, a reserve of £2,154,635 has been accumulated in the three years of the company's existence, so that the preference shareholders, who possess no voting power (except when their dividends are in arrear) and have their affairs wholly in the control of one man, have nevertheless reason to be grateful for the self-denial which has so noticeably strengthened the backing of their shares.

Years ended December 31st.	1926.	1927.	1928.
	£	£	£
Profit	1,001,634*	1,334,907	1,314,089
Preference dividend	56,250†	225,000	225,000
No. of times covered	...	*5·9*	*5·8*
Ordinary { earned	35·7%	55·4%	54·4%
Ordinary { paid	Nil	Nil	Nil
Income tax	158,702	190,984	259,236
Written off preliminary expenses	150,859	...	...
To reserve fund	375,000	725,000	900,000
Increase or decrease in carry-forward	+ 30,859	+ 193,922	− 70,147

* Less interest paid to vending companies, £229,965. † For 3 months.

Government securities at market value compose over one-quarter of the gross assets, or practically one-third if goodwill, patent rights and trade marks (an item standing at £1,641,043) be excluded. Investments in associated concerns are put at £461,925, against £347,042, a holding of 100,000 £1 shares in Morris (New South Wales) accounting for most of the increase. Fixed assets aggregate £2,087,908, against £1,829,257 a year earlier, and net working capital amounts to £793,515. Whether or not Morris cars maintain their popularity year after year, everything that can be done by conservative finance towards securing the position is being undertaken. The cumulative preference £1 shares at 21s. 3d. yield £7 4s. 6d. per cent., allowing for accrued dividend.

African and Eastern—Niger Merger.—Sir Robert Waley Cohen gave some further details of the merger between the African and Eastern and Niger companies at the extraordinary general meeting of the shareholders of the former. Both companies will now become holding companies, the actual trade being carried on by the United Africa Co., Ltd., in which each will have an equal interest. The A and B shares of United Africa will be identical in all respects. The new balance sheet of African and Eastern will consist of £7,366,000 share capital and £115,000 pension reserve fund on the liabilities side, and on the assets side 6,500,000 shares of £1 in United Africa, £500,000 in respect of the London office building, and a further number of shares in United Africa, subscribed for in cash, which will represent the African and Eastern's present surplus of liquid assets. This will enable the African and Eastern, valuing the United Africa shares at par, to balance its assets and liabilities without having to write down its share capital. What is not clear from Sir Robert Waley Cohen's address is the reason for valuing the United Africa shares at par. No estimate of the profits of the merger company has been made, but the combination of past profits of the two parties to the merger hardly gives a return on the combined capital which would justify valuing the merger company's shares at par. Economies will, of course, be realised as a result of the merger. Substantial direct advantages have, according to Sir Robert, already become visible, and more should undoubtedly follow, but it remains to be seen whether the merger company has not encumbered itself at the outset with an unwieldy capitalisation. Arising out of the merger of these two powerful units, we understand that a meeting of various interests concerned with the import, handling, and manufacture of raw cocoa, has decided upon the formation of a London Cocoa Association. Such a large proportion of the world's cocoa supplies is grown on British soil that it is felt that London should have a controlling voice in the management of the industry. It is also anticipated that the new Association will co-operate closely with the various Government departments and with the Imperial College of Tropical Agriculture in improving methods of cultivation, manufacture and transport of cocoa.

County of London Electric Supply.—Excellent results are again shown by this progressive company, which sold 323 million units last year, as against 248 million in 1927 and 145 million in 1926, increased its dividend by 2½ per cent., and made, nevertheless, two reductions during the year in its supply rates to consumers. In accordance with anticipation, it is proposed to increase the authorised capital from £7,000,000 to £12,000,000 by the creation of 2,000,000 new preference and 3,000,000 new ordinary shares, to be issued at the discretion of the directors. During 1928 some 96,517 preference shares were issued in connection with the acquisition of further interests in other undertakings bordering upon the company's area of supply. An increase of £126,000 in receipts from sale of current and meter rentals and a fall of £78,000 in fuel costs—public utility services are reaping a rich harvest from the price-cutting competition between colliery companies—together account for the rise of £193,102 in gross profit. Earnings, after charging debenture service, exceeded £1,000,000, before deducting various statutory provisions for depreciation, &c., under the London Electricity Act.

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Balance from revenue account	770,252	1,014,028	1,207,130
Interest charged to capital (Barking supply)	...	63,500	55,685
Debenture and loan interest, sinking fund, &c.	108,155	180,878	260,420
Contingency fund	28,975	28,975	28,975
Reserve for taxation	...	45,000	35,000
Reserve for depreciation	190,679	227,810	257,469
Investment reserve account	...	15,000	15,000
Available for distribution	442,442	579,864	665,951
Preference dividend	193,500	193,500	196,396
No. of times covered	2·2	2·9	3·3
Ordinary { *Earned*	11·2%	12·4%	15·1%
Ordinary { paid	10%	7½%*	10%
Ordinary { amount	221,667	232,750	310,333
Increase or decrease in carry-forward	+ 27,276	+ 153,614	+ 159,222

* On capital increased by 33⅓% by a bonus distribution.

During the year £1,641,063 was expended on capital account, which now totals £11,547,805, less reserve for depreciation £1,260,764. Investments in other electric supply companies have increased from £1,539,346 to £1,861,438, but the basis of valuation is not, and should be, stated. A large debenture issue made in May, 1927, for financing the extension of the Barking power house probably explained a cash holding of as much as £1,109,920 at the end of that year; the total is now down to £27,308, and a bank loan of £120,000 appears on the liabilities side. Possibly, in referring to the increase of capital, the chairman will give some indication of the directors' future development plans at the meeting on the 16th. At their present price of 52s. 9d. the ordinary shares yield £3 15s. 7d. per cent. on the basis of a 10 per cent. dividend.

Modder Deep.—Once again little variation is shown in operating results, writes our mining correspondent, and the dividend is maintained at the rate paid for several preceding years. A small draft upon the carry-forward is, howeverfi entailed. The balance sheet indicates a cash surplus of £150,000.

	1926.	1927.	1928.
Ore crushed .....tons	528,200	529,300	530,300
Yield per ton	45/-	45/1	45/-
Costs per ton	15/3	15/5	15/10
Profit per ton	29/9	29/8	29/2
Total working profit £	786,320	785,160	773,600
Dividends .....£	675,000	675,000	675,000
Rate per cent.	135	135	135
Ore reserves .....tons	4,150,000	3,560,000	3,000,000
Value ..... dwts.	9·0	8·9	9·0

A renewed shrinkage of 560,000 tons is shown by the ore reserve estimate, indicating that little fresh material was opened up during the period. Results on the hanging wall leaders were similar to those obtained in the preceding year, when the existence of a small tonnage of ore of moderate value was indicated.

Robinson Deep.—The experience of this Rand enterprise has been of the "rocket and stick" variety. From a "rubbish" price the "B" shares rose to nearly £2, substantial dividends being received in respect of both 1925 and 1926, but thereafter an unwelcome change was recorded. At first it was chiefly a case of the absorption of profits by capital expenditure. Then developments took an adverse turn, and so far from the position having improved in this respect the latest annual report indicates a very uncertain outlook. An additional 2,500 ft. of underground work was performed last year, but the ore reserves shrunk by over 600,000 tons, the decrease being attributed partly to the exclusion of ground which proved upon stoping to be unprofitable; the value declined by ½ dwt. The tonnage represents barely one and a half year's supply for the mill. Better results are hoped for by the consulting engineers during the current session, but their acknowledgment of the irregular character of the gold distribution in depth is not very reassuring. We contrast the results of the past three years:—

	1926.	1927.	1928.
Ore crushed, tons	904,000	849,700	918,400
Yield per ton*	25/7	24/7	23/6
Costs per ton	18/5	20/2	19/8
Profit per ton	7/2	4/5	3/10
Working profit	£323,730	£189,210	£173,950
Dividends	£207,270	£75,000	£75,000
Rate per "A" share	3/-	3/-	3/-
Rate per "B" share	3/-	...	...
Ore reserves, tons	1,929,000	2,023,000	1,407,000
Value, dwts.	6·9	6·6	6·1

* After deduction of realisation charges.

Capital expenditure and debenture redemption in 1928 called for the somewhat increased sum of £65,000. After providing for taxes, &c., and for the fixed dividend on the "A" shares, the slightly enhanced balance of £76,850 remained to go forward.

Consolidated Mines Selection.—At £79,800 the net profit for 1928 showed an increase of £16,600 upon that of the previous year. Some of the factors were distinctly different. Interest and dividends accounted for less than before, sundry profits for more. Income tax absorbed only £28,900, as against £45,700. The maintenance of the dividend at 20 per cent. entailed a fresh draft of £22,000 upon the dividend equalisation reserve, which thus becomes reduced to £18,000. The cash position shows a surplus of £210,850; the market value of the shareholdings is stated to be largely in excess of the £617,200 at which they stand in the balance sheet. The 10s. shares stand at over 19s.

Grace National Bank

Hanover Square, New York, U. S. A.

Collections made and credits established anywhere in the United States for banking correspondents.

Special Representative

148 Leadenhall St. London, E.C.3.

CAPITAL ISSUES.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total previously recorded, £96,953,050.
Including conversion total previously recorded, £110,532,270.

National Savings Certificates.
Net sales week ended March 31, 1929, *Dr.* £50,000.
Total receipts April 1, 1928, to March 31, 1929, Nil.

Description of Issue.	Nominal Capital.	Conversions or Repayments.	New Money, Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
The "Beacon" Brown Flour Co., 120,000 Ptg. Pref. Ord. 5s. at par	30,000	...	30,000	6,000	24,000
Do., 40,000 Def. Ord. 5s. at par	10,000	...	10,000	2,000	8,000
Townsend Bros. Ferries, 19,500 7% Non. Cum. Pref. Ord. £1 at par	19,500	...	19,500	...	19,500
To Shareholders only.					
Enfield Cable Works, 100,000 Ord. £1 at £2	100,000	...	200,000	200,000	...
Hong Kong Tin, 40,000 Shares 5s. at 10s.	10,000	...	20,000	20,000	...
Proprietors of Hay's Wharf, 500,000 6% Cum. Pref. £1 at 21s.	500,000	...	525,000	525,000	...
Total to shareholders only week ended April 6, 1929	610,000	...	745,000	745,000	...

Total offered for Subscription.—	Including Conversions.	Excluding Conversions.
To date—	£	£
1929	111,286,770	97,707,550
1928	...	172,980,625
1927	...	147,370,918
1926	...	75,108,400
1925	...	52,577,006
1924	...	42,294,526
1923	...	88,375,812

Total offered for Subscription.—	Including Conversions.	Excluding Conversions.
Whole year—	£	£
1928	693,100,056	369,058,673
1927	...	355,165,910
1926	...	250,782,601
1925	...	232,214,800
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,680

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Issue (in brackets).	Amount of Capital Introduced.	Price at which Dealings Began.	Total Cash Involved.
	£	£	£
Amount previously recorded	11,500,267	...	18,679,794
Total, week ended April 6, 1929	Nil	...	Nil
Total to date, 1929	11,500,267	...	18,679,794

Southend Waterworks Company.—Offer for sale by tender of £130,000 5 per cent. perpetual debenture stock (minimum price, 98). Issued share capital amounts to £2,032,128, and loan capital to £672,837. Gross profit for 1928 was £136,474; interest on debentures, including this issue, requires £40,141. The area of supply is over 200 square miles, with a residential population of over 190,000. Annual water revenue receipts are steadily increasing.

The following prospectus issues have not hitherto received notice in these columns:—

"Beacon" Brown Flour Company, Limited.—Offer at par of 120,000 5s. 8 per cent. participating preferred ordinary and 40,000 (out of 80,000) 5s. deferred ordinary shares, the two classes ranking equally after payment of 10 per cent. on the deferred. The company acquires formulæ, processes, and the benefit of development work in connection with the manufacture of a brown flour placed on the market 14 months ago. The purchase consideration is £10,000 in deferred shares. Working capital is estimated at £36,500.

Townsend Bros. Ferries, Limited.—Issue at par of 19,500 (out of 20,000) £1 7 per cent. non-cumulative participating preferred ordinary shares, ranking for further dividend rateably with 100,000 1s. deferred ordinary shares (after payment of 7 per cent. thereon), which with the remaining preferred ordinary shares are issued to vendors in full satisfaction of the purchase price. The company acquires a Dover-Calais steamship ferry service for motor cars, passengers, &c. A steamship is being acquired and altered to double capacity at a cost of £15,000. Net profits for 6 months from starting of service last July were £1,636. Working capital is estimated at £3,500.

Particulars of the following have been issued for public information only with a view to Stock Exchange introduction:—**Splintex Safety Glass (Continental), Limited**; authorised capital £200,000 in 5s. shares; acquires processes and patents for Europe from parent company, for £15,000 in cash and £75,000 in shares; working capital is estimated at £37,000; 300,000 shares are under option at par.

COMPANY MEETINGS, &c.

BANK OF SCOTLAND.

PROGRESS OF THE BANK'S RESOURCES.
STRONG LIQUID POSITION.
DIVIDEND AGAIN INCREASED.

The annual general meeting of Proprietors of the Bank of Scotland was held within the Head Office, Edinburgh, on April 2, 1929, the Right Honourable Lord Elphinstone, K.T., presiding.

In submitting the directors' report, the Chairman said :—I assume that, as usual, we may hold as read the report by the Court of Directors of the affairs of the Bank as at February 28th last, a copy of which you have no doubt received.

The directors regret the death during the year of the Earl of Dalhousie, one of the extraordinary directors of the Bank.

To fill a vacancy on the board, the directors, in virtue of the powers contained in the Bank's constitution, had pleasure in inviting the Marquis of Linlithgow, K.T., one of the extraordinary directors of the Bank, to become an ordinary director, and I am glad to say that he readily accepted office. You will be asked to confirm his appointment by re-electing his Lordship to-day.

I should like to take this opportunity of expressing the gratification of the board at the recent honour bestowed upon our ordinary director, Sir Robert T. Boothby, K.B.E.

TRADE.

I do not propose to take up your time to-day with a detailed review of trade during the past year; that has already been done recently at various bank meetings. The year was on the whole distinctly disappointing, with the exception of one or two fortunate industries. At the same time, I am glad to think that there are indications of better conditions ahead. In coal, iron and steel there has been some improvement; the shipbuilding output for the past year was rather more satisfactory, and a fair number of orders for new ships have been placed.

There have been two promising movements during the year which may have excellent results. Continued efforts to bring about a better understanding between employers and employees have helped on the widespread desire for more cordial relations based on mutual trust. It is now generally recognised that our great industries cannot be productive of satisfactory results unless all engaged in them are co-operating to that end.

The other movement is what is usually termed "Rationalisation." Without committing ourselves to this as a universal remedy for all industrial ills, it is evident that reorganisation of works and amalgamation of allied interests, especially when operating in the same areas, would do much with the elimination of uneconomic units to secure economies of labour and plant and greater efficiency, with the result that the lower cost of production per unit would enable the goods to be marketed at lower prices. The depression of recent years will not have been altogether an evil if it has urged us nationally to put our house in order.

AMALGAMATION OF NOTE ISSUES.

The amalgamation of the currency note issue with that of the Bank of England in November last was carried through successfully, and once more established the sound principle that note issues should be free from any Government control. Our only regret is that in the Currency and Bank Notes Act, 1928, the claims of the Scottish banks to have the right to issue 10s. notes should have been set aside. It is an anomaly that Scottish customers should be obliged to accept Bank of England 10s. notes because the right to issue notes of that denomination was refused to the Scottish banks.

BANK RATE.

The increase in bank rate on February 7th from 4½ per cent. (at which it had stood since April, 1927) to 5½ per cent. was very regrettable, as it was in no way due to trade requirements. The speculation rampant in New York, as evidenced by the huge total of brokers' loans there, was apparently beyond the control of the Federal Reserve Board, and it is to be hoped that some measures will be possible to curb such activities which have far-reaching international complications.

DEPOSIT ACCOUNTS.

You are no doubt aware that recently, with the other Scottish banks, a system of deposit accounts, intended primarily for customers of small means, was instituted. There are many who prefer a pass book to deposit receipts, and the former appeals to those who wish to deposit in small amounts at frequent intervals. We hope that this additional facility, given in the encouragement of thrift, will meet with the success which it deserves.

SMALL £1 NOTE ISSUE.

We have recently begun the issue of a new £1 note of the same size as the £1 Bank of England note, and as there appears to be a growing preference for notes of this size, we anticipate that the new issue will very soon entirely supersede the larger note. Those of you who have seen the new note will, I think, be pleased with it. The artist, Mr. Robert Burns, whilst retaining the chief characteristics of the larger note, has introduced one or two important changes with, I think, excellent results.

THE BANK AS TRUSTEE.

To meet the wishes of an increasing number of its customers, the Bank has arranged for this class of business being undertaken, and the booklet giving the terms and conditions can be applied for through the agents of the Bank.

THE BANK'S BALANCE SHEET.

Turning to the Bank's report, you will see that deposits at £32,068,385 show an increase of £1,083,965, some of which is temporary money.

The note circulation shows a decrease of £97,953, but we anticipate that the new small note will probably tend to increase the circulation again.

The acceptances of £834,124 show a small decrease of £30,454.

STRONG LIQUID POSITION.

On the assets side, cash, bank balances, documents *in transitu*, and money at call and short notice amount to £7,326,233, or fully 20 per cent. of our liabilities to the public. Bills discounted (including £1,920,000 Treasury bills), and our investments amount to £13,756,116, or over 38 per cent., giving a total of £21,082,349, or fully 58 per cent. of our liabilities to the public in liquid assets.

A NEW RECORD FOR ADVANCES.

Advances at £17,229,717 show an increase of £2,944,339, which follows on an increase of £953,000 in the previous year. This is a new record figure for our balance sheets. The advances are well spread.

Every bad and doubtful debt has been fully provided for.

INVESTMENTS.

Investments at £10,942,477 show a decrease of £2,678,750, which includes a holding of 3½ per cent. War Loan which matured on March 1, 1928. The investments have, as you will see, been employed in additional advances throughout the year.

The investments are, with the exception of £191,825, all British Government securities. The market value is very substantially in excess of the value in our books.

BANK PREMISES AND HERITABLE PROPERTIES.

During the year considerable reconstruction work has been carried on in some of the Bank's branch premises, and we have found it desirable to acquire additional properties for bank offices, and also as houses for our agents. The whole properties of the Bank, including let properties, stand in our books at £460,000. I need hardly say that this figure is very substantially below the real value.

LONDON—WEST END BRANCH.

You will notice in the report a reference to a leasehold property which the Bank recently acquired. This is No. 16–18, Piccadilly, at corner of Air Street, London, to be used as a West End branch when the strong-rooms and other internal fittings have been completed. I have no doubt that many of our Scottish customers, as well as friends in London, will find this new branch a convenience to them.

A VERY SATISFACTORY YEAR.

The net profits, slightly over those of last year, are.....		£374,283
Add the balance from last year		166,801
		£541,084
Of that we allocate—		
To reserve fund	£125,000	
To bank premises and heritable properties	30,000	
	£155,000	
Dividend, 18 per cent. per annum, less tax	216,000	371,000
Leaving to be carried forward.....		£170,084

With the above allocations the combined reserve fund and balance carried forward are now £2,052,584, or £552,584 in excess of the paid-up capital. I need hardly say how gratified the directors are by the progress shown in the Bank's resources.

BANK STAFF.

I wish on behalf of the court of directors again to express our appreciation of the excellent services rendered by the executive, managers, agents and staff generally throughout the past year.

DIVIDEND.

I have pleasure in moving the adoption of the report and balance sheet as submitted, and that a dividend for the past half-year at the rate of 18 per cent. per annum, less income tax, be now declared, payable on 15th current, making, with the dividend paid in October last, 18 per cent. for the year, less income tax, as compared with 17 per cent. for the previous year.

The motion was agreed to.

The Lord Elphinstone, K.T., and Sir Ralph Anstruther of Balcaskie, Bart., were unanimously re-elected governor and deputy governor respectively for the current year; and the Marquis of Linlithgow, K.T., Mr Alexander Wallace, W.S., and the Lord Kinross, K.C., were re-elected ordinary directors.

Mr H. L. Usher, C.A., and Mr C. E. W. Macpherson, C.A., were re-appointed to conduct the audit of the books for the current year, and a vote of thanks to the chairman terminated the meeting.

BARCELONA AND SEVILLE EXHIBITIONS, 1929.

¶ The Anglo-South American Bank has branches in seven cities in Spain—including Barcelona and Seville—as well as Agents throughout the Peninsula.

¶ It is therefore in a unique position to provide complete financial services to intending visitors to the forthcoming Exhibitions.

THE ANGLO-SOUTH AMERICAN BANK LTD
117 OLD BROAD ST, LONDON, EC2

WESLEYAN AND GENERAL ASSURANCE SOCIETY.
STEADY GROWTH AND ACCUMULATION OF FUNDS.

The eighty-eighth annual general meeting of the members of the Wesleyan and General Assurance Society was held, on the 2nd instant, at the Central Hall, Corporation Street, Birmingham, Mr B. Shirley Smith, president of the society, presiding.

The Chairman, in moving the adoption of the report and accounts, said :—

With regard to the ordinary department, you will notice from the report that there has been a steady and considerable volume of business, but the total figures have not quite reached the level of the previous year. In this department the claims by death are on the whole satisfactory, but the claims by maturity show an increase, which is only to be expected when the steady growth of the society's business is taken into consideration.

A special feature of the new business of this department has been the increase in the average sum assured. In 1914 the average was £50. Ten years ago the average was £90. Last year the new business averaged £137 per policy.

The Industrial Department has, as might be expected, been affected by the prevailing conditions of bad trade, but, notwithstanding this, the society has issued policies in this department for a total sum of £2,614,914. This amount, if not the best, is very nearly the best the society has ever done. In this department the mortality rate has been satisfactory. Deaths have been under 82 per cent. of the expected.

The new prospectus for this department introduced at the beginning of 1928 has been very well received. The outstanding feature was the special recognition given to the fact that difficulty is at times experienced in payment of premiums in old age. For new policies, after 20 years' payments have been made, the payment of premiums ceases at 65. This alteration is greatly appreciated.

With this new prospectus your agents are well equipped for the acquisition of good business, and your directors hope that if trade improves both departments will show good progress and make the present year a record one.

In recent years I have spoken again and again on the necessity of reducing the ratio of expenses in both departments. These ratios have again been slightly reduced in the year now under review. Much new business comes from personal influence, but policyholders are not sentimentalists, and prospective assurers are by no means above inquiring what proportion of the premiums received by the society is absorbed in expenses, and acting accordingly.

The other departments of the society's business are all making progress and are helping the society to attain satisfactory results.

FIRE AND GENERAL BUSINESS.

A few words with regard to the employers' liability, fire, accident, and general insurance business may not be out of place. You will notice that for the first time the employers' liability insurance business is separated from the fire, accident and general. Both departments show a steady increase in premiums for the year under review, together with an increase in funds at the end of the year. This is just where our members can help the society. Everyone should insure, whether against fire, motor, or otherwise, and our policyholders should help the society and help themselves by insuring and by getting their friends to insure with us.

I am glad to be able to say that the house-purchase business is still making steady progress. There is no mention of it in the report, but there is no reason why I should not refer to it here. We have not made so many advances as in previous years, but we have done a substantial business, and I mention the house-purchase business because our members can do us a service by talking about this part of the society's work among their friends. The house-purchase business helps the society by providing life policies and fire insurance, so that our members can greatly help by letting it be known that we do this class of business.

Looking at all the departments, the premium income is £1,745,478, being an increase over the previous year of £53,099, and this is after a steady increase over many years past.

We have been fortunate in our rate of interest earned on the society's funds. This amounts to £5 3s. 1d. per cent., as compared with £5 2s. 7d. in 1927 and £5 1s. 2d. in 1926.

Your directors are glad to be able to report that, notwithstanding the vicissitudes of the year that has gone by, your society shows steady growth and a steady accumulation of funds to meet liabilities as they arise.

The proposition was seconded by Mr C. E. Murray (deputy chairman) and carried unanimously.

Votes of thanks to the directors, officials and the indoor and outdoor staffs of the society for their loyal and efficient services during the year, and to the chairman for presiding, brought the proceedings to a close.

NATIONAL BANK OF INDIA, LIMITED.

A SATISFACTORY YEAR.
STRONG LIQUID POSITION.
INDIAN TRADE CONDITIONS.
SIR CHARLES McLEOD'S REVIEW.

The ordinary general meeting of the National Bank of India, Limited, was held, on the 2nd instant, at the Wesleyan Hall, Bishopsgate, London.

Sir Charles C. McLeod, Bt. (chairman of the company), presided.

Mr W. Ross Munro (general manager) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—The report of the directors and the accounts to December 31, 1928, have been in your hands for some days, and I presume you will allow me as usual to take them as read. (Agreed.)

Before proceeding with the usual business of the meeting I desire to express our extreme regret at the loss we sustained by the death of our esteemed friend and colleague on the board, Mr. James Nicholson Stuart, who had been a director of the bank since 1903 and latterly deputy chairman. Mr Stuart took the keenest interest in its affairs and lost no opportunity of promoting its welfare. We shall miss his wise counsel and his kindly presence, and we, the members of the board, and many of our shareholders, deplore the loss of a good friend. Mr Stuart's place on the board has been filled by the appointment of Mr Walter Shakespeare, of Messrs Carson and Co., Colombo. We are pleased to have a representative of Ceylon as a colleague, and you will be asked to confirm this appointment.

I have also with the deepest of regret to inform you of the death of our valued general manager, Mr Hegarty, who died suddenly on October 26 last. Mr Hegarty had been connected with the bank since 1894, and had successfully filled the appointments of inspector of branches, London manager, and finally general manager. He was, as you are aware, a man of exceptional ability and deservedly most popular with our clients and our staff. We have appointed Mr Ross Munro as general manager and Mr Lawrence, late manager at Colombo, as London manager. These two officers have had long and varied experience in the bank's service.

PROFITS AND ALLOCATIONS.

As the result of our year's operations we are to-day placing before you figures which show net profits slightly less than a year ago, these being £530,829, compared with £541,098. The total amount available is increased from £796,499 to £807,328, but this increase is, of course, accounted for by the larger amount brought forward from the previous year. We propose to place £50,000 to reserve fund, raising it to £3,000,000, to write down premises account £30,000, to place to credit of officers' pension fund £50,000, and to pay a further dividend at the rate of 20 per cent. per annum, free of income tax, which, together with the similar interim dividend, absorbs £400,000 and leaves us with a balance of £277,328 to be carried forward.

I need scarcely add that these results have been obtained after having provided fully, as usual, for all bad and doubtful debts, and I trust you will agree with me they may be considered satisfactory.

BALANCE SHEET ITEMS.

The balance sheet figures do not exhibit any great change in any particular compared with those of the previous year, and such changes as there are, are in keeping with the ordinary fluctuations which occur in connection with a business such as ours. All rupee assets and liabilities are converted at 1s. 6d. per rupee, as was done in the previous year's balance sheet, and the figures now before you show that our business has been maintained. A year ago I pointed out that there had been some contraction in current fixed deposit, and other accounts, and added that these fluctuations had to be looked for from time to time. On this occasion we have to record an increase, the total being £34,088,229, compared with £33,655,120. Bills payable and acceptances are slightly down.

STRONG LIQUID POSITION.

Turning to the assets side of the sheet our cash and bullion totals £5,333,827, against £4,530,707 last year, our Indian Government rupee securities £6,589,807 against £6,869,988, while our British Government securities, Indian Government debentures, and other securities are £6,261,485 against £6,396,922. These three items—cash, Indian securities, and sterling securities—total £18,185,119, and if we add to these other liquid assets in the shape of bills of exchange, which amount to £7,768,527, you arrive at a figure of £25,953,646, against a total liability of £34,088,229 in respect of current, fixed deposit, and other accounts. The proportion of liquid assets to current and fixed deposits is, therefore, a very strong one. Discounts, loans, etc., show, at £14,224,562, a small advance on a year ago.

The figure for house property and furniture is rather less than a year ago. It has been our policy for many years past steadily to reduce this item. As you have seen, we again propose to set aside £30,000 for this purpose, and, as we have considerable further building to undertake to meet the requirements of the bank's business, it is part of our policy to continue to appropriate such amounts as may be considered necessary to write down our property adequately as and when funds permit.

PENSION FUND.

I may also add here that in common with others we find it necessary to strengthen the position of the bank's pension fund for the staff, and I feel sure that whatever is found to be necessary in this respect will meet with your hearty approval. Before leaving the figure of assets and liabilities I would just add that our securities, totalling nearly £13,000,000, are gilt-edged and stand in our balance sheet at or under market value. The balance sheet totals of £41,639,338 compare with £41,489,781 a year ago, and these figures and profits, arising out of a year when business has given no opportunity for any marked improvement in any special direction and has been, as in the past few years, beset with keen competition and small margins, I trust may be considered satisfactory to you.

INDIA'S TRADE FIGURES.

India's trade continues to be steadily maintained, and the balance in favour of India during 1928 was higher at 56 crores of rupees as compared with Rs. 51 crores in 1927. Exports of merchandise were also higher at 338 crores as against 327 crores in the previous year. No doubt a good monsoon has helped this expansion.

It is customary to give you the net imports of gold into India during the year, which amounted to £15,814,000, as compared with £12,300,000 in 1927. Silver imports have fallen off considerably, and have only reached £8,596,000, as against £11,400,000 in the previous year.

Indian crops, due to a favourable monsoon, were, on the whole satisfactory—indeed, with few exceptions, good.

INDUSTRIAL CONDITIONS.

As regards industries, the Bombay cotton mills continue in a very uncertain state, fitful starts have been made after the long strike, but owing to the unrest amongst labour no steady working has been possible, and, in consequence, no real progress has been made. A larger proportion than usual of Indian cotton has been exported. The jute industry in Bengal continues in a prosperous state and jute mills continue to show substantial returns, but these returns are apt to be misleading, as in many instances the older mills which were erected when the cost of machinery was very much lower than it is now, have been able to build up large reserves and keep down the capital figure which gives quite an incorrect impression of their earning capacity, I am of opinion that it would be wise for those who are in that position to capitalise part of their reserve funds in order to bring the capital more in line with the block expenditure and thus show a more correct result. It has now been decided to extend the weekly working hours from 54 to 60, with effect from next July, and it will be interesting to note the effect of this. Tea has also had a fairly good season, and although prices have been considerably lower than in 1927, most concerns in India and Ceylon will show fairly satisfactory returns to their shareholders. The coal industry has been very depressed now for some years, but there are signs that more interest is being taken in the trade of late.

POLITICAL SITUATION.

With the Simon Commission touring India, it was, perhaps, too much to expect complete tranquillity in the political atmosphere.

What thinking people can only regard as ill-advised exhibitions of racial prejudice have occurred here and there, as exemplified by bonfires of imported cloth, talk of a recrudescence of non-co-operation, and ill-considered legislative proposals such as the Inter-Coastal Trade Bill. On the whole, however, the moderate element appears to be making some headway, and it is satisfactory to note from recent events that the Government appears determined to curtail the activities in India of, as reported in the Press, Moscow-taught and Moscow-paid agitators.

EXCHANGE AND BANK RATE.

Exchange has ruled steadily round 1s. 6d. during the past year. Money has been in fair demand throughout the season, and our funds have been employed to good advantage. The Imperial Bank rate, which averaged 6·196 per cent., against 5·726 per cent. in 1927, has been moved up to 8 per cent., which is customary at this season of the year, when demand for money is more insistent.

The question of a Reserve Bank has been again mooted, but the Financial Minister in India, in speaking on the 6th of last month, indicated that before the matter could be taken in hand a Commission would be appointed to inquire into the general banking organisation throughout India. I gave our views on this subject last year, and I would only add that, in my opinion, it is still premature to consider the establishment of a Central Bank on Western lines. It seems to us that India is already well supplied with banks anxious to do business for their clients on the most favourable terms, and no reputable firm or company has difficulty in getting banking facilities.

EAST AFRICA.

In East Africa progress continues fairly satisfactory, and expansion is taking place in cotton, sisal, coffee and maize. Imports and exports in the three territories show considerable increases from the previous year. A plague of locusts caused considerable damage to the maize crop in some districts, and fears were entertained of a scarcity of food in these districts, but we have recently had assurance that there is no danger of a famine.

TRIBUTE TO STAFF.

Before I conclude I desire to add on behalf of myself and the other members of the Board our appreciation of the care and loyalty of our managers and staff, which is reflected in the present satisfactory position of the Bank.

I beg to propose: "That the report of the directors and statement of accounts for the year ended December 31, 1928, be received and adopted, and that a dividend for the six months to December 31, 1928, at the rate of 20 per cent. per annum be paid on the shares of the company registered at this date, the same to be payable, free of income tax, on and after April 3, 1929."

After this resolution has been seconded by Mr Langford James, and before I put it to the meeting, an opportunity will be given to anyone who wishes to make any remarks or to ask any questions.

Mr R. Langford James: I have much pleasure in seconding the resolution which has just been proposed.

No questions being asked, the resolution was put to the meeting and carried unanimously.

The Chairman then proposed that the appointment of Mr Walter Shakspeare as a director of the Bank be confirmed and that he be re-elected.

Mr Robert Miller seconded the resolution, which was unanimously adopted.

The Chairman further moved that Mr Robert Miller and Mr J. A. Toomey be re-elected directors of the Bank.

The Hon. E. Julian Hawke seconded the motion, which was unanimously agreed to.

On the proposition of Mr John Mitchell, seconded by Mr George R. Christie, the auditors (Messrs Cooper Brothers and Co. and Messrs W. A. Browne and Co.) were re-appointed.

VOTE OF THANKS.

Mr J. Irwin Davis: Before proceeding with the resolution which I have to propose I am sure we should all like to associate ourselves with our directors in an expression of our sorrow at the loss we sustained last year by the death of our late deputy chairman, Mr J. N. Stuart, who, as a director for many years, rendered most able and devoted service to the bank. We deeply regret, also, the sudden death of our general manager, Mr Hegarty, which deprived the bank of a very able officer. We are fortunate in having as our new general manager Mr Ross Munro, whose ability and long experience should prove invaluable in the control and management of the operations of the bank.

It is again my pleasing duty to propose a very hearty vote of thanks to our chairman and directors for the care and prudence exercised in conducting the affairs of the bank during the past year, and also to the general manager, managers, and staff for their valuable services. We have every reason to be highly satisfied with the report and balance sheet which has been placed before us. The feature of the annual reports for several years past has been the steadiness of the profits, and, although there is a slight falling off in the net earnings for the past year, the total volume of business has been well maintained. I think that a notable achievement and it must afford our directors genuine satisfaction, as it certainly does the shareholders. I am sure we all appreciate the very interesting and instructive address of our esteemed chairman. With regard to the managers and staff it would be difficult to overestimate the value of their services. By their whole-hearted co-operation and efficiency they have contributed very largely to the favourable results of the year.

I shall now ask you to show your appreciation by passing a very hearty vote of thanks to all concerned, both at home and abroad.

Mr J. D. Longmire seconded the vote, which was carried with acclamation.

CHAIRMAN'S REPLY.

The Chairman: Mr Davis and gentlemen,—On behalf of myself and my colleagues on the board, I have to thank you very much for your kind expression of appreciation of the services we have been able to render during the past year. Although, as I have remarked in my speech, competition is keener than ever, we will do our very best to place before you on the next occasion results which we trust will be considered satisfactory. Mr Ross Munro has asked me to reply on his behalf and on behalf of the staff, and to thank you very much indeed for what you have said about them, which is very much appreciated. We shall take care that the remarks which have been made are conveyed to our staff abroad, who also, I am sure, will be highly gratified at knowing what has been said about them here to-day.

The proceedings then terminated.

CONSOLIDATED MINES SELECTION COMPANY, LIMITED.
DIVIDEND OF 20 PER CENT.

The thirty-third ordinary general meeting of the Consolidated Mines Selection Company, Limited, was held, on the 4th instant, at River Plate House, London.

Mr Walter McDermott (the chairman) said that the operations during 1928 resulted in an earned profit of £79,836, to which could be added the balance of profit from 1927 of £6,673, making an available profit balance of £86,509. It was proposed to take from the dividend equalisation fund the sum of £22,000, and the directors recommended a dividend of 2s. per share, less tax, equal to 20 per cent. for the year 1928. The reserve for dividend equalisation would then stand at £18,000.

Their largest single investment, and one which had produced a large proportion of their earnings of the past year, was their holding in the Anglo-American Corporation of South Africa, the earnings of which for 1928 were such as to allow of the declaration of a dividend of 12½ per cent. From the profits of the year a sum of £250,000 had been transferred to the general and special reserve funds, which stood at £1,800,000. The policy of making the financial position of the Corporation very strong was reflected in its market standing and in its ability to undertake large new operations likely to secure very substantial returns in the future. The Corporation was deeply interested in the diamond-mining industry, and its chairman, Sir Ernest Oppenheimer, had recently stated that he considered that the prospects for the current year were distinctly favourable, and he looked forward with confidence to the future of the diamond trade.

The past year had been marked by an extraordinary development of copper-mining prospects in Northern Rhodesia, and in the examination and testing of vast tracts of copper-bearing deposits the Anglo-American Corporation had both secured interests and acted in the capacity of consulting engineer to some of the most important properties. Early in 1929 a merging of the Rhodesian interests of a number of companies and groups had been effected by the formation of a great holding company—the Rhodesian Anglo-American, Ltd. Various holdings purchased by the Consolidated Mines Selection Company has been sold to the Corporation, so that their shares and their indirect interests through their large holding in the Anglo-American Corporation made them quite largely interested in Rhodesian Anglo-American, Limited. The Rhodesian copper developments had opened out a remarkable revival in the South African mining industry.

The report and accounts were unanimously adopted.

NESTLÉ AND ANGLO-SWISS CONDENSED MILK COMPANY.

EXTENDING THE COMPANY'S INDUSTRY.
THE OBJECTIONS TO A CARTEL.
MR LOUIS DAPPLES' SPEECH.

The sixty-second annual general meeting of Nestlé and Anglo-Swiss Condensed Milk Co. was held on Wednesday, March 27th, at Cham, Switzerland.

Mr Louis Dapples, the president of the company, who presided, said that as the directors' report, which had doubtless been read by all the shareholders, was very explicit, he could confine his attention on that occasion to supplementing that report by giving them a few more details of a rather more intimate character. Shareholders should not assume from the fact that they were again in a position to propose an increase in the rate of dividend that such a state of affairs could always be anticipated by reason of the normal development of their affairs throughout the world. On the contrary, he felt that the struggle to maintain their strong position was becoming more bitter every year and called for not only a continually more intensive application of all their resources but also a constant extension of such resources, both technical and financial.

Anyone who had had occasion to visit their principal centres of production only a few years ago would hardly recognise them to-day after the improvements that had been effected, and there was no doubt that their newly-constructed factories represented the last word in what had been done up to the present in this domain.

BRAZIL, SOUTH AFRICA AND CUBA.

They had continued their studies in the direction of introducing their industry into countries where it was little known up to now, and had had to decide on the construction of certain new factories under the influence of the protectionist tendency that was continually becoming more accentuated throughout the world. They felt that it was perhaps better to be sometimes a little in advance of the times than to arrive too late and find the place already occupied by others. They owed that, in fact, to the leading position which their trade-marks occupied throughout the world.

Also he reminded them that, while it was easy to build a factory quickly, it was a much more difficult matter to develop the necessary attendant milk district. However, they certainly had a great deal of experience in this direction, and he instanced their factory at Araras, in the State of Sao Paulo, Brazil. This factory was situated in the heart of a coffee-growing district, and until quite recently they had never been able to reckon on an annual production of more than 50,000 cases of condensed milk. They could now reach an annual production of 150,000 cases at Araras, in spite of the fact that a cow in Brazil only yielded on an average three, or at the most four, litres of milk a day. He could not sufficiently impress upon them the persevering and tireless efforts that were required to attain such a result. They had had just the same experience in South Africa.

Again, who would have thought that it would ever be possible to produce condensed milk in the Island of Cuba, where fresh milk had been sold until quite recently in the town of Havana at about Frs. 2.50 the litre? Nevertheless, they were about to build a factory there which they confidently hoped would give them excellent service. In any case, they felt it their duty to do their best to assist in the development of agriculture in general in the Island of Cuba, which was one of their largest markets.

COMPANY'S FIRST CARE.

It was unnecessary for him to say that when they entered upon undertakings such as these, they were fully conscious of the risks that were inevitably attendant thereon, however profoundly they had been studied in the first place. At the same time, they never lost sight of the fact that their first care should be to increase the export of milk from the production centres of the Old World.

He did not think it was necessary to point out that the elaboration and rational execution of such a programme of expansion which was imposed on them by present-day circumstances called for very considerable financial resources, and they had in this way during recent years invested very considerable amounts in these new constructions. It was probable that they would have to continue with both zeal and foresight during the current and next year to strengthen their means of production even more intensively, but they looked forward with certainty to a not too far distant date when they would have completed their programme of new constructions, and could restrict their activities to the maintenance and the technical perfection of their equipment without fear of ever being surpassed by their competitors, however active the latter should be.

They would have to proceed in the same way with the factories they would acquire on the amalgamation with their friends, Peter Cailler Kohler, and they had already taken a very important step in this direction in their acquisition of a considerable number of shares in the chocolate manufacturing company of Sarotti, which was known all over the world and which enjoyed an old-established reputation.

WORKING FOR THE FUTURE.

As they had stated in their annual report, they could not expect their profit and loss account to reflect immediately the full benefit of all these initiatives, for naturally some time was required to make new undertakings fully remunerative. They might even be compelled some day to amortise one or other of these installations before it had produced any tangible results, but they knew, on the other hand, that they would expose themselves to a far greater danger if they allowed their competitors to get in ahead of them, and they were working in consequence less for the immediate present than for the future.

While it was true that well-placed, well-equipped and well-managed factories gave them an undoubted advantage, the fight against competition—especially in the biggest markets—lost none of its sharpness on that account, and those who lagged behind remained for a long time powerless.

They had been asked from various quarters why they did not form, in conjunction with other condensed milk undertakings, a trust or cartel to allocate the world consumption and ensure a reasonable margin of profit. Their reply to that was that one could not compare the condensed milk industry with that of oil, steel, or even dye-stuffs. A single example illustrating the conditions with which they had to contend in their own branch of industrial activity would be sufficient to explain the position.

Let them suppose, for instance, that any combination of farmers, say, in Holland, the United States, Australia or elsewhere, operating under co-operative principles for the sale of fresh milk, butter and cheese, suddenly finds—as very often happens—that there is a surplus of milk. They then imagine that they have discovered the solution of their difficulties in erecting, in great haste, a condensery, but they quickly find that it is difficult to interest the public in their preserved milk at a remunerative price. The product itself very soon reveals all kinds of defects, and has to be sold as rapidly as possible. It is then thrown on the market at a ridiculous price, involving a heavy loss.

But that is not of very great importance to the co-operative combination of which they were speaking, the only consequence being that the individual members obtain a few centimes less for their fresh milk, while the managers of the concern are in no wise affected and simply carry on. A very important co-operative undertaking of this kind in the United States not very long ago lost in one year about $9,000,000. To deal satisfactorily with competition of this nature called not only for perfection in technical and commercial organisation, but also for the command of the necessary financial resources. The situation corrected itself in time, but not always so rapidly as one could wish.

THE FRUITS OF CONSERVATIVE FINANCE.

This illustration showed how right the shareholders had been in giving the board their constant support in the conservative policy of the last few years. Their situation would have been quite different to-day if the realisation of this programme, which was absolutely necessary, had had to be undertaken by means of fresh issues of capital or bank loans. They had still too vividly in their memory their past experiences, and they must not lose sight of the fact that the first series of their obligations was redeemable during the following year.

The directors had been subjected to rather strong criticism from time to time in that they had not made more rapid progress in the distribution of dividends. They could only repeat that the shareholders' true interests lay in the first place in continually increasing the strength of the company's position in order to enable it to adapt itself to circumstances at any time. The board felt that they had justified the confidence that shareholders had placed in them; all their development had been undertaken in no rash manner, and so long as this spirit of initiative was accompanied by an inflexible will and indefatigable work it seemed to them that the shareholders' capital was not exposed to serious danger. He would, however, recommend them to take *cum grano salis* any rumours of one kind or another which circulated in the Stock markets during the course of the year.

TRIBUTE TO MANAGEMENT AND STAFF.

The Chairman concluded with a word of appreciation of the staff, which had continued to fulfil its duties with enthusiasm, devotion, discipline and economy under a benevolent but exacting management, and he further especially addressed their thanks to their excellent management, who were entirely devoted to the company. These gentlemen would now have an opportunity to exercise their experience and their energies in a much more independent manner, for he (the chairman) was at last going to pay his long-deferred visit to Australia. In the course of his journey he intended to visit the more important of the company's branches in the Far East, and he hoped that next year he would be able to tell shareholders some interesting things of those far-distant countries.

The directors' report and the annual accounts were adopted by the meeting, and the resolutions as to the distribution of profits in accordance with the proposals of the directors were duly passed.

AMALGAMATION PROPOSALS APPROVED.

The meeting then proceeded to the consideration of the proposed amalgamation with Messrs. Peter Cailler Kohler Chocolats Suisses S/A., in connection with which the chairman remarked that shareholders would have noted from the report which was in their hands that they were asked to vote for the ratification of the amalgamation of the company with Peter Cailler Kohler Chocolats Suisses S/A. He pointed out that their existing close relations with this friendly company involved such an interlocking of the two organisations that sooner or later this fusion of interests was bound to be envisaged, and that the amalgamation would not only have the effect of obviating all the differences which could arise in the interpretation of complicated contracts, but they were of opinion that the principal advantages that would ensue from the programme for which they requested the shareholders' approval would consist of a much more complete co-ordination in the administrative and technical services—placed in future under one single administration, and would thus ensure the more rapid execution of decisions arrived at—a factor which, as shareholders well knew, constituted the essential element of success.

Unfortunately, and in spite of the mutual desire to that effect of both boards of directors, it had not been possible to bring to a conclusion as rapidly as they had hoped the preliminary negotiations that the directors had entered into at the beginning of 1928. Certain divergences of view on the interpretation of agreements passed in the United States had caused these negotiations to drag out for rather a long time, and it had only quite recently been possible to settle them in a manner favourable to both parties. This unexpected period of suspense had, nevertheless, convinced them more than ever that the path they were following was in reality the best one, and they, therefore, sincerely hoped that, in the best interests of the company, shareholders would pass the resolutions for ratification of the agreements for amalgamation, which, as they no doubt knew, had already been accepted by the shareholders of Peter Cailler Kohler Chocolats Suisses S/A.

As a result of this amalgamation, the company would find itself in possession of a certain number of its own shares in consequence of the exchange of Peter Cailler Kohler shares now in its possession, but in order to conform to the law in this respect the board would dispose of the same in due course, and in the best interests of the company.

The resolution for the ratification of the agreement for amalgamation with Peter Cailler Kohler Chocolats Suisses S/A., and the resolutions in connection with the increase in the company's capital to frs.S100,000,000 and the alterations in the articles of association were duly passed.

CEYLON CONSOLIDATED ESTATES (1920) LIMITED.
IMPROVED POSITION.
REORGANISATION SCHEME APPROVED.

The eighth ordinary general meeting of the Ceylon Consolidated Estates (1920), Limited, was held, on the 27th ultimo, at the Cannon Street Hotel, London, Mr Harold J. Snowden (the chairman of the company) presiding.

The Managing Director and Secretary (Mr W. Fenton Pugh) having read the notice convening the meeting and the auditors' report,

The chairman, in moving the adoption of the report and accounts, said: The accounts before you cover a period of severe depression in the rubber industry, caused by the sudden decision of the Government to terminate restriction. The effect of this for the past year has been very unfortunate to rubber growers, as the price obtainable barely covered the cost of production, but it is expected that ultimately unrestricted production will be beneficial to the industry. The consumption of rubber is rapidly increasing, with the result that an improvement in the market price has recently taken place, and as this company has not entered into any forward contracts, it is in the favourable position of being able to benefit from any advance in values which has occurred or may occur during the current year, and as the accumulated stocks have now been absorbed, profitable prices for rubber should be secured.

It is in order that shareholders may benefit to the fullest extent that the directors advise the capital should be reorganised, as it will immensely improve the financial position of the company and place it on a sound and satisfactory basis. Briefly, the advantages of the reorganisation are: (1) The capital will be reduced by £50,000; (2) the debentures will be paid off, £28,000; (3) debenture interest of £2,000 per annum will be saved; (4) working capital of £25,000 will be provided; (5) additional areas will be planted with rubber; (6) the cost of the planted land will be under £70 per acre; and (7) any profits realised will be available for distribution.

These substantial advantages can be obtained by altering the denomination of the shares from 2s. to 1s., which will not affect their intrinsic value, as the new shares will represent the same assets and shareholders will have the same number of shares. The value of the shares will, in fact, be considerably enhanced, as the new company will have a reduced capital, no debenture debt and adequate working capital. In America and Canada a great number of shareholdings have no nominal value at all, as it is realised that it is quite immaterial from the shareholders' point of view.

After a short discussion the resolution was put to the meeting and carried.

An extraordinary general meeting of the company was then held, at which resolutions approving the scheme of reconstruction were carried.

GENERAL ELECTRIC COMPANY, LIMITED.
THE NEW OFFER.

An extraordinary general meeting of the General Electric Company, Limited, was held on the 28th ultimo at Magnet House, Kingsway, London, for the purpose of confirming the resolution altering the articles of association passed at the meeting held on March 13th last.

Sir Hugo Hirst, Bart. (chairman and managing director), presided, and in the course of his speech said:—Since we last met, you have no doubt read the articles in the Press criticising our proposed issue, and the telegrams which have passed between us and certain representatives of American shareholders. The holders of shares in America seemed to think they had a grievance, and raised questions of international finance. We are naturally very anxious not to have any disagreement with our American friends, or the Stock Exchange, but the settlement of this question is not altogether in our hands, but, to a large extent, rests with the B.F.C. So far as we have been able, we have requested the B.F.C. to do what they can in meeting the objections which have been raised, subject to the absolutely essential principle that 1,600,000 British shares should be issued and reserved for British subjects. Two representatives of the Committee of American Shareholders are on their way from America, and the B.F.C. have submitted to them and to us a scheme which appears to be fair and reasonable to all interests concerned. This arrangement will entail some variation to the existing agreement, and is not as satisfactory, either to ourselves or to the B.F.C., but we hope we may be able to show our American friends that we have endeavoured to meet them as fairly as possible under all the circumstances of the case, and we hope they will return to America satisfied.

The scheme is explained in a telegram which the B.F.C. have forwarded to the American representatives now on board the *Aquitania*. That telegram reads as follows:—"We regret that differences of opinion should have arisen between your committee and the company. Stop. In the interest of maintaining the best relations between our respective markets which we as an issuing house appreciate more keenly than anyone, we are submitting for your consideration a new scheme much less attractive to ourselves but one which we feel and are assured by other competent authorities meets all reasonable criticism from a business point of view and which we are simultaneously submitting to the company in the hope that it will be acceptable to both parties.

Stop. So that you should fully appreciate our standpoint we think it is important to bring to your notice the following :—

"Firstly. Under date sixth March we entered into a contract to purchase from the company 1,500,000 British ordinary shares and made application for same in the usual way, which application has been accepted.

"Secondly. The shareholders in meeting assembled have on thirteenth passed with requisite majority all resolutions necessary for the creation and issue of 1,600,000 British ordinary shares, and have thereby made our contract operative.

"Thirdly. We have taken competent legal advice and are informed that we hold binding contract with company under which we are entitled to delivery of 1,500,000 British ordinary shares or in the alternative to damages.

"Fourthly. We have fulfilled all our obligations under our contract and have at the request of the company suspended for time being the resale of these shares to the public.

"Fifthly. The company have made it known that for the effective carrying on of their business they must have large body of British shareholders. Stop. Bearing the foregoing in mind our suggestion is that arrangement be made for the company to issue 140,853 shares in proportion one to sixteen to existing shareholders at price to be agreed upon, but not being more than 40s. Stop. Issued ordinary share capital will then be 2,394,498. Stop. By way of next step company to offer two British shares in respect of every three shares then held by shareholders irrespective of nationality or residence, which will absorb 1,596,332 British shares. This new issue will be made in usual way accompanied by renunciation letters, which will be marketable on London Stock Exchange, and three Stock Exchange accounts terminating, say, end May next would be allowed for shareholders desiring or by reason of nationality required to dispose of their rights to do so. Issue of British shares to be at 42s. Any rights not sold by, say, end May we are prepared to purchase at price to be agreed. By this method all but nine thousand one hundred and seventy shares out of total authorised issue of four million shares will be absorbed and these shares should be left available for issue to company's staff at discretion of management."

The essential feature of this proposition is to offer the new shares to all shareholders in equal proportions, but in view of the disability attaching to certain shareholders to hold the shares in their own right, an offer by the Issuing House to repurchase the shares from them at a reasonable figure to be agreed upon will also be made. I believe this offer meets all the fundamental demands of our critics.

Mr E. G. Byng seconded the motion, which, in the absence of any questions or comments, was carried unanimously, amid applause.

AFRICAN AND EASTERN TRADE CORPORATION, LIMITED.
SHAREHOLDERS APPROVE AMALGAMATION WITH NIGER COMPANY.

Sir Robert Waley Cohen presided over an extraordinary general meeting of African and Eastern Trade Corporation, Limited, which was held on Thursday, March 28th, at Liverpool. There was a large attendance of directors and shareholders. It was specially convened in order to place before the general body of shareholders the terms of the agreement for an amalgamation of the trading interests of the company and the Niger Co., through the creation of a new company, to be formed with a capital of £14,000,000 in £1 shares, of which 7,000,000 will be "A" shares and 7,000,000 will be "B" shares.

The Chairman said :—

The proposals, he believed, were fraught with the utmost benefit, not merely to their company, but also to the whole trade of West Africa. They were determined to make the agreement simple and straightforward, so that the whole of the forces of the two concerns might in the future be thrown together in a single-minded effort to produce a homogeneous trading concern, eliminating all the waste—which had been going on for so many years as a result of the destructive competition between those two great organisations. The whole West African trading interests of both concerns will be in future comprised in the new company. Though their respective shares had been called "A" shares and "B" shares, they were identical in every respect, the lettering being given to them merely for the purpose of convenience in providing for equal distribution of the seats on the board, and other similar provisions. Their balance sheet, after the new arrangements had been carried into effect, would be, on the one side capital, about £7,366,000, and pension reserve fund, amounting to about £115,000, by means of which they hoped to deal as generously as possible with those whose services the new company was unable to take over, and a balance carried forward from the profit and loss account. On the other side there would be their 6,500,000 shares in the new company, their building in London, and a further number of shares in the new company, which would bring the asset side of their balance sheet to balance with the liability side without any writing down of their capital. It was then hoped that the new organisation would prove stronger and much more efficient than either of its parents as an instrument of constructive trade. They believed that it would inspire confidence in the investing public, so that they could introduce modern equipments as and when required, and deal effectively with the problems both of the efficient marketing of the produce of the country, and of the development in those lands of growing prosperity of increasingly important markets for the manufactured goods of this country.

This resolution, approving the agreement entered into between the Corporation of the first part, the Niger Co. of the second part, and Lever Bros. of the third part, was approved.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the eight days ended March 31, 1929 :—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	9,350	From Revenue	25,865
Interest, &c., on Debt	1,811		
Sinking Fund	3,432		
Sundries	2,359		
Decrease in Debt	5,361		
Increase in Balances	3,552		
	25,865		25,865

The total ordinary revenue for the last eight days of the financial year amounted to £25,865,500. Property and income tax yielded £11,162,000, and super tax £3,920,000. Estate duties produced £2,090,000. Customs yielded £1,633,000 and excise £909,000. Special receipts yielded £4,851,300.

The national debt was reduced by £5,361,000, as shown below :—

(000's omitted.)

	£		£
Surplus Revenue 1928 issued to Rating Relief Suspense Account	−18,395	Telegraph Money	+ 2,300
Do., 1927	− 4,239	Treasury Bills	+ 2,656
National Savings Certificates	− 50	Public Department Advances	+ 13,150
National Savings Bonds	− 5		
Treasury Bonds	− 678		
	−23,367		+ 18,006

The floating debt was increased by £13,095,000 to £737,345,000.

FINANCIAL YEAR, 1928-29.

	£		£
Expenditure	682,200,158	Revenue	758,104,055
Sinking Fund	57,509,434	Decrease in balances	70,101
Surplus	18,464,564		
	758,174,156	Total	758,174,156

ESTIMATES (New Basis), 1928-29.

	£		£
Expenditure	676,581,000	Revenue	*756,083,000
Sinking Fund	65,000,000		
Surplus	14,502,000		
	756,083,000		756,083,000

* Includes £13,200,000 from Currency Notes Assets.

SELF-BALANCING REVENUE and EXPENDITURE.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The surplus of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 31, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	14	13	13	12	12	12	12
4% Consolidated Loan	...	...	...	...	...	166	204	204	204
3½% Conversion Loan	...	...	666	709	760	740	832	832	832
4½% War Stock	...	63	63	63	63	211	221	221	221
4½% War Stock	...	13	13	13	13	63	...	...	...
4% and 5% War Stock	...	2,047	2,166	2,052	2,109	13	13	13	13
National War Bonds	...	1,509	820	778	706	2,154	2,253	2,253	2,253
4% Funding Loan	...	409	396	394	390	556	194	111	64
4% Victory Bonds	...	360	314	303	292	389	385	385	385
Treasury Bonds	...	...	457	499	482	277	261	261	261
Exchequer Bonds	20	323	150	15	15	454	675	775	762
National Savings Certs.	...	267	366	369	375	15	16	16	16
Other Debt*	...	1,306	1,128	1,124	1,111	372	362	360	360
American Loan (Anglo-French)	...	51	...	...	...	1,103	1,097	1,094	1,094
Treasury Bills	15	1,107	588	576	565	599	527	788	700
Temporary Advances	1	243	186	167	139	117	162	28	37
	654	8,033	7,641	7,598	7,558	7,555	7,528	7,665	7,528
Other Capital Liabilities	57	46	66	68	75	98	103	103	88
Total Liabilities	711	8,079	7,707	7,666	7,633	7,653	7,631	7,768	7,616

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Mar. 31, '28.	Mar. 23, '29.	Mar. 31, '29.	Movement 8 days ended Mar. 31, '29.
Ways and Means Advances Outstanding—	£	£	£	£
Advances by Bank of England..	...	...	...	...
Advances by Public Deptmts..	161,850,000	23,900,000	37,050,000	+ 13,150,000
Treasury Bills Outstanding	626,940,000	*700,350,000	700,295,000	− 55,000
Total Floating Debt	688,790,000	724,250,000	737,345,000	+ 13,095,000

* Includes £32,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bills were opened on March 28, 1929, and the total amount applied for was £50,430,000. For bills at 3 months, dated Tuesday to Saturday, at £98 13s. 2d., about 99 per cent. The amounts allotted were in bills at 3 months, £45,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.	£	£	£ s. d.
January 25	45,000,000	55,210,000	4 6 6·73
February 1	40,000,000	47,120,000	4 5 2·83
February 8	35,000,000	52,695,000	5 2 5·68
February 15	30,000,000	41,430,000	5 5 3·43
February 22	30,000,000	39,545,000	5 3 8·78
March 1	35,000,000	40,130,000	5 4 6·06
March 8	30,000,000	33,190,000	5 6 8·41
March 15	35,000,000	46,695,000	5 6 9·26
March 22	35,000,000	46,515,000	5 5 1·71
March 28	45,000,000	50,430,000	5 7 0·87

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.
ASSETS - - - - £9,101,717
CLAIMS PAID - - - £41,161,592
Accidents and Illness.
Employers' Liability. Fidelity Guarantees.
Burglary. Fire. Motor Cars. Public Liability.
Inspection and Insurance of Boilers, Engines, Electrical Plant and Lifts.
Executorships and Trusteeships.
Head Office: 36-44 MOORGATE, LONDON, E.C. 2

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, March 27, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	361,786,016	Other Government Securities	235,178,640
In Banking Department	51,545,550	Other Securities	8,977,312
		Silver Coin	4,828,948
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	153,331,566
	£413,331,566		£413,331,566

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	50,586,855
Rest	3,747,730	Other Securities—	
Public Deposits*	19,704,899	Discounts and Advances £13,003,543	
Other Deposits—		Securities 17,065,519	
Bankers £58,240,243			30,069,062
Other Accounts 36,354,799		Notes	51,545,550
	36,354,799	Gold and Silver Coin	401,985
7-Day and other Bills	2,781		
	£132,603,452		£132,603,452

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

Return for Week ended Wednesday, April 3, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	363,319,286	Other Government Securities	235,200,743
In Banking Department	50,726,251	Other Securities	8,955,581
		Silver Coin	4,828,576
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	154,045,537
	£414,045,537		£414,045,537

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	59,956,855
Rest	3,757,458	Other Securities—	
Public Deposits*	17,795,531	Discounts and Advances £13,221,208	
Other Deposits—		Securities 16,358,125	
Bankers £67,268,161			29,579,333
Other Accounts 37,307,929		Notes	50,726,251
	104,576,090	Gold and Silver Coin	421,718
7-Day and other Bills	2,078		
	£140,684,157		£140,684,157

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

Both Departments.	Amount April 3, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	363,319,286	+ 1,533,270	− 13,252,494
Public deposits	17,795,531	− 1,909,368	− 8,071,550
Bankers' deposits	67,268,161	+ 9,027,918	+ 15,692,815
Other deposits	37,307,929	+ 953,130	
Seven-day bills	2,078	− 703	− 1,243
Total, outside liabilities	485,692,985	+ 9,604,247	− 5,632,662
Capital and rest	18,310,458	+ 9,728	+ 663,969
Government debt and securities	306,172,698	+ 9,392,103	+ 26,031,151
Discounts and advances	13,221,208	+ 217,665	− 27,550,990
Other securities	25,313,706	− 729,125	
Silver coin in issue department	4,828,576	− 372	− 671,424
Coin and bullion (bank's reserve)	154,467,255	+ 733,704	− 2,777,430
Reserve of notes and coin in banking department	51,147,969	− 799,566	+ 10,758,054
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	41¾%	− 3¾%	+ 6¾%
(b) Gold stocks to deposits and notes ("reserve ratio")	31⅛%	− ⅛%	− ⅛%

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate
1929.	£	£	£	£	£	£	%
Feb. 13	409,837,878	352,698,006	19,635,679	58,199,877	36,437,556	133,139 in	5
20	410,503,734	351,819,064	15,076,218	65,694,762	37,133,249	651,702 in	5
27	410,897,002	352,253,215	13,966,893	57,040,301	36,661,690	389,932 in	5
Mar. 6	411,473,325	355,088,201	8,283,015	64,183,525	37,286,117	870,581 in	5
13	411,704,275	355,094,507	11,933,957	63,364,137	37,631,060	222,872 in	5
20	412,442,839	353,868,645	19,423,868	52,332,186	37,262,399	736,976 in	5
27	413,331,566	361,786,016	19,704,899	58,240,243	36,354,799	883,050 in	5
Apl. 3	414,045,537	363,319,286	17,795,531	67,268,161	37,307,929	702,684 in	5

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1929.	£	£	£ %	£	£	£	£ %
Feb. 13	245524998	9491737	150154375 32¼	47876855	10446657	16686558	57456367 50½
20	245520727	9487454	150850938 32½	46331855	12056083	18692087	59031874 50
27	245540332	9464764	151255517 32½	42976855	8353509	15593988	59002302 54
Mar. 6	245889099	9266559	151828798 32⅝	44796855	10379411	16115462	56740597 51⅛
13	245947010	9214076	152068480 32½	44836855	12517418	16809283	57064373 50½
20	246087611	9082594	152825852 32½	47916855	12582128	17885667	58957207 49½
27	246193740	8977312	153733551 32½	50586855	13003543	17065519	51947535 45½
Apl. 3	246215843	8955581	154467255 31⅛	59956855	13221208	16358125	51147969 41⅛

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to Mar. 20	9,207,529	428,764	690,242	10,326,535
Week ended Mar. 27	790,471	35,932	53,809	880,212
Week ended April 3	664,702	31,825	44,037	740,564
Total to date, 1929	10,662,702	496,521	788,088	11,947,311
Do. 1928	10,342,208	490,487	803,562	11,636,257
Increase or decrease in 1929	+ 320,494	+ 6,034	− 15,474	+ 311,054
	= 3·1%	= 1·2%	= 19·3%	= 2·7%
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,757	2,817,868	39,825,054
Increase or decrease in 1927	+1,473,253	+ 97,275	+ 154,959	+1,725,487
	= 4·1%	= 5·8%	= 5·4%	= 4·3%

PROVINCIAL CLEARING RETURNS.

	Month of March. 1928.	1929.	%	Aggregate Weekly Totals to March 30. 1928.	1929.
Number of Working Days	27	25			
	£	£		£	£
BIRMINGHAM	12,789,000	11,942,000	− 6·6	36,340,900	36,494,600
BRADFORD	7,018,000	5,891,000	− 16	20,046,700	16,120,100
BRISTOL	5,766,000	5,294,000	− 8·1	16,130,000	16,456,000
DUBLIN	...	...	...	64,035,400	64,949,000
HULL	4,308,000	3,978,000	− 7·6	12,437,700	12,146,700
LEEDS	4,248,000	4,379,000	+ 3	13,714,000	13,710,700
LEICESTER	4,183,000	3,592,000	− 14·1	11,704,400	11,003,200
LIVERPOOL	37,941,000	34,159,000	− 9·9	113,026,800	108,625,600
MANCHESTER	62,536,000	57,971,000	− 7·2	182,526,100	172,605,500
NEWCASTLE-ON-TYNE	6,992,000	6,480,000	− 7·3	19,785,900	19,070,300
NOTTINGHAM	2,993,000	2,812,000	− 6	8,555,219	8,590,000
SHEFFIELD	4,821,000	4,675,000	− 3	13,824,100	13,664,200
Total	153,595,000	141,173,000	− 8	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Egypt appeared in the *Economist* of Jan. 19; Denmark in Mar. 9; Roumania and Danzig in Mar. 23; Norway and Lithuania in Mar. 30.

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

Resources.	Apr. 4, 1929.	Mar. 28, 1929.	Mar. 21, 1929.	Mar. 14, 1929.	Apr. 5, 1928.
Total gold reserves	2,719,210	2,709,260	2,712,010	2,700,130	2,743,530
Total bills discounted	1,029,850	1,024,130	942,740	955,620	601,480
Bills bought in open market	174,700	208,430	236,840	283,100	343,640
Total U.S. Govt. securities	169,060	170,310	185,360	165,300	383,230
Total bills and securities	1,380,460	1,409,710	1,371,770	1,421,830	1,329,330
Total resources	5,146,970	5,107,310	5,143,040	5,182,990	5,042,860
LIABILITIES.					
Federal Reserve notes in actual circulation	1,663,650	1,652,880	1,641,580	1,650,010	1,601,010
Deposits—Member bank—reserve account	2,335,300	2,332,180	2,339,540	2,362,570	2,400,810
Total deposits	2,382,480	2,383,390	2,370,310	2,396,790	2,434,990
Capital paid in and surplus	408,700	408,710	408,130	406,920	369,050
Total liabilities	5,146,970	5,107,310	5,143,040	5,182,990	5,042,860
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	71·5%	71·3%	71·7%	70·7%	72·1%

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

	Apr. 4, 1929.	Mar. 28, 1929.	Mar. 21, 1929.	Mar. 14, 1929.	Apr. 5, 1928.
Total bills discounted	235,530	299,170	208,140	224,720	206,860
Bills bought in open market	26,880	35,820	43,820	65,280	102,660
Total U.S. Govt. securities	23,530	20,150	36,170	13,480	70,380
Total bills and securities	288,030	357,240	290,220	306,130	379,900
Deposits — Member bank — reserve account	939,100	938,780	936,580	931,600	955,880
Ratio of total res. to dep. and Federal Res. note liabilities combined	81·0%	77·3%	81·9%	80·6%	74·3%

STATEMENT OF CANADIAN BANKS.—In $'s (000's omitted).

ASSETS.	Dec. 31, 1928.	Nov. 30, 1928.	Oct. 31, 1928.	Sept. 30, 1928.	Dec. 31, 1927.
Cash and bank balances	516,804	556,277	515,921	436,657	485,917
Bank balances abroad	77,638	81,697	72,986	71,899	73,819
Call and short loans	558,493	526,531	545,649	554,745	532,548
Securities	524,561	488,291	495,064	486,464	529,444
Loans in Canada	1,334,220	1,361,129	1,344,972	1,315,864	1,170,000
Loans abroad	262,498	239,325	249,067	237,951	264,708
Other assets	196,486	197,932	198,496	198,107	175,218
LIABILITIES.					
Note circulation	186,087	186,631	190,304	193,492	182,747
Deposits—					
Government	135,461	127,395	139,325	102,016	94,976
Public in Canada	2,235,308	2,249,718	2,228,453	2,138,011	2,128,959
Foreign	382,577	383,331	356,389	371,542	374,425
Bank balances—					
Canadian	16,705	16,754	17,765	13,726	13,041
Foreign	118,275	91,611	86,302	79,920	74,139
Bills payable, &c.	116,874	118,488	116,002	111,958	89,038
Capital and rest	260,560	258,754	256,831	256,331	256,331
Other liabilities	3,879	7,194	4,698	2,801	3,365

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

ASSETS.	Mar. 8, 1929.	Mar. 1, 1929.	Feb. 22, 1929.	Feb. 15, 1929.	Feb. 8, 1929.	Mar. 9, 1928.
Total securities	21,37,01	21,42,64	21,20,08	21,22,75	21,35,56	20,01,75
Loans	13,66,64	14,20,51	16,66,09	19,47,11	16,94,14	15,16,68
Cash credits	32,79,14	32,75,31	31,99,26	30,53,98	29,74,12	32,65 19
Inland bills	11,88,22	11,73,90	12,59,95	13,84,05	13,80,52	15,46,11
Foreign bills	33,99	38,12	44,99	47,53	42,04	36,15
Dead stock	2,83,37	2,83,14	2,83,36	2,83,15	2,82,28	2,78,58
Bal. with other banks	14,90	2,77	30,46	8,72	27,73	8,30
Cash	10,31,51	13,34,35	12,02,35	9,24,66	10,08,24	11,07,25
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,22,50	5,12,50
Total deposits	75,84,07	79,28,84	78,14,25	77,95,87	75,71,05	77,64,92
The above includes—	£	£	£	£	£	£
Deposits in London	928	846	1,077	1,007	974	981
Advances in London	918	912	887	954	911	972
Cash, etc., at other Banks in London	106	15	225	67	196	57

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

ASSETS.	Mar. 8, 1929.	Mar. 1, 1929.	Feb. 22, 1929.	Feb. 15, 1929.	Feb. 8, 1929.	Mar. 9, 1928.
Gold coin and bullion	7,538	7,623	7,757	8,388	7,603	7,506
Subsidiary coin	109	106	117	109	102	171
Bills discounted	8,300	9,560	7,998	8,310	8,688	8,317
Investments	651	782	710	705	694	575
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	8,695	9,419	8,088	8,206	8,690	8,037
Government deposits	1,517	1,699	2,038	1,921	1,510	1,471
Bankers' deposits	5,045	5,001	4,964	5,072	5,033	5,715
Ratio of cash reserves to liabilities to public	48·3%	46·3%	50·9%	54·5%	48·4%	48·4%

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

ASSETS.	Mar. 29, 1929.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 8, 1929.	Mar. 1, 1929.
Gold	34,186,454	34,121,356	34,034,736	34,023,888	34,063,147
Foreign assets—					
Sight deposits	10,577,365	10,709,977	10,965,483	11,476,025	11,473,971
Bills discounted	18,332,958	18,322,815	18,308,443	18,349,112	18,383,875
Commercial bills discounted at home	6,837,904	4,897,439	4,566,347	5,290,014	4,235,415
Advances against sec.					
To the State	9,130,000	9,130,000	9,130,000	9,130,000	9,130,000
Other advances	2,321,795	2,330,272	2,384,467	2,366,089	2,404,732
Other assets (excluding forward exch.)	2,959,250	3,263,862	3,386,203	3,398,699	4,047,720
LIABILITIES.					
Notes in circulation	64,574,941	62,627,198	62,879,764	63,414,800	64,226,373
Public deposits	11,616,752	11,421,153	11,534,489	11,338,598	11,566,738
Private deposits	6,263,253	6,415,797	6,261,245	7,231,172	5,885,015
Other liabilities	1,991,272	2,121,196	2,100,222	2,089,255	2,060,734

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

ASSETS.	Mar. 28, 1929.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 31, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,682,702	2,646,946	2,646,874	1,930,756
Of which deposited abroad	129,748	94,031	94,031	85,626
Reserve in foreign currencies	35,956	66,970	67,769	188,866
Bills of exchange and cheques	2,352,777	1,672,868	1,720,214	2,652,019
Silver and other coin	107,042	135,269	125,945	59,947
Notes of other German banks	8,508	21,956	21,078	6,886
Advances	135,052	43,609	58,983	84,864
Investments	93,136	93,136	93,136	94,047
Other assets	550,794	528,783	517,443	623,781
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,213	177,212	177,212
Reserve	319,608	319,608	319,608	284,205
Notes in circulation	4,821,986	4,032,997	4,165,804	4,513,155
Other daily maturing obligations	478,091	528,255	448,517	532,637
Other liabilities	223,494	205,889	194,725	188,581

* Equal to one billion paper marks or one Rentenmark.

The gold reserve is calculated in accordance with the new legal prescription of one pound of fine gold equals 1,392 Reichsmarks.

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

ASSETS.	Mar. 28, 1929.	Mar. 21, 1929.	Mar. 14, 1929.	Mar. 7, 1929.	Mar 29, 1928.	Position, May 28, 1914.
Gold	907,758	907,681	907,623	906,565	751,127	(b)
Foreign Bills and Balances Abroad	488,185	463,806	456,003	454,007	449,055	232,650
Silver and other coin	1,434	1,474	1,485	1,489	2,289	
Securities	745,802	728,508	742,570	721,681	522,401	697,600
LIABILITIES.						
Notes in circulation	2,412,383	2,380,055	2,393,872	2,394,228	2,075,935	934,150
Current accounts	89,284	87,649	106,309	72,717	95,256	112,125

(b) In thousand francs.

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

ASSETS.	Mar. 25, 1929.	Mar. 18, 1929.	Mar. 11, 1929.	Mar. 4. 1929.	Mar. 26, 1928.	Position, May 30,1914.
Gold	422,498	434,313	434,544	434,543	435,191	163,092
Silver	21,491	21,233	21,232	21,330	26,702	8,436
Dscts. and advances	294,842	308,979	343,857	348,237	345,113	153,504
LIABILITIES.						
Notes in circulation	782,734	783,133	791,685	809,036	768,981	316,632
Deposits	9,489	11,479	24,282	12,194	47,493	5,016

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

ASSETS.	Mar. 23, 1929.	Mar. 16, 1929.	Mar. 9, 1929.	Mar. 2, 1929.	Mar. 24, 1928.	Position May 30,1914.
Gold	186,800	186,800	188,200	189,500	173,245	22,971
Silver					19,030	29,785
Discounts, advances, and other investments	133,700	141,100	140,900	138,200	130,809	77,567
LIABILITIES.						
Notes in circulation	307,800	310,700	308,900	302,100	308,589	109,499
Deposits and bills payable	41,600	42,400	43,600	46,900	44,055	11,250

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

ASSETS.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Mar. 23, 1928.	Position, May 31, 1914.
Gold	481,318	481,416	481,485	481,600	432,239	171,175
Silver	45,546	45,331	45,156	45,185	62,765	18,350
Foreign Bills and Balances abroad	201,603	159,442	171,235	180,719	...	...
Discounts	139,689	137,370	158,213	169,554	282,569	103,000
Advances	68,677	64,749	68,784	71,328	55,655	
LIABILITIES.						
Notes in circulation	802,275	805,255	819,892	842,929	780,276	275,925
Deposits	119,632	82,208	83,548	76,736	88,345	33,750

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

ASSETS.	Mar. 20, 1929.	Mar. 10, 1929.	Feb. 28, 1929.	Feb 20, 1929.	Feb. 10, 1929.
Gold, coin and bullion	5,113,400	5,077 538	5,058,611	5,058,567	5,058,525
Foreign bills and balances abroad	5,315,900	5,401,577	5,516,558	5,683,916	5,794,460
Other cash	243,700	251,447	221,909	207,191	192,768
Gold deposited abroad due by the State	1,836,200	1,836,187	1,836,187	1,836,187	1,836,187
Discounts	3,513,300	3,439,658	3,475,134	3,421,040	3,504,734
Advances	1,498,200	1,584,086	1,730,214	1,082,381	1,127,667
Credit with "Istituto di Liquidazioni"	1,077,300	1,077,341	1,077,341	1,077,341	1,102,763
Government securities	1,042,900	1,042,929	1,041,702	1,043,318	1,042,354
LIABILITIES.					
Notes in circulation	15,894,500	16,060,113	16,197,258	15,940,030	16,383,168
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	2,191,600	2,146,178	2,339,829	2,632,842	2,478,806
Ratio of reserve to note and sight liabilities combined	56·72%	56·63%	56·14%	56·92%	56·68%

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

ASSETS.	Mar. 23, 1929.	Mar. 16, 1929.	Mar. 9, 1929.	Mar. 2, 1929.	Mar. 24, 1928.	Position, May 30,1914,
Gold	2,559,587	2,559,519	2,559,421	2,559,370	2,607,935	521,775
Silver	716,108	712,446	710,378	712,972	701,853	728,600
*Loans & Discounts	1,899,221	1,997,278	1,785,381	1,842,987	1,751,456	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,238,667	4,270,131	4,326,995	4,305,811	4,153,838	901,550
Deposits	959,049	987,157	1,026,187	1,036,789	969,118	477,500

* Including 91 million pesetas lent to the State.

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

ASSETS.	Mar. 20, 1929.	Mar. 13, 1929.	Mar. 6, 1929.	Feb. 27, 1929.	Mar. 21, 1928.
Coin and bullion	9,899	9,991	10,016	10,183	9,130
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	327,602	332,635	336,962	329,220	172,904
Discounts	275,072	279,312	274,399	280,656	241,056
Government loans	1,749,784	1,754,194	1,758,799	1,751,023	1,611,510
LIABILITIES.					
Notes in circulation	1,848,474	1,873,647	1,896,828	1,879,534	1,822,809
Deposits	67,589	71,116	63,924	71,561	95,276

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

ASSETS.	Mar. 22, 1929.	Mar. 16, 1929.	Mar. 9, 1929.	Mar. 2, 1929.	Mar. 24, 1928.
Gold	235,090	235,199	235,300	235,363	232,736
Government securities—Swedish	6,001	6,001	6,001	6,001	11,027
" " Foreign	73,774	73,774	73,774	73,774	105,524
Other Swedish bonds quoted on foreign bourses	743	743	743	749	2,172
Bills payable in Sweden†	205,605	212,283	207,472	219,740	184,148
" " abroad	77,904	79,763	82,941	83,985	46,485
Balance abroad	36,762	37,168	35,929	40,223	39,414
Advances made on government securities and bonds†	58,604	57,690	52,712	65,192	48,944
LIABILITIES.					
Notes in circulation	471,299	481,653	469,819	503,941	448,817
Government deposits	175,516	174,662	175,416	176,823	163,131
Private deposits	6,938	3,972	9,930	4,851	21,038

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are not available as cover for the note issue.

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

ASSETS.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Mar. 23, 1928.
Cash Reserve—					
Gold coin and bullion	168,752	168,752	168,752	168,752	117,199
Foreign exchange	208,010	206,917	206,831	209,263	306,761
Other foreign exchange†	356,677	356,291	356,268	361,189	262,979
Bills discounted	113,313	131,232	156,861	163,535	55,700
Advances	112,385	112,385	116,017	116,066	170,599
LIABILITIES.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	9,283	9,283	8,167	8.167	8,167
Notes in circulation	863,222	892,209	924,346	976,726	825,155
Deposits	99,333	86,875	83,365	44,874	90,939

† In dollar and sterling only.

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

ASSETS.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Mar. 23, 1928.
Metal reserve—					
Gold coin and bullion	204,428	204,427	204,429	204,430	196,599
Drafts and notes	28,835	37,674	45,346	42,613	94,768
Silver coin and bullion	10,447	10,068	...	784	793
Inland bills, warrants and securities	301,819	299,909	301,763	313,752	276,328
Advances to the Treasury	92,296	92,296	92,296	92,351	105,989
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	392,876	405,350	420,606	450,623	388,807
Current accounts, deposits, &c.	237,705	233,654	236,245	216,430	326,268

* Calculated at pre-war parity of exchange.

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

ASSETS.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 8, 1929.	Feb. 28, 1929.	Mar. 22, 1928.
Gold	91,591	91,542	91,428	91,541	89,455
Other coin and notes	18,058	18,668	18,290	18,102	17,931
Foreign credits	189,126	175,587	179,983	184,896	290,118
Bills	1,336,906	1,367,617	1,377,133	1,358,571	1,315,171
Government advances	4,201,054	4,201,167	4,201,149	4,201,148	4,388,480
LIABILITIES.					
Notes in circulation	5,085,497	5,167,142	5,252,317	5,158,663	5,326,372
State credits	227,780	227,893	227,875	227,874	299,460
Deposits	1,119,382	1,033,680	902,211	1,064,685	1,272,813

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

ASSETS.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Mar. 23, 1928.
Gold and silver holdings	1,206,004	1,205,987	1,206,370	1,206,369	1,117,868
Balance abroad and foreign currency	174,128	1,786,054	1,818,198	1,841,009	1,942,005
Discounts and advances	217,903	215,425	220,503	196,477	79,116
State notes debt balance	4,038,713	4,042,974	4,047,027	4,050,492	4,368,164
Other assets	833,796	830,028	850,774	869,823	1,049,321
LIABILITIES.					
Bank notes in circulation	6,497,883	6,582,304	6,807,623	7,062,612	6,495,091
Check account balances	837,688	770,963	636,046	405,477	1,304,904
Other liabilities	272,379	254,607	226,609	223,487	323,854

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

ASSETS.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 23, 1929.	Mar. 15, 1928.
Gold and silver holdings	1,505,741	1,503,628	1,502,151	1,501,913	1,451,566
Balances abroad and foreign currencies	2,943,349	2,983,071	2,999,520	3,003,153	502,546
Discounts and advances	1,425,000	1,399,719	1,377,386	1,352,030	1,269,474
Advances to the Treasury	3,685,241	3,685,241	3,685,241	3,685,271	4,470,613
LIABILITIES.					
Capital paid up	500,000	500,000	500,000	500,000	516,422
Reserves	1,164,206	1,164,206	1,164,723	1,164,359	1,124,803
Bank notes in circulation	3,915,515	3,920,470	3,893,900	3,824,931	3,622,592
Sight liabilities	3,137,347	3,157,719	3,209,921	3,256,655	1,220,716
Deposits	470,591	470,661	471,094	471,205	1,416,633

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

ASSETS.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 23, 1929.	Feb. 15, 1929.
Gold	562,148	560,725	560,444	560,335	558,728
Gold exchange	4,542,043	4,555,770	4,603,136	4,391,460	4,520,811
Other foreign exchange	211	2,011	1,719	1,712	1,710
Bills discounted	49,574	52,114	53,860	56,591	56,329
Advances	77,471	74,843	73,592	71,964	69,373
Debt to the State	3,789,638	3,789,638	3,789,638	3,789,638	3,789,638
LIABILITIES.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,535,413	5,549,853	5,465,262	5,398,713	5,430,809
Deposits and current accounts	2,036,713	2,049,428	2,136,212	2,014,974	2,113,702
Foreign exchange liabilities	1,114,807	1,108,222	1,158,442	1,130,171	1,134,776

BANK OF POLAND.—In zloty* (000's omitted).

ASSETS.	Mar. 20, 1929.	Mar. 10, 1929	Feb. 28, 1929.	Feb. 20, 1929.	Mar. 20, 1928.
Gold	622,005	621,711	621,532	621,418	553,296
Of which held abroad	195,402	195,402	195,402	195,402	200,042
Foreign currencies	663,286	684,969	697,733	683,960	858,595
Bills discounted	650,465	663,918	660,195	640,856	475,563
Loans against securities	84,676	84,079	87,676	87,188	54,123
Reserve fund securities	69,704	69,705	69,243	69,243	55,934
Liability of the Treasury	25,000	25,000	25,000	25,000	25,000
LIABILITIES.					
Share capital	150,000	150,000	150,000	150,000	150,000
Reserve funds	100,000	100,000	100,000	100,000	94,435
Notes in circulation	1,166,022	1,215,890	1,248,791	1,157,847	1,018,505
Current accounts	623,903	605,040	593,456	649,117	723,907
Government accounts	75,000	75,000	75,000	75,000	75,000

* As from October 13, 1927, 8·91 zlotys equals 1 U.S. dollar.

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

ASSETS.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 8, 1929.	Mar. 23, 1928.	Position, May 30,1914
Gold	302,499	302,881	303,001	314,059	35,091
Balance abroad and foreign bills	749,755	756,636	755,761	1,162,236	90,379
Finnish and Foreign Government securities	301,708	301,708	301,708	338,443	21,826
Discounts and loans	1,477,012	1,478,207	1,511,926	923,305	106,151
LIABILITIES.					
Notes in circulation	1,539,257	1,544,167	1,533,754	1,590,239	123,941
Deposits at notice	288,808	306,753	382,057	286,875	21,325

BANK OF ESTONIA.—In Est. kroon (000's omitted).

ASSETS.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Mar. 23, 1928.
Gold coin and bullion	6,234	6,234	6,234	6,234	10,231
Net foreign exchange	22,240	22,692	22,895	22,980	29,880
Subsidiary Estonian coin	570	814	716	721	747
Home bills discounted	15,278	14,778	14,829	15,077	8,582
Loans and advances*	15,638	15,692	15,354	16,262	20,004
LIABILITIES.					
Notes in circulation	36,649	34,243	34,862	35,760	39,201
Sight deposits and current accounts	18,875	21,007	20,771	21,290	20,884
Ratio of reserve to current liabilities	51·28%	52·35%	52·35%	51·20%	66·84%

* Includes Ekr. 11,116,763·98, guaranteed by the Government.

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

ASSETS.	Mar. 27, 1929.	Mar. 20, 1929.	Mar. 13, 1929.	Mar. 6, 1929.	Feb. 27, 1929.	Mar. 28, 1928
Gold bullion and coins	23,807	23,802	23,777	23,774	23,771	23,693
Silver coin	4,721	4,754	4,713	4,767	4,733	3,937
Balance abroad	64,790	64,279	66,004	68,536	70,923	67,421
Treas. notes and sm. change	8,563	10,744	10,818	9,230	10,688	9,083
Short term bills	84,049	82,723	82,521	83,024	82,023	80,046
Loans against securities	50,240	48,921	47,646	47,382	46,589	44,189
Other assets	15,350	15,610	15,414	15,101	13,260	10,600
LIABILITIES.						
Notes in circulation	45,687	43,824	43,257	44,677	44,360	39,686
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,388
Reserve	3,091	3,091	3,091	3,091	3,091	2,612
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,520	12,528	12,571	12,617	12,612	11,132
Current accounts	62,569	59,784	64,205	64,958	62,628	52,319
Government accounts	97,035	100,697	101,340	99,899	102,403	107,700
Other liabilities	12,437	12,828	8,349	8,490	8,812	8,532

RUSSIAN STATE BANK.—Note-Issuing Department.

(In Tchervonets—000's omitted.) (NOTE: 1 Tchervonets = 10 gold roubles.)

ASSETS.	Apr. 1, 1929.	Mar. 16, 1929.	Mar. 1, 1929.	Feb. 16, 1929.	Apr. 1, 1928.
Gold in coin and bullion	17,883	17,883	17,885	17,885	18,021
Other precious metals	4,359	4,361	4,340	4,240	2,351
Foreign bank notes	8,888	8,889	8,942	7,971	5,096
Drafts in sterling (less 10%)	277	277	277	276	266
Bills (less 10% discount)	79,319	80,317	77,282	78,354	69,992
Securities covering advances on goods (less 10%)	274	274	274	274	274
LIABILITIES.					
Bank notes	110,212	110,958	108,365	108,258	94,182
Balance to which notes may still be issued	788	1,042	635	742	1,818

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

ASSETS.	Mar. 9, 1929.	Mar. 2, 1929.	Feb. 23, 1929.	Feb. 16, 1929.	Mar. 10, 1928.	Position June 30,1914
Cash & bullion	1,117,419	1,116,420	1,116,108	1,114,443	1,120,730	221,320
Discounts	710,369	721,427	722,868	732,414	722,896	41,740
Advances	75,115	79,481	74,787	74,888	82,043	70,540
LIABILITIES.						
Notes	1,176,368	1,278,260	1,231,359	1,229,358	1,173,772	362,270
Govt. deposits	568,441	520,090	523,406	528,992	727,495	87,240
Other deposits	385,030	309,985	395,343	389,014	271,566	11,440

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

ASSETS.	Mar. 8, 1929.	Mar. 1, 1929.	Feb. 22, 1929.	Feb. 15, 1929.	Mar. 9, 1928.
Gold at home	60,700	60,713	60,700	60,663	61,254
Gold abroad	413,587	434,470	422,930	432,468	471,127
Discounts and advances	97,824	77,783	82,306	72,368	35,440
Loans to Government	...	...	...	...	12,245
LIABILITIES.					
Notes of the bank in circulation	359,354	357,470	345,254	343,381	298,203
Government notes in circulation	16,222	16,305	16,350	16,394	38,272
Deposits	118,485	120,415	103,701	115,184	142,642
Drafts	12,789	20,205	23,022	24,340	3,805
Paid-up capital	90,625	90,625	90,625	90,625	89,523

LONDON RATES.

	Mar. 28, 1929.	Mar. 29, 1929.	Mar. 30, 1929.	Apr. 1, 1929.	Apr. 2, 1929.	Apr. 3, 1929.	Apr. 4, 1928.
Bank rate (changed from 4½% Feb. 7, 1929)	5%		5%		5%	5%	5%
Market rates of discount—							
60 days' bankers' drafts	5⅛		5⅛		5⅛	5⅛	5⅛
3 months' do.	5⅛		5⅛		5⅛	5⅛	5⅛
4 months' do.	5⅛		5⅛		5⅛	5⅛	5⅛
6 months' do.	5⅛	Good Friday.	5⅛	Bank Holiday	5⅛	5⅛	5⅛
Discount (Treasury Bills)—							
2 months'	5⅛		5⅛		5⅛	5⅛	5⅛
3 months'‡	5⅛		5⅛		5⅛	5⅛	5⅛
Loans—Day to day	4		4		4	4	4
Short	4		4		4	4	4
Deposit allowances: Banks	3½		3½		3½	3½	3½
Discount houses at call	3½		3½		3½	3½	3½
At notice	3½		3½		3½	3½	3½

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

Comparison with previous weeks:—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months	Trade Bills. 6 Months
1929.	%	%	%	%	%	%	%
Mar. 14	4½ 5	5⅛	5⅛	5⅛	5⅛	5⅛ 6	6 6½
21	4½ 5	5⅛	5⅛	5⅛	5⅛	5⅛ 6	6 6½
27	4½ 5	5⅛	5⅛	5⅛	5⅛	5⅛ 6	6 6½
Apr. 4	4½ 5	5⅛	5⅛	5⅛	5⅛	5⅛ 6	6 6½

RATES OF EXCHANGE.

London on		Usance	Par.	April 4, 1928.	Mar 27, 1929.	April 4, 1929.
New York ...	dollars to £1	Cable	4·86½	4·88⅛–¼	4·85⅞–86	4·85⅞–⅞
Montreal.....	dollars to £1	Cable	4·86½	4·87½–¾	4·88⅛–¼	4·88⅛–¼
Paris	francs to £1	T.T.	124·21	123⅛–4⅛	124·17½–20	124·20–23
Berlin	marks to £1	T.T.	20·43	20·41½–42	20·46–46½	20·46½–47
Amsterdam ...	florins to £1	T.T.	12·107	12·11–12	12·10⅝–11	12·10½–10⅝
Brussels	belga to £1	T.T.	35·00	34·95½–96	34·94–94½	34·95–96
Milan	lire to £1	T.T.	92·46	92⅝–⅞	92·70–72	92·72–77
Berne	francs to £1	T.T.	25·22	25·33¼–34	25·22½–23	25·21⅝–22½
Oslo.....	kroner to £1	T.T.	18·159	18·27–27½	18·19½–19⅝	18·19⅝–·20
Stockholm.....	kroner to £1	T.T.	18·159	18·17½–18	18·16½–17	18·17⅛–·17½
Copenhagen ..	kroner to £1	T.T.	18·159	18·20–½	18·21½–21⅝	18·21–21⅛
Madrid.....	pesetas to £1	T.T.	25·22½	29·02–04	32·14–·17	32·20–·25
Lisbon	escudo to £1	T.T.	4·50	2¼–⅜	107⅜–108½	108–108½
Vienna	schillgs. to £1	T.T.	34·58½	34·67–72	34·50–·55	34·51–·54
Prague	krone to £1	T.T.	24·02(a)	164½–¾	163¼–½	163¼–164
Belgrade	dinars to £1	T.T.	25·22½	277–8	276½–¾	276½–276⅝
Budapest	pengo to £1	T.T.	27·82	27·93–7	27·83–·88	27·83–·88
Bukarest	lei to £1	T.T.	813·6	775–80	813–816	815–818
Sofia	leva to £1	T.T.	25·22½	672–7	674–677	672–675
Athens	drachmæ to £1	T.T.	375	368–9	374½–375	374¼–375
Constantin'ple	piastres to £1	T.T.	110	962–5	990–995	988–992
Warsaw	zloty to £1	T.T.	43·38	43½–⅝	43⅜–½	43⅜–43⅝
Helsingfors ...	F. marks to £1	T.T.	193·23	193⅞–194	192½–193	192½–193
Kovno	lits to £1	T.T.	48·66	48⅛–¼	48½–49½	48½–49½
Reval	kroon to £1	T.T.	18·159	18·00–18·40	18·16–·23	18·15–·23
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15–·25	25·15–·25
Alexandria ...	piastres to £1	Sight	97½	97⅛–⅜	97⅛–⅜	97⅛–97⅜
Buenos Aires	pence to peso	T.T.	47·62d.	47⅛–⅜	47½–⅝	47½–47⅝
Rio de Janeiro	pence to mils.	90 days	16	5⅜–⅛	5⅜–½	5⅜–5⅝
Montevideo ...	pence to peso	T.T.	51	50½–1½	49½–50½	49⅝–50⅝
Valparaiso.....	dollars to £1	90 days	40	39·38	39·52	39·55
Lima	Eng. to Per. £1	90 days	par	22% prem.	19½% prem.	19½% prem.
Calcutta	pence to rupee	T.T.	18	1/5 3/32–1/6 5/32	1/5 3/32–1/6 5/32	1/5 3/32–1/6 5/32
Bombay	pence to rupee	T.T.	18	1/5 3/32–1/6 5/32	1/6–1/6 5/32	1/5 31/32–1/6 5/32
Madras	pence to rupee	T.T.	18	1/5 3/32–1/6 5/32	1/6–1/6 5/32	1/5 31/32–1/6 5/32
Hong Kong ...	ster. to dollar	T.T.	—	2/0⅛–⅜	1/11 13/16–2/0 3/16	1/11⅝–2/–
Shanghai	ster. to tael	T.T.	—	2/6⅜–7⅛	2/6⅜–2/7 3/16	2/6⅜–2/6⅝
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3⅜–½	2/3⅜–2/3⅝	2/3⅜–2/3⅝
Kobe.....	ster. to yen	T.T.	24·066d.	†2s. 0⅛d.	†2/0⅛	†2s. 0⅛d.
Manila	ster. to peso	T.T.	9·76	23⅞–24½	9·95–10·20	10·0–10·50
Mexico	peso to £	T.T.				

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, *i.e.*, approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Mar. 23, 1929	5½	Oslo	Mar. 26, 1928	5½
Athens	Dec. 2, 1928	9	Paris.....	Jan. 19, 1928	3½
Belgrade	July 26, 1921	6	Prague	Mar. 8, 1927	5
Berlin.....	Jan. 12, 1929	6½	Pretoria	Jan. 9, 1928	5½
Brussels	June 30, 1928	4	Reval	Jan. 2, 1928	7½
Bucharest.....	Sept. 4, 1920	6	Riga	April 1, 1928	6½ / 7½
Budapest	Oct. 1, 1928	7	Rome	Mar. 13, 1929	7
Calcutta.....	Feb. 14, 1929	8	Sofia	Dec. 15, 1928	9
Copenhagen.....	June 23, 1927	5	Stockholm	Aug. 24, 1928	4½
Danzig	June 20, 1927	6	Swiss Bank places	Oct. 22, 1925	3½
Helsingfors	Nov. 15, 1928	7	Tokio.....	Oct. 18, 1927	5·48
Kovno.....	Feb. 8, 1925	7	Vienna	July 16, 1928	6½
Lisbon.....	July 28, 1926	8	Warsaw.....	May 13, 1927	8
New York Federal Reserve....	July 12, 1928	5	Irish	Apr. 21, 1927	5½
Madrid	Dec. 19, 1928	5½			

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	Apr. 3, 1928.	Mar. 6, 1929.	Mar. 13, 1929.	Mar. 20, 1929.	Mar. 27, 1929.	Apr. 3 1929.
	%	%	%	%	%	%
Call money	5	8	7	9	15	10
Time money (90 days' mixed coll.)	4½	7½	7½	8	8	8½
Bank acceptances :—	Selling Rates.					
Members—eligible, 90 days	3½	5⅜	5⅜	5⅜	5⅜	5⅜
Non-mem.—eligible, 90 days ...	3½	5⅜	5⅜	5⅜	5⅝	5⅝
Ineligible, 90 days.....	4½	6	6	6	6½	6½
Commercial accept. 90 days	4	5½	5½	5½	5⅝	5½

Rates of Exchange, New York on—		Par Level.	Apr. 3, 1928.	Mar. 20, 1929.	Mar. 27, 1929.	Apr. 3, 1929.
London—						
60 days.....	Dollars for £1	4·8666	4·84⅛	4·80½	4·80	4·79⅜
Cable			4·8825	4·85⅛	4·85⅛	4·85½
Cheques			4·87875	4·85	4·84½	4·84⅛
Paris..... cheques	Cents for 1 franc	3·918	3·9360	3·9025	3·9050	3·9050
Brussels ..... "	Cents for 1 Belga	13·90	13·955	13·885	13·89	13·89
Switzerland ..... "	Cents for 1 franc	19·30	19·265	19·225	19·23½	19·23
Italy..... "	Cents for 1 lire	5·263	5·2825	5·23⅛	5·23½	5·23
Berlin ..... "	Cents for 1 mark	23·81	23·905	23·705	23·70	23·69
Vienna ..... "	Cts.forAustrn.shlg	14·07	14·08	14·07	14·06	14·06
Madrid ..... "	Cents for 1 peseta	19·30	16·825	15·29	15·09	15·10
Amsterdam ..... "	Cents for 1 guilder	40·195	40·26½	40·015	40·04	40·03
Copenhagen ..... "	Cents for 1 kroner	26·80	26·81	26·63	26·63	26·625
Oslo..... "			26·72	26·65	26·645	26·64
Stockholm..... "			26·85	26·695	26·70	26·68
Athens ..... "	Centsforldrachma	1·297	1·325	1·2950	1·29⅜	1·29⅜
Montreal..... "	Can. Cents for $1	100	¾ prem.	¼ dis.	⅛ dis.	⅜ dis.
Yokohama ..... "	Cents for 1 yen	49·85	47·82	44·45	44·5	44·5
Hong Kong ..... "	Cents for H.Kong $	...	49·75	48·85	48·95	48·75
Shanghai ..... "	Cts. for 1 Shng.tael	...	63	62·20	62·25	61·80
Calcutta ..... "	Cents for 1 rupee	36·50	36·52	36·34	36·34	36·32
Buenos Aires ... "	Gold Pesos for$100	103·65	103	104·80	104·80	104·80
Rio de Janeiro ... "	Cents for 1 milreis	32·42	12·02	11·78	11·75	11·79
Valparaiso..... "	Cents for 1 peso	12·125	12·25	12·07	12·07	12·07

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·38
Venezuela.....	Bolivares to £	25·25	"	25·12
Colombia (Bogota)	Pesos to £1	5	"	5·05
Nicaragua	Cordobas to £	4·8665	"	4·92
Salvador.....	Colones to £	9·73	"	9·77
Bolivia.....	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Selling.
T.T.	—	—	par to ⅛% pm.	⅛% prem.
Demand	1⅛% dis.	⅛% dis.	⅛% dis.	⅛% prem.
30 days.....	1⅛% "	⅛% "	⅛% "	⅛% "
60 days.....	2⅛% "	⅛% "	⅛% "	⅛% "
90 days.....	3% "	⅛% "	⅛% "	⅛% "
120 days.....	3⅛% "	⅛% "	⅜% "	⅛% "

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	New Zealand.	Selling. Australia.	New Zealand.	Australia and New Zealand on London. Buying. Australia.	New Zealand.	Selling. Australia.	New Zealand
T.T.	...	...	99½	99⅝	...	...	101	100⅝
Demand	98½	98½	99⅝	99⅝	99⅜	99⅜	100⅝	100⅝
30 days	97⅛	97⅛	...	...	99⅛	99⅛	100⅛	99⅞
60 days	97	97⅛	...	...	98⅞	98⅞	100	99⅛
90 days	96⅞	96⅞	...	...	98⅝	97½	...	99⅛

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz :—

£1,000 sterling equals 942·00–944·00 tchervontsi.
1 tchervonets = 10 gold roubles. £1 sterling = 9·46 gold roubles.

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council during the financial year ended March 31, 1929, amounted to £30,810,000 by means of purchases of sterling in India. Of this amount, £2,625,000 was remitted on account of the Paper Currency Reserve.

BULLION.

The following statistics of imports and exports of gold for week ended March 28, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland. From—	£
U.S.A.	2,577
British South Africa.....	20,135
Netherlands.....	1,000,000
Other countries.....	2,906
Total declared value of imports	1,025,618

Exported from Great Britain and Northern Ireland. To—	£
Poland.....	6
Germany	4,781
France.....	40,850
Netherlands	10,850
Austria	1,853
Italy	23,900
British India.....	784,670
Java	38,816
Straits Settlements	1,025
Other Countries	4,241
	274
Total declared value of exports	911,260

RETURN FOR WEEK ENDED APRIL 4, 1929.

From—	£
France	6,544
British West Africa	32,344
British South Africa	799,959
Total declared value of imports	838,847

To—	£
Poland	1,702
Germany	7,100
Netherlands	2,185
Switzerland	13,702
Austria	8,875
Other Countries	960
Total declared value of exports	34,524

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929. ARRIVALS.	£
Mar. 28 Bars bought	42
" 28 Coin bought	542
" 30	nil
Apr. 2 Sovs. released	750,000
" 3 Bar gold bought	702,100
" 4	nil
Total	£1,452,684
Net arrivals, £692,684.	

1929. WITHDRAWALS.	£
Mar. 28	nil
" 30 Sovs. set aside	750,000
Apr. 2	nil
" 3	nil
" " 4 Sovs. for export.....	10,000
Total	£760,000

Messrs. Samuel Montagu and Co. write as follows on April 3, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £153,331,566 on the 27th ultimo (as compared with £152,442,839 on the previous Wednesday), and represents a decrease of £574,749 since April 29, 1925, when an effective gold standard was resumed. About £800,000 bar gold from South Africa was offered in the open market to-day. The Bank of England secured £702,100, as shown in the figures below, the balance being taken for India and the trade. There was a net influx of gold of £702,684 during the week under review.

SILVER.

Owing to the Easter holidays business in the silver market has been restricted, during the week under review, to three working days. China has continued to sell and, with America disposed to offer more freely, the burden of support has lain with the Indian bazaars, the latter having secured a fair amount of silver for near shipment. Supplies have been forthcoming with a little more freedom than of late, and prices have, in consequence, eased as compared with those ruling last week.

The following were the United Kingdom imports and exports of silver registered from mid-day on the 25th ultimo to mid-day on the 2nd instant :—

Imports.	£	Exports.	£
Mexico.....	117,907	British India.....	78,127
Canada	22,431	Straits Settlements	42,982
Other countries	2,685	Other countries	1,540
	£143,023		£122,649

The stock in Shanghai on the 28th ultimo consisted of about 76,800,000 ounces in sycee, 116,000,000 dollars and 9,320 silver bars, as compared with about 76,300,000 ounces in sycee, 115,000,000 dollars and 9,300 silver bars on the 23rd ultimo.

Statistics for the month of March last are appended :—

	Bar Silver per oz. std. Cash delivery.	Two Mos. delivery.	Bar Gold. Per oz. fine.
Highest price.....	26⅛d.	26⅛d.	84s. 11½d.
Lowest price	25⅞d.	25⅞d.	84s. 10½d.
Average price	26·000d.	26·044d.	84s. 11·30d.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
Mar. 29.....	Good Friday.			Mar. 23, 1923	32⅛
" 30.....	Market closed.			April 4, 1924	32⅛
Apr. 1.....	Bank Holiday.			" 3, 1925	31⅛
" 2.....	84 10½	25⅝	26	" 9, 1926	30
" 3.....	84 10½	25⅞	25⅞	" 1, 1927	26⅛
" 4.....	84 11	25⅞	5⅛	" 4, 1928	26⅛

NOTICES.

Lloyds Bank, Limited, announce that a sub-branch of the bank is now open at 96 Milton Road, Horfield.

Westminster Bank have opened a new branch at 4 Clinton Place, Seaford.

Barclays Bank, Limited, have opened new sub-branches at Hackbridge and Costons Lane, Greenford Road, Greenford.

The Standard Bank of South Africa, Limited, announce that an agency will be opened on April 5 at Mufulira, near Ndola, Northern Rhodesia.

SUMMARY OF BALANCE-SHEETS.

BRITISH OIL AND CAKE MILLS, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £	ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Ord. shares.....	3,500,000	...	Properties	2,021,524	– 12,542
Pref. ord. shares...	2,909,021	...	Expend. on mills	37,085	+ 29,480
Pref. shares	743,103	...	Allied companies	2,516,032	+ 3,734
Deb. stock & int. accrued	610,708	...	Investments	3,881,439	– 858
Loans & deposits	436,290	+ 183,251	Bills receivable ...	2,456	+ 1,040
Allied cos.	92,642	+ 7,928	Stocks	993,244	+ 147,802
Sundry creditors	496,794	+ 34,891	Sundry trade debtors	463,793	+ 42,558
Reserve account...	931,250	...	Other debtors.....	90,258	– 7,077
Profit and loss ...	374,490	– 21,114	Cash.....	88,467	+ 819
Total 10,094,298		+ 204,956	Total 10,094,298		+ 204,956

JOHN BARKER AND CO., LIMITED.

January 31, 1929.

LIABILITIES.	Amount. £	Compared with Jan. 31, 1928. £	ASSETS.	Amount. £	Compared with Jan. 31, 1928. £
5½% cum. pref., £5	185,000	...	Properties	2,584,311	+ 119,976
6% cum. pref., £1	600,000	...	Goodwill	35,000	– 25,000
Ord. shares, £1 ...	1,106,330	...	Fixtures, &c.	441,424	– 62,475
4½% deb. stock ...	150,000	...	Furniture	19,373	– 8,314
4% deb. stock ...	250,000	...	Plant	24,900	+ 3,376
4½% deb. stock ...	150,000	...	Investments	223,621	+ 6,708
Employees' 5% notes	34,035	+ 4,763	Debtors	476,917	– 90,277
Rebuilding reserve	150,000	– 50,000	Cash.....	550,705	+ 89,611
General reserve ...	827,000	...	Stocks at market value	660,215	– 47,031
Employees' pension fund	95,000	+ 10,000			
Creditors.....	871,198	+ 9,637			
Sinking funds.....	117,251	+ 11,060			
Unclaimed interest	605	– 78			
Profit and loss ...	480,047	+ 1,192			
Total	5,016,466	– 13,426	Total	5,016,466	– 13,426

MORRIS MOTORS (1926), LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £	ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Ord. shares, £1 ...	2,000,000	...	Cash	322,271	+ 140,303
7½% cum. pref., £1	3,000,000	+ 23	Debtors	224,099	+ 13,647
Creditors	1,044,886	+ 145,193	Stocks	1,292,031	– 65,907
Reserve fund ...	1,100,000	+ 725,000	Govt. securities at market value ...	2,170,243	+ 513,493
Revenue account	1,054,635	+ 104,854	Other investments	461,925	+ 114,883
			Plant	927,137	+ 81,534
			Leasehold land, &c.	117,022	+ 2,463
			Freehold land, &c.	907,102	+ 86,118
			Expenditure on buildings, &c....	136.648	+ 88,436
			Goodwill	1,641,043	...
Total	8,199,521	+ 975,070	Total	8,199,521	+ 975,070

MINING OUTPUT STATISTICS FOR MARCH 1929.

	Tons Crushed. Mill.	Cyanide Works.	Gold Recovered. Mill.	Cyanide Works.	Total.	Value.	Profit.
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.		
Cam and Motor	24,000	...	...	...	...	51,019	24,838
Resende	6,400	...	...	...	...	12,761	5,014
St. John del Rey		...	...	...	...	32,300	
Sherwood Star	4,800	...	...	...	...	8,398	3,312

	Tons.	Other Notes in Return.
TIN.		
Assam Kumbang	284	Piculs; February.
Bisichi	58	...
Chenderiang	29	Est. value, £3,628.
Filani (Nigeria)	1½	Tin concentrates.
Idris Hydraulic	41½	Est. value, £5,180; est. profit, £3,170.
Jantar	13·7	...
Kamunting	93	Est. value, £12,145.
Kampong Kamunting	377	Piculs; February.
Kinta	27	Est. value, £3,558; est. profit, £2,100.
Kinta Kellas	41½	Est. value, £5,600.
Lahat	18½	Est. value, £2,552; est. profit, £591.
Malayan Dredging.....	160½	Est. value, £21,615; est. profit, £11,971.
Nigerian Consolidated	20	...
Offin River	6	...
Petaling	238	Est. value, £29,867; est. profit, £22,634.
Rantan	50	Est. profit, £3,033.
Rahman	53½	...
Ropp	72	...
Sungei Kinta	31	...
Southern Perak	66½	...
Southern Malayan	115	Est. value, £14,669; est. profit, £9,341.
Sungei Besi.....	46	Est. value, £6,085; est. profit, £1,969.
Tanjong	24	Est. value, £3,103; est. profit, £1,357.
Teja Malaya	28½	...
Temoh	22	...
Thawawleik	633	Piculs; February.
Talping	48	Est. profit, £3,383.
Ulu Yam.....	355	Piculs; February.
Zaaiplaats	11	...
COAL.		
Clydesdale (Transvaal)	42,037	...
Natal Navigation	108,230	...
South African	60,314	...
Tweefontein United	64,515	...
Vereeniging Estates	237,978	...
COPPER.		
Messina (Transvaal)	577	...
DIAMOND.	Carats.	
Crown	6,456	...
New Vaal River.....	828	£8,779 realised.
West African	13,600	...

BARCLAYS BANK
LIMITED

HEAD OFFICE: 54, LOMBARD STREET, LONDON, E.C.3.

And over 1,950 Branches in England and Wales.

DRAWING ACCOUNTS are opened upon the terms usually adopted by Bankers.

DEPOSITS AND SMALL SAVINGS of any amount are received, and interest will be allowed when the Deposit amounts to £1. Deposit Books are issued when required.

Fuller information will be given readily by any of the Branch Managers upon application

EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Mar. 29, 1929. (c) Week ended Mar. 30, 1929.	Miles Open.	Week ended Mar. 31, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 13 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western...	3,733	296	210	124	334	630	2,568	2,740	1,721	4,461	7,029
Do. for 1928 ..	3,734	204	225	126	351	555	2,568	2,842	1,585	4,427	6,995
Lon.&N.Eastn.(c)	6,345	439	393	270	663	1,102	3,925	5,171	3,710	8,881	12,806
Do. for 1928 ..	6,363	330	462	274	736	1,066	3,990	5,587	3,353	8,940	12,930
Lond.,Mid.&Scot.	6,953½	742	506	267	773	1,515	5,918	7,045	4,134	11179	17,097
Do. for 1928 ..	6,950½	524	616	299	915	1,439	5,963	7,663	3,758	11421	17,384
Southern	2,177	440	80	35	115	555	3,469	956	465	1,421	4,890
Do. for 1928 ..	2,177	280	95	34	129	409	3,410	1,029	398	1,427	4,837
Metropolitan (c)	59	33·7	...	...	3·3	37·0	406·5	...	...	49·1	455·6
Do. for 1928 ..	59	33·0	...	...	3·9	36·9	410·9	...	...	49·4	460·3
†Und'gr'nd E.R.c	...	...	...	...	...	285·5	...	...	...	...	3,434·6
†Do. for 1928	...	...	...	...	...	278·4	...	...	...	...	3,512·4
Lon.&Sub.Gr'upe	...	...	...	...	...	43·1	...	...	...	...	486·0
Do. for 1928 ..	...	...	...	...	...	40·2	...	...	...	...	501·6
B'l'st&Co.D'wn b	80	2·0	...	...	1·1	3·1	24·4	...	...	12·2	36·6
Great Northern b	562	12·0	...	...	19·5	31·5	...	...	...	...	347·7
Great Southern b	2,187	24·8	...	...	52·4	77·2	...	...	...	...	909·3

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or −	Total Gross Receipts. 1929.	+ or −
				Rs.	Rs.	Rs.	Rs.
INDIAN.							
Assam Bengal	47weeks	Feb.23	1,206	4,63,000	− 63,159	2,07,16,337	+ 4,82,191
Barsi Lt. Ry.....	49weeks	Mar. 9	202	46,700	+ 800	23,13,400	+ 6,67,400
Bengal & N.Western	49weeks		9	2,078	8,24,058	+ 19,267	1,63,84,932	− 5,39,421
Bengal-Nagpur.....	46weeks		16	2,979	4,95,000	− 81,480	18,84,000	− 2,00,952
Bombay, Bar.& C.I.	50weeks	Mar.23	3,022	27,78,000	+113000	11,59,72,000	+40,06,000
Burma	35weeks	Dec. 1	1,349	7,24,790	− 80,277	2,73,09,216	− 1,42,540
Madras & S. Mahr ..	48weeks	Mar. 2	3,121	21,32,000	−244099	8,68,46,771	+56,18,300
Misam'sGuarantd.(s)	49weeks		9	1,146	5,82,852	+105859	2,00,64,151	+14,34,943
†Rohilk'd&Kumaon	49weeks		9	572	1,57,504	− 4,786	30,36,850	− 2,09,525
South Indian	49weeks		2	2,294	12,23,355	−141434	5,68,93,754	− 5,22,111
				£	£	£	£	£
CUBAN.								
United of Havana†	39weeks	Mar.30	1,374	120,373	− 8,998	2,876,395	+ 43,677
URUGUAYAN.								
Central Uruguay ..	39weeks	Mar.30	273	27,662	− 5,963	1,181,085	− 14,083
O. Urug. (East Ext.)	39weeks		30	311	5,794	− 3,274	267,231	− 4,663
O.Urug.(North.Ext.)	39weeks		30	185	3,201	− 734	143,305	+ 4,515
O. Urug.(West. Ext.)	39weeks		30	211	3,376	− 1,201	117,522	+ 1,343
				$	$	$	$	$
CANADIAN.								
Canadian National	11weeks	Mar.21	19,362	5,012,294	+ 271,820	52,706,684	+ 322,786
Canadian Pacific ...	13weeks		31	14,822	†5,404,000	+ 3,000	47,463,000	+ 362,000
				£	£	£	£	£
BRAZILIAN (b).								
Gt. West. of Brasil	13weeks	Mar.30	1,016	14,400	+ 1,400	276,900	+ 60,300
Leopoldina.....	13weeks		30	1,856	35,442	− 22,926	466,375	− 177,700
Leopoldina Termnl.	13weeks		30	Mlrs	271,000	+ 8,000	3,618,000	+ 132,000
San Paulo	13weeks		31	155½	39,930	− 9,810	614,069	+ 54,504
				£	£	£	£	£
CHILEAN.								
Antofagasta (Chili and Bolivia).....	13weeks	Mar.31	838	36,730	− 4,060	540,290	+ 67,150
Nitrate (½-monthly)	12weeks		31	402	33,678	− 4,307	236,818	+ 24,670
				£	£	£	£	£
OTHER OVERSEAS.								
Egyptian Delta	48weeks	Mar.10	608	£8,697	+ 1,445	321,355	+ 23,845
Gt. Southn. of Spain	12weeks		23	104	Ps 143,394	+ 8,175	1,516,439	− 44,139
Mexican Railway...	11weeks		21	483	$268,800	− 38,300	2,673,400	− 464,100
Paraguay Central ..	38weeks		23	274	£4,560	+ 250	167,290	+ 3,010
Salvador.....	39weeks		30	100	£6,667	− 1,307	196,143	+ 5,960

† Including Lucknow-Bareilly State Railway. (c) Total receipts of all lines.

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

ARGENTINE (a).

				£	£	£	£
Argentine N.E.	39weeks	Mar.30	753	14,200	− 1,700	606,100	+ 21,500
B.A. and Pacific ...	39weeks	30	2,806	202,000	+ 11,000	6,662,000	+ 682,000
B.A. Central	39weeks	31	...	14,318	+ 220	565,991	+ 16,896
B.A. Gt. Southern	39weeks	30	4,725	279,000	− 16,000	9,736,000	− 506,000
B.A. Western	39weeks	30	1,926	100,000	− 20,000	3,928,000	− 86,000
Central Argentine .	39weeks	30	3,319	262,000	− 20,000	10,555,000	+ 248,000
Cordoba Central....	39weeks	30	1,218	65,000	+ 3,000	2,695,000	− 6,200
Entre Rios	39weeks	30	728	27,900	− 3,900	1,206,900	+ 56,900

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or −	Total Receipts. 1929.	+ or −
				£	£	£	£
Anglo-Argentine ...	13weeks	Apr. 1	329	£81,932	− 7,939	1,122,300	− 43,648
B. Aires Lacrose ...	39weeks	Mar.31	...	£12,222	− 592	510,294	+ 2,276
Burnley Corporation	1 week		13	£3,520	+ 535	...	...
Calcutta Tramways	1 week	30	35½	Rs116,340	− 9,463	...	...
Chatham & District	11weeks	21	15	£948	− 271	10,834	+ 3,249
Egyptian Markets..	11weeks	21	...	£1,837	+ 540	24,614	+ 160
Glasgow Corporation	37weeks	16	136½	£42,612	− 1,789	1,800,109	− 78,839
Isle of Thanet Trams	11weeks	20	...	£824	+ 6	8,549	− 640
Liverpool Corp.....	52weeks	30	124	£29,734	− 1,087	1,532,866	+ 49,479
L.C.C. Tramways .	37weeks	27	166	£83,709	+ 1,412	4,226,050	+ 111,403
Madras Electric ...	‡10w'ks	31	...	Rs. 46,245	+ 8,678	2,61,002	+ 19,084

‡ Fortnightly figures.

RHODESIAN GOLD OUTPUT.

Month.	1926.	1927.	1928.	1929.
	£	£	£	£
January	207,021	206,094	217,027	195,481
February	194,556	195,996	196,649	191,786
March	197,908	213,708	204,000	...
April	219,984	204,876	206,234	...
May	209,331	207,818	200,130	...
June	221,560	223,418	218,745	...
July	213,500	207,448	206,877	...
August	209,982	199,860	214,077	...
September	204,187	193,646	201,625	...
October	211,680	197,501	182,032	...
November.....	215,982	200,481	201,689	...
December	202,836	208,016	189,319	...
Total Gold	2,508,527	2,458,862	2,438,404	...

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Latest Year.	Previous Year.
INSURANCE.					
West of Scotland	8/- p.s.†	...	...	12/-p.s.	...
TEA AND RUBBER.					
Bahru Selangor Rubber.....	16⅔%†	...	...	25	25
Bukit Cloh Rubber.....	12½%†	...	...	20⅚	25
Cheviot Rubber	...	May 22	...	10	12½
Golconda Malay Rubber	...	Apr. 30	...	10	15
Harpenden (Selangor) Rubber ...	...	...	...	4	5
Java Amalgamated Rubber.....	...	May 22	...	10	17½
Labu (F.M.S.) Rubber	...	...	...	10	12½
London Asiatic Rub. & Produce	...	Apr. 23	Less tax	15	20
New Crocodile (Selangor) Rubber	7½%†	...	...	5	...
Pilmoor Rubber.....	...	Apr. 18	Less tax	10	15
Rosehaugh (Ceylon) Rubber	5%*	...	...	5	...
Scottish Tea and Lands	3%*	Apr. 4	Less tax	...	...
Scottish Malay Rubber	...	...	Less tax	...	...
Tenom (Borneo) Rubber.....	...	...	Less tax	2½	2½
MINING.					
Champion Reef Gold	...	Apr. 20	Less tax	1/-p.s.	...
New Vaal River Diamond	...	...	...	2½	5
Ooregum Gold...	...	Apr. 27	...	1/- p.s.	...
Sinai.....	8⅓%†	...	Tax free	12½	...
South Crofty	...	...	Less tax	10	25
OTHER COMPANIES.					
Anglo-French Exploration	...	...	...	10	12½
Atlas Light and Power	2%*	Apr. 20	Less tax	...	...
British Combined Investors Tr...	...	...	Less tax	5	5
Browne and Eagle	...	...	...	7	7
C. and W. Walker	...	...	Tax free	10‡	10‡
Canadian Car and Foundry	12½%	May 30	Quarterly	...	...
Crystalate Record	25%†	...	...	41⅔	...
Edinburgh Invest. Trust (Def.)	7%†	...	...	12	12
E. Robinson and Sons	5%†	...	...	10§	10§
F. McNeill	7½%†	...	...	10	8
Gordon Hotels.....	...	...	...	5	5
Hodgson's Kingston Brewery...	4%*	Apr. 11	...	...	...
Irish-American Oil	...	...	Tax free	10	10
J. and R. Allan	...	...	...	10	8
John Mowlem and Co.	...	May 31	...	12½	12½
Joseph Lucas	5%*	...	...	...	...
Klanang Produce	...	...	Less tax	15	20
Marcroft Wagons	1/-p.s.†	...	Tax free	10	...
M. C. Thomson	...	...	Tax free	2½	6
Memphis Cotton Hull Fibre ...	12½ cts.*	...	...	...	...
Monte Video Waterworks.....	5%†	...	Less tax	8	8
New Bulawayo Syndicate	...	...	Tax free	10	...
Owen Parry	...	...	...	2½	12
Pettigrew and Stephens	...	...	Less tax	15	12½
River Plate Electricity.....	...	...	...	11	11
Second Caledonian Trust	...	...	Less tax	7	6
Shanghai Elec. Construction	7½%†	...	Tax free	12½	12
Smith and McClean	...	...	Less tax	7	6
Solicitors' Law Stationery	...	...	Less tax	10	10
South London Electric Supply ...	...	...	...	8½	8½
South Metropolitan Elec. Light	...	...	...	8½	8½
Third Scottish Western Invest.	...	...	...	7	6
United Molasses	11%†	Apr. 25	Less tax	19	17
United States Investment.....	7%†	...	Less tax	14	14
Workington Brewery	...	...	Less tax	10	10

§ Plus bonus of 1s. p. s. ‡ 6d. p.s. bonus.

Reports and Notices.

Mr Reginald Foster has resigned as chairman and managing director of British Ropes, Limited, as from March 31, 1929, but will retain his seat on the Board.

Sir Thomas S. Catto, Bart., has been appointed deputy chairman of The Mercantile Bank of India, Limited.

Sir Archibald Weigall, K.C.M.G., has been appointed chairman of Allied Ironfounders, Limited.

Sir Ernest Oppenheimer, M.L.A., has been elected to a seat on the Central Board of Barclays Bank (Dominion, Colonial and Overseas).

Mr. Norman Bonnington Dickson, O.B.E., M.I.C.E., has been elected a director of The Merchants Trust, Limited.

Mr. Cecil Lubbock has been appointed to a seat on the London Board of the Bank of New Zealand.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Preference. Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
Banks.		£	£	£	£	£	%	£	£	£	%
Bank of Scotland	Feb. 28	166,801	374,283	541,084	...	216,000	18	155,000	170,084	372,335	17
Electric Lighting, etc.											
Brompton and Kensington	Dec. 31	11,557	41,328	52,885	537	30,265	1/8.706	5,503	16,580	38,008	1/8.706
Chelsea Electricity.....	Dec. 31	27,318	70,575	97,893	1,800	35,099	8⅞	36,955	24,039	73,229	8⅞
County of London Electric	Dec. 31	204,988	1,011,994	1,216,982	196,395	310,333	10	346,044	364,210	896,649	7½
South London Electric.....	Dec. 31	65,683	113,961	179,644	1,800	41,990	8½	40,457	95,397	...	...
South Metropolitan Electric	Dec. 31	118,247	177,857	296,104	16,500	51,000	8½	76,528	152,076	...	...
Tyneside Electrical.....	Jan. 31	1,116	7,422	8,538	4,423	1,871	7	1,000	1,244	4,508	10
Iron, Coal and Steel.											
Coltness Iron	Dec. 31	113,375	115,263	228,638	25,750	39,375	5	45,000	118,513	165,282	10
Edinburgh Collieries	Jan. 31	*Dr. 26,726*	*Dr. 43,575*	*Dr.70,301*	...	...	...	...	*Dr70,301*	*Dr42,747*	...
Maclellan (P. and W.)	Dec. 31	6,985	7,762	14,747	9,000	...	...	...	5,477	9,127	...
Hotels, Restaurants, etc.											
Gordon Hotels.....	Dec. 31	2,002	98,548	100,550	54,136	32,810	5	10,000	3,604	88,858	5
Motor and Cycle.											
Morris Motors (1926).....	Dec. 31	224,781	1,054,854	1,279,635	225,000	...	...	900,000	154,635	1,143,922	...
Rubber, etc.											
Batu Caves	Dec. 31	9,874	10,821	20,695	...	10,800	5	1,370	8,525	18,440	8
Damansara (Selangor).....	Dec. 31	7,246	12,617	19,863	...	12,600	4	...	7,263	28,896	8
Edinburgh Estates.....	Nov. 30	3,410	3,923	7,333	...	...	...	2,000	5,333	11,503	2½
Harpenden (Selangor)	Dec. 31	6,673	6,306	12,979	1,379	6,000	4	...	5,600	11,010	5
Java Amalgamated	Dec. 31	18,996	17,916	36,912	...	18,500	10	8,000	10,412	52,454	17½
Seafield	Dec. 31	21,810	11,738	33,548	...	20,000	10	*Dr.5,950*	19,498	13,003	5
Shops and Stores.											
Barker (John) and Co.	Jan. 31	289,818	444,901	734,719	46,175	221,266	20	176,268	291,010	431,170	20
Bobby and Co.	Feb. 10	24,157	94,741	118,898	44,250	40,000	...	10,009	24,639	81,462	...
Tea.											
Augusta Estates.....	Dec. 31	303	375	678	163	250	5	37	228	1,322	20
Panawal Tea and Rubber...	Dec. 31	5,458	2,044	7,502	525	2,210	12½	...	4,767	4,080	20
Textiles.											
British Enka Artificial Silk	Dec. 31	...	*Dr. 82,352*	*Dr. 82,325*	...	...	...	...	*Dr82,325*	4,467	...
Tramways.											
Lanarkshire Tramways ...	Dec. 31	*Dr. 9,497*	3,498	*Dr. 5,999*	...	...	...	...	*Dr. 5,999*	3,925	...
Trust.											
First Co-op. Investment ...	Jan. 31*	1,612	44,477	46,089	1,210	48,412	7	*Dr. 5,485*	1,955	46,061	7
Second Caledonian.....	Mar. 1	3,396	30,517	33,913	12,000	9,600	6	...	12,313	13,396	5
Third Scottish Western Investment.....	Mar. 1	13,812	33,903	47,715	12,063	13,067	7	...	22,585	32,706	6
Waterworks.											
Monte Video Water Works	Dec. 31	106,237	156,542	262,779	...	76,500	8	70,000	116,279	143,231	8
Other Companies.											
Allan (J. and R.)	Feb. 19	10,265	17,620	27,885	3,000	10,000	10	...	14,885	16,199	8
British Oil and Cake Mills...	Dec. 31	34,492	640,885	675,377	40,870	363,628 / 210,000	12½ Pfd. / 6 Ord.	30,000	30,879	732857	12½ Pd. / 8½ Ord
Browne and Eagle.....	Dec. 31	12,616	15,288	27,904	6,250	7,000	7	3,000	11,654	16,307	7
Handley Page.....	Dec. 31	11,724	47,794	59,518	19,914	...	...	15,000	24,604	46,838	...
Meurisse	Dec. 31	...	39,240	39,240	11,950	10,720	6	5,000	11,570	...	...
Pettigrew and Stephens.....	Feb. 19	18,701	33,937	52,638	7,250	20,400	15	5,000	19,988	33,410	12½
Robinson (E.) and Sons.....	Mar. 15	12,284	14,932	27,216	1,000	6,750	15	500	18,966	15,700	15
Steel Brothers.....	Dec. 31	...	390,456	390,456	123,000	150,000	15†	117,456	...	374,579	17½†
Thomson (M. C.) and Co. ...	Jan. 31	11,414	8,565	19,979	3,000	1,875 / 12,500	† 2½ / †16	*Dr9,000*	11,604	7,791	6

* For half-year. †Free of Income Tax.

Mr Edwin Gray, having resigned the chairmanship of the London and Provincial Marine and General Insurance Co., Limited, in consequence of ill-health, the directors have elected as his successor Mr Richard de Neufville. Mr Gray still retains a seat on the board.

Barclays Bank Dramatic Society announces that, as a result of the recent performances of "Ambrose Applejohn's Adventure," at the Arts Theatre, the sum of £425 has been handed to the Bank Clerks' Orphanage.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(c) Week ended Mar. 23, 1929.	Miles Open.	Week ended Mar. 24, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods	Total for Week.	Aggregate 12 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western ..	3,733	202	235	142	377	579	2,272	2,530	1,597	4,127	6,399
Do. for 1928 ..	3,734	197	224	128	352	549	2,364	2,617	1,459	4,076	6,440
Lon.&N.Eastn.(c)	6,345	302	442	315	757	1,059	3,486	4,778	3,440	8,218	11,704
Do. for 1928 ..	6,363	306	434	267	701	1,007	3,660	5,125	3,079	8,204	11,864
Lond.,Mid.&Scot.	6,956½	482	603	330	933	1,415	5,176	6,539	3,867	10406	15,582
Do. for 1928 ..	6,952½	474	620	297	917	1,391	5,439	7,047	3,459	10506	15,945
Southern	2,175	270	84	37	121	391	3,029	876	430	1,306	4,335
Do. for 1928 ..	2,175	265	84	36	120	385	3,130	934	364	1,298	4,428
Metropolitan (c)	59	32·2	...	...	4·0	36·2	372·8	...	...	45·8	418·6
Do. for 1928 ..	59	32·0	...	...	3·9	35·9	377·9	...	...	45·5	423·4
†Und'gr'nd E.R.c	...	...	...	...	...	285·3	...	...	...	...	3,149·1
†Do. for 1928	...	...	...	...	...	282·4	...	...	...	...	3,234·0
Lon.&Sub.Gr'upe	...	...	...	...	...	40·8	...	...	...	...	442·9
Do. for 1928 ..	...	...	...	...	...	40·7	...	...	...	...	461·4

The receipts for 13 weeks will be found on page 772.

Mr Alfred Henry Sayer, M.C., has been elected a director of Wesleyan and General Assurance Society, in room of Mr Alfred Franklin, deceased.

BANKS.

NATIONAL BANK OF EGYPT.—The net profit for 1928 amounted to £651,622, as compared with £614,099 for 1927. The sum of £100,000 is put to reserve for contingencies. The dividend on the ordinary shares is 18 per cent., against 17 per cent. The carry forward is increased from £210,173 to £221,795.

THE BANK OF SCOTLAND.—The following is a summary of the accounts for the past three years:—

	1926–27.	1927–28.	1928–29.
	£	£	£
Net profits	370,119	372,335	374,283
Brought forward	150,347	153,466	166,801
Available	520,466	525,801	541,084
Dividend	192,000 (16%)	204,000 (17%)	216,000 (18%)
To reserve	125,000	125,000	125,000
To premises and properties	50,000	30,000	30,000
Balance carried forward	153,466	166,801	170,084
Paid-up capital	1,500,000	1,500,000	1,500,000
The reserve fund	1,632,500	1,757,500	1,882,500
Balance carried forward	153,466	166,801	170,084
Reserve fund and balance carried forward	1,785,966	1,924,301	2,052,584
Deposits and credit balances	31,936,520	30,984,420	32,068,385
Advances	13,332,097	14,285,378	17,229,717

CONTINENTAL ILLINOIS BANK AND TRUST COMPANY—According to the statement of condition of business dated March 18, 1929, the total resources of this institution amounted to $1,162,977,947. Deposits total $868,019,729. The invested capital amounts to $164,000,000. Cash and due from banks amounts to $187,044,675. U.S. Government Bonds and Treasury Certificates stand at $98,718,756. Acceptances total $21,403,883. Surplus is $65,000,000. Undivided profits amount to $4,060,156. Reserve for contingencies stands at $10,000,000. Reserve for taxes amounts to $6,471,277. Other reserves are at $2,000,000.

MISCELLANEOUS.

AKTIEBOLAGET SEPARATOR. — The Aktiebolaget Separator Stockholm, reports the results of its operations for the year 1928. Net profits for 1928 amount to Swedish Kr. 9,731,954.88=£540,664, against Kr. 8,639,402.44=£479,967 in 1927. Combined with the balance brought forward of Kr. 3,889,293.57=£216,072, total available profits amount to Kr. 13.621,248.45=£756,736. The board of directors will put before the general meeting of shareholders, expected to be held on May 27th, a proposal to pay a dividend of Kr. 8½=9s. 2d. per share on such shares which are entitled to full dividend, as against Kr. 8=8s. 10¾d. in 1927. The London issue of the "B" shares entitled to only ⅞ dividend for 1928, will receive Kr. 5½=6s. 1½d. This distribution on ordinary shares will absorb Kr. 6,226,000=£345,889; the board of directors further proposes to make the following allocations:—Kr. 1,050,000=£58,333 to reserve for 1929 preferred dividend; Kr. 1,200,000=£66,667 to reserve for 1929 taxes; and Kr. 5,145,248.45=£285,847 to carry forward to 1929 profit and loss account. Conversion from Swedish Kr. into sterling has been effected at the rate of exchange of £1=18 Kr.

SALTS (SALTAIRE) LIMITED.—The directors regret they are not in a position to recommend any payment on account of the dividend on the 7 per cent. cumulative preference shares. The position will be reconsidered when the final accounts for the company's financial year are available.

RICHARD THOMAS AND CO., LIMITED.—The directors regret that they are unable to pay the preference dividend due on March 31st.

FIRST CO-OPERATIVE INVESTMENT TRUST, LIMITED.—The results for the half-year ended January 31, 1929, show a credit balance of £49,540. The sum of £6,500 is transferred from reserve for dividend equalisation and £1,612 is brought in from preceding account, making £57,652 available. Preference dividend absorbed £1,210. Ordinary dividend of 7 per cent. absorbed £48,412. Directors' remuneration for half-year was £5,063. Reserve for proportion of dividend on preference shares to January 31, 1929, was £1,011. The carry-forward is £1,955.

THE BRITISH OIL AND CAKE MILLS, LIMITED.—The balance at credit of profit and loss account for 1928 is £610,884, against £702,857 for 1927, and adding the amount brought forward from 1927, the sum available is £645,376, against £736,491, which the directors recommend be applied as follows:—Preference dividend, £40,870; preferred ordinary dividend of 12½ per cent. (less income tax), £363,628; ordinary dividend of 6 per cent. (less income tax), against 8½ per cent. for 1927, £210,000; carry forward, £30,878. Although there has been an increase in turnover, the margin of profit has been narrow largely owing to the continued depressed condition of agriculture.

THE STOCK EXCHANGE DIVIDEND.—An increased dividend is to be paid to the proprietors of the Stock Exchange for the past financial year. The final dividend for the year is to be £9 per share, making £13 for the year, against £11 for the preceding year, and £9 for 1926-27. The carry-forward is increased from £39,562 to £59,859.

THE UNITED MOLASSES COMPANY, LIMITED.—The profit of United Molasses Company, Limited, and its associated and subsidiary companies for the year 1928 amounts to £539,809 (last year £386,102). From this depreciation must be deducted amounting to £153,136 (last year £119,853), leaving a balance of £386,673 (last year £266,249). At the annual general meeting, to be held on the 15th instant, the directors will recommend that a final dividend of 11 per cent. actual, less tax, on 1,496,590 ordinary shares (making 19 per cent. for the year) shall be paid on April 25th next (against last year 17 per cent. dividend and a 2 per cent. share bonus on 662,908 shares). That the capital of the company be increased from £3,000,000 to £6,000,000 by the creation of an additional 2,000,000 ordinary shares and 1,000,000 6 per cent. cumulative preference shares to be issued on such terms and at such times as the directors may determine.

BRITISH ENKA ARTIFICIAL SILK COMPANY.—The profit and loss account for 1928 shows a loss of £82,325, after making due allowance for depreciation of buildings, plant, machinery and equipment, and charging head office expenses, interest on debentures and loans. In December, the capital of the company was increased to £1,250,000 by the creation of 250,000 ordinary shares of £1 each, which were subscribed at 26s. per share, free of any commission, by the Maekubee Co. and the Union Corporation, Limited. In accordance with the arrangement made with those two companies, the shares so subscribed were offered on the same terms to shareholders on January 3, 1929. The issue of these shares provided £325,000 of cash, out of which a temporary loan contracted with those companies, which reached the amount of £220,000, was liquidated. £3,100 of first mortgage 6 per cent. convertible debentures were converted by holders during the year into £3,100 of 7½ per cent. cumulative participating income notes.

LEVER BROTHERS.—The report for the year ended December 31, 1928, shows a balance of £5,375,870 to the credit of profit and loss account (as compared with £5,390,288 in 1927), after charging debenture interest £444,988 (against £454,151) and making provision for depreciation. Dividends on the 7 per cent. and the 8 per cent. "A" preference shares absorb £3,380,772, and dividends on the preferred ordinary shares of all denominations a total of £1,514,760. A 5 per cent. dividend has been paid on the ordinary shares, absorbing £120,000 (the same as a year ago), and £200,000 is put to general reserve. A year ago the reserve fund received £272,962. The balance carried forward at £160,337 shows an increase of £58,542. The directors have followed the policy, as in earlier years, of treating associated companies on the footing of branches, i.e., all their undistributed profits have been taken to credit, and all their losses reserved for in the balance sheet. The directors are satisfied that shares and debentures in, and capital loans to, associated companies and shares in other companies are in the aggregate of the value at which they are included in the balance sheet.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

Climatic conditions remained favourable for field work, and farmers are busily occupied on spring sowings, so that a comparatively large area is likely to be put under cereals this season. In many parts of the country rain is urgently needed after the long spell of dry weather, and warm, copious showers would considerably enhance agricultural prospects. Native wheat continued in small supply, and best samples realise full to rather firmer prices. Steady conditions also prevailed among imported varieties, but trading was of a restricted character, as the market was still under holiday influences. In the floating and forward cargo section, the decline in prices was temporarily arrested by the reluctance of North American sellers to grant further concessions and by partial rallies on the other side. The close, however, was weaker; buyers remained indifferent under the influence of large world's visible supplies. United States supplies are a prominent factor in the international situation. Private reports indicate increased Canadian sowings, while favourable climatic conditions over Europe also tend to limit purchases. Feeding stuffs are weak, prices being again reduced for Plate maize in order to stimulate buying interest.

Wheat quiet, but generally steady. No. 2 Northern Manitoba, 50s.; No. 3 ditto, 48s. 9d.; No. 4 Manitoba, 47s. 9d.; No. 5, 43s. 9d.; No. 6, 38s. 3d.; Rosafe, 63½ lb., 45s. 3d.; Barusso, 63½ lb., 45s. 6d.; Australian, 47s. 3d., all ex ship, per 496 lb. English, 9s. 6d.-9s. 8d. per 112 lb.

Flour quiet. London standard grade, 37s. 6d.; town whites, 38s. 6d.; patents, 39s. 6d.-40s. 6d. per sack, delivered in the Home Counties, with 6d.-1s. per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 34s.-37s.; Minneapolis, 34s. 6d.-37s.; Australian, 35s.-35s. 6d., ex store. On c.i.f. terms Manitoba top patents, April, quoted 35s 6d.-36s. 6d.; export ditto, 33s. 6d.-34s. 6d.; Australian, 32s. 6d.-33s. per 280 lb.

Maize easier, following forward weakness. Plate, landed, 43s.; ex ship, to arrive, 41s. 6d.; March-April, 38s. 3d.; new, April-May 37s. 9d.; May-June, also June-July and July-August, 37s. 6d.; No. 2, white, flat, African, 41s. 6d., landed; No. 2, American, mixed, 41s., landed, per 480 lb. Yellow maize meal, £11 10s., ex wharf; Hominy chop, £9 7s. 6d. per ton.

Barley slow. Californian, ex ship, 45s.-52s.; Chilian Chevalier, 48s.-58s.; Australian, 43s.-48s.; Smyrna, 44s.-47s. per 448 lb. Algerian/Tunisian, ex ship, 34s. 6d.; Canadian, feed, 29s. 9d.; No. 3 Canadian, Western, April, 33s. 3d.; No. 2, Federal American, 29s. 9d., all ex ship, to arrive, per 400 lb. English, malting 10s.-12s.; feed, 9s. 3d.-10s. per 112 lb.

Oats quiet. Plate, landed, 26s. 3d.; ex ship, to arrive, 25s. 3d.; black, Plate, landed, 25s.; mixed, Canadian, feed, landed, 22s.; Chilian, white, 32s. landed; German, landed, 29s. 3d., ex ship, to arrive, 28s. per 320 lb. English, 9s. 4d.-10s. per 112 lb. Scotch, landed, 30s. 9d. per 336 lb. Irish, black, 27s. 6d. per 320 lb.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to March 30	Qrts. 105,458	Qrts. 286,826	Qrts. 186,011	Qrts. 184,185
26 weeks to March 30	7,982,138	7,743,739	9,593,483	10,856,795
Average price of English wheat per cwt.	s. d. 9 9	s. d. 10 0	s. d. 11 7	s. d. 11 8

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Qrts.	Qrts.	Qrts.	s. d.	s. d.	s. d.
Mar. 23	203,739	108,456	58,074	9 9	10 2	9 8
Mar. 30	105,458	61,881	30,310	9 9	10 3	9 9
Mar. 28, 1925...	167,390	93,214	65,973	12 11	11 1	9 9
Mar. 27, 1926...	176,683	104,858	49,884	11 7	9 0	8 10
Apr. 2, 1927...	186,011	71,692	64,982	11 7	10 10	8 2
Mar. 31, 1928...	286,826	110,069	53,854	10 0	10 11	11 0

AMERICAN WHEAT MARKETS.

Unfavourable weather conditions, keener export demand and lighter country offerings have caused an upward tendency in wheat prices. Rumours of rain and snow caused a fall on Tuesday, but this was not sufficient completely to offset the gain on the week. Quotations:—

Nearest Future.	Jan. 4, 1928.	Apr. 3, 1928.	Jan. 2, 1929.	Mar. 13, 1929.	Mar. 20, 1929.	Apr. 3, 1929.
Winnipeg (No. 1 Manitoba) —Cents per 60 lb.)	137	144¼	122	132¼	129⅛	124¼
Chicago (No. Winter)— Cents per 60 lb.....	130⅛	143¼	116⅛	125¼	123¼	118½

Visible supplies of wheat in Canada at 88,828,000 bushels show an increase of 1,042,000 bushels as compared with the previous figure. Supplies a year ago stood at 77,058,000.

THE COAL TRADE.

Our Sheffield correspondent writes:—New business on export account has been a little quiet, but shipments from Yorkshire ports keep at a high level. Buying of bunker coal is also quieter. Industrial requirements are on a moderate scale, and there is little expansion in this department. Works are consuming less coal than formerly. South Yorkshire steams are quoted at 15s. 6d. at pits. The demand for ordinary quality of house coal is falling off, but there is no difficulty in disposing of outputs of the best sorts, the prices of which have been reduced 2s. per ton. The scarcity of furnace coke amounts almost to a famine. Orders are being refused by producers, and the starting of blast furnaces is being held up for want of coke. The heavy demand, both home and export, for coke for central heating is largely responsible for the present shortage of supplies, and when this falls off, the output of coke will barely meet the expanding requirements of the blast furnaces.

Our Glasgow correspondent writes:—There are now plentiful supplies of coal for shipment, and prices of most classes have fallen while the tendency is still on the easy side. Foreign buyers seem still disinclined to buy at current rates. In connection with the coalowners' new scheme, it is understood that one of the biggest Lanarkshire concerns which up to the present seemed to be opposed to the proposals is now likely to join in with those in favour of the new plants. Shipping prices are approximately as follows (f.o.b. district ports):—

Lanarkshire.—Ell best, 17s. 6d.; splint best, 18s. 6d.; splint second, 18s.; navigation, 18s. 6d.; navigation second, 16s.; steam, 15s. 6d.; Hartley, 18s. 9d.; trebles, 15s. 6d.; doubles, 14s. 6d.; singles, 12s. 9d.; pearls, 11s. 6d.; dross, 10s. 6d. Fife.—Screened navigation, 19s. 6d.; first-class steam, 15s.; third-class steam, 13s. 6d.; trebles, 14s. 6d.; doubles, 13s. 6d. to 14s.; singles, 12s. 6d. to 13s.; pearls, 11s. 6d. to 12s. Lothians.—Prime steam, 15s.; secondary steam, 15s.; trebles, 14s. 6d.; doubles, 13s. 9d.; singles, 12s. 9d.; pearls, 11s. 6d. Ayrshire.—Unscreened navigation, 16s. 6d.; jewel, 17s. 6d.; steam, 16s. 6d.; trebles, 15s. 6d.; doubles, 14s. 6d.; singles, 13s. 6d.; pearls, 11s. 6d.; dross, 10s. 6d.

Our Cardiff correspondent writes:—Easter holiday conditions have considerably restricted the volume of business on the coal market during the past week. The collieries were idle on Monday and Tuesday and the docks wholly on Monday and partly on Tuesday, while even on Wednesday attendance on the Cardiff Exchange was very small. Sailings last week were very heavy, and as arrivals of tonnage have since been below the average all traces of congestion have been removed from the docks. Prices are nominally unchanged, although the undertone is firm. The following are the current approximate quotations:—Best Admiralties, 21s. 6d. to 22s. 6d.; seconds, 21s. 6d. to 22s.; best drys, 21s. to 22s.; Black Veins, 21s. to 22s.; Western Valleys, 20s. 6d. to 21s.; Eastern Valleys, 20s. 6d. to 21s.; best small steams, 15s. to 15s. 6d.; cargo smalls, 13s. 9d. to 14s. 3d.; coking smalls, 15s. to 15s. 6d.; anthracite, best large, 33s. 6d. to 35s.; Red Vein, large, 25s. to 27s.; machine-made cobbles, 40s. to 43s. 6d.; French nuts, 42s. to 44s.; stove nuts, 40s. to 43s.; rubbly culm, 10s. 9d. to 11s. 6d.; foundry coke, 27s. 6d. to 37s.; patent fuel, 20s. to 21s.; pitwood, ex ship, 27s. 6d.

IRON AND STEEL.

Our Middlesbrough correspondent writes:—There has been no official market this week on account of the Easter holidays. The position, however, remains quietly steady with prices firm. Cleveland iron is in steady demand, with supplies not too plentiful. Prices remain on the following basis: No. 1 Cleveland, 69s. 6d.; No. 3 G.M.B., 67s.; No. 4 foundry, 66s.; No. 4 forge, 65s. 6d. Sellers are asking up to 1s. 6d. premium for delivery over the second half of the year. The hematite market is also fairly active, with good business being done both for home and export. The price of mixed numbers is about 74s. The output of basic pig-iron has been increased recently by the blowing in of two further furnaces in this district. There is nothing fresh to report as regards manufactured iron and steel, and works still continue to be fairly busy with very good order books for some months to come. Prices remain as follows: Steel ship plates, £8 7s. 6d.; steel ship angles, £7 17s. 6d.; iron bars, £10 5s.; steel rails, £8 10s. The coke position is still strong and supplies very scarce; the price is about 19s. 6d. delivered furnaces. The iron ore market is also very strong, with best rubio being quoted 23s. per ton minimum.

Our Sheffield correspondent writes:—In most cases the local industrial holiday was limited to a couple of days, and works have resumed with only a moderate amount of business on their books. Conditions are quiet in foundry pig iron, finished iron and ordinary commercial steels, and exports have been rather poor for some time past. There has been a welcome revival in the demand for colliery supplies. The position of railway material fails to improve. The country still contains many thousands of idle waggons. The opinion has been expressed at several recent company meetings that the country's capacity for producing tyres and axles is excessive, and that it would be advisable to concentrate on fewer plants. Steel specialities and motor trade requirements continue to provide Sheffield with a large amount of trade. Business in tool steel, tools, cutlery and plate remains steady, with turnover generally below that of last year. Prices of certain ferro-alloys used in making special steels have again gone up, despite the poor demand.

Our Glasgow correspondent writes:—Although works were closed down for only one day (Monday), little business was transacted in the City for the better part of a week on account of the Easter holidays. In the Scottish pig iron market conditions remain quiet, and the decision of Messrs. Merry & Cunninghame to dismantle their Carnbroe Works plant does not cause much surprise. In the heavy steel trade the recent improvement is maintained, several plants being exceedingly well employed. At the moment foreign competition is not serious, either in the heavy or in the semi-finished branches. Bar iron manufacturers are experiencing dull times, and are finding increasing difficulty in competing with the makers of re-rolled steel bars, for which there is at present a very fair demand. The situation in the sheet trade is slightly better this week, more business passing in both black and galvanised sheets. In all departments prices are unchanged.

An International Bank

The FIRST NATIONAL BANK *of* BOSTON

1784 :: :: 1929

BOSTON, U. S. A.

Foreign Branches

ARGENTINA — Buenos Aires

CUBA — Havana, Cienfuegos, Santiago

European Representatives

LONDON — 24, Old Broad St.

PARIS — 39, Rue Cambon

BERLIN — 52, Unter den Linden

Capital and Surplus

$50,000,000

Our Cardiff correspondent writes:—Owing to the intervention of the Easter holidays, there was no meeting of the Swansea Metal Exchange on Tuesday. Conditions in the tinplate trade are practically unchanged.

OTHER METALS.

TIN.—The standard market reopened after the holidays with a generally dull tone, and prices gave way under liberal selling orders and lack of support, together with lower Eastern advices. Stocks in London and Liverpool warehouses for week ending March 30th amounted to 8,576 tons, compared with 1,912 tons at corresponding period last year. Dealings were recorded in standard cash at £219 10s., £220 and £218 12s. 6d., and three months £220 10s., £220 15s. and £219. In the East, sales were reported on the basis of £223 to £222 7s. 6d. per ton c.i.f. terms.

COPPER commenced quiet and easier, but subsequently prices responded to an active demand, and with sellers more reserved firmer conditions prevailed, especially for near positions. Closing tone, however, depressed. Standard cash sold at £95 10s. to £96 15s. and £92 15s.; three months £95 10s., £97 and £89 15s.

LEAD in steady support and market irregular. Good soft foreign pig, April, sold £26 13s. 9d. to £26; May, £26 12s. 6d. to £26; June, £26 7s. 6d., £26 13s. 9d. to £25 17s. 6d.; July, £26 7s. 6d. to £26 15s. and £25 17s. 6d. ton.

SPELTER met with moderate attention and closed easier. April sold £27 10s. to £27 13s. 9d. and £27 5s.; May, £27 10s. to £27 12s. 6d., £27 10s.; June, £27 10s.; July, £27 11s. 3d., £27 12s. 6d., £27 ton.

ALUMINIUM steady. Ingots and bars for home delivery £95 ton.

ANTIMONY. English regulus, £54 to £55; foreign, spot, £38 to £38 10s.; April-May, £33 10s. to £34 ton c.i.f.

WOLFRAM firmer. Straits, also Chinese qualities, 22s. 9d. to 23s. per unit, c.i.f. terms.

QUICKSILVER steady. Spot, £22 5s. to £22 10s. per bottle.

TIN PLATES firm. I.C. coke, prompt and forward, 18s. 3d. to 18s. 9d. per box f.o.b. Swansea.

THE COTTON TRADE.

LIVERPOOL, April 3rd.

We have had a series of poor markets, mainly due to the continued weakness of the New York Stock Market, which has been reflected by "bulls" liquidating their holdings. Weekly weather news to-day was a little more favourable. Spot sales for March 27th and 28th, and April 2nd and 3rd (inclusive) are 19,000 bales, of which 12,800 are American, 150 Brazil, 150 Argentine, 1,500 Peru, 2,550 Egyptian, 1,400 African, 350 East Indian, and 100 sundries. Imports for the period March 27th to April 3rd (inclusive) are 58,203 bales, of which 34,761 are American, 204 Argentine, 226 Peru, 18,427 Egyptian, 2,755 African, 1,555 East Indian, 275 sundries. Quotations to-day are: American Middling, 10·80; Egyptian Sakel, 19·25, Uppers, 12·80; Brazil Fair, 11·00; Peru G.F. Mod-Rough, 13·00, Smooth, 11·75; West African Middling, 10·85, and East African G.F., 12·25.

MANCHESTER, April 3rd.

Owing to the Easter holidays it has been a short week in the market, and it will be a day or two before buyers and sellers get into their stride again. Business has been resumed facing unsettled raw-cotton markets, and all round there is a strong disposition to act with caution. Advices from the cloth-consuming centres abroad are anything but cheerful. India is still unsettled owing to the political disturbances, although there is now more confidence in Bombay and Calcutta as a result of the measures adopted to quell outbreaks by the unruly element and agitators. News from China portends trouble in the near future, and trading conditions are therefore bound to be adversely affected. The amount of business offering for the outlets generally has been of retail dimensions, and it is only in isolated instances that transactions have been arranged. There has been no particular activity in the yarn section. Spinners of American descriptions have complained loudly at the poor prices offered. In most instances producers have had to accept very low rates. There has been no improvement in the Egyptian branch. The immediate outlook for spinners and manufacturers is not bright and extensive curtailment of production in both the spinning and manufacturing sections is inevitable for some time to come.

Comparative Statement of the Cotton Trade.

	1929.				Corresponding Date.	
	Mar. 13.	Mar. 20.	Mar. 26.	Apr. 3.	1928.	1927.
Raw Cotton—Mid. American ..... per lb.	d. 11·01	d. 11·08	d. 10·92	d. 10·80	d. 10·9	d. 7·79
— Sakellaridis Fully Good Fair Egyptian ..... per lb.	18·55	18·90	19·15	19·25	20·85	13·55
Yarns—32's twist ..... per lb.	16	16	16	16	16½	12½
— 40's weft ..... per lb.	16½	16½	16½	16½	16½	13½
— 60's twist (Egyptian) ..... per lb.	26½	27	27	27	30½	25
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	s. d. 25 10½	s. d. 26 0	s. d. 26 3	s. d. 26 3	s. d. 26 4½	s. d. 23 9
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	28 1½	28 3	28 6	28 6	28 6	26 9
32-in. ditto, 38 yds., 18 by 16, 10 lb.	15 1½	15 3	15 4½	15 4½	15 4½	13 1½
36-in. ditto, 37½ yds., 16 by 15, 8½ lb.	13 10½	14 0	14 0	14 0	14 3	12 4½

THE WOOL TRADE.

Our Bradford correspondent writes: The break caused by the holidays has tended to emphasise the general quietness, and although work has been resumed in the mills, there is not much serious attempt at buying. Spinners and manufacturers find little or no change in quotations for tops and yarns as compared with those ruling a week ago. To a certain extent the market for tops is helped by the steadiness of the raw material position, and with the season drawing to a close, there does not now appear to be much prospect of any material change in wool values. The New Zealand season is ended, and there is not much unsold wool left in South America. In Australia the season will probably close in the course of a few weeks with only the normal carry-over, and in some quarters there is a belief that supplies may be rather on the short side before the next clip is available. The future, however, does not appear to worry users in this country, the majority of whom continue to operate on hand-to-mouth lines. New business in yarns is disappointing, and spinners still experience the greatest difficulty in making remunerative prices. The struggle to keep machinery running is reflected in the very keen prices accepted for practically all classes of yarns. There has been a welcome improvement in the demand for piece goods during the last two or three weeks, and this seasonal activity is expected to continue until Whitsuntide. Home trade buyers have placed some good orders, and some of the export markets have also been active.

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

As the Colonial wool selling season is approaching a finish, rather less information is being received from overseas, but it is quite evident that values for all classes of raw material are being remarkably well maintained, and there does not appear to be any prospect of much (if any) ease taking place before the season is quite over. An outstanding fact is that the clean scoured cost of wool is fully equal to what can be realised for tops in Bradford. This applies to both merinos and crossbreds. It is also known that wool has been bought in Australia during the latter part of the season at more favourable prices than it was earlier, but fortunately this has not been accompanied by what can be regarded as a serious slump. Wool users were in need of the raw material at a more economic price, and we can only hope that now that values have undergone a revision, consumption at home and abroad will expand sufficiently to justify the confidence which is still being shown by the buyers of both merinos and crossbreds. Comment is frequently made upon the fact that crossbred wool is relatively dearer than merino, but it cannot be denied that prices have been established by the competition of the open market, and judging from the way crossbred wool has recently moved, there is no small measure of confidence in it. Part of the demand has emanated from Russia, and this has been most welcome in view of the fact that big quantities of direct Colonial imports are arriving every week. For quite a long time ihere has been a disposition in certain quarters to speak pessimistically about the position of crossbred wool and tops, but it is a tact that consumption is fairly well maintained, and if stocks continue to move at the present rate, there will be no need to anticipate lower values.

HIDE, LEATHER AND ALLIED TRADES.

Owing to the holidays few hide auctions have been held this week, so that prices are virtually unchanged. Values, however, appear to have almost reached stability for a time, so that supplies offered are taken readily. Calfskins are slightly firmer in price, but sheepskins in the wool have been slightly easier. Foreign hides are again firming up, and sellers are not so inclined to accept the offers made by tanners. The South American position is firmer, and as Russia and the United States have been buyers of Argentine fregorifics, values have remained stable, with 9⅞d. taken for best ox. Dry River Plates are also hardening, and 14d. is asked for B.A. Americanos. The sale by inscription of 16,000 Leibig Colon hides has created a certain amount of interest, 9½d. to 9⅝d. being offered and taken for heavies, and 9⅜d. to 9½d. for lights. Cape hides have sold much better of late and buyers have been found to take dry salted at 10d. to 11d. Latest cables from New York report the Chicago position as unaltered, with best heavy packer steers selling at 14½ cents. Trade this week in sole leather has been quiet in view of the fact that most shoe factories have been closed. Tanners and merchants still have plenty of stock and make concessions when business of any magnitude is in sight. Light and medium bends have been ordered by shoe manufacturers for post-Easter delivery, but repairers seem almost out of the market, the prolonged dry weather affecting their business. Upper leathers are slow and weak, but show signs of improving. For men's work, box and willow are wanted in fair-sized quantities, whilst for women's shoes, glacé kid in black and brown, black patent, suedes and reptile leathers are the most popular. Curriers of kip leathers are quiet owing to the unemployment in some of the industrial centres. The fine weather has led to a good demand for footwear of all kinds, and this should have a very good effect on the trade generally.

VEGETABLE OILS AND OILSEEDS.

Market conditions are quiet, and there is as yet no indication of a marked recovery from the easiness which has been a characteristic of late. Consumers of linseed oil are only moderately interested, and with some pressure to sell Continental oil in near positions values have declined to about £28 5s. per ton naked ex Hull mill for prompt and April delivery. Cotton oil is more or less neglected

The North American Company

60 Broadway, New York, N.Y., U.S.A.

ORGANIZED in 1890, controls through stock ownership five main groups of public utility companies operating in large and important areas of the United States. The electric properties in each group form a distinct interconnected power system. Summaries of operations of the principal subsidiaries follow:

CALIFORNIA: Electric service in San Francisco, Oakland, Sacramento and Fresno, and 254 other communities in Central California; territory served, area 12,977 square miles, population 1,650,000; gas service in Bakersfield and 3 other communities.

DISTRICT OF COLUMBIA: Electric service in Washington, D. C. and 29 communities in adjoining sections of Maryland and Virginia; territory served, area 629 square miles, population 600,000; electric railway and motor bus service in the District of Columbia and adjacent suburbs in Maryland.

MISSOURI-ILLINOIS-IOWA: Electric service in St. Louis and East St. Louis, and 88 other communities in Mississippi Valley; territory served, area 2,686 square miles, population 1,300,000; gas service in St. Louis County, Mo., Alton, Ill. and Keokuk, Ia.

OHIO: Electric service in Cleveland and 129 other communities; territory served extends 100 miles along Lake Erie, area 1,697 square miles, population 1,300,000.

WISCONSIN-MICHIGAN: Electric service in Milwaukee, Racine, Kenosha, Watertown and 306 other communities in Wisconsin and upper peninsula of Michigan; territory served, area 11,442 square miles, population 1,400,000; gas service in Racine, Kenosha, Watertown and 42 other communities in Wisconsin; electric railway and motor bus service in Milwaukee and suburbs, and interurban electric railway service in surrounding territory.

Statistics of Electric Service, Dec. 31, 1928

Group of Subsidiary Companies	Power Plant Capacity K.W.	Number of Electric Customers	Annual Electric Output K.W.H.
California	379,305	150,434	1,537,851,047
D. C.	148,000	131,677	413,992,663
Mo.-Ill.-Ia.	497,020	310,518	1,719,825,708
Ohio	415,250	299,598	1,282,476,855
Wis.-Mich.	379,327	276,819	1,148,886,380
Total	1,818,902	1,169,046	6,103,032,653

Summary of 39th Annual Report to the Stockholders by F. L. Dame, President

THE Consolidated Income Statement of The North American Company for 1928 shows new high records in both gross and net earnings. As indicated in our regular quarterly reports to stockholders, new records were also established in the electric output of subsidiaries. A brief summary of the important features of the year's operations follows:

Gross Earnings of $135,551,899 increased 10.96% over the year 1927.

Net Income from Operation amounted to $64,399,252, the gain of 13.26% over the previous year reflecting the decrease, from 53.46% for 1927 to 52.49% for 1928, in the proportion of Gross Earnings required for Operating Expenses, Maintenance and Taxes. This improvement resulted from increased efficiency and favorable operating conditions.

Appropriations for Depreciation Reserves amounted to 10.53% of Gross Earnings and were equivalent to $2.96 per share on the average number of shares of North American Common Stock outstanding during the year.

After deducting Depreciation and all other reserves, the Balance for Dividends and Surplus amounted to $24,402,753, of which $1,820,032 was paid in dividends on North American Preferred Stock.

The balance of $22,582,721, after all preferred dividends, is an increase of 29.53% over the previous year, and is equivalent to $4.68 per share on the average number of shares of North American Common Stock outstanding during 1928, compared with $4.06 per share on the average number of shares outstanding during 1927.

Under the Company's policy of paying dividends on its Common Stock in Common Stock, the entire balance of $22,582,721 is available for investment in the business.

Electric and gas output for the full year 1928 of all companies classed as subsidiaries on December 31, largely exceeded the output of the same companies for the year 1927. Electric output amounted to 6,103,032,653 kilowatt-hours, an increase of 14.36%. Gas output amounted to 5,415,067,400 cubic feet, an increase of 19.24%.

The subsidiaries added 163,700 kilowatts of electric generating capacity, and made extensive additions to their electric transmission and distribution systems. Work was begun to provide for installation of 175,000 kilowatts additional generating capacity, which will be available in 1929. Capacity of gas manufacturing facilities was increased and gas transmission and distribution systems were extended.

Acquisition of voting control of Washington Railway and Electric Company was completed early in the year. That Company, with its subsidiaries, furnishes electric light and power and transportation service in the District of Columbia and adjacent territory. Results of operations of these companies for only the last nine months of the year are included in the Consolidated Income Statement for 1928.

The stockholders of the various subsidiaries now number more than 101,000, and consist largely of customers and residents of the territories in which they operate. Stockholders of The North American Company alone number 43,299, including 10,625 owners of Preferred Stock and 32,674 owners of Common Stock. Including the holders of stock of The North American Company and its subsidiaries, and the estimated number of owners of bonds of the subsidiaries, the public investors in the North American System total more than 260,000.

In accordance with usual custom, Messrs. Price, Waterhouse and Co., Chartered Accountants, have certified to the consolidated financial statements covering the year 1928.

CONSOLIDATED INCOME STATEMENT

	Year 1928	Year 1927
Gross Earnings	$135,551,899.02	$122,166,834.37
Operating Expenses, Maintenance and Taxes	71,152,646.78	65,308,621.27
Net Income from Operation	$ 64,399,252.24	$ 56,858,213.10
Other Net Income	4,290,936.06	3,022,715.26
Total	$ 68,690,188.30	$ 59,880,928.36
Deductions: Interest Charges (including amortization of Bond Discount and Expense), Preferred Dividends of Subsidiaries, Minority Interests	$ 30,012,771.57	$ 28,144,348.22
Balance for Depreciation, Dividends and Surplus	$ 38,677,416.73	$ 31,736,580.14
Appropriations for Depreciation Reserves	14,274,663.66	12,481,932.22
Balance for Dividends and Surplus	$ 24,402,753.07	$ 19,254,647.92
Dividends on North American Preferred Stock	1,820,031.75	1,820,022.00
	$ 22,582,721.32	$ 17,434,625.92
Dividends on North American Common Stock	4,806,549.50	4,341,772.00
To Surplus after all Dividends and Reserves	$ 17,776,171.82	$ 13,092,853.92
Total to Depreciation Reserves and to Surplus after all Dividends	$ 32,050,835.48	$ 25,574,786.14

CONSOLIDATED BALANCE SHEET

ASSETS

		December 31, 1928
Property and Plant		$726,220,917.95
Cash and Securities on Deposit with Trustees		1,902,346.78
Investments:		
Stocks and Bonds of Other Companies		40,080,636.55
Sundry Investments		3,866,947.72
The North American Company Common Stock (held by subsidiary for conversion of bonds)		1,182,981.59
Current and Working Assets:		
Cash (including funds loaned on call through banks)	$ 11,835,971.45	
United States Government Securities	10,597,707.37	
Notes and Bills Receivable	1,076,990.05	
Accounts Receivable	14,977,428.07	
Material and Supplies (at cost or less)	12,004,349.82	
Prepaid Accounts		50,492,446.76
Discount and Expense on Securities		2,182,829.16
		15,298,287.85
		$841,227,394.36

LIABILITIES

6% Cumulative Preferred Stock: The North American Co.	$ 30,333,900.00
Common Stock: The North American Co. (5,011,960 shares)	50,119,600.00
Preferred Stocks of Subsidiaries	165,853,601.45
Dividend Payable in Common Stock	1,250,020.00
Minority Interests in Capital and Surplus of Subsidiaries	12,806,765.46
Funded Debt of Subsidiaries	347,085,754.32
Current Liabilities and Accrued Liabilities	29,690,518.72
Reserves	105,353,504.65
Capital Surplus	98,733,729.76
Undivided Profits	$841,227,394.36

Copies of complete Annual Report may be obtained from THE DOMINION SECURITIES CORPORATION LTD. (of Canada,) 6, Austin Friars, London, E. C. 2, or from Messrs. J. HENRY SCHRÖDER AND COMPANY, 145, Leadenhall Street, London, E. C. 3.

but is rather steadier for crude Egyptian, which is now held for £27 5s. spot and April–May ex Hull with common edible and technical refined quoted £31.

In the oilseed section only a small business in Plate linseed is reported. For April–May shipment to Hull £15 12s. 6d. has been accepted, and this remains the value for this position, as well as "spot" and afloat. The quantity of linseed now on passage to Europe is 145,100 tons, or 900 tons more than last week, and compares with 255,500 tons a year ago. Crushers both here and abroad appear to be well supplied in view of their reduced commitments. Cotton seed is easier after business done in black Egyptian at £9 11s. 3d. for March and April loading. For April Sakellaridis to Hull £9, and for March-April Bombay £8 5s. have been accepted. Demand for oilcakes is falling off, and prices have an easier tendency.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—Remains a dull and featureless market. Trade inquiries fail to extend, and this emphasises the numerical strength of offers from producing countries while offording but scant encouragement. No change was made in spot quotations, and Continental parcels for shipment are largely nominal. Java cables record a subdued market, with trend of prices decidedly in favour of the buyer. Raw refining descriptions offered at a further slight decline. White Java, July-September, to Calcutta, sellers, 12s. 1½d., October-December 12s. 3d., January-March 12s. 6d. c. and f. terms. Terminal sections dull and rates easier. Of raws, May sellers 8s. 2¼d., August sold 9s.-8s. 9d., December 9s. 3d. White, May sellers 11s. 1½d., August value 11s. 6¾d., December sold 12s. 2¼d.-12s. cwt. Cuban receipts last week 228,640 tons, against 220,300 last year; exports 157,957, against 142,221; stocks 1,296,744, against 1,202,870; central workings 146, against 131. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending March 30th amounted to 129,947, against 79,393 last year.

COFFEE.—Only small sales by private treaty at unchanged rates.

COCOA.—Spot market quiet, unaltered. Accra F/F April–June 43s. 6d.; *mid-crop*, 42s. 6d.; October-December, 45s. f.o.b. Terminal-May quoted 47s. 3d.; July, 49s. 0½d.; September, 49s. 10½d. cwt.

TEA.—Private contract market steady quiet, pending resumption of auctions.

RICE.—Market very quiet, but sellers adhere to previous asking rates.

BEANS.—Steady but trade remains sluggish. Madagascar butters afloat, sellers, 40s. 3d. Rangoon, March shipment, sellers, 21s. 9d.; April 15th, 20s.; April, 19s.; May, 18s. 3d. c.i.f. London.

PEAS.—Market distinctly firm with buyers more numerous. Steamers to Liverpool are reservedly held. Japanese, spot, London, quoted 23s. 9d.; crop 1927, 22s. 6d.; steamers close at hand, London, quoted 22s.; further off, 20s. to 21s. 6d. as to position; February-March sold 19s. 10½d.-20s. 3d.; March-April quoted 19s. 9d. c.i.f. London. Dutch marrowfats easier at 25s. f.o.b., with imperial blues 22s., smalls 20s. cwt. f.o.b. terms.

SPICE.—A quiet tone again pervaded the market for pepper. Lampong, March-May, sellers, 1s. 3d.; May-July, 1s. 2¾d.; August-October, 1s. 1¾d. Muntok, white, March-May, 2s. 1d.; May-July, 1s. 11¾d.; August-October, 1s. 10d. lb. London stocks 35 tons higher on the week. Tellicherry, January-March, 148s.; March-May, 145s. cwt. c.i.f. Cloves quiet, unaltered. There is no change to note in sago flour or tapioca. Ginger steady, quiet.

FRUIT (Dried).—Currants. Trading quiet under holiday influences, but market fully steady for most descriptions. Pyrgos, quoted, 45s.-45s. 6d.; Patras, 47s. 6d.; choice, up to 51s.; Amalias, 46s.-46s. 6d.; Gulf, 47s. 6d.-50s.; Vostizza, 49s.-53s. Sultanas: Smyrna in better request; medium to good, spot, 41s.-55s.; Cretan, 43s.-72s.; Greek, 38s.-53s.; Australian new ranges, from 30s.-50s.; Californian, neglected. Raisins: Valencia, quarter boxes, 48s.-55s., as to quality; Australian and Cape, inactive. Figs in small supply. Genuine, new spot, 30s.-31s. Dates: Siar, 14s. 6d.-16s. 6d.; Khadrowie, 21s.-23s.; Hallowie, 25s.-30s.

EVAPORATED FRUITS.—Market firm with increasing inquiries for Californian plums and apple rings. Apricots and peaches, quiet. Californian plums, 20's-30's, 65s.; 30's-40's, 56s.-57s.; 60's-70's, 43s.-43s. 6d. Pears: Lake County, 72s. 6d.-100s. Apricots: South African, new crop, Royal, 57s. 6d.-117s. 6d.; Cape, 72s. 6d.-82s. 6d.; Californian, 85s.-117s. 6d.; Australian, 75s.-85s. Peaches: Californian, choice, 52s.; extra choice, 54s.; fancy, 58s. Apples: Californian, spot, sliced, extra choice, 65s. Almonds quiet and tendency easier. Mazagan, 130s.; Mogador, 127s. 6d.; Majorcas, 130s.; *Bitter-Jordan*, 185s.-210s. cwt.

CANNED GOODS.

CANNED FRUITS.—The demand for Californian fruits is gradually improving, a spell of warm weather being needed to stimulate consumption. Meanwhile, prices remain steady, with pears showing a hardening tendency. A moderate inquiry arises for Australian new pack to arrive. Singapore pines, dull; but Hawaiian firm on scanty offerings. Tomatoes in limited request at late rates.

CANNED FISH.—Market firm and demand shows signs of expansion. Portuguese clubs, quoted, 5s. per dozen tins. Lobsters, largely nominal pending arrivals of new pack. Best halves, 140s.-145s.; and quarters, 77s. 6d.-82s. 6d. Salmon: red, talls, spot, sold, 43s.-45s. 6d.; pink talls, 26s.-27s. 6d.; halves, 33s.-35s. Japanese crab, finest quality, 97s. 6d.-100s.

"Without 'Europa' nobody knows Europe"—*T.P.'s Weekly.*

NOW READY

EUROPA
1929

THE ENCYCLOPÆDIA OF EUROPE
AND
INTERNATIONAL
WHO'S WHO
Containing 20,000 Biographies

"'Europa' is rapidly becoming one of the most important works of international reference."—THE TIMES.

TO BRING THIS EDITION UP TO DATE 45,000 CORRECTIONS HAVE BEEN MADE.

"There is no journalist, publicist or politician who can afford to be without this year-book on his shelves."—TRUTH.

SPECIAL FEATURES IN THE 1929 EDITION INCLUDE

The Dawes Plan and Reparations, by Sir Josiah Stamp, with a Chronology of Reparations, 1919-29.

Future Financial Relations between Europe and America, by Prof. Bertil Ohlin.

A Calendar of Disarmament, 1918-1929.

New Capital Issues in Great Britain, 1928.

French Parliamentary History since the War, by Sisley Huddleston.

Sections on India and Cyprus.

Large 8vo, 800 pages. 21/- net.

THE BRITISH PRESS
Edited by HERBERT TRACEY. A Survey, A Directory, A Who's Who. 3/6 net.

This volume is a comprehensive guide to *MODERN NEWSPAPER ORGANISATION AND FINANCE* and to the *NEWSPAPER GROUPS*, and a *WHO'S WHO* of all the Proprietors, Editors, Journalists, Correspondents, and other Contributors who count.

"A book of peculiar interest and value to journalists."—*Truth.*

"The introductory survey is full of facts and figures of interests as to circulation, combines, advertising finance, coupon competition and so on."—*Aberdeen Press.*

OF ALL BOOKSELLERS

EUROPA PUBLICATIONS LTD.
6 DUKE STREET, ADELPHI, W.C.2.
GEORGE ROUTLEDGE & SONS

ON March 18, 1929, the Illinois Merchants Trust Company and the Continental National Bank and Trust Company of Chicago united as one bank, the Continental Illinois Bank and Trust Company, with a paid-in capital of $75,000,000, surplus of $65,000,000 and a reserve fund of $10,000,000—all told, invested capital of $150,000,000 and resources exceeding $1,000,000,000. Affiliated with this bank is the Continental Illinois Company, an investment securities company with paid-in capitalization of $20,000,000

JOHN RABINO
Representative
CONTINENTAL ILLINOIS BANK *and* TRUST COMPANY
77 Cornhill, London, E. C. 3

CONTINENTAL ILLINOIS
BANK AND TRUST
COMPANY
CHICAGO

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

GRAIN, &c.—	s.	d.
Wheat, No. 2, N. Man. 496 lb....	50	0
Eng. Gas. av., per cwt.	9	9
Barley, Eng. Gas. av.	10	3
Oats, " " "	9	9
Maize, La Plata, landed, 480 lb.	43	0
Flour, Lon. stan. ex mill, 280 lb.	35	6
Rice, No. 2 Burma, per cwt.....	13	0
Sago, pearl, per cwt. 22	3	22	6
Tapioca, per cwt.—		
E.I. flake, fair spot 21	0	21	6
Medium pearl 20	0	21	0
Potatoes, good English, per ton... 120	0	130	0

MEAT—	s.	d.	s.	d.
Beef, per 8 lbs.—				
English sides.....	5	4	5	10
Argentine chilled hinds...	5	0	5	4
Mutton, per 8 lbs.—				
English wethers	6	4	7	8
N.Z. frozen "	4	8	5	4
Pork, English, per 8 lbs. ...	7	8	8	6

OTHER FOODS.

BACON—			
Irish .....per cwt.	120	0 128	0
Danish.....	110	0 118	0
Canadian.....	112	0 114	0
Dutch	106	0 114	0
HAMS—Irish.....	0	0 0	0
Canadian.....	0	0 0	0
American	114	0 120	0
BUTTER—			
Irish creamery per cwt.	0	0 0	0
Australian	150	0 164	0
New Zealand	152	0 172	0
Danish.....	160	0 164	0
CHEESE—			
Canadian ..... per cwt.	98	0 112	0
New Zealand	86	0 89	0
English Cheddars	130	0 144	0
Dutch	48	0 96	0
COCOA—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
Accra f.f., per cwt.	50	0 51	0
Trinidad	64	0 70	0
Grenada	50	0 60	0
COFFEE—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
E.I., good to fine, per cwt.	147	0 160	0
Costa Rica, good to fine...	155	0 185	0
Cent. Amer., mid to fine	130	0 150	0
Kenya, bold sizes	128	0 150	0
Colombian, mid to fine...	130	0 145	0
EGGS—			
English ..... per 120	12	0 14	0
Danish.....	11	6 13	6
FRUIT—			
Oranges, Denia & Val. 300	16	0 25	0
" " 360	16	0 24	0
" " 504	16	0 20	0
Jaffa ..... boxes 144	14	0 20	0
Lemons, Naples boxes	0	0 0	0
Sicilian ..... boxes	11	0 14	0
" .....cases	13	0 22	0
Murcia ..... half cases	0	0 0	0
Malaga ...cases 420 No. 1	0	0 0	0
Apples: Amer. (var.) brls.	24	0 38	0
" (var.) boxes	9	0 13	0
Onions, Valencia :—			
case 4s.	00	0 00	0
case 5s.	00	0 00	0
" Egyptian, bag	9	0 11	0

FRUIT (*continued*)—	s.	d.	s.	d.
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....brls.	0	0	0	0
LARD—				
Irish bladders.....	66	0	72	0
American boxes 56 lbs.	62	0	64	0
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	2½	0	0
Black Lampong	1	5	0	0
Cinnamon—1st sort, per lb.	2	3	0	0
Cloves—Zanzibar per lb.	1	5½	0	0
Ginger—per cwt.—				
African	51	6	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	2	9	3	10
Nutmegs 65's	1	9	1	11
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	21	6	23	6
Java, white, c.i.f. India, July–Sept.	12	2½	12	3
REFINED—London—				
Yellow Crystals	21	10½	0	0
Cubes	26	0	26	6
Crushed	24	9	25	3
Granulated	23	0	23	10½
Home Grown (prompt)	22	3	22	4½
TEA—				
(Duty 1½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	1	0½	2	4½
Broken Pekoe	1	1	2	5
Orange Pekoe.....	1	1½	2	5
Broken Orange	1	2½	2	9
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	3	0
Greek	0	10	1	6
East Indian	0	4½	1	0

TEXTILES.

COTTON—	d.
Mid-American .....per lb.	10·80
Sakellaridis, f.g.f.	19·25
Yarns, 32's twist	16
60's twist	27

FLAX—	£	s.	£	s.
Livonian ZK .....per ton	89	0	0	0
Pernau HD.....	80	0	0	0
Slanetz Medium 1st sort	87	0	0	0
HEMP—				
Italian P.O. ..... per ton	63	0	0	0
Manila, Apr.–June "J2"	37	0	37	10
N.Z.		nom.		
JUTE—				
Native 1st mks....per ton				
Apr.–May	33/0/0		0/0/0	
May–June	33/5/0		0/0/0	

SILK—	s.	d.	s.	d.
Canton .....per lb.	17	0	19	0
Tussah.....	8	0	10	0
Japan	21	0	23	6
Italian—Raw, fr. Milan	21	0	23	6

WOOL—	d.
English Southdown, washed per lb.	26
" Lincoln hog, washed	17½
Queensland, scd. super cmbg.	41
N.S.W. greasy, super "	23
N.Z., gray., half-bred 50–56	20
Crossbred 40–44	15
Tops—	
Merinos 70's	47
" 64's	43½
Crossbred 48's	25
" 46's	23

MINERALS.

COAL—	s.	d.	s.	d.
Welsh, best Ad'ty...ton	21	0	21	6
Durham, best gas	15	0	15	6
Sheffield, best house ...	21	0	22	0
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	67	0	0	0
Bars, M'brough 205		0	0	0
Steel Rails, heavy.....170		0	0	0
Tin Plates, I.C., per box	18	3	18	9

METALS—	£	s.	£	s.
Copper, Electrolytic, ton	108	0	110	0
Sheets (strong) 138		0	0	0
Standard	95/17/6		95/18/9	
Lead Eng. Pig ... per ton	28/0/0		28/5/0	
Soft Foreign	26/13/9		26/15/0	
Spelter G.O.B.	27/13/9		27/11/3	
Tin—English ingots ...	219/0/0		220/0/0	
Standard, cash 219/10/0			219/12/6	

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb. less 5%	2	1	0	0
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	0	9	10
Ammonia, carb., ... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3½	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	28	0	28	10
CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
F.M. Straits, c.i.f., per ton		nom.		
DRUGS—	s.	d.	s.	d.
Camphor—				
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	0	14	6
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d.
Wet salted—Australian per lb.	0	5½	0	7½
West Indian	0	4	0	7½
Cape	0	6	0	7½
Dry and Drysalted Cape...	0	9	1	0
Market Hides, London—				
Best heavy ox & heifer	0	7	0	7
Best cow	0	6½	0	6
Best calf	1	10½	1	1½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.—				
per lb.	1	4	2	4
Bark Tanned Sole	2	6	3	3
Shoulders fm DS Hides	0	11	1	1½
Do. Eng. or WS do.	1	2	1	8
Bellies from DS do.	0	8	0	10
Do. Eng. or WS do.	0	11	1	4
Dressing Hides.....	1	6	2	0
Ro. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Sides	1	0	1	6
VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	29	0	0	0
Rape, refined	44	0	0	0
Cotton-seed, crude	28	10	0	0
Coconut, crude.....	35	10	0	0
Palm	34	5	37	10
Oil Cakes, Linseed, Eng., per ton	12	15	13	0
Oil Seeds—Linseed—				
LaPlata,p.ton Apr.-May	15/13/9		0	0
Calcutta, p.ton Apr.–May	18/0/0		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	42	9	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	13/10/0		34/5/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	17	15	25	0
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	10½	0	0
Fine Hard Para per lb.	1	1½	0	0
SHELLAC—				
TN Orange ... per cwt.	190	0	0	0
SHELLS—	£	s.	£	s.
W. Aust. M.-o.-P. "	4	0	12	10
TIMBER—	£	s.	d.	
Swedish u/s 3 x 8 per std.	19	0	0	
Do. 2½ x 7 "	19	0	0	
Do. 2 x 4 "	19	0	0	
Can'dn Spruce, Dis. "	17	10	0	
Pitchpine ..... per load	9	0	0	
Rio Deals ..... per std.	32	0	0	
Teak ..... per load	20	0	0	
Honduras Mahg. logs c. ft.	0	11	6	
African "	0	6	6	
American Oak Boards "	0	6	0	
Do. Ash "	0	7	0	
English Oak Planks "	0	6	6	
Do. Ash "				

CANNED MEATS.—Corned beef quiet but Ox tongues firmly held on restricted offerings. Lunch tongues, firm and in request for forward delivery. Cases of 12 by 6 tins, quoted, 107s. 6d. dozen. Tinned hams also in brisk demand forward on the basis of 1s. 7d. lb. ex-wharf London.

CONDENSED MILK AND MILK POWDERS.—Market quiet and without material change.

HONEY.—Market firm with spot supplies scarce. Jamaican pale amber, quoted at 48s.-51s.; manufacturing grades up to 46s. 6d.; new crop, April shipment, pale amber, quoted at 43s.-45s.; and f.a.q., 41s.-42s. 6d. New Zealand in demand, dark amber, quoted, 50s.-55s.; medium, 55s.-65s.; light, 65s.-85s.; whites and water whites, 65s.-87s. 6d. cwt.

RUBBER.

Business proceeded on quiet lines, and market produced no new feature. Sheet, spot, and April sold 11¼d.-11d.; May, 11⅜d.-11⅛d.; June, 11¼d.; July-September, 11⅜d.; October-December, 11⅜d. lb. London stocks increased 421 tons, landing being 1,682, deliveries 1,261, stocks 28,007, against 58,197 at corresponding period last year. Liverpool stocks 100 tons higher, landings 297, deliveries 177, stocks 4,433.

GENERAL.

JUTE.—The depressed tone recently apparent in this market, became more intensified to-day. There appear to be several factors at work calculated to undermine the market. Primarily may be mentioned the sluggish sale attending all manufactured goods, followed by very favourable weather in growing districts. Moreover, increased working hours as from July 1st next by Calcutta mills is offset by the German Spinning Combine resorting to reduced hours. Firsts, March-April, Continent, quoted £32 10s.; April-May, £33 5s.; May-June, £33 10s.; Lightnings, May-June, sold £31 10s. ton.

HEMP.—Manila qualities fully steady while reservedly held, but demand quiet. Quotations are on the basis of £33 10s. for K, April-June. African Sisal firmly held. First-hand sellers of Mexican have withdrawn from the market, due, doubtless, to visible supplies being at vanishing point. Stocks are cabled as 35,000 bales, which constitutes a low-level record. Receipts last week, 8,000 bales; deliveries, 13,000. Shipments for last month totalled 62,991 bales, of which 22,232 were to Europe, 38,269 U.S.A. and 2,490 other countries. Manila receipts for the past week totalled 33,000 bales, against 36,000 at same time last year, estimate for next week 32,000, and following week 33,000. Shipments to U.K./Continent last week, 16,000 bales; U.S.A., 16,000; and Japan, 15,000.

SHELLAC.—Market steady, quiet. T.N. spot 190s., May sold 186s. 6d.; August quoted 191s. 6d. cwt.

COPRA.—This market quite lacks any new feature. Business still small and prices favour the buyer. Straits S.D., April-May, Rotterdam, sold £23 2s. 6d.; May-June, sellers, £23 5s.; June-July, £23 7s. 6d.; Dutch E.I., April-May, quoted £23; May-June, £23; June-July, £23 1s. 3d.; South Sea S.D., April-May, £22 7s. 6d.; South Sea K.D., April-May, to Marseilles, £21 17s. 6d.; mixed Dutch East Indies, excluding Padang, £22. Palm kernels, April-May, Hamburg, sellers, £18 10s. ton.

MISCELLANEOUS.—Coconuts quoted 18s. to 24s. per 100. Coir yarn, Ceylon, £19 to £38 10s.; Cochin, £22 10s. to £40; Ceylon bristle, £18 15s. to £25 10s.; cinnamon leaf oil, 5½d.; citronelle, Ceylon, 2s.; Java, 2s.

METROPOLITAN CATTLE.—April 3.

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

Beasts—Norfolk	s. d.	s. d.	Beasts—Heavy Bulls	s. d.	s. d.
Irish	6 6	6 8	Canadian	...	...
Cambridge.....	...	...	Sheep—Downs	9 0	10 0
Short Horns	...	...	Half bred	...	...
Herefords	6 2	6 4	Ewes	5 4	5 8
Devons	...	...	Scottish	...	...
Leicester runts	...	...	Lamb—Downs	11 0	13 4

LONDON POTATO MARKETS.—April 3.

	Per Cwt.	
English King Edward—Lincoln	s. d.	s. d.
White varieties	6 0	6 6
	4 0	4 6

The Economist,

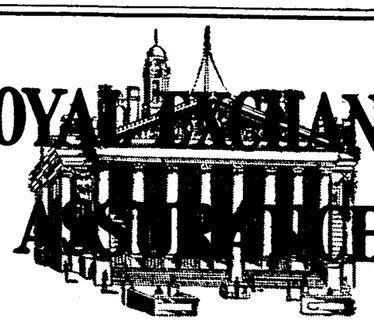
WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, APRIL 13, 1929. No. 4,468.

ROYAL EXCHANGE ASSURANCE



Incorporated A.D. 1720

ALL CLASSES OF INSURANCE TRANSACTED

Head Office: Royal Exchange, London, E.C.3

WITH PROFIT ASSURANCE AT NON PROFIT RATES

Full particulars will be sent on application

The Scottish Provident Institution

for Mutual Life Assurance

Head Office: 6 ST. ANDREW SQUARE, EDINBURGH.

London: 3 Lombard Street, E.C.3; 56 Chancery Lane, W.C.2. 17 Pall Mall, S.W.1.

FUNDS £20,500,000

BANCA COMMERCIALE ITALIANA.

Established in 1894. Head Office: MILAN. Capital 700 million Lire. Reserves 560 millions. Deposits 7,251 millions.

Branches in every centre of commercial and industrial importance in Italy; also in London, New York, and Constantinople.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Greece, Egypt, Morocco, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

London Office

32, Threadneedle Street, E.C.2.

A. JOEL, *Manager.*

Correspondents to the Italian Treasury.

TABLE OF CONTENTS.

The Money Market	781
Leading Articles—	
The Case for Free Trade	783
Mr Churchill's Chancellorship	783
Italy, France and Great Britain	786
Canada's Grain Marketing Problems	787
A Survey of the World's Power	788
The March of Africa	790
Notes of the Week—	
Viscount Grey's Position	791
Political Broadcasting	791
A Short Campaign in China	792
American Investments Abroad	792
The Field for Public Economy	792
Cotton Trade Short Time	793
Anglo-Russian Trade	793
Shipping Freight Index Number	793
British Merchants in China	794
A New Aid to Saving	794
Another American Bank Merger	794
Transvaal Output in March	794
Wesleyan and General Assurance Society	794
Norwich Union Fire Insurance Society	795
Abstainers' and General Insurance Co., Limited	795
West of Scotland Insurance Office	796
Oversea Correspondence—	
United States	796
France	797
Germany	798
Denmark	799
Norway	799
Jugoslavia	799
Finland	800
Australia	801
Japan	801
Books and Publications—	
Trade and Credit	802
A Man worth Knowing	802
Ethics and Economics	803
Books Received	803
The Stock Exchange—	
Tobacco Companies	804
The Cable - Wireless Merger	805
The Week in the Markets	806
Foreign Stock Exchanges	807
Railway Standard Revenue	808
Imperial Chemical Industries	808
Lever Brothers	809
United Molasses	809
Meadow Dairy	810
Union Corporation	810
The Break in Copper	811
Geduld	811
West Rand Consolidated	811
Rotterdamsche Bankvereeniging	811
Stock Exchange "Majorities"	811
Company Meetings of the Week	812
Capital Issues	812
Company News—	
Dividend Announcements	813
Company Meetings	816
Government Returns	819
Bankers' Gazette—	
Bank of England	820
Bankers' Clearing Returns	820
Overseas Bank Returns	821
Loan and Discount Rates	822
Rates of Exchange	823
Bullion	823
Gold and Silver Prices	824
Summary of Balance Sheets	824
Weekly Traffic Returns	825
Mining Output Statistics for March	825
Profit and Loss Accounts	826
Reports and Notices	827
Commercial Reports—	
The Corn Trade	828
American Wheat Markets	828
The Coal Trade	829
Iron and Steel	829
Other Metals	830
The Cotton Trade	830
The Wool Trade	830
Colonial Wools	830
Hide and Leather Trades	830
Jute Trade	831
Vegetable Oils and Seeds	831
Overseas Produce	831
Prices Current	832

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d.

Colonies and Abroad, £3 1s. 0d. per annum.

Single Copies, post free, 1s. 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4.

THE MONEY MARKET.

The discount market was more active this week, and rates ruled lower. The Continent was buying bills more readily, at rates running down to 5½ per cent. for three months, while the Bank of England bought some May bills at around 5½ and even 5⅜ per cent. To replace these sales of short bills to the Bank, the market itself bought long bills, and this led to some competition for

the more distant maturities and brought the market rate on three months' bills down to 5 5/16 per cent. This is probably as low as it is likely to go for the moment, and it is not unlikely that steps will be taken to enforce stiffer conditions next week.

* * * *

Despite the easier tendency of bill rates, money this week was tight, and on Tuesday and Wednesday brokers were paying up to 6 per cent. in order to keep out of the Bank. The explanation of this apparent contradiction in rate movements is that a month or six weeks ago the Bank bought up most of the early April maturities in order to assist the market in the difficult conditions prevailing early in March. In a sense this action of the Bank only postponed the stringency, and it is this fact that has been brought home to the market this week. The extent to which the Bank has taken funds off the market is shown in this week's Bank return. Bankers' deposits have fallen by £3,368,000 and the earning assets of the Bank, consisting of bills and securities, by £7,495,000.

	Apr. 11, 1929.	April 4, 1929.	Mar. 27, 1929.	Mar. 21, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate	5½	5½	5½	5½	4½ (Feb. 7,'29)
Banks' Deposit Rate	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
Houses { Notice	3½	3¾	3¾	3¾	2¾ (Feb. 7,'29)
Market rate (3 months' bills)	5 5/16	5 5/16 – ⅜	5 5/16 – ⅜	5 5/16 – ⅜	...

Apart from these passing factors, the general tone is more cheerful. The return of Continental buyers to the London discount market is a good sign, while the further increase of £1,015,445 in the Bank's gold stocks, even though previously anticipated, is also encouraging. Finally, and best of all, it was stated on Wednesday that an appreciable amount of American money is now returning to London. On the whole, matters are at last all moving in the right direction.

* * * *

The monthly statement of the nine English clearing banks reveals a decline of £34 million in deposits, and one of nearly £9 million in acceptances. The shrinkage in deposits for the second month in succession reflects the influx of revenue into the Treasury during the last quarter of the financial year.

	Nov., 1928.	Dec., 1928.	Jan., 1929.	Feb., 1929.	Mar., 1929.
Capital and reserves	130·8	130·8	130·8	130·8	130·8
Acceptances	200·5	217·3	232·4	230·8	222·1
Deposits (including undivided profits, &c.)	1,751·8	1,806·3	1,809·6	1,773·4	1,739·3
Total liabilities	2,083·1	2,154·4	2,172·8	2,139·0	2,092·2
Coin, notes, balance at bank, and cheques in course of collection	250·4	268·9	255·1	240·5	239·5
Money at call	141·8	159·9	145·1	133·4	131·3
Investments	265·4	269·0	274·3	270·8	268·9
Discounts	248·4	258·7	274·2	260·2	214·3
Loans and advances	940·8	944·5	956·1	967·5	980·3
Cover for accept., premises, &c.	236·3	253·4	268·0	266·6	257·9
Total assets	2,083·1	2,154·5	2,172·8	2,139·0	2,092·2

Bank "cash" has fallen by one million, and if due allowance be made for the extremely difficult monetary conditions that prevailed last month, it must be admitted that the decline is very small indeed. Call money and investments are also fractionally lower. The main changes in the banks' assets are a fall of £46 million in discounts and an increase of £13 million in advances. The decline in discounts probably reflects the decrease in the volume of Treasury bills outstanding, which in turn is the result of tax collection. It is possible that the increase in advances is also a measure of the help the banks have given to those of their customers who had heavy tax payments to make, but this is a matter of conjecture, and it is permissible to hope that this increase reflects an improvement in trade.

NEW YORK MARKETS.

Our New York correspondent cables:—Money has been firmer this week, thanks to the banks' preparation for mid-month settlements, to the continued decline in Reserve holdings of bills and of member banks' discount paper, and to a larger volume of commercial borrowing at member banks. The Reserve system's figure of credit outstanding shows a substantial decline, while the Reserve ratio has risen to 73.8 per cent. There appears little likelihood of an early change—or, indeed, of any change at all—in the New York discount rate. There has been a fresh decrease of $27 million in the earmarked portion of the Reserve Banks' gold, which is thought to be from the French holding on German account, as it is believed that the Bank of France is willing to supply gold itself in order to avoid ocean shipment. Imports of gold also totalled $4 million, but the effect on the money market has been slight.

THE STOCK MARKETS.

In the absence of any change in the monetary situation, the stock markets were quiet, public participation being on a small scale and speculative fervour conspicuous by its absence. Gilt-edged stock was not too plentiful, and the home railway market was similarly of narrow dimensions. Interest in the industrial markets centred chiefly on the cable-wireless merger terms, cable stocks rising, while Marconi issues were sold after the official announcement. Rubber shares were, if anything, more idle than a week ago, but tea shares strengthened on a steady investment demand. The oil and Kaffir markets were quiet, while the weakness of base metal prices checked activity in Rhodesian shares.

THE COMMODITY MARKETS.

Reports this week vary very much from industry to industry. The forward position in some colliery centres is weaker, but prices remain firm in South Wales. Greater foundry activity has considerably improved the demand for pig iron, and most classes of steel are meeting with a fairly good market. Raw cotton is distinctly firmer. Manchester conditions are far from satisfactory, owing to the discouraging state of affairs in Oriental markets. The jute trade is depressed. There are signs of improvement in the hides and leather markets. Vegetable oils and oilseeds are in poor demand. Wheat prices are on balance scarcely changed.

THE FOREIGN EXCHANGES.

After fair activity at the opening of the week, the Foreign Exchange market was quieter towards the close. Sterling was firmer against the dollar at 4.85⅜, after being 4.85½. Montreal lost half a point at 4.89 and Paris four points at 124.25. Madrid underwent steady depreciation from last week's level of 32.15, and after touching 32.98 returned to 32.70. Dear money rates brought Amsterdam down sharply from 12.11 to 12.09½. Of the Scandinavian exchanges Stockholm depreciated from 18.17 to 18.18¼. The South American exchanges were again very steady. Rio gained 1/32d. at 5 27/32d., whilst Montevideo lost a little at 49¼d. The Mexican peso was rather steadier with the reports of Federal successes, and kept fairly firm at about 10.25. In the Far East the rupee was weaker at 1.5 31/32d., Batavia and the yen being unchanged. In the forward market dollars were a little less sought at discounts of 3/32 cent. and ¼ cent. The premium on Paris was wider at 7 centimes and 16 centimes, as against 2½ centimes and 9 centimes last week, as was the premium for forward pesetas at 10 and 30 centimes for the two periods. The discount on three months Amsterdam narrowed from ¾ to ¼ cent. Silver was unchanged at 25 7/16d. for both spot and forward, with little business passing, and Hong Kong lost ⅛d. at 2s., but Shanghai was unchanged at 2s. 6 1/16d.

THE CASE FOR FREE TRADE.

With this issue we publish a Supplement setting out "The Case for Free Trade." This will be reproduced in pamphlet form, and the pamphlet will be available on Tuesday, April 16th, at "The Economist" Office, 6 Bouverie Street, E.C. 4, price 4d. Special terms for quantities by arrangement.

THE CASE FOR FREE TRADE.

We cannot conceive that any apology is required for publishing, as we do in a Supplement to this issue of the *Economist*, a short re-statement of the main points in the case against trade restriction and an examination of some of the claims now being vaunted before the country by "Safeguarding" enthusiasts. We should, indeed, regard it as a dereliction of urgent duty if we failed to draw our readers' attention as forcibly as possible to the very real menace that besets the fiscal system of this country. The menace is the same as the menace of 1923. The only difference is that in 1923 Mr Baldwin clearly and definitely asked the country for power to install a protectionist system, whereas to-day he veils what is, in effect, precisely the same request, by describing Protection by the euphemism "Safeguarding." The menace, therefore, is more subtle. When Mr Baldwin asked permission to bring Protection up the front stairs, the people promptly forbade it. To-day it is the back stairs that they have to barricade. Both staircases lead to the same landing.

Mr Baldwin has not yet issued his election programme, and we have, therefore, to rely upon the latest references to fiscal policy made by him and his Ministers. By these the Conservative Party is revealed as committed to an indefinite extension of the Protectionist experiment. If Mr Baldwin is returned to power, a committee is to be set up before which any and every industry, always excepting poor agriculture, may apply for the protection of an import duty. One of the early applicants, we know, would be the iron and steel industry. It is clear, therefore, that, unless the country realises the full meaning of Mr Baldwin's policy and rejects it, we shall, in a few short months, have travelled beyond the realm of comparatively trivial tariff experiments right into the danger zone of full protection for major industries, to be imposed haphazard and piecemeal, and without regard to the broad needs and requirements of the country as a whole.

To emphasise the gravity of this threat to place fresh shackles upon our troubled industries, is the purpose of our Supplement. We do not here propose even to flit over the ground of argument that is covered there. But we do claim for this Supplement the earnest attention, not merely of Free Traders, but of those who lightly or lazily assume that fiscal policy does not greatly matter, and of those who may have failed to see the iron hand of Protection beneath the velvet glove of Safeguarding. We hope it may carry conviction to all whose minds are not too inextricably caught up in the web of tariff fallacies.

One hears, sometimes, such careless *obiter dicta* as this:—"Free Trade was all right in the nineteenth century, but it is out of date now." Or again:—"Let us get rid of obsolete political Shibboleths, and look at this fiscal question purely from the business point of views." Our readers will find that we have dealt with the question not merely from the point of view of theory (though theory is not neglected), but on the concrete basis of hard business facts—facts not of the nineteenth century, but of to-day. Circumstances, it is true, have changed since the nineteenth century. But the main trend of change is in the direction of the enormously greater interdependence of nations; and the trend has served, not to destroy, but to re-inforce every argument against trade restriction. The plain fact is that it is Protection, and not Free Trade, that is hopelessly out of date, and as the World Economic Conference showed, the nations of the world clearly recognise this, and are struggling to free themselves from the fiscal bonds which restrict the flow of their commerce. In the domestic sphere the developments of every passing year make Protection more and more impossible as a remedy for industrial troubles. In the international sphere Britain bears the tremendous responsibility of checking or encouraging that world-wide return to a saner fiscal policy which is a postulate of the recovery of prosperity. If these great issues are made plain to the people of this country, we believe that they will once again refuse to allow Mr Baldwin to lead the country with retrograde steps, however faltering, backwards from the goal of enlightened mercantile policy.

Some there may be who distrust statistics and the arguments derived from them, and others who find the summary of facts and figures, presented in our Supplement, hard reading. To such we would pose a few questions in terms of a homely simile. Is it possible to design a wall which will keep out the tramps and let through the sun and air? Which will shelter the timorous, who dislike strangers, and not discourage the adventurous who want to see the world? Which will enable us to bargain with our neighbour who has already built an ugly wall, without tempting him to build it higher? Which will make the flowers flourish without encouraging the weeds? Experience teaches us rather that it is the nature of walls to shut in as strongly as they shut out. It is a commonplace of life that a man who puts up a notice, "No Visitors," need expect few invitations. And how can Britain, of all nations, hope to live without the daily stream of visitors bringing invitations—imports of her needs calling forth orders for her products?

MR CHURCHILL'S CHANCELLORSHIP.

Final judgment on Mr Churchill's tenure of the Treasury must await next Monday's Budget. His statement, however, has to be viewed in relation to the fiscal history of the last few years, and, in order that our readers may be able to compare Mr Churchill's fifth pronouncement with the record of his earlier achievements and shortcomings, we have assembled in the following article some of the more important details of the national finances.

In the first of our tables we analyse the expenditure side of the National Accounts. Owing to the changes made in classification two years ago, it is not yet possible to give all the details of Civil Service expenditure last year, but where the actual payment is not available we have inserted in italics the original estimates. The current year's estimates are added for purposes of comparison:—

EXPENDITURE (000's omitted).

	Issues in Year (*Original Estimates in italics*).						
	1913–14.	1924–25.	1925–26.	1926–27.	1927–28.	1928–29.	1929–30.
	£	£	£	£	£	£	£
National Debt Services	24,500	357,161	358,229	378,584	378,816	369,000	*355,000*
Other Cons. Fund Services	12,823	20,883	22,466	22,808	24,303	23,109	...
Total Consol. Fund Services	37,323	378,044	380,695	401,392	403,119	392,109	...
Army and Ordnance	28,346	44,765	44,250	43,600	44,150	40,500	*40,545*
Navy	48,833	55,625	59,657	67,600	58,140	56,920	*55,865*
Air Force	...	13,310	15,470	15,530	15,150	16,050	*16,200*
Total Defence	77,179	114,700	119,377	116,730	117,440	113,470	*112,610*
Civil Services—							
Law and Justice	4,491	11,029	11,802	12,109	12,625	12,123	*12,407*
Education	19,450	48,675	48,569	53,175	53,258	49,456	*50,004*
Foreign & Colonial	1,523	6,808	7,623	7,449	7,681	5,580	*6,145*
Ministry of Pensions	...	69,031	67,901	63,264	59,729	*57,216*	*53,722*
Old Age and Other Pensions	13,281	30,581	31,050	38,759	39,090	*40,891*	*42,145*
Ministry of Health	6,619	18,600	20,126	18,309	19,778	*20,774*	*21,229*
Ministry of Labour	882	14,413	13,370	11,031	10,702	*12,083*	*13,159*
Other Civil Services	7,656	26,997	a42,822	a36,396	26,952	*25,440*	*42,974*
Total Civil Services	53,901	226,134	243,263	240,486	229,815	222,493	*238,586*
Revenue Departments*	4,483	10,956	11,360	11,514	11,745	11,637	*11,668*
Total Supply Services*	135,563	351,790	374,000	368,730	359,000	347,600	*362,864*
Total Expenditure	172,886	729,834	754,695	770,122	762,119	739,709	...

* Excluding Post Office.
(a) Including coal mines subvention.

The largest single item in this table, the cost of the National Debt, is discussed in detail later in this article. The gigantic cost of armaments has undergone disappointingly small reduction over the last five years, in spite of the fact that the period has included several international conferences for the limitation of arms, and that the maintenance of good foreign relations has been one of the chief points on which the Conservative Party has claimed credit. We are still spending on current measures of defence nearly 3 per cent. of the national income, as compared with about 2 per cent. in the last half of the nine-

teenth century. Moreover, the memorandum accompanying the latest Naval Estimates points out that the bulk of the cost of the Singapore Base will not be felt before 1930. In the Civil Services the most obvious change on balance over the period 1924-25 to 1928-29 has been an automatic decrease amounting to nearly £12 million in war pensions, offset by an increase of over £10 million in old age, widows', and other pensions. Aggregate Civil Service and Revenue Department expenditure has fallen by £3 million—not a spectacular record of economy. In another column we discuss the possibilities of reduction in the Civil Service votes, and reach the conclusion that retrenchment is still possible without loss of efficiency. The large increase in the 1929-30 estimate for "other civil services" covers the cost of de-rating in that financial year.

We turn now to the methods by which this expenditure has been met:—

REVENUE (000's omitted).

	1913-14.	1924-25.	1925-26.	1926-27.	1927-28.	1928-29.
	£	£	£	£	£	£
Customs	35,450	99,344	103,487	107,515	111,620	118,972
Excise	39,590	135,128	134,560	132,978	139,200	134,000
Motor Duties (net)	...	601	501	4,020	4,852	4,226
Estate, &c., Duties	27,359	59,450	61,200	67,320	77,310	80,570
Stamps	9,966	22,850	24,700	24,750	27,030	30,060
Land Tax, &c.	2,700	1,450	950	880	780	840
Property and Income-Tax	47,249	273,836	259,411	234,717	250,583	237,620
		62,680	68,510	65,910	60,600	56,150
Super Tax						
Land Values Duties	715	...	...	...	...	...
Excess Profits Duties, &c.	...	700	2,000	4,500	...	850
Corporation Profits Tax	...	18,100	11,670	3,970	1,780	850
Total Tax Revenue	163,029	674,139	667,089	646,560	673,755	664,138
Post Office, Net Receipts	6,193	5,070	3,400	3,950	6,200	8,100
Crown Lands	530	960	950	1,010	1,070	1,210
Interest on Sundry Loans	1,580	11,941	14,494	22,854	23,953	28,111
Miscellaneous—						
Ordinary Receipts	2,304	14,420	17,349	28,214	30,893	13,143
Special Receipts		26,963	36,925	30,840	30,488	43,402
	178,636	733,493	740,657	733,428	766,358	758,104
Surplus(+) or Deficit(−)	+ 5,750	+ 3,659	− 14,038	− 36,694	+ 4,239	+ 18,395

It will not escape notice that Mr Churchill's two surpluses have amounted to less than half the sum of his two deficits. Before proceeding to review briefly Mr Churchill's fiscal methods it may be convenient to examine in greater detail the revenue raised under several of the more important heads, in the latest years for which figures are available.

CUSTOMS AND EXCISE DUTIES—Net Receipts. (000's omitted.)

	1913-14.	1923-24.	1924-25.	1925-26.	1926-27.	1927-28.
	£	£	£	£	£	£
Spirits	23,976	54,037	51,054	49,928	43,553	47,368
Beer	13,655	81,702	81,987	82,403	84,196	83,319
Tea	6,499	10,731	5,971	5,780	5,953	5,781
Sugar	3,329	38,117	20,532	19,371	18,784	18,742
Dried fruit	514	928	731	565	588	615
Tobacco	18,284	51,882	51,913	53,498	53,859	58,104
Entertainments	...	9,285	6,249	5,714	5,729	6,120
Other Revenue duties*	8,970	17,828	15,984	15,352	16,856	19,077
Total Revenue duties	75,227	264,510	234,421	232,611	229,518	239,126
Hops	...	...	...	118	174	317
Silk and artificial silk	...	...	...	3,199	5,667	5,992
"McKenna" Duties	...	2,590	110	1,081	2,712	3,563
Safeguarding of industries duties	...	631	476	749	1,917	2,140
Total protective duties	...	3,221	586	5,147	10,470	12,012
Grand Total	75,227	267,731	235,007	237,758	239,988	251,138

* Including wine, mineral waters, cocoa, coffee, matches, betting duty, railway passengers, patent medicines, liquor and other licences, and miscellaneous.

Revenue duties, it will be seen, increased in the first three years of Mr Churchill's term of office by nearly £5 million as a result of the large expansion in receipts from tobacco. Exchequer receipts in 1928-29 showed a further increase of £2 million over 1927-28, thanks very largely to the duties on light oils, which more than made up for a declining Excise revenue and a remission in the sugar duties. The protectionist experiments of the present Government are reflected in the growing part played by protective duties in the total Customs revenue.

In the revenue table, only that share of motor vehicle duties is shown which accrued to the Exchequer after meeting Road Fund payments. The total receipts from these duties in 1928-29 were £25,857,000, as compared with £24,518,000 in the previous year, and £16,164,000 in 1924-25.

Stamp duties, though sometimes condemned by economists, play an increasingly large part in the national finances:—

STAMP DUTIES—Net Receipts.
(000's omitted.)

	1913-14.	1923-24.	1924-25.	1925-26.	1926-27.	1927-28.
	£	£	£	£	£	£
Land and property	1,879	4,161	4,575	4,660	4,602	4,867
Stocks, shares, &c.	3,125	6,736	7,102	8,499	7,984	9,820
Company duty	698	2,295	2,225	2,680	3,506	3,251
Cheques and bills	2,322	4,750	5,182	5,368	4,772	4,977
Receipts	669	2,121	2,135	2,277	2,358	2,284
Total (incl. misc.)	9,648	21,579	22,758	25,129	24,870	26,894

In 1928-29 payments into the Exchequer totalled £30,060,000 against £27,030,000 in 1927-28.

The most elastic item is plainly the yield from stocks and shares, and the growth of the revenue from these duties reflects an enormously increased Stock Exchange activity.

Turning to direct taxation, we give below the Budget estimates and Exchequer receipts from Estate Duties:—

ESTATE, &c., DUTIES.
(In Million £'s.)

	Budget Estimate.	Exchequer Receipts.	Exchequer Receipts Larger (+) or Smaller (−) than Estimate.
1913-14	26·75	27·36	+ 0·61
1919-20	34·50	40·90	+ 6·40
1923-24	52·00	57·80	+ 5·80
1924-25	56·00	59·45	+ 3·45
1925-26	66·50	61·20	− 5·30
1926-27	66·00	67·32	+ 1·32
1927-28	67·80	77·31	+ 9·51
1928-29	72·00	80·57	+ 8·57

Death has in recent years been a good friend to the present Chancellor, and the yield from these duties has never once suffered a decline since the war. Their growing importance is shown in the ratio of their yield to the receipts from income tax, which advanced from 22 per cent. in 1924-25 to 34 per cent. in 1928-29. Details of the yield of income tax are given below:—

INCOME TAX.

	Estimate.	Exchequer Receipt.	Exchequer Receipt larger (+) or smaller (−) than Estimate.	Standard Rate of Tax in the £.	Yield per penny in the £.
	Mln. £'s.	Mln. £'s.	Mln. £'s.	s. d.	Mln. £'s.
1913-14	42·7	43·9	+ 1·2	1 2	3·14
1919-20	312·0	316·9	+ 4·9	6 0	4·40
1923-24	260·8	269·3	+ 8·5	4 6	4·99
1924-25	265·0	273·8	+ 8·8	4 6	5·07
1925-26	262·0	259·4	− 2·6	4 0	5·40
1926-27	254·8	234·7	− 20·1	4 0	4·89
1927-28	247·0	250·6	+ 3·6	4 0	5·24
1928-29	232·9	237·6	+ 4·7	4 0	4·95

The decline in receipts shown last year was the consequence of the increased family allowances given by Mr Churchill in his last Budget. It will be seen that when the effects of industrial troubles of 1926 had passed off,

income tax exceeded the Chancellor's expectations, whereas yield from Super Tax has disappointed him:—

SUPER TAX.
(1913-14 and 1919-20, United Kingdom; thereafter Great Britain and Northern Ireland.)

Year.	Incomes Exceeding which Super-Tax Becomes Chargeable.	Number of Persons Assessed.	Total Income Assessed, including First Portion on which no Super-Tax is Payable.	Budget Estimate.	Exchequer Receipt.	Exchequer Receipts Larger (+) or Smaller (−) than Estimate.
	£		Million £'s.	Mln. £.	Mln. £.	Million £'s.
1913-14	5,000	14,008	176	3·25	3·32	+ 0·07
1919-20	2,500	54,212	408	42·00	42·17	+ ·17
1923-24	2,000	95,526	535	58·00	60·64	+ 2·64
1924-25	2,000	93,841	540	61·00	62·68	+ 1·68
1925-26	2,000	95,364	546	63·30	68·51	+ 5·21
1926-27	2,000	94,676	537	64·50	65·91	+ 1·41
1927-28	2,000	*	*	62·00	60·60	− 1·40
1928-29	2,000	*	*	60·00	56·15	− 3·85

* Not available.

Reverting to our table of total revenue, we see that miscellaneous non-tax revenue has proved very remunerative to Mr Churchill. This item has included several windfalls—the Currency Notes Reserve, for instance, and repayments of debt by the Colonies and Dominions. The Chancellor's record with regard to tax revenue has been, in outline, as follows. In his first Budget he provided for an increase in a full year of £8.3 million in Customs and Excise revenue by restoring the McKenna Duties and by imposing duties on silk, artificial silk and hops, offset by increased preferences on sugar, dried fruits and tobacco. Small increases in the rates of death duties on estates between £12,500 and £1,000,000 were calculated to bring in £10 million, against which £10 million were remitted through the reduction of certain rates of Super Tax; a reduction of 6d. in the standard rate of income tax was to cost £32 million, and increase of allowance in respect of earned income £71/2 million. The next year additions and modifications in protective duties were calculated to yield about a million pounds; the motor vehicle duties were tightened up to yield a further £2,345,000, while £6 million in a full year were expected from the Betting Tax. In the last expectation Mr Churchill has been gravely disappointed, the yield amounting, in fact, to only £2.7 million in 1927-28. In 1927 he imposed additional duties on matches, wine and tobacco to yield in a full year £5,600,000, to which he added new protective duties on pottery and motor tyres to yield £950,000. Last year Customs and Excise was raised on balance by £13,715,000 in a full year; this covered a remission of £2,900,000 in the sugar duties, the imposition of a tax of 4d. a gallon on imported hydro-carbon oils, new duties on mechanical lighters and buttons, and an increase of duty on British wines. Motor duties were lightened on hackney vehicles at an estimated cost of £600,000, and £41/2 million were provided for increased relief from income tax in respect of children.

For the rest, Mr Churchill has obtained revenue by a series of ingenious devices. In 1926 and 1927 he got £101/2 million by reducing the period of Brewers' Credit. He took from the Road Fund surplus £7 million in 1926 and £12 million in 1927, while in the latter year he also obtained £14.8 million by collecting Schedule A Income Tax in one instalment. Only by these means has the country escaped a still more repressive burden of taxation. A fiscal policy whose fruits may be summed up as (1) a small measure of relief to the income tax payer and the consumer of sugar, (2) a greatly increased burden on the motor owner and in a smaller degree on the smoker, (3) an increase in the number of protective duties, has produced changes in the ratio of direct to indirect taxation which are shown in the following table:—

TAX REVENUE.
(including Motor Vehicle Duties, Gross.)

	Direct Taxation.		Indirect Taxation.	
	In Mln. £	% of Total.	Mln. £	% of Total.
1903-04	69	48·5	73	51·5
1913-14	78	47·9	85	52·1
1921-22	513	59·9	344	40·1
1922-23	472	60·9	302	39·1
1923-24	429	59·7	289	40·3
1924-25	433	62·7	257	37·3
1925-26	422	61·6	263	38·4
1926-27	399	60·1	265	39·9
1927-28	416	59·9	278	40·1
1928-29	402	58·7	283	41·3

It will be seen that although steadily diminished during the past four years, direct taxation plays a strikingly larger part in the total than before the war.

This account of Mr Churchill's record would be incomplete without reference to the state of the national debt. The following table shows the nominal total outstanding at the end of each year. The figure for 1929 is not an official one:—

NATIONAL DEBT.
Nominal Value at March 31st (Million £'s).

	1914.	1919.	1920.	1924.	1925.	1926.	1927.	1928.	1929.
	£	£	£	£	£	£	£	£	£
Funded Debt	587	318	315	314	314	314	314	313	313
Terminable Annuities	30	21	19	14	13	13	12	12	12
4% Consols	...	...	...	...	...	...	166	204	204
3½% Conversion Loan	...	...	...	666	709	760	740	832	833
4½% Conversion Loan	...	...	...	...	211	211	211	221	221
3½% War Stock	...	63	63	63	63	63	63	...	...
4½% War Stock	...	14	13	13	13	13	13	13	13
4 and 5% War Stock	...	2,068	2,041	2,166	2,053	2,109	2,154	2,253	2,253
National War Bonds	...	1,636	1,476	820	778	706	555	194	b 64
4% Funding Loan	...	...	409	396	395	392	389	385	385
4% Victory Bonds	...	...	357	314	301	348	345	343	343
Treasury Bonds	...	...	...	457	499	481	454	675	762
Exchequer Bonds	20	384	319	150	16	16	16	16	16
Savings Certificates	...	227	273	366	369	376	371	362	360
Other Debt*	...	1,292	1,232	1,128	1,123	1,113	1,103	1,097	1,094
Treasury Bills	13	957	1,107	588	575	665	599	527	700
Temporary Advances	...	455	205	186	166	139	117	162	37
Other Capital Liabilities	650 56	7,435 46	7,829 47	7,641 66	7,598 68	7,559 75	7,622 98	7,809 103	7,809 88
Total Liabilities	706	7,481	7,876	7,707	7,666	7,634	7,720	7,712	7,697
Estimated Assets	38	87	107	117	115	96	116	132	a
4% Victory Bonds held by National Debt Commissioners	...	...	28	38	47	56	67	82	a

* Includes debt to American Government. (a) Figures not yet published.
(b) Since repaid.

The following table shows in detail interest payments made in the last year for which figures are available:—

NATIONAL DEBT AND INTEREST.
(000's omitted).

	Amount Outstanding Mar., 1928.	Interest Paid in Year Ended Mar., 1928.	Date of Interest Payment.
Funded Debt—	£	£	
2½% Consols	276,243	6,907	5 Jan.-April.
2½% Annuities	2,400	66	July-Oct.
2½% Annuities	21,120	528	
3½% Conversion Loan	832,258	25,779	1 April-1 Oct.
4% Consols	204,297	7,825	1 Feb.-1 Aug.
Debts to Bank of England and Ireland	13,646	341	...
Total Funded Debt	1,349,964	41,446	...
Terminable Annuities	12,551	412	...
Unfunded Debt—			
3½% War Stock and Bonds	...	1,886	1 Mar.-1 Sept.
4½% War Stock and Bonds	13,804	576	1 June-1 Dec.
5% War Stock and Bonds	2,172,273	106,062	1 June-1 Dec.
4½% War Stock and Bonds	80,334	2,862	15 April-15 Oct.
4% Funding Stock and Bonds	385,388	15,518	1 May-1 Nov.
4½% Conversion Stock and Bonds	220,949	9,563	1 Jan.-1 July.
4% Victory Bonds	342,969	13,766	1 Mar.-1 Sept.
Exchequer Bonds	15,640	469	28 Jan.-28 July.
Treasury Bonds	675,371	22,745	Various Dates
National War Bonds	193,847	24,522	
National Savings Certificates	362,448	15,077	...
National Savings Bonds	618	5	...
Other Debt*	1,096,982	29,944	...
Treasury Bills	536,940	25,281	...
Ways and Means Advances	161,850	1,823	...
Total Debt	7,610,928	312,008	...

* Includes War Debt to United States.

Having made history in his first Budget by the announcement of the return to the gold standard, Mr Churchill took the courageous step of raising the Sinking Fund from £50 million to £60 million in 1927, and to £65 million in 1927. Unfortunately this record was marred by the increase of debt to cover his deficits of £50 million. In 1928 Mr Churchill inaugurated his new and questionable policy of applying a fixed total sum each year to interest and sinking fund combined, which resulted last year in a reduction of the sinking fund payment to £57½ million, since in fact the total sum paid in interest was approximately the same as in 1927-28, although Mr Churchill had budgeted for a decline of £8 million. In a leading article last week we prophesied that the Chancellor will be forced to choose between enlarging his proposed provision for National Debt services and seriously slowing down the rate of repayment. His pronouncement on this section of the National Finances, and on the possibility of profitable conversion, will be awaited with unusual interest.

ITALY, FRANCE AND GREAT BRITAIN.

LAST week the twenty-fifth anniversary of the Anglo-French Entente of 1904 was celebrated at Cannes, and simultaneously, on April 2nd, Sir Austen Chamberlain had a personal meeting near Florence with Signor Mussolini. Both events were "unofficial," and there has been a not unnatural tendency in the French and Italian Press to put a rather misleading emphasis on each of them separately. To our mind, their true significance lies in their conjunction.

The heart of the matter was made clear by Sir Austen Chamberlain in an interesting interview published in *The Observer* last Sunday: "It is contrary to my whole conception of international policy that the good relations of two nations should be regarded as detrimental to the interests of a third party." This declaration was made *à propos* Great Britain's relations with France and Italy, but Sir Austen went on to state expressly that it was equally applicable to our relations with France and Germany. This is, indeed, a national and not a party policy; and when Sir Austen Chamberlain speaks this language he speaks not only for himself, but for his predecessors and successors in office. It is common ground that this is the right policy for every British Secretary of State for Foreign Affairs to pursue. The difficulty, of course, is to live up to it; for it is always a delicate and often a thankless and invidious task to act as the common friend of two nations who are not on the best of terms with one another; and the more impartial the common friend may be, in fact, the greater the possibility that one or other or even both of the rivals may become irritated at what seems like a superhuman, or inhuman, degree of disinterestedness and detachment. Nay, more, they may suspect it of being insincere; and then your "honest broker," grown weary of well-doing, may drift into taking the line of least resistance and may decide to make sure of his friendship with one party at least, at the risk of estranging the other. There have been such lapses in the foreign policy of His Britannic Majesty's present Government in Great Britain (for in these matters the Dominions follow their own courses and are not bound by action taken in Whitehall). One such lapse was the unlucky "Anglo-French Naval Compromise." But we do not propose to rake up old scores; and we wish to give Sir Austen Chamberlain full credit for seeing clearly what the right policy is and pursuing it, in spite of lapses, with fair consistency.

To state our Continental European policy in the simplest terms, its aim is to prevent the tensions and clashes between France and Germany and between France and Italy from coming to a head, and, further, to do anything that we can to assist these Powers to remove the underlying conflicts of interest out of which the tensions and clashes arise. The *importance* of keeping to this policy and making a success of it can be measured by the ugliness of the possibilities in case the policy of conciliation should fail. If the mediating and conciliating influence of Great Britain ceased to operate, we can readily imagine the greater part of Continental Europe once more divided into two camps, with France and her satellites on one side and Italy and her satellites on the other. We can imagine Italy seeking to redress a balance which would be heavily inclined against her by drawing Germany into the arena, with the argument that British mediation had not been effective in holding the scales even between Germany and France, and that it was now time for Germany to try the Fascist method of "direct action." We can imagine Soviet Russia sitting on the fence as the *tertius gaudens* in this new schism of "capitalist society"—a schism which would be a portent that the Marxian apocalypse was developing "according to plan." All this, no doubt, seems remote and fantastic as things are now; but it might become very practical politics if Great Britain became involved in naval competition with the United States, and then tried to cover her rear by allowing her European policy to develop into some kind of exclusive understanding with France. That was the vista opened up by the "Anglo-French Naval Compromise," and it was the glimpse of this vista that very naturally and rightly alarmed public opinion in this country. Fortunately, the policy of no competition with the United States, and no exclusive understandings with particular European Powers, has come into the ascendant again; and we are, therefore, once more in a position to help France and Italy to improve their relations with one another.

Where are the causes of Franco-Italian tension to be found? During the past three years the most conspicuous field of this tension has been South-Eastern Europe. It is well-known, of course, that France, ever since she was disappointed in 1919 of her expectation of guarantees from the United States and Great Britain, has been doing her utmost to fill the void by negotiating treaties of mutual guarantee with other Continental European States which have an equal interest with her in perpetuating the regime established by the four European peace-treaties. These States are Poland, Belgium, and the three members of the Little Entente; and the effect of the network of treaties which has been woven between France and these States has been to consolidate the interest of France and Belgium in perpetuating the present situation on the Western frontier of Germany with the interests of Poland and Czechoslovakia *vis-à-vis* the eastern frontier of Germany, with the interests of Czechoslovakia, Jugoslavia and Rumania in preventing the union of Austria with Germany and in confining Hungary to her present frontiers, and finally with the interests of Jugoslavia, Rumania and Greece *vis-à-vis* Bulgaria. From this "Franco-centric" system of Europe Italy held aloof, partly because she did not wish to play second fiddle to France and partly because her main conflict of interest was with Jugoslavia, who was one of France's natural allies. But as the French network was steadily extended and consolidated, the Italian Government began to feel that a policy of aloofness was not enough; and, in 1926, Signor Mussolini set to work to build up an "Italo-centric" system of his own. Since France had gathered round her those States which, like herself, had gained by the peace-treaties and which, therefore, wished to perpetuate the post-war *régime*, Italy turned her attention to the States which had lost by the treaties and which would like to see them changed. She accordingly set to work with considerable success to draw towards her Albania, Hungary and Bulgaria. She even succeeeded in persuading Rumania to flirt with her for a time, though the Rumanian Government afterwards came to the conclusion that it could not belong to two rival "systems" simultaneously, and, therefore, swung back into its old policy of solidarity with Jugoslavia, Czechoslovakia, Poland and France. The effect of this Italian policy was to produce a rather alarming series of "incidents" and "crises" in South-Eastern Europe which reached their climax in 1927. The logical outcome of the policy would be a rapprochement between Italy and Germany; but this has been impeded by the fact that a union between Germany and Austria would be no more welcome to Italy than it would be to the Little Entente or to France. Moreover, German public opinion has been estranged from Italy by the Italian policy of forcibly de-nationalising the German minority in South Tirol. Nevertheless, the situation remains dangerous; and however much those who sympathise with the grievances of Germany, Austria, Hungary and Bulgaria may wish to see the European peace-treaties revised, it is evident that this is not the right road to-day; for a revision of the peace-treaties could not issue out of a Franco-Italian rivalry unless that rivalry were to end in the disastrous *dénouement* of a general war.

The Franco-Italian rivalry in South-Eastern Europe, however, is only a secondary symptom; for the real seat of the trouble between Italy and France lies in North-West Africa and in the Western Mediterranean, and if the tension could be eased there at its source, there is little doubt that the dangerous secondary symptoms in South-Eastern Europe would die away.

The trouble in North-West Africa is that France has great possessions suitable for European colonisation without having the French colonists to people them, whereas Italy has a great population of potential colonists without any suitable territories for colonisation under her own flag—for what are the oases of Tripolitania, or even the plateaux of Benghazi, among so many?

The trouble in the Western Mediterranean is one which it is easy for us to understand, for it is the familiar issue of "mathematical" versus "strategical" parity of naval armaments. The Italians claim "mathematical" parity with France. The French maintain that this would condemn France to "strategical" inferiority, since the French Navy in war-time has one heavy additional task in the Western Mediterranean from which the Italian Navy is exempt: the task of convoying from Africa to Europe those supplies of African "man-power" which are a vital part of the French forces in any European campaign. This naval controversy between Italy and France is a matter of general concern, because it will be difficult for Great Britain to agree on any scheme of comprehensive limitation of naval armaments with the United States and Japan unless she can simultaneously persuade France and Italy to come into line on some agreed ratio.

It will be seen that in Africa and the Mediterranean there are serious conflicts of interest between Italy and France which have to be solved; and the first step would be a frank, friendly and exhaustive joint investigation of the whole field by the two parties. The prospect of this was held out at the end of 1927, at the time of Monsieur de Beaumarchais' appointment as French Ambassador in Rome. Last October it was reported that a general agreement was on the point of being reached; but since then the negotiations seem to have hung fire. It is, therefore, welcome news that they are now being taken up again; and this time we may hope for a definitive agreement leading to a lasting improvement in the relations between these two Powers. It is in the interest of Great Britain to smooth the path towards a Franco-Italian agreement by any means that may be in her power.

The New York Trust Company

Capital, Surplus & Undivided Profits - $35,000,000

COMPLETE INTERNATIONAL
BANKING FACILITIES

100 Broadway New York City

CANADA'S GRAIN MARKETING PROBLEMS.

(BY OUR OTTAWA CORRESPONDENT.)

THE grain marketing problem is at present very much to the forefront both in the prairie provinces of Canada and in Parliamentary circles at Ottawa, for the dissatisfaction which the Liverpool Corn Exchange has repeatedly in recent years manifested with the results of the present system employed for grading Canadian grain is matched by an equal volume of critical discontent among the Western farmers. Up till the third week in August the 1928 crop promised to be easily the best in the history of the West. But a series of frosts on successive nights after August 22nd wrought over a wide area a damage whose extent was only fully realised after threshing operations. The crop was in point of volume found to be the largest on record, but its quality has proved singularly disappointing, and an abnormally large proportion of it has been graded No. 4 Northern and even lower, large quantities being classified only as "feed." The result is that thousands of farmers have only been receiving about 70 cents per bushel for their wheat, which barely covers the cost of production, and agrarian leaders have bluntly declared that the crop of 1928 was one of the least profitable in recent years, because the heaviness of the straw made it expensive to handle.

Now the Western farmers have been schooled to accept vicissitudes with equanimity, but they feel that their misfortunes have been deliberately aggravated by human agencies. They cannot be convinced that a large part of the crop of 1928 was not "degraded" far below its real value as the result of a conspiracy between the private grain trade and the Board of Grain Commissioners. They assert that the elevator companies and milling firms were able to buy quantities of wheat at prices far below its real value for commercial purposes, and that, after subjecting it to mixing processes and hospital treatment, they have been able to reap the largest profits in their history.

This general indictment is reinforced by a special complaint about the administration of the Grain Act. Last year the Federal Parliament, at the instance of the prairie members, passed an important amendment to the Canada Grain Act, known as the Campbell amendment, whose effect was to give a farmer shipping wheat through a country elevator control of its ultimate destination in regard to terminal storage. The real objective of the amendment was to consolidate the position of the Western co-operative pools at the expense of the private elevator interests, which, under the old regulations, had each year been able to secure control of a good deal of "pool" wheat. The private grain companies fought this amendment bitterly through their political friends, and it now transpires that they have contrived this year to frustrate its purpose. Apparently they served notice early last summer upon the pools and the Grain Commission that, rather than carry on business under the restrictions imposed by the Campbell amendment, they would close up all their elevator plants and handle no grain at all. Now

there are still numerous points at which, in the absence of pool elevators, the local pool members have no alternative but to resort to the plants of the private elevator companies. The pool officials could not afford to leave these members in the lurch, and accordingly they felt compelled to make with the " trade " terms which, for all practical purposes, made the Campbell amendment a dead letter. With their consent the Board of Grain Commissioners issued last autumn a special grain ticket, now popularly known in the West as the " hybrid ticket," under whose terms the pools ceded to the trade the control of all pool grain passing through private elevators; they were in a position to do so because under the pool contracts grain when delivered passes from the control of the farmer to the pool. By this capitulation the private grain companies regained control of a large volume of wheat which had threatened to escape their clutches and their trading and " mixing " operations were greatly facilitated.

Illuminating evidence about the extent to which the wheat of Western Canada is subjected to the process known as " mixing " was given by Dr Donnelly, a Liberal member from Saskatchewan, in a speech delivered in the House of Commons on March 6th. He exposed in high relief the dimensions of the " mixing " practice by submitting to Parliament the following statistics about the ingoing and outgoing returns of the three statutory grades, Nos. 1, 2 and 3, Northern wheat at private terminal elevators at the head of the Great Lakes:—

		In.	*Out.*
		Million bushels.	
Crop year 1924–25	No. 1	16	20
	No. 2	15	14
	No. 3	16	25
„ „ 1925–26	No. 1	41	47
	No. 2	42	42
	No. 3	22	33
„ „ 1926–27	No. 1	14	18
	No. 2	32	40
	No. 3	14	27

The figures for the year 1926-27 are peculiarly revealing as they indicate that the owners of these private terminals took in 60 million bushels of Nos. 1, 2 and 3 grades, and sent out 85 million bushels of the same grades, and the inevitable conclusion, according to Dr Donnelly, is that they took 25 million bushels of the low-grade wheat and dumped them among the 60 million bushels of the higher grades. He also demonstrated that low-grade wheat had a habit of mysteriously vanishing, and quoted another series of statistics about the fate of Kota wheat, an inferior variety, in the private terminal elevators:—

	In. Bushels.	*Out.* Bushels.
1924–25	123,810	8,310
1925–26	792,166	49,000
1926–27	386,409	19,000

Subsequently, Mr Motherwell, the Minister of Agriculture, admitted in the Budget debate that, during a visit to Europe last summer, he had found his worst fears realised about the suspicions now attached to Canadian wheat in every important grain market, and he need obviously look no further than Dr Donnelly's statistics for the main reason.

The Western farmers admit that wheat shipped out via Vancouver has received much fairer treatment in grading, and has not been submitted to the same mixing processes. They attribute its better fortune to the fact that practically all the terminal elevator space at Vancouver is owned by the Government or the pools. Hence they are now demanding that the terminal elevators to be constructed at Fort Churchill, the tidewater terminus of the new Hudson Bay Railway, should be kept rigidly under Government control. Their argument is that, if the terminal elevators at Fort Churchill can only be preserved from the improper activities of the private grain trade and " mixing " forbidden there, they will attract most of the prairie grain unless the elevator interests at Fort William and Port Arthur agree to stop " mixing " and other objectionable practices.

Last summer the provincial Government of Saskatchewan, faced with a rising tide of agrarian discontent, appointed a Royal Commission to investigate and report upon the problem of grain marketing. It has held sessions all over the province and at places like Winnipeg and outside it, and has accumulated a diversified variety of evidence and data. The farmer witnesses have been almost unanimous in their complaints about the unsatisfactory character of the present grading system and in their demands for drastic reforms, being particularly insistent that the practice of " mixing " should be abolished. But the hearings also revealed a substantial volume of suspicion among the witnesses that the officials of the pools whose fundamental *raison d'être* was the correction of abuses practised by the private grain trade, if not its complete elimination, have in the last two years been working in too friendly co-operation with the private elevator companies and other interests.

The Commission, at a hearing in Winnipeg on March 11th, listened also to some frank evidence from Mr. James D. Fraser, the chief Government grain inspector, who declared that the mixing of Western Canadian hard wheat with soft grain from the United States was a common practice in the transfer houses at Montreal and that the resulting composition was shipped overseas under the certificates of the Canadian Government. Mr Fraser also expressed the opinion that Canadian wheat passing through the United States was subjected to the same adulterating process, and held it to be responsible for the dissatisfaction of European millers with Canadian wheat. Indeed, so startling were his statements that the Commission adjourned immediately afterwards to discuss them.

Undoubtedly agrarian opinion in the West is now genuinely aroused on a subject which vitally affects the farmers' livelihood, and the Conservative and Progressive politicians, discerning a unique opportunity to make political capital in Liberal strongholds like Manitoba and Saskatchewan, are championing the farmers' cause. Accordingly, the Government is being subjected to severe pressure by its Western supporters to take immediate remedial action for the removal of some of the worst grievances, and the prospects are that before the present session it will submit to Parliament important amendments to the Canada Grain Act. The Government is also awaiting an interim report of the Saskatchewan Grain Commission, which is expected to appear this month and to support many of the farmers' contentions, and its findings may provide the Government with some guidance for a policy adequate to meet the situation.

A SURVEY OF THE WORLD'S POWER.

THE rapid development of the national electrification scheme in Britain, with the widespread adoption of rationalisation in industry, have brought into prominence the whole question of the economic function performed by power. The aim of all rationalisation schemes is to obtain the highest possible continuous output per unit of equipment, and everything is subordinated to it: financial mergers, manufacturing amalgamations, central marketing schemes, are all concentrated on the purpose of ensuring a steady and full volume of production. Yet it is impossible to ignore in these developments the part played by power: mass-production is dependent on power equipment, and power, under its various forms, liquids, gases or electricity, constitutes the nerve force of industry. Some perception of the truth of this observation has always been apparent, most of all in those who have been responsible for the elaboration of the national electrification scheme in Britain, but we have not yet formulated even the most elementary principles underlying power economics. At no time has there been more need of investigation than now.

Even a few decades ago, coal was the only power-producing material, and the industrial wealth of a country was largely determined by its possession of or proximity to large coal reserves. Under those conditions, it was sufficient to devote attention to coal alone when a study of the power situation was made. Since then, however, the problem has become enormously complicated: heat economy and the growth of technical knowledge are together responsible for revolutionary changes in coal consumption, and in the grading of coal itself; low-grade fuels now possess a higher economic value than formerly; the exploitation of water-power resources and the elaboration of super-power transmission zones to transmit energy hundreds of miles and render it immediately available over areas measuring thousands of square miles have raised into industrial prominence a number of countries which were once regarded as exclusively agricultural, and so intensified international competition in many important commodities. A new alignment of economic values is taking place, with no evidence of conscious preparation or control by man, and little clear knowledge exists regarding the processes of adaptation or expansion on the basis of the new values.

Again, the industrialisation of many markets, once regarded as incapable of such development, has become an immediate possibility through the harnessing of water-power resources—with the result that financial groups are exploring the world for power concessions and competing actively with each other for the acquisition of electrical power undertakings capable of rapid expansion. The power situation threatens to become almost incredibly complicated, and the problems arising from such complexity are ceasing to be purely national in their effect. They may influence the future economic development of the world.

It is in the light of these considerations that the monograph now published by the World Power Conference should be judged.* As the Chairman of the Executive Council, Mr D. N. Dunlop, states in his preface to the work:—

" At a time when great industrial countries, in the possession of vast financial reserves, are still in ignorance of how best to use those reserves and ensure a continuous demand for their products, a survey of the power resources and power production of the world is a matter of urgent importance. It has more than a technical or scientific significance; its justification is primarily economic, and it should render it possible for concerted action to be taken with a view to developing on a scientific basis countries which have been hitherto undeveloped."

Some such principle as that enunciated inspired the International Economic Conference, held in Geneva in 1927, but that Conference disseminated its energies over too wide a field to be immediately and permanently effective in any one industrial or economic sphere. The World Power Conference, which now covers forty-eight countries, begins with the advantage of a definite and fairly closely determined range of activity. Its primary function has been to hold international meetings—Wembley, 1924, Basle, 1926, Imperial Institute, 1928, and Barcelona, 1929—where experts submit special reports on technical, financial, administrative and economic aspects of power production and utilisation, but it has made no effort to realise concerted international action in the treatment of any problem raised during its discussions.

As a further stage in development, it is proposed to carry out a survey of the power resources and production of the world on a uniform basis for each power-producing element—coal, brown coal, oil, gas, water-power, peat, and other low-grade fuels—allocate to one country the collection and preparation of essential data, and co-ordinate all data in one great scheme. When this work is completed it will be possible to give the state of world power development at definite periods, and thus substitute exact knowledge for mere speculation. Before carrying out such a work, however, it was found necessary to survey the present state of knowledge regarding resources and production, and show exactly where and how international effort could most effectively be employed.

The monograph has fulfilled these requirements, and gives, for the first time, a world picture which may be regarded as authoritative. It shows that already a considerable body of knowledge exists, but lack of standardisation and co-ordination has rendered it almost useless, while the development of more exact methods of assessment has served to destroy or weaken the authority of older estimates. The Toronto Geological Congress of 1913 gave the hard coal, brown coal and lignite resources of the world as 7,400,000 million tons, but the World Power Conference of 1924 reduced them to 5,835,000 million tons, while still more recent investigations—in Germany, Holland, Central Europe, the Dominions, Russia, China, Siberia and South America—have introduced further corrections. Thus an American Geological Survey, completed in 1926, gave the resources of China as 217,626,000,000 tons, compared with 995,587,000,000 tons given at the Toronto Geological Congress, and less spectacular but significant adjustments have taken place in other countries. The tendency is now to accept a lower figure even than 5,835,000 million tons. The world coal production in 1927 (including brown coal calculated on a hard coal basis) was 1,301,000,000 tons, so that the total reserves could last more than 4,000 years if 1927 could be taken as a standard. In the case of China and Siberia, reserves would last an indefinite time, but in other countries, such as Austria, Hungary and Italy, the end of resources is in sight. As a world problem, the conservation of coal supplies is not important.

In oil, where annual production would exhaust in forty years the total reserves of 43,000 million barrels established by the U.S. Geological Survey, the technical advance in the methods of extraction and exploitation and basic economic factors governing the distillation of crude oil have served to render any estimate of resources largely speculative. As Dr Gustav Egloff stated in a paper submitted to the Fuel Conference in 1928:—

" Since the foundation of the petroleum industry many predictions of oil shortage have been made. But, despite the stupendous increase in the use of petroleum during the last two decades, discovery of new fields has never failed to keep pace with the demand. At the present time the world's output of oil is far below the capacity of the actual producing wells. Proration and drilling agreements are holding back a veritable flood of crude, which would be produced in amounts far exceeding present requirements."

The world's reserves of natural gas are bound up with oil reserves, but one important factor lies in the volume of gas available for public utility distribution as well as the waste heat resulting from industrial production. Thus gases commercially available from coke-preparation are given as not less than one-fourth of the world's natural gas output.

In water-power greater accuracy obtains, although different methods of calculations have produced different results. The two most authoritative estimates, that of the World Power Conference of 1924 and that of the U.S. Geological Survey in 1927, fluctuate between 380,000,000 h.p. and 445,000,000 h.p., only 7 per cent. being developed. Under full development and with all the advantages of interconnection, water-power would

* " Power Resources of the World (Potential and Developed)." Pp. 182. 37 statistical tables. (London: The World Power Conference. £1 1s. net.)

Travel and Money

The far too common method—or lack of method—of carrying cash in bulk when abroad, is wholly unsatisfactory. Travellers are invited to consider the arguments of two leaflets issued by the Westminster Bank, *Points before Travelling*, and *Safeguards for the Traveller*, which will be gladly sent by the Secretary of the Bank on application.

WESTMINSTER BANK
LIMITED
Head Office: 41 Lothbury, London, E.C.2

represent a fuel saving of 2,000,000,000 tons of coal, almost twice the present annual world production. The actual saving is given now as about 85,000,000 tons of coal.

One important section of the monograph deals with the electrical power production of the world. In 1927 it totalled 190-200,000,000,000 units, compared with about 47,000,000,000 units in 1913, the main countries responsible for the 1927 figures being U.S.A. (80,205,000,000), Germany (12,444,000,000), Canada (12,093,000,000), France (11,347,000,000), Britain (8,750,000,000), Italy (8,100,000,000), Japan (8,000,000,000), Norway (8,000,000,000), and Russia (4,110,000,000). As the monthly statistics bearing on the U.S.A., Britain, Germany, Canada, Italy and Switzerland, responsible for about 62 per cent. of the world output, show, Britain, since 1924, has not kept pace with other countries, and is now relatively in a worse position than even in 1924.

The national scheme initiated in this country is paralleled by similar schemes in U.S.A., Canada, Germany, France, Italy, Belgium, Spain, Japan, Russia, Austria and Sweden, so that a world electrification movement is actually under way. A calculation of world power production—hard coal, brown coal, oil, gas and water-power—on a common coal basis, serves to indicate how coal has lost ground. World power production increased from 1,370,000,000 tons in 1913 to 1,655,800,000 tons in 1927, but hard coal only accounted for 60,000,000 tons. and oil, with water-power, for 225,800,000 tons. Electrical power production, which was about 3.4 per cent. of the total in 1913, has risen to over 11 per cent. in 1927, and has been responsible for a saving of about 160,000,000 tons of coal. Since 1913, therefore, hard coal has lost about 400,000,000 tons annually of the power demand. These statistics are alone sufficient proof of the change that has taken place in the international power situation since 1913. The monograph prepares the way for a complete examination of the world economic position of coal and energy.

THE MARCH OF AFRICA.

(BY A CORRESPONDENT.)

As was shown in a recent article in these columns, the impact of Europe on what has for more than half a century been known as the "Dark Continent" is beginning to have tremendous results, impossible to envisage in their entirety, even though a whole issue of the *Economist* were given up to the lightest sketch of them. To get something like the right atmosphere for their appreciation it has to be remembered that it is no longer ago than 1856 that Livingstone completed his first journey across Africa. Lecturing on his travels at Cambridge in the following year, he concluded by saying:—"I beg to draw your attention to Africa." So near does the occasion seem, it is more than possible that some who heard the address may still be living. Yet at the time his story opened up to Europe a new, fantastic world.

Many others since Livingstone have drawn attention to Africa, and Africa, if slow to respond in the past, is beginning to show that so much attention has its effects. The wonders to which Livingstone drew attention have become commonplaces to-day, when even elderly tourists may, without exertion and at no very great expense, pass comfortably by train or motor-car over the trails which he blazed through forests and fever-stricken swamps. But meanwhile, short as the time seems, marvellous things have happened to bridge the gap between the explorer with his ardours and endurances and the tourist with his round-trip ticket and week-end valise. All of them denote some attention having been given to Africa, though it may be feared that Livingstone would have been the first to condemn, and quite properly, some of the forms in which that attention has manifested itself.

But the past may well be left to look after itself with such possibilities ahead as are foreshadowed by the awakening of the conscience of Europe to African problems as the result of the Peace Conference. There is to-day a great stirring in Africa among its 130 millions of virile peoples, who appear to be on the brink of a development both cultural and economic, greater than any yet recorded in history. Of this development, unfortunately, but little is said except in the dry tones of statistical reports of the rise in the standard of living brought about by the enormous changes of the past few decades. Whether or not the impact of Europe is all to the good of Africa is outside the scope of this article, but its moral and social results must be recognised, and so far as it has affected the standard of living of the African native it would not be difficult to prove that it has been mainly to the good.

Left to himself, the African is, to European habits of thought, not a consistent worker, and his standard of living, bearing in mind his undoubted intelligence and physical capacity, has been deplorable. The satisfaction of his material wants is easily achieved, and ingenuity with him has never even reached such early forms of expression as are implied in the use of chair, table or box, those primitive articles which spring from the earliest attempts in the arts of civilisation. At the same time, the African is an intelligent observer with surprising faculties of adaptability, and his awakening to civilising influences and all that they may mean to Africa comes at a time when Europe itself has hardly got over the wonderment of its own scientific development and new mechanisms, and even within its own territories has not yet had time to exploit them to the full. Other great continents, America and Australia, bear witness to the slowness of economic development until modern perfection of communications made all things possible and brought with it progress in material development undreamed of before. Thirty years ago, in the United States, Middle West farmers and their wives were still content to visit their nearest town, when roads permitted, in wagons drawn by a team of farm horses. That newer production, the Gold Coast native cocoa planter, began to visit his town in a motor-car.

African development, so long delayed, but with increased advantages as the result, may therefore be expected to go forward with unprecedented rapidity on the wheels of modern means of communication. In doing so, it is likely to present many anomalies, and progress may well be patchy in range and accomplishment. But the outstanding fact is that the isolation of the past has gone for ever. The impact has begun to have telling effects, and the younger generation of Africans, aided by the enlightened attitude of Europe towards their needs and aspirations, is proving itself not slow in appreciating what the future may hold.

Of the rise in the standard of living over Africa as a whole, two significant facts hold some clue. A century ago African trade with Europe was valued at no more than £30,000,000. To-day it exceeds £600,000,000. Fifty years ago the great continent, with its 11,600,000 square miles, had but 1,000 miles of railway. To-day it has 30,000 miles, and clamours for more. A road on which motor traffic can run, the "Great North Road," some 2,000 miles long, runs through East Africa from Nairobi to Victoria Falls, linking up Kenya and Tanganyika with the Rhodesias, while yet another road has been opened up to the west of it to connect the Nile with the Congo. On parts of these roads regular motor services are already established for the carriage of passengers and goods. Little imagination is required to see what such roads must speedily mean to Equatorial Africa by linking it with the older settlements of the north and south, in everything that pertains to housing, sanitation, education, as well as in agricultural and industrial production, and in the standard of living of the native population.

In those parts of northern Africa which have the Mediterranean for seaboard, the influence of Europe is naturally more strongly marked, and to-day, in Algiers, it is possible to see a white-robed lady, veiled to the eyes, stepping into a last-year's saloon model of an American car. Such indications of the rise in the standard of living may also be seen in both British East and West Africa, where darker ladies in "flapperish" costumes and silk stockings, who, it is rumoured, have silver tea services to grace their social functions, may be seen enjoying the amenities provided by the Ford and other cars specially constructed for use where roads are still far from perfect.

Banking facilities have given a new idea of the value of money to many a successful African farmer, and one instance of the important part played by communications in connection with the banking account is typical of what is taking place in many parts of Africa to-day. Thus in 1910 some 900 tons of groundnuts were exported from Nigeria. By the opening of the western branch of the Nigerian Railway in 1912 so great an impetus was given to groundnut cultivation that, in 1927, no less than 90,770 tons were exported from Nigeria alone, and it is estimated that in that season the sum of £870,000 was paid out by trading companies to African farmers and middlemen in the purchase of groundnuts.

If the Gold Coast offers the most spectacular instances of the rise in the standard of living, with its native University at Achimota, and what that may ultimately mean in material as well as cultural progress, the trading companies in their stores reflect the increasing demands of the native due to his impact with European standards. The motor-car, the gramophone, and European clothing are not for all, but the contents of a store situated on the verge of the forest in French Equatorial Africa will be a revelation to those out of touch with recent African development and its effect on the standard of living as it may be gauged by contrast with the days when coloured handkerchiefs, beads, cheap pocket knives and looking-glasses were important articles of commerce, and barter the only means of exchange. Such a store was visited by Dr Schweitzer when investigating sleeping sickness in the French Gaboon, and a record made of the articles. In his book, "On the Edge of the Primeval Forest," the author thus describes the store he saw:—

"Behind the counter," he writes, "stood conspicuous the beautiful white-painted cask of cheap spirits. Next to it stood the boxes of tobacco leaves and the tins of kerosene. Further on was a collection of knives, saws, axes, nails, screws, sewing machines, flatirons, string for making fishing nets, plates, glasses, enamelled dishes, lamps, rice, tinned stuff of every variety, salt, sugar, blankets, dress material, muslin, Gillette safety razors, collars and ties in rich variety, blouses and chemises trimmed with lace, corsets, elegant shoes, openwork stockings, gramophones, concertinas, and fancy articles of all sorts."

The list as it stands carries its own implications, and is but the beginning of things. To it must be added the bicycle, in increasing popular demand in places less remote than the verge of the Gaboon forests, while soaps, stationery, cameras, sporting goods, and snuffboxes, as well as pomades, perfumes, hats and caps and walking sticks, show an increase in the standard of living of varying degrees of elevation. One wonders what Livingstone would have thought of the safety razors, the blouses and chemises trimmed with lace, and the openwork stockings!

In 1897 Mary Kingsley published her "Travels in West Africa," a sprightly book more than ever worth reading to-day if the full measure of African development is to be appreciated. It has in it a delightful description of a Kru boy about to return to work, and by contrast gives an excellent idea of the difference in the standard of living, then and now, bearing in mind the contents of the Gaboon store described above.

"A trader who is satisfied with a boy," she says, "gives him when he leaves a bit of paper telling the captain of any vessel that he will pay the boy's passage to his factory again, when he is willing to come. One can picture to one's self sad partings in that far away dark land. 'My loves,' says the Kru boy to his families, his voice heavy with tears, 'I must go. There is no more cloth. I have nothing between me and an easily shocked world but this decayed filament of cotton.' . . . He tears himself away from them and comes on board the passing steamer in the uniform of Gunga Din—nothing much before, and rather less than half of that behind—goes down coast on the strength of the little bit of paper from his white master, and works like a nigger, in the good sense of the term, for another spell, to earn more goods for his home folk."

The same boy now would probably be found with a banking account, and boarding the steamer in a neat store suit with a portmanteau in his hand. Much water has flowed down the Niger in thirty years. All too little has the great African development of recent decades been recognised. Is it yet fully realised what a part the march of Africa may play in the twentieth century?

Notes of the Week.

Viscount Grey's Position.—Amid the week's ordinary hubbub of political oratory one voice has attracted outstanding attention. Viscount Grey occupies a position of his own in British political life. It is a position of comparative detachment. He speaks seldom, and, when he does, his words gain weight not merely from the fact of this position but from the speaker's prestige derived from his record as Foreign Secretary through troublous years and a career clearly marked by disinterested probity. On this occasion his speech, delivered to the Liberal Council on Wednesday, was the more eagerly awaited because on Viscount Grey's shoulders has fallen the mantle of the late Lord Oxford, and on his pronouncement depended the answer to the question whether the Liberal Party would go into the Election united or divided. Viscount Grey selected three main themes for his address—Free Trade, limitation of armaments and unemployment. His reiteration of complete adherence to the policy of Free Trade was, of course, a foregone conclusion. On the limitation of armaments his criticism of recent failures was both trenchant and constructive. But it was, of course, Viscount Grey's attitude towards Mr Lloyd George's unemployment plans that principally aroused expectation. His attitude, as revealed in the speech, is that Mr Lloyd George's policy is "absolutely right." He threw doubt, it is true, much as we have done in these columns, upon the possibility of fulfilling Mr Lloyd George's pledge to the letter, in respect of the time limit, the scope and the finance. "Even if the policy does not succeed in doing all that is hoped of it, even if the pledge turns out to be over-sanguine, even if the policy takes two or three or four years to accomplish all the results that we hope for, it will not be by any means a failure; it will still remain the right policy." This pronouncement means that the Liberal Party goes into the electoral arena as a united party.

Political Broadcasting.—The past fortnight has witnessed a renewal of the controversy over the broadcasting of political speeches. It will be recalled that many months ago an attempt was made to allocate the use of the microphone to each of the three political parties, and that the attempt broke down because the Government claimed for themselves twice the amount of time allotted to each opposition party. With the approach of the election the question was again considered, and last week it was announced that an arrangement had been reached according to which until the Dissolution the Government should have two nights to the other parties' one each, but that after the Dissolution all three parties should share and share alike. The terms in which this was announced were such as to suggest that they were acceptable to all three parties, though it seemed rather strange that the Liberal and Labour leaders should agree to receive only a half-ration. Disillusionment was quickly to follow. The Liberal Campaign Department immediately issued an energetic protest against the fairness of the proposal and denied that it had ever received the party's acquiescence, while on Saturday last Mr MacDonald, speaking in the country, condemned the proposal wholeheartedly, and went so far as to threaten a boycott on the part of the Labour party. On Monday different counsels prevailed, and it was announced that, under protest, the Labour party would come into the scheme. It certainly seems extraordinary that the Government should have persisted in their claim to a double measure of time, at the risk of running up against the British love of fair play. Their argument that as

each of the other parties would be engaged in attacking them, they should therefore have the right to a separate reply to each reveals a strange ignorance of the temper of the British electorate, and also of the attitude of the two Opposition parties towards each other. With three parties in the field, the elector is ceasing to be interested in destructive criticism, and instead is asking all three parties what their proposals are for the future; and if they are wise the chosen broadcasters of each party will take their own proposals as their main theme. On this ground it is clear that the Government has no moral claim to a double share. There is, however, this much practical consolation. The first broadcast on behalf of the Government, by Sir Laming Worthington-Evans last Monday, was no better than a dreary recital of the Government record. The fact that the Government has wasted its first opportunity will help to redress the balance between the three parties.

A Short Campaign in China.—Wuhan (Greater Hankow), which had been the headquarters of the dissident military leaders from the south-western province of Kwangsi, was occupied on Friday, April 5th, by the forces of the Kuomintang Central Government at Nanking, under General Chiang Kai-shek's command. Government gunboats have already advanced far up the Yangtse, above Hankow, in order to cut off the rebels' retreat in that direction; Feng Yu-hsiang's forces have drawn a cordon on the north, along the border between Honan and Hupeh; and the left wing of Chiang Kai-shek's forces seems to be advancing westwards, paralled to the course of the Yangtse, across Kiangsi into Hunan, in order to cut off the rebels' most natural line of withdrawal in the direction of their home province. Meanwhile, Canton City and Kwangtung province, which have also suffered from the domination of the Kwangsi men, seem to have rallied to the Kuomintang Central Government more heartily than they have usually done in crises of this kind. The interesting point is the difference in character and duration between this campaign and the earlier phases of the Chinese Civil War. In those earlier phases there were interminable campaigns without military or political decisions and innumerable victories and defeats which appeared to leave all the belligerents in just the same condition as before. And the Chinese people, while they groaned under the devastation of the war and under the rapacity of the War Lords, seemed to have an infinite capacity for putting up with misgovernment. A sign of change was the gradual reunion of all China under the Kuomintang flag during the years 1926-28, with the elimination of all War Lords who would not pay at least lip service to the new *régime;* and the significant point was that the Kuomintang successes were due less to military victories in the field than to the support of public opinion behind their adversaries' lines. In fact, there was and is no doubt that the Chinese people have become intensely and consciously eager for the restoration and maintenance of peace, unity and good government. The question remained whether this popular feeling, however sincere and widespread it might be, was strong enough to override the personal ambitions and rivalries of military leaders. The rupture between the Kwangsi leaders and the Government at Nanking put this to the test; and the rapid collapse of the rebels indicates the answer. The general desire for peace and unity is definitely prevailing over the forces of disorder; and the effect of this last trial of strength between Nanking and Hankow may well be to extend the *de facto* authority of the Nanking Government—hitherto limited to the vicinity of the new capital—over the whole of Central and Southern China, including the middle as well as the lower section of the Yangtse basin, the southern littoral, and perhaps even the three west-central provinces (Szechuan, Kweichow and Yunnan), which have hitherto helf aloof from the main action of the Chinese Civil War and have been indulging in local disorders of their own. This would still leave the territories of the Chinese Republic divided *de facto* between three or four authorities: the Kuomintang Central Government in the south and centre, Feng Yu-hsiang in a belt of provinces running west-and-east from Kansu through Shensi and Honan to Shantung; "the model Tüchün" in Shansi and at Peking; and, finally, Chang Tso-lin's son and heir in Manchuria. Of course, even if the situation were consolidated to this degree, it would remain dangerous; for it certainly takes less than four to make a quarrel. Nevertheless, we believe that the popular movement for peace and unity is now definitely in the ascendant, and that the Chinese people, though not yet out of the wood, have at any rate reached a point so near the edge that they can see the light between the tree trunks and be certain of the direction in which open country lies.

American Investments Abroad.—Two months ago the *Economist* published details supplied by the New York *Journal of Commerce* as to American capital issues during 1928, and the total then given for foreign issues was, in round figures, $1,576,000,000. There has now appeared the latest issue of Dr Max Winkler's annual review of United States investments in foreign countries. For 1928, as for previous years, the author has given his usual wealth of detail, while his introduction contains several passages, which, though familiar to most Englishmen, are to-day in danger of being forgotten by some of those who ought to know better. We would in particular cite the following sentences: "It is more than a mere coincidence that American investments abroad, both political and commercial, made during the period 1914-28, almost exactly correspond to the aggregate excess of our exports over imports for the same period. In other words, had we not invested abroad, we might not be able to dispose of our surplus production, nor would the rest of the world have been able to pay for such a surplus." The only comment we would add is that America had, and still has, the option of admitting more foreign goods. As regards the statistical side of his review, Dr Winkler is clearly up against the difficulty of defining exactly what is or is not a foreign investment. Thus he calculates that America's actual loans to foreign nations amounted during 1928 to a net $2,096,000,000, but that the increase in her foreign investments during the year was only $1,101,000,000. These two figures differ widely from each other and also from the *Journal of Commerce* figure previously cited. Dr Winkler gives a partial explanation of these discrepances when he says in his opening paragraph that lending abroad includes not only new capital issues, but sales of foreign securities in the American markets, American purchases of foreign internal issues, acquisition of foreign properties not involving the direct sales of securities, and extensions to foreign borrowers of advances or credits of not less than one year's duration. In short, to arrive at his two thousand million figure, Dr Winkler has cast his net as widely as he could. He has also brought all manner of strange fish to shore, including $10,000,000 of British 5 per cent. War Loan, $500,000 of "Reynolds, Sir Joshua (paintings)," and $25,000,000 of "Ford Motor Co., Limited." Incidentally, it is not easy to see how this last figure was reached. The assets acquired by the new Ford company, on its inception last year, were already in the direct or indirect ownership of Mr Henry Ford, who is undoubtedly an American citizen. It would therefore seem that the real increase in America's foreign investments in connection with this issue was the difference between the profits made by British stags, who sold their allotment letters to American buyers, and the par value of the shares allotted to, and still held by, British applicants. Even those fortunate people who sold their shares at the top of the market would hesitate to believe that the difference was as high as $25,000,000. Dr Winkler has given us a valuable mass of material. He has also shown up some of the difficulties that attend its compilation.

The Field for Public Economy.—On the eve of the Budget, writes a correspondent, there are certain features in the analysis of the public accounts which are of increasing interest to taxpayers in existing conditions. Including the Post Office and the Road Fund, self-supporting items at an inclusive £80 million, on the old basis for the purposes of comparison, the aggregate call on taxpayers seems unlikely in the near future to fall below £820 million per annum. In the Appropriation Accounts the fixed elements in the debt service and the continued heavy expenditure on armaments are impressive features; together they account for more than £470 million of the total each year. War pensions are steadily contracting, only to be offset by increasing outlay in old age pensions, widows' and orphans' pensions and other branches of the social services. Financial authorities have directed attention to (*a*) the growth of certain grants in aid, over which the Parliamentary control is insufficient; (*b*) large items like the expenditure of the Empire Marketing Board, which is virtually at the discretion of a single Minister; and (*c*) the increase in the number of fixed statutory contributions, as in the case of the £4 million per annum under the Widows', Orphans' and Old Age Contributory Pensions Act, 1925, over which neither the current review of the Estimates Committee nor the *post-mortem* analysis of the Public Accounts Commitee has any real authority, even admitting that the latter looks increasingly to policy as well as to the actual figures before it. Broadly speaking, therefore, the domestic economies which can be effected appear to the members of these Committees to be small, within the limits of existing practice. Given a fall in prices the Government would be assisted, for it is always in the market as a large purchaser of goods and services; but there is no immediate prospect of such a change. Everything, therefore, depends on policy. The impression grows that many of the smaller departments might be merged in larger establishments; that the war remnants should now be definitely cleared off; that many of the less important accounts should be grouped; that fresh inquiry should be made into the possibility of uniting the financially strong national health with the financially weaker unemployment insurance, on the basis of "all-in" insurance covering sickness, unemployment, old age and other need; and that, by sound use of the resources of the Road Fund and other revenues, steps should be taken to lift the relief element out of the social services and replace it by payment for definite work. No member of these finance committees underestimates the difficulty and the controversy of that programme; but the suggestions are strengthened by the apparently static characer of large blocks of expenditure which cannot in any sense be regarded as reproductive, and which are, in post-war conditions, settling down quite definitely in the national accounts.

Cotton Trade Short Time.—Our Manchester correspondent writes:—No surprise was occasioned in cotton trade circles when it became known that the Bolton Master Spinners' Federation had decided to extend the curtailment of production scheme in the Egyptian spinning section for a further four weeks. For some months past spinners in this section of the industry had been losing ground, and the position became so acute that, in the middle of February, it was decided to curtail production by 33⅓ per cent. for a period of two months. By this means it was hoped that stocks in first hands would be reduced. This step, however, has not had the desired effect. The turnover has been disappointing, and producers have obtained practically no relief. In the circumstances the employes have extended the short-time working plan until the middle of May. Most firms in this branch are still hampered by heavy stocks, and no definite relief is in sight.

Anglo-Russian Trade.—The Acting President of the Soviet State Bank, addressing the British Trade Delegation in Moscow, has once more affirmed that "economic co-operation" between the Soviet Union and Great Britain is impossible without a legal basis, and holds out an attractive prospect of substantial orders by the Soviet Government from British firms, in the event of diplomatic recognition of the Soviet by the United Kingdom. A still more substantial increase in trade, he hints, would follow a restoration of the Treaty which was signed in 1924, but never ratified. Now that a small number of official statistics of British trade with Russia in 1928 are available, it is worth while examining the changes in that trade during the first complete year since the breach in 1927. Figures for 1927 are useless for the purpose, partly owing to the after-effects of the coal dispute and partly because contracts fulfilled during the latter part of the year were, in many cases, placed before the rupture in May. The selection of commodities in the tables below has been conditioned by the limited amount of statistical material available, and does not include all the most important items.

BRITISH IMPORTS FROM RUSSIA.

In thousands of £'s.

	1913.	1923.	1924.	1925.	1926.	1927.	1928.
Total	40,271	9,266	19,774	25,322	24,130	21,052	21,548
Timber	13,740	3,992	6,132	5,758	3,445	5,782	6,024
Butter	3,831	238	2,338	2,448	1,924	2,595	2,656
Eggs	4,745	174	479	1,228	438	801	868
Flax	2,807	261	270	407	139	59	63

* Main classes only.

EXPORTS TO RUSSIA OF UNITED KINGDOM PRODUCE.

In thousands of £'s.

	1913.	1923.	1924.	1925.	1926.	1927.	1928.
Total	18,103	2,492	3,860	6,240	5,858	4,508	2,716
Coal	4,337	695	48	59	11	17	18
Herrings	1,988	9	729	164	10	155	75
Textile machinery ...	995	49	218	323	1,221	1,000	900
Prime movers (not electrical).....	395	79	9	58	55	73	205
Tin blocks, ingots and bars	295	175	35	67	14	25	9
Cotton yarn.....	262	7	13	633	696	40	59
Lead manufactures	199	38	139	36	12	2	21

The first point which emerges from these figures is that our trade with Russia in both directions had begun to decline in the year before relations were broken off. As this was the year of the coal dispute, however, too much cannot be inferred from that. The fact that the sharpest drop in imports occurred in 1927 and in exports in 1928 tends to confirm a suspicion that the cause, whatever it was, occurred in 1927, since forward contracts play a much larger part in our sales to Russia than in our purchases from her. Comparing our trade in 1928 with that in 1925, the peak post-war year, imports are found to have dropped by 15 per cent. and exports by 57 per cent. The imports appear already to be recovering slightly, but the decline in exports remains serious, and appears the more so when it is remarked that in certain commodities, for example, cotton yarn and textile machinery, exports had been increasing very rapidly up to 1927. Moreover, Russian total imports are increasing, so that there is scope for Great Britain to find a growing outlet for her products, instead of a diminishing one, as at present. While not countenancing the Russian demand for a revival of the agreement of 1924—our views about that were sufficiently vigorously expressed at the time—we adhere to our opinion that the breaking off of diplomatic relations in 1927 was a mistake in policy.

Shipping Freight Index Number.—As measured by our Index Number, whole-cargo shipping freights fell during March by 3.8 per cent., following a decline of 2.7 per cent. in February. The March figure, 119.4, contrasts with 108.4 a year ago, 138.0 in March, 1927, and 104.1 in the corresponding month of 1926. The recent movements of the various groups in the Index are summarised as under:—

AVERAGE 1898–1913=100.

	Average, 1913.	Mar., 1928.	Jan., 1929.	Feb., 1929.	Mar., 1929.
European Waters	110·0	101·7	119·2	122·7	125·8
N. America	113·1	104·8	128·6	125·1	122·7
S. America.....	123·4	102·8	125·2	121·5	118·5
India	106·3	106·7	123·7	117·4	112·2
Far East and Pacific	117·4	115·1	126·2	122·0	118·3
Australia	127·9	119·3	142·4	136·2	121·1
Total	116·3	108·4	127·5	124·1	119·4

During the past month interest in the chartering market has centred on the River Plate, which absorbed a large quantity of tonnage for April-May grain loading. Else-

where demand in the homeward trades was somewhat slack, and coal freights also tended to react after their recent firmness. The month's changes in the Index of each group and sub-group are shown in the following table, the figure 100 representing in each case the average rate during the basic period 1898-1913:—

	Index Number.	Inc. or Dec. Points.		Index Number.	Inc. or Dec. Points.
Home Trade	112·8	+ 6·2	South America—Outwards	88·9	— 3·3
Bay—Outwards	135·8	+ 3·7	South America—Homewards	148·2	— 2·6
Bay—Homewards	135·5	— 4·8	India—Outwards	117·9	— 4·2
Mediterranean—Outwards	138·3	— 4·8	India—Homewards	106·5	— 6·2
Mediterranean—Homewards	107·5	+ 0·2	Far East, &c.	118·3	— 3·7
North America	122·7	— 2·4	Australia	121·1	— 15·1

Expressed as a percentage of the average for 1913, the total figure of our Index Number for March works out at 102.6, as compared with 106.7 in February, and 93.2 a year ago.

British Merchants in China.—Sir Harry Goschen's reference to China Trade, at the National Provincial Bank meeting, has provoked some comment here, writes our Hongkong correspondent. While it is recognised that the improvement in the political situation justifies renewed efforts on the part of British manufacturers, it it felt that any attempt to dispense with the sevices of foreign importers is bound to end in loss. It does not seem to be realised at home that "dealing direct with the Chinese" invariably resolves itself into dealing with unstable native concerns which perform the same functions as foreign houses, but with less reliability. Another misconception which appears to be general is the idea held by many politicians that British manufacturers are poorly represented in the China market. The fact is that scarcely a British trade or industry is unrepresented here. Most of the leading Manchester and Bradford firms have their own employees on the spot, many with permanent offices in Shanghai, and quite a large number of smaller firms have agents who visit China annually. Engineering concerns are adequately represented and many other trades have resident agents who are visited periodically by travellers. There seems, therefore, to be no ground for the belief that other countries are exploiting the China market while British manufacturers wait for business to come to them. In the recently published China report of the Department of Overseas Trade the Commercial Counsellor pays a tribute to the efficient form of selling organisation which British firms established in the Far East provide; and he goes on to suggest that "these firms are an asset which, when the time comes, will enable our people to take full advantage of the opportunities for trade which China offers to the commerce and industry of the British Empire." In the opinion of local British merchants this is the most effective reply to Sir Harry Goschen and his fellow critics.

A New Aid to Saving.—The Westminster Bank has introduced a new form of home safe for the collection of small savings. Its appearance is that of a small leather bound book, apparently with the double idea of reducing the temptation to gunmen and garrotters as the holder passes to and from the bank, and of enabling him to keep it in some handy place in his home without ostentation. The contents can only be extracted with the aid of a key in the possession of the bank, but every branch bank up and down the country has a similar key, so that the holder of the safe can pay in what he has accumulated, or draw out small sums, wherever he happens to be. Compound interest is allowed at the rate of 2½ per cent. on every 10s. saved (including the initial 5s. deposit required on the issue of the safe). A pass-book is issued at the same time, and must be produced whenever money is paid in or drawn out. "Many a mickle makes a muckle" is a sound policy for banks as well as for their customers, but it is difficult to see how such schemes as this can bring a satisfactory return to their initiators. The expenses ratio of the Post Office Savings Bank is approximately ½ per cent. on a capital sum of over £250 million. On a smaller amount, and with the expensive apparatus of keys and safes, not to mention advertisement, the ratio would be considerably higher, and the margin left for the bank could not be very large. However that may be, the value to the country of any machinery for collecting and mobilising small savings is beyond any doubt, and a healthy rivalry between the banks is not at all to be deplored.

Another American Bank Merger.—Every week makes it clear that the amalgamation movement in American banking is gathering momentum. The latest instance is the proposal of the Chase National Bank to absorb the American Express Company. The names of both institutions are almost as well known on this side of the Atlantic as they are in the United States, and so this announcement cannot fail to arouse interest. To finance the amalgamation the Chase National Bank is creating and issuing fresh shares, some of which are being offered to its own stockholders and to those in its affiliated company, Chase Securities Corporation, and the balance will be offered to stockholders of the American Express Company in exchange for their own holdings. The president of the last-named company says, "I believe that this plan is fair and equitable, and that it is in the interests of American Express shareholders to deposit their shares with the committee. Under the plan they will exchange their shares for shares of one of the largest banking organisations in the world." There is no doubt that the scheme will go through, and that it will mark one more stage in the progress of American banking rationalisation. When this process is complete it will be interesting to compare the organisation of American banking with that of Great Britain, and bankers in both countries will doubtless have much to learn from such a comparison.

Transvaal Output in March.—The output of gold of the mines of the Transvaal for March amounted to 866,529 ozs. of fine gold. For March, 1928, the output was 877,380 ozs. of fine gold. The following table shows the monthly output since the beginning of 1923:—

Months of	1923.	1924.	1925.	1926.	1927.	1928.	1929.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January	764,469	796,768	823,692	796,270	839,782	843,857	876,452
February	704,970	760,617	753,925	753,924	779,339	816,133	815,284
March	761,586	795,671	825,479	834,340	860,511	877,380	866,529
3 months	2,231,025	2,353,056	2,403,096	2,384,534	2,479,632	2,537,370	2,558,265
April	743,651	768,923	787,519	803,303	824,014	825,907	...
May	786,564	809,003	813,249	849,214	859,479	886,186	...
June	755,309	773,053	780,251	852,145	855,154	862,363	...
July	754,306	829,437	818,202	860,134	851,861	867,211	...
August	769,371	809,571	808,218	843,854	863,345	891,863	...
September	739,504	799,422	797,247	839,939	842,118	857,731	...
October	793,842	827,583	812,832	853,296	855,743	897,720	...
November	780,639	802,313	787,633	840,276	848,059	872,484	...
December	778,849	825,273	791,455	856,157	851,225	859,761	...
Total	9,133,060	9,597,634	9,599,702	9,962,852	10,130,630	10,358,596	2,558,265

The number of natives employed by members of the Witwatersrand Native Labour Association and Contractors over the past few months was as follows:—

	July, 1928.	Aug., 1928.	Sept., 1928.	Oct., 1928.	Nov., 1928.	Dec., 1928.	Jan., 1929.	Feb., 1929.	Mar., 1929.
Gold mines	194,584	194,788	194,936	193,147	190,870	187,970	192,526	196,150	197,646
Coal mines	16,724	16,767	16,803	16,506	16,241	16,059	15,845	15,940	16,065
Diamond mines	4,535	4,807	4,889	4,762	4,481	4,444	5,056	5,635	5,787
	215,843	216,362	216,628	214,415	211,592	208,473	213,427	217,725	219,498

There was a further increase in the number of natives employed in all branches of mining during March.

Wesleyan and General Assurance Society.—This Birmingham society occupies a place by itself in the insurance world, being the only company with a mutual constitution transacting ordinary and industrial life assurance business. The company has not overlooked its responsibilities in this connection, and early in 1928 instituted a profit-sharing scheme for its industrial branch policyholders, thus anticipating by 12 months the recent announcements of other companies working the same field, namely, the Pearl, the Britannic, and the Refuge. The 1928 report records a small advance in the premium income in both branches; but the amount of new business in the ordinary branch, namely, £969,236, shows a big decline on that for 1926, namely, £1,106,974, and the industrial branch new business is slightly larger than in the preceding year. The least favourable feature of the company's business for many years has been the expense ratio. Even in the ordinary branch an expense ratio of 17.4 per cent. is now relatively high for an ordinary-cum-industrial office, and the industrial branch expense ratio of 40.8 per cent. is a good deal higher than that of its principal competitors. Interest income was maintained at a high level last year, and worked out at the equivalent of £5 3s. 1d. per cent., compared with £5 2s. 7d. per cent. in 1927. The usual annual valuation was made, and the results of the ordinary life branch were as follows:—

	1926.	1927.	1928.
	£	£	£
Surplus earned during the year	107,550	116,700	112,911
Investments Profits realised	8,158	1,878	1,878
Transferred from Industrial Branch	...	14,800	16,600
Brought forward from previous year	38,867	48,967	69,056
	154,575	182,544	200,445
Allocations:—			
To Bonuses to Policyholders	91,208	99,188	104,555
„ Investment Reserve Fund	4,800	...	...
„ Staff Pensions Fund	9,600	14,300	21,000
„ Carried forward to next year	48,967	69,056	74,890
	154,575	182,544	200,445

The reversionary bonus in this branch has been maintained at the same rate as that for 1927, namely, 42s. per cent. simple for endowment assurances, and 48s. per cent. simple for whole life assurances. The results of the industrial life assurance branch valuation were as follows:—

	1926.	1927.	1928.
	£	£	£
Surplus earned during the year	— 14,919 (loss)	101,213	113,223
Investments profits realised	8,642	2,052	2,061
Brought forward from previous year	19,645	12,768	26,333
	13,368	116,033	141,617
Allocations:—			
To Bonuses to Policyholders	...	44,400	49,800
„ General Reserve Fund	— 15,000	...	...
„ Investment Reserve Fund	5,200	...	...
„ Staff Pension Fund	10,400	15,700	24,000
„ Bonus to outdoor staff	...	14,800	16,600
„ Ordinary Branch	...	14,800	16,600
„ Carry-forward to next year	12,768	26,333	34,617
	13,368	116,033	141,617

The profit-sharing scheme in this branch, inaugurated a year ago, provided that the distribution of the divisible profits should be made in the proportion of three-fifths to the policyholders, one-fifth to the outdoor staff, and one-fifth to the ordinary branch. The policyholders' proportion of the profits has again been applied to make premiums cease on whole-life policies in order gradually to bring existing policies into line with those offered in the company's new prospectus, wherein all premiums cease upon the attainment of age 65. This year's allocation has been sufficient to enable the directors to decide that premiums on existing policies shall cease on the attainment of age 73, provided 23 years' payments have been paid. The balance sheet contains the following note: "The values of the Stock Exchange securities are determined by the directors. Due allowance has been made for accrued interest and the book value of these securities as set forth in the balance sheet stands considerably below cost price. A careful investigation as to the actual saleable value on December 31, 1928, compared with the book value, shows that the investments reserve is more than sufficient to meet any depreciation both of permanent and terminable securities." This is a statement which might well be elucidated.

Norwich Union Fire Insurance Society.—When in 1925 the control of this Society passed from the "Phœnix" to the "Norwich Union Life," some criticism was raised on the ground that a life office—and an office based on mutual constitution—was thereby adventuring a large proportion of its funds in fire and general business with additional liabilities in the shape of the uncalled capital. At that time the capital of the "Norwich Union Fire" consisted of 44,000 shares of £25 each, with only £3 paid up per share. When the transfers intimated in the 1928 report have been carried out the amount paid up per share will be £21 10s. Thus the "Norwich Union Life" has, within the short space of three years, almost entirely removed the ground of one part of the criticism, and it seems likely that next year the remaining uncalled liability of £3 10s. per share will be wiped out. From other points of view no more natural alliance can be imagined than one between two such offices as the "Norwich Union Life" and the "Norwich Union Fire," for both of them have grown up together in Norwich with much the same title and many other points of contact. Last year's report of the "Norwich Union Fire," though on the whole satisfactory, has yielded a lower rate of profit than in any of the past four years. There has been a slight falling off in premium income in every department excepting the general department. The complete results of the past two years are shown below:—

	1927.		1928.	
	Amount.	Percentage of premium income.	Amount.	Percentage of premium income.
	£		£	
Fire	189,004	8·3	144,847	6·4
Personal Accident	— 12,235	— 9·2	3,045	2·3
Employers' Liability (at Home)	22,610	8·7	3,283	1·3
General	17,678	1·3	56,857	4·0
Marine	— 10,755	— 4·5	— 16,805	— 8·4
	206,301		191,227	
Less taxation, &c.	50,976		67,824	
Total Net Trading Surplus	£155,325		£123,403	

The dividend for the year remains at the same rate as before, namely, £6 per share, less tax, and the cost, namely, £211,200, compares with net interest earnings, after deducting debenture interest, of £181,882.

Abstainers' and General Insurance Co., Limited.—It is very seldom that the general public is afforded an insight into the type of investment favoured by life assurance companies. Very few life offices publish anything more than the Board of Trade official group classification of securities. The Abstainers' and General is one of a small number which incorporates in its annual report a complete list of its Stock Exchange Securities. It is evident from a comparison of the last two lists that in general the company pursues a policy of purchasing a security in order to hold it as an investment, for actually only one security was sold during 1928. The Stock Exchange Securities are valued in the balance sheet each year at their market values, and any appreciation or depreciation is carried direct to an investment reserve fund. Turning now to the new securities purchased last year, these appear to have been as follows:—£3,000 Doncaster Corporation 4¾ per cent. Redeemable Stock, 1948-58; £3,000 Newcastle-on-Tyne Corporation 4¾ per cent. Redeemable Stock, 1948-63; £3,000 Walsall County Boro' 4¾ per cent. Redeemable Stock, 1948-63; £2,500 Kenya Government 4½ per cent. Stock, 1950; £1,200 Newfoundland 5 per cent. Bonds, 1953; £10,000 New Zealand Government 4½ per cent. Inscribed Stock, 1947; £3,300 Tanganyika Government 4½ per cent. Guaranteed Stock, 1948-68; £5,000 Dublin Corporation 5 per cent. Inscribed Stock, 1950-70; £2,500 Chilean Government 6 per cent. Sterling Loan, 1928; £3,000 Peruvian National Loan 6 per cent. External Sinking Fund Bonds, 2nd Series; £2,500 Underground Electric Railway Co., of London, 5 per cent. First Mortgage Debenture Stock. The list is a sound one, though unexciting. The rate of interest yielded by the investment of the life assurance fund is

a high one, and worked out last year at £4 19s. 11d. per cent. net, compared with £4 17s. 10d. per cent. net in 1927, but the high interest earnings are offset to some extent by a relatively unfavourable expense ratio. In 1928 the proportion of the premium income absorbed in commission and expenses was 20.2 per cent., compared with 21 per cent. in 1927. New Life assurance business transacted amounted last year to £794,482, being a little less than the preceding year's total. The company's clientele is mainly to be found in the lower middle classes, with the result that the average sum assured for each new policy is moderate, being under £300. This, no doubt, accounts partly for the expenses being on a somewhat high level, although the amount paid in commission, as shown in the accounts, does appear to be somewhat heavy in relation to the premium income. In addition to life assurance business the company transacts a modest but prosperous and increasing fire and general insurance section. Last year the premium income from this section amounted to £35,844, compared with £32,821 in 1927. The net trading surplus from this business was £4,711, equal to the very satisfactory proportion of 13.1 per cent. of the premiums.

West of Scotland Insurance Office.—When in 1924 the Commercial Union purchased the share capital of this office, it made for itself what has turned out to be an excellent investment in a sound company. The capital consists of 50,000 shares of £5, each with £1 paid up. The purchase price paid in 1924 was £12,500 in cash and £450,000 in 5 per cent. debenture stock. The dividend for the last few years paid by the West of Scotland has required a sum of £12,000 net of income tax, but last year's dividend was doubled and cost, therefore, £24,000. Thus, on its original investment of £462,500, the Commercial Union now receives approximately £5 4s. per cent. net per annum. The greater part of the West of Scotland business is transacted in the fire department. Of the total premium income last year, amounting to £185,758, £164,000 was fire business, and £21,000 was described as accident business. The fire department yielded an underwriting profit of 11.8 per cent., compared with 12.5 per cent. in 1927, and the accident department 9.4 per cent., compared with 20.5 per cent. The total net trading surplus, after debiting income tax, &c., worked out at £15,249, compared with £26,507. As already stated, the dividend has been raised from £12,000 to £24,000, and the increased amount falls short of interest earnings by some £7,000.

Oversea Correspondence.

UNITED STATES.—MONEY—PRODUCTION—GOLD MOVEMENTS.

(FROM OUR CORRESPONDENT.)

NEW YORK, March 29.

EFFORTS of the Federal Reserve Board to deprive the stock market of credit were highly successful this week. Ordinary withdrawals of funds from the call money market by the banks and corporations in preparation for month-end and quarterly settlements, involving a turnover of approximately $500,000,000 would naturally have brought a money squeeze. Recently at month-ends the call rate has risen to 10 or 12 per cent. This week, however, the member banks of the Federal Reserve system, acting on the earnest solicitation of the Federal Reserve Board, were chary about coming to the assistance of the money market. From renewal rates of 9 per cent. for call funds at the beginning of the week the rate rose swiftly to 20 per cent., was maintained for a while at 15 per cent. and finally closed at 8 per cent. Meanwhile, in an effort to escape the ruinous charges for demand funds, the stock market turned to time money, forcing the rate to 9 per cent. for early maturities. The bill market also rose another one-eighth of 1 per cent., placing discounts fully three-quarters of 1 per cent. above the Federal Reserve Bank's 5 per cent. discount rate.

These rates are the highest which the market has had to pay since the early months of 1920, when the post-war depression was making itself felt. That was a time of inflated commodity prices, swollen inventories of unsaleable goods, real estate speculation and over-extended bank credit in nearly every direction. Apart from inflation in the share market, conditions now are quite unlike those of 1920, and such abnormal rates for money obviously are due to deliberate withholding of credit by the banks.

It is true that, with the loss of $500,000,000 in gold in the past year and a half, the member banks have had to make good their reserves to a considerable extent by borrowing at the Federal Reserve. The latest statement of reporting member banks, representing about 40 per cent. of the banking resources of the country, show total loans and investments of $1,026,000,000 higher than a year ago. Investments in securities other than Government are substantially lower, and commercial loans are only moderately higher than last year, leaving virtually all the gain in loans on securities. Deposits of all kinds are down about $30,000,000, while borrowings from the Federal Reserve banks are $358,000,000 higher.

Federal Reserve concern is, of course, based on the use of Reserve credit to support the increase in member bank loans on securities. However, such borrowing has not appreciably weakened the position of the Federal Reserve banks. This week's statement reveals, in spite of month-end preparations, a reserve ratio of 71.3 per cent., as against 71.7 per cent. last week and 73.8 per cent. a year ago. Total Reserve credit outstanding is only $38,000,000 more than last week and $150,000,000 higher than a year ago, although discounts are $500,000,000 greater. The gain in discounts this week was substantial at $80,000,000, all accounted for by the New York banks, which finally came to the aid of the share market.

Whether the Federal Reserve Board's policy of starving the share market into submission will be successful still remains to be seen. A bad break in prices accompanied the rise in call money to 20 per cent., average prices of active issues going off 10 to 40 points and forced liquidation of weakly-held stock taking place all along the line.

Selling was accentuated by the fear that money might not be available at any price, but a remarkable rally began when the 20 per cent. rate brought funds in. Confidence also was largely restored by a public statement of President Charles E. Mitchell, of the National City Bank. Mr Mitchell promised to make an additional $25,000,000 available, between 15 and 20 per cent., and added that he felt his duty to prevent a panic superseded that which he owned to the Federal Reserve Board. Since Mr Mitchell is a director of the New York Federal Reserve Bank his public statement has aroused the ire of Washington politicians, and Senator Carter Glass is now asking for his resignation.

Many bankers here feel that the credit situation has been very poorly handled, and that the sharp fluctuations in money rates which threatened to bring on a stock market panic, and, as a result, to shake business confidence, are greatly to be deplored. Probably something of the sort was necessary to stop the bull market, but evidently the apprehensions of the financial authorities that the selling would get out of hand brought support which has encouraged speculative Wall Street to regard the whole episode as another "victory." At any rate, the recovery in share prices was as pronounced as the decline, and active stocks ended the week at levels virtually as high as those obtaining at the end of the previous week. At the moment the forward movement is in full swing, and the market may simply be working toward another bad break. Out of the confusion, which is now greater than ever, the only certain things are that money is bound to remain firm and that the Federal Reserve system, which was formed to stabilise money rates, has lamentably failed to do so, and also has not succeeded, so far, in halting the stock market.

No one knows what action may be taken on the discount rate, but in good banking quarters it is felt that, within a few weeks at least, the New York rate may have to go to 6 per cent., if not to reduce loans on securities, at least to bring it somewhere near the open market rates. Strong opposition to higher discount rates is still to be found, however, and probably the share market itself holds the key. Meanwhile, by arousing the whole country the Federal Reserve authorities have again laid themselves open to attack from politicians, a thing which no one wishes to see.

Looking at the business situation it is difficult to see why anyone should feel alarm. Nearly all industries have finished one of the best quarters in history. The steel industry is now operating as close to capacity as it ever has come in peace time. Prices are strengthening, and an unusually good second quarter seems assured. Motor output continues to run high, and railroad traffic is rising. Railroad earning reports for February indicate a gain in net income of around 20 per cent. Income-tax collections for the first quarter were much higher than last year. Retail and wholesale trade is increasing.

Only mild interest is taken here in the British General Electric episode. It is believed that comparatively few Americans are affected, in spite of their organised protest. The gold movement during the week was interesting as showing an additional 8½ millions from Germany, believed to have been sent in support of mark exchange, and the earmarking of an equal amount, presumably for French account. The operations suggest that the Federal Reserve is taking steps to "sterilise" incoming gold and that the French demand was not satisfied with the earmarking of around $300 million some time ago.

FRANCE.—FINANCE—CREDIT—PRICES—COLLIERY OWNERS' REPORT.

(BY OUR CORRESPONDENT.)

PARIS, April 10.

The Chambers will not meet again until early in May, after the municipal elections, and by the end of next month M Chéron has promised to have his Budget Estimates for 1930 ready for presentation to the Lower House. Like Mr Churchill's, the coming Finance Bill proposals here are expected to reveal many surprises, and among them it is possible may be the beginnings of some more or less definite scheme for removing the chaos which has prevailed for some years in regard to the incidence of many of the existing taxes. Meanwhile the general situation remains dull and vague, pending definite decisions by the experts' commission which is thrashing out the German reparations and inter-allied debt problems. Payment of the $400,000,000 due to the United States Government in liquidation of the price to be paid for the American war stocks left in Europe will fall due in the autumn, but this is exciting practically no attention here, as it is understood the Government is amply provided with resources from which to obtain the necessary cash, if a general scheme of settlement is not agreed upon before August. Silence is observed in official quarters as to whatever plan may be adopted should the necessity for payment arise. The Bank of France return, in any case, shows that that instiution is amply provided with sterling and dollars to meet the situation.

A rather belated announcement was issued semi-officially last night stating that the recent issue of 4½ per cent. Bonds (at 93½) by the Caisse d'Amortissement, which was opened on February 18th and closed on March 30th, proved a complete success. It is now announced that the total amount of Defence Bonds thus converted was frs. 5,352,000,000, or largely more than the 4,000 million officially reported at the time. The amount of Tobacco Bonds offered in exchange for the new issue was frs. 2,164,000,000, of 93 per cent. of the total outstanding. The net results of the new issue are that, although the gross total of the nation's debt burden has not been diminished by it, the immediate annual interest charge has been slightly lessened, while another substantial portion of the floating debt has been placed beyond the possibility of becoming a menace to the Treasury.

The outstanding feature of last Thursday's bank statement, which set forth the situation down to March 29th, was the revelation of a rise in the note circulation to a new high record figure of frs. 64,574,941,000, owing to the issue of frs. 1,947,743,000 of notes during the week. This was explained by an increase of frs. 1,921,212,000 in the stock of bills discounted, which were returned at frs. 6,938,457,000 as against frs. 5,017,000,000 a week earlier. Credit needs at the end of March are always exceptionally heavy, and the compensating reduction of the amount of paper currency may be expected to occur in due course. The bank continues to reduce its stock of foreign exchange, which stood on March 29th at frs. 28,910,000,000 (in foreign bills and foreign sight drafts), a reduction of frs. 122,000,000 on the week and of frs. 735,000,000 during the fortnight, most of which may probably be attributed to monetary tension abroad. During the week the Bank added a further 65 million to its stock of gold, thus bringing its metallic reserve up to frs. 34,186,500,000. The Bank's cover in gold for its note issue and other sight engagement, amounting to frs. 32,794,276,000, is returned as equivalent to 41.29 per cent. against 42.26 in the previous week and 41.36 on March 8th. The legal minimum fixed by the stabilisation law is 35 per cent.

The index figure for wholesale prices at the end of March, issued by the *Statistique Générale* (based on 100 as representing the corresponding prices in 1913) is returned at 653, or one point higher than in February and 9 points higher than in January. The figure for French products, it will be noted, has gone down a point on the month, while that for imported goods has risen by 7. The detailed figures are as follows:—

Articles.	January.	February.	March.
General index figure	45	644	652	653
French products	29	639	648	647
Imported goods	16	651	658	665
Foodstuffs (general figure) ...	20	599	611	610
Vegetable foods	8	616	629	641
Meats	8	580	590	579
Sugar, coffee, cacao	4	605	617	611
Raw materials (general figure)	25	683	687	691
Minerals and metals	7	610	627	669
Textiles	6	775	774	765
Various	12	672	672	659

The figure for retail prices in Paris is returned as 607, against 530 in January, 1928, and 592 in January, 1927.

Coal production figures for February show that the total output for the month (24 working days) was 4,188,468 tons as against 4,527,951 tons in the 26 working days of January. The average daily output was 174,519 tons (with a labour force of 297,413), as against 174,152 tons in January (with 297,058 workers employed), 170,863 tons in January, 1928 (with 316,130 workers) and 136,147 tons (with 203,208 workers) in 1913. The pits in the Nord and the Pas de Calais, thanks to their modern re-equipment and the adoption of improved methods since the war, produced in February 18,078 tons per day more than in 1913, but it is significant that in the pre-war year the workers numbered only 203,200. The output of metallurgical coke by the colliery coke plants amounted 360,182 tons during February, or 115,000 tons more than in 1913. The market is now on the whole fairly active again. Deliveries are rather hampered by the temporary lack of sufficient rolling stock, and transport cost is higher The foreign market remains firm.

The French Colliery Owners' Central Committee, in their annual report for 1928, state that during the year standard wages in the northern pits, which were brought down from frs. 39.51 per day in November, 1926, to frs. 36.91 in March, 1927, were raised again to frs. 38.50 last November. Allowance for children and production premiums, etc., brought the standard daily income up to practically frs. 50. Taking France as a whole, the average wage is now around frs. 38, and that paid to underground workers frs. 41 per day (apart from extra payments). The output per man remains still appreciably below the level attained in 1913, although during 1928 the difference was reduced by about one-half. The average output of the French miner is still 40 per cent. below that of his British fellow, who extracts 1,070 kilos a day, the Committee states, and 45 per cent. less than that of the German miner in the Ruhr, who produces 1,191 kilos. per day, notwithstanding the fact that the use of mechanical and electric power "incomparably more advanced here than in Great Britain," is equal in quality to that on the other side of the Rhine. Every ton of French coal available for sale from the pithead, the Committee asserts, represents frs. 50 in prime cost for labour, frs. 17.65 in charges

and expenditure on extra allowances and social work, frs. 9.25 in taxation, and frs. 7.45 in net dividend to shareholders. (The turnover tax no longer applies to coal, but has been replaced by a direct tax on extraction). The Committee complains that State taxation on colliery operations is now 19 times as much as in 1913.

GERMANY.—BUDGET—CREDIT—INDUSTRY—CROPS.

(FROM OUR CORRESPONDENT.)

BERLIN, April 9.

FOR the first time for many years Reichstag parties have handled a Budget drastically by amending material proposals of a Finance Minister. Last week the financial experts of the Social-Democratic, Centre, German-Democratic, German People's and Bavarian People's Parties agreed upon measures for reducing to 130 million marks Dr Hilferding's deficit of 380 million marks. The result is that the officially proposed increases in the beer, inheritance and property taxes are made unnecessary. The details of the new plan have not been officially divulged, and the unofficial reports show slight disparities, but substantially the facts are: The 130 million marks deficit remaining is to be covered by collecting a supplementary property tax payment (not to be confused with the official plan to raise the rate), which was already due in 1926, of about 40 million marks, and 90 million marks will be obtained by an increase in the brandy tax rates. This last item is the only one in Dr Hilferding's scheme which is to be retained. The Reichstag parties have not yet formally approved of their financial representatives' plan, but they will almost certainly do so. The Cabinet, "in spite of certain doubts," and on the ground that the passing of the Budget will be accelerated, has already accepted the plan. Normally, this would mean a severe rebuff to the Finance Minister, who failed to find a way of reducing the deficit below 380 million marks, other than by taxation, and in whose Budget the now abandoned beer, inheritance, and property taxes were central points. But the first result was an announcement that the negotiations for formation of a "Great Coalition" Cabinet, comprising the five above-mentioned parties, would be resumed. The last negotiations, in March, failed owing to the refusal of the German People's Party to negotiate until the Budget question had been settled. To-day the Social-Democratic Party, in opposition to the other groups, decided to persist in its refusal to vote for the second instalment of the armoured cruiser now under construction; and this refusal threatens a new crisis. The Cabinet, it appears, will not resign, but the inter-party Budget agreement may be jeopardised.

The reductions in the expenditure estimates total 180 million marks. Some of the reductions have merely the character of postponements of expenditure until the next financiay year. The Ministry of Communications estimate is reduced by 48½ million marks, of which 20 million marks falls to aviation; the Ministry of Labour by 45 million marks, from a cut in the fund for productive unemployment relief; the Ministry of Defence by 27.2 million marks, of which 7.5 million marks falls to the Army and 19.7 million marks to the Navy. The remainder of the savings is in small sums, falling to nine different departments. A large part of the saving is to be attained by postponing construction works which have been planned but not begun, and the cost of these works will appear in the Budget for 1930-31. On the ground of expected increased consumption, the estimate of revenue from tobacco is raised by 35 million marks, 34 million marks additional is to come from the Reichspost's payment to the Reich, and 1 million marks additional from increase of fees under the Ministry of Justice. The plan for covering the deficit is, therefore:—

Reductions of expenditure estimates	180	million marks.
Increase of revenue estimates	70	,, ,,
Increase of spirits taxation	90	,, ,,
Property Tax retrospective payment	40	,, ,,
	380	,, ,,

The Finance Minister's return for eleven months of the financial year, ending February 28th, shows: Ordinary Budget, receipts, 8,976.8 million marks; expenditure, 9,231.6 million marks; deficit, 254.8 million marks; extraordinary Budget, receipts, 170.6 million marks; expenditure, 396.4 million marks; deficit, 225.8 million marks. Counting the credit carryover of 647.1 million marks on the ordinary Budget from the financial year 1927-28 and the carried-over deficit of 430.3 million marks on the extraordinary Budget, the excess of expenditure over revenue in the eleven months was 263.8 million marks.

After the month-end settlements, money rates remained higher for longer than usual. The day-loan rate did not fall appreciably until April 6th. This week so far day-money is plentiful. The private discount rate was reduced by ½ to 6⅜ per cent. on the 5th. The market is under the influence of the usual quarterly demand for money for income and sales tax payments.

The Reichsbank's return for March 31st showed the legal-cover exchange reserve reduced to 36 million marks; and since the beginning of February the Bank had lost nett (including the decline in its free exchange holding) some 420 million marks of gold and exchange. The new return, for the first week of April, shows a further decline of 103,177,000 marks in the gold reserve, of 2,251,000 marks in the legal-cover exchange reserve, and some 20 million marks were lost from the free-exchange holding. This is the largest loss of gold and exchange in one week so far. Circulation, which in the last week of March, rose (including Rentenmarks) by the record large sum of 828 million marks, fell in the new week by 413 million marks, and deposits increased by 190 million marks to 668 million marks. The continuing drain on the Bank's reserves is causing some nervousness, though the position is still extremely good. The ratio of reserves to circulation—58 per cent. gold, 58.8 per cent. gold and exchange together—is much higher than it was a year ago; but, should the drain continue, the rediscount rate will probably be put up. Until to-day, when the new return appeared, it was generally held that no such advance would be made unless New York gave the signal by again advancing its rate.

The wholesale-prices index number for April 3rd is 138.4, as against 138.6 on March 26th. The cost-of-living index number for March is 156.5, the highest so far. Production of coal on the Ruhr continues to increase. During the past four weeks no mining shifts have been passed. The Ruhr Syndicate's per ton assessment, which goes mainly to finance unprofitable sales in the "contested (competition) districts," has been reduced, probably only temporarily. Into this assessment fund the leading Harpener Co., as shown by its new annual report, paid nearly £650,000 in 1928. The home steel market is a little more active; the home pig-iron market dull, but export improving. Increased orders for oil pipe-line plant are reported. Export trade in wire rods is very active. The Machine-Manufacturers' Association's annual report shows that in 1928, for the first time, the value of production and of home and foreign sales of machinery exceeded the pre-war figure. The figures for 1913 in the following table are on the basis of 1925 prices:—

	1913.	1927.	1928.
	Millions of Marks.		
Production	3,850	3,400	4,000
Production capacity	3,850	5,350	5,500
Home sales	2,800	2,440	2,830
Sales to abroad	1,050	960	1.170

The price-index for machinery in 1928 was 140.9. The value of export of electro-technical articles in 1928 was 536.1 million marks, as against 441.2 million marks in 1927, an increase of 21½ per cent.; or of 62 per cent. (16 per cent. at pre-war prices) over the value of 1913. Export of lighting and power-transmission plant and of light dynamos and electro-motors increased largely. A Chemnitz firm is reported to have signed a contract for the construction of artificial silk works in Moghilew and Klin, in Russia.

The first winter-crops report shows that some damage was done in Western Germany, where the snow-covering was insufficient, but that in general the severe winter did little harm. In general, the winter-crops outlook is satisfactory, but the spring sowing will be very late.

DENMARK.—UNEMPLOYMENT—LANDMANDSBANK—DIVIDENDS.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, March 22.

THE hard winter has caused serious disorganisation of Danish trade with foreign countries, but thanks to very intensive work under the extraordinary conditions—especially on the part of the United Steamship Company—the efforts to maintain export trade have been fairly successful, and it is now hoped that the difficulties have passed their climax, although the ice has not yet disappeared.

Naturally it was unavoidable that unemployment should increase owing to the cold winter. During February the percentage of unemployment increased from 27.6 to 30, while at the corresponding period of last year it was reduced from 29.6 to 25.9. The principal part of the increase was suffered by the labourers, the hard winter naturally putting obstacles in the way of outdoor work. As far as the shipping trade is concerned, a rather considerable increase in the freight rates for coal and coke from the United Kingdom was registered in February for shipments to Denmark, as well as by other easterly routes, and as a consequence the official Danish freight index showed a rise during February from 113.8 to 121.1, following upon a decline in January from 115.6. It should be remembered, however, that the ice hindrances are charging the shipping companies with considerable extraordinary expenses, and consequently the increased rates cannot be used as a gauge of the profits of the trade in a situation like the present.

Otherwise the business situation has developed along unchanged lines. The position is still viewed with some optimism, and a continued, slowly progressive development is counted upon—though the impending General Election has now brought an element of unrest into the situation. A number of company reports have confirmed the impression that progress has already been made in the course of the past financial year. In this connection it should be mentioned that the affairs of the *Landmandsbank* have been settled. In the report of the bank it is pointed out that at the end of 1928 the perfectly liquid assets of the bank amounted to about 64 per cent. and the partially liquid means to about 31 per cent. of the deposits payable at call. The State guarantee should accordingly be without interest to the depositors, and it is therefore the intention of the bank to commence a limitation of this guarantee, which, according to the Act in force, will not expire before April 1, 1932. The bank will, therefore, request all Danish depositors, except the holders of pass-book and time-deposit accounts, to resign upon the State guarantee as from July 1, 1929. And from the same date new deposits from Denmark will not be accepted under State guarantee except as pass-book or time deposits.

The United Steamship Company has declared a dividend of 6 per cent. for the year 1928, out of net profits amounting to about Kr. 5,500,000. Further, it should be mentioned that Burmeister and Wain, the great shipbuilding and machine construction concern, has declared a dividend of 8 per cent. The output in 1928 has been very considerable, the machine factory being fully employed, while the shipyards have completed a total number of 15 vessels, with an aggregate tonnage of 71,402 tons gross.

NORWAY.—MONEY—INDUSTRY—FOREIGN TRADE—STOCKS—PRICES.

(FROM OUR CORRESPONDENT.)

TRONDHJEM, March 27.

CONDITIONS on the money market have remained practically unchanged during February and the first weeks of this month. The effects of the rise of the Bank of England rate last month have been far less pronounced than was anticipated, but this event, at any rate, frustrated any hopes that may have been cherished of a reduction of the Norwegian bank rate. Considerable uncertainty prevailed about the middle of the month, when the possibility of a further rise of the English discount rate was imminent, but since nothing to this effect has yet ensued, there should, so long as New York and other big financial centres remain passive on this point, be no reason to fear a rise of the Bank rate in Norway. The returns of the Norges Bank for the last weeks show that notes in circulation decreased during the first two weeks of the current month, after having risen by some 7 million kroner during the last week of February. Loans and advances were also reduced, while the Bank's holdings of Foreign Exchange remained practically unaltered. From the Bank return of March 22, it appears, however, that the approaching Easter holidays, coinciding with the turn of the month, have tended to a tightening of the position. Notes in circulation increased by about 5 million kroner and loans and advances by some 4 million kroner, while on the other hand Foreign Exchange holdings show an increase of nearly 8 million kroner.

Most of our big industrial concerns have now published their reports for 1928, and it appears that, generally speaking, the year has brought satisfactory results, as regards both the turnover and prices obtained. The speech delivered by Mr Hjalmar Wessel at the annual meeting of the A/S Borregaard, gives expression to a brighter view of the situation than has been the case for some years past, but at the same time he also justly points out the necessity of a strict economy and a not too liberal dividend policy. Although foreign competition is still very serious to our home industries, there is now decidedly a better tone and a growing confidence in their ability to compete favourably with foreign industries. It has recently been decided to increase by 100 per cent. the production of the new ammonia factories at Notodden. This decision, which will be carried out to its full extent in the course of next month, will mean an increase of about 4,000 tons of azote, or nearly 25,000 tons of nitrate of potash.

According to the official statistics, the value of imports during January amounted to 73.2 million kroner, while exports aggregated 60.4 million kroner. This compares with 66.8 million kroner and 49 million kroner respectively in the same month last year. The excess of imports over exports was 12.8 million kroner, against 17.7 million kroner in January, 1928. Several export groups, such as fish and herrings, paper, pulp, and timber, show considerable increases, and the better balance was chiefly due to an improvement in the value of exports in these groups. Customs duties in February were about 2 million kroner below the figure for February, 1928.

During the last few weeks there has been a considerable turnover in bonds, but prices have been influenced by the situation on the international money market, with a declining tendency. According to *Økonomisk Revue* there was a decline in prices of 0.43 per cent. from March 12 to March 19. Bank shares have not attracted special interest and prices show a slight decline. Industrials have been extremely firm, the leading features being Borregaard, Azote (Norsk Hydro) and Akers mek. Verksted. The rise in the prices of these and other industrial papers during the past year represents from 30 to 50 per cent. Shipping and whaling are steady to firm. According to the returns from the various labour exchanges at February 15 the number of unemployed shows a slight increase from the preceding month. The figure—at 24,600—compares with 28,300 in February last year and 30,800 in the same month in 1927. The official wholesale price index at March 15 is 155, which is the same as at February 15.

JUGOSLAVIA.—REFORMS—FOREIGN POLITICS—TRADE—BANK AMALGAMATIONS.

(FROM OUR CORRESPONDENT.)

BELGRADE, March 23.

The Government has published a statement of its very extensive plans for reform, which comprise several hundred laws and regulations aiming at complete unification of the country's legislation. There is no doubt

that a clean sweep of the past is intended, as the plans encompass almost every public, social and economic activity of the nation.

Hitherto the most obvious effect of the new regime has been a greater expeditiousness in administration, following upon a number of lesser reforms chiefly disciplinary in character. Bigger changes may be expected upon the introduction of the new laws proposed, which are being submitted for examination to the newly set up Supreme Legislative Council, a body composed of eminent jurists with advisory power. The most important achievements of the regime, however, may be registered in foreign politics. Thus, the opening of the Bulgarian frontier, closed for a year and a half, as well as the setting up of a joint Jugoslav-Bulgarian Commission for the clearance of a number of outstanding frontier problems are events of first significance for the betterment of relations in the Balkans. No less important are the conclusion of a convention regarding the Jugoslav free zone in the Salonica port and the Pact of Friendship envisaged between Jugoslavia and Greece. Finally, we may mention the conclusion of a commercial treaty with France, and the renewal of negotiations for a settlement of war and pre-war debts to France. For this debt, which, inclusive of interest, amounts to about 1,800 million francs, the French ask payment in gold, while the Jugoslav view regards the debt as one of paper francs. A formula of compromise is now being sought.

Trade was at a standstill during January and February in consequence of the extremely heavy snowstorms and frosts, which interrupted all communications. Fortunately, the danger of spring floods is now past, and some improvement may be expected. Last year, as was expected, concluded with a heavily adverse trade balance, which reads:—

Exports ...	1928	4,526,762 tons. 6,444·7 mill. dinars.	1927	4,251,459 tons. 6,400·1 mill. dinars.
Imports ...	1928	7,835·3 mill. dinars.		7,286·3 mill. dinars.
Deficit on balance		1,390·6 mill. dinars.		886·2 mill. dinars.

Thus, in spite of some improvement in exports, the trade balance shows a greater deficit in view of much heavier imports. Timber, including wood for fuel, claimed over 20 per cent. of the exports, while the other chief articles, in order of importance, were eggs, wheat, pigs, copper, horned cattle, hops, fresh meat, live stock, cement and prunes. Cotton textiles, yarn and raw cotton formed the chief import, with machinery, woollens, hardware, inclusive of iron and sheet iron, railway material, coffee, hides, coal and silk following.

Bank amalgamations continue, contributing towards healthier finance and business. Thus, the Jugoslavenska Union Bank, which had formerly fused with the Bosnian Bank of Sarajevo, proposes now to amalgamate with the Agrarian and Industrial Bank of Belgrade, a fusion which is to be accompanied by an increase of capital from 175 to 200 million dinars. The new shares are to be taken over by the Creditanstalt of Vienna. Later on this amalgamation would be extended so as to absorb the Credit Institution of Ljubljana, the Commercial and Industrial Bank of Novi Sad, and the Commercial and Industrial Bank "Vardar" of Skoplje. This would increase the capital to 250 million dinars, and make it the largest bank in the Kingdom. The Anglo-International Bank is reported to be interested in this fusion.

A similar fusion is pending of the Croatian Bank of a capital of 20 million dinars, in which the Banca Commerciale Italiana has considerable shares, with the Bosnian Industrial and Commercial Bank, also with a capital of 20 million dinars, part of which is invested in industry, and which was founded by the Niederosterreichische Eskompt Gesellschaft. This amalgamation would be joined later on by the Subotica Bank, which has a capital of 10 million dinars, and is connected with the Ungaro-Italiana of Budapest. The merging of these would mark a revival of interest in this country on the part of Italian capital.

FINLAND.—MONEY MARKET—TRADE AND SHIPPING—BANKING IN 1928.

(FROM OUR OWN CORRESPONDENT.)

HELSINKI, March 15.

THE considerable stringency, which made itself felt to a growing extent in the autumn, continues to characterise the money market, and we must be prepared for the fact that during the next few months the credit requirements will, as usual, be heavy, and we must not forget that the growth of deposits in the banks and other financial institutions will be considerably smaller than in preceding years, owing to last year's poor harvest and other causes.

Deposits in the Joint Stock banks in January and February only increased by 82 million marks compared with 226 millions for the same period in 1928 and 241 millions in 1927, while at the same time their credits showed an increase of 113 million marks against 396 millions last year and 140 millions in 1927. Credits were consequently appreciably less than last year. The savings banks also show signs of reduced savings. Their deposits for January and February amounted to 55 million marks, compared with 163 millions in 1928 and 117 millions in 1927. The reduction mainly affected the savings banks in the rural districts.

This state of affairs is reflected, too, in the position of the Bank of Finland. For instance, the note reserve rose from its lowest point at 209 million marks at the end of December, to 353 millions at the end of January, but fell again to 293 millions on March 8th. The bills re-discounted by the Joint Stock banks at the Bank of Finland, which amounted at the end of December to 677 million marks, attained, after some fluctuations, a level of 612 million marks on March 8th. The foreign balances also increased, according to the balance sheet of March 8th, to a higher figure than during the previous weeks.

The cold spell which recently caused so much distress in large parts of Europe, also exerted its effects clearly in Finland. Owing to the exceptional ice conditions in the southern part of the Baltic and the Danish Sounds, shipping at the Finnish winter ports was very much restricted, and foreign trade was at a standstill. About March 10th, however, there was a change in the weather with sunshine and considerable warmth.

The value of imports in February only amounted to 334 million marks, compared with 528 millions during the same month in 1928. Exports also dropped from 234 to 184 million marks. Exports suffered not only from the fact that considerable quantities of goods collected in the ports of export, incurring storage and interest charges, but also from the circumstance that, as goods could not always be delivered within the time specified, the position of Finnish exporters was weakened in foreign markets. The reduction of imports was not only a consequence of the ice conditions, but also the slower pace of economic life and the reduced purchasing power.

Figures are now available for the business of the banks during 1928, and reveal that they extended their business considerably. The total turnover of the banks increased from 540,875 million marks in 1927 to 605,445 millions last year, *i.e.*, almost 12 per cent. The joint-stock banks were able to book gross receipts last year to an amount of 1,181 million marks, which exceeded the corresponding figure for 1927 by 133 millions. The net results for last year were also satisfactory, as the net receipts amounted to 207 million marks, as against 178 millions in 1927 and 161 millions in 1926. All the banks showed profits, as a rule larger than in 1927, and several banks have raised their dividends to shareholders. The banks had to face severe competition from the savings banks and co-operative credit societies. These kept their rates on deposits higher as a rule, and thereby attracted a comparatively larger share of the fresh accumulations of savings. While the Joint Stock banks held over 64 per cent. of all deposits at the end of 1927, they received only about 33 per cent. of the new accumulations of capital deposited in financial institutions in 1928. This corresponds to what is happening in most other countries.

AUSTRALIA.—BANKS—FOREIGN TRADE—GOVERNMENT LOAN.

(FROM OUR CORRESPONDENT.)

MELBOURNE, February 28.

THE principal totals of the quarterly average returns to December 31, 1928, of the twelve ordinary banks (exclusive of the Commonwealth Bank of Australia) relating to liabilities and assets within the six Australian States and New Zealand (not including London figures) compare with those for the preceding quarter and the corresponding period of 1927 as follows:—

	Dec. 31, 1927.	Sept. 30, 1928.	Dec. 31, 1928.
Deposits:	£	£	£
Australia	265,263,262	268,798,215	277,059,038
New Zealand	47,475,991	54,224,705	53,732,096
Total deposits	312,739,253	323,022,920	330,791,134
Advances and Securities:			
Australia	249,303,081	252,086,340	260,497,024
New Zealand	55,593,213	51,040,268	54,065,917
	304,896,294	303,126,608	314,562,941
Coin and bullion (Australia and N.Z.)	33,880,137	33,159,952	33,144,738
Australian Notes and cash with Commonwealth Bank	26,562,621	23,802,751	27,256,888
Legal Tender Notes of other banks (New Zealand only)	207,020	79,252	74,559
	60,649,778	57,041,955	60,476,185

The Australian figures show, as compared with twelve months ago, an increase of £11,795,776 in deposits and an increase of £11,193,943 in advances and securities. The increase in Government and municipal securities held in Australia is £7,250,047, as the result of support given to Commonwealth conversion loans, and the increase in advances alone is therefore £3,943,896. The New Zealand figures show an increase of £6,256,105 in deposits and a decrease of £1,527,296 in advances and securities for the year. The increases in deposits have been mainly in fixed deposits, the proportion of which to the total is now higher than for a number of years past.

The principal averages (within the six Australian States) of the Commonwealth Bank of Australia, not included in the above, compare as follows:—

	Dec. 31, 1927.	Sept. 30, 1928.	Dec. 31, 1928.
	£	£	£
Deposits	25,703,194	29,031,444	25,577,042
Balances due to other banks	10,606,769	9,711,992	12,497,905
Advances and short-term loans	21,621,802	16,204,213	16,345,423
Securities	53,810,945	12,393,405	11,370,697
Coin and bullion	901,493	861,993	660,623
Australian Notes	5,994,920	4,595,743	3,688,011
Balances due from other banks	101,107	94,924	84,949

The decrease of £5,276,379 in advances of the Commonwealth Bank for the year is mainly in short-term loans in Australia, which have declined from £6,824,135 for the December quarter, 1927, to £1,862,932 for the December quarter, 1928. The large decrease in securities is due to the separation of the Savings Bank Department.

An unofficial compilation of Australian trade statistics for 1928 (based upon the monthly official statements) shows totals comparing with those for 1927 as follows:—

	1927.	1928.	Increase (+) or Decrease (−).
Imports:	£	£	£
Merchandise	160,967,513	139,074,659	− 21,892,854
Gold	680,122	889,990	+ 209,868
Total imports	161,647,635	139,964,649	− 21,682,986
Exports:			
Merchandise	141,451,752	136,557,785	− 4,893,967
Gold	4,971,831	2,021,361	− 2,950,470
Total exports	146,423,583	138,579,146	− 7,844,437

Although imports have decreased by over 21 millions, there is still an excess of total imports over total exports of £1,385,503, and as the payments to be made abroad for interest and services are now estimated at over 33 millions per annum, the basis for balancing the account is to be found in capital movements to Australia in the form of public borrowings and private investments. Exports include half of the wool and butter export seasons, but the quantity of wool awaiting disposal in Australia was larger at the end of 1928 than at the end of 1927, and this, together with the larger quantity of wheat available from the excellent harvest, will help to swell Australian exports during the first half of 1929. The wheat harvest is not far short of 160 million bushels, while the exports from the beginning of December, 1928, to February 21, 1929 (including flour at the equivalent in wheat) amount to 40,815,435 bushels, against 17,720,207 bushels for the corresponding period of last season. The greater proportion of this season's shipments is for India and other destinations outside Europe, and this has given the Australian wheat growers an appreciably better return than if Europe had had to be depended upon to the usual extent, the difference in this respect being reckoned by high authority at fully 5d. per bushel.

Amongst the principal exports during 1928 are wool and tops £61,234,788, against £63,745,870 for 1927; wheat and flour, £21,117,405, against £28,902,617; butter, £7,941,714, against £5,369,826; frozen beef, £2,748,376, against £1,840,012; sugar, £5,461,489, against £3,383,233; hides and skins, £9,582,300, against £9,531,080; and lead, £3,159,640, against £3,538,338.

The Commonwealth Government is now offering locally on behalf of the States a 5½ per cent. loan, to mature July 15, 1939, for £7,000,000 at par, the proceeds being for State public works and for redemption purposes.

JAPAN.—TARIFF REVISION—TRADE BALANCE—BANK FIGURES.

(FROM OUR CORRESPONDENT.)

TOKIO, March 11.

A TARIFF REVISION BILL has been introduced into the Diet, and is now in the committee stage in the Lower House, proposing to increase the duty on timber, together with some modifications of the rates on dyestuff intermediates, glazed or mercerised cotton yarns, and pianos. Under the proposed measure the timber duty will be increased by 13 per cent. on the average, ranging from yen 1.20 to yen 6.25 per cubic metre. Another tariff bill has just been presented to the Diet for repealing or modifying in part the 100 per cent. *ad valorem* duties, or what are known as the luxury duties.

According to the tentative estimates of the balance of trade in 1927, lately published by the Treasury, Japan owed 139.8 million yen, against 301.9 millions in 1926, in her international payments. While the import excess of merchandise and net payments abroad by the Government totalled 393.7 million yen, or 156.3 millions less than in 1926, the official estimates of invisible exports were put at 253.8 millions, or 5.7 millions higher. Invisible items, on balance, are set out below in comparison with the preceding year:—

THE OFFICIAL CALCULATION OF INTERNATIONAL PAYMENTS IN 1926 AND 1927

(in million yen).

Particulars.	1927.	1926.
Excess of imports of merchandise (including that of Korea, Formosa, and South Seas Islands)	289	442
Net Government's payment made abroad	104·7	108
Total	393·7	550
Net income from overseas investments and business	45·1	47·7
Net national shipping income	132·5	125
Emigrants' remittance	41·3	39·9
Foreign tourists' expenditure, &c.	22·8	22·7
Others	12·1	12·7
Total	253·8	248
Excess of expenditure over income	139·8	301·9

Except the Mitsubishi, all the Japanese joint-stock banks have now published their reports for the December half-year, which again make poor showing. Among

the big banks, the outstanding feature is a decline of nearly two million yen in net profits shown by the Mitsui Bank. Other leading banks in Tokio and Osaka, except the Yasuda, generally recorded decreased earnings. The reduction in profits is obviously ascribed to easier money and lower money rates ruling during the last six months of 1928. But the customary rates of dividend were maintained in all cases. Of the two colonial banks, the Bank of Chosen registered a fairly larger profit of 850,000 yen, and paid a regular 4 per cent. dividend, while the Bank of Taiwan earned for the first time since the consolidation a tolerably good profit of 434,000 yen, which was allocated to make good the loss brought forward from the preceding years.

The trade returns for February show that imports totalled 237,231,000 yen, and exports 146,393,000 yen, the excess of imports over exports amounting to 90,838,000 yen, the largest adverse balance since March, 1926. As compared with the corresponding month of last year, imports rose by 36 million yen, while exports fell by 14 millions, the import excess being thus 50 millions higher. The increase in imports is mainly accounted for by raw cotton, while cotton manufactures are largely responsible for the decline in exports.

Books and Publications.

TRADE AND CREDIT.*

Mr. Hawtrey is always stimulating and interesting, and this book will please his many admirers, though it seems to be a collection of essays written on and for different occasions, only two of which have not been published before. But he is quite justified in claiming in his preface, that these essays "possess sufficient unity of subject to form a volume"—the first three are concerned with the machinery of credit in relation to trade, and the other five with the relation of credit to productive activity, and more particularly to the trade cycle, expounding and defending the author's well-known conviction that the latter is a purely monetary phenomenon. Such a book is necessarily difficult to review, and on every page Mr Hawtrey is so suggestive (and often also so puzzling) that only a piecemeal method can be applied. There are many apparent inconsistencies which the writer would probably explain quite simply if he could sit by every reader, but may bewilder the latter in the absence of this arrangement. For instance, in the chapter on "What is Finance?" it is stated that "to value a thing, we must assume it to be sold (actually or hypothetically). It must be sold at a price. The price simply states the debt which will be incurred by the buyer to the seller." But if the article is sold at a price it seems to follow that the price is paid, and if so where and how does the question of a debt arise? And later on, it is said that the valuation in a balance sheet "will be based partly on cost (less depreciation) and partly on the expectation of a profit. To an outside critic the expectation of profit is a matter of opinion." Must it not be so necessarily to everybody? And what would a company's auditors say, if the directors proposed to write up their assets because they had reason to expect that they were going to make bigger profits next year? And here is another dark saying that seems likely to puzzle a student—"the art of finance is summed up in the single aim of maintaining the cash balance." This may be the single aim of the art of finance, as defined by Mr Hawtrey as the "Art of providing the means of payment," but is it business? Surely it is very often the ambition of shrewd business men to work with a small cash balance, or, better still, with a cash balance that is a minus quantity. If one looks at the balance sheet of an active trust company—and trust companies are the practical embodiment of what most people mean by Finance—one is pretty sure to find a very small cash balance among the assets, and a far bigger loan from bankers among the liabilities. That of the British Combined Trust, for instance, which has lately appeared, shows Cash at Bankers £30, and loans from bankers, £118,000 odd; and this is as it should be, for trust companies, like most other live businesses, can earn more on borrowed money than they pay for the use of it. And Mr Hawtrey himself sees that a cash balance is bad finance, for in the next sentence but one, after saying that the art of finance is summed up in the single aim of maintaining the cash balance, he tells his readers that the said art "includes methods of using a cash balance, because the accumulation of idle cash is merely a wasteful method of providing money when required." But is it possible at the same time to maintain and to use a cash balance? Many people would like to know how to do it.

* "Trade and Credit," by R. G. Hawtrey. Longmans, Green and Co. 10s. 6d. net.

WAR AS AN INSTRUMENT OF NATIONAL POLICY

and its Renunciation in the Pact of Paris

By JAMES T. SHOTWELL,
Professor of History at Columbia University.

Times Lit. Supp.: "Dr. Shotwell writes with peculiar authority, since he himself took a leading part in the movement in the United States, which, in little more than a year, led to the multilateral treaty renouncing war. His account of this movement is of great interest, if only for the light it throws on the methods by which the American public is gradually being educated to some appreciation of the problems of the outside world."

With an Introduction by Professor GILBERT MURRAY.

15s. net.

Constable] [*London*

A MAN WORTH KNOWING.*

Many people read novels chiefly for the pleasure of knowing the personalities they meet in them. To those of us who read slowly, closing a novel that we have just finished is like seeing off friends at the station after a long visit, and leaves us melancholy. But these characters in fiction whom we learn to regard as friends are the creations of artists; it is very unusual for an autobiography of an individual who makes no particular claim to literary art to leave us with the feeling of having spent long evenings in the presence of a man whom it was a joy to know. Sir Edmund Hornby must have been a rapid, excited, endlessly entertaining talker, and he writes as he would talk, with scant regard for grammar or style, but with a vividness that many a self-conscious stylist would give his ears to be able to imitate. Whether he is decribing a mountain journey in Japan, when the reader is made to feel himself in the midst of a scene of exquisite beauty, or relating in half a dozen lines how he fished an unknown young lady out of the Thames by her crinoline, "and being a girl of pluck I had little difficulty in getting her ashore, and as I felt pretty confident I could earn my bread and cheese married her and settled down in a cottage at Weybridge"—he always shows that same power of standing aside and with an absolute minimum of words putting the reader in a position to see or feel or experience the thing for himself.

The book is full of racy anecdotes, one of the most delightful being the story of how the author as a boy, outraged by the indifference with which the clerks in Rothschild's Bank treated a cheque for what seemed to him untold wealth, conceived the suspicion that the institution was on the verge of insolvency, and blundering unnoticed into the room of a superior officer, generously offered to wait for the bulk of the money if he could have £10 down. The superior officer, who was no less than Rothschild himself, had a sense of humour and played up with perfect solemnity. The result was a practical joke of "Arabian Nights" splendour, the account of

* "Sir Edmund Hornby: An Autobiography." (London) Constable and Co., Limited, Orange Street. 18s. net.

which must be read in Sir Edmund Hornby's own words to be fully enjoyed.

In the course of his work, first in the diplomatic service and subsequently as a judge, Sir Edmund became intimately acquainted with a wide range of countries both in the Near and the Far East, and as he evidently had the gift of winning the confidence of all with whom he came into contact, his observations, gloriously sweeping and uncompromising though they generally are, are always worth hearing. His views on foreign policy would probably startle historians, but he must have increased the popular respect for British justice wherever he went. Intolerant he certainly was, and intolerant above all of any form of cruelty and injustice, but his judgments, though sometimes merciless, were always free from prejudice. Indeed, the great charm of the man and the book is that everything about him is free from prejudice; he may—though he seldom does—seem harsh, and he sometimes seems wrong, but always his ideas and his actions are the direct, uninfluenced offspring of a mind bubbling over with human kindness and vitality.

ETHICS AND ECONOMICS.*

Father Watt has made a courageous attempt to appraise our economic structure in the light of the moral law; and the modesty of his preface almost disarms the criticism that he has left his subject much where he found it. He is convinced that employers should deal with their workers on terms dictated by the requirements of private morality, and he believes that those aspects of capitalism which appear to conflict with such requirements are capable of correction within the framework of the present economic system. There is little in the book which excites challenge, apart from the curious confusion of thought which leads its author to oppose family allowances with the naïve assumption that the "natural value" of male labour is "a sufficiency of commodities to enable the worker to discharge fundamental moral duties," *i.e.*, the duty of parenthood. This "natural value" is somewhat arbitrarily identified with the worker's moral right, irrespective of whether he is a parent or not. But no respect is paid to the practical question of whether in fact the general level of wages can be so drawn as to correspond with any such "natural value" or moral right. We are tempted to suggest that the real line of advance towards a moral critique of our present economic system lies along the lines of an examination of motive, and the reaction to motive, and that it should be conducted with continuous reference to the familiar petition: "Lead us not into temptation."

* "Capitalism and Morality." By Lewis Watt, S.J., B.Sc. Cassell and Co. pp. 150. 3s. 6d. net.

BOOKS RECEIVED.

Power Resources of the World. Preface by D. N. Dunlop. (London) World Power Conference, 63 Lincoln's Inn Fields. 21s.

This important publication is a survey, carried out by the International Executive Council of the World Power Conference, of the valuable but hitherto unco-ordinated papers and reports prepared for the First World Power Conference and the Geneva Economic Conference. It co-ordinates all the information at present available. An article on the subject appears in this week's issue.

The Merchant Navy. Vol. III. By Sir Archibald Hurd. With a Foreword by H.R.H. The Prince of Wales. (London) John Murray, Albemarle Street. 21s. net.

The third volume of this work, which records in detail the magnificent work performed during the war by the Merchant Navy, is principally devoted to the intensive submarine campaigns of 1917.

The Coal Industry of the Eighteenth Century. By Thomas S. Ashton and Joseph Sykes. (Manchester) Manchester University Press, 23 Line Grove, Oxford Road, 14s. net.

This is a very learned contribution to the history of an important but still far too little investigated period of English economic development. The book is a mine of information for the modern economic historian.

Elementary Applications of Statistical Method. By H. Banister. (London) Blackie and Son, Limited, 50 Old Bailey. 3s. 6d. net.

A little textbook, whose usefulness is enhanced by examples, to which answers are given at the end of the book.

Italy To-day. Edited by Mrs V. M. Crawford.
1. *The "Corporative State in Fascist Italy."* January, 1929.
2. *Economic Italy in* 1928. February, 1929.
3. *Fascist Electoral Methods.* March, 1929.
(London.) Published by the Editor, at 32 Upper Gloucester Place.

Three pamphlets published by "Friends of Italian Freedom." Number 3 contains an article by Professor Salvemini.

Wirtschaftliche Zusammenarbeit zwischen Deutschland und Frankreich. By Dr E. Respondek. (Berlin) Carl Heymanns Verlag. 12.50 Rm.

An account, in German, of Franco-German economic co-operation. Two of the four sections are devoted to the trade agreement of 1927 and to international cartels respectively.

Notizie Sulla Economia Siciliana, Anno 1927, *VI.* (Palermo) Industrie Riunite Editoriali Siciliane.

This tome contains a mass of statistical information of the most detailed character, relating to the agriculture, population, trade, mercantile marine, finance and industry of Sicily in 1927.

The Issuing House Year Book and Financial A.B.C., 1929. (London) The Institute of Commercial Research, 20 Copthall Avenue. 21s.

This is a new publication, which surveys the activities of over 220 financial houses and 360 stockbrokers, showing the issues with which each has been associated in the past three years.

Provincial Brokers' Stock Exchange Year Book, 1929. Edited by the chairman. (Hull) Provincial Brokers' Stock Exchange, Parliament Chambers. 2s. 6d.

This diminutive reference book is packed with information. Among a great many other sections is one on railway amalgamations and one on transfers; there are yield tables and various other aids to calculation, and a full directory of members.

The Hibbert Journal, April, 1929. (London) Constable and Co., Limited, Orange Street. 2s. 6d. net.

This number includes articles on "The Attempted Conversion of the Jews," by Claude Montefiore; "God or the Devil in Labour," by W. R. Lethaby; and "Work *v.* Permanent Unemployment in Great Britain," by Professor Scott.

The Empire Cotton Growing Review, April, 1929. (London) P. S. King and Son, Limited, 14 Great Smith Street. 1s.

Contains the usual statistics, together with a number of articles, including: "Cotton in Ceylon," by F. A. Stockdale; and "Research and Agriculture," by H. Martin Leake.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C.2.

Criminal Statistics: Statistics Relating to Criminal Proceedings, Police, Coroners, Prisons, &c., for the year 1927. Cmd. 3301. 4s. net.

Tenth Annual Report of the Scottish Board of Health, 1928. Cmd. 3304. 6s. net.

Report of Commission of Inquiry into the Holborn Explosions and Fires. Cmd. 3306. 1s. 6d. net.

Street Accidents Caused by Vehicles and Horses during Year ended December 31, 1928. 2d. net.

Trustee Savings Banks. Thirty-seventh Annual Report. 4d. net.

Ministry of Health: *Report on Rural Water Supplies.* 9d. net.

Registrar-General's Statistical Review of England and Wales for the year 1927: New Annual Series, No. 7—Text. 5s. net.

Colonial Reports: No. 1423. Falkland Islands, 1927. 9d. net.; No. 1424. Bechuanaland Protectorate, 1927-28. 1s. 3d. net.

Ministry of Transport: Return relating to Railways of Great Britain for the year 1928.—Preliminary Statement. 2s. net.

The Stock Exchange.

TOBACCO COMPANIES.

The reasons for the sustained popularity of tobacco company shares are not far to seek. Taken by and large, tobacco is probably the most prosperous industry in the whole of Great Britain to-day, economic depression and increased taxation apparently being alike powerless to arrest its progress. The Chancellor of the Exchequer now draws some £58 million a year from the industry (as compared with £18 million in 1913-14), but the tobacco companies have nevertheless increased their profits to a striking extent since the war. The 1928 earnings of the Imperial Tobacco Company, for instance, were 310 per cent. of those of 1913, the earnings of the British American Tobacco Company 303 per cent., and those of Carreras no less than 2,840 per cent.

One cause of this enviable state of affairs has been the tapping of a market largely unexplored before the war; another, the definite shifting of public taste from lower to higher-priced products. The growth of smoking among women and the ground gained by the cigarette at the expense of the pipe are strikingly exemplified in the last production census figures, which show that, as between 1907 and 1924, the British output of cigarettes rose from 267,000 cwt. to 823,000 cwt., while that of pipe tobacco declined from 627,000 cwt. to 464,000 cwt. Another reason for the prosperity of the trade may be sought in the increased efficiency and the effective sales policy of the companies concerned, which increased the volume of their output, in the seventeen years ended 1924, by 40 per cent., while their labour force increased by only 3 per cent. Competition between the "combine" and the "independents" continues to be a feature of the industry, but it is waged on the *terrain* of quality and advertising, not, as a rule, of prices. The extent, indeed, to which the industry, in its *rôle* of advertiser, assists the average reader of the British press to obtain his morning journal at approximately half its cost price, may be tacitly criticised by tobacco shareholders, but its real explanation is the rooted prejudice of the British smoker for his favourite brand—a condition which makes his suffrage rather costly to obtain in the first place, but is a tower of strength to the companies once that stage has been passed. The same feature, incidentally, explains why the smaller concerns, manufacturing a few favourite brands, are able comfortably to maintain their position alongside the giants of the industry. As far back as 1901, when the Imperial Company was formed, as many as 20,000 brands of tobacco products were sold in Great Britain, and the total is not less to-day.

The attraction of tobacco company securities for the investor, in short, is bound up with the high "inelasticity of demand" for the commodity, i.e., the small extent to which increased prices have checked, or are likely to check, the growth of consumption—and the strongly organised position of the industry itself. The latter factor is apparent in the recent results of the leading concerns, summarised in the table in the preceding column, which includes figures for two "combine" companies and two of the outstanding "independent" concerns.

Both large and small companies show a liquid position, and a high rate of earnings in proportion to their issued capital. Conservatism in the matter of dividend distribution is particularly well marked in the case of the "independent" concerns, so that Carreras, for instance, despite repeated bonuses to shareholders, still has visible reserves significantly in excess of its paid-up capital. The large companies have, as is well known, considerable "secret" reserves, at the dimensions of which the investor can do no more than wildly guess, the inscrutability of directorial policy being proverbial in the case of these concerns. The smaller firms have been more visibly affected than the larger by recent increases in the tobacco duty, especially that of 8d. a pound last year. Carreras had an increased turnover in 1928, but, as the chairman remarked with some pathos at the last meeting, "the Chancellor of the Exchequer reaped the reward of the extra business, instead of the shareholders." The extent to which Godfrey Phillips was affected by the same cause last year will be apparent from the accounts, which are due in the very near future.

Since the issue of the latest balance sheets, noteworthy changes have occurred in the capital structure of three of the four companies in the list. Carreras has celebrated its removal into a new "model" factory by an ordinary share bonus issue equivalent to 1 in 4—the fourth capitalised bonus since 1924. The growth of this concern on the profit-earning side has been phenomenal, profits in the 25 years of its existence having been, on the average, as follows: first quinquennium, £18,132; second, £29,320; third, £77,636; fourth, £101,512; fifth, £939,862. The Imperial (of Great Britain and Ireland) announced, in January last, a capitalised ordinary share bonus of 25 per cent., approximately three months after the British American Tobacco Company had formed a subsidiary—the Tobacco Securities Trust Company—to take over certain of its interests whose extent and nature were not disclosed. Most shareholders have probably forgotten the "tobacco war" of 1901-02, but that short and sharp struggle left a permanent impression on the world's tobacco trade, and an understanding of its results is essential to a true appreciation of recent events. It was the threat of the American Tobacco Company, in September, 1901, to spend £6,000,000 in capturing the British and European markets, which led twelve well-known British tobacco firms to combine, under the leadership of the Wills interests, to form the Imperial Company, with an issued capital of £14,518,097 (of which goodwill, trade marks, brands, etc., accounted for £8,518,097).* The total purchase price of the merging concerns was £11,957,022. Various other interests have since been acquired (including a one-third holding in British American Tobacco, referred to below), and the earning power of the combine has, of course, risen very considerably, so that the 1928 balance sheet figure of £8,811,034 for investments in associated companies con-

Company and Date of Balance Sheet.		Imperial Tobacco (of Gt. Britain and Ireland). (Oct. 31).	British American Tobacco (Sept. 30).	Carreras. (Oct. 31).	Godfrey Phillips. (Dec. 31).
		£	£	£	£
Paid-up Cap. 1928	Pref.	12,857,936	4,500,000	300,000	423,000
	Ord.	29,951,697(a)	23,540,236	1,125,000(b)	675,000
Net Earnings (after all taxation)	1926	8,797,913	6,150,817	891,629	179,392
	1927	9,057,355	6,309,096	1,071,750	111,165
	1928	9,429,264	6,518,560	889,750	...
		Earned. Paid.	Earned. Paid.	Earned. Paid.	Earned. Paid.
		% %	% %	% %	% %
% on Ord. Shares, after taxation	1926	27·0 24	30·1 25·	145·9 50	38·8 18
	1927	27·9 25	26·0† 25†	117·3† 50†	13·4† 8†
	1928	29·2 26	26·9 25	77·6† 50†	.. ...
Fixed Assets 1928*—					
Buildings and Plant		4,922,664	1,346,306	877,821	362,855
Goodwill, Trade Marks, etc.		9,422,582	200,000	203,712	127,000
Shares of Associated Cos.		8,811,034	20,931,081	5,683	1,040,647
Floating Items, 1928*—					
Total Floating Assets		41,868,765	13,378,887	3,327,179	1,899,268
Total Floating Liabilities		14,630,828(c)	5,724,366	549,363	1,062,064
Surplus of Working Capital.		27,237,937	7,654,521	2,777,816	837,204
Visible Reserves of all kinds, 1928*		15,810,113(c)	5,839,621	2,473,894(d)	974,074

* For Godfrey Phillips, Dec. 31, 1927. † On increased capital.
(a) Increased subsequently to £37,439,621 by capitalisation of reserves. (b) Increased subsequently to £1,406,250, by capitalised bonus. (c) In arriving at these figures, an item "Creditors, Provision for Taxation . . . Amounts set aside for Contingencies . . . Employees' Liability and Other Funds," has been counted among "Floating Liabilities." Of the reserves shown above, approximately £7,500,000 has been capitalised and distributed to the ordinary shareholders. (d) £281,250 has since been capitalised.

*The firms concerned were: W. D. and H. O. Wills, Franklyn Davey, and Edwards, Ringer and Bigg (of Bristol); Lambert and Butler, Adkin and Son, and Hignetts (of London); John Player and Sons (of Nottingham); Hignett Bros., and William Clarke and Son (of Liverpool); and Stephen Mitchell, F. and J. Smith, and D. and J. Macdonald (of Glasgow).

tains a "hidden reserve" of unusually large proportions. The "war" between Imperial Tobacco and American Tobacco resulted, in September, 1902, in a compromise under which the two protagonists were left in undisturbed possession of their respective home markets, while the potentialities of the rest of the world were to be developed by a joint concern, the British American Tobacco, in which Imperial Tobacco took a one-third interest. This agreement—which anticipated by a quarter of a century the proposals for "rationalisation" and "international division of markets," about which so much is being heard to-day—has proved durable to a degree. If the Imperial still holds its one-third interest in the B.A.T., something like 20 per cent. of its current profits would seem to be derived from that one investment(i.e., from its share of the tobacco export business), and the shares of the newly-created Tobacco Securities Trust, which it has recently received from the B.A.T., should have a market value of something like £5,000,000.

The recent course of Stock Exchange values, and the present yield on the various securities of the four companies, are shown in the attached table:—

SHARE PRICES AND YIELDS.

Company and Share	Middle Stock Exchange Price. 1926.	1927.	1928.	1929 Prices. Highest.	Lowest.	Present.	Yield (%) at Present Price. On Dividends.	On Earnings.
Imperial (of Gt. B. and I.):							£ s. d.	£ s. d.
5½% "A" Cum. Pref. (£)	1⅛	1⅛	1⅛	1⅛	1⅛	1⅛	4 15 1	...
6% "B" Non-Cum. Pref. (£1)	1⅛	1⅛	1⅛	1⅛	1⅛	1⅛	5 1 0	...
10% "C" Non-Cum. Pref. (£1)	1⅛	1⅛	1⅛	1⅛	1⅛	1⅛	5 3 2	...
Ordinary (£)	5⅛	5⅛	5⅛	6⅛	5⅛	6⅛	3 11 6†(a)	3 17 5†(b)
British American Tobacco:								
5% Cum. Pref. (£1)	1	1	1⅛	1⅛	1	1⅛	4 16 11	...
Ordinary (£1)	5⅛	5⅛	6⅛	6⅛	6⅛	6⅛	4 0 9†	4 6 11†
Carreras:								
Ord. (£1)	14	16⅛	18⅛	18	12⅛	13⅛		
"A" Ord. (£1)	14⅛	16	18⅛	18⅛	13	13⅛	3 14 0†	5 14 11†
"B" Ord. (2/6)	...	...	2⅛	2⅛	1⅛	1⅛		
Godfrey Phillips:								
6% Cum. Pref. (£1)	⅛	⅛	⅛	⅛	⅛	⅛	6 8 0	...
6% "B" Cum. Prefd. (£1)	1⅛	1⅛	⅛	1⅛	1	1	6 0 0	...
Ordinary (£1)	4⅛	3⅛	2⅛	2⅛	1⅛	1⅛	4 5 4†	7 2 10†

† Tax deducted. (a) Assuming a 21⅛ per cent. dividend. (b) On increased capital.

Despite the moderate price reaction of the last few weeks, the dividend yield on tobacco shares is modest—a fact reflecting their investment popularity and also, in the case of three of the four concerns, the quotation of the ordinary shares on the New York Curb market. For the long-term investor, however, the yield on earnings, shown in the final column, is a more trustworthy guide than the yield on present dividends. In calculating the latter, a hypothetical 21⅛ per cent. distribution has been allowed for on Imperial Tobacco ordinary, on the supposition that the company will increase its earnings this year by the same average amount as in the past four years, and will distribute the same proportion of the whole in dividends on its increased capital.

Tobacco shareholders are naturally awaiting next week's Budget speech with keen interest. Of recent years the Chancellor has not been prone to treat the industry with undue tenderness, but with an election looming near, some concession to tobacco consumers is being canvassed by the more optimistic prophets. The prospects of the forthcoming Budget have been discussed in recent articles in the *Economist*, which have suggested that the Chancellor, with the best will in the world, will have but a limited scope for significant reductions in taxation. In the light of past experience, however, the investor would be well advised to base his judgment as to the merits of tobacco shares, at their present prices, on the outlook for the continued popularity of the industry's products, and the substantial financial position of the leading company, rather than on extraneous assistance which may or may not be forthcoming.

THE CABLE-WIRELESS MERGER.

The terms of the cable-wireless merger have been made public this week. Cables and Wireless, Limited, is the name of the Company formed to take over the ordinary share capital of the Eastern Telegraph, Eastern Extension, and Western Telegraph group, and the shares of the Marconi Wireless Telegraph Company. Lord Inverforth is its first President, and its managing directors are Mr Denison-Pender and Mr. Kellaway. The Imperial and International Communications, Limited, is the name of the "communications company" formed to acquire the communication assets of the merger companies, together with the obligations and liabilities of the Pacific Cable Board, including the West Indian Cable and Wireless system, together with the Imperial transatlantic cables operated by the Post Office and the Empire Beam wireless services. Sir Basil Blackett is to be the first chairman of the Communications Company and Mr Denison-Pender and Mr. Kellaway are again managing directors.

The official announcement contained the terms of the offer of shares in Cables and Wireless, Limited, to ordinary shareholders of the cable companies and the shareholders of Marconi, but, unfortunately, did not specify the terms on which the communication assets of the Cable companies and Marconi were being acquired by Imperial and International Communications. It may be stated at the outset that the share exchange appeared satisfactory to the ordinary shareholders of the Cable Companies, and the 10s. ordinary shareholders of the Marconi Company, but unsatisfactory to the £1 preference and ordinary shareholders of Marconi. These last are not being offered twice as much as the 10s. ordinary Marconi shareholders. Until the terms are known on which the communications assets of the Cable and Marconi Companies are being acquired by Imperial and International Communications, it will not be possible for the £1 shareholders in Marconi to decide definitely whether they should refuse the offer or not, but they have lost no time in protesting against the terms. The details of the offer of exchange are as follows:—

Holdings in the Cable Companies or the Marconi Company.	Amounts (in nominal value) of fully-paid shares in Cables and Wireless, Limited, to be issued in exchange.
AS REGARDS THE THREE CABLE COMPANIES.	
For each £100 (nominal value) of ordinary stock in Eastern Telegraph, or Each £100 (nominal value) of Ordinary shares of £10 each in Eastern Extension—that is, ten shares—or Each £100 (nominal value) of Ordinary shares of £10 each in Western Telegraph—that is, 10 shares.	£165 of 5½ per cent. £1 cumulative preference, £108 18s. of 7½ per cent. £1 non-cumulative "A" ordinary and £26 of "B" £1 ordinary.
AS REGARDS MARCONI'S WIRELESS TELEGRAPH COMPANY.	
For each £100 (nominal value) of 7 per cent. cumulative participating preference of £1 each—that is, 100 shares.	£131 10s. of 5½ per cent. £1 cumulative preference. £205 8s. of 7½ per cent. £1 non-cumulative "A" Ordinary and £150 5s. of "B" £1 ordinary.
Each £100 (nominal value) of ordinary of £1 each—that is, 100 shares.	£131 10s. of 5½ per cent. £1 cumulative preference. £205 8s. of 7½ per cent. £1 non-cumulative "A" ordinary, and £150 5s. of "B" £1 ordinary.
Each £50 (nominal value) of ordinary of 10s. each—that is, 100 shares.	£81 10s. of 5½ per cent. £1 cumulative preference. £205 8s. of 7½ per cent. £1 non-cumulative "A" Ordinary, and £150 5s. of "B" £1 ordinary.

It will be seen that the only distinction which is being made between the £1 ordinary and preference shares and the 10s. ordinary shares of Marconi is that the former are offered 10s. more per share than the latter of the 5½ per cent. cumulative preference shares of Cables and Wireless, Limited, the proportions as regards equity-carrying stock being identical. In the *Economist* of October 20, 1928, we went into the position of the £1 Marconi shareholders at some length. The legal position, in the event of a liquidation, is that, after repayment of the preference capital and the amount of capital paid up on the £1 and 10s. ordinary shares, the surplus is divided among the preference and ordinary shareholders in proportion to the *nominal amount* of their shares, not according to the *number* of shares. In other words, each £1 share would get twice as much as each 10s. share. This legal status is recognised by the directors in the payment of dividends, because the amount of dividend on a £1 share is twice as large as that on a 10s. share. Yet the legal position between these £1 and 10s. shares is apparently ignored altogether in the offer of shares in Cables and Wireless.

LONDON ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Closing Prices April 4.	April 11.	Rise or Fall.		Closing Prices April 4.	April 11.	Rise or Fall.
Conv. Loan 3½%	77	77⅛	+ ⅛	Treasury 5% (B)	99⅝	100	+ ⅜
Do. 4½% 1944.....	97⅝	98⅛	+ ⅛	Palestine 5% 1942-67	101x	101	...
War Loan 5% 1929-47	102⅛	102⅛	+ ⅛	S. Africa 5% 1945-75..	101	102	+ 1
Consols 2½%	55⅜	55⅜	– ⅛	India 3½%.....	67⅜	69⅜	+ 1⅛
Do. 4%.....	86	86⅛	+ ⅛	Do. 4½% 1958-68 ...	89	91⅝	+ 2⅜
Funding 4%	87⅜	88⅛	+ ⅛	Australia 5% 1945-75	99	99	...
Victory Bonds 4% ..	92⅜	93⅛	+ ⅛	N.S.Wales 5% 1935-55	96	96	...
Local Loans 3%	63⅜	63⅜	+ ⅛	N. Zealand 5% 1946	102	102	...

Foreign Government Securities.

Japanese 6% (1924)	96	96½	+ ½	French 5%	20	19⅞	– ⅛
Argentine 4% Recies	84⅛	85	...	Do. 4% (Brit.)	17⅜	17⅜	...
Austrian 6% 1923-43	101⅛	102	+ ⅛	German 7%	106½	106⅝	+ ⅛
Belgian 7%	108	108½	+ ⅛	Greek 7% Refugee ...	101⅛	102⅛	+ 1
Brazil 5% Funding .	84	84⅛	+ ⅛	Hungary 7½%	101½	101⅝	+ ⅛
Bulgaria 7%	87	86⅛	– ⅛	Chili 6%.....	96	96	...
China 5% (1912).....	48x	46	– 2	Poland 7%	91⅛	91	– ⅛
Egypt Unified 4% ...	85	85	...	Mexican 5% (1899) ...	32	32	...
Estonia 7% 1927 ...	91⅛	91⅛	...	S. Paulo Coffee 7½% .	102⅛	103	+ ⅛
Finland 6% 1923	98⅛	98⅜	+ ⅛	Siamese 6% (1924) ...	105⅛	105⅛	...

Corporation Stocks.

L.C.C. 3%	63	63	...	Sydney 5½% 1954	98	98	...
B. London 5% 1960-70	98	98	...	Berlin 6% Ster.	94	94	...

British and Foreign Railways.

G. Western Ord. Stk.	82⅜	86	+ 3⅛	Antofagasta Ord. Stk.	96	96⅛	+ ⅛
L.N.E., Def. Stk. ...	13⅜	14	+ ⅛	B.A.&Pacific Ord.Stk.	101⅜	99⅛x	+ 1
Do. 5% Pref. Stk..	30	30⅛	+ ⅛	B.A.Gt.Sthn. Ord.Stk.	107⅛	107⅛	+ ⅛
L.M.S. Ord. Stk.	54⅛	55⅛	+ 1	B.A. Western. Ord.Stk.	93⅛	92⅝	– ⅛
Metropol'anCons.Stk.	60⅛	61	+ ⅛	Beira Ord.	1⅛	1⅛	...
Met. District Ord. Stk.	76	76⅛	+ ⅛	Can. Pacific Com.Stk.	241⅛	243	+ 1⅛
Southern Def. Stk. ..	32⅛	33⅛	+ ⅛	C. Argentine Ord. Stk.	95⅛	96⅛	+ 1⅛
Do. Pref. Ord. Stk.	73⅛	75	+ 1⅛	Leopoldina Ord. Stk.	56⅜	60⅛	+ 3⅛
Underground Ord. £1	1⅛	1⅛	...	San Paulo Ord. Stock.	213	213	...
Do. Income Bonds	112	113	+ 1	Utd. Havana Ord. Stk.	42	42	...

Banks.

Barclay B. (£1)	2⅜	2⅜	– ⅛	Midland £1, fully paid	3⅜	3⅜	...
Barcl.(Dom.&c.) A £1	1⅜	1⅜	+ ⅛	Nat. Prov. £20, £4 pd.	13⅛	13⅛	+ ⅛
Lloyds £5, with £1 pd.	3⅛	3⅛	+ ⅛	Hongk. and S. ($125)	132	132	...
Mid. £12, with £3 pd.	9⅛	9⅛	+ ⅛	St. of S.A. £20, £5 pd.	14⅞	15	+ ⅛
Do. £2½, fully paid	9⅛	9⅛	+ ⅛	W'minster £48, £1 pd.	3⅜	3⅜	...

Insurance.

Alliance £1, fully paid	21	21	...	N.B.&Merc.£5,£1¼pd.	36½	36½	...
Com. Un. £2½, fully pd.	27½	27½	...	Royal Ex. £1, fully pd.	6½	6½	...
Ldn.&Lanc.£5,£1 pd.	30½	30½	...	Roy.In.£1,with 10/ pd.	8⅜	8⅜	– ⅛

Coal, Iron and Steel.

Amal. Anthracite (£1)	⅜	⅜	...	Guest, Keen (£1).....	1⅜	1⅜	...
Babcock, Wilcox (£1)	3⅞	3⅜	– ⅛	Powell Duffryn (£1)...	⅜	⅜	+ ⅛
Baldwin (£/)	⅛	⅛	...	Stewarts&Lloyds(£1)..	1⅛	1⅛x	...
Bolckow Vaughan(£1)	⅛	⅛	...	Swan, Hunter (£1) ...	1⅛	1⅛	– ⅛
Cory, William (£1) ...	2⅜	2⅜	...	Thornycroft, John (£1)	3⅜	3⅜	– ⅛
Dorman, Long (£1)...	⅛	⅛	...	Vickers (6/8)	⅛	⅛x	...

Textiles.

Bradford Dyers (£1)	2⅛	2⅛	...	Eng.Sewg.Cotton (£1).	2⅜	2⅜	...
Brit.Celanese,Ord(10/)	1⅜	1⅛	+ ⅛	Fine Cott. Spinn. (£1).	2⅛	2⅛	+ ⅛
Coats, J. and P. (£1)	3⅛	3⅛	+ ⅛	Listers (£1)	1⅛	1⅛	+ ⅛
Courtaulds	4	4⅛	+ ⅛	Snia Viscosa (200 lire)	1⅛	1⅛	...

Electrical Manufacturing.

Associated Elec. (£1)	1⅜	1⅛	– ⅛	General Electric (£1).	3	3⅛	+ ⅛
British Insulated (£1)	4⅜	4⅜x	...	Johnson&Phillips (£1)	1⅜	1⅜	...
Ever Ready (G.B.) (5/)	1⅛	1⅛	...	Siemens (£1)	1⅛	1⅛	– ⅛

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅛	1⅛x	...	Hydro-Elec. com. stk.	37½	36½	– ½
Brnemth.& Poole (£1)	3⅛	3⅛	...	Newcastle-on-Ty (£1)	1½	1½x	...
County of London (£1)	2⅛	2⅛	...	Scottish Power (£1) ...	1⅛	1⅛x	...

Telegraphs and Cables.

Eastern Stk.	277½	280½x	...	Marconi (10/)	4⅛	4⅛	+ ⅛
Eastern Exten. (£10)	27⅛	28⅛x	...	Marconi Marine (£1)...	3⅛	3⅛	...

Motors.

Dennis (1/)	2⅜	2⅞	+ ⅛	Morris 7½%Cm.Pf.(£1)	1⅛	1⅛	...
Ford Motors (£1).....	3⅜	3⅜	– ⅛	Singer (£1)	1⅜	1⅜	– ⅛
Leyland (£1)	2⅜	2⅛	+ ⅛	Weymann Mot. Bodies	⅜	⅜	– ⅛

Shipping.

Cunard (£1)	1⅛	1⅛x	+ ⅛	P. & O. Defd. (£1).....	3⅛	2⅜	– ⅛
Furness Withy (£1)	2	2	...	Royal Mail Ord. Stk.	69	69	...

Tea and Rubber.

Anglo-Dutch (£1)	1⅜	1⅜	...	London Asiatic (2/) ...	⅛	⅛	+ ⅛
Cons.Tea & Lnds (£10)	34	36½	+ 2½	Rubber Trust (£1) ...	2⅛	2⅛	– ⅛

Oil.

Anglo-Persian (£1)...	4⅛	4⅜	– ⅛	Mexican Eagle(£1/0/6)	⅜	⅜	...
Attock (£1)	3	3⅛	+ ⅛	Royal Dutch (£3⅛) ...	32⅜	32⅛	– ⅛
Burmah Oil (£1)	4⅜	4⅜	– ⅛	Shell (£1)	4⅜	4⅜	+ ⅛

Miscellaneous.

Assoc. P. Cement (£1)	1⅛	1⅜	– ⅛	Imperial Tobacco (£1)	6	6⅛	+ ⅛
Bras. Traction, no par	62½	60½	– 2	Inter. Nickel of Can...	49⅛	49	– ⅛
Brit.-Am.Tobacco(£1)	6⅛	6⅜	+ ⅛	Kreuger & Toll (kr.100)	35⅛	35⅛	...
Carreras, "A" Ord.(£1)	13⅛	13⅛	+ ⅛	Lyons (J.) (£1)	5⅛	5	– ⅛
Columbia Graph.(10/)	14⅛	14	– ⅛	Margarine Unie (fl.12).	3⅛	3⅛	+ ⅛
Crittall (£1)	2⅛	2⅛	+ ⅛	Photomaton Parent...	⅛	⅛	...
Dunlop (6/8)	1⅛	1⅛	+ ⅛	Swed. Match,B (kr100)	21⅛	21⅛	+ ⅛
Forestal Land (£1) ..	1⅜	1⅜	+ ⅛	Tate and Lyle (£1) ...	2⅛	2⅛	+ ⅛
Gas Light & Coke (£1)	⅜	⅜	+ ⅛	Tilling, Thomas (£1)..	5⅛	5⅛x	...
Gramophone Co. (£1)	16⅛	16⅛	+ ⅛	Turner & Newall (£1)..	5⅛	5⅛	...
Harrods (£1)	3⅜	3⅜	+ ⅛	United Molasses (£1)..	7⅞	8⅛	+ ⅛
Hudson's Bay (£1) ..	5⅛	5⅛	+ ⅛	Vocalion (10/).....	2⅛	2⅛	+ ⅛
Imp.Airways(£1 15/p)	1⅜	1⅛	+ ⅛	Watney Combe Df.(£1)	3⅛	3⅛	+ 3/32
Imp. Chem., Ord. (£1)	2	1⅞	– ⅛				

Mines.

Anglo-Amer.ofS.A(£1)	2⅛	2⅛	– ⅛	Johan. Cons. (£1)	2⅛	2⅛	...
De Beers Def. (£2½)	14⅛	14⅛	– ⅛	London Tin (£1)	3⅛	3⅛	– ⅛
Brakpan (£1)	4⅛	4⅛	+ ⅛	Rio Tinto (£5)	62	58½	– 1½
"Chartered" 15/L.p..	1⅛	1⅛	...	RoanAntelopeCpr.(5/)	2⅛	2⅛	+ ⅛
Burma Corp.(Rs. 10)	⅛	⅛	– ⅛	Sub-Nigel (10/)	1⅛	1⅛	– ⅛
Bwana M'Kubwa,5/fp	1⅛	1	– ⅛	Tanganyika (£1)	3⅛	3⅛	– ⅛
Central Provinces(£1)	4⅛	4⅛x	...	UnionCrp.(12/6)fu.pd.	4⅛	4⅛	+ ⅛
Geduld (£1)	3⅛	3⅛	...				

Taking the shares of Cables and Wireless at their par values it is interesting to compare the equivalent values of the ordinary stocks of the cable companies and the shares of Marconi with their present market values:—

	Present Market Price.	Price Equivalent at Par in Cables and Wireless, Ltd.
Eastern £100 stock.....	£285	£299 18 0
Eastern Extension £10 shares	28⅛	29 19 9
Western £10 shares	28⅛	29 19 9
Marconi £1 pref. shares.....	5	4 17 5
Marconi £1 ord. shares.....	5	4 17 5
Marconi 10s. ord. shares	4¼	4 7 5

The market is apparently discounting already quotations for the Cables and Wireless shares at about par. Let us see how far this attitude is reasonable. The capital of Cables and Wireless, assuming the exchange of shares is carried out, will be as follows:—

£23,500,000 in 5½% cumulative preference shares of £1.
21,200,000 in 7½% non-cumulative "A" ordinary shares of £1.
9,000,000 in "B" ordinary shares of £1.

£53,700,000

The revenue of Cables and Wireless has been estimated as follows:—

Income from Imperial and International Communications	£1,865,000
Income from gilt-edged and non-traffic investments of Cable Companies	750,000
Income from Marconi patent and manufacturing rights	750,000
	£3,365,000

The estimates of revenue from the investments of the Cable Companies and from the manufacturing business of Marconi are of the order of intelligent guesses, but it is interesting to observe that a total revenue of £3,365,000 would enable Cables and Wireless to pay its preference dividends, 7¼ per cent. on its "A" ordinary shares and 5 per cent. on its "B" ordinary shares. Hence, it is suggested that the market will begin to deal in the "B" ordinary shares at something approaching par. It is even hinted that New York, when it is in a happier frame of mind, will take an interest in the "B" shares. Prudence, however, suggest that the new company is not likely to start paying dividends on its "B" shares until it has created reserves and provided for capital developments. In view of the possibilities of American interest in the shares of Cables and Wireless, it should be added that the articles of association provide that not more than 25 per cent. of the issued shares of any class in that company may be held by or on behalf of foreigners or foreign corporations.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
April 22.	April 24.

A THIRTEEN-DAYS' account opened quietly on Monday morning, nor did any renewal of outside interest appear as the days went on. Undoubtedly, the chief interest of the week was provided by the publication of the Marconi and cable merger terms, discussed above, after hours on Tuesday night. A heavy slump in the price of copper caused considerable downward movements in base metal shares, but elsewhere little occurred to affect market sentiment. The Budget falls within the present Account.

Gilt-edged stocks were on the rise at the beginning of the week, but though the Bank further strengthened its gold reserves on Monday and Tuesday, it would be incorrect to interpret this strength of the stock market as a true indication of a clearer monetary outlook. The market was short of stock, prices having gone recently below the level at which the banks would continue to sell. Then the regular investment demand brought prices up again, until, by Wednesday, the large holders were beginning to offer stock again. The market for short-dated bonds, which had fallen to unnecessarily low prices, was, in fact, a more genuinely firm one than that for the long-term stocks. The Four and a Half per Cent. Treasury Bonds are receiving attention for the sake of the conversion rights they carry; these being exercisable in July, they provide a safe holding over the General Election. Dealings in

Dominion and Colonial stocks were on a somewhat increased scale, in a firm market.

Business in foreign bonds tended to tail off as the week progressed, and movements in quotations were inconsiderable. German Seven per Cents. were strong, and French loans inclined to weaken on unofficial Reparation Conference reports of approaching agreement on the basis of a scaling-down of Allied claims. Turkish Unified was quoted *ex* dividend, for the first time for six-and-a-half years, the coupon being valued at 13s. 4d. gross and 10s. 6d. net. San Paulo Coffee bonds were inquired for. Chinese and Japanese were steady, without attracting appreciable investment interest.

Home Rails were still a narrow market, and showed characteristically wide variations in response to day-to-day changes in sentiment. The tone as a whole was a shade firmer than last week, despite numerous setbacks, but signs of real and permanent improvement were still to seek. The traffic returns for Easter week belied the promise of the Good Friday week figures, leaving two of the group lines with a deficiency in receipts over the whole Easter holiday, as compared with last year's figures. The London group stocks continued to attract little or no public attention. Foreign Rails were quiet, but firmer whenever business was done. The Argentine lines hardened slightly on favourable traffic figures, while Leopoldina, among Brazilians, reflected optimistic dividend anticipations. Canadian Pacifics were out of favour, but lost only a few points.

The cable-wireless merger terms overshadowed all else in interest in the industrial markets. Cable shares further appreciated after the announcement, but Marconi's, which had been actively supported early in the week, reacted considerably. The existence of a bull account in the 10s. ordinary was confirmed after the publication of the fusion terms, while the prospect of litigation by dissatisfied £1 shareholders acted as a further damper on speculative exuberance. United Molasses were a centre of activity, following the report (dealt with in a later "Investment Note"), and the new capital proposals. The market was puzzled, and somewhat disturbed, by the very large capital increase foreshadowed in the annual report of Imperial Chemicals (also discussed on a later page). Gramophone shares were the sport of fluctuating New York sentiment, being weaker after official hours on Tuesday, but strengthening the following day. International Nickel showed parallel fluctuations for similar reasons. Match shares were dull again, despite the satisfactory 1928 profits revealed by Swedish Match. Nervousness was still in evidence regarding the Dunlop dividend. No great interest was taken in rayon shares—apart from Listers and American Celanese, which strengthened after the New York meeting. Hudson's Bays continued to gain ground with each week bringing nearer the annual report. Cunards had a slight recovery, shipping shares as a whole being more active than last week. Variations in tobacco shares were of narrow dimensions, but a moderate amount of buying gave a firm appearance to brewery shares. The banking and insurance sections were entirely featureless.

The erratic course of crude rubber prices failed to reproduce itself in the share market, which has now settled down to its wonted idleness. The tea auctions, however, revealed a steady demand after the Easter suspension, and investment buying caused a fresh strengthening of share values, both in the heavy and the low-priced groups. Quiet conditions continued to rule in the oil share market, in the absence of French or American support. No extensive changes were marked, but all the leaders were easier, Shells, possibly, being the least affected.

The prevailing dullness was particularly noteworthy in the mining markets, the favourable Rand gold returns for March being powerless to stimulate Kaffirs into even the semblance of activity. Union Corporation alone stood out after the publication of the increased profit figures of 1928 (discussed in a subsequent "Investment Note"). The Rhodesian market did not escape the influence of the break in copper prices, or the uncertain tone of New York. Tuesday was a particularly quiet day, but "shop" intervention, *inter alia*, produced a certain hardening the next day. No great disposition to sell copper-producers' shares was observable, but marking-down was adopted as a defensive measure. The Rio Tinto final dividend (making 40s. for 1928, against 50s. for 1927) was in accordance with expectation. The tin share market—which has been mainly professional for some weeks past—was weak on the drop in the price of the metal, the Anglo-Oriental group showing considerable irregularity. Patino was heavily sold, despite the unchanged dividend of 4s., which raised the total distribution for 1928 to 12s.

FOREIGN STOCK EXCHANGES.

NEW YORK.

Public interest in share markets has reached a very low ebb, the volume of transactions averaging only three million shares daily, which is about half the recent rate. The liquidation of holdings by manipulation on margins continues, and brokers' loans are being gradually reduced. This week they fell another $135 million, bringing the three weeks' fall up to $266 million. Late in the week an oversold condition developed, and a feeling that the credit outlook had somewhat improved resulted in a professional attempt to force up prices; most sections of the market rallied briskly. Copper shares rose on the belief that the decline in the price of the metal had come to an end, but oils were a sluggish market, thanks to the Hoover Administration's opposition to the restriction scheme. Rails were quiet, the only feature being a sharp break in local tractions on the announcement of the decision of the Supreme Court in the New York "seven cent fare" case. Fixed interest securities have been slightly weaker and interest is dormant. Trading in shares is now largely professional, and there is little attention to anything but opportunities for quick profits.

	Apl. 4.	Apr. 11.	Rise or Fall.		Apl. 4.	Apr. 11.	Rise or Fall.
4½% Lib. Ln.'33–8	98⅜	99⅛	+ ⅛	U.S. Steel	186	189⅜	+ 3⅜
3½% Trs.Bs.'46–56	99⅛	100⅛	+ ⅛	General Motors ...	86⅛	84⅛	– 2⅛
Atch., Top. San. Fe	199⅛	199⅞	+ ⅜	Amer. Tel. & Tel.	221⅛	219⅛	– 1⅝
N. York Central	184½	183	– 1½	General Electric	234	234	...
Union Pacific.....	217	217	...	Victor Talking ...	180	170	– 10
Pennsylvania ...	75⅛	75	– ⅛	Std. Oil of N.J.	58⅛	57⅛	– 1⅛
South. Railway	145½	145	– ½	Anaconda	153⅛	144⅛	– 9

By courtesy of the Standard Statistics Company, Inc., of New York, and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926 = 100):—

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	Mar. 28.	Apr. 4.
342 Industrials	104·7	137·1	132·5	186·4	191·1	194·9	193·0
33 Rails	106·1	128·0	120·5	139·7	140·9	138·1	138·0
35 Utilities ...	103·3	128·3	128·3	180·6	184·6	203·1	199·8
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	187·9	186·1
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·22%	3·25%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Dec. 31.	Mar. 28.	Apr. 3.	Apr. 4.	Apr. 5.	Apr. 6.	Apr. 8.	Apr. 9.	Apr. 10.
207·7	217·5	211·5	215·9	213·3	213·5	211·3	209·7	211·3

PARIS.

The scarcity of funds at the disposition of the market inevitably restricted the activity of business. On the other hand, at no time was the tendency really bad. Oil shares lost the whole of their recent gains, and coppers suffered a serious fall on the heavy reaction in the price of the metal, while Rio Tinto was additionally affected beforehand by uncertainty about the final dividend. French stocks, however, have hardly been influenced by the set-back in those two groups, and Banque de France actually moved upward. The outstanding share has undoubtedly been Citroën, which has risen sharply, with an animated market. The lists for the Ville de Paris loan were opened in very favourable conditions.

	Apl. 4.	Apr. 11.	Rise or Fall.		Apl. 4.	Apr. 11.	Rise or Fall.
3% Perp. Rentes	72·90	73·45	+ 0·55	Mines de Lens ...	1,463	1,464	+ 1
5% Rentes,'15–16	99·35	99·55	+ 0·20	Courrières.....	1,678	1,670	– 8
5% Rentes, 1920	120·95	121·65	+ 0·70	Pechiney.....	3,635	3,670	+ 35
Banq. de France	25,850	26,275	+ 425	Kuhlmann.....	1,184	1,192	+ 8
Banq. de Paris	4,585	4,560	– 125	Com. Gen. Trans.	1,286	1,315	+ 29
Crédit Lyonnais	3,230	3,200	– 30	Suez Canal 25,800		25,625	– 175
Nord.....	2,665	2,665	...	Assur. Gen. Vie	15,500	14,850	– 650
Com. Gen. d'Elec.	3,825	3,840	+ 15	Denain et Anzin	3,450	3,400	– 50
Littoral Médit. ...	1,440	1,435	– 5	Dollfus Mieg. ...12,700		12,300	– 400

BERLIN.

The *Frankfurter Zeitung* stocks index for April 5th was 131.95, as compared with 128.25 for March 1st. With easier money and a reduction in the private discount rate the stock market a week ago closed firm and active. The new week began with a slight weakening, due to unfavourable rumours about the Paris conference, but a recovery followed. The proposed abandonment of the increase in the beer excise duty led to buying of brewery stocks. On Tuesday, after a weak opening, there was a sharp but temporary rise, from which potash stocks were the chief gainers. Dealing in electricals was active, but rises were only moderate. Wednesday and Thursday were irregular, with a weak close in consequence of a fears of an advance in the Reichsbank rediscount rate.

	Apl. 4.	Apr. 11.	Rise or Fall.
Reichsbank	322 00	318 00	− 4·00
Deutsche Bank....	169 00	169 00	...
Disconto Bank ...	160·00	160 25	+0 25
Hamburg-Amer.	120·50	121 13	+ 0 63
Nordderst.-Lloyd	114·00	115 88	· 1 88
Ges. Farbeninds.	251·00	252 63	+1·63
Verein. Glanstff.	465 00	460 00	− 5 00
Bemberg	393·00	353 00	40·00

	Apl. 4.	Apr. 11.	Rise or Fall.
Verein. Stahlke ...	91 50	93 00	+ 1·50
Mannes Rohrke ...	117 00	119 00	+ 2·00
Allgemne. Elekt.	180 25	177 25	− 3·00
Siemns. & Halske	399·00	398·50	− 0·50
Dainnler Benz.....	57·25	61·50	+ 4 25
Cont. Caoutchuc.	150·50	162·25	+ 11·75
Salzdetfurt. Kali	358·00	379·50	+ 21·50

AMSTERDAM.

The uncertainties of the money market caused business to remain restricted, though the general tendency was fairly firm. Last Saturday, however, a sharp reaction followed on the rise of the money rate to 6¼ per cent. On Monday the situation cleared up, with 5½ per cent. quoted for prolongation, and transactions were more active, prices being on the rise. Among oils, Royal Dutch and American oil shares led the way, and, in a firm industrial market, artificial silks were prominent. The reported introduction of the shares at Berlin gave strength to Margarine Unie. Sugars eased on the lowering of Java sugar prices, and the poor figures of the United Java Sugar Producers' Association. Rubbers were dull, and tobaccos lower again. Shipping shares were neglected.

	Apl. 4.	Apr. 11.	Rise or Fall.
5% Bds. Neth.,'18	101	100⅝	− ⅜
4½% Ams.1913-14	98½	97½	− 1
Margarine Unie...	372	381½	+ 9½
Neth. Art Silk	399½	379	− 20½
Philips El. Lamp	868½	875	+ 6½
Singkep Tin	311½	290½	− 20½
Royal Dutch.....	398½	393	− 5½
Amst. Rubber ...	266½	260½	− 5½

	Apl. 4.	Apr. 11.	Rise or Fall.
Serbadjadi Sm. R.	222	205½	− 16½
Holl. Amer. Line	73	70	− 3
Navig. Co., Ned.	205	206	+ 1
Oorstenlanden ...	166	162½	+ 3½
Trading Co., Ams.	650	641½	− 8½
Besuoki.....	525	510	− 15
Deli	435	422½	− 12½
Neth. Trad. Soc.	188½	186½	− 2½

INVESTMENT NOTES.

Railway Standard Revenue.—The Railway Rates Tribunal will sit, according to the *London Gazette*, on May 6th next, to review the charges for each of the British railway companies in accordance with the provisions of Section 59 of the Railways Act of 1921. This announcement is of special interest, for the reason that last year—the first occasion on which the provisions of the Railways Act were in complete operation—actual revenue fell below the "standard" level on every group line, as the following figures show:—

	London Midland and Scottish Railway.	London and North-Eastern Railway.	Great Western Railway.	Southern Railway.
	(£'000)	(£'000)	(£'000)	(£'000)
"Standard Revenue," under Railways Act ...	20,237	14,788	8,312	6,631
Actual Net Revenue, 1928	16,271	11,278	7,057	6,394
1928 Revenue as % of Standard Revenue	*80·0%*	*76·3%*	*84·9%*	*96·4%*
		Pref. Def.		Pref. Def.
"Standard Earnings" on Ordinary stock.....	7·87%	5·0% 4·12%	7·96%	5·0% 2·85%
Actual earnings on Ordinary stock, 1928	3·6%	0·21% Nil	5·1%	5·0% 2·1%

Only the Southern Railway came within sight of its standard revenue last year, earnings on the other three groups ranging from approximately 15 to 25 per cent. below the datum level. Under the Railways Act, however, the Rates Tribunal must now set itself to the task of adjusting charges so as to produce the desired result, this action being compulsory and not merely permissive. The companies have already lodged certain accounts with the Tribunal, and the Minister of Transport has also transmitted relevant documents, the whole being available for inspection at the Registrar's Office at 2 Clement's Inn, London, W.C. 2. Such adjustments in charges as are decided upon will come into force early next July. The average railway stockholder, however, would be well advised to frame his expectations of increased revenue from this source on decidedly modest lines. The railways may be relied upon to explore the possibilities of the situation to the fullest extent, but, except in the case of the Southern, it is improbable that any effective screwing up of charges will, in itself, produce anything like the desired result. In the case of passenger traffic, competition from the roads has already compelled the companies to cut their fares below the legal maximum, while as regards season tickets the adjustments (generally in an upward direction) made last year already appear to have checked new business to an appreciable extent. The higher-priced goods traffics are, as a rule, precisely those most susceptible to road competition, while among the heavier traffics, where the element of railway "monopoly" is at its maximum, the Government has recently stepped in and arranged a reduction in coal, iron and steel and agricultural charges, under the de-rating scheme. Such heavy traffics as bricks, stone, cement and other building materials certainly offer "adjustment" possibilities, but regard must be had to the fact that these materials are frequently used (and are therefore likely to be carried) along the main roads of the country. Altogether, the "standard revenues" seem likely to remain an ideal rather a matter of practical politics for the next year or two, during which increased earnings are more likely to emanate from improved trade, further economies in working expenditure, and, possibly, a "linking up" of road and rail transport. Holders of Southern Deferred stock alone may be interested, in the near future, in the fact that, should actual revenue in any year exceed standard revenue, the Rates Tribunal is required so to adjust rates as to eliminate 80 per cent. of the excess in subsequent years, the remaining 20 per cent. going to benefit the company concerned.

Imperial Chemical Industries.—The report for 1928 is a much fuller document than was issued a year previously, but for the accounts of a holding company to be intelligible it is essential that a consolidated income account and balance sheet should be issued which shows the real earnings and assets of the subsidiary and associated companies. As the income of the Imperial Chemical Industries is derived from dividends received from its subsidiary and associated companies, it is impossible, in the absence of a consolidated income account, to say what the combine is really earning. It appears that the company did extremely well last year, in spite of the depression in certain sections of industry. In their progress report the directors referred to the increased production of artificial silk, which resulted in a larger demand for caustic soda and chlorine, to satisfy which additional plant had been brought into operation. With regard to the production of fertilisers, the first of the large units at the company's synthetic nitrogen works at Billingham was started up early in 1928, the second will be started up shortly, and the third should be completed by the end of 1929. The British Dyestuffs Corporation, it is stated, made further progress, reduced the prices of its products and introduced a number of new dyes. The unification of control of the combine's various metal companies—Elliott's Metal Co., British Copper Manufacturers, Limited, and Allen Everitt and Sons—is said to be practically complete, and is already showing savings of no mean order in overhead charges. As the directors remark, there are very few important trades which are not served in some way by one or other of the company's products. The table on the next page shows net profits and their distribution last year as compared with those of 1927. In calculating the earnings as a percentage on the ordinary and deferred capital, account has been taken of the provision that, after payment of 7 per cent. preference dividends, a non-cumulative dividend of 7 per cent. is paid on the ordinary shares, and the balance of surplus profits is distributable as to two-thirds to the ordinary and one-third to the deferred shares. Some striking changes are

shown in the balance sheet. The reserves have been increased from £700,000 to £11,009,138, chiefly as a result of the revaluation of the holdings in Nobel Industries, Limited, on the voluntary liquidation of that company. The excess of this valuation over the book value of the holding was more than £7,000,000. Of this sum £1,260,153 was applied to writing off preliminary expenses, £2,308,216 was applied to capital reserve, £1,000,000 to free reserve, and £2,500,000 to the establish-

Years ended Dec. 31.	1927.	1928.
	£	£
Ordinary capital	32,237,843	37,252,178
Deferred capital	9,548,165	10,860,145
Profit	4,567,225	5,997,381
Taxation	125,330	275,540
Preference Dividend	4,441,895 1,145,501	5,721,841 1,194,550
Ordinary earned	3,296 394 9·20%	4,527 291 10·44%
Ordinary paid	8·00%	8·00%
Deferred earned	3·47%	5·89%
Deferred paid	1·75%	1·75%
	£	£
Amount of ordinary dividend	2,635,602	2,812,691
Amount of deferred dividend	169,133	178,509
To reserves	408,976	1,500,138
Carried forward	82,680	109,633

ment of a Central Obsolescence Fund. This fund takes the place of the depreciation accounts previously kept in the accounts of the various subsidiary and associated companies. In future, any funds required for the replacement of obsolete plant, &c., will be furnished by the parent company out of this common fund. After applying a further £509,138 out of the year's profits of the company this fund stands in the balance sheet at £3,009,138. By the appropriation of share premiums amounting in all to £2,929,781, the capital reserve is brought up to £5,529,020, and the free reserves, after providing a further £1,000,000 from the year's profit, up to £2,470,979. Thus the total reserves amount to £11,009,138. The working capital, representing the surplus of current assets over current liabilities, is found to be £10,489,155. The uninformative nature of the balance sheet is shown in its first item of investments, which are divided as follows: "Shares in Subsidiary and Associated Companies, £59,415,054, and Other Industrial Investments, £9,083,879"; making a total of £68,498,933. This showed an increase of £9,689,233 as compared with the previous year. It is to be hoped that, at the general meeting, Lord Melchett will give further details of the investment holdings as well as some more information about the real earnings of the subsidiary companies of this colossal chemical trust. The market is also awaiting news of the purposes of the increase of £20,000,000 in the authorised capital. In view of the probability of an increase in the issued capital, the market in the ordinary shares at the moment of writing is slightly easier at 39s. 3d., at which price the yield on the basis of 8 per cent. dividends is 4.15 per cent.

Lever Brothers.—Following on the news of the formation of United Africa, Ltd., to amalgamate the trading interests of the African and Eastern Trade Corporation and the Niger Company, comes the annual report of Lever Brothers, which, true to its tradition of Olympian reticence, refrains from mentioning the event. Lever Brothers holds a controlling interest in the Niger Company, and should benefit—though to what extent it is too early to conjecture—by the substitution of co-operation for competition in West African trading stations. In 1928 Lever's profits declined by £116,213, which, however, represents a difference of little more than 2 per cent. In reaching these figures the directors adopt their usual policy of treating associated companies as branches; that is, their undistributed profits are taken to credit and their losses reserved for. In the table below the cover for each of the three classes of preference shares held by the public and dealt in on the Stock Exchange is shown separately. The dividend on the privately held ordinary shares, on which nothing was paid for 1925 or 1926, is maintained at the 5 per cent. rate of 1927, but whereas £374,757 out of the 1927 earnings was left in the business, the corresponding figure this year is £258,542:—

Year ended December 31.	1926.	1927.	1928.
	£	£	£
Earnings	4,899,966*	5,390,288*	5,274,075*
7% preference dividend	2,140,354	2,140,356	2,140,358
Number of times covered	2·2	2·5	2·4
8% "A" preference dividend	1,240,414	1,240,414	1,240,414
Number of times covered	1·4	1·5	1·5
2% preferred ordinary dividend	757,462	757,462	757,462
Number of times covered	1·1	1·3	1·2
Remaining preferred ordinary dividends	757,298	757,298	757,298
Ordinary dividend	Nil	120,000	120,000
To general reserve	4,438	272,962	200,000
Increase in carry-forward	...	101,795	58,542

* After charging £463,466 debenture interest in 1926, £454,151 in 1927, and £444,988 in 1928.

At £68,309,448 the total of gross assets shows little change. Investments in associated companies account for £47,176,357, against £45,382,790, the difference being attributable to an expansion of the soap and perfumery interests, which represent nearly 37 per cent. of the gross assets. On the other hand, advances to associated companies and the balance of their undistributed profits have fallen from £5,700,510 to £4,515,355. It is unwise to hazard an interpretation of movements in these enormous items, whose composition is wrapped in permanent obscurity; like the capitalisation of the company, in which ordinary shares represent only 4 per cent. of the whole, they are part of the Lever tradition. Another part, however, which other companies might be encouraged to copy, is the practice of supplementing the book value of the investments held by giving their percentage annual return. This income figure is 9.6 per cent. (the same as last year) on the book value, the latter, in the opinion of the directors, is equalled by the real value in the aggregate. Unfortunately the only alteration in the form of the balance sheet this year is on balance a retrograde one. "Leasehold properties" used to be shown separately from "freehold land, buildings, plant, machinery and patents," but now the two have been amalgamated into "freehold land, buildings, plant, machinery and leasehold properties," patents disappearing. As a partial compensation, the amount of capital expenditure during the year is for the first time explicitly stated, and it is also shown that £286,563 has been deducted under the heading "proceeds of sale of plant not required and book value of land and buildings transferred to associated companies." The total of fixed assets is £180,722 lower on balance. The general reserve, after being cut down to a meagre £22,600 three years ago, to write off capital losses, has risen to £500,000, but for a combine of this size such a total is almost ludicrously diminutive. However, Lever's has always been a law to itself; at the cost of jettisoning something from its ordinary dividends, it has weathered the post-war slump, and recent results have shown noteworthy consistency. The market price of the most popular of its shares, the £1 7 per cent. cumulative preference, is 22s. 9d., and the yield, allowing for accrued dividend, £6 5s. 4d., less tax.

United Molasses.—The satisfactory impression given by the preliminary profit figures for 1928, which we published last week, has since been confirmed by the appearance of what is only the third annual report of this young but flourishing combine. Its progress is registered by the expansion of its gross assets from £1,740,708 to £3,988,965 within the year. Meanwhile, the issued share capital has been increased from £1,000,000 to £2,797,944, and by the redemption of £418,410 of debenture stock outstanding a year ago, and the conversion of all the old 8 per cent. preference shares, the 6 per cent. cumulative preference £1 shares, which were issued at par in June last and now stand at 1/16 premium, take their place free of all prior charges. On the ordinary shares, which are approximately trebled in number since the date of the last accounts, the dividend is raised from 17 to 19 per cent., requiring £227,482 instead of £90,156, but this time no capital bonus is given. The methods adopted by the company in setting out its financial results are somewhat

complex, though its practice of giving comparative figures for the previous year does much to elucidate them. The figures that are given for total profits are a less significant guide than those of net profits, which are struck after charging depreciation. At £386,674, these registered an increase of 45 per cent. on the previous year, and, after providing for income tax and prior charges, £291,776 remained available for the ordinary shares, of which £67,294 was withheld from distribution. This was done by leaving £166,254 in the associated and subsidiary companies as undistributed profits (against a mere £927 in 1927), and drawing on the reserves and carry-forward of the holding company for the difference, £98,961.

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Total profits	331,659	386,102	539,809
Depreciation on vessels, tanks, &c.	87,576	119,853	153,136
Net profits	244,083	266,249	386,674
Provision for income tax in subsidiaries	37,866	43,565	53,307
Profits not declared as dividends by associated and subsidiary companies	11,453	927	166,254
Debenture interest	19,941	22,099	6,346
Premium on debentures redeemed	...	668	...
Preference dividends	19,472	21,574	26,218
Income tax	3,000	2,084	3,527
General reserve	30,000	62,000	*Dr.* 92,000
Staff superannuation fund	2,500	2,500	2,500
Ordinary: rate of dividend	10%	17%	19%
Ordinary: amount of dividend	52,000	90,156	227,482
Ordinary: capitalised bonus (2%)	...	13,259	...
Increase or decrease in carry-forward	+ 8,431	+ 7,418	− 6,961
Total carry-forward, including profits left in associated and subsidiary companies	19,884	20,255	179,548

Owing to the magnitude of the changes, the 1928 balance sheet is hardly comparable with its predecessor, but at all points it is very strong. The chief difference is shown by investments in subsidiary companies, £1,175,940, against £663,552, and current accounts of the subsidiaries, £1,069,545, against £118,837. "Motor vessels and steamships" have risen from £621,625 to £1,070,109, and instalments of £323,117 have been paid on two more motor vessels under construction. The general reserve of £92,000 has disappeared by reason of the operations described above, but, thanks to premiums on shares allotted during 1928, the capital reserve, £8,624 a year ago, has grown to £867,231, after having been drawn upon for the expenses of capital increase, premiums on debenture redemption, and loss on the sale of a steamer. A consolidated balance sheet is a new and welcome addition. Including a depreciation reserve of £490,411, it shows the aggregate reserves of the combine as £1,528,609. It is announced that the authorised capital of United Molasses is to be doubled by the creation of an additional 1,000,000 preference and 2,000,000 ordinary of £1 each, and shareholders are awaiting with interest next Monday's meeting in the anticipation of hearing that they will be offered, as in the past, favourable terms. Further extensions of the combine in important directions are being talked about, but these rumours at present lack confirmation. The ordinary shares, which were as low as 2 3/32 at one time last year, rose sharply on the report, and are now round about 8, though they were as high as 8 13/32 in January.

Meadow Dairy.—The accounts of the Meadow Dairy Co., which cover a period of 53 weeks, have a special interest by reason of the arrangement made with the Home and Colonial Stores subsequent to the date of the balance sheet—a transaction concerning which the *Economist* had occasion to ask a number of questions (March 2nd, page 453). Allowing for the extra week in the financial year, it appears that in 1928 the Meadow Dairy earnings remained at practically the same level as in 1927. The table in the next column shows how small are the changes. Few important alterations appear in the balance sheet, which follows the commendable practice of giving the comparative figures for the previous year. A certain rearrangement of assets has taken place, the valuation of freehold and leasehold properties having risen from £467,716 to £530,153, while investments in subsidiaries have dropped from £941,801 to £892,452, and stock-in-trade is £72,172 lower at £324,553. As usual, a combined statmeent is furnished for the company and its subsidiaries

	52 weeks ended Jan. 1, 1927.	52 weeks ended Dec. 31, 1928.	53 weeks ended Jan. 5, 1929.
	£	£	£
Profits	238,955	267,518	273,269
7½% preference dividend	52,500	63,750	63,750
Number of times covered	*4·5*	*4·1*	*4·2*
Preferred ordinary dividend: *Earned*	*	*36·1%*	*37·1%*
Preferred ordinary dividend: Paid	*	30%	30%
Preferred ordinary dividend: Amount	*	56,362	56,562
Ordinary dividend: *Earned*	*49·6%*	*36·1%*	*37·1%*
Ordinary dividend: Paid	41⅔%	30%	30%
Ordinary dividend: Amount	156,437	112,725	112,725
Reserve fund	25,000	20,000	20,000
Staff fund	23,466	25,363	20,000
Increase or decrease in carry-forward	−18,448	−10,683	+433

* These shares ranked for dividend from January 3, 1927.

(which include Broughs, Neale's Tea Stores, Pearks Dairies, and Sherry's Dairy Co.), and shows freehold and leasehold properties at £1,063,605—an increase of £152,615. For some time past Meadow Dairy has been associated with the management of Liptons', and we have suggested reasons, in an earlier article, for the belief that the outcome of the recent agreement may have been the passing of the Home and Colonial Stores into the control of Meadow Dairy interests. The 1s. ordinary shares (some two-thirds of which were, under the agreement, to be sold to the Home and Colonial) at 4s. 9d., yield £6 6s. 3d. The Home and Colonial has also acquired rather more than two-fifths of the 1s. preferred ordinary shares, which rank for dividend *pari passu* with the ordinary after payment of 10 per cent. on both, and are 6d. cheaper, probably as a result of their non-possession of voting rights.

Union Corporation.—The post-war progress of the Union Corporation has been gratifying to all concerned. Since the resumption of dividends in 1917 the rate of distribution has been steadily raised from 1s. to 5s. 6d. per 12s. 6d. share, and the financial position entirely rehabilitated. The results for the past three years are shown below:—

Years ended December 31.	1926.	1927.	1928
	£	£	£
Issued capital (in ordinary 12s. 6d. shares)	875,000	875,000	875,000
Realised profits (less exchange, commission and amounts written off)	436,399	441,940	520,447
Salaries, fees and other expenses and contributions, etc.	52,409	55,780	46,865
Provision for income tax	...	...	30,000
Provision for expenditure on new offices	...	...	15,000
Net profit	383,990	386,160	428,582
Earned per share	43·9%	44·1%	49·0%
Paid per share	40·0%	40·0%	44·0%
Amount of dividend	£ 350,000	£ 350 000	£ 385,000
To reserve (from year's profits)	30,000	30,000	30,000
Increase in carry-forward	3,990	6,160	13,582

The net profit figure of £428,582 in respect of 1928 should be increased by £45,000 to obtain a true comparison with 1927, provision for income tax and for expenditure on new offices appearing for the first time this year as a deduction from revenue. The extent to which the increased profit was derived from the Corporation's South African interests is not clear, Modder Deep having shown a slightly reduced working profit per ton, but maintained its total dividends at £675,000 (6s. 9d. per share), while Geduld Proprietary showed a drop in working profit from £551,377 to £485,663 (as a result of the decline in the value of the ore reserves shown at the end of 1927), and paid total dividends of £448,218 (6s. 9d. per share), against £498,020 (7s. 6d. per share) in 1927. Development at the East Geduld Mines has proceeded in advance of the original schedule, while the Corporation has acquired interests in Northern Rhodesian copper-mining concerns, from which much is expected in the future. The San Francisco Mines of Mexico showed a fall of 11 per cent. in net profits, and reduced their dividends from 4s. to 3s. 9d. per share, an increase of 7½ per cent. in the tonnage

milled failing to counterbalance a drop of about 13 per cent. in metal prices. The mines have so far, it is understood, fared favourably this year, despite the Mexican rebellion. The Union Corporation has recently extended its interests outside the mining industry—a policy which, to judge by the chairman's address last year, is to be continued. Its holding in the Polyphonwerke A/G., one of the two largest gramophone concerns in Germany, has so far been decidedly profitable, thought another outside holding—in the British Enka Artificial Silk Company—has so far given less favourable results, owing to the unexpected producing and trading difficulties encountered. The Corporation is in the happy position of being able to finance these and other developments without increasing its own issued capital, by selling blocks of its ex-enemy shares, purchased originally from the Custodian of Enemy Property at 14s. at around the market price, which is at present 90s. In the last four years £248,194 has been added by this means to reserve account, to which an additional £120,000 has been placed out of revenue, the total reserve as at December 31th last being £630,570.

The Break in Copper.—For some days a marked change in the copper situation has been heralded by a drastic downward reaction on the London standard market, accompanied by a quotation for electro some £10 below the price quoted by the Incorporated Exporters. Business with consumers has been at a standstill, and the greatest uneasiness has prevailed. The effect on representative copper share-values on the Stock Exchange (outside the Rhodesian market) is shown in the following table:—

	Shares fully paid.	Price. Highest of 1929.	March 1, 1929.	April 1, 1929.	April 11, 1929.
	£				
Rio Tinto	5	66	63½	62½	59
Tharsis	2	6⅞	6⅝	6⅝	6½
Mount Lyell	1	2⅛	2⅛	2⅛	2⅛
Namaqua	2	1⅜	1⅛	1⅛	1⅛
Anaconda	$50	£35⅝	£29	£32	£29
Arizona	5/−	2⅛	1⅛	1⅛	2⅛

On Tuesday afternoon last it was announced that the American combine were prepared to sell a certain amount of electro at £9 10s. below their official price, while on Wednesday morning a further cut of £11 12s. 6d. was made. It is understood that the official price of the exporters stands still at £112 12s. 6d. c.i.f., but that about 2,000 tons are available at £21 below this price. This is apparently Custom Smelters' metal, which has accumulated, and in the stagnation following the excessive rise has been sufficient to break the American price. Low as was this cut price for electro, merchants have under-quoted, but buyers are thoroughly frightened and no business has been done. Consumers the world over are well bought and can afford to look on for a few months while the situation adjusts itself. The exporters have received a serious blow to their prestige, though it may be premature to suggest, as is being done in some quarters, that the days of this American combine are numbered.

Geduld.—The setback in last year's profits is chiefly due to the milling of lower-grade ore, a measure necessitated by the character of the 1927 development values. During 1928, however, improved results were obtained. Despite the performance of some 2,000 ft. less of underground work, and a reduction of 2 in. in the estimated stoping width, the ore reserves are up by 80,000 tons; the value—owing to the factor first named—being a trifle better. This change should be reflected in the returns for the current session. The results for the past three years are summarised below:—

	1926.	1927.	1928.
Ore crushed ..... tons	976,000	983,500	979,000
Yield per ton	28/9	27/9	26/6
Cost per ton	17/1	16/7	16/7
Profit per ton	11/8	11/2	9/11
Total working profit .....£	595,050	551,380	485,660
Dividends .....£	498,020	498,020	448,220
Rate per cent.	37½	37½	33⅓
Ore reserves ..... tons	6,040,000	6,020,000	6,100,000
Value ....cwts.	6·6	6·4	6·5

A feature is the strength of the financial position, the balance sheet showing a cash surplus of £177,600. This will be useful in connection with the financing of the East Geduld, in which a one-half participation is being taken. The last-named company advises excellent progress in the developments conducted through the workings of the Geduld Proprietary. Of the footage sampled, 4,940, or about 41 per cent., proved payable, the value averaging 12.3 dwt. over 37 in. Presumably, the stage of independent shaft-sinking is not far distant.

West Rand Consolidated.—A mixed showing is made by the annual statement of this, now the only important producer of the General Mining group. At 3,502,000 tons the ore reserves display an expansion of some 400,000 tons, but despite the high-grade stretches reported at times during 1928, their average value remains at 5.6 dwt. over 49 in. This gives no more than 274 in.-dwts., whereas the quarterly reports have represented over 400 in.-dwts. There is, in addition, a million tons which would give a small profit at the reduced working cost average. Due to the operation of the new plant, the monthly profits towards the end of the year underwent a marked and rapid expansion, £16,000 being reached for December. This figure might be taken to indicate the possibility of dividends of, say, 7½ per cent., but unfortunately the delay in completion of the extension programme has increased the company's indebtedness to over £600,000. Unless this can be capitalised the possibility of a distribution of profits will doubtless be affected.

Rotterdamsche Bankvereeniging.—The accounts of this important Dutch bank show that the net profit increased from 4,176 million guilders in 1927 to 4,846 million guilders in 1928. The dividend is maintained at 5 per cent. Special provision for possible bad debts amounted to f.1.6 million, against 1.25 million guilders in 1927. The profit and loss account shows the following position:—

	1926.	1927.	1928.
	(In thousands of guilders)		
Operating profits	11,703	11,655	12,897
Operating expenses	7,320	5,611	5,889
Depreciation	609	618	562
Special provisions	2,000	1,250	1,600
Net profit	1,774	4,176	4,846
Dividend: Amount	2,000	2,500	2,500
Dividend: Rate	(4%)	(5%)	(5%)
Redemption of amortisation-shares	—	1,500	2,000

Out of the net profit 2 million guilders of amortisation-shares has been redeemed, against 1½ million guilders in 1927. The balance sheet shows an increase in acceptances from 22.1 million guilders to 24.6 million guilders. Deposits stand at 38 million guilders. Creditors in current account amount to 114 million guilders, against 99 million guilders in 1927.

Stock Exchange "Majorities."—The unofficial market in Election "majorities" has been quieter in the last two weeks, but its main features have been a reaction in Liberal stock since the spurt on the recent by-election successes, a steady recovery in Unionist stock, and a relapse in Labour. The following figures show the prices on February 28th, on March 25th (which reflected the results of the by-elections), and on April 10th:—

	Unionist.	Labour.	Liberal.
February 28	284	261	74
March 25	259	261	98
April 10	275	255	85

The par values—being the present distribution of seats in the House of Commons—are Unionists 400, Labour 162, and Liberal 46. We may repeat that dealings in the market are in units of money and that no money will change hands until after the election, when the results will decide the profit or loss on a "deal" at current market quotations.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Commercial Bank of the Near East, Norwich Union Fire Insurance Society, First Co-operative Investment Trust, British Enka Artificial Silk, John Barker, Gordon Hotels, London Electric Wire and Smiths, and Garrard Engineering and Manufacturing. The chairman of the Norwich Union referred to the progress made in revising the reserves for outstanding claims of its American organisation, and the substantial improvement in the accident department generally. Sir Henry Strakosch described the unexpected technical, labour and sales difficulties encountered by the British Enka Artificial Silk Company, but found various encouraging factors in the outlook, especially as regards the spinning of fine denier rayon.

CAPITAL ISSUES.

Easter, and the ill success which has attended many recent speculative offers, have, together, checked the flow of new issues. Five prospectuses only appeared during the past week, the absence of untried patent propositions being a welcome feature. The cash involved, £600,000, brought the total for 1929, to date, up to £98,653,483, as compared with £174,069,000 for the corresponding period of last year. The largest issue was of an uncommon, but laudable, type, made on behalf of the *London Clinic and Nursing Home*. To meet the needs of middle-class people, for whom the charges of private nursing homes are prohibitive, it is proposed to erect a specially planned building on a site near Harley Street at a cost of £347,000, £180,000 of which will be raised by a mortgage already arranged. In addition to 175 beds, there will be 30 consulting rooms, the leases of which a group of medical men has agreed to take. The board includes well-known business names, and a director of Harrods will act as managing director. Out of the 175,000 £1 shares, 15,000 were privately subscribed. An immediate return on the shares is not to be expected, but they are a reasonable investment. The *North of Ireland "L. and N." Company* has been formed to exploit "L. and N." coal distillation rights in a new field. None of these processes of coal treatment has yet passed the experimental stage, and in this case the geological report on the small coalfield in Co. Antrim that is being acquired is cautious in its language. *P. H. Galloway* is an established business of wholesale chemists in South London, which is launching out as a public company. The 7½ per cent. preference shares appear to be well covered by past profits, but the public is called on to subscribe more than half the capital in order to obtain a one-sixth share of the equity. The purchase price (£100,000 in cash and £99,999 in shares) appears to set a high value on the goodwill, considering that net assets (excluding goodwill) amount to £78,170 only. The issue was fully subscribed, as was that of *Ketton Portland Cement*, which offered participating preference shares only to the public—a fair industrial issue, under Sheffield auspices. Lastly, a company formed three years ago, *Ceylon Amalgamated Tea and Rubber Estates*, made an issue of 7 per cent. convertible debentures to obtain working capital. The service of the debentures was covered only 1¾ times by 1927-8 profits, though a "substantial increase" is prophesied for 1928-9. Dividends on the 7 per cent. preference shares have been regularly paid hitherto, but the £1 ordinary shares, which last changed hands at 9s. 10½d., have not yet received a dividend. This debenture offer is obviously not over-attractive.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total previously recorded £97 707,550.
Including conversion total previously recorded. £111.286,770.

National Savings Certificates.
Net sales week ended April 6, 1929, £100,000.
Total receipts April 1, 1929, *to April 6, 1929,* £100,000.

Description of Issue and date of openings of Lists.	Nominal Capital.	Conversions or Repayments.	New Money, Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
P. H. Galloway, 100,000 7½% Cum. Pref. £1 at par	100,000	...	100,000	12,500	87,500
Do., 200,000 Ord. 2s. at par (Apr. 8)	20,000	...	20,000	20,000	...
Ketton Portland Cement 90,000 7½% Partic. Pref. £1 at par (Apr. 8)	90,000	...	90,000	22,500	67,500
Ceylon Amal. Tea & Rubber, £75,000 7% Convertible Debs. at par red. at £103, Mar. 31, 1939–44 (Apr. 8)	75,000	...	75,000	15,000	60,000
North of Ireland "L. & N." 140,000 Ord. £1 at par. (Apr. 9)	140,000	...	140,000	17,500	122,500
London Clinic and Nursing Home, 175.000 Ord. £1 at par. (Apr. 11)	175 000	...	175 000	21,875	153.125
Total offered to Public, week ended April 13, 1929	600,000	...	600,000	109,375	490,625
To Shareholders only.					
Allied Dairies, 50,000 Pref. £1 at par	50,000	...	50,000	6.250	43,750
Electrical Finance & Securities, 50,000 £1 Ord. at 32s. 6d.	50,000	...	81,250	33,750	47,500
Northern General Transport, 114,683 Ord. £1 at par	114,683	...	114,683	14.335	100,348
Total to Shareholders only, week ended April 13, 1929	214,683	...	245,933	54,335	191,598

Total offered for Subscription.—

To date—	Including Conversions. £	Excluding Conversions. £
1929	112,232,703	98,653,483
1928	...	174,069,000
1927	...	150,752,574
1926	...	76,390,601
1925	...	53,985,068
1924	...	45,630,361
1923	...	96,178,962

Total offered for Subscription.—

Whole year—	Including Conversions. £	Excluding Conversions. £
1928	693,100,056	369,058,073
1927	...	355,185,970
1926	...	230,782,601
1925	...	232,214,500
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Advertisement (in brackets).	Amount of Capital Introduced. £	Price at which Dealings Began. £	Total Cash Involved. £
Amount previously recorded	11,500,267	...	18,679,794
Cavendish Furniture:—			
500,000 Ord. 1s. (Mar. 22)	25,000	2/1½	53,125
500,000 8% Pref. 5s. pd.	500,000	3/6	350,000
Scottish Agricultural Industries, 800,000 Ord. £1 (Feb. 5)	800,000	21/6	860,000
Do., 552,000 6% Cum. Pref. £1	552,000	21/9	600,300
Total, week ended April 13, 1929	1,877,000	...	1,863,425
Total to date, 1929	13,377,267	...	20,543,219

London Clinic and Nursing Home, Limited.—Issue at par of 175,000 £1 shares. The company acquires a London site and will build, equip and manage a medical clinic and nursing home. An advance on mortgage will provide £180,000, and premiums on grant of consulting room leases a further £60,000. After payment of cost of building (£347,000), purchase considerations for lease (£11,000), and other expenses, £26,700 will remain for working capital.

North of Ireland "L and N" Company, Limited.—Offer at par of 140,000 (out of 250,000) £1 shares. The company acquires a 62-year lease of cannel coal and other minerals, covering an area of 9,330 acres, in Co. Antrim, and will work the "L and N" coal distillation process thereon. The purchase price for the lease is £80,000, payable as to £20,000 in cash and £60,000 in shares, and £5,000 in cash is paid for the trade mark "L and N" for Northern Ireland. After erection of plant, etc., there will remain £57,000 for working capital.

P. H. Galloway, Limited.—Issue at par of 100,000 £1 7½ per cent. cumulative preference and 200,000 (out of 1,200,000) 2s. ordinary shares. The company acquires a business, founded in 1890, of wholesale chemists, hairdressers' sundriesmen, &c. Net assets, excluding goodwill, are valued at £78,170. The purchase consideration is £199,999, payable as to £100,000 in cash and £99,999 in 2s. shares. Profits have been (to December 31): 1924, £20,344; 1925, £24,755; 1926, £17,177; 1927, £27,473; 1928, £29,259. Working capital will be increased by some £22,000 from the proceeds of this issue and profits accrued since December 31, 1928.

Grace National Bank

Hanover Square, New York, U.S.A.

We undertake the investment of funds in U.S. Government Bonds, Bank Acceptances and American securities for our banking correspondents.

Special Representative

148 Leadenhall St. London E.C.3.

Ketton Portland Cement Company, Limited.—Issue at par of 90,000 (out of 100,000) £1 7½ per cent. participating preference shares, entitled to an extra 1/5 per cent for every 1 per cent. paid in excess of 7½ per cent. on 200,000 £1 ordinary shares, which, together with the remaining preference shares, have been privately subscribed. The company acquires a mineralised freehold estate of 1,174 acres in Rutland, and will erect thereon a works for the production of cement. The purchase price is £67,250, and the cost of the cement installation, etc., will be approximately £190,000. Working capital is estimated at £27,750.

Ceylon Amalgamated Tea and Rubber Estates, Limited.—Offer at par of £75,000 (out of £150,000 authorised) 7 per cent. convertible debenture stock, redeemable at 103, 1939-44, and convertible into ordinary shares at par at holder's option up to 1939; the stock is a first floating charge on the undertaking. Issued share capital amounts to £574,753. The company was incorporated in 1926, and acquired estates in Ceylon covering some 12,209 acres. Profits have been: 1926-27, £20,951; 1927-28, £13,000. Further working capital is required to cope with increasing crops.

Particulars of the following have been issued "for information only" with a view to Stock Exchange introductions: **Sika (Australasia), Limited**; issued capital, 4,000 £1 10 per cent. cumulative preference and 100,000 1s. ordinary shares; will exploit the sole rights for the sale and distribution of Sika waterproofing compound in Australia and Tasmania. **Rhodesian and General Asbestos Corporation Limited**; issued capital £1,505,000 in 1 shares, together with £150,000 6 per cent. debentures, 1939; incorporated in Southern Rhodesia in 1917 to acquire and develop asbestos and other properties and to sell the treated fibre. **Electric Furnace Co. Limited**; issued capital 80,007 £1 7 per cent. preferred ordinary and 78,036 £1 ordinary shares, the former entitled to a further 3 per cent. with the ordinary after payment of 7 per cent. on the latter; incorporated in 1928 to take over the assets of an existing company; contracts for installations of electric furnace plant, and owns or is licensed to use various patents. **Mocimboa Sisal (Holdings) Limited; issued capital 110,000 £1 7 per cent. participating** (*pari passu* with ordinary to 10 per cent.) preference and 89,996 £1 ordinary shares; acquires shares and debentures of a syndicate formed in 1923 to develop 18,250 acres in Portuguese Nyassaland as a sisal plantation. **Charrington, Gardner, Locket and Company Limited**; issued capital, 212,000 £1 shares; an amalgamation, dating from 1903, of various London coal merchants and lightermen; recent dividends have been: 1926, 5 per cent.; 1927 and 1928, 20 per cent. **African Consolidated Investments Corporation, Limited**; issued capital, 2,085,500 £1 ordinary shares, together with £1,329,760 7 per cent. first mortgage debenture stock, redeemable by purchase or drawings through a sinking fund at 102½, 1932-67; incorporated in 1927 as a finance and property company.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Latest Year.	Previous Year.
BANKS.					
Anglo-South American	5%*	Apr. 29	...	...	...
Union of Scotland	...	...	...	18	18
INSURANCE.					
Atlas	4/6 p.s.†	May 1	Tax free	8	8
Caledonian	...	...	...	17/6 p.s.	17/6ps.
Legal and General	4/- p.s.†	...	Tax free	7/- p.s.	6/- ps.
London Assurance	...	...	...	11/3 p.s.	11/3 s.
Royal Exchange	17½%†	...	...	27	27
Scottish Union & National "A"	...	...	Less tax	13/- p.s.	12/- ps.
" " "B"	...	...	Less tax	48/9 p.s.	45/- ps.
Sea	...	...	Less tax	16½	15
World Auxiliary	...	May 9	Tax free	6½	6½
TEA AND RUBBER.					
Acme Tea Chest	5%*	...	Less tax	...	...
Adams Peak Tea	7½†	...	...	...	...
Balmoral (Ceylon)	31½†	...	...	10	10
Caledonian (Ceylon) Tea & Rub.	10%*	Apr. 18	...	54	55
Consolidated Estates	10%*	May 7	Less tax	...	...
Craig Tea	8%†	...	...	12	12
Dahan Rub. Estates	...	May 4	...	10	10
Deundi Tea	10%†	Apr. 24	...	15	35
Doloswella Rubber	5%†	...	...	7½	15
Grand Central Rubber	5%†	...	...	12½	6
Hanipha Tea and Rubber	15%†	...	...	35	40
Higgoda Rubber	...	...	...	5	Nil.
Hornsey Tea	10%*	Apr. 11	...	...	...
Hunasgeria Tea	10%†	Apr. 23	...	14	25
Jasin (Malacca) Rubber	...	...	Less tax	10	5
Jugra Land and Carey	...	...	...	5	2½
Lindoola Tea	27½†	...	...	35	30
Nagolle Rubber and Tea	...	...	...	4	6
Mahawale Rubber and Tea	...	Apr. 18	...	2½	5
New Crocodile River Rub.	...	Apr. 23	Less tax	5	10
Ouvah Tea	17½%†	Apr. 23	...	25	25
Panagula Rubber	...	...	...	5	5
Pantiya Tea and Rub.	...	...	Less tax	15	15
Patani Para	5%*	Apr. 19	...	...	...
Pelmadulla Rubber	20%†	...	...	30	27½
Pundaloya Tea	30%†	Apr. 26	...	40	45
Rangalla Consolidated	10%†	Apr. 17	...	15	15
Rembau Jelei Rubber	...	Apr. 24	...	10	12½
Rosehaugh (Ceylon) Tea	10%†	Apr. 25	...	15	20
Rosevale Rub.	8%†	...	...	13	28
Rubber Estates of Bentota	...	...	...	5	7
Rubber Estates of Johore	...	...	...	5	7½
San Paulo Coffee	7%*	Apr. 18	...	...	...
Selangor Rubber	...	...	...	8½	12½
Spring Valley Ceylon	17½%†	Apr. 23	...	25	27½
Strathmore Rubber	...	...	Less tax	5	5
Sungei Way Rubber	...	...	...	7	10
Telbedde	27½%†	...	Less tax	45	65
Teluh Piah	...	...	...	2½d.p.s.	nil
Tyspane Tea	7½%†	Apr. 16	...	12½	15
Vellekellie Tea	17½%†	...	...	25	30
MINING.					
Changkat Tin	5%	Apr. 30	...	...	...
Mason & Barry	...	...	Less tax	20	15
Mysore Gold	1/6 p.s.†	...	...	22½	22½
Patino Mines	4/- p.s.†	Apr. 30	...	...	...
Petaling Tea	15%*	Apr. 30	...	...	...
Rezende	...	...	...	25	30
Rio Tinto	...	...	...	40	50
Sungei Way Dredging	5%*	Apr. 26	...	...	...
OTHER COMPANIES.					
African City Properties	6%†	...	...	10	10
Alliance Trust	...	...	...	25	25
Albion Motor Car	...	...	Less tax	12½	12½
Alexander Thom and Co.	...	...	...	8	7
Alfred Dunhill	5%†	...	Tax free	20	30‡
Alton Battery—Ord.	5%†	...	...	8	...
Def.	...	...	...	...	...
Anglo-Amer. Telegraph	1%*	May 1	Quarterly	4	4
Anglo-Portuguese Telephone	5%†	Apr. 30	...	8	8
Do. "A" Ord.	...	Apr. 30	...	1½	1
Apollinaris & Johannis	...	...	...	25	25
Army and Navy Co-op. Society	18½%†	...	...	12½	12½
Assoc. Dyers and Cleaners	6½%†	and bon	us of 2½%	15	15
Babcock and Wilcox	5%†	...	Tax free	...	...
Bieckert's Brewery	3%*	May 1	...	...	...
Birrell	2½%*	...	Less tax	15	15
British United Shoe Machinery	...	...	...	...	...
Brynymor Steamship	12½%†	...	Less tax	...	...
Callard, Stewart and Watt	5%*	...	...	...	...
Camperdown Trust	6½%*	May 1	...	10	10
Canada	5%*	...	...	...	...
Carlton Hotel	3%*	May 1	...	...	...
Clydesdale Invest.	7%*	May 1	Less tax	...	...
Cohen and Wilks	...	May 3	...	5	5
Consol. Waterworks of Rosario	5%†	...	Tax free	8	8
Cranstons Tea Rooms	5%†	...	...	10	...
Dawson Brothers (London)	...	...	...	8	7½
De Vere Hotels	5%*	...	Less tax	...	...
Dickson & Benson	7½%†	...	...	12½	12½
Dutch Indian Sugar Factory	...	...	...	16·9	33·7
Freehold Assets	6½%†	and bonus	of 2½%	15	15
Garrard Engineering	27½%†	...	...	50‡	...
Gramophone Co.	10%*	...	...	...	...
Hammond's Bradford Brewery	5%*	...	Less tax	...	...
Handleys	...	...	...	10	...
Harrison (Birmingham)	...	...	Tax free	4/- p.s	...
Highland Distilleries	16½%*	...	Less tax	...	...
Hill (W.) and Son	...	...	...	7½	7½
Home and Foreign Invest	3½%†	...	...	6	...
Hope Brothers	7½%†	...	...	10	10
Imperial Chemical Industries	5%†	...	...	8	8
John Dickinson	5% and	bonus 2½	%	12½	11½
Lang Brothers	...	...	Less tax	10	10
Lever Bros.	...	...	...	5	5
Liverpool Land	...	...	...	5	5
London Electric Wire and Smiths	6½%†	...	...	7½	7½
London Trust (Def.)	13%†	...	...	20	15
Malacca Electric Lighting	7½%†	...	...	12½	...
Murray (D. and W.)	3%*	...	Tax Free	...	...
Reardon Smith	3½%†	...	Tax free	6½	6½
Sadler & Co.	3%*	Apr. 16	Less tax	...	...
Scottish Investment	10%*	...	Less tax	...	...
Scottish National Trust	4%*	...	Less tax	12½	10
Scottish Motor Traction	...	...	...	25	24
Second Scottish Amer. Trust	12½%	...	...	...	...
Second Scottish National Trust	3½%*	...	Less tax	15	14
Second Scottish Northern Invest.	8%*	...	...	5	5
Spalding Laundry	...	...	Tax free	...	...
Stoll Theatres Corporation	3%*	Apr. 8	Less tax	25	25
Sunday Pict. Newspapers (1920)	...	...	...	15	15
Swedish Match	10%†	...	...	20	15
Tatem Steam	15%†	...	...	30	30
Tayside Floorcloth	...	...	...	6	...
Third Scottish National Trust	3%†	...	Less tax	...	...
Town Investments	10%*	Apr. 16	...	12½	12½
Transvaal Consolidated Land	...	...	...	20	17½
Trust and Agency of Australasia	...	...	Tax free	5/6 p.s	5/- p.s.
Union Corporation	9%†	...	...	13½	12½
United States & S.Amer.Invest.	7%†	...	...	12	11
Whitbread and Co.	5%†	...	...	10	10
William Collins Sons and Co.	15%†	...	...	40§	35‡
Wright, Layman & Umney					

§ Bonus of 15%. ‡ Bonus of 10%.

COMMENTARY ON THE HUNGARIAN BUDGET FOR THE FINANCIAL YEAR 1929-30

The totals and balance of the Budget for 1929-30 are the following :—

	Million Pengös.
I. ADMINISTRATION.	
Expenditure	920.8
Revenue	923.0
Surplus	2.2
II. STATE ENTERPRISES.	
Expenditure	507.9
Revenue	509.2
Surplus	1.3
III. TOTAL.	
Expenditure	1,428.7
Revenue	1,432.2
Surplus	3.5

As it appears from above, the Budget shows a surplus of 3.5 million pengös, 2.2 million pengös being derived from the administration and 1.3 million from State enterprises. Of the administration expenditure 30 million pengös are set aside for investments, and of the State enterprises expenditure 18.7 million pengös are earmarked for the same purpose, a total of 48.7 million pengös being thus reserved for capital outlay. The actual budgetary surplus is therefore 52.2 million pengös, 32.2 million falling to administration and 20 million to State enterprises.

The following table compares the expenditure upon and revenues of administration and State enterprises in 1928-29 and 1929-30 :—

	Expenditure.			Revenue.		
	Budget for 1928/29.	Estimates for 1929/30.	In 1929/30 more (+) or less (−) than in 1928/29.	Budget for 1928/29.	Estimates for 1929/30.	In 1929/30 more (+) or less (−) than in 1928/29.
			Million pengos.			
I. ADMINISTRATION.						
The Regent's civil list	0·1	0·1	...	...	...	...
The Regent's Offices	1·0	1·1	+ 0·1	0·1	0·1	*
Parliament	5·5	5·6	+ 0·1	*	*	...
State debts	92·7	92·7	*	16·8	8·9	− 7·9
Treaty charges	6·4	7·6	+ 1·2	...	...	...
Supreme State Court of Accounts	0·9	0·9	*	...	...	...
Court of Administration	1·0	1·1	+ 0·1	...	...	...
Court of Land Reform	0·8	0·9	+ 0·1	...	...	...
Prime Minister's Office	5·2	5·9	+ 0·7	1·1	0·9	− 0·2
Ministry for Foreign Affairs	10·3	11·7	+ 1·4	2·9	3·0	+ 0·1
Minister for Economic Affairs	...	*	*	...	...	...
Ministry for Home Affairs	115·8	124·5	+ 8·7	2·0	7·7	+ 5·7
Ministry of Finance	155·7	163·2	+ 7·5	786·4	837·4	+51·0
Ministry of Commerce	30·7	33·3	+ 2·6	7·9	9·5	+ 1·6
Ministry of Agriculture	36·4	38·3	+ 1·9	5·3	5·4	+ 0·1
Ministry of Public Welfare and Labour	71·0	74·8	+ 3·8	33·9	37·7	+ 3·8
Ministry of Education and Worship	142·7	148·3	+ 5·6	11·3	9·6	− 1·7
Ministry of Justice	58·8	60·1	+ 1·3	2·3	2·5	+ 0·2
Ministry of National Defence	132·8	150·7	+17·9	0·3	0·3	*
Total I.	867·8	920·8	+53·0	870·3	923·0	+52·7
II. STATE ENTERPRISES.						
Post, Telegraph and Telephone	108·4	108·7	+ 0·3	108·4	112·7	+ 4·3
State Railways	308·4	319·4	+11·0	306·6	314·8	+ 8·2
State Iron, Steel and Machine Factories	50·1	53·8	+ 3·7	50·0	53·8	+ 3·8
State Forests	2·2	2·4	+ 0·2	2·3	2·4	+ 0·1
State Domains	6·9	7·3	+ 0·4	8·5	8·9	+ 0·4
Silk Production	2·2	2·2	...	2·4	2·4	*
Postal Savings Bank	9·2	11·4	+ 2·2	9·2	11·4	+ 2·2
Coal Mining	2·6	2·7	+ 0·1	2·6	2·8	+ 0·2
Total II.	490·0	507·9	+17·9	490·0	509·2	+19·2
Grand Total...	1,357·8	1,428·7	+70·9	1,360·3	1,432·2	+71·9

* Amount less than 50,000 P.

The above statement shows that, if compared with the Budget for 1928-29,

	Million Pengös.
Gross expenditure on administration is increased by	53.0
Gross revenues of administration by	52.7
Gross expenditure on State enterprises by	17.9
Gross revenue of State enterprises by	19.2

As regards revenues, the increase is constituted by estimates based on actual results—*i.e.*, on sums which may really be expected—while the increase of expenditure is produced partly by the automatic increase of expenditure upon personnel, pensions and subsidies, partly by the insertion into the Budget of certain surpluses of expenditure already incurred in the course of the current financial year, and partly by the rise of such expenditure as is counterbalanced by corresponding revenues—as, for instance, expenditure on the Tobacco and Salt Monopoly, expenditure on nursing of the sick and children. In addition to these influences, increase in expenditure and revenues of State enterprises must also be attributed to increased manufacture, production and traffic.

I.—EXPENDITURE ON ADMINISTRATION.

	Million Pengös.
Excess of expenditure on personnel	7.5
Excess of expenditure on pensions	5.6
Excess of expenditure on subsidies to independent administrations (for personnel and pensions) ...	1.3
Excess of expenditure on material and transitional items	37.4
Excess of expenditure on treaty charges	1.2

The amount reserved for investments did not change, and State debts show but slight changes.

The excess of expenditure on personnel is mainly due to increased lodging allowances connected with the gradual promotion of officials, and rising house rents. Apart from this, a "qualification allowance" of 600 p. annually was provided for judges, public attorneys, and for officials occupying posts requiring a similar qualification, and an allowance of 300 pengös annually for officials of the VIII-X salary classes. The increase in the salary of the police force (granted from July 1st, 1928) and of officials on service in certain foreign countries in which an additional allowance was necessary had also to be entered into the Budget.

The number of State official and employees on active service decreased by 263 in the Budget for 1929-30. An even larger decrease would be apparent if it were not for provisions which had to be made for the personnel of new institutions (schools, hospitals, &c.), established within the scheme of capital outlay.

The proportion existing between the expenditure on personnel and on the other items of the Budget shows a decrease from 33.6 per cent. in 1928-29 to 32.5 per cent. in 1929-30.

The excess of expenditure for pensions is due to the increase by 1,155 of the number of pensioners, widows and orphans, to the increased lodging allowances connected with rising house rents, and to the fact that the old pensioners are successively replaced by new ones, whose pensions are fixed on the basis of higher salaries.

The excess of expenditure for subsidies to independent administrations is, in the case of the Ministry for Home Affairs, due to provisions for increased salaries contemplated in the Bill concerning administrative reforms, and, as far as the Ministry of Worship and Education is concerned, to additional allowances for clergymen, to the raised salaries of non-State teachers, and to additional payments for the pension institute of non-State teachers.

Of the excess of expenditure for material and transitional items, amounting to 37.4 million pengös—apart from smaller items—7.4 million pengös are counterbalanced by revenues. Out of the amount in question, 4.4 million pengös represent expenditure of the Ministry of Finance on the Tobacco Monopoly, and 0.7 million pengös on the Salt Monopoly. A further 0.5 million pengös represents expenditure of the Ministry of Commerce on road building, to be credited against the proceeds of the motor-car tax, 1.3 million pengös represents expenditure of the Ministry of Public Welfare and Labour for the nursing of the sick, and 0.5 million pengös expenditure of the same Department for the protection of children. One million pengös figure in the Budget of the Ministry of Public Welfare and Labour as contribution to the expenditure of the Hungarian Social Insurance Institute (Országos Társadalom Biztosító Intézet) and to the Insurance Institute of Private Employees (Magánalkalmazottak Biztosító Intézete), this contribution being provided by Law XL of 1928, concerning obligatory old-age, widowhood, orphanhood, and invalidism insurance. From the excess of expenditure in question, 13.6 million pengös are earmarked for "other expenditure" (material) of the national defence, this being required to be able gradually to raise the strength of the national forces to the level provided in the Peace Treaty. There are also to be mentioned the 0.4 million pengös provided in the Budget of the Ministry of Commerce, and the same amount in the Budget of the Ministry of Agriculture, both for the promotion of exports and the 0.4 million pengös reserved in the Budget of the Ministry of Finance for two new borings for natural gas. The balance is chiefly needed to provide the essential funds and equipment for existing State institutions, to enable the State to meet its obligations in this respect, and further to meet the requirements of new State institutions (primarily of schools and of hospitals). There is still provided six million pengös for the relief of destitute subscribers to War Loans, but one million pengös of this amount—reserved for the relief of minors and persons under guardianship, whose respective War Bonds are deposited with the Orphans Court—figure this time in the Budget of the Ministry for Home Affairs.

Compared to the preceding year, the amount estimated for expenditure in connection with State debts shows hardly any change. It must be mentioned that the amounts payable by the State on account of its floating debt to the National Bank of Hungary show a further considerable decrease in the Budget estimates for 1929-30, because the principal amount of this debt, which originally was 1.980 milliard paper crowns (158.4 million pengös) fell from 108 million pengös, figuring in the Budget for 1928-29, to 92.2 million pengös in the estimates for 1929-30.

The 7.6 million pengös provided to meet Treaty Charges represents an increase of 1.2 million pengös, compared with the preceding year. The reason for this is that, in conformity with the arrangement made with the Reparations Commission, Hungary has to pay 6 million gold crowns in the calendar year 1929, and 7 million gold crowns in 1930, compared to the 5.5 million gold crowns in 1928-29. Thus 6.5 million gold crowns, *i.e.*, the equivalent of this amount in pengös, had to set aside for the financial year 1929-30.

For investments 30 million pengös is provided, which is the same amount as last year.

REVENUE.

The following table shows the details of State revenues estimated for 1929-30, compared with the estimates for 1928-29, and with revenue actually collected in 1927-28 :—

	Collected in 1927/28, according to data of monthly reports.	Estimates for		Estimates for 1929/30 more (+), or less (−)	
		1928/29.	1929/30.	than collected in 1927/28.	than estimated in 1928/29.
	(Million Pengös.)				
Direct taxes	178·0	171·5	181·0	+ 3·0	+ 9·5
Turnover taxes	140·8	119·8	114·8	− 26·0	− 5·0
Stamps and dues	109·7	86·1	101·5	− 8·2	+ 15·4
Excise	97·4	82·7	101·6	+ 4·2	+ 18·9
Customs	148·1	128·6	128·6	− 19·5	...
Saccharine and lottery monopolies	1·6	1·6	2·0	+ 0·4	+ 0·4
Salt monopoly	24·8	22·9	24·2	− 0·6	+ 1·3
Tobacco monopoly	151·2	150·0	158·0	+ 6·8	+ 8·0
Departmental receipts	93·9	92·7	95·3	+ 1·4	+ 2·6
Receipts from tax on railway traffic	15·9	14·4	16·0	+ 0·1	+ 1·6
Total	961·4	870·3	923·0	− 38·4	+ 52·7

Revenues from direct taxes, Stamps and dues of the Excise, and of the Tobacco Monopoly show a larger surplus over the estimates of the preceding year. If, however, we compare the estimates for 1929-30 with the revenue actually collected in 1927-28, only direct taxes, the Excise and the Tobacco Monopoly show a surplus. As far as direct taxes are concerned, the surplus is mainly due to the estimated proceeds of the house tax, owing to the rising house rents. The surplus of the company tax is due to the anticipated higher proceeds of the assessments. In the case of the Excise and the Tobacco Monopoly, increased consumption, and, as far as the latter is concerned, increased tobacco production, account for the surplus. On the other hand, estimates of Customs and the turnover taxes remain considerably below the revenue actually collected in 1927-28, this being due to the more liberal use being made of lump-sum assessments in the case of the turnover tax, the abolition of the turnover tax on livestock, and to the effect of the commercial treaties which have been concluded.

Amongst direct taxes, the land tax has been reduced by 4 million pengös, because the contemplated reduction by 8 million pengös is effective only as from January 1st, 1930, *i.e.*, only during the second half of the financial year 1929-30. In the case of the house tax, it was kept in mind that owing to the provisions of Law II of 1929, any proceeds exceeding 13.5 million pengös of the house tax collected in the villages must be paid into the subsidy fund of the villages.

As regards departmental receipts, the revenue derived from the rent of the so-called "Vagyonáltság földek" (capital levy lands), which represented 8.5 million pengös in the estimates for 1928-29, amongst "revenues of State debts" was cancelled in the present Budget, because, owing to the provisions of Law XLI of 1928, this revenue must be transferred to the so-called capital levy fund (vagyonváltság alap). On the other hand, a new revenue item of 5.8 million pengös was introduced into the Budget of the Ministry for Home Affairs, as contribution payable by the towns, under § 13 of Law XXXIII of 1928, to the expenditure on the State police.

II.—EXPENDITURE OF STATE ENTERPRISES.

	Million Pengös.
Excess of expenditure on personnel	5.5
Excess of expenditure on pensions	0.1
Excess of working expenses	14.5
Reduction of expenditure on investments	2.2

In expenditure on personnel, 3.5 million pengös entered for the first time into the Budget (as commission for the personnel) under the newly-established commission regulations of the State Railways. Apart from this fact, the increase of expenditure for personnel and pensions must be attributed to the same reasons as in the case of State Administration.

In the case of certain State enterprises the raising of the number of employees was unavoidable, because the respective branches of service—especially the Post, Telegraph and Telephone, and the State Railways—could not otherwise have met the requirements of constantly increasing traffic. The number of new employees is 374. In these branches of service the number of pensioners, widows and orphans also rose by 892.

The excess of working expenses is due to increased traffic, production and manufacture, and this item is totally counterbalanced by the rising revenues of the enterprises.

Compared with the preceding year, estimates of investments show but slight changes. As far as the Post is concerned, the total surplus of 1929-30 was not used for the investments of this institution, being partly utilised for investments of the State Railways, because—in conformity with the practice repeatedly observed in pre-war times—part of the capital outlay for the Post was advanced out of the working funds of the latter.

Owing to increased traffic, the revenues of the enterprises rose by 19.2 million pengös.

As mentioned above, estimates for State enterprises show a surplus of 1.3 million pengös, after providing for the investments; without the latter, the surplus is 20 million pengös. The surplus of the respective enterprises is the following :—

	Million Pengös.
Post, Telegraph and Telephone	9.5
State Railways	6.6
State Iron, Steel and Machine Factories	1.6
State Domains	1.7
Postal Savings Bank	0.4

The surplus of State forests, of the silk production, and of coal mining is below 100,000 pengös.

Out of the above-mentioned 20 million pengös for investments the following allocations are made :—

	Million Pengös.
Post, Telegraph and Telephone	5.4
State Railways	11.2
State Iron, Steel and Machine Factories	1.6
State Domains	0.1
Postal Savings Bank	0.4
Total	18.7

From a formal point of view, the Budget for 1929-30 corresponds with the Budget for 1928-29. A certain change is only apparent in the disposition and the name of certain Titles and Rubrics. A new Chapter was opened for the office of the Minister for Economic Affairs.

COMPANY MEETINGS, &c.

FIRST CO-OPERATIVE INVESTMENT TRUST, LIMITED.

7 PER CENT. DIVIDEND MAINTAINED.

VALUE OF THE INVESTMENTS.

The fifth annual ordinary general meeting of the First Co-operative Investment Trust, Limited, was held at Kingsway Hall, London, on April 5, 1929, some 900 members and friends being present.

Alderman A Emil Davies, L.C.C. (the chairman), presided.

The Chairman, in moving the adoption of the report and accounts, said: For the fifth year in succession, we have been able to maintain the dividend at 7 per cent., but some of you may have wondered whether this would have been possible on this occasion, if we had not brought into the revenue account for the current half-year the dividend equalisation reserve of £6,500.

SEVEN PER CENT. EARNED.

The answer is that if we had taken credit for accrued dividends up to the hilt we could still pay the 7 per cent. and add slightly to the carry-forward, without trenching upon the dividend equalisation reserve, but, as stated in the report, we have decided to adopt a more conservative policy in the matter of taking credit for accrued dividend. As to capital, you will notice that out of the profits on sales made during the half-year, we have been able to increase the investment reserve by £5,000, bringing that up to the round figure of £40,000, and are able to state that on the basis of middle market prices at January 31st last, the aggregate value of the investments was in excess of the amount at which they stand in the balance sheet.

CAPITAL INTACT.

This means that our capital, the reserves and carry-forward (the last two aggregating £78,028), are more than intact. You will observe that of our total investments of a book value of £1,890,693 5s. 5d., less than 4½ per cent. were unquoted.

Some people are of opinion that it will be impossible to continue dividends at the high rate of 7 per cent. per annum. Well, we have managed it thus far, although the margin of income over the amount necessary to pay that amount is slight. We propose in future that the distribution for the first half of each financial year shall be an interim dividend of 3 per cent. instead of 3½ per cent.; this will bring us into line with the usual procedure of investment trusts and most important companies of paying a smaller interim dividend and a larger final dividend in respect of the second half of the financial year.

An unfavourable factor is the rise in the Bank rate, which, for the sake of British trade generally, one must hope will prove to be merely temporary.

POPULAR PREFERENCE SHARES.

The popularity of our 5 per cent. (5½ per cent. if retained a certain period) withdrawable preference shares is helpful to us, for, while providing a higher rate of interest than can be obtained elsewhere with the same degree of safety and facilities for withdrawal, they represent relatively cheap capital to us. It will not always be possible to obtain this highly desirable means of investing temporary moneys, for one of the regulations governing the issue of the preference shares is that they may never exceed one-fourth of the capital of the Trust. These preference shares are now being taken up even faster than the ordinary shares, so that the moment will arrive when it will only be possible to issue more preference provided that three times that amount of ordinary is being taken up.

We propose to effect various economies, one of which is the reduction in the directors' remuneration, which, in spite of the violent protests you may be expected to make, will, no doubt, be carried.

The resolution was seconded by Mr Ernest Martin, F.C.I.S., and carried unanimously.

The formal business was followed by a lecture by Mr Norman Angell on "Economics and the Plain Man."

Copies of the Report and Accounts, with full list of investments, and of the Trust's quarterly publication, "*The Rainy Day*" may be obtained on application to the First Co-operative Investment Trust, Limited, 27 Broad Street House, London, E.C. 2.

NORWICH UNION FIRE INSURANCE SOCIETY, LIMITED.

TOTAL ASSETS INCREASED TO £6,096,432.

The 131st annual meeting of the Norwich Union Fire Insurance Society, Limited, was held, on April 8th, at the head office, Surrey Street, Norwich, Mr. Michael Falcon presiding.

The notice convening the meeting and the auditors' report were read by the secretary, Mr. F. C. Botting.

The Chairman, in moving the adoption of the report and accounts, said: In the fire account we show premiums totalling £2,255,515—a small reduction of £14,490. The loss ratio works out at 49.62 per cent., and the profit earned is £144,846, or 6.42 per cent. Since 1922 our premium income in this account has steadily advanced, and the small setback this year is somewhat disappointing. Fortunately it does not reflect a general loss of business, but is attributable to a reduction in our United States fire income, where we wrote some £70,000 less business than in the preceding year, and may be further explained by telling you that this reduction to a very large extent arises in one account. It will thus be seen that our well-spread business in other parts of the world shows progress, although, with the rate reduction which is continually going on, owing to keen competition, it is not easy to expand our premium income. Even if this competition is not successful in alienating business from us, it will be appreciated that it adds greatly to the task of showing progress in the premium account.

HOME FIRE BUSINESS.

Our home fire business did well, although not repeating the remarkably good results of 1927, and this is not surprising, seeing that the estimated total fire losses in the United Kingdom for 1928 were some 25 per cent. higher than in the preceding year. We could not expect to escape participation in these extra losses, and must be satisfied that this account only suffers by comparison with an exceptionally good year. In Canada we are able to report a substantial increase in volume, together with a satisfactory loss ratio, and the United States is again a contributor to our profits. In Australasia our loss ratio was better than in recent years, and I am pleased to report some improvement in political and trading conditions in China, of which our agents are taking advantage.

ACCIDENT DEPARTMENT.

The accident accounts put before you are under three headings, Personal Accident, Employers' Liability, and General. The total premium income in these is £1,812,016, being an increase of £29,435 over the previous year. The loss ratio is 57.41 per cent., and the profit of £63,184 represents 3.49 per cent. of the premium income, which, although by no means what we regard as the best that this department can do, is a substantial improvement on the preceding year. In that year, you will remember, we took in hand a thorough revision of the reserves for outstanding claims of our American organisation, the Norwich Union Indemnity Company, and, it was stated from this chair, that benefit was expected in the 1928 account from such action. I am glad to say that we have been justified in that expectation, and this year's accounts include a contribution to profits from the American business.

In the personal accident account, I am glad to be able to point to an improvement over the past two or three years.

I now turn to the marine account, which shows premiums less commission amounting to £194,179, representing a business very little different in volume from the preceding year. The continuance of unsatisfactory conditions in the "Marine Market" is deplorable.

PROFIT AND LOSS ACCOUNT.

I have already referred to the trading department transfers, and I need therefore only draw your attention to the interest and dividends less income tax, which reach £196,114, being an increase of £4,765. The outcome of our transactions is that we have £387,340 profits and interest out of which to pay the usual items debited to profit and loss, and to declare the same dividend as last year, leaving £94,077 available for use at our discretion, and from this we propose continuing our policy of paying up the uncalled liability on shares, and the sum of £92,500 is appropriated for this purpose; from the amount then available—£117,500—we propose to utilise £110,000 to pay up a further £2 10s. per share, making each £25 share £21 10s. paid.

The account is closed by carrying forward £406,474, an amount slightly in excess of that brought in.

Our assets now total £6,096,432, and have increased by £63,594 during the year.

Taking a general view of the society's position, I am glad to say that, in spite of a continuance of poor trade in this country, the home premium income has made some progress, and the organisation has been maintained everywhere, and extended in those quarters where there seemed to be prospect of development.

The report and accounts were adopted.

THE GORDON HOTELS, LIMITED.

CONSIDERABLY IMPROVED RESULTS.

SUCCESS OF MAY FAIR HOTEL.

The thirty-ninth ordinary general meeting of the Gordon Hotels, Limited, was held, on the 11th instant, at the Hotel Metropole, London.

Major-Gen. Guy Dawnay, C.B., C.M.G., D.S.O. (the Chairman), said that this year he was able to report a considerably improved year's working. The year 1928 would have shown a still greater measure of improvement, however, had it not been that the recovery of the business in England was not accompanied by a similar recovery in France. They had again had a comparatively poor season on the Riviera and Dieppe, and he regretted that they had nothing better in prospect during the current season on the Riviera. The business at their seaside hotels during 1928 afforded little material for favourable comment. They would still be glad to realise certain of the company's properties on a suitable opportunity, so as to be able to concentrate their efforts in directions in which they could be made more immediately and more permanently remunerative.

The bulk of the improvement in 1928 came from the company's London hotels, and it was satisfactory to notice that during these early months of the current year that improvement was being maintained and even increased. The board had been very confident of the highly remunerative investment they had made in acquiring the May Fair Hotel in substitution for the Grand Hotel and the Burlington Hotel at Eastbourne, but their best anticipations fell short of the actual results, which had exceeded all their hopes. He had no hesitation in saying that it was by far the best of their investments, yielding a very high return upon the capital employed on it. As to the immediate prospects, if the General Election did not seriously interfere with the business in the coming season, they had every reason to look forward to the future with confidence.

Dealing with the accounts, the Chairman said that the balance profit carried to the balance sheet was £18,000 higher than in 1927 and £19,000 higher than in 1926. The total reserves, after the allocation of £10,000, which was now proposed, would amount to rather more than £260,000. It would be remembered that they had not only built up their general reserve out of revenue from nothing in 1921 to over £150,000, but they had also increased the Leaseholds Redemption Funds in the same period by £125,000. Altogether their reserve and Leaseholds Redemption Funds now amounted to 16½ per cent. of the property item standing at the top of the assets side of the balance sheet.

The Chairman concluded by moving the adoption of the report and accounts.

SIR FRANCIS TOWLE'S VIEWS.

Sir Francis W. Towle, C.B.E. (Managing Director), said that the results of the year were, in his opinion, very satisfactory, in some respects exceedingly so, and most encouraging for the future. Since the present board had been in office they had constantly expressed their firm belief that the modernisation of the business and the provision of new units were a *sine qua non* if the company was to be put on a satisfactory earning basis. Realising that it was vital to have at least one modern unit the board had taken their courage in both hands and proceeded to arrange the necessary finance to build the May Fair Hotel. This first experiment of building a new unit in their company had been an outstanding success, not only from the hotel and social point of view, but, what was far more important, a very considerable financial success. The trading profit of this hotel had far exceeded, in its first completed year, the estimate made by him of the profits which it would have been reasonable to anticipate in the third year of its existence, and were more than 25 per cent. higher during the past year in comparison with that earned by any other hotel owned by the company in any year of its existence. Leaving the May Fair Hotel aside, the business of the three other London hotels had been well maintained. An increased profit had been earned by the Hotel Metropole, Brighton.

MAINTENANCE POLICY.

As to the future he was sure it would greatly encourage the shareholders to know that the whole decrease on the Riviera hotels had been more than compensated for by the increased receipts at the May Fair Hotel. In other words, losses on the Riviera, so far as this season was concerned, had been counterbalanced by the increased profits earned in this country.

It would encourage the shareholders to know that the trading profits of the hotels, before paying repairs and maintenance, and after making full allowance for the debenture interest on the May Fair Hotel, were the largest profits ever earned in the company's history—the previous record being in the Exhibition year of 1924.

The report and accounts were unanimously adopted.

BRITISH ENKA ARTIFICIAL SILK COMPANY, LIMITED.

DIFFICULTIES OF THE YEAR.

MORE ENCOURAGING OUTLOOK.

The fourth ordinary general meeting of the British Enka Artificial Silk Co., Limited, was held, on the 8th instant, at Winchester House, Old Broad Street, London, E.C.

Sir Henry Strakosch, G.B.E. (the chairman), in the course of his speech, said: The profit and loss account shows a net loss of £82,324, of which £54,703 is due to depreciation charges, £25,327 to debenture interest, loan interest, and sundry outgoings, and £2,291 to a working loss for the year. I need not tell you how keenly disappointed I am at having to lay before you figures as unsatisfactory as these.

ADVERSE FACTORS.

At the beginning of the year we appeared to be making good progress in the development of the No. 2 factory; the rayon market was good; prices were encouraging, and the quality of our production was steadily improving. Unfortunately as the year advanced a variety of adverse circumstances intervened. The technical difficulties connected with the bringing into operation of the No. 2 factory were not overcome as rapidly as at one time was anticipated, and the training of labour proved a slower process than we had expected. The effect was felt both in production costs and the proportion of the higher grades of rayon produced. Market conditions also became less favourable, and stocks began to accumulate. In view of this combination of unfavourable factors, it was considered advisable to curtail production somewhat until such time as the training of labour and technical difficulties in the factory were overcome and the market conditions were more promising. Towards the end of the year the No. 2 factory, although not fully occupied,, was working in a more satisfactory manner, but the market conditions became steadily worse. Prices continued to decline, and at the beginning of December there was a further all-round cut to which we had to conform.

The loss made during the year, therefore, may be attributed, first, to abnormal production costs in the No. 2 factory due to the difficulties experienced; and, secondly, to unsatisfactory market conditions resulting in reduced prices and a curtailment of output. I should add that a strike, which occurred at the works in September, was a contributory factor. The trade union concerned, I am glad to say, declined to recognise this strike, and the places of the strikers were filled, but this involved the training of a number of new men—a long and costly process. Apart from this isolated incident, the relations between the company and its employees, who number over 2,800, have always been very good.

TECHNICAL DIFFICULTIES.

The technical difficulties to which I have referred are not due, I am assured by our technical advisers, to any major defects in the design or construction of our plant or to the manufacturing processes we employ. These are well known and well tried, and are in all respects similar to those used with outstanding success by the Enka Co. in Holland and elsewhere. But the process of manufacturing rayon is so delicate that slight variations of a chemical, physical, or climatic character are capable of adversely affecting the spinning, and, consequently, the proportion of high grade rayon spun. The yield from a given quantum of materials used is naturally also affected. The problem is to adjust the manufacturing process to the particular local conditions, and that—I understand—can only be done by patient experimentation. The training of the labour force to complete efficiency in their tasks, of course, also pays a most important part.

PROBLEMS CONQUERED.

I think I may say we have succeeded in conquering these problems in our No. 1 factory, and there is no reason why we should not be equally successful in the No. 2 factory. The annoying part is that it takes time, and that whenever disturbances of the kind occur one's confidence in the reliability of the rayon produced becomes somewhat shaken.

I should add that we have never experienced any serious difficulty in selling any of the rayon we have produced, and we have had few complaints regarding its quality. The material to which we attach our full guarantee realised adequate prices having regard to market conditions, but rather than risk spoiling our good reputation in the matter of quality we have preferred to sell without our guarantee, mainly abroad at lower prices, material in which we did not have complete confidence ourselves.

ENCOURAGING FACTORS.

In view of the disappointments we have suffered in the past, I feel some diffidence in speaking of the future. I believe, however,

that our No. 1 factory, which has been working satisfactorily for some time, is not likely to disappoint us. It is producing silk of excellent quality, which is finding a ready acceptance in the market. With regard to the No. 2 factory, all I can say is that we are leaving no stone unturned to bring it to the same technical efficiency as the No. 1 factory. It is having the unremitting attention of the management and of the technical staff at the works as well as of the experts of the Enka group.

Latterly the production in that factory has been more satisfactory, and the quality of the rayon is steadily improving, so much so that we have now commenced the spinning of fine denier rayon, which is being sold under the name of "Fidenka" and "Fiducia," and of dull rayon under the name of "Modrella." Two further encouraging factors should be recorded. First, general market conditions appear to be improving; and secondly, we have now increased our rate of production and we are disposing of it currently.

The report and accounts were adopted.

JOHN BARKER AND COMPANY, LIMITED.

INCREASED NET PROFIT.

The thirty-sixth ordinary general meeting of John Barker and Co., Limited, was held, on the 11th instant, at 63–65 Kensington High Street, London.

Sir Sydney M. Skinner, J.P. (the chairman), said that the year under review had covered a somewhat difficult period of general trading conditions, in the first half of the year partly due to a general reduction in the purchasing power of the public and partly to the lateness of the summer. Although the second half of the year had been generally better, in common with others they had felt the uncertainty caused by the much-regretted and serious illness of H.M. The King. They had also been handicapped throughout the year by rebuilding work, and in those circumstances he felt that shareholders were justly entitled to be congratulated in that they had under consideration that day accounts which showed an increase in net profit over that for the previous year of £13,732, or a total amount after charging debenture interest of no less than £444,901. That was only £4,500 short of the figure for the company's record year ended January, 1926.

He felt that he could congratulate shareholders on the further improvement which the balance sheet showed, and especially on the acquisition of further freeholds and the increased bank balance. The gross profits totalled £1,706,484, which showed a rather considerable reduction of just over £62,000. The rearrangement of several departments at Derry and Toms and the entire closing of others must account to some extent for a reduction in the gross profits.

It was their policy to meet competition by giving their customers the utmost value for everything purchased in their stores. That policy they had further developed, and would continue to do so even more drastically than they had done in the past. Especially would they do their utmost to make shopping in Kensington more attractive to the general public in every possible way under present conditions of rebuilding. Competition was assuming a serious character owing to the various amalgamations which had taken place recently, but the administration of their business was on such a financially conservative, yet progressive, basis, that they were prepared to meet every form of competition, and, if necessary, to trade on a lower rate of gross profit, relying upon their organisation and good management to control all unnecessary and surplus expenditure, and thus maintain the net profit which had been such a satisfactory feature of their balance sheet for the past ten years.

Good progress had been achieved by both Barkers and Pontings' while the Zeeta Company was developing satisfactorily. Good sites were more and more difficult to obtain, but new branches were added from time to time as suitable locations were obtainable. They were especially proud of the new Cafeteria which had just been opened on the site of the old Post Office buildings in St. Martin's-le-Grand. That was a self-serving café, similar to the one which had proved so popular a feature at Pontings. Seating accommodation was provided for nearly 700 people, and they confidently anticipated that before long it would be so popular that they would be serving 2,000 to 3,000 lunches per day.

In the result the reduction of the total charges more than exceeded the reduction in gross profits, and, after providing for all administrative and working expenses, including depreciation, taxation, bad and doubtful debts and interest on debenture stocks, there remained an increase of £13,732 in their net profit, which, in spite of the difficulties of the year, amounted to the very handsome sum of £444,901. They brought into the accounts £289,817 from the previous year, giving a total amount to be dealt with of £734,719. They had already paid interim dividends on the preference and ordinary shares, and now proposed to write off a further £25,000 from goodwill and £41,267 from fixtures, fittings and furniture, and to transfer £100,000 to reserve account for rebuilding and modernisation of premises, and £10,000 to employees' pension and benevolent fund, and to declare a further six months' dividend on the preference shares and a final dividend on the ordinary shares of 15 per cent., making 20 per cent. for the year. That rate had now been maintained for ten consecutive years.

The report and accounts were adopted.

LONDON ELECTRIC WIRE COMPANY AND SMITHS, LIMITED.

SATISFACTORY PROGRESS.

The 20th annual general meeting of the London Electric Wire Company and Smiths, Limited, was held, on the 11th instant, at Hotel Victoria, Northumberland Avenue, London.

Sir George H. Fisher-Smith, J.P. (the chairman), after referring with regret to the death of Mr Retallick, an old shareholder of the company, said: The £571,414 5s. as shown on the balance sheet represents assets considerably below current values and all our buildings and plant are in a complete state of repair. All the stock has been valued on the same conservative basis and the total as shown on the balance sheet may be regarded as a perfectly sound asset. Our investments were increased last year by £42,942 13s. 5d. The total shown of £297,143 4s. 3d. is represented by sound securities conservatively valued and the larger part of these investments can be readily converted into cash as and when required for the further expansion of our business. Sundry creditors and credit balances show a small increase of £3,837 2s. 9d. When comparing this item on the balance sheet with sundry debtors you will notice that there is a substantial balance in the favour of the company, even greater than in the previous year.

The profit and loss account shows an increase of £4,662 5s. 4d. as compared with 1927, which with the additional £10,000 added to the general reserve account makes the total increase £14,662 5s. 4d. Although the company has had a much larger turnover, a considerable amount of business has had to be taken at very cut prices, and this increase in profit does not altogether express the improvement in the business of the company over that of the previous year. In recent years competition in our business has been exceptionally keen, but your company has been able to maintain its position in the trade, and during the past few years a great deal of thought, time and energy has been spent by your board in reorganisation in order to be able to meet changing demands of customers and the competition which exists in the trade. It must be remembered that great changes have taken place during recent years in the industries of this country, and I believe that the full effects of the special efforts which we have made will become apparent within the next few years.

The introduction of "Rationalisation in Industry" has been responsible for many of the changes previously mentioned, and your board is giving serious consideration to this problem as affecting our future with a view to taking such steps as may be considered to be in the best interests of all parties concerned. In view of the approaching General Election it is difficult to attempt to forecast the immediate future. I may, however, say that during the latter part of 1928 and up to the present time trade has been more of a stable character and unless interrupted by unforeseen circumstances I regard the future as distinctly hopeful.

The report was unanimously adopted.

162 Branches in Finland

CAPITAL AND RESERVES: Fmk.417,000,000.
TOTAL ASSETS (31/12/28): Fmk.2,934,742,000.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank)

HEAD OFFICE: HELSINKI (HELSINGFORS), FINLAND

Established 1889.

COMMERCIAL BANK OF THE NEAR EAST, LIMITED.

CONTINUED STEADY PROGRESS.

The seventh annual general meeting of the Commercial Bank of the Near East, Limited, was held, on the 10th instant, at the offices, 4, London Wall Buildings, London, E.C., Mr C. H. D. Moberly (managing director) presiding.

The secretary (Mr P. J. Bailey) having read the notice convening the meeting,

The Chairman said: On behalf of the Board, I have to regret, and to apologise for, the absence of our co-directors, Messrs Empedocles, Petrocochino and Merlin, who are detained by their duties in Athens.

As the report of the directors and the accounts for the year ended December 31, 1928, have been in your possession for some days, I propose, with your permission, to take them as read.

Trade shows a slow and gradual improvement, notwithstanding the heavy burden of post-war taxation. The business of the bank, both here and abroad, has been slowly and steadily increasing in spite of the difficult conditions in the Near East.

You will observe that we have sold our holding of shares of our associated bank, the Commercial Bank of Greece, at a good profit. They were purchased by prominent banking interests in London and Greece, who acquired at that time a substantial holding of shares in the Commercial Bank of Greece. I may mention that the Commercial Bank of Greece still hold their shares in this bank.

Our profits for the year 1928, excluding the profit on the sale of the Commercial Bank of Greece shares, amounted to £10,532, as against £9,914 for the year before, and they may be considered satisfactory. With regard to the future, we look for the steady progress experienced since the bank was founded to continue under conditions which we have reason to hope are gradually becoming more settled.

I now beg to propose: "That the report of the directors and the statement of accounts for the year ended December 31, 1928, be received and adopted, and that a final dividend for the year 1928 at the rate of 6 per centum per annum, less income tax, be paid on the shares of the company on and after the 11th April, 1929."

Mr D. J. Cassavetti seconded the resolution, which was carried unanimously.

GARRARD ENGINEERING AND MANUFACTURING COMPANY, LIMITED.

YEAR OF CONTINUED PROGRESS AND EXPANSION.

The annual general meeting of the Garrard Engineering and Manufacturing Company, Limited, was held, on the 11th instant, at the Criterion Restaurant, Piccadilly Circus, London.

Mr. Charles E. Newbegin (the chairman) said:—The profit and loss account shows a trading profit of £78,480, from which, after deducting directors' and auditors' fees, providing for income tax, and writing off the balance of £2,659 10s. 4d. standing to experimental account, there remains a net available profit of £70,081 as compared with £40,561 for the previous year.

The year now under review has been one of continued progress and expansion. To meet demands for our products we have found it necessary to incur capital expenditure on new buildings and new machinery, at a cost of £39,477. We have also acquired a piece of freehold land adjoining our property at Swindon, which is available for further extensions.

Production has increased month by month during the whole year, and those of you present who have practical experience of works organisation know, and those who have not can easily imagine, the difficulties attendant on meeting a constantly increasing demand, while at the same time building and re-building, installing new machinery, etc., with all the complementary alterations in organisation. We have surmounted them, and I cannot speak too highly of the way in which the difficulties have been overcome, and the work carried through under the supervision of our works director, Mr. Slade, assisted by the very able staff by which he is surrounded. Results speak for themselves, and to all at Swindon our thanks are due.

Once again I feel very confident in assuring you that the prospects for our company are distinctly good, providing always that there should be no untoward events which will destroy confidence and react on the trade of the country. We are now getting into production with a new small single spring motor, for which we are anticipating a very large demand, and also an electric motor, which we venture to believe is the last word in its particular branch of driving power for gramophones. We have completed our plans for the present year, and are prepared to cope with any volume of trade that may offer. To date our sales show an increase over last year, while our orders for future deliveries constitute a record for this time of year, a happy augury, I hope, of the continued success of our business.

The report was adopted.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 6th, 1929:—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	10,750	From Revenue	17,966
Interest, &c., on Debt	17,345	Increase in Debt	7,739
Sinking Fund	735	Decrease in Balances	3,329
Sundries	195		
	29,025		29,025

Total ordinary revenue from April 1st to April 6th amounted to £17,965,800. Income tax produced £8,199,000 and super tax £1,610,000. Estate, etc., duties yielded £1,320,000. Customs yielded £1,541,000 and excise £665,000. Receipts from sundry loans amounted to £2,881,716.

The national debt was increased by £7,729,612, as shown below:—

(000's omitted.)

	£		£
Treasury Bonds	− 1,721	Treasury Bills	+ 7,692
		Public Department Advances	+ 9
		National Savings Certificates	+ 100
		Sundries	+ 1,650
	− 1,721		+ 9,451

The floating debt was increased by £9,335,000 to £746,680,000.

Financial Year, 1929–30, April 1 to April 6.

	£		£
Expenditure	29,025,299	Revenue	17,965,797
		Amount borrowed	7,729,612
		Decrease in balance	3,329,890
	29,025,299	Total	29,025,299

Financial Year, 1928–29.

	£		£
Expenditure	682,200,158	Revenue	758,104,055
Sinking Fund	57,509,434	Decrease in balances	70,101
Surplus	18,464,564		
	758,174,156	Total	758,174,156

Self-Balancing Revenue and Expenditure.

	£
Post Office	57,314,000
Road Fund	21,300,000
	78,614,000

The *surplus* of £4,239,000 for 1927-28 is carried forward.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 31, 1929.	Apr. 6, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	13	13	12	12	12	12	12
4% Consolidated Loan	...	...	...	...	166	204	204	204	204
3½% Conversion Loan	...	...	709	760	740	832	832	832	832
4½% Conversion Loan	...	...	210	211	211	221	221	221	221
3½% War Stock	...	63	63	63	63	...	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,052	2,109	2,154	2,253	2,253	2,253	2,253
National War Bonds	...	1,509	778	706	556	194	111	64	64
4% Funding Loan	...	409	394	390	389	385	385	385	385
4% Victory Bonds	...	360	303	292	277	261	261	261	261
Treasury Bonds	...	...	499	482	454	675	773	763	761
Exchequer Bonds	20	323	15	15	15	16	16	16	16
National Savings Certs.	...	267	369	375	372	362	360	360	360
Other Debt*	...	1,306	1,124	1,111	1,103	1,097	1,094	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	576	565	599	527	788	700	708
Temporary Advances	1	243	167	139	117	162	28	37	38
	654	8,033	7,598	7,558	7,555	7,528	7,665	7,52	7,536
Other Capital Liabilities	57	46	68	75	98	103	103	88	88
Total Liabilities	711	8,079	7,666	7,633	7,653	7,631	7,768	7,616	7,624

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances Outstanding—	Apr. 7, '28. £	Mar. 31, '29. £	Apr. 6, '29. £	Movement 6 days ended Apr. 6, '29. £
Advances by Bank of England	...	...	...	...
Advances by Public Deptmts.	161,650,000	37,050,000	38,700,000	+ 1,650,000
Treasury Bills Outstanding	519,930,000	700,295,000	707,980,000*	+ 7,685,000
Total Floating Debt	681,580,000	737,345,000	746,680,000	+ 9,335,000

* Includes £25,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bills were opened on April 5, 1929, and the total amount applied for was £63,280,000. For bills at 3 months, dated Monday to Saturday, at £98 13s. 7d., about 61 per cent., above in full. The amounts allotted were in bills at 3 months, £40,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.	£	£	£ s. d.
February 1	40,000,000	47,120,000	4 5 2·83
February 8	35,000,000	52,695,000	5 2 5·68
February 15	30,000,000	41,430,000	5 5 3·43
February 22	30,000,000	39,545,000	5 3 8·78
March 1	35,000,000	40,330,000	5 4 6·06
March 8	30,000,000	33,190,000	5 5 8·41
March 15	35,000,000	46,695,000	5 6 9·26
March 22	35,000,000	46,515,000	5 5 1·71
March 28	45,000,000	50,430,000	5 7 0·87
April 5	40,000,000	63,280,000	5 5 9·16

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

REVENUE AND OTHER RECEIPTS.	Total Receipts into the Exchequer from 1st April, 1929, to 6th April, 1929.	Total Receipts into the Exchequer from 1st April, 1928, to 7th April, 1928.
ORDINARY REVENUE.	£	£
Inland Revenue—		
Income Tax and House Duty	8,199,000	8,058,000
Super-Tax	1,610,000	1,670,000
Estate, etc., Duties	1,320,000	860,000
Stamps	100,000	220,000
Excess Profits Duties, etc.	...	...
Corporation Profits Tax	10,000	20,000
Land Tax and Mineral Rights Duty	10,000	10,000
Total Inland Revenue	11,249,000	10,838,000
Customs and Excise—		
Customs	1,541,000	1,624,000
Excise	665,000	820,000
Total Customs and Excise	2,206,000	2,444,000
Motor Vehicle Duties (Exchequer Share)	1,766,000	1,606,000
Post Office (Net Receipt)	ded. *350,000*	ded. *300,000*
Crown Lands	...	...
Receipts from Sundry Loans	2,881,716	2,216,450
Miscellaneous: Ordinary Receipts	113,319	840,536
Do. Special Receipts	99,762	290,804
Total Ordinary Revenue	17,965,797	17,935,790
SELF-BALANCING REVENUE.		
Post Office	1,150,000	1,000,000
Motor Vehicle Duties apportioned to Road Fund	...	...
Total Self-Balancing Revenue	1,150,000	1,000,000
Total	19,115,797	18,935,790
OTHER RECEIPTS.		
Temporary Advances Repaid—		
Under the Unemployment Insurance Acts, 1920 to 1928	...	...
Money raised by Creation of Debt—		
(*a*) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and Post Office and Telegraph (Money) Act, 1928	...	...
(*b*) Under the Unemployment Insurance Acts, 1920 to 1928	30,000	...
(*c*) For other Issues: By Treasury Bills	69,857,000	43,658,000
By National Savings Certificates	800,000	700,000
By 4½ per cent. Treasury Bonds, 1932–34	25,975,000	...
By 5 per cent. Treasury Bonds, 1933–35	...	57,950,000
(*d*) Ways and Means Advances	50,005,000	41,800,000
Repayments—		
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	8,682	10,772
	165,791,479	163,054,562

Balances in Exchequer on 1st April:—	1929.	1928.
	£	£
Bank of England	5,515,917	5,918,513
Bank of Ireland	736,607	404,112
	6,252,524	6,322,625
Total	£ 172,044,003	169,377,187

EXPENDITURE AND OTHER ISSUES.	Total Issues out of the Exchequer to meet payments from 1st April, 1929, to 6th April, 1929.	Total Issues out of the Exchequer to meet payments from 1st April, 1928, to 7th April, 1928.
ORDINARY EXPENDITURE.	£	£
Interest and Management of National Debt	17,345,231	19,217,027
Payments to Local Taxation Accounts	...	...
Payments to Northern Ireland Exchequer	...	...
Other Consolidated Fund Services	195,001	32,501
Supply Services (excluding Post Office)	10,750,000	10,600,000
Total Ordinary Expenditure	28,290,232	29,849,528
Sinking Fund	735,067	713,515
SELF-BALANCING EXPENDITURE.		
Post Office	1,150,000	1,000,000
Road Fund	...	...
Total Self-Balancing Expenditure	1,150,000	1,000,000
Total	30,175,299	31,563,043
OTHER ISSUES.		
Temporary Advances—		
Under the Unemployment Insurance Acts, 1920 to 1928	30,000	...
Issues to Meet Capital Expenditure—		
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928	...	...
Unemployment Insurance Acts, 1920 to 1928—		
Repayment of Amounts Borrowed	...	...
Redemption of Debt—		
Treasury Bills	62,165,000	50,670,000
Principal of National Savings Certificates	700,000	700,000
Principal of National War Bonds paid off	...	41,819,524
Principal of Treasury Bonds paid off	27,696,070	...
Ways and Means Advances Repaid	48,355,000	42,000,000
	169,121,369	166,752,567

Balances in Exchequer—	6th April, 1929.	7th April, 1928.
	£	£
Bank of England	2,192,244	2,223,738
Bank of Ireland	730,390	400,882
	2,922,634	2,624,620
Total	£ 172,044,003	169,377,187

Treasury, 8th April, 1929.

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, April 10, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	362,130,979	Other Government Securities	235,492,720
In Banking Department	52,911,724	Other Securities	8,663,960
		Silver Coin	4,828,230
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	155,042,703
	£415,042,703		£415,042,703

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	53,276,855
Rest	3,113,495	Other Securities—	
Public Deposits*	17,205,719	Discounts and Advances £12,671,742	
Other Deposits—		Securities 16,092,205	
Bankers £63,900,072			28,763,947
Other Accounts 36,617,576		Notes	52,911,724
	100,517,648	Gold and Silver Coin	439,997
7-Day and other Bills	2,661		
	£135,392,523		£135,392,523

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

Both Departments.	Amount April 10, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
	£	£	£
Note circulation	362,130,979	– 1,188,307	– 15,[illegible]
Public deposits	17,205,719	– 589,812	– [illegible]
Bankers' deposits	63,900,072	– 3,368,089	– 1,702,618
Other deposits	36,617,576	– 690,353	
Seven-day bills	2,661	+ 583	+ 82
Total, outside liabilities	479,857,007	– 5,835,978	– 17,496,014
Capital and rest	17,666,495	– 643,963	– 3,605
Government debt and securities	299,784,675	– 6,388,023	+ 19,389,128
Discounts and advances	12,671,742	– 549,466	– 33,986,466
Other securities	24,755,155	– 557,551	
Silver coin in issue department	4,828,230	– 346	– 871,770
Coin and bullion (bank's reserve)	156,482,700	+ 1,015,445	– 2,220,479
Reserve of notes and coin in banking department	53,351,721	+ 2,203,752	+ 11,458,837
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	45½%	+ 3[illegible]%	+ 10[illegible]%
(b) Gold stocks to deposits and notes ("reserve ratio")	32½%	+ [illegible]%	+ [illegible]%

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£		%
Feb. 20	410,503,734	351,819,064	15,076,218	65,694,762	37,133,249	651,702 in	5
27	410,897,002	352,253,216	8,283,015	64,183,525	37,286,117	570,581 in	5
Mar. 6	411,473,325	355,088,201	11,933,957	63,384,137	37,531,060	222,872 in	5
13	411,704,273	355,004,507	19,423,868	62,332,186	37,262,399	736,976 in	5
20	412,442,839	353,868,645	19,704,899	58,240,243	36,354,799	883,050 in	5
27	413,331,566	361,786,016	17,795,531	67,268,161	37,307,929	702,684 in	5
Apl. 3	414,045,537	363,319,286	17,205,719	63,900,072	36,617,576	963,053 in	5
10	415,042,703	362,130,979					

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Reserve & the "Proportion."
1929.	£	£	£	%	£	£	£	%
Feb. 20	245520727	9487454	150850938	32½	46331855	12056083	18692087	59031874	50
27	245540332	9464764	151255517	32½	42976855	8353509	15593988	59002302	54
Mar. 6	245889099	9266559	151828798	32½	44796855	10379411	16115462	56740597	51
13	245947010	9214076	152068880	32½	44836855	12517418	16809283	57064373	50
20	246087611	9082594	152825852	32½	47916855	12582128	17885667	58957207	49
27	246193740	8977312	153733551	32½	50586855	13003543	17065519	61947536	45
Apl. 3	246215843	8955581	154467255	31½	59956855	13221208	16358125	51147969	41
10	246507820	8663950	155482700	32½	53276855	12671742	16092205	53351721	42

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to Mar. 27	9,998,000	464,696	744,051	11,206,747
Week ended April 3	664,702	31,825	44,037	740,564
Week ended April 10	776,445	39,859	73,617	889,921
Total to date, 1929	11,439,147	536,380	861,705	12,837,232
Do. 1928	10,841,870	617,641	855,905	12,315,416
Increase or decrease in 1929	+ 597,277	+ 18,739	+ 5,800	+ 621,816
	= 5·5%	= 3·6%	= 6·8%	= 5·1%
Total for year 1927	36,819,682	1,758,033	2,972,827	41,550,541
Total for year 1926	35,346,429	1,660,757	2,817,868	39,825,054
Increase or decrease in 1927	+1,473,253	+ 97,275	+ 154,959	+1,725,487
	= 4·1%	= 5·8%	= 5·4%	= 4·3%

PROVINCIAL CLEARING RETURNS.

	Month of March. 1928.	1929.	%	Aggregate Weekly Totals to April 6. 1928.	1929.
Number of Working Days	27	25			
	£	£		£	£
BIRMINGHAM	12,789,000	11,942,000	– 6·6	39,428,700	39,015,700
BRADFORD	7,018,000	5,891,000	– 16		
BRISTOL	5,766,000	5,294,000	– 8·1	17,291,000	17,359,000
DUBLIN	...	...		69,612,800	70,584,000
HULL	4,308,000	3,978,000	– 7·6	13,529,400	13,134,100
LEEDS	4,248,000	4,379,000	+ 3	14,818,500	14,713,300
LEICESTER	4,183,000	3,592,000	– 14·1	12,818,800	11,945,200
LIVERPOOL	37,941,000	34,159,000	– 9·9	120,204,600	115,424,300
MANCHESTER	62,536,000	57,971,000	– 7·2	197,032,200	185,111,500
NEWCASTLE-ON-TYNE	6,992,000	6,480,000	– 7·3	21,600,300	20,392,200
NOTTINGHAM	2,993,000	2,812,000	– 6	9,310,700	9,206,900
SHEFFIELD	4,821,000	4,675,000	– 3	15,097,300	14,903,600
Total	153,595,000	141,173,000	– 8	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Roumania appeared in the *Economist* of Mar. 23; Poland, Canada, Italy, Finland, Estonia, Russia, and Chile in Apr. 6.

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

RESOURCES.	Apr. 11, 1929.	Apr. 4, 1929.	Mar. 28, 1929.	Mar. 21, 1929.	Apr. 12, 1928.
Total gold reserves	2,774,780	2,719,210	2,709,260	2,712,010	2,748,790
Total bills discounted	963,530	1,029,850	1,024,130	942,740	618,680
Bills bought in open market	157,320	174,700	208,430	236,840	361,600
Total U.S. Govt. securities	166,090	169,060	170,310	185,350	378,020
Total bills and securities	1,293,780	1,380,460	1,409,710	1,371,770	1,359,280
Total resources	5,054,050	5,146,970	5,107,310	5,143,040	5,069,590
LIABILITIES.					
Federal Reserve notes in actual circulation	1,657,720	1,663,650	1,652,880	1,641,580	1,588,770
Deposits—Member bank—reserve account	2,301,940	2,335,300	2,332,180	2,339,540	2,432,310
Total deposits	2,339,840	2,382,480	2,383,390	2,370,310	2,478,440
Capital paid in and surplus	409,280	408,700	408,710	408,130	370,460
Total liabilities	5,054,050	5,146,970	5,107,310	5,143,040	5,069,590
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	73·8%	71·5%	71·3%	71·7%	71·6%

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

	Apr. 11, 1929.	Apr. 4, 1929.	Mar. 28, 1929.	Mar. 21, 1929.	Apr. 12, 1928.
Total bills discounted	246,740	235,530	299,170	208,140	207,040
Bills bought in open market	20,410	26,880	35,820	43,820	119,150
Total U.S. Govt. securities	19,400	23,530	20,150	36,170	70,040
Total bills and securities	288,640	288,030	357,240	290,220	396,240
Deposits — Member bank — reserve account	913,500	939,100	938,780	936,580	955,220
Ratio of total res. to dep. and Federal Res. note liabilities combined	81·9%	81·0%	77·3%	81·9%	74·9%

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

ASSETS.	Mar. 15, 1929.	Mar. 8, 1929.	Mar. 1, 1929.	Feb. 22, 1929.	Feb. 15, 1929.	Mar. 16, 1928.
Gold coin and bullion	7,815	7,538	7,533	7,757	8,388	7,401
Subsidiary coin	110	109	106	117	109	182
Bills discounted	7,597	8,300	9,560	7,998	8,310	9,165
Investments	667	651	782	710	705	575
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	8,231	8,695	9,419	8,088	8,206	7,669
Government deposits	1,883	1,517	1,699	2,038	1,921	2,414
Bankers' deposits	5,322	5,045	5,001	4,964	5,072	5,332
Ratio of cash reserves to liabilities to public	50·2%	48·3%	46·3%	50·9%	54·5%	48·3%

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

ASSETS.	Mar. 15, 1929.	Mar. 8, 1929.	Mar. 1, 1929.	Feb. 22, 1929.	Feb. 15, 1929.	Mar. 16, 1928.
Total securities	21,38,47	21,37,01	21,42,64	21,20,08	21,22,75	20,58,67
Loans	14,32,51	13,66,64	14,20,51	16,66,09	19,47,11	14,19,35
Cash credits	32,58,86	32,79,14	32,75,31	31,99,26	30,53,98	32,86,78
Inland bills	11,96,73	11,88,22	11,73,90	12,59,95	13,84,05	14,01,17
Foreign bills	35,35	33,99	38,12	44,99	47,53	41,79
Dead stock	2,83,75	2,83,37	2,83,14	2,83,36	2,83,15	2,78,66
Bal. with other banks	18,65,00	14,90	2,77	30,46	8,72	1,85
Cash	10,52,06	10,31,51	13,34,35	12,02,35	9,24,66	11,50,40
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,22,50	5,12,50
Total deposits	76,55,43	75,84,07	79,28,84	78,14,25	77,95,87	77,31,69
The above includes—						
Deposits in London	936	928	846	1,077	1,007	904
Advances in London	906	918	912	887	954	991
Cash, etc., at other Banks in London	142	106	15	225	67	13

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

ASSETS.	Apr. 5, 1929.	Mar. 29, 1929.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 8, 1929.
Gold	34,190,820	34,186,454	34,121,356	34,034,736	34,023,888
Foreign assets—					
Sight deposits	10,610,479	10,577,365	10,709,977	10,965,483	11,476,025
Bills discounted	18,427,303	18,332,958	18,322,815	18,308,443	18,349,112
Commercial bills discounted at home	6,029,640	6,837,904	4,897,439	4,566,347	5,290,014
Advances against sec.					
To the State	9,130,000	9,130,000	9,130,000	9,130,000	9,130,000
Other advances	2,463,598	2,321,795	2,330,272	2,384,467	2,366,089
Other assets (excluding forward exch.)	...	2,959,250	3,283,862	3,386,203	3,398,699
LIABILITIES.					
Notes in circulation	64,123,948	64,574,941	62,627,198	62,879,764	63,414,800
Public deposits	11,282,374	11,616,752	11,421,153	11,534,489	11,338,598
Private deposits	6,427,392	6,263,263	6,415,797	6,261,345	7,231,172
Other liabilities	...	1,991,272	2,121,196	2,100,223	2,089,265

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

ASSETS.	Apr. 6, 1929.	Mar. 28, 1929.	Mar. 23, 1929.	Apr. 5, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,579,525	2,682,702	2,646,946	1,960,137
Of which deposited abroad	140,944	129,748	94,031	85,626
Reserve in foreign currencies	33,695	35,956	66,970	196,631
Bills of exchange and cheques	2,292,190	2,352,777	1,672,868	2,600,747
Silver and other coin	113,985	107,042	135,269	61,008
Notes of other German banks	18,491	8,508	21,956	14,299
Advances	96,548	135,052	43,509	75,430
Investments	93,092	93,136	93,136	94,004
Other assets	567,657	550,794	528,783	613,151
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,213	177,212
Reserve	319,608	319,608	319,608	284,205
Notes in circulation	4,446,672	4,821,986	4,032,997	4,411,030
Other daily maturing obligations	668,538	478,091	528,255	602,278
Other liabilities	237,577	223,494	205,889	185,106

* Equal to one billion paper marks or one Rentenmark.

The gold reserve is calculated in accordance with the new legal prescription of one pound of fine gold equals 1,392 Reichsmarks.

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

ASSETS.	Apr. 4, 1929.	Mar. 28, 1929.	Mar. 21, 1929.	Mar. 14, 1929.	Apr. 4, 1928.	Position, May 28, 1914.
Gold	907,768	907,758	907,681	907,623	751,152	(b)
Foreign Bills and Balances Abroad	487,814	488,185	463,806	456,003	454,948	232,650
Silver and other coin	1,504	1,434	1,474	1,485	2,256	
Securities	738,856	745,802	728,508	742,570	520,839	697,600
LIABILITIES.						
Notes in circulation	2,442,869	2,412,383	2,380,055	2,393,872	2,111,919	934,150
Current accounts	67,312	89,284	87,649	106,309	52,918	112,125

(b) In thousand francs.

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

ASSETS.	Apr. 2, 1929.	Mar. 25, 1929.	Mar. 18, 1929.	Mar. 11, 1929.	Apr. 2, 1928.	Position, May 30, 1914.
Gold	422,479	422,498	434,313	434,544	435,178	163,092
Silver	20,751	21,491	21,233	21,232	26,107	3,436
Discts. and advances	389,716	294,842	308,979	343,857	386,863	153,504
LIABILITIES.						
Notes in circulation	834,968	782,734	783,133	791,685	823,688	316,632
Deposits	20,525	9,489	11,479	24,282	44,137	5,016

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

ASSETS.	Apr. 6, 1929.	Mar. 30, 1929.	Mar. 23, 1929.	Mar. 16, 1929.	Apr. 7, 1928.	Position May 30, 1914.
Gold	185,600	186,900	186,800	186,800	173,302	22,971
Silver					19,571	29,785
Discounts, advances, and other investments	128,700	127,800	133,700	141,100	130,031	77,567
LIABILITIES.						
Notes in circulation	308,300	304,200	307,800	310,700	311,296	109,499
Deposits and bills payable	38,000	43,000	41,600	42,400	45,977	11,250

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

ASSETS.	Mar. 30, 1929.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 7, 1929.	Mar. 31, 1928.	Position, May 31, 1914.
Gold	481,275	481,318	481,416	481,485	432,166	171,176
Silver	44,537	45,546	45,331	45,156	60,338	18,350
Foreign Bills and Balances abroad	217,633	201,603	159,442	171,235	...	...
Discounts	168,782	139,689	137,370	158,213	199,825	...
Advances	73,580	68,677	64,749	68,784	66,724	103,000
LIABILITIES.						
Notes in circulation	885,825	802,275	805,255	819,892	858,653	275,926
Deposits	110,777	119,632	82,208	83,548	67,469	33,750

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

ASSETS.	Apr. 6, 1929.	Mar. 30, 1929.	Mar. 22, 1929.	Mar. 16, 1929.	Apr. 7, 1928.
Gold	234,888	234,975	235,090	235,199	232,466
Government securities—Swedish	6,001	6,001	6,001	6,001	11,027
" Foreign	73,774	73,774	73,774	73,774	105,524
Other Swedish bonds quoted on foreign bourses	743	743	743	743	1,660
Bills payable in Sweden†	263,582	253,585	205,605	212,283	233,963
" " abroad	78,347	77,238	77,904	79,763	28,666
Balance abroad	31,864	37,618	36,762	37,168	77,208
Advances made on government securities and bonds†	39,906	56,600	58,604	57,690	52,333
LIABILITIES.					
Notes in circulation	495,997	543,845	471,299	481,653	501,595
Government deposits	178,811	167,501	175,516	174,662	169,414
Private deposits	17,030	5,709	6,938	3,972	17,755

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are *not* available as cover for the note issue.

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

ASSETS.	Mar. 30, 1929.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 31, 1928.	Position, May 31, 1914.
Coin and bullion—Gold	146,835	146,835	146,839	147,235	44,226
Balance abroad and foreign bills	48,960	43,188	35,539	51,378	28,533
Norwegian and Foreign Government securities	9,345	9,345	9,345	10,047	8,818
Discounts and loans	273,500	266,471	262,466	304,177	769,110
LIABILITIES.					
Notes in circulation	311,803	300,987	296,008	323,153	113,484
Deposits at sight	92,958	92,583	92,518	136,540	7,188

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

ASSETS.	Mar. 30, 1929.	Mar. 23, 1929.	Mar. 16, 1929.	Mar. 9, 1929.	Mar. 31, 1928.	Position, May 30, 1914.
Gold	2,559,635	2,559,557	2,559,519	2,559,421	2,607,957	521,775
Silver	715,896	716,108	712,446	710,378	704,543	728,600
*Loans & Discounts	1,908,962	1,999,221	1,997,273	1,785,381	1,826,747	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,243,174	4,258,667	4,270,131	4,326,995	4,185,388	901,550
Deposits	986,859	958,049	987,187	1,026,187	981,630	477,500

* Including 81 million pesetas lent to the State.

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

Assets.	Mar. 27, 1929.	Mar. 20, 1929.	Mar. 13, 1929.	Mar. 6, 1929.	Mar. 28, 1928.
Coin and bullion	9,754	9,899	9,991	10,016	9,150
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	326,164	327,602	332,635	336,962	187,481
Discounts	280,699	275,072	279,312	274,399	244,537
Government loans	1,748,651	1,749,784	1,754,194	1,758,799	1,612,136
Liabilities.					
Notes in circulation	1,851,898	1,848,474	1,873,647	1,896,828	1,824,054
Deposits	72,021	67,589	71,116	63,924	88,997

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

Assets.	Mar. 31, 1929.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 7, 1929.	Mar. 31, 1928.
Cash Reserve—					
Gold coin and bullion	168,752	168,752	168,752	168,752	117,199
Foreign exchange	209,932	208,010	206,917	206,831	308,208
Other foreign exchange†	357,458	356,677	356,291	356,268	271,239
Bills discounted	188,088	113,313	131,232	156,861	107,131
Advances	109,908	112,385	112,385	116,017	167,922
Liabilities.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	9,283	9,283	9,283	8,167	8,167
Notes in circulation	1,004,015	863,222	892,209	924,346	943,693
Deposits	32,955	99,333	86,875	83,365	30,564

† In dollar and sterling only.

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

Assets.	Mar. 31, 1929.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 7, 1929.	Mar. 31, 1928.
Metal reserve—					
Gold coin and bullion	204,426	204,428	204,427	204,429	196,595
Drafts and notes	21,790	28,835	37,674	45,346	100,251
Silver coin and bullion	9,976	10,447	10,068	...	793
Inland bills, warrants and securities	345,371	301,819	299,909	301,763	301,348
Advances to the Treasury	92,296	92,296	92,296	92,296	105,989
Liabilities.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	458,308	392,876	405,350	420,606	454,862
Current accounts, deposits, &c.	198,181	237,705	233,654	236,245	281,246

* Calculated at pre-war parity of exchange.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

Assets.	Mar. 31, 1929.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 7, 1929.	Mar. 31, 1928.
Gold and silver holdings	1,206,189	1,206,004	1,205,987	1,206,370	1,117,890
Balance abroad and foreign currency	1,780,797	1,784,128	1,786,054	1,818,198	1,826,553
Discounts and advances	595,796	217,903	215,425	220,503	249,901
State notes debt balance	4,037,568	4,038,713	4,042,974	4,047,027	4,361,818
Other assets	752,486	833,796	830,028	850,774	954,799
Liabilities.					
Bank notes in circulation	7,333,033	6,497,883	6,582,304	6,807,623	7,395,628
Check account balances	349,651	837,688	770,963	636,046	411,460
Other liabilities	217,558	272,379	254,607	226,609	271,248

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

Assets.	Mar. 31, 1929.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 8, 1929.	Mar. 31, 1928.
Gold	91,766	91,591	91,542	91,428	89,544
Other coin and notes	18,386	18,058	18,668	18,290	18,045
Foreign credits	191,102	189,126	178,587	179,983	282,908
Bills	1,339,298	1,336,906	1,357,617	1,377,133	1,337,870
Government advances	4,201,054	4,201,054	4,201,167	4,201,149	4,336,558
Liabilities.					
Notes in circulation	5,265,296	5,085,497	5,167,142	5,252,317	5,452,847
State credits	227,781	227,780	227,893	227,875	299,539
Deposits	1,020,315	1,119,382	1,033,680	902,211	1,028,591

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

Assets.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Mar. 23, 1928.
Gold and silver holdings	1,507,962	1,505,741	1,503,628	1,502,151	1,452,958
Balances abroad and foreign currencies	2,966,520	2,943,349	2,983,071	2,999,520	513,240
Discounts and advances	1,461,876	1,425,000	1,399,719	1,377,386	1,254,967
Advances to the Treasury	3,685,241	3,685,241	3,685,241	3,685,241	4,470,613
Liabilities.					
Capital paid up	500,000	500,000	500,000	500,000	516,422
Reserves	1,164,167	1,164,206	1,164,206	1,164,723	1,125,097
Bank notes in circulation	3,932,074	3,915,515	3,920,470	3,893,900	3,611,485
Sight liabilities	3,193,353	3,137,347	3,157,719	3,209,921	1,219,322
Deposits	470,115	470,591	470,661	471,094	1,415,958

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

Assets.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.	Feb. 23, 1929.
Gold	563,760	562,148	560,725	560,444	560,335
Gold exchange	4,421,211	4,542,043	4,555,770	4,603,136	4,391,460
Other foreign exchange	1,289	211	2,011	1,719	1,712
Bills discounted	48,242	49,574	52,114	53,860	56,591
Advances	73,679	77,471	74,843	73,592	71,964
Debt to the State	3,789,638	3,789,638	3,789,638	3,789,538	3,789,638
Liabilities.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,488,600	5,535,413	5,549,853	5,465,262	5,398,713
Deposits and current accounts	1,960,464	2,036,713	2,049,428	2,136,212	2,014,974
Foreign exchange liabilities	1,109,338	1,114,807	1,108,222	1,158,442	1,130,171

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

Assets.	Apr. 3, 1929.	Mar. 27, 1929.	Mar. 20, 1929.	Mar. 13, 1929.	Mar. 6, 1929.	Apr. 4, 1928
Gold bullion and coins	23,810	23,807	23,802	23,777	23,774	23,698
Silver coin	4,640	4,721	4,754	4,713	4,767	3,922
Balance abroad	66,173	64,790	64,279	66,004	68,536	68,801
Treas. notes and sm. change	8,144	8,563	10,744	10,818	9,230	8,815
Short term bills	85,508	84,049	82,723	82,521	83,024	81,252
Loans against securities	50,949	50,240	48,921	47,646	47,382	44,043
Other assets	15,255	15,350	15,610	15,414	15,101	14,005
Liabilities.						
Notes in circulation	47,205	45,687	43,824	43,257	44,677	40,034
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,385
Reserve	3,091	3,091	3,091	3,091	3,091	2,612
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,588	12,520	12,528	12,571	12,617	11,249
Current accounts	57,695	62,669	59,784	64,205	64,958	50,574
Government accounts	103,057	97,035	100,697	101,340	99,899	115,377
Other liabilities	12,763	12,437	12,828	8,349	18,490	7,806

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	Mar. 31, 1929.	Mar 15, 1929.	Feb. 28, 1929.	Feb. 15, 1929.	Jan. 31, 1929.	Mar. 31, 1928.
Gold	34,330	34,328	34,320	34,302	34,288	34,199
Silver	4,321	4,391	4,403	4,391	4,406	4,515
State Treasury coins	1,850	1,868	1,867	1,858	1,858	1,880
Foreign currency	36,506	37,225	38,453	40,378	43,018	53,853
Discount and credit	89,488	83,799	82,335	81,197	82,082	81,486
Liabilities.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Reserve	1,200	1,200	1,200	1,200	1,200	1,200
Banknotes in circulation	93,473	85,187	85,302	81,585	83,642	101,537
Deposits	62,736	65,837	66,679	71,118	71,475	63,318

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	Mar. 28, 1929.	Mar. 15, 1929.	Feb. 28, 1929.	Feb. 15, 1929.	Jan. 31, 1929.	Jan. 15, 1929.	Mar. 31, 1928.
Coin and bullion	2,307	2,805	2,564	2,860	2,604	2,735	2,393
Of which gold coin	8	8	8	8	7	7	6
Danzig subsidiary coin	2,299	2,797	2,556	2,852	2,597	2,728	2,386
Bal., Bk. of Eng., inc. notes	16,069	12,277	14,516	11,726	13,204	12,323	14,292
Bills of exchange	23,479	22,058	20,769	21,712	22,060	19,906	22,675
Loans	1,850	...	425	20	685	...	49
Foreign exchange	13,967	12,295	18,267	17,271	18,670	19,461	28,106
Other bals.on dem'd	914	672	313	689	587	472	1,671
Securities	3,403	3,403	3,403	3,403	3,403	3,448	3,448
Liabilities.							
Capital paid up	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation	38,739	33,166	36,923	32,914	36,344	33,043	36,184
Deposits on demand	2,116	2,168	2,174	2,453	2,364	2,574	2,056

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

Assets.	Mar. 16, 1929.	Mar. 9, 1929.	Mar. 2, 1929.	Feb. 23, 1929.	Mar. 17, 1928.	Position June 30, 1914
Cash & bullion	1,119,339	1,117,419	1,116,420	1,116,108	1,122,736	221,320
Discounts	706,680	710,369	721,427	722,868	721,390	41,740
Advances	74,852	75,115	79,481	74,787	88,964	70,540
Liabilities.						
Notes	1,163,321	1,176,368	1,278,260	1,231,359	1,155,460	362,278
Govt. deposits	569,357	568,441	520,090	523,408	731,245	97,340
Other deposits	395,819	385,030	309,985	395,343	290,956	11,440

NATIONAL BANK OF EGYPT.—In £E (000's omitted).

Assets.	Jan. 31, 1929.	Nov. 30, 1928.	Oct. 31, 1928.	Sept. 30, 1928.	Jan. 31, 1928.	Position, May 31, 1914.
Gold	3,602	3,845	3,729	3,821	3,791	1,571
Govt. securities	47,785	50,380	51,095	46,997	45,711	2,084
Liabilities.						
Notes in circulation	28,443	31,443	31,637	27,059	29,274	2,400
Govt. deposits	21,148	21,466	19,618	17,972	17,709	2,315
Other deposits	18,085	18,145	17,208	15,904	17,932	2,600

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

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

Assets.	Mar. 30, 1929.	Feb. 28, 1929.	Jan. 31, 1929.	Dec. 31, 1928.	Mar. 31, 1928.	Position May 30, 1914.
Coin and bullion	172,672	172,670	172,715	172,755	181,933	76,644
Loans & discounts	96,196	89,240	90,005	94,595	113,421	88,470
Debtors abroad	86,086	99,307	92,412	112,359	70,236	24,102
Securities	34,403	36,050	35,023	34,758	17,291	11,988
Liabilities.						
Circulation	357,137	341,873	336,349	360,157	352,533	157,266
Deposits	26,857	29,848	28,645	52,945	24,729	6,698

LONDON RATES.

	Apr. 4, 1929.	Apr. 5, 1929.	Apr. 6, 1929.	Apr. 8, 1929.	Apr. 9, 1929.	Apr. 10, 1929.	Apr. 11, 1929.
Bank rate (changed from 4½% Feb. 7, 1929)	5½	5½	5½	5½	5½	5½	5½
Market rates of discount—							
60 days' bankers' drafts	5⅝ ½	5⅝ ½	5⅝ ½	5⅝ ½	5⅝ ½	5⅝	5⅝ ½
3 months' do	5⅝	5⅝ ½	5⅝ ½	5⅝ ½	5⅝ ½	5⅝	5⅝ ½
4 months' do	5⅝	5⅝	5⅝	5⅝	5⅝	5⅝	5⅝ ½
6 months' do	5⅝	5⅝	5⅝	5⅝	5⅝	5⅝	5⅝
Discount (Treasury Bills)—							
2 months'	5⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛	5⅛
3 months'‡	5⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛	5⅛
Loans—Day to day	4½ ½	4 4½	4½ ½	4½ ½	4½ ½	4½	4
Short	4½ 5	4½ ½	4½ ½	4½ ½	4½ 5	4½	4½
Deposit allowances: Banks	3½	3½	3½	3½	3½	3½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months	Trade Bills. 6 Months
1929.	%	%	%	%	%	%	%
Mar. 21	4½ 5	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ 6	6 6½
27	4½ 5	5⅛	5⅛	5⅛ ⅛	5⅛ ⅛	5⅛ 6	6 6½
Apr. 4	4½ ⅛	5⅛	5⅛	5⅛	5⅛ ⅛	5⅛ 6	6 6½
11	4 ⅛	5⅛ ⅛	5⅛	5⅛	5⅛ ⅛	5⅛ 6	6 6½

RATES OF EXCHANGE.

London on		Usance	Par.	April 12, 1928.	April 4, 1929.	April 11, 1929.
New York	dollars to £1	Cable	4·86⅝	4·88⅛–⅜	4·85⅛–⅜	4·85⅛–⅜
Montreal	dollars to £1	Cable	4·86⅝	4·88⅛–¼	4·88⅛–89	4·88⅛–89
Paris	francs to £1	T.T.	124·21	123⅛–¼	124·20–·23	124·23–·28
Berlin	marks to £1	T.T.	20·43	20·41–·42	20·46½–·47	20·46½–·47
Amsterdam	florins to £1	T.T.	12·107	12·10⅜–11⅛	12.10⅝–.10⅜	12·09⅜–·09⅜
Brussels	belga to £1	T.T.	35·00	34·95½–96½	34·95–·96	34·95–·95½
Milan	lire to £1	T.T.	92·46	92·59–63	92·72–·77	92·72–·76
Berne	francs to £1	T.T.	25·22	25·33⅛–⅜	25·21⅝–22½	25·21½–·22
Oslo	kroner to £1	T.T.	18·159	18·25½–26½	18·19½–·20	18·19⅝–·20½
Stockholm	kronor to £1	T.T.	18·159	18·17½–18½	18·17⅜–·17⅞	18·18½–·18⅝
Copenhagen	kroner to £1	T.T.	18·159	18·19½–20½	18·21–·21⅜	18·20⅜–21
Madrid	pesetas to £1	T.T.	25·22½	29·06–08	32·20–·25	32·63–·68
Lisbon	escudo to £1	T.T.	4·50	2⅛–⅜	108–108½	108–108½
Vienna	schillgs. to £1	T.T.	34·58½	34·71–73	34·51–·54	34·55–·58
Prague	krone to £1	T.T.	24·02(a)	164½–¾	163¾–164	163¾–164¼
Belgrade	dinars to £1	T.T.	25·22½	277–8	276½–276¾	276½–276¾
Budapest	pengo to £1	T.T.	27·82	27·94–7	27·83–·88	27·85–·89
Bukarest	lei to £1	T.T.	813·6	778–82	815–818	817–820
Sofia	leva to £1	T.T.	25·22½	672–7	672–675	672–676
Athens	drachmæ to £1	T.T.	375	372–4	374⅜–375	374½–375
Constantin'ple	piastres to £1	T.T.	110	957–62	988–992	984–988
Warsaw	zloty to £1	T.T.	43·38	43½–¾	43⅛–43⅜	43⅛–⅜
Helsingfors	F. marks to £1	T.T.	193·23	193¼–4	192⅜–193	192⅜–193⅛
Kovno	lits to £1	T.T.	48·66	48¼–9½	48½–49½	48½–49½
Reval	kroon to £1	T.T.	18·159	18·00–18·40	18·15–·23	18·16–·23
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15–·25	25·15–·25
Alexandria	piastres to £1	Sight	97⅛	97⅜–⅝	97⅜–97⅝	97⅜–⅝
Buenos Aires	pence to peso	T.T.	47·62d.	47⅝–⅜	47⅛–47⅜	47⅜–⅝
Rio de Janeiro	pence to mils.	90 days	16	5⅜–½	5⅜–5⅝	5⅜–½
Montevideo	pence to peso	T.T.	51	50⅝–51⅛	49⅜–50⅛	49–49⅛
Valparaiso	dollars to £1	90 days	40	39·38	39·55	39·50
Lima	Eng. to Par. £1	90 days	par	20⅛% prm.†	19⅛% prm.	19⅛% prm.
Calcutta	pence to rupee	T.T.	18	1/5⅜–1/6⅛	1/5⅜–1/6⅛	1/5⅜–⅜
Bombay	pence to rupee	T.T.	18	1/5⅜–1/6⅛	1/5⅜–1/6⅛	1/5⅜–⅜
Madras	pence to rupee	T.T.	18	1/5⅜–1/6⅛	1/5⅜–1/6⅛	1/5⅜–⅜
Hong Kong	ster. to dollar	T.T.	—	2/0⅛	1/11⅛–2/0⅛	1/11⅛–2/0⅛
Shanghai	ster. to tael	T.T.	—	2/6½–7⅛	2/6½–2/6⅝	2/6–2/6⅛
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3⅛–¼	2/3⅜–2/3⅝	2/3⅜–2/3⅝
Kobe	ster. to yen	T.T.	24·58d.	1/11½–⅝	1/10⅝–1/10⅞	1/10⅝–⅞
Manila	ster. to peso	T.T.	24·066d.	†2s. 0⅛d.	†2s. 0⅛d.	†2/0⅛
Mexico	pence to £	T.T.	9·76	24–¼	10·0–10·50	9·90–10·30

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, *i.e.*, approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Mar. 23, 1929	5	Oslo	Mar. 26, 1928	5
Athens	Dec. 2, 1928	9	Paris	Jan. 19, 1928	3½
Belgrade	July 26, 1921	6	Prague	Mar. 8, 1927	5
Berlin	Jan. 12, 1929	6½	Pretoria	Jan. 9, 1928	5½
Brussels	June 30, 1928	4	Reval	Jan. 2, 1928	7½
Bucharest	Sept. 4, 1920	6	Riga	April 1, 1928	6½ 7½
Budapest	Oct. 1, 1928	7			
Calcutta	April 11, 1929	7	Rome	Mar. 13, 1929	7
Copenhagen	June 23, 1927	6	Sofia	Dec. 15, 1928	9
Danzig	June 20, 1927	6	Stockholm	Aug. 24, 1928	4½
Helsingfors	Nov. 15, 1928	7	Swiss Bank places	Oct. 22, 1925	3½
Kovno	Feb. 8, 1925	7	Tokio	Oct. 18, 1927	5·48
Lisbon	July 28, 1926	8	Vienna	July 16, 1928	6½
New York Federal Reserve	July 12, 1928	5	Warsaw	May 13, 1927	8
Madrid	Dec. 19, 1928	5½	Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	Apr. 11, 1928.	Mar. 13, 1929.	Mar. 20, 1929.	Mar. 27, 1929.	Apr. 3, 1929.	Apr. 11, 1929.
	%	%	%	%	%	%
Call money	6	7	9	15	10	8
Time money (90 days' mixed coll.)	4½	7½	8	8	8½	8½
Bank acceptances :—			Selling Rates.			
Members—eligible, 90 days	3⅞	5⅜	5⅜	5⅜	5⅜	5⅜
Non-mem.—eligible, 90 days	3⅞	5⅜	5⅜	5⅜	5⅜	5⅜
Ineligible, 90 days	4½	6	6	6½	6½	6½
Commercial accept. 90 days	4	5½	5½	5⅜	5½	5½

Rates of Exchange, New York on—		Par Level.	Apr. 11, 1928.	Mar. 27, 1929.	Apr. 3, 1929.	Apr. 11, 1929.
London—						
60 days	Dollars for £1	4·8666	4·84½	4·80	4·79⅜	4·80⅛
Cable			4·88⅛	4·85⅛	4·85⅛	4·85⅛
Cheques			4·87⅜	4·84½	4·84⅜	4·84⅞
Paris cheques	Cents for 1 franc	3·918	3·9350	3·9050	3·9050	3·90⅜
Brussels "	Cents for 1 Belga	13·90	13·96	13·89	13·89	13·885
Switzerland "	Cents for 1 franc	19·30	19 2675	19·23½	19·23	19·24
Italy "	Cents for 1 lire	5·263	5·27⅛	5·23½	5·23	5·23
Berlin "	Cents for 1 mark	23·81	23·895	23·70	23·69	23·685
Vienna "	Cts. for Austrn. shlg	14·07	14·08	14·06	14·06	14·04
Madrid "	Cents for 1 peseta	19·30	16·81	15·09	15·10	14·89
Amsterdam "	Cents for 1 guilder	40·195	40·28	40·04	40·03	40·035
Copenhagen "	Cents for 1 kroner	26·80	26·83	26·63	26·625	26·635
Oslo "			26·73	26·645	26·64	26·645
Stockholm "			26·86	26·70	26·68	26·675
Athens "	Cents for 1 drachma	1·297	1·315	1·29⅜	1·29⅜	1·29⅜
Montreal "	Can. Cents for $1	100	⅛ prem.	⅛ dis.	⅛ dis.	⅛ dis.
Yokohama "	Cents for 1 yen	49·85	47·80	44·5	44·5	44·50
Hong Kong "	Cents for H.Kong $	...	49·75	48·95	48·75	48·75
Shanghai "	Cts. for 1 Shng. tael	...	63	62·25	61·80	61·45
Calcutta "	Cents for 1 rupee	36·50	36·52	36·34	36·32	36·27
Buenos Aires "	Gold Pesos for $100	103·65	103	104·80	104·80	104·75
Rio de Janeiro "	Cents for 1 milreis	32·42	12·03	11·75	11·79	11·95
Valparaiso "	Cents for 1 peso	12·125	12·25	12·07	12·07	12·07

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·38
Venezuela	Bolivares to £	25·25	"	25·12
Colombia (Bogota)	Pesos to £1	5	"	5·04
Nicaragua	Cordobas to £	4·8665	"	4·92
Salvador	Colones to £	9·73	"	9·82
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Selling.
T.T.	—	⅛% dis.	par to ⅛% pm.	⅛% prem.
Demand	11/16% dis.	⅛ "	⅛% dis.	⅛ to ⅜ "
30 days	1⅛ "	⅛ "	⅛ "	⅜ "
60 days	2⅛ "	⅛ "	1⅛ "	⅜ "
90 days	3⅛ "	⅛ "	1⅝ "	⅜ "
120 days	3½ "	1⅛ "	2⅛ "	...

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	New Zealand.	Selling. Australia.	New Zealand.	Australia and New Zealand on London. Buying. Australia.	New Zealand.	Selling. Australia.	New Zealand
T.T.	...	...	99⅛	99⅛	...	...	101	100⅛
Demand	98⅛	98⅛	99⅛	99⅛	...	...	100⅛	100⅛
30 days	97⅛	97⅛	...	...	99⅛	99⅛	100⅛	99⅛
60 days	97	97⅛	...	...	98⅛	98⅛	99⅛	99⅛
90 days	96⅞	96⅞	...	...	98⅛	97⅛	...	99⅛

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz :—

£1,000 sterling equals 942·00–944·00 tchervontzi.
1 tchervonets = 10 gold roubles. £1 sterling = 9·46 gold roubles.

INDIA COUNCIL REMITTANCES.

From April 1 to 6, 1929, £255,000 was remitted from the Government of India to the Secretary of State for India in Council by means of purchases of sterling in India.

BULLION.

The following statistics of imports and exports of gold for week ended April 11, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland.	£	Exported from Great Britain and Northern Ireland.	£
From—		*To*—	
Germany	2,000	Denmark	275
France	4,092	Poland (includ. Danzig)	3,402
Irish Free State	6,000	Germany	32,305
British South Africa	1,356,934	Netherlands	8,081
Australia	6,300	France	17,409
Other Countries	3,012	Switzerland	23,900
Netherlands	— 31,308*	Austria	7,225
		Java	2,500
		Gibraltar	8,000
		Kenya	3,800
		British India	161,532
		Other Countries	274
Total declared value of imports	1,347,030	Total declared value of exports	268,703

* Amended figure.

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929. Arrivals.	£	1929. Withdrawals.	£
Apr. 5 Bars bought	92	Apr. 5	nil
" 6 Bars bought	6,380	" 6 Bars sold	1,710
" 8 Sovs. from abroad	506,000	" 8 Bars sold	1,720
" 9 Bars bought	714,011	" 9 Sovs. set aside	250,000
" 10	nil	" 10	nil
" 11	29	" 11 sovs.	5,000
Total	1,226,512	Total	258,430

Net arrivals, £968,082.

Messrs. Samuel Montagu and Co. write as follows on April 10, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £154,045,537 on the 3rd instant (as compared with £153,331,566 on the previous Wednesday), and represents an increase of £139,222 since April 29, 1925—when an effective gold standard was resumed.

In the open market this week, about £855,000 bar gold from South Africa was available. The Bank of England secured the bulk of this amount—about £714,000, as shown in the figures below; India took £20,000, the Home Trade £53,000, and the Continental Trade £60,000. There was a net influx of gold of £963,053 during the week under review.

SILVER.

The week has seen rather a quiet market and movements in the prices have been but narrow. The Indian Bazaars being less interested except at lower rates, quotations at first showed some disposition to sag under the influence of some re-selling of silver on China account. On the fall, however, China was more inclined to buy, and, as offerings were small and restricted as to price,

the market assumed a steadier tone, although American operators have been generally disposed to offer moderately on most afternoons.

The following were the United Kingdom imports and exports of gold registered from mid-day on the 2nd instant to mid-day on the 8th instant :—

Imports.	£	Exports.	£
Mexico	107,379	Germany	62,800
Canada	43,600	British India	50,034
Orher countries	8,397	Other countries	8,146
	£159,376		£120,980

INDIAN CURRENCY RETURNS (in lacs of rupees).

	Mar. 31.	Mar. 22.	Mar. 15.
Notes in circulation	18,803	18,946	19,123
Silver coin and bullion in India	9,989	9,943	9.871
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,222	3,222	3,222
Gold coin and bullion out of India	...	...	...
Securities (Indian Government)	4,323	4,327	4,327
Securities (British Government)	1,069	1,054	1,053
Bills of exchange	200	400	650

The stock in Shanghai on the 6th instant consisted of about 78,500,000 ounces in sycee, 122,000,000 dollars and 9,200 silver bars, as compared with about 76,800,000 ounces in sycee, 116,000,000 dollars and 9,320 silver bars on the 28th ultimo.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Forward.		Silver. Cash.
1929.	s. d.	d.	d.		d.
Apr. 5	84 11½	25⅜	25⅜	April 20, 1923	34½
,, 6	84 11½	25¼	25¼	,, 18, 1924	33½
,, 8	84 11½	25 15/16	25 15/16	,, 17, 1925	31 7/16
,, 9	84 10½	25⅞	25⅞	,, 16, 1926	29½
,, 10	84 11	25⅞	25⅞	,, 9, 1927	26
,, 11	84 11½	25 15/16	25 15/16	,, 12, 1928	26 1/16

NOTICES.

Barclays Bank Limited announce the opening of new sub-branches at 47, Yardley Road, Acocks Green, Birmingham, and at Virginia Water.

SUMMARY OF BALANCE-SHEETS.

UNITED MOLASSES COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £	ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
8% cum. pref. (£1)	3,410	— 333,681	Motor vessels and steamships	1,070,108	+ 448,483
6% cum. pref. (£1)	1,000,000	+ 1,000,000	Instalments on motor vessels	323,116	+ 88,392
Ord. shares (£1)	1,590,090	1,131,626	Investments in subsidiaries at cost	1,175,940	+ 512,388
Ord. £1 (10s. pd.)	204,444		Current accounts	1,069,545	+ 950,708
6½% deb. stk.	Nil.	— 428,382	Debtors	...	— 4,429
Capital reserve	867,231	+ 858,606	Office furniture	4,349	+ 4,349
General reserve	Nil.	— 30,000	Investments at cost	74,686	+ 2,658
Bills payable	169,161	+ 52,961	Cash	271,221	+ 250,714
Creditors	11,541	+ 6,169	Stamp duty	...	— 5,000
Div. on pref. shares	...	— 10,787			
Profit and loss	143,088	+ 1,751			
Total	3,988,965	+ 2,248,263	Total	3,988,965	+ 2,248,263

LEVER BROTHERS, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £	ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
7% cum. pref.	30,577,099	...	Shares & debentures in, and capital loans to, associated cos.—		
8% cum. A pref.	15,505,173	...			
20% cum. pref. ord.	3,787,312	...	Soap and perfumery cos.	25,072,457	+1,935,911
20% cum. A pref. ord.	3,000,000	...	West African Plantations, oil milling, and other raw material producing cos.	16,113,940	— 4,728
20% cum. B pref. ord.	405,500	...			
5% cum. pf. ord.	952,462	...	Margarine and other edible products cos.	5,645,549	...
Ord. shares	2,400,000	...	Miscellans. cos.	344,410	— 137,616
7% deb. 1931-41	3,680,000	— 80,000	Loans to associated cos., &c.	4,515,356	—1,185,154
5% deb.	3,651,562	— 50,015	Shares in other companies and dividends estimated to be received thereon	7,233,851	—151,299
Interest accrued	111,441	— 1,780	Properties	5,266,716	— 180,723
General reserve	500,000	+ 200,000	5% War Stock & Irish Land Stk.	68,210	+ 4,403
Creditors — Employees savings bank depositors	194,005	+ 6,983	Stocks	1,549,750	— 126,411
Reserve for taxation, bills payable and open accounts	876,790	+ 91,612	Debtors	1,020,076	— 51,241
Divs. on pref., pef. ord. and ord. shares	2,507,766	— 60,000	Cash	1,479,133	+ 62,201
Profit and loss	160,338	+ 58,543			
Total	68,309,448	+ 165,343	Total	68,309,448	+ 165,343

ANCHOR LINE (HENDERSON BROTHERS), LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £	ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
5½% cum. pref.	325,000	...	Value of fleet	4,349,154	— 253,043
Ord. shares	600,000	...	Debts due to co.	96,380	— 3,270
Reserve fund	1,000,000	...	Disbursements on account of current voyages	75,803	— 21,434
Trade facilities loan, &c.	1,280,000	— 160,000	Cash	163,241	— 153,545
Balance on current and open accounts, &c.	1,403,614	— 279,972	Securities at cost	9,645	...
Unclaimed divs.	178	— 29	Expenses in connection with new capital	11,239	— 1,649
Profit and loss	96,669	+ 7,060			
Total	4,705,462	— 432,941	Total	4,705,462	— 432,941

IMPERIAL CHEMICAL INDUSTRIES, LIMITED.

December 31, 1928.

LIABILITIES.	£	Compared with Dec. 31, 1927. £	ASSETS.	£	Compared with Dec. 31, 1927. £
7% cum. pref. (£1)	17,633,338	+ 1,249,497	Investments in subsidiaries	59,415,054	+ 1,305,279
Ord. shares(£1)	37,252,178	+ 5,014,335	Other Industrial investments	9,083,879	+ 8,383,954
Deferred (10s.)	10,860,145	+ 1,311,980	Preliminary expenses	...	— 1,260,953
Capital reserves	5,529,020	+10309138	Loans, &c., subsidiaries	16,182,795	+ 7,837,564
Free reserves	2,470,980		Debtors	2,688,171	+ 1,933,988
Central Obsolescence fund	3,009,138		Land, Buildings, &c.	314,868	+ 314,868
Deposits, &c. subsidiaries	7,524,181	— 127,201	Office furniture, &c.	102,505	+ 62,695
Creditors	2,103,583	+ 1,257,104	Cash	1,245,955	+ 584,040
Profit and loss	2,541,030	+ 119,629			
Carry forward	109,634	+ 26,953			
Total	89,033,227	+ 19,161,435	Total	89,033,227	+19,161,435

MEADOW DAIRY COMPANY, LIMITED.

January 5, 1929.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £	ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
7½% cum. pref. (£1)	850,000	...	Freehold & Leasehold Properties	530,153	+ 62,457
Pref. ord. (1s.)	187,875	...	Fixtures, &c.	226,879	+ 1,680
Ord. (1s.)	375,750	...	Investments in subsidiaries at cost	892,452	— 49,349
Reserve	90,000	+ 20,000	Debtors	49,454	+ 14,385
Plate Glass Fund	5,000	...	Stocks	324,553	— 72,172
Loans on mortgage	159,830	— 7,638	Cash	37,256	+ 17,947
Creditors	258,923	— 37,885			
Unclaimed divs.	230	+ 29			
Profit and loss	133,139	+ 432			
Total	2,060,747	— 25,062	Total	2,060,747	— 25,062

THE

STANDARD BANK OF SOUTH AFRICA, LIMITED

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

CAPITAL Authorised and Subscribed £10,000,000
CAPITAL PAID UP £2,500,000
RESERVE FUND £3,164,170
CAPITAL UNCALLED £7,500,000
£13,164,170

Board of Directors.

William Reierson Arbuthnot, Esq.
Rt. Hon. Lord Balfour of Burleigh.
Stanley Christopherson, Esq.
Edward Clifton-Brown, Esq.
Robert E. Dickinson, Esq.
James Fairbairn Finlay, Esq., C.S.I.
Solomon B. Joel, Esq.
Horace Peel, Esq.
Rt. Hon. the Earl of Selborne, K.G.
William Smart, Esq.
Rt. Hon. Lord Sydenham, G.C.S.I., F.R.S.

Joint General Managers in South Africa—John Jeffrey, James S. Shiel.
Deputy General Managers in South Africa—G. F. Le Sueur, W. K. Robertson.
Assistant General Manager in South Africa—Francis E. King.
London Manager—Bertram Lowndes.
Secretary—Herbert G. Hoey.

Head Office: 10 CLEMENTS LANE, LOMBARD STREET, and 77, KING WILLIAM STREET, LONDON, E.C.4.
London Wall Branch: 63, LONDON WALL, E.C.2.
West End Branch: 9, NORTHUMBERLAND AVENUE, W.C.2.
NEW YORK AGENCY: 67, WALL STREET.
HAMBURG AGENCY.
Bank of British West Africa, Ltd., 49-53, SCHAUENBURGER-STRASSE
Over 350 Branches, Sub-Branches, and Agencies in SOUTH AND EAST AFRICA.

EXECUTORSHIPS AND TRUSTEESHIPS UNDERTAKEN.

COMMERCIAL SERVICE.

The Bank has over 350 Branches in Africa, and Agents and Correspondents throughout the World. The closest touch with Trade and Industrial conditions is maintained, with special attention to Commercial and Credit Intelligence. This service is available to Exporters, Importers and others wishing to develop trade between South and East Africa, the United States of America and the Continent of Europe.

THE STANDARD BANK MONTHLY REVIEW is sent post free on application. It gives the latest information on all South and East African matters of Trade and Commercial Interest.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended April 5, 1929. (c) Week ended April 6, 1929.	Miles Open.	Week ended April 7, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 14 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,733	238	189	98	287	525	2,806	2,929	1,819	4,748	7,554
Do. for 1928	3,734	312	196	111	307	619	2,880	3,038	1,696	4,734	7,614
Lon.&N.Eastn.(c)	6,345	374	358	199	557	931	4,299	5,529	3,909	9,438	13,737
Do. for 1928	6,363	484	356	205	561	1,045	4,474	5,943	3,558	9,501	13,975
Lond.,Mid.&Scot.	6,953½	535	509	183	692	1,227	6,453	7,554	4,317	11871	18,324
Do. for 1928	6,950½	756	512	247	758	1,514	6,719	8,174	4,005	12179	18,898
Southern	2,177	316	59	20	79	395	3,785	1,015	485	1,500	5,285
Do. for 1928	2,177	447	58	16	74	521	3,857	1,087	414	1,501	5,358
Metropolitan (c)	59	33·6	...	...	3·2	36·8	440·1	...	...	52·3	492·4
Do. for 1928	59	33·4	...	...	3·1	36·5	444·3	...	...	52·5	496·8
†Und'rgr'ndLB.&S.C	...	...	...	...	...	293·3	...	...	...	..	3,727·9
†Do. for 1928	...	...	...	...	...	270·0	...	...	...	...	3,782·4
Lon&Sub.Gr'upe	...	...	...	...	...	43·5	...	...	...	...	529·5
Do. for 1928	...	...	...	...	...	40·1	...	...	...	...	541·7
B'l'wt&Co.D'wn b	80	3·2	...	...	0·7	3·9	27·6	...	...	12·9	40·5
Great Northern b	562	15·9	...	...	14·0	29·9	151·9	...	...	225·7	377·6
Great Southern b	2,187	32·5	...	...	47·6	80·1	328·6	...	...	660·8	989·4

† Includes receipts from independent omnibuses acquired during current year.

CANADIAN.

Canadian National	13weeks	Mar.31	19,362	†7,259,143	+ 25,018	59,965,827	+ 347,804
Canadian Pacific	13weeks	31	14,822	†5,404,000	+ 3,000	47,463,000	+ 362,000

† 10 days.

BRAZILIAN (b).

Gt. West. of Brazil	14weeks	Mar. 6	1,016	17,800	+ 8,800	294,700	+ 69,100
Leopoldina	14weeks	6	1,856	37,796	— 7,085	504,071	— 184,785
Leopoldina Termnl.	14weeks	6	Mlrs	320,000	+ 28,000	3,938,000	+ 160,000
San Paulo	14weeks	7	153½	47,783	+ 14,483	661,852	+ 68,987

CHILEAN.

Antofagasta (Chili and Bolivia)	14weeks	Apr. 7	838	43,920	+ 19,075	584,210	+ 86,225
Nitrate (½-monthly)	12weeks	Mar.31	402	33,678	— 4,307	236,818	+ 24,670

OTHER OVERSEAS.

Egyptian Delta	50weeks	Mar.20	608	£7,954	+ 1,055	329,309	+ 24,900
Gt. Southn. of Spain	13weeks	30	104	Ps.58,990	— 18,584	1,585,429	— 62,723
Mexican Railway	13weeks	31	483	$419,200	— 31,900	3,098,500	— 490,100
Paraguay Central	39weeks	30	274	£4,300	+ 30	171,590	+ 3,040
Salvador	40weeks	Apr. 6	100	£5,714	+ 1,242	201,857	+ 7,202

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or —	Total Receipts. 1929.	+ or —
Anglo-Argentine	14weeks	Apr. 8	329	94,073	+ 7,804	1,216,373	— 35,844
B. Aires Lacross	40weeks	7	...	13,095	— 132	523,389	+ 2,144
Burnley Corporation	1 week	6	13	3,129	— 633	...	...
Calcutta Tramways	1 week	6	35½	Rs122,671	+ 2,120	...	...
Chatham & District	12weeks	Mar.28	15	1,088	— 114	11,922	— 3,363
Egyptian Markets	12weeks	28	...	2,034	+ 1,028	26,648	+ 1,188
Glasgow Corporation	37weeks	16	136½	£42,612	— 1,789	1,800,109	— 78,839
Isle of Thanet Trams	12weeks	28	...	907	+ 56	9,366	— 584
Liverpool Corp.	1 week	Apr. 6	124	30,011	+ 916	...	...
L.C.C. Tramways	1 week	3	166	79,043	— 3,994	...	...
Madras Electric	‡10w'ks	Mar.31	...	Rs. 46,245	+ 8,678	2,61,002	+ 19,084

‡ Fortnightly figures.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or —	Total Gross Receipts. 1929.	+ or —
INDIAN.							
Assam Bengal	49weeks	Mar. 9	1,206	Rs. 4,37,000	+ Rs. 5,564	Rs. 2,16,15,337	+ Rs. 4,12,726
Barsi Lt. Ry.	50weeks	16	202	41,200	— 5,600	23,54,600	+ 6,61,800
Bengal & N.Western	50weeks	16	2,078	7,64,333	— 49,793	1,71,49,265	— 5,89,214
Bengal-Nagpur	49weeks	9	2,979	19,66,000	+ 23,420	8,46,87,242	— 7,76,224
Bombay, Bar.,& C.I.	51weeks	Mar.30	3,022	26,76,000	+ 12,000	11,86,48,000	+ 40,20,000
Burma	35weeks	Dec. 1	1,349	7,24,790	— 80,277	2,73,09,216	— 1,42,540
Madras & S. Mahr	50weeks	Mar.16	3,121	20,37,000	— 129950	9,10,34,971	+ 55,18,329
Wlearn'sGuarantd.(s)	50weeks	16	1,146	5,64,307	+ 87,314	2,06,28,458	+ 15,24,257
†Rohilk'd&Kumaon	49weeks	9	572	1,57,504	— 4,786	30,36,850	— 2,09,525
South Indian	50weeks	16	2,294	12,24,329	+ 10,716	5,93,39,673	— 5,50,484

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

ARGENTINE (a).								
Argentine N.E.	40weeks	Apr. 6	753	£ 15,400	+ £ 2,600	£ 621,500	+ £ 24,100
B.A. and Pacific	40weeks	6	2,806	218,000	+ 35,000	6,880,000	+ 717,000
B.A. Central	40weeks	7	...	15,522	+ 2,376	581,513	+ 19,272
B.A. Gt. Southern	40weeks	6	4,762	285,000	+ 9,000	10,021,000	— 497,000
B.A. Western	40weeks	6	1,926	125,000	+ 35,000	4,053,000	— 51,000
Central Argentine	40weeks	6	3,319	282,000	+ 22,000	10,837,000	+ 270,000
Cordoba Central	40weeks	6	1,218	71,200	+ 16,000	2,766,200	+ 10,000
Entre Rios	40weeks	6	728	31,300	+ 4,400	1,238,200	+ 61,300
CUBAN.								
United of Havana†	40weeks	Apr. 6	1,374	£ 97,402	+ £ 15,431	£ 2,973,797	+ £ 59,106

† Figures include Havana Central Railway.

URUGUAYAN.			6	£	£	£	£
Central Uruguay	40weeks	Apr. 6	273	30,211	— 871	1,211,296	— 14,954
C. Urug. (East Ext.)	40weeks		311	7,809	+ 1,272	275,040	— 3,391
C.Urug.(North.Ext.)	40weeks	6	185	3,285	— 161	146,590	+ 4,364
C. Urug.(West. Ext.)	40weeks	6	211	3,112	— 1,061	120,634	+ 282

NATIONAL PROVIDENT INSTITUTION

48 GRACECHURCH STREET, E.C.3.

BONUS DECLARATION 1927.
WHOLE LIFE ASSURANCE

£2 10 0% per annum, steadily increasing after "expectation" to over £5% per annum at extreme ages.

SURPLUS DIVIDED - £1,249,700
CARRIED FORWARD - £392,000

MINING OUTPUT STATISTICS FOR MARCH 1929.

	Tons Crushed. Mill.	Tons Crushed. Cyanide Works.	Gold Recovered. Mill.	Gold Recovered. Cyanide Works.	Gold Recovered. Total.	Value.	Profit.
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.		
Ashanti	9,214	...	...	...	9,876	41,952	17,033
Associated	5,201	...	...	...	...	9,130	...
Balaghat	4,450	...	...	...	2,734	...	...
Blackwater	3,274	...	...	...	...	4,504	...
Boulder Perseverance	6,448	...	...	...	...	14,788	823
Central Manitoba	4,815	...	...	...	...	$49,862	...
Champion Reef	8,865	23,983	4,311	958	5,269	...	...
Chosen Syndicate	7,760	...	...	...	...	12,105	3,957
Frontino and Bolivia	1,900	...	...	...	...	7,570	...
Globe and Phœnix	6,005	...	...	...	4,778	...	7,913
Great Boulder	10,332	...	...	...	...	27,326	2,004
Lena	...	(2nd half of March)			4,942	20,757	...
Lonely Reef	5,200	15,600	3,275	831	4,106	...	7,862
Luipaard's Viel	22,500	...	...	...	5,682	...	3,204
Marmajito	520	...	...	...	...	4,196	...
Mysore	17,125	...	8,208	118	8,318	...	...
Nundydroog	11,010	17,872	5,578	1,085	6,663	...	...
Oregum	14,000	18,000	6,250	926	7,446	...	...
Oriental Consolidated	15,480	...	...	...	...	$73,554	$6,509
Oroville	...	...	...	...	...	$17,272	...
Taquah and Abosso	9,460	...	...	...	...	£18,353	...

* Loss.

	Tons Output.	Other Notes in Return.
TIN.		
Ampang (Perak)	14	Concentrates.
Anglo-Burma	6	...
Anglo-Nigerian	57	Concentrates.
Baba River	3½	Concentrates.
Bangrin	52½	Clean tin ore.
Batura Mongums	4	Concentrates.
Consol. Tin of Burma	91	Mixed concentrates.
Daffo	5	...
Eastern Siam	4½	Concentrates.
Ex-lands Nigeria	50	Concentrates.
Geevor	73	Black tin; value, £9,700.
Gopeng	80½	Est. value, £10,360; est. profit, £7,585.
Jantar Nigeria	25	...
Jos Tin Area	19½	...
Kagera (Uganda)	25	...
Kassa	16	Concentrates.
Kepong	25	Est. value, £3,118; est. profit, £1,076.
Kent (F.M.S.)	57	Est. value, £7,080; est. profit, £5,095.
Kramat Pulai	20½	Est. value, £2,683; est. profit, £1,954.
Lower Bisichi	5	...
Malaya Consolidated	54½	...
Meru	16·3	...
Naraguta	12½	...
Naraguta Durumi	9	...
Naraguta Extended	9	...
Naraguta Karama	16½	...
Naraguta Karot	15	...
Pengkalen	65½	Est. value, £8,690; est. profit, £5,838.
Rambutan	12	Est. value, £1,435; est. profit, £680.
Renong	25	Dredge No. 2.
	23½	Dredge No. 3.
Ribon Valley	17	Concentrates.
Rukuba	4	...
San Finx	26·6	Concentrates; wolfram, 9·2 tons.
Selayang	22	Concentrates.
Siamese	139½	Clean tin ore.
South Bekeru	15	...
Sungei Way	62½	Est. value, £7,450; est. profit, £4,458.
Tekka	50½	Est. value, £6,325; est. profit, £4,146.
Tekka-Taiping	54	Est. value, £7,080; est. profit, £3,930.
Tongkah Harbour	110	...
Tronoh	114	Est. value, £15,294; est. profit, £9218.
United Tin Areas	5½	Concentrates.
COAL.		
Dundee	47,973	...
Durban Navigation	53,562	...
Wankie	50,028	Coal sales.
COPPER.		
Bwana M.Kubwa	581	Refined copper.
PLATINUM.		
Lyndenburg	642	...
MISCELLANEOUS.		
Aramayo	329	Tin.
	230,000	Ozs. silver.
European and N. African	1,522	Iron ore.
	106	Lead concentrates.
London and Rhodesian	4,102	Treated (Jan.). Value recovered, £5,693.
Onverwacht Platinum	463 ozs.	Refined platinum.
Rhodesia Broken Hill	1,007	Slab zinc.
	345	Lead.
Rhodesian & General Asbestos	2,373	...
Tetiuhe	1,628	Zinc concentrates.
	586	Lead concentrates.

INDIAN COPPER CORPORATION, LIMITED.—March production in long tons, amounted to :—Ore treated in mill, 4,910; concentrates produced, 468; Blister copper produced, 75; refined copper produced, 78½. End of month production delayed by breakdown pulverized coal motor.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Dividend. Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
Breweries.		£	£	£	£	£	%	£	£	£	%
Whitbread and Co.	Dec. 31	210,474	248,737	459,211	43,407	119,358	12	53,009	243,437	219,860	11
Workington Brewery	Feb. 28	4,507	8,118	12,625	3,660	4,400	12†	931	3,634	10,972	10†
Electric Lighting, etc.											
Notting Hill Electric	Dec. 31	27,744	54,927	82,671	9,600	15,509	13/7.636	28,584	28,978	61,9971	3/7.636
Financial, Land and Investment.											
Canada Co.	Dec. 31	144	5,782	5,926	...	6,655	10	*Dr.* 1,000	271	7,104	10
Motor and Cycle.											
Albion Motor Car	Dec. 31	21,408	90,477	111,885	8,032	46,000	12½	32,000	25,853	117,897	12½
Rubber.											
Amherst Estates (Selangor)	Dec. 31	7,725	2,578	10,303	...	2,287	2½	...	8,016	8,987	5
Hanipha (Ceylon)	Dec. 31	4,167	25,971	30,138	...	24,938	35	...	5,200	27,967	40
Jasin (Malacca)	Dec. 31	13,000	3,910	16,910	...	5,530	10	4,000	7,380	13,144	5
Jugra Land and Carey	Dec. 31	63,152	73,101	136,253	...	71,787	5	30,000	34,466	87,800	2½
Kombok (F.M.S.)	Dec. 31	5,713	18,783	24,496	...	9,000	7½	5,000	10,496	16,406	10
New Crocodile River	Dec. 31	20,413	16,187	36,590	...	8,910	5	12,200	15,480	52,220	10
Panagula Rubber	Dec. 31	5,205	3,530	8,735	...	5,000	5	1,778	1,957	8,582	5
Pelmadulla Rubber	Dec. 31	12,688	32,108	44,796	...	28,800	30	3,414	12,582	18,061	27½
Pilmoor Rubber	Dec. 31	745	15,685	16,430	...	11,147	10	3,000	2,283	21,661	18
Rosehaugh (Ceylon)	Dec. 31	24,922	16,219	41,141	...	15,000	5	5,000	21,141	50,053	10
Rosevale	Dec. 31	1,508	7,140	8,648	...	5,812	13	...	2,836	13,034	28
Rubber Estates of Ceylon	Dec. 31	2,888	3,589	6,477	...	3,675	2½	750	2,052	2,566	...
Selangor Rubber	Dec. 31	16,662	12,163	28,825	...	10,000	8½	3,000	15,825	20,248	12½
Strathmore	Dec. 31	4,243	22,402	26,645	...	11,325	5	7,000	8,320	27,519	5
Sungei Way	Dec. 31	15,715	19,123	34,838	...	16,426	7	3,000	15,412	27,843	10
Trolak Estates	Dec. 31	3,436	899	4,335	...	...	...	...	4,335	4,570	5
Shipping.											
Anchor Line (Henderson Brothers)	Dec 31	89,609	287,986	377,595	14,300	...	...	266,626	96,669	285,319	...
Shops and Stores.											
Debenhams Securities	Mar. 31	67,338	466,795	534,133	204,713	240,000	20	...	89,420	324,269	15†
Meadow Dairy	Jan. 5	19,983	273,269	293,252	63,750	169,088	30	40,000	20,414	267,518	30
United Drapery Stores	Feb. 28	2,177	86,521	88,698	...	60,000	10	25,429	3,269	75,691	...
Tea.											
Craig Estates	Dec. 31	2,235	10,595	12,830	...	6,000	12	2,500	4,330	11,044	12
Pantiya Tea, &c.	Dec. 31	5,087	4,287	9,374	...	4,500	15	500	4,374	6,769	15
Rangalla Consolidated	Dec. 31	1,962	15,937	17,899	...	15,000	15	2,500	399	20,017	15
Tyspane Tea	Dec. 31	1,148	3,567	4,715	140	3,750	12½	...	825	5,976	25
Trust.											
Alliance Trust	Jan. 31	43,720	315,653	359,373	57,200	173,250	25	80,000	48,923	281,024	25
British and Continental Plantations Trust	Mar. 31	8,345	3,363	11,708	...	...	...	6,000	5,708	9,599	...
Second Scottish American	Mar. 1	40,901	55,120	96,021	7,680	33,429	25	9,952	44,960	51,572	24
Waterworks.											
Stroud Water	Dec. 31	224	2,613	2,837	500	793	10	1,000	544	1,825	10
Other Companies.											
British United Shoe Machinery	Dec. 31	122,180	358,871	481,051	23,457	259,200	15	...	198,394	376,008	15
Cohen and Wilks	Dec. 31	11,756	37,477	49,233	14,175	11,000	5	10,000	14,058	37,024	5
Crystalate Gramophone	Jan. 31	...	(t) 88,883	88,883	7,463	62,500	41⅝	5,000	13,920	...	...
Dickson and Benson	Feb. 28	10,678	14,283	24,961	7,918	4,218	12½	2,555	10,270	15,453	12½
Imperial Chemical Industries	Dec. 31	82,681	5,488,244	5,570,925	1194550	2812691 / 178,509	8 Ord. / 1¾ Def.	1275541	109.634	4,567,224	8Ord. / 1¾ Def.
Lever Brothers	Dec. 31	101,795	5,274,075	5,375,870	3380773	1514760 / 120,000	Pf. Ord. / 5 Ord.	200,000	160,337	5,390287	5 Ord
London Electric Wire	Dec. 31	20,789	110,276	131,065	30,000	48,305	7½	...	22,760	95,614	7½
Spratt's Patent (America)	Dec. 31	4,122	22,405	26,527	...	7,500	12½	15,000	4,027	...	...
United Molasses Co.	Dec. 31	20,255	376,801	397,056	26,219	227,482	19	*Dr.* 36,193	179,548	264,166	17

† Free of Income Tax. (t) Sixteen Months.

Continued from p. 825.

BURMA CORPORATION, LIMITED.—(Incorporated in India).—During the month of March, 38,814 tons of ore were mined, including 3,635 tons of high grade ore. 30,400 tons of ore were milled in the Treatment Plant, producing 10,580 tons of leady concentrates. 13,632 tons of lead-bearing material, including 3,275 tons of high grade ore, were smelted in the blast furnaces, producing 6,980 tons of hard lead for treatment in the refinery. Refinery products were 6,602 tons refined lead and 628,211 ounces refined silver. Of silver production 79,780 ounces were recivered from the treatment of copper matte. Zinc plant produced 4,620 tons zinc concentrates, assaying 9.9 ounces silver, 5.2 per cent. lead and 51.1 per cent. zinc.

In addition to the above 900 tons copper matte were produced from the treatment of accumulated smelter by-products and 6,243 tons copper ore. 100 tons of refined antimonial lead were also produced. Included in the tonnage of refined lead is 504 tons recovered from the smelting of copper ore.

THE MOUNT LYELL MINING AND RAILWAY COMPANY, LIMITED.—During the quarterly period ended 31st March there were smelted :—Mount Lyell ore, 421 tons; North Lyell ore (direct to smelters), 1,145 tons; concentrates, 8,469 tons. The converters produced 1,901 tons of Blister copper containing :—Copper, 1,883 tons; silver, 29,692 ozs.; gold, 662 ozs. The mill treated 37,346 tons of ore, and produced 7,183 tons of concentrates. Furnace ran 42 days. Cathode copper produced, 1,707 tons.

SULPHIDE CORPORATION, LIMITED.—During the four weeks ended 23rd March, 1929, 9,804 tons of Central Mine ore, together with 1,444 tons of slimes were milled at the Central Mine, producing 1,846 tons of leady concentrates (including 88 tons from the de-leading plant) which assayed 49 ozs. silver, 65 per cent. lead, together with 2,657 tons of zinc concentrates assaying 8 ozs. silver, 5 per cent. lead and 50 per cent. zinc per ton, and 187 tons special slimes, assaying 10 ozs. silver, 12 per cent. lead and 5 per cent. zinc per ton.

BROKEN HILL SOUTH, LIMITED.—For the four weeks ended 6th April, 1929, 23,100 tons of crude ore were treated and produced 4,418 tons of leady concentrates assaying 66 per cent. lead and 25 ozs. silver per ton; also 4,538 tons of zinc concentrates assaying 50 per cent. zinc. Decreased output due to Easter holidays.

SAN FRANCISCO MINES OF MEXICO, LIMITED.—Cable advice of operations for March has now been received as follows :—Ore treated, 26,000 tons; lead concentrates produced 3,500 tons; zinc concentrates produced 3,900 tons. Estimated net smelter returns, $348,372. Operating expenses, $118,113. Estimated operating profit, $230,259.

OIL OUTPUTS.

ANGLO-ECUADORIAN OILFIELDS, LTD.—The production for March is cabled as 13,968 tons.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The results for the month of March are as follows :—Production of oil, 37,210 tons; deliveries, 38,100 tons. The production for the first six months of the current year to March 31st amounts to 196,470 tons, as compared with 134,000 tons for the corresponding period last year.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended March 27th : Venezuela, 34,710 barrels; Trinidad, 15,980 barrels. Total, 50,690 barrels.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended April 3rd : Venezuela, 37,612 barrels; Trinidad, 21,235 barrels; total, 58,847 barrels.

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

Average Weekly Balances. MARCH, 1929.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills and Co.	Lloyds Bank, Limited.	Martins Bank, Limited.	Midland Bank, Limited.	National Bank, Limited.	National Provincial Bank, Limited.	Westminster Bank, Limited.	Williams Deacon's Bank, Limited.	Aggregate.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency noteal and balances with the Bank of England	33,385	1,526	3,340	37,467	7,789	39,828	3,334	29,062	28,910	3,132	187,773
Balances with and cheques in course of collection on other banks in the United Kingdom	9,283	694	1,433	8,528	2,340	13,148	160	8,122	7,878	1,154	52,740
Items in transit	...	...	...	2,490	...	...	...	...	...	...	2,490
Money at call and short notice	23,990	2,483	5,297	26,443	4,108	22,528	4,776	17,965	26,582	1,961	136,133
Bills discounted	41,274	1,607	1,064	39,768	4,094	53,494	2,269	32,366	38,640	2,051	216,627
Investments	60,805	3,783	7,331	36,774	22,284	34,853	15,108	35,022	37,424	5,543	258,927
Advances to customers and other accounts	171,677	9,837	15,114	200,084	41,849	221,850	15,627	151,647	149,630	18,564	995,879
Liabilities of customers for acceptances, endorsements, etc.	24,814	423	2,400	68,514	6,792	71,133	28	19,761	26,879	1,374	222,118
Bank premises account	5,498	372	695	6,856	2,113	8,725	771	5,806	4,796	974	36,606
Investments in affiliated banks	5,359	...	...	6,625	...	6,961	...	3,114	2,992	...	25,051
	376,085	20,725	36,674	433,549	91,369	472,520	42,073	302,865	323,731	34,753	2,134,344
Ratio of cash to current, deposit and other accounts	10·26	8·33	10·28	11·04	10·12	10·63	8·90	11·00	10·39	10·38	10·56
LIABILITIES.											
Capital paid up	15,858	1,000	1,060	15,810	4,160	13,433	1,500	9,479	9,320	1,875	73,495
Reserve fund	10,250	1,000	530	10,000	3,458	13,433	1,440	9,479	9,320	1,350	60,260
Current, deposit and other accounts	325,163	18,302	32,480	339,220	76,942	374,521	37,452	264,146	278,199	30,154	1,776,579
Acceptances, endorsements, etc.	24,814	423	2,400	68,514	6,792	71,133	28	19,761	26,879	1,374	222,118
Notes in circulation	...	...	...	5	17	...	1,653	...	13	...	1,688
Reduction of bank premises account	...	...	204	...	...	...	...	...	...	...	204
	376,085	20,725	36,674	433,549	91,369	472,520	42,073	302,865	323,731	34 753	2.134,344

LOBITOS OILFIELDS, LIMITED.—The production of the Peruvian company for March was 27,629 tons.

STEAUA ROMANA (BRITISH), LIMITED.—The production of the Steaua Romana Co., Bucharest, for the month of March was 63,100 tons.

TAMPICO OIL, LIMITED.—The total production on the company's properties in Mexico during March was 21,877 barrels, in respect of which the Royalty due to Tampico Oil, Limited, amounted to 1,641 barrels.

THE KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—The total production during the month of March amounted to 116,786 barrels, or approximately 16,684 tons.

THE MEXICAN EAGLE OIL.—The production for the week ended March 23, 1929, was 155,000 barrels.

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during March, 32,300 tons; oil purchased during March from other companies, 43,100 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Production for the week ending March 27, 1929, was 2,508 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Production for week ending April 3, 1929, amounted to 2,173 tons.

VENEZUELAN CONSOLIDATED OILFIELDS, LIMITED.—Total production week ended March 30th, 3,878 barrels (554 tons).

VENEZUELAN CONSOLIDATED OILFIELDE, LIMITED.—Total production for week ended April 6th : 3,934 barrels (562 tons).

VENEZUELAN CONSOLIDATED OILFIELDS, LIMITED.—Total production for month of March 15,006 barrels (2,143 tons).

VENEZUELAN OIL CONCESSIONS.—Production for the week ended March 30th was 118,733 metric tons (previous week ended March 16th, 120,868 metric tons).

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended April 6th was 119,876 metric tons (previous week ended March 30th 118,474 metric tons).

Reports and Notices.

Admiral H. W. Grant, C.B., has been elected a member of the board of Direct Spanish Telegraph Co., and Mr J. C. Denison-Pender has been appointed the chairman.

Messrs. Grieveson Grant and Co. have removed to 97 Gresham Street, E.C. 2 (general office entrance, 40 Coleman Street, E.C. 2).

The Prudential Assurance Co. have elected Mr. Frank Haycraft to to the vacancy on the board occasioned by the death of Mr Daniel Wintringham Stable.

The Right Hon. Lord Bradbury, G.C.B., director of Williams Deacons Bank, Limited, has been elected chairman of the committee of London Clearing Bankers for the ensuing year, and Mr Frederick Craufurd Goodenough, chairman of Barclays Bank, Limited, has been elected deputy-chairman.

Mr C. Cowley has been appointed secretary of the Antofagasta (Chili) and Bolivia Railway Co., Limited, and of the Chilian Northern Railway Co., Limited, to fill the vacancies caused by the death of the late secretary, Mr A. H. Clinch.

The Standard Bank of South Africa, Limited, have appointed Mr H. G. Hoey, secretary of the Bank, as assistant general manager in Cape Town. Mr Hoey will leave for South Africa in the autumn and will be succeeded as secretary by Mr T. D. Williams, the present accountant at the head office in London. Mr C. Vaux, assistant accountant, will fill the post of accountant.

The Royal Mail Steam Packet Co. have appointed Mr P. G. M. Mitchell to be a director of the company, to fill the vacancy caused by the death of Mr J. W. Clark.

BANKS.

SWISS BANK CORPORATION. — The Extraordinary General meeting of shareholders of the Swiss Bank Corporation, which was held in Basle on April 6th, under the chairmanship of Dr Max Staehelin, ascertained and certified that the subscription and payment of 40,000 new shares, i.e., frs. 20 million, had been duly carried out. It was decided to allocate the premium of frs. 5 million arising out of the new issue to reserves. The total paid-up capital and reserves of the bank consequently amount to frs. 209 million. After explanations given by the chairman, the amendments proposed by the board of Articles 31 and 32 of the articles of association, providing for the creation of a board of general managers, were duly approved. The delegates of the board of directors will continue to function as before.

RAILWAYS.

THE CANADIAN NATIONAL RAILWAYS.—The annual report of the Canadian National Railways shows a net operating income of 53,213,000 dollars for 1928, exclusive of taxes, totalling five millions. The net operating revenues showed an increase of twelve and a half million dollars over 1927. The net revenues enabled the Canadian National system to pay all interest charges on its bonded indebtedness due to the public, and thirteen million dollars over for repayment to the Government on the advances of the past few years. The gross earnings of the system increased by tweny-eight million dollars over the preceding year, and the operating expenses due to increased traffic and the higher scale of wages increased by fifteen millions. During the year one hundred and seventy-seven miles of new branch lines were completed and one hundred and ninety miles of new construction begun. A separate statement shows a net operating loss on the Maritime Provinces lines of 520,000 dollars, consequent on the reduction of rates under Federal legislation two years ago. The system will be recouped for this loss by a Federal grant.

MISCELLANEOUS.

ALLIANCE TRUST COMPANY, LIMITED.—Profits for the year ended January 31, 1929, amounted to £483,662, an increase of £46,283, while interest absorbed £168,009, compared with £156,356. The net profit rose from £281,024 to £315,653. After maintaining the dividend on the increased ordinary capital at the rate of 25 per cent., and paying a full year's preference dividend on the bonus issue of preference stock made last year, the directors are placing to contingent fund £80,000, against £70,000, and are increasing the balance forward by over £5,000 at £48,923. In the belief that the current year will again provide opportunities for the favourable employment of capital the board are making a further issue to stockholders of 92,500 shares of £1 at £5 per share, convertible into stock.

ANCHOR LINE (HENDERSON BROTHERS), LIMITED. — The report for 1928 reveals a net profit of £287,986, against £285,319 for 1927. The sum of £266,626 has been written off for depreciation. The balance to carry forward is £96,669, against £89,609 brought in. The report states that results of the year's working show some improvement on those of the preceding year, but it is disappointing to note that there has not yet been evidenced such general improvement in national and international trade as is essential to the prosperity of the British mercantile marine.

CAMMELL, LAIRD AND COMPANY, LIMITED.—The accounts for 1928 show a loss of £80,694, after charging full depreciation and paying debenture interest. This compares with a loss of £112,046 for 1927. After transferring £75,000 from the reserve account (against £125,000 last year), there remains a credit balance to carry forward of £5,921 (against £12,816). No dividends are recommended on the preference or ordinary shares. The dividend on the Preference shares is in arrear as from June 30, 1925.

DEBENHAMS SECURITIES LIMITED.—The report for the year ended March 31, 1929, states that dividends received from Debenhams, Limited, amounted to £534,103 (the previous report showed the net dividend at £317,746). Adding interest received, £4,824, and the balance brought forward, £67,338, and deducting income-tax, directors' fees and other expenses, £72,132, the available balance to be dealt with is £534,133. The preference dividend absorbs £204,713 and the ordinary share dividend (1s. per 5s. share, with the final dividend now proposed of 8¼d. per share), £240,000, leaving a balance of £89,420 to carry forward, subject to accruing dividend on the preference shares from December 31.

SWEDISH MATCH COMPANY.—The profits for 1928 amounted to Kr. 48,961,568 as against Kr. 40,436,615 for 1927. Including Kr. 6,683,895 brought forward, there is Kr. 55,645,463 at the disposal of the general meeting. The directors propose that a final dividend of 10 per cent. (making with the interim dividend of 5 per cent. paid in October last, 15 per cent. for the year) should be paid, and that the balance of Kr. 28,645,463 should be carried forward. The directors also propose that an interim dividend of 5 per cent. in respect of the current year should be paid during the latter half of 1929. The balance sheet of the company shows total assets of Kr. 603,729,451.

THE HOME AND FOREIGN INVESTMENT TRUST, LIMITED.—The directors recommend a dividend on the ordinary stock for the half-year which ended on March 31st last at the rate of 3½ per cent. (actual), making, with the 2½ per cent. (actual) interim dividend paid on November 12, 1928, 6 per cent. for the year to March 31, 1929. This dividend will be paid with the dividend on the preference stock on May 14th next.

WHITBREAD AND CO., LIMITED.—The profit for 1928 amounted to £300,653 (against £268,205 for 1927, including £37 401 profit on sale of properties and premiums received for leases). After allowing for debenture interest, preference and preferred ordinary dividends, 10 per cent. dividend on Crawshay shares, and the interim ordinary dividend, it was decided at the meeting on Monday last to pay a final dividend of 7 per cent. on the ordinary shares, making 12 per cent. for the year (against 11 per cent.). During the year £46,991, representing profits (less losses) on sale of properties and premiums received for leases, has been added to reserve account; a further sum of £53,009 is now added to reserve out of profit, which brings the reserve account up to £400,000. The carry-forward is increased from £210,473 to £243,437. Last year £300,000 was placed to reserve. Cash is at £142,780, against £143,675. Investments (Government) are at £505,871, against £442,115. Trade investments are at £379,593, against £378,300.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

Occasional rains and a lower temperature experienced during the past week over the United Kingdom tended to retard growth, though autumn and winter cereals have improved considerable of late, and present a healthy appearance. Meanwhile rapid progress is being made with spring work, and a large area put to barley and oats. Supplies of native wheat are still on a light scale, growers being too busy to attend to threshings. Prices ruled steady in sympathy with imported varieties, but general course of trade fails to expand. In the floating and forward cargo section, values rallied somewhat as the result of higher American cables occasioned by encouraging prospects of farm relief measures there in order to raise prices. Buyers, however, were reluctant to follow the upward trend, while confining purchases to a few vessels on passage for immediate requirements, and subsequent movements disclosed a sagging tendency. Crop prospects are favourable in most producing countries, while the international position is still influenced by large visible supplies, particularly in North America. Steamers of Rosafe 64 lbs. March clearance sold 42s., ditto early April 43s., Australian afloat 44s. 6d. to 44s. 10½d., with part cargoes at 45s. 3d. Feeding stuffs firmer and Plate maize more reservedly offered in view of improved inquiries on Continental account. Steamers of La Plata sold 39s. 6d., and April clearance 39s. 3d., all per 480 lbs. c.i.f. terms.

Wheat.—Steady. No. 3 Northern Manitoba, 48s. 9d; No. 4 Manitoba, 47s. 9d.; No. 5, 44s. 3d.; No. 6, 38s. 9d.; Rosafe, 64 lbs., 45s. 6d.; Barusso, 63½ lbs., 45s. 9d.; Australian, 47s. 6d.; all ex-ship, per 496 lbs. English, 9s. 6d.–9s. 8d. per 112 lbs.

Flour.—Maintained. London standard grade, 37s. 6d.; town whites, 38s. 6d.; patents, 39s. 6d.–40s. 6d. per sack delivered in the Home Counties, with 6d.–1s. per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 34s.–37s.; Minneapolis, 34s. 6d.–37s.; Australian, 35s.–35s. 6d. ex-store. On c.i.f. terms Manitoba top patents April quoted 35s. 6d.–36s. 6d.; export ditto, 33s. 6d.–34s. 6d.; Australian, 32s. 6d.–33s. per 280 lbs.

Maize.—Firmer, especially for distant positions. Plate landed 42s.; ex-ship to arrive, 40s. 9d.; March-April, 39s. 6d.; new April-May, 38s. 6d.; May-June to July-August, 38s. 3d.; No. 2 white flat African, 41s. 6d. landed; No. 2 American mixed, 40s. 6d. landed, per 480 lbs. Yellow maize meal, £11; hominy chop, £8 17s. 6d. ton landed.

Barley.—Steady. Californian ex-ship, 45s.–52s.; Chilian chevalier, 48s.–58s.; Australian, 43s.–48s.; Smyrna, 44s.–47s. per 448 lbs. Algerian/Tunisian ex-ship, 34s. 6d.; Canadian feed, 29s. 6d.; No. 3 Canadian western, 33s. 3d. ex-ship; No. 2 Federal American, 29s. 6d. ex-ship to arrive, 31s. landed, per 400 lbs. English malting, 10s.–12s.; feed, 9s. 3d.–10s. per 112 lbs.

Oats.—Quiet. Plate landed, 26s. 3d.; ex-ship to arrive, 24s. 9d.; black Plate ex-ship, 24s.; mixed Canadian feed landed, 21s. 9d.; Chilian white, 31s. 6d. landed; German landed, 29s. 3d.; ex-ship to arrive, 28s. per 320 lbs. English, 9s. 4d.–10s. per 112 lbs. Scotch landed, 30s. 9d. per 336 lbs. Irish black, 27s. 6d. per 320 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to April 6	Qrs. 135,452	Qrs. 184,215	Qrs. 164,804	Qrs. 134,246
27 weeks to April 6	8,117,590	7,927,954	9,758,287	10,991,041
Average price of English wheat per qr.	s. d. 9 9	s. d. 10 1	s. d. 11 6	s. d. 11 9

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold.			Average Price per Qr.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Qrs.	Qrs.	Qrs.	s. d.	s. d.	s. d.
Mar. 30	105,458	61,881	30,310	9 9	10 3	9 9
Apr. 6	135,452	81,470	41,297	9 9	10 1	9 8
Apr. 4, 1925	154,431	65,122	68,233	12 6	10 10	9 5
Apr. 3, 1926	184,185	105,895	41,076	11 8	8 11	8 11
Apr. 9, 1927	164,804	68,325	49,710	11 6	10 10	8 2
Apr. 7, 1928	184,215	61,630	32,946	10 1	11 0	11 2

AMERICAN WHEAT MARKETS.

In spite of a fairly steady demand, wheat tended downward during the early part of the week as the result of persistently favourable weather reports. A subsequent rally, inspired by keen export demand, hopes of farm relief, and some speculative buying was not wholly lost in the decline which followed the publication of the Bureau report. Quotations:—

Nearest Future.	Jan. 4, 1928.	Apr. 11, 1928.	Jan. 2, 1929.	Mar. 20, 1929.	Apr. 3, 1929.	Apr. 10, 1929.
Winnipeg (No. 1 Manitoba)—Cents per 60 lb.)	137	150	122	129⅜	124⅜	124⅜
Chicago (No. Winter)—Cents per 60 lb.	130⅜	147⅜	116⅜	123¼	118¼	120⅜

Visible supplies of wheat in Canada at 90,610,000 bushels show an increase of 1,782,000 bushels as compared with the previous figure. Supplies a year ago stood at 77,231,000.

THE COAL TRADE.

Our Sheffield correspondent writes:—The forward position for export coal is again a little weaker, and sellers are accepting lower prices. Supplies, however, continue on the short side, and a large tonnage is being shipped. The demand for industrial fuel is rather disappointing. The scarcity of furnace coke continues, and there is none available in the open market. The home trade in foundry coke is quiet, but there is a brisk export demand.

Our Glasgow correspondent writes:—There has been a marked falling off in both the home and the foreign demands lately, and supplies of coal are now plentiful in all districts. The majority of the collieries are, in fact, looking for business now, and are willing to shade prices for any suitable orders. Prices are on the easy side, shipping quotations being round the following, which are all f.o.b. district ports:—

Lanarkshire.—Ell best, 17s.; splint best, 18s. 6d.; splint second, 17s. 6d.; navigation, 18s. 6d.; navigation second, 16s.; steam, 15s.; Hartley, 18s. 3d.; trebles, 15s.; doubles, 14s.; singles, 12s.; pearls, 11s.; dross, 10s. 6d. Fife.—Screened navigation, 19s. 6d.; first-class steam, 14s. 6d.; third-class steam, 13s.; trebles, 14s. 6d.; doubles, 13s. 6d.; singles, 12s. 3d. to 12s. 6d.; pearls, 11s. 3d. to 11s. 9d. Lothians.—Prime steam, 14s.; secondary steam, 14s.; trebles, 14s. 6d.; doubles, 13s. 6d.; singles, 12s.; pearls, 11s. 3d. Ayrshire.—Unscreened navigation, 16s. 6d.; jewel, 17s. 6d.; steam, 16s. 6d.; trebles, 15s.; doubles, 14s.; singles, 13s.; pearls, 11s.; dross, 10s. 6d.

Our Cardiff correspondent writes:—Although the pressure of business on the Cardiff market is not as great as it was a few weeks ago, the undertone continues very firm and shipments are still active. Collieries, on the whole, are very well sold over the present month, and except in individual cases, and then only for spot or prompt positions, prices have been retained at the recently improved figures. At the docks normal tonnage conditions are prevailing, and practically no vessels are waiting for berths. During the past week three more of the South Wales colliery companies have issued their reports for the past year. The Cardiff Collieries, Limited, show a loss of £37,109 and the Albion Steam Coal Company, Limited, of £22,761. Both these undertakings have again passed their ordinary and preference dividends, and the great concern of Ocean Coal and Wilsons, Limited, has been unable for the first time since its incorporation to make any distribution on its ordinary share capital. As this company is now a shareholding concern, the balance sheet does not show the extent of the losses suffered by the Ocean company's collieries during 1928. There is reason to believe that under the present improved conditions all the more important collieries in the coalfield are, for the first time since January, 1927, operating on a profit-earning basis, but in view of the possibility of a reaction in the immediate future, the Commercial Committee of the Coalowners' Association will next week consider the advisability of raising the level of the minimum prices under the 1928 scheme. The following are the current approximate quotations: Best Admiralties, 21s. 6d. to 21s. 9d.; seconds, 21s. to 21s. 6d.; best drys, 21s. to 21s. 6d.; Black Veins, 21s. to 21s. 6d.; Western Valleys, 20s. 6d. to 21s.; Eastern Valleys, 20s. 6d. to 21s.; best small steams, 14s. 6d. to 14s. 9d.; cargo smalls, 13s. 9d. to 14s. 3d.; coking smalls, 14s. 6d. to 15s.; anthracite best large, 33s. 6d. to 35s.; Red Vein, large, 25s. to 27s.; machine-made cobbles, 40s. to 43s. 6d.; French nuts, 42s. to 44s.; stove nuts, 40s. to 42s. 6d.; rubbly culm, 10s. 3d. to 10s. 9d.; foundry coke, 27s. 6d. to 37s.; patent fuel, 19s. 6d. to 21s. 6d.; pitwood, ex ship, 26s. 9d. to 27s.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—Following a quiet spell, business has been resumed on somewhat active lines. In the pig-iron department the situation appears to be gradually improving and there is a likelihood of more furnaces being put into blast. The overseas demand for certain classes of iron has improved, while there is a much better demand for foundry qualities than for some time past, and this may be taken as an indication of improving conditions in the foundry trades. The absence of any competition in the British home market from Continental pig-iron producers has enabled this branch of the industry considerably to improve its position. In the semi-finished steel section of the market the British steel makers are experiencing a steady demand. Continental manufacturers appear to have only small quantities to offer for the British market and are quoting prices which are scarcely competitive with the prices asked for British material. Of late the greater part of the foreign semi-finished steel sold in this country has been German and there seems a likelihood that supplies from this source will not be maintained, so that the prospects of the British steel makers are favourable. There is a fairly good demand for finished steel, although the export markets continue to buy slowly. In the home market there has been a fair amount of business passing in structural steel, but the principal support of the British industry comes from the shipyards.

Our Middlesbrough correspondent writes:—The pig-iron market still remains very firm, and prices are inclined to advance. Notwithstanding the nominal quotation of 67s. for Cleveland No. 3, buyers are willing to pay up to 68s. 6d. for the iron, and prices must be reckoned on this basis. Other grades have also advanced, and are as follows: No. 1 Cleveland, 71s.; No. 4 foundry, 67s. 6d.; No. 4 forge, 67s. As regards East Coast hematite, there seems to be a slight lull, and iron is not so difficult to get as it was a few weeks ago, when there was some fairly heavy buying. The nominal price is 74s., and this will probably be shaded against a substantial enquiry. The position of manufactured iron and steel is very steady, and the recent improvement is being maintained. Prices are inclined to advance, and hard and medium billets have both been advanced 7s. 6d. per ton, while small advances have occurred in soft billets and steel bars. Iron bars have been advanced 10s., and the amended prices are as follows, subject to the usual rebate: Steel ship plates, £8 7s. 6d.; steel ship angles, £7 17s. 6d.; iron bars, £10 15s.; steel rails, £8 10s. The ore position is still very strong, with best rubio well maintained at 23s. c.i.f. Middlesbrough, with mineral scarce. Buyers, however, would appear to have satisfied their immediate requirements, so that the market is not very active. Coke is still scarce, and now commands nearly 20s. per ton delivered furnaces.

Our Sheffield correspondent writes:—April has opened quietly as regards the ordinary products of the local steel industry, and the present output is below the average of January, when there was a considerable revival. Special lines, however, are as active as ever and instances of expansion are not altogether absent. Prices of hard basic billets have this week been advanced 7s. 6d. per ton and best qualities of this material are now more expensive than acid steel. Dearer fuel and the high cost of scrap are responsible for the increase. The output of the best acid steels remains on a restricted scale owing to the absence of important orders for railway material. Comparatively little foundry iron has been bought since the price was advanced, but makers' attitude is firm. Foundry consumption, although a little better, remains below normal. Conditions in the lighter and finished branches have been steady over a long period and exports are being maintained at a substantial level. Best qualities of silverplate and cutlery are in poor demand and are being neglected by the general public.

Our Glasgow correspondent writes:—While the Scottish pig-iron trade remains quiet there are signs of improvement within the last day or two. Makers of heavy steel continue to benefit from the increased volume of work at the shipbuilding yards together with the very restricted amount of Continental competition. In the semi-finished trade the foreign competition is also negligible. The position with structural engineering firms in and around Glasgow remains very satisfactory, but there is less activity in the locomotive engineering establishments and at some works it has been found necessary to curtail the working week in several departments. The market for black and galvanised sheets is quiet. Tube makers in the Lanarkshire area are all busy. The demand for bar iron remains poor. Prices all round are unchanged.

Our Cardiff correspondent writes:—Steady conditions are ruling in the South Wales steel and tinplate markets, and on the Swansea Metal Exchange on Tuesday it was reported that among the new business recently arranged is an order for half a million boxes of oil plates for the Eastern market. Prices of basis grades are ruling up to 18s. 9d. per box compared with a maximum of 18s. 3d. at the corresponding period last year. Local tinplate bars are unchanged at the new price of £6 6s. 3d. and foreign bars are now ruling at £6 per ton. Shipments last week were slightly less than in the previous week, but, as supplies received from works were lower, stocks have been reduced from 306,442 boxes to 278,579 boxes.

HARRISONS & CROSFIELD LTD
East India Merchants.
Rubber, Tea. Produce.
Hardware. Textiles. Plywood Chests.
1-4, Great Tower Street, London, E.C.3.

PLAYER'S WHITE LABEL
NAVY MIXTURE
—smoke it for a change—you won't want to change again.

2OZ. POCKET TIN 1/10

OTHER METALS.

TIN.—Considerable irregularity and weakness accompanied dealings in the standard market, influencing factors being liberal offerings following lower American and Eastern cables, also the heavy decline in copper values. Later values marked some recovery on increased buying interest. Stocks in London and Liverpool warehouses for week ending April 6th were returned at 8,455 tons, compared with 1,976 tons at corresponding period last year. Standard cash changed hands at £216 12s. 6d., £207 and £210 10s.; three months, £217 15s., £207 and £211 10s. In the East sales were recorded from £220 15s. to £213 15s. ton c.i.f.

COPPER market commenced steadily, but later values slumped heavily on realisations and discouraging movements in New York. Active trading occurred at the lower levels, chiefly in three months, near metal being neglected. Standard cash sold at £80 to £82 5s.; three months, £89-76-£79 10s.

LEAD in good demand, but with ample supplies on offer, values exhibited irregularity and weakness. Good soft foreign pig, April, sold, £24 15s. to £23 17s. 6d., £24 5s.; May, £24 15s.; £25 1s. 3d. and £23 15s.; June, £24 15s., £25 and £23 15s.; July, £24 17s. 6d., £25 1s. 3d., £23 10s. and £23 15s.

SPELTER in quieter request, and market weak under liberal offerings. April, sold, £27 to £26 13s. 9d.; May, £26 13s. 9d., £26 8s. 9d. and £26 11s. 3d.; June, £26 16s. 3d. to £26 8s. 9d.; July, £26 16s. 3d. to £26 7s. 6d.-£28 8s. 9d.

ALUMINIUM steady. Ingots and bars for home delivery, £95 ton.

ANTIMONY dull and tendency easier. English regulus, £54 to £55; foreign spot, £38; ditto, April-May, £33 10s. c.i.f. terms.

WOLFRAM firm. Chinese, also Straits qualities, 22s. 9d. to 23s. per unit c.i.f.

QUICKSILVER maintained. Spot, £22 5s. to £22 10s. per bottle.

TIN PLATES firm. I.C. coke, prompt and forward, 18s. 3d. to 18s. 9d. per box, f.o.b. Swansea.

THE COTTON TRADE.

LIVERPOOL, April 10.

The market has shown a firmer tone during the last few days, fears of rains in the Mississippi valley and the Eastern belt causing some trade buying. Liquidation seems about over. According to the monthly figures of Cotton Textile Merchants of New York, the production of cotton cloth in March amounted to 298,000,000 yards, against 293,000,000 yards in February. Sales during the month totalled 358,000,000 yards against 341,000,000 yards in February. Stocks on hand at the end of March amounted to 345,000,000 yards, against 373,000,000 yards at the end of February, and the unfilled orders totalled 505,000,000 yards, against 472,000,000 yards at the end of the preceding month. Spot sales for the week 4th to 10th, inclusive, are 31,000 bales, of which 16,620 are American, 1,250 Brazil, 500 Argentine, 5,000 Peru, 4,800 Egyptian, 1,700 African, 620 East Indian and 510 sundries. Imports for the same period are 59,299 bales, of which 26,651 are American, 2,022 Peru, 17,905 Egyptian, 3,038 African, 9,038 East Indian and 645 sundries. Quotations to-day are: American middling, 10·92; Egyptian Sakel, 18·90; Uppers, 12·70; Brazil fair, 11·12; Peru G.F. Mod-Rough, 13·00, Smooth, 11·87; West African middling, 10·97; and East African G.F., 12·30.

MANCHESTER, April 10.

The Manchester market during the past week has been dull. There has been a marked absence of practicable demand in yarn and cloth, and spinners and manufacturers have lost ground. The slack state of affairs has been largely due to nervousness with regard to raw cotton values and discouraging advices from the leading cloth consuming outlets abroad. The situation in India has caused much anxiety, and business has been confined to odd lines, chiefly in light cloths, prints and fancies. The prospects in China have met with a setback. The trade being done at the present time for the several minor outlets is not worth mentioning. Failing an early revival of buying, looms will soon be stopping work in considerable numbers. The sales of American yarn have been less than the output, and it is not difficult to obtain quick delivery for most counts and qualities. As anticipated, it has been decided to extend the short time in the Egyptian spinning section for a further four weeks.

Comparative Statement of the Cotton Trade.

	1929.				Corresponding Date.	
	Mar. 20.	Mar. 26.	Apr. 3.	Apr. 10.	1928.	1927.
	d.	d.	d.	d.	d.	d.
Raw Cotton—Mid. American .....per lb.	11·08	10·92	10·80	10·92	11·09	7·79
— Sakellaridis Fully Good Fair Egyptian .....per lb.	18·90	19·15	19·25	18·90	21·25	13·65
Yarns—32's twist .....per lb.	16	16	16	16	16½	12¼
— 40's weft .....per lb.	16½	16½	16½	16½	16¾	13¼
— 60's twist (Egyptian) .....per lb.	27	27	27	27	31	25
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	26 0	26 3	26 3	26 3	26 4½	23 9
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	28 3	28 6	28 6	28 6	28 6	26 6
32-in. ditto, 38 yds., 18 by 16, 10 lb.	15 3	15 4½	15 4½	15 4½	15 4½	13 0
39-in. ditto, 37½ yds., 16 by 15, 8½ lb.	14 0	14 0	14 0	14 0	14 3	12 3

OVER ONE HUNDRED YEARS OF SERVICE.
SCOTTISH UNION & NATIONAL
INSURANCE COMPANY.
ASSETS - - £14,500,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4, and 4, St. James's Street, S.W.1.

THE WOOL TRADE.

Our Bradford correspondent writes:—Buying in small weights for immediate requirements continues as in recent months, and although tops and yarns are being offered at prices well below replacement cost, users show no inclination to make provision for the future. There is an apparent determination to avoid carrying stocks, so that the risk of being caught by a fall in the market is reduced to a minimum. The absence of bulk buying is reflected in a somewhat sagging tendency in quotations. Some firms are unwilling to make further concessions in either tops or yarns, but others appear to be in need of orders and are prepared to concede a fraction. Generally speaking, neither spinners nor manufacturers seem to have much confidence in the future, but it is just possible that they may be taking too pessimistic a view of the outlook. It should be remembered that stocks are not large for the time of year, and there is a possibility of supplies being on the short side before the next season's clip is marketed. In the meantime, matters of more immediate concern are the result of the recent Safeguarding application and the present wages dispute. No doubt the uncertainty regarding the Safeguarding question is holding up business in some quarters, and the opinion is held by some traders that the rejection of the application may lead to increased activity of Continental users in the raw wool markets. With regard to the wage reductions in the Heavy Woollen District, the general belief is that serious trouble will be avoided, and that the action taken by certain manufacturers will ultimately lead to a new wages agreement for the whole industry.

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

Though manufacturing conditions in various parts of the world are none too good, the position of wool is remarkably sound, and as the end of the Australian season approaches the future seems fairly well assured. There is no probability of an excessive weight of wool having to be carried forward when the last sale has been held. The indications are rather that wool will not be plentiful between now and the time when the next new clip begins to come forward in bulk. There will, of course, be some early shorn clips from Australia coming on to the market which will fill a very useful place, but the curtailment of the selling season during recent years has been by no means the least serious of the problems which have had to be faced. The buying of the bulk of the world's clip in a comparatively short period has naturally imposed big financial responsibilities upon those handling it, and it is really remarkable how this situation has been dealt with. Cable information received from Australia by importing topmakers shows that there is no evidence of the reactionary tendency which usually develops towards the end of the season. That steady wool values are needed will be fully conceded by everyone who knows the state of affairs in manufacturing circles in this country and on the Continent. Merino wool is at a fairly reasonable price, and outlets for crossbreds are being found which justify the confidence shown in this description. Russian buying does not yet appear to be finished, and if further sales of crossbreds can be made to that destination it will be a valuable help in relieving Bradford merchants of their stocks. The question of payment is vital, but some firms here are prepared to do the business, and as there are tremendous manufacturing needs in the country there will no doubt be opportunity for shifting increasing weights of both merinos and crossbreds.

Included in the news recently received from Australia is the intimation that excellent rains have fallen over pastoral areas, particularly Queensland and New South Wales. The drought in Queensland has evidently been completely broken, except in the Far West, and as this is not an important wool-growing district, the health of the flocks generally and the acceptability of the forthcoming clip is fairly well assured. The Queensland clip in particular should be better than the last, and the Australian clip as a whole, though not likely to be any bigger than last year, will probably be somewhat finer.

HIDE, LEATHER AND ALLIED TRADES.

Although conditions remain difficult, there is a rather better feeling in trade circles as quite a good clearance of boots and shoes was made before the Easter holidays. This has led to an influx of orders to shoe manufacturers, who have in turn been obliged to buy more leather. The market hide position still seems a little uncertain, though it is a good sign that at recent auctions no decline in values has been registered, in spite of the conservative attitude of tanners. Foreign hides show little alteration in the standard classes, but a few ordinary sorts have slightly weakened in the face of a poor demand. South American fregorifics, however, remain very firm, and as supplies are becoming shorter, no further reduction is expected as the United States and the Continent are buying. Current quotations for best Argentine ox are 9½d. Dry hides are erratic, B.A. Americanos now offering at 13½d., as against 14d. a week ago. African hides have advanced, and 13⅜d. is quoted for first dry salted Capes, seconds a penny less. Australians are also a shade lower, Queensland meatworks hides now selling at 10¼d. Latest cables from Chicago report the position as steady with best heavy packers now selling at 15 cents.—an advance of a cent. on last week's prices. The demand for sole leather has certainly improved, and fair-sized quantities of light and medium bends have gone into consumption. Tanners seem less inclined to offer concessions, but merchants who bought heavily some time ago, are clearing stocks at less money and cutting their loss. Rough hides are firmer and advances are again asked for split hides. Trading in upper stock remains rather quiet, although there are signs of improvement as orders for willow and box calf have come along more regularly. Patent has fallen rather flat, but glacé in black, brown, and a few fancy shades has moved off well. Curriers are still rather slack on kip leathers, but dressers of clothing leathers seem busy.

JUTE TRADE.

DUNDEE, April 10th.

The jute trade is in a state of depression. Buyers of yarns and cloth are not inclined to operate in view of an easier trend in raw material values, and prices are all more or less nominal in the absence of a test. Spinners and manufacturers are not yet forced to quote lower terms to induce business, as they are still fairly well supplied with orders to complete for a few weeks. The position of the raw material is very uncertain. While prices are declining as the result of good weather reports of the new crop, which is in course of being sown, sellers of the old crop are not free with their offers to this market, and in the majority of cases prices are nominal. Good First Marks and Lightnings might be bought at £36 and £34 respectively for April/May shipment, and Daisee assortment is nominal at £33 and Tossa assortment at £34 for same shipment. New crop was offered at the end of last week at £37 for First Marks and £35 for Lightnings, but less would now be taken for August–September shipment. There are, however, no actual quotations in the market. Some private messages from Calcutta state that the new crop when completed is expected to be about the same size as that of the present season. To the end of March, 9,525,000 bales were accounted for for the first nine months of the season, compared with the Government final forecast of 9,916,000 bales for the whole season. The remaining supply of fibre held up-country is stated to be very small, but there seems to be little doubt about the forecast figures being again exceeded for the season. The course of the whole market during the next three or four months will be very anxiously watched by the trade. Buyers of jute yarns are displaying so little interest that the market is practically idle, and prices are not being tested. Spinners continue to quote 3s. 7d. for common 8 lb. cops and 3s. 8d. for 8 lb. spools, though no doubt something less would be taken if business were offered. The same applies to all other qualities. Twist is at 5⅜d. for 3-ply 8 lb., and sacking yarns at 4d. for 24 lb. weft and 5⅛ for 8 lb. chains. Rove is not quoted at less than £28 for 48 lb. and £18 for 200 lb., but fairly large quantities can be bought at 5s. to 10s. less. Fine yarns are firm and carpet descriptions are quoted at 5⅜d. for 14 lb. warp. Manufacturers are only selling very small quantities of cloth at from 4⅜d. for 10½ oz. 40-in. hessians and 3½d. for 8 oz., but 1/16d. less would not be refused for a respectable order. Linoleum hessians are dull and nominal, while heavy goods are very slow. Makers of the latter are putting off machinery. Calcutta goods have declined sharply owing to lack of demand.

VEGETABLE OILS AND OILSEEDS.

Markets generally are not very active and business is small in volume. Notwithstanding easier prices the demand for linseed oil by consumers continues poor and the market is only barely steady around £28 5s. per ton, naked ex Hull mill for April delivery with later positions at a premium advancing to £29 for September-December. Cotton oils are neglected. Crude Egyptian offers at £27 5s. and common edible at £30 15s. for prompt and May-August, ex Hull palm kernel oil is steadier but rape oil easier on better supplies. In the oilseed section linseed has been in some demand in near positions and is firmer, £16 to £16 2s. 6d. being demanded for Plate on spot and on passage. For seed now shipping down to £15 16s. 3d. has been accepted, and for May-June £15 15s. More interest is evinced in the new Indian crop and Calcutta to London passage to Europe at 146,600 tons is now within moderate compass. Cotton seed is easier and black Egyptian for April loading to Hull has declined to £9 8s. 9d. (actual business done). Soya beans are dull and a small trade to the Continent has been done at £11 2s. 6d. April shipment. Oilcakes are in less demand as the open weather approaches.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—Pending the Budget announcement, it is quite evident that no improvement in consumption requirements is likely to occur. In fact, manufacturers and distributors alike are working their stocks down to the lowest possible ebb. Previous prices held good for all spot sugars. American centres were quiet but fully steady. Slight weakening in the Java markets is partly accounted for by the fact that stocks in India have shown decided augmentation of late; a good deal of sugar from Europe also has yet to be taken up. The sale has taken place from second-hands of a steamer cargo T.L. British granulated, 6,500 tons afloat to India at 12s. c.i.f. terms, a figure which compares most favourably with the 12s. c. and f. paid for German and Belgian crystals. In these circumstances prospects of early new crop Java are by no means roseate. White Java, May-June, to Europe, quoted 11s. c.i.f. Cuban, 96 per cent. May sellers, 9s. 1½d.; June 9s. 3d. c.i.f. U.K. Terminal sections fully steady, and chief feature extensive transactions in the August position of raw. May sold 8s. 5½d.; August, 8s. 11½d.; December, 9s. 5½d.; White, may sellers, 11s. 1½d.; August, 11s. 9d.; December, 12s. 1½d. cwt. Cuban receipts last week totalled 185,431 tons, against 159,827 last year; exports, 135,720, against 114,915; stocks, 1,345,590, against 1,227,078; central workings, 141, against 111. Stocks of raw sugar in the three chief ports of the United Kingdom for the week ending April 6th amounted to 142,770 tons, against 109,529 last year.

COFFEE.—The market presented a quiet appearance during the week. Progress with offerings in auction was slow; but where business resulted prices manifested no material change. Costa Rica fine bold colory sold 159s. 6d. and faded greenish from 123s. to 145s. Peas reached 171s.; Vera Paz, fine bold hard grey, sold 161s. 6d.; Kenya dull, faded 130s. to 131s.

COCOA.—Market quiet and featureless on spot. Forward easier with realisations in force. Accra F/F, April-June, sold 43s. to 42s. 6d.; mid-crop, 41s. 6d.; October-December, 45s. to 44s. f.o.b. Terminal; July sold, 48s. 6d. to 47s. 6d. and 47s. 7½d.; September, 49s. 9d. to 49s.-49s. 3d. and 49s.; December, 49s. 9d. to 49s. and 49s. 1½d.; January, 49s.

TEA.—Indian auctions during the week totalled 53,012 packages. These met a good general demand, and previous prices were not only fully maintained but frequently improved upon. Ceylon sales of 27,064 packages also accorded active support, particularly from one prominent operator, and prices ruled firm to occasionally dearer, while improved quality was keenly appreciated by buyers. Java sales met a good demand at irregular prices.

RICE.—Market still very dull and prices in most cases favour the buyer. Two Stars, Rangoon, spot London, 13s. 9d.; old crop, 13s.-13s. 3d.; April-Mary, sellers, 12s. 9d. c.i.f. Spanish oiled, April-May, 18s. 6d.; Egyptian, 18s. c.i.f.

BEANS.—There is no apparent revival in demand, but sellers are equally reserved and prices fully maintained. Parcels arrived ex "Clan Macintosh" held for 42s. 6d. ex store, and per "Clan Macauley," due middle May, sellers, 39s. 9d. c.i.f. Rangoon haricots, quiet. March sellers, 21s. 3d.; April 15th, 19s. 6d.; April, 18s. 9d.; May, 17s. 9d. cwt. c.i.f.

PEAS.—With competition still felt from Dutch varieties, certain weakness is observable in this market, though buyers are decidedly more prominent. Japanese, afloat, 18s. 9d. to 20s. 6d., as to position of steamer; February-March, 19s.; March-April, 18s. 7½d.; April-May, 18s. 4½d.; May-June, 18s. 3d. c.i.f. Dutch marrowfats, 22s.; imperial blues, 19s. 6d.; small blues, 18s. f.o.b. There is moderate interest shown in Maples. Tasmanian new crop, afloat, sellers, 68s. 3d.; April, 68s. 3d., with buyers at 67s. 6d. No. 1 New Zealand, March-April, 61s. 6d.; April-May, 61s. per 504 lb. c.i.f. terms.

SPICE.—Pepper met a quiet demand, and forward positions moved slightly against the seller. Lampong, March-May, quoted, 1s. 2¾d.; May-July, 1s. 2½d.; August-October, 1s. 1½d. Muntok white, March-May, 2s. 0½d.; May-July, 1s. 11¼d.; August-October, 1s. 9½d. lb. London stocks of black reduced 100 tons on the week, but white increased by 72 tons. Cloves, quiet, unaltered. Sago flour, near, 11s. 6d.; forward, 11s. 7½d. cwt. c.i.f. Tapioca, dull, unaltered. African ginger, spot, 53s.; April-May, 49s. 6d. cwt. c.i.f.

FRUIT (Dried).—Currants. Market firm, with a fair business passing. Pyrgos, quoted, 45s. 6d.-46s. 6d.; Amalias, 46s.-46s. 6d.; Zante, 47s.; Vostizza, 50s.-55s.; Patras and Gulf in limited supply. Sultanas: Smyrna is moving off in fair quantities, medium to fine, 46s.-53s.; Cretan, 44s.-72s.; Greek, 40s.-55s.; Australian, quiet, and range from 38s.-46s. Raisins, dull; Valencia, quarter boxes, common to good, 46s.-52s.; Lexias, 32s.-36s.; Australian and Cape, neglected. Figs, quiet, with remaining stocks of indifferent quality. Genuine, spot, 28s.-31s.; Dates, steady; Hallowie, spot, 25s.-30s.; Khedrowie, 21s.-23s.; Siar, 14s. 6d.-16s. 6d.

EVAPORATED FRUITS.—Market firm with improved inquiries especially for plums and apricots, and sellers more reserved. Californian plums, 20's-30's, 65s.-66s.; 30's-40's, 56s.-57s.; 60's-70's, 43s.-44s. Pears, Lake County, 75s.-100s.; Apricots, South African new crop, Royal, 57s. 6d.-117s. 6d.; Cape, 72s. 6d.-82s. 6d.; Californian, 85s.-117s. 6d.; Australian, 75s.-85s. Peaches, Californian, choice, 52s.; extra choice, 54s.; fancy, 58s. Apples, Californian, spot, sliced, extra choice, 65s. Almonds, dull and tone weak. Mazagan, 127s. 6d.; Mogador, 127s. 6d.; Majorcas, 130s.; Bitter-Jordan, 185s.-210s. cwt.

CANNED GOODS.

CANNED FRUITS.—The general position remains fuliy steady, and increased inquiries are circulating from distributors. Prices tend dearer for apricots and pears, while peaches realise fully late

SECURITY FIRST
ROYAL
INSURANCE COMPANY, LIMITED
HEAD OFFICES: LIVERPOOL AND LONDON.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 3, N. Man. 496 lb....	48	9
Eng. Gas. av., per cwt.	9	9
Barley, Eng. Gas. av.	10	1
Oats, " "	9	8
Maize, La Plata, landed, 480 lb.	42	0
Flour, Lon. stan. ex mill, 280 lb.	35	6
Rice, No. 2 Burma, per cwt.....	12	10½
Sago, pearl, per cwt. 22	3	22 6
Tapioca, per cwt.—		
E.I. flake, fair spot 21	0	21 6
Medium pearl 20	0	21 0
Potatoes, good English, per ton... 120	0	130 0
MEAT—	s.	d. s. d.
Beef, per 8 lbs.—		
English sides.....	5	8 6 4
Argentine chilled hinds...	5	8 6 2
Mutton, per 8 lbs.—		
English wethers	6	0 7 8
N.Z. frozen "	3	10 5 4
Pork, English, per 8 lbs. ...	10	0 12 8

OTHER FOODS.

BACON—Irish .....per cwt.	126	0 140 0
Danish.....	119	0 124 0
Canadian.....	118	0 120 0
Dutch	114	0 119 0
HAMS—Irish.....	0	0 0 0
Canadian.....	0	0 0 0
American	112	0 120 0
BUTTER—		
Irish creamery per cwt.	0	0 0 0
Australian	146	0 162 0
New Zealand	148	0 168 0
Danish.....	165	0 166 0
CHEESE—		
Canadian ..... per cwt.	96	0 112 0
New Zealand	87	0 90 0
English Cheddars	130	0 144 0
Dutch	43	0 90 0
COCOA—		
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)		
Accra f.f., per cwt.	50	0 51 0
Trinidad	64	0 70 0
Grenada	50	0 60 0
COFFEE—		
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)		
E.I., good to fine, per cwt.	147	0 160 0
Costa Rica, good to fine...	155	0 186 0
Cent. Amer., mid to fine	130	0 150 0
Kenya, bold sizes	130	0 150 0
Colombian, mid to fine...	127	0 145 0
EGGS—		
English ..... per 120	12	3 14 0
Danish.....	11	9 14 3
FRUIT—		
Oranges, Denia & Val. 300	15	6 25 0
" " 360	16	0 21 0
" " 504	16	0 20 0
Jaffa ..... boxes 144	15	0 18 0
Lemons, Naples boxes	0	0 0 0
Sicilian ..... boxes	10	0 13 0
" .....cases	13	0 120 0
Murcia ..... half cases	0	0 0 0
Malaga ...cases 420 No. 1	0	0 0 0
Apples: Amer. (var.) bris.	20	0 35 0
(var.) boxes	9	0 13 0
Onions, Valencia :—		
case 4s.	00	0 00 0
case 5s.	00	0 00 0
" Egyptian, bag	5	0 8 0

	s.	d.	s.	d.
FRUIT (*continued*)—				
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....bris.	0	0	0	0
LARD—				
Irish bladders.....	66	0	72	0
American boxes 56 lbs.	64	6	63	6
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	2½	0	0
Black Lampong	1	4½	0	0
Cinnamon—1st sort, per lb.	2	3	0	0
Cloves—Zanzibar per lb.	1	5½	0	0
Ginger—per cwt.—				
African	53	0	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	2	9	3	10
Nutmegs 65's	1	9	1	11
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	21	6	23	6
Java, white, c.i.f. India, July-Sept.	12	1½	12	3
REFINED—London—				
Yellow Crystals	21	10½	0	0
Cubes	26	0	26	6
Crushed	24	9	25	3
Granulated	23	0	23	10½
Home Grown (prompt)	22	3	22	4½
TEA—				
(Duty 3½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	1	1½	2	4½
Broken Pekoe	1	1½	2	7
Orange Pekoe.....	1	2½	3	3
Broken Orange	1	3½	2	8½
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	4½	1	0

TEXTILES.

	£	s.	£	s.
COTTON—		d.		
Mid-American .....per lb.		10·92		
Sakellaridis, f.g.f.		18·90		
Yarns, 32's twist		16		
60's twist		27		
FLAX—				
Livonian ZK .....per ton	89	0	0	0
Pernau HD.....	80	0	0	0
Slanetz Medium 1st sort	87	0	0	0
HEMP—				
Italian P.C. ..... per ton	63	0	0	0
Manila, Apr.-June "J2"	37	0	37	10
N.Z.			nom.	
JUTE—				
Native 1st mks....per ton				
Apr.-May	31/15/0		0/0/0	
May-June	32/0/0		0/0/0	
SILK—	s.	d.	s.	d.
Canton .....per lb.	17	0	19	0
Tussah.....	8	0	10	0
Japan	21	0	22	6
Italian—Raw, fr. Milan	21	0	23	6

	s.	d.	s.	d.
WOOL—				
English Southdown, washed per lb.		26		
" Lincoln hog, washed		17½		
Queensland, scd. super cmbg.		41		
N.S.W. greasy, super "		23		
N.Z., grsy., half-bred 50–56		20		
Crossbred 40–44		15		
Tops—				
Merinos 70's		46		
" 64's		43½		
Crossbred 48's		25		
" 46's		23		

MINERALS.

	£	s.	£	s.
COAL—		d.		d.
Welsh, best Ad'ty...ton	21	6	22	0
Durham, best gas	15	6	16	0
Sheffield, best house ...	21	0	22	0
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	67	0	0	0
Bars, M'brough 205		0	0	0
Steel Rails, heavy.....170		0	0	0
Tin Plates, I.C., per box	18	3	18	9
METALS—	£	s.	£	s.
Copper, Electrolytic, ton	95	0	110	0
Sheets (strong) 138		0	0	0
Standard	77/15/0		78/0/0	
Lead Eng. Pig ... per ton	25/0/0		10/0/0	
Soft Foreign	23/17/6		23/10/0	
Spelter G.O.B.	26/12/6		26/7/6	
Tin—English ingots ...	208/10/0		209/0/0	
Standard, cash	208/7/6		208/10/0	

MISCELLANEOUS.

	s.	d.	s.	d.
CHEMICALS—				
Acid, citric, per lb. less 5%	2	1	0	0
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	0	9	10
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	8	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3½	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	28	0	28	10
CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
S.D. Straits, c.i.f., per ton April-May	£22/7/6		0	0
DRUGS—				
Camphor—	s.	d.	s.	d.
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	0	14	6
Peppermint, Wayne Co....	14	6	14	9

	s.	d.	s.	d.
HIDES—				
Wet salted—Australian per lb.	0	5½	0	7
West Indian	0	4	0	7
Cape	0	6	0	7½
Dry and Drysalted Cape...	0	9	1	0½
Market Hides, London—				
Best heavy ox & heifer	0	7	0	7½
Best cow	0	6½	0	6½
Best calf	1	10½	1	1½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.— per lb.	1	4	2	4
Bark Tanned Sole	2	6	3	3
Shoulders fm DS Hides	0	11	1	1½
Do. Eng. or WS do.	1	2	1	8
Bellies from DS do.	0	8	0	10
Do. Eng. or WS do.	0	10	1	3
Dressing Hides.....	1	6	2	0
Ro. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Sides	1	0	1	5
VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	29	5	0	0
Rape, refined	43	10	0	0
Cotton-seed, crude	28	0	0	0
Coconut, crude.....	35	0	0	0
Palm	33	15	36	10
Oil Cakes, Linseed, Eng., per ton	12/12/6		12/17/6	
Oil Seeds—Linseed—				
LaPlata, p.ton Apr.-May	15/18/9		0	0
Calcutta, p.ton Apr.-May	18/2/6		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	42	9	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	13/10/0		34/5/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	17	10	24	15
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	11	0	0
Fine Hard Para per lb.	1	0	0	0
SHELLAC—	£	s.	£	s.
TN Orange ... per cwt.	185	0	187	6
SHELLS—	£	s.	£	s.
W. Aust. M.-o.-P. "	4	0	12	10
TIMBER—	£	s.	d.	
Swedish u/s 3 x 8 per std.	19	0	0	
Do. 2½ x 7 "	19	0	0	
Do. 2 x 4 "	19	0	0	
Can'dn Spruce, Dis. "	17	10	0	
Pitchpine ..... per load	9	0	0	
Rio Deals ..... per std.	32	0	0	
Teak ..... per load	20	0	0	
Honduras Mahg. logs c. ft.	0	11	0	
African "	0	6	0	
American Oak Boards "	0	6	0	
Do. Ash "	0	5	0	
English Oak Planks "	0	7	0	
Do. Ash "	0	6	0	

rates. Singapore pines slow of sale, both spot and for shipment, and trend of values favour buyers. Tomatoes, firmly held, but transactions somewhat restricted.

CANNED FISH.—General tone firm and business improving. Sardines, Portuguese clubs, quoted, 5s. per dozen tins. Lobsters, largely nominal on scarcity. Best halves, 140s.-145s.; and quarters, 77s. 6d.-87s. 6d. Salmon: Red, talls, spot, sold, 43s.-45s. 6d.; pink talls, 26s.-27s. 6d.; halves, 33s.-35s. Japanese crab, finest quality, 97s. 6d.-100s.

CANNED MEATS.—Corned beef slow of sale, but ox tongues held for full rates owing to limited offerings. Lunch tongues firm and business active in forward contracts. Cases of 12 by 6 tins quoted 107s. 6d. dozen. Tinned hams also sell readily forward, on the basis of 1s. 7d. lb. ex-wharf London.

CONDENSED MILK AND MILK POWDERS.—Market quiet. Full cream, sweetened,—English, spot, 45s.; Dutch ditto, 38s.; April-June, 37s. 6d. Machine skimmed, sweetened,—English, spot, 27s. 6d.; Dutch ditto, 23s. 6d.; April-June, 23s., all in 5-cwt. barrels. Powders, spray process, F.C. 26 per cent., 2 by 56 lb. tins, crated, 88s., M.S. (1 cwt. cases), 40s., Roller, ditto, F.C., 26 per cent., 77s. 6d.; M.S., 28s. 6d., all nett, duty paid ex-wharf London. On the Grocery side: F.C.S., 21s.; M.S.S., 9s. 9d., basis per case, usual packing. Danish cream,—Evaporated, unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d. Condensed, sweetened, 48 by 14 oz., 20s. per case.

HONEY.—Firm and in demand. Jamaican pale amber quoted at 48s.-51s.; manufacturing grades up to 47s. New Zealand, dark amber, 50s.-55s.; medium, 55s.-65s.; light, 65s.-85s.; whites and water whites, 65s.-87s. 6d. cwt.

RUBBER.

A quiet and featureless market, and just now there is very little interest shown, either on consumption or speculative account. American consumption figures for last month are expected at a high level, in some directions 49,000 tons is spoken of, but 44,000 would appear to be the popular figure. Standard sheet, spot and April sold, 11d.-10⅞d.; May, 11⅛d.; June, 11⅛d.; July-September, 11⅛d.-11⅜d.; October-December, 11⅜d.-11⅝d. lb. London stocks, 857 tons up on the week. Landings, 1,952; deliveries, 1,095; stocks, 28,934, compared with 58,732 at corresponding period last year. Liverpool stocks 9 tons up at 4,442; landings, 147; deliveries, 138.

GENERAL.

JUTE.—Market steady, moderate demand. Firsts April-May sold, £32; May-June, £32 5s. Lightnings, April-May, quoted, £31 5s. ton.

HEMP.—A fair demand for Manila descriptions and market on the firm side. J.2, April-June buyers, £37; K, £33 5s.; L.1, £33 10s.; M.1, £30 5s.; M.2, £26 10s. ton. Sisal, quiet, but fully steady. Manilla receipts for the past week, 31,000 bales, against 21,000 last year; estimate for next week, 34,000; and following week, 28,000. Shipments last week, 19,000 bales to Europe; 18,000 U.S.A.; 1,000 Japan; 1,000 Australia. Local stocks, 8,000 bales down at 205,000.

SHELLAC.—Quiet and easy. T.N. spot 187s. 6d., May sold 180s., August, 184s.-182s. cwt.

COPRA.—Market very dull. Straits S.D. April-May, Rotterdam, quoted, £22 7s. 6d.; June-July, £22 10s.; Ceylon, May-June, £23 15s. South Sea, unaltered. Palm kernels, May-June, £18 ton.

MISCELLANEOUS.—Coconuts quoted 18s. to 24s. per 100. Coir yarn, Ceylon, £19 to £38 10s.; Cochin, £22 10s. to £40; Ceylon bristle, £18 15s. to £25 10s.; cinnamon leaf oil, 5½d.; citronelle, Ceylon, 2s.; Java, 2s.

METROPOLITAN CATTLE.—April 10.

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

	s.	d.	s.	d.		s.	d.	s.	d.
Beasts—Norfolk	6	4	6	8	Beasts—Heavy Bulls	...		...	
Irish	...		...		Canadian	...		...	
Cambridge.....	...		...		Sheep—Downs	8	0	10	0
Short Horns	...		...		Half bred	...		...	
Herefords	6	2	6	4	Ewes	5	4	5	8
Devons	...		...		Scottish	...		...	
Leicester runts	...		...		Lamb—Downs	12	0	13	0

LONDON POTATO MARKETS.—April 10.

	Per Cwt.			
	s.	d.	s.	d.
English King Edward—Lincoln	6	0	6	6
White varieties	4	0	4	6

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, APRIL 20, 1929. No. 4,469.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

(*Established in* 1824.)

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

Marine Department: 2-6, Billiter Square, London, E.C.3.

ASSETS EXCEED £30,000,000.

THE ALLIANCE GRANTS INSURANCES OF ALL KINDS.

LIFE DEPARTMENT.

INCREASED INTERIM BONUSES ALLOWED on Participating Policies.

Assurances granted with DISABILITY BENEFITS. Children's Educational Policies and Deferred Assurances.

For full information apply to the Head Office or to any of the Offices or Agents of the Company.

CHRISTIANIA BANK OG KREDITKASSE

OSLO.

Established 1848.

Paid-up Capital and Reserve Funds,

Kr. 40.000.000.—.

Oldest Norwegian Joint Stock Bank. Direct correspondents throughout the country. Offering complete services to banks and firms doing business on Norway.

Correspondence invited.

CREDITO ITALIANO

Capital Subscribed - - -	Lire 400,000,000
Capital Paid-up - - -	Lire 354,777,700
Reserve - - - - -	Lire 210,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES AND CORRESPONDENTS THROUGHOUT ITALY.

London Branch: 2 ROYAL EXCHANGE AVENUE, E.C. 3.

Transacts a general Foreign Banking Business.

STERLING DRAFTS AND DOCUMENTS ON ITALY COLLECTED ON SPECIALLY FAVOURABLE TERMS.

CORRESPONDENT OF THE ROYAL ITALIAN TREASURY.

Telegrams: "Italocredi, London."

Telephone: Avenue 3031-4.

TABLE OF CONTENTS.

The Money Market	833
Leading Articles—	
The Budget and the Sinking Fund.....	835
An Analysis of the Budget Accounts.....	836
The Conservative Programme.....	838
President Hoover and Armaments.....	838
Industrial Profits.....	839
A Newly-discovered Race	841
Notes of the Week—	
Mr. Snowden's Indiscretion	842
Reparations.....	842
The Grand Coalition in Germany.....	842
Peace in Sight in Mexico	843
Mr Churchill's Faulty Logic	843
Mr Hoover on Tariffs. ...	843
The Indian States Committee	843
The Preparatory Commission for Disarmament..	844
The French Vaccination Order.....	844
The League's Economic Activities	844
A Quarter's Overseas Trade	845
Taxable Wealth.....	845
A Quarter's Shipbuilding	846
Iron and Steel Production in March	846
Cotton Yarn Association, Limited	846
Employment in March....	847
Cost of Living	847
Co-operative Trade Position	847
Foreign Trade of the United States.....	848
The American Invasion of Europe	848
New Zealand's Economic Problems.....	848
Insurance Notes—	
Eagle Star and British Dominions	849
Atlas Assurance Company	849
Legal and General Assurance Society, Ltd.....	850
London Assurance.....	850
Caledonian Assurance Co.	850
Canada Life Assurance Co.	851
Scottish Union and National Insurance Co....	851
Co-operative Insurance Society, Limited	851
World Marine and General Insurance Co.....	851
Sea Insurance Co., Ltd....	852
Oversea Correspondence—	
United States.....	852
France.....	853
Germany.....	854
Holland	855
Sweden.....	855
Canada.....	856
Argentina	857
Letters to the Editor—	
New Capital Issues and Real Capital	858
Books and Publications—	
Combines and American Law	858
Books Received.....	858
The Stock Exchange—	
The Finances of the British Film Industry	859
The Week in the Markets	860
Foreign Stock Exchanges	861
The Stock Markets and the Budget	862
United Steel Offer.....	862
Rubber Company Profits	863
Harland and Wolff	863
Cammell Laird	863
Babcock and Wilcox.....	864
Hong Kong and Shanghai Banking Corporation...	864
Imperial Chemical Industries	864
Southern Pacific	865
San Paulo Railway	865
"Administratiekantoren" Certificates: A Warning	865
Imperial Tobacco — A Correction	865
Company Meetings of the Week	865
Indian Gold Mining Results	866
Rio Tinto	866
Rezende	866
Transvaal Consolidated Land	866
Capital Issues.....	866
Summary of Balance Sheets	868
Dividend Announcements	868
Company Meetings	869
Government Returns, &c. ...	881
The Bankers' Gazette—	
Bank of England	882
Bankers' Clearing Returns	882
Overseas Bank Returns...	882
Loan and Discount Rates	884
Rates of Exchange	884
Bullion.....	885
Gold and Silver Prices ...	886
Transvaal Gold Output Statistics	886
Weekly Traffic Returns:..	887
Profit and Loss Accounts	887
Reports and Notices.....	888
Commercial Reports—	
The Corn Trade	889
American Wheat Markets	889
The Coal Trade	890
Iron and Steel	890
Other Metals	890
The Cotton Trade	891
The Wool Trade.....	891
Colonial Wools	891
Hide and Leather Trades	891
Vegetable Oils and Seeds	892
Overseas Produce	892
Overseas Trade Returns	894
Prices Current	896

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d. Colonies and Abroad, £3 1s. 0d. per annum.

Single Copies, post free, 1s. 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4

THE MONEY MARKET.

Rather to the surprise of the market, money this week proved relatively easy, and discount rates showed a definite downward tendency. After the ease of the preceding week it had been anticipated that steps might be taken to stiffen conditions early in the week, and as a result the majority of applications for Treasury bills lodged on Friday, April 12th, were for bills to be paid for towards the end of the ensuing week. These anticipations proved unfounded, and as few payments had in consequence to be made early in the week, easy conditions prevailed. On Wednesday, April 17th, short money was readily obtainable at 4¼ per cent., and even as late as Thursday the rate was very little stiffer.

* * * *

Discount rates, too, have sagged to a marked degree, and on Wednesday many bills changed hands at rates as low as 4⅞ per cent. The three months' rate was naturally not quite so low, but 5 3/16 per cent. was on Thursday the highest rate mentioned in the market, and even this figure means a spread of 1/16 per cent. between market rate and Bank rate. It seems difficult to believe that a margin of this size can be allowed to persist if Bank rate is to remain effective, but it must equally be recognised that this week several factors have combined to force the discount rate down.

* * * *

Firstly, it is stated that American money is definitely returning to London and is being invested in sterling bills. Next, there is at present a fair Continental demand for bills. This is partly to replace current maturities, but it is significant that, contrary to the usual experience of the market, some Treasury bills are at present passing into the hands of foreign holders. It is also suggested that some bills are being bought on behalf of foreign Central Banks. Finally, there is a certain shortage of three months' bills, and when all these factors are taken into account it is possible to see why the three months' bill rate has fallen.

* * * *

The market has taken some interest in Mr Churchill's hint of the possibility of lower money rates, and inquiries have been heard as to whether he knows anything of the intentions of the Bank. On the whole, it seems unlikely that he was speaking with any definite knowledge. It is fair to recall that for several years in the past he has under-estimated the annual cost of the service of the National Debt, and this suggests that he was expressing little more than a hope. On the main question of whether or not an early reduction in Bank rate is likely, opinion now leans to the view that the 5½ per cent. rate will last for at least the larger part of the year. Nothing in the outlook to-day suggests that the rate could be brought down to 4½ per cent. by August, especially as no change seems likely before polling day, and it seems worse than useless to bring it down by a half point in the summer, if that would mean an increase of a whole point to 6 per cent. in the autumn.

	Apr. 18, 1929.	Apr. 11, 1929.	April 4, 1929.	Mar. 27, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5½	5½	5½	5½	4½ (Feb. 7,'29)
Banks' Deposit Rate ...	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
Houses { Notice.....	3¾	3¾	3¾	3¾	2¾ (Feb 7,'29)
Market rate (3 months' bills)	5 5/16	5 5/16	5 5/16 – ⅜	5 5/16 – ⅜	...

The Bank return shows a further increase of £789,000 in the Bank's gold stocks, which now stand at £156,272,000, and as £3,190,000 of notes have returned from circulation, the banking department's reserve has risen by £3,979,000. The other major changes are declines of £3,120,954 in bankers' deposits and of £4,696,000 in Government securities. Discounts and advances, too, have fallen by £1,643,000. It seems as if the Bank had taken some steps to stiffen up conditions, but either that these have proved inadequate, or else that the Bank felt that it had done enough. It will be interesting to see if further steps are being taken during the current week.

NEW YORK MARKETS.

Our New York correspondent cables:—Brokers' loans are down two millions. This is the fourth consecutive week of decline, which now aggregates $368 million since the latest Federal Reserve warning. However, member bank borrowing is on the upward trend again, while the Reserve is still reducing bill holdings and the probability of a discount rise still exists. An additional $13 million gold has been released from the earmarked reserves held on account of the Bank of France, and is believed to be for German account. Business pace is well maintained and corporation earnings for the first quarter are uniformly better than a year ago. The Bureau of Labour commodity price index for March is ¾ per cent. higher at 87.5. The rise is due for the most part to farm products.

THE STOCK MARKETS.

The Budget exercised but a negligible influence on the stock markets. The National Debt calculations of the Chancellor were not corroborated in the gilt-edged market, but their effect was outweighed by favourable monetary factors. Home rails were dull after the Budget speech, the passenger duty remission having been foreseen and discounted. Nothing occurred to induce fresh activity in industrial shares, the coming elections continuing to weigh heavily on the markets. Rubber shares were reactionary on the weakness of the commodity. Profit-taking in tea shares followed the announcement of the repeal of the Customs duty. Oils were quiet in the absence of interest, either domestic or foreign, amateur or professional. Kaffirs were similarly neglected, while Rhodesians became less active in view of pending appeals for new capital. Tin and copper shares were more steady following the partial recovery in base metal prices.

THE COMMODITY MARKETS.

Reports this week are again somewhat varied. Coal prices are showing a downward tendency, though the decline has not yet spread to South Wales. Most branches of the iron and steel trades are fairly well employed, and the improvement in pig iron is maintained. Tinplates are firm. Other metals showed some irregularity early in the week, but the close was steadier. Except for a slightly improved demand for piece goods in a few markets, the situation in the cotton trade is unchanged. In spite of greater stability in wool values, Bradford trade is still far from active, though the tone of the market is fairly good. Hides are still dull, but there is a slightly improved demand for leather. Vegetable oils and oilseeds are steady. The tendency of wheat has been very slightly upward.

THE FOREIGN EXCHANGES.

No great activity was visible this week, but some currencies were again irregular. Sterling maintained its strength against New York at 4.85 19/32, after being 4.85½ on Monday. Montreal was a shade firmer at 4.89⅛. Paris lost two points at 124.27 after touching 124.29. Milan, after some hesitations, settled down four points better at 92.70, and Madrid was again erratic, going on balance from 32.70 to 32.82. Continued dear money rates brought Amsterdam from 12.09½ to 12.08⅜. Berlin, after being as high as 20.46 and as low as 20.48, lost ¼ point on balance at 20.47¼. Switzerland moved against us once more, gaining ⅜ at 25.21⅛. Stockholm improved suddenly from 18.18¼ to 18.16, but reacted at the close to 18.17. Of the Central and South American exchanges Mexico showed further improvement with news of Federal successes against the rebels, and went from 10.25 to 9.95—10.5. Rio gained 5/64d. at 5 7/32d., but Montevideo lost ⅛d. at 49d. In the Far East the rupee and yen were both easier at 1s. 5 15/16d. and 1s. 9 15/16d. respectively. In the forward market U.S. dollars were more on offer at wider discounts of 9/32 and a ¼ cent, but francs were in rather better request at enhanced premiums of 8 centimes and 17 centimes. Milan went from 6 and 16 centesimi discount to 14 and 29 centesimi discount for the two periods, but forward pesetas were rather better at slightly higher premiums of 11 centimos and 32 centimos for one and three months. Silver rose by 1/16d. both spot and forward to 25⅛d., with small demand and no offers. The China silver exchanges were unmoved, Hong Kong at 2s. and Shanghai at 2s. 6¼d.

THE BUDGET AND THE SINKING FUND.

No auditor of the speech with which Mr Churchill opened his fifth Budget can have left the House of Commons on Monday without a feeling of gratitude for two and a half hours of rare and refreshing entertainment. In Mr Churchill's previous Budget speeches he was embarrassed by an excess of material, which caused his narrative to flag occasionally in interest. This year it was a lack, rather than an excess, of material that confronted him, and he surmounted the difficulty by presenting his programme wrapped up in an abundance of wit of a high intellectual order. The speech was indeed a Parliamentary triumph, and if the financial programme, which it cloaked as much as it revealed, had been as good as the speech, the Budget would have been impervious to criticism.

There is one great failure in this Budget, and we come to it at once. It is the failure to make what is commonly acknowledged by financial authorities as an adequate or proper provision for the repayment of debt. The root cause of this failure dates back to the Budget speech of 1928, when Mr Churchill reverted to the practice of a fixed debt charge—an aggregate figure covering Interest, Management, and Sinking Fund. For 1928-29 Mr Churchill put his debt charge figure at £369 million, of which he allotted £304 million for Management and Interest, leaving £65 million for the Sinking Fund. His caluculations were, however, upset by an unexpectedly large total of interest paid on Savings Certificates encashed, and by the course of money rates, which caused the cost of renewing Treasury Bills to reach a substantially higher figure than he expected. Instead of £304 million, Interest and Management in the last financial year cost £311½ million, with the result that the Sinking Fund suffered, the actual Sinking Fund payments falling £7½ million below estimate. In the current year the outlook for the Sinking Fund is substantially worse. The full debt charge figure is placed at £355 million, of which £304.6 million is allowed for Interest and Management, and £50.4 million for Sinking Fund. From an examination of existing facts and likely prospects, we are unable to find any justification for thinking that the figure of £304½ million is adequate for the purpose for which it is estimated. Nor can we understand the Chancellor's supposition that this charge will be £7 million lower than last year's actual cost. His estimate of Savings Certificate liabilities suggests that he would have to meet £1½ million less under this head in the current year, and he may save some £2 million through not having to pay interest on the £57 million of debt redeemed last year. But it is not easy to understand where the remaining decline of £3½ million can come from. The Floating Debt is £56 million greater than a year ago, and the change in the form of it, as compared with a year ago, does not favour the Exchequer, for, while Advances by Public Departments have fallen from £106.6 million to £37 million, the volume of Treasury Bills outstanding has risen from £519.9 million to £700.3 million. In the last financial year Bank rate was at 4½ per cent. for 45 weeks. This year has started with a 5½ per cent. rate, and no reduction is yet visible on the horizon. Under such circumstances, to leave the Sinking Fund at the mercy of the very hazardous expectation of a year of low money rates savours of recklessness. It does not appear to us unlikely that the Debt Interest figure might this year exceed the estimate by anything between £7 and £10 million. This would mean, in effect, under the present system by which any surpluses which accrue are withheld from the Sinking Fund, that only from £40 to £43 million would be available for Sinking Fund purposes, and this would compel the next Chancellor to borrow from £7 to £10 million to meet merely his obligatory Sinking Fund charges. The position might be even worse if our suspicions that certain revenue items are too optimistically estimated should, unfortunately, come to be justified. The Sinking Fund may, indeed, this year reach little more than half the figure suggested as a minimum by the Colwyn Committee. We regret that Mr Churchill has rounded off his record at the Treasury by making this further lapse from the paths of sound finance.

An unusually small proportion of the Budget speech was devoted to the financial proposals for the current year, for perhaps three-quarters of the time was taken up in an exposition and defence of the Government's financial record, and lively attacks upon the policies declared by the Socialists and the Liberals. In recent issues of the *Economist* we have examined in great detail the salient figures of the national finances during the five-year period of the present Government, and we do not propose to cover the ground again. Mr Churchill is fully entitled to harp, as he did with heavy and recurring emphasis, upon the financial difficulties placed upon his shoulders by the labour troubles of 1926. Equally unimpeachable was the pride with which he referred to the restoration of the gold standard, a measure for which his Chancellorship will perhaps mainly be remembered by history. Nor did he take more credit than was due for some of the clever *ad hoc* devices by which he rounded the very difficult fiscal corner which resulted from the long coal stoppage. But there are two or three points which we cannot allow to pass without remark. His attempt, for instance, to appear in the *rôle* of "economiser" was by no means convincing. The reduction in fighting services, which he claimed to have effected, was mainly due to the automatic reduction of Middle East services, and whereas in his first Budget he held out the hope of economy in the Supply Services to the tune of £10 million per annum, he can only make out a total net reduction since 1924 of £7 million. Nor did he face the fact that, having regard to the fall in prices in the quinquennium, the 1929 figure in reality represents a substantial increase in Supply Services expenditure over that incurred in the year for which Mr Snowden was responsible. Again, the language which he employed to glorify the results of his experiments in protection were disingenuous enough to have come, not from a Free Trade Chancellor, but from the protectionist propaganda department of the Conservative Party.

For the rest, the Budget proposals are neither particularly striking, nor, in the main, open to criticism. From a detailed analysis of the estimates, which we print in a succeeding article, it will be seen that, in forecasting a prospective surplus of £10½ million available for tax remission, Mr Churchill has raised the estimates of Income Tax, Death Duties, and Stamp Duties above the figures actually reached last year. In fixing the Income Tax figure the Chancellor is presumably acting on sound information, though the probability of its fulfilment seems a little doubtful. The raising of the Death and Stamp Duties estimates is bold enough to be startling; for last year was a bumper year for the Death Duties and a period of great activity on the Stock Exchange. Mr Churchill, or his successor, will be lucky if the estimates are realised.

With regard to actual changes in taxation, the abolition of the Tea Duty is entirely acceptable. The anticipation by six or seven months of rate relief for agriculture—which is financed not out of current revenue, but out of the Suspensory Fund—invalidates, so far as agriculture is concerned, the criticism that the derating scheme was too slow in bringing relief to distressed industries. The device by which he takes back from the brewers, distillers, and tobacconists the rating relief which was the object of much political attack, is wise and clever, even though the moral effect is somewhat spoiled by a substantial present to the trade "through other channels." The railway passenger duty has long been a complete anachronism, and its abolition is generally welcomed.

It is not easy to pronounce a summary verdict either on the latest Budget or on the whole of Mr Churchill's work at the Treasury. The five years have been marked in a most equal degree by ingenuity, achievement, and lapses—lapses into trade restriction and lapses into unsound finance. But we confess to relief that in this last Budget the lapses have not been more pronounced. With Conservative sentiment not too confident and the two Opposition parties each beating the showman's loud drum in the Election Fair, the pressure exerted upon Mr Churchill to produce a "really popular" Budget at the expense of sound finance must have been exceedingly strong. The Party managers must have

said to the Chancellor, as Pharaoh's task-masters said to the Children of Israel, "There shall no straw be given you, yet shall ye deliver the tale of bricks." Mr Churchill, having no straw, has delivered his tale of bricks. But it is a small one, and we doubt whether it is enough to satisfy his taskmasters. Bearing in mind the political urgencies of the moment, we ought, perhaps, to be thankful that concessions for which the funds are not in sight have not been multiplied, and to give Mr Churchill credit for being less flexible under pressure than a Chancellor of a lesser calibre might have been.

AN ANALYSIS OF THE BUDGET ACCOUNTS.

THE customary statement* presented to the House at the opening of the Budget supplements the Chancellor's speech with a more detailed analysis of the figures on the basis of which he forecasts a surplus of over £4 million. In the first of our tables we present a comparison of the estimated expenditure of 1929-30, in the new form in which the accounts are now shown, with the estimated expenditure and actual issues from the Treasury in 1928-29.

EXPENDITURE (000's omitted).

	Estimate, 1928–29.	Actual Issues in 1928–29.	Estimate, 1929–30.	Estimate for 1929–30 compared with 1928-29 Estimate.
	£	£	£	£
CONSOLIDATED FUND SERVICES.				
National Debt Services:				
Interest, &c.	304,000	311,491	304,600	+ 600
Sinking Funds	65,000	57,509	50,400	− 14,600
Total	369,000	369,000	355,000	− 14,000
Payments to Local Taxation Accounts	14,200	15,203	15,000	+ 800
Payments to Northern Ireland Exchequer	5,600	5,100	5,400	− 200
Other Consolidated Fund Services	2,600	2,807	3,500*	+ 900
Total	391,400	392,110	378,900	− 12,500
SUPPLY SERVICES.				
Army Votes (including Ordnance Factories)	41,050	40,500	40,545	− 505
Navy Votes	57,300	56,920	55,865	− 1,435
Air Votes	16,250	16,050	16,200	− 50
Civil Votes	223,804	222,493	238,885	+ 15,081
Customs and Excise and Inland Revenue Votes	11,777	11,637	11,569	− 208
Total	350,181	347,600	363,064	+ 12,883
Grand Total	741,581	739,710	741,964	+ 383

* Including new Agricultural Mortgage Scheme, £500,000; expenses of returning officers at General Election, £420,000.

Supplementary estimates amounting to £3,584,000, of which £115,000 was required for the Army and the remainder for the Civil Services, subsequently raised the first column to £745,165,000, so that the saving on total estimates was £5,455,000. Of this, £1,445,000 was saved on the Defence Votes, but the bulk was concentrated on the various Civil Votes. Attention has repeatedly been drawn to the excess of interest charge over the estimate. This extra £7½ million does not affect the total expenditure, since it is counterbalanced by a correspondingly diminished sinking fund, but it does cause grave doubts with regard to the provision made for 1929-30. Mr Churchill estimates interest and management charges at £304,600,000, and the difference, £50,400,000, between this *sum* and the total amount provided for National Debt service almost exactly equals the statutory and specific sinking funds. The Financial Statement includes a table of the debt outstanding, on which we calculate that fixed interest charges would amount to about £258 million, apart from the floating debt and National Savings Certificates. Since interest on the latter is accumulating at the rate of nearly £20 million per annum, and it is reasonable to assume that the £40 million and more of principal repaid each year is now on the whole of comparatively early date, an allowance of less than £17 million on this score would be unwise; this would bring the total interest charge up to £275 million. The actual payment last year was about £18 million, and Mr Churchill's own allowance is £16.6 million. The average amount of floating debt outstanding throughout 1928-29 was about £758 million, on which the interest at 5 per cent. would be £38 million. The present rate on Treasury Bills is over 5½ per cent., and there is no sign of any immediate reduction of discount rate. Taking, however, a very conservative figure of £37 million, we come to the conclusion that an estimate of less than £312 million for interest charges would be, to say the least, unduly optimistic. The remainder of the fixed debt charge, £43 million, does not fully cover statutory sinking funds, so that Mr Churchill, even if his sanguine estimates of revenue are realised, is sailing very close to the wind.

As for the Supply Services, the estimates have already been analysed in previous issues of the *Economist*, and we need only remind our readers here that the Civil Votes include £15,560,000 for de-rating, apart from the earlier relief to agriculture, which is to be borne by the Suspense Account. Our next table compares the estimates of revenue on the basis of existing taxation with estimates and actual receipts in 1928-29.

REVENUE (000's omitted).

	Revised Estimate for 1928–29.	Actual Receipts in 1928–29.	Estimate for 1929–30 on basis of Existing Taxation.	Estimate for 1929–30 compared with 1928-29 Receipts.
	£	£	£	£
Customs	120,637	118,972	126,000	+ 7,028
Excise	140,768	134,000	131,950	− 2,050
Total	261,405	252,972	257,950	+ 4,978
Motor Vehicle Duties, Exchequer Share	4,400	4,226	4,700	+ 474
Estate, &c., Duties	72,000	80,570	81,000	+ 430
Stamps	28,000	30,060	31,000	+ 940
Land Tax, &c.	850	840	800	− 40
Income Tax	232,900	237,620	239,500	+ 1,880
Super Tax	60,000	56,150	58,000	+ 1,850
Excess Profits Duty	1,000	850	850	...
Corporation Profits Tax	1,500	850	850	...
Total	396,250	406,940	412,000	+ 5,060
Total Receipts from Taxes	662,055	664,138	674,650	+ 10,512
Post Office, net receipts	8,186	8,100	8,990	+ 890
Crown Lands	1,100	1,210	1,250	+ 40
Receipts from Sundry Loans	27,650	28,111	30,550	+ 2,439
Miscellaneous:—				
Ordinary Receipts	13,550	13,143	12,500	− 643
Special Receipts	40,362	43,402	26,000	− 17,402
Total Receipts from Non-Tax Revenue	90,848	93,966	79,290	− 14,676
Grand Total	752,903	758,104	753,940	− 4,164

SELF-BALANCING ITEMS (000's omitted).

	Estimate 1928–29.	Actual Amount 1928–29.	Estimate 1929–30.	Estimate compared with 1928-29 amount.
	£	£	£	£
Post Office expenditure	57,314	57,200	58,110	+ 910
Motor Vehicle Duties apportioned to Road Fund	21,300	21,131	22,600	+ 1,469
Total	78,614	78,331	80,710	+ 2,379

The surprising increase in the estimate of receipts from Estate Duties is discussed in our first leading article. Mr Churchill, it will be observed, has also counted on gaining from increased prosperity £1,880,000 in income tax and £1,850,000 in super tax, as well as £7,028,000 in Customs duties. The latter is almost entirely accounted for by the petrol tax, which will, however, bring nothing into Excise this year. Excise, mainly for this reason, is estimated at over £2 million less than in 1928-29. Motor vehicle duties are estimated to expand by nearly £2 million in all. Of the non-tax revenue, the Post Office profits are expected to rise by £890,000, although the expansion of the turnover is put at only £1,800,000. Receipts from sundry loans show a large increase, which is, however, swamped by the estimated decline in miscellaneous receipts. Special receipts last year included the Currency Notes Reserve of over £13 million, which was added to the Sinking Fund. Apart from this item, ordinary revenue is estimated at £9 million more than last year.

With prospective revenue of £753,940,000, and expenditure of £741,964,000, Mr Churchill had a possible surplus

* "Financial Statement, 1929–30." H.M. Stationery Office. 4d.

of £12 million with which to salt the elector's tail. The details of his plans for disposing of it are shown in the following table:—

CHANGES IN TAXATION (000's omitted).

	Estimated Increase or Decrease in 1929–30.	Estimated Increase or Decrease in a full year.
	£	£
Customs:—		
Tea	− 6,150	− 6,200
Excise:—		
Railway Passenger Fares	− 300	− 360
Betting: Repeal of Turnover Tax	− 1,100	− 1,180
New Duties	+ 250	+ 280
Licenses: Brewers for Sale	+ 350	+ 350
Distillers	+ 30	+ 30
Tobacco Manufacturers	+ 100	+ 100
On retailers	− 950	− 970
Total Excise	− 1,620	− 1,750
Total Customs and Excise	− 7,770	− 7,950
Motor Vehicle Duties*	− 20	− 20
Post Office (net receipt)	− 90	− 90
Grand Total	− 7,880	− 8,060

* This is the loss to the Exchequer. The loss to the Road Fund will be £40,000 in respect of Motor Cycles, and £50,000 in respect of Goods Vehicles.
The cost, £2,570,000, of antedating rating relief for agricultural land, will fall on the Rating Relief Suspense Account.

It will be seen that by the changes the Chancellor has given away some £8 million net, reducing his surplus to £4,096,000. The duties of 4d. per lb. on tea, with an Empire preference of ⅜d. per lb., are to be abolished altogether. So are the duties on railway passengers and the betting turnover tax, but the first remission is given on condition that the capital equivalent of the relief should be used for the development and modernisation of railway freight transport; and the second, though accompanied by the repeal of the annual duty of £10 on bookmakers' entry certificates, has a counterbalance in an annual duty of £40 on each telephone used by a bookmaker in his business, and a duty of ½ per cent. on totalisator takings. The new or increased duties on brewers, distillers and tobacco manufacturers are imposed to countervail the rating relief gained by these industries. At the same time, on-licence duties are reduced at a cost of £970,000 in a full year. Motor duties on motor cycles are scaled down, so that the rate of 30s. will apply to cycles weighing up to 224 lb. instead of 200 lb., while the duty on goods vehicles weighing between 2 tons and 2½ tons is reduced from £40 to £35, with a rebate of 20 per cent. for vehicles fitted entirely with pneumatic tyres. The telephone service is to be extended by the equipment with call offices of about five-sixths of the rural post offices and railway stations at present without them, and by extending from 1½ to 2 miles the radius from the nearest exchange within which a telephone is provided without extra mileage charge.

The Suspensory Fund now stands at the figure of £22,633,000. Out of this there will have to be paid this year £2,570,000, the cost of anticipating by six months the relief of rates on agricultural land. The remainder of the cost of de-rating in 1929-30 will fall on the ordinary budget, and any surplus realised will be added to the fund. If Mr Churchill's expectations are realised, therefore, he or his successor will have some £24 million with which to face a de-rating cost in a full year of approximately £35 million.

I.—ORDINARY REVENUE AND EXPENDITURE, 1929–30.

Estimated 1929 Revenue.	£	£
Inland Revenue—		
Income Tax	239,500,000	
Super Tax	58,000,000	
Estate Duties	81,000,000	
Stamps	31,000,000	
Excess Profits Duty	1,700,000	
Corporations Profits Tax	800,000	
Total Inland Revenue		412,000,000
Customs and Excise—		
Customs	119,850,000	
Excise	130,330,000	
Total Customs and Excise		250,180,000
Motor Vehicle Duties—		
Exchequer Share		4,680,000
Total Receipts from Taxes		666,860,000
Post Office net receipt		8,900,000
Crown Lands		1,250,000
Receipts from Sundry Loans due to British Government		30,550,000
Miscellaneous—		
Ordinary Receipts		12,500,000
Special Receipts		26,000,000
TOTAL		746,060,000

Estimated 1929 Expenditure.	£	£
Interest and Management of National Debt		304,600,000
Payments to Local Taxation Accounts		15,000,000
Payments to Northern Ireland Exchequer		5,400,000
Miscellaneous Consolidated Fund Services		3,500,000
TOTAL		328,500,000
Supply Services—		
Defence— *Excluding Pensions* Army	32,280,000	
Navy	47,312,000	
Air Force	15,983,000	
		95,575,000
Pensions Army	8,265,000	
Navy	8,553,000	
Air Force	217,000	
		17,035,000
Civil—		
I. Central Government and Finance	2,163,000	
II. Imperial and Foreign	5,144,000	
III. Law and Justice	12,407,000	
IV. Education	50,004,000	
V. Health, Labour, Insurance (including Old Age and Widows Pensions)	79,056,000	
VI. Trade and Industry	9,258,000	
VII. Buildings, Rates, &c.	8,230,000	
VIII. War Pensions and Civil Pensions	56,332,000	
IX. Miscellaneous	731,000	
		223,325,000
Tax Collection— Customs and Excise and Inland Revenue Votes (including Pensions, £887,000)	11,569,000	
		347,504,000
TOTAL		676,004,000
New Exchequer Contributions to Local Revenues, &c.		15,560,000
		691,564,000
National Debt—Sinking Fund		50,400,000
Surplus		4,096,000
		746,060,000

II.—SELF-BALANCING REVENUE AND EXPENDITURE.

	£
Post Office.—Revenue required to meet Post Office expenditure (including £3,691,000 Pensions)	58,110,000
Road Fund.—Motor Vehicle Duties apportioned to Road Fund	22,510,000
TOTAL	80,620,000

III.—RATING RELIEF SUSPENSE ACCOUNT.

	£		£
Balance on April 1, 1929	22,633,000	Cost of anticipation of rating relief for Agricultural Land	2,570,000
		Balance on March 31, 1930	20,063,000
	22,633,000		22,633,000

THE CONSERVATIVE PROGRAMME.

THE wares of the two Opposition parties have long been on show in the political shop window. The Labour Party in *Labour and the Nation*, and the Liberal Party, in the Yellow Book, with its more aggressive Orange offspring, have gone near to embarrassing the newly-increased electorate by the plenitude of the policies which they would pursue if returned to office. The Liberals, in particular, have staked their fortunes upon the specific schemes devoted to the relief of unemployment. Mr Baldwin completed the window-dressing display at a representative meeting of the Conservative Party at Drury Lane Theatre on Thursday, and he would be the first to admit—nay, he stressed the point particularly in his speech—that the wares which he displayed have not the glitter of those shown by his opponents. We agree with the Prime Minister that the temper of the electorate has changed. Platform speakers of all parties report the common experience that their audiences are intolerant of destructive criticism and party gibes. What they want to hear about is the practical steps which the various parties will pledge themselves to take. Mr Baldwin ran on Thursday through the tale of the things which the next Conservative Government would do. But we must at the outset confess that the list leaves us wondering why it was necessary to delay the pronouncement of a programme which contains nothing startling, and nothing which might not have been said weeks or months ago, with the trifling exception of those small measures which had to await the Budget before they could be made public property.

Now that the veil has been lifted from the official Conservative programme let us see what it contains in the direction of practical legislative and administrative promise. We will draw up the list as faithfully as we can. The de-rating of industry is, of course, in the forefront, and is the bedrock of Mr Baldwin's policy of "putting men into permanent employment." The Factories Bill, long promised, but not yet passed, is really to be produced at last. For agriculture there is the accelerated rates relief announced in the Budget, and a vague promise of legislation to enable drainage schemes to be carried out, while stock farmers are offered a sop in the pledge that the diet of the British fighting services between the months of August and March shall comprise no beef which is not home fed, nor bread of which 25 per cent. of the flour has not been milled at home. In the sphere of social legislation the *pièce de résistance* is slum clearance—an item on the programme of the other two parties also—but Mr Baldwin did not elaborate the procedure he proposes to follow. Then comes the chapter of the programme which is presumably fancied as appealing to the vast numbers of newly-enfranchised women. This chapter, in brief, is this: A fuller and more efficient service of medical and nursing attention for mothers both before and at childbirth; a Royal Commission to be appointed to investigate the possibilities of State care for child welfare between the ages of one and five; State and other schools to be put on the same footing and extended facilities for higher education to be provided; and, finally, a ladder not merely to the university, but to the technical colleges. As regards Imperial affairs, the Prime Minister spoke much, but his only promise was that, within certain limits, the Home Government will bear the cost of interest in the early years on loans floated by young colonies for necessary development purposes.

We have left out of this catalogue one main line of policy, namely, "safeguarding." We had hoped that the Prime Minister would answer the earnest appeals that we have made to him to clear up the serious ambiguities which surround his fiscal intentions. So far from doing this he merely read out the well-known letter which he addressed to the Chief Whip as long ago as last August. This silence is ominous and expressive. If no further explanation is to be vouchsafed, the country can only assume that Mr Baldwin is definitely pledged to a system under which Protection may be afforded to any and every manufacturing industry in the country, big or small; and, as we have frequently shown, this practice, according to our present knowledge, will be granted haphazard on an individual investigation of particular industries without any attempt to assess the economic needs of the nation as a whole. Mr Baldwin's silence is more eloquent than any challenge he could have delivered to Free Traders to arm themselves for what may be the decisive battle for the retention by this country of the only economic system under which she can possibly prosper.

The Prime Minister's speech in itself was dignified and restrained, and through it ran a charming vein of humanism. Attacks on his political opponents were delightfully absent. But an impartial hearer could hardly fail to feel that the complacency with which the Prime Minister reviewed the record of the last five years was matched by the lack of imagination which marked the programme for the future. The picture of the State guiding the child from the days before its birth right through to the time of manhood's skilled employment is attractive. But it is not a new one. It is, in fact, the idea that has underlain most of the social legislation of this country since Mr Lloyd George introduced the National Health Insurance Acts. Nor does it seem likely that de-rating and "safeguarding," practically unsupported by any new ideas, will convince the country that the Government, if returned to power, will slough off the inertia which it has exhibited towards the problem of industrial unemployment. We may admire the Prime Minister's determination to promise "not one iota more than he can perform," but the scope of the performances which he does promise is not impressive when examined in relation to the critical problems which beset the country to-day. Here is the sum of the whole matter. What Mr Baldwin promises the country is another five years of Government on the same lines as those of the last five years—the same foreign policy, presumably (though on this subject, again, he was conveniently silent), and the same home policy. He offers only one new thing, the indefinite extension of Protection. And that way lies disaster.

PRESIDENT HOOVER AND ARMAMENTS.

THE American nation is a young nation rejoicing in its strength, and delighting to measure that strength in gigantic enterprises. In an independent career that has so far run for only just over a century and a half, this nation has already broken in a continent. During the Great War America consciously came of age; and the rest of the world has been wondering how she is going to celebrate the occasion. She will certainly do it by undertaking some enterprise still greater than any that she has accomplished before; but here there are alternatives—and alternatives that are fateful not only for America herself but for the rest of humanity. Is her next enterprise to be the domination of the world as a climax to her conquest of a continent? Or is she going to crown her crusades against autocracy, slavery and alcoholism by a new crusade against an even more formidable and baneful institution—war? After the failure of the Three-Power Naval Conference at Geneva in 1927, President Coolidge's administration made two concurrent moves. His Secretary of State, Mr Kellogg, taking up and transforming a suggestion of Monsieur Briand's, carried through the negotiations for the General Treaty for the Renunciation of War. The Treaty was signed by fifteen States on August 27, 1928, and has since been accepted by 47 out of 49 other States that were invited to adhere. Concurrently, President Coolidge's Secretary for the Navy, Mr Wilbur, introduced into Congress a Naval Construction Bill for building 71 warships, ranging from aircraft carriers and 10,000-ton cruisers to submarines, at an estimated cost of approximately $725,000,000. On these two measures, American public opinion declared itself in plain terms and with potent effect. In favour of the Treaty, it supplied the driving force which enabled Mr Kellogg to achieve his remarkable diplomatic success. Against the Wilbur Bill, it protested to such good purpose that the House Committee on Naval Affairs substituted a new Bill for constructing 16 warships instead of 71, at an estimated cost of little more than a third of the original figure. The reduced Bill and the unreduced Treaty were both passed by the Senate in the early months of this year, just before President Coolidge's term of office expired. That stiff-necked body, the Senate,

had recognised its master in the people and had bowed to the public will; and there are already symptoms that this last victory of enlightened and organised public opinion in the United States is going to inspire public opinion in other countries. In fact, we may be catching the first glimpse of an entirely new force in human affairs: a general public opinion transcending frontiers. Meanwhile, the declaration of the American people's will has not been lost upon President Hoover; and there are signs already that he means to execute this mandate with all his might. For, in his luck in tackling difficult enterprises on the grand scale, Mr Hoover is a true son of his country; and there is no doubt that the outlawry of war is a greater and more difficult enterprise than the pursuit of world-dominion.

Already, since Mr Hoover took office, the United States has started to explore the ground again with a view to adhering to the statute of the Permanent Court of International Justice; and this time it seems possible that the obstacles which baffled the last attempt may be overcome. This is one of the practical constructive steps which naturally follow from the signature and ratification of the Kellogg Pact; for when a State has pledged itself never to seek the settlement of international disputes except by peaceful means, it naturally makes arrangements to have such means at its disposal in the event of future disputes, in case it might find itself without any means of settlement at all. But there is another practical step which follows from a general renunciation of war as an instrument of national policy, and that is an all-round reduction of armaments; for when all States have agreed that public force shall only be used for collective police work, it is evident that the amount of public force which each State needs to possess is much less than under a dispensation which permitted any and every State, for its private national ends, to make war on any other. Towards the end of last week there were indications from Washington that President Hoover intends to take up the disarmament question too, and to attack it at its critical point: the problem of the relative naval strengths of the three principal naval Powers of the world, who failed in 1927 to arrive at an agreement during the Geneva Conference.

President Hoover, it appears, would welcome an overture from one of the other two Powers concerned for reconvening the Three-Power Naval Conference; and there is a hint of the lines on which he would then negotiate. He would propose "mathematical parity" in cruiser strength between the United States and the British Empire on the scale of 250,000 tons each, which he considers ample for the security of either party against any conceivable coalition of other naval Powers. Within this total figure, he would leave the British Empire free to build small cruisers and the United States free to build 10,000-ton cruisers; but he would be fully alive to the British contention that "mathematical parity" of total cruiser tonnage thus diversely employed would not produce "strategical parity," and he would exert himself to get over this crux, not on the technical plane (where it may well be insoluble), but on the political plane, where Gordian knots are not impossible to cut. It may be necessary (Mr Hoover is reported to suggest) for the British Government to adopt the principle that there never will be war between the two countries; and it is added that the United States Government will be willing to offer the British Government encouraging reasons for relying upon this hypothesis.

What do these intimations mean? To discover this, we must consider what are the circumstances in which a clash between Great Britain and the United States, involving a danger of war between them, is conceivable. No serious person supposes that a danger of war would arise directly between the United States and Great Britain, or *a fortiori*, between the United States and any other self-governing State member of the British Commonwealth. The "I'm Alone" incident—which might have been a *casus belli* in other times or between other parties—is a case in point. There would not even be much danger of an Anglo-American War if a British Government were to be so ill-advised as to implicate itself in a "private war" with a third party; for although the United States might then have its hands free under the terms of the Kellogg Pact, is it likely that the British Government in such circumstances would press interpretations of maritime law in war time to which the United States objected? The real danger would be if the British Government, under the Covenant of the League of Nations or under the Locarno Pact, were to find itself involved in international police operations against a third party, which had violated one or both of these instruments and *ex hypothesi* had also violated the Kellogg Pact. In such a situation, a British Government might feel it its duty to use its naval power to the full, or in other words, to interpret its rights at sea in war time in the widest sense; and this is the situation in which, as things are now, a dangerous clash between Great Britain and the United States might be apprehended. This, then, we take it, is the point on which President Hoover would seek to furnish us with assurances. What form such assurances would take, it is impossible yet to conjecture. We can only say that, if satisfactory assurances could be given by the United States in an authoritative way, the Gordian knot of the naval armaments problem could almost certainly be cut. We believe that, if American public opinion realises this and lines up behind Mr Hoover in any endeavour that he may make in this direction, Mr Hoover's policy will go through; for in the United States, if the President and the people are of one mind, there is no political force that can stand against them.

INDUSTRIAL PROFITS.

OUR quarterly figures of the profits of industrial companies again reveal an upward tendency, but the improvement, as might be expected, is decidedly smaller than that recorded a year ago, when the statistics reflected the recovery of much ground temporarily lost through the labour troubles of 1926. The accounts of 454 joint-stock enterprises published during the first three months of 1929, and tabulated in the *Economist's* weekly summary, show aggregate net profits amounting to £59,869,638, an increase of £903,926, or 1.5 per cent., on the £58,965,712 earned by the same concerns in their previous financial year. The results of our analysis in the past five quarters are summarised below:—

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

	Number of Companies.	Reports Published in		Increase.	
		1927.	1928.		
		£	£	£	%
First quarter	504	53,645,330	61,822,534	8,177,204	15·2
Second quarter ...	556	57,729,860	58,477,637	747,777	1·3
Third quarter.....	237	21,170,777	23,221,775	2,050,998	9·7
Fourth quarter ...	412	35,036,441	36,120,801	1,084,360	3·1
	1,709	167,582,408	179,642,747	12,060,339	7·2
		1928.	1929.		
First quarter	454	58,965,712	59,869,638	903,926	1·5

The working period to which the majority of the reports published during the past quarter refer is the calendar year 1928. In view of the slight, but none the less unmistakable, setback which some sections of British industry experienced twelve months ago, a diminution shown in the rate of expansion of net profits, as compared with that of previous years, will occasion no surprise. The next table, which gives the quarterly trend of net earnings since the beginning of 1923—the first year to register an improvement after the severe slump of 1921-22—shows that, setting aside the exceptional results published during the six months immediately following the coal stoppage, the increase of 1.5 per cent. now recorded is the smallest gain

made in the first quarter of any of the years covered by the table:—

	1923. %	1924. %	1925. %	1926. %	1927. %	1928. %	1929. %
First quarter.....	+41·4	+ 8·7	+ 9·1	+7·6	−4·0	+15·2	+1·5
Second quarter	+22·1	+ 3·0	+11·1	+8·3	−5·7	+ 1·3	—
Third quarter	+55·2	+ 2·3	+ 4·8	+2·8	+2·4	+ 9·7	—
Fourth quarter	+11·4	+13·3	+ 6·4	+3·8	+0·3	+ 3·1	—
Year	+30·6	+ 6·6	+ 8·7	+6·3	−3·0	+ 7·2	—

It would be premature as yet to conclude that the upward curve of industrial profits, whose recent steady rise (the coal stoppage period excepted) is shown above, has now begun to "flatten out." It will be observed, however, from the following analysis of earnings in different industrial groups that last quarter's small increase represents the net result on balance of a somewhat "patchy" range of upward and downward fluctuations:—

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

	Number of Companies.	Reports published in Quarter ended March 31. 1928.	1929.	Increase.		Decrease.	
		£	£	£	%	£	%
Breweries.....	20	1,656,880	1,932,539	275,659	16·6	...	...
Elec Lighting and Power	25	3,783,703	4,015,780	232,077	6·1	...	...
Gas	31	2,882,272	2,903,966	21,694	0·8	...	...
Hotels, Restaurants, etc.	10	374,556	366,882	...	...	7,674	2·1
Iron, coal and steel.....	20	2,400,198	1,834,698	...	...	565,500	23·6
Land, mortgage, etc.....	21	1,420,413	1,619,650	199,237	14·0	...	...
Motor & cycle	9	816,140	1,343,506	527,366	64·6	...	...
Rubber, etc....	35	999,352	449,226	...	...	550,126	55·0
Shipping	9	1,182,095	967,430	...	...	214,665	18·2
Shops & stores	32	5,387,466	5,782,571	395,105	7·3	...	...
Tea	2	70,942	78,150	7,208	10·2	...	...
Textiles	26	7,356,844	8,001,218	644,374	8·8	...	...
Tramways ...	10	387,387	527,629	140,242	36·2	...	...
Trust companies	42	3,605,430	3,955,371	349,941	9·7	...	...
Water	15	681,607	702,408	20,801	3·1	...	...
Miscellaneous	147	24,960,427	25,388,614	428,187	1·7	...	...
Total.....	454	58,965,712	59,869,638	903,926	1·5	...	...

Apart from the steep decline again recorded in the profits of rubber-producing companies, and a slight falling off in "catering" earnings, significantly large decreases are revealed in the shipping and in the iron, coal and steel groups. Steamship companies, both in the "tramp" business and in the operation of regular "liner" services, appear to have fared less well in 1928 than in the previous year, while the decline of £565,500 in the aggregate profits of the "heavy" group is an eloquent reflection of keen competition and price-cuts, notably in the case of coal. Among the increases, that recorded by trust companies is satisfactory, though indicative of world, rather than especially British, conditions. The textile group is somewhat overweighted by the higher earnings of Courtaulds and Bradford Dyers; the marked rise in motor and cycle profits represents an improvement in the results of two individual firms, Leyland and Crossley Motors; and the bulk of the distributing trade's increase was occasioned by one concern, namely, Debenham's, Limited. Substantial gains were made by breweries, and by public utilities, such as tramways and electricity supplies, but it is noteworthy that the increase of 1.7 per cent., shown by the large and representative "miscellaneous" group, contrasts unfavourably with an increase of 15.1 per cent. a year ago, and of 10.1 per cent. in the year before the coal dispute.

In the next table we give the distribution of profits in each of the past five quarters:—

DISTRIBUTION OF PROFITS.

	Net Profits.	Ordinary Dividend.		Preference Dividend.		To Reserve, &c.	
1928.	£	£	%	£	%	£	%
First quarter	61,822,534	36,557,829	59·1	11,093,506	17·9	14,171,199	23·0
Second quarter	58,477,637	33,960,930	58·1	13,115,605	22·4	11,401,102	19·5
Third quarter	23,221,775	13,207,015	56·8	3,917,390	16·9	6,097,370	26·3
Fourth quarter	36,120,801	22,176,868	61·4	5,548,214	15·4	8,395,719	23·2
	179,642,747	105,898,242	58·9	33,679,115	18·8	40,065,390	22·3
1929. First quarter	59,869,638	36,336,626	60·7	10,896,063	18·2	12,636,949	21·1

The last column of this table, and of that which follows, includes not only specific allocations to reserve, but also the net amounts by which balances carried forward were increased. As compared with the corresponding figure a year ago, the proportion reserved during the past quarter appears in a not too favourable light. The apportionment of profits by the individual groups is set forth below:—

	Net Profits.	Ordinary Dividend.		Preference Dividend.		To Reserve, &c.	
	£	£	%	£	%	£	%
Breweries.....	1,932,539	1,025,933	53·1	375,115	19·4	531,491	27·5
Elec. Lighting and Power	4,015,780	1,634,633	40·7	806,333	20·1	1,574,814	39·2
Gas	2,903,966	2,198,417	75·7	420,008	14·5	285,541	9·8
Hotels, restaurants, &c. ..	366,882	171,602	46·8	34,892	9·5	160,388	43·7
Iron, coal and steel.....	1,834,698	869,491	47·4	708,378	38·6	256,829	14·0
Land, mortgage, &c....	1,619,650	888,678	54·9	153,115	9·4	577,857	35·7
Motor & cycle	1,343,506	221,386	16·5	299,558	22·3	822,562	61·2
Rubber	449,226	345,814	77·0	3,818	0·8	99,594	22·2
Shipping	967,430	632,747	65·4	153,975	16·0	180,708	18·6
Shops & stores	5,782,571	3,320,876	57·5	1,635,143	28·2	826,552	14·3
Tea	78,150	50,500	64·7	4,833	6·1	22,817	29·2
Textiles	8,001,218	5,146,144	64·3	1,084,665	13·6	1,770,409	22·1
Tramways ...	527,629	277,177	52·6	105,700	20·0	144,752	27·4
Trusts	3,955,371	2,231,404	56·4	1,084,729	27·4	639,238	16·2
Water	702,408	408,031	58·1	232,483	33·1	61,894	8·8
Miscellaneous	25,388,614	16,913,793	66·6	3,793,318	14·9	4,681,503	18·5
Total	59,869,638	36,336,626	60·7	10,896,063	18·2	12,636,949	21·1

Highly conservative finance is exemplified as usual by the motor and cycle group, while breweries, hotels, land and mortgage, and textile companies were also among those who apportioned rather more of their profits to reserve than a year ago. The shipping group's reserved proportion, on the other hand, fell from one-third of the total net profits a year ago to less than one-fifth in the past quarter. The percentage withheld from distribution in the "miscellaneous" group also declined appreciably.

Turning to earnings on capital, we next show the ratio of net profits and of amounts reserved to total ordinary and preference share capital in each of the past five quarters:—

	Total Ord. and Pref. Capital.	Net Profits.		Carried to Reserve, &c.	
1928.	£	£	%	£	%
First quarter	530,963,258	61,822,534	11·6	14,171,199	2·7
Second quarter	558,893,092	58,477,637	10·5	11,401,102	2·0
Third quarter	195,502,736	23,221,775	11·9	6,097,370	3·1
Fourth quarter	328,226,005	36,120,801	11·0	8,395,719	2·5
	1,613,585,091	179,642,747	11·1	40,065,390	2·5
1929. First Quarter	537,360,324	59,869,638	11·1	12,636,949	2·3

The ratio of net earnings to capital last quarter is sensibly below that recorded in the first three months of 1928, but is identical with last year's average figure. In 1926 the average was 11.3 per cent., and in 1927 10.5 per cent.—the proportion carried to reserve in those years averaging 2.3 and 1.8 per cent. respectively.. The average rates paid on debenture, preference, and ordinary capital in each quarter since the beginning of 1926 have been as under:—

AVERAGE RATES PAID.

	On Debenture Capital.				On Preference Capital.				On Ordinary Capital.			
	1926.	1927.	1928.	1929.	1926.	1927.	1928.	1929.	1926.	1927.	1928.	1929.
	%	%	%	%	%	%	%	%	%	%	%	%
1st quarter	4·65	4·80	4·78	4·89	5·4	5·1	5·3	5·4	10·9	10·4	11·3	10·9
2nd "	5·14	5·30	5·43	...	5·8	5·9	6·0	...	11·7	11·8	10·0	...
3rd "	5·02	4·98	4·90	...	4·8	5·2	5·4	...	10·5	10·2	10·7	...
4th "	5·05	5·19	5·04	...	5·4	4·9	4·9	...	10·8	10·1	10·3	...
Year	4·96	5·08	5·02	...	5·4	5·3	5·4	...	11·1	10·8	10·6	...

The average rate of ordinary dividend for the past quarter, 10.9 per cent., is higher than the average for either of the two years which have elapsed since the coal dispute, but is below the figure attained in the first quarter of 1928.

Our final table gives the average dividend rate analysed by groups, the 1928 figures being added for comparison in the case of rates paid on ordinary capital:—

	Debenture Capital.	Rate of Interest.	Preference Capital.	Rate of Interest.	Ordinary Capital.	Rate of Dividend.	Rate of Div. a Year ago.
	£	%	£	%	£	%	%
Breweries	8,588,206	4·5	7,550,032	5·0	6,538,629	15·7	13·0
Elec. lighting and power ...	12,874,307	5·5	14,344,252	5·6	23,438,720	7·0	7·3
Gas.....	15,734,063	4·2	9,696,073	4·3	38,957,178	5·6	5·5
Hotels, restaurants, etc. ...	1,513,600	4·4	2,170,554	1·6	1,710,060	10·0	9·7
Iron, coal and steel	10,242,370	5·9	14,679,128	4·8	21,092,160	4·1	4·1
Land, mortgage, etc.	2,696,299	4·5	3,104,225	4·9	8,667,092	10·3	9·7
Motor and cycle	454,970	7·5	4,212,008	7·1	4,883,860	4·5	4·0
Rubber, etc. ...	74,060	7·0	53,349	7·1	6,618,940	5·2	11·9
Shipping.....	7,763,347	5·0	4,875,000	3·2	12,043,245	5·3	5·2
Shops & stores	6,799,302	4·8	23,107,808	7·1	19,722,931	16·8	17·4
Tea.....	Nil	...	75,000	6·4	148,000	34·1	30·6
Textiles	3,789,115	4·5	22,718,700	4·8	42,790,986	12·0	13·2
Tramways	3,335,474	4·6	2,082,020	5·1	5,558,537	5·0	4·3
Trusts.....	31,706,765	4·8	25,929,295	4·2	23,253,007	9·6	10·4
Water.....	4,244,292	3·8	4,215,766	5·5	6,250,180	6·5	6·7
Miscellaneous...	22,613,826	5·2	64,530,085	5·9	112,343,504	15·0	14·2
Total.....	132,429,996	4·89	203,343,295	5·4	334,017,029	10·9	11·3

Apart from the decline in the average rate of ordinary dividend paid by the rubber group—as opposed to higher average tea dividends—few striking changes are disclosed in the foregoing figures. Shops and stores, and breweries vie with each other for first place in the list of remunerative trades. The "miscellaneous" group also yielded a satisfactory average figure of ordinary dividend, in contrast to the low rates paid by the shipping, "heavy industry," and motor and cycle groups. The average rate paid on the ordinary capital of investment trusts was reduced from 10.4 per cent. to 9.6 per cent., whereas land and mortgage concerns increased on the average their rate of ordinary dividend. The reduction, as compared with a year ago, in the average rate of dividend, disclosed above, on £334 millions of ordinary capital scarcely bears out Mr Churchill's optimism regarding the future yield of Income and Super Tax.

A NEWLY-DISCOVERED RACE.

THOSE of our readers who, as very small children, were occasionally assailed by a terrible misgiving lest supposedly inanimate objects were, after all, sentient, and feared, till this reflective mood passed, to whip a top or kick a football, will be interested in the report that an important discovery has resulted from research among the archives of the stock and commodity markets. A distinguished anthropologist, who has made a life-long study of the market reports published in the *Economist*, claims to have established the fact that the stocks and commodities dealt in are a race of animate beings, with characteristics, customs, and institutions not unlike our own. Chapter and verse, from records of undoubted authenticity, are in process of collection for every theory he advances, and, though his work is still incomplete, we are glad to publish the preliminary results in the hope of stimulating others to further research.

That all the more elementary human characteristics are present in this race is abundantly demonstrated. They have free will—being frequently described as harder or easier—"for choice." Among coffees, fine bold types are mentioned with apparent admiration. Snobbery, on the other hand, especially racial snobbery, is very marked. A strange term, unmistakably expressive of contumely, "slipe," is frequently applied to three-quarter bred lambs, and instances of greasy crossbreds meeting with a poor reception are frequently reported by our Bradford correspondent. They have their moods, too. Flour is often quiet, as is natural in people who have been through the mill; stocks have been recorded as having "a tired appearance; while recently it was reported that copper was getting out of hand—an indication perhaps that these beings have their own modern child problem. Other qualities are exemplified by the announcement that rubber is often resilient, in spite of bearish advices, that even cocoa, *pace* Mr G. K. Chesterton, can be buoyant, and that, triumphing over who knows what troubles, tea succeeds in recovering sharply.

LEGAL & GENERAL
ASSURANCE SOCIETY LIMITED
Established 1836.
SPECIAL POLICIES
Contingent, Issue, Sinking Fund, etc.
Head Office: 10, FLEET STREET, LONDON, E.C. 4.
near Temple Bar.
Assets Exceed - £20,750,000
General Manager: W. A. WORKMAN, F.I.A.

On the other hand, pessimism and unsociable behaviour are also manifest, as when bacon is reported to be heavy and dull, or pepper to show great reserve. The frequent statement, however, that ox tongues are firmly held leaves no doubt that self-respecting reticence is regarded as a high virtue among this population. No vice is spoken of with more consistent disapproval than that rather nebulous fault, "irregularity."

Mrs Grundy, it is found, has an active and important counterpart in this community. Thus, vegetable oils, which are in the habit of making their appearance naked ex-Hull mill, are universally characterised as "crude." There is abundance of evidence, also, on the question of social distinctions. Tinned fish, for example, are great clubmen, to judge by repeated references to "Portuguese clubs," in this connection. Other data suggest that we are dealing with a race of great travellers: not a week passes but some commodity moves off steadily, to some unstated destination, while the terminal (this variant of "terminus" is by no means the only trace, as yet unexplained, of American influence) is frequently described as disclosing more animation. Once, at least, there appears to have been a mass migration—"the market travelled on steady lines"—a movement which, perhaps, accounts for occasional references to quota restriction in certain reports.

In one respect—the littering of public places with rubbish—there is evidence that commodities are more advanced than the human race. What can that constantly recurring phrase: "beasts . . . to sink the offal" mean, if not that a force of animal scavengers is employed to consign waste matter to the ocean? Our knowledge of their arts is incomplete, but they have their stage celebrities, who, apparently, are less exigent than ours in the matter of salary ("market very firm and two stars quoted 16s."); they have fashions, not only in clothes, but in figures ("shoulders which turn in for the cut sole trade were in much demand"). This cryptic passage is almost all the evidence we have as to the bodily structure of this race, but that they are diminutive we can safely infer from the Lilliputian character of their police force; in a jute report occurs the illuminating statement: "For 8 lb. cops, 3s. 8d. has been paid for delivery this year, with few available." Evidently this is a normal weight, since constables of this class, though temporarily scarce, are described as "common."

Finally, there are a number of very curious customs, the significance of which has not yet been discovered. A great service to the cause of learning would be done, for example, by a student who could furnish authentic material for a sketch of a "sardine in quiet support"; "new crop Plate advancing sharply"; "the market going into the Bank"; "Japanese crab being firmly held"; "a squeeze for prompt positions"; "ginger moving off slowly by private treaty"; or of the remarkable ceremony recorded in a recent report, when China auctions "embraced a wad of monings." One would like to be assured that, in their public life in the market, these newly-discovered homunculi always observe a proper decorum, but there is, unfortunately, more than a suggestion of mass-inebriety in the recently noted statement that "the market as a whole was tight but cheerful."

Notes of the Week.

Mr Snowden's Indiscretion.—Discussion of the Budget in the House of Commons has, so far, been somewhat colourless. The weakness of Mr Churchill's Sinking Fund policy was effectively exposed on Tuesday night by Mr Runciman—an exposure met by Sir L. Worthington-Evans in a singularly unconvincing reply—and in an interesting speech, on Wednesday, Mr William Graham traversed critically the Chancellor's claim that the Government had been architects of increasing prosperity. His central charge against the Budget was that it had "no direct and emphatic bearing upon the problem of unemployment." Apart from these lines of attack, Mr Churchill has, up to now, escaped lightly, thanks largely to an exceedingly aromatic red herring drawn across the Budget trail by Mr Philip Snowden, who, on Tuesday night, delivered a startling condemnation of British policy as reflected in the Balfour Note. We do not propose to inquire into the niceties of Mr Snowden's meaning, nor to discuss in any detail the merits or demerits of the international debt arrangements which this country has made, for we have had frequent opportunity of stating our opinion on each settlement, and on the general policy which the Balfour Note embodied. But we wish to put on record our view that the severe and effective castigation meted out to Mr Snowden on Wednesday, in the House of Commons, by Mr Churchill and Sir Austen Chamberlain was necessary and deserved—deserved because, whatever Mr Snowden's meaning was, the effect of his words was to create the impression throughout the world that one who has been in charge of the nation's finances, and who may be in charge of them again, was flirting with the idea of the repudiation of contractual obligations. We hope, however, that on balance good may result from this unfortunate incident, for Mr Snowden's speech made it necessary for his own leader, Mr. Ramsay MacDonald, and for the Liberal Party, to make their attitude on this important question clear. And this they certainly did. Mr. MacDonald said: "So long as I occupy the position that I do, there shall be no repudiation." On behalf of the Liberal Party, Mr Runciman, in the absence of Mr Lloyd George, said: "We (the Liberal Party) wish to make it clear, here and now, not only in this House, but in the hearing of Europe, that, so far as we are concerned, we should not depart from the doctrine of the continuity of contractual international obligations entered into in our name by the Government of the day, whether we agree with that Government or are opposed to that Government. It seems to me of the first importance that we should not neglect that expression of view in order that the world may realise that once Great Britain has put her name to an undertaking, she will carry it through, in spite of the vicissitudes of political fortune." These definite statements should be sufficient to reassure the world that, whatever the faults and shortcomings of Britain's international policy may be, the phrases "repudiation" or "dishonouring of a bond" are not to be found in the English political vocabulary.

Reparations.—With the present week, the work of the Reparations Conference in Paris has entered upon a critical stage. Last Saturday, Dr. Schacht was presented with a memorandum, endorsed unanimously by the experts of the creditor Powers, containing a complete scheme of payments. Monday and Tuesday were spent in furnishing the German delegation with additional data amplifying and explaining the Allied memorandum, and at the plenary session, held on Wednesday afternoon, definite counter-proposals were put forward by Dr. Schacht and referred to a sub-committee—identical in composition with that which evolved the Reparations Bank scheme—for informal examination. Details have not yet been given officially either of the Allied memorandum or of the German reply. Unofficial but persistent reports, of whose substantial accuracy there seems to be little doubt, indicate that the Allied experts set up a schedule beginning with an annuity of 1,800 million marks, increasing, over a period of 15 years, to 2,450 millions, holding that level until the end of the thirty-seventh year, and then declining to a flat rate of 1,700 millions for a further 21 years. This would correspond to an average annuity of about 2,200 millions, and would afford Germany a saving, as compared with the standard annuity of 2,500 millions under the Dawes Plan, of 700 millions in the first year and some savings in all the other years, even without taking account of the enlarging influence of the index of prosperity. The German counter-proposals are reported to be based on a figure of 1,650 millions as the average annuity payment, and to envisage, not only the termination of payments before the end of 58 years, but a flat rate of payment throughout the period. The unfavourable reception accorded to the Allied memorandum in Berlin made it certain that the German delegation's offer would be appreciably below the figure presented to them last Saturday, and, having regard to the normal manner in which negotiations between creditors and debtors are apt to be conducted in international conferences, as well as between individuals, we are not greatly surprised or dismayed at the width of the initial gap which the experts have to endeavour to bridge. Rumours that Dr. Schacht has been inclined this week to reopen the whole question of Germany's capacity to pay—an issue exhaustively canvassed in the earliest stages of the conference—and to digress into political questions, are somewhat disturbing, but it was never to be expected that the final phase of the conference, when it became a question of "getting down to brass tacks," would proceed either rapidly or without inevitable hitches and delays over stumbling blocks of one kind or another. Dr. Schacht is entitled to make as good a bargain for his country as he can, and the abandonment of "transfer protection" is a factor which clearly bulks large in German opinion. It is satisfactory, however, that the Allies should at least have reached unanimity among themselves. At the moment of going to press we learn that Dr Schact's memorandum was, after all, intended as an ultimatum, and a very serious situation therefore arises. But we continue to be hopeful that, if the German delegation retain their grasp on the realities of the situation, and sincerely desire the settlement of a question whose solution would benefit inestimably, not only the cause of European peace but Germany's own interests, an agreement will be reached.

The Grand Coalition in Germany.—On Saturday, April 13, the Government of the Reich was reconstructed on lines which in practice re-establish the "Grand Coalition" of the Social-Democrats, Democrats, Centre, People's Party and Bavarian People's Party. This is not only the most stable Government that the Reich can have on the existing balance of parties, it is the Government best able to carry the country with it along liberal lines of policy, in both home and foreign affairs. It is true that the parties composing it are divided over the cruiser question; and it is also significant and wholesome that the controversy on this matter of armaments should be conducted between different German parties rather than between Germany and her neighbours. It seems, however, that the division over this question will not bring the coalition down, since all parties concerned are determined to hold together in order to deal with the Budget and, we may presume, with the still larger question of Germany's final answer to the former Allied and Associated Powers on the question of Reparations. The crux in the formation of the Grand Coalition was the attitude of the Centre Party; but three representatives of the party have now entered the coalition, including such a notable figure as Dr Wirth, a former Chancellor, who has perhaps done more than any other German statesman except Dr Stresemann for the cause of international understanding since the war. With Dr Wirth as Minister for Occupied Territories, Dr Stresemann still at his post in the Ministry for Foreign Affairs, and Herr Hermann Müller as Chancellor, the new German Government ought to be a constructive force in both internal and foreign affairs.

Peace in Sight in Mexico.—It is now becoming possible to estimate the effects of the disaster suffered by the main insurgent forces in Chihuahua, on their retreat from Jimenes; and all the indications are that the blow has been decisive. The insurrection has not only been stamped out in outlying districts, but its back seems to have been broken in the north-west, which, for all Mexican insurrections, is the natural stronghold and base of operations. On Saturday, the 13th, one insurgent leader, General Manzo, crossed the United States frontier, with his staff, at Nogales, Arizona, and surrendered to the United States immigration authorities. The remaining insurgent forces in the State of Sonora are reported to be treating for capitulation. It remains to be seen whether the insurgent commander-in-chief, General Escobar, will give up the struggle or will attempt to carry on a local guerrilla warfare; but even if he perversely chooses the latter course, this will not alter the general fact that the insurrection has failed and that the Calles régime (for ex-President Calles is still the power behind the presidential chair) has surmounted the most serious internal crisis with which it has yet been confronted. The danger was, of course, that the insurrection—which had been carefully arranged to break out at a number of points simultaneously—might become so widespread that the Government forces would fail to cope with it, both from insufficiency of numbers and still more from the inadequacy of means of communication. In that case, the insurrection might have dragged on indefinitely, and so have rallied to its standards all the forces of disorder and discontent, until the Government collapsed. This was the really serious possibility; for the military leaders belonging to the faction of the late General Obregon, who started the trouble, can hardly have a large popular following of their own. The crucial question was whether the long-drawn-out struggle between Church and State would flare up when the Calles régime was challenged; for in that case the insurgent "Obregonista" generals might have been supported by a Catholic mass-movement, at any rate in the North-west; and though that alliance would have been incongruous and almost certainly transitory, it might well have availed to overthrow the existing order. Without taking sides in Mexican politics, we may legitimately rejoice that the whole life of the country is not to be thrown into the melting pot again. When the Diaz régime broke up in 1910, there were ten years of disorder; and it has taken from 1920 until to-day to repair the damage of that anarchical period. It would be a tragedy for the Mexican people if they were to be thrown back into that plight just when they had found their feet again; and it would also be a grave setback to the cause of international peace; for Mexico is the China of the New World, and her internal disorders cannot go far without producing international complications. We may hope that the process of reconstruction will now be resumed under the auspices of ex-President Calles, and with the sage and disinterested advice of Ambassador Morrow.

Mr Churchill's Faulty Logic.—Possibly because of the shadow of the impending election, or possibly because he knew that in a few minutes he would be confessing the failure of the betting tax, Mr Churchill, in his Budget speech, felt it necessary to deliver a vigorous defence of the duties upon artificial silk and motor tyres. What would be an apology from most people is never one from Mr Churchill, and he made a valiant attempt to prove that both duties had been an unqualified success. His argument in each case was the familiar one—imports down, exports up, home production up, new factories erected, prices lower, and finally, "an assured revenue of over £6,000,000 a year." He ended by recommending Mr Snowden to re-read the speeches he delivered against the silk duties during their passage. It is to be regretted that Mr Churchill has apparently neglected to follow himself his prescription for Mr Snowden. If he had done so, he would have found that one of his arguments at the time for the introduction of the silk duties was that artificial silk was a new and expanding industry, which could well bear the burden he was then proposing to inflict upon it. The fact that the industry has gone on expanding has nothing to do with the duty, and in fact, as was pointed out last week in our Free Trade supplement, the rate of progress during the three years following the duty was little more than half that of the three years preceding it. His statement that the home price of artificial silk yarn has fallen by 25 per cent. since the duty was imposed is equally irrelevant. Prices, as it happens, have of late years been falling all over the world. The real question is one that Mr Churchill omitted to mention. It is, what would be the price of artificial silk yarn to-day if the duty had never been imposed? A possible answer was provided by Mr Snowden's statement in Tuesday's debate, that "the price of the most used artificial silk yarn was 50 per cent. more than the price of similar yarn in continental markets." Another and even more telling answer was given by Mr. Churchill himself a year or more ago, when he admitted that the duty had intercepted a decline in price. The Chancellor has once more evaded the real point. *Post hoc, ergo propter hoc*—is not a form of argument whereby the case for trade restriction can be made convincing.

Mr Hoover on Tariffs.—Mr Hoover's first Message to Congress dealing with tariff policy contains a passage which we commend to the attention of our protectionists over here. First of all he deals a doughty blow to those who attempt to prove the success of protection from the good fortune—often due to totally different causes—of the protected industries. He roundly states that "we must not fail to take into account the broad interests of the country as a whole, and such interests include our trade relations with other countries. It is obviously unwise protection which sacrifices a greater amount of employment in exports to gain a less amount of employment from imports." To which we would content ourselves with adding that there never was any form of protection which did not have that result. We congratulate Mr Hoover on having compressed in two short sentences so much economic truth.

The Indian States Committee.—The Report* of the Indian States Committee, laid before Parliament on Tuesday night, is exemplary in succinctness and in unanimity. Sir Harcourt Butler and his two colleagues were appointed to report upon the relationship between the Imperial Government, as Paramount Power, and the Indian States; to inquire into the financial and economic relations between British India and the States; and to make any recommendations thought desirable for the more satisfactory adjustment of those relations. The Committee's findings emphasise the need for recognition of the fact that in the territories of the Raj and the Rajahs there are two Indias; that the machinery of Government must be adapted to this condition; and that the States "differ so greatly among themselves that uniform treatment of them is difficult, if not impossible." Having traced the historical development of the relationship between the Indian States and the Crown, the Committee reaches the axiomatic conclusion that, pragmatically, the doctrine of "Paramountcy" is open to little criticism, and that "the relationship between the Princes and the Paramount Power has on the whole been harmonious and satisfactory." In round terms the Committee states: "Paramountcy must remain paramount; it must fulfil its obligations, defining or adapting itself according to the shifting necessities of the time and the progressive development of the States." At the same time, there is no lack of sympathy in the Report with the views of the Indian Princes. The justice of their claim to consultation in matters of general policy regarding maritime customs is fully recognised, and the recommendation is made that an expert body should be appointed to inquire into the fairness of the States' contribution to Imperial revenue and their proper share in Customs' receipts— the Committee's own opinion being that the ideal solution of the tariff issue would be an

* Cmd. 3302, 1929. H.M. Stationery Office, 1s. 6d. net.

Indian Zolleverin combined with the abolition of internal Customs in the States themselves. In matters of finance a number of other recommendations of minor importance are made, but it is in the sphere of future political relations that the Committee's conclusions will attract most attention. Though it is careful to make it clear that "the door is left open for closer union" between the two Indias, the Report points to the need for "great caution in dealing with any question of federation at the present time" in view of the fact that the Indian Princes are a body "so heterogeneous, so conservative, so sensitive, so tenacious of internal sovereignty." The demand of the States "that without their own agreement the rights and obligations of the Paramount Power should not be assigned to persons who are not under its control," is endorsed without qualification. Recording its "strong opinion" that the States should not be transferred save by their own consent to a "new Government in British India responsible to an Indian legislature," the Committee recommends that better methods be adopted for recruitment and training of officers for the Political Department attached to the States, that the States should deal in future with the Viceroy as representative of the Crown, not with the Governor-General in Council, representing in that capacity the Indian Government; and that "important matters of dispute between the States themselves, between the States and the Paramount Power, and between the States and British India, should be referred to independent committees for advice." The Committee's conclusions may possibly be assailed as "undemocratic" by some sections of advanced Indian opinion, but the Report in its broad lines is a realistic and authoritative pronouncement on one aspect of the problem which the Simon Commission have to solve.

The Preparatory Commission for Disarmament.—In a leading article in this issue we discuss the somewhat more hopeful prospects of a renewed attempt being made to reach an Anglo-American *entente* on naval policy and construction. In the absence of such an understanding the present session of the Preparatory Commission for the Disarmament Conference cannot be expected to make much progress. A Geneva correspondent writes:—What the Commission will be able to accomplish during its session—which is estimated to last two or three weeks—is almost entirely a matter of speculation. Vague and contradictory messages from Washington leave complete uncertainty as to whether the head of the American delegation, Mr Hugh Gibson, brings from Mr Hoover any instructions to take the initiative in resuming negotiations with Great Britain. Since his arrival in Geneva he has said nothing to clear up this uncertainty. Lord Cushendun apparently takes the attitude of benign receptivity towards any suggestions that may be made, and in any case it is fair to recognise that the imminence of the General Election does not make his task easy. At the same time, surprises are always possible, and while on any ordinary basis of business probabilities a meeting of the Commission would not have been summoned at this moment, it may well be that advantages will accrue from resumption of contacts and a stocktaking of the situation as a whole. So uncertain is the situation that the first business of the Commission is to make up its mind what its agenda is to be. There is, of course, no lack of subjects, and the President has made a list of suggestions which include the German proposal concerning publicity and exchange of information, and a number of points in the draft convention which were left in suspense at the so-called first reading. These cover "effectives," chemical warfare, air armaments, material, budget limitations, and some other points which are quite sufficient to occupy all the attention of the Commission. There is a certain amount of malicious interest as to what will happen to the remains of the late Anglo-French compromise, more especially in regard to the limitation of trained reserves. The drastic Soviet plan will undoubtedly have to be dealt with, but it seems to be only a question of the form of interment, as on the occasion of the first Soviet project for immediate, complete and general disarmament, the Commission decided that it could not be adopted as a suitable basis for their work, which must be continued along the lines already mapped out—that is to say, the completion of the preliminary draft convention. There is likely to be a considerable amount of confused discussion during the session, and the most that can be anticipated from this meeting is an impetus towards a little more energy and initiative on the part of the governments with whom progress mainly rests.

The French Vaccination Order.—The sudden decision (now in suspense) of the French authorities to exclude from France all visitors from Great Britain who failed to produce a certificate of vaccination within the past two months naturally created a considerable stir. The French, it is true, were perfectly within their rights, both under international law and also under the terms of the Franco-British Convention of 1926 dealing with certain contagious diseases. At the same time, to make so drastic an order, with the minimum of warning, was calculated to cause grave inconvenience and loss. Plans would have to be suddenly altered by business men and holiday-makers, including not only persons with conscientious objections to vaccination, but also the majority of those who have been vaccinated within the usually accepted time limit of several years. French hotelkeepers, and all those interested in the "tourist" industry would have been hard hit; but more important still, from the international aspect, is the interest of the Swiss and Italian hotel-keepers, since the order applied as much to passengers travelling through France as to those intending to stop there. No doubt all these considerations were raised in the conversations which at once took place between the two Foreign Offices, and which resulted in the indefinite suspension of the order. Meanwhile, a meeting is to be arranged between French and British health authorities, so that they may take in common whatever precautions may be deemed necessary. That is as it should be. Up to a point, it is possible to sympathise with the French authorities, and the incident should give a valuable lesson to the port sanitary authorities of this country not to repeat what seems to have been the ill-advised failure to impose quarantine on the passengers and crew of the "Tuscania." But such a panic measure as was promulgated, and the comments with which it was greeted by certain French papers, show an unfortunate ignorance of the care which is taken by the health authorities of Great Britain to isolate cases and to arrest the spread of diseases like smallpox.

The League's Economic Activities.—A Geneva correspondent writes:—In a week or two the preliminary report of the League's Economic Committee on the coal situation will probably be available for the public. The Committee has drawn up an interesting and useful review of the more characteristic international aspects of the problem, and has reached the conclusion that further consultations will be necessary before recommendations are made. The Committee's desire now is to consult experts familiar with all the important angles of the question, and no doubt at its next meeting it will have had some useful guidance from the Economic Consultative Committee which by then will have held its meeting in May. It is idle to pretend that the sugar inquiry is proceeding with equal promise. The sugar experts devoted their attention mainly to two points: (1) the possibility of stabilising production for a number of years; and (2) measures which might be employed to increase consumption. They were of opinion that agreements between producers must first be concluded—a view which caused the Economic Committee delegates to point out that the Committee could assume no responsibility for taking any initiative in the matter, but must confine itself to the principles set forth by the Economic Conference, that is, to follow the developments and progress of such agreements and to bear this factor in mind in its final report to the Council on the position of the sugar industry. The rest of the work of the Economic Committee has included a study of the relations between bilateral and multi-lateral conventions in connection with the most-favoured-nation clause; collective action with a view to tariff reduction; bills of exchange; indirect protection; Customs nomenclature; industrial agreements; and statistics. With regard to collective action for the reduction of tariffs, the Committee was able to note that a large number of countries concerned in the production of and trade in cement would be willing to examine the customs régime, but it was unable to form a definite opinion on the attitude of certain South American countries which play an important part in the trade. It therefore intends to consult experts in the industry before coming to a decision, and has appointed a small delegation, including Sir Sydney Chapman, to undertake this work. The meeting with the experts will not take place until the early autumn. The other products which the Committee have included in its programme are: iron and steel, wood, hides and skins, fresh fruit and vegetables, &c. It seems that the Committee is finding it difficult to take isolated products without giving rise to much wider economic considerations. It was realised, however, from the outset, that the Committee's tentative efforts on those lines to pave the way for a more general movement to lower tariff barriers represented a task neither easy nor to be rapidly accomplished.

A Quarter's Overseas Trade.—The foreign trade returns for the first quarter of 1929 are mixed reading. Compared with a year ago, imports have fallen by £3,788,000, and, of this decline, £1,487,000 is accounted for by the raw material group. Exports at £181,168,000 have barely held their own.

MONTH OF MARCH.

	1929.	Increase or Decrease compared with 1928.		Increase or Decrease compared with 1927.	
	£	£	%	£	%
Imports	98,593,340	−11,923,782	−10·8	−14,906,681	−13·1
British Exports	58,623,357	− 6,334,766	− 9·7	− 3,490,789	− 5·6
Re-exports	9,986,463	− 1,280,716	−10·5	− 784,682	− 7·3
Total Exports	68,609,820	− 7,615,482	−10·0	− 4,275,471	− 5·9
Excess of imports over total exports	29,983,520	− 4,308,300	−12·5	−10,631,210	−26·2

FIRST QUARTER.

	1929.	Increase or Decrease compared with 1928.		Increase or Decrease compared with 1927.	
	£	£	%	£	%
Imports	305,975,160	− 3,787,901	− 1·2	−14,960,103	− 4·7
British Exports	181,167,939	− 769,065	− 0·4	+10,694,545	+ 6·2
Re-exports	30,098,041	− 3,140,812	− 9·4	− 1,341,263	− 4·3
Total exports	211,265,980	− 3,909,877	− 1·8	+ 9,353,282	+ 4·6
Excess of imports over total exports	94,709,180	+ 112,976	+ 1·1	−24,313,385	−20·4

The trade returns of the first quarter are a fair indication as to how the year has opened, and when these details are considered, the impression they leave behind is again a mixed one. To consider, first, raw material imports: of the thirteen items in the following table eight increases over 1928 are offset by five decreases. The balance, therefore, is the right way, but not overwhelmingly so, and decreases in such important items as wool, hides, flax, hemp and jute are somewhat discouraging. Considerable comfort, however, can be derived from the increases in iron ore and raw cotton, and it would be wrong to regard with pessimism the raw material import figures as a whole.

SOME LEADING RAW MATERIAL IMPORTS.
(Quantity Retained.)

	First Quarter. 1927.	1928.	1929.
Iron Ore ... tons	1,010,677	1,210,116	1,271,021
Wood and Timber, soft sawn ... loads	589,048	402,928	444,355
Cotton, raw ... centals	5,572,362	3,468,400	4,971,849
Sheep's and lamb's wool ... centals	2,355,492	2,400,183	1,826,017
Raw silk ... lbs.	1,126,078	1,080,895	1,092,612
Flax, hemp and jute ... tons	142,920	130,888	118,665
Cotton seed ... tons	153,281	166,148	162,331
Flax or linseed ... tons	96,071	85,652	97,164
Petroleum, crude ... thous. galls.	168,876	108,487	116,439
Hides, wet ... cwts.	183,094	139,626	109,503
Hides, dry ... cwts.	154,087	231,958	98,067
Wood Pulp ... tons	298,288	222,212	309,689
Rubber ... centals	637,716	219,994	622,967

If raw material imports are an indication of business now in hand, exports are a proof of results already achieved. Here, again, the figures are inconclusive. Sixteen items are included in the next table, and, comparing 1929 with 1928, these items yield ten decreases and only six increases. The six increases include such important items as coal, iron and steel, and worsted tissues, but cotton goods, machinery and leather are all lower than in 1928, and, though it is possible to hope that the increase in raw cotton imports betokens an approaching improvement in the industry, so far the record of 1929 does not compare over-favourably with that of the preceding year.

SOME LEADING EXPORTS.
(Quantity.)

	First Quarter. 1927.	1928.	1929.
Coal ... tons	13,085,647	12,022,994	13,125,958
Railway material ... "	82,132	189,398	134,320
Total of iron and steel ... "	824,121	1,058,513	1,151,404
Textile machinery ... "	26,988	31,573	31,712
Total machinery ... "	118,887	144,878	142,063
Cotton yarns ... lbs.	49,436,300	44,889,300	44,166,600
Cotton piece-goods ... sq. yds.	1,015,027,100	1,050,969,400	1,039,383,000
Wool tops ... centals	106,009	97,575	87,597
Woollen tissues ... sq. yds.	33,076,300	36,763,200	30,912,600
Worsted tissues ... "	11,087,800	9,732,300	14,299,500
Linen piece-goods ... "	19,536,600	21,583,900	18,152,500
Jute piece-goods ... "	35,886,800	45,608,100	45,114,700
Boots and shoes ... doz pairs	247,940	299,005	234,652
Leather ... cwts.	91,180	120,546	76,080
Locomotives ... tons	2,763	7,754	9,592
Motor cars and chassis ... number	12,505	7,342	10,385

The year 1928, it will be recalled, opened well, and it was only in the second quarter that trade began to fall away. Once more, we are to-day at that critical turning-point, and if 1929 eschews the examples of previous years, and maintains trade on the level of the past three months, we shall have causes for satisfaction.

Taxable Wealth.—The Report of the Commissioners of Inland Revenue for 1927-28 contains some interesting statistics relating to national income and property. The £12 million, by which in that year Inland Revenue receipts exceeded estimates, arose mainly from an unexpectedly high yield of estate duty. Not only did the number of estates liable to tax, and their total capital value, increase between 1926-27 and 1927-28, but their average value also rose from £4,567 to £4,725. Yet, at the same time, the percentage of the total value consisting of small estates, between £1,000 and £5,000, had been increasing, from 14.13 in 1924-25 to 15.08 in 1927-28. The table of the distribution of capital values presents many points of interest. The percentages in the two representative groups, £30,000 to £40,000, and £100,000 to £150,000, both fell considerably between 1926-27 and 1927-28, suggesting that fortunes of medium size are becoming proportionately fewer. The increase of small estates has been noted above; at the same time, the aggregate value of estates over £3,000,000 has been increasing extremely rapidly, from £4,607,083 (one estate), or 1.00 per cent. of the whole, in 1924-25, to £28,529,620 (four estates), or 5.58 per cent. of the whole, in 1927-28. The kinds of property assessed also show marked changes in the last few years. Landed property forms a steadily diminishing, and money lent on mortgage a steadily increasing, percentage of the whole; the proportion in insurance policies is also rising. In discussing the figures of total income coming to the notice of the income tax authorities, it must be remembered, first, that not all the income assessed in any year has been earned in that year, and, second, that alterations have recently been made in the basis of assessment. The following are the most important figures:—

Year.	£ millions. Gross Income.	Exemptions and Reductions.	Actual Income.	Allowances from Actual Income.	Taxable Income.	Net Produce of Tax.	pence per £. Average effective rate of Tax.
1924–25	2,970·4	569·7	2,400·7	1,052·2	1,348·5	273·0	27·29
1925–26	2,944·4	607·5	2,336·9	1,024·8	1,312·1	236·0	24·24
1926–27	2,916·6	579·6	2,337·0	1,013·2	1,323·8	233·7	24·00
1927–28a	2,904·0	584·0	2,320·0	1,020·0	1,300·0	228·0	23·58

(a) Estimates.

This table certainly gives no spectacular evidence of advancing national income, but the growing habit of investing for capital appreciation rather than for current revenue causes death duties to profit at the expense of income tax. Further evidence of a gradual redistribution of wealth is contained in the super tax statistics. The proportion of the aggregate of assessed incomes which falls in the lowest income groups has steadily increased, and so has the proportion in the highest group. Meanwhile, the average and the mode of the incomes assessed remain practically constant. If any conclusion can be drawn, then, from these figures of taxable incomes and property, it is that the curve of distribution of national wealth is being steadily loaded more heavily at its upper and lower ends.

A Quarter's Shipbuilding.—The shipbuilding returns for the first quarter of 1929, issued this week by Lloyd's Register, show that the improvement which took place towards the end of last year in the volume of work in hand has been maintained, but that there are signs of a renewed falling off in the quantity of fresh orders placed. Figures of tonnage commenced, launched, and under construction in British yards are given below for the past five quarters.

	Thousand Tons Gross.		
	Commenced.	Launched.	Under Construction.
1928—			
1st Quarter	342	406	1,440
2nd Quarter	279	403	1,203
3rd Quarter	245	387	1,090
4th Quarter	432	246	1,243
1929—			
1st Quarter	362	290	1,357

It will be noted that the figure of tonnage building in this country on March 31 was 114,000 tons higher than at the end of December, but was still 83,000 tons lower than a year ago; and that the tonnage commenced declined on the quarter by 70,000 tons. Abroad, the position of the industry underwent comparatively little change on balance during the past three months, 298,000 tons having been commenced and 215,000 tons launched, as compared with " commencements " at 249,000 tons, and launchings at 262,000 tons, in the previous quarter. The world total of tonnage building at the end of March was 2,838,000 tons, of which 1,399,000 tons were motorships. The continued progress in the employment of the internal combustion engine for larger vessels of the " liner " class is shown by the fact that of the 94 vessels each of 8,000 gross tons and upwards now building in the world, 61 are designed for Diesel engines—the British figures being 29 motorships out of a total of 37 vessels. In the " general trading " type of ship—those of a tonnage from 4,000 to 8,000 gross tons—it is significant that foreign builders favour motor engines to a much greater extent than British designers appear to do. British yards have now in hand 90 steamers, and only 24 motorships in this tonnage group, as compared with a corresponding total of 60 motorships and 20 steamers under construction abroad. Of the total tonnage building in the world at the end of March, the British proportion amounted to 48 per cent., as compared with an average figure of 57 per cent. in 1913.

Iron and Steel Production in March.—According to the figures just issued by the National Federation of Iron and Steel Manufacturers, production of iron and steel continued to improve during March. Steel production amounted to 859,900 tons, compared with 774,900 tons in February and 793,300 tons in March, 1928, while pig iron production amounted to 590,500 tons in March, compared with 519,600 tons in February, and 592,600 tons in March of last year; the increase in the daily rate between February and March amounted to 3 per cent. The increase in the case of pig iron would probably have been greater but for the difficulties experienced in the supply of coke, and, although the increased demand for pig iron would appear to justify the re-lighting of more blast furnaces, the net increase in the number in operation during the month was only five—seven having been blown in and two blown out. The scarcity is, naturally, accompanied by an increase in price, and, on the North East Coast, for instance, blast furnace coke has advanced by 2s. 6d. per ton since the beginning of the year. Imports of iron and steel, which, at 160,000 tons, were exceptionally low in February, rose to 182,100 tons in March, but were some 90,000 tons less than in March, 1928. Exports of iron and steel declined from 380,100 tons in February to 350,100 tons in March. The following table compares production, imports and exports of iron and steel in the first three months of 1929 with the first quarter of 1928:—

PRODUCTION, IMPORTS AND EXPORTS OF IRON AND STEEL.
(In thousands of Tons.)

	Production.				Imports and Exports			
	Pig Iron.		Steel Ingots and Castings.		Imports.		Exports.	
	1928.	1929.	1928.	1929.	1928.	1929.	1928.	1929.
January ...	560·5	563·9	626·2	764·6	283·9	244·3	332·2	421·2
February	550·8	519·6	764·4	774·9	286·9	160·0	317·0	380·1
March ...	592·6	590·5	793·3	859·9	271·5	182·1	409·3	350·1
	1,703·9	1,674·0	2,183·9	2,399·4	842·3	586·4	1,058·5	1,151·4

Production of pig iron in the first quarter of 1929 is practically equal to the output in 1928, when it is remembered that February, 1928, contained 29 days; but, whereas last year the March output was the maximum for the year, it may be hoped that the next few months will improve on the March output. Steel production in the first quarter of 1929 is 10 per cent. higher than in the first quarter last year, while exports are also up by nearly 10 per cent. The most significant feature of the table is the decline in imports by 256,000 tons, or 30 per cent., due, in a large measure, to activity on the Continent, with consequent rise in price and delay in delivery.

Cotton Yarn Association, Limited.—On Tuesday last there was a special meeting in Manchester of the members of the Cotton Yarn Association, Limited, to consider the future work of this organisation. Proposals for the continuance and reorganisation of the association were put forward and discussed, but failed to secure sufficient support, and it was decided that the directors should take immediate steps to wind up the association. Further meetings will be called at an early date for the necessary formal resolutions to be passed. It is therefore practically certain that this organisation, which at one time promised to be highly instrumental in relieving the depression in the cotton trade in Lancashire, has come to an end. The association, writes a correspondent, was formed in October, 1926, with a nominal capital of £100, but in April, 1927, there was a further registration of a company with the same name with a capital of £250,000. The objects of this movement were set out very definitely by the president, Mr J. L. Tattersall, at a meeting held in July, 1927. It was reported that the membership consisted of 221 companies, representing nearly 21,000,000 spindles, and these firms were pledged to stand by the directors as regards their instructions for curtailment of production and for minimum prices. Within a few months of that meeting, however, there were increasing difficulties in maintaining the policy of the association, especially with regard to minimum yarn prices. There was a substantial number of spinners outside the organisation, and these producers secured the bulk of the trade passing, as they were willing to book orders at a little below the minimum rates. In October, 1927, the board of directors realised that a crisis was near at hand, and an appeal was made to the Master Spinners' Federation for help and support. A joint committee of the two organisations was set up, and after protracted meetings the Cotton Yarn Association agreed to abandon their minimum prices system in favour of the basic prices scheme of the Masters' Federation. On the other hand, the Federation promised, subject to the approval of their members, to adopt the sectionalisation of this branch of the industry for short-time purposes. The new basic prices, however, were only effective for a few days, and the Manchester market became very irregular. In the meantime the members of the Federation failed to support the ballot on sectionalisation, and although a big effort was made to secure the necessary majority, it was ultimately announced that the owners of only 72 per cent. of the spindles had voted in favour. Owing to this disappointing response the Federation decided to take no further action. This development created a crisis, and a few days later the directors of the Cotton Yarn Association resolved to release the members from their obligations with regard to minimum rates and curtailment of production, and a state of unfettered competition prevailed. The association then turned its attention to the formation of an amalgamation of spinning mills, and ultimately this scheme was consolidated by the establishment of the Lancashire Cotton Corporation, Limited. It is held in many quarters that no useful purpose can now be served by the continuance of the Cotton Yarn Association, Limited, although it is admitted that the statistical information gathered from week to week relating to productions, sales and deliveries has been extremely useful and valuable. The progress of the new Corporation, despite the backing of substantial trade and financial interests, is necessarily slow, and so far only one mill has been absorbed, but it is understood that negotiations are taking place for the taking over of a number of other concerns.

Employment in March.—During the month there was a very substantial increase in employment. The advent of improved weather conditions at the beginning of March led to an increase in the numbers employed in those industries which had been adversely affected by the severe weather which prevailed during the previous month, while the position was maintained in those industries which had shown an improvement during February. According to the *Ministry of Labour Gazette*, among the 11.9 million workpeople insured under the Unemployment Insurance Acts of Great Britain and Northern Ireland, the percentage unemployed (wholly and partially) at March 25 was 10.1, as compared with 12.2 at February 25, and 9.5 at March 26, 1928. The total number of registered unemployed at March 25 was approximately 1,168,000. This compares with 1,430 at February 25th, and 1,063,000 a year ago. The following table gives the monthly movements in the unemployed percentage for some years past:

PERCENTAGE UNEMPLOYED AMONG INSURED WORKPEOPLE IN GREAT BRITAIN AND NORTHERN IRELAND.

	1922.	1923.	1924.	1925.	1926.	1927.	1928.	1929.
End of—	%	%	%	%	%	%	%	%
January	16·2	12·7	11·9	11·5	11·0	*12·0	10·7	12·3
February	15·7	11·8	10·7	11·3	10·4	10·9	10·4	12·2
March	14·6	11·1	9·9	11·1	9·8	9·8	9·5	10·1
April	14·4	10·9	9·7	10·9	9·1	9·4	9·6	...
May	13·5	10·7	9·5	10·9	*14·3	8·7	9·9	...
June	12·7	11·3	9·4	11·9	*14·6	8·8	10·8	...
July	12·3	11·5	9·9	11·2	*14·4	9·2	11·7	...
August	12·0	11·8	10·6	12·1	*14·0	9·3	11·7	...
September ...	11·9	11·7	10·8	12·0	*13·7	9·3	11·4	...
October	12·0	11·7	11·1	11·4	*13·6	9·5	11·8	...
November ...	12·4	11·5	11·0	11·0	*13·5	9·9	12·2	...
December ...	12·2	10·7	10·9	10·4	*11·9	9·8	11·2	...

The improvement recorded during the month was relatively greatest in the building trade and public works contracting, in brick and tile, artificial stone and cement manufacture, and in the mining group of industries. There was a further decline in those wholly and temporarily unemployed in the coal mines. Other industries which showed an improvement included pottery, iron and steel manufacture, general and marine engineering, the motor vehicle industry, shipbuilding and ship-repairing, the textile trades (with the exception of jute manufacture), the clothing trades, and river, dock and harbour service. There was a slight decrease of employment in the shipping service.

* Excluding workpeople in the coal-mining industry who were disqualified for unemployment benefit owing to the dispute.

Cost of Living.—There was a substantial fall in the cost of living during March. At April 2nd the index number of the Ministry of Labour stood at 62 per cent. above the level of July, 1914. This compares with 66 per cent. at the end of February and 64 per cent. a year ago. For food alone the index stood at 50 per cent. at April 2nd, as compared with 57 per cent. a month ago and 55 per cent. a year ago. The following table shows the monthly movements of the index figures over a number of years:—

AVERAGE PERCENTAGE INCREASE over JULY, 1914.—All Items.
(Food, Rent, Clothing, Fuel, and Light, &c.)

1st Day of	1918.	1921.	1924.	1925.	1926.	1927.	1928.	1929.
	%	%	%	%	%	%	%	%
January ...	85–90	165	77	80	75	75	68	67
February ...	90	151	79	79	73	72	66	65
March.....	90	141	78	79	72	71	64	66
April	90–95	133	73	75	68	65	64	62
May	85–100	128	71	73	67	64	64	...
June	100	119	69	72	68	63	65	...
July	100–105	119	70	73	70	66	65	...
August	110	122	71	73	70	64	65	...
September..	110	120	72	74	72	65	65	...
October.....	115–120	110	76	76	74	67	66	...
November ..	120–125	103	80	76	79	69	67	...
December ..	120	99	81	77	79	69	68	...

The decrease in the cost of living during the month was mainly due to the cessation of bad weather conditions and to seasonal influences which are to be expected at this time of the year.

Co-operative Trade Position.—By a coincidence, writes a correspondent, we are able to check the optimistic views of politicians as to the industrial position with the actual figures as revealed in the accounts of the Co-operative Wholesale Society. These reflect the wage-earners' capacity for consumption, which is closely conditioned by the state of employment. For the year ended January 12th the sales of the C.W.S. were £87,294,025, an increase of only ⅜ per cent., compared with an advance of 15 per cent. in the previous year, of nearly 2 per cent. in 1926 over 1925, and of 7 per cent. in the latter year over 1924. There has been a re-arrangement of the accounting period, but, in the main, these percentages represent the substantial increases which have annually occurred until last year. True, the weekly average trade throughout 1929 reached £1,678,731, an increase of £98,884 per week, but the number of individual members in the shareholding societies was over 430,000 more than in 1928. For the last half of the year the turnover was £44,084,237, of which £13,594,018 was for supplies from the society's own productive works. There was a net surplus of £638,300, from which the societies will receive £505,896 in the form of a dividend of 3d. in the £ on their purchases; £117,880 will be allocated to writing off land, buildings, fixtures, etc.; £13,601 placed to the reserve fund; and £1,472 apportioned as half dividend (1½d. in the £) on the trade of non-members. The latter represents a negligible amount over the whole trade. This surplus of £638,300 is arrived at after the payment of interest on capital, depreciation of property according to rule, and meeting all the expenses of production and distribution. Steadily the reserve fund of the society, which was drawn upon in 1921, is being restored. It stood at £1,052,775 on January 12th. The banking business of the society totalled £342,711,882 in the last half of 1929, this being the amount of withdrawals and deposits in the C.W.S. Bank, which now operates 24,520 current accounts, of which 8,562 are those of trade union offices and 5,168 other mutual working-class associations. The difficulties of the industrial population find expression in the decreased supplies from all the flour mills of the society. These totalled £4,770,852, a decrease of 12 per cent. There was a decrease of 11 per cent. in the output of the boot and shoe works and tanneries, the total production of which was £1,199,954. These two important sections of the society's business may possibly reflect lessened power of consumption among working people. This is apparent in several directions. The most notable exception is concerned with the C.W.S. cabinet factories, where the increase of 1¼ per

cent. suggests that many co-operators, having obtained mortgages on their new houses through local co-operative societies, are furnishing from co-operative sources.

Foreign Trade of the United States.—Detailed analyses now available of the imports and exports of the United States in 1928* confirm the results of general observation of the trend of economic development in that country. The ratio of United States exports to world exports, though still higher than in 1913, is declining, but her outward balance of merchandise has risen from $378 million in 1926 to $681 million in 1927 and $1,038 million in 1928. There was also an outward balance of gold movements, and it is not yet known by what invisible imports the payments were balanced. Since 1928 the quantity of exports has increased by 47 per cent.; exports of automobiles and of calculating machines multipled sixfold, of wheat tractors by five and a half times; exports of typewriters and of rubber tyres more than doubled. Imports increased by 50 per cent. in the same period, the most marked increases occurring in the cases of rubber, coffee, tin and silk. Of 437 exports analysed, 68 showed records in respect of quantity and value, and a further 67 in respect of either quantity or value. These commodities ranged from dried prunes and undressed opossum skins to motor-cars. There was a substantial number of records also among imports. Changes in the distribution of trade among the various classes are significant:—

PERCENTAGE OF EXPORTS.

	Raw Materials.	Crude Foodstuffs.	Manufactured Foodstuffs.	Semi-manufactures.	Manufactures.
1913	31·7	6·9	13·3	16·2	31·9
1928	25·7	5·8	9·3	14·3	44·9

PERCENTAGE OF IMPORTS.

1913	34·6	12·3	11·1	19·0	20·9
1928	35·9	13·4	9·9	18·6	22·2

The increasing industrialisation of the country is clearly reflected in these figures, and further evidence of its influence is to be found in the changes in the geographical distribution of United States trade shown in the following table:—

PERCENTAGE OF IMPORTS.

	North America.		South America.	Europe.	Asia.	Oceania.	Africa.
	North.	South.					
1913	8	13·7	11·1	48·2	16·7	0·9	1·3
1928	12·2	11·3	13·9	30·5	28·6	1·3	2·2

PERCENTAGE OF EXPORTS.

1913	16·5	7·7	5·9	60·4	6·2	2·2	1·2
1928	18·0	7·7	9·4	46·3	12·7	3·5	2·3

The continents in whose share of her imports there has been the largest increase are Asia, from which come over 56.2 per cent. of United States imports of raw materials, and North America, from which she imports over 40 per cent. of her crude foodstuffs, whereas Europe, from which come nearly 60 per cent. of her manufactured imports, plays a declining part. Similarly Asia and South America, which play a more important part as markets for finished goods than for raw materials and foods, are rapidly increasing the proportion they take of U.S. exports, while Europe, the leading consumer of food and raw materials, is a market of declining importance.

The American Invasion of Europe.—Our Paris correspondent writes:—*French motor-car manufacturers are closely watching developments in connection with the American effort to secure a larger share of the European market by purchasing control over certain of the German car factories, but it cannot be said that this menace to a valuable section of her export trade has been received with any great degree of nervousness in France. A section of the Paris Press is urging that French motor-car constructors should organise a common front against the Transatlantic "enemy," but those leading makers who are making any move in the matter appear to prefer continuing the policy of establishing works of their own in the countries in which the Americans are threatening to secure a footing. As a retort to the establishment of the American General Motors concern at Warsaw, the Citröen company is reported to have decided to organise a substantial plant in the Polish capital. Fifty-one per cent. of the capital of the new Citröen subsidiary, it is asserted, will be Polish. The engines are to be imported from France, but the raw materials will, as far as possible, be of Polish origin. It is reported that the Continental motor-car trade is not the only industry American industrials are coveting. One leading Paris dressmaker is stated to have received from an American source an offer to purchase his undertaking for $2,500,000, with the promise that nothing shall be changed in regard to *personnel* or models, and that French taste shall be respected. "The only stipulation we shall make," the letter conveying the offer stated, "is that the whole of the piece goods used shall be supplied by American firms." This naïvely-couched proposition, it is asserted, was promptly declined. The tariff policy of the Washington Government is provoking increased hostility among French exporters. The report of the Confédération Générale de la Production Française warns the American Government that unless it adopts a less greedy tariff policy the outcome may be regrettable. The surprise that was felt in France, at the time of the signing of the new Franco-German commercial agreement, when the Washington Government, although flatly refusing to reduce its almost prohibitory rates against French products, demanded most-favoured-nation treatment for American goods entering France, has now been emphasised by the announcement that the United States proposes to raise still higher the rates imposed on certain important classes of French goods. The French Ambassador in Washington has already reminded the American Government that its policy may have a bad effect on Franco-American relations. "It is to be hoped that this warning will be heard," concludes the report referred to, "and that we shall not be forced to take retaliatory measures against certain important items of American exports."*

*U.S. Department of Commerce, Trade Information Bulletin No. 602.

New Zealand's Economic Problems.—Official returns recently published for the year 1928 show an exceptionally favourable trade balance. Imports for 1928 amounted to £44.9 million, as compared with £44.8 million in 1927, while exports were £56.2 million, as against £48.5 million in the previous year. Banking figures reflect the changes in the overseas trade balance. An interesting feature of the situation is, however, that the funds accumulated have been placed in unusually large measure in fixed deposit, and hence are inactive, and are not having their full anticipated effects in stimulating business activity. It appears probable that this concentration of funds on fixed deposit will lead to some reduction of bank rates of interest, which in turn would stimulate borrowing and business. But the amount of funds placed in cold storage is directing attention to other factors, which determine business prospects, and analysis shows that there are troublesome legacies of the post-war boom that have yet to be eliminated. Internal prices, which determine costs of production, have become stabilised at a high level, while export prices, which largely determine buying power in the local market, are variable about a lower level. Since export prices are fixed in competitive world markets, they are beyond the control of New Zealand, and in the long run local costs of production must adjust themselves to these world prices. Local costs of production are, however, extremely inelastic. High taxation, and tariffs, heavy private and public indebtedness, state and other monopolies, rigid fixation of wage rates and labour conditions, small and isolated markets separated by heavy transport charges, all these combine to keep costs high, and though there has been some depression and considerable unemployment since 1921, and particularly since 1925, the appeal for higher production at lower costs has had little visible effect. The most promising development is the expansion of production per head and production per acre in the dairying and pastoral industries, which, providing about 93 per cent. of the Dominion's exports and 53 per cent. of its estimated total production, are the foundations of its prosperity. The dairy industry shows up best, and between 1920 and 1927 annual butter fat production per cow increased from 150.6 lbs. to 198.5 lbs. This is the direct result of better breeding and better nutrition. It is difficult to reach conclusions regarding secondary industries. Public utility services, financed by borrowed capital, are expanding, as are those industries preparing pastoral products for market. Timber and building are in the doldrums, having suffered contraction after a prolonged building boom, mainly in North Island towns. Slow changes in consumption too, are having widespread effects. The rapid advance of motor transport brings keen competition to bear on the railways and creates a demand for better highways; many owner-drivers spend now on motoring what hitherto they spent on other comforts and luxuries; the mechanisation of agriculture and housekeeping is changing the nature of demand for a wide range of agricultural and domestic contrivances; and tastes in wearing apparel, &c., change in the Dominions much as they do elsewhere. The nature of New Zealand's difficulties is not greatly different from those troubling many other countries; sheltered prices and local costs are high; industry, burdened with debt and high taxation, adjusts itself but slowly to lower price levels, and is hampered by marked changes in demand in its markets. But farming efficiency and production per acre are high and improving, and the last two years have seen good harvests sold at remunerative prices. The farmers are therefore in a stronger position than for many years past, and when the farmer is prosperous the Dominion may fairly expect prosperity to become widely diffused amongst its people.*

INSURANCE NOTES.

Eagle Star and British Dominions.—The 1928 report of this company will shortly be available, and its publication is awaited with great interest. The 1927 results were disappointing inasmuch as they disclosed in the marine department an unexpected loss of £75,000, which counterbalanced the satisfactory figures in other sections of the business. With regard to 1928, it has been already announced that the quinquennial valuation of the Star Life Closed Fund will yield a sum of £145,000 for the profit and loss account. There now comes a preliminary statement of the results of the quinquennial valuation of another Closed Fund, that of the Sceptre Life. Although the details have not yet been vouchsafed, the reversionary bonuses to the policyholders have been greatly increased, and it is reasonable to assume that the allocation to shareholders, which amounted five years ago to £20,000, will be largely exceeded. From these two sources the Eagle Star and British Dominions should receive at least £165,000 compared with only £25,000 from other sections of the life business in 1927. As regards the policyholders of the Sceptre, the reversionary bonuses to be declared for the quinquennium 1924 to 1928 will be at the following rates, the rates for the preceding quinquennium being also given for comparison:—

	1919–1923.	1924–1928.
Temperance section:		
Whole-life policies	50/–% per annum.	80/–% per annum.
Endowment assurances	45/–% ,,	75/–% ,,
General section:		
Whole-life policies	42/–%	72/–% ,,
Endowment assurances	42/–% ,,	72/–% ,,

Provided that no unwelcome surprise comes to light from the marine department, the omens for the forthcoming report are good.

Atlas Assurance Company.—The year 1928 marks the closing of the triennial valuation period in the life department of this company. For the purpose of comparison the results of the last two valuation periods are summarised below:—

	1923-1925.	1926-1928.
	£	£
Surplus earned during the triennium	387,322	590,833
Capital profits taken credit for	...	...
Brought forward from previous valuation	6,265	30,101
	393,587	620,934
Allocations—		
To Bonuses to Policyholders	156,879	365,825
,, Shareholders	41,723	55,454
,, Strengthening of Actuarial Valuation	82,183	122,000
,, Written off securities	82,701	63,711
,, Carried forward to next valuation	30,101	13,944
	393,587	620,934

The large increase in profits earned has enabled the directors to increase the reversionary bonus for the triennial period from 36s. per cent. compound to 42s. per cent. compound. Moreover, it has been decided to allot in addition a further special reversionary bonus of 18s. per cent. compound, making in all a bonus of 60s. per cent. compound for the three years 1926-1928. It will be seen from the figures in the above table that the profits have been conservatively dealt with, and for the future the directors have determined upon an interim bonus at the exceptionally high rate of 48s. per cent. per annum compound. New life business last year underwent further large expansion, the amount having risen from £2,946,816 to £3,482,611. Development in the life department has been very rapid since the war. New business in 1912 amounted to only £420,788; in 1920 the figure had grown to £1,972,261, and in 1923 to £2,310,362. The expansion of the life department has been associated with the energetic development in particular of group insurance and of special life assurance schemes for industrial firms. Turning now to the fire and general departments, it is satisfactory to observe that the company has again had a very favourable year. The total premium income from fire, accident, and marine combined amounts to almost £3 million, of which £2,400,000 is due to fire business, £440,000 to accident business, and only the comparatively small balance of £160,000 to marine insurance. The following table, setting out the underwriting results of the past three years, exhibits clearly how successfully the business has been conducted:—

	1926.		1927.		1928.	
	Amount.	Percentage of Premiums.	Amount.	Percentage of Premiums.	Amount.	Percentage of Premiums.
	£		£		£	
Fire	228,993	10·2	248,559	10·9	221,854	9·3
Accident	36,499	10·0	21,382	5·4	31,836	7·2
Marine	...		...		...	
Life	16,649		19,124		19,681	
Sinking fund	...		4,777		2,013	
	282,141		293,842		275,384	
Taxes, pension fund, &c.	78,381		79,041		100,117	
Total Net Trading Surplus	203,760		214,801		175,267	

The cost of the dividend, namely, £176,000, remains the same as in 1927, but it is calculated on a different amount owing to the fact that last year part of the uncalled liability was wiped out, and at the same time the £10 shares were sub-divided into £5 shares each, with 25s. paid up. There is a moderate gap of £32,000 between the cost of this dividend and interest earnings after reduction of debenture interest. Incidentally it is interesting to observe that transfer fees received have increased from £77 in 1927 to £125 in 1928, this increase being probably due in no small part to the increased popularity of the shares in their split form.

Legal and General Assurance Society, Ltd.—The constitution of the new life business is again analysed in the report, and the following table exhibits a comparison of the 1928 figures with those of 1927, when the analysis was furnished for the first time.

	1927.		1928.	
	Sums Assured.	Amounts per annum.	Sums Assured.	Amounts per annum.
Life assurances:	£	£	£	£
Ordinary business	3,190,803	...	3,387,118	...
Decreasing term and group insurances	3,458,361	...	4,259,783	...
	6,649,164	...	7,646,901	...
Deferred annuities, etc.	...	43,865	...	90,581
Sinking fund assurances	565,262	...	997,622	...

The table clearly shows the considerable expansion which has taken place during the year in all classes of business. As regards life assurances, the company's business is of an unusual character. All of it is now transacted on a "non-profits" basis, and, although there is still existing a large volume of "with-profits" business, this means that for the future the shareholders have a 100 per cent. proprietary interest in profits. For the rest it would be interesting to know how much of the £4¼ million of business is due to decreasing term assurances, and how much to group insurance on bodies of employees. The former is a development of recent years, and has been made possible by the boom in the purchase of small houses through the medium of building societies. The method by which the loans granted for this purpose by building societies are liquidated is by means of an annuity payable over a term of 15 to 20 years. Each annuity payment includes an instalment of principal, growing in size with each year, so that the death of the borrower before final redemption takes place involves the immediate liquidation of the balance of the loan. The Legal and General has been enterprising enough to remedy this defect by offering temporary assurances subject to a single premium with a sum assured decreasing each year in accordance with the principal of the loan. Turning now to the investment of the funds, these have yielded an average rate of £4 11s. 6d. per cent. in 1928, compared with £4 11s. 11d. per cent. in 1927. The expense ratio last year worked out at 16.9 per cent., while the corresponding figure in 1927 was 17 per cent. As an adjunct to the life business the company started a fire and accident department in 1919. This has been very carefully and successfully managed. The premium income from this source last year was £274,325, and yielded a net trading surplus of £20,426 (equivalent to 7.4 per cent.), together with net interest earnings of £45,685. Since the cost of the dividend was £70,000 it will be seen that the earnings of the fire and accident departments are now on a scale almost sufficient by themselves to meet the dividend without touching the life department profits. Taking everything into account, the company is earning at least twice its present dividend. From the shareholders' point of view the Legal and General is an excellent property with very considerable possibilities.

London Assurance.—The final results for 1928 are coloured by the relatively unfavourable outcome of the fire department—the largest section of the business. Premiums in this department have been declining for the past three years, the diminution being partly the result of more stringent selection of the American business and partly to increasing competition. The underwriting profit last year in respect of premiums, amounting to £1,730,000, worked out at 3.7 per cent., compared with 8.7 per cent. in 1927. The next most important department is the marine. The possession of a large marine income exceeding £1,000,000 is, in present conditions, a distinct disadvantage. The marine fund has been maintained for some years at a round figure of £1,000,000, and in 1927 required a transfer from profit and loss of £250,000 for this purpose. Happily, on this occasion no further support has been necessary, but interest earnings have been left in the account, and there was an underwriting loss of £43,517. The detailed results of all departments are set out below:—

	1927.		1928.	
	Amount.	Percentage of Premiums.	Amount.	Percentage of Premiums.
	£	%	£	%
Fire	155,606	8·7	63,995	3·7
Accident	2,317	15·8	729	4·3
Employers' Liability	11,913	16·4	10,896	14·2
General Accident	– 17,750	– 4·6	– 4,765	– 1·2
Marine	– 293,263	– 28·7	– 43,517	– 3·8
Life	12,500		12,500	
	– 128,677		39,838	
Less Items debited to Profit and Loss Account	53,638			
Total Net Trading Profit	– 182,315		54,436	
			– 14,598	

Thus it will be seen that, apart even from the marine department, the results of all other sections were less favourable last year than in 1927. The contribution from the life department represents one-fifth of the proprietor's share of the surplus disclosed at the 1925 quinquennial valuation. New business in this department more than recovered the decline recorded in 1927, the amount last year being £1,746,180. The dividend has been maintained at the same rate as before, and the cost is covered by interest earnings with a small margin. At the present price of 10⅜ the £2 10s. shares, with 50 per cent. paid up, yield 5¼ per cent. approximately. Last year the shares were as high as 13⅝.

Caledonian Insurance Co.—From the shareholders' point of view the most important department, because it is the largest contributor to profit and loss, is the fire department. The main feature of the results for 1928 is the falling off in fire profits, though this is largely made good by the greatly improved outcome of the general department. Consequently the total underwriting profits, allowing for the fact that 1927 included 5 years' profits from the life department, are very little less than in 1927. The following table exhibits the details of the underwriting experience in the various accounts:—

	1927.		1928.	
	Amount.	Percentage of Premiums.	Amount.	Percentage of Premiums.
	£	%	£	%
Fire	86,644	9·7	44,505	5·1
Personal Accident	886	15·0	1,227	21·6
Employers' Liability	6,575	15·3	8,591	20·7
General	3,696	1·2	37,143	11·7
Marine	2,290	1·9	7,392	6·6
Life	36,691		...	
	136,782		98,858	
Less Items debited to Profit and Loss Account	22,503		24,273	
Total Net Trading Surplus	114,279		74,585	

The dividend has been maintained at the same rate as that for 1927, namely 87½ per cent., and its cost, £90,300, compares with interest earnings of £79,068. The capital consists of 129,000 shares of £5 each with £1 paid up, and it is proposed to make a bonus issue to the shareholders of an additional 26,000 shares (one in five) at a price of £14. The market price of the existing shares is £25. The accounts show that a portion, at any rate, of the company's hidden reserves has been brought into the open to the amount of £200,000. Of this sum £150,000 has been utilised to inaugurate a contingency fund, and the remaining £50,000 has been added to departmental reserves. During the year 1928 new life policies were issued for sums assured of £1,344,891, and the fund now stands at £6,170,000. The rate of interest yielded by this fund was £5 5s. 11d. per cent. net of income tax last year, and £5 3s. 2d. per cent. net of income tax for the preceding year. The company has decided to institute actuarial valuations and distributions of surplus biennially in future instead of quinquennially, and the investigation is fixed to take place at the end of 1930.

Canada Life Assurance Co.—A very noticeable feature of the past few years has been the energetic manner in which certain of the Colonial offices have developed and expanded their life business in this country. Their unusual advertising methods, the attractive trimmings which they attach to their policy contracts, together with their own increasing merits, have combined to make them formidable competitors of the older established home offices. In 1927 the Canada Life wrote new life policies for the very large amount of £26,305,000, of which a little more than £2 million is attributable to business transacted in this country. During last year it is stated that the new business amounted to £28,923,000, and that of this amount more than £3 million was completed in this country. In the course of his speech at the annual meeting, the president stated that the total amount of life insurance in force in the American Continent has now reached the huge total of £20,340 million, and that new business written during the year 1928 amounted to £3,900 million. He was careful to add that notwithstanding these very large figures the life assurance business is still far from its ultimate goal, for it is estimated that in Canada the proportion of income devoted to life assurance premiums is still less than 2½ per cent. The investment policy of the Canada Life is in striking contrast to that of the Sun Life of Canada, which eschews mortgages and devotes more than one-half of its total assets to investments in common stocks. The total assets of the Canada Life amount approximately to £32¼ million, of which £10,400,000 is invested in mortgages, and less than £500,000 is represented by ordinary stocks.

Scottish Union and National Insurance Co.—The Scottish Union and National has had an extremely good year, and the report records progress in practically every department. In the life department the year 1928 was the first year of a new quinquennium, and the fact that the new business transacted amounted to £2,025,887, being over £300,000 in excess of that for 1927, is very satisfactory. The life department was worked at an expense ratio last year of 13.8 per cent. of the premiums, compared with 14.1 per cent. in 1927. The net rate of interest on the life fund worked out at £4 10s. 8d. per cent., compared with £4 7s. 6d. per cent. The underwriting results in all departments are shown in the following table for each of the last two years:—

	1927.		1928.	
	Amount.	Percentage of Premiums.	Amount.	Percentage of Premiums.
	£	%	£	%
Fire	158,738	12·2	168,040	12·8
Accident	1,211	5·5	1,166	4·8
Employers' Liability	10,612	20·4	8,432	15·8
Miscellaneous	8,940	6·4	10,567	7·1
Marine	15,000	3·8	15,000	4·1
Life and Sinking Fund	176,778		...	
	371,279		203,205	
Plus Excess Profits Duty and Income Tax provision not now required	121,432		...	
	492,711		203,205	
Less items debited to Profit and Loss Account	142,342		80,488	
Total Net Trading Surplus	350,369		122,717	

The large contribution from the life and sinking fund departments in 1927 was, of course, the result of the quinquennial valuation made at the end of that year, and represents, therefore, five years' profits. Net interest earnings in 1928 yielded £152,594, compared with £141,801 in 1927. The dividend has been raised from 60 per cent. to 65 per cent., and the cost from £144,000 to £156,000. As a result of the year's operations the net surplus assets have been increased by a sum of £119,311, equivalent to rather more than one-third of the paid-up capital.

Co-operative Insurance Society, Ltd.—This society, with headquarters in Manchester, is, as its title implies, the insurance department of the co-operative movement. Having all the advantages of a ready-made connection, its growth, especially in recent years, has naturally been rapid. New life policies were issued last year for sums assured of £1,236,288 in the ordinary branch and £11,244,044 in the industrial branch, compared with £1,177,017 and £12,144,160 respectively in 1927. Though the industrial branch total is smaller than in 1927, it compares with only £8,331,333 in 1926. The rapid expansion of the business is evidenced by an unusually large premium income in each branch in relation to the funds. This enables the society to show a moderate expense ratio of 11.7 per cent. in the ordinary branch (compared with 12.2 per cent.); but the industrial branch figure of 39.8 per cent. (as against 40 per cent.) is still too high, though not unduly so in comparison with other offices. The investment of the funds yielded an average rate of interest of £4 17s. 7d. in 1928 and £4 16s. 2d. per cent. in 1927. The commendable practice is adopted of publishing simultaneously with the annual report the actuary's report on the annual valuation, and the comparative results of the last three years are set out below:—

	1926.	1927.	1928.
Ordinary Branch.	£	£	£
Surplus earned during the year	155,768	217,941	269,765
Brought forward from previous year	108,045	38,876	45,150
	263,813	256,817	314,915
Allocations:—			
To Bonuses to Policyholders	218,937	211,667	264,850
,, Investment Reserve Fund	6,000	...	...
,, General Reserve Fund	...	...	...
,, Carried forward to next year	38,876	45,150	50,065
	263,813	256,817	314,915

The allocation to policyholders has been sufficient to maintain the reversionary bonus at the rate of 42s. per cent.

	1926.	1927.	1928.
Industrial Branch.	£	£	£
Surplus earned during the year	26,997	38,583	62,517
Brought forward from previous year	9,492	15,936	24,508
	36,489	54,519	87,025
Allocations:—			
To Bonuses to Policyholders	16,553	20,011	48,321
,, Investment Reserve Fund	4,000	...	...
,, General Reserve Fund	...	10,000	7,500
,, Carried forward to next year	15,936	24,508	31,204
	36,489	54,519	87,025

The society's unique position has enabled it to develop a large and growing business in fire and general insurance. Last year the combined premium income from these departments amounted to £1,109,317, but the net trading result, apparently because of unfavourable claims experienced in its motor-car section, was a loss of £11,943 as against a small profit of £6,430 in 1927.

World Marine and General Insurance Co.—This extremely successful company is controlled by the Northern through ownership of the entire share capital. The company was established as far back as 1894 for marine insurance, but shortly after the war decided to commence operations in fire and accident insurance. In this venture it has been moderately successful, and the premium income in these departments amounted last year to £188,936. The underwriting profit on this worked out at £2,458, equal to 1.3 per cent., compared with 3.4 per cent. in 1927. In the transaction of its marine business the company has been fortunate in having as its underwriter one of the most successful practitioners in the marine market. Consequently it has been able to show a substantial marine profit each year in spite of the general depression which has overtaken marine insurance. Last year the transfer to profit and loss account from the marine department was £30,000, equal to 17.8 per cent. of the premium income, compared with £20,000, equal to 10.6 per cent. in 1927. The net trading surplus in all departments in 1928 was £33,334, compared with £27,371 in the preceding year. The net interest income has advanced from £41,819 to £43,859, and the dividend has been raised from 40 per cent. tax free to 65 per cent. tax free, and now costs £65,000.

Sea Insurance Co., Limited.—Like the World Marine and General, the Sea was originally founded for the purpose of transacting marine insurance, but shortly after the war inaugurated fire and accident departments. The Sea, however, is an independent company, and, in fact, is one of the few remaining large independent marine offices. The feature of the 1928 accounts is the very welcome advance in the underwriting profit from marine insurance. The 1927 account has been closed by a transfer to suspense account, and the balance of £32,146, equal to 6.6 per cent. of the premiums, represents the final profit of the account. This sum compares with only £11,132 in respect of the preceding closed account. The 1928 account has opened with a premium income of £541,721, compared with £483,717 in the 1927 account. Moreover, the claims experience of the first year has been decidedly more favourable than that of the preceding year, the claims ratio being 32.1 per cent. compared with 35.1 per cent. The fire and accident departments have been developed very rapidly, and the consequent expense of their establishment has hitherto prevented the full fruits of their results being made available. The fire department, however, last year yielded a modest profit of £5,259, equal to 2.9 per cent. of the premiums, compared with nil in the preceding year and a loss in 1926. The accident department has produced a loss of £12,377, equal to 19.8 per cent. of the premiums. This compares with a loss of £10,542, equal to 31.7 per cent. of the premiums in 1927. After allowing for a contribution to superannuation fund, the total net trading surplus of the year has amounted to £23,696, compared with a loss of £5,484 in 1927. The dividend has been raised to 16¼ per cent., and the cost, namely, £65,000, covered by net interest earnings.

Oversea Correspondence.

UNITED STATES.—MONEY—SHARE MARKET—FEDERAL RESERVE POLICY.

(FROM OUR CORRESPONDENT.)

NEW YORK, *April 5.*

THE fog overhanging the money market shows no sign of lifting. It is still doubtful whether steps which have been taken so far by the Federal Reserve authorities and the member banks to reduce credit employed in the securities markets will ultimately be successful. Having recovered from a panicky condition which followed the rise in call money rates to 20 per cent. a fortnight ago, holders of shares are inclined to stand by for a while. They will not easily be shaken out of their holdings, and the first signs of definite ease in money would doubtless bring a revival of speculative activity.

During the past week the share market has been quite dull, comparatively speaking, with the daily turnover falling to around 3,000,000 shares, with pools inactive, and with an aimless succession of declines and rallies. On the whole, prices are about where they were a week ago, but the end-of-the-week slump in call money to 6 per cent. brought a quick turnabout in professional circles, and for a while shorts were given an unpleasant time. The ultimate fate of the stock market doubtless hinges on industrial activity as much as on money rates. So far, resistance to tight money has been stubborn, and the belief is growing that it may take actual evidence of a slowing down in business to bring about extensive liquidation. The amount of stock carried on margin on the Stock Exchage is enormous, and, although average interest rates paid on debit balances last month were 11 per cent., traders do not seem to mind so long as they have hopes of further capital appreciation. The bull party is staking its money on a reversal or softening of the Federal Reserve Board's tight-money policy. Bulls believe that the Reserve authorities are prepared to do some injury to business if thereby they can squeeze credit out of the share market, but they count on a country-wide protest to alter this policy. Meanwhile, the share market has a favourable background of record-breaking production in the steel and motor industries in the first quarter, mounting railroad traffic, higher retail trade and stable commodity prices. Adverse factors are, of course, high money rates and the beginning of loss of confidence among business men in the immediate outlook. So far only the building industry has shown any actual falling off, but that has been rather marked, and some companies closely allied with it are finding earnings decreasing moderately.

Criticism of Federal Reserve policy has the country by the ears. Prominent bankers, Congressmen, business men, economists and people in nearly all walks of life are airing their views through the public Press and otherwise. It is to be feared that the upshot of the matter will be that Congress will attempt fresh legislation, and real friends of the Federal Reserve system hope above all that banking may be kept clear of politics. An unfortunate aspect of the matter is that the Federal Reserve authorities, through their numerous "warnings" and public addresses, invited the public discussion of banking policy which has now become the fashion. Business men are becoming genuinely alarmed lest money for their purposes become scarce, and lest a stock market crash, which would wipe out private savings, affect public purchasing of commodities and shatter confidence, crown the efforts of the Federal Reserve Board. They fear that, to cure the stock market toothache, the Reserve Board may cut off the business head. In more temperate quarters it is felt that, while the outlook has become beclouded, there is no reason at all to fear a general business depression; that the worst that need be feared is losses by individuals in the share market.

Although share prices during the past week made some further recovery, the Federal Reserve Board's report on brokers' loans for April 3rd shows another decline, of $87,000,000, bringing the total to $5,562,000,000, or $231,000,000 below the peak reached on March 27th. The principal reduction was for New York member bank account. No doubt the principal reduction came through the growing practice of large stock market operators of borrowing direct from the banks, thereby reducing loans through brokers. Good bank customers can obtain accommodation at their banks on Stock Exchange collateral at 5½ per cent., whereas the stock market call loan rate has ranged from 10 to 20 per cent. during the past fortnight. In this district, for instance, loans to brokers for member banks' own account are down $244,000,000 as compared with a year ago, while member bank loans to customers other than brokers and dealers are up $1,330,000,000. In the same period borrowings at the Federal Reserve Board have risen by only $30,000,000. This week discounts fell off $63,000,000 at the New York Bank, and the reserve ratio jumped to 81 per cent., as compared with 74.3 per cent. last year. The condition of the Bank is far from suggesting a higher discount rate, and if one comes eventually its object will be to place the official rate somewhere nearer the level of open market rates.

What is worrying the Federal Reserve Board is the fact that a tremendous expansion in member bank credit on securities has taken place, and that the banks have maintained their reserves required to support it by borrowing from the Federal Reserve banks. Since the beginning of the year the system has let its bill holdings run off 315 millions. Government security holdings and bills are now about half what they were a year ago, but, in the meantime, member bank borrowing has doubled.

In its current monthly bulletin the Federal Reserve Board again seizes an opportunity to set forth its policy, and the statement has been regarded by Wall Street as another "warning." These warnings have been so numerous, however, that they have lost some of their force, and it is still an open question whether they will be followed, if necessary, by action on the discount rate, or, as is vaguely hinted, flat refusal of the discount privilege to member banks which are lending money on securities.

The latest statement of the Board, admitting that the "considerable growth in the volume of bank credit" in recent weeks has been chiefly due to seasonal demands and that New York banks have reduced their loans on securities, finds substantial increases in the Chicago and other districts. The Board notes that it has been securing "co-operation" from member banks since its warning of February 7th, and observes that "continued developments in this direction, indicating a definite reversal of recent trends, would release an increasing amount of credit for the use of trade and would lead to an easing in the money situation. In case the desired readjustment is not brought about by voluntary co-operation, however, the Federal Reserve system may adopt other methods of influencing the situation." That is far from saying that anything will be done, and it is felt that if the Reserve Board wishes to discuss its policy at all it should give a clear-cut statement.

FRANCE.—REPARATIONS—REVENUE—PRODUCTION— STOCK EXCHANGE.

PARIS, *April 17.*

THE experts have now apparently reached the stage of being able to present definite proposals to Germany, and the expected moment for bargaining to begin seems to have arrived. It is understood here, although no official confirmation has been given, that the experts propose that, instead of Germany continuing to make payments totalling 2,500,000,000 marks a year—which was the stage of the Dawes plan that came into operation on September 1st last (out of which France would receive 52 per cent., or 1,270,000,000 marks)—the total annuities for the next 38 years shall be payable on a scale starting from 1,800,000,000 marks and rising to 2,400,000,000 marks, and then, for the subsequent period, decreasing to 1,700,000,000 marks for the next 20 years. These annuities would include payments representing the whole of the debt owing by the Allies to the United States Government in respect of which the deductions from the annuities paid by Germany would amount for the first few years to 900,000,000 gold marks, rising rapidly to 1,500,000,000 marks, and then to a maximum of 1,700,000,000 marks, at which level it would remain for the final 20 years, at the end of which the Allied debt would have been extinguished. During the first 38 years on this plan, it is asserted, there would be from 12,000,000,000 to 13,000,000,000 gold marks available to meet a substantial portion of the expenditure which the Allies have had to make to repair the war damage they have suffered and have had so far to pay from their own pockets. Once this total has been reached, as it is proposed it should be during the coming 38 years, there would remain only the still-outstanding balance of the Allied debt to America to be liquidated. Out of this estimated 12,000 or 13,000 million marks (spread over the first 38 years) France's share would be, in round figures, 7,000,000,000 marks, or about 42,000,000,000 francs. This would be far less than her actual expenditure on the devastated regions has been, but it seems to be fully recognised here that sacrifices must be made if the financial pacification of Europe is to be made possible, and towards this France is prepared to do her share. France's proportion of the 2,500,000,000 gold marks yield from the Dawes Plan this year should represent 7,721,000,000 francs of this total. After the payment of £9,000,000 on account of the British debt and $12,500,000 on account of the United States debt, the cost of the army of occupation and other charges, there will remain a balance in cash of about 903,000,000 francs, which will pass into the general Budget, while France will have also received some 4,336,000,000 francs in the form of the 26 per cent. tax on German imports, and in the form of payments in kind.

The revenue returns for March indicate a yield from all sources of 2,969,782,800 francs (exclusive of Posts, Telegraphs and Telephones, and of the tobacco monopoly and the special taxes allocated for debt extinction, none of which accounts now pass through the Budget proper). Of this total 2,930 millions was from "normal and permanent" sources, against 2,688 millions in March, 1928, and 2,428 millions in March, 1927. March is invariably one of the worst revenue months of the financial year, owing to the small amount of direct taxation usually outstanding at that period. The yield from indirect taxation during the month was 2,619 millions, or 432½ millions more than Budget Estimates. This brings the realised surplus for the first three months of the year to 1,304 millions, compared with 4,629 millions for the whole of 1928. All categories of indirect taxation showed substantial increases in yield as compared with March last year, with the exception of those on colonial foodstuffs, motor spirit, benzole and heavy oils. Customs were 91 millions up, turnover tax 63½ millions, registrations 67 millions and taxes on securities 24 millions. Some of these rises were due in part to rising commodity prices which would directly affect the yield from turnover tax and from *ad valorem* Customs duties. Direct taxation in March (including income tax) produced 509½ millions.

As the result, apparently, of the continued outcry against the present system of "super-balancing" Budgets, the Ministry of Finance has issued a special communiqué warning the public against "inexact interpretations" of the revenue figures. This states that the superior yield from taxation, as compared with Budget estimates, must not be regarded as having the character of realised surpluses, as the expenditure side of the current Budget has not yet attained its final level. Pay of the public servants and credits for public works, etc., it is pointed out, have not yet been adapted to the new currency, and it will be impossible to know what surplus has really been secured or what reduction of taxation will be possible until it is known what expenditure has to be provided for.

Provisional index figures for production in February, which are now available, are summed up in a general index of 136, which is the same as that returned originally for January (since rectified to 137). The figures for the motor-car, machinery, metallurgical and textile industries all show a fractional decline. That for motor-car construction (based, like the rest, on 100 as representing production in 1913) has dropped from 692 to 657, after a rise from 657 in January. Building is a point better at 96, while the rubber industry, which was returned as 618 in December and in January, is returned at 726 for February. Coal, iron and steel tonnages, as already reported, all showed substantial drops on the month. A similarly discouraging situation prevailed in the textile industry, the output of cotton yarn having dropped from 2,227 kilos per spindle in January to 2,093 kilos, and of 100-metre piece-goods per loom from 5.59 to 5.11. The output of woollen goods in the Roubaix-Turcoing area was 7,186 tons (against 8,459 in January) and of Lyons silk 482 tons against 556 tons. Railway receipts and tonnage, nevertheless, both showed substantial improvement, the gross receipts per week in February having been 263,866,000 francs against 255,753,000 francs in January, while the daily average of trucks loaded was 61,198 against 59,984. Shipping figures showed an all-round drop, outward bound tonnage being only 848,000 tons during February, against 1,008,000 tons, and inward tonnage 2,680,000 tons against 3,059,000 tons.

Bourse quotations during March marked, with few exceptions, a substantial fall. The general figure for 52 French issues with fixed-yield (base: 100 in 1913) remained at 84.5 (after 86 in January), but that for 288 French descriptions of variable yield, which was returned as 643 in January and 548 in February, dropped to 535. Insurance companies and railway issues alone moved up. Speaking generally, quotations are now back at the level of December. The bull campaign that characterised the Paris market in January and February was based principally on the hope that quotations of industrials would be brought

The MERCANTILE BANK *of* INDIA
LIMITED.
Head Office: 15, Gracechurch St., London, E.C.3
Branches and Agencies throughout the East
Capital Authorised - - - £3,000,000
Capital Paid Up - - - £1,050,000
Reserved Fund and Undivided Profits £1,622,047

to new levels consistent with the new monetary level. This was expected to give rise to increases of capital in many directions, to which valuable subscription rights would be attached, including distributions of reserves in the form of bonus shares. These expectations have been only partially fulfilled, and that much more slowly than had been anticipated.

New issues in March totalled 1,405,700,000 francs (of which 100,800,000 francs represented offers by new companies) as compared with 1,092,100,000 francs in February and 770,200,000 in January.

GERMANY.—POLITICS—REPARATIONS—REICHSBANK—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, April 16.

THE Cabinet crisis has been overcome—for the present—by the readmission of three Centre politicians, Herr Guérard taking the Ministry of Justice, instead of Dr Koch-Weser, who resigns, Dr Stegerwald the Ministry of Communications, and the former Chancellor, Dr Wirth, the Ministry for Occupied Territories. In mere composition the Administration is again on a "Great Coalition" basis. As the five represented Reichstag parties have undertaken to support the Budget amendments of their experts (which the Finance Minister has also accepted), it may be said that the Cabinet is somewhat more firmly based than it was before the crisis, when the Reichstag parties would not bind themselves to support any Government measures. In other matters than the Budget the five parties retain a free hand, so that it cannot be said that the Great Coalition formally exists. In the Budget Committee the Finance Minister, Dr Hilferding, justified his acceptance of the parties' radical changes in his Budget on the ground that a firm Government majority is necessary in view of the pending Reparations settlement; but he persisted that his original proposal—new taxation instead of expenditure reduction—was the right policy. The Budget, he said, had been framed without regard to the Paris negotiations—framed, that is, on the basis of the Dawes standard annuity, but with the intent of reducing taxation again if the Reparation burden is reduced.

The Reparations Memorandum of the Allies' representatives, the contents of which have not been officially divulged, has evoked strong protest here. The conditions, precipitately described as being put as an ultimatum, were declared to be wholly inacceptable. The amount of the annuities in the next few years is the matter which interests Germans most. Ever since the Geneva decision to reopen the Reparations question, the public here has been led to believe that the new initial annuity might be around 1,000 million marks, or even lower, that being the most that Germany could pay. On that condition Germany would surrender all "transfers protection." In view of the proposed prolongation of the payment term to 58 years, the proposal of an initial annuity of 1,800 million marks is not admitted to mean any reduction at all. Formally, under Article 233 of the Peace Treaty, it is argued here, Germany can objection to the extension of the payment term to more than 30 years from May 1, 1921. This supplies her with a lever for bargaining on the question of the level of the annuities.

The money and stock markets have been almost entirely under the influence of fear of an impending advance in the Reichsbank's discount rate. It was even suggested that the rate, which was reduced by only ½ per cent. on January 12th, might be advanced by 1 per cent. The demand for money has been considerable. After April 11th the day loan rate tended slightly upward, and on that date, too, the private discount rate was advanced to 6½ per cent., the same level as the official rate. To-day money is easier. The Government still needs money, as the April quarterly tax payments have not improved the cash position, and some 1,200 million marks are required by the end of this month. The banks were unwilling to prolong the current account credit of 150 million marks given to the Reich last month, and this must be repaid to-day; but negotiations are under way to secure money by some other expedient. The heavy demand for exchange has in general continued, and the dollar has remained around its highest recent official point of 4,217, but has in fact been dealt in higher, and dollar notes were bought up at to 4.23. Taken by itself, the Reichsbank's status remains satisfactory. The recent development of the status was more or less foreseen at the time of the January rate cut. The Bank then predicted that the result would be "a shift in the circulation cover," and not an increase in circulation or a price advance. Wholesale prices have, in fact, of late fallen, and circulation has remained about stable. The Bank's exchange reserve has fallen to a very low sum, but after its return for the first April week appeared it was considered that a further loss of 200 to 300 million marks gold could be borne. Since then there has been a new loss of gold of unknown amount. According to American reports, gold was sold to the New York Federal Reserve Bank last Saturday, and it appears this week also, earmarked French gold being booked to German account, to be replaced by export of German gold to France. This further decline in the Reichsbank's reserve has caused nervousness. It is suggested, for the first time (in the *Frankfurter Zeitung*), that Germany might request the Agent for Reparations to go slow with cash transfers, not indeed on the unreal ground that the present increased pace of transfers might lead to a mark collapse, but on the ground that the drain on the reserves, which tends to narrow the money market, may do harm to business. Of a revival of long-term borrowing from abroad, which would counteract the pressure on the exchange market, there is no sign. The home capital market is also inactive. The interest yield on home loans and debentures at Bourse prices has of late further risen, and is at present calculated, for 104 such securities, at an average of 9.4 per cent.

The wholesale prices index number for April 10th is 137.4, against 138.4 on the 3rd. Since the currency stabilisation this index has moved as follows: Yearly average, 1924 137.3, 1925 141.8, 1926 134.4, 1927 137.6, 1928 140.0. The highest monthly figure of 1928 (in July) was 141.6. The index movement shows a close connection with the state of trade, 1926, which had the lowest figure, being a bad trade year. The new drop is probably in part connected with the trade decline. Skilled wages in March were entirely stationary. The number of unemployed in the second half of March (provisional report) declined by some 400,000. This big decline confirms the belief that the heavy unemployment of the past winter was due very largely to exceptional weather influences. In 1928 10,450,478 working days were lost through strikes and lock-outs, as against 6,005,950 in 1927 and 1,404,875 (lowest post-war figure) in 1926. The main cause of the rise in 1928 was the November lock-out in Westphalia. A memorandum by the Minister of Labour foreshadows a reform of the unemployment insurance law of 1927.

The industrial situation shows no material change. The steel export market is firm. Pig-iron production in March was 1,061,214 metric tons, as against 1,170,476 tons in March, 1928. Home iron and steel prices for May are unchanged. The Steel Trust's (Vereinigte Stahlwerke) quarterly report states that orders on books on March 31st were 10 per cent. higher than the monthly average of the business year 1927-28. The Norddeutsche Lloyd Co. has acquired a majority stock interest in the Neptune Shipping Co. of Bremen, a competitor in English, North European and Spanish business.

The German attack upon the commercial treaty of 1927 with France is being continued, and the French are retorting by raising the question of German machinery deliveries, in particular Reparations deliveries in kind. They complain that the deliveries in kind not only injure the French home market but that they reduce French selling to other Reparations countries. The total German machinery deliveries in kind are, in fact, much larger than in 1925, but since then they have been practically stable, the figures being 1925 23,524,000 marks, 1926 46,446,000 marks, 1927 40,062,000 marks, and 1928 46,889,000 marks, though the French share has increased at a greater rate. Reparations deliveries of locomotives fell in 1928 to a very small figure. The German cotton industry's view that the treaty with France is largely responsible for home stagnation is not justified by the figures. The treaty came into force in September, 1927. Before then the total import of cotton yarn had reached its highest point, and it has since then steadily declined. The import of cotton cloth continued to rise until a couple of months after the treaty came into force, but has since then fallen. The Government is not inclined to denounce the treaty, under which the total German trade balance with France has improved.

HOLLAND.—MONEY MARKET—FOREIGN TRADE—PUBLIC FINANCE.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, April 2.

DURING March the position of the Amsterdam money and bill markets was of especially great importance. The high rate of interest in New York and the rise in the London discount rates at the beginning of February resulted in a steady flow of money from Holland. Consequently the Netherlands Bank has repeatedly had to stimulate the bill market, thereby impairing its own position. After selling bills for a considerable amount abroad the central bank was finally compelled to have recourse to the gold supply. It therefore became more and more obvious that a rise in the discount rate was inevitable, and on Saturday, March 23rd, the Dutch discount rate was raised to the same level as that of London, 5½ per cent. The extent of this flow of money to England and America is clearly reflected in the advance in sterling during the past few weeks, despite the fact that the Netherlands Bank parted with large amounts in the shape of foreign bills. The following table clearly shows how the position of our central bank has changed since the London discount rate was raised:—

(In millions of guilders.)

	February 4, 1929.	March 4, 1929.	March 25, 1929.
Bills discounted	59·4	98·0	149·3
Advances	108·3	117·8	103·0
Foreign bills	205·6	132·3	42·4
Sundry accounts	33·7	42·6	69·5

The rise in the Netherlands Bank rate immediately had its effect on the bill market in the form of a fall in sterling and dollar rates. This reaction was, however, but shortlived, and both currencies had soon again reached the export gold point. There was no relapse in the money market either, and the rate for "prolongations" even rose to 6¼ per cent. and the private discount rate to 5⅞ per cent. From this it will be seen that the raising of discount rates has not been very favourable for the Amsterdam Bills Market.

The decision of the Netherlands Bank did not greatly affect the stock exchange. It merely led to a shortlived reaction, which remained small in extent. There was a speedy recovery and the prices of various kinds of stock advanced as interest in them increased. The Bond market only remained dull. Both the 4½ per cent. loans and the Mortgage Bonds suffered greatly through so many being on offer, and steadily fell. The entire conduct of the money market during March had had a depressing effect on the Amsterdam Exchange. New issues of shares or bonds, therefore, had but little chance of success. The issues market consequently had a calm aspect, and the number of new issues was considerably lower than in the preceding months. The following figures show how the Dutch and Foreign shares and bonds were divided:—

	Shares.	Bonds.	Total.
Dutch	3,202,500	1,582,750	4,785,250
Foreign	2,380,000	18,295,125	20,675,125
	5,582,500	19,877,875	25,460,375

BANK ESTABLISHED IN 1864.

SKANDINAVISKA KREDITAKTIEBOLAGET

GOTHENBURG, STOCKHOLM MALMO.

Branches in all parts of Sweden.

Paid-up Capital and Reserves - Kr.182,000,000

Telegraphic Address: "Kreditbolaget."

THE BANK AFFORDS EVERY FACILITY FOR BANKING BUSINESS WITH SCANDINAVIA.

It will be seen that during March only 4.8 millions were taken up by Home stock, whereas Foreign stock accounted for 20.7 millions, making a ration of approximately 1-4. Only two American issues, namely, the Gamewell Company, and the Interstate Hosiery Mills Inc., were offered in the shape of Dutch certificates of 10 shares. Only one State loan made a call on our capital market, namely, the Republic of Chile loan of 1 million dollars 6 per cent. income bonds at 93¼ per cent.

The following foreign returns are published by the Central Bureau of Statistics:—

(In millions of guilders.)

	February, 1929.	February, 1928.	January-February 1929.
Imports	177·6	217·8	410·6
Exports	123·6	151·7	275·8
Import balance	54	66·1	134·8

The comparatively low export figure for February, 1929, is due to the transport difficulties resulting from the prolonged frost: the returns for March will also be affected by this.

In the first two months of 1926-1929 the values were as follows:—

(In millions of guilders.)

January-February.	1926.	1927.	1928.	1929.
Imports	402·6	378·0	434·0	410·6
Exports	251·3	270·3	291·2	275·8
Import balance	151·3	107·7	142·8	134·8

According to the official returns of the Central Bureau at The Hague the position of the Floating Debt was less favourable for the State on January 7, 1929, than previously. Since May 1, 1924, there has been only one State loan (in the period February 1-May 1, 1928): this was for an amount of 84,000,000 guilders, with 4½ per cent. interest, at an issue price of 99 per cent. as a conversion of the loan 1923 B.

The funded debt of the State gradually rose from about frs. 1.150 millions in 1914 to about frs. 2.925 millions in 1925. Since then it has been reduced to frs. 2.590 millions at the beginning of 1929.

SWEDEN.—DISCOUNT RATE—EMPLOYMENT—STOCK EXCHANGE.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, April 9.

THE problem which has dominated the first quarter of the current year has been that of interest rates—especially in the last two months. Since England raised its rate at the beginning of February there has been a prospect of an increase in Sweden, but it is still impossible to make any safe forecast.

In considering this problem it is necessary to bear in mind the special climatic conditions of Swedish industrial life. The restrictions in shipping occasioned by the cold and ice of the winter months produce a natural seasonal variation in output and foreign trade. The staple industries must; therefore, work for stock during the early months of the year, and the balance of trade in those months is usually very adverse until the shipping season

sets in. It is a natural consequence that the first half of the year is usually characterised by a considerable expansion of the volume of credit and a marked worsening of the balance of payment, clearly visible in a drain on the reserves of bills and in a rise of foreign exchange rates.

If one considers the developments of the current year against this background, it must be admitted that they have been surprising. During January the weather was unusually mild. Shipments could be effected on a considerably larger scale than usual. The consequence was that January showed a record production, and the balance of payment was remarkably favourable. The excess of imports was Kr. 13 million, compared with Kr. 39 million in 1928, when, however, the labour conflicts greatly restricted exports. But, even compared with earlier years, the excess was moderate, since in the very favourable year 1927 it amounted to Kr. 16 million, and in 1926 it amounted to no less than Kr. 31 million. In February began a marked setback owing to the exceptional winter and ice conditions, which crippled shipping during the latter part of the month and the greater part of March, and consequently reduced export trade. Although the effects on the industrial position were very pronounced, they were almost to the advantage of the balance of payment. Whereas previous experience of ice blockades had shown that they restricted exports principally, whilst imports found other ice-free ports, the unexpected phenomenon now occurred of exports being less curtailed than imports. The balance of payment, therefore, stood at a debit of not quite Kr. 10 million, as against Kr. 46, Kr. 17 and Kr. 20 million in the three preceding years.

The developments sketched above have naturally greatly affected the question of the discount rate. In spite of the fact that comprehensive capital exports have continued, the seasonal worsening of the balance of payment has been very moderate. During the first two months the net foreign claims of the banks were reduced by Kr. 48 million, as against Kr. 66 million in 1928, and even in comparison with earlier years the position is not unsatisfactory, with the exception of the usually favourable year 1927. In contrast with earlier years the consumption of reserves has not primarily affected the Riksbank, but the commercial banks, which elected to employ their own ample resources, owing to the fact that the possibilities of profitable short-date loans abroad were fewer. It is remarkable, indeed, how slight the calls on the Riksbank's reserves have been up to the present. Apart from the days after the turn of the year the Bank had no need to effect any sales worth mentioning for more than one week in the first quarter. The decline in its bill reserve for this period amounted to Kr. 26 million, compared with Kr. 78 million in 1928. The pressure on Swedish rates, which is normal at this time of the year, owing to demand for bills, has, therefore, this year been very moderate. The necessity for raising the discount rate in consequence of the severe pressure, which is natural with an unfavourable balance of payment, has not as yet become serious.

Similar developments have occurred in the money market, which has been characterised neither by pronounced ease nor by symptoms of abnormal credit demands. The firm tendency of the international money market must, however, in the long run tend to raise Swedish interest rates also, having regard to the close connections of Sweden with foreign capital markets. If New York and London do not further raise their discount rates, it is conceivable that Sweden may maintain its present rate throughout the spring. The determining factor will be the state of the balance of payments in April and May. The Riksbank is sufficiently provided with foreign paper to be able to maintain the principal exchanges within gold point, even under considerable pressure.

During the last three months employment in the leading industries has been brisk, and sales on the whole satisfactory. Thus, it is significant in the pulp industry that the latest sales have been principally for 1930 and even 1931, and the same is partially true of the papermills. Price movements in these industries have, in the main, been favourable, with a firm tendency. This does not apply to timber, though sales have been larger than was expected at the beginning of the year, the total figure at the end of the quarter amounting to about 550,000 standards, or more than half the year's production. The decided improvement in the iron and steel industry which set in last year has continued, partly as a result of higher costs of production on the Continent, and perhaps mainly as a result of rationalisation. Finally, the important mechanical engineering industry, the industry which has shown the most marked improvement in recent years, is still briskly occupied.

Nevertheless, there are visible symptoms of hesitation from a fear of the consequences of an eventual setback in the U.S.A. With our present intimate connections with foreign countries, not least as a result of the placing and quotation of our leading stocks in a number of foreign countries, this has appeared most clearly on the Stock Exchange. The indications of a break in international—especially American—'change speculation, have clearly affected the Stockholm Stock Exchange. As this time of the year it is, under normal conditions, steady, under the influence of the published accounts of the preceding year, which this year have revealed favourable news, especially when the severe labour conflicts of 1928 are taken into consideration. This year, however, there has been no rising tendency, and towards most stocks investors have maintained an attitude of reserve. In Kreuger shares, the quotations for which may be said to have been greatly over-discounted by international speculation, there has been a very considerable downward adjustment, though in view of the international character of these shares, this can hardly be regarded as typical of the Stockholm Stock Exchange.

CANADA.—WEATHER—BUSINESS CONDITIONS—HUDSON BAY RAILWAY—GRAIN MARKETING—BANK OF COMMERCE.

(FROM OUR CORRESPONDENT.)

OTTAWA, April 3.

WINTER suddenly reappeared on Easter Monday in one of its most violent moods, and Ontario and Quebec were swept by a severe blizzard, which interrupted communications and caused considerable property damage estimated at well over a million dollars in Ontario alone. Winter also resumed last week its grip upon the Prairie Provinces, and there, since the ground had been refrozen hard, cultivation, which had begun in some places, has been summarily halted. To-day, however, warmer weather has returned, and the effects of the setbacks upon spring work should soon be overcome. All the major indices of business conditions remain favourable. The Bureau of Statistics, in its latest survey of the business situation, taking 100 as the index for the corresponding period of 1928, has worked out the following series of indices covering the more important economic activities of the country: employment, 109; pig-iron production, 145; steel production, 118; bank clearings, 104; carloading figure, 102; building permits, 101; exports, 93; coal, 114; coke, 121; investors' stock market index, 140; traders' stock market index, 109.

The employment figure is for March 1st; the carloading figure covers the second week in March; the stock market index the third week in March; and the remaining indices relate to February conditions. Iron and steel production for the first quarter of the year has been about 19 per cent. larger than in the parallel quarter of 1928, and the immediate outlook for the plants engaged in it and secondary equipment industries, using iron and steel as their raw materials, is excellent. The branch line extension and replacement programme of the two railway companies is responsible for the placing of large orders by these corporations for rails, rolling stock, and other equipment, and the demands of the manufacturers of farm implements, automobiles and mining machinery are also heavy. The Western farmers are still complaining about the lack of profits on the last crop, but the spring movement of wheat will begin on a fairly strong market. The mild winter has enabled live stock to emerge in a condition above the average, and the dairy industry is looking for a very prosperous summer unless a higher American tariff interferes unduly with the export business in milk and cream.

There was great rejoicing in Western Canada when the Canadian National officials in Winnipeg received, on March 29th, a wire running, "Steel has reached Fort Churchill." This news was concrete evidence that hopes of an alternative outlet to Europe for the produce of the prairies were at last within sight of realisation. But, although the steel rails have actually reached the port, they have been laid in rather haphazard fashion on ground which is frozen hard, and, as soon as the real spring thaw sets in, subsidences at many points will make the route valueless for traffic purposes. The summer months, however, will be devoted to ballasting and creating a permanent roadbed, and the Department of Railways still aspires to be able to haul out some of the grain crop of 1929 by the new route. But much will depend upon weather conditions, and it will be no surprise if the Hudson Bay route does not receive any serious test of its practicability until the summer of 1930.

The Prairie Provinces are still seething with discussion of the grain marketing problem, and the evidence tendered last week at Winnipeg to the Saskatchewan Royal Grain Commission by Mr Matthew Snow, one of the Grain Commissioners, was not calculated to appease the angry farmers. On its surface it seemed to show that the Grain Commission had taken a very light-hearted view of its duties and responsibilities, and had exercised only the most casual supervision over the operations of the elevator companies. Some sharp exchanges occurred between Mr Justice Brown, the Chairman of the Commission, and Mr Snow, and at one point, when Mr Snow declared angrily that a good many statements made to the Commission were not worth a great deal, the Chairman said: "They may probably mean more than you think they do. That is just the way you are treating the whole matter. If you are not prepared to take action on the evidence, the Commission does not want to listen to you at all." In the light of the proceedings of the Commission it is considered inevitable that the Government will dismiss all three existing members of the Commission and appoint a new board of five members. It will also have to tackle the problem of "mixing," which Mr Dunning, the Minister of Railways, has declared should cease; and the probability is that it will introduce amendments to the Grain Act which will restrict "mixing" to grades of No. 4 Northern and lower, and forbid any tampering with the first three contract grades.

On March 27th the directors of the Canadian Bank of Commerce announced that they had decided, in view of the expansion of the bank's business during the past year, to increase its capital stock from its present figure of $24,823,400 to $30,000,000; they had previously secured the approval of the Treasury Board at Ottawa to increase their capital from 25 to 50 million dollars. Accordingly, in accordance with the terms of the Bank Act, the existing shareholders will have the opportunity of subscribing for the new stock at a price of $200 per share in the ratio of one new share to every five held. This allotment will bring the capital of the bank up to $29,788,800, and, in order to round off the $30 million authorised, there will be an additional allotment of one new share for every 117 held, because the Bank Act does not permit allotment of fractions of shares. The premium of $100 received for the new shares, which have a par value of $100, will be added to the reserve fund, bringing it up to $30 million, the same figures as the share capital. The stock of the Bank of Commerce has responded well to the announcement, and on April 3rd sold at 355, a gain of 25 points from the time of the publication of the news.

ARGENTINA.—GRAIN—MONEY MARKET—ADMINISTRATION—EXCHANGES—FREIGHTS.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, March 21.

COMMERCIAL and financial activity during the month of March has remained at a somewhat lower level than was generally anticipated. The persistence of low prices for wheat, and the reasonable certainty that a considerable amount of this grain is unsold, though still afloat, appears to be acting as a drag upon trade in general. Actual shipments to the end of the current week amount in round numbers to 2,000,000 tons, and, at the date of writing, quotations in the Buenos Aires futures market are $9.65 paper per 100 kilos. for May and $9.85 for June delivery. For maize $8.00 spot and $7.95 for June are the current quotations, while linseed is $15.40 spot and $15.55 for May. There has of late been considerable discussion regarding the terms on which grain is dealt in locally, and efforts are being made to fix the responsibility for low prices, to some extent, on the prevalence of certain measures taken by the great exporting firms. While it is true that their influence is preponderant in the rural districts, owing to the primitive methods of contract and sale which still govern Argentina's disposal of her crops, this allegation does not hold water. Argentine wheat may be at the moment slightly under world parity, but it is precisely this fact that has enabled the sellers to go on disposing of their grain, for which, be it remembered, there is practically no storage accommodation in the country, at any rate nothing nearly commensurate with the volume of her crops.

The market is beginning to feel the need for more ready funds, and interest rates, alike for discounts and current account advances, are 6½ per cent. to 7 per cent. for first-class trade bills and 7 per cent. to 8 per cent. for overdrafts. These figures are those of the first-class institutions, the majority of the smaller banks getting better terms. There has as yet been no talk of the Banco de la Nación putting up its charge for accommodation, but were such a step to be taken its reaction on the general market would be immediate. This bank handles roughly 50 per cent. of the loan business of the country, and so many of its operations are conducted with a view to the immediate needs of special classes of producers rather than to the showing of a profit on the year's operations that its altruistic policy reacts on local financial conditions far more than is generally realised outside the Republic.

News of official financial operations is altogether lacking, though it is reasonably certain that a loan must be sought by the National Government in May or June; if indeed the subject is not broached earlier on the basis of a subsequent *ad-referendum* agreement to be sanctioned by Congress. Very little exact information regarding the doings of the Cabinet reaches the ears of the general public, there being little or nothing of a concrete nature dealing with commercial and financial matters published in the Argentine Press. This applies with equal force to the organs openly associated with the party in power. It is, however, rumoured that President Irigoyen is still engaged on a complete reorganisation of various administrative services, and that in consequence all current work in the various ministries has been thrown into arrears. To this cause must be attributed the prevailing delay in publication of all official statistics, now some four months behindhand, and it will be interesting to see what steps, if any, will be taken to bring matters up to date when Congress meets, if it does meet, during the last week in May. Very much of an individualist, H.E. President Irigoyen is endeavouring to cope personally with what threatens to become an overwhelming amount of administrative work, taking nothing for granted, but insisting upon sifting to the bottom practically everything that calls for the presidential signature. Laudable in its way, this devotion to duty has certain drawbacks, which the magnitude and variety of Argentina's interests at the present time render it unnecessary to particularise.

Exchange continues to move slowly but surely against the Argentine dollar, banks' cable rates being 47 11/16d. and 104.80, drawing on London and New York respectively. A further $15,000,000 gold has been drawn from the Conversion Office for shipment abroad, and the present balance is $484,768,000 gold. In the freight market, though chartering has been active, freights are roughly 1s. below what they were a fortnight ago, and 24s April loading San Lorenzo range to U.K./Continent is the current figure. Fixtures for Adriatic ports, and for Calcutta, indicate that cheap wheat prices are taking Argentine crops farther afield than is customary. Current berth rates for grain to the United Kingdom are 20s. 6d., with 22s. 6d. for Italian ports.

Letters to the Editor.

NEW CAPITAL ISSUES AND REAL CAPITAL.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The Chancellor of the Exchequer, in his Budget speech on the 15th instant, referred with satisfaction to the magnitude of recent capital issues. He said: "New capital issues for home investment in 1928 show a growth of about £100,000,000 over those of 1924. Municipal and industrial issues in the United Kingdom have risen from £70,000,000 in 1924 to £180,000,000 in 1928."

In this connection it must be borne in mind that new capital issues of shares of fixed amount are not confined, in amount, to real capital represented by actually existing things, such as land, buildings, plant, machinery, raw materials, manufactured stock, book debts and cash over liabilities, but that they extend, in an increasing degree, to include the alleged present value of rights to receive future benefits expected to arise from patents and from goodwill.

Thus, to an unknown extent, a mere increase in the fixed amount of new capital issues may be evidence of a change in the character and mentality of the subscribers to the new capital issues rather than evidence of any increase in real wealth.

If this is so—and the character of some recent issues suggests it—then future prospects are not altogether happy, because many of these hoped-for future benefits may never arise, and, in that case, the capital subscribed may be found to have been lost.

This is one effect, clearly observable, of our modern fiscal policy, which, by means of heavy and disproportionate direct taxes on annual income and crushing death duties, is operating to remove accumulations of capital from the most able hands into which it naturally gravitates. Effective control of capital involves its ownership, and thus our most able employers, and their chosen agents, are not now in control of the tools of industry to anything like the same extent that they were. We have, unfortunately, to rely more upon a less experienced class who are a good deal given to speculation of a rather loose character.—Yours faithfully,

25, Abchurch Lane, London, E.C. 4. P. D. LEAKE.
April 16, 1929.

[The point which Mr Leake makes has substance, but we are not prepared to endorse the generalisation that divorce of control from ownership necessarily leads to speculative policies in industry. Such a view hardly fits the facts of modern large-scale enterprise.—ED., *Econ.*]

Books and Publications.

COMBINES AND AMERICAN LAW.*

THE subject of public policy towards business has already engaged the attention of the National Industrial Conference Board of New York in two of its series of studies, published before "Mergers and the Law," a third volume which has now been issued. The object of this latest publication is to trace the development of public policy towards corporate consolidations, and to outline the modifications of this policy in recent years. Certain comments upon the working of the anti-trust laws in the United States are offered, but do not extend to the making of definite suggestions for the revision of those laws. The book is rather a collection of materials upon which the reader may, if he will, exercise his powers of thought.

The materials are well presented. They commence with a short historical review of the development of legal rules in England and in the United States, well documented, in which some interesting points and comparisons are brought out. Against this background the Sherman Anti-Trust Act of 1890 is considered. The gradual change of view traceable in the earlier judicial interpretations of the measure is referred to, and a summary of more recent cases as to business mergers, decided upon the Act, is then given. These, it is suggested, have cleared up some ambiguities. There is "a growing accommodation of judicial opinion to business expediency," though new problems arising may still prove to be open questions in relation to the anti-trust laws. Recent Federal legislation, which has modified the application of the original Act to public utilities and in certain other instances, is dealt with, and finally some conclusions are stated. These, as already indicated, are set forth more in the form of a judge's summing up to a jury than by way of an actual verdict.

A specific reference to the existing legislation for the regulation of business and its enforcement, contained in the new President's inaugural address, showed that the subject is in the minds of those in authority in the United States. It is claiming attention, too, in many other quarters, and this addition to the literature of the subject of trade combinations comes, therefore, opportunely. National treatment of the question varies from country to country and the subject has a growing international interest. For this reason also, carefully prepared materials for study, such as are to be found in this volume, are welcome.

* "Mergers and the Law." National Industrial Conference Board, New York, 1929. $3.

BOOKS RECEIVED.

Disarmament. By Salvador de Madariaga. (London) Oxford University Press, Warwick Square. 15s. net.
Few people can speak on this question with such authority as Professor de Madariaga, and his vigorous book, which deals very fully with disarmament, both critically and historically, should be very welcome.

Toryism and the People, 1832-1846. By Richard Hill, with a foreword by Keith Feiling.
This is an unusually interesting contribution to English social history. The chief purpose of the book is to examine the points of contact between the Tory party and the working classes in the period 1832-1846. A further object is "to examine the ancestry of Tory social ideas."

Die österreichischen Währungs- und Notenbankgesetze. von Dr Richard Kerschagl. (Vienna) Manzsche Verlags- und Universitätsbuch-handlung.
A classified and fully annotated summary of the legislation affecting banking and currency in Austria.

Zugbildungskosten, Zugförderkosten und ihre Wechselbeziehungen. By G. Capelle, A. Baumann, and R. Feindler. (Berlin) Verlag Guido Hackebell A.-G. 3 Rm.
A very technical German treatise on certain aspects of railway costs.

Newspaper Finance. By J. Cranfield Hicks. (London) London General Press, 8 Bouverie Street. 2s.
This useful pamphlet sets forth very clearly and concisely the position of the respective newspaper groups, with an analysis in each case of the last two balance sheets and profit and loss accounts of individual companies.

Fifty-fifth Annual Report of the Council of the Corporation of Foreign Bondholders. (London) Council House, 17 Moorgate. 7s. 6d.
This report contains a valuable account of the financial position of over twenty foreign States whose bonds are largely held by English investors.

The Working of the Bill of Exchange. By Arthur Michael Samuel, M.P. (London) Effingham Wilson, 16 Copthall Avenue. 2s.
A very brief, and therefore of necessity rather scrappy, explanation of foreign payments and the overseas trade balance.

Annual Report on Administration of Chosen. 1926-27. (Keijo) Government-General of Chosen.
An illustrated report which contains much information of the kind usually found in year-books.

The Edinburgh Review. April, 1929. (London) Longmans, Green and Co., Limited, 39 Paternoster Row. 7s. 6d.
An interesting number, which includes, *inter alia,* articles on "The Revision of the Dawes Plan," "The Monroe Doctrine and the Latin-American States," and "The British Empire and Foreign Relations."

C.P.A. Review. By Clem Wetzell Collins. (London) Chapman and Hall, 11 Henrietta Street, Covent Garden. 42s. 6d. net.
A volume of answers to the American Institute of Accountants' examination questions.

The Legend of the "Francs-Tireurs" of Dinant. By Dom Norbert Nieuwland and Maurice Tshoffen. Translated by E. Louisa Thompson. (Genbloux) J. Duculot.
A regrettable revival of a painful controversy on war atrocities.

The Banker. April, 1929. (London) Eyre and Spottiswoode, Limited, 9 East Harding Street, Fleet Street. 2s. 6d.
Articles in this number include: "The International Bank Scheme," by Joseph Caillaux"; and "Credit Restriction Efforts in the United States," by H. Parker Willis.

The Stock Exchange.

THE FINANCES OF THE BRITISH FILM INDUSTRY.

The financial position of the British film industry, faced with the revolution of the talking film, calls for careful consideration. For the Stock Exchange the industry is divided at present into three groups—Gaumont-British Picture Corporation, British International Pictures, Limited, and "the rest." The financial position of "the rest" (meaning the smaller British producers), is the most pressing problem.

The passing of the Films Act, in March, 1927, was designed to give some measure of protection to the young and growing British film production industry. This Act imposed on renters (distributors), and on producers, a certain quota of British films, beginning with 7½ per cent. and rising by 2½ per cent. each year to 25 per cent. of turnover. In other words, a demand for British films was artificially created. We use the word "artificially" because the British public had shown no preference for British as opposed to foreign films, but only a preference for goods, rather than less meritorious productions. The company promoters were not slow, however, to accept the invitation offered by the Act, and a flood of film production issues followed upon the introduction of the Government's measure in the House of Commons. In spite of the fact that film production, even in the hands of experienced and able directors, is a decidedly speculative business, the public was asked to subscribe blindly to new and untried companies, whose prospectus promises they had no means of putting to any test.

In July last year the *Economist* undertook an investigation of these film promotions, which disclosed a sorry position. To the eleven issues examined the public was found to have subscribed £1,936,750 in cash, and, by July 14th, 1928, it had suffered a capital loss on this investment of no less than £436,365. Unfortunately, the position to-day is even less satisfactory, as the following table shows:—

FILM PRODUCTION ISSUES OF 1927-28.

	Latest Issues.	Price of Issue.	Total Cost to Public.	Present Market Price.	Present Market Value.
			£		£
British Filmcraft	400,000 5s. ord.	par	100,000	1/10½	37,500
British Instructional	200,000 10s. ord.	11/-	110,000	10/-	100,000
British Lion Corporation	160,000 £1 pf. ord.	par	160,000	8/1½	65,000
	160,000 1/- defd.	par	8,000	1/1½	9,000
British Screen Productions	500,000 5s. ord.	par	125,000	4/6	112,500
British & Dominions Film Cpn.	220,000 £1 pf. ord.	par	220,000	10/-	110,000
	220,000 1s. defd.	par	11,000	1/10½	20,625
British & Foreign Films	800,000 5s. ord.	par	200,000	2/6	100,000
Gainsborough Pictures	200,000 £1 ord.	par	200,000	10/6	105,000
	200,000 1s. defd.	par	10,000	2/-	10,000
New Era National	94,250 £1 pf.	par	94,250	9/9	45,946
	94,250 1s. dfd.	par	4,712	2/1½	10,104
Pro Patria	210,000 5s. ord.	par	52,500	6/-	63,000
Whitehall Films	160,000 £1 prf.	par	160,000	2/6	20,000
	160,000 1s. defd.	par	8,000	3d.	2,000
Welsh Pearson-Elder	170,000 Prf. £1	par	170,000	5/-	42,500
	170,000 1s. ord.	par	8,500	6d.	4,250
			1,641,962		857,335

It will be seen from this table that the shares for which the public subscribed £1,641,962 are now valued in the market at £857,335, which shows a loss to the public of £784,627, or 48 per cent. We do not wish to characterise all the film production issues of the "gold rush" of 1927-28 as indefensible. Those of British Instructional Films and its distributing organisation Pro Patria Films, of New Era National, which took over existing producing units, and of Gainsborough Pictures, which is associated with Gaumont-British, were not unattractive speculations. British Instructional Films, for the period from May 27 to December 31, 1927, paid a dividend at the rate of 12 per cent. per annum on its ordinary shares of £1, and of 3.472d. per share on its 1s. deferred shares. New Era National Pictures has recently published its report for the year ending January 31, 1929, and has paid dividends at the rate of 9.36 per cent. on the £1 ordinary, and of 20 per cent. on the 1s. deferred shares. None of the other companies has yet published any accounts, and the position of some, as reflected in the market valuation of the deferred shares, would seem to be precarious in the extreme. If the accounts shortly to be published by these new companies confirm the market's diagnosis, as expressed in current share quotations, the promotion boom of 1927-28, which was set in motion by the introduction of the Films Bill, may prove to have been one of the most disastrous episodes in the annals of British company finance.

It may be argued that the film production companies, whose issues we have been examining, account for but a minor part of the British film industry. We agree that the corner stone of the industry is represented by the 2,500 to 3,000 independently-owned cinematograph theatres, which are for the most part enjoying prosperity. But the Stock Exchange is not concerned with independent exhibitors, but with public companies, and, apart from the new production companies, it has mainly to deal with the Gaumont-British group and its potential rival, British International Pictures, Limited. Let us examine, first, the position of the Gaumont-British group, with its 300 theatres, its wide distributing organisation and its established production companies. Gaumont-British was formed as an amalgamation of existing film producing, renting and theatre-owning concerns. In May last year it obtained a controlling interest in two newly-formed theatre circuits—Denman Picture Houses and General Theatres Corporation. In January this year it purchased a controlling interest in the Standard Film Company, which give it control of Provincial Cinematograph Theatres, Limited, which had a circuit of about 100 theatres. The issued capital of Gaumont-British now consists of 3,680,000 ordinary shares of 10s., and 1,000,007 preference shares of £1, making a total of £2,840,007. In addition, there is a loan capital of £800,000. The report for the year to March 31, 1929, has not yet been issued, and in view of the new acquisitions it is impossible to estimate the year's earnings. On a capital of £2,000,007 (of which £1,000,000 was in ordinary shares of 10s.) at March 31, 1928, the date of the last balance sheet, Gaumont-British showed net profits, after providing for interest, depreciation and income tax, of £175,790, which was equivalent, after allowing for preference dividends, to 10½ per cent. on the ordinary shares. There is a feeling in some quarters that Gaumont-British is very heavily capitalised, but until the accounts for the year to March 31 last are published, judgment on that question must be deferred.

We have referred to British International Pictures as the potential rival of the Gaumont-British group. It has been more active on the production side than Gaumont-British, and has produced at its Elstree studios (the largest and best equipped in this country), some costly pictures, the profits from which have not yet been disclosed. On the distribution side it owns Wardour Films in this country, and a 51 per cent. interest in First National-Pathé, a company formed to combine the British distribution activities of Pathé Films and First National Pictures, one of the "big three" of the American film industry. Further, it has distributing companies in France, Germany, Austria and Australia, and last year it established World Wide Pictures, Inc., to handle its distribution in America and Canada. On the theatre side, British International has a controlling interest in Associated British Cinemas, which has a circuit of 55 houses. The accounts of British International Pictures for the year to March 31, 1929, are not yet published, but an interim dividend of 7½ per cent. has been paid. The issued capital is now

LONDON ACTIVE SECURITIES.

British and Colonial Government Securities.

	Closing Prices April 11.	April 18.	Rise or Fall.
Conv. Loan 3½%	77⅛	77⅛	— ¼
Do. 4½% 1944.....	98½	98½	+ ⅛
War Loan 5% 1929-47	102⅛	102⅛	+ ⅛
Consols 2½%	55⅝	55½	— ⅛
Do. 4%	86⅛	86⅛	...
Funding 4%	88½	88⅛	+ ⅛
Victory Bonds 4% ..	93½	93	— ½
Local Loans 3%	63½	64	+ ½

	Closing Prices April 11.	April 18.	Rise or Fall.
Treasury 5% (B).....	100	100⅛	+⅛
Palestine 5% 1942-67	101	101	...
S. Africa 5% 1945-75..	102	102	...
India 3½%.....	69⅝	69	— ⅛
Do. 4½% 1958-68 ...	91⅝	89½x	...
Australia 5% 1945-75	99	99	...
N.S.Wales 5% 1935-55	96	96	...
N. Zealand 5% 1946	102	102	...

Foreign Government Securities.

Japanese 6% (1924)	96½	96½	...
Argentine 4% Recins	85	85	...
Austrian 6% 1923-43	102	102	...
Belgian 7%.....	108½	109	+ ½
Brazil 5% Funding .	84⅛	85⅛	+ 1
Bulgaria 7%	86½	86½	...
China 5% (1912).....	46	46	...
Egypt Unified 4% ...	85	84⅛	— ½
Estonia 7% 1927	91½	91½	...
Finland 6% 1923 ...	98½	98½	— ½

French 5%	19⅞	20	+ ⅛
Do. 4% (Brit.)	17⅛	17⅛x	...
German 7%	106⅛	104x	+ ⅛
Greek 7% Refugee ...	102½	103	+ ½
Hungary 7½%	101½	102	+ ½
Chili 6%.....	96	96½	+ ½
Poland 7%	91	88x	+ ⅛
Mexican 5% (1899)...	32	31	— 1
S. Paulo Coffee 7½% .	103	104	+1
Siamese 6% (1924) ...	105⅛	103½x	+1

Corporation Stocks.

L.C.C. 3%	63	63	...
M. London 5% 1960-70	98	98	...

Sydney 5½% 1954	98	98	½
Berlin 6% Ster.	94	94	...

British and Foreign Railways.

G. Western Ord. Stk.	86	85½	— ½
L.N.E., Def. Stk. ...	14	13½	— ½
Do. 5% Pref. Stk..	30½	29½	— 1½
L.M.S. Ord. Stk.	55½	54½	— 1
Metropol'anCons.Stk.	61	61	...
Met. District Ord. Stk.	76⅛	76½	...
Southern Def. Stk. ..	33½	32⅛	— ⅜
Do. Pref. Ord. Stk.	75	75	...
Underground Ord. £1	1⅛	1⅛	...
Do. Income Bonds	113	113½	+ ½

Antofagasta Ord. Stk.	96½	96⅝	+ ⅛
B.A.&Pacific Ord.Stk.	99⅝x	99½	— ⅛
B.A.Gt.Sthn. Ord.Stk.	107½	107½	...
B.A.Western. Ord.Stk.	92⅛	92⅛	— ⅛
Beira Ord.	1⅛	1⅛	+ ⅛
Can. Pacific Com.Stk.	243	240½	— 2½
C. Argentine Ord. Stk.	96½	96	— ½
Leopoldina Ord. Stk.	60½	60⅝	+ ⅛
San Paulo Ord. Stock.	213	212	— 1
Utd. Havana Ord. Stk.	42	42	...

Banks.

Barclay B. (£1)	2⅜	2⅜	...
Barcl.(Dom.&c.) A £1	1⅜	1⅜	+ ⅛
Lloyds £5, with £1 pd.	3⅜	3⅛	+ ⅛
Mid. £12, with £2½pd.	9⅛	9⅜	+ ⅛
Do. £2½, fully paid	9⅜	9⅜	+ ⅛

Midland £1, fully paid	3⅜	3⅜	+ ⅛
Nat. Prov. £20, £4 pd.	13⅜	13⅜	+ ⅛
Hongk. and S. ($125)	132	132	...
St. of S.A. £20, £5 pd.	15	15⅛	+ ⅛
W'minster £48, £1 pd.	3⅜	3⅜	+ ⅛

Insurance.

Alliance £1, fully paid	21	21	...
Com. Un. £2½, fully pd.	27½	27½	...
Ldn.&Lanc.£5,£1 pd.	30½	31½	+ 1

N.B.&Merc.£5,£1½pd.	36½	36½	...
Royal Ex. £1, fully pd.	6½	6⅝	+ ⅛
Roy.Ln.£1,with 10/pd.	8⅜	8⅜	+ ⅛

Coal, Iron and Steel.

Amal. Anthracite (£1)	⅜	⅜	...
Babcock, Wilcox (£1)	3⅜	3⅜	— ⅛
Baldwin (4/)	⅛	⅛	...
Bolckow Vaughan(£1)	⅛	⅜	+ ⅛
Cory, William (£1) ...	2⅜	2⅜	...
Dorman, Long (£1)...	⅛	⅜	+ ⅛

Guest, Keen (£1).....	1⅜	1⅜	...
Powell Duffryn (£1)...	⅜	⅜	...
Stewarts&Lloyds(£1)..	1⅞x	1⅞	...
Swan, Hunter (£1) ...	1⅛	1⅛	— ⅛
Thornycroft,John (£1)	3⅛	4	+ ⅛
Vickers (6/8)	⅜x	⅜	+ ⅛

Textiles.

Bradford Dyers (£1)	2⅛	2⅛	— ⅛
Brit.Celanese,Ord(10/)	1⅜	1⅜	— ⅛
Coats, J. and P. (£1)	3⅛	3⅛	...
Courtaulds	4⅜	4⅜	+ ⅛

Eng.Sewg.Cotton (£1).	2⅜	2⅜	— ⅛
Fine Cott. Spinn. (£1).	2⅛	2⅛	...
Listers (£1)	1½	1⅜	+ ⅛
Snia Viscosa (200 lire)	1⅛	1⅛	+ ⅛

Electrical Manufacturing.

Associated Elec. (£1)	1⅛	1⅜	+ ⅛
British Insulated (£1)	4⅛x	4⅜	+ ⅛
Ever Ready (G.B.) (5/)	1¼	1⅛	+ ⅛

General Electric (£1).	3⅛	3⅛	+ ⅛
Johnson& Phillips (£1)	1⅜	1⅜	+ ⅛
Siemens (£1)	1⅜	1⅜	...

Electric Light and Power.

Atlas L'ht & P'wr (£1)	1⅛x	1⅛	...
Brunsmth.& Poole (£1)	3⅛	3⅛	...
County of London (£1)	2⅛	2⅛	...

Hydro-Elec. com. stk.	36½	37	+ ½
Newcastle-on-Ty (£1)	1⅛x	1⅛	...
Scottish Power (£1) ...	1⅛x	1⅛	...

Telegraphs and Cables.

Eastern Stk.	280½x	278½	— 2
Eastern Exten. (£10)	28½x	27⅛	— ¼

Marconi (10/)	4⅞	4⅞	— ⅛
Marconi Marine (£1)...	3⅛	3⅛	+ ⅛

Motors.

Dennis (1/)	2⅛	2⅜	— ⅛
Ford Motors (£1).....	3⅛	3⅜	— ⅛
Leyland (£1)	2⅛	2⅛	...

Morris 7½%Cm.Pf.(£1)	1⅛	1⅛	...
Singer (£1)	1⅛	1⅛	...
Weymann Mot. Bodies	⅜	¼	— ⅛

Shipping.

Cunard (£1)	1⅛x	1⅛	— ⅛
Furness Withy (£1)	2	2	...

P. & O. Defd. (£1).....	2⅜	3	+ ⅛
Royal Mail Ord. Stk.	69	69	...

Tea and Rubber.

Anglo-Dutch (£1)	1⅜	1⅜	— ⅛
Cons.Tea & Lnds (£10)	36½	36½	...

London Asiatic (2/) ...	¼	⅛	— ⅛
Rubber Trust (£1) ...	2⅛	2⅛	+ ⅛

Oil.

Anglo-Persian (£1)....	4⅜	4⅜	...
Attock (£1)	3½	3⅛	— ⅛
Burmah Oil (£1)	4⅜	4⅜	...

Mexican Eagle(£1/0/6)	⅜	⅜	...
Royal Dutch (£34) ...	32½	32⅞	+ ⅛
Shell (£1)	4⅛	4⅛	...

Miscellaneous.

Assoc. P. Cement (£1)	1⅜	1⅜	— ⅛
Brns. Traction, no par	60½	61	+ ½
Brit.-Am.Tobacco(£1)	6⅞	6⅜	+ ⅛
Carreras,"A" Ord.(£1)	13½	14⅛	+ ⅛
Columbia Graph.(10/)	1⅜	1⅜	+ ⅛
Crittall (£1)	2⅛	2⅛	+ ⅛
Dunlop (6/8)	1⅛	1⅛	— ⅛
Forestal Land (£1) ..	1⅜	1⅜	— ⅛
Gas Light & Coke(£1)	⅜	⅜	...
Gramophone Co. (£1)	16⅛	16½	— ⅛
Harrods (£1)	3⅛	3⅜	+ ⅛
Hudson's Bay (£1) ..	5⅛	5⅛	— ⅛
Imp.Airways(£1 15/p)	1⅛	1⅛	+ ⅛
Imp. Chem., Ord. (£1)	1⅜	1⅜	— ⅛

Imperial Tobacco (£1)	6⅛	6⅛	+ ⅛
Inter. Nickel of Can...	49	50⅛	+1⅛
Kreuger & Toll (kr.100)	35½	35⅝	+ ⅛
Lyons (J.) (£1)	5	5⅛	+ ⅛
Margarine Unie (fl.12).	3⅜	4⅛	+ ⅛
Photomaton Parent....	⅛	⅜	— ⅛
Swed. Match,B (kr100)	21½	21⅜	+ ⅛
Tate and Lyle (£1) ...	2⅛	2⅛	...
Tilling, Thomas (£1) ..	5⅛x	5⅛	+ ⅛
Turner & Newall (£1)..	5⅛	5	— ⅛
United Molasses (£1) ..	8⅛	7⅞	— ⅛
Vocalion (10/).....	2⅜	2⅜	— ⅛
Watney Combe Dt.(£1)	3⅛	3⅛	— ⅛

Mines.

Anglo-Amer.ofS.A.(£1)	2⅛	2	— ⅛
De Beers Def. (£2½)	14⅛	14⅛	— ⅛
Henkpan (£1)	4⅛	4⅜	+ ⅛
"Chartered" 15/f.p..	1⅛	1⅛	— ⅛
Burma Corp.(Rs. 10)	⅜	⅜	...
Rhoda M'Kahwa,5/fp	1	⅛	— ⅛
Central Provinces(£1)	4⅛x	4⅛	...
Sheba (£1)	3⅛	3⅛	...

Johan. Cons. (£1)	2⅛	2⅛	— ⅛
Lake View & Star (4/)	⅜	⅜	+ ⅛
London Tin (£1)	3⅛	3⅛	— ⅛
Rio Tinto (£5)	58⅛	61⅛	+ 2⅛
RoanAntelopeCpr.(5/)	2⅛	2⅛	— ⅛
Sub-Nigel (10/)	1⅛	1⅛	+ ⅛
Tanganyika (£1)	3⅛	3⅛	— ⅛
UnionCorp.(12/6)fu.pd.	4⅛	4⅛	...

£250,000 in preference shares of £1, and £750,000 in ordinary 5s. shares. The market opinion of the standing and prospects of both British International and Gaumont-British is shown by the next table:—

	Market Price.	Yield.	
		%	%
Gaumont-British pref. £1	19/-	7⅛	7·9
Ord. 10s.	24/-	6	2·5
Prov. Cin. Theatres (P.C.T.) B pref. £1	19/7½	7½	7·84
Part. pref. ord. £1	18/7½	7½	8·05
Ord. 10s.....	34/4½	7½	4·36
Denman Gtd. 1st Mort. Debs. stocks	15	8	7
British International Pictures pref. £1	100	7	8·53
ord. 5s.	18/9	8	
	9/3	int. 7½	

The whole British film industry is, however, rendered more uncertain by the invasion of the talking film. It is said that talking films have captured the American film industry. Certainly, the big American organisations, Warner Brothers-First National, Metro-Goldwyn, Famous Players and Fox Films have decided to produce talking pictures almost exclusively in future. In this country British International Pictures have announced a programme of talking films, using the Radio Corporation process, while Gaumont-British have, for some time, been developing the system of British Acoustic Films. The difficulty seems to be that no one knows what system of talking films will be in vogue five years hence. An immense advantage has been secured by the Western Electric Company, whose disc system is, for the time being, almost exclusively used in America. It is thought that the system which employs a gramophone disc is only a stop-gap, and that the future lies with the process which photographs sound on the film. In any case, Western Electric has patents for both systems—the disc, which it calls Vitaphone, and the film, which it calls Movietone.

The British public has subscribed to two British talking film promotions—British Phototone and British Talking Pictures—the first employing the disc and the second the film process. The Stock Exchange appears to value the chances of British Talking Pictures more highly, for the 5s. shares are quoted at 6s. 6d., while those of British Phototone stand at 4s. 6d. Both shares are purely speculative, and the public has little means of judging chances in this talking film handicap.

In conclusion it may be stated, broadly, that the revolution of the talking film has thrown the British film industry's prospects back into the realm of the gamble. By creating an artificial demand for British films, the Films Act was intended to set the British industry on its feet. If British companies were called upon to make pictures for Great Britain, it seemed only a matter of time before they would be making pictures for the international market. That, at least, was the theory of the matter. But the talking film has entirely transformed the outlook in this respect, and the British companies are now called on to start afresh and to master a new technique. The established companies such as Gaumont-British will, no doubt, be able to adapt themselves to the new situation, but the talking film will probably administer the *coup de grâce* to some of the new companies, whose isues were a feature of the promotion "rush" last year.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

Ticket.	Account.
April 22.	April 24.

The Budget, the rights of Marconi shareholders, the development of the General Electric negotiations, an offer to United Steel security holders, and certain features of a coming issue on behalf of the Melbourne Board of Works, have, together, given the Stock Exchange plenty to discuss, but nothing has stimulated daily business. Outside Home Railway and Tea shares, the Budget produced no perceptible effect. With the New York situation still shrouded in obscurity, and Berlin feeling the monetary strain acutely, the Chancellor was thought to be taking an unduly hopeful view about the prospects of cheaper money, but it would not be true to say that movements in the gilt-edged market this week were largely influenced thereby. Mr Snowden's statement on the Inter-Allied Debt agreements had a much more discouraging effect. A fresh acquisition of gold by the Bank, and the unexpectedly easy position in the money market were factors on the other side, and the net result was no very considerable change in quotations. Five Per Cent. War Loan was steady and Four Per Cent. Consols held the ground gained early in the week, but Funding Loan was easier after rising ½ to 88⅝ on Monday. India Loans, similarly, were easier after an active start, and only a moderate business was done in Dominion and Colonial issues.

The Foreign market exhibited precisely the same features as in recent weeks—an absence of public interest and little or no important price changes. A slight rise in Brazilian bonds did not outlast the two opening days. One or two French issues were marked up fractionally, but Turkish Unified suffered a relapse. Far Eastern descriptions were inactive and uninteresting.

Pre-Budget anticipations, not all of a rational character, induced a little speculative buying of Home Railways on Monday, and their non-fulfilment a precautionary marking-down of prices on Tuesday, particularly of Great Westerns and Midland and Scottish. Southern came later on offer by reason of the French quarantine regulations. The Chancellor's remission of the Passenger Duty had been discounted in advance. The week's traffic figures were regarded as useless for comparative purposes, the corresponding figures for 1928 relating to a Bank Holiday week. Dealings in Foreign Railways were of meagre dimensions. Leopoldina was in request on dividend anticipations, but weakened after a poor traffic return. Moderate buying was in progress of United of Havana. Canadian Pacific was unaffected by the issue of fresh capital on bonus terms.

The colourless nature of the Budget removed the last hope of any development calculated to infuse new vigour into the Industrial market before the General Election, and idle conditions prevailed generally. Favourite groups, such as gramophones and artificial silk were neglected, such interest as was in evidence being mainly of a bearish character and emanating from America. Cable shares tended to ease after their recent advance, while Marconi's were affected by the dissatisfaction of the £1 shareholders with the merger terms, which at one time seemed to threaten costly litigation. Dunlops remained dull, the cut in tyre prices increasing misgivings regarding the forthcoming dividend. A clearer perception of the scope and purpose of the Imperial Chemical capital increase did not obviate a fall to 38s. 6d. International Tea reflected the Budget proposal, the doubling of the interim dividend on Star Tea, and the management agreement with a Selfridge subsidiary. The Budget had no appreciable effect on catering shares. The Hydro-Electric report was well received, though Brussels was in profit-taking mood. Margarine securities were stronger, and British Match improved on the increased Bryant and May dividend. The Budget failed to substantiate all the forecasts affecting brewery shares, which were dull in consequence. Motor, newspaper, and shipping securities attracted no more than a modicum of public attention. In the iron and steel group the offer to buy out United Steel share and debenture-holders (discussed in an "Investment Note" on a later page) had no noteworthy effect on quotations. Possibly the firmest section of the "House" was the market for bank shares, where fair investment buying was in progress. Insurance stocks were steady to firm as a whole, but Sun Life, exceptionally, fell 2½ to 51 on Wednesday. Yorkshire Insurance rose on the capital proposals.

The placidity of the rubber share market was ruffled by a further relapse in the price of the commodity, mainly due to American liquidation. Business was on the scantiest of lines, but quotations were marked down as a precaution against possible selling, which, in fact, did not eventuate. Tea shares were in evidence early in the week, less, perhaps, owing to the remission of the Customs duty (the full implications of which the trade has not yet realised) than to the firm tone prevailing at the commodity auctions. The Budget announcement, however, was the signal for a certain amount of profit-taking in the shares. Oils were steady, but quiet in the extreme, few operators, amateur or professional, showing any inclination to take a hand, in the absence of news likely to affect the market either way.

South African mines showed no sign of more active times to come, Johannesburg and Paris being scarcely less apathetic than London. The prevailing quietude was broken only by selling of East Geduld (and, to a less extent, of Geduld Proprietary) by proprietors desirous of liquidating part of their holdings to take up the new shares. No particular excitement was observable in the Rhodesian market, where several increases of capital are pending. Roan Antelope is raising its authorised capital to £1,250,000, and an official announcement by N'Changa is early expected. Base metal shares were spared a repetition of last week's unfortunate incidents, copper being somewhat firmer on the Metal Exchange. The Rio Tinto accounts made a much better showing than could possibly have been deduced from the dividend statement, and the shares rallied a full two points after their publication. London Syndicate were a leading feature among tin shares, which, as a group, showed no appreciable reaction to the better news from the commodity market.

We are officially informed that Mr John William Cook was declared a defaulter upon the Stock Exchange on April 11, 1929.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The sentiment of the share market has improved with the easier tone of the call and time money markets. The moderate rally in share prices is, however, due principally to the oversold condition of the past fortnight. A strong buying movement in bonds has developed. Copper shares are firmer after a drop on the recession in the price of the metal, and motors are somewhat better on higher first-quarter earnings. Steels are firm on record production, but there is now a seasonal fall in orders. Holders of United States Steel common are rather disappointed at the new stock offering, but the plan is having a bullish effect on the stock. There is a slump in new security offerings, which are only 85 millions, compared with 232 millions in the previous week.

	Apl. 11.	Apr. 18.	Rise or Fall.
4½% Lib. Ln. '33-8	99⅜	99⅜	+ ⅛
3½% Tra.Rs.'46-56	100⅛	101⅛	+ 1⅛
Atch. Top. San. Fe	199½	198⅛	— 1⅜
N. York Central	183	183½	+ ½
Union Pacific.....	217	214⅜	— 2½
Pennsylvania ...	75	76⅛	+ 1⅛
South. Railway	145	143½	— 1½

	Apl. 11.	Apr. 18.	Rise or Fall.
U.S. Steel	189⅛	185	— 4⅛
General Motors ...	84½	84⅛	+ ⅛
Amer. Tel. & Tel.	219⅛	222	+ 2⅜
General Electric	234	240	+ 6
Victor Talking ...	170	170	...
Std. Oil of N.J....	57½	59⅞	+ 2⅜
Anaconda	144½	140⅛	— 4⅜

By courtesy of the Standard Statistics Company, Inc., of New York, and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926 = 100):—

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	Apr. 4.	Apr. 11.
342 Industrials	104·7	137·1	132·5	186·4	191·1	193·6	192·8
33 Rails	106·1	128·0	120·5	139·7	140·9	138·0	136·5
35 Utilities ...	103·3	128·3	128·3	180·6	184·6	199·8	199·1
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	186·1	184·4
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·35%	3·39%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Dec. 31.	Mar. 28.	Apr. 10.	Apr. 11.	Apr. 12.	Apr. 13.	Apr. 15.	Apr. 16.	Apr. 17.
207·7	217·5	211·3	213·5	214·6	215·0	213·1	214·2	216·5

PARIS.

Fears of a check in the Reparations conversations led to some realisation. Bank shares again were most affected, while the announcement of an increase of capital by the Comptoir National d'Escompte was, like other similar announcements, a fresh cause of weakness in

this group. French stocks in general had a tired appearance. Copper shares were appreciably raised, in particular Rio and Tharsis; the latter regained its previous loss. Citroën was in even greater demand than of late. The contango rate at the mid-month settlement was 5 per cent.

	Apl. 11.	Apr. 18.	Rise or Fall.
5% Perp. Rentes	73·45	74·10	+0·65
5% Rentes, '15–16	99·55	99·90	+0·35
5% Rentes, 1920	121·65	119·55	−2·10
Banq. de France	26,275	25,900	− 375
Banq. de Paris	4,560	4,500	− 60
Crédit Lyonnais	3,200	3,150	− 50
Nord	2,665	2,615	− 50
Com. Gen. d'Elec.	3,840	3,750	− 90
Littoral Médit.	1,435	1,400	− 35

	Apl. 11.	Apr. 18.	Rise or Fall.
Mines de Lens	1,464	1,439	− 25
Courrières	1,670	1,657	− 13
Fechiney	3,670	3,575	− 95
Kuhlmann	1,192	1,184	− 8
Com. Gen. Trans.	1,315	1,354	+ 39
Suez Canal	25,625	25,890	+ 265
Assur. Gen. Vie	14,850	14,650	− 200
Denain et Anzin	3,400	3,375	− 25
Dollfus Mieg.	12,300	12,350	+ 50

BERLIN.

A week ago, owing to fears of an advance in the Reichsbank rate, and of a breakdown in Paris, stocks were inclined to weaken. A further general decline occurred at the beginning of this week. Rumours of an advance in demand, and, though realisations took place later, the covery followed. On Wednesday English buying of Polyphon was reported; artificial silk stocks were also in demand, and, though realisations took place later, the list as a whole advanced. Thursday's Bourse was very firm, on fairly extensive foreign orders, and a variety of stocks showed considerable rises, but towards the close there was a moderate reaction.

	Apl. 11.	Apr. 18.	Rise or Fall.
Reichsbank	318·00	319·00	+1·00
Deutsche Bank	169·00	169·00	...
Disconto Bank	160·25	160·25	...
Hamburg-Amer.	121·13	123·63	+2·50
Norddeut.-Lloyd	115·88	115·75	−0·13
I.G. Farbeninds.	252·63	250·00	−2·63
Verein. Glanstff.	460·00	464·00	+4·00
Bemberg	353·00	364·00	+11·00

	Apl. 11.	Apr. 18.	Rise or Fall.
Verein. Stahlke	93·00	92 25	− 1·75
Mannes Rohrke	119 00	121·00	+ 2·00
Allgemne. Elekt.	177·25	177·25	...
Siemns. & Halske	398·50	397·75	− 0·75
Daimler Benz	61·50	60·75	− 0·75
Cont. Caoutchuc.	162·25	169·25	+ 7·00
Salzdetfurt. Kali	379·50	386·00	+ 6·50

AMSTERDAM.

The money market remained tight, and in consequence there was very little animation on the Bourse. The general tendency was irregular, but among industrials Philips were strong on favourable reports and the announcement of a capital increase, and Margarine Union showed firmness. Breda Silk is paying no dividend, against 5 per cent. last year. Artificial silk shares were generally lower. Sugars were dull, but later on displayed a better tone, thanks to good 1928 dividends. Shipping and tobacco shares were idle, and oils weakened. The market on Thursday was still dull, though the strength of Margarine Union was maintained.

	Apl. 11.	Apr. 18.	Rise or Fall.
5% Bds. Neth. '18	100⅝	100⅞	+ ⅜
4½% Ams. 1913-14	97½	97½	+ ½
Margarine Unie	381½	414⅛	+ 32⅝
Neth. Art Silk	379	371½	− 7½
Philips El. Lamp.	875	889½	+ 14½
Singkep Tin	290½	304	+ 13½
Royal Dutch	393	397	+ 4
Amst. Rubber	260⅝	248	− 12⅝

	Apl. 11.	Apr. 18.	Rise or Fall.
Serbadjadi Sm.R.	205⅝	187⅛	− 18
Holl. Amer. Line	70	68	− 2
Navig. Co., Ned.	206	207	+ 1
Vorstenlanden	162⅝	160½	− 2⅛
Trading Co., Ams.	641⅛	620	− 21⅛
Bescoeki	510	514	+ 4
Deli	422⅛	408½	− 14½
Neth. Trad. Soc.	186½	186	− ½

INVESTMENT NOTES.

The Stock Markets and the Budget.—Few Budgets have had so little effect on markets as has Mr Churchill's this week. It is true some improvement has been recorded in the gilt-edged market, but this is attributable, not to Mr Churchill's treatment of the Sinking Fund, which met with general disfavour, but rather to improvement in the monetary situation. It is generally agreed that the short-dated British funds have been unduly depressed. The following table shows the prices of the leading British funds before and after the Budget:—

	April 12.	April 18.
5% War Loan	102 9/16	102 3/32
3½% Conversion	77⅛	77¼
4% Consols	86¼	86 9/16
4% Funding	87⅞	88 1/16
Treasury 4½%, 1932/34	97 9/16	97 3/32
Treasury 5½%, 1930	100 9/16	100½

As regards the industrial markets, the Budget lent no encouragement to a revival of speculative interest. The abolition of the tea duty was the one feature which markets could seize on, and a number of tea-distributing companies' shares improved, in particular International Teas, which gained 1s. to 30s. 7½d. Tea-producing companies' shares were supported, but some profit-taking ensued. In any case, this market has been hardening for some time. Perhaps the general view taken by the Stock Exchange of the Budget was expressed in the market in Election "majorities." Disappointment at the unexciting nature of Mr. Churchill's proposals brought in sellers of Conservative stock, while Liberal and Labour stocks were marked up 2 points. The following table shows how the market in "majorities" closed on the day after Budget:—

	Present position in House of Commons.	"Market" Price, Apr. 15.	"Market" Price, Apr. 16.	Rise or Fall.
Conservative	400	280	275	− 5
Labour	162	251	253	+ 2
Liberal	46	84	86	+ 2

Enquiries which have reached us suggest that the dangerous nature of this "majorities" market is not invariably realised by the private investor. The whole business is a gamble, pure and simple, and the "differences" which will eventually have to be paid may be very considerable, in some cases.

United Steel Offer.—The directors of the United Steel Companies have announced, with their benison, the preliminary terms of an offer made by the Austin Friars Trust, and others, to purchase for cash the entire issued capital, debentures, and obligations of the company, together with the preference shares of the United Strip and Bar Mills, which are guaranteed by United Steel. The following table sets out the relevant particulars:—

Stock or Shares.	Amount Issued—Nominal Value.	Market Price, April 12.	Price Offered by Austin Friars Trust.	"Market Capitalisation," April 12.	Total Cash involved in Trust's offer.*
	£		(Per £100)	£	£
"A" 6% First Mort. Debentures	833,300	60½	£75	504,146	624,975
"B" 6% First Mort. Debenture Stock	999,100	60½	£80	604,455	799,280
"C" ditto	499,998	83	£97½	414,998	487,496
6% Notes, due April, 1935	1,025,923	†	£50	512,961†	512,961
6% Cum. Pref. Shares, £1	1,317,516	4s. 4½d.	(Per Share) 6s. 8d.	287,218	439,172
Ordinary Shares, £1	8,006,549	3s. 6d.	4s. 0d.	1,401,146	1,601,310
United Strip & Bar Mills, 8% Guaranteed Cum. Pref., £1	1,500,000	6s. 3d.	7s. 6d.	468,000	562,500
Total	14,182,386	...	...	4,192,924	5,027,696

* Presuming acceptance by holders of 100 per cent., in every case.
† Not quoted. Taken at a price of 50 in calculating "Market Capitalisation."

The offer is conditional on acceptance by 90 per cent. of each and every class of security. It will be seen that the Austin Friars Trust and its associates propose to give some £834,772 (or 20 per cent.) more than the total market capitalisation of the various securities on the eve of the announcement, the price representing approximately 35½ per cent. of the nominal value of the securities to be acquired. As they are also, apparently, paying off the indebtedness to bankers of United Steel (£548,838) and its subsidiaries, Steel, Peech and Tozer, and Appleby Iron Co., and providing over £1,000,000 new working capital, the group responsible for the offer must have cash resources in hand, or in view, of the best part of £7,000,000 at the very least. The option to be given to holders of shares for obligations to re-invest the whole, or to debenture holders to re-invest part of their proceeds, may be calculated to reduce the net amount of cash to be eventually provided, but as the announcement expressly states that the United Steel undertaking is to "form the nucleus of a larger merger of interests," it is evident that large-scale plans are in prospect. Capital reorganisation—a necessary first step towards "rationalisation," which, it is agreed, has become indispensable to the future prosperity of the iron and steel industry—has previously been effected from within the

companies concerned, under the auspices of the various boards of directors, acting on the advice of eminent accountants, whose proposals have been based mainly on estimates of future earning power. Inasmuch as the initiative in the present offer appears to have come from a separate group, which would seem to have regarded current Stock Exchange values (which, in the main, reflect outside rather than inside opinion), as at least a relevant factor in its calculations, the proposed transaction marks a new departure in the post-war history of the industry. In view of the state of affairs revealed by recent balance sheets, United Steel debenture holders may possibly be called on to make some capital sacrifice, under any scheme, like their colleagues in other recently reconstructed steel companies. They are entitled as a preliminary, however, to know the level at which future earning power is estimated by those best qualified to assess it. Six months ago the chairman recorded his opinion that the company—which is responsible for fully 10 per cent. of the steel ingot production of Great Britain—would date the recovery of prosperity from June, 1928. It is understood that the company's business has, in fact, shown a gratifying degree of expansion in recent weeks. We hope to comment on the proposals in greater detail in our next number on the basis of the particulars given in a subsequent circular, issued as we go to press.

Rubber Company Profits.—The spurt of activity in rubber shares, which accompanied the recent rise in the price of the commodity to over 1s. a pound, has now entirely subsided. Rubber has been weak during the last few days, the London "spot" quotation for standard ribbed smoked sheet being now no more than 10½d., and the share market has resumed its customary state of masterly inactivity. Meanwhile, the numerous reports which have recently been issued by producing companies, covering operations in 1928, are calculated to afford the investor considerable food for thought. The following table, for example, sets out the results achieved during the past two years by a dozen companies whose accounts have been published in the last week or two:—

Company.	Net Earnings. Amount. 1927.	1928.	Dividends. 1927.	1928.	Crop. (Thous. lbs.) 1927.	1928.	Selling Price (per lb.). 1927.	1928.
	£	£	%	%			s. d.	s. d.
Malayan Companies.								
Damansara	32,396	12,617	8	4	600	686	2 0·22	0 11·34
Gula-Kalumpong	88.392	58,483	10	7½	1,186	1,430	*	*
Jugra Land & Carey	87,800	73,100	2½	5	2,327	2,878	1 5·84	*
Kombok	16,406	18,783	10	7½	496	806	1 8·00	1 0·46
Rembau Jelei	58,162	55,372	12½	10	1,812	2,141	1 9·12	*
Selangor	21,248	12,913	12½	8½	752	665	*	*
Strathmore	39,162	22,402	5	5	650	877	1 11·60	1 0·11
Ceylon Companies.								
Grand Central Rubber	192,197	68,136	12½	5	4,545	4,292	1 11·99	0 11·62
Pelmadulla†	26,701	37,868	27½	30	761	834	1 5·12	0 11·87
Rosehaugh	50,053	16,219	10	5	1,743	2,044	1 4·80	*
D.F. Indian Companies.								
Java Amalgamated	52,454	17,916	17½	10	1,409	1,288	1 6·79	0 10·89
Laugkat Sumatra	14,024	3,474	5	4	568	598	1 7·57	0 10·43

* Not stated.
† Company has 1,423 mature acres of tea, in addition to its 2,315 mature acres of rubber

The total profits of the twelve concerns declined last year from £947,896 to £579,506, a fall of 39 per cent., while the average rate of dividend paid dropped from 15 per cent. to 11½ per cent. The total rubber harvested showed an increase of 7½ per cent., but the average selling price (realised by the seven companies which published complete figures for both the years in question) was only 11.53d., against 1s. 9.07d. in 1927—a decline of 45 per cent. In the case of the seven Malayan concerns, profits were down 38½ per cent., dividends 21 per cent., and selling prices 47 per cent., while crops increased by 12 per cent., the results thus showing but slight deviation from the average. While 1927 was a year af full-blown "restriction" in Malaya and Ceylon, production was accelerated during 1928 as a result of the Prime Minister's advance announcement of the termination of control. It would seem inevitable that those companies which sold large quantities of their 1929 output "forward" at the very low prices prevailing after that announcement should suffer a further decline in earnings this year. As regards the remainder, the fact that the present market price of rubber is below the average prices on which last year's earnings were based, in almost every case, must be set against the considerable economies in overhead costs which should accompany a *régime* of "free" production. The market, however, is awaiting indications of the extent to which the "resting" of the trees under restriction will be reflected in an abnormally heavy yield for a few months to come, and it consequently does not regard current prices of the commodity as necessarily stable. Altogether, only the most favourably situated, "low-cost" companies can reasonably be expected to show results for 1929 marking even a slight advance on last year's, while those of many other concerns may fall appreciably short of that level.

Harland and Wolff.—The year 1928 has to some extent fulfilled the hopes held out by the directors twelve months ago, for "a very substantial improvement." As far as can be ascertained from the accounts (which do not include a separate profit-and-loss account) £250,000 was set aside for depreciation, advances under the Trade Facilities Act were reduced by the repayment of £98,669, and after payment of the first preference dividend, the carry-forward was increased by £12,356. Seeing that in 1927 no depreciation was charged, no advances were repaid, and that in order to pay the dividend it was necessary to take £300,000 from reserve and reduce the carry-forward by £49,713, it appears that results may have improved actually by over £700,000 in comparison with 1927, instead of the £362,000 shown in the accounts, which are summarised in the following appropriation table:—

Years ended December 31,	1926.	1927.	1928.
	£	£	£
Profit	201,446	*Dr.157,713*	204,356
Transfer from reserve	...	300,000	...
First cumulative preference dividend	192,000	192,000	192,000
Increase or decrease in carry-forward	+9,446	−49,713	+12,356

The form of the balance sheet has been improved by the separation of fixed and floating assets and floating liabilities under inclusive headings, and by discrimination between investments in and advances to subsidiaries. The auditors have introduced into their certificate the qualification:—"subject to the value under present conditions of the investments in steel works, &c." These investments stand at £4,267,493, forming over one-quarter of the gross assets. The company received no dividend for 1928 from its steel and coal interests in Scotland (David Colville and Sons and Archibald Russell), though a year ago the prospects there were stated to be "more encouraging." The shipyard at Greenock has been closed for the time being, but the Belfast and Govan yards have been fairly well occupied, though difficulty is still reported in obtaining contracts at remunerative prices to keep the slips occupied. The shipbuilding and engineering output, excluding that of associated companies, amounted to 101,786 tons gross, a higher total than in 1927 or 1926, but 12,000 tons short of the 1925 figures. Welcome as is the improvement, there is still a long way to go, and in each of the next four years a sum of £298,669 has to be found for repayment of Trade Facilities Act advances. The reserve and the carry-forward together total £1,107,558, but the balance sheet is still far from liquid, floating assets amounting to £2,503,169, against £5,566,829 of floating liabilities. The shares not in the hands of the public, the "A" and "B" cumulative preference and the ordinary, together exceeding £6,000,000 in nominal value, have received no dividends since 1924. The 6 per cent first preference shares at 15s. 6d. yield £7 14s. 10d. per cent.

Cammell Laird.—This company last recorded a profit in 1924, last year's operations resulting only in a reduction of the annual net loss from £112,046 to £80,694, as we noted last week. The last dividend paid on the £3,234,060 of ordinary shares was 5 per cent. for 1922,

arrears since June 30, 1925, on the 5 per cent. cumulative preference dividend amounting now to over £214,000.

Year ended December 31.	1926.	1927.	1928.
	£	£	£
Loss	73,575	112,046	80,694
Directors' fees for previous year	1,600	1,600	1,200
Transfer from reserve account	50,000	125,000	75,000
Increase or decrease in carry-forward	− 25,175	+ 11,354	− 6,894

The balance sheet, which the auditors sign "subject to the adjustment required in respect of certain investments," does not give effect to the agreements with Vickers and Vickers-Armstrong, concluded in December, for the merging of Cammell Laird's wagon interests in the Metropolitan Cammell Carriage, Wagon and Finance company, and of its steel interests in the English Steel Corporation, as the final figures have not yet been adjusted. It was announced a month ago, however, that Cammell Laird was to receive 599,539 preference and 2,033,149 ordinary shares of £1 each in the English Steel Corporation, and as the ordinary shares are being allotted in respect of fixed assets, it appears that this item is likely to be reduced from £2,882,975 to under £1 million in the next balance sheet. The present report discloses that the English Steel shares received will correspond approximately to the book value of the assets transferred, though a reduction of book values by some £350,000 will be involved in carrying through the wagon agreement (under which Cammell Laird receives 1,750,000 £1 ordinary shares in the new company). This will swallow most of the reserve, reduced now to £400,000 by the transfer of £75,000 on account of the 1928 loss. The directors are faced with the prospect of £500,000 5 per cent. first mortgage debentures falling due for redemption at 103, and £400,000 4½ per cent. debentures at 102½, on July 1, 1930. Whether the company will by then be reaping the full benefit of its bold efforts after rationalisation it is too early to say. Henceforth Cammell Laird will be mainly a holding company, having sloughed off practically all its manufacturing activities except the Merseyside shipyards. *The £1 ordinary shares have fallen* since the beginning of January from around 8s. to 5s.

Babcock and Wilcox.—The net profits of this steadily successful boiler-making concern were slightly reduced in 1928, though the gross manufacturing profit was some £16,000 higher than in the previous year. The dividend on the ordinary shares, which form 93 per cent. of the total capital, is maintained at the rate of 15 per cent., tax free, to which it was raised from 13 per cent. in 1927. The sum of £50,000 (against £100,000) is allocated to the reserve fund, which thereby reaches £850,000, in addition to £400,000 in the dividend equalisation fund; visible reserves, in fact, aggregate £1,370,363.

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Net profit	716,577	743,820	734,902
6% preference dividend	6,000	6,000	6,000
5% second preference dividend	8,953	8,953	8,953
Ordinary { Earned, after tax	16·3%	16·9%	16·7%
Ordinary { Paid, free of tax	13%	15%	15%
Ordinary { Amount	558,955	644,948	644,948
Reserve fund	150,000	100,000	50,000
Staff pension fund	20,000	20,000	32,000
Increase or decrease in carry-forward	− 27,331	− 36,081	− 6,999

The balance sheet shows fixed assets at £1,119,446 (against £795,581), and interests in associated companies, the total income from which is again stated to be satisfactory, at £823,815 (against £1,046,997). The general position is strong, the surplus of liquid assets over liabilities remaining in the neighbourhood of £2,400,000. Extensions and additions have been and are being made to the factories and plant, which have been maintained in a high state of efficiency, to meet the increasing demand for high-pressure boilers. At their present market price of 67s. 6d. the £1 ordinary shares yield £4 8s. 9d., tax free, and, though there is no immediate prospect of increased dividends, their backing by assets is substantial.

Hong Kong and Shanghai Banking Corporation.—At the annual meeting of the Hong Kong and Shanghai Banking Corporation, a report of which appears on a later page, the chairman, Mr A. H. Compton, gave his customary review of commercial and political developments in the Far East. From the shareholders' point of view, however, an arresting feature of the address was the hint that unless there was an improvement in the Bank's business during the current year, a reduction in the present dividend might be unavoidable. Despite a long period of trade depression in the greater portion of the Bank's field of operations, profits have kept remarkably steady, and a return of £8 per share has been maintained for several years past. It is, therefore, a little disturbing to learn that there is a possibility, slender though it may be, of a modification of the dividend. In the early part of this year the London quotation of the shares rose to £149, apparently owing to the optimism engendered by the newly-signed Anglo-Chinese Treaty. The rise was not followed by the Hong Kong share market, which has never quoted the shares at more than the equivalent of £140; presumably the cold douche administered by the chairman will have a sobering effect upon enthusiastic operators at home. As regards the situation in China, the trade results were summed up as "a welcome return towards normal," although the actual improvement was on a somewhat restricted scale. The efforts of the Nationalist Government were reviewed in a very sympathetic manner, and the speech concluded with the reminder that, although a transitional period is always a difficult and often a disappointing time, there can be no doubt that the spirit of progress is abroad throughout the country. The general opinion in Hong Kong is that while Mr Compton's speech may have been less optimistic than those of his immediate predecessors, there is reason to hope that the clearer atmosphere of the present time will have a most beneficial effect upon trade generally. As for the political side of affairs, the Nationalist Government can count upon the whole-hearted support of all foreign traders, provided that its present ideals continue to influence its official policy.

Imperial Chemical Industries. — At the general meeting of the Imperial Chemical Industries on Thursday this week Lord Melchett announced that, in order to finance the present constructional programme of the company, the directors proposed to issue immediately the balance of the existing authorised capital, and a small portion of the new capital authorised. The present issued capital is £65,745,661, and the authorised capital £75,000,000. The present issue consists of 4,410,595 7 per cent. preference shares of £1 and 6,016,857 ordinary shares of £1, which will use up the balance of the existing authorised capital (*£9,254,339*) and *£1,173,113* of the new. The issue is being made in the form of rights to the shareholders in the following proportions: One new preference share for every existing four preference shares, at 23s.; one new ordinary share for every existing eight ordinary shares, at 33s. 6d.; and one new ordinary share for every existing sixteen deferred shares, at 33s. 6d. The new preference shares will rank for dividend as from May 6, 1929, in respect of the half-year to June 30, 1929, calculated on the amounts paid up from the due dates of the instalments, and in respect of the half-year ending December 31, 1929, *pari passu* with the existing preference shares. The new ordinary shares will rank for the interim dividend for the year 1929 from May 6, 1929, calculated on the amounts paid up from the due dates of the instalments, and for the final dividend for the year 1929 *pari passu* with the existing ordinary shares. At the extraordinary general meeting the authorised capital was increased from £75,000,000 to £95,000,000 by the creation of 40,000,000 new shares of 10s., of which £10,000,000 is to be in the form of preference shares consolidated into shares of £1.

Southern Pacific.—The 1928 report of the Southern Pacific lines shows the largest railway operating revenues in the history of the company, exceeding the previous record established in 1926 by $1,303,029. This happy state of affairs was due to a record volume of revenue freight, an increase of $5,744,247 under that heading being partly offset by a decrease of $2,887,296 in passenger revenue. As a move against motor competition, which is the principal factor in the decline in passenger revenue from $62 to $50 millions in the last five years, the Southern Pacific Motor Transport Company was incorporated two years ago as a subsidiary, and now owns 222 motor coaches, trucks and service cars. The freight increase resulted from heavier tonnage of nearly all agricultural products, except oranges, bananas and barley. With economies equivalent to 0.66 per cent. in operating expenses, and an increase of $1½ million in dividend income, the combined net income of the transportation system and of all separately operated, solely controlled affiliated companies showed an improvement of 10.77 per cent., recovering thereby more than half the ground lost in 1927. The dividend is maintained at 6 per cent.

Years ended December 31.	1926.	1927.	1928.
	$	$	$
Operating revenues	298,800,998	297,745,406	300,104,028
Operating expenses	215,595,480	218,179,192	216,734,203
Net income (with associated cos.)	42,034,665	35,999,197	39,876,657
Capital stock { earned	11·29%	9·67%	10·71%
Capital stock { paid	6%	6%	6%
Capital stock { amount of div.	22,342,854	22,342,854	22,342,854
Increase in credit balance*	25,611,407	13,075,679	23,937,118

* After certain capital and other adjustments.

The Transportation Act of 1920 provides that the railways shall receive a fair return—at present fixed at 5¾ per cent. —upon their railway property, but in spite of a steady increase in traffic the Southern Pacific has never reached its "fair" rate of return on the book value of its road and equipment. The 1928 percentage was actually 3.76, *as compared with* 3.59 in 1927. The net decrease in the company's funded debt during the past year was $1,384,879, and a credit balance of $504,124,008 was carried forward to 1929.

San Paulo Railway.—The new San Paulo report proves that prognostications of traffic improvement were justified. Though revenue from the general interest account was reduced from £57,971 to £38,790, a profit of £9,837 on sale of investments, an increase of £4,522 in interest from investments, and one of no less than £94,183 in net railway revenue, together enabled the company to show the large rise of 15 per cent. in net earnings. Apparently, therefore, it would have been possible to raise the dividend, but the directors have preferred a conservative policy. In addition to the usual allocation to reserves, a sum of £35,000 is set aside for pensions to the London office staff.

Year ended December 31.	1926.	1927.	1928.
	£	£	£
Net earnings (after charging debenture interest)	574,453	596,352	685,714
Preference dividend	50,000	50,000	50,000
Ordinary { earned, after tax	17·4%	18·2%	21·1%
Ordinary { paid, free of tax	12%	12%	12%
Ordinary { amount of dividend	360,000	360,000	360,000
Income tax	75,000	75,000	100,000
Reserve fund	...	100,000	100,000
Special reserve	100,000	...	...
Pension fund (London)	...	...	35,000
Increase or decrease in carry-forward	− 10,547	+ 11,352	+ 40,714

Except for a heavy fall in coffee, all the important classes of traffic improved, and working expenses were reduced, on the main line from 69.01 per cent. of gross receipts to 66.84 per cent., and on the Bragantina section from 95.86 per cent. to 93.17 per cent. The general balance sheet shows that opportunity has been taken to invest a large portion of the cash on deposit twelve months earlier. The various reserves, together with the carry-forward, now aggregate £2,982,553. The price of the shares, which fell to 192 not many months ago on the breakdown of negotiations with the Brazilian Government, is at present as high as it has ever been. At 211½ they give a yield of £5 13s. 5d., free of income tax.

"Administratiekantoren" Certificates: A Warning.—The growing activity in France, writes our Paris correspondent, of numerous institutions known as Administratiekantoren, which have their headquarters in Holland, calls attention to a form of investment the exact nature of which should be made known to English investors. Some of these concerns are extensively circularising the public, offering to sell one-hundredth parts in Royal Dutch shares (quoted in Paris at around 10,000 francs) and scrip of other companies. These offers take the form of certificates issued by "Administratiekatoren" concerns, each share concerned in the operation being held by the bank or other organisation, which is prepared to sell certificates representing one-hundredths of a single share. The Royal Dutch Co., of course, is in no way a party to the transaction. This practice is quite common in Holland, its object being to replace shares which are difficult to negotiate, by reason of transfer and other factors, by bearer certificates, the price of which brings them within the scope of the smallest investor. Another form of operation is to issue "collective certificates," representing a fractional interest in one share of each of several companies. For instance, certificates may be issued representing an interest amounting to 1,000 francs in shares of each of three quite separate French or other banks. The point to be impressed upon possible investors in these certificates is that the responsibility for the payment of dividends, &c., does not rest primarily with the company or companies whose shares are concerned, but merely with the concerns issuing the certificates, the status of which depends largely on the soundness of the issuing Administratiekantoren. Some of these concerns are subsidiaries of Dutch banks, who are represented on the boards of directors, in which case no adverse criticism would as a rule be offered. Other Administratiekantoren are of less satisfactory standing. It is true the certificates are generally countersigned by a notary, who guarantees that the original shares have been deposited in the concern's safes —which in some cases cannot be opened except in his presence—but it is obviously difficult for the average small capitalist to satisfy himself on these points, or as to the payment of dividends, for which the Administratiekantoren is alone responsible. Though we have no desire to induce unnecessary nervousness on the part of holders of these certificates, it is as well that these facts should be known.

Imperial Tobacco.—A Correction.—We have to correct an error which occurred in our calculation of the yield obtainable on Imperial Tobacco ordinary shares, in our issues of April 13th and April 6th. Allowance was not made for the fact that these shares are still *cum* the bonus of one new share for every four shares held. At the present price of 6$\frac{3}{16}$ a yield of 4.34 per cent., tax free, would be obtained if the dividends for the current year amounted to 21½ per cent., tax free. We explained in our issue of February 23rd that, in view of the increase in capital, it was reasonable to estimate dividends of 21½ per cent., tax free, as against 26 per cent., tax free, in the previous year.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Hong Kong and Shanghai Banking Corporation, Banca Commerciale Italiana, Imperial Chemical Industries, County of London Electric Supply, Monte Video Water Works, Morris Motors (1926), United Molasses, Jugra Land and Carey, Paquin, United Drapery Stores, Champion Reef Gold Mines of India, Mysore Gold Mining. The Hong Kong and Shanghai, and Imperial Chemical meetings are dealt with on earlier pages. Shareholders in United Molasses will find particularly noteworthy the chairman's account of the company's short, but determined, struggle with the Dunbar interests for leadership in the world's molasses trade, and its outcome. Reference was made by Sir William Morris to the liquid financial position of his company, and to recent technical developments.

MINING NOTES.

Indian Gold Mining Results.—Our mining correspondent writes:—The feature of last year's operations of the Kolar group was the progress made by the Nundydroog. Thanks to continued improvement in the developments, this company was able to treat ore of higher grade than before, and the expansion in the profits permitted a fresh increase in the dividend rate, the 20 per cent. paid comparing with 17½ per cent. for 1927 and 12½ per cent. in respect of 1926. Owing to extra expenditure upon ventilation, costs rose about 2s. per ton to 21s. 3d., but new plant due to come into operation very shortly should yield economies. Moreover, the growth in the ore reserves occurred despite the performance of only 10,780 feet of exploratory work, as against 12,320 feet previously. The Balaghat, on the other hand, showed retrogression, although the preference shares once again received 1s. 6d. and the ordinary 6d. Developments appear to have taken a slightly more satisfactory turn.

The following tabulation contrasts the salient features of the results of the past three financial periods of the five companies:—

	Tons of Ore Milled.	Mill Yield per Ton.	Working Profit.	Carried Forward.*	Ore Reserve Tonnage.
		Dwts.	£	£	
Balaghat—					
1926	40,350	14½	31,130	10,370	52,980
1927	45,250	13½	30,140	5,650	70,390
1928	47,950	12½	24,150	7,580	74,130
Champion Reef					
1926	98,600	†10½	52,550	4,900	259,710
1927	95,150	†11½	40,930	4,390	260,220
1928	111,160	†9½	39,120	4,690	269,360
Mysore—					
1926	230,770	†9½	228,000	20,370	553,630
1927	221,900	†9½	179,900	18,510	557,200
1928	217,200	†9½	177,890	20,040	569,620
Nundydroog—					
1926	126,430	8½	71,050	11,970	207,550
1927	126,250	8½	80,750	7,220	221,160
1928	126,640	9½	93,170	12,770	246,460
Ooregum—					
1926	144,000	†12½	167,130	9,140	393,450
1927	150,000	†12½	145,640	10,150	353,330
1928	150,000	†11	99,930	9,990	295,130

* Subject to directors' percentage. † Average assay value.

In the case of the Champion Reef the effect of treating a larger tonnage of ore was more than offset by a sharp fall in grade. Certain difficulties in working experienced during the year are expected to be overcome during the current season. The ability of the company to raise its dividend rate from 9d. to 1s. arose from a much smaller amount being required for depreciation. Mysore results indicate little change apart from the welcome further recovery in the ore reserves. The company's investments in Canadian mining have not proved particularly happy. Liquid assets at the end of last year totalled £311,300. Ooregum's set-back, due to the less favourable nature of recent developments, entailed a cut of 5 per cent. in the dividends, last year's total being 27½ per cent. on the preference and 17½ per cent. on the ordinary.

The following table sets out the highest and lowest quotations of the past year, and the approximate yield per cent. on the basis of the current price:—

Share (par value, 10s.)	Highest, 1928.	Lowest, 1928.	Current Price.	Yield.
	s. d.	s. d.	s. d.	%
Balaghat, ord.	8 9	5 9	5 6	9
Do. pref.	13 9	10 9	10 6	14½
Champion Reef	15 6	9 1½	10 0	9½
Mysore	19 9	14 9	13 0	18½
Nundydroog	18 3	13 0	16 6	12
Ooregum	16 9	11 9	10 6	9½
Do. pref.	23 6	19 3	17 6	16

In practically every case the current price is below the level prevailing twelve months ago.

Rio Tinto.—That this prominent base metal enterprise would be under the necessity of reducing its 1928 dividend was generally expected; indeed, as much might have been inferred from the tenor of the chairman's speech at the last annual meeting. It is the full text of the accounts which provides the item of surprise. The profits on sales in Spain and elsewhere figure at £1,669,800, as against £1,221,350. Apparently the increase is attributable partly to expansion in the output and partly to the rise in the price of copper, the latter becoming more pronounced in the last three months of the year. The directors have taken advantage of this windfall to strengthen the financial position. Of the £366,000 arrears of taxes on produce all but £100,000 has been charged against revenue, the balance being taken from taxes suspense account. Moreover, £200,000 is set aside to an emergency account. Hence the need to follow up the cut of 5s. in the interim dividend (15s.) with one of like amount in the final, the total of 40s. per £5 share comparing with 50s. for each of the preceding four years. The issue of the report occasioned a rally of about two points in the quotation to £60, and emphatic views were expressed that the directors might well have given some explanation in announcing the balance distribution. At current price the yield to the investor is barely 3½ per cent.

Rezende.—The 1928 statement of this Rhodesian enterprise affords no justification for the recent spurt in the price of the shares. Owing to the treatment of slightly lower-grade ore than before, the profit declined and the dividends totalled 25 per cent. in place of 30 per cent. Development evidently opened up a certain amount of payable ore, as the tonnage crushed was 76,400, while the ore reserves, at 165,000 tons, show a decrease of 47,000 tons. Work at depth, however, proved unsuccessful. In the absence of more favourable developments, operations may cease within two or three years.

Transvaal Consolidated Land.—Last year's income, especially under the heading of interest and dividends, fell below the 1927 amount, but expenses were lower and only £8,600 was required for depreciation, as against £25,850. As a result, the net surplus figures at £42,300 in place of £28,150. No change was made in the dividend rate, 12½ per cent. again being disbursed; but an increased, instead of a reduced, balance goes forward. Of the company's platinum interests, the Brakspruit property (Rustenburg district) gave hopeful indications. The 10s. shares fully discount the future at their quotation of 42s. 6d.

CAPITAL ISSUES.

After an Easter lull, substantial prospectus issues are beginning to reappear. Offers to the public last week amounted to £1,533,000, bringing the total for 1929 up to £100,484,810, excluding conversions, as compared with £176,948,000 for the corresponding period of last year. Two electric supply companies head the list. The *Lancashire Electric Light and Power Company*, which has paid 7½ per cent. dividends for some years, issued a further 600,000 £1 ordinary shares at 27s., promising special consideration to existing shareholders. It was natural that the issue should be quickly over-subscribed, for the old shares, with which these are to rank equally, were being dealt in at over 30s. a week ago. The proceeds are required to complete the first two units of a generating station at Kearsley (a "selected station" under the N.W. England and N. Wales Electricity Scheme), and for other purposes. The *Nigerian Electricity Supply Corporation* is to carry out a project, on which £100,000 has already been spent in constructional work during the past twelve months, for supplying electric power to the tin mines on the Bauchi plateau in Northern Nigeria. A charter has been acquired embodying a Government lease of land and water rights for 45 years, which may be extended for another 20, and the company, which has entered into 15-year contracts with a number of mining companies, hopes to be dividend-paying in respect of 1930. A cumulative reserve is to be set aside as a backing for the preferred ordinary shares, which were those offered to the public. Electrical development in the area will obviously share whatever fortune the future has in store for the tin mines. *London and Southern Super Cinemas*, formed to acquire seven cinema theatres, one of them new, in London, Woking and Newport (Mon.), issued

shares of a popular speculative denomination. The cash portion of the purchase price was large, and profits on the new cinema were generously estimated. In order to absorb another brewery in its neighbourhood, the 40-year-old business of *Parker's Burslem Brewery* offered 5½ per cent. debentures (secured by a first mortgage on licensed and other properties) at 98, which were oversubscribed. Profits show a gradual decline over the last five financial years, but the capital value of the new stock is covered twelve times by net assets, and the interest on all debentures about eight times by 1927-8 profits. A small issue by *Phosferine Products* had some unusual features. The company's brokers applied for the whole of the shares, but the directors stipulated that a prior right to subscribe be given to shareholders in the parent company and others. The brokers, however, received a substantial option. Secondly, application to deal is not to be made until, in the directors' opinion, the progress of the company justifies it. The prospectus did not explain the reasons for the formation of a new company to carry on a portion of the existing company's business.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total previously recorded £98,653,483.
Including conversion total previously recorded, £112,232,703.

National Savings Certificates.
Net sales week ended April 13, 1929, *Dr. 50,000*
Total receipts April 1, 1929, to April 13, 1929, £50,000.

Description of Issue and date of openings of Lists.	Nominal Capital.	Conversions or Repayments.	New Money, Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
Parker's Burslem Brewery, £100,000 5½% C Mort. Deb. at 98, red. by 1958 (April 15)	100,000	...	98,000	10,000	88,000
Nigerian Electricity Supply, 450,000 Pref. Ord. £1 at par (April 16)	450,000	...	450,000	45,000	405,000
Lancashire Electric Light and Power, 600,000 Ord. £1 at 27s. (April 17)	600,000	...	810,000	60,000	750,000
London and Southern Super Cinemas, 1,500,000 shares 2s. at par (April 17)	150,000	...	150,000	75,000	75,000
Phosferine Products, 500,000 Shares 1s. at par (April 18)...	25,000	...	25,000	25,000	...
Total offered to Public, week ended April 20, 1929	1,325,000	...	1,533,000	215,000	1,318,000
To Shareholders only.					
Glentaffe Tea Estates, 8,500 Ord. £1 at par	8,500	...	8,500	2,125	6,375
Hawkes (O.C.), 42,500 Ord. £1 at 22s. 6d.	42,500	...	47,812	10,625	37,187
Jasin (Malacca) Rubber Estates 47,000 shares 2s. at 3s.	23,500	...	35,250	35,250	...
Lethenty Tea Estates, 4,510 Ord. £1 at 30s.	4,510	...	6,765	3,382	3,383
Midland-Caledonian Investment Trust, 25,000 Ord. £10 at par	250,000	...	250,000	50,000	200,000
Total to Shareholders only, week ended April 20th, 1929	329,010	...	348,327	101,382	246,945

Total offered for Subscription.—

To date—	Including Conversions.	Excluding Conversions.
	£	£
1929	114,064,030	100,484,810
1928	...	176,948,000
1927	...	150,709,484
1926	...	79,202,450
1925	...	55,504,718
1924	...	47,233,612
1923	...	105,418,675

Total offered for Subscription.—

Whole year—	Including Conversions.	Excluding Conversions.
	£	£
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,601
1925	...	232,214,500
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Advertisement (in brackets).	Amount of Capital Introduced.	Price at which Dealings Began.	Total Cash Involved.
	£	£	£
Amount previously recorded	13,377,267	...	20,543,219
Charrington, Gardner, Locket and Co., 212,000 Ord. £1 (April 10)	212,000	46/3	490,250
Sika (Australasia), 100,000 Ord. 1s. (April 6)	5,000	7/6	37,500
London Border and General Trust, £500,000 4½% Deb. Stk. at 84½ red. at par March 15, 1964 (March 6)	422,500	85	425,000
General Engineering Development Trust, 600,000 Ord. 5s. (March 20)	150,000	4/10½	146,250
Great Britain and Canada Investment Corporation Cum. Shares. No par value (April 15)	...	75/-	...
Do. 40,000 5% Cum. Pfd. $100 (taken at 5 to £1)	800,000	£21½	850,000
Total, week ended April 20, 1929	1,589,500	...	1,949,000
Total to date, 1929	14,966,767	...	22,492,219

Lancashire Electric Light and Power Company, Limited.—Issue of 600,000 £1 ordinary shares at 27s., ranking for dividend from April 1, 1929. Issued capital consists of 511,440 6 per cent. (free of tax up to 6s. in the £) cumulative first preference, 1,000,000 7 per cent. cumulative participating preference, and 1,000,000 ordinary shares of £1 each, together with £1,000,000 5 per cent. debenture stock, 1980. The 7 per cent. preference shares are entitled to participate equally with the ordinary up to a maximum of 10 per cent. The company owns all the debenture and share capital of the Lancashire Electric Power Co., which is empowered to supply electricity throughout Lancashire south of the River Ribble, excluding certain county boroughs. The sums available, after tax, for interest and dividends have been (to March 31): 1925, £100,662; 1926, £108,169; 1927, £133,903; 1928, £163,021; 1929, £190,885. Dividends on participating preference and ordinary shares have been 7½ per cent. for the last six years.

Nigerian Electricity Supply Corporation, Limited.—Issue at par of 450,000 £1 7½ per cent. preferred ordinary shares, entitled to one-quarter of the surplus distributed profits after payment of 7½ per cent. on 200,000 £1 ordinary shares. The company acquires, and will complete the construction and equipment of, a hydro-electric installation to supply power to tin-mining companies on the Bauchi plateau of Northern Nigeria. The purchase price for a 45-year Government lease of land and water rights is £199,693 in shares, and the company also pays the total amount already expended on the power scheme.

London and Southern Super Cinemas, Limited.—Issue at par of 1,500,000 (out of 3,500,000) 2s. shares. The company acquires seven cinema theatres, valued at £330,354. The purchase price is £300,000, payable as to £110,000 in shares and £190,000 in cash. Profits for year to March, 1928, on six theatres (one for 23 weeks only) were £19,457. A mortgage for £90,000 is to be created. A balance of £50,000 will remain for preliminary expenses and working capital.

Parker's Burslem Brewery, Limited.—Issue at 98 of £100,000 5½ per cent. "C" mortgage debenture stock, secured by a first mortgage on 34 freehold licensed and adjoining properties purchased for £135,885, and a floating charge on the rest of the undertaking (subject only to the charge securing the existing debenture stock). The stock will be redeemed in or before 1958 by a cumulative sinking fund of not less than £2,500 a year applied by purchase or drawings at par; the company has the right to redeem the whole in or after 1940 at 103. Issued share capital amounts to £615,000, and £181,230 4 per cent. first mortgage debenture stock and £75,621 4½ per cent. debenture stock are outstanding. The company was incorporated in 1889, and at June 2, 1928, assets exceeded liabilities by £1,210,469. Profits have been: 1923-24, £124,650; 1924-25, £115,679; 1925-26, £112,925; 1926-27, £112,414; 1927-28, £109,620. The proceeds of this issue will be applied towards financing the purchase of an Uttoxeter brewery company.

Phosferine Products, Limited.—Issue at par of 500,000 (out of 1,200,000) 1s. shares. The company acquires the selling right throughout the world of Phosferine health salt and certain other Phosferine products. The purchase price is £15,000 in shares. The whole proceeds of this issue, subject only to preliminary expenses estimated at £2,000, will be available as working capital. The remaining 400,000 shares are under option at par.

Sevenoaks Waterworks Company.—Issue of 930 £10 ordinary shares, ranking for a 7 per cent. dividend equally with existing shares, at a minimum price of £11 per share. Maximum dividends are now being paid, and profits are more than sufficient to pay dividends at these rates on the present issue, which is required for the extension of works and mains.

Particulars of the following have been issued "for information only" with a view to Stock Exchange introductions: **Great Britain and Canada Investment Corporation**; issued capital, 40,000 $100 5 per cent. cumulative convertible preferred shares and 350,000 common shares of no par value, together with $6,000,000 4½ per cent. convertible debentures, 1959; each preferred share entitles its holder to receive one common share at a certain date, and also may be converted at any time at holder's option into two common shares; debentures are redeemable at par in 1959, or at corporation's option at 105 on any interest date; each $1,000 par value of debentures similarly entitles the holder to ten common shares, and is convertible into twenty common shares; incorporated under the laws of

Grace National Bank
Hanover Square, New York, U. S. A.
A thoroughly organized international bank, giving special attention to the requirements of European banking correspondents.
Special Representative
148 Leadenhall St. London, E. C. 3.

the Province of Quebec, Canada, as an investment trust company. **S. Symons and Company (1929), Limited**; issued capital, £80,000 in 1s. shares; acquires a business of wholesale costume and gown makers, valued (excluding goodwill) at £28,361, at a price of £66,000 in shares. **Aktieselskabet Burmeister and Wain's, Copenhagen.** engineers and shipbuilders, a limited liability company under the laws of Denmark; issued share capital amounts to Kr. 30,000,000, and loan capital to Kr. 16,619,635; reserves amount to Kr. 19,471,200; 8 per cent. has been paid for the last four years.

Pending Issues.—We understand that an early offer will be made of £1,600,000 (out of £2,000,000) 5 per cent. stock on behalf of the **Melbourne and Metropolitan Board of Works**, at a price not yet definitely fixed, but probably in the neighbourhood of 93 or 94.

The subscription list will open on Tuesday next for an issue at par of 725,000 £1 ordinary shares in **Chemical and Wood Industries, Limited**, which has been formed to develop and exploit chemical works and timber concessions in Bosnia, Yugoslavia.

SUMMARY OF BALANCE-SHEETS.

BABCOCK AND WILCOX, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £	ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Creditors	1,533,456	+ 309,964	Cash	850,879	+ 146,294
6% cum. pref. £1	100,000	...	Investments in Government and other securities (at cost)	1,589,115	+ 3,997
5% cum. 2nd pf. £1	179,056	...	Investments in shares in other companies	408,966	− 13,367
Ord. shares (£1)	4,299,656	...	Shares and debts in and loans to associated cos.	823,815	− 223,182
Reserve fund	802,000	+ 100,000	Bills receivable	78,264	− 1,120
Dividend equalisation fund	400,000	...	Debtors	1,625,917	+ 324,234
Profit and loss	551,812	− 44,999	Expenditure on orders not invoiced (balance)	261,802	− 16,901
			Stock and work in progress	1,107,776	− 178,855
			Properties	1,119,446	+ 323,865
Total	7,865,980	+ 364,965	Total	7,865,980	+ 364,965

CAMMELL LAIRD AND CO.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £	ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Ord. shares	3,234,060	...	Freehold land, buildings, &c.	2,882,975	− 39,071
Pref. shares	1,225,225	...	Stock-in-trade and work in progress	589,661	− 687,716
Debentures	1,700,500	...	Sundry debtors	718,350	− 59,022
Interest accrued	27,259	+ 26	Investments in controlled cos.	1,823,925	− 1,111
Sundry creditors	418,420	− 521,770	Investments in other cos. and Government securities	820,008	+ 29,989
Reserve	400,000	− 75,000	Cash and bills	176,466	+ 153,292
Profit and loss	5,921	− 6,895			
Total	7,011,385	− 603,639	Total	7,011,385	− 603,639

HARLAND AND WOLFF, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £	ASSETS.	Amount. £	Compared with Dec 31, 1927. £
6% 1st cum. pref. £1	4,000,000	...	Properties, &c.	10,109,120	− 178,009
6% "A" cum. pref. £1	3,095,094	...	Investments in steel works and other controlled cos., at cost	4,267,493	− 199,474
"B" pref., £1	20,300	...	Government and other investm'ts	398,037	− 10,000
Ord. shares	3,990,000	...	Amount owing by subsidiaries	194,504	+ 194,504
Reserve	1,000,000	...	Stocks	573,158	+ 31,136
Pension Fund	240,051	+ 18,466	Debtors	374,000	− 98,322
At credit of controlled cos.	695,685	− 9,122	Expenditure on work in progress	634,860	− 15,744
Trade Facilities Act advances	1,194,676	− 98,669	Cash	328,609	+ 1,109
Deposits	375,969	+ 4,211			
Creditors	2,231,655	+ 2,025			
Receipts on work in progress	732,295	− 204,372			
Unclaimed divs.	498	+ 306			
Dividend on 1st cum. pref. shrs.	96,000	...			
Profit and loss	107,558	+ 12,355			
Total	16,879,781	− 274,800	Total	16,879,781	− 274,800

HOWARD AND BULLOUGH, LIMITED.

March 31, 1929.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £	ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
6% pref. shares	250,000	...	Business, goodwill, &c.	1,214,390	− 10,869
Ord. shares	1,250,000	...	Book debts	502,834	− 105,515
4% deb. stock	250,000	...	Investments	967,453	− 30,125
Interest accrued	2,466	...	Cash and bills	15,702	+ 15,061
Sundry Creditors	90,903	− 61,583	Stock-in-trade	309,450	− 31,890
Reserve	250,000	...			
Owing to bankers	385,242	− 23,202			
Div. reserve	350,000	...			
Cont. reserve	155,000	...			
Profit and loss	26,218	− 78,553			
Total	3,009,829	− 163,338	Total	3,009,829	− 163,338

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. — Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. — Latest Year.	Previous Year
RAILWAYS.					
Nitrate Railways	4%†	...	Less tax	6	5
BANKS.					
Agricultural Bank of Egypt	...	...	...	...	...
Bank of Adelaide	5%†	...	...	10	10
English, Scottish & Australian	5%*	May 1	Less tax	10	10
Queensland National	2½%*	May 16	Quarterly	...	...
Royal Bank of Canada	3%*	June 1	Quarterly	...	...
Wiener Bank Verein	...	...	Now	...	...
INSURANCE.					
Alliance Assurance	10/- p.s.†	July 5	Less tax	7½	9
Car and General	...	...	Less tax	18/- p.s.	18/- p.
Drapers and General	...	...	Less tax	7/- p.s.	7/- p.
Liverpool and London and Globe Insurance	12/6 p.s.†	...	Less tax	5	5
London and Lancashire	50%†	May 6	Less tax	25/- p.s.	24/- p.
Royal Insurance	3/- p.s.†	May 28	...	95	85
Scottish Union and National	...	...	Less tax	6/- p.s.	...
Thames and Mersey Marine	...	...	...	65	60
World Marine and General	12/- p.s.	...	Less tax	13/- p.s.	12/- p.
Yorkshire Insurance	12/- p.s.†	and bonus	10/- p.s.	26/- p.s.	16/- p.
,, (partly paid)	6/- p.s.†	...	Less tax	19/- p.s.	18/- p.
TEA AND RUBBER.			Less tax	9/6 p.s.	9/- p.
Amblamana Tea	...	...	...	6	10
Anglo-Malay Rubber	...	...	...	4	8
Bantam (Java) Rubber	4%*	May 8	...	...	...
Battalgalla Tea	50%†	...	...	80	70
Caledonian Tea & Rubber	2/- p.s.*	...	...	...	...
Chersonese (F.M.S.) Estates	...	...	Less tax	...	...
Consolidated Malay Rubber	...	...	...	8½	8½
Craighead Tea	19%†	...	...	16⅝	25
Darjeeling Co.	15%†	...	...	24	40
Devitural	6%†	May 15	Less tax	25	25
East Java Rubber	...	...	...	9	10
General Ceylon Rub. and Tea	...	May 10	...	5	5
Golden Hope Rubber	10%†	...	...	10	12½
Hewagam Rubber	...	...	...	10	Nil.
Kampong Kuantan Rubber	...	...	...	6	6
Kandapolla Tea	30	...	...	25	25
Kapar Para Rubber	...	May 10	...	40	50
Kintyre Tea	5%*	May 1	...	10	15
Kuala Pilah Rubber	...	May 1	...	...	...
Langkapoera Rubber	4%*	...	...	10	Nil.
Lubok Estates	...	May 8	...	...	...
Nuwara Eliya Tea	22½%†	May 10	Less tax	5	15
Sepang Selangor Rubber	...	...	...	38	...
Simo Rubber	20†	...	...	3	Nil.
South Wanarajah Tea	15%†	...	Less tax	25	25
Stagbrook Rub. and Tea	...	...	...	25	25
Sungei Kapar	...	...	...	5	5
Sunnygama Tea	...	...	Less tax	5	5
Talawakelle Estates	25%†	...	...	10	20
Tempeh (Java) Rubber	...	...	Less tax	35	35
Third Mile Rubber	...	...	...	7½	Nil.
MINING.			Less tax	5	...
Balaghat Gold	...	...	...	...	...
Broken Hill Prop.	5%*	May 15	...	6d. p.s.	6d. p.s
Kent (F.M.S.) Tin	5%	May 27	...	...	...
Malgapil Copper	...	...	...	...	...
Rambutan	...	...	...	7½	Nil.
Tekka-Taiping	2½%*	May 7	...	6d. p.s.	...
OTHER COMPANIES.		Apr. 30	...	...	...
Aberdeen Trust	3%	...	...	...	...
African Cities Properties Trust	6%†	...	...	10	10
Angela Nitrate	15%†	...	...	25	10
Anglo-French Exploration	...	...	...	10	12½
Argentine Land and Investment	4%*	May 6	...	...	...
Assoc. Dyers and Cleaners	...	...	...	12½	12½
Benger's Food	6½%†	...	Tax free	10	10
Beyer, Peacock and Co.	4%*	May 16	Less tax	5	2½
British India Steam	4%*	Apr. 27	Less tax	...	...
British and S. Pacific Trading (Old Shs.)	2½%*	Apr. 27	...	...	...
,, ,, (New Shs.)	4%†	...	...	...	...
Bryant and May	7%†	May 16	Tax free	10	10
Calcutta Electric Supply	...	...	Less tax	12	12
Daily Mirror Newspapers	...	...	...	30	30
Direct Spanish Telegraph	2½%*	May 9	Tax free	10	...
Erinoid	...	...	Less tax	...	...
General Steam Fishing	$1½ p.s.	June 1	Less tax	4	4
Gillette Safety Razor	...	...	Quarterly	...	...
Grainger and Smith	4½%†	and bonus	...	7½	5
Indestructible Paint	...	...	3% tax free	12½	10
Indo-European Telegraph	...	...	Less tax	10	10
J. Mandleberg and Co.	...	...	...	10	10
John U. Hutton	...	...	...	10	10
Joseph Travers and Sons	...	...	...	10	10
Leethems (Twilfit)	15d. p.s.	Apr. 19	Less tax	7½	10
London and Overseas Investment	3%*	May 1	...	...	...
London & South Amer. Invest.	...	...	...	...	...
London County Properties	2½%†	...	...	6½	6½
Marshalls	...	...	...	12	9
Melbourne Hart	10%*	...	Tax free	6	7½
M. B. Foster and Sons	$1½ p.s.	May 15	...	9	8
Middle West Utilities Investment	5%*	...	...	...	...
Morris (Herbert)	...	...	Less tax	...	...
North British Rubber	10½%*	...	Less tax	...	...
Northern American Trust	7%†	...	...	5	...
Northern Securities Trust	...	...	...	...	...
Oriental Gas	3½%*	May 31	...	10	10
P. & O. Steam Navigation (Def.)	5%*	May 16	Less tax	...	...
People's Refreshment House Ass.	...	...	...	6	6
Polyphon Works	3½%*	...	...	20	14
Second Scottish National Trust	6%†	...	Less tax	...	...
Scottish Mortgage & Trust	...	...	Less tax	11	...
Second Securities Trust of Scotland	...	...	...	...	...
Shropshire, Worcs. & Staffs Electric.	4%*	May 15	Less tax	5	...
Spillers	...	May 15	Less tax	8	8
Tarapaca Waterworks	...	...	Less tax	7½	7
Third Scottish National Trust	7%†	...	Less tax	7½	5
Tobacco Sections	3%*	...	Less tax	10	6
Tynemouth & Dist. Elec. Tract.	5%*	...	...	...	...
W. London & Prov. Elec. Trust	...	...	...	...	...
	5½%†	...	...	5	7½
			...	10	10

COMPANY MEETINGS, &c.

THE HONG KONG AND SHANGHAI BANKING CORPORATION.

DIVIDEND AND BONUS MAINTAINED.
TREND OF THE SILVER MARKET.
FAR EASTERN TRADE AND FINANCE CONDITIONS.
SITUATION IN CHINA.
MR. A. H. COMPTON ON THE POSITION AND PROSPECTS.

The ordinary yearly general meeting of the shareholders of the Hong Kong and Shanghai Banking Corporation was held on February 23rd last at the City Hall, Hong Kong.

Mr A. H. Compton (chairman) presided.

The chief manager read the notice convening the meeting.

The Chairman said:—Ladies and gentlemen,—With your permission I shall, as usual, take the report and statement of accounts as read, as they have been in your hands for some time past.

RESULTS OF THE YEAR.

The results of the year's working are, you will have noticed, somewhat less favourable than in recent times, the net profit of $13,430,061·61 comparing with $14,239,288·14 for 1927. Our earnings, I am glad to say, justify the board in recommending the same dividend and bonus as before, but you will observe that we have had to suspend our practice of making an annual addition to reserves.

That the banking year in the Far East should have proved less prosperous can cause no surprise when we consider the unpropitious conditions in three of our fields of operations: the commercial depression in China—the legacy of civil wars and successive political upheavals; the unsettled economic situation in Japan, the causes of which I propose to analyse later; and, in the case of the Straits and Malaya, a drastic curtailing of trade, consequent on the fall in the price of rubber.

As I shall show presently, there is reasonable ground for looking to an improvement in each of these cases, and I think we may be fairly hopeful of seeing during the next 12 months that revival in the business of the bank without which it will not be possible to assure to shareholders a continuation of a return on the high level which has been maintained for these several years past.

ALLOCATION OF PROFITS.

Including $3,411,430·90 brought forward, and after deducting the interim dividend of £3 paid in August last (namely, £480,000 at 2/-=$4,726,153·85) and $50,000 remuneration to directors, the balance available for distribution is $12,065,338·66. The allocation of this balance recommended by the directors, which I hope will meet with your approval, is as follows:—

A final dividend of £3 per share, with bonus of £2 per share (subject to deduction of income tax), absorbing	$7,917,525·77
Transfer to bank premises account	750,000·00
Balance carried forward to the new account	3,397,812·89
	$12,065,338·66

BALANCE-SHEET FIGURES.

The figures of the balance sheet do not require much comment. Money being easier in most of the principal centres of our activities, bills discounted, loans and credits have declined about $16 million, which is compensated by an increase in our cash and bullion in hand and in transit of about $20¾ million.

The only other considerable difference is in our holding of securities, which is lower by about $29½ million, this being to a great extent accounted for by an increased holding of bills receivable, which are some $10 million higher, and a reduction in current accounts of about $11 million.

I would mention that our investments stand in our books at well below current market prices.

Although the event falls actually within the current year, and so is outside the period under review, I should like to refer to the opening on January 2 of our Kowloon sub-agency. In establishing this new office on the mainland we are keeping in step with the rapid growth of the Colony in that direction, and are, I feel sure, providing the increasing body of residents with a much appreciated convenience. The sub-agency serves also to relieve the pressure of work which falls on our head office.

THE SILVER MARKET.

Among the subjects dealt with by the chairman at our annual meetings the silver market holds an always important place, inasmuch as, by its effect on the China exchange, the price of silver exercises a probably greater influence than any other single factor over the operations of foreign banks and commercial houses in the Far East.

During the past year the trend of the market has been quiet and steady with few very sharp movements in the price, ready prices ranging between 26 1/16d. and 28⅞d. per ounce, with an average price for the whole year of 26⅜d., compared with 26 1/16d. in 1927.

An estimate of the total amount of the world's production of mined silver in 1928 is 268,000,000 standard ounces. This was supplemented by some 25,000,000 ounces sold by the Government of India from their currency reserve, and by over 30,000,000 from the melting down of British, French and Belgian silver coins. The total addition to world stocks thus amounts to about 323,000,000 standard ounces, against 305,000,000 in the previous year.

On the consumption side, China handled no less than 141,000,000 ounces as compared with 98,000,000 in 1927, and this constitutes a record. India absorbed some 110,000,000 ounces net. The aggregate uptake of the two great silver consuming countries can thus be placed at near 250,000,000, an increase of about 45,000,000 over the preceding year.

If the output of the mines had not been amply augmented from the special sources of supply which I have already mentioned, China's unusually large requirements could hardly have been met without a substantial advance in price. Looking forward, the Chinese demand for silver, as likely to be the dominating factor in price, invites particular interest. The bulk of the silver taken by that country last year was minted into dollars, and it remains to be seen whether the hoped-for recovery of trade resulting from more peaceful conditions will mean a sustained demand for these coins, the circulation of which among China's vast population has an enormous potential scope.

EVENTS AFFECTING THE LONDON MONEY MARKET.

The money markets of the world are dealt with so fully from time to time in the various financial papers that a reference to them here seems unnecessary, but it may be of interest to enumerate certain outstanding events of the year affecting the London market which holds its pride of place as the world's chief financial centre:—

(1) The stabilisation of the French exchange at 124·21 in June last, a prelude to which was the large accumulation of foreign balances by the Bank of France and the importation of gold from America.

(2) Heavy borrowings of foreign capital by Germany and consequent importation of gold into that country.

(3) The high rates for call money in New York and advance in the New York Federal Reserve Bank rate from 3½ per cent. in January to 5 per cent. in July.

(4) The final transfer of the currency note issue to the Bank of England. This operation completed our transitional steps from the War currency non-gold basis to the gold bullion standard.

It is satisfactory to note that the endeavours towards the stabilisation of world prices are being continued, and that the central banks of Europe maintain their policy to this end. Gold has now been universally adopted in Europe as the monetary standard, while in Japan, though the Government remains non-committal, public opinion appears to be favourable to its early adoption.

TRADE AND FINANCE IN CHINA.

I will now briefly pass in review conditions of trade and finance throughout the Far East, beginning with China. The cessation of civil war brought, I need not say, great relief to the trading community in the country. This was largely discounted, however, by a disappointing lack of improvement in such essentials as taxa-

tion, transport, and public security, not to mention the disturbing effects of a radical alteration of the Customs tariff. Taking the picture as a whole, nevertheless, the year marked a welcome return towards normal. The consumption of British cotton piece-goods has compared well with previous years, and hopes are fixed on the co-operative schemes of the Lancashire manufacturers. The trade in woollens appears to have felt the beneficial effect of the growing use of foreign-style clothing. For engineering products Manchuria alone has afforded a fair demand, and even there British goods have cut but a small figure in the market; good promise of recovery in this important branch of trade attaches, however, to the many schemes of railway improvement, not to mention the present rapid extension of roads for motor traffic and the projects of air transport.

POSITION IN HONG KONG.

Turning to the trade of this colony, I need only say that the year's experience justifies the restrained optimism of my predecessor's remarks. There has been improvement, but on a very restricted scale, showing that the damage of many years of civil war and chaos had sunk too deep to be quickly repaired on the return of peace. Excessive taxation in China further impedes recovery, so much so at Swatow that it has practically closed the port as a distributing centre. Hong Kong itself is suffering from the diversion of the rice trade to direct channels. The Canton sales of silk have been fairly satisfactory with low prices but a good demand, while the export of wood-oil has reacted somewhat from the artificial stimulus which it derived in the previous year from the stoppage of Yangtze shipping.

YANGTZE AND THE UPPER RIVER.

On the Yangtze itself the export trade, which in 1927 was brought almost to a standstill by war, banditry, and taxation, made a partial recovery in the absence of civil fighting, but continues to struggle with heavy odds. While river navigation—thanks partly to naval guards—has been less interfered with by piracy, the movement of goods has been increasingly hampered by means of local taxation, fresh imposts being continually applied by the various regional authorities without method or warning, to the great dislocation of trade.

Trade on the Upper River has been fitful and somewhat precarious owing to cases of local interference and to the disturbed political condition of the province of Szechuen, which still virtually maintains its traditional independence of the rest of China.

BUSINESS IN THE NORTH.

In the North business has had further obstacles to contend with—first, the dearth of railway transport due to the wholesale removal of rolling stock by the Manchurian authorities; and secondly the crippling charges imposed on railway traffic by the military authorities controlling the lines. Since the middle of the year through traffic has been suspended both on the Tientsin-Pukow and Tientsin-Mukden lines, on the former by reason of the blowing up of the Yellow River bridge and subsequent misunderstandings between the Chinese and Japanese authorities; on the latter on account of the failure of Mukden and Nanking to come to a working arrangement. The port of Tientsin has also been cruelly handicapped by the silting up of its waterway—a state of affairs which is, I trust, being seriously taken in hand.

Manchuria has given proof of slow but steady development, commercial and economic, and seems to be coming nearer to rectifying the disordered state of her currency which has been for several years past the chief bar to prosperity.

The 1928 returns of the Chinese Maritime Customs show a total of Haikwan taels 82,332,000—a rise of 13½ million over the previous year. Though the increase is satisfactory, the figures have little real value as a criterion of progress, since the excess is almost entirely referable to the last few months when goods were being hurried into the country in anticipation of the new Customs rates, which came into force on the 1st of this month.

INDIA.

In India the record of 1928 was not unlike that of the previous year, a good monsoon coinciding with rather disappointing trade results. Imports were dull, especially Manchester piece-goods, which continue to suffer from the popularity of Japanese manufactures. There was a large and good cotton crop, but the price of raw cotton fluctuated unduly owing to speculation, while a strike of mill operatives, lasting for six months, seriously affected the situation. The jute crop was smaller, but sold at a better price, and gunny shipments were well up to the 1927 figure. Exchange followed a normal course, and a favourable trade balance at the end of the year; encourages a hopeful outlook.

JAPAN.

Japan, on the contrary, has had to face an accentuated adverse trade balance, exports having declined by 20 million yen, against an increase of 15 million yen in imports. This result must be attributed mainly to two causes, fluctuations in the exchange value of the yen and the boycott of Japanese goods in China and in other markets controlled by Chinese traders. Trade development is hampered also by an unduly high retail price level, the index figure being no less than 20 points above that ruling in the United Kingdom and the United States of America. Fortunately, the country as a whole enjoyed an excellent rice crop and a sustained market for its output of raw silk.

The financial crisis of 1927 has been repaired to the point where only seven of the 30 banks involved now remain closed, and we may fairly look for more prosperous developments if the country is freed from the retarding effects of the boycott by Chinese, on the one hand, and, on the other, of the uncertainty caused by the lack of a fixed policy in dealing with the foreign exchange problem.

The Philippine Islands suffered from a drop in the prices for their principal articles of export, especially sugar, though, in view of the general over-production of this latter commodity, they were fortunate in being able to market a crop of half a million tons in the U.S.A. at a reasonable profit. Taking trade as a whole, the year was somewhat less favourable than its predecessor.

STRAITS SETTLEMENTS AND MALAYA.

As regards the Straits Settlements and Malaya, I need not refer to the vicissitudes which have befallen the rubber industry during the year with such serious effect upon the economic situation in general. The drop in rubber prices and a fall in tin in the early part of the year curtailed purchasing power, and the import and export figures show a sensational falling away from the returns of the previous years. There is comfort to be found in the expectation that the readjustments which are now taking place in both of the major industries will leave them in the end on a more stable footing, to the ultimate benefit of all the interests concerned.

MORE PROMISING OUTLOOK IN CHINA.

The political situation in China shows a marked improvement, and although experience warns us against a too facile optimism the outlook as a whole may be considered more promising than for a long time past, since there is good reason to hope that the victory of the Nationalists means the end of the dismal cycle of inter-party warfare from which the country has suffered for more than a decade. At the annual meeting three years ago your Chairman, after alluding to the bitter and undeserved attacks which the British in China had suffered at Nationalist hands during the previous months, finished by expressing the belief that for all its obvious faults the Nationalist movement held the seeds of regeneration and would, patriotically led, prove the means of delivering China from her great curse of militarism. Though it is early to speak with confidence of the fulfilment of this hope, we gladly recognise the promising advance which the Nationalist Party have made in banishing civil war, setting up a national Government, and restoring, nominally at least, the reign of civil law.

POLITICAL RECONSTRUCTION OF CHINA.

Let me summarise in a few words the steps which have led up to the present situation. Five years ago—shortly before the death of their founder, Dr Sun Yat Sen—the Nationalist Party launched their programme for the freeing of China from military rule and its political reconstruction on the lines now adopted. The first or "military" stage, which began with the advance from Canton in 1926, ended in June last when the Nationalist armies entered Peking. We are now seeing the development of the second stage, the so-called Political Tutelage of the country under the Kuomintang. A Constitution, based on this principle and placing the whole governing power in the hands of the party, was promulgated on October 4 and a new Government was created, shaped on committee lines and including in it the leading military chiefs who had combined against Chang Tso-lin and the northern confederation. A national congress of the Kuomintang has been summoned to meet next month to determine future policy.

Manchuria under Marshal Chang Hsueh-liang, who succeeded his father, Marshal Chang Tso-lin, after the tragic death of the latter by the blowing up of his train on the retreat from Peking, has hoisted the Nationalist flag, although for all practical purposes it still retains administrative and financial independence.

"A UNIFIED NATION."

Thus, by the adherence to the Nationalist cause of all the regional military commanders, China is enabled to reappear before the world as a unified nation.

After political unification the pressing need was for economic and financial reconstruction. A promising start was made by the holding of conferences in July, at which the opinions of leading business men were freely and boldly voiced, existing abuses exposed, and proposals made for essential measures of reform. These, as condensed in a programme put out by the Ministry of Finance, included the following: —Redemarcation of central and provincial revenues, with the adoption of a budget; revision of the Customs tariff, with abolition of likin ; disbandment of troops; rehabilitation of the railways; the regulation of taxes; and, finally, the creation of a central bank, reform of the currency, and consolidation of the unsecured debt.

Translated into action, this programme would form an admirable groundwork for national reconstruction, and one looks anxiously for signs of its being carried into effect. I regret that the indications are hardly encouraging, even when allowance is made for all the initial difficulties.

NEW CUSTOMS TARIFF.

Taking the various points, by agreement with the Treaty Powers the new Customs tariff came into force on the 1st of this month. The import duties are based on the proposals made during the interrupted Tariff Conference at Peking in 1925–26, and are to remain in force unaltered for one year. Regarded as a whole the new tariff appears to be conceived on moderate and reasonable lines, and British merchants as a whole have acquiesced in the increase in no grudging spirit. The position will be totally changed, however, if, as there seems some reason to fear, the new scale is rendered nugatory by the addition of extra taxation on imports under some other name.

Another proposal put into effect is the founding of a Central Bank. The bank, which is capitalised with $20,000,000 supplied from Treasury funds, is charged by its charter with the duties of issuing currency notes, holding Government funds, minting and the floating of national loans, while it is also allowed to engage within specified limits in ordinary banking and exchange. There is every hope that the new bank will be a valuable instrument to assist the trade, improve the finances and enhance the credit of China, and I have strong faith in its future if the management profit, as they may, by the experience which has recently been gained in Europe of the functions of central banking in the regulation of currency and exchange, the essential element of which is an administration which shall be independent of Government control.

FINANCIAL REORGANISATION.

Financial reorganisation generally has made, I am forced to say, little visible progress, and there are no signs as yet of the introduction of a proper budgetary system, which must be the first step towards effective reform. In fact it is difficult to see how anything radical can be done in the way of improvement so long as the military drain on the country's resources remains as at present. At the point which especially touches the foreign merchant—namely, the irregular taxation of trade—there is no change for the better; indeed the exactions of local authorities are, generally speaking worse than before. British merchants as a whole realise that a high level of taxation is in present circumstances inevitable, but what they have bitterly to complain of is the reckless and arbitrary imposition of local taxes, which are continually varied and changed. The effect is as prejudicial to the authorities who levy the taxes as to the merchants themselves, while the country as a whole suffers incalculable loss from the holding-up of trade.

REHABILITATION OF THE RAILWAYS.

The rehabilitation of the railways is among the most pressing needs of the country. Unhappily it is blocked by continued military interference in the form of retention of rolling-stock and the "milking" of revenue, in regard to which conditions are particularly bad on the three northern railways, the Peking–Mukden, Peking–Suiyan, and Peking–Hankow lines. The new Ministry of Railways is energetically combating this incubus by means of publicity and all other means at its disposal. The root of the evil lies, however, in the existence of the regional armies for whose payment and support the individual military leaders are forced to indent on revenue procurable from the railways by sequestrating the earnings and by refusing to merchants the use of wagons except against heavy payments. Until military expenditure comes under the control of Nanking in accordance with the Government programme, we cannot hope to see the railways restored to normal conditions of efficiency and earning capacity. Once they are freed, however, from outside interference and their revenues made available for the purpose of their own improvement, recovery should be rapid. The outstanding railway debts could then easily be provided for and the Government would be free to appeal with confidence for the financial assistance required to recondition and extend the lines. Already the Shanghai–Nanking and Shanghai–Hangchow Railways, which are under the more immediate control of the new Ministry at Nanking, and on which an effective measure of foreign expert supervision is still maintained, have made a substantial improvement and have cleared off their arrears of loan service.

FUNDAMENTAL HINDRANCE TO PROGRESS.

Consideration of the railway situation brings me to the question of the armed forces, the existence of which at their present strength of over 1,500,000 is the fundamental hindrance to progress and lies at the base of the reconstruction problem. Apart from the economic burden to China of having to support these unproductive legions, the militaristic system which they represent must, while it lasts, block all important schemes for improving the state of the country. As I have hinted already, an independent military commander clinging to control of the sinews of war in his district is an insuperable obstacle to national reorganisation, so that real reform depends on the centralisation of military control coupled with reduction of the armies. We may welcome the attempt made to grapple with this problem by the Disbandment Conference held at Nanking last month.

In Sino-foreign relations the year has been eventful, new treaties having been signed with all but one or two of the treaty Powers. Our own Government concluded the new tariff treaty on December 20, followed on the next day by the presentation of letters of credence by H.M. Minister. General, as well as diplomatic, relations between the two countries may happily be said to have returned to normal. The anti-British agitation of two or three years ago has now practically vanished, and a new spirit of friendliness is making itself felt, for which I believe we are in no small part indebted to the personal influence of H.M. Representatives in Peking and Hong Kong.

TARIFF AUTONOMY.

The recognition of tariff autonomy follows logically from the British declaration of policy in Chinese affairs made at the end of 1926, and is a first and major step in the treaty revision which H.M. Government then accepted as being due in justice to China. It is much to be hoped that the concession will be taken in this sense and not made a stepping-stone for demands for the prompt and unconditional surrender of essential foreign safeguards, the removal of which is not yet warranted by existing conditions in China and can safely come about only by a mutual process of adjustment. Much as I hope to see the necessity for special foreign rights replaced at an early date by the security afforded by a responsible Chinese administration effective throughout the country, I do not hesitate to say that in the state of affairs which exists at the present moment the total disappearance of the existing safeguards would be disastrous to foreign business with China.

Of the so-called foreign-controlled services, I have to record, with regret, the resignation of Mr Edwardes, Officiating Inspector-General of Customs since the retirement of Sir Francis Aglen two years ago. He is succeeded by Mr Maze, for the success of whose administration we tender our best wishes.

REORGANISATION LOAN AGREEMENT.

In the case of the Salt Gabelle the National Government have repudiated many of the major provisions of the 1913 Reorganisation Loan Agreement and substituted new regulations, drawn up without reference to the signatory banks, rigorously curtailing the joint supervisory powers of the Chinese and foreign chief inspectors. It is gravely damaging to the new Government's reputation for good faith that they should hold themselves free to alter contracts by their own arbitrary decision even when, as in this case, the rights involved had been made almost a dead letter by the action of the authorities of a previous régime. The Minister of Finance has, meanwhile, publicly pledged himself to provide for the services of the loans secured on the salt revenue, and the foreign Governments concerned have noted his undertaking.

DEFAULTED CHINESE FOREIGN LOANS.

The list of defaulted Chinese foreign loans in which British interests are involved was increased last year by the addition of the Anglo-French loan of 1908 and the Crisp loan of 1912. Five of the railway loans are also in arrears, and the total defaulted payments for 1928 on the British portions alone (not including unsecured loans) amounted to £1,160,000. It is to be hoped that the Government will not delay in taking in hand a scheme for liquidating the large body of arrears on these foreign debts. It may not be out of place to mention in round figures the outstanding amount of long-term Chinese loans raised on the London market. The total is between 30 and 40 millions of pounds sterling, of which roughly one-half relates to loans used for railway construction.

A PERIOD OF TRANSITION.

If my review of the Chinese situation has been less tinged with optimism than some of my hearers might have hoped, let me remind you that I have been dealing with the facts of to-day rather than the promise of to-morrow, and, furthermore, that a transitional period is always a difficult, and often a disappointing, time. I count it a great achievement in itself that the Nationalist Party and its military supporters have held the country together since their victory of last summer, and one can see in many directions outside the range of politics the promise of rapid advance; to take material examples, in the opening up of the country by extensive motor roads and by the aeronautical development of which we have had a striking example in the successful flight by Chinese pilots across the entire length of the country from Canton to Mukden.

SPIRIT OF PROGRESS THROUGHOUT THE COUNTRY.

There can be no doubt that the spirit of progress is abroad throughout the country. May I conclude by saying that those who bear the responsibility of directing this progress and of restoring law, order, and prosperity to the country have our genuine sympathy, that we realise the peculiar difficulties of their task, and, in the following situation, we strive to maintain an outlook essentially broad-minded and free from petty or biased views?

Finally, I would ask for your confirmation of the action of the directors in voting a bonus of 10 per cent. on their salaries to the staff. The year has been a very difficult one to all concerned, and I feel confident you will approve of this recognition of their services.

I now beg to propose the adoption of the report and statement of accounts.

After the proposal has been seconded and before placing the motion before the meeting, I shall be pleased to answer to the best of my ability any questions that shareholders may have to ask. (Cheers.)

THE CHAIRMAN CONGRATULATED.

The Hon. J. Owen Hughes, in seconding, said:—Mr Chairman and gentlemen,—I am sure that shareholders will join me in congratulating our chairman on the lucid and exceedingly interesting exposition of the bank's affairs during the past year, and particularly with the masterly review of the political and economic condition of affairs in the East generally, and more especially in China.

Not only do we here in Hong Kong look forward to this annual meeting of the Hong Kong and Shanghai Banking Corporation to have presented to us the considered views of the court of directors, the chief manager, and branch managers of the institution, so also do the banking and commercial world generally, and I think it will be conceded no better review of the situation has ever been presented than that which we have just now listened to.

I will not attempt to analyse the formidable figures that are disclosed in the statement of the affairs of the bank, which clearly proves its strength and fully justifies its position in the front rank of the world's financial institutions to-day, of which fact we, in Hong Kong, are naturally proud. (Cheers.)

A DIFFICULT AND DISAPPOINTING YEAR.

While we note with regret the result of the year's working is somewhat less favourable than the preceding years, this, however, can cause no surprise to those acquainted with conditions that have ruled in the principal fields of the bank's operations during the past year, and we can well congratulate ourselves on receiving the same dividend as allocated for the past few years, and I would here congratulate the chief manager and all associated with him in the attainment of this very satisfactory state of affairs, bearing in mind the undoubted difficult and disappointing year just passed.

We share with you the hope that during the present year there will be such a revival of trade as will justify the continuance of the same level of return to the shareholders as is now recommended, and that the warning you now give "that without that revival the high level of past years may not be possible" will be found to have been unnecessary.

CHINESE MARITIME CUSTOMS RETURNS.

Reference is made to the Chinese Maritime Customs returns of last year at over 82 million Haikwan taels, being a rise of 13½ millions over the previous year. Although constituting a record and remarkable figures, these should not be exaggerated for the reasons you have given; furthermore, unless and until there is clear evidence that merchandise is moving into the interior markets of China it cannot be confidently asserted that a period of prosperity is immediately at hand, but, given a fair measure of political stability in China throughout the year, with continued industrial peace at home and in Europe generally, and the faithful carrying out of the new Customs tariff without the imposition of any further vexatious taxes on imports, the coming year should show a considerable improvement on past years, and bring a much-needed relief to both Chinese and foreign merchant firms.

One of the most gratifying features of the speech is the pronouncement that the anti-British agitation of two or three years ago has practically vanished, and that a new spirit of friendliness is now making itself felt. I am inclined to say rather that the old spirit of friendliness is becoming more apparent. Whichever it be, we are in entire agreement that we are much indebted to H.M. Representative in Peking, and, as regards Canton and South China, to H.E. the Governor of Hong Kong. (Cheers.)

THE KOWLOON SUB-AGENCY.

We congratulate the directors and chief manager on the opening of the new Kowloon Sub-Agency, which I am sure will be of service to the ever-increasing population on the mainland. For my own part I am sufficiently optimistic of the future of Kowloon as to predict that before many years it will be necessary to have our own premises.

Mr. Chairman and gentlemen, I have very much pleasure in seconding the adoption of the report and statement of accounts. (Cheers.)

The report and accounts were unanimously adopted.

The Chairman.—The business now before the meeting is the election of directors.

Mr H. R. B. Hancock proposed that the appointments of Messrs. J. A. Plummer, B. D. F. Beith, and B. Lander Lewis be confirmed, and that Messrs. H. P. White, T. G. Weall, and W. H. Bell be re-elected directors.

Mr K. S. Morrison seconded, and the motion was carried unanimously.

Mr J. H. Taggart proposed that Mr C. Bernard Brown and Mr John Fleming be re-appointed auditors.

Mr E. L. Sim seconded the proposal.

The motion was carried unanimously.

This concluded the business.

EXTRAORDINARY GENERAL MEETING.

Subsequently an extraordinary meeting was held at which the Chairman moved that the following resolution, which was passed at the extraordinary meeting held on Saturday, February 2, 1929, be confirmed—namely:—

"That the directors of The Hong Kong and Shanghai Banking Corporation be and they are hereby requested and authorised by and on behalf of the shareholders of the Corporation to take all such steps as may be necessary for the introduction of an Ordinance into the Legislative Council of the Colony of Hong Kong and for the enactment of the same by the Governor of Hong Kong with the advice and consent of the Legislative Council thereof, in the terms of a Print which, for the purposes of identification, has been signed by the chief manager of the Corporation, in substitution for the existing Ordinances (except as in such print is mentioned) and Deed of Settlement of the Corporation."

Mr T. E. Pearce seconded, and the motion was carried unanimously.

MORRIS MOTORS (1926) LTD.

HIGHLY SATISFACTORY POSITION.
INCREASING POPULARITY OF PRODUCTS.

The Third Annual General Meeting of Morris Motors (1926), Limited, was held at the registered offices of the company at Cowley, Oxford, on Saturday, April 13, 1929, Sir William R. Morris, Bart., the chairman and managing director of the company, presiding.

The Secretary (Mr S. G. K. Smallbone) read the notice convening the meeting, and the auditors' report to the shareholders was read.

The Chairman, in proposing the resolution that the report and balance sheet for the year ending December 31, 1928, be approved and adopted, said:—

The balance sheet of the company for the year 1928 is, I feel sure, one with which we have every reason to be satisfied, and I presume that you will take the accounts and the report now before you as read.

SOUND TRADING PROFITS.

The profits on trading and the interest received for the year amounted together to £1,314,089 7s. 9d., which figure is arrived at after making full provision for depreciation of assets and for all possible contingencies that are likely to arise, for, as you know, the accounts of the company are always drawn on a thoroughly conservative basis.

It is worthy of note that the profit on trading and the interest received for the year exceeded the average of the earnings for the previous two years by £145,819, and exceeded the average shown in the prospectus by £241,309.

When our prospectus was issued an obligation was entered into for the formation of a reserve of £1,000,000, but, in order still further to strengthen the position of the company, your directors have decided to transfer this year to the reserve £900,000, thus making the total reserve £2,000,000, or twice the amount necessary to fulfil the terms of the prospectus.

I regard this increasing of our reserve fund as essential, under existing conditions, to the building up and support of the business of the company. It has always been my idea to use available profits to secure and provide for the development of the business—a policy which has been proved to be absolutely necessary to the results that have been and are being obtained.

No dividend, for the third year in succession, is being paid on the ordinary shares, again with the sound object of placing the company in such a strong position that it can meet all possible contingencies and maintain and increase its lead in the industry.

I have always felt it my duty to take the utmost possible care of the interests of the holders of the preference shares who have entrusted us with three million pounds of their money, and it is with some pride that I now point out that in three years we have raised a reserve fund of £2,000,000; that, at the present time, our net tangible assets are £2,513,592 in excess of the holdings of the preference shareholders; that we have gilt-edged securities of the value of £2,170,243, and that, during the past three years, the earnings of the company could have paid the dividends on the preference shares more than five and a-half times.

FINANCIAL PRINCIPLES MAINTAINED.

It is generally admitted that the year 1928 was not a good one in the motor trade in this country, and I feel that I am quite justified in stating that the results of the company's operations during that period, as disclosed by the balance sheet, are indicative of a highly efficient organisation.

We will now deal with the accounts in detail. Of the profit of £1,314,089 7s. 9d., there is appropriated for the payment of the dividend on preference shares for the year 1928 the sum of £225,000. The payment of income tax absorbs £259,236 6s. 5d., and there remains, with the amount brought forward from the previous year, a total disposable undivided profit of £1,054,634 10s. 1d., this exceeding the corresponding amount of the previous year by £104,853 1s. 4d. From the total disposable undivided profit the directors propose to carry £900,000 to the reserve fund, while £154,634 10s. 1d. will be carried over to the next balance sheet.

I am glad to see that a great deal of favourable public comment has been aroused by the obvious soundness of this policy. It is a continuation of the sound principles of finance which have enabled us to build the business of Morris Motors (1926), Limited, to its present proportions.

INVESTMENTS.

With regard to the investments appearing in the company's balance sheet, the Government securities are shown at their market value of £2,170,243 5s. 8d., and all the other investments, which are of great value to the company in its trading activities, are well secured.

It is worth while pointing out that the value of the net tangible assets of Morris Motors (1926), Limited, on December 31, 1927, amounted to £4,683,715. The corresponding figures to December 31, 1928, as disclosed by this year's balance sheet, are £5,513,592, and this increase is in itself indicative of the progress of the company, and directly affects the preference shareholders, who rank for priority in the repayment of capital as well as in the payment of dividends.

During the year 1928 very considerable progress has been made by the company in the development not only of its plant and machinery, but also in the nature of its products. The plant and equipment are kept at the highest pitch of efficiency, and no less a sum than £41,002 has been utilised out of profits for making changes in machinery and buildings in order to reduce production costs and improve the saleability of the products.

INCREASED EFFICIENCY OF WORKS.

During the year a body mounting and finishing plant that can rightly claim to be the most highly developed installation of its type in Europe has been erected and put into operation at the Cowley factory, the extensive work involved being undertaken and completed without interruption of normal production—in itself no mean feat of engineering.

During the year, sales of current models were well maintained, and type extant has been installed at Coventry, and is now operating.

To meet wear and tear of plant, machinery, fixtures, fittings, office furniture and amortisation of leases, the sum of £178,171 has also been set aside out of profits.

GREATLY IMPROVED MODELS.

During the year sales of current models were well maintained, and some very important development work was undertaken. The introduction of the Morris Minor model was received by the public both at home and abroad with very great enthusiasm, and this model, which is now well in production and for which there are very large numbers of orders outstanding on our books, is proving itself highly successful. Its advent has proved to be a further source of strength to the company in all markets.

In many senses the Morris Minor marks an epoch in the British motor trade, for it represents the production for the first time of a vehicle designed on conventional big car lines and presented to the public at a price that ensures for it very large sales.

In addition, its performance on the road is such as has never before been attained by cars of similar size and price, and it is fully representative of the progressive policy in design that is continually pursued by the directors.

Concurrently, all our other models have been improved during the course of the year, not only as regards their mechanical efficiency, but also as regards their appearance and the durability of their external finish.

We realise that the day is now far past when a motor manufacturer has to cater solely for the mechanically-minded enthusiast, and, besides developing our engines and chassis to a very high degree of excellence, we have also done a great deal in setting new fashionable style in coachwork designs, comfort and finish, and the new body mounting and finishing plant, to which I have previously referred, is already proving of considerable value in these respects.

Our products have never been so popular with the public as they are to-day, and our policy of developing year by year our range of cars to meet all tastes and requirements has proved, and continues to prove, highly successful.

HIGH FACTOR OF SAFETY.

There is one other development to which I would like to call attention, and that is the incorporation of a high factor of safety in all our models.

To meet crowded road conditions every effort should be made by manufacturers to make their cars as safe as possible to operate, and to this end we have, besides standardising the fitting of four-wheel brakes on all our models, introduced, recently, bumpers fore and aft as standard fitments, and also, through a satisfactory arrangement made with its producers, we are able to offer Triplex shatter-proof glass at option at very attractive prices indeed.

One other point I should like to stress is that our service charges are constantly decreasing in proportion to our rate of output; and this is important, for these charges are a direct index to the reliability of our products in the hands of the public. This is proof that besides reducing prices, increasing our output and exhibiting a very satisfactory financial result, our products are proving themselves increasingly reliable, and, therefore, popular.

Our efforts to cultivate overseas markets have met with encouraging success. We are admittedly faced with considerable opposition from foreign firms, and our task of meeting them on equal terms is rendered more difficult because of the system of taxation that is in force in our home market. The horse-power tax as it stands at present, apart from any question of amount, is wrong in its principle of application, for the arbitrary technical formula on which it is based is thoroughly out of date, and imposes a distinct obstacle to improvements in engine design. We are making substantial progress overseas, but we should do better, were our actions not restricted in this way.

Although the results achieved during 1928 by the company can, as I have said before, be looked upon as highly satisfactory, we and our workmen are almost entirely in the hands of the Government, which very largely has the power to decide by its policy of Safeguarding or otherwise whether our future as useful productive members of an industry is secure or not.

BENEFITS OF SAFEGUARDING.

The motor trade of this country has been able to make certain definite progress under the protection of Safeguarding, but I say without hesitation that removal of the McKenna duties would seriously affect not merely our chances of increased prosperity on overseas markets, but—and this is far more serious—the tenure of our position at home would be very seriously jeopardised. A reduction of output and employees would be inevitable.

In these days we often hear the project of the Nationalisation of means of production suggested by those in favour of Socialism. I think I am entitled to ask whether, under national control, this or any similar business could possibly have achieved the results which we have maintained during the past three years. Two entirely new models have been successfully launched; the prices of the other models have been greatly reduced; substantial improvements in the specifications of all our products have been made; the business

employs, directly, an average of 10,000 operatives and staff, and, indirectly, probably another 50,000 men and women; and, although we are selling in the face of severe competition, we have accumulated a necessary liquid reserve of no less than £2,170,243, which is invested in Government securities to meet the risks and contingencies of future trading.

EXCELLENT LABOUR CONDITIONS.

I want here publicly to pay tribute again to the continued loyal support of the workmen and staff of this company. The year 1928 was, as I have said, one in which more than ordinary difficulties arose and had to be faced; but the spirit of cheerful willingness and undaunted progressiveness that is stronger among the employees of this company to-day than it ever has been enabled them to be overcome, and the company to show such an excellent trading result.

We constantly do our utmost to encourage thrift among all our workers, and our well-established employees' savings fund is excellently supported. The company's employment benefit scheme has also proved itself of great benefit to the employees.

I feel I am justified in saying that the company has never been in such a strong and vigorously healthy condition as it is to-day.

I have much pleasure in formally moving the adoption of the report and balance sheet.

Mr E. H. Blake, deputy-managing director, seconded the resolution, which was carried.

The Chairman: I have much pleasure in proposing the re-election of the following to the board of directors: Mr H. Landstad, Mr A. A. Rowse, Mr H. A. Ryder, Mr H. Seaward, Mr W. M. W. Thomas, Mr F. G. Woollard and Mr H. W. Young.

Mr R. W. Thornton seconded this proposal, which was carried.

The Chairman then proposed the election of Mr S. G. K. Smallbone, the secretary of the company, to the board of directors. This was seconded by Mr E. H. Blake and carried.

Mr Andrew Walsh then proposed that Messrs Thornton and Thornton, of Oxford and London, be re-elected auditors for the ensuing year. This was seconded by the Chairman and carried.

The Chairman: In concluding this meeting I should like sincerely to thank the directors, management and staff for their hard work, progressive outlook and co-operation during the year.

UNITED DRAPERY STORES, LIMITED.

CAPITAL INCREASE SANCTIONED.

The second annual general meeting of the United Drapery Stores, Limited, was held, on the 16th instant, at the Cannon Street Hotel, London.

Sir Arthur Wheeler, Bart., D.L., J.P. (chairman of the company), presided, and, in moving the adoption of the report, said that the board were well satisfied with the results of the past year's working. The gross income from investments in the Associated Companies which they controlled was £113,856, as compared with £113,847, and in paying the dividends to the United Drapery Stores the Associated Companies had by no means distributed everything available, as was evidenced by the fact that the accumulated profits and reserves carried forward by those companies amounted to £124,367, as compared with £116,778 a year ago. The net profit was £86,521, as compared with £75,691 a year ago.

The board were well satisfied with the outlook. Their businesses were situated largely in the Greater London area, where unemployment was not so intense as in the North and North Eastern Counties. Ladies were spending more in the commodities which their companies supplied, and while they continued to handle the right type of goods at the right prices they had no fear as to their ability to show good results at the end of the year.

Mr L. M. Drage, in seconding the resolution, said that the shareholders to-day stood in a very handsome position. He thought they could look forward to greater profits than those disclosed in the year under review. The directors had only one object in view, and that was "progress."

The resolution was carried unanimously, and a final dividend at the rate of 5 per cent. actual, making 10 per cent. for the year, was declared.

The Chairman, in moving that the capital be increased to £1,000,000 by the creation of a further 250,000 shares at £1 each, said that many opportunities had occurred of employing profitably increased capital, otherwise they would not have suggested that the capital should be increased.

In reply to a question, the chairman said that his view was that existing shareholders should have an opportunity of subscribing to the new shares before the general public, and that they should have an opportunity of doing so on very favourable terms.

The resolution was carried unanimously.

THE COUNTY OF LONDON ELECTRIC SUPPLY COMPANY, LIMITED.

FURTHER DEVELOPMENT IN PROSPECT.

The thirty-fifth ordinary general meeting of the County of London Electric Supply Company, Limited, was held, on the 16th instant, at River Plate House, London, Sir Bernard E. Greenwell, Bart., vice-chairman, presiding, in the unavoidable absence of the chairman and managing director, Sir Harry Renwick, K.B.E.

The manager and secretary (Mr John C. Dalton) having read the notice convening the meeting and the auditor's report,

Sir Bernard E. Greenwell said: Ladies and gentlemen, I have to commence the proceedings by apologising for the absence of our chairman and managing director, owing to indisposition. Sir Harry reminds me that he has not missed a general meeting of the company for about thirty-five years, and I am sure you will sympathise with and excuse him on this occasion. He asks me to claim your indulgence by permitting me to read the speech which he has so carefully prepared.

He says:—I am in a position to record another year of continued prosperity and progress—progress in every department. Briefly stated, the position is shown by the following summary: There is an increase of 75,151,048 units in the units sold for the year, making a total of 323,462,367. There is an increase of 40,449 kilowatts in the new business secured, making a total of 287,390 kilowatts connected, while there is an increase of over 20,000 in the number of new consumers obtained during the year.

As to the revenue, there is an increase of £144,810 in the gross revenue received, making a total for the year of £1,859,159. The net revenue for the year is even more satisfactory, for it shows an increase of £193,103, whilst the sum placed to various reserve accounts out of revenue for the year amounts to over £346,000, and we propose to pay 10 per cent. for the year on the ordinary shares of the company, which is an increase of 2½ per cent. over 1927.

INCREASE OF CAPITAL.

Your business is growing so rapidly that further developments at Barking and elsewhere are necessary, and it is your board's intention to make a further issue of capital as soon as a favourable opportunity presents itself. It is my sincere hope and intention that the issue, when made, should give a bonus to the shareholders in some shape or form, and that is not a very difficult matter, having regard to the market price of our ordinary shares. I think we may fairly congratulate ourselves on the figures disclosed. Our consumers, too, have shared and must continue to share in our prosperity. The value of the reductions made to our consumers during the past year exceeds £200,000, and still further reductions are in contemplation.

At our last annual meeting I informed you that we were proceeding with the erection of the second half of the first section of the Barking power house; this is now practically complete and in service, and I have to add that the growth of our business is so rapid that we are now approaching the Electricity Commissioners for their approval to the erection of a further section. We have always claimed that Barking would be a most economical station, and I am now happy to place on record the fact that the efficiency of that station compares favourably with the best results obtained at any other power station in the kingdom.

PROSPECTS FOR THE CURRENT YEAR.

As to the prospects for the current year and the future progress of your company, for the three months of this year ended March 31 there is an increase of 15 per cent. in the units sold over the corresponding period last year; an increase of 4,439 in the kilowatts of new connections, while the number of new consumers has increased by 2,748, and, in addition, important negotiations are now pending with prospective large consumers. To give you some idea of our prospects, I may mention that the national rate of increased consumption of electricity for the year was only about 8 per cent., whereas our own increased output as compared with 1927 was over 30 per cent. The increase in units sold was over 75,000,000, and it is interesting to note that this increase for the year equals approximately the whole output of our undertaking in the year 1924—just four years ago.

Your company is now responsible for an area of nearly 1,000 square miles in extent. You will see, therefore, that our organisation is the largest of its kind in the country. As to our associated companies, I am happy to say that those with which your company has for many years been allied continue to make satisfactory and increased progress. These additions to the company's interests, apart from Essex, involve additional areas amounting to 170 square miles.

The report and accounts were unanimously adopted, and a resolution increasing the capital passed. A vote of thanks to the directors, staff, and employees was also passed.

UNITED MOLASSES COMPANY, LIMITED.

CONTINUED EXPANSION—INCREASED PROFITS.

INCREASE OF CAPITAL APPROVED.

The Third Annual General Meeting of the United Molasses Co., Limited, was held, on the 15th instant, at Winchester House, Old Broad Street, London, Mr F. K. Kielberg (chairman and managing director) presiding.

Mr Cecil Dodd, A.S.A.A. (secretary), read the notice convening the meeting and the auditors' report.

The Chairman, who was received with cheers, said: The report again shows a satisfactory advance on last year's profits, and indicates the great financial strength and the continued growth of the company. The net profits for the twelve months ended December 31, 1928, after making adequate allowances for depreciation, amounted, as you will see from the report, to £386,673 12s. 11d. Our reason for transferring £92,000 from the reserve account to profit and loss account in the United Molasses Co.'s accounts, while leaving an amount of £166,254 1s. 5d. as profits not declared as dividends by associated companies, will be clear on referring to my statement at the extra-ordinary general meeting of the company held on June 2, 1928. When at that meeting I announced the terms on which we had secured an interest in the Dunbar Molasses Corporation, New York, I mentioned that the purchase contract gave the vendors the right to declare as dividend an amount equal to the net liquid assets of the company. The amount which these terms gave vendors the right to withdraw was $1,277,803.70, and to replace this amount—the working capital of the company—your directors have preferred to allow Dunbar's profits to accumulate rather than to incur the heavy expenses which would be involved in declaring such earnings as dividends into the United Molasses Co., seeing that this would have necessitated an immediate replacement of the capital in question.

THE DIVIDEND.

After carrying into effect these suggestions there remains, after deduction of the interim dividend on the ordinary shares, a net available balance of £143,087 19s. 2d. The board proposes to pay a final dividend of 11 per cent. actual on the ordinary shares, less tax.

In consequence of the rapid expansion of the company's business, it has become increasingly difficult to present a clear and fully informative statement of the company's position through the legal balance sheet, and we have, therefore, this year added to our report a consolidated balance sheet. You will get some idea of the extent of the business from the consolidated balance sheet, which shows about £1,500,000 invested in motor vessels and steamships, nearly £1,400,000 invested in storage tanks, rail tank cars, &c., and about £1,000,000 in molasses. The investments of £261,000 consist of holdings in outside securities, and are taken at cost price, which is considerably below to-day's market value.

SETTLEMENT WITH DUNBAR GROUP.

I should specially like you to bear in mind, when analysing the accounts, that the year bears the full burden of the short but very determined struggle between the Dunbar group of associated companies and our company for the leadership in the world's molasses business. The faith we had in our superior equipment and stronger financial structure made us confident of the issue when Dunbar threw down their challenge to us in the summer of 1927. The determined and effective manner in which we countered their attack without a doubt led to the speedy termination of the struggle, which ended in May last year by our acquiring an interest in the Dunbar Co. on most favourable terms—terms which more than justified the sacrifices we had made in the defence of our position in the trade when it was challenged.

We met the overtures for a settlement as readily as we had met the attack, and the terms upon which we ended the struggle not only brought the Dunbar Co. into our group of associated companies, but secured for our company the benefit of the services of a most capable, energetic and far-seeing management, and I should like to take this opportunity of expressing to Mr Maurice Levin, the president of the Dunbar group of associated companies, our most sincere thanks for and appreciation of the valuable services he is rendering our companies. We were equally fortunate in retaining the management of C. U. Snyder, Inc., when we acquired an interest in that company, which is expanding its business in a most satisfactory manner.

Our American customers and friends have quickly come to realise and appreciate the value of the services which our world-wide organisation is capable of rendering to their market. We are doing a large and increasing business in the United States, and are working in friendly co-operation with producers and consumers alike in all markets in which American interests play a part, but our present position has not been attained without determined attempts at different times from different quarters to encroach upon our territory or to check our progress in new markets. We have had to defend our position in markets where we have been long established, and we have had to fight our way into new markets where it was necessary we should gain a footing, but it has in no instance been our policy to attempt to crush existing smaller firms. We have hitherto been able to retain every customer with whom we ever traded and have succeeded in establishing friendly and cordial co-operation in every new market we have entered, with the result that whereas last year we did business at a loss in many parts of the world, at the moment we are not trading anywhere without making a reasonable profit and a satisfactory return on the capital invested.

THE FLEET.

Since the annual meeting in April last year we have taken delivery of three Diesel tankers and one tank steamer, in addition to which we have contracted for seven Diesel tankers and one tank steamer for delivery during the next twelve months. During the year we sold one of our old steamers, thereby continuing our policy of disposing of our old tonnage and replacing it by new. Every ship we have built has been built in British yards. Although our fleet has grown so very rapidly during the last few years, our building programme has not kept pace with the expansion of our trade. We have not only been able to employ every new boat when completed, but in addition we have had to charter outside tonnage, and have ample employment in sight for all the new boats under construction, which will give you some idea of the further expansion in sight.

In forming the large world-wide organisation, occupying a predominating position in the world's molasses trade, we are merely following the policy that is being recognised and adopted by all progressive industries throughout the world in the conduct of business to-day, and I should like to give our assurance that it will be our constant endeavour to utilise our experience and knowledge and the large means which our shareholders are so readily placing at our disposal to continue to equip ourselves with the most up-to-date facilities for handling and transporting molasses as economically as possible. It is our policy to spare no expense that will enable us to cheapen our handling and transportation charges, that we may be able to pay the producer a higher price and still supply the consumer with his raw material at a lower average price than he has been accustomed to pay over a period of years. At the same time, we endeavour to protect them both against the unexpected and violent fluctuations that used to take place in molasses from year to year, to the great inconvenience and financial danger of everybody connected with the business.

NEW CAPITAL PROPOSALS.

The total amount of additional capital required to meet expenditures for equipment during the current year is about £1,750,000. The much larger business we shall be handling when these new ships and tanks are ready will necessitate considerable additional working capital. To furnish the means to meet these commitments we suggest to increase the capital by 2,000,000 ordinary shares and 1,000,000 6 per cent. preference shares, and it is your board's intention for the time being to issue immediately 666,666 ordinary shares, for which we propose to give the ordinary shareholders the right to subscribe at the rate of one new ordinary share for every three ordinary shares held, at an issue price of £2 10s. per share. No fractions will be issued. In addition, your board intends to give to the directors, the principal officers, managers, and members of the staffs the right to subscribe for a maximum of 20,000 shares at the same price and on the same terms; the number of shares allotted to any individual will be limited to 500. We have a most loyal and efficient staff both at home and abroad, and we think it right and fitting and to the best interests of the company that as substantial shareholders they should be given every opportunity of participating in the company's prosperity and progress.

It is the intention to issue forthwith the new ordinary shares for payment as follows: 25s. per share on May 1; 25s. per share on July 1. The new shares will in all respects rank pari passu with the existing ordinary shares, apart from the fact that they will not participate in the final dividend for last year, payable on April 25.

He moved the adoption of the report and accounts, which was seconded by Sir James Cooper, and carried unanimously.

The resolution, as detailed in the report, increasing the capital from £3,000,000 to £6,000,000 by the creation of an additional 3,000,000 shares of £1 each, was unanimously agreed to.

Sir George Jessel moved a resolution thanking the chairman for his conduct of the meeting and for his control of a great company in a great manner. The resolution was carried with acclamation.

BANCA COMMERCIALE ITALIANA.

DIVIDEND OF 13 PER CENT.

OPERATIONS OF THE BANK.

The thirty-fourth annual general meeting of the Banca Commerciale Italiana was held in Milan, at the head office of the bank, on March 23rd last.

Senator Crespi occupied the chair and in submitting the report for 1928 said: During the past year, general conditions in Italy have naturally been influenced by the monetary reform carried out towards the close of 1927. As we ventured to forecast in our last report, the difficulties which the year 1928 has brought in its train for Italy have not been so serious as might have been feared. Your bank has spared no effort—within the limits of its scope and possibilities—in its continued support and attention to the home markets, whether industrial, commercial, or financial. At the same time it has given still greater impulse to its activities abroad by strengthening and extending its organisation in the United States of America and by completing its network of auxiliaries in Eastern Europe, in order that the functions of intermediary, for which our home markets are so eminently suited, should be rendered still more profitable. It has also participated in the international financial operations—in a measure proportionate to their importance—which have helped to guarantee the monetary stability of Greece, Bulgaria, and Roumania.

We have opened further town agencies in Milan, Genoa, and Rome, and new offices at Frosinone, Rieti, Sora, and Treviso, apart from some sub-agencies in smaller parts.

THE BALANCE SHEET.

Coming now to the examination of the balance sheet, which we submit for your approval, you will notice first of all a reduction under the heading of "Bills receivable, Treasury bonds, and Government securities (Littorio Loan)"; this is chiefly in consequence of very important reimbursements made by industrial concerns which have consolidated their finances by means of long-dated loans; on the other hand, commercial bills are up by quite a handsome figure.

A change which calls for special attention is the rise in "Contangoes and Loans." It proves once more our constant interest on behalf of the stock markets, in regard to which we may well claim to have boldly and without deviation followed a clear and steady course, from which we have not allowed ourselves to be deflected by temporary inducements, a policy which we consider as best suited to the national interests; we are convinced that it will soon show profitable and lasting results. It will likewise help to foster the interest which foreign investors have already shown for Italian stocks during the past year.

The reduction under "Participations in other Banks and Syndicates" is due to the realisation on profitable terms of various share holdings which we had been carrying for some time.

LIABILITIES.

On the "Liabilities" side there has been a significant increase in "Savings Deposits," and you will notice also that our "Commercial Acceptances" have reached a larger figure.

The "Profit and Loss" account, which has again been drawn up on strictly conservative lines, closes with a net profit which shows but a trifling difference from that of the previous year and enables the dividend to be maintained at the rate of Lit. 65 per share (13 per cent.), at the same time providing for another allocation of Lit. 20,000,000 to reserve and leaving some Lit. 28,500,000 to be carried forward.

ALLOCATION OF THE PROFITS.

We feel sure that you will endorse our proposal that the profits be allocated as follows:—

	Lire.
Net profits as per balance-sheet	114,161,389·65
10 per cent. to the ordinary reserve, in accordance with Article 3 of the Royal Decree of September 7, 1926	11,416,138·95
	102,745,250·70
5 per cent. dividend on the capital of Lire 700,000,000	35,000,000·00
	67,745,250·70
5 per cent. to the Board of Directors	3,387,262·55
	64,357,988·15
out of which we propose paying an additional dividend of 8 per cent. on the paid-up capital	56,000,000·00
which will leave a balance of	8,357,988·15
to which is to be added the amount carried forward from previous years	28,707,806·90
	37,065,795·05
out of which we propose transferring to the Ordinary Reserve Fund (in order to increase it altogether by the round figure of Lit.20,000,000) a further amount of	8,583,861·05
leaving a balance to be carried forward of	Lire 28,481,934·00

The balance-sheet was passed unanimously by the general meeting of shareholders.

The retiring members of the board were all re-elected, and Signor Mino Gianzana's election to the board was confirmed.

PAQUIN, LIMITED.

GOOD RESULTS AND PROSPECTS.

The 32nd annual general meeting of Paquin, Limited, was held on Thursday, 18th April, at the Cannon Street Hotel, London.

The secretary (Mr C. Beavis) having read the notice convening the meeting and the auditors' report,

Sir Harry K. Newton, Bt. (the chairman) said that the outstanding feature of the accounts was that the exchange had now been taken at 125 francs to the £ sterling. In 1921, after an application to the High Court and at the cost of writing down the capital of the company by £173,000, or one-half of the then issued ordinary share capital, it was found possible to prepare the company's accounts for the year 1921 on the basis of an exchange rate of 50 francs to the £ instead of the old pre-war rate of 25 francs to the £. The object of the course then taken was to bring the accounts as they were presented into line with the actual facts, and for a very short time that object had been realised, but it had not been long before the gap between the par of exchange and the rate current widened still further, until at long last—but only after the wildest fluctuations—the rate of exchange had settled down in the vicinity of 124 francs to the £, and ultimately, in June last, was stabilised by the French Government at 124·21 to the £6.

Without having to resort to the High Court and without any further reduction of capital, they were now able to effect a still greater modification and to present accounts made out on the basis of 125 francs to the £ and with a reserve brought by that day's appropriation from the figure of £21,000, to which it had been reduced, up to £60,000, and showing a net profit for the year of more than £74,000. (Applause.) He thought all would agree that that was an achievement of which they might all be very proud. (Hear, hear.)

EXPANSION IN LONDON AND BUENOS AYRES.

The sound and conservative policy in matters financial which the directors had consistently pursued had been a considerable element in making possible what had been now accomplished. The other and principal factor was the inherent greatness of the business, founded more than 30 years ago by Monsieur and Madame Paquin, but continually revivified and reinspired by the artistic genius, the sound craftsmanship, and the devoted labours of those who were privileged to serve the house of Paquin in its many departments in various parts of the world. While the increase in the volume of the company's business had been general, in London it had been specially remarkable. There was also a very marked improvement in their Buenos Ayres branch. Whereas last year they were able to make a distribution of 20 per cent. on the ordinary shares, provide allocations to reserves of £26,000, and have a free carry-forward of £23,851, subject to directors' additional remuneration, this year they were able to make a distribution of 22½ per cent. on the ordinary shares, provide allocations to reserves of £28,400, and leave a carry-forward of £24,228. The directors felt that the expanding trade and profits of the company justified this increase in the dividend, and they were only too glad to be able to make the recommendation.

For some years past he had felt compelled year by year to take a rather pessimistic tone at the annual meetings of the company, to caution shareholders against anything like undue optimism, and to warn them as to possible or probable difficulties to be surmounted. With the step they had taken this year, following the action of the French Government in stabilising the exchange, the directors felt that the main part at least of the difficulties and obstacles of which they had been fearful had now been removed.

SPLENDID DIVIDEND RECORD.

Looking backwards, it would interest shareholders to know that, assuming they approved the board's recommendations, since the application to the High Court with reference to the reduction of capital—that was, in the last eight years—the company would have distributed in dividends £241,980 net, after deduction of income tax. The figures for the last three years were even more encouraging, for in respect of those three years there would have been distributed in dividends a net sum of £123,500, and during the same period the allocations out of revenue to reserves amounted to £77,400, or a total profit appropriation during those three years of £201,000 net.

In conclusion, he would say that the position in all respects was stronger than it was 12 months ago; they had builded solidly and well; their trade had increased, and he was glad to say was increasing; the reputation of the house stood higher than ever before; and there seemed no reason why they could not look forward with confidence to still further increased prosperity in the future.

The report and accounts were unanimously adopted.

JUGRA LAND AND CAREY, LIMITED.

REDUCED COSTS AND PROSPECTS OF FURTHER REDUCTIONS.

The ninth annual general meeting of shareholders was held in the Hall of the Institute of Accountants and Actuaries, 220 St. Vincent Street, Glasgow, on Friday, April 12, 1929, at 12 o'clock noon, Mr. L. Dougal presiding.

Mr. Allan Macdonald, for the secretaries, having read the notice calling the meeting, and the auditors' docquet, the Chairman said:—

Ladies and Gentlemen,—You have had the report and accounts in your hands now for the statutory period and, if you agree, we shall, as usual, hold these as read.

At our last meeting I mentioned that it was probable that we would have a trying time consequent upon the withdrawal of restriction, but that the company, with its resources, should be able to give a good account of itself.

A SATISFACTORY YEAR.

It has proved to be the case that the rubber producing industry has suffered from low prices. I think you will agree, however, that, under the circumstances, we have had a satisfactory year.

"Costs," both of rubber and copra, have been reduced, and, although we obtained bigger crops with no increase of revenue expenditure, the fall in the selling price of our rubber from 1/5.84 per lb. to 9.67d. per lb. reduced our net profit from £87,799 15s. 9d. to £73,100 5s. 2d. The price obtained for copra was £26 4s. 7d. per ton, against £26 12s. 2d. per ton last year. Depreciation has been amply provided for, £18,837 4s. 9d. having been written off.

MAINTENANCE AND DEVELOPMENT OF THE PROPERTY.

You will have seen from the balance sheet that we have spent considerable sums on buildings, and on maintenance and development of the property. It is unquestionable that the estate should be maintained in the highest possible state of efficiency, and the board are satisfied that the money so spent will prove to have been profitably invested. In this connection I may say that Mr Mustard, the visiting agent, has, as usual, given a good report on the properties. He mentions that rubber trees and coconut palms generally are in good condition; that the tapping is first class and that the upkeep of the estate is satisfactory. For this our thanks are due to the eastern staff.

During the year the question of planting up some 400 odd acres which had been felled prior to our last meeting was considered. The matter was left to Mr French, who, as you see from the report, is at present in the East. We have now heard that he considers it advisable to clear up and plant only 262 acres of the felled land during the year, and it has been decided to plant 94 acres of this with coconuts and the balance with rubber.

With an estimated output of about 4,000,000 lbs. of rubber, of which 672,000 lbs. have been sold forward at prices equivalent to almost 1s. per lb. landed in London, I think, despite a rise in wages, we shall be able to produce rubber at even less than the 6.06d. per lb. shown in this report. Unfortunately, at the present moment the copra market is dull, but here again our expected increased crop should help us.

CULTIVATION OF TEA.

Last year reference was made to the cultivation of tea, and I see from the Press that it is expected that further announcements will be made at this meeting. The latest information from the estate shows that there are under 100 acres set apart for tea, and these have not all been planted up, 28½ acres being the total shown in the report. There is little tea grown in Malaya and, as I explained last year, what we are doing now is in the nature of an experiment, so far only some three acres being ready for cropping. What we have planted has been favourably reported on, but we must wait until we are satisfied that it will be profitable to grow tea on a larger scale before we decide to embark upon any big scheme.

IMPROVED CASH POSITION.

Our cash position, as shown in the balance sheet, is further improved by the fact that, since the close of the accounts, the very considerable stock has been realised.

It is impossible to speak with any accuracy as to the present position of supply and demand, and I shall not attempt to make any forecast as to the future. I am sure that this company with its capacity for cheap production will always be able to show satisfactory results.

I now beg to move that the report and accounts for the year ended November 30, 1928, be adopted; that £30,000 be transferred to reserve account, and that a dividend of 5 per cent., less income tax, be declared.

I shall ask Mr Cook to second this resolution, and when this has been done, and before putting it to the meeting, I shall be glad to answer, to the best of my ability, any question any shareholder may care to ask.

The report and accounts were adopted.

Mr Peter MacLellan was re-elected a director.

Messrs Gibson, Anderson and Co., C.A., were re-elected auditors.

MONTE VIDEO WATER WORKS COMPANY, LIMITED.

EXTENSION OF THE SYSTEM.

The fiftieth ordinary general meeting of the Monte Video Water Works Company, Ltd., was held on the 12th instant, at 52 Moorgate, London. Mr James Anderson (the chairman) presided.

The Chairman, in moving the adoption of the report and accounts, said they had at last attained the object they had been seeking for several years past, viz., permission to carry out a much-needed extension of the water supply of Montevideo. The urgent necessity for such extension had been explained at every meeting held during the last five years, as also the difficulties encountered in giving effect to it. Having recapitulated the causes of the delay, he said that consideration of the contract with the Government had given rise to much discussion in the House of Deputies, and no decision had been arrived at when the Session was closed in the autumn of last year. Since then the matter had remained in *statu quo*. Meantime, the urgency of extending the water supply at the earliest possible moment was becoming more and more apparent, and the Executive Government in December last, as an emergency measure, granted the company permission to proceed with the laying of a new 36-in. pumping main, which was the most important item of the proposed extensions, the company, on the other hand, agreeing to make the reductions in tariff designated in the A Referendum Contract. This resolved the most important of the points under discussion between the Government and the company, and enabled the company to commence at once with the most pressing item of the proposed extensions. Having explained the vital importance of this new main, he mentioned that the cost of the main, including pipes freight and laying, was estimated at approximately £350,000. When all the programme was completed their new capital expenditure would, it was estimated, be in the neighbourhood of £750,000. They should then, however, be in a position to extend their system to many new districts in the suburbs of the city. They were confident that an extended capacity to supply would lead to a large increase in the sale of water.

THE OUTLOOK.

As to the outlook for the current year, he mentioned the main factors affecting the position and outlook, observing that unless something unforeseen occurred they anticipated no difficulty in maintaining the usual rate of dividend, notwithstanding the incidence of heavy capital outlay on the extensions. As to the additional capital required they were increasing the ordinary capital by £343,750, and proposed to offer 239,062 shares of £1 to the stockholders for subscription in cash at par, being at the rate of one new share of £1 for each £4 of stock now held. That would give £239,000 which, with some £261,000, which they had available on this side in investments and cash, would provide a total of £500,000, or two-thirds of the total required. The remaining third would not be wanted for some considerable time, and the directors would in due course decide as to the best means of raising it.

Mr J. Percy Clarke, C.B.E., M.Inst.C.E., seconded the resolution, which was carried unanimously.

Mr Clarke, in moving a resolution to place on record the grateful acknowledgment of the company of the very valuable services rendered by Mr. Anderson, said that Mr. Anderson's connection with the undertaking extended to some 50 years, and it was mainly to Mr. Anderson's personal supervision, ability and foresight that the company was in the prosperous condition it was to-day.

Mr John Adams seconded the resolution, which was supported by Mr George Shaw and Mr Mitchell Innes on behalf of the stockholders, and carried unanimously.

The proposal to increase the capital of the company to £1,300,000 was unanimously approved.

IMPERIAL CHEMICAL INDUSTRIES, LIMITED.

SECOND ANNUAL GENERAL MEETING.

INCREASED PROFITS.

INCREASE OF CAPITAL.

The second annual general meeting of Imperial Chemical Industries, Limited, was held at the Central Hall, Westminster, S.W.1, on Thursday, April 18, 1929, the Right Hon. Lord Melchett, P.C., D.Sc., F.R.S., chairman of the company, presiding.

The secretary (Mr P. C. Dickens) read the notice convening the meeting and the resolution for the increase of capital.

The treasurer (Dr W. H. Coates) read the auditors' report. The report and accounts were taken as read.

Lord Melchett said that the company had made considerable progress in profits and production despite the fact that the general condition of trade in 1928 had not improved as had been anticipated. He was glad to observe that there was a general improvement in trade. The products of the company were so widespread and universal that the prosperity of the company was naturally related to the prosperity of the country. It was of the utmost satisfaction that in a year such as 1928, the prosperity of Imperial Chemical Industries had been so considerably improved.

DE-RATING ACT.

While not desiring to introduce any political note, he felt he must refer to the De-rating Act as a matter of outstanding importance to the industry of the country. He had always been a consistent supporter of a proposal which would remove from British industries a burden of about £26,000,000 per annum. The rating system in operation placed an intolerable weight upon the industries which were most depressed. The De-rating Act had broken the vicious circle and he felt sure it would prove one of the most fruitful means for the restoration of British industry. A curious accusation had been made against himself as one who supported a measure which was beneficial to industry for the sake of his own businesses. He would be a very bad chairman who did not look after the interests of his shareholders. With characteristic exaggeration and ignorance of figures it was alleged by this politician that the concerns in which he was interested would benefit to the extent of £600,000 per annum. A careful calculation by experts had been made and it was found that Imperial Chemical Industries would benefit this year by approximately £50,000, and in a full year by about £200,000.

TECHNICAL DEVELOPMENT.

The technical development of the company had proceeded with great results. The Billingham Works of Synthetic Ammonia & Nitrates, Limited, represented a very great achievement, and he desired to pay a tribute to Colonel G. P. Pollitt and his able staff. When the present problem of construction at Billingham was completed the company would have an investment there of rather more than £25,000,000. By the end of the present year the works—which is rather a city than a works—would be producing 2,500 tons per day of sulphate of ammonia and considerable quantities of other products. Next year the range would be still further extended by the addition of a number of other organic chemicals. At his old home at Winnington, practically the whole of the plant had been reorganised during the past two years, and the work had been carried out without interfering with the steady and normal output of the plant. The reconstruction had involved a capital expenditure of some £850,000 in 1928, but a satisfactory return on the outlay was anticipated with confidence. Indeed, it had been found that the saving in the alkali section in 1928 gave a return of approximately 22 per cent. on the average capital outlay during the last two years. In pursuance of development and research problems the new research station and farm at Jealott's Hill was nearing completion. This was one further stage in the company's investigation of scientific problems affecting agriculture, and the results would benefit not only agriculture in this country but throughout the Empire. As an example of the beneficial effect of research upon the company's activities he need only mention that the company held about 500 British patents, while British patent applications pending amounted to 215.

LABOUR RELATIONS.

A year ago the company had 40,000 men and women in its employment. To-day it had approximately 53,000. At the present time, in pursuance of the share participation scheme announced last year, employees of Imperial Chemical Industries now held a total of 850,636 shares in the company. Relations with the Trades Unions continued to be of a close and cordial character. He had committed himself personally by signing the report of the Melchett-Turner Conference to a recognition born of lifelong experience of the value of working together with the accredited representatives of organised labour. His experience as chairman of the employers' group of the Melchett-Turner Conference convinced him that the responsible leaders of labour to-day were anxious to assist in the prosperity of industry, which was the only source from which those benefits could flow which could improve the position and life of those they so ably represent. The first elections for the 71 works councils had just been completed and the interest displayed by the workers could be judged by the fact that there were only 56 unopposed returns out of a total of 287 wards, and that the percentage of voting was 92.9. When he had finished his labours that morning he would that afternoon preside over the inaugural meeting of combined delegates of these councils and place before them, as he had placed before the shareholders, the result of their efforts and their problems, present and future. He did not think he was wrong in saying that this was the first time such a thing had ever been done.

FINANCIAL RESULTS.

The annual meeting this year was being held nearly six weeks earlier than last year, and it reflected great credit upon all concerned, including the auditors, that this had been possible. The printed report, which was already in the hands of the shareholders, enabled him to concentrate his speech upon particular points. The profits for the year amounted to the satisfactory total of £5,448,243, or an increase of £921,018 over those for 1927. The total earnings represented 10.47 per cent., or just over 2s. per £1 share on the ordinary capital, and practically 6 per cent., or 7d. per 10s. share on the deferred capital. The year's profits had been arrived at after meeting the cost of maintaining in the highest efficiency all plant and other properties of the company. Referring to the liquidation of Nobel Industries, Ltd., he desired to pay a personal tribute to the results of Sir Harry McGowan's investment policy, which had proved so shrewd and far-sighted.

OBSOLESCENCE RESERVES.

The company had developed a new policy and created a precedent by a new method of providing for the contingency of the obsolescence upon machinery and buildings—a risk which should never be absent from the minds of those responsible for the conduct of large manufacturing enterprises. The total obsolescence reserves of the company were over £9,000,000, and this represented 22 per cent. of the total book value of the plant, machinery and buildings of the subsidiary companies. He felt sure that all would agree that this state of affairs was one of great strength. He had always been entirely in favour of building up financial resources from which plant could be replaced without difficulty or danger to the future prosperity of the concern. General Motors had recently spent nearly £6,000,000 in re-modelling their plant for the production of some of their new models for this year. This sum had been accumulated by the company out of its profits. To build up the necessary financial resources it was essential that too large a proportion of profits should not be distributed immediately to shareholders, but should be retained to provide for capital appreciation. For the four years 1924-1927 the I.G. Farben-Industrie had distributed an average percentage of profits of 52 per cent. The Allied Chemical and Dye Corporation in the United States had for the four years 1925-28 distributed 52 per cent., while last year the United States Steel Corporation had distributed 56 per cent. Imperial Chemical Industries had only been in existence a short period of two years, and those had been years of difficulty in national industry. The dividend of 8 per cent. on the ordinary shares and 1¾ per cent. on the deferred shares was equivalent to 12.875 per cent. on the old ordinary shares of Brunner, Mond and Co., as against 10½ per cent. paid by that company for the year 1925-26; 12.875 per cent. as against 10 per cent. paid by Nobel Industries, Ltd., for the year 1925; 12.29 per cent. as against 10 per cent. for the year 1925 in the case of the United Alkali Company. A 3 per cent. increase in two years was a considerable achievement. Moreover, the precise figures to three points in the case of Brunner, Mond and Nobel Industries showed how correct Sir Harry McGowan and himself had been when the merger was made.

CONSTRUCTION PROGRAMME.

The company was and intended to remain the leader of the chemical industry in the British Empire, and they intended to hold their own in the industry in the competition of the world. Their expenditure on additions and alterations at the factories of the subsidiary companies amounted in 1928 to approximately £8,000,000. This more than absorbed the amount raised by the issue of new capital in 1928. The greater part of the expenditure had been devoted to the extension of the fertiliser plants at Billingham, but some amounts had been absorbed by the reconstruction of various works in the Alkali Section and the erection of new plant at the Ardeer Works of Nobel's. They anticipated a very satisfactory return—all additional income—from these capital additions when they came into production. During 1928, additional investments in associated and other industrial companies amounted to approximately £2½ million. Part of this development was taking place in Australia and Canada, where, in conjunction with powerful domestic and other interests, they were consolidating and extending their position. They already had remunerative interests there, and looked to their future growth with great confidence. In a company with such vast and widespread enterprises and interests, and with such universal demands for their products, which were continually increasing, it was essential that there should be continuous extension of factories and plant, stocks and credits. The constructional programme on fixed assets calls at the beginning of this year for more than £13,000,000. He would never be associated with a business which was not in a position to carry out the legitimate extension of a great industry. There was a great and growing market for their goods. Their selling organisation, under the able direction of Mr J. G. Nicholson, was without equal. In such a business as theirs, they must always be in a position at short notice to be able to take an interest in allied or suitable enterprises, either at home or anywhere throughout the world.

NEW ISSUE.

In order to enable their 160,000 shareholders—whose average holding was about £300—to take the fullest possible advantage of the new issue, and, in view of the fact that all the money would not be required except in instalments spread through the year, they had decided to issue the new shares in the following manner :—To the preference shareholders : one new preference share for every existing four preference shares; to the ordinary shareholders : one new ordinary share for every existing eight ordinary shares; to the deferred shareholders : one new ordinary share for every existing sixteen deferred shares. Shareholders of all classes would, in addition, be allowed to apply for any surplus of shares either preference or ordinary which might not be taken up by the exercise of the rights. The offer would be made to shareholders on the register at March 15, 1929. The new ordinary shares would rank for any interim dividend declared in respect of the year 1929, calculated on the amount paid up and from the due dates of the instalments. For the final dividend for 1929 these new ordinary shares would rank in full, thus giving a small bonus in this respect.

PRICES OF NEW SHARES.

The prices at which it was proposed to offer the shares were :—Preference shares 23s. per share, or a premium of 3s. per share, and ordinary shares at 33s. 6d. per share, or a premium of 13s. 6d. per share. The preference shares at 23s. per share would produce £5,072,184, and the ordinary shares at 33s. 6d. per share would produce £10,078,235. The total amount of cash to be received by the company would, therefore, be £15,150,491. The total amount of premiums on these shares would be approximately £4,500,000, which would immediately increase the existing reserves of approximately £11,000,000 to over £15,000,000. The value of the rights on each old share was calculated at 5d. for the preference, 8½d. for the ordinary, and 4¼d. for the deferred shares. The date by which the acceptance of the new shares must be made was May 6th, when the first call of 5s. would be payable on both the preference and the ordinary shares. The final call on the preference would be payable on July 8th, and the final call on the ordinary shares on November 4th. They had come to the conclusion that there should be no further issue of deferred shares. The deferred shares were created to represent the equity of the original shareholders in the merger in future potential profits latent in the organisation and assets then in existence, but not fully remunerative. If that intention was to be fully effective it followed that no further issue of deferred shares would be justified except when they acquired other businesses containing within themselves similar potentialities. Further, on this occasion, as contrasted with last year, the deferred shareholders were offered rights.

FUTURE DIVIDEND PROSPECTS.

To maintain the rates of dividend they were paying for the year 1928 would require, in respect of the new capital for the year 1929 an additional distribution of £582,000. It was somewhat early yet to speak of the prospects of trade for this year, but conditions were improving and, on the results already known for the first quarter of the year, he had no hesitation in saying that the growth of profits in 1929 on the capital already in their possession would be amply sufficient to take charge of the additional dividend requirement. Further, the £4¾ millions of uncompleted capital expenditure at the end of 1928 would come gradually into production throughout the year 1929 and yield them additional profits. The company had a balance of authorised, but unissued, capital of a little over £9,000,000 out of the £10,000,000 authorised last year. This was insufficient to cover the requirements of the new issue, which called for a total nominal amount of £10,427,000. It was, therefore, necessary to ask their sanction for a further increase in the authorised capital, and in the resolution, which had already been read, they asked permission to raise it by £20,000,000 in 40,000,000 shares of 10s. each, subject to the Board's power to consolidate these shares as and when necessary into £1 shares.

PROSPECTS OF THE MERGER.

He was very proud to be chairman of that company. He thought everyone connected with it in any capacity had an equal right to be equally proud of it. Two years ago Imperial Chemical Industries was launched as the first great merger of its size in the country. They were now satisfied that the chemical industry was going to act as an example for the salvation of the industries of this country. Their action had been justified. Their affairs showed a progressive improvement, yet they had not so far obtained by any means the full value and benefits of the merger. It would take at least another two years before the process of rationalisation and concentration within their own organisation would be completely carried through, but anyone who sat, as he did, day by day, surrounded by the most loyal band of co-workers and staff such as any man might be proud of, and supported as he knew he was by the great majority of their vast company, could have no cause for hesitation or doubt as to the great future which lay before them. Making profits might be the acid test of success—this the company fulfilled—but they had a greater endeavour. It was to maintain the great industry for which they were responsible in its leadership in all parts of the Empire with which they were getting daily into more and more complete contact—thus fulfilling the high mission which they had set themselves.

SIR HARRY MCGOWAN'S SURVEY.

Sir Harry McGowan (president), in seconding the resolution for the adoption of the accounts, said they reflected a most satisfactory result of a trading year. The publication prior to the meeting of the printed report was evidence of the company's sincerity in stating that it would take the shareholders into its confidence to the maximum extent. He was sure that the shareholders would desire to join with him in congratulating the chairman upon the signal honour which had been conferred upon him. They would all agree that he was one of the outstanding commercial leaders in the country. In a little over two years all those engaged in conducting the affairs of the company had succeeded in developing the "I.C.I. spirit," which was a spirit of comradeship, of team work, of mutual respect and recognition of the part the company was playing in the development of the British Empire. Industrial conditions at home showed steady improvement, and it followed that with the company's widespread activities it would participate to the full extent in that improvement. The progress reported in 1928 had been fully maintained during the opening months of 1929. Overseas operations showed a gratifying development. The various companies which had been organised throughout the world

were, without exception, justifying themselves. While giving the opportunity of more intensive sales efforts in all the company's products, they were adding materially to the company's turnover and profits. He had recently returned from a visit to America and Canada, and was specially gratified with the progress of the associated company, Canadian Industries, Limited, which had recently decided upon the extension of its activities into the large and promising fields of heavy chemicals, fertilisers, &c. Mr Todhunter, in Australia, was working on a scheme for the affiliation and amalgamation of the various concerns interested in heavy chemicals and fertilisers with the company's own Australian interests. Mr Nicholson had recently visited India, and had formulated plans and constituted action which they all felt would in time result in stimulating increasing demands for the company's products, particularly in agriculture. The opening up of Rhodesia, particularly in copper mining, called for increasing demands for goods of African Explosives and Industries, Limited, one half of whose capital was held by Imperial Chemical Industries. Another outstanding development was the formation of Scottish Agricultural Industries, Limited, of which Imperial Chemical Industries had the control. Most of the company's products were either raw materials or semi-manufactured commodities for use in the production of other marketable goods, such as alkali soap, dyes for textiles, &c., and it must be realised that it would not be policy by any undue handicap in the price of goods to prejudice the user of the company's intermediary products in its efforts to secure business. The company had always been ready to help its customers in the study of cheaper supplies, and to place its expert knowledge at their disposal with a view to helping them reduce the cost to themselves of the materials they drew from the company. The company had pursued, and would pursue, a policy of selling at an economic price and helping the buyer as far it could with due regard to its responsibilities as trustees of the shareholders' money. The formation of Imperial Chemical Industries had led to an all-round reduction in the price and improvement in quality and service. In was the company's firm intention to maintain and accelerate those advantages. In this satisfactory state of affairs no small share had to be ascribed to the loyal work and enthusiasm of the staff and workers. With such a wonderful organisation, and with such a loyal and efficient staff of workers, he had no doubt as to the future of their great company.

The resolutions to increase the authorised capital by £20,000,000 and to authorise the creation of £10,000,000 of 7 per cent. Cumulative preference shares of £1 each were approved.

CHAMPION REEF GOLD MINES OF INDIA, LIMITED.
RESULTS OF DIFFICULT YEAR.

The annual meeting of the Champion Reef Gold Mines of India, Ltd., was held on the 17th instant, at Cannon Street Hotel, London, the Hon. A. T. J. Fraser, D.S.O., presiding.

The Chairman, in moving the adoption of the report and accounts, said that the profit for the past year amounted to £39,100, against £40,900 in the previous year.

The capital expenditure amounted to £14,000, against £40,000, consequently the directors had felt justified in writing off a smaller amount this year—£13,000, against £22,500 a year ago. This left them—including the amount brought forward—with a profit of £31,200, and after paying a dividend of 1s. per share, equal to 10 per cent., they were carrying forward £4,693. During the year they had crushed 111,000 tons for a recovery of 52,000 oz. of fine gold, the average assay value being almost exactly 9·5 dwt. per ton.

He could thoroughly understand any feeling of disappointment which might be felt by shareholders at the result of the year's working, especially in view of the fact that Heathcote's shaft came into commission in the early part of the year. He had fully expected that the definite improvement in the production of the first three months of 1928 would be shown over the remainder of the year. This, however, had not taken place.

The reason for the lower grade of ore milled was simply that they had not been able to stope out enough of this high-grade ore to bring up the average of the total tonnage milled to the desired point. The outstanding reason for this was the difficulty they had been in with labour.

A great deal of attention had been paid to the best method of stoping these large widths (up to 10 ft. and more) at the enormous depth of 6,000 to 7,000 feet vertically below the surface, especially in view of rockbursts, which, unfortunately, had not been unknown to the company. Safety of their workers had necessarily to receive primary consideration, but at the same time they had to remember the risk of having areas of their ore reserves made inaccessible by rockbursts. After much thought and experiment, a system was decided upon which promised the best solution of these problems. The system necessitated concreting the floors of levels as a preliminary, arching in concrete the roofs of drives at the wider points, securing the ore-passes with built-up granite slabs and actually stoping out the rock by a system known as rill-stoping. It was an entirely new method on this field, and entailed the drilling entirely of "upper" holes, and also the use of a different type of machine drill, to which their labour had previously been unaccustomed.

Unfortunately any new method such as this was invariably treated with suspicion and met with prejudice by uneducated labour, and they had not yet been able to obtain the production from "rill" stopes that they had hoped for. This poor production, coupled with the shortage of labour for working in them, had led the company to stope in areas which they would have preferred not as yet to touch, and to stope by means in which it had been well nigh impossible to prevent heavy shaling. Every effort had been made to mitigate dilution, but undoubtedly it accounted in a measure for the value of the grade milled.

As regarded the future, he anticipated a gradual improvement, but he was not prepared to say it would be immediate.

Now, with regard to costs, the total cost per ton milled, excluding development, amounted to 28s. 6d. for the year. That might seem a high figure for those of them who were shareholders of other mines where conditions were very different. He could assure them, however, that in the circumstances of a comparatively small tonnage, enormous depth, very erratic occurrences of ore and the enormous expenditure necessary to keep open the great length of shafts and levels at those great depths and pressures, that in all those circumstances the costs reflected great credit on all concerned.

There was a rather natural tendency to criticise expenses when profits were not so large as anticipated and to overlook the fact that expenditure was commensurate with the scale of the operations and the size and depth of the mine. He could assure them, however, that costs were most carefully and constantly scrutinised and every possible economy is practised.

The report and accounts were unanimously adopted.

MYSORE GOLD MINING COMPANY, LIMITED.
SOUND FINANCIAL POSITION.

The forty-ninth ordinary general meeting of the Mysore Gold Mining Company, Limited, was held, on the 16th instant, at Cannon Street Hotel, London. The Hon. Lionel Holland (the chairman) presided.

The chairman, in moving the adoption of the report, said: The period covered by the accounts has been a period of steady, uninterrupted work on normal lines, which we can regard with a fair measure of satisfaction. The ore mined and put through the mill was less by 4,704 tons than the preceding year. The grade of ore and extraction were a shade higher. 217,199 tons of ore were milled, returning 103,502 oz. of fine gold; and 279,314 tons of dump material, sands and slimes—some 72,000 tons less than in 1927—were treated with an extraction of 12,059 oz. of gold. The total recovery of fine gold from the ore mined and milled during the year, and from the dump and sands treated and minor sources, amounted to 116,435 oz.—3,183 oz. less than for the year 1927—and realised, after deducting the royalty payable to the Mysore Government, £468,201. This compares with a sales revenue of £480,421 in 1927.

Our income revenue for the year is brought up by other receipts to a total of £479,247—a drop of from £14,000 to £15,000 from the figure for the previous year. Our revenue expenditure, however, at £301,352 is nearly £13,000 lower than last year's expenditure, owing partly to some minor economies, and partly to the develop ment footage having been slightly curtailed, which nevertheles was considerable, amounting to 15,657 ft., or over 2,700 ft. mo than the 1926 footage. The final profit balance for the year £201,053—little more than £1,000 less than the profit for 1927.

We are left with a disposable profit of £113,373. The fir dividend declared in February, bringing up the dividend for 12 months to the same as last year—2s. 3d. a share, or at the r of 22½ per cent.—takes £93,330, leaving a carry-forward to current year's revenue of about £20,000. For the current y our managers foreshadow a slightly lower grade of ore mill the new tonnage developed last year being of a lower aver of this company remains a sound one. Its liquid assets—cash the banks, stock of gold, investments in Government securiti and sundry debtors—exceed current liabilities by over £300,0 We have, besides, our mining interests in Canada, which are tal into the balance sheet at cost—some £132,000.

The report and accounts were unanimously adopted.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 13th, 1929:—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	4,400	From Revenue	9,144
Interest, &c., on Debt	1,642	Decrease in Balances	53
Sinking Fund	500		
Sundries	210		
Decrease in Debt	2,445		
	9,197		9,197

The total Ordinary Revenue for the week amounted to £9,144,200, as compared with £7,030,000 in the corresponding week last year. Property and Income Tax amounted to £2,571,000, and Super Tax to £1,220,000, against £2,850,000 and £890,000 respectively. Customs were higher at £2,569,000 against £1,350,000, but Excise was lower at £1,136,000 against £1,422,000. Ordinary Receipts brought in £5,200, as compared with £10,000, while Special Receipts were nil for both weeks. The National Debt was reduced by £2,445,000, as shown below:—

(000's omitted.)

	£
Treasury Bonds	— 725
Treasury Bills	— 1,270
National Savings Certificates	50
Sundries	400
	— 2,445

The floating debt was reduced by £1,270,000 to £745,410,000.

Financial Year, 1929–30, April 1 to April 13.

	£		£
Expenditure	35,777,851	Revenue	27,109,960
		Amount borrowed	5,284,612
		Decreases in balance	3,383,279
	35,777,851		35,777,851

Estimates for Financial Year, 1929–30.

	£		£
Expenditure	691,564,000*	Revenue	746,060,000
Sinking Fund	50,400,000		
Surplus	4,096,000		
	746,060,000		746,060,000

* This figure includes the new Exchequer Contributions of £15,560,000 to Local Revenues, &c.

Self-Balancing Revenue and Expenditure.

	£
Post Office	58,110,000
Road Fund	22,510,000
	80,620,000

Rating Relief Suspense Account.

	£		£
Balance on April 1, 1929	22,633,000	Cost of anticipating rate relief for Agriculture	2,570,000
		Balance on March 31, 1930	20,063,000
	22,633,000		22,633,000

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 31, 1929.	Apr. 13, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	13	13	12	12	12	12	12
4% Consolidated Loan	...	...	...	...	166	204	204	204	204
3½% Conversion Loan	...	...	709	760	740	832	832	832	832
4½% Conversion Loan	...	...	210	211	211	221	221	221	221
3½% War Stock	...	63	63	63	63	...	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,052	2,109	2,154	2,253	2,253	2,253	2,253
National War Bonds	...	1,509	778	706	556	194	111	64	64
4% Funding Loan	...	409	394	390	389	385	385	385	385
4% Victory Bonds	...	360	303	292	277	261	261	261	261
Treasury Bonds	...	...	499	482	454	675	773	762	760
Exchequer Bonds	20	323	15	15	15	16	16	16	16
National Savings Certs.	...	267	369	375	372	362	360	360	360
Other Debt*	...	1,306	1,124	1,111	1,103	1,097	1,094	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	576	565	599	527	788	700	707
Temporary Advances	1	243	167	139	117	162	28	37	38
	654	8,033	7,598	7,558	7,555	7,528	7,565	7,528	7,534
Other Capital Liabilities	57	46	68	75	98	103	103	88	88
Total Liabilities	711	8,079	7,666	7,633	7,653	7,631	7,768	7,616	7,622

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances Outstanding—	Apr. 14, '28. £	Mar. 31, '29. £	Apr. 13, '29. £	Movement Week ended Apr. 13, '29. £
Advances by Bank of England	...	...	...	...
Advances by Public Deptmts.	162,400,000	37,050,000	38,700,000	...
Treasury Bills Outstanding	519,975,000	700,295,000	706,710,000*	— 1,270,000
Total Floating Debt	682,375,000	737,345,000	745,410,000	— 1,270,000

* Includes £25,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bills, were opened on April 12, 1929, and the total amount applied for was £57,440,000. For bills at 3 months, dated Monday to Saturday, at £98 13s. 11d., about 13 per cent., above in full. The amounts allotted were in bills at 3 months, £40,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.	£	£	£ s. d.
February 8	35,000,000	52,695,000	5 2 5·68
February 15	30,000,000	41,430,000	5 5 3·43
February 22	30,000,000	39,545,000	5 3 8·78
March 1	35,000,000	40,330,000	5 4 6·06
March 8	30,000,000	33,190,000	5 6 8 41
March 15	35,000,000	46,695,000	5 6 9·26
March 22	35,000,000	46,515,000	5 5 1·71
March 28	45,000,000	50,430,000	5 7 0·87
April 5	40,000,000	63,280,000	5 5 9·16
April 12	40,000,000	57,440,000	5 4 2·39

PUBLIC INCOME AND EXPENDITURE.
RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Revenue and other Receipts.	Estimate for the Year 1929–30.	Total Receipts into the Exchequer from April 1, 1929, to Apr. 13, 1929.	Total Receipts into the Exchequer from April 1, 1928, to Apr. 14, 1928.	Week Ended Apr. 13, 1929.	Week Ended Apr. 14, 1928.
ORDINARY REVENUE.	£	£	£	£	£
Inland Revenue—					
Income Tax and House Duty		10,770,000	10,908,000	2,571,000	2,850,000
Super-Tax		2,830,000	2,560,000	1,220,000	890,000
Estate, &c., Duties		2,750,000	1,470,000	1,430,000	510,000
Stamps		520,000	420,000	420,000	200,000
Excess Profits Duties, &c.		...	...	...	...
Corporation Profits Tax		10,000	20,000	...	...
Land Tax and Mineral Rights Duty		50,000	30,000	40,000	20,000
Total Inland Revenue		16,930,000	15,408,000	5,681,000	4,570,000
Customs and Excise—					
Customs		4,110,000	2,974,000	2,569,000	1,350,000
Excise		1,801,000	2,242,000	1,136,000	1,422,000
Total Customs & Excise		5,911,000	5,216,000	3,705,000	2,772,000
Motor Vehicle Duties (Exchequer Share)		1,269,000	894,000	*Dr497000*	*Dr713000*
Post Office (Net Receipt)		*Dr. 100,000*	...	250,000	300,000
Crown Lands		...	...	...	...
Receipts from Sundry Loans		2,881,716	2,216,450	...	...
Miscellaneous:					
Ordinary Receipts		118,482	940,536	5,163	100,000
Special Receipts		99,762	290 804	...	...
Total Ordinary Revenue		27,109,960	24,965,790	9,144,163	7,030,000
SELF-BALANCING REVENUE.					
Post Office		1,800,000	1,700,000	650,000	700,000
Motor Vehicle Duties apportioned to Road Fund		1,316,000	1,606,000	1,316,000	1,606,000
Total Self-Balancing Revenue		3,116,000	3,306,000	1,966,000	2,306,000
Total		30,225,960	28,271,790	11,110,163	9,336,000
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		...	...	...	...
Under the Unemployment Insurance Acts, 1920 to 1928		...	214,432	...	214,432
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and Post Office and Telegraph (Money) Act, 1928		...	...	...	...
(b) Under the Unemployment Insurance Acts, 1920 to 1928		110,000	...	80,000	...
(c) For other Issues:					
By Treasury Bills		128,497,000	89,794,000	58,640,000	46,136,000
By National Savings Certificates		1,600,000	1,350,000	800,000	650,000
By 5 per cent. Treasury Bonds, 1933–35		...	58,185,000	...	235,000
By 4½ per cent. Treasury Bonds, 1932–34		26,100,000	...	125,000	...
(d) Ways and Means Advances		59,945,000	51,000,000	9,940,000	9,200,000
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		8,682	10,772	...	...
		246,486,642	228,825,994	80,695,163	65,771,432

Balances in Exchequer on 1st April:—	1929. £	1928. £			
Bank of England	5,515,917	5,918,513			
Bank of Ireland	736,607	404,112			
	6,252,524	6,322,625	...	...	
Total			252,739,166	235,148,619	80,695,163	65,771,432

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1929-30 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1929, to Apr. 13, 1929.	Apr. 1, 1928, to Apr. 14, 1928.	ISSUES Week Ended Apr. 13, 1929.	Week Ended Apr. 14, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt		18,987,000	19,975,723	1,641,769	758,696
Payments to Local Taxation Accounts		...	...	...	...
Payments to Northern Ireland Exchequer		6,606	...	6,606	...
Other Consolidated Fund Services		399,178	234,249	204,177	201,748
Supply Services (excluding Post Office)		15,150,000	15,250,000	4,400,000	4,650,000
Total Ordinary Expenditure		34,542,784	35,459,972	6,252,552	5,610,444
Sinking Fund		1,235,067	1,228,515	500,000	515,000
SELF-BALANCING EXPENDITURE.					
Post Office		1,800,000	1,700,000	650,000	700,000
Road Fund		1,316,000	1,606,000	1,316,000	1,606,000
Total Self-Balancing Expenditure		3,116,000	3,306,000	1,966,000	2,306,000
TOTAL		38,893,851	39,994,487	8,718,552	8,431,444
OTHER ISSUES.					
Temporary Advances—Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		...	18,458	...	18,458
Under the Unemployment Insurance Acts, 1920 to 1928		110,000	...	80,000	...
Issues to meet Capital Expenditure—Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		400,000	400,000	400,000	400,000
Unemployment Insur. Acts, 1920-28 Repayment of Amounts Borrowed		...	190,000	...	190,000
Redemption of Debt—Treasury Bills		122,075,000	96,765,000	59,910,000	46,095,000
Principal of National Savings Certificates		1,550,000	1,500,000	850,000	800,000
Principal of National War Bonds paid off		...	43,319,524	...	1,500,000
Principal of Treasury Bonds paid off		28,546,070	...	850,000	...
Ways and Means Advances Repaid		58,295,000	50,450,000	9,940,000	8,450,000
		249,869,921	232,637,469	80,748,552	65,884,902

Balances in Exchequer—	Apr. 13, 1929 £	Apr. 14, 1928 £			
Bank of England	2,040,855	2,039,268		−151,389	−184,470
Bank of Ireland	828,390	471,882	2,869,245	2,511,150 + 98,000	+ 71,000
Total			252,739,166	235,148,619 − 53,389	−113,470

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, April 17, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—			
In Circulation	358,940,958	Government Debt	11,015,100
In Banking Department	56,895,664	Other Government Securities	235,726,557
		Other Securities	8,430,376
		Silver Coin	4,827,967
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	155,836,622
	£415,836,622		£415,836,622

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	48,346,855
Rest	3,101,273	Other Securities—	
Public Deposits*	17,876,233	Discounts and Advances	£11,028,809
Other Deposits—		Securities	15,621,612
Bankers	£60,779,118		26,650,421
Other Accounts	36,016,599	Notes	56,895,664
	96,795,717	Gold and Silver Coin	435,161
7-Day and other Bills	1,878		
	£132,328,101		£132,328,101

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

Both Departments.	Amount April 17, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	358,940,958	− 3,190,021	− 14,330,327
Public deposits	17,876,233	+ 670,514	+ 515,305
Bankers' deposits	60,779,118	− 3,120,954	− 3,639,719
Other deposits	36,016,599	− 600,977	
	1,878	− 783	− 567
Seven-day bills	473,614,786	− 6,242,221	− 17,455,308
Total, outside liabilities	17,654,273	− 12,222	− 24,881
Capital and rest	295,088,512	− 4,696,163	+ 19,383,965
Government debt and securities	11,028,809	− 1,642,933	− 33,844,534
Discounts and advances	24,051,988	− 704,167	
Other securities	4,827,967	− 263	− 672,033
Silver coin in issue department	156,271,783	+ 789,083	− 2,347,587
Coin and bullion (bank's reserve)	57,330,825	+ 3,979,104	− 13,620,074
Reserve of notes and coin in banking department			
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	49¼%	+ 4⅛%	+ 12⅛%
(b) Gold stocks to deposits and notes ("reserve ratio")	32 11/16%	+ 11/16%	+ ⅛%

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
Feb. 27	410,897,002	352,253,215	13,966,893	57,040,301	36,661,690	389,932 in	5
Mar. 6	411,473,325	355,088,201	8,283,015	64,183,525	37,286,117	570,581 in	5
13	411,704,273	355,004,507	11,933,957	63,384,137	37,631,060	222,872 in	5
20	412,442,839	353,868,645	19,423,868	62,332,186	37,262,399	736,976 in	5
27	413,331,566	361,786,016	19,704,899	58,240,243	36,354,799	883,050 in	5
Apl. 3	414,045,537	363,319,286	17,795,531	67,268,161	37,307,929	702,684 in	5
10	415,042,703	362,130,979	17,205,719	63,900,072	36,617,576	963,053 in	5
17	415,836,622	358,940,958	17,876,233	60,779,118	36,016,599	760,357 in	5

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1929.	£	£	£ %	£	£	£	£ %
Feb. 27	245540332	9464764	151255517 32⅛	42976855	8353509	15593988	59902302 54⅛
Mar 6	245889099	9266559	151828798 32⅛	44796855	10379411	16115462	56740597 51⅛
13	245947010	9214076	152068880 32⅛	44836855	12517418	16809283	57064373 50⅞
20	246087611	9082594	152825852 32⅛	47916855	12582128	17865667	58957207 49⅛
27	246193740	8977312	153733551 32½	50586855	13003543	17065519	51947535 45⅞
Apl. 3	246215843	8955581	154467255 31⅛	59956855	13221208	16358125	51147969 41⅛
10	246507820	8663950	155482700 32⅛	53276855	12671742	16092205	53351721 45⅛
17	246741657	8430376	156271783 32⅛	48346855	11028809	15621612	57330825 49⅛

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to April 3	10,662,702	496,621	788,088	11,947,311
Week ended April 10	776,445	39,859	73,617	889,921
Week ended April 17	803,005	36,989	63,168	903,162
Total to date, 1929	12,242,152	573,369	924,873	13,740,394
Do. 1928	11,736,653	553,582	919,767	13,210,002
Increase or decrease in 1929	+ 505,499 = 4·3%	+ 19,787 = 3·6%	+ 5,106 = 0·5%	+ 530,392 = 4·0%
Total for year 1928	39,311,117	1,854,190	3,039,422	44,204,729
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Increase or decrease in 1928	+ 2,491,435 = 6·7%	+ 96,158 = 5·4%	+ 66,595 = 2·2%	+ 2,654,185 = 6·3%

PROVINCIAL CLEARING RETURNS.

	Month of March. 1928.	Month of March. 1929.	Month of March. %	Aggregate Weekly Totals to April 13. 1928.	Aggregate Weekly Totals to April 13. 1929.
Number of Working Days	27	25			
	£	£		£	£
BIRMINGHAM	12,789,000	11,942,000	− 6·6	41,018,100	41,283,100
BRADFORD	7,018,000	5,891,000	− 16	...	...
BRISTOL	5,766,000	5,294,000	− 8·1	18,060,000	18,393,000
DUBLIN	...	...	...	74,417,000	75,523,900
HULL	4,308,000	3,978,000	− 7·6	14,326,900	13,986,200
LEEDS	4,248,000	4,379,000	+ 3	15,442,500	15,621,100
LEICESTER	4,183,000	3,592,000	− 14·1	13,610,700	12,820,200
LIVERPOOL	37,941,000	34,159,000	− 9·9	129,057,900	123,291,300
MANCHESTER	62,536,000	57,971,000	− 7·2	208,223,500	197,899,200
NEWCASTLE-ON-TYNE	6,992,000	6,480,000	− 7·3	22,684,700	21,677,400
NOTTINGHAM	2,993,000	2,812,000	− 6	9,859,200	9,828,700
SHEFFIELD	4,821,000	4,675,000	− 3	15,721,800	15,759,500
Total	153,595,000	141,173,000	− 8	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Roumania appeared in the *Economist* of Mar. 23; Poland, Canada, Russia, and Lithuania; Denmark and Danzig in April 13.

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

RESOURCES.	Apr. 18, 1929.	Apr. 11, 1929.	Apr. 4, 1929.	Mar. 28, 1929.	Apr. 19, 1928.
Total gold reserves	2,779,480	2,774,780	2,719,210	2,709,260	2,719,440
Total bills discounted	994,300	963,530	1,029,850	1,024,130	619,620
Bills bought in open market	141,030	157,320	174,700	208,430	350,760
Total U.S. Govt. securities	161,430	166,090	169,060	170,310	340,690
Total bills and securities	1,310,160	1,293,780	1,380,460	1,409,710	1,312,050
Total resources	5,214,090	5,054,050	5,146,970	5,107,310	5,088,980
LIABILITIES.					
Federal Reserve notes in actual circulation	1,653,230	1,657,720	1,663,650	1,652,880	1,582,010
Deposits—Memberbank—reserve account	2,302,390	2,301,940	2,335,300	2,332,180	2,392,350
Total deposits	2,379,770	2,339,840	2,382,480	2,383,390	2,423,270
Capital paid in and surplus	409,530	409,280	408,700	408,710	370,930
Total liabilities	5,214,090	5,054,050	5,146,970	5,107,310	5,088,980
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	73·3%	73·8%	71·5%	71·3%	72·0%

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

ASSETS.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 8, 1929.	Mar. 1, 1929.	Feb. 22, 1929.	Mar. 23, 1928.
Gold coin and bullion	7,557	7,815	7,538	7,623	7,757	6,344
Subsidiary coin	110	110	109	106	117	185
Bills discounted	8,902	7,597	8,300	9,560	7,998	8,661
Investments	700	667	651	782	710	576
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	8,023	8,231	8,695	9,419	8,088	7,511
Government deposits	1,951	1,883	1,517	1,699	2,038	2,201
Bankers' deposits	5,440	5,322	5,045	5,001	4,964	4,891
Ratio of cash reserves to liabilities to public	48·4%	50·2%	48·3%	46·3%	50·9%	47·0%

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

	Apr. 18, 1929.	Apr. 11, 1929.	Apr. 4, 1929.	Mar. 28, 1929.	Apr. 19, 1928.
Total bills discounted	260,000	246,740	235,530	299,170	153,030
Bills bought in open market	20,090	20,410	26,880	35,820	82,330
Total U.S. Govt. securities	19,530	19,400	25,530	20,150	67,530
Total bills and securities	303,270	288,640	288,030	357,240	302,880
Deposits — Memberbank — reserve account	905,480	913,500	939,100	938,780	946,080
Ratio of total res. to dep. and Federal Res. note liabilities combined	3 0·4%	81·9%	81·0%	77·3%	79·4%

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

ASSETS.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 8, 1929.	Mar. 1, 1929.	Feb. 22, 1929.	Mar. 23, 1928.
Total securities	21,44,01	21,38,47	21,37,01	21,42,64	21,20,08	21,10,13
Loans	12,70,67	14,32,51	13,66,64	14,20,51	16,66,09	13,09,44
Cash credits	31,83,82	32,58,86	32,79,14	32,75,31	31,99,26	31,15,39
Inland bills	11,69,39	11,96,73	11,88,22	11,73,90	12,59,95	15,42,89
Foreign bills	31,83	35,35	33,99	38,12	44,99	42,98
Dead stock	2,83,87	2,83,75	2,83,37	2,83,14	2,83,36	2,78,85
Bal. with other banks	13,35	18,65	14,90	2,77	30,46	12,42
Cash	11,63,46	10,52,06	10,31,51	13,34,35	12,02,35	10,55,28
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,22,50	5,12,50
Total deposits	77,41,70	76,55,43	75,84,07	79,28,84	78,14,25	76,55,55
The above includes— Deposits in London	838	936	928	846	1,077	935
Advances in London	882	906	918	912	887	940
Cash, etc., at other Banks in London	101	142	106	15	225	91

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

ASSETS.	Apr. 12, 1929.	Apr. 5, 1929.	Mar. 29, 1929.	Mar. 22, 1929.	Mar. 15, 1929.
Gold	34,323,084	34,190,820	34,186,454	34,121,356	34,034,736
Foreign assets					
Sight deposits	10,318,867	10,610,479	10,577,365	10,709,977	10,965,483
Bills discounted	18,450,786	18,427,303	18,332,958	18,322,815	18,308,443
Commercial bills discounted at home	5,580,331	6,029,640	6,837,904	4,897,439	4,566,347
Advances against sec.					
To the State	9,130,000	9,130,000	9,130,000	9,130,000	9,130,000
Other advances	2,375,329	2,463,598	2,321,795	2,330,272	2,384,467
Other assets (excluding forward exch.)	3,265,776	3,382,146	2,959,250	3,263,862	3,386,203
LIABILITIES.					
Notes in circulation	63,317,358	64,123,948	64,574,941	62,627,198	62,879,764
Public deposits	11,941,469	11,282,374	11,616,752	11,421,153	11,534,489
Private deposits	5,748,571	6,427,392	6,263,253	6,415,797	6,261,245
Other liabilities	2,436,777	2,315,311	1,991,272	2,121,196	2,100,222

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

ASSETS.	Apr. 13, 1929.	Apr. 6, 1929.	Mar. 28, 1929.	Apr. 14, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,429,866	2,579,525	2,682,702	2,019,231
Of which deposited abroad	154,344	140,944	129,748	85,626
Reserve in foreign currencies	23,674	33,695	35,956	194,068
Bills of exchange and cheques	2,197,804	2,292,190	2,352,777	2,248,662
Silver and other coin	133,812	113,985	107,042	66,344
Notes of other German banks	22,579	18,491	8,508	23,200
Advances	121,078	96,548	135,052	39,584
Investments	92,981	93,092	93,136	94,004
Other assets	488,448	567,657	550,794	527,862
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	319,608	319,608	284,205
Notes in circulation	4,145,211	4,446,672	4,821,986	3,996,521
Other daily maturing obligations	670,294	668,538	478,091	613,923
Other liabilities	252,341	237,577	223,494	196,118

* Equal to one billion paper marks or one Rentenmark.

The gold reserve is calculated in accordance with the new legal prescription of one pound of fine gold equals 1,392 Reichsmarks.

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

ASSETS.	Apr. 11, 1929.	Apr. 4, 1929.	Mar. 28, 1929.	Mar. 21, 1929.	Apr. 12, 1928.	Position, May 28, 1914.
Gold	908,841	907,768	907,758	907,681	758,418	(b)
Foreign Bills and Balances Abroad	496,342	487,814	488,185	463,806	454,179	232,650
Silver and other coin	1,422	1,504	1,434	1,474	2,337	
Securities	756,535	738,856	745,802	728,508	529,792	697,600
LIABILITIES.						
Notes in circulation	2,461,160	2,442,869	2,412,383	2,380,055	2,134,459	934,150
Current accounts	91,940	67,312	89,284	87,649	65,746	112,125

(b) In thousand francs.

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

ASSETS.	Apr. 8, 1929.	Apr. 2, 1929.	Mar. 25, 1929.	Mar. 18, 1929.	Apr. 10, 1928.	Position, May 30, 1914.
Gold	422,470	422,479	422,498	434,313	435,177	163,092
Silver	20,918	20,751	21,491	21,233	25,523	8,436
Dects. and advances	340,364	389,716	294,842	308,979	369,270	153,504
LIABILITIES.						
Notes in circulation	810,462	834,968	782,734	783,133	807,465	316,632
Deposits	14,683	20,525	9,489	11,479	42,253	5,016

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

ASSETS.	Apr. 6, 1929.	Mar. 30, 1929.	Mar. 23, 1929.	Mar. 15, 1929.	Apr. 4, 1928.	Position, May 31, 1914.
Gold	481,238	481,275	481,318	481,416	432,087	171,175
Silver	43,295	44,537	45,546	45,331	60,063	18,350
Foreign Bills and Balances abroad	221,163	217,633	201,603	159,442	...	...
Discounts	152,513	168,782	139,689	137,370	204,392	...
Advances	70,333	73,580	68,677	64,749	65,294	103,000
LIABILITIES.						
Notes in circulation	845,617	885,825	802,275	805,255	842,132	275,925
Deposits	114,395	110,777	119,632	82,208	79,940	33,750

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

ASSETS.	Apr. 13, 1929.	Apr. 6, 1929.	Mar. 30, 1929.	Mar. 23, 1929.	Apr. 14, 1928.	Position May 30, 1914.
Gold	185,700	185,600	186,900	186,800	173,028	22,971
Silver					18,946	29,785
Discounts, advances, and other investments	128,600	128,700	127,800	133,700	126,248	77,567
LIABILITIES.						
Notes in circulation	306,200	308,300	304,200	307,800	311,183	109,499
Deposits and bills payable	35,700	38,000	43,000	41,600	38,827	11,250

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

ASSETS.	Apr. 13, 1929.	Apr. 6, 1929.	Mar. 30, 1929.	Mar. 16, 1929.	Apr. 14, 1928.
Gold	234,796	234,888	234,975	235,199	232,352
Government securities—Swedish	6,001	6,001	6,001	6,001	11,027
,, ,, Foreign	73,774	73,774	73,774	73,774	105,524
Other Swedish bonds quoted on foreign bourses	740	743	743	743	1,640
Bills payable in Sweden†	239,789	263,582	253,585	212,283	220,631
,, ,, abroad	67,785	78,347	77,238	79,763	24,373
Balance abroad	35,747	31,864	37,618	37,168	45,479
Advances made on government securities and bonds†	39,586	39,906	56,600	57,690	48,774
LIABILITIES.					
Notes in circulation	476,629	495,997	543,845	481,653	467,987
Government deposits	185,109	178,811	167,501	174,662	181,388
Private deposits	4,255	17,030	5,709	3,972	19,976

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are *not* available as cover for the note issue.

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

ASSETS.	Apr. 8 1929.	Mar. 30, 1929.	Mar. 22, 1929.	Apr. 7, 1928.	Position May 31, 1914.
Coin and bullion—Gold	146,834	146,835	146,835	147,235	44,224
Balance abroad and foreign bills	48,005	48,960	43,188	60,799	28,533
Norwegian and Foreign Government securities	9,345	9,345	9,345	10,047	8,816
Discounts and loans	262,634	273,500	266,471	285,122	769,110
LIABILITIES.					
Notes in circulation	305,917	311,802	300,987	325,605	113,484
Deposits at sight	94,908	97,958	92,583	123,488	7,185

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

ASSETS.	Mar. 30, 1929.	Mar. 20, 1929.	Mar. 10, 1929.	Feb. 28, 1929.	Feb. 20, 1929.
Gold, coin and bullion	5,125,100	5,113,400	5,077,538	5,058,611	5,058,567
Foreign bills and balances abroad	5,333,200	5,315,900	5,401,577	5,516,558	5,683,916
Other cash	238,300	243,700	251,447	221,909	207,191
Gold deposited abroad due by the State	1,824,700	1,836,200	1,836,187	1,836,187	1,836,187
Discounts	3,699,200	3,513,300	3,439,658	3,475,134	3,421,040
Advances	1,514,400	1,498,200	1,584,086	1,730,214	1,082,381
Credit with "Istituto di Liquidazioni"	1,097,400	1,077,300	1,077,341	1,077,341	1,077,341
Government securities	1,042,500	1,042,900	1,042,929	1,041,702	1,043,318
LIABILITIES.					
Notes in circulation	16,349,900	15,894,500	16,060,113	16,197,258	15,940,030
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	2,121,300	2,191,600	2,146,178	2,339,829	2,632,842
Ratio of reserve to note and sight liabilities combined	55·72%	56·72%	56·63%	56·14%	56·92%

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

ASSETS.	Apr. 13, 1929.	Apr. 6, 1929.	Mar. 30, 1929.	Mar. 23, 1929.	Apr. 14, 1928.	Position, May 30, 1914.
Gold	2,559,749	2,559,685	2,559,635	2,559,587	2,607,978	521,775
Silver	714,673	714,390	715,896	716,108	697,540	728,600
*Loans & Discounts	1,885,196	1,969,984	1,908,962	1,899,221	1,854,847	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,311,467	4,333,190	4,243,174	4,238,667	4,283,396	901,550
Deposits	1,040,410	992,217	986,859	959,049	1,037,300	477,500

* Including 91 million pesetas lent to the State.

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

ASSETS.	Apr. 3, 1929.	Mar. 27, 1929.	Mar. 20, 1929.	Mar. 13, 1929.	Apr. 4, 1928.
Coin and bullion	9,699	9,754	9,899	9,991	9,173
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	321,316	326,164	327,602	332,635	190,934
Discounts	275,745	280,699	275,072	279,312	253,553
Government loans	1,743,816	1,748,651	1,749,784	1,754,194	1,615,680
LIABILITIES.					
Notes in circulation	1,861,869	1,851,898	1,848,474	1,873,647	1,879,060
Deposits	64,122	72,021	67,589	71,116	69,265

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

ASSETS.	Apr. 7, 1929.	Mar. 31, 1929.	Mar. 23, 1929.	Mar. 15, 1929.	Apr. 7, 1928.
Cash Reserve—					
Gold coin and bullion	168,752	168,752	168,752	168,752	117,199
Foreign exchange	205,216	209,932	208,010	206,917	299,368
Other foreign exchange†	352,910	357,458	356,677	356,291	270,447
Bills discounted	174,121	188,088	113,313	131,232	100,046
Advances	109,862	109,908	112,385	112,385	167,853
LIABILITIES.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	9,283	9,283	9,283	9,283	9,167
Notes in circulation	929,404	1,004,015	863,222	892,209	902,847
Deposits	85,014	32,955	99,333	86,875	54,138

† In dollar and sterling only.

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

ASSETS.	Apr. 7, 1929.	Mar. 31, 1929.	Mar. 23, 1929.	Mar. 15, 1929.	Apr. 7, 1928.
Metal reserve—					
Gold coin and bullion	204,426	204,426	204,428	204,427	196,529
Drafts and notes	17,183	21,790	28,835	37,674	96,624
Silver coin and bullion	10,048	9,976	10,447	10,068	789
Inland bills, warrants and securities	329,176	345,371	301,819	299,909	302,530
Advances to the Treasury	92,257	92,296	92,296	92,296	285,091
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	423,359	458,308	392,876	405,350	421,696
Current accounts, deposits, &c.	204,711	198,181	237,705	233,654	301,581

* Calculated at pre-war parity of exchange.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

ASSETS.	Apr. 7, 1929.	Mar. 31, 1929.	Mar. 23, 1929.	Mar. 15, 1929.	Apr. 7 1928.
Gold and silver holdings	1,206,192	1,206,189	1,206,004	1,205,987	1,117,958
Balances abroad and foreign currency	1,769,682	1,780,797	1,784,128	1,786,054	1,766,024
Discounts and advances	548,276	595,796	217,903	215,425	238,102
State notes debt balance	4,034,596	4,037,568	4,038,713	4,042,974	4,356,411
Other assets	735,153	752,486	833,796	830,028	872,309
LIABILITIES.					
Bank notes in circulation	6,925,410	7,333,033	6,497,883	6,582,304	6,923,772
Check account balances	676,978	349,651	837,688	770,963	719,773
Other liabilities	218,918	217,558	272,379	254,607	274,634

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

ASSETS.	Apr. 8, 1929.	Mar. 31, 1929.	Mar. 22, 1929.	Mar. 15, 1929.	Apr. 8, 1928.
Gold	91,948	91,766	91,591	91,542	89,586
Other coin and notes	18,675	18,386	18,058	18,668	18,135
Foreign credits	194,264	191,102	189,126	178,587	280,964
Bills	1,409,182	1,339,298	1,336,906	1,357,617	1,331,824
Government advances	4,201,055	4,201,054	4,201,054	4,201,167	4,338,651
LIABILITIES.					
Notes in circulation	5,273,030	5,265,296	5,085,497	5,167,142	5,481,939
State credits	227,782	227,781	227,780	227,893	299,631
Deposits	996,593	1,020,315	1,119,382	1,033,680	978,028

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

ASSETS.	Mar. 31 1929.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 7, 1929.	Mar. 31, 1928.
Gold and silver holdings	1,512,106	1,507,962	1,505,741	1,503,628	1,454,040
Balances abroad and foreign currencies	2,953,292	2,966,520	2,943,349	2,983,071	429,413
Discounts and advances	1,485,316	1,461,876	1,425,000	1,399,719	1,288,413
Advances to the Treasury	3,685,241	3,685,241	3,685,241	3,685,241	4,470,613
LIABILITIES.					
Capital paid up	500,000	500,000	500,000	500,000	516,422
Reserves	1,164,167	1,164,167	1,164,206	1,164,206	1,124,063
Bank notes in circulation	4,100,715	3,932,074	3,915,515	3,920,470	3,637,827
Sight liabilities	3,082,042	3,193,353	3,137,347	3,157,719	1,198,644
Deposits	469,723	470,115	470,591	470,661	1,404,473

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

ASSETS.	Mar. 31, 1929.	Mar. 23, 1929.	Mar. 15, 1929.	Mar. 7, 1929.	Feb. 28, 1929.
Gold	564,866	563,760	562,148	560,725	560,444
Gold exchange	4,586,474	4,421,211	4,542,043	4,555,770	4,603,136
Other foreign exchange	1,283	1,289	211	2,011	1,719
Bills discounted	44,455	48,242	49,574	52,114	53,860
Advances	78,642	73,679	77,471	74,843	73,592
Debt to the State	3,789,638	3,789,638	3,789,638	3,789,638	3,789,638
LIABILITIES.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,487,985	5,488,600	5,535,413	5,549,853	5,465,262
Deposits and current accounts	2,122,398	1,960,464	2,036,713	2,049,428	2,136,212
Foreign exchange liabilities	1,115,506	1,109,338	1,114,807	1,108,222	1,158,442

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

ASSETS.	Apr. 10, 1929.	Apr. 3, 1929.	Mar. 27, 1929.	Mar. 20, 1929.	Mar. 13, 1929.	Apr. 11, 1928
Gold bullion and coins	23,811	23,810	23,807	23,802	23,777	23,700
Silver coin	4,702	4,640	4,721	4,754	4,713	3,900
Balance abroad	62,854	66,173	64,790	64,279	66,004	70,675
Treas. notes and sm. change	9,839	8,144	8,563	10,744	10,818	8,706
Short term bills	84,868	85,508	84,049	82,723	82,521	81,483
Loans against securities	51,707	50,949	50,240	48,921	47,646	43,169
Other assets	15,841	15,255	15,350	15,610	15,414	12,229
LIABILITIES.						
Notes in circulation	45,611	47,205	45,687	43,824	43,257	41,404
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,385
Reserve	3,091	3,091	3,091	3,091	3,091	2,612
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,547	12,588	12,520	12,528	12,571	10,950
Current accounts	58,295	57,695	62,669	59,784	64,205	49,293
Government accounts	103,973	103,057	97,035	100,697	101,340	114,769
Other liabilities	12,025	12,763	12,437	12,828	8,349	7,919

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

ASSETS.	Mar. 30, 1929.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 31, 1928.	Position, May 30,1914
Gold	302,279	302,499	302,881	313,595	35,091
Balance abroad and foreign bills	719,366	749,755	756,636	1,112,782	90,379
Finnish and Foreign Government securities	301,708	301,708	301,708	338,443	21,826
Discounts and loans	1,500,685	1,477,012	1,478,207	952,302	105,151
LIABILITIES.					
Notes in circulation	1,596,011	1,539,257	1,544,167	1,643,889	123.941
Deposits at notice	236,264	288,808	306,753	235,961	21,225

BANK OF ESTONIA.—In Est. kroon (000's omitted).

ASSETS.	Apr. 7, 1929.	Mar. 31, 1929.	Mar. 23, 1929.	Mar. 15, 1929.	Apr. 7, 1928.
Gold coin and bullion	6,243	6,243	6,234	6,234	10,281
Net foreign exchange	21,869	22,257	22,240	22,692	29,188
Subsidiary Estonian coin	752	579	570	814	661
Home bills discounted	14,793	15,291	15,278	14,778	8,842
Loans and advances*	15,525	16,337	15,638	15,692	18,868
LIABILITIES.					
Notes in circulation	34,656	36,259	36,649	34,243	38,680
Sight deposits and current accounts	19,538	19,736	18,875	21,007	22,047
Ratio of reserve to current liabilities	51·87%	50·89%	51·28%	52·35%	64·99%

* Includes Ekr. 11,493,657·64, guaranteed by the Government.

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

ASSETS.	Mar. 23, 1929.	Mar. 16, 1929.	Mar. 9, 1929.	Mar. 2, 1929.	Mar. 24, 1928.	Position June 30,1914
Cash & bullion	1,120,025	1,119,339	1,117,419	1,116,420	1,123,356	221,320
Discounts	706,171	706,680	710,369	721,427	756,698	41,740
Advances	75,240	74,852	75,115	79,481	82,264	70,540
LIABILITIES.						
Notes	1,207,631	1,163,321	1,176,368	1,278,260	1,211,391	362,270
Govt. deposits	566,485	569,357	568,441	520,090	718,946	87,340
Other deposits	389,359	395,819	385,030	309,985	254,752	11,440

NATIONAL BANK OF EGYPT.—In £E (000's omitted).

ASSETS.	Feb. 28, 1929.	Jan. 31, 1929.	Nov. 30, 1928.	Oct. 31, 1928.	Feb. 29, 1928.	Position, May 31, 1914.
Gold	3,602	3,602	3,845	3,729	3,806	1,571
Govt. securities	47,494	47,785	50,380	51,095	44,680	2,084
LIABILITIES.						
Notes in circulation	27,530	28,443	31,443	31,637	28,479	2,400
Govt. deposits	20,649	21,148	21,466	19,618	17,654	2,315
Other deposits	17,905	18,085	18,145	17,208	17,738	2,600

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

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

ASSETS.	Mar. 15, 1929.	Mar. 8, 1929.	Mar. 1, 1929.	Feb. 22, 1929.	Mar. 16, 1928.
Gold at home	60,692	60,700	60,713	60,700	61,247
Gold abroad	409,890	413,587	434,470	422,930	462,505
Discounts and advances	91,099	97,824	77,783	82,306	16,202
Loans to Government	...	...	...	...	11,155
LIABILITIES.					
Notes of the bank in circulation	355,144	359,354	357,470	345,254	293,962
Government notes in circulation	16,139	16,222	16,305	16,350	38,028
Deposits	117,995	118,485	120,415	103,701	137,177
Drafts	12,789	12,789	20,205	23,022	3,805
Paid-up capital	90,625	90,625	90,625	90 625	89,523

LONDON RATES.

	Apr. 11, 1929.	Apr. 12, 1929.	Apr. 13, 1929.	Apr. 15, 1929.	Apr. 16, 1929.	Apr. 17, 1929.	Apr. 18, 1929.
Bank rate (changed from 4½% Feb. 7, 1929)	% 5½	% 5½	% 5½	% 5½	% 5½	% 5½	% 5½
Market rates of discount—							
60 days' bankers' drafts	5⅝ ‡	5⅝ ‡	5⅝ ‡	5½	5½	5½	5½
3 months' do.	5½ ‡	5½	5½	5½	5½	5½	5½
4 months' do.	5 ‡	5½	5½	5½	5½	5½	5½
6 months' do.	5⅜	5⅜ ‡	5½	5⅜	5½	5½	5½
Discount (Treasury Bills)—							
2 months'	5⅜	5⅜ ‡	5⅜ ‡	5½	5½	5½	5½
3 months'†	5⅜	5⅜ ‡	5⅜ ‡	5½	5½	5½	5½
Loans—Day to day	4 ‡	4½ ‡	3½	4 ‡	3½	5 ‡	5 ‡
Short	4½	4½	4½	4½	4½	5½	5 ‡
Deposit allowances: Banks	3½	3½	3½	3½	3½	4½	4 ‡
Discount houses at call	3½	3½	3½	3½	3½	4½	4½
At notice	3½	3½	3½	3½	3½	4½	4½

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months	Trade Bills. 6 Months
1929.	%	%	%	%	%	%	%
Mar. 27	4½ ‡ 5	5⅝	5⅝	5⅝ ‡	5½ ‡	5⅝ 6	6 6½
Apr. 4	4½ ‡	5⅝	5⅝	5⅝	5½ ‡	5⅝ 6	6 6½
11	4 ‡	5½ ‡	5⅝	5⅝	5½	5⅝ 6	6 6½
18	4½ ‡	5½ ‡	5⅝	5⅝ ‡	5½	5⅝ 6	6 6½

RATES OF EXCHANGE.

London on		Usance	Par.	April 19, 1928.	April 11, 1929.	April 18, 1929.
New York	dollars to £1	Cable	4·86⅝	4·86 7/16–½	4·85 5/16–⅜	4·85 11/16–¾
Montreal	dollars to £1	Cable	4·86⅝	4·86–4·86 1/16	4·88⅛–89	4·89–⅛
Paris	francs to £1	T.T.	124·21	123 11/16–¾	124·23–·28	124·25–·28
Berlin	marks to £1	T.T.	20·43	20·42–½	20·46½–·47	20·46½–·47½
Amsterdam	florins to £1	T.T.	12·107	12·10½–½	12·09½–·09½	12·07½–·08½
Brussels	belga to £1	T.T.	35·00	34·96½–7½	34·95–·95½	34·95½–½
Milan	lire to £1	T.T.	92·46	92·55–60	92·72–·76	92·67–·70
Berne	francs to £1	T.T.	25·22	25·32½–½	25·21½–·22	25·21½–·22
Oslo	kroner to £1	T.T.	18·159	18·24½–½	18·19½–·20½	18·19½–·20½
Stockholm	kronor to £1	T.T.	18·159	18·18½–½	18·18½–·18½	18·16½–·17½
Copenhagen	kroner to £1	T.T.	18·159	18·20–½	18·20½–·21	18·20½–·21
Madrid	pesetas to £1	T.T.	25·22½	29·11–13	32 63–68	32·87–·92
Lisbon	escudo to £1	T.T.	4·50	2 3/16–⅛	108–108½	108–108½
Vienna	schllgs. to £1	T.T.	34·58½	34·71–3	34·55–·58	34·56–·8
Prague	krone to £1	T.T.	24·02(a)	164 21/32–11/16	163½–164½	163½–4½
Belgrade	dinars to £1	T.T.	25·22½	277–8	276–276½	276–½
Budapest	pengo to £1	T.T.	27·82	27·95–9	27·85–·89	27·85–·89
Bukarest	lei to £1	T.T.	813·6	777–82	817–820	815–22
Sofia	leva to £1	T.T.	25·22½	672–7	672–676	671–5
Athens	drachmæ to £1	T.T.	375	371–3	374½–375	374½–5
Constantin'ple	piastres to £1	T.T.	110	955·8	984–988	985–90
Warsaw	zloty to £1	T.T.	43·38	43½–½	43 3/16–¼	43 3/16–43¼
Helsingfors	F. marks to £1	T.T.	193·23	193½–4½	192½–193½	192½–193½
Kovno	lits to £1	T.T.	48·66	48½–9½	48½–49½	48½–49½
Reval	kroon to £1	T.T.	18·159	18·00–18·40	18·16–·23	18·16–·23
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15–·25	25·15–·25
Alexandria	piastres to £1	Sight	97½	97 11/16–¾	97 7/16–½	97 7/16–97½
Buenos Aires	pence to peso	T.T.	47·62d.	47 13/16–¾	47 7/16–½	47 7/16–½
Rio de Janeiro	pence to mils.	90 days	16	5 13/16–⅞	5 7/16–½	5 7/16–½
Montevideo	pence to peso	T.T.	51	50½–1½	49–49½	48 13/16–49½
Valparaiso	dollars to £1	90 days	40	39·62	39·50	39·58
Lima	Eng. to Per. £1	90 days	par	20 1/16% prem.	19 1/16% prem.	19 1/16% prem.
Calcutta	pence to rupee	T.T.	18	1/6 5/32	1/5 13/32–7/16	1/5 13/32–7/16
Bombay	pence to rupee	T.T.	18	1/6 5/32	1/5 13/32–7/16	1/5 13/32–7/16
Madras	pence to rupee	T.T.	18	1/6 5/32	1/5 13/32–7/16	1/5 13/32–7/16
Hong Kong	ster. to dollar	T.T.	—	2/0 1/32–⅛	1/11 29/32–2/0 1/16	1/11 29/32–2/0 1/16
Shanghai	ster. to tael	T.T.	—	2/0 1/32–⅛	1/11 29/32–2/0 1/16	1/11 29/32–2/0 1/16
Singapore	ster. to dollar	T.T.	—	2/0 1/32–⅛	1/11 29/32–2/0 1/16	1/11 29/32–2/0 1/16
Kobe	ster. to yen	T.T.	2s. 4d.	2/3 31/32–⅞	2/6–2/6 1/16	2/6–2/6⅛
Manila	ster. to peso	T.T.	24·58d.	2/3 31/32–⅞	2/3 29/32–2/3 31/32	2/3 29/32–2/3 31/32
Mexico	pesos to £	T.T.	24·066d.	1/11 31/32–2/0 1/32	1/10 31/32–2/0 1/32	1/9 31/32–2/0 1/32
			9·76	†2s. 0 3/32d.	†2s. 0 3/32d.	†2s. 0 3/32d.
				24·¼ (b)	†2/0 1/16	†2/0 1/16
					9·90–10·30	10·0–10·50

† Rate for previous day. ‡ Pence to escudo.

(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, i.e., approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Mar. 23, 1929	5½	Oslo	Mar. 26, 1928	5½
Athens	Dec. 2, 1928	9	Paris	Jan. 19, 1928	3½
Belgrade	July 26, 1921	6	Prague	Mar. 8, 1927	5
Berlin	Jan. 12, 1929	6½	Pretoria	Jan. 9, 1928	5½
Brussels	June 30, 1928	4	Reval	Jan. 2, 1928	7½
Bucharest	Sept. 4, 1920	6	Riga	April 1, 1928	6½ / 7†
Budapest	Oct. 1, 1928	7			
Calcutta	April 11, 1929	7	Rome	Mar. 13, 1929	7
Copenhagen	June 23, 1927	5	Sofia	Dec. 15, 1928	9
Danzig	June 20, 1927	6	Stockholm	Aug. 24, 1928	4½
Helsingfors	Nov. 15, 1928	7	Swiss Bank places	Oct. 22, 1925	3½
Kovno	Feb. 8, 1925	7	Tokio	Oct. 18, 1927	5·48
Lisbon	July 28, 1926	8	Vienna	July 16, 1928	6½
New York Federal Reserve	July 12, 1928	5	Warsaw	May 13, 1927	8
Madrid	Dec. 19, 1928	5½	Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.

† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.

† 7% applied to banks, &c., charging more than 11% p.a. for their loans

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	Apr. 18, 1928.	Mar. 20, 1929.	Mar. 27, 1929.	Apr. 3, 1929.	Apr. 11, 1929.	Apr. 18, 1929.
	%	%	%	%	%	%
Call money	4½	9	15	10	8	8
Time money (90 days' mixed coll.)	5	8	8	8½	8½	9
Bank acceptances :—	Selling Rates.					
Members—eligible, 90 days	4	5⅛	5⅛	5⅛	5⅛	5⅛
Non-mem.—eligible, 90 days	4	5⅛	5⅛	5⅛	5⅛	5⅛
Ineligible, 90 days	4⅛	6	6⅛	6⅛	6⅛	6⅛
Commercial accept. 90 days	4⅛	5⅛	5⅛	5⅛	5⅛	5⅛

Rates of Exchange, New York on—		Par Level.	Apr. 18, 1928.	Apr. 3, 1929.	Apr. 11, 1929.	Apr. 18, 1929.
London—						
60 days	Dollars for £1	4·8666	4·8425	4·79 31/32	4·80 1/32	4·80 1/32
Cable			4·8837	4·85 1/32	4·85 1/16	4·85 3/32
Paris cheques	Cents for 1 franc	3·918	3·9356	3·9050	3·90 1/16	3·90 1/16
Brussels	Cents for 1 Belga	13·90	13·965	13·89	13·885	13·89
Switzerland	Cents for 1 franc	19·30	19 2775	19·23	19·24	19·24
Italy	Cents for 1 lire	5·263	5·2775	5·23	5·23	5·235
Berlin	Cents for 1 mark	23·81	23·8925	23·69	23·685	23·69
Vienna	Cts. for Austrn. shlg	14·07	14·08	14·06	14·04	14·04
Madrid	Cents for 1 peseta	19·30	16·79	15·10	14·89	14·81
Amsterdam	Cents for 1 guilder	40·195	40·3225	40·03	40·085	40·12
Copenhagen	Cents for 1 kroner	26·80	26·83	26·625	26·635	26·645
Oslo			26·76	26·54	26·645	26·655
Stockholm			26·86	26·58	26·675	26·70
Athens	Cents for 1 drachma	1·297	1·3125	1·29⅜	1·29⅛	1·29⅛
Montreal	Can. Cents for $1	100	⅛ prem.	⅜ dis.	⅛ dis.	⅛ dis.
Yokohama	Cents for 1 yen	49·85	47·50	44·5	44·50	44·20
Hong Kong	Cents for H.Kong $	...	50	48·75	48·75	48·70
Shanghai	Cts. for 1 Shng. tael	...	63·50	61·80	61·45	61·35
Calcutta	Cents for 1 rupee	36·50	36·55	36·32	36·27	36·24
Buenos Aires	Gold Pesos for $100	103·65	103	104·80	104·75	104·75
Rio de Janeiro	Cents for 1 milreis	32·42	12·03	11·79	11·95	11·90
Valparaiso	Cents for 1 peso	12·125	12·25	12·07	12·07	12·07

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·38
Venezuela	Bolivares to £	25·25	"	25·18
Colombia (Bogota)	Pesos to £1	5	"	5·04
Nicaragua	Cordobas to £	4·8665	"	4·92
Salvador	Colones to £	9·73	"	9·82
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Union of South Africa. From February 6, 1928. London on South Africa. Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Union of South Africa. From February 18, 1929. South Africa on London. Selling.
T.T.	—	⅛% dis.	par to ⅛% pm.	⅛% prem.
Demand	1⅛% dis.	⅛% "	⅛% dis.	⅛ to ¼% "
30 days	1⅛% "	¼% "	⅛% "	¼% "
60 days	2⅛% "	⅜% "	⅛% "	⅜% "
90 days	3% "	⅝% "	1⅛% "	⅝% "
120 days	3⅛% "	1⅛% "	2⅛% "	...

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	London on Australia and New Zealand. Buying. New Zealand.	London on Australia and New Zealand. Selling. Australia.	London on Australia and New Zealand. Selling. New Zealand.	Australia and New Zealand on London. Buying. Australia.	Australia and New Zealand on London. Buying. New Zealand.	Australia and New Zealand on London. Selling. Australia.	Australia and New Zealand on London. Selling. New Zealand
T.T.	...	...	99⅛	99⅛	...	...	101	100⅛
Demand	98⅛	98⅛	99⅛	99⅛	99⅛	99⅛	100⅛	100⅛
30 days	97⅛	97⅛	...	...	99⅛	98⅞	100⅛	99⅞
60 days	97	97⅛	...	...	98⅛	98⅛	99⅛	99⅛
90 days	96⅞	96⅛	...	...	98⅛	97⅛	...	99⅛

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz :—

£1,000 sterling equals 942·50–944·38 tchervontsi.

1 tchervonetz = 10 gold roubles. £1 sterling = 9·46 gold roubles.

INDIA COUNCIL REMITTANCES.

The total remittances from the Government of India to the Secretary of State for India in Council, from April 1st to April 13, 1929, were £1,780,000, of which £1,500,000 was transferred from the Paper Currency Reserve in England to the Home Treasury and £280,000 remitted by means of purchases of sterling in India.

INDIA GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the Reserve was held on March 31, 1929 :—

	£	£
In India		Nil.
In England :		
Cash at the Bank of England	3,042	
Gold	2,152,334	
British Treasury Bills :—Value as on March 31, 1929	5,797,231	
Other British and Dominion Government Securities :— Value as on March 31, 1929	32,047,393	
		40,000,000
		£40,000,000

BULLION.

The following statistics of imports and exports of gold for week ended April 18, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland.	£	Exported from Great Britain and Northern Ireland.	£
From—		*To*—	
France	4,730	Poland (includ. Danzig)	1,720
British South Africa	667,138	Germany	78,861
Venezuela	5,000	Netherlands	6,365
Other Countries	1,471	France	25,212
		Switzerland	85,340
		Austria	12,625
		Egypt	12,000
		Gibraltar	3,000
		Kenya	2,450
		British India	23,031
Total declared value of imports	678,339	Total declared value of exports	250,604

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929.	ARRIVALS.	£	1929.	WITHDRAWALS.	£
Apr. 12	Bars	7,337	Apr. 12	Sovs.	7,000
" 12	Foreign gold coin	47	" 13	Bars	3,421
" 13	Sovereigns released	250,000	" 13	Sovereigns exported	5,000
" 15	Bars	22	" 15	Bars	5,123
" 15	Foreign gold coin	8	" 16	Sovs.	4,000
" 16	Bars	533,800	" 17	Sovs.	3,000
" 17	Bars	1,668	" 18	Sovs.	5,000
" 18		Nil			
Total		792,882	Total		32,544

Net arrivals, £760,338.

Messrs. Samuel Montagu and Co. write as follows on April 17, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £155,042,703 on the 10th instant (as compared with £154,045,537 on the previous Wednesday), and represents an increase of £1,136,388 since the April 29, 1925—when an effective gold standard was resumed.

In the open market this week about £665,000 South African gold was available. The Bank of England secured about £534,000—as shown in the figures below, the balance being taken by the Home and Continental Trade (about £117,000) and India. There was a net influx of gold of £760,357 during the week.

SILVER.

There has been little movement to record since our last letter, prices having kept steady at practically the same level. Holders of silver on China account again offered to sell, but were unwilling to follow the market when prices began to sag. The quotations touched 25¾d., but here fresh buying orders from China arrested any further fall, and the market again slightly hardened.

America has been rather less disposed to sell, and the tone of the market continues steady in the absence of any real willingness on the part of sellers.

The following were the United Kingdom imports and exports of silver registered from mid-day on the 8th instant to mid-day on the 15th instant :—

IMPORTS.	£	EXPORTS.	£
U.S.A.	11,636	British India	171,438
France	9,509	Other countries	6,332
Other countries	12,013		
	£33,158		£177,770

INDIAN CURRENCY RETURNS (in lacs of rupees).

	Apr. 7.	Mar. 31.	Mar. 22.
Notes in circulation	18,598	18,803	18,946
Silver coin and bullion in India	9.985	9,989	9,943
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,222	3,222	3,222
Gold coin and bullion out of India	...	...	...
Securities (Indian Government)	4,323	4,323	4,327
Securities (British Government)	1,068	1,069	1,054
Bills of exchange	...	200	400

The stock in Shanghai, on the 13th instant, consisted of about 80,100,000 ounces in sycee, 130,000,000 dollars and 10,500 silver bars, as compared with about 78,500,000 ounces in sycee, 122,000,000 dollars and 9,200 silver bars on the 6th instant.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
Apr. 12	84 11½	25 7/16	25 11/16	April 27, 1923	32 5/8
,, 13	84 11½	25 11/16	25 11/16	,, 25, 1924	33 1/8
,, 15	84 11½	25 ¼	25 ¼	,, 24, 1925	31 1/16
,, 16	84 10½	25 11/16	25 11/16	,, 23, 1926	29 7/16
,, 17	84 10½	25 7/16	25 7/16	,, 22, 1927	26 ¼
,, 18	84 10¼	25 11/16	25 11/16	,, 19, 1928	26 7/16

NOTICES.

Barclays Bank, Limited, announce the opening of a new branch at Romsey (Hampshire), also a new sub-branch at Holland-on-Sea, Essex. They have opened a new sub-branch at Barnehurst, also a new branch at Sturminster Newton (Dorsetshire).

The Commercial Bank of Australia have opened a branch at Mackay (Queensland).

The Westminster Bank announce the opening of a new branch at 6, Church Street, Malvern.

The Midland Bank announces the opening of the following new branches: 160 City Road, London, E. 1; 82, Old Oak Common Lane, East Acton, London, W. 3; 78, Chiswick High Road, Chiswick, London, W. 4. A sub-office has also been opened at Aysgarth, Yorkshire, under the supervision of the manager of Hawes branch. Facilities for day and night banking are now available at twenty-eight of the Midland Bank's London branches, and at 124 country branches, making 152 in all.

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	February, 1929. Ore.	Est. Yield.	Est. Profit.	March, 1929. Ore.	Est. Yield.	Est. Profit.
	Tons.	£	£	Tons.	£	£
Brakpan	80,800	131,315	50,611	91,500	148,025	60,006
City Deep	83,000	93,860	17,552*	87,000	102,537	13,533*
Consolidated Main Reef	53,000	88,246	14,852	58,300	94,616	16,062
Crown Mines (10s. shs.)	195,000	278,723	74,760	210,000	300,210	80,471
Durban Roodepoort Deep	35,300	53,449	2,520	39,000	57,604	3,102
East Rand Proprietary	132,000	149,517	8,609	142,500	159,531	10,551
Ferreira Deep	30,400	20,933	1,281	26,500	20,500	541
Geduld Proprietary	79,500	107,069	41,069	85,000	113,823	44,116
Geldenhuis Deep	55,000	56,950	2,358	58,400	61,146	2,776
Glynn's Lydenburg	5,200	6,924	1,050*	6,100	9,354	1,210
Government Areas	187,000	363,220	212,673	196,000	373,760	215,114
Kleinfontein, New	48,400	46,003	39	52,200	48,942	143
Langlaagte Estate	76,000	104,161	25,262	79,000	110,287	26,025
Meyer and Charlton	16,200	18,329	1,702	17,300	18,650	1,704
Modderfontein B.	64,000	105,158	46,005	69,000	110,170	49,045
Modderfontein Deep Levels	41,800	94,192	61,768	43,000	96,834	62,749
Modderfontein East	61,000	80,980	17,106	63,500	85,068	18,583
Modderfontein, New (£4 shares)	133,000	291,896	170,566	144,000	315,100	186,044
New State Areas	71,000	129,184	56,880	75,000	134,896	57,021
Nourse Mines	57,000	69,419	3,035	62,000	76,739	4,424
Randfontein Estates	191,000	189,123	15,151	212,000	200,872	15,087
Robinson Deep	67,000	84,093	13,573	75,000	94,208	17,161
Rose Deep	50,300	45,611	2,301	56,000	50,641	2,050
Simmer and Jack	67,500	73,035	5,204	76,500	79,577	8,060
Spring Mines	64,000	132,001	60,560	67,000	138,193	64,617
Sub-Nigel	23,400	89,987	39,157	23,400	88,018	37,065
Transvaal Gold Mining Estates	13,320	19,709	1,013	15,400	19,456	272*
Van Ryn	37,000	38,636	4,078	38,000	39,857	4,565
Van Ryn Deep	60,000	99,268	40,157	62,000	104,674	42,992
Village Deep	55,000	61,472	3,761	58,000	63,711	4,877
West Rand Consolid'td	77,000	82,737	12,144	85,500	93,495	16,225
West Springs	57,000	72,694	19,607	60,000	75,996	20.608
Witwatersrand Deep	41,500	39,955	207	45,000	41,692	1,123*
Witwatersrand Knight's	48,000	42,809	1,045	52,000	45,695	2,025
Wolhuter	25,900	25,500	350	28,000	26,743	885

* Loss.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended April 12, 1929. (c) Week ended April 13, 1929.	Miles Open.	Week ended April 14, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 15 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,733	226	246	132	378	604	3,032	3,175	1,951	5,126	8,158
Do. for 1928	3,734	269	184	87	271	540	3,149	3,222	1,783	5,005	8,154
Lon.&N.Eastn.(c)	6,345	324	443	259	702	1,026	4,623	5,972	4,168	10140	14,713
Do. for 1928	6,363	389	378	186	564	953	4,863	6,321	3,744	10065	14,928
Lond.,Mid.&Scot.	6,953½	489	622	268	890	1,379	6,942	8,176	4,585	12761	19,703
Do. for 1928	6,950¾	581	513	183	696	1,277	7,300	8,688	4,187	12875	20,175
Southern	2,177	290	83	26	109	399	4,075	1,098	511	1,609	5,684
Do. for 1928	2,177	343	72	24	96	439	4,200	1,159	438	1,597	5,797
Metropolitan (c)	59	31·6	...	...	3·8	35·4	471·7	...	...	56·1	527·8
Do. for 1928	59	33·9	...	...	3·1	37·0	478·2	...	...	55·6	533·8
†Und'ngr'ndE.R.c	...	...	...	...	...	280·4	...	...	...	...	4,008·3
†Do. for 1928	...	...	...	...	...	302·8	...	...	...	...	4,085·2
Lon&Sub.Gr'upe	...	...	...	...	...	40·4	...	...	...	...	569·9
Do. for 1928	...	...	...	...	...	45·8	...	...	...	...	587·5
B'l'st&Co.D'wn b	80	2·1	...	...	·9	3·0	29·7	...	...	13·8	43·5
Great Northern b	562	11·1	...	...	17·3	28·4	163·0	...	...	243·0	406·0
Great Southern b	2,187	25·6	...	...	50·7	76·3	354·2	...	...	711·5	1,065·7

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or −	Total Gross Receipts. 1929.	+ or −
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	50weeks	Mar.16	1,206	4,48,000	+ 29,689	2,20,58,808	+ 4,37,886
Barsi Lt. Ry.	51weeks	23	202	53,600	+ 11,200	24,08,200	+ 6,73,000
Bengal & N.Western	51weeks	23	2,078	7,79,990	− 19,321	1,79,68,483	− 5,69,307
Bengal-Nagpur	50weeks	16	2,979	20,36,000	+ 70,180	8,66,97,449	− 7,31,837
Bombay, Bar.,& C.I.	51weeks	Apr. 6	3,022	20,64,000	− 2,88,000	...	...
Burma	35weeks	Dec. 1	1,349	7,24,790	− 80,277	2,73,09,216	− 1,42,540
Madras & S. Mahr	51weeks	Mar.23	3,121	21,20,000	+ 28,132	9,31,54,971	+55,46,461
Nizam'sGuarantd.(s)	51weeks	23	1,146	5,48,734	+ 71,741	2,12,67,363	+ 21,813
†Rohilk'd& Kumaon	51weeks	23	572	1,41,480	− 44,954	33,34,981	− 2,83,476
South Indian	51weeks	23	2,294	12,46,886	− 1,135	6,05,24,731	− 6,13,447

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

ARGENTINE (a).				£	£	£	£
Argentine N.E.	41weeks	Apr.13	753	15,200	− 100	636,700	+ 24,000
B.A. and Pacific	41weeks	13	2,806	208,000	+ 21,000	7,088,000	+ 738,000
B.A. Central	41weeks	13	...	14,492	+ 1,834	596,005	+ 21,106
B.A. Gt. Southern	41weeks	13	2,762	275,000	+ 4,000	10,296,000	− 493,000
B.A. Western	41weeks	13	1,296	110,000	+ 10,000	4,163,000	− 41,000
Central Argentine	41weeks	13	3,319	280,000	+ 15,000	11,117,000	+ 285,000
Cordoba Central	41weeks	13	1,218	67,000	− 3,000	2,833,200	+ 7,000
Entre Rios	41weeks	13	728	26,400	− 2,400	1,264,000	+ 58,900
CUBAN.				£	£	£	£
United of Havana†	41weeks	Apr.13	1,374	109,165	+ 34,597	3,082,962	+ 93,705

† Figures include Havana Central Railway.

URUGUAYAN.				£	£	£	£
Central Uruguay	41weeks	Apr. 7	273	30,913	+ 1,987	1,242,209	− 12,967
C. Urug. (East Ext.)	41weeks	7	311	7,737	− 602	282,777	− 3,993
C.Urug.(North.Ext.)	41weeks	7	185	3,848	+ 596	150,438	+ 4,950
C. Urug.(West. Ext.)	41weeks	7	211	3,332	+ 98	123,966	+ 380
CANADIAN.				$	$	$	$
Canadian National	14weeks	Apr. 7	19,362	5,011,486	+ 491,573	64,977,313	+ 839,377
Canadian Pacific	14weeks	7	14,822	3,889,000	+ 322,000	51,352,000	+ 684,000

† 10 days.

BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil	15weeks	Mar.13	1,016	19,000	+ 7,600	313,700	+ 76,700
Leopoldina	14weeks	13	1,856	34,819	− 13,837	538,890	− 198,622
Leopoldina Termnl.	15weeks	13	Mrs.	279,000	+ 10,000	4,217,000	+ 150,000
San Paulo	15weeks	14	153½	47,899	+ 1,049	709,751	+ 70,036
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia)	15weeks	Apr.14	838	40,000	+ 460	624,210	+ 86,685
Nitrate (¼-monthly)	15weeks	15	402	43,489	+ 16,491	280,307	+ 41,161
OTHER OVERSEAS.							
Egyptian Delta	50weeks	Mar.20	608	£7,954	+ 1,055	329,309	+ 24,900
Gt. Southn. of Spain	14weeks	Apr. 6	104	Ps.136,250	+ 10,868	1,721,679	− 51,855
Mexican Railway	14weeks	7	483	$211,800	− 191,600	3,310,300	− 681,700
Paraguay Central	39weeks	30	274	£4,300	+ 30	171,590	+ 3,040
Salvador	41weeks	13	100	£6,633	+ 797	208,490	+ 7,999

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or −	Total Receipts. 1929.	+ or −
				£	£	£	£
Anglo-Argentine	15weeks	Apr.15	329	92,723	− 758	1,319,019	− 26,679
B. Aires Lacroze	41weeks	14	...	12,658	− 650	536,047	+ 1,494
Burnley Corporation	1week	13	13	2,882	− 220	...	...
Calcutta Tramways	1week	13	354½	Rs1,27,296	+ 15,411	...	...
Chatham & District	13weeks	4	15	1,236	− 44	...	...
Egyptian Markets	13weeks	4	...	2,085	+ 202	13,206	− 3,359
Glasgow Corporation	40weeks	6	136¾	43,129	2,191	28,733	+ 1,390
Isle of Thanet Trams	13weeks	3	...	1,960	+ 1,100	1,930,590	− 86,987
Liverpool Corp.	2weeks	13	124	28,445	− 1,120	11,326	+ 516
L.C.C. Tramways	2weeks	10	166	81,307	+ 516	55,574	− 541
Madras Electric	15w'ks	15	...	Rs. 44,210	+ 2,854	118,252	+ 960
						3,05,212	+ 21,538

‡ Fortnightly figures.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
		£	£	£	£	£	%	£	£	£	%
Electric Lighting & Power.											
Cork Electric	Dec. 31	13,987	43,659	57,646	6,163	13,225	10	22,500	15,758	41,875	10
South Wales Electrical	Dec. 31	...	24,990	24,990	6,266	...	...	18,724	...	61,002	...
Financial, Land, &c.											
Anglo-French Exploration	Dec. 31	63,328	76,280	139,608	...	54,700	10	12,999	71,909	115,831	12½
London County Freehold & Leasehold Properties	Mar. 31	37,506	(b)133,489	170,995	...	96,750	6½	27,000	47,245	78,107	9
Trust and Agency Co. of Australasia	Dec. 31	20,937	83,189	104,126	50,000	20,000	20†	13,000	21,126	79,472	17½†
Gas.											
Bombay Gas	Dec. 31	39,620	24,423	64,043	...	21,000	7	5,654	37,389	24,765	8
Iron, Coal and Steel.											
Albion Steam Coal	Dec. 31	*Dr. 58,988*	*Dr. 22,761*	*Dr. 81,749*	...	...	...	...	*Dr81,749*	*Dr. 7,949*	...
Babcock and Wilcox	Dec. 31	125,362	734,902	860,264	14,953	644,948	15†	82,000	118,363	743,820	15†
Cammell Laird & Co.	Dec. 31	12,816	*Dr. 81,895*	*Dr. 69,079*	...	...	...	*Dr. 75,000*	5,921	*Dr113645*	...
Harland and Wolff	Dec. 31	95,203	204,355	299,558	192,000	...	...	...	107,558	*Dr157712*	...
Welsh Navigation St. Coal	Dec. 31	*Dr 80,821*	*Dr. 16,923*	*Dr. 97,744*	...	...	...	...	*Dr97,744*	*Dr19,685*	...
Motor and Cycle.											
United Motors	July 3	*Dr. 78,225*	*Dr. 14,873*	*Dr. 93,098*	...	...	...	...	*Dr93,098*	*Dr57,259*	...
Nitrate.											
Angela	Dec. 31	3,020	18,999	22,019	...	14,000	25	5,000	3,019	5,633	10
Rubber, etc.											
Beverley Tea & Rubber	Dec. 31	4,351	2,040	6,391	...	3,332	4⅓	1,000	2,059	2,870	...
Ceylon (Para)	Dec. 31	16,866	10,845	27,711	...	7,000	10	...	20,711	28,292	30
Consolidated Malay	Dec. 31	13,564	10,985	24,549	...	12,500	16⅔	2,000	10,049	28,504	25
Eow Seng	Dec. 31	4,877	3,076	7,953	...	3,680	4	1,000	3,273	8,243	3
General Ceylon Rub. & Tea	Dec. 31	4,550	34,752	39,302	...	30,500	10	3,000	5,802	39,011	12½
Golconda Malay	Dec. 31	7,076	8,589	15,665	...	11,300	10	...	4,365	17,839	15
Grand Central (Ceylon)	Dec. 31	41,382	68,136	109,518	...	61,250	5	5,000	43,268	192,197	12½
Hewagam	Dec. 31	10,829	19,050	29,879	...	14,400	4	7,000	8,479	16,461	6
Kajang	Dec. 31	12,656	6,460	19,116	...	6,000	10	500	12,615	13,002	7½
Kampong Kuantan	Dec. 31	17,193	17,631	34,824	...	16,512	25	6,000	12,312	18,192	25
Langkat Sumatra	Dec. 31	8,174	3,474	11,648	...	4,999	4	1,000	5,650	14,024	5
Mahawale Rubber, &c.	Dec. 31	10,371	4,040	14,411	...	4,000	2½	770	9,641	8,189	5
Rembau Jelei	Dec. 31	15,134	55,372	70,506	...	40,000	10	10,000	20,506	58,162	12½
Rosehaugh Co.	Dec. 31	11,521	17,021	28,542	16,205	5,813	5	...	6,524	43,602	Nil.
Stagbrook Rubber & Tea	Dec. 31	4,297	5,867	10,164	...	4,235	5	2,500	3,429	8,853	5
Sunnygama Co.	Dec. 31	9,460	9,008	18,468	900	7,500	10	...	10,068	20,709	20
Shops and Stores.											
Army and Navy Co-op.	Jan. 26	115,615	243,520	359,135	...	205,000	25	39,592	114,543	241,671	25
Hope Brothers	Feb. 28	33,812	70,784	104,596	16,500	40,000	10	11,000	37,096	62,915	10
McIlroy's Stores (Hanley)	Feb. 16	...	4,386	4,386	...	1,544	2	1,335	1,507	...	...
Telegraphs, etc.											
Direct Spanish Telegraph	Dec. 31	1,082	2,557	3,639	3,000	6,466	10†	*Dr. 7,817*	1,990	9,648	10†
Tea.											
Amblamana Estates	Dec. 31	37	4,690	4,727	...	3,614	6	500	613	10,295	10
Battalgalla Estate	Dec. 31	3,416	12,619	16,035	...	12,000	60	961	3,074	12,008	50
Craighead Tea	Dec. 31	8,020	22,610	30,630	482	17,280	24	5,000	7,868	24,059	40
Eastern Produce & Estates	Dec. 31	34,718	163,541	198,259	3,600	116,550	35	43,000	35,109	181,960	40
Lindoola	Dec. 31	2,533	5,771	8,304	780	4,500	35	...	2,974	5,330	30
Nuwara Eliya	Dec. 31	15,904	114,525	130,429	...	104,500	38	9,000	16,929	117,607	50
Rosehaugh (Ceylon)	Dec. 31	6,703	36,688	43,391	...	30,000	15	7,000	6,391	57,957	20
Scottish Ceylon Tea	Dec. 31	2,653	32,837	35,490	630	25,500	50	7,000	2,360	37,438	55
South Wanarajah	Dec. 31	1,352	16,949	18,301	780	13,375	25	2,500	1,646	20,501	25
Vellikellie Tea of Ceylon	Dec. 31	2,352	8,656	11,008	285	8,812	25	...	1,911	11,761	30
Textiles.											
Byrom (Joseph) and Sons	June 26	*Dr. 434*	*Dr. 9,493*	*Dr. 9,927*	...	...	...	...	*Dr. 9,927*	1,258	...
Grainger and Smith	Dec. 31	2,486	27,713	30,199	7,260	13,808	7½	2,698	6,433	18,825	5
Tramways.											
Tynemouth & Dist. Electric Trust.	Dec. 31	2,754	1,422	4,176	1,525	2,321	5	...	330	6,396	7½
African City Properties	Dec. 31	13,768	50,687	64,455	7,500	23,813	10	13,875	19,267	40,100	10
American Invest. & General	Mar. 15	39,532	135,959	174,491	30,000	72,000	12	33,000	40,491	113,847	12
Foreign, Amer. & General	Mar. 15	40,954	117,964	158,918	30,000	57,000	9½	30,000	41,918	104,195	8½
London & South American	Mar. 31	28,513	48,721	77,234	...	25,000	6½	...	52,234	37,697	6½
Waterworks.											
Consolidated of Rosario	Dec. 31	60,872	77,806	138,678	8,400	34,500	8†	25,000	70,778	84,979	8†
Other Companies.											
Associated Dyers & Cleaners	Dec. 31	25,115	78,685	103,800	21,066	40,177	12½	15,000	27,557	90,264	12½
Daily Mirror Newspapers	Feb. 28	30,895	479,529	510,424	28,000	420,000	30	30,000	32,424	374,600	30
Dickinson (John) & Co.	Dec. 31	60,955	235,233	296,188	17,500	140,128	12½	73,475	64,685	213,140	11½
English China Clays	Dec. 31	15,975	71,923	87,898	27,935	42,900	3	...	17,063	71,923	3
General Steam Fishing	Mar. 2	345	928	1,273	...	960	4	...	313	1,666	4
Howard and Bullough	Mar. 31	66,021	71,447	137,468	15,000	119,375	8½	...	3,093	129,143	10
Indestructible Paint, &c.	Dec. 31	2,136	25,522	27,658	...	9,375	12½	14,800	3,483	15,330	10
Mandleberg (J.) & Co.	Dec. 19	43,230	80,743	123,973	16,900	49,407	10	3,500	54,166	71,326	10
Marshalls, Limited	Jan. 31	17,115	35,454	52,569	10,500	24,000	6	...	18,069	33,219	7½
Melhuish (William) Proprs.	Dec. 31	22,686	76,948	99,634	12,907	15,000	100†	47,360	24,367	64,069	Nil.
Paquin, Limited	Dec. 31	21,659	70,818	92,477	12,000	31,500	22½	28,409	20,568	122,361	20
Robertson (John) and Son	Feb. 28	1,498	5,831	7,329	600	5,000	25	...	1,729	5,083	25
Sunday Pictorial Newspapers	Feb. 28	22,253	350,415	372,668	40,000	262,500	25	45,000	25,168	330,245	25
Tayside Floorcloth Co.	Feb. 28	33,690	41,540	75,230	...	38,400	30	...	36,830	49,502	30
Travers (Joseph) and Sons	Jan. 26	3,532	31,503	35,035	6,250	20,000	10	1,000	7,785	19,936	7½

(b) Fifteen months. † Free of Income tax.

MINING OUTPUT STATISTICS FOR MARCH 1929.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
El Oro	...	...	...	...	...	...	$17,533
Mexican Corporation..	77,795	...	...	...	...	$65,870	...
Santa Gertrudis	49,052	...	...	...	...	$145013	...
Sabie (Transvaal).....	3,250	...	...	...	...	3,853	11
South Kalgurli	8,775	...	...	...	...	17,236	3,038

	Tons Output.	Other Notes in Return.
TIN.		
East Pool	...	Estimated revenue, £11,345.
Northern Nigeria (Banchi) ...	150	Value, £22,900. Estimated gross profit, £16,900.
Berenguela	32	...
Amari (Nigeria)	5¼	...
KadunaProspectors	17	...
Kaduna Syndicate.....	28¾	...
Nigerian Base Metals	47	...
COPPER.		
Tanganyika.....	10,800	Output of Union Minière.
COAL.		
Chinese Engineering	127,000	Sales of coal, week ended April 6.
ZINC.		
Electrolytic Zinc	3,901	Four weeks to April 3.

Reports and Notices.

The Right Hon. Sir Thomas Smartt, P.C., K.C.M.G., Deputy Leader of the South African Party, who died on April 17th, was a Director and Past Chairman of the Southern Life Association.

The Pacific Steam Navigation Company have appointed Mr William Lewis (General Manager) to be a Director.

Helbert, Wagg and Co., Limited, have placed their representation in New York on a more permanent basis under the style of Helbert, Wagg and Co. (New York), Limited. The Board consists of Directors of Helbert, Wagg and Co., Limited, and Mr Walter G. Mann will be in charge of the New York office.

In succession to the late M François Thys, Dr Frederic Sohr has been appointed general manager for Belgium of the Eagle Star and British Dominions Insurance Co., Limited.

Mr Robert Crichton, lately vice-chairman of the Scottish Iron and Steel Company, Limited, has accepted a seat on the board of The United Steel Companies, Limited, and the position of general manager of Workington Iron and Steel branch.

BANKS.

YOKOHAMA SPECIE BANK, LIMITED.—The balance-Sheet at end of 1928, compares with end of 1927 as follows :—

Liabilities.	Dec. 31, 1927. Yen.	Dec. 31, 1928. Yen.
Capital.....	100,000,000	100,000,000
Reserve	96,500,000	102,500,000
Debts reserve	4,328,746	4,266,844
Notes in circulation ...	8,751,662	13,064,701
Deposits	523,046,844	510,515,074
Bills payable, &c.	488,456,447	488,474,856
Dividends unclaimed ...	28,797	31,141
Brought forward	6,179,046	8,281,612
Net profit half-year.....	9,044,491	9,065,011
	1,236,336,033	1,236,199,239

Assets.	Dec. 31, 1927. Yen.	Dec. 31, 1928. Yen.
Cash.....	68,194,152	69,163,497
Investments	266,981,723	278,335,736
Bills discounted, &c.	340,898,741	291,579,833
Bills receivable, &c.....	533,495,650	571,662,255
Bullion, &c.	4,557,474	2,830,474
Premises, &c.	22,208,293	22,627,444
	1,236,336,033	1,236,199,239

The directors propose that yen 3,000,000 be added to the reserve fund, and recommend a dividend at the rate of 10 per cent. per annum, which will absorb yen 5,000,000. The balance, yen 9,346,622, will be carried forward.

INSURANCE.

YORKSHIRE INSURANCE COMPANY.—The directors have decided to recommend to the shareholders that the capital be rearranged by doubling the amount paid up, the £1 fully-paid shareholders to receive an additional £1 fully-paid share and the £5 (10s. paid) shares to be made £1 paid and sub-divided into two shares of £2 10s. (10s. paid). The aggregate dividend will be unaffected, and the rearrangement of capital will be met out of the funds held by the company. The directors have, further, decided to offer to the shareholders one new fully-paid £1 share for every seven of the existing £1 fully-paid shares, or fourteen of the £5 (10s. paid) shares, at a price of £12. (Arrangements will be made for dealing with fractions.) The directors announce that the valuation reserves of the Life Department have again been strengthened, and they have declared considerably increased reversionary bonuses, which are 12s. per cent. per annum greater than the rates declared at the last valuation in 1924. The bonuses on the increased scale average £2 8s. per annum per £100 sum assured. The "Yorkshire" maintained its full rate of bonus throughout the war period.

RAILWAYS.

CANADIAN NATIONAL RAILWAYS.—We are informed that owing to a cable error the net operating loss of the Canadian National Railways on the Maritime provinces lines during 1928 was given, in Reuter's telegram from Ottawa of April 10th dealing with the annual report of the company, as 520,000 dollars, and was published in the *Economist* of April 13th, page 827, at that figure. The figure should have been 3,520,000 dollars.

CANADIAN PACIFIC RAILWAY.—The Company will offer to the holders of its ordinary capital stock of record at 3 p.m. on Thursday, May 2, 1929, $30,000,000 of ordinary capital stock, comprising 300,000 shares of $100 each at the price of $170 per share in the proportion of one share of the new issue for each ten shares then held by them respectively. The right to subscribe will expire at 3 p.m. on June 17, 1929. A circular containing the terms of subscription and payment, accompanied by warrants to subscribe, will be mailed to the holders of ordinary capital stock on or about May 15, 1929.

MISCELLANEOUS.

THE ROADS IMPROVEMENT ASSOCIATION.—Total assets at December 31, 1928, amounted to £1,764. Of this sum, £1,250 is invested in 5 per cent. War Loan, which is in the balance sheet at £1,123. Cash amounts to £376. Reserve Fund for Road Fund Campaign stands at £350. Creditors are at £204 and debtors £263.

MANCHESTER SHIP CANAL.—The following is the latest monthly approximate traffic returns :—March, 1928, £111,104; March, 1929, £114,703; increase, £3,599; Total for three months, 1928, £332,509; 1929, £336,327; total increase, 1929, £3,818.

MARSHALLS, LIMITED.—The report for the year ended January 31, 1929, shows a net profit, after payment of all trading expenses, and providing for bad debts, depreciation of fixtures, interest, directors' fees and managing director's remuneration, £41,882 (last year £39,169), making, with the amount brought forward, a total of £58,997. Deducting premiums paid on leases redemption policies, interest paid to bank in respect of Birmingham and Manchester investments and preference dividend to July 31, 1928, there is a balance of £47,318, from which the directors propose allocating to preference dividend to February 1, 1929, £5,250, and dividend of 6 per cent. on ordinary shares, £24,000, leaving £18,068 to be carried forward. Bank loan has been reduced from £154,812 to £95,613. Reserve has been increased from £25,000 to £30,000.

HOWARD AND BULLOUGH, LIMITED.—The results for a number of years past are shown in the following table :—

	1913–14.	1923–24.	1924–25.	1925–26.	1926–27*	1927–28.	1928–29.
	£	£	£	£	£	£	£
Gross profits	163,066	167,987	152,130	154,817	41,927	139,143	71,446
Deb. interest	10,000	10,000	10,000	10,000	8,329	10,000	10,000
Net profit ...	153,066	157,987	142,130	144,817	33,598	129,143	61,446
Brought fwd.	31,464	166,261	152,998	155,130	159,947	76,878	66,021
Avail. balance	184,530	324,248	95,128	299,947	193,545	206,021	127,467
Pref. dividend	15,000	15,000	15,000	15,000	12,500	15,000	15,000
Ord. dividend	75,000	156,250	125,000	125,000	104,167	125,000	109,375
Reserve, &c.	64,530	...	...	...	...	...	...
Carried fwd.	30,000	152,998	155,130	159,947	76,878	66,021	3,092

* Ten months to March 31st.

LEETHEMS (TWILFIT), LIMITED.—This Company paid an Interim dividend of fivepence per ordinary share on April 19th in respect of the period ending June 30, 1929.

SPILLERS, LIMITED.—The profit of Spillers, Limited, for the year ended January 31st last, amounted to £176,668, which, with £170,536 brought forward, gives a total of £347,204. Dividends on the preference shares having already been paid, a dividend of 7½ per cent. (less income tax) on the ordinary shares, against 5 per cent for preceding year, will be recommended by the directors, which will leave £182,973 to be carried forward.

HOPKINSONS, LIMITED.—The third report shows that the profit for the year ended January 31, 1929, after providing for all revenue charges, depreciation and directors' fees, but before providing for income tax, amounted to £94,707 (last year £71,578). Adding the amount brought forward, and deducting preference dividend for the year, interim dividend of 5 per cent. paid on the ordinary shares, and £20,000 as provision for income tax, there is a balance of £53,310 from which the directors recommend the transfer to general reserve account of £20,000 (last year £10,000), and the payment of a final dividend on the ordinary shares of 5 per cent., making a total of 10 per cent. for the year (last year same), leaving £19,310 to be carried forward (last year £12,202).

The balance sheet shows :—Investments at Cost, British Government Securities, £99,804, against £99,804; British Railway Stocks, £18,650, against £18,650; Other Investments, £11,772, against £11,772; Cash, £1,264, against £16,734. Meeting, Britannia Works, Huddersfield, April 26, 1929, at 3 p.m.

SOUTHEND WATERWORKS COMPANY.—The recent issue for sale by tender of £130,000 5 per cent. perpetual debenture stock has been overtendered for at prices ranging from £102 to the minimum of £98 per £100 of stock.

OIL OUTPUTS.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended April 10th : Venezuela, 37,091 barrels; Trinidad, 16.101 barrels; total, 53,192 barrels. Production for March : Venezuela, 154,530 barrels; Trinidad, 85,752 barrels; total, 240,282 barrels. Deliveries for March, Venezuela, 157,141 barrels; Trinidad, 87,580 barrels; total, 244,721 barrels.

TRINIDAD CENTRAL OILFIELDS, LIMITED.—Production for March quarter, Tabaquite, 7,096 barrels; Guapol, 372 barrels.

THE MEXICAN EAGLE OIL CO., LIMITED.—The production for the week ended April 6, 1929, was 168,000 barrels.

VENEZUELAN CONSOLIDATED OILFIELDS, LIMITED.—Total production for week ended 13th inst., 3,087 barrels (441 tons).

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended April 13th was 129,373 metric tons (previous week ended April 6th, 119,876 metric tons).

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

Agricultural prospects have been improved by frequent and heavy showers of rain over the United Kingdom during the past week, but low night temperatures tended to retard growth, and a return to warmer conditions would be welcome. Meanwhile, an excellent seed bed has been prepared for spring cereals, and the young plant is thus afforded every opportunity for a good start. Offers of native wheat are now in small compass and realise full rates, but the market for imported varieties became rather unsettled owing to fluctuations in forward values. With regard to floating and forward cargoes, a rather sharp decline was registered, particularly for Canadian grades occasioned by weakness on the other side. The prospect of obtaining financial relief appears somewhat discouraging to American growers, and this naturally led to increased selling orders. In these circumstances, and in view of large visible supplies, buyers adopt a reserved attitude pending further developments in the situation. Feeding stuffs also weaker in sympathy, though more interest was shown in Plate maize on Continental account. Part cargoes of Australian wheat bulk afloat sold 45s. 4½d. to 45s. 6d., ditto bags, 46s., also a steamer of Plate maize April shipment at 39s., all per 480 lbs. c.i.f. terms.

Wheat easier. No. 3 Northern Manitoba, 48s. 6d.; No. 4 Manitoba, 47s.; No. 5, 44s.; No. 6, 37s. 6d.; Rosafe, 64 lbs., 45s. 3d.; Barusso, 63½ lbs., 46s.; Australian, 47s. 6d., all ex-ship, per 496 lbs. English, 9s. 6d. to 9s. 8d. per 112 lbs.

Flour dull and tendency easier. London standard grade, 37s. 6d.; town whites, 38s. 6d.; patents, 39s. 6d. to 40s. 6d. per sack, delivered in the Home Counties, with 6d. to 1s. per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 34s. to 37s.; Minneapolis, 34s. 6d. to 37s.; Australian, 34s. 6d. to 35s., ex-store. On c.i.f. terms, Manitoba top patents April-May, 35s. 6d. to 36s. 6d.; export ditto, 33s. to 33s. 6d.; Australian, 32s. to 32s. 6d. per 280 lbs.

Maize steady. Plate landed, 42s.; ex-ship to arrive, 40s. 9d.; March-April, 39s. 6d.; new April-May, 38s. 6d.; May-June, also June-July and July-August, 38s. 3d.; No. 2 American mixed, 40s. 6d., landed, per 480 lbs. Yellow maize meal, £11 per ton landed.

Barley maintained. Californian, ex-ship, 45s. to 52s.; Chilian Chevalier, 48s. to 58s.; Australian, 43s. to 48s.; Smyrna, 44s. to 47s. per 448 lbs. Algerian/Tunisian, ex-ship, 34s. 6d.; Canadian feed, 29s. 9d.; No. 3 Canadian Western, 33s. 6d. ex-ship; No. 2 Federal American, 29s. 9d. ex-ship to arrive, 31s. 3d. landed per 400 lbs. English malting, 10s. to 12s.; feed, 9s. 3d. to 10s. per 112 lbs.

Oats quiet. Plate landed, 26s. 3d.; ex-ship to arrive, 25s. 6d. to 24s. 9d. as to position; black Plate ex-ship, 24s.; mixed Canadian feed, ex-ship to arrive, 19s. 9d.; landed, 21s. 3d.; Chilian white, 31s. 6d. landed; German landed, 29s. 3d.; ex-ship to arrive, 28s. per 320 lbs. English, 9s. 4d. to 10s. per 112 lbs. Scottish landed, 30s. 9d. per 336 lbs. Irish black, 27s. 6d. per 380 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to April 13	119,087	217,983	89,922	194,921
28 weeks to April 13	8,236,677	8,145,937	9,848,209	11,185,962
Average price of English wheat per cwt.	s. d. 9 10	s. d. 10 1	s. d. 11 6	s. d. 12 1

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928 :—

Weeks ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s. d.	s. d.	s. d.
Apr. 6	135,452	81,470	41,297	9 9	10 1	9 8
Apr. 13	119,087	38,329	32,877	9 10	10 3	9 9
Apr. 11, 1925...	91,838	43,424	27,259	12 3	10 9	9 7
Apr. 10, 1926...	134,246	64,561	30,602	11 9	8 10	8 9
Apr. 16, 1927...	89,922	35,100	37,412	11 6	10 10	8 5
Apr. 14, 1928...	217,983	57,802	39,235	10 1	10 9	11 5

AMERICAN WHEAT MARKETS.

Prospects of farm relief have more than counteracted the effects of good weather and favourable crop advices, though during the latter part of the week the effects of farm legislation rumours began to waver, and some of the slight advance was lost. Quotations :—

Nearest Future.	Jan. 4, 1928.	Apr. 18, 1928.	Jan. 2, 1929.	Apr. 3, 1929.	Apr. 10, 1929.	Apr. 17, 1929.
Winnipeg (No. 1 Manitoba) —Cents per 60 lb.)	137	154⅛	122	124½	124⅛	125⅜
Chicago (No. Winter)— Cents per 60 lb.....	130⅜	156⅜	116⅜	118½	120½	120⅝

Visible supplies of wheat in Canada at 91,380,000 bushels show an increase of 770,000 bushels as compared with the previous figure. Supplies a year ago stood at 77,197,000.

Youth and Age

Youth is the time of courageous experiment and creative work, whilst age has experience and is ripe with practical knowledge and wise judgment.

Youth held in rein by age, and age tempered with the spirit of youth, give industry its greatest achievements.

The Chatwood organisation is a combination of youth and age, and throughout the firm is an atmosphere of growth, new knowledge, and new ideas.

Those with treasure to protect entrust it to The Chatwood Security with contented confidence, for it has withstood the greatest of all tests—the test of time.

J.E.S.

THE CHATWOOD SECURITY

THE CHATWOOD SAFE CO., LTD., Bankers' Engineers, SHREWSBURY, ENGLAND.

THE COAL TRADE.

Our Sheffield correspondent writes:—The pressure on the collieries for both home and export trade continues to ease and prices have been reduced. The immediate demand is good, but a less tonnage is being booked forward. The indications point to quieter conditions than of late. There is no surplus of best steams for home consumption and prices are firm at about 15s. 6d. at pits. Business in small fuels is quiet and prices favour buyers. The house coal trade is much quieter. Demand for furnace coke having fallen off, there are large quantities available for smelting. As several blast furnaces are going into commission it is believed that these will absorb any surplus output. Shipments of both furnace and foundry coke continue on a large scale and good prices are being obtained.

Our Glasgow correspondent writes:—Dull conditions rule in the Scottish coal market. Prices have been falling all along the line, and current prices are in many instances at the lowest levels touched this year. There is little or no business passing. Shipping prices are approximately as follows (f.o.b. district ports):—Lanarkshire: Ell best, 16s.; splint best, 17s. 6d.; splint second, 17s.; navigation, 18s.; navigation second, 15s. 6d.; steam, 14s.; Hartley, 18s.; trebles, 14s.; doubles, 13s.; singles, 12s.; pearls, 11s.; dross, 10s. Fife: Screened navigation, 18s. 6d.; first-class steam, 13s. 6d.; third-class steam, 12s.; trebles, 13s. 6d.; doubles, 12s. 6d.; singles, 12s.; pearls, 11s. to 11s. 3d. Lothians: Prime steam, 13s. 3d.; secondary steam, 13s.; trebles, 13s. 6d.; doubles, 12s. 6d.; singles, 11s. 9d.; pearls, 11s. Ayrshire: Unscreened navigation, 16s. 6d.; jewel, 17s. 6d.; steam, 16s.; trebles, 13s. 9d.; doubles, 13s. 3d.; singles, 12s.; pearls, 11s.; dross, 10s. 6d.

Our Cardiff correspondent writes:—There has been a fair supply of tonnage, collieries have been very regularly employed, and the volume of traffic at the ports has been heavy. The Great Western Railway Company returns for the first full week after the Easter holidays show total exports in the foreign and coasting trades of 604,355 tons, compared with 411,902 tons in the corresponding week last year, which, however, included Easter Monday. Prices show little variation, with quotations for best Admiralties ruling up to 21s. 9d. and best bunker smalls up to 14s. 9d. The tenders for the supply of 180,000 tons to the Egyptian State Railway between June and August next have been disclosed and the lowest figure tendered for Monmouthshire coals is 29s. 6d. for one-third of the contract, compared with the price of 28s. 6d. at which the whole of the last contract for 130,000 tons was placed with a South Wales coal-exporting firm. Current prices, however, are approximately about 2s. 6d. per ton higher than they were when the last contract was arranged, but it is the view of the market that both coal prices and freight rates will be at slightly lower levels between June and August than they are to-day. Current approximate quotations are as follows:—Best Admiralties, 21s. 6d. to 21s. 9d.; seconds, 21s. to 21s. 6d.; best drys, 20s. 9d. to 21s. 6d.; Black Veins, 21s. to 21s. 3d.; Western Valleys, 20s. 6d. to 21s.; Eastern Valleys, 20s. to 21s.; best small steams, 14s. 6d. to 14s. 9d.; cargo smalls, 13s. 9d. to 14s. 3d.; coking smalls, 14s. 6d. to 14s. 9d.; anthracite best large, 33s. to 36s.; Red Vein large, 25s. to 27s.; machine-made cobbles, 40s. to 43s. 6d.; French nuts, 42s. to 44s.; stove nuts, 40s. to 42s. 6d.; rubbly culm, 10s. to 10s. 6d.; foundry coke, 27s. 6d. to 37s.; patent fuel, 19s. 6d. to 22s.; pitwood, ex ship, 27s. 6d. to 27s. 9d.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—

Steady conditions continue to rule in the iron and steel markets. The pig-iron section of the market is particularly strong, and on the North-East Coast the quantities produced are insufficient to meet the demand, with the result that premiums are being paid for forward delivery. The Midland producers also are experiencing moderately active conditions, and are holding their recent price advances. The strength of the demand for semi-finished steel has enabled British manufacturers to increase their prices for some descriptions. Business with Continental manufacturers is difficult, as apparently they have little left for the export markets after satisfying their own requirements. As a consequence, prices for Continental semis are high, and most of the business transacted in the British market is taken by the home steel works, who are well off for this class of business. In the finished steel department the export demand is still hanging fire, although recently a certain amount of business was transacted for the Far Eastern and Indian markets. Competition from the Continent in this department, also, is not so severe, and a good share of the business passing is now going to the British makers.

Our Middlesbrough correspondent writes:—The recent improvement in the iron and steel trade is maintained. Over the first half of this month the shipments of pig-iron were over 18,000 tons, as compared with a little over 11,000 tons to same date last month. Most works are fairly well sold up till June, but prices are unchanged and are, as reported last week, on the following basis: No. 1 Cleveland, 71s.; No. 3 G.M.B., 68s. 6d.; No. 4 foundry, 67s. 6d.; No. 4 forge, 67s. Cleveland iron is scarce, and it is likely the make will be shortly increased by the blowing-in of further furnaces. The hematite market is, if anything, rather quieter, but the price for East Coast mixed numbers is maintained at 74s. per ton. It is stated that Messrs. Palmers, of Jarrow, will re-start two furnaces early next month, one on hematite and the other on Cleveland iron. It has also been decided to re-start two local ironstone mines in South Skelton and Grinkle to increase the supply of Cleveland stone. The steel trade is very steady, and the output for March has been the biggest for some considerable time. All works are fairly busy, and there are indications of increased interest in the export market for finished steel. Quotations for home consumers, subject to the usual rebates, are as follows: steel ship plates, £8 7s. 6d.; steel ship angles, £7 17s. 6d.; iron bars, £10 15s. 0d.; steel rails, £8 10s. 0d. The coke market is slightly easier, and the price of blast furnace coke delivered furnaces has fallen to about 19s. per ton delivered works. The supply is rather more plentiful, due probably to the decrease in the demand for export. The ore market is quiet, consumers having covered their requirements for some months ahead. The market, however, is very firm, with 23s. as the minimum price for best rubio.

Our Sheffield correspondent writes:—Conditions in the steel trade have become decidedly quieter since the beginning of the month, and several firms have curtailed their output of acid steels. Demand for railway steel and wagons is as flat as ever. There is a large output of basic steels, but here the tendency is downward. The Board of Trade returns of overseas trade in March were somewhat unfavourable as regards the products of Sheffield. The works in North Lincolnshire are well employed, and the steel trade there promises further to expand. There has been another rise in the prices of tungsten, which are double those in force last December.

Our Glasgow correspondent writes:—In the pig-iron trade in the West of Scotland business is still quiet, and the output capacity of the furnaces presently in blast is more than sufficient for the demands of the moment. In the steel trade there is some expansion, but this is not quite general, there being considerable disparity in the position as between one plant and another. On the whole, makers of heavy steel are better placed than makers of the lighter sections. Re-rollers also seem for the time being to be experiencing a quieter time. It is reported that Messrs. Scott's Shipbuilding and Engineering Co., of Greenock, have received a contract to build and engine four high-class cargo steamers of about 8,000 tons deadweight each. There is no falling off in the tube trade, and all makers are busy. The demand for sheets, both black and galvanised, has been rather better this week both on home and foreign account.

Our Cardiff correspondent writes:—Steady to firm conditions continue to rule in the South Wales steel and tinplate trades, and on the Swansea Metal Exchange on Tuesday prices of basic tinplate boxes were quoted at 18s. 4½d. to 18s. 9d., compared with 18s. 3d. to 18s. 9d. the previous week, and between 18s. 1½d. and 18s. 6d. at the corresponding period last year. Local steel bars were firm at the new minimum of £6 6s. 3d., but foreign bars are easier at from £5 15s. 0d. to £5 17s. 6d. Owing to heavy shipments last week, stocks have been slightly reduced. Scrap continues scarce and dear, and for heavy steel, quotations have been advanced from 77s. 6d.-80s. to 79s. 6d.-80s., bundled shearings from 69s.-71s. to 72s. 6d.-75s., and mixed wrought iron and steel scrap from 70s.-72s. 6d. to 72s. 6d.-75s.

OTHER METALS.

ALUMINIUM steady. Ingots and bars for home delivery quoted £95 ton.

ANTIMONY quiet. English regulus, £54 to £55; foreign spot, £39 ton.

WOLFRAM steady. Straits quality, 23s. to 25s. per unit c.i.f.

QUICKSILVER maintained. Spot, £22 5s. to £22 10s. per bottle.

TIN PLATES firm. I.C. coke, prompt and forward, 18s. 3d. to 18s. 9d. per box, f.o.b. Swansea.

METALS.—At first session, the market for tin displayed weaker features, prices being adversely influenced by lower Eastern cables and a falling off in demand, cash on balance being 57s. 6d. to 60s., and forward 70s. to 72s. 6d. ton lower. Standard cash, quoted, £204 5s. to £204 10s.; three months, £205 5s. to £205 10s. Settlement price, £204 5s. 400 tons changed hands, cash, at £204 10s.-£204 and £204 7s. 6d.; three months, £204-£205 5s. and £205 2s. 6d. English ingots, quoted, £204 5s.-£204 15s. In the East, 250 tons reported sold on the basis of £208 c.i.f. terms.

COPPER, in good support, and with sellers more reserved a firmer tone resulted, cash on balance being 30s., and forward 27s. 6d. to 30s. per ton dearer. Standard cash, quoted, £79 5s. to £79 10s.; three months, £77 to £77 2s. 6d. Settlement price, £79 10s. 1,400 tons changed hands, cash, at £78 to £79 7s. 6d.; three months, £76 5s.-£77 5s. and £77. Electros, quoted, £84 to £85. Wire bars, £85.

LEAD, in moderate support, but with sellers more reserved a firm tone ensued. 400 tons sold, good soft foreign pig, April, at £24 15s.; July, £24 7s. 6d. to £24 5s. Settlement price, £24 15s. English, quoted, £26 5s.

SPELTER firmer, but buyers reserved. 325 tons sold, April, at £26 17s. 6d.; July, £26 12s. 6d. to £26 13s. 9d. Settlement price, £26 17s. 6d. ton. Tin plates, antimony, &c., unaltered.

AMP

For Life Assurance.

The Australian Mutual Provident Society is mutual. That is to say, all divisible Surplus, without deduction, belongs to the Policy-holders themselves and is distributed yearly. Moreover, the Society, established in 1849, has been for many years the largest and most prosperous British Mutual Life Office. Why is this? Because it offers to Assurers the Acme of Security and Profit, and because its satisfied members are its best advertisement. Why are policies with the A.M.P. Society so profitable? Because while its premium rates are below the average, it possesses in a unique degree the combination of a low expense rate, a high interest return and a favourable mortality experience. The A.M.P. Society should be covering you. You will be sent full particulars on application.

EVERY YEAR A BONUS YEAR.

Assets: £70,000,000. Annual Income: £10,000,000.
New Business for 1927: £15,397,528.
Cash Surplus for One Year (1927): £2,895,454.

ROBERT THODEY, F.I.A. Manager for the United Kingdom.

AUSTRALIAN MUTUAL PROVIDENT SOCIETY
Established in Australia, 1849.

LONDON OFFICE: 73-76, King William St., E.C. 4.

THE COTTON TRADE.

LIVERPOOL, April 17th.

The March consumption in America was 633,000 bales, against 598,000 bales for February this year and 582,000 for March last year. Though slightly less than anticipated, the daily rate of consumption is very little less than the record daily rate. The weather, though cold, has been favourable and has enabled a great deal of farm work to be put through. The market looks as if it will have a very dragging tendency until more is known of new crop prospects. Spot sales for the week 11th to 17th (inclusive) are 31,000 bales, of which 20,480 are American, 100 Brazilian, 100 Argentine, 3,100 Peruvian, 4,500 Egyptian, 1,500 African, 600 East Indian, and 620 sundries. Imports for the same period are 46,305 bales, of which 33,131 are American, 148 Brazilian, 264 Argentine, 239 Peruvian, 1,809 African, 10,599 East Indian, and 115 sundries. Quotations to-day are American Middling, 10·69; Egyptian Sakel, 18·30; Uppers, 12·31; Brazil Fair, 10·89; Peru G.F. Mod-Rough, 13·00; Smooth, 11·64; West African Middling, 10·74; and East African, 12·15.

MANCHESTER, April 17th.

Demand in the market during the past week has not shown any appreciable change, and there has been very little alteration in values, though the tendency of raw material rates has been in a downward direction. Cloth manufacturers continue to be depressed by the unfavourable reports from merchants as to the position in India and the political disturbances cause much anxiety. Some scattered sales have occurred for Calcutta and Bombay in light fabrics at cut prices. Rather better news has been received from China, there being larger clearances at the auction sales in Shanghai. Fresh business, however, has not been of any importance. Some useful lines have been booked in printing and finishing styles for South America and certain African outlets, but makers have met with very little support from Egypt and the Near East. Fairly healthy advices are being received from the home trade section. In American yarns the irregularity of prices has tended to increase and transactions of weight have been decidedly scarce. Only restricted operations have occurred in Egyptian yarns.

Statement of the Cotton Trade.

	1929.				Corresponding Date.	
	Mar. 26.	Apr. 3.	Apr. 10.	Apr. 17.	1928.	1927.
	d.	d.	d.	d.	d.	d.
Raw Cotton—Mid. American ..... per lb.	10·92	10·80	10·92	10·69	11·15	7·89
— Sakellaridis Fully Good Fair Egyptian ..... per lb.	19·15	19·25	18·90	18·30	21·05	13·75
Yarns—32's twist ..... per lb.	16	16	16	15½	16½	12½
— 40's weft ..... per lb.	16½	16½	16½	16½	17	13½
— 60's twist (Egyptian) ..... per lb.	27	27	27	26½	31½	25
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	26 3	26 3	26 3	25 9	26 4½	23 9
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	28 6	28 6	28 6	28 3	29 0	26 6
38-in. ditto, 38 yds., 18 by 16, 10 lb.	15 4½	15 4½	15 4½	15 3	15 6	13 0
39-in. ditto, 37½ yds., 16 by 16, 8½ lb.	14 0	14 0	14 0	13 9	14 4½	12 3

THE WOOL TRADE.

Our Bradford correspondent, writing on Wednesday, says:—Although there is no marked increase in activity, the tone of the market is fairly good and, if anything, inquiries for tops and yarns are rather more numerous. More business could be done in merinos if sellers were prepared to make further concessions, but although values now appear to be on a reasonable basis, users are not inclined to speculate, preferring to limit their purchases to relatively small weights for current requirements. At to-day's price, 64's tops are 1s. per lb. cheaper than they were a year ago, while 46s' are about 4d. cheaper. In low and medium crossbreds offers of business are more numerous, and it is significant that in many cases prompt delivery is required. There is, indeed, a feeling that crossbreds are not likely to ease much, if at all, and certain qualities are in short supply. Incidentally, the clearing-up sales in New Zealand have revealed a good demand, and notwithstanding the comparatively poor selection, prices remain firm. Business in yarns is irregular, and prices are still very disappointing. Botanies are cheap, being frequently below replacement costs, but demand is very restricted and spinners are constantly faced with the problem of keeping machinery employed. As regards piece goods, men's wear fabrics continue to sell well both on home and export account, but business in dress goods is rather slow. Generally speaking, however, manufacturers are in a better position than they were a few weeks ago.

COLONIAL WOOLS.

FROM A CORRESPONDENT.

Judging from the cable information received from Australia, and the general tone of things in Bradford, prices are sound. If there is any fault to be found, it is the fact revealed by the Board of Trade returns that imports from Australia, New Zealand and other sources during the first quarter of this year were 200,000 bales less than in the corresponding period of 1928. This may be partly accounted for by delayed shipments this season, but during the first three months of 1928 as well as 1927, imports were substantially larger than in any three months since 1915, having been well over the million bales mark. It is therefore rather disappointing to find any reaction, particularly as the world's production of wool is increasing. We have already anticipated that the next Australian clip will not be any larger than the current one, but it is to be hoped that importers will be able to find outlets for larger quantities. The textile trade of this country can well do with handling more wool, not only through merchanting channels, but also for actual machinery purposes. The price at which merino wool can now be bought is reasonable, and the adjustments bearing on overhead charges which have taken place in various directions should enable it to be sold freely on ultimate consumptive account. The tendency in fine tops has recently been in buyers' favour, but this cannot really be taken as the forerunner of any great decline in the raw material. The demand for preparing wools for export has been very helpful to crossbreds, and the probability is that further encouraging outlets will be found for all qualities.

HIDE, LEATHER AND ALLIED TRADES.

Trade conditions remain difficult and tanners seemed puzzled. Whilst market hides remain firm, oversea sorts are again weaker and the demand poor. At the last Bermondsey auctions, best ox were firm at 7½d., seconds selling at 6¾d., whilst calfskins realised 7¾d. to 14d. for best selections. The demand for foreign hides remains dull, and many sorts are again weaker. South Americans are, however, an exception, the current price for Argentine fregorifics being 9 1/16d., with the United States as the chief operators. In saladeros, Rio Grande ox have sold at 7⅞d., but the market will be

STANDARD LIFE
ASSURANCE COMPANY
For mutual assurance.

ANNUAL REPORT
For Year ended 15th November, 1928.

Principal features disclosed.

(1) NEW POLICIES ISSUED - - - £3,130,000.
The largest amount ever issued by the Company.

(2) ANNUAL VALUATION.
Market rate of Assets considerably in excess of book value.
No credit taken for appreciation.
Liabilities calculated on same basis as before of unequalled stringency (rate of interest assumed 2½%).
Net rate of interest actually earned over 5%.

(3) RESERVES STILL FURTHER STRENGTHENED.
£100,000 of surplus carried to General Reserve and £22,000 carried forward.
The Guarantee Fund which gives additional security to Policyholders now amounts to £1,450,000.

(4) BONUS DISTRIBUTION.
An annual compound bonus of 42/-% was again declared. (This is approximately equal to 44/-% if declared quinquennially.)

NEW ANNUAL CASH BONUS SCHEME inaugurated.
A With-Profit Policy at a Non-Profit Premium.
A really remarkable Policy, giving practically the same initial cover as can be obtained under a Without-Profit Contract, and at the same time preserving the right of participation in profits.
Write to-day for a copy of the Annual Report and for Leaflet "A.J. 19" giving full particulars of this new scheme.

The STANDARD LIFE ASSURANCE COMPANY
LONDON 46 QUEEN VICTORIA ST. E.C.4 / 15A PALL MALL S.W.1
ESTABLISHED 1825
DUBLIN 59 DAWSON STREET
HEAD OFFICE - 3 GEORGE STREET EDINBURGH

tested by the sale this week of Q.20,000 Leibig Colon hides by inscription. Dry River Plates have weakened, and B.A. Americanos are now quoted at 12¾d. Capes are lower, and 12¼d. to 11½d. is quoted for dry first and second qualities. Australians are lower, and 10d. has been accepted for dry-salted Queensland meatworks hides. Cables from Chicago report the market as steady, with best heavy packers still selling at 15 cents. Tanners and merchants report a rather better demand for sole leather this week. Speculation, however, is out of the question, as buyers are not yet convinced leather has touched bottom. This was the view expressed at Leeds Leather Fair on Wednesday, and in consequence little business was done. Wet salted bends are in better request, and are rather weaker, but other sorts remain quotably about the same. Offal is selling slowly and parcels of Continental offal are again reaching this market at low prices. Curriers report rather a better demand for kip leathers, and semi-chrome and linings have come in for more attention. Chrome calf tanners are working off odd lots, but are hard hit by American and Continental competition. Glacé in black and brown sells well, and there is some demand for suede for spring samples of women's shoes. Imports of dressed leather show a remarkable fall so far this year, the values for the first three months of 1928–29 being £2,534,677 and £1,580,016 respectively.

VEGETABLE OILS AND OILSEEDS.

Rather a better tone has developed in the markets, though business generally is still on a modest scale. In sympathy with seed, linseed oil is steadier, but prices are depressed by the offers of Continental oil on competitive terms. Current value is around £28 10s. per ton naked ex Hull mill for "spot" and April delivery, with later positions at a small premium. Cotton oil is dull and reduced figures have failed to stimulate demand to any extent. Crude Egyptian offers freely at £26 10s. and common edible at £30 10s. for prompt and May-August ex Hull. Other soft oils are quiet. In the oilseed section linseed in near positions is scarce and has been in good demand both here and on the Continent, value of Plate on spot having advanced to £16 7s. 6d., while up to £16 5s. has been conceded for seed on passage and £16 for "shipping or shipped." Business has again been done in Calcutta linseed to London, £18 2s. 6d. having been paid for April shipment. The quantity of linseed on passage to Europe is not excessive and is around 140,000 tons. Some little business is reported in black Egyptian cottonseed to Hull, prices ranging from £9 3s. 9d. to £9 7s. 6d. for April and May loadings. Oilcakes are in quiet demand and values inclined easier.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—A moderate business in spot goods proceeded, demand having subsided somewhat after the active movement of previous day. The market in general was quieter, mostly owing to delay in discussion of the proposed American tariff. Java markets cabled dull. Foreign, 96 per cent. centrifugal, May, quoted 9s. 3d. c.i.f. U.K. White Java, June to December, 12s. 1½d., c. and f. Calcutta. Home-grown granulated, 22s. 4½d. to 22s. 6d. for ready parcels as to factory. Terminal sections easier. Of raw, May sold 8s. 3¾d. to 8s. 4½d.; August, 8s. 9¾d. to 8s. 10½d.; December, 9s. 3¾d. to 9s. 4½d.; March, 9s. 7½d. to 9s. 6¾d. White, May, sold 11s.; August, 11s. 6¾d. to 11s. 7½d.; December, 12s.; March, 12s. 3d. cwt. Cuban receipts last week, 211,529 tons against 139,871 last year; exports, 129,014 against 92,547; stocks, 1,427,318 against 1,270,066; central workings, 122 tons against 85 last year. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending April 13th totalled 148,981 tons against 132,564 last year. U.K. imports last month, 147,721 tons against 133,882 last year; consumption, 147,938 against 120,662; stocks, 308,850 against 311,550.

COFFEE.—Offerings at public sales included some attractive qualities and were well absorbed; prices ruled steady. Of East India, fine bold Mysore sold 151s. to 157s.; peas up to 160s. 6d.; Kenya bold dull coated, 146s.; Matagalpa medium, greenish, 122s. 6d.; peas, 138s.; Colombian bold colory, 127s. to 129s. 6d.; Costa Rica, bold sizes, from 137s. 6d. to 170s. 6d.; peas, 138s. to 170s. 6d.

COCOA.—A quiet but steady market on spot. Accra for shipment more or less nominal. Terminal sections decidedly more active during the week, though irregular and easier. May sold 46s. to 46s. 1½d. and 45s. 9d.-46s.; July, 47s. 4½d. to 47s. 1½d., September, 49s. to 48s. 4½d.; December, 48s. 9d. to 48s. 3d.; January, 49s. 4½d. to 49s.

TEA.—Indian auctions of 47,684 packages came to quite a brisk market and a firm to dearer one, especially for fine and finest liquoring descriptions. Common teas steady, Ceylon sales on Tuesday amounted to 26,316 packages. These were the first teas to be knocked down duty free, dating back to about 1766. With brisk competition, full to dearer rates were secured. Java and Sumatra auctions met quite a firm market.

RICE.—Market dull and quotations nominally unaltered.

BEANS.—Market steady but quiet.

PEAS.—Steady and buyers more frequent. Japanese spot 22s. 6d., afloat, 18s. 6d. to 20s. 6d. as to position; April-May, 18s. 4½d. cwt., c.i.f. London.

SPICE.—Sustained buying in force caused sellers to adopt marked reserve and prices in forward positions further moved upward. Black Singapore spot quoted 1s. 5d.; Lampong, 1s. 5d.; Tellicherry,

The Sweet Security of 5%

MILLIONS "invested" last year in the most reckless type of speculation—with results already being felt in countless homes. Millions last year invested in and applied to the development of foreign countries. Meanwhile, on at least one occasion, a great Colonial borrower felt himself driven from the London Market and obliged to borrow in America with inevitable loss to this Country. For, every penny lent abroad means trade for the lending country—a simple and universally accepted axiom of economics.

Trade may follow the Flag—It must follow from investment abroad.

To-day the state of development of a Dominion like Australia, compared to what it should be in 50 years, is best visualised by comparing the United States to-day with what she was half a century ago.

Investment in the Stocks of the Dominions and Colonies combines absolute security of capital and certainty of income paid at due dates with a slightly higher income than is obtainable on similar Stocks at home.

This announcement is issued by Corporation and General Securities, Limited, in the interests of the British and Colonial Corporations and other Authorities it has the honour to serve. No correspondence is invited. Investors wishing to learn more of this class of Security should communicate with Members of the London and Provincial Stock Exchanges.

THE WHOLE OF THIS ISSUE HAS BEEN UNDERWRITTEN.

A Copy of the full Prospectus has been filed with the Registrar of Joint Stock Companies.

The Subscription List will open on Tuesday, 23rd April, and will be closed on or before Thursday, 25th April, 1929.

Application will be made to the Committee of the Stock Exchange for permission to deal in the Shares of the Company after Allotment.

CHEMICAL & WOOD INDUSTRIES LTD.

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

SHARE CAPITAL - - - - - - - £1,000,000

Divided into 1,000,000 Ordinary Shares of £1 each.

The Vendor's confidence in the future of the Company is indicated by his acceptance of 275,000 Ordinary Shares in full satisfaction of the purchase price.

ISSUE AT PAR OF
725,000 ORDINARY SHARES OF £1 EACH.

Payable as follows: On Application, 2/6 per Share. On Allotment, 7/6 per Share. On 5th June, 1929, 10/- per Share.

Payment may be paid in full on Allotment and Interest will be allowed on the amount prepaid at the rate of 5 per cent. per annum.

THE CORNHILL ISSUES CORPORATION, LIMITED, of 3, London Wall Avenue, London, E.C.2, has been authorised by the Company to invite applications for the above-mentioned 725,000 Ordinary Shares of £1 each at par through its Bankers: BARCLAYS BANK LIMITED, Head Office, 54, Lombard Street, E.C.3; 1, Minories, London, E.1, and Branches. WESTMINSTER BANK LIMITED, Head Office, 41, Lothbury, E.C.2; 1, Finsbury Square, E.C.2, and Branches.

Directors:

THE RT. HON. LORD BLEDISLOE, P.C., K.B.E., D.Sc., F.C.S., 52, Sloane Street, S.W.1 (Director, Gloucester Railway Carriage and Wagon Company, Limited), Chairman.

SIR JAMES CALDER, C.B.E., 32, Park Lane, W.1 (Director of The Distillers Company, Limited; Chairman of Calders, Limited).

RENE PAUL DUCHEMIN, 27, Quai de la Tournelle, Paris (Officier de la Légion d'Honneur; Président de la Confédération Générale de la Production Française).

THE RT. HON. VISCOUNT ELIBANK, D.L., 238, St. James Court, S.W. (Chairman of the Perak River Hydro-Electric Power Co., Limited).

MAJOR CYRIL FULLARD ENTWISTLE, M.C., LL.B., 14, Hill Street, W.1 (Director of The Cornhill Issues Corporation, Limited).

MILIVOJ CRNADAK, Yurievska, 26, Zagreb (Vice-President of the First Croatian Savings Bank; President of the Chamber of Commerce, Zagreb, Yugoslavia).

Technical Adviser: DR. W. R. ORMANDY, D.Sc., F.I.C., F.C.S., etc., Consulting Chemist and Engineer, London.

Technical Advisers to the Destilacija Drva D.D.: PROFESSOR H. SUIDA, D.Ph., etc., President Chemical Section, Technical High School, Vienna. M. JACQUES MAUGER, Chemical Engineer, Managing Director "Maison Camus Duchemin," Paris.

Bankers: BARCLAYS BANK LIMITED, 1, Minories, London, E.1. WESTMINSTER BANK LIMITED, 1, Finsbury Square, E.C.2.

Solicitors: To the Company: ALBERT M. OPPENHEIMER, 31, Queen Victoria Street, E.C.4, and 27, Behrenstrasse, Berlin. To the Vendor: MAYO ELDER & CO., 10, Draper's Gardens, E.C.2.

Local Legal Adviser: DR. STEPAN POSILOVITCH, 7, Berislaviceva, Zagreb.

Brokers: CAPEL-CURE & TERRY, 10, Old Broad Street, London, E.C.2. MEWBURN & BARKER, 13, Pall Mall, Manchester. PEARSON, CONNOR & CO., 20, Renfield Street, Glasgow, C.2. CLARK, PEACOCK & CO., 9, Mount Stuart Square, Cardiff.

Auditors: PRICE, WATERHOUSE & CO., Chartered Accountants, 3, Frederick's Place, E.C.2, and at Paris, Milan, Berlin, Bucharest, Rotterdam, and Brussels.

Secretary and Registered Office: H. R. ATTWOOD, A.S.A.A., 3, London Wall Avenue, E.C.2.

Registrar and Transfer Office: A. ENGEL, 4, Bucklersbury, E.C.4.

ABRIDGED PROSPECTUS.

OBJECTS.—The Company has been formed for the purposes specified in the Memorandum of Association, and in particular to acquire a controlling interest (of over 77 per cent. of the share capital) in the **Destilacija Drva D.D. (called in English, "Wood Distillation Company")**, to finance that concern and by that means to develop and exploit its **chemical works and timber concessions in Bosnia, Yugoslavia.**

WOOD DISTILLATION COMPANY.—The Company was established under Yugoslavian law at Zagreb in 1921 for the purpose of acquiring from the Government, for a term expiring in 1946, a Lease Contract of the **Chemical Plant, Sawmills, Railways, Forest** and **Equipment,** originally installed by the Bosnian Timber Exploitation Company, a subsidiary of the great German Wood Distillation Company, named **Holzverkohlungs Industrie A.G.,** of Constance. Under the direction of the **First Croatian Savings Bank,** the enterprise has been entirely reconstructed and modernised. The present Government has agreed to extend the Lease Contract until 1971 on very favourable terms.

Timber Concessions.—The Wood Distillation Company holds rights from the Yugoslavian Government and Mussalman Church Administration over approximately 33,000 hectares (about 80,000 acres) of Forest limits from which the Government have granted felling rights for the Sawmill and Distillation Plant. The Directors consider that these Concessions, together with certain other smaller Forest reserves available, will ensure an ample supply of wood for all purposes.

Wood Distillation Works.—It is the **largest single installation of its kind in Europe.** It is especially equipped in a thoroughly up-to-date and comprehensive manner for the carbonisation annually of 200,000 **stack metres** of wood for the economic manufacture of **Acetic Acid, Acetone, Formaldehyde, Methyl Alcohol, Charcoal** and allied products.

The "Suida" Patents.—These belong to the Wood Distillation Company, and relate to the well-known "Suida" Process for the direct manufacture of Acetic Acid and the recovery of weak Acids. These processes have been operated on a commercial scale for the last two years, and the Directors consider these patents to be of the greatest commercial importance.

Sawmill.—This has a capacity of **100,000 cubic metres** per annum. The eminent firm of **Carl Gottlieb, Vienna, Sawmill Engineers,** have contracted to reconstruct and modernise the present Sawmill and conditioning plant at an inclusive cost of £12,670.

Installation.—This includes a well-equipped Power Station, houses for the staff and workpeople, warehouses and other buildings. The Distillation Factory employs about 700, the Sawmill about 200, and the Forest about 1,500 to 2,000 workmen. Local working conditions are excellent. **Labour** is cheap, efficient and abundant. **Water,** both river and artesian, is in ample supply for all industrial and domestic requirements.

Railways.—The lease includes about **150 kilometres Government standard gauge railways,** directly penetrating the forests, together with **Stations, Sidings** and **Rolling Stock,** providing direct contact with the Central European railway system and ensuring efficient transport to Susak and Dubrovnik, Fiume, Trieste, the Ports of Call of the Cunard, Ellerman and Ellerman-Wilson Lines.

Coal Resources.—With seams running under the very ground area of the factory, the Wood Distillation Company works its own Brown Coal Mines, from which all its industrial and domestic requirements are supplied at a very low cost. The reserves of Coal already exposed are more than adequate for all present and potential requirements. The amount keeps pace with the factory demand of about 100,000 tons per annum. The Directors anticipate considerable profit from this source in the future.

GOVERNMENT CO-OPERATION.—The capital of Wood Distillation Company is 20,000,000 dinars, divided into 100,000 shares of 200 dinars each, of which 20,000 are priority (or preference) shares, carrying a preferential dividend of 6 per cent. per annum, but in other respects ranking equally with the 80,000 ordinary shares. **The Yugoslavian Government holds these 20,000 priority shares,** and is therefore interested in the success of the Wood Distillation Company. The Company will acquire 77,642 of the 80,000 ordinary shares, and thus be in a position of a **partner with the Government,** and the works consequently will continue to enjoy particular protection under the Preferential Tariffs. There are no debentures or mortgages outstanding on the real estates and goods of the Wood Distillation Company.

PROPERTY VALUATION by **Messrs. Bradshaw, Brown & Co.,** Valuers, Billiter Square Buildings, London, E.C. 3.

(*a*) **Buildings, Fixed and Loose Plant and Machinery,, Railways and General Equipment acquired and owned by the Wood Distillation Co., Ltd.**	**£186,164 0 0**
(*b*) **Buildings, Fixed and Loose Plant and Machinery, Railways and General Equipment leased from the Government for 42 years, namely, until 1971**	**£284,932 0 0**
Giving a total of	**£471,096 0 0**

TIMBER CONCESSIONS VALUATION.—Messrs. Toplis & Harding & Russell, Surveyors and Valuers, established 1790, of 28, Old Jewry, London, E.C. 2 (and at Manchester, Cairo, etc.) report upon these forests, and is summarised as follows:—

Apart from the revenue accruing from the Distillation Plant **WE ESTIMATE THE NET ANNUAL INCOME FROM THESE FORESTS TO BE THE SUM OF £98,000,** which will accrue to Chemical and Wood Industries, Limited.

WE VALUE THE CONCESSIONS AT THE SUM OF £750,500.

Yours faithfully, (signed) **TOPLIS & HARDING & RUSSELL.**

TECHNICAL ADVISER'S REPORT.—Dr. W. R. Ormandy, D.Sc., F.I.C., F.C.S., late Bishop Berkeley Fellow of the Owens College, M.I.A.E., M.I., Pet. Tech., M.I.Chem.E., London, whose report is summarised as follows:—

I ESTIMATE THAT THE "SUIDA" PATENTS HAVE A CAPITAL VALUE OF £120,000.

Yours faithfully, (signed) **W. R. ORMANDY.**

GENERAL MANAGER'S ABRIDGED REPORT.—Dr. Sigmund Pordes, Genera Manager of the Wood Distillation Company, reports as follows:—

The Cornhill Issues Corporation, Limited,
3, London Wall Avenue, London, E.C. 2.

Dear Sirs, Zagreb, 28th March, 1929.

After having thoroughly discussed all matters concerning methods and conditions of manufacture at the Teslic works with **Dr. W. R. Ormandy,** London, **Mons. Jacques Mauger,** of Paris, and **Professor H. Suida,** of Vienna, as technical advisers, and the late **Mr. Arpad Karolyi,** as General Director of the Wood Distillation Company, I beg to report that actual experience and proven results demonstrate that the Wood Distillation plant, now that it has been completely modernised, is **EARNING NET PROFIT AT THE RATE OF £71,360 PER ANNUM FROM THE SALE OF A CHEMICAL PRODUCTS ALONE.** It is clear that this figure is capable of considerable expansion as methods improve and certain economies are effected. Domestic and International "Cartels" dispose of the entire output of the Distillation and Chemical Plant.

The **"Suida"** processes have now been operated in conjunction with **First** Croatian Savings Bank on a commercial scale during the past two years. In addition to the great value to the economic working of the Distillation Plant at Teslic these patents are already producing **A REVENUE OF ABOUT £10,000 PER ANNUM,** which figure it is anticipated will, from negotiations now pending, be **INCREASED VERY SHORTLY TO AT LEAST £20,000 PER ANNUM.**

The Company has also received offers by Yugoslavian Textile Mills to take over the entire output at market figures, which would leave the Company with a **MINIMUM ANNUAL PROFIT OF £112,200.**

Yours faithfully, (signed) **SIGMUND PORDES.**

ESTIMATED PROFITS.—The Directors estimate the earning capacity of Chemical and Wood Industries, Limited, as follows:—

	£
Interest on Advances to the Wood Distillation Company	**36,000**
Timber as per Report of Toplis & Harding & Russell	**98,000**
Chemical Works as per Report of Dr. S. Pordes, £71,360, of which over 77 per cent. accrues to this Company	**54,947**
Interest on £230,000 reserved for Artificial Silk Factory	**11,500**
	£200,447

After making the necessary provision for Directors' fees and remuneration, management, technical and administrative expenses, there would remain a net profit of about £190,000 for the first year, which would be equivalent to about **19 per cent.** on the capital of the Company.

PURCHASE PRICE.—This Company acquires from the Vendor 77,642 shares of the **Wood Distillation Co., Ltd.,** at the price of £275,000, which will be satisfied by the allotment of 275,000 fully-paid Ordinary Shares of £1 each, of which 175,000 will be allotted to the Engelsch-Nederlandsche Financieering Maatschappij, who are interested with the Vendor in the Shares being acquired.

Prospectuses and Forms of Application may be obtained at the offices of the Company, and from the Company's Bankers and Solicitor, and from The Cornhill Issues Corporation, Limited, 3, London Wall Avenue, E.C. 2.

London, 16th April, 1929.

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended March 31.		3 Months Ended March 31.	
	1928.	1929.	1928.	1929.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	10,082,608	7,182,651	24,766,483	22,085,858
B. Feeding stuffs for animals	833,568	717,136	2,679,081	2,430,871
C. Meat	9,360,479	8,970,938	25,371,744	26,058,038
D. Animals, living, for food	955,836	1,263,951	3,028,316	3,733,102
E. Other food and drink, non-dutiable	15,516,721	14,557,149	42,735,508	44,607,774
F. Other food and drink, dutiable	8,666,187	8,329,611	29,204,336	28,532,334
G. Tobacco	1,586,667	1,099,989	4,341,811	4,206,681
Total, Class I.	47,002,066	42,121,425	132,127,279	131,654,658
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	2,482	3,339	6,491	10,221
B. Other non-metallic mining and quarry products and the like	425,216	373,345	1,251,506	1,328,179
C. Iron ore and scrap	449,242	498,622	1,272,749	1,370,181
D. Non-ferrous metalliferous ores and scrap	1,107,936	1,005,403	4,193,008	3,988,666
E. Wood and timber	2,000,570	1,464,370	6,192,815	6,106,959
F. Raw cotton and cotton waste	7,419,125	7,796,048	18,994,549	26,164,682
G. Wool, raw and waste, and woollen rags	10,669,438	6,420,827	28,451,038	22,208,804
H. Silk, raw, knubs and noils	153,292	172,184	519,654	534,693
I. Other textile materials	1,852,706	1,177,931	5,796,451	5,221,847
J. Oil seeds, nuts, oils, fats, resins and gums	3,839,222	4,753,034	11,375,370	12,313,275
K. Hides and skins, undressed	2,827,160	1,713,186	8,036,356	5,762,895
L. Paper-making materials	639,741	656,343	2,039,750	2,499,668
M. Rubber	1,502,587	1,578,900	4,890,834	4,233,308
N. Miscellaneous, raw materials and articles mainly unmanufactured	1,067,739	900,814	3,137,366	2,927,603
Total, Class II.	33,956,456	28,514,346	96,157,937	94,670,981
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	65	2,944	5,272	3,516
B. Earthenware, glass, abrasives, etc.	942,032	755,756	2,518,339	2,400,065
C. Iron and steel and manufactures thereof	2,258,847	1,672,414	6,815,791	5,236,544
D. Non-ferrous metals and manufactures thereof	2,860,683	3,045,328	7,977,501	8,661,251
E. Cutlery, hardware, implements, and instruments	746,498	806,086	1 845,943	2,031,827
F. Electrical goods and apparatus	357,725	422,221	1,122,531	1,251,698
G. Machinery	1,528,677	1,444,314	4,091,666	4,306,357
H. Manufactures of wood and timber	708,615	544,521	1,997,868	1,980,663
I. Cotton yarns and manufactures	1,067,340	849,953	2,867,950	2,529,322
J. Woollen and worsted yarns and manufactures	1,822,153	1,728,431	4,751,751	4,443,122
K. Silk and silk manufactures	1,389,052	1,204,961	3,784,309	3,432,605
L. Manufactures of other textile materials	1,550,618	1,388,516	4,375,172	4,054,912
M. Apparel	2,236,573	1,910,290	5,389,346	4,787,536
N. Chemicals, drugs, dyes and colours	1,445,015	1,328,404	3,943,319	4,011,232
O. Oils, fats, and resins, manufactured	2,973,404	4,107,681	8,239,704	10,254,230
P. Leather and manufactures thereof	1,965,869	1,255,049	5,653,132	3,646,696
Q. Paper and cardboard	1,243,876	989,370	3,789,510	3,525,696
R. Vehicles (including locomotives, ships, and aircraft)	821,407	933,863	2,224,098	2,538,056
S. Rubber manufactures	384,647	330,767	845,108	834,864
T. Miscellaneous articles, mainly or wholly manufactured	2,879,995	2,460,418	7,917,818	7,103,565
Total, Class III.	29,183,091	27,181,287	80,156,128	77,033,757
IV.—Animals, not for food	154,001	212,727	417,709	704,462
V.—Parcel Post, non-dutiable articles	221,508	563,555	904,008	1,911,302
Total	110,517,122	98,593,340	309,763,061	305,975,160

EXPORTS of PRODUCE and MANUFACTURES of the UNITED KINGDOM (Value F.O.B.)

	Month Ended March 31.		3 Months Ended March 31.	
	1928.	1929.	1928.	1929.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	562,338	433,019	1,451,157	1,152,282
B. Feeding stuffs for animals	303,606	302,506	877,355	871,105
C. Meat	137,958	125,625	423,937	415,798
D. Animals, living, for food	11,571	9,040	26,880	26,536
E & F. Other food and drink	2,490,633	2,241,229	7,961,841	7,320,190
G. Tobacco	692,077	675,416	2,246,721	2,269,249
Total, Class I.	4,198,183	3,786,835	12,987,891	12,055,160
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	3,248,126	3,829,505	9.474,495	10,355,302
B. Other non-metallic mining and quarry products and the like	130,635	121,028	406,611	416,726
C. Iron ore and scrap	109,824	115,387	266,533	390,064
D. Non-ferrous metalliferous ores and scrap	138,302	175,148	474,618	551,853
E. Wood and timber	36,609	28,869	103,142	94,607
F. Raw cotton and cotton waste	112,950	88,055	407,769	351,429
G. Wool, raw and waste, and woollen rags	1,064,146	933,920	2,806,545	2,736 345
H. Silk, raw, knubs and noils	2,448	1,104	13,072	6,567
I. Other textile materials	68,899	45,318	141,741	88,478
J. Oil seeds, nuts, oils, fats, resins, and gums	501,215	457,250	1,381,267	1,264,172
K. Hides and skins, undressed	294,278	270,862	966,077	969,499
L. Paper-making materials	121,469	111,386	354,784	334,283
M. Rubber	26,805	19,870	79,929	67,215
N. Miscellaneous raw materials and articles mainly unmanufactured	439,599	365,290	1,173,246	1,141,256
Total, Class II.	6,295,305	6,562,992	18,049,829	18,767,795
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	239,742	385,267	895,263	1,100,019
B. Earthenware, glass, abrasives, etc.	1,040,157	978,758	2,957,601	3,144,352
C. Iron and steel and manufactures thereof	6,232,905	5,346,443	16,647,718	17,337,660
D. Non-ferrous metals and manufactures thereof	1,655,967	1,519,308	4,360,237	4,436,194
E. Cutlery, hardware, implements, and instruments	764,285	649,633	2,144,565	2,135,056
F. Electrical goods and apparatus	1,100,492	886,436	3,038,117	2,787,886
G. Machinery	4,812,947	4,154,289	13,689,817	13,339,499
H. Manufactures of wood and timber	199,146	201,805	557,003	616,488
I. Cotton yarns and manufactures	14,122,855	11,956,437	39,227,033	37,605,514
J. Woollen and worsted yarns and manufactures	5,371,477	4,387,202	15,579,937	14,817,364
K. Silk and silk manufactures	216,209	162,516	605,579	524,774
L. Manufactures of other textile materials	2,669,895	2,177,727	7,570,912	6,654,176
M. Apparel	2,574,188	2,175,639	6,679,469	6,279,909
N. Chemicals, drugs, dyes, and colours	2,258,774	2,220,626	6,326,724	6,386,906
O. Oils, fats, and resins, manufactured	825,750	715,962	2,262,321	2,133,529
P. Leather and manufactures thereof	905,462	540,773	2,535,113	1,692,524
Q. Paper and cardboard	742,374	656,435	2,255,639	2,194,777
R. Vehicles (including locomotives, ships, and aircraft)	4,025,070	4,636 965	10,268,412	12,296,568
S. Rubber manufactures	324,016	266,002	811,230	786,550
T. Miscellaneous articles mainly or wholly manufactured	3,332,537	2,962,796	8,766,550	8,877,504
Total, Class III.	53,414,248	46,981,019	147,179,240	145,147,248
IV.—Animals, not for food	91,885	98,370	436,042	396,497
V.—Parcel Post	958,502	1,194,141	3,284,002	4,801,239
Total	64,958,123	58,623,357	181,937,004	181,167,939

1s. 5½d.; Muntok, white, 2s. 2½d.; Lampong, March-May, quoted 1s. 3½d.; May-July sold 1s. 2⅝d.; August-October, 1s. 1⅝d.; Muntok, white, March-May, quoted 2s. 1¾d.; May-July sold 1s. 0⅜d.; August-October, 1s. 11d. lb. London stocks reduced by 5 tons on the week for black, but 27 tons higher for white. Tellicherry, March-May, quoted 145s. cwt. c.i.f. Pimento; July-August sellers, 115s.; August-October, 110s. cwt. c.i.f. London; cloves dull, unaltered; Singapore flake tapioca, April-May, Havre, 17s. 9d.; Penang seed to Hamburg, 16s. 9d. cwt.; African ginger, spot, 53s.; April-May, 50s.; F.W.R. Cochin, spot, 70s. cwt.

FRUIT (Dried).—Currants. Markets steady, but business confined to small parcels of low-priced fruit. Pyrgos, quoted, 45s. 6d.-46s.; Amalias, 46s.-46s. 6d.; Zante, 47s.; Vostizza, 50s.-55s. New crop Australian shows attractive quality and realised from 50s.-62s. Sultanas, Smyrna in better request, medium to fine ranges from 41s.-54s.; Cretan, 42s.-72s.; Greek, 40s.-55s.; Australian, new crop, 60s.-70s. Raisins experienced a quiet sale. Valencia, quarter-boxes, common to good, 46s.-52s.; Lexias, 30s.-34s. Australian and Cape unaltered. Figs quiet. Genuine spot, 28s.-31s. Dates quietly steady. Hallowie spot, 25s.-30s.; Khedrowie, 21s.-23s.; Siar, 14s. 6d.-16s. 6d. cwt.

EVAPORATED FRUITS.—Business is slow to develop apart from a good inquiry for Californian plums, but general tone firm and offers reservedly made in view of probable damage to crops by recent frosts. Californian plums, 20's-30's, quoted, 65s.-66s.; 30's-40's, 56s.-57s.; 60's-70's, 43s.-44s. Pears, Lake County, 72s. 6d.-100s. Apricots, South African Royal, 57s. 6d.-117s. 6d.; Cape, 72s. 6d.-82s. 6d.; Californian, 85s.-117s. 6d.; Australian, 75s.-85s. Peaches, Californian, choice, 52s.; extra choice, 54s.; fancy, 58s. Apples, Californian, spot, sliced extra choice, 70s. Almonds, market less depressed. Mazagan, 127s. 6d.; Mogador, 127s. 6d.; Majorcas, 130s.; Bitter, Jordan, 185s.-210s. cwt.

CANNED GOODS.

CANNED FRUITS.—The market was fairly well supplied by recent arrivals of Californian fruits, which are being steadily absorbed. Sellers hold for full prices, both spot and forward, owing to unfavourable crop prospects. Small available supplies of Australian move off steadily. Singapore pines experienced a quiet sale, buyers being reluctant to operate forward at current rates. Italian tomatoes somewhat difficult to vend, business being hampered by fluctuating forward quotations.

CANNED FISH.—There is not much change in the general situation, a spell of warm weather being needed to stimulate demand. Meanwhile full rates were quoted for all descriptions. Sardines, Portuguese clubs, 5s. per dozen tins. Lobsters largely nominal on scarcity, and best halves realise 140s.-145s. Salmon, red talls, spot, 43s.-45s.; pink, ditto, 26s.-27s.; halves, 43s.-45. Japanese crab in moderate supply, with finest quality 97s. 6d.-100s.

CANNED MEATS.—Corned beef and tongues sell slowly, but the latter remains firm on limited offerings. Lunch tongues realise full rates, with sustained forward inquiries. Cases of 12 by 6 tins, quoted, 1s. 7d. lb., ex wharf principal U.K. ports.

CONDENSED MILK AND POWDERS.—Market easier. Full cream, sweetened, English, spot, 42s. 6d.; Dutch, ditto, 37s. 6d.; May-June, 37s. 6d. Machine skimmed, sweetened—English, spot, 25s.; Dutch, ditto, 22s. 9d.; May-June, 22s. 9d.; all in 5 cwt. barrels. Powders, spray process, F.C., 26 per cent., 2 by 56 lb. tins, crated, 88s.; M.S. (1 cwt. cases), 39s. 6d. Roller, ditto, F.C., 26

PRELIMINARY NOTICE.

OLYMPIA LIMITED

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

CAPITAL:

Authorised.		To be issued.
£1,000,000	in 1,000,000 7 Per Cent. Cumulative Preference Shares of £1 each -	£400,000
£500,000	in 2,000,000 Ordinary Shares of 5/- each - - - - -	£200,000
£1,500,000		£600,000

The Subscription Lists will open on Monday next for an

ISSUE AT PAR OF

400,000 7% CUMULATIVE PREFERENCE SHARES of £1 each and 400,000 ORDINARY SHARES of 5s. each.

DIRECTORS:

PHILIP ERNEST HILL (Chairman, Covent Garden Properties Company, Limited), *Chairman.*
CLAUD FRANCIS GODDARD, of Messrs. Goddard & Smith, Auctioneers and Estate Agents.
PAUL STANLEY MAY (late Senior Partner of Messrs. May & Rowden, Auctioneers and Estate Agents).
LOUIS NICHOLAS, Chartered Accountant.
REGINALD GARDINER HEATON (Managing Director, Olympia (1912) Limited), *Managing Director.*

The Prospectus will show that:

The Company is acquiring as from the 1st January, 1929, the whole of the assets and undertaking of Olympia (1912) Limited (the Proprietors of Olympia), which is the recognised centre for Trade Exhibitions in Europe.

The main Olympia buildings and adjacent properties belonging to the Company cover an area of 9¼ acres, but as they are not sufficiently large to meet the demand for accommodation, considerable further extensions are being proceeded with, which will bring them up to a total area of about 10 acres.

The present buildings are let for practically the whole year round with the exception of a few days in August, which are utilised for the annual cleaning, etc.

The estimated value of net assets, exclusive of goodwill, is £1,134,585, which sum covers the present issue of Preference Shares over 2¾ times.

Profits for the past six years have been as follows:

1923	..	£70,816	1926	..	£67,007
1924	..	57,285	1927	..	81,940
1925	..	77,830	1928	..	90,760

The year 1924 was the first year of the Wembley Exhibition and 1926 was the year of the General Strike. **The net profits for the current year are estimated by the Managing Director at £105,000 and it is anticipated that these profits will be considerably increased when the extensions have been completed.**

The services of Mr. R. G. Heaton as Managing Director and of Mr. Samuel Fortescue and all the other principal officials and staff of Olympia (1912) Limited have been retained.

Prospectuses and Forms of Application can be obtained from the—

BANKERS:

COUTTS & CO., 440, Strand, London, W.C.2.
NATIONAL PROVINCIAL BANK LIMITED, 15, Bishopsgate, E.C.2.

BROKERS:

RITCHER & CO., Austin Friars House, London, E.C.2.
FYSHE & HORTON, 3, Temple Row West, Birmingham;
CRICHTON BROS. & TOWNLEY, 13, Castle Street, Liverpool;

and from

WALBROOK TRUST LIMITED

55-56, Pall Mall, S.W.1.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 3, N. Man. 496 lb....	48	9
Eng. Gas. av., per cwt.	9	10
Barley, Eng. Gas. av.	10	3
Oats, " "	9	9
Maize, La Plata, landed, 480 lb.	42	0
Flour, Lon. stan. ex mill, 280 lb.	35	6
Rice, No. 2 Burma, per cwt.....	12	9
Sago, pearl, per cwt. 22	3 22	6
Tapioca, per cwt.—		
B.I. flake, fair spot 21	0 21	6
Medium pearl 20	0 21	0
Potatoes, good English, per ton... 120	0 130	0
MEAT—	s. d.	s. d.
Beef, per 8 lbs.—		
English sides.....	5 8	6 2
Argentine chilled hinds...	5 8	6 2
Mutton, per 8 lbs.—		
English wethers	6 0	7 8
N.Z. frozen "	4 0	5 4
Pork, English, per 8 lbs. ...	8 0	8 8

OTHER FOODS.

BACON—Irish.....per cwt.	133	0 144	0
Danish.....	126	0 130	0
Canadian.....	125	0 126	0
Dutch	119	0 125	0
HAMS—Irish.....	0	0 0	0
Canadian.....	0	0 0	0
American	112	0 120	0
BUTTER—			
Irish creamery per cwt.	160	0 0	0
Australian	144	0 162	0
New Zealand	144	0 170	0
Danish.....	164	0 0	0
CHEESE—			
Canadian ..... per cwt.	96	0 112	0
New Zealand	86	0 90	0
English Cheddars	130	0 144	0
Dutch	46	0 89	0
COCOA—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
Accra f.f., per cwt.	50	0 51	0
Trinidad	64	0 70	0
Grenada	50	0 60	0
COFFEE—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
B.I., good to fine, per cwt.	147	0 160	0
Costa Rica, good to fine...	155	0 186	0
Cent. Amer., mid to fine	130	0 150	0
Kenya, bold sizes	124	0 152	6
Colombian, mid to fine...	127	0 145	0
EGGS—			
English ..... per 120	13	9 15	3
Danish.....	12	3 14	9
FRUIT—			
Oranges, Denia & Val. 300	17	0 25	0
" " 360	17	0 23	0
" " 504	16	0 20	0
Jaffa " ..... boxes 144	14	0 18	6
Lemons, Naples boxes	0	0 0	0
Sicilian ..... boxes	8	0 13	0
" .....cases	12	0 20	0
Murcia ..... half cases	0	0 0	0
Malaga ...cases 420 No. 1	0	0 0	0
Apples: Amer. (var.) bris.	0	0 0	0
(var.) boxes	10	0 12	6
Onions, Valencia :—			
case 4s.	00	0 00	0
case 5s.	00	0 00	0
" Egyptian, bag	5	0 8	0

	s.	d.	s.	d.
FRUIT (*continued*)—				
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....bris.	0	0	0	0
LARD—				
Irish bladders.....	66	0	72	0
American boxes 56 lbs.	62	9	64	3
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	2½	0	0
Black Lampong	1	5	0	0
Cinnamon—1st sort, per lb.	2	3	0	0
Cloves—Zanzibar per lb.	¾	5½	0	0
Ginger—per cwt.—				
African	53	0	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	2	9	3	10
Nutmegs 65's	1	9	1	11
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	21	6	23	6
Java, white, c.i.f. India, July–Sept.	12	1½	0	0
REFINED—London—				
Yellow Crystals	21	10½	0	0
Cubes	26	0	26	6
Crushed	24	9	25	3
Granulated	23	0	23	10½
Home Grown (prompt)	22	4½	22	6
TEA—				
(Duty 1½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	1	1	2	4
Broken Pekoe	1	1½	2	5
Orange Pekoe.....	1	1	2	4
Broken Orange	1	3½	2	9
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
"	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	4½	1	0

TEXTILES.

COTTON—		d.		
Mid-American .....per lb.		10·69		
Sakellaridis, f.g.f.		18·30		
Yarns, 32's twist		16		
60's twist		27		
FLAX—	£	s.	£	s.
Livonian ZK .....per ton	84	0	0	0
Pernau HD.....	77	0	0	0
Slanetz Medium 1st sort	87	0	0	0
HEMP—				
Italian P.C. ..... per ton	63	0	0	0
Manila, Apr.–June "J2"	37	10	37	10
N.Z.			nom.	
JUTE—				
Native 1st mks....per ton Apr.–May	31/15/0		0/0/0	
May–June	32/2/6		0/0/0	
SILK—	s.	d.	s.	d.
Canton .....per lb.	17	0	19	0
Tussah.....	8	0	10	0
Japan	21	0	22	6
Italian—Raw, fr. Milan	20	0	22	6

	s.	d.
WOOL—		
English Southdown, washed per lb.	26	
" Lincoln hog, washed	17½	
Queensland, scd. super cmbg.	41	
N.S.W. greasy, super "	23	
N.Z., grsy., half-bred 50–56	20	
Crossbred 40–44	15	
Tops—		
Merinos 70's	45½	
" 64's	43	
Crossbred 48's	25	
" 46's	23	

MINERALS.

	s.	d.	s.	d.
COAL—				
Welsh, best Ad'ty...ton	21	6	22	0
Durham, best gas	15	6	16	0
Sheffield, best house ...	20	0	21	0
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	68	6	0	0
Bars, M'brough 215		0	0	0
Steel Rails, heavy.....170		0	0	0
Tin Plates, I.C., per box	18	3	18	9
METALS—	£	s.	£	s.
Copper, Electrolytic, ton	84	0	85	0
Sheets (strong) 119		0	0	0
Standard 77/15/0			78/0/0	
Lead Eng. Pig ...per ton	25/15/0		26/0/0	
Soft Foreign	24/12/6		24/2/6	
Spelter G.O.B.	26/13/9		26/11/10	
Tin—English ingots ...	207/5/0		209/0/0	
Standard, cash	207/5/6		207/7/6	

MISCELLANEOUS.

	s.	d.	s.	d.
CHEMICALS—				
Acid, citric, per lb. less 5%	2	1	2	2
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	0	9	10
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3½	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	33	10	34	10
CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
S.D. Straits, c.i.f., per ton May–June £22/13/9		0	0	
DRUGS—	s.	d.	s.	d.
Camphor—				
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	0	14	6
Peppermint, Wayne Co....	14	6	14	9

	s.	d.	s.	d.
HIDES—				
Wet salted—Australian per lb.	0	5½	0	7
West Indian	0	4	0	7
Cape	0	6	0	7½
Dry and Drysalted Cape...	0	9	1	0½
Market Hides, London—				
Best heavy ox & heifer	0	7	0	7½
Best cow	0	6½	0	6½
Best calf	1	10½	1	1½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.—				
per lb.	1	3	2	3
Bark Tanned Sole	2	6	3	3
Shoulders fm DS Hides	0	11	1	1½
Do. Eng. or WS do.	1	2	1	8
Bellies from DS do.	0	8	0	10
Do. Eng. or WS do.	0	10	1	3
Dressing Hides.....	1	6	2	0
Ro. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Sides	1	0	1	5
VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	29	0	0	0
Rape, refined	43	0	0	0
Cotton-seed, crude	27	10	0	0
Coconut, crude.....	35	0	0	0
Palm	33	15	35	15
Oil Cakes, Linseed, Eng., per ton	12/10/0		12/15/0	
Oil Seeds—Linseed—				
LaPlata, p.ton Apr.–May	15/17/6		0	0
Calcutta, p.ton Apr.–May	18/1/3		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	42	6	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	8		8	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	21/10/0		35/10/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	17	10	24	15
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	10½	0	0
Fine Hard Para per lb.	0	11¼	0	0
SHELLAC—				
TN Orange ... per cwt.	190	0	0	0
SHELLS—	£	s.	£	s.
W. Aust. M.-o.-P. "	4	0	12	10
TIMBER—	£	s.	d.	
Swedish u/s 3 x 8 per std.	19	0	0	
Do. 2½ x 7 "	19	0	0	
Do. 2 x 4 "	19	0	0	
Can'dn Spruce, Dis. "	17	10	0	
Pitchpine ..... per load	9	0	0	
Rio Deals ..... per std.	32	0	0	
Teak ..... per load	20	0	0	
Honduras Mahg. logs c. ft.	0	11	6	
African "	0	6	6	
American Oak Boards "	0	6	0	
Do. Ash "	0	6	0	
English Oak Planks "	0	7	0	
Do. Ash "	0	6	6	

per cent., 73s.; M.S., 27s. 6d.; all net, duty paid ex wharf, London. On the grocery side: F.C.S., 21s.; M.S.S., 9s. 9d.; basis per case, usual packing. Danish cream,—Evaporated, unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d.; condensed, sweetened, 48 by 14 oz., 20s. per case.

HONEY.—Market firm, with sustained inquiries for small available supplies. New crop, Jamaican, realised advanced rates on confirmation of shortage, pale sorts being reservedly offered on spot at 60s.; light amber, 55s.; dark amber, 47s. 6d. Limited quantities of old manufacturing sorts are still obtainable at 44s.-45s. New Zealand sells readily, dark amber ranging from 50s.-55s.; medium, 55s.-65s.; light, 65s.-85s.; white and water-white, 65-87s. 6d. per cwt.

RUBBER.

Prices continue to sag in face of insufficient support both on manufacturing and speculative account, while quantities coming along are liberal. Sheet spot and May sold 10¼d. to 20d. and 10⅛d.; June, 10⅜d. to 10½d.; July-September, 10½d. to 10¼d. and 10½d.; October-December, 10⅜d. to 10⅛d. and 10⅜d.; January-March, 10⅞d. lb. London stocks increased 1,512 tons on the week. Landings were 2,829 tons; deliveries, 1,317; stocks, 30,446 against 58,948 last year. Liverpool stocks, 149 tons higher. Landings, 320; deliveries, 171; stocks, 4,591.

GENERAL.

JUTE.—A quiet market and prices slightly easier. Calcutta weaker. Firsts, March-April, Hamburg, sold £31 10s.; April-May, quoted £31 17s. 6d.; May-June, £32; new August-September, £33 10s. ton. Hamburg stocks increased 5,300 bales on the fortnight at 123,800.

HEMP.—After a very weak closing the previous day, market for Manila descriptions proved tolerably steady, as buyers were more frequent. J2, April-June, quoted £37s. 10s.; K, £34; L1, £34 10s.; L2, £31 10s.; M1, £31 10s.; M2, £27 10s.; S1, £57; S2, £51; S3, £41 10s.; G, £38 10s.; H, £34; C2, £32; C3, £30. African Sisal, No. 1, April-May sellers, £40; No. 2, £38 ton c.i.f. Manila receipts last week, 36,000 bales compared with 34,000 at same time last year; estimate for next week, 34,000, and following week 28,000. Manila shipments to U.K./Continent last week, 8,000 bales; U.S.A., 8,000; Japan, and other countries, 13,000. Local stocks on the week, 3,000 bales up at 208,000.

SHELLAC.—Slow of sale. T.N. spot 190s. 6d., May 184s., August, 188s. cwt.

COPRA.—The firmer tone recently observable in this market made further marked progress to-day, though business was rather impeded by the high pretensions of sellers. Some assistance is forthcoming by marked stability of the Marseilles centre, and where arrivals of all grades for the first half of present month approximate to only 1,300 tons. In this, very little South Sea smoked copra figured, and next steamer, the "Tolken," due at the port end of month, has about 500 tons. Balance of cargo is for Spanish ports and Dunkirk. Straits S.D., May-June, Rotterdam, quoted £22 13s. 9d.; June-July, £22 15s.; Dutch E.I., May-June, £22 8s. 9d.; Ceylon, £23 10s.; South Sea, April-May, Marseilles, sold £21 15s. for smoked; S.D. being quoted £21 17s. 6d.; P.R., £22. Palm kernels, April-May, Hamburg, £18 5s. ton.

MISCELLANEOUS.—Coconuts quoted 18s. to 25s. per 100. Coir yarn, Ceylon, £19 to £38 10s.; Cochin, £22 10s. to £40; Ceylon bristle, £18 15s. to £25 10s.; cinnamon leaf oil, 5½d.; citronelle, Ceylon, 2s.; Java, 2s.

METROPOLITAN CATTLE.—April 17.

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

	s.	d.	s.	d.		s.	d.	s.	d.
Beasts—Norfolk	6	4	6	8	Beasts—Heavy Bulls	...		...	
Irish	...		...		Canadian	...		...	
Cambridge.....	...		...		Sheep—Downs	8	0	10	0
Short Horns	...		...		Half bred	...		...	
Hereford	6	0	6	4	Ewes	5	4	5	8
Devons	...		...		Scottish	...		...	
Leicester runts	...		...		Lamb—Downs	12	4	13	4

LONDON POTATO MARKETS.—April 17.

	Per Cwt.			
	s.	d.	s.	d.
English King Edward—Lincoln	6	0	6	6
White varieties	4	0	4	6

SOUTHERN PACIFIC CO.

REPORT OF THE BOARD OF DIRECTORS.

TO THE STOCKHOLDERS OF THE SOUTHERN PACIFIC COMPANY: NEW YORK, N.Y., April 4, 1929.

Your Board of Directors submits his report of the operations and affairs of the Southern Pacific Lines and Affiliated Companies for the fiscal year ended December 31, 1928.

INCOME ACCOUNT.

The following statements of income and of surplus show the income for the year and the accumulated surplus to the close of the year, accruing to Southern Pacific Company stock from the Transportation System and from all *separately operated Solely Controlled Affiliated Companies*, combined:

NET INCOME OF THE SOUTHERN PACIFIC LINES AND SOLELY CONTROLLED AFFILIATED COMPANIES, COMBINED, FOR THE YEAR 1928 COMPARED WITH THE YEAR 1927.

	Year Ended December 31, 1928.	+ Increase − Decrease Compared with 1927. Amount.	Per Cent.
1. Net income of Transportation System	*$39,028,633·24	+ $5,326,108·77	15·80
2. Net income of Affiliated Companies	*$48,024·04	− 1,448,648·30	63·08
3. Net income of Transportation System and of all separately operated Solely Controlled Affiliated Companies, combined	$39,876,657·28	+ $3,877,460·47	10·77
4. Per cent. earned on average amount of outstanding capital stock of Southern Pacific Company:			
(*a*) From operations of Transportation System	10·48	+ 1·43	15·80
(*b*) From operations of Affiliated Companies	·23	− ·39	62·90
(*c*) Total for the year 1928	10·71	+ 1·04	10·75
(*d*) Total for the year 1927	9·67	—	—

* Excludes all inter-company dividends.

SURPLUS OF THE SOUTHERN PACIFIC LINES AND SOLELY CONTROLLED AFFILIATED COMPANIES, COMBINED, TO DECEMBER 31, 1928.

	Debit	Credit
1. Total corporate surplus at December 31, 1927	—	$480,186,890·62
2. Net corporate deficit, at date of acquisition, of properties acquired during the year	$1,077,586·25	
3. Credit balance transferred from income:		
Transportation System	$37,452,900·31	
Affiliated Companies	816,204·04	
4. Dividends paid:	—	38,269,104·35
On capital stock of Southern Pacific Company:		
1½ per cent. paid April 2, 1928	$5,585,713·50	
1½ per cent. paid July 2, 1928	5,585,713·50	
1½ per cent. paid October 1, 1928	5,585,713·50	
1½ per cent. payable January 2, 1929	5,585,713·50	
Total Southern Pacific Company	$22,342,854·00	
On capital stocks of Transportation System Companies held by the public	30·00	
	22,342,884·00	
5. Miscellaneous adjustments during the year	—	9,098,483·78
6. Credit balance December 31, 1928	504,124,008·50	
	$527,544,478·75	$527,544,478·75

INCOME ACCOUNT OF SOUTHERN PACIFIC LINES.

The income account of the Transportation System (Southern Pacific Company and Transportation System Companies, combined, excluding offsetting accounts and inter-company dividends) for the year 1928 compared with the year 1927, was as follows, viz.:

	Year Ended Dec. 31, 1928.	+Increase −Decrease.	Per Cent.
OPERATING INCOME.			
1. Railway operating revenues	$300,104,027·55	+$2,358,621·39	·79
2. Railway operating expenses	216,734,202·82	− 1,444,989·50	·66
3. Net revenue from railway operations	$83,369,824·73	+$3,803,610·89	4·78
4. Railway tax accruals	21,525,425·43	+ 311,913·08	1·47
5. Uncollectable railway revenues	75,568·19	− 56,555·50	42·80
6. Equipment rents—Net	7,018,072·68	+ 658,184·73	10·35
7. Joint facility rents—Net	*157,342·64	− 413,964·21	—
8. Net railway operating income	$54,908,101·07	+ 3,304,032·79	6·40
NON-OPERATING INCOME.			
9. Income from lease of road	$95,442·10	− $139·85	·15
10. Miscellaneous rent income	1,691,917·26	− 85,337·13	4·80
11. Miscellaneous non-operating physical property	91,344·35	− 12,834·97	12·32
12. Dividend income	†5,729,469·87	+ 1,793,446·77	45·56
13. Income from funded securities—Bonds and notes	2,905,290·70	− 45,566·72	1·59
14. Income from funded securities—Investment advances	47,890·17	7,361·57	18·16
15. Income from unfunded securities and accounts	1,460,047·38	+ 627,287·30	75·33
16. Income from sinking and other reserve funds	1,053,340·94	+ 48,171·96	4·79
17. Miscellaneous income	225,925·60	− 180,138·86	44·36
18. Total non-operating income	$13,300,658·37	+$2,243,383·51	20·29
19. Gross income	$68,208,759·44	+$5,547,416·30	8·85
DEDUCTIONS FROM GROSS INCOME.			
20. Rent for leased roads	$253,428·99	+ $2,801·03	1·12
21. Miscellaneous rents	790,339·52	+ 1,229·60	·16
22. Miscellaneous tax accruals	43,984·00	− 8,103·22	15·56
23. Separately operated properties—Loss	72,480·95	+ 17,546·00	31·37
24. Interest on funded debt—Bonds and notes	27,380,646·95	+ 273,141·13	1·01
25. Interest on funded debt—Non-negotiable debt to affiliated companies	43,182·99	+ 20,717·73	92·22
26. Interest on unfunded debt	320,657·53	+ 116,936·59	57·40
27. Amortization of discount on funded debt	99,095·54	+ 25,777·56	35·16
28. Maintenance of investment organisation	36,961·85	+ 2,645·13	7·71
21. Miscellaneous income charges	138,347·88	− 231,384·02	62·58
30. Total deductions from gross income	$29,180,126·20	+ 221,307·53	·76
31. Net income	$39,028,633·24	+$5,326,108·77	15·80
DISPOSITION OF NET INCOME.			
32. Income applied to sinking and other reserve funds	$1,494,159·41	+ $54,296·89	3·77
33. Income appropriated for investment in physical property	81,573·52	− 44,744·59	35·42
34. Total appropriations	$1,575,732·93	+ $9,552·30	·61
35. Income balance transferred to credit of profit and loss	$37,452,900·31	+$5,316,556·47	16·54

* Credit. † Excludes all inter-company dividends.

INCOME ACCOUNT OF SOUTHERN PACIFIC LINES—Continued.

The operating income of the Transportation System is dealt with further on under the heading "Transportation Operations—Southern Pacific Lines." The causes of the principal increases and decreases in non-operating income and in deductions from gross income are explained below, viz.:

NON-OPERATING INCOME.

The increase of $1,793,446·77 in the account Dividend Income is due, principally, to increased dividends received from Pacific Fruit Express Company and from Standard Oil Company of California, which increases were partly offset by a decrease in the amount of dividends received from the Reward Oil Company.

Of the increase of $627,287·30 in the account Income from Unfunded Securities and Accounts, the sum of $502,343·84 represents an increase in interest on time and demand loans, due to the increased amount of such loans and to increased interest rates; and $103,828·72 represents an increase in interest on Federal income and other tax refunds received during the year.

The decrease of $180,138·86 in the account Miscellaneous Income is due, principally, to decrease in royalties received on oil from wells located on transportation property in the Spindletop, Texas, field.

DEDUCTIONS FROM GROSS INCOME.

The increase of $273,141·13 in Interest on Funded Debt—Bonds and Notes is made up as follows:

	Principal	Interest
Bonds issued this year and the interest accrued thereon this year	$34,537,000·00	$1,178,680·10
Bonds retired this year and the difference between the interest accrued thereon this year and a full year's interest last year	*35,921,879·14	*1,127,780·74
Decrease in outstanding bonds held by the public...	*$1,384,879·14	

	Interest.
Increase in interest accrued this year as compared with last year on the bonds so issued and retired	50,899·36
Difference between a full year's interest accruing this year and the interest accruing last year on bonds issued last year as shown on page 15 of last year's report	610,253·97
Net increase in interest paid on bonds held in sinking funds	49,913·50
	$711,066·83
Less Interest accrued last year on bonds retired last year as shown on page 15 of last year's report	*437,925·70
Net increase	273,141·13

The net decrease of $1,384,879·14 in the principal of the outstanding funded debt will result in a decrease of about $190,000 in the annual interest payments.

The increase in the account Interest on Unfunded Debt is due, principally, to interest paid during the year on deferred payment of claims, which have been in dispute for several years.

The dividends paid for 1928 were appropriated from the profit and loss surplus and, therefore, do not appear in the income account. Payments for 1928 amounted to $22,342,884·00, compared with $22,342,929·00 for 1927. The figures for this year include $30·00, and those for last year, $75·00, representing dividends on stocks of Transportation System Companies held by the public.

* Items in italics represent decreases.

TRANSPORTATION OPERATIONS—SOUTHERN PACIFIC LINES.

The following table shows the Net Railway Operating Income and Traffic Statistics of the Transportation System for the year 1928 compared with those for the year 1927.

	Year Ended December 31, 1928.	+ Increase − Decrease.	Per Cent.
1. Average miles of road operated	13,599·69	+ 94·84	·70
NET RAILWAY OPERATING INCOME.			
RAILWAY OPERATING REVENUES.			
2. Freight	$222,360,880·87	+ $5,744,246·83	2·65
3. Passenger	50,353,632·20	− 2,887,296·09	5·42
4. Mail and express	12,184,801·38	+ 428,050·56	3·64
5. All other transportation	8,808,333·75	− 603,792·03	6·42
6. Incidental	7,399,352·36	− 213,053·34	2·80
7. Joint facility—Credit	307,803·86	− 90,846·34	22·79
8. Joint facility—Debit	*1,310,776·87*	− 18,688·20	1·45
9. Total railway operating revenues	$300,104,027·55	+ $2,358,621·39	·79
RAILWAY OPERATING EXPENSES.			
10. Maintenance of way and structures	$38,753,847·86	− 22,218,242·45	5·41
11. Maintenance of equipment	51,676,503·65	+ 945,197·01	1·86
12. Total maintenance	$90,430,351·51	− $1,273,045·44	1·39
13. Traffic	7,245,258·66	+ 459,716·08	6·77
14. Transportation	104,182,759·26	− 305,914·55	·29
15. Miscellaneous operations	4,961,450·49	− 237,287·40	4·56
16. General	11,408,543·92	+ 131,094·46	1·16
17. Transportation for investment—Credit	*1,494,161·02*	− 219,552·65	17·23
18. Total railway operating expenses	$216,734,202·82	− $1,444,989·50	·66
19. Net revenue from railway operations	$83,369,824·73	+ 3,803,610·89	4·78
20. Railway tax accruals	$21,525,425·43	+ $311,913·08	1·47
21. Uncollectible railway revenues	75,568·19	− 56,555·50	42·80
22. Railway operating income	$61,768,831·11	+ $3,548,253·31	6·09
23. Equipment rents—Net	7,018,072·68	+ 658,184·73	10·35
24. Joint facility rents—Net	*157,342·64*	− 413,964·21	
25. Net railway operating income	$54,908,101·07	+ $3,304,032·79	6·40
TRAFFIC STATISTICS (STEAM RAIL LINES).			
FREIGHT TRAFFIC.			
26. Freight service train-miles	28,674,552	+ 1,027,286	3·72
27. Tons carried—revenue freight	61,259,597	+ 1,713,036	2·88
28. Ton-miles—revenue freight	15,695,443·557	+ 562,085,317	3·71
29. Loaded cars per train	27·97	+ ·30	1·08
30. Net tons per train—all freight	613·14	− 6·25	1·01
31. Revenue per ton-mile—revenue freight	1·358 cents	− ·010 cents	·73
32. Average distance carried—revenue freight (miles)	256·21	+ 2·07	·81
PASSENGER TRAFFIC.			
33. Passenger service train-miles	26,412,863	− 905,407	3·31
34. Passengers carried—revenue	12,932,911	− 970,566	6·98
35. Passenger-miles—revenue	1,737,915,936	− 67,790,955	3·75
36. Passengers per train—revenue passengers	63·72	− ·61	·95
37. Passenger revenue per passenger-mile	2·755 cents	− ·062 cents	2·20
38. Average distance carried—revenue passengers (miles)	134·38	+ 4·51	3·47

* Credit.

The following tabulation gives the transportation operations for the five years 1924, 1925, 1926, 1927, and 1928, compared with 1917, the last year prior to Federal control, and with 1921, the first complete year subsequent to Federal control, the figures being given in round thousand dollars:

	1928.	1927.	1926.	1925.	1924.	1921.	1917.
Operating revenues	$300,104	$297,745	$298,801	$295,102	$291,727	$269,494	$193,971
Per cent. of 1917	154·72	153·50	154·04	152·14	150·40	108·25	...
Per cent. of 1921	111·36	110·48	110·87	109·50	$214,812	...	...
Operating expenses	$216,734	$218,179	$215,595	$217,762	178·12	$212,572	$120,601
Per cent. of 1917	179·71	180·91	178·77	180·56	101·05	...	...
Per cent. of 1921	101·96	102·64	101·42	102·44	73·63	78·88	62·17
Operating ratio	72·22	73·28	72·15	73·79	$76,915	$56,922	$73,370
Net revenue from railway operations	$83,370	$79,566	$83,206	$77,340	104·83	...	...
Per cent. of 1917	113·63	108·444	113·41	105·41	135·12	...	...
Per cent. of 1921	146·46	139·78	146·18	135·87	$20,909	$15,589	$13,792
Railway tax accruals	$21,525	$21,214	$21,477	$21,340	151·60	...	...
Per cent. of 1917	156·07	153·81	155·72	154·73	134·56	...	...
Per cent. of 1921	138·52	136·52	138·21	137·33	$50,475	$35,947	$62,853
Net railway operating income	$54,908	$51,604	$55,797	$50,043	81·02	...	...
Per cent. of 1917	88·20	82·89	89·63	80·39	140·42	...	...
Per cent. of 1921	152·75	143·56	155·22	139·21			
Traffic units (ton-miles, all freight, plus three times passenger-miles)—millions	23,149	22,908	22,679	22,584	21,929	17,451	20,877
Per cent. of 1917	110·88	109·73	108·63	108·18	105·04	...	...
Per cent. of 1921	132·65	131·27	129·96	129·41	125·66	...	...

As has been stated in reports for previous years, the Transportation Act of 1920 provides that the railways shall receive a fair return upon the aggregate value of railway property held for and used in the service of transportation, such fair return being 5½ per cent., as last fixed by the Interstate Commerce Commission, under authority of the Act. Notwithstanding a steady increase in the volume of traffic handled, and the marked gain in operating efficiency as reflected in net revenue from railway operations, the existing rate structure, during each year since enactment of the Transportation Act, has failed to give your Company the fair return contemplated by the Act, the rate of return upon the book value of road and equipment of the lines constituting the Transportation System having been as follows:

	Per Cent.
1921	3·36
1922	4·29
1923	4·81
1924	3·99
1925	3·77
1926	3·98
1927	3·59
1928	3·76
Average return for 8 years	

TRANSPORTATION OPERATIONS—SOUTHERN PACIFIC LINES—Continued.

The total Railway Operating Revenues for 1928 amounted to $300,104,027·55, and were the largest in the Company's history, exceeding the previous high record established in 1926 by $1,303,029·49, and exceeding last year by $2,358,621·39. This was the result of an increase of 562,085,317 ton-miles, or 3·71 per cent., over the record established last year, in the volume of revenue freight carried by your lines. This increase in the volume of freight carried resulted in an increase of $5,744,246·83 in freight revenue, which was partly offset by a decrease of $2,887,296·09 in passenger revenue, due, principally, to automobile competition, and by a net decrease of $498,329·35 in other operating revenues, the result, principally, of a decrease in the earnings of tank steamers.

The increase in operating revenues was accompanied by a decrease of $1,444,989·50 in operating expenses, an increase of $311,913·08 in taxes, and an increase of $187,665·02 in equipment and joint facility rents and other charges, the result being an increase of $3,304,032·79, or 6·40 per cent., in Net Railway Operating Income.

On the Pacific Lines, freight revenues increased $5,442,603·10, or 3·53 per cent. This increase resulted from increased tonnage of nearly all products of agriculture, except oranges and barley; increased tonnage of forest products; and increased tonnage of manufactures and miscellaneous commodities, partly offset by a decrease in the tonnage of mineral products. There was a decrease in the orange crop which caused a decrease in revenue of about $800,000. On the other hand, there was an increase in the apple crop which brought a substantial increase in revenue. Other fruit crops were also greater, and the increased tonnage resulted in increased revenue, notwithstanding a 7½ per cent. reduction in rates to transcontinental points, effective from February 10, 1928, on all deciduous fruits except apples, which caused a decrease in the revenue from grapes, although the tonnage handled was greater than in 1927. Freight revenue was also increased by a heavy westbound movement of corn. These conditions, together with greatly improved crops of canteloupes, watermelons, sugar beets, and fresh vegetables (particularly lettuce), account for the increased revenue from agricultural products. The increase in revenues from forest products is the result of a more stabilised condition of the lumber industry; an improved demand for lumber in the East; and a large increase in the box shook movement, caused by the increased production of fruits, vegetables, and melons. The increase in revenue from manufactures and miscellaneous commodities is the result, principally, of an increase in the tonnage of automobiles and parts, the production of automobiles in 1928 having exceeded that of 1927 by approximately 950,000 cars and trucks; of an increase in the distribution of automobiles; and of a large increase in the tonnage of potash fertilizer originating, principally, at Trona, California. The decrease in the tonnage of mineral products was due, principally, to a decrease in coal shipments from Dawson, New Mexico, to the Chicago, Rock Island and Pacific Railway, for locomotive use; and to a decreased movement of coal from Utah to California, caused by producers not making the usual price reductions on coal for summer storage.

On the Texas and Louisiana Lines, freight revenues increased $666,099·81, or 1·26 per cent. This increase was the result, principally, of increased tonnage of agricultural products, practically all commodities under this classification, except bananas, showing gratifying increases, due, principally, to larger crops of cotton, rice, melons, and potatoes, in the territory served by these lines, and to increased tonnage of fruits, fresh vegetables, and other perishables from California and from the Rio Grande Valley. The decreased movement of bananas is due to the fact that a large proportion of this tonnage formerly received at Gulf ports for the West is now moving via the Panama Canal. There was an increase in the tonnage of automobiles and parts, due to increased production; and an increase in the tonnage of brick, cement, tile, and other manufactures, due to increased building activities and to generally improved business conditions. The above-mentioned increases were partly offset by a decrease in the tonnage of animal products, due to a shortage of cattle which caused higher prices for meat and packing-house products, thus decreasing the demand therefor; by a decrease in the tonnage of forest products, due to increased use of substitutes and of fir from the North-west; by a decrease in the tonnage of petroleum and gasoline, due to shifting of trade territory and to pipe-line and truck competition; and by decreased tonnage of iron and steel articles and machinery, due, principally, to decreased construction of pipe line and oil-tank facilities.

On the Southern Pacific Steamship Lines, freight revenues decreased $364,456·08, or 3·84 per cent. This decrease is due, principally, to a decrease in the tonnage of cotton and cotton linters, the result of a short cotton crop in Texas and Louisiana last year, and of the strike in the New England textile mills; to Panama Canal and tramp steamer competition on railroad ties; and to the after effects of the flood, last year, in the lower Mississippi Valley.

Passenger revenues decreased $2,887,296·09, or 5·42 per cent., of which a decrease of $1,840,742·20 allocated to the Pacific Lines, and a decrease of $1,158,949·21 to the Texas and Louisiana Lines, such decreases being partly offset by an increase of $112,395·32 on Southern Pacific Steamship Lines. While the decrease on the rail lines is attributable in part to the competition of the Panama-Pacific Line which, in January, 1928, established a steamship passenger service between Atlantic and Pacific ports, via the Panama Canal; and to increased travel to Europe, which has diverted tourists from the Pacific Coast; the major part of the decrease is due to the more extensive use of private automobiles and to the continued and increased competition of motor coach lines, which, through coordination and consolidation of services, are reaching out for transcontinental and other long haul traffic. The increase of $112,395·32 on Southern Pacific Steamship Lines is attributable to the placing in service during 1928 of the new S.S. "Dixie," of 12,440 tons displacement, which has attracted considerable new business owing to her superior accommodations.

The following tabulation, giving for the past five years the fluctuations in gross passenger revenue, contrasted with the fluctuations in gross revenues other than passenger, indicates the extent to which automobile competition has affected the passenger business of your lines:

YEAR.	GROSS PASSENGER REVENUE. For the Year.	GROSS PASSENGER REVENUE. Decrease During Year.	GROSS REVENUES OTHER THAN PASSENGER. For the Year.	GROSS REVENUES OTHER THAN PASSENGER. Increase During Year.
Year ended—December 31, 1923...	$62,158,876	—	$225,045,759	—
December 31, 1924...	$58,818,668	*$3,340,208*	$232,908,352	$7,862,593
December 31, 1925...	56,292,247	*2,526,421*	238,809,507	5,901,155
December 31, 1926...	55,262,330	*1,029,917*	243,538,668	4,729,161
December 31, 1927...	53,240,928	*2,021,402*	244,504,478	965,810
December 31, 1928...	50,353,632	*2,887,296*	249,750,395	5,245,917
Average per year for the five years.....	54,793,561	*2,361,049*	241,902,280	4,940,927

The gross revenues of your lines from all business, other than passenger, increased from $225,045,750 for the year 1923, to $249,750,395 for the year 1928. This is an average increase per year for the five years, of $4,940,927, and represents a steady increase in the traffic handled, implying a condition of prosperity, which, ordinarily, would indicate that there should be a corresponding proportionate increase in passenger revenue. As will be seen, however, passenger revenue, instead of increasing, has shown a steady decline, decreasing from $62,158,876 for the year 1923, to $50,353,632 for the year 1928, or an average decrease for each year of the five year period of $2,361,049. As indicated in the annual reports for the years under consideration, this decline is due, chiefly to the increasing inroads of motor coach and other automobile competition. To meet this condition, and to effect certain economies in train service, your Company caused the incorporation, in April, 1927, of the Southern Pacific Motor Transport Company, which commenced operations last year by the establishment of certain motor coach lines, as set forth on page 24 of last year's annual report. Since its establishment last year this service has been actively extended, which matter is dealt with under the heading "Southern Pacific Motor Transport Company," further on in this report.

All Other Transportation Revenue decreased $603,792·03, or 6·42 per cent. This is the result, principally, of a decrease in the revenue of Southern Pacific Steamship Lines, due to falling off in the demand for tank steamers for transportation of commercial oil and to decreased rates on the tonnage handled. This decrease in the revenue of the Steamship Lines was partly offset by increased revenues of the rail lines from switching and from the operation of automobile ferries.

Incidental Revenue decreased $213,053·34, or 2·80 per cent., due, principally, to abnormal revenues last year for detouring trains in the flood districts of Louisiana, and to credit adjustments of miscellaneous rentals last year.

Maintenance of Way and Structures decreased $2,218,242·45, or 5·41 per cent. This decrease is due, principally, to the completion in the early part of last year of the work, begun in 1926, of bringing certain portions of your line up to main line standard, to fit them for use as a part of through traffic routes established through the construction of new lines; to a decrease in the charge to operating expenses on account of retirements in connection with additions and betterments, which is the result of the large expenditures for improvements to the property in previous years; to a decrease in tie renewals, brought about by the constantly increasing percentage of treated ties in the track; and to decreases in prices of maintenance materials. These decreases were partly offset by increases in the wages paid to maintenance forces. The following table, giving the principal items of materials used in repairs and renewals during the past six years, shows that the property has been maintained up to your Company's usual high standard:

MATERIAL USED IN REPAIRS AND RENEWALS.

	1928.	1927.	1926.	1925.	1924.	1923.
New steel rail, track miles	506·77	536·82	510·14	349·09	403·32	458·12
Ties, number	4,289,056	4,431,318	4,832,239	4,767,408	3,973,715	3,971,158
Ties, number per mile	214	225	248	252	222	245
Tie-plates, number	6,981,084	6,446,358	7,516,596	6,162,239	5,485,332	5,390,530
Piling, lineal feet	666,291	403,417	489,580	883,017	766,208	825,745
Lumber, feet b.m.	23,540,807	24,057,955	27,528,359	37,661,011	32,023,097	26,463,926

Maintenance of Equipment increased $945,197·01, or 1·86 per cent., which is the result, principally, of the increase in the volume of freight traffic handled by your lines.

Traffic Expenses increased $459,716·08, or 6·77 per cent., due, principally, to increases in the expenses of outside agencies, in advertising, and in expenses of industrial and development bureaus.

Transportation Expenses decreased $305,914·55, or ·29 per cent., which was made up of an increase of $211,855·70 on the rail lines and a decrease of $517,770·25 on the Steamship Lines. The increase on the rail lines was caused, mainly, by increases aggregating $1,433,000 in the pay of yardmen and trainmen, due to an increase of 3·71 per cent. in the ton-miles of freight traffic handled and to increases in the rates of pay (including back pay for the year 1927 for locomotive firemen); and by a decrease of $1,038,000 in the cost of fuel for locomotives, due to the decreased price of fuel and to the saving in fuel consumption. The constant campaign carried on for years to reduce fuel consumption in locomotives, has been reflected by a gradual but large reduction in the amount of fuel used in proportion to the ton-miles of traffic moved. The reduction in pounds of fuel used per 1,000 gross ton-miles in 1928, compared with 1927, amounted to 1·22 per cent. in passenger service, and 2·80 per cent. in freight service. The value of the economy realised in 1928, compared with 1927, amounted to $456,920, and in 1928 compared with 1913, to $12,158,588. The following table shows results obtained in fuel economy in 1928, compared with the preceding two years, and with the year 1913:

LOCOMOTIVE FUEL PERFORMANCE.	1928.	1927.	1926.	1913.	COMPARISON OF 1928 WITH 1927.	COMPARISON OF 1928 WITH 1926.	COMPARISON OF 1928 WITH 1913.
Pounds of fuel per 1,000 gross ton-miles:							
Passenger service	124·03	125·56	126·35	206·67	− 1·22%	− 1·84%	− 39·99%
Freight service	116·52	119·88	124·67	192·83	− 2·80%	− 6·54%	− 39·57%
Value of fuel saved in—							
1928 over 1927							$456,920
1928 over 1926							1,043,644
1928 over 1913							12,158,588

The decrease in Transportation Expenses of the Steamship Lines was the result principally, of a decrease in the operation of tank steamers.

Miscellaneous Operations decreased $237,287·40, or 4·56 per cent, due, principally, to decreased dining car operations resulting from decreased passenger travel.

General Expenses increased $131,094·46, or 1·16 per cent., due, principally, to increased pension and relief department expenses of $104,000 and to an increase in valuation expenses of $76,000.

Railway Tax Accruals increased $311,913·08, or 1·47 per cent., due to increased income taxes and to increased rates and assessments for local and state taxes.

CAPITAL STOCK—SOUTHERN PACIFIC LINES.

The decrease during the year in capital stocks of Southern Pacific Company and Transportation System Companies *held by the public* amounted to $600·00, as follows:—

Capital stocks of Transportation System Companies, acquired from the Public	$600·00

FUNDED DEBT—SOUTHERN PACIFIC LINES.

To provide for the construction and acquisition of new rolling stock, an equipment trust, known as "Southern Pacific Company Equipment Trust, Series K," was created, and an issue of $4,815,000, par value, of Four and One-Half Per Cent. Equipment Trust Certificates authorised, all of which were issued during the year, pursuant to authority of Interstate Commerce Commission's order dated August 14, 1928, in Finance Docket No. 7062. The certificates are dated August 1, 1928; they mature serially, in lots of $321,000 on August 1 of each year from 1929 to 1943, both inclusive; and have attached dividend warrants entitling the holders to dividends at the rate of 4½ per cent. per annum from August 1, 1928, payable semi-annually on February 1 and August 1. In accordance with the terms of the trust all certificates were guaranteed by the Southern Pacific Company.

On January 26, 1928, the Executive Committee of the Southern Pacific Company authorised the issue of $29,400,000, par value, of Forty-Year Four and One-Half Per Cent. Gold Bonds, to provide funds for the retirement of a like amount of Twenty-Year Five Per Cent. (Collateral Trust) Gold Bonds, which latter bonds were called for redemption on May 1, 1928. All the bonds so authorised were issued during the year, pursuant to authority of Interstate Commerce Commission's order dated February 23, 1928, in Finance Docket No. 6722. By issuing $29,400,000 of Four and One-Half Per Cent. Bonds, to retire a like amount of Five Per Cent. Bonds, a considerable reduction in fixed charges will be effected. The new bonds are dated March 1, 1928, are payable on March 1, 1968, and bear interest at the rate of 4½ per cent. per annum from March 1, 1928, payable semi-annually on March 1 and September 1.

The net decrease during the year in funded debt of Southern Pacific Company and Transportation System Companies *held by the public* amounted to $1,384,879·14, as follows:—

FUNDED DEBT RETIRED DURING THE YEAR.		
Southern Pacific Company Equipment Trust Certificates maturing during the year, paid off		$5,520,600·00
Southern Pacific Company Twenty-Year Five Per Cent. (Collateral Trust) Gold Bonds, called for redemption May 1, 1928		29,400,000·00
Carried forward		$34,920,600·00
Brought forward		$34,920,600·00
Alamogordo & Sacramento Mountain Railway Company Thirty-Year First Mortgage Five Per Cent. Bonds, purchased from the public and held alive in treasury of Southern Pacific Company		118,000·00
Central Pacific Railway Company Three and One-Half Per Cent. Mortgage Bonds:		
Retired from proceeds of sale of lands	$436,000·00	
Retired by sinking fund	25,000·00	
		461,000·00
Bonds of El Paso & Southwestern subsidiary companies, acquired from the public during the year in exchange for an equal amount of El Paso & Southwestern R. R. Co. First and Refunding Mortgage Five Per Cent. Bonds owned by Southern Pacific Company, pursuant to El Paso & Southwestern Refunding Plan approved by Interstate Commerce Commission, December 26, 1923		322,000·00
Other funded debt held by the public retired during the year		100,279·14
Total funded debt held by the public retired during the year		$35,921,879·14
Less:		
FUNDED DEBT ISSUED DURING THE YEAR.		
Southern Pacific Company Four and One-Half Per Cent. Equipment Trust Certificates, Series K, issued during the year to provide for the construction and acquisition of new rolling stock	$4,815,000·00	
Southern Pacific Company Forty-Year Four and One-Half Per Cent. Gold Bonds, issued during the year to provide funds for the retirement of a like amount of Twenty-Year Five Per Cent. (Collateral Trust) Gold Bonds which were called for redemption May 1, 1928	29,400,000·00	
El Paso & Southwestern Railroad Company First and Refunding Mortgage Five Per Cent. Bonds delivered to the public during the year, in exchange for an equal amount, par value, of bonds of El Paso & Southwestern subsidiary companies, in accordance with El Paso & Southwestern Refunding Plan, as explained above	322,000·00	
Total funded debt issued to the public during the year		34,537,000·00
Decrease in funded debt held by the public		$1,384,879·14

BALANCE SHEET OF SOUTHERN PACIFIC LINES.—SOUTHERN PACIFIC COMPANY AND TRANSPORTATION SYSTEM COMPANIES, COMBINED ASSETS—December 31, 1928, compared with December 31, 1927—EXCLUDING OFFSETTING ACCOUNTS.

ASSETS.	December 31, 1928.	+ Increase.	− Decrease.
INVESTMENTS.			
Investment in road and equipment	$1,457,765,340·83		
Improvements on leased railway property	603,929·03	+	$25,446,588·36
Sinking funds	21,351,455·82	+	53,099·47
Deposits in lieu of mortgaged property sold	2,220,650·46	+	1,082,151·29
Miscellaneous physical property	2,940,553·85	+	609,036·54
Investments in affiliated companies:—		−	91,206·09
Stocks	367,381,808·72		
Bonds	148,359,675·22	−	1,236,596·01
Stocks, Bonds } Cost inseparable	54,774,260·15	−	314,036·58
Stocks, Bonds, Advances } Cost inseparable	2,249,825·00	+	477,100·00
Notes	24,419,757·93	+	2,249,825·00
Advances	45,914,019·83	−	343,624·09
Other investments:—		+	3,752,570·82
Stocks	61,878·12		
Bonds	2,576,751·85	−	22,634·74
Notes	557,179·85	−	6,400·00
Advances	43,126·29	+	127,646·03
Miscellaneous	1,177,395·08	+	5,739·67
		+	92,208·62
Total	$2,132,397,608·03	+	$31,881,468·29
CURRENT ASSETS.			
Cash	$24,449,427·17		
Demand loans and deposits	10,617,501·41	+	$394,872·56
Special deposits	46,598·60	+	1,596,687·85
Loans and bills receivable	762,298·72	−	45,153·96
Traffic and car-service balances receivable	3,467,770·41	+	43,954·46
Net balance receivable from agents and conductors	2,907,409·85	+	411,624·39
Miscellaneous accounts receivable	10,638,079·29	−	79,136·80
Material and supplies	33,154,663·74	+	3,382,577·53
Interest and dividends receivable	2,687,794·31	−	3,395,167·53
Rents receivable	5,000·00	+	112,414·08
Other current assets	1,846,093·98	—	
		+	1,701,323·38
Total	$90,582,637·48	+	$4,153,995·96
DEFERRED ASSETS.			
Working fund advances	$136,390·78	+	$26,840·88
Insurance and other funds	35,810·00	+	10,450·00
Other deferred assets	2,626,168·47	+	287,840·00
Total	$2,798,369·25	+	$325,130·88
UNADJUSTED DEBITS.			
Rents and insurance premiums paid in advance	$208,217·07		
Discount on capital stock	3,813,600·00	+	$67,368·87
Discount on funded debt	3,281,296·83	−	$175,000·00
Other unadjusted debits	10,296,725·16	+	847,264·77
Securities issued or assumed—Unpledged (*a*)	2,179,575·00	−	343,466·86
Securities issued or assumed—Pledged (*a*)	101,250·00	—	
		—	
Total	$17,599,839·06	+	$396,106·78
Grand total	$2,243,378,453·82	+	$36,756,701·91

(*a*) Excluded from total assets, and a corresponding amount excluded from outstanding funded debt, in accordance with regulations of the Interstate Commerce Commission.

BALANCE SHEET OF SOUTHERN PACIFIC LINES.—SOUTHERN PACIFIC COMPANY AND TRANSPORTATION SYSTEM COMPANIES, COMBINED LIABILITIES—December 31, 1928, compared with December 31, 1927—EXCLUDING OFFSETTING ACCOUNTS.

LIABILITIES.	December 31, 1928.	+ Increase.	− Decrease.
CAPITAL STOCK.			
Southern Pacific Company	$372,380,905·64		
Transportation System Companies	397,891,900·00		
Total	$770,272,805·64		
Held by the public	$372,402,165·64		
Held within the system	397,870,640·00	−	$600·00
		−	137,400·00
Total stock	$770,272,805·64	−	$138,000·00
Premium on capital stock of Southern Pacific Company	$6,304,440·00		
Total	$776,577,245·64	−	$138,000·00

BALANCE SHEET OF SOUTHERN PACIFIC LINES.—SOUTHERN PACIFIC COMPANY AND TRANSPORTATION SYSTEM COMPANIES, COMBINED LIABILITIES—December 31, 1928, compared with December 31, 1927—EXCLUDING OFFSETTING ACCOUNTS.—Continued.

LIABILITIES.		December 31, 1928.	+ Increase.	− Decrease.
GOVERNMENTAL GRANTS.				
Grants in aid of construction		$502,601·87	+	$152,847·44
LONG TERM DEBT.				
Funded debt unmatured:				
Southern Pacific Company	$238,836,885·00			
Transportation System Companies	497,188,969·19			
Total	$736,025,854·19			
Held by the public		$604,432,747·26	−	$1,384,879·14
Held within the system		131,593,106·93	+	$515,466·68
Total funded debt		$736,025,854·19	−	$869,412·46
Non-negotiable debt to affiliated companies:				
Open accounts		52,264,373·78	+	5,682,964·61
Total		$788,290,227·97	+	$4,813,552·15
CURRENT LIABILITIES.				
Loans and bills payable		$40,000·00	+	$21,284·95
Traffic and car-service balances payable		4,514,406·96	−	$769,630·20
Audited accounts and wages payable		16,856,184·14	+	1,060,600·02
Miscellaneous accounts payable		1,533,560·39	+	77,564·03
Interest matured unpaid		264,626·55	−	9,090·50
Interest payable January 1st		3,793,162·50	−	7,460·00
Dividends matured unpaid		39,363·21	−	8,928·00
Dividends payable January 1st		5,585,713·50		...
Funded debt matured unpaid		81,000·00	−	9,000·00
Unmatured interest accrued		6,792,963·22	+	286,496·31
Unmatured rents accrued		167,735·82	+	22,910·72
Other current liabilities		957,819·59	+	140,116·42
Total		$40,626,535·88	+	$804,863·75
DEFERRED LIABILITIES.				
Other deferred liabilities		$353,034·87	+	$46,583·62
UNADJUSTED CREDITS.				
Tax liability		$8,650,175·14	+	$90,826·22
Insurance and casualty reserves		3,282,326·21	+	162,209·01
Accrued depreciation—Road		2,799,040·92	+	42,013·69
Accrued depreciation—Equipment		113,714,185·63	+	9,768,346·65
Other unadjusted credits		40,312,641·76	−	1,803,457·69
Total		$168,758,369·66	+	$8,259,937·88
CORPORATE SURPLUS.				
Additions to property through income and surplus		$9,596,724·00	+	$292,102·63
Funded debt retired through income and surplus		24,628,246·05	−	237,272·47
Sinking fund reserves		20,576,844·10	+	1,095,980·94
Appropriated surplus not specifically invested		3,818,177·88	...	
Total appropriated surplus		$58,619,991·98	+	$1,150,811·10
Profit and loss—Balance		409,650,445·95	+	21,666,105·97
Total corporate surplus		$468,270,437·93	+	$22,816,917·09
Grand total		$2,243,378,453·82	+	$36,756,701·91

INVESTMENT ASSETS—SOUTHERN PACIFIC LINES.

The following is a brief description of the investment assets of the Transportation System, reported in the balance sheet, viz.:

INVESTMENT IN TRANSPORTATION PROPERTY ... $1,458,869,269·86

Book value of investment in transportation property carried on the books of the companies comprising the Transportation System, consisting of 13,634 miles of first main track, 972 miles of additional main tracks, 5,895 miles of yard tracks and sidings, the Company's terminals at Galveston, a ten-story office building in San Francisco, 2,427 locomotives, 2,805 passenger-train cars, 82,469 freight-train cars, 5,713 company service cars, 23 ocean steamships, 2 river steamships, 13 automobile ferry boats, 14 passenger ferry and car transfer boats, 11 tugs, 73 barges, and 20 other vessels, the whole forming a transcontinental system extending from New York via New Orleans and Galveston, to San Francisco, California, and to Portland, Oregon, with a line extending from Ogden, Utah, to San Francisco, California.

SINKING FUNDS ... 21,351,455·82

Sinking funds for the redemption of outstanding funded debt, consisting principally of $19,700,000, par value, bonds of Transportation System Companies, $1,838,000, par value, bonds of other companies, and $272,143·79 cash in hands of Trustees.

MISCELLANEOUS PHYSICAL PROPERTY ... 2,940,553·85

Book value of terminal and other real estate acquired in anticipation of future use.

INVESTMENTS IN AFFILIATED COMPANIES ... 643,099,346·85

Investments in securities of Transportation System Companies, which are included in the outstanding obligations as shown by the balance sheet, but which are owned within the system:

Investments in securities of, and advances to, Solely Controlled Affiliated Companies and Jointly Controlled Affiliated Companies collateral to, but not a part of, the Transportation System, representing, principally, investments as follows:—

Electric Railways in California (full ownership), owning 45 electric locomotives, 1 steam locomotive, 4 gas-electric locomotives, 551 motor cars, 19 motor car trailers, 581 freight-train cars, 101 company service cars, and 1 gasoline launch—operated mileage ... 872·84

(The above railways also own 198 auto buses, 4 auto trucks, 2 auto service cars, and 1 auto business car used in operation of 212 miles of auto bus routes).

Electric Railways (one-third ownership), owning 4 electric locomotives, 15 motor cars, 2 motor car trailers, 33 freight-train cars, and 2 company service cars—operated mileage ... 56·20

Steam Railways (full ownership), owning 112 steam locomotives, 131 passenger-train cars, 1,251 freight-train cars, and 412 company service cars—operated mileage ... 1,535·43

Carried forward	$2,125,760,626·38
Brought forward	$2,125,760,626·38

Steam Railways (half ownership), owning 90 steam locomotives, 235 passenger-train cars, 1,631 freight-train cars, 381 company service cars, 8 automobile and passenger ferry boats, and 1 gasoline launch—operated mileage ... 804·49

(The above jointly owned steam railways include the Northwestern Pacific Railroad, with operated mileage of 477·56, full control of which was acquired in January, 1929, as as shown further on under the heading "Acquisition of full control of the Northwestern Pacific Railroad Company."

Total operated mileage of railways collateral to, but not a part of, the Transportation System ... 3,268·96

Automotive Transportation Companies (full ownership), owning 151 auto buses, 6 auto business cars, 5 auto service cars, and 8 auto trucks, operating over 4,986 miles of auto bus routes. Although this service is operated independently, it is co-ordinated with, and constitutes an extension of, the steam train service of your Company's transportation lines;

Land Companies (full ownership), owning 8,789,273 acres of lands in various states traversed by the Southern Pacific Lines; and 5,902 town lots. Of these town lots, 2,873 are located in the State of Texas; 644 in the State of Nevada; and 2,385 in the State of California, of which 953 are located in Los Angeles and vicinity;

Oil Companies (full ownership), owning 2,444 acres (including 1,925 acres fully owned and 519 acres jointly owned), and holding under lease 30,066 acres of producing and prospective oil lands in Texas and Louisiana, together with ownership of mineral rights in 84,159 acres of prospective oil lands in Texas. Number of producing wells, 144. Annual production, about 1,800,000 barrels;

Timber Lands (full ownership): 21,567 acres of timber lands and 44,925 acres of other lands, including 2 saw mills;

Coal Lands (full ownership): 22,688 acres of coal lands in Oregon and Colorado, 6,321 acres of prospective coal lands in Texas, and 2,502 acres of lignite, clay, and other lands in Texas and Louisiana;

Terminal Companies (full ownership), owning 25 acres of land in the City of Los Angeles, California, with improvements, including three two-story market buildings, and one seven-story, two six-story, and one four-story warehouse buildings situated on the line of Southern Pacific in the heart of the wholesale district of Los Angeles;

Carried forward	$2,125,760,626·38

INVESTMENT ASSETS—SOUTHERN PACIFIC LINES—*Continued.*

Brought forward		$2,125,760,626·38
Southern Pacific Building Co. (full ownership), owning a nine-story office building at Houston, Texas;		
Associated Pipe Line Co. (one-third ownership), owning 561 miles of oil pipe line serving California oil fields;		
Pacific Fruit Express Co. (half ownership), operating 40,513 refrigerator cars serving Southern Pacific, Union Pacific, and Western Pacific lines; and		
Stock interest, as indicated, in following companies operating railroad terminal facilities:		
El Paso (Texas) Union Passenger Depot Co., 50 per cent.;		
Ft. Worth (Texas) Union Passenger Station Co., 50 per cent.;		
Northern Pacific Terminal Co. (Portland, Ore.), 20 per cent.;		
Ogden (Utah) Union Railway & Depot Co., 50 per cent.;		
Union Terminal Co. (Dallas, Tex.), 12·50 per cent.		
OTHER INVESTMENTS		6,636,981·65
Of this amount, $2,202,383·61 represents cash in hands of Trustee, to be applied in payment for new equipment; and the remainder represents, principally, investments in outside securities.		
Total Investments		$2,132,397,608·03

ROAD AND EQUIPMENT—SOUTHERN PACIFIC LINES.

The increase during the year in Investment in Road and Equipment of the Transportation System, as shown in the balance sheet, amounted to $25,446,588·36, as follows:

Expenditures for Road Extensions	$902,987·75	
Expenditures for Rolling Stock...	8,065,710·68	
Expenditures for Floating Equipment... ...	270,145·38	
Expenditures for Other Additions and Betterments	22,048,416·41	
Total Expenditures...		$31,287,260·22
Add		
Investment in Road and Equipment of the Texas and Midland Railroad at April 1, 1928, on which date such company was taken into the Transportation System, as explained on page 25		3,605,449·69
		$34,892,709·91
Deduct		
Improvements to property held under lease, included in above expenditures, transferred to "Improvements on Leased Railway Property"	$53,099·47	
Adjustments in construction accounts, completed lines	95,326·17	
Property retired, equipment vacated, and other adjustments	9,297,695·91	
		9,446,121·55
Net increase in Investment in Road and Equipment ...		$25,446,588·36

The following table shows the number of units of each class of rolling stock owned at December 31, 1928, and at December 31, 1927, and the number of units of each class added and retired during year:—

CLASS.	OWNED DEC. 31, 1928.	OWNED DEC. 31, 1927.	CHANGES DURING THE YEAR.	
			Added.	Retired.
Locomotives	2,427	2,448	42	63
Passenger-train cars	2,805	2,896	69	160
Freight-train cars...	82,469	82,213	1,487	1,231
Company service equipment	5,713	5,860	532	679

* Includes 17 locomotives, 16 passenger-train cars, 191 freight-train cars, and 16 units of company service equipment, acquired with Texas Midland Railroad taken into System April 1, 1928.

BALANCE SHEET AND INCOME ACCOUNT OF SOLELY CONTROLLED AFFILIATED COMPANIES.

Below will be found a condensed balance sheet as of December 31, 1928, and a condensed income account for the year 1928, of all separately operated Solely Controlled Affiliated Companies, combined:

BALANCE SHEET.	December 31, 1928.
ASSETS.	
1. Property investment	$253,022,652·95
2. Sinking funds	319,460·86
3. Investments in affiliated companies—Stocks	809,090·12
4. Investments in affiliated companies—Bonds	418,950·00
5. Investments in affiliated companies—Advances	38,502,075·07
6. Other investments	17,591,850·62
7. Cash	1,236,552·90
8. Accounts receivable	3,307,709·22
9. Material and supplies	3,819,108·23
10. Merchandise	485,021·73
11. Deferred assets	1,986,023·40
12. Discount on securities	11,196,338·96
13. Other unadjusted debits	19,860,090·33
14. Total assets	$352,554,924·39
LIABILITIES.	
15. Capital stock	*$148,471,460·00
16. Premium on capital stock...	535,151·75
17. Funded debt:	
(*a*) Held by the public ... ... $30,864,000·00	
(*b*) Held within the system ... ... 29,968,000·00	
(*c*) Total	60,832,000·00
18. Non-negotiable debt to affiliated companies	64,501,215·57
19. Current liabilities	3,945,556·47
20. Deferred liabilities	122,586·19
21. Accrued depreciation	14,330,904·60
22. Reserve for amortisation of property investment	10,066,052·64
23. Other unadjusted credits	13,896,426·60
24. Total liabilities	$316,701,353·82
25. Additions to property through income and surplus	$1,434,340·97
26. Sinking fund reserves	364,686·52
27. Appropriated surplus not specifically invested	700,000·00
28. Profit and loss—Balance	33,354,543·08
29. Total corporate surplus	$35,853,570·57
30. Grand total	$352,554,924·39

INCOME ACCOUNT.	YEAR ENDED DEC. 31, 1928.
31. Operating revenues	$34,477,153·69
32. Operating expenses (including depreciation)	27,786,270·62
33. Net revenue from operations	$6,690,883·07
34. Taxes	2,549,612·56
35. Uncollectible railway revenues	204·66
36. Equipment and joint facility rents—Net	401,957·28
37. Net operating income	$3,739,108·57
38. Non-operating income	1,242,544·80
39. Gross income	$4,981,653·37
40. Interest on funded debt	$2,994,184·77
41. Other deductions from gross income	1,139,444·56
42. Total deductions	$4,133,629·33
43. Net income	$848,024·04
44. Income applied to sinking and other reserve funds	$31,820·00
45. Income balance transferred to credit of profit and loss	$816,204·04

* The amount of outstanding capital stock includes $1,300·00 owned by Directors and $52,910·00 owned by the public; the remaining $148,417,250·00 being owned within the system.

CLAIM FOR CLOSING COLORADO RIVER BREAK.

On page 22 of last year's report, mention was made of a suit brought under an Act of Congress, by your Company, in the Court of Claims, Washington, D.C., to enforce its claim against the Government of the United States, for the sum of $1,113,677·42, expenditure incurred over twenty-one years ago, at the instance of President Roosevelt, in closing a break in the Colorado River to protect the Imperial Valley.

On April 12, 1928, United States Court of Claims Commissioner, John M. Lewis, filed his findings, allowing your Company, on account of its claim, the sum of $1,012,700. Government counsel has, however, excepted to the findings of the Commissioner. Briefs have been filed by your Company and by the Government and the case is now on the calendar of the Court of Claims for oral argument.

After submission to that Court, it may, by its judgment, affirm the findings of the Commissioner, or the Court may make independent findings of its own as to the amount due. The parties have the right to appeal. If no appeal be taken, it will then be in order for Congress, by appropriation, to pay the claim as finally determined.

NEW LINE FROM KLAMATH FALLS, OREGON, TO ALTURAS, CALIF.

On page 24 of last year's annual report, mention was made of the construction by your Company of a line extending from Klamath Falls, Oregon, through Cornell, California, to a connection with the Nevada-California-Oregon Railway near Alturas, California, a distance of about 95 miles.

The construction of this line was resumed during 1928, and at the end of the year grading had been completed, ready for rails and ties, on about 12 miles, and was under way along the remaining 83 miles of the line. It is expected that the line will be placed in operation during the latter part of 1929.

EXTENSION OF OREGON, CALIFORNIA AND EASTERN RAILWAY.

On pages 22 and 23 of last year's annual report, mention was made of the purchase by your Company of the Oregon, California and Eastern Railway, and the subsequent sale of one-half the capital stock of said Company to the Great Northern Railway Company, under the authority of the Interstate Commerce Commission. On May 19, 1928, grading was started on an extension of the line eastward from its terminus at Sprague River to Bly, a distance of 26·42 miles, and on November 23, 1928, laying of rail into Bly was completed. Severe weather conditions in December caused cessation of the work before the ballasting and the fencing of the line were completed. Work will be resumed early in the spring of 1929, and, it is expected, will be completed within a few weeks from the date of commencement. This extension will tap a heavily timbered territory which has not been developed heretofore because of lack of transportation facilities. The opening up of this territory will result immediately in a considerable increase in the log traffic moving over the Oregon, California and Eastern Railway, a large part of which will be moved subsequently as lumber over the lines of your Company.

AUTOMATIC BLOCK SIGNALS.

The mileage of your Company's Pacific Lines equipped with automatic block signals has been gradually increased from time to time, so that nearly all of its main lines are so protected. A programme was adopted in the latter part of 1928 involving an expenditure of $2,315,000, which will result in the complete equipment of all of such main lines some time in 1930.

SOUTHERN PACIFIC MOTOR TRANSPORT COMPANY.

On page 24 of last year's report, mention was made of the incorporation in April, 1927, of the Southern Pacific Motor Transport Company, all of whose capital stock is owned by your Company. During the year 1928 the operations of the Southern Pacific Motor Transport Company have been actively extended, with the view of providing a more economical method of transportation by the substitution of motor coaches for steam and electric trains, and of providing supplementary feeder service for your Company's lines, where profitable. The substitution of motor coach service for steam train operation is being established where it is found more economical, upon securing the approval of the necessary regulatory commissions. Such substitutions have been made upon several branch lines in California; and motor bus operations in Oregon have enabled your Company to discontinue to a great extent both electric and steam train operations on branch lines which were no longer profitable. Interstate operations have been established between Los Angeles, California, and El Paso, Texas; between San Francisco, California, and Portland, Oregon; between Grants Pass, Oregon, and Eureka, California; between Truckee, California, and Reno, Nevada; and between Phoenix, Arizona, and Lordsburg, New Mexico, over the "Apache Trail."

To provide a more flexible service and to secure greater economy in operation, the Southern Pacific Motor Transport Company, during 1928, acquired control, by stock ownership, of the Oregon Stages, Inc., and the Coast Auto Lines, Inc., and similarly in January, 1929, acquired control of the Pacific Stages, Inc. These three companies operate a total of 75 motor coaches in intrastate service in Oregon, and these operations, together with the operations of the Southern Pacific Motor Transport Company, will provide an adequate and co-ordinated service with your Company's rail lines serving Western Oregon resulting in improved service and reduced expenses. With the acquisition of these three companies, the Southern Pacific Motor Transport Company now has a total of 222 motor coaches, trucks, and service cars operating in the States of Oregon, California, Nevada, Arizona, New Mexico, and Texas.

MOTOR COACH ACTIVITIES OF PACIFIC ELECTRIC RAILWAY COMPANY.

The Pacific Electric Railway Company, a wholly owned subsidiary of the Southern Pacific Company, operating 686·56 miles of electric lines in Southern California, is located in one of the most rapidly growing territories of the United States, and while the increase in population in that part of California has been marked, the passenger business of the Pacific Electric Railway Company has not grown in proportion, both the interurban lines and the local street car lines of that Company having been seriously affected by the increasing motor coach and automobile competition. To meet this condition the Pacific Electric Railway Company established a motor coach service, and is now operating forty-two motor coaches over ten interurban routes aggregating 143 miles, and seventy-two motor coaches over sixteen routes, giving city service, aggregating 81 miles, or a total of one hundred and fourteen motor coaches operating over twenty-six routes having an aggregate length of 224 miles.

The Western section of Los Angeles is served locally by the Pacific Electric Railway Company and by the Los Angeles Railway, and in order to meet parallel motor coach competition which was threatened, a joint agency, known as the Los Angeles Motor Coach Company, was formed by the Pacific Electric Railway and the Los Angeles Railway. This joint agency, with 132 motor coaches, is now operating, for the equal joint account of the parent companies, four routes giving cross town service between the territory served by the Pacific Electric and that served by the Los Angeles Railway, and two routes from the centre of the City through territory served by both lines.

In Southern California, motor truck operation has diverted from the railroads a large amount of the local less-than-carload business, and to meet this competition, there was incorporated on October 13, 1928, the Pacific Electric Motor Transport Company, all of whose capital stock is owned by the Pacific Electric Railway Company. This Company will begin operations in the Spring of 1929 with an experimental service from store door to store door, the pick-up and delivery service being rendered, as far as possible, by local motor truck companies, under contract and lease arrangements, the railway being used for the line haul service.

SUISUN BAY BRIDGE.

To replace the train-ferry between Port Costa and Benicia, a distance of about one mile, which constitutes a gap in the heavy traffic, double track, main line between Oakland and Sacramento, and in the main line between Oakland and Portland, authority has been obtained from the War Department and from the Interstate Commerce Commission, to construct a double track railroad bridge across Suisun Bay, about three miles east of the present ferry.

This bridge, which will extend from Suisun Point in the City of Martinez to Army Point, east of Benicia, will be 5,600 feet long, the main spans will be 531 feet long, and there will be a lift span 327 feet long which will provide 300 feet of horizontal clearance and 135 feet of under-clearance. However, as the minimum clearance under bottom of the steel will be 70 feet at mean high water, which will permit nearly all the water-borne traffic at the bridge to pass under it, it is estimated that it will be necessary to open the lift span, on an average, only about five times during each twenty-four hours, so that the effect of the opening of the lift span upon train operations will be negligible. The estimated cost of the bridge, including the cost of building a second track on the line from Port Costa to Suisun Point in the City of Martinez, is $12,000,000.

It is estimated that the saving which will result from the discontinuance of this ferry service will exceed the cost of operating the bridge by an amount that will be more than sufficient to pay the carrying charges on the cost of the bridge, including depreciation.

ACQUISITION OF FULL CONTROL OF THE NORTH-WESTERN PACIFIC RAILROAD COMPANY.

Pursuant to authority granted by the Interstate Commerce Commission in its order, dated December 14, 1928, in Finance Docket No. 7102, the Southern Pacific Company, on January 17, 1929, acquired full control of the Northwestern Pacific Railroad Company, by the purchase from the Atchison, Topeka and Santa Fé Railway Company of its one-half of the outstanding capital stock of the said Company, the total amount of such outstanding stock, since the incorporation of the Northwestern Pacific, in January, 1927, having been owned, one-half each, by your Company and the Atchison, Topeka and Santa Fé Railway Company.

The Northwestern Pacific Railroad Company owns a line of road extending from Sausalito and Tiburon, California, in a general northerly direction, to Trinidad, California, which, with several branch lines, makes an aggregate of 514·68 miles of road owned, of which 477·56 miles are operated directly by the Northwestern Pacific, and 37·12 miles of branch lines are leased to lumber companies. This line of railroad is an important direct connection of your Company's Pacific Lines which receive a substantial haul on a large part of the freight traffic originating on and destined to such line. With complete ownership of the line it is expected that substantial economies in operation will be effected by reduction of expenses not possible under dual control.

SAN JOSE LINE CHANGE.

Because of the expiration of the franchise by virtue of which your Company has operated along 4th Street, in the heart of the City of San Jose, California, it becomes necessary to establish a new route through that city.

This will involve a line change extending from College Park to Lick station, a distance of 5·64 miles, and will result in a route one-quarter of a mile shorter than the present operated line. It will be so located that there will be a minimum of interference to train movements by vehicular traffic at cross streets, the plan contemplating eight grade separations, permitting greater speed of trains with consequent saving in running time.

The estimated cost of the project is $3,236,848, and it is proposed to undertake the work at once, with the expectation of completing it within two years.

A new passenger station will be built on the line change at a suitable location.

SOUTHERN PACIFIC RAILROAD COMPANY OF MEXICO.

The operations of the line were interrupted at various times during the year, by the firing of bridges and trestles and by tunnel fires set by bandits and Yaqui Indians, eight trestles having an aggregate length of 1,545 feet, and 1,723 feet of timber lining in two tunnels, having been destroyed during the year by such fires. Operations were also interfered with by damages caused by floods in the Presidio, Rosario, and Sonora Rivers. Charges to operating expenses on account of these extraordinary causes, including the charges in connection with replacing the bridge over the Fuerte River (washed out in 1927) with a 700 foot steel bridge and 540 feet of trestle, increased operating expenses by about $584,000.

The unsettled conditions which existed in 1927, however, were greatly improved during 1928, with resulting benefits to agriculture and industry, which in turn resulted in an increase in the volume of railroad traffic. Operating results for the year 1928, therefore, show a substantial improvement over those of the previous year. Expressed in United States currency, operating revenues for the year amounted to $6,474,207, an increase of $672,638, or 11·59 per cent. Operating expenses amounted to $5,278,023, a decrease of 812,093, or 13·33 per cent. After deductions for Taxes, Joint Facility Rents, and Uncollectible Railway Revenues, there was a net operating income of $831,386 compared with an operating loss last year of $708,324.

At the time of going to press, affairs in Mexico are in a very unsettled condition which, probably, will have a serious effect upon the operations of this line during 1929.

SOUTHERN PACIFIC GOLDEN GATE FERRIES, LTD.

On account of the wide distribution and increased use of automobiles, the transportation of automobiles by ferry across San Francisco Bay between San Francisco and other Bay points, has grown rapidly during the past few years. To provide for this traffic, automobile ferries have been operated by your Company, by the Northwestern Pacific Railroad Company, and by the Golden Gate Ferries, Inc., between San Francisco on the one hand, and Oakland, Alameda, Richmond, Berkeley, Sausalito, and Vallejo, California, on the other. The result has been a wasteful duplication of service without compensating public benefit or adequate return upon the investments of the companies mentioned. To improve the situation and to avoid such costly and unprofitable operations, an agreement has been reached between the Southern Pacific Company, the Northwestern Pacific Railroad Company, and the Golden Gate Ferries, Inc., under the terms of which the three companies will transfer to a new company, to be known as the SOUTHERN PACIFIC GOLDEN GATE FERRIES, LTD., the automobile ferry equipment and facilities heretofore operated by the respective companies. Appraisal will be made of the value of the properties, now estimated at $15,500,000, and securities of the new company will be issued to pay for such properties. Southern Pacific interests will direct operations of the new company through having, with a majority of the stock, five of its nine directors.

It is expected that substantial savings will be made through the elimination of wasteful service, the better employment of the operating equipment, and the operating economies which will be effected as a result of this consolidation.

The plan is subject to the approval of the California Railroad Commission, and it is hoped it will be made operative some time during the year 1929.

ACQUISITION OF CONTROL OF THE TEXAS MIDLAND RAILROAD.

Pursuant to authority granted by the Interstate Commerce Commission in its order, dated February 11, 1928, in Finance Docket No. 6650, the Southern Pacific Company and the Texas and New Orleans Railroad Company (a solely controlled subsidiary of the Southern Pacific Company) acquired control on April 1, 1928 (the former by stock ownership and the latter by lease) of the Texas Midland Railroad, extending from Ennis, Texas, a divisional terminal point on the Dallas Division of your Texas Lines, to Paris, Texas, a distance of 125 miles. This line, which thus becomes a part of the Southern Pacific Lines in Texas and Louisiana, serves an agricultural district which it is expected will give your lines a considerable tonnage of cotton and other valuable traffic.

FEDERAL VALUATION OF RAILROADS.

The joint conferences referred to on page 27 of last year's report, between representatives of your Company and of the Interstate Commerce Commission's Bureau of Valuation, were continued in 1928, and resulted in reducing the number of protested items to be disposed of at formal hearings, so that the formal hearings in respect of the tentative valuations of the lines in Texas and Louisiana were completed on July 2, 1928, and of the Pacific Lines on October 26, 1928. The joint conferences resulted in substantial increases in the estimates of reproduction cost which the Bureau of Valuation recommended to the Commission. At the formal hearings, many claims involving principles upon which the Commission had formerly decided adversely to your Company's contentions, were disposed of by making general and specific reservations under which the right was reserved to support such claims by the introduction of evidence, and by argument, whenever the Commission makes any change in its decisions relating to these or similar claims; or makes any order changing or modifying its policy or practice in any way relating to such claims; or whenever any decision or order entered in the primary valuation proceedings becomes related to, or is used in any manner in, any other proceedings; or whenever the valuation of the properties of your Companies may be determined as of some subsequent date or dates.

Briefs have been filed by your Companies in respect of the items not disposed of at the joint conferences and formal hearings, and after the Bureau of Valuation has filed its brief, and your Companies have filed their reply briefs, the matter will then be submitted to the Commission for its final decision.

In connection with the matter of bringing to a common date, the value of the properties of all common carriers subject to the provisions of Section 19a of the

Interstate Commerce Act, the Commission issued an order, effective July 1, 1928, requiring each carrier to file with the Commission, returns showing all additions and retirements, and the cost thereof, from the several valuation dates down to and including December 31, 1927.

The method which the Commission will use in bringing the valuations of all properties down to a common date has not been disclosed, and it cannot now be determined how long it will take to accomplish this task.

CHANGE IN ORGANISATION.

On December 13, 1928, the Board announced the following changes in the organisation and management of the Company's affairs, effective January 1, 1929:—

Mr Henry W. de Forest, Chairman of the Executive Committee since June 1, 1925, was elected Chairman of the Board, a new position. Mr de Forest will have the management of the Company's general financial affairs and consolidation matters.

Mr Hale Holden, for many years President and Chairman of the Executive Committee of the Chicago, Burlington & Quincy Railroad Company, was elected Chairman of the Executive Committee. Mr Holden will have general control of the Company's business, except the management of its general financial affairs and consolidation matters.

Mr Wm. Sproule, President since September 25, 1911 (except during the period from July 12, 1918, to December 31, 1919, both inclusive, when he was District Director of the United States Railroad Administration), after more than 41 years of service with the Southern Pacific Lines, retired from active service December 31, 1928, under the pension rules of the Company and in accordance with his expressed wish.

Mr A. D. McDonald, Vice-Chairman of the Executive Committee of this Company, will, in addition to the other duties of that position, have general control of the management of the Southern Pacific Steamship Lines. He will also continue in the office of President of the Texas and New Orleans Railroad Company (the Southern Pacific Lines in Texas and Louisiana). In these dual capacities, he will have immediate charge, under the direction of the Chairman of the Executive Committee, of the management, operation, and traffic of the Southern Pacific Steamship Lines, and of the railroads and other properties of all Southern Pacific Lines East of El Paso, Texas.

Mr Paul Shoup, Executive Vice-President since June 1, 1925, was elected President to succeed Mr Sproule. Mr Shoup will have immediate charge, under the direction of the Chairman of the Executive Committee, of the management, operation, and traffic of the railroads and other properties of the Company, west of El Paso, Texas, and Ogden, Utah. The office of Executive Vice-President was discontinued.

Mr Lewis J. Spence, Executive Officer since June 1, 1925, after more than 43 years of continuous service with the Southern Pacific Lines, at his own request, retired from active service on December 31, 1928. The office of Executive Officer was discontinued.

Mr J. H. Dyer, General Manager of the Pacific Lines, was appointed Vice-President in charge of Operations. Mr Dyer will have immediate charge, under the direction of the President, of the maintenance and operation of the railroads of the Company west of El Paso, Texas, and Ogden, Utah.

Mr F. L. Burckhalter, First Assistant General Manager of the Pacific Lines, was appointed General Manager to succeed Mr Dyer, promoted. The position of First Assistant General Manager was discontinued.

The headquarters of Mr T. O. Edwards, General Auditor in charge of operating accounts, was transferred from San Francisco, California, to New York City.

The title of Mr C. M. Scott, Assistant Treasurer, with headquarters in San Francisco, California, was changed to Local Treasurer.

GENERAL.

The dividends for the year, on the capital stocks of the Southern Pacific Company and its Transportation System Companies held by the public, amounted to $22,342,884·00, as follows:

Dividends on capital stock of the Southern Pacific Company:		
1½ per cent. paid April 2, 1928	...	$5,585,713·50
1½ per cent. paid July 2, 1928	...	5,585,713·50
1½ per cent. paid October 1, 1928	...	5,585,713·50
1½ per cent. payable January 2, 1929	...	5,585,713·50
Total Southern Pacific Company	...	$22,342,854·00
Dividends on stocks of Transportation System Companies held by the public	...	30·00
Total dividends payment for the year	...	$22,342,884·00
The total taxes for the year, of the Transportation System and of all separately operated Solely Controlled Affiliated Companies, amounted to	...	$24,075,087·00

Under the pension system put into effect January 1, 1903, there were carried on the pension rolls at the end of the year 1,982 employes. The payments to pensioners for the year amounted to $1,189,012·27, equivalent to 6 per cent. per annum on an investment of $19,816,871·17.

The Board announces with sorrow the death, on January 4, 1929, of Mr J. Horace Harding, who served your Company as a Director from January 13, 1913, to the time of his death, and also served as a member of the Executive Committee from and after April 4, 1918; the death on January 29, 1929, of Mr Ogden Mills, who served your Company as a Director from April 4, 1906, to the time of his death, and also served as a member of the Executive Committee from and after June 20, 1907; and the death, on March 24, 1929, of Mr Samuel Rea, who served your Company as a Director from April 9, 1919, to the time of his death.

The Board gratefully acknowledges its appreciation of the loyal and efficient services rendered by officers and employees during the year.

By Order of the Board of Directors,

HENRY W. DE FOREST,
Chairman of the Board.

CANADIAN PACIFIC RAILWAY COMPANY.

ISSUE OF ADDITIONAL ORDINARY CAPITAL STOCK.

Notice is hereby given that the Company will offer to the holders of its Ordinary Capital Stock of record at 3 p.m., on Thursday, May 2, 1929, $30,000,000 of Ordinary Capital Stock, comprising 300,000 shares of $100 each at the price of $170 per share, in the proportion of one share of the New Issue for each ten shares then held by them respectively.

The right to subscribe will expire at 3 p.m. on Monday, June 17, 1929.

Payments will be received at the Bank of Montreal, London, New York or Montreal, as follows:

$42·50 per share on subscriptions on or before June 17, 1929.
$42·50 per share on August 15, 1929.
$42·50 per share on October 15, 1929.
$39·55 ($42·50 less $2·95) per share on December 16, 1929.

In the final instalment deduction has been made of interest at the rate of six per cent. per annum on each instalment from the due date thereof to December 31, 1929, which interest amounts to $2·95 per share.

Shareholders may, as a matter of convenience to themselves, pay any or all of the instalments before the due dates, but interest will be allowed only as above stated.

All shares of the issue on which instalments have been paid in full on the due dates will rank for dividends payable after January 1, 1930.

A Circular containing the terms of subscription and payment, accompanied by Warrants to Subscribe, will be mailed to the holders of Ordinary Capital Stock on or about May 15, 1929.

By Order of the Board.

ERNEST ALEXANDER, Secretary.

Dated at Montreal, April 13, 1929.

THE ROYAL BANK OF CANADA.

DIVIDEND No. 167.

Notice is hereby given that a DIVIDEND of Three per Cent., being at the rate of 12 per cent. per annum upon the paid-up capital stock of the Bank, has been DECLARED for the three months ending 31st May, 1929, and will be PAYABLE at the Bank and its branches on and after Saturday, 1st June, 1929, to shareholders of record on 30th April, 1929.

By order of the Board,

E. B. McINERNEY,
London Manager.

Bank Buildings,
Princes Street,
London, E.C. 2.
April 13th, 1929.

RIO TINTO COMPANY, LIMITED.

NOTICE IS HEREBY GIVEN, that the Fifty-sixth Ordinary General Meeting of the Shareholders will be held at the Cannon Street Hotel, Cannon Street, in the City of London, E.C., on Wednesday, the 24th April, 1929, at twelve thirty o'clock precisely, for the purpose of receiving the Directors' Report and Statement of Accounts, for the Declaration of a Dividend, and for other purposes.

Holders of Share Warrants to bearer who desire to attend can receive a Ticket of admission, on depositing their Warrants in accordance with the Articles of Association three days prior to the Meeting, at the Company's Offices in London.

The retiring Directors are J. N. Buchanan, Esq., and the Earl of Denbigh, who, being eligible for re-election, offer themselves accordingly.

The retiring Auditors are Messrs. Turquand, Youngs and Co., who, being eligible for re-election, offer themselves accordingly.

The TRANSFER BOOKS will be closed from Thursday, the 18th, to Tuesday, the 30th April, both days inclusive.

By Order of the Board,

R. H. BEECHER,
Secretary.

Offices of the Company,
3, Lombard Street, London, E.C.
16th April, 1929.

CITY OF OSAKA

FIVE PER CENT. STERLING BONDS, £3,084,940.

Notice is hereby given that the COUPONS due 1st May, 1929, will be PAID on and after that date (Saturdays excepted) between the hours of 11 and 3, at the Yokohama Specie Bank Limited, where lists may be obtained.

Coupons must be left three clear days for examination prior to payment.—For the Yokohama Specie Bank Limited.

D. NOHARA, Manager.

7, Bishopsgate, London, E.C. 2.
17th April, 1929.

CONSOLIDATED INVESTMENT CORPORATION OF CANADA.

NOTICE TO SHAREHOLDERS.

Wood, Gundy and Company, Limited, announce that Scrip Certificates to Bearer for Five per Cent. Cumulative Preferred Shares of $100 each and Common Shares of no par value, may now be lodged at their office, 14, Cornhill, London, E.C. 3, for transmission to Canada, to be there exchanged for definitive registered certificates.

INDIA

The World's Best Customer

is attracting the renewed interest of many firms anxious to share the benefits of the country's improving purchasing power, being brought about by numerous development schemes now in course of completion.

THE PIONEER PRESS OF INDIA

The London Offices of

THE PIONEER & CIVIL & MILITARY GAZETTE LTD.,

with Branches or Agents throughout India, has been enlarged to handle any enquiry, Editorial or Advertising, that may be submitted.

Write

W.T.DAY, London Manager, 11, Aldwych, W.C. 2.

(Next to Waldorf Hotel and opposite India House).

Telephone: Gerrard 1546/7.
Telegrams: "Kuttra, Estrand, London."

ALEXANDRIA WATER COMPANY, LIMITED.

ALEXANDRIA, EGYPT.

PAYMENT OF DIVIDEND.

NOTICE IS HEREBY GIVEN that a DIVIDEND of Ten shillings and ninepence per £5 Share on Coupon No. 81 is PAYABLE on and after 15th April, 1929, instead of on 15th June, 1929, as printed on the Coupon, at the National Bank of Egypt, in Alexandria at Rue Toussom, or in London at 6 and 7, King William Street, E.C. 4.

Dated, Alexandria, Egypt, the 12th April, 1929.
By Order of the Board,

K. B. WOODD SMITH,
Manager.

The Economist, 905

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, APRIL 27, 1929. No. 4,470.

ROYAL EXCHANGE ASSURANCE

Incorporated A.D. 1720.

All classes of Insurance transacted and the duties of Executor and Trustee undertaken.

For full particulars apply to:—

Head Office: Royal Exchange, London.

BANCO NACIONAL ULTRAMARINO.

STATE BANK OF THE PORTUGUESE COLONIES.

Head Office: LISBON.

Capital: Esc. **50,000,000$00.** fully paid.

Established 1864.

Reserves: Esc. **49,000,000$00.**

OFFICES IN THE FOLLOWING COUNTRIES:

Portugal, Portuguese East and West Africa, India, China, Timor and Brazil.

Paris Office ... 8 Rue du Helder.

Angola, Belgian Congo } Banco de Angola

New York—Trust Co. of N. America—93 Liberty Street.

AGENTS & CORRESPONDENTS IN ALL PARTS OF THE WORLD.

London Office: 9 BISHOPSGATE, E.C.2.

Telephone—London Wall 0295. *Telegrams—Ultranacio, London.*

BANCA COMMERCIALE ITALIANA.

Established in 1894. Head Office: MILAN. Capital 700 million Lire. Reserves 560 millions. Deposits 7,251 millions.

Branches in every centre of commercial and industrial importance in Italy; also in London, New York, and Constantinople.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Greece, Egypt, Morocco, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

London Office

32, Threadneedle Street, E.C.2.

A. JOEL, *Manager.*

Correspondents to the Italian Treasury.

TABLE OF CONTENTS.

The Money Market	905	**Books and Publications—**	
Leading Articles—		Bolshevism Examined	928
Forward Step in Industry	907	Primitive Economics	928
Reparations	908	Books Received	929
New Hopes for Disarmament	908	**The Stock Exchange—**	
Lancashire Cotton Trade	909	Chile as a Borrower	930
Development of Algeria	910	The Week in the Markets	931
Tax-dodging in France	912	London Active Securities	932
Notes of the Week—		Foreign Stock Exchange	932
The King	913	Foreign Borrowing Morality	933
The Election Date	913	Railway Rates	933
The Fascist Four Hundred	913	General Electric Issue	934
Better Hopes in China	913	United Steel Scheme	934
The Labour Programme	914	Baldwins	935
The Slums	914	Union Bank of Scotland	935
De-rating for Agricultural Land	914	Dunlop Rubber Set-back	935
Cotton Labour Dispute	915	Holland-America Line	936
Lancashire Cotton Corp.	915	Pennsylvania Railroad	936
Trend of Overseas Trade	915	Margarine Union	936
Building Societies	915	Polyphone A.G.	937
Co-operative Administration	916	City Deep	937
A Quarter's Fishing	916	St. John del Rey	937
European Timber for the U.S.A.	916	Consolidated Diamond	937
Drink Question in Russia	916	Anglo-French Exploration	938
Lithuanian Trade in 1928	917	General Mining	938
Guatemala's Trade	917	Amalgamated Mining	938
Insurance Notes—		Anglo-American Corporation Group	938
London and Lancashire	917	Capital Issues	938
Life Assurance Business	918	Dividend Announcements	940
Eagle, Star and British Dominions Insurance	918	**Company Meetings**	941
General Accident, Fire and Life Assurance	918	**Government Returns, &c.**	948
Law Union and Rock	919	**The Bankers' Gazette—**	
Ocean Accident and Guarantee Corporation	919	Bank of England	950
State Assurance Co., Ltd.	919	Bankers' Clearing Returns	950
London and Provincial Marine and General	920	Overseas Bank Returns	950
National Guarantee and Suretyship Association	920	Loan and Discount Rates	952
Oversea Correspondence—		Rates of Exchange	953
League of Nations	920	Bullion	953
United States	921	Gold and Silver Prices	954
France	922	Balance Sheets	954
Germany	923	Weekly Traffic Returns	955
Italy	924	Reports and Notices	955
Belgium	925	Profit and Loss Accounts	956
Czechoslovakia	925	**Commercial Reports—**	
Poland	926	The Corn Trade	957
Letters to the Editor—		American Wheat Markets	957
Lace and Safeguarding	927	The Coal Trade	957
France and her Debts	927	Iron and Steel	958
		Other Metals	958
		The Cotton Trade	958
		The Wool Trade	959
		Colonial Wools	959
		Hide and Leather Trades	959
		Jute Trade	959
		Timber Trade	959
		Vegetable Oils and Seeds	960
		Overseas Produce	960
		Price Current	961

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d.
Colonies and Abroad, £3 1s. 0d. per annum.
Single Copies, post free, 1s. 1d.
Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.
Office: 6 Bouverie street, Fleet street, London. E.C.4

THE MONEY MARKET.

Money this week again proved easy, and on Wednesday short loans were obtainable at around 4½ to 4¾ per cent., while on the following morning the market rate on three months' bills was described as being "a weak 5⅛ per cent." So far April has proved an uneventful month, and it would appear that rates are being allowed to find their own level without any attempt being made to stiffen them.

How long this will last is uncertain, but a pause of this kind is welcomed by the market after the excitements and anxieties of the first quarter of the year. Meanwhile a fair demand for bills is noticeable, especially from the Continent. This is described in one quarter as no more than a " replacement " demand, but it accounts in part for the low level of market rate.

* * *

On Thursday last the German Reichsbank raised its rate from 6½ to 7½ per cent. This move had long been expected, and its effect had consequently been discounted in advance. For some time past funds had been moving in a steady stream from Berlin to Paris, and, while the immediate causes of this efflux were not known, it seems more than likely that they represented the first stage in the remittance of funds from Germany to America. To find the reason for Germany having to make such remittances, there is little need to look beyond the large sums borrowed from America by Germany during the past few years. The immediate effect of the rise was to bring the mark exchange back from 20.48 to 20.45, and this should for the moment prove sufficient to check the efflux of funds.

* * *

According to the theory of international finance, the increase in the German Bank rate should be reflected in stiffer rates here, but it by no means follows that this will be the case. Just as the rise in the Dutch Bank rate a few weeks ago came as a reinforcement to London in the demonstration against New York, so may the German increase, in its turn, help to make it clear that Europe is presenting a united front. If so, the return of money from America to Europe may be accelerated, and so help London to maintain fairly easy conditions without undue risk.

	Apr. 25 1929.	Apr. 18, 1929.	Apr. 11, 1929.	April 4, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5½	5½	5½	5½	4½ (Feb 7,'29)
Banks' Deposit Rate..	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	3½	2½ (Feb 7 '29)
Houses { Notice.....	3⅞	3⅞	3⅞	3⅞	2½ (Feb 7,'29)
Market rate (3 months' bills)	5⅛	5⅛	5⅛	5⅛ – ⅜	...

This week the Bank obtained little gold, and the return shows an increase of only £270,000. The note circulation, however, has fallen by £1,663,000, so that the banking department's reserve has risen by £1,933,000. The only other changes are contractions of £2,346,000 in bankers' deposits and of £4,040,368 in Government securities. Apparently the Bank is still keeping a tight hand on the monetary situation, even if it is content to permit a certain amount of latitude to exist in rates. This is confirmed by the fact that the Bank itself bought bills this week, though these purchases were probably on account of some foreign Central Bank.

NEW YORK MARKETS.

Our New York correspondent cables:—The share market is advancing and the bond market gradually improving. Higher earnings for the first quarter are helping oil, steel and motor shares. Railroad earnings in March are running above those of last year. The steel industry is operating to full capacity, and the larger companies are expanding their plants. New capital issues are at a low ebb, but offerings to stockholders only continue actively. There is concern in the best quarters over Reparations, but stock traders are unaffected. There is some improvement in the week's Reserve statement, with the ratio up to 74.3 and the total credit outstanding down by $30 million. Discounts are $20 million off. The reduction in bill holdings that has been going on for several weeks has apparently ceased, but Government securities are down $12 million. Foreign loans on gold have increased to $7,700,000, presumably on additional shipments of the metal coming from Germany.

THE STOCK MARKETS.

Though dealings were again on a meagre scale in the Stock markets, the tone was not unsatisfactory, and prices were, on the whole, sustained. Gilt-edged stocks were more responsive to the steady improvement in monetary prospects than to fears occasioned by the Reparations set-back, and fully held their ground, though India Loans were less firm. Liquidation of Home Rails was checked after the opening days of the week. The settlement in Industrials was one of the least extensive for some time. The markets were largely inactive, and quotations showed few changes, apart from special factors, such as the Dunlop report. Rubber shares were more and tea shares less active on opposite movements in commodity prices. Oils were dull, and Kaffirs neglected. Tin shares reflected a recovery in the price of the metal.

THE COMMODITY MARKETS.

Little change is recorded in this week's reports. The downward tendency of coal prices is accentuated, as conditions in Germany and Poland have now returned to normal. The improvement in pig iron continues, and many branches of the steel trade are enjoying satisfactory activity in most districts. Tinplate quotations are firm and an increase is expected. Other metals are quiet, but, on the whole, steady. Cotton crop prospects have been improved by recent good weather. Orders for Manchester goods have been principally from South America and from the home market; prices in China have fallen as a result of the raising of the Japanese boycott. Bradford wool users are still buying for immediate requirements only, though steady values for the raw material are anticipated. The jute trade is in a state of stagnation. Hides are still weak, but the leather market is firmer and shoe manufactures are much better occupied. The hardwood market is firm, but softwood importers are having some difficulty in placing their purchases. Little interest is shown in vegetable oils and oilseeds. Wheat prices are lower.

THE FOREIGN EXCHANGES.

There was no general activity in the Foreign Exchange market, although several currencies were irregular as a result of the reparations dead-lock, and the peseta was wildly erratic. New York moved $\frac{1}{32}$ of a point on balance against starting at 4.85⅜. Paris made a sharp recovery at one time to 124.16, but closed at 124.18. Brussels improved to 34.94, Lisbon lost ½ at 108⅛, but Milan improved 3 points to 92.67. The peseta opened at 32.97, but soon fluctuated and was clearly out of control, finally struggling back to 33.60 after touching 34.45. Warsaw and Budapest were unaffected by the alterations of their Bank Rates, but the raising on Thursday of the Berlin rate had an instantaneous effect, and brought the reichsmark at 20.45¾ after it had been over 20.48 as a result of the Paris deadlock. Switzerland improved by ⅝ to 25.21, as did Amsterdam by ⅛ to 12.08¼ after 12.07⅞. The South American currencies were remarkably steady with the exception of Montevideo, which went from 49d. to 47⅜d., and the Mexican dollar, which receded to 10.25. In the Far East the yen recovered to 1s. 10⅛d. after being 1s. 9½d. Batavia improved from 12.15 to 12.12½. In the forward market dollars were more wanted at one month at a discount of ⅛ cent, but three months quotations were practically unchanged. The premiums on Paris fell from 8 to 1 and from 17 to 6 centimes for the two periods. Forward lire improved from 14 centesimi discount for one month to 8 centesimi and from 29 to 27 centesimi for three. One month's Amsterdam was better at ⅝ cent discount but the Berlin forward quotations were nominal at discounts of 2 and 4 pfennigs, the market not yet having had time to digest the change in the Bank Rate. Silver lost $\frac{1}{16}$d. both spot and forward in a dull market.

ECONOMIST INTELLIGENCE BRANCH.

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

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include an index of electricity production, and a series of indices of British trade activity.

A FORWARD STEP IN INDUSTRY.

The welcome results of the Conference held on Tuesday between the General Council of the Trades Union Congress and Committees representing the Federation of British Industries and the National Confederation of Employers' Organisations lend solid support to the belief which has coloured the Prime Minister's recent speeches on the platform and before the microphone, that the parties to industry are really about to take practical advantage of the " new atmosphere," and to exploit its immense potentialities for good. Although many difficulties have yet to be overcome, and much work remains to be done before a complete solution of even the more pressing of the varied problems of industrial relationships can be reached and the foundations of durable peace and mutual confidence securely laid, the evidence of the new spirit animating both sides in Tuesday's proceedings is sufficient to justify the prophecy that the conference will come to be regarded as a land-mark in British industrial history. Past pages of that history contain much " ill done and well forgotten "; there could be no better policy for the welfare of the nation than a common determination on the part of employers and employed to face the future, in Mr Baldwin's own words, " from a new starting point." There is now good reason to hope that the advocates of such a policy have won the day.

The Conference met under somewhat unpromising conditions. The employers' reply to the Melchett-Turner proposals had been couched in terms suggestive less of an enlightened desire to recognise effective partnership between capital and labour than of an inclination to preserve (for the supposed interests of employers) a real separatism, sugar-coated with time-worn phrases such as " mutual understanding." Having announced their inability to accept the report of the Melchett-Turner conference, the employers did, indeed, invite the General Council to meet them, but only, as it seemed, for the disappointingly narrow purpose of hearing an explanation of " the difficulties which stand in the way of consultation . . . through a National Industrial Council," and of examining the possibility of the three bodies " usefully consulting together " on matters of common concern " within the limits of their respective representative capacities and powers." Encouraged by the rapid progress which they had made in arriving at agreed statements of principle and policy with Lord Melchett's group of employers, the General Council not unnaturally felt keen disappointment at this frigidly guarded invitation, and there is reason to think that the offer was accepted not so much with the expectation that the policy of industrial peace would thereby be furthered, as because a refusal would, in the public eye, have laid upon them a serious responsibility for any eventual reversion to the policy of industrial strife.

It is greatly to the credit of the members of the General Council that, when they met the employers, they were not content to play the passive rôle of critical auditors, but advocated the principle of industrial co-operation with a warmth and sincerity which made a strong impression on the least progressive of the employers' representatives. So successful was that advocacy that the Conference, going further than the most optimistic had anticipated, adopted unanimously a resolution to appoint a committee " to examine the best methods for consultation and co-operation between the three organisations." Few expected a decision so definite, and it is worthy of note that this meeting, which established for the first time contact—on the basis of official recognition—between the national organisation of the trade unions and the two national organisations of the employers, should have imported into its resolution the significant word " co-operation "—a term which the employers had conspicuously omitted from their letter of invitation, and whose implications one section, at least, of the employers' organisations had previously been at pains explicitly to reject.

We do not overlook the consideration that this Conference was held in circumstances in which political factors were bound to carry weight. Not cynicism, but a measured sense of human probabilities, prompts the reflection that eagerness to tread the path of industrial peace is for each party an asset in the eyes of the vast majority of the electorate; that the more conciliatory the attitude of the T.U.C., the more Mr MacDonald, in his capacity of leader of a " strictly non-inflammable " Labour Party, is likely to profit at the polls; and that the employers, having regard to the doubtful issue of May 30th, had good reason (did not ill-health once make a monk of the devil?) to profess an enthusiasm for " industrial partnership " greater than they might have entertained in conditions of greater security for the interests of " capital."

That Tuesday's meeting was dominated by conscious *arrières pensées* of this character we do not believe. And even if we thought that to a large extent political expediency had determined the Conference's decision, we should still applaud the result. For, whatever the self-interested calculations of each side, whatever the mental reservations on the part of individual reactionary " masters " or class-conscious " men," the national organisations of capital and labour have now avowedly embarked upon a policy of joint effort, retreat from which will be rendered the more difficult by every step which is taken in common deliberation and co-operative study of the problems with which British industry as a whole is faced.

Given the endorsement of the principle of co-operation —a word whose real significance lies in its recognition of Labour's claim to fill an actively constructive part in the organisation of industry—there is no insuperable difficulty in overcoming the obstacles in the way of effective " co-partnership " between the three organisations represented at Tuesday's Conference. Difficulties presented by the constitution of the bodies of employers are readily susceptible of solution, and though we share in large part the view of many of the individual employers' organisations that the National Industrial Council on the lines suggested by the Melchett-Turner Conference might be an unwieldy and ineffective organism, whose intervention in particular industries might seriously prejudice the working of existing Joint Industrial Councils, the precise methods whereby the national organisations of employers and employed can most fruitfully co-operate are essentially a matter of administrative detail, whose definition goodwill and mutual trust should readily accomplish.

The future relations between capital and labour in an island whose whole fabric of civilisation rests precariously on the maintenance of industrial efficiency are an issue whose importance transcends that of any question on which the electorate is likely to be invited next month to record its votes. The establishment of joint machinery of co-operation between national organisations of employers and employed is by no means a complete solution. The speech of Lord Melchett at the inaugural meeting last week of the Central Works Council of Imperial Chemical Industries, Limited, wisely laid emphasis on the fact that there are problems of detail in industrial administration with which local joint bodies are best equipped to deal, without prejudice to the T.U.C.'s sphere of influence as a national organism for negotiation. To work out on enduring lines the structure of " industrial democracy " is the task not of a Conference but of a generation, but it is a task which must be undertaken if our civilisation, in its complex mechanised form, is to survive. It cannot be accomplished by mere lip-service to the principle of " peace in industry," or even by the constitution on a national basis of a " super-Whitley " Council whose functions are limited to the passing of sonorous resolutions and the utterance of agreeable generalisations. The future relations between capital, management and labour must be worked out practically in the workshop; the workers' insistent and justifiable claim to a measure of responsibility must be met by the evolution of an industrial system which shall still ensure that the efficiency of administration is not weakened, nor the authority and initiative of management undermined; in a wider sphere the problems which are likely to be entailed in the relations between large-scale " rationalised " industries, operated on lines of internal " co-operation," and the community as a whole, must find eventual solution.

The complexity of these many and varied problems need not dismay us. The British genius for arriving at compromises which " work " has overcome greater difficulties in the past. Solid reassurance for the future is

to be derived from the present momentous step forward which the employers and the T.U.C. have unanimously taken. It is a step which means that on the one side reactionary and obsolete notions of industrial autocracy have been abandoned—we hope, irrevocably—and that on the other side there is a growing recognition of the fundamental falseness of the Marxist conceptions which a few years ago seemed to be imperilling the sanity of organised British Labour. The accumulating evidence that the leaders of the trade unions are ready to endorse, and by these negotiations have endorsed, the principle that capital, management and labour are indissolubly bound by common interests, should encourage employers to take new heart in determining to face and overcome, in a spirit of real partnership with the workers whom they at one and the same time control and serve, the problems of the future.

REPARATIONS.

UNWELCOME indeed is the news which the past eight days have brought from the Reparations Conference in Paris. The high hopes recently entertained of an agreement which would lift Reparations out of the sphere of political controversy have received a severe setback; and although, as we write, the position is not hopeless, a formidable deadlock has arisen. The news, too, contains an item which means a tragic loss to the City of London. Lord Revelstoke, whose sudden death from heart failure was no doubt hastened by the load of work ably shouldered by him as one of the British delegates on the Expert Committee, was a man who cannot easily be spared; and in him the world of banking and finance has lost an enlightened leader and a figure of outstanding prestige.

From the first there was always room for serious doubt whether the attempt to reach a permanent Reparations settlement was not premature, and therefore unwise. It may be that the next few days will prove that these doubts were fully justified. As we write, the Conference of Experts is still in being, but its *raison d'être* is now reduced to the purpose of drawing up a report. For inclusion in that report there is a number of points on which agreement was reached—the Reparations Bank plan, for example, and the principle of dividing German payments into " protected " and " unprotected " categories—but these all concern the mechanism of payment rather than the crucial question of the total sum to be paid. Here the gap to be bridged is formidable. Between the Allied proposal of 37 variable annuities with a present capital value of some £1,950 million, and the German offer of annuities representing a capital sum of £1,325 million, there is a difference too wide to be readily susceptible of accommodation, and though the Allies, in presenting their figures, were obviously concerned to avoid the impression of handing out an ultimatum, while Dr Schacht, we still think, may not have said his last word, it is difficult any longer to be confident that the Conference will result in complete agreement.

It is important therefore that, while not yet abandoning hope, we should estimate calmly the consequences of possible failure, both from the financial and political point of view. That a breakdown of the negotiations would be likely in some degree to impair Germany's credit cannot be denied, and, as our Berlin correspondent shows on a later page, there are strong reasons why Germany would be wise to strain every possible point in order to reach agreement. On the other hand, we would deprecate strongly the alarmist prognostications current in some quarters as to the results likely to follow a final break-up of the Experts' Committee. The alternative to agreement is reversion to the Dawes Plan. Such reversion need have no grave monetary consequences. Admittedly, Germany's large short-term indebtedness is a vulnerable point in her credit system, and the (not unexpected) decision of the Reichsbank this week to strengthen its position and to check the recent heavy depletion of its gold reserves by raising its rate from 6½ to 7½ per cent. is a reflection of strain in German finance which it would be idle to minimise, but equally wrong to exaggerate. We do not believe that failure of the Paris Conference would cause any heavy withdrawal of short-term credit by London or New York, and Germany herself has the keenest interest in taking steps to prevent any internal panic-flight from the mark. We do not share the view that failure is calculated to cause in any monetary centre a crisis of the dimensions which some authorities, not entirely free from the suspicion of propaganda, are assiduously predicting. Taking the long view rather than the short, there is much to be said for the argument that it would be better to go back to the Dawes Plan and to face whatever difficulties may lie close ahead, rather than for the Experts to achieve an unsatisfactory compromise and pretend that it is a permanent and satisfactory solution. And even if it should become necessary—as Dr Schacht suggests—temporarily to apply the " transfer clause " and suspend purchases of foreign currencies on Germany's Reparations account, it is well to remember that such a possibility was always an integral part of the Dawes formula, and need not be taken to imply a necessarily dangerous situation.

It is in the realm of international politics that a breakdown of the Paris negotiations, which have inevitably opened old wounds and revived old controversies, might have results most disappointing to our hopes. Psychologically, the lack of a final settlement of the Reparations problem represented the failure of Europe to clear up the aftermath of the war and get to work again in a constructive way; and the need for throwing off the war spirit was not satisfied by the Dawes Plan. Indeed, the very essence of the Plan was that it was almost ostentatiously provisional. In order to get rid of the psychological legacy of the war in Europe it was desirable to fix the total figures for Reparations and provide for payment on a commercial basis, and this is what the Experts in Paris have been labouring to do. In fact, the decision to go forward from the Dawes Plan and seek a final settlement at this juncture was justifiable mainly on the grounds of general political advantage. If the Experts succeed only in registering their disagreement, the attainment of these political advantages will again be postponed. The prospects of a complete evacuation of the Rhineland—whose military occupation is the most conspicuous symbol in Europe that the war is not yet dead and buried—are dependent in some measure upon a final settlement of the Reparations question. It will be unfortunate for the immediate future of Franco-German relations if hopes aroused in this connection are now dashed, and equally unfortunate for the world as a whole if American opinion is unfavourably impressed by what may appear across the Atlantic as evidence of Europe's continued inability to set her house in order. From final and insoluble deadlock at Paris no major crisis would be likely to arise, but the fact must be faced that failure to agree, though not perhaps so tragic in its consequences as some observers affect to believe, would mean a failure to advance towards the goal of confidence and security to which the eyes of Europe are earnestly turned.

NEW HOPES FOR DISARMAMENT.

WHEN the Preparatory Commission for Disarmament met at Geneva, on Monday, the only ray of light in a bleak sky was the hope that Mr. Hugh Gibson, the American representative, would make a new advance, which should be authoritative and practical. Happily, that ray of light has spread over the whole sky. The speech which Mr. Gibson delivered to his colleagues on Monday, of which a summary is given on page 920 by a League correspondent, was exceedingly important and encouraging for many reasons. In the first place, Mr. Gibson was avowedly expressing President Hoover's ideas. In the second place, he put disarmament in its true setting as a corollary to security; and he appealed to the signatories of the Kellogg Pact to examine the whole problem afresh in the hope that they would find in the general world conditions and in the solemn obligations they had taken upon themselves the reassurance of their security, and that they would find in themselves the confidence to dispense with the armaments which hitherto had seemed so essential. Any approach to the disarmament problem on

The New York Trust Company

Capital, Surplus & Undivided Profits - $44,000,000

COMPLETE INTERNATIONAL
BANKING FACILITIES

100 Broadway New York City

purely technical grounds was bound to be inconclusive, and the United States Government had always felt that they needed no exact balance of ships and guns which could be based on the idea of conflict. Mr. Gibson, however, did not leave it at that, but went on, in the third place, to make conciliatory and constructive proposals for solving certain technical problems which had actually stood in the way of agreement in the past. On the question of whether tonnage should be reckoned " globally " or by categories for the purpose of comparison, he accepted in principle a compromise which had been suggested, during the third session of the Commission, by the French Delegation. Tonnage might be reckoned by categories, but each party might be left free to transfer certain percentages of the tonnage allocated to it from one category into another. On the question of " mathematical " versus " strategical " parity (the rock which wrecked the Three Power Naval Conference of 1927), Mr Gibson suggested that equivalent naval values might be estimated by some kind of index number formula in which other factors beside tonnage might be included. The fourth feature in Mr Gibson's speech was that he urged, not merely limitation of naval armaments on the basis mentioned above, but a substantial reduction. Finally, he urged that this reduction should apply to all categories of vessels without exception.

After Mr Gibson had spoken Lord Cushendun replied; and it is to his credit that he did what in him lay to help forward the new American move, and said nothing to damp the effect of Mr Gibson's declaration. Had he done otherwise, he would, indeed, have failed to represent the feelings and desires of the British people, who are as earnestly set as the American people upon peace and disarmament. Moreover, question time in the House of Commons, on Wednesday, gave Sir Austen Chamberlain an opportunity, which he seized, for extending a careful, but hearty, welcome to the new American advance. The following passage from the Foreign Secretary's statement should be placed on record:—

> His Majesty's Government equally with the Government of the United States desire not merely a limitation but a reduction of naval armaments. They have indeed themselves made proposals for such general reduction and that the reduction should be applied to every class of war vessel. As between ourselves and the United States such difference as has hitherto existed has not been concerned with these great principles nor with the relative strength of our respective Navies, but with the determination of the categories into which ships of war should be divided. On this point his Majesty's Government have noted with much interest the new criteria suggested by Mr Gibson. They attach great importance to the possibilities opened by the greater elasticity given by his suggestions for the adjustment of the agreed naval strengths to the different circumstances of the two Powers. Finally, they desire me to take this opportunity to express their warm appreciation of the cordial and conciliatory spirit shown by the American delegation and to give the assurance on their behalf that it is in the same spirit and with the most earnest wish to reach complete agreement that they will consider the American suggestions."

Replying to a further question, Sir Austen said: " Agreeing with the Americans that the limitation and reduction of every class of war vessel ought to be secured, and can be, the Hon. Member may rest satisfied that His Majesty's Government will not be wanting."

Thus, at last, the deadlock is broken. In due course we may look forward with confidence to an agreement for the all-round reduction of naval armaments between the United States, Great Britain and Japan; and from this other agreements are likely to follow. First, we may expect a naval agreement, within the same framework and on the same principles, between France and Italy; for there is a problem of naval policy between these two Powers which resembles that between Great Britain and the United States, so that if a solution is found for the one problem it may be expected to serve for the other. Thus a general agreement on naval disarmament is coming into sight; and, if that were once achieved, we could address ourselves to the local problems of land and air armaments under more favourable conditions than ever before. A new vista of hope is opened up, and it rests in no small measure with the British Government to see that the new opportunity is used to the full. The present Government has little time left. To the next Government, of whatever complexion it may be, the country will look for a pursuit of practical armament reduction on broad statesmanlike lines, and avoidance of those mistakes which in recent times have rendered progress impossible. Here is a great opportunity and a great responsibility.

LANCASHIRE COTTON TRADE.

(BY OUR MANCHESTER CORRESPONDENT.)

IT is not possible to express satisfaction at the trade done in manufactured cotton goods by Lancashire spinners and manufacturers during the first quarter of the year. Demand has ebbed and flowed and buying movements have been for very limited periods, with the result that producers have not been able to improve their position and in most sections buyers can obtain goods at prices which show a loss, or at any rate are not any better than production costs.

An event of importance since the beginning of the year has been the registration of the Lancashire Cotton Corporation, Limited. The negotiations with the several interests were successfully accomplished in the middle of January. The object of this Corporation is to amalgamate spinning mills in order to effect economies by centralised management of purchases and sales. A strong board of directors has been appointed and the Corporation has been fortunate in securing some of the best brains of Lancashire in their executive officers. A week or two ago it was announced that 107 mill companies had asked for valuation of their properties and the Corporation had made firm offers for 15 concerns. At the time of writing, however, only one mill has been taken over. The Corporation has the good wishes of the bulk of Lancashire people, but an organisation of this kind must run up against certain vested interests and many difficulties will have to be surmounted before the combination of mills can be accomplished and work effectively. Other proposals for an amalgamation of mills known as the Hammersley scheme have been considered

by the Master Spinners' Federation, but progress is slow. Discussions are now taking place for the purpose of combining a number of mills engaged in the spinning of Egyptian cotton. Some of the leading employers in this section of the industry are supporting this movement, and it is understood that it is being backed by financial interests in London. No details, however, have so far been published. An attempt is also being made to bring about a combination of ring spinning mills. The scheme is an effort to control prices rather than to form an amalgamation of companies.

During the last three months there has not been any marked change in the price of raw cotton, though many fluctuations in rates have occurred. On January 2nd the quotation for Middling American on the spot in Liverpool was 10.59d. By the 15th there had been an advance to 10.74d., but 10.34d. was registered on the 30th. The easier movement continued until February 5th, when 10.24d. was posted. There was then a recovery to 10.49d. on the 12th, with 10.76d. on the 28th. The month of March brought higher values, 11.14d. being registered on the 15th and 16th, but the month closed at 10.96d. The quotation on Wednesday, April 24th, was 10.51d. Spinners throughout the quarter have purchased rather sparingly. Latterly there has been a disposition to anticipate lower prices. As usual at this time of the year much uncertainty exists as to the new crop in the United States. The Government estimate of the acreage will not be issued until July 8th, but according to private advices there is a probability of an increase of 3 to 4 per cent., which would bring the area very near to the record of 1926. During March, farm work in the American belt was hindered by heavy rains, but since then drier conditions have been reported and recently growers have made better progress. It may be pointed out that according to the International Federation consumption of all kinds of cotton during the first half of this season (six months ended January 31st) was 12,772,000 bales, against 12,553,000 bales in the half year ended July 31, 1928, and 12,987,000 bales in the six months ended January 31, 1928.

On January 2nd the price of Fully Good Fair Sakellaridis Egyptian cotton on the spot in Liverpool was 19.35d. Many ups and downs in rates took place and the figure on January 31st was 18.40d. Values in February were fairly steady, the quotation on the 28th being 18.15d. By March 22nd there had been an advance to 19.60d., but on Wednesday last, April 24th, the figure was 18.10d.

Foreign trade in piece goods during the quarter has not shown any improvement on that of recent years, as will be seen from the following table of exports:—

THREE MONTHS ENDED MARCH.

	Yards.	£
1913	1,773,424,100	24,040,540
	Square Yards.	
1927	1,015,027,100	27,523,349
1928	1,050,969,400	29,266,463
1929	1,039,383,000	27,917,484

On one or two occasions during the period under review there has been extensive buying of light fabrics for India, but grey shirtings and other staple cloths have attracted very little attention. Recently business for India has been adversely affected by the political disturbances, and owing to the uncertain outlook traders have no confidence, with the result that commitments are being restricted as much as possible. A factor of importance has been the embargo upon shipments of certain cloths to Calcutta in particular months, and the action of dealers in that port has undoubtedly had a disorganising effect upon trade generally. It is significant, however, that there is a tendency for trade to be diverted from Calcutta to the up-country markets. Reports with regard to China have varied a good deal, but shipments have been much larger than in the same period of last year. The general demand has broadened and owing to better clearances at the auctions in Shanghai merchants have been prepared to place orders with manufacturers for replacements. Fairly encouraging support has been met with from Singapore and Java. There has not been any activity worth mentioning for Egypt and the Near East in spite of a reduction in stocks in that part of the world. Certain producers of printing and finishing styles have done fairly well for the outlets of Central and South America. Most of the buying for the Continent has run on fine cloths. Useful support has been met with from the Colonies, especially Australia. About a month ago a number of manufacturers were enabled to restart idle looms, but during the last few weeks some ground has been lost, and more cases of restriction of output are now reported. On the whole, production in the weaving branch of the industry is equal to about 80 per cent. of full capacity.

The position of spinners of American yarns has continued to be deplorable. Total output has varied during the quarter from 75 to 80 per cent. of full time, but it has been difficult for most producers to prevent the accumulation of stocks at the mills. The prices ruling have shown a distinct loss. The position of affairs was considered by the Master Spinners' Federation in March and it was recommended that during April spinners should close their mills on Saturdays and Mondays, but a ballot on this proposal did not show the necessary majority and the committee decided to take no further action.

Compared with the beginning of the year a less satisfactory situation prevails in the mills spinning Egyptian cotton. Early in February the trade position was considered by the Bolton Master Spinners' Association, and it was decided to recommend all the members to curtail production by one-third for two months. The ballot on this proposal was successful, and the scheme was put into operation. The limitation of output did not have the desired effect, and it has been decided to extend the short time movement for a further period of four weeks. The recent turn of events in the fine spinning section of the industry has caused a good deal of anxiety, as throughout the long depression since 1920 this branch has continued to do fairly well up to this year. There has not been any activity in yarns suitable for export purposes. The following is a comparative table of shipments of yarn:—

THREE MONTHS ENDED MARCH.

	Lb.	£
1913	53,067,000	3,725,282
1927	49,436,300	5,523,461
1928	44,889,300	5,974,900
1929	44,166,600	5,730,233

The immediate outlook for Lancashire trade is by no means bright. A number of schemes for the reorganisation of the industry are now under consideration and the Lancashire Cotton Corporation, Limited, is in being, but progress with all these proposals is necessarily slow. The root of the trouble is that the demand for goods is not sufficient to keep all the machinery running and, as is usual in such circumstances, there is keenness for the orders available and the internal competition is very severe. The opinion is held in many quarters that the costs of production cannot be reduced to a sufficient extent without touching hours and wages, or by some reorganisation of working conditions. As India is Lancashire's biggest customer the political unrest there is causing much anxiety and trade developments are undoubtedly being affected by the uncertain outlook. There are reasonable hopes of an expansion in China trade given a continuance of the more stable conditions in the Far East. With regard to raw material values this is always a period of the year when much uncertainty exists and it will be some months before there is reliable information as to the probable output in the United States for the new season. There is a possibility of a big growth, but the deciding factor will be the weather in the belt this summer.

THE DEVELOPMENT OF ALGERIA.

(BY A CORRESPONDENT.)

THE French colony of Algeria is a good example of modern colonial development. The needs of the war focussed attention on its resources, and the spread of industrial civilisation is developing its potentialities. The colony is fortunate in its geographical situation and its climate. Climatically, for the most part, it is fitted for habitation by Europeans, and its nearness to crowded populations makes its further development a necessity. To many English people Algeria is known chiefly as a winter resort where one may follow the sun and enjoy the "magic of Islam." Its recent strides in production and trade, in population and the standard of living, may have escaped notice.

A hundred years ago the natives numbered less than two millions. In 1891 the whole population was estimated at 4,124,732. The latest available figures give a total population of approximately six millions, of which 867,000 are Europeans. This population is mostly in northern Algeria, which, with an area of 80,000 square miles, has a population of five and a half millions. The remaining half million people in Southern Algeria are spread over an area of 767,000 square miles largely consisting of desert. To attract colonists France has adopted a scheme of assisted passages; she recognises that colonies, like children, are a necessity for a great Power. To French eyes the map of the western Mediterranean basin shows that Morocco, Algeria and Tunis may be regarded as a southern prolongation of France, with the western Mediterranean as a lake joining Northern and Southern France. This southern extension of France has a total area nearly equal to five times that of the mother country.

Algeria, together with France, forms a self-contained Customs union, and as the French market does not absorb the whole of her output, Algeria must find new markets. She has to sell her wines, cereals, ores, phosphates, livestock, vegetables, &c., and she buys in exchange food, such as rice and sugar, chemicals, textiles and clothes, coal, iron, steel, and manufactured articles. The principal productions are wheat, barley, oats, tobacco, wine, fruit and vegetables, ores, phosphates, olive oil, cork, cotton, esparto grass and livestock. The production of alfa, or esparto, is of great importance to British paper makers, and the supply rarely seems to overtake the demand. Great Britain imported 277,943 tons of esparto during 1928. This represents an output of 120,000 tons of esparto paper. Scotland specialises in the making of paper from esparto grass, which is used chiefly for high-grade paper. There were labour difficulties during 1928, as the Algerian natives, instead of harvesting the grass, preferred gathering olives at a higher wage, and there will possibly be a shortage of the grass this year. Alfa land is used also for sheep breeding.

The following production figures are approximate, and represent minima in each case:—

Wine	220,000,000 gallons per annum.
Minerals and Phosphates	2½ million tons per annum.
Cereals	3,000,000 tons per annum.

There are approximately 12,000 acres under cotton,
80,000 acres of tobacco,
123,000 acres of market gardens,
15,000,000 olive trees.

Algeria, Tunis and Morocco produce nearly half the world supply of phosphates, and are exceeded in production only by the United States. The vast phosphate deposits are said to extend right across the northern part of the colony, and are well suited for transformation into super-phosphates. During 1927, 876,306 tons of phosphates were exported, valued at £537,000. Fortunately for Great Britain Algeria has to import a good deal of coal. There was a reported discovery of coal in eastern Morocco in August, 1928, estimated at not less than four million tons of good quality soft coal, but no commercial exploitation has yet followed. Lack of fuel, indeed, seems to be one of the chief adverse factors of northern Africa, as so far the search for petroleum has not been commercially successful. In 1927 unfavourable weather conditions and extensive floods caused a temporary setback in agriculture, livestock breeding and viniculture, but the annual report for 1928 just issued by the Bank of Algeria shows the striking inherent prosperity of the colony. The wine harvest has created a new record, and both imports and exports have increased.

The Budget figures for Algeria for 1929 are as follows:—

Receipts	Francs 1,235,300,626 (£9,962,000).
Expenditure	Francs 1,234,827,220 (£9,958,000).

French Moroccan revenue for 1928 was approximately 631,374,610 francs, and Tunisian revenue for the same period approximately 388,000,000 francs.

Algerian exports have trebled during the last five years and in three years its revenue has doubled, and both Moroccan and Tunisian exports and revenue have greatly increased. The value of Algerian exports for the year ended June 30, 1928, was 3,861,000,000 francs; for the previous year the total value was 3,520,948,000 francs. The nature of the imports, such as building and other constructional material and motor cars, is in itself a sign of development.

In Algeria to-day there are 186 agricultural co-operative societies, the more important being those connected with wine production, depôts for cereals and tobacco, and for agricultural materials. New buildings are going up on every side to meet the shortage of accommodation both for housing and for business purposes, and within a decade property in Algiers itself has increased in value three and even four fold. It is suggested, however, that present values may be inflated. Millions of francs are being spent on port improvements at Algiers, and grandiose schemes are mooted to enlarge the port, but Oran as a port has outstripped Algiers. The number of ships entering Oran during 1928 was 5,529, with a total tonnage of 9,806,410; and during the same period 3,512 ships entered Algiers with a total tonnage of 7,512,831. The tourist traffic is being assiduously developed by the French Transatlantic Company, which runs its own ships, hotels and touring cars. Rail development is not so forward; there are at present some 3,000 miles of railways, but motor transport is fast forging ahead over the 18,000 odd miles of roads. Trans-Saharan aerial reconnaissances have been arranged in the direction of the Congo and the Soudan to connect France and Madagascar through the Sahara; the itinerary will probably be from Maison Blanche, near Algiers, via Lake Tchad to Mozambique and Madagascar. Recent expeditions in connection with Saharan penetration have taken place under Prince Sixtus of Bourbon, and a parliamentary committee, under the presidency of M. Steeg, the late Resident-General in Morocco, and formerly Governor-General of Algeria, has been appointed to deal with the question of the trans-Saharan railway.

The standard of living is high, even comparatively so among the indigenous working class, as there is no unemployment problem, but rather, at present, a shortage of labour. This is in part due to an increase of public works in connection with the celebration of the centenary of the French occupation. An index to prosperity in the town of Algiers may be seen in the number of motor cars. It is said that, after Paris, Algiers has a greater number of cars in proportion to the population than any other French town. The cost of living is high, higher than in Paris. The following figures are expressive:—

		Pre-war price.	Present price.
Beef	lb.	·75	7·50
Eggs	doz.	·60	12·00
Bread	kilo.	·35	2·20
Rice	lb.	·25	4·00
Butter	lb.	1·60	17·00
Potatoes	kilo.	·15	1·40
Electricity	hectowatt	·10	1·69
Coffee	lb.	2·20	12·80
Sugar	kilo.	·80	4·10
Flour	kilo.	·60	2·30
Wine	litre	·40	3·00

In view of the present value of the franc (2d.), 5 must be used as a constant co-efficient.

The present number of troops in Algeria is 77,000, but this figure is unusually high owing to recruiting; the normal figure is 65,000. Morocco has 80,000 troops, and Tunis 25,000.

Next year Algeria celebrates the centenary of the French occupation, and a Budget has been prepared for the centenary celebrations as follows:—

Receipts	Francs 84,020,000
Expenditure	Francs 83,929,000

Towards this sum the French Government is contributing twenty million francs, and the Algerian Government a like amount.

Algeria may confidently view the future from the height of hope. She is both old and new. Agriculture is firmly established, and there is room and virgin soil for new enterprise. One noteworthy point is that her native population seems entirely free from the virus of communism. She stands, the more mature colony, between Tunis and Morocco as the keystone of what will one day form the united Colony of French North Africa—eventually to be consolidated, as M Maginot, the French Minister of the Colonies, has recently intimated, with French West Africa.

TAX-DODGING IN FRANCE.

(BY A PARIS CORRESPONDENT.)

TAX-DODGING is one of the many old-fashioned practices which the French have inherited from the Ancien Régime—a direct survival from the arbitrary days of the *fermiers généraux*, when "everybody who was anybody" was able to escape fair contribution towards the nation's needs. Since the war and the creation of innumerable new taxes, the tendency to rob both the State and one's neighbour, by avoiding as much as possible of one's legitimate share of the fiscal burden, has been intensified. Tax-dodging in France now amounts to a fine art. "Defrauders," states M Besson, a high official of the Revenue Department, who has written a revealing book on one aspect of the evil, "have become all the more skilful as the profits to be derived from tax-dodging have become larger." The doctrine that it is not stealing to defraud the State finds more supporters every day.

Evasion of succession and death duties has been notorious throughout France for years past. It now prevails to such an extent as to render misleading nearly all statistics that should serve as a basis for gauging the volume and distribution of the national wealth. The return of estates passing at death in 1925 (which is the last available one) shows that out of 386,000 on which succession duties were paid, those sworn as having a value of less than £16 amounted to 31 per cent., those of less than £80 to 66 per cent., and those of less than £400 to 92 per cent. of the total. It is unthinkable that these figures accurately represent the facts in a country where everybody is to some extent a possessor. The fact that the French limit their investments very largely to bearer securities renders it suggestively easy, when Death lays his hand on a wealthy *rentier*, for the heirs quietly to remove a fortune from the costly curiosity of the revenue officials.

In regard to income tax the situation is similar. This tax did not really come into operation in France until after the war, and has not even yet reached its full yield, in spite of much closer enforcement latterly. M Georges Mer, a Finance Ministry official who specialises in the study of fiscal frauds and the means of checking them, estimates that in income-tax yield alone "several milliards" are filched from the State every year through wilful under-declaration. The French income tax in 1927 yielded frs. 8,991,000,000 (say, £72,500,000), apart from frs, 3,502,000,000 deducted at the source from dividend coupon payments. The figure affords some clue to what proportion the loss of "several milliards" would amount. The general French attitude towards income tax was bluntly expressed a few years ago by M Loucheur (who soon after became Finance Minister himself, and is now Minister for Labour and Housing), who designated the tax as "*l'impôt des poires*" (or "simpleton's tax"). The suggestion was, of course, that it is so easy to evade that nobody but fools would pay it.

Instances abound that suggest that practically every other category of taxation is honeycombed with possibilities for fraud, of which full advantage is being taken. Customs officials complain, not only of a huge increase in ordinary smuggling, but of endless new forms of fraud, which the existing laws are impotent to check, for the reason, among others, that the statutory penalties remain at the same nominal level as before stabilisation, so that convicted persons have to fear fines equivalent to only one-fifth of their pre-war value. The luxury taxes, it is notorious, are scandalously evaded. There is good ground for believing that in a vast number of cases the 10 per cent. levy, imposed on every restaurant meal that works out at over 20f. per head of any party sitting together, never reaches the Treasury. Payment of this tax should take the form of a receipt stamp affixed to the bill, but there is more than a suspicion that, through the carelessness of customers who neglect to carry away the bills they have paid, the same stamp is made to serve for a succession of different bills. Many millions of francs are also, according to experts, lost to the Treasury in connection with the Montmartre and other night resorts. In these places a luxury tax of 12 per cent. is supposed to be levied on all sales made up to midnight, after which the rate rises progressively, according to the hour, up to 50 per cent. *ad valorem*. "We have certainly recovered frs. 3,000,000 (£24,000) of evaded taxes from four houses alone," a revenue official asserts, "but it is impossible for any real control to be exercised unless we keep a civil servant permanently on duty every night in each establishment, as is done in all the theatres, to check every sale."

The French taxation system has now become so complicated that not only are taxpayers, in the majority of cases, absolutely in a fog as to their liabilities, but most of the revenue officials are equally bewildered as to the proper interpretation of many of the fiscal laws. Experts state that daily experience shows that three out of four French taxpayers are so ignorant of both their obligations and their rights that 80 per cent. of their declarations have to be rectified by the officials. Most firms of even average importance have been compelled in self-defence to add at least one "fiscal expert" to their counting-house staff, and big concerns need a special department. These special departments inevitably rapidly develop into super-tax-dodging organisations against which the revenue authorities are often powerless in their efforts to check deliberate fraud.

The present chaotic state of the French fiscal laws has resulted in the creation of an entirely new industry. This has taken the form of the opening of offices known as *cabinets de contentieux*, which specialise in assisting taxpayers to fill in their declaration forms correctly. In Paris alone there are over sixty of them, while over 300 other offices are carried on by people trading as "expert accountants," who devote themselves in most cases mainly to facilitating tax-dodging. They usually work on the payment-by-results principle, and all are apparently flourishing. Nor is this all. The supervisors of direct taxes, speaking in their corporate capacity not long ago, stated that it is a common practice of agencies of this kind to establish false balance sheets and bogus profit and loss accounts for traders, on which to base their income-tax declarations. "If this is allowed to continue," the supervisors state, "the time will soon arrive when, according to their own books, there will not be a single solvent merchant left in France." It is also asserted that some of these tax-dodging agencies have such influence that they have been able surreptitiously to secure the insertion of clauses in Bills, during their passage through the Chambers, that have rendered nugatory more than one apparently drastic measure for the prevention of fiscal fraud.

Here is a typical instance. A man who had sold some house property was asked by the district supervisor, who knew the bald facts of the case, to explain why no reference to the transaction appeared in his income-tax declaration. The man had not visited a tax-dodging agency for nothing. He glibly explained that he had invested the proceeds in National Defence Bonds. The supervisor, whatever his suspicions may have been, was compelled to accept the man's statement, for the law gives revenue officials no power in such cases to insist on proof. Even if, greatly daring, a supervisor pressed to be shown the bonds, it is easy for a fraudulent taxpayer to furnish the proof desired. The tax-dodging agency is always prepared, other things being equal, to lend his customers sufficient scrip to furnish the "proof" required, which would be returned immediately after it had served their purpose. The revenue authorities have no power to inspect his banking account or his books, unless he is actually undergoing criminal investigation for fraud.

Collusion between buyer and seller, for the purpose of cheating the State, is notoriously frequent in connection with real estate sales. Under French law the actual transfer of property must take place in the presence of a notary, and payment must be made simultaneously in cash. Whether he is aware of the actual facts or not, the notary can only accept the figures intimated to him by the two parties concerned. The value of the banknotes that pass from buyer to seller "under the table" is no business of his! Property sales are sometimes disguised under the form of an "exchange" of two lots of realty, which enables the special tax of 7 per cent. on *first* transfers of ownership to be avoided.

The tax on business turnover provides endless opportunities for evasion. Traders of all kinds, whether selling in their own shops, in the produce exchanges, or in the meat, vegetable and other markets, now pose whenever possible (for fiscal reasons) as mere commission agents, in which capacity they are liable to turnover tax only on their alleged "commission" earnings, and not on the total selling price of the goods in which they deal. "Before this tax existed," one of the principal inspectors concerned with the turnover tax states, "there were 500 dealers in potatoes in one French department, who would all be liable to pay this tax. Since the tax came into operation only one of these has the honesty to declare himself a tradesman."

Instances of this type could be multiplied, but enough has been said, perhaps, to suggest that in France tax-dodging is a popular sport. To which the Frenchman replies that the "honest Englishman" pays his taxes—because he cannot avoid them.

Notes of the Week.

The King.—The message issued by His Majesty from Craigweil House on Monday night is gratifying from every point of view. It proves that the King is making a quicker and a surer recovery to health than doctors or public dared at one time to hope; and it disposes, presumably, of the rumours, which have been so persistently current, to the effect that it would be necessary to appoint a Regent to relieve His Majesty of duties connected with the forthcoming General Election. The satisfaction aroused by the message will thus be as general and as deep-seated as were the concern and anxiety exhibited during the critical days of the Royal illness. But the message arrests attention for another reason as well. That reason is found in the felicity of its phraseology and the spirit in which it is conceived. His Majesty is now able to realise that, in the crisis of his ordeal, the "crowds of friends waiting and watching at the gates" were but the outward and visible sign of deep feelings which transcended the boundaries of race and clime; and his realisation of this striking fact evokes a remarkable passage: "I cannot dwell upon the generous sympathy shown to me by unknown friends in many other countries without a new and moving hope. I long to believe it possible that experiences such as mine may soon appear no longer exceptional: when the national anxieties of all the Peoples of the World shall be felt as a common source of human sympathy and a common claim on human friendship." The hope is nobly conceived and universally echoed.

The Election Date.—Not before it was time Mr Baldwin, on Wednesday, announced the date of the General Election. Parliament is to be prorogued and dissolved on May 10th, nomination day is to be on May 20th, and polling on May 30th. These dates are in accordance with popular anticipation, but their official confirmation will come as a relief, not only to those who have election plans to make, but also to industrial and commercial interests generally. On the whole, the news should be received with public satisfaction. It is, of course, impossible to find dates which will suit everybody, and the Scottish churches possibly have a legitimate grievance in that the election clashes with meetings which this year are of unusual importance. The rival merits of the Thursday and Saturday poll will doubtless also arouse keen discussion, while there may be complaints from Lancashire that the election comes too close to the Whit week holidays. Candidates and their agents will have to note that nomination day falls on Bank Holiday, which means that they will have to draw their deposits from the bank on the previous Saturday. Still, apart from these special cases, the election comes at a time of year when it ought not to cause much interference to trade. It comes after the spring activity, too early to interfere with the harvests, and well ahead of the autumn trade. On the whole, the dates have been chosen well.

The Fascist Four Hundred.—On Saturday, April 20th, the eclipse of democracy in Southern Europe was signalised by the closing of an ancient university in Spain and the opening of a new-fangled legislature in Italy. The University of Barcelona has shared the fate of the Universities of Madrid and Oviedo—a lesson to Castilian and Catalan intellectuals that the cause of liberty is fundamentally one and indivisible. As for the prospects of the Fascist Four Hundred, whose opening session was honoured by the presence of the Duce and the King, we are reminded of the famous Four Hundred at Athens who supplanted the Athenian democracy at a moment when the Athenian people had been thrown off its balance by public misfortunes. The methods by which the Athenian Four Hundred were "elected" were remarkably like those to which the present Italian Four Hundred owe their seats. One can read in Thucydides the story of how they came into power; and one can also read in the same author how they went out of power again, and how soon. The main subjects dealt with by the King of Italy on this occasion were the constitution of the State under the Fascist régime, the economic and financial situation, and the agreement with the Vatican—an event which the King treated as the consummation of the life-work of his famous grandfather, King Victor Emmanuel II. But the passages of greatest general interest were those in which His Majesty referred to the question of armaments and peace. The stress, as was to be expected, was upon the necessity for adequate defence and for a foreign policy that would win strength and respect for Italy; but the context in which these desiderata were put forward was noteworthy. The necessity for defence was grounded on the regrettable failure, hitherto, of international attempts at disarmament; and Italy's determination to win strength and respect for herself was commended on the plea that it did not exclude, but actually favoured, a sincere foreign policy of peace. Here we see the influence of what may soon prove to be the greatest force in public affairs: an international public opinion which is at once impalpable and pervasive. We have seen its potency in the negotiation of the Kellogg Pact and in the new move towards disarmament which is beginning at this moment. Perhaps, after all, Democracy is like Nature. You may expel her with the pitchfork, but somehow, every time, she comes back again.

Better Hopes in China.—The stability of the present *régime* in China was severely tested by the open breach and armed conflict between Chiang Kai-shek and the military commanders of the Kwangsi Faction; but the rapidity and completeness of the defeat which the Kwangsi militarists have sustained have placed the Kuomintang All-China Central Government at Nanking, with which Chiang Kai-shek is identified, in a stronger position than ever before. Had the Kwangsi Faction succeeded in their ambition of carving out a domain for themselves in the Middle Yangtse Basin (in the provinces of Hupeh and Hunan), all the work of unification and reconstruction which has been done in China during this last year might have been undone again. The Japanese military occupation of the railway zone in Shantung might have been continued indefinitely; the former warlord of that tormented province, Chang Tsung-ch'ang might have got into the saddle again; and the three Manchurian provinces, which, under the rule of Chang Tso-lin's son, have been making tentative approaches

towards union with Nanking, might have sheered off again on an independent course of their own. Out of all this fresh chaos, Feng Yü-hsiang might have attempted to snatch a dictatorship for himself; and, indeed, if China really had gone into the melting pot again this spring, an effective Chinese dictator might have been the greatest benefactor for whom his unhappy countrymen could have hoped. As it is, the defeated Kwangsi forces are being followed up so hard that they have little chance of living to fight another day; and simultaneously, on the minor front in Eastern Shantung, the Nanking troops have disposed of Chang Tsung-ch'ang. These successes seem likely to have a decisive effect upon the relations between the Nanking Movement and Feng; and it looks as though counsels of moderation were prevailing on both sides. Feng is showing no disposition to challenge the authority of Nanking, while Nanking is taking some care not to humiliate him. The concrete issue is the succession to the control of Shantung when the Japanese step out, as they have already agreed with the Nanking Government to do. Last week saw the strange spectacle of Nanking asking the Japanese to postpone their departure—the reason being, of course, that if the Japanese had gone out before Chiang Kei-shek had his hands free from his Kwangsi opponents, the beneficiary might have been Feng; and if Feng had succeeded in acquiring Shantung, his position *vis-à-vis* Nanking would have been greatly strengthened, for he would have gained not merely another large and populous province, but an access to the sea, and therewith the opportunity to import munitions and to deal separately with foreign Powers. That possibility now seems to have disappeared; and when the Japanese troops do embark, we may expect to see Chiang take over the paramount control of Shantung, while allotting to Feng a " face-saving " share in it. The political omens, then, are favourable to stability in China; and there is a financial portent which points the same way. The Municipal Electricity Department of the International Settlement at Shanghai has been purchased, at a price of more than ten million pounds sterling, by an Anglo-American combine. Presumably the purchasers expect that, in a not too distant future, Shanghai is going to come into that great heritage of industrial development which might have been hers by now if political disorders in the hinterland had not put off the day.

The Labour Programme.—While the country still awaits the official Labour programme, and does not know definitely which of the points adumbrated in " Labour and the Nation " will be definitely selected as the planks of Labour's electoral platform, Mr. Ramsay MacDonald, in a speech at Buxton on Wednesday, threw new light on one or two points. A Labour Government, he said, would extend widows' pensions " on the principle of need as the one test." They would also give the Food Council control over food prices. As regards education, nursery schools are to be " in the forefront " of the Labour programme; and as for housing, a million more working-class houses are to be built. Here we have a little more light on the Labour proposals, but we feel strongly that, with polling day only five weeks distant, it is high time that the programmes of all three parties should be placed before the country in clear, concise and easily understandable terms.

The Slums.—There are signs that the public conscience is being stirred again by the housing needs of the nation, as it was in the early post-war years, and now that the requirements of those families which can afford to pay over 15s. a week gross rent have largely been met, each of the three parties is giving a policy for the slums a leading place in its election programme. The Labour Party does not yet appear to have amplified with practical explanation its promise in " Labour and the Nation " that it " will attack the slums which exist in well-nigh every town and village, and will promote town and regional plannings so as to combine the preservation of natural beauty with social amenities and the maximum of economic convenience." Liberal policy, sketched in the Yellow Book, and in a resolution at the Yarmouth Conference last October, has been developed by Mr Lloyd George through " We Can Conquer Unemployment " and his recent speeches thereon. In addition to town planning, region planning, and a thorough survey of the national housing situation preliminary to the adoption of a long-period policy, the Liberals would immediately " press on with the provision of houses at the lowest rents possible with the present subsidy, and begin the provision of urban houses at less than 10s. per week gross rental for the unskilled worker with a large family." This will evidently involve rent allowances for children where the family income is below a certain minimum, and probably some readjustment of the subsidy as well. Mr Lloyd George also brings his road development policy into conjunction with the known facts that overcrowding is as great an evil in the slums as the condition of the houses, and that one of the main causes of the overcrowding is the unwillingness or, more often, inability of workmen living in slum conditions to afford the time and cost of a long and irksome journey to and from the outskirts of a large town. The Conservative programme has been indicated in more than one recent speech by the Prime Minister. " The time has come," he said at Drury Lane, " to go forward farther and faster in the direction of clearing slums and of reconditioning them. That will be a task to which the new Government will devote the whole of its strength and mind after the election." Taking the three policies as hitherto stated, it certainly appears that here the Liberals are more precise and concrete in their plans than the other two parties have so far shown themselves to be. How much Government assistance the Conservatives really plan to give towards slum clearance remains unknown; the present grant for the purpose is notoriously inadequate, but experienced members of housing committees know that the actual clearance of an area must come last, not first, in any scheme for re-housing slum dwellers. The scope for reconditioning, a policy which the Liberals too recommend, but only as a supplement, varies in every town inversely with the amount of such work which the local authority has already carried out. A progressive council like that of Manchester has done by now most of the reconditioning that is worth while, whereas other great cities are far behindhand. It would be valuable to know at once the extent as well as the nature of the practical steps that the Conservative and the Labour parties respectively have in mind. But, taking the long view, it is certain that some form of de-rating is as much needed, on grounds of equity, by small houses as by industry, and no permanent way of providing a dwelling at an economic gross rent not too high for the unskilled workman is likely to be found until he is no longer obliged to pay in rates ten times as large a percentage of his income as the man with £15,000 a year. The present rating system inverts every equitable scale of taxation.

De-rating for Agricultural Land.—The Bill implementing, as far as England and Wales are concerned, Mr Churchill's announcement that agricultural land would be relieved of rates forthwith passed through all its stages in the House of Commons without a division and without amendment, neither Opposition party daring to vote, so soon before a General Election, against a measure which must, to some extent at least, prove to the advantage of agricultural areas. The cost of the relief in England and Wales is estimated in an accompanying memorandum at £2,100,000 out of the £2,570,000 to be provided from the Rating Relief Suspense Account. The machinery for antedating this relief by six months can only be regarded as makeshift. The new valuation lists separating industrial and agricultural hereditaments from the rest, which must be the basis of the de-rating allowances, do not come into force till October next; in consequence they have to be supplemented by special interim lists, and by certificates of the assessment committees whenever a ratepayer is entitled for the current half-year to more or less relief than he would obtain on the basis of the definitive list. In practice, no doubt, those who believe themselves entitled to the relief will refuse to pay rates, or claim rebates on rates already paid, so that the matter will not be finally cleared up until long after the period of the Act's operation is past. This complicates the already difficult problem of compensating the local authorities. By the new Bill each is to be paid the difference between the sum actually receivable as the proceeds of rates and the sum receivable had the new Act not been passed, " provided," the Bill continues, " that if the Minister is satisfied that the amount in the pound of the rates levied by any rating authority in respect of the current half-year has been abnormally increased by reason of charges not ordinarily falling to be borne by rates having been imposed thereon, the sum payable to the rating authority shall be such sum as may be estimated and certified by the Minister as the sum which would have been so payable if the said amount in the pound had not been so increased as aforesaid." That provision gives the Minister wide powers. What are " charges not ordinarily falling to be borne by rates "? Rating authorities may be discouraged from enlarging their social and other programmes in the current half-year lest the new expense should be disallowed by the Minister of Health as one " not ordinarily falling to be borne by rates." It is, however, hard to think of any simple alternative method of safeguarding the Treasury, and the defect can only be exhibited as a necessary one in hasty anticipatory legislation of this kind.

Cotton Labour Dispute.—The Federation of Master Cotton Spinners' Associations, writes our Manchester correspondent, threatens to bring about a total stoppage of production in the spinning section of the Lancashire cotton industry on May 18th next, failing a settlement of a dispute which has arisen at the Alma Mill, Oldham. Owing to bad trade, this mill did not work for several months, and it is contended by the operatives that when it restarted an attempt was made to pay wages on a lower list than previously. Special agreements exist between the trade unions and the employers' associations for joint meetings to be held in the district, and if necessary in Manchester, to consider any complaint before notices to cease work are issued, but on this occasion strike notices were given in and the mill was put on strike. Since then the matter has been considered by the Executive Committee of the Card Room Operative's Amalgamation, when it was decided to instruct the local association at Oldham to tell the workpeople to return to their employment so as to put the case in order. The Oldham Card Room Operatives' Association, however, has refused to take this action, and as there is a deadlock the Emergency Commitee of the Masters' Federation in Manchester on Tuesday last decided to convene an extraordinary general meeting of members to be held on May 3rd, at which a full statement explaining the principle at issue will be submitted. It was also decided to put forward a resolution recommending all Federation mills to close at noon on Saturday, May 18th, and remain closed until such time as the card room operatives return to work at the Alma Mill. The situation must be considered serious, but it is extremely likely that some way out of the difficulty will be found, and in trade circles there is very little fear at the moment of a total stoppage of production. There have been rumours in Manchester during the last few weeks that the cotton employers contemplate the raising again of the hours and wages question. At the annual meeting of the Bolton Master Cotton Spinners' Association, held this week, the President, Mr William Howarth, who is also managing director of the Fine Cotton Spinners' Association, said that unless the operatives and themselves could agree to reduce costs it would not be possible to re-establish trade at a full volume. He said that they had tried to avoid strikes and lock-outs to the best of their ability, but if the operatives were sincere in desiring to get the full trade of the county re-established they should consider this phase and say that whatever was necessary in this regard they were willing to agree to. He pointed out that, owing to the reduction in the cost of living, which was partly due to the return to the gold standard, real wages had advanced during the last few years, but employers were under the disability of trying to sell cotton goods produced at a high cost to countries which were on a lower wage basis, and owing to severe competition it was impossible to secure sufficient orders to keep all machinery in work. It is understood that at an early date the employers will approach the trade unions and propose a revision of the wage rates which now exist.

Lancashire Cotton Corporation, Limited.—Our Manchester correspondent writes:—The directors of the Lancashire Cotton Corporation, Limited, now seem to be making more progress in absorbing mills. The Corporation has made offers for the purchase of the Orme Ring Mill (1920), Limited, Oldham, the New York Mill (1920), Limited, Heywood, and the Lees Union Mill (1919), Limited, Oldham. Special meetings of the shareholders and loanholders in these concerns have been called, when particulars will be submitted of the offers put forward by the corporation. Some details are available in regard to the case of the Orme Ring Mill. The £1 shares of this concern are paid up to the extent of 13s. 9d. According to the proposal the shareholders will have to pay up the remaining 6s. 3d. per share, but will receive in exchange only 1s. 7d. in deferred shares of the corporation. It is significant, however, that the debenture-holders are to be paid in full, made up of 9s. 3d. per pound in 5½ per cent. income debenture stock, 5s. 10d. in ordinary shares, 4d. in deferred shares, and 4s. 7d. in cash. Unsecured creditors are to receive 10s. 3d. in the pound, of which 9s. 9d. will be ordinary shares and 6d. in deferred shares. It is understood that progress in the developments of the Lancashire Cotton Corporation, Limited, is being rendered slow as a result of the large amount of time which has to be spent on legal points with lawyers and with accountants in regard to the interpretation of proposed terms of sale. Although some difficulty may be experienced in getting the consent of the shareholders of the three mills mentioned, it is anticipated that the necessary support will be forthcoming. There are rumours, however, that a hitch has taken place in the transfer of the Ace Mill, Limited, Hollinwood.

The Trend of Overseas Trade.—" The Board of Trade Journal " this week contains the usual quarterly calculations of the volume and value of our overseas trade. These results are perhaps not of quite the same importance as they were a few years ago, when the wide fluctuations in the price-level made comparisons of value alone most misleading, but even to-day they are of interest in illustrating the general trend of trade. The statistics take 1924, the census of production year, as their basis. Comparing quantities for 1929 and 1924—that is, after correcting the value figures for intervening price changes—the following results emerge, 1924 being equal to 100 in each case:—

	January–March, 1929. Retained Imports.	British Exports.
Food	110·7	105·1
Raw materials	123·6	89·8
Manufactured goods	143·3	114·1
Total	121·6	109·2

The increase in the index for imported manufactured goods is spread over a large number of the constituent items, the most prominent of which are oils, fats and resins. These, of course, have a strong claim to be ranked as raw materials. On the export side, the least satisfactory items are coal, wood, iron and steel. Machinery and vehicles are all good, and, on the volume basis, cotton in 1929 was little below the 1924 level. In general, these calculations show that the fall in the value of our export trade between 1929 and 1924 is more than accounted for by the decline in prices. In volume there has been an increase, though not so large a one as could have been hoped.

Finance of Building Societies.—From 1890 to 1918, as a recent official analysis has shown, conditions in the building society movement in Great Britain were practically static. With the great demand for houses after the war progress has been remarkable. The latest statistics indicate that there are over 1,000 societies; that the membership is approximately 1½ million, excluding depositors; that the sum advanced on mortgage each year must now

approach £60 million; and that the aggregate assets of the societies will soon be £250 million, if, in fact, they have not already reached that figure. Although the more serious forms of the housing shortage are disappearing, the societies are advancing over £1 million a week to purchasers of their own houses, covering at least 80,000 properties per annum. There is, however, in this progress a problem of finance of considerable interest. As is well known, the societies have an arrangement with the Inland Revenue under which they make contribution in bulk in respect of the probable liability of their shareholders to tax; on that basis they are then able to offer to investors 5 per cent. free of tax. This attractive rate, and more especially the conditions—including complete security for the capital and repayment at short notice—attached to it, have led to the inflow of substantial sums. In some cases the difficulty is to get enough out on mortgage, and at sufficient speed, to use up both this considerable investment and also the large volume of steady repayment of the mortgages, which is made, in the overwhelming majority of cases, month by month. Accordingly, most of the societies have withdrawn their advertisements for shares; they are concentrating for the time being on the extension of their mortgage business. For all practical purposes the bulk of that is on a 6 per cent. basis. On that margin of 1 per cent. the societies have to provide for their payments to the Inland Revenue authorities, their administrative and other expenses, with one or two additional charges. The financial position is thoroughly sound, but, while investments will not be refused, they will in numerous societies not be encouraged, at all events, until the volume of mortgage business, still very considerable, is able to absorb them and free the societies from the necessity of looking for investments within the trustee list, by which they are bound, for the surplus funds at their disposal.

Co-operative Administration. — A correspondent writes:—The report with regard to the administration of the Co-operative Wholesale Society, summarised in the *Economist* of April 6th, has now been considered at the various meetings of the shareholding societies. All its main features have been approved with the exception of the suggested reference committee for examining the credentials of candidates and the proposal to have national voting in place of district voting and representation. These were two new motions that failed to secure much approval from the representatives of a movement that has been based on the recognition of local work and on popular election. But all the other recommendations have been endorsed, and will be put into operation before the end of the year. These involve the reduction of the directorate from 32 to 28 members, and the raising of the salaries of the directors (and also of the auditors) to £750, with an annual increment of £50, till a maximum of £1,000 is reached. Candidates for the board will have to be less than 50 years of age, and retirement will be compulsory at the age of 68 years. Pensions will be based on £20 for each year of service, with a maximum of £500 per annum. Provision is made for the more thorough examination of the accounts at meetings, which will mainly consist of the officials of the distributive societies, and for representation at all business meetings on a basis of the trade that is done with the society. Altogether the effect of the recommendations should be to knit more closely the retail societies with the C.W.S., which was established by the capital they invested and which is dependent on their trade as its only avenue for business. The fact that many have wandered into the open market has led to this effort to keep them within the co-operative fold.

A Quarter's Fishing.—The value of the wet fish landed or imported into the United Kingdom in the first quarter of the year exceeded five million sterling, and thus contributed a substantial addition to the nation's food supply. The figures of weight and firsthand value (or in the case of imports the c.i.f. value) compiled from the preliminary returns of the Ministry of Agriculture and Fisheries are as under:—

January-March.	Weight (in cwts.).		Value.	
	1928.	1929.	1928.	1929.
			£	£
British caught:				
England and Wales	2,087,836	2,487,605	3,015,834	3,008,781
Scotland	1,204,403	1,137,790	1,002,868	949,798
Shell fish	...	...	87,689	59,674
	3,292,239	3,625,395	4,106,391	4,018,253
Foreign landings	393,012	300,706	334,740	210,694
Imports	811,610	827,595	1,035,368	1,058,140

The average value of British-caught fish landed in England and Wales was 24s. 2d. per cwt., as against 28s. 10½d. per cwt. in the corresponding three months of last year; and in Scotland 16s. 8½d. against 16s. 7¾d. In the case of England and Wales it will be noted that a considerably larger quantity fetched rather less in the aggregate, which would seem to indicate that demand does not always keep pace with supply. Efforts, however, are now being made to stimulate the consumption of fish in the great industrial areas, but this is not likely to be permanently successful unless the means of distribution are improved and the commoner kinds offered at the lowest possible prices. The landing of wet fish by foreign-owned fishing vessels showed a marked diminution, but imports, chiefly herrings from Norway for the purposes of the curing industry, are slightly in advance of a year ago. As a set-off against imports it may be added that we exported British-caught wet fish to the value of £341,185 and "cured or salted" (principally herrings) to the value of £1,012,711. In addition to the imports of wet fish imports of "cured or salted" were valued at £294,943, and of "canned" at £1,636,191.

European Timber for the U.S.A.—A correspondent writes:—Judging by the results of a meeting of the Finnish Lumber Manufacturers' American Export Association held in Helsingfors, further and larger shipments of Finnish timber will be made to New York this coming season. From all accounts, American buyers were well satisfied with the quality and cut sent last year, but the demand was dull owing to the large consignments of Russian wood and the keen competition occasioned thereby. Europeans are gradually working into the United States buying market for building timbers. If it succeeds—as it seems certain to do unless the authorities at Washington decide otherwise—this development will have the effect of putting another buyer into competition against Great Britain. It is safe to predict that European timber will prove to be a very keen rival in the States with Canadian spruce, as it has been for many years past in the United Kingdom. It also goes to show that the United States supplies of softwoods are dear, and that there are not many forests now left to provide an annual increment sufficient to supply the States at a price which can compete with the softwoods of Old World countries.

Drink Question in Russia.—A correspondent writes:—The revenue of the Soviet State from sale of liquors in the financial year 1927-28 exceeded 1 milliard roubles. The "Gosplan's" five-years' economic plan, which is being reconsidered, provides for a gradual reduction of the production and sale of vodka, and recommends that the production and sale of beer be reduced annually by 25 million litres, so that, at the end of the five years, the annual sale would be 270 million litres. It is not proposed to reduce the sale of wines. The annual sale of vodka at the end of the five years is to be 492 million litres, of which 117 million litres is to be sold in the towns; or, according to a variation, 430 million litres, including 80 millions, in the towns. According to the "Gosplan's" *rapporteur*, M Maimin, 2 million tons of cereals, of value 150 million roubles, were consumed in distilling and brewing in 1927-28, and altogether the production of liquors other than wines cost 300 million roubles. "The losses of industry through absenteeism of drunken workmen and through reduced productivity from the same cause are estimated at 650 million roubles; other losses of the State (sickness, mortality, fires, &c.) from intemperance are estimated at 185 million roubles. . . . It is, therefore, beyond doubt that the revenue from alcoholic beverages, if considered from the social and economic viewpoints, is not an effective resource." The "Gosplan" considered that a cessation of the legal trade in spirits and the entire surrender of this source of revenue within the five years would not result in suppressing alcoholism; suppression must be attained "through the gradual cultural development of the masses." Several members of the presidial council of the "Gosplan" declared for more drastic measures, one member demanding that the State should at once surrender half of its revenue from drink. The Soviet State's attitude towards the drink question, as shown both by its measures and by its expressed views, closely resembles the attitude of the originator of the Vodka Monopoly, Count Witte, thirty years ago.

Lithuanian Trade in 1928.—A correspondent sends the following particulars of Lithuanian foreign trade for the last five years. The figures are in millions of lits. One lit approximately equals 5d.

	Exports.	Imports.	Excess of exp. over import.	Excess of imp. over export.
1924	267	207	60	...
1925	243	253	...	10
1926	253	241	12	...
1927	250	266	...	16
1928	257	291	...	34

The balance of payments was favourable throughout, since to the money received for exported goods must be added money remitted home by Lithuanians living in the United States and in other foreign countries, and other smaller items, amounting in all to not less than 35 million lits a year. The chief Lithuanian exports are flax and linseed.

	Flax.		Linseed.	
	Tons.	Thous. of lits.	Tons.	Thous. of lits.
1925	11,081	42,923	20,600	17,400
1926	16,682	50,671	25,762	18,000
1927	18,348	54,984	25,018	18,497
1928	9,481	36,223	6,183	4,072

The export of flax and linseed diminished in 1928 as a result of bad crops and of low prices on the world market. The decrease in these exports, however, was compensated by an increase in export of dairy products, cellulose, veneer and other goods.

Exported.	Butter.		Cheese.		Milk.	
	Tons.	Thous. of lits.	Tons.	Thous. of lits.	Tons.	Thous. of lits.
1926	1,797	12,707	602	2,341	2,622	1,245
1927	2,057	13,565	629	2,418	4,031	1,553
1928	2,642	20,308	689	2,687	5,740	2,570

During the last three years exports of boards, cellulose and veneer were as follows:—

	Boards.		Cellulose.		Veneer.	
	Tons.	Thous. of lits.	Tons.	Thous. of lits.	Tons.	Thous. of lits.
1926	26,395	6,306	40,083	26,300	4,747	5,700
1927	48,376	11,482	40,480	23,790	4,500	6,029
1928	51,501	13,578	47,880	26,979	6,570	11,707

Among imports the principal are: Cotton and woollen goods, 55,700,000 lits; coal, 11,300,000 lits; wrought iron, 8,400,000 lits; superphosphates, 13,256,000 lits; sugar, 19,671 thousand lits; motor cars, 5,075 thousand lits; machines, 12,500 thousand lits; cement, 4,685 thousand lits; mineral oils (crude oil, kerosene, benzine and others), 9,600 thousand lits. Germany was Lithuania's principal customer in 1927, taking 51.5 per cent. of her exports; Great Britain came next with 24.8 per cent. Germany also was responsible for 50 per cent. of Lithuanian imports, Poland for 16 per cent., and Great Britain, ranking third, took 6.7 per cent.

Guatemala's Trade.—A correspondent writes:—Inasmuch as the continued payments of arrears due on Guatemalan coupon certificates, held largely in the United Kingdom, are dependent upon the export trade of the country, the present economic situation is of interest. According to the fifth paragraph of the Deferred Interest Agreement, signed October 15, 1927, the Government, in guarantee and for the security of the punctual payment of the interest and of the quota of amortisation of the bonds, as, indeed, for all of the State's sterling loans, assigns the tax of $1 (gold) for each quintal of coffee exported. Receipts from this tax for the five years to the end of 1927 were (in quetzales, or gold dollars): 1924, 889,911; 1925, 970,451; 1926, 935,023; and 1927, 850,000 (estimated). Coffee, both in the shell and clean, forms the most important of the exports, accounting for over 80 per cent. of the national revenue. For the past year, however, there has been a substantial decline in the coffee shipments, which touched 966,121 quintals, valued at $23,048,390, as compared with 1,146,934 quintals, valued at $28,568,561, for the previous year. As usual, the largest consignments of the berry were to the United States, whose purchases amounted to $11,464,248 of clean coffee, and $173,936 in the shell, while Germany bought to the value of $8,149,809 of clean and $489,673 of shelled coffee. If, for any reason, the Government tax on coffee assigned should not be sufficient in any one year for the service of the foreign debt, the Government must supplement the guarantee by other revenue. It is, therefore, of interest to note that the total exports in 1928 showed a shrinkage of 17 per cent., falling from $33,915,225 in 1927 to $28,211,572 in 1928. Against the fall in exports a considerable advance took place in imports. These marked a record total of $24,145,181, an increase over the previous year of $4,359,849, or 22 per cent. This substantial increase in foreign purchases may be accounted for in some respect by the partial failure of the domestic corn-crop, no less than 18,411,465 kgs. of wheat-flour, valued at $1,296,917, having been imported, against 13,496,218 kgs., costing $1,120,637, in the previous year. The share of the United Kingdom in Guatemala's trade suffered a further decline, contributing no more than 10.9 per cent. of the total imports, against 11.2 per cent. in 1927. Since the services of a competent foreign expert were enlisted to supervise and develop the Customs receipts of Guatemala, a distinct and progressive improvement has been recorded. Having stabilised its currency, reached agreements with nearly all of its creditors, and made satisfactory arrangements for the observance of such agreements, the Republic, under the present administration, may be expected to get rid of such slight defects as still exist in its fiscal organisation.

INSURANCE NOTES.

London and Lancashire Insurance Co., Limited.—Though founded little more than 50 years ago, the London and Lancashire has attained a commanding position even among the giants in the composite office world. For many years now, under the chairmanship of the veteran, Mr Pascoe Rutter, the company has been a leading exponent of the policy of absorption. The result is that the group of which the London and Lancashire is the centre and the parent, comprises no less than 24 individual companies, each retaining its legal entity and operating in all parts of the world. The London and Lancashire accounts are presented in a consolidated form; that is to say, they include the transactions of all these allied companies, and bring into account, therefore, the whole of the profits and losses of all of them. The combined results of the year 1928 maintain the accustomed high standard of excellence; for each of the underwriting accounts has yielded a substantial sum for profit and loss account, while the total premium income has advanced from £7,183,000 to £7,361,000. The details of the last two years are shown in our usual form in the table below:—

	1927. Amount.	1927. Percentage of Premiums.	1928. Amount.	1928. Percentage of Premiums.
	£		£	
Fire	515,853	15·0%	507,079	14·7%
Accident and General	144,026	6·1%	146,429	6·0%
Marine	113,739	8·2%	86,979	5·9%
Sinking fund	1,547	...	1,454	...
	775,165	...	741,941	...
Less income tax and staff pensions	175,323	...	199,848	...
Written off cost of acquired businesses	197,228	...	...	...
Total net trading surplus	402,613	...	542,093	...
Interest earnings less debenture interest	468,990	...	497,489	...
Total amount available for dividend	871,603	...	1,039,582	...
Dividend	502,680	(85%)	561,818	(95%)
Net increase in surplus assets	368,924	...	477,764	...

It will be observed that, although the increase in the dividend has widened the gap between the dividend and the interest earnings, the operations of the year have added a further large sum to free assets equal to about 13s. per share. The reserve position of this huge combine is impressive. In respect of a total premium income (excluding life and sinking fund) of £7,361,000, the reserve funds, apart from the paid-up capital, now amount to £9,967,000, equivalent to 135.41 per cent.

Life Assurance Business.—During the past week there has been issued the annual volume of returns to the Board of Trade by all the life assurance companies transacting business in this country. Since the volume is concerned only with returns lodged with the Board of Trade during the year 1928, the figures relate for the most part to the business of the year 1927, and are, therefore, now some 18 months out of date. Nevertheless, there are many points of interest to be observed, especially in that part of the volume containing the summary of business. The total new life assurance business transacted in 1927 by all the home offices combined was £147,825,161. This large volume of business represents an increase of 15 per cent. over that for the preceding year. In spite of the noticeable general advance in popularity of life assurances, the total new business for 1927 has only just exceeded the volume written in the boom year after the war, 1920. A further point of interest is the fact that of the total business in 1927 £13,662,191 was transacted outside this country, in the Dominions or abroad—practically 10 per cent. of the total. The extent to which the craze for single premium policies has grown may be judged from the fact that in the four years, 1924-27 inclusive, the combined offices received the sum of no less than £27,727,859 in the form of single premiums, and in 1927 alone the total was £9,968,044. The following table exhibits the course of new life business in each year since the war:—

Year.	New Life Assurance Business transacted by all Offices.	Increase per cent. each year over the previous year.
	£	%
1919	131,454,363	+79·2
1920	146,627,474	+11·5
1921	109,243,943	−25·5
1922	106,302,251	− 2·7
1923	111,750,559	+ 5·1
1924	123,661,009	+10·7
1925	130,196,611	+ 5·3
1926	128,915,643	− 1·0
1927	147,825,161	+14·6

But in addition to the business transacted by the home offices in this country there is now the large and rapidly increasing business of the Colonial offices. In the year 1927, for instance, new life assurances written in this country by all the companies established abroad amounted to £13,457,082. This represented an increase of 28.6 per cent. over that for 1927. The list of companies transacting business in this country contains in 1927 one notable addition, namely, the Metropolitan Life of New York, which in that year wrote two policies for sums assured of £1,040,100 for yearly premiums of £13,255. Since the company established a branch in London it has been very active indeed, and although no particulars are yet available as to the 1928 new business, it is probable that the 1927 figure has been largely exceeded. The following table sets out the total new life assurance business transacted in this country by foreign and Dominion offices operating here:—

Year.	New Life Assurance Business transacted by all Offices.	Increase per cent. each year over the previous year.
	£	%
1919	4,662,760	+101·7
1920	6,861,862	+ 47·2
1921	5,880,879	− 14·3
1922	5,629,203	− 4·3
1923	6,386,310	+ 13·4
1924	8,058,066	+ 26·2
1925	9,118,318	+ 13·2
1926	10,464,362	+ 14·8
1927	13,457,082	+ 28·6

A very striking record of steady advance.

Eagle Star and British Dominions Insurance Co.—Although the hope expressed in our last week's issue that the marine account would require no further support has not been realised, the 1928 accounts make, on the whole, a very much better showing than those of the preceding year. In every department excepting the fire there has occurred an advance in the premium income; and in every department except the marine there has occurred a notable increase in profits. The fire premium income amounted to £979,883, being a decline of some £120,000 over that for 1927, but from this reduced figure there emerged a profit of 8.5 per cent. When it is remembered that in 1925 the fire department yielded a profit of only 1 per cent., and in 1926 of only 3½ per cent., it may be conceded that the company's efforts to reorganise this section of its business have been remarkably successful. The accident department, which includes the premium income derived from newspaper insurance contracts, also shows a remarkable advance in profits from 9.4 per cent. of the 1927 premium income to 28.3 per cent. of the 1928 premium income. The general account has the largest premium income of all, amounting to £1,138,000, and, largely owing to a less unfavourable experience in the pluvius business, the profit has been multiplied 3½ times. The sum of £100,000 has been transferred to marine account from profit and loss account, compared with £75,000 in 1927. Although the fund has been thus increased from 76 per cent. to 79 per cent. of the premiums, this still falls short considerably of one year's premium income, which is usually regarded as the minimum. This, and the fact that claims in 1928 have absorbed a much larger figure, lends no encouragement to hope that the current year may be any more satisfactory than the last two years. The contribution to profit and loss account from the life department has amounted to £148,393. This sum arises from the quinquennial valuation of the Star closed fund, and a further sum of £21,487 on account of the quinquennial valuation of the Sceptre fund will appear in the accounts of the current year. The revenue accounts of the life department are singularly uninformative. Only one account is published, notwithstanding that it relates not only to the current series, but also to no less than four closed funds of businesses acquired. The detailed results of the past two years are set out in the table which follows below:—

	1927. Amount.	1927. Percentage of Premiums.	1928. Amount.	1928. Percentage of Premiums.
	£		£	
Fire	80,176	7·3	83,028	8·5
Accident	12,345	9·4	41,640	28·3
Employers' Liability	2,229	1·2	2,993	1·6
General	12,693	1·2	44,981	4·0
Marine	− 75,000	−10·2	−100,000	−12·6
Life	25,000		145,393	
Sinking Fund	Nil		3,000	
Profit from Investments realised	15,185		59,001	
	72,628		280,036	
Less Written off cost of Businesses acquired	Nil		120,000	
Expenses, Taxes, &c.	79,689		68,221	
Total net Trading Surplus	− 7,061		91,815	

The opportunity provided by the large contribution to surplus from the life department has been taken to write off a substantial sum from the cost of acquiring the various closed life funds. As a result the original cost of £606,000 has now been written down to £355,000. After meeting the dividends on the preference and preferred ordinary shares, the net interest earnings have amounted to £118,491, compared with £115,196 in 1927. For the fifth year in succession the dividend on the ordinary shares remains the same, at 20 per cent., and cost the sum of £128,484.

General Accident, Fire and Life Assurance Corporation.—Though the underwriting results of last year were fully maintained on the scale of the preceding year, the final results were marred by a large exchange loss due to the stabilisation of the French exchange at its new par figure. The total premium income shows a further large advance, particularly in the accident department, and now amounts to close upon £7½ million. The company's fortunes depend in an unusual degree upon the success of one department, namely, the accident department; moreover, the greater part of the accident premium income is believed to be derived from various forms of casualty insurance in

the United States. The accident revenue account presents one or two special features of interest. In the first place the premiums are split into two items—one representing "Annual and Long-term" contracts, and the other "Monthly and other Short-term" contracts. It is noticeable that the proportion of monthly and other short-term contracts, in respect of which no reserve for unexpired risks is maintained or is necessary, has shown a falling tendency in recent years. For instance, in 1925 the proportion of short-term contracts to the total was as high as 35 per cent., whereas last year the proportion had fallen to 26 per cent. Another important characteristic of the account is that, contrary to the common practice, no fixed proportion of premium income appears to be maintained for unexpired risks. In recent years the percentage reserved for this purpose has fluctuated around 35 per cent., and although the proportion reserved at the end of last year had risen to 37 per cent., this still falls short of the 40 per cent. which is commonly maintained as a minimum by other offices. In calculating the profit on the account we have based our figures upon an unexpired risk reserve of 40 per cent. of the premiums in respect of long-term contracts, and this calculation yields on this occasion a rather higher profit than that shown by the company, owing to the strengthening in unexpired risk reserve which has taken place during the year. Detailed underwriting results in each of the last two years are set out below:—

	1927. Amount.	1927. Percentage of Premiums.	1928. Amount.	1928. Percentage of Premiums.
	£		£	
Fire	108,192	17·9	108,960	17·0
Accident and General	219,776	3·4	231,728	3·4
Marine	−1,028	−1·8	−1,356	−1·7
Profit on sales of investments	6,562		14,724	
	332,502		354,056	
Less taxes, &c.	209,315		184,457	
Loss on Exchange	Nil		176,214	
Total net trading surplus	123,187		−6,615	

Net interest earnings in 1928, after deducting the preference dividend, amounted to £225,956. The ordinary dividend has been raised from 40 per cent. to 48 per cent., and the cost is now £158,976. There still, therefore, remains a margin in interest earnings of £67,000, and it is interesting to notice that the General Accident is now almost the only large company possessing a margin of any considerable size between interest earnings and cost of dividend. Life assurance business is transacted through the medium of the General Life Assurance Company, which was acquired some few years ago, and the life fund now stands at just over £3 million. A large new business is transacted, and last year's amount is as much as £1,757,538, compared with £1,378,562 in the preceding year. The expense ratio of the life fund is as high as 18.7 per cent., and the rate of interest is a very moderate one indeed, namely, £4 8s. 2d. per cent. The general accident business has in late years been expanded very considerably, and this has perhaps prevented it from augmenting its reserves to keep pace with the progress in the premium income. The reserve position, compared with that of other large composite companies, is, in fact, a relatively weak one; for in respect of the ordinary premium income in the fire, accident and general, and marine departments of £6,050,413, the total reserves are equivalent to only 57 per cent.

Law Union and Rock Insurance Co., Limited.—This company is a member of the London and Lancashire group, and is the only member which transacts life business. The feature of the company's life business last year was the remarkable expansion which occurred in new single premium policies. The amount received in this way last year amounted to £713,067, compared with £323,255; and consequently the total new business advanced from sums assured of £1,632,510 to £1,977,388. Interest earnings on the life funds worked out at a rate of £4 13s. 8d. per cent., compared with £4 10s. 11d. in 1927, and the expense ratio was 14.5 per cent. in 1928 and 14.7 per cent. in the preceding year. Considering that an unusually high proportion of the funds—almost 33 per cent.—is invested in British Government securities, the rate of interest earned is very favourable. In addition to the life business, there is a premium income of £796,559 derived as to two-thirds approximately from fire insurance and one-third from accident insurance. The figures relating to these transactions are incorporated in the accounts of the parent company, the London and Lancashire. The trading results of each of the past two years are set out below:—

	1927. Amount.	1927. Percentage of Premiums.	1928. Amount.	1928. Percentage of Premiums.
Fire	107,922	19·8%	89,337	16·3%
Accident and General	30,314	14·6%	15,643	6·3%
Sinking fund	1,547	...	1,454	...
	139,783	...	106,434	...
Items debited to profit and loss a/c	35,416	...	36,449	...
Net trading surplus	104,367	...	69,985	...
Interest earnings (less debenture interest)	70,902	...	73,771	...
	175,269	...	143,756	...
Dividend	90,703	...	90,938	...
Net increase in surplus assets	84,566	...	52,818	...

Ocean Accident and Guarantee Corporation.—This well-known company has the largest accident account of any British office, and operates in this field all over the world. The company has been uniformly successful, and the 1928 report shows a further large advance in profits. There is a small fire premium income amounting to just under £350,000, which produced a susbtantially lower profit in 1928 of 7.5 per cent., though this is still a reasonably satisfactory result. The accident premium income has shown a falling tendency in the last two years, and last year amounted to £5,900,000, compared with £6,444,000 in the preceding year. A sum of £75,000 was transferred from the accident account to profit and loss last year, but in a separate typewritten statement issued with the report the underwriting profit is stated to have been £214,442. If the usual allowance be made for unexpired risk reserve on the basis of 40 per cent. of the difference in the premium income, the underwriting profit works out at £335,170. The detailed results of the past two years are set out below:—

	1927. Amount.	1927. Percentage of Premiums.	1928. Amount.	1928. Percentage of Premiums.
	£		£	
Fire	53,188	15·6	26,048	7·5
Accident	124,572	1·9	335,170	5·7
	177,760	...	361,218	...
Less items debited to Profit and Loss account	64,766	...	53,189	...
Total net trading surplus	112,994	...	308,029	...
Interest earnings	306,435	...	306,789	...
Total amount available	419,429	...	614,818	...

The dividend has been increased from £300,000 to £400,000, and the increased dividend works out at 282 per cent. of the paid-up capital. The share capital is held by the Commercial Union, in whose accounts all the figures of the Ocean are incorporated.

State Assurance Co., Limited.—The State has been since 1924 a subsidiary of the Royal Exchange, but, unlike most subsidiary companies, the accounts are not incorporated in those of the parent company. The State transacts all classes of insurance business excepting life, but in this, too, it has an indirect interest by virtue of its control of the British Equitable, which transacts life and other business on its own account. Moreover, the accounts of the State include also all the transactions of its subsidiary the British Equitable. The premium income in all departments in 1928 was higher than in the previous year, and, on the whole, the results have worked out at much the same as in 1927. The details of the results of the last two years are set out below:—

	1927. Amount.	1927. Percentage of Premiums.	1928. Amount.	1928. Percentage of Premiums.
	£		£	
Fire	34,360	4·9	28,978	4·1
Accident and General	17,449	11·1	13,347	7·7
Marine	4,042	10·6	5,827	13·0
Life	...	...	6,217	...
Capital redemption	...	...	107	...
	55,851		54,476	
Less expenses, taxes, etc., debited to profit and loss account	24,287	...	27,673	...
Total net trading surplus	31,564	...	26,803	...
Add net interest earnings	36,346	...	38,789	...
Total amount available for dividends	67,910	...	65,592	...

The dividend has been maintained for the seventh year in succession at 40 per cent. and the cost last year was £32,229—comfortably within the interest earnings. The accounts of the British Equitable, which are separately issued, show an increased life business in the life department, and an advance in the fund from £1,651,000 to £1,663,000. The quinquennial valuation was made as at December 31, 1928, and the contribution in the profit and loss account of the State represents the shareholders' portion of the resulting surplus. No dividend has again been paid by the British Equitable. The last year in which the British Equitable paid a dividend was 1923.

London and Provincial Marine and General Insurance Co., Limited.—This company is a subsidiary of the Yorkshire, and is the means by which the parent company transacts marine insurance. The accounts of the London and Provincial are all incorporated with those of the Yorkshire. The marine department, last year, produced an increased profit of £40,000, compared with £30,000 in 1927. In addition to the marine business there is a fire and accident account with a premuim income last year of £148,000, and this account yielded a profit of £4,881 compared with £4,165. Combining these figures, and allowing for items debited to profit and loss account, the total net trading surplus of the year worked out at £38,457 for 1928, compared with £28,970 for 1927. The dividend is maintained at 20 per cent., free of tax, and costs £20,000. Since interest earnings amount to close upon £50,000, it would appear that the profits have been very conservatively dealt with.

National Guarantee and Suretyship Association.—The control of this company, which has its headquarters in Edinburgh, is held by the Northern. The company confines itself to the transaction of Fidelity Guarantee insurance, and in this comparatively restricted field has been eminently successful. The trading results of the past three years are set out below: —

	1926. Amount.	Percentage of Premiums.	1927. Amount.	Percentage of Premiums.	1928. Amount.	Percentage of Premiums.
	£		£		£	
Underwriting profit	6,983	14·5	11,301	21·3	15,087	24·6
Less items debited to profit and loss account.....	1,553		1,473		1,248	
Total net trading surplus ...	5,430		9,828		13,839	
Net interest earnings.....	7,458		7,938		8,752	
Total amount available for dividends.....	12,888		17,766		22,591	

In each of the years 1926 and 1927 a dividend was paid at the rate of 17½ per cent., and the cost was £7,000. For 1928 the dividend has been raised to £9,000, and in addition the paid-up capital has been doubled by a transfer from general reserve. The paid-up capital now amounts to £100,000 in 25,000 shares of £20 each, with £4 paid up. There still remains a general reserve of £50,000, in addition to which there is a profit and loss credit balance of £21,632, together with appreciation on securities not brought into account of £20,237.

Oversea Correspondence.

LEAGUE OF NATIONS.—DISARMAMENT DISCUSSIONS—MR GIBSON'S SPEECH—A NEW HOPE.

(FROM A LEAGUE CORRESPONDENT.)

GENEVA, April 23.

THE intervention of the delegate of the United States Government, Mr Hugh Gibson, in the Preparatory Disarmament Commission, has changed the whole complexion of the meeting. After a week of arid discussion, it has opened out a new vista of possibilities in the way of naval settlement, and, as it is generally accepted that the whole disarmament problem depends primarily upon agreement between the great naval powers, it is felt to be a new impetus to the work.

What chiefly marks this new American initiative—Mr Gibson declared that the present deadlock could be broken only by the decision of the powers possessing the greatest armaments to initiate measures of reduction—is its flexibility, its insistence upon reduction as opposed to mere limitation, and its definite summons to the states of the world to be honest about the Kellogg Pact. What the American attitude amounts to is this: Parity between Great Britain and the United States has been accepted. On the basis of the relative status of existing treaties, that is to say, on the basis of parity with Great Britain and the maintenance of the Washington Conference ratios, the United States is willing to agree to any reduction, "however drastic," of naval tonnage which leaves no type of war vessel unrestricted. As to methods, the United States is prepared to give consideration to equivalent naval values, which take account of other factors than displacement tonnage alone—factors such as age, unit displacement, and calibre of guns—and it has given careful consideration to various methods of such comparison which it is ready and prepared to discuss whenever the issue comes before the Commission. The Government is disposed to give full consideration to any supplementary methods of limitation, and to accept as a basis of discussion the French proposal brought forward at a previous meeting of the Commission, attempting to combine total tonnage proposals with the method of tonnage by categories. Under this system total tonnage was assigned to each nation and this total divided among categories of ships, certain modifications being suggested so as to provide that the tonnage allocated to any given category might be increased by a certain percentage to be agreed upon, such increase to be transferred from any other category.

Mr Gibson made it plain that he was speaking with the full authority of Mr Hoover, and this made his strong appeal for action all the more noteworthy. Mr Hoover, he said, felt that the pact for the renunciation of war opened an unprecedented opportunity for advancing the cause of disarmament, an opportunity which admits of no postponement. Any approach to the problem on purely technical grounds was bound to be inconclusive. The technical justification of armaments was based upon past wars and upon the anticipation of future wars. So long as the approach to the problem was based on old fears and old suspicions, there was little hope of disarmament. The lessons of the old strategies must be unlearned. "If we are honest, if our solemn promise in the pact means anything, there is no justification for the continuation of a war-taxed peace. Great armaments are but the relic of another age."

Another emphatic statement was that agreement on the basis of existing world armaments (or at higher levels) could never be justified before enlightened public opinion as a positive achievement, and Mr Gibson therefore advised the Commission to take the bold course of scrapping the term "limitation" and concentrating upon general reduction. As regards the relations of maritime powers among themselves, there was no need for the building and maintenance of large naval establishments, for even if the danger of war were admitted it could be guarded against just as well by the maintenance of relative strength at low levels as at high levels, and apart from the signatories of the Washington Treaty, there was no conceivable combination of strength which need give the principal naval powers concern. Naval needs were relative (this was Mr Gibson's excuse for the American cruiser programme) and general reduction was based only on that theory. The only alternative was the thesis of absolute naval needs, which would mean that all thought of reduction was abandoned. What was really wanted was a commonsense agreement based on the idea that they were going to be friends and settle their problems by peaceful means.

Lord Cushendun, while obviously unable to commit himself to any specific proposals in the American declaration, said that it was so important and had such a close bearing on the whole naval question that it must profoundly affect the Commission's work. So far as any general principle was concerned, there was nothing that Mr Gibson had said with which he could not express his agreement. He welcomed, particularly, the allusion to the Kellogg Pact, the importance of which, he considered, had not even yet been fully realised. Great Britain also desired not only limitation but reduction applied to all classes of vessels. A departure from this principle in the provisional agreement with France was due to the fact that in the interests of agreement they had been willing to forego some part of their ideal in order to get agreement on others. They had never concealed the fact, however, that they desired, if they could get agreement upon it, limitation and reduction as applied to all classes of vessels.

Having referred to previous British proposals as showing a willingness to carry further the principle of reduction which they were anxious to promote to the fullest possible extent, Lord Cushendun singled out as specially important Mr Gibson's reference to equivalent naval values. He entirely agreed that it was along these lines that they should investigate the problem, and the British Government had to some extent been doing so; but it was an extremely technical matter which could only be examined with expert advice. Any suggestion from the United States Government, any information as to their course of study of the subject, would be examined in the most friendly spirit. He welcomed the friendly, conciliatory and hopeful spirit of Mr Gibson's declaration, which the British Government cordially reciprocated.

The Japanese, French and Italian delegates committed themselves to little more than agreeable generalities. Mr Litvinoff expressed himself as particularly gratified that the United States had accepted reduction (instead of limitation), and proportional reduction, two of the principles which had been expounded by himself. The Canadian delegate spoke enthusiastically of the declaration as a splendid augury for the future, and the President took the same line.

This concluded the discussion started by Mr Gibson's declaration, and what the next stage will be is uncertain. There seems to be some idea that the best thing would be to appoint a naval sub-committee, as there will have to be much more precise exchanges before the naval powers can get down to business. It is suggested that if a naval sub-committee were appointed it might get together and another meeting be held some time after the English elections have taken place, but clearly the renewal of contacts at the Commission has resulted in a definite reopening of the naval problem in hopeful conditions. One essential question raised is what will be the attitude of the United States if the Kellogg Pact should be violated. Neither Mr Gibson nor anyone else mentioned this point in the Commission, and the world still has to learn whether the United States has any contribution to make which will ease Great Britain's situation in respect to its obligations under the League Covenant in case of violation of the Pact—a factor which cannot be excluded from a consideration of relative needs.

UNITED STATES.—CREDIT—BUILDING—CAPITAL ISSUES—FEDERAL RESERVE—INDUSTRY.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 12.

CREDIT uncertainties and high interest rates continue to becloud the outlook for financial markets, if not for trade, but Wall Street's nerves are much calmer. The share market has settled down to a substantial decline in activity, with liquidation by margin-holders exceeding their new buying. Important financial interests feel that the market is offering no bargains as yet, but it is agreed that, once definite signs are descried of an easing up in the Federal Reserve Board's credit policy, a renewal of speculation for the rise is likely to set in, provided, of course, that business has not, in the meantime, fallen off considerably.

Because of the important part it has played in the post-war prosperity, the building industry is being closely watched. Since late last year building has experienced more than the seasonal decline. Contracts let for new building and engineering work during March show a falling off, as compared with the same month of last year, of about 18 per cent., although a gain of 34 per cent. over February is reported. For the first quarter of the year the value of contracts let was 32 per cent. below the first three months of 1928. That is, of course, a substantial decline, and it is having an effect on earnings of companies closely allied with the building industry. Actual work now going on in the building trades is, however, heavy enough to keep available labour employed, since contracts let last year broke all records.

Now that the share market has quieted down, the mantle of worry is falling on the shoulders of investment bankers. New security flotations, until a few weeks ago, were large in spite of rising interest rates. Excluding refunding issues, domestic security issues in February were about 60 per cent. larger than a year ago, and they were about equal to those of the preceding month. New issues last month were slightly above the February total, but diminished rapidly toward the end of the month. So far in April offerings have been almost non-existent. Some of the largest houses have business in sight, including some good-sized pieces of foreign financing, but they are hesitating to test out the market.

High interest rates, however, are by no means the chief hindrance to new security flotations, although they are a drawback, and many new bond proposals are being held back in the hope of more favourable terms. Bond dealers all report a good demand by investors for bonds, but shelves are fairly well supplied with unsold securities. They can be moved slowly without price concessions, but the dealers naturally dislike to handle new issues while they have old bonds to dispose of. Moreover, the present market would mean more attractive terms for new bonds than those on which old bonds were sold, so that the dealers would be forced to cut prices on their bond "inventory." On top of that, most dealers now have all their capital tied up in unsold bonds, and the banks, particularly in the interior, are very loath to lend fresh money on securities. The dealers' hands, therefore, are pretty well tied, and, while they are offering to take such amounts of new bonds as they can readily sell, they are refusing to sign the usual syndicate agreements to subscribe to a stated total of bonds. The result is that, in spite of willingness of investors to take attractively priced new issues, offering houses have all but shut down. This inability of large corporations to float new bond issues will, it is feared, slow down the business pace later on. The trouble lies in the unwillingness of the banks to lend rather than in the level of interest rates. Meantime, the uncertainties in the share market have sharply cut down new investment trust and other share offerings, which will, of course, help to keep down brokers' loans without having much effect on business generally.

There is a somewhat more optimistic feeling in good financial quarters that the unsatisfactory situation in the money market and in Federal Reserve Bank policy will improve as time goes on. It is now plain that the majority at least of the members of the Federal Reserve Board are opposed to higher discount rates, and no change is likely to be made in the near future. Should the share market resume its rise on a large scale, action is probable; otherwise the chances favour maintenance of the 5 per cent. rate, although it is well below the open market.

Brokers' loans were further reduced this week, and now are $266,000,000 below the peak of middle March. Reduction for account of the banks has amounted to nearly twice that amount, but the difference has been made good by corporations and others over which the Reserve Banks have no control. In short, credit is being squeezed out of the security market steadily and at a rate which is bringing no recurrence of the panicky conditions reigning at the close of last month. However, the results are laid to the willingness of the member banks to reduce their loans, and, while there is a good deal of sympathy with Federal Reserve objects, there is almost none with the methods used to attain them.

The position of the Reserve Banks also has strengthened. For the current week the system reports an increase in gold reserves, a further substantial decline in member bank borrowing and in bills held. Total Reserve credit outstanding is down sharply, and is only $66,000,000 higher than a year ago, but discounts are still 50 per cent. larger. Steady decrease in Reserve credit in

use, the lack of gold imports and strong commercial demand for bank credit are keeping the money market tight. In addition, rates advanced this week on preparations for mid-month settlements, which involve interest payments on Government debt of $150,000,000, and unusually heavy corporation dividend and interest disbursements. State income-tax collections on April 15th also are being anticipated. No changes have taken place in bill rates, but time money is firm at 9 per cent. for all dates, and the call rate ran up to 10 per cent. A recurrence of 20 per cent. money will be avoided, it is believed, but no real relief from high rates is yet in sight.

The shining light in the industrial picture is the steel industry. Steel output last month and for the first quarter constituted a record, and this was accomplished in the face of firmer prices. At the beginning of April the United States Steel Corporation, which has operated at virtual capacity for several weeks, reported an increase in unfilled orders of 266,000 tons. The very swiftness of the pace is raising doubts as to whether it can be maintained much longer, but another busy three months is assured. Copper prices have weakened, but producers still seem to be in a strong position. The oil trade was somewhat taken aback by failure to secure the approval of Washington for its restriction plans, but nature is helping it out.

FRANCE.—REPARATIONS—NATIONAL INSURANCE SCHEME.

(FROM OUR CORRESPONDENT.)

PARIS, April 24.

In view of the latest news of the Reparation's negotiations, French opinion has already adopted M Poincaré's suggestion at Bar-le-Duc to the effect that all that remains for the Allies is to fall back upon the provisions of the Dawes Plan as a solution of the situation brought about by Germany's default. Why Dr Schacht should have ventured to put forward an offer that was foredoomed to be unacceptable is puzzling all sections of opinion here. The French, who have a 52 per cent. interest in whatever payments may be made, have made it clear for a long time that they will refuse to accept any arrangement that will not furnish them with sufficient money to pay their debts to their Allies and to America, and also leave them a substantial balance to compensate, in part at least, for the enormous sums they have had to devote to the devastated regions. That France's Allies are completely in agreement with her on this point is eloquently confirmed by the very nature of the proposal unanimously put forward by the Allied experts.

It is felt here, in view of Dr Schacht's attitude since his return from Berlin, that Germany had based all her hopes, so far as securing a substantial reduction of her Reparation payments, on being able to divide the Allied Governments, as she has done on more than one previous occasion. One factor on which Dr Schacht seems to have relied was British dislike of the system of Reparation payments in kind, which has the double disadvantage, however useful it has proved as a *pis aller*, of being at the same time prejudicial to British industrial interests and of great benefit to German foreign trade.

The insufficiency of the German offer becomes obvious when it is compared with that of the Allied experts, coupled with an analysis of the composition of the latter. Reliably exact figures are now available as to both offers. These show that on the basis of the Allied demand the actual present value of the whole German Reparation debt would work out, for its commercial mobilisation, at 40,000,000,000 gold marks. This total was composed as follows: 24,000,000,000 gold marks for the complete liquidation of the inter-Allied debts; 1,000,000,000 gold marks to meet priority charges under the Dawes Plan (service of the 1924 loan to Germany, cost of the control commission, restitutions, &c.); 1,500,000,000 gold marks to liquidate the cost of military occupation; 13,500,000,000 gold marks to liquidate the outstanding claims of the whole of the Allies for reconstruction, payment for depreciated marks, advances, and other war losses.

The offer made by Dr Schacht provided for the payment of 37 annuities of 1,650,000,000 gold marks each. The actual present value of the German Reparation debt, taken at this figure, would be 26,000,000,000 gold marks, which would be almost entirely swallowed up in liquidating the inter-Allied debts alone, and would not leave a farthing to be used to meet Allied damages and war losses. Dr Schacht, who astonished his colleagues by his vehemence, not only insisted that (in spite of Mr Parker Gilbert's historic report to the contrary), Germany's present economic situation makes it impossible for her to pay more, but he emphatically asserted that Germany would not give up, "for the smallest fraction of this sum," the operation of the transfer clause created to protect her payments under the Dawes Plan. He hinted that if the Dantzig corridor were abolished and Germany's colonies restored to her, it might be possible to increase the offer, but otherwise the sum offered must be regarded as impossible of modification. The Allied figure, on the other hand, is notably lower than any hitherto put forward by Germany's creditors. The proposal which has just been rejected by Dr Schacht would give this country only about 7,000,000,000 gold marks, or less than Germany nine years ago admitted was due to France; while Germany's own proposal would leave nothing for recoupment of war losses after the cost of mobilising the acknowledged debt had been provided for.

Another stage towards the application of a national scheme of insurance against sickness, premature disablement, old age and death has been reached by the publication of the regulations under which the system will operate. The law embodying the principles of the scheme was adopted at the beginning of April, 1928, with the stipulation that regulations should be drawn up forthwith, and that the law should come into effect ten months after the promulgation of these rules. This will bring the scheme into application early next February. The law applies to all wage earners (with the exception of miners and railway workers, who are provided for under separate schemes) whose total incomes do not exceed certain fixed scales. Adherence is obligatory if, in cases where there is no dependent child under 16, the total earnings do not exceed frs. 15,000 a year, or frs. 18,000 in cases where there is one dependent child, this maximum rising by frs. 2,000 in respect of each child after the first. In declaring the total earnings, account must be taken of all remuneration received from the employer in both cash and kind (except when in the form of *allocations familiales*), including tips, when these (as is often the case in France) constitute the whole or part of the remuneration received. This rule brings under the national scheme a large class of workers, such as concierges, house servants, waiters and others, who do not exactly approximate to the normal wage earner. Employer and worker will each contribute at the rate of 5 per cent. of the wages and/or other remuneration received, the worker's 5 per cent. being deducted from his pay and represented by insurance stamps. The State will also contribute, but this will mean no addition to the Budget, as it will be compensated by saving in the cost of some 1,300,000 existing old-age pensioners, who will in future be absorbed in the national insurance scheme. These will benefit, as from May 1st next, by an increase in their pensions from frs. 200 to frs. 300 a month. Under the new scheme a workman aged 44, who earns, say, frs. 45 a day, and who has a wife (not earning) and two dependent children, will have the right to medical attention, medicines and hospital accommodation free, and will receive a trifle over frs. 25 a day during illness. His wife will receive practically free medical attendance at childbirth, and a nursing allowance of frs. 600 at the birth of each child. The cost of medical attendance for the rest of the family will be merely nominal. At 60 the workman will be entitled to an old-age pension of frs. 2,900 a year. There are signs of an incipient revolt by the doctors, similar to that which attended the advent of the British national insurance scheme, and there is some nervousness as to the effect of the new scheme on prime cost charges, but there is every reason to expect that these objections will disappear before the law actually comes into operation.

GERMANY.—REPARATIONS—EXCHANGE SITUATION—FINANCE—INDUSTRY—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, April 23.

Owing to the attitude of the Press, which reported prematurely that the Paris Conference had practically dissolved, extreme nervousness prevailed late last week. But in authoritative and initiated quarters it was not admitted that the crisis foreshadowed a breakdown. On German credit and business a breakdown would react disastrously, and therefore anything like an ultimatum policy on Germany's side would have been injudicious. At the present juncture a bad settlement for Germany would be better than no settlement; all the more so because the Dawes Plan, which is in general less favourable to her than the Allies' proposals, would remain in force. Owing to the undue optimism of German public expectations, it has all along been clear that a settlement satisfactory to public opinion here is out of the question. But competent persons surmised that the resources and ingenuities of the Paris Conference were sufficient to prevent a breakdown; and though it is dangerous to predict, that is still the belief. At the worst either a temporary settlement, or an ostensibly permanent settlement, with provisions for adaptation to future developments—a settlement which would therefore hold out prospects of alleviation to the more disappointed of the two parties—could be devised. This, indeed, points to a very complicated and much qualified plan; but what has been so far divulged makes it clear that any new plan will be more complicated and elaborate than that of the Dawes Committee, and will not follow the lines laid down by the Agent-General for Reparations in his report of December, 1927, which practically recommended the conversion of Reparations into an ordinary international public debt. Except with the Right parties, which in principle repudiate Reparations and desire a breakdown, Dr Schacht has had an unfriendly public. The simultaneous submission of two alternative schemes is considered to have been unwise tactics, and the political initiative is roundly condemned. Although the Cabinet issued a declaration that Dr Schacht's memorandum did not even contain suggestions of political character, the text published to-day shows plainly that one of the alternative schemes was made conditional upon a revision of the Peace Treaty. An extension of the German "raw-materials basis" on the lines suggested by Dr Schacht would not materially improve the foreign trade or foreign payments balance. The picture of German business and currency prospects in the second paragraph of the memorandum is not objective, and will not bear examination.

The money market and exchange situation is unsatisfactory. The exchange position, as it is irresponsibly interpreted and over-emphasised here, is calculated to injure Germany's credit. Already there are signs of this in what Germans call "Angstkäufe" of foreign currencies, that is, purchases not needed for commercial purposes. The dollar last week rose to a new high point, 4.2175. In the second week of April the Reichsbank lost 150 million marks gold, 10 million marks from its legal-cover exchange reserve, and some 40 million marks of the exchange bills booked under discounts. In 1928 the gold and exchange holdings increased by 730 million marks; in less than four months of this year they declined by 745 million marks. After a brief slackening the demand for exchange has again set in. There is an increasing voluntary export of funds to America, with the aim of profiting from the high money rates there. Though this is lawful and legitimate, it is not consistent with the theory that the Reparation transfers are largely responsible for the drain on the reserves. But as everything, plainly with propaganda aim, is being connected with the Conference, it is now declared that the Reichsbank's decision on the discount rate question will depend upon the result in Paris; a break-off must inevitably bring a rate advance. It is suggested by malicious persons that the exchange crisis, and the Budget crisis, which might just as well have occurred in 1928 as in 1929 (and, indeed, would have occurred if the Government, as it ought to have done, had chosen to increase taxation for partial extinction of the long carried-over extraordinary Budget liabilities) synchronise so neatly with the Conference that Providence must have intervened in Germany's Reparation interest.

The money market is still influenced by expectations of an advance in the Bank rate*. Time money was borrowed in advance of the need. Day loans were plentiful after repayment of the 150 million marks credit to the Republic. To-day's day loan rate was 4-6½, month loans 7½-8½, private discount 6½ per cent.

The financial year ending March 31st brought a considerable excess of taxation revenue above the estimate, but for the Republic itself there is a small deficit. The States and municipalities receive 222.8 million marks more than estimated out of the excess yields of the income, corporation income, and motor-car taxes, and 25.4 million marks less than estimated out of the sales, land-purchase and betting taxes. Altogether the States and municipalities received 197.4 million marks more than was estimated. As the total tax yield exceeded the estimate by 160.7 million marks, the share of taxation available for Federal purposes is 36.7 million marks below the estimated. Following are the chief figures. In the preceding financial year taxation yielded 8,490,394,735 marks, as against an estimate of 8,460,500,000 marks:—

Financial Year 1928–29.	Received. Marks.	Estimated. Marks.
Totals	9,022,745,136	8,862,000,000
Thereof direct	6,145,075,731	6,060,000,000
Income	3,108,176,490	2,900,000,000
Corporation	608,340,367	550,000,000
Property	450,677,527	520,000,000
Inheritance	73,531,591	100,000,000
Turnover	999,766,121	1,050,000,000
Motor-car	181,337,998	160,000,000
Railway traffic	354,080,025	340,000,000
Thereof indirect	2,877,554,607	2,802,000,000
Therein controlled revenues:		
Customs	1,104,554,572	1,200,000,000
Tobacco	870,515,953	780,000,000
Sugar	158,235,049	140,000,000
Beer	396,876,076	370,000,000
Spirits	296,967,497	270,000,000

Although there is no excess over the estimate available for the Reich, the result must be considered satisfactory.

The wholesale prices index has again sharply fallen—to 136.9, a drop of nearly five points since July, 1928. Unemployed (including crisis-relief recipients) on March 31st numbered 2,077,000. The Trade Unions report 16.8 per cent. of fully unemployed members at the end of March, as against 22.3 per cent. a month before. The Pig-Iron Syndicate is selling for May delivery at unchanged prices. The Steel Syndicate's home prices are also unchanged. It is reported that the International Steel Syndicate has made new proposals for Great Britain's accession. The home iron and steel market has slightly improved; export is fairly firm (with, however, lower prices for bars); and there have been large sales of ships' plates to Japan and of bars and sheets to Russia. Ingot-steel production in March was 1,314,373 metric tons, against 1,422,050 tons in March, 1928; production of rolling-mills 904,257 tons, against 1,039,088 tons. The Government has renewed its subsidy, at 80 pf. per ton, to the Siegen, Lahn and Dill iron-ore mining concerns. There are new reports of impending motor-car manufacturing trusts, aimed against American imports and American competition within Germany. The most likely trust, however, would be in the commercial cars branch. The private car concerns are mostly in financial difficulties.

The influence of the decline in foreign borrowing in improving the trade balance is very marked, and, with a Reparations settlement pending, it ought to be emphasised, in view of the prevailing confusion between what may be called the natural trade balance of Germany and the recent abnormally passive balances, which are a mere result of the import of borrowed capital. The distinction was already made clear by the active

* The rate was raised from 6½ to 7½ per cent. on April 25th.—ED., *Econ.*

balance attained in 1926, when there was no (net) import of capital. Figures are:—

	March.	February.	Jan.-March.
	Marks—000's omitted.		
Imports:			
Livestock	8,221	8,842	29,143
Foodstuffs	262,879	279,574	946,691
Raw and half-manufactured materials	562,955	546,051	1,797,157
Manufactured goods	187,875	182,386	584,896
Merchandise	1,021,930	1,016,853	3,357,887
Gold and silver	9,519	7,183	29,593
Totals	1,031,449	1,024,036	3,387,480
Exports:			
Livestock	1,389	1,380	4,066
Foodstuffs	49,260	48,373	163,025
Raw and half-manufactured materials	223,417	210,803	681,572
Manufactured goods	709,458	712,765	2,212,908
Merchandise	983,524	973,321	3,061,571
Thereof Reparations deliveries	52,543	52,264	173,692
Gold and silver	2,492	3,990	9,552
Totals	986,016	977,311	3,071,123

The import surplus in March was the smallest since October, and was less than half that of March, 1928.

ITALY.—BANK OF ITALY'S REPORT—THE ALTERNATIVE TO OPEN-MARKET POLICY.

(FROM OUR CORRESPONDENT.)

TURIN, April 9.

THE report read by Signor Stringher to the annual shareholders' meeting of the Bank of Italy has fully met the expectations of financial circles. The yearly averages of discounts, advances and day-to-day loans (through the clearing-houses) made by the Bank of Italy (in millions of lire) are as follows:—

	Current Operations.	Old frozen Credits.	General Total.
1919	1,730·7	...	1,730·7
1920	4,747·0	...	4,747·0
1921	5,851·7	...	5,851·7
1922	7,483·7	...	7,483·7
1923	7,417·0	...	7,417·0
1924	5,573·1	3,049·4	8,622·6
1925	7,402·5	2,854·3	10,256·8
1926	8,546·9	2,614·1	11,161·0
1927	6,641·2	2 484·9	9 126·1
1928	4,468·5	1,256·7	5,725·2

The item "frozen credits" fortunately is rapidly approaching extinction, and it is anticipated that the total will fall well under the one milliard limit before June 30, 1929. The increase in current operations until 1926 and the decrease in the last two years throw light on the old and the new monetary policy. The deflation in 1927 and the stabilisation in 1928 were accomplished through restriction of credit. Trade asked for less money as prices were decreasing and less money was needed. But the low 1928 level indicates also that the Bank of Italy did not come to the rescue of weak concerns. Some among the lesser banks failed in recent months, and there is some talk of difficulties in a big Trieste cotton textile firm and its associates; but the balance sheet of the Bank of Italy bears no traces of aid to those old inflationist remnants. With "old" frozen credits disappearing and the current operations at their lowest ebb, the situation of the Bank of Italy appears to be very strong indeed.

The main currents of change during 1928 may be traced as follows (in millions of lire):—

Assets.	December 31.	
	1927.	1928.
Discounts, advances, and day-to-day loans	5,520·1	5,655·9
Old frozen credits	1,433·8	1,160·0
Gold reserve	4,547·1	5,051·9
Gold securities reserve	7,558·8	6,018·9
	19,059·8	17,886·7
Liabilities.		
Notes	17,992·2	17,295·4
Other sight and current debts	4,041·6	3,426·1
	22,033·8	20,721·5

As I have quoted only the principal items from both sides of the balance sheets, totals do not tally exactly. But the trend is illuminating. Notes and other sight and current debts of the issue bank decreased by 1,312.8 million lire, because notes no longer have to be kept in circulation for keeping up old frozen credits. As fast as old losses are liquidated, notes go back to the Bank. Secondly, notes and other sight debts were reduced because the public (or on their behalf ordinary banks, which are the most important customers of the Bank of issue) tendered notes or drew on their current accounts against gold securities. The main change of the past year was, indeed, the increase by 504.8 millions of coin or bar gold, and the decrease of 1,539.9 millions of other gold securities. The immediate cause of the net decrease of the gold reserve was, as Governor Stringher announced, the necessity of making up the deficit in our international balance of payment. Gold securities are sent out because notes were superabundant after the monetary reform of December, 1927. Italian experience is perhaps one of the most interesting recent verifications of the Ricardian theory of the international movements of precious metals (gold securities are claims on cash gold). The steps were as follows:—

1. Before monetary reform, internal prices were adequate at a level of, say, 120 lire to £1 sterling
2. Notes and other sight debts were adequate in amount to the level of prices.
3. After stabilisation at the level of 92.7, gold internal prices are in 1928 still higher than foreign gold prices.
4. Therefore imports increased (by 1,666 million lire) and exports decreased (by 1,205 million lire).
5. A deficit arises which must somehow be paid. Customers of the Bank of Italy (either directly or through their banks) tender notes or draw on current accounts in payment for gold securities.
6. Gold securities of the Bank of Italy decrease, but notes and cheque circulation decrease also.
7. So far we have dealt with past history. Coming to prophecy, we may suppose that the decrease of note and cheque circulation, which, by the way, is continuing (at March 10, 1929, the total was further decreased to 19,804 million lire), reduced still further internal paper and gold prices. When the equilibrium between internal and foreign prices is finally restored, imports will again decrease and exports increase, and the balance of international payments automatically be adjusted. The monetary manœuvre will then be perfect.

As far as we can see, we are bound to compliment Signor Stringher on his admirable silent handling of the process. Nobody cares for the cries of those last remnants of inflationism, who would have preferred to keep the notes for internal use and borrow the gold securities toward meeting foreign engagements. Signor Stringher, in refusing these absurd claims, has deserved well of his country.

Coming to less momentous matters, the report is interesting also because it deals for the first time with the duties of supervision of other banks, which legislative Acts of September 7 and November 6, 1926, entrusted to the Bank of Italy, making it not only the supreme bank but also the legal guardian of other banks. New banks must now obtain the permission of the Bank of Italy before starting operations; similarly, no new branches of established banks can be opened without her leave. Inspectors may be sent; abnormal increases of individual credits to single customers may be vetoed; balance sheets must be submitted every two months; a due proportion between capital and deposits must be kept, and so on. During 1927, leaving out of account some small rural banks, the number of savings banks diminished by 35; of joint-stock banks and private banks by 43. The concentration and reduction movement is bound to continue. At the date of the report, Signor Stringher could predict that 491 banking concerns out of a total of 4,197 will disappear before long.

It is suggestive of the marked differences between our own experience and that of the United States, that in the whole 121 pages of the report, not a word can be found on open-market policy. The Bank of Italy did indeed, possess 1,080.8 million lire of

public securities and a further 186.8 millions were allocated to miscellaneous funds. But the securities are held as investments of reserves or of pensions funds; not, as is the current policy in England and America, as a means of intervening in the money market, depleting it of funds by sales, or refurnishing it by purchase of securities. Perhaps the only Italian approximation to open-market policy is the variation of the rate of interest granted on the deposits of the ordinary banks. In autumn, 1926, the Bank of Italy, being desirous of restricting credit in the open market, granted 5 per cent. interest on the ordinary bank deposits, thus absorbing money which could have been utilised in Stock Exchange and other operations. Deposits which in 1927 averaged 2,147.9 million lire went thus to a maximum of 3,688.2 at February 20, 1928. Such absorption of money from the market being no more necessary, the rate of interest was then reduced to 4.50 per cent. at March 6, 1928, to 4 per cent. at March 26th, to 3.5 per cent. at June 25th, to 3 per cent. at August 6th, to 2.75 per cent. at September 1st, and to 2.50 per cent. at March 11, 1929. Deposits decreased gradually to 1,525.2 million lire at December 31, 1928, and at March 10, 1929, were 1,703.9 million lire. Creating a safe remunerative harbour for superabundant money, and inversely expelling it in times of scarcity, seems to be the new policy evolved recently in Italy; a policy which may well deserve a close study.

BELGIUM.—PRICES AND WAGES—STOCK EXCHANGE—FINANCIAL OPERATIONS.

(FROM OUR CORRESPONDENT.)

LOUVAIN, April 21.

WHOLESALE prices have been stationary for the last two years (gold index 1913=100) at about 125; retail prices have gradually increased, and are exactly level with them. This equality, however, is only apparent. In the first place, both index numbers do not refer to the same goods. For wholesale prices only industrial raw materials or products of the heavy industries are included; they adjusted themselves quickly to the level of the monetary stabilisation. Retail prices concern vegetable foods, clothes and cost of lighting and fuel (not rent). Besides, the first index number is calculated by means of the geometric average, the second by means of the arithmetic average. The index number of wholesale prices, if calculated according to this method, would be about 131. Nevertheless, the index number of wholesale prices is lower than those of other nations. Retail prices have risen on an average 5 per cent. in the last seven months.

The cost of living remains very low, so that, although wages expressed in gold are low, expressed in purchasing power they are fairly high. In this matter it is necessary to warn people against inaccurate statistics which have been published. Real wages in Belgium, though not so high as in England, are as substantial as those paid in the big countries of the Continent.

While home and export trade is prosperous and industry really active, the Stock Exchange remains in a state of depression. The index number of shares, calculated by the National Bank of Belgium, was 108 on January 2nd of this year; it reached 112 on April 2nd (on the basis of January, 1928=100). Coal mine shares, favoured by the very severe weather and the recovery of the coal market, rose from 154 to 171. Colonials, however, remained insensible of the advance in copper, which is, nevertheless, of great importance for all Congo shares; they appear to have been influenced by the April fall.

The total figure of shares quoted in Brussels amounted to 89 thousand millions of francs (£510,000,000) in January, 1928; in January, 1929, it was 118 thousand millions (£675,000,000). This rise was principally caused by banks, which increased from 11 to 20 thousand millions of francs; shares of the Société Générale de Belgique were greatly responsible for the progress. This bank will shortly augment its capital; a first general meeting was convened for this purpose on April 19th, but as the number of shares deposited was insufficient, the meeting has been put off till May 10th. The new issue referred to will bring the subscribed capital from 400 million to 1,000 million of francs, and the reserve fund from 735 to 1,045 million. The capital invested in this business will thus exceed 2,000 million of francs (equal to £11¼ million), while the Stock Exchange value reaches at present 10½ thousand million of francs (£60 million).

This new issue does not suggest a diminution of issues in Belgium, but a reduction will be necessary in order to improve the situation of the Stock Exchange. As regards the first two months of this year, notice was given of new shares amounting to 3,500 million of francs.

On April 18th the issue took place of the Ford Company of Belgium, whose joint stock capital has been raised from 100,000 to 100 million of francs. In consequence 60,000 shares were issued at 540 francs, whereof 20,000 were preferentially offered on application to agents, employees, etc., of the company; Belgian subscribers were also preferred. The subscription enjoyed full success in spite of a dull market; total investments of the company in Belgium amount to 45 million of francs, and more than 5,500 cars, model A, have already been constructed here, at Antwerp.

CZECHOSLOVAKIA.—RAILWAYS—EMPLOYMENT—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

PRAGUE, April 14.

THE economic situation of Czechoslovakia was thrown out of balance by the abnormally severe winter, which is very unusual in this latitude; and as it was primarily transport that suffered, the immediate effects can be seen in the revenue of the State railways on the one hand and in the statistics of foreign trade on the other. The magnitude of the frost-calamity of last February can best be judged from a comparison of the number of railway trucks laden for goods transport in the first three months of this and of the previous year:—

	1928.	1929.
January	458,491	451,204
February	437,029	374,135
March	515,428	509,095

The difference between February, 1928, and 1929 is 63,000 wagons, which makes it the smallest February figure for the transport of goods since 1924, and even this it was possible to attain only by a most drastic reduction of passenger train service. The resulting decrease in the railway revenue is made more serious by a heavy increase of expenditure for the repair of locomotives and rolling stock damaged by the frost. The State treasury participates in this loss by a corresponding decrease of its revenue from the transport tax, of which 25 per cent. is kept by the railways for depreciation and development and 75 per cent. go to the State. The total effect upon State finance will be seen only in the autumn, when the budget for 1930 comes to be handed in. But even now serious voices can be heard insisting upon the necessity of thorough overhauling of the State railways and demanding that a larger quota of the transport tax be left for this purpose. The treasury on the other hand, refutes this claim by a reference to the necessity of maintaining budget equilibrium, and the railways after the February calamity became thus one of the central economic problems in Czechoslovakia.

The statistics quoted above show, of course, that transport in March returned to the level of March, 1928, which was a very good month. There are also other signs which seem to show that the economic life of Czechoslovakia is quickly resuming the activity it displayed before February. Although industry suffered greatly from lack of coal and curtailment of transport, it maintained the general good level of employment. The number of unemployed on the first day of each of the last three months is shown in the table:—

	1928.	1929.
January	45,571	39,400
February	57,148	53,247
March	55,184	55,224

The development of the labour market is seen to have been different in the two years under comparison, but on March 1st of both years the statistics show very nearly the same number of unemployed. For a country of 14 million people the figure is very satisfactory, and when we

notice that the February calamity threw only 2,000 people out of employment, we must admit that the outlook into the future is no less so.

The difficulties caused by the unusually low temperatures in February had yet another unfavourable result. The curtailment and disorganisation of all means of transport added to the difficulties with which the foreign trade of Czechoslovakia has to deal in foreign markets. This is best seen from the statistics of exports, the value of which (in thousands of Czechoslovak crowns) in the first three months of this and last year was as follows:—

	1928.	1929.
January	1,551,414	1,407,057
February	1,484,145	1,174,802
March	1,871,069	1,536,124
First quarter	4,906,628	4,117,983

The value of imports in the same period was the following:—

	1928.	1929.
January	1,315,565	1,692,180
February	1,491,725	1,234,776
March	1,785,658	1,641,419
First quarter	4,592,948	4,568,375

The value of imports in the first quarter, 1929, practically equals that of the corresponding period of 1928, while the value of exports diminished by almost 800 million Cz. crowns (about £5 million) with the result that, instead of last year's favourable balance of 314 millions, the balance of trade of the first quarter of this year is unfavourable by 471 million crowns. The fact naturally attracted some attention; an unfavourable balance of trade in some months of the year is not unusual, but this is the first time that a whole quarter shows a deficit. The situation, as it appears after a closer study of details, is, however, not so tragic as it would appear at first glance. In the first place, it is not rare for a single month to bring a surplus of 400 million, and it is very probable that the deficit will soon be made up. Secondly, it is important to notice that raw materials account for 2,395 million Kc. of the total imports, as against 2,269 million Kc. of last year. This is a good promise for the future, indicating, as it does, the prospect of a satisfactory employment of industry.

POLAND.—POLITICS—TRADE DEPRESSION—CROPS—FOREIGN CAPITAL—POLISH BANK.

(FROM OUR CORRESPONDENT.)

WARSAW, April 13.

POLAND is passing again through a very acute political crisis. Thirty-five days have elapsed since the Premier, Mr Bartel, tendered his resignation, and hitherto the attempts at forming a new Cabinet have been unsuccessful. This state of affairs is due to a process of disintegration which may be observed in the Government party. The lack of any definite programme is the weakest point of Marshal Pilsudski's *régime*. His great personal influence which for a time formed a point of concentration for a great group of politicians representing very heterogeneous economic interests—great landowners, peasants, manufacturers, workmen, etc.—was not sufficient for maintaining the necessary cohesion. The friction between two groups became very acute—one was represented by Mr Bartel, the other by a party of "colonels." Mr Bartel was for a moderate course, and tried to co-operate with the Parliament. The "colonels" party on the contrary is in favour of a decided anti-Parliamentary policy.

This internal discord of the Government has strengthened the position of the Sejm. The opposition has gained much during the last months in moral strength. The National Democratic Party and the Polish Socialist Party form a decided anti-Government front. The impeachment of the former Minister, Mr Czechowicz, before the State Tribunal for not having presented to the Diet the supplementary budget is a proof that the political centre of gravity has moved.

The opposition, however, is suffering from the same weakness which is undermining the strength of the Government. It is heterogeneous in composition, and it has no common constructive programme. The left and the right can easily form a coalition for opposing the Government; it will be very difficult for them to find a common platfom for forming a working majority. Events have shown that Marshal Pilsudski's attempt at solving the great political difficulties of Poland by the sword has failed. In its essential features the present crisis is not different from the situation before May, 1926. To-day, as then, it is impossible to form a Government backed by a strong majority with a common political programme, only a long and slow evolution will be able to create these necessary foundations of a sound Parliamentary *régime*.

The strengthening of the opposition is to a great extent due to the trade depression which has been making itself felt for several months. As long as the economic situation was good the Government could keep its opponents in check by laying emphasis on the great improvement which has taken place since the inauguration of the new regime. This, however, is not any more the case to-day. The number of unemployed is steadily increasing; it amounted to 94,100 in November, to 126,300 in December, to 160,800 in January, to 178,200 in February and it now exceeds 180,000. This increase is not of a merely seasonal character. The number of unemployed during the same period of last year amounted to 167,000.

The increase of protested bills is also a proof of the change for the worse. The number of protested bills in February amounted, according to a report of the Polish Bank, to 4.61 per cent. of the total; this is a record figure. Apparently the textile industry has the greatest difficulties in settling its engagements, for .54 per cent. of all protested bills belong to this branch. These difficulties are partly the consequence of the frost, which, for several weeks, has paralysed the economic activity of the country, but there are also deeper reasons. While the prices of agricultural products are lower than in 1927, those of manufactured articles have increased. The purchasing power of the rural population is, in consequence, depressed, and it is possible that this has a detrimental influence on the industrial situation. It is very characteristic that the economic revival in 1926 was accompanied by a contrary movement of prices. Agricultural products rose faster than manufactured goods. This seems to countenance the thesis that there is a close connection between the comparative prices of these two groups of articles and the state of trade.

The Bureau of Statistics has published final figures of crops in 1928. They differ from the estimates published previously and are as follows:—

	Quintals. 000's omitted.	1927 = 100.	1923-27 = 100.	1909-13 = 100.
Wheat	16,116	109·2	122·6	96·0
Rye	61,101	107·4	113·8	107·0
Barley	15,272	93·5	98·8	102·6
Oats	24,977	73·7	79·6	88·7

The crops of wheat and barley were better than in 1927, and the figures are higher than the average of 1923-1927. The pre-war level has been surpassed in the case of rye and barley. The crops of wheat were by 4 per cent., and those of oats by 11.3 per cent. smaller than in 1909-13. The yield per hectare amounted, in 1928, to 12.5 quintals for wheat, to 11.4 for rye, to 18.2 for barley and to 12.3 for oats.

During recent years large amounts of foreign capital have flowed into Poland. The following table shows the estimated net annual change from 1923 to 1927 in the outstanding credits and loans by foreigners to Poland. The symbol + represents an increase of the amount outstanding and − a decrease.

FOREIGN CAPITAL IN POLAND.
(Million zlotys.)

	1923.	1924.	1925.	1926.	1927.
(a) Loans to national and local governments	− 19·6	+105·1	+273·3	− 56·5	+491·2
(b) Merchandise credits	*	+275·0	−460·6	+122·5	+254·7
(c) Loans to banks, private firms and individuals	+ 37·0	+ 89·3	+348·3	−136·8	+150·8
	+ 17·4	+469·4	+161·0	− 70·8	+896·4

* Figure not available for 1923.

In 1928 this process of inflow of foreign capital was maintained. The great credit balance of capital movements made it possible for Poland to settle an unfavourable balance of trade in the year 1928, amounting to zlotys 854 millions, with a reduction in the gold and foreign exchange holdings of the Bank of Poland of only 44 million zlotys.

The Bureau of Statistics, in a very detailed analysis of Poland's balance of payments in 1927, gives figures of the composition of foreign loans according to the countries of origin. At the end of 1927 the loans granted to Polish joint stock companies amounted to 661.8 million zlotys. Their national composition was as follows: United States 163.9, England 151.7, Holland 87.9, Germany 54.7, Sweden 47.9, Austria 44.2, Italy 34.0.

During the first quarter of the year the amount of foreign currencies held by the Polish Bank has decreased by 55 million zlotys. The amount of currencies serving as cover has increased from 527.1 million zlotys, at the end of December, to 529.9 millions at the end of March, but the foreign currencies not included in the cover were subject to a drain of 57.9 millions. The discounts show an upward tendency, they were, at the end of March, by 63 millions higher than at the end of December (703.9 and 640.7 millions). The ratio of gold and foreign currencies to total liabilities (demand liabilities and bank notes) remains high (end of March 62.49 per cent., the gold cover alone 33.72 per cent).

Letters to the Editor.

LACE AND SAFEGUARDING.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I very much regret that you should have thought me guilty of the inaccuracy and discourtesy of including the *Economist* in my general condemnation of "complacent assumption." My intention was the direct opposite.

May I point out first of all that "erroneous classification" in the United States returns of United States imports could in no way affect the totals of our re-exports of 1924 as shown in the United Kingdom returns, and that therefore if we make the correction I suggested we do in fact increase the effective figures for 1927 but not for 1924.

I have examined the reference you were kind enough to give in conjunction with some other figures. Cotton machine-made lace imported into the United States from France amounted to 3,020,000 dollars, cotton lace, other than machine-made, to 516,000 dollars, and lace, other than cotton, to 1,424,000 dollars. The proportion of cotton machine-made lace to lace of other sorts therefore was, on these figures, as 3 to 2. U.S.A. Returns 3854 and 6691 deal with "rayon manufactures other than braids" and "manufactures of gold and silver n.e.s., braids, fabrics, laces, &c.," and relate not only to lace but to all tissues. An examination of the imports for consumption shows an import of 262,000 dollars of "rayon, laces, galloons, rufflings, ruchings, ornaments, trimmings, fringes and gimps not specially provided for" from all sources, while the corresponding figure for "laces, fringes, galloons, trimmings and ornaments of tinsel wire, &c.," was 420,000 dollars, and it is only by including these items that the proportion of cotton machine-made lace to lace of other sorts can be brought to a figure approaching 50-50, and even so we do not know if these items left French shores as "lace."

The "Tableau Générale du Commerce et de Navigation, 1926" (the 1927 figures are not available), shows that in 1926 the exports of cotton machine-made lace from France to the United States amounted to 110,722,000 francs, while the exports of hand-made lace amounted to 2,965,000 francs, and lace other than cotton to 2,684,000 francs, that is to say, only about 5 per cent. of the value of laces of all sorts was other than cotton machine-made lace.

Lord Beauchamp, in the House of Lords, quoted the re-exports from this country in 1924 at £1,756,774. Volume II. and IV. of the Annual Statement of Trade (United Kingdom) show that in 1924 the value of articles, free of duty, imported and exported on through bills of lading (other than goods transhipped under bond) was as to cotton lace and plain net and articles thereof, except embroidery, £1,419,347, in 1925 £571,675, and thereafter nil. In 1924 and subsequent years lace of other kinds in the same category is practically nil. Therefore, of the total re-exports of 1924, cotton lace, plain net and articles thereof constitute about 80 per cent. The returns of imported merchandise subsequently exported to the United States of America show that cotton lace and net amounted to £1,456,377 and embroidery and needlework, except linen embroidery, £145,480. The former after 1925 practically disappears, standing in 1927 at £565, the latter at £15,461. These figures indicate that practically all the cotton lace and net re-exported was consigned to the United States of America. This is confirmed further by cotton lace and plain net and articles thereof, except embroidery, shipped from the port of Southampton in 1924, which stands at the figure £1,491,360, and again by 1927 has practically disappeared, being £5,392. In these returns there were also shipped from Southampton silk lace, &c., £204,559.

Do not all these figures point in the same direction—that "the great bulk of this lace, which is now transhipped under bond and was formerly shipped on through bills of lading, is French lace on its way to the United States"?—Yours truly,

DOROTHY JACOBS, Secretary.

Empire Industries Association,
26 Abingdon Street, S.W.
April 22, 1929.

[We are obliged for our correspondent's courtesy. Miss Jacobs still objects to our estimate of 50-50 in regard to the 1927 ratio existing between the cotton machine-made laces and laces of other kinds of French origin going into the U.S.A. She herself suggested 6-1. We showed that this was wrong, and gave chapter and verse as pointing to a percentage much nearer 50-50. Even without making any allowance for the artificial silk (rayon) and metal laces, which are not precisely listed, the figure is 3-2, as Miss Jacobs now admits. (It is true she tries to throw some doubt on the American categories, but as a matter of fact we know that the quantity of French silk and mixed silk laces sold to the U.S.A. is now quite substantial.) Yet, having come to a figure of anyhow approximately 3-2 (which is so different from her previous 6-1 as to destroy her previous argument), Miss Jacobs proceeds to pray-in-aid some figures culled from the French trade returns of 1926 showing a proportion of 20-1! We are frankly bewildered.

Miss Jacobs' final argument is vitiated by the fact that during the last four years the marked universal decline in the cotton lace trimmings trade has been accompanied by a steady growth in the sales of other lace trimmings, particularly of silk, and of silk and/or artificial silk mixtures. (All the known Nottingham official returns as well as the export figures confirm this.) It is a serious fallacy to argue from the known composition of the 1924 re-exports on a basis that the proportions of trade as between cotton and other laces have remained constant. The change in ratio has been highly important.—ED. *Econ.*]

FRANCE AND HER DEBTS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The head and front of Mr Snowden's offending appears to have been his use of the word "Repudiation." The word, it is true, has evil associations, for, as in earlier times, it was used in connection with the putting away of one's wife, so now it has come to mean the getting rid of one's debts, not by paying, but by disowning them. And the ex-Chancellor is held by a consensus of opinion to have aggravated his offence by applying the term, with ruthless logic and in the same breath, equally to France and Russia. The settlement of war debts (so called) is governed mainly and rightly by political considerations, and the taxpayer can only trust to the representative government of the day—be it Conservative, Liberal or Socialist—to act with a full sense of responsibility towards its nationals, the country or countries immediately concerned, and the world at large.

The obligations of France in respect of loans issued by the Bank of England, at the request of the French Government and with the "consent and approval" of the British Government, are more a matter of individual concern, and bondholders may therefore approach the debtors with less reserve and speak, as Mr. J. M. Keynes suggests, "as man to man." The circumstances under which the money in question was borrowed in 1915-18, and the conditions attaching to the several loans, are well known and need hardly now be recalled. One might, however, observe that probably few of the original subscribers knew, or even anticipated, that their bonds would vary in value through the operation of the exchange in subsequent years; they were, no doubt, satisfied that the signature of the French Government indicated that 27·50 francs (in the case of the 5 per cent. loan) would, at any time, be the equivalent of the £1 sterling or thereabouts (One would like to know what our bankers and brokers

thought of the security when advising their clients at the time of issue.) Be this as it may, it was decreed by the French Government, on or about October 2, 1928, that their liabilities in respect of both capital and interest be written down (what in fact had been done before) to about 4s. in the £. In effect, creditors of a solvent and highly prosperous country lose four-fifths of their money *without any strictly legal* grounds for redress. Holders of German 3 per cents. in England have received in exchange for their bonds what are virtually scraps of paper. Those holding Russian securities will leave them at the bottom of their tin boxes, where, I fear, moth and rust will corrupt. Comparisons are usually invidious, whether made with respect to individuals or to nations. But, having regard to the diverse character of the relations existing between our own country and the three great European nations just mentioned, is it too much to say that, if the case of the British holder of French bonds were argued on ethical grounds a just claim would be established which, if it were a matter as between individuals, would receive immediate satisfaction. Is it still in vain to appeal to France for equitable treatment on the grounds of the highest public policy?—Yours faithfully,

JAMES B. BAILLIE.

The Beacon, Beaconsfield, Bucks.
April 24th.

Books and Publications.

BOLSHEVISM EXAMINED.

Russia was a *determining factor* in the last General Election and is likely to play a minor part in the next. Already it has its place in the Liberal unemployment scheme, and one may surmise that on a thousand Labour platforms the rupture of diplomatic relations will figure among government misdeeds. The present is therefore an opportune moment for the appearance of a second edition, with an added chapter to bring it up to date, of Mr Dobb's history of Russian post-war economic development.* Here the internal economic structure of Bolshevism, at any rate, is faithfully dealt with, and Mr Dobb's text book is not the less valuable because its content is rigidly limited in scope, and ruthlessly shorn of emotional trappings. The political background is dealt with in so far, and only in so far, as it is necessary for the interpretation of the economic foreground. And only once, at the opening of the concluding chapter, is the curtain tentatively raised on the social and personal scene. For the rest, we trace step by step the stormy emergence of "war communism" from the "economic decay" of Tzarism, war, defeat, and political upheaval. its first big compromise in the matter of peasant proprietorship, the quick supersession of autonomous works councils by a Soviet bureaucracy, the formation of public trusts, later of national syndicates, the 1921 compromise with a limited capitalism in the shape of Lenin's New Economic Policy, and finally, during the last few years, that deliberate reaction against the N.E.P., which it is, perhaps, too early to regard as the *mieux sauter* after the *reculer*. It may be said that both his chapter on the political background and that on economic decay, as well as much else in the book, emphasise the inapplicability of Russian economic experience to the problems of Western European industrial organisation. Nevertheless, one broad piece of experience is not without its relevance:—Nationalisation is a gradual and piecemeal process, a tentative process, even under Bolshevist auspices. The frontiers of State enterprise are liable to be pushed backwards as well as forwards in response to technical and administrative exigencies, even by the most orthodox of Marxian fundamentalists. And when due allowance is made for what might be called the Russian factor, the record of Bolshevist experiment, so many phases compressed into so short a span of history, should be of incalculable value to economists and administrators all over the world. Here are opportunities for clinical observation at someone else's expense, beyond the dreams of theory; and Mr Dobb has summarised them with lucidity and discretion.

With Mr Eastman's translation of certain recent publications by, or concerning Trotsky,* we enter a world of political polemics, in which economic facts and policies form the background to clashing ambitions and tangled theologies. Mr Eastman himself is concerned with a vindication of Trotsky in his long and apparently losing struggle with Stalin, following the death of the one man capable of fusing the warring personalities of the communist revolution in an elastic interpretation of the Marxian creed. In his own country Trotsky has been the victim of a censorship exercised as Communists and Fascists alone know how to exercise it; but Mr Eastman, by the publication of censored documents, and others relevant to an understanding of Trotsky's personal and political position, is prepared to uphold his claim to be the true inheritor of the Leninist faith. As constituting a ray of light upon current Russian politics, we have reason to be grateful for the book, however repellent may be the outlook of its hero, however fine the split hairs of his Communist theory. In Trotsky's suppressed "opposition platform," which constitutes the bulk of the volume, we do at least gain some apprehension of the nature and appeal of that thunder on the left, which seems to explain Stalin's present offensive against the N.E.P.

PRIMITIVE ECONOMICS.†

This is undoubtedly the most competent and thorough account of primitive economics which has yet appeared in any language. It deals, it is true, primarily with one ethnographical area, but the writer, who is a trained economist, discusses under each heading the general theory of production, organisation of labour, distribution, value, trade, and psychology of incentive, one and all in their application to simple societies.

The book will be useful to the teacher of economic history as the only equivalent to a text-book on primitive economics. It provides relaxation and amusement to all who can taste the quaint and exotic as it appears in "the economic nature of man." Indeed, here the vagaries of custom, of so-called savagery, present certain features as unexpected and amusing as they seem strange and inexplicable—until we are made to understand them through Dr Firth's scientific analysis. The extraordinary customs of ceremonial robbery, the destruction of wealth on a grand scale incidental to old-time Maori feasts, certain aspects of slavery and of economics by magic, as well as South Sea systems of banking—all these will provide relaxation even to those who do not want to reflect more profoundly upon the real significance of these customs. For the book is written in a vivid style; its construction gives a dramatic flow to the narrative; and Dr Firth—who as an anthropologist has already made his mark by his previous publications—has an intimate personal acquaintance with the Maori.

But the real value of the book lies in its truly scientific treatment of a difficult and instructive subject. In the first place there is no doubt that the understanding of a system of economic organisation widely different from our own helps, as nothing else can do, to clarify some fundamental concepts of our theoretical economics. Take the discussion of value in this book: the author proves beyond doubt that the concept of *value in exchange* cannot be used in reference to the natives, who have no market for any commodities in the economic sense of the word; nor do they possess any forms of money or currency. And yet economic value dominates their whole tribal life; it is associated with the social organisation, supplies them with driving power; and it serves to establish the distinctions of rank and the authority of the chief.

The perusal of the three chapters on Wealth, Land Tenure, and Exchange-gifts will be invaluable to all those who have either to discuss earlier forms of exchange and ownership, or to define the fundamental concepts of theoretical economics. Again, Dr Firth's destructive criticism of the myth about the alleged "primitive communism" will throw light on many modern and historical problems. Each chapter, in fact, with its initial theoretical analysis, its rich array of facts, and its interesting conclusions, provides food for thought.

*"Russian Economic Development." By Maurice Dobb, M.A. Routledge & Sons, Limited. pp xii 437. 15s.

* "The Real Situation in Russia." By Trotsky, translated by Max Eastman. George Allen & Unwin, Limited. pp xxv. 364. 7s. 6d.

†"Primitive Economics of the New Zealand Maori." By Dr Raymond Firth. Pp. xxci + 505 + 16 plates. (London: George Routledge and Sons, Ltd., 1929). 25s. net.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

English Poor Law History. Part II. *The Last Hundred Years.* In two volumes. By Sidney and Beatrice Webb. (London) Longmans, Green and Co., Limited, 39 Paternoster Row. 36s. net.

We welcome the appearance of the last two volumes of this monumental series on English local government. Volume I. traces the history of the Poor Law from 1834 to 1908, and Volume II. brings it down to the Local Government Act of the present session. It goes without saying that the treatment is analytical and critical, that the mass of material handled is immense, and that the documentation is excellent.

Die englischen Rüstungsausgaben seit dem Weltkriege. By Dr. Elsa Fiedler. (Leipzig) Akademische Verlagsgesellschaft, m.b.H.

This German study of British expenditure on armaments is the first of a series of publications on the major financial problems of various nations. It appears to be written in an impartial and scientific spirit, and contains useful statistics. There is a comparison with corresponding expenditure in France and the United States, and an appendix on India.

Present-Day Labour Relations. By Paul F. Gemmill. (London) Chapman and Hall, Limited, 11 Henrietta Street. 15s. net.

A valuable discussion of collective bargaining in the United States.

Economic Organisation of Indian Villages. Vol. II. By N. G. Ranga. Foreword by Hon. V. Ramadas Paululu. Introduction by Dewan Bahadur A. V. Ramalinga Aiyer. (Bombay) D. B. Taraporevala Sons and Co., "Kitab Mahal," Hornby Road. Rs. 2.

This interesting study is the fruit of intensive research into the organisation of three villages. In addition to its purely economic interest it is of value for the insight it affords into social conditions among Indian peasants.

The Foreign Exchange Market. By Hugh F. R. Miller. Second edition. (London) Edward Arnold, 41 and 43 Maddox Street. 8s. 6d. net.

This text book, first published in 1925, deals with the foreign exchanges entirely in terms of post-war conditions. It keeps an admirable balance between the purely theoretical side of the subject and the descriptive treatment of actual happenings in the market.

Accounting and Finance. By Leon E. Brownell. (London) Chapman and Hall, Limited, 11 Henrietta Street, Covent Garden. 17s. 6d. net.

A very thorough, clear and readable text book.

Is Labour Leaving Socialism? By L. Haden Guest. (London) John Murray, 50A Albemarle Street. 3s. 6d. net.

The thesis of this book, based on a brief discussion of socialism in Germany, France, Scandinavia, Russia and the Dominions, is that the labour movement everywhere is turning from socialism to other methods of working class organisation.

The Conservative Outlook. By Sir Reginald Mitchell Banks. (London) Chapman and Hall, 11 Henrietta Street, W.C.2. 5s. net.

A statement of the Conservative point of view.

The Australian Mandate for New Guinea. Edited by the Hon. F. W. Eggleston. (London) Macmillan and Co., Limited, St. Martin's Street. 5s. net.

A record of a discussion held under the auspices of the Council of the League of Nations Union. The papers reproduced cover a variety of problems, and each is written by a specialist.

The Peopling of Australia. Edited by P. D. Phillips and G. L. Wood. With a Foreword by the Hon. J. G. Latham. (London) Macmillan and Co., Limited, St. Martin's Street. 6s. net.

A collection of essays on practical aspects of the population problem.

Studies in Australian Affairs. Edited by Persia Campbell, R. C. Mills and G. V. Portus. (London) Macmillan and Co., Limited, St. Martin's Street. 6s. net.

A collection of essays, published under the auspices of the Institute of Pacific Relations, which provides a mine of information on Australian economic affairs.

Oil, Its Conservation and Waste. By James H. Westcott. Third Edition. (New York) Beacon Publishing Co., 25 Broad Street.

This discussion of technical aspects of the oil industry is not unintelligible to the layman, and it contains a number of statistics of general economic interest.

The Gold Standard and the Effect of our Return on the Cotton Trade and other Industries of the Nation. A series of letters by W. H. Waller. 3d.

These letters, reprinted from various Lancashire papers, express a plea for a change in monetary policy which shall include the fixing of a higher price for gold.

Enthronement of the One Hundred Twenty-Fourth Emperor of Japan. (Tokyo) The Japan Advertiser. Published and edited by Benjamin W. Fisher.

Here is a reminder of what British journalism has to learn from Japan. This is an account of the enthronement ceremonies, with articles explaining their symbolical significance. Some of the illustrations are delightful.

Wie die Reparationsforderungen begründet wurden. By Dr. Eugen Würzburger. (Leipzig) Akademische Verlagsgellschaft, m.b.H.

Another contribution is added to the growing pile of literature on Reparations.

The Bills of Exchange Act, 1882. By Maurice H Megrah. (London) Sir Isaac Pitman and Sons Limited, Parker Street, Kingsway. 6s. net.

A full exposition of the law governing bills of exchange.

The Slavonic Review. March, 1929. (London) Jonathan Cape, Limited, 30 Bedford Square. 6s. net.

This interesting number includes articles on "Psychologics Undercurrents of the Russian Revolution," by Prince A. Lobanov Rostovsky; "Agrarian Reform in the Danubian Countries," b Ifor L. Evans; and "Wycliffe's Influence on Central Europe," b Otakar Odlozilík.

Nitrate Facts and Figures, 1929. (London) Frederick C Mathieson and Sons, 16 Copthall Avenue, E.C.2.

Contains the usual invaluable collection of statistics relating t Chilean nitrates and nitrate companies.

Rubber Facts and Figures, March, 1929. (Londo Frederick C. Mathieson and Sons, 16 Coptha Avenue, E.C.2. 2s. net.

Shares of Leading Swiss Companies. (London) Swi Bank Corporation, 99 Gresham Street.

This useful little brochure gives details of the capital, reserve recent profits and dividends and share prices of those Swiss com panies which are of most interest to the general investor.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationer Office, Adastral House, Kingsway, W.C. 2.

Radium Sub-Committee Report. Cmd. 3303. 6d. ne

Department of Overseas Trade: Economic and Financi Conditions in the British West Indies, Novembe 1928. 2s. 6d. net.

Empire Marketing Board: Oranges. World Productio and Trade. April, 1929. 1s. net.

Draft of the Clauses to be Contained in the Secon Finance Bill for 1929. Cmd. 3313. 3d. net.

The Stock Exchange.

CHILE AS A BORROWER.

THOUGH Chile has long enjoyed the tangible benefits of a favourable London credit rating, this condition has possibly been attributable less to the intrinsic strength of her internal economic situation than to her eminently honourable history as a borrower. Apart from a temporary deferment of amortisation (with the consent of the bondholders) as a result of war in 1879, and a very brief delay in payment in 1899, Chile's record has been without blemish for the last 89 years, while the London Stock Exchange List shows that she has repaid nearly £23,000,000 of the original £52,000,000 of Government stock issued in this country since 1885. The City rightly places a tender conscience at the head of the list of desirable borrowing qualifications, but unhappy experience acquired during the last fifteen years, in Europe and elsewhere, shows that the best-intentioned States may be at times the victims of untoward circumstance. A world-war, like an earthquake, is a contingency against which no degree of financial foresight can avail, but the investor of to-day has at least learned the wisdom of inquiring somewhat more closely than in earlier days into the fundamental economic soundness of any country seeking the support of his purse. Judged by this criterion, it must frankly be admitted that a few years ago Chile's position left something to be desired, since the national fortunes were involved to a dangerously large extent in the vicissitudes of a single industry—nitrate production. Not only did the latter provide the lion's share of the national exports, but the Government was at one time dependent on taxation of nitrate sales for some three-fourths of its income. The recent crisis in the industry as a result of the formidable competition of synthetic nitrogen might, therefore, at an earlier epoch have threatened the financial stability, not merely of the nitrate producers, but of the State itself. Happily, the position in this respect has lately shown welcome modification, even if its dangers have not been entirely obviated, so that to-day the criticism that Chile carries all her eggs in a single basket has lost much of its force.

That Chile is numbered among the three "Great Powers" of South America is by way of being a tribute to the national character, the country itself being smaller than, say, Bolivia, Colombia, Peru or Venezuela, and a mere three-and-a-half times as large as Great Britain. As South American countries go, Chile is fairly densely populated, the number of persons to the square mile being exceeded only in Uruguay and Colombia. To a British reader a more concrete impression may be conveyed by the statement that the density of population is approximately equal to that of New Zealand. Expressed as a ratio of the population, Chile's road system is between three and four times, but her railway system no more than three-fifths, as long as that of her neighbour, Argentina; but these comparisons need to be interpreted in the light of certain other factors. Chile has, on the one hand, a much larger proportion than her neighbour of difficult mountainous country, and, on the other, a much longer coast-line in relation to her total area, while about one-half of her railway mileage is attributable to the so-called Longitudinal Railway, which, traversing the country from north to south, owed its construction to strategic rather than economic considerations, and has never handled a very extensive traffic outside its northern section.

Chile's preoccupation with the development of her nitrate deposits may be ascribed rather to the accident of their originally representing a world monopoly (and so offering a "line of least resistance") than to any absence of variety in her natural resources. Her copper reserves are estimated to be larger than those of the United States, though her production is less than a third of that of the latter country, and she supplies at present only about 15 per cent. of the world's requirements of copper ore. Her iron ore deposits have been put at 1,000 million tons, and her coal reserves at 2,000 million tons. Gold, silver, manganese, borax (the largest known deposits in the world), sulphur, iodine and salt are also included among the national resources, while the fertile Central Valley, in a temperate latitude, is a potentially rich agricultural and timber area, and the southern portion of the country includes wide areas of sheep-grazing land.

It goes without saying that the British investor, deciding the merits of a given foreign issue, will be better disposed towards a country with a diversified national production (which itself tends to "spread" his risks) than towards one dependent mainly on a single "monopoly," especially when the latter has been effectively challenged in his own time. To what extent has Chile developed her resources other than nitrate, in the last few years? The following comparison between production in 1920 and in the latest year for which figures are available provides an interesting commentary on the position. The data are taken from official sources in every case:—

Commodity.	Unit of Quantity.	Production, 1920.	Production, Most Recent Year.	Increase or Decrease since 1920.
Nitrate of Soda	Thou. M. tons	2,353	3,164 (1928)	Per Cent. + 25·4
Minerals:—				
Copper Ore	Long tons	103,000	235,545 (1927)	+ 128·7
Iron Ore	Thou. long tons	3	1,380 (1927)	...
Coal	Thou. long tons	1,046	1,451 (1927)	+ 38·9
Gold	Fine troy ozs.	53,190	105,871 (1925)	+ 99·2
Silver Ore	Thou. fine ozs.	2,604	3,262 (1925)	+ 25·3
Manganese Ore	Long tons	11,446	10,887 (1925)	— 5·0
Borate of Calcium	Long tons	15,569	27,580 (1926)	+ 77·1
Sulphur Rock	Long tons	13,130	8,929 (1925)	— 32·0
Salt	Long tons	33,405	28,871 (1925)	— 13·6
Agriculture, &c.:—				
Wheat	Thou. M. Quintals	6,314	6,341 (1926–27)	+ 0·5
Maize	Thou. M. Quintals	428	401 (1926–27)	— 6·3
Barley	Thou. M. Quintals	1,096	985 (1926–27)	— 10·1
Potatoes	Thou. M. Quintals	3,263	3,056 (1926–27)	— 6·3
Wine	Thou. hectolitres	1,861	3,095 (1926)	+ 66·4
Cattle	Thousands	2,163*	1,918 (1925)	— 11·3
Sheep	Thousands	4,500*	4,094 (1925)	— 8·9
Exports of Wool	Thou. M. Quintals	138	123 (1927)	— 11·0

*Number in country in 1919.

Note.—The Nitrate of Soda totals are taken from: "Nitrate Facts and Figures" (Mathieson's), the mineral figures from the "Statistical Summaries" of the Imperial Institute, and the agricultural data from the Year Books of the International Agricultural Institute.

The figures suggest that while Chile has been devoting increased energy of recent years to the successful exploitation of her mineral resources (with certain exceptions), agriculture—the "third string" to her bow—has been less progressive. Of her exports last year nitrate accounted, in value, for 47½ per cent., bar copper for 31 per cent., iodine for 3½ per cent., wool for 3 per cent., and meat for 1 per cent. The dangers of one-sided development have, it must be admitted, been obviated as regards the *internal finance* of Chile to a more considerable extent than the above figures imply. Following the "bloodless revolution" of five years ago, those in control of affairs have not only promulgated a new and improved constitution, bettered Chile's relations with her neighbour Peru, brought the country back to the gold standard, and set up (on American advice) a central banking organisation much on the lines of the United States Federal Reserve system, but have succeeded in putting an end to the budget deficits which had become endemic in Chilean public finance, and in broadening the whole basis of the national revenue. The present Nitrate Law gives the Government power to subsidise the nitrate industry with all surplus receipts from the nitrate and iodine duties over £4,250,000, and as the total of the budget revenue for 1929 (excluding £5,625,000 of capital expenditure to be raised by loan) is fixed at the equivalent of £27,582,000, exclusive dependence on nitrate taxation has clearly passed away—not before its time. Among the items which have taken its place may be mentioned an income tax, from which nearly £4,000,000 was derived in the fiscal year 1928.

Despite these welcome developments, Chilean prosperity for many years to come must hinge largely on the fortunes of the nitrate industry. Events have moved rapidly since the period when high prices, restricted output, and powerful competition from "synthetic" producers in Europe and elsewhere reduced Chile's share in the world's production of nitrogen (according to the estimates of the British Sulphate of Ammonia Federation) from 30 per cent. in 1925-26 to 16 per cent. in 1926-27. Free selling, reinstituted in April, 1927, was followed by an immediate increase in sales and, eventually, by "cut" and fluctuating prices. The key to the situation, obviously, lay with the Government, which collected 5s. 1d. export duty on all nitrate exports. Shortly after an announcement that no reduction in the duty would be considered before June, 1929, the Government proceeded to guarantee a price of 17s. per metric quintal to the producers, provided no sales were made under 16s. 4d.; to declare that producers would be protected against price-cutting on the part of the synthetic combine and, shortly afterwards, to ask the industry to form a selling agency to regulate supply in different parts of the world. An arrangement was concluded between the Government, the producers and the exporters, under which the Government, through the Nitrate Association, regulates prices in the world markets according to local conditions, but without altering the price to the producers. The life of the Chilean Nitrate Association (which has been strengthened by the adhesion of American interests) has been extended to June 30, 1939, and the Government has declared its intention to act on the provisions of the Nitrate Law, mentioned above, the surplus available for assistance to the industry on these lines, on the basis of the 1928 shipments, being estimated by one authority* at £2,800,000.

Whether permanent prosperity can be ensured by these devices, under which the Government returns with one hand part of the sums extracted from the industry with the other, is an open question. The outlook for the producers has certainly improved during recent months. During 1928 production rose from 1,614,084 to 3,163,604 metric tons, and exports from 2,375,444 to 2,801,383 metric tons. Ultimately some form of *rapprochement* with the synthetic interests would seem to be inevitable. In the meantime "rationalisation," as the term is understood on this side, is proceeding in the industry itself, five groups of producers, who own most of the cheap working oficinas, having been responsible for 66 per cent. of the total output last year.

The British investor's stake in Chilean national progress is, of course, considerable. Of the Chilean securities quoted in London, Government stocks have a nominal value of £29,300,000, corporation stocks of £488,000, railway stocks of £19,300,000, and nitrate company securities of £19,100,000. A recent estimate placed British investments as a whole at approximately £97,000,000. The comparative Stock Exchange position of certain representative securities is set out in the table below:—

	Originally issued.	Outstanding.	Middle Prices. 1913.	1921.	1929.	Present day. Price.	Yield.†
	£'000.	£'000.					£ s. d.
Government:							
4½%, 1886	6,010	1,538	93⅜	75½	98 1/16	96½	5 2 0
5%, 1896	4,000	2,168	99⅜	69	91½	93	5 16 6
5%, 1909	3,000	2,407	97½	64½	87½	87	6 1 0
5%, 1911 (1st issue)	4,905	3,278	98⅛	63⅛	88⅜	89	6 2 9
7½%, 1922	1,657	1,565	...	...	107	105½	‡7 4 9
6%, 1926	2,809	2,794	...	...	98 7/16	97	6 3 9
6%, 1928	2,000	1,990	...	...	96⅛	96	6 5 9
6%, 1929	2,000	2,000	...	...	...	94½	6 7 0
Corporation:							
Valparaiso, 5½% Water Board	250	109	103½	87	95⅛	94	6 5 6
Vina del Mar, 5%	200	119	96 1/16	80⅛	92⅛	92	5 19 6
Railways (ordinary):							
Antofagasta	6,000	5,579	{105½(a) 152½(b)}	52½	93	97½	7 3 6
Nitrate Railways (£10)	*	2,366	13½	5	8¼	7⅞	7 8 9
Taltal (£5)	1,200	1,200	6⅜	3⅛	5 1/16	5⅛	5 17 0
Nitrate (ordinary):							
Lagunas Syndicate (£1)	550	550	3/16	1/16	1/16	1/16	Nil
Lautaro (£5)	6,560	6,560	11⅛	7	4 1/16	4⅛	3 6 9
New Tamarugal (£1)	1,000	1,000	1 1/16	1⅛	1⅜	1⅜	4 8 6
Rosario (£1)	600	600	9 1/16(c)	1 1/16	1/16	1/16	Nil

* Impossible to state, owing to conversion rights.
† Allows for accrued interest and profit on redemption.
‡ Flat yield, or £6 16s. 3d., assuming redemption half-way between now and final date.
(a) Preferred ordinary. (b) Deferred ordinary. (c) £5 shares, split in 1920.

* Mr E. T. Tatham in "Nitrate Facts and Figures, 1928." (London) Frederick C. Mathieson and Sons, 16 Copthall Avenue, E.C. 2.

The market prices of Chilean Government, corporation and railway stocks have recovered in gratifying fashion from the depression of 1921, though quotations in most cases are still significantly below the level of 1913. Nitrate shares continue to reflect the reactions of the recent crisis on the dividends of the leading companies—a situation which forthcoming reports may tend to modify. The preceding paragraphs suggest that Chile, in pursuing the essential task of *all-round* development of her resources, may be expected to remain an influential overseas borrower for some time to come. Whether America or Great Britain will fill the larger rôle, however, in the supply of the necessary capital is a somewhat doubtful question. The Chilean Government has availed itself of New York's facilities on various recent occasions, American money has largely financed Chilean mineral development (Anaconda Copper and American Smelting, for instance, being largely interested in copper exploitation) and America's share in the nitrate industry, already appreciable since the Guggenheim interests entered the field, is likely to be considerably enhanced if the Lautaro Company (which recently bought extensive new nitrate grounds) passes under American control. The United States, again, has raised her share in Chile's import trade from 17 per cent. in 1913 to 38 per cent., while the British Empire's percentage has fallen from 35 to 23. Geographical and other factors may have done much to hasten these events, but when due allowance is made for the possibility of their continuance, it is still reasonable to expect that Great Britain will play a by no means negligible part in Chile's future development.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
May 7.	May 9.

No one except the operator in specialities has been doing much business on the Stock Exchange for some time past. The General Election must take the blame. Fresh purchases of gold by the Bank scarcely affected British Government securities, but some disturbance was caused in the Foreign market by the apparent deadlock in the Reparations conference. The weak appearance of Home Railway junior stocks mainly reflected an extrinsic and passing cause—the liquidation of a large holding by executors. A firmer tone became perceptible on Wednesday afternoon in the Industrial market, where previously the chief feature had been the fall in Dunlop shares on the dividend announcement.

Apart from somewhat unexpected weakness in India Loans, due to Eastern selling, the gilt-edged market was steady to a degree, considering the small dimensions of day-to-day business. The Reparations set-back had little perceptible influence, which was more than counterbalanced by the further slow, but steady, improvement in financial prospects, by easy money market conditions, and by a slackening of the monetary pressure in New York. Five per Cent. War Loan was steady around 103 before going *ex* interest on Friday. Changes in other quotations were fractional. Dealings in Dominion and Colonial issues were meagre, but Australian stocks had a firm tendency.

The Foreign market was quiet, with prices tending slightly downwards. A certain uneasiness over the turn taken by the Reparations Conference showed itself in scattered selling of French and other European stocks. Chilean loans were supported, but Brazilians were offered on less hopeful diagnoses of the coffee situation. Apart from a slight inquiry for Japanese bonds, Far Eastern descriptions were quiet and unchanged.

The week opened with further liquidation, of a special character, of Home Railway stocks, but the movement appeared to have spent its force by mid-week. The traffic figures of the North-Eastern proved the best of the four, and caused an appreciable hardening of the junior stocks. The Foreign Railway market fluctuated from day to day, Argentine stocks, for example, advancing on Tuesday, only to recede the following day, when, despite

LONDON ACTIVE SECURITIES.

British and Colonial Government Securities.

	Closing Prices April 18.	April 25.	Rise or Fall.		Closing Prices April 18.	April 25.	Rise or Fall.
Conv. Loan 3½%	77⅛	77⅛	+ ⅛	Treasury 5% (B)	100⅛	99⅛	− ⅛
Do. 4½% 1944	98½	98½	+ ½	Palestine 5% 1942-67	101	101½	+ ½
War Loan 5% 1929-47	102⅜	103⅛	+ ⅛	S. Africa 5% 1945-75	102	103	+ 1
Consols 2½%	55½	55	− ½	India 3½%	69	68⅜	− ⅛
Do. 4%	86⅛	86⅜	+ ⅛	Do. 4½% 1958-68	89½	89½	...
Funding 4%	88⅛	88⅜	+ ⅛	Australia 5% 1945-75	99	99	...
Victory Bonds 4%	93	92⅛	− ⅛	N.S.Wales 5% 1935-55	96	96	...
Local Loans 3%	64	64	...	N. Zealand 5% 1946	102	103	+ 1

Foreign Government Securities.

Japanese 6% (1924)	96½	96½	+ ½	French 5%	20	20	...
Argentine 4% Recns.	85	85	...	Do. 4% (Brit.)	17⅜	17⅛	+ ⅛
Austrian 6% 1923-43	102	102	...	German 7%	106⅜	103½x	...
Belgian 7%	109	109	...	Greek 7% Refugee	103	103	...
Brazil 5% Funding	85⅜	84	− 1⅜	Hungary 7½%	102	102	...
Bulgaria 7%	86⅛	86	− ⅛	Chili 6%	96½	96½	...
China 5% (1912)	46	46	...	Poland 7%	88	88	...
Egypt Unified 4%	84⅜	84½	− ⅛	Mexican 5% (1899)	31	31	...
Estonia 7% 1927	91⅛	91⅛	...	S. Paulo Coffee 7½%	104	103	− 1
Finland 6% 1923	98½	98⅜	...	Siamese 6% (1924)	103½	103½	...

Corporation Stocks.

L.C.C. 3%	63	63	...	Sydney 5½% 1954	98	98½	+ ⅛
E. London 5% 1960-70	98	98	...	Berlin 6% Ster.	94	94	...

British and Foreign Railways.

G. Western Ord. Stk.	85½	85	− ½	Antofagasta Ord. Stk.	96⅛	97⅛	+ ⅛
L.N.E., Def. Stk.	13½	13½	...	B.A.&Pacific Ord.Stk.	99⅛x	100	+ ⅛
Do. 5% Pref. Stk.	29½	29	− ½	B.A.Gt.Sthn.Ord.Stk.	107⅛	107⅛	...
L.M.S. Ord. Stk.	54⅛	54	− ⅛	B.A.Western,Ord.Stk.	92⅛	92⅛	...
Metropol'an Cons. Stk.	61	60½	− ½	Can.Pacific Com.Stk.	240⅛	246⅛	+ 6
Met. District Ord. Stk.	76⅛	76	− ⅛	C. Argentine Ord.Stk.	96	96⅛	+ ⅛
Southern Def. Stk.	32⅜	31⅜	− 1	Leopoldina Ord. Stk.	60⅛	60	− ⅛
Do. Pref. Ord. Stk.	75	74⅜	− ⅛	San Paulo Ord. Stk.	212	213	+ 1
Underground Ord. £1	1⅛	1⅛	...	Utd. Havana Ord. Stk.	42	40	− 2
Do. Income Bonds	113⅛	112	− 1⅛				

Banks.

Barclay B. (£1)	2⅜	2⅜	− ⅛	Midland £1, fully pd.	3⅜	3⅜	+ ⅛
Barcl.(Dom. &c.) A £1	1⅛	1⅜	+ ⅛	Nat. Prov. £20,£4pd.	13⅜	14	+ ⅛
Lloyds £5, with£1 pd.	3⅛	3⅛	− ⅛	Hongk. and S.($125)	132	134	+ 2
Mid. £12, with £2½ pd.	9⅜	9⅛	+ ⅛	St. ofS. A.£20, £5 pd.	15½	15½	+ ⅛
Do. £2½, fully paid	9⅛	9⅜	+ ⅛	W'minster £48,£1 pd.	3⅛	3⅛	...

Insurance.

Alliance £1, fully paid	21	21	...	N.B.&Merc.£5,£1½pd.	36½	37½	+ 1½
Com. Un. £2½, fully pd.	27½	27	− ½	Royal Ex. £1, fully pd.	6⅜	6⅜	...
Ldn.& Lanc £5, £1 pd.	31½	31½	...	Roy.In.£1,with10/ pd.	8⅞	8⅞	...

Coal, Iron and Steel.

Amal. Anthracite (£1)	1⅛	1⅛	− ⅛	Guest, Keen (£1)	1⅛	1⅛	...
Babcock, Wilcox (£1)	3⅛	3⅛x	...	Powell Duffryn (£1)	⅛	⅛	...
Baldwin (4/)	⅛	⅛	...	Stewarts&Lloyds(£1)	1⅛x	1⅛	...
Bolckow Vaughan (£1)	⅛	⅛	− ⅛	Swan, Hunter (£1)	1⅛	1⅛	...
Cory, William (£1)	2⅛	2⅛	− ⅛	Thornycroft, John(£1)	4	4⅛	+ ⅛
Dorman, Long (£1)	⅛	⅛	− ⅛	Vickers (6/8)	⅛x	⅛	− ⅛

Textiles.

Bradford Dyers (£1)	2⅛	2⅛	...	Eng.Sewg.Cotton(£1)	2⅛	2⅛	− ⅛
Brit.Celanese,Ord.(10/)	1⅛	1⅛	...	Fine Cott.Spinn.(£1)	2⅛	2⅛	− ⅛
Coats, J. and P. (£1)	3⅛	3⅛	...	Listers (£1)	1⅜	1⅜	...
Courtaulds	4⅛	4⅛	+ ⅛	Snia Viscosa (200 lire)	1⅛	1⅛	− ⅛

Electrical Manufacturing.

Associated Elec. (£1)	1⅛	2⅛	+ ½	General Electric(£1)	3½	3⅛	− ⅛
British Insulated (£1)	4⅛x	4⅛	...	Johnson&Phillips(£1)	1⅛	1⅛	− ⅛
Ever Ready (G.B.) (5/)	1⅛	1⅛	+ ⅛	Siemens (£1)	1⅛	1⅛	+ ⅛

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅛	1⅛	+ ⅛	Hydro-Elec. com. stk.	37	36	− 1
Bmemth. & Poole (£1)	3½	3½	...	Newcastle-on-Ty(£1)	1⅛x	1⅛	...
County of London (£1)	2⅛	2⅛x	+ ⅛	Scottish Power (£1)	1⅛x	1⅛	...

Telegraphs and Cables.

Eastern Stk.	278⅛x	278½	...	Marconi (10/)	4⅛	4⅛	+ ⅛
Eastern Exten. (£10)	27⅛x	27⅛	− ⅛	Marconi Marine (£1)	3½	3½	...

Motors.

Dennis (1/)	2⅜	2⅜	− ⅛	Morris 7½% Cm.Pf.(£1)	1⅛	1⅛	...
Ford Motors (£1)	3⅜	3⅜	+ ⅛	Singer (£1)	1⅛	1⅛	...
Leyland (£1)	2⅛	2⅜	+ ⅛	Weymann Mot. Bodies	⅛	⅛	...

Shipping.

Cunard (£1)	1⅛x	1⅛	− ⅛	P. & O. Defd. (£1)	3	2⅛	− ⅛
Furness Withy (£1)	2	2	...	Royal Mail Ord. Stk.	69	69	...

Tea and Rubber.

Anglo-Dutch (£1)	1⅛	1⅛	...	London Asiatic (2/)	⅞	⅞	...
Cons.Tea & Lnds.(£10)	36⅛	35½	− 1	Rubber Trust (£1)	2⅛	2⅛	+ ⅛

Oil.

Anglo-Persian (£1)	4⅛	4⅛	+ ⅛	Mexican Eagle(£1/0/6)	⅛	⅛	+ ⅛
Attock (£1)	3⅛	3⅛	...	Royal Dutch (£5)	32⅛	32⅛	− ⅛
Burmah Oil (£1)	4⅛	4⅛	...	Shell (£1)	4⅛	4⅛	+ ⅛

Miscellaneous.

Assoc. P. Cement (£1)	1⅛	1⅛	+ ⅛	ImperialTobacco(£1)	6⅛	6⅛	+ ⅛
Bras. Traction, no par	61	59⅞x	...	Inter. Nickel of Can.	50⅛	50⅛	+ ⅛
Brit.-Am.Tobacco(£1)	6⅛	6⅛	+ ⅛	Kreuger & Toll (kr.100)	35⅛	36	+ ⅛
Carreras,"A"Ord.(£1)	14⅛	14⅛	...	Lyons (J.) (£1)	5⅛	5⅛	...
Colombia Graph.(10/)	14⅛	15⅛	+ 1⅛	Margarine Unie (fl.12)	4⅛	4⅛	+ ⅛
Crittall (£1)	2⅛	2⅛	− ⅛	Photomaton Parent	⅛	⅛	...
Dunlop (6/8)	1⅛	1⅛	− ⅛	Swed.Match,B(kr100)	21⅛	21⅛	− ⅛
Forestal Land (£1)	1⅛	1⅛	+ ⅛	Tate and Lyle (£1)	2⅛	2⅛	...
Gas Light & Coke (£1)	⅛	⅛	...	Tilling, Thomas (£1)	5⅛x	5⅛	− ⅛
Gramophone Co. (£1)	16⅛	16⅛x	+ ⅛	Turner & Newall (£1)	5	5⅛	...
Harrods (£1)	3⅛	3⅛	...	United Molasses (£1)	7⅛	6⅛x	...
Hudson's Bay (£1)	5⅛	6	+ ⅛	Vocalion (10/)	2⅛	3	+ ⅛
Imp. Airways(£1 15/p)	1⅛	1⅛	+ ⅛	Watney Combe Df.(£1)	3⅛	3⅛	+ ⅛
Imp. Chem., Ord. (£1)	1⅛	1⅛x	...				

Mines.

Anglo-Amer.ofS.A.(£1)	2	1⅛	− ⅛	Johan. Cons. (£1)	2⅛	2⅛	...
De Beers Def. (£2½)	14⅛	13⅛	− ⅛	Lake View & Star (4/)	⅛	⅛	...
Brakpan (£1)	4⅛	4⅛	+ ⅛	London Tin (£1)	3⅛	3⅛	− ⅛
"Chartered" 15/Lp.	1⅛	1⅛	...	Rio Tinto (£5)	61⅛	60	− 1⅛
Burma Corp. (Rs.10)	⅛	⅛	...	RoanAntelopeCpr.(5/)	2⅛	2⅛	...
Bwana M'Kubwa,5/fp	⅛	⅛	− ⅛	Sub-Nigel (10/)	1⅛	1⅛	− ⅛
Central Provinces (£1)	4⅛x	4⅛	− ⅛	Tanganyika (£1)	3⅛	3⅛	− ⅛
Geduld (£1)	3⅛	3⅛	− ⅛	UnionCrp.(12/6)fu.pd.	4⅛	4⅛	− ⅛

satisfactory traffic returns, public interest was found to have evaporated. Leopoldina similarly reacted after further buying on dividend expectations. The prevailing dullness applied equally to Canadian Pacifics, after a firm opening.

The industrial markets have, for the present, reached a land where it is always afternoon. This week's settlement was one of the smallest for many months past, but the steadiness of quotations, despite the paucity of buyers, was, in a negative way, a decidedly satisfactory feature. For such noteworthy movements as occurred some special cause was generally discoverable. Dunlops, for instance, reflected the company's losses on its rubber stocks, which affected the market much more than the reduced dividend. Bear closing gave the shares a steadier appearance, however, as the week progressed. The implications of the report are dealt with in a subsequent "Investment Note." Textiles, again, were heavy on the threatened lock-out arising from the Oldham dispute. Courtaulds were in moderate demand, and British Celanese issues gained a little ground. The slight hardening of the markets in mid-week found expression, again, in a modest revival of interest in such favourite investment stocks as Imperials and British American Tobacco, while afterthoughts on the Budget were reflected in an enhanced demand for brewery shares. Imperial Chemicals were lower after deduction of "rights" in connection with the new issue. Margarine shares maintained noteworthy strength up to the issue of the report (discussed on a later page), when profit-taking ensued. Cable stocks were less firm, and Marconi's, by the same token, somewhat better. Motor manufacturing shares displayed irregularity, and America was, as before, an uncertain supporter of gramophone and electrical equipment shares. Quotations showed narrow fluctuations in the iron and steel group, gains as a whole outbalancing losses. Insurance shares failed to maintain last week's activity. Bank shares were quiet, but held their ground.

Stability of rubber prices is still to seek, American buying producing an advance this week, followed by further weakness on Thursday. The share market consequently betrayed an appearance of greater activity, though interest was concentrated mainly on recognised speculative counters, including Rubber Trusts (whose profits were not unsatisfactory, all things considered), and the American-supported Malaccas. Demand for tea at the auctions, on the other hand, was more irregular than of late, and declines were registered through an extensive range of tea company shares. Speculative interest was again at a low ebb in the oil share market. New York was "temperamental," and moderate domestic selling sufficed to give a dull appearance to an essentially narrow market, Apex and British Borneo, exceptionally, being marked up on Eastern buying.

Kaffirs still stand and wait for a revival of public interest. Stagnancy was the leading characteristic of the week, changes, where they occurred, being generally unfavourable. General Mining was lower on the report (summarised on a later page). De Beers deferred fell sharply at the outset, but recovered strength on Parisian buying on higher dividend expectations. Influential support was obtained by Chartered, but Rhodesians as a whole lacked a reasonable excuse for fresh activity—as was shown by the eagerness with which the market seized on the announcement made at the Rio Tinto meeting that the company had acquired interests in Minerals Separation and Rhodesian Congo Borders. The meeting, incidentally, induced more justifiable strength in the shares of the company itself. After last week's losses the price of tin on the Metal Exchange took an upward turn, which was fully reflected in the share market, but a reaction occurred on Thursday.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The share market is advancing, with an increased volume of trading and prices within 4 or 5 points of their recent peak. The amount of public interest is shown by a reversal of the four weeks' downward trend of brokers' loans, which are up $67 million this week. The rising demand of the stock market for money and early preparations for the end-of-the-month settlement created a temporary shortage of call funds, which rose to 12 per cent.

for the second time this month, but the effect on stock traders was only mild. Copper shares are doing a trifle better in the belief that efforts are being made to stabilise the metal price. High earnings for the first quarter are helping oil, steel and motor shares. The bond market is gradually improving on the ground that the long-term money outlook is better. There is concern in the best quarters over Reparations, but stock traders are indifferent on the theory that easier money may come if a breakdown occurs.

	Apl. 18.	Apr. 25.	Rise or Fall.		Apl. 18.	Apr. 25.	Rise or Fall.
4½% Ldn. Ln. '33–8	99⅜	99⅜	...	U.S. Steel	185	185	...
3½% Trs.Bs.'46–56	101⅛	102⅛	+ ⅛	General Motors	84⅛	85⅛	+ ⅛
Ach., Top. San. Fé	198⅛	200	+ 1⅛	Amer. Tel. & Tel.	222	229⅜	+ 7⅜
N. York Central	183⅜	185	+ 1⅜	General Electric	240	239	− 1
Union Pacific	214⅜	217	+ 2⅜	Victor Talking	170	170	...
Pennsylvania	76⅛	81⅛	+ 5⅛	Std. Oil of N.J.	59⅞	57⅞	− 2⅛
South. Railway	143⅛	142⅛	− ⅛	Anaconda	140⅛	140⅜	+ ⅛

By courtesy of the Standard Statistics Company, Inc., of New York, and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926 = 100):—

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	Apr. 11.	Apr. 18.
342 Industrials	104·7	137·1	132·5	186·4	191·1	191·0	194·6
33 Rails	106·1	128·0	120·5	139·7	140·9	137·8	137·7
35 Utilities	103·3	128·3	128·3	180·6	184·6	198·1	201·1
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	184·4	187·3
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·29%	3·23%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Highest of 1929. Mar. 16.)	Lowest of 1929. (Feb. 16.)	Apr. 17.	Apr. 18.	Apr. 19.	Apr. 20.	Apr. 22.	Apr. 23.	Apr. 24.
223·5	201·8	216·5	217·1	216·9	217·4	218·8	220·0	219·0

PARIS.

Although certain French securities have a book value greater than their market value, the Bourse is wholly without business. One notable reason for this state of affairs is the scantiness of available funds, due, in part, to the realisations that have been effected for some months past by foreign holders, and the withdrawal of foreign money that has followed. The corresponding reduction of the fiduciary circulation and of the bill holdings of the Banque de France, as well as the advance in the market rate of discount, are the outward indications of the position. On the other hand, it is thought in financial circles that the disappointment caused by the crisis at the Reparations Conference might perhaps bring funds back from Berlin to Paris. In spite of the slight volume of business, the market has kept up well. Rio Tinto, Péchiney, Société Générale, and Peugeot have been particularly firm.

	Apl. 18.	Apr. 25.	Rise or Fall.		Apl. 18.	Apr. 25.	Rise or Fall.
3% Perp. Rentes	74·10	74·00	−0·10	Mines de Lens	1,439	1,362	− 77
5% Rentes, '15–16	99·90	99·80	−0·10	Courrières	1,657	1,600	− 57
5% Rentes, 1920	119·55	119·35	−0·20	Pechiney	3,575	3,670	+ 95
Banq. de France	25,900	25,550	− 350	Kuhlmann	1,184	1,175	− 9
Banq. de Paris	3,500	3,340	− 160	Com. Gen. Trans.	1,354	1,291	− 63
Crédit Lyonnais	3,150	3,100	− 50	Suez Canal	25,890	25,650	− 240
Nord	2,615	2,550	− 65	Assur. Gen. Vie	14,650	14,525	− 125
Com. Gen. d'Elec.	3,750	3,610	− 140	Denain et Anzin	3,375	3,160	− 215
Littoral Médit.	1,400	1,365	− 35	Dollfus. Mieg.	12,350	12,700	+ 350

BERLIN.

The crisis in Paris caused a heavy fall in values. Foreign (in particular, Belgian) buying orders led to a partial recovery on the 20th, which was helped by easier money, many weak holders having by then been forced out. The new week began with fresh selling; Farbenindustrie, for instance, fell to its lowest price of the year. Further weakness was seen on Tuesday, but some recovery followed. On Wednesday there was a decline once again, but the following day, the advance in the Bank rate to 7½ per cent. having been discounted, a general recovery took place, led by Polyphon.

	Apl. 18.	Apr. 25.	Rise or Fall.		Apl. 18.	Apr. 25.	Rise or Fall.
Reichsbank	319·00	302·50	−16·50	Verein. Stahlke	92·25	90·50	− 1·75
Deutsche Bank	169·00	163·25	− 5·75	Mannes Rohrke	121·00	113·00	− 8·00
Disconto Bank	160·25	155·50	− 4·75	Allgemne. Elekt.	177·25	164·50	−12·75
Hamburg-Amer.	123·63	117·25	− 6·38	Siemns. & Halske	397·75	369·25	−28·50
Norddeut.-Lloyd	115·75	111·75	− 4·00	Daimler Benz.	60·75	57·00	− 3·75
I.G. Farbeninds.	250·00	239·00	−11·00	Cont. Caoutchuc	169·25	162·75	− 6·50
Verein. Glanzstff.	464·00	426·00	−38·00	Salzdetfurt. Kali	386·00	364·50	−21·50
Bemberg	364·00	330·25	−33·75				

AMSTERDAM.

Business in the share market has improved, though the tendency is still irregular. The check in the Reparations conversations appeared to have no influence, and among industrials in particular there was more animation. Margarine Union was active and strong, but artificial silks were dull on the disappointing figures of the Italo Olandes Enka. The report of a Government subsidy to the Dutch beet sugar industry caused a fall in the Central Sugar Co., but other sugar shares were steady. Tobaccos were firm, but shipping shares irregular, and rubbers easier. Oils recovered only scanty attention. The money market remained steady.

	Apl. 18.	Apr. 25.	Rise or Fall.		Apl. 16.	Apr. 25.	Rise or Fall.
5% Bds. Neth., '18	100⅜	101⅛	+ ⅛	Serbadjadi Sm.R.	187⅜	193	+ 5⅜
4½% Ams. 1913–14	97⅛	97⅛	− ⅛	Holl. Amer. Line	68	65½	− 2½
Margarine Unie	414⅜	419½	+ 5⅛	Navig. Co., Ned.	207	204½	− 2½
Neth. Art. Silk	371½	348	− 23½	Vorstenlanden	160½	162½	+ 2
Philips El. Lamp.	889½	885⅛	− 3⅜	Trading Co., Ams.	620	639½	+ 19½
Singkep Tin	304	291	− 13	Besoeki	514	510	− 4
Royal Dutch	397	393½	− 3½	Deli	408½	417½	+ 9
Amst. Rubber	248	255½	+ 7½	Neth. Trad. Soc.	186	181½	− 4½

INVESTMENT NOTES.

Foreign Borrowing Morality.—To a disinterested reader (if any there be) of the annual reports of the Corporation of Foreign Bondholders, comparison is inevitably suggested with the bankruptcy returns of the "London Gazette." Both are highly necessary and salutary public documents, but both induce sombre philosophic reflection by their concentration within so few printed pages of so large a store of evidence of human nature's "seamy side." The fifty-fifth report of the Corporation*, covering the year 1928, however (the price of which it has been necessary to raise to meet a considerably enlarged cost of production), has a rather more cheerful story to tell than many of its predecessors. Such Latin-American republics as Colombia, Costa Rica, Honduras, Nicaragua, Paraguay, Salvador, Uruguay and Venezuela have continued to carry out their various engagements to their foreign creditors "with exactitude." Ecuador has completed the redemption of certain bonds, paid arrear coupons on others, and brought up-to-date the interest on her Salt Bonds. The Bulgarian agreement of 1927 is working smoothly, tangible progress has been made as regards the Hungarian "Iron Gates" Loan, and though several Chinese issues remain in default, the outlook has become more hopeful with the establishment of a central Government of some apparent stability. The report suggests, indeed, that "I will not" is a much more formidable enemy of the investor than "I cannot," so far as foreign Government obligations are concerned. The whole history of the Corporation of Foreign Bondholders shows that the securities of a State which has got into difficulties can be made remunerative to their holders, sooner or later, given goodwill on one side and tactful handling on the other. The most costly shipwrecks occur when the vessel is deliberately steered for the rocks—in other words, when borrowers default "from malice aforethought," and, whatever their circumstances, have no intention of meeting their engagements. Here the analogy with the Bankruptcy Court breaks down, since no method has yet been discovered of putting brokers' men into Russia, or certain Southern States of the American Union, which continue flatly to repudiate their debts, or of distraining on the Government of Mexico, which continues to retain the profits of the Mexican National Packing Company, flatly ignoring the claims of the bondholders. That moral suasion, however, has wider powers than the sceptical are wont to admit is evidenced by the case of Turkey, which at one time seemed likely permanently to be numbered among the deliberate defaulters. After years of negotiation and a series of last-moment hitches, an agreement has now been ratified, a first payment made (subsequent to the completion of this year's report), and the "state of uncertainty for the bondholders," on which the report dwells, brought to an end.

Railway Rates and Charges.—The railways of Great Britain have intimated to the Railway Rates Tribunal that it is not their intention to put forward any proposals for a general increase of charges at the present time.

* Obtainable from the Corporation's Offices at 17, Moorgate, London, E.C.2. Price 7s. 6d., by post 8s.

They expressly state that this decision is based purely on considerations of expediency. They are doubtful whether an increase would result in any material improvement of their financial position, but they are not to be regarded as being in any way precluded from bringing forward proposals for increases whenever circumstances, in their view, justify such a course. It may be recalled that, under Section 59 of the Railways Act of 1921, the Rates Tribunal was required to meet next month, and that any adjustments in charges which it regarded as necessary to produce the " standard revenue " on each system would ordinarily have come into force next July. Only the Southern Railway came within sight of earning its standard revenue last year, the actual revenue of the North-Eastern being 23.7 per cent., of the Midland and Scottish 20.0 per cent., and of the Great Western 15.1 per cent. below the datum level. The fact that the basic conception of the 1921 Railways Act has thus broken down, for the time being at least, after a single year's trial, confirms the view of numerous economists that, railway charges being necessarily calculated by reference to " what the traffic can bear," the standard revenue machinery is, by its nature, likely to be a more powerful instrument when charges are to be lowered than when it is desired to raise them. For the present, therefore, the railways are required to work out their own salvation, and in view of the state of public opinion and the keen and continuing competition of other transport agencies, their decision is a wise one. In the meantime, the proceedings of the Rates Tribunal will be watched with interest, since the making of adjustments to produce the standard revenue is, under the strict provisions of the Act, not merely permissive but a *duty* (subject to certain qualifications) definitely laid upon the Tribunal.

General Electric Issue Abandoned.—The City received with general satisfaction the announcement from Sir Hugo Hirst that it had been decided not to proceed with the issue of General Electric ordinary shares on bonus terms to British shareholders only. This is the happy result of the negotiations between Sir Hugo Hirst and Messrs Thomas L. Chadbourne and Herbert Bayard Swope, the representatives of the Protective Committee for American stockholders. These gentlemen remark: " the plan was tried and found wanting in the forum of British public opinion." The compromise suggested by Sir Hugo Hirst of issuing the new shares on bonus terms to all stockholders, but requiring foreign stockholders to sell their rights, equally failed to meet the main objection, which was that the proposed issue would deprive a certain class of stockholders of a valuable property right. In the circular which the American representatives have issued there is, however, the suggestion that this property right was the right of all stockholders to retain their proportionate interest in the company. No such right, of course, exists. Any company can issue shares to other than its own shareholders, either for the purpose of acquiring new businesses or for the purpose of raising new money. There is no divine right of shareholders in this respect. Some observers have even professed to read into this statement an indication that the American interests, after all, had somewhere at the back of their minds, when they purchased the shares, the possibility of effecting a merger between the General Electric and the American General Electric combine. Sir Hugo Hirst in his statement excuses his abandonment of the scheme on grounds of public policy. His proposal, he said, had become " the subject of an acute controversy on a stage much wider than that of the company itself." As he felt that the question of maintaining British control of British companies must receive consideration from eminent financial and economic authorities, he withdrew the proposed issue of General Electric shares to British shareholders, to enable that study " to take place in a clear and calm atmosphere." Sir Hugo is to be congratulated on his good sense and the British, Foreign and Colonial Corporation on their wisdom in allowing the General Electric to break the contract which they had made for the issue.

United Steel Scheme.—The directors' circular regarding the offer of the Austin Friars Trust to purchase the debenture and share capital of the United Steel Companies, confirms the terms discussed in these columns last week (see the *Economist*, April 20, 1929, page 862), but does little to simplify the task of individual debenture and shareholders, who must make their choice, one way or the other, before the end of this month. They may find it advisable to disentangle the broad issues involved in the proposals from the mass of perplexing detail which tends to obscure them. In the first place, the security holders concerned are offered hard cash, here and now, for rights which, in the ordinary course, can be expected to become remunerative only at some uncertain future date. They are aware, further, that the price offered exceeds that which any single holder would obtain by selling his rights on the Stock Exchange, and greatly exceeds that obtainable if *all* holders endeavoured simultaneously to adopt such an expedient. On the other hand, they labour, one and all, from the holder of " A " debentures to the ordinary shareholder, under the indubitable disadvantage of not knowing, even approximately, the real value of the rights they are parting with—in other words, the future earning power of the company. They are, in fact, in the position of a motor car owner without specialised engineering knowledge, in receipt of a cash offer from a dealer for a machine which has steadily refused to function, but is doubtless capable of useful service once necessary repairs have been effected. They know that the company, in its last complete financial year, failed by £147,430 to earn the total required for the service of its debentures and obligations and the guarantee on the United Strip preference shares; that £938,597 has been withdrawn from reserves in three years; that arrears of dividend on the 6 per cent. cumulative preference shares amount to £553,357; that at the date of the last balance sheet (June 30, 1928) there were mortgages and secured loans of £362,501, a bank overdraft of £548,838, and an amount payable out of future net earnings, under a scheme of arrangement, of £144,611; that depreciation has fallen into arrears; that the company had last year contingent liabilities for the uncalled capital of associated companies, and for indemnities, of £1,185,966; and that various assets have been pawned with the company's bankers. Debenture and shareholders do not know, however, the separate financial position of each and every subsidiary, the extent to which reserves set aside in past years against the losses of subsidiaries have been adequate, the total indebtedness of the whole United Steel combine (including both parent and subsidiary companies), the actual earnings of the combine during the last ten months, the degree to which the new policy adopted last year of securing closer co-ordination between the company's branches may bear fruit in the future rather than the present, the intrinsic earning potentialities of the company freed from the deadweight of its debts and thoroughly " rationalised," or the identity of

OTIS & CO.
Established 1899

Underwriters of Stocks and Bonds

Cleveland New York
Chicago Philadelphia

Members New York Stock Exchange

the interests into which control of the company's fortunes will pass (i.e., the " others," who are associated with the Austin Friars Trust in its present offer). In the circumstances, security holders must perforce rely on the indirect evidence afforded, firstly, by the intention of the directors (who presumably have all the relevant and up-to-date facts at their disposal), to accept the offer as regards the whole of their very large holding; secondly, by the recommendations for acceptance made by the trustees for the " A " debentures and the " B " and " C " debenture stocks; and, thirdly, by the endorsement of these views by an unofficial committee of holders of " A " debentures and United Strip preference shares, who had an opportunity, some time ago, of going fully into the position of the company and have subsequently been kept fully informed. Whether present holders, having accepted the offer, decide to exercise the 30-day option given them of reinvesting in shares, at par, of the new or reconstructed company, will largely depend on individual judgments of the prospects of the company and the iron and steel trades generally. Were all to follow such a course, the respective shares of present holders in the equity of the new company (presuming the £8,000,000 ordinary share capitalisation forecast in the chairman's letter of April 16th) would be: Holders of " A " debentures, 1.56 per cent. of total profits (plus £60 cash per £100 nominal now held); of " B " debenture stock, 1.87 per cent. of profits (plus £65 cash per £100 nominal); of " C " debenture stock, 0.62 per cent. (and £87 10s. cash); of obligations, 6.35 per cent.; of 6 per cent. cumulative preference shares, 5.49 per cent.; of ordinary shares, 20.02 per cent.; and of United Strip preference, 7.03 per cent. Existing share and debenture holders would thus own £3,435,992, or 42.95 per cent. of the issued capital of the new company, the balance—together with the control of the company's affairs—being, presumably, held by the interests making the present offer.

Baldwins.—Seeing that the scheme of arrangement, though applying as from January 1, 1928, was not actually sanctioned until last July, the accounts of Baldwins for the year ended December 31st last cannot be taken as wholly representative of conditions under the new régime. The expenses of reorganisation and of the £1,000,000 debenture issue last autumn (which amounted to £57,277) have been written off partly out of profits of subsidiary companies merged and partly from the profit on realisation of investments and other credit balances, but the various transactions affecting the status of subsidiary companies cannot have been carried through till near the end of the last financial year. The economies and advantages that it was hoped to gain will not, consequently, become apparent until the current year.

	Year ended June 30, 1927.	Six months ended Dec. 31, 1927.	Year ended Dec. 31, 1928.
	£	£	£
Profit	120,009	121,278	220,107
Depreciation	nil	nil	79,131
Special expenditure at works and mines	24,873	3,908	12,251
Income tax	...	...	9,160
Directors' fees	*	*	3,828
Debenture and loan interest	225,107†	124,847†	112,338
To general reserve	56,221	...	...
Increase or decrease in carry-forward	—186192	— 7,477	+ 3,399

* Not separately stated. † Including sinking fund payments.

The balance sheet embodies the results of the scheme of arrangement, by which, it will be remembered, at least £4,273,852 fell to be written off the book values of assets, a figure set off to the extent of £684,820 by reserves. On a later page we print summaries of both the old and the new balance sheets. The latter, which is lucidly drawn up on the lines laid down in the 1928 Companies Act, shows that apart from an " intangible asset " of £34,968, representing discount on the recent debenture issue, gross assets total £6,646,820, a reduction of £3,629,966. Fixed assets are £3,487,864, including only £179,311 for investments in subsidiaries, and floating assets £3,208,456, including £666,161 in cash and Government securities and £752,401 in other investments and loans. Thanks to the raising of new money which the reconstruction made possible, there appears at last to be abundance of working capital. Unlike other reconstructed companies, Baldwins has not come out with a lightened load of debentures. Of a total share and loan capital of £6,022,574, debenture stock accounts for as much as 36¾ per cent., income debenture stock and income notes for 26¾ per cent., and shares (preference and ordinary) for only 36¼ per cent. The service of the mortgage and " A " debenture stock will require some £138,000 in a full year, increased to £160,000 after 1932 by the commencement of sinking funds. An annual sum of £114,651 has to be set aside, when available, for the income debenture holders, and interest on the income notes, which were issued in part satisfaction of bank loans and are redeemable over a period of 10 years commencing in 1933, will take over £22,000. Before the preference shareholders can receive anything, therefore, Baldwins must be earning some £275,000 a year, a figure for which, after 1932, £337,000 must be substituted. As £115,000 was earned in 1928 before deduction of interest charges, the gap is not too large for a progressive company to bridge, given the possibility of reasonably remunerative operating conditions for British collieries and steelworks in the future. It is significant that the 6 per cent. debenture stock, issued six months ago at 96½ and oversubscribed, is now being dealt in at 99½.

Union Bank of Scotland.—For the seventh year in succession the Union Bank of Scotland is distributing an 18 per cent. dividend on its paid-up capital. Its profit for the year ended the 2nd of this month showed an increase of 2 per cent. over that of the previous year, which was itself a high record. The " rest " account stands at £1,500,000, or half as much again as the paid-up capital, and over £100,000 is carried forward.

(Years ending April 2).	1927.	1928.	1929
	£	£	£
Profit	317,750	329,505	336,239
Bank offices	35,000	35,000	35,000
Heritable property yielding rent	35,000	35,000	35,000
Rest account	50,000	50,000	50,000
Earned per share	31/9	32/11	33/7
Paid per share, less tax	18/-	18/-	18/-
Amount of dividend	180,000	180,000	180,000
Pensions and allowances fund	25,000	25,000	25,000
Increase or decrease in carry-forward	— 7,250	+ 4,505	+11,239

The balance sheet discloses moderate but general expansion, suggestive of gradually improving business conditions. Advances have risen from £8,452,119 to £10,098,247, and though deposits have also increased, the ratio of advances to deposits is greater. Acceptances have nearly doubled—£1,221,092 against £685,863. A contraction in the holding of British Government securities from £7,301,131 to £6,079,754 obviously reflects a higher Bank rate, and is balanced by a large increase in money at call and short notice and lesser falls in discounts and short-period loans on securities. The total of gross assets has risen from £31,945,166 to £33,802,970. The present Glasgow price of the shares (£5, £1 paid) is 84, yielding £4 14s. 9d. per cent., allowing for accrued dividend.

Dunlop Rubber Set-back.—A year ago Sir Eric Geddes stated at the general meeting that he welcomed the abolition of the rubber restriction scheme, and hoped that it would never be resuscitated, but protested against its abolition at short notice. The Dunlop report for 1928 is a commentary on this pronouncement. It refers to the losses suffered by the company in the following terms:— " The abrupt removal of restriction caused an immediate drop in the price of crude rubber, which affected your plantation profits and necessitated writing down the value of stocks. Further, the selling prices of finished goods were reduced in sympathy with the market price of the commodity before the actual price paid by manufacturers

had reached a similar level." The directors regard the circumstances as exceptional enough to justify their crediting the trading account with £1,500,000 from general reserve—a sum less, however, than the actual losses incurred. During the period of restriction considerable sums had been placed out of profits to reserve to meet such a contingency. The reserve account, before allocating £1,500,000, stood at £4,529,711, made up of £2,181,738 appropriations of profits and £2,347,973 premiums on issues; it now stands at £3,029,711. The losses suffered in 1928 are shown in the following table, with figures for earlier years:—

	1926 £	1927 £	1928 £
Issued ordinary capital	6,779,653	6,817,412	7,784,348
Profits	2,808,919	2,953,424	1,359,894
Dividend on Dunlop Cotton Mills (Ord.) Dunlop Rubber (India)	97,500	159,473	309,750
	2,711,419	2,793,951	1,050,144
Transfer from reserve	...	...	1,500,000
Less debenture interest	407,117	414,448	412,237
Net profits	2,304,301	2,379,503	2,137,907
Preference dividends	375,000	375,000	375,000
Available for ordinary	1,929,301	2,004,503	1,762,907
Earned per cent.	28·45	29·4	3·38*
Paid per cent.	20·00	25·00	20·00
dded to reserve	500,000	386,971	...
Carry forward	665,456	578,580	801,278

*Excluding transfer from reserve.

Discussion will inevitably centre not so much on the directors' decision to use up £1,500,000 of the reserve fund for the purpose for which it was partly created, as on the decision to pay out dividends of 20 per cent. when, in fact, only 3.38 per cent. was earned. The directors may have been influenced by the fact that in May last year the company issued new 6s. 8d. ordinary shares to shareholders at 25s.—a premium of 18s. 4d.—in the proportion of one new share for every ten existing. The only justification for their present generosity is the assurance that the company in 1929 will show greatly increased profits. On this point the directors' report provides some encouragement. The volume of business at home and abroad is said to be maintained satisfactorily. To meet the rapidly growing demand for giant pneumatic tyres considerable additional plant is being provided, and greater use is being made of the Macintosh group of factories. The rubber plantations have been maintained in the highest state of efficiency. There is reason to think that the American company will be profitable in 1929, and, finally, the acquisition of the interests of the Tyre Investment Trust, Limited, in the Dunlop Rubber Company (Far East), Limited, and its subsidiary companies, and in the Dunlop Tire and Rubber Goods Company, Limited, Canada, is regarded by the board as a most important step. Final judgment of the wisdom of the directors' dividend policy may be deferred until Sir Eric Geddes' speech on May 3rd, but it is satisfactory to know that the balance sheet shows considerable strength. The current assets less current liabilities amount to £5,145,795, of which £2,649,352 is in cash.

Holland-America Line.—The report for 1928 of this important Dutch shipping concern is disappointing, largely owing to the effects of the freight-war, which lasted from January to October, on the American routes. Negotiations are in progress with the Hamburg and Bremen lines for a pool agreement in the North Atlantic trade, but no definite result has yet been achieved. Recent results are set out below:—

(In thousand guilders.)

	1926.	1927.	1928.
Operating profit	7,151	6,723	4,360
Gross profits	7,463	6,760	4,411
Depreciation	5,390	4,871	4,820
Interest	1,841	1,276	1,453
Net profit	118	614	— 1,984*

* Net loss.

No dividend is being paid in respect of 1928. The capital of the company is 25 million guilders, and the reserve 26 million guilders. The company owns 32 ships, originally costing 117,161,000 guilders, from which depreciation amounting to 69,571,000 guilders has been written off. The report induced a reaction on the Bourse, the shares, which touched 89¾ last year, standing at 65¼ to-day.

Pennsylvania Railroad.—The Pennsylvania Railroad Co. may be congratulated on having more than offset a fall of $14,300,000 in operating revenues by a reduction of $30,500,000, or practically 6 per cent., in operating expenses. The operating ratio, in fact, has been steadily cut down from 87.6 per cent. in 1921 to 73.8 per cent. Net income in 1928 was, therefore, some $14,347,317 greater than in 1927, and established a new high "record."

Years ended December 31.	1926. $	1927. $	1928. $
Total operating revenues	709,817,449	664,851,023	650,567,316
Investment and other income	39,890,036	43,236,996	44,535,658
Total operating expenses	550,360,578	510,668,662	480,171,634
Taxes	37,110,193	35,709,749	37,846,357
Equipment, joint facility rents, etc.	15,913,921	14,495,309	15,251,639
Rental of leased lines, interest on funded debt, and other charges	78,754,835	79,054,003	79,325,731
Net income	67,567,959	68,160,296	82,507,613
On capital stock { earned	13·53%	13·65%	14·69%
On capital stock { paid	6½%	7%	7%
Credited to profit and loss account	30,270,966	28,046,355	38,950,928

During the past year funded debt and other fixed obligations were retired to the amount of $33,358,984, and approximately $46,000,000 was expended on track improvements and equipment, apart from expenditure by leased and affiliated lines. A combined 48-hour rail-air route is to be opened this summer between New York and Pacific Coast cities. As for the co-ordination of rail and bus lines, a development of special interest in its bearing on our own transport problems is the inauguration of a Pennsylvania service at less than ordinary car-load freight through the use of portable steel containers carried on either specially equipped railroad cars or on motor trucks. Last year $62,500,000 of capital stock was issued to holders at $50 per share, and a further $17,500,000 to employees on the same terms. The price of $50 Pennsylvania shares in New York has advanced sharply to 81, as a result of a rise in the quarterly dividend from 75c. to $1, the passing of a resolution to increase the authorised capital stock by $100,000,000 to $700,000,000, and a proposal to offer 5,800,000 out of 10,000,000 no par common shares in a new holding company to stockholders at $15 per share, in the ratio of one share for two.

Margarine Union.—The report of Margarine Union for the first financial period of the company's existence, from November 14, 1927, to December 31, 1928, not only shows the soundness of the results which the great margarine combine has been able to achieve, but is a pattern of lucid exposition. The association by agreement between Margarine Union and the Rotterdam company, Margarine Unie, being so close that shareholders in either are equally interested in the affairs of both, the report deals with the combined position of the two, and includes the two separate balance sheets, which will be found summarised on page 954, as well as a consolidated one. Out of the combined profits, amounting to £1,666,849, the whole of the preliminary expenses of both companies are being written off, £62,335 is transferred to the general reserve of the Dutch company, and a 10 per cent. dividend is paid on the ordinary shares of both.

	Margarine Union. £	Margarine Unie. £	Total. (Two Co's.) £
Net profits, after tax	378,898	1,287,951	1,666,849
Cumulative preferred dividend	67,292	75,833	143,125
Number of times covered	*5·6*	*16·9*	*11·6*
Ordinary { *earned*	*17·1%*	*16·7%*	*16·9%*
Ordinary { paid	10%	10%	10%
Ordinary { amount	181,175	721,785	902,960
Written off preliminary expenses	103,545	375,585	479,130
To general reserve	...	62,335	62,335
Carry-forward	26,887	52,413	79,300

An explanation for each item in the balance sheet is supplied wherever necessary. Indebtedness to creditors, for instance, amounting in the consolidated balance sheet to £3,502,740, has arisen principally through the financing of raw materials for associated companies, but it is stated to have been reduced since the end of the year by the recent issue of £3,455,022 ordinary share capital to shareholders in both companies at 50 per cent. premium. Whether the issue was made entirely for this purpose is not yet clear. Subsequent to the date of the accounts, therefore, the combined issued capital has been increased to £14,851,753, and the combined general reserves raised to £4,147,043 by the premiums received. The nucleus of these reserves was the difference between the nominal value of those ordinary shares which were issued during 1928 in exchange for the remainder, not till then acquired, of the ordinary shares of Van den Berghs, Jurgens, and Van den Berghs Fabrieken, and the value at which they were taken for the exchange, which was their approximate market value at the time. The investments in associated companies are now principally composed of holdings to the nominal value of £187,148 in Van den Berghs, of fl. 41,765,160 in Jurgens, and of fl. 20,991,400 in Van den Berghs Fabrieken. The whole item stands in the consolidated balance sheet at £13,828,180 (of which £7,767,013 is described as "acquired by purchase" and £6,061,167 as "acquired in exchange"), out of a total of £17,957,108 for gross assets. Selling by those who expected the report to be even better than it was, and who were shaken by certain observations on the general situation in the reports of the controlled companies, caused Margarine Union shares to drop 2s. 9d. to 81s. 9d., and Margarine Unie 2s. 6d. to 82s. 9d.

Polyphone A.G.—The Polyphone A.G., of Leipzig, a block of whose shares was introduced on the London Stock Exchange last year, has raised its dividend from 14 to 20 per cent., in accordance with anticipation. The new dividend is payable on 12½ million marks of capital, as compared with 10 million marks in 1927. The remainder of the new capital, 4½ million marks, will carry a dividend in respect of 1929. Gross profits last year were 6,502,000 marks, as against 4,644,000 marks in 1927. Administration expenses and taxes rose from 2.4 to 3.14 million marks; and 226,000 marks was written off, a small increase upon the preceding year.

(Millions of marks.)

	1926.	1927.	1928.
Net profit	0·797	2·046	3·176
Dividend	9%	14%	20%
Amount of dividend	0·72	1·4	2·5

The balance sheet shows greatly increased liquidity. The bank credit balance, mainly as outcome of the capital increases, is 12,075,000 marks, against 180,000 marks in the preceding year. Debtors have risen from 6.2 million marks to 11.03 million, but, whilst in the former case 5.08 million marks represented debts due by subsidiary companies, mainly for wares supplies, in the new account only 4.69 million marks (a much smaller proportion of the debts due to the company) comes under this category. On the liabilities side, creditors declined slightly, from 3.857 to 3.748 million marks. The reserve fund is 9.64 million marks. No figures of turnover are given, but it is clear that the company's operations showed considerable expansion. A further growth of business is anticipated this year.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following meetings:—Union Bank of Scotland, London Assurance, Law Union and Rock Insurance, General Accident, Fire and Life Insurance, Legal and General Assurance Society, Army and Navy Co-operative Society, London County Freehold and Leasehold Properties, Consolidated Water Works of Rosario, Anglo-Foreign Newspapers, Apollinaris and Johannis, Rembau Jelei Rubber, Indo-European Telegraph, Hope Brothers, National Mining Corporation, Ooregum Gold Mining of India, Nundydroog Mines, Balaghat Gold Mines, and Rio Tinto. The chairman of the Union Bank of Scotland surveyed the progress of Scottish industry during recent months. The policy to be followed by Anglo-Foreign Newspapers, as regards the acquisition of interests in press undertakings, was outlined by Mr Henry S. Horne. Pessimistic rumours regarding the future of the Ooregum Gold Mining Company were refuted by the chairman.

MINING NOTES.

City Deep.—Our mining correspondent writes:—The experience of investors in this enterprise—whose capital exceeds a million and a quarter—helps to explain the present attitude of the public towards Kaffirs. For a period of fifteen successive years ending 1926 dividends ranging from 12½ per cent. to 50 per cent. were paid. In respect of 1927 the rate dropped to 5 per cent., and last year's operations resulted in a substantial loss. This change in fortune reflects a progressive deterioration in the developments. During 1922 the ore opened up totalled 1,286,100 tons, value 7.8 dwts., nearly 83 per cent. of the tonnage being payable. Last year the payable tonnage developed amounted to only 479,800 tons, value 5.7 dwts., the percentage of payability averaging barely 38 per cent. This, of course, is nobody's fault; it simply represents the risk attaching to mining, even on the Rand. Last year's deficit on working, together with capital expenditure, turned the company's financial position from a surplus of £139,650 into a deficit of £144,900. The progress of events has compelled the company to have recourse to its backers, the Central Mining Corporation and the Rand Mines. On December 31st "loan account" stood at £214,900, and arrangements have been made for further advances up to a total of £350,000, additional capital outlay to the tune of £70,000 being envisaged during the next twelve months or so. For various reasons, too lengthy and too technical for discussion here, the consulting engineers look for better results. Nevertheless, "regular profits cannot be anticipated, whatever the results of new development, before the early part of next year."

St. John del Rey.—*This Brazilian undertaking enjoys* the distinction of being not only one of the oldest—possibly the oldest—gold operating mine in the world, but also one of the deepest. Thanks to improvement in the grade of the ore treated, combined with reduction in cost, last year's earnings increased to an extent which permitted the dividend on the ordinary shares to be raised by 2½ per cent. to 10 per cent. But the most interesting point in the position relates to the new developments, the importance of which was pointed out at the recently held annual meeting. In April, 1928, at horizon 25—the lowest in the mine—an ore body was encountered differing in characteristics from the main lode, large in size but of inferior quality. Further explorations resulted in the discovery of a further ore body resembling the main lode both in appearance and value; this deposit has been laid open for a length of 350 feet. Furthermore, at horizon 22, a high-grade ore body was encountered 6 to 7 feet wide and about 300 feet in length. There is the possibility that either or both of these new discoveries may be found to extend for several levels above the one at which they were intersected. In such event, the del Rey would possess what might, with no great exaggeration, be described as a new mine. Pending additional information, including a geological report, the directors are postponing submission of the scheme which will be necessary for the exploitation of the mine at still greater depth. Meantime the existing ore reserves represent some six years' supply for the mill. The company has investments worth over £200,000.

Consolidated Diamond.—The effects of the large production of alluvial diamonds in the Union continued to be felt last year, though the Consolidated Diamond Mines of South-West Africa suffered in a lesser degree than some other concerns. The dividend was maintained at the reduced level of 10 per cent. paid for 1927, though the net profit came out at £284,000 (after providing £50,000 for diamond tax) in place of £373,800 (after £122,000 tax). The former amount just covers a 10 per cent. distribution; the surplus from the latter was added to the carry-forward. Last year's diamond sales

totalled £1,216,100, or £218,500 less than in the preceding period. By further redemptions the 6½ per cent. debenture issue has been reduced to £1,223,200. Investments at cost, £979,500, show no change. The cash position remains strong. An agreeable feature of operations in 1928 was the location of a "diamondiferous marine terrace" north of the Drange River, similar to those which were discovered south of the river near Alexander Bay early in 1927. The directors observe that these finds "constitute a very valuable addition to the already known diamond deposits of the company." There is reason to believe that substantial returns have been obtained this year to date.

Anglo-French Exploration.—A set-back in more respects than one was experienced last year. The revenue in the shape of dividends as well as the profits on sales of shares declined, the net surplus coming out at £76,300 in place of £115,800. Accordingly the dividend is cut by 2½ per cent. to 10 per cent., the same rate as paid in respect of 1926. Depreciation absorbs the somewhat increased sum of £13,000, leaving £71,900 to be carried forward, as against £66,400 twelve months ago. The directors' frank valuation of the assets gives £827,400, or £207,900 less than on the previous occasion. Presumably the bulk of the difference is accounted for by the depreciation in the company's holdings of Apex Trinidad Oil and Anglo-Burma Tin shares. Even now, however, the market price of the shares works out at some 5s. below their "breaking-up" value.

General Mining.—Those who have followed the progress of events in connection with this company's chief interests will not be surprised at the absence of any final dividend for 1928. In respect of 1926 a total of 17½ per cent was disbursed; 1927, 15 per cent.; and on account of 1928, 5 per cent. interim in December last. Both in 1926 and 1927 the shares were dealt in up to about 2½: indeed, during the latter year a new issue was made at 2. Current price is now below par (£1). This strikingly illustrates the danger of valuing Kaffir finance shares on the basis of one or two prosperous sessions. Last year's profit of £90,300 compares with £325,200 in the preceding period: of the former sum the interim dividend absorbed £63,200. The reduction in earnings was attributable to the adverse conditions which prevailed in the share market, especially during the second half of 1928—conditions which not only entailed the writing-down of certain holdings, but restricted dealings. The balance sheet displays a fairly strong financial position. Cash figures at £293,900 and Government securities £158,500; advances against securities £111,800, advances to mining and other companies £393,100. To what extent the latter can be regarded as "good" is perhaps open to question. Investments stand at £1,049,300. As a whole the assets are stated to represent a surplus of £520,300 over all liabilities, irrespective of the difference between the market and the balance sheet valuations of the shareholdings. In this connection it is, however, necessary to remember that, in the meantime, the quotations of several of the principal interests have fallen sharply. For example, West Rands are now 8s. as against 13s., and Phœnix Oil 13s. 6d. in place of 16s. Prospects can scarcely be viewed in a very cheerful light.

Amalgamated Mining.—The results of this company for the past year offer a striking contrast to those of General Mining. At £196,400 the profit more than doubles that of 1927, and a corresponding advance has been made in the distributions, the final of 2s., with bonus of 1s., making a total of 4s. in place of 2s. Investments, standing in the books at £544,200, are stated to show a further unrealised profit. The company, of course, belongs to the Gold Fields group and has much the same interests as its associates. One of last year's transactions consisted in the realisation "on satisfactory terms" of the American Potash stock formerly held. On the basis of a 20 per cent. dividend total, allowing for the 5s. included in the price, the shares show the exceptionally high yield of 14 per cent.

Anglo-American Corporation Group.—The annual statements of four important Rand subsidiaries are just to hand. In the case of the Brakpan, the treatment of an increased tonnage was counterbalanced by decline in grade; during the concluding portion of the year the company suffered from shortage of native labour. As a result the profits fell off slightly. Some reduction in the ore reserve tonnage, with advance in value, is accounted for by the narrower stoping width upon which the calculations are based. With the Springs Mines, on the other hand, expansion in tonnage was accompanied by a substantial gain in average value, the working profit coming out at £853,850 in place of £727,600. The ore reserve estimate shows the same features as that of the Brakpan. The West Springs crushed an increased tonnage, but a sharp fall in grade brought the working profit down by £83,300 to £260,600, entailing a moderate cut in the dividend rate. A small increase in tonnage and decline in value is indicated by the ore reserves. The consulting engineers intimate that the profits of the current year should approximate to those of 1928. Daggafontein developments were sufficiently encouraging to lead to the decision to start the sinking on an independent shaft. We propose to refer to the results of the different companies more fully next week.

CAPITAL ISSUES.

THE new issue market has shown greater activity this week, the total amount being £3,748,750, making a total for the year to date of £121,812,297, excluding conversions. There was one foreign issue—£1,200,000 6½ per cent. mortgage bonds of the *Agricultural Mortgage Bank of Colombia*, which were offered for sale by Lazard Brothers at 95 per cent., the bonds being repayable at par by 1959. This is a type of security which is deservedly popular in the market. Of commercial issues *Brocklehurst-Whiston Amalgamated* issued 400,000 7 per cent. cumulative preference shares of £1 at par under the auspices of the Industrial Finance and Investment Corporation. The company is an amalgamation of five established businesses engaged in the silk spinning, dyeing and allied trades. Of the purchase price of £876,798, of which £500,000 is payable in ordinary shares, £69,205 represents goodwill. On the average net profits of the last three years the preference dividends are apparently covered about three times. *Olympia, Limited*, issued 400,000 7 per cent. cumulative preference shares of £1 and 400,000 ordinary shares of 5s. at par. The company takes over for £1,000,000, payable half in cash, half being left on mortgage, the well-known exhibition land and buildings in West Kensington, and if the profits of last year of £90,760 be maintained, or exceeded, the dividend on the preference shares, after payment of mortgage interest, will be covered about or over 2½ times. The ordinary shares, though not without attraction, are speculative. Of the ordinary share speculations, *Zinc Manufacturing Company* appealed pre-eminently to the stags. This was an issue of 1,275,000 "A" ordinary shares of 10s. at par, of which 1,000,000 shares have been taken firm. The company is formed under the auspices of the N.C. Metal Company and Stewarts and Lloyds to exploit a new method of extracting zinc by the Coley process. The "A" shares are entitled to 75 per cent. of the profits *Chemical and Wood Industries* issued 725,000 ordinary shares of £1 at par to the public, the vendor receiving 275,000 ordinary shares in full satisfaction of the purchase price. The company acquires a controlling interest of more than 77 per cent. in a wood distillation undertaking and timber concessions in Bosnia, Yugoslavia. No past earnings could be given, but the future profits are liberally estimated at 19 per cent. on the ordinary shares. *National Flying Services* made an issue of £150,000 7 per cent. mortgage debenture stock at 97½ and 2,000,000 ordinary shares of 2s. at par. The board of directors includes Captain F. E. Guest, M.P., the Master of Semphill and Sir Alan Cobham. The company is formed to organise flying clubs and services and provide landing grounds and instruction in flying. The Government will give assistance up to a maximum of £97,000 spread over a period of ten years. The profits can only be guessed, but the Company's activities are worthy of support.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total previously recorded, £100,484,810.
Including conversion total previously recorded, £114,064,030.

National Savings Certificates.
Net sales week ended April 20, 1929, *Dr.* £150,000
Total receipts April 1, 1929, to April 20, 1929, *Dr.* £100,000

Description of Issue and date of openings of Lists.	Nominal Capital.	Conversions or Repayments.	New Money, Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
Olympia, 400,000 7% Cum. Pref. of £1 at par	400,000	...	400,000	50,000	350,000
Do., 400,000 Ord. 5s. at par (Apr. 22)	100,000	...	100,000	50,000	50,000
Chemical and Wood Industries, 725,000 Ord. £1 at par (Apr. 23)	725,000	...	725,000	90,625	634,375
Brocklehurst-Whiston Amalgamated, 400,000 7% Cum. Pref. £1 at par (Apr. 23)	400,000	...	400,000	50,000	350,000
National Flying Services, £150,000 7% 1st Mtge. Debs. at 97½	150,000	...	146,250	7,500	138,750
Do., 2,000,000 Ord. 2s. at par (Apr. 22)	200,000	...	200,000	50,000	150,000
Agricultural Mortgage Bank of Colombia, £1,200,000 6½% Guar. Mt. Bds. red. at par by April 24, 1959, issued at 95% (Ap. 25)	1,200,000	...	1,140,000	120,000	1,020,000
Zinc Manufacturing Co., 1,275,000 "A" Ord. 10s. at par (Apr. 24)	637,500	...	637,500	159,375	478,125
Total week ended Apr. 27, 1929	3,812,500	...	3,748,750	577,500	3,171,250
To Shareholders only.					
Caledonian Insurance, 26,000 Ord. £5 at £14	130,000	...	364,000	26,000	338,000
De Havilland Aircraft, 100,000 Ord. £1 at 23s.	100,000	...	115,000	57,500	57,500
Hunasgeria Tea, 20,111 Ord. £1 at 27s. 6d.	20,111	...	27,653	20,111	7,542
Imperial Chemical Industries, 4,410,595 7% Cum. Pref. £1 at 23s.	4,410,595	...	5,072,184	5,072,184	...
Do., 6,016,857 Ord. £1 at 33s. 6d.	6,016,857	...	10,078,235	10,078,235	...
Scottish Eastern Investment Trust, 200,000 £1 at par	200,000	...	200,000	75,000	125,000
Second Consolidated Trust, 10,000 £10 at £11	100,000	...	110,000	110,000	...
United Molasses, 666,666 £1 Ord. at 50s.	666,666	...	1,666,665	1,666,665	...
Wankie Colliery, 95,000 10s. at 20s.	47,500	...	95,000	95,000	...
Total, week ended April 27, 1929	11,691,729	...	17,728,737	17,200,695	528,042

Total offered for Subscription.— To date—	Including Conversions. £	Excluding Conversions. £
1929	135,391,517	121,812,297
1928	...	184,613,537
1927	...	158,387,171
1926	...	83,636,688
1925	...	56,604,718
1924	...	47,242,119
1923	...	112,484,455

Total offered for Subscription.— Whole year—	Including Conversions. £	Excluding Conversions. £
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,601
1925	...	232,214,500
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,650

[By "Stock Exchange" Introduction.

Name of Company, Description Shares and Date of Advertisement (in brackets).	Amount of Capital Introduced. £	Price at which Dealings Began. £	Total Cash Involved. £
Amount previously recorded	14,966,767	...	22,492,219
S. Symons and Co., 280,000 Shs. 1s. (Apr. 17)	14,000	1/7½	22,750
Splintex Safety Glass (Continental), 160,000 Ord. 5s. (Apr. 3)	40,000	5/–	40,000
British and German Trust, £500,000 5½% Cum. 2nd Pref. (March 6)	500,000	100¼	502,500
Cow and Gate Ltd., 1,500,000 Ord. 1s.	75,000	4/6	337,500
Total, week ended April 27, 1929	629,000	...	902,750
Total to date, 1929	15,595,767	...	23,394,969

Agricultural Mortgage Bank of Colombia.—Issue at 95 of £1,200,000 6½ per cent. guaranteed mortgage bonds, guaranteed by the Republic of Colombia in respect of principal, sinking fund and interest. A cumulative sinking fund, calculated to redeem the whole of the bonds by 1959, will be applied half-yearly in purchase or drawings at par. After 1939 the bank may redeem the whole or part of the bonds at par, or may accelerate the sinking fund. The bonds will be a first charge on all present and future mortgage loans arranged by the Bank, which are granted on freehold urban property and agricultural estates only. Issued capital amounts to £938,340, together with £3,496,500 mortgage bonds.

Grace National Bank
Hanover Square, New York, U. S. A.

Commercial Banking. Execution of orders in New York for European banking correspondents.

Special Representative

148 Leadenhall St. London, E. C. 3.

Chemical and Wood Industries, Limited.—Issue at par of 725,000 (out of 1,000,000) £1 ordinary shares. The company acquires a controlling interest in a wood distillation company established in 1921, and will finance that concern and thus develop and exploit its chemical works and timber concessions in Bosnia, Yugoslavia. The purchase price is £275,000 in shares. About £300,000 will be advanced to the controlled company for repaying bank loans, £230,000 will be set aside for the erection of an artificial silk factory, and, after allowing for the modernising of the sawmill and all other expenses, £77,000 will remain for working capital.

Zinc Manufacturing Company, Limited.—Issue at par of 1,275,000 (out of 1,800,000) 10s. "A" ordinary shares, entitled to three-quarters of the distributed profits, the remainder belonging to 200,000 10s. "B" ordinary shares, which are being allotted to vendors. The company acquires rights to manufacture zinc, zinc oxide, and other zinc products by a patent process, and to sell the same throughout the British Isles and throughout France, Spain, Portugal and their dependencies. The purchase price is £462,500, payable as to £100,000 in cash, £262,500 in "A" shares, and £100,000 in "B" shares. Working capital is stated to be sufficient.

Olympia, Limited.—Issue at par of 400,000 (out of 1,000,000) £1 7 per cent. cumulative preference and 400,000 (out of 2,000,000) 5s. ordinary shares. The company acquires as from January 1, 1929, Olympia and adjoining premises in West Kensington and all the other assets of the present owners, valued (exclusive of goodwill) at £1,634,585, less a £500,000 mortgage. The total purchase price is £1,084,700 (£684,700 in cash and £500,000 left on mortgage as above), together with interest till the date of completion and a payment of £56,675 in cash to the promoter to cover expenses. Profits have been:—1923, £70,816; 1924, £57,285; 1925, £77,830; 1926, £67,007; 1927, £81,940; 1928, £90,760. The promoter subscribes for an additional 400,000 ordinary shares, and receives an option at par on one ordinary share for every further preference share issued within three years. Working capital is stated to be ample.

Brocklehurst-Whiston Amalgamated, Limited.—Issue at par of £400,000 £1 7 per cent. cumulative preference shares. Out of 600,000 £1 ordinary shares, 500,000 are allotted to vendors and 9,993 to the promoter, and 90,000 are being privately subscribed at a premium. The company acquires five businesses of spinners, throwsters, manufacturers, dyers, printers, finishers, and merchants of silk, artificial silk products, and other textiles. Aggregate net value of assets acquired is £886,595. The purchase consideration, including £69,205 for goodwill, is £876,798, to be satisfied by payment of £320,856 in cash and allotment of 500,000 ordinary shares. Profits, before certain charges, have been (to March 31st):—1926, £116,734; 1927, £101,497; 1928, £137,549. Working capital is estimated at £111,000.

National Flying Services, Limited.—Issue of £150,000 7 per cent. first mortgage debenture stock at 97½ and 2,000,000 (out of 3,500,000) 2s. ordinary shares at par. The debenture stock will be secured by a first specific mortgage on all the fixed assets; a sinking fund sufficient to redeem the whole by 1954 will operate from 1934 by purchase or drawings at 102, or the company may redeem after 1934 at 103. The company will organise flying clubs, track flying, provide local and other air services, and meet a demand for flying facilities at aerodromes. A freehold estate in Middlesex, valued at £135,000, is acquired as an air park for the sum of £120,000 in cash. Working capital is estimated at over £175,000. The Government has agreed to grant financial assistance to the company to a maximum of £97,500 spread over 10 years.

Guildford Gas Light and Coke Company.—Offer for sale by tender of £21,500 5 per cent. perpetual debenture stock (minimum price of issue, 91). Issued stock capital amounts to £167,108, and loan capital to £34,300. Net revenue for 1928 was £13,284; interest on the debenture stock, including present issue, will require £2,868. Reserves amount to £26,190. Sales of gas last year exceeded 345 million cubic feet.

Agricultural Credit Corporation, Limited.—Issued capital, 500,000 £1 shares (10s. paid). Issue at par of £250,000 5 per cent. State-guaranteed mortgage bonds (first series), 1944, secured by mortgages on holdings of agricultural land in the Irish Free State, and guaranteed by the Government of Saorstat Eireann.

Particulars of the following have been issued "for information only" with a view to Stock Exchange introductions: **Cow and Gate, Limited**; issued capital, 200,000 £1 7½ per cent. cumulative participating preference and 1,500,000 1s. ordinary shares, the former entitled to a further ½ per cent. for every 2½

per cent. above 10 per cent. paid on the latter, to a maximum of a further 2½ per cent.; incorporated in 1909 as dairymen, provision dealers and manufacturers. **Leeds and Wakefield Breweries, Limited;** issued capital 75,000 £1 6 per cent. cumulative preference, 125,000 £1 8 per cent. preferred ordinary, and 200,000 £1 ordinary shares, together with £300,000 6 per cent. first mortgage debenture stock, £107,613 4 per cent. debenture stock and £33,000 mortgages outstanding; the new first mortgage debenture stock is redeemable at 101½, 1940-65, and a sinking fund will operate by purchase or drawings from 1931; the stock is covered 3½ times by assets, and the interest and sinking fund more than three times by 1928 profits. **Abbots Investment Trust, Limited;** issue of £250,000 4½ per cent. debenture stock, 1979, at 84½, less ½ per cent. brokerage; issued share capital, £500,000 in £1 ordinary shares. **Oil Shares, Incorporated;** issued capital, 181,000 $50 shares of 6 per cent. cumulative preferred stock and 181,000 common shares of no par value; incorporated in 1928 under the laws of the State of Maryland, U.S.A., as an investment company of the management type, to invest in the securities of companies related to the oil industry; net assets at December 31st were $10,600,264, and net earnings to that date were over $1·25 per share of common stock. **Handicrafts, Limited;** issued capital, 600,000 2s. shares, together with 6 per cent. first mortgage registered debentures to secure £25,000, convertible into shares at 2s. premium within 5 years: founded in 1910; suppliers of tools, materials, and accessories for amateur workers in wood, &c. **Beira Works, Limited;** issued capital, 600,000 £1 shares; issue of £1,250,000 7 per cent. registered debentures, 1938-57; incorporated in 1926 to construct and administer docks, harbours, canals, railways, roads, &c., at Beira, Africa. **Kleenglas (1929), Limited;** issued capital, 400,000 5s. ordinary shares; acquires a business, manufacturing a patent machine for cleaning tumblers, at a purchase price of £75,000, including £55,000 in shares; working capital is estimated at £25,000.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Latest Year.	Previous Year.
RAILWAYS.				%	%
Southern San Paulo	...	...	...	15	...
BANKS.					
Bank of Montreal	3%*	June 1	Quarterly	...	...
British Bk. of S. America	...	May 3	...	10	10
Canadian Bk. of Commerce	3%*	June 1	Quarterly	...	...
National of Australasia	5%*	...	...	...	...
Union Bank of Scotland	...	...	...	18	18
INSURANCE.					
Commercial Union	...	...	Less tax	1/0/6	16/6
Dominion	...	...	Less tax	6¼	...
Gresham Fire and Accident	...	...	...	7	7
London Assurance	...	...	Less tax	11/3	...
North British & Mercantile	...	...	...	84	76
South British	6¼%*	Apr. 24	...	...	...
TEA AND RUBBER.					
Allagar Rubber	...	...	...	5	Nil.
British Malay Rub.	...	...	...	4	5
Bukit Badang Rubber	...	...	...	10	7½
Bukit Panjong	...	...	...	4	8
Carnarvon (Selangor) Rubber	...	...	...	5	10
Changkat Salak Rub. (Def.)	12½%†	...	...	15	15
Cluny Rubber	...	...	...	6	8
Dahan Rubber	...	...	...	10	10
Demodera Tea	15%†	...	...	25	25
Ederapolla Tea	...	...	...	10	15
Hidden Streams Rubber	...	...	...	5	12½
Igalkande	...	...	...	5	10
Kapar Para	...	...	...	10	15
Kelani Valley Rubber	...	...	...	15	17½
Kepong Malay	...	...	...	27½	22½
Kirby Rubber	...	...	...	2½	Nil.
Korale Tea	10%*	Apr. 23	...	...	...
Kuala Geh Rub.	...	...	...	10	Nil.
Lanadron Rubber	...	...	...	5	8
Langkat Sumatra Rubber	...	Apr. 27	...	4	5
Ledbury Rubber	...	...	...	10	12
Lok Kawi Rub.	...	...	...	5	15
Lunuva (Ceylon)	10%†	...	...	15	15
Malayala Rub.	...	...	...	7½	5
Mendaris (Sumatra)	...	...	...	5	Nil.
Nagolle (Ceylon)	...	...	...	4	6
Oriental Rubber	...	...	...	4	7½
Parambe of Ceylon	...	...	...	5	7½
Peacock & Nilambe (Ceylon)	5%†	...	...	20	20
Poonmudi	...	May 3	...	5	10
Ragalla Tea	5%†	...	...	20	30
Rani Travancore Rub.	...	...	Less tax	3½	11
Sabrang Rubber	...	...	...	10	4
Selangor River Rub.	...	...	Tax free	7½	5
Sepong Selangor Rub.	...	...	...	3	Nil.
Standard Tea of Ceylon	10%† &	bonus 7½	%	35	40
Straits Rubber	...	...	...	7½	7
Sungei Salak	...	...	...	6	10
Talawakelle	...	...	...	35	35
Tarun (Malay)	...	...	...	5	Nil.
Tenom (Borneo)	...	...	Less tax	2½	3
Woodend	...	...	...	5	11
Yataderia	...	...	...	5	10
Yunnan Rubber	...	...	...	3	Nil.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Latest Year.	Previous Year.
MINING.					
Amalgamated Mining	...	May 16	...	20	10
Aramayo	May 1	...	...	5	...
Globe and Phœnix Gold	...	...	...	60	50
Marmajito	2½%†	...	...	5	5
Rantau Tin	...	May 14	...	6	...
Waihi Gold	20%†	...	Tax free	40	40
OTHER COMPANIES.					
Abdulla and Co.	...	...	...	10	10
Alabama Coal, Iron, Land, &c.	...	...	...	10	10
Alliance Invest. (Def.)	7½%†	...	...	10½	18¾
Alvis Car and Engineering	...	...	...	10	10
Anglo-Celtic Trust	4½%†	...	...	10	Nil
Anglo-Egyptian Oilfields, "B"	...	...	...	7	6
Anglo-Portuguese Telephone	5%†	...	...	22½	17½
Anton Jurgens' Vereenigde Fabricken	...	...	...	8	8
Assoc. Elec. Industries	...	...	...	10	10
Austin Reed	9%†	...	...	6	6
Beaver Trust	...	May 1	Less tax	15	12½
Benger's Food	6½%†	May 10	Less tax	4	3
Bournemouth and Poole Elec.	9%†	...	Tax free	10	10
Bristol Brewery Georges & Co.	1/6 p.s.	...	Less tax	5	2½
Bristol United Breweries	5%*	May 8	...	15	15
Brush Electrical Engineering	...	...	...	...	...
Canadian & For. Invest.	4%*	...	...	...	...
Columbia Graphophone	15%*	May 16	...	10	10
Consolidated Trust	15%† and	d bonus	10%	7	7
Continental Union Gas	...	May 31	Less tax	30	30
Cornwall Power	...	...	...	2†	...
Dalgety and Co.	7%*	...	...	10§	10§
Debenture Securities Invest.	...	...	...	7	8
Dunville and Co.	5%*	May 1	...	...	...
E. Pollard and Co.	7½%†	...	...	9	8‡
Ever Ready	25%†	...	...	...	...
Godfrey Phillips	5%†	...	...	10	10
Goldsmiths & Silversmiths	...	...	...	35	35
Goodlass, Wall and Co.	7½%*	...	...	10	10
Great Northern Telegraph	...	...	...	6	6
Gleves	9%†	...	...	...	...
Halford Cycle	6d. p.s.*	...	Less tax	20	20
Henry Boot and Sons	...	...	Tax free	15	13½
Henry Glave (Def.)	...	...	Less tax	...	...
Horden Collieries	2½%*	May 29	...	7½	...
Horne Brothers	...	...	Less tax	20	20
Houlder Brothers	6%†	...	...	...	...
Hyderabad (Deccan)	2½%†	...	Tax free	5	5
Ingall Parsons Clive	5%*	May 1	...	10	10
International Financial Society	3%*	May 1	...	5	5
International Linotype	4½%†	May 1	...	...	...
J. J. Allen	...	...	...	...	...
Jurgens	...	...	Less tax	7	6½
Kreuger & Toll	...	...	Tax free	15	15
Leeds Fireclay	4%*	May 3	...	7	5
Lewis and Peat	5%†	...	...	25	25
London & Provincial Trust	5%†	...	...	...	...
Margarine Union	6%†	...	...	10	25
Matthew Brown	10*	May 1	Less tax	8	7½
Melbourne City Properties Trust	12½%†	...	...	10	...
North British Canad. Invest.	...	...	...	...	...
Northern Securities Trust	7%†	...	...	18½	18½
Northern Transvaal Lands	...	...	Less tax	5	5
Odhams Press	...	...	...	10	10
Oriental Telegraph	...	...	...	8½	8½
Richmond (Surrey) Elec. Light	8%†	...	...	15	12½
Rio de Janiero City Improve.	7%†	...	Tax free	12	10
Robert Stephenson & Co.	6¼%†	...	...	11	10
Robinson and Pickford	...	...	Tax free	10	10
Rosario Drainage	...	...	...	5	5
Rubber Plantations Invest. Trust	3%*	May 1	Tax free	10	10
Sanderson Brothers & Newbould	10%†	...	...	...	...
Scottish & Can. Gen. Invest.	...	...	...	15	15
Scot. Ontario and Manitoba Land	5%†	...	Less tax	2½	2½
Shanghai Electric Construction	...	...	...	9	8
Singleton and Cole	7½%†	...	Tax free	5	5
Sunbeam Art. Silk	10%†	...	Tax free	12½	12
Surrey Public-House Trust	4%*	...	...	15	15
United Flexible Metallic Tubing	...	...	...	...	...
Van der Berghs	...	...	Less tax	7½	7½
Waldorf Hotel	...	...	Tax free	6	6
Walker (Peter) & R. Cain & Sons	2½%*	May 1	...	50	50
Whiteaway, Laidlaw and Co.	5%*	June 1	...	15	15
William McIlroy	...	...	Tax free	...	...
Wilson's Brewery	12½%†	...	...	10	15
W. M. Cuthbert and Co.	10%† and	d bonus	5%	20	20
Yorkshire Electric Tramways	...	...	...	20	20
	...	...	...	1/10½ps.	...
				6	6

§ Old shares.
‡ For nine months ended March 31, 1929. (a) Tax free.

OIL OUTPUTS.

THE MEXICAN EAGLE OIL.—The production for the week ended April 13, 1929, was 174,000 barrels.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended April 17th:—Venezuela, 37,647 barrels; Trinidad, 13,034 barrels; total, 50,681 barrels.

VENEZUELAN CONSOLIDATED OILFIELDS, LIMITED.—Total production for week ended April 20th, 3,150 barrels (450 tons).

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Production for the week ending Wednesday, April 17, 1929, amounted to 1,080 tons.

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended April 20th was 132,039 metric tons (previous week ended April 13th 129,373 metric tons).

SERVICE PETROLEUM COMPANY.—Production from the company's oil wells at Gura-Oonitzei and Ceptura for the week ending April 21st was 1,567 tons (10,969 barrels).

COMPANY MEETINGS, &c.

LAW UNION AND ROCK INSURANCE COMPANY, LIMITED

"VERY SATISFACTORY" REPORT
BRIGHT BONUS PROSPECTS

The annual general meeting of the Law Union and Rock Insurance Co., Limited, was held on Thursday, the 25th instant, at the offices, Chancery Lane, London, E.C.

Mr Charles G. Hamilton, the chairman of the company, presided.

The secretary (Mr James Stirling) having read the notice convening the meeting and the report of the auditors,

The chairman said: Gentlemen,—The report which the directors have to submit to-day is a very satisfactory one. Dealing first with the fire account, the premium income amounts to £548,502. For several years our fire premium income has shown a steady yearly increase and that this increase has not been earned by underwriting more hazardous risks is proved by the fact that our loss ratio remains fairly constant. In the last six years it has only varied between 39·72 and 43·21 per cent. Concurrently the expense ratio has varied between 38·55 and 41·85 per cent., and this year is 40·4 per cent.

The fire reserves have been increased to £569,400 and £113,172 carried to the profit and loss account.

The "Law Union and Rock" are now issuing new "comprehensive" policies on private dwellings, and the cover provided protects house owners against loss or damage from such additional perils as storm or tempest, burst water pipes, &c.

I feel sure that these new policies will prove attractive and meet a genuine demand on the part of the public. I strongly advise all policyholders to take advantage of the up-to-date cover now offered.

The income of the accident and general account increased by over £40,000 to £258,013. The outgoings amounted to £200,893, and after providing the necessary increase of reserves the sum of £25,600 has been carried to the profit and loss account.

PROFIT AND LOSS ACCOUNT.

The profit and loss account maintains its healthy character. After payment of the dividend, which was increased two years ago, interest on the debenture stock, the transfer of £10,000 to the staff pension fund and £50,000 to the general reserve fund, the balance at the end of the year was £524,931.

The directors recommend the payment of a dividend for the year now current of 12s. per share, less income tax, payable by half-yearly instalments on May 31st and November 30th.

LIFE DEPARTMENT.

Coming now to the life department, the gross amount of new life business completed last year was £3,216,021 and the net amount £1,977,388, as against £2,260,507 and £1,632,510 in the previous year. This is a very substantial increase and is a record for the company both in gross and in net business.

The expense ratio at 14·52 shows a small decrease, which is very satisfactory, especially as in the year an unusually large amount of new business was transacted, for new business in its first year costs a very substantial amount of the first premiums. This remark does not apply to new single premium policies where you receive all the premiums in one year.

The average net rate of interest earned on the life funds was £4 13s. 8d. per cent., an increase of 2s. 9d. per cent.

The life premium income was £809,669.

The claims by death amounted to £461,589, practically the same as in the preceding year on a larger business and lives a year older. The amount expected according to the mortality tables was largely in excess of this sum.

Our total assets now exceed £13,500,000 and our income £2,200,000.

Two years ago I referred to the reduction of our non-profit rates of premium, justified by the general improvement in the rate of mortality. It is only by a reduction of rates that persons effecting non-profit policies can share in benefit resulting from improved mortality.

The holder of a with-profit policy, however, automatically reaps the benefit of improved mortality in the larger bonuses which he receives.

Prospective proposers who are desirous of effecting profit policies at less than the full profit rate of premium are provided for by the minimum premium scheme. Under that scheme a portion of bonus has been discounted and applied to reduce the premiums.

The premiums have been reduced by the surrender, in anticipation, of a bonus of £1 per cent. The resulting premiums are very little more than non-profit premiums and the policies carry the right to share in the profits declared in excess of £1 per cent., a valuable benefit.

A policy of this class should appeal very strongly to those to whom it is important to get the largest possible sum assured for the premium they can afford to pay and still retain bonus rights.

QUINQUENNIUM.

The current year is the final year of the quinquennium, which means that at the end of the year we shall make proper actuarial calculations with a view to ascertaining the amount of profit earned by the life department during the last five years, and apportioning that profit.

During the currency of the present quinquennium, our practice has been to make interim investigations for our own information and guidance. The results of these investigations have been in every respect satisfactory. They reveal throughout

a growing business,
a mortality substantially below the expectation,
a net rate of interest earned of over £4 12s. 0d. per cent.,
while our calculations are based on earning only 3 per cent. net,
an expense ratio which is quite reasonable,
and a large surplus without taking into account a very substantial unrealised appreciation in our investments.

With the latest figures before me, I can confidently say that the prospect of the policyholder receiving a good bonus was never brighter than it is to-day, and a policy in this company is so increasingly attractive that it can be strongly recommended to all prospective assurers.

As regards life current business there are no adverse features.

I have now to move the adoption of the report and accounts.

Mr F. W. Pascoe Rutter seconded the resolution, which was unanimously adopted.

DIVIDEND RESOLUTION.

Mr The Chairman moved: "That in accordance with the recommendation of the directors in their report now adopted, a dividend of 12s. per share, less income tax, be paid to the shareholders for the financial year ending December 31, 1929, the dividend to be payable as usual by half-yearly instalments on May 31st and on the 30th day of November next."

The Rt. Hon. the Earl of Midleton, K.P., seconded the resolution, which was carried unanimously.

The Chairman moved the re-election of the retiring directors, Mr Busick E. Pemberton and Mr F. J. Coverdale.

The Rt. Hon. the Earl of Strafford seconded the motion, which was unanimously approved.

On the motion of Mr F. W. Mills, seconded by Col. A. G. Lucas, C.B., M.V.O., the auditors, Messrs Peat, Marwick, Mitchell and Co., were re-appointed for the current year.

VOTE OF THANKS TO STAFF AND AGENTS.

Mr F. W. Pascoe Rutter, in proposing a vote of thanks to the staff and agents, said: It is my duty, and my very agreeable duty, to propose a vote of thanks to the officials and staff of this company for their work during the past year, and, if I put in the forefront Mr Stirling and Mr Brown, who are obviously mainly responsible for the report and accounts you have had submitted to you by our chairman to-day, they, I know, would wish that they should not be singled out, but would desire that proper recognition—the fullest recognition—should be given to those officials who support them and to the staff who assisted them in their work, because they know perfectly well that whatever efforts they may put forward, those efforts would be in vain without the loyal and earnest co-operation of all the members of the staff.

This is an opportunity for me to say, not only to the officials, but also to the staff, that their work and value is not only dependent

upon the skill and the knowledge which they devote to their different duties, but it is, above all, necessary that those qualities should be assisted by that grit and determination, that loyalty, that whole-heartedness towards the company, which have in the past contributed so much to the success of the company, and which will help them to climb the steps of that difficult ladder which I know so well.

Mr. Philip E. B. Fooks seconded the resolution, which was carried unanimously, and the proceedings terminated with a vote of thanks to the chairman.

THE LONDON ASSURANCE.

PARTICULARLY GOOD LIFE ACCOUNT.

FAVOURABLE QUINQUENNIAL BONUS PROSPECTS.

The annual general court of the London Assurance was held, on the 24th instant, at the office, 1, King William Street, London.

Mr. Colin Frederick Campbell (the Governor), in the course of his speech, said: The accounts do not present any outstanding features; in fact, I might almost say that they indicate a year of quiet and steady work—which, considering the general condition of trade in the country, is in keeping with the prevailing state of affairs. It should be remembered that marine insurance is an important and integral part of our business, so that when this is passing through a difficult period we cannot expect those additions to our reserve funds to which we become accustomed when every branch of our business is producing large profits. I do think, however, that we may be fairly satisfied with the improvement in our marine account.

LIFE ACCOUNT—BONUS PROSPECTS.

The life account submitted is a particularly good one. The fund has increased by £429,000, following on an increase of £352,000 a year ago. The premium income is higher by £115,000, and the rate of interest earned is £5 9s. 8d. per cent. The expenses of management were about the same as a year ago, while the commission paid was rather higher.

The mortality experience continues to be extremely satisfactory, the number of deaths last year being only 63 per cent. of that expected. Three years of the present quinquennial period have now passed, and each one has proved satisfactory, so that the bonus prospects for the end of the current quinquennium are encouraging. There is a noticeable preference now for "with profit" policies owing to these prospects, and for this reason, I think, we have found no great increase in our "without profit" business, in spite of our having reduced the rates two years ago. We are now issuing policies payable by monthly premiums, and it remains to be seen whether any great demand for them will develop. We have also issued a pamphlet on group insurance, a form of insurance which has become increasingly popular in this country, and which, I believe, in the United States has assumed very large proportions.

FIRE DEPARTMENT.

The profit in the fire account is not as large as we have experienced in recent years. This is mainly due to a decline in the income without any corresponding decline in losses; in fact, the latter were about £60,000 higher. The greater part of this increase arose from the home business. The aggregate losses in the United Kingdom in 1928 are reported to have been about £1,500,000 in excess of the total for 1927, and our loss ratio for England and Scotland was the worst for several years. This experience ran side by side with intensified competition and a downward tendency in rates, especially for every form of insurance not governed by tariff.

Business in the United States was similarly affected, and the outlook there is not encouraging. There was a decline in the total wastage by fire, but the average rate of premium is steadily going down and there is a marked increase in competition. In Canada the position is much the same. In the face of such conditions, both in the United States and Canada, expansion is difficult if proper care is exercised in underwriting.

We are so accustomed to good results from the fire department that any reduction in the profit is disappointing, but we have an extensive organisation at home and abroad, and, with any favourable movement in trade, coupled with some lightening of the loss ratio, we should be able to return to the satisfactory average of results obtained in recent years.

The fund remains at £1,650,000 and the additional reserve is increased by about £22,000. We have transferred £117,688 to profit and loss account.

MARINE ACCOUNT.

Turning now to the marine account, it is a matter of considerable satisfaction that no further support has been found necessary by transfer from profit and loss account and that we have been able to maintain the marine fund at £1,000,000. I warned you a year ago not to expect any rapid change for the better in marine business, and I repeat that warning to-day, but, at the same time, I am able to tell you that our 1927 account worked out better than that of 1926, and that our account for 1928, so far as it has gone, is better than that of 1927.

Meetings of the chairmen and general managers of the companies transacting marine insurance business have been held regularly throughout the year, and the underwriters have also met for the purpose of reviewing the field of their operations generally. These meetings have done good without a doubt, though it has not been found possible to formulate any agreements or tariffs of a far-reaching character. I doubt, indeed, if salvation is to be looked for in this direction; nor do I look for it in the curtailment of the facilities afforded to the public.

My belief is that we should give the public the utmost facilities in our power, but at adequate rates, and that we should resolutely refuse to extend the terms of our covers so as to include all sorts of outside risks without increased premiums.

We are ready at all times to collaborate with our neighbours, and we will join with them in maintaining and, when necessary, increasing rates whenever we see there is a chance of such agreements being acceptable to the market as a whole and being loyally adhered to; but, when all is said and done, I rely far more on our underwriter using his own experience and knowledge, and on his refusing to place risks on his books which do not offer the prospect of a fair margin of profit.

The hull agreement has continued to operate throughout the year, but the attempt to obtain a uniform minimum increase of 10 per cent. on everything was found, in practice, to be unworkable.

Our New York account, so ably managed by Messrs. Chubb and Son, has again produced a profitable result, and we congratulate them most heartily on their success.

ACCIDENT BUSINESS.

The accident business, which embraces so many kinds of risks, including employers' liability, burglary and motor insurance, continues to expand. There cannot be much profit in employers' liability insurance, as this business is worked subject to an arrangement made by the tariff offices with the Government. Burglary insurance has shown better results, due to a closer sifting of risks, but recoveries of stolen goods continue to be disappointingly small. The insurance of motor-cars has also produced better results, due largely to a revision of rates on the lighter kinds of cars.

Our Colonial and foreign business has increased, and the results generally were satisfactory.

The profit and loss account and balance sheet require no special explanations. The amounts paid in dividends remain the same, and the balance carried forward is £238,874. The securities held by the corporation continue to be of the same high class as in the past, and their present market value is considerably higher than that at which they stand in the balance sheet.

The report was unanimously adopted and a dividend of 11s. 3d. per share, less income tax, was declared, 5s. 5d. being payable on May 1st and 5s. 10d. on November 1st, 1929.

A further resolution was passed, and will be submitted for confirmation at an extraordinary general Court to be held on the 15th proximo, altering the regulations of the corporation with a view to the payment of interim dividends instead of the dividend payable, as at present, in two instalments.

162 Branches in Finland

CAPITAL AND RESERVES: Fmk.417,000,000.
TOTAL ASSETS (31/12/28): Fmk.2,934,742,000.

KANSALLIS-OSAKE-PANKKI
(National Joint Stock Bank)

HEAD OFFICE: HELSINKI (HELSINGFORS), FINLAND
Established 1889.

THE UNION BANK OF SCOTLAND, LIMITED.

SATISFACTORY YEAR—INCREASED PROFITS.

The annual meeting of shareholders was held, on the 24th instant, in Glasgow, Sir Ludovic J. Grant, Bart., LL.D., chairman for the time being of the board of directors, in the chair.

The Chairman, in submitting the directors' report, having dealt at some length with international affairs, said:—From reports received from all over the country it seems clear that, on the whole, there has been some progress during the past 12 months. Agriculture has rather more than held its own, as crops were good last year and sheep farming has continued to be successful. There is an improvement in dairy farming and the Milk Pool has proved distinctly helpful.

Of fishing, one can say that, although it was a long way behind the good years of pre-war days, 1928 was better than 1927.

The iron and steel trades are still depressed, although there have undoubtedly been more orders and a closer approximation to Continental prices.

Coal mining was greatly assisted by the severe winter at home and on the Continent, and the arrangements made between coal masters, and further economies in working, have helped to improve the financial position. If left alone and free from political interference, no doubt this great and important industry will work out its own salvation.

Textiles have done better, particularly the jute and woollen sections, but, owing to the erratic movement in the price of the raw material, the linen trade is still hard hit.

As regards shipbuilding, much good work has been done on the Clyde, but the margin of profit is still far from satisfactory.

We welcome the Government De-rating scheme, which should be of great assistance to agriculture and the heavy industries.

PROFITS AND ALLOCATIONS.

Turning to our report, you will see that we have had a satisfactory year and that our profits, after making full provision for bad and in any way doubtful debts and for contingencies, show an increase of £6,733. We have again placed £50,000 to reserves, raising the figure to £1,500,000, or £500,000 more than our paid-up capital, and we have once more applied £35,000 in reduction of Bank Offices and a like sum to our other properties. It is very desirable that property designed for the peculiar needs of banking should be written down to a conservative figure and we feel sure you will approve of these allocations.

We recommend that a dividend of 18 per cent. should be paid, the same as last year, and that the usual provision of £25,000 should be made towards the bank's liability for pensions. The balance carried forward to next year has been increased to £100,000.

BALANCE SHEET ITEMS.

Regarding our balance sheet, you will realise the figures vary from week to week, but, at the date of our balance, deposits, which have been well maintained, show at 27¼ millions, an increase of over £1,300,000. Acceptances are also up by £535,000, a sign of the increased demand for London acceptances which has been a notable feature for the past 12 months. On the assets side, cash and money at call or readily available are higher by £442,000, and the combined total of these items shows the satisfactory percentage to deposits of 24 per cent.—a very liquid position. The most striking feature, however, is a further proportionately large increase, following that of the past few years, of over £1,900,000 in our advances, which now amount to a record figure for this bank of fully £13,500,000. This, I think, is clear evidence of the freedom with which we have assisted trade in this country, our foreign advances being entirely negligible. Bills discounted at £2,650,000 are almost identical with last year and, as they include £1,305,000 of British Government Treasury Bills, you will see that, unlike international trade, there is little evidence of a revival in the use of the bill as a medium of settling commercial transactions inside this country.

To provide for additional facilities granted by us, investments have been realised during the year and you will observe that these are down by nearly £1,000,000.

The property belonging to the bank, including London office, now stands in the balance sheet at under £600,000, which we believe to be a conservative figure.

I am pleased to say that the business of the bank continues to expand, and we are glad that, in times when, I think unfortunately and rather unnecessarily, so much of the control of business has gone to London, we remain a Scottish institution predominantly owned by an ever-increasing number of Scottish shareholders.

The report and accounts were adopted.

GENERAL ACCIDENT FIRE AND LIFE ASSURANCE CORPORATION, LIMITED.

PROGRESS IN ALL DEPARTMENTS.

The 39th annual meeting of this Corporation was held on the 24th instant, in Perth.

Dr William Low, of Blebo (the Chairman), in moving the adoption of the report, described it as the best that the company had ever issued. The experience of past years, he said, had led the shareholders to expect an annual report of a substantial increase in business, together with a considerable increase in profits, and an occasional increase in the rate of dividend. This year he was in the happy position of being able to report a substantial increase under all these heads. The income of £8,323,000 showed an increase of £375,000, and the profits of £387,500 showed an increase of £38,000, while the proposed dividend of 12s. per share for the year was an increase of 2s. per share. After setting aside ample sums for underwriting reserves, applying £150,000 to the general reserve and £20,000 to the staff pension fund, and making payment of the proposed increased dividend, the carry-forward was £314,277, which was approximately equivalent to two years' dividend on this year's basis. The shareholders had reason to be very well satisfied with these results, which reflected immense credit on the General Manager, Mr. Norie-Miller, and all who worked under his able direction.

OUTLOOK.

As to the future, with their organisation so efficient as he knew it to be, and with the prospects of business as good as they believed them to be, they saw no reason why 1929 should not prove another record year. The year 1928 was a good year for insurance business in all departments in most parts of the world. This company shared in that prosperity because they were in a position to take advantage of it; in fact, to-day they were completely equipped to take full advantage of any flow of good trade that might arise in any part of the world. The increase in income had not been in one but in all departments of the business, showing the sound basis upon which these departments had been established. They had to congratulate the Life Officials upon the splendid increase shown in the new business.

SUBSTANTIAL RESERVES.

Notwithstanding the substantial increases in the dividend, it was less by £65,624 than the free interest earnings, so that they continued to have the whole of their trading profits available to place to reserves, and he would point out that the general reserve and balance carried forward were now in excess of £1,000,000. Their interest earnings last year, but for the reduction necessitated by the stabilisation of the franc of £28,906, would have shown that much increase over the previous year so that there was by true comparison an increase of over £30,000, and the general manager anticipated that in the current year the earnings would increase by about £40,000, as a result of the accumulation of reserves, and the investment of these, so that there would be a large margin of free interest earnings to be dealt with as might best seem desirable.

Their company was now in the very front rank, and he was confident that it would remain so. They had a wonderful organisation and a very fine executive, who were capable of carrying on the business, and who would take care that they had under them younger men to whom they were able to hand over the reins of office when the time came, and thus continue the beneficent work of this great institution, which had become not only an institution of which they could all be proud, but also an institution which was a credit to the Empire.

LOW EXPENSE RATIO.

Mr. F. Norie-Miller (director and general manager), in seconding the motion, said that their free interest earnings, which amounted to the magnificent sum of £234,600, were £65,000 in excess of the amount they were paying in dividend and were really £29,000 in excess of the previous year. He had no doubt that by the end of this year they would show a substantial increase over last year's total. Their combined commission and expense ratio was 32·78 per cent., as compared with 33·13 per cent. last year. They were practically working at the lowest expense ratio of any of the leading British companies. The combined loss ratio was 59·55 per cent., as against 61·11 per cent. last year, showing that they were returning to their policy-holders a fair proportion of their premiums. In the fire department they had a very fine account, the gross premiums being £1,140,000 and the net—after reinsurance—£641,000. Active steps were being taken for the increase of the fire account, and he thought that in the course of a year or two they would have what he had long desired—a net income of a million. In conclusion, Mr Norie-Miller said that it was impossible to exaggerate the potentialities of the great company they had built up.

The resolution was carried unanimously.

ARMY AND NAVY CO-OPERATIVE SOCIETY, LIMITED.
INCREASED TURNOVER AT HOME AND IN INDIA.

The annual general meeting of the Army and Navy Co-operative Society, Limited, was held, on the 24th instant, in London.

The Right Hon. Lord Ebury, D.S.O., M.C. (the chairman), said: I have pleasure in being in a position to report that our turnover both at home and in India has increased considerably. The London sales have improved unquestionably as a direct result of the additional space which became available in Victoria Street, and I am glad to say we have more than recovered the leeway of 1926 and 1927 resulting from the industrial troubles that occurred, and have secured, too, a further advance in our turnover upon previous records—a proof of the benefits that trade has derived from the better relations that have been established in industry. Our trading profit and miscellaneous revenue shows an increase of £15,734. On the other hand, working expenses, including interest charges and depreciations, are more by £13,885, chiefly due to our increased wages bill, and we have a net profit for the year of £243,520, or an increase of £1,849, which, added to the increased amount brought forward from last year—namely, £21,542—leaves us with an available profit of £307,885, or £23,391 more than in the previous year. The proposed allocation of this amount includes a transfer of £30,000 to a reserve for developments and improvements, a subsidy of £9,592 to pensions redemption fund, and a final dividend of 1s. 10½d. per share, amounting to £153,750, making, with the interim dividend paid in October last, a total of 2s. 6d. per share, or 25 per cent. for the year, and leaving £114,543 to be carried forward.

THE DIVIDEND.

For various reasons I think it desirable to point out certain facts which are not always understood or borne in mind in regard to the dividend of 25 per cent. which we pay upon our nominal capital. Not the least of my reasons for so doing is that my attention has been drawn to statements in various quarters regarding the "growth of powerful trusts and combines in the distributive trade and the magnitude of the profits earned and distributed to the shareholders," and so on and so forth—a form of utterance quite likely to lead to gross misapprehension in the minds of the unenlightened. The fact that we can pay a dividend "at the rate of 25 per cent. on our nominal capital" is due to its relatively small proportion to our turnover, admitting of this dividend being provided by the small margin of approximately 5 per cent. net profit.

SMALL MARGIN OF PROFIT.

There is yet another fact which I would like to put clearly before you, and it is that the interests of the consumer are not sacrificed to those of the shareholders. The Society's small margin of net profit is a proof that the policy for which it was established is being rigidly adhered to, in other words, that the quality and good value it dispenses are strictly maintained.

I have on previous occasions at a different stage in these proceedings referred to the elaborately organised steps we take to compare our goods and the prices we charge with those of our competitors. The results of comparisons recently made—covering a wide range of articles of everyday use—show that prices are higher at other establishments by an average percentage of 12½ per cent. In other words, the approximate saving to the customer works out at about 2s. in the pound. An exhibit has been arranged of these recent purchases, and if any shareholder wishes to inspect them the management would be only too pleased to facilitate this.

I want here to draw your attention to yet another fact—namely, that the majority of our shareholders are more interested as customers in the value they obtain than in the dividends that are paid. Those who hold shares to the nominal value of £50 and over represent only 9 per cent. of the total number of shareholders, whereas there are 91 per cent. whose average holding is of only £8 nominal value—equivalent to four-fifths of an original £1 share in the Society. These latter and the numerous clientèle of members, which outnumber the shareholders by about five to one, are the main constituents of our body corporate, whose interests must always be our first consideration, as upon their goodwill as customers the prosperity of the Society has been built up and depends.

With regard to the accounts, I should like to explain the allocation of £30,000 this year to a reserve for developments and improvements. You will see that the amount of our investments, in consequence of realisations to provide for capital expenditure, is now only £48,290 in excess of our general reserve fund, and, as we have still a good deal of expenditure to face, we feel it is desirable to supplement our resources for that purpose. Our trading profit increased by £21,246. The percentage, however, was slightly less than for the previous year, and was materially affected by the fact that the Society's prices were not increased to cover fully the increased duties placed on wines in 1927.

The report was unanimously adopted.

LEGAL AND GENERAL ASSURANCE SOCIETY, LIMITED.
YEAR OF STEADY PROGRESS.

The annual general meeting of the Legal and General Assurance Society, Limited, was held, on the 23rd instant, at 10 Fleet Street, London, E.C., Mr Romer Williams D.L., J.P. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said that the year 1928 was the second year of the quinquennium, and had been a year of steady development and progress. In several directions there had been expansion into new fields, which, it was hoped, would bring further prosperity in its train. The figures for net new business again constituted a record for the society. The net sums assured amounted to £7,646,900, and the deferred annuities to £90,581 per annum for 1928, as against £6,649,164 and £43,865 respectively in the previous year. Combining the life assurance account and the sinking fund account, there was an increase of 1,384 policies issued and £1,430,095 in net sums assured. The net new premiums in the combined account were £573,021, as against £544,518.

The total expenses and commissions in the life assurance fund amounted to 16.99 per cent. of the net premium income, as against 17.02 per cent. in 1927. Every economy consistent with efficiency and progress was exercised as far as was reasonably possible. The net life claims during the year were £1,290,406, including sums paid under matured endowment assurances. Their mortality experience had again been favourable, the actual claims representing 72.5 per cent. of the expectation. In the fire, accident and miscellaneous business, he was pleased to report further steady progress. During the present year they had taken steps to commence operations abroad in various classes of business.

The total premium income for the year was £2,177,087, and the total annual revenue was £2,998,067. The funds had increased during the year by £822,200, and amounted on December 31, 1928, to £20,546,304. The total assets at that date were £20,921,111. The average net rate of interest earned on the funds, excluding the sums invested in the purchase of reversionary interests, was £4 11s. 6d. per cent., as against £4 11s. 11d. per cent. An interim dividend of 3s. per share, free of tax, had been paid, and it was proposed to pay a final dividend of 4s. per share, also free of tax.

The report and accounts were unanimously adopted.

REMBAU JELEI RUBBER, LIMITED.
EXCELLENT RESULTS.

The fifth annual general meeting of Rembau Jelei Rubber, Limited, was held on the 22nd, at 2-4 Idol Lane, London.

Mr L. Church (the chairman), in moving the adoption of the report and accounts, said:—It is with much gratification that we are able to report, in spite of the difficulties of the year behind us, that profit amounted to £55,372, against £58,161 for 1927. Shareholders, I am sure, will share the board's satisfaction at this comparatively excellent result.

Following the removal of restriction, the estates were gradually worked up to full production, and the main efforts of the managers during the year were concentrated on securing and organising tapping labour. Recent reports on the properties are favourable, and indicate that the estates are in sound conditions. As was to be expected, labour is now more difficult to obtain than a year ago, and, naturally, there is a tendency for rates of pay to go up.

The outlook appearing clearer in regard to the price of the commodity, the directors feel justified in authorising a continuance of the development which was curtailed two years ago. It was intended to plant up a minimum of 1,000 acres, but only 558 acres were dealt with. These plantings are in excellent order, and, according to our visiting agent, appear to be very promising clearings, well laid out in terraces on modern lines, while 200 acres of the area have been bud-grafted with an unusually high degree of success, upon which the manager is to be congratulated. In these circumstances we feel there are no obstacles or objections to continuing our programme, and it is, therefore, proposed to make arrangement to plant up a further 250 acres.

From the profit of £55,372 we are recommending a dividend of 10 per cent. (less tax), which leaves us with £20,506 to carry forward after having placed £10,000 to general reserve and allowed £7,035 for depreciation. It is pleasing to note from the balance sheet that our general reserve now stands at £74,000, while liquid funds total over £135,000. There are fewer rubber companies, I think, which can claim to have built up such a strong position in five years of existence as Rembau Jelei, particularly when the widely varying fortunes of the industry during the period are borne in mind.

The report and accounts were adopted.

LONDON COUNTY FREEHOLD AND LEASEHOLD PROPERTIES, LIMITED.
GOOD RESULTS—INCREASE OF CAPITAL APPROVED.

The nineteenth annual general meeting of the London County Freehold and Leasehold Properties, Limited, was held on the 19th instant, Mr A. C. Bourner, F.C.A. (the chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said:—The accounts disclose a state of affairs which should give you confidence that expansion has produced satisfactory revenue results, though the full capital of £900,000 was available for less than nine months.

The accounts for fifteen months show a net revenue of £133,489, with the carry-forward at January 1, 1928, £37,506, making available £170,995. Interim dividends have been paid, absorbing £74,250, leaving £96,745, out of which a final dividend of 2½ per cent. is recommended, absorbing £22,500. Transfers to reserves: Debenture stock redemption account, £5,000; amortisation of leaseholds account, £6,000; maintenance of properties account, £6,000; and contingencies account, £10,000, come to £27,000, leaving to carry-forward £47,245, an increase of £9,739.

The directors have exercised caution in recommending a final dividend of 2½ per cent., making 12 per cent. for the fifteen months, realising the desirability of further strengthening what is considered to be already a sound position. The directors will pay an interim dividend for the current financial year on November 1, 1929. The balance sheet shows that our assets are £2,966,684, and our loan capital, creditors and share capital £900,000, amount to £2,637,126, leaving a surplus of £329,558, which is represented by properties and liquid assets free of specific encumbrance.

We have taken counsel as to the real value of our properties and, on a fair and reasonable basis, are of opinion that £3,039,000 would more accurately represent the £2,810,172 in the balance sheet, in which case £228,828 could be added to the surplus and reserves and undivided profits of £329,558, shown by the accounts, making the reserves £558,386, which gives an assets value to each share of 32s. 6d.

We own no less than 228 separate blocks of property, each capable of being dealt with as a distinct unit. The situation of our properties is of importance. We have flats in every district of any residential pretensions of a wide range of rent, and the greater number are under £200 per annum; yet all are in desirable and popular residential districts, and we have no service flats.

COST OF BUILDING.

The demand for all classes of flats continues. Our tenants number 2,888, of whom no fewer than 2,607 pay rent less than £300 per annum, including rates. Statutory tenants number 1,194. During the year 1928 there were many changes of tenancy in respect of which an aggregate increase of rental was obtained. At the present time we have very few of our flats available for reletting. They do not number to-day more than 20 out of 2,888.

Although several erections of flat premises are now taking place in London, and we have carefully considered how we may be affected, we have come to the conclusion that we are able to offer equal accommodation and can accept a lower rent and thus face competition with confidence. Where new flats in the same district require a rent of £450, we can let similar flats at £300. The majority of new flat erections do not provide for the great number of tenants who are limited to a rental not exceeding £300 per annum.

We pursue a prudent policy in acquiring properties, and only make those purchases which satisfy us that our average income is likely to be improved. We have purchased property since our last meeting and utilised almost the whole of our resources; consequently, we may have to allow suitable opportunities to pass unless further funds are available. We have now before us opportunities for investments which we believe, if acquired, will be as lucrative as any we own to-day.

We are asking you at the extra-ordinary meeting to follow to authorise the capital to be increased by 500,000 shares of £1 each, as set out in the notice convening the meeting, and hope that the recommendation will be approved. It is intended to offer to the members on the register on the 19th instant a *pro rata* allotment of the number of shares we may decide to issue. Summing up the situation, we maintain that our assets are not over-stated; our liabilities—other than to shareholders—are only 58½ per cent. of our assets; our revenue augments annually, and is a proof of the improving value of our investments, and our record is one of expansion and progress.

Sir William Burton (vice-chairman) seconded the resolution, and it was passed unanimously.

At the extra-ordinary general meeting, the resolution to increase the capital to £1,500,000 was carried unanimously.

ANGLO-FOREIGN NEWSPAPERS, LIMITED.
SUBSTANTIAL PROGRESS—GOOD PROSPECTS.

The statutory meeting of members of the Anglo-Foreign Newspapers, Limited, was held, on the 19th instant, at Winchester House, Old Broad Street, London, Mr Henry S. Horne (chairman of company) presiding.

The Secretary (Mr L. T. Newell, A.S.A.A.) having read the notice convening the meeting and the certificate of the auditors,

The Chairman said:—This undertaking was formed as a result of a carefully-conceived plan for the purpose of acquiring, founding and developing newspaper and allied undertakings at home, in the Dominions and abroad.

In certain quarters it was suggested that the particulars published in the offer for sale of 3,000,000 ordinary shares and 375,000 deferred shares were not sufficiently informative, but the reasons for this, I think, are evident if you will appreciate the fact that the acquisition of newspaper interests is a matter which perhaps requires more delicate and careful handling than any form of business.

ENORMOUS OVER-APPLICATIONS.

However, despite the unavoidable meagreness of detail, the response from the public was such that the offer was enormously over-applied for, and if, as certain of our critics asserted, we asked for a blank cheque, the result abundantly indicated the greatest confidence in the board of the new company, and an appreciation of the great possibilities available for the activities of an undertaking of this nature. I would add that such reliance is even more fully justified to-day.

Although it is but such a short time since this company was formed, we have done a great deal. We already possess, or have settled terms for acquiring, properties which should give to your corporation a return in the first year of at least £100,000. This is on the present profit basis, but we are confident that, with the assistance of the technical personnel we have been able to obtain, we shall enlarge upon this figure.

One of our aims has been to acquire a participation in, or control of, undertakings which occupy specialist or pivotal positions, and while intending to make no spectacular or revolutionary changes in the interests we have acquired, we have satisfied ourselves that these publications are capable of considerable improvement and expansion.

In addition to the figure I have just given you, we may anticipate further profits from the co-ordination of certain of our properties has been brought to a stage which permits of their treatment as a separate entity.

As a result of our comprehensive survey, we have discovered many instances of valuable properties where obsolete methods still remain, and enterprises which yield a profit quite satisfactory to private ownership, but which are capable of infinitely greater expansion. It is part of our policy to take over and develop such properties.

I have informed you that we are on a definite income-earning basis, and have assured you that, without being over-sanguine, we believe that, with other acquisitions likely to be effected in the near future, we shall receive an income capable of providing substantial dividends.

DEVELOPMENTS OVERSEAS.

Turning to our developments abroad, we have purchased, on a satisfactory basis, a substantial interest in a highly profitable newspaper on the Continent. We are in negotiation with regard to another very important Continental undertaking, and, if certain conditions we have laid down are accepted, this business will result in the establishment of a wider European connection.

We have not been less active in the British Empire overseas, and Sir Robert Donald sails for Canada to-day to continue investigations which have shown that there exist opportunities for the profitable employment of our funds. We have already taken steps to inaugurate a holding company which will be domiciled in Canada, and in which your company will hold a substantial interest. This may, we hope, lead to the formation of an Imperial newspaper organisation, which, you will agree, holds out great possibilities for work of a useful nature in relation to British Empire interests.

We may also become, as a result of a proposition now under consideration, identified with most powerful interests in another part of the British Empire.

In conclusion, the Chairman said:—At the earliest opportunity after our projects have further matured and our schemes of co-ordination and consolidation have been carried out—the danger of premature disclosure thus no longer existing—you may rest assured your board will then give you the fullest possible information as to the company's interests.

The proceedings then terminated.

NATIONAL MINING CORPORATION, LIMITED.

REVIEW OF COMPANY'S INTERESTS.

The ninth annual ordinary general meeting of the National Mining Corporation, Limited, of 428, Salisbury House, London Wall, E.C.2, was held on the 25th instant, at River Plate House, London.

Mr Herbert Guedalla (the chairman) said that the profit and loss account showed that the company realised profits to the amount of £194,131, as compared with £145,514 in the previous year. They carried down to appropriation account £159,197, and had written off investments £90,470, while they had made provision for income tax of £10,000 and had paid a dividend No. 3 amounting to £59,140, leaving £64,952 to be carried to the balance sheet, as against £65,365 in the previous year.

SOCIETATE "SOSPIRO."

By far their largest investment was their interest in the Roumanian Oil Company entitled the Societate "Sospiro," which held the oil rights over about 50,000 acres situated in the midst of the Roumanian oilfields. During the year under review the Societate "Sospiro" had continued the exploration of these lands, and an extensive drilling programme had been carried on at several different points of this large territory for the purpose of testing and proving the productive value of the oil-bearing structures which the geological survey had shown to exist. This survey, due to the extensive area of the property, was as yet incomplete,and in addition to the oil structures which had already been located, there remained to be examined several further interesting areas which, judging from operations in their vicinity by other oil companies, might prove to be of great importance. The board were confident that the development of the great potential values of this most important property would not only be greatly accelerated, but would also be attended at an early date with definite and satisfactory results.

With regard to the Amalgamated Oil Lands of Roumania, Limited, he was glad to say that a distinct improvement had taken place during the year and quite a valuable production of oil was now being obtained from certain wells.

They still had their important holding in the Chemical and Metallurgical Corporation, Limited. They had no reason to doubt the great value of this process, and a considerable part of the large plant at Runcorn was now in operation.

The Chairman proceeded to deal with the company's interests in Camp Bird, Limited, and the Santa Gertrudis Company, Limited, and through them, in the Mexican Corporation. The recent revolution in Mexico, which he thought could now be regarded as finished, had had an unfortunate effect on the market value of these particular securities. As a matter of fact, production had been continuing as usual, and the only inconvenience had been some delay in the shipment of products. The position of the Mexican Corporation was a very interesting one. Through its subsidiary in Mexico, this Corporation had a 50 per cent. interest in the well-known Fresnillo lead, zinc, silver property. This property was to-day earning profits at a rate exceeding £300,000 per annum.

Coming nearer home, Moler Products, Limited, was fast establishing itself in the building world, and the merits of its particular products were becoming more and more appreciated.

For the past two years the Mill Close property had passed through a lean period of poor development and low lead prices. After great trouble in dealing with the large volumes of water encountered, development had now been carried below the previous bottom level, and had exposed ore of unusual richness, the full extent of which had not yet been determined.

VENEZUELAN INTERESTS.

As to their various interests in Venezuela, the geophysical examination of the South American Copper Company's property was being continued with promising results. During the year they acquired an interest in the Bolivar Venezuela Gold Mines, Limited. The management had opened up a stockwork formation on the property, and this had proved to be of such importance that the directors had decided to concentrate on developing this deposit and were making arrangements to start with a 200-ton mill unit.

During the year they accepted participation in conjunction with the Consolidated Mines Selection Company and the Anglo-American Corporation in the Mawchi tin and wolfram mine in Burma.

On the Lagares Tin Mines Limited, which was situated in Portugal he was glad to state that developments during the past 15 months had quite come up to, if not exceeded, their expectations. It might be taken that at present the ore reserves were certainly more than 200,000 tons of highly payable ore, taking tin at a price of £200 per ton.

They had smaller interests in such companies as Lake View and Star, Limited.

The report and accounts were unanimously adopted.

THE
LIVERPOOL
AND
LONDON
AND
GLOBE
INSURANCE CO., LTD.
FOR ALL CLASSES OF INSURANCE
Head Office:
1, Dale St., Liverpool.
London
Chief Office: 1, Cornhill, E.C.3.
General Manager & Secretary: Hugh Lewis

OOREGUM GOLD MINING COMPANY OF INDIA, LIMITED.

OVER £3,700,000 PAID IN DIVIDENDS.

The ordinary general meeting of this company was held, on the 23rd instant, at the Cannon Street Hotel, London. The Hon. Lionel Holland (the chairman) presided.

The Chairman said that the gold returns last year, as compared with 1927, were lower by over 8,000 oz. of fine gold. This shrinage, however, was due rather to a reduction in the grade of the milling ore than to any reduction in the tonnage put through the mill, which varied little from the previous year's figure. Altogether the total production of fine gold during the year under review was 90,830 oz.

With the amount brought forward there was a total of £117,787 available, and the directors recommended a final dividend of 1s. on both the preference and ordinary shares, making a total distribution for the year of 27½ per cent. on the preference and 17½ per cent. on the ordinary shares. It was disappointing that the rate of dividend had had to be reduced from the 32½ per cent. on the preference and 22½ per cent. on the ordinary shares distributed in the previous year; but they must face the altered conditions squarely—the rather sudden decline in the average grade of ore now being stoped, and the concurrent call for increased development footage in order to maintain the ore reserves—and be prepared for a period of lower profits until the mine developments once more showed improvement and the new reserves opened up justified an increased production.

Since the Ooregum Co. started operations it had won over 3,000,000 ozs. of gold from its property and paid over £3,700,000 to its shareholders in dividends; and, although the accounts presented might show some check to the prosperous advance of recent years, there was no kind of reason to infer that the riches of the mine were approaching exhaustion. In addition to the balance remaining of their holding in the Indian Copper Corporation, they had an interest in Canadian mining through their holding of Anglo-Canadian Explorers and Central Manitoba Mines shares. The financial position of the company, with a surplus of liquid assets over current liabilities of more than £126,000, could not be regarded as other than substantial. The immediate task before them, however, might involve some tax upon their resources.

For the second year in succession the reserves of milling ore had suffered diminution. For more than two years until recently development work had been held back or delayed by the efforts to strengthen the levels and stoping areas with solid supports, but this policy had been fully justified by results, and he was confident that the mine, which had already reached a vertical depth of nearly 6,500 feet, could be carried down to much deeper levels. The mine had been conspicuously successful in the discovery of a large tonnage of rich ore at depth, after passing through a barren zone which reached down to the 58th level, where the re-make of rich ore started. Between the 59th and 70th levels there had been little variation in values and widths; but now, although he hoped only temporarily, and although the width of lode was maintained, the values tended to decline in the levels recently opened up. Their programme of development work for the current year was one of increased activity—to complete driving the 71st level, to drive the 72nd level, and to sink down to and start work on the 73rd level.

Mr Henry C. Taylor seconded the resolution, which was carried unanimously, and, the formal business having been transacted, a vote of thanks to the chairman, directors and staff terminated the proceedings.

HOPE BROTHERS, LIMITED.

THOUSANDS MORE CUSTOMERS.

The twenty-ninth annual general meeting of Hope Brothers, Limited, was held, on the 25th instant, at the Cannon Street Hotel, London.

Mr T. Edward Goodyear (the chairman) said that the past year had not been without its difficulties, but, on the whole, conditions had been favourable to the company, and the directors were able to present a satisfactory report. They had served many thousands more customers than in the previous year—indeed, the number of transactions constituted a record in their history—and this was eloquent testimony to the success of their policy of supplying articles of good quality at a reasonable price for cash. They had again found, however, that the average amount of each transaction was slightly less than in the previous year—an experience which had been continuous since 1921, when values were at their highest. There was little doubt that not only had values declined but that, owing to unemployment and heavy taxation, the spending power of their customers was reduced. At Hull they had opened larger and in every way better premises, which showed every prospect of proving profitable, while at Manchester and Richmond they had incurred considerable expenditure in structural repairs and improvements.

The balance sheet showed a very healthy position. In spite of the increase in trade, the company had been able to carry a smaller stock, and at the date of the balance sheet this showed a reduction of £18,500 on the previous year's figure. This reduction was reflected in an improvement in cash balance. Last year the cash in hand was £13,800, but they had a loan from their bankers of £5,000. This year they had a cash balance of £35,600 and no overdraft, so that the cash position showed an improvement of £26,800.

The available balance was £7,284 in excess of the previous year's figure, and the directors recommended the usual dividend, making 10 per cent. for the year, this being the seventh consecutive year in which they had been able to pay this dividend. In 1922, owing to the fall in prices, they were only able to pay 6 per cent., but for the past 11 years their average annual dividend had been 10 per cent. They were writing off a further £10,000 from goodwill account, reducing it to £160,000, as compared with its original figure of £276,000, and in addition to this substantial reduction of the goodwill item they had accumulated a reserve of £100,000, while they were carrying forward £37,096—a sum more than equal to two years' dividend on their preference capital.

The report and accounts were unanimously adopted.

CONSOLIDATED WATER WORKS COMPANY OF ROSARIO, LIMITED.

The thirty-fourth ordinary general meeting of the Consolidated Water Works Company of Rosario, Limited, was held, on the 23rd instant, at 52, Moorgate, London.

Mr. James Anderson (the Chairman) said that the report and accounts showed a continuation of the steady progress which had been the company's experience for many years past. The services on December 31st last numbered 47,452, an increase of 3,208 over those in operation at the close of the year preceding. The rate of expansion in the number of services for some years past had been very even.

During the last three years the population, which now exceeded 400,000, had increased at the rate of 30,000 per annum, and that extraordinary rate of expansion as yet showed no signs of diminishing. It was obvious that they had to be continually adding to their plant, in order to meet the wants of so rapidly increasing a population.

The gross revenue for the past year amounted to £271,458, which was the highest point yet touched in the history of the company, and was £16,922 over last year's figure. The working expenses, however, absorbed most of the improvement in income, but that was largely due to some non-recurring items, including a heavy payment for legal expenses and the increased annual charge for the sinking fund. The results of the year's working might be summarised as follows:—After providing for all charges, including debenture interest, and making provision for the preference dividend and the usual dividend of 8 per cent., tax free, on the ordinary shares, they were able to place £15,000 to the reserve fund, £10,000 to the depreciation fund, and add £9,906 to the amount carried forward to next account.

The report was adopted, and Mr. J. Percy Clarke, C.B.E., in proposing a vote of appreciation to Mr. Anderson, on his retirement, said that the present sound position of the company was due to his ability and care

NUNDYDROOG MINES, LIMITED.

INCREASED PROFIT AND DIVIDEND.

The eighth ordinary general meeting of the Nundydroog Mines, Limited, was held, on the 24th instant, at Cannon Street Hotel, London.

Mr V. Herbert Smith (the chairman), in moving the adoption of the report, said that the total production of fine gold was 75,196 oz., or 5,791 oz. better than in 1927. The gold won was sold for £321,790, or £25,277 greater than the production of the preceding 12 months. The profit on the year's operations was £93,167, as against £80,751 in 1927—an improvement of £12,416. The aggregate costs were higher, which to a great extent was due to extra expenditure on the ventilation of the mines.

The dividends for 1928 amounted to 2s. per share, or 20 per cent. on the capital of the company, as compared with 1s. 9d. per share, or 17½ per cent. for the preceding 12 months. In that connection it was interesting to note that the total amount paid in dividends from the commencement of operations at the Nundydroog mines to date was £2,854,054, or rather more than ten times the present nominal capital of the company. The dividend distributions for the last 16 months had averaged 21 per cent. per annum. That was a gratifying record, and shareholders should feel additional satisfaction in the present good position and prospects of the company. The liquid assets amounted to £133,028, and the liabilities to £36,473, leaving a balance of assets of £96,555. In addition to this there were materials and stores at the mines amounting to £64,975, and machinery and goods in transit £1,646. During the year £31,952 was expended on additional plant, machinery, and buildings, of which £25,000 was charged to profit and loss account.

The underground exploratory work measured 10,873 ft., or 1,448 ft. less than in 1927. Although a smaller footage was driven, the reserves of ore had increased by 25,303 tons to 246,464 tons at the end of the year. The directors considered that the year's work had improved the position at the mines, and the outlook continued to be satisfactory.

The report was unanimously adopted.

RIO TINTO COMPANY, LIMITED.

PROPOSED CAPITAL INCREASE.

The 56th ordinary general meeting of the Rio Tinto Company, Limited, was held, on the 24th instant, at the Cannon Street Hotel, London.

The Rt. Hon. Sir Auckland Geddes, G.C.M.G. (the Chairman), said that the company had to meet large demands for arrears of taxes in Spain, which amounted to £438,422. The revenue account showed "Arrears of Spanish taxes on produce, &c., paid £365,956," a difference of £72,465. That £72,000 they had to pay on the profits tax for 1922, and was an arrear which had to be paid quite unexpectedly, and quite apart from the arrears of export tax payments. The profits taxes for the years 1923-1925 were also still awaiting final settlement. That was no fault of the company's, but resulted from the procedure followed by the Spanish "Taxes Jury," who, under the laws now in force in Spain, had the right in their own time to re-assess taxes which had already been paid. The company had appealed against that procedure, which made accounting astonishingly difficult. Their appeal did not lie to the Courts, but to the Minister of Finance. In the meantime they had had to pay.

The arrears of taxes on produce, £365,956, were in a different category. They referred to the years 1922-25. There was no doubt that in those years the returns rendered to the Spanish Government showing the copper content of some of the pyrites exported from Spain had been understatements, and, when on investigation the Board had ascertained that that was so, it had had no alternative but to make the additional payments legally demanded. As a result of the under-payment of export taxes, the profits shown in the balance sheet for the years in question were greater than they should have been, and the distribution of dividend had also been greater than it should have been. In the appropriations now before the shareholders, the directors suggested carrying the sum of £200,000 to an Emergency Account to enable them to meet arrears in contingent taxes, which were determined by the amount of the export taxes, such as Transport Tax, Harbour Dues, and Anchorage Tax. Since the end of the year the amount owing on some of those contingent taxes had been agreed with the Spanish authorities, and payment was now proceeding.

In conclusion, the Chairman said that they had further developments in view outside Spain, and had decided to increase the capital, and proposed to call the necessary meeting to get the shareholders' permission to issue another 50,000 Ordinary shares.

The report was adopted.

THE INDO-EUROPEAN TELEGRAPH COMPANY, LIMITED.
DIVIDEND AND BONUS MAINTAINED.

The 62nd ordinary general meeting of the Indo-European Telegraph Co., Limited, was held, on the 25th instant, at the company's offices, 18, Old Broad Street, London, E.C.

Mr H. L. M. Tritton (the chairman), said: I should like first to refer to the death on March 6th, 1929, of Sir John Denison-Pender, G.B.E., K.C.M.G., who had been associated with telegraphs for about 50 years. His was a life of devotion to the great interests which absorbed his attention—the wonderful network of world-wide communications which he controlled; and the splendid record of his life's work entitled him to the lasting gratitude of the Empire. Our company may join with his own companies in lamenting his loss, for he was a great friend to us at all times, and especially during the difficult period in our history which occurred during and after the war.

Our relations with the various Governments through whose territory our line passes continue to be satisfactory.

The company's lines worked efficiently during the year. There was, however, one exceptional interruption during the month of February in the Crimea owing to the worst blizzard experienced in those parts for many years, but I am glad to say that working was, after a short interval, resumed over wires kindly placed at the company's disposal by the Soviet Government.

Communication over the Black Sea cable was maintained throughout the year. Unfortunately, owing to ice floes near Odessa causing ships to drag their anchors, the cable was broken in the middle of February of the current year. It has since been restored and is working satisfactorily.

The average times of transmission between Karachi and London, as well as on the company's other main circuits between London, the Continent and Persia and India, were satisfactory, and our record, always an exceptionally good one, for accuracy has been maintained. During the year under review arrangements were made in co-operation with our friends and partners, the Indo-European Telegraph Department, for the installation of regenerators at various points on the line. At this moment the system is actually in operation on one line, in both directions, between London and Karachi, and has produced a very material increase in speed. *Steps have been taken to still further improve the service between the Continent and Persia and India, for which purpose, as share-holders are aware, there exists a special line from Berlin.*

I asked shareholders last year to bear in mind that the company's revenue during the year under review would be bound to show a diminution by reason of the Beam wireless competition. The falling off in revenue, whether owing to this competition, or whether to the reduced rate, *would have been still more apparent but for* a certain expansion of traffic following on the reductions, and an increase in the company's subsidiary traffics. Shareholders will appreciate that the full measure of prosperity enjoyed in recent years may not be so easy of realisation in the future.

As you are aware from my remarks last year, this company is not included in the merger, but shareholders may rest assured that their interests are protected under the terms of the Joint Purse Agreements.

The directors recommend the maintenance of the dividend at 7 per cent., and the payment of the same bonus as last year of 15s. per share, free of tax, equal to 3 per cent., making a total distribution for the year from all sources of 10 per cent., free of tax.

To maintain the company's line between London and Teheran in a high state of efficiency, which I claim it to be, requires constant and unremitting attention and care, and the satisfactory results attained are the outcome of the hearty co-operation of all concerned.

The report and accounts were unanimously adopted, and the dividend and bonus as recommended were approved.

BALAGHAT GOLD MINES, LIMITED.
REDUCED WORKING COSTS—INCREASED ORE RESERVES.

The ninth ordinary general meeting of the Balaghat Gold Mines Limited, was held yesterday at 6, Queen Street Place, London

Lt.-Col. Sir Donald Robertson, K.C.S.I., presided and, in moving the adoption of the report and accounts, said that during the year 47,950 tons of ore were crushed from which were extracted 29,978 ozs. of fine gold, the average yield being 12 dwts. 12 grains per ton. The gold realised £127,979, or £4,522 less than in 1927. The revenue account showed total receipts amounting to £122,600, and expenditure £98,446, which left a profit of £24,154. The working costs, including development expenditure, showed a further decrease of 1s. 9d. per ton. A dividend of 1s. per share on the Preference shares was paid on October 2nd last, and the final distribution for the year was 6d. per share on both classes of shares. Referring to the financial position of the Company, the balance sheet showed liquid assets aggregating £89,170, and liabilities £17,543, leaving a balance of assets of £71,627. The underground exploratory work of the year measured 4,772 feet, and the reserves of ore at December 31st last were estimated at 74,131 tons, an increase of 3,337 tons over the total at the end of 1927. The ore body in the Southern section of the property had been further developed, and had opened up a considerable quantity of quartz of excellent grade.

Mr Kenneth B. Taylor, who recently returned from the mine, said that the limits of the valuable ore shoot which had been developed during the past two years seemed now to have been defined, but the prospects of opening up further bodies of ore on the pitch line of this enriched zone as the workings were deepened were distinctly promising. Development work this year would therefore be directed to making as quick an advance as they could to greater depth. This would of necessity entail a certain amount of dead work this year in preparation for the speedy exploration of the lode at lower horizons.

The report and accounts were unanimously adopted.

APOLLINARIS AND JOHANNIS, LIMITED.
CONTINUED PROGRESS.

The thirty-second ordinary general meeting of the shareholders of Apollinaris and Johannis, Limited, was held, on the 22nd instant, at the Holborn Restaurant, London, Mr Alfred R. Holland (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the profits for the nine months to December 31, 1928, amounted to £65,225, or an average exceeding £7,000 per month. A comparison of nine months with the previous 12 months was difficult, but as the amount carried forward was £90,681, after reduction of the amounts as set out in the report, it was evident that the company was making steady progress. As the report showed, when the business was restarted after the war there was a heavy loss of £13,238 in the year ending March 31, 1919. Since then there had been steady expansion, only slightly interrupted in the year which covered the period of the General Strike. Owing to the congestion in the neighbourhood of their wharf at Southwark, it had been found necessary to obtain more suitable premises for the growing trade of the company, and the lease of a commodious wharf and storage premises at Rotherhithe had been purchased a few months ago. These new premises, in addition to many other advantages, had ample accommodation for the motor lorries, which previously had been garaged some distance away. The company now owned a large fleet of lorries in order to carry out their policy of extending the motor delivery radius both from London and from their numerous provincial depôts. The Presta Aerated Waters continued to enjoy a growing popularity, due to their excellent quality, and where introduced repeat orders had always followed. Although three years was hardly sufficient to establish such a business, it was already responsible for a part of the increased profit, and he was full of hope for the future of Presta.

In conclusion, the Chairman made sympathetic reference to the great loss the company had sustained by the death of Mr A. Martin Taylor.

Mr Francis J. Schilling (vice-chairman and managing director), in seconding the motion, referred to his recent visit to New York, and remarked that he felt hopeful of a further improvement in their sales in the United States and Canada.

The report and accounts were unanimously adopted, and the dividend as recommended was approved.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 20th, 1929:—

(000's omitted.)

Expenditure	£	Receipts	£
Supply Services	5,200	From Revenue	16,160
Interest, &c., on Debt	6,562		
Sinking Fund	1,710		
Decrease in Balances	478		
Decrease in Debt	2,210		
	16,160		16,160

The total Ordinary Revenue for the week amounted to £16,160,000, as compared with £12,307,000 in the corresponding week last year, Property and Income Tax amounted to £1,931,000, and Super-Tax to £810,000, against £1,716,000 and £720,000 respectively. Customs were lower at £1,726,000, against £2,215,000, but Excise was slightly higher at £6,748,000, against £6,624,000. Ordinary Receipts brought in £610,000, against £528,000, whilst Special Receipts were nil, against £100,000 a year ago.

The National Debt was reduced by £2,210,000, as shown below:—

(000's omitted.)

Treasury Bonds	– 185	Treasury Bills	+ 1,964
National Savings Certificates	– 150		
Public Department Advances	– 1,950		
Depreciation Fund	– 1,870		
Sundries	– 19		
	– 4,174		+ 1,964

The floating debt was increased by £10,000 to £745,420,000.

FINANCIAL YEAR, 1929–30, APRIL 1 TO APRIL 20.

	£		£
Expenditure	49,249,739	Revenue	43,269,525
		Amount borrowed	3,075,110
		Decreases in balance	2,905,104
	49,249,739		49,249,739

ESTIMATES FOR FINANCIAL YEAR, 1929–30.

	£		£
Expenditure	691,564,000*	Revenue	746,060,000
Sinking Fund	50,400,000		
Surplus	4,096,000		
	746,060,000		746,060,000

* This figure includes the new Exchequer Contributions of £15,560,000 to Local Revenues, &c.

SELF-BALANCING REVENUE AND EXPENDITURE.

	£
Post Office	58,110,000
Road Fund	22,510,000
	80,620,000

RATING RELIEF SUSPENSE ACCOUNT.

	£		£
Balance on April 1, 1929	22,633,000	Cost of anticipating rate relief for Agriculture	2,570,000
		Balance on March 31, 1930	20,063,000
	22,633,000		22,633,000

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1926.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 31, 1929.	Apr. 20, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	13	13	12	12	12	12	12
4% Consolidated Loan	...	...	...	...	166	204	204	204	204
3½% Conversion Loan	...	...	709	760	740	832	832	832	832
4½% Conversion Loan	...	...	210	211	211	221	221	221	221
5½% War Stock	...	63	63	63	63	...	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,052	2,109	2,154	2,253	2,253	2,253	2,253
National War Bonds	...	1,509	778	706	656	194	111	64	64
4% Funding Loan	...	409	394	390	389	385	385	385	385
4% Victory Bonds	...	360	303	292	277	261	261	261	261
Treasury Bonds	...	...	499	482	454	675	773	762	760
Exchequer Bonds	20	323	15	15	15	16	16	16	16
National Savings Certs.	...	267	369	375	372	362	360	360	360
Other Debt*	...	1,306	1,124	1,111	1,103	1,097	1,094	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	576	565	599	527	788	700	709
Temporary Advances	1	243	167	139	117	162	28	37	36
	654	8,033	7,598	7,558	7,555	7,528	7,665	7,528	7,534
Other Capital Liabilities	57	46	68	75	98	103	103	88	86
Total Liabilities	711	8,079	7,666	7,633	7,653	7,631	7,768	7,616	7,620

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Apr. 21, '28.	Mar. 31, '29.	Apr. 20, '29.	Movement Week ended Apr. 20, '29.
Ways and Means Advances Outstanding—	£	£	£	£
Advances by Bank of England	...	...	...	...
Advances by Public Deptmts.	157,600,000	37,050,000	36,750,000	– 1,950,000
Treasury Bills Outstanding	525,015,000	700,295,000	708,670,000*	+ 1,960,000
Total Floating Debt	682,615,000	737,345,000	745,420,000	+ 10,000

* Includes £21,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bills were opened on April 19, 1929, and the total amount applied for was £52,045,000. For bills at 3 months, dated Monday to Saturday, at £98 14s. 6d., about 91 per cent., above in full. The amounts allotted were in bills at 3 months, £40,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.	£	£	£ s. d.
February 15	30,000,000	41,430,000	5 5 3·43
February 22	30,000,000	39,545,000	5 3 8·78
March 1	35,000,000	40,330,000	5 4 6·06
March 8	30,000,000	33,190,000	5 6 8·41
March 15	35,000,000	46,695,000	5 6 9·26
March 22	35,000,000	46,515,000	5 5 1·71
March 28	45,000,000	50,430,000	5 7 0·87
April 5	40,000,000	63,280,000	5 5 9·16
April 12	40,000,000	57,440,000	5 4 2·39
April 19	40,000,000	52,045,000	5 2 1·07

PUBLIC INCOME AND EXPENDITURE.
RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Revenue and other Receipts.	Estimate for the Year 1929–30.	Total Receipts into the Exchequer from April 1, 1929, to Apr. 20, 1929.	Total Receipts into the Exchequer from April 1, 1928, to Apr. 21, 1928.	Week Ended Apr. 20, 1929.	Week Ended Apr. 21, 1928.
ORDINARY REVENUE.	£	£	£	£	£
Inland Revenue—					
Income Tax and House Duty		12,701,000	12,624,000	1,931,000	1,716,000
Super-Tax		3,640,000	3,280,000	810,000	720,000
Estate, &c., Duties		5,360,000	2,150,000	2,610,000	680,000
Stamps		990,000	690,000	470,000	270,000
Excess Profits Duties, &c.		...	...	...	...
Corporation Profits Tax		10,000	20,000	...	...
Land Tax and Mineral Rights Duty		70,000	50,000	20,000	20,000
Total Inland Revenue		22,771,000	18,814,000	5,841,000	3,406,000
Customs and Excise—					
Customs		5,836,000	5,189,000	1,726,000	2,215,000
Excise		8,549,000	8,866,000	6,748,000	6,624,000
Total Customs & Excise		14,385,000	14,055,000	8,474,000	8,839,000
Motor Vehicle Duties (Exchequer Share)		700,000	...	*Dr569,000*	*Dr894,000*
Post Office (Net Receipt)		450,000	300,000	550,000	300,000
Crown Lands		...	...	...	...
Receipts from Sundry Loans		4,135,159	2,244,316	1,253,443	27,866
Miscellaneous:					
Ordinary Receipts		728,604	1,468,653	610,122	528,117
Special Receipts		99,762	390,894	...	100,090
Total Ordinary Revenue		43,269,525	37,272,863	16,159,565	12,307,073
SELF-BALANCING REVENUE.					
Post Office		2,450,000	2,400,000	650,000	700,000
Motor Vehicle Duties apportioned to Road Fund		1,999,000	2,500,000	683,000	894,000
Total Self-Balancing Revenue		4,449,000	4,900,000	1,333,000	1,594,000
Total		47,718,525	42,172,863	17,492,565	13,901,073
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		...	...	...	...
Under the Unemployment Insurance Acts, 1920 to 1928		...	424,432	...	210,000
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and Post Office and Telegraph (Money) Act, 1928		...	...	...	...
(b) Under the Unemployment Insurance Acts, 1920 to 1928		330,000	...	220,000	44,575,000
(c) For other Issues:					
By Treasury Bills		182,971,000	134,369,000	54,474,000	950,000
By National Savings Certificates		2,350,000	2,300,000	750,000	10
By National War Bonds		...	10	...	35,000
By 5 per cent. Treasury Bonds, 1933–35		...	58,220,000	...	...
By 4½ per cent. Treasury Bonds, 1932–34		26,115,000	...	15,000	...
(d) Ways and Means Advances		73,385,000	58,950,000	13,440,000	7,950,000
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		8,682	10,772	...	...
		332,878,207	296,447,077	86,391,565	67,621,083

Balances in Exchequer on 1st April:	1929. £	1928. £			
Bank of England	5,515,917	5,918,513			
Bank of Ireland	736,607	404,112	6,252,524	6,322,625	... ...
Total £			339,130,731	302,769,702	86,391,565 67,621,083

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1929–30 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from April 1, 1929, to Apr. 20, 1929.	Total Issues out of the Exchequer to meet Payments from April 1, 1928, to Apr. 21, 1928.	Issues Week Ended Apr. 20, 1929.	Issues Week Ended Apr. 21, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt		25,548,888	26,261,388	6,561,888	6,285,665
Payments to Local Taxation Accounts		...	...	...	...
Payments to Northern Ireland Exchequer		6,606	42,735	...	42,735
Other Consolidated Fund Services		399,178	234,249	...	...
Supply Services (excluding Post Office)		20,350,000	20,100,000	5,200,000	4,850,000
Total Ordinary Expenditure		46,304,672	46,638,372	11,761,888	11,178,400
Sinking Fund		2,945,067	1,743,515	1,710,000	515,000
SELF-BALANCING EXPENDITURE.					
Post Office		2,450,000	2,400,000	650,000	700,000
Road Fund		1,999,000	2,500,000	683,000	894,000
Total Self-Balancing Expenditure		4,449,000	4,900,000	1,333,000	1,594,000
TOTAL		53,698,739	53,281,887	14,804,888	13,287,400

	Total Issues out of the Exchequer to meet Payments from		Issues	
	Apr. 1, 1928, to April 20, 1929.	Apr. 1, 1927, to April 21, 1928.	Week Ended April 20, 1929.	Week Ended April 21, 1928.
OTHER ISSUES.	£	£	£	£
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	18,458	18,458	18,458	...
Under the Unemployment Insurance Acts, 1920 to 1928	300,000	...	220,000	...
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928	400,000	400,000	...	...
Unemployment Insur. Acts, 1920-28	...	424,432	...	234,432
Repayment of Amounts Borrowed				
Redemption of Debt—				
Treasury Bills	174,585,000	136,305,000	52,510,000	39,540,000
Principal of National Savings Certificates	2,450,000	2,500,000	900,000	1,000,000
Principal of National War Bonds paid off	...	44,069,524	...	750,000
Principal of Treasury Bonds paid off	28,746,070	...	200,000	...
Ways and Means Advances Repaid	73,685,000	63,200,000	15,390,000	12,750,000
Depreciation Fund under the Finance Act, 1917	1,870,044	...	1,870,044	...
	335,783,311	300,199,301	85,913,390	67,561,832

Balances in Exchequer—	Apr. 20, 1929	Apr. 21, 1928			
	£	£			
Bank of England	2,364,763	2,018,980	...	+ 323,908	− 20,288
Bank of Ireland	982,657	851,421	3,347,420	+ 154,267	+ 79,539
Total			339,130,731	302,769,702	+ 478,175	+ 59,251

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, April 24, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—			
In Circulation	357,277,566	Government Debt	11,015,100
In Banking Department	58,766,001	Other Government Securities	235,776,189
		Other Securities	8,383,489
Other Deposits—		Silver Coin	4,825,222
Bankers	£58,432,912		
Other Accounts	35,655,296	Amount of Fiduciary Issue	260,000,000
	94,088,208	Gold Coin and Bullion	156,043,567
7-Day and other Bills	5,841		
	£416,043,567		£416,043,567

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	44,256,855
Rest	3,118,338	Other Securities—	
Public Deposits*	18,317,977	Discounts and Advances	£10,949,807
Other Deposits—		Securities	15,612,927
Bankers	£58,432,912		26,562 734
Other Accounts	35,655,296	Notes	58,766,001
	94,088,208	Gold and Silver Coin	497,774
7-Day and other Bills	5,841		
	£130,083,364		£130,083,364

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

Both Departments.	Amount April 24, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	357,277,566	− 1,663,392	− 13,239,694
Public deposits	18,317,977	+ 441,744	+ 554,590
Bankers' deposits	58,432,912	− 2,346,206	
Other deposits	35,655,296	− 361,303	− 751,162
Seven-day bills	5,841	+ 3,963	+ 3,493
Total, outside liabilities	469,689,592	− 3,925,194	− 13,432,773
Capital and rest	17,671,338	− 17,065	− 821
Government debt and securities	291,048,144	− 4,040,368	+ 20,886,963
Discounts and advances	10,949,807	− 79,002	
Other securities	23,996,416	− 55,572	− 29,720,367
Silver coin in issue department	4,825,222	− 2,745	− 674,778
Coin and bullion (bank's reserve)	156,541,341	+ 269,558	− 3,925,412
Reserve of notes and coin in banking department	59,263,775	+ 1,932,950	+ 13,790,282
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	52⅜%	+ 2⅜%	+ 12⅜%
(b) Gold stocks to deposits and notes ("reserve ratio")	33⅛%	+ ⅛%	− ⅛%

* Comparison includes old currency notes return.

Date.	Issue Department.		Banking Department.			Gold in or out of Bank.	Bank Rate.
	Notes Issued.	Circulation.	Public Deposits.	Bankers' Deposits.	Other Deposits.		
1929.	£	£	£	£	£	£	%
Mar. 6	411,473,325	355,088,201	8,283,015	64,183,525	37,286,117	570,581 in	5½
13	411,704,273	355,004,507	11,933,957	63,384,137	37,631,060	222,872 in	5½
20	412,442,839	353,868,645	19,423,868	62,332,186	37,262,399	736,976 in	5½
27	413,331,566	361,786,016	19,704,899	58,240,243	36,354,799	883,050 in	5½
Apl. 3	414,045,537	363,319,286	17,795,531	67,268,161	37,307,929	702,684 in	5½
10	416,042,703	362,130,979	17,205,719	63,900,072	36,617,576	963,053 in	5½
17	416,836,622	358,940,958	17,876,233	60,779,118	36,016,599	760,357 in	5½
24	416,043,567	357,277,566	18,317,977	58,432,912	35,655,296	203,121 in	5½

Date.	Issue Department.		Both Depts.	Banking Department.			
	Govt. Debt and Securities.	Other Securities.	Gold Coin and Bullion and Reserve Ratio.	Govt. Securities.	Discounts & Advances.	Other Securities.	Reserve & the "Proportion."
1929.	£	£	£	%	£	£	£	%
Mar 6	245889099	9266559	151828798	32⅜	44796855	10379411	16115462	56740597	51⅜
13	245947010	9214076	152068880	32½	44836855	12517418	16809283	57064373	50⅝
20	246087611	9082594	152825852	32⅝	47916855	12582128	17845657	58957207	49½
27	246193740	8977312	153733551	32⅞	50586855	13003543	17065519	61947535	48⅝
Apl. 3	246215843	8965581	154467255	33⅛	59956855	13221208	16358125	61147969	47⅜
10	246507820	8663950	155482700	33½	53276855	12671742	16092205	63361721	46⅝
17	246741657	8430376	156271783	33⅝	48346855	11028809	15621612	57330825	49½
24	246791289	8383489	156541341	33⅞	44256855	10949807	15612927	59263775	52⅜

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to April 10	11,439,147	536,380	861,705	12,837,232
Week ended April 17	803,005	36,989	63,168	903,162
Week ended April 24	692,415	35,715	55,884	785,014
Total to date, 1929	12,934,567	609,084	981,757	14,525,408
Do. 1928	12,492,204	587,761	977,040	14,057,005
Increase or decrease in 1929	+ 442,363	+ 21,323	+ 4,717	+ 468,403
	= 3·6%	= 3·6%	= 0·5%	= 3·3%
Total for year 1928	39,311,117	1,854,190	3,039,422	44,204,729
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Increase or decrease in 1928	+ 2,491,435	+ 96,158	+ 66,595	+ 2,654,185
	= 6·7%	= 5·4%	= 2·2%	= 6·3%

PROVINCIAL CLEARING RETURNS.

	Month of March.			Aggregate Weekly Totals to April 20.	
	1928.	1929.	%	1928.	1929.
Number of Working Days	27	25			
	£	£		£	£
BIRMINGHAM	12,789,000	11,942,000	− 6·6	44,122,500	43,730,500
BRADFORD	7,018,000	5,891,000	− 16	...	...
BRISTOL	5,766,000	5,294,000	− 8·1	19,410,000	19 673,000
DUBLIN	...	...	...	79,354,700	80,061,300
HULL	4,308,000	3,978,000	− 7·6	15,146,800	14,970,400
LEEDS	4,248,000	4,379,000	+ 3	16,421,000	16,684,600
LEICESTER	4,183,000	3,592,000	− 14·1	14,386,000	13,870,722
LIVERPOOL	37,941,000	34,159,000	− 9·9	137,943,700	130,708,200
MANCHESTER	62,536,000	57,971,000	− 7·2	221,932,200	210,413,900
NEWCASTLE-ON-TYNE	6,992,000	6,480,000	− 7·3	24,129,600	23,088,500
NOTTINGHAM	2,993,000	2,812,000	− 6	10,611,211	10,466,508
SHEFFIELD	4,821,000	4,675,000	− 3	16,696,800	16,669,700
Total	153,595,000	141,173,000	− 8	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Roumania appeared in the *Economist* of Mar. 23; Denmark in April 13; Egypt in April 20.

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

RESOURCES.	Apr. 25, 1929.	Apr. 18, 1929.	Apr. 11, 1929.	Apr. 4, 1929.	Apr. 26, 1928.
Total gold reserves	2,798,580	2,779,480	2,774,780	2,719,210	2,723,270
Total bills discounted	974,510	994,300	963,530	1,029,850	709,070
Bills bought in open market	141,180	141,030	157,320	174,700	365,840
Total U.S. Govt. securities	149,780	161,430	166,090	169,060	304,760
Total bills and securities	1,280,600	1,310,160	1,293,780	1,380,460	1,380,660
Total resources	5,080,670	5,214,090	5,054,050	5,146,970	5,035,250
LIABILITIES.					
Federal Reserve notes in actual circulation	1,652,560	1,653,230	1,657,720	1,663,650	1,572,610
Deposits—Memberbank—reserve account	2,290,220	2,302,390	2,301,940	2,335,300	2,417,380
Total deposits	2,350,080	2,379,770	2,339,840	2,382,480	2,474,620
Capital paid in and surplus	410,250	409,630	409,280	408,700	370,930
Total liabilities	5,080,670	5,214,090	5,054,050	5,146,970	5,035,250
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	74·3%	73·3%	73·8%	71·5%	71·3%

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

	Apr 25. 1929.	Apr. 18, 1929.	Apr. 11, 1929.	Apr. 4, 1929.	Apr. 26, 1928.
Total bills discounted	262,870	260,000	246,740	235,530	242,620
Bills bought in open market	28,600	20,090	20,410	26,880	95,260
Total U.S. Govt. securities	17,070	19,530	19,400	23,530	54,640
Total bills and securities	312,750	303,270	288,640	288,030	392,520
Deposits — Memberbank reserve account	903,640	905,480	913,500	939,100	971,940
Ratio of total res. to dep. and Federal Res. note liabilities combined	79·7%	80·4%	81·9%	81·0%	74·1%

STATEMENT OF CANADIAN BANKS.—In $'s (000's omitted).

ASSETS.	Jan. 31, 1929.	Dec. 31, 1928.	Nov. 30, 1928.	Oct. 31, 1928.	Jan. 31, 1928.
Cash and bank balances	434,654	515,804	556,277	515,921	409,917
Bank balances abroad	84,978	77,638	81,697	72,986	74,688
Call and short loans	594,800	558,493	526,531	545,649	480,291
Securities	529,695	524,561	488,291	495,064	551,983
Loans in Canada	1,324,127	1,334,220	1,361,129	1,344,972	1,180,237
Loans abroad	259,657	262,498	239,325	249,067	265,708
Other assets	197,804	196,486	197,932	198,496	177,625
LIABILITIES.					
Note circulation	158,120	186,087	186,631	190,304	162,029
Deposits—					
Government	142,112	135,461	127,395	139,325	84,073
Public in Canada	2,200,431	2,235,308	2,249,718	2,228,453	2,101,488
Foreign	394,732	382,577	383,331	356,389	352,134
Bank balances—					
Canadian	13,383	16,705	16,754	17,755	12,369
Foreign	118,971	118,275	91,611	86,302	89,638
Bills payable, &c.	113,052	116,874	118,488	116,002	91,724
Capital and rest	261,396	260,560	258,754	256,831	256,331
Other liabilities	4,579	3,579	7,194	4,698	3,700

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

ASSETS.	Mar. 29, 1929.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 8, 1929.	Mar. 1, 1929.	Mar. 30, 1928.
Total securities	21,89,01	21,44,01	21,38,47	21,37,01	21,42,64	21,72,13
Loans	10,93,74	12,70,67	14,32,51	13,66,64	14,20,51	12,24,92
Cash credits	32,41,96	31,83,82	32,58,86	32,79,14	32,75,31	31,49,83
Inland bills	11,30,45	11,69,39	11,96,73	11,88,22	11,73,90	15,44,25
Foreign bills	33,62	31,83	35,35	33,99	38,12	46,25
Dead stock	2,83,56	2,83,87	2,83,75	2,83,37	2,83,14	2,79,29
Bal. with other banks	...	13,35	18,65	14,90	2,77	32,45
Cash	10,83,78	11,63,46	10,52,06	10,31,51	13,34,35	11,67,49
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,22,50	5,12,50
Total deposits	77,62,33	77,41,70	76,55,43	75,84,07	79,28,84	77,99,71
The above includes—	£	£	£	£	£	£
Deposits in London	1,029	838	936	928	846	1,111
Advances in London	933	882	906	918	912	936
Cash, etc., at other Banks in London	189	101	142	106	15	239

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

ASSETS.	Mar. 28, 1929.	Mar. 22. 1929.	Mar. 15, 1929.	Mar. 8, 1929.	Mar. 1, 1929.	Mar. 30, 1928.
Gold coin and bullion	8,206	7,557	7,815	7,538	7,623	7,418
Subsidiary coin	98	110	110	109	106	171
Bills discounted	9,125	8,902	7,597	8,300	9,560	8,730
Investments	747	700	667	651	782	576
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	9,498	8,023	8,231	8,695	9,419	8,852
Government deposits	1,613	1,951	1,883	1,517	1,699	1,248
Bankers' deposits	5,163	5,440	5,322	5,045	5,001	5,048
Ratio of cash reserves to liabilities to public	48·1%	48·4%	50·2%	48·3%	46·3%	48·7%

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

ASSETS.	Apr. 19, 1929.	Apr. 12, 1929.	Apr. 5, 1929.	Mar. 29, 1929.	Mar. 22, 1929.
Gold	35,097,716	34,323,084	34,190,820	34,186,454	34,121,356
Foreign assets—					
Sight deposits	9,388,434	10,318,867	10,610,479	10,577,365	10,709,977
Bills discounted	18,412,231	18,450,786	18,427,303	18,332,958	18,322,815
Commercial bills discounted at home	5,561,096	5,580,331	6,029,640	6,837,904	4,897,439
Advances against sec. To the State	9,130,000	9,130,000	9,130,000	9,130,000	9,130,000
Other advances	2,336,657	2,375,329	2,463,598	2,321,795	2,330,272
Other assets (excluding forward exch.)	...	3,265,776	3,382,146	2,959,250	3,263,862
LIABILITIES.					
Notes in circulation	62,647,539	63,317,358	64,123,948	64,574,941	62,627,198
Public deposits	11,869 675	11,941,469	11,282,374	11,616,752	11,421,153
Private deposits	6,287,244	5,748,571	6,427,392	6,263,253	6,415,797
Other liabilities	...	2,436,777	2,315,311	1,991,272	2,121,196

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

ASSETS.	Apr. 23, 1929.	Apr. 13, 1929.	Apr. 6, 1929.	Apr. 23, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,178,898	2,429,866	2,579,525	2,040,915
Of which deposited abroad	163,008	154,344	140,944	85,636
Reserve in foreign currencies	39,936	23,674	33,695	169,330
Bills of exchange and cheques	2,316,084	2,197,804	2,292,190	2,035,597
Silver and other coin	153,783	133,812	113,985	83,061
Notes of other German banks	29,314	22,579	18,491	27,843
Advances	40,987	121,078	96,548	35,973
Investments	92,964	92,981	93,092	93,993
Other assets	541,282	488,448	567,657	542,074
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	319,608	319,608	284,205
Notes in circulation	3,918,931	4,145,211	4,446,672	3,760,082
Other daily maturing obligations	769,295	670,294	668,538	671,063
Other liabilities	262,626	252,341	237,577	190,648

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

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

ASSETS.	Apr. 18, 1929.	Apr. 11, 1929.	Apr. 4, 1929.	Mar. 28, 1929.	Apr. 19, 1928.	Position, May 28, 1914.
Gold	931,241	908,841	907,768	907,758	759,709	(b)
Foreign Bills and Balances Abroad	485,803	496,342	487,814	488,185	464,010	232,650
Silver and other coin	1,518	1,422	1,504	1,434	2,311	
Securities	758,010	756,535	738,856	745,802	544,063	697,600
LIABILITIES.						
Notes in circulation	2,429,438	2,461,160	2,442,869	2,412,383	2,105,246	934,150
Current accounts	110,771	91,940	67,312	89,284	91,383	112,125

(b) In thousand francs.

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

ASSETS.	Apr. 15, 1929.	Apr. 8, 1929.	Apr. 2, 1929.	Mar. 25, 1929.	Apr. 16, 1928.	Position, May 30, 1914.
Gold	422,215	422,470	422,479	422,498	435,170	163,092
Silver	20,932	20,918	20,751	21,491	25,783	8,436
Dscts. and advances	347,001	340,364	389,716	294,842	347,162	153,504
LIABILITIES.						
Notes in circulation	802,984	810,462	834,968	782,734	794,157	316,632
Deposits	15,892	14,683	20,525	9,489	37,249	5,016

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

ASSETS.	Apr. 20, 1929.	Apr. 13, 1929.	Apr. 6, 1929.	Mar. 30, 1929.	Apr. 21, 1928.	Position May 30, 1914.
Gold	186,600	185,700	185,600	186,900	173,233	22,971
Silver					19,234	29,785
Discounts, advances, and other investments	130,300	128,600	128,700	127,800	121,833	77,567
LIABILITIES.						
Notes in circulation	301,900	306,200	308,300	304,200	304,840	109,499
Deposits and bills payable	37,800	35,700	38,000	43,000	45,805	11,250

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

ASSETS.	Apr. 15, 1929.	Apr. 6, 1929.	Mar. 30, 1929.	Mar. 23, 1929.	Apr. 14, 1928.	Position, May 31, 1914.
Gold	482,192	431,238	481,275	481,318	431,926	171,175
Silver	41,886	43,295	44,537	45,546	60,051	18,350
Foreign Bills and Balances abroad	221,464	221,163	217,633	201,603	...	...
Discounts	125,688	152,513	168,782	139,689	209,015	...
Advances	58,384	70,333	73,580	68,677	66,091	103,000
LIABILITIES.						
Notes in circulation	811,332	845,617	885,825	802,275	794,964	275,926
Deposits	122,881	114,395	110,777	119,632	114,795	33,750

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

ASSETS.	Apr. 15, 1929.	Apr. 8 1929.	Mar. 30, 1929.	Apr. 16, 1928.	Position May 31, 1914.
Coin and bullion—Gold	146,833	146,834	146,835	147,235	44,224
Balance abroad and foreign bills	48,753	48,005	48,960	61,479	28,533
Norwegian and Foreign Government securities	9,345	9,345	9,345	10,044	8,816
Discounts and loans	265,899	262,634	273,500	282,214	769,110
LIABILITIES.					
Notes in circulation	308,015	305,917	311,802	319,197	113,484
Deposits at sight	98,405	94,908	97,958	128,300	7,188

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

ASSETS.	Apr. 10, 1929.	Mar. 31, 1929.	Mar. 20, 1929.	Mar. 10, 1929.	Feb. 28, 1929.
Gold, coin and bullion	5,125.100	5,125,797	5,113,439	5,077,538	5,058,611
Foreign bills and balances abroad	5,272,700	5,334,404	5,316,889	5,401,577	5,516,558
Other cash	236,000	238,429	243,742	251,447	221,909
Gold deposited abroad due by the State	1,824,700	1,824,662	1,836,187	1,836,187	1,836,187
Discounts	3,675,300	3,699,123	3,513,315	3,439,658	3,475,134
Advances	1,347,800	1,514,466	1,498,144	1,584,086	1,730,214
Credit with "Istituto di Liquidazioni"	1,057,300	1,057,323	1,077,341	1,077,341	1,077,341
Government securities	1,042,500	1,042,532	1,042,459	1,042,929	1,041,702
LIABILITIES.					
Notes in circulation	16,259,400	16,395,973	15,894,398	16,060,113	16,197,258
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	2,080,700	2,125,395	2,195,027	2,146,178	2,339,829
Ratio of reserve to note and sight liabilities combined	55·78%	55·58%	56·72%	56·63%	56·14%

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

ASSETS.	Apr. 20, 1929.	Apr. 13, 1929.	Apr. 6, 1929.	Mar. 30, 1929.	Apr. 21, 1928.
Gold	234,720	234,796	234,888	234,975	232,234
Government securities—Swedish	6,001	6,001	6,001	6,001	11,027
" " Foreign	73,774	73,774	73,774	73,774	94,424
Other Swedish bonds quoted on foreign bourses	740	740	743	743	1,215
Bills payable in Sweden†	220,717	239,789	263,582	253,585	218,019
" " abroad	66,715	67,785	78,347	77,238	22,387
Balance abroad	41,774	35,747	31,864	37,618	45,903
Advances made on government securities and bonds†	58,826	39,586	39,906	56,600	51,549
LIABILITIES.					
Notes in circulation	463,422	476,629	495,997	543,845	444,328
Government deposits	194,808	185,109	178,811	167,501	187,312
Private deposits	6,814	4,255	17,030	5,709	13,119

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are *not* available as cover for the note issue.

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

ASSETS.	Apr. 20, 1929.	Apr. 13, 1929.	Apr. 6, 1929.	Mar. 30, 1929.	Apr. 21, 1928.	Position, May 30,1914.
Gold	2,559,799	2,559,749	2,559,685	2,559,635	2,607,930	521,775
Silver	717,372	714,673	714,390	715,896	701,359	728,600
*Loans & Discounts	1,835,306	1,885,196	1,969,984	1,908,962	1,815,625	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,279,982	4,311,467	4,333,190	4,243,174	4,263,992	901,550
Deposits	1,020,003	1,040,410	992,217	986,859	1,036,656	477,500

* Including 91 million pesetas lent to the State.

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

ASSETS.	Apr. 10, 1929.	Apr. 3, 1929.	Mar. 27, 1929.	Mar. 20, 1929.	Apr. 11, 1928.
Coin and bullion	9,599	9,699	9.754	8,899	9,188
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	316,302	321,316	326,164	327,602	195,497
Discounts	276,918	275,745	280,699	275,072	255,041
Government loans	1,738,534	1,743,816	1,748,651	1,749,784	1,619,403
LIABILITIES.					
Notes in circulation	1,845,991	1,861,869	1,851,898	1,848,474	1,868,621
Deposits	65,669	64,122	72,021	67,589	71,154

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

ASSETS.	Apr. 15, 1929.	Apr. 7, 1929.	Mar. 31, 1929.	Mar. 23, 1929.	Apr. 16, 1928.
Cash Reserve—					
Gold coin and bullion	168,752	168,752	168,752	168,752	117,199
Foreign exchange	201,221	205,216	209,932	208,010	299,118
Other foreign exchange†	349,335	352,910	357,458	356,677	270,346
Bills discounted	162,016	174,121	188,088	113,313	82,997
Advances	109,857	109,862	109,908	112,385	167,850
LIABILITIES.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	9,283	9,283	9,283	9,283	8,167
Notes in circulation	895,132	929,404	1,004,015	863,222	860,390
Deposits	100,588	85,014	32,955	99,333	79,810

† In dollar and sterling only.

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

ASSETS.	Apr. 15, 1929.	Apr. 7, 1929.	Mar. 31, 1929.	Mar. 23, 1929.	Apr. 15, 1928.
Metal reserve—					
Gold coin and bullion	204,425	204,426	204,428	204,428	196,529
Drafts and notes	12,548	17,183	21,790	28,835	85,359
Silver coin and bullion	10,418	10,048	9,976	10,447	789
Inland bills, warrants and securities	319,590	329,176	345,371	301,819	276,901
Advances to the Treasury	92,257	92,257	92,296	92,296	105,943
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	403,362	423,359	458,308	392,876	401,605
Current accounts, deposits, &c.	209,732	204,711	198,181	237,705	302,755

* Calculated at pre-war parity of exchange.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K.

(000's omitted).

ASSETS.	Apr. 15, 1929.	Apr. 7, 1929.	Mar. 31, 1929.	Mar. 23, 1929.	Apr. 15, 1928.
Gold and silver holdings	1,206,356	1,206,192	1,206,189	1,206,004	1,117,937
Balance abroad and foreign currency	1,702,031	1,769,682	1,780,797	1,784,128	1,733,895
Discounts and advances	445,790	548,276	595,796	217,903	249,786
State notes debt balance	4,033,155	4,034,596	4,037,568	4,038,713	4,354,650
Other assets	690,965	735,153	752,486	833,796	836,653
LIABILITIES.					
Bank notes in circulation	6,613,776	6,925,410	7,333,033	6,497,883	6,609,972
Check account balances	767,294	676,978	349,651	837,688	951,872
Other liabilities	224,633	218,918	217,558	272,379	298,452

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

ASSETS.	Apr. 15, 1929.	Apr. 8, 1929.	Mar. 31, 1929.	Mar. 22, 1929.	Apr. 15, 1928.
Gold	92,020	91,948	91,766	91,591	89,583
Other coin and notes	18,103	18,575	18,386	18,058	18,193
Foreign credits	198,123	194,264	191,102	189,126	271,840
Bills	1,393,086	1,409,182	1,339,298	1,336,906	1,312,861
Government advances	4,201,062	4,201,055	4,201,054	4,201,054	4,338,651
LIABILITIES.					
Notes in circulation	5,128,613	5,273,030	5,265,296	5,085,497	5,430,448
State credits	227,789	227,782	227,781	227,780	299,631
Deposits	1,232,758	996,593	1,020,315	1,119,382	973,732

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

ASSETS.	Apr. 7, 1929.	Mar. 31, 1929.	Mar. 23, 1929.	Mar. 15, 1929.	Apr. 7, 1928.
Gold and silver holdings	1,514,358	1,512,106	1,507,962	1,505,741	1,455,552
Balances abroad and foreign currencies	3,142,785	2,953,292	2,966,520	2,943,349	464,129
Discounts and advances	1,407,075	1,485,316	1,461,876	1,425,000	1,296,780
Advances to the Treasury	3,685,241	3,685,241	3,685,241	3,685,241	4,470,613
LIABILITIES.					
Capital paid up	500,000	500,000	500,000	500,000	516,422
Reserves	1,164,737	1,164,167	1,164,167	1,164,206	1,123,875
Bank notes in circulation	4,145,281	4,100,715	3,932,074	3,915,515	3,873,465
Sight liabilities	2,893,186	3,082,042	3,193,353	3,137,347	1,070,019
Deposits	468,771	469,723	470,115	470,591	1,348,428

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

ASSETS.	Apr. 15, 1929.	Apr. 7, 1929.	Mar. 31, 1929.	Mar. 23, 1929.	Mar. 15, 1929.
Gold	567,052	565,374	564,866	563,760	562,148
Gold exchange	4,770,990	4,834,028	4,586,474	4,421,211	4,542,043
Other foreign exchange	1,087	1,288	1,283	1,289	211
Bills discounted	42,842	42,640	44,455	48,242	49,574
Advances	74,262	72,744	78,642	73,679	77,471
Debt to the State	3,656,305	3,656,305	3,789,638	3,789,638	3,789,638
LIABILITIES.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,520,513	5,597,782	5,487,985	5,488,600	5,535,413
Deposits and current accounts	1,802,267	1,796,232	2,122,398	1,960,464	2,036,713
Foreign exchange liabilities	1,457,479	1,449,834	1,115,506	1,109,338	1,114,807

BANK OF POLAND.—In zloty* (000's omitted).

ASSETS.	Apr. 10, 1929.	Mar. 31, 1929.	Mar. 20, 1929.	Mar. 10, 1929.	Apr. 10, 1928.
Gold	622,378	622,205	622,005	621,711	553,396
Of which held abroad	195,402	195,402	195,402	195,402	173,300
Foreign currencies	610,539	668,931	663,286	684,969	836,212
Bills discounted	683,241	703,971	650,465	662,918	482,427
Loans against securities	88,672	92,715	84,676	84,079	52,879
Reserve fund securities	68,967	69,077	69,704	69,705	55,964
Liability of the Treasury	25,000	25,000	25,000	25,000	25,000
LIABILITIES.					
Share capital	150,000	150,000	150,000	150,000	150,000
Reserve funds	100,000	100,000	100,000	100,000	94,435
Notes in circulation	1,208,002	1,333,258	1,166,022	1,215,890	1,065,274
Current accounts	558,875	512,225	623,903	605,040	649,226
Government accounts	75,000	75,000	75,000	75,000	75,000

* As from October 13, 1927, 8·91 zlotys equals 1 U.S. dollar.

RUSSIAN STATE BANK.—Note-Issuing Department.

(In Tchervonetz—000's omitted.) (NOTE: 1 Tchervonetz = 10 gold roubles.)

ASSETS.	Apr. 16, 1929.	Apr. 1, 1929.	Mar. 16, 1929.	Mar. 1, 1929.	Apr. 15, 1928.
Gold in coin and bullion	17,972	17,883	17,883	17,885	18,204
Other precious metals	4,387	4,359	4,361	4,340	2,871
Foreign bank notes	8,891	8,888	8,889	8,942	5,364
Drafts in sterling (less 10%)	279	277	277	277	267
Bills (less 10% discount)	81,197	79,319	80,317	77,282	73,020
Securities covering advances on goods (less 10%)	274	274	274	274	274
LIABILITIES.					
Bank notes	112,622	110,212	110,958	108,365	99,095
Balance to which notes may still be issued	378	788	1,042	635	905

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

ASSETS.	Apr. 17, 1929.	Apr. 10, 1929.	Apr. 3, 1929.	Mar. 27, 1929.	Mar. 20, 1929.	Apr. 18, 1928.
Gold bullion and coins	23,820	23,811	23,810	23,807	23,802	23,701
Silver coin	4,734	4,702	4,640	4,721	4,754	3,969
Balance abroad	57,919	62,854	66,173	64,790	64,279	72,416
Treas. notes and sm. change	11,671	9,839	9,144	8,553	10,744	10,375
Short term bills	55,534	84,868	85,508	84,049	82,723	80,715
Loans against securities	53,972	51,707	50,949	50,240	48,921	42,727
Other assets	15,765	15,841	15,255	15,350	15,610	10,000
LIABILITIES.						
Notes in circulation	44,344	45,611	47,205	45,687	43,824	39,980
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,385
Reserve	3,091	3,091	3,091	3,091	3,091	2,612
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,595	12,547	12,588	12,520	12,528	11,035
Current accounts	57,784	58,295	57,695	62,669	59,784	47,382
Government accounts	102,358	103,973	103,057	97,035	100,697	115,764
Other liabilities	15,161	12,025	12,763	12,437	12,828	10,245

BANK OF LITHUANIA.—In lt. (000's omitted).

ASSETS.	Apr. 15, 1929.	Mar. 31, 1929.	Mar. 15, 1929.	Feb. 28, 1929.	Feb. 15, 1929.	Apr. 15, 1928.
Gold	34,342	34,330	34,328	34,320	34,302	34,201
Silver	4,346	4,321	4,391	4,403	4,391	4,474
State Treasury coins	1,845	1,850	1,868	1,867	1,858	1,880
Foreign currency	37,164	36,506	37,225	38,453	40,378	51,905
Discount and credit	88,902	89,488	83,799	82,335	81,197	81,281
LIABILITIES.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Reserve	1,200	1,200	1,200	1,200	1,200	1,200
Banknotes in circulation	89,163	93,473	85,187	85,302	81,585	96,547
Deposits	65,753	62,736	65,837	66,679	71,118	66,404

BANK OF DANZIG.—In Danzig gulden (000's omitted).

ASSETS.	Apr. 15, 1929.	Mar. 28, 1929.	Mar. 15, 1929.	Feb. 28, 1929.	Feb. 15, 1929.	Jan. 31, 1929.	Apr. 14, 1928.
Coin and bullion	2,800	2,307	2,805	2,564	2,860	2,604	2,828
Of which gold coin	8	8	8	8	8	7	6
Danzig subsidiary coin	2,792	2,299	2,797	2,556	2,852	2,597	2,822
Bal., Bk. of Eng., inc. notes	11,537	16,069	12,277	14,516	11,726	13,204	11,539
Bills of exchange	23,627	23,479	22,058	20,769	21,712	22,060	22,019
Loans	240	240	...	425	20	685	49
Foreign exchange	16,225	13,967	12,295	18,267	17,271	18,670	28,341
Other bals. on dem'd	1,058	914	672	313	689	587	1,829
Securities	3,403	3,403	3,403	3,403	3,403	3,403	3,448
LIABILITIES.							
Capital paid up	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation	33,268	38,739	33,166	36,923	32,914	36,344	31,747
Deposits on demand	4,078	2,116	2,168	2,174	2,453	2,364	3,644

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

ASSETS.	Apr. 8, 1929.	Mar. 30, 1929.	Mar. 22, 1929.	Apr. 7, 1928.	Position, May 30, 1914
Gold	302,131	302,279	302,499	313,432	35,091
Balance abroad and foreign bills	712,980	719,366	749,755	1,097,068	90,379
Finnish and Foreign Government securities	301,708	301,708	301,708	338,443	21,826
Discounts and loans	1,534,902	1,500,685	1,477,012	965,429	105,151
LIABILITIES.					
Notes in circulation	1,559,714	1,596,011	1,539,257	1,660,881	123,941
Deposits at notice	261,748	236,264	288,808	208,474	21,225

BANK OF ESTONIA.—In Est. krones (000's omitted).

ASSETS.	Apr. 15, 1929.	Apr. 7, 1929.	Mar. 31, 1929.	Mar. 23, 1929.	Apr. 15, 1928.
Gold coin and bullion	6,243	6,243	6,243	6,234	10,281
Net foreign exchange	20,828	21,869	22,257	22,240	29,082
Subsidiary Estonian coin	664	752	579	570	769
Home bills discounted	15,429	14,793	15,291	15,278	8,602
Loans and advances*	14,352	15,525	16,337	15,638	18,742
LIABILITIES.					
Notes in circulation	35,460	34,656	36,259	36,649	37,669
Sight deposits and current accounts	16,723	19,538	19,736	18,875	22,201
Ratio of reserve to current liabilities	51·87%	51·87%	50·89%	51·28%	65·74%

* Includes Ekr. 11,104,205·85, guaranteed by the Government.

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

ASSETS.	Apr. 6, 1929.	Mar. 30, 1929.	Mar. 23, 1929.	Mar. 16, 1929.	Apr. 7, 1928.	Position June 30, 1914
Cash & bullion	1,123,255	1,122,578	1,120,025	1,119,339	1,125,188	221,320
Discounts	711,352	717,071	706,171	706,680	767,676	41,740
Advances	75,612	75,512	75,240	74,852	82,827	70,540
LIABILITIES.						
Notes	1,254,957	1,353,986	1,207,631	1,163,321	1,229,879	363,270
Govt. deposits	600,670	535,865	566,485	569,357	693,651	87,340
Other deposits	258,099	234,400	359,359	395,819	282,833	11,440

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

ASSETS.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 8, 1929.	Mar. 1, 1929.	Mar. 23, 1928.
Gold at home	60,765	60,692	60,700	60,713	61,239
Gold abroad	411,862	409,890	413,587	434,470	462,451
Discounts and advances	79,333	91,099	97,824	77,783	16,654
Loans to Government	...	...	...	...	10,504
LIABILITIES.					
Notes of the bank in circulation	357,500	355,144	359,354	357,470	289,622
Government notes in circulation	6,070	16,139	16,222	16,305	37,582
Deposits	108,633	117,995	118,485	120,415	143,006
Drafts	12,789	12,789	12,789	20,205	3,805
Paid-up capital	90,625	90,625	90,625	90,625	89,523

LONDON RATES.

	Apr. 18, 1929.	Apr. 19, 1929.	Apr. 20, 1929.	Apr. 22, 1929.	Apr. 23, 1929.	Apr. 24, 1929.	Apr. 25, 1929.
	%	%	%	%	%	%	%
Bank rate (changed from 4½% Feb. 7, 1929)	5½	5½	5½	5½	5½	5½	5½
Market rates of discount—							
60 days' bankers' drafts	5	5	5	5	5	5	5
3 months' do.	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
4 months' do.	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
6 months' do.	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
Discount (Treasury Bills)—							
2 months'	5⅛	5	5	5	5	5	5
3 months'‡	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
Loans—Day to day	4½	4	4½	4½	4½	4½	4½
Short	4½	4½	4½	4½	4½	4½	4½
Deposit allowances: Banks	3½	3½	3½	3½	3½	3½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months	Trade Bills. 6 Months
1929.	%	%	%	%	%	%	%
Apr. 4	4½	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
11	4½	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
18	4½	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
25	4½	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛

RATES OF EXCHANGE.

London on		Usance	Par.	April 26, 1928.	April 18, 1929.	April 25, 1929.
New York	dollars to £1	Cable	4·86⅝	4·87 11/16–13/16	4·85 11/16–13/16	4·85 15/16–86/16
Montreal	dollars to £1	Cable	4·86⅝	4·87 11/16–13/16	4·89–89½	4·88 13/16–89½
Paris	francs to £1	T.T.	124·21	123 15/16–124 1/16	124·25–·28	124·17–·20
Berlin	marks to £1	T.T.	20·43	20·39½–40	20·46½–47½	20·46¼–46⅜
Amsterdam	florins to £1	T.T.	12·107	12·10⅜–11	12·07⅞–08⅛	12·08–08⅛
Brussels	belga to £1	T.T.	35·00	34·93–½	34·95½–·96½	34·94–·94½
Milan	lire to £1	T.T.	92·46	92·57–62	92·67–·70	92·62–·65
Berne	francs to £1	T.T.	25·22	25·32–½	25·21½–·22	25·21–·21½
Oslo	kroner to £1	T.T.	18·159	18·23½–4	18·19½–·20½	18·19½–·20
Stockholm	kronor to £1	T.T.	18·159	18·18½–19	18·16½–·17½	18·16½–·16½
Copenhagen	kroner to £1	T.T.	18·159	18·20–½	18·20½–·21	18·20·21½
Madrid	pesetas to £1	T.T.	25·22½	29·30–2	32·87–·92	33·55–·58
Lisbon	*escudo* to £1	T.T.	4·50	2 1/16–⅛	108–108½	108–108½
Vienna	schligs. to £1	T.T.	34·58½	34·67–70	34·56–·8	34·54–·57
Prague	krone to £1	T.T.	24·02(a)	164 1/16–⅛	163½–4½	163½–164½
Belgrade	dinars to £1	T.T.	25·22½	277–½	276–½	276–276½
Budapest	pengo to £1	T.T.	27·82	27·93–6	27·85–·89	27·84–·87
Bukarest	lei to £1	T.T.	813·6	780–2	818–22	816–819
Sofia	leva to £1	T.T.	25·22½	672–7	671–5	671–676
Athens	drachme to £1	T.T.	375	373–6	374½–5	374½–375
Constantin'ple	piastres to £1	T.T.	110	955–6	985–90	989–992
Warsaw	zloty to £1	T.T.	43·38	43¼–½	43 3/16–·23	43 3/16–·¼
Helsingfors	F. marks to £1	T.T.	193·23	193½–4	192 13/16–193 1/16	192 13/16–193 1/16
Kovno	lits to £1	T.T.	48·66	48¼–9½	48½–49½	48½–49½
Reval	kroon to £1	T.T.	18·159	18·00–18·40	18·16–·23	18·16–·23
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15–·25	25·15–·25
Alexandria	piastres to £1	Sight	97⅛	97 11/16–¾	97 3/16–97 5/16	97 3/16–5/16
Buenos Aires	pence to peso	T.T.	47·62d.	47 11/16–¾	47 1/16–⅛	47 1/16–⅛
Rio de Janeiro	pence to mils.	90 days	16	5 13/16–15/16	5 1/16–⅛	5 1/16–⅛
Montevideo	pence to peso	T.T.	51	50½–1½	48 13/16–49½	47½–48
Valparaiso	dollars to £1	90 days	40	39·63	39·58	39·58
Lima	Eng. to Per. £1	90 days	par	20⅛% prm.†	19½% prem.	19½% prem.
Calcutta	pence	T.T.	18	1/5 3/32–⅛	1/5 1/16–⅛	1/5 1/16–⅛
Bombay	to	T.T.		1/5 3/32–⅛	1/5 1/16–⅛	1/5 1/16–⅛
Madras	rupee	T.T.		1/5 3/32–⅛	1/5 1/16–⅛	1/5 1/16–⅛
Hong Kong	ster. to dollar	T.T.	—	2/0¼–⅜	1/11½–2/0⅛	1/11½–2/0⅛
Shanghai	ster. to tael	T.T.	—	2/7⅛–⅜	2/6–2/6½	2/5½–2/6½
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3 13/16–⅞	2/3 13/16–2/3 15/16	2/3 13/16–2/3 15/16
Kobe	ster. to yen	T.T.	24·58d.	1/11 13/16–⅞	1/9 13/16–⅞	1/10½–⅝
Manila	ster. to peso	T.T.	24·066d.	†2s. 0 3/16d.	†2s. 0⅛d.	†2/0⅛
Mexico	pesos to £	T.T.	9·76	23½–24½	10·0–10·50	10·00–10·50

† Rate for previous day. ‡ Pence to escudo.

(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, *i.e.*, approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%
Amsterdam	Mar. 23, 1929	5
Athens	Dec. 2, 1928	9
Belgrade	July 26, 1921	6
Berlin	April 25, 1929	7
Brussels	June 30, 1928	4
Bucharest	Sept. 4, 1920	6
Budapest	April 25, 1929	8
Calcutta	April 11, 1929	7
Copenhagen	June 23, 1927	5
Danzig	June 20, 1927	6
Helsingfors	Nov. 15, 1923	7
Kovno	Feb. 8, 1925	7
Lisbon	July 28, 1926	8
New York Federal Reserve	July 12, 1928	5
Madrid	Dec. 19, 1928	5½
Oslo	Mar. 26, 1928	5½
Paris	Jan. 19, 1928	3½
Prague	Mar. 8, 1927	5
Pretoria	Jan. 9, 1928	5½
Reval	Jan. 2, 1928	7½
Riga	April 1, 1928	6† / 7‡
Rome	Mar. 13, 1929	7
Sofia	Dec. 15, 1928	9
Stockholm	Aug. 24, 1928	4½
Swiss Bank places	Oct. 22, 1925	3½
Tokio	Oct. 18, 1927	5·48
Vienna	Apr. 23, 1929	7½
Warsaw	Apr. 19, 1929	9
Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.

† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.

‡ 7% applied to banks, &c., charging more than 11% p.a. for their loans

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	Apr. 25, 1928.	Mar. 27, 1929.	Apr. 3, 1929.	Apr. 11, 1929.	Apr. 18, 1929.	Apr. 25, 1929.
	%	%	%	%	%	%
Call money	5	15	10	8	8	8
Time money (90 days' mixed coll.)	5	8	8½	8½	9	8½
Bank acceptances :—			Selling Rates.			
Members—eligible, 90 days	4	5⅛	5⅛	5⅛	5⅛	5⅛
Non-mem.—eligible, 90 days	4	5⅛	5⅛	5⅛	5⅛	5⅛
Ineligible, 90 days	4½	6⅛	6⅛	6⅛	6⅛	6⅛
Commercial accept. 90 days	4½	5⅛	5⅛	5⅛	5⅛	5⅛

Rates of Exchange, New York on—		Par Level.	Apr. 25, 1928.	Apr. 11, 1929.	Apr. 18, 1929.	Apr. 25, 1929.
London—						
60 days	Dollars for £1	4·8666	4·8381	4·80 1/16	4·80⅛	4·80⅛
Cable			4·88	4·85⅜	4·85 23/32	4·85⅜
Cheques			4·8762	4·84⅛	4·85⅛	4·84 15/16
Paris cheques	Cents for 1 franc	3·918	3·9337	3·90⅜	3·90⅛	3·90⅜
Brussels	Cents for 1 Belga	13·90	13·9675	13·885	13·89	13·88½
Switzerland	Cents for 1 franc	19·30	19·2675	19·24	19·24	19·24½
Italy	Cents for 1 lire	5·263	5·2675	5·23	5·235	5·23⅜
Berlin	Cents for 1 mark	23·81	23·895	23·685	23·69	23·69½
Vienna	Cts. for Austrn. shlg	14·07	14·08	14·04	14·04	14·05
Madrid	Cents for 1 peseta	19·30	16·68	14·89	14·81	14·54
Amsterdam	Cents for 1 guilder	40·195	40·2625	40·085	40·12	40·13½
Copenhagen	Cents for 1 kroner	26·80	26·81	26·635	26·645	26·64
Oslo			26·745	26·645	26·655	26·65
Stockholm			26·82	26·675	26·70	26·70
Athens	Cents for 1 drachma	1·297	1·3075	1·29⅜	1·29⅜	1·29⅜
Montreal	Can. Cents for $1	100	par	⅛ dis.	⅛ dis.	⅛ dis.
Yokohama	Cents for 1 yen	49·85	par	44·50	44·20	44·63
Hong Kong	Cents for H.K. $	...	50·05	48·75	48·70	48·70
Shanghai	Cts. for 1 Shng. tael	...	63·625	61·45	61·35	61·10
Calcutta	Cents for 1 rupee	36·50	36·52	36·27	36·24	36·23
Buenos Aires	Gold Pesos for 100	103·65	103	104·75	104·75	104·75
Rio de Janeiro	Cents for 1 milreis	32·42	12·03	11·95	11·90	11·88
Valparaiso	Cents for 1 peso	12·125	12·25	12·07	12·07	12·07

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·38
Venezuela	Bolivares to £	25·25	"	25·12
Colombia (Bogota)	Pesos to £1	5	"	5·04
Nicaragua	Cordobas to £	4·8665	"	4·92
Salvador	Colones to £	9·73	"	9·28
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Union of South Africa. From February 6, 1928. London on South Africa. Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Union of South Africa. From February 18, 1929. South Africa on London. Selling.
T.T.	—	⅛% dis.	par to ⅛% pm.	⅛% prem.
Demand	⅛% dis.	⅛% "	⅛% dis.	⅛ to ¼% "
30 days	1 3/16% "	¼% "	⅛% "	⅜% "
60 days	2⅛% "	⅜% "	⅛% "	⅜% "
90 days	3% "	⅜% "	⅛% "	⅜% "
120 days	3¾% "	⅜% "	⅛% "	⅜% "

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	London on Australia and New Zealand. Buying. New Zealand.	London on Australia and New Zealand. Selling. Australia.	London on Australia and New Zealand. Selling. New Zealand.	Australia and New Zealand on London. Buying. Australia.	Australia and New Zealand on London. Buying. New Zealand.	Australia and New Zealand on London. Selling. Australia.	Australia and New Zealand on London. Selling. New Zealand.
T.T.	...	...	99½	99⅝	...	...	101	100⅛
Demand	99⅛	99⅛	99⅛	99⅛	99⅛	99⅛	100⅛	100⅛
30 days	97⅛	97⅛	...	...	99⅛	99⅛	100⅛	99⅞
60 days	97	97⅛	...	...	98⅞	99⅛	99⅛	99⅞
90 days	96⅞	96⅞	...	...	98⅝	97⅛	...	99⅞

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for tchervonetz :—

£1,000 sterling equals 942·00–944·00 tchervontzi.

1 tchervonetz = 10 gold roubles. £1 sterling = 2·46 gold roubles.

BULLION.

The following statistics of imports and exports of gold for week ended April 25, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland. From—	£
Germany	2,000
Argentine Republic	200,000
British West Africa	35,387
British South Africa	179,963
Other Countries	2,376
Total declared value of imports	419,726

Exported from Great Britain and Northern Ireland. To—	£
Poland (includ. Danzig)	1,707
Germany	58,870
Netherlands	2,000
Denmark	275
Austria	13,650
Morocco	3,000
Java	1,390
Kenya	2,120
British India	11,628
Other Countries	537
Total declared value of exports	95,377

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929.	ARRIVALS.	£	1929.	WITHDRAWALS.	£
Apr. 19	Bars bought	23,218	Apr. 19		Nil
" 20		Nil	" 20	Bars sold	6,659
" 22	Sovs. from abroad	200,000	" 22	Sovs. for export	4,000
" 23	Bars bought	699	" 22	Sovs. for export	5,000
" 24	Bars bought	5,112	" 23		Nil
" 25	Bars bought	26	" 24	Bars sold	5,049
			" 25		Nil
	Total	229,055		Total	25,908

Net arrivals, £203,147

Messrs. Samuel Montagu and Co. write as follows on April 24, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £155,836,622 on the 17th instant (as compared with £155,042,703 on the previous Wednesday), and represents an increase of £1,930,307 since April 29, 1925—when an effective gold standard was resumed.

There was only £180,000 bar gold from South Africa available in the open market this week, and this was absorbed by the requirements of India (£30,000), the Home Trade (£50,000), and the Continental Trade (£100,000). There was a net influx of gold of £203,121 during the week.

SILVER.

Following weaker advices from the East, silver prices receded slightly until the 22nd instant when 25 1/16d. was fixed for both cash and two months' delivery. The market, however, has continued quiet and the variation in quotations during the week has been only ⅛d. China has made further re-sales of silver, but America, besides offering to sell, has been also disposed to give support on occasion. The following were the United Kingdom imports and exports of silver registered from mid-day, on the 15th instant, to mid-day on the 22nd instant :—

IMPORTS.	£	EXPORTS.	£
Germany	15,338	Germany	13,090
Netherlands	9,700	British India	157,012
France	7,490	Other countries	8,264
Irish Free State	14,800		
Other countries	3,836		
	£51,164		£178,366

Indian Currency Returns (in lacs of rupees).

	Apr. 15.	Apr. 7.	Mar. 31.
Notes in circulation	18,579	18,598	18,803
Silver coin and bullion in India	9,952	9.985	9,989
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,222	3,222	3,222
Gold coin and bullion out of India	...	...	...
Securities (Indian Government)	4,323	4,323	4,323
Securities (British Government)	882	1,068	1,069
Bills of exchange	200	...	200

The stock in Shanghai on the 20th instant consisted of about 78,500,000 ounces in sycee, 125,000,000 dollars and 11,000 silver bars, as compared with 80,100,000 ounces in sycee, 130,000,000 dollars and 10,500 silver bars on the 13th instant.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
Apr. 19	84 10½	25 13/16	25 13/16	April 27, 1923	32⅝
„ 20	84 11½	25¾	25¾	„ 25, 1924	33⅛
„ 22	84 11½	25 11/16	25 11/16	„ 24, 1925	31 1/16
„ 23	84 10½	25 11/16	25 11/16	„ 23, 1926	29 7/16
„ 24	84 10⅝	25¾	25 13/16	„ 22, 1927	26½
„ 25	84 11	25⅞	25⅞	„ 26, 1928	26½

NOTICES.

Messrs W. A. Harriman & Co., the well-known New York private bankers, announce that, as from May 1, 1929, the firm name will be changed to Harriman Brothers and Co.

The British Italian Banking Corporation, Limited, wish to notify that Mr. Manzi-Fe's connection with that institution has terminated.

A branch of the Queensland National Bank has been opened at Sussex Street, Sydney, New South Wales.

Barclays Bank, Limited, announce the opening of a new branch at Chequers Corner, Dagenham, Essex.

Branches of the Union Bank of Australia have to-day been opened at Burwood, Sydney, New South Wales, and Wyalkatchem, Western Australia.

SUMMARY OF BALANCE-SHEETS.

THE UNION BANK OF SCOTLAND, LIMITED.

LIABILITIES.	Amount. April 2, 1928.	April 2, 1929.	ASSETS.	Amount. April 2, 1928.	April 2, 1929.
	£	£		£	£
Deposits, &c.	25,936,327	27,280,189	Gold and silver coin, &c.	2,971,363	2,957,433
Current drafts	22,109	17,461	Money at call and notice	3,171,599	3,628,396
Acceptances	685,863	1,221,092	British Govt. securities	7,301,131	6,079,754
Notes in circulation	2,556,363	2,478,485	Other investm'ts	2,904,103	3,140,448
Capital paid up	1,000,000	1,000,000	Loans	3,166,830	3,439,470
Rest account	1,450,000	1,500,000	Bills under discount	2,680,953	2,649,341
Profit and loss	294,505	305,744	Advances	8,452,119	10,098,247
			Acceptances	685,863	1,221,092
			Bank offices	271,625	264,557
			London property	110,260	110,260
			Heritable property	229,321	213,973
Total	31,945,167	33,802,971	Total	31,945,167	33,802,971

CENTRAL UNION TRUST COMPANY OF NEW YORK

Head Office:
80 Broadway
NEW YORK

London Representative:
C. Noël Hume
1 & 2 Gracechurch Street, E.C.3

Complete Commercial & Foreign Banking Service

Acts in every Fiduciary Capacity

Capital, Surplus and Undivided Profits over $55,000,000.

BALDWINS, LIMITED.

December 31, 1928.

LIABILITIES.	£	ASSETS.	£
6% "A" pref. (£1)	250,000	(i) Fixed assets—	
7% "B" Pref. (10s.)	771,847	Freehold and leasehold Properties	3,258,553
Ord. shares (4s.)	1,176,710	Investments in subsidiary Co.'s shares	179,311
4½% deb. stock	6,429	(ii) Floating assets—	
6% deb. stock	1,000,000	Stocks and stores	814,605
6½% "A" deb.	1,206,821	Debtors	581,232
6½% non-convert. deb.	724,069	Owing by subsidiaries	377,703
6½% conv. deb.	482,564	Investments and loans (other than British Govt. stks.)	752,401
5½% income notes, £1,000	399,000	Bills receivable	16,355
Port Talbot deb. stock	5,134	Cash and loans at short call	405,839
Int. accrued on 6% deb.	6,030	British Govt. securities at cost	201,366
Creditors' trading account	631,792	Surrender value of policy with Sun Life	58,955
To subsidiaries	17,493	(iii) Intangible assets, discount on deb. stk.	34,968
Profit and loss	3,399		
Total	6,681,288	Total	6,681,288

December 31, 1927.

LIABILITIES.	Amount. £	Compared with June 30, 1927. £	ASSETS.	Amount. £	Compared with June 30, 1927. £
5½% pref. shares	250,000	...	Properties	3,809,153	+ 58,771
Ord. shares	4,154,155	...	Stock	791,776	— 38,393
5% cum. "B" prf.	1,543,693	...	Investments	4,085,560	— 13,431
4% deb. stock	500,000	...	Loans to subsidiaries	478,130	+ 188,478
7½% deb. stock	2,113,700	— 35,400	Sundry debtors	854,348	— 21,496
Sundry creditors	589,189	+ 62,171	Cash	823	— 38,623
Deb. int. accrued	90,514	— 1,327	Premiums	256,496	+ 11,357
Bank overdraft	603,370	+ 66,122			
eb. warrants	783	— 46			
nking funds—					
4½% deb. stock	209,433	+ 4,876			
7½% deb. stock	132,244	+ 16,359			
Depreciation of leaseholds	41,385	+ 41,385			
Profit and loss	47,820	— 7,477			
Total	10,276,286	+ 146,663	Total	10,276,286	+ 146,663

DUNLOP RUBBER COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £	ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
6½% "A" pf. (£1)	1,000,000	...	Properties	3,195,460	+ 257,507
7% "B" pf. (£1)	1,000,000	...	Debtors, less reserves	920,931	+ 109,608
10% "C" pf. (16s)	2,400,000	...	Stocks	2,941,495	— 85,360
Ord. shares (6/8)	7,784,349	+ 966,937	Investments at or under cost—		
5½% deb. stock	4,759,322	— 84,228	Rubber ests.	617,971	+ 102,830
6% debs.	1,927,380	...	Associd. cos.	10,985,257	+ 1,623,297
Income stock	...	— 92,404	American co.	3,895,179	— 476,330
Reserve	3,029,712	+ 816,683	General	7,920	+ 7,467
Creditors	1,365,983	+ 143,132	Cash and bills	2,649,353	— 179,622
Profit and loss	2,528,987	— 328,472	Royalty agreements, &c.	582,167	+ 62,250
Total	25,795,733	+ 1,421,648	Total	25,795,733	+ 1,421,648

MARGARINE UNION, LIMITED.

December 31, 1928.

LIABILITIES.	£	ASSETS.	£
7% Cum. Pref. £1	1,000,000	Investments in Associated Cos. at cost	2,859,009
Ord. £1	1,819,065	Loans, &c.	3,003,452
Def. (1s.)	100,000	Cash	130,447
Reserve	419,532	Preliminary expenses	103,545
Creditors	1,970,038		
Loans	548,242		
Profit and loss	239,576		
Total	6,096,453	Total	6,096,453

N. V. MARGARINE UNIE, ROTTERDAM.

December 31, 1928.

LIABILITIES.	Florins.	ASSETS.	Florins.
7% Cum. Pref.	13,000,000	Investments in Associated Cos. at cost	132,837,177
Ord. shares	89,932,000	Loans, &c.	12,541,126
General reserve	23,251,983	Cash	5,970,995
Creditors	18,392,425	Preliminary expenses	4,507,017
Profit and loss	11,279,907		
Total	155,856,315	Total	155,856,315

BIRMINGHAM SMALL ARMS COMPANY, LIMITED.

January 31, 1929.

LIABILITIES.	Amount. £	Compared with Jan. 31, 1928. £	ASSETS.	Amount. £	Compared with Jan. 31 1928. £
5% "A" cum. pref., £5	203,150	...	Properties and plant	2,366,691	— 154,831
6% "B" cum. pref., £1	350,580	...	Stocks	858,420	— 104,507
Ord. shares, £1	2,815,172	...	Due from subsidiary cos.	479,750	— 378,290
6½% Notes	Nil	— 2,500,000	Sundry debtors	108,195	+ 67,859
6% deb. stk.	2,000,000	+ 2,000,000	Investments in subsidiaries	4,078,568	+ 115,449
Creditors	489,458	+ 172,794	Sundry investm'ts	15,379	— 3,968
Assets reserve	341,570	— 154,020	Cash and bills	278,210	+ 4,950
Depreciation res.	787,406	— 37,674			
Investments res.	483,014	...			
General reserve	500,000	+ 200,000			
Profit and loss	214,863	— 124,436			
Total	8,185,213	— 453,336	Total	8,185,213	— 453,336

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended April 19, 1929. (c) Week ended April 20, 1929.	Miles Open.	Week ended April 21, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 16 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,733	217	251	136	387	604	3,249	3,426	2,087	5,513	8,762
Do. for 1928	3,734	240	233	122	355	595	3,389	3,455	1,905	5,360	8,749
Lon.&N.Eastn.(c)	6,345	326	467	285	752	1,078	4,949	6,439	4,453	10892	15,841
Do. for 1928	6,363	341	441	235	676	1,017	5,204	6,762	3,979	10741	15,945
Lond.,Mid.&Scot.	6,953½	489	641	268	909	1,398	7,431	8,817	4,853	13670	21,101
Do. for 1928	6,950½	523	611	283	894	1,417	7,823	9,298	4,471	13769	21,592
Southern	2,177	282	85	26	111	393	4,357	1,183	537	1,720	6,077
Do. for 1928	2,177	293	87	27	114	407	4,493	1,247	464	1,711	6,204
Metropolitan (c)	59	31·9	...	...	3·8	35·7	503·6	...	...	59·9	563·5
Do. for 1928	59	33·2	...	...	3·7	36·9	511·4	...	...	59·3	570·7
†Und'rgr'ndE.R.c	...	...	...	...	...	290·3	...	...	...	...	4,298·6
†Do. for 1928	...	...	...	...	...	271·8	...	...	...	...	4,357·0
Lon.&Sub.Gr'upc	...	...	...	...	...	41·5	...	...	...	...	611·4
Do. for 1928	...	...	...	...	...	38·4	...	...	...	...	625·9
B'ff'ts&Co.D'wn b	80	2·1	...	...	0·8	2·9	31·8	...	...	14·6	46·4
Great Northern b	562	10·4	...	...	17·4	27·8	173·4	...	...	260·4	433·8
Great Southern b	2,187	24·6	...	...	53·5	78·1	378·8	...	...	765·0	1,143·8

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or —	Total Gross Receipts. 1929.	+ or —
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	51weeks	Mar.23	1,206	4,65,000	+ 42,261	2,25,23,808	+ 4,10,147
Barsi Lt. Ry.	52weeks	31	202	51,000	— 14,300	24,59,300	+ 6,58,800
Bengal & N.Western	51weeks	23	2,078	7,79,990	— 19,321	1,79,68,483	— 5,69,307
Bengal-Nagpur	50weeks	16	2,979	20,36,000	+ 70,180	8,66,97,449	— 7,31,837
Bombay, Bar.,& C.I.	2weeks	Apr.13	3,022	25,27,000	—2,16,000	45,91,000	— 5,04,000
Burma	35weeks	Dec. 1	1,349	7,24,790	— 80,277	2,73,09,216	— 1,42,540
Madras & S. Mahr	51weeks	Mar.23	3,121	21,20,000	+ 28,132	9,31,54,971	+ 55,46,461
Nizam'sGuar'untd.(a)	52weeks	31	1,146	5,59,704	— 60,901	2,18,27,067	+ 12,34,452
†Rohilk'd& Kumaon	51weeks	23	572	1,41,480	— 33,34,981		— 2,83,476
South Indian	51weeks	23	2,294	12,46,886	— 1,135	6,05,24,731	— 6,13,447
ARGENTINE (a).				£	£	£	£
Argentine N.E.	42weeks	Apr.20	753	16,400	+ 1,000	653,100	+ 25,000
B.A. and Pacific	42weeks	20	2,806	204,000	+ 17,000	7,292,000	+ 755,000
B.A. Central	42weeks	21	...	16,273	+ 964	612,278	— 22,070
B.A. Gt. Southern	42weeks	20	2,762	271,000	+ 14,000	10,567,000	— 479,000
B.A. Western	42weeks	20	1,296	115,000	+ 5,000	4,278,000	— 36,000
Central Argentine	42weeks	20	3,319	290,000	+ 13,000	11,407,000	+ 298,000
Cordoba Central	42weeks	20	1,218	70,000	...	2,903,200	+ 7,000
Entre Rios	42weeks	20	728	26,800	— 2,500	1,291,400	+ 56,400
CUBAN.				£	£	£	£
United of Havana†	42weeks	Apr.20	1,374	101,360	+ 25,364	3,184,322	— 119,069
URUGUAYAN.				£	£	£	£
Central Uruguay	42weeks	Apr.20	273	30,752	— 359	1,272,960	— 13,326
C. Urug. (East Ext.)	42weeks	20	311	7,768	— 464	290,545	— 4,457
C.Urug.(North.Ext.)	42weeks	20	185	4,131	— 267	154,569	+ 4,683
C. Urug.(West. Ext.)	42weeks	20	211	3,381	+ 249	127,347	+ 629
CANADIAN.				$	$	$	$
Canadian National	15weeks	Apr.14	19,362	4,753,723	+ 452,472	69,731,036	+ 1291849
Canadian Pacific	15weeks	14	14,822	3,695,000	+ 258,000	55,047,000	+ 942,000

† 10 days.

BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil	16weeks	Mar.20	1,016	16,100	+ 4,100	329,800	+ 80,800
Leopoldina	16weeks	20	1,856	35,496	— 6,777	574,386	— 205,399
Leopoldina Termnl.	16weeks	20	Mirs.	252,000	— 15,000	4,469,000	+ 135,000
San Paulo	16weeks	21	153½	45,207	— 1,593	754,958	+ 68,443
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia)	16weeks	Apr.21	838	39,300	+ 2,170	663,510	+ 88,855
Nitrate (½-monthly)	15weeks	15	402	43,489	+ 16,491	280,307	+ 41,161
OTHER OVERSEAS.				£	£	£	£
Egyptian Delta	52weeks	Mar.31	608	£9,303	+ 1,397	338,612	+ 26,297
Gt. Southn. of Spain	15weeks	Apr.13	104	Ps.115,235	— 13,910	1,837,914	— 65,765
Mexican Railway	15weeks	14	483	$292,700	+ 28,100	3,603,000	— 653,600
Paraguay Central	42weeks	20	274	£4,860	+ 620	185,440	+ 4,080
Salvador	42weeks	20	100	£5,143	— 1,052	213,633	+ 6,947

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or —	Total Receipts. 1929.	+ or —
Anglo-Argentine	16weeks	Apr.22	329	91,166	+ 3,686	1,410,185	— 22,993
B. Aires Lacroze	42weeks	21	...	12,222	— 26	548,269	+ 1,468
Burnley Corporation	1week	20	13	£2,991	+ 253	...	...
Calcutta Tramways	1week	20	35½	Rs128,051	+ 5,739	...	...
Chatham & District	14weeks	14	15	£1,031	— 526	14,237	— 3,885
Egyptian Markets	14weeks	11	...	£1,974	+ 112	30,707	+ 1,502
Glasgow Corporation	40weeks	6	136½	43,129	— 2,191	1,930,590	— 86,987
Isle of Thanet Trams	14weeks	10	...	£1,065	— 1,037	12,391	— 521
Liverpool Corp.	3weeks	20	124	29,067	+ 1,389	84,643	+ 849
L.C.C. Tramways	3weeks	17	166	£81,278	+ 2,680	199,736	+ 4,353
Madras Electric	15w'ks	15	...	Rs. 44,210	+ 2,854	305,212	+ 21,538

‡ Fortnightly figures.

Reports and Notices.

Mr J. L. Simpson, of the J. Henry Schroeder Banking Corporation of New York, U.S.A., has been appointed to a seat on the board of the United Railways of the Havana and Regla Warehouses, Limited.

Mr Ernest Weston has been appointed manager of the Manchester branch of the Alliance Assurance Company in place of the late Mr W. H. Hoyle.

Governor Alfred E. Smith, who recently contested for the American Presidency with Mr. Hoover, has become a member of the board of Metropolitan Life Insurance Company, of New York.

Sir James Devonshire, K.B.E., has been appointed chairman of Edmundson's Electricity Corporation.

It is officially announced that Captain Evan Cadogan Eric Smith, M.C., has been appointed a director of the National Provincial Bank, Limited.

BANKS.

BANCO NACIONAL ULTRAMARINO.—The net profit for the year 1928, after deduction of Esc. 6,920,897 for contribution to the Portuguese State and Esc. 40,917 interest on bonds amounts to Esc. 13,950,506, against Esc. 15,230,138 for 1927. To reserve funds (bringing amount up to Esc. 50,800,000), Esc. 1,800,000$00; participating (working) shares of staff and pension fund, Esc. 452,957$04; dividend, 22 per cent. (including interim dividend of 9 per cent., viz.: Esc. 4,500,000 already distributed), Esc. 11,000,000$00, subject to Portuguese taxes; carried forward to new year, Esc. 697,549$824.

BANQUE NATIONALE DE CREDIT (PARIS).—Report for year 1928 shows net profits for 1928 amounted to frcs. 39,490,568.08 and a dividend of 13 per cent., viz. frcs. 65.– per share, was paid, against 11 per cent. or frcs. 55.– per share for 1927. The deposits have increased by 12 per cent. and now stand at frcs. 4,630,762,452.17 against frcs. 4,121,470,391.38 at the end of 1927.

MISCELLANEOUS.

ODHAMS PRESS, LIMITED.—The ninth annual report for 1928 shows a net trading profit, after providing for debenture and other interest, of £176,784. For preceding years the profits were: 1923, £8,689; 1294, £102,923; 1925, £118,114; 1926, £116,872; 1927, £151,753. After payment of the dividends on the 6 per cent. and 7½ per cent. preference shares, absorbing £48,217 18s. 4d., writing off new issue expenses, premiums and interest in lieu of notice on debentures and secured notes redeemed and providing for all charges, the balance standing to the credit of the profit and loss account is £110,477, which sum the directors recommend should be appropriated as under: 15 per cent. on the ordinary shares of the company, against 12½ per cent. for 1927, £61,500; to general reserve, £15,000, making it £100,000; carrying forward to 1929, £33,977. The directors are pleased to report that the progress of the business has been well maintained.

EVER READY COMPANY (GREAT BRITAIN).—The directors recommend the payment of the following final dividends for the year ended March 31, 1929:—On the preference shares, 5 per cent., making the maximum of 10 per cent. for the year; on the old ordinary shares, 25 per cent., making 35 per cent. for the year

(*Continued on page 957.*)

Facilities for Travellers in S. America

Travellers to Latin-American countries can obtain valuable facilities through the Bank of London & South America. With branches and agencies at all strategical points, this Bank issues letters of credit, renders status reports on South American firms, supplies a free Monthly Review of market information, and offers a complete international banking service between Great Britain and South America.

Estd. 1862.

BANK OF LONDON & SOUTH AMERICA LIMITED

6, 7 & 8, Tokenhouse Yard, London, E.C.2

MANCHESTER: 36, Charlotte Street. BRADFORD: 33, Hustlergate.

Affiliated to Lloyds Bank Limited.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
Banks.		£	£	£	£	£	%	£	£	£	%
British of S. America	Dec. 31	107,930	100,718	208,648	...	100,000	10	...	108,648	99,771	10
Union Bank of Scotland	April 2	89,504	336,239	425,743	...	180,000	18	145,000	100,743	329,504	18
Breweries.											
Wilson's Brewery	Feb. 28	58,246	124,755	183,001	z18,300	71,000	20	32,319	61,382	123,052	20
Canals and Docks.											
Oxford Canal	Dec.31*	1,949	6,896	8,845	...	6,253	3½	1,000	1,592	5,991	3
Electric Lighting, &c.											
Cornwall Power	Dec. 31	2,588	20,608	23,196	10,500	8,500	4	1,500	2,696	20,727	5
Shropshire, Worcestershire	Dec. 31	45,629	200,637	246,266	34,500	24,000	8A	71,329	78,937	130,159	8A
						37,500	7½B				7B
Financial, Land, &c.											
Scottish and Canadian Gen.	Mar. 31	4,129	25,180	29,309	8,250	10,800	9	6,000	4,259	17,317	8
Hotels, Restaurants, &c.											
Waldorf Hotel	Jan. 31	6,109	50,991	57,100	15,000	22,500	15	12,500	7,100	51,547	15
Iron, Coal and Steel.											
Baldwins Limited	Dec. 31	...	94,781	94,781	...	...	...	91,382	3,399	...	...
Beyer, Peacock and Co.....	Dec. 31	12,264	39,497	51,761	16,500	15,000	5	12,000	8,261	51,797	2½
Industrial Steels	Dec. 31	1,985	850	2,835	...	...	...	2,500	335	19,220	...
North's Navigation Collieries	Dec. 31	*Dr. 92,427*	*Dr. 80,584*	*Dr173,011*	...	...	...	180,687	*Dr.363,698*	*Dr17,330*	...
Motor and Cycle.											
Alvis Car, &c.....	Dec. 31	29,918	32,372	62,290	4,932	8,000	10	36,844	12,514	25,028	Nil.
Rubber, &c.											
Anglo-Johore Consolidated	Dec. 31	8,043	*Dr. 563*	7,480	...	...	...	...	7,480	9,377	7½
Bahru Selangor	Dec. 31	2,011	6,777	8,788	...	6,250	25	...	2,538	7,466	25
British Malay	Dec. 31	11,808	18,939	30,747	...	15,600	4	2,000	13,147	33,686	5
Bukit Cloh	Dec. 31	1,856	12,520	14,376	...	10,417	20⅝	...	3,959	11,691	25
Ceylon Timber and Rubber.	Dec. 31	3,537	*Dr. 1,993*	1,544	...	...	...	...	1,544	12,451	17½
Dahan Estates	Dec. 31	695	5,847	6,542	...	4,400	10	1,000	1,142	...	...
Deviturai Rubber and Tea..	Dec. 31	10,518	19,320	29,838	...	16,854	9	2,500	10,484	...	...
Hidden Streams	Dec. 31	6,526	1,381	7,907	...	1,320	5	...	6,587	4,731	12½
Karak	Dec. 31	3,684	6,056	9,740	...	5,119	10	...	4,621	4,830	5
Kapar Para	Dec. 31	13,437	12,913	26,350	...	15,000	10	*Dr. 4,000*	15,350	27,663	15
Malaysia	Dec. 31	11,530	3,987	15,517	...	3,375	12½	...	12,142	8,163	5
Matale Ceylon.....	Dec. 31	1,798	281	2,079	...	...	...	1,000	1,079	1,896	5
Mendaris Sumatra	Dec. 31	42,667	36,454	79,121	...	21,543	5	15,000	42,578	34,655	Nil.
Nagolle (Ceylon).....	Dec. 31	4,763	11,013	15,776	...	7,406	4	5,000	3,370	15,331	6
Oriental	Dec. 31	7,833	10,751	18,584	...	8,800	4	1,000	8,784	21,627	7½
Poonnadi	Dec. 31	3,614	9,489	13,103	...	4,912	5	5,000	3,191	14,806	10
Remfield	Dec. 31	3,178	7,578	10,756	...	...	...	5,100	5,656	11,107	...
Sepang Selangor	Dec. 31	25,693	9,776	35,469	...	8,795	3	5,000	21,674	14,209	...
Seremban	Dec. 31	7,019	1,785	8,804	...	...	...	2,000	6,804	15,017	2½
Siak (Sumatra)	Dec. 31	3,353	1,291	4,644	1,500	...	...	500	2,644	4,869	...
Sungei Sayong.....	Dec. 31	2,116	446	2,562	...	...	...	...	2,562	2,398	...
Sungei Telor Malaya	Dec. 31	5,841	*Dr. 1,251*	4,590	...	...	...	700	3,890	2,007	...
Tenom (Borneo)	Dec. 31	23,047	10,003	33,050	...	8,923	2½	8,000	16,127	19,535	3
Ulu Rantau.....	Dec. 31	9,715	*Dr. 445*	9,270	...	...	...	...	9,270	7,929	10
Yataderia Rubber and Tea.	Dec. 31	4,459	9,354	13,813	...	7,000	5	4,000	2,813	20,218	10
Yunnan Estates	Dec. 31	2,962	2,579	5,541	...	2,700	3	2,305	536	...	...
Shipping.											
Houlder Brothers	Dec. 31	24,449	113,567	138,016	5,500	80,000	10†	25,000	27,516	120,366	10†
Shops and Stores.											
Reed (Austin)	Feb. 20	26,226	80,384	106,610	24,000	22,572	15	34,000	26,038	70,107	12½
Tea.											
Ceylon Tea Plantations.....	Dec. 31	56,262	196,256	252,518	10,578	150,400	40	39,000	52,540	238,900	45
Pundaloya Tea of Ceylon ...	Dec. 31	3,429	24,077	27,506	1,584	21,120	40	1,500	3,302	35,753	45
Ragalla	Dec. 31	2,145	19,130	21,275	2,100	15,600	20	2,000	1,545	26,163	30
Talawakelle	Dec. 31	3,081	18,465	21,546	1,671	13,493	35	2,500	3,882	17,049	35
Telegraphs, &c.											
Anglo-Portuguese Telephone	Dec. 31	32,800	42,887	75,687	...	35,935	8	...	39,752	31,412	8
Indo-European Telegraph ..	Dec. 31	19,991	67,376	87,367	...	42,500	10†	30,000	14,867	85,822	10†
Tramways.											
Mansfield and District	Dec. 31	4,717	855	5,572	...	...	...	2,205	3,367	6,907	...
Trust.											
Corporation and General Securities	Feb. 28	14,246	93,982	108,228	...	42,000	7	46,500	15,061	89,850	6
						4,667	Mngmt.				
Northern Securities Trust...	Dec. 31	5,964	22,185	28,149	9,487	12,350	10	...	6,312	19,608	10
U.S. and South American...	April 4	29,044	93,348	122,392	20,000	54,000	13½	20,000	28,392	87,758	12½
Other Companies.											
Bovis (1928)	Dec. 31	...	18,174	18,174	3,312	6,614	1½d.	p.s. 5,890	2,358	...	...
Bryant and May	Mar. 31	86,515	531,642	618,157	67,200	388,403	...	102,787	59,767	412,758	...
Burton, Son and Sanders ...	Dec. 24	24,647	49,007	73,654	29,636	17,162	10	...	26,856	...	...
Dunlop Rubber	Dec. 31	578,580	637,907	146,487	375,000	1,540,209	20	*Dr1,500,000*	801,278	2,379,502	25
Embassy Wine and Club ...	Mar. 31	78	23,360	23,438	13,125	6,250	100	1,291	2,772	...	...
Glave (Henry)	Mar. 31	150,000	67,008	82,088	35,600	30,000	20	1,813	14,675	71,090	20
Hield Brothers	Mar. 31	472	14,282	14,754	11,198	...	...	2,847	709	...	...
Hill, Carter (D.) & Co.	Feb. 19	104	1,902	2,006	1,500	...	...	...	506	2,940	...
International Linotype	Mar. 31	877	38,271	39,148	...	38,896	7	...	252	35,104	6½
Jurgens.....	Dec. 31	157,100	326,521	483,621	148,750	148,750	7	...	186,121	325,550	5†
Margarine Union.....	Dec. 31	...	1,666,849	1,666,849	143,125	902,960	10	541,464	79,300	...	...
McIlroy (William)	Feb. 20	53,244	31,395	84,639	5,600	20,000	20	...	59,039	43,642	20
North British Rubber	Dec. 31	22,112	104,559	126,671	11,250	250,000	5	64,434	25,987	73,460	5
Odhams Press	Dec. 31	42,920	159,554	202,474	48,217	61,500	15	58,779	33,978	136,578	12½
Penarth Pontoon, &c	Dec. 31	*Dr. 2,936*	*Dr. 1,813*	*Dr. 4,749*	...	...	...	...	*Dr.4,749*	...	...
Robinson and Pickford ...	Dec. 31	...	35,334	35,334	3,545	6,250	10	19,984	5,555	...	...
Shanghai Electric	Dec. 31	11,656	165,172	176,828	...	62,500	12½†	102,299	12,029	96,571	12
Van Den Berghs.....	Dec. 31	23,898	413,189	437,087	274,596	93,750	50†	39,111	29,630	463,728	50

* Half Year. † Free of Income Tax.

SECURITY FIRST
ROYAL
INSURANCE COMPANY, LIMITED
HEAD OFFICES: LIVERPOOL AND LONDON.

(*Continued from page* 955.)

(same); and on 296,000 ordinary shares issued, fully paid, as bonus in January, 1929, 25 per cent.; payable May 31st. Accounts will be issued on or about May 7th, and show, subject to completion of audit, net profit £210,167, compared with £187,963 last year. Reserves, general (including share premiums), £350,000; contingencies, £70,000; dividend equalisation, £50,000; carry forward, £30,696.

THE BIRMINGHAM SMALL ARMS COMPANY, LIMITED.—The balance to credit of profit and loss account is £201,357, against £202,063; add amount brought forward from last account, £336,822, making £538,179. Interest for year to date, less income tax, on 6½ per cent. 12-year notes, and on 6 per cent. first mortgage debenture stock, absorbed £110,839; preference dividends absorbed, £24,954. Transferred to general reserve (which will then amount to £500,000), £200,000; carry forward, £202,385, against £336,822. In future the company's year is to end on July 31st.

RUBBER PLANTATIONS INVESTMENT TRUST, LIMITED.—Net profits for 1928 amounted to £310,564, comparing with £352,953 for 1927. By drawing £50,000 upon the dividend equalisation reserve it has been possible to maintain the dividend at the previous year's level of 15 per cent., the final payment now recommended being 10 per cent. A sum of £67,580 (against £34,000) is reserved for taxation, and after writing £11,900 off properties for amortisation of mature areas, an appropriation that is similar to last year, there remains £63,382 to be carried forward, as compared with £60,736. The value of the company's investments (apart from its properties) amounted on December 31st last to £2,856,004, against the sum of £2,504,639, at which such investments stood in the balance sheet. On December 31, 1927, investments stood in balance sheet at £2,472,374, valued at £3,898,314.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

The continued spell of dry, cold weather is adversely affecting the agricultural outlook, both standing crops and spring sowings being in need of warm copious rains in order to stimulate growth and germination. Supplies of native wheat at the statute markets were in small compass, while held for full rates despite the sharp fall in imported prices. The floating and forward cargo section was depressed on liberal offers of Canadian, which resulted in a downward movement generally. Buyers, however, were slow to respond pending further developments in the situation, as immediate wants are covered by recent large arrivals at the principal European ports. Shipments were well maintained, but floating supplies show a further reduction. Feeding stuffs also weaker in sympathy, and pressing offers of La Plata maize met with little response from consumers. Spain has purchased 130,000 tons of wheat, comprising 60,000 tons Plate, and balance from North America for May-June shipment. A steamer of Australian afloat sold at 44s. 3d., and part cargoes of ditto near at hand 44s. 6d. to 44s. 9d.; Rosafe, 64 lb. afloat, at about 44s. 3d.; white Pacific, loading, 44s. 3d., all per 480 lb. c.i.f. terms.

Wheat again easier. No. 2 Northern Manitoba, ex ship, 48s. 3d.; No. 3, ditto, 47s.; No. 4 Manitoba, 46s.; No. 5, 43s.; No. 6, 37s.; Rosafe, 64 lb., 44s. 6d.; Barusso, 63½ lb., for shipment, 44s. 6d.; Australian, 46s., ex ship, per 496 lb. English, 9s. 6d.-9s. 8d. per 112 lb.

Flour dull. London standard grade, 37s. 6d.; town whites, 38s. 6d.; patents, 39s. 6d.-40s. 6d. per sack, delivered in the Home Counties, with 6d.-1s. per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 34s.-36s. 6d.; Minneapolis, 34s. 6d.-37s.; Australian, 34s. 6d.-35s., ex store, per 280 lb.

Maize again easier. Plate, landed, 41s.; ex ship, to arrive, 40s.; March-April, 38s.; new April-May, 37s. 6d.; May-June, also June-July and July-August, 37s. 3d.; No. 2 American, mixed, landed, 40s. per 480 lb. Yellow maize meal, £11 per ton landed.

Barley quiet and the turn easier. Californian, ex ship, 45s.-52s.; Chilian Chevalier, 48s.-58s.; Australian, 43s.-48s.; Smyrna, 44s.-47s. per 448 lb. Algerian/Tunisian, ex ship, 34s. 6d.; Canadian feed, 29s. 6d.; No. 3 Canadian Western, ex ship, 33s. 3d.; No. 2 Federal American, ex ship, to arrive, 29s. 3d.; landed, 30s. 9d. per 400 lb. English malting, 10s.-12s.; feed, 9s. 3d.-10s. per 112 lb.

Oats quietly steady. Plate, landed, 26s. 3d.; ex ship, to arrive, 25s. 6d.-24s. 9d., as to position; black Plate, ex ship, 24s.; mixed Canadian feed, ex ship, to arrive, 19s. 9d.; landed, 21s. 3d.; Chilian white, 31s. 6d. landed; German, landed, 29s. 3d.; ex ship, to arrive, 28s. per 320 lb.; English, 9s. 4d.-10s. per 112 lb.; Scotch, landed, 30s. 6d. per 336 lb.; Irish, black, 27s. 6d. per 320 lb.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928-29, 1927-28, 1926-27, 1925-26:—

	1928-1929.	1927-1928.	1926-1927.	1925-1926.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to April 20	148,778	272,937	160,033	227,619
28 weeks to April 20	8,385,455	8,418,874	10,008,242	11,413,581
Average price of English wheat per cwt.	s. d. 9 10	s. d. 10 3	s. d. 11 6	s. d. 12 4

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold. Wheat.	Barley.	Oats.	Average Price per Cwt. Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s. d.	s. d.	s. d.
Apr. 13	119,087	38,329	32,877	9 10	10 3	9 9
Apr. 20	148,778	37,531	32,874	9 10	10 2	9 9
Apr. 18, 1925...	136,741	62,431	37,440	12 2	10 4	9 6
Apr. 24, 1926...	227,619	77,540	46,194	12 4	9 3	9 2
Apr. 23, 1927...	160,033	38,435	51,513	11 6	10 9	8 4
Apr. 21, 1928...	272,937	41,720	29,419	10 3	10 9	11 9

AMERICAN WHEAT MARKETS.

Favourable weather and bear selling caused a decline in the early part of the week. Rallies induced by demand on Russian account, and encouraged by the official opening of navigation, were subsequently counteracted by further good weather reports and by rumours of dissension in the wheat port. An active export demand strengthened the close. Quotations:—

Nearest Future.	Jan. 4, 1928.	Apr. 25, 1928.	Jan. 2, 1929.	Apr. 10, 1929.	Apr. 17, 1929.	Apr. 24, 1929.
Winnipeg (No. 1 Manitoba) —Cents per 60 lb.)	137	154⅛	122	124⅞	125⅜	121⅛
Chicago (No. Winter)— Cents per 60 lb.....	130⅜	159½	116⅜	120½	120⅜	114⅛

Visible supplies of wheat in Canada at 83,475,000 bushels show a decrease of 7,905,000 bushels as compared with the previous figure. Supplies a year ago stood at 76,773,000.

THE COAL TRADE.

Our Sheffield correspondent says:—Activity in the coal market continues to wane, especially as regards forward buying for export, and it is questionable whether many of the pits will be able to maintain present output much longer. Forward prices are also lower. The home demand for steam coal keeps good, but for small fuels it is weak. There is still a strong market for coke, although less of this fuel is being bought for export and for domestic heating. Business is poor in foundry coke for home consumption.

Our Glasgow correspondent writes:—Prices in general have fallen away further this week, and practically every quality is now at the lowest level touched this year. Fife trebles are the only steady spot. The downward trend of the market is still checking business, which continues to be more or less a matter of bargaining so far as prices are concerned. It is impossible to give effective rates, but the following are about the quotations named in most quarters:—Lanarkshire.—Ell best, 15s.; splint best, 16s. 6d. splint second, 16s.; navigation, 17s. 6d.; navigation second, 15s. 6d.; steam, 13s. 6d.; Hartley, 18s.; trebles, 13s. 6d.; doubles, 12s. 9d.; singles, 11s. 9d.; pearls, 10s. 9d.; dross, 10s. Fife.—Screened navigation, 17s. 6d.; first-class steam, 13s. 6d.; third-class steam, 12s.; trebles, 13s. 6d.-14s.; doubles, 12s. 6d.; singles, 11s. 9d.; pearls, 11s. Lothians.—Prime steam, 13s.; secondary steam, 13s.; trebles, 13s. 6d.; doubles, 12s. 6d.; singles, 11s. 6d.; pearls, 11s. Ayrshire.—Unscreened navigation, 16s. 6d.; jewel, 17s. 6d.; steam, 14s. 6d.; trebles, 13s. 6d.; doubles, 13s.; singles, 12s.; pearls, 11s.; dross, 10s. 6d.

Our Cardiff correspondent writes:—The undertone of the Cardiff coal market this week has shown a slightly easier tendency, particularly for prompt positions. On the whole the collieries are very well stemmed, and there is a fair supply of tonnage available, but current inquiries are less active than they were a few weeks ago, largely in consequence of the restoration of normal conditions in the export trades of Germany and Poland. Though the prices tendered for the supply of 180,000 tons to the Egyptian State Railways between June and August involve f.o.b. offers at less than the current market quotations, they have not yet been accepted, and it is considered as not at all improbable that in view of the changing market conditions fresh tenders will be invited. Meanwhile, shipments are heavy, and the returns of the Great Western Company for last week give a total quantity of 626,790 tons, compared with 604,355 tons in the preceding week and with 557,344 tons in the corresponding week last year.

The following are the current approximate quotations:—Best Admiralties, 20s. 9d. to 21s. 3d.; seconds, 20s. 3d. to 20s. 9d.; best drys, 20s. to 21s.; Black Veins, 20s. 3d. to 20s. 6d.; Western Valleys, 20s. 3d. to 20s. 6d.; Eastern Valleys, 19s. 9d. to 20s. 3d.;

best small steams, 14s. to 14s. 3d.; cargo smalls, 13s. 3d. to 13s. 6d.; coking smalls, 14s. to 14s. 3d.; anthracite, best large, 33s. to 36s.; Red Vein, large, 25s. to 27s.; machine-made cobbles, 40s. to 43s. 6d.; French nuts, 42s. to 44s.; stove nuts, 40s. to 42s. 6d.; rubbly culm, 9s. 9d. to 10s. 3d.; foundry coke, 27s. 6d. to 36s. 6d.; patent fuel, 20s. to 22s.; pitwood, ex ship, 26s. 9d. to 27s.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—Trading in iron and steel opened somewhat more quietly this week, but nevertheless there is a confident tone in the market. The position of the British works seems to be gradually improving, and in most cases they can report an increase in business compared with the corresponding month of last year. In the pig iron section of the market fresh blast furnaces are being re-started, and although there is still some scarcity of coke, the position in this respect is improving. The demand for North-East Coast pig iron exceeds the supply, and as a consequence premiums are being paid upon the official prices for forward deliveries. In the Midlands also the demand is slowly increasing, and the market seems to have adjusted itself to the new zone scheme of prices. The demand for semi-finished steel continues good, and in the case of some descriptions the British manufacturers have advanced their prices. Whilst a certain amount of business is still being transacted with Continental works, the high prices demanded have severely limited this trade. Reports from the Continent indicate that the steel-makers there are completing orders much faster than new business is coming forward. A rather better inquiry has developed for finished steel descriptions, but the overseas demand continues irregular. The principal support of the British works is still the shipyards, which are taking a considerable tonnage, and which have recently placed some fairly substantial orders.

Our Middlesbrough correspondent writes:—The position here is very steady, though possibly somewhat more quiet than of late. This is no doubt due to the very strong position the pig-iron manufacturers find themselves in, as the output available for the market has mostly been disposed of up to the end of June. Cleveland iron is very scarce and fresh orders cannot be taken for anything like reasonably early delivery. The prices of the various grades of Cleveland remain very firm on the following basis:—No. 1, 71s.; No. 3 G.M.B., 68s. 6d.; No. 4 Foundry 67s. 6d.; No. 4 Forge, 67s. Shipments from the district continue to improve. One more hematite furnace is being blown in shortly. The price of mixed numbers still remains at 74s., but this might possibly be shaded for a substantial order. The steel trade still continues on a satisfactory basis and prices are all firm. There is very little foreign competition and the export demand for finished steel is improving. The ruling prices, subject to the usual rebates, are as follows:—Steel ship plates, £8 7s. 6d.; steel ship angles, £7 17s. 6d.; iron bars, £10 15s.; steel rails, £8 10s. The coke position is somewhat easier with supplies rather more plentiful. The price has accordingly been affected and good blast furnace quality delivered furnaces can now be obtained at 19s. per ton. The ore position is still very firm, and although the majority of works have covered their requirements for foreign ore for some time ahead, best rubio still remains firm at 23s.

Our Sheffield correspondent writes:—The fact that a considerable number of unemployed steel workers have been taken from the ranks of the unemployed this week indicates some revival of business. There is still, however, slackness at the rolling mills and in the railway steel departments and the general position at the moment continues unsatisfactory. An encouraging feature is the pressure for supplies of basic steel scrap. Depression at the iron foundries continues. Valuable orders are on hand for steel forgings and castings of a special character. The uneven distribution of local trade is a feature. Prices of foundry iron are firm, despite the restricted business and even higher figures are being forecast. Local consumption of hematite pig iron and acid steel is small owing to the poor demand for such material. Steel makers have decided that it would be inopportune to advance prices generally notwithstanding that their costs have gone up. The tool trade is moderately active, but there is rather acute depression in cutlery and plate. Producers of builders' ironwork report severe cutting of prices.

Our Glasgow correspondent writes:—Plate makers who have just recently not been so well employed as rollers of sections are looking forward to a considerable improvement in their own particular industry shortly, on account of the large amount of new work which has been placed with Clyde yards within the past fortnight. Clyde shipbuilders have for some time been ordering the bulk of their heavy plates from Home suppliers. Business in the Malleable Iron market remains dull and unprofitable. As is usual at this season, builders of galvanised corrugated steel hay sheds are busy, and local manufacturers of these structures are finding an increasing demand for same. There is some expansion in the sheet trade, but not to any marked extent. Prices are unaltered.

Our Cardiff correspondent writes:—The position in the South Wales metal trades continues, on the whole, satisfactory. Increased blast furnace activity is leading to expanding ore imports, and the tinplate industry is absorbing a larger quantity of steel bars, the demand both in the export and inland trades being fairly active. On the Swansea Metal Exchange on Tuesday quotations for tinplates were ruling firmly at from 18s. 4½d. to 18s. 9d., and a further increase is considered probable in view of the higher cost of production. Shipments of tinplates last week totalled 167,038 boxes, compared with 147,940 boxes the previous week, and stocks have been reduced from 264,026 to 222,023 boxes.

OTHER METALS.

TIN.—The standard market commenced the week with a quiet and easier tone, but values subsequently improved under increased buying orders combined with better Eastern advices, and a firm tone prevailed, with holders showing decidedly more reserve. The close was quieter, however, and top points were not maintained. Stocks in London and Liverpool warehouses for week ending 20th inst. were returned at 8,142 tons, compared with 1,948 tons at same period last year. Dealings marked a good deal of irregularity and comprised cash at £199 5s., £198 and £203 7s. 6d., £201 15s., with three months £200 to £198 10s. and £205 5s., £203. In the East, sales were reported at £201 15s. to £206 5s. per ton c.i.f.

COPPER.—Market still unsettled, and general tone weak. Standard cash sold £77 to £78 and £77 15s.; three months £75, £74 5s., £74 13s. 9d. and £74 5s., business being chiefly in the latter position.

LEAD.—Slightly irregular and easier on balance, with dealings on a lighter scale. Good soft foreign pig, April, sold at £24 17s. 6d. to £24 8s. 9d.; May, £24 12s. 6d. to £24 6s. 3d.; June, £24 8s. 9d. to £24 10s. and £24 5s.; July, £24 7s. 6d. to £24 3s. 9d. and £24 ton.

SPELTER.—Market quiet and easier, on liberal offerings. April sold £26 12s. 6d. to £26 15s. and £26 11s. 3d.; May, £26 10s. to £25 16s. 3d.; June, £26 7s. 6d., £25 16s. 3d.; July, £26 10s. to £25 15s. 9d.; August, £26 7s. 6d. ton.

ANTIMONY dull. English regulus, £54 10s. to £55; foreign spot, £38 per ton.

WOLFRAM firm. Chinese forward quoted 30s. per unit c.i.f.

ALUMINIUM quiet. Ingots and bars for home delivery, £95 per ton.

QUICKSILVER maintained. Spot, £22 5s. to £22 10s. per bottle.

TIN PLATES tend firmer. I.C. coke, prompt and forward, 18s. 6d. to 18s. 9d. per box f.o.b. Swansea.

THE COTTON TRADE.

LIVERPOOL, April 24.

During the week there was further considerable selling both by "longs" and "shorts" on improved weather news. Recent conditions have enabled the plant to make up considerable leeway. The last two days have seen considerable trade calling, and after the May position in New York is adjusted to-morrow the market is likely to respond very quickly to any adverse weather news. Spot sales for the week 18th to 24th (inclusive) are 31,000 bales, of which 20,490 are American, 600 Brazil, 300 Argentine, 1,850 Peruvian, 4,960 Egyptian, 800 African, 750 East African, and 1,250 sundries. Imports for the same period are 61,973 bales, of which 31,178 are American, 1,710 Brazil, 1,484 Peru, 22,404 Egyptian, 346 African, 1,310 East Indian, and 3,541 sundries. Quotations to-day are: American Middling, 10.51; Egyptian F.G.F. Sakel, 18.10; Egyptian F.G.F. Uppers, 12.08; Brazil Fair, 10.71; Peru G.F. Mod-Rough, 12.50; Peru G.F. Smooth, 11.46; West African Mid, 10.56; East African G.F., 11.95.

MANCHESTER, April 24.

Inquiry in the market has shown some expansion, but business continues to be disorganised by the further fall in raw material rates and the wider fluctuations in New York and Liverpool. Private advices relating to the outlook for the new crop in America are very favourable. Shippers of cloth to India have reported rather more cables making bids, but not more than a miscellaneous business has been done, chiefly for Calcutta and the up-country markets. Fancies have been sold for China in fair quantities, but at the auction sales in Shanghai this week prices have fallen, chiefly owing to the lifting of the Japanese boycott and increased competition. There are fears of losses on recent consignments from Manchester. Very little has been done for Egypt and the Near East, but demand keeps up fairly well for South America. Some useful lines have been booked in home-trade fabrics. Quotations in American and Egyptian yarns have been irregular when tested, and the trade done has not been of any weight. The labour situation causes a little anxiety, but there is every expectation of an amicable settlement of the dispute at Oldham.

Statement of the Cotton Trade.

	1929. Apr. 3.	Apr. 10.	Apr. 17.	Apr. 24.	Corresponding Date. 1928.	1927.
	d.	d.	d.	d.	d.	d.
Raw Cotton—Mid. American ..... per lb.	10·80	10·92	10·69	10·51	11·35	8·45
— Sakellaridis Fully Good Fair Egyptian ..... per lb.	19·25	18·90	18·30	18·10	21·30	14·60
Yarns—32's twist ..... per lb.	16	16	15⅝	15⅝	16½	13½
— 40's weft ..... per lb.	16⅝	16⅝	16½	16	17	13⅝
— 60's twist (Egyptian) ..... per lb.	27	27	26⅛	26	32	25⅛
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	26 3	26 3	25 9	25 6	26 4½	24 0
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	28 6	28 6	28 3	28 0	29 1½	26 9
38-in. ditto, 38 yds., 18 by 16, 10 lb.	15 4½	15 4½	15 3	15 1½	15 7½	13 3
39-in. ditto, 37½ yds., 16 by 15, 8½ lb.	14 0	14 0	13 9	13 7½	14 6	12 6

THE WOOL TRADE.

Our Bradford correspondent writes:—Demand in all sections is still very much restricted and there seems to be an entire absence of confidence in values. The fact that wool continues to sell well in the primary markets, although at the tail end of the season, does not appear to influence users in the slightest degree. They are quite content to cover immediate requirements and leave the future to take care of itself, and it begins to look as if their tactics will pay. There is a good deal of talk about the Colonial wool sales which open in Coleman Street next Tuesday, and it is significant that most people look for a decline in values, more particularly in merinos. Quotations for merino tops are unsettled, and 3s. 6d. has been taken for average 64's tops during the last week or so. Merino yarn is also irregular. Crossbred tops and yarn are steady. There is a good seasonal demand for men's wear fabrics, but dress goods are still slow. On the whole, however, manufacturers are doing better, and at to-day's prices for yarn should be in a position to show a small profit.

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

Attention is already beginning to be directed towards the next series of sales which will commence in London next Tuesday, and though the interval since the close of the March series has in many respects been unsatisfactory, the outlook for the auctions is fairly good. The total quantity available is about 127,000 bales, including 54,300 bales New Zealands and 26,500 bales South American. At the third series of 1928 the quantity available was 109,200 bales, including 33,000 bales of New Zealands and 21,000 bales South American. The quantity now available is therefore about 18,000 bales more than a year ago, but cannot be regarded as excessive, for in 1926 there were 142,500 bales, and there should be sufficient competition forthcoming to prevent any serious decline in values. The state of affairs on the Continent, as well as in the West Riding of Yorkshire has been definitely against any enhancement of raw material values. At the same time, aggregate consumption has kept up in a fairly encouraging fashion, though values at the last London sales showed some declines. The weight carried over for the next series was not excessive, and so long as wool continues to move steadily out of hand, there is never any real danger of a serious slump in prices. One disappointing feature affecting the wool situation is the decline in the market value of tops during the interval, and the reports of easier prices for merinos in Australia. All the public cables have announced strong competition among home and foreign buyers, and some of the private cables have been in the same tenor. It is well known, however, that fair weights of merino wool of by no means inferior style, have been bought on Bradford account on a very reasonable basis of cost in the top, and it would certainly seem as if values for this class of raw material have reached the limit for the time being. Crossbreds are a rather uncertain proposition. Steady values for most descriptions seem likely, particularly medium and low qualities. A good deal will depend on how Continental competition develops. The home trade alone will certainly be unable to support any advance.

HIDE, LEATHER AND ALLIED TRADES.

Contrary to expectations, the hide position has not reached stability, and both home and overseas hides are again weaker. Home market hides have again fallen from ⅛d. to ¼d. per lb. at most auctions, and further declines are looked for. Tanners are reducing input as far as possible, but the demand for leather is such that supplies are sufficient to meet requirements as they arise. All classes of foreign hides are again weaker, and this week South American fregorifics have sold as low as 8½d., although it must be remembered that the hair condition of this class of hide is bad at this season. At the Leibig inscription, 20,000 saladero hides were sold at 9 1/16d. to 9⅝d. for heavy, and at 8½d. to 8¾d. for lights. Dry hides share the prevailing weakness and B.A. Americanos have changed hands at 11¾d., about a drop of 1d. per lb. on the week. Africans and Australians are also quotably lower, with little business passing. Latest cables from Chicago report the packer hide market as steady, with best steers selling at 15 cents. There is rather a better tone in the leather market, and as shoe manufacturers are getting in orders for summer shoes, they are wanting fair-sized quantities of bends of light averages. Prices, however, are very unsteady, and merchants especially seem willing to cut losses and to sell at low figures. Repairers' bends of medium averages are selling better, and English bends have sold in fair-sized quantities at prices ranging from 22d. to 30d. per lb. Offal is wanted in small quantities, and shoulders which will cut cheap soles are firm in price. Trade in upper stock is better, though prices seem rather fluid. Box calf in the lighter selections, and glacé kid in black and brown are a good sale at firm prices, but patent is slow. Kip curriers are a shade better off for business, but the trade for linings and colours with the United States has dropped off. Light leather dressers are busy on East India skins for motor coats and fancy leathers. Good orders for ladies' shoes have come into manufacturers' hands, and Northampton seems busier on men's footwear, many manufacturers having sufficient orders in hand to keep hands employed until Whitsuntide.

JUTE TRADE.

DUNDEE, April 24.

Great uncertainty surrounds the future course of prices of raw jute, and this has a tendency to restrict purchases of jute yarns and cloth. Buyers of the latter are limiting their operations to the smallest of quantities for delivery as early as possible, and the trade all round is in a dull and unsatisfactory state. Fluctuations are almost daily taking place, without any real change in the level which has ruled for some time back. So far as old crop is concerned, the season is now practically over, and all interest is centred in the new crop. The market is under the influence of weather reports affecting the growing crop, which have recently been very satisfactory, but at the moment there are complaints of too much rain and too little sunshine, which cause sellers to be reserved. Spinners here have done some little buying of the new crop at from £35 to £36 for a short group of First Marks and £33 to £33 10s. for Lightnings, August–September shipment, with Daisee assortment at £31 10s. and £32, October–November. Jute yarns are extremely slow. Spinners are quoting 3s. 6d. for common 8 lb. cops and 3s. 7d. for 8 lb. spools, but buyers are not taking much notice, and are inclined to believe that by holding off they will be able to do better. Indeed, in one or two cases, business has been reported done at under these rates. Spinners are well enough foresold for the next two months, but manufacturers are not sending in specifications owing to the lack of demand for jute cloth, and stocks are accumulating. Twist is obtainable at from 5½d. to 5¾d. for 3-ply 8 lb., and sacking yarns at 3⅞d. for 24 lb. weft and 5½d. for 8 lb. chains, which rates are all lower. Rove has been bought at £17 for 200 lb. and at £27 for 48 lb., which are now very low figures. Fine yarns have been in demand and are firm. Carpet yarns are now at 5¼d. for 1¼ lb. warp. Cloth demand is very poor. All producing centres are suffering from the apathy of buyers, who appear to be allowing their stocks of goods to run to a low level in anticipation of lower prices when the Calcutta mills increase their production by six hours per week from July 1st, but according to all accounts this fact seems to have been already discounted by the fall in prices which has lately taken place. Prices depend largely upon the suitability of orders, and range from 4 7/16d. for 10½ oz. 40-in. hessians and 3 11/16d. for 8 oz., packed. Linoleum hessians are very dull, and heavy goods makers in some cases have resorted to curtailing production by stopping Saturdays and Mondays.

THE TIMBER TRADE.

(BY OUR OWN CORRESPONDENT.)

Imports of building woods, from European shipping ports particularly, showed a very sharp decline last month compared with the corresponding one of 1928, and had the effect of reducing the surplus for the quarter to 39,198 loads (of 50 cubic feet). This surplus was more than the market wanted, as trading in building woods shows little advance on that of last year at this time, whilst stocks on the whole, although smaller than in early spring, 1928, are above the average of those ruling in late April of recent years. In planed and dressed wood also March imports declined in volume, making the surplus this year nearly 17,000 loads—too much, as supplies on the market have been heavy throughout the past winter and spring. With conditions as above-mentioned, the soft timber market in the metropolis is not cheerful, and just yet there seem to be few signs of any considerable improvement in the demand. The building trade was quiet during the past quarter, but, as no official data are yet forthcoming, we can only hope that

PLAYER'S WHITE LABEL
NAVY MIXTURE
—smoke it for a change—you won't want to change again.

2OZ. POCKET TIN 1/10
N.M 399

OVER ONE HUNDRED YEARS OF SERVICE.
SCOTTISH UNION & NATIONAL
INSURANCE COMPANY.
ASSETS EXCEED - £15,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5 Walbrook, E.C.4, and 4, St. James's Street, S.W.1.

HARRISONS & CROSFIELD LTD
With Branches and Associated Companies Throughout the Far East and in North America, Australia and New Zealand.
1-4 Great Tower Street, London, E.C.3

it has been much better this month. Judging by the costs of plans for buildings passed recently, building trade prospects are about the same as in 1928 at this time. On the other hand, the advance in the coal and shipbuilding trades must have the effect of inducing a larger demand for general construction woods, which in turn reflects on the metropolitan wood market. The United Kingdom has purchased fairly largely of Finnish and Swedish wood besides acquiring the Russian stocks for this year's shipment to this country, but with the market at present depressed, fresh operations, for a time, are expected to be somewhat limited, as importers are more concerned with getting their purchases placed in merchants' hands. Canadian spruce has been a slow market for weeks past, stocks in London docks being sufficient at present rates of consumption, and the same can be said of pine from the Dominion, for the call for this pine and spruce is smaller than in the spring of recent years. Floated timbers such as American pitch pine, American and British Columbian Douglas fir, and the Baltic softwood logs are in comparatively small request, although on the other hand stocks are smaller compared with recent years. Not so many mahogany logs are coming into the country, and the market is very firm for the better grades. In hardwood logs other than mahogany receipts also are well down, with prices firm; the principal shipping countries, U.S.A., Canada, and British India, in order of importance in hardwood log shipments to the United Kingdom, are sending lesser quantities this year. In the sawn hardwood section American supplies are much lighter, to the relief of the American lumber section of the trade, as stocks have been too heavy compared with the demand for many months past. Canada and British India, on the other hand, are sending more sawn hardwoods this year. For hardwoods generally the market is much more steady than is the case with the softwood (building) varieties, and in some cases, such as in teak and the fancy woods, very firm.

VEGETABLE OILS AND OILSEEDS.

Markets continue quiet, and business is within narrow limits. Linseed oil has very little interest for consumers, and values are barely steady around £28 10s. spot and May–August per ton, naked ex Hull mill. Cotton oils are neglected and quoted slightly lower, crude Egyptian offering at £26 5s. and common edible at £30 10s. ex Hull for prompt and May–August delivery. Other seed oils are quiet. In the oilseed section, except for near positions, which are scarce and firm, linseed is in slow demand, and practically no business for shipment is reported. Plate on spot and near at hand is held for £16 7s. 6d., but for shipment about £15 17s. 6d. is the nominal value. Calcutta linseed to London has been done at £18 April, May and June. The quantity on passage to Europe is 12,000 tons more than a week ago. Trade in cotton-seed has been better at the decline, and transactions in black Egyptian are reported at £9 2s. 6d., April and May loadings. The demand for oilcakes is falling off, and though linseeds are firm, cotton cakes and meals are easier.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—Rather more interest in British varieties was apparent on the part of trade buyers. Prices, especially of granulated and yellow crystals, were marked down slightly. On Messrs Tate and Lyle's list granulated reduced 3d., except T.L., 1½d., mineral-water, also yellow crystals 3d. lower. Other brands of refined granulated, also home-grown, marked down 1½d. to 3d. according to factory. There is slight weakness still observable in the situation, due mainly to trade buyers, not only in the United Kingdom, but also the U.S.A., showing no disposition to depart from a hand-to-mouth policy, and this, coinciding with ample offers from producing countries, affords the market no encouragement whatever. Refining sugars moved against sellers. Messrs Willett estimate Cuban production to date at 4,650,000 tons, as compared with 3,850,000 last year. Terminal sections disclose firmness, with fair transactions in both raw and white. Raw, May sold 8s. 3¾d.; August, 8s. 6¾d. to 8s. 9d.; December, 9s. 0¾d. to 9s. 1½d.; March, 9s. 4½d. to 9s. 3¾d. White, May sold 10s. 8½d.; August, 11s. 2½d.; December, 11s. 8½d.; March, 12s. 0¾d. cwt. Cuban receipts last week, 191,524 tons, against 142,366 last year; exports, 138,223, against 107,622; stocks, 1,479,877, against 1,299,484; Central workings, 95, against 53. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending April 20th totalled 139,956 tons, against 140,577 last year.

COFFEE.—Steady absorption takes place with regard to all desirable qualities on spot and firm prices were secured for East African, also foreign cleaned parcels of Costa Rica; but soft colory London cleaned ruled barely steady. Pile sizes of East India, Mysore sold 134s. 6d. to 146s., peas 150s. 6d. to 160s.; Kenya, bold sizes, 122s. to 151s. 6d.; Vera Paz, fancy bold hard colory grey, 205s., peas, 160s. 6d.; Costa Rica, bold, 140s. to 156s.

COCOA.—Market quiet but steady both for spot and forward positions. Accra F/F, October–December, quoted 44s. 9d. f.o.b. terminal.—May sold 46s. to 46s. 3d.; June, 45s. 10½d. to 46s. 7½d.; September, 48s. 3d. to 48s. 9d.; December, 49s. to 49s. 9d.

TEA.—Indian auctions this week amounted to 56,613 packages. Fair competition predominated, but prices on balance disclosed some irregularity. All fine teas, especially those possessing autumnal flavour, met a good market at full rates, useful liquoring kinds being quite steady, but low medium, also common and stalky, ruled ½d. to 1d. per lb. lower. Ceylon sales of 27,041 packages received fair patronage, but a good deal of irregularity was apparent, and prices mostly from ½d. to ¾d. lower, though general run of quality was not up to recent standard. Flavoury Pekoes steady and wanted by exporters. Java and Sumatra sales generally ½d. to 1½d. easier.

RICE.—With only retail support, forthcoming quotations in many instances rendered purely nominal. Cables to hand from Burma and Saigon indicate "Paddy" quite firm, with natives posing as reluctant sellers, white rice being unaltered. New crop, two Stars Burma, spot, London sellers, 13s. 9d. Old crop at 13s. 3d. to 13s. as to quality. Spanish, oiled, prompt quoted 18s. per cwt. c.i.f. London. Burma No. 2 for shipment April-May, 12s. 7½d.; May-June, 12s. 9d. c.i.f. U.K. and Continent shipping weights in singles. Burma No. 3, March-April, 12s. 9d. in doubles to the Levant. April-May, 12s. 9d. in singles c.i.f. U.K. and Continent. Siam Garden No. 1, March-April, 15s. in singles. Special, 15s. 7½d., and Super, 16s. 6d. c.i.f. U.K. or Continent.

Italian.—April-May shipment cleaned 19s. 3d. c.i.f. U.K. in doubles.

Californian.—April-May to London 18s. 6d. c.i.f.

Egyptian.—April-May sellers at 18s. c.i.f.

FEAS.—Market slow but steady. Japanese afloat sellers 18s. 3d. to 19s. 9d., March-April 18s. 7½d., April-May 18s. 4½d. c.i.f. Dutch marrowfats prompt 23s., imperial blues 19s., small 18s. cwt. c.i.f. Maples slow.

BEANS.—Market quiet, steady. Madagascar butters afloat, "Clan Macaulay" sellers 39s. 3d., per "Clan Macbeth" 38s. 6d. Rangoon haricots afloat 19s. 6d. to 20s. 9d. as to position, April 18s., May 17s. cwt. c.i.f.

SPICE.—Pepper market steady on spot, moderate inquiry and firm with regard to forward positions. Lampong, March-May, quoted 1s. 3½d.; May-July, 1s. 3d.; August-October, 1s. 2d.; Muntok, white, March-May, 2s. 1½d.; May-July, 2s. 1d.; August-October, 1s. 11d. lb. London stocks increased 164 tons on the week, chiefly for black. Tellicherry, March-May, 146s. cwt. c.i.f. Cloves quiet on about former terms. Sago flour, May-June, to the U.K. 11s. 6d. c.i.f. Singapore flake tapioca, May-June, to Havre, 17s. 6d.; Penang seed to Hamburg 16s. 9d. African ginger, spot London, 52s.; shipment 49s. cwt. c.i.f.

FRUIT (Dried).—A firm tone prevailed with choice quality in limited supply. Pyrgos, quoted, 45s.–46s.; Amalias, 46s.–46s. 6d.; Zante, 47s.; Vostizza, 51s.–55s.; with smalls selling at 46s.–47s. Sultanas active at full rates. Smyrna, medium to good, ranges from 42s.–55s.; Cretan, 42s.–58s.; Australian new crop shared in the advance with good support accorded at 60s.–70s. as to quality. Raisins remain dull of sale. Valencias, common to good, 45s.–53s.; Lexias, 30s.–34s. Figs quiet, and quality of remaining supplies being rather unattractive with genuine moving off at 27s. 3d.–30s. Dates steady and in moderate request chiefly for Siar at 14s. 6d.–16s. 6d.

EVAPORATED FRUITS.—Market displayed firm features and prices tend dearer both on spot and for shipment, the market being influenced by reported crop damage and reserved offerings. Available supplies of plums and peaches are in small compass, while apricots experienced a good movement, especially Australian, at full rates. Californian plums, 20's–30's, quoted, 65s.–66s.; 30's–40's, 57s.–58s.; 60's–70's, 44s.–45s. Pears, Lake County, 72s. 6d.–100s. Apricots, South African Royal, 57s. 6d.–117s. 6d.; Cape, 72s. 6d.–82s. 6d.; Californian, 85s.–117s. 6d.; 77s. 6d.–85s. Peaches, Californian, choice, 54s.; extra choice, 56s.; fancy, 60s. Apples, Californian spot sliced, extra choice, 75s. Almonds, market firm. Mazagan, 142s. 6d.; Mogador, 140s.; Majorcas, 145s.; Bitter-Jordan, 185s.–210s. cwt.

CANNED GOODS.

CANNED FRUITS.—Market active and firm for Californian fruits, now the chief feature of the trade. Prices have advanced rather sharply on heavy crop damage, especially peaches, and packers offer with considerable reserve. Australian fruits firmer in sympathy and business on a liberal scale. Singapore pines were in slow demand, but forward quotations have recently moved in buyers' favour, and any revival of buying interest would improve the general tone as spot stocks are rather light. Italian tomatoes dull, but fair interest was evinced in the Spanish new pack.

CANNED FISH.—The general tone remained firm with a fair demand, but the trade is rather slow to anticipate requirements pending a spell of warmer weather. Sardines, Portuguese clubs, 5s. per dozen tins. Lobsters scarce, and best halves realise 140s. to 145s. Salmon, red talls, spot, 43s.–45s.; pink ditto, 28s.–27s. Japanese crab in fair demand, with finest quality ruling at 97s. 6d. to 100s.

CANNED MEATS.—Corned beef and tongues move off quietly, but lunch tongues realise firmer rates with sustained forward inquiries. Danish boned hams also dearer.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

GRAIN, &c.—	s.	d.
Wheat, No. 3, N. Man. 496 lb....	47	0
Eng. Gaz. av., per cwt.	9	10
Barley, Eng. Gaz. av.	10	2
Oats, " "	9	9
Maize, La Plata, landed, 480 lb.	41	0
Flour, Lon. stan. ex mill, 280 lb.	35	6
Rice, No. 2 Burma, per cwt.....	12	7½
Sago, pearl, per cwt. 22	3	22 6
Tapioca, per cwt.—		
E.I. flake, fair spot 21	0	21 6
Medium pearl 20	0	21 0
Potatoes, good English,		
MEAT— per ton... 120	0	130 0

Beef, per 8 lbs.—	s.	d.	s.	d.
English sides.....	5	4	6	0
Argentine chilled hinds...	4	10	5	2
Mutton, per 8 lbs.—				
English wethers	6	0	7	8
N.Z. frozen "	4	0	5	4
Pork, English, per 8 lbs. ...	8	4	9	0

BACON— OTHER FOODS.			
Irish .....per cwt.	128	0	138 0
Danish.....	120	0	124 0
Canadian.....	119	0	120 0
Dutch	107	0	116 0
HAMS—Irish.....	0	0	0 0
Canadian.....	120	0	0 0
American	113	0	126 0
BUTTER—			
Irish creamery per cwt.	000	0	0 0
Australian	146	0	160 0
New Zealand	144	0	166 0
Danish.....	160	0	162 0
CHEESE—			
Canadian ..... per cwt.	96	0	112 0
New Zealand	86	0	89 0
English Cheddars	130	0	144 0
Dutch	47	0	85 0
COCOA—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
Accra f.f., per cwt.	50	0	51 0
Trinidad	64	0	70 0
Grenada	50	0	57 6
COFFEE—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
E.I., good to fine, per cwt.	147	0	160 0
Costa Rica, good to fine...	155	0	186 0
Cent. Amer., mid to fine	130	0	150 0
Kenya, bold sizes	123	0	151 6
Colombian, mid to fine...	127	0	145 0
EGGS—			
English ..... per 120	13	0	16 0
Danish.....	12	0	14 6
FRUIT—			
Oranges, Denia & Val. 300	18	0	28 0
" " 360	18	0	23 0
" " 504	17	0	21 0
Jaffa ..... boxes 144	14	0	18 6
Lemons, Naples boxes	0	0	0 0
Sicilian ..... boxes	9	0	12 0
" .....cases	11	0	17 0
Murcia ..... half cases	0	0	0 0
Malaga ...cases 420 No. 1	0	0	0 0
Apples: Amer. (var.) brls.	0	0	0 0
(var.) boxes	10	0	12 0
Onions, Valencia :—			
case 4s.	00	0	00 0
case 5s.	00	0	00 0
" Egyptian, bag	5	6	7 6

FRUIT (*continued*)—	s.	d.	s.	d.
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....brls.	0	0	0	0
LARD—				
Irish bladders.....	66	0	72	0
American boxes 56 lbs.	61	0	63	0
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	2½	0	0
Black Lampong	1	5	0	0
Cinnamon—1st sort, per lb.	2	3	0	0
Cloves—Zanzibar per lb.	1	5	0	0
Ginger—per cwt.—				
African	52	0	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	2	9	3	10
Nutmegs 65's	1	9	1	11
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	21	6	23	6
Java, white, c.i.f. India, July–Sept.	12	0	0	0
REFINED—London—				
Yellow Crystals	21	7½	0	0
Cubes	26	0	26	6
Crushed	24	9	25	3
Granulated	22	10½	23	7½
Home Grown (prompt)	22	1½	22	6
TEA—				
(Duty 3½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	1	0	2	3
Broken Pekoe	1	0½	2	4
Orange Pekoe.....	1	1½	2	4½
Broken Orange	1	3½	2	8
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	4½	1	0

TEXTILES.

COTTON—	d.
Mid-American .....per lb.	10·51
Sakellaridis, f.g.f.	18·10
Yarns, 32's twist	15½
60's twist	26½

FLAX—	£	s.	£	s.
Livonian ZK .....per ton	84	0	0	0
Pernau HD.....	77	0	0	0
Sianeta Medium 1st sort	87	0	0	0
HEMP—				
Italian P.O. ..... per ton	62	0	0	0
Manila, Apr.–June "J2"	36	10	37	0
N.Z.		nom.		
JUTE—				
Native 1st mks....per ton				
Apr.–May	30/15/0		0/0/0	
May–June	31/2/6		0/0/0	

SILK—	s.	d.	s.	d.
Canton .....per lb.	17	0	19	0
Tussah.....	8	0	10	0
Japan	21	0	23	3
Italian—Raw, fr. Milan	20	0	22	6

WOOL—	d.
English Southdown, washed per lb.	26
" Lincoln hog, washed	17½
Queensland, scd. super cmbg.	41
N.S.W. greasy, super "	23
N.Z., grsy., half-bred 50–56	20
Crossbred 40–44	15
Tops—	
Merinos 70's	45½
" 64's	42½
Crossbred 48's	25
" 46's	23

MINERALS.

COAL—	s.	d.	s.	d.
Welsh, best Ad'ty...ton	21	0	21	6
Durham, best gas	15	6	16	0
Sheffield, best house ...	20	0	21	0
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	6	0	0	0
Bars, M'brough 215	0	0	0	0
Steel Rails, heavy.....170	0	0	0	0
Tin Plates, I.C., per box	18	6	18	9

METALS—	£	s.	£	s.
Copper, Electrolytic, ton	84	0	84	5
Sheets (strong) 112	0	0	0	0
Standard	77/10/0		77/12/6	
Lead Eng. Pig ...per ton	25/5/0		26/5/0	
Soft Foreign	24/13/9		24/2/6	
Spelter G.O.B.	26/6/3		26/3/9	
Tin—English ingots ...203/10/0			204/0/0	
Standard, cash	203/7/6		203/10/0	

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb. less 5%	2	1	2	2
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	0	9	10
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	8	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3½	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	32	10	33	10

CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
S.D. Straits, c.i.f., per ton May–June	£22/7/6		0	0
DRUGS—				
Camphor—	s.	d.	s.	d.
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	0	14	6
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d.
Wet salted—Australian per lb.	0	5½	0	6½
West Indian	0	4	0	6½
Cape	0	6	0	7
Dry and Drysalted Cape...	0	9	1	0½
Market Hides, London—				
Best heavy ox & heifer	0	7	0	7½
Best cow	0	6½	0	6½
Best calf	1	10½	1	1½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.— per lb.	1	3	2	3
Bark Tanned Sole	2	6	3	3
Shoulders fm DS Hides	0	11	1	1½
Do. Eng. or WS do.	1	2	1	8
Bellies from DS do.	0	8	0	10
Do. Eng. or WS do.	0	10	1	3
Dressing Hides.....	1	6	2	0
Ro. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Sides	1	0	1	5

VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	29	0	0	0
Rape, refined	43	0	0	0
Cotton-seed, crude	27	10	0	0
Coconut, crude.....	34	10	0	0
Palm	33	15	35	15
Oil Cakes, Linseed, Eng., per ton	12/12/6		12/15/0	
Oil Seeds—Linseed—				
LaPlata, p.ton Apr.-May	15/17/6		0	0
Calcutta, p.ton Apr.–May	18/1/3		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	45	3	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	14/5/0		38/0/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	17	10	24	15
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	9½	0	0
Fine Hard Para per lb.	0	11	0	0
SHELLAC—				
TN Orange ... per cwt.	190	0	0	0
SHELLS—	£	s.	£	s.
W. Aust. M.-o.-P. "	4	0	12	10

TIMBER—	£	s.	d.
Swedish u/s 3 x 5 per std.	19	0	0
Do. 2½ x 7 "	19	0	0
Do. 2 x 4 "	17	10	0
Can'dn Spruce, Dis. "	19	0	0
Pitchpine ..... per load	9	0	0
Rio Deals ..... per std.	33	0	0
Teak ..... per load	20	0	0
Honduras Mahg. logs c. ft.	0	11	6
African "	0	6	6
American Oak Boards "	0	6	0
Do. Ash "	0	7	0
English Oak Planks "	0	7	0
Do. Ash "	0	6	6

CONDENSED MILK AND MILK POWDERS.—Market steady. Full cream, sweetened, English, spot, 42s. 6d.; Dutch ditto, 37s. 6d.; May–June, 37s. 6d. Machine skimmed, sweetened, English, spot, 25s.; Dutch ditto, 22s. 9d.; May–June, 23s.; all in 5-cwt, barrels. Powders, Spray process, F.C. 26 per cent., 2 by 56 lb. tins, crated, 80s.; M.S. (1-cwt. cases), 39s. 6d.; roller ditto, F.C. 26 per cent., 72s. 6d.; M.S., 27s. 6d., all net, duty paid ex-wharf London. On the Grocery side: F.C.S., 21s.; M.S.S., 9s. 9d., basis per case, usual packing. Danish cream, evaporated, unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d.; condensed, sweetened, 48 by 14 oz., 20s. per case.

HONEY.—Market firm with a good demand, with available supplies in moderate compass. New crop Jamaican spot amber to good pale, 50s. to 55s.; dark to fair amber, 43s.–49s. New Zealand sells readily, dark amber ranging from 50s.–55s.; medium, 55s.–65s.; light, 65s.–85s.; white and water whites, 65s.–87s. 6d. per cwt.

RUBBER.

RUBBER.—Increased buying orders, partially on covering account, caused sellers to exercise more reserve, and prices moved up slightly, but eased later. Standard sheet spot and May sold 10¼d.; June, 10⅛d. to 10⅜d. and 9¾d.; July–September, 10¼d. to 10⅝d. and 10⅛d.; October-December, 10⅜d. to 10⅝d. and 10⅛d.; January–March, 11⅛d., 10⅜d.; with January–December, 1930, at 11⅛d. lb. London stocks increased by 57 tons on the week, landings being 1,639; deliveries, 1,582; stocks, 30,503, against 56,819 at same time last year. Liverpool stocks 70 tons down, landings being 145; deliveries, 215; stocks, 4,521.

GENERAL.

JUTE.—Met a quiet and easier market. Firsts, April–May, quoted, £30; May–June, Dunkirk, sold £31 12s. 6d.; May–June, Hamburg, £30 12s. 6d.; new crop, August–September, quoted, £31 2s. 6d.; Lightnings, May–June, £29 10s.; September, £29 5s. ton.

HEMP.—No material change to note in the general position of Manila grades. Meantime, consuming demand is quiet, but shippers also adopt certain reserve. J.2, April–June, quoted, £37; K., £32 10s.; L.1, £33; M.1, £30 ton. African sisal, quiet, unaltered. Manila receipts for last week, 35,000 bales, compared with 27,000 at corresponding period last year; estimate for next week, 27,000, and following week, 33,000. Shipments last week to U.K./Continent, 3,000 bales; U.S.A., 12,000; and Japan, 15,000. Local stocks increased 5,000 bales at 213,000.

SHELLAC.—Market quieter. T.N., spot, 190s.; May, 185s.; August, 190s.; October, 193s. cwt.

COPRA.—Proved a quiet, steady market. Straits, S.D., May–June sellers to Rotterdam, £22 7s. 6d.; June, £22 8s. 9d., with buyers at £22 7s. 6d.; Dutch East Indies about 5s. under these figures. Ceylon, May–June, £23 10s. South Sea Islands, May–June, to Marseilles, smoked, quoted £21 6s. 3d.; sun-dried, £21 10s.; plantation, Rabaul, £21 12s. 6d.; hot-air dried, £21 12s. 6d., and mixed, excluding Padang, £21 10s. Palm kernels, May–June, to Hamburg, £17 17s. 6d. ton.

MISCELLANEOUS.—Coconuts quoted 18s. to 25s. per 100. Coir yarn, Ceylon, £19 to £38; Cochin, £22 10s. to £40 10s.; Ceylon bristle, £18 10s. to £25; cinnamon leaf oil, 5½d.; citronelle, Ceylon, 1s. 11½d.; Java, 2s.

METROPOLITAN CATTLE.—April 24.

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

	s.	d.	s.	d.
Beasts—Norfolk	6	4	6	8
Irish	...		...	
Cambridge.....	...		...	
Short Horns	6	0	6	4
Herefords	...		...	
Devons	...		...	
Leicester runts	...		...	

	s.	d.	s.	d.
Beasts—Heavy Bulls	...		...	
Canadian	...		...	
Sheep—Downs	7	4	9	8
Half bred	...		...	
Hwns	5	4	5	8
Scottish	...		...	
Lamb—Downs	12	0	13	0

LONDON POTATO MARKETS.—April 24.

	Per Cwt. s.	d.	s.	d.
English King Edward—Lincoln	6	0	6	6
" " —Essex.....	4	6	5	6
" "	4	0	5	0
White varieties.....	28	0	...	
New Spanish	Per Case.			
New Canary.....	15	0	...	

ISLAS DEL GUADALQUIVIR S.A.

Shareholders are informed that at the Extraordinary General Meeting convened for the 15th day of April, 1929, the necessary quorum of Shareholders was not present or represented by proxies, and the meeting accordingly stands adjourned to the same time and place on the 6th day of May, 1929. At the adjourned meeting it will be proposed that in lieu of an immediate issue of Ordinary Shares there be created 300,000 7 per cent. Notes of 100 pesetas each, convertible at the holder's option into Ordinary Shares on the basis of one Note of 100 pesetas for one Ordinary Share on two months' notice expiring on the 1st January of any year up to and including the year 1935, and redeemable at par (so far as not converted) over a period from the 31st December, 1939, to the 31st December, 1979.

Subject to the necessary resolutions being passed, it is proposed to issue forthwith 200,000 of the above 7 per cent. Notes at 105 per cent. and to offer such Notes in the first instance to the holders of the Founders Shares on the basis of one Note for each share held.

Holders of Founders Shares who have already deposited their shares and received Letters of Rights and Underwriting Letters in respect of Ordinary Shares should return such Letters of Rights and Underwriting Letters to the Bankers from whom they received the same, when they will receive in exchange Letters of Rights and Underwriting Letters relating to the above issue of 7 per cent. Notes. Holders of Founders Shares who have not already deposited their shares will be allowed to do so at any time on or before the 1st day of May, 1929. Such shares may be deposited with one or other of the undermentioned, viz.:

Banco Internacional de Industria y Comercio, Madrid and Seville.
Banca Marsans, S.A., Barcelona.
S.A. Arnús-Gari, Barcelona.
Banco Comercial de Barcelona, Barcelona.
Midland Bank Limited, London, Threadneedle Street, and Branches.

Founders Shareholders who have not already deposited their shares, but do so within the above-mentioned period, will in addition to Letters of Rights and Underwriting Letters receive a card of admission to the adjourned meeting with proxy form endorsed.

Shareholders are particularly requested to sign and return the form of proxy to the Company's bankers in order to secure the necessary quorum at the adjourned meeting.

J. SOTO REGUERA,
Seville, 23rd April, 1929. *Vice-President.*

THE CASE FOR FREE TRADE

A pamphlet of 56 pages reprinted from "The Economist."

The fundamental arguments against Trade Restriction are set out; and the claims of "Safeguarders" examined.

Price 4d.

(Special terms for quantities.)

Obtainable from
"THE ECONOMIST,"
6, BOUVERIE STREET, FLEET STREET,
LONDON, E.C. 4.

The
Evening News
(LONDON)

AND THE INVESTOR

INVESTING readers of the "Evening News" have now the benefit of the services of a new and highly qualified contributor who writes, under the pen-name of "Carmelite," articles advising large and small investors what to do with their money.

"CARMELITE" WILL GUIDE YOU RIGHT

The articles by "Carmelite" appear every day.

"Carmelite" has had an almost incomparable experience in the City. He is acquainted with everything in the Stock Exchange, and has had an important position in the banking world. He is thus able to help "Evening News" readers every day with the sound judgment and knowledge that have come from his long associations in the City.

For many years "Carmelite" has been engaged in guiding investors large and small. But he is a fresh recruit to the highly expert City Staff of "The Evening News."

FOLLOW
"CARMELITE"
DAILY IN THE
Evening News
(LONDON)

BRAKPAN MINES, LIMITED. (Incorporated in the Union of South Africa.)

REPORT OF THE DIRECTORS for the Year ended 31st December, 1928.

To be submitted at the Twenty-sixth Ordinary General Meeting of Shareholders, to be held in the Board Room, "Anmercosa House," Johannesburg, on Friday, the 17th May, 1929, at 2.30 p.m.

To the Shareholders, BRAKPAN MINES, LIMITED.

Gentlemen,

Your Directors beg to submit their Report and the audited Financial Statements for the year ended 31st December, 1928, accompanied by the Reports of the Consulting Engineers and the Mine Manager.

CAPITAL.—The capital of the Company is unchanged at £1,020,000 in 1,020,000 shares of £1 each, fully paid and issued.

PROPERTY.—No alterations have taken place during the year in your Company's claim holdings, which remain as follows:—

Mynpacht No. 490/1919, *in extent* 405·754 acres, equal to	276·06	Claims.
Mynpacht No. 543/1906, *in extent* 888·936 acres, equal to	604·80	,,
Claims on Farm Benoni No. 3, with Coal Rights on 73·326 Claims	201·59	,,
Claims on Farm Weltevreden or Brakpan No. 5	68·00	,,
Claims on Farm Weltevreden or Brakpan No. 5—leased from Union Government	1,811·70	,,
Claims on Farm Koolbult or Schapenrust No. 7	424·90	,,
	3,387·05	Claims.

The undermining rights of seven stands and four portions of stands on Farm Benoni No. 3.

Twenty-one freehold stands in Brakpan Township, on which are erected quarters for the Company's employees.

OPERATIONS.—Technical matters are dealt with in the attached Reports of the Consulting Engineers and Mine Manager, to which your attention is directed.

FINANCE.—From the Working Expenditure and Revenue Account it will be seen that the profit amounted to £639,754 16 6

Deduct—Donations 3,971 9 7

£635,783 6 11

Add—Dividends on Shareholdings £750 7 4
Interest, Commission and Exchange..... 7,599 18 9
8,350 6 1

Leaving a Net Balance of Revenue over Expenditure for the year of 644,133 13 0

Add—Balance to Credit of Appropriation Account at 31st December, 1927 ..... 59,340 10 11

Making a total available Credit of 703,474 3 11

Against which the following amounts have been appropriated:—

Government Taxes	£73,290 10 8	
Government Participation in Profits	61,129 10 6	
Capital Funds	3,500 0 0	
Reserve for Liability under Miners' Phthisis Acts	8,767 10 6	
Dividend No. 32	242,250 0 0	
Dividend No. 33	255,000 0 0	
		643,937 11 8

Leaving a Balance unappropriated at 31st December, 1928, of... £59,536 12 3

The Capital Expenditure for the year was £6,460 0s. 3d., made up as follows:—

	£	s.	d.
Shaft Sinking and Equipment, as per Schedule attached to Balance Sheet	6,652	1	10
Less Credit—Shares and interests in other concerns	192	1	7
	£6,460	0	3

The amount payable to the Government for the year under the terms of the Mineral Lease Agreement is estimated at £60,696 17s. 6d. This figure represents 9·423 per cent. of the profits for the year.

The amount charged to working costs for development was £94,426 5s. 7d.

In connection with the annual reserve in respect of the Company's liability under the Miners' Phthisis Act, the amount set aside for 1928 is £8,767 10s. 6d. This, with the previous figure of £16,452 15s. 6d. and interest accrued, gives a total reserve of £25,960 13s. 6d. The Company's ultimate assessment is estimated at £179,587.

DIVIDENDS.

Two Dividends were declared during the year, as follows:—

	Per Cent.	Rate per Share. s. d.	Total Amount. £ s. d.
Dividend No. 32	23¾	4 9	242,250 0 0
Dividend No. 33	25	5 0	255,000 0 0
	48¾	9 9	497,250 0 0

You are asked to confirm the action of Directors in this matter.

DIRECTORATE.

In terms of the Articles of Association, Messrs. L. A. Pollak and W. J. O'Brien retire by rotation, but are eligible and offer themselves for re-election.

AUDITORS.

You are requested to fix the remuneration for the past audit, and to appoint Auditors for the ensuing year. The Auditors, Messrs. A. E. Page and P. Whiteley, retire, but are eligible and offer themselves for re-election.

L. A. POLLAK, *Chairman*
R. B. HAGART,
W. E. HUDSON,
J. L. JOURDAN,
A. F. LYALL,
W. J. O'BRIEN,
E. OPPENHEIMER, } *Directors.*

ANGLO-AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED, *Secretaries.*
Per W. WESTRUP.

JOHANNESBURG,
12th March, 1929.

BALANCE SHEET AT 31st DECEMBER, 1928.

DR.	£ s. d.	£ s. d.	CR.	£ s. d.	£ s. d.
To Capital—Registered and Issued: 1,020,000 Shares of £1 each		1,020,000 0 0	By Property, at Cost	489,116 16 3	
,, Premium on Shares		998,850 10 0	Mining Claims and Freehold Stands. As per Balance Sheet, 31st December, 1927.		
,, Funds Appropriated for Expenditure on Equipment and Development in Excess of Working Capital provided		833,618 8 10	,, Shaft Sinking and Equipment, at Cost... (As per attached schedule.)	2,099,171 12 4	
As per Balance Sheet, 31st December, 1927	830,118 8 10		,, Development, at Cost	216,226 12 2	
For the year ending 31st December, 1928	3,500 0 0		As per Balance Sheet, 31st December, 1927.		
		2£852,468 18 10			2,804,515 0 9
,, Unexpended Balance of Capital Fund brought down		6,589 8 3	,, Shares and Interests in Other Concerns, at or under Cost	12,961 5 3	
,, Reconditioning and Renewals of Plant Suspense		1,149 10 0	,, Office Furniture	1,009 3 0	
As per Balance Sheet, 31st December, 1927	4,831 14 3		,, Live Stock and Vehicles	394 1 7	
Less—Expenditure during the year.....	3,682 4 3		,, Stores and Materials, Standard Stock ...	27,000 0 0	
		286,894 2 7			41,364 9 10
,, Sundry Shareholders ..... Unpaid and Unclaimed Dividends.		125,507 4 6	,, Unexpended Balance of Capital Fund carried down		6,589 8 3
,, Government of the Union of South Africa Taxation under Income Tax Act, 1925	64,810 7 0				2,852,468 18 10
Participation in Profits under Mineral Lease.....	60,696 17 6		,, Stores and Materials on Hand and in Transit in Excess of Standard Stock...		21,607 10 5
		98,112 8 7	,, Victoria Falls and Transvaal Power Company, Limited, Compressor Account ...		293 2 5
,, Sundry Creditors and Credit Balances ...			Cost of Air Compressor Plant	26,337 0 10	
,, West Springs, Ltd., Development Loan ...		5,544 0 0	*Less*—Amortized to date	26,043 18 5	
,, Reserve Fund for Liability under Miners' Phthisis Act (see contra)		25,960 13 6	,, Reserve Fund Investments (see contra)...		25,960 13 6
,, Balance of Appropriation Account		59,536 12 3	,, Sundry Debtors and Debit Balances ...		19,715 9 3
CONTINGENT LIABILITIES—			,, Gold in Transit	27,546 6 1	
Shares and Interests in other Concerns	£12,334 13 6		,, Loan at Call	511,688 11 4	
The Company is liable for its proportion of the Miners' Phthisis Compensation Funds in terms of the Miners' Phthisis Acts Consolidation Act, 1925 (*vide* Directors' Report).			,, Cash at Bankers and in Hand	2,482 6 8	
					541,717 4 1
		£3,461,762 18 6			£3,461,762 18 6

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED, *Secretaries.*
Per W. WESTRUPP.

L. A. POLLAK, *Chairman*,
J. L. JOURDAN,
A. F. LYALL, } *Directors.*

To the Shareholders, BRAKPAN MINES, LIMITED.

We have audited the Balance Sheet dated 31st December, 1928, above set forth, and have obtained all the information and explanations we have required. The Company has kept proper Books and records, and, in our opinion, the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the Books of the Company.

JOHANNESBURG,
21st March, 1929.

A. E. PAGE (Incorporated Accountant).
PERCIVAL WHITELEY (Chartered Accountant). } *Auditor*

UNIVERSITY OF LONDON.

A Course of two Lectures on "THE HISTORY OF BANKING IN ITS RELATIONS WITH ECONOMIC AND POLITICAL HISTORY DURING THE MODERN ERA (XV.-XVIIITH CENTURIES)" will be given by M. le PROFESSEUR HENRI HAUSER (Professor of Modern and Contemporary Economic History in the University of Paris) at the LONDON SCHOOL OF ECONOMICS (Houghton Street, Aldwych, W.C. 2) on MONDAY, MAY 6TH, AND THURSDAY, MAY 9TH, at 5 p.m. At the first Lecture the Chair will be taken by Mr. R. H. Tawney, B.A. (Reader in Economic History in the University).

ADMISSION FREE, WITHOUT TICKET.
EDWIN DELLER, Academic Registrar.

UNIVERSITY OF LONDON.

A Course of Three Lectures on "THE MODERNITY OF THE 16TH CENTURY" will be given (in French) by M. le Professeur HENRI HAUSER (Professor of Modern and Contemporary Economic History in the University of Paris) at KING'S COLLEGE, LONDON (Strand, W.C. 2) on FRIDAY, MAY 10TH, WEDNESDAY, MAY 15TH, AND FRIDAY, MAY 17TH, at 5.30 p.m. At the First Lecture the Chair will be taken by The Rev. Canon Claude Jenkins, M.A., D.D., F.S.A. (Reader in Latin and Greek Palaeography in the University).

ADMISSION FREE, WITHOUT TICKET.
EDWIN DELLER, Academic Registrar.

UNIVERSITY OF WALES.

UNIVERSITY COLLEGE OF NORTH WALES, BANGOR.

The Council invite applications for the post of INDEPENDENT LECTURER IN ECONOMICS. Salary £575.

Fifty copies of applications and testimonials are required, and must be received not later than May 13, by the Registrar, University College of North Wales, Bangor, from whom further particulars may be obtained.

March 20th, 1929.

SPRINGS MINES, LIMITED.

(Incorporated in the Union of South Africa.)

REPORT OF THE DIRECTORS for the Year ended 31st December, 1928.

To be submitted at the Twentieth Ordinary General Meeting of Shareholders, to be held in the Board Room, "Anmercosa House," Johannesburg, on Friday, the 17th May, 1929, at 12 noon.

To the Shareholders,
SPRINGS MINES, LIMITED.

Gentlemen,

Your Directors beg to submit their Report and the Audited Financial Statements for the year ended the 31st December, 1928, accompanied by the Reports of the Consulting Engineers and the Mine Manager.

CAPITAL.

The Capital of the Company remains unaltered at £1,500,000 in shares of £1 each, all fully paid and issued.

PROPERTY.

The position of your Company's holdings at 31st December, 1928, was as follows:—

Mynpacht No. 637, in extent 1,675·693 acres, equal to...	1,140·09	claims.
Railway Area (leased from the Government).....	20·63	,,
Discoverer's Rights	171·60	,,
Claims on Farm Rietfontein No. 8 (leased from the Government)	2,235·60	,,
	3,567·92	claims.

Sixteen freehold stands in Springs Township are owned by the Company.

OPERATIONS.

Technical matters are dealt with in the attached Reports of the Consulting Engineers and Mine Manager, to which your attention is directed.

FINANCE.

	£	s. d.
From the Working Expenditure and Revenue Accounts it will be seen that the profit from operations for the year amounted to	853,852	9 10
Deduct— Donations	3,814	18 7
	850,037	11 3
Add— Dividends on Shareholdings, Interest, Commission and Exchange, and Sundry Revenue.....	15,185	12 1
Leaving a net balance of Revenue over Expenditure for the year of	865,223	3 4
Add— Balance to credit of Appropriation Account at 31st December, 1927	59,952	9 10
Making a total available credit of	925,175	13 2

Against which the following amounts have been appropriated:—

	£	s. d.	
Government Taxes	79,268	4 11	
Government Participation in Profits ...	190,481	10 4	
Capital Funds.....	94,409	0 0	
Reserve for Liability under Miners' Phthisis Acts	5,546	11 10	
Dividend No. 18.....	243,750	0 0	
Dividend No. 19.....	262,500	0 0	
			875,955 7 1
Leaving a balance unappropriated at 31st December, 1928, of			£49,220 6 1

The Capital Expenditure for the year amounted to £129,845 8s. 5d., made up as follows:—

	£	s. d
Shaft Sinking and Equipment, as per Schedule attached to Balance Sheet	129,209	15 5
Shares and Interests in other concerns	635	13 0
	£129,845	8 5

The Union Government's participation in the profits of the Company, in terms of the Mineral Lease, is estimated at £190,481 10s. 4d. This sum is equivalent to 22·015 per cent. of the total profits of the Company for the year.

Expenditure on development for the year amounted to £94,578 11s. 7d., which has been charged to Working Expenditure and Revenue Account.

In connection with the annual reserve in respect of the Company's liability under the Miners' Phthisis Act, the amount set aside for 1928 is £5,546 11s. 10d. This, with the previous figure of £9,157 11s. 4d and interest accrued, gives a total reserve of £15,116 5s. The Company's ultimate assessment is estimated at £111,394.

DIVIDENDS.

Two dividends were declared during the year, as follows:—

	Per Cent.	Rate per Share.	Total Amount.
Dividend No. 18.....	16¼	3s. 3d.	£243,750 0 0
Dividend No. 19.....	17½	3s. 6d.	262,500 0 0
	33¾	6s. 9d.	£506,250 0 0

You are requested to confirm the action of the Board in this matter.

DIRECTORATE.

You are asked to confirm the appointment of Mr. J. S. Wetzlar as a Director of the Company in place of Mr. E. S. Langerman, resigned.

In terms of the Articles of Association, Messrs. J. S. Wetzlar and A. F. Lyall retire from the Board by rotation, but are eligible and offer themselves for re-election.

AUDITORS.

You are requested to fix the remuneration for the past audit, and to appoint Auditors for the ensuing year. The Auditors, Messrs. A. E. Page and F. W. Diamond, retire, but are eligible and offer themselves for re-election.

L. A. POLLAK, Chairman,
J. BOYD,
R. B. HAGART,
W. E. HUDSON,
A. F. LYALL,
W. J. O'BRIEN,
E. OPPENHEIMER,
} Directors.

ANGLO-AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED
Secretaries.
Per W. WESTRUP.

Johannesburg,
12th March, 1929

BALANCE SHEET AT 31st DECEMBER, 1928.

Dr.

	£	s. d.	£	s. d.
To Capital			1,500,000	0 0
Registered and Issued: 1,500,000 Shares of £1 each				
As per Balance Sheet, 31st December, 1927.				
,, Premium on Shares.....			1,122,840	16 5
As per Balance Sheet, 31st December, 1927				
,, Funds Appropriated for Expenditure in Excess of Working Capital provided ...			498,682	19 3
As per Balance Sheet, 31st December, 1927	404,273	19 3		
For the Year ending 31st December, 1928...	94,409	0 0		
			3,121,523	15 8
,, Unexpended Balance of Capital Fund brought down			45,576	14 1
,, Sundry Shareholders			263,630	4 10
Unpaid and Unclaimed Dividends.				
,, Government of the Union of South Africa				
Taxation under Income Tax Act, 1925 ...	79,004	2 0	269,485	12 4
Participation in Profits under Mineral Lease	190,481	10 4		
,, Sundry Creditors and Credit Balances.....			87,377	3 8
,, Reserve for Liability under Miners' Phthisis Act (see contra).....			15,116	5 0
,, Balance of Appropriation Account			49,220	6 1
CONTINGENT LIABILITIES.				
Shares and Interests in other Concerns £11,758 9 6				
Machinery Orders Outstanding 1,506 0 0				
£13,264 9 6				
The Company is liable for its proportion of the Miners' Phthisis Compensation Funds in terms of the Miners' Phthisis Acts Consolidation Act, 1925 (*vide* Directors' Report).				
			£3,851,930	1 8

Cr.

	£	s. d.	£	s. d.
By Property, at Cost.....	308,891	9 3		
Mining Claims and Freehold Stands— As per Balance Sheet, 31st December, 1927,				
,, Shaft Sinking, Permanent Haulage Ways and Equipment, at Cost	2,486,844	17 7		
(As per attached Schedule.)				
,, Development, at Cost	242,429	15 4		
As per Balance Sheet, 31st December, 1927.				
			3,038,166	2 7
,, Shares and Interests in Other Concerns at or under Cost.....	12,780	19 0		
,, Stores and Materials—Standard Stock	25,000	0 0		
			37,780	19 0
,, Unexpended Balance of Capital Fund carried down			45,576	14 1
			3,121,523	15 8
,, Stores and Materials on Hand and in Transit in Excess of Standard Stock.....			20,671	12 0
General	15,422	3 3		
Construction	5,249	8 9		
,, Sundry Debtors and Debit Balances.....			20,408	4 1
,, Reserve Fund Investments (see contra)			15,116	5 0
,, Gold in Transit	34,369	13 4		
,, Loans at Call.....	637,566	12 1		
,, Cash at Bankers and in Hand	2,273	19 6		
			674,210	4 11
			£3,851,930	1 8

ANGLO-AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED,
Secretaries.
Per W. WESTRUP.

L. A. POLLAK, Chairman,
W. E. HUDSON,
A. F. LYALL,
} Directors.

To the Shareholders, SPRINGS MINES, LIMITED.

We report that we have examined the above Balance Sheet with the Books and Vouchers of the Company, and the audited returns from the London Office, and certify that it is in accordance therewith. We have obtained all the information and explanations we have required. The Company has kept proper Books and records. In our opinion, such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the Books of the Company.

Johannesburg,
21st March, 1929.

F. W. DIAMOND,
A. E. PAGE,
} *Auditors.*
Incorporated Accountants.

RIO TINTO COMPANY, LIMITED.

DIVIDEND ON SHARES TO BEARER.

HOLDERS OF SHARE WARRANTS TO BEARER are informed that they will receive PAYMENT of the DIVIDEND declared at the General Meeting held this day, at the rate of Two Shillings and Sixpence per Share on the Preference Shares, and of Twenty-five Shillings per Share on the Ordinary Shares, both less Income Tax, on and after Wednesday, the 1st May, 1929, on presentation of Coupon No. 64 on the Preference Shares and No. 59 on the Ordinary Shares, either at the Company's Office in London, or at the Société Générale, 29 Boulevard Haussmann, Paris.

Coupons for payment in London must be left four clear days previously for examination, and may be deposited forthwith.

By Order,
R. H. BEECHER,
Secretary.

Offices of the Company:
3, Lombard Street, E.C. 3.
24th April, 1929.

ALEXANDRIA WATER COMPANY, LIMITED.

ALEXANDRIA, EGYPT.

PAYMENT OF DIVIDEND.

NOTICE IS HEREBY GIVEN that a DIVIDEND of Ten shillings and ninepence per £5 Share on Coupon No. 81 is PAYABLE on and after 15th April, 1929, instead of on 15th June, 1929, as printed on the Coupon, at the National Bank of Egypt, in Alexandria at Rue Toussom, or in London at 6 and 7, King William Street, E.C. 4.

Dated, Alexandria, Egypt, the 12th April, 1929.

By Order of the Board,
K. B. WOODD SMITH,
Manager.

CITY OF TOKYO

5 % STERLING LOAN 1906.

The City of Tokyo announce that BONDS, value £50,500 nominal, have been PURCHASED for the purpose of cancellation, and such bonds are now CANCELLED.

April 23, 1929.

965

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, MAY 4, 1929. No. 4,471.

ALLIANCE
ASSURANCE COMPANY, LIMITED.
(*Established in* 1824.)
HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C. 2.
Marine Department: 2-6, Billiter Square, London, E.C. 3.
ASSETS EXCEED £30,000,000.
THE ALLIANCE GRANTS INSURANCES OF ALL KINDS.
LIFE DEPARTMENT.
INCREASED INTERIM BONUSES ALLOWED on Participating Policies.
Assurances granted with DISABILITY BENEFITS. Children's Educational Policies and Deferred Assurances.
For full information apply to the Head Office or to any of the Offices or Agents of the Company.

CHRISTIANIA BANK OG KREDITKASSE
OSLO.
Established 1848.
Paid-up Capital and Reserve Funds,
Kr. 40.000.000.—.
Oldest Norwegian Joint Stock Bank. Direct correspondents throughout the country. Offering complete services to banks and firms doing business on Norway.
Correspondence invited.

CREDITO ITALIANO

Capital Subscribed - - -	Lire 400,000,000
Capital Paid-up - - -	Lire 354,777,700
Reserve - - - - -	Lire 210,000,000

Head Office of the Bank: MILAN.
THE BANK HAS BRANCHES AND CORRESPONDENTS THROUGHOUT ITALY.
London Branch: 2 ROYAL EXCHANGE AVENUE, E.C. 3.
Transacts a general Foreign Banking Business.
STERLING DRAFTS AND DOCUMENTS ON ITALY COLLECTED ON SPECIALLY FAVOURABLE TERMS.
CORRESPONDENT OF THE ROYAL ITALIAN TREASURY.
Telegrams: "Italcredi, London."
Telephone: "Avenue 3031-4.

TABLE OF CONTENTS.

The Money Market	965	**The Stock Exchange—**	
Leading Articles—		Swedish Industrials	989
The Labour Programme	967	The Week in the Markets	990
"Trained Reserves" ...	968	Foreign Stock Exchanges	991
The Position in Austria	969	London Active Securities	991
World Balances of Payments	970	British Control of British Companies	992
Coal Mining Results and Developments	971	Stock *versus* Shares	992
Bulgaria	972	Stamp Duty on New Issues	993
Notes of the Week—		Companies Consolidation Bill	993
Inter-Allied Debt Controversy	973	Associated Electrical Industries	993
Return of the Simon Commission	973	Rubber Plantations Investment Trust	994
Irish Free State Budget	973	Spillers	994
The "I'm Alone" Affair Goes to Arbitration	974	Forestal Land	994
Disarmament Discussions	974	International Holding and Investment Co.	994
Our Index Number	975	Islas del Guadalquivir, S.A.	995
World Coal Problems	975	New Capital Issues in April	995
Cotton Trade Combines	975	American Banking Manual	996
Fall in Cotton Prices	976	Company Meetings	996
The Cost of Post-War Housing	976	Brakpan	996
Education Policy	976	Springs	996
"The Times" and Tariffs	976	Waihi	996
The Mohair Clip	977	West Springs	997
French Vaccination Order	977	Daggafontein	997
Richard Cobden Lectureship	977	Globe and Phoenix	997
Insurance Notes—		Capital Issues	997
Yorkshire Insurance Co.	977	Balance Sheets	998
Friends' Provident and Century Life Office	978	**Company Meetings**	999
Northern Assurance Co., Limited	978	**Government Returns, &c.**	1013
London and Scottish Assurance Corporation	978	**Bankers' Gazette—**	
Car and General Insurance Corporation	979	Bank of England	1014
World Auxiliary Insurance Corporation	979	Bankers' Clearing Returns	1015
Oversea Correspondence—		Overseas Bank Returns	1015
United States	979	Loan and Discount Rates	1017
France	980	Rates of Exchange	1017
Germany	981	Bullion	1017
Greece	982	Gold and Silver Prices	1018
Switzerland	983	Weekly Traffic Returns	1018
Canada	983	Monthly Traffic Returns	1018
South Africa	984	**Company News—**	
Japan	985	Dividend Announcements	1019
Letters to the Editor—		Profit and Loss Accounts	1020
Islas del Guadalquivir, S.A.	986	Rubber Co. Statistics	1021
Books and Publications—		Reports and Notices	1022
An Analysis of Wages	986	**Commercial Reports—**	
French Economic History	987	The Corn Trade	1022
Books Received	987	American Wheat Markets	1022
		The Coal Trade	1023
		Iron and Steel	1023
		Other Metals	1024
		The Cotton Trade	1024
		The Wool Trade	1024
		Colonial Wools	1024
		Hide and Leather Trades	1025
		Vegetable Oils and Seeds	1025
		Overseas Produce	1025
		Price Current	1028

TERMS OF SUBSCRIPTION.
Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d.
Colonies and Abroad, £3 1s. 0d. per annum.
Single Copies, post free, 1s. 1d.
Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.
Office: 6 Bouverie street, Fleet street, London, E.C.4

THE MONEY MARKET.

Variable conditions prevailed in the money market this week. Over the week-end money was obtainable at 4½ per cent., and the same rate ruled on Monday. This ease was of a somewhat artificial character, for the previous Bank return had shown that money was none too plentiful, and the following day the market was to receive proof

of this fact. Thursday was the last day of the month, and a heavy foreign exchange settlement absorbed all available funds, and had not this been the fifth Tuesday of the month—which meant that none of the clearing banks were making up—the market would very likely have found itself in the Bank. On Wednesday money was a little more comfortable, but 5 per cent. was the ruling rate in the afternoon. On Thursday conditions became easier.

* * *

There has been a fair replacement demand for bills, and discount rates have consequently ruled low, 5⅛ per cent. being a typical rate on Tuesday for three months' bills. On Wednesday the Bank intervened and sold June bills at 4⅞ per cent., but this effort to maintain control was neutralised the following day by one of the clearing banks, who let it be known that it was buying bills at 5 per cent. This action is not viewed with universal favour, as it is felt that the general situation hardly warrants so low a discount rate. The American exchange remains obstinately at only ¼ cent above the lower gold point, whereas by now it should be up to $4.86 or even $4.87, for the margin of protection to be adequate.

* * *

The sudden collapse of the mark on Friday of last week is attributed mainly to a general attack of nervousness caused by the Reparation deadlock and the rise in the Reichsbank's discount rate. The suggestion that Paris banks made a deliberate attack on the mark is scouted, for there is no evidence at all of any large withdrawal of short money from Berlin by either Paris or London houses. What did happen was that there was some calling by weak Paris lenders, and there was a temporary spasm of nervousness in Germany itself. This last is easy to understand, for it is only a few years since the days of inflation, and the memory of that period and all its troubles is deep-rooted. Still, the fact that this week the mark has returned to the level ruling before the rise in the Reichsbank's rate confirms the view that Friday's collapse had no more significance than that hinted at above.

* * *

The gold position is becoming more encouraging, as this week the Bank obtained several windfalls. On Monday, £1,000,000 in sovereigns was rather mysteriously released, while the following day £368,972 of new gold was bought at 84s. 10¾d. in the open market. On Wednesday £100,000 in sovereigns was released, while the Bank also obtained £744,732 of gold bars. The origin of this last gold is again unknown, but it is thought to consist of gold previously sold to an "unknown buyer," and now resold to the Bank. Calculations based upon present expectations are that, with the gold now in sight, the Bank will shortly have gained since the increase in its rate as much as £11,000,000 in gold. If these hopes are realised the Bank should be well on the way towards strengthening its resources sufficiently to meet the autumn drain.

	May 2, 1929.	Apr 25, 1929.	Apr. 18 1929.	Apr. 11, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5½	5½	5½	5½	4½ (Feb. 7,'29)
Banks' Deposit Rate ..	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
Houses { Notice.....	3½	3½	3½	3½	2½ (Feb 7,'29)
Market rate (3 months' bills)	5 1/16–⅛	5⅛	5 1/16	5 1/16	...

The Bank return duly reveals an increase of £2,224,822 in gold stocks, but a rather surprising increase of £4,093,773 in the note circulation, so that the Reserve has fallen by £1,868,951. Public deposits are substantially lower, but the increase of £2,255,914 in Bankers' deposits suggests that the market now has a little more room in which to move than it had a week ago. The Bank's "earning assets" show little change on balance.

NEW YORK MARKETS.

Our New York correspondent cables:—The Federal Reserve statements reveal increases throughout the system in circulation, discounts and bills purchased, with a decline of 1 per cent. in the ratio; this expansion of activity reflecting month-end requirements. The increase of $29,000,000 in bills is particularly interesting, despite the official claim that it represents no change of policy. Meanwhile, gold imports for the week total $8,000,000, which, with $13,000,000 released from earmarking, make the gain from these sources $70,000,000 in April and $115,000,000 since January 1. These developments are arousing speculation as to whether the Reserve authorities are likely to mitigate their "hard money" policy. The share market has been displaying considerable buoyancy, though operators are still troubled by the monetary position. Dunn's and Bradstreet's commodity price indices show declines of rather more than 1 per cent. during April, due mainly to falls in foodstuffs, clothing and metals.

THE STOCK MARKETS

In a week broken by a Stock Exchange holiday on Wednesday, pre-election dullness continued unabated. The Reparations crisis and the Bank of England's fresh accessions of gold, pulling in opposite ways, left gilt-edged stocks little changed on balance. Home rails attracted no interest, and business in industrials remained decidedly limited, apart from a partial recrudescence of Wall Street activity. Rumours of an amalgamation between the two leading British gramophone companies were not confirmed. Rubber shares sagged in sympathy with the price of the commodity, but tea shares were a shade firmer. The oil share market remained deaf to all bullish rumours, and little occurred to disturb the tranquillity of Kaffirs.

THE COMMODITY MARKETS.

The easier tendency of coal prices persists. The iron and steel trades are maintaining the improvement in their position, and other metals are decidedly firmer. Continued selling of raw cotton has given rise to a further fall in prices, but there are signs of greater steadiness at present. Outlets for Manchester goods are more promising than during the last two or three weeks. Activity in Bradford is only moderate, and there is a possibility of a movement for a general reduction of wages. Colonial wool prices are fairly stable at the lower level reached recently. Hides are again easier in spite of an improving business in leather. The demand for oilseeds and vegetable oils shows no sign of expansion. After a further decline, wheat has almost regained last week's level.

THE FOREIGN EXCHANGES.

Fair activity only was experienced in the Foreign Exchange market, although several currencies again fluctuated a good deal, the mark being of particular interest. New York was quiet, and lost 1/32 at 4.85 11/32, after being down to 4.85¼. Paris improved at one time to 124.12, but returned later to last week's level of 124.18. Brussels weakened to 34.95¼. Lisbon gained ½ a point at 108, and Milan 5 points at 92.62. The peseta was again very erratic, and went from 33.60 to 33.90. Amsterdam and Geneva both moved sharply against London, to 12.07 after being lower, and to 25.19 after 25.18½. Berlin was rather less than 2 points worse at 20.47 after going out to 20.57½ on Friday of last week. This movement is discussed in a previous paragraph. Stockholm, Copenhagen and Oslo all gained ½ at 18.16, 18.20 and 18.19½ respectively. The South American currencies maintained their recent steadiness, and Lima alone changed, the premium for 90 days Lima on London advancing ⅛ to 19⅜ per cent. In the Far East the rupee was weak throughout, and lost 1/16d. at 1s. 5 15/16d., but the yen showed some strength, gaining 1/16d. at 1s. 10 3/16d., after being over 1s. 10½d. Batavia gained ½ at 12.12½. For the forward markets dollars were rather more on offer at slightly wider discounts of 5/32 cent and 11/32 cent for the two periods. Francs improved both for one and three months delivery at enhanced premiums of 3 to 5 centimes for the former and 10 to 15 centimes for the latter. Milan was less in demand, last week's discounts widening from 8 to 12 centessimi for one month and from 27 to 28 centessimi for three. The premium asked for forward Madrid was appreciably higher at 12½ and 37 centimos. Berlin, after considerable fluctuations during which discounts of 4 and 12 pfennigs were quoted for the two periods, settled down decidedly steadier at 2½ and 6 pfennigs. Silver was more active, and prices fell 1/16d. for both spot and forward, with steady sales from China. Hongkong and Shanghai both declined in sympathy, the former losing ¼d. at 1s. 11⅞d., and the latter ⅜d. at 2s. 5⅛d.

THE LABOUR PROGRAMME.

In a General Election, appeals to the electorate tend naturally to be of a dual character. On the one hand, each party will ask for support on the general grounds that it embodies historically or potentially—in performance or promise—a certain more or less clearly recognised attitude and outlook; that it represents a more or less distinctive political "make-up" which, it hopes, the voter will find "sympathetic." On the other hand, since the practical purpose of a General Election is to place a Government in office for a strictly limited term of years, in which only a selection of articles of faith can be translated into works—whereas such clear-cut issues as are outstanding at the time of the Election will obviously require definite decision by the party returned to power—political leaders normally lay before the electorate a specific programme of immediate *ad hoc* policy. That they should do so is right and proper; with the recent vast increase in the size of the electorate, and the growing tendency for the sharp lines of party tradition to be somewhat obscured by the interplay of three rival policies, it becomes of paramount importance that democracy should not be encouraged to roam at large over the fields of vague prejudice or ill-defined aspiration, but should be asked to express its opinion upon statements—as clear, concise and easily understandable as possible—of the constructive policy which it is proposed that the next Parliament shall put into effect.

We are now in a better position to judge how far the leaders of the three contesting parties have fulfilled in this respect what we conceive to be their duty to the electorate. Mr Lloyd George, first in the field, put forward a concrete and detailed set of proposals for dealing with unemployment as his party's essential task if given power, allowing the Yellow Book to stand in more general terms as a *corpus* of present-day Liberal principle. Mr Baldwin followed, a fortnight ago, with a modest "platform," whose economy in planks (apart from the singularly objectionable offer of extended "Safeguarding") is commended to the electorate by Conservatives as being a wise embodiment of the abiding principle of "Safety First." Finally, in Mr MacDonald's Albert Hall speech last Saturday, and in the manifesto published by his party early this week, the nebula of Labour doctrine must be assumed to have taken, for electoral purposes, coherent shape and form. Assumed, we say, because the pronouncements in themselves are of a character calculated less to answer questions than to prompt them.

The general statement of Labour policy published last year under the title of *Labour and the Nation*, was prefaced by a foreword over Mr MacDonald's signature, stating that the "long array of parliamentary and administrative measures" therein mentioned would be the tasks to be undertaken by a Labour Party in power—"the more pressing and important being dealt with first of all." It was reasonable, therefore, to hope that, in launching Labour's electoral campaign, Mr MacDonald would indicate with some precision his party's views as to the relative importance and urgency of these embarrassingly numerous measures, and expound in concrete terms the immediate positive policy of a Labour Cabinet in office. Instead, Mr MacDonald treated his supporters to a discursive speech, distinguished by its remarkable reticencies as much as by its apparent bankruptcy of original constructive thought. "The Labour Party," he said—as if in anticipation of criticism—"was not built up on a programme, but on principles." These principles, as outlined on Saturday night, would seem to lead to much that is common to men of good will in all parties and much that is sadly indeterminate. The pursuance of peace in Europe, a naval agreement with America, resumption of diplomatic relations with Russia, and support for the International Labour Office—these four points represented Mr MacDonald's statement of Labour policy abroad. It is a policy to which little exception can be taken. In home affairs, he repeated the promises made at Buxton three days earlier, but in terms even less precise. Given power, Labour would continue the 1924 programme of subsidised house-building, and cheaper houses by "the direct handling of profiteering"; provision would be made for nursery schools; pensions would be "co-ordinated and revised." For the unemployed there would be "not a programme of relief work, although it is a programme of work that will give relief"—a policy of transport and electricity development which differs from the Liberal proposals only in that, as adumbrated by Mr MacDonald, it appears not yet to have been worked out in any sort of administrative or financial detail. This task, indeed, would seemingly be delegated by a Labour Government to an Economic Committee, whose purview would be no less than "everything relating to the life of this country." That Committee, composed of a nucleus of Cabinet Ministers and *ad hoc* experts, with the Prime Minister as chairman—a conception bearing a remarkable resemblance to the constitution of the Economic General Staff proposed in the Liberal Yellow Book—would be the "brain for thinking and acting for an industrial State." Reference of any and every question to it would be "the special basis of the Labour Party action."

From this summary of Mr MacDonald's address, to which should be added a pledge that a tax on land values would be imposed by a Labour Chancellor, it is plain that either the Leader of the Labour Party is disingenuously veiling from the electorate the inconveniently alarming portions of *Labour and the Nation*, or that the "advanced" Labour rank and file, who have been taught to regard that statement of Labour principle as a promise of definite action, are in danger of grave disillusionment. The second alternative seems the more probable, for the official Labour manifesto, not less than Mr MacDonald's address, suggests that the realisation of "Socialism in Our Time" is regarded by the Labour Party's Parliamentary leaders as dependent on a longevity for which few of us can hope. Despite a formal reference to Labour's belief in "the Socialist and Co-operative Commonwealth," there is little in the manifesto to indicate that the official Labour Party's adherence to Socialist faith is other than a conveniently vague *credo quia impossibile*. Supplementing Mr MacDonald's statement, there is a definite pledge to extend the school-leaving age to 15 (with maintenance grants), the hint of wider use of export credits to stimulate trade, and the promise of a Factories Bill, continuance of rent restrictions, the ratification of the Washington Eight-Hours Convention, and the amendment of the Workmen's Compensation Acts, and the Trade Unions Acts. Nationalisation is mentioned only once. A Labour majority would nationalise the coal mines "as the only condition for satisfactory working"; other industries, such as cotton and iron and steel, must be satisfied with "committees of inquiry into the causes of depression." For the rest, the manifesto vies with the *ipsissima verba* of Mr MacDonald in studied mystification. The miners' vote is wooed by an assurance that a Labour Government will "reorganise the industry from top to bottom and shorten hours of labour." The unemployed are promised "more generous maintenance" and the removal of "those qualifications which deprive them of payments to which they are entitled." The path to "social well-being and a more just distribution of the fruits of labour" is to be paved by death duties on large estates, by "graduating the income tax and surtax with a view to relieving the smaller, while increasing the contribution from the larger, incomes," and by carrying still further the differentiation between "earned" and "unearned" incomes. In detail none of these proposals has a positively revolutionary air or even a distinctly Socialist flavour. The trouble is that no man can say precisely what they mean, and our uncomfortable feeling of doubt is not allayed by the fact that, at the Albert Hall, Mr MacDonald urged his audience to rally to the assault on wealth which "stagnates to-day in the poisoning inanities of a class."

In short, Mr MacDonald and the National Executive of the Labour Party have contrived between them to produce a programme of evasively defined ideals in which patent professions of innocuously moderate "statesmanship" are nicely compounded with latent implications of "class-conscious" discrimination, a programme whose field of "ground common to all progressive minds" has boundaries sufficiently wide and loosely defined to embrace the orbits of Mr Lloyd George at one end of the political scale, and of Mr Maxton at the other. The

condensation for election purposes of *Labour and the Nation* has, in fact, resulted in a number of omissions, but not in clarification of policy. The definite promises made in that brochure that a Labour Government would repeal the Coal Mining Hours Act, " supplement trade union action in fixing standard wages compatible with health and comfort," transfer to public ownership the coal, transport, power, and life insurance industries, and place banking under " stringent control," are not repeated, but are left presumably in the realm of " questions " on which the Economic Committee, foreshadowed by Mr MacDonald , and acclaimed by the *Daily Herald* as a dramatic modification of " the very structure of the Government itself," is to pronounce judgment.

If we suspect that Mr MacDonald, leader actually not of a party but of a congeries of warring factions, regards the Economic Committee as an inspired scheme for damping the embarrassing enthusiasms of his Left wing, our cynicism is likely to be shared by many of Mr MacDonald's supporters. All impartial observers of the political campaign, concerned lest any party should beguile the electorate into acceptance of a policy whose unsound and dangerous elements are veiled by the obscurity of its presentment, must regret that the Labour Party have not defined with greater exactitude and candour the immediate objectives of their by no means unanimous aspirations, and have left it so largely to the discretion of the individual elector to decide whether a vote cast in their favour is a vote for an " alternative brand " of Liberalism, or a vote for an economic revolution disguised by fair-sounding promises of " ordered progress " and national development.

" TRAINED RESERVES."

In the matter of armaments, events are now following one another rapidly. Last week we recorded Mr Gibson's overture of April 22nd on naval reduction and the hearty welcome given to it, on the British Government's behalf, by Lord Cushendun on the spot, and by Sir Austen Chamberlain in the House of Commons on the 24th. Last Saturday the Foreign Secretary repeated and confirmed this welcome in a public speech; Mr Bridgeman followed on Wednesday with the announcement that the Government did not propose to lay down ships of the 1929 programme until towards the end of the financial year; and we may take it that, as between the three Principal Naval Powers —the United States, Great Britain and Japan—there is now a fair prospect of agreement on the naval problem in the near future. Indeed, we may look forward to an agreement not merely for limitation but for reduction, and may expect to see this reduction applied to every category of warship. This not only means that one of the most formidable problems of disarmament now appears to be on the way to solution; it also means, as we suggested last week, a breaking of the deadlock which has gripped and almost paralysed the whole movement for disarmament on sea, on land and in the air. Almost before we have had time to take in the significance of Mr Gibson's overture on naval armaments, he has made another in regard to the vexed question of " Trained reserves " in land armies, with the result that the discussion at Geneva has been extended to this field also. It seems not impossible that, during this present session of the Preparatory Commission, decisions may be taken that will settle the broad lines which the course of disarmament—or armament—will follow as far into the future as we are able to look ahead. For this reason it is important to take stock of the situation now. It is also important not to allow our satisfaction and relief at the naval *détente* between the United States and Great Britain to colour our view of the general situation in rosier hues than are warranted by close and dispassionate examination; and a warning in this sense is provided by the communication from a League correspondent which is printed in a Note of the Week in this issue. We hope and believe that the Anglo-American naval problem is moving forward; and in the backwash of its advance it appears to have loosened the problem of land armaments from the reefs and sandbanks on which this problem, too, had grounded. The danger is that, in this backwash, the problem of land armaments may move in a retrograde direction.

Mr Gibson's overture to the land Powers on April 26th was, in fact, of a very different kind from that which he had made four days earlier. His overture on naval ratios opened the way for a great agreed reduction all round; his overture on " trained reserves " seemed to close a door which American and British diplomacy had been struggling for years to keep open. The United States Government has now done what the British Government did provisionally as part of the abortive " Anglo-French naval compromise." It has consented to waive its insistence upon taking " trained reserves " into account in estimating the strengths of land armies for purposes of comparison. When Mr Gibson announced this at Geneva Lord Cushendun signified his concurrence; and the practical effect of this joint Anglo-American concession is not diminished by reiterations of a preference for long-time voluntary service over short-time service with conscription. Germany and the ex-neutrals have been left alone to fight a losing battle against hopeless odds. It is now virtually certain that the great reserves of man-power which are built up by the conscriptionist Powers will be left out of the reckoning. This clearly renders more difficult, though not perhaps impossible, the limitation of military equipment.

What is the American Government's motive in making this concession? Obviously it hopes for some counter-concession from the military Powers; but a counter-concession might be made in either of two spheres, the naval or the military. In which of these two spheres is the American Government hoping for a response from France and Italy? On the answer to this question our judgment of this American policy will depend.

One suggestion is that President Hoover, in instructing Mr Gibson to make this second overture last week, was thinking solely or mainly of the naval problem. The first overture had opened the way to a naval agreement between the United States, Great Britain and Japan. Well and good. But these three Powers cannot quite settle the naval question between themselves—especially when it is to be a comprehensive settlement, covering not only capital ships but cruisers, destroyers and submarines. Great Britain, at any rate, has two other navies besides the American and the Japanese to consider, namely, the French navy and the Italian, which potentially command certain vital British lines of maritime communication in the Mediterranean and the Channel. Great Britain may agree with the United States and Japan on a ratio; but she can hardly agree to a substantial reduction on the basis of such a ratio unless France and Italy also come into the ratio on some agreed scale. If they do not, then the lower limit of the reduction which Great Britain, the United States and Japan can obtain by agreement among themselves will be fixed—and perhaps fixed at a high figure—by Great Britain's need to take the French and Italian navies into account. Thus the French and Italians could put a spoke into our wheel, as the French actually did at Washington in 1921-22. One interpretation of the American concession on " trained reserves " is this:—Mr Hoover is virtually saying to the French and Italians: " Fall in with the United States, Great Britain and Japan in the matter of naval reduction, and we will fall in with your wishes in the matter of armaments on land."

If this really is the American policy (or, it would be fairer to say, the Anglo-American policy), we can only regard it with misgiving. The argument, of course, would be that the crucial danger to the peace of the world is naval competition between the three principal naval Powers; that any war in which they were involved would be a world-war, whereas land armies are tied to the continents on which they stand and therefore, at the worst, are incapable of involving the whole world in destruction. If a complete solution of the naval problem can only be purchased at the price of abandoning the attempt to reduce land armaments on the continent of Europe, then the price is worth paying. That would be the argument; but we do not find it convincing; for we cannot regard the land armaments of continental Europe as a parochial affair. In China, perhaps, or in Latin-America, land forces might fight over half a continent without placing the peace of the world in jeopardy. But we do not believe that Europe has yet so far lost her position of peculiar importance in world affairs that a first-class land war could occur on the European continent without the whole world being drawn in. Great Britain would be drawn in without a doubt. We believe that the Dominions, the United States and Japan would also be drawn in sooner or later. Therefore, we do not think that a settlement of the naval problem at the price of leaving the continental European problem unsettled would effectively remove the danger of another world-wide catastrophe.

There is, however, a second explanation of the American overture. The expectation may be that, if the land Powers are allowed to have their way about the method of reckoning the strengths of armaments on land, they may be moved, in return, to offer important concessions regarding those strengths themselves. In fact, they may agree to a reduction of land armaments all round, if they are left to settle how it is to be done. Unfortunately, this week at Geneva the omens are not favourable to any such hope; for when the issue of reduction versus limitation of land armaments was raised in the Preparatory Commission on Monday, Chile, Persia and Great Britain joined the ranks of those who insisted that here reduction was impossible.

At the moment, then, there seems little prospect of altering the present situation on the European continent, in which two utterly different systems exist side by side: the system imposed by the four European peace treaties upon the countries defeated in the Great War, and the system maintained by the victors. The victors keep their conscript armies, with unlimited equipment and vast reservoirs of trained reserves. The vanquished have been forced back into the eighteenth-century system of limited voluntary armies, with virtually no equipment and no reserves. This was the doing of the British and American delegations at the Peace Conference; for Great Britain and the United States had kept their own armies on the eighteenth-century footing and, with a leverage in continental Europe, they hoped to bring everybody back to this footing and eventually get rid of conscription in the victorious continental countries as well. The speeches of Mr Gibson and Lord Cushendun at Geneva on Friday were funeral orations signifying that this hope is dead and buried. In the victorious continental countries conscription is going to stay; but this does not mean that the co-existence of the two systems in Europe will go on indefinitely. The two systems are incompatible; and if conscription is not abolished in the victorious countries it will come back again in the vanquished countries sooner or later—and this not by agreement but by force. Here is a formidable danger of future war; and, if we are right, a continental European war of this kind would again involve the whole world. The British Commonwealth and the United States are closely concerned; and, if we are wise, we shall address ourselves to this problem as soon as our own naval problem is solved.

THE POSITION IN AUSTRIA.

(BY A CORRESPONDENT.)

The political crisis has come to an end with a renewal of the coalition, and Dr Ernst Steeruwitz, the new Chancellor Designate, is reported to have formed a Cabinet. Even the most radical politicians in both camps have apparently recognised that economic conditions in Austria can no longer bear the contests of politicians.

Although unemployment diminished by 39,000 to 225,000 in March, and by the middle of April to 210,000, the state of industry in Vienna is very unsatisfactory. The improvement in employment is due exclusively to the resumption of activity in the building trade. Indeed, the textile industry, the metal and metal-working industry, the leather industry, and the wood-working industry, and also a portion of the chemical industry, all complain of slackness. The iron industry is the only one with a satisfactory number of orders on hand. The difficulties in the Austrian automobile industry have also intensified, and, to cap them, a strike has been going on in the industry for some time now, because the workmen demand payment for Bank Holidays. Foreign competition in the automobile industry has so far been checked by high duties and the fixing of a low quota of import permits. But in the year 1930 there will be an increase in these quota figures, and foreign competition will consequently be more keenly felt.

The MERCANTILE BANK *of* INDIA
LIMITED.
Head Office: 15, Gracechurch St., London, E.C.3
Branches and Agencies throughout the East
WORLD-WIDE LETTERS OF CREDIT AND DRAFTS ISSUED.

It must, however, be said that industry in general is better off than commerce, in which liquidations and compositions are being carried out constantly without being made public. In Vienna there are many more registered firms than there were before the war. At that time there were about 6,000 firms registered and liable for a certain minimum assessment. When inflation set in, this number rose to 16,000, and has since gradually fallen back to between 9,000 and 10,000. Naturally, the numerous little firms, which are not registered, are not included in these figures. A large number of firms have lost their capital, and the procuring of fresh resources is by no means an easy matter.

The scarcity of money finds expression in the circumstance that the National Bank is at the moment the only available source of credit that can be taken into consideration. Although bills receivable had dropped at the middle of April by 12 million schillings, they still amounted to 162 millions, and large demands are anticipated for the end of the month. It is felt that American credits are not being offered so profusely as heretofore, because the interest offered is not attractive enough. For this reason the recent decision of the National Bank was in accordance with general expectation. The fact that dollar credits have become dearer is injurious to trade, because big firms have long been used to procure dollar credits through the intermediary of the banks at rates considerably lower than those demanded for schilling credits. Even firms of standing have to pay from 13 per cent. to 13½ per cent. for schilling loans.

The financial difficulties of the big Austrian boot factory, Beka, are being followed with interest. This firm produced on a large scale for export, but for some time now it has been losing ground to the sharper competition from Germany and Czechoslovakia. Greater interest is again being devoted to the development of water power. On the Danube alone two works are projected. The one is to be financed by the Escomptegesellschaft, the Bodencreditanstalt and the American-European Utilities Corporation, the other by the Creditanstalt and the Bankverein. The Styrian Waterpower and Electricity Co. has concluded a loan amounting to 3½ million dollars, chiefly from the Credito Italiano group, the Banca Nationale di Credito and the house of Feltrinelli. Otherwise no loans are being issued in view of the fact that the Vienna market is positively overrun with loans. Yugoslavia, for instance, has been trying vainly to dispose here of 7 per cent. Treasury bonds at par, undertaking to place in Austria considerable orders for rails, iron and locomotives.

The Stock Exchange is completely stagnant, and even the announcement that the Alpine Montangesellschaft (iron trust) intended this year, after an interruption of several years, to resume the payment of dividends, effected but a short-lived movement in the dealings in the shares. However, the control of the concern is no longer in Austrian hands, but in those of German shareholders. Other increases in dividends, such as those of Hutter and Schrantz, Vereinigte Electrische, Felten, Kabelwerk, A.E.G., which have lately been made known, have exercised practically no influence on the quotations of the respective shares. There was some movement in building shares, for people are still counting upon the possibility of a *rapprochement* between the two political parties and a consequent fillip to housing. But even if this took

place, building activity would for a long time be confined to the erection of public buildings and work financed with public means.

The spell of cold weather had an unfavourable influence upon export and passenger business, and the Austrian State Railways, which had hoped to derive benefit this year from their rate increases and to build up their reserves, will, if the present state of affairs continues, hardly be able to show any benefit at all. Merchandise traffic with Germany has fallen off considerably, a fact which is partly due to the decline in business in Germany. In spite of all the efforts of the Municipality of Vienna to promote Austria's export business with Russia by granting credit guarantees, this does not appear to be practicable; the total value of Austria's exports to Russia in the year 1928 was only 40 million schillings, against 42.1 millions in the year 1927. In matters of commercial policy much will depend upon the attitude the new Government takes up. In the farmers' camp it is being more loudly proclaimed that it is a mistake to protect with high tariffs Austrian industry, which is very often seriously split up internally. Industry should specialise more, and then it would be possible to derive advantage from trade with neighbouring States. The influence of the farming interests is once more on the up grade, and they have on previous occasions been able to get their desires satisfied in negotiations with Hungary, Yugoslavia and Poland.

The fear is gaining ground that it will not be possible in the near future to conclude the new investment loan. In view of this, the urgently necessary reduction of taxation proved, at least in the opinion of the retiring Minister of Finance, impracticable. As, in view of the decline in business, revenue from taxation may gradually fall off, the new Minister of Finance will probably be forced to resort to the issue of Treasury Bonds, which he has permission to issue to a value of 75 million schillings. Naturally, these Treasury Bonds could only be disposed of at home, but the banks will hardly be enthusiastic over the matter, for they have enough to do to provide means for the enterprises with which they are connected.

Austria's economic problem at present can be summed up in the statement that the political conflict must be done away with and the parties must give less consideration to politics and more to economic questions. The burden of taxation would then have to be reduced, and the conclusion of the new loan hastened as much as possible. This would pave the way for conditions in which established Austrian industrial companies, which can count upon steady sales, would be enabled to accumulate reserves and distribute bigger dividends. It would then be feasible in the near future to proceed once more with the issue of capital, which is at present out of the question. In this way the banks would be relieved and the debtors would be placed in a position to work under better conditions. In commerce, the collapse of superfluous concerns is hardly avoidable. But general economic disaster would be averted.

WORLD BALANCES OF PAYMENTS.

THE re-opening of the problem of liquidating war indebtedness, and the general interest displayed in the problem of lending abroad, offer a good opportunity for turning over the latest of the bulky volumes in which the Economic and Financial Section of the League of Nations publishes statistics of international trade and international payments.* Though it is more comprehensive than its predecessors, its value would still be greatly enhanced if the statements were all made in the excellent model form drawn up by a League of Nations Committee some years ago; as it is, general comparisons are difficult. The annual estimates of the United States' balance of indebtedness made by the Department of Commerce are, of course, admirable, but this country lags a long way behind. The table drawn up each year by the Board of Trade depends to a far greater extent than is desirable on pure guess-work, and no attempt is made to analyse the movements of capital. Additions to capital overseas are supposed to be represented by the remainder when the balance on other account is struck. Thus, all the errors and omissions are concentrated on that single item instead of themselves being shown as the final net difference.

Such figures as are contained in the 1928 Memorandum may best be grouped according to a useful classification employed by several writers on international balances of trade. Borrowers and lenders are called "mature" or "immature," according as the interest movement in either direction does or does not exceed, generally speaking, the capital movement in the opposite direction. Obviously, if a country goes on lending (or borrowing) long enough the time will come when the interest it receives (or pays) will more than cover the new export (or import) of capital.

The United Kingdom shares with the Netherlands the title of mature lender. In 1928 the Board of Trade estimate put the net receipts of interest and dividends on investment abroad at £285 million (excluding income from short-term loans), and the "balance available for new investment overseas" at only £149 million. For 1927, the latest year included in the League of Nations Memorandum, the figures were even more emphatic; income from previous loans totalled £270 million and were offset by a new capital investment of only £96 million. The British balance of trade was fully discussed in the *Economist* of March 2nd. No figures are available for the Netherlands later than 1923, when her net export of capital amounted to only some 70 per cent. of her import of interest.

It seems strange not to find the United States yet among the mature lenders. As a matter of fact, that country shares with Canada membership of a group mature in borrowing and immature in lending. The relevant figures are set out below:—

$ (000,000's omitted.)

	1926.			1927.		
	Credit.	Debit.	Balance.	Credit.	Debit.	Balance.
U.S.A.:						
Interest and dividends	735	268	+ 467	795	281	+ 514
Capital movement:						
I. Long term	1,327	1,931	− 604	1,686	2,357	− 671
II. Short term.....	409	24	+ 385	183	23	+ 160
Total.....	1,736	1,955	− 219	1,869	2,380	− 511
Canada:						
Interest and dividends.....	66	280	− 214	} Figures not available.		
Capital movement (all known items).....	191	276	− 85			

In 1927, then, the United States lent $2,380 million abroad, against an income from her foreign investments of $795 million, but at the same time she imported $1,869 million of capital and paid $281 million on the amount already invested. Of the $1,686 million of long-term inward capital movements, more than one-half consisted of repayments of capital lent abroad and resales of American foreign investments, leaving $919 million of new investment by foreigners in the United States. For 1926 the comparable figure was $337 million. It would be strictly correct, on the evidence above, to class the U.S.A. as an immature borrower, but she had, of course, reached maturity before the war reversed her position; it should, however, be remembered that if the annual investment of a billion dollars a year by foreigners in the United States continues, before long she will once more be paying as much in interest as she absorbs in new capital. Canada's borrowing and lending position is equally interesting; on balance she is both lending and paying interest abroad, a state of affairs which again it will only take time to alter. Very complete tables of estimated foreign investments in Canada, and Canadian investments abroad, suggest that the gradual penetration of American capital, which is especially obvious in the field of public utilities, is proceeding much more slowly than has been popularly supposed. On the contrary, these figures purport to show that Canadian investment in the United States is more rapid than American investment in Canada.

* Memorandum on International Trade and Balances of Payments, 1913-1927. Vol. I. Review of World Trade and Balances of Payments. Geneva, 1928. 10s.

Other lenders which are also borrowers (though both functions are in a condition of immaturity) are Japan, Italy, Czechoslovakia, Denmark, Norway and Sweden.

$ (000,000's omitted.)

Country.	Outward (−) and Inward (+) movements (net). Capital. 1924.	1925.	1926.	1927.	Interest. 1924.	1925.	1926.	1927.
Japan	+225·7	...	+67·9	...	− 3·1	...	− 4·3	...
Italy	−17·0	−25·7	...	...	− 8·8	− 5·8	...	...
Czechoslovakia	...	−10·2	−55·3	−43·1	−19·8	−22·8	−22·6	−21·4
Denmark.....	(a) + 2·4	(a) − 2·7	+11·7	+11·3	− 7·5	−14·8	−14·4	−13·3
Norway.....	(a) +22·7	(a) +27·2	+ 6·6	+22·6	− 8·7	−11·1	−11·4	−15·7
Sweden	+12·7	−32·2	(b) + 7·5	(b) −24·3	+ 1·5	+ 0·8	+ 1·9	+ 5·1

(a) Long-term investments only.
(b) Incomplete figures.

The figures for the three Scandinavian countries are particularly interesting. The position of Sweden with regard to capital movements seems to be a little unstable, since she alternates between lending and borrowing; this is likely to happen whenever short-term indebtedness plays a large part in the balance. On the other hand, Denmark and Norway are apparently on balance among the world's regular borrowers of capital and payers of interest. Czechoslovakia is a considerable lender, though she has still big interest obligations to make up. The large capital import of Japan, contrasted with a small interest payment, suggests that she will shortly be paying out rather more than at present, but as a considerable portion of her borrowing in the two years for which figures were available was on short-term account it is difficult to draw any positive conclusions.

The list of borrowers whose interest payment does not yet exceed their current borrowings consists almost conclusively of the countries of Central Europe and the Baltic. But Dutch Guiana also appears, and as a matter of fact a great many colonial countries would be in the list if it were possible to obtain figures.

IMMATURE BORROWERS.

$ (000,000's omitted).

Country.	Capital Movement Inward. 1924.	1925.	1926.	1927.	Interest Payment Outward. 1924.	1925.	1926.	1927.
Germany	468·5	926·8	207·6	1099·4	− 19·1	21·4	47·6	102·2
Hungary	26·7	...	25·7	83·9	2·8	...	15·4	20·5
Poland	36·1	119·2	− 1·7	...	12·5	12·2	17·8	...
Latvia	2·4	...	2·3	...	− 0·4	...	0·3	...
Estonia	(a) 0·5	(a) − 0·5	(a) 0·8	(a) 8·3	0·8	0·8	1·2	1·8

(a) Long term investments only.

The figures available for Austria are omitted as the very heavy item of interest on Government debt has not been separated from amortisation payments, and the results are, therefore, misleading. Like Germany, Austria is enabled, on balance, to pay off capital and interest obligations by regular importation of capital.

The final table shows the position of those countries which are now exporting more in interest each year than they import in fresh capital obligations. The group, naturally includes the British Dominions, other than Canada, and the countries of South and Central America, but again only a few representative figures can be given.

MATURE BORROWERS.

$ (000,000's omitted).

Country.	Capital Movement Inward. 1924.	1925.	1926.	1927.	Interest Payment Outward. 1924.	1925.	1926.	1927.
Australia*...	212·7	0·6	182·4	57·1	126·1(a)	140·9(a)	155·6(a)	161·1(a)
New Zealand	24·6	33·1	67·2	...	28·7	31·9	36·6	...
India*	−16·6	81·9	−70·1	177·9	101·7	107·0	107·0	108·5
S. Africa ...	37·7	...	...	...	76·2	...	...	...
Argentine*...	170·6		31·4	134·2	(b) 273·2		(b)142· 0	(b) 169·2

* The years for these countries are 1923-24, 1924-25, 1925-26 and 1926-27. For the Argentine, only figures for the first two years combined are published. (a) Including certain payments on account of services. (b) Including amortisation of the public debt.

Short-term payments have played a large part in India's balance of trade in a period which covered the stabilisation of her currency on a gold basis. There is also a regular movement of repatriation of outside capital invested in India, while inward movements tend to be rather erratic.

All these figures must, of course, be used with care. They are based on many different methods of calculation and are of widely varying statistical merit. But they do give some sort of picture of the mould into which governmental and commercial indebtedness between countries is settling. Immediately after the war, the old lenders were too much concerned with restoring their own depreciated or destroyed capital equipment to have a great deal to spare for lending abroad, while the countries with the greatest need of outside capital for reconstruction were not financially secure enough to attract the investor. For enabling the present advantageous situation to come to pass, wherein the work of world reconstruction is carried out on the whole to the mutual advantage of creditors and debtors, the chief thanks must go to the economic activities of the League of Nations.

BANK ESTABLISHED IN 1864.
SKANDINAVISKA KREDITAKTIEBOLAGET
GOTHENBURG, STOCKHOLM MALMO.
Branches in all parts of Sweden.
Paid-up Capital and Reserves - Kr.182,000,000
Telegraphic Address: "Kreditbolaget."
THE BANK AFFORDS EVERY FACILITY FOR BANKING BUSINESS WITH SCANDINAVIA.

COAL MINING RESULTS AND DEVELOPMENTS.

THE issue this week by the Mines Department of the summary of costs of production and proceeds of coal mining for the quarter ended December 31, 1928, makes it possible for last year's results as a whole to be compared with those obtained by the industry in 1927 and in the year immediately preceding the troubles of 1926. The following comparative working figures summarise the position:—

	1925.	1927.	1928.
Tons disposable, in millions	214·4	221·8	211·5
	Million £	Million £	Million £
Wages.....	137·1	117·8	100·2
Stores and timber.....	20·2	20·2	17·0
"Other" costs	29·6	29·2	27·4
Total "net costs"*	192·3	172·9	150·0
Proceeds.....	183·1	167·5	140·2
Loss	9·2‡	5·4	9·8
Miners employed†	1,040,000	961,000	881,000
Output per manshift, cwts.†	18·00	20·60	21·29

It will be seen that last year, despite a further reduction of 80,000 in the average number of miners employed and a substantial improvement in the rate of output per shift, the industry's aggregate loss amounted to the formidable sum of nearly £10 million. In comparison with 1927, net costs were down by £22.9 million (a saving of £17.6 million being effected in wages), but the tonnage disposable was 10.3 million tons lower, and proceeds reduced by no less than £27.3 million. These are sombre figures, but a measure of encouragement is to be derived from the fact that, in the December quarter, there were distinct signs of an improvement in the position. The total loss in all districts for that quarter amounted to only £652,795, against £3,319,571 for the three months ended September 30th, and £2,868,952 for the fourth quarter of 1927. A further increase in output per head was achieved, and, as will be seen from the following summary of working results during the past eighteen months, considerable progress was made towards the

* Including royalties, and after deducting proceeds of miner's coal. † Mean of quarterly averages. ‡ Before crediting subvention.

equation of costs with selling prices. The latter, for the first quarter since the beginning of 1927, recorded an upward movement:—

Period.	Tonnage Disposable (Mlns).	Costs per Ton. Wages.	Costs per Ton. Total, Net.	Proceeds per Ton.	Loss per Ton.	Output per Manshift.
1927—		s. d.	s. d.	s. d.	s. d.	Cwts.
3rd Quarter	54·0	10 4½	15 3	14 1	1 2	20·47
4th Quarter	55·4	10 1	14 10	13 10	1 0	20·82
1928—						
1st Quarter	56·8	9 8	14 2½	13 5	0 9½	21·24
2nd Quarter	50·7	9 7	14 6	13 1	1 5	20·98
3rd Quarter	49·5	9 6	14 4	13 0	1 4	21·13
4th Quarter	54·5	9 2	13 9	13 6	0 3	21·80

The exact figure of loss in the fourth quarter of 1928 was 2.87d. per ton. Turning to individual districts, we find that the December quarter brought marked changes in the situation. The predominantly exporting districts—Northumberland, Durham and South Wales—still suffered losses ranging from 6¼d. to 7¾d. per ton (as compared with debits of 1s. 1d. to 1s. 8d. in the previous three months), but Yorkshire's loss was reduced from 1s. 4d. to a little over 2d. per ton, while the Midland districts turned a combined loss of about 9d. per ton into a profit of over 6d. per ton. In Scotland a loss of 1s. 1½d. in the September quarter was reduced to a debit balance of less than 1½d. per ton. Wage costs per ton ranged in the December quarter from 7s. per ton in Northumberland (a district in which earnings per shift were as low as 7s. 3d.) to 11s. 8¼d. in the Lancashire, Cheshire and North Staffordshire area.

Meanwhile, the discussions of the Mining Association of Great Britain over the question of the co-ordination of district coal schemes have apparently for the present been suspended, partly owing to the fact that in some of the coalfields the schemes introduced last year are under reconsideration and partly because of the reported difficulty of convincing Northumberland and Durham of the economic necessity for the adoption of methods of regulation. In Yorkshire and the Midlands a committee is engaged on the task of devising a simpler scheme than that proposed a few months ago with a view to the removal of the grievances caused by the operation of what is known as the Five Counties Scheme. In Scotland there is reason to believe that an agreement is about to be reached over changes in the plan brought into operation in the early part of 1928. In South Wales, on the other hand, the recent improvement in the state both of the inland and the export trades has, at any rate temporarily, led to almost complete inaction in regard to reorganisation. Meanwhile, however, the Scottish, Midland and Yorkshire, and South Wales colliery owners have reached an understanding for the regulation of the prices at which coal shall in future be exported to Ireland. A Joint Co-ordinated Committee is being appointed, consisting of representatives of the Irish Coal Importers' Association and the several associations of British coalowners, to act in a consultative and advisory capacity in regard to all matters affecting the Irish coal trade. Of these matters the most important are those relating to the raising or lowering of the prices of coal, either generally or in regard to any one or more of the districts, and the form which joint action should take to enforce the provisions of the agreement. It is proposed under this scheme that, for prescribed periods, the prices of coal shall be fixed, that increases or decreases of the scheduled prices shall be by way of flat rate additions or reductions operating simultaneously throughout the one or more districts affected, and that discipline shall take the form of a refusal by the importers to deal with offending collieries and of a refusal by the colliery owners to deal with offending importers. Supplies are to be made through existing channels of supply so long as they remain under the control of the parties to the agreement. It is stated that over 97 per cent. of the coal importers in Northern Ireland and the Irish Free State have expressed their readiness to come into the scheme, and that complete unity has been secured among the colliery owners. The consumption of English, Scottish and Welsh coals in Ireland amounts annually to between 4½ and 5 million tons, to which the Lancashire, Midland and Yorkshire coalfields contribute approximately 2¼ million tons, the Scottish ports between 1¾ and 2 million tons, and the Bristol Channel ports between 600,000 and 650,000 tons per annum.

It is reasonable to expect that the better demand for coal which materialised early this year, partly as a temporary result of the abnormally severe weather, will be found to have enabled the great majority of districts to work at a profit in the first quarter of 1929 at least. At the same time, the industry would be ill-advised if it regarded its recent recovery as justification for complacent confidence in the future. As is shown in the League of Nations' report on the problem of the coal industry (referred to in another column) the difficulties which have to be overcome are of a grave and permanent nature, and the need for co-operation, both national and international, is still acute.

BULGARIA.

With a population of under five and a half millions, Bulgaria is the smallest of the Danubian States, but its geographical position gives it considerable importance in the political life of South-Eastern Europe. Moreover, in the solution of some of its more pressing problems, it has received the blessing of the League of Nations, and this fact alone makes its present economic position a matter of some interest to the outside world. In the Supplement, which we publish this week, an attempt has been made to give a general survey of the manner in which this little mountain country is facing the results of a legacy of six years of almost continuous warfare.

It should never be forgotten that Bulgaria did not attain to the rank of even semi-independent statehood until the year 1878. Centuries of Turkish misrule made the country one of the most backward in Europe, but its new leaders set to work with a will and soon laid the most essential foundations of modern State life. Fifty years is but a short period in the history of a nation and, while much has been achieved already, it is not surprising that much should still remain to be accomplished. Roads and railways have been constructed, but more are urgently required. Towns have been modernised, a banking system has been improvised, and education has made rapid strides. But Bulgaria is essentially an agricultural country, and little has been done as yet to raise the standard of cultivation. The needs of the rural population require immediate attention, for it is only by intensifying agricultural production that the country can hope to cope with the rapid increase in its population.

During the past ten years, Bulgaria has been in many ways most unfortunate. The harvests, upon which it depends almost exclusively, have been well below the average, while the earthquake last year caused damage which amounted, according to the most conservative estimate, to two million pounds sterling—a large sum for a small and relatively poor land. Nevertheless, the advent of foreign capital has done much to ease the situation. Thanks to the loan issued under the auspices of the League of Nations in 1926, large numbers of refugees, whose very existence was a menace to the peaceful evolution of the country, have been settled on the land and are now helping to increase the national wealth. The second League loan, issued in 1928, has improved the position of the National Bank still further, and has made possible the stabilisation of the currency. If the Reparations settlement is applied on reasonable lines, and if the responsible leaders of opinion realise the overwhelming importance of a forward policy in agriculture and afforestation, there seems no reason why the organised energy of the peasantry should not overcome the various difficulties with which Bulgaria is still faced.

Notes of the Week.

Inter-Allied Debt Controversy.—Our Paris correspondent writes:—"M Caillaux, in an article published on Wednesday, takes Mr Philip Snowden severely to task, as might be expected, for his recent remarkable expression of opinion in regard to a possible future repudiation by a Socialist Government of agreements made by its predecessors with the Continental debtors of Great Britain. The financial leader of the British Socialist Party (M Caillaux paraphrases) wants Great Britain to exact from its old Allies, and if possible from its former enemies, larger annuities than that which she has undertaken to pay to the United States, so that she might make a profit on the inter-Allied debts until the time comes for the Labour Party's ideal to be realised, and debts of all kinds to be wiped out. When such a day arrives, however, the English Budget, comfortably provided for by the other Allied countries, if the desires of the Labour ex-Chancellor of the Exchequer be realised, would be deprived of a portion of its resources! How is it possible for a man of such standing as Mr Snowden to voice such contradictions? . . . It is extravagant, even monstrous, to claim that a Government is not bound by international engagements regularly signed by its predecessors. Mr Snowden, however, has risked his anarchical theory, and, if he has been obliged to beat a retreat to some extent before the general reprobation he encountered, he has only done so by equivocating. In any case, he specifically stated that he and his friends, if they are returned to power, will regard the agreement concluded with France as null, in view of the fact that it has not been ratified by us." This M Caillaux urges as a reason why the French Chambers should ratify the Washington and London agreements without a moment's delay, in view of the possibility of a Socialist victory at the elections. In retort to the opinion often expressed in France, that the Washington agreement is an onerous one for France, M Caillaux quotes Sir Laming Worthington Evans's statements in the House of Commons to the effect that, if the present value of the debt agreements be taken as the basis of comparison, the French settlement with America calls for the payment of 49 per cent. of the total debt, while the French settlement with Great Britain represents only 47 per cent." On any comparable basis of calculation we are satisfied that the concession made by Britain to France is definitely greater than that made by the United States to France. We also sympathise with M Caillaux's criticism of lack of logic in the position taken by Mr Snowden. But we cannot shut our eyes to the fact that Mr Snowden's comments, however unwise from the point of view of the prestige of a late, and possibly, future, Chancellor of the Exchequer, are at least having the effect of hastening the ratification of the debt agreement with Great Britain—an act which, in view of the generosity of the terms proposed, is long overdue. Though our correspondent does not mention the fact, it is probable that M Caillaux agrees with Mr Snowden's criticisms of the terms of the Anglo-American settlement. For that agreement established a standard, set negotiations going, and made it almost imperative for other debtors to come to terms with America. We hold, however, as we have always held, that the case for settlement, which the Prime Minister put so forcibly in his speech at the Bankers' Dinner on Tuesday, is conclusive. We would add that this settlement has not only had the effect of restoring the prestige of the City of London, but, by the stimulation of commercial activity, transit trade, shipping, etc., has undoubtedly directly contributed an increase to the volume of employment.

Return of the Simon Commission.—We congratulate Sir John Simon and his colleagues on their safe return from their second and larger investigation *in situ* of the fundamental facts of the Indian problem. Rather than dwell upon the obstacles with which the Commission has been faced and the difficulties which it still has to resolve in framing its report, we prefer to call attention to two salient facts. The first is that the Commission is not, as some sections of Indian opinion appear to suppose, entrusted with the task of deciding what the future constitution of India shall be. That responsible decision rests with Parliament. The Commission's laborious task has been, and is, to acquaint itself fully with essential facts and trends of opinion, to chronicle its considered impressions for the benefit of Parliament, and to indicate the conclusions to which its study and experience point. The second fact is that, although nothing like full co-operation of all shades of Indian opinion in the work of enquiry was obtained, the Commission has enjoyed throughout this year's tour the co-operation of the Indian Central Committee, and this Committee is about to visit England to continue its work side by side with the Simon Commission. These were two of the facts emphasised by Sir John in a statement made on his arrival in England. A third feature of this statement was the plea that Indian affairs should be rigidly excluded from political controversy during the British election campaign. This plea he followed up in a speech delivered at the National Liberal Club, on Tuesday, when he said: "India is in cold storage until the election is over." But, if India is in cold storage, Sir John emerges as an active protagonist of British Liberalism, and his first political speech of the present campaign shows that he joins the other Liberal leaders in lining up behind the unemployment programme which Mr Lloyd George has laid before the country.

Irish Free State Budget.—"Broadly speaking, the provisions of the present Budget leave matters as they were." This sentence, writes our Dublin correspondent, strikes the keynote of Mr Blythe's speech in introducing the Free State Budget. With one exception, there are no changes of taxation by way either of increase or of remission. Revenue and expenditure balance to a nicety, and it would appear that the country has reached a position of complete financial equilibrium. Mr Blythe is certainly justified in his claim that his conservative policy during the last five years is now beginning to show its good results, and in striking a note of optimism regarding future prospects. This year is the least sensational and the most satisfactory Budget in the short history of the Free State. The separation of abnormal from normal revenue and expenditure has become the settled practice of the Ministry of Finance. The amount of abnormal expenditure, which is mainly the result of the post-Treaty troubles, has been steadily declining, and is estimated at £1,080,000 for the coming year. The estimated normal expenditure amounts to £23,925,000, a reduction of £374,000. Although this reduction may appear small, it was achieved only as the result of a far-reaching economy campaign. The estimated revenue is £23,939,000, so that with taxation on its existing basis, the Budget will balance with a nominal surplus of £14,000. In view of this result, Mr. Blythe proposes to make no changes in the tax system, with the exception of an additional tax on motor omnibuses, the proceeds of which will benefit, not the Exchequer, but the Road Fund. Earlier in the year it was announced that a mileage tax was to be imposed on these vehicles, but it is now admitted that such a tax would be unduly onerous, and it has been replaced by an increase in the annual tax based on seating capacity. This additional tax should have the result not only of strengthening the Road Fund but also of assisting the much-harassed railways. Considerable emphasis was laid by Mr Blythe on the comparatively light burden of the public debt. When allowance is made for the assets held by the Exchequer against sums advanced, the net amount of the debt is £13,983,000. If to this is added the value of the debt owing to Great Britain, which is being liquidated by annuities of £250,000, the total dead-weight burden of State indebtedness is less than £20,000,000. This represents less than one year's revenue, and less than £7 per head of the population. Another £5,000,000 will be borrowed in the present year, principally to pay for the construction of the Shannon hydro-electric works, which are nearing completion. In view of the fact that the present 5 per cent. National Loan, issued at 95½, now stands at 102, there is every

reason to hope that the new loan will be raised on extremely advantageous terms. It is no small tribute to the financial standing of the Free State that the National Loan stands at a higher price in the New York market than that of any other British dominion. Considerable pressure has been brought to bear on the Government by farmers in favour of some system of de-rating of agricultural land, and Mr Blythe's remarks on this subject were looked forward to with much interest. He explained that the introduction of any scheme analogous to that adopted in England would be quite impossible in the present circumstances of the Free State. Agricultural lands would receive 92 per cent. of the benefit of such a scheme in Ireland, as contrasted with about 20 per cent. in Great Britain. The annual cost of the scheme would be over £2,000,000, or 9 per cent. of the present revenue, whereas in Great Britain the cost is less than 3 per cent. of the revenue. Moreover, the petrol tax, which is relied on to cover most of the cost of the scheme in Great Britain, would meet only *one-fifth of its cost in the Free State*, and seven or eight additional taxes would be necessary. Finally, Mr Blythe pointed out, the responsibility of local authorities would be seriously reduced, and there would be a danger of an " orgy of expenditure " by county councils, who would be relieved of the burden of finding the necessary revenue. The criticism of the Budget by the Opposition parties in the Dail did not bring to light any constructive proposals of importance. The usual pleas were made for expenditure of public money in relieving unemployment, for more protective tariffs, and for a differential income tax on investments outside the Free State. Mr Blythe had very little trouble in disposing of these suggstions. The net result of the Budget has been to strengthen the position of the Government and improve the credit of the country.

The " I'm Alone " Affair Goes to Arbitration.—In the " I'm Alone " affair there were originally two sets of proceedings: the legal action taken by the United States Government against the Captain of the " I'm Alone "; and the diplomatic controversy between the United States Government and the Canadian Government. This controversy was over the question what the exact circumstances were in which the " I'm Alone " was sunk and whether the sinking was justified on the general basis of international law as modified by the treaty of January, 1924. In this treaty certain restrictions upon the customary freedom of the high seas in peace-time were accepted, as a concession to the United States, by the British Empire. The action against the Captain of the " I'm Alone " has been dropped; but the negotiations have failed to produce agreement. Accordingly, the controversy between the two Governments has been transferred, as the treaty itself provides, from the field of diplomacy to that of arbitration. It is now to be examined by a commission of two; and it is reported that the commissioners are likely to be Mr Taft and Mr Anglin, who are chief justices respectively of the United States and Canada. They will have to consider points of fact as well as points of law, and in this case both are intricate. *Primâ facie* it might seem as though the dropping of the action against the Captain of the " I'm Alone " were a tacit admission by the United States that it was in the wrong. But the Americans may argue that the evidence of the Captain's guilt or innocence sank with his vessel, and may suggest that this was the reason why he preferred to see her sunk rather than taken for examination into an American port. The Canadian contention will be that, even if the " I'm Alone " was a rum-runner, and would have been convicted if caught, the United States authorities lacked the right to take the action which they did take. The arbitration procedure may be a lengthy and elaborate business, but it will be conducted in a calm judicial atmosphere from which no disturbance of good relations is at all likely to arise. Indeed, remarkable good temper and good sense have been shown on both sides during the earlier and more thorny stages of the affair which have now been left behind.

The Disarmament Discussions.—A League correspondent writes:—It is scarcely possible to say that the promising developments as between the naval Powers in the Preparatory Disarmament Commission have created any excessive haste on the part of the great military powers to follow suit. On the naval end of affairs the general international repercussions have been favourable. Meanwhile the Commission has been discussing military effectives, air armaments, chemical warfare and conscription. So far there have been no signs of concessions on the part of any of the big military powers, and no response, except promises for the future, to a further blunt appeal from Mr Gibson for concessions to be made and for all the cards to be thrown on the table now. There has been, in fact, a steady duel between Count Bernstorff (Germany) and M Massigli (France), with Italy in the offing. Count Bernstorff makes a proposal, and M Massigli wonders whether he is thinking about the French system. Count Bernstorff replies that he would not think of being so personal, but that, if he were, it would only be a compliment to the greatest military power on earth. Count Bernstoff proposes that bombing from aeroplanes should be abolished as it is a blind attack. M Massigli asks whether a long-range 120 kilometre gun is any less blind. Germany points out that she is prevented by the Peace Treaty from having a system of conscription; France and the other Powers explain that this is the only democratic system, and cannot be changed. So the affair goes on. The most important matter of discussion has been the question of the limitation of trained reserves. Both Lord Cushendun and Mr Gibson, while explaining that they still hold the opinion that trained reserves should be limited, nevertheless declared they would not press their view in face of the difficulty of making progress on that basis. Lord Cushendun pointed out with some force that he did not see how, under the conscription system, such limitation was administratively possible, and as it was clear that states were not ready to relinquish the system they must get ahead as well as they could on other lines. He laconically observed that there would still be plenty to do. This, of course, is a great concession to French opinion, and their return for it is still awaited. Mr Litvinoff argued *that unless such* reserves were to be limited there was no hope of any reduction in land armaments at all. This will be true unless there is some readiness to reduce the annual contingents called up and the periods of service with the colours. The Belgians have to some extent done this, and the French have reduced their periods of service, but the French have not been very clear as to whether they are prepared to reduce their annual contingents. They have hitherto argued that in view of their population difficulty they cannot afford not to have all their men trained, but they may perhaps come to see that this is a short-sighted attitude in view of the fact that the population of Italy is considerably increasing—a fact which may hoist them with their own petard. The Commission, among other things, has decided to include an article in its draft convention in terms which forbid absolutely the use of bacteriological means of warfare, but it was not possible to get agreement that the use of asphyxiating gases should be prohibited absolutely; that is to say, if one belligerent state made use of gas the other belligerents would consider their hands free; but if a belligerent state used bacteriological means of warfare that would not free any of its enemies from their obligations not to use them. The Commission has not accepted the German idea that civil aviation ought not to be considered in relation to air armaments, but has accepted the Russian proposal that there should be no deliberate construction of civil flying machines for adaptability to warfare. There are differences of opinion as to the distance from the homeland at which air forces should be regarded as overseas forces, and in this, as in other things, is an underlying tussle between Italy and France. Mr Litvinoff failed to bring the Commission to a decision to scrap the word " limitation " in its draft convention, and during the course of the discussion, in which it was averred that limitation did not exclude reduction, Lord Cushendun gave as an example of the difficulty of insisting on reduction alone, the great diminution in the size of the British Army, which, he said, could now really be described as a " contemptible little army." That is an argument which, one fears, may be used by other states with less justification.

Our Index Number.—The slight upward tendency evidenced in the course of wholesale prices during February and March was definitely reversed last month, our index number recording, at the end of April, a fall of 2.2 per cent. Recent movements in the indices of each group are summarised below, the figures for April 30, 1928, being added for purposes of comparison:—

AVERAGE, 1927 = 100.

End of	April, 1928.	Jan., 1929.	Feb., 1929.	Mar., 1929.	April, 1929.
Cereals and meat	111·4	96·7	101·2	100·9	99·1
Other foods	95·0	89·4	88·5	87·3	86·5
Textiles.....	109·2	101·3	99·9	100·8	96·7
Minerals	91·8	94·8	96·4	99·7	96·7
Miscellaneous	98·3	91·2	91·4	91·4	90·0
Complete Index	101·4	94·7	95·6	96·1	94·0

The outstanding features of the month were weakness of textile prices and a sharp re-action in metals. The following table gives the percentage of change in the index figure for each group, and in the price of each individual commodity, as compared with a month ago and with the corresponding date last year:—

	Inc. (+) or Dec. (−) per cent. compared with	
	Month Ago.	Year Ago.
Wheat—For.	− 3·3	−22·1
Wheat—Eng.	+ 1·7	− 4·8
Flour.....	...	−20·2
Barley	− 2·4	− 9·7
Oats.....	...	−19·9
Maize	− 6·2	−10·0
Rice	− 1·0	− 8·2
Potatoes	−16·0	−38·2
Beef—Eng.	+ 6·4	−10·4
Beef—Arg.	...	+ 6·9
Mutton—Eng.	− 2·3	−23·1
Mutton—N.Z.	− 6·6	− 3·3
Bacon, Danish.....	+ 8·8	+40·2
Cereals and meat	− 1·8	−11·0
Tea	− 0·7	+ 9·7
Coffee	+ 0·3	− 3·9
Cocoa	...	−16·9
Sugar, cane	− 2·2	−16·7
Sugar, ref.	− 1·1	−17·7
Cheese, Can.	...	− 4·6
Butter, Dan.	− 1·8	− 8·9
Coco. oil.....	− 2·8	−17·4
Tobacco	...	...
Other foods.....	− 0·9	− 8·9
Cotton A.....	− 8·5	−14·1
Cotton F.....	− 9·3	−16·2
Cotton yarn.....	− 3·1	− 6·1
Cotton cloth.....	− 2·7	− 6·1
Wool, Eng.	...	−10·3
Wool, Aust.	...	−14·6
Wool tops.....	− 2·3	−20·4
Silk	− 4·5	− 5·5
Flax.....	− 5·6	−18·4
Hemp	...	− 4·5
Jute.....	−10·4	−10·8
Textiles.....	− 4·1	−11·4
Pig iron	+ 2·2	+ 3·8
Steel rails	...	...
Iron bars.....	+ 5·0	+ 4·9
Tin plates.....	+ 1·4	+ 1·4
Coal, Welsh exp. ...	− 1·2	+10·4
Coal, Dur. gas	+ 1·6	+ 3·3
Coal, household.....	− 5·3	+ 5·3
Lead.....	− 0·9	+19·5
Tin	−10·0	−14·1
Copper.....	−19·2	+25·8
Spelter.....	− 2·7	+ 2·9
Minerals	− 3·0	+ 5·3
Timber, Eng..	...	...
Timber, Swed.	...	...
Cement	...	−13·0
Hides	+ 0·9	−28·0
Leather.....	− 4·5	−28·8
Petrol, No. 1	...	+14·8
Petroleum oil.....	...	−17·3
Fuel oil	...	− 6·9
Linseed oil.....	...	− 7·2
Tallow.....	...	+ 5·6
Rubber	−11·4	+16·5
Soda crystals	...	...
Sulph. ammon.	...	...
Creosote	− 4·8	− 35·5
Miscellaneous.....	− 1·5	− 8·4

Among foodstuffs, there were increases in the price of English beef and Danish bacon. Potatoes and imported mutton cheapened, and quotations for Canadian wheat and Plate maize declined. In the textile group the substantial rate of fall was occasioned by lower values of raw cotton, jute, flax, and silk. The chief alterations of price in the minerals group were large falls in the case of copper and tin. Iron and steel quotations were firm. In the miscellaneous group rubber was prominent with a decline of 11 per cent. In comparison with the position a year ago, price changes show a fairly wide divergence, the net result of which, as measured by our index number, is a fall of 7.3 per cent. in the general price-level. The figures of our index number, converted to a percentage of the average for 1913, are given below:—

AVERAGE, 1913 = 100.

Date.	Cereals and Meat.	Other Foods.	Textiles.	Minerals.	Miscellaneous.	Complete Index.
Average, 1924.	168·5	215·8	214·7	149·3	122·6	166·2
,, 1925.	168·4	204·2	194·6	139·8	126·2	160·9
,, 1926.	151·7	195·3	152·6	149·8	120·7	149·4
,, 1927.	147·6	202·2	157·0	125·1	116·1	143·7
,, 1928.	152·9	189·7	165·0	115·2	111·2	140·9
End Apr., 1928.	164·4	192·1	171·4	114·8	114·1	145·7
End Mar., 1929.	148·9	176·5	158·2	124·7	106·1	138·1
End Apr., 1929.	146·2	174·9	151·8	120·9	104·5	135·0

Calculated with 1924 as the base year, our index number at April 30th yields a figure of 81.2, as compared with 83.1 a month ago, and 81.8 at the end of January.

World Coal Problems.—The Economic Committee of the League of Nations has just issued an interim report on the " Problem of the Coal Industry," which it is studying at the request of the Council of the Assembly. This document, while discussing possible remedies, does not make definite recommendations. Yet it is of substantial interest for three reasons. It serves to remind the British public that it is not only Britain where the coal industry is severely depressed; it brings out clearly the causes of the depression besetting all producing countries; and it roundly condemns national measures of protection and artificial State encouragement. In the opening paragraphs the physical scope of the problem is succintly defined. " There are only four important countries of export—the United States of America, the United Kingdom, Germany and Poland. But in normal years the United States sells the great bulk of her surplus coal across her northern frontier to Canada. . . . Her exports, indeed, are relatively small, amounting in normal years to only about 4½ per cent. of her production, and of these exports about four-fifths are consigned to Canada. Her coal industry is thus largely self-contained and only in exceptional years has it any important direct contact with non-contiguous countries. From this it follows that the international problem . . . is mainly confined to Europe." The proviso, of course, has to be made that if and when European coal prices reach a certain level, American coal will be attracted to European markets, and this fact sets a limit to the effective possibility of a price agreement policy among European producers. The most important section of the report is devoted to showing clearly the causes of coal trade depression. As a result of industrial developments—e.g., extended use of oil, hydro-electric power, more economical consumption methods, etc.—the world consumption of coal and lignite has increased by only 4 per cent. between 1913 and 1928, whereas during the same period the production of raw materials and foodstuffs, and the trade of the world has increased by over 20 per cent. Most striking in this connection is the situation in the United States. There almost exactly the same quantity of coal was mined in 1913 and in 1928. The consumption of coal was only 3.3 per cent. higher in the latter year, whereas industrial production in 1925 was between two-thirds and three-quarters greater and since then has risen still further. The crux of the matter is that the past 15 years have only seen a growth in demand equivalent to that which was normal in a single pre-war year. The conclusion is not hopeful:—" Calculations based on recent statistics and experience would thus not suggest that, even if productive capacity were not further increased, and even if there were no other aggravating features, the gap between demand and capacity to which the depression is due could be reduced to normal and innocuous dimensions for some decades." The report is to be discussed at the meeting of the Economic Consultative Committee at Geneva next week.

Cotton Trade Combines.—Although no official announcement has yet been made, it is understood, writes our Manchester correspondent, that the negotiations which have been taking place in Manchester and London during the last few weeks in connection with the proposed combine of Lancashire cotton mills spinning Egyptian yarns have made considerable progress, and a definite statement is expected at an early date. There is a probability of about fifteen companies being amalgamated, the mills affected containing about 2¼ million spindles. The present share capital of these concerns is about £6,000,000, with loans and debentures of £1,500,000. It is rumoured that the representatives of the several firms are trying to arrange a scheme whereby uncalled capital will be cancelled. This movement is receiving the support of London financiers and it is estimated that if the negotiations are successful the mills will be in a better position to meet competition. Since a week ago, the shareholders of three Lancashire mills have had meetings to consider offers from the Lancashire Cotton Corporation, Limited. In connection with the Orme Ring Mill (1920), Limited, Oldham, the proposal of the Corporation was equal to 20s. in the £ to debenture holders in cash and shares, 10s. 8d. in the £ to un-

secured creditors, and 1s. 7d. in the £ to fully paid shareholders in shares of the Corporation. At the meeting of the mill company, however, the directors announced that they were against accepting the offer and the shareholders rejected the proposal. With regard to the Lees Union Mill (1919), Limited, Oldham, the Corporation offered £94,224, the bank to receive 20s. in the £, the creditors 12s. 5d. in the £ and the shareholders 1s. 9d. in the £. It has transpired, however, that the bank has since given the shareholders £10,000 preference and ordinary shares, reducing their amount to 17s. in the £ and increasing the shareholders' amount to about 3s. 6d. in the £. Both the shareholders and creditors decided to accept the offer. The shareholders of the New York Mill (1920), Limited, Heywood, have this week decided to accept the terms put forward by the Cotton Corporation, Limited. The proposal provides for 14s. 2d. in the £ to be paid to debenture holders, 1s. 1d. in the £ to unsecured creditors and 11d. in the £ to shareholders. The Lancashire Cotton Corporation, Limited, has now valued over 150 mills and offers have been made for 40 concerns.

Fall in Cotton Prices.—During the last six weeks, writes our Manchester correspondent, there has been a rather striking decline in prices for raw cotton, the drop in American qualities being over 1d. per lb., with a fall in Egyptian descriptions of about 2d. per lb. On March 16th the spot quotation for middling American in Liverpool was 11.14d. per lb., whereas on Wednesday last the figure was 9.95d. During the same period there has been a reduction in the spot rate in Liverpool for fully good fair Sakellaridis Egyptian from 19.45d. to 17.40d. This movement of values has been very largely due to improved reports relating to the prospects for the new crop in the United States. The weather in the belt during the last few weeks has been very favourable, and although at one time the growth was rather late, good progress has recently been made with farm work and the backwardness has been recovered. The Government estimate of the acreage will not be published until July 8th, but according to private advices there is a probability of an increase in the area under cultivation of nearly 5 per cent., with a possibility of a record acreage of about 50,000,000 acres. It is altogether too early for traders to be sure of a big yield, as the crop has yet to be made, but undoubtedly the outlook at the moment is favourable. The crop for last season was about 14¼ million bales. World consumption at the present time is between 15 and 15¼ million bales. It is therefore necessary that the new growth should be well over 15 million bales. The production per acre varies very widely from season to season, and the ultimate output will be largely determined by the weather in the belt this summer. Prices are now on a more reasonable basis than for a long time back, and wide fluctuations in rates in New York and Liverpool are likely during the next few months according to the weather reports from the United States.

The Cost of Post-War Housing.—Interesting statistics are now available regarding the total cost of post-war housing in Great Britain. Up to the end of the last financial year, March 31, 1929, the total number of houses completed in England and Wales towards which Exchequer contributions were made under the various Housing Acts since 1919 was 790,101, to which 39,186 provided under the Housing (Additional Powers) Act, 1919, fall to be added. The aggregate is, therefore, in round numbers, 830,000. Some 410,000 having been built in the same period without State assistance. The combined Exchequer grant under the large heading and the smaller one up to March 31, 1929, is almost £74 million, to which at least £323,000 should be added in connection with the purchase of huts, premiums paid to the Public Works Loans Board on redemption of loans by public utility societies and other miscellaneous services in connection with housing. On a similar basis in Scotland up to March 31, 1929, the total outlay has been £9,338,377, so that the total for Great Britain provided from national funds approaches £84 million. The much larger part of that total is attributable to housing schemes under the 1919 Addison Act, when the liability of the local authorities was limited to the product of a rate of one penny in the pound. The Ministry of Health estimates for 1929-30 amount to £21,228,664 net, of which housing grants are responsible for £11,150,000, or more than half. The estimated grants under the Wheatley Act is £2,150,000 under the Chamberlain Act £2,200,000, and under the Addison Act £6,790,000, the aggregate of the three showing an increase of £490,000 over 1928-9. The expenditure of the local authorities since the war has also been substantial, but in that case the exact burden is difficult to disentangle, since part of it is expenditure out of loans, another part is not on a loan basis, and it includes outlay which is met by Government grants, rates, rents and other items of receipt. Under loan and non-loan headings substantial sums have been advanced by the local authorities for the acquisition of small dwellings. In that case the sums are repayable to the local authorities by the applicants, who have been enabled to acquire their houses in this way.

Education Policy.—In expounding the Government policy to the nation Mr Baldwin made much of his programme for education, though he left very vague the question of the exact nature of that programme. In presenting the Board of Education estimates for 1929-30 in the House of Commons last week, Lord Eustace Percy did not reveal any programme other than continued slow progress along the lines followed in recent years. The recently published report of the Board of Education for 1928 (H.M. Stationery Office, Cmd. 3307, 4s.) reveals a modest performance. The number of classes containing more than 50 pupils fell during the financial year from 20,201 to 16,686, and 277 schools were removed from the "black list." Plans for 10,000 new secondary school places have been sanctioned during the year. Enquiries have been initiated into the requirements of technical training for salesmanship and for the engineering industries. Indeed, a weak point of the Government's record in this department, fastened upon by the Opposition at an early stage of the debate, is the prevalence of enquiries over concrete action. Enquiries are no doubt an indispensable preliminary to the unification and co-ordination of our educational system which Lord Eustace Percy envisages, but while we have only nursery schools enough to provide for 1,367 children, and a pressure on school accommodation which makes classes unwieldy and provides an excuse for shelving the recommendation of the Consultative Committee to raise the school age to 15, an unusual craving for economy has prevented any substantial increase in the estimates. Of the gross increase of £687,019, £337,800 is attributable to automatic growth in the sum due for pensions to teachers, while £341,173 is required for grants for higher education, called forth by the gradual increase in the expenditure of local authorities. These are partly offset by decreases, mainly in the grants for elementary education, leaving a net increase of £434,071 over the estimate for 1928. The decrease in the grant for elementary education is the result of the transfer of £750,000 of the burden to local authorities, under the Rating and Valuation Act of 1925, operating through the increased assessment on April 1, 1929. According to the Parliamentary Secretary to the Board of Education, this is not being felt by the local authorities as undue pressure. That may be so, but in view of the urgent need for improved accommodation and equipment it seems reasonable to ask why the proceeds could not have gone to the improvement of education instead of to the relief of the National Exchequer. Within the limits of its economy, the Government has shown a respectable record in the matter of education, but the stress laid upon education policy in the Prime Minister's Drury Lane speech was such as to raise the expectation that a more progressive policy than that foreshadowed by Lord Eustace Percy would be forthcoming.

"The Times" and Tariffs.—We have been accustomed to regard the London *Times*, though not perhaps as wholeheartedly protectionist, as a firm supporter of Mr Baldwin's programme of indefinitely extended "Safeguarding." Yet in a recent leading article (April 24th) that great journal complains in such terms against the uncertainty of the tariff policy of a friendly nation that it is scarcely possible to believe that readers were not meant to infer an argument against increasing the uncertainty of our own. The lack of enthusiasm shown by British exhibitors towards the Seville and Barcelona Exhibitions is ascribed to "the tendency of many foreign countries towards tariff changes of so drastic a nature as to make export trade to them an uncertain, if not a profitless undertaking," and in particular to "nervousness about the future tariff policy of Spain." The article goes on to say: "The friendliness of the relation between the two countries is not in question; it is the strictly business aspect of the matter that has led to hesitation . . . The trade between the two nations is so largely complementary, and mutually so beneficial, that it would be most unfortunate if the present uncertainty should check its natural development. It would be welcome news that in the interests of both nations the plans for higher protective duties had been reconsidered." With all this we most cordially agree. But, remembering those words, "strictly business aspect," "mutually beneficial trade," "the interests of both nations," we would reverse the mirror for a moment and set in place of the suspended schemes of the Marquès de Estella and his Council of Economy the election platform of Mr Baldwin and the Conservative party. For there can be no doubt that the tariff changes proposed for this country are drastic enough. Any industry which can stay the course of a safeguarding inquiry is to have protection, and, at the same time, the fences are to be lowered. We have only to envisage safeguarding for the iron and steel industry alone to realise what a revolution in our tariff policy is being set before the electorate. Nor, when we decide to protect, do we do it by halves; the standard safeguarding tariff is 33⅓ per cent.—an extremely high figure. Spain, and every other country with which we trade, have an obvious and an unanswerable retort. "It is the strictly business aspect of the matter which has led to hesitation; the trade between nations is so largely complementary, and mutually so beneficial, that it would be most unfortunate if the present uncertainty should check its natural development. It would be welcome news that in the interests of all nations the plans for higher protective duties had been reconsidered."

The Mohair Clip.—In two or three weeks, writes our Bradford Correspondent, the new Turkey and South African mohair clips will be coming on to the market, and, during the past fortnight, leading brokers from Constantinople and Port Elizabeth have visited Bradford, where the bulk of the hair imported into this country is consumed. During the past twelve months Bradford mohair merchants and spinners have had an unsatisfactory time, and it is now evident that last season the two clips named were bought much too dearly. Last season summer first cost around 24d. to 26d., but it is now doubtful whether more than 20d. would be paid. This reduction in current value is largely due to lessened consumption. It has been very difficult indeed to keep machinery running, and some spinners have lost heavily owing to having to carry large quantities of mohair in the matching stage. Some still have heavy stocks of both Turkey and Cape hair. The Board of Trade returns for March contained figures which showed quite clearly that the industry is not doing too well. When exports of mohair yarn show a decline of over 50 per cent., it is obvious that spinners have suffered a serious loss of business, and this is exactly what occurred in 1928 compared with 1913, though in 1926 the decrease was very much more. There has been a serious decline in export business with Germany, and any increase in exports to other countries has been quite insignificant. In 1913 1,253,700 lb. of mohair yarn was sold to Russia, and it can be taken for granted that Bradford firms are quite alive to any possibility of developing trade with that country, but Russia is still in an impoverished state, and long credit is asked for everything it is desired to purchase. American manufacturers have been credited with leading the way in advertising mohair goods, but Lister and Co., Limited, of Manningham Mills, Bradford, have decided to open showrooms in the West End of London. There has been a great development in the use of mohair fabrics in the United States for upholstering purposes, but the general public in England and on the Continent know only too little about mohair fabrics. Angora goat breeders in the States have had every encouragement to increase their flocks, and this year's clip will be the largest ever shorn. At the same time, the mohair trade even there has not been too good during the past six months, and it is doubtful whether two or three of the big Boston dealers who have been accustomed to taking Cape firsts and kids will operate freely. The weight of stock held by American dealers is not known, but, according to figures recently issued by the United States Board of Agriculture, the mohair in bond is only 1,515,124 lb. If a reasonable demand develops in the United States there will soon be a buying movement in Port Elizabeth. It is understood that the carry-over of Turkey hair is only 12,000 bags of 200 lb. each. The new clip is expected to be about the same size as last—50,000 bags. The consumption of mohair for carpets, rugs and other fabrics in Turkey is quite large, but Stamboul merchants expect Bradford and Boston orders. It is useless to anticipate the same level of prices as last year. The representative of a leading firm of Port Elizabeth selling brokers has stated that, after interviewing merchants and spinners, he is of the opinion that lower prices are inevitable. Selling brokers should be willing to sell at 18d. for good Cape summer firsts—and good summer kids are worth about 34d. to 36d., ex warehouse. The actual movement of prices will depend upon whether the hands of Bradford merchants and spinners are forced by Boston firms. Our own users need to buy the new clip as cheaply as possible, spinners hoping that lower prices will bring out a better demand for yarn. It is understood that business has been done in new clip firsts at 18d. Port Elizabeth, and that 32d. has been taken for short fine kids. This is a big reduction compared with last year, but at such prices as these the hair should appeal to Bradford.

French Vaccination Order.—In a Note of the Week in our issue of April 20th, which appeared at a moment when conflicting reports were current, it was suggested that the vaccination order applied to travellers passing through France as well as to those who propose to stay in France. We are asked by the Swiss Federal Railways to state that, as the order now stands, this is not the case. Passengers travelling through France without breaking the journey are not subject to the order.

Richard Cobden Lectureship.—At the suggestion of President Nicholas Murray Butler, head of the Carnegie Endowment for International Peace, and with the financial assistance of that body, the Dunford House Cobden Memorial Association has established an annual Lecture in memory of Richard Cobden—to be called the Richard Cobden Lecture. The association has invited Sir Charles Mallet to be the first lecturer under this scheme, and he has accepted the invitation. The lecture will be delivered in London this summer. The date, place, and subject of the lecture will be announced later.

INSURANCE NOTES.

Yorkshire Insurance Co., Limited.—The 1928 figures of this company are very good indeed. The report is of special interest, since it includes the results of the quinquennial valuation and distribution of profits in the life department. In certain respects the actuarial basis employed in making the calculations has been strengthened, but, notwithstanding this, the profits earned during the five years ended 1928 are more than double those of the preceding quinquennium, as will be seen from the following table:—

	1919–1923.	1924–1928.
	£	£
Surplus earned during the quinquennium	249,669	522,241
Brought forward from previous quinquennium	57,539	70,208
	307,208	592,449
Allocations:—		
To bonuses to policy-holders	213,300	432,450
,, shareholders	23,700	48,050
,, carried forward to next quinquennium	70,208	111,949
	307,208	592,449

The shareholders' portion of the profits works out at one-ninth of the amount distributed in bonuses to policyholders, and this amount has been more than doubled as compared with the preceding five years. Consequently during the ensuing five years commencing in 1929, the profit and loss account will benefit each year by a contribution from the life department amounting to £9,610, compared with £4,740 in each of the years of the quinquennium just ended. Although, in relation to the profits of the other departments this is a small sum, at any rate it is a stable amount, and is certain to increase as time goes on. The bonus to policyholders takes the form of a reversionary addition to the sum assured calculated at varying rates according to age at entry and duration. It is stated in the report that the average rate of reversionary bonus for the five years just ended works out at 48s. per cent. per annum, compared with 36s. per cent. per annum in the preceding five years. As regards new business in 1928, the company reports a satisfactory increase, both from the United Kingdom and from foreign connections. The total amount transacted in 1928 amounted to £1,730,212, compared with £1,514,993 in 1927. As regards the fire and accident branches, there was a small diminution in fire premium income, but other departments register a steady increase in premiums, and the table below shows that the underwriting results were very satisfactory:—

	1927. Amount of Profit. £	1927. Percentage of Premiums.	1928. Amount of Profit. £	1928. Percentage of Premiums.
Fire	144,144	13·1	148,354	13·9
Accident and General	62,812	5·3	51,772	4·2
Marine	−9,609	−2·0	−10,328	−2·1
Life	4,700	...	4,740	...
Profits from reversions	3,000	...	5,000	...
Excess profits duty recovery	...	...	121,300	...
	205,087	...	320,838	...
Less items debited to profit and loss	93,157	...	85,968	...
Total net trading surplus	111,930	...	234,870	...

Clearly the 1928 figures have been swollen by a "windfall" of what is described in the report as "the amount recovered on the final determination of excess profits duty liability, together with the balance of the special reserve in marine underwriters' profit account, not now required." The dividend has been increased from 90 per cent. to 95 per cent., but the interest earnings have also risen, and at £126,430 are sufficient to cover the cost of the higher dividend amounting to £125,790. As a result of the year's operations the sum of £235,420 has been added to the company's free surplus resources—a figure which is equivalent to very nearly £2 per share. The company gives notice of its intention to carry through a complicated rearrangement of capital, the effect of which appears to be that the shareholders will be offered new shares on bonus terms.

Friends' Provident and Century Life Office.—The year 1928 was the fourth year of the current quinquennial period, and the results augur well for the forthcoming valuation and distribution of profits due to be made at the end of this year. New life assurances have increased by £128,000, and amounted to £1,567,483. An interesting analysis of the new business appears in the report, and from this it seems that last year some 75 per cent. of the total was issued on a with-profit basis and 25 per cent. on a without-profit basis, and that compared with the preceding year, the whole of the increase occurred in the with-profit section, the business in the without-profit section being somewhat less. The expense ratio in 1928 was 17.7 per cent., being the same as in 1927. The net rate of interest earned worked out at £5 1s. 1d. per cent. compared with £5 1s. 7d. As an index to the results that may be expected from the forthcoming quinquennial valuation, it is interesting to notice that the average expense ratio during the last four years works out at 16.7 per cent., and the average net rate of interest earned works out at £5 1s. 6d. per cent. During the quinquennium ended December 31, 1924, the actual average expense ratio was 19.2 per cent., and the average net rate of interest was £4 11s. 5d. per cent. Assuming that these averages are maintained for the last year of the current quinquennium, it will be seen that the extra profit resulting from an expense ratio of 2½ points lower than five years ago, and from a net rate of interest 10s. per cent. higher than five years ago, will be very considerable. This high rate of interest is a tribute to the company's successful investment policy. Perhaps the most potent factor in this situation is that the company's largest investment, viz., £700,000 in the Century Insurance Company, is now yielding 6 per cent. gross. Unlike the accounts of most composite offices, the transactions of the Century's several subsidiary companies are not incorporated in the present company's report. But the chairman in his speech last year stated that in addition to yielding the Century, as parent company, over 5½ per cent., free of tax, on its investments, these subsidiary companies had, in the aggregate, earned substantial profits placed to reserve. He went on to explain that, had the accounts been prepared in an amalgamated form, they would have shown that the total profit accruing to the Friends' Provident in respect of the investment in Century shares for 1927 was equal to 18¾ per cent., free of tax, compared with which the dividend of 6 per cent. seems to be eminently conservative. The trading results of the Century in 1928 show, unfortunately, a set-back, which, however, is made good by a transfer from the sickness fund of £20,000, being the shareholders' profits resulting from the quinquennial valuation at the end of last year.

Northern Assurance Co., Limited.—As foreshadowed in the chairman's speech last year, the 1928 premium income shows a very considerable reduction, particularly in the marine, and, to a lesser degree, in the fire department. In the marine department the 1928 premiums amounted to £956,190, compared with £1,526,565 in 1927, but whereas there was a disastrous loss of £303,519 in the former year, last year resulted in a small loss of only £4,938. More significant, the fund has been strengthened and now amounts to 117 per cent. of the year's premiums, compared with 102 per cent. in 1927. The heavy curtailment in premiums is due to the company having decided to cease writing marine insurance on London brokers' account—a disagreeable decision, but undoubtedly a wise one in the present circumstances. The fire premiums show a shrinkage of nearly £100,000 at £2,599,323; and here, again, this is due to an overhaul of existing business, particularly in the United States. The Northern life department has shown during 1928 signs of increased animation, for the new business has taken an upward turn and the amount, namely, £825,139, compared with £696,458 in 1927. The table below exhibits the details of the last three years' underwriting results:—

	1926. Amount of Profit. £	1926. Percentage of Premiums.	1927. Amount of Profit £	1927. Percentage of Premiums.	1928. Amount of Profit. £	1928. Percentage of Premiums.
Fire	83,095	2·9	203,079	7·5	136,325	5·2
Accident	124,355	8·7	112,219	7·4	120,287	7·8
Marine	4,010	·3	303,519	19·8	4,938	·1
Life	...		87,994		...	
Sinking fund	...		3,000		...	
	203,440		102,773		251,674	
Less items debited to profit and loss account	76,172		56,594		61,543	
Total net trading surplus	127,268		46,179		190,131	

For the ninth year in succession the dividend has been maintained at 85 per cent. Owing, however, to the reduction in premium income the interest earnings have been automatically declining, with the result that the "gap" between interest earnings and cost of dividend has widened to some £60,000. Nevertheless, the year's operations have enabled the company to augment the total surplus resources by £127,780, equal to a further 32 per cent.

London and Scottish Assurance Corporation.—Since 1923 the control of this company has been held by the Northern, which purchased the share capital for a sum of £840,000. Shortly afterwards large marine losses were brought to light, and the purchase has proved up till now an expensive luxury. But strenuous efforts have been made to reorganise the business, and these are now showing signs of coming to fruition. In particular the marine income has been wisely and drastically curtailed, and last year's premiums of £162,087 in this account were less than one-half of the 1927 premiums, which in turn showed a large reduction compared with 1926. Moreover, the underwriting fund has been very greatly strengthened, and at the end of last year stood at 109 per cent. of the premiums, compared with only 64 per cent. twelve months previously. The marine fund is now reasonably strong, being comfortably greater than the accepted minimum of one year's premiums, and in view of the much reduced size of the account should now give no further cause for anxiety. The complete underwriting results of the past three years are set out below:—

	1926. Amount of Profit. £	1926. Percentage of Premiums.	1927. Amount of Profit. £	1927. Percentage of Premiums.	1928. Amount of Profit. £	1928. Percentage of Premiums.
Fire	9,493	2·9	25,286	7·9	27,052	8·1
Accident	25,115	8·8	10,312	3·3	4,280	1·3
Marine	−4,010	−·9	−3,519	−1·0	−4,938	−3·0
Life	...		87,994		...	
Sinking fund	...		3,000		...	
	30,598		123,073		26,394	
Less items debited to profit and loss a/c.	10,226		21,947		19,528	
	20,372		101,126		6,866	
Net interest income	22,516		24,224		29,828	
	42,888		125,350		36,694	

No dividend has been declared for 1928, although net interest earnings alone were sufficient for a distribution at the rate of 25 per cent. net. In 1927 a dividend of 25 per cent. was paid.

Car and General Insurance Corporation, Limited.—Although the bulk of this company's business is motor-car insurance, the chairman stated recently that of the total 1928 premiums of £1,160,870, some £213,000 was derived from fire, employers' liability, and even marine insurance. In view of this multiplicity of interests it is unsatisfactory that the company lumps together the results of the whole of its transactions into one conglomerate account. From the table below it will be seen that in 1927 and 1928 this very large income earned a quite inadequate rate of profit.

	1927. Amount of Profit. £	1927. Percentage of Premiums.	1928. Amount of Profit. £	1928. Percentage of Premiums.
Gross underwriting profit	9,254	·8	21,378	1·8
Less items debited to profit and loss	13,293		11,874	
Net trading surplus	−4,039		9,504	
Net interest earnings	35,491		41,881	
Total amount available	31,452		51,385	
Dividend	29,609	(140%)	29,609	(140%)
Net increase in surplus assets	1,843		21,776	

The explanation of the meagre underwriting profit is the increasing number of motor claims and the greater costliness of third-party claims. A review of the company's motor-car experience over the past six years has been made, and the ratio of claims to premiums has risen about 1½ per cent. to 2 per cent. each year. In the chairman's view the public is now getting its motor-car insurance at cost price. In the course of an interesting speech the chairman referred to the demand that has recently been put forward for compulsory third-party insurance. Sir Edward Manville takes the view that so revolutionary a change is both undesirable and unnecessary, and declared that 90 per cent. of all motor-cars in use are already insured, and that "a very large proportion of the remainder is in the hands of those who are well able to meet their legal obligations."

World Auxiliary Insurance Corporation.—Although it is an independent company, the World Auxiliary is closely associated with the Northern group, since 100,000 shares out of 600,000 issued are held by the World Marine and General, which is a Northern subsidiary. The year 1928 has witnessed a remarkable advance in premium income. All the fire, accident, and general business is lumped together in one account, and the premiums in this account have risen from £198,000 in 1927 to £276,000 last year. The underwriting profits have more than kept pace with this advance, and worked out for 1928 at 3.8 per cent., compared with 3.4 per cent. in 1927. In the marine department the premiums are £10,000 less at £171,000, and the account has once again yielded a profit. The details of the past two years' results are set out below:—

	1927. Amount of Profit. £	1927. Percentage of Premiums.	1928. Amount of Profit. £	1928. Percentage of Premiums.
Fire, Accident and General	6,785	3·4	10,632	3·8
Marine	15,000	8·3	12,500	7·3
	21,785		23,132	
Less items debited to profit and loss account	13,069		3,956	
Total net trading surplus	8,716		19,176	
Net interest earnings	35,559		31,090	
	44,275		50,266	

The dividend has been maintained at 6¼ per cent., free of tax, and cost £18,750. In view of the fact that 10 per cent. could have been paid without trenching on the trading profits at all, the actual distribution is manifestly extremely conservative. The £1 shares with 10s. paid up stand at 27s., and yield £2 18s. per cent. gross.

Oversea Correspondence.

UNITED STATES.—CREDIT—GOLD MOVEMENTS—STOCK EXCHANGE—BUSINESS PRICES.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 19.

BENEATH the surface there has been little real change in the business or credit position in the past week or so, but superficially things look a little better from the stock market trader's point of view. The better feeling in the security markets may partly reflect optimism among business men, but it will also create more confidence. The share market seems to have been oversold for the time and has been rallying moderately with a plentiful supply of call money at 7½ per cent. and a drop in time money rates from 9 to 8 per cent. Meanwhile, the chill which always comes with the convening of Congress has been shaken off. President Hoover's first message, devoted largely to a discussion of farm relief, but touching also on the tariff, was found to contain nothing unsound from the financial district's point of view, and it is doubtful if any farm relief measure will be passed by Congress and signed by the President which contains seriously objectionable features. Presumably Congress at this special session will scarcely get round to changes in the tariff or the enactment of any legislation of importance aside from farm relief. As was to be expected, discussion of Federal Reserve Board policy and methods was copious, but so long as business is prosperous no Congressional interference is likely. However, while the session lasts, no further public "warnings" are to be expected from Washington banking authorities.

Doubtless it is premature to say that the credit scare has blown over. No return of 20 per cent. call money is looked for, and while the recent ease reflects the seasonal return of funds to this centre and to some extent the gold imports and releases from earmark, there is nothing tangible on which to base a belief that the Reserve Board will be satisfied with the reduction in credit to security holders which has already taken place. With this week's negligible decline of $2 million in brokers' loans a drop of $368 million has taken place in the past four weeks. That, probably, is quite as rapidly as anyone would care to see contraction go forward on the New York Stock Exchange. However, the reduction has resulted in a much smaller decline in member bank borrowing at the Federal Reserve Banks, and the chief cause of the Reserve authorities' complaint is that, while expanding their loans on security collateral, the member banks c

the system are leaning too heavily on the Reserve Banks. This week's statement reflects the mid-month settlements, which included State income tax collections, heavy corporation dividend and interest payments and Government interest disbursements. The money market hardened in anticipation of these payments, but currently it has turned much easier. After being scarce at 10 per cent., call money now seems to be stabilising at between 7 and 8 per cent. Another flurry is likely at the end of the month. Meanwhile commercial borrowing at the banks has passed the peak for the season, and even though no further substantial liquidation of brokers' loans and individual borrowing on securities took place, the position should improve moderately during the next two or three months. Real ease, however, is not in sight. It could only come from a drastic decline in security prices, which is improbable while business shows no more than seasonal slackening, or from a widening of the credit base through gold imports.

An interesting gold operation is being conducted weekly at the Federal Reserve Bank. The Bank of France apparently is willing to reduce its stock of gold held under earmark at the Federal Reserve Bank in return for gold delivered in Paris. Each week brings a release from earmark of some $13 million in gold, presumably from the stock of the Bank of France, all other holdings being insignificant. This gold, it is understood here, is deposited to the account of the Reichsbank and used in settlement of the Bank's obligations, which probably means support of mark exchange. The effect of this operation is, of course, the same as that of gold imports, and some gold is coming in from South America. But it is hardly likely that the Reichsbank will permit gold shipments to continue, and if money rates here continue high an increase in the Reichsbank discount rate is expected.* Altogether Germany has shipped here $16 million in gold and sacrificed another $61 million on the earmark transactions. This week's statement of the Federal Reserve system indicates that another shipment of gold from Germany is coming. It contains an item of $6,115,000 "foreign loans on gold." A similar item a few weeks ago turned out to be an immediate credit allowed the Reichsbank by the Federal Reserve Bank pending the shipment of gold here.

Transactions on the Stock Exchange have been cut down by almost two-thirds recently, and so long as the market remains dull the probability of a higher discount rate is not acute. However, resumption of great activity and rising prices at this time, based on the feeling that money will be easier and that the Reserve authorities will do nothing would require a great deal of boldness. Meanwhile, bond prices are advancing and the market is broadening, which is taken to mean that large investors and financial institutions think the bottom has been touched.

Most of the business barometers point toward maintenance of a high rate of activity. The first quarter was much better than a year ago, as quarterly earning statements of corporations are proving. Enough momentum has been attained to ensure a good second three months, although some signs of slackening are appearing in the steel industry, which is still operating at capacity. Building is less active, but is enjoying a seasonal expansion. Motor output broke all records in the first three months, but dealers now appear to be well stocked and some slowing down will take place. These three industries are the index of our prosperity, but whether the year will turn out to be better than the average will depend largely on the crops and it is too early to make predictions. March employment was 5 per cent. greater than a year ago, and payrolls increased 9 per cent.

Deflationary tactics of the Reserve Banks have not affected commodity prices, for the reason that prices have not been inflated, whatever may have happened in the share market. The Bureau of Labour's index for the first three months of 1928 and 1929 is given below:—

1929.	All 100	% Chge.	Farm Prod.	Food.	Text. Prod.	Hide. L'th'r.	Fuel & Lt.	Mtls. Mtl.	Bldg. Mater.	Chem. & Dr.	House Furn.	Misc.
Jan.	97·2	+0·5	105·9	98·8	96·4	113·6	82·5	103·6	96·6	95·9	96·6	80·5
Feb.	96·7	−0·5	105·4	98·1	96·1	109·0	81·3	104·4	97·5	96·1	96·6	80·4
Mar.	96·0	−0·7	103·5	98·0	96·5	124·0	80·8	98·4	91·0	95·6	93·3	86·8
1928.												
Jan.	96·3	−0·2	106·1	98·5	96·7	121·0	80·8	98·1	90·8	96·3	98·6	89·0
Feb.	96·4	+0·1	104·5	97·7	96·6	124·1	81·1	98·3	91·0	95·8	98·4	87·3
Mar.	96·0	+0·5	106·5	98·0	96·5	124·0	80·8	98·4	91·0	95·6	98·3	86·8

Keen disappointment is felt here over the inability of the parties to the Reparations conference to come to an agreement. At first Wall Street had looked for a speedy settlement. This hope then gave way to pessimism, which was increased by the difficulties developing in the credit situation. More recently optimism returned, and preparations were once more begun for the floating of foreign loans, which had virtually disappeared from this market.

FRANCE.—REPARATIONS—FOREIGN TRADE—PRODUCTION—TEXTILE STRIKE.

(FROM OUR CORRESPONDENT.)

PARIS, May 1.

THERE is as yet no indication of any change in the deadlock that has arisen between Dr Schacht and his fellow experts. Dr Schacht may or may not be a prisoner to certain political elements at home, and he may sincerely believe that his offer represents all that Germany can pay, but it is argued here that he is certainly in error when he insists that she has been able to meet her obligations so far only thanks to the loans that were granted her by her former enemies. Most of that money was undoubtedly expended on productive work, from which Germany is already reaping large profits, and which now constitutes sources from which she has drawn and will continue to draw substantial sums to meet Reparation payments. The Reichsbank itself, whatever Dr Schacht may suggest, is undoubtedly in a strong position, in spite of recent gold losses, and could easily, in case of need, get all the help it wanted from other German banks. The foreign credit situation of the latter is known to be excellent, and even if the Paris Conference proves a fiasco they will have no difficulty in securing sufficient credit to compensate for any flight of capital that might ensue. German exports, it is notorious, are increasing rapidly and practically everywhere, and are the prime cause of the decline from which French foreign trade is suffering in many countries. German exports, which totalled 10,190 million marks in 1913, were 10,220 millions in 1927 and 11,640 millions in 1928. France alone, which bought only 269,600,000 marks of German goods in 1926, absorbed 562,000,000 marks in 1927 and 694,000,000 marks last year. Such pessimism as was felt here a week ago in regard to Reparations now appears to have entirely passed off, and opinion in general is awaiting the outcome with entire confidence.

Foreign trade figures for March indicate an adverse balance for the seventh month in succession and the thirteenth out of the fifteen since the beginning of 1928. Imports totalled 4,934,124,000 francs for the month, and exports 4,180,206,000 francs, or a balance against this country of 754 millions. This brings the adverse balance since the beginning of 1929 to 3,270 millions, whereas the deficit for the whole of last year was only 2,101 millions. The detailed comparative figures for the first quarter of the year are as follows:—

	First three months of 1928.	1929.	Difference in 1929.
Imports.			
Foodstuffs	2,892,786,000f.	3,520,428,000f.	+ 627,642,000f.
Raw materials	8,388,612,000f.	9,533,060,000f.	+1,144,438,000f.
Manufactured goods	1,674,176,000f.	2,216,226,000f.	+ 542,050,000f.
Totals	12,955,574,000f.	15,269,714,000f.	+2,314,130,000f.
Exports.			
Foodstuffs	1,594,025,000f.	1,421,429,000f.	− 172,596,000f.
Raw materials	3,356,302,000f.	3,122,388,000f.	− 233,914,000f.
Manufactured goods	7,810,730,000f.	7,456,302,000f.	− 354,428,000f.
Totals	12,761,057,000f.	12,000,139,000f.	− 761,938,000f.

In official quarters the large adverse balance which has marked the past three months is attributed to the fact that French industry has been buying largely in the foreign markets, since stabilisation last June, for the purpose of replenishing raw material stocks, which for many months were maintained practically at hand-to-

* This increase has, of course, since taken place.—ED., *Econ.*

mouth level, in view of the unsettled exchange. It is also emphasised that the present deficit will be largely compensated for by the enormous mass of invisible exports constituted by tourist traffic. Taking into account the influence exercised by Reparation payments in kind, which must have a direct bearing on the figures recorded, no alarm is felt at the situation, which in any case approximates to a great extent to normal conditions before the war.

Provisional iron and steel production figures for March show a total output of iron of 880,000 tons (as compared with 781,000 tons in February, 904,000 tons in January (the record month), 857,000 tons in March, 1928, and 801,000 tons in March, 1927), and of steel of 803,000 tons (as against 738,000 tons in February, 838,000 tons in January, 806,000 tons in March 1928, and 704,000 tons in March, 1927). The number of blast furnaces in operation at the end of March was 156, as against 149 at the corresponding date in 1928 and 145 in 1927. Although the output of both iron and steel in March compensated largely for the heavy drop in February, the French home market remains limited in activity; nevertheless quotations have been maintained at the same level. There is a slowing down in the international steel market, but French ironmasters have fixed their output tonnage of phosphoric metal for May at the present figure and for hematite at 42,000 tons, against 45,000 tons. An order for 300 carriages for use on the Paris suburban electric lines is to be placed shortly, half with French industry and half with German firms, as part of the system of Reparation payments in kind. A similar distribution is to be made in regard to an order for 100 electric motor tractors.

Further wage increases have been agreed to as the outcome of conferences between coalowners' and miners' delegates in the Northern coal area, as from April 16th, the minimum wage level having been brought up to 38.49 francs per day and premiums on output increased from 10 per cent. to 17 per cent. These increases, it is anticipated, will be largely compensated for by larger output per head and a rise of about 4 francs a ton in selling prices. In any case, the whole of the rise in selling rates, which came into operation on April 1, has been absorbed by the increase in wages, and any further rise in market prices must inevitably be unfavourable to French coal in competing against foreign combustibles.

Contrary to statements published, the new agreements entered into between the German dye trust (I.G. Farben) and French dye producers do not involve the French chemical industry as a whole. The new conventions constitute merely supplementary agreements to the accord in regard to dyes which was concluded in 1928 between the German trust and the French Kuhlmann undertaking. This convention put an end to German competition against the infant French dye industry, and brought about close technical co-operation between the two parties and the creation of common export selling organisations. The Swiss dye industry is now operating under similar conditions with the French and German interests in question.

The collapse of the Communist-promoted and stubbornly-maintained textile strike at Halluin marks the end of a struggle that has been going on seven months. The Communist leaders, after imposing, during some years, conditions which practically took the control of the factories out of their owners' hands, finally made a demand for a universal rise of 50 cents an hour in wages. The employers, when the workers ceased work, announced their intention of keeping their factories closed until they could be reopened under normal conditions of control. After a loss by the 7,200 workers of over 30,000,000 francs in wages and the expenditure of a further twelve millions in strike pay, the workers defied their leaders and went back to their looms on the same terms as before. For the first time for many years in this country the employers have flatly declined to take back workers dismissed because of their participation in the strike, and fresh rules, which have been accepted by the employees, set forth entirely fresh conditions for the conduct of the factories. No worker, for instance, has the obligation to belong to a trade union (although the right of combination continues to be recognised), and any unionist who attempts to exert pressure on non-unionists will be liable to dismissal. Workers are to undertake other classes of work, if there is nothing to do in their own special jobs. Unification of wage rates for piece-workers is abolished, each factory having the right to fix its own rates according to its particular situation. Syndicalist manifestations and all kinds of propaganda inside the factories are prohibited under penalty of dismissal. On individual questions the employers pledge themselves always to meet delegates nominated by the workers, but no interference by workers with the direction, administration or management of the factories will be tolerated. The outcome of the Halluin revolutionary strike has had a marked effect on militant syndicalists throughout France and appears likely to render the average French trade unionist less inclined in future to suffer arbitrary control by revolutionary trade union officials.

THE BRITISH LINEN BANK.

Incorporated by Royal Charter, 1746.

Capital and Reserve Funds, £3,400,000.

EXECUTOR and TRUSTEE DEPARTMENT.

Head Office: 38, St. Andrew Square, Edinburgh

The Bank is prepared to undertake the duties of Executor or Trustee, and to act as Trustee for Debenture Stockholders, Public Institutions, etc.

LONDON OFFICE: 38, Threadneedle St., E.C.2

Every description of Banking Business transacted.

GERMANY.—CURRENCY—BANKS—FINANCE—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, April 30.

THE Reichsbank, as might have been expected from its sound status and from the careful legislative prescriptions as to its reserves and credits, last week came victorious out of the first really serious attack on the mark that has occurred since the stabilisation. The bank is nevertheless being subjected to criticism, in the first place for reducing its discount rate on January 12th, when the American money market crisis was under way, and when it was foreseen—as has since happened—that several European central banks would soon be obliged to advance their rates; secondly, for not advancing its rate in early April before the drain on the reserves had become very heavy; thirdly, for its passivity last week in the face of bear attacks on the mark in New York, Amsterdam and elsewhere. Since the beginning of February the bank has intervened successfuly at home, by parting with its reserves, to maintain the mark exchange; but it ought also, it is declared, to have made provision for direct intervention in foreign markets with the aim of preventing selling of marks at materially below the parity of the official foreign exchange rates in Berlin. The Reichsbank, however, has the satisfaction of having shown that its reserves are sufficient; and now, with a considerable margin of reserves above the legal minimum, there is a relaxation of the strain.

The Berlin official quotation of the dollar reached on April 27th a maximum of 4.218. The Reichsbank's return for April 23rd showed a record high loss of 251 million marks gold, or, allowing for an increase of 16 million marks in the legal-cover exchange reserve, a net loss from its reserves of 235 million marks. A Reichsbank weekly return can properly only be compared with a return of the corresponding week in a preceding month. Whereas on March 23rd the bank's combined gold and exchange reserve was 67.3 per cent. of its own circulation, on April 23rd the ratio had fallen to 56.6 per cent., almost all in gold (55.6 per cent.). The total shrinkage this year in the reserves, and in the free exchange holding (which is, however, not exactly known) is nearly 1 milliard marks, and therefore much exceeds the large increase in the reserves which took place in 1928. The gold reserve is now

nearly back to the figure of a year ago, being 2,179 million marks against 2,041 million marks on April 23, 1928. The present discount rate of 7½ per cent. is the highest since March, 1926. The lowest post-stabilisation rate was 5 per cent. in the first half of 1927. A new advance in the rate is possible, and almost certain, if New York again advances. The bank, though not required by law to do so, kept to its policy of selling exchange without limit at the official rate, thus carrying out its undertaking given some time after the currency reform. In view of the fact that the bank cannot abandon this policy without repudiating the currency and causing panic mark-selling in the open market, the question arises whether Article 31 of the Bank Law, which requires it to convert (at its option in gold or foreign bills) should not now be put into force. It is an anomay that holders of reichsmark notes should have no legal claim to anything more valuable than their scraps of paper. The putting into force of Article 31 would strengthen confidence. The former currency depreciation resulted from the fact that the legal claim to conversion at gold parity was withdrawn, and the withdrawal was justified, it at all, only by war exigencies which made conversion in practice impossible. To withhold the legal right to-day, when the Reichsbank can convert, seems to be mistaken policy. This view appears to be justified by the fact that in the time of lowest confidence, in 1923, the mere concession of a legal claim to a gold value for the rentenmark (as for the earlier-issued gold bonds which were temporarily used as currency) was accepted as sufficient by the public, although the security behind the issue was hardly realisable in practice.

The commercial banks have advanced their debit and credit rates 1 per cent. The dollar to-day declined to 4.2175, the rate immediately before last week's crisis. The demand for exchange is relatively small. The month-end need for mark currency compelled exchange holders to realise. The settlements have been carried out without difficulty. The day-loan rate of April 30th was 8½-10½ per cent., month loans 8½-9½ per cent., private discount 7⅞, which is little below the new official rate. The demand for money was increased by a treasury bill transaction under which the Republic obtains 170 million marks for three months to replenish its working fund. Owing to two important fusions, the commercial banks' balance sheets for March 31st cannot easily be compared with preceding balances. They show a decline in discounts, which evidently went on to the Reichsbank, and an increase in deposits, but, if allowance is made for fusion changes, the increase, it seems, is not real, and this might be expected to result from the withdrawal of foreign funds.

The Reichstag has increased the Government's authority to borrow by 201 million marks, so that formally the authority to borrow is now 1,109.1 million marks. The real sum required to be covered by loans is about 190 million marks less. The increased demand from unemployment insurance, to which the Republic lends in time of necessity but to which it does not contribute, causes anxiety. The Social-Democrats are willing to have the premium, the legal maximum of which from both employers and employees is 3 per cent. of wages, increased, and they reject the alternative solution of a reduction of benefits.

The wholesale prices index number for April 24th is 136.3, against 136.9 on the 17th. Since December the movement has been:—

	December Month's Average.	April 24.
Agricultural products	134·1	126·8
Colonial goods	124·6	126·4
Raw and half-manufactured materials	134·1	132·2
Manufactured goods	159·5	157·7

Manufactured goods for consumption have fallen to 172.8. The Labour situation continues to improve; the number of publicly supported unemployed has fallen since the seasonal improvement began by about 1,000,000. Coal production in the first quarter of the year was 39,096,137 metric tons, against 40,464,266 tons in the first quarter of 1928. In the Ruhr wages dispute the arbitrator has pronounced for a 2 per cent. rise, which is to be increased to 5.45 per cent. for underground workers and 3.02 per cent. for surface workers by a reduction in the "Knappschaft" social contribution, of which at present the employee pays three-fifths. Measures are being taken for distributing public works in such way as will tend to reduce Labour market fluctuations in times of good and bad trade.

The alleged difficulties of the German cloth-weaving industry caused by increasing import of British goods are again to the fore. A meeting is being held between representatives of the Cloth Convention and of the cloth wholesale and clothing branches. Import of woollen cloth last year rose to 3,280 metric tons against 1,074 tons in 1926. Import from Great Britain has risen relatively more than the total. The *Vossische Zeitung* states that the chief cause is the mildness of British conditions of payment. Total German exports of finished textiles in 1928 were 1,609 million marks as against 1,489 million marks in 1927. Export to Great Britain declined. Export to China, Italy, Finland, Czechoslovakia, Argentina and Switzerland shows large increases. The Reichstag Trade Policy Committee to-day declared for an increase in the boot and shoe import duties.

Home loans in April totalled 17½ million marks; loans from abroad only 1 million marks. In the first four months of the year home loans totalled 154 million marks as against 786 million marks in the same months of 1928; foreign loans 198 million marks as against 445 million marks. Increases in company capitalisation in the four months totalled 160 million marks against 320 million marks.

GREECE.—BANK OF GREECE—MONETARY CONDITIONS—PUBLIC FINANCE—CREDIT.

(FROM OUR CORRESPONDENT.)

ATHENS, April 16.

THE first annual meeting of the shareholders of the Bank of Greece was held on April 6th. The Governor, Mr A. Diomède, in a long and interesting statement, reviewed the business of the bank during its first year of existence, explained why it was decided to create a new bank of issue, justified the adoption of the gold exchange standard, gave a brief account of public finance and credit, and explained the causes of the stagnation of private economy. The chief aim of the administration of the bank was to maintain the stability of the currency. Purchases of foreign exchange amounted during the year to £9,421,997, and sales to £8,742,224, leaving a surplus of £679,773, which increased the cover of circulation. During the whole period under review the foreign exchanges remained at, or slightly below, par. This favourable situation was due to a considerable extent to foreign assistance, obtained as a result of recent borrowing abroad. On the other hand, the proceeds of these loans are employed productively, while redemption of national debt has taken place simultaneously on a rather large scale. Though it is impossible to obtain accurate statistical information as to the balance of the international accounts of Greece, the credit items constitute a most essential factor of the assets of the country, and one whose favourable development may reasonably be expected.

Circulation of bank notes has increased from drs. 5,250 to drs. 5,690 millions. Despite this increase, the cover has risen from 53.67 to 54.24 per cent. of the total sight liabilities of the bank. Of the total cover of £11,308,348, an amount of £1,476,160 only is held in gold, while the balance of £9,832,188 is represented by gold bonds, bank acceptances in gold currencies, deposits with other central banks, and foreign money. The cover did not fall during the year below 50.24 per cent. of total liabilities, though, according to the statutes of the bank, the minimum allowed is 40 per cent. The clearing house department of the bank, established in conformity with the stipulations of the Geneva Protocol, is dealing at present with inland cheques only, but will soon include bills and Stock Exchange securities. Nevertheless, its clearings represent already an average daily sum of 26 million drachmas. The necessary preparatory work is also being done for organising and concentrating the cash transactions of the State. Besides clearness, unity, and fullness in Government accounts, which will thereby ensue, it will be possible also to use productively for the good of the country substantial funds which at present remain idle in the various Treasuries of the State.

While, for a period of six years since 1921, the State Budget closed each time with important deficits, the accounts of 1927-1928 reflected the effort towards financial restoration by leaving a surplus of 550 million drachmas. The Budget of 1928-1929 will close also with a surplus of not less than 100 millions. That of the current financial year, drawn up on conservative estimates, is expected to leave again a surplus. The cash position of the Public Treasury is also satisfactory, with considerable credit balances at the Bank of Greect. The improved financial situation of the country is clearly displayed in the higher prices of Greek stocks in London as compared with previous years. The net rate of interest at which Greece is borrowing abroad has fallen from 10.25 and even 10.40 per cent. to 7.28 per cent.

The *per capita* amount of the National Debt was £16 in 1912, with a population of 2,700,000 souls. To-day it is £20 per head, on a population of 6,200,000. In view of the depreciation of the value of gold, the latter proportion, expressed in pre-war values, comes to £15 approximately. But to-day Greece possesses a much higher productive capacity, due to a better equipment, to fertile soils, and to a wide credit organisation, while her potential productiveness is still higher. An important part of the new indebtedness has been spent on productive purposes. Another point worth mentioning is the policy of a generous redemption of the National Debt followed in the last few years. From 1923 to 1928 Greece contracted internal loans of £25,000,000 and foreign ones of £26,000,000. During the same period no less than £3,340,500 and drs. 1,300 million have been redeemed, not including conversions. In ten years' time it is estimated that drs. 9,500 to 10,000 million will be repaid of the internal, and £20,000,000 of the external debt, that is a total of some £48,000,000.

As the post-war loans, especially the internal ones, have been concluded under unfavourable conditions, and, consequently, on rather onerous terms, a conversion and unification of the National Debt should be envisaged as soon as the general credit of the country has risen to proper levels, and the international monetary conditions are propitious. The present difficult conditions of private economy are attributed by Mr Diomède to the high rate of interest and the feeling of distrust bequeathed by previous years. Though the situation is smoother now and the Bank of Greece has been able to lower its discount rate to 9 per cent., stability of conditions and confidence of capital has not yet been entirely obtained. When these two goals have been reached—and no hesitation is allowed as to the policy indicated to this effect—the offer of capital will be abundant, and, with the assistance of this credit, production will be increased, the prices of commodities will become lower, consumption will be multiplied, and the solid foundations of political and social strength will have been laid.

SWITZERLAND.—RAILWAY TRAFFIC—FOREIGN TRADE—UNEMPLOYMENT—RETAIL TRADE.

(FROM OUR CORRESPONDENT.)

GENEVA, April 21.

LAST winter in Switzerland was the most severe recorded for the past 30 years, and the persistent cold had a great influence on Swiss commercial activities. The winter season was a good one for the hotel industry, though it was not as brilliant as had been expected. The number of foreign visitors who came to enjoy winter sports at the Swiss resorts was generally higher than last year, especially in the Bernese Oberland and the Engadine, which had a record winter season. Germans were fewer this year as conditions in Germany were good for winter sports, and, generally speaking, visitors made shorter stays. The influence of the cold was particularly striking in regard to railway traffic and foreign trade. The Federal Railways transported in January 56,000 passengers and 14,000 tons of goods more than in January, 1928, the net revenue being £2,535,600, as against £2,268,400 in 1928, but the excessive cold in February resulted in a big drop, both in passengers' and goods traffic, the diminution, compared with February, 1928, being 453,000 in the case of passengers and 160,000 tons in the case of goods; receipts were £92,520 lower and the net revenue £88,000 lower than in February, 1928. Conditions improved in March, when the weather was fine and mild, with the result that the net revenue reached £561,000, or about £28,000 more than in March 1928. The net revenue for the first quarter of the year is £1,032,000, compared with £1,060,000 last year.

The abnormal cold had a depressing effect on foreign trade as well as on general economic conditions. During the first quarter of the year, imports reached a value of £25,044,342 as against £27,365,298 during the corresponding period of 1928, or a drop of nearly 8.5 per cent.; exports totalled £19,868,239, compared with £20,716,620 last year, that is a drop of about 4.2 per cent. Imports and exports compared with 1928 were as follows (in millions of pounds):—

	Imports. 1929.	Imports. 1928.	Exports. 1929.	Exports. 1928.
January	8,48	8,78	6,15	6,14
February	7,54	8,91	6,52	6,94
March	9,01	9,76	7,19	7,63

While imports of raw materials practically equalled last year's figures, imports of foodstuffs, especially vegetables and fruit, showed a big decrease, as the frost brought that trade to a standstill for several weeks. There was a diminution in almost every branch of exports, but though the first quarter's returns are rather unsatisfactory, it should be remarked that the value of exports rose by about £690,000 in a single month, from February to March, and that there are signs of renewed activity in the export trade so that it is expected that the first quarter's deficit will be made good during the coming months. While there was a drop in the exports of the silk and cotton industry, those of the watchmaking industry suffered no change and those of the machines industry rose by nearly £300,000 since the beginning of the year.

Trade between Great Britain and Switzerland was similarly affected by the general slump, though it showed an improvement in March. Imports from Great Britain totalled £1,071,000 during the first quarter as against £2,158,000 last year, and exports to her reached £2,764,000, compared with £3,107,000 last year. There was, nevertheless, an improvement since the beginning of the year, as shown by the following returns (in millions of pounds):—

	Imports from Great Britain.	Exports to Great Britain.
January	0.56	0.84
February	0.51	0.93
March	0.62	0.98

There was a reduction in the imports from France, Italy, Great Britain and the U.S.A., while those from Germany showed an increase of nearly £1,500,000 over last year. On the other hand, exports to Germany, Great Britain and the U.S.A. were on the decrease, but there was a rise in exports to France and Italy.

The number of unemployed, which was 16,284 at the end of January, dropped to £15.979 at the end of February, and there was a further slight decline in March. These figures are about 3,000 higher than last year, but this increase is also to be ascribed to the cold, which caused a prolonged stoppage of work in agriculture and the building industry. According to the forecasts of the labour exchanges, the situation will be good when the winter season has come to an end, and there will even be a shortage of labour in many industries.

The first quarter was also a bad one in the retail trade, which was abnormally slack, but despite these unsatisfactory results, prospects for the coming months are very encouraging, and everybody expects rapidly to make good the losses sustained during the winter.

CANADA.—BUSINESS CONDITIONS—TRANSPORT—NEWSPRINT INDUSTRY—BUDGET—TRADE RELATIONS WITH THE U.S.

(FROM OUR CORRESPONDENT.)

OTTAWA, April 15.

THERE have been in Eastern Canada some heavy snowfalls which re-covered the ground, but two successive days of warm weather have obliterated their effects and spring seems really to have begun in earnest. In some areas there have been heavy floods which have inter-

rupted communications and caused considerable property damage. This return of wintry conditions has set back farming operations, and seeding, instead of being abnormally early, as at one time seemed probable, will now fall about the average time. The land is still waterlogged in many places and in others the frost is hardly out of the ground. Cultivation is proceeding in the more favoured localities, but some days of warm weather will be required before it can become general. Business conditions remain very satisfactory and the outlook for the summer months seems auspicious in almost every direction. The value of new building permits taken out during the first quarter of the current year is placed at $97,500,000, which is an increase of 40.7 per cent. over the figure for the first quarter of 1928 and augurs the existence of a general spirit of optimism about Canada's future. The railways, now that they have secured parliamentary authority for their branch lines programme, are proceeding with the work of construction and are not only employing a great deal of extra labour but are placing heavy orders for materials of all kinds. The International Nickel Co. and its allies, the Consolidated Smelting & Mining Co. and the Lindsley mining interests, have practically all their plans completed for the erection of the large copper smelter which they intend to build at Copper Cliff in Ontario, and it will ultimately involve an expenditure of 20 million dollars. There is no abatement of industrial activity and there is evidence of gains in some lines. The iron and steel plants are still busy and the equipment firms have an abundance of orders; the textile mills are also working nearer their full capacity than they were a year ago. The St. Lawrence channel, which is now virtually free from ice, is already being used by small river craft, and the first ocean liners are expected in about a week's time. Montreal anticipates a very busy shipping season and its citizens are pressing the Federal Government for a comprehensive scheme of improvement in its railway transportation facilities. In this respect the Canadian National Railway is sadly deficient and its heads have worked out a scheme for a huge joint terminal in the centre of the city, which would have easy interchanges of communication with the dock area. The Government has definitely pledged its financial backing. Indeed, the Minister of Railways has already introduced a Bill which seeks parliamentary authority for the expenditure of 50 million dollars on new terminals at Montreal and a substantial area of land has already been expropriated by the Government.

The newsprint production of Canadian mills in March amounted to 218,147 tons and shipments to 219,739 tons, the mills operating at about 83.8 of their rated capacity. American production of newsprint in March was only 114,586 tons, and during the first quarter of the year the Canadian output of newsprint showed a gain of 8 per cent. over the figure for the first quarter of 1928, whereas the American output showed a decline of 3 per cent. Every quarter sees Canada forging further ahead of the United States as a producer of newsprint and apparently one effect of the lower prices has been to transfer business to the Canadian mills, which have lower costs of production in most cases. The industry in Canada is not out of its difficulties, but people who take a long view of the situation are optimistic about its future.

The Budget debate occupied three weeks of Parliament's time before divisions were reached on April 11th. The Progressive amendment, which called for an immediate and substantial increase in the British Preference was voted down by 155 to 19, the Liberals and Conservatives combining solidly against it. A Conservative amendment, which regretted the failure of the Budget to provide adequate facilities for the protection of industries and agriculture, experienced the same fate, but by a smaller majority. Its only support came from 65 Conservatives, and the Government majority of 127 included all the Liberal-Progressives, Progressives, Independents and Labourites who were present. On the main Budget vote the Government prevailed by 107 to 88. It had the support of the Liberal Progressives, one Progressive, one Labourite and two Independents, but the rest of the Progressives and the Labourites voted with the Conservatives.

The last week of the debate produced some interesting speeches and was noteworthy for the breaking of the Ministerial silence which had previously been observed with scrupulous care on the subject of trade relations with the United States. Premier King deprecated any premature action which might be interpreted in the United States as provocative and impel Congress to raise the American tariff to a higher level than was now contemplated. He charged the Conservatives with conjuring up an imaginary fiscal warfare between the two countries, and asserted that his government proposed to await developments at Washington instead of anticipating injurious fiscal policies which might never materialise.

The Budget has now reached the committee stage and the Finance Minister at the time of writing is finding considerable difficulty in making progress with it. The Conservatives have been attacking the Tariff Board, whose work they declare is a farce, and the Progressives have been criticising certain protectionist proclivities of the Government, of which they claim to have convincing evidence.

The carloading figure for the week ending April 6th is the most satisfactory of recent weeks. At 63,411 cars it represents gains of 1,959 and 6,995 respectively over the figures of the preceding week and the corresponding week of 1928. Prices remain virtually stationary—and the wholesale index of the Bureau of Statistics for March was 95.7, as compared with 96.1 for February. 86 price quotations were higher, 76 were lower and 340 were unchanged. Of the eight main groups 5 were higher, 2 were lower and 1 was unchanged.

The stock markets have apparently settled down to a period of quiescence, and both the big operators and the general speculative public seem disinclined to come into it again for the moment. Prices, if anything, show a reactionary tendency, and for the week ending April 13th the Bureau of Statistics Investors' Index of industrial common stocks (on the basis of 1926=100) was 256.8, as compared with 259.2. The only exception was the oil stocks, which are traded in chiefly on the curb markets. The Imperial Oil and the International Petroleum Companies, both subsidiaries of the Standard Oil Co. of New Jersey, have announced the splitting of their stocks, the first at the rate of four to one, and the second at two to one, and this development, coupled with the news of fresh wells being "brought in" in the Turner Valley in Alberta, has attracted speculative interest to the oil stocks, some of which have had substantial rises. But sensible people in Alberta still point out that the Turner Valley field has not yet produced any oil of first-rate quality, and that its chief product, naphtha gas, is already almost a drug on the market. The mining market is also submerged in dullness and will require very good news to awaken it to activity.

The Department of National Revenue announces that Canada's total trade for the month of March, 1929, amounted to $253,536,167, as compared with $229,564,777 for March, 1928. Exports of Canadian produce were valued at $115,822,404, and imports of foreign goods totalled $120,418,027. Foreign re-exports were $2,756,825. Exports of automobiles and automobile parts constituted the chief element in the gain, the figures increasing from $2,107,844 to $6,938,703. Grain exports, however, decreased by about one million dollars, in spite of the fact that the quantity of wheat exported had risen from 18,655,258 to 21,207,187 bushels, the values for March, 1928, and March, 1929, being respectively $24,473,654 and $23,474,702.

SOUTH AFRICA.—BUDGET—FOREIGN TRADE—TARIFF—GENERAL ELECTION.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, April 2.

THE opening meeting of the new Session of the Transvaal Provincial Council was marked by extraordinary behaviour on the part of the newly-appointed administrator, Mr J. S. Smit, who has recently vacated the post of High Commissioner in London. To begin with, Mr Smit replied to the Council's address of welcome in Afrikaans, and refused to translate his remarks. Later in the sitting he refused to take any oath, either of allegiance or of office. In the latter case, it seems that Mr Smit's attitude is in accordance with the literal Constitutional position, but it conflicts with the practice of his predecessors, and was regarded, in conjunction with his whole attitude throughout the sitting, as an intentional affront to the Opposition in the Council.

The Union Budget will be presented in July by the Finance Minister of the next Government. Mr Havenga has introduced an Appropriation for £14,000,000 for Government services to July 31st, and in so doing gave a statement of accounts for the past year, not so detailed as a Budget speech. The surplus for the year is £1,700,000, making, with last year's surplus, a balance in hand of £3,000,000. In addition, the Government has in hand £2,450,000 from the sale of diamonds taken from the State diggings in Namaqualand. There are about £4,000,000 worth of these diamonds in hand, and it is proposed to sell £2,500,000 worth during the current year. The average price realised for the diamonds was £11 10s. per carat. Digging expenses to date had amounted to £105,000. (Such information as one gets from these fields continues to tell of incredible wealth, and it can hardly be said that these official figures refute the rumours.) Mr Havenga's estimates for 1929-30 show a surplus of £1,113,000, including £2,500,000 from the proposed sales of diamonds. It is proposed to surrender revenue, equal to the estimated surplus, by reducing certain customs dues and by extending various income tax rebates. During the year just closed customs receipts, at just over £9,900,000, exceeded estimates by about £1,250,000, income tax exceeded estimates by nearly £500,000, and death duties by £150,000. It is a record to make Mr Churchill envious, and it makes South African Party politicians wish Mr Havenga would cross the floor, or at any rate that they could have a chance to direct their criticism at a Nationalist Government not assisted by Mr Havenga's ability and good fortune. The spending of the £5,500,000 (£3,000,000 realised surpluses and £2,500,000 already realised from diamonds) will amuse the election financiers. Under South African law it is not necessarily applied to debt redemption. Mr Havenga's own suggestion was that £1,000,000 should be applied to debt redemption (the regular payment of £650,000 and £350,000 from the surplus).

Mr Havenga stated that the Public Debt as at March 31, 1929, stood at £243,460,000, the increase during the last year being £4,540,000 and since April 1, 1924, £35,240,000. There are sinking funds amounting to £20,235,000, so that the net debt is £223,225,000. The unproductive debt is £44,000,000; it stood at £58,500,000 in 1924, and is expected to be £38,000,000 at March 31, 1930.

The total Union exports for the year 1928 amounted to £72,600,000, while imports amounted to £75,500,000. The Union Department of Customs and Excise has just published statistics for last year of the trade of the Union, Rhodesia and South West Africa. The proportions of imports from various sources are:—United Kingdom, 45.9 per cent.; other British possessions, 10.8 per cent.; foreign countries, 43.3 per cent.

The Minister of Railways has also introduced a Part Appropriation Bill for four months' supply, asking for £12,000,000. His estimates of the results of working for the year ended March 31, 1929, showed revenue of £30,510,000 and expenditure £30,180,000, thus having a surplus of £330,000. The estimates for the new financial year to end March 31, 1930, allow for a deficit of £105,000. During 1928 the railways carried 82,000,000 passengers. There are to be certain alterations in the tariff, and increases in pay and allowances to certain classes of employees; these concessions will absorb a good proportion of the surplus. The Minister took the opportunity of reviewing the history of his Department since 1924. He inherited a deficit of £770,000, together with the plans of his predecessor, Mr Jagger, for dealing with it; and he now has an accumulated surplus of £330,000. The Sea Point suburban line at Cape Town, quite recently electrified, is still unable to contend with motor buses, and is to be taken up.

The fifth Parliament of the Union will be dissolved on April 30th, and the election will be held on June 12th. The Parliament consisted of 63 Nationalists, 53 South African Party members, and 18 Labour Party members, the latter number having been reduced by one (in favour of the S.A.P.) at a bye-election at Langlaagte. There will be 148 members of the new Parliament against 135 in the present one. To the economist outside South Africa it is probable that the most interesting act of the late Parliament was the resumption of the gold standard in 1925. At a lecture before the Economic Society in Johannesburg, Professor Cannan attributed the taking of the same step by Britain, at least in part, to the example and influence of the world's principal gold producer. Apart from that act, the deeds of the late Parliament are not of great immediate importance. It seems unlikely that its financial policy will always appear to have been so successful as it does at the moment. The Government inherited from its predecessor a financial system devised during wartime trouble and post-war depression. From a variety of causes, an economic recovery set in in 1924, the Government profited by it, and further, it maintained most of the taxes and increased the tariff—hence the £7,000,000 surplus in five years.

The new Parliament will lack (amongst others and for different reasons) the Rt. Hon. Sir Thomas Smartt, Sir Thomas Watt, Sir David Harris, and Mr Jagger (who is, by himself, the really sound portion of the Free Trade Party). Sir Thomas Smartt, Sir Thomas Watt and Mr Jagger were at the National Convention in 1909. All have been in Parliament for many years, and the House will miss not only their familiar faces but the advice of four of the wisest and most experienced members. All except Sir David Harris have been Cabinet Ministers.

JAPAN.—RECENT LEGISLATION—FOREIGN TRADE—COTTON INDUSTRY—MITSUBISHI BANK.

(FROM OUR CORRESPONDENT.)

TOKIO, April 8.

THE annual session of the Imperial Diet came to a close on March 27th. The record of the completed session was fairly good for a minority Government, though such important Government measures as the Local Government Bill, the Small Holdings Bill, and the Fertiliser Control Bill have failed of passage. The Finance Bill, general tariff and luxury duties revision, the livestock insurance scheme, the silk price stabilisation plan, safeguarding of dyestuffs, and many other measures of lesser importance were carried through both Houses almost in their original form. In the Budget estimates for 1929-30 approved by the Diet, estimated expenditure totalled 1,773,567,000 yen, including supplementary estimates of 20,750,000 yen, showing an increase of 64 million yen over the working Budget for the fiscal year just closed. In the revised tariff the duty on timber was raised, while the 100 per cent. *ad valorem* duty on black tea, cocoa, cheese, leather, fur, glasswares, sports goods, and some fourteen other articles out of 120 originally subjected to the "luxury" duties was repealed or substantially reduced. Of the other measures mentioned, the Livestock Insurance Act provides for granting of reinsurance on horses and cattle by the Government up to 85 per cent. of the amount originally accepted by the mutual associations of cattle-breeders; the silk price stabilisation scheme authorises the Treasury to indemnify the banks' loss to the extent of 30 million yen if incurred from advances to silk-reelers; and the dyestuff safeguarding measure extends the existing period of protection and increases the subsidy to manufacturers of synthetic indigo.

The trade returns for March show that, in comparison with the corresponding month of last year, imports and exports fell by 12.4 and 1.7 million yen respectively, the excess of imports over exports being 10.6 millions lower. But the trade figures for the first quarter of the year reveal a fairly large expansion both in imports and exports, imports rising by 72.9 millions and exports by 22.1 millions, the visible adverse balance at 192.9 millions being 50.7 millions higher. A comparison of the value figures for

March and for the first three months of this year and last is set out below :—

MONTH OF MARCH.
(000's omitted.)

	1929.	1928.	Increase (+) or Decrease (−) in 1929.	
	Yen.	Yen.	Yen.	Per cent.
Imports	211,198	223,613	− 12,415	− 5·5
Exports	167,553	169,289	− 1,736	− 1·0
Excess of imports over exports	43,645	54,324	− 10,679	−19·6

THREE MONTHS ENDED MARCH 31ST.
(000's omitted.)

	1929.	1928.	Increase (+) or Decrease (−) in 1929.	
	Yen.	Yen.	Yen.	Per cent.
Imports	689,503	616,606	+ 72,897	+11·8
Exports	496,575	474,455	+ 22,120	+ 4·6
Excess of imports over exports	192,928	142,151	+ 50,777	+35·7

Many Japanese cotton mills have already abolished night work, though the new Factory Act, which provides for the abolition, does not come into operation until July 1st. The mills which ceased to operate at night by April 1st represent in the aggregate 3,562,644 spindles, or 56 per cent. of the total spindlage belonging to the Cotton Spinners' Federation. Simultaneously with the abolition of night work be it noted that organised short time will virtually come to an end, and the effect will obviously be severe in the case of the mills which are in a weak position financially or otherwise, and are unable to make ample preparation for the changing situation. In point of fact the Japanese cotton industry in general is not prosperous, and some sections of the trade are still suffering from the trade prostration experienced immediately after the Armistice. The position of the smaller mills generally has long been difficult, and seventeen spinning companies out of 55 belonging to the Federation passed their dividends for last year, having earned too little or carried on at a loss. Many leaders of the industry are of opinion that not a few spinning companies will come to grief very soon after the coming into force of the new law. To prevent threatening bankruptcy a rationalisation scheme in some form of combine has been suggested in trade circles, and the idea is gaining supporters.

The Mitsubishi Bank, privately owned by the Iwasaki family, announced last week an increase in its capital from 50 million yen to 100 millions, inviting public subscription to the new stock issue. With the change of the capital organisation of the Mitsubishi, private ownership in this country will probably disappear from the banking field. The bank has appreciably strengthened its position since the monetary crisis of 1927, and has now challenged Yasuda, Mitsui and a few other rival institutions with a tremendous increase in its deposits.

Letters to the Editor.

ISLAS DEL GUADALQUIVIR, S.A.

TO THE EDITOR OF THE ECONOMIST.

SIR,—With reference to the paragraph published about my company in your issue of March 30th last, I am directed to inform you that the chairman of the company has received a letter from Dr J. A. Hanley, Principal of the Cirencester Royal Agricultural College, the agricultural expert on the consultative committee, who visited the property of the company several times, copy of which I enclose.—Yours faithfully,

J. M. DE VENGOECHEA.

Islas del Guadalquivir, S.A.

DEAR MR CHAIRMAN,—The *Economist's* correspondent says the river water passing through the estate of the Islas del Guadalquivir, S.A., is tidal, non-drinkable and unfit for irrigation.

The river is tidal, but that does not mean the water is entirely sea-water.

Analyses made by Sir Murdoch Macdonald and Partners showed a salt content of 0.013 per cent. in April and 0.043 per cent. in August, 1926. More recent analyses have shown 0.25 per cent. at high tide in September, 1928, at a point 16 kilometres south of the pumping station, and after an unusually hot summer and a low river.

Sea-water contains more than fifty times this amount of salt.

The river water was drunk by the inhabitants of the Islas before the company bought the property, and is now drunk by the colonists.

The water is suitable for irrigation, and has been used for that purpose both by the company and by previous owners.—Yours faithfully,

(sd.) J. A. HANLEY.
Royal Agricultural College, Cirencester.
April 26, 1929.

[Comment is made on this correspondence in an "Investment note" on page 995.—ED., *Econ.*]

Books and Publications.

AN ANALYSIS OF WAGES.*

PROFESSORS HAMILTON and May have produced between them a small but admirably sane and lucid analysis of current wage theory, with special reference to the practical possibilities of applying conscious direction to the various factors which determine the wage equation. Opening with a brief summary of the wage theories of the past (one of the least satisfactory sections of the book), they concentrate on the productivity theory and launch their attack upon the conception of the wage contract as a resultant of immutable economic law. An attempt to disentangle the variable factors which in conjunction determine the real income of the wage earner, leads them to explore three main sources from which an increase of real income can be drawn. The first is an increase of the nominal wage achieved by technical industrial improvement, by greater efficiency of organisation, or by the reduction of the share absorbed by rent and profits. Attempts to tap the third source are likely, in their opinion, soon to encounter definite limits. Technical improvements, especially relating to the physical efficiency and better assignment of labour, offer much wider possibilities. So too does reorganisation of the economic structure. Here a number of more or less drastic remedies are discussed, from the elimination of redundant marketing costs to the assumption of workers' control—which last the authors dismiss as an untried proposition. The second possible source of increase concerns the price level of commodities purchased out of wages. To this they devote little serious attention beyond a plea that the same attempt to disentangle and isolate controllable factors may be applied. The third source is the increase of that "free income" which accrues to the worker in the form of public services. Here, too, the treatment is perfunctory, and the authors' complaint that "the social importance of this free income is not adequately appreciated" might perhaps be turned upon themselves. Perhaps it may be said in extenuation that any attempt at adequate appreciation would land them in large questions concerning the relevancy of an economic wage to varying human needs, which might drag them over the natural frontiers of their thesis.

On the whole, the authors are optimistic concerning the possibilities of such sectional and reasoned action as they advocate. But they are aware that the initiative of taking it at the right moment and from the right angle is likely to make serious demands not only on the bargaining strength but also upon the enlightened leadership of organised labour. For such a task they consider that the American Federation of Labour, with its preponderantly craft basis, is not well equipped. But it may be added that the book deals in very general terms with its subject, and may be read with equal advantage on both sides of the Atlantic. As a summary and restatement of existing theory, reflecting the constructive attitude to the long-range effects of trade union action with which Mr Rowe, of the London School of Economics, has recently familiarised us, it may be specially recommended to members of W.E.A. and tutorial classes.

* "The Control of Wages." By W. Hamilton and S. May. Macmillan Co. of New York. 6s. net.

FRENCH ECONOMIC HISTORY.*

BOOKS on the military and political history of France and the doings of her warriors, priests, and kings are constantly appearing. In this field we probably read and know more about France than about any other country. But knowledge of the conditions of life in France, especially outside Paris, has always been very vague. The spectacular glories of Louis XIV.'s reign accustomed foreigners to associate France in general with the idea of wealth and splendour. The reality was far different, as was shown when the outbreak of the Revolution took the civilised world by surprise.

We may take pride in the fact that it was an English observer, Arthur Young, who realised the truth more clearly than any of the French themselves. He looked in vain in France for anything corresponding to the economic progress achieved in England during the eighteenth century. What interested Young was not to be found in books. "Reading modern history," he wrote, "is generally the most tormenting employment that a man can have; one is plagued with the actions of a detestable set of men called conquerors, heroes and great generals; and we wade through pages loaded with military details; but when you want to know the progress of agriculture, of commerce, and industry . . . all is a blank. Voltaire set an example, but how has it been followed?"

He would be better pleased now. About twenty years ago a group of French scholars, impressed with the need for presenting the social history of their country in a new light, began to publish a series of volumes, each containing a number of monographs based on research among original documents in departmental and communal archives, lawyer's offices, and the records and correspondence files of old industrial and commercial firms. The series has now reached its twelfth volume. The latter includes several monographs by Professor Henri Sée, of which three deal with local fishery industries, one with the textile industry in Bas-Maine during the Empire and restoration, and another with the history of the parcels service in Brittany. Other authors deal with such varying subjects as schemes for the development of the silk industry in Auvergne and Lorraine during the eighteenth century; the history of the Bank of France during the Commune of 1871; and the history of the letter post in Brittany from the fifteenth century to the Revolution.

Each article deals simply and objectively with the details of a particular business in a particular part of France, and the close adherence to contemporary documents makes the past re-live before one's eyes with exceptional clearness.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

The Next Ten Years in British Social and Economic Policy. By G. D. H Cole. (London) Macmillan and Co., St. Martin's Street. 15s. net.

Mr. Cole has, in his own words, "thought things out afresh," and the result is the opportune appearance of this volume, which deals fully, and in a serious and considered manner, with some of the most pressing problems which at present confront the British public.

The Problem of Industrial Relations and Other Lectures. By Henry Clay. (London) Macmillan and Co., Limited, St. Martin's Street. 12s. net.

A contribution, on these lines, to the study of the distribution of wealth was badly needed. Seven chapters are devoted to concrete problems which have come most conspicuously to the fore since the Armistice, there are four theoretical chapters, and a statistical estimate of the distribution of capital in England and Wales.

* "Mémoires et Documents pour servir à l'histoire du Commerce et de l'Industrie en France." Publiés sous la direction de Julien Hayem. Douzième Série. (Paris) Librairie des Sciences Economiques et Sociales, Marcel Rivière, 31 Rue Jacob. Price, 40 francs.

FACTS AND FIGURES

on current economic and social problems are provided in Government Publications as in no other series of books. The following documents will be indispensable to any fruitful discussion of some major questions arising before the General Election.

INDUSTRIAL RECOVERY

The Final Report of the "Balfour" Committee on Industry and Trade surveys Great Britain's industrial and commercial problems with special ref rence to the export trade, discusses various plans, e.g., "Safeguarding," and recommends definite policies to assist recovery and expansion. 5s. 6d. (5s. 11d.)

AGRICULTURAL POLICY

Report on Agricultural Policy. 4d. (5d.)
Report of the Scottish Conference on Agricultural Policy. 1s. 6d. (1s. 7d.)
Report of the Agricultural Tribunal of Investigation. 5s. (5s. 5d.) Probably the most comprehensive survey of the agricultural problem of Great Britain which has yet been published.

UNEMPLOYMENT

Report of the Industrial Transference Board. 1s. 6d. (1s. 8d.)
Report of the Unemployment Insurance Committee. 1s. (1s. 2d.)
Memorandum on use of Unemployment Benefit in aid of Wages in industry and on relief work. 3d. (4d.)
The Ministry of Labour Gazette, Monthly. 7s. a year. Contains much valuable information.

TAXATION

The Report of the "Colwyn" Committee on National Debt and Taxation. 7s. 6d. (8s.) A thorough review of the effects of taxation on trade, industry, employment and credit.
Report of H.M. Commissioners for Inland Revenue, 1928. 2s. (2s. 2d.) Return showing the expenditure on Public Social Services in 1891, 1901, 1911, 1927 and 1928 respectively. 3d. (4d.)

RATING REFORM

The Local Government Act, 1929, contains the text of sweeping changes in the organisation and finance of local government. 3s. (3s. 3d.) An explanatory memorandum on its provisions as passed by the House of Commons. 1s. (1s. 1d.) General Circular on the Act. 3d. (4d.) A review of the major changes which the Act involves.

EDUCATION

The Education of the Adolescent. 2s. (2s. 4d.) Cloth 3s. (3s. 5d.) A far-seeing programme of educational advance by the Consultative Committee of the Board of Education.
The New Prospect in Education. 6d. (8d.) An attempt to give practical shape to some of the Committee's recommendations.

All prices are net. Those in parentheses include postage.

H.M. Stationery Office

LONDON: Adastral House, Kingsway, W.C. 2.
EDINBURGH: 120 George Street. MANCHESTER: York Street.
CARDIFF: 1 St. Andrew's Crescent. BELFAST: 15 Donegall Sq., W.
Or through any Bookseller.

England and the New Gold Standard, 1919-1926. By William Adams Brown, Jr. (London) P. S. King, 14 Great Smith Street. 15s.

An historical and analytical study of England's return to the gold standard. The conflict of opinion which accompanied it is discussed, and emphasis is laid on the difference between the present-day gold standard and that which was in force before the war.

Internationale Preisbewegung und Lage der Landwirtschaft in den aussertropischen Ländern. By Prof. M. Sering. (Berlin) Verlagskuchlandlung Paul Parey, Hedemannstrasse 28 u. 29. 18 Rm.

Readers who are at home in the German language should find this volume useful, especially for reference purposes. It deals with agricultural development and conditions, with special reference to international price movements, in the temperate countries. Two introductory chapters deal with the period 1875-1914, and the rest of the book, which is very well furnished with diagrams and statistical tables, deals fully with post-war conditions.

The Lure of Safeguarding. By A. S. Comyns Carr and D. Rowland Evans. (London) George Allen and Unwin, Limited, Museum Street. 3s. net.

A handy and timely little volume. The first three chapters deal with the theory of Free Trade and the history of the tariff controversy, while the remaining two chapters provide a very lucid refutation of the claims of the Safeguarders and a warning that the proposed "extension of Safeguarding" is nothing less than a threat of general protection.

The French Franc, 1914-1928. By Eleanor Lansing Dulles. (London) Macmillan and Co., Limited., St. Martin's Street. 27s. net.

This is at one and the same time an historical account and an essay in monetary theory.

Histoire des Finances Extérieures de la France pendant la Guerre (1914-1919). By Lucien Petit. Preface by M. Germain-Martin. (Paris) Payot, 106 Boulevard St. Germain. 60fr.

A remarkably full account of the war-time financial operations of France.

Die neue Goldwährung (weltwirtschaftliche Zusammenarbeit). By Arthur Schweitzer. (Basle) Verlag Helbing und Lichtenhahn. Rm. 6.50.

This critical account of the restoration of the currencies of the world lays special stress upon the aspect of international co-operation. The text is in German.

Government Ownership and Operation of Railroads. By Walter M. W. Splavin. (London) Macmillan and Co., St. Martin's Street. 21s. net.

This is an American study, the object of which is to throw light on the possibility of ultimate Government ownership of the railways by an examination of the experience of other countries. It contains useful statistics and a good bibliography.

Leaves from My Life. By H. Osborne O'Hagan. In two volumes. (London) John Lane, The Bodley Head, Limited, Vigo Street. 36s. net.

These reminiscences of a great financier take the reader behind the scenes of a number of famous City transactions. Personal recollections of Horatio Bottomley or the Baring crisis mingle with accounts of courses of treatment for the author's physical indispositions and anecdotes of a purely personal character. The whole is very amusing reading.

Marketing: A Farmer's Problem. By Benjamin F. Goldstein. (London) Macmillan and Co., St. Martin's Street. 15s. net.

This investigation of a pressing agricultural problem was inspired by the revelations of a committee for whom the author served as special counsel. The book, which confines itself to the marketing of grain, treats the question primarily from the legal point of view.

The Grain Trade during the World War. By Frank M. Surface. (London) Macmillan and Co., St. Martin's Street. 25s. net.

A history of the Food Administration Grain Corporation and the United States Grain Corporation.

The Co-operative Pattern in Cotton. By Robert H. Montgomery. (London) Macmillan and Co., St. Martin's Street. 10s. 6d. net.

A critical history of the co-operative marketing of raw cotton.

The Austrian War Government. By Joseph Redlich. (London) Oxford University Press, Warwick Square. 10s. 6d. net.

The War and the Russian Government. The Central Government. The Municipal Government and the All-Russian Union of Towns. By Nicholas J. Astiov. (London) Oxford University Press, Warwick Square. 16s. net.

Two further series in the Economic and Social History of the World War, published for the Carnegie Endowment for International Peace.

Labour and Internationalism. By Lewis L. Lorwin. (New York) The Macmillan Company. $3.

Part I. is historical, and covers the period 1830-1928; Part II. discusses the future of the movement.

Zeitschrift des Instituts für Weltwirtschaft und Seeverkehr an der Universität Kiel. By Dr sc. pol. Bernhard Harms. (Jena) Verlag von Gustav Fischer.

An analysis, in German, of the international gold market before and after the war.

International Labour Office. Hydro-Extractors, Their Safe Construction and Equipment. (London) P. S. King and Son, Limited, 14, Great Smith Street. 4s.

A monograph in the series on industrial accident prevention.

Movimento Economico dell' Italia. (Milan) Banca Commerciale Italiana.

A year book packed with statistics on Italian economic conditions in 1928.

The Intelligent Woman's Guide to Socialism and Capitalism. By Bernard Shaw. (London) Constable and Co., Limited, 10-12 Orange Street. 5s. net.

A popular edition of the work already reviewed in these columns.

The Vilna Question. Consultations of MM A. de Lapradelle, Louis de Sur, and André N. Mandelstaur, Concerning the Binding Force of the Decision of the Conference of Ambassadors of March 15, 1923. (London) Hazell, Watson and Viney, 52 Long Acre.

Conservatism and Wealth. By Oliver Baldwin and Roger Chance. (London) Williams and Norgate, Limited, 38, Great Ormond Street. 1s. 6d. net.

A political tract of radical complexion.

The Liberal Outlook. By Hubert Phillips. With an Introduction by the Right Hon. D. Lloyd George, O.M., M.P. (London) Chapman and Hall, 11 Henrietta Street, Covent Garden. 5s. net.

An exposition of Liberal policy.

National Finance. By F. W. Pethick-Lawrence, M.P. (London) Fabian Society, 11, Dartmouth Street. 2d.

A Fabian tract which propounds briefly certain points in the financial programme of the Labour Party.

Journal des Economistes, April 15, 1929. (Paris) Librairie Félix Alcan, 108, Boulevard St. Germain. 12 fr.

Articles in this number include: "Le Commerce Extérieur des Principaux Pays en 1928," by R. J.-Pierre; "Paris Nouveau," by L. G. Numite; "Les Allocations Familiales," by Georges de Nouvion; and "La Réforme Monétaire en Roumanie."

Documents and Readings in American Government. By John M. Matthews and Clarence A. Berdahl. (London) Macmillan and Co., St. Martin's Street. 14s. net.

A collection of documents for the use of students of American political history.

City of Edmonton, Alberta. Financial Statements and Reports for the year ending December 31, 1928. (Edmonton) J. Hodgson, City Comptroller.

The Realist, May, 1929. (London) Macmillan and Co., St. Martin's Street. 2s. net.

There are several articles of economic interest in this issue, including "Financial Broadcasting," by N. Bantock Reynolds; "Unemployment and Empire," by Archibald Church; and "A Future for British Agriculture," by A. Martin Leake.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2.

National Health Insurance Funds Accounts—Appendix: Receipts and Payments for the Year Ended December 31, 1926, *of Approved Societies, Insurance Committees, &c.* Cmd. 3315. 2d. net.

Ministry of Labour: Procedure Regulating the Entry of Foreigners for Employment in Great Britain. Cmd. 3318. 2d. net.

Department of Overseas Trade: Economic Conditions in Poland during the Year 1928. 1s. 6d. net.

Civil Estimates, 1929: *Supplementary Estimate of Further Sum Required to be Voted in Respect of Year ending March*, 1930. 2d. net.

The Stock Exchange.

SWEDISH INDUSTRIALS.

The British investor has formed a deservedly high opinion of the respectability and prosperity of the "family" of Swedish industrials. There are four members of this family, and the four businesses by which they make their living are matches, ball bearings, milk separators and household electrical appliances, such as carpet sweepers and refrigerators. The head of the family is Swedish Match, whose financial godparent is Kreuger and Toll. Next come A.B. Svenska Kullagerfabriken (the Swedish Ball Bearing Co., or S.K.F.), A.B. Separator and A.B. Elektrolux. The order given follows the order of the dividend yield obtainable from the ordinary shares, which begins with 4 per cent. in the case of Swedish Match and Kreuger and Toll, goes to over 4½ per cent. in the case of S.K.F., to over 5½ per cent. in the case of Separator and over 6½ per cent. in the case of Elektrolux.

The members of this family are entirely unconnected with one another, but they possess certain characteristics in common. They are all cleverly managed; they all trade internationally, spreading their trading risks in a manner which appeals to the investor; and they all cater for the foreign capitalist by creating an international market for their shares, and by presenting accounts of praiseworthy fullness and lucidity, with reports translated into various languages. Indeed, one of the many lessons which these Swedish companies can teach is the art of successfully attracting foreign capital. Under Swedish law not more than one-fifth of the voting power of a company may be held by foreign interests. This difficulty has been overcome by the issue of "B" shares carrying reduced voting power (one-thousandth of a vote per share, against one vote per share for the Swedish-owned "A" shares). The "B" shares of these companies have been placed on most of the important Stock Exchanges of the world, and generally enjoy a free market. The following table gives the current market prices, dividends and yields of the "B" shares:—

Shares of 100 Kr.*	Price.	Div.	Yield.
		%	%
Swedish Match "B"	20¼	15	4·07
Kreuger & Toll "B" ...	33¾	25	4·05
S.K.F. "B"	14¾	12	4·69
Separator "B"	8¾	8¼	5·56
Elektrolux "B"	8	9	6·61

* 100 Kr. = £5 10s. 2d. at par of exchange.

The differences in yield are accounted for partly by the fact that the Swedish Match group is a much greater and more firmly established "trust" than the others, partly by the fact that S.K.F., Separator and Elektrolux have not long been introduced to London and other foreign Stock Exchanges, and are not therefore so well known to the investor as Swedish Match. Moreover, Swedish Match is pre-eminently a sound industrial equity. It is a holding company, and its world interests outside Sweden are controlled through the International Match Corporation. It is the dominating force in the match industry, with plants in over 35 countries. It has attained its position by quiet unobtrusive buying for control, by patient negotiations for State monopolies—it now holds Government monopolies in Estonia, Lithuania, Poland, Greece, Ecuador and Peru, and partial monopolies in Germany and France—and by entering into market agreements with its competitors. In Great Britain, for example, the Swedish Match Co. made an agreement with Messrs Bryant and May in 1927 and formed the British Match Corporation for joint marketing in Great Britain and the whole of the British Empire, except the Asiatic sections. So complete is the hold of the Swedish Match over world trade in matches that, with the exception of about 50 per cent. of the Belgian exports, there are practically no matches for export which are not sold through the agency of the Swedish Match. Net profits for the past 25 years have averaged over 24 per cent. per annum on the capital stock from time to time outstanding and participating in dividends.

In obtaining Government concessions or monopolies to manufacture and sell matches, large amounts of Government securities are frequently acquired by Swedish Match and International Match in return for advances made by them to the Governments concerned. These securities are generally handed over to Kreuger and Toll, which is the finance company assisting the companies, in which Mr Ivar Kreuger, the managing director, is interested. Kreuger and Toll is the largest stockholder in Swedish Match; it is also largely interested in the Grangesberg (iron ore) Co. and various Swedish industrial and banking companies, and is a large holder of real estate in Sweden and Germany. This year Kreuger and Toll made an issue of $50,000,000 5 per cent. secured debentures, and Kr. 16,250,000 participating debentures for the purpose of taking over from Swedish Match and International Match no less than $78,000,000 (par value) of foreign Government securities.

S.K.F. is not so well known as Swedish Match, but it represents the largest group of manufacturers of ball and roller bearings in the world. Its British subsidiary is the Skefko Ball Bearing Co., whose works are situated at Luton. The combined companies represent a self-contained unit operating from the raw material—iron ore and charcoal—through the various processes of steel manufacture down to the finished product, which is marketed to the consumer through the company's own selling organisations established in practically every country. The products of the group represent approximately 30 per cent. of the world's ball-bearing market, and the sales are well distributed throughout the world. The company's "B" shares were first introduced to the London market by the British, Foreign and Colonial Corporation and Messrs Higginson in January, 1928.

A.B. Separator is not so international in its operations as S.K.F. and Swedish Match, but it is the world's largest manufacturer of milk separators. Indeed, the development of the dairy industry in its present form is in a large measure due to the appliances, known under the trade mark Alfa-Laval, manufactured by A.B. Separator. In recent years the centrifugal separator has been used in a large number of other industries for the purpose of separation and filtration of liquids—a new field for A.B. Separator which is obviously very wide. Outside Sweden, the company's separators are manufactured in Germany and the United States by subsidiary companies. The "B" shares were introduced to the London market in July, 1928, by Messrs J. Henry Schroder.

The products manufactured by Elektrolux are not so firmly established as those of the other three companies, but they are equally international. Elektrolux is the largest manufacturer in the world of electric vacuum cleaners, and in order to broaden its activities it has lately developed the manufacture and sale of electric refrigerators. Other labour-saving household appliances have been added to the list of Elektrolux products. The company owns manufacturing companies in Sweden, France, Germany and England, and selling companies throughout Europe and North and South America. The "B" shares were introduced to the London market in June, 1928, by the British, Foreign and Colonial Corporation and Messrs Higginson.

It is remarkable that while many British industrial companies have been disclosing but moderate results for 1928, those published by this Swedish family of "industrials" have all shown considerable increases in profits, which have significantly exceeded the estimates pub-

ished at the times of the various introductions. The following table shows the net profits and percentages of earnings and dividends for the last three years, net profits being shown after deduction of reserves for taxation, and preference dividends, if any:—

	1926.	1927.	1928.
Swedish Match—			
Ordinary capital ...Kr.	180,000,000	270,000,000	270,000,000
Net profits.....Kr.	32,326,462	40,436,616	48,961,568
Earnings	16·98%	16·32%†	18·13%
Dividends	15%	15%	15%
Kreuger & Toll—			
Ordinary capital*...Kr.	65,000,000	65,000,000	65,000,000
Net profits.....Kr.	7,981,325	12,409,605	21,025,988
Dividends	25%	25%	25%
S.K.F.—			
Ordinary capital ...Kr.	92,000,000	92,000,000	106,000,000
Net profits.....Kr.	8,739,000	11,048,000	17,672,000
Earnings	9·7%	12%	16·67%
Dividends	8%	10%	12%
Separator—			
Ordinary capital ...Kr.	63,000,000	63,000,000	81,700,000
Net profits.....Kr.	6,062,873	6,589,402	7,481,955
Earnings	9·6%	10%	9%
Dividends	8%	8%	8¼%
Elektrolux—			
Ordinary capital ...Kr.	7,000,000	7,000,000	60,000,000
Net profits.....Kr.	1,018,254	1,265,928	7,923,752
Earnings	14·5%	18%	13·2%
Dividends	10%	10%	9%

* Exclusive of participating debentures.

† Calculated on amounts of capital outstanding.

The directors' report for 1928 of Swedish Match has not yet been received, but the profits announced show an increase of 21 per cent. over those of 1927. It must be borne in mind that these profit figures have no precise relation to those actually derived from the manufacture and sale of matches. On account of the double taxation imposed on a holding company, it is the practice of the Swedish Match to take only so much of the profits of its subsidiaries as is required for the payment of its own dividends. As regards Kreuger and Toll, it was estimated by the sponsors of the issue of second debentures and participating debentures this year, that if allowance is made for the additional income to be derived from the issue, the 1929 earnings are likely to amount to 65 per cent. on the total share capital and participating debenture capital.

The 1928 reports of the other three companies disclose a satisfactory state of affairs. The Separator Co. is now amalgamated with its only rivals in Sweden—A.B. Baltic and A.B. Pump Separator. The S.K.F. report discloses the fact that most of its profits are derived from the company's export business, the dividends from its shareholdings showing only a small increase. The large increase in capital of the Elektrolux was made for the purpose of acquiring all its allied companies. The first results of the amalgamation are not unsatisfactory, and the directors refer to the considerable increase in the sale of refrigerators.

Our final table shows the present "market capitalisation" of the companies and the yield thereon on the basis of the 1928 net revenue:—

	Market Capitalisation. £	1928. Net Revenue. Kr.	Yield. %
Swedish Match.....	55,575,000	48,961,568	4·85
Kreuger & Toll.....	47,612,500	77,796,155	9·0
Separator	9,034,460	9,731,954	5·93
S.K.F.	14,945,000	17,671,950	6·51
Elektrolux.....	4,800,000	9,123,751	10·18

It will be seen that in relation to present earnings the market capitalisation is high, except in the case of Elektrolux. The market, in other words, has to a large extent discounted a probable increase in the future earnings of Swedish Match, Separator and S.K.F., a fact which renders the shares of these companies of interest, at the present time, to the long-term investor rather than the seeker after an early and extensive capital profit.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

Ticket. May 7.	Account May 9.

Quiet continued to reign over the Stock Exchange throughout the week, and the usual May Day holiday on Wednesday helped the Account to draw to its uninteresting close. The momentary flight from the mark on April 26th had an unsettling influence, drawing the market's attention to the obscurities which are latent in the Continental, as well as in the American, monetary position, and reducing the net effect on gilt-edged stocks of the Bank of England's fresh gold accessions. In the industrial and speculative sections the week was relieved from complete stagnation by a temporary revival of American interest.

Despite the firmness of the New York exchange, and the Bank's gain of gold to the tune of nearly £2 million in the first three days of the week, the gilt-edged market was dull, in the absence of general support. Five per Cent. War Loan was inclined to weaken on Monday, though the lost ground was regained next day. Other British stocks were fractionally lower or unchanged. Last week's declining tendency in India Loans was again in evidence, but Dominion and Colonial stocks, by contrast, were inquired for, and tended to appreciate in value.

The prevailing mood in the Foreign markets was one of liquidation, particularly of German 7 per cents. (with a partial recovery), and of Brazilian bonds, on the less satisfactory coffee position. Eastern European stocks shared in the tendency, but French issues had a harder tone. Far Eastern descriptions were unchanged.

The Home Railway market continued in a state of neglect. The week's traffic figures were not calculated to afford a "lead" either way, the position showing very slight change as compared with a year ago. Though little or no business was done, most of the Group stocks were marked down fractionally, and London stocks shared in the movement. Among Foreign Rails a mild inquiry was received for Argentine stocks, but Brazilians were affected by the weakness of Government bonds, though Leopoldina recovered on the announcement of a dividend making 5 per cent. for last year, against 4½ per cent. for the preceding period. Great Western of Brazil was an exception to the prevailing tendency, the new agreement with the Government being hailed as a bull point.

Though Wall Street gave more support than of recent weeks, the industrial market refused to be shaken out of its pre-election apathy. Some speculative interest centred on Columbia and H.M.V., on sustained talk of an amalgamation (to which New York gave more credence than London), but the movement was half-hearted and collapsed. Rumoured negotiations for a Spanish monopoly were ineffective in preventing a falling away in Swedish Match and Kreuger and Toll. The publication of annual reports sent up the prices of Barcelona Traction and International Holding, but had a reverse effect on Forestal Land, the company (as described in a later "Investment Note") declaring a reduced dividend. The Associated Electric report also induced some selling, the accounts containing no single feature, good or bad, on which the market could fasten. International Nickel was supported from America. The uncertain labour position held up business in textile shares, apart from an isolated, though extensive, rise in Patons and Baldwins. Motor shares were easier and tobacco shares dull, for the same reason—public indifference. Aerated Bread declined on the denial of irresponsible amalgamation rumours. Iron and steel shares showed fractional changes, mostly in a downward direction. Apart from a strengthening of Sun Life, little interest was taken in insurance shares, and bank shares moved within the narrowest of limits.

Business in the rubber share market was left largely to the bargain hunters, with prices, where changed, a shade lower. The commodity was unstable, the psychological effect of heavy Eastern shipments offsetting the steady demand from the trade. The downward trend

of the shares was again in evidence, though the better tone at the auctions caused a slight hardening towards the end of the week. The oil share market, as usual, reflected the apathy of other parts of the "House," reports of a coming reduction in American crude output and of higher petrol prices failing to obviate a decline in some of the leading counters, with Pan American "B" a conspicuous exception.

Springs Mines were a weak point (on an unsatisfactory quarter's development report) in a dreary Kaffir market, the inactivity of which was accentuated by some slight selling from Paris towards the end of the monthly account. Only the undertone of the Rhodesian market was strong, actual business being quiescent, despite the optimistic speech of the chairman at the Roan Antelope meeting. Tanganyika received some attention from Brussels on the increased dividend of Union Minière, in which the company has a large holding. Copper shares enjoyed a mild recovery, but tin shares remained irregular and undecided.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The markets have displayed considerable buoyancy, with individual stocks approaching or passing previous high levels, and a moderate amount of business being done. Operators are still troubled by the money position, but show increasing confidence. The most active sections are aircraft, chemicals and utilities. Mines are reviving, but oil, steel, motor and railroad shares are quiet. Meanwhile the steel industry continues to operate at a "record" level, close to capacity, and the automobile industry also maintains a "record" activity. Gold imports for the week total $8,000,000 and releases from ear-marking $13,000,000. Speculation is being aroused as to whether the authorities are likely to mitigate their "hard money" policy.

	Apr. 25.	May 2.	Rise or Fall.
4½% Lib. Ln. '33–8	99⅜	99⅜	+ ⅛
3½% Trs.Bs.'46–56	102¼	101⅞	— ⅜
Ach., Top. San. Fé	200	200½	+ ½
N. York Central...	185	185	...
Union Pacific	217	218	+ 1
Pennsylvania	81⅛	80⅝	— ½
South. Railway ...	142½	142	— ½

	Apr. 25.	May 2.	Rise or Fall.
U.S. Steel	185	181⅛	— 3⅞
General Motors ...	85⅛	84	— 1⅛
Amer. Tel. & Tel.	229⅜	226	— 3⅜
General Electric...	239	253	+ 14
Victor Talking ...	170	170	...
Std. Oil of N.J....	57⅜	58	+ ⅝
Anaconda	140½	144⅛	+ 3⅝

By courtesy of the Standard Statistics Company, Inc., of New York, and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926=100):—

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	Apr. 18.	Apr. 25.
342 Industrials	104·7	137·1	132·5	186·4	191·1	194·6	194·9
33 Rails	106·1	128·0	120·5	139·7	140·9	137·7	139·5
35 Utilities ...	103·3	128·3	128·3	180·6	184·6	201·1	206·4
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	187·3	188·6
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·23%	3·24%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Highest of 1929. (Mar. 16.)	Lowest of 1929. (Feb. 16.)	Apr. 24.	Apr. 25.	Apr. 26.	Apr. 27.	Apr. 29.	Apr. 30.	May 1.
223·5	201·8	219·0	217·8	217·3	218·1	216·6	220·4	220·8

PARIS.

The rise in the Berlin bank rate, the severe depression on the German Bourses, and the fear of seeing Germany escape Reparations transfers by appealing to the restrictive clauses of the Dawes Plan had at first a depressing influence on most sections of the market, but later on a better tendency was noticeable. The end-of-the-month settlement disclosed a substantial bear position in face of a light bull account, and the carry-over rates eased to 3⅞ per cent. on the Parquet and 6⅞ on the Coulisse, an easing off with which the return of a portion of the money that had found employment in Berlin appeared to be not un-

LONDON ACTIVE SECURITIES.

British and Colonial Government Securities.

	Closing Prices April 25.	May 2.	Rise or Fall.
Conv. Loan 3½%	77⅛	77⅛	...
Do. 4½% 1944	98½	98½	...
War Loan 5% 1929-47	103⅛	100⅛x	+ ⅛
Consols 2½%	55	54½	— ½
Do. 4%	86⅛	86⅛	— ⅛
Funding 4%	88⅛	88⅛	+ ⅛
Victory Bonds 4%.....	92⅛	92⅛	— ⅛
Local Loans 3%.....	64	64	...

	Closing Prices April 25.	May 2.	Rise or Fall.
Treasury 5% (B) ...	99⅛	99⅛	...
Canada 4% 1940-60	89	89	...
S. Africa 5% 1945-75	103	103	...
India 3½%	68⅛	68	— ⅛
Do. 4% 1958-68..	89½	89½	— ½
Australia 5% 1945-75	99	99	...
N.S.Wales 5%1935-55	96	96	...
N. Zealand 5% 1946	103	103	...

Foreign Government Securities.

Japanese 6% (1924) ..	9b½	96½	...
Argentine 4% Reciss..	85	85	...
Austrian 6% 1923-43..	102	101⅜	— ⅛
Belgian 7%	109	106⅛x	+ 1
Brazil 6½% (1927)	95	92½	— 2½
Bulgaria 7%.....	86	86	...
China 5% (1912)	46	45½	— ½
Czechoslovakia 8%....	111	111	...
Egypt Unified 4% ...	84½	82½x	...
French 5%	20	20⅜	+ ⅜
Do. 4% (Brit.).....	17⅞	17⅞	— ⅛
German 7%	103½x	102½	— 1
Greek 7% Refugee ..	103	100x	+ ½
Hungary 7½%	102	101⅜	— ⅛
Chili 6%	96½	96½	...
Poland 7%	88	87½	— ½
Mexican 5% (1899)	31	31	...
S. Paulo Coffee 7½%	103	102	— 1

Corporation Stocks.

L.C.C. 3%	63	63	...
E. London 5% 1960-70	98	98	...
Sydney 5½% 1954 ...	98½	98½	...
Berlin 6% Ster.	94	93	— 1

British and Foreign Railways.

G. Western Ord. Stk...	85	84	— 1
L.N.E., Def. Stk.....	13½	12½	— ½
Do. 5% Pref. Stk...	29	28½	— ½
L.M.S. Ord. Stk.	54	52½	— 1½
Metropol'an Cons. Stk.	60½	60	— ½
Met. District Ord. Stk.	76	76	...
Southern Def. Stk. ...	31⅜	31⅜	— ⅛
Do. Pref. Ord. Stk.	74⅜	74⅛	— ¼
Underground Ord. £1	1⅛	1⅛	— ⅛
Do. Income Bonds..	112	112	...
Can. Pacific Com. Stk.	246½	248½	+ 2
Antofagasta Ord. Stk.	97½	99	+ 1½
B.A.&Pacific Ord.Stk.	100	100½	+ ½
B.A.Gt.Sthn.Ord.Stk.	107½	107	— ½
B.A.Western,Ord.Stk.	92⅛	92⅛	+ ⅛
Beira Ord.....	1⅛	1⅛	+ ⅛
C. Argentine Ord.Stk.	96½	96½	— ½
Cordoba Ord. Stk. ...	39	38½	— ½
G.W. of Brazil £10 ...	4	3⅞	— ⅛
Leopoldina Ord. Stk.	60	60	...
San Paulo Ord. Stk.	213	212	— 1
Utd. Havana Ord. Stk.	40	39½	— ½

Banks.

Bank of England Stk.	252	252	...
Barclay B. (£1).....	2⅛	2⅛	— ⅛
Barcl.(Dom., &c.) A £1	1½	1½	...
Lloyds £5, with£1 pd.	3⅞	3⅞	— ⅛
Midland £1, fully pd.	3⅜	3⅜	...
Nat. Prov. £20,£4pd.	14	13⅜	— ⅛
Com.Bk of Austr. 10/	1⅛	1⅛	— ⅛
Hongk. and S.($125)	134	133	— 1
St. of S. A.£20,£5 pd.	15½	15⅜	+ ⅛
W'minster £4, £1 pd.	3⅛	3⅛	— ⅛

Insurance.

Alliance £1, fully paid	21	20⅞	— ⅛
Com. Un. £2½, fully pd.	27	26½	— ½
Ldn.& Lanc. £5, £1 pd.	31½	31½	...
N.B.&Merc.£5,£1½pd.	37⅛	37⅛	— ⅛
Phœnix £1.....	14⅛	14⅛	— ⅛
Roy.In.£1,with10/ pd.	8⅜	8⅜	...

Coal, Iron and Steel.

Amal. Anthracite (£1).	⅛	⅛	...
Babcock, Wilcox (£1)	3⅛x	3⅛	— ⅛
Baldwin (4/).....	⅛	⅛	...
Bolckow Vaughan (£1)	⅛	⅛	...
Cory, William (£1)	2⅛	2⅛	...
Dorman, Long (£1) ...	⅛	⅛	...
Guest, Keen (£1)	1⅛	1⅛	...
Powell Duffryn (£1).	⅛	⅛	— ⅛
Stewarts&Lloyds(£1)	1⅛	1⅛	...
Swan, Hunter (£1) ..	1⅛	1⅛	— ⅛
Thornycroft,John(£1)	4⅛	4⅛	+ ⅛
Vickers (6/8)	⅛	⅛	...

Textiles.

Bradford Dyers (£1)..	2⅛	2⅛	...
Brit.Celanese,Ord.(10/)	1⅛	1⅛	+ ⅛
Coats, J. and P. (£1)...	3⅛	3⅛	...
Courtaulds.....	4⅛	4⅛	— ⅛
Eng.Sewg.Cotton(£1)	2⅛	2⅛	...
Fine Cott.Spinn.(£1)	2⅛	2	— ⅛
Listers (£1)	1⅛	1⅛	...
Snia Viscosa (200 lire)	1⅛	1⅛	...

Electrical Manufacturing.

Associated Elec. (£1)	2⅞	2⅞	+ ⅛
British Insulated (£1).	4⅛	4⅛	...
Ever Ready (G.B.)(5/)	1⅛	1⅛	...
General Electric(£1)	3⅛	3⅛	— ⅛
Johnson&Phillips(£1)	1⅛	1⅞	+ ⅛
Siemens (£1)	1⅛	1⅛	— ⅛

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅛	1⅛	— ⅛
City of London (£1) ...	1⅛	1⅛	+ ⅛
County of London (£1)	2⅛x	2⅛	— ⅛
Hydro-Elec. com. stk.	36	35	— 1
Lancashire Elec. (£1)	1⅞	1⅞	...
Newcastle-on-Ty(£1)	1½	1½	...

Gas.

Gas Light & Coke (£1)	⅛	⅛	...
Imp. Continental Stk.	441	440	— 1
Primitiva (£1)	1⅛	1⅛	+ ⅛
S. Metropolitan Stk.	105½	105½	...

Telegraphs and Cables.

Eastern Stk.....	278½	278½	...
Eastern Exten. (£10)..	27½	27⅜	...
Marconi (10/)	4⅛	4⅛	...
Marconi (£1).....	5⅛	5	— ⅛
Marconi Marine (£1)	3⅛	3⅛	— ⅛
Western Tel. (£10)...	28	27⅞	— ⅛

Motors.

Dennis (1/)	2⅛	2⅛	...
Ford Motors (£1).....	3⅛	3⅛	...
Leyland (£1)	2⅛	2⅛	...
Morris 7½%Cm.Pf.(£1)	1⅛	1⅛	...
Rover (£1).....	⅛	⅛	...
Singer (£1).....	1⅛	1⅛	— ⅛

Shipping.

Cunard (£1).....	1½	1½	...
Furness Withy (£1) ...	2	1⅞	— ⅛
P. & O. Defd. (£1) ...	2⅛	2⅛	...
Royal Mail Ord. Stk.	69	69	...

Tea and Rubber.

Anglo-Dutch (£1)	1⅛	1⅛	— ⅛
Cons.Tea & Lnds,(£10)	35⅛	35⅛	...
London Asiatic (2/)..	⅛	⅛	...
Rubber Trust (£1) ...	2⅛	2⅛	— ⅛

Oil.

Anglo-Persian (£1)	4⅛	4⅛	— ⅛
Attock (£1)	3⅛	3⅛	— ⅛
Burmah Oil (£1).....	4⅛	4⅛	— ⅛
Canadian Eagle no par	⅛	⅛	— ⅛
Lobitos (£1).....	2⅛	2⅛	...
Mexican Eagle(£1/0/6)	⅛	⅛	...
Royal Dutch (£5⅛) ..	32⅛	32⅛	— ⅛
Shell (£1)	4⅛	4⅛	...

Miscellaneous.

Aerated Bread (£1)...	1⅛	1⅞	— ⅛
Assoc. P. Cement (£1)	1⅛	1⅛	— ⅛
Braz. Traction, no par	59½x	59x	— ½
Brit.-Am.Tobacco(£1)	6⅛	6⅞	— ⅛
Carreras,"A"Ord.(£1)	14⅛	14⅛	...
Columbia Graph.(10/)	15⅛	16⅛	+ ⅛
Crittall (£1)	2⅛	2⅛	...
Dunlop (6/8)	⅛	⅛	...
Forestal Land (£1).....	1⅛	1⅞	— ⅛
Gramophone Co. (£1)..	16⅛x	17⅛	+ ⅛
Harrods (£1)	3⅛	3⅛	— ⅛
Hudson's Bay (£1).....	6	6	...
Imp. Airways(£1 15/p)	1⅛	1⅞	— ⅛
Imp. Chem., Ord. (£1)	1⅛x	1⅛	— ⅛
Imperial Tobacco(£1)	6⅛	6⅛	— ⅛
Inter. Nickel of Can..	50⅛	52⅞	+ 2⅛
Kreuger & Toll (Kr.100)	36	34	— 2
Lever 7% pref. £1....	1⅛	1⅛	...
Lyons (J.) (£1)	5⅛	5⅛	— ⅛
Margarine Union (£1)	4⅛	4⅛	...
Pinchin Johnson (10/)	2⅛	2⅛	...
Swed.Match,15(kr100)	21⅛	20⅝	— ⅛
Tate and Lyle (£1) .	2⅛	2⅛	...
Tilling, Thomas (£1)	5⅛	5⅜	+ ⅛
Turner & Newall (£1)	5⅛	4⅞	— ⅛
United Molasses (£1)	6½x	6⅝	+ ⅛
Vocalion (10/)	3	2⅞x	...
Watney Combe Dt.(£1)	3⅛	3⅛	...

Mines.

Anglo-Amer.of S.A.(£1)	1⅛	1⅛	...
De Beers Def. (£2½)....	13⅛	13⅛	— ⅛
Brakpan (£1)	4⅛	4⅛	— ⅛
"Chartered" 16/1.p..	1⅛	1⅛	— ⅛
Burma Corp. (Rs.10)	⅛	⅛	...
Bwana M'Kubwa,5/p	⅛	⅛	— ⅛
Central Provinces (£1)	4⅛	4⅛	...
Geduld (£1)	3⅛	3⅛	— ⅛
Johan. Cons. (£1) ...	2⅛	2⅛	— ⅛
Lake View & Star (4/)	⅛	⅛	— ⅛
London Tin (£1).....	3⅛	3⅛	— ⅛
Rio Tinto (£5)	60	58⅝x	...
RoanAntelopeCpr.(5/)	2⅛	2⅛	— ⅛
Sub-Nigel (10/)	1⅛	1⅛	+ ⅛
Tanganyika (£1)	3⅛	3⅛	+ ⅛
UnionCrp.(12/6)fu.pd.	4⅛	4⅛	— ⅛

connected. The market finds a reason for recovery in the gravity of the recent fall, which, after continuing for several months, has brought French stocks on to levels which are regarded as attractive. Bank, motor-car and mining shares have shown the greatest heaviness lately. Rio Tinto was somewhat affected, influencing Tharsis and Huelva. Selling of rubber shares was in evidence, and prices of the leading arbitrage counters were appreciably lowered.

	Apl. 25.	May 2	Rise or Fall.
3% Perp. Rentes	74·00	74·10	+0·10
5% Rentes, '15–16	99·80	100·45	+ 0·65
5% Rentes, 1920	119·35	120·35	+1·00
Banq. de France	25,550	25,120	— 430
Banq. de Paris...	3,340	3,350	+ 10
Crédit Lyonnais ..	3,100	3,150	+ 50
Nord	2,550	2,620	+ 70
Com. Gen. d'Elec.	3,610	3,625	+ 15
Littoral Médit. ...	1,365	1,385	+ 20

	Apl. 25.	May 2.	Rise or Fall.
Mines de Lens ...	1,362	1,356	— 6
Courrières	1,600	1,627	+ 27
Pechiney	3,670	3,705	+ 35
Kuhlmann	1,175	1,192	+ 17
Com. Gen. Trans.	1,291	1,285	— 6
Suez Canal	25,650	25,710	+ 60
Assur. Gen. Vie	14,525	14,100	— 425
Denain et Anzin	3,160	3,375	+ 215
Dollfus. Mieg. ...	12,700	13,200	+ 500

BERLIN.

A week ago the Bourse was showing some signs of recovery, though the average price of stocks was the lowest reached this year. Home capital seemed nervous, but the banks deny that there was any considerable foreign selling. In spite of dear money, the new week began with a general recovery, due to the improvement in the exchange position; high-priced active stocks gained up to 12 points, while a revival took place in bonds also, particularly in the "new-owned" valorised loan, which two years ago was quoted at 21, and last week was down to 10. Dealing on Tuesday was at first active and firm, but a decline in Polyphon, which temporarily dropped 19 points, led to realisations. The following day, dullness preceded a firm close, and the next morning a general rise occurred, only to be met by a reaction on fears of a new advance in the discount rate.

	Apl. 25.	May 2.	Rise or Fall.
Reichsbank	302·50	300·38	— 2·12
Deutsche Bank...	163·25	160·50	— 2·75
Disconto Bank ...	155·50	151·75	— 3·75
Hamburg-Amer.	117·25	122·75	+ 5·50
Norddeut.-Lloyd	111·75	113·75	+ 2·00
I.G. Farbeninds...	239·00	247·00	+ 8·00
Verein. Glanztff...	426·00	439·00	+ 13·00
Bemberg	330·25	338·50	+ 8·25

	Apl. 25.	May 2.	Rise or Fall.
Verein. Stahlke...	90·50	91·00	+ 0·50
Mannes Rohrke...	113·00	114·38	+ 1·38
Allgemne. Elekt..	164·50	167·75	+ 3·25
Siemns. & Halske	369·25	369·75	+ 0·50
Daimler Benz. ...	57·00	56·00	— 1·00
Cont. Caoutchuc.	162·75	163·63	+ 0·88
Salzdetfurt. Kali	364·50	378·50	+ 14·00

AMSTERDAM.

The rate for prolongation advancing to 6½ per cent., transactions consequently remained restricted, especially in foreign shares, yet in spite of the slight volume of business the general tone, especially among industrials, was a steady one. Philips shares benefited by the very favourable 1928 report, and Margarine Unie were firm. After a reaction, artificial silks gained strength on the agreement between Enka and Breda Silk. Tobaccos made an improved showing, but rubbers eased and oils reacted. Sugars scarcely moved, but shipping shares were irregular. The new Dutch Ford Motor Company shares, the issue of which was 600 times oversubscribed, are quoted at 220-245. At the time of going to press, the Bourse was still dull.

	Apl. 25.	May 2.	Rise or Fall.
5% Bds. Neth., '18	101⅛	101⅛	+ ⅛
4½% Ams. 1913–14	97⅛	97⅛	+ ⅛
Margarine Unie ...	419½	420⅜	+ ⅞
Neth. Art. Silk ...	348	367	+ 19
Philips El. Lamp.	885⅛	907½	+ 21⅞
Singkep Tin.....	291	285	— 6
Royal Dutch	393½	393½	+ ⅛
Amst. Rubber.....	255½	257½	+ 2

	Apl. 25.	May 2.	Rise or Fall.
Serbadjadi Sm.R.	193	195	+ 2
Holl. Amer. Line	65½	65½	...
Navig. Co., Ned.	204½	204½	...
Vorstenlanden ...	162½	162½	...
Trading Co., Ams.	639½	636½	— 3⅛
Besoeki	510	500	— 10
Deli	417½	417½	— ⅛
Neth. Trad. Soc.	181⅛	186⅝	+ 5⅛

INVESTMENT NOTES.

British Control of British Companies.—The latest addition to the ranks of British concerns which deem it advisable to take special measures to ensure the permanence of British control is the Rubber Plantations Investment Trust, the 1928 report of which is discussed on a later page. At next Wednesday's meeting, two resolutions will be submitted to the shareholders, the first limiting voting rights to British citizens and corporations, the second providing that no foreigners shall be eligible as directors without the approval of a majority of the board. Thus the Rubber Trust has elected to follow what may not unfairly be cited as the "General Electric" method of allowing foreigners to acquire as many shares in the company as they may see fit, provided they are willing to pay the market price, but divesting those shares, automatically upon their purchase, of all rights of control over the company's policy. The alternative method, of which the Marconi International Marine may be regarded as the leading protagonist, forbears to tamper with the rights of any class of share, but lays down a limit (say, of 25 per cent. of the whole) beyond which foreign shareholders may not go. So soon as the maximum has been reached, the "foreign register" is closed, and while British subjects may, presumably, acquire shares on the "foreign register," non-British subjects may not invade the territory of the "British register." From the point of view of pure expediency, the second method would seem the more advantageous. The company concerned knows just where it stands, at any given moment, as regards its foreign shareholding, and need not fear the contingency that, should non-British holders acquire a very large majority of the total shares, it may prove impossible in practice to deny them all part in the company's affairs. Minority rule is extremely difficult to maintain indefinitely, whatever articles of association may lay down. The whole question of the intrusion of quasi-nationalistic conceptions into British company practice clearly demands systematic consideration. The London Stock Exchange, which has always attached high importance to its position as a free international market, recognises that a fair political case may be made out for the retention of British control over such concerns as Imperial Airways or Marconi International Marine, which were among the first to limit "foreign" rights or participation, but is becoming somewhat uneasy as the list tends to increase, and its scope to widen. It would seem that American interest is likely to spread, in the near future, to other British companies, which offer sound investment possibilities, and in that event the purely empirical treatment which the question has so far received will scarcely be found satisfactory.

Stock versus Shares.—A hardy Stock Exchange annual, the question of stock *versus* shares, has been revived by the decision of Lever Brothers, announced at the annual meeting on April 18, to consolidate their 68,000,000 shares into stock, on the ground that this would save the company something like £50,000 a year in clerical charges. The Stock Exchange generally prefers dealing in shares to dealing in stock, on the ground that the quotation of stock in units of £100, by frightening off small buyers, tends to limit its marketability, and hence to result in lower prices, over a given period of time. In point of fact, stock should be more rather than less "marketable" than shares, since, in theory at any rate, it is possible to deal in broken amounts of stock,—for example, £388 7s. 11d.—whereas only complete shares can be bought and sold in the ordinary way. There is, however, a certain force in the Stock Exchange contention that so far as the "activity" of a particular security is concerned, the important consideration is not so much the actual facts, as the way people habitually regard those facts. The question has another aspect, since, under British company law, shares must carry distinguishing numbers, a necessity which does not arise in the case of stock. The Stock Exchange has officially recorded its view that the numbering of shares is of tangible value for identification purposes, and affords protection both to those who hold securities and those whose business it is to buy and sell them. Company accountants, and the accounting profession generally, are apt to declare, on the other hand, that the actual protection afforded, if not altogether illusory, is insufficient to warrant the very large amount of clerical work involved in entering and checking up the numbers in company records. If, as the chairman of Lever Brothers suggested, present requirements in this respect are regarded as so onerous that certain British companies, with 1,200,000 shareholders and a total capital of nearly £450,000,000, in default of a change in the law as it stands, are seriously considering the conversion of their shares into stock, the matter would seem destined to become much more than an academic question. The alleged drawbacks of the quotation

of stock prices on a £100 basis, can, of course, be readily overcome by the expedient, recently adopted in the case of P. and O. deferred stock, of quoting in terms of "£1 units." Here, however, a difficulty arises, since Stock Exchange commissions are invariably higher as regards share than as regards stock transactions—largely on account of the extra work involved by the numbering of shares. Whether the "House" would face with equanimity the considerable reduction in its gross revenue which would follow conversion on a large scale of existing shares into stock quoted in £1 units, despite the disappearance of "numbering," is another question. It may be recalled that the Home Railway companies have within the last few months categorically refused to consider the adoption of the "£1 unit" system in the case of their outstanding stocks.

Stamp Duty on New Issues.—Proposals have been put forward by representatives of the British Empire Producers' Organisation, the Federation of British Industries and the National Union of Manufacturers for a modification of the stamp duty payable on issues of securities by companies and public bodies in British Dominions and Colonies. The present position is that all issues in the form of bonds and certificates to bearer have to pay a stamp duty of £2 per cent. and transfers of registered securities a duty of £1 per cent. A preference is given to Colonial Governments and municipalities, the stamp duty on bearer securities of which is only 5s. per cent., but no preference is accorded to companies and other bodies intending to operate in the Dominions or Colonies. It is in order to encourage the flow of capital for Empire enterprises that the following suggestions have been put forward: (1) To all local boards established by Act of Parliament and commercial and industrial enterprises in British territory in respect of issues of securities "to bearer," a reduction of stamp duty should be made to the extent of 1 per cent.; (2) On all municipal issues in British Dominions and Colonies a reduction to the extent of 10s. per cent.; (3) In the case of compounding for stamp duty by county councils or companies in British territory a reduction to the extent of 50 per cent. of the amounts now in force. These suggestions will be welcomed generally as being an inducement to enterprise in the new issue market. In a pamphlet* recently issued on the subject of "Imperial Finance" the suggestion was made that the stamp duty on Foreign Government issues "to bearer" should be reduced from £2 per cent. to £1 per cent., and that on Colonial Government issues increased from 5s. per cent. to £1 per cent. This suggestion was apparently designed to whittle away the preferences accorded to Dominion Governments over other borrowers in the London capital market, in view of the heavy borrowing of certain Dominion authorities, but the authors were careful to point out that since the war the amounts raised in the London capital market for general business purposes in the Empire overseas had declined. There is no doubt that the proposed reduction in stamp duties would do something to encourage commercial enterprise in this direction.

Companies Consolidation Bill.—Thanks largely to the Government's decision to treat the Companies Consolidation Bill as a measure to be passed before the dissolution of the present Parliament, the Bill was rescued last week, like a brand from the burning, from the Joint Consolidation Committee, to which it had been referred six weeks earlier, upon its second reading in the House of Lords. After a rapid passage through its intermediate stages, the measure received its third reading in the Commons on Monday, after the Government's representative had thanked the Opposition for their assistance in carrying the Bill through Committee. The measure comprises a complete code of statutory law regarding public companies, consolidating the Acts of 1908, 1913, 1917, and 1928. Its progress has been followed with keen interest mainly because the changes in British company law, made in the Act of 1928, have awaited its passage before coming into operation, apart from certain provisions which have received special treatment under Orders in Council. It now appears that, if no unexpected contingency is encountered, the measure will come into operation not later than November 1st next, though the Government spokesman refused definitely to commit his Department to this or any other date. Among the far-reaching changes in company practice, embodied in the 1928 Act (which have been discussed at length in earlier issues of the *Economist*), the provisions as to the setting-out of balance sheet particulars appear likely to be of definite assistance to investors, the documents drawn up in the new form by such companies as Vickers having been favourably commented on in this respect. The circumstances of the passage of the Consolidation Bill reflect credit on the skill of Parliamentary draughtsmen and the efficiency of the Government's "machine" rather than on the adequacy of the present organisation of the House of Commons, where close examination of crucial but highly technical measures is called for.

* "Imperial Finance," by S. Russell Cooke and E. H. Davenport. (London.) London General Press.

Associated Electrical Industries.—In November last Metropolitan-Vickers acquired controlling interests in British Thomson-Houston, Edison and Swan, and Ferguson Pailin. The prospects for the British electrical industry were discussed at the time in the *Economist* (vol. cvii, page 806). The latest report of Metropolitan-Vickers, under its new style of Associated Electrical Industries, shows the proper additions to the balance sheet, but the trading results presented apply to the original company only, and scarcely differ from those of the previous year. The directors point out that competition was exceptionally severe, but the 1928 output was again a "record," and the inflow of new orders greater than in 1927:—

Years ended December 31.	1926. £	1927. £	1928. £
Profit*	273,646	254,748	258,772
Debenture interest	41,454	41,454	41,454
Depreciation	52,517	53,182	56,655
Net earnings*	179,675	160,112	160,663
Preference dividend*	78,915	78,915	78,915
Number of times covered	*2·2*	*2·0*	*2·0*
Ordinary — *Earned*	*11⅛%*	*9%*	*9%*
Ordinary — paid, less tax	8%	6%	6%
Ordinary — *Amount of dividend**	72,765	54,574	54,574
To general reserve	25,000	25,000	25,000
Increase in carry-forward.....	2,995	1,623	2,174

* Tax deducted.

At the time of the fusion an additional 1,136,950 £1 ordinary shares were offered to shareholders at 25s., and these, with 1,152,084 ordinary issued to British Thomson-Houston and £25,000 of deferred shares converted into a like amount of ordinary, will rank for a full year's dividend in respect of 1929. The acquisitions appear in the balance sheet at cost, £1,152,084 for the B.T.H. shares and £980,031 (which was paid in cash) for Edison Swan and Ferguson Pailin. Gross assets have increased by rather more than the sum of these two, from £5,892,829 to £8,458,294. A temporary loan of £700,000 appears on one side of the balance sheet, and "amounts owing by subsidiary companies, £711,330" on the other. A welcome improvement is the total separation of investments in subsidiary and in other companies. The general reserve now amounts to £575,000, and £101,851 is carried forward. Associated Electrical shares have enjoyed a big rise in the last few weeks, presumably on talk of another amalgamation. Even allowing for the benefits to be anticipated from the fusion, the extent of the rise can scarcely be justified on the score of the earnings of the four companies; from the average profits of the four for the years 1924-7, the amount available for dividends on Associated Electrical ordinary shares would be £293,447 before deducting tax, but the number of those shares ranking for dividend this year is almost trebled, so that a distribution at the 6 per cent. rate will require some £205,000. The profits of B.T.H., according to its report published last week, re-

main unsatisfactory. But Associated Electrical shares, at 32s. 6d. a month ago, now stand at about 51s., their apparent yield being no more than £2 7s. on last year's dividends and £3 14s. on last year's earnings.

Rubber Plantations Investment Trust.—The report for 1928 shows that slightly less than 12½ per cent. was actually earned last year, and that to maintain a distribution of 15 per cent., the dividend equalisation reserve was reduced from £150,000 to £100,000.

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Profit	416,502	352,953	310,564
Taxation reserve	60,000	34,000	67,580
Written off for amortization	11,650	11,700	11,900
Loans reserve account	...	20,000	...
Dividend { *earned*	*18·4%*	*15·4%*	*12·4%*
Dividend { paid, less tax	16%	15%	15%
Dividend { amount	288,000	270,937	270,000
Directors' extra remuneration	9,000	8,438	8,438
Dividend equalisation reserve	50,000	...	*Dr. 50,000*
Increase or decrease in carry-forward	− 3,148	+ 7,878	+ 2,646

A temporary loan of £125,000 makes a new feature on the liabilities side of the balance sheet, while, opposite, "loans, less loans reserve" are up from £126,333 to £177,644, and "stocks" from £54,921 to £101,676. Securities stand at £2,504,640 against £2,472,374, but the composition of the holding has been significantly altered in the twelve months. Investments in rubber now account for 45 per cent. of the whole instead of 36 per cent., and British Goverment securities for only 18 against 27 per cent. The Trust has apparently sold £250,000 of Consol Fours, £100,000 of 3½ per cent. Conversion Loan, and taken cash for £50,000 of War Bonds redeemed in 1928, in order to buy rubber shares at an attractive level—but not, evidently, at their cheapest, for the market value of the whole portfolio of investments had fallen from £3,898,314 on December 31, 1927, to £2,856,004 twelve months later—a decline of over 26 per cent. In view of the instability of present rubber prices and the possibility that some rubber companies may experience a further shortage of profits this year, for reasons which we discussed in these columns a fortnight ago (page 863), Rubber Trust shareholders will regard with satisfaction the company's possession of £821,179 of reserves. At their present price of 42s. the £1 shares yield £7 2s. 9d. per cent., less tax. The directors' proposal to exclude non-British shareholders from voting rights is discussed in a note above.

Spillers.—For the year ended January 31st last this Cardiff milling combine failed to maintain the substantial improvement shown in the previous twelve months, following a scheme of reorganisation. The increase in the distribution on the ordinary shares (from 5 to 7½ per cent.), however, should be read in the light of the fact that a year ago more than half the earnings were retained in the business; this year's earnings still exceed the dividend by over 1 per cent. The board would seem to be of the opinion that for the time being a sufficiency of reserves has been accumulated.

Years ended January 31.	1927.	1928.	1929.
	£	£	£
Profit	80,741*	208,646	176,668
Preference dividend	54,865	55,745	54,865
Number of times covered	*1·4*	*3·7*	*3·2*
Ordinary { *Earned*	*1¾%*	*10½%*	*8½%*
Ordinary { paid	Nil	5%	7½%
Ordinary { amount of dividend	...	72,436	108,654
Co-partnership shares, dividend	...	475	712
Increase in carry-forward	25,876	79,991	12,437

* Including unstated amount credited from taxation account.

The total of gross assets in the balance sheet is virtually unchanged, but stocks are £368,496 higher at £2,163,375, whereas cash is down from £344,074 to £110,224. As 1s. 6d. per share has been written off the shares of the British Oak Insurance Company, in which Spillers are the principal shareholders, £50,000 has been transferred from contingent reserves to provide for the difference. Since the reorganisation in 1927, Spillers has been mainly a trading company, but holdings in subsidiary and allied companies, of which Spillers Overseas Industries is the chief, still account for some £1,700,000 of its assets. The general position is liquid. During the past year three further businesses were acquired, while the entire capital of the Vancouver Milling and Grain Company passed into the hands of Spillers Overseas Industries. Whereas the share and loan capital amounts to £4,381,924, the reserves and the carry-forward aggregate £3,310,541. There are also contingent reserves of £238,740. At 24s. 9d. the £1 ordinary shares yield £6 1s. 0d. The deferred shares, stimulated from 7s. 3d. to 8s. 3d. by the report, are not eligible for dividend until 15 per cent. has been paid on the ordinary.

Forestal Land.—The new Forestal Land report explains that though 1928 started full of promise, the price of hides fell, and the leather industry found itself overstocked at high prices. Consequently there was a considerable falling-off in the demand for tanning material in general and for the tanning extracts which the company manufactures. "The ultimate recovery to which the board look forward with confidence must be a question of time," and therefore they have certainly acted wisely in not straining to maintain the ordinary dividend at the rate to which it was raised a year ago. In the table below net earnings are shown after charging depreciation, provision for income tax, and all expenses, but though the apparent fall in 1928 is £79,381, the true fall is only £14,303, as a year ago the profits were swollen by a windfall of £65,078 credited from exchange adjustment account. This explains why the allocation to reserve is now only £50,000, against £125,837 a year ago. The actual trading profit in 1928 fell from £851,854 to £837,702, a difference of £14,152.

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Net earnings	406,397*	571,929†	492,548
Preference dividend	111,951	111,951	111,951
Number of times covered	*3·6*	*5·1*	*4·4*
Ordinary { *earned*	*7·9%*	*12·4%*	*10·2%*
Ordinary { paid, less tax	7½%	9%	7½%
Ordinary { amount of dividend	278,163	333,795	278,163
To reserve	17,776	125,837	50,000
Increase or decrease in carry-forward	−1,493	+346	+ 52,434

* Including £19,373 from release of sundry reserves.
† Including £65,078 from exchange adjustment account.

Changes in individual items of the balance sheet are small, but the general impression is one of increased liquidity. The reserve account now amounts to £1,550,000, and the carry-forward, benefiting by the reduction of dividend, to £253,451. A rise of £260,000 in the item "debtors and debit balances," set off against a reduction of £70,000 in "creditors," is noteworthy. The extent of the slump which the shares suffered on the announcement of the reduced dividend, before the full report was available, was perhaps unwarranted. They are now priced at £1 3/16, with a yield of £6 10s. 0d., allowing for the dividend accrued.

International Holding and Investment Company.—The satisfactory feature of the directors' report of the International Holding and Investment Company for the period ending December 31, 1928, is that the depreciation on the company's holdings, which, in view of the slump in artificial silk, has naturally been heavy, has been more than covered by the reserve and unappropriated surplus. The report deals with the company's operations from its formation in Canada in August, 1927, to take over the assets of the International Holding and Investment Company. These assets consisted mainly of holdings in the artificial silk and public utility industries, and in a statement issued by the advisory committee last year—consisting of the late Captain Alfred Loewenstein, Major Albert Pam, of Messrs. J. Henry Schröder, and Mr Szarvasy, of the British, Colonial and Foreign Corporation—it was reported that the company's investments at market prices at May 26, 1928, were as follows:—In artificial silk companies' shares, $41,664,000; in public utilities' shares, $13,826,000; in U.S.A. railroad shares, $2,860,000; in miscellaneous investments, $6,320,000; making a total of $64,670,000.

During the year 1928 the company participated in the formation of the Société Internationale de la Soie Artificielle ("Fisa"), of Paris, guaranteeing a dividend on the "A" shares of 200,000,000 francs at 6 per cent. per annum for 30 years, and subscribing and holding all the "B" shares of 30,000,000 francs, and the greater part of the 100,000 founders' shares of no par value. The company also acquired a large interest in the Hydro-Electric Securities Corporation of Montreal. The present report gives the following distribution of investments as at December 31, 1928, at cost:—In artificial silk shares, $27,788,722; Fisa "A" and "B" shares, $1,749,805; Hydro-Electric Securities Corporation Preferred and Common shares, $12,982,762; U.S.A. railroad shares, $991,043; U.S. and other chemical shares, $1,496,613; miscellaneous securities, $1,071,848; making a total of $46,080,793. The company's principal investments in artificial silk were in the following enterprises:—Tubize (Belgium, France, U.S.A.), Enka (Holland), Glanzstoff (Germany), Bemberg (Germany), Tomaszow (Poland). On account of the depressed state of the artificial silk industry the artificial silk holdings show a substantial depreciation as at December 31, 1928, as compared with the original cost. The directors have therefore provided $5,000,000 for depreciation from the surplus account, which was sufficient to write down the investments to below the market value or, in the case of securities without a market quotation, to a value less than the directors appraised. Since December 31, 1928, there has been a further shrinkage in the value of some of the company's artificial silk holdings, but the directors state that the unappropriated surplus account is substantially greater than the amount of such depreciation, and that no reference is contained in the accounts to the value of options entitling the company on or before January 1, 1931, to subscribe to 529,756 Hydro-Electric Securities common shares at $25 per share, the present market price being $34. The company's income from its incorporation to December 31, 1928, excluding certain exceptional income, and after allowing for formation expenses, was $6,305,334. In the early part of 1928 the company's preferred stock was retired. On May 29, 1928, the 500,000 shares representing the then authorised common capital stock were subdivided into 5,000,000 shares of no par value, and at December 31, 1928, 4,882,530 shares were oustanding. The company paid the then outstanding preferred stock dividends, which absorbed $37,332, and $2.25 dividend per old common share, equivalent to 22½ cents per present subdivided share. These preferred and common dividends absorbed $888,422. After allowing for a transfer of $275,000 to the syndicate participation account and a transfer of $5,000,000 to the investment reserve account, as a provision for their depreciation as at December 31, 1928, there was a balance of $141,912 in the company's surplus account. In addition to its net income profits of $13,134,610 of an exceptional nature have been realised, of which $6,701,300 has been transferred to capital, the balance, $6,433,310, remaining unappropriated in the surplus account. The total surplus account is therefore $6,575,222, which is an amount sufficient to cover the depreciation since December 31st in the company's artificial silk holdings.

Islas del Guadalquivir, S.A.—The proposal to issue, forthwith, some 200,000 (out of 300,000) ordinary shares of 100 pesetas each, for purposes described in the *Economist* of March 30th last (page 698), has proved abortive owing to the absence of a quorum of shareholders at the extraordinary general meeting convened in Seville for April 15th. The issue has now, apparently, been abandoned, and instead it will be proposed, at the adjourned meeting on Monday next, that 300,000 7 per cent. notes of 100 pesetas be created, convertible at holders' option into ordinary shares, par for par, up to 1935, and redeemable at par between 1939 and 1979. Subject to the passing of the necessary resolutions, 200,000 of these notes will be offered forthwith at 105 to holders of founders' shares on the basis of one note per share. In our earlier discussion of the company's prospects we intimated that a fuller statement would be welcomed as regards the suitability of the river water passing through the company's estates for irrigation and for drinking purposes, in view of the report that the water at that point was of a tidal character. We are, therefore, happy in recommending to our readers a perusal of the letter printed on page 986, in the course of which Dr. J. A. Hanley, Principal of the Cirencester Royal Agricultural College, comments on the results of various analyses, which show that, while the water in question has a certain salt content, the latter is less than one-fiftieth of that of sea-water. Dr. Hanley's definite statement that the water is suitable for irrigation will be reassuring to shareholders who had formerly been far from clear in their minds on this all-important point.

New Capital Issues in April.—In the table below we show the new capital raised in London by issue to the public or shareholders in April; comparative figures for the previous months and for the corresponding months of 1928 are given, together with the monthly averages for preceding years:—

(000's omitted).

Monthly Average.	United Kingdom.		British Possessions.	Foreign Countries.	Total.
	£		£	£	£
1912 and 1913	3,387		6,199	7,388	16,974
1924	7,051		6,023	4,370	17,444
1925	12,918		5,077	1,356	19,351
1926	10,765		4,431	4,036	19,232
1927	17,240		8,318	4,039	29,597
1928	21,965		5,263	3,526	30,754
	Govt.	Other.			
January, 1928	*86,861*	*12,802*	*10,055*	*6,188*	*115,906*
February, 1928	*Dr. 250*	*24,972*	*2,471*	*297*	*27,490*
March, 1928	*Dr. 900*	*10,872*	*9,077*	*6,549*	*25,598*
April, 1928	*Dr. 250*	*10,707*	*4,523*	*980*	*15,960*
January, 1929	650	14,080	24,897	2,983	42,610
February, 1929	950	22,427	372	1,760	25,509
March, 1929	250	19,763	1,122	7,699	28,834
April, 1929	*Dr. 150*	25,558	3,686	1,865	30,959

The British Government figures since the beginning of the year are wholly attributable to the difference between sales and encashments of National Savings Certificates. Of the £25,558,000 raised by miscellaneous companies for use primarily in the United Kingdom, offerings by Imperial Chemical Industries to its shareholders accounted for no less than £15,150,000, and a similar offer by United Molasses for another £1,667,000, prospectus issues showing a significant falling off. The largest industrial issue to the public, in fact, that of the Lancashire Electric Light and Power Company, involved a cash subscription of £810,000. In the "British Possessions" section a loan of the Melbourne and Metropolitan Board of Works was the first instance of borrowing by a Dominion Corporation since last October. The month was not altogether a happy one for underwriters, who were left with 84 per cent. of £1,600,000 Agricultural Mortgage Bank of Colombia bonds, 87 per cent. of £175,000 for the London Clinic and Nursing Home, and 93 per cent. of £450,000 for the Nigerian Electricity Supply Corporation, while the fact that dealings started at 6s. 3d. discount in the 725,000 £1 shares of Chemical and Wood In-

SECURITY FIRST

ROYAL

INSURANCE COMPANY, LIMITED

HEAD OFFICES: LIVERPOOL AND LONDON.

dustries, suggests a poor public response. Indeed, full (or over) subscription was publicly announced in respect of only ten out of the twenty-one issues made by prospectus during the month.

An American Banking Manual.—The Banks and Finance section of Moody's Manual*, covering banks, investment trusts, insurance companies, finance, mortgage, and real estate enterprises in America and other countries, was issued for the first time last year, and in the 1929 edition, which has just made its appearance, the contents have been extensively revised and enlarged. The editors draw particular attention to the pages dealing with investment trusts, a relatively new and rapidly growing development in American finance and one, therefore, on which Moody's collected data have a special reference value. This portion of the book has been amplified with extra detail regarding investment restrictions, management participation and compensation, and lists of security holdings, while an alphabetical list of American and Canadian trust companies has been added. Business men and others in England who wish to sharpen their understanding of the structure of American finance will appreciate the section on the Federal Reserve System. Moody's Manuals are compiled primarily for American users, but they contain exhaustive information that is not otherwise available in this country in such handy form.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following meetings:—Institute of Chartered Accountants and Auditors, Bank of Czechoslovak Legions, Wiener Bank-Verein, Atlas Assurance, Eagle Star and British Dominions Insurance, London and Lancashire Insurance, Northern Assurance, Royal London Mutual Insurance Society, Scottish Equitable Life Assurance Society, Scottish Union and National Insurance, Royal Exchange Assurance, Ocean Accident and Guarantee Corporation, Corporation and General Securities, Shropshire, Worcestershire and Staffordshire Electric Power, British Bank of South America, Shanghai Electric Construction, London Trust, J. Mandleberg and Co., New African Co., Henry Glave, Godfrey Phillips, James W. Cook, Odhams Press, and Roan Antelope Copper Mines. The report of the Wiener Bank-Verein describes the progress made towards Austrian economic reconstruction during recent months. The intense competition which still prevails in the marine insurance market was discussed at most of the insurance company meetings. The chairman of Godfrey Phillips revealed that the whole cost of the "Plus Two" cigarette advertising campaign had been charged to revenue.

MINING NOTES.

Brakpan.—Our mining correspondent writes:—Last year's results on the part of this well-known Far Eastern Rand undertaking corresponded so closely with those of 1927 that it is surprising that the directors did not stretch a point and maintain the dividend at the rate which had ruled for the two preceding periods—although the cut was made in respect of the first half of the year, when the returns showed some falling off. Actually, it was the growth in the amount required for taxes which accounted for the difference of 1¼ per cent. Capital outlay continues unimportant. We contrast the results of the past three years:—

		1926.	1927.	1928.
Ore crushed	tons	1,014,900	942,500	1,016,500
Yield per ton		32/-	34/-	32/4
Cost per ton		18/9	20/4	19/9
Profit per ton		13/3	13/8	12/7
Working profit	£	674,450	643,470	639,760
Dividends		510,000	510,000	497,250
Rate per cent.		50	50	48¾
Carried forward		60,170	59,340	59,540
Ore reserves	tons	3,003,960	3,069,620	2,938,050
Value	dwts.	8·16	7·93	8·21

* "Moody's Manual of Investments: Banks and Finance Section." (Moody's Investors' Service, New York, and 33 King William Street, London, E.C. 4.) £5 5s.

At 10,430 ft. the payable footage sampled exceeded the 1927 total by fully 1,000 ft., but the payable percentage declined from 48.3 to 47.7. A slight expansion in the width of the reef being accompanied by maintenance of value, the inch-dwts. work out at 591, as against 577. The variations in the ore reserve figures are accounted for by the calculations being based upon a stoping width of 57.61 in., or 2.73 in. less than before. Thanks to expansion in tonnage crushed, with some reduction in costs, the profits for March last amounted to £60,000, as against £51,000 for January and £52,350 for March, 1928. It would therefore seem reasonable to expect the dividend in respect of the current six months to be at the same rate as for the second half of 1928. On the 50 per cent. basis the gross yield is about 11½ per cent.

Springs.—Improvement in grade, due mainly to the further reduction in the stoping width, was the outstanding factor contributing to last year's enhancement in profits, although the tonnage rose substantially. The absence of any expansion in the dividends is attributable to the nature of the special appropriations. Taxation absorbed £79,300, as against £68,100; the Union Government's participation in the profits was £190,500, compared with £147,600; while capital expenditure swallowed up £94,400 in place of nothing. The current year's outlay on plant, &c., is estimated at £60,000. "As, however, the bulk of this amount has been provided for in the 1928 appropriation account, there remains only a comparatively small sum to be met out of the current year's profits," observe the consulting engineers. Our usual table follows:—

		1926.	1927.	1928.
Ore crushed	tons	817,300	799,000	830,600
Yield per ton		37/8	38/7	41/4
Cost per ton		19/3	20/5	20/9
Profit per ton		18/4	18/2	20/7
Working profit	£	750,070	727,600	853,850
Dividends		506,250	506,250	506,250
Rate per cent.		33⅓	33⅓	33⅓
Carried forward	£	50,310	59,950	49,220
Ore reserves	tons	3,337,510	3,198,420	3,008,640
Value	dwts.	8·46	8·58	9·10

Developments last year proved slightly less favourable than in 1927, the payable percentage being lower at 38⅓ and the inch-dwts. at 584. As a result of the contraction of the stoping width by nearly 5 in. to 52⅓ in., the ore reserve tonnage is down 190,000 tons to 3,008,600 tons, and the value ½ dwt. up at 9.10 dwt.; the inch-dwt. work out at 478 in place of 492. As the monthly profits are being well maintained, and as the above-mentioned capital expenditure will be on a reduced scale, the dividends should at least equal those paid in respect of the past session. On the basis of the distributions of the past two years the yield is 11 per cent. gross.

Waihi.—All things come to an end. This New Zealand enterprise has proved to be one of the most successful gold mining companies on record. In the course of some thirty-five years it has recovered bullion to the value of nearly £16,000,000, and has distributed £6,500,000 in dividends and taxes. Some years ago, in view of the indications of approaching exhaustion of the property, a special geological report was made. This document gave ground for anticipating the existence of the ore bodies at greater depth, but the work since performed has failed to open up any considerable quantity of payable material, although a few good strikes have been reported; and in the report for 1928 the directors announce that no further exploration at depth is to be undertaken. As the outcome of last year's operations the ore in general account has shrunk by 80,100 tons to 215,000 tons, representing about a year's supply; at 193,500 tons the ore in suspense account shows practically no change. How much of this suspense ore can be profitably worked is uncertain. Maintenance of the 1928 dividend rate at the 2s. level entailed a fairly substantial draft upon the carry-forward, leaving the surplus at £18,600. The balance sheet sets out securities (chiefly gilt-edged) at £384,000; investments in mining propositions £12,000; cash and gold £85,000. Allowing for creditors, and for the sum required to cover the final dividend, a surplus of £360,000 remains. Adding to this the £212,500 to be received in September, 1931, from the New Zealand Government in respect of the hydro-electric works, we arrive at a total equal to about 11s. 6d. per 5s. share, now quoted at 13s. 6d., including 1s. tax free dividend. With at least another year's work in prospect, this price is scarcely excessive. Waihi has lately taken a two-thirds interest—the Tronoh having the other third—in a tin mining proposition of about 500 acres in Siam. If and when the tin market assumes a better appearance, this participation may prove a profitable venture.

West Springs.—Last year's further retrogression was due to various factors, including reorganisation work in connection with the expansion of the treatment plant and other measures benefiting the future; but the outstanding influence consisted in the progressively unfavourable tendency of the developments. This is shown by the following contrast:—

	1926.	1927.	1928.
Payable percentage	35·81	31·65	25·43
Inch-dwts.	632	529	497

By the performance of a substantially increased footage in 1928, the quantity of ore opened up slightly exceeded that taken out of the mine, the reserves at the end of the year—2,695,500 tons—showing an increase of 57,300 tions; but, as already indicated, values declined afresh. Appended is a comparison of the results of the past three years:—

		1926.	1927.	1928.
Ore crushed	tons	587,900	587,700	647,300
Yield per ton		31/4	30/11	27/9
Costs per ton		18/8	19/3	19/8
Profit per ton		12/8	11/8	8/1
Total working profit	£	373,030	343,850	260,600
Dividends, amount		179,300	179,300	156,890
Rate per cent.		10	10	8¾
Carried forward		36,720	39,260	67,190
Ore reserves	tons	2,393,280	2,638,220	2,695,520
Value-dwts.		8·22	7·23	6·8

Of last year's earnings, the Government's participation absorbed £27,200, and capital expenditure £28,600, as against £94,800 and £42,000 respectively in 1927. Capital outlay during the current session is expected to be very trifling. The consulting engineers state that the grade of ore mined from the payable reserve this year will more closely approximate the average than it did in 1928, but they anticipate that the reduction in value will be counterbalanced by the treatment of an increased tonnage at a lower cost ratio.

Daggafontein.—This company was reorganised at the end of 1927, arrangements being made to carry out development from the workings of the adjoining Springs Mines. Last year 1,360 ft. of pay reef were opened up, averaging 9.75 dwts. over 24.67 ins. These and subsequent results are considered to warrant the sinking of a new shaft forthwith. From three to three and a-half years will be required to reach the milling stage. As a first step, 309,000 shares are to be issued at 22s. 6d., 259,440 being offered to the shareholders and 49,550 subscribed by the Anglo-American Corporation of South Africa, which will guarantee the issue. The proceeds—£340,300—will, it is estimated, be sufficient to finance the company until the end of 1930, when the shaft should be down to the reef.

Globe and Phoenix.—The apparent anomaly of a decline in profits, with an advance in dividends, is explained by the circumstances—firstly, that last year's earnings were not subject to a repetition of the 1927 appropriation of £15,000 for special development, and, secondly, that the carry-forward has been drawn down from £26,000 to £14,000. Actually, last year's working surplus of £145,300 exceeded the previous year's amount, but taxes absorbed £30,800 in place of £13,000. The dividends, of course, totalled 3s. net per 5s. share as against 2s. 6d. An interim distribution at the reduced rate of 1s. per share has just been declared, reflecting the somewhat erratic nature of the monthly profits during the current year to date. Satisfactory results have been obtained between the 11th and 15th levels, but no payable ore has been discovered at depth; the workings are down to the 29th level. At 86,700 tons, containing 111,700 ozs., the ore reserves fall below the end-1927 estimate; the quantity—even if it were all available—would represent little more than a year's supply for the mill. Fortunately, the cash position is good.

CAPITAL ISSUES.

Six prospectus issues were made during the past week, inviting £2,769,000 in cash subscriptions. The total for the year to date (including offers to shareholders as well as to the public, but excluding conversions) is now £128,436,728, as compared with £190,661,848 for the corresponding period of last year. An issue of £1,600,000 5 per cent. stock on behalf of the *Melbourne and Metropolitan Board of Works*, offering a flat yield of £5 6s. 11d., or £5 9s. 9d. on redemption in 1954, which attracted notice by reason of its being sponsored by a "house" outside the trio usually responsible for such issues, was reported to have been over-subscribed. A 16-year-old trust company, the *London and South American Investment Trust*, which has paid 6¼ per cent. for the last eight years, made an issue of £1 shares at 21s., sufficient to double its share capital. The existing shares, which have fluctuated between 19s. and 25s. in the last 12 months, are now priced at 22s. 6d. ex dividend. The *Third Canadian General Investment Trust*, which is one year old, has an impressive board, including two ex-Prime Ministers of the Dominion. A dividend at the rate of 5 per cent. was paid for the first half-year of operation. The company is trebling its capital by an offer for sale of 500,000 $5 shares at 21s., half of which are being taken by "insiders." The three Canadian trusts in the group are all under the same management, but hitherto only the shares of the first one have been dealt in on the London Stock Exchange. Small issues made up the remainder of the list. *D. M. Davies (Woodwork)* asked for and obtained £100,000 for the conversion of an established private business into a public company. Apart from a loss caused by fire in 1926, the prospectus showed expanding profits and reported abundant contracts on hand, but a woodwork manufacturing business of this type is bound to depend largely on a "luxury" demand. To include an option as part of the purchase consideration is on principle undesirable. Two young gramophone and wireless companies have been amalgamated under the name of *Faradex-Seraphone*. At the present time all ventures in this group and class must be regarded as inherently speculative. *Charterhouse Caterers*, a dance club, whose prospectus enlarged upon past history without revealing financial results, falls into the category of the gamble.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total previously recorded, £121,812,297.
Including conversion total previously recorded, £135,391,517.

National Savings Certificates.
Net sales week ended April 27, 1929, *Dr. £50,000*.
Total receipts April 1, 1929, to April 27, 1929, *Dr. £150,000*.

Description of Issue and Date of Openings of Lists.	Nominal Capital.	Conversions or Repayments.	New Money, Cash Subscription.	First Payment.	Further Liability.
To the Public.	£	£	£	£	£
Melbourne and Metropolitan Board of Works, £1,600,000 5% Ins. Stk. red. at par 1954, at 93¾% (Apr. 29)	1,600,000	...	1,496,000	80,000	1,416,000
D. M. Davies Woodwork, 1,000,000 Ord. 2s. at par. (Apr. 29)	100,000	...	100,000	25,000	75,000
London & South. Amer. Invest. Trust, 500,000 Ord. £1 at 21s. (Apr. 29)	500,000	...	525,000	62,500	462,500
Faradex-Seraphone Co., 750,000 Ord. 2s. at par (Apr. 30)	75,000	...	75,000	18,750	56,250
Charterhouse Caterers, 120,000 10% Part. Pref. 5s. at par (Apr. 30)	30,000	...	30,000	6,000	24,000
Do., 360,000 Ord. 1s. at par	18,000	...	18,000	9,000	9,000
Third Canadian General Investment Trust, 500,000 Shs. $5 at 21s. (May 2)	500,000	...	525,000	50,000	475,000
Total to Public, week ended May 4, 1929	2,823,000	...	2,769,000	251,250	2,517,750
To Shareholders only.					
Alliance Trust, 92,500 Ord. £1 at £5	92,500	...	462,500	185,000	277,500
Clyde Valley Electrical Power, 900,000 Ord. £1 at par	900,000	...	900,000	225,000	675,000
Foreign, Amer. & General Investments Trust, 25,000 £10 at £13	250,000	...	325,000	75,000	250,000

London County Freehold and Leasehold Properties, 300,000 £1 at 27s. 6d.	300,000	...	412,500	150,000	262,500
Trent Motor Traction, 66,666 Ord. £1 at par	66,666	...	66,666	13,333	53,333
United Drapery Stores, 250,000 Ord. £1 at 21s.	250,000	...	262,500	37,500	225,000
Uroz., 100,000 1s. at par	5,000	...	5,000	1,250	3,750
East Geduld Mines, 650,000 Ord. £1 at 32s. 6d.	650,000	...	1,056,250	1,056,250	...
Geduld Proprietary Mines, 130,857 Ord. and 1,948 Reserve at 62s. 6d.	132,805	...	415,015	415,015	...
Total to Shareholders only, week ended May 4, 1929	2,646,971	...	3,905,431	2,158,348	1,747,083

Total offered for Subscription—

To date—	Including Conversions. £	Excluding Conversions. £
1929	142,015,948	128,436,728
1928	...	190,661,848
1927	...	172,218,455
1926	...	83,638,688
1925	...	56,804,718
1924	...	47,242,119
1923	...	112,484,455

Total offered for Subscription—

Whole year—	Including Conversions. £	Excluding Conversions. £
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,601
1925	...	232,214,500
1924	...	209,325,100
1923	...	271,399,173
1922	...	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Advertisement (in brackets).	Amount of Capital Introduced. £	Price at which Dealings Began. £	Total Cash Involved. £
Amount previously recorded	15,595,767	...	23,394,969
Beira Works, £1,250,000 7% Debs. at 97½	1,218,750	½ pm.	1,225,000
Mocimboa Sisal (Holdings) 7% Pref.	110,000	19/9	108,625
International Proprietaries, 225,000 "A" (No par)	...	$40½	...
Handicrafts Ord. 600,000 (2s.)	60,000	3/4½	101,250
Kleenglass (1929) 400,000 Ord. 5s.	100,000	5/3	105,000
Total, week ended May 4, 1929	1,488,750	...	1,539,875
Total to date, 1929	17,084,517	...	24,934,844

Melbourne and Metropolitan Board of Works.—Issue of £1,600,000 (out of £2,000,000) 5 per cent. inscribed stock, 1954, at 93½. An annual ¼ per cent. cumulative sinking fund will be applied to purchase at a price not exceeding par and accrued interest. The loan is secured on the Metropolitan General Fund and on all rates and other receipts of the board. Total indebtedness of the board amounts to £21,375,120, renewal fund to £957,064, and accumulated sinking funds to £734,457. Revenue for year ended June 30, 1928, was £1,452,134. The proceeds of this issue are required to redeem a £1,010,100 loan maturing shortly, and for extension of works.

London and South American Investment Trust, Limited.—Issue of 500,000 (additional to 500,000 existing) £1 ordinary shares at 21s. As from October 1st next the whole capital will be split into 500,000 5 per cent. preference and 500,000 ordinary shares of £1 each. The company was formed in 1913 as a financial and investment trust, and in 1924 established a trustee department. In 1927 £250,000 5 per cent. debenture stock was issued at 94. Net profits (to March 31st) have been:—1925, £32,219; 1926, £36,693; 1927, £33,527; 1928, £37,696; 1929, £48,720.

Third Canadian General Investment Trust, Limited.—Offer at 21s. of 500,000 $5 shares (out of 2,000,000 authorised, 250,000 of which are already issued). The company commenced operations in June, 1928; at February 28, 1929, the surplus income and profits amounted to $70,332; out of which a 5 per cent. dividend was paid. For the time being operations will be confined principally to Canadian investments.

D. M. Davies Woodwork, Limited.—Issue at par of 1,000,000 (out of 2,000,000) 2s. shares. The company acquires a business, established in 1910, which manufactures all classes of woodwork, including gramophone and wireless cabinets, motor car bodies, ammunition cases, etc. Net assets, excluding goodwill, are valued at £77,895, to which profits, estimated at £14,000, since July 31st last must be added. The purchase price is £75,000, payable as to £25,000 in cash and £50,000 in shares, together with an option on a further 300,000 shares at par. Profits, before deducting certain charges, have been (to July 31st):—1925, £7,521; 1926, (loss) £641; 1927, £12,190; 1928, £18,699. This issue will provide about £50,200 additional working capital. The remaining 200,000 shares are also under option at par.

Faradex-Seraphone Company, Limited.—Issue at par of 750,000 (out of 1,250,000) 2s. shares. The company acquires two businesses manufacturing wireless and gramophone apparatus, with net assets (including patents, &c.) valued at £55,000. The purchase price is £55,000, payable as to £20,000 in cash and £35,000 in shares.

Charterhouse Caterers, Limited.—Issue at par of 120,000 (out of 160,000) 5s. 10 per cent. participating preference and 360,000 (out of 600,000) 1s. ordinary shares, the former entitled to one-quarter of the surplus distributed profits after payment of 10 per cent. on the ordinary. The company takes over a social and dance club in London, valued at £38,750. The purchase price is £37,500, payable as to £27,500 in cash, £5,000 in preference and £5,000 in ordinary shares. Working capital is stated to be ample. The unissued shares are under option at par.

Particulars of the following have been issued "for information only" with a view to Stock Exchange introductions:—**Melville Trust, Limited**; issued capital, £700,000 in £10 shares, each to be converted into £6 of 5 per cent. preference and £4 of ordinary stock; an investment trust company. **Ulu Klang Tin, Limited**; issued capital, 900,000 $1 shares, incorporated in the Federated Malay States in 1928 as a tin-dredging and mining company; 575 acres of land have been purchased for $400,000 in shares. **Associated Gas and Electric Company**; a holding company incorporated in 1906 under the laws of the State of New York; outstanding, 1,309,241 shares of common stock, 300,000 shares of class "B" and 733,291 shares of class "A" stock; of preferred stock, 105,159 shares of the original series, 46,013 of the $7 dividend series, 200,441 of the $6.50 dividend series, 124,750 of the $6 dividend series, and 5,602 of the $5 dividend series; $17,850,036 of obligations convertible into stock at company's option; $19,459,000 5½ per cent. convertible gold debentures, 1977; $35,009,450 5 per cent. gold debentures bonds, 1968; $49,000 5 per cent. gold debenture bonds, series 1928; $38,748,325 4½ per cent. gold convertible gold debentures, 1948; $92,560 4½ per cent. gold debenture bonds, 1958; consolidated net earnings of the company and its subsidiaries for year ending October 31, 1928, were $16,541,293, before interest, depreciation, dividends, &c.

SUMMARY OF BALANCE SHEETS.

ASSOCIATED ELECTRICAL INDUSTRIES, LIMITED.

December 31, 1928.

LIABILITIES.	£	Compared with Dec. 31, 1927. £
Ord. shares, £1	2,314,034	+ 1,177,084
Do., 7s. 6d. pd.	405,818	+ 405,818
8% Cum. pref. (£2)	1,233,050	...
Deferred	Nil.	— 25,000
Calls in advance	119,844	+ 119,844
4% Deb. stk.	1,036,353	...
Int. accrued	20,727	...
Creditors	1,540,608	— 116,976
Due to subsidiaries	59,501	+ 59,501
Temporary loan	700,000	+ 700,000
General reserve	575,000	+ 25,000
Premium on shs.	218,020	+ 218,020
Profit and loss	235,339	+ 2,174
Total	8,458,294	+ 2,565,465

ASSETS.	£	Compared with Dec. 31, 1927. £
Properties, &c.	1,397,142	+ 120,418
Patents, &c.	75,000	...
British Thomson Houston ord. £1	1,152,084	+ 1,152,084
Edison Swan ord. and pref.; Ferguson Pailin ord. and pref.	980,031	+ 980,031
Other subsidiaries	169,872	
Sundry trading cos.	31,745	+ 18,331
British and Colonial Govt. stks. at cost	122,260	+ 1,362
Owing by subsidiaries	711,330	+ 711,330
Stocks	2,019,206	— 246,900
Debtors	1,683,716	— 216,516
Cash	115,908	+ 45,325
Total	8,458,294	+ 2,565,465

SPILLERS, LIMITED.

January 31, 1929.

LIABILITIES.	£	Compared with Jan. 31, 1928. £
6% Cum. pref. (£1)	1,143,023	...
Ord. shares (£1)	1,810,893	...
Def. shares (£1)	832,795	...
Co-partnership shares (£1)	16,963	...
5½% 10-yr. notes 1924–34	578,250	— 10,350
Creditors and bills payable	348,866	+ 115,732
Depositors	116,010	+ 12,222
Due to subsidiaries	1,010,785	— 33,224
Contingent reserves	238,741	
Reserve fund	300,000	— 101,460
Excess value of assets associated cos.	2,277,567	...
Bad debts reserve	100,000	...
Insurance reserve	450,000	...
Profit and loss	292,339	+ 48,892
Total	9,516,232	+ 31,812

ASSETS.	£	Compared with Jan. 31, 1928. £
Cash	110,224	— 233,850
Debtors	943,379	— 40,192
Due from subsidiaries	4,894	+ 1,590
Stocks	2,163,375	+ 368,496
Investments and loans—		
Spillers Overseas	1,401,600	...
British Oak Insurance	230,700	...
Other cos.	67,848	+ 12,338
British Govt. stocks	613,411	— 262,177
Other investments and loans	452,673	+ 139,442
Less depreciation reserve	—250,000	— 50,000
Properties	3,778,128	+ 96,165
Total	9,516,232	+ 31,812

(Continued on page 1022.)

Grace National Bank

Hanover Square, New York, U. S. A.

Collections made and credits established anywhere in the United States for banking correspondents.

Special Representative

148 Leadenhall St. London, E.C.3.

COMPANY MEETINGS, &c.

BANK OF CZECHOSLOVAK LEGIONS, PRAGUE

DIVIDEND 8 PER CENT. AGAINST 7 PER CENT. IN 1927

The eighth annual general meeting of the shareholders of the Bank of Czechoslovak Legions was held, on April 28th last, in the Lucerna Hall, Prague, Dr Rudolf Rase presiding.

The president, in the course of his remarks, said: The favourable turn in industry and business of the year 1927 continued throughout 1928 and had naturally a beneficent effect on the activity of all banking institutions and also on that of our bank. We stated in the preface of our balance sheet that this year has proved the best economically since the end of the War. The greater prosperity is best proved by our proposal to pay a higher dividend.

THANKS TO THE GENERAL MANAGER AND STAFF.

As in previous years I have the agreeable duty to thank the general manager, Mr Sip, the assistant general manager, Mr Khyn, and all the other managers and the staff of the entire institution for their valuable services during the year, which led to these satisfactory results. I have again to state that the spirit throughout the bank is excellent.

PROFIT, DIVIDEND AND RESERVES.

The general manager, Mr Sip, turned to the balance sheet and gave a detailed explanation of its different items.

The net profit amounts to Kc. 7,703,862·70 and a dividend of 8 per cent., *i.e.*, Kc. 16, per share will be paid against Kc 14, *i.e.*, 7 per cent. for last year. Kc. 5,000,000 are transferred to the pension fund of the staff and Kc. 800,000 to reserves, which reached Kc. 41,700,000—*i.e.*, 59·57 per cent. of the capital.

ELECTION OF DIRECTORS.

The retiring directors, Mr Otakar Trcka, Bohuslav Vaclavik, Mr Ladislav Vana, were elected; Mr. Antonin Pastyrik newly elected. The members of the auditing committee, Mr Josef Jezek and Jaroslav Krysa, were re-elected. The accounts for 1928 were unanimously approved.

The board of directors held a meeting at the close and re-elected Dr R. Rase as president, Dr A. Straka as first vice-president, and Mr Stanislav Zavadilek as second vice-president.

STATEMENT OF CONDITION AS ON DECEMBER 31, 1928.

Assets.

	Kc
Cash	28,566,633·30
Due from banks	36,121,514·40
Foreign exchange, drafts, checks, etc.	10,334,168·90
Discounted bills	125,903,001·10
Securities	118,038,371·35
Participations	42,369,110·00
Debtors	593,566,573·15
Real property, equipment and fixtures	23,077,905·70
Transitory assets	1,231,909·50
Other assets	35,091,619·30
Transit items Kc. 372,973,672·05.	
	1,014,300,806·70

Liabilities.

	Kc.	Kc.
Stock capital paid up		70,000,000·00
Reserve funds:		
In accordance with the §68 of the company's statute	19,500,000·00	
In accordance with the §69 of the company's statute	21,500,000·00	
		41,000,000·00
Mortgage loans		818,266·95
Deposits in savings accounts		257,778,925·80
Creditors		604,280,895·30
Unclaimed dividends		299,860·00
Transitory liabilities		2,648,862·20
Other liabilities		29,770,133·75
Transit items Kc, 372,973,672·05.		
Net profit		7,703,862·70
		1,014,300,806·70

PROFIT AND LOSS ACCOUNT ON DECEMBER 31, 1928.

Losses.

	Kc.	Kc.
Interests paid:		
(*a*) On deposits	31,664,688·75	
(*b*) Other interests	4,743,041·25	
		36,407,730·00
Administrative expenses:		
(*a*) Material expenses	3,005,539·45	
(*b*) Salaries	14,906,420·25	
		17,911,959·70
Revenue and Taxes:		
(*a*) Business tax	2,662,136·80	
(*b*) Contribution to the bank emergency relief fund	350,000·00	
(*c*) Other revenues, taxes and fees	275,858·25	
		3,287,995·05
Amortisation quotas:		
(*a*) On real property	1,093,610·50	
(*b*) On equipment and fixtures	1,335,230·95	
		2,428,841·45
Various losses		909,916·40
Net profit:		
(*a*) Transferred from 1927	42,750·30	
(*b*) Net profit for the year 1928	7,661,112·40	
		7,703,862·70
		68,650,305·30

Profits.

	Kc.	Kc
Balance brought forward from the year 1927		42,750·30
Interests received:		
(*a*) On securities	4,889,102·55	
(*b*) For discounted bills	11,062,809·45	
(*c*) For loans	38,542,304·95	
(*d*) Other interests received	39,967·00	
		54,534,183·95
Commissions charged		9,502,566·25
Various profits:		
(*a*) On securities, foreign exchange and values	2,562,289·25	
(*b*) On participations	1,011,624·00	
(*c*) Other profits	996,891·55	
		4,570,804·80
		68,650,305·30

COMPARISON OF BALANCE SHEET ITEMS SHOWING THE EVOLUTION OF THE BANK.

Year.	Capital and Reserves.		Deposits.		Dividends paid.
	Capital Stock.	Reserves.	In Savings Accounts.	In Current Accounts.	
	In thousands of Cz. Crowns.				Per cent.
1920	70,000	14,000	...	182,225	6
1921	70,000	18,082	40,358	252,924	6
1922	70,000	26,344	78,950	407,115	6
1923	70,000	26,800	94,053	412,015	6
1924	70,000	29,200	116,699	418,810	6
1925	70,000	32,000	148,981	424,458	6½
1926	70,000	39,600	177,934	478,015	7
1927	70,000	40,200	215,293	533,589	7
1928	70,000	41,000*	257,779	604,281	8

* After the transfer of Kc. 700,000—from the net profit for 1928 the reserves will amount to Kc. 41,700,000.

WIENER BANK-VEREIN.

GROWTH OF ASSETS AND DEPOSITS.

The fifty-ninth ordinary general meeting of the Wiener Bank-Verein was held in Vienna on April 16th, Mr Hugo Marcus, the Vice-Chairman of the Company, presiding. The abridged report submitted to the shareholders proceeds as follows:—

THE PAST YEAR.

While the moderate economic revival registered at the close of 1927 continued for some time in 1928, it subsequently came to a standstill ascribable to a large degree to the falling off of the conjuncture in the neighbouring countries, and, in particular, in Germany. The level that had been reached could, however, be maintained, and on the whole further, albeit slow, progress has been made towards Austria's economic reconstruction. The figures of the clearing houses, the railway traffic, and the foreign trade show a rising tendency, and the production of certain important industries has increased. Yet, unemployment has not receded appreciably, and there is still ample room for improvement in many directions.

PUBLIC FINANCES.

While the substantial cash reserves and the excess revenue enabled the Government to carry out uncurtailed their investment programme as previously laid down, the fact that, before assuming new financial obligations, Austria has to go through the cumbersome way of obtaining the individual assent of a number of independent bodies had such a protracting effect that the contemplated Federal Investment Loan could not be concluded in 1928. The international situation having, in the meantime, become more unfavourable with respect to the issue of bonds, the floating of the proposed loan may be still further delayed. As a discontinuation of the investments would be most harmful to the country, the Government will, notwithstanding the satisfactory development of the public revenue, have to postpone the relief so sorely needed by the country's economy in the shape of a remission of taxation. The adverse balance of trade is not giving rise to any serious apprehension, and it is surmised that the balance of payments is being partly improved by sundry invisible exports. The gold and foreign bills held by the National Bank of Austria have, from the close of 1927 to that of 1928, only receded by the trifling amount of 11·5 million Schillings, i.e., 1·2 per cent.

THE BANK'S ACTIVITIES.

Realising that assistance should be extended to the Austrian industries, which have to contend with the most severe foreign competition, the banks decided to reduce their charges; this measure, and the concurrently rising money rates abroad, have decreased the banks' profits which were moreover adversely affected by the stagnation of the Vienna Stock Exchange and the very slack issuing activity. After recalling that the Wiener Bank-Verein's branches in Yugoslavia had been converted into the General Yugoslavian Banking Corporation, Limited, and that this should be kept in mind when comparing the 1928 accounts with those of the preceding year, the report points out that the assets and the deposits have, nevertheless, grown. The gross and the net profits having receded, we consider it consistent with our cautious policy to propose a slight reduction of the dividend. In order that the heavy charges arising from salaries be brought into line with the present conditions, another two hundred assistants were induced to resign at the close of 1928 against adequate compensations. As the number of the bank's assistants still exceeds the corresponding 1914 figures, a further reduction of the staff is being contemplated.

Our permanent participations in our affiliations, to wit the General Banking Corporation of Bohemia, the General Banking Corporation of Poland, the Countrybank of Bosnia and Herzegovina, the Banque Balkanique et Franco-Belge de Bulgarie, and the General Yugoslavian Banking Corporation, appear under a new special heading in our balance-sheet. Our stocks of securities and syndicated shares have been brought forward at the same prices as indicated in last year's balance-sheet, and new purchases were entered at cost price.

The decreased book value of the item real estate is due to the elimination of two buildings at Agram, and to the customary depreciation.

The development of our branches, and in particular that of our sub-branches in Vienna, has been very satisfactory, and their share in the total earnings has further increased. The Bolzano branch, in Italy, having practically lost its *raison d'être*, was closed down, its business being transferred to our Merano branch.

We participated in 1928, jointly with the Oesterreichische Credit-Anstalt für Handel und Gewerbe and the Schweizerische Gesellschaft für elektrische Industrie, Bale, in a syndicate aiming to erect a large water-power plant on the Danube near Ybbs-Persenbeug for generating 145,000 h.p. and with an annual capacity of some 800,000,000 kwh. The scheme implies, moreover, a regulation of the River Danube which would greatly benefit navigation. We took an interest in the Wiener Erdöl A.G. which was formed by American friends with a view to prospecting for oil and gas in the Vienna Basin. We founded jointly with our friends abroad, and with the Allgemeine Oesterreichische Boden-Credit-Anstalt and their friends, the Union Financière Polonaise, with the object of extending financial facilities to the Polish industries. We participated in the merger of the Banque Balkanique with the Banque Franco-Belge de Bulgarie. We also participated in the consolidation of the Bauerei Jedlesee Rudolf Dengler A.G. with the Vereinigten Brauereien Schwechat, St. Marx, Simmering, Hütteldorf-Dreher, Mautner, Meichl A.G.; of the Puchwerke A.G. and the Oesterreichische Flugzeugfabrik A.G. with the Austro-Daimler Werke; of the F. Wertheim and Company, Kassen -und Aufzugsfabrik A.G. with the Marchegger Maschinenfabrik und Eisengiesserei. We formed a syndicate of the big Vienna banks for issuing a 7 per cent. seven million schilling loan of the province of Tirol and we participated in the underwriting of the 7 per cent. Roumanian Stabilisation Loan.

After enumerating participations in other syndicates, the chairman proceeded to survey the numerous companies in which the Wiener Bank-Verein hold a controlling interest; quite a number of these are, in spite of the general economic dullness, able to distribute higher dividends while maintaining their cautious policy of putting substantial amounts to the reserves.

RESERVES.

In addition to the ordinary and extraordinary reserve funds, totalling 26,428,370 schillings, which remain unchanged, it is proposed to bring the ordinary reserve fund "B" created last year from 600,000 schillings to 1,100,000 schillings by the allocation of 500,000 schillings, being roughly 10 per cent. of the year's net profit. The aggregate reserve funds will therefore amount to 27,528,370 schillings.

RESULTS OF THE YEAR.

The results of the year are as follows:—

Assets.

	Schillings.	
Cash		16,940,879·64
Bills		99,558,799·10
Debtors:	Schillings.	
Balances with banks	66,723,076·20	
Other debtors	274,993,434·12	
		341,716,510·32
Permanent interest held in banks		18,353,036·69
Payment on syndicated shares		34,377,389·72
Securities		8,034,725·37
Real estate		7,935,034·03
Total		526,916,374·87

Liabilities.

Share capital	55,000,000·—
Reserve funds	20,000,000·—
Extraordinary reserve fund II.	500,000·—
Reserve fund (surplus yielded by increase of capital)	5,928,370·—
Ordinary reserve fund B.	600,000·—
Provident fund	500,000·—
Dividend account	328,131·45
Bills guaranteed	91,334·09
Deposits and current accounts	438,822,539·35
Profit and loss account	5,145,999·98
Total	526,916,374·87

Profits.

	Schillings.
Brought forward	209,382·04
Interest	12,637,451·58
Securities	1,958,240·27
Exchange	2,731,468·01
Commissions	9,285,989·85
Participations	2,814,666·44
Total	29,637,198·19

Losses.

Salaries	15,164,629·87
Current expenses	3,350,093·14
Pensions	1,882,952·89
Taxes and fees	3,972,522·31
Depreciation on real estate	121,000·—
Net profit	5,145,999·98
Total	29,637,198·19

DISTRIBUTION OF PROFITS.

The chairman proposed, on behalf of the board of directors, to apply 4,125 millions of the net profit to the payment of a 7·5 per cent. dividend (*i.e.*, 1·50 schillings for one share of 20 schillings face value), 0·5 millions to the ordinary reserve fund "B," and, after paying the bonus to the directors, to carry over 210,436·72 schillings.

The resolutions submitted to the meeting were carried by all the shareholders with the exception of one dissentient vote.

M. Emile Francqui, Vice-Governor of the Société Générale de Belgique, who had been a director of the company since 1921, has tendered his resignation as his numerous other important duties have of late prevented him from giving an adequate attention to the company's business. His services in the past were thoroughly and gratefully appreciated, and it is hoped that the company will also in the future have the benefit of his invaluable advice. The co-optation of M. Henry Dewez, managing director of the Banque Belge pour l'Etranger, who filled the vacancy left by M. Francqui's retirement, was unanimously confirmed. A warm tribute was also paid to Baron Oscar v. Klinger who likewise resigned his seat on the board of directors which he had held since 1920. The directors retiring by rotation, to wit, M. Hugo Marcus, M. Alfred Liebieg, M. Kuno Mautner-Markhof, and M. le Chevalier de Wouters D'Oplinter were re-elected.

A vote of thanks to the chairman concluded the meeting.

NORTHERN ASSURANCE COMPANY, LIMITED.

SUMMARY OF CHAIRMAN'S SPEECH.

REVIEW OF DIFFERENT DEPARTMENTS.

The ninety-third annual general meeting of the Northern Assurance Co., Limited, was held, in Aberdeen, on May 1, 1929.

The Chairman (Mr A. Martineau) referred to the death of Mr Alexander Heun Goschen, and to the appointment of the Hon. Eric Brand Butler-Henderson to fill one of the vacancies on the London board.

The income from all sources in 1928 amounted to £6,835,060.

FIRE BUSINESS.

The fire premium income amounted to £2,599,323, the decrease of £90,568 being due partly to the reorganisation of the company's United States business and partly to the increase of competition resulting from the establishment of some forty new companies in that country. The profit for the year was £145,381.

ACCIDENT DEPARTMENT.

The acident department had again produced an excellent profit. The premium income for the year was £1,542,038, an increase of £22,028 over 1927, and the profit of £118,000 represented a ratio of 7.7 per cent. of the premiums.

MARINE DEPARTMENT.

In the marine department the premium income shows a reduction of £570,375 in pursuance of the policy deliberately undertaken by the company. So far as it was possible to estimate, the marine fund was considered adequate to run off the liabilities attaching.

LIFE DEPARTMENT.

1,399 policies for £825,139 had been issued in the life department, the premiums for the year amounting to £439,045, and the net interest to £245,490.

DIVIDEND.

Transfers to profit and loss from the underwriting accounts and sundry credits amounted to £554,213 which, added to the credit balance of £451,387 from the previous year, made a total of £1,005,600. A final dividend of 9s. per share less tax was declared on the ordinary shares of the company and a corresponding payment of 7s. 1.97d. per share less tax on the preference shares, leaving a sum of £586,018 to be carried forward, or nearly £135,000 more than was brought in.

The report and accounts were adopted.

THE BRITISH BANK OF SOUTH AMERICA, LIMITED.

THE FINANCES OF BRAZIL.

NEED FOR STABILISATION.

The sixty-sixth ordinary general meeting of the British Bank of South America, Ltd., was held, on the 2nd instant, at the head office, 117, Old Broad Street, London.

Mr R. J. Hose (chairman of the company) presided.

The secretary (Mr L. G. Bally) having read the notice convening the meeting and the report of the auditors.

The Chairman said, in the course of his speech:—Gentlemen, at our meeting last year, I was able to point to signs of improvement in Brazilian affairs. However, the increased tone of optimism prevalent at the beginning of 1928 has been lessened by the subsequent trend of events, although in this connection it may perhaps be observed that Brazil has for so many years past experienced periods in which crisis has alternated with marked prosperity that the establishment of tranquil conditions—free from any extreme elements in either the political or industrial fields—may have created, by way of contrast, an exaggerated sense of depression.

In any case, the position of the national finances has definitely improved, it having been officially announced that, following upon a succession of previous Budget deficits, the 1927 accounts showed a surplus of 30,851 paper contos, and that, of this sum, 25,000 paper contos was utilised in the incineration of inconvertible notes. Estimates for the 1928 financial year provided for a small surplus of revenue over expenditure, but the actual result has not yet been made known, whilst the Budget for 1929 also anticipates a substantial excess of revenue.

It must be emphasised that financial and commercial circles interested in Brazil would view with great satisfaction an early official statement regarding the definite conversion of the milreis into the new monetary unit, the "cruzeiro," on the terms of the Monetary Reform Decree of December, 1926.

BRAZILIAN COFFEE POSITION.

Despite criticisms of the official policy of control of shipments of Brazilian coffee, it must be remembered that, without the operations of the Coffee Institute, the industry would undoubtedly have been reduced to chaos. It is also well to point out that the defence scheme not only provides for limitation of shipments of coffee, but also for financial aid to planters and propaganda in furthering a large consumption of the commodity. It is, of course, impossible to predict the course of events, but, on the whole, it is believed in coffee circles in Brazil and elsewhere that that country will continue to supply about 65 per cent. of the world's coffee requirements for some time to come, and that any increase in world production will be absorbed by an expansion in consumption.

In view of the large commitments of Brazil in the way of interest and service of foreign indebtedness, the further shrinkage in the visible favourable balance of trade during 1928 is a disappointing factor. This movement emphasises my remarks on previous occasions on the necessity for Brazil to increase and diversify her commodities for export rather than to be so paramountly dependent upon coffee. Such development, however, depend upon increased transport facilities, and these in turn will require the inflow of fresh capital into the country, so that, in brief, the definite adoption of stabilised currency is the whole basis upon which Brazil's future prosperity appears to depend.

From the general banking point of view, there were no pronounced features last year. Money was somewhat tight throughout the period and has become very much more so quite recently, owing to the restriction of facilities by the Bank of Brazil. Here again, the conduct of future business upon normal lines must be dependent upon the adoption of a consistent national monetary policy, coupled with currency stabilisation.

The sugar industry in the Rio de Janeiro district is of importance, seventy sugar mills now working in the State. It is believed that it would be to the advantage of British companies manufacturing sugar machinery not only to appoint local representatives but also to hire showrooms where models could be exhibited.

PROFIT AND DIVIDEND.

In continuance of our policy of consolidation, the business of our Montevideo branch was transferred to the Anglo-South American Bank, as from July 1st, 1928. This, and the transfer of our London Office business to them on January 1st, 1928, more than accounts for the reductions observable in the balance sheet items, whilst, naturally, our profit and loss account also reflects these arrangements and those previously made in regard to Buenos Aires; the slightly increased net profit of £100,718 enables us to recommend the payment of a final dividend for the twelve months of 10s. per share, thus maintaining the total distribution at 10 per cent.

The report and accounts were unanimously adopted.

THE LONDON AND LANCASHIRE INSURANCE COMPANY, LIMITED

"A YEAR TO BE PROUD OF"

SUCCESSIVE DIVIDEND ADVANCES

PREMIUMS, PROFITS, AND RESERVES LARGER

RECORD OF PROSPERITY

The sixty-seventh ordinary general meeting of the London and Lancashire Insurance Co., Limited, was held in London on Wednesday, the 1st instant.

Mr F. W. Pascoe Rutter, governor of the company, presided over a full attendance of shareholders.

Mr Rutter, in moving the adoption of the report and accounts, said :—You will have seen that 1928 turned out to be one of the best years we have ever had—not quite reaching our maxima in those historic years 1919 and 1920—but still good enough for the shareholders of any company, insurance or otherwise, to be proud of. (Hear, hear.)

Our fire premiums in amount were almost exactly the same as in 1927, namely, £3,447,446, a falling off having occurred in the United States and been offset by development elsewhere, but not, I am sorry to say, in our home field, which continues to be stationary.

The profit from the fire department was slightly less than in 1927, namely, £405,619 against £429,110.

The accident department showed some advance by an increase in the premiums of £78,642, which made them for 1928, £2,437,130, and the profit was £119,549, against £102,494.

And so these two departments, which are intermingled and interdependent, yielded a profit almost identical with 1927—actually, about £6,500 less.

GRATIFYING FIGURES.

The marine department came to the front, and produced the largest amount of profit which we have experienced since the fervid years of the war. There was an increase in the business of £93,490, making a premium income of £1,475,945, and the profit was £145,302, against £96,507.

The total premiums, therefore, for the year—excluding, of course, any life business—were £7,360,522, or an increase of £177,928, and there was a realised net profit, after all deductions of taxation, of £670,470, or 9.11 per cent., against £628,111, or 8.75 per cent.

After providing for all liabilities, and for the dividend, our reserve funds have been increased from £9,299,038 to £9,967,048. (Hear, hear.)

1928 had few features of an abnormal character. There was an important hurricane at Porto Rico, which cost the companies will over £500,000, but our total participation was unimportant.

HOME FIRE BUSINESS.

Our home fire business, as you know, has always been the foundation of our success, and the results have been continuously good. In 1928 there was a retrogression in the profit, and I think I may put it down, briefly, to the fact that our home trade, notwithstanding the little fillip which it has experienced here and there, is still far from satisfactory. The consequence of this depression, of which there has been so much evidence since the war, means, in many cases, a reduction in the insurances effected—an obviously short-sighted policy on the part of any insured—in many other cases, a demand for lower rates, which reduces our premiums without reducing our losses; and, thirdly, increased competition amongst the companies to make up for the depletion in their revenue.

These conditions continue, and 1929 has already experienced a special reverse, due entirely to the abnormal frost of February, which caused many burst pipes, and often consequent fires. Burst cylinders in motor cars was another unusual experience, which brought its own penalty. Then followed a period of unusually dry weather, and, whether that was a material factor or not, the loss experience of the first three or four months of this year has been definitely heavier in our own, and in the general experience, than in any period for certainly the last twenty years. Actually, the fire losses in this country to date are more than double the figure for the same period of 1928.

NOTABLE MARINE RESULTS.

You will probably have been surprised, and, I hope, gratified, by the important and satisfactory contribution to our profits from the marine department. (Hear, hear.) For years past, company after company has deplored the state of things in the Marine market. Many meetings have been held, and some good has resulted from these concerted efforts to improve the atmosphere. I believe that definite improvement has been attained in more than one direction, and especially by the realisation of the Spartan principle to ruthlessly eliminate risks, and even classes of business, which underwriters have tolerated for their own companies, but which, if they were on the books of *another* company, they would regard as bad business.

You will bear in mind that, in our case, and in the case of a number of companies, what we report to you is the experience up to date, and is really the reflex of our underwriters' activities during the past three years. When, therefore, under these conditions—because there is still very great room for further improvement—we are able to report to you a gross profit on our marine underwriting of 12.67 per cent., you cannot help but be appreciative. (Hear, hear.)

It is not necessary, nor do I propose, to say more on this subject, as many of you will have already read the reports of the meetings of our two companies—"The Marine" and the "Standard"—and it is fortunate that we have two such excellent underwriters, the one in London and the other in Liverpool, whom you may, even in the most difficult times such as those which we have been going through, expect to extract from the risks which they accept, some profit instead of a loss.

GENERAL FOREIGN BUSINESS.

After our Home district comes, in importance of profit, if not of volume, what we call our General Foreign field, and this scarcely ever fails us. It includes, of course, besides our own Dominions, such countries as China, South America and the Continent of Europe.

In 1928, this field, covering such a large area, was not quite so good in its result as in the previous year; but, taking it all in all, we have little to complain of. The backbone of our foreign business is that of our Dominions overseas, upon which the trading of this Great Britain is so dependent, and it must always be borne in mind that our own success is correspondingly dependent upon those countries abroad, constituting, with ourselves, the British Empire.

There are only two sections which I need specially refer to—one is Canada, which, although good, was not so lucrative as 1927—and Australia, which contributed largely to our profits, especially in the results of the "Colonial Mutual" which we bought a couple of years ago, and which is now getting into its stride under our auspices. But Australia's good contribution was, unfortunately, minimised by New Zealand, where both the fire and accident results were not in accordance with what we expect from the Antipodes.

THE UNITED STATES.

Since I last dealt with the subject, you have heard a good deal about America, and, by America, I mean the United States. At present, America dominates many of the financial transactions of the world. Our Transatlantic friends have done so much, subsequent to, and mainly consequent upon, the happening of the Great War, that their activities are not restricted, as used to be the case, to their own confines, which were, in the old days, sufficiently extensive for all their natural expansion; but their prosperity and enterprise have induced them to extend their speculative propensities to other countries, and particularly our own.

AN AMERICAN JUBILEE.

Incidentally, you will bear in mind that, in order to keep in touch with conditions, and with men, I have myself paid almost numberless visits to the other side, and Mr Hendry, who has for some years been taking up the running, will go over a fortnight hence, in order to put the seal upon, and follow up, the various revisions which have been in contemplation in the administration of our business during the past year or two. Knowing him as I do, you may count upon his exercising to the full his undoubted energy and ability.

His visit happens to synchronise with the jubilee of what was, at the time, for us, a great adventure—the purchase of our first company in the United States, and the establishment of our American organisation. I am sure you would wish to join with me in an expression of gratitude to our American friends, during these 50 years, for what they have done, and—for what they are going to do.

SUPERVISION OF FOREIGN ORGANISATION.

As you know, somebody from this chief administration is very frequently away over-seeing some foreign branch. Four months ago Mr Rogers, hitherto our assistant manager, was in Bombay, a section of India which has, through special circumstances which I need not enter into, been a source of anxiety to the companies operating, certainly for the last 30 years. Now we have made a change in regard to the running of our business in that important Presidency, and, whilst we cannot alter *conditions* which must almost inevitably recur, we naturally hope that, so far as we are concerned, under the revisions which have been made, we can look forward to the Bombay Presidency becoming a real, if not great, contributor to the good results which we have been accustomed to from the rest of India.

Then we had an almost identical situation arising in the Argentine Republic. It may interest you to know that, as far back as 1887, I visited South America, and, consequent upon my recommendations at that time, our branch in Buenos Aires was established. We reaped satisfactory results from that exploitation until the last five years. There, again, it was not entirely a question of *who* was working our business, but rather the *conditions* had become increasingly difficult, due mainly to the large and even excessive increase in the number of new Argentine insurance companies, with two of their groups antagonistic to each other.

GOVERNOR'S VISIT TO SOUTH AFRICA.

But, apart from the general question, there was obviously room for improvement in the administration of *our own* business, and after the head of our foreign department had been sent out to do the spade work and focus the difficulties that had to be dealt with, I myself sailed for Buenos Aires towards the end of January, and, with the ground prepared, was enabled, in the seventeen days which I spent there, to definitely decide upon the revisions which it was expedient should take place.

REDEMPTION OF "LAW UNION AND ROCK" DEBENTURE STOCK.

There is one further important transaction which I will now explain to you, although it does not affect the past year's results, but is only taking place at present.

You will remember that in 1919 we negotiated a successful fusion with the "Law Union and Rock." Notwithstanding some retrogression in the profits of 1928, which we hope will be only temporary, that alliance has been not only satisfactory, but highly satisfactory, in its results and its relationships between the two companies. Part of the purchase consideration was, as you will recollect, the issue of "London and Lancashire" 5 per cent. debentures, falling due in 1929, and redeemable at the rate of 105 for a total amount of £897,562.

During the ten years which have so speedily elapsed we have, when opportunity has offered, purchased these debentures when they came on the market, and these purchases have been cancelled, so that we have remaining on our books only the sum of £673,127 9s. We have now reached the stage of redemption, and on March 1st we gave notice to the outstanding debenture-holders that we proposed to redeem these debentures on June 1st.

Now, that redemption, as I think I have explained to you before, costs the company nothing, because, when we made the original purchase of the company, with all its assets and goodwill, we wrote off the amount of *goodwill* and have since made provision for the requisite 5 per cent. premium and the three months' interest. Consequently, all that happens will be that, in the course of this year, there will disappear from our balance sheet the "Law Union and Rock" debenture *liability* of £673,127 9s., and on the other side of the account there will disappear a corresponding amount of *assets*, practically all British Government securities, which we had been accumulating as particularly suitable, having regard to the date of maturity, to pay for, and thus eliminate this item from our accounts.

DIVIDEND ADVANCES.

You have already learned from the report that the directors have decided to increase the dividend by another 1s. a share. This increase was agreed to after some hesitation, for it means that there will now be, as you can easily ascertain from our accounts, an appreciable draft upon the underwriting; that is to say, that the interest, with a fair allowance for anticipated profits from the life department of the "Law Union," will be considerably less than the dividend. But last year, as you will remember, I indicated that, in the opinion of the directors, the time had come when we might go a little further than we have in the past, and, by this increase of 1s.—payable on the 6th instant—you have the unprecedented experience of an increase of 1s. a share in four consecutive half-years. (Applause.) That is to say, 4s. a share in two years, whereas we cannot, except by a greater draft from underwriting, increase the dividend by even 1s. a share in one year.

Now, we have already increased the interim dividend for this year—paid last November—and, therefore, by paying a still further 1s. for 1928, the indication given to you has been more than fulfilled, and you have thus had the satisfaction of realising illusionment—that is to, dividends—"in our time," without, I hope, doing any injustice to posterity. Consequently, if anybody anticipates any further unusual generosity, I would like him to guard himself against inevitable disappointment. I may, incidentally, point out to those who have been shareholders since the seventies, when our renaissance began, that the annual dividend we are now paying will cost us no less than £561,818 per annum, against £2,874 for 1874—the year after I joined the company. The comparative *percentages* are, as you will readily understand, unfit for publication.

THREE SUBSTANTIAL SECTIONS.

Of course, the main reason for our action is the fact that we are undoubtedly a very different organisation now from what we were at that time, and even 30 years ago, when we transacted only fire business, and when we were liable to a conflagration at any moment which would upset our accounts. We have now three, not only separate, but very substantial sections of business, buttressed up to some extent by the regular profits which we know we shall receive from the life department, so that any exceptional happening, such as San Fancisco in 1906, cannot possibly have the same effect upon our accounts as would then have been the case. I hope you, therefore, realise what has been done in this respect in building up by degrees, not only a larger revenue, but a revenue from so many different sources, that trouble in one direction will very probably be mollified by profit in another. (Hear, hear.)

PROGRESS IN RECENT TIMES.

Most of you present take a constant and intimate interest in our affairs, may make your own calculations. But the large majority of shareholders are generally absent, and I think that periodically they should be reminded of the position.

It is not so much that we have made substantial profits for many years past, but that those profits should have been so extraordinarily regular. Thirty years ago, we should have been pleased with a profit of £100,000. It has been made public that the average net profit, after all deductions and taxation, of all the British companies, taken over a long period, has been about 4½ per cent. And so far as the accounts for 1928 of other companies, even including our own, have been published, they indicate a profit for the past year of actually less than 4 per cent.

Now listen to these figures.

For the six years, beginning with 1917, and ending with 1922, our net profit, after deducting every charge and tax, was £3,356,731, or an average per annum of £559,455. It is true that one or two of those years benefited by the war affiation, but that was largely corrected by the drastic deduction for excess profits duty. And now, during the last six years, 1923 to 1928, the net profit, after all deductions and all taxation, has been £3,394,396, or an average per annum of £565,732.

ASSURED FUTURE.

I might just add, for the information of those who are not our fortunate shareholders, that, during these 12 years which I have quoted, we have paid, or will pay, in taxation, to the British Government alone, from our total trading, a sum of not less than £3,800,000—as our contribution to the upkeep of our country.

We have our difficulties, but we shall *always* have our difficulties, as we have had in the past, and it would be craven to suppose that we are in any respect handicapped more than we used to be. Therefore, in the absence of any historic event upsetting our equilibrium—and reverses, if properly dealt with, generally bring their own recompense—you may fairly look to the future with that placid assurance and trust which has been such a support to the directorate and the management in the past.

I now beg to move: "That the report, accounts and balance sheet be received, adopted and entered on the minutes." (Applause.)

The Deputy-Chairman (Mr Charles G. Hamilton) seconded the motion, which was unanimously carried.

The usual formal business having been disposed of, votes of thanks to the chairman, directors, representatives, and agents of the company terminated the proceedings.

ATLAS ASSURANCE COMPANY, LIMITED.

ANOTHER SUCCESSFUL YEAR.
SOUND FINANCIAL POSITION.

The annual general court of the proprietors of the Atlas Assurance Company, Limited, was held, on the 30th ultimo, at the Cannon Street Hotel, London, Mr F. A. Johnston (chairman of the company) presiding.

The general manager (Mr C. H. Falloon) having read the notice convening the meeting and the report of the auditors,

The chairman, in moving the adoption of the report and accounts, said: Before dealing with the business before us I should like to be allowed to refer to a severe personal loss which this company has suffered. No more distressing duty can, I am sure, fall to a chairman at our annual meetings than that of recording the death of a colleague who was also a dear friend, as I have to do to-day in referring to that of Sir John Denison-Pender, who had been a director of this company for twenty-three years, during which time he gave to it constant and valuable service. His remarkable business ability and wise judgment were of great advantage to this company and were always at its service, and his kind and generous nature endeared him in an exceptional way to all with whom he worked, winning their esteem and confidence and sincere regard.

In presenting to you the accounts of another year, I have again a pleasant duty to perform, and the figures I am about to explain to you are a source of satisfaction to the directors and the management, as I am sure they will be to our numerous fellow shareholders in this old but still progressive company. (Hear, hear.)

ENCOURAGING FIRE RESULTS.

The fire underwriting profit was highly satisfactory and contributed to profit and loss the substantial sum of £221,853, with a profit yield of 9·28 per cent. of the premium income. That result is all the more encouraging, as I am inclined to think that the year which has just passed was not a particularly favourable one for British fire offices as a whole. Those companies, however, which have a preponderating business in the United States should secure better results than they usually do, as in 1928 the United States had one of its rare years of insurance prosperity. On the other hand, fire insurance business at home and in most of the foreign fields has been but moderately good. This company, I may point out, shows, nevertheless, as usual, little variation, as its business is exceptionally well spread, with the result that 1928, although not our best account, is, as I have shown, quite a good one and one which will bear favourable comparison with most of our past accounts.

The increase in fire premium income was £107,000, of which £41,000 was due to the inclusion of a small South American subsidiary company in our figures, the balance being drawn from the general foreign field, excluding, however, the United States, where our business has remained stationary. The loss ratio was 47·4 per cent., which was quite satisfactory, although not down to that of 1927, which was 46·6 per cent. The expense ratio at 41·5 per cent., compared with 41·9 per cent. in 1927, is down slightly you will be glad to remark. Efficiency with economy continues to be our watchword, but in these exacting times it becomes increasingly difficult to reduce our expense ratio.

ACCIDENT FIGURES.

If you will look at the accident figures you will see that they are quite good, and I am glad to report that this department of our business, which is very efficiently and intelligently managed, shows improved results. The premium income is up, you will notice, £41,000, and the profit has grown to £31,835, as compared with £21,381 in the previous year, and I may say that the rise in income is spread generally over all classes of our home and foreign business.

MARINE BUSINESS.

Turning now to our marine figures, you will observe that they continue on modest lines, our underwriters remaining of the opinion that prevailing conditions do not warrant an extension of operations. Intense competition for the best classes of business shows little sign of diminution, and for this reason we are content to carry on an unobtrusive policy. We see, unfortunately, little prospect of improvement in this particular market in the immediate future, as there exists an almost complete absence of cohesion amongst the underwriters. As we view the situation, it is only by a return of mutual confidence and co-operation that this unsatisfactory marine business is, as a whole, likely to be placed again upon an economic and a profitable basis. Under these circumstances it is satisfactory, so far as our own operations are concerned, to reflect that we have now successfully built up a marine fund of £287,782 without any assistance from interest earnings. (Hear, hear.) This fund, I may tell you, contains a quite substantial amount of earned profit, which we prefer to leave where it is rather than transfer it to profit and loss. (Hear, hear.)

LIFE DEPARTMENT'S EXPANSION.

Let me now take you to the life figures, which show their customary healthy expansion, and reflect once more the ability and prudent enterprise with which that important department is managed. The year 1928 was the closing year of a triennial period. I propose, therefore, to deal very briefly with the figures of that particular year, which are fully set out in the report, and more fully with the more interesting figures relating to the triennium and the declaration of the triennial bonus.

The net new life business in 1928 constituted, I am glad to say, a fresh record, being £535,796 greater than that of 1927, our previous best year—(hear, hear)—the net new business being £3,482,611. The premium income, interest revenue, and life assurance and annuity fund all show substantial increases, the life assurance and annuity fund having now reached the large figure of £6,212,218. Death claims in 1928 were fortunately light, and compared favourably with those of 1927. Surrenders, however, were larger, but the increase is explained by one or two surrenders of an exceptional nature.

TRIENNIUM FIGURES.

Coming now to the triennium figures, the profit of that period, including £30,100 brought in, was £620,933. This satisfactory result has been applied as follows, viz.: in strengthening the valuation basis, £122,000; in writing down securities, £63,711; in bonuses on with-profit policies, £365,824; and to the proprietors, £55,454, leaving to be carried forward to the next triennium £13,944.

I must now ask your further patience while I say a few words about the bonus. For the triennium 1920–1922 our bonus was at the rate of 30s. per £100 per annum; for the following triennium, 1923–1925, the rate was 36s. per £100 per annum; but for the three years just closed we have been able to declare a bonus at 42s. per £100 per annum, together with a special bonus of 18s. per £100 per annum, making a total of 60s. per £100 per annum.

RESULT OF YEAR'S OPERATIONS.

Coming now to profit and loss account, which is the really interesting account for you as shareholders, you will see that, including the balance of £308,000 brought in from the previous year, we have a total sum of £729,968 to deal with. Of that, £186,000 has been used in reduction of our uncalled capital; income tax absorbs £60,242, and debenture interest, £2,877. We devote £10,000 to write off furniture and fittings, in consequence of the amount expended under this head during 1928 having been exceptional owing to the transfer of the Essex and Suffolk London office to new premises in King Street, and to the opening of new premises in Manchester, Bristol, and Chicago. We add £75,000 to fire fund, bringing that up to 100 per cent. of the fire premium income, and we continue our policy of building up the recently created pension fund by a transfer of £25,000, bringing that useful and necessary fund up to £175,000. The shareholders received an increased dividend last year; this we maintain at a total cost of £176,000.

After making these provisions we remain with a carry-forward of £189,848—or more than a year's dividend in hand—and the total funds of the company, proprietors and life, will, for the first time in its history, exceed £10,000,000.

"REMARKABLE VITALITY."

Although I live in close touch with the activities of this old company, I have, I assure you, been impressed in preparing my address to you for to-day by the remarkable vitality which is disclosed by the figures of every department, and which, as I have already insisted, reflect great credit on our management and staff at home and abroad. In confirmation of the impression left on my mind by the excellent figures, let me in conclusion emphasise by repeating them the sound financial position in which this company finds itself at the close of another successful year.

In 1928 the proprietors' net interest receipts increased by £5,972 and are now £146,458; the life contribution was £19,681, which, together with the net interest receipts, gives us a total of £166,140 —a sum only short by £9,860 of the amount which is needed to pay our present dividend of £176,000. After debiting our combined fire and accident profit of £253,688 with this small amount of £9,860, we remain with a very substantial surplus for strengthening our business, and, given normal conditions, we may, I feel sure, contemplate this company's future with well-grounded confidence.

Mr G. F. Hotblack (deputy chairman) seconded the resolution, which was carried unanimously.

The formal business having been transacted, a cordial vote of thanks to the chairman, directors and staff terminated the proceedings.

ROYAL EXCHANGE ASSURANCE.

SUCCESSFUL YEAR'S RESULTS.
INCREASED TOTAL PREMIUM INCOME.

The 209th annual general court of Royal Exchange Assurance was held, on the 1st instant, at the head office of the Corporation in the Royal Exchange, London, Mr Vivian Hugh Smith (governor) presiding.

The Governor, in moving the adoption of the report and accounts, said:—

Before dealing with the results of the various departments of your corporation's business, I should like to draw your attention to the statement of combined assets and premium incomes of your corporation and certain of its affiliated companies, which appears at the end of the printed report. You will notice that the total assets have increased by almost exactly £3,000,000 and the premium income by approximately £2,400,000. This is to a considerable extent due to the inclusion of the figures of the Motor Union Insurance Company in this statement, although, apart from that, there has been an increase of over £320,000 in the total premium incomes of the Royal Exchange Assurance and its other affiliated companies.

LIFE BUSINESS.

Dealing now with the accounts of the Royal Exchange only, and turning to the results of the various departments, you will find that the life business continues to show progress, as the net insurances completed during the year increased by some £270,000 to £2,496,000. The average sum assured of the policies written was £750, and I am sure you will consider this a good indication of the class of business secured, particularly if you bear in mind the fact that only a trifling amount of single premium business has been undertaken. You will be glad to notice an increase in the interest earned on the life fund, which stood at the satisfactory figure of £5 13s. 11d. per cent., as against £5 13s. 8d. per cent. in the previous year. The total claims paid and outstanding were £452,000, while the claims arising from death were below the amount expected on the basis of the ordinary mortality tables used. The next quinquennial valuation of the life fund will take place at the end of 1930 and, up to the present time, every indication goes to show that our bonus distribution as at that date should be a satisfactory one.

TRUSTEE DEPARTMENT.

The trustee department shows progressive growth, both in debenture and private trusts. The total of capital in hand and under administration by the department at the end of 1928 stood at over £93,000,000. This is a big figure, and I think that alone shows that the department has passed from its experimental days and has more than justified its formation some 25 years ago, when your corporation was the pioneer amongst the insurance companies and banks to undertake this class of business.

FIRE AND U.S. BUSINESS.

With regard to the fire department, I anticipated at our last general court that, in the ordinary course of business, we could not always expect to achieve such good results as we were fortunate enough to show in this department in 1926 and 1927, and my anticipations have been realised during the past year. All the same, a transfer of £150,600 cannot be considered as anything but satisfactory. In the net premium income there is little change, the comparatively small increase being mainly accounted for by an expansion in our foreign business, although both at home and in the United States the premium income is slightly higher than during the previous 12 months. You will be glad to know that our experience in the latter country shows a considerable improvement—in fact, that territory has given us the best results that we have experienced for many years. After carrying the necessary increase in reserves, the result of the operations of the department shows an underwriting profit of 6¼ per cent., which would be considered a fair average result, did it not follow two such successful years.

MARINE DEPARTMENT.

I think you will have given particular attention to the interests of our marine department. Briefly, the premium income has been reduced by some £67,000, which follows a reduction of £83,000 in the previous year; while the fund stands at nearly £745,000, which is over 125 per cent. of the premium income shown in the accounts. I would not, however, wish you to attach undue importance to the fall in the amount of the fund. The fund in the marine account represents what is left of the various amounts that your directors have put by from time to time in respect of each year's business, so it is natural, on a decreasing premium income, that the balance of the fund should also fall. In other words, because there has been a fall in the fund from £918,264 to £745,000 it does not mean that the corporation has made a loss of £173,000 on the account. It has, as I have mentioned, merely paid away money which has been reserved for the very purpose for which it has been used. As far as one can see at the moment I believe that this figure of £745,000 will be sufficient to run off all the risks of the marine department on business brought into the account to the end of the year.

I referred last year—and many other chairmen have also mentioned it—to the committees which were formed to endeavour to remedy the unhealthy condition of the marine market. These committees are still in being and are holding regular meetings. The task of improving such a highly technical and intricate business as marine insurance must take time, but it is believed that in certain directions some progress has been made and that the market gradually is recovering. So far as Hull business is concerned there has been a distinct increase in the rates charged, but the cargo position is still unsatisfactory and there must be a considerable advance in the premiums before it can be judged to be on a satisfactory basis.

ACCIDENT DEPARTMENT.

In the accident department there has been a slight further increase in the premium income. The principal expansion in the premium income is derived from our foreign business, while the third party risks, which, of course, include motor-cars, showed the largest increase in the various sections of business which the accident department undertakes. The percentage of commission and expenses was slightly less than last year, which is a welcome sign, while the result of the year's working is a transfer of £64,000 to the profit and loss account. A Royal Commission on Transport has recently had under consideration the question of compulsory motor-car insurance. It is felt by the insurance companies that any legislation in this direction would not be wise, partly because such a very small proportion of motor-owners are uninsured, and of these many are in a position to carry their own risks. You will no doubt have noticed that a Bill containing a clause dealing with this subject failed to pass the House of Lords within the past few days.

MOTOR UNION INSURANCE COMPANY.

You will remember that shares in your corporation of the nominal amount of £157,829 were issued in January, 1928, in connection with the purchase of a controlling interest in the Motor Union Insurance Company and that these shares were converted into an equivalent amount of stock as from the 9th May last. Therefore our paid-up capital stock has been increased from £789,148 to £946,977. You will recollect that the shares were issued at a premium of £5 10s., that is, at a price of £6 10s. per £1 share, which provided a premium in cash of £868,059. As this additional stock was created for the specific purpose of financing the purchase of shares in the Motor Union Insurance Company, your directors felt that the benefit of it should be applied in writing down the aggregate value of the holding of shares in affiliated companies. The holdings in affiliated companies have been treated in the same manner as the other investments of the corporation, that is, the dividends which have been declared by the affiliated companies have been included in the figure of "Interest, dividends, and rents," which appears in the profit and loss account; thus you have before you, gentlemen, the exact position of the "Royal Exchange" by itself.

You will be particularly interested in the figures of the Motor Union Insurance Company. Briefly, the results can be summarised by stating that the profits for the year amounted to £103,726, which is subject to payment of £7,680 for the dividend on the preference shares. Owing to the very large place which the Car and General and Motor Union Companies occupy in the world of motor-car insurance, their results are closely affected by that class of business. Any increase which can be shown by the general experience to be necessary in the rates charged should react most favourably on their results.

Our other affiliated companies continue to progress.

Your directors' policy in the case of the companies which have been acquired has been to build up their resources during the early years of our ownership. This policy has been eminently successful, and the companies are increasing in strength year by year. Your directors believe that it is largely by such careful and conservative methods that the best results can be obtained from the acquisitions of these companies.

The report and accounts were unanimously adopted, and the proceedings terminated with a vote of thanks to the governor, sub-governor, directors, and staff for the excellent results presented to the meeting.

EAGLE, STAR AND BRITISH DOMINIONS INSURANCE COMPANY, LIMITED.

"HIGHLY SATISFACTORY RESULTS."

The ordinary general meeting of the Eagle, Star and British Dominions Insurance, Limited, was held, on the 30th ultimo, at the Moorgate offices of the company, 32, Moorgate, London, E.C.

Sir Edward M. Mountain, Bt., J.P. (chairman and managing director), presided.

The Chairman, in moving the adoption of the report and accounts, said that the operations of the company showed highly satisfactory results during the period under review.

LIFE DEPARTMENT.

In the life department new policies numbering 2,125 were issued, assuring sums of £1,961,446, of which £1,801,946 were retained. This compared with a net retention of £1,557,280 in 1927. The total life funds now stood at £15,381,648, being an advance of over £257,000 during the year. The quinquennial valuation of the Star closed fund showed excellent results, the revealed surplus being approximately £1,500,000, which permitted an allocation of high reversionary bonuses and enabled them to transfer to profit and loss £148,393 as the shareholders' proportion of the profits, while a sum of £21,487 in respect of the profits from the Sceptre fund was carried forward to 1929.

FIRE AND ACCIDENT DEPARTMENTS.

The premiums in the fire insurance department amounted to £979,882, which was slightly lower than last year, owing to the relinquishment of some reinsurance agreements which it was not desired to continue. The loss ratio on earned premiums was 47·5 per cent. After providing for a reserve of 40 per cent., the profit from the year transferred to profit and loss account was £82,028.

In the accident department premiums amounted to £56,399, which showed an increase on the previous year, and after providing for all claims paid and outstanding and a reserve of 40 per cent. of the premium income, there remained a profit of £41,639 to be carried to profit and loss account.

EMPLOYERS' LIABILITY AND MARINE DEPARTMENTS.

The employers' liability department showed improved results, whilst in the general department they were enabled, after providing for all claims paid and outstanding and a reserve of 40 per cent. to transfer to profit and loss £46,868, as against £14,264 last year.

In the marine department premiums, less reinsurances outstanding and commissions, amounted to £791,343, claims paid, less recoveries, being £730,600. £100,000 was transferred from profit and loss and the marine fund stood at £627,586, which showed a higher ratio to the premium income than previously. The chairman dealt in great detail with the causes which led to the present unsatisfactory condition of marine business, and the steps which had already been taken and the further efforts which were being made to improve matters.

First of all, I would say that a company transacting various classes of insurance business seldom finds all the sections are profitable at the same time, and I should like to emphasise the fact that this is neither to the disadvantage of the public nor to the shareholders of the company.

During the war and immediately afterwards a large number of new insurance companies were formed. These companies, in order to attract the business outside their own immediate personal connections, had to cut rates and were spoiling all classes of insurance business for the older companies. The great majority of them have now ceased to exist, and most, if not all, "met their Waterloo" in the marine market.

The big slump, therefore, that has arisen in that market during recent years has not been without some benefit.

ALLOCATIONS.

They would see from the profit and loss account that £120,000 had been written off the cost of life business acquired, a further £25,000 had been transferred to the fire additional reserve fund, raising that fund to £50,000, and £50,000 had been transferred to the general reserve fund, bringing that fund up to £1,400,000.

The carry-forward, subject to final dividend, had been increased to £95,462.

The premium income for the year amounted to £4,369,725, whilst their total assets stood at £21,717,403, being an increase of £565,179 during the year.

In conclusion, the chairman said the company had never been so well equipped as at present for transacting every class of business in all desirable parts of the world, and for rendering efficient service to the general public. They could, therefore, look forward with confidence to progressive success as the years went by.

The report and accounts were unanimously adopted, and the proceedings closed with a vote of thanks to the chairman, directors and staff.

OCEAN ACCIDENT AND GUARANTEE CORPORATION, LIMITED.

SATISFACTORY RESULTS FOR YEAR.

The fifty-eighth annual general meeting of the Ocean Accident and Guarantee Corporation, Ltd., was held, on the 30th ultimo, at the offices of the Corporation, 36 to 44 Moorgate, London. Mr E. Roger Owen (the chairman) presiding.

The Chairman, in the course of his speech, said: I have much pleasure in presenting to you the report and the accounts for the year 1928. The assets stand at £9,217,244. The total revenue for the year amounted to £6,554,551. The net premium income after deduction of reinsurance amounted to £6,247,762. Interest, dividends and rents amounted to a net figure of £306,789.

Claims paid, including provision for outstanding losses, amounted to £3,710,178, being 58·5 per cent. of the premiums earned during the year.

After making the necessary provision for unearned premiums, there remained an underwriting profit of £240,090. out of which £100,000 was transferred to profit and loss and the balance of £140,490 was added to the fire and accident funds.

These figures are in respect of the entire business of the Corporation, and I will now proceed to deal with the separate accounts of the fire department and the accident department.

FIRE DEPARTMENT.

The net fire premiums for the year amounted to £347,876. The Department is extending its operations slowly but surely and on the lines of careful selection of business. The directors view with satisfaction the steadily increasing degree to which policyholders in other departments are placing their fire insurances with us. The department is fully equipped in every way, and we look forward with confidence to further extension of its operations in this country and also overseas.

A satisfactory year was experienced in most of our fields of operation, but losses were abnormally high in one or two countries, and the result is that our ratio of profit was rather less than in the two previous years.

The claims paid and outstanding, plus contributions to fire brigades, amounted to £192,033, representing a loss ratio of 55·2 per cent. of the premium income for the year.

Commission and expenses of management amounted to £127,159, being 36·5 per cent. of the premium income. After providing 40 per cent. for unearned premiums, there remained an underwriting profit of £26,048. Of this sum £25,000 was transferred to profit and loss and the balance was added to the departmental fund, which now stands at the substantial sum of £474,034, equalling 136·2 per cent. of the premium income for the year, the percentage being practically unchanged by comparison with the previous year.

ACCIDENT DEPARTMENT.

The net premium income of the accident department was £5,899,886. The figures include those of our American Company, the Columbia Casualty Company.

Claims, including provision for outstanding losses, amounted to £3,518,145. The loss ratio was 58·6 per cent. calculated on the earned premiums of the year.

Commission and expenses of management amounted to £2,264,053, being 38·4 per cent. of the premium income. After making the necessary provision for unearned premiums there remained an underwriting profit in the accident department of £214,442. Of this sum £75,000 was transferred to profit and loss, and the balance was added to the departmental fund, which now stands at £4,287,810 equalling 72·7 per cent. of the premium income for the year.

At the annual meeting a year ago he spoke of their policy being to take advantage of every opportunity of increasing their income in directions where reasonable prospects existed of earning an underwriting profit, and of being prepared equally to reduce their commitments in directions where no such prospect appeared in view. In continuance of the policy so stated, they had further diminished their holdings of certain classes of business, and the consequence had been a reduction in the volume of their premium income in 1928. There would have been no difficulty whatever in adding considerably to the premium income of the accident department had they been desirous of doing so.

The welcome reduction in the loss ratio of the department, falling as it did upon a reduced income, was an indication that the policy which he had previously foreshadowed, and which had since been put into operation, was a sound one. The experience gained would be a valuable guide in the shaping of future policy and plans.

The United States of America, our most important overseas field of operations, remains a difficult market for casualty offices. It is an extensive field with great possibilities for accretion in premium income, but competition is very active and comes from an ever increasing number of companies.

The report and the accounts were unanimously adopted.

SCOTTISH EQUITABLE LIFE ASSURANCE SOCIETY.

"EXCELLENT PROGRESS."

MR. R. K. BLAIR ON BOARD'S INVESTMENT POLICY.

The ninety-eighth annual general meeting was held in Edinburgh on April 25th.

Mr R. K. Blair, W.S., the chairman, said:—

It is not unusual in the first year of a quinquennium to find a falling off in the quality of the returns of a life assurance office, but I am glad to be in a position to-day to say that in practically every respect the returns which are given in our present report show excellent progress.

LARGE NEW BUSINESS AND INCREASED FUNDS.

The net amount of new assurances falls only slightly short of one and a half million pounds, and only once in our history has a larger figure been recorded. The premium income shows an increase of 50 per cent. over the corresponding figure of ten years ago. The strength of the investment position is clearly brought out by the fact that while the funds themselves have increased by about 50 per cent. in the last ten years to nearly nine millions, the net interest yield has advanced nearly 70 per cent. in the same period.

CLAIMS BY DEATH.

The claims by death amount to £384,000, a figure in excess of the previous year's total, but still well within the "expected" amount according to the mortality table. The higher claims are doubtless due to the fact that claims for several years have been exceptionally low; in other words, a certain proportion of this year's claims is really suspended mortality of earlier years.

Matured endowment assurance policies at £270,000 are also higher than usual.

ECONOMY IN EXPENSES *v.* UNDULY HIGH INTEREST YIELD.

We are entitled in these days of high costs to take credit for the fact that the ratio of expenses to premium income is, in spite of a greatly increased business, no larger than it was ten years ago, and considerably below that of most life offices. There is a tendency with quite a number of offices at the present time to concentrate upon investment income as a means of securing surplus to provide bonuses, with the result that economy in expenses is sometimes rather overlooked.

In the case of an office with funds of, say, ten millions, and a premium income of £700,000, an increase of 1s. per cent. in earned net interest would mean an addition of about £5,000 per annum to surplus, and a saving of about ·7, or 14s. per cent., in the rate of expenses calculated on the premium income would give about the same result. An office with the above-mentioned amounts of funds and premium income spending 12 per cent. on expenses would therefore require to secure a rate of interest on its funds of some seven or eight shillings less than a similar office spending 17 per cent. in expenses in order to secure the same profit for its policyholders. In other words, the result of spending 5 per cent. more of the premium income would make it necessary for an office otherwise similarly placed to invest all its funds to give a return of about seven or eight shillings per cent. more in order to achieve equal results. This could only be done by seeking investments of a higher yield, and therefore probably of a much more speculative type. It has been pointed out recently by the chairman of another office that a positive danger lurks in an investment policy of this kind should offices strain to maintain some of the abnormally high bonuses now being declared, and this danger is accentuated by the fact that it is not unusual to find a high rate of expense combined with an exceptionally high rate of net interest.

INVESTMENTS.

Your directors have endeavoured to invest your funds in as remunerative a manner as possible, keeping always in view that security is of much greater importance than yield. The return of just over 5½ per cent. gross and £4 13s. 4d. net is very satisfactory, especially when combined with a rate of expenditure of less than 12 per cent. as against 22 per cent. reserved. We may therefore claim that the society is in as good a position as one with similar funds and premium income which is spending the full amount reserved for expenses and securing a rate of interest of well over £5 per cent. net; indeed, we can claim to be in a sounder position, because expenditure is much more under our control than is the rate of interest earned, which is subject to many influences quite beyond our control.

BRITISH GOVERNMENT SECURITIES.

The only item among the assets showing a substantial decrease is our holding of British Government securities. Your Board have considered it desirable to realise at a profit a certain portion of our holding in order to invest the proceeds in securities which generally show a higher yield and secure a wider spread. The amount remaining invested in British Government holdings is still about 25 per cent. of our funds. The items showing the main increases are ordinary shares—our moderate holdings in which now amount to about 3½ per cent. of our funds—and certain of the fixed interest groups. The former investment is either in the shares of investment trusts, which your directors consider a very desirable type of investment for a moderate amount of the funds or in shares of carefully selected industrial corporations of the highest standing.

Considerable discussion has taken place within recent years on the question of the suitability of this class of investment for an insurance company's funds. It may be of interest to members to know that the director's policy is to examine on their merits all possible individual securities whether of the fixed interest or variable dividend type, rather than to be hampered by a fixed rule to exclude even from consideration investments of undoubted security simply because they belong to a class or group which may hitherto have been outside our investment categories.

The Hon. Lord Pitman seconded the adoption of the report.

The Rt. Hon. the Earl of Stair, senior vice-president, was elected president to succeed the retiring president, His Grace the Duke of Argyll.

THE SCOTTISH UNION AND NATIONAL INSURANCE COMPANY.

VITALITY AND PROGRESS.

FRESH RECORDS ESTABLISHED.

Mr William Carnegie, chairman, presided at the 104th annual general meeting of the shareholders of the Scottish Union and National Insurance Company, held at Edinburgh, on May 1, 1929.

In moving the adoption of the report and accounts for the year 1928, he referred to the extremely satisfactory results obtained during that year. Fresh records have been established, the two million mark having been reached in the life department in the net new sums assured. The endowment assurance claims are up by £39,000, but this is due in part to the maturing of special War Bond policies taken out in the closing years of the War. The claims by death, on the other hand, are down by fully £52,000.

FIRE ACCOUNT.

In the fire insurance account the premium income has increased by fully £15,000, while the claims are less than those of the previous year by nearly £9,000. The amount transferred to profit and loss account is over £222,000, and represents the largest sum ever transferred from the fire account in any one year.

The accident, employers' liability and miscellaneous accounts together show an increase of nearly £15,000 in premiums, and there is transferred to the profit and loss account a sum of approximately £25,000 as a result of the year's operations.

PROFITS.

The profits realised and transferred to the profit and loss account exceed £262,000. In comparing these results with those of the previous year, it must be remembered that 1927 marked the close of a quinquennial period in the life department, and as a consequence the profits of that year were increased by £176,000, transferred from the life assurance and annuity and sinking fund accounts. Deducting, therefore, this sum from the total profit of 1927, it will be seen that the profits in the fire and other accounts in 1928 show an increase of nearly £12,000 over the figures for the previous year. An addition of £200,000 is made to the special reserve in the fire insurance account. With this addition, the fire insurance fund at December 31, 1928, is £1,357,000, being over 103 per cent. of the year's premium income. This places the fire account in a very strong position indeed.

The directors recommend the payment of a dividend at the rate of 13s. on the "A" shares and 48s. 9d. on the "B" shares. After deducting income tax at the rate of 4s. in the £, this will absorb £156,000, which, except to the extent of about £3,000, is covered by the interest earned on the funds of the company other than life assurance and annuity and capital redemption funds.

STRONG FINANCIAL POSITION.

The total assets of the company amount to fully £15,000,000, being an increase during 1928 of over £600,000. The valuation of the Stock Exchange securities at December 31st last reveals that the securities are worth considerably more than the figure stated in the balance sheet. The appreciation in values referred to by the chairman a year ago has been more than maintained.

With a view to still further strengthening and developing the company's position in the United States of America, another subsidiary company, called the Central Union Insurance Company, has been established under the charge of the company's United States manager, Mr John Henry Vreeland.

THE ROYAL LONDON MUTUAL INSURANCE SOCIETY, LIMITED.

A YEAR OF CONTINUED PROSPERITY.

TOTAL ASSETS - £20,116,599.

The sixty-eighth annual general meeting of the Royal London Mutual Insurance Society, Limited, was held, on the 30th ultimo, at Winchester House, London.

The Chairman (Mr Alfred Skeggs, F.C.I.I., the managing director), in the course of his speech, said :—In the industrial life branch the premium income for the year ended December 31, 1928, amounted to £3,713,086, an increase of £240,143 over the premiums of 1927.

ORDINARY LIFE BRANCH.

The new assurances for the year reached the total of £4,098,075, with an annual renewal premium of £210,099. Single premiums amounted to £9,737. The new business written exceeded that of the previous year by £485,460, and is a record in the history of the Society, this being the first occasion on which the new business in the ordinary branch has exceeded four million pounds. The premium income for the year totalled £1,027,620, a net increase over 1927 of £122,905. The society's ordinary life branch shows great vitality and promises rapid expansion in the future, and the outlook may be regarded as distinctly favourable. We are now in the fourth year of the current quinquennium. At the end of next year the operations of the period will come to be analysed in the actuarial valuation, and surplus will be available for a further allotment of bonuses.

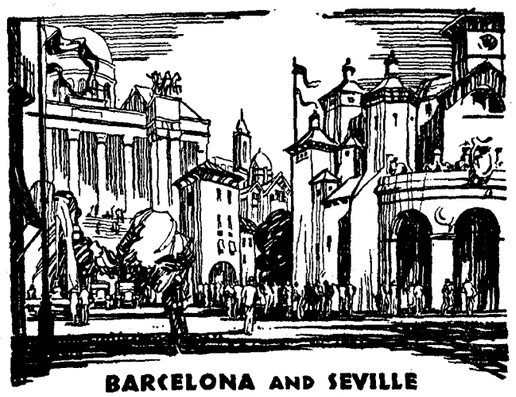
FIRE BRANCH.

The profit for 1928 was quite satisfactory. The total premiums (home and foreign) were £59,892, showing an increase over the year 1927.

In the accident and general departments the premiums amounted to £19,544, an increase over the year 1927.

Summarising the results of the society's operations for 1928, it will be observed that the income from all sources during the year under review amounted to £5,786,701, an increase of £451,607 over the previous year, and the combined premium income was £4,824,094, showing an increase of £368,754, whilst the total assets stand at £20,116,599, being £2,095,944 in excess of the year 1927. The claims paid (including surrenders) for the year amounted to £1,757,608, an increase of £230,145, thus making the total claims paid during the operations of the society £21,963,259.

The report and accounts were unanimously adopted.



BARCELONA AND SEVILLE EXHIBITIONS, 1929.

The Anglo-South American Bank has branches in seven cities in Spain—including Barcelona and Seville—as well as Agents throughout the Peninsula.

It is therefore in a unique position to provide complete financial services to intending visitors to the forthcoming Exhibitions.

THE ANGLO-SOUTH AMERICAN BANK LTD
117 OLD BROAD ST, LONDON, EC2

J. MANDLEBERG AND COMPANY, LIMITED.

FINANCIAL STRENGTH AND CONTINUED PROSPERITY.

VALUE AND UTILITY OF THE VALSTAR WEATHERCOAT.

The fortieth annual general meeting was held in Manchester on Friday, April 26, 1929. Sir Charles Mandelberg (chairman of the company) presided.

The Chairman, in addressing the meeting, said : The report and accounts show a satisfactory advance, and indicate the financial strength and continued prosperity of the company. The net profit is £80,742 12s. 2d., and the amount brought forward £43,230 9s. 6d., giving a total available balance of £123,973 1s. 8d., compared with a profit of £71,325 13s. 7d. and a total of £112,664 17s. for 1927. The preference dividend for the year has been paid, and £3,500 added to the depreciation fund. The directors recommend payment of the dividend of 8 per cent. for the year on the preferred ordinary shares (including the interim dividend at the same rate paid in September last) and a dividend on the ordinary shares of 10 per cent. for the year (including the interim dividend for the half-year at the rate of 8 per cent. per annum paid in September last) and £54,166 10s. 1d. is carried forward.

COMPANY'S NEW PREMISES.

There has been a capital outlay of £25,446 17s. 1d. in new buildings erected on land already owned by the company, adjacent to the existing Seaford Road Works. This will increase the capacity and efficient working of some of the departments, and the new premises are now nearly ready for occupation. The directors expect that in due course this addition will be reflected in increased trading results. Investments in subsidiary and other companies remain practically unaltered. The income from these investments, which include the £60,000 8 per cent. first cumulative participating preference shares of Harben's, Limited, shows a satisfactory return, and, in the opinion of the directors, the value of the company's investments is more than the cost as stated in the balance sheet.

STRONG FINANCIAL POSITION.

The stock-in-trade carried is quite normal, and consists of goods necessary for ordinary trade requirements. The debts due to the company, the cash in hand, bills receivable and stock in hand together amount to £459,999 4s. 11d., and, after deducting the sundry liabilities, which are £107,210 14s. 3d., there remains the substantial balance of £352,788 10s. 8d. as evidence of the strength of the company's financial position. The reserve fund is £100,000 and the depreciation fund £42,000, and there are no debentures.

SUCCESS OF THE VALSTAR WEATHERCOAT.

Continuing, the chairman said that the policy of the company had been to maintain a very high standard of quality. Their rubber proofing and waterproof garments had for many years set a standard of excellence, but he desired to emphasise the fact that their weatherproof cloths and clothing were of an equally high standard, and he wished in this connection to call attention to the success of their latest product, the "Valstar Weathercoat," which, in their opinion, as regards material, rain-resisting qualities and style, represented a marked advance in the manufacture of such garments. This development was due to the company's long experience as weavers, dyers, finishers and rainproofers, and by reason of being able to manufacture large quantities they could produce the "Valstar" at a low cost and offer it to the trade at prices representing remarkable value. The name "Valstar" was registered, and last June a national advertising campaign to the trade and public was opened up. The sales of "Valstar Weathercoats" already indicated that the trade and public appreciated their value and utility.

COMPLETE AND UP-TO-DATE ORGANISATION.

The Chairman said that they could claim a long and exceptional experience in export trade; the company's products were well known and appreciated throughout the world. This trade had been built up under the direct supervision of the directors, who had from time to time personally visited many countries and investigated the requirements and conditions abroad. The manufacturing plant, the commercial, selling and research organisations of the business were very complete and thoroughly up to date. During the year Mr R. J. Sopwith, the sales manager, and Mr T. J. Cragg, the secretary, were appointed directors, and he recommended the confirmation of their election.

FORTY YEARS' RECORD.

The Chairman next referred to their completion of forty years as a public company, and said this entitled them to look back and consider their record. He had had figures prepared covering the whole period, and it had been a pleasure to analyse them and view the working of forty years in perspective. In his opinion, they could be regarded with satisfaction. There had been good years and there had been periods of war and industrial upheaval, but, on the whole, the story told was one of steady development and expansion. There had been available for distribution on the ordinary shares for the whole period the equivalent of nearly 15 per cent. per annum on the paid-up share capital. £180,000 of ordinary shares had been issued free to the shareholders as bonus, and, in addition, an average of nearly 12 per cent. per annum had been paid in cash dividends on the ordinary shares, including dividends on the bonus shares and the additional capital issued in 1920, and, further, out of these profits there remained £196,000, which had been placed to reserve fund, depreciation fund and carry forward. He thought these figures demonstrated, first, the progressive profit-earning capacity of the business, and, secondly, that, given normal conditions, satisfactory returns could reasonably be expected.

BRIGHTER PROSPECTS.

In concluding, the Chairman said that these normal conditions were considerably nearer attainment than had seemed likely at various times during the last few years. "Peace abroad and stability at home, not forgetting the growth of co-operation between employer and employed, have conduced to the revival of confidence. Trade is returning slowly but surely to its old channels. More orders from overseas are causing more activity in most of the basic industries. The prospective relief to industry from de-rating will make itself felt. There exists a feeling of renewed hope and confidence that, given no repetition of the mistakes of 1926, no risky departures from the well-tested principles upon which British trade and industry have been built, and no increase in the burden of taxation, we shall see better trade returns and an increased measure of prosperity, in which the company will share."

The adoption of the report and accounts was then proposed by the Chairman, seconded by Sir Henry Rothband, and approved. The dividends recommended were authorised to be paid; the retiring directors were re-elected, and the auditors reappointed.

THE NEW AFRICAN COMPANY, LIMITED.

AN ENCOURAGING PROSPECT.

The thirty-third ordinary general meeting of the New African Co., Limited, was held, on the 30th ultimo, at the Institute of Chartered Accountants, London.

Mr Berkeley Fairfax Conigrave (the chairman) said that, at the annual meeting in January, 1928, proposals for reorganising the capital were explained and the scheme was duly passed by the shareholders and sanctioned by the Court.

The balance sheet showed a strict and conservative valuation of the assets. The total book value of the investments—industrial, mining, land and sundry shares and debentures—was £78,501. The report dealt fully with the valuation of these investments, and, in the aggregate, the value exceeded the balance-sheet figure. Assuming favourable conditions, they should in the near future see a substantial appreciation in the holdings.

The gross income for the period under review was £11,062. Outgoings, less fees from other companies, were £5,000. A substantial reduction in administration expenses had been effected as from July last. The whole of the expense of the reorganisation of capital (£1,130) had been charged out. From the profit of £4,931 was deducted the difference between the loss shown in the previous balance sheet and the amount of capital written off, viz., £338; and it was proposed to pay a dividend of 5 per cent. (less tax) on the fully-paid preference shares and a proportionate dividend from the date of allotment on the partly-paid shares.

It was agreed that, in the eight months of the management, the present directors had made good use of comparatively modest capital resources. The net revenue was virtually 9½ per cent. on the preference capital, and distinct progress had been made. They hoped to do considerably better, and if, as he believed, they found they could profitably use all or part of the large amount of unissued capital, they would not hesitate to ask for the shareholders' consent to an issue.

Of their considerable holding in East African Sisal Plantations, some had been realised at a satisfactory profit, and they believed the present holding should produce a satisfactory revenue in the current year. An investment of their predecessors which did well in the past was in Taquah and Abosso Mines, Limited. From these mines gold to the value of £6,410,429 had been obtained, and nearly £800,000 paid in dividends. They understood that developments were disclosing encouraging values and continuity of these values at depth. Taking a reasonably hopeful view, therefore, they should be able in future to derive good profits on their substantial holding in this concern.

The report and accounts were unanimously adopted.

SHROPSHIRE, WORCESTERSHIRE AND STAFFORDSHIRE ELECTRIC POWER COMPANY.

COMPANY'S GOOD PROSPECTS.

The ordinary general meeting of the Shropshire, Worcestershire and Staffordshire Electric Power Company was held, on the 30th ultimo, at 88, Kingsway, London.

Mr E. Garcke (the chairman) said that the revenue account showed a total credit of close on £350,000 for 1928, as compared with £322,000 for the preceding year. The debits were £161,000, compared with £146,000. They were proposing to pay a dividend on the "B" ordinary shares of 7½ per cent. for the year 1928, compared with 7 per cent. for 1927, and the capital having been increased during the past year, the total dividend charges amounted to £96,000, or an increase of £16,000 on the preceding year. They carried to the reserve appropriation account the balance of £92,621, to which was added the premium received on shares issued last year, £54,125, and sundry other items, £3,519, or a total at the credit of the appropriation account of £150,265. From that total they wrote off the balance of £18,936, commission and discount paid on previous issues of capital. They placed £50,000 to reserve account, the same amount as in the preceding year, and after adding the charge in respect of the endowment fund of £2,392, there remained a balance to be carried forward to next year of £78,937, compared with £45,628 brought in from the preceding year.

DEVELOPMENT OF THE BUSINESS.

It was natural to expect the general development of their business to cause an increase in their expenses, but he must draw the shareholders' attention to the large increase in the amount paid in rates. In 1928 they had paid £24,156, as against £16,178 in the previous year, and £14,103 the year before. The increase in local rates which the electricity supply industry was called upon to bear was a very serious burden which would not in any way be eased by the Local Government Act, 1929, generally known as the Derating Act, as public utility enterprises were debarred from obtaining any advantage by its provisions.

BALANCE-SHEET ITEMS.

Turning to the balance sheet at December 31st last, the issued share capital appeared at £1,705,000, an increase of £555,000 during the year. Their loan capital and other forms of indebtedness showed a total of £1,590,000, a reduction of £35,000. Their reserve stood at £437,899, being £50,000 more, and they carried forward a further £78,937, together £516,836. The total capital expenditure on works, mains and other equipments was £3,122,000, and on Special Acts of Parliament and Orders £86,000. Investments in subsidiary companies represented £255,000; stores, £142,000; debtors, £144,000; cash and other liquid assets, £120,000. The general financial position was satisfactory, and the prospects were good.

DISTRIBUTION AREA.

Arrangements for interconnection of supply had been made with the city of Birmingham on the east of their area and with the West Gloucester Power Company and Wessex Electricity Company on the south. Negotiations with similar objects were proceeding with the Hereford Corporation on the west, and with the West Midlands Joint Electricity Authority on the north. They were also supplying current in bulk to the Corporation of Cheltenham. Their distribution area covered nearly the whole of the county of Worcestershire, considerable portions of Staffordshire, Shropshire, Gloucestershire, Warwickshire, Herefordshire and Oxfordshire, giving a total area of approximately 1,800 square miles in parts of seven counties. Within that area they had a number of separate electricity undertakings. In addition to those previously reported were Banbury in Oxfordshire, Ledbury in Herefordshire, Stratford-on-Avon in Warwickshire, Shipston-on-Stour in Gloucestershire, and Church Stretton in Shropshire.

ADVANTAGES OF COMPANY'S AREA.

The company's area offered many exceptional features which might claim favourable attention of industrialists, for it was well served by railways, good roads and a network of canals. The company had established an estates department, which was in a position to provide information concerning sites and availability of labour to industrialists in search of the most economic conditions for enterprise, including the supply of cheap electric power. He might add that a company subsidiary to the Imperial Chemical Industries had purchased about 75 acres, part of their surplus estate at Stourport, for the erection of a factory for making all classes of insulators, and had agreed with them for a supply of electricity.

The report and accounts were adopted, and a resolution was passed creating 350,000 new shares of £1 each, to be called six per cent. cumulative preference shares.

CORPORATION AND GENERAL SECURITIES, LIMITED.
EMPIRE INVESTMENT POTENTIALITIES.

The second ordinary general meeting of this company was held, on the 26th ultimo, at Winchester House, London, the Marquis of Winchester (the chairman) presiding.

The Chairman, in the course of his speech, said : Our net profit for the year amounts to £93,981, subject to income tax, which is at the rate of over 13 per cent. on our capital of £700,000. We propose to write £19,000 off goodwill, reducing this item to £35,000, as compared with the original figure of £60,000, at which it appeared in our last balance sheet; to start a general reserve account, to which we propose to allocate £20,000; and to pay a dividend of 7 per cent. per annum on the ordinary shares, which compares with a dividend of 6 per cent. per annum last year.

During the past twelve months corporations have not been quite such active borrowers as in the previous period, but, although the stock issues have been less numerous, they have been for larger amounts, and the sum total is approximately the same. We, however, secured the bulk of the business.

SUCCESSFUL ISSUES.

The success that normally attends the isues for which this company is responsible is the result of work during a period of some three or four years during which we have created a following of investors, large and small, who want the loans of British Corporations as permanent investments. We have reached a stage where we can claim to have nearly a quarter of a million investors on our books. At practically the same time as you receive this report you will see in the papers a stock issue which represents our maiden effort on behalf of the British Dominions. I refer to the issue of £1,600,000 of 5 per cent. stock of Melbourne and Metropolitan Board of Works at 93½ per cent. I obviously am not at liberty to disclose, much as I would like to, the hopes we hold for the future. It is our earnest intention to cultivate the great field of gilt-edged stock issues still open to us with the same intensity as we have applied to the stock issues of British Corporations. I refer to our own Dominions, their great cities and public utility corporations.

INVESTMENT WITHIN THE EMPIRE.

We are at the present time proposing to bring to the notice of the great and ever-increasing number of investors in this country the wisdom of investing their savings in the Empire in the same manner as we claim to have educated them into the merits of the stocks of corporations in the British Isles. The yields obtainable are slightly greater, and, in effect, the security is really exactly similar. In the investment field self-interest—it might almost be said the instinct of self-preservation—demands investment within the Empire.

I can find no word, unless it were perhaps the word "miraculous," to describe the financial record of the Empire. During the last century or so—in fact, ever since public borrowing began—Great Britain, its corporations, the great Dominions and Colonies, and their municipal undertakings, have borrowed money which, expressed in sterling, runs into astronomical figures, literally tens of thousands of millions, and never has there been one occasion, so far as I can trace, on which capital and interest have not been paid at due date. I cannot think how countless must have been the occasions. This is as true of every constituent element of the Empire as it is of Great Britain herself.

AN AMAZING RECORD.

It is an amazing record, and one which is not sufficiently appreciated. When one contrasts such a record with that of foreign countries one realises that, in instilling the wisdom of investment within the Empire, one is only preaching common sense.

I have before me here a list of foreign States and their municipalities which have borrowed in London. The list of defaulters is lamentable. I can only find four countries of Europe which have borrowed in London at one time or another and have not defaulted legally or morally in one or more of these respects. In the great continents of North and South America I can only see four non-British countries who, either themselves or their constituent States, have not defaulted in one way or another, and yet throughout the world hundreds of British borrowers, consisting of States, municipalities and corporate bodies, have been financed from London and never a whisper of any failure to carry out their obligations to the letter and to the minute.

These and other facts we are going to make as well known to the small investor as they should be, and with all the legitimate arguments at our command we shall impress and continue to impress upon the investing public the desirability not only of buying British, but investing British. (*Applause.*)

The report was unanimously adopted, and a vote of thanks to the chairman concluded the proceedings.

HENRY GLAVE, LIMITED.
DIVIDEND ON DEFERRED 20 PER CENT.—THE NEW STORES.

The seventh annual general meeting of Henry Glave, Limited, was held at the company's new store, 80-104 New Oxford Street, London, on the 30th ultimo, Sir Arthur Wheeler, Bart., D.L., J.P. (the chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said : This is the first balance-sheet which covers a complete twelve months since we increased our capital, because a year ago our balance-sheet only showed the result of some eight months' trading on the increased capital.

We are, as you know, for the moment chiefly a holding company, and, to a small extent, a trading company, but when these buildings which we are now occupying are finished, we expect to be a very important trading company.

We own a controlling interest in the United Drapery Stores, Limited, which itself is a holding company and receives its revenue from a number of old-established and prosperous drapery concerns in the greater London area.

Our operations here in New Oxford Street have been seriously hampered during the past twelve months by the rebuilding which is still progressing.

Our profit for the year is £67,087, which, with the £15,000 brought in from last year, makes a total available of £82,088, as compared with £74,540 a year ago. The preference dividend for the year requires only £5.600. The full 10 per cent. on the preferred ordinary takes £30,000, 20 per cent. on the deferred takes £30,000, and we are carrying forward £14,674.

SIX ACRES OF FLOOR SPACE.

Our new stores, when completed, will be a very fine building—one of the finest stores in London. Mr. Hopton, our managing director, has had many years experience in the management of this class of business, and the layout of this new store is being planned by him in conjunction with a gentleman who has taken part in the planning of London's largest and most modern stores.

You will be aware that our property extends from New Oxford Street right back to Great Russell Street, and when our building programme is completed our floor space should amount to approximately 6 acres.

In this business, as you know, we pay cash, and we take the utmost discount from manufacturers and wholesalers. We sell for cash exclusively, and as a result we save considerably in book-keeping and clerical work, and we take no risk of bad debts.

The turnover of our stock has been very much speeded up, and the results disclosed have been secured in spite of adverse factors—the Holborn explosion, for instance.

THE TREND OF WEST END TRADE.

We are living in a time of rapid progress. London is daily becoming more crowded, and this crowding is bringing about a very definite change. The change to which I want to draw your attention is this—that the shopping centre of London, the West End, is expanding—just as sure as the City tends to spread westwards, the shopping centre tends to move our way. Before long New Oxford Street will be to Oxford Street what New Bond Street is to the older part of that very well-known street.

I want you—who are shareholders with me in this company—to realise that not only are we taking advantage of the trade which comes to us to-day, but we are equipping ourselves with every modern improvement so that we may meet the large increase in business which in a short time will be overwhelming; but we shall be ready for it; we shall have (to use a familiar expression) "the best claim in a very rich field."

I would like to add one word about the tendency of fashion of the ladies of to-day—my business, I admit, is finance, but I happen to live in Leicestershire, which as you know provides a large portion of our home-produced knitted wearing apparel—we find that the tendency is for ladies to wear better garments, the coarse gauge machinery is being replaced by finer gauge, and the trend is towards better quality in the finished article. I draw your attention to this point because it affects our policy here very materially—we are improving the tone of our store.

Mr. W. J. Hopton, J.P., the managing director, in seconding the motion, said : "Glave's policy, as you know, is to sell only for cash. Our policy here is to buy cheap and sell at keenest possible prices for cash only. I believe in small stocks and quick turnover. Glave's average stock last year was about £8,000 less than the previous year, yet we served over 100,000 more customers. I have the utmost confidence in the future of Glave's, believing that the store we are now planning will soon take its place in the front rank of London's most successful businesses."

The report and accounts were unanimously adopted.

GODFREY PHILLIPS, LIMITED.
GOOD RESULTS—INCREASED PROFIT.

The twentieth ordinary general meeting of Godfrey Phillips, Limited, was held, on the 30th ultimo, at the Works, Commercial Street, London, Mr Arthur I. Phillips presiding.

The Chairman, in moving the adoption of the report and accounts, said : I am pleased to be able to present what I believe you will agree is a quite satisfactory result of this year's trading, viz., a satisfactory balance sheet and a trading profit of £15,800 more. This larger trading profit is particularly pleasing in view of the fact that the company has had a full year's working of the increased duty, which you will remember was imposed in the 1927 Budget, and which I will remind you cuts into the profits by a great deal more than £100,000 per annum, and also in spite of much increased competition, not only in this market, but in all those in which we trade.

The better results have been mainly brought about by a much increased export trade, and to a lesser degree by certain economies which the acquisition of subsidiaries has made possible. If it had not been for these two factors, I fear we should have presented far less satisfactory figures. I say this because the home market has not contributed its fair quota, even though we have increased its sales. The additional duty to which I have already referred, coupled with your board's unalterable policy of maintaining the quality of its manufactures, and the high cost of advertising to-day, has reduced both gross and net profits to a very unsatisfactory figure.

"PLUS TWO" CIGARETTES.

It is the considered policy of your board to possess a large business, even though the margin of profit allowed us to-day is so very small. The big turnover offers opportunities which a smaller one, catering for that trade which shows a large percentage of profits to sales, can never hope to have. In this connection a very big trade has been secured for "Plus Two" cigarettes, but it must be obvious that in selling 12 full-sized and full quality cigarettes at the price of 10 there is a very small margin of profit left even when all allowances are made for lower all-round costs and cheaper packing. But there is undoubtedly a considerable demand for greater value by the smoker, and we have catered for it in a manner which I feel sure deserves our thanks to both the production and advertising departments, to the latter particularly, for the very original way in which they created a big demand in record time with the slogans, "Are You a Plus Two Man?" and "The Plus Two Man Gets Two More." The whole of the very big advertising bill incurred for the introduction of the "Plus Two" brand has been charged to revenue, of course, even though the introduction was so late in the year. We have also done well with other brands, B.D.V. cigarettes and tobacco having made further strides; this is satisfactory, and evidence that the £50,000 appropriated from the balance forward from the last account has been well spent.

"ABDULLA."

The subsidiaries have contributed their quota towards the success that has attended our efforts last year. You will see from the accounts of Messrs Abdulla (the only public company which this company controls, and the only one to issue a report) that they have increased their profit by some £10,000 odd. The benefit of this is for this company in the early future. I look with every confidence to the not far distant future when Abdulla will be earning considerably more, and as its assets have been so liberally written down, and as its reserves stand so high, a much greater proportion of its profits should accrue to the ordinary shareholders of Godfrey Phillips. I see no reason to contemplate a less satisfactory year this than last year. I, and my colleagues, confidently believe we shall do better. In both the home and export markets we have done better business for the first quarter of the year than for the corresponding period. In ordinary times I should say we should do much better, but the political uncertainties and the ever-changing conditions of this and the world's markets make prophecy hazardous. However, your board will continue to take every opportunity towards the desired end of bigger and bigger earnings without impairing the strength of the balance sheet, with which I should now like to deal.

"The Profit and Loss Account" shows a net trading profit of roughly £16,000 more than last year, and the appropriation of the balance of last account, and the dividends paid in respect of the preference shares, and the final dividends from last account paid in respect of the ordinary shares, and the interim dividend on the ordinary shares paid in 1928. I am well satisfied that all the assets are sound, conservatively valued, and necessary to the carrying on of this very large business.

The resolution was carried unanimously.

It was announced that warrants for the ordinary share dividend would be posted on 17th instant.

ROAN ANTELOPE COPPER MINES, LIMITED.
INCREASE OF CAPITAL APPROVED.

An extraordinary general meeting was held, on April 29th, at River Plate House, Finsbury Circus, London, to consider a resolution increasing the capital of the company to £1,250,000 by the creation of 1,000,000 new shares of 5s. each. Mr A. Chester Beatty (chairman of the company) presided.

The chairman said : The total area of our own property and the Roan Antelope Extension and Muliashi properties extends to about 10,787 acres, and covers a total length of over 10 miles in a north-west south-east direction along the strike of the Roan ore shales. Out of this total length of 10 miles, the ore shales have so far been proved by surface trenching and pitting to be mineralised over a length of about seven miles. The actual proving of the ore shales in depth is, as you know, being done principally by drilling. Beginning at the south-eastern end of the area, *i.e.*, in the Roan Antelope property itself, the basin has been drilled in considerable detail over a distance of about two miles, supplemented by extensive underground work, and has been found to contain 30,000,000 tons of commercial ore, with probabilities that additional drilling in this area will add materially to this tonnage. Beyond these two miles a line of holes has been drilled along the south limb of the basin for a further distance of about 2½ miles, and every drill hole has shown commercial ore.

A series of deeper boreholes is, of course, required to permit calculations of proved ore reserves in this area, but in view of the proved continuity of the ore over this great distance we are confident of being able not only to produce at the rate of 2,000,000 tons of ore per annum for many years to come, but we also feel that there is every probability that our ultimate rate of production will be far in excess of this. There is, therefore, no doubt whatsoever in our minds, or in those of our associates, that the property fully warrants the large expenditure which is being made in equipping it for production on a large scale.

The orders already placed for the permanent equipment amount to over £350,000, of which about 90 per cent. have been placed in this country. A 1,250 K.V.A. turbo-generator set and two 3,000 cubic feet air compressors are now under erection, and the balance of the permanent power plant, comprising two 7,000 kw. turbo-generators, together with condensers, boilers, and auxiliary equipment, are on order.

Warehouses and machine shops are in course of erection, and a start will shortly be made on the foundations of the concentrating plant, for which a part of the equipment, including the crushing plant and grinding mills, is already under order. Good progress is being made in the Townsite construction, and the branch railway to the mine is now in full operation. The opening up of the mine in preparation for production is under way, and this work is expected to make more rapid progress as soon as the 1,250 K.V.A turbo-generator set comes into operation in about two months' time. The site selected for a permanent hoisting shaft has been tested by a borehole, and the sinking of the shaft has actually been started.

DETAILS OF PROPOSED ISSUE.

The authorised capital to-day is £1,000,000, of which £851,150 is issued, and we propose that the authorised capital shall be increased to £1,250,000 by the creation of an additional million shares of 5s. each. We propose to issue forthwith to shareholders 1,139,033 shares, which will, assuming that the options on the Roan Extension and Muliashi properties are exercised, still leave us with 155,867 unissued shares in our treasury. The issue of the 1,139,033 shares just referred to will be made to all shareholders *pro rata* to their holdings, giving them the right to subscribe for one new share for every three shares at present held, fractions of shares being ignored. The proposed price of issue to shareholders is 39s. Provisional allotment letters, accompanied by letters of renunciation for those at who wish to dispose of their rights, will be issued at an early date.

According to a cable received from Rhodesia, Borehole No. 9, Roan Antelope Extension, entered sulphide ore at 560 ft. and preliminary assays indicate :—

From 560·0 ft. to 562·7 ft. ..... 3·20 per cent. copper.
From 562·7 ft. to 569·0 ft. ..... 5·40 per cent. copper.

This shows an average of over 9 ft. of 4·70 per cent. sulphide copper.

The hole continues in ore. This hole is 4,000 ft. north-west along the strike from Borehole No. 1 Roan Antelope Extension, and 5,000 ft. from the Muliashi property. Borehole 28, which is the last hole to the north-west on the Roan Antelope Claims, is about 11,000 ft. south-east along the strike from No. 9 Roan Antelope Extension. This hole indicates the continuity of payable ore over a distance of about six miles, with the probability of further work extending it still further to the west into the Muliashi property.

The resolution was carried unanimously.

LONDON TRUST COMPANY, LIMITED.

STRONG POSITION.

The fortieth ordinary general meeting of the London Trust Co., Limited, was held, on the 29th ultimo, at Winchester House, London. The Hon. Evelyn Hubbard (the chairman) presided.

The Chairman said that this was their fortieth annual general meeting, and it must be as satisfactory to the shareholders as it was to the directors to know that the affairs of the trust were never in a better state than they were to-day.

The directors proposed to recommend a final dividend of 13 per cent., which, with the interim paid in October, would make 20 per cent. The dividend had been increased annually for some years past, and this was the third successive year it had been raised by 2 per cent. He wished the proprietors to recognise that, whilst they had every reason to hope that the present rate could be maintained, it must not be assumed that they would be able to continue raising the dividend with the same monotony as in recent years.

As regards the future, the immediate disturbing element was the forthcoming General Election, the result of which was fraught with great possibilities for good or evil. As that was only a business meeting, he must not indulge in politics, but if the declared policy of Socialism in financial matters were ever carried into effect, he was afraid it would be detrimental and possibly ruinous to the interests of many of the companies in which they were at present shareholders. There appeared to be every reason to think that trade was at last on the up-grade, and better accounts of the coal and iron trades were being received, as well as from the shipbuilding yards, so that in the absence of any serious political upheaval, the situation should improve. As to that, the events of the next few weeks would doubtless enlighten them.

The trust had enjoyed a series of good years in common with most other companies of a similar character. The board had uniformly endeavoured to place the trust in a strong position by a conservative distribution of its earnings, and he thought that, at the same time, the stockholders had been in receipt of very satisfactory dividends for several years. This was a policy he was confident they would wish their board to continue in the future, as by such a course they would be always prepared to meet any reverses that were likely to arise in the ordinary course of its affairs.

The report was unanimously adopted.

ODHAMS PRESS, LIMITED.

SUBSTANTIAL GROWTH IN PROFITS.

The ninth annual general meeting of Odhams Press, Limited, was held, on the 30th ultimo, at the Hotel Cecil, Strand, London. Mr W. J. B. Odhams, the chairman of the company, presided.

The chairman said that the record profit carried to the balance sheet was £176,783, as against £151,753 for 1927 and £116,872 for 1926, which, he thought, would be regarded as satisfactory. The average output of newspapers and periodicals produced by the company averaged more than 4,300,000 copies per week, or nearly 250,000,000 copies per annum. That was, of course, satisfactory from the company's point of view. It also meant that they were providing every year more and more employment for compositors, machine men, warehouse men and all the many other classes of workmen engaged in the production of a newspaper, and their wages bill was continually mounting up. They were, in fact, doing their share towards solving the unemployment problem. It would be wrong in speaking of the growth of the business to pass over in silence the services of Mr Elias, and not to refer to his great efforts in putting upon the market the improved "John Bull." Not the least of the many excellent innovations had been the obtaining of the services of Sir Wyndham Childs, who superintended the Investigation Department. "John Bull" was essentially a watchdog, and was constantly barking to the great advantage of the public, but even the most trustworthy watchdog had been known to bite the wrong person. By the retention of Sir Wyndham Childs and other safeguards the board were taking additional means to ensure that "John Bull" should attain that "impossible" position of being always right. One other important interest of the company which gave a very large printing contract to-day and a promise of handsome return, not only in printing but on their share interest—more than 80 per cent.—was "The People" newspaper. The net circulation of "The People" had, under Mr Elias' direction, increased from 300,000 four years ago to over two million net sales per week to-day. For at least one year more they must not expect to receive dividends, because profits were being used in wiping off development expenditure. In the meantime, the substantial printing profit was with them, and they must be content for a little while longer to reap the benefits with one hand only instead of, as later, they hoped, with both.

The report and accounts were adopted, and the dividend of 15 per cent. on the ordinary shares was confirmed.

SHANGHAI ELECTRIC CONSTRUCTION COMPANY, LIMITED.

SUBSTANTIAL IMPROVEMENT—BONUS PROPOSALS APPROVED.

The twenty-third annual general meeting of the Shanghai Electric Construction Co., Limited, was held, on the 1st instant, at Basildon House, Moorgate, London, Mr J. S. Haskell (the chairman of the company) presided.

The Chairman, in moving the adoption of the report and accounts, said:—

Our operating profit is £167,232. Our profits have accrued from a scale of fares which is probably as low as any in the world. The construction account, which appears in the balance-sheet at £713,235, and our other assets in Shanghai, show that we have expended on our undertaking a sum largely in excess of the issued capital of £500,000, and it is with a view to bringing the capitalisation of the company more nearly into harmony with the value and extent of its undertaking that we are asking you to-day to sanction an increase of the capital and the capitalisation of part of the reserve.

By transferring £25,000 to general reserve, we have raised that account to £135,000, and we propose to continue, as profits permit, the policy of adding to our financial resources from within rather than by raising fresh capital. The addition to the reserve is particularly desirable, in view of the fact that we propose to recommend to the shareholders the capitalisation of part of the reserve by an issue of bonus shares to the amount of £100,000, equivalent to one new share for every five shares now held.

The fact that a large part of our capital is represented by bearer warrants has led in the past to bonus shares being unclaimed and having to be allotted to trustees in whose names they still stand. These unclaimed shares are entitled to dividends which accumulate, and will rank for the bonus now to be declared, and the new bonus shares will rank for future dividends. We have endeavoured to avoid the confusion which would result by providing that any new bonus shares not claimed by October 31st next are to be sold, and that the proceeds are to be placed on deposit for the benefit of the persons ultimately found to be entitled. The increase of the capital to £700,000 will leave 100,000 shares unissued and available for issue if and when required. No further issue is contemplated at present.

The report and accounts were unanimously adopted.

A further resolution was passed authorising an increase of the capital to £700,000 by the creation of 200,000 new shares of £1 each, and the issue by way of capitalisation of profits of 100,000 new shares credited as fully paid to shareholders, in the ratio of one new share for every five at present held.

JAMES W. COOK AND COMPANY, LIMITED.

MR W. J. CLARKE'S STATEMENT.

The thirty-second annual general meeting of James W. Cook and Co., Limited, was held, on the 26th ultimo, at the offices of the company, 130-135 Minories, London, E.

Mr W. J. Clarke (the chairman and managing director) presided.

The Secretary (Mr Alfred E. Pike) read the notice convening the meeting and the report of the auditors.

The Chairman referred in detail to the various activities of the company during the year under review, and paid his annual tribute to the loyalty of the permanent staff, which, he commented, was again beyond reproach. He concluded by moving the adoption of the report and statement of accounts and the payment of a dividend at the rate of 10 per cent. per annum for the half-year on the ordinary shares—payable forthwith—making, with the interim dividend already paid, 7½ per cent. for the year, less income tax.

Mr Ernest G. Devitt seconded the resolution, which was carried unanimously.

The retiring auditors (Messrs Lescher, Stephens and Company) having been reappointed, the proceedings closed with a cordial vote of thanks to the Chairman and his colleagues.

THE CASE FOR FREE TRADE

A pamphlet of 56 pages reprinted from "The Economist."

The fundamental arguments against Trade Restriction are set out; and the claims of "Safeguarders" examined.

Price 4d.

(Special terms for quantities.)

Obtainable from "THE ECONOMIST,"
6, BOUVERIE STREET, FLEET STREET, LONDON, E.C.4.

INSTITUTE OF CHARTERED ACCOUNTANTS.

INCREASED MEMBERSHIP.

The forty-eighth annual meeting of the Institute of Chartered Accountants in England and Wales was held, on the 1st instant, at the Hall of the Institute, Moorgate Place, London. Sir Nicholas Edwin Waterhouse, K.B.E. (President of the Institute), occupied the chair.

The President, in the course of his address, said: During the year there has been an increase of 565 in the number of our members, and, if we take into account the results of the last final examination, our present total is more than 8,500. During the year no fewer than 834 articled clerks were registered, as compared with 799 the previous year, and it looks as if in a very few years our membership will reach the five-figure mark. With the ever-increasing demand, however, for fully qualified men, not only as assistants in the offices of practising accountants, but also to hold responsible positions in so many branches of commercial and financial activity at home and abroad, I do not share the view that I have sometimes heard expressed lately that our profession is beginning to get overcrowded.

The fifteenth autumnal meeting of the Institute was held in Birmingham last October at the invitation of the Birmingham and District Society, and a full report of the proceedings has been circulated. The meeting was a very successful one, not only socially, but also on account of the publicity it obtained.

The International Accountants' Congress to be held in New York during September promises to be the largest accountancy convention that has yet been promoted. No fewer than 2,000 accountants are expected to be present, and delegates are invited from all representative bodies in all parts of the world. We are most fortunate in having as our own delegates Sir William Plender, Sir Woodburn Kirby, Mr Cash and Mr Colville.

Another great event of more significance to ourselves than the American Congress which will take place during my successor's year of office, is the fiftieth anniversary of the incorporation of our institute by Royal Charter. It is intended that this anniversary shall be celebrated in a manner worthy of the occasion, and we must congratulate ourselves that Sir William Plender has consented to fill the position which I am vacating next month, and to undertake the more than usually onerous duties which will fall on the president for the year 1929–30.

FINANCIAL POSITION.

Passing now to the accounts, I do not think there are any special items to which I should draw your attention. The excess of income over expenditure for the year amounted to £7,330, as against £5,390 last year, which may chiefly be attributed to the increase in fees received owing to the general expansion of our membership. Turning to the balance sheet, it will be seen that our accumulated fund now stands at £136,202, but it must be borne in mind that on the other side of the account our investments stand at cost, and are still some £12,500 in excess of their market values, as compared with about £13,000 last year.

In last year's report reference was made to the proposed supplemental charter, and it was then mentioned that some objections had been raised by certain Dominions, and that it had not yet been found desirable to submit to the Privy Council the petition for the granting of the draft supplemental charter, which was passed by the members of the institute at the general meeting in 1927. The position to-day is very much the same as a year ago, and the council are still in correspondence with the Dominions concerned as to those clauses to which objections have been raised. As things are at present it would not be in the interests of our institute to take further steps in obtaining the Royal Assent, and, indeed, to do so until our overseas friends are quite satisfied as to our intentions might seriously prejudice the position of our members who are practising in those Dominions. I can assure you that the matter is having the most careful attention of the council, and that if ultimately it would appear desirable to make any modifications in the provisions of the supplemental charter you will immediately be consulted.

During my year of office it has been my privilege and pleasure to visit and accept the hospitality of many of the provincial societies, and I have thus had the opportunity of learning something of their good work and of being brought into touch with very many members of the institute throughout the country, with whom otherwise I should never have become acquainted, and of making many new friends in the profession. I also was the guest at the annual banquet in Paris of the English-speaking accountants on the Continent, and I am sure that this very successful gathering, at which there were a number of Frenchmen and Americans present, did much to establish our reputation on the Continent and promote the good feeling in the profession between the nations that were represented there.

Mr Fitch Kemp seconded the motion, which was carried unanimously.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended April 27th, 1929:—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	5,059	From Revenue	9,872
Interest, &c., on Debt	941	Increase in Balances	73
Sinking Fund	500		
Sundries	175		
Decrease in Debt	3,269		
	9,945		9,945

The total Ordinary Revenue for the week amounted to £9,872,400, as compared with £10,916,600 in the corresponding week last year. Property and Income Tax amounted to £1,188,000, and Super-Tax to £670,000, against £1,280,000 and £830,000 respectively. Customs, at £3,150,000, showed an increase of £615,000 as compared with the corresponding week last year, whilst Excise, at £1,211,000, showed a decrease of £601,000. Ordinary Receipts brought in £1,400 against £462,600, while Special Receipts were nil for both weeks.

The National Debt was reduced by £3,269,000, as shown below:—

(000's omitted.)

Treasury Bills	− 3,124	Public Department Advances	+ 500
Treasury Bonds	− 195		
National Savings Certificates	− 50		
Sundries	− 400		
	− 3,769		+ 500

The floating debt was reduced by £2,635,000 to £742,785,000.

FINANCIAL YEAR, 1929–30, APRIL 1 TO APRIL 27.

	£		£
Expenditure	55,925,931	Revenue	53,141,948
Amount repaid	193,890	Decreases in balance	2,977,873
	56,119,821		56,119,821

ESTIMATES FOR FINANCIAL YEAR, 1929–30.

	£		£
Expenditure	691,564,000*	Revenue	746,060,000
Sinking Fund	50,400,000		
Surplus	4,096,000		
	746,060,000		746,060,000

* This figure includes the new Exchequer Contributions of £15,560,000 to Local Revenues, &c.

SELF-BALANCING REVENUE AND EXPENDITURE.

	£
Post Office	58,110,000
Road Fund	22,510,000
	80,620,000

RATING RELIEF SUSPENSE ACCOUNT.

	£		£
Balance on April 1, 1929	22,633,000	Cost of anticipating rate relief for Agriculture	2,570,000
		Balance on March 31, 1930	20,063,000
	22,633,000		22,633,000

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 31, 1929.	Apr. 27, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	13	13	12	12	12	12	12
4% Consolidated Loan	...	...	...	...	166	204	204	204	204
3½% Conversion Loan	...	...	709	760	740	832	832	832	832
4½% Conversion Loan	...	...	210	211	211	221	221	221	221
3½% War Stock	...	63	63	63	63	...	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,052	2,109	2,154	2,253	2,253	2,253	2,253
National War Bonds	...	1,509	778	706	556	194	111	64	64
4% Funding Loan	...	409	394	390	389	385	385	386	385
4% Victory Bonds	...	360	303	292	277	261	261	261	261
Treasury Bonds	...	...	499	482	454	675	775	762	760
Exchequer Bonds	20	323	15	15	15	16	16	16	16
National Savings Certs.	...	267	369	375	372	362	360	360	360
Other Debt*	...	1,306	1,124	1,111	1,103	1,097	1,094	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	576	565	599	527	733	700	706
Temporary Advances	1	243	167	139	117	162	28	37	36
	654	8,033	7,598	7,558	7,555	7,528	7,665	7,528	7,531
Other Capital Liabilities	57	46	68	75	98	103	103	88	86
Total Liabilities	711	8,079	7,666	7,633	7,653	7,631	7,768	7,616	7,617

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances Outstanding—	Apr. 28, '28. £	Mar. 31, '29. £	Apr. 27, '29. £	Movement Week ended Apr. 27, '29 £
Advances by Bank of England	...	...	...	...
Advances by Public Deptmts.	151,500,000	37,050,000	37,250,000	+ 500,000
Treasury Bills Outstanding	531,090,000	700,295,000	705,535,000*	− 3,135,000
Total Floating Debt	682,590,000	737,345,000	742,785,000	− 2,635,000

* Includes £10,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bills were opened on April 26, 1929, and the total amount applied for was £49,785,000. For bills at 3 months, dated Monday and Tuesday, at £98 14s. 3d., about 79 per cent. and above in full; Wednesday to Friday, at £98 14s., and above in full; Saturday, at £98 14s. 3d., about 79 per cent., and above in full. The amounts allotted were in bills at 3 months, £45,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.	£	£	£ s. d.
February 22	30,000,000	39,545,000	5 3 8·78
March 1	35,000,000	40,330,000	5 4 6·06
March 8	30,000,000	33,190,000	5 6 8 41
March 15	35,000,000	46,695,000	5 6 9·26
March 22	35,000,000	46,515,000	5 5 1·71
March 28	45,000,000	50,430,000	5 7 0·87
April 5	40,000,000	63,280,000	5 5 9·16
April 12	40,000,000	57,440,000	5 4 2 39
April 19	40,000,000	52,045,000	5 2 1·07
April 26	45,000,000	49,785,000	5 2 8·72

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Revenue and other Receipts.	Estimate for the Year 1929-30.	Total Receipts into the Exchequer from April 1, 1929, to Apr. 27, 1929.	Total Receipts into the Exchequer from April 1, 1928, to Apr. 28, 1928.	Week Ended Apr. 27, 1929.	Week Ended Apr. 28, 1928.
ORDINARY REVENUE.	£	£	£	£	£
Inland Revenue—					
Income Tax and House Duty		13,889,000	13,904,000	1,188,000	1,280,000
Super-Tax		4,310,000	4,110,000	670,000	830,000
Estate, &c., Duties		6,680,000	3,830,000	1,320,000	1,680,000
Stamps		1,640,000	1,430,000	650,000	740,000
Excess Profits Duties, &c.		...	...	...	...
Corporation Profits Tax		10,000	90,000	...	70,000
Land Tax and Mineral Rights Duty		70,000	50,000	...	...
Total Inland Revenue		26,599,000	23,414,000	3,828,000	4,600,000
Customs and Excise—					
Customs		8,986,000	7,724,000	3,150,000	2,535,000
Excise		9,760,000	10,678,000	1,211,000	1,812,000
Total Customs & Excise		18,746,000	18,402,000	4,361,000	4,347,000
Motor Vehicle Duties (Exchequer Share)		882,000	197,000	182,000	197,000
Post Office (Net Receipt)		1,800,000	1,500,000	1,350,000	1,200,000
Crown Lands		150,000	110,000	150,000	110,000
Receipts from Sundry Loans		4,135,159	2,244,316	...	...
Miscellaneous:					
Ordinary Receipts		730,027	1,931,269	1,423	462,616
Special Receipts		99,762	390,894	...	...
Total Ordinary Revenue		53,141,948	48,189,479	9,872,423	10,916,616
SELF-BALANCING REVENUE.					
Post Office		3,100,000	3,100,000	650,000	700,000
Motor Vehicle Duties apportioned to Road Fund		1,999,000	2,500,000	...	...
Total Self-Balancing Revenue		5,099,000	5,600,000	650,000	700,000
Total		58,240,948	53,789,479	10,522,423	11,616,616
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		...	...	...	...
Under the Unemployment Insurance Acts, 1920 to 1928		...	424,432	...	...
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and Post Office and Telegraph (Money) Act, 1928		...	...	...	...
(b) Under the Unemployment Insurance Acts, 1920 to 1928		410,000	...	80,000	...
(c) For other Issues:					
By Treasury Bills		241,777,000	175,959,000	58,806,000	41,590,000
By National Savings Certificates		3,150,000	3,150,000	800,000	850,000
By National War Bonds		...	10	...	...
By 5 per cent. Treasury Bonds, 1933–35		...	58,220,000	...	...
By 4½ per cent. Treasury Bonds, 1932–34		26,120,000	...	5,000	...
(d) Ways and Means Advances		87,735,000	63,400,000	14,350,000	4,450,000
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		8,682	10,772	...	...
		417,441,630	354,953,693	84,563,423	58,506,616

Balances in Exchequer on 1st April:—	1929. £	1928. £				
Bank of England	5,515,917	5,918,513				
Bank of Ireland	736,607	404,112				
Total			6,252,524	6,322,625	...	...
			423,694,154	361,276,318	84,563,423	58,506,616

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1929-30 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1929, to Apr. 27, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to Apr. 28, 1928.	ISSUES Week Ended Apr. 27, 1929.	ISSUES Week Ended Apr. 28, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt		26,489,791	27,338,695	940,903	1,077,307
Payments to Local Taxation Accounts		...	...	...	...
Payments to Northern Ireland Exchequer		183,035	49,235	176,429	6,500
Other Consolidated Fund Services		399,178	350,803	...	116,554
Supply Services (excluding Post Office)		25,408,860	26,412,200	5,058,860	6,312,200
Total Ordinary Expenditure		52,480,864	54,150,933	6,176,192	7,512,561
Sinking Fund		3,445,067	3,432,711	500,000	1,689,196
SELF-BALANCING EXPENDITURE.					
Post Office		3,100,000	3,100,000	650,000	700,000
Road Fund		1,999,000	2,500,000	...	...
Total Self-Balancing Expenditure		5,099,000	5,600,000	650,000	700,000
TOTAL		61,024,931	63,183,644	7,326,192	9,901,757
OTHER ISSUES.					
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		18,458	18,458	...	...
Under the Unemployment Insurance Acts, 1920 to 1928		410,000	...	80,000	...
Issues to meet Capital Expenditure—					
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		800,000	1,150,000	400,000	750,000
Unemployment Insur. Acts, 1920-28		...	424,432	...	...
Repayment of Amounts Borrowed		236,515,000	171,810,000	61,930,000	35,505,000
Redemption of Debt—					
Treasury Bills		3,300,000	3,400,000	850,000	900,000
Principal of National Savings Certificates		...	44,819,524	...	750,000
Principal of National War Bonds paid off		28,946,070	...	200,000	...
Principal of Treasury Bonds paid off		87,535,000	73,750,000	13,850,000	10,550,000
Ways and Means Advances Repaid		1,870,044	...	...	...
Depreciation Fund under the Finance Act, 1917		420,419,503	358,556,058	84,636,192	58,356,757

Balances in Exchequer—	Apr. 27, 1929 £	Apr. 28, 1928 £				
Bank of England	2,198,993	2,034,839				
Bank of Ireland	1,075,658	685,421				
Total			3,274,651	2,720,260	— 165,770	+ 15,859
			423,694,154	361,276,318	+ 93,001	+ 134,000
					— 72,769	+ 149,859

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.
ASSETS - - - £9,101,717
CLAIMS PAID - - - £41,161,592
Accidents and Illness.
Employers' Liability. Fidelity Guarantees.
Burglary. Fire. Motor Cars. Public Liability.
Inspection and Insurance of Boilers, Engines, Electrical Plant and Lifts.
Executorships and Trusteeships.
Head Office: 36-44 MOORGATE, LONDON, E.C. 2

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, May 1, 1929.

ISSUE DEPARTMENT.

Notes Issued—	£		£
In Circulation	361,371,339	Government Debt	11,015,100
In Banking Department	56,845,330	Other Government Securities	235,807,860
		Other Securities	8,351,096
		Silver Coin	4,825,944
	£418,216,669	Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	158,216,669
			£418,216,669

BANKING DEPARTMENT.

Proprietors' Capital	£ 14,553,000	Government Securities	£ 45,351,855
Rest	3,155,868	Other Securities—	
Public Deposits*	10,939,252	Discounts and Advances	£9,285,812
Other Deposits—		Securities	15,783,945
Bankers	£60,688,826		
Other Accounts	38,473,837	Notes	25,069,757
		Gold and Silver Coin	56,845,330
7-Day and other Bills	99,162,663		549,494
	5,653		
	£127,816,436		£127,816,436

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

Both Departments.	Amount May 1, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	361,371,339	+ 4,093,773	— 12,903,611
Public deposits	10,939,252	— 7,378,725	— 2,553,280
Bankers' deposits	60,688,826	+ 2,255,914	+ 2,247,532
Other deposits	38,473,837	+ 2,818,541	
Seven-day bills	5,653	— 188	+ 2,347
Total, outside liabilities	471,478,907	+ 1,789,315	— 8,702,076
Capital and rest	17,708,868	+ 37,530	— 4,902
Government debt and securities	292,174,815	+ 1,126,671	+ 16,942,660
Discounts and advances	9,285,812	— 1,663,995	— 32,011,331
Other securities	24,135,041	+ 138,625	
Silver coin in issue department	4,825,944	+ 722	— 674,056
Coin and bullion (bank's reserve)	158,766,163	+ 2,224,822	— 1,964,251
Reserve of notes and coin in banking department	57,394,824	— 1,868,951	+ 12,670,360
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	52⅛%	— ⅛%	+ 13⅛%
(b) Gold stocks to deposits and notes ("reserve ratio")	33⅛%	+ 1/16%	+ 1/16%

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
Mar. 13	411,704,273	355,004,507	11,933,957	63,384,137	37,631,060	222,872 in	5½
20	412,442,839	353,868,645	19,423,868	62,332,186	37,262,399	736,976 in	5½
27	413,331,566	361,786,016	19,704,899	58,240,243	36,354,799	883,050 in	5½
Apl. 3	414,045,537	363,319,286	17,795,531	67,268,161	37,307,929	702,684 in	5½
10	415,042,703	362,130,979	17,205,719	63,900,072	36,617,576	963,053 in	5½
17	415,836,622	358,940,958	17,876,233	60,779,118	36,016,599	760,357 in	5½
24	416,043,567	357,277,566	18,317,977	58,432,912	35,655,296	203,121 in	5½
May 1	418,216,669	361,371,339	10,939,252	60,688,826	38,473,837	2,125,861 in	5½

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1929.	£	£	£ %	£	£	£	%
Mar. 13	245947010	9214076	152068880 32⅛	44836855	12517418	16809283	57064373 50½
20	246087611	9082594	152826852 32⅛	47916855	12582128	17885667	58957207 49½
27	246193740	8977312	153733551 32⅛	50586855	13003543	17065519	51947535 45⅞
Apl. 3	246215843	8955581	154467255 31⅛	59956855	13221208	16358135	51147969 41⅛
10	246507820	8663950	155482700 32⅛	53276855	12871742	16092205	53351721 45⅛
17	246741657	8430376	156271783 32⅛	48346855	11028809	15621612	57330825 49⅛
24	246791289	8383489	156541341 33⅛	44256855	10949807	15612927	59263775 52⅜
May 1	246822960	8351096	158766163 33⅛	45351855	9285812	15783945	57394824 52⅜

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to April 17	12,242,152	573,369	924,873	13,740,394
Week ended April 24	692,415	35,715	56,884	785,014
Week ended May 2	777,002	35,352	55,211	867,565
Total to date, 1929	13,711,569	644,436	1,036,968	15,392,973
Do. 1928	13,423,611	624,478	1,032,558	15,080,647
Increase or decrease in 1929	+ 287,958	+ 19,958	+ 4,410	+ 312,326
	— 2·1%	— 3·2%	— 0·4%	— 2·1%
Total for year 1928	39,311,117	1,854,190	3,039,422	44,204,729
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Increase or decrease in 1928	+2,491,435	+ 96,158	+ 66,595	+2,654,185
	— 6·7%	— 5·4%	— 2·2%	— 6·3%

PROVINCIAL CLEARING RETURNS.

	Month of April. 1928.	Month of April. 1929.	%	Aggregate Weekly Totals to April 27. 1928.	Aggregate Weekly Totals to April 27. 1929.
Number of Working Days	23	25			
	£	£		£	£
BIRMINGHAM	10,834,000	10,126,000	— 6·5	46,667,600	45,916,000
BRADFORD	5,975,000	5,388,000	— 9·8		
BRISTOL	4,677,000	4,758,000	+ 1·3	20,661,000	20,832,000
DUBLIN	...	...	...	83,805,900	84,440,500
HULL	3,707,000	3,876,000	+ 4·5	15,981,400	15,681,300
LEEDS	3,834,000	4,061,000	+ 5·9	17,396,900	17,542,300
LEICESTER	3,557,000	3,490,000	— 1·8	15,105,300	14,244,400
LIVERPOOL	35,451,000	32,936,000	— 7·0	146,717,700	138,578,400
MANCHESTER	56,242,000	55,057,000	— 2·1	234,910,100	222,425,200
NEWCASTLE-ON-TYNE	6,127,000	6,003,000	— 2·0	25,746,500	24,662,200
NOTTINGHAM	2,682,000	2,533,000	— 5·5	11,117,000	10,947,500
SHEFFIELD	3,828,000	4,043,000	+ 5·6	17,458,900	17,353,400
Total	136,914,000	132,251,000	— 3·4	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Roumania appeared in the *Economist* of Mar. 23; Denmark in April 13; Egypt in April 20; Canada, Lithuania, Danzig, Greece and Italy in April 27.

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

RESOURCES.	May 2, 1929.	Apr. 25, 1929.	Apr. 18, 1929.	Apr. 11, 1929.	May 3, 1928.
Total gold reserves	2,812,030	2,798,580	2,779,480	2,774,780	2,709,430
Total bills discounted	985,830	974,510	994,300	963,530	757,050
Bills bought in open market	170,420	141,180	141,030	157,320	363,100
Total U.S. Govt. securities	150,730	149,780	161,430	166,090	292,300
Total bills and securities	1,329,250	1,280,600	1,310,160	1,293,780	1,413,450
Total resources	5,164,890	5,080,670	5,214,090	5,054,050	5,112,190
LIABILITIES.					
Federal Reserve notes in actual circulation	1,663,640	1,652,560	1,653,230	1,657,720	1,590,640
Deposits—Memberbank—reserve account	2,335,820	2,290,220	2,302,390	2,301,940	2,441,860
Total deposits	2,410,360	2,350,080	2,379,770	2,339,840	2,493,520
Capital paid in and surplus	410,350	410,250	409,530	409,280	370,920
Total liabilities	5,164,890	5,080,670	5,214,090	5,054,050	5,112,190
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	73·3%	74·3%	73·3%	73·8%	70·2%

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

	May 2, 1929.	Apr 25, 1929.	Apr. 18, 1929.	Apr. 11, 1929.	May 3, 1928.
Total bills discounted	247,580	262,870	260,000	246,740	249,260
Bills bought in open market	56,830	28,600	20,090	20,410	84,960
Total U.S. Govt. securities	17,170	17,070	19,530	19,400	52,890
Total bills and securities	328,280	312,750	303,270	288,640	387,110
Deposits — Memberbank — reserve account	947,320	903,640	905,480	913,500	989,040
Ratio of total res. to dep. and Federal Res. note liabilities combined	79·2%	79·7%	80·4%	81·9%	74·7%

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

ASSETS.	Apr. 5, 1929.	Mar. 29, 1929.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 8, 1929.	Apr. 6, 1928.
Total securities	21,64,08	21,89,01	21,44,01	21,38,47	21,37,01	22,54,43
Loans	16,50,63	10,93,74	12,70,67	14,32,51	13,66,64	15,23,50
Cash credits	30,39,87	32,41,96	31,83,82	32,58,86	32,79,14	30,89,49
Inland bills	11,15,02	11,30,45	11,69,39	11,96,73	11,88,22	15,00,41
Foreign bills	41,68	33,62	31,83	35,35	33,99	46,20
Dead stock	2,83,69	2,83,56	2,83,87	2,83,75	2,83,37	2,81,40
Bal. with other banks	1,24	...	13,35	18,65	14,90	7,30
Cash	11,11,09	10,83,78	11,63,46	10,52,06	10,31,51	9,39,44
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,22,50	5,12,50
Total deposits	80,77,43	77,62,33	77,41,70	76,55,43	75,84,07	76,16,77
The above includes—	£	£	£	£	£	£
Deposits in London	844	1,029	838	936	928	931
Advances in London	871	933	882	906	918	930
Cash, etc., at other Banks in London	11	189	101	142	106	56

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

ASSETS.	Apr. 5, 1929.	Mar. 28, 1929.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 8, 1929.	Apr. 5, 1928.
Gold coin and bullion	7,777	8,206	7,557	7,815	7,538	8,449
Subsidiary coin	99	98	110	110	109	161
Bills discounted	9,337	9,125	8,902	7,597	8,300	9,231
Investments	626	747	700	667	651	576
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	425
Notes in circulation	9,159	9,498	8,023	8,231	8,695	8,670
Government deposits	1,592	1,613	1,951	1,883	1,517	1,454
Bankers' deposits	4,969	5,163	5,440	5,322	5,045	6,093
Ratio of cash reserves to liabilities to public	48·5%	48·1%	48·4%	50·2%	48·3%	50·4%

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

ASSETS.	Apr. 26, 1929.	Apr. 19, 1929.	Apr. 12, 1929.	Apr. 5, 1929.	Mar. 29, 1929.
Gold	35,788,083	35,097,716	34,323,084	34,190,820	34,186,464
Foreign assets—					
Sight deposits	8,543,546	9,388,434	10,318,867	10,610,479	10,577,365
Bills discounted	18,481,853	18,412,231	18,450,786	18,427,303	18,332,958
Commercial bills discounted at home	6,510,431	5,561,096	5,580,331	6,029,640	6,837,904
Advances against sec.					
To the State	9,130,000	9,130,000	9,130,000	9,130,000	9,130,000
Other advances	2,283,419	2,336,657	2,375,329	2,463,598	2,321,795
Other assets (exclud. forward exch.)	...	3,076,930	3,265,776	3,382,146	2,999,250
LIABILITIES.					
Notes in circulation	62,847,740	62,647,539	63,317,358	64,123,948	64,574,941
Public deposits	11,875,758	11,869,675	11,941,469	11,282,374	11,616,752
Private deposits	6,858,828	6,287,244	5,748,571	6,427,392	6,263,263
Other liabilities	...	2,198,606	2,436,777	2,315,311	1,991,272

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

ASSETS.	Apr. 20, 1929.	Apr. 13, 1929.	Apr. 6, 1929.	Apr. 30, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	2,178,898	2,429,866	2,579,525	2,040,931
Of which deposited abroad	163,008	154,344	140,944	85,626
Reserve in foreign currencies	39,936	23,674	33,695	167,737
Bills of exchange and cheques	2,316,084	2,197,804	2,292,190	2,493,874
Silver and other coin	153,783	133,812	113,985	70,775
Notes of other German banks	29,314	22,579	18,491	8,657
Advances	40,987	121,078	96,548	102,775
Investments	92,964	92,981	93,092	93,999
Other assets	541,282	488,448	567,657	588,894
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	319,608	319,608	284,205
Notes in circulation	3,918,931	4,145,211	4,446,672	4,409,460
Other daily maturing obligations	769,295	670,294	668,538	557,888
Other liabilities	262,626	252,341	237,577	193,301

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

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

ASSETS.	Apr 25, 1929.	Apr. 18, 1929.	Apr. 11, 1929.	Apr. 4, 1929.	Apr. 26, 1928.	Position, May 26, 1914.
Gold	962,030	931,241	908,841	907,768	789,656	(b)
Foreign Bills and Balances Abroad	455,518	485,803	496,342	487,814	471,508	333,656
Silver and other coin	1,553	1,518	1,422	1,504	2,333	
Securities	763,784	758,010	756,535	738,856	556,611	697,600
LIABILITIES.						
Notes in circulation	2,430,829	2,429,438	2,461,160	2,442,869	2,105,790	934,150
Current accounts	129,228	110,771	91,940	67,312	120,268	112,125

(b) In thousand francs.

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

ASSETS.	Apr. 22, 1929.	Apr. 15, 1929.	Apr. 8, 1929.	Apr. 2, 1929.	Apr. 23, 1928.	Position, May 30, 1914.
Gold	422,206	422,215	422,470	422,479	435,170	163,092
Silver	21,262	20,932	20,918	20,751	26,291	8,436
Dects. and advances	362,418	347,001	340,364	389,716	344,596	163,504
LIABILITIES.						
Notes in circulation	796,990	802,984	810,462	834,968	783,804	316,632
Deposits	14,781	15,892	14,683	20,525	38,300	5,016

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

ASSETS.	Apr. 27, 1929.	Apr. 20, 1929.	Apr. 13, 1929.	Apr. 6, 1929.	Apr. 28, 1928.	Position May 30, 1914.
Gold	188,400	186,600	185,700	185,600	174,445	22,971
Silver					19,306	29,785
Discounts, advances, and other investments	131,600	130,300	128,600	128,700	121,274	73,567
LIABILITIES.						
Notes in circulation	293,700	301,900	306,200	308,300	303,566	109,499
Deposits and bills payable	37,700	37,800	35,700	38,000	48,804	11,250

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

ASSETS.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 6, 1929.	Mar. 30, 1929.	Apr. 23, 1928.	Position, May 31, 1914.
Gold	482,230	482,192	481,238	481,275	435,408	171,175
Silver	42,456	41,886	43,295	44,537	59,335	18,560
Foreign Bills and Balances abroad	229,729	221,464	221,163	217,633	...	...
Discounts	125,124	125,688	152,513	168,782	214,242	103,000
Advances	59,211	58,384	70,333	73,580	58,618	
LIABILITIES.						
Notes in circulation	798,000	811,332	845,617	885,825	774,458	275,925
Deposits	132,026	122,681	114,395	110,777	113,965	33,760

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

ASSETS.	Apr. 27, 1929.	Apr. 20, 1929.	Apr. 13, 1929.	Apr. 6, 1929.	Apr. 28, 1928.
Gold	234,668	234,720	234,796	234,888	232,081
Government securities—Swedish	5,755	6,001	6,001	6,001	11,027
" Foreign	73,774	73,774	73,774	73,774	83,324
Other Swedish bonds quoted on foreign bourses	231	740	740	743	1,215
Bills payable in Sweden†	227,344	220,717	239,789	263,582	258,599
" abroad	60,262	66,715	67,785	78,347	18,039
Balance abroad	47,050	41,774	35,747	31,864	31,049
Advances made on government securities and bonds†	56,393	58,826	39,586	39,906	56,737
LIABILITIES.					
Notes in circulation	475,216	463,422	476,629	495,997	477,557
Government deposits	185,803	194,808	185,109	178,811	184,676
Private deposits	7,849	6,814	4,255	17,050	6,885

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are *not available as cover* for the note issue.

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

ASSETS.	Apr. 22, 1929.	Apr. 15, 1929.	Apr. 8 1929.	Apr. 23, 1928.	Position May 31, 1914.
Coin and bullion—Gold	146,829	146,833	146,834	147,235	44,224
Balance abroad and foreign bills	53,177	48,753	48,005	62,881	28,533
Norwegian and Foreign Government securities	9,345	9,345	9,345	10,044	8,816
Discounts and loans	266,553	265,899	262,634	277,744	769,110
LIABILITIES.					
Notes in circulation	305,211	308,015	305,917	317,750	113,484
Deposits at sight	108,005	98,406	94,908	126,557	7,188

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

ASSETS.	Apr. 27, 1929.	Apr. 20, 1929.	Apr. 13, 1929.	Apr. 6, 1929.	Apr. 28, 1928.	Position, May 30, 1914.
Gold	2,559,850	2,559,799	2,559,749	2,559,685	2,607,948	521,775
Silver	719,999	717,372	714,673	714,390	703,821	724,600
*Loans & Discounts	1,820,090	1,835,306	1,885,196	1,969,584	1,333,874	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,257,576	4,279,982	4,311,467	4,333,190	4,249,725	901,550
Deposits	1,077,094	1,020,003	1,040,410	992,217	1,026,042	477,500

* Including 91 million pesetas lent to the State.

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

ASSETS.	Apr. 17, 1929.	Apr. 10, 1929.	Apr. 3, 1929.	Mar. 27, 1929.	Apr. 16, 1928.
Coin and bullion	9,517	9,599	9,699	9,754	9,177
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	313,553	316,302	321,316	326,164	204,752
Discounts	278,105	276,918	275,745	280,699	251,730
Government loans	1,734,029	1,738,534	1,743,816	1,748,651	1,629,686
LIABILITIES.					
Notes in circulation	1,820,878	1,845,991	1,861,869	1,851,898	1,849,460
Deposits	63,414	65,669	64,122	72,021	76,387

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

ASSETS.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 7, 1929.	Mar. 31, 1929.	Apr. 23, 1928.
Cash Reserve—					
Gold coin and bullion	168,634	168,752	168,752	168,752	117,299
Foreign exchange	198,452	201,221	205,216	209,932	297,952
Other foreign exchange†	546,997	349,335	352,910	357,458	269,585
Bills discounted	173,115	162,016	174,121	188,088	70,756
Advances	109,857	109,657	109,862	109,908	167,850
LIABILITIES.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	9,283	9,283	9,283	9,283	8,167
Notes in circulation	860,169	895,132	929,404	1,004,015	827,482
Deposits	141,959	100,588	66,014	32,955	98,966

† In dollar and sterling only.

NATIONAL BANK OF HUNGARY.—In Hungarian Pengö (000's omitted).

ASSETS.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 7, 1929.	Mar. 31, 1929.	Apr. 23, 1928.
Metal reserve—					
Gold coin and bullion	204,426	204,425	204,426	204,426	196,551
Drafts and notes	4,846	12,548	17,183	21,790	80,148
Silver coin and bullion	10,486	10,418	10,048	9,976	795
Inland bills, warrants and securities	331,205	319,690	329,176	345,371	268,393
Advances to the Treasury	92,257	92,257	92,257	92,296	105,943
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	390,371	402,362	423,359	458,308	383,893
Current accounts, deposits, &c.	216,505	209,732	204,711	198,181	306,096

* Calculated at pre-war parity of exchange.

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

ASSETS.	Apr. 13, 1929.	Apr. 6, 1929.	Mar. 30, 1929.	Mar. 23, 1929.	Apr. 14, 1928.	Position June 30, 1914
Cash & bullion	1,124,474	1,123,255	1,122,578	1,120,025	1,126,728	221,320
Discounts	708,989	711,352	717,071	715,240	781,256	70,640
Advances	76,147	75,612	75,612			41,740
LIABILITIES.						
Notes	1,202,748	1,264,957	1,363,986	1,207,631	1,190,154	362,270
Govt. deposits	589,531	600,670	555,865	566,485	719,003	87,540
Other deposits	357,168	268,099	234,400	359,359	309,632	11,440

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

ASSETS.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 7, 1929.	Mar. 31, 1929.	Apr. 23, 1928.
Gold and silver holdings	1,206,506	1,206,356	1,206,192	1,206,189	1,118,465
Balance abroad and foreign currency	1,708,585	1,702,031	1,769,682	1,780,797	1,702,908
Discounts and advances	407,486	445,790	548,276	595,796	172,127
State notes debt balance	4,029,969	4,033,155	4,034,596	4,037,568	4,348,844
Other assets	687,331	690,965	735,153	752,486	832,320
LIABILITIES.					
Bank notes in circulation	6,402,138	6,813,776	6,925,410	7,333,033	6,414,493
Check account balances	876,766	767,294	676,978	349,651	992,168
Other liabilities	288,379	224,633	218,918	217,558	335,378

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

ASSETS.	Apr. 22, 1929.	Apr. 15, 1929.	Apr. 8, 1929.	Mar. 31, 1929.	Apr. 22, 1928.
Gold	92,096	92,020	91,948	91,766	89,625
Other coin and notes	18,304	18,103	18,675	18,386	18,300
Foreign credits	192,927	198,123	194,264	191,102	261,770
Bills	1,365,905	1,333,086	1,409,182	1,339,298	1,264,445
Government advances	4,201,065	4,201,062	4,201,055	4,201,054	4,332,720
LIABILITIES.					
Notes in circulation	5,058,150	6,128,613	5,273,030	5,265,296	5,264,398
State credits	227,792	227,789	227,782	227,781	293,701
Deposits	1,220,743	1,252,758	996,593	1,020,315	1,072,827

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

ASSETS.	Apr. 15, 1929.	Apr. 7, 1929.	Mar. 31, 1929.	Mar. 23, 1929.	Apr. 15, 1928.
Gold and silver holdings	1,515,575	1,514,358	1,612,106	1,607,962	1,456,511
Balances abroad and foreign currencies	3,229,860	3,142,785	2,963,292	2,966,820	523,188
Discounts and advances	1,641,617	1,407,075	1,485,316	1,461,876	1,291,715
Advances to the Treasury	3,685,241	3,685,241	3,685,241	3,685,241	4,470,613
LIABILITIES.					
Capital paid up	500,000	500,000	500,000	500,000	516,722
Reserves	1,166,661	1,164,737	1,164,167	1,164,167	1,123,675
Bank notes in circulation	4,137,727	4,145,281	4,100,715	3,932,074	3,901,787
Sight liabilities	2,992,480	2,893,186	3,082,042	3,193,353	1,073,775
Deposits	466,528	468,771	469,723	470,115	1,288,641

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

ASSETS.	Apr. 24, 1929.	Apr. 17, 1929.	Apr. 10, 1929.	Apr. 3, 1929.	Mar. 27, 1929.	Apr. 25, 1928.
Gold bullion and coins	23,821	23,820	23,821	23,810	23,807	23,705
Silver coin	4,769	4,734	4,702	4,640	4,721	4,064
Balance abroad	56,698	57,919	62,854	66,173	64,790	72,775
Treas. notes and sm. change	11,349	11,671	9,839	8,144	8,563	10,633
Short term bills	85,777	85,534	84,868	85,508	84,049	81,697
Loans against securities	54,373	53,972	51,707	50,949	50,240	43,226
Other assets	17,418	15,765	15,841	15,255	15,350	10,980
LIABILITIES.						
Notes in circulation	45,054	44,344	45,611	47,205	45,687	40,106
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,385
Reserve	3,091	3,091	3,091	3,091	3,091	2,513
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,671	12,593	12,547	12,588	12,520	11,058
Current accounts	55,945	57,784	58,295	57,695	52,669	47,683
Government accounts	105,288	102,358	103,973	103,057	97,035	116,875
Other liabilities	14,075	15,161	12,025	12,763	12,437	11,850

BANK OF POLAND.—In zloty* (000's omitted).

ASSETS.	Apr. 20, 1929.	Apr. 10, 1929.	Mar. 31, 1929.	Mar. 20, 1929.	Apr. 20, 1928.
Gold	622,820	622,378	622,205	622,005	553,447
Of which held abroad	195,402	195,402	195,402	195,402	173,500
Foreign currencies	870,125	610,539	658,931	663,286	807,188
Bills discounted	687,976	683,241	703,971	654,465	490,262
Loans against securities	89,953	88,672	92,715	84,676	52,553
Loans and treasury bills	68,967	68,967	69,704	69,704	55,964
Liability of the Treasury	25,000	25,000	25,000	25,000	25,000
LIABILITIES.					
Share capital	150,000	150,000	150,000	150,000	150,000
Reserve funds	100,000	100,000	100,000	100,000	94,435
Notes in circulation	1,163,292	1,208,002	1,335,258	1,166,022	1,036,561
Current accounts	565,278	558,875	512,226	623,903	638,512
Government accounts	75,000	75,000	75,000	75,000	75,000

* As from October 13, 1927, 8·91 zlotys equals 1 U.S. dollar.

RUSSIAN STATE BANK.—Note-Issuing Department.

(In Tchervonetz—000's omitted.) (NOTE: 1 Tchervonetz = 10 gold roubles.)

ASSETS.	May 1, 1929.	Apr. 15, 1929.	Apr. 1, 1929.	Mar. 16, 1929.	Apr. 30, 1928.
Gold in coin and bullion	17,972	17,972	17,883	17,883	15,808
Other precious metals	4,375	4,387	4,359	4,361	2,871
Foreign bank notes	8,891	8,891	8,888	8,889	7,290
Drafts in sterling (less 10%)	280	279	277	277	267
Bills (less 10% discount)	84,208	81,197	79,319	80,317	70,469
Securities covering advances on goods (less 10%)	274	274	274	274	274
LIABILITIES.					
Bank notes	115,450	112,622	110,222	110,956	95,788
Balance to which notes may still be issued	550	378	788	1,042	1,232

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

ASSETS.	Apr. 15, 1929.	Apr. 8, 1929.	Mar. 30, 1929.	Apr. 24, 1928.	Position, May 30, 1914
Gold	301,930	302,131	309,279	315,357	35,091
Balance abroad and foreign bills	699,383	712,980	718,366	1,058,223	90,379
Finnish and Foreign Government securities	301,708	301,708	301,708	338,443	21,826
Discounts and loans	1,490,645	1,500,685	1,500,685	984,422	105,151
LIABILITIES.					
Notes in circulation	1,538,303	1,596,011	1,596,011	1,613,147	123,941
Deposits at notice	249,414	236,264	236,264	228,480	21,225

BANK OF ESTONIA.—In Est. krones (000's omitted).

ASSETS.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 7, 1929.	Mar. 31, 1929.	Apr. 23, 1928.
Gold coin and bullion	6,243	6,243	6,243	6,243	10,281
Net foreign exchange	19,495	20,828	21,869	22,257	28,674
Subsidiary Estonian coin	627	664	752	579	674
Home bills discounted	15,061	15,429	14,793	15,291	8,875
Loans and advances*	14,868	14,352	15,525	15,337	18,689
LIABILITIES.					
Notes in circulation	35,631	35,460	34,656	36,259	39,592
Sight deposits and current accounts	16,922	16,723	19,538	19,736	20,322
Ratio of reserve to current liabilities	48·97%	51·87%	51·87%	50·89%	66·00%

* Includes Ekr. 11,126,590·88, guaranteed by the Government.

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

ASSETS.	Mar. 29, 1929.	Mar. 22, 1929.	Mar. 15, 1929.	Mar. 8, 1929.	Mar. 30, 1928.
Gold at home	60,840	60,765	60,692	60,700	61,225
Gold abroad	413,333	411,862	409,890	413,587	499,550
Discounts and advances	92,040	79,333	91,099	97,824	16,150
LIABILITIES.					
Notes of the bank in circulation	366,088	357,500	355,144	359,354	296,808
Government notes in circulation	6,023	6,070	16,139	16,222	37,081
Deposits	97,004	108,633	117,995	118,485	168,714
Drafts	12,789	12,789	12,789	12,789	5,893
Paid-up capital	90,625	90,625	90,625	90,625	89,523

LONDON RATES.

	Apr. 25, 1929.	Apr. 26, 1929.	Apr. 27, 1929.	Apr. 29, 1929.	Apr. 30, 1929.	May 1, 1929.	May 2, 1929.
	%	%	%	%	%	%	%
Bank rate (changed from 4½% Feb. 7, 1929)	5½	5½	5½	5½	5½	5½	5½
Market rates of discount—							
60 days' bankers' drafts	4⅞ 5	5 ⅛	5 ⅛	5 ⅛	5	5½	5⅛
3 months' do	5⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛	5⅛
4 months' do	5⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛
6 months' do	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛
Discount (Treasury Bills)—							
2 months'	4⅞ 5	5⅛	5⅛	5⅛	5 5⅛	5⅛ ⅛	5⅛
3 months'†	5 ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛	5⅛	5⅛
Loans—Day to day	4 ⅛	4⅛ ⅛	4 4⅛	4⅛ ⅛	4⅛ 5	4⅛	4⅛
Short	4⅛ ⅛	4⅛ ⅛	4⅛ ⅛	4⅛ ⅛	4⅛ ⅛	4⅛ ⅛	4⅛
Deposit allowances: Banks	3½	3½	3½	3½	3½	3½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months.	Trade Bills. 6 Months.
1929.	%	%	%	%	%	%	%
Apr. 11	4 ⅛	5⅛ ⅛	5⅛	5⅛	5⅛ ⅛	5⅛ 6	6 6⅛
18	4⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ 6	6 6⅛
25	4⅛ ⅛	5⅛	5⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	6 6⅛
May 2	4⅛	5⅛	5⅛	5⅛	5⅛ 5⅛	5⅛ 5⅛	5⅛ 6

RATES OF EXCHANGE.

London on		Usance	Par.	May 3, 1928.	April 25, 1929.	May 2, 1929.
New York	*dollars to £1*	Cable	4·86⅛	4·87⅛–88	4·85 7/16–½	4·85 7/16–½
Montreal	dollars to £1	Cable	4·86⅛	4·87⅛–88	4·88⅛–89⅛	4·89–89⅛
Paris	francs to £1	T.T.	124·21	123 11/16–4 1/16	124·17½–20	124·15–20
Berlin	marks to £1	T.T.	20·43	20·39½–40½	20·46½–46¾	20·47½–48½
Amsterdam	florins to £1	T.T.	12·107	12·09½–10	12·08–08⅛	12·06¾–07⅛
Brussels	*belgs to £1*	T.T.	35·00	34·94½–5	34·94–94½	34·95–95½
Milan	lire to £1	T.T.	92·46	92·62–7	92·62–65	92·60–63
Berne	francs to £1	T.T.	25·22	25·31½–3	25·21–21½	25·18½–19½
Oslo	kroner to £1	T.T.	18·159	18·22½–3	18·19–20	18·18½–19½
Stockholm	kronor to £1	T.T.	18·159	18·18½–19	18·16½–16½	18·15½–16½
Copenhagen	kroner to £1	T.T.	18·159	18·19½–¾	18·20–21½	18·19½–20½
Madrid	pesetas to £1	T.T.	25·22½	29·31–5	33·65–58	33·85–90
Lisbon	*escudo to £1*	T.T.	4·50	112–14	108–108½	108–108½
Vienna	schillgs. to £1	T.T.	34·58½	34·65–8	34·54–57	34·55–58
Prague	krone to £1	T.T.	24·02(a)	164 7/16–½	163¾–164½	163½–164⅛
Belgrade	dinars to £1	T.T.	25·02½	277–8	276–276¼	275½–276¼
Budapest	pengo to £1	T.T.	27·82	27·93–7	27·84–87	27·84–87
Bucharest	lei to £1	T.T.	813·6	788–91	816–819	816–818
Sofia	leva to £1	T.T.	25·22½	672–7	671–676	671–675
Athens	drachmæ to £1	T.T.	375	371–4	374¾–375¼	374½–375¼
Constantin'ple	piastres to £1	T.T.	110	955–8	989–992	992–995
Moscow	roubles to £1	T.T.	9·46	9·48–9·49	9·42–9·44	†9·42–9·44
Warsaw	zloty to £1	T.T.	43·38	43 7/16–½	43 7/16–½	43 7/16–43½
Helsingfors	F. marks to £1	T.T.	193·23	193¾–4	192¾–193½	192½–193½
Kovno	lits to £1	T.T.	48·66	48¼–9½	48¼–49½	48¼–49½
Reval	kroon to £1	T.T.	18·159	18·00–18·40	18·16–·23	18·16–18·23
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15–·25	25·15–25·25
Alexandria	piastres to £1	Sight	97⅛	97 11/16–¾	97 7/16–97½	97 7/16–97½
Buenos Aires	pence to peso	T.T.	47·62d.	47 7/16–½	47 7/16–½	47–47 7/16
Rio de Janeiro	pence to milr.	90 days	16	5 13/16–¾	5 13/16–¾	5 13/16–5 7/8
Montevideo	pence to peso	T.T.	51	50 11/16–¾	47–48	47–48
Valparaiso	dollars to £1	90 days	40	39·60	39·58	39·61
Lima	Eng. to Per. £1	90 days	par	20⅛% prm.	19⅛% prem	19⅛% prem.
Calcutta	pence to rupee	T.T.	18	1/5 29/32–1/6 1/32	1/5 15/16–29/32	1/5 29/32–1/6
Bombay		T.T.		1/5 29/32–1/6 1/32	1/5 15/16–29/32	1/5 29/32–1/6
Hong Kong		T.T.		1/5 29/32–1/6 1/32	1/5 15/16–29/32	1/5 29/32–1/6
Madras		T.T.		1/5 29/32–1/6 1/32	1/5 15/16–29/32	1/5 29/32–1/6
ster. to dollar		T.T.	—	2/0 1/32–1/16	1/11¾–2/0 1/16	1/11¾–2/0 1/16
ster. to tael		T.T.	—	2/7 1/32–1/16	2/5 31/32–2/6 1/16	2/5 31/32–2/6 1/16
ster. to dollar		T.T.	2s. 4d.	2/3 15/16–¾	2/3 31/32–2/4	2/3 31/32–2/4
ster. to yen		T.T.	24·58d.	1/11 15/16–¾	1/10 31/32–1/11	1/10 31/32–1/11
Manila	pence to peso	T.T.	24·066d.	†2s. 0 1/16d.	†2/0 1/16	†2s. 0 1/16d.
Mexico	pesos to £	T.T.	9·76	24–¼	10·00–10·50	10·0–10·15

† Rate for previous day. ‡ Pence to escudo.

(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, *i.e.*, approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%
Amsterdam	Mar. 23, 1929	5½
Athens	Dec. 2, 1928	9
Belgrade	July 26, 1921	6
Berlin	April 25, 1929	7½
Brussels	June 30, 1928	4
Bucharest	Sept. 4, 1920	6
Budapest	April 25, 1929	8
Calcutta	April 11, 1929	7
Copenhagen	June 23, 1927	5
Danzig	June 20, 1927	6
Helsingfors	Nov. 15, 1928	7
Kovno	Feb. 8, 1925	7
Lisbon	July 28, 1926	8
New York Federal Reserve	July 12, 1928	5
Madrid	Dec. 19, 1928	5½
Oslo	Mar. 26, 1928	6½
Paris	Jan. 19, 1928	3½
Prague	Mar. 8, 1927	5
Pretoria	Jan. 9, 1926	6½
Reval	Jan. 2, 1928	7½
Riga	April 1, 1928	6½ / 7½
Rome	Mar. 13, 1929	7
Sofia	Dec. 15, 1928	9
Stockholm	Aug. 24, 1928	4½
Swiss Bank places	Oct. 22, 1925	5½
Tokio	Oct. 18, 1927	5·48
Vienna	Apr. 23, 1929	7½
Warsaw	Apr. 19, 1929	9
Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.

† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.

† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	May 2, 1928.	Apr. 3, 1929.	Apr. 11, 1929.	Apr. 18, 1929.	Apr. 25, 1929.	May 2, 1929.
	%	%	%	%	%	%
Call money	5½	10	8	8	8	11
Time money (90 days' mixed coll.)	5	8½	8¼	9	8½	8½
Bank acceptances :—	Selling Rates.					
Members—eligible, 90 days	4	5⅛	5⅛	5⅛	5⅛	5⅛
Non-mem.—eligible, 90 days	4	5⅛	5⅛	5⅛	5⅛	5⅛
Ineligible, 90 days	4⅛	6⅛	6⅛	6⅛	6⅛	6⅛
Commercial accept. 90 days	4½	5⅛	5⅛	5⅛	5⅛	5⅛

Rates of Exchange, New York on—		Par Level.	May 2, 1928.	Apr. 18, 1929.	Apr. 25, 1929.	May 2, 1929.
London—						
60 days	Dollars for £1	4·8666	4·84 7/16	4·80½	4·80¼	4·80 3/16
Cable			4·87⅛	4·85 13/16	4·85⅛	4·85 7/16
Cheques			4·87⅛	4·85 5/16	4·84⅛	4·84 5/16
Paris	cheques	Cents for 1 franc	3·918	3·9325	3·90⅛	3·90⅜
Brussels	"	Cents for 1 Belga	13·90	13·955	13·89	13·88½
Switzerland	"	Cents for 1 franc	19·30	19·265	19·24	19·24½
Italy	"	Cents for 1 lire	5·263	5·2675	5·235	5·23⅝
Berlin	"	Cents for 1 mark	23·81	23·895	23·69	23·69½
Vienna	"	*Cts. for Austrn. shlg*	14·07	14·08	14·04	14·05
Madrid	"	Cents for 1 peseta	19·30	16·665	14·81	14·54
Amsterdam	"	Cents for 1 guilder	40·195	40·30	40·12	40·13½
Copenhagen	"			26·81	26·64	26·65
Oslo	"	Cents for 1 kroner	26·80	26·765	26·665	26·65
Stockholm	"			26·82	26·70	26·71
Athens	"	Cents for 1 drachma	1·297	1·3075	1·29½	1·295
Montreal	"	Can. Cents for $1	100	⅛ dis.	⅛ dis.	⅛ dis.
Yokohama	"	Cents for 1 yen	49·85	47·27	44·20	44·63
Hong Kong	"	*Cents for H.Kong $*	...	50·15	48·70	48·50
Shanghai	"	*Cts. for* 1 Shng. tael	...	64	61·35	61·10
Calcutta	"	Cents for 1 rupee	36·50	36·51	36·24	36·23
Buenos Aires	"	Gold Pesos for $100	103·65	...	104·75	104·80
Rio de Janeiro	"	Cents for 1 milreis	32·42	12·05	11·90	11·88
Valparaiso	"	Cents for 1 peso	12·125	12⅛	12·07	12·05

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·36
Venezuela	Bolivares to £	25·25	"	25·12
Colombia (Bogota)	Pesos to £1	5	"	5·04
Nicaragua	Cordobas to £	4·8665	"	4·92
Salvador	Colones to £	9·73	"	9·82
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Union of South Africa. From February 6, 1928. London on South Africa. Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Union of South Africa. From February 18, 1929. South Africa on London. Selling.
T.T.	...	...	par to ⅛% pm.	⅛% prem.
Demand	1⅛% dis.	⅛% dis.	⅛% dis

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929.	Arrivals.	£	1929.	Withdrawals.	£
Apr. 26	Bars bought	14	Apr. 26	Bars sold	5,116
,, 27		Nil		Sovs. for export	5,000
,, 29	Bars bought	10	,, 27	Sovs. for export	25,000
	Sovs. released	1,000,000	,, 29	Bars sold	30,777
,, 30	Bars bought	368,972		Sovs. for export	10,000
May 1	Bars bought	744,732	,, 30	Sovs. for export	12,000
	Sovs. released	100,000	May 1		Nil
,, 2	Bars bought	5,666	,, 2	Bars sold	3,437
Total		2,219,394	Total		91,330

Net arrivals, £2,128,064.

Messrs. Samuel Montagu and Co. write as follows on May 1, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £156,043,567 on the 24th ult. (as compared with £155,836,622 on the previous Wednesday), and represents an increase of £2,137,252 since April 29, 1925—when an effective gold standard was resumed.

There was about £604,000 bar gold from South Africa available in the open market this week. The Bank of England secured about £369,000, as shown in the figures below; the Continental trade, £155,000; the home trade, £51,000, and India, £25,000. There was a net influx of gold of £2,125,861 during the week.

SILVER.

During the week the silver market has shown marked weakness. The exchange with China has declined steadily, and it would seem that the accumulation of stocks in Shanghai is now having effect upon the market. Offerings have been forthcoming from China, the Indian Bazaars, and to some extent from America. The lapse in prices, however, was due in part to the absence of support, as, except for some enquiry from America at the low level reached yesterday, buyers have been little in evidence. With little prospect, as far as can be seen at present, of substantial support, any appreciable recovery in prices is difficult to foresee.

The following were the United Kingdom imports and exports of silver registered from mid-day on the 22nd ult. to mid-day on the 29th ult. :—

Imports.		Exports.	
U.S.A.	£11,567	Egypt	£32,630
Other countries	1,228	Other countries	14,377
	£12,795		£47,007

Indian Currency Returns (in lacs of rupees).

	Apr. 22	Apr. 15	Apr. 7
Notes in circulation	18,472	18,579	18,598
Silver coin and bullion in India	9,944	9,952	9,985
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,222	3,222	3,222
Gold coin and bullion out of India	...	...	...
Securities (Indian Government)	4,323	4,323	4,323
Securities (British Government)	883	882	1,068
Bills of Exchange	100	200	...

Statistics for the month of April last are appended :—

	Bar Silver per oz. std. Cash delivery. Two Mos. delivery.	Bar Gold. per fine oz.
Highest price	25 15/16d. 26d.	84s. 11 1/2d.
Lowest price	25 1/16d. 25 1/16d.	84s. 10 1/2d.
Average price	25·737d. 25·740d.	84s. 11·02d.

GOLD AND SILVER PRICES.

Date.	Gold Per Ounce.	Silver— Per Ounce. Cash.	Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
Apr. 26	84 11 1/2	25 1/2	25 1/2	May 11, 1923	32 7/16
,, 27	84 11 1/2	25 1/2	25 1/2	,, 9, 1924	33 11/16
,, 29	84 11 1/2	25 1/16	25 1/16	,, 8, 1925	31 3/8
,, 30	84 10 1/2	25 1/16	25 1/16	,, 7, 1926	29 1/16
May 1	84 11	25 1/16	25 1/16	,, 6, 1927	26 1/16
,, 2	84 11 1/2	25 1/2	25 1/2	,, 3, 1928	26 1/2

NOTICES.

Barclays Bank, Limited, have opened a new branch at 13 The Village, Old Charlton, S.E. 7.

Lloyds Bank, Limited, have opened a sub-branch at Leagrave.

A branch of the National Bank of Australasia, Limited, has been opened in Tattersall's Buildings, 250 Swanston Street, Melbourne, Victoria. Receiving offices have also been opened at :—Waroona, Western Australia (in connection with Harvey branch); Swanbourne, Western Australia (in connection with Claremont branch); and the Briagolong Receiving Office, formerly conducted by Stratford branch, is now attached to Maffra branch, Victoria.

Mr. L. J. McConnan, London manager of the National Bank of Australasia, Ltd., is shortly returning to Australia, and Mr. M. T. Costello, who has occupied the position of sub-manager, has been appointed London manager of that institution.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended April 26, 1929. (c) Week ended April 27, 1929.

	Miles Open.	Week ended April 28, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 17 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,733	220	247	129	376	596	3,469	3,673	2,216	5,889	9,358
Do. for 1928	3,734	228	233	122	355	583	3,617	3,688	2,027	5,715	9,332
Lon.& N.Eastn.(c)	6,345	323	455	266	721	1,044	5,272	6,894	4,719	11613	16,885
Do. for 1928	6,344	324	441	253	694	1,018	5,528	7,203	4,232	11435	16,963
Lond.,Mid.&Scot.	6,953½	497	603	255	858	1,355	7,928	9,421	5,107	14528	22,456
Do. for 1928	6,950½	498	596	274	870	1,368	8,321	9,895	4,744	14639	22,960
Southern	2,177	291	88	29	117	408	4,648	1,271	566	1,837	6,485
Do. for 1928	2,177	301	87	31	118	419	4,794	1,334	495	1,829	6,623
Metropolitan (c)	59	33·7	...	...	3·8	37·5	537·3	...	...	63·7	601·0
Do. for 1928	59	31·3	...	...	3·7	35·0	542·7	...	...	63·0	605·7
†Und'rgr'ndE.R.c	...	...	...	...	...	295·1	...	...	...	...	4,593·7
†Do. for 1928	...	...	...	...	...	294·3	...	...	...	...	4,651·3
Lon&Sub.Gr'upc	...	...	...	...	...	41·7	...	...	...	...	653·1
Do. for 1928	...	...	...	...	...	42·5	...	...	...	...	668·4
B'lf'st&Co.D'wn b	80	2·1	...	...	0·8	2·9	33·9	...	...	...	49·4
Great Northern b	562	9·7	...	...	16·5	26·2	183·1	...	...	15·5	460·0
Great Southern b	2,187	25·5	...	...	48·7	74·2	404·3	...	...	276·9	1,218·0
										813·7	

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or −	Total Gross Receipts. 1929.	+ or −
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	52weeks	Mar.31	1,206	4,62,000	− 47,457	2,29,85,808	+ 4,32,690
Barsi Lt. Ry.	52weeks	31	202	51,000	− 14,300	24,59,300	+ 6,58,800
Bengal & N.Western	52weeks	31	2,078	7,40,833	−2,36,419	1,87,09,316	− 8,05,726
Bengal-Nagpur	31weeks	23	2,979	21,12,000	+1,34,569	8,88,30,730	− 5,75,987
Bombay, Bar.,& C.I.	3weeks	Apr.13	3,022	24,76,000	−2,67,000	70,67,000	− 7,71,000
Burma	35weeks	Dec. 1	1,349	7,24,790	80,277	2,73,09,216	− 1,42,540
Madras & S. Mahr	51weeks	Mar.23	3,121	21,20,000	+ 28,132	9,31,54,971	+55,46,461
Nizam'sGuarantd.(a)	1week	Apr. 6	1,146	4,34,361	+ 31,544		
†Rohilk'd& Kumaon	52weeks	Mar.31	572	1,31,055	− 97,086	34,66,036	− 3,80,564
South Indian	51weeks	23	2,294	12,46,886	− 1,135	6,05,24,731	− 6,13,447

† Including Lucknow-Bareilly State Railway. (a) Total receipts of all lines.

				£	£	£	£
ARGENTINE (a).							
Argentine N.E.	43weeks	Apr.27	753	17,000	...	670,100	+ 25,000
B.A. and Pacific	43weeks	27	2,806	207,000	+ 20,000	7,499,000	+ 775,000
B.A. Central	43weeks	28	...	15,609	+ 1,955	627,887	+ 24,025
B.A. Gt. Southern	43weeks	27	2,762	267,000	− 1,000	10,834,000	− 480,000
B.A. Western	43weeks	27	1,296	110,000	+ 5,000	4,388,000	− 31,000
Central Argentine	43weeks	27	3,319	291,000	+ 21,000	11,698,000	+ 319,000
Cordoba Central	43weeks	27	1,218	75,000	+ 4,500	2,978,200	+ 11,500
Entre Rios	43weeks	27	726	26,900	− 1,000	1,318,300	+ 55,400
CUBAN.							
United of Havana†	43weeks	Apr.27	1,374	88,013	+ 20,543	3,272,335	+ 139,612

† Figures include Havana Central Railway.

				$	$	$	$
URUGUAYAN.							
Central Uruguay	43weeks	Apr.27	273	29,716	+ 2,812	1,302,677	− 10,514
C. Urug. (East Ext.)	43weeks	27	311	8,431	− 64	298,976	− 4,521
C.Urug.(North.Ext.)	43weeks	27	185	4,092	+ 310	158,661	+ 4,373
C. Urug.(West. Ext.)	43weeks	27	211	3,032	+ 325	130,379	+ 954
CANADIAN.							
Canadian National	16weeks	Apr.21	19,362	5,046,889	+ 522,585	74,777,925	+1,814,434
Canadian Pacific	16weeks	21	14,822	3,942,000	+ 437,000	58,989,000	+1,379,000

† 10 days.

				£	£	£	£
BRAZILIAN (b).							
Gt. West. of Brazil	17weeks	Apr.27	1,016	16,300	+ 5,300	346,100	+ 86,100
Leopoldina	17weeks	27	1,856	35,892	− 6,927	610,278	− 212,326
Leopoldina Termnl.	17weeks	27	Mrs.	270,000	+ 10,000	4,739,000	+ 145,000
San Paulo	17weeks	28	153½	48,462	− 5,168	803,420	+ 63,255
CHILEAN.							
Antofagasta (Chili and Bolivia)	17weeks	Apr.28	838	37,710	+ 5,510	701,220	+ 94,365
Nitrate (¼-monthly)	15weeks	15	402	43,489	+ 16,491	280,307	+ 41,161
OTHER OVERSEAS.							
Egyptian Delta	2weeks	Apr.10	608	8,982	+ 1,486	8,982	+ 1,486
Gt. Southn. of Spain	16weeks	Apr.20	104	Ps.123,822	− 3,929	1,961,736	− 69,894
Mexican Railway	15weeks	14	483	$292,700	+ 28,100	3,603,600	− 653,600
Paraguay Central	43weeks	27	274	5,580	− 450	191,020	+ 3,630
Salvador	43weeks	27	100	6,806	+ 1,770	220,439	+ 8,717

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or −	Total Receipts. 1929.	+ or −
Anglo-Argentine	17weeks	Apr.29	329	£ 90,815	+ 3,449	£ 1,501,000	£ − 19,544
B. Aires Lacrose	43weeks	28	...	11,856	− 391	560,125	+ 1,077
Burnley Corporation	1week	27	13	2,924	+ 3,321	...	...
Calcutta Tramways	1week	27	354	Rs124,792	+ 157	...	...
Chatham & District	15weeks	18	15	1,041	− 96	...	...
Egyptian Markets	15weeks	18	...	1,961	+ 96	15,278	− 3,981
Glasgow Corporation	42weeks	20	136½	43,481	+ 283	32,668	+ 1,765
Isle of Thanet Trams	15weeks	17	...	1,003	+ 1,272	2,018,1860	+ 2,287
Liverpool Corp.	4weeks	27	124	29,197	− 9	13,394	− 530
L.C.C. Tramways	4weeks	24	166	82,541	+ 268	113,841	+ 581
Madras Electric	115w'ks	15	...	Rs. 44,210	+ 1,946	382,491	+ 6,643
					+ 2,854	305,212	+ 21,518

‡ Fortnightly figures.

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the *Commercial and Financial Chronicle* of New York.

Date.	Miles of Road. 1927.	1928.	Gross Earnings. 1928.	Increase or Decrease.	Net Earnings 1928.	Increase or Decrease.
			$	$	$	$
Jan.	237,846	239,476	456,560,897	− 30,161,740	93,990,640	− 5,558,796
Feb.	237,970	239,584	455,681,258	− 12,850,859	108,120,729	+ 541,678
Mar.	237,804	239,649	504,233,099	− 26,410,659	131,840,275	− 4,034,267
Apr.	238,904	239,852	473,428,231	− 24,437,149	110,907,453	− 2,910,862
May	239,079	240,120	509,746,395	− 8,823,323	128,780,393	+ 840,317
June	238,870	239,833	501,676,771	− 14,871,440	127,284,367	− 1,827,387
July	238,316	240,430	512,145,231	+ 3,333,445	137,412,487	+11,711,856
Aug.	238,672	240,724	556,908,120	+ 165,107	173,922,684	+ 9,835,559
Sept.	239,499	240,693	554,440,941	− 9,980,689	180,359,111	+ 1,711,331
Oct.	238,828	240,661	616,710,737	+ 36,755,850	216,522,015	+35,437,734
Nov.	239,982	241,138	530,909,223	+ 26,968,447	157,140,516	+29,896,691
Dec.	239,286	240,337	495,574,485	+ 27,178,944	138,293,445	+48,444,421
	1928.	1929.	1929.		1929.	
Jan.	240,417	240,833	486,201,495	+ 28,853,685	117,730,186	+23,578,221
Feb.	242,668	242,884	474,780,516	+ 18,292,585	126,368,848	+17,381,326

OVERSEAS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month. 1927-28.	+ or −	Aggregate Receipts. 1927-28.	+ or −
INDIAN.				Rs.	Rs.	Rs.	Rs.
Southern Punjab	3 mths	Dec. 31	931	12,73,896	− 79,870	38,68,259	+ 2,37,184
CANADIAN.							
Canadian National	3 mths	Mar. 31	Gross	$22,173,633	+1,015,983	59,965,827	+ 347,804
			Net	$ 5,330,340	+ 595,568	10,850,768	+ 326,774
Canadian Pacific	3 mths	Mar. 31	Gross	$17,539,000	+ 731,000	47,863,000	+ 762,000
			Net	$ 3,956,000	+ 323,000	7,643,000	− 471,000
BRAZILIAN.							
State of Bahia	11 mths	Mar. 31	52	£3,060	− 1,902	75,549	− 6,789
CHILE AND PERU.							
Peruvian Corp.	9 mths	Mar. 31	31066	£151,788	− 7,995	1,342,452	− 10,466
Taltal	9 mths	Mar. 31	174	13,645	− 1,955	131,790	− 335
URUGUAYAN.							
Midland Uruguay	9 mths	Mar. 31	319	£ 18,298	£ − 1,702	£ 167,342	£ − 6,700
N.-W. Uruguay	9 mths	Mar. 31	113	5,106	− 926	59,276	− 2,036
Uruguay North	9 mths	Mar. 31	73	2,340	− 320	25,958	− 53
OTHER OVERSEAS.							
Alcoy & Gandia	3 mths	Mar. 31	33	£4,702	− 836	13,753	− 1,782
Algoma Cent. & Hudson Bay (a)	8 mths	Feb. 28	Gross.	$232,327	− 3,083	1,296,752	+ 193,719
Beira and Mashonaland	1 mth	Feb. 28	740	£84,164	− 58,328	...	...
Bilbao River	3 mths	Mar. 31	15	£2,742	− 1,653	8,553	− 311
Bolivar	3 mths	Mar. 31	170	£14,900	− 3,800	39,650	+ 11,450
Colombia Rlys.&c	9 mths	Mar. 31	Gross	£35,479	− 12,860	334,651	− 40,675
Costa Rica	7 mths	Jan. 31	190	£22,529	− 11,561	239,400	− 990
Dorado Railway	3 mths	Mar. 31	70	£37,200	− 600	107,000	− 5,100
Dorado Rope. Ex.	3 mths	Mar. 31	45	£5,000	− 2,000	15,800	− 2,100
International of Central America	3 mth	Mr.31	Gross	£176,194	+ 2,282	533,751	+ 36,423
			Net	£89,432	+ 11,736	265,164	+ 45,795
La Guaira & Car.	3 mths	Mar. 31	22½	£11,035	− 2,745	39,290	− 40
Mid. of W. Aust.	8 mths	Feb. 28	277	£20,462	− 829	150,093	+ 4,797
Nanajo Oscarsh	4 mths	June 30	...	9,859	− 1,160	41,481	+ 1,332
PuertoCabello,&c.	1 mth	Jan. 31	35	5,500	+ 500	...	...
Rhodesia Rail'ys	1 mth	Feb. 28	1,397	£132,674	− 74,481	...	...
Samana&Sant'go	3 mths	Mar. 31	...	£2,020	− 935	7,440	− 1,753
Sante Fe Prov.	1 mth	Mar. 31	...	£176,000	− 26,062	...	...
Zafra and Huelva	3 mths	Mar. 31	112	Ps. 490,879	+ 85,473	1,241,832	+ 106,632

(a) Railway receipts only.

TRAMWAY AND OTHER RECEIPTS.

Barcelona Trac rcpts.in pstas.	3 mths	Mar.31	Gross	Ps8,621,859	+ 777,337	26,729,103	+1,920,934	
			Net	Ps5,906,538	+ 355,780	18,990,545	+ 844,970	
Brazilian Trac. receipts in $..	3 mths	Mar.31	Gross	$3,928,550	+ 538,154	11,577,092	+1,666,717	
			Net	$2,210,155	+ 276,275	6,584,554	+ 899,861	
Brit. Columbia Electric, &c..	5 mths	Nov.30	Gross	$1,162,171	+ 22,426	5,619,612	+ 233,371	
			Net	$420,025	+ 73,619	1,724,843	+ 209,590	
Burma Electric Supply Co.	1 mth	Mar.31	...	Rs. 68,993	− 9,091	...	...	
Cape Elec. Tram.	1 mth	Mar.31	Gross	£37,978	...	...	...	
Carthagena and Herrerias Trms.	10 mths	Dec.31	...	£778	− 328	11,521	− 2,693	
Catalinas Warehs	1 mth	Mar.31	...	£8,700	+ 2,100	...	...	
Cities Service Co.	12 mths	Mar.31	...	$3,253,282	+ 511,860	36,179,356	+3,237,478	
International Light&Power	12 mths	June30	Gross	£34,072	+ 962	395,658	+ 6,489	
			Net	£8,671	+ 2,197	94,990	− 6,058	
Kalgoorlie Elec Tramways ...	11 mths	Nov.30	Gross	£1,721	...	19,225	...	
			Net	£332	...	...	...	
La Guaira Harb.	1 mth	Mar.31	...	£12,899	− 2,455	...	...	
La Plata Electric	3 mths	Mar.31	...	£10,511	+ 321	29,774	+ 232	
Madras Electric	4 mths	May30	Gross	Rs. 79,888	− 17,303	321,806	− 67,896	
N'rth'n Mexico Power	Year	Dec.31	Gross	$123,924	+ 26,157	...	...	
			Net	$103,948	+ 25,020	$1,055,265	+ 244,520	
Para Electric ...	3 mths	Mar.31	Gross	£14,971	+ 490	57,366	− 1,484	
			Net	£5,976	+ 545	20,659	− 3,425	
Puebla Tram, &c	9 mths	Sep.30	Net Mx.	$98,000	+ 9,800	984,000	− 32,200	
Rangoon Electric	3 mths	Mar.31	Gross	Rs.4,26,608	− 3,967	12,79,378	+ 20,463	
			Net	Rs.2,13,688	+ 3,490	6,47,438	− 16,710	
Shanghai Elec..	3 mths	Mar.31	Mex.	$339,785	+ 35,705	953,713	+ 88,896	
Singapore Trac.	6 mths	Mar.31	...	133,000	+ 27,000	696,000	+ 142,000	
United Electric T. of Caracas	8 mths	Feb.28	Gross	Bol.182,608	+ 30,043	1,615,587	+ 13,628	
United ElectricT. of Montevideo	1 mth	Nov.30	Gross	$58,112	− 2,405	...	...	
Vera Cruz	9 mths	Sep.30	Net Mx.	$17,600	...	175,400	+ 108,600	
Winnipeg Electric	2 mths	Feb.28	Gross	$570,895	+ 41,801	1,178,861	+ 80,526	
			Net	$207,304	+ 37,082	434,232	+ 62,210	

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Latest Year.	Previous Year.
RAILWAYS.					
Barranquilla Rly. & Pier	2%*	May 1	Less tax	...	...
Canadian Pacific	$2·50*	...	Quarterly	...	...
Egyptian Markets	5%† and bonus		1%	11	...
Leopoldina	3%†	...	...	5	4½
BANKS.					
Bank of New South Wales	2½%*	May 29	Quarterly	...	...
Banque Nationale de Credit	...	...	...	13	11
Hambros	...	...	Tax free	18	18
INSURANCE.					
Essex & Suffolk Equitable	...	...	Tax free	4/- p.s.	...
Licences and General	14%†	...	Less tax	20	20
Phœnix	...	...	...	14/-p.s.	14/- ps
Union Insurance Society of Canton	...	...	...	50	56½
Warden	10%†	...	...	...	...
TEA AND RUBBER.					
Anglo-Malay Rubber	...	...	...	4	8
Bagan Serai	...	...	...	8	7½
Bikam Rubber	...	...	...	7½	4
British Rubber Estates of Java	...	...	Less tax	6	25
Central Travancore	...	...	Less tax	3	3
Ceylon Proprietary Tea	15%†	...	...	25	25
Chulsa (Selangor) Rubber	...	...	...	7½	2½
Dindings Rubber	...	...	...	7½	10
Golden Hope	...	...	Less tax	10	Nil
Gordon Malaya Rubber	...	...	...	10	10
Heawood Tin and Rubber	...	...	Less tax	17½	16
Kimanis Rubber	...	May 16	...	2½	7½
Klabang Rubber	...	...	...	7½	...
Linggi Plantations	...	...	...	7½	10
London Asiatic Rubber	...	...	...	15	20
Lubok Rubber	...	...	...	5	15
Panawatte Tea and Rubber	...	...	...	7	Nil
Pataling Rubber	...	...	...	10	12½
St. George Rubber	...	...	...	10	15
Soengei Rampah Rubber	...	...	...	5	Nil.
Sungei Batu Rubber	...	...	...	12½	10
Sungei Buloh	...	May 17	...	15	15
Sungei Buloh Rubber	...	...	Less tax	15	16
Sungei Kapar Rubber	...	...	...	5	5
Sungei Kruit	...	...	...	12½	12½
Sungei Siput Rubber	...	...	...	2½	Nil.
Third Mile Rubber	...	...	...	5	10
United Patani Rubber	...	...	...	5	5
Windsor (F.M.S.) Rubber	...	...	...	5	10
MINING.					
Anglo-Oriental	...	...	...	15	...
Globe and Phoenix Gold	20%*	June13	Tax free	...	...
Kaduna Prospectors	10%†	...	Less tax	20	30
Kaduna Syndicate	10%†	...	...	10	45a
Northern Nigeria (Bauchi)	15%*	May 10	...	...	...
OTHER COMPANIES.					
Abbots Investment	2½%*	...	...	...	...
African Steamship	2½%†	May 10	...	5	5
Alianza	...	...	...	7	...
Anglo-Amer. Debenture Corp.	9%†	...	...	14	...
Anglo-Celtic Trust	...	...	...	7	6
Antwerp Waterworks	3½%†	...	Less tax	6½	5
Associated Lead Manufacturers	...	...	...	2½	Nil
Barcelona Traction	...	...	...	2	2
Blantyre and East Africa	5%*	...	Less tax	10	...
British Shareholders Trust	4%†	...	Less tax	7	6
British Tar Products	5%†	...	...	...	...
Cable, Telephone Gen. Trust	...	...	...	4	...
Calcutta Electric Supply	...	...	...	12½	12½
Cawnpore Electric Supply	7%†	...	...	10	10
Chinese Engineering & Mining	10%*	May 8	...	...	...
City of Buenos Ayres Trams	1½%*	May 16	Quarterly	...	...
Civil Service Supply "A"	...	...	...	5	15
Continental Union Gas	3%*	July 1	...	2§	...
Coventry Chain	...	...	...	...	...
Craigpark Electric Cable	5%*	...	...	5	4
Delaney (John)	50%†	...	...	...	...
Dubarry Perfumery	...	...	...	75	75
Egyptian Delta Land and Invest.	...	...	...	6½	5
Equatorial Trust	3%*	May 15	...	5	10
European & General Finance	...	...	Tax free	...	...
Extract Wool & Merino	...	...	...	2½	...
Financial Times (1928)	...	...	...	7½	...
First Hungarian Woolwashing	...	...	...	1/1 p.s.	...
Forestal Land, Timber, &c.	4½%†	...	Less tax	7½	9
Fullers	7½%†	...	Less tax	12½	12½
Glenfield and Kennedy	6%*	...	...	10	10
Grand Hotel, Eastbourne	5%*	May 14	...	...	...
Greater Scala (Birmingham)	5%*	...	Less tax	8	7½
Johnson & Phillips	5%†	...	...	10	10
Kaduna Syndicate	10%†	...	...	20	20
Lancashire Waggon	...	...	Tax free	10	10
Lloyds Packing Warehouse	5%*	...	...	...	...
Metropolitan IndustrialDwellings	6*	...	Tax free	10	Nil
Oxendale and Co. (def.)	...	...	...	...	...
Packing Materials Assoc.	2½%*	...	Tax free	15	...
Pardpan	...	May 7	Less tax	...	...
Radcliffe's Edible Products	15%*	...	...	...	...
Rio de Janeiro City Improvements	...	...	Tax free	10	10
Rochdale & Manor Brewery	2½%*	...	...	9‡	...
Schweppes, Ord.	...	...	...	10	...
Def.	...	...	...	6½	5
Second Guardian Trust	3½%†	...	...	7½	5
Spillers	...	...	...	6	5½
St. Andrew Trust	3½%†	...	Less tax	10	5
Tarapaca and Tocopilla Nitrate	1%	May 15	...	...	...
Timsley Park Colliery	2½%*	...	...	...	...
Triumph Cycle	2½%*	...	...	...	...
Tuck (Raphael) and Sons	2½%†	...	...	7	7
Urban Electric Supply	4%†	...	...	...	...
Wheesoe Foundry & Engineering	...	...	Less tax	17½	12½
William Dixon	...	...	Tax free	2½	2½
W. P. Lowrie	...	...	...	25	25

§ Accounts for 9 months only. ‡ Bonus 4d. p.s., less tax.
a Bonus 10%.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Dividend. Ordinary. Amount.	Dividend. Ordinary. Rate.	Carried to Reserve, Depreciation, etc.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Corresponding Period Last Year. Dividend.
		£	£	£	£	£	%	£	£	£	%
Canals and Docks.											
Sharpness New Docks	Dec. 31	...	5,698	5,698	1,369	...	...	4,329	....	11,472	...
Electric Lighting, &c.											
Bournemouth and Poole	Dec. 31	7,290	163,632	170,922	11,100	86,401	15	67,154	6,267	157,824	15
Cawnpore Electric	Dec. 31	3,150	75,064	78,214	12,600	20,700	10	41,090	3,824	55,524	10
Richmond (Surrey)	Dec. 31	2,190	46,486	48,676	...	22,000	11	22,395	4,281	39,922	10
Urban Electric	Dec. 31	22,219	100,831	123,050	21,000	29,799	7	49,298	22,953	98,749	7
Financial, Land, &c.											
Anglo-Eastern Finance	Mar. 31	7,360	(t) 35,275	42,635	...	...	...	35,825	6,810	11,497	...
Forestal Land, &c.	Dec. 31	201,017	766,004	967,021	111,951	278,163	7½	323,456	253,451	840,295	9
Gas.											
Continental Union	Mar. 31	1,485	(v) 20,621	22,106	8,400	12,800	2	...	906	23,797	1
Iron, Coal and Steel.											
Davis (D.) and Sons	Dec. 31	*Dr.31,728*	*Dr.17,029*	*Dr.48,757*	...	...	...	...	*Dr48,757*	22,080	...
Dixon (William)	Feb. 28	10,126	31,279	41,405	15,000	16,400	2½†	...	10,005	25,818	2½†
Palmers Shipbuilding, &c.	Dec. 31	10,490	1,744	12,234	...	...	...	...	12,234	10,490	...
Motor and Cycle.											
Birmingham Small Arms	Jan. 31	336,822	90,518	427,340	24,954	...	...	200,000	202,386	72,063	...
Rubber, &c.											
Anglo-Malay	Dec. 31	39,690	12,121	51,811	...	16,500	4	...	35,311	44,428	8
Benar (Selangor)	Dec. 31	2,933	85	3,018	...	...	...	...	3,018	4,456	7
Central Travancore	Dec. 31	687	13,074	16,761	3,280	1,440	3	2,000	10,041	15,261	3
Chersonese (F.M.S.)	Dec. 31	23,375	35,135	58,510	...	22,500	8½	12,260	23,750	33,739	8½
Chulsa (Selangor)	Dec. 31	6,143	7,014	13,157	...	6,000	7½	4,646	2,511	...	...
Cluny	Dec. 31	6,774	5,895	12,669	...	4,200	6	1,500	6,969	11,433	8
Doloswella	June 30	747	11,572	12,319	...	6,580	12	5,000	4,314	39,684	15
Dwa Plantations	Dec. 31	18,570	21,364	39,934	...	18,400	10	5,577	162	11,612	12
Golden Hope	Dec. 31	1,651	93	1,744	...	...	...	...	21,534	8,448	Nil
Hanwella	Dec. 31	5,284	21,466	26,750	...	17,500	17½	...	1,744	12,065	7
Heawood Tin and Rubber	Oct. 31	4,964	12,982	17,946	...	8,000	20	3,500	5,750	15,325	15
Kaduna Syndicate	Dec. 31	5,265	7,276	12,541	420	5,250	15	7,280	2,666	...	...
Kelani Valley	Dec. 31	15,635	19,901	35,536	...	18,000	5	4,000	2,871	10,027	17½
Lanadron	Dec. 31	23,539	11,398	34,937	...	10,860	10	...	17,536	38,457	8
Ledbury	Dec. 31	78	12,200	12,278	...	3,588	5	5,000	19,077	18,215	12
Lok Kawi	Dec. 31	109,921	52,951	162,872	...	59,050	15	...	8,690	15,887	15
London Asiatic	Dec. 31	3,980	2,215	6,195	...	2,880	5	8,210	95,612	128,551	20
Lubok	Dec. 31	44,301	119,221	163,522	...	75,931	15	...	3,315	18,965	15
Lunuva (Ceylon)	Dec. 31	10,466	8,748	19,214	...	12,075	7	41,138	46,453	119,942	15
Panawatte Tea, &c.	Dec. 31	20,096	9,025	29,121	...	9,375	5	3,500	3,639	16,681	Nil
Rubber Estates of Johore	Dec. 31	5,872	13,857	19,729	...	8,750	25	...	19,746	21,954	7½
Simo Estates	Dec. 31	12,629	3,019	15,648	...	4,250	5	...	10,979	16,042	25
Soengei Rampah	Dec. 31	12,976	3,414	16,390	...	4,000	5	...	11,398	5,327	...
Sungei Kapar	Dec. 31	6,339	14,059	20,398	...	8,125	12½	5,000	12,390	7,488	5
Sungei Kruit	Dec. 31	1,557	104	1,661	...	...	...	...	7,273	12,395	12½
Tangga Batu	Dec. 31	5,687	6,330	12,017	...	5,000	5	1,195	1,661	48	...
Tarun (Malay)	Dec. 31	40,724	34,521	75,245	...	25,000	5	10,000	5,822	...	...
United Patani (Malaya)									40,246	47,925	5
Tea.											
Ceylon Proprietary	Apl. 25	6,631	30,597	37,228	1,306	22,500	25	6,500	6,922	30,760	25
Ederapolla	Dec. 31	3,759	4,148	7,907	...	3,480	10	2,000	2,427	5,660	15
Kandapolla	Dec. 31	3,981	17,876	21,857	1,878	12,320	40	2,750	4,909	21,158	50
Standard of Ceylon	Dec. 31	34,462	63,810	98,272	...	41,650	35	22,000	34,622	73,572	40
Textiles.											
Anglo-French Textile	Dec. 31	6,677	13,460	20,137	3,168	10,000	10†	...	6,969	23,299	20†
Shields (John) & Co.	Dec. 31	*Dr. 9,268*	*Dr. 2,925*	*Dr.12,193*	...	...	...	...	*Dr12,193*	2,474	...
Trust.											
Anglo-American Debenture	Mar. 31	20,392	110,399	130,791	25,766	56,000	14	25,000	24,025	102,599	15
Cable, Telephone, &c., Trust	Dec. 31	985	26,202	27,187	23,577	2,610	4	...	1,050	...	...
Equatorial Trust	Dec. 31	47,512	20,872	68,384	...	20,000	5	24,335	24,049	...	...
London Trust	Mar. 31	42,529	118,324	160,853	22,800	76,800	20	15,000	46,253	112,581	18
Rubber Plantations Investment	Dec. 31	60,737	284,546	345,283	...	270,000	15	— 11,900	63,383	344,517	15
Waterworks.											
Antwerp	Dec. 31	8,823	31,189	40,012	...	15,000	6½	15,202	9,810	25,012	5
Other Companies.											
Associated Electrical	Dec. 31	99,676	217,319	316,995	78,915	54,574	6	81,655	101,851	213,293	6
Associated Lead	Dec. 31	30,062	101,691	131,753	46,264	28,970	2½	28,171	28,348	61,098	Nil
British Thomson-Houston	Dec. 31	200,513	270,504	471,017	84,000	64,000	4	119,951	203,066	123,045	Nil
Egyptian Markets	Dec. 31	14,198	21,845	36,043	...	19,217	11 Ord.	...	14,203	25,274	11Ord.
						2,623	Def.				Def.
Financial Times	Dec. 31	...	183,147	183,147	48,367	30,000	7½	81,964	22,816	...	...
Johnson and Phillips	Dec. 31	85,072	88,977	174,049	...	60,000	10	33,146	80,903	90,557	10
Lancashire Waggon	Mar. 31	4,167	8,381	12,548	3,465	1,088	10†	3,000	4,995	7,688	10†
Lowrie (W. P.) and Co.	Mar. 31	179,900	133,921	313,821	18,000	50,000	25	65,000	180,821	127,976	25
Oxendale & Co.	Feb. 28	5,153	29,014	34,167	24,000	4,000	10	...	6,167	32,615	Nil
Phillips (Godfrey)	Dec. 31	33,434	145,601	179,035	25,380	67,500	10	50,000	36,155	129,681	10
Rio de Janeiro Improvem'ts.	Dec. 31	25,223	170,554	195,777	...	143,133	10†	30,000	22,644	163,642	10†
Spillers, Limited	Jan. 31	170,536	176,668	347,204	54,865	109,366	7½	...	182,973	208,646	5
Whiteaway, Laidlaw & Co.	Feb. 28	34,107	92,158	126,265	41,500	58,938	10†	1,000	24,827	139,747	15†

(v) 9 months. (t) 15 months. † Free of income-tax.

RUBBER COMPANY STATISTICS

Name.	Financial Year Ends.	Share and Paid.	Shares Issued.	Highest and Lowest, 1929.	Total Div. % for Fin'l Year.	Acres Planted Rubber	Acres in Reserve	Last Published. Average Selling Price.	Last Published. Cost f.o.b.	Last Published. Cost all in.	Last Financial Year's Output.	Output March, 1929.
		£									Lbs.	Lbs.
Allied Sumatra	Dec. 31	1	1,400,000	20/0 13/6	Nil	21,462	17,966	1/4·24	0/9·60	...	3,696,272	241,557
Ampat	Sept. 30	2/0	700,050	5/3 3/4	5	2,476	3,960	0/10·97	...	0/6·77	649,365	Nil
Anglo-Dutch	Dec. 31	1	2,343,639	44/3 30/10	12½	30,278	134,409	1/4¾	0/8¾	...	9,306,208	1,110,250
Anglo-Java	Mar. 31	2/0	7,386,750	5/3 2/9	25	31,742	7,787	1/0·30	0/6·70	...	7,944,534	792,300
Anglo-Johore	Dec. 31	1/0	1,500,000	1/0½ 0/6	7½	1,439	525	1/1·84	0/10½	...	346,000	37,000
Anglo-Malay	Dec. 31	1	412,507	28/1½ 15/0	8	5,599	2,771	1/4·04	0/8·53	...	1,249,703	110,294
Ayer Kuning	Dec. 31	1	140,000	53/9 45/0	12½	3,142	2,230	0/10·3	...	0/7·07	817,919	80,000
Badek	Dec. 31	1	123,208	48/9 30/7	20	3,819	...	2/2·03	0/7·47	...	988,047	100,910
Bah Lias	Oct. 30	1	351,213	45/0 34/4	6	8,012	8,654	1/0·64	0/8·04	...	1,575,627	14,614
Bandar Sumatra	July 31	1	99,847	38/3 27/6	7½	2,438	1,288	1/1·31	0/9·72	...	610,000	54,000
Banteng (Selangor)	April 30	1	99,000	35/0 23/0	5	1,886	333	1/6·69	...	0/11·81	412,140	78,000
Batang Consol.	Dec. 31	2/0	2,458,840	2/0 1/2	5	2,671	...	1/8·48	0/8·29	1/0·29	857,394	92,740
Batu Tiga	Dec. 31	1	185,000	41/3 31/3	10	4,513	850	1/5	0/8·53	0/9·44	1,389,426	183,500
Bekoh Consol.	June 30	2/0	2,993,007	2/3 0/9	Nil	2,672	622	1/0·19	0/7·24	...	567,049	83,115
Bertam Cons.	Mar. 31	2/0	3,340,000	6/3 3/8	17½	9,077	5,542	1/3·31	0/7·24	0/8·66	1,810,709	235,298
Besoeki	Dec. 31	1	110,000	47/6 35/0	20	2,037	1,131	1/7·30	0/7	...	737,570	80,000
Bikam	Dec. 31	2/0	1,885,000	3/1½ 1/9½	4	2,990	1,824	1/4·42	0/9·77	...	700,458	83,700
Biting	Mar. 31	2/0	750,000	2/0¾ 0/10½	Nil	982	67	1/0·13	0/7·44	...	173,202	19,500
Bradwall	Dec. 31	1	90,000	42/0 32/6	10	2,789	359	1/2·18	0/8·05	0/9·28	637,300	49,600
Brooklands	June 30	2/0	1,750,000	6/0 3/4½	10	4,896	1,670	1/1·52	...	0/11·81	412,140	78,000
Broome	June 30	1	135,000	21/3 13/6	Nil	1,803	220	1/2·12	0/8·34	...	943,000	118,400
Bukit Kajang	June 30	1	175,000	38/9 23/9	Nil	4,687	630	0/9·06	...	0/9·36	300,916	53,000
Bukit Mertajam	Mar. 31	2/0	3,000,000	4/10 2/11	8½	7,321	3,736	1/1·79	0/8·14	...	695,022	102,981
Bukit Selangor	Mar. 31	2/0	2,330,881	1/7½ 1/0	Nil	2,468	841	1/1·75	0/10·40	...	1,722,493	151,508
Bukit Sembawang	Dec. 31	2/0	3,339,550	2/6 1/8	Nil	5,870	...	1/3·75	0/10·16	...	608,281	66,418
Castlefield	June 30	2/0	1,000,000	8/0 4/10	Nil	3,079	463	0/11·90	...	0/11·90	1,228,593	
Ceylon (Para)	Dec. 31	2/0	700,000	12/3 7/6	10	3,446	325	...	0/6·67	0/8·59	1,657,304	114,567
Chembong (1920)	Mar. 31	2/0	2,459,334	1/10½ 1/1½	10	2,096	65	1/4·62	...	0/10	1,118,147	11,134
Chersonese (F.M.S.)	Dec. 31	2/0	2,700,000	3/6 2/4	8½	2,449	...	1/2·35	0/8·08	...	...	86,500
Cheviot	Dec. 31	2/0	2,000,000	4/3½ 2/10½	12½	2,966	2,300	1/6·88	...	0/9·34	915,870	Nil
Cicely Ord.	Mar. 31	2/0	1,334,312	7/6 4/6	15	5,020	621	1/2·08	0/7·38	...	626,300	137,000
Consolidated Malay	Dec. 31	2/0	750,000	8/4¼ 5/4½	16¾	3,509	1,525	0/9·36	...	0/8·29	1,132,800	136,677
Denistown	Dec. 31	2/0	1,678,120	2/2½ 1/1½	Nil	3,342	...	0/8·68	...	0/7·37	1,006,664	111,900
Djember	Dec. 31	1	164,496	42/6 24/4½	10	3,229	3,321	1/2·72	...	...	567,310	52,308
Eastern Produce Ord.	Dec. 31	1	333,000	5½ 96/3	40	3,252	15,575	1/2½	...	...	717,698	76,000
F.M.S. Rubber Planters	Dec. 31	1	210,000	44/10½ 28/7½	17½	5,878	1,925	1/10·85	0/8·97	0/11·05	646,070	46,810
Gadjah	April 30	2/0	350,000	6/7½ 4/0	15	1,873	6,772	1/9·12	0/6·80	0/10·78	1,513,805	163,000
General Ceylon	Dec. 31	...	305,000	41/0 32/3	10	4,160	2,708	0/8·86	...	...	510,000	39,500
Glen Bervie	Sept. 30	1	84,993	39/0 35/0	5	2,264	50	0/8·94	...	0/7·58	1,342,805	51,140
Glenshiel (1919)	Dec. 31	1	175,000	21/6 14/4½	5	2,123	139	pft.	per lb.	0/9·8	692,973	37,100
Golconda Malay	Dec. 31	1	113,000	35/0 21/3	10	2,199	61	0/9·14	0/6·39	0/6·58	698,449	64,091
Golden Hope	Dec. 31	1	230,000	33/1½ 22/7½	10	5,335	830	...	...	...	728,131	53,646
Grand Central	Dec. 31	1	1,225,000	32/4½ 22/0	5	16,098	5,660	0/11·62	0/7·82	0/9·48	1,421,137	133,943
Hewagam	Dec. 31	1	240,000	17/3 11/10	6	2,756	600	0/9·68	0/7	...	4,291,995	185,912
Highlands and Lowlands	Dec. 31	1	309,481	45/0 29/3	10	5,396	1,434	0/9·42	0/6·65	...	1,030,067	Fb48,100
Inch Kenneth	June 30	1	30,000	60/6 41/3	Nil	1,481	199	1/0·23	0/10·48	0/11·78	1,642,674	145,700
Insulinde	June 30	2/0	1,211,820	2/11½ 1/4	5	2,309	10,643	1/0·72	0/6·78	0/7·59	384,071	31,290
Java Amalgamated	Dec. 31	1	185,000	37/6 24/10½	17½	3,920	...	0/9·89	...	...	559,383	54,000
Java Rubber Plantations	Dec. 31	2/0	699,660	5/3½ 3/9	20	2,159	387	1/4·28	0/9	...	1,288,475	127,200
Java United	Dec. 31	1	150,000	47/0 37/6	20	2,370	3,500	1/7·53	...	0/9·08	613,800	70,900
Jeram	Mar. 31	1	112,500	35/0 25/0	Nil	3,054	...	1/2·24	0/8·05	...	670,565	71,000
Jong-Landor	June 30	1	89,500	44/9 33/9	5	2,342	358	1/1¾	0/10·97	1/0·78	670,179	61,550
K.M.S.	June 30	1	170,000	28/9 17/6	6	2,450	...	1/2·09	...	0/10·99	532,320	67,000
Kali Giagah	Mar. 31	2/0	985,100	3/3½ 2/0	5	1,746	85	0/11·62	...	...	522,922	75,000
Kali Java	Dec. 31	2/0	652,747	3/0 1/9	15	1,134	992	0/9·09	0/5·74	...	465,717	82,700
Kampong Kuantan	Dec. 31	2/0	660,499	8/0 4/10½	25	2,593	688	1/1·72	0/7	0/8·75	248,400	31,600
Kamuning Rubber and Tin	June 30	2/0	2,010,000	4/3 2/11	10	3,304	2,747	...	...	0/8·29	800,000	77,000
Kawie (Java)	Mar. 31	2	750,000	6/3½ 3/7½	15	2,266	223	0/9·55	0/5·89	...	936,266	117,000
Keptigalla	Mar. 31	2/0	1,375,000	2/4 1/0	Nil	2,866	680	1/1·12	0/10·02	...	533,751	82,200
Kepong (Malay)	Dec. 31	2/0	1,180,000	7/6 5/4½	22½	5,115	511	1/7·05	...	0/9·40	498,777	Fb37,467
Kinta Kellas	Mar. 31	2/0	1,300,000	5/3 3/5½	10	3,559	779	1/2·32	0/8·23	...	1,206,033	152,349
Klanang Produce	Dec. 31	2/0	870,000	6/7½ 4/6	15	2,578	...	0/9·17	0/5·74	0/6·62	635,482	92,750
Kuala Selangor	Dec. 31	2/0	775,000	6/3 4/4½	12½	1,953	...	1/3·13	...	0/8·51	848,181	94,571
Labu (F.M.S.)	Dec. 31	1	235,000	41/10 29/6	12½	3,835	1,832	1/6·90	...	0/8·67	695,417	83,042
Lanadron	Dec. 31	1	360,000	27/6 16/10	8	5,391	6,310	1/5·18	0/9·10	...	1,239,000	127,000
Langen	Aug. 31	1	125,000	40/0 26/3	6	3,070	1,287	0/11·15	0/7·86	...	1,128,829	87,207
Langkat Sumatra	Dec. 31	1	123,971	29/4½ 19/1	4	2,854	...	0/9·16	0/8·18	...	688,649	85,013
Langkon North Borneo	Mar. 31	2/0	1,093,680	1/9 0/10	Nil	1,633	10,264	1/3·37	0/7·13	0/9·99	598,000	32,000
Laras	Mar. 31	2/0	3,003,820	4/9 2/10	7½	9,417	11,596	1/4	...	...	332,000	28,000
Ledbury	Dec. 31	1	108,600	41/6 25/7½	12	2,429	658	1/8·08	0/10·09	...	2,664,282	202,694
Lingai Plantations Ord.	Dec. 31	1	560,000	38/6 24/9	10	10,460	9,916	1/6·92	...	0/9·37	584,010	7,290
London Asiatic	Dec. 31	2/0	4,920,809	6/0 3/10	20	12,270	2,331	1/5·99	0/9·20	...	2,881,273	342,000
Lumut	Sept. 30	1	211,482	57/6 35/7½	10	3,759	148	1/0·75	0/6·59	0/6·86	3,601,976	335,791
Malacca Ordinary	Dec. 31	1	541,613‡	47/6 30/0	10	20,955	5,471	1/6·43	...	0/10·15	852,384	118,700
Malayalam Plan.	Mar. 31	1	1,624,466	37/9 29/1½	15	17,674	34,947	1/2·78	0/8·23	...	4,953,913	476,000
Mendaris (Sumatra)	Dec. 31	1	430,862	28/1½ 19/4	5	6,441	6,326	...	...	...	3,886,468	362,138
Merlimau and Pegoh	Dec. 31	2/0	5,902,795	4/10 2/6	5	17,818	1,637	1/1·40	...	0/10·4	2,115,190	71,067
Mount Austin	Mar. 31	1	600,000	28/9 19/4½	5	10,769	1,130	1/4	0/7·78	...	2,722,162	250,500
Nagolle	Dec. 31	1	185,141	21/10 15/1	6	2,023	218	1/5·60	...	0/9·95	2,622,967	239,977
Nordanal (Johore)	Dec. 31	1	280,000	19/4½ 12/9	5	3,066	1,183	pft.	per lb.	0/10	585,436	41,012
North Hummock	Mar. 31	1	240,000	24/0½ 16/0	5	3,276	809	1/4·16	0/9·43	0/8·86	747,165	48,000
Pataling	Dec. 31	1	225,007	25/0 20/0	12½	2,146	534	1/5·81	0/7·64	0/9·99	858,858	79,811
Perak Rubber Plant.	Mar. 31	2/0	890,000	4/2 2/7	Nil	1,796	333	0/11·46	0/9·05	...	653,330	64,380
Permambang	Dec. 31	1	433,791	19/6 14/9	Nil	5,024	3,183	1/3·60	1/0·65	...	317,516	57,400
Port Dickson	Mar. 31	2/0	2,464,633	3/6 1/6	7½	4,502	95	1/3·76	...	0/10·19	1,268,506	129,428
Prye Rubber and Coconut	Mar. 31	1	99,247	15/6 12/6	10	1,180	2,826	1/3·65	...	...	1,281,229	129,000
Rangoon Para	Dec. 31	1	187,551	13/6 9/10½	Nil	2,692	514	0/9·49	...	0/9·26	285,488	8,552
Rani (Travancore)	Dec. 31	1	275,000	19/10 12/9	11	3,830	635	1/5·86	0/8·80	...	622,095	76,000
Rembau Jelei	Dec. 31	1	400,000	35/0 23/7½	10	6,423	1,822	1/0·6	0/7·67	...	1,135,585	106,460
Rubana	June 30	1	330,000	24/0 17/6	5	4,477	191	pft.	per lb.	0/8·59	2,140,986	217,851
Rubber Estates of Johore	Dec. 31	1	187,500	21/3 14/11	7½	2,573	2,062	1/3·97	0/9·01	...	902,314	127,500
Rubber Estates of Krian	Dec. 31	2/0	1,200,000	2/10½ 1/8	5	1,721	36	1/1·3	0/8·38	...	744,611	66,218
Sampang	Dec. 31	2/0	730,000	4/0½ 2/2½	12½	1,692	1,202	1/7·74	0/7·49	0/9·43	554,347	40,100
Sapong Rubber and Tobacco	Dec. 31	1	120,000	44/4 30/0	20	2,706	17,294	1/8	0/10·74	1/0·34	413,635	42,000
Seafield	Dec. 31	1	200,000	31/10½ 18/3	10	2,579	408	...	0/6·59	0/9·2	840,000	70,000
Seaport	June 30	1	187,500	23/9 17/3	5	1,924	...	1/2·92	0/8·99	...	932,000	109,089
Sedenak	Oct. 31	1	153,843	36/3 21/3	6½	3,445	2,939	0/11·09	0/7·62	0/8·42	464,302	57,000
Selangor	Dec. 31	2/0	1,200,000	4/7½ 3/1½	8½	2,646	...	0/10·8	0/6·38	...	902,529	118,250
Sempah	Mar. 31	1	127,910	20/1½ 13/1½	Nil	2,017	72	1/1·21	0/9·72	...	664,800	64,400
Sendayan	Dec. 31	1	250,000	32/0 22/0	2½	4,699	556	1/1·85	...	0/9·66	541,486	28,008
Sennah	Dec. 31	1	600,000	39/0 28/9	12½	7,693	9,673	1/5·66	0/9·66	...	914,739	116,000
Serdang Central	Dec. 31	1	88,478	32/2½ 26/6	10	1,815	581	0/10·66	0/8·48	...	2,444,042	228,332
Seremban (1920)	Dec. 31	1	400,000	11/3 6/30½	2½	2,928	408	1/2·52	0/10·24	...	406,000	24,000
Sialang	Jan. 31	1	300,000	45/0 32/9	15	6,819	2,515	1/6·66	...	0/9·50	743,788	65,960
Singapore Para	June 30	2/0	2,386,666	2/0½ 1/3	Nil	3,553	458	1/0·52	0/8·39	...	1,764,855	107,100
Straits Rubber (1919)	Dec. 31	1	1,050,000	27/6 15/0	7	10,298	1,683	profit	per lb.	1/2·03	861,841	68,121
Sumatra Consolidated	April 30	1	125,000	32/1 21/6	10	2,247	1,763	1/1·47	0/5·93	...	3,045,998	279,000
Sumatra Para	June 30	2/0	1,999,335	5/4 3/6	5	5,342	...	1/0	0/5·88	...	617,327	12,934
Sungei Choh (1920)	Dec. 31	1	200,000	22/9 14/9	3	2,469	96	0/8·4	0/6·24	...	1,270,628	126,000
Sungei Salak	Dec. 31	1	100,000	47/6 32/6	10	3,395	778	1/6·11	0/9·31	0/11·03	655,900	68,340
Sungkai-Chumor	June 30	2/0	998,546	4/3½ 2/6	7½	2,276	139	1/1·8	0/9·98	...	1,004,000	96,000
Taiping	Sept. 30	2/0	2,910,636	2/7½ 1/2½	5	3,584	1,634	1/2·05	0/6·39	...	446,282	62,419
Tambira	Dec. 31	1	59,833	39/1½ 26/3	Nil	3,804	13,646	1/1·35	0/9·55	...	824,839	83,100
Tandjong	June 30	1	250,000	47/6 33/9	10	6,151	1,889	1/2·38	0/9·71	...	340,700	23,400
Telogoredjo	Dec. 31	1	595,205	54/0 33/9	10	27,905	31,478	1/3·20	...	...	1,557,550	68,000
Tremelbye	Mar. 31	1	276,000	19/4½ 11/3	5	2,698	...	1/0·44	0/7·54	...	3,306,908	352,338
United Serdang	Aug. 31	2/0	14232725	6/1 3/3	10	30,545	35,402	1/2·28	0/9·13	...	830,582	79,251
United Sua Betong	Dec. 31	1	366,888	87/6 61/6	20	18,907	14,953	1/4·03	...	0/9·06	5,168,031	381,270
United Sumatra	Dec. 31	2/0	2,200,000	3/5 1/11	Nil	3,841	6,439	1/3·68	0/7·14	...	4,317,700	466,000
United Temiang	July 31	2/0	2,000,000	3/11½ 2/1½	5	4,472	1,996	1/0·49	...	0/10·98	777,086	12,936
Waterfall	Sept. 30	2/0	3,351,480	2/3 1/5½	N

(*Continued from page 998.*)

FORESTAL LAND, TIMBER AND RAILWAYS, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.
	£	£
Pref. shares (£1)	1,865,852	...
Ord. shares (£1)	3,708,837	...
Depreciation	1,986,772	+ 203,456
Reserve account	1,550,000	+ 50,000
Credit balances...	1,027,792	– 69,705
Profit and loss....	531,613	– 3,199
Total	10,670,866	+ 180,552

ASSETS.	Amount.	Compared with Dec. 31, 1927.
	£	£
Freehold land ...	4,927,979	+ 143,625
Holdings in associated cos.	1,537,756	+ 38,310
Other investmts.	488,125	– 182,671
Live stock	216,936	+ 12,153
Timber.....	1,222,102	+ 16,860
Stocks	425,204	– 46,761
Debtors.....	1,435,683	+ 260,485
Cash	417,081	– 61,449
Total	10,670,866	+ 180,552

RUBBER PLANTATIONS INVESTMENT TRUST, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.
	£	£
Ord. shares	2,250,000	...
Reserve.....	657,797	...
Dividend equalisation reserve	150,000	...
Temporary loan	125,000	+ 125,000
Sundry creditors	96,150	+ 30,518
Profit and loss...	199,008	– 48,291
Total.....	3,477,955	+ 107,227

ASSETS.	Amount.	Compared with Dec. 31, 1927.
	£	£
Properties.....	671,009	– 16,221
Sundry debtors...	13,583	+ 4,042
Loans & advances	177,644	+ 51,312
Stocks of produce, &c.....	101,676	+ 46,754
British Government securities	571,956	– 338,036
Foreign Government securities	18,252	+ 9,136
Shares and debs.	1,914,432	+ 361,156
Cash	9,403	– 10,926
Total.....	3,477,955	+ 107,227

Reports and Notices.

Mr Harold Peake, of Bawtry Hall, Doncaster, Yorkshire, has been elected a director of Messrs Wm. France, Fenwick and Co., to fill the vacancy caused by the death of the late Mr J. E. Champney.

The Hon. Maurice Fox Pitt Lubbock has accepted a seat on the board of the Australian, Mercantile, Land and Finance Co.

Brigadier-General the Hon. Everard Baring, C.V.O., C.B.E., has joined the board of the London Electric Supply Corporation.

The Tyneside Electrical Development Co., Limited, has changed its title to the Tyneside Investment Trust, Limited.

RAILWAYS.

GREAT WESTERN OF BRAZIL RAILWAY.—The Directors announce that on April 27th the President of the Republic signed a decree amending the Lease Contract under which the line is operated, with the object of reducing the rate of rental payable to a nominal sum and postponing repayments by the company to the Government of the loan of 13,000 contos granted in 1924, and arrears of rental, until after six per cent. has been earned annually on the company's share capital. The decree is subject to registration by the Tribunal da Contas, which is now being sought by this company's representative.

EMU BAY RAILWAY.—The Emu Bay Railway Company has entered into an extending contract with the Electrolytic Zinc Company of Australasia, Limited, for the carriage of large and regular weekly quantities of concentrates. It is expected that everything will be ready for contract to start in about a year.

THE LEOPOLDINA RAILWAY.—After providing for the debenture interest and interim dividends on the preference and ordinary stock, and transferring £48,000 to reserves, the net revenue account for the year made up to December 31, 1928—including the sum of £100,580 brought forward—shows a balance of £387,824, out of which the board propose to pay a balance dividend of 2¾ per cent. for the half-year (less income tax) on the preference stock, making 5½ per cent. for the year, and a balance dividend of 3 per cent. (less income tax) on the ordinary stock, making 5 per cent. for the year, as compared with 4½ per cent. for 1927, leaving £103,457 to be carried forward. The transfer books and register of members of the company will be closed from May 3rd to May 17th, both days inclusive.

MISCELLANEOUS.

JOHNSON AND PHILLIPS, LIMITED.—The following shows results over four years:—

	1925.	1926.	1927.	1928.
Net profits after debenture interest, but before debenture sinking fund .....£	170,808	80,560	77,814	71,049
Per cent. earned on ordinary capital of £600,000.....%	28·47	13·43	12·97	11·84
Per cent. paid in dividends on ordinary capital of £600,000 .....%	17½	12½	10	10
Amount of ordinary dividend.....£	105,000	75,000	60,000	60,000
Applied to reserve and debenture sinking fund* ...£	165,217	15,217	15,217	15,217
Carried forward .....£	92,133	82,475	85,072	80,903

* Includes £106,250 premiums.

The investment in Burndept Wireless 8% Debentures £50,000 disappears from the 1928 balance-sheet, reducing investments from £55,570 to £6,037. Cash is higher at £80,359 against £63,552.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

The long spell of dry weather has been partially relieved by beneficial rains over the United Kingdom, but temperatures were unseasonably low and further moisture followed by sunshine is needed to stimulate growth. Standing crops appear backward, and in many instances fields have had to be re-ploughed, so that the agricultural outlook at present is by no means promising. Supplies of native wheat were on a moderate scale and holders required full recent rates, while the market for imported varieties was rather less depressed. In the floating and forward cargo section, sellers were not quite so prominent as of late, but offerings of both Plate and Canadian varieties were fully adequate for requirements. Buyers are still operating cautiously and awaiting further developments in the international situation, particularly as regards the North American surplus. Some progress has apparently been made with the American Farm Relief Bill, but its effect upon existing supplies is uncertain, and at the moment the policy of sellers is not clearly defined. Meanwhile shipments are well maintained for the time of year, with a seasonal increase anticipated from Canadian ports in the immediate future. Dull conditions prevailed with regard to feeding stuffs, and although Plate maize was freely offered at lower prices, demand was not stimulated thereby, while the substantial premiums recently obtainable on afloat and early shipments have been considerably reduced.

Wheat, dull. No. 2 Northern Manitoba, ex-ship, 48s.; No. 3 ditto, 46s. 9d.; No. 4, Manitoba, 45s. 9d.; No. 5. 42s. 6d.; No. 6 37s.; Rosafe, 64 lbs., 44s. 6d.; Barusso, 63½ lbs., for shipment, 44s. 6d.; Australian, 46s., ex-ship, per 496 lbs. English, 9s. 9d. to 9s. 11d. per 112 lbs.

Flour, slow. London standard grade, 37s. 6d.; town whites, 38s. 6d.; patents, 39s. 6d. to 40s. 6d. per sack, delivered in the Home Counties, with 6d. to 1s. per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 34s. to 36s. 6d.; Minneapolis, 34s. 6d. to 37s.; Australian, 34s. to 35s. ex-store. On c.i.f. terms, Manitoba top patents, May-June, 34s. to 35s.; export ditto, 32s. to 32s. 6d.; Australian, 31s. 3d. to 31s. 9d. per 280 lbs.

Maize, quiet. Plate, landed, 40s. 6d., ex-ship to arrive, 39s. 9d.; March-April, 37s.; new April-May, 36s. 9d.; July-August, 36s. 9d.; No. 2 American mixed, landed, 40s. per 480 lbs. Yellow maize meal, £10 15s. per ton landed.

Barley, weak. Californian ex-ship, 43s. to 48s.; Chilian Chevalier, ex-store, 45s. to 58s.; Australian, 41s. to 44s. 6d.; Smyrna, 44s. to 47s. per 448 lbs. Algerian/Tunisian ex-ship, 32s. 3d.; Canadian feed, 29s. 3d.; No. 3 Canadian Western ex-ship, 32s. 3d.; No. 2 Federal American landed, 30s. 6d. per 400 lbs. English malting, 10s. 6d. to 12s.; feed, 9s. 8d. to 10s. per 112 lbs.

Oats, slow. Plate landed, 26s. 3d.; ex-ship to arrive, 25s. to 24s. 6d. as to position; black Plate ex-ship, 24s.; mixed Canadian feed ex-ship to arrive, 19s. 9d.; landed, 21s. 3d.; Chilian white, 31s. 6d. landed; German landed, 29s. 3d.; ex-ship to arrive, 28s. per 320 lbs.; English, 9s. 9d. to 10s. 4d. per 112 lbs. Scotch landed, 30s. 6d. per 336 lbs. Irish black, 27s. 6d. per 320 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to April 27	Cwts. 168,682	Cwts. 278,138	Cwts. 131,805.	Cwts. 235,649
30 weeks to April 27	8,554,137	8,697,012	10,140,047	11,649,230
Average price of English wheat per cwt.	s. d. 9 11	s. d. 10 5	s. d. 11 6	s. d. 12 10

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s. d.	s. d.	s. d.
Apr. 20	148,778	37,531	32,874	9 10	10 2	9 9
Apr. 27	168,682	35,975	39,684	9 11	10 0	9 9
Apr. 25, 1925...	139,183	49,327	45,287	12 2	10 7	9 6
May 1, 1926....	235,649	64,456	42,210	12 10	9 6	9 5
Apr. 30, 1927...	131,805	25,054	36,363	11 6	10 11	8 7
Apr. 28, 1928..	278,138	56,229	37,442	10 5	11 1	12 2

AMERICAN WHEAT MARKETS.

Demand was inactive and weather favourable in both wheat belts over the week-end. Prices consequently declined. Then reports of unsatisfactory European crop conditions and firmer Liverpool advices came to hand. Offerings were steadily absorbed and price quotations improved, though the level was slightly lower than that recorded a week ago. Quotations :—

Nearest Future.	Jan. 4, 1928.	May 1, 1928.	Jan. 2, 1929.	Apr. 17, 1929.	Apr. 24, 1929.	May 1, 1929.
Winnipeg (No. 1 Manitoba) —Cents per 60 lb.)	137	156⅛	122	125⅜	121⅛	121
Chicago (No. Winter)— Cents per 60 lb.....	130⅜	166¼	116⅜	120⅛	114¼	113

Visible supplies of wheat in Canada at 77,112,000 bushels show a decrease of 6,363,000 bushels as compared with the previous figure. Supplies a year ago stood at 76,691,000.

THE COAL TRADE.

Our Sheffield correspondent writes:—Weakness characterises the export department of the market. Shipments are still on a considerable scale, but importers are holding off in the hope of bringing down prices and bookings are consequently light. Prices have dropped a further shilling. Coke is being shipped in fair quantities. In house coal circles it is said that the prices will be advanced 1s. per ton in July to cover next winter's trade. Industrial and domestic demand for fuel is moderate with prices firm.

Our Glasgow correspondent writes:—There has been no improvement in either the land-sale or shipping sections of the market, and the collieries are only maintaining prices at the expense of a good deal of short-time working. There are a goodly number of forward inquiries on the market, but, unfortunately, the prices mentioned do not suggest the likelihood of many of them leading to business. The majority of the collieries are still willing to bargain with buyers having definite orders to place. Prices for shipment are round the following (all f.o.b. district ports):—Lanarkshire.—Ell best, 15s.; splint best, 16s. 6d.; splint second, 16s.; navigation, 17s. 6d.; navigation second, 15s.; steam, 13s. 6d.; Hartley, 17s. 6d.; trebles, 13s. 6d.; doubles, 12s. 9d.; singles, 11s. 9d.; pearls, 10s. 9d.; dross, 10s. Fife.—Screened navigation, 17s. 6d.; first-class steam, 13s. 6d.; third-class steam, 12s.; trebles, 13s. 6d.—14s.; doubles, 12s. 6d.; singles, 11s. 9d.; pearls, 11s. Lothians.—Prime steam, 13s.; secondary steam, 13s.; trebles, 13s. 6d.; doubles, 12s. 6d.; singles, 11s. 6d.; pearls, 11s. Ayrshire.—Unscreened navigation, 16s. 6d.; jewel, 17s. 6d.; steam, 14s. 6d.; trebles, 13s. 6d.; doubles, 13s.; singles, 12s.; pearls, 11s.; dross, 10s. 6d.

Our Cardiff correspondent writes:—There has been no material change in the position of the Cardiff coal market during the past week. The current volume of business is restricted, and although collieries are very well sold under contracts they are in some cases finding it difficult to market their outputs, and the easier price tendency of the last two or three weeks has persisted, particularly as regards dry and Monmouthshire steam coals. Small descriptions are also weaker, and the supply of tonnage, except at the Barry Docks, is less favourable than it has been for several weeks past. No official information has yet been received concerning the acceptance by the Egyptian State Railways of the lowest of the tenders for the supply of 180,000 tons over the three months ending August. The South Wales colliery companies have joined a national scheme for the co-ordination of the supply of coal to Ireland, and at a meeting of colliery salesmen held this week an agreement was reached in regard to the prices at which South Wales coals shall be supplied to Ireland. The current approximate quotations are as follows:—Best Admiralties, 20s. 9d. to 21s.; seconds, 20s. to 20s. 6d.; best drys, 19s. 6d. to 20s.; Black Veins, 19s. 6d. to 19s. 9d.; Western Valley, 19s. 3d. to 19s. 6d.; Eastern Valley, 18s. 9d. to 19s. 3d.; best small steams, 14s. to 14s. 3d.; cargo smalls, 13s. 3d. to 13s. 6d.; coking smalls, 14s. to 14s. 3d.; anthracite, best large, 33s. to 36s.; Red Vein large, 23s. to 27s.; machine-made cobbles, 40s. to 43s. 6d.; French nuts, 42s. to 44s.; stove nuts, 39s. to 42s.; rubbly culm, 9s. 6d. to 10s. 3d.; foundry coke, 27s. 6d. to 36s. 6d.; patent fuel, 20s. to 21s. 6d.; pitwood, ex-ship, 26s. to 26s. 3d.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—

Steady trading conditions continue to rule in the iron and steel trades and future prospects are regarded as favourable. The general conditions in the market have not materially altered for several weeks, but latterly there have been indications that Continental producers and manufacturers are more anxious to obtain business than in the earlier part of the year. Nevertheless, prices have been fairly well maintained for most descriptions of Continental steel, and particularly so in the case of semi-finished materials. On the other hand, the prices of some manufactured descriptions of iron and steel have shown a slightly weaker tendency. So far as the British home market is concerned, business has progressed on steady lines and the demand appears to be slowly expanding. The situation in the pig iron department is improving. Practically no Continental iron is being sold in the British market, whilst the exports of British iron have increased. Although the demand from some districts is not altogether satisfactory, in the chief producing districts production is insufficient to meet the requirements of the market, and there seems a likelihood of fresh furnaces being put into blast. In the semi-finished steel department also, owing to the high prices and short supplies of Continental material, the British works have booked most of the business coming on the market. The demand for finished steel is steady and most of the British works are well off for orders for some time to come.

Our Middlesbrough correspondent writes:—The iron and steel position still remains very steady. Notwithstanding the recent increase in the production, Cleveland iron still remains very scarce, with works well sold for forward delivery. Prices, however, have not changed, and remain on the following basis: No. 1, 71s.; No. 3 G.M.B., 68s. 6d.; No. 4 foundry, 67s. 6d.; No. 4 forge, 67s. The output will be still further increased by Messrs, Bolckow Vaughan blowing in another furnace on this make of iron. As regards hematite, the market is probably not so active as it was, but still it is difficult to secure any iron for prompt delivery, the output having been sold forward for some 6 to 8 weeks. The price still remains at about 74s., but this might be shaded for a substantial order. Basic iron is also scarce, and what surplus the works have for the open market is easily disposed of. During April, over 31,000 tons of pig iron were exported, which is the highest monthly figure for 3 years. Orders for steel are coming in rather better than of late, and there would appear to be a slight revival for shipbuilding supplies. A recent order from the South African Railways, obtained by Messrs. Dorman Long for 36,000 tons of rails, has been split up between the various mills in the district. In the absence of any severe competition from the Continent, there is a good demand for semis, while the demand for finished steel for export is improving. Prices remain on the following basis, subject to the usual rebates: Steel ship plates, £8 7s. 6d.; steel ship angles, £7 17s. 6d.; iron bars, £10 15s. 0d.; steel rails, £8 10s. 0d. The ore market still remains very steady with best rubio at about 23s. per ton. Coke is rather easier, with supplies fairly plentiful at about 18s. 6d.

Our Sheffield correspondent writes:—In the iron trade activity is confined to basic pig in the home market, but overseas demand for acid qualities is brisk. Steel makers are finding it difficult to obtain supplies of basic pig. A new furnace at Renishaw, Derbyshire, was recently put in blast on this class of material. Business in foundry pig fails to expand, as slackness at both the light castings and engineering foundries continues. Nevertheless, makers of foundry pig are adopting a very firm attitude as regards prices, and will not even consider concessions. The basic steel plants in Sheffield are busy, but the call for acid steel still tends to contract. No improvement in the demand for railway steel and waggons can be reported, the home companies are buying their material to meet day by day requirements, and waggon building is almost at a standstill. Business is looking up in various kinds of special steels and engineers' cutting tools, and Sheffield is doing a considerable business in magnet steel, permanent magnets and safety razor blades. The cutlery and plate branches are badly depressed.

An International Bank

The FIRST NATIONAL BANK *of* BOSTON

1784 :: :: 1929

BOSTON, U.S.A.

Foreign Branches

ARGENTINA — Buenos Aires

CUBA — Havana, Cienfuegos, Santiago

European Representatives

LONDON — 24, Old Broad St.

PARIS — 39, Rue Cambon

BERLIN — 52, Unter den Linden

Capital and Surplus

$50,000,000

Our Glasgow correspondent writes:—Conditions in the pig-iron market remain quiet, purchases being confined to small lots. In the steel trade plants are at present well employed. There is less foreign competition in the heavy and semi-finished branches, as, although there is not now the same difficulty as regards deliveries, the Continental prices are not attractive, and the home producers are securing the bulk of the business. During April very considerable tonnages have been booked by Clyde shipbuilders, contracts having been placed with yards at Govan, Paisley, Port Glasgow and Greenock during that period. While the month's booking is fairly satisfactory, the position on the Clyde is not entirely so as the new work placed within the last few months is not equal to the tonnage launched. Sheet makers report a decided improvement in the volume of orders received during the present week, both for galvanised and corrugated and for thin black sheets.

Our Cardiff correspondent writes:—The recent improvement in the output of pig iron and steel ingots in South Wales and Monmouthshire is being well maintained. Imports of iron ore are increasing, and the South Wales dock traffic returns for the 15 weeks ended April 14th last show an increase on the corresponding period in 1928 of 93,000 tons, or over 40 per cent., and of 141,000 tons, or 19 per cent., over those in the first 15 weeks of 1927. These heavy branches of the industry derive the bulk of their support from the tinplate and galvanised sheet trades, both of which continue fairly active. The quotations for tinplates have further hardened to 18s. 6d.–19s. per basis box, while those for galvanised sheets are unchanged at from £13 7s. 6d. to £13 10s. Shipments of tinplates dropped rather heavily last week, and stocks in warehouse consequently increased from 222,000 boxes to 283,000 boxes. The rise in the price of steel scrap seems to have been arrested, quotations on the Swansea Metal Exchange on Tuesday being identical with those of a week ago.

OTHER METALS.

TIN.—The standard market displayed firmer features at the commencement of the week in sympathy with improved Eastern advices and a better inquiry, especially for forward dates. Later dealings, however, were attended by irregularity and weakness in view of the increase in visible supplies, while buyers showed less disposition to operate. Stocks in London and Liverpool warehouses for week ending April 27th were returned at 7,843 tons, compared with 1,948 tons at corresponding period last year. Turnover 2,235 tons. Standard cash sold at £198 10s., £199, and £196 5s.; three months, £200 10s., £201 10s., and £199. In the East, sales were reported at £202 15s., £203 15s., and £201 5s. c.i.f. terms.

COPPER.—Market also presented a much firmer appearance, and with confidence somewhat better restored, sellers adopted a reserved attitude. Total sales, 5,750 tons. Standard cash changed hands at £76 to £78 10s.; three months, £72 7s. 6d. to £76 5s., and £75 5s.

LEAD slightly irregular, as offerings proved adequate for requirements, closing firmer. Sales amounted to 2,650 tons, good soft foreign pig, April, at £24 7s. 6d. to £24 10s.; May, £24 2s. 6d. to £24 10s.; June, £24 5s., £24 7s. 6d.; July, £24 and £24 6s. 3d.; August, £24 2s. 6d.

SPELTER was better supported and tone firm, 1,750 tons sold, May, at £26 12s. 6d. to £26 15s., £26 12s. 6d.; June, £26 10s. to £26 15s., £26 13s. 9d.; July, £26 8s. 9d., £26 16s. 3d., £26 15s.; August, £26 17s. 6d., £26 15s. ton.

ALUMINIUM steady. Ingots and bars for home delivery, £95 ton.

ANTIMONY quiet. English regulus, £54; China ditto, spot, £37; May–June, £32; crude ditto, £23 ton c.i.f.

WOLFRAM firmer. May–June shipment, 35s. per unit, c.i.f.

SHEELITE, May–June, 36s. 6d. per unit, c.i.f. Antimony oxide, 32s., c.i.f.

QUICKSILVER steady. Spot, £22 5s. per bottle.

TIN PLATES firm. I.C. coke, prompt and forward, 18s. 6d. to 18s. 9d. per box, f.o.b., Swansea.

THE COTTON TRADE.

LIVERPOOL, May 1.

Long liquidation and short selling has continued all week owing to continued favourable weather in the cotton belt. Large lines were sold early to-day, but American straddle buying in the afternoon steadied prices. A short interest now seems to exist. Spot sales for the week April 25th to May 1st inclusive are 31,000 bales, of which 19,940 bales are American, 100 Brazil, 400 Argentine, 2,600 Peru, 4,250 Egyptian, 2,500 African, 900 East Indian and 310 sundries. Imports for the same period are 67,312 bales, of which 28,241 are American, 1,447 Argentine, 800 Peru, 17,446 Egyptian, 9,586 African, 9,522 East Indian and 270 sundries. Quotations to-day are: Middling American, 9·95; Egyptian Sakel, 17·40; Uppers, 11·45; Peru G.F. Mod-Rough, 12·50; Smooth, 10·95; Brazil Fair, 10·20; West African Middling, 10·05; and East African G.F., 11·35.

MANCHESTER, May 1.

The market during the past week has been unsettled by the further fall in raw material values. Although bearish sentiment has been pronounced, there are now indications of rather more stability at current rates. Cloth inquiry has increased and buyers have tested manufacturers on a freer scale. Most offers have been unworkable, but in certain quarters a larger turnover has taken place. Rather more activity has shown itself for India, especially Calcutta and the up-country markets in dhooties and similar cloths. Owing to the renewal of the Japanese boycott in China, more favourable advices have been received from Shanghai as regards clearances at the auctions. Rather more new contracts have been arranged in fancies, with occasional transactions in white shirtings. Steady support has come from South America and the West Coast of Africa in printing and finishing styles, but Egypt as a market remains under a cloud. Encouraging reports have been received from the home trade and manufacturers have been able to secure very fair orders. American yarns have been easier in price, with a good deal of irregularity. Here and there operations have been on a rather freer scale. A slight improvement has also shown itself in the turnover in Egyptian counts.

Statement of the Cotton Trade.

	1929.				Corresponding Date.	
	Apr. 10.	Apr. 17.	Apr. 24.	May 1.	1928.	1927.
Raw Cotton—Mid. American ....per lb.	d. 10·92	d. 10·69	d. 10·51	d. 9·95	d. 11·90	d. 8·72
— Sakellaridis Fully Good Fair Egyptian ....per lb.	18·90	18·30	18·10	17·40	21·40	15·85
Yarns—32's twist ....per lb.	16	15¾	15¾	15	17	13¾
— 40's weft ....per lb.	16¼	16¼	16	15¼	17½	14
— 60's twist (Egyptian) ....per lb.	27	26¾	26	25½	32	26¼
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	s. d. 26 3	s. d. 25 9	s. d. 25 6	s. d. 25 1¼	s. d. 27 0	s. d. 24 3
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's						
38-in. ditto, 38 yds., 18 by 16, 10 lb.	28 6	28 3	28 0	27 7½	29 6	27 0
39-in. ditto, 37½ yds., 16 by 15, 8¼ lb.	15 4½	15 3	15 1½	14 10½	15 10½	13 6
	14 0	13 9	13 7½	13 4½	14 9	12 9

THE WOOL TRADE.

Our Bradford correspondent writes:—The hope is generally expressed that the current series of Colonial wool auctions in London will do something towards restoring confidence in values. In the meantime business in tops and yarns shows no marked expansion. Buying is still restricted more or less to the covering of immediate requirements, and offers of a speculative nature are usually on much too low a basis for orders to materialise. Quotations for merino tops are just about steady, and the same may be said of fine crossbreds, but medium and low crossbreds are in demand for prompt delivery and prices are relatively firm. Botany spinners continue to experience great difficulty in making satisfactory prices, and as stocks tend to accumulate, prices are correspondingly irregular. On the other hand, there is a fair amount of inquiry for crossbred yarns both on home account and for export, and quotations show a firmer tendency. In the piece-goods section of the industry demand for men's wear fabrics is well maintained and, generally speaking, manufacturers are rather better placed for work. Business in dress goods, however, is "spotty," and it is not without interest to note that exactly similar conditions prevail in Roubaix-Tourcoing. Further notices have been posted in the heavy woollen district announcing a reduction in wages, and it seems probable that in the not distant future the whole question of wages in the West Riding industry will come under review.

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

The commencement of the third series of London sales last Tuesday has removed some of the uncertainty which prevailed regarding the future of wool values. Conditions at the consuming end of the industry have been unsatisfactory, and strong disappointment has been expressed that the more reasonable values, particularly for fine wool, have not resulted in a bigger flow of business. The principal thing preventing any further serious decline has been the fact that aggregate supplies have been no larger than the industry could absorb. In spite of the strong complaints made in Bradford, and the inability of top-makers to realise profitable prices compared with the cost of wool on any given date, a small turnover has been quietly proceeding. This, in addition to the business done in wool with Russia has undoubtedly been an important factor in keeping the price of wool so steady. Another influence operating against any further decline in merinos in Coleman Street is that the total quantity for the series is not large, and the seasonal sales in Australia are practically finished. Though values in Sydney and other centres are now much more reasonable than during the first half of the season, and even within the past month it has been possible to buy more cheaply, there is at present quite a steady tone, Bradford buyers having operated fairly extensively. Importers have, unfortunately, not been very successful this season, for the market price of tops has gone against them, and unless a firm has sold forward, losses are having to be faced. The trend of events in Coleman Street is, therefore, helping to stabilise the position in a fairly encouraging fashion. Some difficulty is admittedly being found in disposing of second-hand offerings, and it is in these where any decline in merinos is mostly seen. Crossbreds are being bought freely by home and Continental buyers, and in spite of the fact that this description forms the major portion of the offerings, greasies are not showing any appreciable decline compared with last series. During the whole time business has been comparatively quiet in merino tops, crossbreds have been selling steadily, and the outlook for this description is fairly good.

HIDE, LEATHER AND ALLIED TRADES.

Tanners are still very cautious buyers of hides all over the world, and in consequence prices are still declining. Best market ox hides are now selling from 7¼d. to 7⅜d., seconds, 6¼d. to 6⅝d., and will in all probability go lower. Calfskins are also weaker, and have fallen ¼d. or more per lb. in many markets. Lambskins are easier, and shorn skins are selling at 2d. to 3d. each lower. All classes of imported hides share the general weakness, and 8d. is now accepted for Argentine fregorific ox, Russia and the United States being large buyers at that figure. In saladeros, the only sale of interest has been 4,000 Armour ox at 7⅝d., mainly on Russian account. Dry River Plates are declining, and B.A. Americanos are now offered at 10⅝d. Africans are lower, with 11¼d. and 10¼d. asked for first and seconds dry-salted Capes respectively. Recent cables from Chicago report the packer market as remaining steady, 15 cents being still the figure for best native steers. Although trade is not normal for the time of the year, yet there is an improving business in sole leather. Cheap dry hide bends have again been wanted by shoe manufacturers in fair-sized quantities, whilst repairers have again come into the market for wet salted bends at firmer prices. Offal is barely steady, and merchants have obtained some good bargains in both bellies and shoulders. Rough leather is selling better, and tanners have cleared parcels of split hides at firm prices to motor-car and upholstery firms. A slight improvement is reported in light leathers, and sellers of box and willow calf have done more business at firm figures. Patent is selling slowly in the cheaper grades, and there is a good demand for glacé kid in black and the various shades of brown, a few fancy shades filling up the bill. Curriers are not yet very busy, and some of them are waiting with a good deal of anxiety the decisions of the American Government in regard to the imposition of a duty on dressed leathers, as quite a good trade has been done of late years in linings and cheap coloured kip sides with the United States.

VEGETABLE OILS AND OILSEEDS.

Markets generally are quiet, and there is no pronounced buying movement in any section. Linseed oil continues in slow demand from consumers, but values remain steady and unchanged at £28 10s. per ton, naked ex mill, for spot and May. Little is in hand for forward delivery. Cotton oils are steadier, but values have lost the improvement registered earlier in the week. Crude Egyptian offers at £26 10s., and common edible at £30 5s. for spot and May–August. Other seed oils for the most part have an easy tone. In the oilseed section demand for linseed does not expand. The scarcity in near positions is being overcome, as the substantial quantities afloat approach. Current value of Plate on passage ranges from £16 7s. 6d. down to £16, according to position, while April–May and May–June shipment to Hull is reported down at £15 15s. Calcutta linseed is easier, and for May–June to London, £17 15s. has been accepted. Cottonseed is steadier, and black Egyptian has been sold at £9 3s. 9d., April and May loadings, and £9 5s. June. Soya beans are quiet, and business done to the Continent at £11 1s. 9d., April and May. The demand for oilcakes and meals continues to decline, and prices are easier, except in the case of linseed cakes.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—The weak tone apparent in this market for some little time past became more intensified, lower prices being quoted in all directions. Messrs. Tate and Lyle reduced quotations 3d. all round, other refined also home-grown being from 1½d. to 3d. lower. Meantime, trade buyers, both in the U.K. and U.S.A., are quite content to confine their operations to wants of pressing necessity, the natural corollary to the world's basin being full to overflowing. Recent revival in raw refining descriptions, however, is maintained, and, according to market gossip, fairly extensive transactions resulted, mainly Cuban, San Domingo, Java muscovadoes, also Natal and British West India preferentials. Mr. F. O. Licht's second estimate of European sowings will be available at the end of present month. Tate and Lyle's cubes, now 25s. 9d. to 26s. 3d. as to quality; fine granulated, 23s. 4½d.; T.L., 22s. 7½d.; month forward, T.L., 22s. 6d.; yellow crystals, spot, 21s. 4½d. White Mauritius, spot, 20s. 3d. to 21s. 3d. Continental parcels for shipment nominally unaltered. About 30,000 tons Cuban and San Domingo, 96 per cent. June, to the U.K., sold 9s.; 10,000 tons B.W.I. and Natal, June, at 12s. 9d.; and business in Java muscovado, reported 20,000 tons, May–June, at 9s. 0½d., all c.i.f. terms. Terminal sections easier. May, raw, sold 8s. 2½d.; August, 8s. 6d.; December, 8s. 10½d.; March, 9s. 2½d. White, May, 10s. 2½d.; August, 10s. 9d.; December, 11s. 2½d. cwt. Cuban receipts last week, 165,500 tons, against 130,090 last year; exports, 135,640 against 109,760; stocks, 1,509,795 against 1,316,618; Central workings, 64 against 32. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending April 27th amounted to 137,378 tons against 132,219 last year.

COFFEE.—Quite a good market continued for all attractive qualities in the cup and of hard roast. These were easily saleable at full prices, but inferior varieties dragged somewhat. Of East India, bold Naidoobatum sold 153s. 6d. to 160s.; Kenya bold, 134s. 6d. to 146s.; fine bold Nicaragua, 139s.

COCOA.—Only a small business during the week in spot lots. Accra, F/F, October–December, sold 44s. f.o.b. Terminal, May sold, 45s. 6d.–45s.; June, 45s. 9d.–45s. 3d.; July, 47s.–46s. 3d.; September, 48s. 1½d.–47s. 4½d.; December, 49s. 1½d.–48s. 6d.

TEA.—47,633 packages Indian were offered in auction. There was a fairly good demand for medium to fine qualities and prices ruled steady, but common and stalky teas proved quiet, while mostly ¼d. to ½d. per lb. easier. There was quite a brisk demand for the 27,041 packages Ceylon catalogued, with very little change on balance regarding prices obtained, and any decline was largely accounted for by a falling off in quality. Fine pekoes and also broken orange wanted. Java and Sumatra sales ruled firmer. Of China, fine Keemuns in request at 2s., and Ningchows sold 8¾d. to 9d.

RICE.—Market very quiet and quotations almost without exception nominally unaltered.

RICE BRAN.—Market firmer on limited offers. Burma, July–August, £7 ex ship; Saigon, May–June, £6 10s. c.i.f.

PEAS.—The market is steady, but quiet. Spot London, Japanese at 21s. 6d., afloat steamers quoted 18s. 6d. to 19s. 6d. according to position; April–May, 18s. 3d.; May–June, 18s. 3d., per cwt. c.i.f. Dutch marrowfats, prompt, 23s. f.o.b. Blues, Imperial, 20s.; small, 18s. 6d. f.o.b. Maples steady, quiet. Tasmanian, April–May, 71s. No. 1 New Zealand, March–April, 61s.; April–May, 60s. 9d. (per 504 lb.) c.i.f. terms.

BEANS.—A quiet market. Madagascar butters, spot, London, 39s. to 41s.; parcels afloat, steamer "Clan Macaulay," sellers, 38s.; the limited quantity per "Clan Macbeth" held for 37s. 6d. Rangoon haricots, spot, London, at 20s. 6d., with parcels per City of Canton due shortly held for 19s. 9d.; April 13th, 19s.; April, 17s.; and May, 16s. per cwt. c.i.f. London.

SPICE.—A quiet market for pepper. Lampong, May–July, sellers, 1s. 2⅞d.; August–October, 1s. 1⅞d. Muntok, white, May–July, 2s. 1⅝d.; August–October, 1s. 10⅜d. Zanzibar cloves, spot, 1s. 5½d.; March–May, 1s. 6¼d.; August–October, 11½d. lb. London stocks 40 tons higher on the week regarding black, but white reduced 28. Pimento, July–August, London, sold, 115s. cwt. c.i.f. Tapioca unaltered. Sago flour, near, 11s. 3d.; distant, 11s. 4½d. cwt. c.i.f. U.K.

FRUIT (Dried).—Currants firm and reservedly offered. Pyrgos quoted 45s.; Amalias, 46s. to 46s. 6d.; Zante, 47s.; Vostizza, 50s. to 55s. Further consignments of Australian have arrived in good condition and sell steadily at 45s. to 55s., with fine up to 60s. Sultanas firm and in request. Smyrna, medium to good, ranges from 42s. to 55s.; Cretan, 50s. to 58s.; Australian new crop, 50s. to 60s., as to quality. Raisins dull. Valencias common to good, 45s. to 52s.; Lexias, 28s. to 30s. Figs quiet. Genuine spot, 30s. to 32s. Dates steady and in fair demand, chiefly for Siar, at 14s. 6d. to 16s. 9d.; first tide, 14s. cwt.

EVAPORATED FRUITS.—Market firmer and a good demand was dealt with, spot stocks being in limited compass. Californian plums, 20's-30's, quoted 66s. to 67s.; 30's-40's, 58s. to 59s.; 60's-70's, 45s. to 46s. Pears, Lake County, 72s. 6d. to 100s.; Apricots, South African Royal, 57s. 6d. to 117s. 6d.; Cape, 72s. 6d. to 82s. 6d.; Australian, 77s. 6d. to 85s. Peaches, Californian choice, 54s.; extra choice, 56s.; fancy, 60s. Apples, Californian spot, sliced, extra choice, 75s. Almonds: market quiet and tendency easier. Mazagan, 140s.; Mogador, 137s. 6d.; Majorcas, 142s. 6d.; Bitter-Jordan, 185s. to 210s. cwt.

CANNED GOODS.

CANNED FRUITS.—The demand has shown considerable improvement for all descriptions of Californian fruits, and with moderate stocks on hand prices ruled firmer, while influenced by crop damage, forward offers being scarce. Singapore pines also attract more attention, but general position without material change. Italian tomatoes met a moderate demand and held for full rates.

CANNED FISH.—Sardines quietly steady. Portuguese clubs, 5s. per dozen tins. Lobsters firm, and best halves realise 140s. to 145s. Salmon steady. Red talls, spot, 43s. to 45s.; pink ditto, 26s. to 27s.; halves, 33s. to 35s. Japanese crabs sell readily, with finest quality ruling at 97s. 6d. to 100s.

BARCLAYS BANK
LIMITED
Head Office: 54, LOMBARD ST., LONDON, E.C. 3.
and over 2000 Branches in England and Wales.

AUTHORISED CAPITAL - -	£20,000,000
ISSUED & PAID-UP CAPITAL -	£15,858,217
RESERVE FUND - - -	£10,250,000
DEPOSITS, etc., (31st Dec., 1928)	£335,081,223

EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED.

This advertisement is inserted for information only, in compliance with the regulations of the Committee of the Stock Exchange, London, and is not an invitation to the public to subscribe. The President and Directors are collectively and individually responsible for statements contained in this advertisement.

ASSOCIATED GAS AND ELECTRIC COMPANY.

(Incorporated under the Laws of the State of New York, U.S.A.)

CAPITAL
(October 31st, 1928).

	Authorised.	Outstanding.
Common Stock (No Par Value)	1,500,000 shs.	(a) 1,309,241 shs.
Class B Stock (No Par Value)	500,000 shs.	300,000 shs.
Class A Stock (No Par Value)	1,500,000 shs.	1,000,000 shs.
Debenture Receipts for Class A Stock	...	$147,441.42
Preferred Stocks (No Par Value):—		
$3.50 Dividend Series (Original Series)	107,000 shs.	105,159 shs.
$5.00 Dividend Series	100,000 shs.	5,602 shs.
$5.50 Dividend Series	100,000 shs.	—
$6.00 Dividend Series	133,000 shs.	124,750 shs.
$6.50 Dividend Series	210,000 shs.	200,441 shs.
$7.00 Dividend Series	60,000 shs.	46,013 shs.
Obligations now or presently convertible into Stock at Company's option	...	$17,850,035.82
Funded Debt:		
5½% Convertible Gold Debentures due February 1, 1977	...	(c) 19,459,000
6% Gold Debenture Bonds, Consolidated Refunding Series, due 1968	...	35,009,450
6% Gold Debenture Bonds, Series of 1928	...	49,000
4½% Convertible Gold Debentures, due 1948	...	38,748,325.25
4½% Gold Debenture Bonds, Consolidated Refunding Series, due 1958	...	92,560

(a) Includes 28,292 shares subscribed for but unissued.

(b) Class A shares issued and outstanding:—

January 10, 1929	1,000,000 shares.
October 31, 1928	733,221 shares.

At various dates during the period from 1st November, 1928, to the 10th January, 1929, 266,709 shares of Class A stock were issued. These additional shares were issued:—

1. For conversion of convertible securities of the company in accordance with the terms of the respective issues at the considerations prescribed in the resolutions authorising the issuance of such securities.
2. For cash at the market price less an average commission of approximately $2.50 per share, maximum commission $3.50 per share.
3. For cash to stockholders pro rata at $40 per share; and
4. For exchanges of underlying securities at considerations ranging between $52 and $55 per share.

The cash proceeds were used for retirement of underlying senior securities, advances to controlled companies for construction, and, to some extent, for the purchase of sundry small new properties.

(c) Includes $2,500,000 owned by a subsidiary.

There were outstanding on October 31, 1928, $45,760,500 principal amount of funded debt, $2,064,350 (par or stated value) of preferred stocks and $3,450 (par or stated value) of common stocks of subsidiaries.

The company has power to borrow money for any of the purposes of the company and to secure the same by mortgage of the whole or any part of its property These powers are exercisable by the Directors, subject to such restrictions as may be imposed by the Laws of the State of New York.

The preceding statement sets forth the funded debt of the Company, outstanding on October 31, 1928, incurred through the exercise of its borrowing powers. The Company has no mortgage debt.

The Class A shares are entitled to non-cumulative dividends at the rate of $2 per share per annum, payable, when and as declared by the Board of Directors, quarterly on the first days of February, May, August, and November, in priority to dividends for the same quarterly period on the Class B shares and Common shares. After payment on the Class B shares and Common shares of quarterly dividends together equal to the aggregate quarterly priority dividend on the Class A shares, the Class A shares are also entitled to equal participating rights as a class with the Common shares as a class.

On any liquidation, dissolution or winding up of the Company, voluntary or involuntary, the Class A shares are entitled to $35 per share in priority to any payments on the Class B shares and Common shares. After payment on the Class B shares and Common shares of amounts together equal to the aggregate priority payment on the Class A shares and after the equalization of prior participating dividends on the Class A shares and Common shares, the Class A shares are also entitled to equal participating rights as a Class with the Common shares as a class in any remainder.

The relative preferences of the Class A shares on the one hand, and the Class B and/or the Common shares on the other hand, may not be changed so as to affect the Class A shares adversely without the consent or vote of the holders of a majority of the outstanding Class A shares.

The Class A shares are not redeemable; they carry no vote unless dividends thereon to the extent of $4 per share in the aggregate shall not have been paid or provision for payment made during the next preceding period of twenty-four consecutive calendar months, when they acquire the right to elect two directors and continue to be entitled to such voting rights until $4.00 per share in the aggregate shall have been paid upon or set aside for the Class A shares during a successive twenty-four months period. Each share of Class A stock has equal rights with every other share of Class A stock.

All series of Preferred shares rank *pari passu*, and are entitled to cumulative preferential dividends at the rate respectively of $3.50 per share, $5.00 per share $5.50 per share, $6.00 per share, $6.50 per share, and $7.00 per share per annum payable quarterly on such dates as the Board of Directors shall from time to time determine in priority to any dividends on the Class A shares, Class B shares and Common shares. The Board of Directors may declare additional dividends on the Original Series Preferred shares up to Fifty cents per share per annum.

All series of Preferred shares are redeemable in whole or in part at the option of the company on any quarterly dividend date, on 30 days' notice, at the rate of $60 per share for the Original Series, $102 per share for the $5.00 Dividend Series, $102.50 for the $5.50 Dividend Series and $105 per share for the $6.00 Dividend Series, $6.50 Dividend Series and $7.00 Dividend Series Preferred shares.

On any liquidation, dissolution or winding up of the company, voluntary or involuntary, all series of Preferred shares are entitled to $100 per share except the Original Series Preferred shares, which are entitled to $50 per share and, in each case, all arrears of dividends in priority to any distribution to the holders of the Class A shares, Class B shares or Common shares.

The Preferred share of all series carry no vote unless cumulative dividends thereon are in default and the arrearages equal eight quarterly dividends, in which event the holders of the Preferred shares become entitled to full voting rights on an equality with the holders of the Class B shares, during the continuance of such default.

The number of shares of Associated Gas and Electric Company outstanding at October 31, 1928, and the aggregate considerations, by classes, for the issue thereof are shown below:—

Class of Stock.	Number of Shares Outstanding.	Aggregate Consideration for Issue.
Common Stock	1,309,241 (a)	$8,220,869
Class B Stock	300,000	6,900,000 (b)
Class A Stock	733,291	25,665,185
Preferred Stocks:—		
Original Series	105,159	4,934,270
$7.00 Dividend Series	46,013	4,600,106
$6.50 Dividend Series	200,441	18,422,781
$6.00 Dividend Series	124,750	11,216,287
$5.00 Dividend Series	5,602	521,348

(a) Includes 28,292 shares subscribed for but unissued.

(b) Stated capital for the former Common Stock without par value. In January, 1925, 300,000 shares of Class B Stock without par value were issued in exchange for the former Common Stock. The Common Stock now existing was not created until August, 1925.

Practically all of the Preferred stock has been issued for cash or in exchange for securities of the Company (or its subsidiaries) ranking ahead of the Preferred stock, The maximum commissions paid upon sales (which have extended over a period of years) of Preferred stocks having a liquidation value of $100) is approximately 5 points and on shares having a liquidation value of $50, approximately 2½ points. The Class A stock outstanding as of October 31, 1928, was issued from time to time for cash, stock dividends, in part payment for properties acquired, and in exchange for senior securities. The Class B stock was issued in exchange for the former Common stock having voting rights. Approximately 75% of the Common stock was issued upon a re-classification of the Class B stock; the balance was issued for cash, in exchange for properties, or on conversion of debt securities.

OBJECTS.

Associated Gas and Electric Company was incorporated under the laws of the State of New York, U.S.A., on March 17, 1906. Its objects, as stated in its charter, are those of holding companies generally, with power to acquire and hold stocks and securities of other corporations and to assist, financially or otherwise, the corporations in which it is interested. While it is empowered to invest in securities generally, it is the primary policy and object of the Company to acquire shares representing controlling interests in public utility enterprises, to consolidate the operating companies into larger operating units (to the extent practicable under the laws of the States in which the companies operate), to simplify their corporate and capital structures, to assist in financing their development through the issuance of the company's own securities, and to furnish the operating companies the advantages and economies of group management.

Associated Gas and Electric Company now controls directly, or through subsidiaries, important electric properties in the two leading States of New York and Pennsylvania, and electric or gas properties, or both, in the States of Illinois, Ohio, Indiana, Kentucky, Tennessee, Maryland, Connecticut, and South Dakota, and in the Philippine Islands. It owns, either directly or through subsidiaries, all of the voting stocks of the operating subsidiary companies, except in a few instances where the minority holdings outstanding in the hands of the public aggregate in no important instance more than two per cent. It also owns, with few exceptions, all of the outstanding preferred stocks of the operating subsidiary companies which have not been called for redemption.

Associated Gas and Electric Company is also financially interested in the New England Gas and Electric Association, which controls electric or gas properties, or both, in the States of Massachusetts, Maine and New Hampshire and in the maritime province of Canada. Because of an old Massachusetts statute, it is impractical at the present time for a foreign corporation to acquire ownership or control of the stocks of the Massachusetts subsidiaries of this association, and control is, therefore, vested in affiliated individual interests. The operating subsidiaries of the Associated Gas and Electric Company and those of the New England Gas and Electric Association are under the same management and are together generally known as the Associated Gas and Electric System.

PROPERTIES.

The operating companies within the Associated Gas and Electric System own electric generating stations with a combined installed capacity of 290,500 K.W., of which 46,128 K.W. is hydro-electric; 3,124 miles of high tension transmission lines; gas manufacturing plants of more than 33,000,000 cu. ft. daily capacity and 1,500 miles of gas mains.

EARNINGS.

The consolidated earnings of the company and its subsidiaries for the 12 months ended October 31, 1928, irrespective of dates of acquisition, were as follows:—

Gross earnings and other income		$35,089,219
Operating expenses, maintenance and taxes		18,547,926
Consolidated net earnings before interest, depreciation, dividends, &c.		$16,541,293
Annual interest and dividends on subsidiary companies' and Associated Gas and Electric Company's Indebtedness and Preferred stocks now outstanding (less $493,786 credit for interest during construction)	$10,374,336	
Provision for depreciation	1,787,260	12,161,596
Balance for dividends on Class A, Class B, and Common stocks and surplus		$4,379,697

The balance of $4,379,697, as shown above after depreciation, is more than 2.18 times annual priority dividend reqirements on 1,000,000 shares of Class A stock.

The dividends per share paid during the years ended October 31, 1926, 1927 and 1928, on the issued shares of the Company have been as follows:—

Year Ended 31st October.	Preferred Stocks. $7.00 Dividend Series.	$6.50 Dividend Series	$6.00 Dividend Series.	$5.50 Dividend Series.	$5.00 Dividend Series.	$3.50 Original Series.	Class A Stock.	Class B Stock.	Common Stock
1926	$7.00	$4.875(A)	$6.00	Nil	Nil	$4.00 (C)	$2.00 (D)	1/10 of one share Class A Stock	None
1927	$7.00	$6.50	$6.00	No stock issued	No stock issued	$3.875 (C)	$2.00 (D)	ditto	None
1928	$7.00	$6.50	$6.00	ditto	ditto	$3.50	$2.25 (D)	ditto	None
					None (B)				

(A) First cumulative quarterly dividend was due March 1, 1926.

(B) No stock issued until September, 1928. First cumulative quarterly dividend was due December 15, 1928.

(C) Additional non-cumulative dividend at rate of $0.50 per share per annum was paid quarterly up to and including July 1, 1927, discontinued thereafter.

(D) Declared at the rate of $2.00 per share per annum payable in Class A stock at rate of one-tenth of one share of Class A stock for each share outstanding or at stockholders' option in cash. On February, 1, 1928, an additional dividend of $0.25 per share was paid in cash only.

The holders of 5½% Convertible Gold Debentures due February, 1, 1977, 4½% Convertible Debentures due 1948, and 6% Convertible Debenture Certificates have the option of exchanging their Debentures into Class A stock and or Common stock in accordance with the terms, and during the periods, specified in the respective indentures or resolutions of the Board of Directors. In addition, there are outstanding Common stock purchase warrants which were attached to certain securities at the time of issue carrying the right to purchase Common stock of the Company until September 1, 1930, and in some instances until January 1, 1931, at the rate of $30 per share. Other stock purchase warrants are outstanding which were attached to the 4½% Convertible Debentures due 1948, at the time of issue, carrying the right to purchase Class A stock and Common stock until January 2, 1931, at the rate of $100 for one and six-tenths (1.6) shares of Class A Stock and nine-tenths (.9) of one share of Common Stock. No other shares are under option.

The directors are not required to hold any qualification shares, but most of them either directly or through their firms are large holders of Class A Shares. The directors are entitled to a fee of $40 per meeting.

A copy of the Certificate of Incorporation and Bye-Laws of the Company can be inspected at the office of Linklaters & Paines, 2, Bond Court, Walbrook E.C.4., during business hours on any day prior to the 10th May, 1929.

Dated May 1st, 1929.

DIRECTORS.

C. W. BEALL. 56, William Street, New York, N.Y., U.S.A.
F. S. BURROUGHS, 56, William Street, New York, N.Y., U.S.A.
JOHN M. DALY. 61, Broadway, New York, N.Y., U.S.A.
F. T. HEPBURN, 14, Wall Street, New York, N.Y., U.S.A.
HOWARD C. HOPSON, 61, Broadway, New York, N.Y., U.S.A.
SANFORD J. MAGEE, 33, Liberty Street, New York, N.Y., U.S.A.
JOHN I. MANGE, 33, Liberty Street, New York, N.Y., U.S.A.
FARIS R. RUSSELL. 31, Nassau Street, New York, N.Y., U.S.A.
DANIEL STARCH, 420, Lexington Avenue, New York, N.Y., U.S.A.

TRANSFER AGENTS.
THE SEABOARD NATIONAL BANK OF THE CITY OF NEW YORK. New York, N.Y., U.S.A.
F. E. TAYLOR and W. L. FREUND, c/o H. C. HOPSON & CO., Inc., New York, N.Y., U.S.A.
STATE STREET TRUST COMPANY. Boston, Mass., U.S.A.
E. H. CURTICE and H. W. ZACHIEGNER, 123, South Cayuga Street, Ithaca, N.Y., U.S.A.

REGISTRARS.
NATIONAL BANK OF COMMERCE IN NEW YORK, New York, N.Y., U.S.A.
THE FIRST NATIONAL BANK OF BOSTON, Boston, Mass., U.S.A.
FIRST NATIONAL BANK OF ITHACA, Ithaca, N.Y., U.S.A.

AUDITORS.
HASKINS & SELLS, 15, Broad Street, New York, N.Y., U.S.A.

SECRETARY.
M. C. O'KEEFFE, 61, Broadway, New York, N.Y., U.S.A.

LONDON BROKERS.
ROWE & PITMAN, 43, Bishopsgate, London, E.C.2.

BANKERS.
HARRIS FORBES & COMPANY, LTD.,
77, CORNHILL, LONDON, E.C.3.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN &c.—		
Wheat, No. 3, N. Man. 496 lb....	46	9
Eng. Gas. av., per cwt.	9	11
Barley, Eng. Gas. av.	10	0
Oats, ...	9	9
Maize, La Plata, landed, 480 lb.	40	6
Flour, Lon. stan. ex mill, 280 lb.	35	6
Rice, No. 2 Burma, per cwt.....	12	7½
Sago, pearl, per cwt. 22	3 22	6
Tapioca, per cwt.—		
E.I. flake, fair spot 21	0 21	6
Medium pearl 20	0 21	0
Potatoes, good English, per ton... 120	0 130	0
MEAT—		
Beef, per 8 lbs.—	s. d.	s. d.
English sides.....	5 4	6 0
Argentine chilled hinds...	5 0	5 6
Mutton, per 8 lbs.—		
English wethers	6 4	7 8
N.Z. frozen "	4 0	5 4
Pork, English, per 8 lbs. ...	8 4	9 0

OTHER FOODS.

BACON—		
Irish .....per cwt.	124	0 130 0
Danish.....	113	0 120 0
Canadian.....	114	0 116 0
Dutch	102	0 112 0
**HAMS—Irish..... **	0	0 0 0
Canadian.....	120	0 0 0
American	114	0 128 0
BUTTER—		
Irish creamery per cwt.	160	0 164 0
Australian	146	0 164 0
New Zealand	146	0 168 0
Danish.....	164	0 166 0
CHEESE—		
Canadian ..... per cwt.	98	0 112 0
New Zealand	86	0 90 0
English Cheddars	130	0 144 0
Dutch	44	0 82 0
COCOA—		
(Duty, British grown, 2s. 4d., foreign, 14s. cwt.)		
Accra f.f., per cwt.	50	0 51 0
Trinidad	64	0 70 0
Grenada	54	0 58 0
COFFEE—		
(Duty, British grown, 2s. 4d., foreign, 14s. cwt.)		
E.I., good to fine, per cwt.	147	0 160 0
Costa Rica, good to fine...	165	0 186 0
Cent. Amer., mid to fine	130	0 150 0
Kenya, bold sizes	130	0 150 0
Colombian, mid to fine...	127	0 140 0
EGGS—		
English ..... per 120	13	0 17 3
Danish.....	12	0 14 9
FRUIT—		
Oranges, Denia & Val. 300	19	0 28 0
" " 360	19	0 25 0
" " 504	18	0 21 0
Jaffa ..... boxes 144	13	0 18 6
Lemons, Naples boxes	8	0 11 0
Sicilian ..... boxes	8	0 11 0
" .....cases	11	0 15 0
Murcia ..... half cases	0	0 0 0
Malaga ....cases 420 No. 1	0	0 0 0
Apples: Amer. (var.) brls.	0	0 0 0
" " (var.) boxes	10	6 12 0
Onions, Valencia :—		
case 4s.	00	0 00 0
case 5s.	00	0 00 0
" Egyptian, bag	5	0 6 0

FRUIT (*continued*)—	s. d.	s. d.
Chestnuts, Huelva bags	0 0	0 0
Grapes, Almeria .....brls.	0 0	0 0
LARD—		
Irish bladders.....	66 0	72 0
American boxes 56 lbs.	60 6	61 9
SPICES—		
Pepper, per lb.—		
Muntok, fair White ...	2 2½	2 2½
Black Lampong	1 4½	0 0
Cinnamon—1st sort, per lb.	2 2	0 0
Cloves—Zanzibar per lb.	1 5½	0 0
Ginger—per cwt.—		
African	53 0	0 0
Jamaica, ord. to good	80 0	120 0
Mace ..... per lb.	2 9	3 10
Nutmegs 65's	1 10	2 0
SUGAR—		
(Duty, 11s. 8d. per cwt.)		
B.W.I., crystallised	21 6	23 0
Java, white, o.l.f. India, July–Sept.	12 0	0 0
REFINED—London—		
Yellow Crystals	21 4½	0 0
Cubes	25 9	26 3
Crushed	24 6	25 0
Granulated	22 6	23 7½
Home Grown (prompt)	22 0	22 6
TEA—		
(Duty 5½d. British, foreign 4d. per lb.)—		
Indian & Ceylon—per lb.		
Pekoe	0 11	2 2½
Broken Pekoe	0 11½	2 2½
Orange Pekoe.....	1 0½	2 6
Broken Orange	1 2½	2 10½
TOBACCO—		
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)		
Virginia leaf—		
Common to fine	1 3	2 3
Rhodesian	1 0	3 6
Havana	1 6	0 0
Greek	0 10	1 6
East Indian	0 4½	1 0

TEXTILES.

COTTON—	d.	
Mid-American .....per lb.	9·95	
Sakellaridis, *f.g.f.*	17·40	
Yarns, 32's twist	15½	
60's twist	25½	
FLAX—	£ s.	£ s.
Livonian ZK .....per ton	84 0	0 0
Pernau HD.....	76 0	0 0
Slanets Medium 1st sort	87 0	86 0
HEMP—		
Italian P.O. ..... per ton	62 0	0 0
Manilla, June–Aug. "J2"	36 10	0 0
N.Z.	nom.	
Sisal	35 0	37 0
JUTE—		
Native 1st mks....per ton Apr.–May	30/5/0	0/0/0
May–June	30/12/6	0/0/0
SILK—	s. d.	s. d.
Canton .....per lb.	17 0	19 0
Tussah.....	8 0	10 0
Japan	21 0	23 3
Italian—Raw, fr. Milan	20 0	22 6

WOOL—	d.	
English Southdown, washed per lb.	26	
" Lincoln hog, washed	17½	
Queensland, sod. super cmbg.	41	
N.S.W. greasy, super	23	
N.Z., grsy., half-bred 50–56	19½–20	
Crossbred 40–44	15	
Tops—		
Merinos 70's	45½	
" 64's	42½	
Crossbred 48's	25	
" 46's	23	

MINERALS.

	s. d.	s. d.
COAL—		
Welsh, best Ad'ty...ton	20 9	21 3
Durham, best gas	15 9	16 6
Sheffield, best house ...	20 0	21 0
IRON AND STEEL—		
Pig, Cleveland No. 3, ton	68 6	0 0
Bars, M'brough 215	0	0 0
Steel Rails, heavy.....170	0	0 0
Tin Plates, I.C., per box	18 6	18 9
METALS—	£ s.	£ s.
Copper, Electrolytic, ton	83 0	84 0
Sheets (strong) 112	0	0 0
Standard	78/5/0	78/10/0
Lead Eng. Pig ...per ton	26/0/0	0/0/0
Soft Foreign	24/8/9	24/1/3
Spelter G.O.B.	26/12/6	26/17/6
Tin—English ingots ...197/0/0		197/10/0
Standard, cash 196/15/0		196/17/6

MISCELLANEOUS.

	s. d.	s. d.
CHEMICALS—		
Acid, citric, per lb. less 5%	2 1	2 2
Nitric.....	0 2½	0 4
Oxalic, net	0 3½	0 4
Tartaric, English less 5%	1 4½	0 0
	£ s.	£ s.
Alum, lump .....per ton	9 0	9 10
Ammonia, carb. ..... ton	36 0	38 0
Sulphate	14 0	15 0
Arsenic, lump .....per ton	35 0	40 0
Bleaching powder, per cwt.	s. d.	s. d.
Borax, gran. ..... per cwt.	6 9	8 0
Do. powder	13 0	0 0
Nitrate of Soda ...per cwt.	15 0	0 0
Potash—Chlorate, net ...	11 6	12 6
Sulphate .....per cwt.	0 3½	0 3½
Sal-Ammoniac ... per cwt.	9 0	10 0
Soda Bicarb. .....per cwt.	42 6	45 0
Crystals ..... per cwt.	9 0	10 6
	5 0	5 3
	£ s.	£ s.
Sulphate Copper...per ton	30 0	31 0
CEMENT—	s. d.	s. d.
Portland, best Eng. pr. ton	46 0	48 0
COPRA—		
S.D. Straits, c.i.f., per ton May–June	£22/7/6	0 0
DRUGS—		
Camphor—	s. d.	s. d.
Japan, refined	2 4½	2 5
Castor-oil	85 0	95 0
Ipecacuanha	14 0	14 6
Peppermint, Wayne Co....	14 6	14 9

HIDES—	s. d.	s. d.
Wet salted—Australian per lb.	0 5½	0 6
West Indian	0 4	0 5
Cape	0 6	0 7
Dry and Drysalted Cape...	0 8	1 0
Market Hides, London—		
Best heavy ox & heifer	0 7	0 7½
Best cow	0 6½	0 6½
Best calf	1 10½	1 11
INDIGO—		
Bengal gd. red-vio. to fine—per lb.	5 6	6 0
LEATHER—		
Sole Bends 8/14 lb.—		
per lb.	1 3	2 3½
Back Tanned Sole	2 6	3 3½
Shoulders fin DS Hides	0 10½	1 1½
Do. Eng. or WS do.	1 2	1 3
Bellies from DS do.	0 8	0 10
Do. Eng. or WS do.	0 10	1 3
Dressing Hides.....	1 6	2 0
Ro. Eng. Calf, 20/30 lb.	4 0	6 0
Aust. Sides	1 0	1 5
VEGETABLE OILS—	£ s.	£ s.
Linseed, naked, p. ton net	28 15	0 0
Rape, refined	45 0	0 0
Cotton-seed, crude	27 10	0 0
Coconut, crude.....	33 10	0 0
Palm	32 10	34 5
Oil Cakes, Linseed, Eng., per ton	12/10/0	12/15/0
Oil Seeds—Linseed—		
LaPlata, p.ton May–Jne.	15/15/0	0 0
Calcutta, p.ton May–Jne.	17/10/6	0 0
	s. d.	s. d.
Turpentine, per cwt.	45 3	0 0
MINERAL OILS—		
Petroleum—Oil, per 8 lbs.	1 0	0 0
Water-White	1 1	0 0
Lubricating—	£	£
Pales	10/5/0	22/7/6
Reds	11/10/0	19/15/0
Cylinder	14/5/0	38/0/0
Fuel—	s. d.	s. d.
S.G. 895, 910.....	82 6	0 0
" 950.....	67 6	0 0
ROSIN—	£ s.	£ s.
American .....per ton	17 10	24 15
RUBBER—	s. d.	s. d.
Plantation Sheet per lb.	0 9½	0 0
Fine Hard Para per lb.	0 11½	0 0
SHELLAC—		
TN Orange ... per cwt.	192 6	0 0
SHELLS—	£ s.	£ s.
W. Aust. M.-o.-P. "	4 0	12 10
TIMBER—	£ s. d.	
Swedish u/s 3 x 8 per std.	19 0 0	
Do. 2½ x 7 "	19 0 0	
Do. 2 x 4 "	19 0 0	
Can'dn Spruce, Dis. "	17 10 0	
Pitchpine ..... per load	9 0 0	
Rio Deals ..... per std.	32 0 0	
Teak ..... per load	20 0 0	
Honduras Mahg. logs c. ft.	0 11 6	
African "	0 6 6	
American Oak Boards "	0 6 6	
Do. Ash "	0 6 6	
English Oak Planks "	0 7 0	
Do. Ash "	0 6 6	

CANNED MEATS.—Corned beef and tongues quiet of sale, but lunch tongues realise full rates, with a good forward inquiry. Danish boned hams also firm.

CONDENSED MILK AND MILK POWDERS.—Market firmer for powders. Full-cream, sweetened, English, spot, 42s. 6d.; Dutch ditto, 37s. 3d.; May–June, 37s. 6d. Machine-skimmed, sweetened, English, spot, 25s.; Dutch ditto, 22s. 9d.; May–June, 23s., all in 5-cwt. barrels. Powders, Spray process, F.C., 26 per cent., 2 by 56-lb. tins crated 90s.; M.S. (1-cwt. cases), 41s. 6d. Roller ditto, F.C., 26 per cent., 73s.; M.S., 28s. 6d., all nett, duty paid, ex-wharf London. On the grocery side F.C.S., 20s.; M.S.S., 9s. 9d. basis per case, usual packing. Danish cream, evaporated unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d.; condensed, sweetened, 48 by 14 oz., 20s. per case.

HONEY.—Market firm, with sustained inquiries. New crop Jamaican spot, good amber to pale, 50s. to 55s.; dark to fair amber, 43s. to 49s.; New Zealand dark amber, 50s. to 55s.; medium, 55s. to 65s.; light, 65s. to 85s.; white and water whites, 65s. to 87s. 6d. per cwt.

RUBBER.

A firmer market as sellers adopted certain reserve and a moderate business was effected. The manner in which landings and deliveries proceed, a further rise in London stocks next Monday is indicated. Standard sheet, spot and May sold, 9⅞d., 10⅛d.; June, 10d., 10⅛d.; July–September, 10⅜d.; October–December, 10⅛d.; January–March, 10⅞d. lb. London stocks 710 tons higher on the week, at 31,213 against 53,360 last year; landings, 1,843; deliveries, 1,133. Liverpool stocks, 258 tons up at 4,779; landings, 502; deliveries, 244.

GENERAL.

JUTE.—A steadier market, sellers being reserved, and some reports came to hand from Calcutta that crop prospects were not so favourable. Firsts, May–June, quoted £30 17s. 6d.; August–September, £31 10s. ton.

HEMP.—Manila quite firm on reserved sellers, but business conducted quietly. J2, June–August, quoted, £36 15s.; K, ditto, £33; L1, £33 10s.; M1, £30 15s., and M2, £26 10s. African sisal, No. 1, June–August, £36 10s.; No. 2, £35 10s. ton c.i.f. Manila receipts for the past week, 27,000 bales, compared with 24,000 bales at corresponding period last year; estimate for next week, 34,000, and following week, 26,000. Manila shipments to the U.K. last week, 18,000 bales; U.S.A., 11,000; Japan, 4,000, and other countries, 3,000. Local stocks, 9,000 bales down at 204,000.

SHELLAC.—Dearer, fair demand and reserved sellers. T.N., spot 192s. 6d.; May, sold, 187s., 186s.; August, 192s., 193s.; October, 195s. cwt.

COPRA.—Met with quiet support, but sellers adhered to previous asking prices. Straits S.D., May–June, Rotterdam, sellers, £22 7s. 6d.; Dutch East Indies, £22 2s. 6d. Palm kernels, May–June, Hamburg, sold, £17 15s. ton.

MISCELLANEOUS.—Coconuts quoted 18s. to 25s. per 100. Coir yarn, Ceylon, £19 to £38; Cochin, £22 10s. to £40 10s.; Ceylon bristle, £18 10s. to £25; cinnamon leaf oil, 5½d.; citronelle, Ceylon, 1s. 10½d.; Java, 1s. 11d.

METROPOLITAN CATTLE.—May 1.

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

	s. d.	s. d.		s. d.	s. d.
Beasts—Norfolk	6 4	6 10	Beasts—Heavy Bulls	...	...
Irish	...	...	Canadian	...	...
Cambridge.....	...	...	Sheep—Downs	...	...
Shorn Horns	...	...	Half bred	7 8	10 0
Herefords	6 0	6 4	Ewes	...	...
Devons	...	...	Scottish	...	...
Leicester runts	...	...	Lamb—Downs	12 4	13 4

LONDON POTATO MARKETS.—May 1.

	Per Cwt. s. d.	s. d.
English King Edward—Lincoln	6 0	
" " —Essex.....	4 0	4 6
White varieties "	4 0	
New Spanish.....	4 0	...
	Per Case.	
New Canary	24 0	...
	12 0	13 0

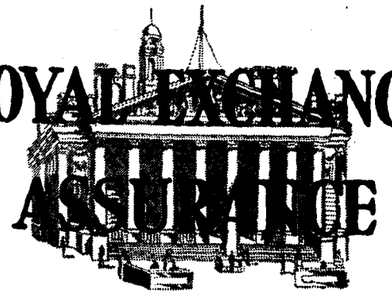
The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, MAY 11, 1929. No. 4,472.



Incorporated A.D. 1720

ALL CLASSES OF INSURANCE TRANSACTED

Head Office: Royal Exchange, London, E.C.3

WITH PROFIT
ASSURANCE
AT
NON PROFIT RATES

Full particulars will be sent on application

The Scottish Provident Institution

for Mutual Life Assurance

Head Office: 6 ST. ANDREW SQUARE, EDINBURGH.
London: 3 Lombard Street, E.C.3; 56 Chancery Lane, W.C.2.
17 Pall Mall, S.W.1.

FUNDS £20,500,000

EQUITY & LAW
Life Assurance Society
18, Lincoln's Inn Fields, London, W.C.2.

ESTABLISHED 1844.

FUNDS exceed - £8,375,000

Every form of Life Assurance business transacted.
Convertible Term Policies.
Immediate and Deferred Annuities.

For Prospectus apply to—
W. P. PHELPS, *Manager & Secretary.*

TABLE OF CONTENTS.

The Money Market.....	1029
Leading Articles—	
The Dissolution and the Election.....	1031
Critical Days in Paris....	1032
The Colonial Empire.....	1033
The Position of the Motor Industry.....	1034
America and the World Court.....	1035
The Hoff Case	1036
Notes of the Week—	
Mr Baldwin and the Electorate.....	1037
The Trade Outlook	1038
Disarmament	1038
Nile Waters Agreement	1038
M Theunis on Tariffs ...	1039
The American Tariff.....	1039
Taena-Arica Dispute ...	1040
Berlin and Bombay.....	1040
Export Credits.....	1040
Threatened Cotton Trade Lock-out	1041
Lancashire Cotton Corpn.	1041
A New International Silk Cartel.....	1041
Canadian Preference ...	1041
Canadian Nat. Railways	1042
The Bank of Greece.....	1042
Shipping Freight Index	1042
German Chemical Trade	1043
The Sub-normal Child...	1043
Insurance Notes—	
Commercial Union	1043
North British and Mercantile Insurance.....	1044
Alliance Assurance	1044
Royal Exchange	1045
Equitable Life	1045
Motor Union Insurance	1045
United British Insurance	1045
Oversea Correspondence—	
United States	1046
France	1047
Germany	1048
Italy	1049
Russia	1050
Australia	1050
Books and Publications—	
British Banking History	1051
Books Received	1052
The Stock Exchange—	
Argentina and the Investor	1053
The Week in the Markets	1054
London Active Securities	1055
Foreign Stock Exchanges	1055
Investment Notes—	
Nitrate Prospects.....	1056
Brazil and Coffee	1057
United Steel Offer Accepted	1057
Lancashire Cotton Corpn. —Financial Details ...	1057
Dunlop Meeting	1058
White Star Line	1058
Marks and Spencer	1058
British Match	1059
Allied Newspapers	1059
Leopoldina Railway.....	1059
Nitrate Railways.....	1060
Blue Bird Petrol	1060
Vereinigte Glanzstoff ...	1060
Company Meetings	1060
Mining Notes—	
Anglo-Oriental Mining...	1061
Anglo-American Corporation of South Africa	1061
Rhodesian Copper	1061
S. African Townships ...	1061
Lonely Reef	1061
Chemical and Metallurgical Corporation...	1062
Capital Issues	1062
Summary of Balance Sheets	1064
Transvaal Gold Output.....	1064
Company Meetings, &c....	1065
Government Returns, &c.	1080
The Bankers' Gazette—	
Bank of England	1081
Bankers' Clearing Returns	1082
Overseas Bank Returns	1082
Loan and Discount Rates	1084
Rates of Exchange	1084
Bullion	1084
Gold and Silver Prices...	1085
Company News—	
Dividend Announcements.....	1085
Reports and Notices ...	1086
Weekly Traffic Returns	1086
Profit and Loss Accounts	1087
Commercial Reports—	
The Corn Trade	1088
American Wheat.....	1089
The Coal Trade.....	1089
Iron and Steel	1089
Other Metals.....	1089
The Cotton Trade	1090
The Wool Trade	1090
Colonial Wools	1090
Hide and Leather Trades	1090
Jute Trade	1091
Vegetable Oils and Seeds	1091
Overseas Produce	1091
Price Current.....	1092

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d.
Colonies and Abroad, £3 1s. 0d. per annum.
Single Copies, post free, 1s. 1d.
Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.
Office: 6 Bouverie street, Fleet street, London, E.C.4

THE MONEY MARKET.

Money this week has been fairly tight, and on Tuesday as much as 6½ per cent. was paid for short loans, and the market had a narrow escape from the Bank. The stringency came as a surprise to some, as on Monday and Tuesday the Bank acquired over £2,000,000 of gold, but the cause became apparent when it was discovered that

the Bank had balanced this addition to its resources by large sales of 4½ per cent. Treasury Bonds. The Bank is thus continuing its policy of neutralisation.

* * * *

Discount rates remain weak around 5 1/16-⅛ per cent. for three months' bills. The Continental demand is well maintained, while the election uncertainty on the Stock Exchange is temporarily diverting into the discount market money which *nominally would* be invested in long-term securities. There was *some buying* of bills, too, by London joint-stock banks, who are believed *to be* operating on behalf of some of their large foreign customers. While the Bank might appear content to see the rate run down nearly to 5 per cent., it seems probable that no further latitude will be granted, especially as the dollar exchange was on *Thursday* down to $4.85 5/32. The Bank's sale of Treasury Bonds referred to above shows that a careful watch is being kept on the *situation*, and it is rumoured that it would not be surprising if next week the market will find itself in the Bank.

* * * *

The increase of £2,114,256 of gold shown in the Bank return consists partly of £1,000,000 of gold from Australia—the arrival of which has long been foreshadowed; partly of £813,394 of new gold bought in the market on Tuesday at 84s. 10½d.; and partly of a sum of around £200,000, believed to represent a sale by an "unknown buyer." The *latest return shows that* the Bank's gold stocks are once more over £160,000,000, and are only about a million less than they were a year ago.

* * * *

This position would be *more hopeful* were it not for the weakness of sterling against the dollar. In this connection a disquieting report has lately been received to the effect that it is again becoming possible for foreign houses to lend money on the New York call market. This news, if true, represents a retrograde step. There is little doubt that Wall Street is very short of money, and possibly the banks responsible for *this development may feel that they* must place New York interests ahead of those of other centres. Still, with sterling very little above the lower gold point,—news of this kind is not reassuring.

	May 9, 1929.	May 2, 1929.	Apr 25, 1929.	Apr. 18 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5½	5½	5½	5½	4½ (Feb 7,'29)
Banks' Deposit Rate ..	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	3½	2½ (Feb 7,'29)
Houses { Notice.....	3½	3½	3½	3½	2½ (Feb 7,'29)
Market rate (3 months' bills)	5 1/16-⅛	5 1/16-⅛	5⅛	5 1/16	...

The Bank return shows several wide changes. The expansion in the Bank's gold stocks is partly neutralised by an increase of £1,422,622 in the note circulation, due, it is thought, to Whitsun preparation by the banks. Dividend payments are partly responsible for the declines in public and other deposits, amounting respectively to £2,259,535 and £2,942,246, but the fall in other deposits is also ascribed to special operations, possibly of an international character. Government securities have been reduced by £5,188,403, presumably due largely to the Bank's action as *discussed* above, while the increase of £2,321,388 in discounts and advances suggests that while the market has nominally kept out of the Bank, in fact, some bills have had to be turned in there.

NEW YORK MARKETS.

Our New York correspondent cables:—'Thirteen million dollars gold have been *imported* and a further $11 million released from earmark. This will probably not have much effect on the market, owing to the reserve policy of taking up all slack, and to the large *increase*, to a total of over *$150 million*, in new flotations during the week. These have been a *factor* in raising brokers' loans $19 million in face of lower stock prices. Reserve system credit is restricted by a *further* $48 million, chiefly in bills and member bank discounts, while another gain in reserves and fall in deposits has raised the reserve ratio to 74.3 per cent., compared with 70.1 a year ago. Public utility shares are most active and strong; oils are better, and mining shares show a tendency to improve. Sugars, with the exception of Cuban producers, rallied on the publication of the tariff proposals; rails are sluggish in spite of increasing traffic and earnings. Business activity is as high as ever, with record-breaking steel and motor-car output for April, but there are apprehensions of difficulties in autumn if there is no change in the tight money policy of the Reserve system. Hope is still held of a Reparations settlement.

THE STOCK MARKETS

Though the volume of business was again greatly restricted, the undertone of the stock markets was firmer, with a certain amount of quiet investment buying in evidence. Good and bad news—the Reparations impasse and the gold accessions of the Bank of England—left gilt-edged largely unchanged on balance, but Home Rails were stronger on a small amount of investment buying. The industrial market was an affair of "features" with aviation, commercial motor, gramophone, and—*to a less extent—textile* shares, in the forefront of attention. Rubber shares reflected the improved price of the commodity, and a larger, though mainly professional, business was done in the oil market. Kaffirs were more active, and tin shares improved on the recovery in the price of the metal.

THE COMMODITY MARKETS.

The dullness in the coal trade continues and, in spite of easier prices, stocks are accumulating in some districts. The pig-iron position is irregular, but, on the whole, promising; semi-finished steel manufacturers are active, and the outlook for some branches of finished steel is good. Other metals are firm. The cotton market is at present very sensitive on weather reports, and this is having an unsettling effect on activity in Manchester. Though the wool textile trades are still in a state of suspended animation for which it is increasingly difficult to account, Colonial wool is finding ready buyers. The jute trade is suffering from lack of confidence in raw material values, and there is a similar condition in the leather trades, *though* improved demand from consumers has slightly improved the tone of the market. Linseed and linseed oil have been freely bought, but other vegetable oils and oilseeds show no increased activity.

THE FOREIGN EXCHANGES.

The market was only *moderately* active last week. Sterling remained under the domination of the dollar with high money rates in New York. Montreal made a seasonal recovery, which is rather overdue, and the peseta continued its recent wide fluctuations without showing any prospect of settling down. The New York rate fell ⅜ to 4.85 5/32, while Montreal gained 1/8 at 4.88½. Paris lost two points at 124.20, after being 124.12 and 124.22. Madrid was 34.00 on Thursday, after being decidedly erratic and at one time touching 34.45. Amsterdam was unchanged on balance, while Berlin recovered from 20.47 to 20.46½, after touching 20.48½. The South American exchanges were decidedly firm, Buenos Aires gaining 1/16d. at 47 5/16d. and Montevideo ¼d. at 48d. In the Far East the rupee remained weak at 1s. 5 15/16d., but the yen maintained its recent recovery at 1s. 10 3/16d. Batavia gained ⅜ at 12.11½. In the forward market dollars were rather less offered at slightly wider discounts of ¼ cent and ½ cent. The premium on forward Paris rose to 6 centimes for one and to 13 centimes for three *months*. Brussels went to ½ premium for both periods. Forward Milan was more sought, the discounts falling from 12 to 8 centesimi and from 28 to 27 centisimi respectively. Forward pesetas were weaker at lower premiums of 10 and 31 centinos, as were Dutch florins at wider discounts *of* 1 and 2 cents. Forward reichsmarks quotations were nominal at 3 and 9 pfennigs discount. The silver market was moderately active, China both buying and selling, and prices rose 1/16d. for both spot and forward, chiefly as a result of hedging operations in the yen. The China silver exchanges were, however, unaffected, and remained at last week's levels.

ECONOMIST INTELLIGENCE BRANCH.

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

THE DISSOLUTION AND THE ELECTION.

YESTERDAY the curtain fell on the fifth and last Parliamentary Session of Mr. Baldwin's second Administration and rose on the campaign in the country from which the next Administration and the next House of Commons will emerge. Steadily, day by day, since the introduction of the Budget, *the* centre of political interest has been gravitating *from* Westminster to the country, and when the policeman last night echoed through the corridors the time-honoured cry of "Who goes home?" there were few to respond, the majority of members having already transferred their energies to their own constituencies in preparation for securing that the right answer will be given on May 30th to the next question of "Who goes back?"

The Parliament which has just been dissolved is unlikely to rank in history as a particularly distinguished legislature. It will, however, be remembered for a few outstanding events, first and foremost for the fact that, when faced by the first-class constitutional crisis created by the General Strike, the contributions of members of all parties to the critical debates of May, 1926, rose to a high level of statesmanship and restraint. The old saying was again vindicated that Parliament is always at its best when matters of high national concern, as distinguished from party questions, are forced upon it for debate and decision; and the *past five years* has given another illustration in the two occasions on which the new Prayer Book was presented to and rejected by the legislature. For the rest, there are perhaps *only three* achievements which will stand out clearly in the eyes of posterity. One is the restoration of the gold standard, which led Europe in the path of financial reconstruction, the radical overhaul of the inequitable rating system of this country in the interests of productive industry, and the extension of the franchise to place women on the same basis as men.

It is this last measure, the vast extension of the franchise, *which vests* the coming election with unusual perplexities and abnormal interest. When the polling booths are opened on May 30th approximately 27,000,000 citizens will be entitled to record their votes. Of this total about 12,400,000 are men and 14,600,000 women, and it is calculated that the number of new voters added to the Register *since 1924* reaches the huge figure of 6,000,000. Mr Baldwin, in his Drury Lane election programme speech, remarked that Great Britain went into this election for the first time as a "complete democracy." So far as the width of the franchise is concerned the phrase is justified. Unfortunately, however, it is from another point of view wholly unjustified. For although we now have a full manhood and womanhood suffrage, we have not the electoral machinery to assure that the views of the enfranchised masses will be reflected in the personnel of the next House of Commons with any tolerable degree of accuracy. At the last election, in 1924, the Conservatives obtained one seat for every 18,887 votes, the Labour Party one seat for 35,681, and the Liberals one seat for 69,670. The figures for the English county constituencies alone, as quoted by Sir John Simon at Liverpool on Monday, are even more striking. In those constituencies in 1924 it took on the average 326,000 Liberal votes to obtain one seat, whereas Labour had one member per 42,000 votes and the Conservatives one for every 17,000 polled. There seems to be little hope of obtaining this year any more accurate reflection of the votes of the people. On the *contrary, the number of* candidates presenting themselves to the electorate will perhaps reach nearly 1,750 for 615 constituencies. This means that a *constituency* without a three-cornered *contest* will be a rarity, and since, with the exception of a very few, the system of a single vote and a single member obtains, we are in grave danger of seeing the majority of the members of the *next* House of Commons elected by a minority of their constituents. One of the most serious omissions of the Conservative Government has been its failure to include electoral *reform* machinery in the Bill for the extension of the franchise. It will be one of the most pressing duties of the next Government, of whatever complexion it may be, to pass such a measure.

The programmes which the three parties are asking the country to support have already been summarised in these pages, and we shall have occasion to return to them again. But before the flame of partisanship rises to the fierce heat which it will necessarily attain, let us consider a few broad and general points. One which will quickly be lost *sight of* in this country is that to a foreign observer there might appear to be singularly little difference between the programmes of the three parties and nothing in any of them to arouse passion or alarm. There is nothing revolutionary. The Labour Party, which five years ago was threatening to move leftwards, has so far shorn its programme of revolutionary elements as to cause grave dissatisfaction to members of the Left Wing. Whichever of the three parties gains the victory there will be no attack on the foundations of society, and no reorientation of foreign policy is at all likely which would not be in an enlightened and fruitful direction. But the sameness which may strike the foreigner is, in the eyes of British people, broken by one or two very sharp distinctions, and two leading issues.

First and foremost in the public eye is the problem of large-scale unemployment. The Government and the Conservative Party point to their past work and promise to continue and develop it, but deny that spectacular measures would be *helpful*. The Labour Party have a list of plans for works of national development, which, however, they have not explained or, apparently, yet worked out in detail. The Liberal Party has put before the country the arresting promise to reduce unemployment to a normal figure within a short space of time by means of specific plans prepared by expert advisers and published with a great wealth of detail. Over wide areas of the electoral field unemployment is the one predominant issue, and one of the enigmas of the election is the extent to which the inhabitants of these areas will be brought to believe *that Mr Lloyd George* can deliver the attractive goods which he places in his shop window. Less prominent, perhaps, but undeservedly so, is the issue, once again raised, between Free Trade and Protection. The Conservatives, although officially disavowing protectionist intentions, will, if returned to power, be committed to an indefinite extension of "Safeguarding" duties which, as we have frequently shown, will mean a stealthy but inevitable slide down the slippery slope that leads to general Protection. The majority of the Labour Party, perhaps, favour the system of free *imports*, although a proportion of its members are tainted with a predilection for "Safeguarding." The Liberal Party stands out as the wholehearted and uncompromising *opponent of* Protection in any guise or under any euphemism.

Those are the two great issues on which the battle is being joined. It is *generally* assumed that the customary "swing of the pendulum" against the Government, which has been *in power* for 4½ years, will take place, and the Stock Exchange prediction that the Conservative Party will lose over 100 seats finds many supporters. For one thing, the Conservatives will undoubtedly lose the votes of hundreds of thousands of people who allowed themselves in 1924 to be scared on the eve of polling day by the incident of the Zinoviev letter. For another, it is as certain as anything electoral can be under the present *enigmatic* circumstances that the polling will show a *movement in the country* in favour of a more progressive and imaginative handling of *domestic* and international affairs. But any estimate of the extent of this movement is rendered impossible by the existence of so vast an army of new voters, whose presence on the Register greatly swells the numbers of the *apathetic and the indifferent*, of *those not attached* to any party and ready to be swayed by local consideration or last-minute appeals. Still more impossible is it, under our effete electoral system, to predict how far that movement will be reflected in representation at Westminster.

CRITICAL DAYS IN PARIS.

At various stages since the war, international affairs have reached a point at which, if right courses are taken, there can be a great change for the better; but if the situation is mishandled the world slips back once more into stagnation. We are at such a point to-day. The optimists are satisfied that Mr Hoover's gesture in regard to disarmament and the technical discussions which have taken place in Geneva over the American Naval formula will solve what is perhaps the greatest issue of all. The decision of England and America to waive their objection to the exclusion of trained reserves in calculating land armaments—though leaving the door open to the maintenance of great national armies—at least gives the European Powers the chance to offer proof of their goodwill by solving the problem in their own way—*i.e.*, by an agreement to limit the length of service with the colours. Finally, the Committee of Experts on reparations is still sitting. On its success in reaching agreement depend our hopes of witnessing this year the greatest act which would symbolise the return of peace, viz., the evacuation of the Rhineland.

As we write, the prospects of complete and satisfactory settlement being reached by the Experts are not so bright as they were a few days ago, when the intervention of Mr Owen Young with a new set of proposals seemed to warrant hopes that a *via media* between the figures of the Allies and those offered by the German delegation might at last be found. Dr Schacht came back from Berlin at the end of last week to find the American proposition awaiting him. His visit had enabled him to estimate afresh the difficulties which Germany would have to face in the event of a breakdown. The standing of the Reichsbank is very strong and, apart from his own portfolio of foreign securities, Dr Schacht is known to have the call on a very large dollar credit. But if the report of the experts contains no solution, strong action will be required from him to check a renewed "flight" from the mark—and even though he would probably succeed with the help of foreign centres, Germany would be faced with the prospect of returning for some years to the method of paying reparations out of money lent to her—and lent at increasingly stiff rates of interest. Dr Schacht realised keenly the advantages of settling, and the course of private discussions in Paris over the weekend showed that he was ready at least to accept Mr Owen Young's proposal as a basis of negotiation.

Our readers will recall that from the time the new Committee was first proposed the *Economist* was doubtful whether the time was ripe for a revision of the Dawes Plan, in view of the discrepant expectations of the parties concerned. The Experts have, however, proved themselves to be a patient, but determined, set of negotiators, and, even if they should ultimately fail, they have come very much nearer to a solution than at first seemed likely. Before considering the terms and implications (so far as they are known) of the Young Plan, it may be appropriate to summarise a few points on which specific progress has been made.

(1) In the first place, Dr Schacht has succeeded in establishing the proposition that reparations in the sense of a surplus over Allied debt payment to America shall only continue for a generation. On the other hand, he has in effect, if not in so many words, conceded that Germany must cover the payment of her creditors to the United States thereafter for the period of the Allied debt settlements. Thus the inevitable link between the inter-Allied debts and reparations is definitely forged.

(2) It has been agreed that the annuity should be graded and rise to a maximum, but that it should drop after thirty-seven years, as explained in the preceding paragraph. This principle has two important implications. In the immediate future the annuity, instead of rising to the Dawes maximum of £125,000,000, would continue at a much lower figure, and would only approach the old Dawes maximum at the peak of the curve. In other words, Germany's claim that the Dawes maximum is too high for her under present conditions is implicitly admitted. It follows logically that it would be very hard under any circumstances for the Allies to go back on this admission. On the other hand, this arrangement postpones once again the question of what maximum Germany will ultimately be able to pay, and from this point of view it leaves the problem still in the realm of conjecture. At the same time it would be a mistake to confine our attention to the early annuities and to consider the ultimate figures as of no importance; for the future position of the creditors, and, therefore, the possibility of acceptance of any scheme depends on the ultimate position of the various parties under its terms.

(3) It is recognised that a settlement should enable the Transfer Committee to disappear and Germany to resume responsibility for an operation which so closely affects her whole monetary position. But this does not mean that the Experts propose that the total of the annuity should be fixed without possibility of modification if circumstances become difficult. On the other hand, an entirely variable annuity is a poor security on which to "commercialise" the debt. The Experts have, therefore, hit on the compromise of fixing finally a certain proportion only of the annuity and making the rest subject to some financial authority connected with the organisation to be set up for handling Germany's payments.

(4) This leads to the fourth point which, from the political aspect, is perhaps the most important of all. It is contemplated that Allied financial control should be lifted from Germany and the office of the Agent-General removed bag and baggage from Berlin. This control would be replaced by the proposed Bank of International Settlements. Its *rôle* in relation to reparations would be threefold: first, to receive Germany's payments in the capacity of trustee for the creditors and to distribute the proceeds; second, to issue whatever loans are floated; and, thirdly, to be responsible either directly or through some special body associated with it for advising if any suspension of payments be necessary. The scheme of a central financial institution established by the world's chief central banks is one which might have very far-reaching results. It would give concrete form to central banking co-operation and could hardly fail to knit closer together and associate in common objectives the financial policy of the nations. These and many other aspects of this proposal require very careful consideration. It is sufficient to note here that it is by substituting this device that the Experts propose to remove the financial control at present exercised by the Allies in Germany.

We may now turn to the specific proposals made by Mr Owen Young. Our Paris correspondent summarises his plan, which closely follows in form the previous Allied demand, as follows:—

Thirty-seven graded annuities averaging £105,250,000 for inter-Allied debts and reparations.

Twenty further annuities of £85,000,000 each for Inter-Allied debts.

One further annuity of £45,000,000 for inter-Allied debts.

This scheme, which gives an average annuity of approximately £100 million, is lower than the previous demand of the Allies, which, while similar in form, gave an average annuity of £110 million (starting at £92½ million, rising to £122½ million and falling again to £85 million), but is much higher than Dr Schacht's original offer of thirty-seven equal annuities of £82,500,000.

On Monday it was learned that the German delegates had agreed,—subject to certain reservations, whose precise nature has not yet been disclosed,—to accept Mr Owen Young's figures. The outlook appeared to be better than at any previous stage of the inquiry. Forty-eight hours later, however, optimism was dashed by the discovery that the Young Plan, whose terms the British delegation had been at first prepared to endorse, contained the unforeseen proviso that the Spa "distribution" percentages should be altered to the disadvantage exclusively of the British Empire, whose proportion would be reduced from 23 to 19 per cent. Against this proposal,—whose effect would be that British receipts on reparations account, plus sums due from the Allies, would be insufficient to cover the service of our debt to America—the British delegates in Paris are understood to have taken a firm stand. In this attitude they have been supported with remarkable unanimity by the Press of this country, and in the House of Commons on Thursday, Mr Churchhill, referring presumably to the Spa percentages, stated definitely that the Government would "in no circumstances" entertain the American proposals.

Mr Owen Young is reported to have explained that the revised figures of "distribution" percentages, on which his scheme was found to be based, were put forward by him rather as a basis for negotiations than as a definite proposal. Discussions on this aspect of the question are continuing, as we write. At the moment it is idle to try to forecast the result, the more so since the German "reservations," when finally formulated, may raise fresh difficulties. The acceptability of the Young Plan, from the point of view of Germany, it is well to remember, does not merely depend on whether the annuities are considered to be within Germany's capacity to pay or not, but on the scale of grading, the proportion that is fixed or liable to be suspended, the amount that may be "mobilised" and on various other conditions.

If the Experts, whose primary function is not to compose differences among the creditors themselves, can devise a practical scheme of payments within what they believe to be Germany's capacity, leaving political issues to the diplomatists, they will have done a great work. Even though we may feel that the last word cannot yet be said with regard to the vast payments which we contemplate extending over nearly two-thirds of a century, an agreement at Paris on amount and means of payment would be a great step forward. It would give the world another and longer breathing space, and remove one side at least of the Reparations problem still further from the political arena.

The New York Trust Company

Capital, Surplus & Undivided Profits - $44,000,000

COMPLETE INTERNATIONAL
BANKING FACILITIES

100 Broadway **New York City**

THE COLONIAL EMPIRE.

On April 30th there was a debate in the House of Commons on a Colonial Office vote in Committee of Supply which amounted to something like a general review of present conditions and tendencies in the Colonial Empire. And since the British Colonial Empire, like the other parts of the British Commonwealth, is a characteristic sample of a particular class of countries and communities in the modern world, the upshot of this debate is of great general interest. The deepest impression which it leaves on the mind is curiously like the impression made by our current debates on armaments and war: an impression of the unprecedentedly vast material power of our modern civilisation and of the equal facility with which this immense force can be used for good or for evil.

As the great canvas was touched in by one speaker after another, beginning with Mr Amery, the Secretary of State, it seemed as though a coat of many colours was shaping itself into the rudiments of two alternative pictures—one a picture of goodwill among men, rewarded by scientifically organised prosperity for each and all; the other a picture of racial conflict, in which the coat of many colours might be stained with blood. Both alternatives are there—so much we can see already. But we are not yet able to discern which picture it is ultimately to be.

The picture is a portrait: a composite portrait of the "native" in a belt of tropical colonies encircling the globe. We get one picture of him thriving under his contact with Western civilisation. We see him being taught how to obtain greater production and greater profits from the natural wealth of his country; and we learn that his first ambition, when he finds himself with a surplus in hand, is to buy a bicycle, to the mutual advantage of Africa and Coventry. Again we see him, under the pretext of a funeral or a religious festival, raving drunk on imported alcohol. We find Western medicine making the "native" master of his own environment as he never has been before, by helping him to rid it of tropical diseases; and again we find Western colonisation turning the "native" into a landless hewer of wood and drawer of water.

The debate ranged over almost every part of the tropical and sub-tropical world. A considerable part of it was devoted to the two territories mandated to Great Britain under "A" mandates: Palestine (with Transjordania) and Iraq. Our responsibility for these territories involves a number of very present and very contentious political questions; while there are future economic assets there of no small importance: chemicals round the shores of the Dead Sea, oil in the hinterland of Mosul, and, above all, a geographical situation at the key points of new air routes from north-western Europe to south-eastern Asia. All these aspects of the Middle Eastern mandates received attention in the course of the debate. Yet these Middle Eastern territories are a relatively small affair, even when all their economic and geographical possibilities are taken into account. Moreover, they are not integral parts of the British Empire; and, as "A" mandates, they have been destined from the beginning to attain the rank of independent States sooner or later. Our principal concern is with the colonies and protectorates which seem likely to retain a permanent connection of some kind with Great Britain; and the majority of these are tropical countries whose staple production is agricultural.

Turning now to the tropical Colonial Empire, we find that this falls into two fairly clear divisions. There is a galaxy of islands and peninsulas—the West Indies, Ceylon, Malaya—scattered round the world and each hitherto going more or less its own way without paying much heed to the others. This is, on the whole, the older part of the tropical Empire; but side by side with it there has grown up, during the last half-century, a new continental domain in Tropical Africa. At present this younger African Empire is much less developed. There is nothing in it to compare, for example, with the dense population and intensive production of Malaya. But the future of the tropical Empire lies in Africa; for here everything is on so much greater a scale that, when once its riches are developed, it will dwarf all the rest.

Tropical Africa, then, is the future centre of gravity of a British Colonial Empire which we are learning more and more to treat as a unity from the point of view of scientific administration and material development; but within Tropical Africa we have to distinguish again between the West African colonies, which are now in process of rapid economic and social development—on the whole, on satisfactory lines—and East Africa, where all the great questions are still open questions and where all are fraught with great and momentous possibilities of good and evil. Within East Africa, again, the key colony is Kenya; and a sense of this was apparent in the debate. When honourable members were discussing the possibility of pipe-lines and railways across the Syrian Desert, they were like men exchanging ideas on some hobby. When they were discussing the land legislation in Kenya or seeking to elicit the present Government's attitude towards the report of the Hilton Young Commission, they were like men dealing with vital matters in deadly earnest.

There are several reasons why our local policy in Kenya Colony will be " the acid test " of our general policy in developing the Colonial Empire. In Kenya, white men of British nationality and native Africans are living permanently side by side in the same country—both regarding that country as their home. In mere numbers, the Kenya settlers are almost negligible. It is the fact that they are at home, and intend to go on being at home, in Tropical Africa, and are not simply passing through the country as pilgrims and sojourners like the whites in West Africa and in Malaya, that gives them a political importance and influence out of proportion to their numerical strength. It is also this that makes every problem in their relations with the natives so serious. In Kenya, both parties have everything at stake. And as the country is still only partly developed, and its future wealth only partially appropriated, the stakes are large.

Moreover, the problem of Kenya will not work itself out, for good or evil, in isolation, for Kenya is merely a slice carved out of East Africa arbitrarily. Economic forces are making for the consolidation of an East African domain including not only Kenya, but Uganda and Tanganyika—perhaps Nyasaland and Northern Rhodesia as well. But latterly these different territories have been living under very different dispensations; and if and when they care to amalgamate, there will be a struggle between these different *régimes* and different ideals for supremacy in East Africa as a whole. Which will prevail? The ideal of the white settlers in Kenya? Or the ideal of the active and intelligent leaders of the native community in Uganda, who are rapidly learning how to hold their own with the whites in friendly co-operation on both the political and the economic plane? Or the ideal of the Governor of Tanganyika, Sir Donald Cameron, who has been carrying out the terms of the Mandate with loyalty, vision and success in the spirit as well as in the letter? We hope that the united East Africa of the future will draw its inspiration from Uganda and Tanganyika. Indeed, as far as we can see, the only way open to us of consolidating a mandated territory with a colony and a protectorate is to administer the whole *bloc* in accordance with the terms of the Mandate. Be that as it may, it is certain that, if East Africa is consolidated, one or other of the incompatible *régimes* now existing side by side in the several territories will be driven to the wall by the other. And this is a vital question not only for East Africa, but for the whole Colonial Empire. For a United East Africa will be, in the end, the largest, most populous and most productive of all the component parts of which the Colonial Empire is made up; so that what happens here is likely to determine the destinies of the whole.

THE POSITION OF THE MOTOR INDUSTRY.

(BY A CORRESPONDENT.)

THE fortunes of the motor industry during 1928 were adversely affected by a variety of circumstances mostly external to the industry. For some years there has been a steady increase in successive Budgets in the taxation of motor vehicles. In 1928 the burden of taxation was greatly increased by the imposition of the Petrol Tax. For the financial year ending in March, 1929, £26 million was raised in vehicle taxes and £13 million in Petrol tax. The sum of £39 million raised from the taxation of rather less than two million vehicles gives an approximate annual tax of £20 per vehicle per annum, or, excluding motor cycles, £30 per vehicle per annum. Such heavy taxation must in any case have caused a good deal of sales resistance. Its imposition happened to coincide with a general contraction of purchasing power in the home market in the second quarter of 1928. The sales of private cars, which during the first quarter had maintained the normal expansion of recent years, fell away abruptly. The commercial goods vehicle industry was also affected by the depression of its customers throughout the industries of the country and its special vulnerability to the new Petrol Tax burden.

At the same time, the outlet of the most important export market of the British industry was closed by the credit crisis which followed upon serious droughts in Australia. Vigorous efforts in other markets, which were successful in increasing British exports to those countries, did not avail to offset the decline in Australia, which in recent years has absorbed nearly 50 per cent. of all British motor exports. Thus, the exports for 1928 fell below the preceding year's figures for the first time since the war. The effects of the salient factors briefly outlined above on the private car industry are apparent in the following table:—

New Private Cars and Cabs (Number).

	Production.	Exports.	Net Imports.	Home Consumption
1922	58,000	2,441	20,317	75,876
1923	66,000	5,007	24,127	85,120
1924	105,000	12,477	21,648	114,171
1925	121,000	23,233	41,837	139,604
1926	138,500	25,911	16,491	129,080
1927	164,553	27,426	25,650	162,777
1928	165,352	26,306	23,450	162,496

The failure of expansion in demand has naturally made itself felt very widely. The largest firms engaged in mass production have, however, not only been able to weather the storm, but even, in some cases, to improve their position. At the same time, some firms specialising in cars of the highest quality or enjoying distinctive attributes of comfort and speed have had by no means an unsuccessful year. In this connection it should be remembered that the private car industry is one which is subject to the vagaries of fashion. Producers attempting to gain a foothold in the mass-production sphere, but not yet firmly established, have, on the whole, suffered most heavily, and it may be that the trials of the past twelve months may, in the end, not prove an unmixed evil if they lead to some measure of rationalisation, of which this branch of the industry stands in urgent need. As yet no attempt has been made to produce in quantity for the home market the higher-powered model which is essential if the British industry is to capture a larger share of Dominion business. That a certain number of such cars can be sold in this country is evident from the successful importation of considerable numbers of foreign cars of this type every year. It is no less certain that a ready sale awaits a British model of this type in Australia, New Zealand and South Africa. A notable increase in British production is to be expected when this step is taken, for on the basis of the home and export sales immediately available such a car could be mass-produced at a competitive price.

The corresponding figures for the commercial vehicle industry are given below:—

New Commercial Goods and Passenger Vehicles (Number).

	Production.	Exports.	Net Imports.	Home Consumption
1922	15,000	600	2,515	16,815
1923	21,000	1,252	5,699	25,447
1924	26,000	3,119	5,528	28,409
1925	32,000	5,808	7,448	33,640
1926	41,500	6,477	6,401	41,424
1927	47,227	9,063	8,534	46,698
1928	46,525	7,004	10,651	50,172

The year 1928 was in many respects not so bad for the commercial vehicle industry as for the private car industry. The decline in exports has been mostly in agricultural vehicles, and is due, in the main, to the Australian crisis, which, it may be hoped, will pass away. The home market, on the other hand, is still buoyant, though the rate of increase has slowed down. Competition of imports in the lighter class of goods vehicles has become much more severe recently, and is likely to become even more so as the new Ford truck comes on to the market. In the heavier types the British industry remains supreme, and to this fact may be attributed the very successful year enjoyed by the few large firms which specialise in the heavier commercial vehicle. As regards hackney vehicles, leaving aside the small vehicles with a seating capacity of less than eight persons, the improvement has been greater than is indicated by the statistics of the number of vehicles sold. There has been a general tendency to employ genuine commercial chassis with suitably constructed bodies for 'bus and coach work instead of the private car chassis which so often did duty a few years ago. This tendency has been fostered by the regulations which have latterly come into force governing the construction and use of public service vehicles.

The effect of the granting of road powers to the railway companies is already being felt, and the stimulus of such important new customers should ensure even better results during 1929. It is not to be thought that the advent of the railway companies as road hauliers will be entirely at the expense of those already in the business. If, at first, there is some displacement or absorption of existing concerns, in the course of a few years the railway companies will find scope for many new developments of road transport which would not in the past have been possible to road hauliers alone. The development of a road haulage personnel on the railway companies and a few years' experience of what should be an increasingly profitable branch of their business should lead to much improved transport facilities for goods and passengers. A great impetus should be added to road vehicle consumption as soon as the opposition of road transport's most formidable antagonists gives way to collaboration.

It is too much to expect, however, that any such *volte face* can come about in a few months. In the meantime, the principle of the severe taxation of transport has become an integral part of our financial system. Of the £39 million collected in motor taxes last year, only £23 million were devoted to road maintenance and construction, which, if full scope for the development of road transport is to be given, needs not only the allocation of all available revenue, but a forward policy of capital construction.

From the available indices the first quarter of 1929 would seem likely to show a general resumption of the progress of the industry. It can be predicted with confidence that the year 1929 will make better showing than 1928. The sustained progress of the industry, however, depends on the solution of certain difficult problems, which can only yield to a national recognition of the desirability of fostering a vigorous motor industry.

It should be emphasised that the initial cost of the motor vehicle is no longer a substantial barrier to its extended use. The initial cost of new motor vehicles is very low, there is a vast stock of surplus secondhand vehicles, serviceable and mechanically sound, which it is within the capacity of millions to buy. Both for new and secondhand vehicles the extension of hire-purchase facilitates purchase for those to whom the payment of a lump sum presents difficulties. The problems which await solution are, firstly, the absolute reduction, and, secondly, the application of hire-purchase principles to the overhead cost of running motor vehicles.

The question of excessive taxation has already been mentioned; insurance and garaging costs are hardly less important. The cost of insurance depends, to a great extent, on accidents, and these, again, mainly on road facilities. The surface of our roads is, on the whole, good, but they are the most dangerous roads in the world. If the risks of motoring were reduced and insurance were made compulsory, there is no reason why an " all-in " tax on petrol of reasonable dimensions should not cover a reduced quota of taxation and a reduced national insurance premium. The taxes so raised would be sufficient to discharge a fair proportion of road maintenance and to finance sums necessary for capital reconstruction of a kind which would make a safer road system. Attention to providing garage facilities or room for them in new housing plans would also avoid many problems in the future. In short, the vehicle, the road and the incidental costs must all be considered as transportation units, which it should be a national effort constantly to provide at a reduced price. The idea of personal ownership of a luxury must be abandoned if the full benefits o fmotor transport development are to be reaped in this country.

Travel and Money

The far too common method—or lack of method—of carrying cash in bulk when abroad, is wholly unsatisfactory. Travellers are invited to consider the arguments of two leaflets issued by the Westminster Bank, *Points before Travelling*, and *Safeguards for the Traveller*, which will be gladly sent by the Secretary of the Bank on application.

WESTMINSTER BANK
LIMITED
Head Office: 41 Lothbury, London, E.C.2

AMERICA AND THE WORLD COURT.

(BY A CORRESPONDENT.)

THERE took place at Geneva in March a Conference of more than ordinary significance. A Committee of Jurists appointed by the Council of the League met to revise the Statute of the Permanent Court of International Justice which was adopted in the year 1921. The revisions proposed are mainly upon matters of detail, but two of them are indicative of the progress of the Court since it opened its doors in 1922. These two take the form of proposals for increasing the number of judges from eleven to fifteen and for longer sessions. The fact is that the Permanent Court has " caught on " and become an essential part of the machinery of international society more rapidly and more effectively than the original architects anticipated, and what was at first envisaged as one long summer sesssion has lengthened until it is becoming virtually a permanent session, with the necessary vacations to enable the judges, who (with one exception) all come to The Hague from foreign countries, to visit their homes.

Up to the end of 1928 the Court had given at least twelve judgments (and three Orders of Court relating to a dispute between Belgium and China regarding the latter's denunciation of a treaty, which has now been withdrawn from the Court) and at least fifteen Advisory Opinions. A Judgment is the conclusion of a piece of litigation between two parties as in an ordinary lawsuit in an English Court; whereas an *Advisory Opinion* is delivered at the request of the Council of the League (the Assembly has never exercised its power to ask for one), and constitutes advice which the Council may or may not (but always does) follow in effecting the conciliation of a dispute between two parties.

Among the Judgments of importance delivered since 1922 we may mention the case of the *Wimbledon*, relating to the international status of the Kiel Canal under the Treaty of Versailles; the *Lotus*, relating to a collision on the high seas and the subject prosecution of a French navigating officer in the Turkish Courts; two disputes between Great Britain and Greece concerning concessions formerly granted by Turkey in what is now the mandated territory of Palestine; and no less than four disputes between Germany and Poland arising from the cession of

German territory to Poland by the Treaty of Versailles and the consequential arrangements.

Among the Advisory Opinions may be mentioned that concerning the nationality decrees issued by France in Tunis and Morocco and involving her in a dispute with Great Britain, the Mosul Frontier dispute between Great Britain and Turkey, a question of the extent of the jurisdiction of the European Danube Commission, and a number of disputes between Poland and Germany, Czechoslovakia and Danzig respectively. In fact, Poland has been one of the Court's best customers.

Many of these questions were, or were capable of becoming, first-class international disputes. Each time one of them goes to the Court it becomes more difficult for the next one not to go. In fact, the existence of the Court is a standing temptation to litigate, and though litigiousness is a tendency to be deprecated, one can tolerate a good deal of it in the present state of international society, when one of the chief needs is the habit of the resort to law instead of the appeal to an uncontrolled national discretion and, in the last resort, to force.

But more important than the revision of the Statute of the Court has been the opportunity—natural and free from sensation—which it has afforded to the United States to make yet another approach towards joining the Court. To understand this desire, almost amounting to a craving, of the United States to join the Court one must recall the fact that that country is the pioneer in the movement of a World Court, and that it is probably true to say that but for the efforts of American statesmen, notably Woodrow Wilson and Elihu Root, there would be no Court to-day. Continually faced with the analogy of the Supreme Court, which has during a century and a half exercised compulsory jurisdiction over a number of originally sovereign and independent States now numbering forty-eight, it is not surprising that practical American thinkers should have made one attempt after another to create a Supreme World Court. At The Hague Peace Conference in 1899 the American Delegation submitted a plan for an international tribunal which, after modification, produced the so-called Permanent Court of Arbitration—so-called because it is truly neither permanent nor a court, but a panel of arbitrators from whom the parties may make their selection; still this Court has done useful work, and will continue to exist side by side with the Permanent Court of International Justice until the United States joins the latter Court. Then in 1907, at the Second Hague Peace Conference, the American Delegation propounded a scheme for a "Permanent Court of Arbitral Justice," a scheme which, however, came to grief owing to the impossibility of satisfying the small Powers as to the method of electing judges. Finally, in 1920, when the Council of the League, in pursuance of Article 14 of the Covenant, appointed a Committee of Jurists to draft the Statute of a World Court,—it was ex-Senator Elihu Root, who, as a member of that Commission, produced, in conjunction with the late Lord Phillimore, the now famous "Root-Phillimore Plan" for the contemporaneous but separate election of judges by the two organs of the League, namely, by the Assembly, where a small Power counts the same as a big one, and by the Council, where five great Powers have permanent seats. This plan surmounted the obstacle of 1907, and has worked excellently. But the irony was that the wave of feeling in the United States which kept them out of the League also kept them out of the World Court which they had done so much to make possible. As a matter of law it has always been open to them as a State mentioned in the Annex to the Covenant to adhere to the Statute of the Court, but a special difficulty stands in the way which calls for explanation.

Article 14 enables the Council of the League to request the Court to give an Advisory Opinion. Feeling in the United States has been deeply suspicious lest that power should result in the political dependence of the Court upon the League and in the Court becoming involved in League politics, though an examination of the Advisory Opinions and the action taken upon them should quickly dispel that feeling. Americans have argued that the Court was the backdoor to the League, and that having once entered by that door they would soon find themselves in the League. Now it is commonly assumed, though it has never been authoritatively decided, that the Council must be unanimous in requesting an Advisory Opinion from the Court. Therefore in 1926, when the United States made a move towards the Court and tabled the conditions upon which they were prepared to join it, their fifth condition required that the Court should not "without the consent of the United States entertain any request for an Advisory Opinion touching any dispute or question in which the United States has *or claims* an interest." This was too much, and the States members of the Court had no course consistent with self-respect but to reject this condition.

Last month, however, ex-Senator Elihu Root, one of the most venerable of the American Elder Statesmen, journeyed to Geneva to confer with the Committee of Jurists there assembled for the revision of the Court's Statute. Eventually that Committee adopted the text, prepared by ex-Senator Root and Sir Cecil Hurst, of a Draft Protocol for the Adhesion of the United States to the Court, which deals with the awkward question of Advisory Opinions as follows: the United States shall be informed whenever a proposal for requesting an Advisory Opinion comes before the Council or the Assembly of the League, and thereupon, if desired, an exchange of views, with the Council or the Assembly, shall take place on the question whether an interest of the United States is affected thereby. If the United States consider themselves to have an interest and wish to object, "there shall be attributed to an objection of the United States the same force and effect as attach to a vote against asking for the opinion by a member of the League of Nations in the Council or in the Assembly"—a provision which is perhaps intentionally obscure because it has never yet been definitely decided whether one member alone of the Council or the Assembly can veto a request for an Advisory Opinion. If, however, it is impossible to overcome the American objections to the request for an Advisory Opinion, the United States may, in accordance with another clause in the Draft Protocol, withdraw from the Court, and the withdrawal will "follow naturally without any imputation of unfriendliness or unwillingness to co-operate generally for peace and goodwill." It is generally anticipated that this concordat will be accepted during the coming summer by the United States and the States members of the Court, and that thereupon the United States will become a member.

THE HOFF CASE.

In December* last Mr Justice Wright, after a seven weeks' trial, delivered a very remarkable judgment in an action brought against an insurance company and certain Lloyds underwriters by a family of Latvian financiers of the name of Hoff. The Hoffs' claim was for £430,000; it was based on the theft of certificates for 43,000 shares; if it was a swindle, it was the biggest swindle ever attempted on any British insurance policy; and it cost a very large sum to resist. Mr Justice Wright decided (*a*) that it was a fraud and (*b*) that even if the loss had been genuine the claim would have failed for non-disclosure of material fact. The Hoffs appealed, and on Monday last lost their case again in the Court of Appeal. The facts are striking and some of the lessons of the case well worth rubbing in. Here are the facts in brief.

In 1925, a firm of Lloyds brokers were asked to take out cover on unnamed shares to be carried from Reval to London, and provisional cover was arranged accordingly. The order was given by an English firm styled the Trading Co. L. & J. Hoff, and shortly after the cover was done the brokers received definite advices from the Trading Co. to prepare a policy on 43,000 shares in the Première Société de Chemins de Fer Russes valued at £430,000. The instructions were followed, and a valued insurance on the basis of £10 per share was completed. After a brief delay the underwriters learned that the shares had been despatched in charge of

* *The Economist* of 22 December, 1928, p. 1157

one of the Hoff brothers, by name Elias—who had taken them with him by a night train to Kovno and been robbed of them while he slept—with a resulting claim for £430,000.

As soon as the underwriters' representatives began to look into this loss they made the most interesting discoveries. They found that the company whose shares had been stolen was not a railway company in the sense that it owned a line or an engine or a truck, but a company that had been formed to press on certain of the new Baltic Governments a claim for an old Russian railway system which had been disintegrated by the war and the revolution. It had no assets of any kind except this claim, which was itself a vapourish and shadowy thing, and of all the Governments on which the claim had been pressed one, and one only, had given any signs of recognising its validity or meeting it in cash. This one Government, the Government of Esthonia, had, after long negotiations, agreed to pay the company for its rights a sum equivalent to about 7s. 6d. per share of its capital. That the Hoffs had hoped to extract more than 7s. 6d. was certain, but when they insured the shares they knew that their hopes had gone awry and that nothing but a telescopic lens of miraculous power could make the value look anything like £10.

It appeared, too, that Elias, who carried the shares, must have been a man of most remarkable carelessness and the thief who stole them from him a man of quite remarkable skill. Elias, taking the certificates with him in a trunk weighing one hundredweight, and being seen off on the midnight train by his brother and an old family lawyer, and being warned by them that he must be very careful, and, above all, not fall asleep, proceeded on his journey, left the door of his compartment unlatched and dropped for a few pregnant moments into an uneasy slumber. The moments, from the known times, must have been very few and the sleep was light; but the thief, happening on him in the one quarter of an hour in which the theft was even conceivably possible, entered the compartment, removed the hundredweight trunk, ransacked the pockets of a coat lying on the seat, and "having done everything but kiss Elias good-night," walked off with his hundredweight of swag; and the shares (except for a bundle or two found on the line) were never seen again—nor on this side of Jordan are they likely to be.

But while inquiries into the claim were in progress a striking piece of evidence was produced to show that the shares were really worth in the market £10 each. One of the Hoffs approached a London firm of bankers with a view to buying a few shares in this company, and recommended them to try Berlin, where the shares were sometimes to be bought or sold. A letter to a firm in Berlin, whose name was kindly given by the London Hoffs, elicited the fact that certain parties in Berlin were a market, and that, by a happy coincidence, a gentleman had approached the Berlin firm with a view to selling a few shares. What was his price? £10 a share. The chain of evidence seemed complete, more especially as the Hoffs said quite frankly that they had no knowledge of the identity of this Berlin investor. But the chain looked a good deal weaker when the Berlin banker who had been asked to find a buyer for the shares went into the box and swore that his clients, who wanted to sell in Berlin, were respectively a brother and an uncle of the Hoffs who wanted to buy in London, so that whether the sale had or had not gone through the £10 a share would have remained in the family. In this court the evidence of the Berlin banker was probably the culminating point of the case. The Hoffs, in their zeal for corroborative detail, had added one detail too many, and the structure grown too heavy, toppled over and collapsed.

So the case was won by underwriters, who got judgment with costs—and the word costs brings us to one of the most interesting things about the whole case. When a foreigner, who lives outside the jurisdiction of an English court, brings an action in an English court the defendant before the trial begins may ask for security for costs, so that the plaintiff, if he loses, shall not disappear and leave the defendant to whistle for his money. Now the Hoffs themselves are not English, but they brought the action in the name of the Trading Company L. and J. Hoff, a firm registered in England and possessing an office in London, so that the plaintiff was technically English and no security for costs in the first court could be obtained. In this fine old English firm there is only one partner, and he is Mr Jacob Hoff, who prefers (and his preference is not likely to weaken) to live in his native Latvia. It is fortunate for him that this choice of residence is open to him, since there is a petition in bankruptcy here against the Trading Co. L. and J. Hoff, of which he is sole partner, and an English bankruptcy petition, which may be disturbing to an English resident, is of little consequence to "Medes, Parthenites, Elamites and dwellers in Mesopotamia." The firm, in fact, has been very useful to Jacob Hoff, and a tribute must be paid to the cleverness with which a company in this condition has been made to serve his turn. Like the late Mrs Pell, who was "highly connected; her mother's brother, gentleman, failed for eight hundred pound as a law stationer," Jacob Hoff may boast of his high and honourable connection with the trading company, and the underwriters, who have nowhere else to look to for their costs, may solace themselves with the thought that they have given the world another expensive, if involuntary, display of the hospitable welcome accorded to foreign plaintiffs in the law courts of our land.

Notes of the Week.

Mr Baldwin and the Electorate.—It has been aptly said that the strength of Conservatism's hold on a large percentage of the electorate lies in its recognition of the fact that modern democracies are composed to a great extent of essentially "non-political" beings, the more inclined to like a Government, the less they learn of its existence. On this political theory Mr Baldwin appears to be relying,—more heavily, perhaps, than the circumstances of the day warrant confidence. In the past week he has issued two "messages." One is by way of a foreword to an official statement of Conservative policy in regard to education,—an issue discussed in these columns last week. The Prime Minister claims that "the vast plan of advance now projected along the whole of the educational front" is a task to which the Conservative Party have bent themselves in pursuance of the ideal of a "fellowship of the mind," regardless of "class prejudice." The policy which is promised for the future, and which contemplates not only the development of nursery schools and smaller classes (in somewhat vague terms), but a four-years' educational course of "higher education" for all children "if their parents so desire . . . until the age of 15," is in itself commendable. The only question is, could Mr. Baldwin find a Conservative Minister of Education ready to pursue this policy with vigour and enthusiasm. The Prime Minister's other pronouncement, described optimistically as a "Message to Britain," is still less a hostage to future fortune. "We Conservatives are not going to make any rash or spectacular promises; we do not talk of a new world to-morrow. All that we ask is that you should give us an opportunity of carrying on and bringing to completion the great work we have so successfully begun." In support of this plea Mr Baldwin is content to argue that trade is, on the whole, better than when his party last took office; that in the improvement of pensions, the abolition of the tea duty, the De-rating Act, and the reorganisation of electricity supply, the Government has served the country well; and that the "fulfilment of our pledges in the past" should be regarded as "a guarantee that once more we shall keep faith." Having regard to Mr Baldwin's equivocal record with reference to the tariff issue, we suggest that the emphasis laid on "pledges" and "keeping faith" is slightly overdone. For the rest, the Prime Minister's appeal is characteristically addressed to the (doubtless numerous) believers in the creed: "Let well alone, and tolerate the less well, lest worse befall." An electorate, stirred (whether to enthusiasm or alarm) by the *Walkürenritt* of Mr Lloyd George, is offered by Mr Baldwin—a *Wiegenlied*. It may be that the upshot will show that

the calculations of the Conservative Party are correct; that the country has no stomach either for the vague Socialism of Mr MacDonald, or for the more practicable but still definitely adventurous policy of Liberalism; and that " Safety First " is politically the most paying proposition. There is one thing, however, of which we are certain. However great the respect and popular esteem which the personality of Mr Baldwin commands, the chances of his party at the polls have been greatly lessened by his failure to give any assurance that, in the event of a Conservative majority being returned, the Cabinet will be drastically remodelled. Considerations of public interest require that loyalty to colleagues should be discriminating.

Views on the Trade Outlook.—Now that he has to render an account of his stewardship, in common with his colleagues in the Cabinet, it is only natural that the President of the Board of Trade should seek to paint the outlook in its rosiest hues. Up to a point, his recital of the facts in the House of Commons on Monday night was justified, and, indeed, may come as a useful tonic to those who allow the bad spots of the economic position of the country to obsess their minds to the exclusion of the good. His mention, too, of the very valuable routine work of his own department was also timely in showing what is being done by the Government in an unobstrusive way to assist British trade. Where Sir Philip Cunliffe-Lister found himself on weaker ground was possibly in his disposition—which is common to all members of the present Government—to lay the blame for all our troubles on the disturbances of 1926. This use of the general strike and coal stoppage is in danger of being over-worked. Worse still was his argument that " safeguarding " and other duties have not adversely affected exports in the trades directly concerned, for he bases his argument upon the total figures of " safeguarded " and " non-safeguarded " goods, a procedure whose underlying fallacy has been exposed again and again. Still these were probably *debating points*, which Sir Philip felt obliged to make in duty to his colleagues and his party. It is his main thesis that trade is steadily improving that will arouse the most interest in unbiased minds. On this point, it is interesting to compare the official Government view with that of traders and manufacturers themselves, and the appearance this week of the Federation of British Industries' Quarterly " Business Barometer " is opportune. The Federation's view, as given in their trade forecast, is much less hopeful than that of the Government, and, in fact, they say that " during the past quarter nothing has occurred to justify any greater measure of optimism." The evidence adduced by the Federation is far less convincing than that of the Board of Trade. The Federation still fears a further rise in Bank rate, though authoritative financial opinion has now for several weeks abandoned that fear in the absence of unforeseen contingencies. If the Government have painted the picture too bright, the colours used by the Federation of British Industries are too sombre. The truth of the matter is that the Federation's " Business Barometer," ever since its inception some seven years ago, has inclined to take as its text the theory that the banks are the villains of the piece, and that trade and industry are the innocent victims. The argument does not become more convincing through its constant reiteration.

The Disarmament Discussions.—A League correspondent writes:—The Preparatory Disarmament Commission has concluded its session, but not its work, and will probably not meet again until after the September Assembly of the League. This is ostensibly to give time to the principal Naval Powers to reach some measure of detailed understanding before public negotiations are entered upon. The subject has not been treated publicly in any but the most general terms, and it is undoubtedly wise to take no risks by precipitating open discussion before the Powers are ready, despite Mr Litvinoff's engaging invitations to them to do so. Big things depend upon it, but the danger which this session has shown is that too much, if not almost everything, may be sacrificed to naval agreement. No one underestimates its vital importance, and it matters far more to Great Britain in many ways than what may happen to land armaments. But as your leading article so justly pointed out, neglect or indifference with regard to land armaments is a very short-sighted policy for Great Britain or any Power, and it is no use pretending that in this respect the work of this session promises well for the first Disarmament Conference. It is just as well to recognise that Europe emphatically has not yet reached a political stage where it it prepared to consider the problem in any liberal spirit. Germany, through Count Bernstorff, has practically washed her hands of responsibility for the preparatory work, and a very damaging summary of what has so far been done—or not done—was given by Mr Litvinoff this morning in support of his contention that a retrograde movement had been inaugurated. All that can be said is that the Commission has at last come down to realities. Noble professions and perorations have been dropped overboard. States are beginning to say what they will not do. We know where we are. They will not take the system imposed upon Germany as one to be followed by the Powers who were allied against her in the war; they will not give up conscription; they will not limit their trained reserves; they will not substitute the word " reduction " for the word " limitation "; and they will not directly limit material. France's " concessions " to loosen her proposal for control and to give up budget limitation of material in favour of publicity were enthusiastically hailed by Mr Gibson as leading the Governments nearer than they have ever been before to the conclusion of a draft convention. The applause is somewhat *naïve*. The former allied Powers are bargaining between themselves under American leadership. As a matter of fact, there has been no sign of the slightest concession worth while on the part of any military Powers capable of offering it. Well might Lord Cushendun say that, after the first step, there will still be plenty to do. At the same time it is not altogether a bad thing that the air should have been cleared. All the promises have been stripped to the bone. There is room for few remaining illusions about disarmament, and the embitterment of Germany will be serious unless, before the Conference meets, a radical change takes place in the attitude of the top dogs in Europe. No report is to be prepared on the session. The records of the proceedings will, of course, be available, and the subject will come before the Assembly in the form of a chapter of the Secretary-General's report on the work of the League during the year. The Naval Powers are to inform the President of the Commission when they have arrived at a sufficient measure of understanding for the Commission to be summoned for its last meeting, and it seems possible that the first general conference, such as it is, will be held some time next year. It is not considered likely that there will be a separate conference of the Naval Powers.

The Nile Waters Agreement.—Last Saturday, May 4th, the British and Egyptian Governments exchanged notes embodying a comprehensive agreement on the use and control of the waters of the Nile and its branches and tributaries. The two contracting parties, between them, possess political suzerainty or dominion over the greater part of this vast river basin; for the catchment area of the Great Lakes, in which the White Nile rises, is almost wholly contained in the British Protectorate of Uganda, the British Colony of Kenya and the British mandated territory of Tanganyika, while the Sudan, which extends between these territories and the southern parts of Egypt, is under an Anglo-Egyptian condominion. Apart from the western watershed of the Albert and the Edward Nyanzas, which lies in the Belgian Congo, the only important part of the Nile Basin which belongs politically to another Power is the region containing the headwaters of the Blue Nile and the Atbara in Abyssinia. This is, indeed, a vital source of water supply. Roughly, it is the source on which the Sudan is to depend—the waters of the White Nile being allocated mainly to Egypt. But an agreement between Great Britain and Egypt themselves is the first step towards a joint agreement between these two parties and Abyssinia. More important, it is the first step towards a fresh attempt at agreement between the British and Egyptian Governments on the political plane—on which they very nearly achieved the conclusion of a treaty last year. The water settlement helps forward the settlement of political questions because it relieves them of an economic complication which has hitherto made them seem more portentous than they really are in themselves. The water question is, indeed, portentous, for upon it hang the existence of Egypt and the prospects of the Sudan; but it is happily distinguished from the political problem in being non-controversial in essentials. It is agreed on all hands that Egypt, as a " going concern," has an absolute priority claim to sufficient supplies of water for the area at present under cultivation below Wady Halfa. It is also agreed that, as a country with a dense and still rapidly increasing agricultural population, she has a further claim to a sufficient margin of water for bringing under cultivation any additional areas, at present waste, in which irrigation is physically possible. As an almost undeveloped and sparsely populated country, the Sudan must come second. But we hasten to add that there is now no reason to regard the interests of the Sudan and of Egypt as being even potentially in conflict; for it now seems clear that, if and when the entire water supply of the Nile Basin is scientifically conserved and distributed, there will be enough water available for almost unlimited irrigation in the Sudan after providing Egypt with the maximum amount that she can use. When that point is reached the problem will pass from the hydrographical into the demographical domain. Shall we then witness a vast migration of peasantry from a congested Egypt into an empty Sudan?—like that other great migration which, at this moment, is peopling empty Manchuria from crowded Shantung. The Sudan may be the Egyptian Manchuria —with Great Britain there playing the economic political *rôle* of Japan. In that case, the political question will eventually settle itself, for the nation which colonises a country possesses it in the long run. These considerations indicate that the present water agreement will be a very important landmark in Anglo-Egyptian relations.

M Theunis on Tariffs.—Rarely, writes a League correspondent, has there been such straight speaking by a responsible delegate at any League meeting as in the opening speech this morning of M Theunis, former Belgian Prime Minister, as Chairman of the Economic Consultative Committee of the League, whose duty it is to supervise the execution of the resolutions of the Economic Conference in 1927. The events of the past year, he said, had shown a slowing down in the progress achieved since the last meeting. The unilateral or bilateral action of the governments had given less satisfactory results; no important net reduction had been made in customs duties by the governments either by autonomous action or by bilateral conventions, and the main results had been achieved by the plurilateral action provoked by the intervention of the Economic Committee of the League which had gone further than the various national initiatives. The governments ought to have shown, he said, a better understanding of their responsibility and given more definite and effective support to the unanimous resolutions of the Conference which most of them have approved. Nothing had happened which would justify them in thinking that these resolutions required to be modified. They were not the views of visionaries but of practical business men who had no time for idle dreams. The principles of a liberal economic policy proclaimed in Geneva in 1927 and reaffirmed by the Economic Consultative Committee in 1928, had been enunciated with particular clearness and force by the International Chamber of Commerce, which was undoubtedly the organisation best qualified to represent the interests of the business world. Certain States might, perhaps, object to the severity of his criticism and declare that their policy was inspired by the Geneva principles as far as possible, but it was difficult to discuss generalities of this kind. To take an actual case: The Conference for the abolition of import and export prohibitions and restrictions did not come as a surprise; it was attended by official representatives thoroughly conversant with the problem, and a number of very moderate and reasonable results were obtained, but so far only the British and Belgian governments had deposited their ratifications. There were hopes that the convention would secure within the appointed time the eighteen ratifications required, but they could not count with certainty on this result, and now was the psychological moment to urge their views on the governments. If any members of the Committee could give the reasons for the difficulties which apparently prevented their governments from ratifying,—they would be doing a real service. " One thing we cannot agree to," he said, " is that conventions that have been discussed, approved and signed should become dead lettters because they have not been ratified by a sufficient number of governments." Private interests and private advantages must be subordinated to the well-being and the progress of the world at large,—and if that principle were neglected it would lead to disastrous consequences. M Theunis put forward one or two suggestions to the Commission, the most important of which was perhaps that it should consider the division of customs duties into distinct categories, and that tariff policies should definitely not be applied to some of them. It would, perhaps, be well to distinguish between tariffs protecting industries whose existence in a particular country could reasonably be considered as based on normal economic conditions,—and tariffs protecting industries which found no justification in the natural resources or traditions of a country, but whose existence constituted a permanent economic burden on the country. In the same way, an examination of the customs duties in force in Europe would enable them to distinguish those which scarcely served to maintain existing industries within a country, but whose effect was rather to prevent or abolish the consumption of a particular product. It might also be a good thing to condemn especially customs tariffs which had no other aim than to protect essentially exporting industries, with the effect and usually with the purpose of permitting them to organise a system of dumping on the world market, which led in the end to losses which had to be borne by everyone. A special effort should be made to secure the abolition of those duties which were contrary to sound economic policy.

The American Tariff.—Only partial details have so far reached England of the new tariff Bill now before Congress, and so it is as yet impossible to deliver a considered judgment upon the proposals. But to judge from the news so far available, the Bill seems likely to become the centre of an embittered controversy between the farmers and manufacturers. The farmers are complaining that the manufacturers are being given increased protection, and that they themselves are receiving very inadequate compensation for the higher prices that they will have to pay. They are, therefore, reviving their debenture scheme, which in effect is a subsidy on exported wheat, to be financed by the proceeds of the tariff. To the foreign onlooker these and other clashes of rival *interests* that will be provoked by the new Bill are nothing more than a further example of the evils that ultimately lie in wait for the nation that once sets its foot on the slippery slope of the path leading to protection. *Facilis descensus Averno* is a saying which finds more justification in tariff history than in that of any other branch of Government interference with trade. It is true that the proposals, popularly ascribed to President Hoover, to reorganise the constitution of the Tariff Board are understood to represent an attempt to " take the tariff out of politics," but it remains equally true that once a country has abandoned Free Trade fiscal policy and politics become inseparable from each other. Nor can other ingredients be left out of the mixture. For good or for evil, America to-day ranks among the chief creditor nations of the world. Each raising of her tariff wall increases the difficulty her debtors find of discharging their obligations, and it is true to say that so far this difficulty has mainly been overcome by reborrowing from America in the form of private and commercial loans. This process cannot continue indefinitely, and while it last merely postpones and aggravates the final day of reckoning. Sooner or later the American

people will have to learn the lesson that in the long run Europe can only discharge her debts to her giant creditor if that creditor will help her to export her surplus production.

The Tacna-Arica Dispute Settled.—The announcement last week that the Tacna-Arica dispute had been settled means the termination of a diplomatic controversy that has contrived to last out more than 45 years. The settlement, now that we have it, comes as an anticlimax to the immense and abortive diplomatic labours of nearly half a century; for after either Chile or Peru or both had rejected almost every alternative solution that the wit of men could suggest, they have at last precipitately agreed upon the obvious. Peru is to take the Tacna Province, which is the nearer of the two to her, Chile is to take Arica Province; and they have settled this all by themselves, after the controversy had been handled gingerly and vainly by the League of Nations and vigorously, but with no better success, by the United States. The dispute originally arose out of a peace-treaty concluded between Chile and Peru as far back as 1883, under which Chile was to remain in occupation of both these two formerly Peruvian provinces—which she had just conquered in a victorious war—for a period of ten years, whereafter the definitive destiny of the two provinces was to be settled by a plebiscite. That plebiscite was not taken in 1893 and it has never been taken since. Hence these tears; for, as the decades passed, the two parties exchanged their respective policies. The Peruvians, who had been eager for a plebiscite at the date originally laid down, became less keen as, with the passage of years, the Chilean element in the population of the provinces increased and the Chilean Government more and more strengthened its hold. The Peruvians gradually came to base their case upon historic right, while it was now the turn of the Chileans to press for a plebiscite which, in the changed circumstances, they expected to result in their favour and so to gloss over their naked right of conquest with a more respectable title to ownership. In the autumn of 1920, the question of the peace-settlement after the war of 1879-1883 was brought up before the First Assembly of the League of Nations not only by Peru but also by Bolivia, who had likewise lost territory to Chile in that war. (Indeed, Bolivia had suffered more severely than Peru, for the territory taken by Chile from her included the whole of her sea-board.) This reference to the League came to nothing—partly because Bolivia alarmed the Assembly by invoking Article 19 of the Covenant concerning the revision of treaties that have become out of date, but still more because Geneva was afraid of offending the susceptibilities of Washington. Nevertheless, this incident spurred the United States Government to take the matter up; Chile and Peru submitted their dispute to the United States President's arbitration; the arbitrator decreed a plebiscite; and in 1925 a United States plebiscitary commission arrived on the spot—only to come to the conclusion that the behaviour of the Chilean Government in the disputed territory rendered the taking of a fair plebiscite impossible. The plebiscite having fallen through, the United States Government tried direct mediation, but this, too, failed. It was only after all these efforts of third parties had proved abortive that the two parties directly interested have settled the business between themselves. We congratulate them in having put an end to the most bitter international controversy in Latin America.

Berlin and Bombay.—Last week, two of the great cities of the world were thrown out of the ordinary workaday tenor of their busy lives by acts of organised violence, leading to bloodshed. One city was Asiatic, the other European; but in these days the world has become one; and in these simultaneous disturbances at places so far distant from one another, the same morbid symptoms point, under diagnosis, to an identical disease. This disease is the importation of religious fanaticism into the field of modern social relations, in which fanaticism is peculiarly barren and destructive. Of course, our modern industrialism produces social stresses and strains; for industrialism is not so much a condition or a system as a tide in human affairs which demands constant mutual adjustments between individuals and classes as they are carried along in the swirling current of this mighty stream. Thus, our modern civilisation is eminently a process that calls for the civilised virtues: sweet reasonableness, patience, resourcefulness, human kindness, good nature, good will. This is our indispensable psychological atmosphere; and, therefore, when it is replaced by its antithesis, the fanatical temper, the effect upon our social health is far more deleterious than the effect of fanaticism upon cruder and simpler societies. This is the moral of the painful events that have just been happening in Bombay and Berlin. In Bombay, the trouble began with an ordinary industrial strike—a conflict of wills between employers and employed, which cut quite across the religious division between Hindus and Muslims. In itself the strike, though sudden and unexpected, might have yielded to discussion and conciliation. But social tranquility had no sooner been disturbed than the disturbance passed out of the industrial on to the religious plane and transformed itself into communal rioting between Hindus and Muslims on traditional lines. Meanwhile, at Berlin, the demonstrations with which May Day is customarily celebrated by Labour throughout Europe and America were deliberately turned to violence and bloodshed, not by any spontaneous uprising of the Social Democratic masses, who are peaceable and orderly, but by the action of a tiny organised Communist minority, apparently obeying instructions from the headquarters of the Third International at Moscow. The Communist rioting in Berlin and the communal rioting in Bombay are on all fours with each other; for Communism—as the Third International preaches and practises it—is a fanatical religion of the same type as the Hinduism and Islam in whose names men commit murders in India. *Tantum religio potuit suadere malorum.* Fanaticism, animated by this misguided spirit, is responsible for these barbarous and tragic occurrencies both in India and in Germany. And the rest of us cannot afford to be either indifferent or pharisaical; for this spirit is the supreme danger to the life of the modern world; and no country or people is immune.

Export Credits.—Particulars made available this week of the working of the Export Credits Department, up to the end of last March, indicate that a considerable expansion is taking place in the volume of business transacted. In the first three months of 1929 the face value of policies issued by the department amounted to £1,716,835, as compared with £1,026,479 in the last three months of 1928, and £740,813 in the corresponding quarter a year ago. It is clear that exporters have taken much advantage of the new form of contract which the department instituted last November. Before that date the facilities provided under the Guarantee Scheme sanctioned by Parliament in 1926 enabled traders to cover the risk of non-payment at maturity of bills drawn in connection with the export of British goods on approved customers in all markets except Russia and—in the case of textiles—India and the Far East. Guarantees could be arranged either for a specific transaction or for deliveries up to a stated amount for a forward period (usually six months) in respect to a list of approved names. Such insurance, however, did not constitute an instrument whereby a trader could finance transactions with customers who required credit terms which he was not in a position to provide without special assistance. To meet this need the department introduced, last November, with the close co-operation of the banks, a form of contract by which the exporter is not only covered, up to the limits of the guarantee, against the risk of bad debts, but is given facilities for obtaining, without recourse to himself, advances from his bankers. Already £700,000 of new business is reported to have been arranged under this form of contract. The Balfour Committee, in its final report, expressed apprehension lest the operation of Government schemes for affording financial facilities to overseas trade might lead in other countries to " a concealed subsidy to the disadvantage of British exports." The Committee hoped that the British scheme would not be extended beyond 1931, and that " in the meantime suitable machinery will be established by private enterprise to provide any necessary assistance to trade in the matter of long-term credits." We agree that there are weighty objections to the participation of the State in any form of overseas trade. The report of the expert committee appointed by the Government a few months ago " to suggest any changes in the working of the scheme likely to facilitate transference of the business from Government control " will be welcome if it indicates means for establishing in private hands adequate mechanism for the insurance of export trade credits.

Threatened Cotton Trade Lock-out.—A serious labour situation, writes our Manchester correspondent, has arisen in the Lancashire cotton industry, and at the end of last week, at a mass meeting of the members of the Master Spinners' Federation, it was decided to post lock-out notices at the mills, to be effective on May 18th. The situation has arisen as a result of a dispute at the Alma Mill, Oldham. Early this year this mill was stopped for several weeks. When it reopened the management announced that the wage rates, although according to the list, would be reduced compared with the previous payments. The card room operatives came out on strike, without the usual joint conferences between the employers' association and the trade union officials. The Masters' Federation considered this action to be a breach of the existing agreements, and as the card room operatives refused to return to the mill this strong action has been taken by the federated employers. It is important to point out that the Oldham Card Room Association has been requested by the Card Room Operatives' Amalgation to instruct their members to return to work, but the local association has refused to do so. The trouble is undoubtedly partly due to personal animosities amongst the trade union officials. Although at the time of writing no further attempt has been made to settle the dispute the position of affairs has had no effect upon the market. There is confidence that a way out of the difficulty will be found without its being necessary for the employers to carry out their threat. It may be pointed out that nearly 600 mills are involved and if the worst happens about 160,000 operatives will be affected. It is said in some quarters that action of this kind by the Masters' Federation should not be necessary on a simple dispute, but it is most important that the agreements between the trade unions and the employers for settling disputes should be observed by all parties, and undoubtedly the workpeople at the Alma Mill, Oldham, were in the wrong when they came out on strike before the usual joint conferences both locally and centrally had been held.

Lancashire Cotton Corporation.—Our Manchester correspondent writes: " At the beginning of this week Sir Kenneth Stewart, the Chairman of the Lancashire Cotton Corporation, Limited, issued an important statement on the work of the Corporation. The officials have prepared a combined balance sheet of the first 200 cotton mills that have been presented to the Corporation for analysis. These 200 mills comprise 19,750,034 mule equivalent spindles and 24,358 looms. These companies have a paid-up ordinary share capital of £28,239,608. The amount due to secured and unsecured creditors is £28,890,933, making a total of £57,130,541. Uncalled capital amounts to approximately £10,000,000. It is pointed out that to pay interest at 6 per cent. on the amount owing to creditors a sum of £1,733,456 per annum would be required and the earning of this amount would not reduce the debt at all, and the shareholders' position would not be improved. If these 200 mills were combined in the Lancashire Cotton Corporation, Limited, they would appear in the balance sheet after the uncalled capital is paid up as follows:—Liabilities: 5½ per cent. income debentures, £12,548,768; 6 per cent. preference shares, £383,311; ordinary shares, £13,212,923; and deferred shares, £2,371,617, making a total of £28,516,619. The assets would be: Mill valuations (fixed stock), £20,991,245; stocks, &c., (other assets), £4,759,842, and cash, £2,765,532, or a total of £28,516,619. A yearly profit sufficient to pay present interest on mills indebtedness (£1,733,456) would find the Corporation in a position to pay income debentures at 5½ per cent., £690,100; sinking fund at 2 per cent., £251,000; preference shares at 6 per cent., £23,000; and ordinary shares at about 6 per cent., £769,356. In order to attain its objects the Corporation intends to pursue two main lines of policy: (1) Savings to be effected by the reorganisation of mills into a single unit; and (2) The seeking of business which has been lost to Lancashire in order to assist in bringing about full time running. The Corporation proposes to effect savings by (1) The standardisation of products and the reorganisation of qualities so that single types or ranges of yarns are allotted to single full-time running mills; (2) the concentration of purchases and sales through a single well financed unit; (3) the avoidance of all duplication of work; and (4) the elimination of uneconomic machinery. It is estimated that these savings, which will arise from the bulk buying of raw cotton and mill stores, economies in salaries and fees, centralised control of selling and administration, standardisation of qualities and control of waste products, will result in an additional profit of £7,000 per 100,000 spindles. The statement published by Sir Kenneth Stewart has been much discussed in trade circles. Some surprise has been expressed that the Corporation expects to effect savings equal to £7,000 per annum per 100,000 spindles. This means a decrease in yarn production costs of about ½d. per lb. It should be pointed out that the majority of mills are losing money to-day equal to this amount. On Tuesday last at a meeting in Manchester of the Bolton Master Cotton Spinners' Association it was decided to abandon short-time working in the mills. Organised curtailment of production in this Egyptian branch of the industry to the extent of one-third began in the middle of February and has continued for twelve weeks. The restriction of output has resulted in stocks being reduced, but it is doubtful whether spinners have been able to improve prices. It is recognised that short time may bring relief if fairly drastic for a limited period, but if maintained for any length of time this kind of action seems to lose its effect as the market has a way of adjusting itself to the changed conditions." Comment on the financial aspect of the statement is offered in an Investment Note in this issue.

A New International Silk Cartel.—Our Paris correspondent writes:—It is reported here that several of the principal companies engaged in the production of artificial silk by the acetate process are on the point of concluding an international agreement on somewhat similar lines to those entered into by the European steel cartel and other industrial combines. The firms interested are reported to include the Glanzstoff, Courtauld, Snia Viscosa, Enka, Tubize and Soie de Chatillon companies. A conference between the representatives of the various concerns is to take place very shortly in Paris. It is understood that the negotiations are already much further advanced than those which are taking place with similar objects in connection with the principal firms engaged in the viscose industry.

Canadian Preference. — Our Ottawa correspondent writes:—The Canadian Government, under pressure from a Progressive member, has now made public the greater part of the correspondence between itself on the one hand and Sir William Clark, the British High Commissioner, and the Federation of British Industries, on the other, on the subject of the recent change in the Canadian Customs regulations which increase the percentage of Empire labour and materials required in goods seeking the benefit of the British preferential rates, from 25 to 50 per cent. The documents reveal that a controversial exchange of letters has been proceeding for the last four months. Sir William Clark's letters draw attention to the serious effect which the new regulations will have upon the exports to Canada of various British manufactures whose raw materials cannot be procured in Britain, and at the same time exceed in value half the cost of the finished article. He asks in his letters for substantial modifications of the regulations to avert such handicaps being imposed, and suggests that the Canadian Government should follow the

example of the administrations of Australia and New Zealand, which, when they imposed parallel regulations, later permitted exemption lists for the benefit of British manufacturers who could not comply with them, and were faced with the prospect of losing the preference. Sir William Clark also asks the Canadian Government to suspend the operation of the new regulations until April 1 or May 1, in order that British exporters might at least have time to adjust themselves to the new conditions. The Federation of British Industries makes an even stronger protest, and in one letter the blunt assertion is made that the new regulations, instead of benefiting British trade with Canada, as its sponsors had suggested, would do serious damage to it. In its replies the Canadian Government makes the usual formal promise of sympathetic consideration for the British requests. It, however, points out that the 50 per cent. labour and material required under the new regulations can have their origin anywhere in the British Empire, and need not necessarily come from Great Britain. It suggests that Sir William Clark should provide it with a detailed list of such British exports as cannot meet the new requirements, and promises that when these data are available sympathetic consideration will be given to the plea for modification. Accordingly it has now been arranged that the Canadian Trade Commissioner in London and his subordinates shall make an investigation on the spot into the merits of the British representations, and the Government will be guided by their report. Meanwhile, it is being subjected to strong pressure by various papers and interests in Canada who dislike the new regulations and feel that they are merely a device for the augmentation of the protection previously accorded to certain Canadian domestic industries. The Western Progressives are attacking them on this score, and intend to press for the cancellation in Parliament.

Canadian National Railways.—The report of the Canadian National Railway system for the year 1928 reveals encouraging features. Gross revenue from railway operations increased from $248,716,374 in 1927 to $276,631,921 last year, an advance of 11.2 per cent. Although rather fewer passengers were carried, passenger receipts were higher; but the chief increase of earnings arose from freight traffic, which advanced from 6,304,155 tons in 1927 to 6,813,493 tons in 1928. This great increase was to a large extent due to the heavy Western crop of the last two years, and to weather conditions, which brought an abnormal proportion of two years' crops to the terminal elevators in 1928. This, of course, cannot be expected as a regular feature, so it is satisfactory that of the 70 groups of commodities carried 55 increased and only 15 diminished. Pulpwood and wood pulp were conspicuous in the classes which showed a falling-off. Operating expenditure advanced by only 7.3 per cent., thanks to consistent economy, and so net earnings increased from $45,400,690 to $58,383,577. From this fall to be deducted certain miscellaneous charges amounting to approximately $5 million; then some $8 million of non-operating income must be added, bringing gross income up to $61,454,750. The chief charge to be paid is over $75 million of interest on funded and unfunded debt and on Dominion Government advances; the net deficit becomes $24,730,410, compared with $31,576,193 in 1927, and after certain appropriations have been made the debit balance carried forward is increased from $444 million to $477 million. Over $33 million, therefore, still lie between the actual situation and a net profit. It must be remembered, however, that the advantage to the Dominion Government is not to be measured by the $39 million which had to be voted in the 1928 Appropriation Accounts for National Railway purposes. The railways do a great service in connection with colonisation and temporary immigration at harvest time, 40,120 permanent European settlers being carried in 1928, and the advantage to the country of an efficient railway system is by no means proportioned to its profits. The efficiency of the Canadian National system is being steadily improved. Maintenance expenditure increased by $8.2 million in the year, while considerable betterments were undertaken, notably the modernisation of the Point St. Charles locomotive shops, the installation of automatic signals on certain double-track main line sections, and the putting into service of a Diesel-electric locomotive of greater power than any hitherto developed. An appreciable saving has been effected by substituting motor-car service for 78,260 miles of steam service. Given a continuance of active economic conditions, a gradual reduction in the deficit should be in prospect.

The Bank of Greece.—At the first ordinary general meeting of the Bank of Greece, a full report of which appears on a later page, the Governor, M Alex. N. Diomede, gave an exhaustive survey of the initial history of the bank and of the progress made in the financial and economic recovery of the country. The part of his speech dealing with the bank's own affairs included one or two very valuable comments upon the duty and practice of a modern and especially of a new Central Bank. His own bank, during the period May 14th to December 31, 1928, bought gold and gold exchange to the value of £9,421,997, and sold them to the value of £8,742,224, leaving a surplus on the year of £679,773. This, he claimed, proved that transactions between Greece and foreign countries resulted in a credit balance, though he was careful to add that this result was partly due to the influx of foreign capital. On this last point he made a comment which applies to many other countries besides Greece. He said "It should also not be forgotten that an important percentage of our external debt is now in the hands of Greek residents. The annual service of this debt, amounting to £4,670,000, appears only on the debit side of our accounts, whereas an important percentage of it is imported and spent in the country." In other words, the apparent size of a country's foreign debt, and equally of its investments abroad, rarely corresponds with reality. M Diomede's review of Greek public finance was also of interest, though in his comparison of the pre-war and current national debt he made no reference to the scaling-down of the burden that must have followed the revaluation of the drachma. Still, his insistence that dead-weight debt had been replaced by productive debt was timely, especially as he followed it by a defence of a vigorous sinking fund policy. Finally, reference must be made to his discussion of recent Greek budgets. Here, too, he contrasted plainly the evils arising from a succession of unbalanced budgets with the rewards of sound National Finance.

Shipping Freight Index Number.—Further weakness occurred last month in whole-cargo shipping freights, our Index Number recording a decline of 3.5 per cent., following a fall of 3.8 per cent. in March. The general "tramp" freight level, thus calculated, is now over 12 per cent. lower than at the end of last year. The recent movements of the various groups in the Index are summarised below:—

AVERAGE 1898–1913 = 100.

	Average 1913.	April, 1928.	Feb., 1929.	March, 1929.	April, 1929.
European waters	110·0	101·6	122·7	123·8	117·7
North America	113·1	103·7	125·1	122·7	120·5
South America	123·4	106·6	121·5	118·5	118·4
India	106·3	105·8	117·4	112·2	106·3
Far East and Pacific	117·4	116·2	122·0	118·3	114·7
Australia	127·9	126·4	136·2	121·1	113·9
Total	116·3	110·0	124·1	119·4	115·3

The River Plate grain trade again provided the bulk of last month's business. Apart from this market, cereal shipments were restricted by instability in grain prices, North American demand for tonnage being disappointing. Eastern chartering was extremely dull. Outward coal freights were a shade lower to South America and the Mediterranean, and declined sharply in the Home Trade. The month's changes in the Index of each Group and Sub-group are shown in the following table, the figure

100 representing in each case the average rate during the basic period 1898-1913:—

	Index Number.	Inc. or Dec. Points.		Index Number.	Inc. or Dec. Points
Home Trade ...	97·9	−14·9	S. America—Outwards	88·6	− 0·3
Bay—Outwards	132·1	−3·7	S. America—Homewards	148·2	...
Bay—Homewards	135·5	...	India—Outwards	115·8	− 2·1
Mediterranean—Outwards ...	135·1	− 3·2	India—Homewards	96·9	− 9·6
Mediterranean—Homewards	107·9	+ 0·4	Far East, &c.	114·7	− 3·6
North America	120·5	− 2·2	Australia.....	113·9	− 7·2

Expressed as a percentage of the average for 1913, the total figure of our Index Number for April works out at 99.1, as compared with 102.6 in March, and 94.6 a year ago.

Germany's Chemical Trade.—German imports of chemicals and allied products in 1928 were of value £25,000,000, and exports were £62,000,000, the balance of excess exports being 10 per cent. greater than in 1927 and much above 1913. This is largely due to development of synthetic fertiliser output, which has now reached 4,000,000 tons per annum, or 800,000 tons actual nitrogen (assuming average nitrogen content to be 20 per cent.). Of this total some 2,500,000 tons is used at home, mainly in agriculture, and remainder exported. Despite this huge total of synthetic exports, German imports of Chilean nitrate rose from 26,000 tons in two preceding years to 114,000 tons in 1928, owing to lower prices and a more intensive Chilean sales campaign in which the advantages of iodine in the Chilean product were loudly proclaimed. Potash production and export also increased in bulk but not in value, export being 560,000 tons in terms of K_2O out of a total output of 1,400,000 tons, chiefly as kainite, mixed fertiliser, potassium sulphate and chloride. Numerous by-products of potash industry, such as Glauber salts (sodium sulphate), magnesium salts, and bromine were also exported. Coal-tar dyes now take second place on export list, totalling 47,311 tons in 1928 as compared with 110,000 tons in 1913. Here are some details of exports:—

TABLE 1.
GERMAN EXPORTS OF SYNTHETIC FERTILISER
(in 1,000 metric tons).

	1926.	1927.	1928.
Ammonium sulphate	464·1	669·1	837·2
Calcium nitrate and urea	126·1	268·5	395·6
Ammonium chloride	24·1	25·5	35·6
Sodium nitrate	27·9	60·3	32·4
Potassium nitrate	13·1	21·2	23·2
Nitrophoska, &c.	5·5	15·7	46·5
Nitric acid	17·2	28·7	31·1
Ammonium nitrate	11·0	13·9	12·7
Ammonium carbonate, nitrites, calc. cyanamide, cyanides	12·7	9·0	11·0

TABLE 2.
GERMAN EXPORTS OF COALTAR DYES
(in metric tons).

	1926.	1927.	1928.
Aniline dyes	21,168	29,735	30,651
Alizarin dyes	2,502	3,088	2,180
Alizarin red	499	975	2,357
Indigo	12,432	14,301	11,970
Indigo carmine	541	704	153

Home demand remains constant at about 30,000 tons. Exports of pharmaceuticals, sulphuric acid and soda ash show little change. Exports of synthetic methanol (methyl alcohol), acetone and formaldehyde declined to 12,563 tons, and synthetic acetic acid remained at about 8,500 tons.

The Sub-normal Child.—At the Conference of the Central Association for Mental Welfare, Lord Eustace Percy delivered himself concerning the recent report of the Mental Deficiency Committee, a joint committee of the Board of Education and the Board of Control. This body, which was set up by Sir George Newman, the Chief Medical Officer of the Board of Education, took the view that the real criterion of mental deficiency is a social and not an educational one, and that a mentally defective person is one who, by reason of incomplete mental development, is incapable of independent social adaptation. A special investigation led the committee to the conclusion that the actual number of mentally deficient children is far greater than the number ascertained and certified by local education authorities. Besides 35,000 children educationally but not socially defective, there were found to be about 150,000 children below the age of 16 who were mentally defective within the meaning of Section 55 of the Education Act. The committee concluded that the existing system made too rigid a division between certifiable and other children for it to be capable of treating adequately the innumerable grades of deficiency between the normal child and the lunatic. They therefore made a number of important recommendations, including these: That educable mentally deficient children and dull or backward children should be treated as a single "retarded" group, for whom provision should be made within the public elementary school system; and that the requirement that a particular child should be certified as mentally deficient by the local education authority before he can be provided with the type of education he requires should be abolished. The connection between mental deficiency and crime, and the duty of education authorities to prevent crime by proper treatment of sub-normal children, was recognised by the committee in a recommendation that the local education authority should be consulted whenever a child or young offender is brought before the court and becomes liable to be sent to a reformatory or industrial school, and that such children should undergo a special medical and psychological examination. After urging all education authorities to devote themselves to the problems of mental deficiency, the committee strongly emphasised the need for further research and investigation. The speech of the President of the Board of Education concerning their report was conspicuously undecided. He commended the work of the committee, endorsed their view of the importance of the problem, and of the need for more individual treatment, but the reports of his speech contain no suggestion of definite approval even of the general outline of the recommendations. Lord Eustace Percy did at least promise that if he were returned to office he would pay every attention to the problem of the mentally defective child, and certainly few more important tasks could be found for the next President of the Board of Education.

A public lecture on "The City and the Bank of England" will be given at the London School of Economics on Thursday, May 16th, at 5 p.m., by Dr Georg Tugendhat. The chair will be taken by Professor T. E. Gregory.

INSURANCE NOTES.

Commercial Union Assurance.—The pruning-knife has again been severely applied to the premium income, not only in the fire department, but on this occasion also in the accident department. The curtailment of fire premium income in 1927 was officially stated to be the result of a reorganisation of the American business, and the further reduction in 1928 is presumably due to the same cause. At any rate, the result is that the fire premiums have fallen from £8,020,000 to £7,500,000, and accident premiums have fallen from £9,255,000 to £8,760,000. The detailed results of the underwriting for the past two years are set out below:—

	1927. Amount. £	1927. % of Prems.	1928. Amount. £	1928. % of Prems.
Fire	802,151	10·0	552,365	7·3
Accident	218,657	2·4	399,327	4·5
Marine	100,000	16·9	100,000	15·7
Life:—				
Commercial Union	17,262		28,088	
Union Life Fund	5,000		5,000	
Hand in Hand Fund	20,000		20,000	
Sinking Fund	34,000		5,000	
	1,197,070		1,109,780	
Less items debited to profit and loss account	297,220		286,902	
Total net trading surplus	899,850		822,878	

It will be observed that the fire profit shows a considerable diminution in 1928, although the results are better than in either of the years 1925 or 1926. The result of the accident department, on the other hand, is very satisfactory, considering the difficult conditions prevailing in the motor-car section, which is now the largest contributor to this account. Of the total premiums of £8,760,000 in this account, £5,900,000 was written direct by the Commercial Union's subsidiary, the Ocean. After deducting debenture interest, the net interest earnings in 1928 amounted to £987,777, compared with £895,479 in 1927. The dividend has on this occasion been declared subject to tax, and works out at 41 per cent. for 1928, compared with 55 per cent. free of tax in 1927. The cost has risen from £1,070,850 to £1,176,231. The yield on Commercial Union shares at their present price of £26½ is £3 17s. per cent. on dividend, but £5 18s. per cent. on total 1928 earnings. In the Commercial Union life department, new life policies were issued for total net sums assured amounting to £4,105,082, compared with £3,959,942 in 1927, and the fund now amounts to £16,094,818.

North British and Mercantile Insurance.—One of the largest composite offices, transacting a world-wide business, the North British is also one of the strongest and most successful. Like other similar institutions it has acquired, from time to time, a number of other subsidiary companies, the principal of which are the Railway Passengers, the Fine Art and General and the Ocean Marine. The fire business is transacted direct by the parent company, the accident and general business by the Railway Passengers and Fine Art and General, and the marine business by the Ocean Marine. The fire profit earned in 1927 was a record for the company, being equal to 11.7 per cent. of the premium income, and although this has not been repeated last year, the actual result, viz., 10.7 per cent. is still extremely good, and as it has been earned on a premium income greater by £236,000 than in the preceding year, the amount of profit works out at much the same. The fire department is the largest department, the premium income of £4,549,000 being responsible for 70 per cent. of the total. The detailed underwriting results for the last two years are set out below:—

	1927. Profit. £	% of Prems.	1928. Profit. £	% of Prems.
Fire	503,226	11·7	486,030	10·7
Accident and General—				
(Railway Passengers)	118,980	10·7	111,381	9·6
(Fine Art and General)	57,767	14·9	37,183	9·3
Marine (Ocean Marine)	25,000	6·0	25,000	6·1
Annuities	35,000		35,000	
Total	739,973		694,594	
Less written off business acquired	100,000		...	
Other items debited to P. and L.	157,464		174,530	
Total net trading surplus	482,509		520,064	

The total net interest earnings, after allowing for cost of the preference dividend, rose by £45,000 to £464,000, and, although the dividend has been raised from 76 per cent. to 84 per cent., the increased cost is still just within the interest earnings. Adding together the total net trading surplus and the net interest earnings, it will be seen that, although a dividend of 84 per cent. is paid, the actual rate earned was 178 per cent. The margin, which was added to free surplus resources, amounts to as much as 15s. per share. In addition to the fire and general business, there is also, of course, a very large life department, with a fund amounting at the end of last year to just under £24,000,000. The new business written in 1928, amounting to £4,257,232, was some £45,000 smaller than in 1927, but the difference is more than accounted for by the reduced amount received in single premiums. The expense ratio of the life department last year was 15.2 per cent., compared with 14.7 per cent. in 1927, and the net rate of interest earned worked out at £4 10s. 9d. per cent., compared with £4 12s. 11d. per cent.

Alliance Assurance.—For many years now the fire department of the Alliance has been characterised by the unusually high rate of profit earned. The company has the advantage of an exceptionally fine connection in home business, particularly in the London area, and since it transacts no business in America it is relieved from all anxiety in that direction. The final results of 1928, compared with those of the preceding year, are affected largely by the fact that, on the one hand, the fire profit last year fell to 21.9 per cent. from 25.9 per cent., and, on the other hand, that a large contribution was derived from the result of the quinquennial valuation of the life department current series. The details of the last two years' results are set out below:—

	1927. Amount. £	% of Prems.	1928. Amount. £	% of Prems.
Fire	522,663	25·9	447,361	21·9
Personal accident	2,887	9·2	2,048	5·5
Employers' liability	31,189	13·2	33,668	14·6
Miscellaneous	59,669	8·6	78,134	9·9
Marine	18,559	3·6	7,378	1·3
Life	13,035		177,573	
Sinking fund	Nil		100,000	
Released from War contingencies reserve	70,000		Nil	
Transfer fees, &c.	10,272		11,618	
	728,274		857,780	
Less:—	£	£		
Taxes	72,510	106,654		
Expenses	47,114	56,642		
Widows' & orphans' fund	16,000	16,000		
Office premises	40,210	25,487		
Pension fund	Nil	175,834	250,000	454,783
Total net trading surplus		552,440		402,997

The dividend is maintained at the same rate as for 1927, namely, 18s. per share, and the cost last year was £507,937, compared with interest earnings of £338,074. Thus the Alliance is exceptional in this respect, that a substantial portion of the dividend is paid out of trading surplus, although the general strength of the company's position fully justified this course. It will be seen that practically the whole of the contributions to profit and loss account in respect of the quinquennial profits of the life and sinking fund departments have been appropriated partly for the existing widows' and orphans' fund, but more particularly for the purpose of inaugurating a staff pension fund. Hitherto it is understood that the practice of the company has been to include the cost of pensions amongst its expenses, but it is presumably intended to regularise the position by creating a proper pension fund for meeting all these charges. With regard to the life department, the year 1928, being the closing year of the quinquennium, witnessed a large increase in the amount of new business, the amount having risen from £2,465,190 to £2,992,678. The life fund of the current series now amounts to £14,221,000, but in addition to this there are three funds amounting in the aggregate to over £6 million belonging to closed funds of offices acquired by the Alliance in the past. A valuation has been made of the current series on a basis which is stated to be more stringent than formerly, and the results of this compared with the corresponding figures five years earlier, are set out below.

	1919-1923. £	1924-1928. £
Surplus earned during the quinquennium	1,336,884	1,884,218
Brought forward	183,481	272,476
	1,520,365	2,156,694
Allocations:—		
To bonuses to policyholders	1,077,420	1,598,161
To shareholders	170,469	177,573
To carried forward to next quinquennium	272,476	380,960
	1,520,365	2,156,694

The increased allocation to policyholders has permitted of a larger reversionary bonus amounting to 42s. per cent. compound per annum, compared with 34s. per cent. compound per annum five years ago, but it is clear from the figures that even this increasing rate is conservative.

Royal Exchange Assurance.—In the years 1926 and 1927 the losses in the marine department cost the corporation no less than £467,000. The 1928 report shows that the premium income has been curtailed, and that the fund is now in a comparatively strong position at over 125 per cent. of the premium income. There was a further loss in this department in 1928, but it is of small dimensions, viz., £16,000, and represents only the interest revenue left in the account. The life department report shows that this department continues to make satisfactory progress, the new assurances completed during the year having increased by £270,000 to £2,496,000. The average sum assured under the new policies written was £750, and this is an indication that the class of business transacted is satisfactory, particularly bearing in mind the fact that the figures are not swollen by large single premium policies. The trustee and executor department is evidently in a flourishing condition. The Royal Exchange was a pioneer in the transaction of trustee business, and the department was established some 25 years ago. It is stated that the total of capital in hand and under administration by that department, both in debenture and private trusts, now amounts to over £93,000,000. The total underwriting results for the last two years are set out below:—

	1927. Profit. £	% of Premiums. %	1928. Profit. £	% of Premiums. %
Fire	178,272	10·4	111,951	6·4
General Accident	28,061	2·7	34,758	3·0
Marine	− 170,981	−26·2	− 15,892	− 2·7
Trustee and Executor	12,178	...	15,121	...
Life	15,087	...	15,087	...
Annuity	8,248	...	8,248	...
Sinking fund	1,311	...	1,311	...
	£72,176	...	£170,584	...
Less items debited to profit and loss a/c	£70,916	...	£81,940	...
Total net trading surplus	£1,260	...	£88,644	...

The dividend has been maintained at 27 per cent. for the third year in succession, but the cost, owing to the issue of fresh capital to finance the purchase of the Motor Union, has increased from £172,000 to £184,000, but is still comfortably within the total interest earnings. The new issue of capital referred to above was made at a premium which produced for reserve the sum of £868,000. This amount has been applied to writing down the holdings of affiliated companies, which are now for the first time shown as a separate item in the accounts. The subsidiary companies of the Royal Exchange are:—The Car and General, the State, the Motor Union, and two small concerns, viz., the National Provincial and the Local Government Guarantee Society. It is interesting to calculate the total yield to the Royal Exchange last year on these investments, which stand in the balance sheet at £2,056,000. Assuming that the 1927 dividends of the two smallest societies are repeated in 1928, and allowing for the fact that the Motor Union has paid no dividend in 1928, the return to the Royal Exchange on its investments in subsidiary companies works out at 3.8 per cent. per annum.

Equitable Life Assurance.—The accounts for 1928 disclose a further large expansion in new life assurance business transacted, the amount having risen from £818,323 to £1,002,328. Two other specialised classes of business have, however, produced smaller totals last year than formerly, namely, the Sinking Fund account and the Annuity account. In 1927 new sinking fund policies were issued for the large total of £469,823, but last year the corresponding figure was only £110,652. As regards annuities, there were issued last year deferred and contingent annuities for amounts totalling £41,859, compared with more than double in the preceding year, namely £84,069. It is interesting to observe how quickly this branch of the Society's business has grown. According to the Board of Trade Returns, the amount of deferred and contingent annuities in force advanced from £37,660 per annum at the end of 1921 to £164,638 at the end of 1926. Thus the total existing at the end of 1926 has been very nearly doubled in the succeeding two years. It is understood that the Society has greatly developed this class of business recently, and has secured a large accession of policies in connection with various staff insurance schemes. The expenses of management considered as a percentage of the premium income worked out last year at 6.87 per cent., compared with 6.47 per cent. in 1927, these exceptionally low figures being due to the well-known policy of the Society of pay-no commission. The net rate of interest earned on the whole of the Society's funds, including reversions and the holding in subsidiary reversionary companies, which stand in the balance sheet at a figure of £1,462,000, equal to 21 per cent. of the total assets, was in 1928 £4 13s. per cent. net of income tax and in 1927 £4 9s. 4d. per cent. net of income tax.

Motor Union Insurance.—Following upon a year in which the results were far from favourable, it is pleasing to observe an all-round improvement in the 1928 report. Not only are the trading profits much better, but the balance sheet also has been re-cast and re-modelled. The greatest improvement has occurred, fortunately, in the company's most important department, namely, the motor and general department, where the premium income has risen from £1,495,000 to £1,631,000, and a profit of 2.4 per cent. of the premiums is shown, compared with a loss of 1.6 per cent. of the premiums. The experience in this department has fluctuated within very wide limits recently. The underwriting profits have worked out at 5.8 per cent. in 1925, 1.5 per cent. in 1926, a loss of 1.6 per cent. in 1927 and a profit last year of 2.4 per cent. The most unfavourable feature in 1927 was in the marine account, which required support to the extent of £154,000. On this occasion the premium income has been drastically reduced from £270,000 to only £65,000, and as nothing has been transferred to profit and loss account, the fund is now in a much stronger position. Detailed results of the last two years are set out below:—

	1927. Amount. £	% of Premiums. %	1928. Amount. £	% of Premiums. %
Fire	3,375	1·2	2,099	·8
Accident	2,334	6·3	5,031	13·1
Employers' liability	11,529	26·4	4,475	9·1
Motor & General	− 22,767	1·6	39,651	2·4
Marine	− 153,952	−56·9	...	...
Life	...	...	276	...
	− 159,481	...	51,532	...
Add sundry items	619	...	2,020	...
Total net trading surplus	− 158,862	...	53,552	...
Net interest earnings	36,494	...	42,496	...
Net increase in surplus assets	− 122,368	...	96,048	...

No dividend has been paid in either of the last two years. Before that a dividend of 50 per cent. had been paid, but this distribution, since it absorbed nearly twice the amount of interest earnings, and in view of unsatisfactory trading results, was scarcely justified. The share capital of the company is now held by the Royal Exchange. The balance sheet is presented in a much improved form, showing the life department separate from the general fund. The shares in associated companies which had hitherto been carried in the balance sheet at a figure much in excess of market value, have been written down from £600,000 to £476,000, practically the whole of the investment reserve fund being employed in the process.

United British Insurance.—Once again this company has produced a very poor report. On this occasion, out of five trading departments, four have yielded a loss in 1928, and the fifth, viz., the Marine Department, which produced a disastrous loss of £123,000 in 1927, has regis-

tered neither a profit nor a loss last year. The detailed underwriting results are set out below:—

	1927. Profit. £	1927. % of Prems.	1928. Profit. £	1928. % of Prems.
Fire	2,893	1·9	— 4,309	— 3·1
Accident	348	8·7	— 477	—11·4
Employers' liability	106	1·1	— 319	— 2·9
Motor and General	— 13,032	— 7·9	— 11,850	— 8·9
Marine	— 122,698	—51·3	Nil	
Life	Nil		32	
Loans written off and recovered	...		30,000	
	— 132,383		13,077	
Add items credited to profit and loss account	5,044		5,093	
Total net trading surplus	— 127,339		18,170	
Add net interest earnings	27,018		22,742	
Total amount available	— 100,321		40,912	
Less—Preference dividend	22,400		22,400	
Ordinary dividend	...		...	
Total net increase in surplus assets	— 122,721		18,512	

It will be remembered that, towards the close of last year, an announcement was made of an arrangement whereby a proportion of the ordinary and preference shares of the United British held by the Motor Union, were purchased by the General Reinsurance Corporation of New York. The purpose of this arrangement was stated to be the transaction of certain classes of insurance business in the United States and Canada in conjunction with this American Company. The 1928 report shows that, presumably as a consequence of this transaction, the Board and the Management have been largely reconstituted and that, in addition to the London Board, there is now an Advisory Board in New York to control the United States Branch. The directors state that since the close of the financial year, the whole of the company's holdings in associated companies, viz., the Motor Union and British Commonwealth, have been disposed of for cash at the figure at which they appear in the balance sheet, viz., £310,111. The name of the purchaser is not disclosed, but since the Motor Union is controlled by the Royal Exchange, it is not unnatural to assume that the Royal Exchange has acquired these shares.

Oversea Correspondence.

UNITED STATES.—MONETARY DEVELOPMENTS —INDUSTRIAL ACTIVITY—CORPORATE EARNINGS—MARKET OUTLOOK.

(FROM OUR CORRESPONDENT.)

NEW YORK, April 26.

WHILE a good deal of concern is felt in financial quarters over the Reparations problem, the sentiment of the public towards speculative markets continues to improve. Obviously people would like to buy shares again, and, in the face of a hardening tendency in the call money market, prices have moved forward in most groups. Recovery in fixed-interest bearing securities also has been noticeable. The call money market is operating at delicate balance and small withdrawals or accretions of funds make wide movements in rates. This week the interior took funds, partly in preparation for end-of-the-month settlements, and the share market again had to pay as high as 12 per cent. for its money. However, time money is easing up somewhat and the long-term outlook is less hazy than it was.

In spite of dear money the public is so impressed with reports of great industrial activity and high earnings that it is not easy to frighten it out of stocks. Although the steel industry usually reaches its peak of operations in late March or early in April, this year it is operating to the limit of its capacity at the end of April. Some falling off in new orders is visible, but only mechanical facilities and labour are holding output down. Not all industries are doing as well, but in view of the generally good barometric nature of the steel trade the increasingly wide uses of steel give assurance that at present our industrial pace is very fast.

Corporate earnings for the first quarter are running largely above those of a year ago, but the percentage of gain is not so great as it was last year compared with 1927. Several leading corporations in basic industries have not, in fact, done quite so well as they did last year. Steel, copper and oil company earnings are uniformly higher, but more irregularity is noticeable in the motor industry. Output of motor cars has risen, but the margin of profit appears to be falling. General Motors reports a drop in net income during the first three months of from $69.4 million last year to $61.9 million. The lower net income was largely due, however, to the charging to operations of the expense of producing an additional model.

United States Steel report will not be published until next week, but it is expected to show that the corporation earned between $5 and $6 a share on its stock. The next largest unit in the steel industry, the Bethlehem Steel Corporation, earned $4.05 a share in the first quarter, as against 94 cents a share in the same period of last year. Both the Steel Corporation and Bethlehem are operating at 100 per cent. capacity. Recently, United States Steel sold to its stockholders $142,000,000 of additional common stock, which, with treasury cash, will be used to retire some $277,000,000 of the corporation's 5 per cent. bonds. Meanwhile, tax refunds covering the war period secured from the Treasury Department, amounting to $26,000,000, have been received. This money has been spent, or is being spent, on improvement to plants and on some additions. Bethelem Steel has just announced an offer of 33⅓ per cent. additional common stock, which shareholders will get at $85 a share. The proceeds, instead of being used to retire bonded debt, will be devoted entirely to plant expansion and improvement. These operations suggest that the fears of a business slump brought on by high money rates, which discourage the raising of capital for expansion and improvement purposes, are perhaps somewhat exaggerated. New capital issues are, nevertheless, growing smaller if anything. This week's public offerings of both bonds and shares fell to around $40,000,000, as compared with $95,000,000 last week. New enterprises rather than existing concerns are feeling the blight of tight money.

Hope of substantial relief cannot, of course, be entertained so long as the share market remains at high levels or advances, and so long as business is running along at such high speed. The modest imports of gold which have come from Germany may have helped slightly, but they have now apparently been cut off. After four weeks of declining brokers' loans, this week's report shows a rise of $67,000,000. This leaves the total reduction since the share market broke so sharply a month ago at only $301,000,000. Since February 6th, when the first Federal Reserve Board warning was issued, there has been a reduction in loans of only $167,000,000. In the same period the reduction in loans on securities of the reporting member banks for the system, estimated to include about 40 per cent. of the banking resources of the country, has amounted to $200,000,000. Commercial loans of the same banks, according to the latest report, April 17th, were up $376,000,000, owing to seasonal credit demands. Member banks also reduced their investments $132,000,000, but the deflationary tactics of the Reserve Banks, which sold $320,000,000 of Government securities and bankers' bills, have made it impossible for the member banks to cut down their borrowings, which are up about $100,000,000. Even this failure to reduce member bank dependence on the Federal Reserve might be regarded as satisfactory from a Reserve Board standpoint if at the same time speculation on the Stock Exchange had been definitely stopped. Prices, however, are firming up again with rising volume of trading and average prices are now within three or four points of the record high level.

The rather novel suggestion of Chairman Charles E. Mitchell, of the National City Bank, that the way to bring about liquidation in the share market was to abolish the income tax on capital gains made no very great stir. It was scarcely expected that Congress would care for the idea, which the demagogues at least would hail as a scheme whereby rich men could sell out and escape a tax on their profits. The law provides that profits on securities held for two years or longer fall under capital gains and are subject to a tax averaging about half the normal and surtax charges on yearly profits. Mr Mitchell argued that large amounts of stocks are held by those who would sell were it not that they shrink from paying the tax. Most people in Wall Street feel, however, that the effect of tax abolition on capital gains, which in any event is quite unlikely for some time to come, would make no appreciable difference to the market.

Farm-relief legislation is making slow progress. Hoover has taken a firm stand again the unsound principle of the "debenture" plan proponents, and it is doubtful if Congress will be able to override his views. At any rate, the wheat market has given up all hopes of any measure which tend to lift prices. Farmers generally have perhaps never taken seriously the promises of the politicians, but traders on the wheat exchanges apparently expected something. Wheat prices have declined until now they are the lowest for this season in five years.

FRANCE.—REPARATIONS—THE YOUNG PLAN —COAL INDUSTRY.

(FROM OUR CORRESPONDENT.)

PARIS, May 8.

DR SCHACHT'S latest proposals, as modified by Mr Owen Young and laid before the Experts' Committee yesterday, have aroused intense interest here, but it is obvious that the French recognise that there is no need for them to express any considered opinion on the new situation until Great Britain, which is much more seriously affected by the changed factors, makes its view officially known. Little doubt is entertained as to what the British reply will be. Moreover, all the evidence available this evening suggests that the new figures are little more acceptable to the French than those of Dr Schacht's original offer. In particular, it is feared that the conditions which the Germans will attach to their new offer will prove to be unsatisfactory. Until late this afternoon Dr Schacht had not communicated to his colleagues the text of his reservations, but some idea of what they will be can be gathered from reading between the lines of the known factors.

On Monday night Mr Owen Young laid before his colleagues the outline of fresh proposals which it was understood he had, although not without considerable difficulty, induced the German delegate to accept in principle, subject to reservations, the nature of which had not, down till late this afternoon, become known to the experts as a whole. What is known is that, under American pressure, Dr Schacht is now willing to increase his offer to 37 annuities, rising from 1,750,000,000 gold marks to 2,360,000,000 marks (giving an average of 2,050 millions a year), of which 650,000,000 marks a year should be free of transfer clause conditions, and (as before) 20 subsequent annuities of 1,700 millions and one of 900 millions. The first series of 37 annuities, it is proposed, shall cover the inter-allied debt payments, plus a balance for their respective war losses, the other 20 annuities being destined solely to meet the balance of inter-allied debts still outstanding as from the 38th year.

The effect of the German-American offer is to reduce the actual present value of the German payments from the 39,500 million marks demanded by the Allied experts to 36,500 millions; in other words, France calculates that as the inter-allied debt annuities may be assumed to remain unaltered, unless the Washington Government thinks fit to reduce its demands, that part of the proposed German payments which would be devoted to compensating the Allied Powers for their actual war losses, would be £150,000,000 (in round figures) less than they have agreed as being the lowest they can accept. This means, so far as this country is concerned, that whereas the French have already reduced their demands for reparations to asking Germany to pay the cost of rebuilding one out of every two houses destroyed as the result of the war, the Germans offer to pay the cost of reconstructing two houses out of every five destroyed.

Even so, on the bulk figures, the new offer which Mr Owen Young appears to have extracted from his German colleagues marks an enormous advance on their previous proposals. On April 17 they offered the Allies 26,000,000,000 marks in full settlement; by May 6 they had been induced to work this up to 36,500,000,000 marks. Just what this offer is worth—quite apart from the fatal fact, from the British point of view, that the new proposals for the distribution of the payments among the Allied Powers discriminate seriously against Great Britain—depends largely on Dr Schacht's as yet undisclosed reservations.

Under the agreement arrived at during the inter-allied financial conference in Paris in 1925 the French share of the annuities payable under the Dawes Plan, included, in addition to sufficient to cover this country's foreign war debt, a sum of 506,000,000 gold marks (or over 3,000,000,000 frs.), which would ensure the extinction in 37 years, of 50,000,000,000 frs. of the French internal debt. Under the present American proposals the money available for internal debt extinction would appear to render it possible to wipe out only 43,500,000,000 frs. of debt. It is stated here that Mr Young is considering certain measures (such as the possibility of taking a supplementary amount from the money earmarked for English and American debt payments) to keep the total available for French internal debt extinction up to the figure fixed in 1925. The new proposals, it is clear, are by no means final ones, particularly in so far as those for the distribution of the annual payments are concerned, and they will be ready for serious discussion only after to-morrow, when it is expected the text of Dr Schacht's reservations will be made known to the rest of the experts.

The British thesis that the sole duty of the experts is to determine the amount of the German debt, and that they have no mandate to discuss and revise the distribution of the annuity payments between the creditor powers, is criticised here as being in contradiction with the attitude hitherto adopted by the British experts on the committee. The memorandum of April 17, signed by the British, French, Italian and Belgian experts, it is argued, was based on the principle laid down at Geneva that the experts should prepare "a complete and definite settlement of the reparations problem," which would cover the determination of the amount to be received by each creditor power. This, the *Temps* claims, in what appears to be a semi-official note published this evening, was recognised by the British delegates in the memorandum of April 17, in which it was agreed to increase slightly the 10 per cent. share attributed to Italy by the Spa Conference, and to lower slightly the 23 per cent. allotted by the same conference to Great Britain.

Coal production figures for March, which are issued this week, indicate a total output of 4,668,722 tons for 26 working days, as against 4,188,468 tons in February (24 days). The average daily extraction in March was 176,666 tons (with a total working force of 296,225), as against 174,152 tons in January (with 297,058 employees), 170,863 tons in January, 1928 (with 316,130), 185,179 tons in January, 1927 (with 333,151) and 136,147

LEGAL & GENERAL
ASSURANCE SOCIETY LIMITED
Established 1836.
SINKING FUND POLICIES
Head Office: 10, FLEET STREET, LONDON, E.C.4.
near Temple Bar.
Assets Exceed - - £20,750,000
General Manager: W. A. WORKMAN, F.I.A.

in 1913 (with 203,208), Alsace-Lorraine pits included. The Nord and Pas de Calais pits in March produced a daily average of 112,140 tons, or 20,843 tons more than in 1913. The output of metallurgical coke by the colliery plants in March exceeded 400,000 tons for the first time in history, the exact total being 411,328 tons, or 155,000 tons more than in 1913. As was expected, the recent increase in wages has been quickly followed in most parts of the country by a rise in selling prices of all categories of the product (industrial coal, coke and briquettes) except domestic fuel, the rise varying between 3 frs. and 5 frs. per ton, according to category. The only exceptions to this general rule are in districts where French combustibles have to compete with English coal, in which case prices are unchanged; and in those regions where Belgian competition has to be met, and where French coal is sufficiently superior to permit of an average rise of from 2 frs. to 3 frs. a ton. Under a recent new law miners' old age pensions have been raised from 3,500 frs. a year to 5,000 frs. To meet the extra charge, coalowners' and miners' contributions have alike been increased by 1 per cent., and the State's quota has been increased from 1 per cent. to 4½ per cent., the Budget charge thus incurred being increased from 30,000,000 frs. a year to 135,000,000 frs. This extra money is to be obtained from taxpayers by an increase in the tax on production or imports of coal.

GERMANY.—REICHSBANK—MONEY AND CAPITAL—NEW FEDERAL LOAN—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, May 7.

THE advance to 7½ per cent. of the Reichsbank's discount rate on April 25th had no immediate effect upon the exchange situation. The drain upon the Bank's reserves continued up to the end of the month, and, though no later return has appeared, continued, it seems, into the new month. This week the exchange market is quieter. The week began with the official dollar rate at 4,217, as against a maximum since the crisis began of 4,218, and to-day the rate dropped sharply to 2.145. Last week sales of marks for no other motive than fear took place. This year, up to the end of April, the Reichsbank has lost 894 million marks from its gold and legal-cover exchange reserves, and a further 325 million marks, according to report, from its free exchange holdings. The gold reserve has fallen heavily. At the end of 1928 it was 2,623 million marks; at the end of April this year 1,891 million marks. The loss of gold this year was equivalent to almost the whole accumulation (864 million marks) of 1928. The ratio of reserves to circulation has heavily fallen. Circulation at the end of January, immediately before the Bank's intervention in support of the mark began, was 4,454 million marks; at the end of April 4,631 million marks; the reserve ratio (to the reichsmark issue only) declined from 64.64 to 43 per cent. and nearly touched the legal minimum of 40 per cent. In the first weeks of May, unless the drain on the reserves continues, the ratio will probably rise as a result of the decline in circulation which normally takes place in the first three weeks of the month. The Reichsbank's position gives no cause for anxiety. The fear of a new inflation, which seems to have misled many mark-sellers, is unfounded. Under the provisions of the Bank law the normal effect of any drain threatening the 40 per cent. reserve margin would be to reduce the circulation; so that not inflation but a deflation crisis, with undesirable reactions on business activity, is the worst to be feared. Apparently a limitation upon the absolute volume of re-discount credits, such as was tried after the currency reform, is not intended; but already the Bank has made a beginning by requiring its branches to submit bills presented for re-discount to severer scrutiny, to resist any attempts to raise mark credits for the purpose of buying exchange, and to discourage or reject bills with a long time to run. There is no confirmation of New York reports of pending international action "for support of the reichsmark." The suggestion is made that the Reichsbank might go below the 40 per cent. cover limit.. Under Article 29 of the Bank Law of August, 1924, this may be authorised by resolution of the Bank General Council on the proposal of the managing board. In such case, the Bank has to pay to the Republic in respect of the deficit in the reserves a note tax, which begins at 3 per cent. and is progressive. The discount rate must not be below 5 per cent., and must be raised by at least one-third of the percentage of the tax. It is hoped that the Bank will not take any such step. Although there is no prospect of any considerable foreign loans coming in, it is believed that the situation will improve. The passivity of the foreign-trade balance, one cause of the exchange demand, is declining. The import surplus in the first quarter (Reparation deliveries in kind omitted) was 470 million marks as against 1,007 million marks in the same quarter of 1928. A settlement in Paris, whether through its moral effect upon panicky currency speculators or through reduction of the immediate annuities and transfers, would certainly have a good effect. The past month's exchange crisis seems, however, to prove that no transfer protection system can ensure against a serious attack upon the Reichsbank's reserves. In April the Reparation cash transfers were only 87 million marks, and the total transfers in foreign currencies, including services of the 1924 loan, were only 131 million marks. As the Reichsbank in April lost some 800 million marks of gold and exchange, the transfers were only a minor factor in the drain. Had the Transfer Committee, out of concern for the mark's stability, abstained from transferring the 131 million marks, the demand for exchange for non-Reparation payments might easily have increased by the same 131 million marks or by more. For this would have been needed only a slight intensification of the international trade, capital, and money conditions witnessed in the past few weeks.

The private discount rate was raised on May 3rd to 7½ per cent., which is also the official rate. Month loans have been hard to obtain. The day loan demand has been fully met, at however the very high rate for this part of the month, of 10-11 per cent. Fixed-interest securities are under heavy pressure. In April the average yield at Bourse prices of home loans and bonds of nominal interest varying from 4½ to 10 per cent. rose from 7.9 to 8.5 per cent. This high yield has not been touched for about three years. For well-secured first mortgage loans up to 10½ per cent. is being paid, and for second mortgage loans 13½ per cent. The Government nevertheless announces the impending flotation of a home loan of 500 million marks. The last federal loan, also of 500 million marks, 5 per cent., was floated in early 1927. Although the interest rate was later raised to 6 per cent., and although the Government has invested 100 million marks in intervention purchases, the Bourse quotation cannot be kept above 87½. The issue price of the new loan is unknown. The interest rate, it is believed, will be 7 per cent. The loan will be free from property, income and (to original subscribers) inheritance tax. The effect will be to attract wealthy subscribers, because all the three taxes are progressive—income tax to 40 per cent. The effective interest rate received by a wealthy subscriber would be up to 11-12 per cent. For the Republic, owing to the loss of taxes, the loan will be a very unprofitable transaction. Already many millions of marks are lost annually through exemption of private foreign loans from taxation on the mere ground that private enterprise is in the public interest.

The Cabinet announces an impending reform of the Unemployment Insurance system. The immediate aim is to check certain costly abuses. A general reform will later be put through. The Food Minister is about to submit a Tariff measure. His not very clear statement to the Reichstag indicates that Protection is to be increased. The business situation shows no change. The Deutsche Bank expresses the view that the trade reaction is at an end, but adds that this does not mean that a recovery will soon begin. Unemployed persons drawing insurance pay on April 15th numbered 1,480,000, against 1,984,000 on March 31st. The wholesale-prices index number has again dropped, to 136.1 on May 1st. The cost-of-living index number for April is 153.6, as against 156.5 in March. Bankruptcies in April numbered 906 against 940 in March.

Coal production on the Ruhr is well maintained at around the highest volume of this year, and no shifts are being passed. The home iron and steel market is a little more active. The Stahlwerksverband and its subordinate syndicates will meet on May 16th in order to formulate wishes in regard to the renewal of the International Steel Cartel. It is probable that Germany will demand that her quota shall be re-fixed on basis of her actual (greatly increased) production in the last two years and that the limitation of her export (at present to 330,000 tons a month) shall be removed. The prolongation of the expiring home syndicates is, however, not yet assured. The home Tubes and A-Products syndicates are in danger; and unless these are renewed the Western Steel Trust (Verein. Stahlwerke) will oppose all syndicalisation. In this case Germany could not remain in the International Cartel. The Vulkan Shipyard, of Hamburg, is being scrapped, as part of the Deschimag Co.'s policy of rationalisation and reduction of building capacity. Business in the chemicals industry is reported good, with unemployment considerably lower than the average for all the industries which turn out means of production. The Potash Syndicate's home and foreign sales in the first four months of this year totalled (in pure potash) 654,831 metric tons as against 639,382 tons in the same months of 1928. Russian competition in matches has increased. Figures given in a trade journal indicate that at present about one-fifth of all matches sold in Germany are of Russian manufacture. The present German duty of 50 marks per double-centner, which is about 25 per cent. *ad valorem* is ineffective.

ITALY.—STABILISATION—STOCK EXCHANGE—COMPANY PROFITS—UNEMPLOYMENT—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

TURIN, May 6.

A NEWSPAPER statement that the restriction policy shall be unflinchingly pursued at any cost, and the subsequent more authoritative assurance given by the King in his speech, at the opening of the new Parliament, that the "rate of stabilisation of the lira will be strictly maintained, and that the paper issues will be subject to a drastic and systematic restriction," eliminated rumours which had been current in some industrial and financial circles that the rate of stabilisation would be raised above 92.70. The rumour was absurd; as nothing would be more dangerous to industry and to saving than the fear that the monetary basis of all contracts is not stable. I explained in my last letter that the reduction of issues and of reserves going on in Italy at present is natural and perfectly in accordance with orthodox rules. But some people imagined that the reduction of gold bills reserves meant a net loss for the Bank of Italy and made her task of maintaining the rate of stabilisation more and more difficult. The task would be difficult only if the note issues did not decrease at about the same rate as the reserves; whereas, if both decrease, the process is bound to restore the balance of international payments and put an end to the export of gold bills.

The Stock Exchange, however, took the short view of the matter, and, forgetting the distant and beneficial effects of the policy of joint issues and reserves restriction, looked exclusively at the immediate one, i.e., shortness of money in the Bourses, and sold heavily. The general index number of shares which was, according to the Milan Economy Council, 90.21 at February 23rd, weakened to 87.10 at March 29th, and went down to 82.52 at April 20th.

Bank of Italy shares, which were quoted 2,215 at February 23rd, are down to 1,885 at May 3rd; Banca Commerciale Italiana went down between the same date from 1,462 to 1,371, Snia Viscosa from 111 to 100, Soie de Châtillon from 232 to 213, Montecatini (fertilisers) from 282 to 251, Edison Electric Co. from 950 to 780, Real Estate of Rome (Beni Stabili) from 757 to 638, and Fiat from 619 to 533, after having fallen below the 500 level. The end of April settlement proved somewhat difficult, owing to high differences to be paid by bulls; but no trouble ensued. Markets are now better, because people are beginning to think that stabilisation may be costly at first, but must end in assuring a more stable life to agriculture and industry and more lasting profits even to Stock Exchange operators.

The Joint Stock Companies' Association has compiled, and the Bulletin of the Central Statistical Institute, publishes for the first time a collection of very interesting statistics on the profits of the joint-stock companies in Italy. The number of companies accounted for is 237, and the years from 1925 to 1928 (figures in millions of lire):—

	1925.	1926.	1927.	1928.
Capital	6,779·7	7,500·9	7,995·9	8,510·9
Reserves	1,588·2	2,061·1	2,375·1	2,175·2
Total	8,367·9	9,562·0	10,371·0	10,686·1
Profits	1,019·2	966·8	931·7	1,005·1
Losses	— 2·5	— 7·6	— 58·4	—12·5
Net profits	1,016·7	989·2	873·3	992·6
Percentage of capital	14·99	13·18	10·92	11·66
Percentage of capital and reserves	12·15	10·34	8·42	9·28
Dividends distributed	667·0	784·4	692·9	750·0
Percentage of capital	9·88	10·45	8·66	8·81
Percentage of capital and reserves	7·97	8·20	6·68	7·01

The worst year was 1927, owing to the stabilisation crisis; but, even then, the total losses were only 6.27 per cent. of the profits. The biggest losses in that year fell on the engineering group, with 40.3 million lire out of the total 58.4, and with only 26.4 millions profit for the companies which closed the accounts with a balance on the right side. The next in point of losses was the iron and steel industry, with 8.5 million lire losses, against 11.0 profits; the third was the export and trading companies, with 3.3 millions losses and 3.8 profits. In 1928 the tide was apparently already subsiding. At the top of the list of absolute losses are the iron and steel companies, with 6.5 million lire out of a total loss of 12.5; engineering companies lost only 0.6; export and trading companies 2.7, against 2.6 profits. Agricultural and food companies fared somewhat worse, with 1.7 losses against 1.2 in 1927. Not all the difference between net profits and dividends distributed went to reserves; as various allocations to directors' fees, pension funds for employees, &c., are to be deducted. It would be useful to have the figure of reserves distinguished, but perhaps it would not be as illuminating as in the *Economist's* statistics for Great Britain, because the general rule is to allocate to reserve only the legal proportion fixed in the articles of association. Hidden reserves are usually bigger than the legal one; and they are drawn upon in lean years to maintain dividends. It is possible, and from many points of view it would have been useful, that in 1927 and 1928 hidden reserves had been utilised to some, perhaps not important, degree, in equalising dividends.

The number of unemployed was 461,900 at the end of January, 1929, 489,300 at the end of February, 293,300 at the end of March, against 499,200, 413,400 and 411,800 respectively at the end of the corresponding months of past year. Imports in the first quarter of 1929 were 5,619.3 million lire, against 5,081.1 in the corresponding period of 1928; while exports totalled 3,282.2 against 3,418.5 millions. The adverse balance increased thus from 1,662.6 to 2,337.1 million lire. The increase in the deficit is due not so much to decrease of exports as to increase of imports; and it may be remarked that in the month of March exports, too, increased a little from 1,169 to 1,184.5 million lire. Big increases of imports are signalled in raw textiles, minerals, metals, coal, rubber; so that it can be hoped that exports will also increase in due time.

RUSSIA.—AGRICULTURE—CREDIT—FIVE YEARS' PLAN—INDUSTRY—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

THE long latent political crisis in Russia has recently been aggravated. It is reported that the President of the Council of Commissaries, Rykoff, the editor of the *Pravda* and chief theorist of Bolshevism Bucharin, and the President of the Council of Trade Unions, Tomsky, this month offered to resign. New negotiations between M. Stalin and the "Right Opposition" are believed to have some prospect of success. The Moscow Communist organisation has formally demanded the expulsion from their political offices of the three officials mentioned. The agitation of the big farmers ("kulaks") against the grain-collection system is increasing, and in West Siberia has taken organised and violent forms. Tests made with the winter crops have, according to official report, shown satisfactory conditions, but the area sown is 3 per cent. less than a year ago. The food situation has grown worse. "The regulation of consumption of bread," states an official report, "is extending." In many districts, in particular in West Siberia, sugar, butter, and soap cards have been introduced. Whereas the gross production of agriculture increased 5.4 per cent. in the crops year 1926-27, it fell in 1927-28 by 1 per cent. This year a new increase of 4 per cent. is expected, but the increase will be due to larger production of technical crops.

The currency and credit situation is not promising. The plan for contraction of circulation, which is normal in the first quarter of the calendar year, has not been fulfilled. According to the Plan, circulation was to decline by 150 million roubles; in fact, it declined by 31 million roubles. As circulation must increase in the other three-quarters of the year, this result is unsatisfactory; and the effect, according to M. Piatkoff, of the State Bank, is that the planned supplementary credits to industry and trade in the new quarter will have to be reduced. A chief ground for the unsatisfactory circulation development is the increase of grain prices by 20 per cent. According to the new Five-Years' Plan, circulation will increase by 1932-33 to 3¼ milliard roubles. Retail prices after rising 2.2 per cent. in February, rose again by 3.1 per cent. in March. Officially this rise is attributed to private trading. The agricultural private index (1 in 1913) is put at 3.13, as against 1.92 for "Socialised" trading.

Revenue is coming in normally. The Five-Years' Plan ("maximum" version of the Gosplan) provides for long-term loans totalling 6,000 million roubles, out of which, however, 2,750 million roubles will go on interest, amortisation, and premiums. The Finance Commissariat complains that a very great part of loans (which are often subscribed to under official pressure) is immediately sold by the subscribers. The Five-Years' Plan of economic development has appeared in a "maximal" and in an "initial" version. The maximal version assumes that crops will be normal and that better relations with other countries will bring in long-term loans; the initial version assumes that there will be some serious crop failures and no improvement in relations with international finance. The five years' term is to witness "reconstruction" of industry and trade, whereas in the past five years "restoration" was, it is claimed, accomplished. The underlying principle, as laid down by the Fifteenth Congress of the Communist Party is "industrialisation and strengthening of the Socialised elements." By 1932-33, the Socialised elements in Industry, Trade, and Agriculture will embrace 63.6 per cent. of capital, as against 51.4 per cent. in 1927-28. Socialisation is to be furthered not only by expansion of State industry but also by extension of "Soviet" and "collective" farming. Elaborate measures of mechanisation of farming and of land amelioration are laid down. According to the maximal version 20,300 km. of new railways are to be built. Production of coal is to rise from 35 to 75 million tons; oil from 12 to 22 million tons; pig-iron from under 4 to 10 million tons (maximal version); 64.5 milliard roubles are to be invested (as against 25.1 milliard roubles in the "restoration" five years 1923-24 to 1927-28), whereof 15.6 milliard roubles in industry, 8.1 milliard roubles in electrification, 9.6 milliard roubles in transport, and 24 millard roubles in agriculture; and the total capital value is to rise in the five years from 70,012 million roubles to (maximal version) 128,621 million roubles. If the optimistic expectations upon which the maximal plan is based are not realised, the plan can be carried out in six years instead of in five. The financing of this plan has not yet been worked out in detail, but a report to the Congress of Planning Organs, which puts the total new capital investment, including some 2,000 million roubles for social enterprises at 76 milliard roubles, assumes that Budgets will provide 41 milliard roubles (of which 27 milliard roubles from the Union Budget), that about 6 milliard roubles will be raised by credit, 8 milliards from state insurance, and 17 milliards from the resources (retained profits) of industrial, commercial, and agricultural concerns.

The "rationalisation" of industry is being much advertised, but little progress has been made. The iron and steel production programme is not being fulfilled. In the first five months of the current business year pig-iron production was 1,521,400 metric tons, steel 1,889,100 tons, and rolled goods 1,526,300 tons, increases of 14.6, 9.9 and 8.6 per cent. above the figures of the corresponding months of the last business year. The programme of collection of wood for home use and export will this year, it is affirmed, be realised. The Workmen's and Peasants' Inspectorate has completed a minute investigation into the wood industries, and has decided that this branch lags far behind the general industrial development. Although in 1927-28 export was only 60 per cent. of the pre-war total, no more than 70 per cent. of the home construction demand can be supplied. The proportional share of wood in all exports is, however, increasing, and was 12.2 per cent. in 1927-28, as against 8.6 per cent. in 1925-26. The Baku (Azneft) Trust's oil output in the half-year October-March was 4,050,074 tons, which is a little less than the programme. Exports in this period are to total 6,972 million roubles, imports 6,180 million roubles. By 1932-33 export is to reach 2,047.5 million roubles. Export is to be made less dependent upon agriculture. Import in the last year of the term is to rise to 1,704.7 million roubles. With certain exceptions import of raw materials is to decline in consequence of increased home production.

In the six months October-March the trade balance improved as compared with the same period of the last business year. Export (European frontiers only) was 340.8 million roubles, as against 300.6 million roubles; import 310.5 million roubles, against 352.4 million roubles. Adding the four months of trade over Asiatic frontiers for which statistics have appeared, export was 391.6 million roubles; import 357.8 million roubles; the active balance being 33.8 million roubles, as against a passive balance of 56.3 million roubles in the same months of the preceding business year. There has been some success in replacing grain exports with other goods. Exports other than grain increased by 24 per cent., and exports of goods classified as "industrial" increased by 48.9 per cent. Import of goods for the equipment of industry show a heavy decline. The local "export councils," created for collection and preparation of goods for abroad, are not working well; the Council of Labour and Defence's decision that this work should be forced has been ignored. Many of the councils, complains *Ekonomitcheskaya Zhizn*, "exist only on paper."

AUSTRALIA.—GOVERNMENT RAILWAYS—PUBLIC FINANCE—FALLING CUSTOMS REVENUE—DRIED FRUIT.

(FROM OUR CORRESPONDENT.)

MELBOURNE, April 4.

THE operations of the Government railways in Australia and New Zealand during the 1927-28 financial year, taken in the aggregate, show the effects of the falling off in the Australian wheat harvest in that season, a slight decline in gross revenue being accompanied by increases in working expenses and interest payable, with the result that the net deficit to be met out of taxation amounted to £6,181,509, against £4,875,775 for 1926-27. A comparison of the principal aggregates for Australia and New Zealand for the last three financial years is as follows:—

	1925–26.	1926–27.	1927–28.
	£	£	£
Gross revenue	53,368,621	56,290,533	55,922,128
Working expenses	41,874,938	44,654,359	45,100,386
Net earnings	11,493,683	11,636,174	10,821,742
Interest	15,673,329	16,511,949	17,003,251
Deficit	4,179,646	4,875,775	6,181,509
Capital	342,070,113	359,216,289	368,965,581
Average miles operated	28,264	28,597	28,894

In these figures the gross revenue is exclusive of Treasury subsidies in aid of railway revenue in Victoria and New Zealand. While the gross revenue for 1927-28 shows a decrease of £368,405, the wheat traffic alone showed a net reduction of approximately £600,000 (after allowing for the increase in Western Australia). That expenses continued to increase is partly due to increased rates of wages under awards which the Railway Departments cannot control.

A comparison of the aggregates for Australia and New Zealand for 1927-28, as shown above, with those for 1913-14, shows that during the interval of fourteen years gross revenue increased by £29,991,149 and working expenses by £27,272,998, leaving an increase of £2,718,151 in the net earnings, before meeting interest. As interest is larger by £9,214,062, the final result for 1927-28 is worse than that for 1913-14 by £6,495,911. In 1913-14 the net final result (setting deficits in a few cases against surpluses in other instances) was a surplus of £314,402 for Australia and New Zealand together.

Public finances are receiving rather more attention than usual owing to the manner in which the Customs revenue is flagging. The Commonwealth Budget estimate for 1928-29 was based on the assumption that imports would increase after the decline during 1927-28, but this has not happened, and the revenue from Customs and Excise together for the nine months ended March 31st, £31,151,955, shows a decrease of £1,231,993, as compared with the corresponding period in 1927-28, leaving little or no prospect of the estimate for the twelve months to June 30th being realised. Under these circumstances the feeling in business circles is that closer control should be exercised over expenditure in order to avoid additional direct taxation. Large imports and the consequent expansion of the Customs revenue were the principal reasons for buoyancy in Commonwealth finance a few years ago, but it is now experiencing the reaction, the effect of which falls upon the Commonwealth and not upon the States.

The weather lately has taken a decidedly favourable turn, with rainfall in the Eastern States well suited to wool and wheat growers and dairy farmers. The latest news with regard to the Queensland rainfall of the last few days describes it as the best since 1921. In the wheat-growing States it is hoped that a large area will be placed under crop for the 1929-30 season. In the dairying districts the immediate effect will be to maintain the autumn butter production at a good level for this period of the year.

The Australian dried fruit production for the season is officially estimated at 64,000 tons, of which 51,900 tons will be available for export after providing for local consumption. The exportable quantity includes 10,700 tons currants, 36,100 tons sultanas, and 5,100 tons lexias.

Books and Publications.

THE HISTORY OF BRITISH BANKING.*

THE literature of Political Economy since the war is rich in texts which are of first-class importance for the study of monetary theory, but it is doubtful whether there has yet been published anything which is likely to be so illuminating to the interested reader, and so indispensable to teachers of Economics, as the work which now lies before us. Professor Gregory's "Select Statutes, Documents and Reports relating to British Banking, 1832-1928," is a work which is likely to be for the student of British banking what Stubbs' Charters are for the general historian. It is the first time an attempt has been made to make generally available the materials necessary for a first-hand knowledge of the causes which have made British banking what it is to-day, and Professor Gregory has done the work so well that it is unlikely that it will be necessary to do it again. As its title implies, the material may be grouped under three different headings. First come the main Acts of Parliament which have influenced the development of the British credit system since 1833. Secondly come a series of carefully chosen extracts from evidence given before the various Government inquiries which from time to time have investigated British banking conditions. Lastly come reports from the *Times* and the *Economist* descriptive of the main financial crises of the post-1844 period. The various documents are classified according to subject matter, and then arranged chronologically, the whole being bound together by an elegant and scholarly introduction by the Editor. The only complaint we have against this admirable work is that it is too short. We could have done with more of Lord Overstone. We are not glutted with Vincent Stuckey.

Two reflections are uppermost as we read these fascinating volumes. The first is that progress has been made so far as banking structure is concerned. This, of course, is common knowledge. As one reads these documents it is no less obvious as regards banking theory. The men who laid the foundations of banking theory in this country were great men, but, in some things at least, we have gone beyond them. Monetary science has not stood completely still. This is nowhere more patent than in those departments of theory which involve that obscure and difficult conception, demand for money. As we read the old controversies on this matter, it becomes clear that, in the more complicated constructions of our own day, a reconciling principle has been discovered, which incorporates the core of truth in the contentions of each party. Confront Lord Overstone and the more reasonable of his antagonists with the Marshallian expression for demand for money, with its clear distinction between changes in the number of units demanded at a given price level, and changes in the amount demanded as the price level changes, and much of the occasion for their differences on matters of policy ceases. Here, at any rate, an advance may be registered.

And yet—and this is our second reflection—how much there remains to do. To what a great extent do our present controversies merely repeat in new terms and phrases the controversies of the past. How little do we profit by what has gone before us. It is here that the value of works such as the collection we are discussing becomes most evident. In the past monetary theory has suffered much from its unhistorical character. There has been too little comparison of different doctrines. The child of practical requirements, it has grown up largely in the form of a series of *ad hoc* contributions hastily adapted to particular emergencies, without regard either to the lessons of the past or the continuity of termin ology. In a word, monetary theory is still in much th same state of confusion as was general economic theor before the critical researches of Dr Cannan and others and one of the chief needs of to-day, if progress is to b made and unnecessary dispute avoided, is a searchin collation of the controversies of the past with a view t discovering what is of permanent value and what merely transitory significance in the tradition whic springs from them. In this collection of documents, in his introduction to the new edition of Poole and Ne march, Dr Gregory has made a notable contribution this work of elucidation. May we venture to hope th this contribution will be yet further extended?

* "Select Statutes, Documents and Reports relating to British Banks, 1832-1929." Selected, with an introduction, by T. E. Gregory. Two vols., 21s. net. Vol. I., 10s. 6d.; Vol. II., 12s. 6d. net. (Milford: Oxford University Press.)

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

Principles of Public Finance. By Hugh Dalton. Fifth edition. (London) George Routledge and Sons, Ltd., 68-74 Carter Lane. 5s. net.

The improvements in this edition include the addition of two new chapters on "The Conversion of Public Debts" and "Inter-governmental Debts" respectively, and the provision of an index.

Fixation of Wages in Australia. By George Anderson. (London) Macmillan and Co., St. Martin's Street. 21s. net.

The experience of Australia in state wage regulation is of the greatest interest to the rest of the world, and this very well-documented volume makes it accessible in considerable detail. Part I. deals with the constitution and powers of industrial tribunals; Part II. with the fixation of wages. There are tables of cases and statutes and an excellent index.

Dreiser Looks at Russia. By Theodore Dreiser. (London) Constable, 10-12 Orange Street. 5s. net.

Theodore Dreiser's very extensive travels in Russia were made at the request of the Soviet Government, but he has recorded his disapproval, as well as his approval, with apparent freedom, and the result is a remarkably interesting account of his impressions.

Les Effets Economiques et Sociaux de la Guerre en Grèce. By André Andréades. (London) Oxford University Press, Warwick Square. 8s. 6d. net.

This volume belongs to the Greek series of the Carnegie Endowment Publications. The author, with the collaboration of five other Greek experts, has produced a comprehensive survey of the effects of the war on every aspect of Greek social and economic life.

The Spirit of Conservatism. By Arthur Bryant. (London) Methuen and Co., Limited, 36 Essex Street. 2s. 6d. net.

In the snowstorm of ephemeral expositions of party policy which precedes the General Election, this more serious, though frankly *ex parte*, examination of the historic ideals of conservatism is a welcome change.

Can Lloyd George Do It? By J. M. Keynes and H. D. Henderson. (London) The Nation and Athenæum, 38 Great James Street, Holborn. 6d.

An examination and defence of Mr Lloyd George's pledge.

Heather, Hay, Houses, Heath. By the Author of "Garden First in Land Development." (Bournemouth) A. Sutton and Co., Limited. 2s.

Contains a chapter on chemical manures by Dr. Bernard Dyer.

Guide Formulaire des Services de la Caisse-Contrôle et des Lettres de Crédit. By Charles Penglaou et Stéphane Gagnol. (Paris) Les Presses Universitaires de France, 49 Boulevard Saint-Michel.

A French monograph on the technique and the uses of current accounts. Where national practice varies, the custom or the legal requirements of the principal countries is indicated.

University of Reading. Economic and Financial Results on Five Dairy Farms. By Edgar Thomas and C. H. Blagburn. (Reading) Advisory Agricultural Economist, University of Reading. 1s.

This is the second of the accounting studies of the Department of Agricultural Economics. The results are for the three years, 1924-1927.

Italy To-day. Is Fascism an Economic Success? Edited and Published by Mrs V. M. Crawford, 32 Upper Gloucester Place, London, N.W. 1. 6d. net.

Reprints of letters from the *Scotsman* and the *Observer*. There are also a few tables of official statistics.

Australasian Public Utility Companies. Compiled and published by J. B. Were and Son, 31 Lombard Street, London, E.C.3.

This pamphlet contains the usual information about each company, for the use of investors.

The Stock Exchange Official Intelligence for 1929. Supplementary Index. (London) Spottiswoode, Ballantyne and Co., Limited, 1 New Street, E.C. 4. 2s. 6d.

Official Year Book of the Commonwealth of Australia, 1928. (London) Australia House.

This year book is exceptionally exhaustive and offers a wealth of information. The statistics do not always go beyond 1926, but the majority are complete to the end of 1927.

New Zealand Official Year Book, 1929. (London) New Zealand Government Office, 415 Strand. 7s. 6d.

Contains the usual comprehensive information and statistics on all matters social and economic.

International Cotton Bulletin, April, 1929. (Manchester) International Federation of Master Cotton Spinners' and Manufacturers' Association, 238 Royal Exchange. 5s.

Contains the usual valuable statistics, reports on the state of trade, and accounts of the progress of cotton growing in new countries.

The Journal of Political Economy, April, 1929. (Chicago) University of Chicago Press. (London) Cambridge University Press, Fetter Lane. 4s.

This issue includes articles on: "Agrarian Problems of Modern Japan," by Dorothy J. Orchard; "Integration in the Automobile Industry," by Eva Flügge; and "Sherman Law and Trade Union Activities," by G. W. Terborgh.

The Bankers' Magazine, May, 1929. (London) Waterlow and Sons, Limited, London Wall. 2s. 6d. net.

The special articles in this issue are: "Nationalisation of Banking" by Frank Morris; and "Conversion of the Third War Loan," by E. G. Peake.

The Journal of the Royal Agricultural Society of England. (London) John Murray, Albemarle Street. 15s.

Among a number of articles which are of interest almost exclusively to people connected with agriculture, are two which should have a wider appeal: "Sugar Beet: Position and Outlook," by the Rt Hon Ernest C. Pretyman; and "Forestry and Labour," by the Rt Hon Lord Clinton.

Kyoto University Economic Review, December, 1928. (Tokyo) Published by the University. Sold by Mareizen and Co., Limited.

Among other articles in this issue are: "Specific Progressions in the Inheritance Tax," by Professor M. Kambe; and "A Short History of Social Problems in Japan Before the Restoration."

The Sociological Review, April, 1929. (London) The Leplay House Press, 65 Belgrave Road. 5s.

This number includes: "A Survey of Social Conditions and Problems in Margate"; "Normal and Abnormal Psychology in Relation to Social Welfare"; and "Social Studies in Majorca."

World Trade. (Paris) Journal of the International Chamber of Commerce, 38 Cours Albert 1er. 1s.

This issue includes, among others, the following articles: "China: From Revolution to Reconstruction"; "Collective Action for the Reduction of Customs Tariffs," by Richard Riedl; and "Ten Years of German Commercial Aviation," by Otto Merkel.

Manchester Association of Importers and Exporters. Report for the year ended February, 1929. (Manchester) Published by the Association at National Buildings, St. Mary's Parsonage.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C.2.

League of Nations: Report by the Rt. Hon. Sir Austen Chamberlain, K.G., M.P.; Fifty-Fourth Session of the Council. Cmd. 3314. 3d. net.

Department of Overseas Trade: Economic Conditions in Angola, February, 1929. 1s. net.

Seventy-Sixth Report of the Charity Commissioners for England and Wales in respect of the year 1928. Cmd. 3320. 6d. net.

Documents relating to the Dead Sea Salts Concession. Cmd. 3326. 3d. net.

The Stock Exchange.

ARGENTINA AND THE INVESTOR.

For many decades the financial, economic and political relations of Great Britain and Argentina have been both close and friendly. Argentina's early financial visits to London may be described, indeed, as having afforded a liberal education to Great Britain in the science of foreign lending, and to the New World countries in that of foreign borrowing. Since her achievement of independence in 1816, and more especially since the 'eighties of last century—that halcyon period in Argentine borrowing finance, which terminated in the "bad days" of the 'nineties, with their lasting effects on British banking structure and policy—Argentina has been a magnet for the surplus resources of the older countries. A recent estimate placed the total foreign capital invested in Argentina at about £800,000,000, approximately half of which stood to Great Britain's account, about £85,000,000 to that of France, £70,000,000 to that of the United States, £30,000,000 to that of Holland, and £27,000,000 to that of Belgium, while Italian and Spanish investment was also represented. British capital has played the leading part in the development of the national railway system and of other public utilities. Argentina supplies the United Kingdom with a larger share of her total imports than any other country, British or foreign, except the United States of America. She is the third most influential of the world's purchasers of British merchandise and the largest foreign market for British cotton and woollen goods and railway material, while the River Plate gives employment annually to some 5,000,000 tons of British shipping. The ties between the two countries, incidentally, extend beyond the realm of the material, British traditions in art, literature and sport having found a more congenial atmosphere and influenced the national life to a more decisive extent in Argentina than in any other part of South America.

The investor, reviewing Argentina's economic status and potentialities, is naturally tempted to compare her position with that of the United States. The latter has attained a place of decisive importance in the affairs of the northern half of the American continent which Argentina is in process of asserting in the southern half. Both countries enjoy the indubitable advantages of a temperate climate, vast natural resources and a population of European stock. Both are seats of the republican form of government (though Argentina's constitution is junior to that of the United States by nearly eighty years), in which the energy of a powerful executive frequently, but not invariably, tends to compensate for the more leisurely methods of a separately elected legislabetween the position of the two countries are more crucial than those of similarity. The area of Argentina is little more than one-third of that of the United States, the population less than one-tenth, and the density of fourth. Expressed in relation to the number of inhabiof the United States, but her highway system is markedly inferior, extending to no more than 2.88 kilometres per 1,000 persons, as compared with 40.65 kilometres in the United States—a disadvantage for which an extensive range of natural inland waterways and a *terrain* peculiarly adaptable to cross-country transport do not adequately compensate. The mineral wealth of Argentina, outside the oil industry, is of comparative unimportance. Her manufacturing industries have definitely advanced beyond the embryonic state, particularly during the last few years, but, nevertheless, the prosperity of the Republic has been, and will almost certainly continue to be, based on the production and export of raw material and foodstuffs, a condition reflected in the following comparison of the national trade figures for 1927 with those of the United States:—

	Value of Imports per Head.	Value of Exports per Head.	Distribution of Total Exports. Live Animals.	Food and Drink.	Raw or Partly Manufactured Materials.	Manufactured Goods.	Gold and Silver.
	(U.S. $.)	(U.S. $.)	%	%	%	%	%
Argentina ...	79·85	94·05	0·8	78·5	19·5	1·2	...
United States of America	34·79	39·72	0·1	16·8	40·5	37·4	5·2

Argentina, in short, has not yet reached the same stage of national development or of independence of foreign capital supplies as the United States, and the nature of her resources precludes her from advantageously seeking the position of virtual self-sufficiency characteristic of the United States to-day. Apart from the question of interest payments on her debt, she must always tend, like Great Britain, to rely on intensive foreign trade for the maintenance of her standard of living. Comparison with the United States is best regarded as intriguing but fallacious. One may better arrive at an approximate working idea of the security Argentina offers to the investor by enquiring to what extent she has developed her own "strong suits" during recent years. The following table sets out a number of the figures on which such a judgment may be based:—

ARGENTINE PRODUCTION AND TRADE.

Product.	Units.	Production. Average 1909–14.	1920–21.	1927–28.	Increase (+) or Decrease (−) in 1927–8, as compared with 1909–14.	1920–21
					%	%
Wheat.....	Thous. M. Quintals	40,023	42,493	65,090	+ 64·7	+ 53·4
Maize	,,	48,694	58,530	77,650	+ 59·5	+ 32·6
Cotton.....	M. Quintals	6,375	53,446	220,000	+3350·1	+311·6
Linseed.....	Thous. M. Quintals	7,904	15,242	20,180	+ 155·3	+ 32·4
Sugar-cane ...	,,	22,774	28,571	54,052	+ 137·3	+89·22
Tobacco.....	M. Quintals	57,312	151,320	137,280	+ 139·5	− 9·2
		(1909–13)	*(1920)*	*(1927)*	*(1909–13)*	*(1920)*
Unwashed Wool (net exports)	Thous. M. Quintals	1,448	946	1,490	+ 2·9	+ 57·7

No. in Country.	1914.	1922.	Increase or Decrease, post-war, as compared with pre-war figures.
Cattle	Thous. 25,867	37,065	+43·3
Horses.....	,, 8,324	9,432	+ 13 4
Sheep	,, 43,225	36,209	−16 2

The main security of the investor in Argentine stocks and shares is the exceedingly rapid growth, during recent years, of the national output of those products for which the country is best fitted, and the corresponding increase in the traffic of the railways which move that produce, and in the national income out of which interest and dividend remittances must come. It is this process of economic evolution which is reflected in the 32 per cent. rise in the volume of exports since 1913, and the recent conversion of an "unfavourable" into a "favourable" visible trade balance. A further source of reassurance to the investor is the fact that Argentina's prosperity is not based on the exploitation of a single group of products, which may by one year's failure throw the whole country into the depths of depression. Of the total national exports, cereals accounted for 57½ per cent. in 1927, and 61 per cent. in the first nine months of 1928, meat for 13½ per cent. and 12½ per cent. respectively, hides and leather for 9 per cent. and 8 per cent., and wool for 8 per cent. and quebracho and other forestal products for 2½ per cent. in both periods.

A summary of the recent investment history of a number of representative Argentine stocks and shares is given in the table annexed:—

	Originally issued.	Outstanding.	Middle Prices. 1913.	1921.	1929.	Present Day. Price.	Yield.*
	£'000.	£'000.					£ s. d.
Government, &c.							
5% int. gold, 1907	7,000	4,451	100⅛	73⅞	95	96	5 10 6
5% int. gold, 1909	10,000	6,889	100⅜	85¼	95⅝	95	5 10 3
5% Port of B.A. bonds	4,601	4,023	100⅜	74⅜	96	97	5 8 0
B.A. (prov.) 3½%	11,496	9,240	66¼	41½	62	62	5 18 6
B.A. (prov.) 5%, 1915	2,075	1,537	...	53⅛	88⅞	88	6 7 9
Corporation:							
B.A. (City) 5%	4,960	3,547	96⅛	70½	94	92½	5 13 6
Rosario (City) 4%	1,983	1,859	63⅜	29⅛	62½	59½	6 14 6
Railways (ordinary):							
B.A. & Pacific	10,000	10,000	78⅛	37⅞	99⅜	101½	6 18 0
B.A. Gt. Southern	32,000	32,000	119⅜	56½	108½	107	7 9 6
B.A. Western	17,348	17,348	119	54⅛	96½	93	7 10 6
Central Argentine	28,187	28,187	106⅛	52⅜	97⅞	96	7 5 9
Public Utilities:							
Anglo-Arg. Trams (2nd pref.), £5	3,050	3,050	4⅞	2⅛	3⅜	3⅛	7 17 6
Atlas Light & Power, ord. £1	3,000	3,000	⅜(a)	⅛(a)	1⅛	1⅛	3 15 0
Primitiva Gas, ord., £1	2,339	2,339	6⅜(b)	⅜(c)	1⅜	1⅜	Nil
Rosario Waterworks, ord., £10	500	500	14⅜	8½	16½	16½	4 18 6†
Other Companies:							
Arg. Est. of Bovril (pref. ord. £1)	460	460	⅜(b)	⅛	¾	⅛	9 17 0*d*
Bleckerts Brewery ord. stk.	610	610	126⅜	97½	233⅛	236½	6 6 3
Forestal Land ord. £1	3,709	3,709	2⅜	1½	1⅜	1	7 10 0
Harrods (B.A.), ord. 15s.	3,011	3,011	...	¾	1⅛	1⅛	6 6 9
Arg. Land & Investment, £1	1,027	1,027	1⅛	1⅛	2⅛	2⅞	3 9 6

* Allowing for accrued interest and profit on redemption. † Free of income-tax.
(*a*) Cordoba Light, Power, & Traction. (*b*) 6% participating preference. (*c*) £5 shares.
(*d*) Assuming the full 8% dividend.

The price of practically every security in the list has shown a substantial recovery since the depression of 1921, but comparison of present prices with those of 1913 suggests, in most cases, less satisfactory conclusions. Quotations for all fixed interest stocks, naturally, reflect the rise in interest rates throughout the world since the war. It is uncertain how far investors have been perturbed by the action of the Argentine Government in enforcing a reduction of rates and fares, last year, on two of the most important British-owned railways, by a method the complete legality of which neither company has admitted, but the ordinary shares of all the Argentine railways continue to be regarded as coming within the semi-speculative category, despite the significant enhancement of traffic and net revenues during the last few years.

Argentine stocks, in short, are rated highly among foreign securities, but are not regarded as immune from the risks attaching to even the best investments of their class. Though the increased national production, to which reference has already been made, reflects a real growth in the permanent economic status of the country, and not a mere flash in the pan, an agricultural nation must expect to meet bad as well as good times, arising out of circumstances largely beyond its control, however well its several activities may be "spread." The investor, further, would welcome tangible evidence of an effective endeavour to arrest the growth of the national debt, which was valued some months ago at the equivalent of £344,500,000 (or nearly £32½ per head). of which £96,400,000 represented the external debt of the Central Government, £91,800,000 the internal debt (at December 31, 1927), £39,100,000 the floating debt, £84,500,000 the debts of the provincial Governments, and approximately £20,000,000 the debts of the municipalities. As H.B.M. Commercial Counsellor at Buenos Aires, Mr H. O. Chalkley, pointed out in his report last October, the consolidated debt has been almost doubled in six years, and authority exists for a further 30 per cent. increase. Increased productive activity will both demand and justify fresh imports of capital into the country for some years to come, but that such a pace can be indefinitely maintained without danger is improbable. Holders of Argentine securities, again, would be gratified were the central authorities to succeed in transferring some of the energy, courage and determination shown by the present administration and its immediate predecessor, to Congress and certain of the provincial Governments, so that the former might fulfil its budgetary duties with greater promptitude and efficiency, and the latter avoid all occasion for "Federal intervention" (i.e., the temporary assumption of all the functions of provincial administration by a commissioner appointed at the instance of the National Government) such as was recently deemed necessary in San Juan and Mendoza. The authorities, indeed, are confronted with their full share of formidable problems, among which may be mentioned recurrent labour unrest, particularly in the transport industry and at such centres as Rosario; the slow "natural" growth of the population, and the heavy infantile mortality rate, especially in the northern provinces; dissatisfaction with the system of short-term leases for agricultural land, which is tending to retard the more intensive colonisation of certain districts; and the imperative demand for the construction of a body of trunk and branch "metalled" roads, adequate to the needs of a great trading nation. British investors will follow with sympathy the efforts of all concerned to overcome these difficulties, and thereby to provide a logical conclusion to the progress lately achieved by the country.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET. May 28.	ACCOUNT. May 30.

Though there was no large increase in business, except as regards certain "features" (in which America frequently, though not invariably, was interested), the undertone of the markets was firmer—a symptom the more noteworthy since the present account is of three weeks' duration, pay-day falling on the day of the General Election. The carry-over this week disclosed, as expected, an open position of small dimensions. On the whole the markets are taking their cue from America, and are expected to show little in the way of a genuine accession of activity until the elections are over, though a certain discriminate buying is in progress in some quarters which up to quite recently were staying outside the market.

The leading factors in the gilt-edged market were the unfavourable nature of the latest Reparation proposals, the tighter conditions in the money market, the weakness of the New York exchange and the addition of approximately £2,000,000 to the Bank of England's gold holdings. The net result left quotations generally unchanged in a quiet market not over-well provided with stock. Five per cent. War Loan was firm after going *ex* dividend, but Funding Loan was weak after an early appearance of activity. Indian Loans failed entirely to shake off the dullness of recent weeks, but Dominion and Colonial stocks, when changed, were fractionally higher. The market's reception of the new £12,300,000 Commonwealth conversian issue, to be made at 97, was unenthusiastic.

The volume of dealings in the foreign market was as limited as ever, but sentiment was more cheerful. The decline in Brazilian bonds was arrested, partly as a result of the publicity given to the President's speech. Greek loans continued in demand. The effect of the Reparations news was, paradoxically, increased firmness in German Seven Per Cents. and dullness in French issues. Apart from a slightly easier tendency in Chinese Bonds, Far Eastern descriptions were without interest.

A steadier tone pervaded the Home Railway market, and was not checked by the week's traffic figures, which showed a small gain in revenue as compared with last year on the North-Eastern and Great Western, and a negligible fall on the other two lines. Business was restricted, but informed buying took place of Great Western, which alone of the four groups shows higher aggregate gross receipts for this year than last. Foreign rails were quiet but firm, Brazilians sharing in the recovery of the national Government stocks, while Antofagasta was strong on anticipation of a higher dividend. Argentine traffic returns were good, and fractional rises occurred in all the leading stocks.

After showing a certain firmness on a moderate week-end accumulation of orders, the industrial markets became irregular, but a more confident note was heard as the week progressed, though the volume of business failed markedly to expand. Columbias fluctuated extensively, the market being unwilling to accept the strong rumours of a breakdown in the merger negotiations. Much interest centred in aviation shares, partly on American buying and partly owing to the stimulating effect of the publicity recently given to aviation possibilities in this country. De Havilland were the most active shares, though Imperial Airways and Handley Page preference also recorded appreciable gains. The rise in the latter attracted attention to Rolls Royce, which were in limited supply, while the commercial motor group as a whole came in for increased attention, Leyland being purchased on the high rate of earnings envisaged on the ordinary shares, after the repayment of the remaining preference arrears. Textile shares were firmer, Courtaulds on reports of increased trade demand for rayon, J. and P. Coats on the enhanced bonus declaration. Investment buying of tobaccos was in evidence, Carreras being prominent by reason of the favourable public response to the new "brand" recently put on the market by the company. Cable stocks were steady. The Marconi dividend was in accordance with expectation, and had no effect on quotations. Interest was drawn to electrical shares by the announcement of an offer to purchase the whole "A" and "B" capital of the Shropshire, Worcestershire and Staffordshire at 50s. per share—the market regarding the purchasers as having made a good bargain—and by arrangements for an issue of £1,600,000 by the British Power and Light Corporation, a holding company formed by the Benson group to take over the North Wales and other provincial power concerns. Dunlops improved after going *ex* dividend, the market being impressed by the chairman's defence (described in a later "Investment Note"). Nickels were sold from America. Newspapers were steady, shipping shares rather easier, but iron and steel firmer on the acceptance of the United Steel offer. Bank shares were quiet and irregular, and insurance shares inclined to further dullness.

Raw rubber was stronger on better buying by American consumers, and most of the leading shares were marked up, though actual business remained on a small scale. Tea shares values continued to droop, though better competition characterised the mid-week tea auctions, after a quiet start. The tone of the oil market was good, though business was mainly professional. Trinidad Leaseholds were in demand before the increased interim dividend declaration, and Royal Dutch on the forthcoming extension of the company's activities on the Continent. The Anglo-Persian's labour troubles at Abadan had no effect on the shares. Kaffirs were harder, on a modest recrudescence of interest in Paris and Johannesburg, but Rhodesians were less active, "shop" support being called for in some cases. Tinto was sold from Paris on a decline in copper on the Metal Exchange, but tin shares enjoyed a moderate improvement, the market being impressed by the optimistic case made by the chairman at the Anglo-Oriental meeting, and by the week's recovery in the price of the metal.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The share market is dullish under the blighting influence of 14 per cent. call money and the absence of any present hope of much easing in the rate. Bonds are also weaker, and there has been an advance of ⅛ in the open market rate for bills. The supply of these exceeds the demand, owing partly to the increase in wheat movement with the opening of navigation of the Great Lakes, and partly to the unattractiveness of the old rates in view of the sharp rise in the call market. The money position will probably be a trifle easier by about next week, but June is a month of heavy requirements; subscription to new stock offers totals nearly a billion dollars, and Government financing and mid-month and mid-year settlements in all involve a turnover of close on three thousand millions.

LONDON ACTIVE SECURITIES.

British and Colonial Government Securities.

	Closing Prices May 2.	Closing Prices May 9.	Rise or Fall.		Closing Prices May 2.	Closing Prices May 9.	Rise or Fall.
Conv. Loan 3½%	77⅛	77½	— ⅛	Treasury 5% (B)	99⅛	99⅛	— ⅛
Do. 4½% 1944	98½	98½	...	Canada 4% 1940-60	89	90	+ 1
War Loan 5% 1929-47	100⅞	100⅞	...	S. Africa 5% 1945-75	103	103	...
Consols 2½%	54⅞	54⅛	— ⅛	India 3½%	68	68	...
Do. 4%	86⅛	86⅛	— ⅛	Do. 4½% 1958-68	89½	88½	— ½
Funding 4%	88⅛	88⅛	— ⅛	Australia 5% 1945-75	99	98	— 1
Victory Bonds 4%	92⅞	92⅞	— ⅛	N.S.Wales 5% 1935-55	96	96	...
Local Loans 3%	64	64	...	N. Zealand 5% 1946	103	103	...

Foreign Government Securities.

Japanese 6% (1924)	96½	96⅜	+ ⅛	French 5%	20⅜	20⅛	+ ⅛
Argentine 4% Recisa.	86	86	...	Do. 4% (Brit.)	17⅜	17⅜	+ ⅛
Austrian 6% 1923-43	101⅛	102½	+ ⅜	German 7%	102½	103½	+ 1
Belgian 7%	106½x	107	+ ½	Greek 7% Refugee	100x	100⅛	+ ⅛
Brazil 6½% (1927)	92½	92⅜	+ ⅛	Hungary 7½%	101⅜	102	+ ⅛
Bulgaria 7%	86	86	...	Chili 6%	96½	97⅛	+ 1
China 5% (1912)	45⅛	45	— ⅛	Poland 7%	87⅛	87⅛	...
Czechoslovakia 8%	111	112	+ 1	Mexican 5% (1899)	31	30	— 1
Egypt Unified 4%	82½x	81½	— 1	S. Paulo Coffee 7½%	102	103	+ 1

Corporation Stocks.

L.C.C. 3%	63	62½x	+ ½	Sydney 5½% 1954	98¼	95½x	— ⅛
E. London 5% 1960-70	98	98	...	Berlin 6% Ster.	93	93	...

British and Foreign Railways.

G. Western Ord. Stk.	84	84½	+ ½	Antofagasta Ord. Stk.	99	106½	+ 7½
L.N.E., Def. Stk.	12½	12½	— ⅛	B.A.&Pacific Ord.Stk.	100½	102	+ 1⅛
Do. 5% Pref. Stk.	28½	27½	— ½	B.A.Gt.Sthn.Ord.Stk.	107	107½	+ ⅜
L.M.S. Ord. Stk.	52⅜	52½	— ⅛	B.A.Western,Ord.Stk.	92½	92⅝	+ ⅛
Metropol'an Cons. Stk.	60	59½	— ½	Beira Ord.	1⅛	1⅛	— ⅛
Met. District Ord. Stk.	76	75½	— ½	C. Argentine Ord.Stk.	96½	96½	+ ⅛
Southern Def. Stk.	31⅜	31	— ⅜	Cordoba Ord. Stk.	38½	38½	...
Do. Pref. Ord. Stk.	74⅛	74½	— ⅛	G.W. of Brazil £10	3⅞	3⅞	...
Underground Ord. £1	1⅛	1⅛	+ ⅛	Leopoldina Ord. Stk.	60	60¼	+ ¼
Do. Income Bonds	112	113⅜	+ 1⅜	San Paulo Ord. Stk.	212	205x	— 1
Can. Pacific Com. Stk.	248½	242½	— 6	Utd. Havana Ord. Stk.	39½	40½	+ 1

Banks.

Bank of England Stk.	252	252	...	Nat. Prov. £20,£4pd.	13⅛	13⅛	— ⅛
Barclay B. (£1)	2⅜	2⅜	+ ⅛	Com.Bk of Austr. 10/	1⅛	1⅛	...
Barcl.(Dom. &c.) A £1	1⅜	1⅜	...	Hongk. and S.($125)	133	132	— 1
Lloyds £5, with£1 pd.	3⅛	3⅛	...	St. of S. A.£20,£5 pd.	15⅜	15⅜	...
Midland £1, fully pd.	3⅜	3⅛	— ⅛	W'minster £4, £1 pd.	3⅜	3⅜	...

Insurance.

Alliance £1, fully paid	20⅜	20	— ⅜	N.B.&Merc.£5,£1¼pd.	37½	36½	— 1
Com. Un. £2¼, fully pd.	26½	26½	...	Phœnix £1	14⅜	14⅜	...
Ldn.& Lanc.£5, £1 pd.	31½	30½x	...	Roy.Ln.£1,with10/pd.	8½	8½	...

Coal, Iron and Steel.

Amal. Anthracite (£1)	½	½	...	Guest, Keen (£1)	1⅜	1⅜	...
Babcock, Wilcox (£1)	3½	3⅝	— ⅛	Powell Duffryn (£1)	⅛	1	+ ⅛
Baldwin (4/)	⅛	⅛	...	Stewarts&Lloyds(£1)	1⅞	1⅜	+ ⅛
Bolckow Vaughan (£1)	⅛	⅛	...	Swan, Hunter (£1)	1⅛	1⅛	+ ⅛
Cory, William (£1)	2⅜	2⅛	+ ⅛	Thornycroft, John(£1)	4⅛	4⅛	+ ⅛
Dorman, Long (£1)	⅛	⅜	+ ⅛	Vickers (5/8)	⅜	⅜	...

Textiles.

Bradford Dyers (£1)	2⅛	2⅛	— ⅛	Eng.Sewg.Cotton(£1)	2⅛	2⅛	+ ⅛
Brit.Celanese,Ord.(10/)	1⅜	1⅜	+ ⅛	Fine Cott.Spinn.(£1)	2	2	...
Coats, J. and P. (£1)	3⅛	3⅜	+ ⅛	Listers (£1)	1⅛	1⅜	+ ⅛
Courtaulds	4⅛	4⅛	+ ⅛	Snia Viscosa (200 lire)	1⅛	1⅛	...

Electrical Manufacturing.

Associated Elec. (£1)	2⅛	2⅛x	...	General Electric (£1)	3⅛	2⅜	— ⅛
British Insulated (£1)	4⅜	3½xb	...	Johnson&Phillips(£1)	1⅜	1⅜	— ⅛
Ever Ready (G.B.) (5/)	1⅛	1⅛	— ⅛	Siemens (£1)	1⅜	1⅜	...

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅛	1⅛	+ ⅛	Hydro-Elec. com. stk.	35	35	...
City of London (£1)	1⅜	1⅜	...	Lancashire Elec. (£1)	1⅛	1⅛	...
County of London (£1)	2⅛x	2⅛	...	Newcastle-on-Ty(£1)	1⅛	1⅜	+ ⅛

Gas.

Gas Light & Coke (£1)	⅜	⅜	...	Primitiva (£1)	1⅛	1⅜	+ ⅛
Imp. Continental Stk.	440	450	+ 10	S. Metropolitan Stk.	105½	105	— ½

Telegraphs and Cables.

Eastern Stk.	278½	279½	+ 1	Marconi (£1)	5	5	...
Eastern Exten. (£10)	27⅞	27⅞	+ ⅛	Marconi Marine (£1)	3⅛	3⅛	...
Marconi (10/)	4⅛	4⅛	...	Western Tel. (£10)	27⅛	27⅛	+ ⅛

Motors.

Dennis (1/)	2⅜	2⅜x	...	Morris 7½% Cm.Pf.(£1)	1⅞	1⅞	...
Ford Motors (£1)	3⅜	3⅛	— ⅛	Rover (8/)	⅜	⅜	+ ⅛
Leyland (£1)	2⅜	2⅜	+ ⅛	Singer (£1)	1⅜	1⅜	+ ⅛

Shipping.

Cunard (£1)	1½	1½	...	P. & O. Defd. (£1)	2⅜	2⅜	...
Furness Withy (£1)	1⅜	1⅜	...	Royal Mail Ord. Stk.	69	69	...

Tea and Rubber.

Anglo-Dutch (£1)	1⅜	1½	+ ⅛	London Asiatic (2/)	⅛	¼	+ ⅛
Cons.Tea & Lnds,(£10)	35½	35	— ½	Rubber Trust (£1)	2⅛	2⅛	+ ⅛

Oil.

Anglo-Persian (£1)	4½	4⅝	+ ⅛	Lobitos (£1)	2⅛	2⅛	+ ⅛
Attock (£1)	3⅛	2⅜	— ⅛	Mexican Eagle(£1/0/6)	⅜	⅜	...
Burmah Oil (£1)	4⅛	4⅜	+ ⅛	Royal Dutch (£5)	32⅛	32⅝	+ ⅜
Canadian Eagle no par	⅜	⅜	...	Shell (£1)	4⅜	4⅜	+ ⅛

Miscellaneous.

Aerated Bread (£1)	1⅛	1⅜	— ⅛	Imperial Tobacco(£1)	6½	6½	xd...
Assoc. P. Cement (£1)	1⅜	1⅜	...	Inter. Nickel of Can.	53⅛	53⅜	+ ⅛
Braz. Traction, no par	59x	56½	— 2½	Kreuger & Toll (Kr.100)	34	36⅜	+ 2⅜
Brit.-Am.Tobacco(£1)	6⅛	6⅜	+ ⅛	Lever 7% pref. £1	1⅜	1⅜	...
Carreras, "A" Ord.(£1)	14⅜	15½	+ 1⅛	Lyons (J.) (£1)	5⅛	5⅛	— ⅛
Columbia Graph.(10/)	16⅛	15½x	...	Margarine Union (£1)	4⅛	4⅜	+ ⅛
Crittall (£1)	2⅛	2⅛	— ⅛	Pinchin Johnson (10/)	2⅛	2⅛	— ⅛
Dunlop (5/8)	⅜	1⅜	+ ⅛	Swed.Match,B(kr100)	20⅜	21⅛	+ ⅜
Forestal Land (£1)	1⅞	1⅞	— ⅛	Tate and Lyle (£1)	2⅛	2⅛	— ⅛
Gramophone Co. (£1)	17½	17½	...	Tilling, Thomas (£1)	5⅛	5⅛	+ ⅛
Harrods (£1)	3⅜	3⅜	...	Turner & Newall (£1)	4⅞	5⅛	+ ⅛
Hudson's Bay (£1)	6	5⅞	— ⅛	United Molasses (£1)	6⅛	6⅜	+ ⅛
Imp. Airways(£1 15/p)	1⅞	1⅞	+ ⅛	Vocalion (10/)	2⅜x	2⅛	— ⅛
Imp. Chem., Ord. (£1)	1⅜	1⅜	+ ⅛	Watney Combe Dt.(£1)	3⅛	3⅛	...

Mines.

Anglo-Amer.ofS.A.(£1)	1⅜	2⅛	+ ⅛	Johan. Cons. (£1)	2⅜	2⅜	...
De Beers Def. (£2½)	13⅞	13⅞	+ ⅛	Lake View & Star (4/)	⅜	⅜	...
Brakpan (£1)	4⅞	4⅜	+ ⅛	London Tin (£1)	3⅛	3⅜	+ ⅛
"Chartered" 15/t.p.	1⅜	1⅜	+ ⅛	Rio Tinto (£5)	58⅛x	57½	— 1⅛
Burma Corp. (Rs.10)	⅜	⅜	+ ⅛	Rosa Antelope Cpr. (5/)	2⅛	2⅜	+ ⅛
Bwana M'Kubwa, 5/fp	⅛	⅛	...	Sub Nigel (10/)	1⅛	2	+ ⅛
Central Provinces (£1)	4⅛	4⅛	...	Tanganyika (£1)	3⅛	3⅛	+ ⅛
Geduld (£1)	3⅜	3⅜	+ ⅛	UnionCrp.(12/6)fu.pd.	4⅛	4⅛	+ ⅛

	May 2.	May 9.	Rise or Fall.
4½% Lib. Ln. '33–8	99⅜	99½	− ⅛
3½% Trs.Bs.'46–56	101⅛	101⅛	− ⅛
Ach., Top. San. Fé	200¼	198	− 2¼
New York Central	185	180½	− 4½
Union Pacific	218	219	+ 1
Pennsylvania	80⅜	80⅜	...
Southern Railway	142	140	− 2

	May 2.	May 9.	Rise or Fall.
U.S. Steel	181⅛	179⅛	− 2⅛
General Motors	84	82½	− 1½
Amer. Tel. & Tel.	226	225	− 1
General Electric	253	258½	+ 5½
Victor Talking	170	170	...
Std. Oil of N.J.	58	60⅞	+ 2⅞
Anaconda	144½	138	− 6½

By courtesy of the Standard Statistics Company, Inc., of New York and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926=100):—

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	Apr. 25.	May 2.
342 Industrials	104·7	137·1	132·5	186·4	191·1	194·9	198·8
33 Rails	106·1	128·0	120·5	139·7	140·9	139·5	139·5
35 Utilities	103·3	128·3	128·3	180·6	184·6	206·4	211·0
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	188·6	192·0
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·24%	3·19%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Highest of 1929. (May 4.)	Lowest of 1929. (Feb. 16.)	May 1.	May 2.	May 3.	May 4.	May 6.	May 7.	May 8.
225·4	201·8	220·8	222·1	224·2	225·4	224·0	220·8	222·2

PARIS.

The low yield of French stocks, judged by the profits distributed, should not be taken as precluding necessarily any future rise of quotations. Its bearish influence is really compensated for and outweighed by an encouraging one, namely, the existence of substantial reserves, occasionally visible but more often hidden. These stimulate prices, on the one hand by increasing the intrinsic value of the stock, on the other by developing the expansive power of the business and, consequently, the equity attaching to the shares which represent it. The smallness of the dividends, moreover, does not prevent purchasers from inclining towards the stocks that have been most affected by the reaction of these last months, and this week there was good buying in evidence on behalf of clients, which gave to every quotation an unaccustomed appearance of firmness. Hesitation is still predominant, nevertheless, while the definite issue of the Conference of Experts is being awaited. French Rentes have had a very marked rise, particularly the Five per Cent. of 1920. Bank shares, Péchiney, and Lyonnaise des Eaux made noticeable advances. The Bourse was closed on Ascension Day.

	May 2.	May 8.	Rise or Fall.
3% Perp. Rentes	74·10	74·60	+0·50
5% Rentes, '15–16	100·45	101·20	−0·75
5% Rentes, 1920	120·35	125·00	+4·65
Banq. de France	25,120	25,275	+ 155
Banque de Paris	3,350	3,345	− 5
Crédit Lyonnais	3,150	3,225	+ 75
Nord	2,620	2,590	− 30
Com. Gen. d'Elec.	3,625	3,725	+ 100
Littoral Médit.	1,385	1,405	+ 20

	May 2.	May 8.	Rise or Fall.
Mines de Lens	1,356	1,370	+ 14
Courrières	1,627	1,630	+ 3
Péchiney	3,705	3,840	+ 135
Kuhlmann	1,192	1,216	+ 24
Com. Gen. Trans.	1,285	1,289	+ 4
Suez Canal	25,710	25,845	+ 135
Assur. Gen. Vie	14,100	14,000	− 100
Dollfus. Mieg.	13,200	12,900	− 300
Denain et Anzin	3,375	3,520	+ 145

BERLIN.

The *Frankfurter Zeitung* stocks index for May 3 was 124.56, as compared with 131.95 a month before. What was thought to be an improvement in the outlook for the Paris Conference had a strong influence on the Bourse, and in spite of dear money and an unfavourable Reichsbank return for April 30, the general movement at the end of last and the beginning of this week was an upward one. Leading potash, electrical, steel and coal securities were in demand, and foreign buying of Farbenindustrie was reported. On Tuesday a weak beginning was followed by an all-round rise, with large purchases for London and Paris account, French interest being chiefly directed to potash stocks, whereas on Wednesday the opening was firm, and a general reaction came later. The Bourse was closed on Thursday.

	May 2.	May 8.	Rise or Fall.
Reichsbank	300·38	312·50	+12·12
Deutsche Bank	160·50	162·00	+ 1·50
Disconto Bank	151·75	153·50	+ 1·75
Hamburg-Amer.	122·75	120·25	− 2·50
Nordd.-Lloyd	113·75	113·00	− 0·75
I.G. Farbenindu.	247·00	254·00	+ 7·00
Verein. Glanstff.	439·00	447·00	+ 8·00
Bemberg	338·50	346·00	− 7·50

	May 2.	May 8.	Rise or Fall.
Verein. Stahlke.	91·00	92·25	+ 1·25
Mannes Rohrke.	114·38	117·00	+ 2·62
Allgemne. Elekt.	167·75	171·75	+ 4·00
Siemns. & Halske	369·75	384·75	+15·00
Daimler Benz.	56·00	54·00	− 2·00
Cont. Caoutchuc.	163·63	165·63	+ 2·00
Salzdetfurt. Kali	378·50	385·50	+ 7·00

AMSTERDAM.

The Bourse is showing some signs of recovery, and among industrials especially a cheerful tendency has been observed. Interest centred chiefly on Philips, which showed a sharp advance, with a large volume of transactions. Margarine Unie also was strong, and artificial silks had a better tone, but the Ford issue fell back Tobaccos were irregular, but oils fluctuated little, and rubbers were dull. Sugars weakened, and shipping shares were easier. The money market remained firm, with the private discount rate 5⅛-5⅜ per cent., and the prolongation rate 6 per cent. On Thursday the Bourse was closed.

	May 2.	May 8.	Rise or Fall.
5% Bds. Neth., '18	101⅛	101⅛	− ⅛
4½% Ams. 1913–14	97⅛	98⅛	+ ⅛
Margarine Unie	420⅜	438⅜	+ 18⅛
Neth. Art. Silk	367	370½	+ 3½
Philips El. Lamp.	907½	975½	+ 68
Singkep Tin	285	285	...
Royal Dutch	393⅜	392⅜	− 1
Amst. Rubber	257⅛	263⅛	+ 6

	May 2.	May 8.	Rise or Fall.
Serbadjadi Sm.R.	195	196½	+ 1½
Holl. Amer. Line	65½	63½	− 1½
Navig. Co., Ned.	204½	204	− ½
Vorstenlanden	162½	162½	...
Trading Co., Ams.	636½	629½	− 7
Besoeki	500	500	...
Deli	417½	410½	− 6½
Neth. Trad. Soc.	186½	187	+ ½

INVESTMENT NOTES.

Nitrate Prospects.—In the course of the next few weeks the world's largest producers of nitrogen will announce their schedule of prices for the 1929-30 season, and the British holder of Chilean nitrate company securities will be able to form some idea of the extent to which the industry's prospects are likely to be affected. The quotations of representative securities, despite the recent activity of such shares as Lautaro—largely on American buying—continue to reflect the unfavourable dividend record of the last few years rather than the undoubted improvement in the situation since the interests concerned, through their Association (which is receiving financial assistance from the Chilean Government, and has been strengthened by the adhesion of the Guggenheim interests of America), decided to adopt an energetic "forward" policy. Recent developments on these lines were discussed in the course of an article on Chile's economic position, in the *Economist* of April 27, 1929 (page 930-1). Special interest centres, therefore, in the estimates of world nitrogen production, present and future, which have just been published by Messrs Aikman (London) Limited. The figures are as follows:—

(Thousand Ton of Pure Nitrogen.)

Period (July 1 to June 30).	Production. Synthetic Products. Nitrogen.	Production. Synthetic Products. By-product Ammonia.	Production. Chilean Nitrate of Soda.	Production. Total World Production.	Consumption. Synthetic Products. Nitrogen.	Consumption. Synthetic Products. By-product Ammonia.	Consumption. Chilean Nitrate of Soda.	Consumption. Total World Consumption.
1926–27	735	310	200	1,245	735	310	271	1,316
1927–28	875	390	387	1,652	825	390	389	1,604
1928–29	1,100	405	500	2,005	1,050	405	430	1,885
1929–30	1,430	425	510	2,365	1,330	425	510	2,265
1930–31	1,725	425	530	2,680	1,760	425	530	2,715

The figures suggest a number of important considerations for the investor. The well-informed authority responsible for them estimates that in the season just closing Chile's production will be two and a half times as large as during the "restricted" season, 1926-27. No great increase in effective output is looked for during the next two seasons, but the firm believes that world consumption of Chilean nitrate, which this season has fallen short of the production figure by approximately 70,000 tons, will expand sufficiently next year to absorb the whole output of the industry. The extent of the estimated increase in synthetic nitrogen production, however, is calculated to give shareholders in the companies producing the "natural" product considerable food for thought. Between the present season and the next, an expansion of 30 per cent. is forecast; between 1929-30 and 1930-31, a further expansion of 20 per cent. In consequence, the share of the Chilean product in the world's total production now 25 per cent., will have fallen in two years' time to 19.8 per cent. Messrs Aikman believe that world consumption will increase sufficiently by

1930-31 to absorb the whole of the enhanced production, but whether this process will not involve some further reduction in selling prices—which would automatically involve the Chilean Government in further "assistance"—is an open question. The present position, however, is not unfavourable, deliveries to consumers showing a consistent monthly increase, while the world's visible stocks of nitrogen on June 30 next will, it is believed, represent not much more than two months' supply. Ultimately, the stage may be set for the substitution of co-operation for competition between natural and synthetic producers.

Brazilian Finances and Coffee.—Since the *Economist* dealt with the borrowing status of Brazil in a leading article on February 23rd, there has been a good deal of discussion in the Press with regard to the coffee situation. At the general meeting of the British Bank of South America, Mr R. J. Hose, the president, defended the operations of the San Paulo Coffee Institute on the ground that without it the Brazilian coffee industry would have been reduced to chaos. Mr Hose remarked that it was believed in coffee circles in Brazil and elsewhere that Brazil would continue to supply about 65 per cent. of the world's coffee requirements for some time to come, and that any increase in world production would be absorbed by the expansion of consumption. On that point there would appear to be a conflict of expert opinion. The coffee grown in East Africa and Central America is declared to be steadily improving in quality, and while Brazil produces large crops of low-grade coffee, other producers are offering a better quality at favourable prices. The accumulation of low-grade coffee in Brazil, therefore, is not without its elements of danger. The fact that short crop sequences usually alternate with heavy crops, and result in a temporary reduction of stocks, affords no permanent solution of the problem. Indeed, not a few critics believe that the policy of the San Paulo Coffee Institute will have to be drastically revised. Another, or part of the same, problem is the further shrinkage in the favourable trade balance of Brazil during 1928. Since 1924 the excess of exports over imports has been steadily declining, last year's figure being £6,700,000, as compared with £9,050,000 in 1927 and £26,760,000 in 1924. In view of the heavy interest commitments abroad, which are estimated at £34 million to £35 million a year, this shrinkage in the export surplus is undoubtedly disturbing. The dependence of Brazilian economics upon coffee is emphasised by the fact that 71.5 per cent. of the value of last year's exports was accounted for by coffee shipments. Apart from the trade situation, the Government's finances have shown decided improvement. The President, in his message to the new session of Congress, has stated that the 1928 budget resulted in a surplus of 198,354 contos, against an estimate of 117,000 contos, that the liquidation of the floating debt had been almost completed, that the foreign debt had been reduced by 131,586 contos and internal debt by 79,000 contos, and that the gold cover for the currency stood at 37.51 per cent. The President, however, admitted that after deducting the excess of exports from the "invisible" unfavourable balance, there was still a deficit in the balance of foreign payments of some £17,000,000 but he looked to the investment of fresh foreign capital in the country to meet this deficit. Clearly, as Mr Hose remarked at the meeting of the British Bank of South America, the necessity has become increasingly urgent for Brazil to increase and diversify her exports rather than to be so largely dependent upon coffee.

United Steel Offer Accepted.—Holders of a large majority of the securities of the United Steel Companies and the preference shares of the United Strip and Bar Mills having accepted the offer made by the Austin Friars Trust (particulars of which were given in the *Economist* of April 20th and 27th), the offer will become absolute as at May 20th. The purchase price will be paid on June 1st, while transfer documents will be in the hands of the holders not later than May 30. Holders who have not yet communicated their decision may do so up to May 20th, to which date the original time limit (April 30th) has been extended by the Trust. The percentage of acceptances received by the end of last month was as follows:—

THE UNITED STEEL COMPANIES, LIMITED.

	Per Cent.
"A" Debentures	95·2
"B" Debenture Stock	89·7
"C" Debenture Stock	98·6
Obligations	94·4
Preference shares	87·5
Ordinary shares	91·5

UNITED STRIP AND BAR MILLS, LIMITED.

	Per Cent.
Preference shares	83·3

In view of the size of the majorities in favour of the Trust's terms, many of the minority holders will doubtless decide to take advantage of the extension of the time limit, their position otherwise being an unfavourable one. "A large proportion" of the acceptors will, it is stated, exercise their option to reinvest in the shares of the holding company, which is understood to include other iron and steel interests in addition to United Steel, the scope of the proposed merger having been enlarged since the inception of the scheme. Particulars will, it is hoped, be available by May 20th, and should set at rest the market's curiosity as to what proportion of the United Steel holders have transferred their interests to the new company, how much of the latter's capital (if any) will be offered to the public, and what are the identity and scope of the interests comprised within the merger.

Lancashire Cotton Corporation—Financial Details.—The progress of the negotiations for the setting up of the Lancashire Cotton Corporation, Limited, which is to amalgamate and "rationalise" the activities of a large number of Lancashire mills spinning American cotton, has been described in earlier issues of the *Economist*. The corporation has now published a very full statement of the position, the details of which are summarised by our Manchester correspondent on page 1041. A more convincing case for the corporation's inception could not have been made out. In the absence of some effort on the lines it is proposed to adopt, the financial condition of the companies concerned, taken as a whole, may well be described as hopeless. The 200 mills whose balance sheets have been submitted to the corporation, comprising 19,750,034 mule equivalent spindles (*i.e.*, about half the total "American" spindles in the country) and 24,358 looms, have a paid-up share capital of £28,239,608 (with uncalled capital of approximately £10,000,000), and a total debt, secured and unsecured, of £28,890,933. Since interest on this debt, reckoned at 6 per cent., calls for £1,733,456 a year, and the companies are, in fact, not merely making no profits but losing (on a fair allowance for depreciation) approximately £340,000 per annum, every year sees them sinking deeper into debt to the tune of over £2,000,000. The corporation proposes, ultimately, to have a capital of

OTIS & CO.
Established 1899

Underwriters of Stocks and Bonds

Cleveland New York
Chicago Philadelphia

Members New York Stock Exchange

£28,516,619, including £12,548,768 in 5½ per cent. income debentures, £383,311 in 6 per cent. preference shares, £13,212,923 in ordinary and £2,371,617 in deferred shares. Present shareholders would receive new capital at the rate of about 5s. 4d. in the £, on the average, of which over 4s. would be in income debentures and ordinary shares, and the remainder in deferred shares. The service of the income debentures (including sinking fund) would call for £941,000 each year. Under the existing system (or absence of it) the companies concerned would be required to earn approximately £2¼ million a year for 35 years before the shareholders could look for a dividend. Under the corporation's plan the ordinary shares, given profits of this amount, would receive dividends of 8 per cent. and the deferred of 8¾ per cent. immediately, while after the repayment of the income debentures the ordinary would receive 11½ per cent., and the deferred 28½ per cent. The corporation hopes to achieve increased earnings through economies in operating—such as standardisation of products, concentration of purchases and sales, and elimination of uneconomic machinery,—and through a positive policy of obtaining new business for Lancashire. The corporation's financial plans, as a whole, have been soundly conceived, and it is to be hoped that the individual firms, whose co-operation is essential to the success of the project, will appreciate the gravity of the situation and lend their wholehearted support.

Dunlop Meeting.—At the general meeting of the Dunlop Rubber Co., on May 3, Sir Eric Geddes addressed himself to two questions which have been perplexing the company's shareholders: first, why the Dunlop Rubber Co. had made losses of over £1,500,000 as a result of the sudden abolition of the rubber restriction scheme in April, 1928; and, secondly, why the directors had issued new ordinary shares of 6s. 8d. at 25s. in May, 1928, after the fall in rubber prices had occurred. As regards the first point, Sir Eric Geddes placed the responsibility on the Colonial Office. In July, 1927, the Colonial Secretary announced in the House of Commons that he did not contemplate the withdrawal of the restriction scheme, and that if any change in the scheme were necessary he would endeavour to give as long notice as possible. On October 21 the Colonial Office intimated there would be no change in the existing bases of restriction. These official announcements, Sir Eric declared, left no doubt in the minds of the industry that the Government intended to maintain restriction. On that assumption, he said, "we followed our normal practice of covering a portion of our 1928 requirements, based upon existing contracts for the supply of tyres and upon a conservative estimate of sales. The present board has never purchased rubber in excess of actual requirements, and has never bought and sold rubber on speculative account." After the appointment, early in 1928, of the Government's Committee of Enquiry the company ceased to make any commitments beyond its day-to-day requirements, but the slump of rubber from 1s. 8d. per lb. in January to 9d. per lb. in April, 1928, left it burdened with commitments and with stocks of raw, processed and finished rubber at high prices. The actual reduction in Dunlop profits as a result of this calamity was about £1,700,000, but the various rubber companies in America apparently fared even worse, for the average reduction in the profits of the twelve largest concerns was 96 per cent. As regards the second question, Sir Eric Geddes stated that when the issue of new shares was made in May, 1928, the price of tyres had been fairly steady, and the company was gradually liquidating its high-priced rubber. There was no reason to anticipate an immediate reduction in selling prices, since it was believed that the company's competitors would also endeavour to liquidate their commitments gradually and maintain their prices. Unfortunately, the industry in America reduced tyre prices extensively in June, causing reductions all over the world in the second half of the year. When the issue of new shares was made at 25s. the market price of the old shares was 30s., and this was considered in the circumstances to represent a fair bonus to shareholders. We doubt whether Sir Eric Geddes' answer to the second question will be as convincing as his answer to the first, but it is reassuring to shareholders to learn that with normal conditions restored the company's prospects have greatly improved. The chairman declared that, in spite of competition, the company's sales for 1928 showed an increase, the factories were working at a higher efficiency, and the plantations producing rubber cheaper than ever before, the present f.o.b. prices being 5d. per lb. Sir Eric Geddes referred in particular to the prosperity of the Australian company, which has amalgamated with its largest competitor, and stated that the American company should show a reasonable profit this year. The market in Dunlop shares has strengthened considerably as a result of Sir Eric's speech.

White Star Line.—The White Star Line was formed early in 1927 to acquire the share capital of the Oceanic Steam Navigation Company. Of the purchase price of £7,000,000, £4,650,000 has been paid; the balance is payable in 1936, but may be paid off earlier, in the meantime being subject to interest at 4 per cent., free of tax. A year ago the Australian Commonwealth Line was purchased for the sum of £1,900,000, payable by ten annual instalments. Thirdly, advantage was taken last year of an opportunity to acquire a large block of ordinary shares in the Shaw, Savill and Albion Company, resulting in almost all the ordinary share capital of that company being now held by the White Star Line in conjunction with the Oceanic Steam Navigation Co. The R.M.S.P. Co. in its turn holds the ordinary share capital of the White Star Line and guarantees its preference shares for capital and dividend, a guarantee which may reassure preference shareholders who observe that their dividends are not too liberally covered. Oceanic Steam Navigation had a good year in 1927 and raised its dividend from 5 to 9 per cent. It is disappointing, therefore, to find that its profits fell from £566,452 to £392,720 in 1928, and the 8 per cent. which it paid to the White Star Line was not quite fully earned. But the latter is not so wholly dependent on the Oceanic as it was a year ago. Its own figures are not, of course, directly comparable with the previous results, as this is the first report covering a complete year.

	Period ended Dec. 31, 1927.	Year ended Dec. 31, 1928.
	£	£
Net profits	255,744	328,347
Preference dividends	158,901	260,001
Number of times covered	1·6	1·2
Ordinary dividend (6% less tax)	21,317	48,000
Formation expenses written off	...	31,262
Increase or decrease in carry-forward	+ 75,526	— 10,916

As before, 6 per cent. is paid to the R.M.S.P., and a start has been made towards writing off formation and issue expenses, of which, however, £241,250 is still left in the balance sheet. Thanks to the acquisitions, the valuation of fixed assets has increased from £7,000,000 to £9,810,820, indicating that the Shaw, Savill and Albion shares are included at £910,820. Of the purchase price of the Australian Commonwealth Line, £250,000 had evidently been paid up to the end of last year. The report mentions that a new twin-screw motor vessel of about 27,000 tons is building at Belfast for the North Atlantic passenger services, and completion is hoped for by the end of this year. These developments explain why "creditors" are up from a mere £4,091 to £707,543, "debtors" being down from £1,053,587 to £614,665. At their present price of 21s. 3d. cum final dividend, the 6½ per cent. cumulative preference shares (guaranteed) yield just 6¼ per cent.

Marks and Spencer.—The full report of Marks and Spencer, bazaar and general store proprietors, is not yet available, but a preliminary statement shows the good progress which had been anticipated. The profit for the year ended March 31, 1929, was £235,116, before deduction of income tax. For the previous twelve months the profit was shown as £139,621, after deduction of tax; adding back the tax to make a true comparison possible, that figure becomes £167,242, so that profits have actually increased by over 40 per cent. The dividend on the preference shares, which are now entitled to a cumulative 10 per cent., their participating rights being cancelled, is covered over 6½ times. After its formation in June, 1926,

the company paid dividends on its ordinary capital at the rate of 7 per cent. for the first few months, and 13 per cent. for the next year; the rate is to be raised for 1928-29 to 15 per cent., requiring £78,502. This is reasonably cautious finance, for over 33⅓ per cent. appears to have been earned. Of the surplus, £10,000 is being put to properties contingency fund, against £5,000 a year ago, £7,500 as before to the preference share reserve fund, and £31,567 (against £27,621) to reserve for income tax. Further, the directors propose to consolidate into a general reserve fund the amounts hitherto separated into capital reserve, share premium account (to which £168,799 accrued last year), and plate glass renewal fund, bringing the grand total, with an allocation of £60,000 from current earnings, to £313,861, or virtually one-third of the present issued capital. The ordinary shareholders are also to receive a bonus of fully-paid "A" shares, one for ten, ranking *pari passu* in all respects with the existing ordinary shares except that they carry no voting rights. Shareholders will probably not look a gift horse in the mouth, but this arrangement would enable a group to keep control of the company with a smaller percentage holding of the ordinary capital. To pave the way for this bonus distribution, it is proposed to create 500,000 of these "A" ordinary shares, presumably of 10s. denomination. Some 380,000 will then remain unissued. This preliminary information was well received in the market; the ordinary shares are now being dealt in around 5½ cum dividend and rights, and calculated on a 15 per cent. dividend, equivalent after this year to 16½ per cent. on the old capital, the yield at that price would be exactly 3 per cent.

British Match Corporation.—The task of comparing trading results of the British Match Corporation for the year ended April 30, 1929, with those of the previous period (which began on August 15, 1927), the date of its incorporation) is difficult in any case, and is rendered practically impossible owing to the meagre information contained in the report. The Corporation was formed to acquire the ordinary shares of Bryant and May and the share capital of the Swedish Match subsidiary, J. John Masters. Its first revenue account, showing net profits of £307,425, included dividends received from Bryant and May for 12 months' trading and from J. Johns Masters for 15 months' trading. The present trading account discloses net profits of £420,673. In the course of the year the Corporation acquired practically the whole of the independently-held shares of Bryant and May (Brazil). For this purpose the issued ordinary capital of the Corporation was increased from £6,000,000 to £6,187,269, while £524,587 5½ per cent. preference shares were issued in exchange for preference shares in Bryant and May (Brazil). After writing off the expenses (£19,657) of the issue of new capital, and paying the preference dividends (£14,426), a final dividend of 4 per cent., tax free, was paid on the ordinary shares, making 6 per cent., tax free, for the year, as before. These profits are equivalent to earnings on the increased ordinary share capital of 6.6 per cent. The balance sheet discloses a strong liquid position, the surplus of current assets over current liabilities being about £320,000. For so important a holding company it is regrettable that a consolidated income account and balance sheet are not issued. In their present form the accounts are largely unintelligible to the outside investor.

Allied Newspapers.—In 1927 the earnings of the Berry newspaper combine, Allied Newspapers, rose by £4,650 and the dividend by 2 per cent.; in 1928 the earnings increased by £9,740, and the dividend was unchanged. Once again the directors report that the circulations and advertising revenue of the company's publications show very satisfactory progress. A dividend of 5 per cent., less tax, amounting to £32,650, was received from the Edward Lloyd Investment Co., the paper-making subsidiary, over 75 per cent. of whose £1,000,000 ordinary share capital is owned by Allied Newspapers, though the holding is included in the balance-sheet at a nominal value. Lest, apparently, it should be inferred that profits otherwise had declined, the report states that the year's provision for taxation has been increased by a sum in excess of this dividend. The latest allocation to general reserve raises that fund to £470,000. Again no dividend is included from Allied Northern Newspapers, though the trading of its subsidiaries is declared, as usual, to have been of a satisfactory character.

	1926.	1927.	1928.
	£	£	£
Profits, after taxation	682,917	686,144	694,517
Debenture interest	43,164	41,740	40,372
Net earnings	639,753	644,404	654,145
Preference dividend	304,000	304,000	304,000
Number of times covered	*2·1*	*2·1*	*2·1*
Ordinary — *Earned*	*20·9%*	*21·2%*	*21·8%*
Ordinary — Paid, less tax	12%	14%	14%
Ordinary — Amt. of dividend	192,000	224,000	224,000
To general reserve	130,000	110,000	110,000
Increase in carry-forward	13,753	6,404	16,145

In the series of articles entitled "The Contemporary British Press," which we published last November, we described the growth and tabulated the present holdings of the Berry combine (vol. cvii., see especially pp. 786-7 and 833-5). As we have pointed out before, the security of Allied Newspapers preference shares does not compare favourably with that offered by preference shares of the Rothermere group, but, in the case of ordinary shares, whereas the Rothermere companies tend to distribute earnings up to the hilt, Allied Newspapers leave a much wider margin between dividends and earnings. It is difficult to forecast the future earnings of any newspaper company, but the "national" daily newspapers have at least been relieved since the end of last year of some part of their competitive expenditure by the abolition of football competitions and the reduction of the insurance benefits offered. Allied Newspapers £1 ordinary shares are now around 47s. 6d., and, allowing for the final dividend, yield just over 6 per cent.

Leopoldina Railway.—The report for 1928 shows that after making the usual sinking fund provision and putting £25,000 (against £40,000 a year ago) to the reserve for repairing damage caused by floods, the Leopoldina Railway fully earned the extra ½ per cent. which, as we reported last week, it is distributing to its ordinary shareholders. Passenger traffic receipts increased by 7.89 per cent., parcels and baggage receipts by 4.68 per cent., but reductions of £68,864 in respect of coffee and £44,655 in respect of sugar and sugar cane were not wholly set off by various improvements from transport of other commodities, so that goods traffic receipts in the aggregate fell away by 1.79 per cent. As these differences resulted in gross receipts rising by £18,106 on balance, while working expenses rose only by £284, and as the net sum at credit of the floods reserve account has grown by £15,658 during the year, indicating light outgoings in that respect, the general outcome of the year's working can well be regarded as satisfactory.

(Years ended December 31.)	1926.	1927.	1928.
	£	£	£
Gross railway receipts	2,298,026	2,347,902	2,366,008
Interest, &c.	15,765	9,721	7,883
Working expenses	1,608,118	1,577,548	1,577,832
Debenture interest	245,155	245,155	245,155
To reserve for deb. redemption	23,000	23,000	23,000
To reserve for flood damage	20,000	40,000	25,000
Net earnings	417,518	471,920	502,904
Preference dividend	156,493	156,493	156,493
Number of times covered	*2·6*	*3·0*	*3·2*
Ordinary — *earned*	*3·8%*	*4·5%*	*5·0%*
Ordinary — paid	3½%	4½%	5%
Ordinary — amount of dividend	240,474	309,181	343,534
Increase or decrease in carry-forward	+ 20,550	+ 6,246	+ 2,877

"Renewals reserves" of £634,558 make their first separate appearance in the balance sheet. In previous years this reserve has apparently been included in "sundry creditors and credit balances." As for 1929, traffic prospects are described as satisfactory, in spite of the heavy decreases registered up to the present.

It is certainly true that the chief disappointments of 1928, sugar and coffee, were affected by special causes, sugar by drought and disease, and coffee by export restrictions. Steps have been taken to replant with a variety of sugar cane that is immune to the "Mosaic" disease. The present price of Leopoldina ordinary stock stands round about 61, cum £3 final dividend, and yields £8 12s. per cent.

Nitrate Railways.—Though the dividend on the ordinary and the preferred converted ordinary shares has been raised to 6 per cent., the 1 per cent. increase being apparently fully earned, the Nitrate Railways' report for 1928 is not so good as it might have been, for it shows that the operating ratio, which was cut down from 79.97 in 1926 to 66.51 in 1927 by economies resulting from special expenditure, has now risen again to 73.23. The total traffic carried was 12,728,524 metric quintals, against 10,133,136 in the previous year, an advance of 25½ per cent. Gross receipts rose from £698,540 to £879,169; a striking increase in the receipts from coal and oil traffic, £249,891 against £133,655, accounted for the bulk of the difference, nitrate traffic receipts at £511,807 being only £32,107 higher. Meanwhile working expenses advanced from £464,622 to £643,889, the expenditure on maintenance of ways and works, for instance, having grown greatly. The rise in locomotive running expenses appears disproportionate to the increased traffic. A sum of £31,713, the cost of a new line connecting the north and south Pampas, has been transferred from net revenue account to depreciation reserve, in pursuance of the Company's policy of reserving for capital expenditure in excess of capital issued. No explicit appropriation to renewals and new works account has been made this year, but instead £22,000 for renewals has been charged on the maintenance account.

Years ended December 31.	1926.	1927.	1928.
	£	£	£
Gross railway receipts	700,467	698,540	879,169
Interest, exchange, &c.	26,413	18,280	39,359
Working expenses	560,223	464,622	643,889
Taxes, &c.	41,498	2,989	20,849
Expenditure on buildings, &c.	39,420	20,308	10,266
Renewals account	...	50,000	...
Amortization account	...	30,000	30,000
Depreciation reserve	...	...	31,713
Net earnings	85,738	148,901	181,811
Ordinary and pref. conv. ordinary. earned	2·9%	5·1%	6·2%
Ordinary and pref. conv. ordinary. paid	3%	5%	6%
Ordinary and pref. conv. ordinary. amt. of dividend	86,940	144,900	173,880
Inc. or dec. in carry-forward	− 1,202	+ 4,001	+ 7,931

At the request of the Chilean Government, and in order to assist the nitrate industry further, the directors have agreed to continue the temporary rebate in tariffs of 15 per cent. on nitrate traffic and 10 per cent. on coal and petroleum traffic, until December 31, 1929. The preferred converted ordinary shares are drawing near their maximum dividend of 7 per cent., and the conversion and distribution rights attached to the different classes of shares are worth recording. Each £10 ordinary share may be converted into one £10 preferred converted ordinary and one £10 deferred converted ordinary, or *vice versa*. Dividends are declared on the capital as if no part had been converted, but out of the portion accruing to the converted shares the preferred are entitled to a non-cumulative maximum of 7 per cent., the balance going to the deferred. The ordinary shares, now priced at 8, yield £7 10s., the preferred converted ordinary at 7 yield £8 11s. 5d., while the deferred converted ordinary are quoted at 1¼. During 1928, 8,927 ordinary shares were evidently converted.

Blue Bird Petrol.—At the hearing of the petition, on May 6th, brought by a shareholder, for the winding-up of Blue Bird Petrol, Limited, on the grounds of default in convening the statutory meeting and filing the report, it was stated that an offer had been received by the petitioner from a French gentleman for the purchase of the whole of his shareholding and that of his friends, as well as those of the petitioners in the case of Blue Bird Importers. The petition was therefore allowed to stand over for a week to allow the intended purchase of shares to be completed. Meanwhile, the statutory report of Blue Bird Petrol has been issued and shows a sorry state of affairs. As at April 6th the subscribed capital was £238,698 and the balance of cash in hand only £697. Calls in arrear were £13,301, preliminary expenses amounted to £19,189, and amounts paid on account of preliminary expenses of Blue Bird Petrol (Foreign) and Blue Bird Holdings to £28,726; underwriting commissions to £16,932; the amount paid to Blue Bird Motor in respect of a process to £80,600, in respect of pump installations to £36,775, and in respect of wages £459; payments on account to Blue Bird Oil Importers in respect of petrol to be delivered to £49,775; and directors' fees, travelling expenses, &c., to £4,870. In respect of the payments to Blue Bird Motor and Blue Bird Oil Importers, the auditors state that they have been informed by the directors that these amounts, or some of them, have not actually been received by the respective companies, but have been disbursed under authorities to other parties for various considerations. The receipts for these payments were signed by directors and secretaries of the associated companies who are also directors of Blue Bird Petrol. The auditors also state that shares of the par value of £210,000 were issued to Blue Bird Petrol in consideration of the foreign rights sold to Blue Bird Petrol (Foreign). Certificates to the par value of £163,077 were produced for the auditors' inspection, but the balance had been transferred to other persons for other considerations. The *Economist* has dealt with the peculiar finances of the family of Blue Bird companies in its issues of January 19, 1929 (page 111) and January 26, 1929 (page 169). It is clear from the statutory report of Blue Bird Petrol that the whole position calls for independent investigation.

Vereinigte Glanzstoff.—This artificial silk company has retained unchanged for 1928 its 18 per cent. dividend, despite falling prices, a result attributed to rationalisation, improvement of the home and foreign sales organisation, and to increased output of higher-quality goods.

Year ending December 31.	1926.	1927.	1928.
	(Millions of Marks.)		
Operating profit	12·3	17·29	24·16
Net profit	6·84	10·56	13·66
Ordinary dividend—			
Rate	15%	18%	18%
Amount	5·85	9·18	12·15

The balance sheet has been markedly affected by fusions and by the expansion of the old works. Fusion with the Vereinigte Kunstseide A.G. of Frankfurt-on-Main has been completed. The Cologne works of the Glanzstoff-Courtauld A.G. have been taken into operation, together with the Breslau works of the Neue Glanzstoffe A.G., but full production will be reached only in 1929. The American Glanzstoff Company has started operations, and at the end of the year was working to 50 per cent. of capacity. The value of land and buildings is shown at 20.35 million marks against 14.80 million marks a year earlier; factory equipment at 16.01 million marks against 7.68 million marks; stock-in-trade at 10.6 million marks against 3.95 million marks; and participations in other concerns at 87.2 million marks against 37.13 million marks. The increase in stock in hand apparently reflects the unfavourable selling market. The share capital is 75 million marks against 60 million marks. The legal reserve has been increased from 48.5 million marks to 75 million marks, and now equals the share capital. At the time the report was compiled orders on the books were increasing, but prices have been depressed since the termination of the German Viscose Silk Convention in January.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies: Bank of Greece, Friends' Provident and Century Life Office, Licenses and General Insurance, Equitable Life Assurance Society, Yorkshire Insurance, World Auxiliary Insurance, Rubber Plantations Investment Trust, Anglo-American Debenture, London Asiatic Rubber and Produce, Calcutta Electric Supply, Rio de Janeiro City Improvements, Dunlop Rubber, British Thomson-Houston, Howard and Bullough, Anglo-Oriental Mining, Associated Electrical Industries, Birmingham Small Arms, Spillers, Harland and Wolff, Schweppes, and Whiteaway Laidlaw and Co. At the Harland and Wolff meeting Lord Kylsant expressed his confidence in the ultimate full recovery of British shipbuilding, on the ground that it has shown the capacity to put its house in order. The chairman of the Anglo-Oriental Mining Corporation affirmed that every indication pointed to a mutual understanding being reached among tin producers, presaging the rationalisation of the industry and the beginning of stability. The unexpected entry of Russia into the wheat market as a large buyer last June was referred to by the chairman of Spillers. On a previous page comment is made on Sir Eric Geddes' speech at the Dunlop meeting.

MINING NOTES.

The Anglo-Oriental Mining Corporation.—The first report has been issued of the Anglo-Oriental Mining Corporation, which was formed last year to take over the Anglo-Oriental and General Investment Trust and to develop the technical organisation and finance of the Anglo-Oriental group of both of these mining companies. The public issue in February, 1928, consisted of 880,000 7½ per cent. cumulating participating preference shares of £1 at 21s. and 220,000 ordinary shares of 5s. at 10s. per share. This issue gave the Corporation, after paying all preliminary expenses, aproximately £955,000, of which £500,000 was devoted to financing the present Malayan programme of development of the Anglo-Oriental Group. For the seven months ended February 9th the profits of the Anglo-Oriental and General Investment Trust were stated in the prospectus to be £95,625. The present report shows that the net profit for the period ended February 28, 1929, amounted to £220,227, which compares favourably with the prospectus figures. After allowing for the preference dividends of 7½ per cent., and a participating dividend of 1½ per cent. on the preference capital of £1,018,000 as from the dates of payment of calls, these profits were equivalent to earnings of over 60 per cent. of the ordinary share capital of £250,000. In order to conserve resources at this early state of the company's existence, the directors have limited the ordinary share dividends to 15 per cent., transferring £30,268 to investment reserve and £10,000 to taxation reserve, and leaving £83,493 to be carried forward. The company's investments are shown in the balance sheet at cost at £1,013,043, of which the present market value is about £979,111. The largest investment is in the shares of Anglo-Oriental and General Investment Trust, acquired at a cost of £315,000. The remaining investments represent unquoted securities costing £30,196 and valued at £47,911 and quoted securities costing £667,846, of which the market value at February 28th was £600,255. More than half the quoted securities is accounted for by shares in Tin Selection Trust, London Tin Syndicate and London Malayan Tin Trust, the balance being spread over some fourteen tin and other mining companies. The directors propose to establish an investment reserve account with a credit of £29,731 from share premium account and £30,268 from revenue account. The cash position of the Corporation is shown in the balance sheet as strong, the surplus of current assets over current liabilities being £168,450. Since its formation the Corporation has had falling tin prices and an adverse share market to contend with, and the depreciation in its tin holdings since February must have become larger. The position in regard to tin has now reached a critical stage, but with the good management for which the Anglo-Oriental group is credited, no doubt the Corporation will emerge successfully from this difficult period.

Anglo-American Corporation of South Africa.—Our mining correspondent writes:—The outstanding feature of the 1928 accounts consists in the expansion of the balance sheet total. Shares and interests now figure for £5,311,300, as against £3,620,500, the difference being partly due to the subscription for Rand Selection Corporation shares at 17s. 6d. under an option. Debtors stand at £1,229,000, against £931,400; loans £3,121,700, against £2,685,300; gilt-edged securities £1,011,000, against £1,210,000, and cash at £707,900, against only £15,700. On the other side, deposits by affiliated companies and others total £4,516,660 in place of £1,903,500; creditors £741,300, against £698,000. By the appropriation of £250,000 the reserve has been raised to a million and a quarter. Last year proved a less profitable period than 1927. At £815,600 the receipts and profits were lower by £61,200; and as general expenses showed an increase the net surplus came out at £771,300 in place of £840,200. As usual, a substantial part of the profit is absorbed by special appropriations. In lieu of the £300,000 transferred to "reserve for stabilisation of diamond interests" twelve months ago, £250,000—as already mentioned—is now added to general reserve. The balance of £549,100 remaining to be carried forward, subject to 12½ per cent. dividend (as before), is virtually the same as brought over from 1927. The company's Northern Rhodesian mining interests have been transferred to the Rhodesian Anglo-American in exchange for shares; otherwise the interests held are much the same as before. Anglo-American £1 shares are quoted at nearly £2.

Rhodesian Copper.—Next Monday, meetings are to be held to consider the new "All British" scheme for the financing of the Rhodesian-Congo Border and its subsidiary, the N'Changa Copper Mines. Briefly, the capitals of both companies are to be increased; Congo Border shareholders will be offered approximately 300,000 shares at £5, and out of the proceeds the company will subscribe for 100,000 N'Changa shares at £3, a further 200,000 being offered to the shareholders of that concern at the share price. The former issue will be guaranteed by a group, which comprises the Rio Tinto Co., Messrs. N. M. R. Rothschild and Sons, the "Chartered" Co., British Metals Corporation, Johannesburg Consolidated Investment, Rhodesian Anglo-American, Union Corporation, Anglo Metal Co., and Minerals Separation—probably the strongest combination which has ever backed a mining enterprise; the N'Changa issue will be guaranteed by the Congo Border Co. With the funds thus provided the N'Changa will be able to proceed with the development and equipment of its property, and the Congo Border to investigate thoroughly the remainder of its concession. The present scheme represents a great advance upon the earlier American offer. It embodies no options on shares at low prices, and has apparently been drawn up with a view to discouraging rather than encouraging speculation in the share market.

South African Townships.—Profit on sale of properties and the like in 1928 amounted to £150,400, as compared with £24,200 in 1927. Hence, although the revenue from other sources decreased, the net profit came out £94,300 higher, at £183,300. No change was made in the dividend rate—10 per cent.—absorbing £98,800—the balance, apart from an allocation of £20,000 to reserve, being added to the carry forward, which now figures at £133,600. In the circumstances above-mentioned, property account naturally shows a reduction, figuring at £769,000, as against £881,200; otherwise the balance sheet items indicate no very material alteration on the year. An increase has taken place in the company's holding of Potgietersrust Platinum shares. On the basis of the last two dividends "Townships" yield about 8 per cent.

Lonely Reef.—A distinct improvement in both profits and developments occurred during 1928. The total net surplus amounted to £86,500, as against £24,900, and after the payment of dividends totalling 25 per cent. in place of 10 per cent, a balance of £9,800 remained to be carried forward, or more than double the sum brought in. At 96,200 tons, value 15.19 dwts. the ore reserves display an advance on the year of some 9,000 tons in quantity and

nearly 4 dwts. in value; the estimate does not include 15,000 tons having an indicated value of over 30 dwts. There are in addition 57,000 tons of low-grade ore in the deeper levels, which can, it is thought, be profitably mined in conjunction with the rich material from the 11th and 12th levels, while the accumulated slimes on hand exceed 800,000 tons. Of the profit above-mentioned, £30,000 was obtained from the treatment of the slimes; the new plant also gave better results from current ore, thus more than paying for itself in twelve months. Unfortunately the rich discoveries on the upper levels, upon the strength of which the shares were last year run up to 48s., proved to be of limited extent; while exploration at depth revealed only low values. The " profit in sight " approximately covers the current price of the shares.

Chemical and Metallurgical Corporation.—Those who urchased shares in this undertaking on the strength of ıe participations taken by influential groups have had n object-lesson that such participations do not necesarily spell early success. At one time last year the hares crossed 10s; they are now quoted under 3s. It nay be recalled that some four years ago the concern nderwent a drastic financial reorganisation, the arrears f preference dividend being cancelled and the ordinary hares written down by 19s., every two 1s. shares being ubsequently consolidated into one. Although the first nit of plant was brought into operation in January, nd others—in whole or part—followed, 1928 has been egarded as a transition period, the net proceeds of sales f products being deducted from general expenditure—a ery uninformative procedure. A deficit of £72,800 is hown, less £3,600 balance of interest, raising the debit o £169,800. Outlay on plant, buildings, etc., during the ear amounted to £345,700, raising the total to practially half a million. On December 31st creditors stood at £97,700 and there was a bank loan for £30,000. Since then 2,000,000 ordinary shares have been privately subscribed at 3s. 6d. for the purpose of completing the Runcorn plant " on a considerably broader basis than was originally intended "; the erection of the projected electrolytic zinc plant is in abeyance. The company has a chain of processes for the treatment of complex ores and the utilisation of the bye-products. It should in time develop to a very big concern; but patience will be required. Meanwhile the dividend on the preference shares is three years in arrears.

CAPITAL ISSUES.

Five prospectus issues were made this week totalling £1,200,000 and covering a wide variety of enterprise. The total for th eyear to date is £141,634,618, as compared with £194,583,900 for the corresponding period last year. The speculative flavour predominated this week. Two issues were made by new " talking film " companies—*Associated Talking Pictures* and *International Screen Productions*. If these are to be the forerunners of another " gold rush " among promoters, we would call the attention of investors to the results which attended the " silent " film promotions of the 1927-28 boom, set out in a leading article in the *Economist* on April 20. The fact that certain British theatrical producers have been successful in the presentation of West End plays in London is no criterion of their ability to make successful talking pictures for European, American and Asiatic audiences. Mr Basil Dean, managing director of *Associated Talking Pictures*, is the only one of the directors who has had film experience, which was limited to one production. *International Screen Productions* is a merger between British Screen Productions, a German concern, and an American independent producing concern. No financial details are given of British Screen Productions, which was one of the film promotions of the 1928 boom. The Corporation is subscribing for a block of new shares of British Screen Productions at par (5s.), whereas the market price is about 3s. 6d. A commercial issue of the speculative type was that of *Young Accumulator, 1929, Limited*, which has been formed to acquire and develop rights in a secret process for making non-sulphating paste for use in connecting with electric batteries. No estimate of profits is given, but the accumulators have apparently been tried out for two years with satisfactory results *Automotor Finance, Limited*, is a company formed to finance the purchase of motor vehicles and is taking over a business of this character which has been handled by the Scottish Automobile and General Insurance Co., of Glasgow. This was a small issue of interest chiefly to Glasgow. The only preference issue of the week was that of *Darwins, Limited*. This company takes over the undertakings of a well-known Sheffield steel firm which had been forced into liquidation as a result of the coal strike of 1926. Dividends are well covered by profits on the basis of the last two year's results and the shares, being participating, have speculative attractions.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total recorded since January 1, 1929, £127,774,228*.
Total, including conversion, recorded since January 1, 1929, £141,353,448*.

National Savings Certificates.
Net sales week ended May 4, 1929, £50,000.
Total receipts April 1, 1929, to May 4, 1929, *Dr.* £100,000

Description of Issue and Date of Opening of Lists. To the Public.	Nominal Capital. £	Conversions or Repayments. £	New Money, Cash Subscription. £	First Payment. £	Further Liability. £
Darwins, 200,000 7½% Cum. Partic. "A" Pref. £1 (May 6)	200,000	...	200,000	25,000	175,000
Automotor Finance, 150,000 Ord. £1 at par. (May 6)	150,000	...	150,000	18,750	131,250
Young Accumulator (1929), 300,000 Ord. 10s. (May 7)	150,000	...	150,000	37,500	112,500
Associated Talking Pictures 400,000 Ord. 5s. at par(May 9)	100,000	...	100,000	20,000	80,000
International Talking Screen Productions 1,200,000 Ord. 10s. (May 10)	600,000	...	600,000	60,000	54,000
Total offered to public, week ended May 11, 1929	1,200,000	...	1,200,000	161,250	552,750
To Shareholders only.					
Egham & Staines Electricity, 100,000 Ord. £1 at 30s.	100,000	...	150,000	62,500	87,500
Leeds Fireclay, 100,000 Pref. £1 at 45s.	100,000	...	225,000	50,000	175,000
Marcroft Wagons, 37,550 Ord. £1 at par	37,550	...	37,550	18,775	18,775
Rushden & District Electric Supply, 10,000 £1 at 24s.	10,000	...	12,000	6,000	6,000
Canadian Pacific Rly., 300,000 Ord. $100 at $170 ($5 to £1)	6,000,000	...	10,200,000	2,550,000	7,650,000
Canadian Bank of Commerce, 49,646 Ord. $100 at $200 ($5 to £1)	992,920	...	1,985,840	198,584	1,787,256
Total to Shareholders, week ended May 11, 1929	7,240,470	...	12,610,390	2,885,859	9,724,531

* Adjusted figures.

Total offered for Subscription—

To date—	Including Conversions. £	Excluding Conversions. £
1929	155,213,838	141,634,618
1928	...	194,583,872
1927	...	175,057,461
1926	...	83,638,588
1925	...	56,804,718
1924	...	47,242,119
1923	...	112,484,455

Total offered for Subscription—

Whole year—	Including Conversions. £	Excluding Conversions £
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,601
1925	...	232,214,500
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Advertisement (in brackets).	Amount of Capital Introduced. £	Price at which Dealings Began. £	Total Cash Involved. £
Amount previously recorded	17,084,517	...	24,934,844
African Consolidated Investment Corporation, £1,329,760 7% Deb. (Apl. 11)	1,329,760	97½	1,296,457
Savings & Economic Bank of Bihar (Feb. 19) 161,999 of 125 lei (3s.)	24,297	5/9	46,570
Leeds and Wakefield Breweries, £300,000 6% Debs. at 94 (Apl. 22)	282,000	97	291,000
Silent Sales, 800,000 Shares 1s. (May 3)	40,000	2s.	80,000
Associated Gas and Electric, No par (May 2)	...	860	...
Ulu Klang Tin, 500,000 Shares (2s.)	50,000	2/10½	21,875
Total, week ended May 11, 1929	1,686,057	...	1,735,902
Total to date, 1929	18,770,574	...	26,670,746

International Talking Screen Productions, Limited.—Issue at par of 1,200,000 (out of 1,700,000) 10s. ordinary shares. The company will produce, distribute and exhibit talking, synchronised, and silent films in Great Britain, Europe and America, acquiring controlling interests in four existing companies. The total purchase consideration is £369,800, payable as to £130,000 in shares and the balance in cash. In addition to the working capital that will be made available to the controlled companies, this issue will provide about £160,000 for working capital.

Darwins, Limited.—Offer at par of 200,000 (out of 400,000 £1 7½ per cent. cumulative participating " A " preference shares. Vendors are receiving 300,000 £1 7½ per cent. cumulative participating " B " preference and 30,000 £1 ordinary shares. Profits are distributable as follows:—1st, 7½ per cent. on the " A " shares; 2nd, a further non-cumulative 2½ per

The Lists for Conversion and Cash Applications will close on Friday, 24th May, 1929.

Government of the Commonwealth of Australia Conversion Loan

OFFER OF CONVERSION TO HOLDERS OF

£12,403,734 of Queensland Government 5½ per cent. Inscribed Stock, 1926-1929

(Being balance of the Loan falling due at the Bank of England on 1st July, 1929, totalling £12,703,734, of which £300,000 is being paid off out of a recently created Sinking Fund),

INTO

Government of the Commonwealth of Australia 5 per cent. Registered Stock, 1945-1975

at £97 per cent.

Interest payable 1st January and 1st July. Six months' interest payable 1st January, 1930.

Principal will be repaid in London at par on 1st July, 1975, the Government having the option of redemption, in whole or in part, at par, on or after 1st July, 1945, on giving three months' notice.

The Government of the Commonwealth of Australia will comply with the requirements of the Colonial Stock Act, 1900, in order that TRUSTEES MAY INVEST IN THIS STOCK, subject to the provisions set forth in the Trustee Act, 1925.

The Loan is authorised by Act No. 4 of 1929, of the Parliament of the Commonwealth of Australia.

COMMONWEALTH BANK OF AUSTRALIA is authorised by the Government of the Commonwealth of Australia to offer to holders of £12,403,734 Queensland Government 5½ per Cent. Inscribed Stock due July 1, 1929, conversion, in whole or in part, into an equal amount of Government of the Commonwealth of Australia 5 per Cent. Registered Stock, 1945-1975.

Holders who convert will receive a cash payment on 1st July, 1929, of £3 per cent., being the difference between the nominal amount of the maturing Stock and the issue price of the new Stock. The half-year's interest, due 1st July, 1929, on the *Stock converted and unconverted, will be paid by the* Bank of England. A full six months' interest on the new Stock will be payable on 1st January, 1930.

This Conversion Loan has been approved by the *Australian Loan Council*, and is issued in accordance with a law passed by the Parliament of the Commonwealth of Australia, by which the Commonwealth of Australia, as from 1st July, 1929, takes over the debts of the several States.

Holders of the *Queensland Government 5½ per Cent. Stock* and Stock Certificates to Bearer, exercising the option to convert, will receive preferential allotment, and must lodge their applications for conversion on the prescribed form at the **Colonial and Corporation Stocks Office, Bank of England, 18, Finsbury Circus, E.C.2.** *Any Stock not converted will* be paid off on 1st July, 1929, by the Bank of England.

Commonwealth of Australia Stock and Bonds issued and payable in London and the interest thereon, the property of persons not domiciled in Australia, are not, and will not be, subject to any taxes, duties or levies in Australia.

All Commonwealth Loans carry a Sinking Fund in accordance with the provisions of the National Debt Sinking Fund Acts.

In the case of debts taken over from the States, the following contributions must be made to the Sinking Fund:—

(*a*) On Loans existing on 30th June, 1927, including such loans when converted into other loans, 7s. 6d. per £100 per annum.

(*b*) On any new Loans 10s. per £100 per annum.

The policy of the National Debt Commission of the Commonwealth of Australia is to use a portion of the Sinking Fund for the repurchase of Loans in London. The high standing of the personnel of the National Debt Commission affords ample guarantee to British Investors that they will continue to receive equitable treatment as regards repurchases on the London Market. During the present financial year ending on 30th June next, the National Debt Commission has made £1,663,000 available for repurchase of Loans issued in London by the Commonwealth and States.

COMMONWEALTH BANK OF AUSTRALIA is further authorised to offer for subscription in cash Government of the Commonwealth of Australia 5 per Cent. Registered Stock, 1945-1975 (to an amount sufficient to make up, with the Stock converted, the above total of £12,403,734), payable as follows:—

£5	0	0	per cent. on Application.	
£92	0	0	„ „ „	1st July, 1929.
£97	0	0	per cent.	

Cash Applications on the form prescribed will be received at Commonwealth Bank of Australia, 36-41, New Broad Street, London, E.C. 2, and must be for even hundreds of Stock, and be accompanied by a deposit of £5 per cent. on the nominal amount applied for.

Script Certificates to bearer will be issued, if desired, and such Certificates, when fully paid, will be convertible into Registered Stock.

In case of partial allotment, the balance of the amount paid as deposit will be returned to the Applicant. In case of default in the payment of the final instalment at its due date, the amount previously paid will be liable to forfeiture, and the relative Allotment to cancellation.

Payment in full may be made after allotment, and discount at the rate of 4½ per cent. per annum will be allowed from 5th June, 1929, or from any subsequent date.

The Stock will be registered and transferable in any amount by deed, free of stamp duty, at Commonwealth Bank of Australia, 36-41, New Broad Street, London, E.C. 2, and *Interest Warrants will be transmitted by post at the Stockholder's risk.* In the case of joint accounts the warrants will be forwarded to the person first named in the account unless instructions to the contrary be given.

The revenues of the Commonwealth of Australia alone are liable in respect of this Stock and the Dividends thereon, and the Consolidated Fund of the United Kingdom and the Commissioners of His Majesty's Treasury are not directly or indirectly liable or responsible for the payment of the Stock or of the Dividends thereon, or for any matter relating thereto.—40 and 41 Vict., cap. 59, sec. 19.

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

Prospectuses, forms for conversion and cash applications with statistical statement relating to the *Commonwealth of Australia* may be obtained from Bank of England, Threadneedle Street, London, E.C. 2, and Commonwealth Bank of Australia, 36-41, New Broad Street, London, E.C. 2; from Messrs. R. Nivison and Co., Bank Buildings, Princes Street, *London, E.C. 2; from* the High Commissioner for Australia, Australia House, Strand, London, W.C. 2; and from the Agent-General for Queensland, 409-410, Strand, London, W.C. 2.

COMMONWEALTH BANK OF AUSTRALIA,
36-41, NEW BROAD STREET,
LONDON, E.C. 2.
11th May, 1929.

*Application No.*_____ *Allotment No.*_____

FORM OF APPLICATION

FOR

GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA 5 PER CENT. CONVERSION LOAN, 1945-1975.

Issue of £12,403,734 Registered Stock.

74

To Commonwealth Bank of Australia,
36-41, NEW BROAD STREET, LONDON, E.C. 2.

GENTLEMEN,

I/We hereby apply for £_____ say_____ of the Commonwealth of Australia 5 per Cent. Loan, 1945-1975, according to the Prospectus of 11th May, 1929, and undertake to pay £97 for every £100 of Stock, and to accept the same or any less amount that may be allotted to me/us, and to pay for the same in conformity with the terms of the said Prospectus.

I/We enclose the required deposit of £ , being £5 per cent. on the nominal amount applied for.

*Ordinary Signature*_____

Please write distinctly.

*Full Name*_____
(State whether Mr. Mrs. or Miss and Title, if any.)

*Address*_____

May, 1929.

N.B.—Applications must be for multiples of £100, and must be Accompanied by the amount of deposit thereon.

Cheques should be made payable to BEARER and should be crossed thus:

Commonwealth Bank of Australia,
a/c Australian Loan.

cent. to the "A" shares, and an equal sum to the "B" shares; 3rd, sufficient to make up 7½ per cent. on the "B" shares; 4th, of the balance, 20 per cent. to the "A," 33⅓ per cent. to the "B," and 46⅔ per cent. to the ordinary shares. The company acquires a Sheffield business, which includes some 12 separate companies carrying on established businesses in the steel and allied trades. Net assets are valued at £354,056. The purchase price is £330,000 in shares as above. The business acquired was incorporated in 1926, but went into liquidation in 1927, since when profits have been, before charging tax or loan interest:—June 9-November 30, 1927, £16,188; year to November 30, 1928, £42,114; 4 months to March 31, 1929, £24,155. Working capital is £274,000, subject to issue expenses. The unissued shares are under option at 21s. 6d.

Young Accumulator Company 1929, Limited.—Issue at par of 300,000 (out of 450,000) 10s. ordinary shares. The company acquires an existing business (including factory and plant valued at £27,695), together with world rights in a secret process for making non-sulphating paste for use in connection with electric batteries. The total purchase price is £85,000, payable as to £10,000 in cash and £75,000 in shares, and royalties; the company will also discharge any surplus of liabilities of the vendor company, not exceeding £26,000. After providing £20,000 for additional plant and issue expenses, working capital is estimated at £68,500.

Automotor Finance, Limited.—Issue at par of 150,000 (out of 250,000) £1 shares. The company will carry on the business of financing the purchase of motor vehicles and other articles of commerce, having made an agreement to pay in cash to an existing firm £3,000 in respect of its goodwill and £7,000 for preliminary expenses.

Associated Talking Pictures, Limited.—Issue at par of 400,000 (out of 500,000) 5s. ordinary shares. The company will produce talking and sound films, and acquire the benefit of arrangements in respect of rights, etc., by purchase of the whole share capital of an existing company for £25,000 in shares. Working capital is estimated at £85,000.

Horsham Gas Company, Limited.—Offer for sale by tender of 535 £10 "B" ordinary shares (minimum price, £10) ranking for a maximum dividend of 7 per cent. equally with existing shares, which have received this rate for the last 5 years. Issued share capital amounts to £24,650, and £1,000 has been borrowed on mortgage. Net revenue for 1928, after charging £1,700 for new installation, was £2,209. Reserve fund and carry-forward aggregate £6,766.

Particulars of the following have been issued "for information only" with a view to Stock Exchange introductions:—**Silent Sales, Limited**; issued capital, £40,000 in 1s. shares; acquires rights for parts of the United Kingdom to install Pascall automatic machines, and to sell Pascall's products therefrom; purchase price is £4,000 in cash and £21,000 in shares; a further 410,000 shares are under option at par. **Yorkshire Products Investment Company, Limited**; issued capital, 186,589 £1 7½ per cent. cumulative preference and 3,183,417 2s. ordinary shares; formed to acquire controlling interests in companies producing and merchanting cement concrete aggregates, bricks, limestone products, refractory materials and building requisites; a further 625,000 ordinary shares are under option at par. **Hector Whaling Limited**; issued capital, £285,000 in £1 shares; incorporated in 1928, to enter into a trading agreement with a Norwegian whaling company, providing for the purchase of all its whaling products, and to acquire interests in that company. **Neverest Automatic Supply, Limited**; issued capital, £60,000 in 1s. shares; acquires an existing company, with the benefit of contracts to sell and distribute automatic machines, and to sell goods therefrom; the purchase price is £4,000 in cash and £21,000 in shares.

Grace National Bank

Hanover Square, New York, U. S. A.

We undertake the investment of funds in U.S. Government Bonds, Bank Acceptances and American securities for our Banking correspondents.

Special Representative

148 Leadenhall St. London, E. C. 3.

SUMMARY OF BALANCE SHEETS.

ALLIED NEWSPAPERS, LIMITED.

December 3, 1928.

LIABILITIES.	Amount.	Compared with Jan. 18, 1928.	ASSETS.	Amount.	Compared with Jan. 18, 1928.
	£	£		£	£
8%cum.pf.shs.£1	4,750,000	...	Properties.....	8,232,602	+ 121,271
Ord. shares, £1	2,000,000	...	Debtors.....	467,492	+ 35,495
5½% deb. stock	910,445	– 29,305	Stocks	109,989	– 61 371
Int. accrued.....	3,293	– 332	Investments.....	42,849	+ 397
Creditors	653,091	– 51,816	Cash	272,044	– 42,110
Savings funds ...	71,492	+ 8,990			
General reserve...	360,000	+ 110,000			
Profit and loss....	376,655	+ 16,145			
Total.....	9,124,976	+ 53,682	Total.....	9,124,976	+ 53,682

BRITISH MATCH CORPORATION, LIMITED.

April 30, 1929.

LIABILITIES.	Amount.	Compared with April 30, 1928.	ASSETS.	Amount.	Compared with April 30, 1928.
	£	£		£	£
5½% Cum. Pref.,£1	524,587	+ 524,587	Investments in subsidiaries.....	6,701,406	+ 711,857
Ord. shares, £1 ...	6,187,269	+ 187,269	Expenses new issue	19,657	+ 19,657
Creditors	10,804	+ 3,023	Office fittings ...	3,277	+ 351
Revenue account	332,783	+ 102,428	Debtors	885	+ 847
			Cash	330,218	+ 84,595
Total	7,055,443	+ 817,307	Total	7,055,443	+ 817,307

WHITE STAR LINE, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.	ASSETS.	Amount.	Compared with Dec. 31, 1927.
	£	£		£	£
6½% Cum. Pref. £1	5,000,000	...	Steamships and Shipping Investments (a)	9,810,820	+2,810,820
Ord. Shares £1...	1,000,000	...	Debtors.....	614,665	– 438,922
Balance purchase price, A. C. L. Steamers	1,650,000	+1,650,000	Formation expenses	147,500	– 31,262
Creditors	707,543	+ 703,451	Commission on issue pref. shares	93,750	...
Balance purchase price Oceanic steamship.....	2,350,000	...	Cash	153,418	+ 28,582
Profit and loss...	112,610	+ 15,767			
Total 10,820,153		+2,369,218	Total 10,820,153		+2,369,218

(a) Last year this item was shipping investments, £7,000,000.

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	March, 1929. Ore.	Est. Yield.	Est. Profit.	April, 1929. Ore.	Est. Yield.	Est. Profit.
	Tons.	£	£	Tons.	£	£
Brakpan	91,500	148,025	60,006	89,000	143,556	58,150
City Deep.....	87,000	102,537	13,533*	95,000	110,121	8,206*
Consolidated Main Reef	58,300	94,616	16,062	58,500	94,695	16,022
Crown Mines (10s. shs.)	210,000	300,210	80,471	206,000	295,592	77,402
Durban Roodepoort Deep	39,000	57,604	3,102	40,300	59,590	3,126
East Rand Proprietary	142,500	159,531	10,551	143,000	162,107	10,634
Ferreira Deep	26,500	20,500	541	23,600	18,190	250
Geduld Proprietary ...	85,000	113,823	44,116	83,000	111,629	43,173
Geldenhuis Deep.....	58,400	61,146	2,776	62,600	61,767	3,045
Glynn's Lydenburg ...	6,100	9,354	1,210	6,600	9,239	1,182
Government Areas	196,000	373,760	215,114	202,000	385,240	227,088
Kleinfontein, New	52,200	48,942	143	51,700	46,632	63
Langlaagte Estate	79,000	110,287	26,025	81,000	110,922	26,101
Meyer and Charlton ...	17,300	18,650	1,704	16,800	20,039	2,112
Modderfontein B.....	69,000	110,170	49,045	69,000	109,096	48,478
Modderfontein Deep Levels	43,000	96,834	62,749	44,600	99,555	64,772
Modderfontein East....	63,500	85,068	18,583	67,000	87,513	19,019
Modderfontein, New (24 shares).....	144,000	315,100	186,044	146,000	310,703	182,068
New State Areas.....	75,000	134,896	57,021	79,000	138,555	60,073
Nourse Mines.....	62,000	76,739	4,424	62,300	77,621	4,951
Randfontein Estates...	212,000	200,872	15,087	205,000	211,918	15,050
Robinson Deep.....	75,000	94,208	17,161	79,300	91,863	15,712
Rose Deep.....	56,000	50,641	2,050	57,500	51,032	2,347
Simmer and Jack.....	76,500	79,577	8,060	73,000	77,088	6,035
Spring Mines.....	67,000	138,193	64,617	70,000	142,907	66,013
Sub-Nigel	23,400	88,018	37,065	22,800	84,483	30,373
Transvaal Gold Mining Estates	15,400	19,456	272*	14,620	19,956	72
Van Ryn	38,000	39,857	4,565	39,000	38,452	4,222
Van Ryn Deep	62,000	104,674	42,992	65,000	105,514	43,108
Village Deep	58,000	63,711	4,877	58,500	64,448	4,842
West Rand Consolid'td	85,500	93,495	16,225	83,800	91,659	16,007
West Springs	60,000	75,996	20,608	62,600	78,254	21,025
Witwatersrand Deep...	45,000	41,692	1,123*	46,000	43,972	141
Witwatersrand Knight's	52,000	45,695	2,025	52,500	47,081	2,575
Wolhuter.....	28,000	26,743	885	27,000	25,715	243

* Loss.

COMPANY MEETINGS, &c.

BANK OF GREECE.

FINANCIAL AND ECONOMIC CONDITIONS IN GREECE.

MR DIOMEDE'S INTERESTING REVIEW.

"ENTIRELY SATISFACTORY RESULTS"

The first ordinary general meeting of the shareholders of the Bank of Greece was held on April 6th last at the head office of the Bank, Athens.

The governor (Mr Alex. N. Diomede), in submitting the report for the year 1928, said:—

Gentlemen,—The past year was the first of the administration of the Bank of Greece, and the first period of the application of our currency reform, which fixed by law the value of the drachma and assured its unhindered conversion into gold currencies.

From the date of the introduction of this reform the value of the drachma has no longer been subject to shocks.

The uncertainty, which previously distinguished our national economy, and which struck at the root of all the phenomena of the economic life of the country, gave way to a sentiment that the measure, with which all commodities are measured and priced, will be in future stable and sure.

VALUE OF THE DRACHMA.

During the first year of administration, the principle actuating us was this: how to maintain intact the value of the drachma.

In our opinion this task ought to take precedence of all other banking activities. The results were entirely satisfactory. During the whole period, from May until this day (and it should be remembered that the first steps in reform, especially a reform of such a radical nature, are the most slippery), the Bank of Greece has not for a moment felt the least sign of a menace to our currency, nor have its firm foundations been for a moment affected. Indeed, on the contrary, at the close of the year these foundations had become firmer, owing to the increase of the cover and the sentiment of absolute conviction that the basis of the drachma is unshakable, permitted the administration to begin to turn its attention to other important lines of the bank's work as well.

MOVEMENT IN EXCHANGE.

The movement in exchange, the cover and circulation of the bank since May 14th, 1928, are as follows:—

From May 14th to December 31st, 1928, exchange and gold were purchased to the value of..... £9,421,997
Exchange was sold £8,742,224
Leaving a balance in the bank's favour of £679,773

Offers of exchange were abundant during the past year. With the exception of the normally barren months of June to August, during which we supported the market out of our own resources, an excess of purchases over sales was the rule during the year.

For this reason the rates of exchange remained continually at low levels, not exceeding the rate of stabilisation, *i.e.*, 375 drachmas per £.

The offer of exchange over and above the requirements of the market, and the surplus of £679,773 remaining undisposed of at the end of the year, prove that our transactions with foreign countries left a credit balance.

But the fact must not be lost sight of that the assistance coming from abroad during recent years, in the shape of loans, brought in additional exchange.

This exchange, however, is entering the country very slowly, because the loans contracted are not intended for the payment of unfulfilled obligations on the part of the Government. The country imports this exchange only so long as the works for which the capital imported is intended, are being carried out. This capital does not exceed £2,500,000 yearly, and it represents the cost of works which enrich the country with new assets. On the other hand, considerable amounts of the national debt are being paid off by means of an ordinary sinking fund out of the revenue of the Budget, as we shall see later on, and this extinction of debt, which is of itself important, should be set off against the new charges.

We can obtain no statistical accuracy for estimating our international accounts. It would be a mistake, on the other hand, to place implicit faith in the figures shown in the tables of our import and export trade, because it is certain that the calculation of the volume and the value of the trade cannot claim to be accurate. It should also not be forgotten that an important percentage of our external debt is now in the hands of Greek residents. The annual service of this debt, amounting to £4,670,000, appears only on the debit side of our accounts, whereas an important percentage of it is imported and spent in the country. Again, the remittances from emigrants, notwithstanding a slight abatement, continue to come in plentifully. During the past year, the sums transmitted through the banks alone amounted to £6,425,839, a sum which is by £1,531,000 less than the figure for 1927, but the amount actually received by the country is certainly greater, though, as it does not all come through the banks, it cannot be known.

MERCHANT MARINE ACTIVITIES.

It is also certain that the activity of our merchant marine during the past year was more profitable than in the past, and this tendency in the direction of more intensive work fortunately continues. This is shown by what is known as percentage of unemployment, which was 14 per cent. in 1927, but fell in 1928 to 9 per cent., without this reduction being accompanied by lower freights. These items—to confine myself to tangible items—constitute a most important factor on the credit side of our accounts, which we may reasonably hope to see increasing.

But we should not forget either, that since the value of the drachma began to consolidate, and especially since its stabilisation by law, the flow of capital abroad and back again has become more intense. This factor constitutes a very important element of the economy of a country. It is not easy to express this movement by statistics, nor can the figures given claim any accuracy. In any case, this factor has exercised recently, and still exercises in our country also, no small influence, and has become stronger with the tendency of interest abroad to rise, a tendency which makes the investment of the disposable funds of the country at short dates on foreign markets, extremely attractive.

CIRCULATION AND COVER.

Our circulation, since the bank commenced operations on May 14th, presents that natural increase which is observable in all those countries which have restored their currency to health.

On December 31st our circulation amounted to 5,689,550,300 drachmas.

But whilst we have this increase on the one hand, on the other, the proportion of cover to circulation has been increased from 53·67 per cent. to 54·24 per cent. of the total sight liabilities of the bank, and this because, in the meantime, foreign gold exchange was acquired, which increased the cover by about £679,773.

Our cover consists of gold and foreign gold exchange. On May 14th, it amounted to £10,570,678.

PROPORTION OF COVER TO SIGHT LIABILITIES.

During the seven months under review, the cover presented certain downward curves during the months of July and August, and upward trends during the other months. The greatest observed fall was on August 31st, when the proportion declined to 50·24 per cent. The bank assisted the market from its own reserves for a moment, and to the extent of £1,211,724, without adversely affecting the price. This exchange was, however, speedily and without difficulty recovered from the abundant offers of October and November. Thus, by December 31st, the bank's reserves had not only recovered the amount temporarily disposed, but they even showed an increase, and reached the figure of £11,308,348. Hence their proportion to the total liabilities reached 54·24 per cent.*

The strength and elasticity of the economy of the country is shown, however, by the fact that, during the periods of stringency of the exchange market, the proportion of cover to circulation did not fall below 50·24 per cent. on our total liabilities.

Our cover is, however, higher than 50 per cent. to 54 per cent. of our actual circulation, and fluctuates as a matter of fact, between 70 per cent. and 76 per cent., which proves that our currency has behind it a gold backing equal to 75 per cent. of the circulation. These proportions, we thus maintain, rank us amongst the most healthy banks of issue.

---

* On March 31st of this year the reserves, notwithstanding the requirements of the market, remained at a figure higher than the original figure by £249,000.

BUSINESS OF THE BANK.

During the period under review, our discount operations in general amounted to Drs. 135,112,524, whilst loans and open accounts granted against securities, &c., amounted to Drs. 33,661,950.

The business of the bank under this head was not, of course, extensive. We shall, however, gradually develop it, and later on, when the projected establishment of branches in the great economic centres of the country is realised, it will become possible for us to exercise a direct and beneficial influence on the movement of the business of the country.

Meanwhile, we are attending to the organisation of those institutions and services the establishment of which is laid down by our statutes and by the Geneva Protocol.

In the first place, we have undertaken to establish a clearing office among the different banks in Greece.

We are also working at the concentration of the cash transactions of the State, and the expected gradual realisation of this scheme will contribute to bringing about not only considerable rapidity in the functioning of the respective departments of the State but also clearness, unity and completeness in its accounts, besides which it will give an impulse to the utilisation, in favour of production, of much capital in the country, which is at present unproductive and stagnates in the various treasuries of the State.

In accordance with the Protocol of Geneva, during the first three years of the Bank's existence, the results of the Bank's business have to be communicated to the Financial Committee of the League of Nations. The Committee expressed itself very favourably concerning the manner in which the Bank of Greece had comprehended and carried out its mission and considered the results of the year's work to be entirely satisfactory. This opinion is a very valuable asset for the credit of the country.

FINANCIAL AND ECONOMIC POSITION OF GREECE.

On reviewing the financial and economic position of the country we have the following remarks to make :

PUBLIC FINANCES. PAST DEFICITS.

From the year 1926-7 the perception of the precipice towards which we were being rapidly hurried, made it imperative that certain measures should immediately be taken to prevent disaster. Since the year 1920, deficits in the Budget have followed one after the other :—

In 1921 the deficit was	Drs.		1,408,000,000.
„ 1922	„	„	1,663,000,000.
„ 1923	„	„	1,660,000,000.
„ 1924	„	„	789,000,000.
„ 1925	„	„	1,278,000,000.
„ 1926-7	„	„	1,685,000,000.

The means employed to meet these deficits were those temporary expedients and measures which are characteristic of destructive periods of economic history. But, beside this, the requirements of the Government absorbed all the disposable capital in the country.

At a time when production was recovering from the vicissitudes of the war, and displayed an admirable desire for fruitful work, the Government, with the continual deficits in its budget, was all the time immobilising more capital. It consequently created by its requirements an intolerable stringency of capital, and an irresistible trend of interest to higher levels.

IMMOBILISATION OF CAPITAL IN THE NATIONAL BANK.

The capital immobilised during that period in the assets of the National Bank was in

1923	...	...	Drs. 835,907,000
1924	...	...	„ 742,452,000
1925	...	...	„ 1,006,790,000
1926	...	...	„ 644,000,000

The accumulating requirements of the budget entailed increased expenditure every year. The expenditure rose from Drs. 5,396,000,000 in 1924, to Drs. 6,938,000,000 in 1925, and jumped suddenly in 1926 to Drs. 8,249,000,000.

The inevitable result was, that we were being driven into a complete confusion between the Public Treasury and the National Bank. We should in such case have entered upon a period of heavy issues of paper money which would have dealt a final blow to our exhausted organism.

Those who, in those sad times, had the heavy responsibility of dealing with questions, on the solution of which the economic fate of the country depended, remember the menace to the country like a nightmare.

It is easy to-day, when matters have been put right, to find arguments for criticising the situation as it then was. We were then confounded with an inexorable dilemma. Either to adopt measures which, by their extremeness, would have led to a forcible liquidation of the situation in the ultimate hope that this profound upheaval would contribute to remedy the evil, or, on the contrary, to put a sudden end to every risky system and, in collaboration with foreign capital, endeavour to bring about the smooth and gradual restoration of the financial and economic condition of the country. Without any reservation, the latter path was chosen, and the results obtained have proved the correctness of this judgment.

RESULTS OF THE NEW POLICY.

The complete change of methods, the clearance of the future, so that future budgets should possess completeness and sincerity, the radical restoration of the finances of the country; all these difficult problems, before which more than one had shrunk, were studied, discussed from all sides, subjected to a strict and scientific test, and, with assistance from abroad, which the League of Nations willingly granted, were settled in a practical manner; thenceforward secure foundations were laid for the finances of the country. Whereas, up to the year 1926-7, the deficits in the budget were enormous, the budget of 1927-8, with all its comprehensiveness, left a real surplus, which has since been assessed, of Drs. 550,000,000. The budget of 1928-9, in spite of the necessary increase in expenditure, also left an assessed surplus of over Drs. 100,000,000. The new budget under consideration can thus be based upon firm foundations of revenue, so that, notwithstanding the increase of expenditure, a surplus may safely be expected. This new budget is characterised by a spirit of absolute conservatism in its estimates, so that its execution will present no surprises. It contains also a strong reserve fund, so that any additional expenditure may be covered from this reserve, without the equilibrium being threatened therefrom. But in addition, although a loan of £3,000,000 net had been approved and issued, for the purpose of settling all the arrears of the Treasury, nevertheless, the automatic increase of the revenue, and the collection of arrears of taxation have had the result that the whole of the amount provided will not be required to liquidate the past. The free balance that remains, and which is estimated at about half the amount of the loan, will remain at the disposal of the State, to be utilised for extraordinary purposes as the Government may consider well. At the present moment, the whole amount of the loan of £3,000,000 remains intact with the Bank of Greece, at interest to the credit of the State.

Finally, the immobilisation of the disposable capital of the National Economy, which was caused by the continual absorption of capital by the State, has been put an end to. From the time when the period of creation of deficits closed, and the work of restoration and *de facto* stabilisation commenced, the Public Treasury immediately acquired creditor balances in the bank. To-day the State is burdened with no floating debt which has not been provided for and instead of the Treasury obtaining temporary advances from the bank under various forms (as was the case up to 1926), and leaving unsettled accounts to be renewed and to accumulate with the interest continually in arrears, it is now completely up to date. Since 1927 the Treasury possesses a balance to its credit—Drs. 100,000,000 on December 31, 1927; Drs. 565,000,000 on December 31, 1928; Drs. 715,000,000 on March 15, 1929—and this balance has never during that period fallen below 450,000,000 drachmas.

And with all this, no payment is in arrears—a fact unknown in the finances of the country up to 1927—whilst every provision has been made for the expenditure expected; whilst the amount required for the service of the public debt is being converted into foreign exchange and put aside six months in advance; whilst there lies at the Bank of Greece a deposit in favour of the State, and arising from the revenues assigned for our external and internal loans—after deduction of the current service of the loans secured thereby—and referring to future requirements of Drs. 410,000,000 on December 31, 1928, and Drs. 432,000,000 on March 15th of this year.

THE BUDGET—A REAL SURPLUS.

It now has happened, for the first time in Greece, that the Budget has closed, for three years in succession, with a real surplus, obtained without the aid of loans, thanks to the innate strength given to public finances by the natural yield of the revenue and the reduction of expenditure within strict limits. This favourable position makes it possible for the Government to think of adopting milder methods as regards certain taxes which will mainly benefit private economy. The surpluses realised and deposited with the Bank of Greece, at the free disposal of the Treasury, permit the latter to incur expenditure outside the Budget of a more advanced social character, and to do this out of resources which it derives from the surplus of its financial administration.

PUBLIC CREDIT.

These are the tangible results which appear to-day—results of a lengthy and painful endeavour to restore our public finances, to

introduce order in them and to inspire strict administrative methods The easy covering of public expenditure by public revenue, clearness in the State accounts and the consequent rise of credit, and the impression of strength left upon all those who impartially examine Greek finance—these are the fruits of the policy adopted.

The appreciation of the financial strength of Greece on the part of the realists of London, who are accustomed to weigh things calmly, is shown in the prices of Greek securities—prices which are formed freely and naturally.

The improvement in the prices of Greek securities which commenced in 1924, after a short relapse, has continued at a more rapid rate since the reconstruction policy was decided upon and put in execution.

NEW PUBLIC DEBT. COMPARISON WITH THE PAST.

The restoration of the public finances and the rehabilitation of credit made it possible for attention to be turned to the carrying out of works, requiring larger capital, through which the economic level of the country is raised and production becomes more intensive, yielding more plentiful and varied returns. Further, through this capital, which is being brought in from abroad, it is possible for works to be undertaken, the execution of which gave employment to, and will for a long series of years employ, the surplus population, especially that of the towns. At the present day, when we are passing through a period which represents a critical curve in our social life, we must not overlook the necessity of employing many classes of the population in productive work. To abandon these people would be to swell the ranks of unemployment, and would create fresh sources of danger. The liquidation of the past, however, is at an end. And one may assert with certainty that the days of loans devoted to fruitless objects have now been succeeded by a new policy with completely different aims. Nowadays, all our borrowing activity aims at supplying and enriching the country with fresh assets which, by giving an impetus to increased work, will yield in return, many times over, the amount of expenditure incurred in acquiring them.

Let nobody say that the policy of deriving capital from abroad for these objects results in a barren and harmful burdening of the country. Two facts, I think, sufficiently prove the prudence of the policy adopted by Greece in this direction.

In the year 1912, when Greece was still a comparatively small country, with a small production and meagre returns, the public debt amounted to 1,080,000,000 gold drachmas, equal to a debt of gold drs. 400, or £16 per head of a population of 2,700,000. The final destination of the greatest part of the loans represented by this debt was unfortunate. They were spent for requirements of a barren nature, for the most part, and but a very small fraction was transmuted into works of permanent utility. In the end, as they failed to increase proportionately the productiveness of the country, they became a crushing burden which caused the resisting power of the nation to give way.

At the present day, our public debt, after the disaster which we have suffered, and the reparation of the losses which we have undertaken, amounts to £82,000,000 approximately and Drs. 16,000,000,000 or £43,000,000, or a total of £125,000,000 This is equivalent to pre-war gold drachmas 500, or to £20 per capita for a population of 6,200,000.

However, we now have an incomparably higher productive power, a population which uses an altogether different technical equipment, territory more fertile, a credit organisation converted in a thick network all over the country, considerably increased savings-bank deposits, a consumptive capacity widely developed, and, generally speaking, a present, and especially a latent, strength out of all comparison with that of the Greece of days gone by.

The comparison between them and now gives indisputably satisfactory results in favour of the present, not only because a considerable portion of the public debt contracted since then has been utilised in supplying the country with a better equipment and has enriched it with new assets, but also because the £20 of the debt per head of to-day have not the same intrinsic value as the same amount in pre-war days; in fact, they are of much less value because it is calculated that gold has lost more than 30 per cent. of its pre-war value. In other words, the actual debt per head is certainly less than in 1912, and amounts to £14 or £15 only.

A POLICY OF HEAVY DEBT AMORTISATION.

But there is another point which I think deserves especial notice. This point is the policy of amortisation which has been adopted.

From 1923 to 1928, Greece was obliged to contract indebtedness, amounting to Drs. 9,600,000,000, or about £25,000,000, in internal loans, and £26,000,000 in external loans. That is to say, the public debt increased during that period by £51,000,000. But the country was aware that these charges must not be allowed to continue for ever, but that it would be advisable to pay them off as rapidly as possible, even if the Budget was to be excessively burdened at first by this policy.

For this reason an unusually large sinking fund was fixed. Thus, amounts of £3,340,500 and about Drs. 1,300,000,000 were expended in six years, from 1923 to 1928 inclusive, for ordinary and extraordinary sinking funds, and debts to this amount were definitely extinguished, not including conversions. It is estimated on a sure but moderate computation that, within ten years from now, we shall have paid off, through the sinking funds fixed in the conventions, about Drs. 9,500,000,000-10,000,000,000 out of our debt in drachmas, and £20,000,000 out of our foreign debt, or a total of between £47,000,000 and £48,000,000.

In other words, our present public debt will be reduced by two-fifths, and in this way, the capital borrowed from the commencement of the Great War to date, either for the liquidation of war losses or for the economic restoration of the country will be almost entirely extinguished in a period of between 10 and 12 years.

This absolutely prudent policy, which arranges that the present generation shall contribute largely to the reduction of the charges incurred for the most part for its benefit, so that it may leave a less burdensome inheritance to its successors, makes it easier for the country, from a general economic point of view, to undertake obligations connected with the execution of works which create fresh resources, without which the Greece of to-day, and still less the Greece of to-morrow, cannot live and progress.

CONVERSION OF PUBLIC DEBT.

The compcsition of our public debt, however, and especially of the internal debt, bears the impress of the onerous loans of the period of the war and that immediately following the war. These loans were contracted under unfavourable economic conditions, as were all the similar loans of most countries. Our credit was then low, money was suspicious and dear, but our needs were urgent. These facts led to very heavy obligations being assumed for the amortisation of those loans. The policy of all those States, which came out of the war with their finances encumbered, was to apply the so-called conversion policy on a large scale, immediately they had achieved the restoration of their finance and currencies. The restoration of credit and the cheapness of international capital are indispensable conditions for the application of such a programme. For this reason, directly Greek stocks rise above their nominal price; directly the real interest descends to a low level; directly cheap money shall be offered in the international markets we must, without fail, study the conditions of a more general unification and conversion of some of our loans, by which means not only will the budget be appreciably relieved but the State will be able at its convenience and without embarrassment, to discuss the needs of the future, because it will be able within the limits of the existing expenditure to minister to fresh obligations, undertaken for productive purposes.

CONDITIONS OF PRIVATE ECONOMY.

The consolidation of our public finances is a fact which cannot be disputed by calm observers of our affairs. But, in the case of the private economy of the country, it may be said that it has not yet attained to a state of equilibrium, and the conditions it is labouring under still remain unfavourable for a more intensive development. The restoration of the currency to health removed from the midst a powerful hindrance to the smooth working of private economy, and created a stable medium of exchange. But the habits of the past, which had been formed in an atmosphere that was vitiated by the continually fluctuating value of the currency, still exercise certain hurtful influences over the present. For it is not easy to re-educate the people under conditions which preclude easy profit, and demand work which creates only restricted gain.

Economic conditions during the war, and still more after the war, gave an impulse to the creation of a large number of enterprises, which subsisted thanks to the special conditions of an entirely artificial protection and the lack of any competition—conditions which characterised the years in which they were established. In this way a considerable amount of capital was immobilised, attracted by the dream of enormous profits, which were assured to the detriment of consumers by the various measures of protection imposed by the extraordinary circumstances. But, from the time when an endeavour began to be made to restore normality in the world, above all, when free competition once more began to exercise its automatic adjusting influence, then these enterprises suddenly found themselves in the midst of surroundings differing from those which were presupposed for their existence. And the inevitable result was, elsewhere, just as in Greece, that these enterprises are vegetating, and will continue to vegetate—that the capital invested in them cannot be remunerated. Even to-day these enterprises continue to burden the national economy, and create a

heavy liability in that economy, which it is not easy to liquidate, nor is it possible for it to be gradually cleared off without leaving disagreeable traces behind it.

CAUSES OF STAGNANCY.

It is true that greater smoothness is now observable in business than during the past, interest shows some tendency to fall (our discount rate has been reduced from 10 per cent. to 9 per cent.), deposits, especially savings bank deposits, are increasing, and the deposits of the principal banks, taken together, show an increase at the end of the past year of about 800,000,000 drachmas over those of the foregoing year, or an increase of 12 per cent. Investments have also been more plentiful, and the country has absorbed for its business more capital than before, estimated at a figure well over Drs. 1,000,000,000. But the economic life of the country will enter upon a safe path of progress only when there is stability in the conditions of every class of work; when all expenditure can, within reasonable limits, be foreseen; when unstable factors which cast the seed of doubt into every enterprise and deter the average man who is not by nature a bold *entrepreneur* from engaging in productive work—are reduced to a minimum.

This uncertainty frightens away capital, and puts a stop to real savings, the only source which, when it is plentifully supplied, will render us really independent of foreign countries. The high rate of interest still observable is due exclusively to the hesitation of Greek capital either to return home or even to make an appearance. To this fear, which is certainly exaggerated by rumour, is due the reduction last year by £1,150,000 of the remittances of emigrants. Capital, justifiably or not, is afraid to display activity, because it is apprehensive of being badly treated. This is the reason of its abstention from any permanent investment in business. But such investments only enrich the country, increase production and foster the fruitful enterprising spirit of the people. This is the reason of the continually high rates of interest. But under these conditions production also cannot be cheap, nor can those commodities which constitute the necessary supplies of life ever be offered at lower prices in order to contribute to the reduction in the cost of living.

THE NECESSITY FOR SAVING.

If, on the contrary, we adopt a policy which both by legislation and by the administration protects and incites to saving, we shall then certainly behold local capital automatically appearing on the surface in order to be invested in business with courage and conviction. Capital also is an article of commerce; it, too, is governed by laws which fix its price, that is to say, interest. But capital belongs to the class of valuable goods, for it is the indispensable element of the production of all other goods. It is, however, at the same time the most sensitive and nervous of all products. That is why a crisis affecting it produces an immediate repercussion upon the whole economy of the country, because the chief elements of production suddenly become dearer.

The safest criterion of the prosperity and economic equilibrium of a country, at any given time, is, under normal conditions, the rate of interest. Prosperity is the more certain when interest is low generally—that is to say, for all classes of business. The slackness of business observable in Greece, the tendency to abstain from it, its meagre and irregular returns—which have been described by many as a crisis—all this is principally nothing else than the lack of offers of cheap capital. This disease is easily curable, because it is not true that there is a scarcity of capital in the country. On the contrary, I do not think that it lacks capital, or that it has not the means to find capital abroad. The proof of this fact, which I think cannot be disputed, is the increase in the deposits in the five principal Greek banks during the past year. A further proof is seen in the continually increasing investments in productive business properly so called, by these banks, and yet another proof is the issue of so many internal loans during the past two years, for the payment of compensations fixed by treaties. A large proportion of the bonds of these loans was absorbed by the market, and only in this way did the refugees and others who needed it, receive ready money.

SOUND MONETARY AND FINANCIAL SITUATION.

Another proof is to be found in the firm maintenance of our public credit, and the evident readiness of foreign capital to find employment in Greece, because the present sound monetary and financial situation inspires confidence, because there exists a confidence in the latent potentialities of the country. It is enough to prepare, by legislation and administration, a fertile soil for the employment of foreign and local capital, and to create a framework of security within which the various agents of production may move freely and fruitfully.

I do not think that, with the data we possess, there is any room for hesitation as to the policy to be followed. With the assistance of credit, that policy, by opening new business and assisting old ones, will absorb the whole of the unemployed population; and by giving an impulse to production, it will increase saving, will bring down prices, will multiply consumption, and will then lay the foundations of social and political well-being.

SCHWEPPES, LIMITED.

RECORD NET PROFIT.

The thirty-second annual ordinary general meeting of Schweppes, Limited, was held, on the 9th instant, at Marble Arch House, 1 Connaught Place, London.

Sir Ivor Phillips, K.C.B., D.S.O. (the chairman), who presided, in moving the adoption of the report and accounts, said that gross profit was £317,000, as against £307,000 last year, while the net profit was £172,000, against £157,000—a new record for the company. They had had another satisfactory year, and were able to recommend a dividend of £9 6s. 3d. per cent. to the ordinary shareholders and 10 per cent. to the deferred shareholders. Inasmuch as the deferred shareholders had received one new deferred share for every two previously held, they were now receiving 15 per cent. on their original holding, as against 10 per cent. last year. By settling the long outstanding question of arrears of deferred dividend, not only had the deferred shareholders benefited, but the ordinary shareholders had also at last received an increased dividend.

Their trade generally was satisfactory and he took the opportunity of giving a review of the past 10 years' work of the board. In 1918 goodwill stood at £1,039,000; to-day it stood at £450,000. The mortgage on the Vauxhall factory of £30,000 had been paid off, while the "A" debentures, which stood in 1918 at £103,000, were now £22,000—the difference of £81,000 having been paid off. To-day, beyond the £300,000 4 per cent. permanent debenture stock and the small balance of £22,000 "A" debenture stock, there were no charges on the property. New factories had been built at Glasgow, Brighton, Cardiff, Leeds and Dublin, while additions had been made to their factories at Hendon and Vauxhall. At the Sydney factory there had been large extensions and additions, and the Melbourne factory had been almost entirely rebuilt. In addition to all this, a number of new depots, both in this country and in New South Wales, had been formed for the better distribution of the company's products and for the convenience of their customers. Three freehold cider factories, and a large acreage of orchards planted with cider-producing apples had been purchased. Their cider was second to none, and was daily increasing in popularity. Their sales were already large and were steadily increasing. At the last Brewers' Exhibition in London Schweppes cider was awarded the Gold Medal in open competition.

Profits in the last 10 years had risen from £55,000 to £173,000. In 1918 the ordinary shares had received 7 per cent. and the deferred shares nothing. To-day the ordinary shares were receiving £9 6s. 3d. per cent. and the deferred shares 10 per cent., or, on their previous holding, 15 per cent. That was a record which he thought the company should be proud of.

Mr Brian Kemp-Welch seconded the resolution, which was carried unanimously.

162 Branches in Finland

CAPITAL AND RESERVES: Fmk.417,000,000.
TOTAL ASSETS (31/12/28): Fmk.2,934,742,000.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank)

HEAD OFFICE: HELSINKI (HELSINGFORS), FINLAND

Established 1889.

YORKSHIRE INSURANCE COMPANY, LIMITED.

INCREASED DIVIDEND—EXCELLENT POSITION.

The one hundred and fifth annual meeting of shareholders of the Yorkshire Insurance Company, Limited, was held, on the 7th instant, at the Station Hotel, York, Sir James Hamilton presiding.

In moving the adoption of the report and accounts, the Chairman said that the total of new life sums assured was £1,730,000, an increase of £215,000 over that for last year, the average sum assured per policy being £683. The consideration received for annuities was £54,000, and the life and annuity fund had risen from £5,753,468 to £6,192,286, an increase of £438,000. The net sum paid under claims by death showed a reduction as compared with the previous year of £15,000 and was a satisfactory feature. The expenses ratio had also been somewhat reduced.

QUINQUENNIAL VALUATION.

The quinquennial valuation just completed showed a most excellent position. It had been made on the most stringent lines and showed a surplus of £570,000, which enabled a distribution to be made to the participating policyholders, inclusive of the interim bonuses paid during the quinquennium, of £432,450, and carrying forward £112,000, as compared with £70,208 brought in from the previous valuations. Coupled with the fact that they were one of the few companies which maintained the bonus throughout the period of the war should appeal to all those contemplating life assurance.

The shareholders received as usual one-tenth of the disposable surplus. The new premiums in the sinking fund account amounted to £35,000 and the fund was increased to £285,000. The net fire premiums were £1,065,000 and showed a decrease of £37,000, which was more than accounted for by a decline in the United States premiums, there being otherwise an increase. While partly due to their underwriting policy in the United States, it was also a result of the large nnmber of new insurance companies recently incorporated in America, with consequent increased competition and wider distribution of the available business. They had, therefore, considered it wise to take a substantial interest in the company newly organised by their friends, which would operate alongside themselves under the control of their managers, and they looked forward confidently to deriving material benefit both in the acquisition of desirable business and reduction in their expenses.

FIRE, ACCIDENT AND MARINE DEPARTMENTS.

The fire loss ratio of 47·5 per cent. was well within the average expenditure for many years, and they were able, as in the previous year, to carry £150,000 to profit and loss account and to increase the fire funds from £757,000 to £775,000.

In the accident and general account the net premiums had risen from £1,183,000 to £1,244,000. The claim ratio was 3 points higher, and after setting aside the increased 40 per cent. reserve for unexpired liability, the resulting fund was increased from £721,000 to £754,000, and they were able to transfer £80,000 to the profit and loss account the same as last year.

In the marine account the premiums were £484,000, a very slight increase, and were again absorbed by the outgo, but as was done last year, £10,000 was transferred to profit and loss, really a portion of the interest earned in this account, and the fund increased by £2,000 to £556,000.

The departmental sums brought into profit and loss account were identical with those of last year, while interest was £6,000 more. Profit on reversions also showed an increase of £1,000 or £2,000 a year more for this and the next four years. The general reserve, after providing £6,000 for purchase of business, now stood at £853,800, and the total assets side of the balance-sheet had risen from £10,593,265 to £11,353,876, an increase of £760,000. The net rate of interest earned by the company was £4 11s. 9d. per cent., showing an increase of 1s. 10d. per cent.

I think, added the Chairman, you will regard the account as an eminently satisfactory one, and your directors consider they can safely recommend a further increase in the dividend, which they propose shall be 19s. on the fully-paid shares and 9s. 6d. on the partly-paid shares, free of tax.

The proposed rearrangement of capital will be effected without trenching upon the general reserve, being financed entirely from the profit and loss account. The fact that they could so finance the proposed capital rearrangement and at the same time transfer £60,000 to their general reserve was a source of particular satisfaction.

Mr. de Neufville seconded, and the resolution was carried.

The extra-ordinary general meeting which followed immediately afterwards approved the resolutions doubling the amount of paid-up share capital from the sum specially reserved in profit and loss account and altering the articles of association.

ASSOCIATED ELECTRICAL INDUSTRIES, LIMITED.

SUCCESSFUL RESULT OF GROUPING.

The twenty-ninth annual general meeting of Associated Electrical Industries, Limited, was held, on the 7th instant, Bush House, Aldwych, London, Mr Howard C. Levis (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said:—At the last ordinary general meetings of this company and the British Thomson-Houston Company, Limited, it was stated that negotiations between the two had reached a stage where we could look forward with confidence to close cooperation which should lead to eliminating unnecessary duplication of effort and expenditure and to effecting economies generally in various directions, such as research, engineering development, manufacturing processes, and the purchase of materials. Reference was also made to similar negotiations with the Edison Swan Electric Company, Limited, and Ferguson, Pallin, Limited. Since these meetings the plans have been brought to a successful conclusion, and, while it will of necessity take time fully to realise the expected economies, the important fundamental steps have been taken. Several plans were considered, and that which was finally adopted involved the use of this company, as the holding company, as the easiest plan to put into effect and with a minimum of expense. Following the successful completion of the negotiations with the various interests, a circular was issued on November 9 to the shareholders of this company setting forth the terms of the arrangement.

It is not necessary for me to outline the various activities of the companies now brought into such close cooperation, as they are well known, but it may be of interest to state that together we employ nearly 30,000 people in England, and also possess manufacturing facilities in Australia. With the exception of the output of the Australian shops and of an insignificant number of specialised articles for which the demand in this country has not as yet justified manufacturing here, all the products sold by this group are at present, and will continue to be, entirely manufactured in Great Britain.

PROFITS AND DIVIDENDS.

The total profits, after providing for expenses, bad and doubtful debts, maintenance of buildings, machinery, taxation, &c., and adjusting certain reserves amount to £258 772, or £4,000 more than those of the previous year, and I must remind you that so far as the operations are concerned, it covers the same field as the operations of the previous year, in that nothing is received in the way of dividends from the shares of other companies which have been acquired, and, on the other hand, no dividends are paid on the new stock, the latter only ranking for dividend from January 1 last. The directors recommend that there should be paid a dividend of 8 per cent., less income tax, on the cumulative preference shares, and there should be paid on the 1,136,950 old ordinary shares a dividend of 6 per cent., less income tax, the aggregate amount of the two dividends being £133,488, which, deducted from the profits available for distribution, leaves a balance to be carried forward of £101,850.

SEVERE COMPETITION.

The situation as regards competition, both at home and in markets abroad, has become more severe even than indicated at the general meeting a year ago. The large orders placed by the Central Electricity Board in connection with the grid scheme have undoubtedly increased the volume of business offering, and the group has had a fair share of these, but this work has had the effect of attracting the efforts of such a large number of competitors that the price levels have fallen as the result. It is a matter for regret that the facilities available for the manufacture of electrical apparatus in this country continue to extend at a greater rate than the increasing demand, with the inevitable result of fiercer competition and a lower level of price. These enlarged facilities also result in increased competition in the foreign markets, with resulting lower levels of prices there, created in many cases by competition between English firms. This all points to the advisability of every effort being made by those in control of the industry in England to secure cooperative arrangements which will tend to produce an adequate return for the investment of money and brains in the industry.

The results of the year under review are satisfactory, considering the circumstances, but the profits are not adequate, having in mind the efforts put forth, the quality of the products sold, and the service rendered to our customers. The constant developments in the electrical field involve very large staffs on both the engineering and production sides, and entail very heavy overhead expenses if the companies in the group are to hold their position, and it is only by maintaining such staffs that they can hope to secure an adequate volume of business and occupy their factories at anything like an economic level of production.

The resolution was unanimously adopted.

FRIENDS' PROVIDENT AND CENTURY LIFE OFFICE.

RECORD LIFE ASSURANCES.

FAVOURABLE MORTALITY RESULTS.

The annual meeting of the Friends' Provident and Century Life Office was held on the 8th instant, at the Holborn Restaurant, London. Mr Harold J. Morland, M.A., F.C.A. (the Chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The adaptation of the new head office building, No. 7 Leadenhall Street, London, was completed in July last. It has been found to be conducive to convenience and efficiency for the central activities of the Friends' Provident and most of the associated companies to be concentrated in one building, and the situation in the heart of the City affords increased opportunities of securing suitable investments and eligible insurance business.

New Assurances.

I will now turn to our report and accounts for 1928. The new life assurances of £1,567,483 constituted a record. In addition, the Century Life Fund issued policies for £71,606, making together £1,639,089 as compared with £1,548,236 for 1927.

FAVOURABLE LIFE CLAIMS.

The amount of the life claims incurred was particularly favourable, being only 54 per cent. of the amount expected. The annuitants also exceeded their expected longevity. Still, on balance the excellent profit of £69,000 from favourable mortality emerged in the two sections of the business.

INTEREST EARNINGS.

For the third year in succession the net rate of interest earned on the funds after deduction of income-tax was in excess of 5 per cent. The average of the net rates for the first four years of the current quinquennium was £5 1s. 6d. per cent., as compared with the corresponding average for the years 1920-23 of £4 11s. 5d. per cent. The rate of profit arising from surplus interest was therefore almost one-third more in the last four years than in the comparative period of the previous quinquennium.

EXPENSES.

The past two years have witnessed a rapid growth in the volume of life business. As the obtaining of new business carries with it special charges of various kinds, this increased growth involves a natural rise in the total expenses and also in their percentage to premium income.

CENTURY ACCOUNTS.

The premium income in the general departments of our associated company, the Century, advanced by £72,727, and amounted to £684,210. Trading profits of £6,441 were transferred to profit and loss account. The fire department had a fair year. The accident account had an unfortunate experience both in motor insurance and workmen's compensation. The marine account for 1926 was closed, showing a loss of £1,042, which was provided out of the additional reserve in the marine fund. The marine fund is liable only for the running off of the 1927 and 1928 underwriting accounts.

The Century Life Fund valuation will take place as at the end of 1929, and the result is awaited with considerable confidence.

The valuation of the permanent sickness fund for the five years 1924-28 was made on a stringent basis, and there was transferred from the surplus to the credit of the profit and loss account the sum of £20,000.

PROFIT AND LOSS ACCOUNT.

The profit and loss account showed as its most important item interest not carried to other accounts £37,958, this being £3,512 more than in 1927. The net profit of the Century, after provision for taxation and all known expenses, amounted to £60,479, which, with the exception of the profit for 1927 (£72,546), was the largest in the history of the company. The usual dividend of 12 per cent. (yielding the Friends' Provident 6 per cent. on its investment) cost £33,600, leaving £26,879 to be added to the balance carried forward, making it up to £89,742.

The Century funds, including paid-up capital, amounted at the close of 1928 to £3,245,673, an increase of £104,813 in the year.

FRIENDS' PROVIDENT BALANCE SHEET.

The total funds of the Friends' Provident advanced during 1928 by £431,893, and amounted at the end of the year to £5,966,427. There was no change of particular significance in the constitution of the assets, unless it were a rise of £106,000 to £336,000 in the holdings in preference and ordinary stocks, representing further purchases on a modest scale of these types of investments.

FAVOURABLE VALUATION PROSPECTS.

As at the close of the current year, 1929, the valuation of the assets and liabilities for the five years then ending will be made, and from the progress of our affairs until now it is evident that, subject to nothing unforeseen of a serious character taking place in the meantime, a surplus will be shown which will justify the allocation of bonuses on the basis of at least the most recent rate of interim bonus declared—namely, £2 per cent. compound.

There is no doubt that in recent years life offices have attained a profit-earning capacity which affords the means to declare bonuses at rates in most instances without precedent in their history. This prosperity arises mainly from the high interest rates earned on the funds in comparison with the low interest rates estimated to be earned, supplemented by large profits from the favourable mortality of the lives assured as compared with the mortality rate on which the premiums were based. The high rates of interest earned are due in large measure to the huge wastage of capital during the Great War, but the more active investment policy adopted is a contributing factor. As the normal rate of interest on the trustee type of security becomes adjusted more nearly to pre-war standards, the maintenance of a favourable average return on the funds will depend on the extent to which sound knowledge and prudent enterprise are characteristic of our investment departments, thus enabling the transfer of funds to a wider range of investment to be carried through advantageously.

LIFE OFFICES AND INVESTMENT.

It is evident from a study of the balance-sheets of life offices that such a transfer has been on the way for several years past, and the affiliations between insurance companies and other organisations (including trust companies) engaged in the business of investment which are from time to time arranged demonstrate the careful attention which is being given to a satisfactory solution of the problem. There is thus every prospect that the prosperity now enjoyed by life offices may continue in the future, enabling them to act as investors for their members on the co-operative principle, in addition to fulfilling their primary purpose of providing monetary protection to dependents against early loss of the breadwinner.

It appears to be the custom now with many investors to buy ordinary stocks for capital appreciation rather than for interest yield, and in doing so the price of this stock is generally based on the fact that there are surplus reserves accumulated and that not all the profits earned have been divided. Such an investor is content with a low rate of dividend in consideration of possible bonus prospects later.

On the other hand, in the case of a life office new members may come in "on the ground floor," so to speak, and may, without additional monetary consideration, immediately share fully in the benefits of the organisation which has been created and of the reserves that have been made.

BENEFITS OF LIFE ASSURANCE.

Life assurance is generally treated either from the point of view of the prospective benefit to the dependents or of the advantage to the life assured as an investment, but it may be claimed that the life assured himself derives other important, even if intangible, advantages. In the past few decades the average rate of mortality has considerably improved. This improvement is ascribed to growth in medical and surgical science. Social reforms have also made their contribution, for worry has a depressing effect on health, while peace of mind conduces to long life as well as good health. It is this last reason which it is admitted largely accounts for the much greater longevity of annuitants as compared with non-annuitants.

Is it not reasonable to believe that he who has effected adequate assurances for the protection of his family against privation and poverty enjoys greater peace of mind and is more free from worry, whether during health or more particularly in the case of illness, than the equally well-intentioned but careless man who has either inadequate assurances or none at all?

MEDICAL PRACTICE PURCHASE SCHEME.

As another illustration of the possible benefits of life assurance I may mention that in the endeavour to be of service we have recently introduced a unique scheme whereby members of the medical profession may be assisted to purchase practices, the security being in addition to the practice itself, life and permanent sickness assurances of suitable amounts, and no personal guarantors being normally required. A considerable number of cases have already been arranged, and the scheme has been much appreciated by those taking advantage of it, as in most instances they have been able to anticipate by many years the time of acquiring their own practice.

The resolution was carried unanimously.

EQUITABLE LIFE ASSURANCE SOCIETY.

NEW BUSINESS RECORD.

The 167th annual general meeting of the Equitable Life Assurance Society was held, on the 8th instant, at the registered office of the society, 19 Coleman Street, London, Sir Evan Spicer (the president) presiding.

The President, in moving the adoption of the report, drew attention to the fact that they had obtained more new life assurance business this year than for over one hundred years. Once—it was in 1810—they issued new policies for one and a half million pounds of sums assured, and then, owing to a feeling of uncertainty with regard to future profits, it was decided that only five thousand policies might share in profits at one time. Consequently a new member had to wait for his first bonus until one of the eixsting five thousand died. This discouraged people from coming to the society, and business dropped down steadily until some fifty years ago, when the new assurances each year were less than £100,000. Now they were over £1,000,000, and he hoped the society would never make that sort of mistake again! It would have been something of a tragedy if the first company that granted real life assurance had ceased to exist. The society was full of life, and the list of claims at the end of the report showed the wonderful bonuses now being paid. The claims under with-profit policies payable at death produced last year, on the average, nearly two and a half times the original sum assured, and in five cases produced more than four times the sum assured. The list of claims relating to whole-life policies was supplemented by examples of endowment assurances that had matured because the life assured had survived to the end of the term for which the assurances were effected, and they would see that these results were very satisfactory. Ever since the Equitable started it had been in the habit of issuing not only policies to its members which were increased by bonuses, but other assurances which were not entitled to share in profits and had a sum assured which was definitely fixed. As their bonuses were so good, it was becoming obvious that the terms formerly granted for these non-participating assurances should be made more attractive, and during the past year the society issued new tables for this kind of business. So far as they were aware, no insurance office publishes lower rates than theirs.

The report was unanimously adopted.

WORLD AUXILIARY INSURANCE CORPORATION, LIMITED.

SUCCESSFUL YEAR—INCREASED PREMIUM INCOME.

The tenth ordinary general meeting of the World Auxiliary Insurance Corporation, Limited, was held, on the 9th instant, at Winchester House, Old Broad Street, London.

Capt the Rt Hon C. C. Craig, M.P. (chairman of the corporation), said:—In accordance with our usual custom, I will deal with the accounts in the order in which they appear before you. In the fire, accident and general account the premium income amounted to £275,725, an increase as compared with the previous year of over £75,000, which shows that we are extending our activities and enlarging our field of operations. To the premium income must be added the fund of £93,756 brought forward from 1927, making a total of £369,481.

The claims paid and outstanding, commission charges and expenses amount to £234,003, leaving a balance of £135,478, from which we have transferred £5,000 to profit and loss account, thus showing the fund at the end of the year under review to amount to £130,478, or 47.3 per cent. of the year's premiums. I venture to think you will agree with me that this is a satisfactory position. The marine fund at the commencement of the year amounted to £197,459, to which is added the premium income of £171,076, giving a total of £368,536. The claims paid on 1927 and previous years accounts amount to £115,678, and for 1928 to £46,145, or 26.9 per cent., a slightly lower ratio than that for the corresponding period for 1927. After paying expenses there remains a balance of £199,669, from which we have transferred the sum of £12,500 to profit and loss, leaving a marine fund of £187,169, or 109.4 per cent., to be brought forward to 1929.

It may be within the recollection of some of the shareholders that at our meeting last year I ventured to prophesy that, though 1926 was generally accepted as a bad year, we did not anticipate making any loss; so that to be able to transfer £12,500 to profit and loss and retain a fund of 109 per cent. is, I think, a matter for congratulation, and reflects great credit upon our underwriter, Mr Sharman, and his colleague, Mr Taylor.

Balance Sheet.—Our investments, which are taken at cost price, have increased from £747,911 in 1927 to £839,615. The investment reserve fund still stands at £20,000, which your directors consider sufficient, but in addition to this there is an appreciation in value of our investments at December 31st last of £6,641.

The report and accounts were unanimously adopted.

THE BRITISH THOMSON-HOUSTON COMPANY, LIMITED.

CO-OPERATION IN ELECTRICAL INDUSTRY.

IMPORTANT ARRANGEMENTS CONCLUDED.

The thirty-fourth ordinary general meeting of the British Thomson-Houston Co., Limited, was held on the 8th instant, at the offices, Crown House, Aldwych, London, W.C. 2.

Mr H. C. Levis (the chairman) presided.

After the notice convening the meeting was read the Chairman referred with great regret to the resignation of Mr Owen H. Smith, who had been a director of this company since March, 1902. He also referred to the appointment of Major-General Sir Philip Nash, the managing director of Associated Electrical Industries, Limited, to fill the vacancy.

The Chairman mentioned that Associated Electrical Industries, Limited, had acquired from the previous owners all of the ordinary shares of the British Thomson-Houston Co., Limited, the majority of the ordinary shares of the Ediswan Co., and some of the preference, and practically all of the preference and ordinary shares of Ferguson, Pailin, Ltd. He also referred to his speech made yesterday, at the general meeting of the Associated Co., wherein he enlarged somewhat fully upon this matter.

YEAR'S PROFIT.

He then reviewed the figures in the balance sheet and profit and loss statement, and observed that the profits for the year, after deducting all expenses and charges other than interest on dividends and loans, were £422,729; to this there is to be added the amount brought forward from the preceding year, £200,512, making a total to be dealt with of £623,241. The total carry-forward from the last financial year was £230,512, but, as set forth in the report, £30,000 was deducted from this before bringing the balance into the accounts for the current year, and therefore the amount brought forward was £200,512 as above stated.

ALLOCATION.

From the amount above mentioned, of £623,241, there had been first deducted £152,224 interest on debentures and loans (which is £27,500 less than the previous year) and the directors recommended there should be appropriated for depreciation £119,950.

After deducting the dividends paid on the preference shares during the year at the rate of 7 per cent. per annum, less income tax, £84,000, the directors recommended the payment of a dividend on the ordinary shares at the rate of 4 per cent. per annum less income tax, absorbing £64,000 and leaving an amount of £203,066 to carry forward to the new account.

BALANCE SHEET CHANGES.

The balance sheet showed some important changes.

The amount of loans had been reduced from £1,310,000 to £335,000, this reduction being possible from the payments received for the Ediswan and Ferguson Pailin shares, which this company previously owned. This reduction in loans would have a substantial effect upon the amount of interest which the company would have to pay hereafter.

The share capital remained the same; both the 4½ per cent. and 7 per cent. mortgage debenture stock had been reduced by drawings under the respective trust deeds.

The reserve account stood at the same figure as last year.

On the credit side of the account the principal changes were the disappearance of the item of nearly a million pounds, covering shares in affiliated companies—the shares of the Ediswan and Ferguson Pailin companies now having been acquired by the Associated Company as stated—and shares and debentures in lighting, traction and other companies having been reduced from £516,352 to £369,638.

STRONG FINANCIAL POSITION.

The item apparatus, supplies, etc., finished and in process of manufacture, less reserve, had increased from £1,238,636 to £1,409,064. "Sundry debtors, retention moneys, payments in advance and other outstanding accounts" had increased about £200,000. The amount in Government securities was £44,971, and the cash at bankers £220,509. The quick assets, eliminating shares and debentures in lighting, traction and other companies, aggregated £3,770,794, while the current liabilities—in which was now included loans, and, as heretofore, included employees' savings

certificates, together with sundry creditors, retentions, &c.—were £1,561,054. The financial position, therefore, was strong.

NEARLY 12,500 EMPLOYEES.

The number of employees was nearly 12,500. The company's policy always had been to manufacture in this country everything that they sell, excepting an inappreciable number of items where the volume of sales is too small to warrant their being put into production; this policy would continue, not only for this company, but for the companies with which it was associated.

Finally, the Chairman referred to the appreciation of the efforts of the company's employees, who had always been ready to help promote the company's interests in every possible way.

The report of the directors, together with the annexed statement of the Company's accounts to December 31, 1928, duly audited, was then received, approved and adopted.

Messrs. E. Wilbur Rice, Gerard Swope, Francis Fraser, and Major-General Joly de Lotbiniere, the retiring directors, and Major-General Sir Philip A. M. Nash, who had been appointed a director since the last general meeting, were re-elected directors of the company.

Messrs Price, Waterhouse & Co., were re-appointed auditors for the ensuing year.

LICENSES AND GENERAL INSURANCE COMPANY, LIMITED.

GOOD RESULTS.—NEW SHARES TO BE ISSUED.

The thirty-ninth ordinary general meeting of this company was held, on the 8th instant, at 24, 26 and 28 Moorgate, London.

Mr A. W. Ruggles-Brise, D.L., J.P., C.C. (the chairman), said that when he addressed the shareholders a year ago the directors did not anticipate, following on the very big advance then reported, anything like a repetition in the year to follow. They had presumed that 1928 was to be no more than a year of consolidation. It was food for satisfaction that they could improve upon that faith. They were able to report the very substantial increase in general income of £48,517, and, after deducting £11,543 further decrease in marine income, there was a net increase of £36,974, thus definitely lifting the company's income above the £500,000 mark, which had for some years been their object of attainment.

Last year especially, but in reality for eight consecutive years, they had had to provide substantial amounts with which to maintain the reserve for unexpired risks at its required level in the various revenue accounts. With a further substantial increase of income, no less than £20,000 in round figures was required this year for this especial purpose.

Referring to the individual accounts, the chairman said that in the fire account, for the first time for many years, the ratio of claims exceeded their usual annual average of 51 per cent. In the personal accident department there was an increase of income, while in the employers' liability section any change had been of an upward nature. The income from the marine department was now on such a level that it could definitely give no cause for concern.

Since the inception of the company in 1890, the capital had remained unaltered at £73,850 paid up. With the important changes which had taken place from time to time, the character of the company had changed, and it had become enlarged and extended in every direction. To-day they faced a world-wide position: they stood as an active, progressive company of no mean reputation, with a substantial income and the tide of public approval flowing strongly in their favour. The directors felt that the time had come when fresh capital could be usefully employed in many ways. Such an increase would strengthen the reserves and improve the liquid strength, and be more in keeping with the importance of the concern. Foreign and even colonial Governments required from insurance companies that substantial deposits be made before business was commenced. As a company they were not concerned with the correctness or otherwise of the theory governing such demands; if they saw opportunities for good business in a foreign land, were they to avoid and lose that business because they felt that the transference of some of their present securities abroad might impair their home strength. The directors therefore proposed to issue within the next few days an offer of new shares to present holders on what they considered their shareholders would find attractive terms. The Chairman concluded by moving the adoption of the report and accounts and the declaration of the dividend recommended.

The resolution was carried unanimously.

LONDON ASIATIC RUBBER AND PRODUCE COMPANY, LIMITED.

15 PER CENT. DIVIDEND.—IMPROVED OUTLOOK.

The twenty-first ordinary general meeting of the London Asiatic Rubber and Produce Co., Limited, was held, on the 6th instant, in the Council Room of the Rubber Growers' Association (Incorporated), 2, 3 and 4 Idol Lane, London. Mr H. J. Welch (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said:—The balance sheet before you shows the company's issued capital and reserve accounts standing at the same figures as a year ago. Capital expenditure to date is greater by a net amount of £9,599. Our expenditure on development of the estates during the year amounted to £14,205, and we have also spent £3,411 on buildings, machinery and plant, &c., but from the value of our assets of the latter class we have written off £8,017 for depreciation.

Our profit for the year, at £53,951, is much smaller than that for 1927 or for several years previously. This, of course, was because the market price of our product has been at a low level since February, 1928, when the Government's decision to reconsider the question of restriction was announced, and especially since April of that year, when it was decided to abolish restriction entirely from the following October.

When we met a year ago it was impossible to judge how serious the effects on the market might be of the Government's decision to abandon the restriction policy, and accordingly, although the company was well provided with liquid assets, we did not distribute in dividends the whole of the profit earned in 1927, but increased the amount carried forward by over £38,000.

With the rapid increase in the consumption of rubber and with the estates in full production, and prices at a level which, though very low, does allow of a profit being made, the outlook appears to contain no such dangers as faced us at our last meeting. Your directors accordingly considered it fair to the shareholders now to recommend the payment of a dividend at the rate of 15 per cent., and to reduce the amount carried forward to £95,612, which is still a substantial sum for a company of this size.

The amount which we recommend should be transferred to the taxation reserve is £7,000. Under the rules of our employees' retirement fund £710 has to be transferred to that fund, and we recommend also an allocation of £500 for a gratuity to one of the company's managers who has retired on the ground of age after many years of loyal service. Our thanks are again due to our agents, visiting agents and staff for their loyal and efficient services throughout the year.

CROPS AND PLANTED AREAS.

Our restricted crop in 1928 amounted to 3,643,000 lb., against 2,902,000 lb. in 1927. For the current year we anticipate a crop of about 4,500,000 lb. at a lower estimated f.o.b. cost than last year. You will remember that we state in the report that last year's cost was a record for the whole 21 years of the existence of the company, and next year's estimated f.o.b. cost, if achieved, will be another record.

The development expenditure which I have mentioned included the planting of 220 acres of land, mostly on Tamok and Batang Benar Estates. For the current year we have in view similar extensions totalling some 285 acres. As in the past, we shall use the most carefully selected material available for this planting, and the most up-to-date methods.

At the present time the planted areas of our nine estates total 12,940 acres—or over 20 square miles—of which 2,387 acres are immature. The balance sheet cost per acre of the planted area, ascertained by deducting the excess of liquid assets over liabilities from the issued capital and allowing for the dividend now recommended, is under £27 per acre.

The properties are in excellent condition: we have never grudged expenditure on cultivation, and undoubtedly this expenditure has been highly remunerative in securing greater yields from and better health of the trees. Labour has been adequate during the year and health has been good.

At the levels of prices ruling since our last meeting, your directors have not considered it desirable to enter into forward contracts for the sale of ordinary grades. Sales of a special grade for delivery in 1929, totalling 52 tons, have been made at an average price for London delivery of 1s. 2d. per lb.

I think we can look to the future with confidence. The somewhat threatening situation which faced us a year ago has passed with its worst possibilities unrealised, and the world's consumption of rubber has been lifted to a level which seems to indicate clearly that supply will not, at least for a year or two, be seriously ahead of demand.

The resolution was carried unanimously.

RUBBER PLANTATIONS INVESTMENT TRUST, LIMITED.

CONDITIONS IN RUBBER AND TEA INDUSTRIES. STRONG FINANCIAL POSITION.

The twentieth ordinary general meeting of this company was held, on the 8th instant, at the Cannon Street Hotel, London, Mr H. J. Welch (the Chairman) presiding.

Mr E. J. Johnson, F.C.I.S. (representing the Secretaries, Messrs Harrison and Crosfield, Limited), having read the notice convening the meeting and the report of the auditors,

The Chairman, reviewing the position of the rubber industry, said that during the past six months there had been placed upon the market the large stocks in the restriction areas brought in from 1927, the accumulations during the first ten months of 1928, and the output of rubber during the best producing period of the year, temporarily enhanced by the previous resting. The difficulty of forming a reliable estimate of the output of new rubber during 1929 would therefore be obvious, but it seemed unlikely that it would exceed 720,000 tons. The total world absorption during 1928 was over 680,000 tons, an increase of 90,000 tons over 1927.

ESTIMATES FOR 1929.

In considering the requirements of manufacturers during 1929 the most striking factor so far observable was the high rate of absorption in the United States during the first quarter of the year, when 130,000 tons of crude rubber were converted into rubber goods. The absorption during the second quarter was also continued on a large scale, and for the whole year should show a substantial increase over 1928. The estimates made at the beginning of the year were now being increased, and some authorities expected the United States to use 480,000 tons during 1929. The deliveries of rubber to manufacturers in the rest of the world during the first quarter of the current year had also been high. After making allowance for necessary additions to working stocks the available data indicated that the absorption of the rest of the world in 1929 was likely to be not less than 265,000 tons.

If these estimates of production and consumption for 1929 proved correct world stocks would be further reduced during this year by not less than 20,000 tons, following an estimated reduction during 1928 of over 40,000 tons. The present world stocks, including stocks on estates, at ports, and in hands of dealers, quantities afloat, and manufacturers' stocks, were estimated at about 350,000 tons, or less than 50 per cent. of the estimated consumption this year. These, if sufficient, were certainly not too heavy, and all the known statistics seemed to point to a rise in price.

TEA INDUSTRY.

The most striking event during recent months in the tea industry had been the abolition of all duties upon tea imported, making tea free of duty for the first time, he believed, since the days of Queen Elizabeth. The removal of the duty should have an important effect on the total consumption of tea in this country, which at 9½ lb. per head of the population was now the highest in the world. Australia came next with a consumption of 8¼ lb. per head. Production in India, Ceylon, and the Dutch East Indies during 1928 totalled 787,000,000 lb., as compared with 761,000,000 lb. in 1927 and 744,000,000 lb. in 1926. World consumption—not imports or market absorption—was estimated at 920,000,000 lb. in 1928, as compared with 888,000,000 lb. in 1927 and 856,000,000 lb. in 1926. As to stocks the latest figures available—namely, those for March 31—were 259,750,000 lb. in comparison with 239,750,000 lb. at the end of March, 1928. The increase in stock was partly due to an increase in shipments to this market during the past few months and a decrease in the shipments from the producing countries to out-markets. During 1928 the average prices obtained for all tea sold in public sale on garden account was 1s. 4¾d., against 1s. 7d. during 1927. From January 1 to April 18, 1929, such prices averaged 1s. 6¼d., against 1s. 5d. for the same period of 1928. The striking feature of the market for some time past had been the relatively strong demand for good medium and better kinds of tea.

INVESTMENTS.

Dealing with the immediate affairs of the company, the Chairman said that their investments had increased to a total of over £3,175,000, of which about 72 per cent. was invested in rubber, tea, and coconut plantations and the balance in British Government securities, commercial undertakings, etc. The investments in rubber plantation companies were 45½ per cent. as compared with 36 per cent. at the end of the previous year. This increase represented new investments in well-managed and first-class companies purchased at a low cost per acre, and these, the board had no doubt, would in the future prove to be very remunerative investments. There was a considerable slump in rubber companies' share values during 1928, but at all times during the year the valuation of the company's investments showed a substantial surplus over their net cost. This valuation on December 31st last amounted to £2,856,004, as against £2,504,640, at which the investments other than properties stood in the balance-sheet, and consequently showed a surplus of £351,364. At the present time this surplus had increased to £703,063 in excess of the book figure.

PROPERTIES.

The company's properties now stood in the books at £671,008, a net reduction of £16,000, representing the difference between the amounts written off for depreciation and amortisation and the expenditure for the year. Without allowing anything for the value of the unplanted lands their tea properties stood in the books at £70 per planted acre of tea. The profit per acre of their tea in bearing amounted in 1928 to £17 17s. and the average profit per acre for the last three years was £15 15s. The real value of their properties was therefore obviously much above the figure at which it stood in their books, and consequently constituted a considerable additional reserve to those shown in the accounts.

The tea crop for 1928 was the highest total crop ever harvested from their present planted areas, and the yield per acre plucked had only twice previously been exceeded—viz., in 1916 and in 1920. Despite the expenditure on manuring the cost of production, owing mainly to the larger crop, was reduced by ¾d. per pound, an appreciable amount when taken over so large a quantity. The net profit from their tea showed an increase of £44,005 compared with the previous year, but this pleasant feature was more than set off by the generally decreased dividend paid by rubber companies.

PROFIT AND ALLOCATIONS.

The net profit was £310,564, and to the available balance of £199,007 it was proposed to transfer from dividend equalisation reserve £50,000, making £244,007, out of which the board recommended a final dividend of 10 per cent., making 15 per cent. for the year. They carried forward £63,382.

PROSPECTS.

In conclusion, the Chairman said: As regards the prospects for this year, we have good reason to expect a harvest a larger crop of tea from our estates, and to obtain higher prices for it. No forward sales have so far been made, and we are therefore in a position to reap the full benefit from any increased value of our tea brought about by the improvements which are being effected in its manufacture, and by the abolition of the duty upon tea.

In recent years the portion of our tea crop imported into this country has been subject to duty at a higher rate than that imposed on "British-grown" teas. The complete abolition of the tea duty is therefore welcomed by us, not only because it will tend to increase the consumption of tea generally, but also because it will enable this company's teas to compete on level terms with British-grown teas of the same class and quality.

The income from our investments is difficult to estimate, as the dividends from our holdings in rubber companies depend to a great extent upon the immediate future of the commodity, but we still have a large sum standing to "dividend equalisation" reserve which will, if necessary, again be used for the purpose for which it was created.

Interested as this company is in the tea and rubber industries, we are bound to have greater fluctuations of income than that experienced by the general trust companies who invest so widely in "fixed dividend and interest" securities. By the dividend equalisation reserve we endeavour to average the return to shareholders over the good and bad years. Probably we shall have to draw upon that reserve again at the end of this year, but it is my considered opinion, and that of my colleagues, that the company was never in a stronger or more healthy position than it is to-day, nor has it ever had greater promise of a substantial and improving return in dividends from all classes of investment.

The Chairman concluded by moving the adoption of the report and accounts, which was seconded by Mr Eric Macfadyen (vice-chairman) and carried unanimously.

The retiring directors, Mr E. L. Hamilton and Mr W. R. Hoare, were re-elected, and the auditors, Messrs Ford Rhodes and Ford, having been reappointed, a cordial vote of thanks was accorded to the Chairman and directors and to the staff in London and the East.

At the close of the ordinary general meeting an extra-ordinary general meeting of the company was held, at which a resolution was passed to alter the articles of association so as to restrict the voting power to British subjects.

DUNLOP RUBBER COMPANY, LIMITED.

ABOLITION OF RESTRICTION AND ITS EFFECTS.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

The thirtieth ordinary general meeting of the Dunlop Rubber Co., Limited, was held, on the 3rd instant, at the Hotel Cecil, Strand, London. The Rt Hon Sir Eric Geddes, G.C.B., G.B.E., (chairman of the company), presiding.

The Chairman said: I propose to vary my usual practice in the sequence of my speech, and to defer going through the accounts in detail until I have dealt with the abnormal situation which arose in 1928, a situation which you have been told in the report is consequent upon the cancellation of the rubber restriction on inadequate notice. For a complete understanding of the position and policy of the company, however, it is necessary that I should explain to you briefly the situation of the automobile industry, with which is indissolubly bound up the situation of the tyre industry, our main business.

The world, outside of the United States, produced 894,500 motor cars and trucks in 1928, while American automobile production in that year was 4,600,000. The total registration of motor vehicles in the United States is 24,500,000 vehicles, or 80 per cent. of the total world registration. The United States export business is at a comparatively higher level. These figures of American automobile development are very striking, and since what applies to automobiles applies to tyres, no one considering our business as tyre makers can do so adequately without fully realising the great influence of the American automobile industry. An industrial undertaking such as ours, doing a world business such as we do, must have the closest regard to its American competitors' actions and position. A very large proportion of the Dunlop Company's tyre business is either exported from this country or is overseas manufacture. Our world trading position is closely bound up and is absolutely interdependent with the American automobile industry, and it is as well that this point should be clearly before the proprietors when they are considering the remainder of my speech, in which I deal with the abnormal situation which arose in 1928.

The Chairman, having criticised at length the Government's abrupt abolition of restriction, continued:—I quote from the recent speech of the chairman of the Rubber Growers' Association on this point:—

"I will end my remarks on this subject by saying that I do not regret the fact that restriction is a thing of the past, but I do deeply deplore the Government's way of ending it, and the enormous losses which have been inflicted upon producers and owners of stocks alike, losses which, I believe, could have been obviated had the advice tendered by the council of this association, in collaboration with other branches of the industry, been acted upon."

The chairman of the Ceylon Association, also speaking on April 29, 1929, said about the announcement of the withdrawal of restriction:—

"The Prime Minister could not have made a more disastrous announcement than he did on April 4, 1928. The Government decision resulted in enormously heavy losses to producers, manufacturers and shareholders."

Could any more striking testimony be given.

COMPARISON WITH WORLD COMPETITORS.

The tyre industry is highly competitive, and particularly so for large concerns doing a world business. Moreover, the business of the great companies is, as I have said, very largely interdependent, and in considering the result of last year's rubber situation in regard to our own concern, we are therefore entitled, so far as the figures are available, to compare our results with the results of those world competitors. We have been able to do this with the twelve largest American rubber companies. Comparing 1927 and 1928, the profits of those 12 companies have dropped by 96 per cent. In considering, therefore, our own reduced profits, and comparing 1928 and previous years, I submit with confidence that we compare favourably with the industry as a whole.

Our policy was based upon the Government's pronouncements and actions which we were justified in believing to be beyond doubt, as did our friends in the industry. Had adequate notice been given in accordance with the unanimous request of the rubber industry (producers, manufacturers and users), the greater part of this loss need never have been suffered. As things stand, the loss has been experienced by the manufacturing and planting side of the industry in common, and we would indeed be unreasonable if we expected to emerge unscathed from what I rightly described to you as a "convulsion," but a convulsion which I said I was sure we had "the ability to weather."

EFFECT ON THE COMPANY'S PROFITS.

Now as to the effect of the abolition of restriction on our profit and loss account. We have transferred £1,500,000 from reserve in the abnormal circumstances which I have explained. The actual reduction of profits, as nearly as we can arrive at it, is about £1,700,000, and I would like here to make it perfectly clear that the only forward commitments and stocks of raw rubber carried over at the end of the year are below present market level. Our stock of manufactured articles brought forward on our usual conservative basis was, broadly speaking, all sold in the first quarter of the year at fairly profitable prices.

THE FUTURE.

In my speech to you last year I said that the confidence of the board in the future of the company was demonstrated by the dividend which we recommended you to pay. I indicated that once we had passed through the anxiety and dislocation caused by the abolition of restriction the future was bright. We are to-day through that convulsion and anxiety, and I can confirm what I said then. Our position *vis-à-vis* our competitors has been well maintained, which is evidenced by the fact that our sales for 1928 show an increase on the previous year. Our factories everywhere are working at a higher efficiency than ever before. Our plantations are producing rubber cheaper than they have ever produced it, the present f.o.b. cost being 5d. per pound, far cheaper than it possibly could have been during the restriction period.

Our Northern factories are working at an increasing profit, and we have consolidated the Dunlop interest throughout the world by acquiring the control of the Dunlop Far East and Canadian Companies, the territories of which were parted with by our predecessors some years ago to our detriment. That investment is a remunerative one with great possibilities. Sir George Beharrel, our managing director, visited the Canadian and Japanese factories last autumn, and reports very favourably upon them. He also visited the Dunlop factory in the United States, and we have the fullest confidence in its administration, which is at the very highest state of economy and efficiency.

AMERICAN AND AUSTRALIAN COMPANIES.

The American and Australian Dunlop Companies, in which we are such large shareholders, have suffered in common with the rest of the industry by the rubber collapse, but we have every reason to believe that America will show a reasonable profit this year, and the Australian company, which has amalgamated with two of its principal competitors, and is by far the largest manufacturer of rubber in Australasia, is this year operating at substantial profits, and has excellent prospects. It has just declared a 7½ per cent. interim dividend.

I was personally in Australia at the time this merger was carried through. The Australian Dunlop Company has amalgamated with the Perdriau Company, its largest competitor, and the Dunlop Perdriau Company has acquired practically all the ordinary shares in the Barnet Glass Rubber Company. In our view the potential value of our Australian investment is considerably enhanced as a result of this important merger and the economies which should result therefrom. The *personnel* of the higher administrative posts is excellent. The board is a strong and highly efficient one; we have also substantial representation upon it. While this merger will remain essentially Australian in character and control, it will, I hope, become more and more a helpful factor in the Dunlop world situation, which is an important point.

EFFICIENCY, ECONOMY AND QUALITY.

Our cotton mills and rim and wheel works operate profitably and are models of efficiency and economy.

There is not the slightest doubt that our quality is higher than it has ever been, and the new "Fort" tyre, with its great reserves of strength, is winning favour everywhere. Equally there is not the slightest doubt that we have never had a closer knit or more efficient organisation in all branches or as fine a *personnel* as we have to-day.

In these circumstances, and bearing in mind how abnormally our profits were adversely affected in 1928, he would be a pessimist indeed who took a gloomy view of the affairs of the Dunlop Rubber Company.

SOUND CONSERVATIVE POLICY.

I agree that it is disappointing that we have had to withdraw £1,500,000 from our reserve—never a pleasing operation for any body of shareholders or for any board—but you will forgive me for reminding you of what was said about those reserves. Speaking to you upon the 1926 accounts, and justifying our conservative policy, I stated that "with a product in which raw material representing 60 per cent. of its total cost is subject to violent fluctuation in value, we have a major hazard to contend with, and must be conservative in finance if our stock is to rank as a first-class industrial investment." That "major hazard," as must have been apparent to you, was the hazard of rubber prices. It has now almost disappeared, as at present prices rubber only represents 40 per cent. of our total cost, and the market is much more stable. Speaking on the 1927 accounts, I said: "Had it not been for that conservative policy, we would not have faced a competitive world with the confidence which we are happy to have to-day in our ability to meet whatever conditions may befall. Personally, I would say to you that once we have passed through the convulsions caused by the Government's action in reference to restriction, I will feel at least 10 years younger."

The convulsion has necessitated a draft upon reserves which, as I indicated most clearly at the time when they were made, were set aside in anticipation of some such contingency as has occurred. Apart from the ordinary vicissitudes of competitive trading, this great undertaking was never in a healthier condition. The accounts we are presenting to you are made up strictly upon our usual conservative basis, and no attempt has been made to influence the results shown either for better or for worse. The diminution of profit is consequent solely upon the Government's abolition of restriction without adequate notice. I hope that from my remarks you will feel as we do, that had it not been for this the results for the year would have been equal or superior to 1927.

THE ACCOUNTS.

The accounts show a consolidated net result for the year 1928 of £2,859,000 (including the sum of £1,500,000 from reserve), as against £2,953,000 in 1927, these figures being before deducting debenture interest, but after providing for full depreciation in the accounts for all companies.

Out of the net results a sum of £309,750 is absorbed in the payment of dividends on their preference shares by the Dunlop Cotton Mills, Limited, Dunlop Plantations, Limited, and Dunlop Rubber Co. (India), Limited, and £375,000 in the payment of dividends on this company's preference shares. Debenture interest absorbs £412,237.

The proposed dividend of 20 per cent. on the ordinary shares requires £1,540,000.

The reserve account after the adoption of the last report and accounts stood at £2,600,000. You will see that to-day this account stands at £3,029,000, after the £1,500,000 has been transferred. We, therefore, commence this year with reserves showing an increase of £429,000, and a carry-forward of £801,000, as against £578,000, an increase of £223,000.

BALANCE SHEET ITEMS.

With these remarks I will turn to the balance sheet, and go through the figures in the usual way. Referring to the liabilities side, the issued capital has been increased by £967,000, which is represented by shares issued to the shareholders and to the Tyre Investment Trust in respect of the transfer of the assets of that company.

In accordance with the trust deed, First Mortgage Debenture stock to the value of £84,228 has been redeemed during the year. The item which appeared in the balance sheet last year under the heading of Income stock no longer exists, since the whole amount has been redeemed. Sundry creditors and credit balances have increased by £143,000. This is due to many causes, but actually our creditors are lower than previously.

On the assets side of the balance sheet, freehold and leasehold land and buildings, plant, etc., have increased by £257,000, this being due to additional buildings and equipment necessary to deal with the business of the company. Sundry debtors and debit balances have increased to a slight extent.

The value of the stock of finished and unfinished materials shows a small decrease. This is mainly due to the fall in the value of raw material. Stocks generally are valued in accordance with our usual conservative practice, and have never been in a healthier condition.

Investments and advances in total show an increase of £1,250,000. This in the main is due to the acquisition of the Dunlop Rubber Co. (Far East), Limited, and its subsidiary companies, and of a majority interest in the Dunlop Tire and Rubber Goods Co., Toronto. The increase in the amount invested in the estates is due to additional capital expenditure arising in connection with extensions of planted areas.

At this stage I think it will be convenient if I refer to a point which ought to be brought prominently to your notice—namely, the progressive increase in the capital employed in the business. If we compare the capital shown in the first balance sheet after the company's reconstruction—namely, the balance sheet of December 31, 1924—and that in the balance sheet before you we find that, roughly, the capital employed in the whole business has risen from £12,500,000 to £26,875,000, or more than double. This increase of capital is, of course, very largely debenture and preference capital and reserves, carrying a limited rate of interest or no interest at all.

Under present-day industrial conditions, especially in the comparatively new rubber industry, improved methods of manufacture and the introduction of machinery are ceaselessly and increasingly going on in a company such as ours.

FOUR MAIN HEADS.

Capital expenditure, therefore, must necessarily be progressive, and I would divide the causes of expenditure of this kind under the following main heads:—

(1) Capital expenditure on increased capacity and increased working capital to deal with increased trade.

(2) Capital expenditure incurred with the object of yielding *per se* satisfactory profits. In this I would in the main class such expenditure as is incurred in the development of our plantations.

(3) Capital expenditure incurred to broaden the basis of our trade and so limit the hazard of trade fluctuations or capital expenditure incurred with the object of strengthening our world position *vis-à-vis* our competitors. The first of these I would illustrate by our acquisition of the Macintosh group of companies, where we entered into general rubber manufacture so that we should not be entirely dependent upon the growth of the automobile industry and the tyre demand. As an illustration of the second of these heads, I would cite our recent acquisition of the Tyre Investment Trust properties in the Far East and Canada. These territories were parted with at a time when any one country was a more or less isolated unit so far as tyre supply was concerned. Under modern conditions it is essential that a manufacturer such as we are should establish as far as possible a worldwide organisation under central control. By this means only can he ensure that one standard of development and quality and one sales policy is maintained. It is becoming increasingly necessary to quote prices at one centre for the supply of tyres in any part of the world, and anyone who cannot do so is at a serious disadvantage with his competitors.

MODERNISATION OF THE WORKS.

(4) Capital expenditure on continued *modernisation of your* works. We provide for depreciation and obsolescence in our annual account, but any rubber manufacturer who to-day does not spend capital freely on the installation of plant to increase and cheapen output will be hopelessly left behind in competition. Looking round the industry one sees that the companies which have been parsimonious in expenditure on improvement of plant have steadily lost place, and only those who, like ourselves, have spent liberally, though prudently, upon improved equipment can be regarded as prosperous and likely to remain so.

In the years which I am dealing with, namely, 1924 to 1928, very largely due to prudent modernisation of our factories, our productive efficiency has increased by no less than 130 per cent. This improvement is largely brought about by the means I have suggested, and by successful organisation and scientific development. It has also been brought about by the improved productive capacity of the employee, and I am glad to see from figures that they in their earnings have benefited by the increased output, which is attributable, in the main, to the causes I have given. I have thought it well to bring before the meeting to-day in a concise form the figures of this large increase of capital, and to give you the reasons for it.

A WELL-CONSIDERED PROGRAMME.

Our capital expenditure follows a well-considered and a well-thought-out programme forecast in the main a year or two ahead, and while I cannot hold out any suggestion that we have reached the limit of that expenditure (and, indeed, I should be sorry to feel that we had, as that would mean stagnation and retrogression), I do feel that, with the acquisition of the Macintosh group of companies, and of our interests in the Far East and Canada and Australasia, also having regard to the high state of development of our properties everywhere, we need not contemplate the same rate of expenditure which has obtained in the last four years. This was attributable to a great extent to leeway which had to be made up after that unfortunate period in this company's history which led to the reconstruction of your capital in 1923.

There is one other matter which I wish to mention. We have had representations from many quarters urging us to pay interim dividends. We did not feel justified in doing so while we had hanging over our head the possible cataclysm of modifications in the Rubber Restriction Scheme, and, as I explained to you on a previous occasion, as long as that uncertainty lasted we could not see our way to paying interim dividends.

Happily, the Rubber Restriction Scheme, with its removal, has passed into history, from which I devoutly hope it will never be resurrected, and, after very careful consideration, the board has decided that it will pay interim dividends in the future, and that these will commence this year as soon as the board has been able to satisfy itself as to the likely result of the half-year's trading. This dividend must, however, in no way be taken as an indication of the trading results of the company.

The report and accounts were unanimously adopted.

HARLAND AND WOLFF, LIMITED.

IMPROVED RESULTS—HIGHER OUTPUT.
ANNUAL WAGE BILL EXCEEDS £6,000,000.
IMPORTANT WORK IN HAND.
LORD KYLSANT'S CONFIDENCE IN THE FUTURE.

The forty-fourth annual meeting of Harland and Wolff, Limited, was held, on the 7th instant, at the London office of the company, 1A, Cockspur Street, London, S.W.

The Rt. Hon. Lord Kylsant, G.C.M.G. (the chairman), presided.

The Secretary (Mr John Philp) having read the notice convening the meeting and the report of the auditors,

The Chairman said: My lord, ladies and gentlemen,—The firm of Harland and Wolff was established in Belfast three-quarters of a century ago, and has been gradually built up and extended so that it has long been universally recognised as one of the greatest if not the greatest, shipbuilding and engineering establishments in the world.

In 1885 the business was incorporated as a limited company, and this is the forty-fourth annual meeting.

THE ACCOUNTS.

When addressing you 12 months ago I ventured to predict that the results for 1928 would show some improvement over those of the previous year. The accounts for the past year, which have been in your hands for some time, show that this forecast has been fulfilled. After paying the dividend on the first preference shares and providing for wear and tear of the plant and machinery, there is a credit balance of £107,558, which we propose to carry forward. The reserve remains at the substantial figure of £1,000,000.

In view of the fact that the shipbuilding and engineering industries are passing through difficult times and that it is still hard to procure orders which leave a reasonable margin of profit, I think the results for 1928 can be considered as not unsatisfactory, although no dividend has been earned on over £6,000,000 of the company's capital.

As mentioned in the report, no dividend was received from the company's associated steel and coal undertakings in Scotland—namely, Messrs David Colville and Sons, Limited, and Messrs Archibald Russell, Limited. As is well known, the position in regard to the steel and coal industries of this country continues to be abnormal.

LABOUR AND ECONOMIC CAPACITY.

Taking a survey of the position of our company as a whole, and bearing in mind the exceptionally severe and prolonged depression in shipbuilding and allied industries, we may look back on the recent difficult years with reasonable satisfaction, and, considering the volume of work we have in hand, we may face the future with a moderate degree of confidence, provided the tendency towards improvement is not checked by demands on the part of labour beyond the economic capacity of the industry to afford. There is at least this to be said regarding the trying years that followed the post-war boom—namely, that we have taken the fullest advantage of the opportunity to reorganise and modernise our establishments so as to equip them for undertaking every kind of work with the maximum of high quality and efficiency at the minimum of cost.

OUTPUT OF SHIPYARDS AND ENGINE WORKS.

Throughout the year 1928 our shipyards and engine works at Belfast and at Glasgow had a considerable quantity of work in hand, and, as you will observe from the report, the company's output in respect both of gross tonnage and horse-power was higher than for 1927. In the British shipbuilding returns for 1928, Harland and Wolff (apart from its associated companies) heads the list as regards the number of vessels, and is second on the list as regards gross tonnage and I.H.P. of engines.

A considerable proportion of our work consisted of the construction of the highest class of passenger and cargo vessel, which is the type of work for which our establishments are more especially equipped. During 1928, competition in the shipbuilding industry continued to be very keen and prices remained low. Costs have been cut down to a minimum, and it is hardly likely that they can go much lower. Competition among British shipbuilders has been intensified by the fact that several great firms which formerly were largely occupied with Government work in the form of naval construction have turned their attention to securing orders for merchant ships, owing to the reduction in orders from the Admiralty. Undoubtedly some of the contracts placed with shipbuilders have been due to a desire on the part of some shipowners to take advantage of the low prices ruling, as during recent years shipbuilders have had to make many sacrifices to maintain their organisation intact and to keep their workmen employed. In our own case, with an annual output during the past five years of, roughly, 130,000 tons in our main works and associated yards, we have made a large contribution to the shipbuilding output of the country (roughly, one-tenth), in addition to the extensive repair and overhaul work carried out in our repair establishments on the Thames, and at Liverpool and Southampton.

40,000 MEN EMPLOYED—WAGES EXCEED £6,000,000.

Taking the whole of our operations in basic industries—shipbuilding, engineering, steel, &c.—with our controlled companies, we employ about 40,000 men, with an annual wage bill of over £6,000,000. The compulsory contribution made by us to social services under various legislative enactments (such as National Insurance, &c.) amounts to considerably over £200,000 per annum, which constitutes a very severe tax on employment, and a reduction in which should be seriously considered as an effective means of inducing further employment.

It will, I think, be appreciated that the maintenance, under present conditions, by one organisation, of this large amount of employment, including so many skilled tradesmen, has only been possible by the most unremitting attention, assiduity and enterprise, the sparing of no effort and the mutual and hearty co-operation of all concerned. With the enormous burdens bearing on industry to-day, we welcome the moderate relief to be obtained under the Derating Act, but the absence of any other remission of the still unduly high rate of taxation is a definite handicap to the recovery and expansion of trade.

WORK IN HAND.

I am glad to be able to tell you that, with the exception of our Greenock shipyard, which is temporarily closed, our establishments at Belfast and on the Clyde have been and are fairly well occupied with work. Our programme is of a varied nature, all sizes and types of vessels and machinery being within our compass. While engaged largely on motor vessels, we have also carried out important steam installations, including the high-pressure turbine machinery for the mail steamer "Statendam," of the Holland-America Line, and also for a Canadian Pacific liner. Our output of motor machinery included large engines for both passenger and cargo vessels, and I think it is generally recognised that we have attained a leading position in this development.

Whatever views are held as to what may be the paramount type of marine engine in the future, Harland and Wolff have been pioneers in one of the most successful of the present types of motor engines, and, as builders, we are to-day represented on every sea by motor vessels, as well as steamers, plying the world's trade routes with regularity and precision.

ADVANCE IN MARINE ENGINEERING SCIENCE.

The advance in marine engineering science of late years has been remarkable, and it is gratifying to feel that we are in a good position to meet the requirements of shipowners in all the latest developments for improved propulsion of ships.

During the present year, if nothing unforeseen occurs and provided the present labour troubles are of brief duration, we hope to maintain the improvement recorded in 1928, as the work we have at present in hand comprises a number of large mail, passenger, and cargo vessels for various important ocean trades. Our engine works and foundries are occupied with a fairly satisfactory amount of work, while our engineering and repair establishments in London, Liverpool, and Southampton are also well employed. At our London works we have latterly undertaken the construction of dumb barges for use on the Thames, large numbers of which, in the past, have had to be obtained from the Continent. The steady increase in the amount of work and consequent employment in our establishment on the Thames is a pleasing feature.

WORKING COSTS.

Our managing directors and officials have continued to direct close attention to the task of reducing the cost of production by the exercise of economy in every branch of our establishments, as we realise that, in the face of present-day competition, it is only by combining good work with moderate costs that orders can be secured. Much has been heard lately of the principle of rationalisation as a means towards assisting to revive and stimulate the important industries in this country which have suffered most from the prolonged and severe period of depression. It was in furtherance of this principle that we decided very reluctantly last year to close the yard at Greenock, on which the firm had spent a very considerable sum, and which we hope it may be possible, when shipbuilding becomes more normal, to reopen and develop still further. During 1928 there were no serious labour troubles to add to our existing burdens of high taxation, etc., which are sufficiently onerous in themselves. Peace and harmony are essential if we are to cope with the problems with which we are faced in industry to-day. It is, therefore, regrettable that our joiners should have left work, but I hope that wiser counsels will soon prevail and that they will revert to the reasonable attitude of friendly co-operation that has been observed in the past.

After the period of war-time inflation the shipbuilding industry was one of the first to feel the effects of the inevitable depression, and I think it can claim to have been among the first to recognise the changed position and to take the steps necessary to deal with it. During the difficult and trying years through which we have been passing our primary object and endeavour has been to keep the firm's great organisation together and to provide the maximum employment for our men, who have won such a deservedly high reputation for the reliability and first-class character of their workmanship. In view of the good relations that have existed throughout the difficult times to which I have referred, we are all the more anxious that the industry should not experience a setback and that employers and employed shall continue to pull together in the interests of British trade. If this course is pursued I believe we can look forward hopefully to a gradual further improvement in shipbuilding, in which the workers will naturally participate.

OUTLOOK FOR THE INDUSTRY.

Viewing the shipbuilding industry as a whole, in common with our other basic industries, while recovery from the long period of depression is proving a slower process than many of us had anticipated, there has, nevertheless, been some progress, and undoubtedly many valuable lessons have been learned, so that I believe we shall profit in future by the changes and improved methods that have been introduced during the difficult times with which we have been contending. I have confidence in the ultimate full recovery of British shipbuilding, because it has shown the capacity to put its house in order, and the other conditions necessary to improvement will follow from natural causes. We ourselves are doing everything calculated to meet modern requirements.

Fortunately our works are admirably situated in the best localities in the kingdom, while, thanks to the wisdom and foresight of the late Viscount Pirrie, they are replete with the latest and best equipment, which has been constantly modernised; our experience in every phase of shipbuilding and engineering is unrivalled; and, given a fair market, with improving trade and freedom from labour troubles, we should make steady progress towards renewed prosperity.

I beg to move: That the report and accounts to December 31, 1928, be approved and adopted.

The resolution was seconded by Mr J. W. Kempster, and carried unanimously.

The chairman then moved the re-election of Mr J. W. Kempster, the retiring director, which was seconded by the Viscountess Pirrie and unanimously approved.

The auditors (Messrs Price, Waterhouse and Co.) were reappointed on the motion of Mr D. I. Conradi, seconded by Mr Joseph P. Baillie.

The meeting then terminated.

HOWARD AND BULLOUGH, LIMITED.
DIFFICULT CONDITIONS OF PAST YEAR.

The thirty-fifth annual ordinary general meeting of the shareholders of Howard and Bullough, Ltd., was held on the 8th instant, at Accrington, Sir George Bullough, Bt. (chairman of the company) presiding. The Chairman, in moving the adoption of the report and accounts, said:—

When I addressed you a year ago I alluded to the keen competition and restricted demand then prevailing. There has since been no improvement in this respect, the demand having, indeed, been insufficient to keep the works occupied to full capacity. The home trade, as you will be aware, is still in a languishing condition and as yet shows no sign of revival.

Regarding the export trade, I may say that there has been a good demand from Japan in anticipation of the abolition of late night work, which will come into force as from June 30th next. Even then the cotton mills in the country will have the advantage of seventeen actual working hours per day in two shifts. In China we have experienced a resumption of business activity, and if we may look for a favourable outcome of the present political situation there, a considerable development of that activity is likely to follow.

From India a very appreciable amount of work has been forthcoming, despite the disturbing elements which have so seriously affected the Bombay district. The business with other European markets has not been of an extensive character. On the continent of Europe generally there has been moderate activity, but in certain important sections which previously had done very well, trade in our line has been but indifferent.

During the year under review, to Russia we delivered a complete cotton mill plant, and at the moment we are in negotiation for an order approaching a quarter of a million pounds. It has been a year of low demand and consequently of low prices, and, after all, demand governs the situation.

Another factor which cannot be ignored is that we have now to face a more pronounced competition from our foreign competitors in the textile machine-making industry, who already enjoy advantages in the matter of working hours and wages compared with those ruling in this country.

The question of amalgamation has on several occasions been placed before the directors by various parties, and has had their serious consideration. Your directors have not yet been able to discover any real advantages that would accrue to your firm from an amalgamation, nor have those who have propounded such schemes been able to do so.

In the report and balance sheet you will notice the reduced turnover brought about by the adverse conditions in the cotton industry almost the world over, and the reduced profits resulting therefrom. During this year the turnover has been considerably less than in the previous year, and at lower prices. Owing to the depressed state of the cotton trade the works have therefore only been employed four days per week on the average, while standing overhead charges, as well as local rates and taxes, remained the same. This has considerably reduced our margin.

We had hoped that an improvement would set in during the second half of the year, enabling us to bring the works to full output capacity, but in this we were disappointed. In the circumstances, your directors recommend the payment of a final dividend of 1¼ per cent. on the ordinary shares, making 8¾ per cent. for the year and leaving £3,092 to be carried forward to next account.

The report and accounts were adopted.

ANGLO-AMERICAN DEBENTURE CORPORATION, LIMITED.
INCREASED REVENUE AND DIVIDENDS.

The thirty-ninth ordinary general meeting of the Anglo-American Debenture Corporation, Limited, was held, on the 9th instant, at Winchester House, London.

Mr Richard S. Guinness (the chairman) said he was sure the stockholders would note with satisfaction that the accounts submitted reflected a further growth in revenue and enabled the directors to increase the dividend for the year by 1 per cent. Last December an issue was made to the ordinary stockholders of new shares of £5 each at par in the proportion as nearly as might be of six new shares for every £100 stock. These shares immediately commanded, and had maintained, a handsome premium on the Stock Exchange, and the intention of the directors to give a substantial bonus to the stockholders had therefore been fulfilled. The present price of the new shares represented a bonus of about 20 per cent. The bulk of the proceeds of the issue was not received until the middle of March, and the year's revenue, which was nearly £7,500 more than that of the previous year, had not received any benefit from the investment of this money. The total revenue for the year was £155,852, and after transferring £25,000 to reserve and paying a dividend of 14 per cent. for the year, they were increasing the carry-forward from £20,392 to £24,025.

The amount invested in the various classes of securities had naturally undergone many changes in recent years. The principal alteration was in the reduction of the amount invested in debentures and loans, which had fallen from 68 per cent. of the amount invested in 1920 to 52 per cent., but at that time they had over £400,000 invested in British Government securities, practically all of which had since been sold and invested at higher rates of interest in other securities. A corresponding increase in the amount invested in ordinary shares had taken place, and at the present time about three-quarters of their investments were in Government and municipal loans, bonds and preference shares, and the remainder was in ordinary shares. The company's funds were well spread geographically, and there was no preponderating investment in any one country outside Great Britain.

The report was unanimously adopted.

ANGLO-ORIENTAL MINING CORPORATION, LIMITED.

A SUCCESSFUL FIRST YEAR.

MR JOHN HOWESON ON TIN PROSPECTS.

PROGRESS TOWARDS STABILISATION OF TIN.

The first annual general meeting of Anglo-Oriental Mining Corporation, Limited, was held, on the 8th instant, at Winchester House, London.

Mr John Howeson (the chairman), in moving the adoption of the report and accounts, said that the first year of the Corporation's history had been a difficult period for tin producers, but a year of the greatest importance to everybody concerned with the non-ferrous metal industries. On all sides there had been a movement towards rationalisation—co-operation of producers among themselves, between producer and consumer, and even between industry and industry. Copper, by means of a strongly organised cartel, had all but dominated its own market, lead had made sensible progress in that direction, zinc had evolved one of the most efficient and desirable forms of co-operation in the metal industry, and tin, which had started the year some distance behind with co-operation, had made great strides. Co-operation was not a panacea for all their ills, because the mining industry, possibly most of all industries, needed technical skill, financial adequacy, and modernised equipment, and it was for that reason, reinforced by the constantly decreasing values of the unworked deposits, that tin producers the world over had been increasingly turning their attention towards the advantages to be obtained by the application of scientific knowledge, in the vanguard of which movement shareholders would agree that their corporation had been prominent. By joining forces with the Yuga engineering group they had paved the way for large-scale dredge mining of low-grade alluvial deposits; through the London Malayan Tin Trust they had been responsible for the vast consolidation of present and future production in the East; by the acquisition of the business and technical organisation of the Alluvial Tin Malaya group they had been able to bring in the requisite practical experience of dredge mining in Malaya, and in Nigeria their group had played an important part in centralising technical management and making the best of modern engineering practice available over the widest possible territory. In the smelting branch of the industry they had participated in the erection of the most modern and best-equipped smelter in the world. The tin-mining industry was now substantially re-equipped, better organised, better administered, and infinitely better able to face the future than ever before. It was in a state in which co-operative action was possible, and when that was effected there would be no more over-stimulus of production, no more reaction, but an efficient and orderly progress.

THE ACCOUNTS.

Dealing with the accounts, the chairman said that the revenue of the company had amounted to a total sum of £235,086, and as by far the greater part had been derived from dividends paid less tax, the gross revenue was actually a much larger sum. As to dividends received, a number of their investments had not yet reached the dividend-earning stage, and they might look forward to better average returns in the future.

In conclusion, the chairman said: I should like now to touch upon the present position of the supply and consumption of metallic tin and the probable course of events in the future of the industry. From the point of view of supplies, so long as the world's producing resources can continue on the present selling basis, things may go well; but a time must come when output will again sink below consumption, and, since consumption is continually growing and 1929–30 is recognised as the period that is likely to see the apex of production, it is clear that this time of reckoning cannot be very far distant.

Co-operation is a policy with certain inherent dangers, particularly the danger of over-enhancement of prices. This corporation will not be party to any policy tending to force prices to an unreasonable level—not alone, let me hasten to add, upon ethical grounds, but because we consider it bad business. But the price of tin must be such as to encourage the augmentation of the world's payable reserves in proportion as they are depleted by consumption. I am grateful to be able to affirm that every indication now points to a mutual understanding being reached among producers—such an understanding as implies sane and vigorous co-operation in the common cause, and which presages the rationalisation of the industry and the beginning of stability, to the permanent benefit of all concerned therein.

The report and accounts were adopted and the dividends recommended were agreed to.

THE BIRMINGHAM SMALL ARMS COMPANY, LIMITED.

SOUND FINANCIAL POSITION.

DIVIDEND PROSPECTS.

ACTIVITIES OF THE SUBSIDIARY COMPANIES.

The annual meeting of The Birmingham Small Arms Company, Limited, was held on the 3rd instant, at the Small Heath Works, Birmingham.

Sir Edward Manville (the chairman), in dealing with the accounts of the company, referred to its sound financial position, and in particular, mentioned the decision of the Board to place £200,000 to general reserve, thus bringing that figure back to its 1921 level of £500,000.

A gross saving of £42,500 had been secured by the redemption of the £2,500,000 Six-and-a-Half per Cent. Notes and the substitution of £2,000,000 Six per Cent. Debenture stock.

FURTHER GENERAL MEETING THIS YEAR.

While the directors had decided not to pay a dividend on the ordinary share capital, the chairman stated that it had been decided in future to close the accounts of all subsidiaries at the end of July, and in consequence another general meeting will be held towards the end of the present year—possibly in October—at which a balance sheet will be presented to shareholders on the trading results of all the subsidiary companies up to July 31st next. He intimated that the directors hoped then to be in a position to give favourable consideration to the payment of an ordinary dividend, as already indicated in the report attached to the balance sheet.

Referring to the activities of the subsidiary companies the chairman stated that he was pleased to say that B.S.A. Cycles, Limited, were maintaining the deservedly high reputation of their products, and also their commanding position at home and abroad. This condition is all the more satisfactory in view of the fact that the total number of all makes of machines sold in this country showed a serious decline over the previous year. This company's satisfactory position in the market, the chairman continued, was being well maintained in the current year.

GROWING POPULARITY OF DAIMLER CARS.

In connection with the company's business in Daimler cars the chairman referred to an order for one of the new "Double-Six" models from his Majesty the King, and also to the growing popularity of the new 20 h.p. Daimler which has been put on the market as an owner-driver saloon at the very attractive figure of £695. In connection with this side of the company's business, the chairman took the opportunity of drawing attention to the regrettable action on the part of some leading public men not only in buying imported cars, but in allowing their names to be used in connection with Press advertisements to the detriment of British industry.

As from August 1st last, Messrs Stratton Instone, Limited, of 27 Pall Mall, and Berkeley Street, were appointed sole distributors for Daimler cars in England and Wales, and have opened exclusive showrooms for that purpose in a number of important provincial centres.

LUXURY TRAVEL.

The Daimler Company is especially interested in the development of the luxury motor-coach and high-grade motor-bus, which business, it is apparent to all, is making very rapid strides at the present time.

The business of Daimler Hire, Limited, continues to be highly satisfactory.

Notwithstanding the absence of Government contracts, the chairman stated it was satisfactory to be able to say that B.S.A. Guns, Limited, has been able to pay its way on its private business.

B.S.A. Tools, Limited, has made continued progress, and its definite entry into the machine-tool world with a range of specially designed products, which were exhibited at the Olympia Exhibition, created a most favourable impression in the minds of all visitors, and the genuine character of their interest has been well shown by the subsequent inquiries and orders placed. In the small tool branch of B.S.A. Tools, Limited, business competition continues to be extremely severe.

Burton, Griffiths and Co., Limited, who are associated with B.S.A. Tools, Limited, on the sales side, has been strengthened by the recent acquisition of Arthur Andrews, Limited, and an increased sphere of activity is anticipated as the result of this association.

IMPROVEMENT IN STEEL INTERESTS.

The company's steel interests in Sheffield have shown some definite improvement during the year, but the conditions in this basic trade continue to be exceptionally difficult. Economies are being effected in the administration by the closer working of Jessops' and Saville's under a common management.

During the year under review the chairman explained that the Birmingham Small Arms Company, Limited, had initiated two new lines of activity from which favourable results were anticipated in due course. One is the renewed interest in aircraft engineering brought about by a special arrangement with the Bristol Aeroplane Company, Limited, who are famous the world over for their renowned "Jupiter" engine. The other is a new development related to aluminium forgings, which aims at taking advantage of the growing importance of the use of these light high-duty alloys in modern engineering.

Sir Hallewell Rogers seconded, and the report was adopted.

Sir Hallewell Rogers and Mr. A. H. E. Wood were re-elected directors, and Messrs Carter and Co. and Messrs George A. Touche and Co. auditors.

SPILLERS, LIMITED.

MR. EDGAR BAKER ON THE MILLING TRADE.

NEW BUSINESSES ACQUIRED.

DIFFICULT MARKET CONDITIONS.

Mr Edgar A. V. Baker, presiding at the forty-second annual ordinary general meeting of Spillers, Limited, at Cardiff, on the 4th instant, referred in feeling terms to the loss the company had sustained by the death last year of Mr Jackson, who had been a member of the board since the amalgamation with John Jackson and Son, Limited, in 1921. They had lost not only a wise and resourceful colleague, but a well-loved personal friend.

THE ACCOUNTS.

Turning to the accounts, the 5½ per cent. ten-year sinking fund notes outstanding had been reduced during the year by purchases on the market to the extent of £10,350. General creditors were £116,000 higher at £349,000, due to outstanding liabilities in connection with the acquisition of the new businesses referred to in the directors' report. £50,000 had been transferred from contingent reserves to the investments depreciation reserve in order to meet the position caused by writing down the capital of the British Oak Insurance Co., Limited, in which the company were the principal shareholders, by 1s. 6d. per share, and the contingent reserves had been further reduced owing to agreement and settlement of outstanding taxation matters right up to date.

Stocks on hand were £368,000 higher at £2,163,000, mainly owing to the increase in the stocks arising out of the acquisition of the Leetham businesses. Taking the investments in total, ignoring the reserve for depreciation and adding in cash in hand and at bank, there was a total reduction, compared with last year, of £344,000, which was balanced by the increased figures of stocks and properties.

PROFIT AND DISTRIBUTION.

The profit for the year, £176,668, was not as satisfactory as last year, mainly owing to the difficulties of the wheat market. On that occasion, however, the company had a good deal of leeway to make up, notably in the direction of re-establishing their carry-forward to a normal figure, and £80,000 had been utilised for the purpose. Having now consolidated the position in that respect, a large proportion of the amount available could be used for dividend purposes, and accordingly the directors recommended a distribution of 7½ per cent.

The company's milling trade had been very satisfactory, both the output and the quality reaching a high level. The milling trade of the country as a whole, however, showed no better conditions, but nevertheless there seemed to be a general desire to improve matters exhibited by millers, who appeared to be appreciating the lesson that no advantage could come from such reckless cutting of prices as had obtained in the past.

The businesses acquired during the year, viz., those of Henry Leetham and Sons, Limited, York, Roger Shackleton and Sons, Limited, Leeds, and C. D. Mills, Limited, York, had been more or less available for a number of years, a fact which had had an adverse influence on the whole of the trade in the wide area previously served by those companies. Eventually, in co-operation with Messrs Joseph Rank, Limited, the whole of the businesses controlled by Messrs Leetham had been purchased at a reasonable price and had been divided on satisfactory lines.

RUMOURS CONTRADICTED.

He desired to contradict the rumours as to there being a fusion of interests with Messrs Ranks or any other firm in contemplation.

Very heavy fluctuations in the wheat market during the year had made trading especially difficult. The unexpected entry of Russia into the market as a large buyer in June had been a specially unsatisfactory feature. The return, even to a limited extent, of Russia to her previous position as a large exporter of wheat and other grain would be a marked benefit to the importing countries and to this country in particular.

In the coarse grain trade, the European demand, which had reached a record figure in the previous year, had returned more nearly to the 1926 level.

In feeding stuffs the company were making a new departure in putting on the market under open formulæ what are known as "Balanced Rations," that is to say, mill offals, meals derived from barley and maize, and other products all compounded under scientific direction with a view to meeting the special requirements of different varieties of stock. The results so far obtained by stock-breeders from the company's balanced rations had been remarkable.

CANADIAN INVESTMENTS.

In regard to the Canadian investments the minority interests in the Vancouver Milling and Grain Co., Limited, which had been acquired, was a relatively small additional investment. The other milling business in Canada in which the company was interested, viz., Spillers Canadian Milling Co., Limited, had been working full time, mainly owing to the highly satisfactory demand from the Orient. This demand, however, was at all times spasmodic, and too much confidence could not be placed upon it.

In conclusion, he recorded the thanks of the shareholders and directors to the staff.

The report was adopted and the directors' recommendation in regard to dividend approved.

The retiring directors and auditors were re-elected and the proceedings then terminated.

RIO DE JANEIRO CITY IMPROVEMENTS COMPANY, LIMITED.

GOOD RESULTS.—DIVIDEND MAINTAINED.

The meeting of the Rio de Janeiro City Improvements Company, Limited, was held, on the 7th instant, at Winchester House, Old Broad Street, London.

The Rt. Hon. Lord Hudson, the chairman of the company, in moving the adoption of the report and accounts, said that a year ago he had told the shareholders that as the capital had been increased by £238,555 in bonus shares, the board could make no promise that the dividend of 10 per cent. free of tax would be maintained; they had, however, seen their way to maintain that dividend. He could not pretend that even last year he thought that the dividend would not be maintained, but it seemed obvious that although the company's gross revenue was bound to increase with the increase in the number of houses drained, costs would increase to a greater extent, and they could not tell how far those conditions might affect the net revenue. As a fact drainage rents had increased by £6,500, and the cost of maintenance by £10,400. There was no doubt that wages would tend to rise to something approximating their former sterling value, so that the company would almost certainly lose some of the advantages which they still obtained from the comparatively low sterling value of the milreis in which wages were paid. He thought, therefore, they must look forward to an increase in the cost of maintenance, but on the other hand they might reasonably expect some reduction in the charges for amortisation, which had hitherto been made in the company's revenue account.

The total debenture debt, amounting now to only £104,700, was all due to be repaid by the end of 1931, and the time was approaching for a review, and possibly for a revision, of the policy of accumulating reserves by means of a conservative amortisation of the capital expenditure hitherto adopted. It had always been the board's policy to have sufficient cash in hand to meet the reasonable wishes of the Government for new works, and the board were inclined to think that when the debentures were paid off in 1931 there would be sufficient funds for any probable emergency, and that to some extent the provisions in their amortisation scheme might be reduced. In view of the outbreak of yellow fever in Rio it was difficult to believe that sanitary conditions in undrained areas were not to some extent responsible, and he could not help feeling that the authorities would invite them to the open negotiations for the carrying out of the works, the contract for which was signed in 1926, but not implemented.

The report and accounts were unanimously adopted.

CALCUTTA ELECTRIC SUPPLY CORPORATION, LIMITED.
LARGER PROFIT—INCREASE OF CAPITAL APPROVED.

The thirty-second annual general meeting of the Calcutta Electric Supply Corporation, Limited, was held, on the 8th instant, in the Public Hall, Bush House, Kingsway, London, the Rt. Hon. Lord Meston of Agra and Dunottar, K.C.S.I. (the chairman) presiding.

The secretary (Mr Ivor C. Thomas, M.V.O., O.B.E.) having read the notice convening the meeting.

The chairman first paid a tribute to the memory of the two members of the board who had died early this year—Major-General Mahon and Mr P. V. Luke. Their places have been taken by Sir James Donald and Mr G. G. Gooding. Continuing, he explained that the increased sale of current (148 million units in 1928 against 129 millions in 1927) had more than balanced the loss of revenue from the reduction of the domestic charge to 3 annas a unit. The divisible profits were £261,000, against £240,000 in the previous year, and the same dividend of 12 per cent. on the ordinary shares was proposed, with again a bonus of 4d. per share. At the same time an amount equivalent to this bonus, £22,500, was kept in reserve for distribution to the consumers by way of rebate or discount under a scheme which is now being worked out. This was in accordance with a policy of allowing the company's customers to participate with the shareholders in any surplus of profits after payment of a 12 per cent. dividend on the ordinary shares. The large power users will be benefited by a reduction of about 10 per cent. on the kilowatt charges in standard Rate "A," and a seven years' contract had been made with the municipality, on favourable terms, for the lighting of streets and public buildings.

Among several other developments now in progress, the company had obtained a licence for supply to the Serampore Municipality, 13 miles north of Howrah, and had constructed a ring-main extension, which began to carry current on April 20th. The year had been free from labour troubles, and relations with the Calcutta public remained cordial. In order to be prepared for further advance, the shareholders were asked to authorise the increase of the share capital from £3,000,000 to £4,000,000, the additional amount to be raised as and when required, in either preference or ordinary shares. No immediate issue was contemplated.

The report and accounts were adopted, and the proposed increase of capital was agreed to.

WHITEAWAY, LAIDLAW AND COMPANY, LIMITED.
BUSINESS CONDITIONS IN THE EAST.

The twenty-first annual general meeting of Whiteaway, Laidlaw, and Co., Limited, was held, on the 8th instant, at the offices, 5 Cripplegate Buildings, London, Mr Mence Wilkinson (chairman and managing director) presiding.

The chairman, in moving the adoption of the report and accounts, said :—I have to express the regret of your directors that the results for the year have proved less favourable than they could have wished.

General conditions in the East have been, and still are, difficult. In India political unrest, together with serious strikes, have curtailed the spending capacity of our customers, while in Burma the falling off in the export of rice has interfered with normal trade to a greater extent than in any previous year in my experience.

In Ceylon, the F.M.S., and in Java and Sumatra, the low prices realised for rubber and tin, their principal exports, have been adversely felt by all classes, and although the demand for our goods has not been much less we have been compelled to sell them at a smaller margin of profit.

Our business in China has shown varying results. Trade in Hong-Kong and Shanghai has been good, but, owing to the unsettled conditions in Northern China, our managers in Hankow and Tientsin have not been able to show a satisfactory return on the smaller trade they have been able to do. The latest figures from these branches, I am glad to say, are distinctly more hopeful.

Siam, almost alone, has had a prosperous year, and the profits made at our Bangkok branch have been equal to our expectations.

Our trade in Kenya Colony and Uganda has shown a modest expansion, but there, too, the net result has not been equal to that of the previous year.

The chairman, having criticised the high rate of import duty in India and Burma, continued :—Turning to the profit and loss account, the balance carried to balance sheet is £92,157. In order to pay a final dividend of 5 per cent., making 10 per cent., free of tax, for the year, we have had to draw upon the balance brought forward to the extent of £9,280. It would, of course, have been possible to maintain the dividend at 15 per cent. by withdrawing the amount needed from the reserve account, but your directors have judged it best, in the interests of the company, to leave the reserve undisturbed.

The resolution was carried unanimously.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 4, 1929 :—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	6,550	From Revenue	12,181
Interest, &c., on Debt	8,353	Increase in Balances	724
Sinking Fund	630	Increase in Debt	2,664
Sundries	36		
	15,569		15,569

The total ordinary revenue for the week amounted to £12,181,000, as compared with £11,570,000 in the corresponding week last year. Property and income tax amounted to £2,135,000, and super-tax to £680,000, against £2,351,000 and £690,000 respectively. Customs brought in £2,158,000 as compared with £2,364,000 a year ago, and excise £979,000, against £1,216,000. Ordinary receipts totalled £382,000, against last year's figure of £37,000, whilst special receipts showed a decrease, being £1,850,000, against £2,220,000.

The National Debt was increased by £2,664,000, as shown below :—

(000's omitted.)

	£		£
Treasury Bills	− 1,472	Public Department Advances	+ 4,285
Treasury Bonds	− 213	National Savings Certificates	+ 50
		Sundries	+ 14
	− 1,685		+ 4,349

The floating debt was increased by £2,820,000 to £745,605,000.

FINANCIAL YEAR, 1929–30, APRIL 1 TO MAY 4.

	£		£
Expenditure	71,495,202	Revenue	65,322,928
		Amount borrowed	2,470,214
		Decreases in balance	3,702,060
	71,495,202		71,495,202

ESTIMATES FOR FINANCIAL YEAR, 1929–30.

	£		£
Expenditure	691,564,000*	Revenue	746,060,000
Sinking Fund	50,400,000		
Surplus	4,096,000		
	746,060,000		746,060,000

* This figure includes the new Exchequer Contributions of £15,560,000 to Local Revenues, &c.

SELF-BALANCING REVENUE AND EXPENDITURE.

	£
Post Office	58,110,000
Road Fund	22,510,000
	80,620,000

RATING RELIEF SUSPENSE ACCOUNT.

	£		£
Balance on April 1, 1929	22,633,000	Cost of anticipating rate relief for Agriculture	2,570,000
		Balance on March 31, 1930	20,063,000
	22,633,000		22,633,000

NATIONAL DEBT—(Million £).

	Aug. 2, 1914.	Dec. 31, 1919.	Mar. 31, 1926.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 31, 1929.	May 4, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	13	13	12	12	12	12	12
4% Consolidated Loan	...	...	...	...	166	204	204	204	204
3½% Conversion Loan	...	...	709	760	740	832	832	832	832
4½% Conversion Loan	...	...	210	211	211	221	221	221	221
3½% War Stock	...	63	63	63	63	...	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,052	2,109	2,154	2,253	2,253	2,253	2,253
National War Bonds	...	1,509	778	706	556	194	111	64	64
4% Funding Loan	...	409	394	390	389	385	385	385	385
4% Victory Bonds	...	360	303	292	277	261	261	261	261
Treasury Bonds	...	...	499	482	454	675	773	762	760
Exchequer Bonds	20	323	15	15	15	16	16	16	16
National Savings Certs.	...	267	369	375	372	362	360	360	360
Other Debt*	...	1,306	1,124	1,111	1,103	1,097	1,094	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	576	565	599	527	788	700	705
Temporary Advances	1	243	167	139	117	162	28	37	40
	654	8,033	7,598	7,558	7,555	7,528	7,665	7,528	7,534
Other Capital Liabilities	57	46	68	75	98	103	103	88	86
Total Liabilities	711	8,079	7,666	7,633	7,653	7,631	7,768	7,616	7,620

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	May 5, '28.	Mar. 31, '29.	May 4, '29.	Movement Week ended May 4, '29
	£	£	£	£
Ways and Means Advances Outstanding—				
Advances by Bank of England	...	...	...	...
Advances by Public Deptmts.	157,800,000	37,050,000	41,535,000	+ 4,485,000
Treasury Bills Outstanding	528,520,000	700,295,000	704,070,000*	− 1,465,000
Total Floating Debt	686,320,000	737,345,000	745,605,000	+ 2,820,000

* Includes £17,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bills were opened on May 3, 1929, and the total amount applied for was £49,800,000. For bills at 3 months, dated Monday to Friday, at £98 14s. 6d., about 13 per cent. and above in full; Saturday, at £98 14s. 10d. and above, in full. The amounts allotted were in bills at 3 months, £35,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.	£	£	£ s. d.
March 1	35,000,000	40,330,000	5 4 6·06
March 8	30,000,000	33,190,000	5 6 8·41
March 15	35,000,000	46,695,000	5 6 9·26
March 22	35,000,000	46,515,000	5 5 1·71
March 28	45,000,000	50,430,000	5 7 0·87
April 5	40,000,000	63,280,000	5 5 9·16
April 12	40,000,000	57,440,000	5 4 2·39
April 19	40,000,000	52,045,000	5 2 1·07
April 26	45,000,000	49,785,000	5 2 8·72
May 3	35,000,000	49,800,000	5 0 9·07

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Revenue and other Receipts.	Estimate for the Year 1929–30.	Total Receipts into the Exchequer from April 1, 1929, to May 4, 1929.	Total Receipts into the Exchequer from April 1, 1928, to May 5, 1928.	Week Ended May 4, 1929.	Week Ended May 5, 1928.
ORDINARY REVENUE.	£	£	£	£	£
Inland Revenue—					
Income Tax and House Duty		16,024,000	16,255,000	2,135,000	2,351,000
Super-Tax		4,990,000	4,800,000	680,000	690,000
Estate, &c., Duties		8,250,000	4,800,000	1,570,000	970,000
Stamps		1,980,000	1,720,000	340,000	290,000
Excess Profits Duties, &c.		...	...	...	...
Corporation Profits Tax		10,000	90,000	...	...
Land Tax and Mineral Rights Duty		70,000	70,000	...	20,000
Total Inland Revenue		31,324,000	27,735,000	4,725,000	4,321,000
Customs and Excise—					
Customs		11,144,000	10,088,000	2,158,000	2,364,000
Excise		10,739,000	11,894,000	979,000	1,216,000
Total Customs & Excise		21,883,000	21,982,000	3,137,000	3,580,000
Motor Vehicle Duties (Exchequer Share)		1,637,000	836,000	755,000	639,000
Post Office (Net Receipt)		3,050,000	2,200,000	1,250,000	700,000
Crown Lands		150,000	110,000	...	...
Receipts from Sundry Loans		4,217,180	2,317,811	82,021	73,495
Miscellaneous :					
Ordinary Receipts		1,111,986	1,967,798	381,959	35,529
Special Receipts		1,949,762	2,610,894	1,850,000	2,220,000
Total Ordinary Revenue		65,322,928	59,759,503	12,180,980	11,570,024
SELF-BALANCING REVENUE.					
Post Office		3,850,000	3,900,000	750,000	800,000
Motor Vehicle Duties apportioned to Road Fund		1,999,000	2,500,000	...	...
Total Self-Balancing Revenue		5,849,000	6,400,000	750,000	800,000
Total		71,171,928	66,159,503	12,930,980	12,370,024
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		...	...	...	...
Under the Unemployment Insurance Acts, 1920 to 1928		...	514,432	...	90,000
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues : Under the Telegraph (Money) Act, 1925, and Post Office and Telegraph (Money) Act, 1928		...	...	...	...
(b) Under the Unemployment Insurance Acts, 1920 to 1928		480,000	...	70,000	...
(c) For other Issues :					
By Treasury Bills		309,610,000	217,125,000	67,833,000	41,166,000
By National Savings Certificates		4,000,000	4,000,000	850,000	850,000
By National War Bonds		...	10	...	...
By 5 per cent. Treasury Bonds, 1933–35		...	58,225,000	...	5,000
By 4½ per cent. Treasury Bonds, 1932–34		26,120,000	...	...	...
(d) Ways and Means Advances		106,055,000	69,700,000	18,320,000	6,300,000
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		23,221	19,707	14,539	8,935
		517,460,149	415,743,652	100018519	60,789,959

Balances in Exchequer on 1st April :—	1929. £	1928. £		
Bank of England	5,515,917	5,918,513		
Bank of Ireland	736,607	404,112		
	6,252,524	6,322,625	...	...
Total			100018519	60,789,959

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1929–30 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1929, to May 4, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to May 5, 1928.	Issues Week Ended May 4, 1929.	Issues Week Ended May 5, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt		34,842,874	35,306,574	8,353,083	7,967,879
Payments to Local Taxation Accounts		...	...	...	...
Payments to Northern Ireland Exchequer		183,035	124,235	...	75,000
Other Consolidated Fund Services		435,366	350,803	36,188	...
Supply Services (excluding Post Office)		31,958,860	30,262,200	6,550,000	3,850,000
Total Ordinary Expenditure		67,420,135	66,043,812	14,939,271	11,892,879
Sinking Fund		4,075,067	6,408,210	630,000	2,975,499
SELF-BALANCING EXPENDITURE.					
Post Office		3,850,000	3,900,000	750,000	800,000
Road Fund		1,999,000	2,500,000	...	...
Total Self-Balancing Expenditure		5,849,000	6,400,000	750,000	800,000
TOTAL		77,344,202	78,852,022	16,319,271	15,668,378
OTHER ISSUES.					
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		18,458	18,458	...	...
Under the Unemployment Insurance Acts, 1920 to 1928		480,000	...	70,000	...
Issues to meet Capital Expenditure—					
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		800,000	1,150,000	...	...
Unemployment Insur. Acts, 1920-28		...	514,432	...	90,000
Repayment of Amounts Borrowed					
Redemption of Debt—					
Treasury Bills		305,820,000	215,585,000	69,305,000	33,675,000
Principal of National Savings Certificates		4,100,000	4,300,000	800,000	900,000
Principal of National War Bonds paid off		...	45,069,524	...	250,000
Principal of Treasury Bonds paid off		29,159,505	...	213,435	...
Ways and Means Advances Repaid		101,570,000	73,750,000	14,035,000	...
Depreciation Fund under the Finance Act, 1917		1,870,044	...	...	...
		521,162,209	419,239,436	100742706	60,683,378

Balances in Exchequer—	May 4, 1929 £	May 5, 1928 £			
Bank of England	2,027,578	2,064,583	...	...	− 171,415	+ 29,744
Bank of Ireland	522,886	762,258	2,550,464	2,826,841	− 552,772	+ 76,837
Total			523,712,673	422,066,277	− 724,187	+ 106,581

The Bankers' Gazette.

BANK OF ENGLAND.
Return for Week ended Wednesday, May 8, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	362,793,961	Other Government Securities	236,189,457
In Banking Department	57,419,211	Other Securities	7,974,765
		Silver Coin	4,820,678
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	160,213,172
	£420,213,172		£420,213,172

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	39,781,855
Rest	3,187,868	Other Securities—	
Public Deposits*	8,679,717	Discounts and Advances	£11,607,200
Other Deposits—		Securities	15,705,552
Bankers	£63,223,123		27,312,752
Other Accounts	35,531,591	Notes	57,419,211
	98,754,714	Gold and Silver Coin	667,247
7-Day and other Bills	5,766		
	£125,181,065		£125,181,065

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

Both Departments.	Amount May 8, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	362,793,961	+ 1,422,622	− 11,358,344
Public deposits	8,679,717	− 2,259,535	− 4,261,140
Bankers' deposits	63,223,123	+ 2,534,297	− 2,027,369
Other deposits	35,531,591	+ 2,942,246	
Seven-day bills	5,766	+ 113	+ 602
Total, outside liabilities	470,234,158	− 1,244,749	− 17,546,251
Capital and rest	17,740,868	+ 32,000	+ 13,191
Government debt and securities	286,986,412	− 5,188,403	+ 23,313,885
Discounts and advances	11,607,200	+ 2,321,388	− 29,142,637
Other securities	23,680,317	− 454,724	
Silver coin in issue department	4,820,678	− 5,266	− 679,322
Coin and bullion (bank's reserve)	160,880,419	+ 2,114,256	− 1,024,986
Reserve of notes and coin in banking department	58,086,458	+ 691,634	+ 11,649,358
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	54%	+ 1⅜%	+ 13½%
(b) Gold stocks to deposits and notes ("reserve ratio")	34⅛%	+ 1/12%	+ 1⅛%

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
Mar.20	412,442,839	353,868,645	19,423,868	62,332,186	37,263,399	736,976 in	5½
27	413,331,566	361,786,016	19,704,899	58,240,243	36,354,799	883,050 in	5½
Apl. 3	414,045,537	363,319,286	17,795,531	67,268,161	37,307,929	702,684 in	5½
10	415,042,703	362,130,979	17,205,719	63,900,072	36,617,576	963,053 in	5½
17	415,836,622	358,940,958	18,317,977	58,432,912	35,655,295	760,357 in	5½
24	416,043,567	357,277,566	10,939,252	60,779,118	36,016,599	203.121 in	5½
May 1	418,216,669	361,371,339	10,939,252	60,688,826	38,473,837	2,125,861 in	5½
8	420,213,172	362,793,961	8,679,717	63,223,123	35,531,591	1,991,901 in	5½

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1929.	£	£	£	%	£	£	£	£	%
Mar.20	24608?611	9082594	152825852	32	47916855	12582128	17865667	58957207	49½
27	246193740	8977312	153733551	32	50586855	13003543	17065519	51947535	45½
Apl. 3	246215843	8955581	154467255	31½	59256855	13221208	16358125	51147969	41½
10	246507820	8663950	155482700	32½	53276855	12671742	16092205	53351721	45½
17	246741657	8430376	156271783	32½	48346855	11028809	15621612	57330825	49½
24	246791289	8383489	156541341	33½	44256855	10949807	15612927	59263775	52½
May 1	246822960	8351096	158766163	33½	45351855	9285812	15783945	57394824	52½
8	247204557	7974765	160880419	34½	39781855	11607200	15705552	58086458	54

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to April 24	12,934,567	609,084	981,757	14,525,408
Week ended May 1	777,002	35,352	55,211	867,565
Week ended May 8	743,044	42,160	71,362	856,566
Total to date, 1929	14,454,613	686,596	1,108,330	16,249,539
Do. 1928	14,174,141	664,394	1,105,488	15,944,023
Increase or decrease in 1929	+ 280,472	+ 22,202	+ 2,842	+ 305,516
	= 2·0%	= 3·3%	= 0·3%	= 1·9%
Total for year 1928	39,311,117	1,854,190	3,039,422	44,204,729
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Increase or decrease in 1928	+2,491,435	+ 96,158	+ 66,595	+2,654,185
	= 6·7%	= 5·4%	= 2·2%	= 6·3%

PROVINCIAL CLEARING RETURNS.

	Month of April. 1928.	Month of April. 1929.	Month of April. %	Aggregate Weekly Totals to May 4. 1928.	Aggregate Weekly Totals to May 4. 1929.
Number of Working Days	23	25			
	£	£		£	£
BIRMINGHAM	10,834,000	10,126,000	− 6·5	50,580,800	49,313,700
BRADFORD	5,975,000	5,388,000	− 9·8	...	...
BRISTOL	4,677,000	4,738,000	+ 1·3	22,063,000	22,050,000
DUBLIN	...	...	...	89,269,200	89,593,300
HULL	3,707,000	3,876,000	+ 4·5	17,019,500	16,603,200
LEEDS	3,834,000	4,061,000	+ 5·9	18,491,100	18,816,600
LEICESTER	3,557,000	3,490,000	− 1·8	16,162,400	15,071,200
LIVERPOOL	35,451,000	32,936,000	− 7·0	156,322,300	146,952,500
MANCHESTER	56,242,000	55,057,000	− 2·1	250,982,300	242,031,200
NEWCASTLE-ON-TYNE	6,127,000	6,003,000	− 2·0	27,440,500	26,457,800
NOTTINGHAM	2,682,000	2,533,000	− 5·5	11,915,600	11,665,900
SHEFFIELD	3,828,000	4,043,000	+ 5·6	18,913,100	18,974,200
Total	136,914,000	132,251,000	− 3·4	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Egypt appeared in the *Economist* of April 20; Canada in April 27; Estonia, Russia, Poland, Norway, and Chile in May 4.

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

Resources.	May 9, 1929.	May 2, 1929.	Apr. 25, 1929.	Apr. 18, 1929.	May 10, 1928.
Total gold reserves	2,840,950	2,812,030	2,798,580	2,779,480	2,690,050
Total bills discounted	962,020	985,830	974,510	994,300	777,140
Bills bought in open market	157,180	170,420	141,180	141,030	366,100
Total U.S. Govt. securities	149,490	150,730	149,780	161,430	277,390
Total bills and securities	1,281,910	1,329,250	1,280,500	1,310,160	1,420,630
Total resources	5,097,570	5,164,890	5,080,670	5,214,090	5,041,110
Liabilities.					
Federal Reserve notes in actual circulation	1,663,680	1,663,640	1,652,560	1,653,230	1,591,230
Deposits—Memberbank—reserve account	2,330,030	2,335,820	2,290,220	2,302,390	2,426,180
Total deposits	2,389,210	2,410,360	2,350,080	2,379,770	2,474,140
Capital paid in and surplus	410,570	410,350	409,530	409,530	371,370
Total liabilities	5,097,570	5,164,890	5,080,670	5,214,090	5,041,110
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	74·3%	73·3%	74·3%	73·3%	70·2%

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

	May 9, 1929.	May 2, 1929.	Apr 25. 1929.	Apr. 18, 1929.	May 10, 1928.
Total bills discounted	276,890	247,580	262,870	260,000	290,130
Bills bought in open market	44,000	56,830	28,600	20,090	84,050
Total U.S. Govt. securities	16,550	17,170	17,070	19,530	49,500
Total bills and securities	340,640	328,280	312,750	303,270	423,680
Deposits — Memberbank — reserve account	940,310	947,320	903,640	905,480	969,790
Ratio of total res. to dep. and Federal Res. note liabilities combined	77·8%	79·2%	79·7%	80·4%	71·6%

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

Assets.	Apr. 12, 1929.	Apr. 5, 1929.	Mar. 28, 1929.	Mar. 22, 1929.	Mar. 15, 1929.	Apr. 12, 1928.
Gold coin and bullion	7,472	7,777	8,206	7,557	7,815	7,874
Subsidiary coin	114	99	98	110	110	162
Bills discounted	9,273	9,337	9,125	8,902	7,597	8,330
Investments	596	626	747	700	667	576
Liabilities.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	509	509	509	509	509	423
Notes in circulation	8,569	9,159	9,498	8,023	8,231	8,110
Government deposits	1,659	1,592	1,613	1,951	1,883	1,591
Bankers' deposits	4,922	4,969	5,163	5,440	5,322	5,041
Ratio of cash reserves to liabilities to public	47·4%	48·5%	48·1%	48·4%	50·2%	51·9%

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

Assets.	Apr. 12, 1929.	Apr. 5, 1929.	Mar. 29, 1929.	Mar. 22, 1929.	Mar. 15, 1929.	Apr. 13, 1928.
Total securities	21,38,45	21,64,08	21,89,01	21,44,01	21,38,47	23,48,25
Loans	19,05,44	16,50,63	10,93,74	12,70,67	14,32,51	17,57,87
Cash credits	29,84,51	30,39,87	32,41,96	31,83,82	32,58,86	31,23,46
Inland bills	10,63,94	11,15,02	11,30,45	11,69,39	11,96,73	14,97,93
Foreign bills	48,69	41,68	33,62	31,83	35,35	33,69
Dead stock	2,83,75	2,83,69	2,83,56	2,83,87	2,83,75	2,81,56
Bal. with other banks	26,24	1,24	...	13,35	18,65	23,65
Cash	9,84,75	11,11,09	10,83,78	11,63,46	10,52,06	8,77,73
Liabilities.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,22,50	5,12,50
Total deposits	81,03,65	80,77,43	77,62,33	77,41,70	76,55,43	79,09,06
The above includes—	£	£	£	£	£	£
Deposits in London	1,058	844	1,029	838	936	1,031
Advances in London	899	871	933	882	906	953
Cash, etc., at other Banks in London	189	11	189	101	142	177

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

Assets.	Apr. 26, 1929.	Apr. 19, 1929.	Apr. 12, 1929.	Apr. 5, 1929.	Mar. 29, 1929.
Gold	35,788,083	35,097,716	34,323,084	34,190,820	34,186,454
Foreign assets—					
Sight deposits	8,543,546	9,388,434	10,318,867	10,610,479	10,577,365
Bills discounted	18,481,853	18,412,231	18,450,786	18,427,303	18,332,958
Commercial bills discounted at home	6,510,431	5,561,096	5,580,331	6,029,640	6,837,904
Advances against sec. To the State	9,130,000	9,130,000	9,130,000	9,130,000	9,130,000
Other advances	2,283,419	2,336,657	2,375,329	2,463,598	2,321,795
Other assets (excluding forward exch.)	3,110,941	3,076,930	3,265,776	3,382,146	2,959,250
Liabilities.					
Notes in circulation	62,847,740	62,647,539	63,317,358	64,123,948	64,574,941
Public deposits	11,875,758	11,869,675	11,941,469	11,282,374	11,616,752
Private deposits	6,858,828	6,287,244	5,748,571	6,427,392	6,263,253
Other liabilities	2,265,947	2,198,606	2,436,777	2,315,311	1,991,272

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

Assets.	Apr. 27, 1929.	Apr. 20, 1929.	Apr. 13, 1929.	Apr. 30, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	1,891,575	2,178,898	2,429,866	2,040,931
Of which deposited abroad	172,708	163,008	154,344	85,626
Reserve in foreign currencies	99,372	39,936	23,674	167,737
Bills of exchange and cheques	2,926,597	2,316,084	2,197,804	2,493,874
Silver and other coin	134,503	153,783	133,812	70,775
Notes of other German banks	7,243	29,314	22,579	8,657
Advances	262,077	40,987	121,078	102,775
Investments	92,899	92,964	92,981	93,999
Other assets	535,399	541,282	488,448	588,894
Liabilities.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	319,608	319,608	284,205
Notes in circulation	4,631,496	3,918,931	4,145,211	4,409,460
Other daily maturing obligations	585,119	769,295	670,294	557,888
Other liabilities	290,654	262,626	252,341	193,301

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

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

Assets.	May 2, 1929.	Apr 25, 1929.	Apr. 18, 1929.	Apr. 11, 1929.	May 3, 1928.	Position, May 28, 1914. (b)
Gold	962,034	962,030	951,241	908,841	771,118	232,850
Foreign Bills and Balances Abroad	454,948	455,518	485,803	496,342	466,979	
Silver and other coin	1,590	1,553	1,518	1,422	2,352	
Securities	720,256	763,784	758,010	756,535	542,507	697,600
Liabilities.						
Notes in circulation	2,468,191	2,430,629	2,429,438	2,461,160	2,125,885	934,150
Current accounts	50,752	129,228	110,771	91,940	82,878	112,125

(b) In thousand francs.

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

Assets.	Apr. 29, 1929.	Apr. 22, 1929.	Apr. 15, 1929.	Apr. 8, 1929.	Apr. 30, 1928.	Position, May 30, 1914.
Gold	432,203	422,206	422,215	422,470	435,156	163,092
Silver	21,235	21,262	20,932	20,918	26,126	8,436
Discts. and advances	385,313	362,418	347,901	340,364	408,374	163,504
Liabilities.						
Notes in circulation	841,093	796,990	802,984	810,462	856,286	316,632
Deposits	26,980	18,781	15,892	14,683	32,275	5,016

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

Assets.	May 4, 1929.	Apr. 27, 1929.	Apr. 20, 1929.	Apr. 13, 1929.	May 5, 1928.	Position May 30, 1914.
Gold	184,600	188,400	186,600	185,700	174,446	22,971
Silver					18,994	29,785
Discounts, advances, and other investments	135,700	131,600	130,300	128,600	115,751	77,567
Liabilities.						
Notes in circulation	302,800	299,700	301,900	306,200	304,994	109,499
Deposits and bills payable	35,300	37,700	37,800	35,700	39,893	11,250

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

Assets.	Apr. 30, 1929.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 6, 1929.	Apr. 30, 1928.	Position, May 31, 1914.
Gold	492,591	482,230	482,192	481,238	435,314	171,175
Silver	41,601	42,456	41,886	43,295	58,415	18,350
Foreign Bills and Balances abroad	246,882	229,729	221,464	221,163	...	...
Discounts	137,135	125,124	125,688	162,513	210,859	103,000
Advances	64,127	59,211	55,384	70,333	67,335	
Liabilities.						
Notes in circulation	875,354	798,000	811,332	845,617	844,846	275,925
Deposits	111,920	132,026	122,881	114,395	71,986	35,750

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

Assets.	Apr. 20, 1929.	Apr. 10, 1929.	Mar. 31, 1929.	Mar. 20, 1929.	Mar. 10, 1929.
Gold, coin and bullion	5,125,200	5,125,100	5,125,797	5,115,439	5,077,538
Foreign bills and balances abroad	4,886,700	5,272,700	5,334,404	6,316,889	5,401,577
Other cash	239,700	236,000	238,429	243,742	251,447
Gold deposited abroad due by the State	1,824,700	1,824,700	1,824,662	1,836,187	1,836,187
Discounts	3,647,800	3,675,300	3,699,123	3,513,315	3,439,658
Advances	1,501,300	1,347,800	1,514,466	1,498,144	1,584,086
Credit with "Istituto di Liquidazioni"	1,047,100	1,057,300	1,057,323	1,077,341	1,077,341
Government securities	1,042,700	1,042,500	1,042,532	1,042,459	1,042,929
Liabilities.					
Notes in circulation	16,010,100	16,259,400	16,395,973	15,894,398	16,060,113
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	2,201,000	2,080,700	2,125,395	2,195,027	2,146,178
Ratio of reserve to note and sight liabilities combined	54·09%	55·78%	55·58%	56·72%	56·63%

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

Assets.	May 4, 1929.	Apr. 27, 1929.	Apr. 20, 1929.	Apr. 13, 1929.	May 5, 1928.
Gold	234,557	234,668	234,720	234,796	232,007
Government securities—Swedish	5,755	5,755	6,001	6,001	11,027
" " Foreign	73,774	73,774	73,774	73,774	83,324
Other Swedish bonds quoted on foreign bourses	231	231	740	740	1,104
Bills payable in Sweden†	246,480	227,344	220,717	239,789	266,328
" " abroad	56,597	60,262	66,715	67,785	14,469
Balance abroad	53,358	47,050	41,774	35,747	45,832
Advances made on government securities and bonds†	63,532	56,393	58,826	39,586	58,887
Liabilities.					
Notes in circulation	509,323	475,216	463,422	476,629	480,377
Government deposits	177,691	185,803	194,808	185,109	173,783
Private deposits	6,325	7,849	6,814	4,255	27,434

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are *not* available as cover for the note issue.

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

Assets.	Apr. 30, 1929.	Mar. 30, 1929.	Feb. 28, 1929.	Jan. 31, 1929.	Apr. 30, 1928.	Position May 30, 1914.
Coin and bullion	172,691	172,672	172,670	172,715	181,892	76,644
Loans & discounts	100,128	96,196	89,240	90,005	94,732	88,470
Debtors abroad	86,492	86,086	99,307	92,412	103,053	24,102
Securities	33,924	34,403	36,050	35,023	19,660	11,988
Liabilities.						
Circulation	359,411	357,137	341,873	336,349	352,238	157,266
Deposits	33,081	26,857	29,848	28,645	31,094	6,698

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

Assets.	May 4, 1929.	Apr. 27, 1929.	Apr. 20, 1929.	Apr. 13, 1929.	May 5, 1928.	Position, May 30, 1914.
Gold	2,559,917	2,559,850	2,559,799	2,559,749	2,607,944	521,775
Silver	719,999	717,372	714,673	700,747	728,600	728,600
*Loans & Discounts	1,820,791	1,820,090	1,835,306	1,885,196	1,854,785	600,726
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
Liabilities.						
Circulation	4,339,909	4,257,576	4,279,982	4,311,467	4,323,014	901,550
Deposits	1,041,115	1,077,094	1,020,003	1,040,410	995,050	477,500

* Including 91 million pesetas lent to the State.

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

Assets.	Apr. 24, 1929.	Apr. 17, 1929.	Apr. 10, 1929.	Apr. 3, 1929.	Apr. 25, 1928.
Coin and bullion	9,506	9,517	9,599	9,699	9,200
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	313,563	313,563	316,302	321,316	202,409
Discounts	278,747	278,105	276,918	275,745	248,589
Government loans	1,733,455	1,734,029	1,738,534	1,743,816	1,627,378
Liabilities.					
Notes in circulation	1,797,638	1,820,878	1,845,991	1,861,869	1,825,458
Deposits	69,520	63,414	65,669	64,122	77,131

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

Assets.	Apr. 30, 1929.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 7, 1929.	Apr. 30, 1928.
Cash Reserve—					
Gold coin and bullion	168,634	168,634	168,752	168,752	117,199
Foreign exchange	197,148	198,452	201,221	205,216	298,072
Other foreign exchange†	345,900	346,997	349,335	352,910	274,906
Bills discounted	207,260	173,115	162,016	174,121	124,667
Gov. Debt	109,857	109,857	109,857	109,862	167,850
Liabilities.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	9,283	9,283	9,283	9,283	8,167
Notes in circulation	995,197	860,169	895,132	929,404	947,377
Deposits	38,003	141,959	100,588	85,014	37,952

† In dollar and sterling only.

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

Assets.	Apr. 30, 1929.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 7, 1929.	Apr. 30, 1928.
Metal reserve—					
Gold coin and bullion	176,622	204,426	204,425	204,426	196,529
Drafts and notes	33,032	4,846	12,548	17,183	84,951
Silver coin and bullion	10,166	10,486	10,418	10,048	810
Inland bills, warrants and securities	370,248	331,205	319,590	329,176	319,506
Advances to the Treasury	92,257	92,257	92,257	92,257	105,943
Liabilities.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	485,452	390,371	402,362	423,359	478,966
Current accounts, deposits, &c.	153,650	216,305	209,732	204,711	254,849

* Calculated at pre-war parity of exchange.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

Assets.	Apr. 30, 1929.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 7, 1929.	Apr. 30, 1928.
Gold and silver holdings	1,206,534	1,206,506	1,206,356	1,206,192	1,118,922
Balance abroad and foreign currency	1,687,602	1,708,585	1,702,031	1,769,682	1,668,509
Discounts and advances	652,907	407,486	445,790	548,276	188,436
State notes debt balance	4,023,053	4,029,969	4,033,155	4,034,596	4,342,873
Other assets	706,945	687,331	690,965	735,153	813,864
Liabilities.					
Bank notes in circulation	7,132,518	6,402,138	6,613,776	6,925,410	7,097,685
Check account balances	466,280	876,766	767,294	676,978	310,482
Other liabilities	205,649	288,379	224,633	216,918	291,812

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

Assets.	Apr. 30, 1929.	Apr. 22, 1929.	Apr. 15, 1929.	Apr. 8, 1929.	Apr. 29, 1928.
Gold	92,167	92,096	92,020	91,948	89,703
Other coin and notes	17,871	18,304	18,103	18,675	18,459
Foreign credits	191,290	192,927	193,123	194,264	262,088
Bills	1,370,517	1,365,905	1,393,086	1,409,182	1,254,496
Government advances	4,201,067	4,201,065	4,201,062	4,201,055	4,332,808
Liabilities.					
Notes in circulation	5,212,045	5,058,150	5,128,613	5,273,030	5,324,738
State credits	227,797	227,792	227,789	227,782	293,768
Deposits	1,058,853	1,220,743	1,232,758	996,593	956,014

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

Assets.	Apr. 6, 1929.	Mar. 30, 1929.	Mar. 23, 1929.	Mar. 16, 1929.	Mar. 9, 1929.
Gold & gold exchange	12,278,869	12,266,061	12,265,172	12,257,560	11,929,882
Commercial bills	8,103,631	7,085,174	7,051,059	7,056,306	7,108,524
State debt, advances to State, &c.	10,179,625	10,079,035	10,079,625	10,079,625	9,879,625
Liabilities.					
Notes in circulation	20,695,352	20,963,774	20,417,035	20,270,818	20,151,826
Other sight liabilities	9,707,549	10,151,030	11,248,788	11,401,156	11,094,268

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

Assets.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 7, 1929.	Mar. 31, 1929.	Apr. 23, 1928.
Gold and silver holdings	1,519,427	1,515,575	1,514,358	1,512,106	1,458,133
Balances abroad and foreign currencies	1,325,056	3,229,860	3,142,785	2,953,292	499,295
Discounts and advances	1,463,865	1,641,617	1,407,075	1,485,316	1,313,948
Advances to the Treasury	3,685,241	3,685,241	3,685,241	3,685,241	4,470,613
Liabilities.					
Capital paid up	500,000	500,000	500,000	500,000	516,422
Reserves	1,166,516	1,166,661	1,164,757	1,164,167	1,124,790
Bank notes in circulation	4,188,359	4,137,727	4,145,281	4,100,715	3,809,326
Sight liabilities	2,885,873	2,992,480	2,893,186	3,082,042	1,156,319
Deposits	466,500	466,528	468,771	469,723	1,268,173

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

Assets.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 7, 1929.	Mar. 31, 1929.	Mar. 23, 1928.
Gold	568,163	567,052	565,374	564,866	563,760
Gold exchange	4,716,405	4,770,990	4,834,028	4,586,474	4,421,211
Other foreign exchange	1,127	1,087	1,288	1,283	1,289
Bills discounted	41,519	42,842	42,640	44,455	48,242
Advances	72,613	74,262	72,744	78,642	73,679
Debt to the State	3,656,305	3,656,305	3,656,305	3,789,638	3,789,638
Liabilities.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,527,123	5,520,513	5,597,782	5,487,985	5,488,600
Deposits and current accounts	1,750,706	1,802,267	1,796,232	2,122,398	1,960,464
Foreign exchange liabilities	1,443,032	1,457,479	1,449,834	1,115,506	1,109,338

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

Assets.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 8, 1929.	Apr. 23, 1928.	Position, May 30, 1914
Gold	301,717	301,930	302,131	313,146	35,093
Balance abroad and foreign bills	674,392	699,383	712,980	1,007,671	90,379
Finnish and Foreign Government securities	301,708	301,708	301,708	338,443	21,826
Discounts and loans	1,481,459	1,490,645	1,500,685	1,012,330	105,151
Liabilities.					
Notes in circulation	1,495,795	1,538,303	1,696,011	1,558,099	123,941
Deposits at notice	254,252	249,414	236,264	237,772	21,226

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

Assets.	May 1, 1929.	Apr. 24, 1929.	Apr. 17, 1929.	Apr. 10, 1929.	Apr. 3, 1929.	May 2, 1928.
Gold bullion and coins	23,824	23,821	23,820	23,811	23,810	23,705
Silver coin	4,742	4,769	4,734	4,702	4,640	4,146
Balance abroad	55,983	56,698	57,919	62,854	66,173	73,676
Treas. notes and sm. change	9,516	11,349	11,671	9,839	8,144	10,498
Short term bills	86,693	85,777	85,534	84,868	85,508	82,340
Loans against securities	55,969	54,373	53,972	51,707	50,949	42,786
Other assets	17,726	17,418	15,765	15,841	15,255	10,058
Liabilities.						
Notes in circulation	45,898	45,054	44,344	45,611	47,205	40,120
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,385
Reserve	3,091	3,091	3,091	3,091	3,091	2,613
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,760	12,671	12,595	12,547	12,588	11,093
Current accounts	53,762	55,945	57,784	58,295	57,695	48,466
Government accounts	106,128	105,288	102,358	103,973	103,057	118,016
Other liabilities	14,733	14,075	15,161	12,025	12,763	10,016

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	Apr. 30, 1929.	Apr. 15, 1929.	Mar. 31, 1929.	Mar 15, 1929.	Feb. 28, 1929.	Apr. 30, 1928.
Gold	34,354	34,342	34,330	34,328	34,320	34,211
Silver	4,352	4,346	4,321	4,391	4,403	4,602
State Treasury coins	1,835	1,845	1,850	1,868	1,887	1,885
Foreign currency	42,110	37,164	36,506	37,225	38,453	51,003
Discount and credit	87,502	88,902	89,488	83,799	82,336	63,460
Liabilities.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Reserve	1,200	1,200	1,200	1,200	1,200

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

ASSETS.	Apr. 20, 1929.	Apr. 13, 1929.	Apr. 6, 1929.	Mar. 30, 1929.	Apr. 21, 1928.	Position June 30,1914
Cash & bullion	1,125,779	1,124,474	1,123,255	1,122,578	1,128,391	221,320
Discounts	709,812	708,989	711,352	717,071	785,484	41,740
Advances	76,182	76,147	75,612	75,512	80,914	70,540
LIABILITIES.						
Notes	1,197,824	1,202,748	1,254,957	1,353,986	1,193,036	362,270
Govt. deposits	566,901	589,531	600,670	535,865	714,017	87,340
Other deposits	368,391	337,168	258,099	234,400	324,278	11,440

LONDON RATES.

	May 2, 1929.	May 3, 1929.	May 4, 1929.	May 6, 1929.	May 7, 1929.	May 8, 1929.	May 9, 1929.
	%	%	%	%	%	%	%
Bank rate (changed from 4½% Feb. 7, 1929)	5½	5½	5½	5½	5½	5½	5½
Market rates of discount—							
60 days' bankers' drafts	5 1/16	5 1/16	5 1/16	5 1/16 3/16	5 1/16 1/8	5 1/16 1/8	5 1/16
3 months' do.	5 1/16	5 1/16	5 1/16	5 1/16 3/16	5 1/16 1/8	5 3/16 1/8	5 1/16 1/8
4 months' do.	5⅛	5⅛	5⅛ 1/8	5⅛ 1/8	5⅛ 1/16	5⅛ 1/16	5 1/16 1/8
6 months' do.	5⅛	5⅛ 1/8	5⅛ 1/8	5⅛ 1/8	5⅛	5⅛	5⅛ 1/8
Discount (Treasury Bills)—							
2 months'	5 1/16	5 1/16	5 1/16	5 1/16 3/16	5 1/16 3/16	5 1/16 3/16	5 1/16
3 months' †	5 1/16	5 1/16	4 1/2 1/2	4½ 5½	4½ 5½	4½ 5½	4½ 5½
Loans—Day to day	4½	4½	4½ 1/2	4½ 5	4½ 5	4½ 5	4½ 5
Short	3½	3½	3½	3½	3½	3½	3½
Deposit allowances: Banks	3½	3½	3½	3½	3½	3½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months.	Trade Bills. 6 Months.
1929.	%	%	%	%	%	%	%
Apr. 18	4½ 5	5⅝ 11/16	5⅝ 11/16	5⅝ 11/16	5⅝ 11/16	5⅝ 6	6 6½
25	4½ 5	5⅝	5⅝	5⅝	5⅝	5⅝	6 6½
May 2	4½ 5	5 1/16	5⅝	5⅝	5⅝ 5¾	5⅝ 6	5⅝ 6
9	4½ 5	5 1/16 1/8	5 1/16 1/8	5⅝ 1/16	5⅝ 5¾	5⅝ 6	6 6½

RATES OF EXCHANGE.

London on		Usance	Par.	May 10, 1928.	May 2, 1929.	May 9, 1929.
New York	dollars to £1	Cable	4·86⅝	4·88 1/16	4·85 7/16–11/32	4·85 7/16–85 9/16
Montreal	dollars to £1	Cable	4·86⅝	4·88 1/16–⅛	4.89–89½	4·88 15/16–88 15/16
Paris	francs to £1	T.T.	124·21	123 11/16–4 1/16	124·15–·20	124.15-124.20
Berlin	marks to £1	T.T.	20·43	20·39½–40	20·47½–·48½	20.46–20.46½
Amsterdam	florins to £1	T.T.	12·107	12·09⅜–⅞	12·06 7/16–·07½	12·06⅜–·06⅝
Brussels	belga to £1	T.T.	35·00	34·95–·95½	34·95–·95½	34·94½–95
Milan	lire to £1	T.T.	92·46	92 3/16	92·60–·65	92·62–·65
Berne	francs to £1	T.T.	25·22	25·31 1/16–2½	25·18½–·19½	25·18½–·19½
Oslo	kroner to £1	T.T.	18·159	18·22–½	18·19½–·19⅜	18·19½–·20
Stockholm	kronor to £1	T.T.	18·159	18·19–⅛	18·15⅝–·16½	18·16–·16½
Copenhagen	kroner to £1	T.T.	18·159	18·19–⅛	18·19⅜–·20½	18 20½–·21
Madrid	pesetas to £1	T.T.	25·22½	29·10–12	33·85–·90	33·98–34·01
Lisbon	escudo to £1	T.T.	4·50	113–⅛	108–108½	108–108½
Vienna	schillgs. to £1	T.T.	34·58½	34·66–69	34·55–·58	34·52–·55
Prague	krone to £1	T.T.	24·02(a)	164⅛–⅜	163½–164 3/16	163½–164
Belgrade	dinars to £1	T.T.	25·22½	277–½	275½–276½	275½–276½
Budapest	pengo to £1	T.T.	27·82	27·92–6	27·84–·87	27·83–·87
Bukarest	lei to £1	T.T.	813·6	787–92	816–818	817–819
Sofia	leva to £1	T.T.	25·22½	672–7	671–675	668–673
Athens	drachmæ to £1	T.T.	375	374–5	374½–375½	374½–375½
Constantin'ple	piastres to £1	T.T.	110	954–8	992–995	994–998
Moscow	roubles to £1	T.T.	9·46	9·47–9·49	†9·42–9·44	†9·42–9·44
Warsaw	zloty to £1	T.T.	43·38	43⅛–⅜	43⅛–43 3/16	43 3/16–¼
Helsingfors	F. marks to £1	T.T.	193·23	193⅜–4	192⅝–193⅛	192⅝–193⅛
Kovno	lits to £1	T.T.	48·66	48⅛–9⅛	48⅛–49⅛	48⅛–49⅛
Reval	kroon to £1	T.T.	18·159	18·00–18·40	18·16–18·23	18·16–18·23
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15–25·25	25·15–25·25
Alexandria	piastres to £1	Sight	97⅛	97 1/16–⅛	97 1/16–97 3/16	97 3/16–¼
Buenos Aires	pence to peso	T.T.	47·62d.	47 1/16–⅛	47⅛–47 3/16	47 1/16–47 3/16
Rio de Janeiro	pence to mils.	90 days	16	5 15/16–⅛	5⅛–5 3/16	5 1/16–⅛
Montevideo	pence to peso	T.T.	51	50 3/16–⅜	47 1/16–48	47⅛–48⅛
Valparaiso	dollars to £1	90 days	40	39·59	39·61	39·64
Lima	Eng. to Per. £1	90 days	par	†20 1/16% prm.	19⅛% prem.	19⅛% prem.
Calcutta	pence	T.T.	18	1/6–1/16	1/5 15/16–⅛	1/5 15/16–1/5 15/16
Bombay	to	T.T.		1/6–1/16	1/5 15/16–⅛	1/5 15/16–1/5 15/16
Madras	rupee	T.T.		1/6–1/16	1/5 15/16–⅛	1/5 15/16–1/5 15/16
Hong Kong	ster. to dollar	T.T.	—	2/01–1/16	1/11 13/16–2/0 1/16	1/11 13/16–2/0 1/16
Shanghai	ster. to tael	T.T.	—	2/7 7/16–½	2/5½–2/6 1/16	2/5½–2/6½
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3 15/16–1/16	2/3 13/16–2/3 15/16	2/3 13/16–2/3 15/16
Kobe	ster. to yen	T.T.	24·58d.	1/10 15/16–1/16	1/10 13/16–⅛	1/10 13/16–1/10 15/16
Manila	ster. to peso	T.T.	24·066d.	†2s. 0 1/16d.	†2s. 0 1/16d.	†2s. 0⅛d.
Mexico	pesos to £	T.T.	9·76	23½–24½	10·0–10·15	10·05–10·10

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, *i.e.*, approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%
Amsterdam	Mar. 23, 1929	5½
Athens	Dec. 2, 1928	9
Belgrade	July 26, 1921	6
Berlin	April 25, 1929	7½
Brussels	June 30, 1928	4
Bucharest	May 3, 1929	8
Budapest	April 25, 1929	8
Calcutta	May 9, 1929	6
Copenhagen	June 23, 1927	5
Danzig	June 20, 1927	6
Helsingfors	Nov. 15, 1928	7
Kovno	Feb. 8, 1925	7
Lisbon	July 28, 1926	8
New York Federal Reserve	July 12, 1928	5
Madrid	Dec. 19, 1928	5½

	Changed.	%
Oslo	Mar. 26, 1928	6½
Paris	Jan. 19, 1928	3½
Prague	Mar. 8, 1927	5
Pretoria	Jan. 9, 1928	5½
Reval	Jan. 2, 1928	7½
Riga	April 1, 1928	6½ 7½
Rome	Mar. 13, 1929	7
Sofia	Dec. 15, 1928	9
Stockholm	Aug. 24, 1928	4½
Swiss Bank places	Oct. 22, 1925	3½
Tokio	Oct. 18, 1927	5·48
Vienna	Apr. 23, 1929	7½
Warsaw	Apr. 19, 1929	9
Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	May 9, 1928.	Apr. 11, 1929.	Apr. 18, 1929.	Apr. 25, 1929.	May 2, 1929.	May 9, 1929.
	%	%	%	%	%	%
Call money	6	8	8	8	11	14
Time money (90 days' mixed coll.)	5	8½	9	8½	8½	8½
Bank acceptances :—			Selling Rates.			
Members—eligible, 90 days	4	5⅜	5⅜	5½	5½	5⅝
Non-mem.—eligible, 90 days	4	5⅜	5⅜	5½	5½	5⅝
Ineligible, 90 days	4⅛	6⅛	6⅛	6⅛	6⅛	6⅛
Commercial accept. 90 days	4⅛	5⅛	5⅛	5⅛	5⅛	5⅛

Rates of Exchange, New York on—		Par Level.	May 9, 1928.	Apr. 25, 1929.	May 2, 1929.	May 9, 1929.
London—						
60 days	Dollars for £1	4·8666	4·83 11/16	4·80 1/16	4·80 3/16	4·80 1/16
Cable			4·88 3/16	4·85⅛	4·85 5/16	4·85 1/16
Cheques			4 87 11/16	4·84 15/16	4·84 7/16	4·84 5/16
Paris cheques	Cents for 1 franc	3·918	3·93·5	3·90⅛	3·90⅛	3·90⅛
Brussels	Cents for 1 Belga	13·90	13·96	13·88½	13·885	13·88
Switzerland	Cents for 1 franc	19·30	19·27	19·24½	19·26⅜	19·255
Italy	Cents for 1 lire	5·263	5·2675	5·23⅛	5·2375	5·23⅛
Berlin	Cents for 1 mark	23·81	23·905	23·69⅜	23·69	23·69
Vienna	Cts. for Austrn. shlg	14·07	14·08	14·05	14·05	14·05
Madrid	Cents for 1 peseta	19·30	16·775	14·54	14·31	14·28
Amsterdam	Cents for 1 guilder	40·195	40·3125	40·13½	40·18	40·17
Copenhagen	Cents for 1 kroner	26·80	26·815	26·64	26·65	26·635
Oslo			26·775	26·65	26·66	26·645
Stockholm			26·82	26·70	26·71	26·70
Athens	Centsfor1drachma	1·297	1·3075	1·29⅜	1·295	1·295
Montreal	Can. Cents for $1	100	⅛ dis.	⅜ dis.	⅜ dis.	⅜dis.
Yokohama	Cents for 1 yen	49·85	45·60	44·63	44·85	44·75
Hong Kong	Cents for H.Kong $		50·80	48·70	48·50	48·50
Shanghai	Cts. for 1 Shng. tael	...	65·50	61·10	60·35	60·05
Calcutta	Cents for 1 rupee	36·50	36·53	36·23	36·18	36·13
Buenos Aires	Gold Pesos for $100	103·65	42·80	104·75	104·80	104·75
Rio de Janeiro	Cents for 1 milreis	32·42	12·02	11·88	11·93	11·83
Valparaiso	Cents for 1 peso	12·125	12 1/16	12·07	12·05	12·05

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·38
Venezuela	Bolivares to £	25·25	,,	25·12
Colombia (Bogota)	Pesos to £1	5	,,	5·04
Nicaragua	Cordobas to £	4·8665	,,	4·92
Salvador	Colones to £	9·73	,,	9·88
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Selling.
T.T.	...	...	par to ⅛% pm.	⅛% prem.
Demand	1⅛% dis.	⅛% dis.	⅛% dis.	⅛ to ¼% prem.
30 days	1⅜% ,,	⅛% ,,	⅛% ,,	⅛% ,,
60 days	2⅛% ,,	⅛% ,,	⅜% ,,	⅜% ,,
90 days	3% ,,	⅛% ,,	⅜% ,,	⅜% ,,
120 days	3⅝% ,,	⅛% ,,	⅜% ,,	⅜% ,,

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	New Zealand.	Selling. Australia.	New Zealand.	Australia and New Zealand on London. Buying. Australia.	New Zealand.	Selling. Australia.	New Zealand.
T.T.	...	...	99⅛	99⅝	...	...	101	100⅝
Demand	98⅛	98⅛	99⅛	99⅝	99⅛	99⅛	100⅛	100⅛
30 days	97⅛	97⅛	...	...	99 1/16	98⅛	100⅛	99⅝
60 days	97	97⅛	...	...	98⅞	98⅛	99⅝	99⅝
90 days	96 7/16	96⅛	...	...	98⅛	97⅛	...	99⅛

BULLION.

The following statistics of imports and exports of gold for week ended May 9, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland.

From—	£
Germany	7,100
France	4,059
Irish Free State	3,000
British South Africa	808,179
Australia	1,000,000
Other Countries	3,031
Total declared value of imports	1,825,369

Exported from Great Britain and Northern Ireland.

To—	£
Poland (includ. Danzig)	1,708
Germany	136,250
Netherlands	5,638
France	17,083
Switzerland	29,000
Austria	10,250
Egypt	91,991
Java	2,540
British India	62,406
Other Countries	411
Total declared value of exports	357,277

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929.	ARRIVALS.	£
May 3	.....	Nil
,, 4	.....	Nil
,, 5	Bars bought	200,532
	Sovs. from abroad	1,000,000
,, 7	Bars bought	813,394
,, 8	.....	Nil
,, 9	Bars sold.....	4
	Total	2,013,930

1929.	WITHDRAWALS.	£
May 3	Sovs. for export ...	2,000
,, 4	Sovs. for export ...	5,000
,, 6	Sovs. for export ...	5,000
,, 7	.....	Nil
,, 8	Bars sold	10,254
	Sovs. for export ...	2,000
,, 9	Bars bought	13,636
	Total	37,890

Net arrivals, £1,976,040.

Messrs. Samuel Montagu and Co. write as follows on May 8, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £158,216,669 on the 1st instant (as compared with £156,043,567 on the previous Wednesday), and represents an increase of £4,310,354 since April 29, 1925, when an effective gold standard was resumed.

The bulk—about £720,000—of the £804,000 bar gold available in the open market this week was secured by the Bank of England, as shown in the figures below, and the balance was disposed of as follows :—£34,000 for the home trade, £35,000 for the Continental trade, and £15,000 for India. There was a net influx of gold of £1,991,901 during the week.

SILVER.

Sellers have been inclined to hesitate following the decline in the market, and more steadiness has been maintained during the past week. China has worked both ways, but support from this quarter caused a hardening of prices, culminating yesterday in a rise of 1/16d. for both positions, thus carrying the quotations to 25⅛d. and 25 5/16d. for cash and two months' delivery respectively. The upward movements have corresponded to some setback in the Japanese exchange, and it is thought, therefore, that the silver operations formed the counterpart of operations in yen. Indications that the market was overstrained proved well founded, as following the advance, holders of silver on China account were willing sellers, and to-day prices reacted sharply, a fall of 3/16d. and ⅛d. in the respective deliveries bringing quotations down to 25 1/16d.

Until yesterday, when American operators were keen to take advantage of the rising market, offerings from America had been more restricted, but the Indian bazaars have made forward sales besides small purchases for prompt shipment.

The 3rd instant saw the cash quotation once more at a discount as compared with that for two months' delivery—a premium of 1/16d. on the latter being then established; to-day, however, rates were again quoted even at 25 1/16d.

The following were the United Kingdom imports and exports of silver registered from midday on the 29th ultimo to midday on the 6th instant :—

IMPORTS.	£	EXPORTS.	£
Mexico	141,670	Egypt	22,797
British West Africa	31,602	Persia	46,100
Canada	13,000	British India	8,449
Other countries	25,535	Other countries	3,145
	211,807		80,491

INDIAN CURRENCY RETURNS (In lacs of rupees.)

	Apr.30	Apr.22	Apr.15
Notes in circulation	18,366	18,472	18,579
Silver coin and bullion in India	9,939	9,944	9,952
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,221	3,222	3,222
Gold coin and bullion out of India	...	...	...
Securities (Indian Government)	4,323	4,323	4,323
Securities (British Government)	883	883	882
Bills of Exchange	...	100	200

The stock in Shanghai on the 4th instant consisted of about 78,500,000 ounce in sycee, 126,000,000 dollars and 10,400 silver bars, as compared with about 78,500,000 ounces in sycee, 125,000,000 dollars and 9,180 silver bars on the 27th ultimo.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver—Per Ounce. Cash.	Silver—Per Ounce. Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
May 3	84 11½	25 5/16	25⅛	May 11, 1923	32 7/16
,, 4	84 11½	25 5/16	25⅛	,, 9, 1924	33 1/16
,, 6	84 11½	25 5/16	25⅛	,, 8, 1925	31⅜
,, 7	84 10⅜	25⅛	25 5/16	,, 7, 1926	29 15/16
,, 8	84 11½	25 5/16	25 5/16	,, 6, 1927	26 1/16
,, 9	84 11⅓	25 5/16	25 5/16	,, 10, 1928	27 1/16

NOTICES.

The Commercial Bank of Australia, Limited, announce that a branch of the bank has been opened at Lidcombe, New South Wales.

Lloyds Bank, Limited, announce that, in view of the approaching retirement of Mr W. H. Cooper from active service, the directors have appointed Mr G. H. Chattaway, formerly assistant secretary, to be the secretary of the bank.

Lloyds Bank, Limited, announce that a branch of the bank is now open at 118 High Street, Rickmansworth.

Mr Harry P. Barrand, formerly vice-president in charge of the foreign business of the National Bank of Commerce in New York, and director and member of the executive committee of the French American Banking Corporation, has now joined the Commercial National Bank and Trust Co. of New York as a vice-president.

The directors of National Provincial Bank, Limited, announce that they have appointed Sir Harry Goschen, Bart., K.B.E., to be chairman, and Mr Colin F. Campbell to be deputy-chairman of the bank. They have also elected Sir Alfred E. Lewis, chief general manager, to a seat on the board.

The Midland Bank announces the opening of new branches at 159, Minories, London, E. 1, and at 412, Harrogate Road, Moortown Leeds.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Latest Year.	Previous Year.
RAILWAYS.					
Canadian Pacific	2½%*	...	Quarterly	...	...
South Indian	3½%*	...	Less tax	...	...
BANKS.					
Comptoir National d'Escompte de Paris	...	...	...	16	14
Ionian	3%*	June 4	Tax free	...	...
Mitsubishi	...	...	...	10	...
Royal Bank of Scotland	8½%*	...	...	...	...
INSURANCE.					
Gresham Fire & Accident	...	...	Less tax	7	7
TEA AND RUBBER.					
Bandarapola Ceylon	...	...	...	17½	25
Batu Tiga (Selangor)	...	...	...	10	10
Bradwall Rubber	...	...	Less tax	7½	10
British Indian Tea	20%†	June 5	...	25	40
Buxa Dooars Tea	22½%†	...	Tax free	25	45
Cheras Rubber	7½%†	...	...	12½	15
Chevlot Rubber	...	...	...	10	12½
Darjeeling	15%†	...	Less tax	25	30
Darjeeling Consolidated Tea	15%†	June 1	...	25	30
Dima Tea	40%†	...	Tax free	...	...
Djember Rubber	...	June 7	...	10	10
Duckwari	30%†	...	...	50	75
Ederapolla Tea	...	...	...	10	15
F.M.S. Rubber Planters	...	...	...	10	17½
Galaha	15%†	...	Less tax	22½	25
Galaha Ceylon Tea	15%†	May 14	...	22½	25
Gordon (Malaya)	...	...	...	10	10
Gingia Tea	5%†	...	Less tax	10	...
Igalkande Rubber & Tea	...	...	...	5	10
Kasintoe Rubber	...	...	...	4	4
Kelani Valley Rubber	...	...	...	15	17½
Kenilworth Tea	...	...	Less tax	5	5
Kimanis Rubber	...	...	...	2½	7½
Kuala Pilah Rubber	...	...	...	10	Nil
Kuala Selangor	...	...	...	12½	12½
Labu (F.M.S.) Rubber	...	...	...	10	12½
Lebong Tea	20%†	June 1	...	30	40
Lochnagar (Ceylon) Produce	...	...	Less tax	5	Nil
Mayfield (Dim.) Tea	30%†	May 27	...	37½	35
Merton Rubber	...	...	...	7½	Nil
Mooloya Estates	30%†	...	...	45	42½
Neboda (Ceylon) Rubber & Tea	...	...	...	4	6½
P.P.K. (Ceylon) Rubber	...	...	...	3	5
Sabrang Rubber	...	...	...	10	4
Sungei Purun Rubber	7½%†	...	...	12½	15
Sungei Reyla Rubber	...	...	...	5	Nil
Sungei Rinching Rubber	...	...	...	7½	4
Tempeh Rubber	...	...	Less tax	7½	Nil
United Lankat	...	...	...	5	10
Windsor (F.M.S.) Rubber	...	...	...	5	10
Yatiyantota	...	...	...	5	Nil
MINING.					
Central Mining and Investment	...	...	Tax free	20s. p.s.	20s.p.s
Goldfields Rhodesian Develop.	5%*	May 30	...	...	...
Patino Mines	4/- p.s.	June 28	...	...	...
OTHER COMPANIES.					
Aboukir	...	...	Tax free	5	5
Adamant Investment	26½%*	May 10	...	...	...
Advance Laundries	...	June 1	...	5	...
Alliance Investment (Def.)	...	...	...	10	10
Allied Newspapers	8%†	...	Less tax	14	...
Anchor Cable	...	...	...	20	15
Anderson's Rubber	10%†	...	...	20	15
Anglo-American Telegraph	...	...	...	3½	3½
Ansells Brewery	12½*	...	Tax free	...	...
Assoc. Reinsurers	7½%†	July 1	Less tax	12½	12½
B. Laporte	...	...	Less tax	8	† 3
Bon Marche	21%†	...	...	45½	45
Brampton Brewery	11%†	May 14	Tax free	16	16
Bristol College Green Hotel	...	...	Tax free	12	12
British & For. Gen. Securities	...	...	Less tax	7	6
British Cotton & Wool Dyers	...	...	...	10	10
British Match Corporation	4%†	May 16	Tax free	6	6
Charterhouse Investment	7½*	May 15	...	...	...
Chesters Brewery	...	...	...	23½	22

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. — Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. — Latest Year.	Previous Year.
Chester Northgate Brewery	2½%*	...	...	...	...
Chloride Electrical Storage	5%†	and bonus	s15%tax fr.	25	...
Clapton Stadium	5%†	...	...	15	...
Govt. & Gen. Investment (Def.)	7½%*	June 1	...	...	...
Home & Foreign Investment	3½%†	...	...	6	10
Hutchinson Printing Trust	...	...	...	10	10
Imperial Cold Stoorage & Supply	...	...	Less tax	7½	5
India General Navigation	7½%†	...	Tax free	10	10
Ind Coope	7½%*	June 11	...	...	...
Indian and General Investment	9%†	and bonus	2%	18	17
International Bitumen Emulsions	5%*	...	...	...	...
Irvin and Johnson (S. Africa)	...	...	...	8	7
J. and E. Atkinson	...	...	Less tax	10	10
John Hetherington	...	...	...	7½	7
John Rowell and Son	...	...	...	12½	12½
John Walkers	15%†	...	...	25	25
Lewis and Peat	2½%*	...	...	...	...
London & Provincial Trust	...	...	...	8	7½
London Scot. Amer. Trust (Def.)	5%*	June 1	...	...	...
Lothian Coal	...	...	Tax free	5	5
Malkin Tiles (Buralem)	8%†	...	Less tax	14	...
Manor-Powis Coal	...	...	Less tax	6	5
Marconi's Wireless	20%*	...	...	...	...
Marks and Spencer	...	...	...	15	13
Medway Trust	...	...	Less tax	8	8
Merthyr Electric Traction	...	...	...	2½	...
Montevideo Gas and Dry Dock	4½%†	May 29	Tax free	7	6
New Zealand & Australian Land	4%*	June 10	...	...	...
Phillips Rubber Soles	5%*	May 31	...	...	...
Richard Johnson and Nephew	...	June 4	...	8	...
Richardsons, Westgarth	...	...	...	2½	...
Richard Whitaker and Sons	20% and bonus		10%	30	25
Royal Mail Steam Packet	3%†	...	...	5	5
Scottish Drapery Corporation	...	...	Less tax	7	7
Scottish Mortgage and Trust	6%†	...	Less tax	11	11
Sec. Mercantile Trust	4½%†	...	...	7	6½
Selfridge Provincial Stores	7*	...	Less tax	...	...
Simms Motor Units	10%†	...	...	15	15
Simonds, H. and G.	3%*	June 9	...	...	...
Swansea Improvements and Tramways	...	...	...	6	6
Taylor's Eagle Brewery	...	...	Less tax	10	10
Texas Land & Mortgage	8%†	...	Tax free	...	...
Town Properties of Bulawayo	2½%†	May 31	...	7½	7½
	5%*	May 31	...	...	...
Trinidad Leaseholds	12½%*	May 29	...	...	...
Val de Travers Asphalte	7½%†	...	...	10	10
Wales	7½%†	...	Tax free	12½	...
Wall Paper Manufacturers	5%*	...	...	...	...
Warner Estate	...	...	...	...	...
White Star Line	...	...	Less tax	...	...
Wiggins, Teape	3½%†	...	...	8	6
Wm. Simons and Co.	...	...	Tax free	...	...
Wylie and Lockhead	...	...	Tax free	...	...
Ye Mecca	...	...	Less tax	4	...

* Less tax. † 6d. bonus on Ord. ‡ Accounts for nine months.

Reports and Notices.

Sir James A. Cooper, K.B.E., has been appointed a director of Messrs Vickers-Armstrongs, Limited.

Mr P. H. Cooke has been appointed secretary and London manager of National Mortgage and Agency Co. of New Zealand.

Mr C. M. Rait, M.C., has resigned his appointment with the Charterhouse Investment Trust, Limited, to take up the general managership of the Palmerston Investment Trust, Limited, of 190, Palmerston House, Old Broad Street, E.C. 2.

Mr Philip Ernest Hill has been appointed to a seat on the main board of the Eagle Star and British Dominions Insurance Co..

The Dominion Securities Corporation, Limited (of Canada), have opened offices in New York at 40, Exchange Place.

Mr. Williard H. Botsford has been appointed a Director of Dawnay, Day and Co., Limited, of 54 Threadneedle Street, E.C. 2.

The National Provincial Bank, Limited, announce that a branch of the bank is now open at High Street, Bexley.

Union Bank of Australia, Limited, announce that a branch of this bank has been opened at Parramatta, Sydney, N.S.W.

Barclays Bank, Limited, announce that they have opened a new sub-branch at Watlington (Oxon.).

A branch of Barclays Bank (Dominion, Colonial and Overseas) has been opened at Bukoba (Tanganyika).

BANKS.

THOS. COOK AND SON (BANKERS) LIMITED.—The principal items from the balance sheet of this private banking company for the year ending October 31, 1928, are set out below, with the corresponding figures for the previous year.

LIABILITIES.

	1927	1928
	£	£
Capital, 250,000 shares of £1 each, 10s. paid	125,000	125,000
Reserve Fund	90,000	100,000
Current, Deposit and other accounts	2,715,833	2,912,815

(*Continued on p.* 1088.)

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended May 3, 1929. (c) Week ended May 4, 1929.	Miles Open.	Week ended May 5, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 18 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,733	212	249	126	375	587	3,681	3,922	2,342	6,264	9,945
Do. for 1928	3,734	234	233	113	346	580	3,851	3,921	2,140	6,061	9,912
Lon.& N.Eastn.(c)	6,345	331	459	260	719	1,050	5,603	7,353	4,979	12332	17,935
Do. for 1928	6,363	349	445	230	675	1,024	5,877	7,648	4,462	12110	17,987
Lond.,Mid.&Scot.	6,960	484	620	260	879	1,363	8,412	10040	5,367	15407	23,819
Do. for 1928	6,952½	507	608	252	860	1,367	8,828	10503	4,997	15499	24,327
Southern	2,175	288	86	30	115	403	4,936	1,356	596	1,952	6,888
Do. for 1928	2,175	304	81	26	107	411	5,098	1,415	522	1,936	7,034
Metropolitan (c)	59	32·4	...	...	3·5	35·9	569·7	...	...	67·2	636·9
Do. for 1928	59	31·6	...	...	3·4	35·0	574·3	...	...	66·4	640·7
†Und'rgr'ndE.R.c	...	...	...	...	...	290·0	...	...	...	...	4,883·7
†Do. for 1928	...	...	...	...	...	299·4	...	...	...	...	4,950·7
Lond&Sub.Gr'upc	...	...	...	...	...	41·7	...	...	...	...	694·8
Do. for 1928	...	...	...	...	...	43·6	...	...	...	...	712·0
B'ff'st&Co.D'wn b	80	2·2	...	...	0·8	3·0	36·1	...	...	16·3	52·4
Great Northern b	562	11·6	...	...	16·0	27·6	194·7	...	...	292·9	487·6
Great Southern b	2,187	27·9	...	...	45·5	73·4	432·2	...	...	859·2	1,291·4

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or −	Total Gross Receipts. 1929.	+ or −
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	52weeks	Mar.31	1,206	4,62,000	− 47,457	2,29,85,808	+ 4,32,698
Bard Lt. Ry.	2weeks	Apr.13	202	73,200	− 58,100	...	...
Bengal & N.Western	2weeks	Apr.13	2,078	13,01,062	− 158,583	...	...
Bengal-Nagpur	31weeks	Mar.23	2,979	21,12,000	+1,34,569	...	...
Bombay, Bar.& C.I.	5weeks	Apr.27	3,022	25,21,000	−2,23,000	8,88,30,730	− 5,75,987
Burma	35weeks	Dec. 1	1,349	7,24,790	− 80,277	95,88,000	− 9,94,000
Madras & S. Mahr	52weeks	Mar.31	3,121	23,88,000	−1,18,542	2,73,09,216	− 1,42,540
Nizam'sGuarantd.(s)	2weeks	Apr.13	1,146	4,93,141	+ 23,187	9,54,07,693	+ 52,92,641
†Rohilk'd& Kumaon	2weeks	13	572	2,65,805	− 80,152	9,27,502	+ 54,731
South Indian	52weeks	Mar.31	2,294	16,72,140	− 91,519	...	...
						6,21,96,871	− 7,04,966

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

ARGENTINE (a).				£	£	£	£	£
Argentine N.E.	44weeks	May 4	753	17,100	+ 700	687,200	+	25,700
B.A. and Pacific	44weeks	4	2,806	198,000	+ 20,000	7,697,000	+	795,000
B.A. Central	44weeks	5	...	13,968	+ 887	641,855	+	24,913
B.A. Gt. Southern	44weeks	4	4,762	268,000	+ 35,000	11,102,000	−	445,000
B.A. Western	44weeks	4	1,296	100,000	+ 5,000	4,488,000		26,000
Central Argentine	44weeks	4	3,319	287,000	+ 27,000	11,985,000	+	346,000
Cordoba Central	44weeks	4	1,218	62,000	+ 3,000	3,040,200	+	14,500
Entre Rios	44weeks	4	728	28,900	− 1,200	1,347,200	+	54,200
CUBAN.				£	£	£	£	£
United of Havana†	44weeks	May 5	1,374	78,008	+ 14,540	3,350,343	+	154,182

† Figures include Havana Central Railway.

URUGUAYAN.				£	£	£	£	£
Central Uruguay	44weeks	May 4	273	30,663	+605	1,333,340	−	9,909
C. Urug. (East Ext.)	44weeks	4	311	7,264	−686	306,240	−	5,207
C.Urug.(North.Ext.)	44weeks	4	185	3,653	+ 53	162,314	+	4,426
C. Urug.(West. Ext.)	44weeks	4	211	...	...	...		...
CANADIAN.				$	$	$	$	$
Canadian National	16weeks	Apr.21	19,362	5,046,889	+ 522,585	74,777,925	+1,814,434	
Canadian Pacific	17weeks	30	14,822	5,508,000	+1221000	64,897,000	+2,500,000	

† 9 days.

BRAZILIAN (b).				£	£	£	£	£
Gt. West. of Brazil	17weeks	Apr.27	1,016	16,300	+ 5,300	346,100	+	86,100
Leopoldina	18weeks	May 4	1,856	33,511	− 15,567	643,789	−	227,893
Leopoldina Termni.	18weeks	4	Mlrs.	295,000	+ 4,000	5,034,000	+	149,000
San Paulo	18weeks	5	153½	41,870	− 2,480	845,290	+	60,775
CHILEAN.				£	£	£	£	£
Antofagasta (Chili and Bolivia)	18weeks	May 5	838	34,090	+ 4,570	735,310	+	98,938
Nitrate (½-monthly)	17weeks	Apr.30	402	34,008	− 1,256	314,315	+	39,905
OTHER OVERSEAS.				£	£	£	£	£
Egyptian Delta	3weeks	Apr.20	608	8,493	+ 1,600	17,475	+	3,085
Gt. Southn. of Spain	17weeks	Apr.27	104	Ps130,067	+ 3,594	2,091,803	−	66,101
Mexican Railway	17weeks	30	483	$364,900	− 7,000	4,262,900	−	650,200
Paraguay Central	43weeks	27	274	5,580	− 450	191,020	+	3,630
Salvador	43weeks	27	100	6,806	+ 1,770	220,439	+	8,717

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or −	Total Receipts. 1929.	+ or −
				£	£	£	£
Anglo-Argentine	18weeks	May 6	329	92,214	+ 1,197	1,593,214	− 18,347
B. Aires Lacroze	44weeks	5	...	12,248	− 849	572,373	+ 223
Burnley Corporation	1week	4	13	3,180	+ 55	...	...
Calcutta Tramways	1week	4	35½	Rs125,873	+ 3,187	...	...
Chatham & District	16weeks	Apr.25	15	1,032	− 168	16,310	− 4,149
Egyptian Markets	16weeks	25	...	1,894	+ 137	34,562	+ 1,902
Glasgow Corporation	42weeks	20	136‡	43,481	+ 1,272	2,018,186	+ 2,287
Isle of Thanet Trams	16weeks	24	...	1,061	+ 26	14,455	− 564
Liverpool Corp.	5weeks	May 4	124	29,258	− 817	143,102	− 234
L.O.C. Tramways	5weeks	1	166	82,921	+ 480	365,618	+ 7,459
Madras Electric	117 w'ks	Apr.30	...	Rs 40,038	+ 1,906	345,250	+ 23,444

‡ Fortnightly figures.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
Breweries.											
Brampton Brewery	Mar. 31	57,165	35,870	93,035	4,125	21,375	16†	10,000	57,535	35,827	16†
Chesters Brewery	Mar. 31	66,526	150,940	217,466	18,156	88,266	23½	40,000	71,044	154,224	22
Rowell (John) & Son	Mar. 31	30,062	21,734	51,796	2,500	12,500	12½	6,200	30,596	22,053	12½
Walker (John) and Sons	Mar. 31	117,698	744,917	862,615	105,006	315,000	25	270,000	172,615	668,374	25
Financial, Land, &c.											
Texas Land & Mortgage	Mar. 31	8,342	33,085	41,427	...	19,800	12†	10,500	11,127	30,513	15
Warner Estate	Mar. 31	3,904	51,180	55,084	14,131	19,500	6	16,500	4,953	49,753	7½
Iron, Coal and Steel.											
Fairbairn, Lawson, &c.	Dec. 31	*Dr111,557*	34,124	*Dr. 77,433*	...	...	...	...	*Dr77,433*	*Dr55,725*	...
Lothian Coal	Feb. 28	55,139	32,934	88,073	10,950	22,100	5†	20,000	35,023	56,918	5†
Richardsons, Westgarth &Co.	Dec. 31	3,317	30,089	33,406	21,000	8,750	2½	...	3,656	28,253	5
Motor and Cycle.											
Simms Motor Units	Dec. 31	25,740	42,401	68,141	...	37,500	15	3,500	27,141	37,817	15
Nitrate.											
Tarapaca and Tocopilla	Dec. 31	23,119	74,740	97,859	...	32,000	10	34,000	31,859	23,843	5
Rubber, &c.											
Batu Tiga (Selangor)	Dec. 31	12,231	26,744	38,975	...	22,167	10	5,000	11,808	36,190	10
Bikam	Dec. 31	28,960	10,106	39,066	...	14,138	7½	...	24,928	17,679	4
Bradwall (F.M.S.)	Dec. 31	12,416	8,120	20,536	...	6,750	7½	5,000	8,786	13,321	10
Bukit Sembawang	Dec. 31	10,486	5,415	15,911	...	...	...	...	15,911	25,358	...
Changkat Salak	Dec. 31	5,144	28,035	33,179	...	23,924	25 Pref. 15 Def.	3,303	5,951	26,014	25 Pref 15 Def
Cheviot	Dec. 31	4,508	31,024	35,532	...	19,404	10	8,000	8,128	33,359	12½
Djapoera (Sumatra)	Dec. 31	9,335	2,465	11,800	...	...	...	3,000	8,000	17,062	5
East Java	Dec. 31	5,293	8,550	13,843	...	5,000	5	4,075	4,768	...	...
Haydella	Dec. 31	958	910	1,868	...	...	...	1,000	868	2,194	8½
Igalkande	Dec. 31	6,176	2,604	8,780	...	2,200	5	...	6,580	8,730	10
Java Plantations	Dec. 31	5,659	10,498	16,157	...	10,495	15	2,500	3,162	19,870	20
Kasintoe	Dec. 31	11,507	3,605	15,112	...	4,800	4	2,500	7,812	13,430	4
Kimanis	Dec. 31	3,775	9,043	12,818	...	3,900	2½	4,000	4,918	...	...
Klabang	Dec. 31	22,325	19,387	41,712	...	12,375	7½	11,600	17,737	15,850	3½
Kuala-Nal Kelantan	Dec. 31	1,347	*Dr. 4,948*	*Dr. 3,601*	...	...	...	*Dr. 4,000*	399	*Dr. 6,013*	...
Kuala Pilah	Dec. 31	3,686	10,717	14,403	...	7,500	10	2,975	3,928	1,394	Nil
Kuala Selangor	Dec. 31	7,471	12,767	20,238	...	9,688	12½	2,000	8,550	14,495	12½
Kwaloe	Dec. 31	22,249	209	22,458	...	...	...	15,000	7,458	11,766	...
Labu (F.M.S.)	Dec. 31	3,705	35,737	39,442	...	23,456	10	9,000	6,986	39,956	12½
Neboda (Ceylon)	Dec. 31	5,978	9,528	15,506	...	8,000	4	2,053	5,453	...	...
Pataling	Dec. 31	18,230	22,973	41,203	...	22,500	10	4,000	14,703	39,557	10
South Malay	Dec. 31	6,276	*Dr. 948*	5,328	...	...	...	...	5,328	4,224	Nil
Sungei Batu (Malaya)	Dec. 31	17,398	11,005	28,403	...	10,312	12½	...	18,091	19,102	10
Tempeh (Java)	Dec. 31	8,407	10,405	18,812	...	8,012	7½	5,000	5,800	12,727	Nil
Windsor (F.M.S.)	Dec. 31	10,133	4,619	14,752	...	4,125	5	...	10,627	12,184	10
Shipping.											
India General Navigation	Dec. 31	19,072	159,725	198,797	12,202	65,558	10†	96,140	24,897	137,412	10†
White Star Line	Dec. 31	75,526	328,347	403,873	260,001	48,000	6	31,262	64,610	255,744	6
Tea.											
British Darjeeling	Dec. 31	3,372	26,577	29,949	...	18,000	25	8,100	3,849	...	...
Darjeeling Co.	Dec. 31	4,833	37,063	41,896	...	33,855	25	4,000	4,041	39,314	25
Darjeeling Consolidated	Dec. 31	4,654	24,057	28,711	3,000	18,750	25	2,000	4,961	29,005	30
Galaha (Ceylon)	Dec. 31	5,600	76,730	82,330	3,600	65,700	22½	7,000	6,030	86,614	25
Lebong	Dec. 31	6,147	21,181	27,328	...	19,697	30	2,000	5,631	28,619	40
Yatiyantota, Ceylon	Dec. 31	10,076	8,908	18,984	2,700	7,875	5	4,000	4,409	16,793	Nil
Telegraphs, &c.											
Anglo-American Telegraph	Mar. 31	65,625	209,999	275,624	161,183	8,520 40,296	3½ Ord. 1½ Def.	...	65,625	208219	3½ Ord 1½ Def.
Oriental Telephone	Dec. 31	25,243	89,550	114,793	13,215	51,473	12†	15,680	34,425	72,119	12†
Textiles.											
Bright (John) and Bros.	Mar. 31	43,217	22,967	66,184	...	...	...	23,034	43,150	33,127	...
Crosses and Heatons	Mar. 31	35,266	13,485	48,751	...	...	...	21,121	27,630	53,188	...
Crosses and Winkworth	Mar. 31	21,303	95,590	116,893	24,781	...	...	63,422	28,690	214,059	...
Trusts.											
Abbots Investment	Apr. 15	...	13,648	13,648	...	10,000	5	...	3,648	...	...
Alliance Investment	Apr. 15	22,411	59,930	82,341	21,600	19,417	10	18,324	23,000	54,125	10
British Shareholders Trust	Mar. 31	25,218	170,097	195,315	...	37,676	7	127,500	30,139	77,014	6
Consolidated Trust	Apr. 15	...	61,191	61,191	18,620	27,185	20	15,386	...	62,140	20
Home and Foreign	Mar. 31	6,365	24,533	30,898	12,125	9,700	6	...	9,073	...	...
Hutchinson Printers Trust	Dec. 31	20,123	43,410	63,533	33,375	5,000	5	5,000	20,158	...	...
London and Provincial	Mar. 31	6,413	31,098	37,511	9,000	16,000	8	...	12,511	19,237	7½
Scottish Mortgage and Trust	Mar. 31	4,065	100,981	105,046	24,133	54,187	11	19,727	6,999	86,516	11
Third Scottish National	Mar. 31	5,319	28,862	34,181	13,200	10,935	6	5,000	5,046	25,319	5
Waterworks.											
Tarapaca Water Works	Dec. 31	13,633	24,411	38,044	...	16,000	10	...	22,044	9,624	6
Other Companies.											
Allied Newspapers	Dec. 31	122,510	654,145	776,655	30,400	224,000	14	110,000	138,655	644,404	14
British Match Corpn.	Apr. 30	35,855	420,673	456,528	14,426	371,236	6†	19,657	51,209	407,425	6
Brush Electrical	Dec. 31	...	65,362	65,362	...	47,640	10	6,010	11,712	63,466	10
Craig and Rose	Mar. 31	6,837	13,050	19,887	5,000	5,000	5†	3,000	6,887	13,657	5†
Craigpark Electric Cable	Mar. 30	1,222	17,703	18,925	2,850	1,875	5	12,000	2,200	*Dr.3,638*	4
Dent, Allcroft & Co.	Jan. 15	46,479	31,182	77,661	27,625	...	...	...	50,036	30,067	...
Kassala Cotton	Dec. 31	77,262	*Dr. 14,980*	62,282	...	...	...	...	62,282	61,269	...
Laporte (B)	Mar. 31	4,479	(n) 18,390	22,869	7,245	5,520	8	3,000	7,104	12,704	3
Lewis (Henry G.) & Co.	Dec. 31	17,300	72,203	89,503	17,500	...	...	70,000	2,003	15,8314	4
Liverpool Storage	Mar. 31	9,947	8,278	18,225	...	4,499	10†	2,000	11,726	8,087	10†
Salinas of Mexico	Nov. 30	9,530	5,899	15,429	...	...	...	5,610	9,819	8,781	3
Schweppes	Dec. 31	32,595	172,851	205,446	15,000	37,250 52,500	9½ Ord. 10 Def.	65,000	53,696	157659	Ord. 7 Def. 10
Wiggins, Teape and Co.	Dec. 31	50,905	231,881	282,786	50,058	114,175	8	67,000	51,553	...	...
Wylie and Lochhead	Feb. 28	1,652	16,188	17,840	2,500	7,500	5†	3,000	4,840	10,658	5†

(n) Nine months. † Free of Income Tax.

(*Continued from p.* 1086.)

ASSETS.

Cash in hand and at bankers	539,890	532,970
Money at call and short notice	448,750	512,643
British Government Treasury Bills	800,000	890,000
British Colonial and Indian Government Securities	339,302	326,808
Advances to customers	226,394	250,573

GOVERNMENT, &c.

REPUBLIC OF PERU FIVE PER CENT. GOLD BONDS, 1920.—REPAYMENT OF BONDS.—The Government of Peru advises that the outstanding bonds of the above-mentioned loan will be redeemed at par, plus five months' interest, on June 1st next. Such bonds, which must have coupons series 19-52 inclusive attached, may now be presented between the hours of 11 and 2 (Saturdays excepted) at the London office of the Anglo-South American Bank, Limited, 117 Old Broad Street, E.C. 2, where special listing forms can be obtained upon application. An interval of seven clear days will be required for examination of the bonds, which must be lodged personally, or by a London bank or other London agent. Bonds will not be accepted for payment through the post.

INSURANCE.

THE LONDON AND LANCASHIRE INSURANCE CO., LIMITED.—The directors of the London and Lancashire Insurance Co., Limited, announce the following executive changes, dated from May 2, 1929 :—Mr F.W. Mills, hitherto one of the managers of the company, retires on pension after 44 years' service. Mr Charles Hendry, hitherto one of the managers of the company, is appointed general manager. Mr A. S. Rogers, hitherto assistant manager, is appointed deputy-general manager. Mr Thomas Wallas will continue to be secretary. Mr Frank Henderson, hitherto home fire superintendent, is appointed home fire manager.

ROYAL INSURANCE CO., LIMITED.—The Royal Insurance Company, Limited, announces that interim bonuses on Royal participating policies which may become claims or be surrendered during the twelve months ending April 30, 1930, will be at the rate of 42s. per cent. per annum, as compared with 40s. per cent. per annum which was fixed for policies terminating in the previous twelve months.

MISCELLANEOUS.

WHITEAWAY, LAIDLAW, AND CO., LIMITED.—The report for year ended February 28, 1929, shows a profit of £92,158, against £139,747 for preceding year. The carry forward is £24,827. The principal items of balance-sheet over past five years are below :—

	Years Ended Feb. 28.			
	1926.	1927.	1928.	1929.
	£	£	£	£
Ordinary capital issued	589,380	589,380	589,380	589,380
Pref. capital issued...	650,000	650,000	650,000	650,000
Reserve	275,000	275,000	285,000	300,000
Creditors	153,503	99,504	101,068	92,898
Stocks	612,671	633,338	635,263	587,644
Debtors	40,217	41,309	40,725	36,612
Investments ..... } India stock ..... }	176,901	101,192	101,192	101,192
Cash	124,543	138,512	152,182	159,926
Ordinary dividend	*14%	*15%	*15%	*10%

* Free of income tax.

THE BRITISH SHAREHOLDERS TRUST, LIMITED.—The Seventh annual report and accounts shows a net profit, after providing for all expenses, of £170,096 (last year £77,014), which, with the amount brought forward, makes a total of £195,314. Deducting the interim dividend of 3 per cent. paid in December last, £125,000 transferred to general reserve, and £2,500 to staff pension fund, there is a balance of £51,667, from which the directors recommend the payment of a final dividend of 4 per cent., making 7 per cent. for the year (last year 6 per cent.), leaving £30,139 to be carried forward (last year £25,217). The total of reserves is now £300,000.

THE HOME AND FOREIGN INVESTMENT TRUST, LIMITED.—On Investments realised during the year ended March 31, 1929, there is a profit of £40,161, of which £9,620 has been applied in writing off the whole of the expenses in connection with the creation of the debenture stock, and the discount on the debenture stock issued to date, and the balance of £30,541 has been placed to Capital Reserve Account, which now stands at £40,668. The net revenue for the year was £24,533. A dividend of 6 per cent. is paid on the ordinary stock for the year. It is proposed to increase the authorised and registered capital to £1,000,000.

WHITWORTH AND MITCHELL, LIMITED.—Apart from the Registered Offices and Warehouse at 55 Whitworth Street, two additional warehouses are already occupied by this firm in Great Bridgewater Street. New freehold premises have now been secured, which will house the entire Manchester staff, by the purchase of 46-48 Sackville Street, at present occupied by Messrs Grahams Trading Co., Limited.

UNITED MOLASSES COMPANY.— An extraordinary general meeting of the United Molasses Co., Limited, was held, on May 6th, at Winchester House, London, for the purpose of passing the following extraordinary resolution :—That the action of the directors in setting aside 20,000 ordinary shares of £1 each in the capital of the company, and offering same for subscription at the price of £2 10s. per share to the members of their own body (other than the Chairman) and certain members of the staff, including directors and staffs of subsidiary or affiliated companies, on the basis that no one person shall be entitled to subscribe for more than 500 shares, be and the same is hereby ratified, approved and confirmed.

The resolution was put to the meeting and carried unanimously.

RHODESIA-KATANGA COMPANY, LIMITED.—The directors have issued a circular in connection with the formation of a new company, to be called the "Rhodesia-Katanga Co., Limited," to take over the present assets of the Rhodesia-Katanga Junction Railway and Mineral Co., Limited. The shareholders are to receive exactly the same interest in the new company as they hold in the old one, and no fresh issue of capital is to be made.

THE SHROPSHIRE, WORCESTERSHIRE AND STAFFORDSHIRE ELECTRIC POWER COMPANY.—The Directors of the Shropshire, Worcestershire and Staffordshire Electric Power Co. have received an offer to purchase the whole of the "A" and "B" ordinary shares of the company, at the price of 50s. per share, ex the dividends payable on May 15, 1929. Shareholders will in due course receive a circular from the board recommending the acceptance of this offer.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

Copious rainfalls over the United Kingdom during the past week accompanied with a higher temperature considerably enhanced agricultural prospects, but sunshine and warmth is necessary in order to stimulate growth, as cereal crops are backward in this respect owing to unseasonable climatic conditions of late. Native wheat remained steady on light offerings despite the marked decline in prices of imported varieties, but further supplies will no doubt be adversely affected. In the floating and forward cargo section, trading was virtually suspended, the market being demoralised owing to the sharp break in American and Canadian prices, occasioned by congestion of supplies at shipping ports and a flood of selling orders. Failure to stimulate buying on this side also added to the difficulty, as apart from some interest in near at hand cargoes to cover immediate needs, millers were content to await further developments in the situation, particularly in face of competitive offers from Argentina. The United States is now pressing to sell her surplus in order to make room for the coming crop, and this tends further to depress the market. Feeding stuffs also registered a heavy decline. Wheat declined sharply owing to the sharp break in forward values. No. 2 Northern Manitoba, ex ship, 46s.; No. 3 ditto, 44s. 3d.; No. 4 Manitoba, 42s. 9d.; No. 5, 40s.; No. 6, 35s. 6d.; Rosafe, 64 lbs., 42s.; Barusso, 63½ lbs., for shipment, 42s.; Australian, 44s. 6d., ex ship, per 496 lbs.; English, 9s. 9d.–9s. 11d. per 112 lbs. Flour quiet and tendency easier, though offers are by no means freely made. London standard grades, 37s. 6d.; town whites, 38s. 6d.; patents, 39s. 6d.–40s. 6d. per sack delivered in the Home Counties, with 6d.–1s. per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 34s.–36s. 6d.; Minneapolis, 34s. 6d.–37s.; Australian, 34s.–35s. ex store. On c.i.f. terms, Manitoba top patents, May–June, 34s.–35s.; export ditto, 32s.–32s. 6d.; Australian, 31s. 3d.–31s. 9d. per 280 lbs. Maize again easier. Plate, landed, 39s. 6d.; ex ship to arrive, 38s. 6d.; March–April to May–June, 35s.; June–July, 35s. 6d.; July–August, 35s. 6d. per 480 lbs. Yellow maize meal, £10 15s. per ton, landed. Barley easier. Californian, ex ship, 43s.–48s.; Chilean Chevalier, ex store, 45s.–58s.; Australian, 41s.–44s. 6d.; Smyrna, 44s.–47s. per 448 lbs. Algerian/Tunisian, ex ship, 32s. 3d.; Canadian feed, 28s.; No. 3 Canadian Western, landed, 30s. 6d.; ex ship, 29s. 3d.; No. 2 Federal American, landed, 30s. per 400 lbs. English malting, 10s. 6d.–12s.; feed, 9s. 8d.–10s. per 112 lbs. Oats dull and easier. Plate, landed, 25s. 3d.; ex ship to arrive, 23s. 6d. to 24s. as to position; black Plate, ex ship, 23s. 6d.; mixed Canadian feed, ex ship to arrive, 19s. 3d.; landed, 20s. 9d.; Chilean white, ex ship to arrive, 28s. 3d.; landed, 30s. 9d.; German, landed, 28s. 9d.; ex ship to arrive, 27s. 6d. per 320 lbs. English, 9s. 9d.–10s. 3d. per 112 lbs. Scotch, landed, 30s. 3d. per 336 lbs.

PLAYER'S WHITE LABEL
NAVY MIXTURE
—smoke it for a change—you won't want to change again.

N.M.299
2OZ. POCKET TIN 1/10

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26 :—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to May 4	Cwts. 167,009	Cwts. 289,262	Cwts. 142,128	Cwts. 283,379
31 weeks to May 4	8,721,146	8,986,274	10,282,175	11,938,609
Average price of English wheat per cwt.	s. d. 9 11	s. d. 10 10	s. d. 11 8	s. d. 13 2

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928 :—

Weeks ended.	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s. d.	s. d.	s. d.
Apr. 27	168,682	35,975	39,684	9 11	10 0	9 9
May 4	167,009	35,021	28,040	9 11	10 1	9 10
May 2, 1925...	180,287	64,991	42,749	12 4	10 4	9 9
May 8, 1926....	289,379	56,017	37,544	13 2	9 4	9 7
May 7, 1927 ...	142,128	25,191	57,138	11 8	10 9	8 11
May 5, 1928 ...	289,262	36,820	32,802	10 10	11 0	12 10

AMERICAN WHEAT MARKETS.

After a small rise on improved demand and rumours of crop damage abroad, there was a steady decline, due to persistent selling pressure, until Wednesday, when a sharp rally occurred. This was the result of a revival of export interest, in conjunction with a number of contributory factors, including the reported activities of hessian fly. Quotations :—

NEAREST FUTURE.	Jan. 4, 1928.	Jan. 2, 1929.	May 9, 1928.	Apr. 24, 1929.	May 1, 1929.	May 8, 1929.
Winnipeg (No. 1 Manitoba) —Cents per 60 lb.)	156¼	122	154	121¼	121	113¾
Chicago (No. Winter)— Cents per 60 lb.....	166¼	116⅜	158½	114¼	113	106¾

Visible supplies of wheat in Canada at 75,496,000 bushels show a decrease of 1,616,000 bushels as compared with the previous figure. Supplies a year ago stood at 68,973,000.

THE COAL TRADE.

Our Sheffield correspondent writes :—Quietness in colliery industry has increased. Bookings for forward export business have fallen off owing to expectations of easier prices. Production has been reduced at a number of the pits. The industrial demand for fuel is by no means brisk, and small coals have come down in price. The demand for house coal is moderate. Prices generally are on the easy side, but there are no substantial reductions.

Our Glasgow correspondent writes :—There has been a marked improvement in the demand for nuts during the past week or so, and as supplies are rather limited owing to the restricted outputs of large coal, some of the collieries are now crushing coal. Prices for nuts are firm. There has been no change in the position of large coal, which is still dull in all districts. Shipping prices are approximately as follows (f.o.b. district ports) :—LANARKSHIRE.—Ell best, 14s. 6d.; splint best, 16s. 3d.; splint second, 15s. 6d.; navigation second, 15s.; steam, 13s. 6d.; Hartley, 16s. 6d.; trebles, 14s.; doubles, 13s.; singles, 12s.; pearls, 11s.; dross, 10s. FIFE.—Screened navigation, 17s. 6d.; first-class steam, 13s. 6d.; third-class steam, 12s.; trebles, 14s.; doubles, 13s.; singles, 12s.; pearls, 11s. LOTHIANS.—Prime steam, 13s.; secondary steam, 12s. 6d.; trebles, 14s.; doubles, 13s.; singles, 12s.; pearls, 11s. AYRSHIRE: Unscreened navigation, 16s. 6d.; jewel, 17s.; steam, 14s.; trebles, 13s. 9d.; singles, 12s. 3d.; pearls, 11s.; dross, 10s. 6d.

Our Cardiff correspondent writes :—There has been no improvement this week in the position on the Cardiff coal market. Collieries have been fairly regularly employed and the outputs since the Easter holidays have again exceeded a million tons per week, but the market is finding it difficult to absorb these relatively large outputs, and prices for all classes of large coal and also for most of the grades of small coal are distinctly easier for spot or prompt shipment. Admiralty large descriptions have been done down to between 20s. 6d. and 20s.; Black Veins down to 18s. 6d.; and Eastern Valleys between 17s. 9d. and 18s. Current inquiries are inactive and stocks are accumulating both at the colliery and railway sidings. The market is still without official news of the placing of the Egyptian State Railways contract. The following are the current approximate quotations :—Best Admiralties, 20s. 6d. to 20s. 9d.; seconds, 19s. 9d. to 20s. 6d.; best drys, 19s. 3d. to 19s. 6d.; Black Veins, 19s. 3d. to 19s. 6d.; Western Valleys, 19s. to 19s. 3d.; Eastern Valleys, 18s. 9d. to 19s. 3d.; best small steams, 13s. to 13s. 6d.; cargo smalls, 11s. 6d. to 12s.; anthracite, best large, 33s. to 36s.; Red Vein, large, 23s. to 27s.; machine-made cobbles, 40s. to 43s. 6d.: French nuts, 42s. to 44s.; stove nuts, 39s. to 42s.; rubbly culm, 9s. 3d. to 9s. 9d.; foundry coke, 27s. 6d. to 36s. 6d.; patent fuel, 20s. to 21s. 6d.; pitwood, ex-ship, 25s. 6d. to 25s. 9d.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange :—Although the iron and steel markets are not so active as they were a few weeks ago, business continues to run on steady lines. Somewhat irregular conditions, however, exist in the British pig-iron market. On the North-East Coast the demand is considerably in excess of the iron available and as a consequence premiums are being paid on forward business, but in the Midlands trading has been somewhat slow. On the whole, however, the demand for pig iron appears to be gradually expanding, and in this connection encouraging reports are being received from the consuming industries. The demand for British semi-finished steel continues good and the works producing this class of material have little to complain of. Competition from the Continent in this department has slackened considerably during the past month or two. Not only are the prices of Continental material scarcely competitive but the quantities offered are limited. The market, however, seems to think that of late there have been indications that easier conditions may develop on the Continent and if this occurs it would influence the British market. At present, however, Continental manufacturers profess themselves satisfied with the situation. In the finished steel department business has been somewhat quieter than of late. The oversea inquiry improved again, but a comparatively small proportion has developed into actual business. Home buyers, however, continue to do a steady business.

Our Middlesbrough correspondent writes :—The chief feature of the market is the scarcity of pig iron, principally Cleveland and basic. Makers are so well booked up until well into the second half of the year that they have been unable to accept orders for pig iron for early delivery. The shortage is largely owing to the big demand by the steelworks for the basic quality, leaving very little, if any, for the open market. The prices of Cleveland iron have, however, undergone no change and are still on the following basis : No. 1, 71s.; No. 3, 68s. 6d.; No. 4 foundry, 67s. 6d.; No. 4 forge, 67s. As regards hematite, the position is not so acute, although makers are unable to give delivery until after June and firmly adhere to 74s. per ton for mixed numbers. The steelworks are busy and orders are coming in more freely. There have been no further alterations in prices, which are as follows and subject to the usual rebates : Steel ship plates, £8 7s. 6d.; steel ship angles, £7 17s. 6d.; iron bars, £10 15s.; steel rails, £8 10s. The ore market is strong with best rubio still quoted 23s. per ton. The bigger home consumption of coke and the better export demand has hardened the price to about 18s. 9d. to 19s. delivered furnaces.

Our Sheffield correspondent writes :—The local iron market continues to be depressed owing mainly to the slackness of the foundries, but makers of pig iron are strongly maintaining their prices which, they say, are barely remunerative. Steel makers are busy in the basic department but quiet in the superior acid steels. The scarcity and dearness of scrap has sent up costs considerably and makers are reluctant to increase selling prices at this juncture. They are proposing to ask the Government to control export of scrap as is done in France and Germany. Exports so far this year are at the rate of nearly 500,000 tons per annum compared with 117,000 tons in 1913. The material is scarce at present and fetching 15s. per ton more than at the beginning of the year. More than 50 per cent. of the charge of a steel furnace consists of scrap. The depression in railway steel and wagon building continues. Wire and wire rope makers are doing better and good business is reported in magnet steel, stainless steel and a number of more or less special lines. Recent trade improvement and the improved outlook are inducing a renewal of confidence in the future of local industry.

Our Glasgow correspondent writes :—There has been a little more activity in the pig iron market, but the amount of business passing is by no means satisfactory. At the majority of the steel works there is a steady business being done and steelmakers are able to keep plants fairly well employed. At the sheet mills booking has been heavier than in the immediately preceding weeks, the increased booking for black sheets being rather greater than for galvanised corrugated sheets. Prices are maintained at recent levels in almost all branches.

NATIONAL PROVIDENT INSTITUTION
48, GRACECHURCH STREET, E.C.3.
BONUS DECLARATION 1927.
ENDOWMENT ASSURANCE.

£2 : 8 :— % per annum on maturity at age 55
£2 : 13 :— % " " " 60
£2 : 18 :— % " " " 65

In cases of death before the maturity age is reached the Bonuses will be 5/- % per annum less than the above rates.

Surplus Dividend £1,249,700. Carried Forward £329,000

OVER ONE HUNDRED YEARS OF SERVICE.
SCOTTISH UNION & NATIONAL
INSURANCE COMPANY.
ASSETS EXCEED - £15,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4, and 4, St. James's Street, S.W.1.

Our Cardiff correspondent writes:—Shipments of tinplates last week at Swansea were exceptionally heavy, totalling 186,721 boxes, compared with 90,064 boxes in the previous week, and 161,499 boxes in the corresponding week last year. Stocks have consequently been reduced to 235,574 boxes. Prices of tinplates have remained unchanged at 18s. 6d. to 18s. 9d. per basis box, but the drop in the price of tin is having reactions on the market, and is more than enough to balance the recent increase in the cost of steel bars. Galvanised sheets, however, are firmer and have been quoted up to £13 15s. per ton, compared with £13 10s. the previous week. Local bars are unchanged at £6 6s. 3d. per ton, but imported tinplate bars are a shade easier at £5 15s.–£5 16s. 6d., compared with £5 16s. 3d.–£5 16s. 6d. the previous week.

OTHER METALS.

TIN.—Firm conditions prevailed in the standard market, seller being more reserved in face of higher Eastern advices, but buyer somewhat reluctant to follow the upward trend. Stocks in London and Liverpool warehouses for week ending May 4th were returned at 8,169 tons, compared with 1,749 tons at corresponding period last year. Standard cash changed hands at £197 to £201 10s. and £200 15s.; three months, £199 10s. to £202 10s. In the East, sales were reported at £201 10s. to £204 7s. 6d. per ton, c.i.f. terms.

COPPER.—Increased activity in America resulted in a firmer tone on this side, but higher rates led to realisations which imparted irregularity and subsequent weakness. Standard cash sold £79 10s., £80 5s., and £78; three months, £75 15s., £77 7s. 6d., £74 15s., and £75 2s. 6d.

LEAD in fair support, but market barely steady on liberal offerings. Good soft foreign pig, May, sold £24 8s. 9d. to £24 3s. 9d.; June, £24 7s. 6d. to £24 5s.; July, £24 6s. 3d. to £24 5s.; August, £24 1s. 3d. ton.

SPELTER market quiet, and with sellers more in evidence, prices disclosed a weaker tendency, but steadied later on improved buying. May sold at £26 8s. 9d. to £26 7s. 6d. and £26 12s. 6d.; July, £26 13s. 9d., £26 12s. 6d. and £26 15s.

ALUMINIUM steady. Ingots and bars for home delivery, £95 ton.

ANTIMONY easier for foreign. English regulus, spot, £50 to £55; China regulus, spot, £36 10s., May–June, £32 10s. ton c.i.f.

WOLFRAM.—Straits and Chinese, May–June quoted, 33s. to 35s. per unit c.i.f.

QUICKSILVER steady. Spot quoted £22 2s. 6d. to £22 7s. 6d. per bottle.

TIN PLATES maintained. I.C. coke prompt and forward 18s. 6d. to 18s. 9d. per box f.o.b. Swansea.

THE COTTON TRADE.

LIVERPOOL, May 8th.

A great deal of the "bull" liquidation now seems to be over. The market has a less one-sided appearance, but is very susceptible to any change in the weather news. Spot sales for the week, 2nd to 8th inst. (inclusive), are 36,000 bales, of which 25,880 bales are American, 350 Brazilian, 1,650 Argentine, 3,300 Peru, 2,800 Egyptian, 650 African, 1,100 East Indian, and 270 sundries. Imports for the same period are 64,238 bales, of which 32,536 are American, 717 Peru, 15,578 Egyptian, 3,867 African, 10,968 East Indian, 572 sundries. Quotations to-day are: American Middling, 10·17; Egyptian Sakel, 17·85, Uppers, 11·75; Brazil Fair, 10·42; Peru G.F. Mod-Rough, 12·50, Smooth, 11·17; West African Middling, 10·27, and East African G.F., 11·75.

MANCHESTER, May 8th.

Inquiry in the market during the past week has been fairly plentiful, and some spinners and manufacturers have secured useful contracts, but activity has been checked by the wider fluctuations in raw material rates and general uncertainty as to the future level of values. As is usual at this time of the year, great interest is being taken in the weather reports from the American belt. Rather more cables have been received from India making offers for cloth, and a fair turnover has taken place, chiefly in the lighter styles, most of these orders being for Calcutta. There has been little news from China, but fresh business of moderate extent has been done in fancies. A little more activity has shown itself for Egypt and the Near East. Home trade demand has been rather quieter, and according to some reports the approaching General Election is having an adverse effect upon this branch. Quotations in American yarns have been irregular when tested, and very few users have been prepared to purchase more than small lots. There has not been any general buying movement in Egyptian counts.

Statement of the Cotton Trade.

	1929.				Corresponding Date.	
	Apr. 17.	Apr. 24.	May 1.	May 8.	1928.	1927.
Raw Cotton—Mid. American ....per lb.	d. 10·69	d. 10·51	d. 9·95	d. 10·17	d. 11·71	d. 8·54
— Sakellaridis Fully Good Fair Egyptian ....per lb.	18·30	18·10	17·40	17·85	21·60	15·75
Yarns—32's twist ....per lb.	15⅝	15⅝	15	15	17	13¼
— 40's weft ....per lb.	16½	16	15½	15½	17½	14
— 60's twist (Egyptian) ....per lb.	26½	26	25½	26	32	26½
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	s. d. 25 9	s. d. 25 6	s. d. 25 1½	s. d. 25 3	s. d. 27 0	s. d. 24 3
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	28 3	28 0	27 7½	27 9	29 6	27 0
38-in. ditto, 38 yds., 18 by 16, 10 lb.	15 3	15 1½	14 10½	15 0	15 9	13 6
39-in. ditto, 37½ yds., 16 by 15, 8½ lb.	13 9	13 7½	13 4½	13 4½	14 7½	12 9

THE WOOL TRADE.

Our Bradford correspondent writes:—Traders are waiting "for something to turn up" but do not quite know what that "something" is. Lack of confidence in current values, especially in the finer qualities of wool, tops and yarns, is as pronounced as ever, but no doubt the real cause of the stagnation is the lack of activity in the consuming centres. Anything that gave an impetus to consumption would very soon bring about the remedy, for it is common knowledge that neither spinners nor manufacturers are carrying large stocks. But as things are to-day, the turnover is so restricted that it is almost impossible to name a real market price for anything above 56's quality. In medium and low crossbreds, on the other hand, there is a steady demand, and prices are steady. The report of the Safeguarding Committee is eagerly awaited, though few traders seem to expect much immediate result. Meanwhile, opinion rather inclines to the view that the application will be rejected. The industrial situation at the moment is also clouded by the wages trouble in the West Riding, and it seems that the time is ripe for a new general agreement to remain in operation for a definite period.

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

The wool sales in London have been conducted under favourable conditions during the past week, and while no definite advance can be recorded each day's sale has shown that prices have been well maintained, and the demand for the raw material is encouraging. We attach more importance to the fact that the different sections of the trade are buying freely than to any upward tendency in values. There is nothing to justify higher values, and the fact that the raw material continues to be absorbed freely can be taken as indicating fairly satisfactory manufacturing conditions. The outstanding feature is the ready way in which the big weights of crossbreds are absorbed. The home trade is certainly the biggest buyer of this description, but France continues to absorb some fair weights, and Germany is taking medium greasy crossbreds. There is hardly that keen call for greasy halfbreds that one would like to see, but apparently the movement of these is in sympathy with merinos, and values are mostly a good 1d. below last sales level for 56's and upwards. The demand for medium and low crossbreds is very keen, and prices are all firm. The home trade is apparently confident that good business will be done in 50's and below, and some fair sales have been made of matchings and tops. The impression prevails that Russia will be a considerable buyer of medium crossbreds during the next six months. Scoured crossbreds are none too plentiful, and are selling very firmly indeed. Slipes are also moving very freely, making prices in harmony with those ruling last series, especially for pelt wools. The opening rates for all classes of crossbreds are fully maintained, and all sections of the trade are buying this description. The offering of merinos leaves very much to be desired. London has apparently got through most of the straight growers' clips, and the second-hand parcels, which are numerous, are not selling too well, particularly as limits are very often definitely above current values. Most of the Tasmanians catalogued were taken in at the Launceston and Hobart sales last January, and the prices paid this time are satisfactory. Some of the New England greasies have also sold up to 30d. Bradford is purchasing merinos steadily, but warp 64's tops are costing at least 3s. 8d., a price that cannot be made in Bradford to-day.

HIDE, LEATHER AND ALLIED TRADES.

The continued instability in hide and skin prices still causes anxiety in the leather trades, and is a bar to steady improvement. Prices at provincial auctions have again showed declines, and expert opinion is that the end of the lane has not by any means been reached. All classes of oversea hides share the prevailing weakness, and speculation is absent, tanners only working enough to keep yards going. South American hides are quotably lower, and Argentine fregorific ox are now down to 7½d., with little trade passing. Dry hides are weaker, and B.A. Americanos are now offered at 9¾d.; African Mombasas at 9¾d., and Queensland Meatworks, dry salted hides, at 9d. It is also significant that the Chicago market has broken after a period of steadiness, and that best heavy packer steers are now offered at 14½ cents—a fall of half cent on the week. There is a slightly better tone in the leather market. Shoe manufacturers having received a fair amount of orders, are now re-stocking themselves with sole leather, with the consequence that light dry bends have come in for attention. Prices are rather fluid, but tanners are holding out for quotations rather more firmly. Offal is selling better, and a good deal of Continental leather is being used for the cut sole trade. Much satisfaction is felt in trade circles that under

the American tariff Bill there is no proposal to tax either sole or dressed leather. The demand for dressed leather is improving, and a fair amount of box and willow calf has gone into consumption. Prices are variable, and Continental tannages come into this market at very low prices. Glace kid in brown and black still continues to sell well, whilst there is a revival in suede leathers in some centres. Reptile leathers in snake and lizard are still very popular, and the supply of some sorts has become very limited. Shoe manufacturers are better placed for orders, although these seem to be distributed rather unevenly.

JUTE TRADE.

DUNDEE, May 8th.

Irregularity in prices of raw jute is destroying confidence in the trade, and consumers are afraid to depart from their hand-to-mouth method of buying. Producers are compelled to curtail their output to a certain extent, besides reducing their prices in their endeavours to induce buyers to operate. Competition for any orders going is keen. The raw jute section of the market is entirely dominated by weather reports of the growing crop, the bulk of which has now been sown. If conditions are favourable, sellers are more inclined to take a view of the market, and reduce their prices of the fibre, but the latest intelligence indicates that too much rain has fallen in many of the districts and the reserve of sellers is very pronounced at higher rates. Last week, a much brighter feeling was introduced into the market by a great recovery in values of Calcutta made goods, which had fallen to a very low level, but whenever an easier tone became apparent in the market, prospective buyers immediately lost interest. Old crop jute is now of very little interest in this market, and only a few small sales of spot material are being made at low prices. The value of new crop Firsts has been down to £33 10s. and Lightnings to £31 10s. for August shipment, at which a fair business was done. Rising to £34 10s. and £32 10s. respectively, the present rates are now £34 5s. for Firsts and £32 5s. for Lightnings, August, with 5s. less named for September. Daisee assortment was sold at £30, October, rose to £31 5s. and now possible at £30 10s. Some little buying has been done of jute yarns, bringing out the values of 3s. 4½d. for common 8 lb. cops and 3s. 5½d. for 8 lb. spools. The majority of buyers are waiting for still further reductions, but spinners are not inclined to take less. Sacking, 24 lb. weft, is now at 3⅜d. and 8 lb. chains at 5⅜d. to 5½d., while twist is offered at 5½d. to 5⅝d. for 3-ply 8 lb. Rove is slow at £17 for 200 lb. and £27 for 48 lb. Fine yarns are firm, as they are well foresold, and carpet yarns are meeting with little business at the reduced rates of 5½d. to 5¾d. for 14 lb. warp. Only small quantities of jute cloth are being bought, even at the lower rates of 4 7/16d. for 10½ oz. 40-in. hessians and 3⅜d. for 8 oz. So little has been done for many weeks past that consumers must be allowing their stocks to run to a very low point. There is absolutely no business passing in linoleum hessians, and prices are nominal. A few fair orders have been entered by some firms for heavy goods, especially narrow tarpaulin, but the prices which makers were forced to accept were very unsatisfactory.

VEGETABLE OIL AND OILSEED.

Markets in the past few days have been more active, and a fair business is reported. Consumers have bought linseed oil freely, crushers having met the market, but the tone is now quieter, current value of raw oil being £28 15s. per ton naked ex Hull mill for spot and May, with business done in July–August delivery at £28 17s. 6d. Interest in cotton oil has subsided, and crude Egyptian offers at £26 10s. and common edible at £30 5s. for spot and May–August. Palm kernel oil is lower, but other seed oils are about unchanged. In the oilseed section scarcity of linseed in near positions is not so pronounced, and the premium over shipment has all but disappeared. Plate on passage is quoted £15 17s. 6d. to £16, and the former figure has been conceded for June–July. Calcutta linseed to London has been in good demand at the lower level, which is now £17 13s. 9d. for shipment to June–July. The quantity of linseed on passage to Europe has increased to 189,900 tons, which is 19,000 tons advance on the previous week. Trade in cottonseed is not so active, and business has been done in black Egyptian at £9 2s. 6d. May and £9 3s. 9d. June loading. Oilcakes are in steady demand for the time of year.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—Without exception, prices took a slight dip to-day. British refined reduced 3d. and a similar decline was registered on home-grown, while imported kinds moved against the seller. Meantime, business is still confined to moderate limits, both on grocery and manufacturing account, and with ample offers from producing countries, the commodity is afforded no encouragement. Raw refining kinds quiet and easy. Tate and Lyle's cubes now quoted 25s. 6d. to 26s. as to quality; T.L. granulated, 22s. 4½d.; ditto, month forward, 22s. 3d. White Mauritius sold 20s. 1½d. to 21s. according to sample. Home-grown ranges from 21s. 9d. to 22s. for ready delivery, according to factory. Shipment parcels more or less nominal. Czecho granulated, ready, 10s. 6d. f.o.b. to the U.K. Java markets idle at the moment. Cuban, 96 per cent., May sellers, 8s. 10½d., and June, 8s. 11½d. c.i.f. U.K. Terminal sections easier. Raw, May, sold 8s. 1½d.; August, 8s. 4½d. to 8s. 4¾d.; December, 8s. 9d. to 8s. 6d.; March, 9s. to 8s. 9½d. White, May quoted, 10s.; August, sold, 10s. 7½d. to 10s. 6¾d.; December, 11s. 0½d. to 10s. 10½d. cwt. Cuban receipts for the past week, 165,427 tons, against 93,552 last year; exports, 137,076, against 74,745; stocks, 1,538,695, against 1,341,560; Central workings, 40, against 18. Stocks of raw sugar in the three chief ports of the United Kingdom for the week ending May 4th amounted to 135,009 tons, compared with 127,172 at corresponding period last year.

HARRISONS & CROSFIELD LTD
East India Merchants.
With Branches and Associated Companies in
NEW ZEALAND CEYLON JAPAN SUMATRA
AUSTRALIA INDIA CHINA U.S.A.
BORNEO MALAYA JAVA CANADA
1-4, Great Tower Street, London, E.C.3.

COFFEE.—There was no change to note in prices, but demand is decidedly quieter than for some little time past. This in a measure is accounted for by offerings being rather unattractive. Fair to good bold Costa Rica sold 150s. to 160s. 6d.

COCOA.—Market dull on spot and prices favour buyers. Forward positions easier. Accra F/F, October–December, sold 42s. 6d. f.o.b. Terminal, May sold 43s. 3d.; July, 44s. 9d. to 44s. 6d., 44s. 7½d., and 44s. 4½d.; June, 44s.; September, 46s. 3d. to 45s. 6d. and 45s. 9d.; December, 47s. 1½d. to 47s. and 46s. 9d.; March, 47s. to 47s. 6d.

TEA.—Indian auctions for the week amounted to 49,736 packages. Competition was more active than recently, and for all desirable qualities previous rates were secured. Clean common tended against buyers, but thin liquoring and stalky teas disclosed irregularity; 27,753 packages Ceylon met a good market for fine and finest invoices, but owing to falling off in quality other grades were easier. Java and Sumatra auctions met a fairly good reception, at full to rather dearer rates.

RICE.—A quiet but steady market for all qualities.

BEANS.—Meet a very dull market and prices, in the case of butters, move against sellers. Rangoon haricots very unsettled and actual rates difficult to gauge while subject to negotiation and bids solicited. Madagascar butters, spot, 38s.–40s. 6d., per "Clan Macaulay," 36s.; per "Clan Macbeth," 35s. Rangoon haricots, afloat, 16s. cwt., c.i.f.

PEAS.—General quietness continued and slight weakness observable. Japanese, afloat, 18s.–18s. 9d. as to position; April to August, 18s., c.i.f.

SPICE.—Pepper continued in demand, mostly in forward positions and with reserve on the part of the sellers, stability again ensued. Lampong, May–July, sold, 1s. 3½d.; August–October, 1s. 2½d. Muntok, white, May–July, 2s. 2d.; August–October, 1s. 11⅝d. lb. London stocks increased 101 tons on the week for black and 4 regarding white. Tellicherry, March–May steamer, sellers, 147s. cwt. Cloves steady, quiet. No change to note in sago flour or tapioca. African ginger, spot, London, sold, 55s.; May–June, quoted, 53s. cwt. c.i.f.

FRUIT (Dried).—Currants. With stocks on a reduced scale, particularly the finer grades, and high forward offers, a firm tone governed the market. Pyrgos quoted 45s.–46s.; Amalias, 47s.–47s. 6d.; Zante, 47s. 6d.; Vostizza, 50s.–55. Australians move off readily at 47s.–55s. Sultanas: Smyrna in limited supply, so that attention is mainly centred on Australian fruit, which sells readily. Smyrna, medium to good, ranges from 42s.–53s.; Cretan, 50s.–58s.; Australian, new crop, 45s.–68s. as to quality. Raisins slow. Valencias, common to good, 45s.–52s.; Lexias, 28s.–30s. New crop Cape shows fairly good quality but fruit small, while ranging from 33s.–42s. Figs, quiet. Genuine, spot, 28s.–33s. Dates in fair demand and market steady. Siar, spot, quoted 14s. 6d.–16s. 9d.; first tide, 14s. cwt. Evaporated fruits experienced a fair demand and prices firm, following advanced forward offers. Californian plums, 20's–30's, quoted 66s.–67s.; 30's–40's, 58s.–59s.; 60's–70's, 45s.–46s. Pears, Lake County, 76s.–100s. Apricots, South African Royal, 57s. 6d.–117s. 6d.; Australian, 75s.–85s. Peaches, Californian choice, 54s.; extra choice, 56s.; fancy, 60s. Apples, Californian, spot, sliced, extra choice, 75s. Almonds, dull. Mazagan, 135s.; Mogador, 132s. 6d.; Majorcas, 140s.; Bitter Jordan, 185s.–210s. cwt.

CANNED GOODS.

CANNED FRUITS.—An improved demand for Californian fruits was dealt with, the market being very firm, especially for apricots and peaches, while quotations for other descriptions are hardening. Small quantities of Australian offering were readily absorbed. Singapore pines in better request and prices steady, with forward offers more reservedly made. Hawaiian firm and South African clear readily. Italian tomatoes in fair request and forward offers are receiving better attention.

CANNED FISH.—Sardines steady with moderate sales. Portuguese clubs, 5s. per dozen tins. Lobsters scarce, and best halves realise 140s.–145s. Salmon steady and demand improving. Red, talls, spot, 43s.–45s.; pink ditto, 26s.–27s.; halves, 33s.–35s. Japanese crab in small supply, with finest quality ruling at 97s. 6d.–100s.

CANNED MEATS.—Corned beef quiet, but market firmer for both ox and lunch tongues. Danish boned hams also firmly held. Brawn also firmer and a good business done in Dutch brands.

CONDENSED MILK AND MILK POWDERS—Market firmer for powders. Full-cream, sweetened, English, spot, 42s. 6d.; Dutch ditto, 37s.; May–June, 37s. 3d. Machine-skimmed, sweetened.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 3, N. Man. 496 lb....	44	3
Eng. Gaz. av., per cwt.	9	11
Barley, Eng. Gaz. av.	10	1
Oats, " "	9	10
Maize, La Plata, landed, 480 lb.	39	6
Flour, Lon. stan. ex mill, 280 lb.	35	6
Rice, No. 2 Burma, per cwt.....	12	9
Sago, pearl, per cwt.	22	6
Tapioca, per cwt.—		
R.I. flake, fair spot 21	6 22	6
Medium pearl 20	0 21	9
Potatoes, good English, per ton... 90	0 110	0
New Canary Case..... 10	0 11	0
Beef, per 8 lbs.—	s. d.	s. d.
English sides.....	5 6	6 4
Argentine chilled hinds...	5 0	5 6
Mutton, per 8 lbs.—		
English wethers	6 0	7 8
N.Z. frozen "	4 0	5 4
Pork, English, per 8 lbs. ...	7 4	8 4

BACON— OTHER FOODS.

Irish .....per cwt.	124	0 130 0
Danish.....	115	0 120 0
Canadian.....	114	0 116 0
Dutch	104	0 112 0
HAMS—Irish.....	0	0 0 0
Canadian.....	0	0 0 0
American	112	0 128 0
BUTTER—		
Irish creamery per cwt.	160	0 165 0
Australian	146	0 164 0
New Zealand	148	0 168 0
Danish.....	166	0 168 0
CHEESE—		
Canadian ..... per cwt.	96	0 112 0
New Zealand	85	0 89 0
English Cheddars	130	0 144 0
Dutch	45	0 81 0
COCOA—		
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)		
Accra f.f., per cwt.	46	0 49 0
Trinidad	60	0 65 0
Grenada	50	0 56 0
COFFEE—		
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)		
E.I., good to fine, per cwt.	147	0 160 0
Costa Rica, good to fine....	155	0 186 0
Cent. Amer., mid to fine	130	0 150 0
Kenya, bold sizes	125	6 149 0
Colombian, mid to fine...	127	0 140 0
EGGS—		
English ..... per 120	15	3 16 0
Danish.....	12	3 15 3
FRUIT—		
Oranges, Denia & Val. 300	20	0 33 0
" " 360	20	6 30 0
" " 504	18	6 30 0
Jaffa ..... " boxes 144	0	0 0 0
Lemons, Naples boxes	0	0 0 0
Sicilian ..... boxes	8	0 12 0
" .....cases	10	0 16 0
Murcia ..... half cases	0	0 0 0
Malaga ...cases 420 No. 1	0	0 0 0
Apples: Amer. (var.) bris.	0	0 0 0
" (var.) boxes	11	6 13 0
Onions, Valencia: case 4s.	00	0 00 0
case 5s.	00	0 00 0

	s.	d.	s.	d.
FRUIT (*continued*)—				
Onions, Egyptian, bag	5	0	6	0
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....brls.	0	0	0	0
LARD—				
Irish bladders.....	70	0	76	0
American boxes 56 lbs.	62	0.	62	9
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	2½	0	0
Black Lampong	1	4½	0	0
Cinnamon—1st sort, per lb.	2	2	0	0
Cloves—Zanzibar per lb.	1	5½	0	0
Ginger—per cwt.—				
African	55	0	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	2	9	3	10
Nutmegs 65's	1	10	2	0
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	21	6	23	6
Java, white, c.i.f. India, July–Sept.	12	0	0	0
REFINED—London—				
Yellow Crystals	21	1½	0	0
Cubes	25	6	26	0
Crushed	24	3	24	9
Granulated	22	3	23	1½
Home Grown (prompt)	21	9	22	1½
TEA—				
(Duty 5½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	0	11½	2	2
Broken Pekoe	0	11½	2	1½
Orange Pekoe.....	1	1½	2	3
Broken Orange	1	2½	2	7½
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	4½	1	0

TEXTILES.

COTTON—		d.		
Mid-American .....per lb.		10·17		
Sakellaridis, f.g.f.		17·85		
Yarns, 32's twist		15½		
60's twist		25½		
FLAX—	£	s.	£	s.
Livonian ZK .....per ton	82	0	0	0
Permian HD.....	72	0	0	0
Slanets Medium 1st sort	85	0	86	0
HEMP—				
Italian P.O. ..... per ton	62	0	0	0
Manila, June–Aug. "J2"	36	0	0	0
N.Z.		nom.		
Sisal	35	10	37	10
JUTE—				
Native 1st mks....per ton May–June	30/15/0		0/0/0	
June–July	31/0/0		0/0/0	
	s.	d.	s.	d.
SILK—				
Canton .....per lb.	17	0	19	0
Tussah.....	8	0	10	0
Japan	21	0	23	3
Italian—Raw, fr. Milan	20	0	22	6

WOOL—		d.
English Southdown, washed per lb.		26
" Lincoln hog, washed		17½
Queensland, scd. super cmbg.		41
N.S.W. greasy, super "		23
N.Z., grsy., half-bred 50–56		19½–20
Crossbred 40–44		15
Tops—		
Merinos 70's		45
" 64's		42
Crossbred 48's		25½
" 46's		23

MINERALS.

	s.	d.	s.	d.
COAL—				
Welsh, best Ad'ty...ton	20	9	21	0
Durham, best gas	16	0	16	6
Sheffield, best house ...	20	0	21	0
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	68	6	0	0
Bars, M'brough 215		0	0	0
Steel Rails, heavy.....170		0	0	0
Tin Plates, I.C., per box	18	6	18	9
METALS—	£	s.	£	s.
Copper, Electrolytic, ton	84	0	84	15
Sheets (strong) 112		0	0	0
Standard	78/0/0		78/5/0	
Lead Eng. Pig ...per ton	25/15/0		0/0/0	
Soft Foreign	24/6/3		24/1/3	
Spelter G.O.B.	26/12/6		26/16/3	
Tin—English ingots ...201/5/0			201/15/0	
Standard, cash 200/17/6			201/0/0	

MISCELLANEOUS.

	s.	d.	s.	d.
CHEMICALS—				
Acid, citric, per lb. less 5%	2	1	2	2
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	0	9	10
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	3
Potash—Chlorate, net ...	0	3	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	30	0	31	0
CEMENT—				
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
S.D. Straits, c.i.f., per ton May–June	£22/10/0		0	0
Smoked ditto.....£21/10/0			0	0
DRUGS—				
Camphor—	s.	d.	s.	d.
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	0	14	6
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d.
Wet salted—Australian per lb.	0	5½	0	6½
West Indian	0	4	0	6
Cape	0	6	0	7
Dry and Drysalted Cape...	0	9	1	0½
Market Hides, London—				
Best heavy ox & heifer	0	7	0	7½
Best cow	0	6½	0	6½
Best calf	1	10½	1	11
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.—				
per lb.	1	3	2	3
Bark Tanned Sole	2	6	3	3
Shoulders fm DS Hides	0	10½	1	1½
Do. Eng. or WS do.	1	2	1	8
Bellies from DS do.	0	8	0	10
Do. Eng. or WS do.	0	10	1	3
Dressing Hides.....	1	6	2	0
Ro. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Sides	1	0	1	5
VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	28/17/6		0	0
Rape, refined	43	0	0	0
Cotton-seed, crude	27	10	0	0
Coconut, crude.....	32	10	0	0
Palm	32/7/6		34	0
Oil Cakes, Linseed, Eng., per ton	12/10/0		12/15/0	
Oil Seeds—Linseed—				
LaPlata,p.ton May–Jne.	15/16/3		0	0
Calcutta, p.ton May–Jne.	17/11/3		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	44	9	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	14/5/0		38/0/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	17	10	24	15
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	10½	0	0
Fine Hard Para per lb.	0	11½	0	0
SHELLAC—				
TN Orange ... per cwt.	200	0	0	0
SHELLS—	£	s.	£	s.
W. Aust. M.-o.-P. "	4	0	12	10
TIMBER—	£	s.	£	s.
Swedish u/s 3 x 8 per std.	19	0	0	0
Do. 2½ x 7 "	19	0	0	0
Do. 2 x 4 "	19	0	0	0
Can'dn Spruce, Dis. "	17	10	0	0
Pitchpine ..... per load	3	0	0	0
Rio Deals ..... per std.	32	0	0	0
Teak ..... per load	20	0	0	0
Honduras Mahg. logs c. ft.	0	11	0	0
African "	0	6	0	0
American Oak Boards "	0	6	0	0
Do. Ash "	0	6	0	0
English Oak Planks "	0	7	0	0
Do. Ash "	0	6	0	0

English, spot, 25s.; Dutch ditto, 22s. 9d.; May–June, 23s., all in 5-cwt. barrels. Powders, Spray process, F.C. 26 per cent., 2 by 56-lb. tins, crated, 92s.; M.S. (1-cwt. cases), 42s.; Roller ditto, F.C. 26 per cent., 73s. 6d.; M.S., 30s., all nett, duty paid ex-wharf London. On the grocery side, F.C.S., 20s.; M.S.S., 9s. 9d., basis per case, usual packing. Danish cream, evaporated, unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d.; condensed, sweetened, 48 by 14 oz., 20 per case.

HONEY.—Market firm, especially for manufacturing grades, with sustained inquiries. New crop, Jamaican, spot, good amber to good pale, 50s.–55s.; dark to fair amber, 43s.–49s.; New Zealand, dark amber, 50s.–55s.; medium, 55s.–65s.; light, 65s.–85s.; white and water whites, 65s.–87s. 6d. per cwt.

RUBBER.

The upward move was continued, sustained buying, mainly on covering and outside account, causing sellers to adopt increased reserve, particularly in view of prospects regarding American consumption, being indeed roseate. Standard sheet, spot, and May sold, 10¾d.; June, 10⅞d.; July–September, 11d. to 11⅛d.; October–December, 11¼d. to 11⅜d.; January–March, 11½d. London stocks increased 367 tons on the week, landings being 1,760; deliveries, 1,393; stocks, 31,580 against 52,015 last year. Liverpool stocks, 165 tons down at 4,614; landings, 132; deliveries, 297.

GENERAL.

JUTE.—A steady market as sellers were reserved, and reports from Calcutta speak of too much rain in many growing districts. Firsts, May–June, quoted £31; new crop, August–September, £31 15s. ton c.i.f. Hamburg stocks, 10,597 bales higher on the fortnight at 134,317.

HEMP.—Manila steady but at the same time quiet, with supplies afloat on quite an ample scale. K grade, June–August, quoted £31 15s.; L1, £32 5s.; M1, £29 15s. ton c.i.f. Sisal, dull. Manila receipts for last week, 34,000 bales against 33,000 at same time last year; estimate for next week, 28,000, and following week, 32,000. Shipments to Europe last week totalled 13,000 bales; U.S.A., 5,000; Japan, 15,000; other countries, 1,000; leaving stocks at 204,000.

SHELLAC.—Firmer, good demand. T.N., spot, 197s. 6d.; May 196s.; August sold, 202s.; and October, 205s. cwt.

COPRA.—Market fully steady, but business in a general sense moves quietly. Straits S.D., May–June, Rotterdam, quoted, £22 10s.; June–July, £22 10s. Dutch East Indies about 5s. under these figures. South Sea S.D., June–July, £21 17s. 6d. Ceylon, May–June, £23 10s. South Sea Islands, May–June, to Marseilles, smoked, quoted, £21 10s.; sun-dried, £21 12s. 6d.; plantation rabaul, £21 15s.; hot-air dried, £21 17s. 6d., and mixed, excluding Padang, at £21 12s. 6d. Manila F.M., £21 16s. 3d. c.i.f.

PALM KERNELS.—Quiet. For shipment, April–May, £17 15s. sellers to Hull ex ship; to Hamburg, May–June, £17 15s. c.i.f.

BABASSU KERNELS.—Market slow, and April–May quoted £21 5s. c.i.f.

MISCELLANEOUS.—Coconuts quoted 18s. to 25s. per 100. Coir yarn, Ceylon, £19 to £38; Cochin, £22 10s. to £40 10s.; Ceylon bristle, £18 10s. to £25; cinnamon leaf oil, 5½d.; citronelle, Ceylon, 1s. 10½d.; Java, 2s.

METROPOLITAN CATTLE.—May 8.

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

	s.	d.	s.	d.
Beasts—Norfolk	6	4	6	10
Irish	...		...	
Cambridge.....	...		...	
Short Horns	6	0	6	4
Herefords	...		...	
Devons	...		...	
Leicester runts	...		...	
Beasts—Heavy Bulls	...		...	
Canadian	...		...	
Sheep—Downs	7	8	10	4
Half bred	...		...	
Ewes	...		...	
Scottish	...		...	
Lamb—Downs	12	8	13	8

LONDON POTATO MARKETS.—May 8.

	Per Cwt. s.	d.	s.	d.
English King Edward—Lincoln	5	0	6	0
" —Essex.....	3	0	4	0
White varieties..."	4	0	4	6
New Spanish	25	0	...	
	Per Case.			
New Canary.....	11	0	12	0

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, MAY 18, 1929. No. 4,473.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

(*Established in* 1824.)

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

Marine Department: 2-6, Billiter Square, London, E.C.3.

ASSETS EXCEED £30,000,000.

THE ALLIANCE GRANTS INSURANCES OF ALL KINDS.

LIFE DEPARTMENT.

INCREASED INTERIM BONUSES ALLOWED on Participating Policies.

Assurances granted with DISABILITY BENEFITS. Children's Educational Policies and Deferred Assurances.

For full information apply to the Head Office or to any of the Offices or Agents of the Company.

CHRISTIANIA BANK OG KREDITKASSE

OSLO

Established 1848.

Paid-up Capital and Reserve Funds,

Kr. 40.000.000.—.

Oldest Norwegian Joint Stock Bank. Direct correspondents throughout the country. Offering complete services to banks and firms doing business on Norway.

Correspondence invited.

CREDITO ITALIANO

Capital Subscribed	Lire 400,000,000
Capital Paid-up	Lire 354,777,700
Reserve	Lire 210,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES AND CORRESPONDENTS THROUGHOUT ITALY.

London Branch: 2 ROYAL EXCHANGE AVENUE, E.C. 3.

Transacts a general Foreign Banking Business.

STERLING DRAFTS AND DOCUMENTS ON ITALY COLLECTED ON SPECIALLY FAVOURABLE TERMS.

CORRESPONDENT OF THE ROYAL ITALIAN TREASURY.

Telegrams: "Italcredi, London."

Telephone: Avenue 3031-4.

TABLE OF CONTENTS.

The Money Market.....	1093
Leading Articles—	
The Unemployment Issue	1095
British Foreign Policy...	1096
The Tariff Question in Europe and America..	1097
The Direction of Overseas Trade.....	1098
Central Electricity Board	1100
Group Pension Schemes	1100
Notes of the Week—	
The Civil Service and the Elections.....	1101
Mr Baldwin and Tariffs	1101
The Postal Union.....	1102
Anarchy in Afghanistan	1102
A Northern Wembley...	1102
Overseas Trade in April	1103
Proposed Changes in the United States Tariff...	1103
Egyptian Cotton Mill Merger.....	1103
Cotton Trade Problems	1104
Iron and Steel Production in April.....	1104
Beauty and the Pump...	1104
The B.B.C. Report.....	1105
Registration for Accountants.....	1105
The Prospective Supply of Juvenile Labour....	1105
Suez Canal Traffic.....	1105
Conference of Leather Trades	1106
Transvaal Output of Gold	1106
Oversea Correspondence—	
United States.....	1106
France.....	1107
Germany.....	1108
Poland.....	1109
Hungary	1110
Canada	1110
Letters to the Editor—	
English Electric Power Companies & Foreign Control	1111
Books and Publications—	
The Party Policies.....	1112
Books Received	1113
The Stock Exchange—	
The Company Promoter	1115
The Week in the Markets	1116
Foreign Stock Exchanges	1117
London Active Securities	1117
Rubber Prospects.....	1118
"Parent" Promotions..	1118
American Buying of Electrical Shares.....	1118
J. and P. Coats.....	1119
Marconi's Wireless Telegraph Co.	1119
Armstrong, Whitworth..	1120
Amalgamated Press.....	1120
British Cotton and Wool Dyers.....	1120
Philips Gloeilampenfabrieken.....	1121
Gramophone Developments.....	1121
Anglo-Egyptian Oilfields, Limited	1121
Marks and Spencer	1121
Company Meetings of the Week	1121
Central Mining.....	1121
Tin Company Results...	1122
Mining Corporation of Canada	1122
Vereeniging Estates.....	1122
Capital Issues	1123
Dividend Announcements ..	1125
Company Meetings, etc. ...	1126
Government Returns, etc.	1135
The Bankers' Gazette—	
Bank of England.....	1137
Bankers' Clearing Returns	1137
Overseas Bank Returns	1137
Loan and Discount Rates	1139
Rates of Exchange.....	1139
Bullion	1140
Gold and Silver Prices...	1140
Mining Output Statistics	1140
Summary of Balance Sheets	1141
Weekly Traffic Returns	1141
Profit and Loss Accounts	1142
Monthly Statement of London Clearing Banks	1143
Reports and Notices ...	1143
Commercial Reports—	
The Corn Trade	1143
American Wheat.....	1144
The Coal Trade	1144
Iron and Steel	1144
Other Metals	1145
The Cotton Trade	1145
The Wool Trade	1145
Colonial Wools.....	1146
Hide and Leather Trades	1146
Vegetable Oils and Seeds	1146
Overseas Produce	1146
Overseas Trade Returns	1147
Price Current	1148

We regret that last week's issue was priced in error at 1s. instead of 1s. 6d.

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d.

Colonies and Abroad, £3 1s. 0d. per annum.

Single Copies, post free, 1s. 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4

THE MONEY MARKET.

MONEY was again tight in the earlier part of this week, when the joint-stock banks made considerable calls on the market preparatory to the forthcoming holiday demand for cash. Turnover of funds, however, was on a small scale, and by Thursday the position became somewhat easier,

day-to-day money being obtainable at under 4½ per cent. The Bank continued to keep a firm hand on the market.

* * * *

Impressed by the uncertainty of the monetary outlook, the market has endeavoured to strengthen discount rates, but with only a small measure of success. Bills have been sparingly offered, but foreign buying fell off a little after Tuesday, and by Thursday the rate for three months' fine bills had hardened to a firm 5⅛ per cent. In some quarters Germany was reported to be a seller of bills, a development possibly associated with the strength of the mark.

* * * *

The Bank acquired £775,000 in sovereigns from South Africa on Monday, and the following day bought £164,900 in bar gold. The Bank return shows that stocks stand now at almost exactly the same figure as at this time last year. This is satisfactory as far as it goes, but the Bank had to pay 84s. 10⅞d. for its gold on Tuesday, and by Thursday the market price had risen to 84s. 11⅛d. At the same time the sterling-dollar exchange has shown disquieting weakness. On Thursday afternoon the rate was barely 4.85$\frac{1}{16}$, heavy French buying of dollars via London tending to depress the pound. With call money up to 15 per cent. again in Wall Street the margin of profit on transfer of funds to New York is again likely to be attractive, and the Bank cannot be expected to relax monetary conditions until the exchange moves more in our favour.

	May 16 1929.	May 9, 1929.	May 2, 1929	Apr. 25, 1929	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5½	5½	5½	5½	4½ (Feb. 7,'29)
Banks' Deposit Rate...	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount / Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
Houses \ Notice.....	3¾	3¾	3¾	3¾	2¼ (Feb. 7,'29)
Market rate (3 months' bills)	5⅛	5 1/16–⅛	5 1/16–⅛	5⅛	...

A feature of this week's strong Bank return is a fall of £2 million in bankers' deposits, reflecting, probably, further sales by the Bank of Treasury Bonds. It is believed, also, that the decline of £2 million in discounts and advances resulted from the Bank's becoming a considerable seller of bills, with a view, presumably, to bringing market discount rates into closer correspondence with Bank rate.

* * * *

The Clearing Banks' statement for April shows several important changes. For the first time advances exceeded a thousand million pounds, though the nine English banks showed the comparatively small increase, since March, of £5½ million. Such a rise is an indication of hopeful trade conditions, since, when advances are at a high level, their commercial backing is scrutinised with especial care. At the same time acceptances show a decline of £16 million, and the movement may be partly due to change in the method of financing trade. The following table summarises the figures of the nine English banks:—

	Dec., 1928.	Jan., 1929.	Feb., 1929.	Mar., 1929.	April, 1929.
Capital and reserves.....	130·8	130·8	130·8	130·8	130.8
Acceptances	217·3	232·4	230·8	222·1	206·3
Deposits (including undivided profits, &c.)	1,806·3	1,809·6	1,773·4	1,739·3	1,743·4
Total liabilities	2,154·4	2,172·8	2,139·0	2,092·2	2,080·5
Coin, notes, balance at bank, and cheques in course of collection	268·9	255·1	240·5	239·5	251·0
Money at call	159·9	145·1	133·4	131·3	140·8
Investments.....	269·0	274·3	270·8	268·9	244·1
Discounts	258·7	274·2	260·2	214·3	191·5
Loans and advances.....	944·5	956·1	967·5	980·3	985·8
Cover for accept., premises, &c.	253·4	268·0	266·6	257·9	267·3
Total assets	2,154·5	2,172·8	2,139·0	2,092·2	2,080·5

Deposits, after the drop occasioned by the tax stringency at the end of the quarter, rose again by £4 million, which is less than was expected. Discounts, which have been falling steadily, declined by another £23 million, probably thanks to the appearance of strong foreign buyers of sterling bills. At a time when the Bank was also a seller of securities, investments fell off by £25 million, presumably in order to strengthen the cash position in preparation for the forthcoming holiday and election drains. Cash increased by £11½ million, and money at call by £9½ million.

NEW YORK MARKETS.

Our New York correspondent cables:—The share market has been disturbed by evidences that the Federal Reserve deflation policy is being continued, and the weekly Bank statement confirms this view; revealing a drop of $57 million in the total credit extended, which is now $94 million below the figure of a year ago. Most of the drop is in discounts. This direct action policy is thoroughly distrusted in conservative quarters. The system's ratio is 75.1, a rise of 5.4 on the year. Industrial news remains good; the steel industry is maintaining its momentum in remarkable fashion without the usual signs of seasonal slackening. The report of the committee on recent economic changes (a committee of the President's conference on unemployment) traces the extraordinary economic progress of the past seven years and attributes it to the acceleration of old forces, instead of structural changes in the economic order. It sounds a mild warning regardng economic development, stating also that "we seem only to have touched the fringe of our potentialities."

THE STOCK MARKETS

Business in the Stock Markets was again quiet, with a steady undertone and narrow price fluctuations. New capital issues by industrial concerns were exceptionally numerous. Gilt-edged stocks were slightly easier as a result of the tightness of the money market and the absence of a recovery in the New York exchange. Home railway stocks improved on satisfactory traffic figures, but dealings continued on a small scale. Activity in the industrial markets was confined largely to American-favoured securities. Rubber shares were marked up on a rise in the price of the commodity, though little or no increase of business resulted. Tea shares were again irregular. The oil market was dull in the absence of any new development, and public interest was conspicuously lacking in the mining markets, where a fall in copper and tin prices was an additional depressing factor in the early days of the week.

THE COMMODITY MARKETS.

This week's reports are not altogether encouraging, though there is so far no serious indication of a set-back in trade. There are signs of greater stability in the coal market, and the minimum prices in South Wales have been raised. The probability of agreement regulating output appears greater than of late. Conditions in the iron and steel trades vary very much according to districts, but on the whole there is a fair demand and no very serious Continental competition. There has been more inquiry for cotton goods, but not much increase in trade activity. Bradford trade continues to suffer from the absence of a workable demand in the yarn section. No improvement is yet visible in the leather trades. Vegetable oils and oilseeds are in poor demand.

THE FOREIGN EXCHANGES.

The Foreign Exchange market has been fairly active this week. The chief features were the weakness of sterling, the continued irregularity of the peseta and the recovery of the mark. New York lost $\frac{1}{16}$ at 4.85$\frac{3}{32}$, after being up to 4.85$\frac{3}{16}$ and down to 4.85$\frac{1}{16}$. Montreal gained ¼ at 4.88. Paris was stronger by four points at 124.16 after touching 124.24 and 124.14. Brussels was decidedly better at 34.94. Madrid was only slightly worse on balance at 34.05 after considerable irregularity, during which business was done at 34.18. Amsterdam moved steadily against us and settled at 12.06$\frac{7}{8}$ after touching $\frac{8}{8}$. Berlin went from 20.46½ to 20.42. Of the South American currencies, Montevideo gained $\frac{3}{4}$d. at 4.83½d., but Buenos Aires lost $\frac{1}{32}$d. at 47$\frac{9}{32}$d. In the Far East, the rupee lost $\frac{1}{64}$d. at 1s. 5$\frac{59}{64}$d. with the lowering of the Indian Bank rate. The yen showed weakness again, and fell away by $\frac{3}{32}$d. to 1s. 10$\frac{3}{32}$d. In the forward market, New York was unchanged. Paris was less sought at narrow premiums of 5 and 10 centesimi, but Milan was firmer at discounts of 7 and 22 centesimi. Madrid was practically unchanged. The silver market stood up well on the whole to the recent decline in the China exchanges, spot being unchanged at 25$\frac{5}{16}$d., whilst forward lost $\frac{1}{16}$d. at 25½d. The China exchanges showed little movement, but Shanghai lost ⅛d. at 2s. 5$\frac{3}{4}$d.

THE UNEMPLOYMENT ISSUE.

In spite of the great importance of several other issues, the question of ways and means of making a special attack upon the large and persistent volume of unemployment continues to be the focal point of the electoral battle. The matter is not, of course, equally urgent in all parts of the country, and in some constituencies other national, or even local, topics will no doubt determine the result. But even in districts where unemployment is not actually acute it is realised that the existence of over a million unemployed for over seven years has been a terrible drain on the vitality and recuperative power of the whole economic life of the nation, and that if this millstone could be removed a new forward move could be made with confidence and vigour. In the last few days fresh material has been provided for all who are interested in the economic aspects of this question.*

The Conservative view is presented in a White Paper—a use of official machinery and procedure for electoral purposes on which we have something to say in another column. The Liberal case is defended by Mr Keynes and Mr Henderson in what even its critics admit is the most brilliant piece of election literature produced during the present controversy, while the Labour Party have hurled into the smoke and dust a pamphlet which consists of a long commination service on Mr Lloyd George interspersed with reluctant blessings on most of his proposals excused by the plea that they have been stolen from the Labour Party.

The White Paper—particularly the Treasury Memorandum — contains many important points which would have to be taken into account in considering the scope, distribution and method of financing big schemes for improving the unemployment position by what may be called "shock" tactics. But on the principles of the project on its financial side, frankly, Mr Keynes and Mr Henderson have the best of the argument. After outlining Mr Lloyd George's proposals, the Treasury paper begins by pointing out that for the last four years we have been spending £63 millions of capital a year on the kind of schemes under discussion—roads, telephones, housing &c. It is, therefore, in no sense a question whether it is appropriate for the State to undertake capital expenditure of this kind, but, as the Treasury observes, merely a question of degree. On this, two broad questions arise. The first is whether a greatly increased capital expenditure on development works could in fact be quickly organised and put in hand so as to reduce substantially the present number of the unemployed; and, secondly, whether, if this were done, it would involve financial reactions that would cause unemployment in other directions.

On the first point, the Minister of Labour argues that the scheme would not create the right kind of work in the right place, and that some compulsion would have to be used; while we may recall that the Balfour Committee also expressed scepticism as to the effect on employment of a large programme of public works on the ground that the efforts made five or six years ago to stimulate employment, through loans to public authorities, etc., were very slow in coming into effect, and that few plans were in fact found to be immediately ripe for execution. Experience, however, would quickly show whether additional inducements were necessary or not, and, if it were, we are satisfied that the country would approve some change in the Insurance Act, not, of course, for conscripting labour, but to make it very much worth while for a man to move from his home to take up new employment rather than to remain indefinitely on the dole in an area where there was clearly a permanent surplus of labour. The conclusion that men of the right kind are not available for the schemes proposed is reached by a detailed analysis of the unemployed figures. But the analysis shows that

> The total number of men 18 to 50 years of age, who could be regarded as available for direct employment in State-aided schemes of road work and land drainage and other public works involving manual labour in the open under commercial conditions of employment and rates of wages, lies between a figure of 250,000 and 300,000.

It appears to be generally agreed that for every man *directly* employed at least one more would be employed in producing materials, transport, &c. If this is correct, the schemes would absorb from half a million to 600,000 unemployed, half of whom would be re-engaged in their normal occupations. If anything like this number were removed from the unemployment list the back of the problem would be broken.

The objection of the Balfour Committee is largely met by the statements of Ministers themselves, who claim to have been working out schemes of the kind in question, and, in particular, by that of the Minister of Transport, who declares that the maps and proposals in the Liberal pamphlet are borrowed from the programme that the Ministry of Transport itself has been working out. If this is the case, Mr Lloyd George's claim merely amounts to this—that a big effort to speed up the programme of capital expenditure which Governments are continually undertaking, now slowly, now rapidly, and for which plans are already in existence, would at this juncture be successful in making a big reduction of unemployment.

The more serious problem is, however, the Treasury's question as to whether this speeding up can only happen under present conditions at the expense of employment in other directions. We confess that, in our view, even if the Treasury's case were proved, there would still be strong arguments for the scheme. At the worst, the reaction on other trades would be diffused over the rest of the industries of the country, some of which are now very active. It is difficult for people in London to appreciate how heavy is the hindrance to progress of the existence of large pools of permanent or semi-permanent unemployment in the depressed areas. The draining of these pools by the attraction of men and women into other trades is extremely slow, and we believe it would help matters to stimulate transfer on a large scale.

The conclusion suggested in the Treasury memorandum is, however, unsound for two main reasons. In the first place the total expenditure on the schemes in question does not involve an equivalent substraction from what the Treasury seems to imply is a fixed total of spending power. If, by the expenditure of £100,000,000, work were provided for say 500,000 unemployed (we are not here concerned with precise figures, but only use them as an illustration), unemployment benefit payments would be reduced to the tune of about £25 millions. Unemployment benefit is paid out of the subscriptions of other workers and employers as well as from the contributions of the State. If these contributions were reduced, the various parties would find themselves with increased purchasing power. If they were maintained, a surplus would flow through the insurance funds into the Government's accounts and hence back into the pool of purchasing power through the reduction of the floating debt. In either case a present charge on our resources would be removed. To this should be added the saving of a very large expenditure now made from Poor Law or charitable funds. In short, the essence of the plan is to make an addition to the purchasing power which is to-day transferred to the unemployed in the form of unemployment benefit, and to obtain useful work from them in exchange. Again, the workpeople taken into employment would contribute to the sugar, tobacco, entertainment, alcohol, and other taxes. Local or central taxes absorb about one-fifth of the whole national income of the country. If we take a conservative estimate and assume one-tenth in this case it means that of £100 millions some £10 millions would return to the State in one form or another.

Moreover, the contention that the new expenditure will create equivalent unemployment in other directions is not

* "Memoranda on Certain Proposals relating to Unemployment." London: H.M. Stationery Office. 1s. net. Cmd. 3331.
"Can Lloyd George Do It?" By J. M. Keynes and H. D. Henderson. London: "The Nation," 38, Great James Street, Holborn. 6d. net.
"How to Conquer Unemployment." London: The Labour Party, Transport House, Smith Square. 2d.

valid even for that part of it which is in excess of the important items mentioned in the last paragraph. The argument of the memorandum is based on the assumption that the amount of capital available for investment is a definitely fixed amount. This is, of course, not the case. If the Government borrows money to put into public works, the effect is the same as when a private firm raises capital and puts it into plant and machinery. That is to say, it tends at first to raise the rate of interest, and this has the effect of stimulating saving, of attracting money from the money market or from speculative uses, of retaining capital that would otherwise go abroad, or of attracting foreign capital from abroad. The capital market is, in fact, the most fluid and international in the world. The scheme proposed would unquestionably delay, or make a little more difficult, favourable conversion operations, but it is certainly a misconception to suppose that it would make any appreciable difference to the amount of capital available for other industrial enterprises at home.

Nor need we fear a serious restriction of our capital investments abroad, which would hit the export trades that normally receive orders as the result of these investments. It is quite possible, as we have said, that the raising of a substantial loan might have the effect of causing some influx of capital, either for short or long period investment, and this would reduce our *net* export of capital. It need not, however—as the Treasury memorandum seems to assume—reduce our foreign issues, or our physical exports in proportion; but would rather tend to increase our imports on account of the increased demand for food, &c., by the wage-earners and for raw materials by industries providing the commodities used in the enterprises.

But the most important consideration of all is this. The purchasing power of the nation is not to be regarded as a fixed amount, but as something which is constantly changing and, except under unusual circumstances, growing. By getting the whole nation to work we should increase the total of goods and services—some of immediate, others of more remote or more prolonged utility—on which the total purchasing power, and incidentally the volume of savings, depends.

If we look at the problem in a broad way there is no sign whatever that Britain has been making an excessive investment of fixed capital during the eight years of depression. Indeed, investment, whether in industrial plant or in municipal or other public amenities, has been far less in proportion than in the United States, and probably less than in Germany since stabilisation. The sums proposed are not large in proportion to those seeking investment in the capital markets of the world, and, if a speeding up of public works to-day would have a substantial effect on chronic unemployment, it would have a very valuable psychological and economic effect.

The scheme can, however, only be approved subject to certain conditions. In the first place, it is only a stop-gap to tide over the time until normal employment is available for the whole population. While not in agreement with the Treasury that "a large programme of Government expenditure, if it were successful in increasing employment temporarily, would tend to prejudice our export trades by encouraging our industries to struggle along on an uneconomic basis," we heartily concur that it would be fatal if the scheme checked the process so conveniently expressed by the word "rationalisation." But we see no reason to think that this would be the case, and, indeed, though possibly undue emphasis has been laid on immediate aspects of unemployment, it is only fair to say that the report from which Mr Lloyd George's scheme arose spends much more space in discussing and making proposals with regard to the ultimate recovery of British industry than it does on the question of national development. Secondly, the programme must be as well balanced as possible and cover the utmost variety of undertakings which naturally fall within the province of the State. And, thirdly, the finances of the scheme must be handled with a very watchful eye on possible repercussions. If these conditions are fulfilled, we believe that a stimulus to works of public utility would have the effect that Mr Lloyd George expects, for it undoubtedly seems to be the case that conditions of competition are becoming more equal between this country and others, and the time is now not far distant when we shall return to normal conditions of employment.

BRITISH FOREIGN POLICY.

In this General Election, and in many others to come, Foreign Policy will be a most important issue, though it may not be the issue which is most prominent in the minds of the electorate.

Its importance is both negative and positive. The negative aspect is simple and obvious. If the general peace is broken again—if there is another international war—then the whole structure of Western civilisation will go to pieces, including our political institutions, general elections and all. While His Majesty's present Government in Great Britain has been in office the penalties of another war in the West have been stated emphatically several times by Mr Baldwin, and, in issuing these warnings with the authority attaching to his position, the Prime Minister has performed a national service for which he deserves full credit from all parties. There is also a positive side to the importance of foreign policy which is rather less obvious, but which cannot be overlooked with impunity. The fact is that, nowadays, the scale on which the main work of the world is done has come to be world-wide. The units of economic activity, though nominally national, are really international; and, therefore, any single nation which sets out seriously to solve its own national problems—for example, to remedy unemployment among its own people—is unlikely to succeed unless it accustoms itself to think and act on this larger scale on which modern life is now being lived. In this matter the outlook of the Victorian Liberals was prophetic. They divined the fundamental tendency of the new age when that age was still in its infancy; and they saw that this country could not afford to aim at anything less than to be "the workshop of the world." It is strange that their political opponents should have dubbed them "Little Englanders," and have exhorted us to "think Imperially" as though that were a larger vision, instead of being, as it is, an immense contraction of a horizon which ought to embrace, not a mere "Imperial," but a "planetary" view. When we move from the old-fashioned political plane on to the economic plane, which is destined to be the principal field of action of the future, we see at once that the policy which takes the whole world into account is the policy that is suited to the age in which we are living.

When men and women are dividing themselves into political groups it is inevitable that their point of view towards international affairs should be one of the deciding factors. But this does not mean that points of Foreign Policy should be made into party capital and exploited for party ends. On the contrary, just because the issue is so grave, all parties should work together in this sphere to maintain the closest possible continuity of policy on the widest possible common ground. For this reason we deprecate any idea of using the outstanding events in foreign affairs during the lifetime of the present Administration as party munitions of war. We do not want to see the Conservatives appealing to be returned to office because Sir Austen Chamberlain negotiated the Locarno Pact in 1925 and made a praiseworthy attempt to negotiate an Anglo-Egyptian settlement in 1927-28. Equally, we do not want to see the Liberal Party and the Labour Party asking the electorate to turn the Conservatives out because they negotiated the abortive Anglo-French naval compromise of 1928 or because they were jointly responsible with President Coolidge's Administration for the failure of the Three Power Naval Conference of 1927, or because they made a mess of the first attempt, in March, 1926, to get Germany admitted to membership in the League of Nations. What we want is to see an enlightened and instructed and determined public opinion insisting that each new Government which successively takes office in this country shall carry out an agreed national policy in a spirit of international understanding and co-operation.

In our belief it is this spirit that is at the root of the matter. All the political parties sincerely want peace; and all alike subscribe to the corollary that the necessary international action ought to be taken for the prevention of war. The issue does not arise over conscious purposes and formal policy so much as over the instinctive and habitual attitudes of mind in the background—but we hasten to add that, in our opinion, the spirit in which a Foreign Policy is carried out is of the essence of the policy, every bit as much as the concrete aims which can be formulated in words and put down on paper.

It is in this matter that we regard His Majesty's present Government as open to criticism. We do not question the sincerity of their will to peace; we do not quarrel with their general formula for ensuring peace; but the spirit in which they have gone about their work seems to us to be behind the times.

Here are some examples of these anachronistic and dangerous habits of thought and action. When there has been any conflict between the claims of national sovereignty and the claims of the new international order of society which is now beginning to emerge, they have almost always shown a very strong prepossession in favour of national sovereignty. This has appeared both in their attitude towards the Permanent Mandates Commission of the League of Nations and in their attitude towards the procedure for carrying out the treaties for the protection of minorities. Again, in issues on which the States concerned have lined up in the old formation of ex-allies and ex-enemies in the war of 1914-18, the present Government have betrayed a certain feeling that, whatever the texts of treaties may say, the Powers in the victorious camp ought to have the advantage. This attitude came out in Sir Austen Chamberlain's handling of the controversy between Hungary and Roumania over the "Optants." It has come out still more unfortunately in his attitude towards the issues between France and Germany. We do not doubt his sincerity when he professes to be inspired by the Locarno spirit of conciliation and impartiality. But we do feel that in him this spirit has often been overborne (no doubt unconsciously) by a much deeper feeling, based on tradition, that, in the last resort, France has a right to have her way and that Germany must go to the wall—partly because France was our ally and Germany our opponent in the late war, and partly because Germany is now disarmed while France is a great military Power, and as such is entitled to the consideration which great military Powers have traditionally received in the days before the masters of economic resources came to have the last word in international affairs.

This instinctive feeling that the victor must be a privileged person comes out in another way in the Government's attitude towards the problem of security and disarmament. They have assumed the attitude of a Power which is in an impregnably strong position itself but which is willing to make certain renunciations and to undertake certain commitments in order to help its less fortunately situated neighbours—so long as the demands made upon its generosity and its public spirit are kept within severely moderate limits. Now this is an attitude which the United States might not unreasonably assume to-day and which Great Britain did assume after the Napoleonic Wars, when her position in the world, *mutatis mutandis*, resembled that of the United States now. But only a British Government which is living mentally in the past could feel like this in the present situation of the British Empire. To see a British Government assuming this grand manner in 1925 or 1929 is a fearful and a wonderful spectacle. It is as though the sole surviving man of great possessions in a predatory community were to protest that he really could not be expected to tie his hands and to distrain upon his purse by voting for a police force and a criminal code and a court to administer it—just for the comfort and convenience of his propertyless neighbours. Yet that is what the attitude of His Majesty's present Government in Great Britain has amounted to when the question of international security has been under consideration. No doubt there is next to no vice in it; it is simply a frame of mind. But it is just the most dangerous frame of mind in a world that is undergoing unprecedently rapid changes.

The MERCANTILE BANK *of* INDIA
LIMITED.
Head Office: 15, Gracechurch St., London, E.C.3
Branches and Agencies throughout the East.
BILLS OF EXCHANGE accepted for collection or advance.
Enquiries from merchants regarding shipments to the East and the special facilities available are invited.

THE TARIFF QUESTION IN EUROPE AND AMERICA.

The report of the Consultative Economic Committee of the League of Nations is not a very satisfactory one. If the situation is no worse than a year ago, it is disappointing that little progress, if any, has been made in the policy of lowering trade barriers, which was recommended by the World Economic Conference. Small amendments here and there, sometimes in an upward and sometimes in a downward direction, have been made, and though a large number of commercial treaties have been completed, very few of them contain new rates of duty. It is satisfactory that they practically all contain the most-favoured-nation clause, and are therefore putting an end to discrimination, but it is uniformity on too high a tariff level. It is, moreover, a matter for concern that certain countries are considering increasing their duties. Seven or eight new tariffs are actually under construction. If the recommendations of the Roumanian Commission are carried out, the new tariff will be lower than before. In most of the other cases the results of the revision cannot yet be forecast; but in one or two cases, notably those of Spain and the United States (one of which has with difficulty been retained in the League, and the other has never been in it) substantial increases are contemplated.

The high level—which it is now intended to raise still higher—of the American tariff is undoubtedly a serious obstacle to the policy of the World Economic Conference. Another temporary cause of hesitation is uncertainty as to the future fiscal policy of Great Britain, while a third, which particularly affects Central Europe, is the failure of Poland and Germany to negotiate a commercial treaty. It was hoped that the Franco-German treaty of 1927 would be followed by a settlement of Germany's commercial relations on her eastern frontier. This, unfortunately, has not happened, and the failure of these countries to reach agreement has even imperilled the success of the most substantial effort that the League has yet made in the direction of a collective commercial agreement, namely, the Convention for the Abolition of Import and Export Restrictions. This Convention was drawn up in the autumn of 1927, and a second meeting was held in 1928, to consider the various exceptions claimed by different nations. The list of these demands was a very long one, and it says much for the diplomatic ability of M Colijn, who presided at the Conference, that most of these were withdrawn. The Convention has been signed by 29 countries, but it requires eighteen ratifications before September of this year in order to bring it into force in 1930. Ratifications are being prepared in a number of countries. That of Britain is passed, that of Belgium is also passed, but is contingent upon ratification by Poland, and it is thought that many other nations may make this same condition. Poland refuses to ratify until she has made what she considers a satisfactory commercial treaty with Germany.

At this week's meeting M Colijn made a weighty appeal to Poland not to nullify the first enterprise of the League of this kind. One of the Polish members replied in a moderate and friendly speech in which he set out Poland's difficulties. A short speech followed from a German delegate (who happens to be the man in charge of the proposed negotiations) in which he deprecated discussion of individual cases in public, but repeated the conditions under which Germany would negotiate. The general impression was that the incident did good and that the prospect of removing this particular obstruction had been improved, rather than the reverse.

In view of the fact that the recommendations of the World Conference in favour of individual action by States in securing the reduction of tariffs have so far only been carried into effect to a very limited extent, not withstanding the acceptance of the principles by the great majority of the countries of the world, the Committee suggests that the example of certain countries, such as Australia and Roumania, in conducting an examination of the actual economic position, might usefully be followed. It believes that such an examination would reveal the existence of barriers which constitute a burden on the agriculture and industry of the country imposing them, and call for immediate revision even from the purely selfish point of view.

A further suggestion is that the detailed examination of single, narrowly defined groups of commodities, which remains at present the best method of exploring possibilities of tariff reduction, should be supplemented by business conferences representative directly of producers, traders and consumers of more comprehensive groups of articles. They suggest as the first group one of substantial importance both to industry and agriculture, as, for example, agricultural implements and machinery. There is also a proposal to associate agricultural experts with the work of the League, and the Economic Committee is invited to consider the advisability of an investigation of the present widespread depression in agriculture.

The Economic Committee has been proceeding with its plans for uniform nomenclature and has been negotiating a general agreement on the meaning of the most-favoured-nation clause and discussing the appropriate form of tariffs. Among other significant events of the year it should be noted that Germany has voluntarily removed from her tariff certain duties put there for purposes of reprisal. She has also negotiated a treaty with South Africa which gives her the right to the preferential rates granted to Great Britain. This has raised a matter of very great importance to this country. Generally speaking the impression is one of hesitation. While Geneva is steadily preparing the ground-work, the world awaits some new impulse to remove existing obstacles to trade.

In the meantime, however, the United States is setting an example in the wrong direction in the new tariff bill, some details of which are given elsewhere. During the last few decades America has taught the world a number of lessons in the economic sphere which are fraught with great benefit to humanity. She has given the most remarkable object lesson of the fact that a high standard of living is compatible with cheap production; she has demonstrated the possibility and advantage of enlisting the active co-operation of all employees in any given undertaking and the value in business of studying the interests of the consumer. In these and many other ways she has been the propagandist of new and fruitful ideas. But when it comes to external commercial relations and those economic matters which fall to be dealt with in the political sphere, her policies and the doctrines by which they have been supported have been in certain instances deplorably crude. It is obvious that the economic well-being of the United States, which has shown so marvellous a development in recent decades, both in low tariff periods and in high, does not depend upon or require the protection of almost the highest tariff in the world; the theory behind the Fordney tariff of imposing duties equal to the cost of production at home and abroad—which would stop trade altogether if it were strictly applied—has broken down owing to its inherent ambiguities and the impossibility of getting accurate data of foreign costs; the elastic provisions of the tariff which, according to President Harding's declaration were intended to mitigate the harsher provisions of a tariff which was drawn up in a period of great economic confusion and uncertainty have operated almost entirely to raise and not lower duties; the disproportion between the prices of agricultural and manufactured products gave rise to a project designed to maintain agricultural prices in the United States combined with the dumping abroad of food and raw material products on the greatest scale the world has ever seen; and now it appears that a period of manœuvre has begun in the course of which new plans for the assistance of the farmers are to be traded against higher duties for the manufacturers. Meanwhile, the United States is steadily exporting capital which has the effect of increasing industrial capacity abroad, but the products of which—so far at all events as Europe is concerned—are effectively prevented from entry into the most rapidly-expanding market in the world. It is to be hoped that President Hoover, whose Committee on Recent Economic Changes has just issued a sane and illuminating report, which stresses the danger of ignoring economic principles and of adopting artificial methods of price advance will prove himself strong enough to restrain some of these wilder extravagancies. It is not to be expected that American politicians concerned with the conflicting economic influences within a great continent will attach much weight to the effect of these proceedings on foreign countries. But, nevertheless, the effect is there, for so great a country as America cannot live to herself alone. It is very desirable that the rest of the world, in watching these proceedings—as it inevitably must—with great interest, should distinguish the wheat from the chaff.

THE DIRECTION OF OVERSEAS TRADE.

THE current issue of the *Board of Trade Journal* contains an analysis of the geographical distribution of our overseas trade in the first quarter of 1929, detailed data with regard to the origin of imports and destination of exports being published, as is customary, with the April returns of Trade and Navigation. The following table summarises the general results in comparison with the corresponding quarter of 1928 and 1913, excluding throughout our trade with the Irish Free State:—

Jan.-Mar.	Imports from		British Exports to		Re-exports to	
	Foreign Countries.	British Empire.	Foreign Countries.	British Empire.	Foreign Countries.	British Empire.
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
1913.....	74·71	25·29	62·04	37·96	88·41	11·59
1928.....	70·65	29·35	58·29	41·71	89·65	10·35
1929.....	70·68	29·32	57·99	42·01	89·20	10·80

Comparing the proportions for the first quarter of 1929 with those for the corresponding quarter of last year, it will be seen that as between foreign countries and the British Empire the direction of our trade, both import and export, shows little change.

The next table, from which trade with the Irish Free State is again omitted, summarises the distribution of our imports and exports from the geographical aspect:—

Class of Trade.	Europe.	Africa.	Asia.	North America.	South America.	Oceania, &c.	Total.
Imports: Jan.-Mar.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
1913	36·69	8·03	12·78	23·48	9·46	9·56	100·00
1928	32·75	9·25	13·23	22·96	10·56	11·25	100·00
1929	30·98	9·75	13·21	25·17	9·73	11·16	100·00
Exports: Jan.-Mar.							
1913	33·84	9·95	24·67	12·21	9·78	9·55	100·00
1928	30·54	11·81	24·71	12·60	9·81	10·53	100·00
1929	30·01	11·95	24·38	13·59	9·79	10·28	100·00
Re-exports: Jan.-Mar.							
1913	53·40	2·92	2·54	35·87	1·69	3·58	100·00
1928	70·94	3·32	2·43	19·31	1·40	2·60	100·00
1929	69·88	3·77	2·44	19·91	1·35	2·65	100·00

As compared with a year ago, our imports from North America represent a substantially higher share of the total, whereas decreases are recorded in the case of Europe and South America. Exports to North America form a larger proportion of the export aggregate, declines being shown by Europe, Asia and Oceania.

Including trade with the Irish Free State, our total imports in the first quarter of 1929 amounted to £305,975,160, of which £206,818,816 originated in foreign countries and £99,156,344 represented the value of shipments from within the Empire. Exports of British products totalled £181,167,939, of which £81,662,121 was consigned to British and £99,505,818 to foreign countries.

Turning to individual countries, we give below an analysis of imports and exports in the first quarter of each of the past three years, adding the 1913 figures for purposes of comparison. The following table shows the fluctuations in trade with the principal European countries, including their overseas colonies and dependencies:—

JANUARY TO MARCH.
(000's omitted).

	Imports From.				British Exports To.			
	1913.	1927.	1928.	1929.	1913.	1927.	1928.	1929.
	£	£	£	£	£	£	£	£
France	12,936	17,825	17,793	15,415	8,538	7,597	8,032	9,327
Italy	2,289	4,462	4,109	4,185	3,893	3,652	3,619	4,250
Switzerland	2,861	3,855	3,660	3,371	1,049	1,676	2,488	1,707
Spain	4,133	5,971	5,807	5,773	3,013	3,191	2,843	3,505
Portugal	852	1,737	1,146	1,077	1,611	2,062	2,280	2,040
Belgium	6,089	13,057	12,221	10,407	3,638	4,541	4,745	5,136
Germany	19,427	15,705	15,427	14,306	9,236	9,032	10,693	9,207
Czecho Slovakia ...	...	2,248	2,181	1,335	...	429	556	559
Austria	2,036	625	611	547	1,278	563	752	660
Hungary		43	108	111		267	279	276
Jugo-Slavia	...	135	90	121	...	280	525	484
Greece	231	347	454	427	562	1,054	1,325	1,274
Roumania	327	696	317	338	313	858	890	620
Turkey (European)	330	213	410	203	308	586	529	488
Russia	6,634	3,465	2,021	3,166	2,610	1,363	798	729
Sweden	2,378	4,739	4,169	4,500	1,780	2,177	2,367	2,107
Norway	1,909	3,549	3,158	3,474	1,455	1,643	2,025	1,804
Denmark	5,490	11,280	12,437	12,043	1,543	2,411	2,310	2,311
Netherlands	6,783	14,903	14,724	14,786	5,744	7,182	8,377	7,772
Finland	...	1,816	1,707	1,821	...	553	713	763
Estonia	...	353	372	253	...	81	86	67
Latvia	...	1,346	1,790	909	...	225	188	196
Poland	...	1,933	1,264	1,039	...	711	1,326	948
Total of above ...	74,705	110,303	105,976	99,607	46,571	52,134	57,746	56,130

The aggregate figures of this group show that the balance of trade between Great Britain and the Continent is still moving in favour of this country. Exports are £1.6 million lower than a year ago, but imports have declined by £6.4 million, the adverse visible balance falling from £48.2 to £43.5 million. Notable features disclosed in the table are a drop of £2.4 million, as compared with 1928, in our purchases from France, and decreases of £1.8 million and £1.1 million respectively in imports from Belgium and Germany. On the other hand, imports from Russia increased by over a million. The rise in the value of exports to France, Italy and Spain was offset by lower figures of shipments to Germany, Belgium, Norway and Holland.

The next table gives similar figures for the United States and other foreign countries:—

JANUARY TO MARCH.
(000's omitted.)

	Imports from.				British Exports to.			
	1913.	1927.	1928.	1929.	1913.	1927.	1928.	1929.
	£	£	£	£	£	£	£	£
United States	39,704	65,338	51,150	57,843	7,728	10,915	11,609	11,145
Cuba	449	1,091	1,864	1,111	549	594	486	582
Mexico	655	1,531	659	730	644	541	740	752
Argentina ...	10,845	19,759	20,983	20,098	5,232	6,313	8,549	7,417
Brazil	3,806	1,288	1,068	1,299	3,348	3,387	4,017	4,038
Chile	1,107	1,993	2,231	1,934	1,612	1,204	1,353	1,876
Peru	663	2,036	1,004	1,249	364	561	511	490
Uruguay	838	1,656	3,373	1,792	712	727	697	835
Japan	1,156	2,172	2,839	2,324	3,204	3,528	3,507	3,168
China	1,167	3,319	3,266	3,379	3,246	3,549	2,927	4,115
Turkey (Asia)	989	322	256	736	1,269	212	209	143
Egypt	8,579	7,791	7,234	7,491	2,324	2,775	3,070	3,507
Other countries ...	1,987	7,666	8,770	7,626	2,189	4,979	4,673	5,308
Total of above	71,945	115,962	104,697	107,212	32,421	39,285	42,348	43,376
Total all foreign countries	146,650	226,265	210,673	206,819	78,992	91,419	100,094	99,506

It will be seen that in this group of non-European countries, British exports are up by one million, increased sales to China, Egypt, Chile, and "other countries" being nearly counter-balanced by lower values of exports to the United States, the Argentine Republic and Japan. Imports record on balance an increase of £2.6 milion, the chief change in comparison with 1928 being a rise of £6.7 million in the value of purchases from the United States—a reflection of larger cotton shipments which is not without significance in view of the recent weakness of sterling exchange *vis à vis* the dollar.

The corresponding figures for Imperial trade are given hereunder:—

JANUARY TO MARCH
(000's omitted).

	Imports from				Exports to			
	1913.	1927.	1928.	1929.	1913.	1927.	1928.	1929.
	£	£	£	£	£	£	£	£
Canada	4 682	12,747	11,230	10,983	5,878	6,173	7,029	9,311
Australia	11,469	15,423	15,753	15,927	9,239	16,000	13,489	12,488
New Zealand	7,018	14,176	16,621	16,538	2,781	5,172	4,562	5,161
India and Ceylon	13,827	19,144	20,980	19,983	18,227	21,379	24,964	23,429
South Africa	3,982	7,982	9,209	8,802	5,614	7,756	8,056	8,156
West Africa	1,222	3,697	3,998	4,350	1,446	3,485	3,733	3,220
Straits Settlements	4,514	4,270	3,124	3,360	1,412	2,875	3,012	3,167
West Indies	375	869	1,001	1,181	420	1,008	1,152	1,026
Irish Free State ...	...	8,580	8,736	9,504	...	8,560	8,708	8,013
Other possessions	2,560	7,824	7,423	8,528	3,300	6,646	7,138	7,691
Total	49,639	94,712	99,075	99,156	48,317	79,054	81,843	81,662

On the import side, the aggregate figure records little variation as compared with 1928, the chief individual changes being a drop in the cost of purchases from Australia (the result largely of lower wool prices), a decrease in imports from India, and a rise in shipments from the Irish Free State. The export total also shows little change in comparison with a year ago, a decline in the case of sales to the Irish Free State, West Africa, India and Australia being compensated by higher figures of consignments to Canada and New Zealand.

The concluding table summarises the course of the re-export trade. Here, it will be seen, a fairly general decline, as compared with a year ago, has occurred in the case of foreign countries, with whom our total *entrepôt* trade in the first quarter of 1929 amounted to only three-fourths of the figure recorded five years ago.

RE EXPORTS—JANUARY TO MARCH.
(000's omitted.)

To—	1913.	1924.	1925.	1926.	1927.	1928.	1929.
	£	£	£	£	£	£	£
France	3,012	5,313	5,062	7,377	4,521	5,999	5,389
Italy	263	724	794	897	542	668	479
Belgium	1,826	3,041	2,888	2,256	2,349	3,086	2,687
Germany	5,893	9,370	8,606	4,795	7,541	8,362	7,186
Russia	2,490	677	3,097	2,293	2,455	567	459
Sweden	334	397	372	370	219	322	249
Norway	169	158	233	107	99	107	101
Denmark	121	349	306	214	186	195	178
Netherlands	1,465	2,095	1,784	1,348	1,118	1,203	1,212
United States	9,720	7,497	7,418	9,038	4,822	5,233	4,895
Japan	75	60	72	80	71	51	60
Other countries	2,122	2,666	2,146	2,088	1,998	2,066	1,712
Total to foreign countries	27,480	32,347	32,777	30,853	25,921	27,649	24,583
British Dominions*	3,603	6,896	7,141	6,196	5,518	5,590	5,510
Total.....	31,083	39,243	39,918	37,049	31,439	33,239	30,093

* Including trade with the Irish Free State from 1924 onwards.

It will be noted that, when allowance is made for price-changes, our re-export trade represents a much smaller volume of business than in the last pre-war year.

BANK ESTABLISHED IN 1864.
SKANDINAVISKA KREDITAKTIEBOLAGET
GOTHENBURG, STOCKHOLM MALMO.
Branches in all parts of Sweden.
Paid-up Capital and Reserves - Kr.182,000,000
Telegraphic Address: "Kreditbolaget."
THE BANK AFFORDS EVERY FACILITY FOR BANKING BUSINESS WITH SCANDINAVIA.

THE CENTRAL ELECTRICITY BOARD.

THE news this week of two important industrial amalgamations, one in the waggon building and the other in the fine cotton industry, is a welcome proof that the progress of rationalisation in important branches of British industry is being slowly and steadily, if unostentatiously, maintained. The appearance of the first report of the Central Electricity Board is another reminder that the pursuit of large-scale efficiency is proceeding energetically in at least some important directions.

Owing to the fact that Great Britain was one of the pioneers of electricity, and that development took place at an early stage on inadequate lines, this country has fallen behind its competitors, who were able to profit by our experience. At the present time the consumption of electricity per head of population is about 250 units as compared with 1,200 units per head of population in America (California). The need for reorganisation became apparent during the war, and from 1918 onwards the Government appointed a series of committees to consider the question, besides setting up the Electricity Commissioners in 1919 as a Government department to control the industry.

It became increasingly clear that reorganisation, to be effectual, must be national, and, at the same time, take into account what was best in the existing industry. The outcome of seven years' deliberation was the Electricity Supply Act of 1926. This set up the Central Board and imposed on it the duty of reorganising the generation and main transmission of electricity or, in other words, the wholesale side of the industry.

The Board is charged with the duty of carrying into effect the regional schemes for the reorganisation of electricity supply, prepared by the Electricity Commissioners. These schemes necessitate the construction or acquisition by the Board of main transmission lines, which have finally to form a "grid" throughout the Kingdom (consisting of some 3,000 miles of overhead lines) and the making of arrangements with the owners of selected stations (in which ultimately the generation of all supplies of electricity required by authorised undertakers will be concentrated) for the operation by the Board of such stations, the owners being under obligation to sell to the Board the whole of the electricity so generated, the Board thus becoming finally the sole wholesale supplier of electricity for the whole country. The Act envisages that in this way substantial over-all economies will be effected in generating costs and that there will result a more rapid opening up of new territory for distribution purposes. Up to date the Board have adopted five schemes, namely, Central Scotland, South East England (which includes London), Central England, North-West England and Mid-East England. These schemes cover 42 per cent. of the area of the country, nearly 75 per cent. of the population and some 80 per cent. of the total sales of electricity.

By the end of March 31, 1929, contracts had been placed, all with British firms, for transmission lines and transforming stations to the total value of about £8,150,000. Under the financial provisions of the Act the Board is empowered to borrow £33,500,000, subject to the consent of the Electricity Commissioners. Up to date, such consents have been given for a total borrowing of £8,500,000 for construction of transmission lines and £5,400,000 for standardisation of frequency. In order to provide for expenses during the initial period before the disbursements of the Board become sufficient to justify raising a loan, the Board arranged with their Banker (Bank of England) for temporary advances, the total of such advances to December 31, 1928, being £339,000.

Broadly speaking, there is no question but that the electricity supply of the country will benefit immensely by the co-ordination which will come about under the Central Board and which could not otherwise be effected. The process, however, will by the nature of the case be gradual, and rapid and spectacular results must not be expected. The effect in existing undertakings will roughly be in inverse proportion to their size; that is, the smaller and more undeveloped undertakings stand to gain most, at least, in the earlier stages of the co-ordination scheme. The fact that moderate-size or small undertakings will be relieved of all capital expenditure in regard to generating plant and be able to "tap" supply to an unlimited extent, will place such undertakings on a very much more stable financial footing. Also, as the "grid" becomes complete, there will be increased opening for new distributing undertakings in areas at present uncatered for.

Besides opening up the possibility of giving supplies in areas at present undeveloped and a chance of tapping the waste heat and water power resources of the country, inter-connection will result in savings both in capital expenditure and in operating costs. The savings in capital expenditure will arise out of the fact that larger stations are cheaper to construct per kilowatt installed. It will not be necessary to provide so large a margin of spare plant, and it is hoped to reduce the present percentage of something about 50 per cent. to about 20 per cent. There will be better control over extensions, which must be built in advance of the demand, and there will be a saving in overhead charges due to the elimination of the multiplicity of small stations. The saving in operating costs will arise partly out of the fact that sites can be chosen with an eye to a plentiful supply of water and cheap coal, and partly by the fact that larger units of plant are more economical, and partly by the better use which can be made of the most economical plant.

The new régime, in fact, has not modified, but rather increased, the confidence of the investing pulbic as regards the prospects of the industry, and confidence will be increased as successive reports of the Control Board reveal the progress of this very important step in rationalisation.

GROUP PENSION SCHEMES.

In our issue of March 16th we printed an article by a correspondent extolling the merits of group pension schemes on the American pattern. Below we print a reply to that article by a well-known London actuary, who champions the private pension scheme. In a later issue we hope to print a further contribution examining this important problem from the point of view of the British Life Offices.

THE article on Group Pension Schemes in your issue of March 16th will, I fear, have been read by some people as an authoritative statement on the best method of establishing a Contributory Staff Pension Scheme, whereas, in fact, it is simply an *ex-parte* advocacy of the establishment of a scheme on the methods adopted by American life offices. In order that the many important employers who are readers of your journal should not be misled, it is most desirable that the facts about pension schemes should be set out fully and clearly.

There are two methods available for the establishment of pension schemes in this country, viz., (*a*) By means of a fund set up under a private trust and approved by the Inland Revenue authorities pursuant to Section 32 of the Finance Act, 1921; and (*b*) through the medium of an assurance company.

The fact that there are now nearly 1,000 "approved" pension funds established under private trusts proves the popularity of the first method. There can be no question that where numbers are large enough for the law of averages to operate a private scheme is more advantageous to the employers and employees, both from a social and from an economic point of view, each of which is of prime importance. Employers are not slow to recognise the advantages that the establishment of a pension scheme carries with it. They realise that it promotes a better feeling between the management and the staff, whilst the knowledge that proper provision is being made for old age tends to secure continuous and loyal service. In general, all the advantage lies on the side of the private trust. The committee which controls the trust generally consists of representatives of employer and employees, both of whom benefit from the association which management entails, and the employees in particular appreciate, and benefit morally, by the responsibility and authority they enjoy in the joint control of the scheme. These important advantages are entirely absent when the services of an assurance company are called in. The private trust scheme can be adapted to the requirements of any staff, and there need be no limitation of the form benefits and contributions take; whereas an assurance company scheme only consists of the purchase of a certain definite amount of deferred annuity as from a certain age by contributions paid in each year according to the age of the employee.

The only case in which an insurance company scheme can offer any advantage (and then it is mainly the advantage of convenience only) is in dealing with a small staff or a group of small staffs. Its inflexibility alone hampers it. It is impossible of application where pensions are to be based on retiring salary or wages, or on an average salary or wage paid during an agreed number of years prior to retirement; it does not meet properly the incapacity position; and if contributions are fixed the almost essential relation between pension and retiring salary has necessarily to be abandoned.

Apart altogether from these objections, assurance company schemes compare very unfavourably as regards cost with private schemes set up under an irrevocable trust and approved by the Inland Revenue authorities. The investment income of an "approved" fund is free from income tax, and consequently the income from interest at a gross rate in an approved fund is greater than the interest usually allowed by assurance companies in their calculations, viz., 4 per cent. per annum. At the present time the interest earned by a well-managed "approved" fund is at least 1 per cent. greater than this. Since the cost of pensions is met from the contribution and interest income, it follows that, given the same scale of pensions if the interest earned is greater, the contributions required must be smaller. Moreover, it is very doubtful whether an assurance company could put forward an acceptable scheme for a body of factory workers with varying wages, and consequently varying contributions from week to week, and whose pensions would eventually be required to be paid weekly.

It is argued by insurance companies that their guarantee is worth such a great deal to the employers, but surely this must be mainly a question of cost. To take an example. An approved fund under a private trust was recently established, with an initial past-service liability of about £5,000,000 and securities to this amount, yielding about 5¼ per cent., were handed over to trustees. In this case, therefore, the actual cost of an insurance company's guarantee would have been represented by the margin of 1¼ per cent. on the interest income, and would have amounted to about £60,000 per annum, a price which is outside every business consideration.

The illustrations given at the end of your contributor's article, quoting cost of certain types of pension schemes expressed as a percentage of the pay-roll, are quite valueless, and can, indeed, be only guesswork. They are misleading, for it is well known that the actual percentage rate of contribution for any particular type of pension scheme varies considerably according to the shape of the salary or wages curve. Further, the criticisms levelled against the establishment of contributory pension schemes under private trusts are as curious as they are unwarranted, and an employer desirous of establishing a contributory pension scheme should proceed with the utmost caution, and should secure the best advice obtainable, which can be done by consulting the actuaries' profession which has given years of study to the scientific solution of pension problems.

Notes of the Week.

The Civil Service and the Elections.—Even its best friends recognise that the Government has blundered in issuing a detailed reply to Mr. Lloyd George's unemployment proposals on the eve of the election, and after Parliament had risen, in the form of a White Paper. All but one of the memoranda contained in this document are signed by the Ministers concerned, and consist in substance of material which has already been used by them in speeches. If these are statements issued merely on the authority of the Ministers concerned there is no justification for the use of official machinery for publishing and circulating literature of this kind. But, as a matter of fact, the form of this paper, which is presented to Parliament "by command of His Majesty," is calculated to give the impression that it is the result of impartial and expert examination. Every Minister who has been in office for any length of time naturally profits by the accumulated experience of his staff, and can use his knowledge in political controversy. But it is important at all times, and most of all during the heat of an election, to prevent the Civil Service being dragged into the political arena. From this point of view the final memorandum of the White Paper is particularly deplorable, for it is entitled "Memorandum on the Finance of Development Loans, prepared by the Treasury on the direction of the Chancellor of the Exchequer." There is no pretence here that the document, which expresses very definite views, represents Mr Churchill's personal opinion, but the public is given to understand that the Treasury have definitely taken sides in the most acutely debated issue of the election. This is frankly an impossible position, for if the result of the election were to put in power a party, or combination of parties, pledged to carry out the policy under discussion, the new Government would find itself—if we have *interpreted* the wording of the White Paper aright—at loggerheads with the officials of their principal Civil Department. In defence of this procedure it is urged that in the Press and on the hustings the claim has been made that certain Government experts are friendly disposed towards Mr Lloyd George's programme. Such statements ought not to be made, and, indeed, no attempt has been made to bring forward any evidence to substantiate them. But, in any case, it is quite improper for the Government to answer such vague accusations by producing documents to prove that the Civil Servants in question hold in fact the opposite view. It is also suggested that the famous fiscal inquiries of 1903 and 1904, when the Board of Trade collected and published voluminous material bearing upon Mr Joseph Chamberlain's tariff campaign, supply a precedent. These famous blue books were, indeed, forwarded to the President of the Board and presented to Parliament over the signatures of the then permanent officials of the Board of Trade. But though the facts contained in them played a very important part in defeating the "raging and tearing" propaganda of the Tariff Reformers, the most scrupulous care was taken to present all the material objectively and without the expression of any opinion whatsoever. For the protection of Civil Servants it is imperative that this incident should not be allowed to become a precedent.

Mr Baldwin and Tariffs.—Revealing in his Election Address the essentially Protectionist character of his party's fiscal policy, Mr Baldwin has sought support for tariffs in the use of equivocations which do him little credit. "Safeguarding" is placed at the forefront of his programme of measures for stimulating trade and creating permanent employment. It is a policy which, he declares, he is "determined to continue." True, there is to be "no protective taxation of food" and "no general tariff." Subject to those qualifications, the Government "intend that no manufacturing industry, large or small shall be debarred from presenting its case for a safeguarding duty to an impartial tribunal, which will judge each case on its merits and make recommendations accordingly." After this declaration it is idle for Mr Baldwin to pretend that no "general" tariff is to be feared, should his party be returned to power. At the risk of wearying our readers, we repeat that no country, no matter how "high-protectionist," ever contemplated a universal tariff on all articles, and since every industry "great and small" is pronounced in advance to be potentially suitable for Protection, it is clear that Mr Baldwin is inviting the electorate to vote for the establishment of machinery capable of erecting a system of tariffs which would demand the title of "general" in the plainest, most obvious sense of that word. The Prime Minister's pledge not to impose a "general" tariff is palpably incompatible with his avowed intentions, and to pretend otherwise is sheer mystification. Scarcely less equivocal is the argument on which he bases his claim that "Safeguarding" has been a success. In

spired, it may be, by the enthusiasm of the Empire Industries Association, which has issued this week a nonsensical statement that "Safeguarding" has provided work for 350,000 persons, Mr Baldwin claims in his address that since the imposition of "Safeguarding" duties "exports over the whole range of dutiable articles have materially increased." As it stands, this sentence can mean nothing else than that exports of every "safe-guarded" industry have risen—a statement which is flatly untrue. Mr Baldwin is presumably aware of the facts and knows that his claim is correct only in reference to the aggregate exports not only of "safeguarded" industries, but also of motors and silk. Moreover, the increase in this aggregate is due, in the main, to the great increase in the exports of the artificial silk industry, whose expansion has been world-wide and has nothing to do with Protection. Mr Baldwin, therefore, is guilty of the use of highly misleading phraseology, and when he proceeds to contend, as he does in his manifesto, that Protection has encouraged, and is therefore likely to encourage, "efficiency" in industry, he is ignoring not only the experience of all who have studied the results of tariffs, but the testimony of common sense.

The Postal Union.—In stamping our letters during the last few days we have been reminded of the fact that the Congress of the Postal Union has been meeting for the ninth time in all, and for the first time in London. At first sight there seems to be nothing eventful about this—but that is a superficial view. The Postal Union appears dull because we so completely take its existence for granted; and our interest is quickened when we are reminded that it has only been in existence for a little more than half a century. How did the world get on, so short a time ago, without an organisation which we now regard as an indispensable part of the order of civilised society? The establishment of the Union in 1874 must have responded to a very urgent need; and it may well be that, in the historical perspective of our descendants several centuries hence, this date will be thought of as epoch-making. At present, the foundation of the Postal Union means little to us, because we are still mainly thinking in terms of politics and not of economics and on the scale of the national unit and not of the international unity. Hence we are aware of epochs like the *years* 1870-1, *in which* Italy and Germany respectively completed their political unification, or 1918-19, in which the principle of political nationality triumphed in Eastern Europe as it had done in Western Europe half a century earlier. Yet, if we look closely enough at the lines along which the world is moving to-day we may begin to suspect that these landmarks in the history of political nationalism may not, after all, be the most important features in the historical landscape through which we have been passing. In the perspective of the future, our present obsession with politics and with nationalism will assuredly seem most strangely and perversely old-fashioned. For political nationalism, we may already suspect, is the last act of an old play, and while it is being played out there is a new play afoot, in which the stage is world-wide and the action not so much political as economic. The great fact which is shaping the future is that, on the economic plane, the whole habitable world has become a unity; and the establishment of the Postal Union in 1874 was epoch-making because it was the first important recognition of this new fact in the field of official organisation. Indeed, 1874 may come to be regarded as the birthday of the World State, for since that date an official organisation of world-wide scope has been in existence for the universal provision of one great technical facility. The characteristic of the half-century which has elapsed has been the multiplication of international technical organisations of this kind; and the movement has received a great impetus since the foundation of the League of Nations. This great work of international construction is not only furnishing modern civilisation with the facilities which it most urgently needs; it is also providing it with the most effective safeguards against another outbreak of the forces of self-destruction. For Postal and Telegraphic and Railway Unions and Air Conventions and Transit Conventions and the like, by stimulating the growth of the network of international trade, are fostering a process which, more than any other, is inimical to war. Therefore we greet the Postal Union as the harbinger of the new international age.

The Anarchy in Afghanistan.—As the snows melt in Afghanistan the war of all against each and each against all, which started last autumn and was checked by the rigours of winter, has broken out again. Habibullah Khan, holding Kabul and the surrounding area, is reported to have inflicted a severe defeat on Nadir Khan, lately Afghan Minister in Paris, who was endeavouring to advance on Kabul from Khost. With the trade routes to India blocked, and the Hazara tribes hostile, the Bachcha's financial position is precarious, but he has apparently won the support of the Ghilzais. These powerful tribes command from the east the Kandahar-Kabul road, and, in face of their enmity, King Amanullah's chances of a successful advance northwards are at present dubious. The situation is confused by cross-currents of religious antagonism between the Shiah and Sunni sects; the allegiance of the districts on the left bank of the Oxus that march with the U.S.S.R. is in doubt; and, more and more, it seems as if tribal confederations and even single tribes were reasserting their sovereign right to pay no taxes to anybody and to raid their neighbours. The serious feature in this situation is that it is a reversion to the normal state of the country. From time immemorial there have been Afghans living in anarchy, whereas a more or less organised State called Afghanistan has only existed for about a century and a half, and then only intermittently. Politically Afghanistan is an artificial creation. It started by the ruling house of one group of tribes establishing a certain authority over the rest of the tribes. And this state was maintained, or restored, after it had reached the natural term of its existence, by pressure from outside. If the British Raj had not established itself at Peshawar and the Russian Empire at Merv it is almost certain that there would have been no throne in Afghanistan for Amanullah to mount in 1919. The existence of modern Afghanistan is due in the first place to the effect of foreign pressure upon the Afghan tribesmen themselves, in whom it inspired a certain rudimentary and transitory sense of political solidarity. In the second place—and this is the more important factor—modern Afghanistan is the deliberate creation of one of the two great European empires in Asia, which wanted to erect here a buffer-state against its rival. At the end of the Great War this external pressure, which had been the making of Afghanistan, was suddenly relaxed on both sides. After the second Russian revolution of 1917 the Soviet Government reversed the traditional Russian policy and set out to conciliate the Asiatic border States by representing itself as their champion against "British Imperialism." Again, after the third Anglo-Afghan War of 1919, the British Government, unwilling to see Russian diplomacy "steal its thunder," rewarded King Amanullah for having made a war of aggression and been defeated in it by renouncing the control which it had exercised for half a century over the foreign policy of the Government at Kabul, and by rectifying the Afghan-Indian frontier in the Khyber Pass in Afghanistan's favour. The consciousness, in Afghanistan, of this relaxation of foreign pressure is the key to the melodramatic events of the last ten years; for everybody in Afghanistan has been feeling that he possesses, once more, a margin of security against the danger of foreign interference, and they have all been taking advantage of this margin in different ways. King Amanullah indulged in a precipitate career of Westernisation; the tribesmen, exasperated by this, have indulged in a reversion to their traditional and congenial anarchy. Hence the buffer State of Afghanistan is now in the melting pot—and who knows what will emerge?

A Northern Wembley.—The successful organisation of the great Exhibition which the Prince of Wales opened this week at Newcastle-upon-Tyne is a testimony to the courage of its promoters and of the firms whose support has enabled the project to be realised. The North-East Coast has suffered so severely from depression in the heavy industries on which the prosperity of the area largely depends that the Exhibition is a bid for fortune whose gallantry deserves admiration. In his speech at the formal opening on Tuesday the Prince justly commended the spirit in which the exhibitors were "announcing to the whole world that the great shop of this industrial district is still open, is determined to carry on, and is prepared to meet all orders with the highest traditions of a not unworthy past." At the same time, referring to the effect which the world's economic development since the war has had upon the basic industries of the district, he deprecated the attitude of "looking back regretfully to the past and hoping that the spacious Victorian days would somehow return." These are wise words. As the Prince went on to say, "To restore our economic prestige we need courage and imagination—courage in ruthlessly scrapping all methods and machinery that do not come up to the most modern standards, and imagination in exploring every commercial avenue overseas." It may be that, with all the "rationalisation" in the world, the heavy industries alone cannot hope to restore the pre-war level of employment and prosperity on the Tyne and the Wear. A permanent curtailment of the old trades may have to be balanced by the establishment of new manufacturing processes in the north-east before a return to good times can be achieved. But the basic industries can still be revitalised and restored to better conditions if all concerned in their management determine to display the "courage and imagination" which the Prince of Wales very eloquently and wisely enjoined.

Overseas Trade in April.—The beginning of the second quarter is a critical point in the year's overseas trade, and the April returns indicate that so far there is no definite evidence of the setback which has been so much feared. Imports are 7.6 per cent. higher than in April of last year, and exports of British goods 9 per cent. higher. The decline of 5.3 per cent. in re-exports is more than accounted for by a drop of over £1 million in exports of rubber. Similar, though,—except in the case of re-exports,—less pronounced movements, are apparent in the figures for the first four months of the year, as shown in the second table below:—

MONTH OF APRIL.

	1929.	Increase or Decrease compared with 1928.		Increase or Decrease compared with 1927.	
	£	£	%	£	%
Imports	104,168,093	+7,358,702	+7·6	+3,572,623	+ 3·6
British exports	60,244,405	+4,976,432	+9·0	+7,634,358	+14·5
Re-exports	10,376,448	− 578,652	−5·3	−1,437,670	−11·9
Total exports	70,620,853	+4,397,780	+6·6	+6,196,688	+ 9·6
Excess of imports over total exports	33,547,240	+2,960,922	+9·7	−2,624,065	− 7·2

FIRST FOUR MONTHS.

	1929.	Increase or Decrease compared with 1928.		Increase or Decrease compared with 1927.	
	£	£	%	£	%
Imports	410,074,140	+3,510,409	+0·9	−11,456,681	− 2·7
British exports	241,412,344	+4,207,367	+1·8	+18,328,903	+ 8·2
Re-exports	40,474,489	−3,719,464	−8·4	− 2,778,933	− 6·4
Total exports	281,886,833	+ 487,903	+0·2	+15,549,970	+ 5·8
Excess of imports over total exports	128,187,307	+3,022,506	+2·4	−27,006,651	−26·7

Of the increase of £3½ million in imports only £0.3 million is due to imports of finished manufactures, while almost £1 million consists of raw materials. There is a gratifying increase in retained imports of iron ore, raw cotton, timber and wood pulp, raw silk and crude rubber, but declines in wool and hides are evidence of an unsatisfactory state of affairs in the industries using those materials. The most marked changes in the other two classes are a decline of £2 million in retained imports of grain and flour, an increase of over £3 million in those of meat, a decline of nearly half a million in those of iron and steel and an increase of nearly £2½ million in retained imports of manufactured oils, fats and resins. The final table shows some of the more important British exports:—

SOME LEADING EXPORTS.

	First Four Months.		
	1927.	1928.	1928.
Coal ..... tons	17,203,162	15,745,017	17,882,080
Railway material ..... tons	134,023	257,920	169,533
Total of iron and steel ..... tons	1,158,655	1,402,846	1,491,208
Textile machinery ..... tons	35,463	41,208	42,493
Total machinery ..... tons	155,409	188,940	184,707
Cotton yarns ..... lbs.	66,763,900	58,642,100	57,296,600
Cotton piece-goods ..... sq. yds.	1,331,974,800	1,365,742,600	1,388,797,400
Wool tops ..... centals	139,037	126,782	111,145
Woollen tissues ..... sq. yds.	39,936,100	44,752,700	37,559,800
Worsted tissues ..... sq. yds.	13,707,100	11,712,400	17,165,700
Linen piece-goods ..... sq. yds.	25,367,400	27,161,500	24,221,500
Jute piece-goods ..... sq. yds.	48,066,300	60,536,800	58,010,300
Boots and shoes.....doz. pairs	295,250	358,577	292,950
Leather ..... cwts.	117,837	154,072	103,456
Locomotives ..... tons	5,727	14,570	11,509
Motor cars and chassis ... number	16,113	9,798	14,165

Coal is up, even as compared with the abnormal early months of 1927; iron and steel, cotton piece-goods, worsted tissues and motor cars also show a satisfactory achievement. The remaining textiles, however, fail to show up very well, as do also railway material, total machinery and leather manufactures, while the decline in the export of locomotives, as compared with January-April, 1928, is particularly disappointing as the first quarter's returns showed an increase. The total of chemicals, drugs, dyes and colours has increased by £0.16 million to £8,442,400 for the four-month period. The fact that the returns of total imports and exports are improving while those of some leading items remain unsatisfactory, suggest that, while the modest trade revival has not yet reached all our staple industries, it is, so far, just managing to hold its own.

Proposed Changes in the United States Tariff.—According to the *Bill at present before Congress*, the proposed changes in the American tariff will affect principally staple foods and textiles. The exception to this is the provision for an increase up to 50 per cent. in the present 25 per cent. duty on cars, in the case of countries (as for example Great Britain) whose own import duty exceeds the United States rate. No change is recommended in the duties on pig iron, live cattle, apples, cherries, fish, wheat, coal-tar, tobacco and sugar beets, while long staple cotton and Philippine sugar remain on the free list. World duties on raw sugar are to be raised from 2.2 to 3 cents per lb.; on refined, from 2.39 to 3.50. The corresponding Cuban rates are to be raised from 1.76 to 2.4 and from 1.91 to 2.8 cents per lb. respectively. The beef duty, at 6 cents per lb., is doubled, those on lamb and pork are to rise from 4 cents and ¾ cents to 1 and 2½ cents per lb.; the rate on live hogs is increased fourfold, and on sheep, lambs and goats from $2 to $3 per head. The duty on cream is to rise from 20 to 48 cents per gallon; on sweetened condensed milk from 1½ to 2½ cents per lb.; on cheese from 5 to 7 cents per lb.; on oleomargarine from 8-12 cents per lb. On unbleached cotton cloth a graduated *ad valorem* duty is proposed with a ratio of 41½ per cent. (as compared with 30 per cent. at present) when the grade number exceeds 90. The proposed scale of rates on woven wool fabrics is to begin at 40 (against 37 at present) cents per pound and 50 per cent. *ad valorem* on fabrics not exceeding 4 oz. per sq. yd. and 80 cents per lb. in value, and rises gradually for the better cloths to a maximum of 50 cents per lb. and 55 per cent. *ad valorem*.

Egyptian Cotton Mill Merger.—Our Manchester correspondent writes:—Although negotiations have been taking place for over two months with regard to the amalgamation of a number of cotton spinning mills in Lancashire using Egyptian cotton, and reports have appeared from time to time as to the progress made, no official announcement has been issued until this week. It is now stated that this important merger of mills in Bolton, Leigh, Atherton, Stockport and Manchester districts is nearing completion. The directors of the companies concerned have agreed provisionally to the terms suggested and within the next few days meetings of shareholders and others interested are to be called to ratify these agreements. It is understood that nearly 30 mills will be

involved controlling about 3,000,000 spindles. Considerable interest has been taken in the official statement that the promoters of this combine have arranged for the introduction of a large sum of new money, estimated at between £2,500,000 to £3,000,000. Messrs M. Samuel and Co., Limited, and the British, Foreign and Colonial Corporation, Limited, have taken part in the negotiations. It is understood that the mills forming the merger will retain their identity and no material changes are contemplated in the personnel of the management. The idea of the amalgamation is to prevent price-cutting and arrange for the pooling of interests. Most of the mills concerned have excellent profit-earning records. When the shareholders of the individual companies are called together, a factor of importance will be that they will be offered fully paid shares on an agreed basis in the merger company and this will mean that all uncalled share capital will be cancelled. It is believed that with wise direction the combine will be a means of reorganising an important section of the Lancashire cotton industry.

Cotton Trade Problems.—The Joint Committee of Cotton Trade Organisations was formed in 1925 for the purpose of the exchange of opinion between different sections and for the examination of difficulties which affected all sections alike. In 1927 the need for more exact information on some of the problems under discussion led to the establishment of the Cotton Trade Statistical Bureau. Last year it was decided that a number of sub-committees, each charged with the investigation of some particular problem, should be set up, and since then valuable reports have been published on different aspects of the industry. It may be pointed out that this Joint Committee is representative of all sections of the trade, including the trade unions. Some of the most important problems of the industry are dealt with in three reports just published. Two of the reports, writes our Manchester correspondent, are concerned with foreign competition, and the third is an examination of the difficulties of the manufacturing section. It has been decided not to publish them, at all events until the views of the various trade organisations have been ascertained. It can be said, however, that one report is devoted to an analysis of Lancashire costs of production, having regard to the prices at which competitors sell their goods in the same market. The Committee which has conducted this inquiry is of opinion that, given some measure of co-operation between the different sections of the trade, certain classes of goods can be made in Lancashire to sell at prices which are as low as those of our competitors. Another Committee has examined the possibilities of mass production and standardisation, and recommends steps which it believes would enable Lancashire to effect considerable economies in production and marketing. The Manufacturers' Committee has dealt with the efficiency and flexibility of manufacturing with special reference to some of the suggestions made for developing both these qualities. Such questions as the training of operatives, the potential savings arising from the introduction of new machinery and new methods, and the possibility of modifying the present system of wage payment, without affecting earnings, are the main topics of this report. Although the Joint Committee does not necessarily endorse in detail the findings of its sub-committees, it considers the issues raised and the evidence produced of sufficient importance to justify close examination of every section of the trade. It is in complete agreement with the general opinion expressed by the reports that fuller co-operation and frankness between all sections will assist Lancashire to regain much of the trade she has lost.

Iron and Steel Production in April.—Production of iron and steel continued to expand during April, for although the volume of steel production was 6 per cent. less than in March, this decline was due to the Easter holidays. The number of furnaces in blast increased by seven during the month to 152—eight furnaces having been blown in and one blown out—a number higher than at any time since November, 1927, while the production of pig iron rose to 611,800 tons, a figure higher than in any month since July, 1927. The increase has been most marked in basic pig iron for steel making, which has risen from 226,700 tons in January to 260,300 tons in April. Steel production in April amounted to 808,600 tons, compared with 859,900 tons in March and 644,100 tons in April, 1928, when production was also affected by Easter. The suggestion that imports of iron and steel during February and March (160,000 tons and 182,100 tons respectively) were unduly low, owing to transport difficulties on the Continent in February and early March, is confirmed by the rise in imports in April to 261,900 tons, a figure higher than in any month since August last, and one which has been exceeded only four times since the beginning of 1928. Imports in the first four months this year have totalled 848,300 tons, of which 29,000 tons were pig iron, compared with 1,095,000 tons in the same four months of 1928, of which 53,700 tons were pig iron. In relation to the improved production figures exports of iron and steel in April were disappointingly low, as they amounted to only 339,800 tons, compared with 350,100 tons in March, and were, in fact, lower than in any month since September. Prices continue firm, and the Board of Trade's price index number for iron and steel, which was 113.0 in March (1913=100) rose to 113.9 in April. The price index reached its lowest point in August last at 111.7, since when it has slowly risen to the 113.9 recorded for April. Scrap continues to be exported in large quantities, exports in April amounting to 34,800 tons. The improvement in production is naturally reflected in the employment figures and the percentage unemployed in the industry, which, according to the Ministry of Labour's figures, was 20.05 of the numbers insured in January, was 17.0 in March.

Beauty and the Pump.—The Petroleum (Consolidation) Act, 1928, contained a section, which occasioned some opposition from Conservative members during the passage of the Bill through the House, empowering county and borough councils to regulate the appearance of petroleum filling stations in specified areas, and in particular to specify requirements as to their "position, design, size, colour and screening." The report* has now been issued of a Committee appointed by the Home Secretary to advise as to the most suitable measures for giving effect to these powers. The Committee has reached certain conclusions, which it has embodied in a model code of by-laws. With many of the recommendations there will be general agreement. The prohibition of advertisements and flashing lamps at filling stations, and the imposition of a ban on visible galvanised iron and other "unsightly material" are proposals which public opinion will unanimously endorse. It is when the Committee passes from the task of censorship to that of constructive suggestion that its proposals give rise to some doubt. It is recommended that uniform colouring should be employed throughout each filling station, but that the competing petrol companies should be allowed to advertise their products by displaying on each pump the name of the brand and by painting on the pump "a band of distinctive colouring not exceeding nine inches in depth." The difficulty here is that though a filling station may be induced by a local authority to adopt a pleasing general colour scheme in harmony with its surroundings, the "distinctive bands," however unobjectionable in themselves, may clash hideously in some cases with the pumps. The charge of unsightliness cannot fairly be levelled at many of the large specially constructed filling stations on main roads. The offenders against beauty in the English countryside are the owners of the small concerns once devoted unostentatiously to the repair of local cycles, and now disfiguring picturesque village streets by a row of pumps inconvenient for traffic, and calculated to displease the eye, whatever their colour. The filling station has become an integral part of English life, but every motorist will admit that the number of stations is excessive and could well be curtailed by eliminating many of the small retailers whose pumps have been erected incongruously and haphazard with no regard for the amenities of their surroundings.

* Cmd. 3330. H.M. Stationery Office. 4d.

The B.B.C. Report.—In its report for 1928 the British Broadcasting Corporation states that the total hours of transmission (68,000) and the relative proportions of the various types of programmes showed little change from 1927. Attention has been given to raising the standard of programmes and to securing suitable artistes; perhaps the most important achievement in this direction was the formation of the National Chorus. The demand for dramatic items is said to have increased, but a difficulty in the way of perfecting the technique of radio drama is the lack of specialist artistes. Broadcast performances by variety artistes have, however, been very successful. The removal of the ban on controversial matter has very much increased the scope for "talks," but full advantage of this has not yet been taken. As a medium for special news bulletins, prompt notification of price movements, gale warnings, S.O.S.'s, and special appeals the radio has proved increasingly valuable, and there is said to be some evidence that its services are not without effect in curbing the activities of those holiday makers who abandon their domestic pets to starvation, drive their cars inefficiently and recklessly to woods or commons, whence they remove the wild flowers and substitute paper, broken bottles and orange peel. Progress is recorded in the B.B.C. education activities, both in schools and among adults. About 5,000 schools were on the London and Daventry register, as against 4,000 in the preceding year. A Central Council for Broadcast Adult Education has been set up and numerous conferences have been held in conjunction with the British Institute of Adult Education. The "listening groups" which follow the talks now amount to some 200. The number of wireless licences issued at December 31, 1928, amounted to 2,628,392, an increase of 233,218 on the previous year. The average circulation of the *Radio Times* increased by 130,000 during the year; that of *World Radio* by 30,000, and the distribution of supplementary publications by 2,000,000. The percentage of breakdown of .035 in 68,000 hours' transmission shows an increase of .005 per cent. over the 1927 percentages, which is attributed to exceptional gales in November.

Registration for Accountants.—The first meeting held in Astor House, since it became Incorporated Accountants' Hall, was the occasion of an important speech before the Society of Incorporated Accountants and Auditors by its President, Mr Thomas Keens. The chairman reminded the society that, since an Accountants Registration Bill was dropped, in 1911, owing to an accident of procedure in the House of Commons, no suitable opportunity of reviving it had occurred until now. The society's present project of proceeding with the promotion of a Bill has been fortified by the recent statement in the House by Sir Thomas Robinson that, in the view of the Local Legislation Committee, the time is opportune for the establishment of a registry of properly qualified accountants; since sound, reliable accountancy is of the greatest importance to industry, commerce and the investing public. The society received this announcement with enthusiasm, and it may be hoped that the existence of a strong body of professional opinion on this subject will speed the preparation and passage of the proposed Bill. At present, according to the President, there are, in addition to ten organisations outside the great bodies of Chartered and Incorporated Accountants, a large number of persons practising as accountants whose methods are frequently unprofessional. That the public should be protected against these, as it is protected against quack doctors and unqualified lawyers, is eminently desirable. A measure which, while providing the necessary safeguards against undue restriction, would compel practitioners of the profession of accountancy to submit their qualifications to the scrutiny of a competent authority and to conform to recognised standards of professional practice would safeguard alike the public and the great body of responsible and public-spirited accountants.

The Prospective Supply of Juvenile Labour.—The probable repercussions on industry during the next quinquennium of the vagaries of the birth-rate during and immediately after the war have been the subject of an investigation by the Ministry of Labour.* The results show a remarkable degree of variation between different districts, but for the country as a whole the supply of juvenile labour is expected to decline up to 1933, to rise in 1934, and then decline further to 1940. The decline will be least marked in the munitions areas, and in a few districts there will be an actual increase, but in the majority of areas a decline of from 15 to 30 per cent. is anticipated, while in a few it may run as high as 50 per cent. It is difficult to estimate the effect of this, as the demand for labour depends on so many unpredictable factors, such as the general state of trade; the introduction of new industries into a given district; changes in the school-leaving age; and the possibilities of labour-saving machinery. On the whole, the Juvenile Employment Committees and Juvenile Advisory Committees through which this inquiry was conducted are not disposed to contemplate the likelihood of any serious problem, though they think there may be some temporary inconvenience. Many of them welcome the prospect of a shortage, and anticipate that the growing disinclination of parents to subordinate their children's future to immediate earnings will receive a great impetus, as there will be more scope for picking and choosing. If the result of the temporary shortage is to diminish the attractiveness of blind-alley occupations and to improve the conditions and prospects of juvenile workers it will perform a valuable and much-needed social service. In those districts where the shortage is expected to be acute, the Committees hope that it will be dealt with by daily travelling, by the abolition of short time, and by the extended use of labour-saving machinery. They are opposed to migration, especially for children under 16, and the difficulties and dangers of uprooting adolescents and turning them loose in unfamiliar surroundings are too well recognised to need elaboration. In a few districts, however, especially the mining areas of South Wales and Durham, the surplus is likely to be so great that migration is felt to be the only possible solution. It is strongly urged that children so transferred should only be employed as learners or apprentices and should have a guaranteed period of employment. Great emphasis is laid on the necessity of organisation and supervision to ensure that their accommodation is suitable and that they make wise use of their spare time. Many of these committees reported before the special arrangements were made by the Ministry of Labour for the transference of boys from the depressed areas, and the success of these arrangements bears witness to the general soundness of the Committees' recommendations.

Suez Canal Traffic.—Shipping passing through the Suez Canal has resumed the steady increase which was interrupted by the falling off in British tonnage during the coal dispute. As the following table shows, the British tonnage using the Canal, though it is increasing substantially, has not quite kept pace in recent years with the increase in the tonnage of other nationalities:—

NET TONNAGE passing through SUEZ CANAL (in thousands).

Year.	British.	Foreign.	Total.	Percentage British.
1900	5,605	4,133	9,738	57·6
1910	10,424	6,158	16,582	62·9
1913	12,052	7,982	20,034	60·2
1920	10,839	6,736	17,575	61·7
1924	14,995	10,115	25,110	59·7
1925	16,016	10,746	26,762	59·9
1926	14,969	11,091	26,060	57·4
1927	16,534	12,428	28,962	57·1
1928	18,124	13,782	31,906	56·8

Next, in order of their respective percentages, were Holland (10.4); Germany (10.3); France (6.0); Italy (5.2); Japan (3.0); United States (2.3). These propor-

* "Memorandum on the Shortage, Surplus and Redistribution of Juvenile Labour during the years 1928 to 1933." H.M. Stationery Office. Cmd. 3227. 3d. net.

tions are almost identical with those of 1927, except in the case of the German percentage, which rose from 9.6 to 10.3 per cent. This successful bid on the part of Germany for a revival of her Eastern trade, which has been proceeding steadily for some years, accounts for the slight decline, since 1925, in the British percentage. The mean net tonnage per vessel was 5,244 tons, as compared with 5,223 in 1927. Passengers carried numbered 317,718, as against 340,318 in 1927, but the decrease is entirely due to the diminished number of troops transported, and civilian passengers have increased. In the distribution of tonnage among the principal individual lines the P. & O. group ranks first with 3,213,000 tons, as against 3,312,000 in 1927; British Tanker second with 2,583,000 tons, against 2,148,000; the Ellerman Lines third with 1,966,000 (1,898,000 in 1927). Alfred Holt and Co. remain fourth, while the fifth place is occupied for the first time by the Cunard group with a net tonnage of 1,443,000. The North German Lloyd has moved higher up the list, and the British Government has moved down, with a tonnage diminished from 801,000 in 1927 to 625,000 in 1928.

Conference of Leather Trades.—A conference of the members of the leather trade is to be held at Leathersellers' Hall, St. Helens Place, Bishopsgate, E.C.3, on Tuesday, June 4th, next. This is one of a series which has been inaugurated by the Federation of Curriers, Light Leather Tanners and Dressers, the idea being to bring the scientific and practical sides together to discuss and elucidate the many problems connected with the leather industry. A dinner is also to be held at the Waldorf Hotel on the evening of the conference. The conference agenda contains a list of subjects to be discussed, many of them taking the form of papers on various matters connected with the science and practice of leather manufacture. The tanning industry is perhaps one of the most conservative trades in this country, and this "getting together" has been productive of much good in breaking down the aloofness of its members.

Transvaal Output of Gold.—The gold output of the mines of the Transvaal for April amounted to 872,123 ozs. of fine gold. For April, 1928, the output was 825,907 ozs. of fine gold. The following table shows the monthly output since the beginning of 1923:—

Months of	1923.	1924.	1925.	1926.	1927.	1928.	1929.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January ...	764,469	796,768	823,692	796,270	839,782	843,857	876,452
February	704,970	760,617	753,925	753,924	779,339	816,133	815,284
March ...	761,586	795,671	825,479	834,340	860,511	877,380	866,529
April	743,651	768,923	787,519	803,303	824,014	825,907	872,123
4 months	2,974,676	3,121,979	3,190,618	3,187,837	3,303,646	3,363,277	3,430,388
May.....	786,564	809,003	813,249	849,214	859,479	886,186	...
June	755,304	777,051	780,251	852,145	855,154	862,363	...
July	754,306	829,437	818,202	860,134	851,861	867,211	...
August ...	769,371	809,571	808,218	843,854	863,345	891,863	...
September	739,504	799,422	797,247	839,939	842,118	857,731	...
October ...	793,842	827,583	812,832	853,296	855,743	897,720	...
November	780,639	802,313	787,633	840,276	848,059	872,484	...
December	778,849	825,273	791,455	836,157	851,225	859,761	...
Total ...	9,133,060	9,597,634	9,599,702	9,962,852	10,130,630	10,358,596	3,430,388

The number of natives employed by members of the Witwatersrand Native Labour Association and Contractors over the past few months was as follows:—

	Aug., 1928.	Sept., 1928.	Oct., 1928.	Nov., 1928.	Dec., 1928.	Jan., 1929.	Feb., 1929.	Mar., 1929.	April, 1929.
Gold mines	194,788	194,936	193,147	190,870	187,970	192,526	196,150	197,646	197,412
Coal mines	16,767	16,803	16,506	16,241	16,059	15,845	15,940	16,065	15,900
Diamond mines	4,807	4,889	4,762	4,481	4,444	5,056	5,635	5,787	5,554
	216,362	216,628	214,415	211,592	208,473	213,427	217,725	219,498	218,866

There was a decline in the number of natives employed in all branches of mining during April.

At a meeting of the Royal Statistical Society, on Tuesday, May 28th, in the Hall of the Royal Society of Arts, John Street, Adelphi, W.C.2., Mr A. Loveday will read a paper entitled "The Measurements of Tariff Levels."

Oversea Correspondence.

UNITED STATES.—LIVELY SHARE MARKET—MONEY POLICY—ACTIVE INDUSTRY—TARIFF REVISION—REPARATIONS.

(FROM OUR CORRESPONDENT.)

NEW YORK, May 8.

AFTER a wave of optimism that coincided with the attainment of new high levels for the price averages of industrial shares, doubt again prevails in Stock Exchange circles. The advance that produced the new high level occurred on a moderate volume of trading, the turnover on the Exchange standing at about 4,000,000 shares a day. It should be noted, moreover, that a four million share day is not what it was a year ago. A recent compilation that compared the trading on May 1st, when the turnsized day a year ago disclosed the fact that approximately 1,000,000 shares of the May 1st volume was accounted for by trade in shares that had been listed on the Exchange since a year ago. It also showed that a considerable part of the current volume represented the splitting of shares during the past year. On this basis it would appear that the apparent volume of trading has been increased by something like one-third by the new listings of the past year. This factor also has played an important part in the increase in brokers' loans. In any event, the optimism of a week ago has been tempered by the reappearance of firmness in the call money market and by a fair-sized reaction in shares that followed it. The increase in the Federal Reserve system's holdings of bills purchased in the open market, which amounted to $29,000,000 in the week ended May 1st, had prompted hopes that the Federal Reserve authorities might be modifying their hard money policy; but the return of a 14 per cent. call money rate and its persistence shattered these hopes. At the time the bills were bought there were strong intimations from official quarters that the purchases represented no change in policy, and that they reflected the difficulties of bill dealers over the month-end. Certainly the bill market appears to be in a disturbed condition. During April a reduction of one-eighth was made in bill rates. Last week the 30-day rate was increased one-eighth and for the first time stood higher than those on longer maturities. Yesterday the other maturities were advanced one-eighth, but apparently without bringing any increased demand. Today the rate on five- and six-months bills was reduced one-eighth, and there are some indications that the coming Federal Reserve statement will show another increase in purchases. Meanwhile a new suggestion has appeared with regard to Federal Reserve policy, which is that the board, having seen industrial shares rise to a new high level, will abandon its direct action policy and permit the Reserve Banks to increase their discount rates. However, predictions on Federal Reserve policy, with the present dissensions within the system, are extremely hazardous.

Industrial news continues bullish. The steel industry is maintaining its remarkable rate of operations at what amounts to capacity, and the earnings of the steel companies must be very large. The automobile industry also is holding its record-breaking pace remarkably well. Railway traffic also is running well above a year ago, and the net earnings of the carriers during the first quarter of the year broke previous records for that period. They are particularly interesting in that the favourable financial results clearly are obtained through greater efficiency of operations. With business news of this character there are no signs of commodity price inflation. The indices of *Dun* and *Bradstreet* both declined during April, following decreases during March. Since then wheat has fallen back close to $1 a bushel in the Chicago market.

The current tariff bill is taken as illustrating the dangers of bringing the subject of revision before Congress. The proposed increase in the duty on sugar is generally regretted hereabouts as doing a grave injury and injustice to Cuba, and as tending to foster an undesirable industry in this country. The beet sugar growers have been quite ready to exploit the propaganda for "farm relief."

Hopes still are entertained for a successful outcome of the Reparations Conference. It is thought that the differences on the size of annuities have been reduced to too small a range for the Conference to fail now. However, the many difficulties that attend the reconciliation of conflicting interests are fully appreciated, and much sympathy is displayed with the position of the various creditors who have to pare down their requirements. Sympathy also is felt for the members of the American delegation, who must act as conciliators, and yet, because of the circumstances of their participation, are unable to make any concessions in the requirements of the United States.

FRANCE.—REPARATIONS—PRICES—INDUSTRY—UNEMPLOYMENT—BOURSE—INCOME TAX.

(FROM OUR CORRESPONDENT.)

PARIS, May 15.

THE most delicate point in the negotiations between the experts has now been reached, but it is regarded this afternoon as extremely doubtful whether the delegates will be able to come to a final agreement on their general report before next week. The utmost reticence is being observed as to the exact points now at issue, but it is evident that serious difficulties still remain. Alarmed, it is believed, by the opposition on the part of the German industrials to the increased figures proposed by Mr Owen Young, Dr Schacht paid a flying visit to the Ruhr during the week-end and conferred with some of the leading German magnates. His efforts appear to have been successful, for it is now announced that yesterday Dr Schacht formally agreed in principle to Mr Owen Young's suggested new basis of settlement, subject to certain reservations which have not yet been disclosed. In order apparently to prevent these reservations being presented in too crude and direct a form they have been incorporated (by arrangement between Dr Schacht and Sir Josiah Stamp) in the draft report of the committee's recommendations, which was handed to the President of the committee last night. Copies of the draft will be distributed immediately to the various delegations for individual and general consideration. Then will come the general discussion on the report in regard to the amount and number of the annuities, the German reservations and the distributions of the payments between the Allied Governments. Mr Owen Young conferred yesterday with Dr Schacht and Mr Parker Gilbert. Sir Josiah Stamp left on a hasty visit to London until to-morrow. M Franqui returned to Paris to-day after consulting with his Government in Brussels on the new proposals, which, it is asserted, will have the result of reducing the Belgian percentage from 8 per cent., as provided by the Spa agreement, to 3¼ per cent. It is now claimed here that, if Great Britain would lose 1,000,000,000 marks under the new project, France would lose nearly half as much again. The only creditor, it is bitterly commented, who will lose nothing if the Schacht-Young plan be adopted will be the United States, the wealthiest Power and by far the greatest profiter from the war, which demands payment in full.

Nothing reliable can yet be ascertained as to the German reservations. It is unofficially stated that Dr Schacht has accepted the new project solely on condition that the Reichsbank shall be able (1) in case of exchange difficulties, to suspend for two years the transfer of one-half of the unprotected part of her annuity; (2) in the case of more general economic trouble to carry over to subsequent years payment of the whole of the protected portion; and that (3) in the event of the present situation being appreciably modified, Germany shall have the right to demand revision of certain parts of the new plan. German reports state that it has been agreed in principle between Dr Schacht and Sir Josiah Stamp (1) that Great Britain and France shall renounce the 26 per cent. tax on German imports at the end of ten years, when the system of reparation payments in kind will come to an end; (2) that the Allies shall renounce the controlled revenues, so far as German Customs on tobacco, sugar and alcohol are concerned, and retail only the security constituted by the railway bonds; (3) that Germany shall have the right, in the case of "serious difficulties," to demand from the international bank a moratorium (not exceeding two years) in respect of its annuities (except the "unconditional" portion), this latter part, in consideration of this concession, to be increased from 650 millions to 700 millions, and thus to become immediately mobilisable. Other reservations, according to unofficial sources, include the suppression of the financial and economic control organisation provided by the Dawes Plan; commercial facilities; a large share in the profits of the proposed International Bank, and recovery of the last twenty-one annuities by an amortization system. No confirmation can be obtained of any of these statements, which are, of course, reproduced under all reserve.

BARCLAYS BANK (DOMINION, COLONIAL AND OVERSEAS).

OVER 400 BRANCHES IN

THE UNION OF SOUTH AFRICA
(Natal Cape Province Transvaal Orange Free State)
NORTHERN & SOUTHERN RHODESIA
KENYA TANGANYIKA UGANDA NYASALAND
BRITISH WEST INDIES BRITISH WEST AFRICA
PORTUGUESE EAST AFRICA SOUTH WEST AFRICA
EGYPT SUDAN PALESTINE MALTA GIBRALTAR
MAURITIUS
LIVERPOOL MANCHESTER NEW YORK Agency HAMBURG

FACILITIES FOR THE IMPORT OF PRODUCE ARRANGED.

HEAD OFFICE:
54, LOMBARD STREET, LONDON, E.C.3.

The index figures representing wholesale prices in France at the end of April disclose the interesting fact that, for the first time during recent years, prices of goods imported into this country have fallen substantially below the level of domestic products. The general index figure returned by the Statistique Générale for the end of April is 640 (as compared with 100 in July, 1914), which is equivalent in gold to 128 (as against March index figures of 146 in Great Britain, 140 in Germany, 124 in Belgium, 147 in Holland, 142 in Switzerland, and 144 in Sweden). The detailed comparative table is as follows:—

	Articles.	End of the month of Feb.	March.	April.
General index figure	(45)	652	653	640
French products	(29)	648	647	648
Imported products	(16)	658	665	625
Foodstuffs (general figure) ...	(20)	611	610	610
Vegetable foods	(8)	629	641	622
Meats	(8)	590	579	599
Sugar, coffee, cacao	(4)	617	611	606
Raw materials (general figure)	(25)	687	691	667
Minerals and metals.....	(7)	627	669	623
Textiles	(6)	774	765	738
Various	(12)	672	659	652

The sharp drop of 40 points in imported goods was due chiefly to the fall of 46 points in minerals and metals and of 27 points in textiles. Wholesale prices of French products recovered the point lost in March and returned to the same level as at the end of February. The figure for retail prices in Paris, based on those of bread, meat, butter, eggs, cheese, milk and other articles of prime necessity, is returned for April as 615, a rise of eight points on the same month, of 19 since January 1, and of 115 since November, 1927. The figure representing the cost of living (food, light, heating, rent, clothing, etc.) for a Paris working-class family of four persons (based on 100 as representing the same factors in 1914) is returned for the first quarter of 1929 as 547 (109), as against 507 in the third quarter of 1927, and 545 at the end of 1926.

Production figures for March indicate increased output in practically all industries. The general index figure for the seven leading industries is returned for the month as 138 (on the basis of 100 as representing the mean for 1913), as against 136 in February, 137 in January, 131 last October, 129 in July, and 123 in March, 1928. Mechanical industries gained five points on the month. The motor-car industry stands at 704, against 579 in March, 1928;

metallurgy at 127, against 123; building, 93, against 75; rubber, 768, against 540; and extractive industries, 120, against 115. Textile industry remains the weak spot, with 95, against 105 a year ago. Railway receipts during March averaged 293,655,000 frs. per week, as against 263,866,000 frs. in February, 255,753,000 frs. in January, and 284,890,000 frs. in December. The daily average of trucks loaded in March was 65,185, as against 61,193 in February, 59,184 in January, and 62,805 in December. Inward-bound shipping in March totalled 4,813,000 tons, bringing in 3,303,000 tons, as against 3,683,000 tons in February, bringing 2,680,000 tons. Outward-bound bottoms totalled 4,034,000 tons, exporting 1,037,000 tons (as against 3,236,000 tons in February, carrying 848,000 tons).

Unemployment continues nominal. Last week's return showed that the total number in receipt of unemployment pay throughout the country was 661 (as against 706 the previous week), of whom 355 were in the Paris area. During the week 3,981 foreign labour units entered the country and 739 left for home.

Under the unsettled prospects of the experts committee, the index figures representing Bourse quotations in April of stock and shares of variable yield show a downward trend in every category except that for insurance shares. The general figure, covering 288 French descriptions, is returned at 518, against 535 for March, 548 for February, 543 for January, 1928, and 345 for January, 1927. The figures for bank shares lost 20 points on the month, collieries 34, iron and steel concerns 16, metallurgical companies 15, construction material companies 29, chemical products 16, railways three, shipping shares 10, and electrics and textile shares 34 each. Insurance shares were seven points higher. New issues of capital in April totalled 1,475,200,000 frs., of which 106,600,000 frs. represented new companies, 357,500,000 frs. new bond issues, and 1,011,100,000 frs. increases of share capital issues. The average rate offered for new bond issues was 5.90 per cent., against 6.20 per cent. in March, 6.5 per cent. in December, and 6.75 per cent. in April, 1928. Bankruptcies in March numbered 930, as against 750 in February, 757 in January, and 536 in April last year.

A return just published shows the rapid development of the yield from income tax in France during recent years. The French income-tax law came into existence in 1914, but was not applied until the second year of the war, and then only to a nominal extent. Schedule rates did not come into operation until 1918, after which the yield progressively increased as follows:—

	Yield.
1918	512,499,000f
1919	869,323,003f
1920	1,326,261,515f
1921	2,820,509,153f
1922	2,631,980,095f
1923	3,795,854,972f
1924	4,941,851,459f
1925	6,477,124,174f
1926	5,997,944,751f
1927	7,716,853,363f

The yield for 1928 is not yet definitely known. The demand notes levied down to the end of March totalled 8,616,735,000 frs.

GERMANY.—REICHSBANK—MONEY AND EXCHANGE—NEW LOAN—INDUSTRY—WHEAT PROTECTION.

(FROM OUR CORRESPONDENT.)

BERLIN, May 14.

AT the time of writing there is little expectation that the Reichsbank intends to raise its discount rate immediately. The last advance, it is now clear, had no influence upon borrowing, and very little upon the exchange market. A new advance, it seems, would be justified only if it drew back foreign short-term credits. Whether it would have this effect is doubtful in view of the condition of foreign markets. Instead of advancing its rate the Bank is using direct means to limit credit. During May the commercial banks are not to be allowed to present new bills to the full value of those repaid. It is understood that by the end of the third week of the month the discount portfolio is to be not more than 75 per cent. of the volume of April 30th. This would mean a somewhat larger reduction than took place naturally at the same point in each of the last two years; but as discounts normally decline considerably until the last week of the month the new measure cannot be considered stringent. The effect will be to prevent any expansion of credit for the purpose of financing purchases of exchanges, and, perhaps, to compel hoarders of exchange to realise. That some such measure was necessary is proven by the unsatisfactory return for May 7th. While the gold and legal-cover exchange reserves lost respectively 126 and 46 million marks, discounts declined by only 7 million marks, and a drop in advances by 53 million marks was offset by a rise in treasury bill discounts by 65 million marks. Of this last issue, of 400 million mark, more than half is now in the Reichsbank's hands. The decline of 189 million marks in circulation shows that the Bank had ceased to finance indirectly purchases of exchange. The ratio of reserves (both gold and exchange) to reichsmark circulation fell during the week from 43 to 41 per cent., and so nearly touched the legal minimum. A semi-official communiqué, however, indicates that discounts, advances, and circulation declined satisfactorily in the second week of the month. The present position, as compared with that of immediately before the discount rate reduction of January, is (in millions of marks):—

	May 7th.	January 7th.
Gold and legal cover exchange	1,819	2,887
Discounts	2,985	2,101
Advances	209	54
Circulation (reichsmarks)	4,442	4,484

Of 837 million marks gold lost this year up to April 30th, 755 million marks went to the United States, 17 million marks to France, 11 million marks to Switzerland, 10 million marks to Holland, and 37 million marks to Great Britain. The exchange position has much improved, the dollar official rate being to-day back to 4.216 (later, in unofficial dealings, 4.215). It seems that the voluntary export of German funds for profitable employment in the New York money market has been larger than was at first supposed, and the withdrawals of foreign funds rather smaller. The money market is entirely under the influence of the credit restrictions. Last week the day-loan rate never fell below 8½-10 per cent., and first-class borrowers at times paid the higher rate. To-day the rate rose to 9¼-11 per cent., and month loans were hard to obtain at 9-10½ per cent. Commercial bills are hardly saleable at 1 per cent. above the Bank rate. There have been large offers of private discounts, of which for days the Reichsbank took only 10 per cent. The rate remained 7½ per cent., the same as the Bank rate. A further advance, to above the Bank rate, was even talked of, although this would have had the unreasonable effect of making credit-raising with the highest quality bills dearer than with the not-quite-so-good quality, which the Reichsbank treats as discountable. The large offers of private discounts were partly due to the fact that credit seekers knew in advance that they could not sell all that they offered. For the present a return to normal money-market conditions is not expected. But an agreement in Paris, which in spite of the unfavourable reception in England of Mr Young's latest proposals is expected, would accelerate the return of foreign short-term credits and lead to a further improvement in the exchange position.

The Finance Minister's Bill authorising the tax-free 500 million mark loan, to relieve the Republic's cash difficulties, has been sanctioned by the Reichsrat, which, however, added the proviso that loans of the states floated in the present and next financial year, to a total not exceeding 40 per cent. of the federal loan, may, like the latter, be freed from income, property, and inheritance taxes. This proviso is based on the conclusion that a tax-free federal loan must spoil the capital market for other taxable public loans. The tax-exemption plan is strongly opposed. The exemption from income tax in particular badly hits the states and municipalities, which receive 75 per cent. of income tax yield. Socialists strongly object to an exemption which favours the well-to-do and favours most of all the very wealthy. The Finance Minister rejects the Reichsrat's demand for tax-exemption also for state loans, and the Reichstag will have to choose between the two versions. Dr Hilferding is not too pleased with his own plan, but he holds that the chronic cash deficits and the resultant necessary resort to short-term borrowing are impediments to satisfactory finance; and describes the loan as a necessary first step towards improvement. The issue price of the loan is not known. Nominal interest will be 7 per cent., and the loss of taxes will be 10½ million marks a year, or 2 per cent., so that the effective interest burden on the Republic will be around 9 per cent.

An official return shows the present indebtedness of the Republic, states, and municipalities arising from old paper-mark debts at 5,722 million marks, of which sum 4,548 million marks fall to the Republic, only 28½ million marks to the states (whose railway debts were taken over by the Republic), and 1,048½ million marks to municipalities and unions of municipalities. This is the so-called "old-owned" loan. If the "new-owned" loan, the real value to its owners of which is problematical, is added at nominal value, the whole public debt arising out of former paper-mark claims is 6,600 million marks.

The wholesale prices index has further slightly fallen to 136.0 on May 8th. The labour market shows a very rapid improvement, the official estimate for May 1st being 1,100,000 unemployed, which means a decline of about 56 per cent. in the preceding eight weeks. The general trade position is rather better. Ruhr average coal output in April was about the same as in March, and the coal dumps were reduced. Pig-iron production in April was 1,105,098 metric tons, as against 1,047,548 tons in April, 1928. A meeting of the Rohstahlgemeinschaft, the Stahlwerksverband, and other steel interests this week is expected to throw light on the attitude to be adopted in negotiations for renewal of the International Steel Cartel. Some of the larger steel concerns still profess not to care whether the Cartel is renewed or not. The Schuckert Electrical Co. (Nürnberg), which is a holding company, announces a dividend of 11 per cent. for the business year ending March 31st, as against 8 per cent. in the preceding business year. Net profit is 6,523,000 marks against 4,637,000 marks. The inundation of cheap matches from Russia, mentioned last week, is rising. The recent heavy fall in international wheat prices has given new life to the agitation for increased Protection, whether by way of higher import duties or of state regulation, or both. Wheat and rye prices here have heavily fallen. The wholesale foodstuffs index price is only 127.2, as against 137.8 average of 1927. The American "export debenture plan," which has incurred President Hoover's disapproval as the McNary-Haugen Bill incurred President Coolidge's, is made an excuse for demanding state measures aimed at the putting up of prices and their maintenance at a profitable level.

POLAND.—THE NEW CABINET—Mr DEWEY'S REPORT—STOCK EXCHANGE PRICES—TRADE DEPRESSION—BUDGET—BANK.

(FROM OUR CORRESPONDENT.)

WARSAW, MAY 11.

UPON the resignation of the former Premier, Mr Bartel, the new Cabinet, with Mr Switalski at its head, has been formed. All the new Ministers belong to the "colonel party," an indication that this wing of the Government has the upper hand. Mr Bartel tried to co-operate with the Diet, while the "colonels" advocated a decidedly anti-parliamentary course. As the co-operation with the Sejm, in which the Government has no majority, met with great difficulties, they aimed at a dissolution and some of them even declared themselves in favour of the proclamation of a new Constitution without its acceptance by the two Chambers. It would be wrong, however, to draw from this the conclusion that the Constitution will be changed by a *coup d'état*. Conditions are often stronger than men and principles. During recent months the economic situation has changed. The upward tendency has been replaced by a trade depression. The number of unemployed has increased and exports are declining. Under such conditions it seems improbable that the Government will accentuate the situation by sharp political measures. It is characteristic that the papers representing the "colonel party," which advocated hitherto a rash anti-parliamentary policy, have modified their intransigent attitude. The problem of constitutional reform is not discussed and it is probable that the new Cabinet, though its composition is quite different, will not deviate from the course of Mr Bartel's Government.

Mr Dewey, the American financial adviser, will shortly publish his report for the first quarter of this year. Extracts communicated to the Polish press contain a very interesting criticism of the economic policy of the Government. Mr Dewey shares the view of those Polish economists who consider that the Government has gone too far in the direction of the development of State undertakings. The public economy has outgrown the economic forces of the country and this has accentuated the dearth of capital. Trade and industry have been left without the necessary reserves and the lack of circulating capital is so great that the smallest disturbance entails immediately an increase of protested bills. Mr Dewey makes the great investments financed in the first instance from current revenues partly responsible for this state of affairs. He declares himself in favour of curtailing all investments. He criticises the method applied by the railways, which have invested the total revenues, amounting for the last year to 20 million dollars. It would be more rational to transfer these revenues to the general budget and to float a loan, redeemable in 30-35 years, which could be used for the development of the railway system. Mr Dewey thinks that such a policy would help to lower taxes, which he considers too high and unjust in their distribution. The turnover tax is burdening the industry of the country too much. In the case of the iron industry the cost of production is increased by the turnover tax by more than 14 per cent. Mr Dewey dwells equally on the detrimental effects of double taxation.

The trade depression is characteristically accompanied by a downward tendency of the stock exchange. The index of 45 shares fell from 92.96 in February to 87.44 in March. In comparison with April of last year (114.97) the decline amounts to 27.53 points. According to present quotations mortgage banks yield 13.06 to 13.07 per cent. and Government loans 0.54 per cent.

The prices of commodities taken as a whole have changed very little. The wholesale index has been maintained almost unchanged since last year (103.1 in March, 1928, 97.5 January, 1929, 98.8 February, 99 March). The price movements of agricultural products and of manufactured goods moved, however, in opposite directions, showing great divergencies, as may be seen from the figures below. (1927 = 100):—

	Wholesale Prices.		Retail Prices
	Agricultural products.	Manufactured goods.	of manufactured goods.
April, 1928	104·5	105·3	106·9
January, 1929	89·5	104·5	108·6
February, 1929	92·3	103·9	108·7
March, 1929	91·6	104·7	108·6

While the index of agricultural products has declined from 104.5 to 91.6, the wholesale prices of manufactured goods have remained nearly stationary, and the retail index has increased. This has had a very detrimental influence on the economic condition of the rural populations. The peasant is obliged to restrict his consumption of manufactured goods and this reacts again unfavourably on the state of industry. In the first instance, the textile industry is affected by the small purchasing capacity of the rural districts. In the cotton industry 5,000 to 7,000 workmen have been dismissed, of the remainder only 35 per cent. are working 6 days, 45 per cent. 4 to 5 days, the rest 2 to 3 days.

It seems that the climax of the trade depression has been already passed. The spring has brought an improvement. The number of unemployed, which has increased from 65,000 in September, 1928, to 180,000 in March of this year, has steadily declined until the beginning of April. According to the last returns 160,000 are actually unemployed.

The budget estimates for 1929-30, voted by the Diet, contemplate a general treasury revenue of 2,955 million

zlotys and general expenditure of 2,935 millions. The revenue side of the 1929-30 budget is based on a continuance of existing taxes and monopolies. The revenues amounted in 1927-8 to 2,768.4 millions, and in 1928-9 to 3,000.0 millions.

During the first two decades of April the reserve of foreign currencies held by the Polish Bank decreased by 88 million zlotys. This decided the Bank to raise, on April 18, its discount rate from 8 to 9 per cent. The return for the last decade of April shows that the drain has ceased, and the reserve of foreign currencies has increased by 6.3 millions. In comparison with the end of 1927 the situation was, on April 30th, as follows: the reserve of foreign currencies has decreased by 318.3 millions, the reserve of gold has increased by 105.7 millions, so that there remains a net loss of 212.5 millions. The percentage of the legal cover remains high. Gold and foreign currencies included in the reserve amount to 63 per cent. of notes and deposits.

HUNGARY.—FOREIGN POLICY—AGRICULTURE —TARIFFS—BANK RATE.

(FROM OUR CORRESPONDENT.)

BUDAPEST, May 11.

THE visit to Budapest of Signor Grandi, the Italian Under-Secretary of Foreign Affairs, afforded good evidence of the friendly relations between Hungary and Italy. Relations with the States of the Little Entente—Roumania, Czechoslovakia and Jugoslavia—though slowly improving, are far from being satisfactory. The long-delayed case of the Roumanian Optants who lost their property by the application of the Agrarian Law in that country is on the way to solution. Direct representatives of Hungary and Roumania will meet at the end of May in Vienna, and there is good reason to hope that an agreement will be found, though there are considerable difficulties still to be settled. Similar differences between Hungarians whose land was expropriated by the Czechoslovak and Jugoslav Agrarian Law still await solution. The unsatisfactory treatment of the Hungarian minorities, numbering three and a half millions, under the sovereignty of Roumania, Czechoslovakia and Jugoslavia is the main cause of the strained relations between Hungary and the Little Entente. Hungarian public opinion is following with great interest the deliberations of the Minority Committee of the League of Nations and the Hungarian Government forwarded a memorandum to the next Session of the Council of the League on the grievances of the Hungarian racial minorities.

Home politics do not show any change. Count Bethlen recently completed the eighth year of his stable administration. In spite of disagreement with his methods of administration, the fact that his government brought back this country from the ruin of war and revolution to financial and economic order proves that political stability amidst the ever-changing régimes of the Succession States of the Old Monarchy is the best way to economic and political consolidation.

The greatest merit of Count Bethlen's government is the wholehearted co-operation with the League of Nations to re-organise Hungary's finances, paralysed up to 1924, by the inflation. Five years of stabilised currency, sound finance and the resultant economic recovery proved that the rising standard of living, which was the natural corollary to the application of the League's reconstruction scheme, is the only possible commonsense policy in the war-stricken Danubian States. It would be idle to assume that the work of reconstruction has come to an end. The high tariff walls and the dislocation of trade between States which formerly composed an ideal economic unit is a constant reminder that the future welfare of Central Europe depends on the applications of the recommendations of the World Economic Conference Hungary complains that her gesture lowering the duties in the Austrian and Czechoslovak commercial treaty has not met with the response which was anticipated, as Austria, Czechoslovakia, Poland and Germany are persisting in high agricultural protection which greatly hinders the marketing of Hungarian products. It is true that the refusal of Germany to come to a veterinary agreement with Hungary is nothing short of a veiled prohibition of Hungarian livestock export, which is all the more keenly resented as Germany's export to Hungary is steadily increasing.

Hungarian agriculture is passing through a very difficult time. The severe frost of the unusually long winter damaged the crops, but it is hoped that the good weather in May will improve the prospects. Prices are low and exports are very difficult. Credit conditions are somewhat better owing to the financial settlement of the Land Reform, which will enable farmers to repay their most burdensome short-term debts and re-equip their land with modern implements. The future of Hungarian agricultural prosperity depends on the adoption of a new policy with due regard to marketing possibilities abroad. This was emphasised by Dr Bud, the Minister of Economic Affairs, who laid recently before Parliament the Government's Economic Programmes. The main features of the programmes are: drainage and irrigation schemes, afforestation, fruit growing, better communication for agricultural districts and a new tariff policy. Agrarian circles are now realising how high protection of the staple industrial commodities damages their interests and are now urging the Government to do away with the burdensome duties which make agricultural production so difficult. The Government is pledged to introduce legislation in order to control trusts and cartels, the severe criticism in Parliament of whose activities found wide echo in the Press. Of course, industrial circles do everything to counteract the growing tendency against protectionism and combinations, and do not hesitate to declare that the country's credit would be damaged abroad if the Government were to introduce a bill for the control of cartels. It is very unfortunate that even official circles are somewhat influenced by that campaign, which is obviously intended to divert public opinion from the unduly high prices of protected industrial commodities. The fact is that the financial committee appointed by the League of Nations some years ago observed "that the new industries which have no basis in Hungary's natural resources are diverting capital from her main production where it is urgently needed and are increasing the cost of living with reaction on the whole of her economic life, including the power to export." This is exactly what has happened. Hungary cannot go on borrowing so heavily as she did in 1927 and 1928, when the indebtedness of the country amounted to 1,000 million pengös approximately. This heavy borrowing resulted in a large adverse balance of trade and the Hungarian industrialists would do better to observe the advice of the financial experts than to divert the none too large resources of Hungarian agriculture to inefficient and expensive industrial production.

The money market is tight and the Bourse is dull. The stoppage of foreign loans and the drain on the National Bank gold reserves compelled the Bank to raise its discount rate on April 23rd from 7 to 8 per cent. The rise in the bank rate was anticipated and did not cause any surprise, though its effect will be severe, especially for agriculture. The credit situation depends entirely on the international money market, for Hungary, as a debtor nation, still requires foreign accommodation for the development of her resources. The economic situation is good; public revenue is satisfactory, production and employment is on the same level as last year, and the adverse balance of foreign trade in the first quarter of 1929 amounted to only 66.4 million pengös, as against 102.1 millions in 1928.

CANADA.—SEEDING OPERATIONS—WHEAT— BUSINESS CONDITIONS—GRAIN INQUIRIES— THE HUDSON BAY ROUTE.

(FROM OUR CORRESPONDENT.)

OTTAWA, May 3.

SEEDING operations in Canada have been hampered by cold, wet weather, but the heavy rains which fell on the prairies during the latter half of April were not unwelcome as the lightness of last winter's snowfall had given rise to apprehensions of a dry seedbed and a shortage of moisture reserves. Moreover, despite the interruptions, the amount of seeding accomplished on the prairies up to May 1st was equal to the volume at the parallel date in 1928; wheat seeding is about 70 per cent. completed in Manitoba, 35 to 40 per cent. in Saskatchewan, and 25 to 30 per cent. in Alberta. All the evidence points to a substantial increase in the crop acreage, and some authorities place it as high as two million acres. For the large exportable surplus which is still in the country there has been a good foreign demand in recent weeks, but the situation may be altered by the measures now being taken in the United States to stimulate the export of American wheat, which has found great difficulty in meeting Canadian competition in European markets. In order to relieve the blockage of wheat which has jammed full all the interior storage space, the leading American railways propose to make a cut in their freight rates for export wheat which will average nine cents per bushel, and the avowed object is to facilitate the sale of American wheat abroad and obviate what threatens to become a disastrous glut as soon as the new crop of American winter wheat reaches the market. The official decision of the Canadian railways has not, at the time of writing, been announced, but it is probable that they will meet the American cut in rates by corresponding reductions, and not allow Canadian wheat to lose its present advantage in export markets. Such a course will involve a diminution of earnings, but the latter have been quite satisfactory for the first four months of the year, although the net income of the C.P.R., owing to expenditure on repairs which were held over from last year, shows a slight fall. The carloading returns, which had been lower most weeks, have now caught up with last year's aggregate, and the cumulative total up to May 20th was 998,514 cars, a gain of 3,624 over the parallel figure for the previous year.

Business conditions in general remain very satisfactory, and in some lines of manufacturing the rate of operation is placing a strain upon the facilities for production. The output of steel in Canadian mills was in March larger than in any month since October, 1918, when there was abnormal demand for munitions material, and the output of motor cars and trucks for the same month, placed at 40,000 units, was the largest on record for any single month. The volume of new building construction was, at the end of April, 12 per cent. ahead of the figure for the first four months of 1928. Employment at the beginning of April showed the usual seasonal decline compared with March owing to the cessation of certain forestry activities, but it was very small, and the Bureau of Statistics employment index number stood at 110.4, as compared with 102.3, 97.4 and 92.5 on April 1, 1928, 1927 and 1926, respectively. The last two months have witnessed a good inflow of immigrants, and the Government agencies report that there is no difficulty in finding employment for them. The newsprint industry has not yet emerged completely from its difficulties, and there are rumours of more mergers as the result of pressure from the banks, but its production is being well maintained and exports of paper and manufactures thereof for March were valued at $15,242,661, as compared with a value of $14,611,572 for March, 1928. There have been no new developments of importance in the mining world, and mining stocks are still, with the exception of a few special favourites, under a cloud with the public. The ordinary stock markets have also been dull and disposed to show a recessionary tendency; they have made no really sympathetic response to the burst of "bull" activity in New York in the early days of May.

The banks are still keeping a very tight hold over the credit situation, and there is some surprise that practically no gold has been shipped to New York to improve the position of the Canadian dollar, which has been standing at between ½ and 1 per cent. discount for some time. It is stated that the Finance Minister has placed a virtual embargo upon the export of gold. The Federal Parliament is still in session, and, as the Opposition groups have developed a militant and aggressive spirt, and have adopted tactics of blocking the estimates of the Postmaster-General, in order to convict him of restoring the "spoils" system in his department, prorogation is not now looked for until at least the middle of June. The standing agricultural committee of the House of Commons is holding regular sessions to hear evidence about the Canada Grain Act, and it may be guided in framing its report by an interim report of the Saskatchewan Royal Commission, which recommends a wholesale reorganisation of the Board of Grain Commissioners and many changes in its administrative practices and regulations; it also urges that all the grain elevators which are to be erected at Fort Churchill should be owned and operated by the Government. This Commission is to continue its investigations, and will visit not only numerous places in Eastern Canada and the United States, but also some of the more important grain markets of Europe.

Some interesting light has been shed upon the possibilities of the new Hudson Bay route by the publication of the report of an expedition sent by the Dominion Government to investigate navigation and other conditions in the Hudson Bay, and particularly in the Hudson Strait, which is its eastern outlet. The expedition spent part of the year 1927 and 1928 in this locality, and, while its report contains a caveat that the observations of two years may be an inadequate basis for a final judgment, its findings practically confirm the conclusions of a committee of the Senate which some years ago heard evidence about the navigability of the Hudson Bay route. Mr N. B. McLean, the leader of the expedition, asserts his confident belief that the route can be profitably used for commercial purposes, and that the strait, which is the crucial point in it, ought to be navigable for about four months each year without the aid of ice-breakers. He gives July 19th as the probable date for the opening of navigation and November 16th for its closing, and believes that the length of the navigation season could be extended by the use of ice breakers. The report admits the frequent occurrence of foggy weather in the strait; last year during the navigation season fog prevailed on 39 days and on 14 of these it could be described as dense. Stress is, therefore, laid upon the necessity of providing every possible aid to navigation, and the report urges an accurate survey and charting of the straits, an exhaustive study of its tides and current, the establishment of a sufficient number of observations and direction-finding stations, and the provision of two large ice breakers, one to be stationed at Fort Churchill and the other at a suitable harbour on the straits; it believes that such measures would increase the confidence of navigators and shipowners, and help to ensure reasonable rates of marine insurance, which will be an important factor in freight rates for the route. The report has been favourably received by the Western Press, which points out that grain will each year be the chief commodity exported by this route, and that, if navigation remains open till November 16th, the grain-shipping season by the new route will each autumn be just as long as by the Great Lakes-Montreal route, which is usually closed before the middle of November. During the summer a great deal of construction work on piers and wharves will be undertaken at Fort Churchill, which is steadily accumulating population; it has become the base of operation for a great deal of prospecting activity in the highly-mineralised terrain of the western shores of the Hudson Bay.

Letters to the Editor.

ENGLISH ELECTRIC POWER COMPANIES AND FOREIGN CONTROL.

TO THE EDITOR OF THE ECONOMIST.

SIR,—There has been a considerable stir in City and Parliamentary circles over the sale of the Shropshire, Worcestershire and Staffordshire Electric Power Company to the Utilities Power and Light Corporation of Chicago through their English agency, the Greater London and Counties Trust, of which Lord Birkenhead is chairman.

The Power Company is a large and progressive concern, and its activities have been continuously on the increase since the war and its supply area now covers a matter of some 1,800 square miles. The company has erected, with Government money, a fine and admirably placed power station at Stourport-on-the-Severn, and has, with commendable enterprise, anticipated the coming of "the grid." According to the latest published balance-sheet, the company has a paid-up share and loan capital of £3,071,546 (including a loan of £716,146 advanced under the Trades Facilities Act). Its capital

expenditure under all heads—viz., lands, buildings, plant, mains, Acts and Orders, and investments in subsidiary companies—stands at £3,464,108.

All this, however, is of comparatively recent date. Until after the war the company did business in a very modest way and paid equally modest dividends. Of late years it has paid 5, 6 and 7 per cent., and for 1928 it paid 7½ per cent. The company's area, taken as a whole, is by no means rich; indeed, with the exception of the heavy industrial districts of Smethwick, Oldbury and Dudley, the area may be termed lean. Nevertheless, under continued careful management, including in that term sober finance, the company's future should be good.

Such is the undertaking for the £1 ordinary shares of which the Greater London and Counties Trust, Limited, has thought it good business to offer two and a half times their nominal value. The question now is, "What will they do with it?" As an investment it yields precisely 3 per cent. on the purchase price: a low yield even for America. The only alternative would appear to be some complicated merger, by which, under an aggressively British name, this particular property, mixed up with similar stuff recently acquired, will be offered to the English investor. If we may judge from what Lord Birkenhead has communicated to the Press, it is this latter which is in contemplation.

So much for the purely business aspect of this transaction. Important as this may be to the investing public, it is the national aspect of the deal which is the more important. The general idea underlying that very imperfect piece of legislation, the Electricity (Supply) Act, 1926, and its immediate predecessors, the Acts of 1919 and 1922, was just this: That it was to the interest of this country that there should be made generally available a cheap and abundant supply of electricity. When the Government Bill of 1926 was in Grand Committee, the Labour Party made the Electric Power Companies who formed part of Government scheme the target for their fiercest attacks. Public control was lessened rather than added to during the journey of the Bill towards Royal Assent. It was urged that the power companies had borne the heat and burden of the day and for the most part had so far earned but a modest return upon their capital, that they were pioneers who deserved well of the State. Those responsible for their management were, it was said, fully alive to the duty they owed the public. Further, it was argued that the Joint Electricity Authority idea had been a failure up to date. All of which contentions were substantially true. And so it came about that the power companies were left in unhampered possession.

It seems, therefore, peculiarly unfortunate that one of the best exemplars of the electric power companies should have become a counter in a trust company gamble; it can only lend strength to the Socialist demand for complete public control. If, however, electricity supply is in reality of the paramount national importance which all three parties loudly proclaim it to be, then it surely follows that we cannot allow this power company and that power company to become a Stock Exchange plaything and then to pass under the control of a group of foreign gentlemen seated in Chicago. Those who pay the piper call the tune. It is idle to talk about British this and British that, so long as the nerve centre remains on the other side of the Atlantic. It is worse than idle talk: it is deliberately throwing dust in the eyes of the public. The boards of these aggressively British concerns may be left British through and through, but the hands that pull the strings will be American.

The £1 shares of the Shropshire Power Company, having regard to the past, present and future dividends, the size of its reserves and its loan and debenture debt, were probably intrinsically worth round about 25s. Yet, during the past few months they have been forced up and up by the purchases of well-informed speculators to 30s., 35s., and 40s., to be finally taken over by the Americans at 50s. ex-dividend. To have to pay £2,637,500 for 1,055,000 £1 shares, as the gentlemen from Chicago have done, cannot be conducive to a cheap and abundant supply of electricity.

This is clearly not a case of investment pure and simple. We are all ready to extend a warm welcome to the bona-fide foreign investor, but it is futile to suggest that a deservedly prosperous and well-run undertaking such as the Shropshire Worcestershire and Staffordshire Electric Power Company could not have raised all the money it required on reasonable terms on the London market. It has been doing so now for years, and we feel sure that those responsible for the day-to-day operation of the Shropshire Power Company, whose hard work and skill have built up the business now sold to the Americans, must have watched with dismay this Stock Exchange game of push-pin.—Yours faithfully,

Birmingham, May 15, 1929. ONLOOKER.

[Reference is made to this letter in an Investment Note on page 1118.—ED. *Economist.*]

Books and Publications.

THE PARTY POLICIES.*

THE almost simultaneous publication of a confession of faith by a prominent member of each of the three parties, endorsed as representative, though unofficial, by Lord Melchett, Mr Lloyd George, and Mr MacDonald respectively, provides a tempting opportunity for a reopen-minded voter whose political allegiance is still in the making. He turns first to the Conservative publication, to which a wealth of historical reference and an absence alike of promises for the future and of boasting as to the recent past lends a superficial air of dignity. Alas, it soon becomes apparent that their absence makes it not more than an electioneering pamphlet, but less. Finding nothing to boast about in the achievements of the last four and a half years, the author appeals, almost throughout, to that distinguished, but now somewhat remote period in Tory history when the party was the champion of the manual workers against the newly emergent capitalist class, pitifully reminding the reader that, like Sir Andrew Aguecheek, it was adored once. The chapter on "The Standard of Living" reaches its climax with an extract from one of Disraeli's speeches. True, reference is made to the Pensions Act of 1925, but the reader must have been a very little pitcher indeed in 1909 if his ears were not long enough to catch some echoes of the struggle which accompanied the establishment of this principle against Tory opposition.

The apologist of the Conservative party is a sound psychologist, and contrives somehow implicitly to indentify his party with the preservation of everything which the Englishman abroad, in his moments of nostalgia, feels to be most typical of his native country. Lines of outstanding beauty from Masefield, passages of descriptive prose from Mr Baldwin, which suggest that the Prime Minister would have found his true vocation as Poet Laureate, are produced as evidence of what the Tory party stands for. But where was the Tory party when Shakespeare wrote his over-quoted passage in "HenryV."? To adapt a transatlantic idiom, is Mr Baldwin the boy that put the green in the English landscape? There are no references to petrol stations or wild flowers in this book, but the reader might reasonably infer that Mr Lloyd George will sow his new roads with rainbow petrol stations, while Mr MacDonald will grub up all the primrose roots along their margins. This is a skilful line of attack at this moment, but it is singularly illfounded.

In foreshadowing a possible reform of the House of Lords, Mr Bryant advances a naïve defence of the hereditary principle. Admitting that it results in a mediocre level of ability, he claims that as an advantage, on the ground that as electors tend to choose members of the House of Commons who are above the average in capacity, they need also to be represented "by a few men of the same mental and moral calibre as their own," and this is where "The-Lord-in-the-Street" comes in.

The most disappointing feature of this apology for Conservatism, which cannot fairly be taken as representative, is its complete lack of any evidence of an international spirit. One might suppose the world bounded by the confines of the British Empire, but for the fact that there are two short chapters on "Foreign Policy and "National Defence," in which the horrors of war are strangely subordinated to delighted contemplation of the nobility it calls forth. Strange doctrine this, to put before an electorate that remembers 1914-18.

Perhaps the greatest strength of "The Labour Outlook" is at this very point. Nobody doubts the sincerity of the Labour party's internationalism, however misguided some of its manifestations may be, and some of its best work while it was in office was done in the field of foreign relations. The two main articles of its creed, as expounded here, are internationalism and socialism, but it has learnt to wear its socialism with a difference. It is to be no longer "in our time," but "as and when the opportunity arises, and as experience beckons us onward." Moreover, "socialism" does not seem to mean anything more formidable than the nationalisation of land (not agriculture), coalmining and certain essential services.

The main points in the Labour thesis are comprehensive programmes for public health, housing, education, pensions and insurance. There is little in the first three of these, at least, to which either of the other parties could take exception in principle, and the education programme is almost identical with that on which Lord Eustace Percy recently discoursed. But when it comes to financing these vast schemes of reform, simultaneously with the abolition of food taxes and the lightening of the burden of direct taxation on small incomes which is promised, it appears that they are part of a scheme for the redistribution of wealth in which more heavily graduated surtax and the taxation of land values are an essential element. The possibility of raising the necessary funds by this means without destroying industry in the process is assumed without discussion.

In order to deal with the present abnormal volume of unemployment—for which the Conservative volume in this trilogy suggests little (protection apart) except Lord Melchett's now almost forgotten scheme on the lines of the fatal "Speenhamland Act" of 1795—Mr Greenwood's programme includes a scheme of public works which has its origin in the same dictates of common sense that inspired Mr Lloyd George's programme. It is, however, not confined to roads, and would require for its materialisation funds the raising of which would present no small problem. It hopes much from the reorganisation of industry, an instrument in which is to be yet another Royal Commission on the coal industry, and from the nationalisation of banking, while, as minor contributory influences, there would be the raising of the school-leaving age and the lowering of the qualifying age for pensions.

On the whole this programme is not the bogey wherewith to frighten electors that it has often been represented to be. The only formidable elements in it are the extent to which nationalisation is proposed, and the confiscatory taxation projects, and there is no pretence that either of these could be brought into effect otherwise than gradually, which might well mean never. Shorn of these the programme becomes a close approximation to that of the Liberal party, and this no doubt accounts for the fact that the two volumes appear decked out in covers of identical design, though, symbolically, of different colour. Even the ballot paper which dominates the picture contains a cross against the same name in each case. Both parties are sincerely and actively internationalist; both are opposed to protection; both have a progressive education policy—so much so that in both booklets the point is made that many of those who oppose maintenance grants for schoolchildren were glad enough themselves to accept scholarships at Eton or Trinity which were originally designed to benefit the people as a whole. The Liberal statement of policy attaches great importance to programmes for industrial peace, in which elaborate statutory machinery plays a large part. Essential as this matter is, the detail in which it is here worked out occupies a disproportionate space, and might give rise to an accusation of padding. Just because the Liberal programme concentrates on matters of immediate policy and promises little that it could not set about performing, immediately on being returned to office, it makes less impressive reading than "The Labour Outlook." "The *immediate* objectives of the Labour Party," says Mr Phillips, "are based for the most part upon the intellectual foundation of Liberalism, and it is not unlikely that the future relationships of the two parties will be largely determined by this fact." This is a very significant utterance.

* "The Spirit of Conservatism." By Arthur Bryant. Methuen and Co. 2s. 6d. net. "The Liberal Outlook." By Herbert Phillips. Chapman and Hall. 5s. net. "The Labour Outlook." By Arthur Greenwood. Chapman and Hall. 5s. net.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

British Documents on the Origins of the War, 1898-1914. Edited by G. P. Gooch and Harold Temperley. 12s. 6d. net.

This is the fourth volume of this important series, and deals with the Anglo-Russian rapprochement, 1903-07.

The Economic Effects of Monopoly on British Power Stations. By A. H. Swain. (London) Messrs Simpkin, Marshall, Limited, 4 Stationers' Hall Court, G.P.O., Box 77. 10s. net.

The chairman of the Leicester Electricity Committee criticises with some vigour the activities of price rings in the electricity supply industry, which, in his opinion, are driving British local authorities more and more into the arms of foreign producers.

Free Trade To-day. By H. L. Nathan. (London) Victor Gollancz, Limited, 14 Henrietta Street, Covent Garden. 5s. net.

A considered, well-informed restatement of the Free Trade case.

Confederazione Generale Fascista dell'Industria Italiana. Annuario 1928-29. (Rome) Società An. Tip "Castaldi."

This volume consists principally of reports to the first National Congress of Italian Industries and to the General Assembly of Delegates. Between them they constitute a wide survey of social and economic affairs in Italy in 1928.

Gli Effetti della Variazone del Valore della Moneta sui Tributi. By Francesco Antonio Rèpaci. (Turin) Ditta Fratelli Pozzo.

A short historical and theoretical discussion, in Italian, of the effects on taxation of fluctuations in the value of money.

Wirtschaftsprobleme der Freien Stadt Danzig. By Dr A. Proeller. (Danzig) Druck und Verlag von A. L. Kafemann, G.m.b.H.

A compact discussion, in German, of the economic problems of the City of Dantzig.

The Mystery of the Trade Depression. By Frederic E. Holsinger. (London) P. S. King and Son, Limited, 14 Great Smith Street. 7s. 6d.

In his preface the author thus summarises his work:—"I can conceive of no more precise, comprehensive and decisive indictment of an economic system than the indictment I have made of the capitalist system in this book."

Journal of the Parliaments of the Empire. April, 1929. (London) Empire Parliamentary Association, Westminster Hall, Houses of Parliament. 10s. net.

Extracts from the most important debates of the winter session.

Guide to House Purchase and Building Society Investment. Compiled by the Metropolitan Building Societies' Association. (Walthamstow) Metropolitan Building Societies' Association, 201 and 203 Hoe Street. 6d.

A little pamphlet which briefly answers the questions most commonly asked by people contemplating this sort of investment.

How to Conquer Unemployment. With a Preface by the Right Hon J. Ramsay MacDonald, M.P. (London) The Labour Party, Transport House, Smith Square. 2d.

An attack on Mr Lloyd George's scheme, and a statement of the Labour policy on the same question.

Nationalisation. By A. Emil Davies. (London) The Labour Party, Transport House, Smith Square. 1d.

Freedom of the Seas. Foreword by the Right Hon J. Ramsay MacDonald. (London) The Labour Party, Transport House, Smith Square. 2½d. post free.

Two election leaflets by the Labour Party.

Le Marché de Paris et les Acceptations de Banque. By Louis Pommery. (Paris) Librairie du Recueil Luey, 22 Rue Soufflot.

An article, in French, on the Paris market and bank acceptances.

" *Family Allowances*" *as a Means of Preventing Emigration.* By Leon Lebel. With a Foreword by Frederick Wright. Published by the Author at 1855 Rachel Street, East, Montreal. 15 cents.

The emigration in question is emigration from Canada. The case for family allowances in Canada is here stated with very little discussion of possible arguments against it, and with almost no reference to the experience of other countries.

World Economic Suicide. By Sir George Paish. (London) London General Press, 8 Bouverie Street. 1s.

A plea for the immediate carrying out of the recommendations of the World Economic Conference.

The Central Association of Accountants. List of Members, Articles, By-Laws, Examination Papers, etc., 1929. (London) Central Association of Accountants, Limited, 5, Salter's Hall Court. 5s.

The Banker, May, 1929. (London) Eyre and Spottiswoode, Limited, 9 East Harding Street, Fleet Street. 2s. 6d.

This interesting number includes articles by C. H. Kisch on "State Influence and the Management of Central Banks"; by Professor Bowley on "The Low Birth-rate and Unemployment"; by Joseph Caillaux on "The Committee of Experts"; and by H. Parker Willis on "Bank Amalgamations in the United States."

Archiv für Eisenbahnwesen. (Berlin) Verlag von Julius Springer.

Other countries, besides Germany, whose railways receive consideration in the principal articles of this issue are :—Switzerland; Brazil; Iraq; East China; Italy and Denmark. There is also a number of minor notes.

The Rubber and Tea Quarterly. London General Press, 8, Bouverie Street, E.C. 4. 1s.

Contains an article of special interest on "The Repeal of the Tea Duty." Other articles in this issue are :—"The Rubber Outlook," "Rubber in the United States, Malaya and Ceylon," "Tea in Northern India, Ceylon, and the Dutch East Indies."

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2.

Suez Canal: Annual Return of Shipping and Tonnage for the Year 1928. 6d. net.

Memorandum on the Shortage, Surplus and Redistribution of Juvenile Labour during the Years 1928-1933, *based on the Views of Local Juvenile Employment Committees.* Cmd. 3327. 3d. net.

The British Broadcasting Corporation: Second Annual Report, 1928. Cmd. 3324. 4d. net.

Education in Wales: Report for 1928. Cmd. 3323. 6d. net.

Memoranda on Certain Proposals relating to Unemployment. Cmd. 3331. 1s. net.

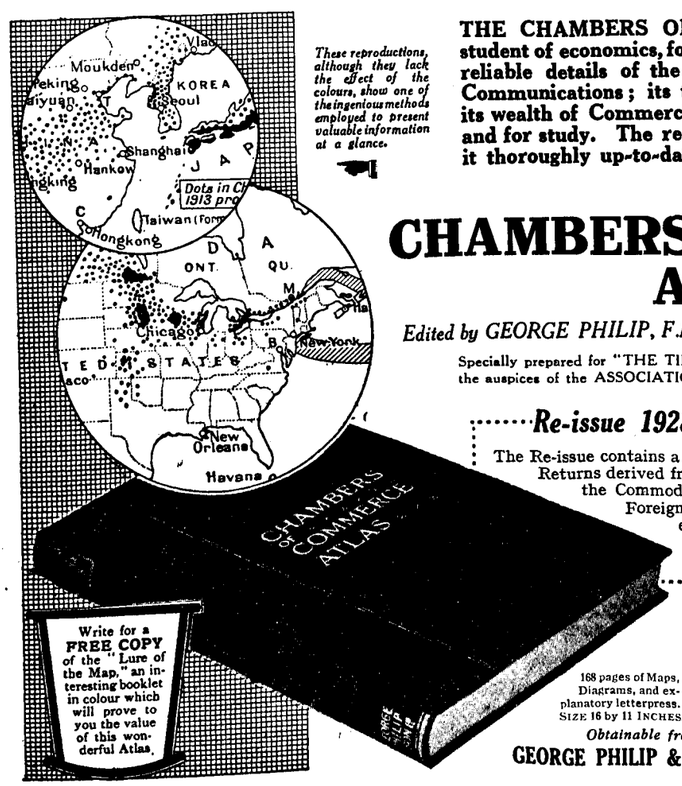
Report of the British Economic Mission to Australia. January, 1929. 2s. 6d. net.

Department of Overseas Trade: Economic Conditions in Finland, March, 1929. 1s. net.

Report of the Petrol Filling Stations Committee. Cmd. 3330. 4d. net.

Trade Facilities Acts, 1921-26; Statement of Guarantees which the Treasury have given to completion of the Scheme on March 31, 1927. 1d. net.

An asset to the Economist !



These reproductions, although they lack the effect of the colours, show one of the ingenious methods employed to present valuable information at a glance.

THE CHAMBERS OF COMMERCE ATLAS will delight the student of economics, for this valuable Work, with its abundance of reliable details of the World's Trade, Economic Resources and Communications; its treatment of Commercial Geography and its wealth of Commercial Information, is unexcelled for reference and for study. The re-issue, with Statistical Supplement, brings it thoroughly up-to-date.

THE

CHAMBERS OF COMMERCE ATLAS

Edited by GEORGE PHILIP, F.R.G.S., and T. SWINBORNE SHELDRAKE.

Specially prepared for "THE TIMES" TRADE SUPPLEMENT, and issued under the auspices of the ASSOCIATION OF BRITISH CHAMBERS OF COMMERCE.

Re-issue 1928, with Statistical Supplement

The Re-issue contains a Statistical Supplement giving the latest available Returns derived from Official sources of the World's Production of the Commodities of Commerce and the annual value of the Foreign Trade of the principal countries expressed in erling and dollars, in addition to 112 pages of Coloured Maps and Diagrams, together with a complete Compendium of Commercial Information.

Handsomely bound in Cloth Gilt, Bevelled Boards, Gilt Top ... ... **£2 12 6** net.
Half Leather Gilt ... ... **£3 13 6** net.

168 pages of Maps, Diagrams, and explanatory letterpress. SIZE 16 by 11 INCHES.

THE SUPPLEMENT IS OBTAINABLE SEPARATELY at 3s. 6d. net.

Obtainable from all Booksellers or direct from the Publishers:

GEORGE PHILIP & SON, Ltd., 32, FLEET STREET, LONDON, E.C.4

The Stock Exchange.

THE COMPANY PROMOTER.

AFTER a few weeks of relative inactivity, due to dear money and the dullness of the Stock Exchange, the last few days have seen a revival in new company share issues recalling the hectic period of 1927-28, when no proposition appeared too speculative, no new idea too flimsy or impracticable to be embodied in a prospectus and offered to the investing public. From time to time we have deemed it necessary to caution our readers against some of the undesirable features of that movement—the abuse of the shilling deferred share, the dangers of "parent and offspring" finance, the dubious investment appeal of many companies formed to exploit untried and imperfectly protected "patents," the over-abundance of new gramophone and film concerns, and the like. Experience has already gone far to confirm our views. Most of the speculative shares which sold so readily at a premium a few months ago are now quoted at substantial discounts, a number of companies have appeared in the Bankruptcy Court, others have declared that sales and profits have not come up to expectation, and altogether there is only too good reason to believe that the recent boom will be followed by a considerable crop of failures. In the latter event it is by no means unlikely that an outcry may be heard, as so often in the past, against the "promoter" who fathered the unsuccessful schemes. The present moment, therefore, may not be entirely inopportune for consideration of the question of company promotion, as it affects the investor—the more so as accurate knowledge of this branch of company finance is much less widespread and accurate than might be desired.

To most investors the company promoter is an elusive personality, heard of, as a rule, only when things go wrong. Despite the dubious connotation sometimes attached to his name and office, however, he is an indispensable part of the machinery of the capital market. His function is comparable with that of the merchant in the sphere of commerce. He obtains "supplies" of new openings for the investment of capital, holds them "in stock" as long as may be necessary, renders them available for purchase by the "consumer"—the investing public—when required, and takes his "profit" on the transaction. Like the merchant, he is a specialist, who is expected to apply his expert knowledge in judging of the real worth of the "goods" in which he deals, and, though he is at liberty to extol the virtues of his merchandise, and the doctrine of *caveat emptor* applies to all who exchange their money for his wares, he is expected to give at least a moral warranty of their fitness for the purpose for which they are destined.

This is the theory of the matter. How far is it borne out by experience? An informed answer is difficult to give, since the great banking institutions of this country, unlike their counterparts on the Continent, do not engage in company promotion, and the individuals and private syndicates to whom the business is remitted come into public notice only when one of the less reputable of their number has abused his position and come within reach of the law. During the present month, however, a substantial contribution to the scanty literature on the subject has been made by the memoirs* of Mr H. Osborne O'Hagan, a gentleman whose experience of company promotion in Great Britain extended over half-a-century and covered a wide range of industries, including tramways, tobacco, breweries, American railroads, meat and cement. Due allowance being made for the personal element in all autobiography, and the fact that Mr O'Hagan's reminiscences were written after a long interval and without notes, the book is the most valuable "inside" commentary on company promotion the investor is likely to meet with for some time to come. Left to make his living at sixteen, in poor circumstances and with an indifferent education, the writer played a conspicuous part behind the scenes in the City of London for fifty-five years, introduced the now universal practice of "underwriting" new issues, and retired shortly after the war without having become a millionaire or impaired his reputation. Not all his companies achieved immediate and striking success, but he left few wrecks behind him, and may well stand as a not unworthy representative of his profession.

A study of O'Hagan's memoirs suggests that the company promoter's main qualifications are *personal*. The large amount of accounting and legal work involved in his duties, crucial as it is, can be left to trustworthy experts, but the element of sound judgment, by which, ultimately, a given proposition must stand or fall, is his alone. Ability to conduct a successful negotiation, again, is a personal characteristic. As the writer in question rightly points out, the negotiator is not always looked upon as a specialist, as he should be. Negotiation "is a very special art, requiring many qualifications and high training." Much the most valuable asset of the promoter, however, is his *clientèle*. He should never be driven to search the highways and byways for new company propositions, but should be able to pick and choose among the more promising openings submitted by others for his consideration. On the "sales" side his "underwriting book" should be influential and extensive, embracing the best "names" inside and outside the City. Through its agency alone can he fulfil his indispensable function of providing industry with long-term capital resources as and when they are required, weeks and months in advance, possibly, of the time when the resulting securities are finally absorbed by the investing public at large.

When all is said and done, the promoter's own professional standards must figure largely in the equation. Can one compile a code of working principles, the observance of which will effectively safeguard both the promoter's reputation and the investor's bank balance? The dicta scattered throughout the pages of the work previously mentioned certainly go some way to suggest an affirmative answer. The following are among the observations of the writer, whose experience was certainly derived at first hand. "My custom, before putting forward any project where I felt my judgment might be at fault, was to apply this test: 'Is this a concern in which you would embark your own capital?'" . . . "A financier of any standing has, as a rule, a large *clientèle* ready to follow him, knowing that in any deal he will probably have lowered the purchase price first asked beyond the amount he puts on to cover his profit and expenses." . . . "If he (the company promoter) allows himself to be influenced only by whether the public would take up a venture, he will not be long before he finds that ugly chickens come home to roost." . . . "In every case . . . I stipulated that the vendors and managers should remain with the company to secure continuity of management." . . . "I spoke strongly against directors gambling in the shares of a company they directed. It was unwholesome and immoral." . . . "He (the promoter) must know when to face a heavy loss to escape loss of reputation."

Other of O'Hagan's principles may be deduced from the pages of his book. He classed breweries as "among the best of manufacturing concerns," but considered they should be capitalised to yield 12 to 15 per cent. on their ordinary shares over and above debenture interest and preference dividend. He limited his promotions, for the most part, to reflotations of established and profit-earning concerns. He broke off negotiations for a meat flotation on learning that the current profits of two of the companies concerned were less than those shown in the prospectus. In the case of Associated Cement, he stood by what he regarded as a sound issue, which had had a bad reception until the company's position was assured beyond doubt.

Few people will quarrel with these principles, or deny that their regular observance by promoters as a body would greatly diminish the mortality rate among new

* "Leaves from my Life." By H. Osborne O'Hagan (London), The Bodley Head. Two volumes, 36s. net.

companies. Indeed, some persons would argue that they carry financial conservatism to extreme lengths, and would, if consistently applied, have prevented many of the most successful of present-day companies from coming into existence at all. Supporters of this view are entitled to point out that O'Hagan's insistence on continuity of management lost him the opportunity of floating Harrods, that his distrust of new and unproved concerns caused him to turn down the Gramophone Co., that his rigid code prevented his assisting a Napoleon of retail trade like Mr Gordon Selfridge, and his decision to stand by Associated Cement cost him twenty years of his life. His retirement from business left him wondering whether promotion was a very remunerative business after all. " With the same brains and the same hard work . . . combined with the capital employed and the risks undertaken, would not the rewards have been as great in other walks of life? "

The truth would seem to be that, while a certain elasticity is desirable in practice, and exceptional cases must constantly be allowed for, O'Hagan's code does embody a fundamental concept of legitimate company promotion—that the promoter cannot divest himself of trusteeship for the interests of those who subscribe to his ventures. That the percentage of unsound flotations remains considerable is not to be laid wholly at the promoter's door — the sanguine spirit of subscribers to new issues, as a body, must carry its due share of responsibility. The pages of O'Hagan's book, however, which deal with some of his less reputable contemporaries, suggest that deliberate bad faith has played but a small part in the history of ill-starred promotion. The " profession " has tended to be overcrowded, especially in times of boom, and the amateur promoter (not infrequently found in high places) is a constant source of danger, together with the brilliant, but unbalanced, financier, the reckless, vain or over-optimistic individual, and the man of uncreative bent who floods the market with repeated issues after his abler predecessors have exhausted a profitable " vein." Ultimately, the remedy lies with the investor himself. Every prospectus carries its history on its face for those who are willing to read its text closely and critically, and the exercise of a sound judgment will go far to insure the potential subscriber against issues carrying risks over and above those inevitable to business in any shape or form.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

Ticket.	Account.
May 28.	May 30.

The quietude of markets was unshaken, but the undertone remained satisfactory. The present technical position of the markets is such that none of the ordinary incidents of Stock Exchange life is calculated to change prices significantly. The professional interest is awaiting some outstanding development which could be taken as " giving a lead " which the outside public would be likely to follow. Whether such a lead will be forthcoming this side of the General Election is now more than doubtful. In the meantime, the vicissitudes of American sentiment are insufficient to disturb the stability of values in London, except in a few cases where special conditions affect individual stocks.

Dealings in gilt-edged stocks were on a small scale, the tone being steady early in the week but easier later on. Money was anything but plentiful, and though the Bank of England obtained a further £923,715 of gold, the market was more concerned with the low level maintained by the New York exchange. War Loan and Conversion Loan hardened slightly at the outset, but declines of $\frac{1}{16}$ were fairly general throughout the list on Wednesday and Thursday. India Loans, with one or two exceptions, were steadier than last week. Dominion and Colonial stocks showed a number of small gains. The Commonwealth Conversion issue created little enthusiasm, though the terms were regarded as eminently fair to Queensland holders. Some buying of Australian stocks was induced by the result of the Queensland elections, and Melbourne and Metropolitan Board of Works scrip improved to $\frac{3}{8}$ premium on inside support.

The Foreign market was irregular, with business greatly restricted. French bonds rallied after initial dullness, and German loans were firmer, despite the absence of definite Reparations news. Chilean Six per cents. were in steady request, but Brazilians turned dull again, and Mexican bonds were depressed. Far Eastern stocks remained inactive, though a number of Chinese showed a modest gain on a small amount of investment inquiry.

The week's batch of traffic figures was a cheering factor in the Home Railway market, though, in the absence of willing sellers, little increase in actual business resulted. All the four groups, except the Southern, showed larger gross receipts than in the corresponding week of last year. Great Western gained a point, and Midland and Scottish $\frac{3}{4}$, on the figures. Underground Electrics were an idle market, the latest traffic returns showing a small falling off in comparison with 1928. Among Foreign Railways, the Antofagasta dividend disappointed those who had looked for an increase and a bonus, but after initial selling the stock rallied above the level preceding the announcement. Leopoldina was in demand despite a moderate traffic return, and Argentine railways were supported.

Industrials had again no decided trend, the professional element seeing little to go for, and obtaining but slight guidance from New York. Some small amount of discriminate buying quietly went on, and was a factor in the generally steady undertone of markets. A small range of selected stocks, however, displayed conspicuous activity, particularly Margarine Union and Unie, which were heavily bought from Amsterdam. Imperial Continental Gas suffered a sharp reaction on the dividend and new issue announcement. In the motor group further efforts were made to obtain Rolls Royce shares for America, and Leyland Motors were active on reports of increased business, stimulated by the attention given to the shares in the Press. America bought General Electrics and Associated Electrics, London being unwilling to follow the latter's rise in view of the last balance sheet figures. Artificial silk shares were irregular, despite the report of the discovery of a new and improved rayon product by British Celanese. The announcement of a merger of 3,000,000 Egyptian spindles in Lancashire coincided with a decreased dividend declaration by the Fine Cotton Spinners and the latter's shares suffered a slight reaction. J. and P. Coats failed to hold all the ground gained last week. In the gramophone share market Columbia's were lower, especially during the early part of the week, in the absence of any new announcement regarding the " combine's " Paris negotiations. Electric lighting shares were firm and tobaccos remained steady on a moderate investment demand. The issue of the reports of two more subsidiaries of Distillers strengthened the market's hopes of a forthcoming increased dividend from the latter, which closed its financial year on Wednesday. Bank shares were steady, and insurance shares firmer than of recent weeks.

Rubber share quotations were marked up following the rise in the price of the commodity on the publication of " record " American consumption figures for April, but the public showed no interest in the movement, and a noteworthy reaction occurred on Thursday, when rubber opened $\frac{1}{2}$d. lower. Idle conditions prevailed in tea shares, market quotations again showing no definite trend. Apart from a certain judicious buying by holders taking the long view, dealings in oil shares were subnormal, the V.O.C. dividend being badly received.

The mining markets reflected the dullness of other parts of the " House." The shadow of the coming Whitsun holidays lay across the Kaffir market, with Johannesburg undecided and Paris apathetic. Rhodesians attracted slight interest, though the " insiders " were reported to be cautiously taking in shares again—a reversal of their recent policy. Copper opened the week with a fresh fall, which was reflected in a heavy drop in Rio Tinto, on Paris selling, which brought down other shares in the same group. The metal, however, showed some recovery on Thursday. Tin similarly lost ground on the Metal Exchange, with a moderate subsequent rally, and share values continued to sag in the absence of public interest.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The share market has been disturbed in the past week by evidences of a continuation of the Federal Reserve deflation policy, which have been confirmed by the weekly Bank statement. This reveals a drop of $57 million in the total credit extended, which is now $94 million below the figure of a year ago. Most of the fall is in discounts, resulting from continuation of the policy of direct action by compelling member banks to reduce loans on securities. This direct action policy is thoroughly distrusted in conservative quarters. Meanwhile the President of the Stock Exchange, in the course of a speech, has been vigorously defending Stock Exchange call loans and urging that they be made rediscountable at Reserve banks; he stated that the Federal Reserve policy had failed. While the market has certainly been disturbed, liquidation has failed to develop, and the occasional rallies have been of fair strength. The volume of business has been moderate. Meanwhile industrial news remains good.

	May 9.	May 16.	Rise or Fall.
4½% Lib. Ln. '33–8	99⅛	99⅜	— ⅛
3½% Trs.Bs.'46–56	101⅛	101⅛	— ⅛
Ach., Top. San. Pfd	198	197½	— ½
New York Central	180½	182	+ 1½
Union Pacific	219	216½	— 2½
Pennsylvania	80⅛	76⅝	— 3½
Southern Railway	140	138⅝	— 1½

	May 9.	May 16.	Rise o Fall.
U.S. Steel	179½	175½	— 3⅝
General Motors	82½	81	— 1½
Amer. Tel. & Tel.	225	216	— 9
General Elec.(New)		280½	+ 22
Victor Talking	170	148	— 22
Std. Oil of N.J.	60⅞	53½	— 2⅜
Anaconda	138	126½	— 11½

By courtesy of the Standard Statistics Company, Inc., of New York and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926=100):—

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	May 2.	May 9.
342 Industrials	104·7	137·1	132·5	186·4	191·1	198·8	196·7
33 Rails	106·1	128·0	120·5	139·7	140·9	139·5	139·0
35 Utilities	103·3	128·3	128·3	180·6	184·6	211·0	214·4
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	192·0	191·0
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·19%	3·21%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Highest of 1929. May 4.)	Lowest of 1929. (Feb. 16.)	May 8.	May 9.	May 10.	May 11.	May 13.	May 14.	May 15.
225·4	201·8	222·2	220·5	223·0	221·7	216·1	219·1	218·1

PARIS.

In a market entirely devoid of business, offerings of stock that would not otherwise be regarded as large caused an appreciable reaction in the majority of securities. Those most affected were, once again, banks; French industrials showed relatively more resistance. The copper group was the scene of important realisations, Rio Tinto losing several hundred francs and influencing Tharsis and Huelva. Rubbers were firm; Terres Rouges, Padang, and Caoutchouc de l'Indochine all gained ground. At the declaration of options the termination of conditional engagements went against buyers. Large supplies of money brought the contango rate down to 3¼ per cent. at the mid-month settlement.

	May 8.	May 16.	Rise or Fall.
3% Perp. Rentes	74·60	74·40	—0·20
5% Rentes, '15–16	101·20	101·20	...
5% Rentes, 1920	125·00	124·50	—0·50
Banq. de France	25,275	25,400	+ 125
Banque de Paris	3,345	3,370	+ 25
Crédit Lyonnais	3,225	3,310	+ 85
Nord	2,590	2,610	+ 20
Com. Gen. d'Elec.	3,725	3,850	+ 125
Littoral Médit.	1,405	1,410	+ 5

	May 8.	May 16.	Rise or Fall.
Mines de Lens	1,370	1,370	...
Courrières	1,630	1,618	— 12
Pechiney	3,840	3,880	+ 40
Kuhlmann	1,216	1,220	+ 4
Com. Gen. Trans.	1,289	1,262	— 27
Suez Canal	25,845	26,095	+ 250
Assur. Gen. Vie	14,000	13,200	— 800
Dollfus. Mieg.	12,900	13,200	+ 300
Denain et Anzin	3,520	3,475	— 45

BERLIN.

The Bourse ended last week firm, with buying of Schuckert in connection with an increase of the dividend from 8 to 11 per cent. Business was not active, however, as the very high money rates caused reserve. This week opened with a general decline, until the market revived owing to heavy buying of General Electricity. Rumours of a coming cut in the dividend led to a sharp

LONDON ACTIVE SECURITIES.

British and Colonial Government Securities.

	Closing Prices May 9.	Closing Prices May 16.	Rise or Fall.
Conv. Loan 3½%	77¼	77⅛	— ⅛
Do. 4½% 1944	98⅛	98⅛	— ⅛
War Loan 5% 1929-47	100⅝	100⅝	+ ⅛
Consols 2½%	54⅛	54⅛	...
Do. 4%	86⅛	86⅛	...
Funding 4%	88⅛	88	— ⅛
Victory Bonds 4%	92⅛	92⅛	— ⅛
Local Loans 3%	64	64	...
Treasury 5% (B)	99⅛	99⅛	— ⅛
Canada 4% 1940-60	90	90	...
S. Africa 6% 1945-75	103	103	...
India 3½%	68	67½	— ½
Do. 4½% 1958-68	88½	88½	— ½
Australia 5% 1945-75	98	99	+ 1
N.S.Wales 5%1935-55	96	96	...
N. Zealand 5% 1946	103	103	...

Foreign Government Securities.

Japanese 6% (1924)	96½	97	+ ½
Argentine 4% Reciss.	85	85½	+ ½
Austrian 6% 1923-43	102½	103	+ ½
Belgian 7%	107	106½	— ½
Brazil 6½% (1927)	92⅜	93	+ ½
Bulgaria 7%	86	86	...
China 5% (1912)	45	45½	+ ½
Czechoslovakia 8%	112	111½	— ½
Egypt Unified 4%	81½	81½	— ½
French 5%	20½	20½x	...
Do. 4% (Brit.)	17⅞	17⅞	+ ⅛
German 7%	103½	104	+ ½
Greek 7% Refugee	100½	100½	+ ½
Hungary 7½%	102	102½	+ ½
Chili 6%	97½	98	+ ½
Poland 7%	87⅛	87⅜	+ ⅛
Mexican 5% (1899)	30	30	...
S. Paulo Coffee 7½%	103	103	...

Corporation Stocks.

L.C.C. 3%	62½x	63	+ ½
E. London 5% 1960-70	98	98	...
Sydney 5½% 1954	95½x	95½	...
Berlin 6% Ster.	93	93	...

British and Foreign Railways.

G. Western Ord. Stk.	84½	86½	+ 1½
L.N.E., Def. Stk.	12½	12½	+ ½
Do. 5% Pref. Stk.	27½	28	+ ½
L.M.S. Ord. Stk.	52½	53½	+ 1½
Metropol'an Cons. Stk.	59½	60½	+ ½
Met. District Ord. Stk.	75½	76½	+ 1
Southern Def. Stk.	31	31½	+ ½
Do. Pref. Ord. Stk.	74½	74½	+ ½
Underground Ord. £1	1⅛	1⅛	...
Do. Income Bonds	113⅝	113	— ⅝
Can. Pacific Com. Stk.	242½	238	— 4½
Antofagasta Ord. Stk.	106½	107	+ ½
B.A.&Pacific Ord.Stk.	102	103	+ 1
B.A.Gt.Sthn.Ord.Stk.	107½	107⅝	+ ⅛
B.A.Western,Ord.Stk.	92⅝	93⅝	+ 1
C. Argentine Ord.Stk.	96½	97⅝	+ 1⅛
Cordoba Ord. Stk.	38⅛	39	+ ⅞
G.W. of Brazil £10	3⅞	4⅛	+ ¼
Leopoldina Ord. Stk.	60½	61⅝	+ 1
San Paulo Ord. Stk.	205x	204	— 1
Taltal Ord. (£5)	5	5	...
Utd. Havana Ord. Stk.	40½	40½	...

Banks.

Bank of England Stk.	252	251	— 1
Barclay B. (£1)	2⅛	2⅛	...
Barcl.(Dom. &c.) A £1	1⅛	1⅛	...
Lloyds £5, with£1 pd.	3⅞	3⅞	...
Midland £1, fully pd.	3⅞	3⅛	+ ⅛
Nat. Prov. £20,£4pd.	13⅜	13⅜	...
Com.Bk of Austr. 10/	1⅞	1⅞	...
Hongk. and S.($125)	132	133	+ 1
St. of S. A.£20,£5 pd.	15⅛	15⅛	...
W'minster £4, £1 pd.	3⅜	3⅜	+ ⅛

Insurance.

Alliance £1, fully paid	20	20½	+ ½
Com. Un. £2½, fully pd.	26½	27	+ ½
Ldn.& Lanc. £5, £1 pd.	31½	30½x	— ½
N.B.&Merc.£5,£1¼pd.	36½	36½	+ ½
Phœnix £1	14⅜	14⅜	...
Roy.In.£1,with10/ pd.	8⅛	8⅛	...

Coal, Iron and Steel.

Amal. Anthracite (£1)	½	½	...
Babcock, Wilcox (£1)	3⅞	3⅞	...
Baldwin (4/)	⅛	⅛	+ ⅛
Bolckow Vaughan (£1)	⅛	⅛	+ ⅛
Cory, William (£1)	2⅛	3	+ ⅛
Dorman, Long (£1)	⅛	⅛	...
Guest, Keen (£1)	1⅛	1⅛	...
Powell Duffryn (£1)	1	1	...
Stewarts&Lloyds(£1)	1⅛	1⅛	...
Swan, Hunter (£1)	1⅛	1⅛	...
Thornycroft, John(£1)	4⅞	4⅞	+ ⅛
Vickers (6/8)	⅛	⅛	+ ⅛

Textiles.

Bradford Dyers (£1)	2⅛	2⅛	...
Brit.Celanese,Ord.(10/)	1⅛	2⅛	+ ⅛
Coats, J. and P. (£1)	3⅛	3⅛	— ⅛
Courtaulds	4⅛	4⅛	...
Eng.Sewg.Cotton(£1)	2⅛	2⅛	...
Fine Cott.Spinn.(£1)	2	1⅞	— ⅛
Listers (£1)	1⅛	1⅛	— ⅛
Snia Viscosa (200 lire)	1⅛	1	— ⅛

Electrical Manufacturing.

Associated Elec. (£1)	2⅛x	2⅛	+ ⅛
British Insulated (£1)	3⅛xb	3⅛	+ ⅛
Ever Ready (G.B.) (5/)	1⅛	1⅛	+ ⅛
General Electric(£1)	2⅛	2⅛	— ⅛
Johnson&Phillips(£1)	1⅞	1⅞	...
Siemens (£1)	1⅛	1⅛	...

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅛	1⅛	...
City of London (£1)	1⅛	1⅛	...
County of London (£1)	2⅛x	2⅛	+ ⅛
Hydro-Elec.com. stk.	35	36⅛	+ 1⅛
Lancashire Elec. (£1)	1⅞	1⅞	...
Newcastle-on-Ty(£1)	1⅛	1⅛	+ ⅛

Gas.

Gas Light & Coke (£1)	⅛	⅛	...
Imp. Continental Stk.	450	430	— 20
Primitiva (£1)	1⅜	1⅞	+ ⅛
S. Metropolitan Stk.	105	104⅛	— ⅛

Telegraphs and Cables.

Eastern Stk.	279½	279½	...
Eastern Exten. (£10).	27⅞	27⅛	+ ⅛
Marconi (10/)	4⅛	4⅛	— ⅛
Marconi (£1)	5	5	...
Marconi Marine (£1)	3⅛	3⅛	...
Western Tel. (£10)	27⅞	27⅛	+ ⅛

Motors.

Dennis (1/)	2⅛	2⅛	— ⅛
Ford Motors (£1)	3⅞	3⅛	+ ⅛
Leyland (£1)	2⅛	2⅛	+ ⅛
Morris 7½%Cm.Pf.(£1)	1⅞	1⅞	...
Rover (8/)	⅛	⅛	+ ⅛
Singer (£1)	1⅛	1⅛	+ ⅛

Shipping.

Cunard (£1)	1⅛	1⅛	...
Furness Withy (£1)	1⅛	1⅛	...
P. & O. Defd. (£1)	2⅛	2⅛	...
Royal Mail Ord. Stk.	69	69	...

Tea and Rubber.

Anglo-Dutch (£1)	1⅞	1⅛	+ ⅛
Cons.Tea & Lnds.(£10)	35	32	— 3
London Asiatic (2/)	⅛	⅛	+ ⅛
Rubber Trust (£1)	2⅛	2⅛	+ ⅛

Oil.

Anglo-Persian (£1)	4⅛	4⅛	...
Attock (£1)	2⅛	3	+ ⅛
Burmah Oil (£1)	4⅛	4⅛	+ ⅛
Canadian Eagle no par	⅛	⅛	+ ⅛
Lobitos (£1)	2⅛	2⅛	— ⅛
Mexican Eagle(£1/0/6)	⅛	⅛	+ ⅛
Royal Dutch (£5½)	32⅛	33⅛	+ ⅛
Shell (£1)	4⅛	4⅛	...

Miscellaneous.

Aerated Bread (£1)	1⅛	1⅛	— ⅛
Assoc. P. Cement (£1)	1⅛	1⅛	...
Bras. Traction, no par	56⅛	54⅛	— 2⅛
Brit.-Am.Tobacco(£1)	6⅛	6⅛	— ⅛
Carreras, "A" Ord.(£1)	15⅛	15⅛	+ ⅛
Columbia Graph.(10/)	15⅛x	14⅛	— ⅛
Crittall (£1)	2⅛	2⅛	...
Dunlop (6/8)	1x	1	...
Forestal Land (£1)	1⅛	1⅛	+ ⅛
Gramophone Co. (£1)	17⅛	17⅛	— ⅛
Harrods (£1)	3⅛	3⅛	+ ⅛
Hudson's Bay (£1)	5⅛	5⅛	— ⅛
Imp. Airways(£1 15/p)	1⅛	1⅞	— ⅛
Imp. Chem., Ord. (£1)	1⅛	1⅛	...
Imperial Tobacco(£1)	5⅛xb	5⅛	...
Inter. Nickel of Can.	53⅛	51⅛	— 2⅛
Krenger & Toll (kr.100)	36⅛	35⅛	— 1⅛
Lever 7% pref. £1	1⅛	1⅛	...
Lyons (J.) (£1)	5⅛	5⅛	+ ⅛
Margarine Union (£1)	4⅛	4⅛	+ ⅛
Pinchin Johnson (10/)	2⅛	2⅛	+ ⅛
Swed.Match,B(kr100)	21⅛	21	— ⅛
Tate and Lyle (£1)	2⅛	2⅛	— ⅛
Tilling, Thomas (£1)	5⅛	5⅛	...
Turner & Newall (£1)	5⅛	5⅛	...
United Molasses (£1)	6⅛	6⅛	+ ⅛
Vocalion (10/)	2⅛x	2⅛	— ⅛
Watney Combe Df.(£1)	3⅛	3⅛	+ ⅛

Mines.

Anglo-Amer.ofS.A.(£1)	2⅛	2⅛	...
De Beers Def. (£2½)	13⅛	13⅛	— ⅛
Brakpan (£1)	4⅛	4⅛	...
"Chartered" 15/6 p.	1⅛	1⅛	...
Burma Corp. (Rs.10)	⅜	⅜	...
Bwana M'Kubwa,5/6	⅛	⅛	— ⅛
Central Provinces (£1)	4⅛	4⅛	+ ⅛
Geduld (£1)	3⅛	3⅛	+ ⅛
Johan. Cons. (£1)	2⅛	2⅛	...
Lake View & Star (4/)	⅛	⅛	— ⅛
London Tin (£1)	3⅛	3⅛	— ⅛
Rio Tinto (£5)	57½	55⅛	— 1⅞
RoanAntelopeCpr.(5/)	2⅛	2⅛	xr...
Sub Nigel (10/)	2	1⅞	— ⅛
Tanganyika (£1)	3⅛	2⅛	— ⅛
UnionCrp.(12/6)fu.pd.	4⅛	4⅛	+ ⅛

fall in the Nordwolle A.G., under which the market weakened again. Tuesday's Bourse was dull and weak, the chief influence being a new rise in money rates. The same conditions were emphasised on the following days by disappointment that the Farbenindustrie dividend was not increased. Some buying of A.E.G. took place.

	May 8.	May 16.	Rise or Fall.
Reichsbank	312·50	296·50	−16·00
Deutsche Bank...	162·00	159·00	− 3·00
Disconto Bank ...	153·50	150·75	− 2·75
Hamburg-Amer.	120·25	116·25	− 4·00
Norddeut.-Lloyd	113·00	109·75	− 3·25
I.G. Farbeninds...	254·00	241·00	−13·00
Verein. Glanztff..	447·00	405·00	−42·00
Bemberg	346·00	330·00	−16·00

	May 8.	May 16.	Rise or Fall.
Verein. Stahlke...	92·25	90·00	− 2·25
Mannes Rohrke...	117·00	112·00	− 5·00
Allgemne. Elekt..	171·75	175·00	+ 3·25
Siemns. & Halske	384·75	372·50	−12·25
Daimler Benz....	54·00	51·75	− 2·25
Cont. Caoutchuc.	165·63	153·00	−12·63
Salzdetfurt. Kali	385·50	370·50	−15·00

AMSTERDAM.

Easier money conditions in New York and lower money rates in Amsterdam stimulated the Bourse somewhat. Interest centred chiefly on industrials, among which Philips and Margarine Unie were notably strong on a large volume of transactions, while the Ford issue also advanced. Artificial silks fluctuated little, but tobaccos had a better tone, and rubber improved. Shipping shares, on the other hand, moved irregularly, sugars were easier, and oils weakened. In the money market the private *discount rate was 5⅛-5⅜ per cent., and the prolongation* rate 6 per cent.

	May 8.	May 16.	Rise or Fall.
5% Bds. Neth., '18	101¼	101¼	+ ⅛
4½% Arms. 1913-14	98⅛	98⅛	+ ⅛
Margarine Unie ...	438½	467½	+ 29
Neth. Art. Silk ...	370½	352	− 18½
Philips El. Lamp.	775½	790	+ 14½
Singkep Tin.....	285	298	+ 13
Royal Dutch	392⅜	396½	+ 3⅛
Amst. Rubber.....	263½	262½	− 1

	May 8.	May 16.	Rise or Fall.
Serbadjadi Sm.R.	196½	200	+ 3½
Holl. Amer. Line	63⅛	60½	− 3
Navig. Co., Ned.	204	204	...
Vorstenlanden ...	162½	160½	− 2½
Trading Co., Ams.	629½	638	+ 8½
Besoeki	500	445[x]	...
Deli	410½	407½	− 3
Neth. Trad. Soc.	187	185⅝	− 1⅜

INVESTMENT NOTES.

Rubber Prospects.—The rise in rubber prices from 9 7/16d. a pound at the end of April to 11⅜d. (after 11 7/16d.) gives special point to the review of the outlook for the plantation industry given by Mr H. J. Welch at last week's meeting of the Rubber Plantations Investment Trust. Mr Welch was quite definitely optimistic. He believed that supplies of rubber from all sources in 1929, allowing for the liquidation of post-restriction surplus stocks, would not exceed 720,000 tons. The high rate of consumption during the first three months of the year in the United States encouraged hopes of a total absorption over the whole year, in that country, of as much as 480,000 tons, while consumption elsewhere was likely to be not less than 265,000 tons—the total world consumption thus being put at about 745,000 tons. World rubber stocks, Mr Welch declared, were equal to about six months' supply. These, if sufficient, were certainly not too heavy, and all the known statistics seemed to point to a rise in price. A more cautious view is taken by Messrs Wm. Jas. and Hy. Thompson, the Mincing Lane brokers, in their *Rubber and Tea Quarterly*, issued this week. There the point is made that existing stock figures must be conservatively regarded. The Malayan statistics alone showed a discrepancy of nearly 72,000 tons as between October 31, 1928, and March 31, 1929, attributable in part to the fact that no data whatever are available for native-owned estates, which account for nearly one-fourth of the total rubber acreage of Malaya. The American correspondent of the journal mentioned above took occasion to point out that the arrivals of crude rubber into the United States this year have largely outstripped even the increased consumption, so that stocks, both of the raw material and of finished products, such as rubber tyres and tubes, have significantly increased. In other words, it is suggested that "the large consumption of crude rubber is due to demand, not from the ultimate consumer, but from the manufacturers." Messrs Thompson's base their confidence in the future of the rubber industry less on "nearby" considerations than on such long-term factors as the absence of any extensive rubber-growing areas which are likely to come into production in the near future, and the steady increase in rubber consumption, not only in the United States, but in other countries, which has accompanied the growth of the motor industry. In this connection they point out that imports of rubber last year, as compared with those of five years earlier, showed an increase of 37½ per cent. in France, of 46 per cent. in Italy, 47 per cent. in Japan, 104 per cent. in Germany, and 134½ per cent. in Canada.

"Parent" Promotions.—Orders for the compulsory winding up of Blue Bird Petrol and Blue Bird Oil Importers were made in the Companies Winding-up Court this week. In the *Economist* of May 11th last we gave particulars of the statutory report of Blue Bird Petrol, which made it clear that the whole position called for independent enquiry. In making the order in the case of Blue Bird Oil Importers, Mr Justice Maughan remarked that there had seldom been a case which required more careful and stringent investigation. The Blue Bird family belong to a type of promotion to which we applied the term "parent and offspring" in an earlier article (January 19, 1929), dealing with the finances of a number of these companies. In the course of that article, in addition to the Blue Bird group, we mentioned Photo-Matik Portraits and Photo-Matik Foreign Corporation as other instances of this type of promotion. At a meeting of shareholders of Photo-Matik Portraits, held on Friday of last week, to consider proposals for amalgamation with Photo-Matik Foreign Corporation and Auto-Portraits, the director who presided confessed that the company was not operating at a profit, and that its chief assets had proved a liability. The meeting was reported to have been stormy, and a committee of shareholders was appointed. On the same day Anty-Sag Parent Co.—another of these peculiar promotions—issued a circular to its shareholders informing them that the sales of Anty-Sag mattresses and chair springs had fallen short of expectations, and that the affairs of another company of a similar name—Ner-Sag—had had an adverse effect upon its business. It is worthy of note that the chairman whose name headed the Anty-Sag prospectus has since resigned from the board, a fact which seems to require some explanation. The Duophone group was another of the "parent and offspring" promotions which we criticised. The Duophone parent company escaped from a winding-up petition, but has had to sell its chief asset—a new record factory—to Decca Gramophones, and its 10s. shares, which at one time went to over £4, are now standing at 2s. 6d., while Duophone Foreign 10s. ordinary shares, which at one time were over 20s., are now quoted at 6d. Photomaton Parent Corporation, which was perhaps the first to start this "parent and offspring" boom, has held its price in comparison fairly well, the 5s. shares being quoted at 17s. 6d. The accounts of this first "parent" concern are awaited with considerable interest.

American Buying of Electrical Shares.—America's growing interest in British securities continues to provoke comment in financial circles. The proposal of the Buenos Ayres and Pacific Railway to disfranchise American stockholders—a course which other Argentine railway boards may follow—is avowedly a precautionary measure, such stockholders being largely non-existent at the moment. Recent developments in the electrical power and supply industry, however, suggest that in that sphere the "danger"—if it be regarded as such—is more pressing. The news, made public some months ago, that various electrical and telephone enterprises in Mexico, Argentina and elsewhere in South America had passed from British to United States' ownership was followed by the announcement of a dominant American interest in the Greater London and Counties Trust, which controls, among other concerns, Bedfordshire, Cambridgeshire and Huntingdonshire Electricity, East Anglian Electric Supply, Edmundson's Electricity Corporation, Oxford Electric, Wessex Electricity, and Western Electricity. Within the last fortnight has come the news of an offer through the Greater London and Counties Trust for the "A" and "B" shares (*i.e.*, for all the voting capital) of the Shropshire, Worcestershire and Staffordshire Electric Power Company, which, on May 2nd, stood at 42s. 6d. and 40s. respectively, at a price of 50s. per share. It is understood, further, that a block of shares

in the British Power and Light Corporation—which offered 1,602,500 (out of 2,000,000) £1 shares to the public on Monday last—was reserved for American subscribers. The company will acquire a controlling interest in the North Wales Power Company and the Electricity Distribution of North Wales and District, and the whole issued capital of various companies in East Suffolk, South Somerset, the Trent Valley, West Hampshire and Ringwood. So largely is the Stock Exchange obsessed with the idea of American buying for control that a sharp rise in the shares of the Egham and Staines Company on Tuesday was immediately ascribed to that cause without any better reason. The electrical industry has not yet taken steps either to limit American acquisition of company shares or of voting power. One section of opinion within the industry, whose views are not unfairly expressed by the writer of a letter which appears on page 1112 of this issue, holds that there is a distinct element of danger in the passage into other than British hands of control of a public utility industry which must necessarily play a leading part in future industrial development. Those who hold this opinion contend, further, that the British Government, which has inaugurated a scheme of internal electrical development, has a moral responsibility in the matter, while British holders of electrical company shares, who sell out at the tempting prices offered by Americans, must inevitably lose their equity in the cautious finance of their companies in the past, and the substantial benefits to be expected from future developments. Holders of other views emphasise the importance of a "free market" for capital in the electrical as in other industries, and the practical difficulty of preventing outside interests, who are willing to pay a sufficiently high price, from obtaining a substantial shareholding either by means of attractive offers to existing holders or of unostentatious buying on the Stock Exchange. The question would seem destined to remain in the forefront of public attention for some time to come.

J. and P. Coats.—The preliminary statement shows that profits rose last year by over 5 per cent., from £3,729,642 to £3,929,058. This is the highest total ever recorded apart from the exceptional years 1918-19 and 1919-20, and is accompanied by an unlooked for increase in the bonus on the ordinary shares, which brings the total distribution for the year to 20 per cent., after remaining unchanged at 17½ per cent. since 1919-20. Even so, there is an excess of earnings over dividends amounting almost to a further 4½ per cent.

	6 months ended Dec. 31, 1926. £	Year ended Dec. 31, 1927. £	Year ended Dec. 31, 1928. £
Net profit	1,226,152	3,729,642	3,929,058
Dividend on preference shares ...	75,000	150,000	150,000
Dividend on "B" pref. shares ...	90,000	180,000	180,000
Ordinary { *earned*.....	*14·3%**	*23·0%*	*24·4%*
Ordinary { paid.....	17½%*	17½%	20%
Ordinary { amount of dividend ...	1,290,625	2,581,250	2,950,000
Extra depreciation	...	...	500,000
To reserves.....	*Dr. 81,607*	250,000	...
Increase or decrease in carry-forward.....	− 147,866	+ 568,392	+ 149,059

*Equivalent rate per annum.

The directors are making another new departure, and instead of putting any portion of the undistributed profits to the dividend reserve fund, as was done a year ago, are writing off £500,000 as extra depreciation on buildings and machinery installed during the inflation period after the war. The large sum of £825,954 is being carried forward. Thanks to the steadiness of dividends, quotations of J. and P. Coats ordinary shares have fluctuated relatively little during the last few years by comparison with those of many firms of similar prominence. Helped by the bonus announcement, the price is now 70s. 0d., offering a yield (on the 20 per cent. distribution rate) of £5 14s. per cent.

Marconi's Wireless Telegraph Co.—The report of Marconi's Wireless Co. for the year ended December 31, 1927, says little regarding the company's trading and throws no light on the question, which is of great importance, in view of the cable-wireless merger, as to what proportions of the company's revenue are derived from manufacturing and patent royalties and from the transmission of wireless messages respectively. Perhaps Lord Inverforth at the general meeting on May 29th will enlighten shareholders on this point. The directors in the report merely state that the progress of the company under the reorganised management can best be demonstrated by the following figures of annual profits after deductions for depreciation and debenture interest:—

	Net Profits. £	Ord. Shrs. Divs. Per cent.	Excess Divs. on Pref. Shrs. Per cent.
1925	177,938	Nil	Nil
1926	198,947	5	Nil
1927	430,471	20	10
1928	426,000	20	10

The figures for 1928 are not yet made up or audited, but are estimated at *£408,500 after payment of debenture interest* and preference dividends. Out of the profits for 1928 an interim of 20 per cent. less tax is to be paid on the ordinary shares and an additional 10 per cent. less tax on the 7 per cent. cumulative participating preference shares, which will leave a balance of £3,252 to carry forward. These dividends require a larger amount than the profit actually earned during the year, but, seeing that the merger of the company with the Eastern and Associated Telegraph companies takes effect from April 1, 1928, the directors feel justified in making the same distribution as for 1927. The following table gives a comparison between the 1926, 1927 and 1928 trading results:—

	1926. £	1927. £	1928. £
Ordinary capital	1,625,019	1,625,019	1,625,019
Preference capital.....	250,000	250,000	250,000
Trading profit	325,958	551,696	*
Directors' fees	5,000	5,000	*
Depreciation	38,081	36,513	*
Debenture interest	83,930	79,711	*
Net profit	198,947	430,471	426,000
7 per cent. preference dividend ...	17,500	17,500	17,500
	181,447	412,971	408,500
Per cent earned on total share capital	9·67	22·02	‡
Per cent. paid on total share capital†	5·00	20·00	20·00

* Not available.

† After the ordinary share capital has received 10 per cent., the preference and ordinary shares rank *pari passu*.

‡ This figure cannot be stated, since no information is as yet available as to the extent of conversions of debentures during the year.

The directors' report includes an argument supporting the merger terms offered to the £1 ordinary shareholders. It is, the directors say, impossible to forecast accurately the revenue either of the Marconi Co. or of Cables and Wireless, but assuming the latter is in a position to pay interest on its 5½ per cent. preference and 7½ per cent. "A" ordinary shares, and the Marconi Co. to pay a dividend of 20 per cent. on its ordinary shares, the dividend position of the holders of 100 ordinary shares of £1 each will be as follows:—

	£	s.	d.
Shareholders who do not exchange their holdings for shares in Cables and Wireless, Limited, will receive	20	0	0
Shareholders who exchange their holdings for shares in Cable and Wireless, Limited, will receive ...	22	12	9

In the case of the preference shareholders, the directors state that the difference is even greater. The holders of 100 7 per cent. preference shares who retain their shares in the Marconi Co. will receive £17, whereas if they exchange their holdings for shares in Cables and Wireless, Limited, they will received £22 12s. 9d. Should Cables and Wireless in the future be in a position to make a distribution not only on its preference and "A" ordin-

ary shares, but also on its " B " ordinary shares, the Marconi directors argue that the £1 shareholders who do not exchange their shares will be in an even less favourable position. This argument is not easy to follow, because the increased revenue of Cables and Wireless will presumably be derived from the Marconi Co. (the revenue from cables being a declining one), so that it is reasonable to assume that Marconi dividends will rise above 20 per cent., provided always that the consideration received by the Marconi Co. in shares of Imperial and International Communications, Limited, for its communication assets is fair. The directors state that they are satisfied that this consideration is fair. If so, there seems to be little ground for refusing to divulge the allocation of the shares in the Communications Company as between Marconi and the cable companies. No amount of argument can alter the fact that a £1 ordinary share of the Marconi Company at present receives double the dividend of a 10s. ordinary share. The £1 shareholders will hardly be convinced that they will improve their status by putting themselves in a dividend position identical with that of the 10s shares, apart from a slightly larger return on their holding of 5½ per cent. preference shares.

Armstrong, Whitworth.—The report of Armstrong, Whitworth for 1928, it may be hoped, closes an epoch and marks the opening of a new and better one, inaugurated by the capital reconstruction to which the Court gave sanction on March 19th last. The net income for the year ended December 31, 1928, before allowing for depreciation, was £137,219, as compared with a 1927 figure of £138,667, arrived at after deducting £250,000 as provision for certain contingencies. The net loss on the year, after deducting debenture and loan interest, was £551,970, against £527,953 in 1927 and £531,210 in 1926. The reconstruction scheme was fully dealt with in the *Economist* of February 16th last (pp. 347-8 and 373). To the total of £14,117,536 for losses certified as at June 30, 1928, has now been added £83,636, representing the net loss for the six months to December 31st, after applying the share premium and debenture redemption account. In the last balance sheet this account stood at £189,297, so the real six months' loss appears to have been £272,933. In addition to the balance sheet as at December 31st, a consolidated balance sheet is also provided as at the same date, giving effect to the terms of the scheme of arrangement. This is comparable with the approximate balance sheet, based on the figures of June 30, 1928, published some weeks ago. Since that estimate was drawn up reserves for contingencies have been reduced by £187,025 to £236,877, the surplus of gross assets over creditors and credit balances now amounting to £6,235,704 on a share and loan capital of £5,998,826—a satisfactorily liquid position at last, though the surplus of working capital has, to outward appearance, fallen by £371,914 since the June 30th estimate. As for the future, the directors report that the development of the iron and steel departments of the Pearson and Knowles group is receiving attention by special experts, and it is hoped that better conditions will prevail as the outcome of the reorganisation of the group during 1928. On April 30th Armstrong, Whitworth had orders on hand amounting to some £1,500,000; although prices are generally unremunerative, efforts are being made to effect an improvement—whatever that may mean. Meanwhile, active steps are being taken to carry out the provisions of the reconstruction scheme, including the issue of the new securities, and the directors hope to make an announcement at the meeting on May 24th as to the future administration of the company, the advisory committee meanwhile having ceased to act.

Amalgamated Press.—The second report of Amalgamated Press, the Berry periodical and magazine company, is not directly comparable with its predecessor, which covered a period of twenty months from July 1, 1926. It was stated there, however, that the profits for the twelve months ended February 29, 1928, were in excess of the figure (£870,788) shown in the prospectus as the average for 1922-26. The profits for 1928-29, therefore, at £873,717, show little, if any, expansion. The balance available is larger this time, however, as there is no longer interest on the purchase consideration to be paid. A year ago nothing was paid on the ordinary shares, but a sum equivalent to the preliminary expenses was put to reserve; that sum is now being taken from reserve and used to to reserves out of profits. The ordinary shareholders receive a final dividend of 8 per cent., making 15 per cent. for the year. Though this, being less than half of the actual earnings, appears at first sight to be a conservative distribution, it must be remembered that the ordinary shares only represent a small proportion of the total capital, £1,200,000 out of £9,145,813, and, considering the relative smallness of reserves and the fact that the preference dividends are covered little more than twice, it might be argued that the ordinary shares are lucky to be receiving anything so soon.

	20 months to Feb. 29, 1928.	Year to Feb. 28, 1929.
	£	£
Profits	1,229,749	873,717
Interest on purchase consideration	294,015	...
Interest on debenture stock	198,683	189,194
Net earnings	737,051	684,523
Preference dividends	275,613	315,000
Number of times covered	*2·6*	*2·1*
Ordinary *earned*	*24%**	*30·7%*
Ordinary paid	...	15%
Ordinary amount	...	180,000
To general reserve	347,060	180,000
Increase in carry-forward	114,378	9,523

* Equivalent for year.

The balance of the purchase price, including goodwill, copyrights, freehold land and buildings, plant, machinery, etc., after adding additions and deducting depreciation, stands now in the balance sheet at £6,725,065, against £6,794,199 a year ago, whereas investments in and amounts owing by subsidiary companies have risen by £124,346 to £2,549,955. Neither of these, the two preponderant items on the assets side, appears to indicate great changes. The gross total of assets has, in fact, increased by less than 2 per cent., but in respect of liquidity the position is decidedly more comfortable than that of a year ago. Moreover, £54,187 of debentures have been redeemed within the year. The present price of the 10s. ordinary shares is 27s. 6d. cum final dividend; the yield at that price, on the 15 per cent. dividend rate, is £5 11s. 6d. per cent.

British Cotton and Wool Dyers.—The 1928-29 report is disappointing, since the recovery indicated a year ago, after a poor year in 1926-7, has not been maintained. After charging, among other expenses, £4,786 (against £4,593) for specific depreciation and £55,399 (against £59,653) for repairs and renewals, allocating £25,000 (as usual) to depreciation fund and meeting debenture charges, net earnings work out at £94,196, a reduction of £44,722. The dividend is maintained at the 10 per cent. level reinstated a year ago, but the margin between earnings and dividends has shrunk from nearly 8 to a little more than 2 per cent., and for the first time for many years nothing is put to reserve.

(Years ended March 31)	1927.	1928.	1929.
	£	£	£
Profits	106,806	188,918	144,196
Debenture charges	25,000	25,000	25,000
Depreciation fund	25,000	25,000	25,000
Net earnings	56,806	138,918	94,196
Ordinary *Earned*	*7·3%*	*17·9%*	*12·1%*
Ordinary Paid	5%	10%	10%
Ordinary Amount of dividend	38,708	77,416	77,416
To reserve fund	20,000	50,000	Nil
To employees' benefit fund	5,000	10,000	5,000
Increase or decrease in carry-forward	−6,903	+1,502	+11,780

Important alterations have been made in the balance sheet, resulting in a reduction of the total of gross assets from £2,199,015 to £1,945,925. Fixed assets, which stood at £1,588,299 (including goodwill) a year ago, have evidently been revalued. Goodwill, the confusion of which among other capital assets is always undesirable, has been written off, £40,905 being taken for this purpose, and a downward adjustment of £244,989 has been made in accordance with the revaluation. The £285,894 required for these two purposes has been taken from the depreciation fund, which is left with a credit balance of £54,106. The reserve fund and the investment contingency fund remain at £230,000 and £45,000 respectively, so that, with the carry-forward, the reserves aggregate £362,313. On an issued share and loan capital of £1,394,165, with an up-to-date valuation of the fixed and a comfortable surplus of liquid assets, this position has a sufficiently healthy appearance, provided that the fall in profits can be arrested. The 5s. shares at their market price of 7s. (against 9s. at this time last year) yield £7 2s. 10d.

Philips Gloeilampenfabrieken.—The report of this Dutch company shows that considerable expansion has taken place during the past year, with favourable results. Despite the increased profit of 29 million guilders (against 14 million in 1927), the dividend is maintained at 21 per cent. on the increased capital:—

	(In thousand guilders.) 1926	1927	1928
Operating profit	9,067	14,106	29,209
Depreciation	2,884	2,546	10,499
Net profit	6,183	11,560	18,710
Extra depreciation	1,300	4,400	8,000
Employees	642	1,381	2,271
"Tantièmes"	700	1,358	2,124
Taxes	294	378	588
Preference dividend Amount	450	506	791
Preference dividend Per cent.	8	9	9
Ordinary dividend Amount	2,800	3,675	5,742
Ordinary dividend Per cent.	16	21	21

During the year the capital was increased from 21,875,000 guilders to 32,813,000 guilders of ordinary shares, and from 7,032,000 guilders to 10,548,000 guilders of preference shares. An issue is to be made of ordinary shares at 250 in the proportion of one new for two old shares. Profits for the first quarter of 1929 are declared to be considerably higher than during the same period of 1928. The International General Electric Co. has a large holding of ordinary shares in the company. The present price of the ordinary is 790 ex rights.

Gramophone Developments.—In view of recent reports regarding the merging of the talking machine, talking film and wireless industries into one great trust, interest attaches to the negotiations which have been taking place in Paris between representatives of the Columbia Graphophone Co. and Mr Sarnoff, the vice-president of the American Radio Corporation. Our Paris correspondent states that, according to reports received in that centre from New York several months ago, the possibility of a fusion of the Victor Talking Machine Company and the American Radio Corporation was then under consideration. It is understood that more than half the capital of the Columbia Company is already in American hands. The reported projected combination would place the most important talking machine and disc factories in the world under the same control. The importance which such a combination would have is increased by the close relations that are understood to exist between the American Radio Corporation, the Brunswick, Balke and Callender group of Chicago and the German Polyphon group. Further, behind these combinations are the powerful General Electric, Western Electric and associated concerns, which in one form or another are now making their influence strongly felt in the French telephone and film industries. Columbia share values have reacted this week on unofficial reports of a serious hitch in the negotiations.

Anglo-Egyptian Oilfields, Limited.—It has been said that the benefits of output-restriction in any industry are enjoyed chiefly by those companies which do not restrict. Whether this truism applies to Anglo-Egyptian Oilfields, Limited, is not disclosed in the directors' report for 1928, but it is significant that production, profits and dividends again show considerable increases. The following table compares the results of the last three years:—

	1926.	1927.	1928.
	£	£	£
Capital	1,808,000	1,808,000	1,808,000
Gross profit	611,973	649,287	819,988
Net profit (after expenses and depreciation)	245,136	328,099	424,266
Dividends	233,500	328,388	423,277
Dividend per cent. on "B" shares	12½	17½	22½
Carried forward	249,490	249,201	250,190
Production (tons)	169,211	180,230	264,234

It will be seen from this table that the company distributes its profits up to the hilt, but carries forward each year an amount equal to over 13 per cent. on the ordinary share capital. According to the directors' report, the increase in production in 1928 was obtained chiefly from the northern extension of the main Hurghada field. The attempt to develop production in the Farsan Islands has been abandoned, and the loss, amounting to £69,452, has been written off the exploration reserve account, bringing that account down to £30,548. Such are the risks of an oil-producing company. Meanwhile, exploration work in Somaliland is being undertaken. It may be added that the balance sheet shows the strong liquid position usual with subsidiaries of the Royal-Dutch-Shell group, the surplus of current assets over current liabilities being £895,911. The company's capital consists of £1,708,000 in " B " shares of £1 and £100,000 in " C " shares of £1, the " C " shares being held by the Egyptian Govrenment. The " B " shares are entitled in each year to a sum of £78,500. The " C " shares then rank for a non-cumulative dividend of 5 per cent., and the surplus profits are distributed as to 90 per cent. to the " B " and 10 per cent. to the " C " shares. At the present price of 2$\frac{15}{16}$ the " B " shares return a yield of 7.64 per cent.

Marks and Spencer.—Our readers are asked to note that the figure of 3 per cent. which appeared in our " Investment Note " on Marks and Spencer in our last week's issue (page 1058), as the yield on the 10s. ordinary shares at 5½ *cum* dividend and rights, on the basis of a 15 per cent. dividend on the increased capital, should read 1½ per cent.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following company meetings:—Hambros Bank, Alliance Assurance, Commercial Union Assurance, Gresham Fire and Accident Insurance, Gresham Life Assurance, Liverpool and London and Globe Insurance, Leopoldina Railway, Cluny Rubber, Lanadron Rubber Estates, Ledbury Rubber Estates, Lunuva (Ceylon) Tea and Rubber Estates, Cawnpore Electric Supply, British Shareholders Trust, Forestal Land, Timber and Railways, Margarine Union, Sphinx Electric, and British Match Corporation. The chairman of the Gresham Life referred to the fact that during the last four years mortality claims had averaged only 62½ per cent. of the amount expected according to the table used in the valuation. Baron d'Erlanger declared that the Forestal Land, Timber and Railways Company was not prepared to sacrifice its stocks of quebracho, but would take measures to carry its stock until consumption had recovered from the present "temporary crisis." It was stated at the Margarine Union meeting that the work of moulding together the Jurgens and Van den Bergh concerns had been practically carried out. The results would be felt partly in 1929, and, possibly, completely in 1930.

MINING NOTES.

Central Mining.—Our *Mining* Correspondent writes:—Last year's earnings on the part of this, the doyen of Kaffir finance undertakings, correspond extraordinarily closely to those of 1927. The expenses also exhibit little variation. After deduction of dividends and special appropriations on the same scale as before, the sum carried forward is practically identical with that brought

in. The balance sheet, however, shows a considerable expansion in both the debtor and creditor items, and also a jump in the cash. Reserve now stands at £1,900,000. In their customary brief statement, the directors devote chief attention to the company's oil interests—which are located in Trinidad and Venezuela. The operations of Messrs. Bernhard Scholle and Co. and of the British Metal Corporation permitted the maintenance of the previous year's dividends with increased allocations to reserves.

	1926.	1927.	1928.
	£	£	£
Shares investments etc.	10,005,320	8,129,340	8,250,370
Debtors, less reserves	173,520	126,220	236,990
Creditors and dividend	6,693,600	6,123,880	7,021,810
Loans	1,432,040	2,873,170	2,898,560
Cash	151,920	216,490	1,007,620
Dividends, profits, etc.	781,570	836,820	832,720
Management, etc., expenses	50,900	50,021	47,110
Taxes	60,080	59,670	59,930
Net profit	668,590	727,130	725,680
Dividends	425,000	425,000	425,000
Do. per share (tax free)	20s.	20s.	20s.
To reserve fund	150,000	150,000	150,000
For income tax	100,000	115,000	115,000
Brought forward	107,070	69,630	71,350
Carried forward*	69,630	71,350	71,730

* After deduction of directors' percentage.

There are numerous points of interest in the detailed report of the consulting engineer in regard to the Rand and the Corporation's interests in South Africa. At current price of £18 10s. for the £8 share the yield afforded is about 5½ per cent. tax free.

Tin Company Results.—As a whole the results shown by the annual statements recently published are disappointing—the chief factor being, of course, the fall in the price of the metal. At £46,300 the net profits of the Pengkalen come within a litte of the 1926-27 total, but would have been less save for an expansion in the tribute on alluvial workings. Costs came down substantially from the inflated level of the preceding year, although still higher than those of 1925-26. Dividends upon the ordinary shares totalled 25 per cent., as against 22½ per cent. A second and very powerful dredge came into operation last September. Market calculations as to the resultant additional profits will be upset by the managers' intimation not only that the revenue from the sale of power is likely to be much lower during the current session, but that the company's tribute mine in the enrichment area has been stopped "in accordance with the scheme of work." It is possible that the Government licence to sell power, which expires in October, may not be renewed. Tekka-Taiping experienced certain difficulties in working, a reduced yardage being treated for a slightly lower average yield than before. The output declined by 95¼ tons to 564 tons, and the profit came out at £45,850 in place of £72,200—depreciation allowed for in each case. Accordingly the distributions remain at 10 per cent., there being no repetition of the 6¼ per cent. bonus paid in regard to 1926-27. A third dredge is in process of erection. These two undertakings operate in Malaya. Somewhat surprisingly, the experiences of the two Kaduna undertakings (Nigeria) were not at all similar. At £17,200 the gross profit of the Syndicate amounted to little more than one-half the 1926-27 total. The payment of a final dividend of 10 per cent., making 20 per cent. for the year (as against 55 per cent.) leaves the somewhat reduced balance of £2,700 to go forward. For the current year to date the output exceeds that of the corresponding period of 1927-28; on the other hand, the price of tin has ruled lower. *Per contra* the Prospectors, by largely increasing its output, earned £10,200, or rather more than the 1926-27 amount; the final dividend of 10 per cent. makes 20 per cent. for the year, as against 30 per cent., but meantime the capital has been increased. The output for the first five months of the current financial year shows a slight decrease. Both companies have taken a small interest in Maroc, a concern prospecting virgin territory in Sierra Leone. In all cases the accounts are made up to October 31 last. The Mongu (Nigeria) accounts for the year to December 31st indicate a profit of only £8,300, as compared with £19,100 for 1927. Accordingly the shareholders will receive 5 per cent. as against two dividends totalling 20 per cent. in respect of each of the preceding four years. As a result of the installation of additional plant the output of the current year should exceed that of 1928.

Mining Corporation of Canada.—Although the operating companies last year treated a larger quantity of ore, its average value was so much lower than before that the production of silver amounted to no more than 1,314,000 ozs., as against 2,119,800 ozs. in 1927. The reserves in the Cobalt mines are computed at 25,000 tons containing 600,000 ozs., the tonnage being the same as that of twelve months ago and the contents 100,000 ozs. less. As above indicated, last year's output substantially exceeded that reckoned to be available at the end of 1927, and a further year's supply was in reserve at the end of 1928; but both these and the South Lorrain properties are approaching exhaustion, and the future depends upon the company's new interests. Of these the principal are the Quemont, an undeveloped property adjoining the Noranda; 700,000 shares of the Base Metals Mining Corporation, whose property is situated in British Columbia; and 80 per cent. of the issued capital of the Mincor Exploration and Development Co., owning claims in the Sudbury district. Opportunities of acquiring further interests will be taken; in this connection it may be noted that the company's net cash resources approach a quarter of a million. With regard to the 1928 accounts, the profit on mining amounted to £31,500, as against £111,900 in 1927. Interest, exchange and profit on investments brought in £439,500, as compared with only £6,500. Of the present total of £471,000, some £328,800 was devoted to the writing down of mining rights. The two dividends of 12½ cents cash (as before) absorbed £85,200, and after providing for depreciation on plant the slightly enhanced balance of £10,600 remained to be carried forward. An interim dividend of 12½ cents in respect of the current year has just been declared.

Vereeniging Estates.—A detailed examination of the accounts for 1928 considerably modifies the impression created by the summary given in the directors' report. Here the net profit is set out as £184,200, comparing with about £141,000 for each of the two preceding years, and only £17,500 in 1922. All but £8,000 of last year's expansion arises from two book-keeping transactions. In the first place, £17,500 discount on debenture issue, previously debited to profit and loss account, is now transferred back, the amount being debited to share premium account; in the second place, £18,000 previously written off Vereeniging Brick and Tile shares is now written up to cost, this subsidiary having entered the dividend list. Once again a final dividend of 7½ per cent. is declared, making 12½ per cent. for the year, a point to which no reference is made in the report. Doubtless the absence of any expansion in the rate may be attributed to the circumstance that the 1927 distributions entailed a draft upon the carry-forward, and that in the meantime the issued capital has been increased by 316,000 shares to £1,582,000. The issue in question was made to enable the company to acquire the controlling interest in the Coronation Collieries. This transaction, with a further recent acquisition, gives a commanding position in the coal trade of the Vryheid district. At 2,200,300 tons, last year's output of the collieries worked by the Vereeniging Co. showed an increase of 83,300 tons. The condition of the forests and orchards is reported to be satisfactory, and the Vereeniging Milling Co. is stated to be now making profits. At 2$\frac{1}{16}$ cum final dividend Vereeniging Estates shares give a yield of 6½ per cent.

CAPITAL ISSUES.

The rush of new issues before the Whitsun holidays has beaten all previous records. Six prospectuses were advertised on Monday, five on Tuesday, three on Wednesday, and two on Thursday, the total for the week amounting to £17,562,218, of which £5,158,484 represents new money. The most important issue in this week's list was the *Commonwealth of Australia* offer of conversion to holders of £12,403,734 of Queensland Government 5½ per cent. stock falling due on July 1st next. This is the first time that a Commonwealth loan has been offered for the conversion of a State loan. Now that the Commonwealth Government has taken over the debts of the States, the prospect of issues of Commonwealth Stock (in this case the 5 per cent. 1945-75 issue) assuming unwieldy proportions must be guarded against, as far as possible. The price of issue of this 5 per cent. stock for cash applications was 97, and holders of the maturing Queensland 5½ per cent., which is quoted in the market at 101½, were offered stock plus £3 in cash. The terms of conversion were not unreasonable. The existing Commonwealth 5 per cent. 1945-75 is quoted at 97 to yield 5.13 per cent., while the new stock at 97 allows a yield of 5.15 per cent. Unless holders of the Queensland 5½ per cent. stock wish to go outside Australia for an investment, they will doubtless convert. Of the industrial issues several were of more than market interest. The movement towards rationalisation in the heavy industries was responsible for the issue of *Allied Ironfounders*, which is an amalgamation of a number of manufacturers of cast-iron goods, mainly used in the building trades, who have been fiercely competing with one another. The issue was made under the auspices of the house of Bernhard, Scholle and Co., and took the form of a reasonably well-secured 6 per cent. convertible debenture. The issue of *British Power and Light* was interesting, because it represented the combination and development of British power and light companies under British control. Two well-known members of the smaller City finance houses—Robert Benson and Edward de Stein—were the promoters of this issue. The china clay industry of Cornwall rarely figures in the capital issue market, but this week an issue of debentures and ordinary shares was made by *Lovering China Clays*, a company formed to take over the old-established business of John Lovering and Co. *Argus Press Holdings* invited subscriptions to 7½ per cent. preference shares and ordinary shares for the purpose of acquiring the business of the Argus Press, which prints the *Morning Post*, the *Financial News* and *The Observer*. A wide variety of trade issues was offered to the speculative investor—*Triumph Auto Pianos*, which acquires a business of player piano manufacturers and hopes to finance hire purchase agreements; *Rothmans* (1929), which takes over the well-known retail and export business that claims to supply tobacco and cigarettes direct to the consumer at wholesale prices, and *Pass and Joyce* (1929), which acquires a much-advertised business of motor-car distributors and agents. All of these companies offered semi-speculative preference shares. *Berkeley Property and Investment* required funds to repay loans and acquire further flats and houses in London, while *Virginia Tobacco* (*Rhodesia*) made a more speculative ordinary share issue for the purpose of acquiring and developing estates in Rhodesia for tobacco cultivation. The inevitable "patent" issues were provided by *N. T. Artificial Wool*, a company formed to exploit a French invention for the making of a wool substitute from vegetable fibres; *Lactagol*, a company which makes and sells a product "invaluable for the nursing mother"; *Rubber Processes* which makes, under "secret processes," various rubber products (a highly-coloured prospectus which made but slight appeal to the investor); and *Marco Refrigerators* (1929), which takes over an established business, but gives no figures of past profits. Thursday's issues comprised an offer of 10s. shares at a premium of 1s. 6d. by a Chilean nitrate company, *Tarapaca and Tocopilla*, which has shown a satisfactory revival in earnings after the recent depression in the industry, and of ordinary shares in *Walkers* (*Stourbridge*) *Fireclay*, which gives a single unimpressive profit figure in respect of certain brickworks, and says nothing whatever as to the earnings of a colliery which is being taken over.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total recorded since January 1, 1929, £141,834,618*.
Total, including conversion, recorded since January 1, 1929, £155,413,833.*

National Savings Certificates.
Net sales week ended May 11, 1929, *Dr. £50,000.*
Total receipts April 1, 1929, to May 11, 1929, Dr. £150,000.

Description of Issue and Date of Opening of Lists. To the Public.	Nominal Capital.	Conversions or Repayments.	New Money, Cash Subscription.	First Payment.	Further Liability.
	£	£	£	£	£
Commonwealth of Australia 5% Reg. Stk., issued at 97, red. at par, 1945-75 (May 13)	...	12,403,734	...	...	...
British Power & Light Corporation (1929), 1,600,000 Ord. £1 at par (May 13)	1,600,000	...	1,600,000	200,000	1,400,000
Rothmans (1929), 156,000 7% Cum. Part. Pref. £1 at 21s. (May 14)	156,000	...	163,800	19,500	144,300
Allied Ironfounders, £780,000 6% Conv. Debs., issued at 96 (May 13)	780,000	...	748,800	78,000	670,800
Argus Press Holdings, 275,000 7½% Cum. Pref. £1 at par (May 13)	275,000	...	275,000	34,375	240,625
Do. 200,000 Ord. £1 at 21s.	200,000	...	210,000	25,000	185,000
Triumph Auto Pianos, 63,750 8% Cum. Pref. £1 at par (May 14)	63,750	...	63,750	15,938	47,812
Do. 1,062,500 Ord. 2s. at par	106,250	...	106,250	26,563	79,687
Pass and Joyce, 1929, 100,000 Cum. Part. Pref. £1 at par (May 14)	100,000	...	100,000	12,500	87,500
Do. 100,000 Ord. 5s. at par	25,000	...	25,000	5,000	20,000
N.T. Artificial Wool, 120,000 10% Cum. Part. Pref. £1 at par (May 14)	120,000	...	120,000	30,000	90,000
Do. 120,000 Ord. 4s. at par	24,000	...	24,000	12,000	12,000
Lovering China Clays, 2,500 £100 6% Reg. Debs. at 96 (May 14)	250,000	...	240,000	25,000	215,000
Do. 380,000 Ord. £1 at par.	380,000	...	380,000	47,500	332,500
Rubber Processes, 1,650,000 Ord. 1s. at par (May 14)	82,500	...	82,500	41,250	41,250
Lactagol, 100,000 8% Cum. Pref. 10s. at par (May 14)	50,000	...	50,000	5,000	45,000
Do. 100,000 Ord. 1s. at par	5,000	...	5,000	5,000	...
Berkeley Property and Investment, 433,485 Ord. £1 at 21s. (May 15)	433,485	...	455,159	56,186	400,973
Marco Refrigerators (1929), 2,420,000 Ord. 1s. at par (May 15)	121,000	...	121,000	30,250	90,750
Virginia Tobacco (Rhodesia), 190,000 Ord. 10s. at par (May 15)	95,000	...	95,000	23,750	71,250
Walker's (Stourbridge) Fireclay 660,000 Ord. 5s. at par (May 16)	165,000	...	165,000	33,000	132,000
Tarapaca and Tocopilla Nitrate 223,000 Ord. 10s. at 11s. 6d. (May 16)	111,500	...	128,225	27,875	100,350
Total offered to public, week ended May 18, 1929	5,143,485	12,403,734	5,158,484	751,687	4,406,797
To Shareholders only.					
Albion Motor Car, 46,004 Ord. £1 at £2	46,004	...	92,008	92,008	...
Paripan, 50,000 Ord. 5s. at 10s.	12,500	...	25,000	25,000	...
Total to Shareholders only, week ended May 18, 1929	58,504	...	117,008	117,008	...

* Adjusted figures.

Total offered for Subscription—	Including Conversions.	Excluding Conversions.
To date—	£	£
1929	173,043,064	147,060,110
1928	...	205,824,233
1927	...	178,834,951
1926	...	84,276,834
1925	...	79,918,671
1924	...	75,412,567
1923	...	141,486,583

Total offered for Subscription—	Including Conversions.	Excluding Conversions.
Whole year—	£	£
1928	693,100,056	369,058,073
1927	...	355,165,976
1926	...	230,782,801
1925	...	232,214,500
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Advertisement (in brackets).	Amount of Capital Introduced.	Price at which Dealings Began.	Total Cash Involved.
	£	£	£
Total recorded since Jan. 1, 1929	18,770,574	...	26,670,746
Hector Whaling, Limited, 285,000 Ord. £1 at par, 21s. and 25s. (May 8)	310,000	55/-	783,750
Yorkshire Products Investment Co., Ord. Shares, 2s. (May 6)	318,342	1/7½	258,648
Do., 7 % Cum. Pref. £1	185,589	19/6	181,896
Total, week ended May 18, 1929	814,931	...	1,224,294
Total to date, 1929	19,585,505	...	27,895,040

Commonwealth of Australia Conversion Loan.—Offer of conversion to holders of £12,403,734 of Queensland Government 5½ per cent. inscribed stock, 1926-29 (balance of loan falling due on July 1), into Government of the Commonwealth of Australia 5 per cent. registered stock, 1945-75, at 97. Trustees may invest in this stock. Holders who convert will also receive a cash payment of £3 per cent.

Offer for public subscription of an amount of the new stock sufficient to make up, with the stock converted, the total of £12,403,734. The following annual sinking fund contributions must be made in the case of all debts taken over by the Commonwealth from the States:—On loans existing on June 30, 1927, including such loans when converted into other loans, 7s. 6d. per £100, and on any new loans 10s. per £100.

India Bills.—The Secretary of State for India gives notice that tenders will be received at the Chief Cashier's Office, at the Bank of England, on Thursday, May 23rd, at 1 o'clock, for India Bills to the amount of £6,000,000 to provide funds for capital expenditure on railways and for general purposes. Persons whose tenders are accepted will be informed on Friday, May 24th, and payment in full of the amounts of the accepted tenders must be made to the Bank of England, not later than 2 o'clock on Monday, May 27th.

British Power and Light Corporation (1929), Limited.—Offer for sale at par of 1,600,000 (out of 2,000,000) £1 shares, each of which the directors may at any time convert into 10s. of 6 per cent. cumulative preference and 10s. of ordinary stock. The corporation acquires a controlling interest in two electricity companies and the whole share capital of five others, and will centralise their technical and commercial organisations. The purchase price is £1,048,000 in shares.

Allied Ironfounders, Limited.—Issue at 96 of £780,000 (out of £1,200,000) 6 per cent. debenture stock, convertible till 1935 into 9 £1 ordinary shares for each £10 stock, and carrying corresponding rights to participate in any offer to shareholders meanwhile; a first specific mortgage on all shares in the constituent companies, and redeemable by 1958 by a sinking fund applied in purchase up to or drawings at par, the company having the right to redeem after 1936 at 103. Issued share capital is 795,527 (out of 1,500,000) £1 7 per cent. cumulative preference and 798,625 (out of 1,500,000) £1 ordinary shares; a further 600,000 ordinary shares are to be authorised. The company was formed in March, 1929, to amalgamate a number of companies producing cast-iron goods mainly for use in the building trades. Combined net assets were valued at £2,032,639, excluding goodwill. Combined profits have been: 1925, £335,990; 1926, £363,893; 1927, £288,329; 1928, £137,824—less small amounts attributable to unacquired shares. Total purchase price was £2,335,729, payable as to £865,954 in cash, £736,842 in preference and £732,933 in ordinary shares. Promoters received 58,335 preference and 58,335 ordinary shares.

Lovering China Clays, Limited.—Issue of 380,000 (out of 400,000) £1 shares at par and 2,500 £100 6 per cent. registered debentures (1964) at 96. Debentures are redeemable by a 1 per cent. cumulative sinking fund operating annually by purchases up to or drawings at 101 and accrued interest; at company's option redemption may be accelerated by drawings at 102 and accrued interest. The company acquires an old-established Cornwall business of china clay producers and merchants and a freehold property connected therewith, valued in all at £690,623, excluding goodwill. The total purchase price is £552,602 in cash; promoters receive £5,000 in cash and £20,000 in shares. Profits have been:—1923, £60,969; 1924, £55,608; 1925, £51,184; 1926, £30,433; 1927, £48,989; 1928, £58,051. The company receives the profits since January 1, 1928, less interest at the rate of £40,000 per annum. Working capital is estimated at £41,000.

The Argus Press Holdings, Limited.—Issue of 275,000 £1 7½ per cent. cumulative preference shares at par and 200,000 £1 ordinary shares at 21s. The company acquires the whole issued ordinary share capital of The Argus Press, Limited, which owns a newspaper printing business. Net assets, excluding goodwill, attributable to the shares acquired have been valued at £278,161, but including profits to date exceed £300,000. Profits available for those shares have been:—1926, £30,829; 1927, £65,582; 1928, £74,937. The vendors receive £480,000 in cash, but will apply for 100,000 ordinary shares on the terms of the prospectus.

Berkeley Property and Investment Company, Limited.—Issue at 21s. of 433,485 £1 ordinary shares, additional to 241,515 already issued, out of a total of 750,000 authorised. The company, formed in 1924, carries on business as a real property company, in particular as proprietor of residential flats and other properties situated principally in the County of London. Net assets are valued at £246,218. Profits have been:—Year ended September 29, 1928, £15,321; period ended March 25, 1929, £16,528. Out of the proceeds of this issue £78,700 will be paid to complete the purchase of certain properties.

Grace National Bank

Hanover Square, New York, U. S. A.

A thoroughly organized international bank, giving special attention to the requirements of European banking correspondents.

Special Representative

148 Leadenhall St. London, E. C. 3.

Triumph Auto Pianos, Limited.—Issue at par of 63,750 (out of 75,000) £1 8 per cent. cumulative preference and 1,062,500 (out of 1,500,000) 2s. ordinary shares. The company acquires a business, established in 1903, of manufacturers of player pianos and accessories. Net assets are valued at £31,005 (including trade marks and patents, £500). The purchase price is £30,000, payable in 11,250 preference and 187,500 ordinary shares. Profits (adjusted) have been:—1925, £24,318; 1926, £23,787; 1927, £24,240; 1928, £24,745. Approximately £47,650 will be provided as additional working capital. The unissued shares are under option at par.

Walker's (Stourbridge) Fireclay, Limited.—Issue at par of 660,000 (out of 1,000,000) 5s. shares. The company will manufacture fire bricks and engineering bricks, particularly a uniform refractory brick, and retorts for gas companies, and is acquiring two brickworks and a colliery, valued at £160,640. The purchase price is £150,000, payable as to £70,000 in cash and £80,000 in shares. Profits of the brickworks for 19 months to December 31, 1928, were £11,810. Working capital, after allowing for the cost of new works, is estimated at £30,000.

Rothmans (1929), Limited.—Issue of 156,000 (out of 190,000) £1 7 per cent. cumulative participating preference shares at 21s., entitled to one-fifth of the surplus distributed profits after payment of 7 per cent. on 150,000 4s. ordinary shares. The company acquired a business, founded in 1890, of manufacturers of and dealers in tobacco, &c. Net assets are valued at £95,783, excluding goodwill and trade marks. The purchase price is £129,000, payable as to £65,000 in cash, £34,000 in preference and £30,000 in ordinary shares; in addition, premises in Glasgow are being acquired for £5,750. Profits have been (to February 20th):—1925, £22,423; 1926, £30,127; 1927, £30,248; 1928, £39,970; 1929, £41,169. Working capital is estimated at £80,000.

N.T. Artificial Wool Company, Limited.—Issue at par of 120,000 (out of 150,000) £1 10 per cent. cumulative participating preference and 120,000 (out of 500,000) 4s. ordinary shares, the former entitled to one-fourth of surplus distributed profits. The company acquires inventions for the manufacture of an artificial wool, with the benefit of patent applications, the whole share capital of a French company, and the sole right to all improvements. The purchase consideration is £78,000, payable as to £50,000 in cash and £28,000 in ordinary shares. Working capital is estimated at £73,000. The unissued ordinary shares are under option at par.

Tarapacá and Tocopilla Nitrate Company, Limited.—Issue of 223,000 10s. shares at 11s. 6d., to rank *pari passu* with existing shares. Authorised share capital is £1,000,000 in 10s. shares, all of which have been or are to be issued. Loan capital outstanding consists of £328,000 6½ per cent. first mortgage debentures. The company was formed in 1906, and recent profits, before providing for debenture amortisation, have been: 1925, £38,835; 1926 (loss), £673; 1927, £23,843; 1928, £74,740. An additional nitrate property is being acquired in consideration of 977,000 10s. shares. The present issue is to provide further working capital.

Pass and Joyce (1929), Limited.—Issue at par of 100,000 £1 7½ per cent. (participating to 10 per cent.) cumulative preference and 100,000 (out of 400,000) 5s. ordinary shares. The company acquires, as from September 30, 1928, a business of motor-car distributors, concessionaires, and agents, established in 1924 and carried on in London and Manchester. Net assets were valued at £110,769, excluding the value of concessions, contracts and goodwill. The purchase price is £100,000, payable as to £50,000 in cash and £50,000 in ordinary shares, and the unissued shares are under option to the vendors at par. Profits have been (to September 30):—1926, £13,388; 1927, £23,214; 1928, £31,065. Working capital is estimated at £55,000.

Marco Refrigerators (1929), Limited. — Issue at par of 2,420,000 (out of 4,000,000) 1s. shares. The company acquires as from December 31, 1928, a business, established in 1904, of manufacturers and sellers of refrigerators, including a general engineering and woodworking business, factory, trade mark, patents, and all assets other than book debts. Certain assets have been valued at £80,250. The company takes over all profits and liabilities accrued since the above day, and also a bank loan of £16,456. The purchase consideration is £60,000, payable as to £6,000 in cash and £54,000 in shares, together with a call on the unissued shares at 1s. 3d. Working capital is estimated at £94,000.

Virginia Tobacco Company (Rhodesia), Limited.—Issue at par of 190,000 (out of 200,000) 10s. shares. The company will acquire tobacco plantations or land or properties in Southern Rhodesia suitable for the cultivation of Virginia tobacco and for other agricultural purposes. The purchase price for a 2,500-acre estate and two options on other estates is £20,000, payable as to £15,000 in cash and £5,000 in shares.

Rubber Processes, Limited.—Issue at par of 1,650,000 (out of 2,500,000) 1s. ordinary shares. The company acquires a rubber undertaking in Yorkshire, together with secret processes. The purchase consideration is £35,100, payable as to £7,600 in cash and £27,500 in shares. Working capital is estimated at £57,000. The unissued shares are under option at par.

Lactagol, Limited.—Issue at par of 100,000 10s. 8 per cent. cumulative preference and 100,000 (out of 500,000) 1s. ordinary shares. The company acquires the formulae, manufacturing and selling rights of a milk preparation. Profits of vendors attributable to this article, before charging tax, administration expenses or advertising, have been (to September 30):—1924, £14,303; 1925, £14,245; 1926, £13,617; 1927, £13,186; 1928, £13,721. The purchase consideration is £32,000 in cash; the vendors will apply for 400,000 ordinary shares at par. Working capital is estimated at £34,000.

Particulars of the following have been issued "for information only" with a view to Stock Exchange introduction:—**Forestal Land, Timber and Railways Company, Limited**; issued capital, 1,865,852 6 per cent. cumulative preference and 3,708,837 ordinary shares of £1 each; £1,000,000 6 per cent. ten-year registered notes, redeemable at par in 1939 or at 102 after 1934, have recently been sold at 95. **Base Metals Mining Corporation, Limited**; issued capital, 1,850,005 £1 shares; incorporated in Canada as a mining, milling, production and development company. **Cassell and Company (Holdings), Limited**; capital issued or to be issued, 100,000 £1 7½ per cent. cumulative preference and 497,740 5s. ordinary shares; incorporated in 1928 to acquire the whole issued share capital of Cassell and Co., Limited, publishers.

OIL OUTPUTS.

ANGLO-ECUADORIAN OILFIELDS, LIMITED.—The production for April is cabled as 13,204 tons.

APEX (TRINIDAD) OILFIELDS.—The results for month of April are:—Production of oil, 35,820 tons; deliveries, 32,940 tons.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended May 1st: Venezuela, 37,105 barrels; Trinidad, 15,429 barrels; total, 52,534 barrels. Production for April, Venezuela, 153,109 barrels; Trinidad, 71,623 barrels; total, 224,732 barrels. Deliveries for April, Venezuela, 157,551 barrels; Trinidad, 77,654 barrels; total 235,205 barrels. Production for the week ended May 8th: Venezuela, 36,755 barrels; Trinidad, 19,211 barrels; total, 55,966 barrels.

LOBITOS OILFIELDS, LIMITED.—The production of the Peruvian Company for April is cabled as 26,899 tons.

SERVICE PETROLEUM CO., LIMITED.—Production from the company's oil wells at Gura-Ocnitzei and Ceptura for the week ending May 5th was 1,611 tons (11,277 barrels).

STEAUA ROMANA (BRITISH).—The production of the Steaua Romana Company, Bucharest, for the month of April, was 61,850 tons.

TAMPICO OIL, LIMITED.—The total production on the company's properties in Mexico during April was 19,619 barrels, in respect of which the royalty due to Tampico Oil, Limited, amounted to 1,471 barrels.

THE KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—The total production during the month of April amounted to 109,249 barrels, or approximately 15,607 tons.

THE MEXICAN EAGLE OIL COMPANY, LIMITED.—The production for the week ended April 27, 1929, was 165,000 barrels; week ended May 4th, 187,000 barrels.

TRINIDAD LEASEHOLDS.—Oil produced in April, 32,500 tons; oil purchased in April from other companies, 35,800 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Production for the week ending Wednesday, May 1, 1929, amounted to 2,500 tons. Week ended May 8, 1929, 3,078 tons.

VENEZUELAN CONSOLIDATED OILFIELDS, LIMITED.—Production for month of April, 15,095 barrels (2,157 tons). Week ended 11th instant, 2,548 barrels (364 tons).

VENEZUELAN OIL CONCESSIONS.—Production for the week ended May 4th was 126,103 metric tons (previous week ended April 27th, 127,213 metric tons). Week ended May 11th, 130,549 metric tons (previous week ended May 4th, 126,103 metric tons).

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Latest Year.	Previous Year.
RAILWAYS.				%	%
Alabama Great Southern	...	Aug. 15	...	7	...
Antofagasta (Chili) and Bolivia...	4%†	...	...	7	7
BANKS.					
Bank of London & S. America...	4%*	June 11	Less tax	...	...
Continentale Handelsbank	...	...	...	7	7
INSURANCE.					
Guardian	4/- p.s.†	June 29	...	8/- p.s.	8/- p.s
Guardian Eastern	...	June 29	...	5	5
Phœnix	...	...	Less tax	14/-p.s.‖	4/-p.s.
Pioneer Life	4⅛%†	...	...	9⅜	9⅜
Planet	...	June 12	...	5	5
Sun	...	July 1	Less tax	62½	57½
TEA AND RUBBER.					
Aibheil Tea	15%†	...	...	20	25
Amalgamated Tea Estates	15%†	...	...	17½	37½
Anglo-American Direct Tea	15%†	...	...	17½	22½
Anglo-Sumatra	10%*	May 31	...	...	...
Budla Beta Tea	40%†	...	Tax free	50	40
Consolidated Tea & Lands	20%†	...	...	22½	32½
East India and Ceylon Tea	...	...	...	10	25
Gadek	...	June 11	Less tax	5	10
Jetinga Valley Tea.....	15%†	June 3	Less tax	20	30
Kanan Devan Hills Produce ...	30%†	...	...	35	37½
Kurau	...	...	Less tax	5	4
Lanka	5%*	May 31	...	...	...
Leesh River Tea	25%†	...	Less tax	35	50
Luskerpore Tea	...	...	...	5	15
Narborough (F.M.S.)	5%*	May 29	...	...	...
Sapong Rubber	...	...	Less tax	10	20
Shelford Rubber	...	...	...	8	8
St. George Rubber	...	...	...	10	15
Surmah Valley	...	...	Less tax	10	30
Sungei Chinoh Rubber	...	...	Less tax	5	...
Sungei Rinching Rubber	...	...	...	7½	4
Tara	40%†	June 8	Less tax	50	50
MINING.					
Kinta Kellas	5%*	May 28	...	...	...
Kuala Kampar Tinfields	...	May 31	...	3½	...
Lonely Reef Gold.....	10%*	July 31	...	...	...
Mongu (Nigeria).....	...	June 15	Less tax	5	...
Mt. Lyell	6¼%*	June 24	...	...	...
OTHER COMPANIES.					
Aboukir	...	...	Tax free	5	5
Adelaide Elec. Supply	6%*	...	...	...	...
Aerated Bread	Nil*	...	...	...	...
Amalgamated Press	8%†	...	...	15	Nil
Anglo-Egyptian Oilfields "B"	...	...	...	17½	22½
Angostura Bitters	4%*	...	Less tax	...	...
Bass, Ratcliff & Gretton	5%*	...	Tax free	...	...
British & Irish Steam Packet ...	...	...	...	6	5
British Burmah Petroleum	2½d.p.s.*	May 17	Tax free	...	...
British Electric Traction (Def.)	5% and	d bonus	10% less tax	...	...
Buchanan-Dewar	20%†	...	Less tax.	30	28
Central Mining & Investment...	...	...	...	10	10
Chloride Electrical Storage.....	...	...	Tax free	25	25
Dublin Brick	...	...	...	1/- p.s.	1/- p.s.
Ever Ready (G.B.).....	25%†	...	...	35	35
Fine Cotton Spinners.....	5%†	...	...	9	15
Frederick Sage	3%*	June 1	Less tax	...	...
Gartsides (Brookside Brewery)...	...	...	Less tax	21	21
Hyderabad (Deccan)	1/6 p.s.†	...	...	3/- p.s.	3/- p.s
Imperial Continental Gas	10%†	June 18	...	15	10
Industrial & Gen. Trust.....	11½%†	June 1	...	17½	17
Investment Trust Corp. (Def.)...	12%†	...	...	20	20
James Finlay	15%†	...	Less tax	25	25
John Hetherington and Sons ...	...	...	...	7½	7
Lake View Investment.....	6¼%†	June 1	...	12½	12½
Lewis Berger and Sons.....	10%*	June 1	Less tax	...	...
London Gen. Investment (Def.)	9%†	...	...	14	13½
Manbre and Garton	4%*	June 3	Less tax	...	...
Manor-Powis Coal	...	...	Less tax	6	5
Mansion House Chambers.....	2%†	...	Less tax	3	2
Melbourne Elec. Supply	5%*	...	Tax free	...	...
National Omnibus and Transport	3½%†	...	...	11½	11½
Nelson Financial Trust	6¼%*	...	...	...	...
Do. (def.)	4%*	...	...	...	...
New Zealand Loan & Mercantile	3%*	June 29	...	...	...
Nineteen Twenty-Eight Invest..	...	...	...	5§	...
Nitrate Producers' Steamship...	3½%†	and bon	us 2½% tax f	ree	...
Offiler's Brewery.....	5%*	June 1	Less tax	...	...
Porritts & Spencer	10%†	...	Less tax	17½	17½
Ransomes & Rapier	3%†	...	Tax free	5	Nil
Royal Dutch Petroleum	14%†	...	...	£24	24
Royal Sovereign Pencil	...	...	...	5	7½
Russells & Wraughams	12% and	d bonus	3%	...	...
S. and W. Berisford	2½%*	...	...	...	...
Shell Transport	15%*	July 5	Tax free	£25	£25
Short's	...	...	...	£15	£15
Siemens Brothers	5%†	...	Less tax	7½	7½
St. Andrew Trust	...	...	...	6	£5½
Stroud Brewery	7½*	May 25	Tax free	...	...
Sussex Brick (Def.)	7½%*	May 31	...	...	...
Swears and Wells	4%*	June 14	...	...	...
Trust & Mortgage Co. of Iowa...	...	...	...	4	4
Tweedales and Smalley	7½%†	...	...	15	15
Tyrrell & Green	3%†	...	...	6	5
Union-Castle Mail Steamship ...	...	...	Less tax	5	5
United Cattle Products	5	...	...	7½	7½
United Kingdom Tea.....	...	...	...	10	10
V.O.C. Holding	...	...	...	22½	20
Weaver and Co.	...	...	Less tax	12½	12½
White Horse Distillers	36%†	...	...	40	27½
William Cowan	3%*	...	Less tax	...	...

§ Eight months' accounts.

FINANCES OF BRAZIL.

PRESIDENT'S MESSAGE TO CONGRESS.

The Brazilian President, Dr Washington Luiz, was able to record encouraging progress in his message presented on May 3rd to the new Session of Congress. The message referred to every aspect of administration, and pointed out that there was a gratifying indication of improvement in every branch of the public service. This could not have occurred except for the complete absence of political disturbances. The President rightly placed the reference to the preservation of order throughout the country in the forefront of his message, since political stability was the foundation of the economic progress which he had to record. Dr Washington Luiz's policy has been largely concerned with financial reform, and the successful efforts which have been made to this end were reviewed in some detail. Improved methods in the collection of taxes, which were only recently introduced, were shown to have resulted in a tangible increase in revenue.

THE BUDGET.

Referring to the Budget results for 1928, the message pointed out that the estimates for revenue had been exceeded. A revenue of 2,088,933 contos paper and an expenditure of 2,088,816 contos paper had been anticipated. Actually revenue was 2,216,512 contos and expenditure 2,018,158 contos, receipts exceeding the estimates by 127,579 contos, while expenditure was less by 70,658 contos. The surplus realised was 198,354 contos, compared with an estimate of 117 contos. The excess of revenue over expenditure is a clear indication that the Presidential command, given in the early part of 1928, for rigorous departmental economy has been duly heeded.

CURRENCY.

Dealing with currency the message stated that the stabilisation policy had given good results. Transactions had much increased in number, while the exchange had been firm and kept rigorously within the gold point. Stabilisation had resulted in doubling the reserve of the "Caixa de Estabilisação," which on April 8th last was £30,919,000. A further sum of £50,000,000 represented the value of coffee retained at the official warehouses. The deposits at the "Caixa de Estabilisação" of the Banco do Brasil and other national and foreign banks totalled 403,007 contos. The banking turnover totalled Rs. 24,800,000,000$ to which Brazilian banks contributed Rs. 18,299,000,000$ and foreign banks Rs. 6,501,000,000$. The grand total had exceeded that recorded last year by Rs. 4,064,000,000$. The message reported that the liquidation of the floating debt had been almost completed, and that the gold cover for the currency stood at 37·51 per cent. The monetary circulation had been reduced by about 26,000 contos, internal debt by 79,000 contos and foreign debt by 131,586 contos. The reduction in debt has, of course, been reflected in higher prices both for internal and external bonds. In terminating the reference to the currency position, the message alluded to the forthcoming reform of the "Banco do Brasil" which will render this institution suitable for controlling the note issue and providing rediscount facilities. It will be recalled that the "Caixa de Estabilisação" which controls the issue of new notes, authorised by the stabilisation laws, works in conjunction with the "Banco do Brasil." The latter has a right of note issue granted at an earlier date. This right has not lapsed, though the conditions under which it will be exercised are still the subject of negotiation. The notes issued by the Caixa are in large part retained by the "Banco do Brasil" as a portion of its cash reserve. The "Banco" thus remains the principal controller of credit in the country.

INDUSTRY AND TRADE.

Turning to the subject of industry and trade, the President intimated that there had been an increase in agricultural, textile and mineral productions. Exports had increased and surpassed those of 1927 by £9,137,000, while the trade balance was favourable, having a margin of £6,757,433. Commercial activity was reported as being greater than last year, while new capital had been found for the exploitation of agriculture as well as other natural sources of wealth in Brazil. Up to the present only a small fraction of the soil of Brazil has been brought under cultivation, though the area settled will increase with the improvement of the road system, which has already been commenced. The development of motor transport is also bound to have a very favourable effect on the production of the chief crops—coffee, rubber, cotton, sugar and cocoa. Regarding the first of these, the President announced that production was 37,000,000 bags (60 kilos), which gave Brazil 78 per cent. of the world's output. The value of the coffee exported in 1928 was nearly £70,000,000, which was £7,000,000 more than in 1927. The importance of the coffee crop to the economic life of Brazil is obvious from these figures, but in addition, of course, the crop is of vital interest to the federal finances. In view of the controversy which has occurred concerning the control of the market by the Coffee Institute and the suggestion that such control would lead to a great increase in coffee production in other parts of the world, it is of interest to note the high percentage which Brazil can still claim. It is well appreciated that the interest of cultivators should not be concentrated too exclusively upon coffee, and increasing attention is being given to other crops such as cotton and fruits, particularly oranges and bananas. Fruit-growing is still but little developed, though there is obviously a great future for it. Both the forests and the mines of Brazil are beginning to receive the interest which their importance deserves. The forest area is vast, and only the vaguest estimates of resources have been made. Commercial interests are primarily concerned with the pine forests, which in Rio Parana cover a district 1,000 miles long. Here again the improvement in transport facilities will accelerate the development of a most important source of wealth.

TRANSPORT DEVELOPMENTS.

The President referred specifically in his message to the extension of highways to the hinterland which will connect all the large and small cities. A better appreciation of the task involved in providing a road system for Brazil is obtained by bearing in mind that the area of the country exceeds that of the United States of America. Over wide districts old tracks still provide adequate accommodation for transport needs which are met by the ox-cart and the mule-train. More developed areas, however, require facilities for motor traffic, and in such States as Sao Paulo and Minaes Geraes several thousand kilometres of good roads are in existence. The road connection between Rio de Janeiro and Sao Paulo links up the Federal capital with many of the main road systems which, as the President stated, are still in process of extension. Brazil has taken advantage of the commercial possibilities of aerial transport. The President pointed out that the facilities granted to aviation companies developing the national and transoceanic services are proving profitable. It will be recalled that an aerial mail service between Europe and South America was inaugurated in 1927, and aviation bases for this service are already constructed, or are in course of construction, in various parts of Brazil. The transport of passengers, mails and merchandise between the most important towns of the country is also undertaken. Reference was also made in the message to the improvement of port facilities. Increased dock accommodation is becoming an urgent necessity owing to the growing trade of the country. Coastal trade in 1928 totalled Rs. 3,026,398,775$000 compared with Rs. 2,802,894,190$000 in 1927, representing an increase of Rs. 223,504,585$000.

RAILWAYS.

Railway results for 1928 had proved satisfactory, according to Dr Washington Luiz's message. Brazil is a union of autonomous states, and the railways are therefore not under the absolute control of the Federal Government. The latter, however, can influence the general railway policy of the country through its financial control. The various systems are either operated directly by the Federal or the State governments, or are worked on a concession or lease by private (chiefly British) companies. Referring to the Central Brazil Railway, which is the principal railway in the Union, Dr Washington Luiz reported that revenue was approximately Rs. 175,000,000$ and showed a surplus of nearly Rs. 2,000,000$. The other railways, including those worked under concession or lease, had in the aggregate also enjoyed a substantial surplus. The railway results, suggested the President, were a clear indication that the condition of the most important economic activities—farming and mining—had improved. Certain trades, which had been passing through economic crises since the end of the war, and which were only partly protected by tariffs, were not yet prosperous, but the President reported that measures were being taken to effect their re-establishment. Terminating his message with a review of foreign relations, the President said that Brazil continued to be on most friendly terms with every country in the world.

COMPANY MEETINGS, &c.

THE LIVERPOOL & LONDON & GLOBE INSURANCE COMPANY LIMITED.

RECORD TOTAL INCOME OF £12,890,000.
INCREASED DIVIDEND AND LIFE BONUS.

The ninety-third annual general meeting of the Liverpool and London and Globe Insurance Company, Limited, was held on Tuesday, the 14th instant, at the Company's Head Office, 1 Dale Street, Liverpool.

INSURANCE SALESMANSHIP.

Mr A. Kentish Barnes, the chairman, prior to a summary of the company's operations, made reference to the recent speech of the Prince of Wales upon "British Salesmanship." Mr Barnes wondered how far the words of the Prince were applicable to insurance salesmanship. He felt that the companies were fully alive to the changing business needs of the day.

It was necessary now, perhaps more than ever, to choose and train men not only for executive and managerial posts—a matter to which the chairman had referred at the last annual meeting—but also to provide a constant stream of young officials equipped to deal with the requirements of the insuring public at home and abroad.

COLD WEATHER LOSSES.

The total estimated fire damage in this country during the year under review was the highest since 1923, and the early months of the present year showed no improvement. This raised an interesting point—the influence of a long, dry, cold spell upon insurance loss ratios.

During the wintry conditions experienced in this country, not only did the company's fire losses rise abnormally, but there was also a marked increase in the claims upon its accident, sickness, life and motor departments. Though it could not be asserted that the cold spell was wholly responsible for this state of affairs, the coincidence was too strong to be entirely ignored.

MOTOR CLAIMS.

The chairman mentioned that in 1928 the motor policyholders of the company received over £1,250,000 in settlement of their claims—about £250,000 in excess of the amount paid in 1927. At the moment there appeared little sign of improvement in the claims' cost of this branch of the accident department.

YEAR'S RESULTS.

Reviewing the 1928 results, the chairman said that once again the total income showed a satisfactory expansion standing at the record figure of £12,890,000 against £12,640,000 for the preceding year, an increase of £250,000.

Total underwriting profits, including the contribution from the life department, amounted to £601,989 against £556,916 in 1927, which, omitting only the war inflation period, was the best result recorded.

Total funds were £23,141,526, an increase of £941,619.

The directors recommended raising the dividend to 25s., against 24s. for 1927.

INCREASED LIFE BONUS.

The chairman said that the life department had just completed its quinquennial valuation. After strengthening the reserves, an increased reversionary bonus of 42s. per cent. per annum was declared for whole-life policies, and 40s. per cent. per annum for endowment assurances. This announcement would be very satisfactory to policyholders, following as it did on the high rate of bonus declared even through war and post-war periods, a record achieved by only a small minority of British offices. An even greater cause for congratulation was the decision further to raise the interim bonus on whole-life policies for the present quinquennium to 45s. per cent. per annum, and on endowment assurances to 43s. per cent. per annum.

THE GENERAL MANAGER.

The chairman said that after the excellent figures recorded it was with very great regret that he had to announce the resignation of Mr Lewis, the general manager. Mr Lewis was now approaching the age of retirement, and he felt that, taking all circumstances into consideration, he would like to give up the reins of office.

His resignation had been accepted by the directors with a real sense of loss.

He had joined the company as junior clerk in the company's Birmingham branch in 1883, and had occupied his present position since 1920.

Mr Lewis's record of management was well known. He had presented a series of rapidly improving accounts culminating with the present year's results, which, apart from the inflation years of the war, were the best in the annals of the company.

The chairman said he had been intimately associated with Mr Lewis as his chairman during the whole term of his managership. Mr Lewis brought with him to the company, when appointed general manager, a freshness of outlook, a directness of purpose and great courage, all of which were so essential at that difficult period. In Mr Lewis there were no relaxed fibres, no pauses of lethargy; he gave all that was in him to the service of this great company, which owed him a real debt of gratitude. (Hear, hear. Applause.)

The period of over eight years during which he had held office had been among the most eventful in its history.

Almost immediately on his appointment he was faced with the task of reorganising our American fire business, a matter calling for penetrating judgment.

The chairman was glad to have this opportunity, on behalf of the directors, to pay a tribute to the firmness, combined with patience, with which Mr Lewis had dealt with this and the many problems calling for solution during his period of office.

Whilst the company was losing a great servant, Mr Lewis would be missed by each individual of the staff, for above all he was an inspiring leader at whose hands ambition and endeavour would be certain of recognition. Mr Barnes with confidence could say that the company was fortunate in the personnel of the executive both at home and in the U.S.A.—a body of first-class officials who had for years worked under Mr Lewis's managership, and who were, in the opinion of the directors, thoroughly capable of carrying on.

Mr Lewis and the chairman had worked together all these years, and Mr Barnes knew he had always looked upon him as his friend as well as his chairman. He could only say he felt in his resignation a keen personal loss.

The chairman was happy to add he had been invited to join the boards of this company and the Royal, who would obtain the benefit of his valuable advice and co-operation in these positions. (Applause.)

The report and accounts were adopted unanimously; the dividend, as recommended, was declared; the retiring directors were re-elected as follows: Mr W. F. Moore; Mr W. J. Orr; Mr E. S. Parker; Mr R. Q. Wilson.

The auditors, Messrs. Stead, Taylor and Stead, were reappointed.

THANKS TO OFFICERS, STAFF AND AGENTS.

Colonel Sir James P. Reynolds, Bart., D.S.O., D.L., in proposing that the best thanks of the meeting be presented to the officers and staff and agents at home and abroad, expressed the great pleasure which it gave him once again to propose such a resolution. It was, Sir James said, always a pleasure to say "well done" to those who had, as was the case to-day, so well deserved it. At home, and wherever one travelled throughout the world, said Sir James, one could not fail to be greatly impressed by the fine, efficient and courteous services of "Globe" officials.

Referring to the general manager, Sir James said: We have been fortunate in the leadership we have had from Mr Lewis, who had played a conspicuous part in the history of the company at an important juncture, and he expressed his gratification at th thought that in the future the directors were to have the benefit of Mr Lewis's counsel on the board of the two companies. Sir James also referred, in appreciative words, by name to leading officials of the company at home and abroad.

Mr Evelyn S. Parker seconded the resolution, which was carried with applause.

MR HUGH LEWIS'S REPLY.

Mr Hugh Lewis (general manager), in responding, expressed his thanks to the chairman, Sir James P. Reynolds, and to Mr Parker. He referred particularly to the frank and friendly relationship he had enjoyed with the chairman and directors during the eight years he had been chief executive officer of the company. In promising to convey to the officers and staff of the Globe and all its associated companies the generous words of appreciation to which they had listened, Mr Lewis made special reference to Mr Harold Warner (United States manager), Mr J. Dyer Simpson (London manager), and Mr Duncan Reid (Globe Indemnity Company, New York), and o officials of the Thames and Mersey and Central Insurance Companies.

Mr Lewis voiced his inevitable feelings of regret at relinquishing his position of general manager of the company and emphasised the certainty he felt that officials and staff would continue to render in the future the splendid services which he acknowledged having received from them during his term of office. He said he believed this combination of great British insurance companies embracing the Liverpool and London and Globe and Royal offered one of the finest opportunities in business to-day for the exercise of talent and for the fulfilment of ambition. Mr Lewis endorsed the chairman's remarks that the organisation was in first-rate order, sound from top to bottom.

In conclusion, Mr Lewis expressed his appreciation of the kindness shown to him by the chairman and directors, and thanked them for the honour conferred upon him in inviting him to a seat on the board of the Royal and Liverpool and London and Globe.

THANKS TO THE CHAIRMAN.

Mr W. R. Glazebrook proposed a vote of thanks to the chairman for presiding, and spoke in a complimentary way of the work of Mr Barnes in the interests of the company.

Mr Glazebrook proceeded to add a personal tribute of his own to the general manager and voiced the regret which he, as chairman of the Royal and everyone associated with the two companies felt, at the termination of Mr Lewis's control as chief executive officer of the Globe and associated companies. He, too, was pleased Mr Lewis would have a seat on the board of the Royal and the Globe, and, further, that Mr Barnes would become a deputy-chairman of the Royal.

Mr Glazebrook made reference to the increased profits which the Globe had earned, indicating the enhanced dividend, now 25s. per share, which was in 1929 17s., representing an income of almost £200,000 a year.

Mr W. S. Crichton seconded the resolution, which the chairman briefly acknowledged, and the proceedings terminated.

The directors of the Liverpool and London and Globe Insurance Company, Limited, have re-elected Mr A. Kentish Barnes and Mr R. Q. Wilson as chairman and deputy-chairman respectively of the company.

GRESHAM FIRE AND ACCIDENT INSURANCE SOCIETY, LIMITED.

STRENGTHENED POSITION.
SUCCESSFUL YEAR'S TRADING.

At the nineteenth annual general meeting of the Gresham Fire and Accident Insurance Society, Limited, held on Tuesday, the 14th instant, at the head office of the society, 188-190 Fleet Street, London, E.C., the Chairman, Sir Reginald MacLeod (of MacLeod), K.C.B., in moving the adoption of the directors' and auditors' reports and the payment for the year 1928 of a dividend at the rate of 7 per cent., less income tax, stated that in the fire account there was a reduction in the premiums, but this was largely in respect of business purposely discontinued. The account resulted in a profit of £3,200, which had been transferred to the credit of the profit and loss account, and it was with considerable satisfaction that the board had found themselves in a position to allocate £8,573 from the available balance in the latter account to strengthen the fire reserve, increasing the rate to 40 per cent. The profit realised in the accident department was £6,011, and this compared favourably with the preceding year.

PROFIT AND LOSS ACCOUNT.

Coming to the profit and loss account, Sir Reginald pointed out that the interest income, owing to the largely augmented funds at the disposal of the society, had increased by over 50 per cent. The total profit for the year was £25,102 against £15,039 in 1927, and after adding £5,330 brought forward from 1927, the total available balance was £30,432. After making the provision for a 40 per cent. reserve in the fire account, as already mentioned, the directors recommended the payment of a dividend at the rate of 7 per cent. (less income tax) for the year 1928, and there remained £6,940 to be carried forward. The position of the society had undoubtedly been strengthened by the year's operations, and the funds of the society, including paid-up capital, amounted to 127 per cent. of the premium income. The Chairman concluded by referring to the fact that during the year Mr Brand Miller had resigned his position as general manager, and that the board had been successful in securing the consent of Mr Alexander Lawson, the general manager of the Gresham Life Assurance Society, to assume a like office for this society, and that he had also, at their request, taken a seat on the board.

The Deputy Chairman (Mr Courtenay C. S. Fooks) seconded the resolution, which was (unanimously) adopted.

On the motion of Mr Laurence Currie, seconded by Mr H. Hoare, the retiring directors, Mr Alexander Lawson, the Right Hon Lord Monk Bretton, C.B., and the Right Hon Lord Southborough, G.C.B., G.C.M.G., were re-elected. The auditors, Messrs Price, Waterhouse and Co., were re-elected, and the proceedings terminated with a cordial vote of thanks to the chairman.

BRITISH SHAREHOLDERS TRUST, LIMITED.

INCREASED DIVIDEND.
AN ACTIVE AND PROGRESSIVE YEAR.
LARGE ADDITION TO RESERVE.

The seventh ordinary general meeting of the British Shareholders Trust, Limited, was held on the 13th instant, at Cannon Street Hotel, London, E.C.

Mr Follett Holt, Chairman of the company, presided.

The Secretary (Mr F. Charlton Fry, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and gentlemen,—With feelings of satisfaction we will now ask you to consider the report and accounts for the past 12 months. The year, as far as we were concerned, proved to be an active and progressive one. Our investments, which are very widely spread, mainly at home, are, as you will see, approaching the million mark; the care of these alone is no small task, but the work on the issuing house side of our business proved to be very heavy and gave satisfactory results. I need hardly mention the great care that has to be exercised in the interests of our clients in selecting from the many businesses that come before the Trust those which we consider should be undertaken, and I take this opportunity of expressing the high opinion we all have of the patience, discrimination and ability of our managing director, Mr Crammond, in these and all our affairs.

THE YEAR'S PROFIT.

The balance sheet before you calls for little comment or, I think, explanation from me. The net profit arising from the year's operations amounted, as you will have seen, to the substantial sum of £170,096, a result which, on a capital of £538,212, we must not expect to achieve except in some very exceptional year.

Our policy, as you are aware, is to continue to strengthen the financial position of the Trust, and, therefore, in our best judgment we have transferred £125,000 to reserve, raising the total of this account to £300,000, and now recommend you to increase the dividend for the year from 6 per cent. to 7 per cent. and to increase the carry-forward by £5,000 to £30,139. In accordance with the policy foreshadowed at the last annual meeting, we paid an interim dividend of 3 per cent. on December 18 last, and the final dividend of 4 per cent., if now approved, will be paid on the 21st inst.

FINANCIAL STRENGTH.

Since the formation of the company some six years ago the effect of the conservative policy we have observed in our domestic affairs, as well as in our placings and public issues, has been to ensure our position in the City of London and in the provincial centres, and to place a high appreciation on the value of your shareholding. I hope within this policy, and with good fortune in the future, that we shall go from great to even greater financial strength, and so at all times be in a position to widen our field and to accept with equanimity good times and bad times as they may occur.

Since our last meeting we invited Sir John Ferguson to join our board, for we had not a Scotsman upon it. Sir John's wide banking and business experience will be of great benefit in our councils, and we are all very pleased indeed that he agreed to join us.

The report and accounts were unanimously adopted, and the meeting closed with a vote of thanks to the chairman and directors.

ALLIANCE ASSURANCE COMPANY, LIMITED.

FAVOURABLE QUINQUENNIUM RESULTS.
LARGELY INCREASED BONUS.

The annual general court of the Alliance Assurance Company, imited, was held, on the 15th instant, at the head office of the ompany in Bartholomew Lane, London, E.C., Mr. C. E. Barnett he chairman) presiding.

The secretary (Mr Sidney T. Smith) having read the notice conening the meeting and the auditors' report,

The chairman, in moving the adoption of the report and accounts, aid that as the year 1928 was the closing year of a quinquennium, hich quinquennium was itself the first of the company's second entury, he thought a comparison of the figures at the beginning nd the end of the five years would be interesting. In the life epartment the premium income had risen from £975,000 in 1923 o £1,373,000 in 1928. The fire department had shown an increase premiums from £1,877,000 to £2,042,000. The increase, though mall, had been steady, and the income in each year had exceeded hat of the previous year. The premiums in the marine department ad risen from £495,000 to £555,000, while the accident department howed the most striking increase—namely, from £602,000 to 1,054,000. These figures showed that the company was advancing, nd he thought they might claim a fair measure of success during he quinquennium. With regard to the accounts of 1928 the new usiness in the life account, after taking reassurances into account, ad increased from £2,465,190 in 1927 to £2,922,678, which was by ar the largest figure they had yet attained. Of the total life premiums shown in the accounts the Alliance share was about 1,373,000, and of the total claims the Alliance share was about 885,000. The claims by death had been rather heavier than usual, ut still only reached 72 per cent. of the amount expected. The lliance life fund had been augmented during the year by close on £700,000.

LARGE INCREASE IN BONUS.

Referring to the valuation made at the close of the year, the hairman said he would like to emphasise the large increase which t had been possible to make in the bonus allotted to holders of with-profit policies—namely, from 34s. per cent. per annum which was declared five years ago to 42s. which they were now declaring. The directors believed that in the absence of any catastrophic disasters they would be able to maintain this figure. The results of the valuation of the economic life fund were also very favourable.

The fire account again showed a good return, although the surplus was not quite so good as that of 1927, which was an exceptional year. The premiums at £2,042,779 were about £23,000 up on 1927, but the claims at £705,709 were nearly £70,000 higher. So far as the year 1929 had progressed fires had been unusually heavy. Taking it all round, the result of the 1928 fire account was not unsatisfactory, and it was pleasing to record that the contributions to that result by their associated companies had been very substantial.

MARINE ACCOUNT.

In the marine account £53,658 had been transferred to profit and loss account. Of this, £7,378 represented a surplus in respect of the 1926 underwriting account which was now closed, a further £20,000 having been retained as provision for possible claims on that year's account. He could not say that the outlook for marine insurance was very bright.

Efforts were still being made to improve rates and conditions, but so far nothing tangible had resulted. Meanwhile strict caution and careful selection of risks at fair rates and on reasonable conditions was the plan on which their underwriting was carried on. The income from the three divisions of accident business totalled £1,054,175, and it was the first time that for these kinds of insurance they had exceeded the million mark.

The year, if uneventful, had been favourable, and they carried to profit and loss a total including interest of £164,312. The principal contributor to the increase in premiums was the motor insurance business, which was now reaching considerable proportions and continued to yield a fair margin of profit. The business of the National Boiler Company, of which the Alliance Company was the principal shareholder, had again proved satisfactory.

The directors consider that the time had arrived for the inception of a scheme which they had long had in mind—namely, the formation of a reserve which might serve for the provision of pensions for retiring members of the staff. Accordingly, they had appropriated £250,000 for that purpose and felt sure that the shareholders would approve of that allocation.

The report and accounts were unanimously adopted, and a dividend of 18s. per share (less income tax) for the year was declared.

COMMERCIAL UNION ASSURANCE COMPANY, LIMITED.

GOOD RESULTS.—TOTAL ASSETS EXCEED £60,000,000.

The sixty-seventh annual general meeting of this company was held on the 14th instant in London.

The Hon Walter D. Gibbs (the chairman), in the course of his speech, said: In reviewing the business of the Company for the year 1928, the results of the three underwriting departments—fire, marine, and accident—may be summarised as follows: The total premiums were £16,894,809, the losses £9,231,056, and expenses and commission £6,962,100. After adjusting the reserves set aside for unexpired liability the underwriting profits amounted to £997,255, as against £1,162,016 for 1927. Although the difference between these figures of underwriting profits is £164,000 in favour of 1927, on the other hand, the trading surpluses of 1928, apart from the variations in the reserves, exceeded those of 1927 by £178,000.

REVIEW OF DEPARTMENTS.

In the fire department the premium income amounted to £7,498,537, a reduction of £520,000 as compared with the previous year. This reduction was to a great extent due to the revision of our business in the United States of America. Our returns during the current year from the United States show a larger premium income than that for the corresponding period of 1928, which indicates that the full effect of the revision on our premium income has now been experienced.

In the colonial and general foreign fields we maintained our premium income notwithstanding the keenest competition. In the home field the direct premium income has also been maintained, and this has been achieved in face of the gradual fall in rates of premium which takes place as permanent improvements are made in the conditions of many of the risks insured.

After adjusting the reserve for unexpired liability the fire business for the year resulted in an underwriting profit of £552,363, of which £400,000 was transferred to profit and loss account. A further sum of £400,000 has been transferred to the general reserve fund, leaving the fire fund at £7,742,782, which, though less than the amount brought forward, represents 103 per cent. of the premium income, as against 102 per cent. at the close of the previous year.

The premium income of the marine department, £636,925, shows an increase of £45,840 compared with 1927, and the increase in the surplus shows that the percentage of profit has been maintained. We have been able to transfer £100,000 from the marine account to profit and loss and to increase the marine fund to £1,204,541, at which figure it is nearly double the premium income.

The premiums in the accident department amounted to £8,759,346, a reduction of £495,000 on the previous year. This is due to the policy of revision of our accident business in the foreign fields, including the United States of America, which, although it is not yet completed, has already brought about an improvement in our loss experience. After adjusting the reserve, the accident business for the year resulted in an underwriting profit of £295,127, of which £150,000 was transferred to profit and loss account, leaving the accident fund at £5,985,197, representing 68·33 per cent. of the premium income, as against 64·12 per cent. at the close of the previous year.

In the life department, partially, no doubt, as a result of the very favourable distribution of profits which we made last May, the new business both gross and net shows a substantial increase, the gross figures at just over £4,350,000 exceeding those of 1927 by over £177,000, and the net figures at £4,105,000 being nearly £150,000 higher. The premium income also is greater by almost £90,000, and notwithstanding that there have been special payments of about £225,000 on account of cash bonuses and £140,000 to the shareholders, the life fund has increased by £781,000, and now exceeds £16,000,000. These figures do not include the British General life business, which continues to make satisfactory progress.

THE ACCOUNTS.

Turning to the profit and loss account, the balance carried forward is £1,544,851, which compares with £1,308,104 last year. The directors recommended the payment of a final dividend for the year 1928 of 10s. 3d. per share, less income tax, which, with the interim dividend of the same amount paid in November last, will make a total distribution for the year 1928 of £1 0s. 6d. per share, less income tax.

On the balance sheet the general reserve fund amounts to £3,152,480. Our total assets, including those of the various life funds which we administer, exceed £60,000,000. The market value of the Stock Exchange securities at December 31, 1928, exceeded the values at which they appear in the balance sheet by a considerable amount.

The report was unanimously adopted.

GRESHAM LIFE ASSURANCE SOCIETY, LIMITED.

FAVOURABLE MORTALITY RATE.
INCREASE OF NEW BUSINESS.
PROMISING QUINQUENNIUM OUTLOOK.

The ordinary general meeting of the Gresham Life Assurance Society, Limited, was held, on the 14th instant, at the head office of the society, 188-190 Fleet Street, London.

Sir Reginald Macleod (of Macleod), K.C.B., chairman of the company, presided.

The Assistant Manager (Mr Robert S. B. Savery) having read the notice convening the meeting and the auditors' report,

The Chairman said: Gentlemen,—Our report has been circulated, and I assume you will take it as read. You will all notice with great regret that our general manager does not occupy his usual seat. He has been seriously ill, but I am happy to tell you he is rapidly regaining strength, and we expect his return in renewed vigour at an early date. In laying before you our eightieth annual report I am pleased to be able to congratulate you upon the society's continued prosperity. On this occasion the new sums assured amount to £2,414,746—an increase of £350,000—with a new premium income of £117,944—an increase of £8,000. Five thousand five hundred and ninety-five policies were issued and 349 proposals were declined. We received during the year the sum of £24,642 as purchase money for annuities, representing an annual payment of £3,454. On the other hand, owing to the death of 94 annuitants, the society was released from payments to the extent of £3,350 a year.

The income of the society amounted to £1,241,489, showing the satisfactory increase of £69,835. The total premiums received amounted to £857,056, being an increase of £38,648 on the previous year, and the interest, less tax, amounted to £374,052, representing an increase of £31,275. The death claims with bonus additions required £202,298, a figure greater by £5,138 than the corresponding amount in the preceding year. But notwithstanding this increase we have again been fortunate in experiencing a very low mortality rate, the claims for the year being only 66 per cent. of the amount expected according to the table used in the valuation.

This is the fourth year of the society's quinquennium, and throughout the whole of these four years the mortality has been continuously favourable, averaging only 62½ per cent. of that expected for the entire period. We are all aware that death has been busy among us during the early months of the current year, but the ratio is in our case still greatly below the expected, and we can look forward to a remarkably favourable showing for the next five years' period terminating next December. The claims under matured endowments amount to £303,434. The amount is again large, and indicates the growing popularity of this class of assurance during many years past. There was an increase in the new business ratios in all three sections of the operations, British, Colonial and Foreign, which accounts for the increase of the expense ratio by nearly 1 per cent. of the premium income. In this connection it is well to remind you that the society's operations extend to many foreign countries, where the cost of production and of administration exceeds that with which companies transacting purely British life business are confronted, and also that our premium rates charged in those countries are based upon conditions appropriate to them.

The rate of interest realised on the funds after deduction of income tax was £5 4s. 2d. per cent., representing an increase of 3s. 4d. on the figures realised in 1927. Thus, for the first four years of the quinquennium an average net yield of £5 per cent. on the funds has been obtained—and remembering that profit from interest forms one of the chief sources of the profits of a company, the result is extremely gratifying. (Applause.)

Our assets have increased during the year by no less than £370,839, and now stand at £7,753,742. As will be seen from the directors' certificate, this figure is below the actual value according to a valuation of the assets at market prices and rates of exchange current on December 31st last. I would call your attention to an item in the revenue account, viz., £66,755 10s., referring to the adjustment of the rates of exchange for French, Greek and Indian currencies. As regards French francs and Greek drachmas, the society has on two previous occasions modified its exchange rates in order to approximate more closely to the current quotations then ruling. A comparatively small change has therefore now been required in order to bring our rates into accord with the recently stabilised figures. As regards Indian rupees, we are still awaiting stabilisation, but in the meantime it has been considered advisable to adopt as our basis the central rate which has governed market quotations for several years past. The society has issued a large number of policies in these three currencies, and as our net liability under the contracts is reduced by the adoption of the altered exchange rates, this means that the change now made does not involve any loss to the society. (Applause.) But for this adjustment the life fund would have been £7,524,074, showing an increase for the year of £42[illegible]5,009. At our meeting last year I mentioned a step we had taken with a view to popularising insurance by offering facilities for payment of premiums by monthly instalments, and I am happy to say that full advantage of those facilities has been taken by a considerable number of recent entrants. I am also glad to be in a position to report to you that considerable progress is being made under other of the society's schemes—e.g., assurances with cessation of premiums during invalidity, assurances without medical examinations, house purchase combined with insurance, etc., with results satisfactory both to our assured and to the society. (Applause.)

It is with a very special sense of appreciation that I refer on this occasion to the services rendered by the staff. Mr. Savery, the assistant manager, and Mr. Stebbing, the assistant secretary, have ably met the calls on their time and ability during the absence of the general manager and the secretary, while the other officers of the society and the staff at large, both at head office and the branches, have carried out their duties with all loyalty to the entire satisfaction of the board. (Applause.) I beg to move: "That the directors' and auditors' reports be approved and adopted."

Mr Courtney C. S. Fooks, the deputy chairman, seconded the resolution, which was unanimously adopted.

Mr Walter Parker Rocke, F.C.A. (Messrs. Price, Waterhouse and Co.) was reappointed auditor for the ensuing year on the part of the shareholders.

Mr Rocke, in acknowledging his reappointment, said he would like to take the opportunity of again congratulating the meeting on the excellent progress which the society had made during the past year.

Sir Albert William Wyon, K.B.E., F.C.A., was reappointed auditor on the part of the policyholders.

Sir John H. Davidson, K.C.M.G., moved a resolution that the best thanks of the meeting be given to the local committees abroad for their interest in, and their attention to, the affairs of the society during the past year.

Mr C. H. Beadnell seconded the resolution, which was unanimously adopted.

The Rt Hon Lord Monk Bretton, C.B., in proposing a vote of thanks to the chairman, said that during the seven years Sir Reginald had been chairman of the society he had been assiduous in his attendance and unremitting in his efforts on their behalf; his ear was always open to anyone who really had something to say.

The vote of thanks was unanimously accorded, and the chairman having acknowledged the compliment, the proceedings terminated.

HAMBROS BANK, LIMITED.

DEMAND FOR LONDON ACCEPTANCES.

The annual meeting of Hambros Bank, Limited, was held, on the 16th instant, at 41, Bishopsgate, London.

Sir Eric Hambro, K.B.E., the chairman, said that from their point of view, the most important event of the past year had been the rise in money rates here and all over the world, the first symptom of which was the spectacular rise in call money rates in America. Although those rates had nothing to do with the discount quotations for fine or commercial bills, either in New York or in other centres, it had soon become apparent that American and also European money would be attracted by them; also, the threat of the Federal Reserve to use its rate to stop speculation had caused considerable uneasiness, as any real move in that direction would have meant extreme and penal rates here.

The result of that, however, had been to increase the demand for London acceptances, and one could say that practically the whole of the pre-war acceptance business was now back in London, where it would probably remain, and international traders had found that London was the only stable money market and that its central banking system was the best in the world. He considered the opportunity ripe for accepting houses and bankers to come together to fix minimum acceptance commissions, which had been cut far too low.

Norway had successfully weathered the conditions which were inevitably entailed with the return to the gold standard. Her system had been subjected, during the summer of 1928, to a severe strain, but he was glad to say that all their confidence in its inherent stability had been more than justified, and conditions were fast becoming normal. Italy had continued to suffer during the past year from that stringency which followed stabilisation and the readjustment of internal to foreign prices. That readjustment was now completed.

In January of the present year they, in co-operation with other friends, had issued the London tranche of the Roumanian Stabilisation Loan. While they had in the past had financial relations with Roumania, they were hoping that in the future those would show continued development. None of the allied countries were faced with such problems of reconstruction as Roumania, and he could only admire the success with which they had been tackled. Given a stable currency, he regarded that country's future as assured, based as it was on its immense natural resources.

The report was adopted and a dividend of 15 per cent. was declared, making 22½ per cent., less tax, for the year.

LANADRON RUBBER ESTATES, LIMITED.

CHAIRMAN ON FUTURE OF RUBBER INDUSTRY.

The twenty-first ordinary general meeting of the Lanadron Rubber Estates, Limited, was held, on the 15th instant, in the council room of the Rubber Growers' Association, 2–4, Idol Lane, London, E.C. Mr Eric Macfadyen (the chairman) presiding.

The chairman, in moving the adoption of the report and accounts, said: Since our last meeting the company has attained its majority. Founded in October, 1907, it belongs to the relatively small section of our industry which dates from before the great rubber boom. Under the fostering care of our late chairman, Mr F. W. Barker, supported on the board by my colleagues Mr Hunt and Mr McArthur, its financial health has been sedulously protected. Only twice in its history has a dividend not been forthcoming; over the whole period of 21 years the annual distributions have averaged over 13 per cent., a very large extension programme has been accomplished, and substantial cash resources have been accumulated out of profits. It would be ungrateful, upon this occasion, to omit an acknowledgment of the loyal and devoted service which the company has been able to count upon on the part of its Eastern staff. I am glad to think that Lanadron was among the very earliest of rubber companies to establish a provident scheme for the benefit of its employees.

OUTLOOK FOR RUBBER INDUSTRY.

A year ago, when the abandonment of control of output had recently been decided upon, we felt it incumbent upon us to deal with our profit and loss account upon conservative lines. That is still necessary to-day, but, although the outlook for rubber is by no means clear, it is certainly less obscure than 12 months ago. We consider it would be unwise to distribute a sum which would reduce our carry-forward, but as more than a clear 5 per cent. was earned in 1928, we feel justified in recommending a dividend at that rate. The increase of consumption, particularly in the United States, has justified the more optimistic hopes of those concerned in growing rubber, and if the policy advocated by the trade associations a year ago of supporting the price on a diminishing scale over two or three years, had been followed, it is now clear that the industry would have been tided over its bad time without a collapse in the market. Whether expanding consumption can care for the immense weight of uncontrolled output over the immediate future is uncertain. The market outlook is a trifle more cheerful within the last few days. The air at the moment is thick with promises and predictions, and I am not going to add to them. But it is impossible to be pessimistic about the long view for rubber.

The unique qualities of rubber ensure it an ever-growing demand. The traffic problem by itself promises that, for more and more it becomes evident that it can only be solved in terms of rubber. Transport, we are told, is civilisation, and with every year modern transport means more vehicles, heavier vehicles, and faster vehicles. No modern community can afford to allow its costly roads to be broken up and its costly buildings shaken down by the incessant vibration of modern transport, when a material of the shock-absorbing capacity of rubber is available for use. It will soon be compulsory for all motor vehicles to run on pneumatic tyres, and the time is not far distant when city streets at any rate will have to be surfaced with rubber.

STRONG FINANCIAL POSITION.

As a result of forethought in the past our financial position is a strong one. Our issued capital is £360,000, and we have 5,391 acres of rubber to represent it. In addition, we have a reserve of £61,000 which is wholly unspent. We are engaged, in partnership with our friends of the Ledbury Company, in developing a new estate, of which our share is two-thirds, which is being planted up with the very best obtainable bud-grafted material. As our old rubber gradually becomes less valuable—as it must do sooner or later, for rubber cannot last for ever—we rely upon these new bud-grafted clearings to take its place. Indeed, we expect it to more than replace an equivalent acreage of old rubber, for we anticipate that its yields will considerably surpass the best results of our older estates.

Mr Charles McArthur seconded the motion, which was carried.

The meeting closed with a vote of thanks to the chairman and directors and to the manager and the staff on the estates.

LUNUVA (CEYLON) TEA AND RUBBER ESTATES, LIMITED.

15 PER CENT. DIVIDEND MAINTAINED.

The twenty-second ordinary general meeting of the Lunuva (Ceylon) Tea and Rubber Estates, Ltd., was held, on the 14th instant, at 2-4 Idol Lane, London.

Mr H. J. Welch (the Chairman) said: During 1928, capital expenditure on buildings, machinery, etc., amounted to £75,492, which sum includes the cost of the new tea factory on the Sapumalkande estate. Expenditure on development amounted to £23,229, and on the purchase of additional plantable land £1,492. This expenditure increased the balance-sheet cost per acre of the planted area, which, if calculated by deducting the excess of liquid assets over liabilities from the issued capital, and allowing for the dividend recommended, is now under £41 per acre, as against £37, the figure at which it stood last year.

The company now owns 13 estates, consisting of 14,044 acres, of which 6,607 acres are planted with tea, 4,135 with rubber and 860 acres with coconuts. The average profit per acre of tea in bearing was £17 3s. 9d., against £16 17s. last year. In spite of the rubber crop being severely restricted, the net profit for the year amounted to £120,721, or only £721 less than in 1927. It represents 19 per cent. upon our paid-up capital. As rubber represents about 32 per cent. of the company's mature areas, I think you will agree that the results for 1928 were satisfactory.

YEAR'S DIVIDEND.

The directors propose to pay a final dividend of 10 per cent., less tax, making 15 per cent. for the year, being the same dividend as that paid for 1927. They also propose to transfer to taxation reserve the sum of £23,000, and to increase the general reserve to £235,000 by transferring to it £15,637.

They further propose to transfer £2,500 to the staff retirement fund and staff special reserve. As was the case last year, part of this sum will be allocated to certain of the older members of the staff, and the balance, after meeting obligations to the staff retirement fund, will be added to the staff special reserve created last year. A sum of £46,453, which is a small increase over last year, will remain to be carried forward.

The company's prospects for the current year are, in my opinion, better than they were at this time last year. The market prospect for teas of the class now being produced by this company appears to be very good, and, as far as we can see at present, we shall realise an increased profit from this product. Even at the present low prices we can produce rubber and coconuts at a profit. If the prices for our teas are maintained, a return to reasonably remunerative prices for rubber and coconuts would enable us to make substantially larger profits than those of last year.

The Chairman concluded by moving the adoption of the report and accounts and the declaration of the dividend recommended.

MR THOMSON ON HIS VISIT TO ESTATES.

Mr G. Nicol Thomson, in seconding the resolution, said: I have lately returned from a long visit to Ceylon, where I had the opportunity of investigating on the spot the many problems that arise in the working and the development of your various estates. I am glad to say that much progress has taken place since my previous visit of two years ago, especially in connection with our new tea factories and the generally improved conditions of tea manufacture. The excellent comparative prices our teas are now fetching in the open market are proof of this. The agricultural conditions on the estates are all in good order as the result of careful supervision and a plentiful supply of labour. We hope to maintain, and I think we may increase, our tea crops by somewhat more liberal manuring. I can only assure you that, in my opinion, our tea areas will continue to give increasing profits. I am also glad to report progress in our rubber areas, with the resting and cultivation done during the past three years. We can look forward to good yields from all except our oldest fields. In a year or two's time it may be possible and desirable to replant these old fields with approved high-yielding stock.

I had the opportunity of seeing large and widely spread areas of rubber during my recent visit to the East and also of discussing the agricultural position of rubber with many planters of high standing. Although during the current year we may see very large crops from the rested rubber where restriction was really enforced, such as the F.M.S., and from the fuller tapping that is taking place, in the general desire to reduce costs, I doubt if the high yields will continue beyond this year, which may very well turn out to be the apex year of rubber production from the present planted areas. Before sitting down I would like to remind shareholders that the 1,000 odd acres of young rubber we have, not yet tapped, will, in my opinion, be a very valuable asset, as most of it should be yielding well when rubber may not be so plentiful nor so cheap as it is to-day.

The resolution was carried unanimously.

CLUNY RUBBER ESTATES, LIMITED.
FAVOURABLE FORWARD CONTRACT.
MR C. McARTHUR ON THE PROSPECTS.

The nineteenth ordinary general meeting of Cluny Rubber Estates, Limited, was held, on the 15th instant, in the Council Room of the Rubber Growers' Association (Inc.), 2 Idol Lane, London, E.C., Mr Charles McArthur (the chairman) presided.

Mr John McInnes, representing the secretaries (Messrs Harrisons and Crosfield, Limited), read the notice convening the meeting and the report of the auditors.

The Chairman said: Gentlemen, I propose, with your permission, to take as read the directors' report and accounts as published. Supplementing the printed report, the following comments may be of general interest. In regard to the balance sheet, general reserve has been increased by the transfer of £3,000 which you authorised a year ago. Taxation reserve, plus the tax to be deducted from the dividend which we ask you to sanction for 1928, will more than suffice to pay all known tax liability, due or to become due in respect of profits to December 31st last.

On the assets side of the balance sheet, development expenditure for the year of £2,466 5s. 1d. on the immature area, including the planting up of 14 acres more in 1928, has increased the total by that amount. Buildings, machinery, plant, &c., stand at the moderate figure of £3,148 5s. 4d., and no prospective expenditure is anticipated that will exceed the annual amount of normal depreciation. Rubber in stock and in transit at £8,228 10s. 9d. is in excess of normal, and is due to conditions following on the removal of Government restriction. Practically the whole of this stock has been sold since the close of the year.

Dealing with the profit and loss account and your directors' recommendations for disposal of the profits, you will no doubt recognise that the position is more satisfactory than could reasonably have been expected when we met on a similar occasion a year ago. In addressing you then, I said: "The only thing fairly certain regarding prospects for the next year or two is that rubber companies that earn a profit in producing and marketing their produce will be fortunate."

We have had our small share in the general good fortune. To some extent it was due to the small forward sale at 1s. 9¾d., London landed terms, of which I advised you a year ago, that we averaged 11·78d. per pound for 1928 production. Our total profit for the year of £6,195 4s. 3d. is as satisfactory as it was at one time unexpected, and we trust you will accept our proposals as to its disposal.

PROVISION FOR STAFF.

In recommending that we transfer £300 for the benefit of staff, I should perhaps explain that your directors do not on this occasion propose to pay more to the revenue of the staff provident fund than the annual contribution they undertook to make. Out of the amounts you have from time to time authorised for this purpose, your directors set aside a reserve fund—separately invested—which was intended to ensure under any conditions of the rubber market, that we should at no time fail to provide the company's annual contribution to the provident fund. As you are aware, this fund is common to the group of Lanadron, Ledbury and Cluny companies, but whereas the first two companies each had a previous provident fund of their own and started with reserves from which to meet their liabilities in the joint fund, Cluny had to create her reserve, and it is as yet barely adequate for complete safety of her obligations to the joint fund.

It is in the interests of a loyal staff that Cluny's reserve should be strengthened. In years of prosperity we have also, out of the transfers from profits that you have sanctioned, made supplementary contributions to the revenues of the fund on the same scale as Lanadron and Ledbury, and in attempting nothing additional on this occasion Cluny is still on exact equality with the other two companies. I have explained this at some length because I know you will agree with your directors in the desire to be as fair and generous to the staff as circumstances will permit.

BOARD'S EXTENSION POLICY.

The proposal to place £1,500 to general reserve is for the purpose of enabling us to continue the policy of small extensions of the planted area as labour and other conditions will permit. This sum, with the balance of capital and reserves still unspent, will suffice to cover all development expenditure on our immature area and to plant up and bring to the bearing stage a further 50–60 acres. As I mentioned last year, these extensions make the estate a more economical unit and provide an insurance against the possible contingency of decreasing yields from the older planted areas.

The balance of £6,969 2s. 3d. proposed to be carried forward provides reasonable provision for financing the ordinary needs of the company and for safeguarding the financial position in the uncertain market conditions that have so long prevailed.

Throughout the past year we have received the same high standard of loyal and efficient service from estate manager and staff, our Eastern agents, and the visiting agent, and I am sure that shareholders will wish to convey to them an expression of appreciation.

CURRENT YEAR'S ESTIMATE.

Regarding the future, we estimate to produce this year a crop of 420,000 lb., which we regard as our optimum crop, though it is certainly not the maximum we might produce. So far as profits are concerned, the chief determining factor will, as usual, be the course of the rubber market, regarding which I will not trouble you with any personal views of my own. I can, however, assure you that both in the East and at home every effort will continue to be made to achieve successful and satisfactory results.

For the benefit of current year's production we have forward sales of 203,255 lb. (90¾ tons) at an estimated average net price of 10·75 per lb., equal to 1s. per lb. London landed terms.

I now move: "That the report and accounts for the year to December 31, 1928, be received and adopted," and shall ask Mr Macfadyen to second that, and after he has done so I shall endeavour to answer any questions that shareholders may desire to ask.

Mr Eric Macfadyen seconded the resolution, which was carried unanimously, and the dividend of 6 per cent. approved.

Mr S. L. Hunt was re-elected a director, Messrs Wyatt, Williams and Co. were reappointed auditors, and the proceedings terminated with a vote of thanks to manager, the staff, and the agents in the East.

LEDBURY RUBBER ESTATES, LIMITED.
STRONG FINANCIAL POSITION.

The twentieth ordinary general meeting of the Ledbury Rubber Estates, Limited, was held, on the 15th instant, in the council room of the Rubber Growers' Association, 2–4 Idol Lane, London, Mr Eric Macfadyen (chairman of the company) presiding

The Chairman, in moving the adoption of the report and accounts, said:—Our issued capital stands as before at £108,600 and general reserve at £35,000. With the amount of £5,000 we are proposing to-day to transfer to depreciation reserve the total of the three items will be £148,600. This exceeds by more than £11,000 the total cost of our planted areas, with the equipment of buildings, machinery and plant (after depreciation). This capital surplus is, therefore, available to meet future development of our own estates and the new property, we are gradually planting up in partnership with the Lanadron Company—Sungei Sabaling Estate.

INVESTMENTS—SIONE TIN.

Among our investments you will see we now hold 3,300 £1 shares in Prang Besar, the nursery estate which specialises in the provision of improved seed and budding material, and we retain £13,000 in £1 shares in the Sione Tin Co. This latter, which was formed to mine a portion of our Sione estate, has lately commenced operations. Mr Cook, who represents us on the board of the company, and his colleagues are to be congratulated on the clockwork precision with which all the preliminary stages and development of the company have been carried through, and we believe the mining prospect to be excellent. The level of price to which tin has fallen recently is still one at which we may reasonably look for a satisfactory return on this investment. We held, further, at the date of the balance sheet over £20,000 in cash and gilt-edged securities. Our finances may be considered to be in a sound condition, and I calculate that our capitalisation per planted acre, leaving out our share in the estates I have mentioned and in the tin mine, is under £37 per acre. On this showing we may hope to be able to continue to pay dividends even with rubber at prices which would show no profit to many plantation companies.

There is no change in the acreage of our own estates, which stand at 2,431 acres planted, of which all but 7½ per cent. is mature. On Sungei Sabaling 400 acres is now planted, as against 200 a year ago, and a further small extension is being made this year. Our share in this estate is one-third. It will have the advantage of having been planted up from the start, under expert advice with trees which may be expected in due time to give an exceptional yield of rubber. Something like an additional year is likely to be required for rubber planted on the new lines to reach maturity, and on account both of that and of the extra expense on nursery work the capital outlay will be greater than in the case of older estates. But sufficient experience has now been accumulated to promise that both output and net profit will be on a definitely higher scale.

CURRENT YEAR'S PROSPECTS.

With the drop in the price of rubber our profits fell from £51,781 in 1926 to £18,324 in 1927, and have further fallen to £11,398 for 1928. We expect to harvest a full 10 per cent. increase of crop, and we have contracted for delivery out of 1929 crop some 200,000 lb., or rather more than a quarter of the estimated total, at 10¾d. per lb. London. Inasmuch, however, as we realised last year practically 11½d. per lb., some further shrinkage in net profit must be anticipated, unless we are to see some recovery in price before the end of the year.

I am sorry to inform you that our visiting agent, Mr. Sidney Morgan, whose services in that capacity we have greatly appreciated, has lately decided to retire from active visiting work. Mr Morgan's latest reports on all our estates record a very satisfactory condition of things. We have every confidence in our staff—and may I say here how pleased we are to see Mr Godward with us to-day, and also our old manager, Mr Sharpe Smith?—and we believe the company will continue to give a good account of itself, subject to the vicissitudes of the market.

The report was adopted, the payment of the dividend, as recommended, was approved, and the retiring director and auditors having been re-elected the proceedings closed with a vote of thanks to the managers, the staff on the estates, and the Eastern agents.

MARGARINE UNION, LIMITED.
CONSOLIDATION AND DEVELOPMENT OF THE COMBINE.
IMPROVED LIQUID POSITION.

The first annual general meeting of Margarine Union, Limited, was held, on the 10th instant, at the company's offices, Union House, St. Martin's-le-Grand, London, E.C.

The chairman of the company, the Right Honourable the Earl of Bessborough, C.M.G., presided.

He explained that it was important that there should be no clash of interests between Margarine Union and Margarine Unie, and that, therefore, an agreement was concluded between them for the equalisation of capital value on liquidation and of dividends of corresponding classes of shares, which resulted in the rights of the shareholders of both companies being identical, and he, therefore, proposed to talk of the combined results of the two companies.

STRENGTHENED POSITION.

The formation of Margarine Union and Margarine Unie made it possible to obtain controlling interests in a considerable number of competitive factories on distinctly favourable terms, by which the position of Margarine Union and Margarine Unie became even more preponderating than that of Jurgens and Van den Berghs in the past. This position had been further strengthened by the successful negotiations with the important Schicht and Hartog concerns, the boards being extended by the inclusion of Messrs Heinrich and Georg Schicht and Mr Jacob Hartog. He mentioned incidentally that the allied and subsidiary companies of Margarine Union and Margarine Unie amounted to between 300 and 400 in number.

LARGER YIELD ANTICIPATED.

The profits earned by the businesses acquired during 1928 were not reflected in the present accounts, but the 1929 profits of these businesses would be included as a matter of course in dealing with the 1929 figures; the directors confidently expecting that the total capital outstanding would show a yield in excess of that on the smaller capital during the period now under review.

The work of moulding together the Jurgens and Van den Bergh concerns, which were spread over twenty European countries, and controlled sometimes as many as twenty to forty factories in each country, has been practically carried out. The full result, however, would only be felt as time went on, partly in 1929, perhaps completely in 1930.

Raw materials for the whole concern were now purchased at one centre and dealt with by one administration.

CONTINUALLY INCREASING CONSUMPTION.

He mentioned that over £1,600,000 had been spent on advertising during 1928, and had been fully charged to profit and loss. The consumption of margarine was continually increasing, no doubt due to the fact that it occupied a rather unique position because, whilst being one of the cheapest and best food commodities in existence, it was sold at the same price to the public as before the war.

Alterations and improvements during the year had cost £900,000. On the other hand, depreciation amounting to over £1,000,000 had been written off, and £1,200,000 had been charged against the 1928 results for the cost of upkeep and repairs; the factories were, without exception, in a high state of efficiency.

CAPITALISATION AND RESERVES.

He dealt with the capitalisation of the two companies on December 31st, explaining that the combined capital at December 31, 1928, amounted to £11,396,731, as against £6,391,666 at the time the two companies were first formed, the increase resulting from the acquisition of the remaining ordinary shares of the Jurgens and Van den Bergh concerns against shares of Margarine Union and Margarine Unie.

The latter shares were taken into account at their approximate market value on the date when the offer for exchange was made, the surplus so derived being in the nature of a premium which, together with premiums received on the issue of shares for cash and other exceptional profits, were carried to the general reserves, which at the end of December amounted to £2,357,197.

He went on to explain that since the end of the year the liquid position was greatly improved by the issue of ordinary shares to existing shareholders at 150 per cent., which had resulted in the issued capital of the combine being raised to £14,851,753 and the general reserve fund being increased to £4,147,043.

PROFIT FAR EXCEEDS EXPECTATIONS.

He was glad to state that whereas at the formation of the companies the profit expected to be available for the ordinary shareholders might amount to 9 per cent. on the then existing ordinary capital, the actual profit available for 1928 on the materially increased ordinary capital was about 16½ per cent.

The preliminary expenses, registration, and stamp duties, in connection with the formation of the companies, amounted to £479,129, and the directors proposed that this amount should be charged against the 1928 results.

The report and accounts submitted to the meeting were adopted, and it was resolved to pay a final dividend of 6 per cent. on the ordinary shares, making 10 per cent. for the year.

The retiring directors and auditors were re-elected, and Messrs Heinrich and Georg Schicht and Mr Jacob Hartog were elected to the board.

At an extraordinary general meeting which followed the ordinary general meeting, the alteration in the articles of association made necessary by the increase in the number of directors was agreed to.

A hearty vote of thanks was accorded to the chairman, directors, and the staff, and the proceedings terminated.

SPHINX ELECTRIC, LIMITED.
IMPORTANT EXPANSIONS OUTLINED.

The statutory meeting of Sphinx Electric, Limited, was held, on the 14th instant, at Sphinx House, Hatton Garden, London, E.C.

Sir A. Cecil T. Beck, J.P. (the Chairman) said: The progress made is in excess of the programme outlined in our prospectus.

Dealing with the volume of sales, although the large advertising campaign planned by the company is only just starting—it might be interesting to quote a few comparative figures—*i.e.*, our sales for the week ended May 4 show an increase over the preceding week of 33 per cent., 150 per cent. over the corresponding week of 1928, and 52 per cent. over 1927, which was the previous peak year for the Sphinx enterprises, while for week (ended May 11th) the increase was 45 per cent. over the corresponding week of 1928.

We have to-day 7,800 active trading accounts on our books, and since our inception no week has passed without appreciable additions to our trading connections.

Our manufacturing programme includes a greatly increased output in readiness for the coming lamp season, due to the excellent reception that has been extended to our English-made lamps.

Negotiations have reached an advanced stage for the acquisition of a large provincial electrical manufacturing house, with a factory in Birmingham and branches in the important industrial centres. This business is a well-established one with an unusually good record of increasing profits over many years.

We are also in treaty for a controlling share interest in two associated companies manufacturing and selling patented electrical equipment of almost universal application, contracts now being negotiated in respect of which amount to several hundreds of thousands of pounds. Should negotiations for the absorption of these additional businesses be satisfactorily completed an increase in our share capitalisation will be necessitated, but no issue of additional capital will be made except upon favourable, probably bonus, terms to shareholders.

Your board, as I have said, are aiming at the most rapid expansion of the business consistent with soundness and caution. No step, however, is or will be taken without the most careful consideration.

In conclusion, I feel justified in saying that we have a business built on well-set foundations and showing every sign of healthy and vigorous growth.

FORESTAL LAND, TIMBER AND RAILWAYS COMPANY, LIMITED.

PROPOSED ISSUE OF SIX PER CENT. TEN-YEAR NOTES.

The twenty-third ordinary general meeting of Forestal Land, Timber and Railways Co., Limited, was held, on the 10th instant, at River Plate House, London, E.C.

Baron Emile B. d'Erlanger (the chairman), dealing with the balance sheet, said that he had again recently received inquiries from shareholders as to the probable life of the company's quebracho forests. On the basis of the present reserves, present average annual purchases of logs from forests other than their own, and their average annual production of extract and export of logs, the directors had been given the assurance that anything below twenty years was a conservative estimate. This assurance was last given in 1926. They never missed an opportunity of adding to their reserves, and it would be surprising indeed if such opportunities on a moderate scale should not present themselves from time to time.

Last year when he had the pleasure of meeting the shareholders, the sky had never looked set to finer weather. They had sold at that date a very large proportion of their year's output, and yet, like an old sea dog, he sensed bad weather, and told his colleagues of his forebodings. Trade began to fall off in the summer, and the demand for tanning extract had dropped to a lower level during the past six months than he had known it fall to for many years past. Undoubtedly this was due to a very great extent to the bad times through which the leather trade was passing the world over. The directors believed that for a couple of years past previous to the semi-crisis too much leather was manufactured, and that the accumulation of these high-priced stocks corresponded with a momentary adverse swing in the pendulum of consumption, thus producing a temporary crisis.

OUTLOOK FOR QUEBRACHO INDUSTRY.

During the twenty-three years of his connection with the quebracho industry, he had seen the trade grow from under 40,000 tons to 250,000 tons a year. Over these years the world's stock did, in normal times, correspond to three to four months' production; production and consumption being equal at present, the world's stock did not exceed—if it attained—six months' stock, calculated on the average consumption of the past two years, but consumption was at present much lower. The bulk of this stock was in their hands, and there was no reason whatsoever why they should sacrifice it and drop their selling price, especially as they were convinced that a reduction in price would not stimulate demand They must therefore be prepared, and take such measures as they might deem necessary, to carry their stock comfortably whilst not only the consumption caught up with the average of the past two years, but recovered the rhythmical progress of its yearly increases over the past twenty years. Barring the contingency of a substitute for quebracho extract—a contingency they had heard of for twenty years—the resumption of progress was certain and only a question of time.

A CONSERVATIVE POLICY.

To be strong they must insure as far as humanly possible their dividend for 1929, for heavy fluctuations in dividends were harmful to the high credit of a company and against the best interests of the shareholders. They must further make themselves independent of overdrafts and short-term credits. In pursuance of this policy, they had adopted a conservative policy in dealing with their accounts and profits for 1928. If they had reduced their dividend from 9 per cent. to 7½ per cent., they had increased their carry-forward to £253,450. With such a carry-forward he had little doubt that they had made sufficient provision to be able to pay a fair dividend in almost any circumstances they could foresee for 1929. If things were to mend meantime, they would be able to resume a more generous dividend policy.

In past years they had devoted large sums to capital expenditure both in Argentina and in South Africa, and the necessity of carrying heavy stocks had not only exhausted their cash resources but incurred short-term liabilities. The directors considered that to make the company strong and independent they ought to raise approximately £1,000,000, and they intended doing this by an issue of six per cent. ten-year notes, especially as another £300,000 would be required over the next three to four years to bring their African estates to full maturity and productivity. These notes would be placed at the highest possible price without underwriting or advertising expenses. They had decided to suspend production in their factories for three months so as to bring about the desired reduction in their stocks.

The report and accounts were unanimously adopted.

BRITISH MATCH CORPORATION, LIMITED.

BRYANT AND MAY'S REMUNERATIVE INVESTMENTS. A YEAR OF QUIET PROGRESS.

The second annual ordinary general meeting of British Match Corporation, Limited, was held, on the 15th instant, at Winchester House, Old Broad Street, London, E.C.

Mr George W. Paton (chairman and managing director) presided.

The secretary (Mr H. W. Williams) having read the notice convening the meeting and the auditors' report,

The chairman, in the course of his address, said: It is a great pleasure to me to move the adoption of the report. The accounts show that your company has made considerable and satisfactory progress since last we met. The report goes on, he added, to refer to the increase of the share capital sanctioned at the meeting held in November of last year. Of the new ordinary shares 187,269, and of the 5½ per cent. cumulative preference shares 524,587 have been issued, in connection with the acquisition of the business of Bryant and May (Brazil), Limited. The whole of the issued capital of that company, with the exception of 307 ordinary shares and 275 preference shares, has been exchanged for shares in your company.

PROSPECTS IN BRAZIL.

Bryant and May (Brazil) has now been formed into a private limited liability company, the shares being all held by your company with the exception of the two small lots which I have just mentioned. The business in Brazil has improved during recent months, and I feel justified in saying that your company will have no reason to regret this investment. Conditions in Brazil, generally, are not yet as satisfactory as one could wish, but that immense country has a great future in store, and as we are firmly established there with up-to-date factories and methods, we are entitled to, and are sure to get, our fair proportion of the match business in the future.

BRYANT AND MAY'S ACCOUNTS.

At our meeting last year I gave you a summarised account of the corporation's holdings. The principal of these, of course, is your holding of the whole of the ordinary shares of Bryant and May, Limited.

That company's accounts for the year ended March 31st last and submitted to the annual meeting on April 29th, proved very satisfactory, the net profit for the year having increased from £412,758 to £531,642. The investments which are shown in their balance sheet at £2,354,400, consist of Government securities £492,403, shares in subsidiary companies £1,649,304, and other shares and debentures, £212,693. All of these items have been taken at cost, less substantial reserves. These investments have proved highly remunerative, producing a large portion, if not the larger, of the total profit. During the year £202,787 of Bryant and May's reserve fund was capitalised and issued in the form of a share bonus to the ordinary shareholders, who are, of course, your company. Out of the available profit, £102,787 was added to the reserve fund, bringing it up to £350,000, and dividends were declared amounting to £455,603, £95,922 of which was distributed under the co-partnership scheme equally between the ordinary shareholders and the employees. In the home trade your business continues to progress satisfactorily, and sales have shown a steady increase.

OVER-PRODUCTION IN GREAT BRITAIN.

At the extraordinary general meeting of your company held in November last I took the opportunity of saying that there was a good deal of talk about new ventures in the match industry, and that more than one company had been floated with very glowing prospectuses. I should like, again, to tell you and the public generally that there is machinery in the existing factories in the country with sufficient capacity to produce all the matches, and more than the country can consume. Much of this was installed during the war period to cope with the exceptional demand created by the cessation of imports, and, as a matter of fact, our factories are only working 40 hours instead of 47 hours per week in order that as many people as possible may be kept in employment.

In Canada the reorganisation of the factories of the Eddy Match Company is proceeding satisfactorily, and the new company has already been put on a dividend-paying basis. In Australia, New Zealand, and elsewhere the business also continues progressive and satisfactory.

Mr Clarence E. Bartholomew, O.B.E., seconded the motion for the adoption of the report and accounts, which was carried unanimously.

The formal business having been transacted, a cordial vote of thanks to the chairman, directors, and the staff and workers, both at home and abroad, terminated the proceedings.

CAWNPORE ELECTRIC SUPPLY CORPORATION, LIMITED.

SUCCESSFUL RESULTS OF THE YEAR.

The annual ordinary general meeting of the Cawnpore Electric Supply Corporation, Limited, was held, on the 14th instant, at Winchester House, Old Broad Street, London, Mr John G. B. Stone, chairman of the company, presiding.

The chairman said, in the course of his speech: The efficiency of distribution remained the same as it was in 1927. The units sold for lighting and fans increased by about 11 per cent., and those for power purposes by meter by about 4 per cent. Public lighting and special contract supplies each show an increase of about 8 per cent. The maximum demand went up 12 per cent., and this corresponds closely with the increase in connections to our mains.

Our expenditure on generating and distributing energy was some £500 less than in 1927. We have a revenue of £165,891, an increase of approximately 10 per cent., giving a return of 1·27 As. per unit, against 1·25 As. in 1927. The management and general charges increased £1,600 and interest on debentures, now £11,798, is less than in 1927 and will continue to fall as a result of the operation of the sinking fund, the contributions to which will increase in like amount. Finally, we carry to profit and loss account £75,063, as compared with £55,524 in 1927.

The board have allocated to depreciation and renewals account £27,500—a considerable increase on the figure of £15,000 provided in 1927. The sum of £4,002 has been applied to writing off the issue expenses, £2,000 has been transferred to income-tax account and £7,587 15s. is required for the sinking fund, £18,600 has been distributed in the preference dividend and in an interim dividend on the ordinary shares, and the board recommend a final dividend of 7 per cent., leaving £3,824 to be carried forward.

I think the result of our operations during 1928 has been satisfactory, and it should be noted that the year under review has been one of great depression in the cotton trade, on which Cawnpore so largely depends, and upon which we rely for a large proportion of our business. In spite of bad times, we are steadily increasing our connection among the various industries in Cawnpore, and as a result of last year's experience we have been able to make reductions in our charges for electricity for power purposes. These supplies absorb over 75 per cent. of our output, and we anticipate that with an improvement in the cotton trade we shall experience a marked increase in the demand for bulk supplies.

The report and accounts were unanimously adopted.

LEOPOLDINA RAILWAY COMPANY, LIMITED.

The ordinary general meeting of the Leopoldina Railway Company, Limited, was held on the 15th instant, at the Cannon Street Hotel, London. Mr Oliver R. H. Bury (the chairman) presiding.

The chairman, in moving the adoption of the report and accounts, said that the net receipts for the year were £788,176, and the board now recommended a balance dividend of 3 per cent., less income tax (making 5 per cent. for the year) on the ordinary stock, leaving £103,457 to be carried forward. The passenger traffic showed an increase of 1,295,050 in numbers; over 19,000,000 passengers were carried to and from the immediate suburbs of Rio de Janeiro at only a fraction over one penny per journey, and obviously all at a loss.

The addition of 10 per cent. to the tariffs authorised in 1927 for the purpose of applying the money so produced to the purchase of additional locomotives and rolling stock, and other improvements, had been of great advantage to the Government, to the public and to the company; the company had spent £342,803, and had received £350,508.

Regarding prospects for 1929, gross receipts to date showed a decrease of £243,859, and they could not hope for such a large saving in the coal bill this year as was the case last year. On the other hand, the opinion of the General Manager, Mr Bayne, was that before the end of this year the decrease in gross traffics would be entirely wiped out.

The report and accounts were unanimously adopted.

THE CASE FOR FREE TRADE

A pamphlet of 56 pages reprinted from "The Economist."

The fundamental arguments against Trade Restriction are set out; and the claims of "Safeguarders" examined.

Price 4d.

(Special terms for quantities.)

Obtainable from "THE ECONOMIST,"
6, BOUVERIE STREET, FLEET STREET, LONDON, E.C.4.

INCORPORATED ACCOUNTANTS.

PROPOSALS FOR REGISTRATION.

Astor House, which was recently opened as Incorporated Accountants' Hall by H.R.H. the Duke of York, was used for the first time on Tuesday last for a general meeting of the Society of Incorporated Accountants and Auditors, when the forty-fourth ordinary general meeting of the society was held.

The freehold of this magnificent building, the President, Mr Thomas Keens, F.S.A.A., said, had been acquired mainly owing to the co-operation of incorporated accountants in all parts of the world, who had subscribed the major portion of its cost of over £100,000.

The traditional policy of the Society of Incorporated Accountants and Auditors had been to secure registration for the accountancy profession. Outside the great bodies of chartered and incorporated accountants, however, there were ten other organisations claiming to be part of the accountancy profession. In addition, all sorts of persons were tempted to commence practice as accountants, many resorting to methods flagrantly unprofessional. Registration would do away with this state of affairs. Application to be placed on the original register would have to be made to the competent authority, which should be endowed with wide powers to investigate applications by those who claimed to be in actual *bona fide* public practice. Cultivated by the prospect of a Registration Bill, there would be a mushroom growth of new public accountants, but they would find no place on the register. Incorporated accountants ought not to be deterred by the number of those who might become registered at the outset. The chief consideration should be the benefit to the public and the profession in the future, which would be brought about by a proper standard of qualification and a reasonable measure of control by which all those on the register would be bound.

The profession of accountancy was entitled to ask for similar statutory protection to that given to law, medicine and dentistry. In 1911 an Accountants Registration Bill, supported by the Lord Chancellor and the Lord Chief Justice and having the interest of the Board of Trade, was dropped only because of an accident of procedure in the House of Commons. Until the present time no favourable opportunity of reviving the matter had presented itself, but in unanimously reaffirming its belief in registration and in deciding to proceed with the promotion of a Bill, the society had been fortified by the recent remarks of Sir Thomas Robinson, M.P., in the House of Commons. He said the view of the Local Legislation Committee was that the time was opportune for the establishment of a register of properly qualified accountants, the committee believing that sound, reliable accountancy was of paramount importance to industry, commerce and the investing public.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 11, 1929:—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	4,100	From Revenue	9,212
Interest, &c., on Debt	901		
Sinking Fund	500		
Decrease in Balances	321		
Decrease in Debt	3,226		
Sundries	164		
	9,212		9,212

The total ordinary revenue for the week amounted to £9,212,000, as compared with £8,398,500 in the corresponding week of last year. Property and income tax amounted to £799,000, and super-tax to £540,000, against £301,000 and £760,000 respectively a year ago. Customs brought in £2,295,000 against £2,242,000 in the corresponding week of last year, whilst Excise receipts were lower than a year ago, being £1,061,000 against £1,201,000. Ordinary receipts totalled £381,600 for the week as against last year's figure of £25,700, and special receipts £56,600 against £34,800.

The National Debt was reduced by £3,226,000, as shown below:—

(000's omitted.)

	£
Treasury Bills	−1,851
National Savings Certificates	− 50
Public Department Advances	− 925
Sundries	− 400
	−3,226

The floating debt was reduced by £2,785,000 to £742,820,000.

Financial Year, 1929-30, April 1 to May 11.

	£		£
Expenditure	77,160,651	Revenue	74,534,992
Amount repaid	755,786	Decreases in balance	3,381,445
	77,916,437		77,916,437

Estimates for Financial Year, 1929-30.

	£		£
Expenditure	691,564,000*	Revenue	746,060,000
Sinking Fund.....	50,400,000		
Surplus	4,096,000		
	746,060,000		746,060,000

* This figure includes the new Exchequer Contributions of £15,560,000 to Local Revenues, &c.

Self-Balancing Revenue and Expenditure.

	£
Post Office	58,110,000
Road Fund.....	22,510,000
	80,620,000

Rating Relief Suspense Account.

	£		£
Balance on April 1, 1929...	22,633,000	Cost of anticipating rate relief for Agriculture.....	2,570,000
		Balance on March 31, 1930	20,063,000
	22,633,000		22,633,000

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 31, 1929.	May 11, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt....	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	13	13	12	12	12	12	12
4% Consolidated Loan	...	...	...	...	166	204	204	204	204
3½% Conversion Loan	...	...	709	760	740	832	832	832	832
4½% Conversion Loan	...	...	210	211	211	221	221	221	221
3½% War Stock.....	...	63	63	63	63	...	...	...	...
4½% War Stock.....	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,052	2,109	2,154	2,253	2,253	2,253	2,253
National War Bonds	...	1,509	778	706	556	194	111	64	64
4% Funding Loan ...	...	409	394	390	389	385	385	385	385
4% Victory Bonds	...	360	303	292	277	261	261	261	261
Treasury Bonds.....	...	...	499	482	454	575	773	762	760
Exchequer Bonds.....	20	323	15	15	15	16	16	16	16
National Savings Certs.	...	267	369	375	372	362	360	360	360
Other Debt*.....	...	1,306	1,124	1,111	1,103	1,097	1,094	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills.....	15	1,107	576	565	599	527	788	700	703
Temporary Advances	1	243	167	139	117	162	28	37	39
	654	8,033	7,598	7,558	7,555	7,528	7,665	7,528	7,531
Other Capital Liabilities	57	46	68	75	98	103	103	88	86
Total Liabilities.....	711	8,079	7,666	7,633	7,653	7,631	7,768	7,616	7,617

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	May 12, '28.	Mar. 31, '29.	May 11 '29.	Movement Week ended May 11, '29.
Ways and Means Advances Outstanding—	£	£	£	£
Advances by Bank of England..	...	...	...	...
Advances by Public Deptmts..	151,300,000	37,050,000	40,610,000	— 925,000
Treasury Bills Outstanding.....	534,875,000	700,295,000	702,210,000*	— 1,860,000
Total Floating Debt.....	686,175,000	737,345,000	742,820,000	— 2,785,000

* Includes £8,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bills were opened on May 10, 1929, and the total amount applied for was £40,530,000. For bills at 3 months, dated Monday to Friday, at £98 14s. 2d., about 77 per cent. and above in full; Saturday, at £98 14s. 6d. and above, in full. The amounts allotted were in bills at 3 months, £35,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.	£	£	£ s. d.
March 8	30,000,000	33,190,000	5 6 8·41
March 15	35,000,000	46,695,000	5 6 9·26
March 22	35,000,000	46,515,000	5 5 1·71
March 28	45,000,000	50,430,000	5 7 0·87
April 5	40,000,000	63,280,000	5 5 9·16
April 12	40,000,000	57,440,000	5 5 4·39
April 19	40,000,000	52,045,000	5 5 2 1·07
April 26	45,000,000	49,785,000	5 5 2 8·72
May 3	35,000,000	49,800,000	5 5 0 9·07
May 10	35,000,000	40,530,000	5 5 2 1·30

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Revenue and other Receipts.	Estimate for the Year 1929-30.	Total Receipts into the Exchequer from April 1, 1929, to May 11, 1929.	Total Receipts into the Exchequer from April 1, 1928, to May 12, 1928.	Week Ended May 11, 1929.	Week Ended May 12, 1928.
ORDINARY REVENUE.	£	£	£	£	£
Inland Revenue—					
Income Tax and House Duty	239,500,000	16,823,000	16,556,000	799,000	301,000
Super-Tax	58,000,000	5,530,000	5,560,000	540,000	760,000
Estate, &c., Duties ...	81,000,000	9,840,000	6,210,000	1,590,000	1,410,000
Stamps	31,000,000	2,280,000	2,160,000	300,000	440,000
Excess Profits Duties, &c.	1,700,000	...	...	...	...
Corporation Profits Tax		10,000	90,000	...	...
Land Tax and Mineral Rights Duty	800,000	70,000	70,000	...	...
Total Inland Revenue...	412,000,000	34,553,000	30,646,000	3,229,000	2,911,000
Customs and Excise—					
Customs	119,850,000	13,439,000	12,330,000	2,295,000	2,242,000
Excise	130,330,000	11,800,000	13,095,000	3,061,000	1,201,000
Total Customs & Excise	250,180,000	25,239,000	25,425,000	3,356,000	3,443,000
Motor Vehicle Duties (Exchequer Share)	4,680,000	1,913,000	167,000	276,000	*Dr 669000*
Post Office (Net Receipt)	8,900,000	3,900,000	3,200,000	280,000	1,000,000
Crown Lands	2,250,000	150,000	110,000	...	...
Receipts from Sundry Loans	30,550,000	5,280,032	3,970,828	1,062,852	1,653,017
Miscellaneous:					
Ordinary Receipts.....	12,500,000	1,493,556	1,993,480	381,570	25,682
Special Receipts	25,000,000	2,006,404	2,645,571	56,642	34,777
Total Ordinary Revenue	746,060,000	74,534,992	68,157,979	9,212,064	8,398,476
SELF-BALANCING REVENUE.					
Post Office	58,110,000	4,600,000	4,700,000	750,000	800,000
Motor Vehicle Duties apportioned to Road Fund	22,510,000	1,999,000	3,336,000	...	836,000
Total Self-Balancing Revenue	80,620,000	6,599,000	8,036,000	750,000	1,636,000
Total	...	81,133,992	76,193,979	9,962,064	10,034,476
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	...	...	...	...	...
Under the Unemployment Insurance Acts, 1920 to 1928	...	514,432	...	...	...
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and Post Office and Telegraph (Money) Act, 1928	...	...	...	...	...
(b) Under the Unemployment Insurance Acts, 1920 to 1928.....	630,000	70,000	150,000	70,000	
(c) For other Issues:					
By Treasury Bills.....	366,564,000	267,302,000	56,954,000	50,177,000	
By National Savings Certificates	4,800,000	4,750,000	800,000	750,000	
By National War Bonds.....	...	10	...	...	
By 5 per cent. Treasury Bonds, 1933-35	...	58,225,000	...	...	
By 4½ per cent. Treasury Bonds, 1932-34	26,120,000	...	...	...	
(d) Ways and Means Advances	113,690,000	69,700,000	7,635,000	...	
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	23,221	19,707	...	...	
		592,961,213	476,775,128	75,501,064	61,031,476

Balances in Exchequer on 1st April:—	1929. £	1928. £			
Bank of England	5,515,917	5,918,513			
Bank of Ireland	736,607	404,112			
			6,252,524	6,322,625	...
Total			599,213,737	483,097,753	75,501,064	61,031,476

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1929-30 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1929, to May 11, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to May 12, 1928.	Issues Week Ended May 11, 1929.	Issues Week Ended May 12, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt.....	304,600,000	35,743,723	36,454,278	900,849	1,147,704
Payments to Local Taxation Accounts.....	15,000,000	...	...	...	...
Payments to Northern Ireland Exchequer.....	5,400,000	346,463	124,235	163,428	...
Other Consolidated Fund Services	3,500,000	436,538	350,803	1,172	...
Supply Services (excluding Post Office)	363,318,000	36,058,860	34,362,200	4,100,000	4,100,000
Total Ordinary Expenditure.....	691,818,000	72,585,584	71,291,516	5,165,449	5,247,704
Sinking Fund	50,400,000	4,575,067	8,568,210	500,000	2,160,000
SELF-BALANCING EXPENDITURE.					
Post Office	58,110,000	4,600,000	4,700,000	750,000	800,000
Road Fund	22,510,000	1,999,000	3,336,000	...	836,000
Total Self-Balancing Expenditure.....	80,620,000	6,599,000	8,036,000	750,000	1,636,000
TOTAL		83,759,651	87,895,726	6,415,449	9,043,704

EXPENDITURE AND OTHER ISSUES	Estimate for the Year 1929-30 (including Supplementary Grants)	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1929, to May 11, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to May 12, 1928.	Issues Week Ended May 11, 1929.	Issues Week Ended May 12, 1928.
OTHER ISSUES.					
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		18,458	18,458	...	...
Under the Unemployment Insurance Acts, 1920 to 1928.....		630,000	70,000	150,000	70,000
Issues to meet Capital Expenditure—					
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		1,200,000	1,550,000	400,000	400,000
Unemployment Insur. Acts, 1920-28		...	514,432	...	...
Repayment of Amounts Borrowed					
Redemption of Debt—					
Treasury Bills.....		364,625,000	259,400,000	58,805,000	43,815,000
Principal of National Savings Certificates.....		4,950,000	5,200,000	850,000	900,000
Principal of National War Bonds paid off		...	45,319,524	...	250,000
Principal of Treasury Bonds paid off		29,159,505	...	...	...
Ways and Means Advances Repaid		110,130,000	80,250,000	8,560,000	6,500,000
Depreciation Fund under the Finance Act, 1917		1,870,044	...	...	...
		596,342,658	480,218,140	75,180,449	60,978,704

Balances in Exchequer—	May 11, 1929	May 12, 1928			
	£	£			
Bank of England	2,269,193	2,029,354	...	...	+ 241,615	− 35,229
Bank of Ireland	601,886	850,259	2,871,079	2,879,613	+ 79,000	+ 88,001
Total			£ 599,213,737	483,097,753	+ 320,615	+ 52,772

Treasury, May 13, 1929.

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, May 15, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt.....	11,015,100
In Circulation.....	362,810,877	Other Government Securities	236,210,946
In Banking Department.....	58,329,310	Other Securities	7,951,539
		Silver Coin	4,822,415
		Amount of Fiduciary Issue.....	260,000,000
		Gold Coin and Bullion	161,140,187
	£421,140,187		£421,140,187

BANKING DEPARTMENT.

	£		£	£
Proprietors' Capital.....	14,553,000	Government Securities.....		37,816,855
Rest.....	3,200,958	Other Securities—		
Public Deposits*.....	9,290,798	Discounts and Advances.....	£9,586,015	
Other Deposits—		Securities.....	17,746,941	
Bankers..... £61,070,863				27,332,956
Other Accounts 36,078,600		Notes		58,329,310
	97,149,463	Gold and Silver Coin		720,731
7-Day and other Bills	5,633			
	£124,199,852			£124,199,852

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

Both Departments.	Amount May 15, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	362,810,877	+ 16,916	− 10,428,248
Public deposits	9,290,798	+ 611,081	− 9,726,012
Bankers' deposits	61,070,863	− 2,152,260	
Other deposits	36,078,600	+ 547,009	+ 1,772,621
Seven-day bills.....	5,633	− 133	+ 1,041
Total, outside liabilities	469,246,771	− 977,387	− 18,380,598
Capital and rest	17,753,958	+ 13,090	+ 14,347
Government debt and securities.....	285,042,901	− 1,943,511	+ 11,693,374
Discounts and advances	9,586,015	− 2,021,185	
Other securities	25,698,480	+ 2,018,163	− 29,296,128
Silver coin in issue department.....	4,822,415	+ 1,737	− 677,585
Coin and bullion (bank's reserve).....	161,860,918	+ 980,499	− 85,912
Reserve of notes and coin in banking department	59,050,041	+ 963,583	+ 12,187,336
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	55⅛ %	+ 1⅛ %	+ 14⅛ %
(b) Gold stocks to deposits and notes ("reserve ratio")	34⅛ %	+ 1/16 %	+ 1/32 %

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
Mar.27	413,331,566	361,786,016	19,704,899	58,240,243	36,354,799	883,050 in	5½
Apl. 3	414,045,537	363,319,286	17,795,531	67,268,161	37,307,929	703,684 in	5½
10	415,042,703	362,130,979	17,205,719	63,900,072	36,617,576	963,053 in	5½
17	415,836,622	358,940,958	17,876,233	60,779,118	36,016,599	760,357 in	5½
24	416,043,567	357,277,566	18,317,977	58,432,912	35,655,296	203,121 in	5½
May 1	418,216,669	361,371,339	10,939,252	60,688,826	38,473,837	2,125,861 in	5½
8	420,213,172	362,793,961	8,679,717	63,223,123	35,531,591	1,994,901 in	5½
15	421,140,187	362,810,877	9,290,798	61,070,863	36,078,600	923,715 in	5½

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
Mar.27	246193740	8977312	153733551	32⅛	50586855	13003543	17065519	51947535	45⅛
Apl. 3	246215843	8955581	154467255	31⅛	59956855	13221208	16358125	51147969	41⅛
10	246507820	8663950	155482700	32⅛	53276855	12671742	16092205	53351721	45⅛
17	246741657	8430376	156271783	32⅛	48346855	11028809	15621612	57330825	49⅛
24	246791289	8383489	156541341	33⅜	44256855	10949807	15612927	59263775	52⅛
May 1	246822960	8351096	158766163	33⅛	45351855	9285812	15783945	57394824	52⅛
8	247204557	7974765	160880419	34⅛	39781855	11607200	15705552	58086458	54
15	247226046	7951539	161860918	34⅛	37816855	9586015	17746941	59050041	55⅛

BANKERS' CLEARING RETURNS (000's omitted).

Date.	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to May 1.....	13,711,569	644,436	1,036,968	15,392,973
Week ended May 8	743,044	42,160	71,362	856,566
Week ended May 15	739,991	36,077	61,028	837,096
Total to date, 1929	15,194,604	722,673	1,169,358	17,086,635
Do. 1928	15,020,530	700,674	1,166,786	16,887,990
Increase or decrease in 1929.....	+ 174,074	+ 21,999	+ 2,572	+ 198,645
	= 1·2%	= 3·1%	= 0·2%	= 1·2%
Total for year 1928	39,311,117	1,854,190	3,039,422	44,204,729
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Increase or decrease in 1928.....	+ 2,491,435	+ 96,158	+ 66,595	+ 2,654,185
	= 6·7%	= 5·4%	= 2·2%	= 6·3%

PROVINCIAL CLEARING RETURNS.

	Month of April. 1928.	Month of April. 1929.	%	Aggregate Weekly Totals to May 11. 1928.	Aggregate Weekly Totals to May 11. 1929.
Number of Working Days	23	25			
	£	£		£	£
BIRMINGHAM	10,834,000	10,126,000	− 6·5	53,002,900	51,432,600
BRADFORD	5,975,000	5,388,000	− 9·8	...	...
BRISTOL	4,677,000	4,738,000	+ 1·3	23,170,000	23,147,000
DUBLIN	...	...	...	94,164,700	94,467,900
HULL	3,707,000	3,876,000	+ 4·5	17,966,800	17,428,400
LEEDS	3,834,000	4,061,000	+ 5·9	19,368,900	19,576,300
LEICESTER	3,557,000	3,490,000	− 1·8	17,136,900	15,825,400
LIVERPOOL	35,451,000	32,936,000	− 7·0	165,430,600	155,973,800
MANCHESTER	56,242,000	55,057,000	− 2·1	263,614,800	249,080,800
NEWCASTLE-ON-TYNE	6,127,000	6,003,000	− 2·0	28,747,700	27,734,500
NOTTINGHAM	2,682,000	2,533,000	− 5·5	12,249,700	12,569,900
SHEFFIELD	3,828,000	4,043,000	+ 5·6	19,751,800	19,784,500
Total	136,914,000	132,251,000	− 3·4	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Egypt appeared in the *Economist* of April 20; Canada in April 27; Russia, Esthonia, and Chile in May 4; Denmark, Austria, Japan, Lithuania, Latvia, and Danzig in May 11.

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

RESOURCES.	May 16, 1929.	May 9, 1929.	May 2, 1929.	Apr. 25, 1929.	May 17, 1928.
Total gold reserves	2,838,120	2,840,950	2,812,030	2,798,580	2,640,810
Total bills discounted.....	914,600	962,020	985,830	974,510	807,410
Bills bought in open market	146,110	157,180	170,420	141,180	347,290
Total U.S. Govt. securities	155,830	149,490	150,730	149,780	262,320
Total bills and securities ...	1,224,350	1,281,910	1,329,250	1,280,600	1,418,010
Total resources	5,235,040	5,097,570	5,164,890	5,080,670	5,120,040
LIABILITIES.					
Federal Reserve notes in actual circulation	1,646,660	1,663,680	1,663,640	1,652,560	1,583,100
Deposits—Memberbank—reserve account	2,319,890	2,330,030	2,335,820	2,290,220	2,382,160
Total deposits	2,365,510	2,389,210	2,410,360	2,350,080	2,434,150
Capital paid in and surplus	410,690	410,570	410,350	410,250	372,520
Total liabilities	5,235,040	5,097,570	5,164,890	5,080,670	5,120,040
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	75·1%	74·3%	73·3%	74·3%	69·7%

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

	May 16, 1929.	May 9, 1929.	May 2, 1929.	Apr 25, 1929.	May 17, 1928.
Total bills discounted.....	254,370	276,890	247,580	262,870	296,630
Bills bought in open market	35,120	44,000	56,830	28,600	69,880
Total U.S. Govt. securities	22,730	16,550	17,170	17,070	46,900
Total bills and securities ...	314,130	340,640	328,280	312,750	413,610
Deposits — Memberbank — reserve account	931,020	940,310	947,320	903,640	943,580
Ratio of total res. to dep. and Federal Res. note liabilities combined	78·9%	77·8%	79·2%	79·7%	71·7%

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

ASSETS.	Apr. 19, 1929.	Apr. 12, 1929.	Apr. 5, 1929.	Mar. 29, 1929.	Mar. 22, 1929.	Apr. 20, 1928.
Total securities.....	21,47,11	21,38,45	21,64,08	21,89,01	21,44,01	23,84,60
Loans	18,04,19	19,05,44	16,50,63	10,93,74	12,70,67	15,54,66
Cash credits	28,90,04	29,84,51	30,39,87	32,41,96	31,83,82	30,80,83
Inland bills	10,45,70	10,63,94	11,15,02	11,30,45	11,69,39	14,56,90
Foreign bills	47,84	48,69	41,68	33,62	31,83	43,57
Dead stock	2,83,88	2,83,75	2,83,69	2,83,56	2,83,87	2,81,79
Bal. with other banks	37,83	26,24	1,24	...	13,35	27,29
Cash	11,93,58	9,84,75	11,11,09	10,83,78	11,63,46	9,89,21
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,32,50	5,32,50	5,32,50	5,32,50	5,32,50	5,12,50
Total deposits	81,13,66	81,03,65	80,77,43	77,62,33	77,41,70	77,82,40
The above includes—	£	£	£	£	£	£
Deposits in London	1,113	1,058	844	1,029	838	999
Advances in London	680	899	871	933	882	962
Cash, &c., at other Banks in London	285	189	11	189	101	206

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

ASSETS.	Apr. 19, 1929.	Apr. 12, 1929.	Apr. 5, 1929.	Mar. 28, 1929.	Mar. 22, 1929.	Apr. 20, 1928.
Gold coin and bullion	7,385	7,472	7,777	8,206	7,557	7,596
Subsidiary coin	115	114	99	98	110	170
Bills discounted	8,693	9,273	9,337	9,125	8,902	8,256
Investments	596	596	626	747	700	576
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	600	509	509	509	509	423
Notes in circulation	8,233	8,569	9,159	9,498	8,023	7,738
Government deposits	2,374	1,659	1,592	1,613	1,951	1,899
Bankers' deposits	4,832	4,922	4,969	5,163	5,440	4,945
Ratio of cash reserves to liabilities to public	48·5%	47·4%	48·5%	48·1%	48·4%	51·5%

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

ASSETS.	May 10, 1929.	May 3, 1929.	Apr. 26, 1929.	Apr. 19, 1929.	Apr. 12, 1929.
Gold	36,525,431	36,462,461	35,788,083	35,097,716	34,323,084
Foreign assets—					
Sight deposits	7,987,715	8,044,770	8,543,546	9,388,434	10,318,867
Bills discounted	18,446,725	18,464,115	18,481,853	18,412,231	18,450,786
Commercial bills discounted at home	5,743,588	6,351,583	6,510,431	5,561,096	5,580,331
Advances against sec.					
To the State	8,998,339	8,998,339	9,130,000	9,130,000	9,130,000
Other advances	2,415,400	2,440,199	2,283,419	2,336,657	2,375,329
Other assets (excluding forward exch.)	3,543,478	5,831,344	3,110,941	3,076,930	3,265,776
LIABILITIES.					
Notes in circulation	63,420,111	63,828,155	62,847,740	62,647,539	63,317,358
Public deposits	11,528,202	11,286,905	11,875,758	11,869,675	11,941,469
Private deposits	6,509,303	6,743,362	6,858,828	6,287,244	5,748,571
Other liabilities	2,203,062	2,294,190	2,265,947	2,198,606	2,436,777

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

ASSETS.	May 7, 1929.	Apr. 27, 1929.	Apr. 20, 1929.	May 7, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	1,765,619	1,891,575	2,178,898	2,040,894
Of which deposited abroad	59,897	172,708	163,008	85,626
Reserve in foreign currencies	53,580	99,372	39,936	197,542
Bills of exchange and cheques	2,985,418	2,926,597	2,316,084	2,281,666
Silver and other coin	127,896	134,503	153,783	66,929
Notes of other German banks	16.242	7,243	29,314	17,634
Advances	208,725	262,077	40,987	39,246
Investments	92,899	92,899	92,964	94,004
Other assets	514,026	535,399	541,282	558,081
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	319,608	319,608	284,205
Notes in circulation	4,442,428	4,631,496	3,918,931	4,238,937
Other daily maturing obligations	584,768	585,119	769,295	460,549
Other liabilities	294,813	290,654	262,626	189,517

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

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

ASSETS.	May 8, 1929.	May 2, 1929.	Apr. 25, 1929.	Apr. 18, 1929.	May 10, 1928.	Position, May 28, 1914.
Gold	962,183	962,034	962,030	931,241	771,165	(b)
Foreign Bills and Balances Abroad	455,400	454,948	455,518	485,803	467,197	232,650
Silver and other coin	1,575	1,590	1,563	1,518	2,347	
Securities	732,992	720,256	763,784	758,010	552,425	697,600
LIABILITIES.						
Notes in circulation	2,469,907	2,468,191	2,430,829	2,429,438	2,123,486	934,150
Current accounts	63,878	50,752	129,228	110,771	100,374	112,125

(b) In thousand francs.

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

ASSETS.	May 6, 1929.	Apr. 29, 1929.	Apr. 22, 1929.	Apr. 15, 1929.	May 7, 1928.	Position, May 30, 1914.
Gold	437,042	432,203	422,206	422,215	435,153	163,092
Silver	20,754	21,235	21,262	20,932	24,518	8,436
Docts. and advances	398,927	385,313	362,418	347,001	387,542	153,504
LIABILITIES.						
Notes in circulation	850,665	841,093	796,990	802,984	828,331	316,632
Deposits	16,482	26,980	18,781	15,892	35,262	5,016

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

ASSETS.	May 11, 1929.	May 4, 1929.	Apr. 27, 1929.	Apr. 20, 1929.	May 12, 1928.	Position May 30, 1914.
Gold	183,600	184,600	188,400	186,600	174,261	22,971
Silver					18,746	29,785
Discounts, advances, and other investments	136,100	135,700	131,600	130,300	112,810	77,667
LIABILITIES.						
Notes in circulation	307,800	302,800	299,700	301,900	306,290	109,499
Deposits and bills payable	31,100	35,300	37,700	37,800	38,528	11,250

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

ASSETS.	Apr. 30, 1929.	Apr. 20, 1929.	Apr. 10, 1929.	Mar. 31, 1929.	Apr. 30, 1928.
Gold, coin and bullion	5,125,500	5,125,206	5,125,141	5,125,797	4,772,295
Foreign bills and balances abroad	4,879,600	4,891,079	5,272,288	5,334,404	7,738,840
Other cash	236,900	239,456	236,119	238,429	170,697
Gold deposited abroad due by the State	1,824,700	1,824,662	1,824,662	1,824,662	1,847,713
Discounts	3,730,600	3,647,188	3,675,146	3,699,123	3,063,991
Advances	1,792,800	1,501,047	1,347,925	1,514,466	1,001,994
Credit with "Istituto di Liquidazioni"	1,047,000	1,047,010	1,057,098	1,057,323	1,259,914
Government securities	1,042,800	1,042,813	1,042,709	1,042,532	999,996
LIABILITIES.					
Notes in circulation	16,272,900	16,010,409	16,392,735	16,395,973	17,123,788
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	1,841,700	2,187,022	2,079,267	2,125,395	3,364,651
Ratio of reserve to note and sight liabilities combined	54·33%	54·15%	55·39%	55·58%	60·18%

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

ASSETS.	May 7, 1929.	Apr. 30, 1929.	Apr. 23, 1929.	Apr. 15, 1929.	May 7, 1928.	Position, May 31, 1914.
Gold	496,074	492,591	482,230	482,192	437,773	171,175
Silver	40,307	41,601	42,456	41,886	58,074	18,350
Foreign Bills and Balances abroad	250,701	246,882	229,729	221,464	...	...
Discounts	133,313	137,135	125,124	125,688	212,829	...
Advances	59,943	64,127	59,211	58,384	68,809	103,000
LIABILITIES.						
Notes in circulation	848,228	875,354	798,000	811,332	815,388	275,925
Deposits	126,923	111,920	132,026	122,881	87,188	33,750

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

ASSETS.	May 11, 1929.	May 4, 1929.	Apr. 27, 1929.	Apr. 20, 1929.	May 12, 1928.
Gold	234,450	234,557	234,668	234,720	231,844
Government securities—Swedish	5,740	5,755	5,755	6,001	11,027
,, ,, Foreign	73,774	73,774	73,774	73,774	83,324
Other Swedish bonds quoted on foreign bourses	177	231	231	740	1,096
Bills payable in Sweden†	239,670	246,480	227,344	220,717	254,372
,, ,, abroad	67,748	56,597	60,262	66,715	14,591
Balance abroad	49,514	53,358	47,050	41,774	34,205
Advances made on government securities and bonds†	57,827	63,532	56,393	58,826	53,235
LIABILITIES.					
Notes in circulation	490,433	509,323	475,216	463,422	458,702
Government deposits	179,932	177,691	185,803	194,808	172,123
Private deposits	7,469	6,325	7,849	6,814	20,123

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are not available as cover for the note issue.

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

ASSETS.	May 7, 1929.	Apr. 30, 1929.	Apr. 22 1929.	May 7, 1928.	Position May 31, 1914.
Coin and bullion—Gold	146,819	146,826	146,829	147,158	44,224
Balance abroad and foreign bills	51,498	55,931	53,177	42,284	28,533
Norwegian and Foreign Government securities	11,393	9,558	9,345	10,044	8,816
Discounts and loans	268,916	272,610	266,553	275,551	769,110
LIABILITIES.					
Notes in circulation	304,703	308,398	305,211	316,718	113,484
Deposits at sight	110,300	113,778	108,005	104,652	7,188

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

ASSETS.	May 11, 1929.	May 4, 1929.	Apr. 27, 1929.	Apr. 20, 1929.	May 12, 1928.	Position, May 30,1914
Gold	2,560,017	2,559,917	2,559,850	2,559,799	2,607,927	521,775
Silver	713,564	716,299	719,999	717,372	700,538	728,600
*Loans & Discounts	1,771,989	1,820,791	1,820,090	1,835,306	1,813,626	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,354,976	4,339,909	4,257,576	4,279,982	4,307,198	901,550
Deposits	1,067,935	1,041,115	1,077,094	1,020,003	1,035,340	477,500

* Including 91 million pesetas lent to the State.

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

ASSETS.	May 1, 1929.	Apr. 24, 1929.	Apr. 17, 1929.	Apr. 10, 1929.	May 2, 1928.
Coin and bullion	9,457	9,506	9,517	9,599	9,176
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	304,572	313,563	313,563	316,302	212,925
Discounts	277,510	278,747	278,105	276,918	245,858
Government loans	1,724,627	1,733,455	1,734,029	1,738,534	1,637,692
LIABILITIES.					
Notes in circulation	1,829,952	1,797,638	1,820,878	1,845,991	1,862,690
Deposits	66,781	69,520	63,414	65,669	68,068

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

ASSETS.	May 7, 1929.	Apr. 30, 1929.	Apr. 23, 1929.	Apr. 15, 1929.	May 7, 1928.
Metal reserve—					
Gold coin and bullion	176,622	176,622	204,426	204,425	196,528
Drafts and notes	33,202	33,032	4,846	12,548	87,842
Silver coin and bullion	9,565	10,166	10,486	10,418	812
Inland bills, warrants and securities	363,851	370,248	331,205	319,590	308,214
Advances to the Treasury	92,219	92,257	92,257	92,257	105,895
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	460,716	485,452	390,371	402,362	460,105
Current accounts, deposits, &c.	178,204	153,650	216,306	209,732	267,659

* Calculated at pre-war parity of exchange.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

ASSETS.	May 7, 1929.	Apr. 30, 1929.	Apr. 23, 1929.	Apr. 15, 1929.	May 7, 1928.
Gold and silver holdings	1,206,559	1,206,534	1,206,506	1,206,356	1,118,619
Balance abroad and foreign currency	1,696,658	1,687,602	1,708,585	1,702,031	1,698,485
Discounts and advances	583,104	652,907	407,486	445,790	228,870
State notes debt balance	4,020,715	4,023,053	4,029,969	4,033,155	4,336,422
Other assets	675,712	706,945	687,331	690,965	866,579
LIABILITIES.					
Bank notes in circulation	6,851,286	7,132,518	6,402,138	6,613,776	6,816,273
Check account balances	619,246	466,280	876,786	767,294	688,325
Other liabilities	239,622	205,649	288,379	224,633	311,752

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

ASSETS.	May 8, 1929.	Apr. 30, 1929.	Apr. 22, 1929.	Apr. 15, 1929.	May 8, 1928.
Gold	92,276	92,167	92,096	92,020	89,828
Other coin and notes	17,994	17,871	18,304	18,103	18,518
Foreign credits	198,205	191,290	192,927	198,123	273,676
Bills	1,370,182	1,370,517	1,365,905	1,393,086	1,260,919
Government advances	4,201,069	4,201,067	4,201,065	4,201,062	4,332,911
LIABILITIES.					
Notes in circulation	5,302,726	5,212,045	5,058,150	5,128,613	5,453,383
State credits	227,799	227,797	227,792	227,789	293,892
Deposits	1,018,250	1,058,853	1,220,743	1,232,758	993,285

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

ASSETS.	Apr. 27, 1929.	Apr. 20, 1929.	Apr. 13, 1929.	Apr. 6, 1929.	Mar. 30, 1929.
Gold & gold exchange	11,160,735	11,363,363	11,808,811	12,278,869	12,265,061
Commercial bills	8,464,641	8,513,894	8,513,829	8,103,631	7,086,174
State debt, advances to State, &c.	7,671,850	7,671,850	10,179,625	10,179,625	10,079,038
LIABILITIES.					
Notes in circulation	19,967,700	20,237,405	20,741,838	20,695,352	20,963,774
Other sight liabilities	6,560,034	6,557,517	9,980,780	9,707,549	10,151,030

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

ASSETS.	Apr. 30, 1929.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 7, 1929.	Apr. 30, 1928.
Gold and silver holdings	1,521,481	1,519,427	1,515,575	1,514,358	1,458,907
Balances abroad and foreign currencies	2,308,310	1,325,056	3,229,860	3,142,785	436,317
Discounts and advances	1,471,376	1,463,865	1,641,617	1,407,075	1,318,432
Advances to the Treasury	3,685,241	3,685,241	3,685,241	3,685,241	4,470,613
LIABILITIES.					
Capital paid up	500,000	500,000	500,000	500,000	516,422
Reserves	1,166,576	1,166,616	1,166,661	1,164,737	1,124,879
Bank notes in circulation	4,365,639	4,188,359	4,137,727	4,145,281	3,797,159
Sight liabilities	2,711,365	2,885,873	2,992,480	2,893,186	1,148,371
Deposits	466,478	466,500	466,528	468,771	1,279,264

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

ASSETS.	Apr. 30, 1929.	Apr. 23, 1929	Apr. 15, 1929	Apr. 30, 1928.	Position, May 30,1914.
Gold	301,623	301,717	301,930	312,903	35,091
Balance abroad and foreign bills	669,516	674,392	699,383	962,017	90,379
Finnish and Foreign Government securities	301,708	301,708	301,708	338,443	21,826
Discounts and loans	1,476,661	1,481,459	1,490,645	1,032,079	105,151
LIABILITIES.					
Notes in circulation	1,556,167	1,495,795	1,538,303	1,618,664	123,941
Deposits at notice	179,595	254,252	249,414	168,252	21,225

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

ASSETS.	Apr. 30, 1929.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 7, 1929.	Mar. 31, 1929.
Gold	569,996	568,163	567,052	565,374	564,866
Gold exchange	4,892,037	4,716,405	4,770,990	4,834,028	4,586,474
Other foreign exchange	1,053	1,127	1,087	1,288	1,283
Bills discounted	37,953	41,519	42,842	42,640	44,455
Advances	70,165	72,613	74,262	72,744	78,642
Debt to the State	3,656,305	3,656,305	3,656,305	3,656,305	3,789,638
LIABILITIES.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,617,182	5,527,123	5,520,513	5,597,782	5,487,985
Deposits and current accounts	1,856,414	1,750,706	1,802,267	1,796,232	2,122,398
Foreign exchange liabilities	1,422,861	1,443,032	1,457,479	1,449,834	1,115,506

BANK OF POLAND.—In zloty* (000's omitted).

ASSETS.	Apr. 30, 1929.	Apr. 20, 1929.	Apr. 10, 1929.	Mar. 31, 1929.	Apr. 30, 1928.
Gold	623,037	622,820	622,378	622,205	562,227
Of which held abroad	195,402	195,402	195,402	195,402	182,021
Foreign currencies	576,410	570,125	610,539	658,931	780,738
Bills discounted	697,539	687,975	683,241	703,971	499,014
Loans against securities	89,563	89,953	88,672	92,715	56,880
Reserve fund securities	68,957	68,967	68,967	69,077	55,960
Liability of the Treasury	25,000	25,000	25,000	25,000	25,000
LIABILITIES.					
Share capital	150,000	150,000	150,000	150,000	150,000
Reserve funds	100,000	100,000	100,000	100,000	94,435
Notes in circulation	1,274,240	1,168,292	1,208,002	1,333,258	1,126,021
Current accounts	491,233	565,278	558,875	512,225	547,132
Government accounts	75,000	75,000	75,000	75,000	75,000

* As from October 13, 1927, 8·91 zlotys equals 1 U.S. dollar.

LONDON RATES.

	May 9, 1929.	May 10, 1929.	May 11, 1929.	May 13, 1929.	May 14, 1929.	May 15, 1929.	May 16, 1929.
Bank rate (changed from 4½% Feb. 7, 1929)	% 5½	% 5½	% 5½	% 5½	% 5½	% 5½	% 5½
Market rates of discount—							
60 days' bankers' drafts	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
3 months' do.	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
4 months' do.	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
6 months' do.	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
Discount (Treasury Bills)—							
2 months'	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
3 months'‡	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
Loans—Day to day	4½	4	4½	4	5	4½	4
Short	4½	5	4½	5	4½	5	4½
Deposit allowances: Banks	3½	3½	3½	3½	3½	3½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months.	Trade Bills. 6 Months.
1929.	%	%	%	%	%	%	%
Apr. 25	4½ ½	5⅛	5⅛	5⅛ ¼	5⅛ ¼	5⅛ ¼	6 6¼
May 2	4½	5⅛	5⅛	5⅛ ¼	5⅛ ¼	5⅛ ¼	6 6¼
9	4½ 5	5⅛ ¼	5⅛ ¼	5⅛ ¼	5⅛ 5⅛	5⅛ 6	6 6¼
16	4½ ½	5⅛	5⅛	5⅛ ¼	5⅛ 5⅛	5⅛ 6	6 6¼

RATES OF EXCHANGE.

London on		Usance	Par.	May 17, 1928.	May 9, 1929.	May 16, 1929.
New York	dollars to £1	Cable	4·86⅝	4·88⅛–¼	4·85⅛–·85⅜	4·85⅛–·85⅜
Montreal	dollars to £1	Cable	4·86⅝	4·88⅛–¼	4·88⅛–·88⅜	4.88⅛–·88⅜
Paris	francs to £1	T.T.	124·21	123¾–4⅛	124·15-124·20	124·15–·18
Berlin	marks to £1	T.T.	20·43	20·39½–40½	20·46–20·46½	20·42–·42½
Amsterdam	florins to £1	T.T.	12·107	12·09½–⅝	12·06⅜–·06⅝	12·06⅜–·06⅝
Brussels	belgs to £1	T.T.	35·00	34·97½–98	34·94½–·95	34·93½–·94
Milan	lire to £1	T.T.	92·46	92·58–63	92·62–·65	92·65–·68
Berne	francs to £1	T.T.	25·22	25·32½–·3	25·18½–19½	25·16½–·19
Oslo	kroner to £1	T.T.	18·159	18·21½–22½	18·19½–·20	18·19½–·20½
Stockholm	kronor to £1	T.T.	18·159	18·19–¼	18·16–·16½	18·16–·16½
Copenhagen	kroner to £1	T.T.	18·159	18·19½–¾	18·20½–·21	18·20–·20½
Madrid	pesetas to £1	T.T.	25·22½	29·10–12	33·98–34·01	34·01–·04
Lisbon	escudo to £1	T.T.	4·50	114–¼	108–108½	108–108½
Vienna	schillgs. to £1	T.T.	34·58½	34·69–73	34·52–·55	34·53–·56
Prague	krone to £1	T.T.	24·02(a)	164⅛–⅜	163½–164	163½–164
Belgrade	dinars to £1	T.T.	25·22½	277–½	275½–276½	275½–276½
Budapest	pengo to £1	T.T.	27·82	27·94–7	27·83–·87	27·83–·86
Bukarest	lei to £1	T.T.	813·6	788–92	817–819	817–819
Sofia	leva to £1	T.T.	25·22½	672–7	668–673	668–673
Athens	drachmæ to £1	T.T.	375	374–5	374⅜–375½	374⅜–375
Constantin'ple	piastres to £1	T.T.	110	944–52	994–998	997–1002
Moscow	roubles to £1	T.T.	9·46	9·48–9·50	9·42–9·44	9·42–9·43
Warsaw	zloty to £1	T.T.	43·38	43½–¾	43⅜–½	43½–43¾
Helsingfors	F. marks to £1	T.T.	193·51	193¾–4	192⅝–193⅛	192⅝–193⅛
Kovno	lits to £1	T.T.	48·66	48¾–9¼	48⅝–49⅛	48⅝–49⅛
Reval	kroon to £1	T.T.	18·159	18·00–18·40	18·16–18·23	18·16–·23
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15–25·25	25·15–·25
Alexandria	piastres to £1	Sight	97⅛	97⅛–¼	97–⅛	97⅛–97⅛
Buenos Aires	pence to peso	T.T.	47·62d.	47⅜–½	47⅛–47⅜	47⅛–47⅜
Rio de Janeiro	pence to mils.	90 days	16	5⅝–¾	5⅝–¾	5⅝–5⅝
Montevideo	pence to peso	T.T.	51	50½–51	47⅞–48⅛	48⅛–48⅜
Valparaiso	dollars to £1	90 days	40	39·54	39·64	39·57
Lima	*Eng. to Per. £1*	90 days	par	20½% prm.	19⅜% prem.	19⅜% prem.
Calcutta	pence	T.T.	18	1/6–⅛	1/5⅝–1/5⅞	1/5⅝–1/5⅞
Bombay	to	T.T.		1/6–⅛	1/5⅝–1/5⅞	1/5⅝–1/5⅞
Madras	rupee	T.T.		1/6–⅛	1/5⅝–1/5⅞	1/5⅝–1/5⅞
Hong Kong	ster. to dollar	T.T.	—	2/1–2/1⅛	1/11⅜–2/0⅛	1/11⅜–2/0⅛
Shanghai	ster. to tael	T.T.	—	2/8½–2/9	2/5½–2/6½	2/8½–2/9½
Singapore	ster. to dollar	2s. 4d.	2s. 4d.	2/3⅛–⅜	2/3⅛–2/3⅜	2/3⅛–2/3⅜
Kobe	ster. to yen	T.T.	24·58d.	1/10⅛–⅜	1/10⅛–1/10⅜	1/10⅛–1/10⅜
Manila	ster. to peso	T.T.	24·066d.	†2s. 0⅛d.	†2s. 0⅛d.	†2s. 0⅛d.
Mexico	pesos to £	T.T.	9·76	24–½	10·05–10·10	10·00–10·25

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, *i.e.*, approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%
Amsterdam	Mar. 23, 1929	5½
Athens	Dec. 2, 1928	9
Belgrade	July 26, 1921	6
Berlin	April 25, 1929	7½
Brussels	June 30, 1928	4
Bucharest	May 14, 1929	9½
Budapest	April 25, 1929	8
Calcutta	May 9, 1929	6
Copenhagen	June 23, 1927	5
Danzig	June 20, 1927	6
Helsingfors	Nov. 15, 1928	7
Kovno	Feb. 8, 1926	7
Lisbon	July 28, 1926	8
New York Federal Reserve	July 12, 1928	5
Madrid	Dec. 19, 1928	5½
Oslo	Mar. 26, 1928	5½
Paris	Jan. 19, 1928	3½
Prague	Mar. 8, 1927	5
Pretoria	Jan. 9, 1928	5½
Reval	Jan. 2, 1928	7½
Riga	April 1, 1928	6† 7†
Rome	Mar. 13, 1929	7
Sofia	Dec. 15, 1928	9
Stockholm	Aug. 24, 1928	4½
Swiss Bank places	Oct. 22, 1925	3½
Tokio	Oct. 18, 1927	5·48
Vienna	Apr. 23, 1929	7½
Warsaw	Apr. 19, 1929	9
Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	May 16, 1928.	Apr. 18, 1929.	Apr. 25, 1929.	May 2, 1929.	May 9, 1929.	May 16, 1929.
	%	%	%	%	%	%
Call money	5½	8	8	11	14	10
Time money (90 days' mixed coll.)	5	9	8½	8½	8½	8½
Bank acceptances :—			Selling Rates.			
Members—eligible, 90 days	4	5½	5½	5½	5½	5½
Non-mem.—eligible, 90 days	4	5½	5½	5½	5½	5½
Ineligible, 90 days	4½	6½	6½	6½	6½	6½
Commercial accept. 90 days	4½	5½	5½	5½	5½	5½

Rates of Exchange, New York on—		Par Level.	May 16, 1928.	May 2, 1929.	May 9, 1929.	May 16, 1929.
London—						
60 days	Dollars for £1	4·8666	4·84⅛	4·80⅛	4·80⅛	4·79⅛
Cable			4·88⅛	4·85⅛	4·85⅞	4·85⅞
Cheques			4·87⅛	4·84⅛	4·84⅛	4·845
Paris	Cents for 1 franc	3·918	3·93⅛	3·90⅛	3·90⅛	3·905
Brussels	Cents for 1 Belga	13·90	13·96	13·885	13·88	13·88
Switzerland	Cents for 1 franc	19·30	19·27½	19·26½	19·255	19·25½
Italy	Cents for 1 lire	5·263	5·2675	5·2375	5·23⅛	5·235
Berlin	Cents for 1 mark	23·81	23·91½	23·69	23·69	23·73
Vienna	Cts. for Austrn. shlg	14·07	14·075	14·05	14·05	14·05
Madrid	Cents for 1 peseta	19·30	16·775	14·31	14·28	14·22
Amsterdam	Cents for 1 guilder	40·195	40·33½	40·18	40·17	40·16
Copenhagen	Cents for 1 kroner	26·80	26·825	26·65	26·635	26·63½
Oslo			26·785	26·66	26·645	26·64½

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the Reserve was held on April 30, 1929 :—

	£	£
In India		Nil
In England :		
Cash at the Bank of England	2,390	
Gold	2,152,334	
British Treasury Bills :—Value as on April 30, 1929	5,833,132	
Other British and Dominion Government Securities :—Value as on April 30, 1929	32,012,144	
		40,000,000
		40,000,000

India Office, *May 13, 1929.*

SIDNEY TURNER, *Accountant-General.*

BULLION.

The following statistics of imports and exports of gold for week ended May 16, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	*To—*	£
Venezuela	4,500	Denmark	275
Irish Free State	25,000	Poland (includ. Danzig)	1,550
British West Africa	33,354	Germany	29,240
British South Africa	1,038,866	Netherlands	3,285
Australia	7,000	France	17,510
Other Countries	300	Austria	12,750
		Egypt	13,636
		British India	23,087
		Ceylon	5,000
		Morocco	5,000
		Kenya	2,120
		Other Countries	274
Total declared value of imports	1,109,010	Total declared value of exports	113,727

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929.	Arrivals.	£	1929.	Withdrawals.	£
May10	Bars bought	4,447	May10	Sovs. for export	2,000
„ 11	„	Nil	„ 11	Sovs. for export	3,000
„ 13	Sovs. from abroad	775,000	„ 13	„	Nil
„ 14	Bars bought	164,900	„ 14	Sovs. for export	2,000
„ 15	„	Nil	„ 15	„	Nil
„ 16	Bars bought	1,088	„ 16	„	Nil
	Total	945,435		Total	7,000

Net arrivals, £938,435.

Messrs. Samuel Montagu and Co. write as follows on May 15, 1929 :—

GOLD.

The Bank of England Gold Reserve against notes amounted to £160,213,172 on the 8th instant (as compared with £158,216,669 on the previous Wednesday), and represents an increase of £6,306,857 since the 29th April, 1925—when an effective gold standard was resumed.

About £289,000 bar gold was available in the open market this week. The Bank of England secured £164,900, as shown in the figures below, the Home and Continental Trade £72,000, India £25,000 and Egypt £25,000. There was a net influx of gold of £923,715 during the week.

SILVER.

Following the rather fluctuating prices of last week the market has since ruled comparatively steady. Nevertheless buyers at first proved reluctant and quotations drooped to 25 7/16d., the rate fixed for both cash and two months' delivery on the 13th instant. During the earlier part of the week there was some re-selling on the part of China, but the same quarter subsequently made fresh purchases of silver for forward delivery. The buying, however, was offset by freer offerings from America, whilst supplies have also been forthcoming from Continental sources.

Cash silver was to-day quoted at a premium of 1/16d. over two months' delivery, prices being fixed at 25 7/16d. and 25 1/2d. respectively. *This is the first time since February 1st last that silver for cash delivery has commanded a premium.*

The following were the United Kingdom imports and exports of silver registered from mid-day on the 6th instant to mid-day on the 13th instant :—

Imports.	£	Exports.	£
Mexico	123,574	Egypt	15,913
Canada	17,008	Persia	30,489
New Zealand	15,000	British India	69,898
Other countries	10,148	Other countries	9,898
	165,730		126,198

INDIAN CURRENCY RETURNS (*In lacs of rupees.*)

	May 7	Apr.30	Apr.22
Notes in circulation	18,293	18,366	18,472
Silver coin and bullion in India	9,851	9,939	9,944
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,222	3,221	3,222
Gold coin and bullion out of India	...	...	...
Securities (Indian Government)	4,323	4,323	4,323
Securities (British Government)	897	883	883
Bills of Exchange	...	...	100

The stock in Shanghai on the 11th instant consisted of about 78,900,000 ounces in sycee, 127,000,000 dollars and 8,200 silver bars, as compared with about 78,500,000 ounces in sycee, 126,000,000 dollars and 10,400 silver bars on the 4th instant.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
May 10.....	84 11½	25 7/16	25 9/16	May 18, 1923	32⅛
„ 11.....	84 11½	25 7/16	25 7/16	„ 16, 1924	33 11/16
„ 13.....	84 11½	25 9/16	25 9/16	„ 15, 1925	31 7/16
„ 14.....	84 10⅞	25 9/16	25 9/16	„ 14, 1926	30⅛
„ 15.....	84 11	25 7/16	25 7/16	„ 13, 1927	26
„ 16.....	84 11¼	25 7/16	25 9/16	„ 17, 1928	27⅜

NOTICES.

Barclays Bank, Limited, in conjunction with Barclays Bank (Dominion, Colonial and Overseas), announce that they will open on the 14th instant a sub-branch in the Palace of Engineering at the North-East Coast Exhibition, Newcastle-upon-Tyne.

The directors of the National Bank of the Republic of Chicago have approved a merger with the Chicago Trust Co., combined capital and surplus of $13,500,000, and undivided profits of $3,283,000. The combined total resources will amount to approximately $210,000,000.

MINING OUTPUT STATISTICS FOR APRIL 1929.

	Tons Crushed. Mill.	Cyanide Works.	Gold Recovered. Mill.	Cyanide Works.	Total.	Value.	Profit.
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Ashanti	9,206	...	10,256	...	10,256	43,566	27,700
Associated	4,657	...	...	...	...	9,448	...
Balaghat	4,650	...	...	...	3,049	...	...
Blackwater	3,233	...	...	...	...	5,515	...
Boulder Perseverance	6,196	...	...	...	12,332	14,342	101
Cam and Motor	24,400	...	...	...	...	52,308	23,271
Central Manitoba	4,515	...	...	...	...	$45,900	...
Champion Reef	7,820	22,194	3,682	1,039	4,721	...	...
Frontino & Bolivia	1,710					4,207	...
Lena	(1st half of April)		...	...	3,647	15,318	...
London & Rhodesian	3,915		...	...	...	4,774	...
Lonely Reef	5,000	14,400	3,202	898	4,100	...	...
Luipaard's Vlei	22,800	...	5,723	...	5,723	3,158	8,148
Marmajito	406	...	...	...	...	5,225	...
Mayfair	1,836	...	890	...	890	3,745	645
Nundydroog	11,005	17,581	5,501	1,165	6,666	...	...
Mysore	18,277	18,000	6,442	936	8,273	...	...
Ooregum	14,000	...	...	...	7,378	...	...
Oroville Dredging	...	...	...	...	...	$33,094	...
Oriental Consolidated	...	...	...	...	...	$87,792	$21,408
Santa Gertrudis	54,013	...	...	...	...	...	$140,210
Sherwood Star	4,800	...	...	...	...	8,537	3,004
Sons of Gwalia	13,760	...	...	...	...	10,961	...
South Kalgurli	8,719	...	...	...	...	16,557	3,030
St. John del Rey	...	...	...	...	...	41,500	...
Taquah and Abosso	8,000	...	...	...	...	13,360	...

	Tons.	Other Notes in Return.
TIN.		
Amari	6	
Ampang	21	Concentrates.
Anglo-Burma	3	
Anglo-Nigerian	55	Concentrates.
Aramayo	415	Silver, 343,000 ozs.
Bangrin	66	
Baba River	3½	Concentrates.
Batu Caves	32	Est. profit, £2,216.
Batura Monguna	2	Concentrates.
Berenguela	27	Black tin concentrates.
Bisichi	61	
Changlat	53	
Chenderiang	35	
Consol. Tin Mines of Burma	81	Concentrates.
East Pool	84	Black tin.
Ex-Lands Nigeria	50	Concentrates.
Fabulosa	145	Tin barrilla.
Filani (Nigeria)	1½	Concentrates.
Geevor	70	Black tin.
Gopeng	83½	Est. value, £10,115; est. profit, £7,195.
Idris Hydraulic	380	Est. value, £4,643; est. profit, £2,989.
Jantar Nigeria	35	
Jelapang	23	
Jos	18½	
Juga Valley	9	
Junction	6	
Kaduna Syndicate	27½	
Kaduna Prospectors	19	
Kagera Uganda	25	
Kamunting	81	
Kassa	17	Est. value, £9,975.
Kent	58	Concentrates.
Kepong Dredging	28	Est. value, £6,885; est. profit, £4,865.
Kinta	30	Est. value, £3,330; est. profit, £1,285.
Kinta Kellas	53½	Est. value, £3,535; est. profit, £2,135.
Kranat Pulai	19½	Est. value, £7,466; est. profit, £5,950.
Kuala Kampar	115	Est. value, £2,275; est. profit, £1,645.
Kundang	35	
Lahat	17⅞	
Larut	84½	Est. value, £2,364; est. profit, £517.
Lower Bisichi	5½	
Malaya Consolidated	73½	
MalayanDredging	133	
Meru	16	Est. value, £17,109; est. profit, £7,630.
Mongu	35	
Naraguta	11½	
Naraguta Durumi	14	
Naraguta Extended	9	

	Tons.	Other Notes in Return.
Naraguta Karama	19½	
Naraguta Korot	15	
Nigerian Base Metals	49	Concentrates.
Nigerian Consolidated	20	
Nigeria Assoc.	250	
Northern Nigeria (Bauchi)	160	Value, £22,250; profit, £15,690.
Offin River Gold	6	
Pahang Consolidated	200	Black tin.
Pengkalen	77½	Est. value, £9,975; est. profit, £7,425.
Petaling	226	Est. value, £26,133; est. profit, £19,133.
Polhigey	20	
Rahman Hydraulic	59½	
Rambutan	12	Est. value, £1,390; est. profit, £635.
Rantau	44	Est. profit, £1,633.
Rawang	70	
Ribon Valley	14	Concentrates.
Ropp	70	
San Finx	26½	Concentrates; wolfram, 14 tons.
Selayang	26½	Concentrates.
Siamese Tin	120	
South Bukeru	14½	
Southern Malayan	125	Est. value, £15,859; est. profit, £9,614.
Southern Perak	86½	Est. value, £10,826; est. profit, £6,496.
Sungei Besi	43	Est. value, £5,671; est. profit, £1,956.
Sungei Kinta	20	
Sungei Way	89½	Est. value, £9,800; est. profit, £5,800.
Talping	53	Est. profit, £3,733.
Tangkah Harbour	64	
Tanjong	24½	Est. value, £2,947; est. profit, £1,134
Tavoy	54	
Tela Malaya	12	Dredge No. 2.
Tekka	43	Est. value, £5,120; est. profit, £3,075.
Tekka-Taiping	54	Est. value, £6,860; est. profit, £3,815.
Temoh	500	Piculs.
Theindaw	3½	
Tin Fields of Nigeria	6	
Tin Properties	19	
Tronoh	96	Est. value, £12,511; est. profit, £6,261.
United Tin Areas	4½	Concentrates.
Wheal Kitty	50	
Yarde Kerri	15	
Zaalplaats	11	
COAL.		
Clydesdale (Transvaal)	46,259	
Dundee	46,443	
Durban Navigation	56,932	
Natal Navigation	119,833	
S. African Coal Estate	65,699	
Singareni	60,766	
Tweefontein United	68,210	
COPPER.		
Bwana M'Kubwa	538	
Indian	135	
Messina	545	
Union Miniere du Haut Katanga	11,700	
DIAMOND.		
Crown	7,370	Carats.
New Vaal River	701	Carats : realised £4,570.
Tanganyika	2,521	Carats.
West African	14,300	Carats.
MISCELLANEOUS.		
Cyprus Asbestos	1,180	
Poderosa	1,030	Metric tons, estimated 18% copper.
Rhodesia Broken Hill	835	Slab zinc.
	210	Lead.
Rhodesian & General Asbestos	2,843	
South Crofty	64½	Black tin, value £8,264; wolfram, arsenic, &c., value £822.
Tetiuhe	1,328	Zinc concentrates.
	495	Lead concentrates.
Lydenburg Platinum	616	Platinum.
Vereenigung Estates	256,376	

THE BROKEN HILL PROPRIETARY COMPANY, LIMITED.—Report for four weeks ended March 24, 1929 :—COKE OVENS : The average number of coke ovens in operation was 143, the production for the period being : Coke, 22,017 tons; tar, 245,157 gallons; sulphate of ammonia, 264 tons. BENZOL : Satisfactory quantities of refined motor spirit continue to be produced by this plant. BLAST FURNACE DEPT. : The production of pig iron amounted to 18,772 tons. OPEN HEARTH DEPT. : With an average of 6·43 furnaces in commission during the four weeks, the production of ingot steel amounted to 27,252 tons.

THE BROKEN HILL PROPRIETARY COMPANY, LIMITED.—Report for 4 weeks ended April 21st, 1929—Iron and Steel Works. *Coke Ovens : Produced 12,733 tons* of Coke, 134,500 gallons of Tar, and 164 tons of Sulphate of Ammonia. Blast furnace (No. 3) : Produced 14,972 tons of Pig Iron. Open hearth : Produced 20,418 tons of Steel. Slimes flotation plant working without interruption—treated 12,191 tons Oxidised Slimes Tailings producing 1,646 tons Lead Concentrates assaying 40 per cent. Lead, 17 ozs. Silver per ton. Despatches to Port Pirie amounted to 1,472 tons.

BURMA CORPORATION, LIMITED (*Incorporated in India*).—Cable advices received this day report :—During the month of April, 38,232 tons of ore were mined, including 3,614 tons of high-grade ore. 29,000 tons of ore were milled in the treatment plant, producing 10,035 tons of lead concentrates. 11,054 tons of lead-bearing material, including 2,761 tons of high-grade ore, were smelted in the blast furnaces, producing 5,981 tons of hard lead for treatment in the refinery. Refinery products were 6,554 tons refined lead, and 625,327 ounces refined silver. Of silver production, 41,185 ounces were recovered from the treatment of copper matte. Zinc plant produced 5,180 tons zinc concentrates, assaying 9·1 ozs. silver, 4·6 per cent. lead, and 51·7 per cent. zinc.

In addition to the above, 1,350 tons copper matte were produced from the treatment of accumulated smelter by-products and 6,233 tons copper ore.

100 tons of refined antimonial lead were also produced.

Included in the tonnage of refined lead is 337 tons recovered from the smelting of copper ore.

SUMMARY OF BALANCE SHEETS.

AMALGAMATED PRESS, LIMITED.

February 28, 1929.

LIABILITIES.	Amount.	Compared with Feb, 29, 1928.
	£	£
7% Cum. Pref.(£1)	4,500,000	...
Ord. shares (10s.)	1,200,000	...
5½% deb. stock	3,445,813	— 54,187
Int. accrued	75,808	— 575
General reserve	347,060	+ 347,060
Pensions fund	220,000	...
Creditors	595,860	— 44,709
Profit and loss	399,901	— 61,538
Total	10,784,442	+186,052

ASSETS.	Amount.	Compared with Feb. 29, 1928.
	£	£
Properties	6,725,065	— 69,134
Investments in and amounts owing by subsidiaries	2,549,955	+ 124,345
Investments at cost or under	404,741	+ 37,298
Stocks	75,923	— 2,162
Debtors	327,078	+ 33,969
Cash	354,620	+ 61,736
Preliminary exps.	347,060	...
Total	10,784,442	+ 186,052

(*Continued on page 1142.*)

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended May 10, 1929. (c) Week ended May 11, 1929.	Miles Open.	Week ended May 12, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 19 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,733	217	248	120	368	585	3,898	4,170	2,462	6,632	10,530
Do. for 1928	3,734	228	230	106	336	564	4,079	4,151	2,246	6,397	10,476
Lon.& N.Eastn.(c)	6,345	320	431	272	703	1,023	5,923	7,784	5,251	13035	18,958
Do. for 1928	6,363	326	422	231	653	979	6,203	8,070	4,693	12763	18,966
Lond.,Mid.&Scot.	6,960	485	600	273	872	1,357	8,897	10640	5,639	16279	25,176
Do. for 1928	6,952½	499	600	230	830	1,329	9,327	11102	5,227	16329	25,656
Southern	2,175	286	80	31	110	396	5,222	1,436	627	2,062	7,284
Do. for 1928	2,175	298	82	27	109	407	5,396	1,497	549	2,045	7,441
Metropolitan (c)	59	31·6	...	...	3·5	35·1	601·3	...	...	70·7	672·0
Do. for 1928	59	31·6	...	...	3·4	35·0	605·9	...	...	69·8	675·7
†Und'rgr'ndE.R.c	...	...	...	...	...	286·1	...	...	...	...	5,169·8
†Do. for 1928	...	...	...	...	...	300·2	...	...	...	...	5,250·9
Lon&Sub.Gr'upc	...	...	...	...	...	41·5	...	...	...	...	736·3
Do. for 1928	...	...	...	...	...	44·4	...	...	...	...	756·4
B'ff'st&Co.D'wn b	80	2·1	...	...	0·9	3·0	38·3	...	...	17·2	54·5
Great Northern b	562	11·3	...	...	16·2	27·5	206·0	...	...	309·1	515·2
Great Southern b	2,187	29·2	...	...	47·3	76·5	461 5	...	...	906 5	1,368·0

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or —	Total Gross Receipts. 1929.	+ or —
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	2weeks	Apr.13	1,217	7,26,000	— 31,389	...	...
Barsi Lt. Ry.	3weeks	Apr.20	202	1,02,700	+ 86,500	1,75,900	— 1,600
Bengal & N.Western	3weeks	Apr.20	2,078	7,76,122	— 30,912	20,77,184	— 1,89,495
Bengal-Nagpur	52weeks	Mar.31	2,979	21,18,000	— 98,775	9,09,48,730	— 6,74,762
Bombay, Bar.& C.I.	6weeks	May 4	3,022	25,13,000	— 1,75,000	1,21,01,000	— 11,69,000
Madras & S. Mahr	3weeks	Apr.20	3,121	19,68,000	— 79,579	55,70,000	— 3,62,032
Nizam's Guaranted.(s)	3weeks	20	1,146	5,77,306	+ 1,07,352	15,04,808	+ 162,083
†Rohilk'd& Kumaon	3weeks	20	572	1,42,001	— 24,650	4,07,806	— 1,04,802
South Indian	2weeks	13	2,294	23,77,645	+ 44,268	...	...

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

ARGENTINE (s).				£	£	£	£
Argentine N.E.	4weeks	May11	753	15,500	— 1,800	702,700	+ 23,900
B.A. and Pacific	45weeks	11	2,806	295,000	+ 25,000	7,902,000	+ 820,000
B.A. Central	45weeks	12	...	14,981	+ 883	656,836	+ 25,795
B.A. Gt. Southern	45weeks	11	4,762	259,000	+ 19,000	11,361,000	— 426,000
B.A. Western	45weeks	11	1,296	105,000	— 5,000	4,593,000	— 31,000
Central Argentine	45weeks	11	3,319	281,000	+ 17,000	12,266,000	+ 363,000
Cordoba Central	45weeks	12	1,218	65,000	+ 5,000	3,105,200	+ 19,500
Entre Rios	45weeks	11	838	26,500	— 900	1,373,700	+ 53,300
CUBAN.							
United of Havana†	45weeks	May12	1,374	65,072	+ 4,025	3,415,415	+ 158,177
URUGUAYAN.				£	£	£	£
Central Uruguay	45weeks	May11	273	28,931	— 564	1,362,271	— 10,473
C. Urug. (East Ext.)	45weeks	11	311	6,649	— 992	312,889	— 6,199
C.Urug.(North.Ext.)	45weeks	11	185	4,541	+ 759	166,855	+ 5,185
C. Urug.(West. Ext.)	45weeks	11	211	3,166	+ 323	136,680	+ 1,723
CANADIAN.				$	$	$	$
Canadian National	18weeks	May 7	19,362	5,032,768	+457317	87,453,839	+3,448,966
Canadian Pacific	18weeks	May 7	14,822	4,038,000	+448000	68,935,000	+2,948,000

† 9 days.

BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil	19weeks	May11	1,016	13,300	+ 2,500	372,700	+ 91,700
Leopoldina	19weeks	11	1,856	36,689	— 15,966	680,478	— 243,859
Leopoldina Termnl.	19weeks	11	Mtrs.	285,000	+ 25,000	5,319,000	+ 164,000
San Paulo	19weeks	12	153½	50,925	— 4,225	896,215	+ 56,550
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia)	19weeks	May12	838	33,385	+ 3,130	768,695	+ 102,065
Nitrate (½-monthly)	17weeks	Apr.30	402	34,008	— 1,256	314,315	+ 39,905
OTHER OVERSEAS.				£	£	£	£
Egyptian Delta	3weeks	Apr.20	608	8,493	+ 1,600	17,475	+ 3,086
Gt. Southn. of Spain	18weeks	May 4	104	Ps120,211	— 16,754	2,212,014	— 62,855
Mexican Railway	18weeks	7	483	$252,500	+ 34,200	4,515,400	— 616,000
Paraguay Central	44weeks	4	274	4,590	+ 480	195,610	+ 4,110
Salvador	44weeks	4	100	5,381	+ 581	225,820	+ 9,298

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or —	Total Receipts. 1929.	+ or —
				£	£	£	£
Anglo-Argentine	18weeks	May 6	329	92,214	+ 1,197	1,593,214	— 18,347
B. Aires Lacrose	45weeks	12	...	12,048	— 820	584,421	— 592
Burnley Corporation	1week	11	13	3,034	+ 57	...	...
Calcutta Tramways	1week	11	35½	Rs125,454	+ 7,197	...	...
Chatham & District	17weeks	2	15	1,048	— 241	17,358	— 4,390
Egyptian Markets	17weeks	2	...	2,048	+ 201	36,610	+ 2,103
Glasgow Corporation	42weeks	20	136½	43,481	+ 1,272	2,018,186	+ 2,287
Isle of Thanet Trams	17weeks	1	...	981	— 56	15,437	— 559
Liverpool Corp.	6weeks	May11	124	29,717	+ 60	172,819	— 173
L.C.C. Tramways	6weeks	8	166	82,395	— 2,070	448,224	+ 5,729
Madras Electric	217 w'ks	Apr.30	...	Rs 40,038	+ 1,906	345,250	+ 23,444

‡ Fortnightly figures.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
Breweries.		£	£	£	£	£	%	£	£	£	%
Buchanan-Dewar	Mar. 31	104,437	1,226,175	1,330,612	260,165	965,000	30	...	105,447	1,166,792	28
Gartsides (Brookside) Brewery	Mar. 31	36,943	37,433	74,376	7,000	25,200	21	*Dr. 69*	42,245	46,809	21
Electric Light, &c.											
Kalgoorlie Electric	Dec. 31	781	10,842	11,623	...	3,000	6	8,000	623	5,803	6
Financial, Land, &c.											
Aboukir Co.	Mar. 31	9,675	16,225	25,900	...	15,000	5†	...	10,900	13,245	5†
Hyderabad (Deccan) Co.	Dec. 31	3,789	38,564	42,353	...	33,600	3/- p.s.	2,000	6,753	40,332	5
Iron, Coal and Steel.											
Armstrong Whitworth & Co.	Dec. 31	*Dr.413772*	*Dr.551970*	*Dr.965742*	...	...	...	...	*Dr965742*	*Dr277953*	...
Ransomes and Rapier	Dec. 31	11,822	11,888	23,710	720	6,250	5†	5,000	11,740	2,111	Nil
Nitrate.											
Lagunas Nitrate	Dec. 31	3,895	*Dr. 11,502*	*Dr. 7,607*	...	...	...	...	*Dr. 7,607*	877	...
Oil.											
Anglo-Egyptian Oilfields	Dec. 31	249,202	424,266	673,468	...	423,278	22½	...	250,190	328,100	17½
Rubber, &c.											
Bukit Tupah	Dec. 31	7,272	*Dr. 242*	7,030	...	...	...	3,988	3,042	8,677	...
Peacock and Nilambe	Dec. 31	2,598	18,202	20,800	1,757	18,082	20	*Dr. 1,000*	1,961	...	...
Pernambang	Dec. 31	27,930	14,049	41,979	...	...	...	16,476	25,503	...	...
Petoong (Java)	Dec. 31	3,257	6,352	9,609	...	4 687	8⅓	1,748	3,164	...	...
Shelford	Dec. 31	3,521	7,816	11,337	...	6,400	8	...	4,937	7,259	8
St. George Estates	Dec. 31	3,799	8,091	11,890	...	7,000	10	2,581	2,309	10,494	15
Sungei Matang	Dec. 31	6,566	*Dr. 8*	6,558	...	...	...	...	6,558	4,599	...
Tambira	Dec. 31	7,069	1,562	8,631	...	5,000	5	1,000	2,631	7,222	Nil
Shipping.											
British and Irish Steam	Dec. 31	16,408	186,010	202,418	90,000	90,000	6	...	22,418	168,128	5
Nitrate Producers' Steamship	Apr. 30	14,957	71,158	86,115	...	15,630	10†	55,000	15,485	85,132	10†
Tea.											
Aibheel	Dec. 31	4,707	25,210	29,917	...	20,400	20	6,500	3,017	34,005	25
Bandarapola Ceylon	Dec. 31	5,498	9,383	14,881	...	8,750	17½	3,500	2,631	18,243	25
Lethenty	Dec. 31	1,561	5,969	7,530	...	5,823	15	...	1,707	6,442	15
Mazdehee	Dec. 31	1,508	1,309	2,817	...	816	5	600	1,401	4,408	10
Textiles.											
Brit. Cotton and Wool Dyers	Mar. 31	21,427	119,196	140,623	...	77,416	10	30,000	33,207	163,919	10
Telegraphs, &c.											
Marconi's Wireless	Dec.31,27	25,197	430,471	455,668	17,500	414,390	20	...	23,778	198,948	5
Telephone Co. of Pernambuco	Dec. 31	733	*Dr. 5,064*	*Dr. 4,331*	...	...	...	...	*Dr. 4,331*	*Dr. 1,858*	...
Trust.											
Gresham Trust	Apr. 30	11,029	92,746	103,775	40,000	16,000	32	20,000	27,775	58,455	32
Industrial and General	Mar. 31	73,297	378,237	451,534	63,443	246,719	17½	53,000	88,372	382,250	17
Nineteen Twenty-Eight Inv.	Mar. 31	...	38,989	38,989	20,000	13,333	5	...	5,656	...	...
Other Companies.											
Advance Laundries	Mar. 31	...	28,751	28,751	18,293	5,000	5	4,441	1,017	...	...
Afr. & Eastrn. Trade Corp.	Sep. 30	266,452	*Dr. 96,953*	169,499	124,782	...	...	...	44,717	407,612	8
Amalgamated Press	Feb. 28	114,378	684,523	798,901	315,000	180,000	15	180,000	123 901	719 051‡	...
Associated British Cinemas	Mar. 31	...	83,419	83,419	...	...	...	726,743	10,746	...	...
British Electric Transformer	Dec. 31	10,855	14,740	25,595	10,500	...	...	4,000	11,095	53,703	5
Ever Ready Co. (Gt. Britain)	Mar. 31	30,022	209,804	239,826	20,000	148,000	35	41,130	30,696	187,964	35
Hetherington (John) & Sons	Mar. 31	26,959	70,579	97,538	24,685	20,974	7½	18,485	33,394	...	...
Royal Sovereign Pencil	Dec. 31	4,176	23,962	28,138	6,095	10,820	5	7,500	3,723	29,307	7½
Tweedales and Smalley	Apr. 30	84,629	80,179	164,808	...	77,500	15	...	87,308	77,331	15
Val de Travers Asphalte	Dec. 31	23,304	53,815	77,119	...	37,050	10	17,327	22,742	40,725	10
Verellen	Dec. 31	36,294	5,119	41,413	9,000	14,000	...	9,811	8,602	59,959	10

† Free of Income Tax. ‡ For 20 months.

(*Continued from page* 1141.)

SIR W. G. ARMSTRONG, WHITWORTH, AND CO., LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Ord. shares	5,512,500	...
4% 1st pref.	1,000,000	...
5% 2nd pref.	1,000,000	...
6¼% 3rd pref.	2,500,000	...
4% deb.	2,500,000	...
6½% 2nd deb.	1,503,180	...
6½% cons. deb.	3,000,000	...
5½% notes	2,000,000	...
General reserve	285,904	+ 285,904
Share prem. accs.	...	— 189,297
Bank loan	3,000,000	...
Int. accrued, debs. and loans	1,286,909	+ 589,188
Creditors	915,648	— 337,684
Profit and loss	...	— 86,228
Total	24,504,141	+ 261,883

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Properties	...	— 10,723,600
Suspense acct.	14,201,173	+ 14,201,173
Investments in and advances to subsidiary undertakings at or under cost	5,883,621	— 1,496,485
Work in progress, stocks, &c.	411,590	— 1,212,119
Debtors	1,549,472	— 110,823
Investments	1,273,965	— 532,341
Cash	1,184,320	+ 136,078
Total	24,504,141	+ 261,883

December 31, 1928.
After giving effect to Scheme of Arrangement as sanctioned by the Court on March 19, 1929.

LIABILITIES.	£
4% deb. stk.	1,036,014
6% non-cum. 1st pref. £1	1,000,000
4½% 2nd non-cum. pref. £1	1,100,000
Ord. shares "A" (1s.)	512,813
Do. "B" (10s.)	2,350,000
Creditors	915,649
Reserves	236,877
Total	7,151,353

ASSETS.	£
British and Colonial Govt. securities†	1,273,965
Investments in allied and other cos.	1,533,622
Debtors	1,547,856
Work in progress	411,590
Cash	884,320
Scotswood works	1,500,000
Total	7,151,353

† Market value £1,274,659.

AFRICAN AND EASTERN TRADE CORPORATION, LIMITED.

September 30, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
6% cum. pref. "A" £1	300,000	...
6% cum. pref. "B" £1	3,066,165	...
Ord. shares, £1	4,000,000	...
Acceptances	607,098	— 227,912
Creditors	1,773,954	— 187,808
Bank overdraft	413,070	+ 77,300
Depreciation fund	450,298	+ 23,076
Insurance fund	276,126	...
General reserve, including premiums on shares	2,069,016	...
Profit and loss	44,717	— 477,736
Total	13,000,444	— 793,080

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Factory buildings, &c.	1,293,120	+ 78,878
Plant	134,826	+ 29,890
Property in London & Liverpool	...	...
Office furniture	520,125	— 7,500
Stocks	14,497	...
Shipments outward	1,563,305	— 239,630
Produce homeward and in store	157,135	— 27,960
Debtors	362,378	— 182,382
Cash	562,121	+ 155,414
Bills receivable	229,395	+ 67,525
Investments in allied and subsidiary cos.	58,013	+ 26,158
Miscellaneous investments	7,888,134	— 791,232
	217,395	+ 97,759
Total	13,000,444	— 793,080

BRITISH COTTON AND WOOL DYERS' ASSOCIATION, LIMITED.

March 31, 1929.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £
Ord. shares	774,165	...
4% deb. stock	620,000	...
Deb. int. accrued	6,200	...
Reserve	230,000	+ 50,000
Depreciation fund	54,106	— 260,894
Investment contingency fund	45,000	...
Creditors	100,830	+ 6,274
Profit and loss	115,624	— 48,470
Total	1,945,925	— 253,090

ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
Land, plant, &c.	1,347,565	— 240,733
Stocks	130,210	— 7,941
Debtors	183,103	— 20,719
Cash	47,638	— 23,790
Trustees for debs.	39,945	...
Investments	197,464	+ 40,093
Total	1,945,925	— 253,090

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

Average Weekly Balances. April, 1929.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills and Co.	Lloyds Bank, Limited.	Martins Bank, Limited.	Midland Bank, Limited.	National Bank, Limited.	National Provincial Bank, Limited.	Westminster Bank, Limited.	Williams Deacon's Bank, Limited.	Aggregate.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes and balances with the Bank of England	34,011	1,502	3,249	37,898	7,890	43,131	3,353	29,082	28,589	3,105	191,810
Balances with and cheques in course of collection on other banks in the United Kingdom	10,374	718	1,527	9,687	2,692	15,784	181	8,898	8,947	1,057	59,865
Items in transit	...	...	...	2,850	...	...	...	...	...	...	2,850
Money at call and short notice	25,105	1,494	3,915	30,569	6,218	21,952	4,395	19,373	29,670	2,525	145,156
Bills discounted	38,443	1,300	816	36,399	3,882	47,500	2,234	26,197	35,514	1,442	193,727
Investments	60,599	3,770	7,567	36,978	20,841	34,853	15,108	36,400	37,672	5,515	259,303
Advances to customers and other accounts	171,733	10,711	16,422	199,770	41,969	223,284	15,795	152,150	151,163	18,570	1,001,567
Liabilities of customers for acceptances, endorsements, &c.	24,163	391	2,615	62,229	6,176	64,806	21	19,649	24,968	1,323	206,341
Bank premises account	5,497	372	695	6,892	2,120	8,720	775	5,869	4,860	974	36,774
Investments in affiliated banks	5,360	...	...	6,625	...	6,962	...	3,114	2,992	...	25,053
	375,285	20,258	36,806	429,837	91,788	466,992	41,862	300,732	324,375	34,511	2,122,446
Ratio of cash to current, deposit and other accounts	10·46	8·40	10·02	11·08	10·11	11·49	8·93	11·09	10·18	10·36	10·77
LIABILITIES.											
Capital paid up	15,858	1,000	1,060	15,810	4,160	13,433	1,500	9,479	9,320	1,875	73,495
Reserve fund	10,250	1,000	530	10,000	3,458	13,433	1,440	9,479	9,320	1,350	60,260
Current, deposit and other accounts	325,014	17,867	32,397	341,794	77,977	375,320	37,528	262,125	280,753	29,963	1,780,738
Acceptances, endorsements, &c.	24,163	391	2,615	62,229	6,176	64,806	21	19,649	24,968	1,323	206,341
Notes in circulation	...	...	...	4	17	...	1,373	...	14	...	1,408
Reduction of bank premises account	...	...	204	...	...	...	...	...	...	...	204
	375,285	20,258	36,806	429,837	91,788	466,992	41,862	300,732	324,375	34,511	2,122,446

Reports and Notices.

The New Zealand Insurance Co., Limited, have received cabled advice from their head office in New Zealand that the General Manager of the company, Mr H. P. Kissling, died on May 11th.

The directors of the Liverpool and London and Globe Insurance Co. have to announce, with great regret, that Mr Hugh Lewis, who is approaching retiring age, resigns his position as General Manager and Secretary. It has been unanimously decided to invite Mr Lewis to join the boards of the Royal and the Liverpool and London and Globe Insurance Companies.

The Directors of the Alliance Assurance Company regret to announce the death of Mr. T. B. Ponsonby—the General Manager of the Company.

Mr. Charles Edward Barnett, a Director of Lloyds Bank, Limited, has been elected a Director of the Yorkshire Penny Bank, Limited.

INSURANCE.

THE LONDON ASSURANCE.—The following resolution which was passed by the shareholders at the annual general court of the Corporation, held on the 24th ultimo, was duly confirmed at the extraordinary general court held May 15:—Resolved that the regulation of the Corporation made pursuant to the provision of the London Assurance Act, 1891, be altered by the addition of the following regulation after Regulation No. 65:—65A. The Court of Directors may, from time to time, pay to the Members such interim dividends as, in their judgment, the position of the Corporation justifies.

RAILWAYS.

THE ANTOFAGASTA (CHILI) AND BOLIVIA RAILWAY COMPANY LIMITED.—The accounts of the Company are not yet completed, but at a meeting of the board it was resolved to recommend the payment of a final dividend in respect of the year 1928 of 4 per cent. (less income tax at 4s. in the £) on the Consolidated Ordinary Stock of the company, making, with the interim dividend of 3 per cent. already paid, 7 per cent. for the year, the same as for 1927. It is proposed to transfer £100,000 to the reserve account, and, after making provision for a contribution to the company's Staff Benevolent Fund, the balance forward will be approximately £242,000, compared with £251,312 last year. It has been decided to summon the general meeting for Tuesday, June 11th, at 12.30 p.m.

MISCELLANEOUS.

BUCHANAN-DEWAR, LIMITED.—The net profit for year ended March 31, 1929, is £1,226,175, against £1,166,792 for year ended March 31, 1928. The ordinary dividend is 30 per cent. for the year, against 28 per cent. for preceding year. The carry-forward is increased from £104,438 to £105,447. Reserve fund remains at £750,000. Cash is at £57,635 against £60,531.

AFRICAN AND EASTERN TRADE CORPORATION, LIMITED.—The Report for year ended September 30, 1928, discloses a loss of £96,953, comparing with a credit of £407,612 in preceding year. Deducting the loss from a credit of £266,453 brought in there is £169,499 available. Preference dividend for 12 months on the "A" shares and for 9 months on the "B" shares absorbed £124,782, leaving £44,717 to go forward. Nothing goes to ordinary shareholders, who received 8 per cent. dividend for the preceding year.

FINE COTTON SPINNERS, ETC., LIMITED.—The statement for the year ended March 31, 1929, shows that the profits for the year, after charging £200,000 to depreciation, and providing for directors' fees and bonuses to management, amount to £632,617, against £1,104,223 for previous year. To the profits must be added the balance brought forward from last year, viz., £200,449 3s. 10d., and £100,000 transferred from reserve for equalisation of dividends, making a total of £933,067. After providing interest on debenture stocks, welfare fund, and after payment of 1nterim dividends on the preference, preferred ordinary, and ordinary shares, there remains an unappropriated balance of £533,167. Out of this the directors recommend the payment of the usual half-yearly dividends on the preference and preferred ordinary shares and a final dividend on the ordinary shares at the rate of 10 per cent. per annum (making 9 per cent. for the year), against 15 per cent. for preceding year, absorbing together £319,000 and the carrying forward of the balance, £214,167. The transfer books will be closed from the 17th to the 31st instant, both days inclusive.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

Further rains over the United Kingdom during the past week, together with intermittent spells of sunshine, had a beneficial effect upon cereal crops and pastures, but more warmth is needed to stimulate growth. The recent sharp break in prices of imported wheat adversely affected the sale of native varieties, which are now ruling on a lower basis at most of the Statute markets. The general tone however was less depressed, and in the floating and forward cargo section values marked a slight recovery, as attractive offers from North America found acceptance both here and on the Continent. A large movement from Canada is assured, over forty vessels being engaged for May loading, apart from the usual liner space, while it is evident that shipments must continue on a liberal scale for some while ahead in order to make any appreciable inroad into existing stocks. Rail rates were substantially reduced both in Canada and the United States to facilitate the movement of grain to the shipping ports, and thus make room for the coming crops, which are making satisfactory progress. The Farm Relief Bill has

apparently passed the United States Senate, and brings into existence another controlling Board for the regulation of prices and crop surpluses, presumably to work on similar lines to the Australian and Canadian "Pools." This event, naturally, is not favourably viewed by importing countries, and further tends to restrict the normal flow of supplies usual under a free and open market, while also providing means for the artificial maintenance of prices. An interesting occurrence was the resumption of the London Futures market on Tuesday last after an interval of over twenty-five years. The need of this section was emphasised by the ready support from both buyers and sellers, business proceeding with activity. The contract grade is No. 3 Northern Manitoba, with option of tendering No. 1 ditto at a premium of 2s., No. 2 ditto at 1s., and No. 4 at a reduction of 4s. per qr. of 480 lbs. Minimum quantity 1,000 qrs., and minimum price movement halfpenny per qr. Feeding stuffs were also firmer, but with supplies generally in excess of requirements buyers remained indifferent.

Wheat steadier. No. 2 Northern Manitoba, ex-ship, 46s.; No. 3 ditto, 44s. 6d.; No. 4 Manitoba, 43s.; No. 5, 40s.; No. 6, 35s. 9d.; No. 2 mixed Durum, 39s. 3d.; Rosafe, 64 lbs., 42s.; Barusso, 63¼ lbs., for shipment, 42s.; Australian, 44s. 6d., ex-ship, per 496 lbs. English, 9s. 6d.–9s. 9d. per 112 lbs.

Flour quiet, and home-milled unsettled. London standard grade nominally 32s. to 33s. 6d. per sack delivered. Of imported, Manitoba patents range from 33s. 6d.–36s.; Minneapolis, 34s.–36s. 6d.; Australian, 32s. 9d.–33s. 6d., ex-store per 280 lbs.

Maize steadier forward. Plate landed, 40s.; ex-ship to arrive, 38s.; May-June, 35s. 3d.; June-July, 35s. 6d.; July-August, 35s. 9d. per 480 lbs.

Barley quiet. Californian ex-ship, 43s.–48s.; Chilian Chevalier, ex-store, 45s.–58s.; Australian, 41s.–44s. 6d.; Smyrna, 44s.–47s. per 448 lbs. Algerian/Tunisian, ex-ship, 32s. 3d.; Canadian feed, 28s.; No. 3 Canadian Western, landed, 30s. 6d.; ex-ship, 29s. 3d.; No. 2 Federal, American, landed, 29s. 3d. per 400 lbs. English malting, 10s. 6d.–11s. 3d.; feed, 9s. 8d.–10s. per 112 lbs.

Oats slow. Plate landed, 24s. 6d.; ex-ship to arrive, 23s. 3d.; No. 1 Canadian feed, 23s. 6d.; No. 2 ditto, 21s. 6d. ex-ship; mixed Canadian feed ex-ship to arrive, 19s. 3d.; landed, 20s. 9d.; Chilian, white, ex-ship to arrive, 28s. 3d.; landed, 30s. 9d.; German landed, 28s. 6d.; ex-ship to arrive, 27s. 3d. per 320 lbs. English, 9s. 8d.–10s. 3d. per 112 lbs. Scotch landed, 30s. per 336 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to May 11	152,984	278,460	162,543	115,208
35 weeks to May 11	8,874,130	9,264,734	10,444,718	12,053,817
Average price of English wheat per cwt.	s. d. 9 11	s. d. 11 2	s. d. 12 0	s. d. 13 4

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s. d.	s. d.	s. d.
May 4	167,009	35,021	28,040	9 11	10 1	9 10
May 11	152,984	24,324	28,994	9 11	10 0	9 10
May 9, 1925	251,672	60,271	63,015	12 5	10 8	9 11
May 15, 1926	115,208	21,864	23,972	13 4	9 4	9 6
May 14, 1927	162,543	27,134	59,907	12 0	11 2	9 4
May 12, 1928	278,460	28,965	30,425	11 2	10 10	12 11

For Life Assurance.

AMP

The Australian Mutual Provident Society is mutual. That is to say, all divisible Surplus, without deduction, belongs to the Policy-holders themselves and is distributed yearly. Moreover, the Society, established in 1849, has been for many years the largest and most prosperous British Mutual Life Office. Why is this? Because it offers to Assurers the Acme of Security and Profit, and because its satisfied members are its best advertisement. Why are policies with the A.M.P. Society so profitable? Because while its premium rates are below the average, it possesses in a unique degree the combination of a low expense rate, a high interest return and a favourable mortality experience. The A.M.P. Society should be covering you. You will be sent full particulars on application.

EVERY YEAR A BONUS YEAR.

Assets: £70,000,000. Annual Income: £10,000,000.
New Business for 1927: £15,397,528.
Cash Surplus for One Year (1927): £2,895,454.

ROBERT THODEY, F.I.A. Manager for the United Kingdom.

AUSTRALIAN MUTUAL PROVIDENT SOCIETY
Established in Australia, 1849.

LONDON OFFICE: 73-76, King William St., E.C.4.

AMERICAN WHEAT MARKETS.

There has been no large movement during this week. A tendency to liquidation at the beginning, and bursts of short-selling later, have been counteracted by bullish crop reports, rumours of snow in Canada, and an improvement in export demand. Quotations:—

Nearest Future.	Jan. 4, 1928.	Jan. 2, 1929.	May 16, 1928.	May 1, 1929.	May 8, 1929.	May 15, 1929.
Winnipeg (No. 1 Manitoba)—Cents per 60 lb.)	156½	122	146¾	121	113⅜	114
Chicago (No. Winter)—Cents per 60 lb.	166½	116⅜	149⅜	113	106⅛	105⅜

Visible supplies of wheat in Canada at 76,688,000 bushels show a decrease of 1,616,000 bushels as compared with the previous figure. Supplies a year ago stood at 68,973,000.

THE COAL TRADE.

Our Sheffield correspondent writes:—The export coal market has steadied and there are prospects of the present position—which is much better than a year ago—being maintained. The internal industrial demand is on a moderate scale and expands slowly. House coal demand is falling to the usual summer level. Blast-furnace coke sells freely at firm rates, and considerable quantities of all classes of coke are being shipped abroad. The price of the first-named has moved up to 15 per ton at ovens.

Our Glasgow correspondent writes:—There has been little change in the position in the coal trade. Large coal is still a poor market, and the collieries are having difficulty in keeping the outputs moving and are frequently having to resort to short-time working. Nuts are in a fairly good position on the whole, while doubles the strongest feature at the moment. Shipping prices are approximately as follows (all f.o.b. district ports):—Lanarkshire.—Ell best, 14s. 6d.; splint best, 16s. 3d.; splint second, 15s. 6d.; navigation, 17s. 6d.; navigation second, 15s.; steam, 13s. 6d. Hartley, 16s. 6d.; trebles, 14s. 3d.; doubles, 13s. 3d.; singles, 12s.; pearls, 11s.; dross, 10s. Fife.—Screened navigation, 17s. 6d.; first-class steam, 13s. 6d.; third-class steam, 12s.; trebles, 14s. to 14s. 6d.; doubles, 13s. 3d.; singles, 12s.; pearls, 11s. Lothians.—Prime steam, 13s.; secondary steam, 12s. 6d.; trebles, 14s.; doubles, 13s.; singles, 12s.; pearls, 11s. Ayrshire.—Unscreened navigation, 16s. 6d.; jewel, 17s. 6d.; steam, 13s. 6d.; trebles, 13s. 9d.; doubles, 13s.; singles, 12s. 3d.; pearls, 11s.; dross, 10s. 6d.

Our Cardiff correspondent writes:—The most important incident in the South Wales coal trade this week has been the raising of the minimum schedule prices for large coals. Under the scale fixed in May, 1928, these prices ranged from 16s. 3d. per ton in the case of inferior Monmouthshire grade to 19s. 3d. per ton for the best Admiralty large coals, and as from last Monday all these prices have been increased by 6d. per ton. Current prices are still slightly above the revised minima, but it is anticipated that the decision of the Marketing Association will remove a great deal of the uncertainty which has recently existed on the market concerning the course of prices during the next few months, and thus help to improve the prospects of the arrangement of new business. No action has been taken in regard to small-coal prices, which have suffered relatively less than large coal from the recent reaction. Another important decision of the Executive Committee of the Marketing Association was to give further consideration to the question of putting into operation as soon as possible the quota scheme submitted to the trade in December last. On that occasion the scheme failed to secure the necessary support of 85 per cent. of the output in the bituminous area, but there is reason to believe that the objections of some of the dissentient collieries have since been met, and that the prospects of eventual agreement on output regulation are a little more favourable. Current market quotations have shown no material change during the past week and the volume of trade has been, on the whole, well maintained. The following are the current approximate quotations:—Best Admiralties, 20s. to 20s. 6d.; seconds, 19s. 3d. to 19s. 9d.; best drys, 19s. to 19s. 6d.; Black Veins, 18s. to 18s. 6d.; Western Valleys, 18s. to 18s. 3d.; Eastern Valleys, 17s. 9d. to 18s.; best small steams, 13s. to 13s. 6d.; cargo smalls, 11s. 6d. to 12s.; coking smalls, 13s. 6d. to 14s.; anthracite best large, 33s. to 36s. 6d.; Red Vein large, 23s. to 27s.; machine-made cobbles, 40s. to 43s. 6d.; French nuts, 42s. to 44s.; stove nuts, 39s. to 42s.; rubbly culm, 9s. 3d. to 10s.; foundry coke, 27s. 6d. to 36s.; patent fuel, 19s. 6d. to 21s. 6d.; pitwood, ex-ship, 26s. to 26s. 3d.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange. Trading in iron and steel continues on a sound basis, and the markets have a moderately active appearance, although it is now approaching the period of the year when trade usually falls off. In the home department the demand has been stimulated by the expectation that the British steel makers would be obliged to raise their prices owing to the increased cost of raw materials. It is known that a section of the steel makers are in favour of taking this course, but, so far, the majority of the makers have preferred to keep the official prices at the long standing minimum rates. Generally speaking, the demand from structural engineering shops has improved recently, while the requirements of the foundries also appear to be expanding. The recent weakness noticeable in the Continental steel market does not seem so pronounced. To some extent this is in consequence of the German steel makers showing less interest in the export market, owing to the strong home trade demand they are experiencing. There has been a fair inquiry for semi-finished steel, which has been largely satisfied by British producers, who are well off for orders in this class of material. The demand for finished steel remains irregular. The export demand is still somewhat weak.

Our Middlesbrough correspondent writes:—The pig-iron market here is still very firm. This particularly applies to the Cleveland iron, and makers are practically fully sold for delivery until September–October. It is now only possible to buy iron up till then from merchants, who are quoting slightly higher prices, which are now on the following basis: No. 1, 72s. 6d.; No. 3 G.M.B., 70s.; No. 4 foundry, 69s.; No. 4 forge, 68s. 6d. There has been no rise in the price of hematite pig iron, although makers are well booked up for some considerable time ahead. The price still remains at about 74s. for East Coast mixed numbers, and if business continues as at present a rise in the price would not be surprising. This more especially so, owing to the recent increase in prices of raw materials. The steel trade still continues busy, and all the works have order books that will keep them so for some time to come. The recent orders for heavy steel rails has improved the position. Subject to the usual rebates, prices remain unchanged on the following basis: Steel ship plates, £8 7s. 6d.; steel ship angles, £7 17s. 6d.; iron bars, £10 15s.; steel rails, £8 10s. The ore market is very firm, with a tendency for prices to increase. New supplies of good ore are practically impossible to get for anything like reasonably early delivery. Owing to the demand for coke for export, the price is slightly better, and for good Durham blast-furnace qualities producers are asking 19s. delivered works.

Our Sheffield correspondent writes:—There is a certain amount of progress in several branches of the steel trade with, however, little expansion taken as a whole. Some of the heavy steel foundries and forges report that work finished is not being replaced by new orders, so that slackness is developing. Business in high-class tool steels is better than it has been for some time past. The overseas returns for April record a small reduction of exports of iron and steel and their manufactures, but a considerable increase of imports. No improvement can be discerned in the position of railway steel and wagons, which continue unsatisfactory both at home and abroad. Steel scrap continues to be exported in considerable quantities, causing scarcity and dearness in the home market. Prices of iron and steel are firm, and the same remark applies to various alloys of steel. Demand for basic steel keeps at a high level, whereas acid steel is neglected. No changes in the pig-iron market are being made, notwithstanding the quietude of the foundries. In the finished departments of the Sheffield steel industry orders are abundant, but of small bulk, and there is a pronounced financial stringency among buyers.

Our Glasgow correspondent writes:—There is no material change in the conditions at the iron and steel works in the West of Scotland this week. The tone is quiet in all departments, and while the recent rate of output is being maintained generally there is no appreciable increase. In the heavy steel trade the demand for sections continues to be more satisfactory than that for plates, and there is a steady demand for the sectional material required by structural engineers, who in this district are fairly busy. Re-rolled steel bars are finding a readier market, but no improvement is reported as regards wrought-iron bars. Sheet makers are also experiencing a rather quiet time, although securing sufficient business to keep works going, and there is a somewhat better demand for very highly-finished sheets. The depression in the pig-iron trade continues. Prices are unchanged as follows:—Boiler plates, £10 10s.; sections, £7 17s. 6d.; black sheets, ⅛ in., £8 15s., all delivered Glasgow stations. G. & C. sheets, £13 12s. 6d., f.o.b. Glasgow. Boiler plates and sections, of course, subject to the 10s. rebate.

Our Cardiff correspondent writes:—The recent improvement in the position of the iron and steel trade in South Wales has been maintained. In the tinplate market, prices have been steady at between 18s. 6d. and 18s. 9d. per box, and galvanised sheets have been fairly firm at the recently improved quotations of £13 12s. 6d. to £13 15s. per ton. Local tinplate bars are unaltered at £6 6s. 3d., but foreign bars have further advanced to £5 17s. 6d., at which they are 10s. higher than at the corresponding period of last year. Shipments of tinplates last week were slightly less than in the previous week, and stocks in warehouse have consequently been increased to 240,078 boxes.

OTHER METALS.

Tin.—The standard market developed weaker features in sympathy with lower Eastern advices and lack of adequate support, sellers being prominent; but later the decline was partially recovered. Stocks in London and Liverpool warehouses for week ending May 11th were returned at 8,028 tons, compared with 1,714 tons at corresponding period last year. Standard cash sold £200 to £197 15s., £198 5s.; three months, £202 10s., £200 5s., £201 15s. and £201. In the East, sales were reported at £205 5s. to £203 5s. ton, c.i.f. terms.

Copper in good support, but prices gave way under heavy realisations, dealings being attended by considerable irregularity, while no encouragement was forthcoming from the United States. The close was firmer. Standard cash sold £73 17s. 6d., £71 15s. to £74 10s., and three months, £74 to £71 7s. 6d. and £72 17s. 6d.

Lead ruled easier on increased selling orders and a quieter trade demand. Good soft foreign pig May sold £24 2s. 6d. to £23 13s. 9d. and £23 15s.; June, £24 2s. 6d. to £23 13s. 9d., £23 15s.; July, £23 13s. 9d. to £23 12s. 6d. and £23 13s. 9d.; August, £24 to £23 12s. 6d.

Spelter in moderate demand and tone barely steady, offerings being in excess of requirements. May sold £26 15s. to £26 13s. 9d.; June, £26 15s. to £26 13s. 9d., £26 11s. 3d.; July, £26 13s. 9d.; August, £26 15s. to £26 11s. 3d.

Antimony quiet and easier for foreign. English regulus quoted £52 to £52 10s.; foreign, spot, £35 10s. to £36, May-June, £32 c.i.f. terms.

Wolfram quiet. Straits quoted 29s. to 30s. per unit c.i.f.

Quicksilver steady. Spot quoted £22 2s. 6d. to £22 5s. per bottle.

Tin Plates maintained. I.C. coke prompt and forward, 18s. 6d. per box f.o.b. Swansea.

THE COTTON TRADE.

Liverpool, May 15th.

Spot sales for the week 9th to 15th (inclusive) are 31,000 bales, of which 18,190 are American, 500 Brazilian, 800 Argentine, 2,450 Peruvian, 3,150 Egyptian, 1,700 African, 3,250 East Indian, and 960 sundries. Imports for the same period are 47,846 bales, of which 21,867 are American, 1,046 Argentine, 823 Peru, 15,413 Egyptian, 4,719 African, 2,673 East Indian, and 1,305 sundries. Quotations to-day are: American Middling, 10·12; Egyptian F.G.F. Sakel, 17·85, Uppers, 11·47; Brazil Fair, 10·37; Peru G.F. Mod-Rough, 12·50, Smooth, 11·12; West African Middling, 10·22; East African G.F., 11·50.

Manchester, May 15th.

Although inquiry in the market during the past week has been fairly extensive, it can scarcely be said that trade has been more active. Buyers are still cautious in placing orders, and there is not sufficient confidence in current prices for customers to commit themselves very far ahead. The fluctuations in raw material rates remain disconcerting. The business offering in piece goods for India has been of fair extent, and scattered transactions have been arranged for Calcutta and Bombay, chiefly in light bleaching descriptions. Advices from China are not encouraging, and only occasional sales have been put through. Not more than a sorting up business has been done for the minor outlets East and West, and developments in the home trade section are being somewhat checked by the absence of warm weather. Manufacturers complain of competition for orders being very keen. American yarns have moved off slowly at irregular rates, and not much has been done in Egyptian counts.

Statement of the Cotton Trade.

	1929.				Corresponding Date.	
	Apr. 24.	May 1.	May 8.	May 15.	1928.	1927.
	d.	d.	d.	d.	d.	d.
Raw Cotton—Mid. American per lb.	10·51	9·95	10·17	10·12	11·53	8·73
— Sakellaridis Fully Good Fair Egyptian per lb.	18·10	17·40	17·85	17·85	21·15	16·20
Yarns—32's twist per lb.	15½	15	15	15	16½	14½
— 40's weft per lb.	16	15½	15½	15½	17½	15
— 60's twist (Egyptian) per lb.	26	25½	26	26	31½	27
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	s. d. 25 6	s. d. 25 1½	s. d. 25 3	s. d. 25 3	s. d. 26 9	s. d. 24 9
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	28 0	27 7½	27 9	27 9	29 6	27 3
38-in. ditto, 38 yds., 18 by 16, 10 lb.	15 1½	14 10½	15 0	15 0	15 6	13 9
39-in. ditto, 37½ yds., 16 by 15, 8½ lb.	13 7½	13 4½	13 4½	13 4½	14 6	13 0

THE WOOL TRADE.

Our Bradford correspondent writes:—Business in all sections has been exceedingly restricted, possibly owing to the approaching holidays, and prices in most cases have shown further weakness. The London wool sales have failed to inspire confidence among spinners, even though the raw material now seems to be on an attractive basis. Compared with prices ruling at the close of the last series of auctions, greasy merinos are about par to 5 per cent. cheaper, fine crossbreds are 7½ per cent. cheaper, and medium qualities par to 5 per cent. cheaper. On the other hand, low crossbreds are firm on last sales' closing rates. The ease in wool values had been fully discounted in Bradford before the opening of the auctions, but there has since been a further decline in tops, especially in fine crossbreds and merinos, and quotations to-day are only nominal. There is no bulk business in any quality, and spinners are offering as low as 3s. 5d. for 64's tops. There is, indeed, no basis upon which to work, for although topmakers assert that wool cannot be bought to bring in tops at the prices offered by users, it is an undoubted fact that the state of trade in the yarn section does not warrant more being paid. No doubt there will be a period of uncertainty during which lower values may prevail, and the duration of this waiting period will be dependent upon the revival in the demand for yarns. At present quotations for Botany yarns

are very irregular, but crossbreds show a steadier tendency in sympathy with the raw material position. The outlook is very obscure, however, and it is significant that conditions in the Continental centres are very similar to those prevailing in this market.

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

The third series of London sales which closed on Wednesday cannot be regarded as really satisfactory. Some classes of wool have sold quite as well as anyone could have expected, but the supply of merinos has been lacking in both quantity and style, the bulk being second-hand parcels which have not sold well, though a few lots have made quite decent prices. Generally speaking, the decline is a full 5 per cent. compared with the close of the March sales. The speculators' wools sold have all shown a distinct loss. The event of the series has been the offering of large quantities of crossbreds, and these have sold exceedingly well, though most descriptions have shown a slight decline. Apart from greasy half-breds, the fall is no more than 5 per cent., and the reception given to all classes has been most encouraging. Home trade and Continental buyers have competed keenly, the requirements for America being very small indeed. The quantity carried over for the next series is only small, and any development in consuming centres should put the trade into good form for the next series, which will begin on July 9th.

It does not seem likely that any announcement will be made of the findings of the committee appointed by the Board of Trade to investigate the application for the imposition of safeguarding duties until after the new Parliament has assembled. Continental manufacturers have been sending into this country men's and women's fabrics, particularly the latter, as quickly as possible to avoid the payment of any possible duty, but the knowledge that no safeguarding measure can be passed until the new Parliament is sitting will ease the inflow of French and German dress goods, and home trade manufacturers will be given a chance to meet local demands. Preparations for the next Spring season are proceeding, and it is understood that new shades will shortly be offered as a guide to manufacturers respecting what is likely to be popular for next Spring and Summer. The dress goods trade for the current season has been very disappointing. Fancy cloths are likely to be fashionable in worsted coatings for the forthcoming winter season.

THE
STANDARD BANK
OF SOUTH AFRICA, LIMITED

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

CAPITAL Authorised and Subscribed	£10,000,000
CAPITAL PAID UP	£2,500,000
RESERVE FUND	£3,164,170
CAPITAL UNCALLED	£7,500,000
	£13,164,170

Board of Directors.

William Reierson Arbuthnot, Esq. — Solomon B. Joel, Esq.
Rt. Hon. Lord Balfour of Burleigh. — Horace Peel, Esq.
Stanley Christopherson, Esq. — Rt. Hon. the Earl of Selborne, K.G.
Edward Clifton-Brown, Esq. — William Smart, Esq.
Robert E. Dickinson Esq. — Rt. Hon. Lord Sydenham, G.C.S.I., F.R.S.
James Fairbairn Finlay, Esq., C.S.I.

Joint General Managers in South Africa—John Jeffrey, James S. Shiel.
Deputy General Managers in South Africa—G. F. Le Sueur, W. K. Robertson.
Assistant General Manager in South Africa—Francis E. King.
London Manager—Bertram Lowndes.
Secretary—Herbert G. Hoey.

Head Office: 10 CLEMENTS LANE, LOMBARD STREET,
and 77, KING WILLIAM STREET, LONDON, E.C.4.
London Wall Branch: 63, LONDON WALL, E.C.2.
West End Branch; 9, NORTHUMBERLAND AVENUE, W.C.2.
NEW YORK AGENCY: 67, WALL STREET.
HAMBURG AGENCY.
Bank of British West Africa, Ltd., 49-53, SCHAUENBURGER-STRASSE
Over 350 Branches, Sub-Branches, and Agencies in SOUTH AND EAST AFRICA.

EXECUTORSHIPS AND TRUSTEESHIPS UNDERTAKEN.

COMMERCIAL SERVICE.

The Bank has over 350 Branches in Africa, and Agents and Correspondents throughout the World. The closest touch with *Trade* and Industrial conditions is maintained, with special attention to *Commercial and Credit* Intelligence. This service is available to Exporters, Importers and others wishing to develop trade between South and East Africa, the United States of America and the Continent of Europe.

THE STANDARD BANK MONTHLY REVIEW is sent post free on application. It gives the latest information on all South and East African matters of Trade and Commercial interest.

HIDE, LEATHER AND ALLIED TRADES.

The hide position remains obscure, and in spite of the abstention of tanners, values continue to fall, as much as 1d. to 1½d. per lb. being registered on cattle hides during the past week. Best ox hides are now worth 6½d. to 7d. per lb., and seconds from 5½d. to 5¾d. per lb.; both will probably fall further before stability is reached. Calfskins also share the general weakness, and woolskins are easier. Oversea hides are uncertain with some classes lower. South Americas, however, are fairly steady, and Argentine ox are quoted at 7 7/16d. and cows at 7⅞d. Trading in dry hides is quiet, and B.A. Americanos are quoted at 10⅝d. Africans are weaker and 10½d.-9½d. is quoted for first and second dry salted Capes. Latest Chicago cables report the packer market as steady, with best heavy steers selling at the lower price established, viz., 14½ cents. Shoe manufacturers who are conversant with the weak state of the raw material market, are still looking for cheaper leather, and only order for pressing needs. Speculation is absent, although stories are heard of merchants who have bought big blocks of bends at below replacement values. Light dry hide bends are selling more freely to shoe manufacturers, but the sale of heavy wet salted is slow, and is affected by the many substitutes on the market. Offal is wanted in the cheaper grades with prices barely steady. Business in dressed leather is slow, and curriers are especially short of orders for semi-chrome and wax leather. Willow and box calf is selling better with prices fluctuating, and glacé kid in black and brown shades seems as popular as ever. Patent is slow, with prices weak for the lower grades. Imports of dressed leather for the first four months of the current year have dropped to £2,169,087, as against £3,133,033 for the corresponding period of 1928, and exports of leather footwear for the same periods were valued at £607,015 and £817,388 respectively—a serious decline in both cases.

VEGETABLE OILS AND OILSEEDS.

Markets are not so active, but the *tone* generally is steady. The demand for linseed oil has fallen off again, but, with less severe competition from the Continent, prices are barely maintained at delivery. Cotton oil is in poor request and about unchanged, crude Egyptian offering at £26 10s. and common edible at £30 5s. spot except that castor and rape oils are lower. In the oilseed section linseed is in poor demand, and prices only barely steady at the and for shipment £15 15s. to £15 17s. 6d., A little business has been done in Calcutta linseed, and down to £17 11s. 3d., June loading, for London, has been accepted. The quantity of linseed on passage to Europe has further increased, and is now 198,000 tons. Cottonseed is easier, and black Egyptian June loadings. For Manchurian soya beans to the Continent, April shipment, £11 2s. 6d. has been paid. The trade in oilcakes is declining.

OVERSEAS PRODUCE.

FOOD BEVERAGES, &c.

SUGAR.—Recent improved interest on actual trade account continues, and there is a fair amount of business passing in spot goods at previous prices. Buyers are also to the fore regarding forward deliveries, but with rather reluctant sellers progress of business is somewhat hampered. Raws steady. Java shipments last month total 31,000 tons, against 55,500 same time last year. T.L. granulated, ex refinery, sold 21s. 9d.; white Mauritius, 20s.–20s. 6d. as to quality. Continental parcels for shipment unaltered, also white Java. Cuban, 96 per cent., July quoted, 8s. 9½d. c.i.f. United Kingdom. Terminal sections steadier, fair sales, easier since. Raw, May sold, 7s. 10½d.; August sold, 8s. 1½d. to 8s. 2½d., 8s. 9½d.; white, August quoted, 10s. 4½d.; December, 10s. 9d.; March sold, 11s. 1½d. cwt. Cuban receipts last week, 109,653 tons, against 45,978 last year; exports, 103,331, against 52,747; stocks, 1,542,022, against 1,334,139; central workings, 22, against 13. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending May 11*th* totalled 131,045 tons, against 129,741 last year.

COFFEE.—Spot market is generally quiet, only those qualities suitable to the home trade meeting with any tangible support at steady rates. Common quite neglected. Some fine bold mountain-grown Jamaica sold 230s.

COCOA.—Market firmer. Accra F/F, October–December sold, 42s. f.o.b. Terminal, May sold, 42s.; June, 42s. 3d.; July, 43s. 10½d. to 43s., 45s. 9d.; September, 44s. 9d. to 44s. 3d. and 47s. 4½d.; December, 46s. 4½d.–46s. and 48s. 3d.; March, 47s. 3d.–47s. and 48s. 7½d.

TEA.—Indian auctions during the week totalled 50,258 packages. A strong demand existed for all attractive tippy teas and those possessing autumnal flavour, full to dearer rates being obtained. Useful medium and coloury brokens fully steady, but common and thin liquoring, especially leaf teas, were barely maintained. Ceylon auctions of 31,171 packages accorded good support, but prices manifested some irregularity while occasionally easier, due mainly to quality in many cases showing a falling off. Java sales irregular, and ¼ to ½ lb. lower.

RICE.—Market generally quiet, but prices for Burma gradually harden owing to reduced quantities coming along from up-country and dwindling stocks at ports of shipment. Two Stars, spot, London, selling at 13s. 9d.; ditto, May–June, held for 13s.; No. 3, ditto, to Levant, 13s. 1½d., and Cuba, 13s. 7½d. c.i.f. Brokens firmly held.

BEANS.—Quietly steady for butters and spot lots quoted 39s. 6d. to 41s. 6d., afloat steamer "Clan Macbeth," 36s. 6d. Rangoon haricots nominal.

PEAS.—Market slow. Japanese afloat, 17s. 6d. to 18s.; April–May, 17s. 9d.; June–July, 17s. 9d.; new crop, September–October sold, 19s. and buyers c.i.f.

SPICE.—A sluggish market again resulted for pepper. Spot rates unaltered with but fractional change regarding forward positions. Black Singapore, spot, London, 1s. 4¼d., and this figure is representative of Lampong, Tellicherry, also Aleppy, with Muntok white, 2s. 2½d. Lampong, May–July quoted, 1s. 3d.; August–October, 1s. 2d.; Muntok white, May–July, 2s. 1¾d.; August–October, 1s. 11½d. London stocks increased by 267 tons on the week for black and 55 for white. Tellicherry, March–May, 146s. c.i.f. Cloves quiet, unaltered. Sago flour quiet. Dutch Farina, prompt, 11s. 10½d. f.o.b. African ginger, spot, London, 58s.; May–June, 55s. c.i.f. Tapioca unaltered.

FRUIT (Dried).—Currants firm with stocks on a much reduced scale. Pyrgos, quoted, 45s.–46s.; Amalias, 45s. 6d.–46s. 6d.; Zante, 47s.; Vostizza, 50s.–53. Australians in fair request at 46s.–58s. Sultanas: Smyrna is practically cleared, attention being mainly centred on Australian fruit, which sells freely, new crop at 43s.–66s. as to quality. Raisins slow. Valencias, common to good, 43s.–50s.; Australian, 28s.–31s. New crop, Cape, 33s.–42s. Figs in small supply. Genuine, spot, 27s. 6d.–28s. Dates quietly steady. Siar, spot, quoted, 14s.–16s.; first tide, 14s. cwt.

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended April 30. 1928.	Month Ended April 30. 1929.	4 Months Ended April 30. 1928.	4 Months Ended April 30. 1929.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	7,590,179	8,214,828	32,356,662	30,300,686
B. Feeding stuffs for animals	843,263	697,327	3,522,344	3,128,198
C. Meat	8,534,965	10,155,863	33,906,709	36,213,901
D. Animals, living, for food	1,053,822	984,339	4,082,138	4,717,441
E. Other food and drink, non-dutiable	13,527,801	14,145,611	56,263,309	58,753,385
F. Other food and drink, dutiable	8,328,718	7,676,707	37,524,333	36,142,876
G. Tobacco	1,087,212	806,644	5,429,023	5,010,377
Total, Class I.	40,965,960	42,681,319	173,084,518	174,266,864
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	5,635	2,942	12,126	13,163
B. Other non-metallic mining and quarry products and the like	530,101	494,271	1,781,607	1,822,450
C. Iron ore and scrap	389,910	518,145	1,662,659	1,888,326
D. Non-ferrous metalliferous ores and scrap	1,488,266	1,639,440	5,681,274	5,628,106
E. Wood and timber	1,872,938	1,801,585	8,065,753	7,908,544
F. Raw cotton and cotton waste	7,125,672	6,364,933	26,120,221	32,529,615
G. Wool, raw and waste, and woollen rags	7,430,947	9,124,688	35,881,985	31,333,492
H. Silk, raw, knubs and noils	106,458	125,585	626,112	660,278
I. Other textile materials	977,317	1,321,784	6,773,768	6,543,631
J. Oil seeds, nuts, oils, fats, resins and gums	3,794,909	4,189,890	15,170,279	16,503,165
K. Hides and skins, undressed	2,351,447	1,912,187	10,387,803	7,675,082
L. Paper-making materials	646,300	964,292	2,686,050	3,463,960
M. Rubber	918,945	1,331,823	5,809,779	5,565,131
N. Miscellaneous, raw materials and articles mainly unmanufactured	893,107	1,107,831	4,030,473	4,035,434
Total, Class II.	28,531,952	30,899,396	124,689,889	125,570,377
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	277	1,515	5,549	5,031
B. Earthenware, glass, abrasives, &c.	876,365	938,353	3,394,704	3,338,418
C. Iron and steel and manufactures thereof	2,104,872	2,326,002	8,920,663	7,562,546
D. Non-ferrous metals and manufactures thereof	2,702,261	3,242,570	10,679,762	11,903,821
E. Cutlery, hardware, implements, and instruments	637,185	820,570	2,483,128	2,852,397
F. Electrical goods and apparatus	305,687	397,260	1,428,218	1,648,958
G. Machinery	1,464,455	1,573,955	5,556,121	5,880,312
H. Manufactures of wood and timber	644,482	894,957	2,642,350	2,875,620
I. Cotton yarns and manufactures	898,028	889,630	3,765,978	3,418,952
J. Woollen and worsted yarns and manufactures	1,439,879	1,842,053	6,191,630	6,285,175
K. Silk and silk manufactures	1,140,375	1,178,823	4,924,684	4,611,428
L. Manufactures of other textile materials	1,388,726	1,649,009	5,763,898	5,703,921
M. Apparel	1,864,569	1,738,786	7,253,915	6,526,322
N. Chemicals, drugs, dyes and colours	1,443,373	1,367,561	5,386,692	5,378,793
O. Oils, fats, and resins, manufactured	3,315,725	3,961,178	11,555,429	14,215,408
P. Leather and manufactures thereof	1,593,795	1,313,853	7,246,927	4,960,549
Q. Paper and cardboard	1,061,298	1,761,847	4,870,808	5,307,543
R. Vehicles (including locomotives, ships, and aircraft)	831,728	1,057,053	3,055,826	3,595,109
S. Rubber manufactures	325,808	314,623	1,170,916	1,149,487
T. Miscellaneous articles, mainly or wholly manufactured	2,702,923	2,893,211	10,620,741	9,996,776
Total, Class III.	26,761,811	30,182,809	106,917,939	107,216,566
IV.—Animals, not for food	179,114	190,770	596,823	835,232
V.—Parcel Post, non-dutiable articles	370,554	213,799	1,274,562	2,125,101
Total	96,809,391	104,168,093	406,563,731	410,074,140

EXPORTS of PRODUCE and MANUFACTURES of the UNITED KINGDOM (Value F.O.B.)

	Month Ended April 30. 1928.	Month Ended April 30. 1929.	4 Months Ended April 30. 1928.	4 Months Ended April 30. 1929.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	543,254	441,761	1,994,411	1,594,043
B. Feeding stuffs for animals	294,988	371,841	1,172,343	1,242,946
C. Meat	120,131	140,691	544,068	556,489
D. Animals, living, for food	10,973	24,875	37,853	31,411
E & F. Other food and drink	2,311,081	3,186,475	10,272,922	10,506,665
G. Tobacco	556,578	811,178	2,803,299	3,080,427
Total, Class I.	3,837,005	4,976,821	16,824,896	17,031,981
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	2,936,381	3,865,895	12,410,876	14,221,197
B. Other non-metallic mining and quarry products and the like	175,925	175,248	582,536	591,974
C. Iron ore and scrap	122,485	131,825	389,018	521,889
D. Non-ferrous metalliferous ores and scrap	107,342	198,149	581,960	750,002
E. Wood and timber	38,016	26,172	141,158	120,779
F. Raw cotton and cotton waste	100,328	114,271	508,097	465,700
G. Wool, raw and waste, and woollen rags	769,089	933,881	3,575,634	3,670,226
H. Silk, raw, knubs and noils	1,430	5,211	14,502	11,778
I. Other textile materials	38,520	24,737	180,261	113,215
J. Oil seeds, nuts, oils, fats, resins, and gums	337,764	505,386	1,719,031	1,769,558
K. Hides and skins, undressed	284,787	276,883	1,250,864	1,246,382
L. Paper-making materials	114,144	119,384	468,928	453,667
M. Rubber	20,633	24,395	100,562	91,610
N. Miscellaneous raw materials and articles mainly unmanufactured	297,954	397,743	1,471,200	1,538,998
Total, Class II.	5,344,798	6,799,180	23,394,627	25,566,975
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	235,848	259,408	1,131,111	1,359,427
B. Earthenware, glass, abrasives, &c.	978,215	1,025,549	3,935,816	4,169,901
C. Iron and steel and manufactures thereof	5,356,068	5,247,755	22,003,736	22,585,415
D. Non-ferrous metals and manufactures thereof	1,636,028	1,616,856	5,996,265	6,053,050
E. Cutlery, hardware, implements, and instruments	706,963	712,856	2,851,528	2,847,912
F. Electrical goods and apparatus	928,232	1,163,890	3,966,349	3,951,776
G. Machinery	4,143,353	4,150,722	17,833,170	17,490,221
H. Manufactures of wood and timber	171,143	214,246	728,146	830,734
I. Cotton yarns and manufactures	11,358,288	11,791,941	50,585,321	49,397,455
J. Woollen and worsted yarns and manufactures	3,666,363	3,447,820	19,246,300	18,265,184
K. Silk and silk manufactures	165,638	185,003	771,217	709,777
L. Manufactures of other textile materials	2,083,330	2,092,059	8,654,242	8,746,238
M. Apparel	1,931,867	1,955,374	8,611,336	8,235,283
N. Chemicals, drugs, dyes, and colours	1,955,092	2,055,495	8,281,816	8,442,408
O. Oils, fats, and resins, manufactured	742,658	632,168	3,004,979	2,765,697
P. Leather and manufactures thereof	759,806	594,105	3,294,919	2,286,629
Q. Paper and cardboard	716,244	731,310	2,971,883	2,926,087
R. Vehicles (including locomotives, ships, and aircraft)	4,144,774	5,807,553	14,413,186	18,104,121
S. Rubber manufactures	306,414	298,647	1,117,644	1,085,197
T. Miscellaneous articles mainly or wholly manufactured	2,972,261	3,163,340	11,738,811	12,040,844
Total, Class III.	44,958,585	47,146,097	192,137,825	192,293,345
IV.—Animals, not for food	106,154	94,056	542,196	490,553
V.—Parcel Post	1,021,431	1,228,251	4,305,433	6,029,490
Total	55,267,973	60,244,405	237,204,977	241,412,344

EVAPORATED FRUITS.—Market firm on light offerings and a good demand. Californian plums tend dearer with a scarcity of medium size fruit. Apricots sell readily at full rates with improved inquiries also circulating for apple rings. Californian plums, 20's–30's, quoted, 66s.–67s.; 30's–40's, 58s.–59s.; 60's–70's, 44s.–46s. Pears: Lake County, 76s.–100s. Apricots: South African Royal, 60s.–120s.; Australian, 75s.–100s. Peaches: Californian, choice, 54s.; extra choice, 56s.; fancy, 60s. Apples: Californian, spot, sliced, extra choice, 77s. 6d. Almonds steady. Mazagan, 130s.; Mogador, 132s. 6d.; Majorcas, 140s.; Bitter-Jordan, 185s.–210s. cwt.

CANNED GOODS.

CANNED FRUITS.—A notable expansion of business occurred in most descriptions of Californian fruits, resulting in a firmer price level. Packers offer sparingly and buyers await further news as to the extent of crop damage. Meanwhile Australian kinds continue to sell readily, the bulk of the pack now being absorbed. Singapore pines in moderate request on spot and steady forward, while South African clears readily on arrival. Hawaiian quiet but firmly held. Tomatoes slow, buyers at present showing little disposition to operate in the new pack.

CANNED FISH.—Sardines steady with a fair demand. Portuguese, clubs, 5s. per dozen tins. Lobsters scarce, and best halves held for 140s.–145s. Salmon firm, with improved inquiries. Red talls, spot, 44s. 6d.–46s. 6d.; pink ditto, 27s. 6d.–28s. 6d.; halves, 35s.–36s. 6d. Japanese crab, firm and in light supply, finest quality ruling at 97s. 6d.–100s.

CANNED MEATS.—Corned beef and tongues quiet but firmly held. Danish boned hams also realise full rates. Brawn firm, with sustained inquiries for Dutch brands.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 3, N. Man. 496 lb....	44	6
Eng. Gaz. av., per cwt.	9	11
Barley, Eng. Gaz. av.	10	0
" " "	9	10
Oats, " " " 480 lb.	40	0
Maize, La Plata, landed, 480 lb.	30	6
Flour, Lon. stan. ex mill, 280 lb.	12	10½
Rice, No. 2 Burma, per cwt.....	22	6
Sago, pearl, per cwt.		
Tapioca, per cwt.—		
B.I. flake, fair spot 21	6	22 6
Medium pearl 20	0	21 9
Potatoes, good English, per ton... 30	0	100 0
New Spanish, cwt 15	0	0 0
Beef, per 8 lbs.—	s.	d. s. d.
English sides.....	5	8 6 4
Argentine chilled hinds...	5	0 5 4
Mutton, per 8 lbs.—		
English wethers	6	4 8 0
N.Z. frozen "	4	0 5 4
Pork, English, per 8 lbs. ...	8	0 8 6

BACON— OTHER FOODS.

Irish .....per cwt.	116	0 126	0
Danish.....	111	0 116	0
Canadian.....	108	0 112	0
Dutch	102	0 110	0
HAMS—Irish.....	0	0 0	0
Canadian.....	0	0 0	0
American	110	0 128	0
BUTTER—			
Irish creamery per cwt.	162	0 168	0
Australian	166	0 0	0
New Zealand	168	0 0	0
Danish.....	168	0 169	0
CHEESE—			
Canadian ..... per cwt.	96	0 110	0
New Zealand	85	0 90	0
English Cheddars	130	0 144	0
Dutch	42	0 81	0
COCOA—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
Accra f.f., per cwt.	46	0 49	0
Trinidad	60	0 65	0
Grenada	50	0 57	0
COFFEE—			
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)			
B.I., good to fine, per cwt.	147	0 160	0
Costa Rica, good to fine...	155	0 186	0
Cent. Amer., mid to fine	130	0 150	0
Kenya, bold sizes	125	6 149	0
Colombian, mid to fine...	127	0 140	0
EGGS—			
English ..... per 120	14	3 15	6
Danish.....	12	0 15	0
FRUIT—			
Oranges, Denia & Val. 300	22	0 39	0
" " 360	22	0 36	0
" " 504	22	0 38	0
Jaffa " ..... " boxes 144	0	0 0	0
Lemons, Naples boxes	0	0 0	0
Sicilian ..... boxes	8	6 13	0
" .....cases	10	0 16	0
Murcia ..... half cases	0	0 0	0
Malaga ...cases 420 No. 1	0	0 0	0
Apples: Amer. (var.) brls.	0	0 0	0
" (var.) boxes	12	0 13	3
Onions, Valencia :—			
case 4s.	0	0 0	0
case 5s.	0	0 0	0

FRUIT (*continued*)—	s.	d.	s.	d.
Onions, Egyptian, bag	5	0	6	0
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....brls.	0	0	0	0
LARD—				
Irish bladders.....	70	0	76	0
American boxes 56 lbs.	61	6	62	0
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	2½	0	0
Black Lampong	1	4½	0	0
Cinnamon—1st sort, per lb.	2	2	0	0
Cloves—Zanzibar per lb.	1	5½	0	0
Ginger—per cwt.—				
African	58	0	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	2	9	3	10
Nutmegs 65's	1	10	2	0
SUGAR—				
(Duty, 11s. 3d. per cwt.)				
B.W.I., crystallised	21	6	23	0
Java, white, c.i.f. India, July–Sept.	12	0	0	0
REFINED—London—				
Yellow Crystals	21	1¼	0	0
Cubes	25	6	26	0
Crushed	24	3	24	9
Granulated	22	3	23	1¼
Home Grown (prompt)	21	9	22	1½
TEA—				
(Duty 5½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	0	11½	2	2
Broken Pekoe	0	11½	2	2½
Orange Pekoe.....	1	0½	2	3½
Broken Orange	1	1½	2	8
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	5	0	10½

TEXTILES.

COTTON—	d.	
Mid-American .....per lb.	10·12	
Sakellaridis, f.g.f.	17·85	
Yarns, 32's twist	15	
60's twist	26	
FLAX—	£ s.	£ s.
Livonian ZK .....per ton	79 0	0 0
Pernau HD.....	71 0	0 0
Slanetz Medium 1st sort	84 0	0 0
HEMP—		
Italian F.C. ..... per ton	62 0	0 0
Manila, June–Aug. "J2"	37 0	0 0
N.Z.	nom.	
Sisal	36 0	37 10
JUTE—		
Native 1st mks....per ton		
May–June	30/15/0	0/0/0
June–July	31/0/0	0/0/0
SILK—	s. d.	s. d.
Canton .....per lb.	17 0	19 0
Tussah.....	8 0	10 0
Japan	21 0	23 3
Italian—Raw, fr. Milan	20 0	22 6

WOOL—	d.	
English Southdown, washed per lb.	25½	
" Lincoln hog, washed	17½	
Queensland, scd. super cmbg.	41	
N.S.W. greasy, super "	23	
N.Z., grsy., half-bred 50–56	19½–20	
Crossbred 40–44	15	
Tops—		
Merinos 70's	45	
" 64's	42	
Crossbred 48's	25½	
" 46's	23	

MINERALS.

COAL—	s.	d.	s.	d.
Welsh, best Ad'ty...ton	20	6	21	0
Durham, best gas	16	0	16	6
Sheffield, best house ...	20	0	21	0
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	68	6	0	0
Bars, M'brough 215		0	0	0
Steel Rails, heavy.....170		0	0	0
Tin Plates, I.C., per box	18	6	0	0
METALS—	£	s.	£	s.
Copper, Electrolytic, ton	83	0	84	5
Sheets (strong) 112		0	0	0
Standard	72/7/6		72/12/6	
Lead Eng. Pig ...per ton	25/5/0		0/0/0	
Soft Foreign	23/13/9		23/11/3	
Spelter G.O.B.	26/13/9		26/11/3	
Tin—English ingots ...200/0/0			200/10/0	
Standard, cash	199/0/0		199/5/0	

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb. less 5%	2	0½	2	1
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	0	9	10
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	29	0	30	0
CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
S.D. Straits, c.i.f., per ton May–June	£22/7/6		0	0
Smoked ditto.....	£21/5/0		0	0
DRUGS—				
Camphor—	s.	d.	s.	d.
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	0	14	6
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d
Wet salted—Australian per lb.	0	5½	0	6½
West Indian	0	4	0	6½
Cape	0	6	0	6½
Dry and Drysalted Cape...	0	9	1	0½
Market Hides, London—				
Best heavy ox & heifer	0	7	0	6½
Best cow	0	6½	0	5½
Best calf	1	10½	1	1½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.— per lb.	1	2	2	2
Bark Tanned Sole	2	6	3	3
Shoulders fm DS Hides	0	9½	1	1½
Do. Eng. or WS do.	1	2	1	8
Bellies from DS do.	0	8	0	10
Do. Eng. or WS do.	0	10	1	3
Dressing Hides.....	1	6	2	0
Bo. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Sides	1	0	1	5
VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	29/0/0		0	0
Rape, refined	43	10	0	0
Cotton-seed, crude	27	10	0	0
Coconut, crude.....	32	10	0	0
Palm	31	10	33	0
Oil Cakes, Linseed, Eng., per ton	12/10/0		12/15/0	
Oil Seeds—Linseed—				
LaPlata,p.ton May–Jne.	15/17/6		0	0
Calcutta, p.ton May–Jne.	17/13/9		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	45	9	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	14/5/0		38/0/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	17	5	24	5
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	10⅜	0	0
Fine Hard Para per lb.	0	11½	0	0
SHELLAC—				
TN Orange ... per cwt.	200	0	0	0
SHELLS—	£	s.	£	s.
W. Aust. M.-o.-P. "	4	0	12	10
TIMBER—			£	s. d.
Swedish n/s 3 x 8 per std.			19	0 0
Do. 2½ x 7 "			19	0 0
Do. 2 x 4 "			19	0 0
Can'dn Spruce, Dis. "			17	10 0
Pitchpine ..... per load			9	0 0
Rio Deals ..... per std.			32	0 0
Teak ..... per load			20	0 0
Honduras Mahg. logs c. ft.			0	11 6
African "			0	6 6
American Oak Boards "			0	6 0
Do. Ash "			0	6 0
English Oak Planks "			0	7 0
Do. Ash "			0	6 6

CONDENSED MILK AND MILK POWDERS.—Market fully steady. Full cream, sweetened, English, spot, 42s. 6d.; Dutch ditto, 37s. 6d.; May–July, 37s. 9d. Machine skimmed, sweetened, English, spot, 25s.; Dutch ditto, 22s. 9d.; May–July, 23s., all in 5-cwt. barrels. Powders: Spray process, F.C. 26 per cent., 2 by 56 lb. tins, crated, 92s.; M.S. (1-cwt. cases), 42s.; Roller ditto, F.C. 26 per cent., 73s. 6d.; M.S., 31s., all nett, duty paid ex-wharf London. On the grocery side, F.C.S., 20s.; M.S.S. 9s. 9d., basis per case, usual packing. Danish cream: Evaporated, unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d.; condensed, sweetened, 48 by 14 oz., 20s. per case.

HONEY.—Demand is somewhat quieter on larger arrivals of new crop. New crop, ivory white, set, Jamaican, 57s. 6d.; good amber to good pale, 50s.–55s.; dark to fair amber, 43s.–49s. Golden, set, Gautemala, 55s. New Zealand, dark amber, 50s.–55s.; medium, 55s.–65s.; light, 65s.–85s.; white and water whites, 65s.–87s. 6d. per cwt.

RUBBER.

Sustained buying was again a feature and prices further improved, while firmness cabled from the East also assisted the market. Standard sheet, spot, and May sold 11½d. to 11⅝d. and 11⅝d.; June, 11 5/16d. to 11 7/16d., 11⅜d.; July–September, 11 11/16d. to 1s. 0⅛d. and 11⅝d.; October–December, 1s. 0⅛d. to 1s. 0⅜d. and 11⅝d.; January–March, 1s. 0⅜d. to 1s. 0⅝d.; January–December, 1930, at 1s. 0⅝d. London stocks reduced 453 tons on the week, landings being 1,188, deliveries 1,641, stocks 31,127, compared with 50,837 at corresponding period last year. Liverpool stocks 230 tons lower, landings being 48, deliveries 278, stocks 4,384. American consumption during last month, 47,512 tons; arrivals, 54,171; quantity afloat, 55,408; stocks, 107,659.

GENERAL.

JUTE.—Business confined to moderate limits but prices firmer. Firsts, May–June, Continent, quoted, £31; new, August–September, sold, £31 10s.–£32; Lightnings, May–June, also August–September, quoted, £30 per ton c.i.f.

HEMP.—No material change to note in position of Manila descriptions and trade conducted quietly. J.2, June–August, quoted, £37; K, £32 10s.; L.1, £33; M.1, £30 10s. ton. African Sisal, No. 1, £37 10s.; No. 2, £36 c.i.f. Manila receipts for last week, 30,000 bales against 28,000 at same time last year; estimate for next week, 30,000; and following week, 26,000. Manila shipments last week to U.K./Continent, 14,000 bales; U.S.A., 9,000; Japan, 8,000. Local stocks amount to 201,000 bales.

SHELLAC.—Market quiet. T.N., spot, 197s. 6d.; May, 194s., 193s.; August, 200s. to 195s. cwt.

COPRA.—A dull and featureless market in the main. Ceylon, however, is in fair request, while offers from shippers become lessened. Straits, S.D., June, to Rotterdam, quoted, £22 6s. 3d.; July, £22 7s. 6d. Ceylon, June–July, £23 10s. South Sea, smoked, to Marseilles, May–June, £21 5s. S.D., quoted, £21 7s. 6d. P.R. ditto, £21 10s.

PALM KERNELS.—Quiet. For shipment April–May, £17 10s., sellers, to Hull, ex-ship; to Hamburg, May–June, £17 10s., paid, c.i.f.

MISCELLANEOUS.—Coconuts quoted 18s. to 25s. per 100. Coir yarn, Ceylon, £19 to £38; Cochin, £22 10s. to £40 10s.; Ceylon bristle, £18 10s. to £25; cinnamon leaf oil, 5½d.; citronelle, Ceylon, 1s. 10½d.; Java, 2s.

METROPOLITAN CATTLE.—May 15.

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

	s.	d.	s.	d.		s.	d.	s.	d.
Beasts—Norfolk	6	8	7	2	Beasts—Heavy Bulls	...		...	
Irish	...		...		Canadian	...		...	
Cambridge.....	...		...		Sheep—Downs	8	0	10	8
Short Horns	...		...		Half bred	...		...	
Herefords	6	4	6	8	Ewes	...		...	
Devons	...		...		Scottish	...		...	
Leicester runts	...		...		Lamb—Downs	13	0	14	0

LONDON POTATO MARKETS.—May 15.

	Per Cwt. s.	d.	s.	d.
English King Edward—Lincoln	4	0	5	0
" " " —Essex.....	3	0	3	6
White varieties.....	2	6	4	0
New Spanish	15	0	...	

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, MAY 25, 1929. No. 4,474.

ROYAL EXCHANGE ASSURANCE

Incorporated A.D. 1720.

All classes of Insurance transacted and the duties of Executor and Trustee undertaken.

For full particulars apply to t—

Head Office: Royal Exchange, London.

BANCO NACIONAL ULTRAMARINO.

STATE BANK OF THE PORTUGUESE COLONIES.

Head Office: LISBON. Established 1864.

Capital: Esc. **50,000,000$00** fully paid.

Reserves: Esc. **49,000,000$00.**

OFFICES IN THE FOLLOWING COUNTRIES:

Portugal, Portuguese East and West Africa, India, China, Timor and Brazil.

Paris Office ... 8 Rue du Helder.

Angola, Belgian Congo } Banco de Angola

New York—Trust Co. of N. America—93 Liberty Street.

AGENTS & CORRESPONDENTS IN ALL PARTS OF THE WORLD.

London Office: 9 BISHOPSGATE, E.C.2.

Telephone—London Wall 0295. Telegrams—Ultranacio, London.

BANCA COMMERCIALE ITALIANA.

Established in 1894. Head Office: MILAN. Capital 700 million Lire. Reserves 560 millions. Deposits 7,251 millions.

Branches in every centre of commercial and industrial importance in Italy; also in London, New York, and Constantinople.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Greece, Egypt, Morocco, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

London Office

32, Threadneedle Street, E.C.2.

A. JOEL, *Manager.*

Correspondents to the Italian Treasury.

TABLE OF CONTENTS.

The Money Market.....	1149
Leading Articles—	
The Electorate and the Election	1151
Lord Rosebery.....	1151
China in the Wars Again	1152
Co-operative Congress...	1154
British Fire Offices in the United States.....	1155
Danger of Motor Traffic	1155
Some Electoral Pointers	1156
Notes of the Week—	
Reparations Situation...	1157
"Safeguarding" Issue ..	1158
Re-assessments and De-rating	1158
The Pope and Mussolini	1158
American Cotton Crop..	1159
Cotton Lock-out Averted	1159
Protection in Great Britain and Germany	1159
Employment in April....	1160
Cost of Living.....	1160
Appointment of a Patents Committee.....	1160
The French Turnover Tax.....	1160
Canada and the United States.....	1160
National Exhibitions in Poland and Sweden...	1161
Insurance Notes—	
Sun Insurance Office.....	1161
Phœnix Assurance	1161
Royal Insurance	1162
Liverpool and London and Globe Insurance..	1162
Gresham Life Assurance	1162
Scottish Equitable Life Assurance.....	1162
General Accident, Fire and Life Assurance Corporation	1163
Oversea Correspondence—	
United States.....	1163
France.....	1164
Germany.....	1164
Holland.....	1165
Argentina	1166
South Africa.....	1167
Letters to the Editor—	
The Unemployment Issue	1167
Books and Publications—	
Three Books on Free Trade.....	1168
The Coal Industry of the Eighteenth Century...	1168
Books Received.....	1170
The Stock Exchange—	
Electricity Supply Companies	1171
The Week in the Markets	1172
London Active Securities	1173
Foreign Stock Exchanges	1174
Central Electricity Board] Loan	1174
HomeRails and Election	1175
The Tea Outlook	1175
Cable-Wireless Merger Arrangements	1176
Fine Cotton Spinning Combine	1176
Fine Cotton Spinners...	1176
International Nickel ...	1177
Imperial Continental Gas	1177
African and Eastern Trade Corporation ...	1177
Oil Dividends and V.O.C.	1177
Amsterdamsche Bank...	1178
Shell Union Oil Corporation	1178
Namaqua Copper	1178
Oriental Consolidated...	1178
Anglo-American Corporation.....	1180
Capital Issues	1180
Dividend Announcements	1181
Company Meetings, &c....	1182
Government Returns, &c.	1184
The Bankers' Gazette—	
Bank of England.....	1185
Bankers' Clearing Returns	1185
Overseas Bank Returns	1186
Loan and Discount Rates	1188
Rates of Exchange	1188
Bullion	1188
Gold and Silver Prices...	1189
Balance Sheets.....	1189
Weekly Traffic Returns	1190
Reports and Notices ...	1190
Profit and Loss Accounts	1191
Commercial Reports—	
The Corn Trade	1192
American Wheat.....	1192
The Coal Trade.....	1192
Iron and Steel	1193
Other Metals	1193
The Cotton Trade.....	1193
The Wool Trade	1193
Colonial Wools	1194
Hide and Leather Trades	1194
Jute Trade	1194
The Timber Trade	1194
Vegetable Oils and Seeds	1195
Overseas Produce.....	1195
Price Current	1196

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d. Colonies and Abroad, £3 1s. 0d. per annum.

Single Copies, post free, 1s. 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4

THE MONEY MARKET.

CONDITIONS in the money market this week have reached a very critical stage. Money was easy at the end of last week, but as a result of Bank Holiday two clearing banks had to call on Tuesday for making-up purposes, and the market was nearly forced into the Bank, 6 per cent.

being paid at one time on that day. On Wednesday came the announcement of the Federal Advisory Council's recommendation that the Federal Reserve Bank should approve increases of Reserve Bank rates if desired, and although money was less wanted on Wednesday and appreciably easier on Thursday, considerable apprehension is displayed concerning the future. On Thursday 4¾ per cent. was being paid for day to day renewals. Another restrictive factor this week has been the £8 million excess of Treasury Bill issues over maturities.

* * * *

The general weakness of sterling on the foreign exchanges has dominated the discount market. Berlin was again a seller of bills, and marks at one time on Wednesday touched 20.35⅜, reacting later. New York stood at 4.84$\frac{15}{16}$ on Tuesday and Wednesday, and on Thursday afternoon weakened further to gold export point at 4.84⅞. In view, further, of the possibility of a 6 per cent. Reserve rate in New York—temporarily averted—discount rates have been very firm. Tuesday saw 3 months fine bills at 5$\frac{7}{32}$; on heavy continental selling the rate went to 5¼-⅜ on Wednesday, but the latter price was largely deterrent and business was done for the most part at 5$\frac{5}{16}$, which remained the working average on Thursday. On that day it was announced that the average rate of allotment of £6,000,000 nine months' India bills was £5 13s. 1.03d.—a dear rate for the borrower. Considerable stringency is foreshadowed for next week.

* * * *

On Wednesday about £780,000 of South African gold came into the market, of which £150,000 went to Germany and £80,000 to India and the trade. The Bank, however, announced the purchase of £663,134 in bar gold, so that about £100,000 must have become available from some unknown source. The price paid was 84s. 11⅜d., which is within ⅛d. of the Bank's legal selling price. Although, therefore, the current position of the Bank is very strong, in the event of a rise in the New York rate to 6 per cent. the Money Market expects our Bank rate to be raised to 6½ per cent. immediately after the Election.

	May 23, 1929.	May 16. 1929.	May 9, 1929.	May 2, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5½	5½	5½	5½	4½ (Feb. 7,'29)
Banks' Deposit Rate...	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
Houses { Notice.....	3⅜	3⅜	3⅜	3⅜	2¾ (Feb. 7,'29)
Market rate (3 months' bills)	5 5/16–⅜	5⅛	5 1/16–⅛	5 1/16–⅛	...

In this week's Bank Return, the £8 million net which the Treasury took from the market is reflected in a £6 million rise in Public Deposits. Against this, bankers' deposits are down by £3½ million, and the note circulation has been reduced by some £500,000 in favour of notes held by the Banking Department. Government Securities, an item which has been steadily falling, is actually up a little this week. The movement of transfer from Discounts and Advances in favour of Other Securities has been continued. It is surmised that the Bank is refraining from the renewal of bill maturities and is taking short-dated bonds off the market instead. This is regarded as a reflection both of the difficulty experienced by brokers in selling bills at the ruling price, and also of the general market tendency to invest in bills rather than securities over the General Election.

NEW YORK MARKETS.

Our New York correspondent cables:—Much attention has been centred on the controversy over the raising of Federal Reserve rates, which has revealed that, while the principal regional banks desire an increase to 6 per cent., the Board is closely divided and continues to refuse permission. This situation has existed for three months, but has only recently obtained publicity. The best students of banking believe the Board wrong in its assumption of authority and its policy. It is felt that the discount rate offers the best medium of control, and that an increase is likely in the absence of striking developments on the stock market and a reduction of brokers' loans. It is, however, being noted that considerable deflation has taken place this year, the credit extended by the Reserve system to-day being $700,000,000 less than at the end of last year, and $200,000,000 less than a year ago. Meanwhile, this week's Reserve statements reveal no particular change. The reduction of $45,000,000 in brokers' loans is somewhat disappointing, but does not reflect Wednesday's weak market.

THE STOCK MARKETS

The approaching General Election, monetary fears, and the uncertain American situation combined to restrict business in the stock markets, though price declines in most cases were of narrower dimensions than might have been expected. The gilt-edged markets were heavy on Wednesday, but improved slightly in tone on the absence of any change in Bank rate next day. Home rails were unresponsive both to political propaganda and improved traffic returns. Heaviness was the dominant feature of the industrial markets, with scarcely a single exception. Rubber shares were marked up and down in sympathy with a fluctuating commodity market, but tea shares were a shade harder. Interest in oil shares was severely restricted. Selling of Kaffirs from Paris more than offset an improvement in Johannesburg sentiment, while activity in Rhodesians was mainly stimulated by inside operations.

THE COMMODITY MARKETS.

When allowance is made for the effect of the holidays this week's market reports appear distinctly promising. Business in most sections of the coal industry is steady, though it is in many cases quieter than it was earlier in the year. Conditions in the iron and steel trades continue to improve generally in spite of weak spots in certain sections. Other metals are steady. The home market for cotton piece-goods has been slightly better, but advices from overseas are still unsatisfactory. The wool industry remains stagnant, but there seems to be slightly more hope of a revival in the near future. Jute and its products are dull. The season has opened well for the timber trade and bids fair to be busy. The hide and leather markets are beginning to revive. Vegetable oils and oilseeds are a stronger market, though there is a seasonal decline in the demand for oilcake. Wheat is slightly down.

THE FOREIGN EXCHANGES.

The Foreign Exchange market last week showed only fair activity, which was further diminished by Bank Holiday. The general trend was against this country, the dollar exchange being particularly weak owing to fears of a rise in Federal Reserve rates and uncertainty as to the General Election. The mark made a spectacular recovery on Wednesday, but reacted later on rumours of repurchases of foreign currencies by the Agent-General for Reparations. New York fell away from 4.85$\frac{3}{32}$ to 4.84⅞. Paris gained four points at 124.12 after 124.16½. Brussels recovered from 34.94 to 34.92¾. Milan lost two points at 92.68. Madrid was again erratic and fell away from 34.05 to 34.17. Amsterdam gained ⅜ at 12.06½. Berlin went from 20.42 steadily to 20.36¾ and then fell to 20.35⅝ but went rapidly back to 20.39¼, being actually 20.38 on Thursday. Switzerland, after being below 25.18, reached to 25.19½. Stockholm gained 1⅛ at 18.15¼. Constantinople, which as a result of heavy imports in anticipation of the new tariff and on account of last year's bad harvest, has been weak for some time at over 1,000, recovered a little at 998. The South American exchanges were very steady, Buenos Aires losing $\frac{3}{32}$d. at 47$\frac{3}{16}$d. whilst Montevideo lost ½d. at 48½d. In the Far East the rupee was weak at 1s. 5$\frac{23}{32}$d. and the yen gained fractionally at 1s. 10$\frac{5}{64}$d. after some irregularity. Batavia gained ¾ at 12.10¾. In the futures market Paris was less in demand at 4 and 7 centimes premium for the two periods; Milan followed suit at wider discounts of 8 and 25 centimes. The premiums on forward Madrid advanced to 12 and 33 centimos, whilst forward reichsmarks were at a nominal quotation of 5 and 10 pfennigs discount—rather higher than last week. Silver lost ½d. for both spot and forward at 25$\frac{1}{16}$d., Eastern demand being quiet and bear covering being sufficient to absorb all offers. The Chinese silver exchanges were little affected, Hongkong being unmoved at 1s. 11⅞d. whilst Shanghai lost ½ at 2s. 5½d.

THE ELECTORATE AND THE ELECTION.

Before our next issue is in the hands of our readers the verdict of the British people will have been given upon the records of achievement (or failure) and the programmes (practical or unpractical) which the three parties have laid before the great National Assize. We await the verdict with a composure which will be shared by all except those few who fail to share our old-fashioned belief in the stratum of commonsense which underlies the ultimate opinion of the British people. That belief is in no way modified by the wide extensions of the franchise recently made, especially in the direction of the female sex. A cynic has said of this Election: "Man proposes. Woman disposes." We remain undismayed. As we look down the vista of electoral possibilities one, and only one, trouble ruffles our serenity, and it is the knowledge that, under our present effete electoral system, the aggregate opinion of the people can hardly find anything approaching a mathematical reflection in the *personnel* of the next House of Commons. It is a blot upon the escutcheon of all recent Governments that they have successively failed to remedy that defect in our machinery of democracy. The blot *must* be removed by the next Government, of whatever political texture it may be.

It is, above all things, the single vote for the single seat in the triangular contest that renders the result of this General Election inscrutable, and stultifies all prophecy. In a later article in this issue we give a number of salient electoral facts and statistics. It is enough here to say that, with an electorate of nearly twenty-nine millions (as compared with twenty-one and a-half millions at the last general election) in which women exceed men by over one million, 1,728 candidates are fighting for 615 seats, and that there are 470 three-(or more) cornered contests. These facts are alone sufficient to warn all political prophets of the foolhardiness of their professions. The Headquarters of each party is, of course, obliged to put out an optimistic forecast. Of these we need not take too much notice. To each it is tactically necessary to "talk prosperity"; and their forecasts must be taken with the proverbial pinch of salt. But to those (and are they not the majority among us?), in whom the love of prophecy is ingrained and ineradicable, we may propose two subjects for thought. As we show on a later page, the figures of the by-elections held during the life-time of the last Parliament suggest that, if at any time during the past four years a general election had been held, no party would have emerged with a clear Parliamentary majority over the other two. The allowances that have to be made, especially in respect of the re-union of the Liberal Party and the spectacular appeal of its unemployment programme, do not tend to make less likely what is commonly called a Parliamentary "deadlock."

If that be the most logical forecast of an inscrutable election, we remain undisturbed. Nor are we impressed by the appeal of each party to be returned with a clear majority in order that we may enjoy the fruits of what is popularly called a "stable Government." That appeal and others of its type are based on the idea of the two-party system. The fact which we have to face, and which the country has not yet faced, is that the two-party system has gone, and gone for ever. The three-party system has come to stay and we have got to learn how to work it. Unless present forecasts are egregiously wrong, we may quite possibly have a result in which Parties A and B are within 30 or 40 seats of each other's strength, and Party C has very substantially more than the 30 or 40 balancing seats. If by Party C we mean the Liberal Party, then two negative but satisfactory results accrue for a start: no measure of Protection and no increase of Socialism could possibly pass through the next Parliament.

That is a solid ground for complacency. But it is incidental to the main issue. What is required is a reorientation of the national idea of the working of constitutional government. For long periods—indefinitely, perhaps—the House of Commons may well be manned by three parties, no one of which has an independent majority, and yet, by the common consent of all shades of opinion, "the King's government must be carried on." The upshot of such a position, in our view, would be that all members of Parliament would be compelled to be a little less for party and a little more for the State. In a brilliant little book* which has just been published, an anonymous writer imagines a position in which Parties A and B are approximately equal and Party C has 33 members (elected, thanks to our anomalous electoral system, by 5¼ million votes). Each of the bigger parties in turn, through inability to surrender one iota of the old ideas of party government, courts and achieves shipwreck in the House of Commons; and eventually tiny Party C forms a government and shows how the new idea of government should be translated into practice:—e.g., it introduces overdue measures for remedying crying evils, against which no party dare vote, lays down the rule that the Cabinet cannot declare for a dissolution unless the House of Commons votes in that sense, and restores something of the free power of members to vote according to conscience and pledge.

Some observers of the progress of the electoral campaign profess disquietude at the apathy which, superficially at least, appears to mark the attitude of the electorate. We believe that this diagnosis of the temper of the people is erroneous, and that the party managers, remembering the partisan enthusiasms and passions of previous elections, are mistaking for indifference what is really a quiet, serious interest in the broad national issues of the day. It is, in fact, fortunate that such a temper prevails at a moment when the country is called upon to prepare itself for a probable Parliamentary position which requires statesmanlike rather than partisan handling.

For there is one thing certain: The country is no mood for a repetition of the situation in which, as was once the case, the Government of this country depended on the support of an Irish *tertium gaudens*. In order to save the institution of democracy from discredit, the task of any party holding the balance as a result of the forthcoming Election must be to keep itself free from "back-stairs" alliances, to avoid giving unconditional support to one party, and to lay down lines of policy on which alone it will co-operate with another party in the public interest.

LORD ROSEBERY.

The death of the Earl of Rosebery marks the end of a life whose public significance had, in fact, ended over twenty years ago. Endowed with high gifts of oratory and statesmanlike vision, Foreign Secretary at the age of 39, Prime Minister in succession to Gladstone before reaching the age of 50, Lord Rosebery renounced without reluctance a greatness to which he had attained with little effort. The most brilliant failure of our age—become in retirement an almost legendary figure to the present generation—his career will long remain a fascinating enigma to the historian.

In explanation of Lord Rosebery's inability to realise the great promise of his earlier days, the much-quoted phrase in which Cory, his tutor at Eton, described him as liking the palm without the dust of the arena, is no more than a half-truth. Resolution may not wholly have marched with imagination in his character, but he evinced more than once in his life great qualities of vigour and courage. Circumstances, and, above all, the circumstance that he was born perhaps a hundred years after his time, played a larger part in his failure. For the rest, we must look to personality as the clue. In the case of Lord Rosebery, more than most men, the truth was exempified of the old saying, ἦθος ἀνθρώπῳ δαίμων—"character is fate." Essentially *grand seigneur*, with the instincts of the Whig aristocracy in his blood, Lord Rosebery was never at heart wholly in sympathy with the political party to which, by accidental circumstance rather than deliberate choice, he became attached. Born of a family whose traditions were to oppose Tory policy, and attracted in his youth by the dominant personality of Gladstone, his convictions were increasingly alienated, as time went on, from modern Liberalism. When he abandoned the leadership of the Liberal Party he was true at last to what was strongest in himself.

* "Robinson the Great," by an Impenitent Politician. (London) Christophers. 3s. 6d. net.

This conflict between conviction and the political exigencies of his position goes far to explain much that is enigmatic in his career. His tour of the world in 1883, after a brief tenure of the Under-Secretaryship of the Home Office, inspired him with a belief in the cause of Imperialism (in the best sense of the word) which became, in his own words, " the dominant passion of my public life," and which was destined to accord ill with the attitude of Radicalism in the days of the South African War. As Foreign Secretary in Gladstone's fourth Administration in 1892, his forcible policy in Egypt and Siam won Lord Salisbury's approval but antagonised many of his colleagues—Sir William Harcourt and Mr. Morley in particular—in the Cabinet. At the beginning of his Premiership in March, 1894, he referred to Home Rule in terms which led his party gravely to question his allegiance to Gladstone's principles in that issue. It is well known that the death duties in Sir William Harcourt's Budget that year received his grudging and reluctant assent. When a snap division in the House of Commons brought defeat in June, 1895, Lord Rosebery resigned with relief at terminating an association in office with colleagues whose opinions had become in many ways repugnant to him.

It is arguable that, realising his own instinctive views, Lord Rosebery should have refused the office of Prime Minister in 1894. It has also been suggested by critics of his career that he should have made a resolute bid to regain the leadership of Liberalism in 1905; but in the ten years which followed his fall from office the trend of politics had widened too greatly the gulf which separated him from his party, whose leadership he resigned in 1896 as a result of a difference of opinion with Gladstone on the question of pro-Armenian intervention. Thus, in 1899, he found himself supporting Unionist policy in South Africa and warmly advocating suspension of party tactics during the war—an attitude which divorced him from the majority of the Opposition. During the tariff controversy of 1903-05 he supported strongly the cause of Free Trade, but at a moment when many expected his return, if not to the active leadership of the Liberal Party, at least to office in the next Liberal Government, he announced that his objection to Home Rule made it impossible for him to serve under Sir H. Campbell-Bannerman. In truth, it was no single issue which now separated him from the party which he once had led. Never a House of Commons man—a misfortune due to the accident of birth—he desired to reform and strengthen a House of Lords which Radicalism was set on emasculating. Doubtful at heart of the merits of democracy, abhorring demagogy, he saw the Liberal Party embarking, as he thought, in the 1906 election on a policy of " bread and circuses " whose prudence and probity he gravely questioned. After the passage of the Parliament Act, a measure which he denounced as " ill-judged, revolutionary and partisan," his withdrawal from politics was complete. Apart from a continued interest in municipal matters, both in Scotland and at Epsom, he assumed the part of " an indolent Cassandra in easy circumstances," viewing the political arena with philosophical detachment.

It may be that to the future student of political history Lord Rosebery will be noteworthy chiefly as a Foreign Secretary who established the valuable principle of continuity in British foreign policy, a principle to which he adhered as Lord Salisbury's successor, and which has been generally accepted by subsequent Foreign Secretaries. Apart from this, he left singularly little enduring impress on his time. A brilliant *littérateur*, a polished rather than an inspiring speaker, he was not a good "mixer," and, over-quick to take offence, alienated more friendships than his natural grace and charm of character won. Revolted by the " hatred and coarse thinking " of twentieth-century politics, he renounced the opportunity which was open to him in 1903 of resolutely cutting across established party frontiers and declaring himself leader of a centrist " New Tory " party, opposed alike to Protection and Socialist experiment. In such a part he might have become a real leader of the nation. As it was, endowed with too much sensitive imagination to feel at ease in the ranks of reaction, too fastidious and conservative in thought to court the favour of democracy, he fell between all the political stools of his age. Temperamentally an oligarch, whose amplitude and keenness of mind fitted him to render great service to his country, the measure of his qualities and his defects is that he refused the *rôle* of Cleon and missed the part of Pericles.

CHINA IN THE WARS AGAIN.

When the Kuomintang armies entered Peking last June there seemed some hope that this might mark the end of the Chinese Civil War. In the space of two years the Kuomintang had completed their astonishing advance from Canton—the southern gateway into China—to the northern capital. Feng Yü-hsiang and Yen Hsi-shan, the most intelligent and the most enlightened of the Northern War Lords, had hoisted the Kuomintang flag and had joined in the final campaigns against the Anknochün—a grand name for the other Northern War Lords in coalition. Moreover, after the death of Chang Tso-lin on his retreat from Peking to Mukden, a dramatic change came over the policy of the local Chinese Government in Manchuria. Under Chang Tso-lin it had been the life and soul of the opposition to the Kuomintang; but Chang Tso-lin's son, Chang Hsüch-liang, had no sooner succeeded to his father's position than he began to make a *rapprochement* towards the Kuomintang Government at Nanking; and though the Japanese Government put some pressure on him to stay his hand, he too had hoisted the the end of the year. Almost simultaneously a disband- or five masters of the soldiers adhering to the Kuomin- tang cause met together to discuss ways and means for an all-round reduction of forces. The necessity for a drastic reduction of armaments was strongly urged by the Nanking Minister of Finance; and the Minister was vigor- ously supported by the Chinese merchants and bankers of Shanghai. These Chinese business men were in a strong position, since they held the only body of capital which the Nanking Government could look forward to borrow- ing, and they were in a position to make their own terms because their assets, being located at Shanghai in the International and the French settlement, could not be distrained upon by violence. The Shanghai business men made it evident that they would not lend their money unless they had a good assurance that an effective dis- armament programme was going to be put into operation; and in taking this stand they were speaking for Chinese public opinion, which was crying out for peace after seventeen years of civil war. Thus, with the peace move- ment gaining force, confidence and expression; with the clash of arms momentarily silent; and with the greater part of China now at least nominally united under the Kuomintang flag, the prospects of the Republic seemed fairer than they had ever seemed before. And this view was taken by foreign observers, as was shown by the acts of foreign Governments. By the close of the year 1928 eleven out of the fifteen surviving " Treaty Powers " had concluded new treaties with the Nanking Government, thus incidentally recognising that Government as the sole legitimate central Government of China. All these eleven new treaties accorded China her tariff autonomy unconditionally, and five of them further provided for the extinction of the extra-territorial privileges enjoyed by " Treaty Powers " as soon as certain conditions had been fulfilled. At the beginning of this year it seemed as though China were at the beginning of a new and less troubled chapter in her history.

This, however, was winter time, when warfare is always suspended in China; and since the return of spring China has found herself in the wars again. The new trouble is the old trouble. The masters of the soldiers either cannot renounce their ambitions at one another's expense, or at any rate they cannot dismiss their mutual fears and suspicions. Each sees his safety in the elimina- tion of the others; and so, as soon as the campaigning season returns, the question arises: Which is to get his

The New York Trust Company

Capital, Surplus & Undivided Profits - $44,000,000

COMPLETE INTERNATIONAL
BANKING FACILITIES

100 Broadway New York City

blow in first? A cynical observer might say that every- thing is just as it was before; that the Kuomintang colours are simply a camouflage for mere disingenuous war lords who have usurped the places of the former avowed adventurers; that when Chiang Kai-shek attacks the Kwangsi generals or Feng Yü-hsiang for disloyalty to the Nanking Government he has his tongue in his cheek; and that his opponents have their tongues in their cheeks when they retort that they are the true champions of the Kuomintang against a Generalissimo who has made him- self dictator. There is, of course, a good deal of truth in this; but we believe that it is not the whole truth; and for this reason, though undoubtedly the sky is overcast again in China, we do not take a pessimistic view. In addition to the rivalries of generals, there are two other important factors in the situation. One of these is the reality of the Kuomintang Party as a force which stands apart from and above the various individuals who profess to be serving its cause. The other factor is the great and growing force of public opinion, to which we have alluded already. These imponderable but potent forces have to be taken into consideration in estimating the prospects of the new conflict that has arisen this year.

This conflict is between Chiang Kai-shek, acting in the name of the Nanking Government, on the one side, and the Kwangsi generals and Feng Yü-hsiang on the other. How far Chiang is sincere in his loyalty to the Govern- ment and how far he is playing for his own hand we need not yet inquire. It is possible that, if Chiang emerges as the victor from the present contest, there will be a final trial of strength between him and the Party, as an organi- sation with an interest of its own distinct from the interests of its individual supporters. That, however, is a question for the future; for, so long as the Kwangsi faction and Feng are at large, the interests of Chiang and the Government are inseparable. Confining our atten- tion, therefore, to the immediate issue, we may tenta- tively estimate the strength and weakness of the two rival camps as follows.

It is in Chiang's favour that Chang Hsüch-liang in Manchuria seems to be maintaining a friendly neutrality towards him, while Yen Hsi-shan is preparing to co- operate with him actively in the campaign against Feng. Thus there appears to be no possibility of anything like a new coalition against the Kuomintang among the War Lords north of the Yangtse. Yen, long celebrated as " the model tuchün " of his own province of Shansi, is the one War Lord who, by temperament and conviction, might be expected to adapt himself successfully to a con- stitutional *régime*. As for Chang Hsüch-liang, the remoteness of his Manchurian domain, beyond the Great Wall, makes it easier for the Nanking Government to allow him *de facto* autonomy—and he will never seek more than that, since he needs the diplomatic support of Nanking against Tokyo, while he could not so far outrage Chinese public opinion as to seek the support of Tokyo against Nanking.

Another point in Chiang Kai-shek's favour is that he has won the first round in the game by breaking up the Kwangsi forces on the Middle Yangtse. So long as some of the Kwangsi generals held Hankow it was possible for them to join hands with Feng and thus confine the *de facto* domination of the Nanking Government to the Lower Yangtse Valley. But Chiang's sudden and rapid offensive against Hankow in March took all his opponents by surprise; and he had occupied this central and com- manding position before Feng's troops had arrived on the spot and before Feng himself had decided whether to repeat his old manœuvre of stabbing a colleague in the back while his attention was diverted by another adver- sary. It was by this trick—practised first on Wu P'ei-fu and then on Chang Tso-lin—that Feng rose to power. His fate may have been settled by his failure of nerve when the moment came, this spring, for trying the same trick once again. Chiang, with the Lower and Middle Yangtse in his hands, now holds the interior lines; and though the Kwangsi troops, rallying in their home pro- vince, may descend the West River and enter Canton, that will not help Feng, any more than some local success which Feng might obtain would help the Kwangsi generals in their isolated position on the southern littoral. Even if Feng now definitely enters the lists, Chiang will be able to deal with his opponents piecemeal.

A third point in Chiang's favour is that the Japanese, after occupying the zone of the Tsinanfu-Tsingtao Rail- way for a year, have at length handed it over to Chiang's henchman and not to Feng's. Thus Chiang, in Shantung, is now in direct touch with his colleague Yen in Chihli, while Feng has been baulked of his hopes of obtaining direct access to the sea. The possession of a port in Shantung would have meant much to Feng. It would have put him in touch with foreign countries, and, above all, it would have given him a chance of smuggling in munitions—for scarcity of munitions has been his weak point all through.

Thus Chiang, ignoring for the moment the Kwangsi forces' invasion of Kwangtung, may concentrate upon crushing Feng by a converging movement from south, east and north simultaneously. The troops that he can throw into this movement probably outnumber Feng's considerably. On the other hand, Feng's troops are said to be better led and better disciplined, and, locally, it is Feng who holds the interior lines. In 1926, when Feng was similarly encircled by Wu P'ei-fu and Chang Tso-lin, he slipped away into the north-west, and there, with his rear covered by Russia, awaited better times. This time, however, that line of retreat is not inviting, for the North- Western Province of Kansu has been thoroughly devas- tated by the Muslim insurgents; and since these formid- able fighters are still on the warpath Feng may elect to fight Chiang where he stands rather than to retreat into their arms.

Such is the situation. We can only deplore that China is doomed to pass through another bout of civil war. It

is to be hoped that the days of tribulation will be shortened, and that the result of the campaign will be to confirm the hardly achieved unity of the Chinese Republic under the Kuomintang Government at Nanking.

THE CO-OPERATIVE CONGRESS.

(BY A CO-OPERATIVE CORRESPONDENT.)

THE 61st annual Co-operative Congress, which has met at Torquay this Whitsuntide, has shown a disinclination to tackle the problems which are awaiting inquiry and settlement. The delegates who spoke on the opening day made slight references to the impending General Election—but the absence of the co-operative Parliamentary candidates gave the political aspect the appearance of the play without a Hamlet. Thus it was that the threatened competition of the State and municipal purchasing services advocated by the Labour Party, with which many of the local co-operative societies are working in electoral alliance, was disregarded, and the inequitable effect of the Government's de-rating proposals on the operations of industrial societies was explained by Alderman F. Hayward, the chairman of the Co-operative Union, in an atmosphere of indulgent toleration. Throughout the day it seemed that the political tinge which now colours the movement has destroyed the critical interest in purely co-operative organisation—and that many of the leaders are turning from Rochdale to Westminster for guidance and help. One delegate actually suggested that the alleged unfairness of local rating on the new buildings of co-operative societies could be righted by the election of co-operators and their Labour allies to the rating authorities of their towns. He apparently did not realise that such a plan—already in operation in several towns—is merely perpetuating the prejudiced view that belittles the respect due to local government.

In his presidential address Mr H. J. May, the secretary of the International Co-operative Alliance, naturally dwelt on the accomplishment of European co-operation and the extension of the movement to the countries in the British Empire where, at present, the co-operative idea is mainly developed by the producers. There were indications among the producers in Africa, India, the Australian Commonwealth and Canada that they were ready to cultivate the co-operative spirit; efforts should be made to assure that their produce was co-operatively marketed to co-operative consumers. Meanwhile world co-operation was growing. There were now in the International Co-operative Alliance 37 States, with 206 national organisations, in which were federated 169,000 societies, with an individual membership of 52 million people. The turnover of these societies—from Iceland to China and Japan—including those for retail and wholesale distribution, production, banking, etc., was £4,622,000,000 sterling, while the aggregate capital was £840,000,000. The vastness of these figures was emphasised by several of the deputations from other countries, notably by Mr A. B. Gourevitch, the representative of the Centrosoyus, the Russian co-operative organisation. The Russian co-operative consumers' movement has a membership of 22½ millions, and the turnover for the past year was £1,456,000,000—about 50 per cent. of the trade of that country and nearly a third of the total co-operative trade of the whole world. Its capital is £80,000,000, nearly one-tenth of the aggregate funds of the entire movement. Such figures gave point to the plea of Mr H. J. May that British co-operators should study the varied developments taking place abroad. He claimed that they could usefully consider the rationalisation of their productive and purchasing undertakings, many of which were now a mass of scattered units without co-ordination and unity that eliminated waste and promoted efficiency.

The president of the Congress hoped that political neutrality would be preserved in their international movement. He was careful to avoid reference to the incursions of British co-operators into the political controversy, and wisely accepted as a fundamental principle of international goodwill the tradition of Free Trade—a tradition in which the co-operative movement has been reared and which is essential to the welfare of trading relations on behalf of the consumers. The maintenance of the international economic policy was dependent, he observed, "on the cultivation of all the means of assuring free intercourse between the peoples of the world—the literal removal of all frontiers—which must ever be of the utmost importance to an island people such as we are, with our dense population and the necessity, on the one hand, of importing not less than 70 per cent. of our requirements from other lands, and, on the other, of maintaining our existence—to say nothing of our prosperity—by the export of the finished products of our manufactories." Such a declaration is in direct opposition to the "Safeguarding" and "Protection" cries now being advanced from certain political platforms.

At last year's Congress the president, Mr A. Whitehead (who is now retiring from the secretaryship of the Co-operative Union after 42 years' service, and is being succeeded by Mr R. A. Palmer), deplored the departure of the movement from the cash principle which has been its basis since 1844. As was pointed out in these columns*, he regarded the encouragement of credit as a deflection from the old ideal. This year's president showed the concern of the co-operators of other countries at the departure of the British movement from the principles it had led them to adopt as a basis for their operations. The coining of the term "Mutuality" gave a delusive title, and has led to a decision for an examination of its effects at the International congress at Vienna next year. The use of the word "mutuality" in regard to credit trading he denounced as a "gross abuse of the term," and went on to observe that "members of our societies are slowly discovering that the so-called 'mutuality' means in practice that those who pay cash are subsidising to the extent of not less than 6½ per cent. those who mortgage the future to supply the perishable needs of to-day." The presidential adverse view is strengthened by the estimated accounts owing to societies at the end of last year. The sales of the retail distributive societies for the twelvemonth were estimated at £212,200,329, an increase of only 6 per cent., whereas the members' debts rose to well over £5,300,000, an advance of over 16 per cent.; the credit clubs and hire purchase sales were close upon two millions, a rise of over 30 per cent. Such facts and figures might well have been discussed by the delegates, who were, however, more interested in a resolution congratulating the movement on the purchase of a Sunday paper with a circulation of 400,000, which has increased to 415,000 during its seven weeks of co-operative proprietorship.

Although the co-operative movement has neighbourly relations with the Labour Party, several of whom are labelled as Co-operators, there is some uneasiness among the business leaders as to the likely rivalry between State and municipal departments with the operations of co-operative societies. The proposals for the development of the State activity in relation to Imperial trade and the State purchase and importation of wheat and other foodstuffs and the regulation of supplies by the Government has been seriously considered by the Co-operative Union, which has appointed a special committee to go thoroughly into the matter. Professor F. Hall is acting as secretary to the inquiry, and has promised that an exhaustive report shall be presented to the next Congress. Now that the movement has its own centralised wheat-buying office for the co-operative flour mills, and is also financing some of the wheat pools in the Colonies, there may be a conflict of interest should the idea of State purchases put forward by the Labour leaders materialise. This is recognised by the leaders of co-operation whose inquiries are extending into the regulation of supplies by the Government and their probable effect on the consumers' co-operative societies. Co-operators are also concerned with the recent merging of multiple shop concerns and the trustification and amalgamations. At the Hartlepool Congress the policy of amalgamating small societies into regional organisations to compete effectively with the big commercial firms was endorsed. This has been examined during the year, and a committee for the co-ordination of co-operative effort set up to effect amalgamations of societies with a view to placing them "in a strong enough position to deal with the menace of destructive competition by capitalist combines and rings." Through-

* *Economist*, June 2, 1928.

out this Congress at Torquay the need for the various sections of the movement to unify their efforts have been apparent. This was developed in the revision of the National Conciliation machinery in connection with labour disputes; in the reorganisation of the agricultural department, and in the institution of an annual trading propaganda campaign. In the absence of the politicians, closer attention than usual was given to educational matters and the advocacy of the League of Nations Union. On Tuesday afternoon Mr A. V. Alexander, fresh from his nomination as a Parliamentary candidate at Sheffield, went along to foreshadow the necessity of a national co-operative policy with regard to milk supplies in view of a new agreement between the milk retailers and the dairy farmers. He incidentally reminded the Congress that there were ten million co-operative voters—but although hopeful, did not actually predict that they would all vote the same way. The brilliant weather of the week, the skilful handling by the chairman and the engagement of political candidates in their constituencies contributed to a Congress of earnest purpose somewhat along the lines of that at Glasgow, over which the late Earl Rosebery presided when he defined co-operation as "a State within the State"—a definition that still obtains.

BRITISH FIRE OFFICES IN THE UNITED STATES.

A STUDY of the fire underwriting results of British offices for 1928 reveals two marked characteristics, a slight but very general reduction in profits and a tendency towards a diminution in premium income. Since nearly 75 per cent. of the total business is transacted abroad, and since by far the largest part of the foreign business is derived from the United States, it is natural to look to American underwriting experience for an explanation.

The table which follows has been based on the official reports of the companies furnished to the American insurance authorities and published annually by the Spectator Company of New York. The figures are, of course, published in terms of dollars, and have been converted into sterling at a rate of exchange of $4.80 to £1 for 1924 and 1925 and at $4.86⅔ to £1 for 1926, 1927 and 1928. Twenty-one companies or groups of companies have been selected, comprising all the principal British offices operating in the United States. In the form in which the figures are set out in the Spectator Company publication, allowance has not been made on the British system for a reserve for unexpired risks at the end of each year in respect of policies then current. Accordingly the necessary adjustment for this has been made on the usual standard of 40 per cent. of the premium income, and the underwriting profit or loss has been found by deducting from the premiums the sum of losses, expenses, and unexpired risk reserve as above.

The aggregate results for each of the past five years on this basis are as follows:—

Year.	Premium Income.	Underwriting Profit. Amount.	Percentage of Premium Income.
	£	£	
1924	31,085,285	726,648	2·3
1925	32,814,506	392,925	1·2
1926	33,601,253	752,354	2·2
1927	31,710,646	2,110,373	6·7
1928	31,277,814	2,531,231	8·1

Thus the premium income has exhibited a reduction in each of the last two years, and the tendency noted above in the final accounts of the British offices is, therefore, explained. Now this reduction in American premium income is attributable to two distinct causes. Owing to a tendency in the past to rely too much on interest earnings to counterbalance unfavourable underwriting results, a great deal of indifferent business had been written. The disadvantages of this course soon made themselves felt, and recently the declared policy of many offices has been to undertake a drastic reorganisation of the business for the purpose of eliminating unfavourable risks. The other cause which has led to a curtailment of premium income has been the greatly increased competition of native companies attracted by the more favourable trend of fire losses. The chairman of the "Royal" has estimated recently that £20 million of capital has been raised in the last two years for new fire insurance company flotations in the United States.

Turning, now, to the underwriting results, as shown in the table, it is evident that the falling-off in total profits of the British offices is certainly not due to the American business, and recent speeches at the various annual meetings have made it clear that this falling off has been due rather to the marked increase in home fire losses.

Finally, it is interesting to consider the results of individual companies and groups of companies, and these are set out below for each of the last two years:—

Company or Group of Companies.	1927. Premium Income.	1927. Underwriting Profit or Loss. Amount.	1927. Underwriting Profit or Loss. Percentage of Premium Income.	1928. Premium Income.	1928. Underwriting Profit or Loss. Amount.	1928. Underwriting Profit or Loss. Percentage of Premium Income.
	£	£		£	£	
1. Atlas	1,003,942	15,407	1·5	1,001,478	64,047	6·4
2. Eagle, Star and British Dominions	888,582	— 52,385	— 5·9	755,787	121,617	16·1
3. British General ...	160,068	19,216	12·0	118,464	11,965	10·1
4. Caledonian.....	673,677	52,651	7·8	607,247	47,558	7·8
5. Commercial Union	4,235,033	251,693	5·9	4,009,243	229,872	5·7
6. Century	363,611	78,906	21·7	317,706	36,679	11·5
7. Employers' Liability	430,388	26,598	6·2	462,303	3,264	0·7
8. General Accident	336,304	23,176	6·9	391,477	11,822	3·0
9. London Assurance	1,123,256	28,047	2·5	1,090,545	66,567	6·1
10. London and Lancashire	1,669,706	139,130	8·3	1,589,949	155,877	9·8
11. North British and Mercantile.....	4,468,271	319,163	7·1	4,699,620	442,327	9·4
12. Northern	1,321,893	37,115	2·8	1,187,920	131,711	11·1
13. Norwich Union ...	964,369	16,320	1·7	903,461	39,167	4·3
14. Phœnix	1,622,370	112,719	7·0	1,626,386	103,733	6·4
15. Prudential	464,992	78,099	16·8	474,337	69,047	14·6
16. Royal	5,831,845	555,722	9·5	5,738,886	617,226	10·8
17. Liverpool & London & Globe.....	2,715,279	154,857	5·7	2,857,203	112,636	3·9
18. Royal Exchange...	771,472	25,059	3·3	821,863	56,626	6·9
19. Scottish Union & National	945,922	95,735	10·1	965,222	103,517	10·7
20. Sun	1,105,323	78,462	7·1	1,111,333	94,699	8·5
21. Yorkshire	614,344	54,683	8·9	547,384	11,280	2·1
	31,710,646	2,110,373	6·7	31,277,814	2,531,231	8·1

The most casual study of this table cannot fail to reveal the extraordinary range and variety of the results achieved by different companies. Last year every company succeeded in working at a profit, as against all except one in 1927, but the underwriting profits range from 0.7 per cent. in the case of the Employers' Liability, to the remarkable result of the Eagle Star and British Dominions, with a profit of 16.1 per cent. Moreover, the fortunes of the companies change in a striking fashion from year to year, as a comparison of the 1927 and 1928 figures will show. Again, the Eagle Star and British Dominions is the most noticeable example of this, for a loss of 5.9 per cent. in 1927 has been turned into a profit of 16.1 per cent. in 1928. The most consistent results appear to be shown by the larger companies, the Royal, the North British and Mercantile, and the Commercial Union.

DANGER OF MOTOR TRAFFIC.

PROBLEMS of internal transport are growing rapidly in importance. Last year, as a leading article in last week's *Economist* pointed out, 212,668 new motor vehicles were brought into consumption in Great Britain. Though we are, let us be thankful, still far from the desperate case of the United States, where the week-end automobile trip in a circulating queue has sunk deep into the body of popular national vices, yet in our plodding Old World way we are moving on the same path, as the following figures bear witness:—

MOTOR VEHICLES AND DRIVING LICENCES.

	Number of Licensed Vehicles (a).	Number of Driving Licences.
1922	909,984	1,210,700
1927	1,657,819	2,349,000
1928	1,758,250	2,527,000

(a) Excluding tramcars and trade licences.

It is, of course, scarcely necessary to examine figures to be assured that more and more motor-cars are coming into use. Congested streets tell their own tale. The time has come to ask ourselves whether we are prepared to en-

courage this expansion by building more and straighter roads, or, on the contrary, to check a movement which, to put it at its worst, brings danger to our thoroughfares, din to our towns, and desecration to our countryside. The course of legislation has been divided. The British motor industry is among those favoured at the expense of the rest of the country by a measure of Protection. On the other hand, motoring as a whole is taxed by the horse-power and petrol duties. As yet there is little apparent danger of the State's being abnormally influenced by the vested interests of the motor trade, as it has been influenced by those of alcoholic refreshment.

The law is, as a matter of fact, obviously out of date. The problem of dangerous streets has never been systematically attacked. A few figures illustrate how great it is. In the final quarter of last year 365 persons were killed and 13,132 injured in street accidents in the Metropolitan Police area. Of the 365 deaths, 355 were caused by motor vehicles of all sorts. The drivers were not, of course, always to blame. Death came to 40 persons who hesitated in the middle of the road and to 126 who crossed "without due care." Yet the penalty for carelessness or indecision seems a trifle excessive compared with the sentences of fines and endorsement of licences often awarded to drunken or dangerous drivers. In 1927, when the number of licensed motor vehicles was 1,657,819, there were 99,650 street accidents in which they were involved, resulting in 4,606 deaths and 112,324 injuries. In 1928 the number of licences rose to 1,758,250, and the number of accidents to 111,976, causing 5,378 deaths and 126,875 injuries. If this rate of increase were maintained, between now and nine years hence we should have killed or injured a million folk on the road, and in fifty years 25 million of us, or half the population, would thus have suffered.

These facts can be regarded from many different points of view. The pedestrian asks that the regulations concerning dangerous driving should be tightened up, and sentences made really deterrent; at the same time he wishes to have some certainty of recovering damages if he is knocked down. The motorist desires similar protection against his irresponsible brethren, and asks for straighter, better lighted and better made roads.

There are plenty of signs that these problems are receiving the public attention which they deserve. The London Traffic Bills, designed to relieve the road congestion on the outskirts of the metropolis, have taken their legislative hurdles. The Royal Commission on Transport is masticating fresh meals of evidence. A few days ago the report was presented of the Conference on road traffic noises and priority of traffic at cross-roads. Lord Cecil's Bill, if for sufficient reason it failed to become law, was at least fully examined by a Select Committee, whose report, while rejecting the Bill, contained two important positive recommendations: that legal speed limits should not be maintained which could not be made effective—how reminiscent of the controversy over naval blockade—and that the Ministry of Transport should proceed at the earliest possible moment to bring in its Draft Road Traffic Bill. Many excuses have been officially made for not proceeding with this measure, the most cogent being that as it has been delayed so long its provisions are already out of date.

There is no lack of suggestions for dealing with the trouble. The principle of Lord Cecil's Bill was that motorists should be physically prevented from driving at excessive speed by mechanical devices attached to their cars and by "waving" the roads at critical points, so that the "road hog" would suffer great discomfort and possibly break the springs of his car. It is improbable that much good could come of such provisions. "Flexibility" in rapid manœuvring is essential if accidents are to be diminished, and anything which makes it more probable that the bad driver will upset his car at dangerous points reduces the safety of others.

Again, it has been proposed that insurance against third party risks should be compulsory, and a Bill to this effect was actually introduced last November by Mr Wardlaw-Milne. It failed, however, to secure the support of the Government. This is a question on which opinion is much divided. Some people feel that the greater the extent to which financial responsibility is shifted to insurance companies, the more willing will drivers be to take risks, so that accidents would be, if anything, increased. Against this it may be urged that the interest which the insurance companies have in preventing fire has resulted in a great diminution in the risk of fire; then let the pedestrian also become the protégé of the insurance company. It is said that the companies themselves view the proposal with disfavour.

The fact is that the great majority of accidents, whether or no there is technical culpability, are to be laid at the door of a few bad drivers. They are not necessarily fast drivers. A first important step would be to ensure that licenses were not granted to persons with patent physical defects, such as deafness or the lack of a limb; no instances of one-armed men who have driven for ten years without an accident can undermine the need for such a measure. Then those who have proved themselves a danger should be prevented from continuing in that capacity; suspension of licences for a period of years should be the lot of all found guilty of negligent driving, with life suspension for the grosser cases of dangerous driving. And in this respect intoxication is not necessarily more dangerous than hysteria.

In the meantime we must palliate our misfortunes. We should reconstruct the danger spots on our roads, not so as to enable motorists to drive faster, but so as to make it certain that they drive less riskily. That is the keynote of the report of the conference on cross-roads. And if we are to live shorter lives let them be as peaceful as possible. Compared with some Continental cities, London's motor noises are as the soft cooing of doves, but the motor-horn nuisance can undoubtedly be alleviated. The conference advised the authorities to embark on the quest of the melodious motor horn in the same way as they sought the effective red reflector for pedal cycles. It was proposed, further, that the creation of unnecessary din by faulty construction, maintenance or loading of motor vehicles should be made a legal offence. Workers in city streets will be delighted to read the condemnation of hooter-sounding by stationary vehicles. There is no doubt that the sounding of horns is excessive; making noises is no substitute for taking care, and the sooner the practice dies of inquiring, after a motor accident, "Did he sound his horn?" the better for all concerned.

In such ways can the day when we must face the whole maze of motoring problems be postponed for a little while. We are still far from making this a land safe for foot passengers to live in, but we are, let us hope, shortly to try and exorcise the few bad motorists who get their whole fraternity a bad name.

SOME ELECTORAL POINTERS.

In the happy days before the war when the Labour Party was still in its infancy and the Irish Party could still be regarded as a "guerilla" attacking force on the flank of the opposing armies of the two great parties of the State, the political prophet was able to make very accurate forecasts of general election results by a study of the course of the by-elections. The would-be prophet of to-day can put no such faith in the by-election statistics of the last four years; for there are at least two considerations which introduce elements of uncertainty. The first is the addition of nearly seven million new voters—mostly women—to the register, which now includes approximately 29 million persons instead of 21½ millions as in 1924. No one can say how these new electors will vote. For our part we are inclined to doubt whether it will sensibly modify what would otherwise have been the judgment of the country. It is generally anticipated that the percentage of the new voters polling will be smaller than among the rest of the electorate, and in any case we have heard no convincing reason for assuming that the young women will vote differently from their families or their fellow workers. The larger figures, however, introduce a new element of uncertainty and offer a fresh field from which votes may be garnered by the skilful politician. In the second place, the political situation has varied greatly in the last few years. The Conservative Party has been losing a proportion of by-elections all through its term of office; but in 1926 the losses were temporarily checked. In that year the Liberal Party had a particularly lean time; for out of their thirteen candidates who stood in fourteen elections, not a single one was successful, and six of them actually forfeited their deposits. On the other hand, since the beginning of 1928, the Conservatives have lost nine out of twenty seats. The five years therefore cover a period of varying fortunes. Moreover, no part of the period adequately reflects the present situation, for it is quite impossible to gauge the extent of the undoubted Liberal revival of the last few months by figures for one or two constituencies. The extent of this revival in actual voting strength is a second unknown factor. A third is the incalculable influence of between four and five hundred three-cornered contests on the distribution of seats. In none of the last three Parliaments has the complexion of the House of Commons reflected the voting strength of the parties in the country, and it would be pure chance (almost a miracle) if it did so on this occasion.

It is worth noting, however, that taking the period as a whole, the by-elections of the last five years at least show a substantial divergence from the results of 1924, which were, by common admission, rendered abnormal by the publication of the notorious Zinoviev letter. During the lifetime of the last Parliament there were 61 by-elections. In other words about 10 per cent. of the House of Commons was re-elected. The following tables show first, for purposes of comparison, the results of the last two general elections, and secondly, the results in the 61 seats both in 1924 and in the subsequent by-elections:—

RESULTS IN ALL SEATS.

	1923. General Election.			1924. General Election.		
	Votes.	Candi-dates.	Seats.	Votes.	Candi-dates.	Seats.
Conservative	5,545,000	536	258	7,838,000	534	415
Liberal.....	4,314,000	454	158	2,925,000	342	42
Labour	4,508,000	423	191	5,424,000	516	152

RESULTS IN 61 SEATS.

	1924. General Election.			Subsequent By-elections.		
	Votes.	Candi-dates.	Seats.	Votes.	Candi-dates.	Seats.
Conservative	844,852	58	44	630,795	59	29
Liberal.....	379,372	34	6	447,834	59	10
Labour	523,245	45	11	567,925	56	22

Comparison of the 1924 figures for the whole country and for the 61 seats respectively, shows that the latter do not include quite enough Labour seats, or seats in which there was a Labour candidate, to make it an entirely representative sample. With a larger proportion of Labour seats the by-election results might well have been Conservatives 27, Liberal 10, Labour 24, instead of the figures shown in the table. An outstanding feature of these figures is the rise of the Conservative poll in the General Election poll per candidate from about 10,500 votes per candidate in 1923 to nearly 15,000 in 1924, and a drop back again to 10,600 in the by-elections. The number of seats has risen and fallen in proportion. The increases in the by-election votes of the Liberal and Labour parties is, of course, connected with the increased number of candidates. In the case of the Liberals the by-election contests include, as we have observed, large numbers of forlorn hopes. But if the by-elections are compared with 1923 results it is evident that the margin between the votes of the two parties has widened to the advantage of Labour and this is reflected in Labour's larger proportion of seats.

If we make the adjustment mentioned above, it would not be unreasonable to regard these figures as an index of the state of feeling in the country during the Conservative term of office and to assume that if the election had occurred during the past winter the results would have shown a result of approximately: Conservatives 270, Liberals 100, Labour 240. Such figures, which, curiously enough, are not dissimilar from the present "majority" quotations on the Stock Exchange, give, of course, an unwarranted impression of exactitude—but we believe them to be of value so far as they indicate the probability that in the event of an appeal to the country at no time during the past 4½ years could the Conservative Government have counted on an absolute majority (and we might add on more than 40 per cent. of the votes cast); on the other hand, at no time could they have been dispossessed as the largest party, and at no time could the Liberals (though certain ever since 1924 to improve their position) have counted on more than 100 seats.

But when we have said this we have only touched the fringe of the enigma of May 30th. The most formidable factor is the effect of a ten weeks' concentrated propaganda of the Liberal unemployment plan; while prophecy is still further confounded by the increase in the electorate and the existence of three or more candidates in about three-quarters of the constituencies. Here are the figures of the new electorate registers:—

	Men.	Women.
England and Wales	11,867,380	13,225,156
Scotland	1,413,602	1,566,657
Northern Ireland	384,956	485,815
Grand totals	13,665,938	15,277,628

In 1924 the totals for Great Britain were 12,062,198 men and 9,053,019 women. For these votes 1,729 candidates are appealing. Of this total 590 are Conservatives, 570 Labour, 512 Liberals, 25 Communists, and 32 either are Independents or represent sectional interests. The state of the parties in the House of Commons at the dissolution was: Conservatives 396, Labour 160, Liberals 46, others 7 (six seats being vacant). At the 1924 dissolution the position was as follows:—Conservatives 258, Labour 193, Liberals 158, others 5 (one seat being vacant). Among these figures we must leave the political statistician to roam.

Notes of the Week.

The Reparations Situation.—Up to a point progress was made this week in Paris in regard to Reparations. Our Paris correspondent gives the substance of the revised report. The chief changes as compared with the summaries previously given are, first, that the Allies ask for an additional 25 million marks for 37 years to cover the Belgian war marks claim. The reservations put in by Dr Schacht have been considered and the creditors' views put to the German delegation. The proposal that the Austro-Hungarian Succession States should contribute is believed to have been rejected, while it is also believed that the demand for a moratorium in certain contingencies has been refused on the ground that, though transfer difficulties may arise, there should be no difficulty for Germany in providing the necessary marks. The independent committee, of which much has been heard, which should deal with any threatened transfer difficulties, is to be advisory only, but we must await the report before it is possible to judge whether the plans for a revision or for suspending transfers are practicable. The Germans have asked for the railways to be released from the mortgage under the Dawes Plan. To this the creditors have replied by suggesting plans under which the German railways could raise development loans up to a certain maximum with priority over mortgage.

BANQUE BELGE & INTERNATIONALE EN EGYPTE.
Egyptian Limited Liability Company.
(Authorised by Royal Decree, dated January 30th, 1929).
EMBODYING THE FORMER EGYPTIAN BRANCHES OF THE
BANQUE BELGE POUR L'ETRANGER
CAPITAL (subscribed): L.E. 1,000,000
„ (paid up): L.E. 500,000
HEAD OFFICE: CAIRO. BRANCH IN ALEXANDRIA.
Correspondents in all the principal cities of the world.
ALL BANKING OPERATIONS TRANSACTED.

Secondly, it is proposed to increase the amount of unconditional payments. The German delegates strongly dislike the raising of the conditional payments and the addition to the annuity of the Belgian marks claim, and following rumours of the resignation of both the German delegates the resignation of Dr Voëgler is officially announced. But Dr Schacht remains, and there is yet hope that a final break in the negotiations can be avoided. The substantial ground for this hope is that, after these long discussions, it is clearly impossible to go back to the old situation, and some new way must be found. Early in the week it was announced that Mr Hoover, who had summoned an emergency meeting of the leaders of the parties at Washington, had secured from them an agreement that if there were to be any scaling down in Reparations payments, America would be prepared in principle to accept a proportionate reduction with the other creditors. This was accepted in Paris as an earnest of goodwill and an additional incentive to come to an agreement. But the proposal does not substantially lighten the problem before the Experts, for the American claim to Reparations is a very small one, and her concession is only worth about £200,000 a year. This gesture from America, however, was quickly followed by an inquiry addressed by the American Government to France, as to whether the United States might expect the French ratification of the Mellon-Bérenger agreement this payment will be spread over a due to pay over 400 million dollars to the United States for war stocks this year. If she ratifies the Mellon-Berenger agreement this payment will be spread over a long period. This is a strong inducement to France to ratify, but she is unwilling to commit herself until a Reparations settlement is assured. This problem, therefore, affords an additional reason for expecting that a settlement will be reached.

The " Safeguarding " Issue.—Although the unemployment problem continues to hold the centre of the stage, the protectionist proposals of the Government have this week been occupying more and more of the general attention of the electorate. We regret to see that certain prominent political and responsible organisations continue to circulate fantastic figures relating to the result of " Safeguarding " experiments of the type which we have frequently exposed in these columns. But the most important development in the fiscal controversy is the conspicuous manner in which Mr. Ramsay MacDonald has nailed the Free Trade flag to the Labour mast. He has definitely committed his party—among whom there are divergencies of opinion on the point—to the repealing of the " Safeguarding " duties. This means that unless the Conservatives obtain a clear majority over the other two parties combined, we shall have in the next House of Commons a majority pledged not merely to resist any extension of Protection but even to make a definite move towards freer trade. As in 1924, so in 1929, a motor manufacturer has joined in the battle. In the former year Mr Morris tried to make the nation's flesh creep by telling them that without Protection the British motor industry would die. Now Sir Herbert Austin tells us that if the McKenna duties are removed his firm will have to put up its shutters. This, of course, is sheer nonsense, and the nonsensity is too apparent to mislead the electorate. Students of " The Case for Free Trade," which we have recently published, will be fully aware of the fact that the jeremiads of 1924 were completely falsified by events. In that statement of the Free Trade case we wrote:—" A review of all the facts and figures reveals no justification for the claim that Protection has caused the expansion of the motor industry. It made its biggest stride in the Free Trade year." We repeat it.

Reassessments and De-rating.—The result of the Rating and Valuation Act of 1925 was, on the whole, to raise the level of rating assessments, chiefly because the economic progress of society, the spread of towns, and the development of road systems, all tend to raise the value of real property except in particularly depressed areas. Even in the latter special causes operated to raise assessments, for instance, in more than one mining district collieries found the rateable value of their cottage property raised in accordance with the increase in rents elsewhere since the last assessment and with the higher standard of house accommodation now provided. Some Opposition election campaigners having attempted to associate these rate increases with the Local Government Act of 1928 (the " De-rating " Act), the Minister of Health has been prompted to issue a formal reply. Mr Chamberlain quite justly points out that the increase in assessments cannot result from the De-rating measure, which provides that, on the basis of present expenditure, county and county borough councils (though not the smaller authorities) will actually receive from the State one shilling per head of population more than they relinquish; he insists, furthermore, that a general rise in assessments need not be accompanied by an increase in the rates paid, since it could be counter-balanced by a corresponding reduction in the rate in the pound. But when he says that the Act of 1925 has no connection with the Local Government Act he is on less sure ground; without the uniform and up-to-date valuation which the 1925 Act provided, the De-rating Act would have been impossible, and we cannot suppose that when the Rating and Valuation Act was introduced the possibility of its serving as the foundation of a measure of rating reform was altogether absent from the minds of the Government. That is by the way. Mr Chamberlain also neglected to draw attention to the inevitable tendency of local authorities to extend expenditure in proportion to enlarged assessments. The increased yield of existing rates in the pound is a temptation to extend expenditure accordingly, and the further a penny in the pound goes, the more readily it is imposed. All this is of great importance in connection with the Local Government Act, because if the obligations of any local authority are increased at the present time they are not accompanied by any increase in the Exchequer grant, which is based on the expenditure of the financial year, 1928-29, and they have, moreover, to be borne on a total rateable value reduced by the rating relief to industry and agriculture. In this way the Local Government Act may become a " Higher Rates Act," but, if so, the local authorities and not Parliament will have been chiefly to blame.

The Pope and Mussolini.—At the moment, when the settlement of the Roman question was first announced, it looked as though Signor Mussolini had got very much the best of the bargain. The Italian State, it seemed, would at last be rid of the thorn in its flesh; while the Vatican, by having come to terms with the Kingdom of Italy, had thrown open the flood-gates for a torrent of national rivalries to inundate the Catholic Church. The competition for places in the College of Cardinals between Italians and others might come to rival the competition for seats on the Council of the League of Nations; and all these embarrassments of the Catholic Church would redound to the Italian State's advantage. These forecasts were based on the assumption that the Vatican had tacitly pledged itself to a complacent and accommodating policy towards Fascismo as part of the bargain; but this assumption—though natural—is not being borne out by the event. Already the Pope has put his foot down, and put it down firmly. The occasion arose out of the speech which Signor Mussolini delivered in presenting the treaty and concordat to the new Italian Chamber. Among other things he remarked that he had given the Pope enough soil to bury the Roman question for ever; that he was intractable on the point that the youth of Italy must be imbued with the Fascist faith and aspirations; and that the State should breed a race of conquerors, bred for conquest. The Pope has ignored the first of these sallies; and, indeed, it may be taken as certain that the Vatican will ratify the agreements, as the Italian Chamber has done already, and that in this sense the Roman question will be put out of the way. It looks, however, as though it might be replaced forthwith by a new kind of Roman question, which will be still less to Signor Mussolini's liking than the old one; for, on the question of education, the Pope has lost no time in joining issue with the Duce. Taking up the phrase about " breeding for conquest," he pertinently remarked that " that which is done in one State might also be done throughout the whole world, and, if all States breed with a view to conquest, what then will happen? " He slily added that perhaps " the meaning was that it was intended to breed for the purpose of the conquest of truth and virtue," in which case " we shall, of course, be in perfect accord." But he went on at once to say that they would never be in accord in anything that aimed at impeding, diminishing or denying that right which Nature and God had given to the Family and the Church in the field of education. " On this point we do not wish to say that we are intractable, because intractability is not a virtue, but we do say that we are merely intransigent." He concluded by declaring that the Church did not dispose of material means for maintaining this intransigence, but that this was not a matter for regret, because " truth and right do not need material forces, since they have a force of their own—a force inconfutable and irresistible." This speech has made the Fascist Press angry, and we should not wonder if it has made Signor Mussolini uncomfortable. There is nothing that baffles the master of material forces so much as being confronted by opposition on another plane, on which the rods and axes ineffectively beat the air. And, in taking up the cause of the Family against the State, the Pope has made a bold bid for the support of all the forces of commonsense and sweet reasonableness. Church and State have their origins in mythology; the human realities are men, women and children, and if Church and State join issue, the victory is likely to fall to whichever of the two institutions shows itself the better servant of humanity. In an age when it is no longer Clericalism but Nationalism that is " the enemy," opinion will rally to the side of any power that has the courage to restrain the State from running amok.

American Cotton Crop.—The Department of Agriculture of the United States Government has now issued the final figures relating to the cotton crop for 1928. The area planted is now given as 46,946,000 acres, against 41,905,000 acres, the revised figures for 1927. The area picked is given as 45,341,000 acres, against 40,138,000 acres in the previous season. The yield per acre has been returned at 152.9 lbs., against 154.5 lbs. for the previous year. The total production is given as 14,478,000 bales, as compared with 12,955,000 bales in the previous season. The Department has published some interesting statistics with regard to the causes that reduced the yield. In this connection it is pointed out that in 1928 the boll weevil was responsible for 14.1 per cent., against 18.5 per cent. in the previous year, and 7.1 per cent. in 1926. The figures for excessive moisture are 7.3 per cent., against 4.9 per cent. in 1927 and 3.2 per cent. in the previous year, whilst the figures for deficient moisture are 4.4 per cent. for 1928, 6.4 per cent. for 1927, and 5.3 per cent. for the previous year. In market circles there has not been any great amount of interest in these statistics, as the attention of traders is now centred on the prospects for the new growth. Although no official information is yet available, it is agreed in most quarters that the crop has made a good start, and owing to the probability of a fair increase in the acreage the yield should be larger than last year, but a great deal will depend upon the weather during the next two or three months. As world consumption is now between 15,000,000 and 15,250,000 bales per annum, it is important that the prospects should indicate a yield of 15½ million bales, if an inroad upon stocks is to be avoided during the next twelve months.

Cotton Lock-Out Averted.—Our Manchester correspondent writes: At the end of last week there seemed to be a distinct danger of the Lancashire cotton-spinning industry landing itself into serious labour trouble, and a lock-out was only averted at the last moment. The trouble arose at the Alma Mill, Oldham. This mill was stopped for many weeks at the beginning of this year owing to bad trade. On reopening the employers gave notice of a revised scale of wages. The cardroom workers made a protest and followed up a week's notice by coming out on strike. The Master Spinners' Federation regarded this action as a violation of a joint agreement made in 1914, and decided to recommend the closing of all spinning mills in the Federation on May 18th. The agreement referred to was to the effect that notices to cease work shall not be posted at any mill until the matter in dispute has been considered by the joint committees of the two organisations, both local and central, and it was quite evident the cardroom operatives had not observed the agreement. A little later the matter was discussed by the Masters' Federation and the Cardroom Operatives' Amalgamation, and the latter body agreed to recommend the Oldham Association to advise its members at the Alma Mills to resume work as the employers had promised that, as soon as work was resumed at the mill, they were willing to agree to set up a joint committee to investigate the trouble. The Oldham Association, however, refused to act upon the recommendation of the amalgamation. In the middle of last week the Mayor of Oldham intervened and Lord Derby also had interviews with the trade union officials and the employers. As very little progress was made Sir Horace Wilson, the permanent secretary of the Ministry of Labour, and other officials took part in the negotiations. Ultimately, late on Saturday afternoon the Oldham Cardroom Operatives' Association agreed to accept the proposal of the employers that the cardroom operatives should return to work on condition that, if on investigation within one month after restarting their earnings are found less than is provided by the universal list, prices should be remedied accordingly and the difference refunded. Although to the outsider this dispute might not have been considered sufficiently important to warrant a general lock-out, a serious violation of an agreement had undoubtedly been committed by the Oldham Cardroom Operatives' Associations. It was feared in some quarters that this dispute may have had a bad effect on the relations between the Lancashire employers and the trade union officials.

Protection in Great Britain and Germany.—Advocates of Safeguarding policy are wont to paint this country as a shorn lamb, condemned by her traditional policy of Free Trade to nakedness amid her amply protected competitors. Mr Churchill attempts to reconcile explicit belief in Free Trade with the imposition or retention of our present tariff. It is interesting, therefore, to see, in a comparison with Germany, how far we have already departed from strict Free Trade, and how extreme is that form of Protection which goes by the pseudonym of Safeguarding. Germany is, by the tradition of fifty years, a Protectionist country; the classic of Protectionist theory, which all undergraduates studying economics are made to read, List's " National Theory of Political Economy " had a German author, and has often been the inspiration of German trade policy. The comparison cannot be made exactly, since our duties are usually *ad valorem*, whereas in Germany they are usually specific, but such comparison as is possible shows that in practically every instance where duties are levied in both countries the British duty is the higher. To take the most important categories, the McKenna duty of 33⅓ per cent. on motor cars compares with German duties estimated at 16.16 per cent. on cars weighing less than 1,100 kg. (a little more than one ton), 8.62 per cent. on cars weighing up to 1,600 kg. (about 1½ ton), and 6.46 per cent. on heavier motor vehicles. Our duties on lace and embroidery are, on the average, about twice as high as the corresponding German rates. The duty on hollow-ware entering Germany ranges from 4.6 per cent. on unfinished wrought iron ware to 11.2 per cent. on finished ware of sheet iron; we have a uniform duty of 25 per cent. Cutlery pays 33⅓ per cent. on importation into the home of Free Trade, against only 2.3 per cent. if unfinished and 5.5 per cent. if finished on importation into Protectionist Germany. And so the tale goes on. Science and art suffer alike, since optical instruments for scientific purposes and surgical glassware, which enter freely into Germany, pay respectively 50 per cent. and 33⅓ per cent. in Great Britain, while musical instruments, paying a uniform rate of 33⅓ per cent. here, are taxed on entering Germany at rates ranging from 13.33 per cent. on organs to 1.37 per cent. on flutes. Many more instances could be brought. Of course, there are also duties in Germany on a great many commodities which enter freely into

Great Britain, but the fact remains that the proposal to give general application to Safeguarding is a threat to set us not only among the Protectionist, but among the high Protectionist, countries of the world.

Employment in April.—Employment continued to improve during April. According to the *Ministry of Labour Gazette*, among the 1.9 million workpeople insured under the Unemployment Insurance Acts of Great Britain and Northern Ireland the percentage unemployed (wholly and temporarily) at April 22nd was 9.9, as compared with 10.1 per cent. at March 25th and 9.5 per cent. at April 23rd, 1928. The total number of registered unemployed at April 22nd was approximately 1,181,400. This compares with 1,203,800 at March 25th and 1,127,700 at April 23rd, 1928. At the end of April, however, the figure had risen to 1,198,000, owing mainly to increased unemployment in the coal mines. The following table gives the monthly movements of the unemployed percentage for some years past:—

PERCENTAGE UNEMPLOYED AMONG INSURED WORKPEOPLE IN GREAT BRITAIN AND NORTHERN IRELAND.

End of—	1922.	1923.	1924.	1925.	1926.	1927.	1928.	1929.
	%	%	%	%	%	%	%	%
January	16·2	12·7	11·9	11·5	11·0	*12·0	10·7	12·3
February	15·7	11·8	10·7	11·3	10·4	10·9	10·4	12·2
March	14·6	11·1	9·9	11·1	9·8	9·8	9·5	10·1
April	14·4	10·9	9·7	10·9	9·1	9·4	9·5	9·9
May	13·5	10·7	9·5	10·9	*14·3	8·7	9·9	...
June	12·7	11·3	9·4	11·9	*14·6	8·8	10·8	...
July	12·3	11·5	9·9	11·2	*14·4	9·2	11·7	...
August	12·0	11·8	10·6	12·1	*14·0	9·3	11·7	...
September	11·9	11·7	10·8	12·0	*13·7	9·3	11·4	...
October	12·0	11·7	11·1	11·4	*13·6	9·5	11·8	...
November	12·4	11·5	11·0	11·0	*13·5	9·9	12·2	...
December	12·2	10·7	10·9	10·4	*11·9	9·8	11·2	...

* Excluding workpeople in the coal-mining industry who were disqualified for unemployment benefit owing to the dispute.

The industries in which improvements were recorded during the month included the mining group, excluding coal mining and slate quarrying; building and public works contracting; brick, tile, cement and pottery manufacture; tinplate manufacture; shipbuilding, ship repairing and marine engineering; the shipping service; silk and artificial silk, and lace manufacture; the clothing trades, and boot and shoe manufacture. In the coal-mining industry an increase in the numbers temporarily without work more than offset a reduction in the numbers of those wholly unemployed. In the cotton, linen and jute industries, in textile bleaching, dyeing and finishing, in the glass bottle industry, and in river, dock and harbour services, there were also increases in the numbers unemployed.

Cost of Living.—There was a further fall in the cost of living during April. At May 1st the index number of the Ministry of Labour stood at 61 per cent. above the level of July, 1914. This compares with 62 per cent. a month ago and 64 per cent. a year ago. For food alone the index stood at 49 per cent. on May 1st, as compared with 50 per cent. at April 1st and 54 per cent. a year ago. The following table shows the monthly movements of the index figures over a number of years:—

AVERAGE PERCENTAGE INCREASE over JULY, 1914.—All Items. (Food, Rent, Clothing, Fuel, and Light, &c.)

1st Day of	1918.	1921.	1924.	1925.	1926.	1927.	1928.	1929.
	%	%	%	%	%	%	%	%
January	85–90	165	77	80	75	75	68	67
February	90	151	79	79	73	72	66	65
March	90	141	78	79	72	71	64	66
April	90–95	133	73	75	68	65	64	62
May	85–100	128	71	73	67	64	64	61
June	100	119	69	72	68	63	65	...
July	100–105	119	70	73	70	66	65	...
August	110	122	71	73	70	64	65	...
September	110	120	72	74	72	65	65	...
October	115–120	110	76	76	74	67	66	...
November	120–125	103	80	76	79	69	67	...
December	120	99	81	77	79	69	68	...

The fall in the cost of living during April is chiefly due to reductions of 4d. per lb. in the price of tea, as a result of the abolition of the import duty.

Appointment of a Patents Committee.—The Board of Trade announces the appointment of a committee to report "whether any, and if so what, amendments in the Patents and Designs Acts, or changes in the practice of the Patent Office, are desirable." The *personnel* of the committee is as follows:—The Right Hon Sir Charles H. Sargant (chairman), Mr Horatio Ballantyne, Mr A. A. Gill, Mr E. H. Hodgson, Sir Herbert Jackson, Mr W. S. Jarratt, Mr Fearnley Owen, Mr J. G. Weir, Mr James Whitehead and Mr R. W. Luce (secretary). At least four of these members are men of considerable direct experience in patent matters, two others at least are directors of large manufacturing firms, and the legal and technical sides of the matter are well represented. We have repeatedly urged in these columns the pressing necessity of a thorough revision of the patent laws, and we welcome the appointment of such a well-balanced body of experts to deal with the matter.

The French Turnover Tax.—The progress and development of the French system of taxation on turnover now constitutes perhaps one of the most interesting experiments in modern taxation methods which the student of economics can study. This tax is levied on each successive change of possession in the case of manufactured goods, in the long and adventurous journey from the raw material stage to the final consumer. The turnover tax, which was first applied by M Klotz, M Clemenceau's Minister of Finance, is now the "best yielder" of the long list of French taxes. It has led, however, to the creation of innumerable "vertical trusts" on a small scale, with the result that the large stores are able to compete on unfairly favourable terms with the small shopkeepers; and, on the other hand, it has transformed a whole army of intermediary buyers and sellers into, from the moral point of view, fraudulent commission agents, who, by wrongfully posing as dealers on commission—instead of as actual wholesalers, or retailers, interposed between the manufacturer and the consumer—have found a means of escaping the greater part of the burden of the tax. All this has brought about a movement in the direction of replacing the turnover tax and its multiple successive applications by a single and final "tax on production," levied at the source. Every year sees a further step in the transformation of the turnover tax and the consequent liberation of whole categories of trades from the irritation of its incidence and the worry of collecting it on behalf of the Government. How far this transformation has already been effected may be gathered from the following dissected results of the yield from the various forms of the tax during the first three months of 1929:—

Turnover tax proper (*i.e.*, tax in its original form, as levied on each stage between producer and consumer)	2,122,901,000f.
Tax "at the source" on teas and coffees (replacing turnover tax)	51,861,000f.
Tax on manures, oilcake, etc.	28,044,000f.
Tax on extraction of coal, levied at pithead	50,799,000f.
Slaughterhouse tax on meat	103,765,000f.
Tax on sugar levied on producers	38,105,000f.
Tax on imported sulphurs	1,324,000f.
Tax on flour, semolina and by-products (since Jan. 1)	12,611,000f
Export tax (as modified and reduced)	127,000f.
	2,409,537,000f.

The extension to other classes of commodities of the replacement of the present turnover tax by variously based taxes on production is now only a question of time.

Canada and the United States.—The proceedings of Congress at Washington are being followed with keen interest in Canada, writes our Ottawa correspondent, and hopes are still cherished by Canadian Liberals that the influence of the Hoover administration will be exercised to restrain protectionist excesses which would virtually act as an embargo upon imports from Canada. Some significance was attached to a speech delivered on April 29th to the Canadian Club of Montreal by Mr W. R. Castle, an Under-Secretary of State at Washington, who was credited with a propagandist mission. *The Montreal Gazette*, which is a vehement opponent of the St. Lawrence Waterway, interpreted his speech as a veiled threat that Canada must agree to the St. Lawrence Waterway development or face a higher tariff on her agricultural products. It declares that such a threat should be disregarded, and that the complaint of Canadians should not be against American policy and tactics but against the inability and reluctance of the present Canadian Government to cope with that policy when Canadian interests are adversely affected. On the other hand, the *Manitoba Free Press*, answering the Conservative argument that Canada's imports from the United States have been increasing at a dangerous rate, recently offered an interesting analysis of the import situation. It points out that in 1924 Canada imported from the United States goods valued at 601 million dollars, or 67.3 per cent. of her total imports, and that although in 1928 these imports had jumped to 825 million dollars, an increase of 224 millions, or 37.3 per cent., yet their proportion of the Dominion's total imports was only 67.5, which is an infinitesimal increase. Furthermore, the *Free Press* showed that in these four years, when Canada's imports from the United States increased 37.3 per cent., Canada's domestic industrial production, which had risen from 2,695 to 3,427 million dollars in value, showed a gain of 41 per cent. The *Free Press* therefore urges that the increase in imports from the United States is nothing more than the normal volume which might be expected from the expansion of the Dominion, and that Canadian industries cannot be suffering seriously from American competition when they have increased their own production so satisfactorily and are employing more people than ever before.

National Exhibitions in Poland and Sweden.—For the first time since her restoration, Poland is holding this year a great national exhibition, on the lines, and almost of the size, of the Wembley Exhibition, which is to be as representative as possible of Polish national, cultural, social and economic achievement. Special pains are being taken to make the fair so illustrative of Polish life that the foreign visitor will be enabled, in the words of its promoters, "To see the country at a glance." As an additional attraction a variety of international sporting events will be organised, and it is hoped to include an international horse show. The fair is to be held in Poznan, from May 16th to September 30th, and special facilities have been provided for foreign visitors. The Swedish Industries Fair, to be held in Gothenberg from May 26th to June 2nd, is of a more purely economic character; a feature of special interest will be the inclusion of a separate department of inventions. It is hoped that the number of foreign visitors to these fairs, which are by no means of purely national interest, will be as great as possible.

INSURANCE NOTES.

Sun Insurance Office.—Judged by comparison with the reports of the last three years, the 1928 report of this, the oldest fire office in the world, reveals a falling off in profits. But previous reports have set a very high standard, and the 1928 accounts really make a very satisfactory showing. The diminution in profits has occurred in the fire department, and a similar tendency has been noticeable in the 1928 reports of a number of other companies. The premium income has been well maintained, that in the general department showing another substantial increase, due, no doubt, largely to expansion of the company's American subsidiary, the Sun Indemnity of New York. For the third year in succession the marine department has yielded neither a profit nor a loss, for although £20,000 has been credited on each occasion to profit and loss account from this section, the same amount has been retransferred to the marine account in order to build up the fund. The marine premium income is relatively small, being under £400,000, and, as the fund now amounts to 103 per cent. of the premiums, the marine position should give no cause for anxiety to the shareholders. The detailed underwriting results are set out below for each of the past two years in our usual form:—

	1927. Profit. £	1927. Percentage of Prems. %	1928. Profit. £	1928. Percentage of Prems. %
Fire	317,603	12·2	281,916	10·7
Personal accident	3,683	9·9	3,022	7·2
Employers' liability	1,107	·7	2,982	2·0
Burglary and general	22,824	2·4	29,689	2·8
Marine	...	...	...	...
	345,217		317,609	
Less items debited to Profit and Loss account	109,577		120,860	
Total net trading surplus	235,640		196,749	

The 1928 dividend is at the rate of 62½ per cent., compared with 57½ per cent. in 1927, and the increased distribution is wholly covered by interest earnings. Consequently the whole of the net trading surplus, equivalent to nearly 17s. per share, is available to augment the free surplus resources. Bearing this in mind, and taking into account also the increased dividend, the rise in the market price of the shares over the past year from £37¾ to £42 appears to be fully justified.

Phœnix Assurance.—The 1928 report of this company reflects the experience common to most large composite insurance offices, namely, a reaction from the very favourable fire underwriting profit of 1927, coupled with some compensatory increase in profits of other departments. Unlike most other companies, the general, and not the fire, account yields the largest premium income, the amounts last year being £3,571,149 and £3,362,031 respectively. The general account premium income, which has shown some diminution in each of the last two years, is attributable largely to the American casualty business of the Phœnix subsidiary, the London Guarantee and Accident, and has yielded a very inadequate rate of profit. In 1925 the account showed a profit of 1.0 per cent., in 1925 1926 a loss of 1.3 per cent., in 1927 a profit of 2.0 per cent. and last year a profit of 2.6 per cent. The marine account has recently been greatly curtailed, and no transfer has been made either to or from profit and loss since 1923. The fund is reasonably strong at 95 per cent. of the 1928 premiums. The results are shown in detail for three underwriting accounts, and it is estimated that the 1927 account will result in a small loss of £5,000, compared with £43,000 in the preceding year. The 1928 account, however, shows more promise, for first year claims have absorbed 33 per cent. of the premiums, as against 33.3 per cent. in 1927 and 35.4 per cent. in 1926. Our usual comparative table of the detailed underwriting results of the past two years is set out below:—

	1927. Profit. £	1927. Percentage of Prems. %	1928. Profit. £	1928. Percentage of Prems. %
Fire	301,836	9·2	204,494	6·1
Personal accident	8,887	5·8	7,417	4·7
Employers' liability	10,814	6·8	15,268	9·4
General	72,464	2·0	93,638	2·6
Marine	...	...	...	...
Life	40,000		70,000	
	434,001		390,817	
Less items debited to Profit and Loss Account	141,540		195,267	
Total net trading surplus	292,461		195,550	

Included among the items debited in 1928 to profit and loss account is a sum of £100,000 stated to be "reserve for pensions." In previous years this item has usually figured for £25,000 (although for 1927 the amount was £50,000), and has been labelled "commutation of pensions." The increase in the amount and the alteration of the label suggests that the company has now decided to set up a proper pension fund on the lines adopted by many other offices. The life department continues to show expansion, and the fund now amounts to the imposing total of over £15 million. Last year new policies for net sums assured of £3,043,304 were issued, compared with £2,881,330 in 1927.

Royal Insurance.—The Royal Insurance Co., Limited, has succeeded in producing a very fine report of its operations for the year 1928. The results for 1927 were spoiled by a considerable loss arising from one department, the general department. In connection with indemnity insurance, guaranteeing the paper of certain automobile finance companies, the Royal's allied company, the Royal Indemnity of New York, sustained in 1927 a serious loss, with the result that the aggregate outcome of this department was a substantial underwriting deficit of £327,000. Last year, however, the department was restored to a profit-earning basis and yielded £127,000 for profit and loss account, equivalent to a modest 2½ per cent. of the premiums. The fire department is the largest department, with premiums of £6,853,000. The effect of lower American fire losses was offset by the unfavourable trend of home fire losses, with the result that the underwriting profit is rather lower at 11.9 per cent. of the premiums, compared with 12.7 per cent. in 1927.

The detailed underwriting results are set out below:—

	1927. Profit. £	1927. Percentage of Premiums. Per cent.	1928. Profit. £	1928. Percentage of Premiums. Per cent.
Fire	865,005	12·7	818,066	11·9
Personal accident	10,055	4·6	6,152	2·7
Employers' liability	54,482	14·0	68,933	17·6
General	327,076	— 6·8	126,546	2·5
Marine	21,334	3·1	85,309	7·2
Life	26,000	...	26,000	
Profit on sales of investments	106,887		53,090	
	756,687		1,184,096	
Less items debited to profit and loss a/c.	300,476		385,616	
Total net trading surplus	456,211		798,480	

The dividend has been raised from 29s. per share to the equivalent of 30s. per share, but owing to the normal increase in interest earnings, the increased distribution requires a draft upon trading surplus to the extent of only £61,000. In fact, the total available earnings would have been sufficient to pay more than half as much again. In the life department a large new business has again been transacted, and the rate of interim bonus has been raised from 40s. per cent. to 42s. per cent.—an indication that the results of the quinquennial valuation due at the end of this year are expected to be favourable.

Liverpool and London and Globe Insurance.—With the exception of the boom period immediately succeeding the war, the aggregate underwriting profits earned in 1928 are the best in the company's history. In every department except the miscellaneous department, where there is a small decline, there has been an advance in the premium income, and the total of £10,971,160 compares with £10,887,963 in 1927. This large amount is made up as to £4,700,000 from the fire department, as to £5,430,000 from the miscellaneous department, including the motor department, and the balance from personal accident, employers' liability and marine insurance. The detailed underwriting results of the past two years are set out below:—

	1927. Amount £	1927. Percentage of Premiums.	1928. Amount £	1928. Percentage of Premiums.
Fire	423,652	9·1	294,848	6·3
Personal accident	5,868	2·3	— 297	...
Employers' liability	26,430	15·6	11,550	6·6
Miscellaneous	68,467	1·2	247,769	4·6
Marine	11,301	3·1	25,117	6·1
Life	21,199		23,000	
	556,917		601,987	
Less items debited to Profit and Loss account	146,918		150,237	
	409,999		451,750	

The total interest earnings of the company, after deducting debenture interest, have increased by £13,000 to £486,000. The dividend has been raised from 60 per cent. to 62½ per cent., and at £535,000 costs another £24,000 compared with 1927. As a result of the year's operations the sum of £402,845 has been added to surplus assets compared with £371,688 in 1927, being equal almost to 40 per cent. of the total paid-up capital. In the life department new policies were issued last year for net sums assured of £1,704,571 compared with £1,575,645 in 1927, and the fund has increased to £8,707,096. A quinquennial valuation of the life department has been made as at December 31, 1928, and the results, compared with those of the preceding valuation five years ago, are exhibited in the following table:—

	1919–23. £	1924–28. £
Surplus earned during the quinquennium	719,271	1,173,796
Brought forward	221,591	308,748
	940,862	1,482,544
Allocations:—		
To Bonuses to policyholders	489,222	764,816
,, Shareholders	98,600	107,493
,, Bonus reserve fund	...	100,000
,, Annuity fund	44,292	27,076
,, Carried forward to next quinquennium	308,748	483,159
	940,862	1,482,544

The reversionary bonus to with-profit policyholders has been increased from 35s. per cent. per annum for all classes of policy to 42s. per cent. per annum for whole-life policies, and 40s. per cent. per annum for endowment assurances. Moreover, the directors have decided to declare an interim bonus for the current quinquennium at still higher rates, namely, 45s. per cent. per annum for whole-life policies and 43s. per cent. per annum for endowment assurances.

Gresham Life Assurance.—Following upon a year in which the new business declined, the 1929 report exhibits an increase in total new business of £317,000 from £1,993,127 to £2,310,575. The society is one of the very few life offices which transact a considerable business in foreign countries and in the Dominions. Actually in 1928 70 per cent. of the total new business is represented by foreign and Dominion business. Moreover the balance sheets shows that £1,532,000, out of total balance-sheet assets of £7,754,000, is deposited in 12 different countries. The society succeeds in earning a high rate of interest on its fund, the figure for 1928 being £5 4s. 2d. per cent., compared with £5 0s. 10d. per cent. in 1927. The expense ratio, however, due no doubt in some part to the higher expense of the foreign business, is unfavourable, the ratio for 1928 being 24.89 per cent. of the premium income, compared with 23.95 per cent. in 1927. The current year is the concluding year of the present quinquennium, and it is safe to assume that the valuation to be made at the end of this year will disclose a considerably larger sum for distribution as bonuses than formerly. Judged by present conditions, however, the Society's last declared bonus of 25s. per cent. is small.

Scottish Equitable Life Assurance.—Notwithstanding that it is a common experience for the first year of a new quinquennium to produce a smaller volume of new business, the Scottish Equitable has succeeded in increasing its new business for the year ended March 1, 1929, by some £41,000 to £1,477,292. A feature of the report to which the chairman drew attention in his speech was the large increase in death claims, from £288,000 to £385,000. The chairman commented on the curious coincidence that death claims have on several occasions in the past been found to be exceptionally heavy in the year after a division of profits. The net rate of interest earned on the funds last year worked out at £4 13s. 4d. per cent., being 1s. higher than in the preceding financial year, and the expenses of management amounted to 11.7 per cent. of the premium income, compared with 12.1 per cent. The balance sheet shows evidence of a good deal of activity during the past financial year. The whole of the mortgages on property, amounting to £85,000, appear to have been paid off with the exception of one small mortgage in the Irish Free State. The holdings of British Government securities have been reduced from £2,625,000 to £2,258,000, it being the declared policy of the society gradually to realise these holdings in order to spread the investments over a wider field offering a more attractive interest income. The holdings in ordinary stocks, while still representing only 3½ per cent. of the funds, have been more than doubled during the year, and now stand at £328,000. It is announced that the increase during the year has been invested partly in investment trust companies and partly in carefully selected industrial corporations. Finally, we note with satisfaction that, following upon our criticism of last year, the annual report is dated exactly a month earlier than its predecessor.

General Accident Fire and Life Assurance Corporation.—In the analysis of this company's accounts, published in a recent issue, we arrived at the conclusion that the company had experienced a net trading loss in 1928 amounting to £6,615. This figure was calculated by taking into account a loss of £176,214, consequent upon the revaluation of the French business at the new par of exchange. It has been brought to our notice that this loss, although it was incurred in 1928, had been provided for by allocations from profit and loss account in previous years. It is, therefore, not unreasonable to regard the result of 1928 as having produced a net trading profit of £169,599.

Oversea Correspondence.

UNITED STATES.—MONEY—STOCK EXCHANGE—PRESIDENT'S SPEED—INDUSTRY.

(FROM OUR CORRESPONDENT.)

NEW YORK, May 15.

WITH industry continuing to maintain its remarkable pace, the share market has come to something of a stalemate. The volume of trading has fallen off considerably and prices are showing no clear trend. After making a new maximum for average industrial share prices, and after continuing strong in the face of 14 per cent. money, the market slipped back rather quickly and, oddly enough, displayed the most marked weakness when the call rate had fallen to 6 per cent. Still continuing its erratic behaviour, the market then rallied rather smartly on a return of 10 per cent. money. Altogether, it would appear that professional operations have played a large part in these movements. On the decline a good deal of short selling developed; but the professionals seem ready to change sides quickly. Existence of this kind of trading market may be explained on the basis of excellent industrial news on the one hand and of continuance of adverse Federal Reserve activities on the other. The market is not likely to go down as long as industrial news remains so satisfactory. At the same time, it is clear that the continued opposition of the Federal Reserve Board has unsettled confidence.

Meanwhile, the debate on Federal Reserve policy continues apace. During the past week Mr Simmons, President of the New York Stock Exchange, made a carefully prepared speech, in which he vigorously defended stock market loans and, at the same time, sharply criticised the Federal Reserve Board. For the past two generations, Mr Simmons declared, call loans made to Stock Exchange members on Stock Exchange collateral have proved the safest method of investing money known in the country. He resented the suggestion that stock market loans do not constitute "legitimate business," asking why dealings in securities are illegitimate while dealings in any other form of property should constitute the basis of all business. He denied that stock market loans withdraw funds from productive purposes, pointing out that these loans make possible the speedy distribution of American securities and so aid in the financing of all types of commercial and industrial enterprises. He declared that it is "absurd to rejoice in our present-day national industrial prosperity and at the same time to bewail the size of the very stock market loans which have played so vital a part in financing it."

With regard to the question whether stock prices are "inflated," Mr Simmons points out that the market has been very selective. He prefers the collective judgment of buyers and sellers throughout the world to judgments of individuals. He maintained that the stock market furnishes a safe outlet for surplus capital, and so prevents commodity inflation. In addition, stock market loans, according to Mr Simmons, furnish American banks with safe and liquid investments. In the crisis of 1920, he declared, the banks found that call loans were the most liquid and available loans they possessed. In the recent real estate deflation in Florida, he said, the banks that weathered the storm and carried the situation were those with the largest proportionate investment in call loans.

Coming to the recent expansion in brokers' loans, Mr Simmons pointed out that the market value of all securities listed on the New York Stock Exchange, which now amounts to $114 billion, increased during the years 1925-28 by $54 billion. Meanwhile, the number of shares listed on the Exchange increased by 50 per cent. He traced the many corresponding changes in American industry and its ownership, and declared that these cannot be dismissed with a wave of the hand as "inflation" or "speculation." As for the rise in prices, he stated that, when all listed stocks are taken as a basis, the appreciation during 1928 amounted to only 18 per cent., and, during the four years mentioned above, to only 66 per cent.

Not the least interesting of the observations of the President of the Stock Exchange are those having to do with the source of the funds employed in stock market loans. Taking his figures from the last report of the Comptroller of the Currency, he stated that, of total resources of our national, State, commercial and private banks and of our loan and trust companies, which aggregated $60 billion, not more than 11 per cent. were invested in loans on securities. Other loans and discounts accounted for another 43 per cent. and security investments for about 25 per cent. He asked in what way the tying up of 25 per cent. of bank resources in long-term fixed investments is preferable to placing of them in call loans, and if there can be a shortage of commercial credit while so large a proportion of resources is employed in investments. He compared the present banking situation with that of 1920, to the immense benefit of the present situation, and drew attention to the fact that, as a result of current Federal Reserve policy, the rate on time loans is now higher than at the earlier period. He challenged the propriety of attempts by the Federal Reserve system to say whether prices are too high, and what forms of property may be speculated in.

Finally, Mr Simmons set up the claim that the recent increases in brokers' loans do not represent a diversion of bank credit but an accumulation of capital attracted by the high rates for call money that have resulted from the Reserve Board's discrimination against call loans. He declared that the Board's policy has failed signally, and concluded by advocating the enactment of legislation that would make loans secured on Stock Exchange collateral rediscountable at the Federal Reserve Banks.

Altogether, Mr Simmons made an effective presentation of his case. In the best quarters there is the strongest criticism of the policy of direct action now being employed by the Board. This policy consists of attempting to make the regional Reserve Banks bring pressure on the Member Banks to reduce their loans on securities. It aims to make the Reserve Banks refuse the rediscount privilege to Member Banks that are making loans on securities. This action is regarded in good quarters as a serious invasion of the rights of Member Banks and of borrowers, as being contrary to the principle that money must always be available at a price, and as carrying serious dangers, if carried to extremes, of giving rise to panic. It is considered a false theory of banking; the classic use of the central bank's discount rate and portfolio is considered the true one. It is fairly well known now that the Board has refused to allow certain of the Reserve Banks to raise their discount rates. Differences of opinion exist as to how serious the situation is with regard to the stock market and brokers' loans; but few Wall Street men have any sympathy with the direct-action policy of the Federal Reserve Board.

Steel production continues practically at capacity, and the usual seasonal indications of slackening are almost

entirely absent. Automobile production, also, continues at full speed, but here there are suggestions that the usual summer slackening may be counted on. Altogether, business indices remain remarkably favourable.

FRANCE.—BUDGET—REPARATIONS—AMERICAN DEBT.

(FROM OUR CORRESPONDENT.)

PARIS, May 22.

IT is now certain that the draft of the 1930 Finance Bill will be ready for submission to the Chamber by the end of the current month at the latest. For the first time since the war the annual Budget, although totalling some 3,000 million francs more than last year, will contain proposals for important reductions of taxation, the total of which is expected to reach 1,000 millions. This relief will especially benefit smaller taxpayers, and particularly those with large families. Measures will also be included to reduce to more reasonable levels the present excessive taxation of yield from coupons, to modify the luxury tax, and, most likely, the special 7 per cent. tax on first transfers of real estate. One of the first duties of the Chamber, which will resume its sittings to-morrow, will be to conclude its deliberations on the modifications of the Rent Law, in order that these may come into operation with the quarterly rent payments due on July 15th next.

After a strenuous week of discussion and negotiation, complete agreement between the experts representing Germany's creditors was reached this morning (1) as to the reply to be made to Dr Schacht's note of May 17th, in which he set forth the reserves accompanying his acceptance of what is known as the Young-Schacht Plan for the final and complete settlement of the Reparation question; (2) as to the acceptance by the Allies of the Schacht-Young compromise; and (3) as to the distribution between the creditors of Germany's annuities. As a consequence Dr. Schacht this afternoon received, with a copy of the revised text of the draft report which is to be sent to the Allies, formal notification of the Allies' acceptance of terms based on the revised report and on a new statement of Germany's reserves. These terms provide: (1) for the payment by Germany of 37 annuities of an average value of 2,050,000,000 gold marks (£102,500,000), as from April 1, 1929, and terminating March 31, 1966, plus the covering (as from April 1, 1966) of 20 annuities of 1,700,000,000 marks (£85,000,000), and one of 900 million marks; (2) the payment to Belgium of a supplementary sum of 25,000,000 marks (£1,250,000) per annum, for a period of 40 years, as compensation in settlement of her claim in regard to depreciated marks; (3) the payment by Germany of a contribution—to stand in addition to the ordinary capital of the new institution—towards the working capital of the proposed new International Bank.

The Allied experts' memorandum sets forth also a proposed scale for the 37 annuities. Their average value remains fixed, but the Allied representatives have modified the scale originally proposed by Mr Owen Young in such a way that the German Reparation payments shall exactly cover, during each of the 37 years, the total of the inter-Allied debt payments for those respective years, and shall at the same time leave a constant available and mobilisable balance of, in round figures, 750,000,000 marks every year. In Mr Young's original proposal the annuities increased regularly by 25,000,000 marks per annum. Under the proposed new scale the annuities will increase irregularly, in order to coincide with the payments due by the inter-Allied debtors (which have been fixed on variable scales) and yet leave the mobilisable portion constant. The first, the third and the last 17 of the 37 annuities are therefore smaller, according to the Allied scale, than they were in the Young proposals, while the others are higher. The reduction of the first annuity is due to the fact that payment has already been made to Great Britain and America for the first six months, portion of the earlier annuity that would be due under the new settlement scheme. The memorandum explains further that certain matters, such as the exact amount of the contribution to be made by Germany towards the working capital of the International Bank, have been left over for verbal discussion between Dr Schacht and the other delegates, which explains why this is set forth merely as "a contribution." As soon as Dr Schacht has considered the memorandum sent to him to-day, the way will be open for him to meet the Allied experts for a final discussion on the points still unsettled and for the general signature of the draft report. In view of the pending British and Belgian General Elections, this will not be submitted to the various Governments until May 31st, when both elections will be over.

The agreement which has led to the extremely optimistic feeling that prevails here this evening has not been arrived at without an enormous amount of persevering effort, for which all the parties concerned must be given credit. As the delegates have all been in exceptionally close communication with their respective Governments throughout the last two or three weeks, little fear is entertained as to the successful conclusion of the long-drawn-out negotiations which now seems to be assured. Exactly how the British opposition to the proposed heavy reduction of its share has been compensated for is not yet clear, owing to the reticence still wisely observed in official quarters. All that is vouchsafed is that the British, Belgian and Italian objections have been satisfactorily met by the readjustments of the past few days. How far the solutions arrived at were aided by the American Government's offer to extend the period over which were spread the instalments necessary to wipe out the expenses incurred by it during the brief period its troops formed part of the army of occupation on the Rhine is also unknown. France, in particular, has been looking for a *beau geste* on the part of the Washington Government for many weeks, but it must be admitted that the microscopic concession which has been made—"Uncle Sam's threepenny-bit," as it has been termed—is scarcely on the scale which it was expected to reach.

The request of the American Government to be informed as soon as possible as to the intentions of the French Government in regard to ratification of the Washington Agreement is only natural, in view of the facts that payment of the $400,000,000 due by this country for the military stocks which the American troops left behind when they recrossed the Atlantic falls due on August 1st, and that the American Parliament is anxious to fix the date of its summer recess. M Poincaré, in his Douaumont speech, pledged himself that no decision shall be taken on the inter-Allied debt agreements except in accord with the Chambers. It is probable, however, that before the latter rise for the summer holidays M Poincaré will ask for authority to ratify the London and Washington Agreements by decree instead of through the usual channel of a formal debate in both Houses. This course, in view of the present general situation, will almost certainly be welcomed by both Houses, and especially by the Chamber of Deputies. The final settlement of the Reparations question and inter-Allied debt problem may, therefore, now be regarded as well in sight.

GERMANY.—CREDIT—FINANCE—INDUSTRY—AGRARIAN PROGRAMME.

(FROM OUR CORRESPONDENT.)

BERLIN, MAY 21.

THE pressure on the exchange market declined further last week and to-day the dollar reached 4.200, which is gold parity, as against 4.218, the high point of April 29th and preceding days. The so-called "panic-selling" of marks by Germans and foreigners has entirely ceased, speculative mark purchases by foreigners, in particular from France, are reported, the Reichsbank's restriction of new rediscounting has had the effect of forcing commercial exchange-hoarders to realise, and short-term credit is again coming in. An undesirable consequence of the crisis is that many industrial and trading firms have resumed the practice, common during and immediately after the inflation, of invoicing in "gold-marks" as distinguished from reichsmarks. This shows that the nervousness as to the mark went very far. The Reichsbank and Reichswirtschaft-Ministry are strongly against a revival of the practice.

The Reichsbank's credit restriction policy began to take effect in the second week of May. The drain on the reserves ceased. The loss of gold was less than 1 million marks, and the legal-cover exchange reserve increased by 2½ million marks. The reserve figures show, however, that of the exchange forced into the market by the money-market stringency only a small part was acquired by the Reichsbank. The improvement in the Bank's status is about normal for the second week of the month. Discounts declined by 215 million marks, and treasury bills by 98 million marks. Advances increased. An increase in advances is normal in connection with the mid-month demand, but the absolute figure, 216½ million marks, is double that of April 15th. Owing to a decline of 275 million marks in reichsmark circulation, the legal cover ratio recovered to 43.7 per cent., or 39.4 per cent. if rentenmark circulation is included. Money last week continued extremely dear. The normal weakening of rates between the end-month and mid-month pressure period did not take place. The minimum day-loan rate for the best class of credit-takers did not fall below 8½ per cent. and the maximum rate was up to 11½ per cent. To-day's day rate was 8¾-10¾ per cent., month loans 9½-10½ per cent., private discount 7½ per cent. Commercial bills cannot be sold, and of offers of private discounts only a part is taken. The monetary stringency is likely to continue for some weeks. Borrowing for the May month-end settlement has begun earlier than usual. The expectation, however, is that if the Paris Conference succeeds, normal credit conditions will return, and that part of the drain on the Reichsbank's reserves will soon be made good.

The federal 500 million marks loan has been sanctioned by the Reichstag. The interest rate is 7 per cent., issue price 99. Only 300 millions will be floated at first, but, in the event of over-subscription, allotments will be made for the amounts subscribed—up to the 500 million marks. The flotation has in advance had a bad effect upon other loans. Fixed-interest securities, already weak, fell last week further, 10 per cent. mortgage bonds dropping to below 100, while many 8 per cent. bonds fell to under 90. This is a result of the fact that the effective yield on the new loan, including the tax exemption to wealthy persons will be much higher than the yield on any other first-class security in the market.

The wholesale-prices index for May 15th shows a further decline, to 135.8 (136.0 on May 8th). The decline is due in the main to weakening of the group "agricultural products." This group is down to 126.7, against a high point of 137.6 for 1928, in August. Unemployment among Trade Union members at the end of April was 11.1 per cent., against 16.8 per cent. at the end of March and 22.3 per cent. at the end of February. Unemployment in the seasonal trades, mainly connected with building, is 19.2 per cent., against a maximum in the past winter of 68.1 per cent.; in the non-seasonal branches 9.2 per cent., against a maximum of 11.4 per cent. The best employment, among the important industries, is shown by mining with 2.2 per cent. of unemployed, paper 4.8 per cent., chemicals 6.1 per cent., and food-products 7 per cent. For the metal industries the figure is 8.7 per cent. Railway traffic returns point to better trade. Car loadings since mid-March have been considerably higher than at the same period of 1928. The Railways Corporation's gross receipts in March were 457,763,000 marks, operating expenditure 355,229,000 marks, total expenditure, including Reparations, bonds, service and allocations to reserves, 435,023,000 marks. The iron and steel industry is becoming more active. Ingot steel output in April was 1,414,916 metric tons, against 1,160,955 tons in April, 1928; in the first four months of the year 5,470,531 tons against 5,377,440 tons. This year's steel output is thus so far at a somewhat higher level than in 1927, the best industrial year so far, when the whole year's output was 16,305,000 tons. The steel syndicates, which met last week, have not altered home prices. The pig-iron syndicate announces an advance of home prices by 2 to 3½ marks per ton. The export prices of bars and thick sheets are still weak. In the ball-bearings branch a fusion is reported between the S.K.F. Norma A.G., which is a German dependent of the Swedish Ball-Bearings Trust, and the two leading German concerns, Fichtel und Sachs and Fries und Höpflinger, both of Schweinfurth. A Ball-Bearing-Steel Syndicate, subordinate to the High-Grade Steel Syndicate, and comprising the Roechling-Buderus, "Silesia," Deutsche Edelstahlwerke, and Becker concerns, has been founded. Negotiations for the renewal of the Rhenish-Westphalian Coal Syndicate, the term of which expires next year, began last week. The prospect of renewal is good. The chief question to be settled is the old opposition between the "pure" concerns, which produce coal for sale only, and the mixed concerns, engaged also in iron and steel production, which have participation rights as consumers. The concentration of the whole sale of coal in the hands of the syndicate's coal-trading concerns is also being discussed. The I.G. Farbenindustrie (Dyes and Nitre Trust) announces an unchanged dividend of 12 per cent.

The prospect of good crops this year has improved. The German-National and the two small Agrarian parties have submitted their Protection programme to the Reichstag. They demand increases of the grain, flour, meat, bacon, and livestock duties, and restoration of a provision of the law of 1900, under which carcases must be imported whole. The interim duties in the law of July, 1927, which are at present in force, and which are lower than commercial treaty rates, should be abolished. The effect of abolition would be to bring into force the grain duties in the commercial treaty with Sweden, for other foodstuffs the duties in other commercial treaties, and for Canada and Australia, with which there are no treaties, the maximum rates of the Minor Tariff of 1925, which are also the rates of the Tariff of 1902, suspended in 1914. It is further claimed in principle that the pre-war food duties, "valorised" to accord with the cost-of-living index, that is increased by more than 50 per cent., should be the proper measure of Protection. The present semi-Socialist Cabinet is not likely to champion these proposals; but as the 1925-27 Tariff expires at the end of this year, some governmental proposal must be made. The Food Minister, Herr Dietrich, has of late expressed himself, though somewhat vaguely, for more effective protection of farming.

HOLLAND.—FOREIGN TRADE—CAPITAL ISSUES—MONEY MARKET—COMPANY REGISTRATIONS.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, May 9.

THAT commercial and industrial life in the Netherlands has continued to develop favourably is clearly shown by the position of trade, which was in all respects satisfactory during the first quarter of 1929. According to the returns for March last, published by the Central Bureau for Statistics, the value of Dutch imports was 216,087,845 guilders; of the exports, 175,091,143 guilders; and of the import balance, 40,996,702 guilders. During the first three months of 1929 these figures were as follows: Imports, 626,638,329 guilders; exports, 450,898,023 guilders; import balance, 175,740,306 guilders.

During the first three months of the years 1926-29 the values were as follows:—

Jan.–March	1926.	1927.	1928.	1929.
	(In millions of guilders.)			
Imports	615·1	604·2	681·2	626·6
Exports	394·4	431·6	464·5	450·9
Import balance	220·7	172·6	216·7	175·7

A noteworthy feature is the decrease of 54.6 million guilders in the value of imports during the first quarter of 1929, compared with the corresponding period in 1928. The value of exports during January-March, 1929, was also 13.6 million less than during January-March, 1928. This is probably the result of the severe frost, which still made transport difficult during the greater part of February and part of March. The weight of imports and

exports during the first quarter of the years 1926-29 was as follows:—

Jan.-March.	Imports.	Exports.
	(In metric tons.)	
1926	6,121,194	3,052,415
1927	6,448,362	3,376,169
1928	6,848,473	3,603,578
1929	5,668,939	3,212,300

A considerable decrease (approximately 1,180,000 tons) will be noticed in the weights for January-March, 1929, compared with the first quarter of 1928. During January-March, 1929, approximately 220,000 tons less of industrial coal and bunkers were exported than in January-March, 1928. This, therefore, accounts for more than half of the decrease in the weight of exports during the first quarter of 1929.

The value of imports from Germany and Belgium was considerably less during January-March, 1929, than in January-March, 1928. There was also a slight decrease in the value of imports from France, Great Britain and the Dutch East Indies. There was a decrease in the case of goods exported to Germany, Great Britain and France; on the other hand, there was a slight increase in the value of exports to U.S.A., and a not insignificant increase in the case of Belgium and the Dutch East Indies. During the first three months there was a great increase in the value of the following industrial products, among other things: Ships were exported to the value of Fl. 13,829,000 (Fl. 4,086,000 in January-March, 1928); wireless sets, etc., to the value of Fl. 17,941,000 (Fl. 4,857,000 in January-March, 1928); and electric incandescent lamps to the value of Fl. 8,367,000 Fl. 6,414,000 in January-March, 1928).

The *Financial and Economic Review* of the Statistical Department of the Amsterdam Bank, however, observes:—

"We must not forget to look at the reverse side of the medal. The prosperity of Holland is very largely dependent upon the profits earned in the colonies. It is very generally known that the most important products—rubber and sugar—have brought in considerably less profit than in the previous year. Recently there has been another counteracting factor which is, it is true, international, but to which Holland has offered a protracted resistance. Money rates show a tendency to rise, and the Netherlands Bank has been compelled to follow the examples of others and bring up its Bank rate more closely to the general level. In this connection the United States money market is being anxiously watched, for this market, dependent as it is upon the Stock Exchange, exerts great influence on the prices to be paid for industrial capital. So far, the increase in the Bank rate has not had much influence on the index figure of wholesale trade, but it is doubtful whether this state of things will continue."

The index figures for the first quarter, as issued by the Central Bureau for Statistics, are shown below, and are compared with the corresponding figures for last year:—

INDEX FIGURES OF WHOLESALE PRICES. (1913 =100.)

	General Index Figures.		Index figures for Foodstuffs.	
	1928.	1929.	1928.	1929.
January	153	146	160	153
February	150	146	158	155
March	152	147	161	156

The Dutch issues market has been extremely quiet. The total value of the issues offered to the Dutch public in April amounted to only 13.2 million guilders, compared with 25.4 in March, 1929, 100.9 in February, 1929, and 37.6 in April, 1928. There were no conversion loans. With the exception of the holiday month of August, 1928, the aggregate for the issues in April, 1929, is the lowest since January, 1928. The division of the stock into shares and bonds is practically unchanged. For comparison we give below the figures for the home and foreign stock issued during the first four months of 1929 and 1928:—

	Home.		Foreign.		Total.	
	(In millions of guilders.)					
	1929.	1928.	1929.	1928.	1929.	1928.
January	53	25	7	16	60	41
February	61	32	39	28	100	60
March	4	39	20	48	25	87
April	6	6	6	30	13	37
	124	102	72	122	198	225

The cool reception which the last Dutch municipal loan met with may be regarded as a warning that, with a few exceptions, the rate of interest (4½ per cent.) on such issues will have to be raised if the loans are to be successful. The position of the Amsterdam money market is clearly reflected in the average rates for "prolongations" during the month of August. The figures were 5.892, compared with 5.0685 in March, and 3.9125 in April of last year. The average rate during the first quarter of 1929 was 4.7836, compared with 3.9435 in 1928.

The position of the Netherlands Bank has had a favourable trend since the recent rise in discount rates, so that it may be assumed that the measure has been effective. Owing to the slackening in the bills market the central bank was even able to import gold from Germany during the last few weeks. The following table, which shows a rise in the amount of foreign bills held, clearly demonstrates how considerably the position of the Netherlands Bank has been strengthened:—

	Foreign Bills.	Miscellaneous Accounts.	Gold.	Total.
	(In millions of guilders.)			
April 2nd	33·9	44·3	422·5	500·7
April 15th	59·1	47·7	422·2	528·9
April 29th	89·3	45·6	432·2	567·1
May 6th	121·7	41·6	437·0	600·3

Of late there has also been a change for the better in the position of the Treasury. In the first two months of the current year the Government receipts amounted to Fl. 82.7 million, as compared with an estimate of Fl. 78.5 million, and a yield of Fl. 80.4 million in the corresponding period of last year. The general results may, therefore, be described as favourable.

There has been a striking increase in the returns of the registration duties. The chief explanation is to be found in the founding of important companies in Holland at the beginning of the present year. The registration duty paid on such occasions, and also when companies already formed increase their capital, constitutes a gauge of the state of trade. It reflects much more rapidly than, for instance, the income tax the upward and downward movements of economic life, so that the sharp increase in the yield of the registration duty affords a certain amount of support to the contention that economic conditions in Holland are, in general, satisfactory.

ARGENTINA.—MONEY PRESSURE AND GOLD MOVEMENTS—CEREAL EXPORTS—POLITICS.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, April 25.

GENERAL trade movement in Argentina during the month of April has been on the quiet side and the local money market is feeling the pressure due to deferred exports and somewhat heavy imports, coupled with the tendency toward dearer money observable in London and New York. It is reasonably probable that the Argentine Government will shortly be looking for further foreign loans, and offers have already been made by a group of American bankers to supply such funds as are required. It is, however, understood that the offer has been declined, at any rate for the time being. What terms are proposed is not known, but incidentally it has been stated that a syndicate is in course of formation, presumably in the United States, for the express purpose of financing Argentine public works, including those undertaken for provincial and municipal account. Local discount rates remain unchanged at 6½ per cent. to 7 per cent. for first-class trade bills, with 7 per cent. to 8 per cent. for overdrafts, while as much as 5½ per cent. has been paid for bank to bank money on 30-day terms. Some comparatively small shipments of gold have been made to New York, but current rates of exchange leave so small a margin of profit on such business as to make it hardly worth the doing. Indeed, it may be said that Argentine gold exports at the present time are, after all, but the natural reflux of the excessive amount brought hither last year. For, apart from the $136,000,000 gold which figure in the cash in hand of the Buenos Aires banks, there are in the Conversion Office $484,135,836 gold, which is practically the figure recorded a year ago, when the stock of gold held by the banks was some $35,000,000 gold less than it is to-day. It is, therefore, incorrect to link up the actual gold shipments with the tendency to dearer money now characteristic of this market, which, considered as a whole, is in a healthy condition.

Cereal exports have been characterised by a very brisk movement of new maize, and a tendency to revise pessimistic estimates as to the yield of this grain. There is now talk of an exportable surplus of 5,000,000 tons, notwithstanding which prices are firm at $7.95 paper per 100 kilos. for spot and future shipments. Wheat prices are lower at $9.25 paper spot, and shipments have been heavy, though a considerable quantity is reported to have left this country unsold, while up-country stocks at the railway stations are unusually large for this period of the year. Linseed, of which close on a million tons have been shipped, is steady at $15.55 paper spot and $15.75 for July shipments, there being little likelihood of any United States tariff changes affecting the sales of this season's crop. For general produce the ruling prices are below those current twelve months ago, and it is reasonably certain that the trade balance for the first quarter of the year would, if it could be exactly calculated, show a marked diminution in the total favourable to Argentina. In actual practice this is translated into a firm demand on the part of remitters and a somewhat reduced offer of export paper, banks' cabled rates being 47½d. and 104.65, drawing on London and New York respectively. In Continental currencies the only notable movement has been in the peseta, now quoted at 6.62 to the gold dollar, cable drawing, which figure reflects not only European quotations for this currency, but also, to some extent, local pessimism regarding the course of political event in Spain.

In matters political there are many rumours and little concrete information regarding the Congressional programme. Administrative affairs are still sadly in arrears, but at last three directors have been appointed to the board of the National Mortgage Bank, which is thus in a position to work off some of the heavy outstandings due to a period of inanition, which has prevailed since October last. There are said to be no less than $434,000,000 paper in applications for mortgage loans awaiting consideration. The probable issue of further series of Cédulas has led to a slight reaction in the quotation for this popular security. In the freight market chartering has been brisk, and for May loading, San Lorenzo/U.K./Continent, 25s. has been obtained, with 26s. from Santa Fé. The quarantine restrictions enforced on account of an alarm of yellow fever in Brazilian ports have caused a good deal of inconvenience and some loss to shipping interests, all boats touching at Brazilian ports being condemned to six days' rigorous quarantine in the outer roads of Buenos Aires. It may not be out of place to add that as yet no case of yellow fever has actually been reported among any of the vessels thus detained.

SOUTH AFRICA.—NAFTE CASE—POLITICS.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, April 30.

IT is not usually possible for the observer of passing social or political events to view one or another and say "this will be history." A case which has occupied a great deal of South African attention during recent weeks does, however, offer temptation to the prophet—the case known in the daily newspapers as "The Nafte Case." The South African farmer undoubtedly believes in the "inalienable right of every citizen to wallop his own nigger." It is arguable that, given the conditions of rural South Africa and the peculiarities of the native, reasonable corporal punishment is the best punishment for petty crime. The consciously culpable native generally prefers punishment in that form as against police court procedure, which bewilders him, and imprisonment in company with the vicious. In practice, of course, private corporal punishment is contrary to law, but is frequently resorted to and far too frequently abused. Nafte and one of his European farm assistants punished a native for some trivial offence by tying him to a tree and flogging him. The native died, and his assailants were tried separately, on charges of culpable homicide. The servant was sentenced to a fine on a charge of common assault. The evidence against the farmer was exceptionally damaging, and, whilst no South African jury would find a European guilty of murder under such circumstances, the prisoner in this case was found guilty of culpable homicide, but with a recommendation to mercy. The judge who tried the case discarded the recommendation to mercy on the grounds that, had there been no extenuating circumstances—in the opinion of the jury—he presumed they would have found the prisoner guilty of murder, and that, therefore, the verdict of culpable homicide rendered the recommendation unnecessary. The judge sentenced the prisoner to seven years' hard labour and ten lashes, referring, when passing sentence of lashes, to the aggravated brutality of the crime. The sentence was passed almost a month ago; it has since been the subject of every process of appeal which the South African law affords. It has been specially considered by the Cabinet, but has not been altered. There are many people in the country to whom the notion of even a moderately severe sentence on a European for assaulting a native is still incomprehensible. Dutch newspapers of standing have described the sentence as absurd. During the elections we shall hear more of the matter, especially in view of the part which racial questions were destined to play in any case. The case will probably take its place besides the "Slachter's Nek" case during the Governorship of Lord Charles Somerset, references to which still appear from time to time in country political speeches.

Nominations of candidates for election to the Union Parliament are fixed for May 15th, whilst polling will be on June 12th. The last Delimitation Commission fixed the total number of seats at 148, which is only two less than the maximum fixed by the Act of Union; of these seats 58 are in the Cape, 55 in the Transvaal, 17 in Natal, and 18 in the Free State. For the 55 seats in the Transvaal it is expected that there will be 111 candidates. The industrial area of the Witwatersrand contains 21 constituencies, all of which will be contested by the S.A. Party, whilst there will be five Nationalist candidates, 14 Labourites, and three Independent. Of the total of 111 Transvaal candidates, 54 are South African Party, 38 Nationalists, 14 Labourites, and four Independent.

I was informed a few days ago on excellent authority that the most probable result of the election is an almost exact deadlock between the S.A. Party and its opponents. The figures shown to me estimated that the South African Party on the one hand and its opponents on the other would each obtain upwards of 70 seats—in other words, that the majority on major questions would be likely to be three or four at the outside in a full House. Should this forecast be correct, it seems almost inevitable that some sort of central party will be formed, from which one might hope for attention to the more pressing economic questions. This realignment seems to be rendered even more likely by the divisions which exist in the two main parties to the pact. The difficulties of the Nationalist Party in the Transvaal have certainly not been diminished by the fact that letters from Mr Tielman Roos indicate that his health is not yet restored, and that it is doubtful whether he will be able to return to South Africa for some time.

Letters to the Editor.

THE UNEMPLOYMENT ISSUE.

TO THE EDITOR OF THE ECONOMIST.

Sir,—A paragraph in your article on "The Unemployment Issue" raises in an acute form the question of how the Lloyd George scheme would react upon Great Britain's balance of trade, and, therefore, upon the possibility of maintaining the gold standard in its present form without a further measure of deflation, which would, of course, destroy any good effects which the scheme might have. The paragraph reads (page 1096):—

Nor need we fear a serious restriction of our capital investments abroad, which would hit the export trades that

normally receive orders as the result of these investments. It is quite possible, as we have said, that the raising of a substantial loan might have the effect of causing some influx of capital, either for short- or long-period investment, and this would reduce our *net* export of capital. It need not, however—as the Treasury memorandum seems to assume—reduce our foreign issues, or our physical exports in proportion; but would rather tend to increase our imports on account of the increased demand for food, etc., by the wage-earners and for raw materials by industries providing the commodities used in the enterprises.

Now Messrs Keynes and Henderson argue that the proposed development loan would divert investment away from foreign issues, and thus, by reducing our flow of investments abroad, would ease the pressure on the Bank of England's gold stocks, and enable it to create the easier monetary conditions which the scheme requires. But you, unlike Mr Keynes, believe that there is an intimate connection between our foreign capital investments and our exports of goods, so that a reduction of the former would be followed rapidly by a diminution in the latter, thus cancelling any advantage to our aggregate balance of payments. You, therefore, hope and believe that foreigners would be tempted to invest in Great Britain on a larger scale than at present.

Your argument raises two definite questions. First, is an influx of capital in fact likely to occur as a result of the Lloyd George scheme? Earlier in your article you say that it will come through the stimulus of higher interest rates. If interest rates in general do rise, that of itself will surely have a depressing effect upon industry. Mr Keynes has attempted to meet this point by arguing that it would be only in the gilt-edged market that interest rates would rise, and that industry will not, as a consequence, have to pay more either for its capital or for financing its exports. But if the rise in interest rates is going to be confined to the gilt-edged market, it can hardly have the effect you anticipate of attracting money from abroad. For that purpose interest rates in general would have to rise, and particularly short-term money rates. Indeed, the paragraph quoted above clearly envisages such an eventuality. Whether it would, in fact, happen is a somewhat dubious proposition. Quite apart from the present level of money rates in New York, high interest rates in Germany must continue for many years to come so long as that country is compelled to pay Reparations annuities, and it is highly unlikely that raising a loan in Britain of the type proposed would cause interest rates in general to rise enough for us to compete successfully with Germany for the world's surplus capital.

Even supposing, however, that capital does flow in from abroad, it is not going to ease the Bank of England's position. On your own arguments, if an outflow of capital leads immediately to an increase of exports, then surely an inflow will lead to increased imports as a result of orders placed abroad by those who borrow the foreign capital. But, even apart from this, imports, as you admit in the above paragraph, will rise directly industry expands to normal levels because of the increased demand for food and raw materials. I suggest, in addition, that the price-level of imports would rise also, since it is at present abnormally low owing to our trade depression. This will tend to create an import surplus, which may, in the first year of the scheme, when the loan is being floated, be counteracted by a reduction in net foreign lending, but, in the long run, will cause an efflux of gold. In other words, I argue that trade is depressed not from lack of a "jolt," but because of the over-valuation of sterling and the disproportionately high money wage level. The Liberal proposals do nothing to remedy these evils. Until they are remedied, a trade revival is impossible, and any artficial expansion of employment must necessarily be counteracted by a deflationary policy on the part of the Bank of England.—Yours, etc.,

DONALD BARBER.

Trinity College, Cambridge, May 19th.

[We cannot find space to meet all the points raised in this letter, but surely Mr Barber is too pessimistic in thinking that Great Britain cannot hope to retain for herself a slightly increased share of the world's capital or increase her imports of food and material sufficiently to keep the whole population properly fed and occupied without either a crippling rise of interest rates or imperilling the gold standard by a serious loss of gold.—ED., *Econ.*]

Books and Publications.

THREE BOOKS ON FREE TRADE.*

IF any of our readers are still wondering how to cast a vote on the fiscal issue next week, they might consider the plan of giving up newspapers and reading instead the three volumes noted below, which make a very timely appearance. Of the three, Mr Nathan's is the most ambitious, and his historical treatment of his subject is excellent. Unfortunately he is not so successful in his exposition of the theory, and once at least is definitely at fault. The book is a useful contribution to fiscal literature, but the gap on the library shelf is still waiting for a really comprehensive theoretical treatment of the case for Free Trade.

The little book by Messrs Comyns Carr and Rowland Evans is exceedingly good of its kind. Both theory and statistics are carefully and ably handled, nor do the authors allow themselves to try to prove too much from any given data. Every "wobbler" on the "safeguarding" question should buy it. The Liberal Council pamphlet is, of course, frankly *ex parte;* but it presents very useful figures well and handily presented, and is a needed antidote to some of the extravagant claims now being voiced by people who ought to know better.

THE COAL INDUSTRY OF THE EIGHTEENTH CENTURY.†

THE dependence of modern industrial civilisation upon the dual basis of coal and iron is the theme of many books dealing with the history and characteristics of our own time. All whose curiosity as to the manner in which this dependence came about has led them to study the economic history of the eighteenth century are already deeply indebted to Mr Ashton for his book on *Iron and Steel in the Industrial Revolution.* A companion work to this, *The Coal Industry of the Eighteenth Century,* he has now fittingly provided in collaboration with Mr J. Sykes. Together they have sought with immense industry the materials for their work in libraries, in the offices of collieries, and in the muniment rooms of landed proprietors. The result is a most valuable monograph on a period of history which is only now beginning to receive the attention which it deserves. In so far as the materials allow, and the authors do not disguise the fact that ample though they are in bulk, they fall far short of what could be wished, the book presents a concise, well-planned survey of the industry as a whole.

During the 18th century not only was the coal industry on a very much smaller scale than to-day, but it was very unequally developed; the Northern coalfields of Northumberland, Durham and Cumberland being by far the most important owing to the absence of cheap methods of transport by land. How this fact developed the considerable coastal trade in coal, particularly between the Tyne and the Thames, and how the miners, sailors and coal dealers of London endeavoured to manipulate the traffic to their own advantage is a story of great interest which loses nothing of its fascination in the pages of the present work.

Of equal value to those at present engaged in the industry will be the account of the characteristics of the men who worked in the pits two hundred years ago, the methods they employed, their earnings, and their relations with their employers. Anything like full statistics of wages and of output are unobtainable, and it is not possible to get a comprehensive view of the economic position of the industry as a whole. Conditions were liable to too much local variation for a single formula to fit them, even were adequate statistical data at hand.

* "Free Trade To-day." By H. L. Nathan. London: Gollancz. Pp. 383. 5s. "Safeguarding Under the Searchlight: An Enquiry into the Origin and Results of the Safeguarding Duties Separately Examined." London: British Periodicals, Ltd., for the Liberal Council. Pp. 88. 1s. "The Lure of Safeguarding." By A. S. Comyns Carr, K.C., and D. Rowland Evans. London: George Allen and Unwin. Pp. 126. 3s.

† "The Coal Industry of the Eighteenth Century." By T. S. Ashton, M.A., and Joseph Sykes, M.A.M. Com. Manchester University Press, 1929. 8vo. pp. 268. 14s. net.

CAN LLOYD GEORGE DO IT?

6d. 6d.

THE LIBERAL PLEDGE EXAMINED

by

J. M. KEYNES

H. D. HENDERSON

◆

"The best pamphlet likely to be seen in this struggle. Polished, compact, cutting, bristling with pointed phrases; better than any speech yet made for any party."

—J. L. Garvin in the "Observer."

"It should be in the hands of every elector, whatever his opinions, who desires to know the truth in this matter."

—"Daily News."

"Readers who spend sixpence on this pamphlet."

"It is brilliantly done. One may say with confidence that the election will produce no pamphlet so readable, so cogent, or so powerful. Readers who spend sixpence on this pamphlet, put on their thinking caps and settle down to its study, will be instructed, exhilarated and convinced."

—"Daily Chronicle."

"An astonishingly brilliant piece of writing."

"A remarkable demonstration in the art of political propaganda. An astonishingly brilliant piece of writing. Mr. Keynes and Mr. Henderson have proved that a political and economic argument, though it may be a source of instruction, can also be an entertainment. Few serious contributions to political thought can have been more aptly pointed with wit and lively phrasing."

—"Manchester Guardian."

GET YOUR COPY NOW!

Obtainable from all Booksellers and Newsagents, or post free 7d., from

THE NATION

AND ATHENAEUM

38, Great James Street, Bedford Row, London, W.C.1

Nevertheless, the book does afford a fuller view than had been obtainable elsewhere in such compass, for the authors have not allowed their scientific caution in statement to preclude them from offering qualified generalisations on such topics as wages, royalties and the profits of middlemen.

Although the book does not disturb to any great extent views already generally accepted by students of the economic history of Great Britain in modern times, it places the development of the coal industry in proper perspective, and yields the satisfaction which comes from a solid piece of work well and honesty performed.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

Industrial Fluctuations. By A. C. Pigou. Second edition. (London) Macmillan and Co., St. Martin's Street. 25s. net.

This edition contains many modifications and some new material. The analysis, both of causes and remedies, is carried somewhat further than in the first edition.

The Economics of Instalment Trading and Hire Purchase. By W. F. Crick. (London) Sir Isaac Pitman and Sons, Limited, Parker Street, Kingsway. 5s. net.

A development of growing economic importance is here described and criticised within the limits of some 120 pages. There is an interesting appendix on the cost of instalment facilities.

Labour and Internationalism. By Lewis L. Lorwin. (London) George Allen and Unwin, Limited, Ruskin House, Museum Street. 12s. 6d. net.

The New York edition of this book received notice in our issue of May 4th.

Wheat Prices and the World Wheat Market. By Vladimir Prokopovich Timoshenko. (New York) Cornell University.

A statistical study which has special reference to the competition between North America and Eastern Europe in the West European market.

The Western Way. By Frederic J. Stimson. (London) Charles Scribner's Sons, 7 Beak Street. 12s. 6d. net.

The author of this volume is an enthusiastic exponent of the gospel of democracy. His book is a discussion of the achievements, past and future, of the democratic system, more especially of that system as practised in the United States.

The Mexican Agrarian Revolution. By Frank Tannenbaum. (New York) The Macmillan Co. $2.50.

The scope of this work is wider than its title indicates. It gives a very complete picture of the social structure of Mexico before and after the Revolution, and should be of great value for comparative study of agrarian systems.

Vicende dell' Oro e della' Argento. By Federico Marconcini. (Milan) Società Editrice "Vite e Pensiero."

A very thorough treatise, in Italian, on the history of gold and silver in the nineteenth century, with special reference to the Latin Monetary Union. It contains an interesting chapter on the silver policy of the United States, 1878-1893.

Economia Bancaria. By L. Pace. (Rome) Officine Grafiche e Cartotecniche Italiane, Viala della Milizie, 36.

This substantial Italian volume on banking theory is well illustrated from the experience of a number of countries. Generous space is devoted to questions of international finance.

Strukturwandlungen der österreichischen Volkswirtschaft nach dem Kriege. By Dr Hans Bayer. (Leipzig and Vienna) Franz Deuticke.

A valuable treatise, in German, on changes in the economic structure of Austria since the war.

Some Aspects of Rationalisation. By Sir Mark Webster Jenkinson. (London) Gee and Co. (Publishers), Ltd., 6 Kirby Street. 1s. net.

This interesting paper, referred to in our Stock Exchange leading article of March 30th, is now available to the public.

The Value of a Balance Sheet. By Sir Mark Webster Jenkinson. (London) Gee and Co. (Publishers), Ltd., 6 Kirby Street. 1s. 6d. net.

Reprinted, by general request, from a very illuminating lecture delivered in March, 1928.

The Statesman's Year Book. Edited by M. Epstein. (London) Macmillan and Co., Limited, St. Martin's Street. 20s. net.

An invaluable source of statistical and general information about almost every country of the world.

Rating Law and Practice. (London) Central Association of Accountants, Limited, 5 Salter's Hall Court, Cannon Street. 1s., post free.

These articles were written before the passing of the Local Government Act, 1928, and are principally an exposition of the Rating and Valuation Act, 1925.

Tolley's Handbook of Income Tax, Super-Tax and Sur-Tax. By Chas. H. Tolley. (London) Waterlow and Sons, Limited, London Wall and Birchin Lane. 1s. net.

Useful tables and examples are provided for the bewildered taxpayer.

The Canadian Securities Manual, April, 1929. Compiled by Strathy R. Mackellar and Joseph S. Eakin. Thirteenth edition. (London) Andrew Holt and Co., 7 Gracechurch Street.

Contains unusually full information for inventors about each of the principal companies.

Prosperity for England. By Sir Charles Fielding. Published by the Author at Billingshurst, Sussex.

This pamphlet suggests an alternative to the Lloyd George proposals, in which the unemployed are to be occupied, not in road making, but in wheat growing.

International Labour Review, May, 1929. (London) George Allen and Unwin, Limited, 40 Museum Street. 2s. 6d.

Articles in this number include: "Accident Prevention and Factory Inspection"; "General Principles of an International Convention on the Conditions and Contracts of Employment of Foreign Workers: III."; and "Workers' Agricultural Programmes in Austria, England and Germany."

Journal of the Franklin Institute, May, 1929. (Philadelphia) Franklin Institute of the State of Pennsylvania, 15 South 7th Street. 60c.

This number includes an article on "Nitrogen and the Fertiliser Industry," by Charles J. Brend.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2.

Registered Provident Societies in Great Britain. General Summary, 1926 and 1927. 4d. net.

Return Showing, by Police Districts, the Number of Persons dealt with for Motoring Offences during the Period July to December, 1928. 4d. net.

An Account of the Public Income and Expenditure of the United Kingdom in the Year ended March 31, 1929. 2d. net.

Accounts of the Metropolitan Police Fund, April 1, 1928, to *March* 31, 1929. 4d. net.

The Stock Exchange.

ELECTRICITY SUPPLY COMPANIES.

THE Central Electricity Board, whose progress we discussed in last week's *Economist*, is issuing a loan. Some £3,000,000 of 4 per cent. stock, repayable 1959-1989, is being offered at 83. We refer in greater detail to this operation on page 1174. Apart from the supreme importance of this loan as a definite milestone in post-war power development in Great Britain, the issue directs attention to the position of the big electrical supply companies under the national electricity scheme, which is a subject of first importance to the investor. It will be recalled that the regional schemes prepared by the Electricity Commissioners under the Electricity Supply Act, 1926, necessitated, first, the selection of stations in which the generation of all supplies of electricity was to be concentrated; secondly, the inter-connection of these stations by a system of main transmission lines, popularly called the "grid"; and, thirdly, the standardisation of the frequency of the alternating current systems. The Central Electricity Board is the authority set up under the Act to operate the selected stations, to erect the "grid," and to carry out the changes of frequency. The wholesale side of the electricity supply industry is, in effect, vested in this Board. The Electricity Commissioners have prepared and handed over to the Board for operation five schemes dealing, respectively, with Central Scotland, South-Eastern England, Central England, North-Western England and North Wales, and Mid-East England. We will briefly consider how these schemes are likely to affect the revenues of the big electricity supply companies whose shares are dealt in on the Stock Exchange.

The companies we have selected for this examination are Newcastle-upon-Tyne Electric Supply, Clyde Valley Electrical Power, Scottish Power, Yorkshire Electric Power, Lancashire Electric Light and Power, and Midland Counties Electric Supply Co. We have omitted South Wales Power because the scheme for the area covered by this company has not yet been worked out by the Electricity Commissioners, although there is little doubt but that the company's station in the Taff Valley will be "selected" by the Commissioners. In view of the depression in the coal-mining and industrial areas which the company serves, the South Wales Power has perhaps most to gain from the realisation of the national electricity scheme. We shall deal in a later issue with the London companies, which form a separate group under the leadership of the London Power Co. and the County of London Electric Supply Co., but we may add, in passing, that the latter is actually controlled by the Greater London and Counties Trust.

The Newcastle-upon-Tyne Electric Supply Co., which is the largest producer of electrical energy in Great Britain, is in a unique position. Its area of supply extends over the whole of the industrial coal-producing areas of Northumberland and Durham and into the East, North and West Ridings of Yorkshire. Supply is given to over 100 towns and villages, 180 coal mines, 100 shipyards and works, and six tramway and railway systems, including the electrified lines of the North-Eastern section of the London and North-Eastern Railway. The company possesses perhaps the most efficient generating stations in Great Britain. But, as its system is not of standard frequency, its whole area of supply is being left alone for the present by the Central Electricity Board. In view of the cost of changing the frequency in this wide area it is thought that it will be a number of years before the Central Electricity Board assumes control of the company's stations.

All the other companies we have mentioned own generating stations which have been "selected" by the Electricity Commissioners for the various regional schemes. This means that the companies operate their stations on behalf of the Central Electricity Board. They must supply electricity to all authorised distributors at a certain agreed cost and they must buy back at the same cost the electricity which they require for their own distribution business—the cost being reckoned as all generating expenses, a proper proportion of management and general establishment charges attributable to the station, depreciation and interest ranging from not less than 5 per cent. to not more than 6½ per cent. on all capital expenditure (including working capital) on the station, and a proper proportion of the Board's running expenses. This arrangement benefits the companies owning the "selected" stations because, the stations being worked continuously at practically full load the cost of generating plus the proportion of the Board's expenses is less than the generating cost would be under the companies' own management when a large part of the plant is always kept idle either to meet emergency purposes or because it is built in advance of trade requirements. The Central Electricity Board exercises no control over the distribution business of the generating companies. Having obtained their supplies wholesale at the agreed cost from their generating stations—thereby effecting great economies—the companies are free to charge the consumer any price they like for their distribution service.

We shall next consider how this arrangement affects the big companies individually, apart from the Newcastle-upon-Tyne Electric Supply. The Clyde Valley Electrical Power, which is one of the most progressive supply companies in Great Britain, serves a large and important industrial area and distributes power to shipyards, collieries, iron and steel works, engineering and paper works, tramways, several county councils and many towns and villages. Its big generating stations on the Clyde—Motherwell, Yoker and Clyde's Mill—are "selected" stations and all are being extended, while the Central Electricity Board has carried out a change of frequency to standard. The company cannot fail to benefit from the economies effected in generating costs.

The Scottish Power supplies a number of diversified industries, as well as corporations, in the counties of Linlithgow, Clackmannan and Stirling, and controls all the companies operating in the Grampian area. Its one large generating station—Bonnybridge—has been taken over as a "selected" station.

The Yorkshire Electric Power covers the Yorkshire coalfield and the chief manufacturing centres of the West Riding. It supplies six corporations and fifteen urban district councils, as well as various electrical companies. All its big generating stations—Thornhill, Barugh and Ferrybridge—are "selected" stations. In the case of Ferrybridge, which is newly constructed, the company will have the advantage of obtaining its bulk supplies at a cost of production based on a full load operation, which it could not have hoped to reach under its own management for a number of years.

Midland Counties Electric Supply covers the whole of the counties of Leicestershire, Warwickshire, Derbyshire and Nottinghamshire (with the exception of certain restricted areas), and its principal generating power stations—Warwick, Hinckley and Spondon—have all been "selected." Midland Counties will particularly benefit from the Central Electricity Board's operation because, apart from the six towns which it serves, it has hitherto depended largely upon a number of scattered and diverse local industries which have never permitted its generating stations to operate at full capacity.

The Lancashire Electric Light and Power supplies electricity in bulk to four corporations, nine urban district councils and a large number of collieries, textile companies, paper makers and engineering works. All its big stations are "selected"

stations; those at Radcliffe and Padiham are in full operation while the one at Kearsley is still under construction. The progressively managed Lancashire Electric Light has always been building plant in advance of trade requirements and the Board's control of the new Kearsley station will mean that the Company will obtain a steady revenue from that plant much earlier than it could otherwise have expected.

It will be apparent that all these companies cannot fail to derive benefit from the " selection " of their big power stations for the purpose of bulk generation by the Central Electricity Board. Out of 328 stations existing in the five areas for which schemes have been adopted, only 106 stations have been " selected," and yet it is estimated that these five schemes will release for revenue-earning purposes plant to the value of about £10,000,000 which is now standing idle.

The earnings and dividend record of the six companies over the past three years is shown in the following table:—

	Newcastle-on-Tyne.			*Clyde Valley.*			*Scottish Power.*		
	1926.	1927.	1928.	1926.	1927.	1928.	1926.	1927.	1928.
	£	£	£	£	£	£	£	£	£
Ordinary share capital	2,312,681	3,082,681	3,082,681*	1,200,000	1,200,000	1,200,000	250,000	750,000	1,350,000
Net profits	576,420	783,493	819,456	226,700	288,165	304,296	44,381	53,677	82,587
Debenture interest, etc.	204,713	221,465	204,670	...	...	...	4,364	6,380	2,659
Preference dividends	181,600	181,613	181,877	58,000	58,000	58,000	16,000	16,000	16,800
Available for Ordinary	190,107	380,415	432,909	168,700	230,165	246,296	24,017	31 298	63,128
Per cent. earned on Ordinary	8·2%	12·3%	14·0%	14·1%	19·2%	20·5%	12·0%*	9·5†	8·3%†
Per cent. paid on Ordinary	5%	6%	6%	8%	8%	8%	8%	8%	8%

* Since increased to £4,007,681.

* After adding back tax. † After adding back tax and calculated on instalments paid on new shrs.

	Yorkshire Electric.			*Midland Counties.*			*Lancashire Electric.*		
	1926.	1927.	1928.	1926.	1927.	1928.	1926.	1927.	1928.
	£	£	£	£	£	£	£	£	£
Ordinary share capital	1,603,000	1,603,000	1,603,000*	1,375,000	1,500,000	2,000,000	1,000,000	1,000,000	1,000,000
Net profits	293,259	336,094	346,462	158,173	185,495	213,704	133,903	143,621	150,885
Debenture interest, etc.	35,842	41,721	36,392	27,123	24,230	30,639	...	...	...
Preference dividends	59,615	76,944	77,658	60,879	71,340	78,000	77,797	90,686	90,686
Available for Ordinary	197,801	217,427	232,412	70,171	89,926	105,065	56,108	52,936	60,199
Per cent. earned on Ordinary	12·3%	13·5%	14·5%	7·0%*	7·5%*	7·5%*	7·0%*	6·6%*	7·5%*
Per cent. paid on Ordinary	8%	8%	8%	6·0%	6½%	6½%	7½%	7½%	7½%

* Since increased to £2,500,000.

* After adding back tax and calculated on instalments paid on new shares.

* After adding back tax.

All these companies show a steady increase in earnings over the last three years, with the exception of Scottish Power and to a lesser extent Lancashire and Midland Counties. In the case of Scottish Power, no credit was taken for interest on the substantial struction of the works of the Grampian Electricity Co. Moreover, Scottish Power increased its capital by the issue of 500,000 ordinary shares at 24s. in 1927 and of 600,000 shares at 26s. in 1928. It is clear that the whole of this new capital is not yet productive. The Lancashire Electric has also expended a large amount of capital in the construction of new plant which is not yet remunerative, and last month it announced the issue of 600,000 ordinary shares at 27s. to meet in part the cost of the new station at Kearsley.

The dividend policy is notably conservative in the case of Clyde Valley, Newcastle-on-Tyne and Yorkshire Electric, the two former distributing less than half their earnings. With the exception of Clyde Valley, all the companies have recently issued new ordinary shares on bonus terms to their shareholders. The next table shows the highest and lowest prices for the ordinary shares for the last three years, the present market price and the dividend and earnings yields obtainable:—

	1926.		1927.		1928.		Present Price.	Div. Yield.	Earnings Yield.
	H.	L.	H.	L.	H.	L.		%	%
Clyde Valley £1	31/-	26/6	32/7½	28/3	41/6	32/3	33/-	4·9	12·5
Newcastle-on-Tyne £1	24/9	19/9	24/6	19/7½	30/3	22/9	27/6	4·4	10·2
Scottish Power £1	26/6	23/-	28/9	24/4½	33/10½	26/3	32/-	5·0	5·4
Yorkshire £1	31/6	24/6	32/9	27/-	38/9	31/6	34/-	4·8	8·6
Midland Counties £1	24/4½	18/9	24/6	20/6	33/-	23/4½	32/-	4·1	4·2
Lancashire £1	27/6	23/-	27/9	21/1½	32/6	27/-	29/6	5·2	5·2

It will be observed that, compared with other industrial shares, the dividend yields obtainable from these big electricity supply companies are low, but, in view of the prospect of large economies in operating expenditures and steadily increasing earnings under the national electricity schemes, the market prices cannot be regarded as unreasonable. This particularly applies to Clyde Valley, Newcastle-on-Tyne and Yorkshire Electric, whose earnings so largely exceed their dividends. We may possibly except the shares of Midland Counties, the market price of which has risen on alleged buying for control by the Greater London and Counties Trust.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
May 28.	May 30.

The Whitsun holiday left its mark on the Stock Exchange, which remained in listless mood. A slight accumulation of business having been dealt with, and no outside event occurring to give a lead—apart from the threatening weakness of the exchanges—the underlying cheerfulness of markets, which had coloured the previous fortnight's business, became less notably in evidence. Hesitation, dominated by uncertainty regarding the international money situation, caused an appreciable all-round weakening after midday on Wednesday. The long Account, moreover, was drawing to its close. Only in the Rhodesian copper market, thanks to professional operations, was there a show of activity. Too many restrictive influences are at work to make the more favourable conditions at all probable until the election is over and the monetary cloud has been dissipated. After May 30th, much will depend on the nature of the verdict given at the polls.

Gilt-edged stocks were dull, without much change, after the holiday, but suffered something like a relapse on Wednesday, the market being intimidated by the possibility of a rise in American money rates, following the recommendations of the Federal Advisory Council. The New York exchange fell below $4.85, and the Bank of England's purchase of £663,134 of bar gold was not regarded as having averted the danger of gold exports and a rise of Bank rate. Three-and-a-Half per Cent. Conversion Loan and Funding Loan fell ¼ and Five per Cent. War Loan ⅜. Treasury Bonds showed a more extensive decline. The tone next day was a shade less dull, the " no change " decision of the Bank inspiring the view that every effort would be made to avoid an increase on polling day. Indian Loans were again easier, but Dominion and Colonial stocks, though quiet in the extreme, were generally steady.

Quotations moved, for the most part, within narrow limits in the foreign market, where no public interest was shown. French loans were firm on reports of agreement among the creditor delegates at Paris, but German bonds lost further ground in view of the rejection of most of the Reparation " reservations " and the resignation of a delegate. Brazilians were dull, and, among Far Eastern stocks, Chinese declined on the prospect of open hostilities between the Government and General Feng.

Home rails reflected the dull tendency of other markets. Quotations continued slowly to sag, despite the nebulous promises of assistance given by two of the political parties (dealt with in a subsequent " Investment Note " in this issue). In happier times more attention would have been attracted to the encouraging traffic returns, which showed a rise in receipts compared with those of pre-Whitsun week last year, on all lines but the Southern. Foreign rails were heavy, Argentine stocks losing ground on Wednesday, while Antofagasta reacted after its long rise.

The inevitable pre-election dullness in the industrial markets was accentuated by the uncertainty of the New York position, public interest being insufficient to allow of effective resistance to any lead which America chose to give. In view of the cumulative force of the depressing factors present, however, the fact that most price declines were of narrow dimensions was a not unencouraging sign. Dealings began in the certificates representing " assenting " stock and shares in the cable and Marconi companies (as described on a later page), prices showing some recession on market tendencies generally. The leading gas issues did not maintain their early firmness, and in other cases where semi-speculative movements had recently occurred, such as the aviation, commercial motor and gramophone groups, a moderate reaction was recorded. Carreras came on offer after their previous rise, other tobacco shares weakened, and activity in the brewery group, especially in Distillers, suffered a setback. Rayon shares were inclined to harden before reactionary conditions set in on Wednesday, but other textiles offered a fair resistance to the general tendency, the settlement of the threatened cotton lockout having a good effect. Associated Electricals were sold from America, and International Nickel reflected much the same tendency, despite an encouraging report for the first three months' operations of 1929 (discussed in a subsequent " Note "). Insurance shares were irregular, but few changes occurred in bank share prices.

The rubber share market opened actively on the rise of quotations for the commodity, as a result of extensive New York demand, but stock was not easy to obtain. Profit-taking and a marking down of prices quickly supervened on the reaction in the commodity in mid-week. Tea shares were harder than of late, but failed to live up to their early promise of firmness. Oil shares proved largely unresponsive both to the rise in mid-Continent crude prices—the wisdom of which was questioned at a time when the industry was striving to avoid an increase of production—and the " Hoover plan " to support " regulating " efforts. Recent dividends (set out on another page) have not encouraged any extension of speculative commitments.

Monetary fears affected Paris even more than London, sales of Kaffirs from that centre offsetting the firmer tone of Johannesburg on hopes of a South African Party victory at the polls. The Rhodesian market remained in the hands of the large inside interests, who were reported to have staged a sudden rise in Congo Borders, before the receipt of a favourable cable, with a view to pending market developments. Tin shares were undecided, in the absence of any definite trend in the price

LONDON ACTIVE SECURITIES.

British and Colonial Government Securities.

	Closing Prices May 16.	May 23.	Rise or Fall.		Closing Prices May 16.	May 23.	Rise or Fall.
Conv. Loan 3½%	77⅛	76⅝	− ⅛	Treasury 5% (B)	99⅝	99⅝	− ⅛
Do. 4½% 1944	98⅛	98	− ⅛	Canada 4% 1940-60	90	90	...
War Loan 5% 1929-47	100⅛	100⅛	− ¼	S. Africa 5% 1945-75	103	103	...
Consols 2½%	54⅛	54	− ⅛	India 3½%	67¼	67¼	− ⅜
Do. 4%	86⅛	86	− ⅛	Do. 4½% 1958-68..	88¼	88¼	− ⅜
Funding 4%	88	87⅞	− ⅛	Australia 5% 1945-75	99	99	...
Victory Bonds 4%	92⅛	91⅞	− ⅛	N.S.Wales 5% 1935-55	96	96	...
Local Loans 3%	64	63¾	− ¼	N. Zealand 5% 1946	103	104	+ 1

Foreign Government Securities.

Japanese 6% (1924)	97	97	...	French 5%	20⅛x	20⅜	+ ⅛
Argentine 4% Reciss.	85¼	85¼	...	Do. 4% (Brit.)	17⅛	17⅛	...
Austrian 6% 1923-43	103	103	...	German 7%	104	103¾	− ¼
Belgian 7%	106¼	106¼	...	Greek 7% Refugee	100¼	100¼	...
Brazil 6½% (1927)	93	92½	− ½	Hungary 7½%	102¼	102¼	...
Bulgaria 7%	86	86	...	Chili 6%	98	98½	+ ½
China 5% (1912)	45¼	45¼	...	Poland 7%	87½	87⅛	− ⅜
Czechoslovakia 8%	111¼	111½	...	Mexican 5% (1899)	30	30	...
Egypt Unified 4%	81¼	81	− ¼	S. Paulo Coffee 7½%	103	103	...

Corporation Stocks.

L.C.C. 3%	63	63	...	Sydney 5½% 1954	95½	97	+ 1½
E. London 5% 1960-70	98	98	...	Berlin 6% Ster.	93	93	...

British and Foreign Railways.

G. Western Ord. Stk.	86½	85½	− ½	Antofagasta Ord. Stk.	107	107½	+ ½
L.N.E., Def. Stk.	12½	12	− ½	B.A.&Pacific Ord.Stk.	103	102½	− ½
Do. 5% Pref. Stk.	28	27½	− ½	B.A.Gt.Sthn.Ord.Stk.	107⅛	107⅛	...
L.M.S. Ord. Stk.	53¼	52⅜	− 1⅛	B.A.Western,Ord.Stk.	93⅛	93⅛	...
Metropol'an Cons. Stk.	60¼	61	+ ¾	C. Argentine Ord.Stk.	97⅛	97⅛	− ⅛
Met. District Ord. Stk.	7⅝	7⅝	...	Cordoba Ord. Stk.	39	39	...
Southern Def. Stk.	31⅛	30⅛	− ⅛	G.W. of Brazil £10	4⅛	4	− ⅛
Do. Pref. Ord. Stk.	74⅛	73⅛	− ⅛	Leopoldina Ord. Stk.	61¼	61	− ¼
Underground Ord. £1	1⅛	1⅛	...	San Paulo Ord. Stk.	204	203	− 1
Do. Income Bonds	113	112	− 1	Taltal Ord. (£5)	5	5	...
Can. Pacific Com. Stk.	238	232½	− 5½	Utd. Havana Ord. Stk.	40½	41½	+ 1

Banks.

Bank of England Stk.	251	249	− 2	Nat. Prov. £20,£4pd.	13⅜	13⅜	...
Barclay B. (£1)	2⅛	2⅛	...	Com.Bk of Austr. 10/	1⅛	1⅛	...
Barcl.(Dom. &c.) A £1	1⅛	1⅛	...	Hongk. and S.($125)	133	133	...
Lloyds £5, with£1 pd.	3⅛	3⅛	+ ⅛	St. of S. A.£20,£5 pd.	15⅛	15⅛	...
Midland £1, fully pd.	3⅛	3⅛	...	W'minster £4, £1 pd.	3⅛	3⅛	...

Insurance.

Alliance £1, fully paid	20½	20	− ½	N.B.&Merc.£5,£1¼pd.	36½	36½	...
Com. Un. £2½, fully pd.	27	26½	− ½	Phœnix £1	14⅛	14⅛	+ ⅛
Ldn.& Lanc. £5, £1 pd.	30½x	30½	...	Roy.In.£1,with10/ pd.	8⅛	8⅛	...

Coal, Iron and Steel.

Amal. Anthracite (£1)	½	½	− ⅛	Guest, Keen (£1)	1⅜	1⅜	...
Babcock, Wilcox (£1)	3⅞	3⅞	...	Powell Duffryn (£1)	1	1	...
Baldwin (£)	¼	¼	...	Stewarts&Lloyds (£1)	1⅜	1⅜	...
Bolckow Vaughan (£1)	⅜	⅛	− ⅛	Swan, Hunter (£1)	1⅛	1⅛	...
Cory, William (£1)	3	2⅞	− ⅛	Thornycroft, John (£1)	4⅛	4⅜	+ ⅛
Dorman, Long (£1)	⅜	⅜	...	Vickers (6/8)	⅛	⅛	...

Textiles.

Bradford Dyers (£1)	2⅛	2⅛	− ⅛	Eng.Sewg.Cotton (£1)	2⅜	2⅜	+ ⅛
Brit.Celanese,Ord.(10/)	2⅛	2⅛	+ ⅛	Fine Cott.Spinn.(£1)	1⅜	1⅜	...
Coats, J. and P. (£1)	3⅜	3⅜	...	Listers (£1)	1½	1½	...
Courtaulds	4⅛	4⅛	...	Snia Viscosa (200 lire)	1	1	...

Electrical Manufacturing.

Associated Elec. (£1)	2⅜	2⅜	− ⅛	General Electric (£1)	2⅜	2⅜	− ⅛
British Insulated (£1)	3⅜	3⅜	− ⅛	Johnson&Phillips (£1)	1⅜	1⅜	− ⅛
Ever Ready (G.B.) (5/)	1⅛	1⅛	...	Siemens (£1)	1⅜	1⅜	+ ⅛

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅜	1⅜	...	Hydro-Elec. com. stk.	36½	34½	− 2
City of London (£1)	1⅜	1⅜	...	Lancashire Elec. (£1)	1⅛	1⅛	...
County of London (£1)	2⅜	2⅜	...	Newcastle-on-Ty (£1)	1⅛	1⅛	...

Gas.

Gas Light & Coke (£1)	⅜	⅜	...	Primitive (£1)	1⅛	1⅛	− ⅛
Imp. Continental Stk.	430	445	+ 15	S. Metropolitan Stk.	104½	105	+ ½

Telegraphs and Cables.

Eastern Stk.	279½	272½	− 7	Marconi (£1)	6	4⅛x	− ⅛
Eastern Exten. (£10)	27⅛	27⅛	− ⅛	Marconi Marine (£1)	3⅛	3⅛	− ⅛
Marconi (10/)	4⅛	4⅛x	− ⅛	Western Tel. (£10)	27⅛	27⅛	− ⅛

Motors.

Dennis (1/)	2⅛	2⅛	− ⅛	Morris 7½% Cm. Pf. (£1)	1⅛	1⅛	− ⅛
Ford Motors (£1)	3⅛	3⅛	− ⅛	Rover (8/)	⅛	⅛	...
Leyland (£1)	2⅛	2⅛	− ⅛	Singer (£1)	1⅛	1⅛	+ ⅛

Shipping.

Cunard (£1)	1½	1⅜	− ⅛	P. & O. Defd. (£1)	2⅛	2⅛	...
Furness Withy (£1)	1⅛	1⅛	...	Royal Mail Ord. Stk.	69	69	...

Tea and Rubber.

Anglo-Dutch (£1)	1⅛	1⅛	− ⅛	London Asiatic (2/)	⅛	⅛	...
Cons. Tea & Lds. (£10)	32	32½	+ ½	Rubber Trust (£1)	2⅛	2⅛	...

Oil.

Anglo-Persian (£1)	4⅜	4⅛	− ⅛	Lobitos (£1)	2⅛	2⅛	− ⅛
Attock (£1)	3	3⅛	+ ⅛	Mexican Eagle(£1/0/6)	⅛	⅛	− ⅛
Burmah Oil (£1)	4⅛	4⅛	− ⅛	Royal Dutch (£5)	33⅛	32⅝	− ⅛
Canadian Eagle no par	⅛	⅛	− ⅛	Shell (£1)	4⅛	4⅛	− ⅛

Miscellaneous.

Aerated Bread (£1)	1⅜	1½	− ⅛	Imperial Tobacco (£1)	5⅛	5	− ⅛
Assoc. P. Cement (£1)	1⅛	1⅛	...	Inter. Nickel of Can.	51¼	48½	− 3
Braz. Traction, no par	54⅛	52⅞	− 1⅛	Kreuger & Toll (kr.100)	36½	34½	− 1
Brit.-Am.Tobacco (£1)	6⅞	6⅝	− ⅛	Lever 7% pref. £1	1⅛	1⅛	+ ⅛
Carreras, "A" Ord. (£1)	15½	14⅜	− 1⅛	Lyons (J.) (£1)	5⅛	5⅛	− ⅛
Columbia Graph. (10/)	1⅜	1⅜	− ⅛	Margarine Union (£1)	4⅛	4⅛	− ⅛
Crittall (£1)	2½	2½	...	Pinchin Johnson (10/)	2⅛	2⅛	...
Dunlop (6/8)	1	⅞	− ⅛	Swed. Match. B(kr100)	21	20x	...
Forestal Land (£1)	1⅛	1⅛	...	Tate and Lyle (£1)	2⅜	2⅜	+ ⅛
Gramophone Co. (£1)	17⅛	16⅜	− ⅝	Tilling, Thomas (£1)	5⅛	5⅛	...
Harrods (£1)	3⅜	3⅜	− ⅛	Turner & Newall (£1)	5⅛	5⅛	...
Hudson's Bay (£1)	5⅛	5⅛	− ⅛	United Molasses (£1)	6⅛	6⅛	− ⅛
Imp. Airways (£1 15/p)	1⅛	1⅛	...	Vocalion (10/)	2⅛	2⅛	− ⅛
Imp. Chem., Ord. (£1)	1⅛	1⅛	− ⅛	Watney Combe Dd. (£1)	3⅛	3⅛	− ⅛

Mines.

Anglo-Amer. ofS.A. (£1)	2⅛	2⅛	...	Johan. Cons. (£1)	2⅛	2⅛	...
De Beers Def. (£2½)	13⅛	13⅛	− ⅛	Lake View & Star (4/)	⅛	⅛	+ ⅛
Brakpan (£1)	4⅛	4⅛	+ ⅛	London Tin (£1)	3⅛	3⅛	− ⅛
"Chartered" 15/-p.	1⅛	1⅛	...	Rio Tinto (£5)	55½	53½	− 2
Burma Corp. (Rs.10)	⅛	⅛	...	RoanAntelopeCpr. (5/)	2⅛xr	2⅛	+ ⅛
Bwana M'Kubwa,5/-	⅛	⅛	...	Sub Nigel (10/)	1⅛	1⅛	...
Central Provinces (£1)	4⅛	4⅛	+ ⅛	Tanganyika (£1)	2⅛	2⅛	− ⅛
Gaduld. (£1)	3⅛	⅛	...	UnionCorp.(12/6)tu.pd.	4⅞	4⅞	...

of the metal, but in the copper group Rio Tinto had a sharp relapse on extensive selling in Paris, Tharsis also being marked down. Quotations for the metal again pursued a downward course.

FOREIGN STOCK EXCHANGES.

NEW YORK.

Attention has been centred on the controversy over Federal Reserve powers, which reveals the principal regional banks desirous of raising rates, while the Board is closely divided and continues to refuse its permission. Many students of banking hold the latter wrong both in its assumption of authority and its policy. An increase in rates is generally expected failing striking stock market developments and a reduction in brokers' loans. The modest decline of $45,000,000 in the latter this week is somewhat disappointing, but does not reflect Wednesday's weak market. On the whole, shares have held remarkably well in discouraging circumstances, with no tendency towards disorderly liquidation, and a moderate volume of business passing. Industrial news remains good. The steel industry maintains its pace, and automobile makers are reducing operations less than was expected. The Ofallon decision is an important victory for the railroads, but is believed unlikely to have much effect on rates.

	May 16.	May 23.	Rise or Fall.
4½% Lib. Ln. '33–8	99⅛	98⅛	− ⅛
3½% Trs. Bs. '46–56	101⅞	100	− 1⅞
Ach., Top. Sam. Fé	197½	202	+ 4½
New York Central	182	187	+ 5
Union Pacific	216½	219½	+ 3½
Pennsylvania	76⅝	76½	− ⅛
Southern Railway	138½	139	+ ½

	May 16.	May 23.	Rise or Fall.
U.S. Steel	175⅛	171½	− 4⅛
General Motors	81	76	− 5
Amer. Tel. & Tel.	216	209½	− 6½
General Elec.(New)	280½	277	− 3½
Victor Talking	148	148	...
Std. Oil of N.J.	59⅛	58⅛	− 1
Anaconda	126½	103½x	...

By courtesy of the Standard Statistics Company, Inc., of New York and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926=100):—

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	May 9.	May 16.
342 Industrials	104·7	137·1	132·5	186·4	191·1	196·7	196·0
33 Rails	106·1	128·0	120·5	139·7	140·9	139·0	137·7
35 Utilities	103·3	128·3	128·3	180·6	184·6	214·4	216·0
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	191·0	190·6
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·21%	3·24%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Highest of 1929. (May 4.)	Lowest of 1929. (Feb. 16.)	May 15.	May 16.	May 17.	May 18.	May 20.	May 21.	May 22.
225·4	201·8	218·1	219·0	220·2	220·0	213·0	216·1	207·2

PARIS.

Influenced by the hope of an agreement being reached by the Conference of Experts, the Bourse maintained a fairly firm tone during the week. This was due principally to professional buying, investors still holding off the market. The tendency became easier, however, as the week progressed, and numerous declines were shown, on balance, over the period. Banks, chemicals and elecrticity shares were the most favoured descriptions, while Mexican Eagle made further progress. Rubbers were stimulated by the firmness of the commodity. Rio Tinto and Huelva Copper suffered a sharp reaction. Wagons-Lits also lots ground, and Kali-Sainte-Thérèse had a setback.

	May 16.	May 23.	Rise or Fall.
3% Perp. Rentes	74·40	74·40	...
5% Rentes, '15–16	101·20	101·50	+0·30
5% Rentes, 1920	124·50	124·25	−0·25
Banq. de France	25,400	25,650	+ 250
Banque de Paris	3,370	3,365	− 5
Crédit Lyonnais	3,310	3,270	− 40
Nord	2,610	2,605	− 5
Com. Gen. d'Elec.	3,850	3,770	− 80
Littoral Médit.	1,410	1,400	− 10

	May 16.	May 23	Rise or Fall.
Mines de Lens	1,370	1,322	− 48
Courrières	1,618	1,585	− 33
Pechiney	3,880	3,885	− 5
Kuhlmann	1,220	1,232	+ 12
Com. Gen. Trans.	1,262	1,265	+ 3
Suez Canal	26,095	25,750	− 345
Assur. Gen. Vie	13,200	12,800	− 400
Dollfus. Mieg.	13,200	13,150	− 50
Denain et Anzin	3,475	3,350	− 125

BERLIN.

Friday, May, 17th, witnessed a rising and active market, the first for nearly a fortnight, and there was a complete reversal of sentiment, towards which the fall in the foreign exchanges and a favourable monthly Railways Corporation report contributed. After the holidays the rise continued, steel, electrical, and potash shares being the chief gainers. On Wednesday, however, owing to fears of the New York discount rate being advanced, there was a general reaction, and Thursday was dull and somewhat weak, though certain favourites made gains.

	May 16.	May 23.	Rise or Fall.
Reichsbank	296·50	304·50	+ 8·00
Deutsche Bank	159·00	160·00	+ 1·00
Disconto Bank	150·75	150·75	...
Hamburg-Amer.	116·25	115·25	− 1·00
Norddeut.-Lloyd	109·75	109·00	− 0·75
I.G. Farbeninds.	241·00	242·50	+ 1·50
Verein. Glanztff.	405·00	411·00	+ 6·00
Bemberg	330·00	333·00	+ 3·00

	May 16.	May 23.	Rise or Fall.
Verein. Stahlke.	90·00	90·88	+ 0·88
Mannes Bohrke.	112·00	116·00	+ 4·00
Allgemne. Elekt.	175·00	184·50	+ 9·50
Siemns. & Halske	372·50	376·00	+ 3·50
Daimler Benz.	51·75	52·25	+ 0·50
Cont. Caoutchuc.	153·00	158·50	+ 5·50
Salzdetfurt. Kali	370·50	383·00	+12·50

AMSTERDAM.

After the holidays, the Bourse opened firm, though business, apart from industrials, was somewhat restricted. Large transactions were effected in Margarine Unie, and artificial silks received more interest, keeping a firm tone. Philips fluctuated little, but Ford shares improved. Oils were easier, Royal Dutch weakening on the announcement of a 24 per cent. dividend, the same rate as last year. Sugar shares were a strong market, and rubbers improved, but tobaccos were dull and shipping shares irregular. As the days went on the market weakened all round. The money market remained firm, with the private discount rate 5⅛-5⅜ per cent., and the prolongation rate 6 per cent.

	May 16.	May 23.	Rise or Fall.
5% Bds. Neth., '18	101⅛	101⅛	− ⅛
4½% Arns. 1913–14	98⅛	98⅛	...
Margarine Unie	467½	451	− 16½
Neth. Art. Silk	352	363	+ 11
Philips El. Lamp.	790	760	− 30
Singkep Tin	298	295	− 3
Royal Dutch	396½	392⅝	− 3⅞
Amst. Rubber	262½	261½	− 1

	May 16.	May 23.	Rise or Fall.
Serbadjadi Sm.R.	200	194½	− 5½
Holl. Amer. Line	60½	55½	− 5
Navig. Co., Ned.	204	191	− 13
Vorstenlanden	160½	161	+ ½
Trading Co., Ams.	638	657	+ 19
Besoeki	445⅛	450	+ 4⅞
Deli	407½	414⅞	+ 7⅜
Neth. Trad. Soc.	185⅛	185⅛	− ⅛

INVESTMENT NOTES.

Central Electricity Board Loan.—A pending issue of £3,000,000 4 per Cent. Stock, at the price of 83, by the Central Electricity Board, not only signalises the emergence of a new British borrower of the first rank, but marks a definite stage in a process destined to influence the fortunes of British industry for many years to come—the "rationalisation" of the electricity supplies of this country. Under the Electricity (Supply) Act, of 1926, the Board were constituted in order to construct main transmission lines (commonly known as "the grid"), to concentrate generation at standard frequency in the most efficient stations, to supply electricity in bulk for distribution, and by these means to increase the availability of electricity throughout the country and reduce the cost of production. We described the progress made by the Board towards the carrying out of its task, in an article in our issue of last week (page 1,100), and in a leading article on page 1171 of this issue we estimate the effect of the new schemes on the earning power of some of the largest electric power companies. In order to fulfil its duties, the Board may borrow up to £33,500,000, subject to the consent of the Electricity Commissioners. The latter has so far sanctioned the borrowing of £13,900,000, of which £5,400,000 is in respect of "standardisation of frequency," and £8,500,000 for main transmission lines and other purposes. The present issue forms part of this £13,900,000, and will be redeemed by a cumulative sinking fund, beginning not later than 1935, to be provided out of the Redemption Funds which the Board are required to set aside for the amortisation of their capital expenditure. Any stock not previously purchased at par or under will be repaid at par not later than May, 1989, but the Board has power to redeem the whole on three months' notice after May, 1959. The Board will obtain its revenue from two sources—the sale of electricity in bulk and a levy (by the Electricity Commissioners) on the whole electricity supply industry of the country equal to interest and sinking fund on money borrowed for "standardisation of frequency." The Board are satisfied that when the schemes they have adopted are in full operation their revenue will provide ample margin over the ser-

vice of their loans. This latter consideration is of dominant interest to the investor since, although the Board have the right to a Government guarantee of their obligations if the latter should ever be required, that right is not being exercised as regards the present issue, the security for which is squarely based on the Board's own earning power. Presuming redemption at the latest date, *i.e.*, sixty years hence, the stock gives an interest yield of £4 16s. 5d. per cent., and a yield, including redemption, of £4 17s. 8d. per cent. The credit status of the Board is, of course, of the highest, in view of its semi-public nature and the national importance of its functions. In arriving at the terms of this initial appeal to the public, those concerned would seem to have had two main considerations in mind. In the first place, they have decided that a long-term stock, offering the prospect of substantial capital appreciation—not immediately but ultimately—would be both attractive to the investor and economical to the Board. In the second place, they have, in effect, suggested that the Board's securities, though not of trustee status, compare broadly in investment appeal with the long-term issues of such borrowers as the Metropolitan Water Board, the London County Council or the Port of London. A first issue of this kind must naturally be regarded as, in some respects, a "trying-out" of the possibilities of the market. For this reason, and in view of the bearing of future borrowing on the whole question of cheap power for British industry, it is to be hoped that every effort will be forthcoming to ensure the success of the present loan, the lists for which will close on or before next Tuesday.

Home Rails and the Election.—Home railway matters have been prominently in the public eye during the last week or two, owing to the proposed measures for assistance included in the programmes of the political parties. Mr Baldwin has pledged his party, if returned to power, to an immediate investigation of the whole problem of the modernisation and reorganisation of the railway system, and has stated that the Government would be prepared to contemplate "financial assistance" were a practical scheme of reorganisation forthcoming. The form which such assistance might take has not been stated, but it may be surmised that Mr Baldwin has in mind an extension of the Trade Facilities system, under which the railways could raise the necessary new capital under Government guarantee at "gilt-edged" rates of interest. Holders of the £1,000 million of outstanding railway securities, and railway users generally, while welcoming such evidence of outside interest, will be inclined to press for more detailed particulars. While none would deny that the scope of possible administrative reforms on all the railways is a wide one, it should not be forgotten that many millions have already been spent in recent years in improving equipment and technical efficiency, which stand higher to-day than at any time before or since the war. The railways may well argue, further, that the most fruitful form which "assistance" might take would be an endeavour, calculated on the one hand to improve the state of British trade as a whole, and on the other to regularise the position of the railways *vis-à-vis* their road transport competitors—the present system of law and taxation being alleged to discriminate unfairly in the latter's favour. In any case, Mr Baldwin's "investigation" could scarcely be carried on without reference to the deliberations of the Royal Commission appointed last year to consider the whole question of national transport. The difficulties of carrying through further "reorganisation" schemes, involving new capital expenditure on the grand scale, are exemplified by the proposals for reforming the system of wagon ownership and control which are being strenuously urged by a popular London daily newspaper. Out of a total of approximately 1,300,000 railway goods vehicles in the country about half are privately owned, and the majority, especially of the latter type, are of a capacity which experts the world over stigmatise as uneconomically small. On the average, a wagon makes a loaded trip not more than once every six or seven days. The disappearance of the private wagon would obviously reduce the amount of "unprofitable" effort expended on shunting and "empty" return journeys, while the economies of the larger wagon may be inferred from an example given by an experienced railway statistician.* With a coal train of average capacity and average wagon-loading, the substitution of 20-ton for 12-ton wagons would result in a saving of 25 per cent. in siding accommodation, of 11 per cent. in the total weight to be hauled, of 40 per cent. in the number of wagons used, and of 17 per cent. in their cost. These are impressive figures, but unfortunately the railways have at present some £65 million invested in their own wagons, many of which are of relatively small capacity, while privately-owned wagons have a capital cost estimated at £40 million. Over 90 per cent. of the private wagons are employed in the coal trade, their excessive number being due largely to the existence throughout the country of a multitude of retail dealers, who buy their coal in small consignments and use the wagons as a species of warehouse, unloading day by day as customers' orders come in. Colliery equipment, port appliances and railway yard arrangements are also based on the wagon of relatively small capacity. The problem is thus formidable to a degree, and it is difficult to see to what extent the raising of the large amount of capital, inevitable in any rapid change-over from smaller to larger working stock, would be facilitated by the application of Trade Facilities provisions, seeing that the yield on railway debentures, at their present market prices, approximates closely to that on British Government stock. Altogether, the investor in home railway securities, while rightly demanding that each of the many avenues for increasing efficiency be ceaselessly explored, would be well advised to pay no undue attention to agitations and promises made in the dust and heat of a general election.

The Tea Outlook.—Tea companies suffered in general last year through the inevitable effects of over-production. Because crops were heavy, prices weakened, and the loss outbalanced the gain. The four companies in the Finlay group, whose reports were published this week, illustrate the ordinary experience; in each case the tea crop was larger than in 1927, the average price per lb. from 1⅞d. to 2¾d. lower, and profits and dividends less. There has seldom been a more difficult time at which to make any forecast of the future with confidence, owing to uncertainties which the repeal of the duty has introduced. The household demand for tea in this country is not likely to be specially increased by the reduction in price, though the cheaper an article the more carelessly it is used, and unconscious consumption by waste may grow even though there be no conscious tendency to "drink more tea." But as the duty on Empire tea was only 3½d. instead of the 4d. on foreign teas, the removal of the duty, which has been followed by a reduction in the retail price of all teas, Empire or foreign, by the full 4d., gives a fillip to Java teas by bringing them into competition on equal terms with India and Ceylon. British imports of Java teas have grown rapidly in the last three years, and with this extra stimulus they are likely to threaten the common Empire teas more and more seriously. The same train of cause and effect should, however, bring advantages to higher-grade teas, in that the blender, who is able to obtain his common tea more cheaply, will be in a position to use a larger proportion of quality tea; for it is a characteristic of the tea trade that the levelling-out of price fluctuations is done in the blending, and temporary alterations of price to the consumer are avoided. The production of quality teas from Darjeeling, Upper Assam and Ceylon is limited, as production per acre cannot be increased without lowering the quality of the crop, and labour difficulties confine the possibilities of extending the acreage of gardens, which in any case is a costly and long process. The effect of the Budget, therefore, is likely to be adverse to common Empire teas, but, taking a long view, to buttress up the position of the companies producing high-grade teas. But for the present the tea trade is in confusion, because, since the removal of the duty, there are no longer any stock figures published. Import and export figures, of course, continue to be avail-

* Mr W. V. Wood in "Railways," p. 85. (London) Home University Series. Thornton Butterworth, Limited.

able, and it is possible to obtain stock figures for the London warehouses, which are computed to cover 90 per cent. of the tea imported. But though determined efforts are being made to obtain figures from other ports and from private warehouses, it is at least doubtful whether they will achieve success, and for the interim period at least the market will have to struggle along with incomplete and unrepresentative statistics. As stocks were unduly high, for obvious reasons, when the last official figures were published, and as the above estimate of 90 per cent. may become far away from the truth, it will be well to remember how misleading statistics in the tea trade have proved to be on previous occasions, and to avoid rigid inferences from such figures as may be available for the next few months. For this reason, and because it is too early to speak of crop prospects, even the most general arguments must be treated with reserve at the moment.

Cable-Wireless Merger Arrangements.—The official circular relating to the cable and wireless merger, issued to the shareholders concerned on the eve of the Whitsun holiday, contains nothing new regarding the terms of exchange, but sets out a plan under which stock- and shareholders assenting to the offer are to deposit their certificates with the Bank of England. Such holders will receive an interim certificate of registration, which will answer the purpose of a share certificate. Under the deposit agreement, " assented " shares are transferable by a special form obtainable from the Bank of England, and every transferee is automatically bound by the terms of exchange. Corresponding arrangements have been made as regards the share warrants outstanding in the case of the Marconi company. These arrangements are calculated to expedite the inevitably heavy clerical work involved in the merger—some 40,000 registered shareholders are involved in the operations, apart from holders of share warrants—and to obviate the possibility of " assented " shares coming into the ownership of " non-assenting " transferees. It is intended, in due course, to convert the fully-paid shares of Cables and Wireless into stock transferable in multiples of £1. The latter will rank for dividend as from January 1st last, but no dividend will be paid on the " A " and " B " ordinary before the accounts for the whole year 1929 have been audited and adopted in general meeting—a proviso to which some slight exception has been taken in the market, since it means, in effect, that holders of these shares will receive no dividend until the summer of 1930 at the earliest. All agreements are conditional on acceptance by holders of 60 per cent. (or a similar percentage as specified in certain provisions) of each class of ordinary stock and shares, and of Marconi preference, on or before June 28th next, or such later date as may be provided for, the latest date in any case being July 31st next. The only cases in which the issue remains in doubt are those of the Marconi £1 ordinary and preference shares, representative committees of which have issued a circular advising holders not to sign the form of acceptance issued by Cables and Wireless. The circular refutes the argument of the Marconi directors, in their last report (discussed in the *Economist* of May 18th, page 1,119), by pointing out that the contention that future Marconi dividends are unlikely to be more than 20 per cent. (equivalent to a total distribution of £450,000 each year), can scarcely be reconciled with the merger company's allotment to Marconi shareholders of shares carrying fixed dividends of £792,500 a year *plus* 65 per cent. of the " B " ordinary shares entitled to surplus profits. It is made clear that the committees are not opposing the merger scheme as a whole, but only the terms offered to the Marconi £1 shareholders. It remains to be seen whether the arrangements suggested for the issue of units against the deposit of £1 shares with the Prudential Assurance Co., which are now declared to be " practically completed," will provoke a sufficiently widespread response to put the committees into a position to demand substantial concession as the price of the abandonment of their policy of remaining outside the merger.

Fine Cotton Spinning Combine.—Further progress is reported in connection with the proposed combine of Lancashire firms spinning Egyptian cotton, to which reference was made in last week's *Economist* (page 1103). The promoters now state that the directors of 15 companies, controlling 31 mills, containing over three million spindles, have agreed upon terms whereby the amalgamation can take place. Special meetings of the shareholders and loanholders in the individual firms have been called for May 29th with the object of securing ratification of the provisional arrangements. According to an official announcement, writes our Manchester correspondent, the suggested new company will be capitalised on a reasonable and economic basis. A feature in the merger is that every class of interest has been safeguarded, and all securities which are offered in the merger company are considered to be of substantial value. On the average of past results the share capital on the new basis would seem to have been written down to a dividend-paying level. Income debentures are being offered to certain classes of loanholders in some of the mills, and are fully covered as to interest and sinking fund on the basis of past results, while the operation of a 1 per cent. sinking fund should tend to stabilise prices. Steps will be taken to obtain Stock Exchange quotations for the income debentures and the ordinary shares. The banks, who are largely interested in the various companies to be amalgamated, will accept these income debentures as securities for a substantial proportion of their indebtedness. The underlying idea of the merger is to prevent unremunerative price-cutting. It is estimated that the yarn production of the combined mills will be about 50 million lb. a year. So far, the name of the merger company has not been given, and the names of the directors have not been announced. It is well known, however, that the negotiations have been carried through by several leading Lancashire gentlemen with a wide knowledge of the fine-spinning trade, who are closely associated with the concerns to be amalgamated. It is also understood that two well-known London financial houses, Messrs M. Samuel and Co. and the British, Foreign and Colonial Corporation, are interested in the merger, and that new money—to an amount estimated in some quarters at £2½ million to £3 million—will be introduced.

Fine Cotton Spinners.—The Fine Cotton Spinners' and Doublers' Association has altered its dividend every year since the war. In 1927-8, when earnings were equivalent to 15.8 per cent., the ordinary distribution was raised from 10 to 15 per cent., though earnings had been falling short of dividends in previous years. In common with the general experience of Lancashire, 1928-9 was a difficult period for the company; profits fell by 42½ per cent., and the dividend has been reduced to 9 per cent., £100,000 being taken for the purpose from reserve for equalisation of dividends. This and other reserves now amount to £1,422,126 in the aggregate, a useful though not a liberal total for a concern capitalised at £11,100,000.

(Years ended March 31)	1927.	1928.	1929.
	£	£	£
Profits, after depreciation	596,397	1,104,223	632,618
Debenture interest	110,000	110,000	110,000
Welfare and pension funds	10,000	50,000	15,000
Depreciation of investment	...	50,000	...
Net earnings	476,397	894,223	507,618
Preference dividend	150,000	150,000	150,000
Number of times covered	*3·1*	*5·9*	*3·3*
Preferred ordinary dividend	47,000	47,000	47,000
Number of times covered	*2·4*	*4·5*	*2·5*
Ordinary *earned*	*6·3%*	*15·8%*	*7·0%*
Ordinary paid	10%	15%	9%
Ordinary amount of dividend	441,000	661,500	396,900
Reserve fund	...	*Dr. 50,000*	...
Dividends equalisation reserve	*Dr.100,000*	100,000	*Dr. 100,000*
Increase or decrease in carry-forward	−61,603	−14,277	+13,718

Fixed assets show little change on balance at £6,098,928; sundry investments (including, apparently, trade and outside investments) stand at £4,713,732, against £4,513,119 a year ago. Among floating assets, stock-in-trade is £526,244 higher at £3,233,229, and debtors £174,504 lower, both comparisons suggesting a slackening turnover. The cash holding has fallen heavily from £774,540 to £143,709. On the other side, loans show a reduction of some £72,000, but amounts owed to creditors are up by £288,109. It is now clear that the generous dividend policy pursued in respect of 1927-28 has tended to reduce net working capital. The £1 ordinary shares, quoted at 2$\frac{11}{16}$ at this time last year, now stand at 1$\frac{15}{16}$, and yield £4 13s. 6s. per cent. on the basis of a 9 per cent. dividend.

International Nickel.—Consolidated accounts have been issued for the International Nickel Co. and its subsidiaries covering the quarter ended March 31st last, and they certainly make a satisfactory showing. As the figures of Mond Nickel are now included, comparison with previous results is scarcely possible, but earnings for the three months amounted to $7,391,661; total income, $7,860,709; net operating income, $6,584,282; and profit (after deducting depreciation and other charges), $5,590,191. Preferred dividends absorbed $589,876, and the balance available for the common stock was equivalent to 36 cents per share. A balance of $2,251,168 remained undisturbed. Assets totalled $174,964,567 gross, of which $120,815,967 was represented by property and $23,838,609 (among current assets amounting in all to $53,191,963) by call and time loans. Current liabilities were only $9,200,120. The capital surplus was $48,350,737, the earned surplus $19,390,547, in addition to insurance and contingent reserves and a retirement system reserve. The company reports that the demand for nickel has been very well maintained both in America and in Europe, and as a result of the visit of the President of the company to England an extension of the property of Mond Nickel has been decided on. Caution may be detected in the reference to the development of the Frood mine, which " is continuing in a very satisfactory way," but " it has always been stated that a considerable period must elapse before any practicable output would be obtained " . . . " with care and time the prospects which have already been forecast for this mine will unquestionably be realised." It is reasonable to read into this an encouragement to the genuine investor and a rebuff to the speculator.

Imperial Continental Gas.—Whatever stockholders may think of the dividend recommended, the expansion in the profits of the Imperial Continental Gas Association is, taken by itself, impressive. It appears that the rate of earnings on the capital stock has risen from 9½ per cent. in 1926 and 13¾ per cent. in 1927 to 24½ per cent. in 1928. After paying 15 per cent. as dividend, an allocation of £70,000 is made to reserves, which received nothing last year, and a small distribution is made to the staff, marking the beginning of a scheme of profit sharing:—

(Years ended December 31.)	1926.	1927.	1928.
	£	£	£
Profit	149,213	217,167	387,259
Capital stock *earned*	*9·4%*	*13·7%*	*24·5%*
Capital stock paid	10%	10%	15%
Capital stock amount of dividend	158,080	158,080	237,120
Reserves	...	...	70,000
Staff bonus	...	...	2,371
Increase or decrease in carry-forward	−8,867	+59,087	+77,768

The output of gas increased by 5.79 per cent., as compared with 1.79 per cent. for the previous year, and the units of electricity sold showed an increase of 18.6 per cent. It is unfortunate that the company has seen fit to compress its accounts this time into small compass, for a concern of such standing can have no justification for such a retrograde step. Not only is comparison with the previous year no longer given, but all the investments, which used to be set out in a classified list, have been piled together, as have the reserves. It breeds confidence to see reserves of £3,809,244 on a capital of £2,198,831, but the stockholders are entitled to ask why they are no longer allowed to know the composition of the reserves, and, more important still, to know, as of old, what proportion of the investments are in gilt-edged securities, in foreign gas and electricity companies, and in miscellaneous foreign securities. Under the Association's new Act of Parliament an increase of the authorised ordinary capital stock by £1,024,000 is recommended, of which £524,000 will be offered to stockholders in proportion to their stockholdings, at £200 per £100 stock, some £245 below the present market price, which, in its turn, is £50 below the maximum boom price of not long ago.

African and Eastern Trade Corporation.—The accounts of the African and Eastern Trade Corporation for the year ended September 30, 1928, show a loss of £96,953, which suggests that Sir Robert Waley Cohen made a good bargain with the Niger Company when he obtained for the African and Eastern half the £13,000,000 capital in the merger company, United Africa. At the general meeting on May 23rd Sir Robert may, however, prove to the satisfaction of shareholders that the loss for 1928 was due to non-recurrent causes and that the merger company has started its life with a clean bill. The following table shows the trading results of the African and Eastern over the last three years:—

	1926.	1927.	1928.
	£	£	£
Ordinary capital	4,000,000	4,000,000	4,000,000
Net profits	284,698	407,612	*96,953* loss
Preference dividends	120,642	161,576	124,782
No. of times covered	2·36	2·52	...
Available for ordinary	164,056	246,036	...
Earned per cent.	4·1	6·15	...
Paid per cent.	6	8	Nil
Carried forward	301,416	266,452	44,717

The balance sheet, as at September 30, 1928, shows a total of £19,143,931, but the auditors who have conducted an examination of the company's affairs have declared that the assets must be written down by the extent of the reserves, namely, £2,345,141. Allowing for this reduction the net assets accruing to the 4,000,000 ordinary shares amount to £4,089,556, which would justify the chairman's claim that the shares are worth their par value. The surplus of current assets over current liabilities amounts to £1,588,750, of which cash and bills receivable represent over £1,000,000.

Oil Dividends and V.O.C.—The oil dividends announced in the last week have been received with mixed feelings. The Anglo-American Oil Co. declared a dividend of 7½ per cent. for the year 1928, as against 12½ per cent., which was not earned, in respect of 1927. Seeing that the Anglo-American Oil Co., in the petrol statement which was submitted to the Government, showed that on the bulk of its petrol trade it could not be making any profit even after the recent rise in petrol prices, assuming that it bought its supplies at the current market rate in America, there should be no occasion for surprise at a dividend of only 7½ per cent. It will be interesting to see from the accounts whether even this reduced dividend has been earned. The Burmah Oil Co. announced a final dividend of 10 per cent., making 20 per cent for 1928, as

OTIS & CO.
Established 1899

Underwriters of Stocks and Bonds

Cleveland Chicago New York Philadelphia

Members New York Stock Exchange

was declared in 1927. Dividends have not yet been restored to the 30 per cent. rate which was the order before the oil price cutting war in India was declared. Since the settlement of the company's fight with the Standard Oil group, oil prices in India have recovered, although not quite to the level ruling before war broke out. Trinidad Leaseholds surprised the market by raising its interim dividend in respect of the year ending June, 1929, from 10 per cent. to 12½ per cent. The directors at the same time warned shareholders not to expect an increased final dividend, but declared that results so far known justify the raising of the dividend for the whole year from 27½ per cent. to 30 per cent. On the other hand the 1928 dividend of 22½ per cent. declared by the V.O.C. Holding Co. did not come up to market expectations, but the accounts, which have just been issued, show that the company has again distributed as much as it received in dividends from Venezuelan Oil Concessions. The report of the latter company showed that oil proceeds and value of oil stock was less than 10 per cent. higher at £4,442,351 although the production of crude oil increased by about 70 per cent. from 2,978,219 to 5,084,000 barrels. This was explained by Lord Bearsted at the general meeting of the company in February last. Fuel oil constitutes more than 75 per cent. of the company's crude oil, and fuel oil prices were never lower than they are to-day. At the beginning of 1928 cargo lots of fuel oil were quoted at Gulf ports at 2⅝ cents per gallon. At the end of 1928 the price had fallen to 1⅝ cents per gallon. Lord Bearsted stated that prices were likely to remain at a low level for some time. The dividend declared by Venezuelan Oil Concessions was 111½ per cent. (against 106½ per cent. in 1927), absorbing £1,114,877, practically the whole of which accrued to the V.O.C. Holding Co., as it holds over 99 per cent. of the capital. The financial results of the V.O.C. Holding Co. are shown in the following table:—

	1926.	1927.	1928.
	£	£	£
Capital	3,597,112	5,397,412	5,398,212
Dividend from V.O.C.	443,679	851,619	891,601
Interest and fees	2,029	43,333	94,771
Gross profits	445,708	894,952	986,372
Net profits	426,820	863,213	971,790
Dividend { Amount	431,653	863,714	971,678
Dividend { Rate	15%	20%	22½%
Carry-forward	3,850	3,349	3,461

The total of the balance sheet showed an increase of approximately £1,000,000, chiefly as a result of two dividends from the Venezuelan Oil Concessions being received in one year. Cash amounted to £1,301,536, and treasury bills to £502,158. The shares were slightly easier on the dividend announcement at 4 3/32.

Amsterdamsche Bank.—This Dutch institution reports an increase in earnings during 1928 from 17,605,000 guilders to 18,505,000 guilders, as a result of gradually improving business conditions in Holland:—

(In thousand guilders.)

	1926.	1927.	1928.
Receipts	18,505	17,605	18,505
Expenses	6,005	6,060	6,285
Gross profit	12,500	11,545	12,220
Depreciation	2,506	1,496	1,407
Reserves	3,998	3,997	3,750
Tantiemes	843	896	1,269
Taxes	478	480	567
Dividend { Amount	4,675	4,675	5,225
Dividend { Per cent.	8½%	8½%	9½%

The balance sheet shows a capital of 55 million guilders and reserves of 44½ million guilders. Acceptances on December 31 last amounted to 37½ million guilders and deposits to 74.8 million guilders.

Shell Union Oil Corporation.—The 1928 accounts of the Shell Union Oil Corporation, which is the subsidiary of the Royal Dutch Shell group in the United States, show the recovery in oil fortunes which followed the rise in gasoline prices in America last year. This was supplemented in the case of the Shell Union by a further expansion of operations, the net production of crude oil being 47.8 million barrels as against 36.6 million barrels in 1927, and the refinery through-put being 60.2 million barrels against 53.5 million barrels. The following table shows the earnings and distribution of profits in the last three years:—

	1926.	1927.	1928.
	$	$	$
Gross income	65,044,900	46,798,724	68,538,816
Depreciation and special reserve	33,230,574	33,471,231	44,012,082
Interest on debentures and amortisation	Nil	1,962,740	4,119,486
Net income	31,518,965	11,344,915	20,395,021
Preference dividends	1,035,173	381,270	...
Available for common divs.	30,483,792	10,963,645	20,395,021
Earned per share	$3·04	$1·09	$2·04
Common dividends per share	$2·00	$1·40	$1·40
Carried forward	35,288,572	30,628,358*	37,023,379

* Less premium on preference stock called for redemption in May, 1927.

In December, 1928, the Corporation increased its capital by the issue of 3,000,000 shares of common stock at $10 per share. This increase was necessitated by the constantly increasing expansion of the Royal Dutch-Shell companies in America. Last year the Corporation began the construction of a new refinery at Houston, in Texas, which follows on the new refineries at Chicago and at Dominquez, near Los Angeles, California. The new pipe lines, which have been constructed, now enable the Corporation to ship crude oil from West Texas direct to the refineries at Arkansas City, Wood River and East Chicago, and to the refinery at Houston for coastwise or overseas shipment. The directors add in their report that the Corporation is co-operating to the utmost with the efforts to bring about a more rational development of new oilfields by restriction of output. The common shares of the Corporation are quoted at $28½.

Namaqua Copper.—The effects of the advance in the price of the metal are strikingly exemplified in last year's results, writes our mining correspondent. In 1927 a loss of £14,150 was made, absorbing practically the whole of the credit balance. For the past session, with a slightly reduced output, there was a profit of £10,060, permitting the payment of a dividend of 2s. 6d. per £2 share, now standing at £1 5s. The last preceding distribution was 2s. 6d. in respect of 1926. The company has investments, chiefly gilt-edged securities, to the value of £22,600. Developments in the various mines last year gave very mixed results, but in the end the ore reserves at 72,100 tons, value 4.42 per cent. copper, show only a small decline. In addition, 67,000 tons of mineral, averaging 1.9 per cent., are under treatment at the precipitation works. The results of a visit of inspection to the properties were made known at the meeting.

Oriental Consolidated.—A certain amount of British capital is invested in this New York enterprise, which has for many years past operated a gold property in Korea. Its results are of interest for this reason and in relation to those of the British-owned Chosen Syndicate, which holds neighbouring properties. The latest annual report of the Oriental shows that during 1928 some 238,800 tons were crushed for a yield averaging slightly over one United States dollar. The operating profit amounted to 241,700 dollars, but after providing for depreciation and the like there was a net loss of 47,800 dollars, as against 74,100 dollars for 1927. Once again 5 per cent. has been paid, the amount involved (214,700 dollars) being deducted from the net surplus and reserves, which thereby are reduced to 1,537,700 dollars. At 393,000 tons, having a gross value of 1,864,500 dollars, the ore

The List of Applications will be closed on, or before, Tuesday the 28th day of May, 1929.

CENTRAL ELECTRICITY BOARD.

ISSUE OF £3,000,000

Central Electricity 4 per Cent. Stock, 1959-1989,

Issued under the Electricity (Supply) Act, 1926, and the Central Electricity Board Borrowing Regulations, 1928, pursuant to a Resolution of the Board, dated the 17th day of May, 1929.

Interest will be paid Half-yearly on the 1st May and the 1st November.

PRICE OF ISSUE £83 PER CENT.

The GOVERNOR AND COMPANY of the BANK OF ENGLAND are authorised by the Central Electricity Board to receive applications for the above issue of Stock, payable as follows:—

On Application	£ 5 per Cent.
On Tuesday, 18th June, 1929	£18 ,,
On Friday, 26th July, 1929	£20 ,,
On Friday, 23rd August, 1929	£20 ,,
On Friday, 13th September, 1929	£20 ,,
	£83 per Cent.

The Stock now issued and the interest thereon are a first charge on the whole undertaking and the net revenues of the Board.

The Board reserve power to create and issue further stock ranking *pari passu* with the Stock now issued.

The revenue of the undertaking will be derived from the sale of electricity in bulk and by a levy by the Electricity Commissioners under Section 9 of the Electricity (Supply) Act, 1926, on the whole of the electricity supply industry within Great Britain of annual sums equal to the Interest and Sinking Fund charges in respect of money borrowed for the "standardisation of frequency." The Board are satisfied from detailed estimates of the financial operation of the several Schemes which have been adopted by the Board as mentioned in the Statement appended that when those Schemes are in full operation the revenue will provide ample margins over and above the amount required to meet the interest and sinking fund charges in respect of the total expenditure on the said Schemes. Considerable progress has already been made in the construction of main transmission lines and several sections will be in operation during the latter part of this year.

The Stock will be redeemed by a Cumulative Sinking Fund, commencing not later than the year 1935, sufficient to repay the whole of the Stock by its maturity date. This Sinking Fund will be provided out of the Redemption Funds which the Board are required to provide for the amortisation of their capital expenditure and will be applied in the purchase of Stock when the price, exclusive of accrued interest, does not exceed par, and any balance which cannot be so applied will be invested temporarily in accordance with the Borrowing Regulations. Any Stock not previously redeemed will be repaid at par on the 1st May, 1989, but the Board reserve the right to redeem at par on any interest date on or after the 1st May, 1959, all Stock then outstanding on giving at least three months' previous notice by advertisement in two London daily newspapers.

The Central Electricity Board were constituted by the Electricity (Supply) Act, 1926. Their main functions in the development of the supply of electricity are to construct main transmission lines (commonly known as "the grid"), to concentrate generation at standard frequency in the most efficient stations, to supply electricity in bulk for distribution, and by these means to increase the availability of electricity throughout the country and reduce the cost of production.

The Board may, subject to the consent of the Electricity Commissioners, borrow £33,500,000. Of this sum the Electricity Commissioners have already consented to the borrowing by the Board of £13,900,000, of which £5,400,000 is in respect of "standardisation of frequency," and £8,500,000 in respect of the construction and acquisition of main transmission lines and other purposes. The proceeds of the present issue will form part of the said sum of £13,900,000.

The Board are acting under statutory powers in carrying out the Schemes referred to in the Statement appended, and the proceeds of the present issue will be used to repay temporary advances of monies already expended on, and to provide further funds for, the construction and acquisition of main transmission lines: the cost of standardisation of frequency: and other authorised purposes including payment of interest on the Stock until the 31st December, 1936, if and so far as the expenditure does not become remunerative at an earlier date.

The Register of the Stock will be kept at the Bank of England. The Stock will be transferable by ordinary Transfer Deed in multiples of one pound.

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

Applications must be for sums of £50 or multiples thereof.

Instalments may be paid in full after allotment under discount at the rate of 4 per Cent. per annum. In the case of full payment being made before the 18th June, 1929, discount will only be allowed from the latter date. Default in the payment of any instalment by its proper date will render the deposit and any instalments previously paid liable to forfeiture and the allotment to cancellation.

Interest on the Stock will be payable half-yearly on the 1st May and the 1st November. Warrants will be transmitted by post. A first Interest payment of £1 per £100 will be made on the 1st November, 1929.

Scrip Certificates to Bearer with coupon attached for the interest payable on the 1st November, 1929, will be issued in exchange for the allotment letters. Fully paid Scrip Certificates may be registered on and after the 18th June, 1929.

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

Prospectuses and Application Forms may be obtained at the Bank of England Loans Office, 5 & 6, Lombard Street, E.C. 3, or at any of the Branches of the Bank; of Messrs. Mullens, Marshall, Steer, Lawford & Co., 13, George Street, Mansion House, E.C. 4; at any Stock Exchange in the United Kingdom, or at the Offices of the Central Electricity Board, Trafalgar Buildings, 1, Charing Cross, W.C. 2.

BANK OF ENGLAND,
LONDON, E.C. 2.
24th May, 1929.

STATEMENT.

The Board consists of a Chairman and seven Members, appointed by the Minister of Transport pursuant to Section 1 of the Electricity (Supply) Act, 1926. The present Members are:—

SIR ANDREW R. DUNCAN, *Chairman*.
THE RIGHT HON. THE LORD BARNBY, C.M.G.
SIR JAMES DEVONSHIRE, K.B.E.
MR. FRANK HODGES.
SIR JAMES LITHGOW, BART.
MR. W. WALKER.
SIR DUNCAN WATSON.
MR. W. K. WHIGHAM.

The procedure under the 1926 Act (Section 4) is for the Electricity Commissioners to prepare and transmit to the Board Schemes relating to the respective areas specified therein, and:—

(*a*) determining what generating stations (whether existing stations or new stations) shall be the stations (in the Act referred to as "selected stations") at which electricity shall be generated for the purposes of the Board;

(*b*) providing for inter-connection, by means of main transmission lines to be constructed or acquired by the Board, of selected stations with one another and with the systems of authorised undertakers for the supply of electricity, and, where the scheme relates to a specified area, for inter-connection by means of such lines of the system of the Board in that area with the system of the Board in any other area with respect to which a scheme is then in force or may subsequently be made;

(*c*) providing for such standardisation of frequency as may be essential to the carrying out of the proposals for such inter-connection as aforesaid.

The Board publish the Schemes as transmitted by the Electricity Commissioners and, after considering them and any representations made on them by authorised undertakers and other persons interested, and after holding such inquiries, if any, as they think fit, adopt the Schemes either without modifications or subject to such modifications as they think fit.

After a Scheme has been adopted it is the duty of the Board to construct or acquire the main transmission lines specified therein and to arrange for the carrying out of any standardisation of frequency required thereby.

Progressively as the Board's transmission system inter-connecting the selected stations and other undertakings is constructed, the selected stations will come, group by group, to be operated under the Board's directions, and the Board will purchase all the electricity generated at those stations at a price, unless otherwise agreed, equal to the cost of production, ascertained in accordance with Section 7 of the 1926 Act, and come under obligation to supply electricity, either directly or indirectly, to the owners of the selected stations and to every other authorised undertaker within the area of the Scheme who requires a supply under Sections 7 and 10 or one of them. The prices which the Board may charge for the electricity so supplied are regulated (*a*) as to the electricity supplied to the owners of selected stations by Sections 7 and 13 of the 1926 Act and (*b*) as to electricity supplied to other authorised undertakers by Section 11 of that Act. Under Section 7 the price at which electricity shall be supplied by the Board from a selected station to the owners of that station shall, unless otherwise agreed, be either the adjusted costs of production together with a proper proportion of the Board's expenses or according to the tariff to be fixed under the Act, whichever is the lower, provided (Section 13) that the price for electricity sold to the owners of selected stations shall not exceed the cost at which they could have generated it for themselves. Section 11 provides that, subject to the provisions of the Act as to the sale of electricity to the owners of selected stations, the price to be charged by the Board for electricity supplied by them to authorised undertakers shall be in accordance with such tariff as may be fixed by the Board from time to time, and the tariff shall be fixed so that over a term of years to be approved by the Electricity Commissioners the receipts on income account shall be sufficient to cover the expenditure on income account including interest and sinking fund charges, with such margin as the Electricity Commissioners may allow.

In order that the electricity to be supplied by the Board shall be suitable for use by every authorised undertaker within the area of a Scheme, it is necessary that the undertakings should, in general, be operated at the same frequency, and a standard frequency of 50 cycles per second has been adopted. The procedure for effecting the necessary changes of frequency required by a scheme is regulated by Section 9 of the 1926 Act. That Section provides for the expenses of such standardisation being borne in the first instance by the Board and empowers the Board to borrow money for that purpose. The Section also enacts that the Board shall be repaid by the Electricity Commissioners in each year the sums required to meet the interest and sinking fund charges in respect of moneys so borrowed by the Board, and that the payment of such sums shall be treated as part of the expenses of the Commissioners. Under Section 9 of the 1926 Act and Section 29 of the Electricity (Supply) Act, 1929, as amended by Section 7 of the Electricity (Supply) Act, 1922, the Electricity Commissioners are empowered to recover the moneys payable by them to the Board under the said Section 9 from all the Joint Electricity Authorities and authorised undertakers within Great Britain.

The rapid growth of the Electricity Supply industry can be judged from the figures given below, which are taken from the Official Returns of the Electricity Commissioners. These figures show the total amount of electricity generated during the last few years by all authorised undertakers and railway and tramway authorities in Great Britain; a few non-statutory undertakings are also included but generation by private plants is excluded:—

Year ended.	Units generated.
31st March, 1922	4,884,666,038
31st March, 1923	5,738,718,485
31st March, 1924	6,661,524,272
31st March, 1925	7,415,375,529
31st March, 1926	8,122,961,823
31st March, 1927*	8,365,857,198
31st March, 1928	9,927,850,630

* Year of General Strike.

It will be seen from these figures that the annual output of the Industry in Great Britain has increased in six years by over 100 per cent.

The following Schemes have been adopted by the Board:—

(1) Central Scotland Electricity Scheme, 1927;
(2) South East England Electricity Scheme, 1927;
(3) Central England Electricity Scheme, 1928;
(4) North West England and North Wales Electricity Scheme, 1928;
(5) Mid-East England Electricity Scheme, 1929.

The Board expect shortly to receive from the Electricity Commissioners Schemes for the remaining areas in the Country.

reserves in the several mines show a falling off of 92,000 tons in quantity with a small decrease in average value, developments in one of the properties having proved disappointing. The ten-dollar shares are quoted on the London Stock Exchange at 11s. 3d.

Anglo-American Corporation.—In the course of his speech at the annual meeting, held in Johannesburg, a fairly full report of which has been cabled over, Sir Ernest Oppenheimer stressed the importance of the native labour factor. He remarked that even a small increase in the average efficiency of a force of nearly 200,000 would mean much to the mines, particularly the low-grade properties. Dealing at some length with the diamond position, Sir Ernest said the corporation's only new interest was in the Cape Coast Exploration, which appeared likely to control the bulk of the diamondiferous areas south of Port Nolloth; the one farm so far systematically prospected was estimated to contain diamonds worth over £2½ million. The sensationally rich deposits owned by the Union Government, also the Merensky claims, in Namaqualand, would prove short-lived, and their produce would be marketed over a series of years. Production to-day as a whole approximated to the average of the past 23 years, and a considerable contraction in the output of alluvial stones might be looked for in the second half of the current year. On these grounds the corporation had confidence in its diamond shareholdings.

CAPITAL ISSUES.

After the pre-Whitsun rush of prospectuses the week's offers were of minor importance, apart from a momentous new issue by the *Central Electricity Board*, the underwriting of which was arranged towards the end of the week. This operation is discussed in an Investment Note on page 1174. Including this issue, the figures for the week were £2,873,520, bringing the total for the year up to £152,366,834, excluding conversions, against £214,921,583 for the corresponding period of 1928. Of the two other issues, *Dominion-Scottish Investments* was a new Canadian trust company, which proposes to place a large portion of its resources in the securities of Canadian enterprises. In addition to the board of directors, there are Canadian and British advisory committees, the latter consisting of the chairman of the Anchor-Donaldson Line and the chairman of the Clyde and Mersey Investment Trust. The auspices are, therefore, satisfactory. Whatever the worth of the *British Filograph Co.'s* patents for recording sound on a thread, to invite the public to risk their money on a commercially untried invention is, on principle, objectionable. This issue was not underwritten, but the directors were aware of applications for 200,000 shares out of the 600,000 offered.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total recorded since January 1, 1929, £147,060,110.
Total, including conversion, recorded since January 1, 1929, £173,043,064.

National Savings Certificates.
Net sales week ended May 18, 1929, *Dr. £100,000.*
Total receipts April 1, 1929, to May 18, 1929, *Dr. £250,000.*

Description of Issue and Date of Opening of Lists. To the Public.	Nominal Capital. £	Conversions or Repayments. £	New Money, Cash Subscription. £	First Payment. £	Further Liability. £
British Filograph Co., 600,000 Shares 2s. at par (May 22)...	60,000	...	60,000	15,000	45,000
Dominion-Scottish Investments 20,000 Units, par value $1,500,000, at $4·86⅔ to £ £309,045 { 5% Cum. Red. Pref $50 Cum. Shares $25 } issued at $78·50	309,045	...	323,420	20,603	302,817
Central Electricity Board £3,000,000 Central Electricity 4% Stock 1959-1989 issued at 83% (May 24)	3,000,000	...	2,490,000	150,000	2,340,000
Total to Public, week ended May 25, 1929	3,369,045	...	2,873,420	185,603	2,687,817
To Shareholders only.					
Anglo-Portuguese Telephone, 113,012 new Ord. £1 at par...	113,012	...	113,012	113,012	...
Ceylon Consolidated Estates, 1,102,324 Ord. 1s. at par.....	55,116	...	55,116	55,116	...
Licenses & General Insurance, 57,624 Ord. £1 at 50s.....	57,624	...	144,060	28,812	115,248
Roan Antelope Copper Mines, 1,139,034 Ord. 5s. at 39s.....	284,758	...	2,221,116	2,221,116	...
Total to Shareholders only, week ended May 25, 1929.....	510,510	...	2,533,304	2,418,056	115,248

Total offered for Subscription— To date—	Including Conversions. £	Excluding Conversions. £
1929	178,349,788	152,366,834
1928	...	214,921,583
1927	...	185,551,591
1926	...	86,799,334
1925	...	88,839,591
1924	...	86,177,814
1923	...	148,338,191

Total offered for Subscription— Whole year—	Including Conversions. £	Excluding Conversions. £
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,601
1925	...	232,214,500
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Advertisement (in brackets).	Amount of Capital Introduced. £	Price at which Dealings Began. £	Total Cash Involved. £
Total recorded since Jan. 1, 1929.....	19,585,505	...	27,895,040
Base Metals Mining Corporation, 1,850,005 Shares. No par value (May 15).....	...	13/-	...
Forestal Land, Timber and Railways, £1,000,000, 6% Notes red. finally par, June 1, 1939, sold at 95 (May 15)	950,000	97½	975,000
Gerrard Wire Tying Machines, 1,000,000 Shares 2/- (May 17)	100,000	4/9	237,500
Cassell & Co. (Holdings), 100,000 7½% Cum. Pref. £1 (May 15) 7/6 paid	100,000	8/6	105,000
Total, week ended May 25, 1929.....	1,150,000	...	1,317,500
Total to date, 1929	20,735,505	...	29,212,540

Central Electricity Board.—Issue of £3,000,000 4 per cent. stock, 1959-89, at £83. Capital and interest are a first charge on the whole undertaking and the net revenues of the board. The stock will be redeemed by a cumulative sinking fund, commencing not later than 1935 and sufficient to repay the whole by maturity, which will be applied in purchase at or below par. The board reserves the right to redeem at par in or after 1959 all stock then outstanding.

Dominion-Scottish Investments, Limited.—Offer for sale of 20,000 units, consisting of one $50 per cent. cumulative redeemable preference share and one $25 common share, at $78.50 per unit. Preference shares are redeemable at 5 per cent. premium after 1934 at company's option; until 1934 holders have the right to subscribe at par for two common shares for every five preference shares held. Authorised capital consists of 100,000 preference and 200,000 common shares; 60,000 units are being offered in equal proportions in Montreal, Toronto and the United Kingdom. The company is incorporated in Canada to carry on investment trust business.

British Filograph Company, Limited.—Issue at par of 600,000 (out of 1,250,000) 2s. shares. The company acquires patents and patent rights for Great Britain and Ireland, Europe, and the British Empire (excluding Canada) of inventions for recording and reproducing sound on a thread, and will manufacture and sell recording and reproducing machines and gramophone attachments for use with thread records. The purchase price for patents and rights and an option on rights in U.S.A., Canada and the Argentine is £45,000 in shares and a call on a further 200,000 shares at par. Working capital is estimated at £47,000.

Particulars of the following have been issued "for information only" with a view to Stock Exchange introductions:—**Gerrard Wire Tying Machines Company, Limited**; issued capital £100,000 in 2s. shares; incorporated in 1924; net assets are valued at £101,314; and profits have been:—1924-25, £23,838; 1925-26, £25,449; 1926-27, £14,429; 1927-28, £32,871; 1928-29, £37,051. **John Lewis Partnership, Limited**; issued capital, 151,250 £1 7½ per cent. cumulative preferred ordinary and 12,000 £1 deferred ordinary shares, together with 958 £1,000 deferred bonds; incorporated (*inter alia*) to acquire a reversionary interest in shares of three companies, and intended to form the basis of a scheme of co-partnership between the employees. **Indestructible Paint and Standard Varnish, Limited**; 60,000 £1 7 per cent. cumulative preference and 58,000 £1 ordinary shares are being issued, the latter ranking *pari passu* with 75,000 existing shares; incorporated in 1924 as manufacturers and dealers in paint, enamels, distempers, varnishes, stains, dyes, lacquers, polishes, colours, etc. **Anglo-Norwegian Holdings, Limited**; issued capital, 20,000 $100 7 per cent. cumulative preferred shares redeemable at company's option at $110, and 420,000 common shares of no par value; incorporated in the Province of Quebec, Canada, to acquire an interest in the Antarctic whaling industry; each preference share gives the right between 1929 and 1931 to purchase two common shares at $7.50 per share, and a further 40,000 common shares are under option to vendors at that price. **Mansfield (Holdings), Limited**; issued capital, 159,550 £1 7 per cent. cumulative preference and 240,450 £1 ordinary shares, together with £100,000 6½ per cent. first debenture stock, 1935-53; acquires control of five companies manufacturing bricks, cement, etc.

Grace National Bank
Hanover Square, New York, U. S. A.

Commercial Banking. Execution of orders in New York for European banking correspondents.

Special Representative

148 Leadenhall St. London, E. C. 3.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. — Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Latest Year.	Previous Year.
INSURANCE.				%	%
Empire of India Life	Rs. 8 ps†	...	...	Rs60ps	Rs60ps
Reliance Marine	...	...	Less tax	25	25
TEA AND RUBBER.					
Alhheel Tea.....	15%†	May 23	...	20	25
Assam Consolidated Tea	...	...	...	5	8
Bagracote Tea.....	15%†	June 13	...	20	...
Besoeki Plantations	8%†	...	...	15	20
Chubwa Tea.....	25%†	...	Less tax	35	45
Chulsa Tea	19%†	...	...	25	...
Derby Tea	10%†	June 20	...	15	27½
Doom Dooma Tea.....	20%†	...	Less tax	30	35
Dungua Tea	5%†	June 10	...	7½	7½
Emerald Rubber.....	...	June 15	...	8	5
Glenshiel	...	...	...	7½	5
Isa Bheel Tea	5%†	June 20	...	10	45
Java United	8%†	...	...	15	20
Jong-Landor Rubber.....	4%*	June 14	Less tax	...	...
Kurau	...	...	...	5	4
Malacca Rubber	...	...	...	7½	10
Maturata.....	5%*	May 24	...	...	...
Maydehee.....	...	May 25	...	5	10
Merliman Pegoh.....	...	July	...	5	5
Muar Itam	...	...	...	6	Nil
Pabbojan Tea.....	35%†	June 7	...	55	55
Pyrites	...	...	...	10	...
Sialang Rubber	...	...	...	10	15
Sylhet Tea	5%†	June 6	...	7½	15
Tambira Rubber.....	...	May 29	...	5	Nil
Tara Tea	40%†	June 8	...	50	50
MINING.					
Kent (F.M.S.) Tin	7½%†	June 24	...	22½	...
Kinta Tin.....	5%† 5%† 5%*	June 28 June 28 June 28	... ...	25	30
Malayan Tin	10%*	June 7	...	...	...
Namaqua Copper	...	June 4	...	6½	Nil
North Broken Hill.....	12½%	June 28	...	...	...
Poderosa	...	...	Less tax	5	Nil
Siamese Tin.....	10%*	May 31	...	...	...
Southern Malayan Tin	5%*	June 5	...	...	...
Southern Perak Dredging.....	5%	June 30	...	...	...
Tanjong Tin.....	5%† 5%*	June 28 June 28	... ...	25	10
OTHER COMPANIES.					
Anglo-American Oil	...	June 5	Tax free	7½	12½
Bankers' Investment Trust (Def.)	8½%†	...	...	11	10½
Baxter (W. H.)	...	...	Tax free	20	30
Boots Pure Drug.....	...	...	...	1s. p.s.	9d. p.s.
British-American Tobacco	10d. p.s.*	June 29	Tax free	...	...
British United Shoe Machinery...	7½%*	...	Tax free	...	...
Broughton Copper	...	...	...	12½	...
Bush (W. J.) and Co.....	11%†	...	...	15	12½
Compton (J.), Sons and Webb...	15%†	...	...	25	25
Consolidated Gas of Baltimore..	$½ p.s.*	July 1	Quarterly	...	...
Craigmillar Steam Laundry	...	...	...	10	10
Criterion Restaurants.....	5%†	...	...	10	12½
Dibben (William) and Sons	5%†	...	...	10	...
Eastern Smelting	5%*	June 21	...	...	...
Estates and Agency	2½%*	...	Less tax	...	...
Ewart and Son	32*	...	Less tax	...	...
General Scottish Trust	...	...	Less tax	5	4
General Co-operative Invest. ...	3%*	...	...	...	...
Hall (J. and E.)	3½%*	May 30	...	...	...
Hill (R. and J.)	...	...	...	Nil	5
Hydro-Electric Securities.....	25 cents p.s.*	June 14	...	...	...
Independent Investment	5½%†	...	...	7½	...
International Holding & Invest.	10 cents p.s.*	June 14	...	...	...
International Sleeping Car	...	...	...	1	2
Johnson (Richard) and Nephew	...	...	...	8	...
Kelly's Directories.....	7½%† and bonus		5%	17½	...
Lancashire Electric Light.....	...	...	...	7½	7½
Lincolnshire Finance	...	...	...	8½	7½
Manchester Corn Grocery	4%*	...	...	...	...
Mercantile Marine Finance	5%†	...	...	8	8
Montevideo Gas and Dry Dock...	4½%†	...	Tax free	7	6
Montgomerie and Co.....	...	...	Less tax	15	15
Northern Loan Co.....	...	...	...	15	15
Power Investment	...	...	...	5	...
Prov. of Buenos Ayres Watrwks.	...	May 28	Tax free	6	5
Shawinigan Water	$½ p.s.*	July 10	Quarterly	...	...
Second Mercantile Trust	...	...	...	7	6½
Tate and Lyle.....	4%*	...	...	...	...
Taylor's Eagle Brewery.....	...	...	Less tax	10	10
Tea Share Trust.....	7½%†	...	...	12½	20
Third Edinburgh Invest. (Def.)	5%*	...	...	...	...
Transvaal and Delagoa Bay.....	7½%*	...	...	...	...
Trust and Mortgage of Iowa ...	...	...	...	4	4
United Motor Finance.....	...	...	...	10	10
United Theatres.....	...	...	...	10	12½
United Water Softeners.....	...	...	Tax free	2/- p.s.	2/- p.s.
Waring and Gillow	...	...	Less tax	15	10

MINING OUTPUT STATISTICS FOR APRIL 1929.

	Tons Crushed. Mill.	Tons Crushed. Cyanide Works.	Gold Recovered. Mill.	Gold Recovered. Cyanide Works.	Gold Recovered. Total.	Value.	Profit.
Gold. Pats (first half of May)	Tons. ...	Tons. ...	Ozs. ...	Ozs. ...	Ozs. ...	$ $22,353	£ ...

	Tons Output.	Other Notes in Return.
Renong ..... COPPER.	17½	First half of May.
Namaqua ..... COAL.	119	Blister copper.
Witbank	70,749	...

SAN FRANCISCO MINES OF MEXICO, LIMITED.—Cable advice of operations for April: Ore treated, 25,150 tons; lead concentrates produced 3,220 tons; zinc concentrates produced 3,800 tons. Estimated net smelter returns, $343,709. Operating expenses, $112,671. Estimated operating profit, $231,038.

SULPHIDE CORPORATION LIMITED.—During the four weeks ended April 20, 1929, 9,893 tons of Central Mine ore, together with 1,680 tons of slimes were milled at the Central Mine, producing 1,806 tons of leady concentrates (including 53 tons from the de-leading plant) which assayed 54 ozs. silver, 67 per cent. lead, together with 2,770 tons of zinc concentrates assaying 7 ozs. silver, 4 per cent. lead and 50 per cent. zinc per ton, and 194 tons special slimes, assaying 9 ozs. silver, 12 per cent. lead and 6 per cent. zinc per ton.

WORKING PROFIT, TRANSVAAL.—The total estimated working profit of the gold mines of the Transvaal for the month of April, 1929, amounted to: Witwatersrand, £1,036,826; outside districts, £31,277; total, £1,068,103.
The estimated working profit in March, 1929, was: Witwatersrand £1,024,678; outside districts, £37,653; total, £1,062,331.

NORTH BROKEN HILL, LIMITED.—For the month of April the production was as follows:—35,891 tons of crude ore were treated, assaying 13·9 per cent. lead, 7·8 ozs. silver per ton, and 10·4 per cent. zinc, producing 7,560 tons lead concentrates assaying 65·6 per cent. lead, 31·4 ozs. silver per ton and 7·9 per cent. zinc; also 5,700 tons zinc concentrates assaying 49·4 per cent. zinc, 2·6 per cent. lead and 3·5 ozs. silver per ton. 6,870 tons dump slimes were treated, assaying 10·7 per cent. lead, 8·3 ozs. silver per ton and 16·2 per cent. zinc, producing 1,060 tons lead concentrates assaying 54·7 per cent. lead, 38·3 ozs. silver per ton and 12·3 per cent. zinc; also 2,000 tons zinc concentrates assaying 46·6 per cent. zinc, 5·2 per cent. lead and 5·5 ozs. silver per ton.

BROKEN HILL SOUTH LIMITED.—For the four weeks ended May 4, 1929, 26,720 tons of crude ore were treated, and produced 5,764 tons of leady concentrates, assaying 66 per cent. lead and 22 ozs. silver per ton; also 4,593 tons of zinc concentrates, assaying 50 per cent. zinc.

ELECTROLYTIC ZINC COMPANY OF AUSTRALASIA, LIMITED.—Production during four-weekly period ended May 1st: 3,920 tons zinc, of which 60 tons used at the works; silver-lead product for shipment to Port Pirie for realisation containing 530 tons lead; 74,000 ozs. silver.

LIETUVOS BANKAS
(Bank of Lithuania)
KAUNAS, LITHUANIA
Telegraphic Address: "EMISBANK—KAUNAS."

BALANCE SHEET
December 31st, 1928.

Litas = 0.10 U.S.A. Dollars

ASSETS.

1. Gold reserve...	34,265,409.73
2. Silver coins	4,363,068.—
3. State Treasury coins	1,843,281.53
4. Foreign currency	45,884,506.33
5. Loans and discounts	88,063,785.27
6. Other assets	12,684,436.11
	187,104,487.47

LIABILITIES.

1. Capital	12,000,000.—
2. Reserve capital	1,200,000.—
3. Bank notes in circulation	84,773,628.—
4. Deposits	81,804,980.64
5. Other liabilities	5,825,869.83
6. Profit for 1928	1,500,000.—
	187,104,487.47

PROFIT AND LOSS ACCOUNT
for the Year ending December 31st, 1928.

Expenses, depreciation and other write-offs	8,193,023.05
Net profit	1,500,000.—
	9,693,023.05
Gross profit for 1928	9,693,023.05

V. JURGUTIS, *Governor.*
J. PAKNYS, *Vice-Governor.*
P. GRAJAUSKAS, J. KAUPAS, Z. STARKUS, } *Directors.*
B. MINIATAS, *Bookkeeper.*

At the annual meeting of stockholders of the Lietuvos Bankas, held April 27th, 1929, 7 p.m., at the Bank's offices, Kaunas, presided over by Professor A. Voldemaras, reports of the Directors, of the Advisory Board and of the Auditing Committee were presented. The reports were by motion unanimously carried, ordered received and filed. It was further voted to pay to the stockholders 9 per cent. dividend.

COMPANY MEETINGS, &c.

WIGGINS, TEAPE AND CO. (1919), LIMITED.

OUTPUT AND SALES AGAIN INCREASED.

CURRENT YEAR'S OUTLOOK.

The tenth annual general meeting of Wiggins, Teape & Co. (1919), Limited, was held, on Friday, May 17th, at Winchester House, Old Broad Street, London, E.C.

Mr Keith Barlow (chairman of the company) said: Ladies and gentlemen, with regard to the general trade of your company, I am glad to be able to report progress, both as regards output and sales, and you may be interested to know that the Wiggins, Teape & Co. (1919), Ltd., mills had an increased output of 14 per cent., as compared with 1927, and the Stoneywood mill of Alex. Pirie & Sons, Limited, had an increased output of 9 per cent., as compared with 1927. I am pleased to say that, with the exception of the necessary shuts for alterations to the plant and machinery, we were able to keep all our mills running full time. This has not only been of benefit to the shareholders, but also, as you will appreciate, to the operatives at the various mills. In my speech last year, I mentioned that your home sales in 1927 showed an increase of 9 per cent., as compared with 1926. I am glad to be able to report that in 1928 they again show an increase of 6 per cent., as compared with 1927. Our export side, which in 1927 showed an increase of 4½ per cent., as compared with 1926, again shows an advance in 1928, the increase being 11 per cent.

NEW PAPER-MAKING MACHINE.

You will remember that at last year's meeting I reported that we had placed an order for a new paper-making machine for the Stoneywood works of Alex. Pirie & Sons, Limited, which I said I hoped would be in operation in the late autumn of 1928. I am glad to say that this expectation was realised and the machine was started up on November 30th, and while, as is usual with all new machinery, many adjustments had to be made, I am pleased to inform you that, from the start, the machine turned out exactly the class of paper at which we were aiming. Owing to special treatment, we are able to guarantee that these papers will lie flat in the printing machines, and this, we are certain, will be of great value to the printers.

PHOTOGRAPHIC MILL.

It has been my practice in past years to say a special word with regard to the photographic branch of your company's business. The profits of our Photographic Mill show a slight reduction during the year under review, but I am pleased to state that the sales of Photographic Papers were maintained. I feel that one can now say that the photographic branch of our business is established on a sound footing, and I should like to take this opportunity of thanking the British Sensitisers, our customers, who have helped us in every possible way to establish this entirely new industry in this country.

You will see that, after transferring a sum of £50,000 to general reserve, thus raising the account to £232,495, we are able to recommend a dividend of 8 per cent., less income tax, on the ordinary share capital of the company.

PROSPECTS FOR 1929.

With regard to the current year, though the results for the first three months are not so favourable as those for the corresponding months in 1928, the profits for April, 1929, show an advance on those for April, 1928. Judging from Press reports, it would appear that the general trade of the country is showing signs of improvement, and this improvement is already being reflected on your company's order book. Should this state of affairs be maintained, I think we may look forward with confidence to meeting you this time next year with a satisfactory balance sheet. The only proviso I have to make is that the effect of the forthcoming General Election might, at any rate for a time, tend to retard business.

After the directors' report and accounts had been adopted and the dividend approved, the retiring directors were re-elected and the auditors re-appointed.

CHEVIOT RUBBER, LIMITED.

EXCELLENT RESULTS.

The nineteenth annual general meeting of Cheviot Rubber, Limited, was held, on the 17th instant, in the Council Room of the Rubber Growers' Association, 2-4, Idol Lane, Eastcheap, London, Brig.-Gen. the Hon Charles Lambton, D.S.O. (the chairman), presiding.

Mr C. B. Hester, representing the secretaries (Messrs Guthrie and Co., Limited), having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: The issued capital amounts to £194,043 10s., against £170,000 shown in the 1927 balance sheet. The increase is accounted for by 180,435 shares taken up by shareholders in response to the offer of new shares at 3s. 6d. each made in February, 1928, and 60,000 shares issued at 3s. each, to which I shall refer later. Cheviot property account is increased by £11,888. £1,150 of this sum represents expenditure on immature areas, and the balance the net cost of 475 acres of land acquired adjoining Cheviot, of which 410 acres are planted with young rubber. In connection with this purchase, and, as part of the terms, an option over 60,000 shares of the company's unissued capital was granted to the vendors at 3s. per share. This option was exercised. The company was itself previously interested, in conjunction with three other companies, in experiments which were being conducted on this land, and, the area being no longer required for experimental purposes, the rubber planted on it was taken over by this company on the terms mentioned. The net cost to the company works out at only £26 per planted acre, and the transaction is, therefore, an advantageous one to us. The planted area at Cheviot now totals 3,057 acres. At Middleton 680 acres approximately were planted in 1928, which, with the 1927 area, brings the total up to 986 acres. The planted area owned by the company is, therefore, 4,045 acres, of which 2,635 acres are mature and producing. We have arranged to plant up a further 500 acres at Middleton this year.

Budgrafting on Middleton is in progress and will be continued during the current year. Successful work has been achieved on this division in spite of persistent malaria to which the staff and labour force have been subjected, and a lack of rainfall, which added to the difficulties by making heavy supplying necessary. All possible counter-measures are being taken against malaria, which the Board trust will result in a definite improvement. The staff at Middleton deserve our fullest commendation for the work accomplished under heavy handicaps.

PAST YEAR'S OUTPUT.

Following the announcement of the abolition of restriction in April, 1928, Cheviot estate was gradually brought into full production, and the output for the year amounted to 1,141,000 lbs., against an estimate under 40 per cent. restriction of 753,700 lbs.

The acting manager and the staff deserve special credit for the successful manner in which labour was secured and trained for tapping. Cheviot estate is reported to be in its customary good order, and cultivation works, which I informed you last year had been temporarily suspended in order to concentrate on the organisation of tapping, are now being fully resumed. The high yields obtained on Cheviot are due to the regular cultivation works

162 Branches in Finland

CAPITAL AND RESERVES: Fmk.417,000,000.
TOTAL ASSETS (31/12/28): Fmk.2,934,742,000.

KANSALLIS-OSAKE-PANKKI
(National Joint Stock Bank)

HEAD OFFICE: HELSINKI (HELSINGFORS), FINLAND
Established 1889.

carried out in past years, as well as to richness of soil, and the policy which has proved so successful will be continued in the future to the fullest extent.

The first-class condition in which Cheviot estate stands to-day is due very largely to the skilful work and ability of Mr A. P. Cranna, who has been manager of the estate since 1921. Mr Cranna now vacates this position in order to take up duties as a visiting agent, in which capacity we shall fortunately still have the benefit of his experience and advice. The management of the property has been entrusted to Mr G. P. Barnet, who has had many years' successful managerial experience.

Profit for the year amounted to £31,023, compared with £33,358 for 1927. When I addressed you last year such an excellent result would have seemed extremely unlikely, but, thanks to heavy yields and economical working, the result comes very close to that for 1927, when the price ruling for rubber was practically twice that ruling during 1928. It is with great satisfaction, in the circumstances, that the Board are able to recommend a dividend of 10 per cent. (less tax), after placing £5,000 to general reserve and providing the customary sum of £3,000 for estate amortisation. With premiums received as a result of the new issues, general reserve now totals £43,189, while amortisation reserve totals £28,000. Our financial position is maintained at its usual high level, cash and British Government securities amounting to over £90,000.

A rapid expansion in American consumption has absorbed the stock which accumulated in the East prior to 1st November, 1928. The removal of this stock and the continuance of a good rate of consumption both in America and in other countries offer some prospect of a more stable market than we have seen for some time past.

Mr J. G. Hay seconded the motion, which was carried unanimously, and a vote of thanks to the Chairman and to the agents and staff in the East concluded the proceedings.

INDIA GENERAL NAVIGATION AND RAILWAY COMPANY, LIMITED.

INCREASED PROFIT.

The annual ordinary general meeting of the India General Navigation and Railway Company, Limited, was held, on the 22nd instant, at Winchester House, Old Broad Street, London.

Mr S. G. L. Eustace (the chairman), in the course of his speech, said: The profit for the year amounts to £179,725, against £137,411 for the previous year, an increase of £42,313, and an indication that the sums we have lately expended on block account are beginning to yield a return. During the year the total volume of goods carried has shown a considerable increase, which one may attribute to the normal expansion of trade, and it is therefore of some satisfaction that with the additions made to your fleet we were able to meet this increased demand.

During the year we have placed in commission nine steamers and six flats, while two steamers and three barges were withdrawn from the running fleet. Capital expenditure amounted to over £350,000—a considerable sum, but, owing to delays, it includes the completion of the programme of new construction for the previous three years. This additional block is now beginning to earn a return, but in order to meet the continual increase in the demand, it is necessary for us not only to replace obsolete vessels, but to continue building further vessels, and we hope during the current year to be able to place six more steamers and possibly twelve more flats in commission. In order to meet a demand in another direction, we are placing three more motor boats in commission. The boats are required for services in the rivers in the Delta district of a similar nature to that of motor buses in this country.

We have placed £15,000 to the debenture sinking fund, as against £3,500 in previous years. During the year we have been able to purchase Rs. 83,000 of our debentures at somewhat under par value, and it is intended to continue this policy as and when the debentures are on offer. £72,391 is being allocated to general reserve, which will assist us very considerably in financing our building programme. After making the provisions as set forth in the profit and loss account, and bringing in the sum of £19,072 carried forward, there remains £102,657, out of which the board recommend an addition to the usual preference dividend, a final dividend of 7½ per cent. on the ordinary shares, making a total distribution of 10 per cent. for the year, and leaving £24,897 to be carried forward.

COMPETITION FROM RAILWAYS.

Earnings up to date show a falling off compared with the previous year, but we can only hope that an improvement may be shown later on. As mentioned last year, we are faced with serious competition from the railways. The railways in India are under control of the Government of India, which functions through the Railway Board. All extensions to existing railways or new railways have to receive the sanction of the Railway Board, and two cases have arisen which affect us in no small degree. In the first, we endeavoured to obtain the sanction of the Railway Board to the construction of a small railway or tramway, on the right bank of the river Bramaputra, which would not only act as a feeder to our river services, but would assist materially in developing a large area. This proposal was objected to by the Railway Board as it was likely to be in competition with a proposed extension of the Eastern Bengal Railway to the same district. This extension, however, could not be carried out without a Government guaranteed return on the outlay, as it was not expected to be a paying proposition. After two years' delay we now learn that not only is the railway to be built under guarantee, but that sanction may be accorded to our tramway also which, however, calls for no guarantee. We may, therefore, find ourselves in competition with a guaranteed concern, which you will agree is a serious matter for us.

In the other case, we have for years run an efficient service from Goalunde to Naraingunge, and we have lately, in order to improve this service, built and equipped first-class fast and efficient steamers at a cost of £34,300 each. We now learn that it is proposed to construct a costly State railway from the Nairaingunge district to a point opposite Goalunde, which will be in full competition with our service. While money is urgently needed to build railways so as to develop those parts of the country which have no railway or water transport service, and there are many, it seems incredible that it should be expended on a railway which will enter into acute competition in a district already well served with water transport. We are given to understand that the sum of 27 lacs of rupees has already been allocated during the current year for the purposes of inaugurating the projected extension (estimated to cost 189 lacs of rupees) from Naraingunge district, which will discourage and may even kill the existing private enterprise.

The report and accounts were unanimously adopted.

THE
LIVERPOOL
AND
LONDON
AND
GLOBE
INSURANCE CO., LTD.
FOR ALL CLASSES OF INSURANCE
Head Office: 1, Dale St., Liverpool. London
Chief Office: 1, Cornhill, E.C.3.
General Manager & Secretary: Hugh Lewis

JOHN M. NEWTON AND SONS, LIMITED.

CONTINUED PROGRESS—GOOD PROSPECTS.

The third ordinary general meeting of John M. Newton and Sons, Limited, was held on the 21st instant, at the Holborn Restaurant, London, W.C.

Mr John Newton (the chairman) said that the net profit to be dealt with amounted to £35,106, and the directors recommended a final dividend of 22 per cent. on the ordinary shares, making 37 per cent. for the year, which was the same distribution as that made last year, but on a larger capital. It was only during the past year that the company began to obtain the full value from the amalgamation of its four different concerns taken over during 1927, and the gross sales for the past year had exceeded those of the previous year by about 7 per cent. Unfortunately, there had been a considerable amount of competition and cutting of prices, which had had a detrimental effect on the trading profits, but this had been made up by the extraordinary receipts in connection with the subsidiary companies. The current year showed a continued increase in sales, the turnover was on a very satisfactory basis, and, with the present political uncertainty out of the way, he anticipated that further progress would be made during the remainder of the year.

With regard to the accounts, he thought it would be agreed that the financial position of the company was one of considerable

strength. The total liabilities, including the issued capital of £160,600 shown in the balance sheet, amounted to £196,713, against which there were tangible assets, not including goodwill, amounting to £199,961, all of which were liquid and easily realisable. The goodwill stood at only £40,000, which was equal to one year's purchase, and was a very conservative figure, as this item constituted a really valuable asset. The name of "Newton" was generally linked up with glass and glass with "Newton," and the number of live accounts being dealt with month by month was steadily increasing, the number at the present moment being something like 50 per cent. higher than those which existed at the early part of 1927. During this year the company had extended its premises by taking over new and important works. Trade investments, £36,684, had been taken in at cost, although their present market value was considerably above that figure.

Dealing with the subsidiary companies, the chairman said that the new works at the Plymouth branch were very near completion, and would be in full operation within the next few weeks. The directors anticipated that this branch would prove to be a valuable asset.

The report and accounts were unanimously adopted.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 18, 1929 :—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	4,900	From Revenue	11,370
Interest, &c., on Debt	5,452		
Sinking Fund	615		
Decrease in Balances	247		
Decrease in Debt	129		
Sundries	27		
	11,370		11,370

The total ordinary revenue for the week amounted to £11,370,000, as compared with £12,235,491 in the corresponding week of last year. Property and income tax amounted to £1,060,000, and supertax to £340,000, against £1,050,000 and £570,000 respectively a year ago. Customs receipts were lower than a year ago, being £1,365,000 against £1,870,000, but Excise brought in £6,970,000, against £6,325,000 in the corresponding week of last year.

The National Debt was reduced by £129,000, as shown below :—

(000's omitted.)

	£		£
National Savings Certificates	−100	Treasury Bills	+31
Treasury Bonds	− 50		
Public Department Advances	− 10		
	−160		+31

The floating debt was increased by £20,000 to £742,840,000.

Financial Year, 1929–30, April 1 to May 18.

	£		£
Expenditure	88,154,706	Revenue	85,905,145
Amount repaid	884,786	Decreases in balance	3,134,347
	89,039,492		89,039,492

Estimates for Financial Year, 1929–30.

	£		£
Expenditure	691,564,000*	Revenue	746,060,000
Sinking Fund	50,400,000		
Surplus	4,096,000		
	746,060,000		746,060,000

* This figure includes the new Exchequer Contributions of £15,560,000 to Local Revenues, &c.

Self-Balancing Revenue and Expenditure.

	£
Post Office	58,110,000
Road Fund	22,510,000
	80,620,000

Rating Relief Suspense Account.

	£		£
Balance on April 1, 1929	22,633,000	Cost of anticipating rate relief for Agriculture	2,570,000
		Balance on March 31, 1930	20,063,000
	22,633,000		22,633,000

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 31, 1929.	May 18, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	13	13	12	12	12	12	12
4% Consolidated Loan	...	...	...	...	166	204	204	204	204
3½% Conversion Loan	...	...	709	760	740	832	832	832	832
4½% Conversion Loan	...	...	210	211	211	221	221	221	221
3½% War Stock	...	63	63	63	63	...	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,052	2,109	2,154	2,253	2,253	2,253	2,253
National War Bonds	...	1,509	778	706	556	194	111	64	64
4% Funding Loan	...	409	394	390	389	385	385	385	385
4% Victory Bonds	...	360	303	292	277	261	261	261	261
Treasury Bonds	...	...	499	482	454	675	773	762	760
Exchequer Bonds	20	323	15	15	15	16	16	16	16
National Savings Certs.	...	267	369	375	372	362	360	360	360
Other Debt*	...	1,306	1,124	1,111	1,103	1,097	1,094	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	576	565	599	527	788	700	703
Temporary Advances	1	243	167	139	117	162	28	37	39
	654	8,033	7,598	7,558	7,555	7,528	7,665	7,528	7,531
Other Capital Liabilities	57	46	68	75	98	103	103	88	86
Total Liabilities	711	8,079	7,666	7,633	7,653	7,631	7,768	7,616	7,617

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances Outstanding—	May 19, '28. £	Mar. 31, '29. £	May 18, '29. £	Movement Week ended May 18, '29. £
Advances by Bank of England	...	...	...	...
Advances by Public Deptmts.	140,200,000	37,050,000	40,600,000	− 10,000
Treasury Bills Outstanding	546,610,000	700,295,000	702,240,000*	+ 30,000
Total Floating Debt	686,810,000	737,345,000	742,840,000	+ 20,000

* Includes £7,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bills were opened on May 17, 1929, and the total amount applied for was £38,090,000. For bills at 3 months, dated Tuesday to Friday, at £98 13s. 8d., about 84 per cent. and above in full; Saturday, at £98 14s. and above, in full. The amounts allotted were in bills at 3 months, £35,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.	£	£	£ s. d.
March 15	35,000,000	46,695,000	5 6 9·26
March 22	35,000,000	46,515,000	5 5 1·71
March 28	45,000,000	50,430,000	5 7 0·87
April 5	40,000,000	63,280,000	5 5 9·16
April 12	40,000,000	57,440,000	5 4 2·39
April 19	40,000,000	52,045,000	5 2 1·07
April 26	45,000,000	49,785,000	5 2 8·72
May 3	35,000,000	49,800,000	5 0 9·07
May 10	35,000,000	40,530,000	5 2 1·30
May 17	35,000,000	38,090,000	5 3 10·91

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Revenue and other Receipts.	Estimate for the Year 1929–30.	Total Receipts into the Exchequer from April 1, 1929, to May 18, 1929.	Total Receipts into the Exchequer from April 1, 1928, to May 19, 1928.	Week Ended May 18, 1929.	Week Ended May 19, 1928.
ORDINARY REVENUE.	£	£	£	£	£
Inland Revenue—					
Income Tax	239,500,000	17,883,000	17,606,000	1,060,000	1,050,000
Super-Tax	58,000,000	5,870,000	6,130,000	340,000	570,000
Estate, &c., Duties	81,000,000	11,630,000	8,280,000	1,790,000	2,070,000
Stamps	31,000,000	2,480,000	2,600,000	200,000	440,000
Excess Profits Duties, and Corporation Profits Tax	1,700,000	10,000	130,000	...	40,000
Land Tax and Mineral Rights Duty, &c.	800,000	70,000	100,000	...	30,000
Total Inland Revenue	412,000,000	37,943,000	34,846,000	3,390,000	4,200,000
Customs and Excise—					
Customs	119,850,000	14,804,000	14,200,000	1,365,000	1,870,000
Excise	130,330,000	18,770,000	19,420,000	6,970,000	6,325,000
Total Customs & Excise	250,180,000	33,574,000	33,620,000	8,335,000	8,195,000
Motor Vehicle Duties (Exchequer Share)	4,680,000	808,000	...	*Dr1105000*	*Dr 167000*
Post Office (Net Receipt)	8,900,000	4,650,000	3,200,000	750,000	...
Crown Lands	1,250,000	150,000	110,000	...	...
Receipts from Sundry Loans	30,550,000	5,280,032	3,970,828	...	...
Miscellaneous:					
Ordinary Receipts	12,500,000	1,493,709	2,000,971	153	7,491
Special Receipts	26,000,000	2,006,404	2,645,671	...	...
Total Ordinary Revenue	746,060,000	85,905,145	80,393,470	11,370,153	12,235,491
SELF-BALANCING REVENUE.					
Post Office	58,110,000	5,350,000	6,500,000	750,000	1,800,000
Motor Vehicle Duties apportioned to Road Fund	22,510,000	3,104,000	3,503,000	1,105,000	167,000
Total Self-Balancing Revenue	80,620,000	8,454,000	10,003,000	1,855,000	1,967,000
Total	...	94,359,145	90,396,470	13,225,153	14,202,491

	Total Receipts into the Exchequer from April 1, 1929, to May 18, 1929.	Total Receipts into the Exchequer from April 1, 1928, to May 19, 1928.	Week Ended May 18 1929.	Week Ended May 19, 1928.
OTHER RECEIPTS.				
Temporary Advances Repaid—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	...	...	...	...
Under the Unemployment Insurance Acts, 1920 to 1928	...	514,432	...	...
Money Raised by Creation of Debt—				
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and Post Office and Telegraph (Money) Act, 1928	...	...	...	...
(b) Under the Unemployment Insurance Acts, 1920 to 1928	720,000	420,000	90,000	350,000
(c) For other Issues: By Treasury Bills	415,710,000	315,941,000	49,146,000	48,639,000
By National Savings Certificates	5,600,000	5,550,000	800,000	800,000
By National War Bonds	...	10	...	...
By 5 per cent. Treasury Bonds, 1933–35	...	58,225,000	...	...
By 4½ per cent. Treasury Bonds, 1932–34	26,120,000	...	...	...
(d) Ways and Means Advances	125,310,000	70,700,000	11,620,000	1,000,000
Repayments—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	23,221	19,707	...	...
	667,842,366	541,766,619	74,881,153	64,991,491

Balances in Exchequer on 1st April :—	1929. £	1928. £			
Bank of England	5,515,917	5,918,513			
Bank of Ireland	736,607	404,112	6,252,524	6,322,625	... ...
Total			£674,094,890	548,089,244	74,881,153 64,991,491

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1929–30 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1929, to May 18, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to May 19, 1928.	Issues Week Ended May 18, 1929.	Issues Week Ended May 19, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt	304,600,000	40,195,911	43,706,449	5,452,188	7,252,171
Payments to Local Taxation Accounts	15,000,000	...	...	...	...
Payments to Northern Ireland Exchequer	5,400,000	373,330	138,235	26,867	14,000
Other Consolidated Fund Services	3,500,000	436,538	350,803	...	...
Supply Services (excluding Post Office)	363,318,000	41,958,860	38,612,200	4,900,000	4,250,000
Total Ordinary Expenditure	691,818,000	82,964,639	82,807,687	10,379,055	11,516,171
Sinking Fund	50,400,000	5,190,067	9,193,210	615,000	625,000
SELF-BALANCING EXPENDITURE.					
Post Office	58,110,000	5,350,000	6,500,000	750,000	1,800,000
Road Fund	22,510,000	3,104,000	3,503,000	1,105,000	167,000
Total Self-Balancing Expenditure	80,620,000	8,454,000	10,003,000	1,855,000	1,967,000
TOTAL		96,608,706	102,003,897	12,849,055	14,108,171
OTHER ISSUES.					
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		18,458	18,458	...	...
Under the Unemployment Insurance Acts, 1920 to 1928		720,000	420,000	90,000	350,000
Issues to meet Capital Expenditure—					
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		1,200,000	1,550,000	...	...
Unemployment Insur. Acts, 1920-28		...	514,432	...	...
Repayment of Amounts Borrowed					
Redemption of Debt—					
Treasury Bills		413,740,000	296,290,000	49,115,000	36,890,000
Principal of National Savings Certificates		5,850,000	6,100,000	900,000	900,000
Principal of National War Bonds paid off		...	45,819,524	...	500,000
Principal of Treasury Bonds paid off		29,209,505	...	50,000	...
Ways and Means Advances Repaid		121,760,000	92,350,000	11,630,000	12,100,000
Depreciation Fund under the Finance Act, 1917		1,870,044	...	...	...
Old Sinking Fund, 1907-08—					
Issued under Section 9 of the Finance Act, 1908		...	1,000	...	1,000
		670,976,713	545,067,311	74,634,055	64,849,171

Balances in Exchequer—	May 18, 1929 £	May 19, 1928 £			
Bank of England	2,443,699	2,093,082	...	...	+ 174,506 + 63,728
Bank of Ireland	674,478	928,851	3,118,177	3,021,933	+ 72,592 + 78,592
Total			£674,094,890	548,089,244	+ 247,098 + 142,320

Treasury, May 21, 1929.

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, May 22, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	362,363,774	Other Government Securities	236,233,874
In Banking Department	59,626,718	Other Securities	7,922,728
		Silver Coin	4,828,298
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	161,990,492
	£421,990,492		£421,990,492

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	38,486,855
Rest	3,225,457	Other Securities—	
Public Deposits*	15,299,748	Discounts and Advances £6,915,678	
Other Deposits—		Securities 20,119,480	
Bankers £57,507,302			27,035,158
Other Accounts 35,314,698		Notes	59,626,718
	92,822,000	Gold and Silver Coin	756,805
7-Day and other Bills	5,331		
	£125,905,536		£125,905,536

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

Both Departments.	Amount May 22, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	362,363,774	− 447,103	− 7,275,711
Public deposits	15,299,748	+ 6,008,950	+ 2,357,269
Bankers' deposits	57,507,302	− 3,563,561	− 7,695,836
Other deposits	35,314,698	− 763,902	
Seven-day bills	5,331	− 302	+ 985
Total, outside liabilities	470,490,853	+ 1,244,082	− 11,613,293
Capital and rest	17,778,457	+ 24,499	+ 16,201
Government debt and securities	285,735,829	+ 692,928	+ 16,216,302
Discounts and advances	6,915,678	− 2,670,337	− 28,701,507
Other securities	28,042,208	+ 2,343,728	
Silver coin in issue department	4,828,298	+ 5,883	− 671,702
Coin and bullion (bank's reserve)	162,747,297	+ 886,379	+ 559,815
Reserve of notes and coin in banking department	60,383,523	+ 1,333,482	+ 13,510,526
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	55⅛%	+ ⅛%	+ 14½%
(b) Gold stocks to deposits and notes ("reserve ratio")	34⅛%	+ ⅛%	+ ⅛%

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
Apl. 3	414,045,537	363,319,286	17,795,531	67,268,161	37,307,929	702,684 in	5
10	415,042,703	362,130,979	17,205,719	63,900,072	36,617,676	963,053 in	5
17	415,836,622	358,940,953	17,876,233	60,779,118	36,016,599	760,357 in	5
24	416,043,567	357,277,566	18,317,977	58,432,912	35,655,296	203,121 in	5
May 1	418,216,669	361,371,339	10,939,252	60,688,826	38,473,837	2,125,861 in	5
8	420,213,172	362,793,961	8,679,717	63,223,123	35,531,591	1,991,901 in	5
15	421,140,187	362,810,877	9,290,798	61,070,863	36,078,600	923,715 in	5
22	421,990,492	362,363,774	15,299,748	57,507,302	35,314,698	923,715 in	5

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1929.	£	£	%	£	£	£	%
Apl. 3	246215843	8955581	154467355 31⅛	59956855	13221203	16358125	51147969 41⅜
10	246507820	8663950	155482700 32⅛	53276855	12671742	16092205	53351721 43⅛
17	246741657	8430376	156271783 32⅜	48346855	11028809	15621612	57330289 46⅜
24	246791289	8383489	156541341 33⅛	44256855	10949807	15612927	59253776 48⅛
May 1	246822960	8351096	158766163 33½	45351855	9285813	15743546	57394234 46⅝
8	247204557	7974765	160880419 34⅛	39781855	11607200	15705552	59086458 48⅛
15	247226046	7951539	161860918 34⅜	37816855	9586015	17746941	59050041 48⅛
22	247248974	7922728	162747297 34⅜	38486855	6915678	20119480	60383523 50⅛

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to May 8	14,454,613	686,596	1,108,330	16,249,539
Week ended May 15	739,991	36,077	61,028	837,096
Week ended May 22	607,471	31,334	51,222	690,027
Total to date, 1929	15,802,075	754,007	1,220,580	17,776,662
Do. 1928	15,715,583	735,591	1,223,857	17,675,031
Increase or decrease in 1929	+ 86,492	+ 18,416	− 3,277	+ 101,631
	− 0·5%	+ 2·5%	− 0·3%	− 0·6%
Total for year 1928	36,819,682	1,758,032	2,972,827	41,550,541
Total for year 1927	34,328,247	1,691,874	2,906,232	38,926,353
Increase or decrease in 1928	+2,491,435	+ 66,158	+ 66,595	+2,624,188
	+ 7·7%	+ 3·9%	+ 2·3%	+ 6·7%

PROVINCIAL CLEARING RETURNS.

	Month of April.			Aggregate Weekly Totals to May 18.	
	1928.	1929.	%	1928.	1929.
Number of Working Days	23	25			
	£	£		£	£
BIRMINGHAM	10,834,000	10,126,000	− 6·5	55,943,000	53,974,700
BRADFORD	5,975,000	5,388,000	− 9·8	...	...
BRISTOL	4,677,000	4,738,000	+ 1·3	24,467,000	24,398,000
DUBLIN	...	...		99,102,700	99,023,700
HULL	3,707,000	3,876,000	+ 4·5	18,921,700	18,273,800
LEEDS	3,834,000	4,061,000	+ 5·9	20,441,500	20,757,200
LEICESTER	3,557,000	3,490,000	− 1·8	18,109,400	16,664,600
LIVERPOOL	35,451,000	32,936,000	− 7·0	173,565,500	163,669,200
MANCHESTER	56,242,000	55,057,000	− 2·1	276,778,000	262,696,500
NEWCASTLE-ON-TYNE	6,127,000	6,003,000	− 2·0	30,178,200	29,422,600
NOTTINGHAM	2,682,000	2,533,000	− 5·5	13,254,600	12,913,600
SHEFFIELD	3,828,000	4,043,000	+ 5·6	20,803,800	20,715,800
Total	136,914,000	132,251,000	− 3·4	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Denmark appeared in the *Economist* of May 11; Czechoslovakia, Belgium, Italy and Norway in May 18.

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

RESOURCES.	May 23, 1929.	May 16, 1929.	May 9, 1929.	May 2, 1929.	May 24, 1928.
Total gold reserves	2,841,900	2,838,120	2,840,950	2,812,030	2,634,290
Total bills discounted	904,430	914,600	962,020	985,830	847,470
Bills bought in open market	137,990	146,110	157,180	170,420	330,560
Total U.S. Govt. securities	153,290	155,830	149,490	150,730	230,480
Total bills and securities	1,203,520	1,224,350	1,281,910	1,329,250	1,409,510
Total resources	5,056,800	5,235,040	5,097,570	5,164,890	4,999,470
LIABILITIES.					
Federal Reserve notes in actual circulation	1,639,550	1,646,660	1,663,680	1,663,640	1,579,380
Deposits—Memberbank—reserve account	2,275,750	2,319,890	2,330,030	2,335,820	2,369,650
Total deposits	2,324,510	2,365,510	2,389,210	2,410,360	2,416,530
Capital paid in and surplus	410,680	410,690	410,570	410,350	372,940
Total liabilities	5,056,800	5,235,040	5,097,570	5,164,890	4,999,470
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	75·9%	75·1%	74·3%	73·3%	70%

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

	May 23, 1929.	May 16, 1929.	May 9, 1929.	May 2, 1929.	May 24, 1928.
Total bills discounted	197,330	254,370	276,890	247,580	307,780
Bills bought in open market	27,440	35,120	44,000	56,830	65,250
Total U.S. Govt. securities	20,680	22,730	16,550	17,170	31,440
Total bills and securities	247,370	314,130	340,640	328,280	404,470
Deposits — Memberbank — reserve account	913,100	931,020	940,310	947,320	947,130
Ratio of total res. to dep. and Federal Res. note liabilities combined	84·4%	78·9%	77·8%	79·2%	72·5%

STATEMENT OF CANADIAN BANKS.—In $'s (000's omitted).

ASSETS.	Feb. 28, 1929.	Jan. 31, 1929.	Dec. 31, 1928.	Nov. 30, 1928.	Feb. 29, 1928.
Cash and bank balances	421,199	434,654	515,804	556,277	400,894
Bank balances abroad	73,026	84,978	77,638	81,697	69,425
Call and short loans	596,556	594,800	558,493	526,531	481,650
Securities	530,186	529,695	524,561	488,291	554,975
Loans in Canada	1,359,665	1,324,127	1,334,220	1,361,129	1,203,609
Loans abroad	257,254	259,657	262,498	239,325	278,811
Other assets	197,525	197,804	196,486	197,932	180,557
LIABILITIES.					
Note circulation	162,333	158,120	186,087	186,631	160,622
Deposits—					
Government	160,515	142,112	135,461	127,395	92,966
Public in Canada	2,166,014	2,200,431	2,235,308	2,249,718	2,106,660
Foreign	393,530	394,732	382,577	383,331	356,620
Bank balances—					
Canadian	11,978	13,383	16,705	16,754	12,243
Foreign	138,295	118,971	118,275	91,611	66,119
Bills payable, &c.	104,141	113,052	116,874	118,488	93,780
Capital and rest	271,233	261,396	260,560	258,754	256,331
Other liabilities	5,461	4,579	3,879	7,194	5,210

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

ASSETS.	Apr. 26, 1929.	Apr. 19, 1929.	Apr. 12, 1929.	Apr. 5, 1929.	Mar. 28, 1929.	Apr. 27, 1928.
Gold coin and bullion	8,049	7,385	7,472	7,777	8,206	1,000
Subsidiary coin	114	115	114	99	98	423
Bills discounted	9,138	8,693	9,273	9,337	9,125	8,684
Investments	616	596	596	626	747	591
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	600	600	509	509	509	423
Notes in circulation	8,755	8,233	8,569	9,159	9,498	8,684
Government deposits	2,392	2,374	1,659	1,592	1,613	1,679
Bankers' deposits	5,140	4,832	4,922	4,969	5,163	5,036
Ratio of cash reserves to liabilities to public	48·5%	48·5%	47·4%	48·5%	48·1%	52·3%

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

ASSETS.	Apr. 26, 1929.	Apr. 19, 1929.	Apr. 12, 1929.	Apr. 5, 1929.	Mar. 29, 1929.	Apr. 27, 1928.
Total securities	22,49,16	21,47,11	21,38,45	21,64,08	21,89,01	23,70,10
Loans	17,17,56	18,04,19	19,05,44	16,50,63	10,93,74	14,42,74
Cash credits	28,89,75	28,90,04	29,84,51	30,39,87	32,41,96	30,90,81
Inland bills	10,29,08	10,45,70	10,63,94	11,15,02	11,30,45	14,91,14
Foreign bills	46,81	47,84	48,69	41,68	33,62	45,56
Dead stock	2,83,94	2,83,88	2,83,75	2,83,69	2,83,56	2,81,99
Bal. with other banks	38,02	37,83	26,24	1,24	...	31,88
Cash	13,66,71	11,93,58	9,84,75	11,11,09	10,83,78	9,88,66
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,22,50	5,12,50
Total deposits	84,75,36	81,13,66	81,03,65	80,77,43	77,62,33	78,51,56
The above includes—	£	£	£	£	£	£
Deposits in London	1,152	1,113	1,058	844	1,029	1,057
Advances in London	930	880	899	871	933	970
Cash, &c., at other Banks in London	286	285	189	11	189	240

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

ASSETS.	May 17, 1929.	May 10, 1929.	May 3, 1929.	Apr. 26, 1929.	Apr. 19, 1929.
Gold	36,534,411	36,525,431	36,462,461	35,788,083	35,097,716
Foreign assets—					
Sight deposits	7,941,968	7,987,715	8,044,770	8,543,546	9,388,434
Bills discounted	18,385,576	18,446,725	18,464,115	18,481,853	18,412,231
Commercial bills discounted at home	6,097,010	5,743,588	6,351,583	6,510,431	5,561,098
Advances against sec. To the State	8,968,689	8,998,339	8,998,339	9,130,000	9,130,000
Other advances	2,367,483	2,415,400	2,440,199	2,283,419	2,336,557
Other assets (excluding forward exch.)	3,127,896	3,543,478	5,831,344	3,110,941	3,076,930
LIABILITIES.					
Notes in circulation	62,863,907	63,420,111	63,828,155	62,847,740	62,647,539
Public deposits	11,886,250	11,528,202	11,286,905	11,875,758	11,869,675
Private deposits	6,453,649	6,609,303	6,743,362	6,858,828	6,287,244
Other liabilities	2,219,218	2,203,062	2,294,190	2,265,947	2,196,608

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

ASSETS.	May 15, 1929.	May 7, 1929.	Apr. 27, 1929.	May 15, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	1,764,785	1,765,619	1,891,575	2,040,811
Of which deposited abroad	59,257	59,897	172,708	85,628
Reserve in foreign currencies	56,085	53,580	99,372	212,913
Bills of exchange and cheques	2,672,388	2,985,418	2,926,597	1,986,536
Silver and other coin	141,942	127,896	134,503	82,039
Notes of other German banks	22,511	16,242	7,243	23,383
Advances	216,523	208,725	262,077	59,741
Investments	92,899	92,899	92,899	94,004
Other assets	588,767	514,026	535,399	566,408
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	319,608	319,608	284,206
Notes in circulation	4,167,321	4,442,428	4,631,496	3,987,108
Other daily maturing obligations	648,507	584,768	585,119	463,542
Other liabilities	297,676	294,813	290,654	208,191

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

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

ASSETS.	May 13, 1929.	May 6, 1929.	Apr. 29, 1929.	Apr. 22, 1929.	May 14, 1928.	Position, May 30,1914.
Gold	437,037	437,042	432,203	422,206	435,148	163,092
Silver	20,356	20,754	21,235	21,262	24,923	6,434
Dscts. and advances	379,458	398,927	385,313	362,418	377,230	153,504
LIABILITIES.						
Notes in circulation	826,948	850,665	841,093	796,990	812,448	316,638
Deposits	15,771	16,482	26,980	18,781	36,737	5,016

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

ASSETS.	May 18, 1929.	May 11, 1929.	May 4, 1929.	Apr. 27, 1929.	May 19, 1928.	Position May 30,1914.
Gold	184,300	183,600	184,600	188,400	174,401	22,971
Silver					18,183	29,785
Discounts, advances, and other investments	2,300	136,100	135,700	131,600	114,985	77,567
LIABILITIES.						
Notes in circulation	305,100	307,800	302,800	299,700	304,589	109,499
Deposits and bills pay	28,700	31,100	35,300	37,700	43,780	11,250

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

ASSETS.	May 15, 1929.	May 7, 1929.	Apr. 30, 1929.	Apr. 23, 1929.	May 15, 1928.	Position, May 31, 1914.
Gold	496,087	496,074	492,591	482,230	437,575	171,176
Silver	40,799	40,307	41,601	42,456	59,421	18,350
Foreign Bills and Balances abroad	245,970	250,701	246,882	229,729	...	...
Discounts	126,340	133,313	137,135	125,124	215,099	...
Advances	53,826	59,943	64,127	59,211	61,267	103,009
LIABILITIES.						
Notes in circulation	823,606	848,228	875,354	798,000	785,682	275,925
Deposits	145,202	126,923	111,920	132,026	117,767	33,750

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

ASSETS.	April 1, 1929, to May 18, 1929.	Mar. 11, 1929.	May 4, 1928.	Apr. 27, 1929.	May 19, 1928.
Gold	74,460	74,460	234,557	234,568	231,750
Government securities—Swedish	5,740	5,740	5,755	5,755	11,027
Foreign	£	£	£	£	£
Other Swedish bonds quoted on foreign bourses	177	177	231	231	1,094
Bills payable in Sweden†	236,894	239,670	246,480	227,344	253,702
" " abroad	55,634	57,748	56,597	60,262	15,087
Balance abroad	51,213	49,514	53,358	47,050	37,323
Advances made on government securities and bonds†	57,648	57,827	63,532	56,393	54,189
LIABILITIES.					
Notes in circulation	478,803	490,433	509,323	475,216	454,761
Government deposits	194,822	179,932	177,691	185,803	180,465
Private deposits	5,578	7,469	6,325	7,849	9,785

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are not available as cover for the note issue.

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

ASSETS.	May 18, 1929.	May 11, 1929.	May 4, 1929.	Apr. 27, 1929.	May 19, 1928.	Position, May 30,1914.
Gold	2,560,266	2,560,017	2,559,917	2,559,850	2,607,926	531,775
Silver	715,409	713,564	716,299	719,999	701,084	728,600
*Loans & Discounts	1,751,222	1,771,989	1,820,791	1,820,090	1,782,195	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,317,524	4,354,976	4,339,909	4,257,576	4,281,335	901,566
Deposits	1,110,543	1,067,935	1,041,115	1,077,094	1,017,375	477,506

* Including 91 million pesetas lent to the State.

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

ASSETS.	May 8, 1929.	May 1, 1929.	Apr. 24, 1929.	Apr. 17, 1929.	May 9, 1928.
Coin and bullion	9,438	9,457	9,506	9,517	9,132
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	308,466	304,572	313,563	313,563	271,275
Discounts	279,731	277,510	278,747	276,105	248,311
Government loans	1,728,068	1,724,627	1,733,455	1,734,029	1,536,476
LIABILITIES.					
Notes in circulation	1,834,827	1,829,952	1,797,638	1,820,878	1,472,417
Deposits	59,946	66,781	69,520	63,414	77,323

NATIONAL BANK OF HUNGARY.—In Hungarian Pengö (000's omitted).

ASSETS.	May 15, 1929.	May 7, 1929.	Apr. 30, 1929.	Apr. 23, 1929.	May 15, 1928.
Metal reserve—					
Gold coin and bullion	176,622	176,622	176,622	204,426	196,527
Drafts and notes	29,026	33,202	33,032	4,846	87,341
Silver coin and bullion	9,710	9,565	10,166	10,486	832
Inland bills, warrants and securities	351,287	363,851	370,248	331,205	293,412
Advances to the Treasury	92,219	92,219	92,257	92,257	105,895
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	424,145	460,716	485,452	390,371	426,396
Current accounts, deposits, &c.	195,703	178,204	153,650	216,305	285,350

* Calculated at pre-war parity of exchange.

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

ASSETS.	May 15, 1929.	May 7, 1929.	Apr. 30, 1929.	Apr. 23, 1929.	May 15, 1928.
Cash Reserve—					
Gold coin and bullion	168,634	365,494	168,634	168,634	117,199
Foreign exchange	197,190		197,148	198,452	287,077
Other foreign exchange†	346,014	345,371	345,900	346,997	272,249
Bills discounted	186,581	190,921	207,260	173,115	91,691
Gov. Debt	109,811	109,811	109,857	109,857	167,780
LIABILITIES.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	9,283	9,283	9,283	9,283	8,167
Notes in circulation	892,206	932,640	995,197	860,169	858,551
Deposits	120,061	83,145	38,003	141,959	80,254

† In dollar and sterling only.

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

ASSETS.	May 15, 1929.	May 8, 1929.	Apr. 30, 1929.	Apr. 22, 1929.	May 15, 1928.
Gold	92,358	92,276	92,167	92,096	89,893
Other coin and notes	18,056	17,994	17,871	18,304	18,610
Foreign credits	183,485	198,205	191,290	192,927	261,869
Bills	1,342,003	1,370,182	1,370,517	1,365,905	1,243,385
Government advances	4,201,078	4,201,069	4,201,067	4,201,065	4,332,924
LIABILITIES.					
Notes in circulation	5,115,172	5,302,726	5,212,045	5,058,150	5,327,227
State credits	227,808	227,799	227,797	227,792	293,905
Deposits	1,104,456	1,018,250	1,058,863	1,220,743	1,055,646

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

ASSETS.	May 11, 1929.	May 4, 1929.	Apr. 27, 1929.	Apr. 20, 1929.	Apr. 13, 1929.
Gold & gold exchange	11,255,632	11,482,128	11,160,735	11,363,363	11,808,811
Commercial bills	8,335,333	8,324,530	8,464,641	8,513,894	8,513,829
State debt, advances to State, &c.	7,671,850	7,671,850	7,671,850	7,671,850	10,179,625
LIABILITIES.					
Notes in circulation	19,915,194	19,873,523	19,967,700	20,237,405	20,741,838
Other sight liabilities	7,220,972	7,207,942	6,560,034	6,557,517	9,980,780

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

ASSETS.	May 7, 1929.	Apr. 30, 1929.	Apr. 23, 1929.	Apr. 15, 1929.	May 7, 1928.
Gold and silver holdings	1,523,746	1,521,481	1,519,427	1,515,575	1,460,078
Balances abroad and foreign currencies	2,268,129	2,308,310	1,325,056	3,229,860	472,408
Discounts and advances	1,498,425	1,471,376	1,463,865	1,641,617	1,327,204
Advances to the Treasury	3,685,241	3,685,241	3,685,241	3,685,241	4,470,613
LIABILITIES.					
Capital paid up	500,000	500,000	500,000	500,000	516,422
Reserves	1,166,576	1,166,576	1,166,616	1,166,661	1,128,563
Bank notes in circulation	4,337,858	4,365,639	4,188,359	4,137,727	3,910,236
Sight liabilities	2,665,654	2,711,365	2,885,873	2,992,480	1,105,391
Deposits	465,682	466,478	468,500	466,528	1,243,964

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

ASSETS.	May 7, 1929.	Apr. 30, 1929.	Apr. 23, 1929.	Apr. 15, 1929.	Apr. 7, 1929.
Gold	571,377	569,996	568,163	567,052	565,374
Gold exchange	4,933,291	4,892,037	4,716,405	4,770,990	4,834,028
Other foreign exchange	1,154	1,053	1,127	1,087	1,288
Bills discounted	37,175	37,953	41,519	42,842	42,640
Advances	70,188	70,165	72,613	74,262	72,744
Debt to the State	3,656,305	3,656,305	3,656,305	3,656,305	3,656,305
LIABILITIES.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,721,209	5,617,182	5,527,123	5,520,513	5,597,782
Deposits and current accounts	1,751,235	1,856,414	1,750,706	1,802,267	1,796,232
Foreign exchange liabilities	1,465,353	1,422,861	1,443,032	1,457,479	1,449,834

BANK OF POLAND.—In zloty* (000's omitted).

ASSETS.	May 10, 1929.	Apr. 30, 1929.	Apr. 20, 1929.	Apr. 10, 1929.	May 10, 1928.
Gold	623,233	623,037	622,820	622,378	565,266
Of which held abroad	195,402	195,402	195,402	195,402	185,010
Foreign currencies	576,991	576,410	570,125	610,539	776,425
Bills discounted	695,382	697,539	687,975	683,241	519,290
Loans against securities	90,227	89,563	89,953	88,672	69,416
Reserve fund securities	68,949	68,957	68,967	68,967	65,950
Liability of the Treasury	25,000	25,000	25,000	25,000	25,000
LIABILITIES.					
Share capital	150,000	150,000	150,000	150,000	150,000
Reserve funds	100,000	100,000	100,000	100,000	94,435
Notes in circulation	1,227,211	1,274,240	1,168,292	1,208,002	1,094,234
Current accounts	631,542	491,233	565,278	558,875	601,000
Government accounts	75,000	75,000	75,000	75,000	75,000

* As from October 13, 1927, 8·91 zlotys equals 1 U.S. dollar.

RUSSIAN STATE BANK.—Note-Issuing Department.

(In Tchervonetz—000's omitted.) (NOTE: 1 Tchervonetz = 10 gold roubles.)

ASSETS.	May. 16, 1929.	May 1, 1929.	Apr. 16, 1929.	Apr. 1, 1929.	May 15, 1928.
Gold in coin and bullion	17,975	17,972	17,972	17,883	15,015
Other precious metals	4,327	4,375	4,387	4,359	2,871
Foreign bank notes	8,558	8,891	8,891	8,888	7,318
Drafts in sterling (less 10%)	280	280	279	277	267
Bills (less 10% discount)	81,587	84,208	81,197	79,319	71,255
Securities covering advances on goods (less 10%)	274	274	274	274	274
LIABILITIES.					
Bank notes	112,286	115,450	112,622	110,212	96,133
Balance to which notes may still be issued	714	550	378	788	867

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

ASSETS.	May 8, 1929.	Apr. 30, 1929.	Apr. 23, 1929.	May 8, 1928.	Position, May 30,1914.
Gold	301,300	301,623	301,717	312,736	35,091
Balance abroad and foreign bills	680,611	669,516	674,392	910,612	90,379
Finnish and Foreign Government securities	301,708	301,708	301,708	338,443	21,826
Discounts and loans	1,465,660	1,476,661	1,481,459	1,060,222	105,151
LIABILITIES.					
Notes in circulation	1,505,220	1,556,167	1,495,795	1,572,170	123,941
Deposits at notice	214,553	179,595	254,252	169,714	21,225

BANK OF ESTONIA.—In Est. krones (000's omitted).

ASSETS.	May 7, 1929.	Apr. 30, 1929.	Apr. 23, 1929.	Apr. 15, 1929.	May 7, 1928.
Gold coin and bullion	6,277	6,271	6,243	6,243	10,281
Net foreign exchange	19,483	19,803	19,495	20,828	27,741
Subsidiary Estonian coin	751	745	627	664	760
Home bills discounted	14,659	14,973	15,061	15,429	8,971
Loans and advances	*14,282	15,075	*14,868	14,352	18,625
LIABILITIES.					
Notes in circulation	33,309	34,728	35,631	35,460	37,681
Sight deposits and current accounts	18,369	18,451	16,922	16,723	20,403
Ratio of reserve to current liabilities	49·84%	49·03%	48·97%	51·87%	65·45%

* Includes Ekr. 10,786,739·99, guaranteed by the Government.

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

ASSETS.	May 15, 1929.	May 8, 1929.	May 1, 1929.	Apr. 24, 1929.	Apr. 17, 1929.	May 16, 1928.
Gold bullion and coins	23,840	23,826	23,824	23,821	23,820	23,712
Silver coin	4,751	4,754	4,742	4,769	4,734	4,245
Balance abroad	56,736	58,966	55,983	56,698	57,919	75,649
Treas. notes and sm. change	11,654	9,533	9,516	11,349	11,671	12,179
Short term bills	86,644	87,048	86,693	85,777	85,534	81,945
Loans against securities	56,288	56,576	55,969	54,373	53,972	42,958
Other assets	17,602	17,571	17,726	17,418	15,765	10,018
LIABILITIES.						
Notes in circulation	44,408	45,770	45,898	45,054	44,344	39,085
Capital paid up	15,581	15,581	15,581	15,581	15,581	14,385
Reserve	3,091	3,091	3,091	3,091	3,091	2,612
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,887	12,790	12,760	12,671	12,595	11,275
Current accounts	55,385	54,319	53,762	55,945	57,784	51,198
Government accounts	109,651	112,623	106,128	105,288	102,358	118,196
Other liabilities	14,012	11,602	14,733	14,075	15,161	11,358

BANK OF LITHUANIA.—In lt. (000's omitted).

ASSETS.	May 15, 1929.	Apr. 30, 1929.	Apr. 15, 1929.	Mar. 31, 1929.	Mar. 15, 1929.	May 16, 1928.
Gold	34,358	34,354	34,342	34,330	34,328	34,223
Silver	4,372	4,352	4,346	4,321	4,391	4,506
State Treasury coins	1,825	1,835	1,845	1,850	1,868	1,888
Foreign currency	41,088	42,110	37,164	36,506	37,225	50,651
Discount and credit	85,256	87,502	88,902	89,488	83,799	82,623
LIABILITIES.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Reserve	1,350	1,200	1,200	1,200	1,200	1,200
Banknotes in circulation	86,897	91,743	89,163	93,473	85,187	91,549
Deposits	70,154	67,098	65,753	62,736	65,837	73,509

BANK OF DANZIG.—In Danzig gulden (000's omitted).

ASSETS.	May 15, 1929.	Apr. 30, 1929.	Apr. 15, 1929.	Mar. 28, 1929.	Mar. 15, 1929.	Feb. 28, 1929.	May 16, 1928.
Coin and bullion	2,804	2,503	2,800	2,307	2,805	2,564	2,895
Of which gold coin	8	8	8	8	8	8	5
Danzig subsidiary coin	2,796	2,495	2,792	2,299	2,797	2,556	2,890
Bal., Bk. of Eng., inc. notes	11,841	13,407	11,537	16,069	12,277	14,516	11,770
Bills of exchange	23,592	24,128	23,627	23,479	22,058	20,769	21,979
Loans	...	100	240	1,850	...	525	49
Foreign exchange	14,189	16,032	16,225	13,967	12,295	18,267	26,255
Other bals. on dem'd	1,052	1,081	1,058	914	672	313	1,139
Securities	3,403	3,403	3,403	3,403	3,403	3,403	3,448
LIABILITIES.							
Capital paid up	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation	33,603	37,402	33,268	38,739	33,166	36,923	31,737
Deposits on demand	2,156	2,107	4,078	2,116	2,168	2,174	4,061

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

ASSETS.	May 4, 1929.	Apr. 27, 1929.	Apr. 20, 1929.	Apr. 13, 1929.	May 5, 1928.	Position June 30,1914
Cash & bullion	1,126,856	1,126,129	1,125,779	1,124,474	1,131,165	221,520
Discounts	714,708	715,797	709,812	708,989	855,676	41,740
Advances	78,016	76,327	76,182	76,147	79,956	70,540
LIABILITIES.						
Notes	1,256,479	1,335,439	1,197,824	1,202,748	1,233,333	362,270
Govt. deposits	549,156	539,391	566,901	589,531	704,188	87,340
Other deposits	302,812	249,698	368,391	337,168	311,188	11,440

NATIONAL BANK OF EGYPT.—In £E (000's omitted).

ASSETS.	Mar. 31, 1929.	Feb. 28, 1929.	Jan. 31, 1929.	Nov. 30, 1928.	Mar. 31, 1928.	Position, May 31, 1914.
Gold	3,605	3,602	3,602	3,845	3,823	1,571
Govt. securities	47,595	47,494	47,785	50,380	46,187	2,084
LIABILITIES.						
Notes in circulation	27,732	27,530	28,443

LONDON RATES.

	May 16, 1929.	May 17, 1929.	May 18, 1929.	May 20, 1929.	May 21, 1929.	May 22, 1929.	May 23. 1929.
	%	%	%	%	%	%	%
Bank rate (changed from 4½% Feb. 7, 1929)	5½	5½	5½		5½	5½	5½
Market rates of discount—							
60 days' bankers' drafts	5⅛	5⅛ ⅛	5⅛ ⅛		5⅛ ⅛	5⅛ ⅛	5⅛ ⅛
3 months' do.	5⅛	5⅛ ¼	5⅛ ¼		5¼	5⅛ ⅛	5⅛ ⅛
4 months' do.	5⅛	5⅛ ¼	5⅛ ¼		5¼	5⅛ ⅛	5⅛ ⅛
6 months' do.	5⅛	5⅛	5⅛ ⅛		5⅛	5⅛ ⅛	5⅛ ⅛
Discount (Treasury Bills)—							
2 months'	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛		5⅛	5⅛ ⅛	5⅛
3 months'‡	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛		5⅛	5⅛ ⅛	5⅛
Loans—Day to day	4 4½	4 4½	4 4½	Bank Holiday.	4½ 5	4½ 5	4½ 5
Short	4½ 4⅝	4½ ⅝	4½ ⅝		4½ ⅝	4½ ⅝	4½ ⅝
Deposit allowances: Banks	3½	3½	3½		3½	3½	3½
Discount houses at call	3½	3½	3½		3½	3½	3½
At notice	3½	3½	3½		3½	3½	3½

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months.	Trade Bills. 6 Months.
1929.	%	%	%	%	%	%	%
May 2	4½	5 ⅛	5½	5½	5½ 5⅝	5½ ⅜	5⅝ 6
9	4½ 5	5 ⅛ ⅛	5 ⅛ ⅛	5½ ¼	5⅝ 5⅝	5⅝ 6	6 6⅛
16	4½ 5	5⅛	5⅛	5½	5⅝ 5⅝	5⅝ 6	6 6⅛
23	4½ 5	5⅛ ⅛	5⅛ ⅛	5½ ⅝	5⅛ 6	5½ 6	6 6⅛

RATES OF EXCHANGE.

London on		Usance	Par.	May 24, 1928.	May 16, 1929.	May 23, 1929.
New York	dollars to £1	Cable	4·86⅝	4·88 1/16–⅛	4·85 ⅛–·85 3/16	4·84 15/16–·84 7/16
Montreal	dollars to £1	Cable	4·86⅝	4·88 3/16–¼	4·88 ⅛–·88 7/16	4·88 1/16–·88 5/16
Paris	francs to £1	T.T.	124·21	123 11/16–4 ⅛	124·15–·18	124 ⅛–124 3/16
Berlin	marks to £1	T.T.	20·43	20·39–½	20·42–·42½	20·37½–20·38
Amsterdam	florins to £1	T.T.	12·107	12·09½–10	12·06 3/16–·06 7/16	12·06 3/16–·07
Brussels	belga to £1	T.T.	35·00	34·99–½	34·93½–·94	34·12–·14
Milan	lire to £1	T.T.	92·46	92 3/16–⅛	92·65–·68	92·67–·70
Berne	francs to £1	T.T.	25·22	25·33 1/16–⅜	25·18½–·19	25·19½–·19 5/16
Oslo	kroner to £1	T.T.	18·159	18·22–½	18·19 3/16–·20½	18·19½–·19 5/16
Stockholm	kronor to £1	T.T.	18·159	18·19½–⅜	18·16–·16½	18·14 3/16–·15
Copenhagen	kroner to £1	T.T.	18·159	18·19–½	18·20–·20 3/16	18·20½–·21
Madrid	pesetas to £1	T.T.	25·22½	29·16–18	34·01–·04	34·12–·14
Lisbon	escudo to £1	T.T.	4·50	113¼–4	108–108 1/16	108–108 1/16
Vienna	schillgs. to £1	T.T.	34·58½	34·68–71	34·53–·56	34·51–·54
Prague	krone to £1	T.T.	24·02(a)	164 3/16–⅜	163 7/16–164	163 3/16–163 5/16
Belgrade	dinars to £1	T.T.	25·22½	277–½	275 1/16–276 1/16	275 3/16–276 3/16
Budapest	pengo to £1	T.T.	27·82	27·94–8	27·83–·86	27·83–·86
Bukarest	lei to £1	T.T.	813·6	787–90	817–819	817–819
Sofia	leva to £1	T.T.	25·22½	672–7	668–673	668–673
Athens	drachmæ to £1	T.T.	375	374–5	374 3/16–375	374 3/16–375
Constantin'ple	piastres to £1	T.T.	110	948–53	997–1002	996–1001
Moscow	roubles to £1	T.T.	9·46	†9·48–9·50	†9·42–9·43	†9·42–9·43
Warsaw	zloty to £1	T.T.	43·38	43 1/16–⅜	43 3/16–43 5/16	43 3/16–⅜
Helsingfors	F. marks to £1	T.T.	193·23	193 3/16–¼	192 7/16–193 1/16	192 7/16–193
Kovno	lits to £1	T.T.	48·66	48 1/16–9 1/16	48 1/16–49 1/16	48 1/16–49 1/16
Reval	kroon to £1	T.T.	18·159	18·00–18·40	18·16– ·23	18·16–18·23
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15– ·25	25·15–25·25
Alexandria	piastres to £1	Sight	97⅛	97 11/16–¾	97 1/16–97 3/16	97 1/16–⅛
Buenos Aires	pence to peso	T.T.	47·62d.	47 11/16–¾	47 1/16–47 3/16	47 1/16–47 3/16
Rio de Janeiro	pence to mils.	90 days	16	5 13/16–⅞	5 5/16–5 7/16	5 5/16–⅜
Montevideo	pence to peso	T.T.	51	50 1/16–⅛	48 1/16–48 3/16	48 1/16–48 7/16
Valparaiso	dollars to £1	90 days	40	39·48	39·57	39·51
Lima	Eng. to Per. £1	90 days	par	20 3/16% prm.	19 1/16% prem.	19 1/16% prem.
Calcutta	pence to	T.T.	18	1/6–⅛	1/5 15/16–1/5 31/32	1/5 31/32–1/5 63/64
Bombay	pence to	T.T.	18	1/6–⅛	1/5 15/16–1/5 31/32	1/5 31/32–1/5 63/64
Madras	rupee	T.T.	18	1/6–⅛	1/5 15/16–1/5 31/32	1/5 31/32–1/5 63/64
Hong Kong	ster. to dollar	T.T.	—	2/1 5/16–⅜	1/11 1/16–2/0 1/16	1/11 1/16–2/0 1/16
Shanghai	ster. to tael	T.T.	—	2/10–⅜	2/5 1/16–2/5 3/16	2/5–2/5 3/16
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3 15/16–⅛	2/3 13/16–2/3 15/16	2/3 13/16–2/3 15/16
Kobe	ster. to yen	T.T.	24·58d.	1/10 31/32–⅝	1/10 11/16–1/10 13/16	1/10 11/16–1/10 13/16
Manila	ster. to peso	T.T.	24·066d.	†2s. 0 1/16d.	†2s. 0 1/16d.	†2s. 0 1/16d.
Mexico	pence to £	T.T.	9·76	23 1/16–24 1/16	10·00–10·25	10·00–10·25

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, *i.e.*, approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Mar. 23, 1929	5	Oslo	Mar. 26, 1928	5½
Athens	Dec. 2, 1928	9	Paris	Jan. 19, 1928	3½
Belgrade	July 26, 1921	6	Prague	Mar. 8, 1927	5
Berlin	April 25, 1929	7½	Pretoria	Jan. 9, 1928	5½
Brussels	June 30, 1928	4	Reval	Jan. 2, 1928	7½
Bucharest	May 14, 1929	9½	Riga	April 1, 1928	6† 7†
Budapest	April 25, 1929	8			
Calcutta	May 9, 1929	6	Rome	Mar. 13, 1929	7
Copenhagen	June 23, 1927	5	Sofia	Dec. 15, 1928	9
Danzig	June 20, 1927	6	Stockholm	Aug. 24, 1928	4½
Helsingfors	Nov. 15, 1928	7	Swiss Bank places	Oct. 22, 1925	3½
Kovno	Feb. 8, 1925	7	Tokio	Oct. 18, 1927	5·48
Lisbon	July 28, 1926	8	Vienna	Apr. 23, 1929	7½
New York Federal Reserve	July 12, 1928	5	Warsaw	Apr. 19, 1929	9
Madrid	Dec. 19, 1928	5½	Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	May 23, 1928.	Apr. 25, 1929.	May 2, 1929.	May 9, 1929.	May 16, 1929.	May 23, 1929.
	%	%	%	%	%	%
Call money	6	8	11	14	10	7
Time money (90 days' mixed coll.)	5⅜	8½	8½	8½	8½	9
Bank acceptances :—	Selling Rates.					
Members—eligible, 90 days	4½	5½	5½	5½	5½	5½
Non-mem.—eligible, 90 days	4	5½	5½	5½	5½	5½
Ineligible, 90 days	4½	6½	6½	5½	6½	6½
Commercial accept. 90 days	4½	5½	5½	5½	5½	5½

Rates of Exchange, New York on—		Par Level.	May 23, 1928.	May 9, 1929.	May 16, 1929.	May 23, 1929.
London—						
60 days	Dollars for £1	4·8666	4·84½	4·80 5/16	4·79 11/16	4·79⅜
Cable			4·88 7/16	4·85 7/16	4·85 7/16	4·84 15/16
Cheques			4·87⅛	4·84 11/16	4·845	4·845
Paris cheques	Cents for 1 franc	3·918	3·935	3·90⅜	3·905	3·90⅜
Brussels „	Cents for 1 Belga	13·90	13·95	13·88	13·88	13·88
Switzerland „	Cents for 1 franc	19·30	19·26⅜	19·255	19·25½	19·245
Italy „	Cents for 1 lire	5·263	5·2675	5·23⅛	5·235	5·23⅛
Berlin „	Cents for 1 mark	23·81	23·92½	23·69	23·73	23·77
Vienna „	Cts. for Austrn. shlg	14·07	14·075	14·05	14·05	14·05
Madrid „	Cents for 1 peseta	19·30	16·75	14·28	14·22	14·215
Amsterdam „	Cents for 1 guilder	40·195	40·32⅜	40·17	40·16	40·15
Copenhagen „	Cents for 1 kroner	26·80	26·825	26·635	26·63½	26·62
Oslo „			26·785	26·645	26·64⅛	26·63
Stockholm „			26·825	26·70	26·69½	26·71
Athens „	Cents for 1 drachma	1·297	1·305	1·295	1·295	1·295
Montreal „	Can. Cents for $1	100	⅜ dis.	⅛ dis.	⅛ dis.	⅜ dis.
Yokohama „	Cents for 1 yen	49·85	46·32	44·75	44·55	44·45
Hong Kong „	Cents for H. Kong $	...	52·6	48·50	48·45	48·25
Shanghai „	Cts. for 1 Shng. tael	...	69·25	60·05	60	59·25
Calcutta „	Cents for 1 rupee	36·50	36·60	36·13	36·13	36·15
Buenos Aires „	Gold Pesos for $100	103·65	42·80	104·75	104·75	104·80
Rio de Janeiro „	Cents for 1 milreis	32·42	12·02	11·83	11·83	11·83
Valparaiso „	Cents for 1 peso	12·125	12 1/16	12·05	12·05	12·05

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·56
Venezuela	Bolivares to £	25·25	„	28·12
Colombia (Bogota)	Pesos to £1	5	„	5·04
Nicaragua	Cordobas to £	4·8665	„	4·92
Salvador	Colones to £	9·73	„	9·88
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Selling.
T.T.	...	⅛% dis.	par to ⅛% pm.	⅛% prem
Demand	12 1/16% dis.	⅛% „	⅛% dis.	⅛ to ⅜% „
30 days	1 3/16% „	¼% „	⅛% „	⅜% „
60 days	2 1/16% „	⅜% „	⅛% „	⅜% „
90 days	3% „	½% „	1 1/16% „	⅜% „
120 days	3 15/16% „	1⅝% „	2 1/16% „	⅜% „

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	New Zealand.	Selling. Australia.	New Zealand.	Australia and New Zealand on London. Buying. Australia.	New Zealand.	Selling. Australia.	New Zealand
T.T.	...	...	99⅛	99¼	...	...	101	100⅜
Demand	98⅛	98¼	99⅛	99¼	99¼	99⅜	100⅜	100⅜
30 days	97 3/16	97 5/16	...	...	99 3/16	98⅜	100⅛	99⅞
60 days	97	97⅛	...	...	98 5/16	98⅛	99⅛	99¼
90 days	96 15/16	96 15/16	...	...	98 7/16	97⅛	...	99⅛

BULLION.

The following statistics of imports and exports of gold for week ended May 23, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland.	£	Exported from Great Britain and Northern Ireland.	£
From—		*To*—	
France	5,140	Poland (includ. Danzig)	1,550
Argentine Republic	200,000	Germany	34,020
British South Africa	774,781	Netherlands	5,834
		France	8,842
		Switzerland	10,200
		Austria	10,250
		Morocco	2,000
		Other Countries	491
Total declared value of imports	979,921	Total declared value of exports	73,187

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929.	Arrivals.	£	1929.	Withdrawals.	£
May 17	Bars bought	17,000	May 17		Nil
„ 18	Sovs. from abroad	200,000	„ 18		Nil
„ 21		Nil	„ 21	Bars sold	27,416
„ 22	Bars bought	663,134		Sovs. for export	5,000
„ 23		Nil	„ 22	Sovs. for export	2,000
			„ 23	Bars sold	47,968
Total		880,134	Total		82,384

Net arrivals, £797,750.

Messrs. Samuel Montagu and Co. write as follows on May 22, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £161,140,187 on the 15st instant (as compared with £160,213,172 on the previous Wednesday), and represents an increase of £7,233,872 since April 29, 1925—when an effective gold standard was resumed.

About £750,000 of gold from South Africa was available in the open market to-day. The weakness of the exchange with Germany led to some enquiry from that quarter, but about £663,000 was secured by the Bank of England, as will be seen from the figures given below, and the Indian, Home and Continental Trade requirements absorbed £80,000. There was a net influx of gold of £846,806 during the week.

SILVER.

The market has felt the lack of support and a fresh low level since August, 1927, was touched on the 18th instant, when prices reached 25d. for both cash and forward deliveries. The Shanghai exchange still showing weakness, there has been a certain amount of selling from this quarter, and America has continued to offer silver in this market. Altogether, the demand was insufficient to withstand the fairly general selling experienced during the week, as, save for some bear covering which caused a reaction of 1s. 8d. yesterday, buyers have not been much in evidence.

The following were the United Kingdom imports and exports of silver registered from mid-day on the 13st instant to mid-day on the 18th instant :—

Imports.	£	Exports.	£
Germany	11,335	Egypt	102,469
Netherlands	10,300	British India	182,165
Canada	22,233	Other countries	6,065
Other countries	11,015		
	£54,883		£290,699

Indian Currency Returns (in lacs of rupees).

	May 15.	May 7.	Apr. 30.
Notes in Circulation	18,283	18,293	18,366
Silver coin and bullion in India	9,840	9,851	9,939
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,222	3,222	3,221
Gold coin and bullion out of India	...	...	...
Securities (Indian Government)	4,323	4,323	4,323
Securities (British Government)	898	897	883

The stock in Shanghai on the 18th instant consisted of about 76,300,000 ounces in sycee, 130,000,000 dollars and 6,880 silver bars, as compared with about 78,900,000 ounces in sycee, 127,000,000 dollars and 8,200 silver bars on the 11th instant.

GOLD AND SILVER PRICES.

1929.	Gold Per Ounce. s. d.	Silver—Per Ounce. Cash. d.	Silver—Per Ounce. Forward. d.	Date.	Silver. Cash. d.
May 17	84 11½	25⅛	25⅛	May 25, 1923	32⅝
„ 18	84 11½	25	25	„ 23, 1924	34½
„ 20	Bank Holiday.			„ 22, 1925	31 1/16
„ 21	84 11½	25⅛	25⅛	„ 21, 1926	30 1/16
„ 22	84 11⅜	25 1/16	25 1/16	„ 20, 1927	26 1/16
„ 23	84 11⅜	24 13/16	24 13/16	„ 24, 1928	28⅞

NOTICES.

Lloyds Bank, Limited, announce that a sub-branch of the bank is now open at 307 North Road, Harrowgate Hill, Darlington.

The National Provincial Bank, Limited, announces that a branch of the bank is now open at 106 High Road, Kilburn, N.W. 6.

We regret to state that Mr H. Gurney Aggs, chairman of Gillett Bros. Discount Co., Limited, died on May 21, 1929, at his residence, Addington Park, West Malling, Kent.

OIL OUTPUTS.

British Controlled Oilfields, Limited.—Production for the week ended May 15th : Venezuela, 35,361 barrels; Trinidad, 15,678 barrels; total, 51,039 barrels.

Mexican Eagle Oil.—The production for the week ended May 11, 1929, was 194,000 barrels.

United British Oilfields of Trinidad, Limited.—Production for the week ending Wednesday, May 15, 1929, amounted to 2,311 tons.

Venezuelan Consolidated Oilfields, Limited.—Production for week ended May 18th, 3,080 barrels (440 tons).

Venezuelan Oil Concessions, Limited.—Production for the week ended May 18th was 129,125 metric tons (previous week ended May 11th 130,549 metric tons).

SUMMARY OF BALANCE SHEETS.

ANGLO-EGYPTIAN OILFIELDS, LIMITED.

December 31, 1928.

Liabilities.	Amount. £	Compared with Dec. 31, 1927. £	Assets.	Amount. £	Compared with Dec. 31, 1927. £
B and C shares, £1, fully-paid	1,808,000	...	Properties	2,526,354	+114,338
Creditors	152,021	+ 47,263	Investments in and advances to Red Sea Petroleum Co.	Nil	— 53,500
Exploration reserve	30,548	— 69,452	Somaliland Petroleum	5,000	+ 5,000
Depreciation	1,079,171	+ 42,891	Materials ashore and afloat	130,152	— 29,716
Unclaimed divs.	1,841	+ 279	Oil in stock	47,795	— 481
Profit and loss	673,468	+ 95,877	Materials in use on fields, etc.	10,841	+ 793
			Furniture	10,928	+ 2,992
			Debtors	300,234	+ 79,885
			Deposit with Anglo - Saxon Petroleum	12,000	— 11,000
			Investments in Treasury Bonds & Treasury Bills	463,602	— 68,252
			Cash	238,143	+ 76,797
Total	3,745,049	+116,858	Total	3,745,049	+ 116,858

THE EVER READY COMPANY (GREAT BRITAIN), LIMITED.

March 31, 1929.

Liabilities.	Amount. £	Compared with Mar. 31, 1928. £	Assets.	Amount. £	Compared with Mar. 31, 1928. £
7% cum. ptg. pref. (£1)	200,000	...	Goodwill, &c.	227,721	...
Ord. shares (£1)	542,800	+ 172,800	Freehold and leasehold properties	80,102	+ 27,709
Bank loan	120,000	+ 120,000	Plant	34,262	+ 7,709
Creditors	43,805	— 3,110	Subsidiary undertakings & other investments at cost	310,233	+ 38,825
Staff fund	1,600	— 2,000	Trade investments at cost	211,214	+ 211,214
General reserve	350,000	+ 150,000	Ever Ready Trust	95,000	+ 95,000
Contingencies reserve	70,000	+ 50,000	Stocks	66,097	+ 8,189
Dividend equalisation reserve	50,000	+ 45,000	Debtors	97,280	+ 23,858
Profit and loss	151,696	+ 19,175	British Government securities	175,984	...
			Calls due	225,746	+ 225,746
			Cash	6,262	— 86,385
Total	1,529,901	+ 551,865	Total	1,529,901	+ 551,865

MARCONI'S WIRELESS TELEGRAPH COMPANY, LIMITED.

December 31, 1927.

Liabilities.	Amount. £	Compared with Dec. 31, 1926. £	Assets.	Amount. £	Compared with Dec. 31 1926. £
Ord. shares, 10s. fully paid	1,625,019	...	Cash	272,232	+ 201,828
Pref. shares, £1	250,000	...	5% War Loan at cost	685,815	+ 444,603
6½% deb. stock	1,207,186	— 74,404	Sundry investments	10 935	+ 3,644
Int. accrued	19,617	— 1,209	Debtors	859,442	— 4,449
Creditors	831,237	— 83,058	Stocks	462,933	— 278,033
Deb. stk. reserve	75,000	+ 75,000	Holdings in and advances to associated cos.	1,476,255	— 287,871
Profit and loss	438,168	+ 256,721	Freehold and leasehold properties	292,341	+ 38,946
			Plant &c.	386,273	+ 55,342
			Patents	1	...
Total	4,446,227	+ 173,050	Total	4,446,227	+ 173,050

FINE COTTON SPINNERS' AND DOUBLERS' ASSOCIATION, LIMITED.

March 31, 1929.

Liabilities.	Amount. £	Compared with Mar. 31, 1928. £	Assets.	Amount. £	Compared with Mar. 31, 1928. £
5% cum. pref.	3,000,000	...	Properties, &c.	6,098,929	+ 30,611
5% cum. pref. ord.	940,000	...	Investments	4,713,732	+ 200,613
Ord. shares	4,410,000	...	Furniture, &c.	15,358	+ 311
4% deb. stock	2,000,000	...	Stock-in-trade	3,233,230	+ 526,245
4% ext. deb. stock	750,000	...	Debtors	1,338,272	— 174,504
Deb. interest	44,000	...	Cash	143,709	— 630,831
Reserves	1,207,959	...			
Insurance	187,917	+ 3,629			
Research fund	9,052	— 665			
Welfare fund	20,727	— 3,968			
Loans	564,322	— 71,978			
Creditors	1,876,086	+ 288,109			
Profit and loss	533,167	— 262,682			
Total	15,543,230	— 47,555	Total	15,543,230	— 47,555

SIEMENS BROTHERS AND CO., LIMITED.

December 31, 1928.

Liabilities.	Amount. £	Compared with Dec. 31, 1927. £	Assets.	Amount. £	Compared with Dec. 31, 1927. £
10% cum. pref. shares (£1)	550,000	...	Properties	1,196,214	+ 16,014
Ord. shares (£1)	2,000,000	...	Materials, &c.	1,013,970	+ 108,468
4½ deb. stock	757,700	— 31,900	Colonial agencies net assets	439,955	+ 21,180
Creditors	379,824	— 12,184	Invest. in Caxton Electric	670,000	...
Pref. div. (half-yr.)	27,500	...	Disbursements	3,530	— 866
Pensions fund	...	— 52,851	Debtors	618,507	+ 14,422
Deb. redemp. fund	275,708	+ 33,343	Investments	390,505	— 69,826
Sundry reserves	68,471	+ 4,818	Trade investments	292,209	+ 29,801
General reserve	148,643	...	Cash	40,016	— 114,548
Buildings reserve	43,500	...			
Profit and loss	413,360	+ 63,319			
Total	4,664,806	+ 4,545	Total	4,664,806	+ 4,545

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended May 17, 1929. (c) Week ended May 18, 1929.	Miles Open.	Week ended May 19, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 20 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western...	3,733	280	254	129	383	663	4,178	4,424	2,591	7,015	11,193
Do. for 1928 ..	3,734	225	234	109	343	568	4,304	4,385	2,355	6,740	11,044
Lon.& N.Eastn.(c)	6,345	397	431	277	708	1,105	6,320	8,215	5,528	13743	20,063
Do. for 1928 ..	6,363	321	438	231	669	990	6,524	8,508	4,924	13432	19,956
Lond.,Mid.&Scot.	6,960	672	594	268	862	1,534	9,569	11233	5,907	17141	26,710
Do. for 1928 ..	6,952½	496	600	235	835	1,331	9,823	11702	5,462	17164	26,987
Southern	2,175	372	82	28	110	482	5,594	1,518	655	2,172	7,766
Do. for 1928 ..	2,175	291	84	25	109	400	5,687	1,581	574	2,154	7,841
Metropolitan (c)	59	32·5	...	...	3·5	36·0	633·8	...	...	74·2	708·0
Do. for 1928 ..	59	31·4	...	...	3·4	34·8	637·3	...	...	73·2	710·5
†Und'rgr'ndE.R.C	...	...	...	...	...	288·3	...	...	...	...	5,458·1
†Do. for 1928	...	...	...	...	...	282·7	...	...	...	...	5,533·6
Lon&Sub.Gr'upc	...	...	...	...	...	42·1	...	...	...	...	778·4
Do. for 1928 ..	...	...	...	...	...	41·0	...	...	...	...	797·4
B'ff'st&Co.D'wn b	80	2·2	...	...	0·9	3·1	40·5	...	...	18·1	58·6
Great Northern b	562	11·1	...	...	16·2	27·3	217·0	...	...	325·2	542·2
Great Southern b	2,187	25·5	...	...	44·2	69·7	487·0	...	...	950·7	1,437·7

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or −	Total Gross Receipts. 1929.	+ or −
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	2weeks	Apr.13	1,217	7,26,000	− 31,389	...	...
Barsi Lt. Ry.....	4weeks	27	202	92,100	+ 51,100	2,68,000	+ 49,500
Bengal & N.Western	4weeks	27	2,078	7,62,458	− 41,867	28,39,642	− 2,31,362
Bengal-Nagpur.....	2weeks	13	2,979	36,42,000	+1,55,861	...	...
Bombay, Bar.& C.I.	7weeks	May 11	3,022	22,89,000	−3,58,000	1,43,90,000	−15,27,000
Madras & S. Mahr	3weeks	Apr.20	3,121	19,68,000	− 79,579	55,70,000	− 3,62,032
Nizam'sGuaranteed.(c)	4weeks	27	1,146	5,30,185	+ 60,051	20,34,993	+ 2,22,134
†Rohilk'd& Kumaon	3weeks	20	572	1,42,001	− 24,650	4,07,806	− 1,04,802
South Indian	3weeks	20	2,294	12,79,403	+ 48,887	36,57,048	+ 93,155
ARGENTINE (a).				£	£	£	£
Argentine N.E.	46weeks	May 18	753	16,700	− 800	719,400	+ 23,100
B.A. and Pacific ...	46weeks	18	2,806	198,000	+ 25,000	8,100,000	+ 845,000
B.A. Central	46weeks	19	...	15,016	+ 887	671,852	+ 26,682
B.A. Gt. Southern	46weeks	18	4,762	261,000	+ 36,000	11,622,000	− 390,000
B.A. Western	46weeks	18	1,296	100,000	...	4,693,000	− 31,000
Central Argentine.	46weeks	18	3,319	289,000	+ 74,000	12,555,000	+ 437,000
Cordoba Central....	46weeks	18	1,218	66,000	+ 15,000	3,171,200	+ 34,500
Entre Rios	46weeks	18	838	25,500	− 900	1,399,200	+ 52,400
CUBAN.				£	£	£	£
United of Havana†	46weeks	May 19	1,374	66,926	+ 10,109	3,482,341	+ 168,286
URUGUAYAN.				£	£	£	£
Central Uruguay ...	46weeks	May 18	273	28,472	+ 373	1,390,743	− 10,100
C. Urug. (East Ext.)	46weeks	18	311	6,901	− 463	319,790	− 6,662
C.Urug.(North.Ext.)	46weeks	18	185	4,261	+ 220	171,116	+ 5,405
C. Urug.(West. Ext.)	46weeks	18	211	3,255	+ 723	139,935	+ 2,446
CANADIAN.				$	$	$	$
Canadian National	19weeks	May 14	19,362	4,958,080	+188659	92,411,919	3,637,625
Canadian Pacific ...	19weeks	14	14,822	4,055,000	+ 63,000	72,990,000	+3,011,000
BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil	20weeks	May 18	1,016	13,800	+ 4,000	386,500	+ 95,700
Leopoldina.....	20weeks	18	1,856	36,912	− 8,233	717,390	− 252,092
Leopoldina Termnl.	20weeks	18	Mlrs.	247,000	− 2,000	5,566,000	+ 162,000
San Paulo	20weeks	19	153½	47,999	− 1,926	944,214	+ 54,624
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia).....	20weeks	May 19	838	39,670	+ 11,320	808,365	+ 113,385
Nitrate (½-monthly)	19weeks	15	402	31,380	− 2,884	345,695	+ 37,021
OTHER OVERSEAS.				£	£	£	£
Egyptian Delta	4weeks	Apr.30	608	8,396	+ 1,358	25,871	+ 4,444
Gt. Southn. of Spain	19weeks	May 11	104	Ps116,686	− 11,976	2,328,700	− 94,831
Mexican Railway...	19weeks	14	483	$255,800	− 32,800	4,771,200	− 648,800
Paraguay Central ..	46weeks	18	274	4,460	+ 60	204,790	+ 4,360
Salvador.....	46weeks	18	100	5,259	+ 1,086	235,495	+ 9,555

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or −	Total Receipts. 1929.	+ or −
				£	£	£	£
Anglo-Argentine ...	20weeks	May 20	329	89,923	+ 4,245	1,772,507	− 17,456
B. Aires Lacroze ...	46weeks	19	...	11,786	− 161	596,207	− 753
Burnley Corporation	1week	18	13	2,950	− 44	...	...
Calcutta Tramways	1week	18	35½	Rs123,963	+ 2,745	...	...
Chatham & District	18weeks	9	15	994	− 298	18,353	− 4,687
Egyptian Markets..	18weeks	9	...	1,850	− 57	38,460	+ 2,046
Glasgow Corporation	42weeks	20	136½	43,481	+ 1,272	2,018,186	+ 2,287
Isle of Thanet Trams	18weeks	8	...	988	− 115	16,424	− 675
Liverpool Corp.....	7weeks	18	124	29,945	+ 964	202,766	+ 791
L.C.C. Tramways .	7weeks	15	166	83,073	+ 686	531,514	+ 6,762
Madras Electric ...	‡19w'ks	16	...	Rs. 44,357	+ 4,609	3,89,607	+ 28,053

‡ Fortnightly figures.

Reports and Notices.

The Canadian Pacific Railway offices in Paris have been removed to more commodious premises at 24 Boulevard des Capucines.

James Philip Van den Bergh, B.A., and Mr John Ingham have been appointed to the board of Van den Berghs, Limited.

Sir John Buck Lloyd has been appointed a Director of the Clerical, Medical and General Life Assurance Society.

Mr J. J. Atkinson, General Manager of the Royal Insurance Co., Limited, Liverpool, has expressed his wish to retire after over fifty years of continuous service with the company, and the directors have, with reluctance, acceded to his request. It is the directors' intention to offer to Mr Atkinson a seat on the board.

The Directors of the Employers' Liability Assurance Corporation, Limited, have appointed Sir Campbell Stuart, K.B.E., to be a Director of the General Board in London.

BANKS.

CENTRAL HANOVER BANK AND TRUST COMPANY.—The merger of the Central Union Trust Co. of New York and the Hanover National Bank into the Central Hanover Bank and Trust Co. became effective at the close of business on May 15th. The new company has a capital of $21,000,000; surplus, $60,000,000; undivided profits, $19,117,707; deposits, $445,969,666; acceptances, $32,734,573; and total assets, $582,741,370. The head office of the Central Hanover Bank and Trust Co. is 70 Broadway, New York. The London representative of the company is Mr. C. Noël Hume, 1 and 2 Gracechurch Street, E.C. 3.

HAMBROS BANK, LIMITED.—The balance sheet for year ended March 31, 1929, compares with year ended March 31, 1928, as follows :—

Liabilities.	Mar. 31, 1928.	Mar. 31, 1929.
	£	£
Paid-up capital	1,000,000	1,400,000
Reserve	1,050,000	1,050,000
Profit and loss	212,603	220,674
Deposits.....	18,918,559	18,520,140
Acceptances.....	10,872,317	12,518,116
	32,053,479	33,708,930

Assets.	Mar. 31, 1928.	Mar. 31, 1929.
	£	£
Cash.....	5,542,956	5,872,487
Bills of exch'nge	3,802,382	3,970,704
Investments in British Govt. securities.....	3,030,143	3,378,375
Other investm'ts	930,797	1,054,856
Advances.....	7,421,397	6,460,906
Acceptances	10,872,317	12,518,116
Premises.....	453,487	453,486
	32,053,479	33,708,930

The net profit is £347,670, against £370,979 for preceding year. The dividend is 22½ per cent., less tax, while 6 per cent. is paid on the £1 "A" shares. The sum of £150,000 is put to contingency reserve account, as last year. The sum of £91,073 is carried forward.

RUBBER, &c.

LINGGI PLANTATIONS, LIMITED.—The output for 1928 amounted to 2,890,800 lbs., as compared with 2,681,465 lbs. for 1927. The estimated output for 1929 is 3,552,000 lbs. There remains to be delivered out of 1929 crop 1,029,280 lbs. at an average price of 10.55d. per lb., and for delivery in 1930, 483,840 lbs., at an average price of 10.78d. per lb. The profit for the year 1928 was £50,578, against £83,635 for 1927. The ordinary dividend is reduced from 10 per cent. to 7½ per cent. The carry-forward is reduced from £18,783 to £17,982.

MISCELLANEOUS.

THE CABLE, TELEPHONE AND GENERAL TRUST, LIMITED.—The Cable, Telephone and General Trust, Limited, announce that the offer to purchase the ordinary shares of the Bogota Telephone Co., Limited, has now been accepted by the holders of a sufficiently large percentage of the shares of that company. Completion of the purchase will, therefore, be proceeded with and transfer deeds will be issued to shareholders who have accepted the offer. Payment will be made on the return of duly executed transfers, together with relative share certificates, after the usual three days for examination.

GRESHAM TRUST, LIMITED.—The report for 1928 shows a net profit of £92,746, as compared with £58,455 for 1927, at which time the capital was one-half the present issued capital. The new capital, however, was not fully paid until July 9, 1928. Dividends are paid at the same rate as last year, the 6 per cent. cumulative participating preference shares receiving a participating dividend at the rate of 4 per cent., making 10 per cent. in all for the year, and the ordinary shares receiving 32 per cent. A full year's dividend on the new capital has been paid for the whole year. £20,000 is placed to general reserve as compared with £10,000 last year, and the carry-forward is £27,775 this year, as compared with £11,028 last year. The ordinary shares which were issued during the year were issued at a premium of 1s. per share, and the share premium of £25,000 arising therefrom has been carried to general reserve. The entire expenses of this issue have been written off. Investments are shown in the balance sheet at a figure of £467,441, the market value at April 30, 1929, being £477,600.

SALAR DEL CARMEN NITRATE.—A meeting is called for May 31st, at Winchester House at noon, to consider an agreement for the sale of the undertaking and assets of the company to the Liverpool Nitrate Co., Limited.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
Banks.		£	£	£	£	£	%	£	£	£	%
Hambros Bank.....	Mar. 31	92,603	347,670	440,273	...	199,200	22½ 6A	150,000	91,073	370,979	18†
Electric Lighting, &c.											
Lancashire Electric	Mar. 31	3,110	150,885	153,995	90,686	60,000	7½	...	3,309	143,621	7½
Financial Land, &c.											
British Columbia Fruit Lands	Dec. 31	*Dr127,333*	*Dr. 6,485*	*Dr133,818*	...	...	...	...	*Dr133818*	*Dr.7,055*	...
Mercantile Marine Finance	Feb. 28	13,953	57,540	71,493	...	32,000	8	25,000	14,493	48,556	8
Gas.											
Montevideo Gas	Dec. 31	18,742	41,179	59,921	...	37,934	7†	...	21,987	30,775	6†
Iron, Coal and Steel.											
Johnson (Richard) and Nephew	Mar. 31	...	37,056	37,056	12,249	13,973	8	...	10,834	...	...
Park Gate Iron and Steel....	Mar. 31	*Dr. 69,020*	31,248	*Dr. 37,772*	...	...	...	...	*Dr37,772*	30,064	...
Oil.											
Maritime Oilfields	Dec. 31	46	2,278	2,324	...	1,980	2½	...	344	7,868	10
New Brunswick Gas and Oilfields	Dec. 31	135,33	3,256	16,789	3,840	...	...	...	12,949	10,614	Nil
Rubber, &c.											
British Rubber of Java.....	Dec. 31	7,063	67,100	74,163	...	43,192	6	15,000	15,971	46,148	25
F.M.S. Rubber Planters	Dec. 31	12,976	20,154	33,130	...	21,000	10	2,000	10,130	61,237	17½
Kapocwas	Dec. 31	3,370	*Dr. 2,715*	655	...	...	...	...	655	6,462	Nil
Linggi Plantations.....	Dec. 31	18,783	50,578	69,361	700	42,000	7½	8,679	17,982	83,635	10
Malakoff	Dec. 31	8,884	20,904	29,788	...	12,500	2½	4,000	13,288	28,309	3
Rampah Cocoanut Estates..	Nov. 30	*Dr. 390*	*Dr. 503*	*Dr. 893*	...	...	...	...	*Dr. 893*	*Dr. 1,556*	Nil
Sapong.....	Dec. 31	12,261	14,645	26,906	...	12,000	10	...	14,906	30,967	20
Sialang.....	Jan. 31	64,879	40,724	105,603	...	30,000	10	10,000	65,603	70,275	15
Sungei Salak	Dec. 31	2,777	10,826	13,603	...	6,000	6	5,000	2,603	20,112	10
Sungei Siput	Dec. 31	12,086	4,294	16,380	...	4,682	2½	365	11,333	16,223	Nil
United Sumatra.....	Dec. 31	26,494	13,453	39,947	...	22,000	10	4,000	13,947	23,915	Nil
Shipping.											
Globe Shipping	Dec. 31	1,116	5,767	6,883	...	...	...	6,000	883	6,065	2½
Shops and Stores.											
Horne Brothers	Feb. 28	48,389	86,554	134,943	38,500	22,500	5	15,000	58,943	86,020	5
Lewis (John) and Co.....	Jan. 31	...	95,542	95,542	14,599	...	...	62,544	18,399	...	...
Marks and Spencer.....	Mar. 31	24,776	203,549	228,325	35,000	78,802	15	77,500	37,023	139,621	13
Tea.											
Amalgamated Estates	Nov. 30	59,064	233,242	292,306	21,000	167,422	17½	53,295	50,589	259,560	37½
Anglo-American Direct	Nov. 30	51,941	195,890	247,831	16,543	111,009	17½	69,826	50,453	230,898	22½
Chubwa	Nov. 30	30,906	42,121	73,027	3,710	37,100	35	...	32,217	55,186	45
Consolidated Tea and Lands	Nov. 30	239,306	412,095	651,401	78,000	270,000	22½	79,412	223,989	605,764	32½
Jetinga Valley	Dec. 31	5,379	15,034	20,413	3,068	12,886	20	2,000	2,459	27,448	30
Kanan Devan Hills	Nov. 30	101,635	412,474	514,109	33,000	262,500	35	108,421	110,189	422,400	37½
Mayfield (Dimbula)	Dec. 31	5,090	18,315	23,405	1,980	11,494	37½	3,000	6,931	17,343	35
Pandan	Dec. 31	5,707	46,645	52,352	...	27,950	10	18,500	5,902	58,708	10
Telegraphs, &c.											
Eastern Telegraph	Mar.31'28	525,765	(*b*)167,172	692,937	17,500	125,000	2½†	550,437	...	...	...
Textiles.											
Fine Cotton Spinners.....	Mar. 31	200,449	522,618	723,067	197,000	396,900	9	*Dr. 85,000*	214,167	994,223	15
Porritts and Spencer.....	Mar. 31	34,369	104,522	138,891	17,650	56,525	17½	31,491	33,225	102,062	17½
Tramway and Omnibus.											
National Omnibus and Transport	Dec. 31	3,249	130,492	133,781	20,533	36,000	11¼	75,000	2,208	128,611	11¼
Potteries Electric Traction..	Dec. 31	3,400	6,582	9,982	...	...	...	5,000	4,982	5,851	...
Trust.											
Bankers' Investment Trust	Apr. 30	25,817	138,319	164,136	32,400	79,200	11	26,000	26,536	131,128	10½
General Scottish Trust	Apr. 30	739	4,994	5,733	2,400	1,600	5	1,000	733	4,887	4
LakeView Investment Trust	Mar. 31	10,526	93,409	103,935	12,250	61,237	12½	20,000	10,448	98,353	12½
Malayan and General.....	Dec. 31	7,466	15,051	22,517	...	...	...	13,437	9,080	...	...
Second Guardian	May 5	8,374	62,098	70,472	20,000	26,000	6½	14,000	10,472	43,218	5
Second Mercantile.....	May 5	14,176	64,107	78,283	...	48,000	7	10,000	20,283	60,316	6½
Tea Share Trust	Mar. 31	8,975	12,869	21,844	...	15,000	12½	...	6,844	...	...
Waterworks.											
Province of Buenos Ayres...	Dec. 31	8,992	74,638	83,630	9,375	27,264	6†	35,769	11,222	68,267	6
Other Companies.											
Benger's Food	Mar. 31	15,043	56,315	71,358	9,000	35,000	10†	12,000	15,358	54,241	10†
Brazilian Warrant	Dec. 31	34,696	108,530	143,226	35,000	...	...	25,000	83,226	56,569	Nil
Hill (R. & J.)	Mar. 31	3,177	4,739	7,916	4,750	...	...	2,743	423	10,149	5
Hutchinson & Co. (Publishers)	Dec. 31	14,857	40,338	55,195	27,700	13,000	10	...	14,495	36,870	10
Owen (Thomas) and Co. ...	Mar. 31	3,671	9,533	13,204	12,000	...	...	...	1,204	*Dr. 5,714*	...
Siemens Brothers and Co....	Dec. 31	250,041	268,319	518,360	55,000	150,000	7½	...	313,360	281,737	7½

(*b*) 3 months. † Free of Income Tax.

SANTIAGO NITRATE COMPANY.—The Santiago Nitrate Company has entered into a provisional agreement for the sale of its oficina, nitrate grounds, plant and stocks in Chile to the Liverpool Nitrate Co. for £35,250.

BOOTS PURE DRUG COMPANY, LIMITED.—The Directors of Boots Pure Drug Company, Limited, announce that subject to completion of audit the net profits for the year ended March 31st, 1929, amounted to £750,152 (last year £701,973) and that a bonus will be paid to the ordinary shareholders as registered May 21, 1929, of 1s. per share, free of tax (as against 9d. per share less tax). Accounts will be posted May 29th.

SIEMENS BROTHERS AND COMPANY, LIMITED.—The Report for 1928 shows a profit of £335,758, as compared with £356,736 for 1927. The ordinary dividend is maintained at 7½ per cent., less tax. The carry forward is increased from £250,041 to £313,360.

ISLAS DEL GUADALQUIVIR, S.A.—The response of the holders of founders' shares to the offer to them of the 7 per cent. notes of the company having proved insufficient to justify the Board in proceeding to allotment, the directors have decided to return the subscriptions received and to make other arrangements to provide the necessary finance for the continuance of the Company's operations.

INDUSTRIAL AND GENERAL TRUST, LIMITED.—The report for year ended March 31, 1929, shows a credit balance of £378,237, against £382,250 for preceding year. The sum of £50,000 has been transferred to "B" reserve fund, increasing reserve funds to £1,200,000. The ordinary dividend is 17½ per cent. for the year, against 17 per cent. for preceding year. The carry-forward is increased from £73,297 to £88,372. The investments of the Trust number 990 and they are fully set out and summarised in the report.

MANCHESTER SHIP CANAL.—The following is the latest monthly approximate traffic return:—

April, 1928.	April, 1929.	Increase.	Total for 4 months. 1928.	1929.	Total Increase. 1929.
£114,338	£118,414	£4,076	£446,847	£454,741	£7,894

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

The marked improvement in climatic conditions has considerably brightened agricultural prospects in the United Kingdom. Cereal crops gave responded to a spell of warmth and sunshine which was much needed, and pastures now present a healthy appearance. Native wheat continues in small supply, and prices tended in buyers' favour following the weakness of imported varieties and general lack of demand. The floating and forward cargo section has again relapsed into a quiet state following recent liberal export sales of Canadian grades on Continental account. Favourable new crop prospects and selling pressure from both North America and Argentina resulted in a further downward movement in prices, which found buyers rather indifferent pending further developments in the situation. Liberal quantities are still available for export from the Argentine, shipments being well maintained, with a seasonal increase from Canadian ports. United States sellers still seek an outlet for their surplus holdings, but so far, offers are not yet sufficiently attractive to arouse buying interest, and further concessions are apparently necessary in order to move stocks and make room for the new winter crop now on the eve of harvest. Feeding stuffs are also easier in sympathy with wheat, and with increased pressure on the part of Plate maize shippers a very depressed market resulted. Wheat futures moved in sympathy with the general situation, and although trading was less active than of late, interest was well sustained in this section.

Wheat easier. No. 2 Northern Manitoba, ex-ship, 45s. 9d.; No. 3, ditto, 44s. 6d.; No. 4 Manitoba, 42s. 9d.; No. 5, 39s. 9d.; No. 6, 35s. 6d.; No. 2 mixed Durum, 39s.; Rosafe, 64 lbs., 42s.; Barusso, 63½ lbs., for shipment, 41s. 9d.; Australian, 44s. 3d. ex ship, per 496 lbs.; English, 9s. 6d.–9s. 9d. per 112 lbs.

Flour dull. London straight run nominally 32s. 6d.–33s. 6d. per sack delivered. Of imported, Manitoba patents range from 33s.–36s.; Minneapolis, 34s.–36s.; Australian, 32s. 9d.–33s. 3d. ex store, per 280 lbs.

Maize declined sharply in sympathy with lower c.i.f. offers. Plate landed 38s., ex ship to arrive, 36s. 3d. to 34s. 9d. as to position; May–June, 34s. 9d.; June–July, 35s.; July–August, 35s. 3d. per 480 lbs. Yellow maize meal, £10 5s. per ton, landed.

Barley weak. Californian, ex ship, 43s.–48s.; Chilean Chevalier, ex store, 45s.–58s.; Australian, 41s.–44s. 6d.; Smyrna, 44s.–47s. per 448 lbs. Algerian–Tunisian, ex ship, 30s.; Canadian feed, 27s. 6d.; No. 3 Canadian Western, ex ship, 30s. 6d.; landed, 32s.; No. 4, ex ship, 29s. 3d.; No. 2 Federal American, landed, 29s. per 400 lbs. English malting, 10s. 6d., 11s. 3d.; feed, 9s. 8d.–10s. per 112 lbs.

CENTRAL HANOVER
BANK AND TRUST COMPANY

MAIN OFFICE
70 Broadway,
New York.

Commercial and
Foreign Banking

London Representative
C. Noël Hume
1 & 2 Gracechurch
Street, E.C.3

Complete Fiduciary
Service Personal and
Corporate

Capital, Surplus and Undivided Profits Over
One Hundred Million Dollars.

Oats steady but inactive. Plate, landed, 24s. 6d.; ex ship to arrive, 23s. 3d.; No. 1 Canadian feed, 23s. 6d.; No. 2 ditto, 21s. 6d.; ex ship; mixed Canadian feed, ex ship to arrive, 19s. 3d.; landed, 20s. 9d.; Chilean white, ex ship to arrive, 28s. 3d.; landed, 30s. 9d. German landed, 28s. 6d.; ex ship to arrive, 27s. 3d. per 320 lbs. English, 9s. 8d.–10s. 3d. per 112 lbs. Scotch landed, 30s. per 336 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to May 18	Qrts. 88,053	Qrts. 251,856	Qrts. 170,754	Qrts. 137,437
36 weeks to May 18	8,962,183	9,516,590	10,615,472	12,191,254
Average price of English wheat per cwt.	s. d. 10 0	s. d. 11 3	s. d. 12 4	s. d. 13 7

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold. Wheat.	Barley.	Oats.	Average Price per Cwt. Wheat.	Barley.	Oats.
1929.	Qrts.	Qrts.	Qrts.	s. d.	s. d.	s. d.
May 11	152,984	24,324	28,994	9 11	10 0	9 10
May 18	88,053	17,386	18,407	10 0	10 4	9 9
May 16, 1925	264,564	47,689	56,661	12 8	10 6	10 0
May 22, 1926	137,437	15,659	19,211	13 7	9 4	9 11
May 21, 1927	170,754	27,011	66,210	12 4	11 4	9 9
May 19, 1928	251,856	25,855	25,228	11 3	11 0	12 11

AMERICAN WHEAT MARKETS.

During the early part of the week demand was inactive, and this, coupled with favourable weather news and some bear selling, caused a slight decline. This was partly recovered later on reports of bad weather with some crop damage, better export demand, and bear covering. Quotations:—

Nearest Future.	Jan. 4, 1928.	Jan. 2, 1929.	May 23, 1928.	May 8, 1929.	May 18, 1929.	May 22, 1929.
Winnipeg (No. 1 Manitoba) —Cents per 60 lb.)	156½	122	150⅜	113⅜	114	113⅜
Chicago (No. Winter)— Cents per 60 lb.	166¼	116⅜	150⅛	106¾	105⅝	103

THE COAL TRADE.

Our Sheffield correspondent writes: The holiday stoppage at the Yorkshire collieries was rather longer than last year, and the outlook for the industry is not so good as two months ago. Exports in April were below the March figures. Business in all sections is steady. Supplies of blast furnace coke have improved following the cessation of home and export demand for heating purposes. Consumption at the furnaces tends to increase, but the output is ample, and prices rather easier. Best South Yorkshire steams are worth about 15s. 6d. at pits. Blast furnace coke fetches about 14s. at ovens.

Our Glasgow correspondent writes: Generally speaking, the collieries are better off for work than they have been for a week or two, and there is now less price-cutting going on. The Lancashire field, however, has not shared in the improvement as much as the other districts, and the collieries there are still finding a good deal of short-time working necessary. Nuts, as a whole, are firm, with doubles a good spot, and large coal mostly steady. Shipping prices are approximately as follows:—Lanarkshire: Ell best, 14s.; splint best, 16s.; splint second, 15s. 6d.; navigation, 17s. 6d.; navigation second, 15s.; steam, 13s. 6d.; Hartley, 16s. 6d.; trebles, 14s. 3d.; doubles, 13s. 6d.; singles, 12s.; pearls, 11s.; dross, 10s. Fife: Screened navigation, 17s. 6d.; first-class steam, 13s. 6d.; third-class steam, 12s.; trebles 14s. to 14s. 6d.; doubles, 13s. 3d.; singles, 12s. 6d.; trebles, 14s.; doubles, 13s.; singles, 12s.; pearls, 11s. Ayrshire: Unscreened navigation, 16s. 6d.; jewel, 17s. 6d.; steam, 13s. 6d.; trebles, 13s. 9d.; doubles, 13s. 3d.; singles, 12s. 6d.; pearls, 11s.; dross, 10s. 6d.

Our Cardiff correspondent writes: The collieries in the South Wales coalfield were idle on Monday, Tuesday and Wednesday this week, and consequently business on the Cardiff coal market has been practically at a standstill. The docks have been working since Tuesday, and loading operations have reduced very considerably the pre-holiday stocks at the various sidings. It is too early yet to form any opinion as to how far this factor will counteract the easy conditions which were so marked a feature of the market before the holidays. It is now officially announced that the Egyptian State Railways have placed orders for 180,000 tons of Monmouthshire large coals at 19s. 9d. per ton c.i.f. Alexandria with Messrs Wm. Milburn & Co. and Messrs Pyman Watson & Co., whose prices were 3d. per ton above the lowest tender. It is also reported that a portion of the order of the Central Brazilian Railways for the supply of 200,000 tons of coal has been placed in Poland. The following are the current approximate prices: Best Admiralties, 19s. 6d. to 20s. 6d.; seconds, 19s. to 19s. 9d.; best drys, 19s. to 19s. 3d.; Black Veins, 18s. to 18s. 6d.; Western Valleys, 18s. to 18s. 3d.; Eastern Valleys, 17s. 9d. to 18s.; best steam smalls, 13s. to 13s. 6d.; cargo smalls, 11s. 6d. to 12s.; anthracite best large 33s. to 36s. 6d.; Red Vein large, 23s. to 27s.; machine-made cobbles, 40s. to 44s.; French nuts, 42s. to 44s.; stove nuts, 39s. to 42s.; rubbly culm, 9s. 6d. to 10s. 3d.; foundry coke, 27s. 6d. to 36s. 6d.; patent fuel, 19s. 6d. to 21s. 6d.; pitwood, ex ship, 25s. 6d. to 25s. 9d.

IRON AND STEEL.

Our Middlesbrough correspondent writes: Owing to the Whitsuntide holidays there was no iron market here yesterday. The Cleveland pig-iron position still remains very strong. Producers are well sold into the second half of the year. Any fresh business has therefore to be done through merchants, who are asking the following prices: No. 1, 72s. 6d.; No. 3 G.M.B., 70s. and upwards; No. 4 foundry, 69s.; No. 4 forge, 68s. 6d. East Coast hematite is in fairly good demand, and makers are quoting 74s. per ton for mixed numbers. Supplies are comparatively scarce and makers are well sold ahead. With regard to manufactured iron and steel, the chief event of the past week has been the rise of 5s. per ton in steel plates, joists and angles, probably on account of the activity in the steel trade and also the recent increase in the price of raw materials. This, of course, will eventually increase shipbuilding costs, but as most of the shipbuilders, who have work on hand, have contracted for some time ahead, it will take time for the increase to have effect. Quotations are on the following basis, subject to the usual rebates for home consumers: Steel ship plates, £8 12s. 6d.; steel ship angles, £8 2s. 6d.; iron bars, £10 15s.; steel rails, £8 10s. The ore and coke markets are very steady, with prices firm at about 23s. for the former and 19s. for the latter.

Our Sheffield correspondent writes:—Work in the local steel trade was resumed this week after the holiday more generally than was the case last year, a fact which indicates improving conditions. The position, however, continues patchy and there are numerous instances of quietude. Users of Sheffield steel are paying increases of about 7s. 6d. per ton, which sum is too small to be passed on to their customers. Depression continues in railway steel and acid steel. Demand for heavy forgings and castings has fallen off. Trade in foundry pig iron fails to expand, most of the foundries being quiet, but prices of raw materials are being maintained. Makers of heavy tools used in quarries, shipyards, and engineering works report more active conditions than for a long period. Users appear to be replenishing their exhausted stocks. The file factories are short of work. Reports from the plate and cutlery branches are unfavourable for the most part.

Our Glasgow correspondent writes:—Conditions in Glasgow and surrounding districts remain quiet but business is fairly steady, steel works being able to keep going although not too well provided with specifications for forward delivery. Towards the end of last week steel prices were advanced by 5s. per ton, to-day's quotations being £8 12s. 6d. for ship plates and £8 2s. 6d. for sections, delivered Glasgow station—subject to the rebate of 10s. per ton to users of all British steel. It is announced that Messrs. William Beardmore and Co., Limited, have secured a contract for thirty-two locomotives for the Indian State Railways. These will be built at Messrs. Beardmore's Dalmuir works. At the sheet works business is rather quiet but prices are firmer and the minimum price now quoted for galvanised corrugated sheets 24 G. is £13 15s. per ton f.o.b. Glasgow.

Our Cardiff correspondent writes: In the South Wales tinplate and galvanised sheet industries work was suspended during the earlier part of the week, and the usual Tuesday meeting of the Swansea Metal Exchange was not held. It was expected that the holidays would have the effect of diminishing stocks; otherwise the position is unchanged.

OTHER METALS.

Tin.—The market displayed fair activity, but with selling orders prominent values marked some irregularity following fluctuating Eastern cables. Stocks in London warehouses for week ending May 18th were returned at 978 tons, compared with 999 tons at corresponding period last year. Standard cash changed hands at £197 and £196 5s. and £196 15s.; three months, £200 to £199 10s. and £199 7s. 6d. In the East, sales were reported on the basis of £202 5s. to £201 5s. per ton, c.i.f. terms.

Copper proved a quiet market and prices eased on realisations. Standard cash sold at £75 5s., and three months, £73–£73 5s. and £72 12s. 6d.

Lead in fair request, but prices barely steady as offerings proved in excess of requirements. Good soft foreign pig, June, sold at £23 15s.; August, £23 12s. 6d. to £23 11s. 3d.

Spelter market generally steady with dealings on a fair scale. May sold at £26 15s. to £26 16s. 3d.; June, £26 11s. 3d. to £26 12s. 6d.; August, £26 11s. 3d.; September, £26 11s. 3d. per ton.

HARRISONS & CROSFIELD LTD
East India Merchants.
The Company Offers Facilities to Plantation Companies in the Development of Estates and Sale of Produce.
1-4, Great Tower Street, London, E.C.3

Aluminium steady. Ingots and bars for home delivery, £95 ton.

Antimony quiet. English regulus, £50 to £52 10s.; foreign, spot, £35 to £35 10s.; May–June, £31 to £31 10s. c.i.f.

Wolfram firm on short supplies. Straits, quoted, 31s. per unit c.i.f.

Quicksilver steady. Spot, £22 2s. 6d. to £22 5s. per bottle.

Tin Plates maintained. I.C. coke, prompt and forward, 18s. 6d. to 18s. 9d. per box, f.o.b. Swansea.

Tin easier. Cash sold, £196 5s.; three months, £198 17s. 6d.

Copper further eased. Cash sold, £72 5s.; three months, £71 7s. 6d.

Lead easier. May sold, £23 12s. 6d.; August, £23 7s. 6d.

Spelter weak. May sold, £26 15s.; June, £26 10s.; August, £26 10s.

THE COTTON TRADE.

Liverpool, May 22nd.

Spot sales for the week 16th to 22nd (inclusive) are 22,000 bales, of which 15,880 are American, 950 Argentine, 1,450 Peru, 1,150 Egyptian, 1,550 African, 800 East Indian, and 220 sundries. Imports for the same period are 47,518 bales, of which 20,232 are American, 241 Brazil, 427 Peru, 20,015 Egyptian, 4,472 African, 2,117 East Indian, and 14 sundries. Quotations to-day are: American Middling, 10·28; Egyptian Sakel, 17·85; Egyptian Uppers, 11·62; Brazil Fair, 10·53; Peru G.F. Mod-Rough, 12·50; Peru G.F. Smooth, 11·28; West African Mid., 10·38; East African G.F., 11·70. As usual during the Whitsun week with Manchester closed, the interest in cotton is negligible, and very quiet markets have ruled.

Manchester, May 22nd.

Business in the market during the past week has been disturbed by the Whitsuntide holidays, and most of the Manchester merchant houses have been closed all week. In spinning and weaving districts irregular holidays have been observed. Mail advices from India do not improve, and very few cables have been received making offers for cloth. China auction news has been rather better, but fresh business remains at a low ebb. Not more than a sorting up trade has been done for Egypt, the Near East and South America. More encouraging clearances have been reported in goods suitable for home consumption. Rates in American and Egyptian yarns have been steady, but the turnover has been limited.

Statement of the Cotton Trade.

	1929. May 1.	May 8.	May 15.	May 22.	Corresponding Date. 1928.	1927.
	d.	d.	d.	d.	d.	d.
Raw Cotton—Mid. American per lb.	9·95	10·17	10·12	10·28	11·63	9·04
— Sakellaridis Fully Good Fair Egyptian per lb.	17·40	17·85	17·85	17·85	21·55	16·70
Yarns—32's twist per lb.	15	15	15	15	16½	14½
— 40's weft per lb.	15½	15½	15½	15½	17½	15½
— 60's twist (Egyptian) per lb.	25½	26	26	26	31½	27½
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	25 1½	25 3	25 3	25 3	26 9	25 6
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	27 7½	27 9	27 9	27 9	29 6	27 6
38-in. ditto, 38 yds., 18 by 16, 10 lb.	14 10½	15 0	15 0	15 0	15 6	14 0
39-in. ditto, 37¼ yds., 16 by 15, 8¼ lb.	13 4½	13 4½	13 4½	13 4½	14 6	13 3

THE WOOL TRADE.

Our Bradford correspondent writes:—The holidays have accentuated the general slackness in trade and little attempt has been made to do anything. In some cases mills are closed for an extended period owing to the paucity of orders, and it is indicative of the irregularity of trade that in a few cases rush orders are being put through necessitating a certain amount of overtime. This, however, is quite exceptional, the majority of mill owners being in anything but a comfortable position as regards work for the machinery. Quotations are nominally unchanged on the week for both tops and yarns, but there is nothing to suggest that prices would be any firmer than they were a week ago, especially in fine qualities. The demand for tops and yarns has been very restricted for several weeks, and although wool prices now appear to be on an attractive level, users show no inclination to look ahead and make provision for the future. There is just the possibility, however, that tops on to-day's basis may ultimately prove to be right, for it would take very little expansion in machinery consumption to bring about

a considerable improvement in values. Under existing conditions replacement costs seem to be out of the question, but unless there is a further marked decline in wool there will have to be a readjustment of values sooner or later. This also applies in the case of by-products, noils, laps and all kinds of waste being relatively dear as compared with wool and tops. Generally speaking, little expansion in demand is expected until after the General Election.

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

The trade is again indebted to Dalgety and Co., Limited, for cable information giving wool exports from Australasia from July 1, 1928, to April 30, 1929. These show that the total was 3,009,000 bales—2,366,000 from Australia and 643,000 from New Zealand, increases of 37,000 and 19,000 bales respectively compared with the corresponding period of last year. This increase is significant, for it means that the decrease of previous months has been entirely wiped out, and the increase may be expected to become larger until the end of the current wool year. It is quite reasonable to expect that the production will ultimately be shown to be larger than in 1927–28. The balance of the current season's wool remaining for sale is, of course, of some importance, and there is plenty of wool available to meet all requirements. Questions are already being asked about the size of the 1929–30 clip, and various views have been expressed. As far as one can see, there is little likelihood of the next clip being more than this year, though it may be rather finer. The South African clip may be expected to be larger, and perhaps a little deeper grown, splendid rains having fallen over the greater part of the country during the season. In any case, there is no need for the trade to anticipate any shortage of supplies. The paramount need is an improvement in consumption requirements in this country, on the Continent, and in the United States. There is still too much combing, spinning and weaving machinery standing. Another artificial wool fibre has been announced, the American Manufacturing Co. claiming to have discovered a substitute possessing all the characteristics of wool. One does not feel able to accept this claim. Though substitutes are undoubtedly filling their place in textile manufacturing, there is quite as much encouragement as ever for the production and sale of wool.

HIDE, LEATHER AND ALLIED TRADES.

Few auctions of hides have been held this week owing to the Whitsun holidays, and at some of these, values have shown a slight decline. The position, however, is regarded as steadier, as there is more confidence in trade circles following a better demand for leather. Oversea hides are a shade firmer, although buyers are not yet inclined to speculate. South American fregorifics are firmer, and Argentine ox are now selling at 7¾d. In saladeros, 20,000 Liebig Colon hides have been sold, heavies making 7 11/16d. to 8¼d. Dry River Plates have showed an advance, and B.A. Americanos are quoted at 11d. Africans share the advance, whilst there is more inquiry for Australian hides, best Queensland meatworks making now 8¾d. to 8¾d. Latest cables from Chicago report the packer market as firm, with best heavy steer hides selling at 15 cents as against 14 cents last week. Considering it is more or less a holiday week, the trade passing in sole leather has been of fair dimensions. Shoe manufacturers are ordering light bends for immediate wants, and as tanners are now more firm on prices, "bargain lots" seem getting scarce. Repairers are still slack, and this affects the demand for wet salt salted bends considerably. Offal is slow, but there is a brisk demand for shoulders which will cut cheap soles. Upper leather continues to go out in small parcels as prices seem still unsettled. Box and willow calf are moving off better, and the demand for black and brown glacé kid is still good. Curriers of kips are rather slack, but expect better business as trade in the industrial districts improves. Retailers of footwear made large sales of shoes prior to the holidays, and this will mean orders for filling up lines in the near future.

Financing Shipments to S. America

Through the medium of branches and agencies situated at all strategical points, the Bank of London & South America does everything possible to further trade between Great Britain and Latin-American countries. Shipments are financed, status reports issued on South American firms, and a Monthly Review of existing market and other conditions is supplied free on application.

Estd. 1862.

BANK OF LONDON & SOUTH AMERICA LIMITED

6, 7 & 8, Tokenhouse Yard, London, E.C.2

MANCHESTER: 36, Charlotte Street. BRADFORD: 33, Hustlergate.

Affiliated to Lloyds Bank Limited.

JUTE TRADE.

May 22nd.

A very quiet state of affairs meantime prevails in the jute trade. The raw material situation is unique, in that sellers are very reserved and are not offering to sell the new crop beyond a few small parcels. Recent very unfavourable weather conditions for the growing crop of fibre have created fears of damage done by excessive rains. The uncertainty which surrounds the raw jute market has the effect of causing consumers of jute goods to withhold their orders for anything larger than small quantities to meet their immediate requirements, and the demand for jute yarns is also on a very limited scale. The trade appears to be waiting for more settled conditions in raw jute, and also to see what effect the increase of production by the Calcutta Mills of six hours per week as from July 1st next will have on the markets. Consumers are allowing their stocks to run to a very low level, but at the same time, through their hand-to-mouth attitude of buying, they have compelled spinners and manufacturers to reduce their prices for yarns and cloth to a point below the comparative cost of the raw material. The value of good First Marks is £34 10s. and Lightnings £32 10s., August shipment, while Daisee assortment is offered at £31 for September–October, and Tossa assortment is nominal at £32 10s. for September–October. Old crop jute is now of very little interest, and holders of spot parcels can only dispose of their holdings when they are prepared to consider cheap prices. Jute yarns have now come to a level below which spinners are not prepared to go. Common 8 lb. cops have shown no change during the past fortnight at 3s. 4d. and 8 lb. spools at 3s. 5d., at which some small sales are being made. Some inquiry has been received for export account. Twist is steady at from 5½d. to 5⅝d. for 3-ply 8 lb., and sacking yarns are not being further reduced than 3⅜d. for 24 lb. weft and 5⅜d. for 8 lb. chains. Rove is ruling at the lowest rates which have prevailed for some years past at £17 for 200 lb. and £27 for 48 lb. Fine yarns are firm and steadily selling. The value of 14 lb. carpet warp is 5d. Occasionally manufacturers are entering fair orders for jute cloth, but these are few and far between. The general tone of the market is dull, and the majority of manufacturers can give immediate delivery. The price of 10½ oz. 40 in. is 4⅜d., and 8 oz., 3⅜d. Linoleum hessians are very quiet, but heavy goods makers are gradually filling themselves up with orders for sacking, bagging and tarpauling, though at very cheap prices. Calcutta goods have gone weaker owing to a great lack of demand.

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

With the general opening of navigation in the north of Europe, the new importing season of our building and general utility woods is now in full operation. It promises to be a fairly busy one for the trade, and for consumers—one in which supplies will be obtainable at more reasonable rates than have existed for years past. Imports of deals, battens and boards have been received in larger quantities this year compared with last, but this increase has been set off largely by the most satisfactory state of deliveries from docks during the past two months; this is so especially from the metropolitan docks, where stocks, although fairly large compared with the demand, are but moderate in extent; the new arrivals coming in by every tide being about the normal for the time of year. Although the spot market supply and demand appears to be in favour of holders, it is somewhat surprising to note the severe competition existing in selling. In this respect consumers have had the pull of the market for months past, whilst on the other hand European producers cannot be said to be making much money. Planed and dressed woods for floorings and matchings are in heavy stock, but here again the demand from docks has been exceptionally good during April and the present month—which shows conclusively that, besides the fact that private yards may require replenishing from dock stocks, some good building work is in progress. In the latter connection, we notice that in the April official returns the average unemployment in the building industry is but 10·1 per cent., and that skilled workers, excepting slaters and plasterers, are well under that percentage, thus showing that the industry is not in a bad state for the time of year. The poor demand for plasterers we attribute to the greater use to-day of plywood and composition boards in place of lath and plaster, whilst new roofings compete with slates. The costs of buildings outside the Metropolitan area for which plans were passed last month, vide "Ministry of Labour Gazette," were £7,116,900 against £4,843,100 in April last year. European shippers have been selling their cut rather more quickly than usual this year, but are not getting full price returns. Therefore, with a good sustained demand in the United Kingdom and on the Continent (the latter also has bought largely and well), there is a likelihood of f.o.b. prices stiffening later on in the season, which would be a change from the experiences of many years past. The hardwood section of the trade complains of quietness in demand. Imports, on the whole, are a little lower than last year to date, but considering the very large quantities that have arrived this year there must be a good consumption in

OVER ONE HUNDRED YEARS OF SERVICE.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ASSETS EXCEED - £15,000,000

FIRE. LIFE. ACCIDENT. MARINE.

Edinburgh: 35, St. Andrew Square.

London: 5, Walbrook, E.C.4, and 4, St. James's Street, S.W.1.

the aggregate, although "to go round" hardly seems enough for the ever-increasing number of operators. The greater use of plywood and also the smaller styles of furniture in these days of space economy in the home, no doubt account to some extent for the disappointing hardwood demand. C.i.f. and spot prices generally are firm.

VEGETABLE OILS AND OILSEEDS.

Markets opened after the holiday with a rather better tone. Linseed oil is in fair demand, and with spot supplies scarce, the value has advanced to £29 5s. per ton naked ex Hull mill, though £28 12s. 6d. is about the value for June–August, and £28 15s. for September–December. Cotton oils are in better request, and dearer crude Egyptian being held for £27 5s., and common edible for £30 10s. on spot and for May–August delivery. Other seed oils are harder, and up to 10s. per ton dearer. In the oilseed section, linseed on spot is rather scarce, though large quantities of seed are now on passage to Europe. These are in excess of 200,000 tons, the greater proportion being destined for the Continent. For spot, £16 2s. 6d. is now wanted, while Plate on passage is worth around £15 15s., with May–June shipment at the same figure, and July and August a little more. Cottonseed is in fair demand, and black Egyptian to Hull is reported done at £9 3s. 9d. for May–June loading. Bombay is easier at £8 7s. 6d. The demand for oilcakes continues to decline, and prices have again an easier tendency.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—Without exception, prices took a rather unexpected dip. At the lower range, a moderate business was effected, but trade buyers are still chary with regard to carrying any excess of stock. The world's stock of the commodity remains heavy, and is intensified in a great measure by keenness of rivalry between the old-established refiners in the United Kingdom and home-grown factories, several of the latter, now that native roots have been all worked up, continuing to operate on imported raws. Thus available quantities of the finished article become more than adequate to requirements. Sugar is unremuneratively cheap from the producers' point of view, but one cannot say that from the consumers' side. An import duty of over 100 per cent. put quite a different aspect on the market from this particular angle. Messrs. Tate and Lyle reduced quotations 3d., and home-grown declined from 1½d. to 3d. according to factory, with a cut of 6d. for parcels lying in London depot. Imported descriptions disclosed sympathetic weakness. Raw refining sorts quiet and easier inclined. Messrs. Tate and Lyle's cubes now 25s. 3d. to 25s. 9d. as to quality; fine granulated, 22s. 10½d.; London, 22s. 4½d.; T.L., 22s. 1½d.; ditto, month forward, 22s.; yellow crystals, spot, 20s. 10½d. Home-grown and granulated from imported raws, 21s. 6d. to 21s. 10½d., as to factory, with Ely and King's Lynn depot, London, 21s. 3d. T.L. granulated, ex refinery, sold 21s. 7½d. White Mauritius, spot, London, 20s.–20s. 4½d. as to sample. Foreign kinds for shipment quite idle. Czecho granulated, May–June, 10s. 6d.; July–August, 10s. 6¾d.; November–December, 10s. 6d.; January–March, 10s. 9d.; April–June, 11s. f.o.b. Hamburg. Dutch J and Dinteloord, ready, 10s. 7½d; November–December, 10s. 9d. f.o.b. Rotterdam. Others call for no comment. No change to note in the position of Javas. Terminal sections dull. Of raw, May quoted, 7s. 9d.; July sold, 7s. 9½d., 7s. 7½d.; August, 7s. 11½d., 7s. 9d.; December, 8s. 3¾d., 8s. 1½d.; white, August sold, 10s. 3d. to 10s. 0½d. cwt. Cuban receipts last week, 101,892 tons, against 49,627 last year; exports, 120,158, against 66,068; stocks, 1,525,697, against 1,318,194. Centrals, 11, against 4. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending May 18th amounted to 132,072 tons, against 129,861 last year.

COFFEE.—Spot market quiet, unaltered.

COCOA.—Quieter. Accra F/F intermediate, 40s.; October–December, 43s. 3d. f.o.b. Terminal, September sold, 46s.; March, 47s. 9d. cwt.

TEA.—Market remains virtually closed for the holidays.

RICE.—Market generally quiet, but prices for Burma gradually harden owing to reduced quantities coming along from up-country and dwindling stocks at ports of shipment. Two Stars, spot, London, selling at 13s. 9d.; ditto, May–June held for 13s. 0¾d.; No. 3, ditto, to Levant, 13s. 2½d., and S.Q. Cuba, 13s. 7½d. c.i.f.; Spanish forward, 17s. 3d. c.i.f.; Egyptian, spot, small sales at 18s. 6d.; Californian, spot, 19s. 6d. sellers and 18s. forward c.i.f. Saigon No. 1 round grain, April–May, 12s. 9d. in singles, c.i.f. United Kingdom and Continent. Siam Garden No. 1, March–April, 15s. in singles. Special, 15s. 7½d., and super, 16s. 6d. c.i.f. United Kingdom or Continent. Italian, April–May shipment cleaned 19s. c.i.f. United Kingdom in doubles.

BEANS.—Butters quiet, steady. Rangoon haricots still very unsettled and actual rates difficult to gauge, while market is rendered largely nominal. Rangoon afloat, 14s. 3d.; May, 13s. 3d.; May–June, 13s. c.i.f. London. Madagascar butters, spot, 39s. 6d. to 42s. "Clan Macbeth," 38s.; "Eugene Grossos," also "Coleburt," 37s. 6d. c.i.f. London.

PEAS.—Market quiet; rather featureless. Japanese, spot, London, 20s.; afloat, 17s. 3d. to 18s.; April–May, 17s. 10½d.; May–June, 17s. 9d.; June–July, 17s. 9d.; July–August at 17s. 10½d.; new crop, August–September, 19s. 6d.; September–October, 19s. 3d. Dutch marrowfats, prompt, 21s. 6d. Imperial blues, 18s. 6d.; smalls, 17s. 6d., f.o.b. terms. Maples quiet. Tasmanian not offered. No. 1 New Zealand, afloat, 61s. 6d.; April–May, 61s. 6d.; May–June, 60s. 9d. Calcutta, May–June, 57s. 9d.; Karachi, 55s. c.i.f.

SPICE.—Pepper market quite firm, fair demand. Lampong May–July buyers, 1s. 3½d.; August–October, 1s. 2½d. Muntok, May–July, 2s. 2½d.; August–October, 1s. 11⅝d. London stocks of black 32 tons higher on the week, and 32 up also for white. Cloves: market quiet, steady. Zanzibar, spot, 1s. 5½d.; March-May, 1s. 6¼d.; August-October, sold at 11¼d.; September-November quoted 11d.; October-December, 10⅞d. Pimento firm. Spot, London, 1s. 3d. per lb.; July-August steamer, 123s.; August-October buyers, 115s. per cwt. c.i.f. London. Tapioca steady. Singapore, flake, to France, May-June sellers, at 18s. 6d. c.i.f. Seed: Penang for shipment April-May, 16s. 9d. c.i.f. Java, flake, Bendorejo, on the spot, 25s. 9d.; and May–June shipment, 24s. c.i.f. Banthong flake, April-May, 20s. 6d.; medium pearl, 20s. 6d.; seed, 19s. 3d. c.i.f. Sago flour steadier. Sarawak near 11s. 4½d. and forward, 11s. 6d. Ginger, spot, London, sold 59s. forward, quoted 60s. cwt. c.i.f.

FRUIT (Dried).—Currants firm on light supplies, but trade quiet. Pyrgos, quoted 45s.; Amalias, 45s. 6d. to 46s.; Zante, 46s. 6d. to 47s.; Vostizza, 50s. 54s. Further arrivals of Australian sold steadily at 47s. to 55s. Sultanas, quiet, and Smyrna practically cleared, the few remaining lots ruling at 45s. to 50s., with some choice Cretan at 55s. to 59s. Australian were less in request, common to good quoted 30s. to 36s.; fine to choice parcels, 50s. to 68s. Raisins dull of sale. Valencia, common to good, 42s. to 48s. First-hand offerings of Australian are mostly absorbed, and second-hand lots more firmly held. Figs in small supply, bags genuine, common to fine, 28s. to 33s. Dates quiet. Siar, spot, 14s. to 16s.; first tide, 14s. cwt.

EVAPORATED FRUITS.—All descriptions move off freely and market firm. Californian plums, 20's to 30's, quoted 66s. to 67s.; 30's to 40's, 58s. to 59s.; 60's to 70's, 44s. to 46s. Pears, Lake County, 76s. to 100s. Apricots, South African Royal, 57s. 6d. to 117s. 6d.; Australian, 70s. to 85s. Peaches, Californian choice, 54s.; extra choice, 56s.; fancy, 60s. Apples, Californian, spot, sliced, extra choice, 77s. 6d. Almonds quiet. Mazagan, 135s.; Mogador, 132s. 6d.; Majorcas, 140s. Bitter-Jordan, 185s. to 210s. cwt.

CANNED GOODS.

CANNED FRUITS.—Firm conditions prevailed in this section, a good demand being dealt with for all descriptions, the probable decrease in the Californian new pack being an influencing factor. Australian fruits move off readily as supplies become available. Singapore pines also in better request, while both South African and Hawaiian are held for full rates. Tomatoes were in less request both spot and forward.

CANNED FISH.—Sardines in steady demand. Portuguese clubs, 5s. per dozen tins. Lobsters: only small supplies of new pack are yet available, and best halves held for 145s. to 155s. Salmon firm, and in better request. Red talls, spot, 44s. to 46s.; pink ditto, 26s. 6d. to 27s. 6d.; halves, 33s. 6d. to 36s. 6d. Japanese crab sparingly offered at full rates, finest quality ruling at 97s. 6d. to 100s.

CANNED MEATS.—Corned beef and tongues quiet, but late rates were maintained. Danish boned hams also realise firm rates. Brawn also firm and moving freely.

CONDENSED MILK AND MILK POWDERS.—Market remained steady. Full cream, sweetened, English, spot, 42s. 6d.; Dutch ditto, 37s. 6d.; May to July, 37s. 9d. Machine skimmed, sweetened, English, spot, 25s.; Dutch ditto, 22s. 6d.; May-July, 23s.; all in 5 cwt. barrels. Powders: Spray process F.C., 26 per

PLAYER'S WHITE LABEL NAVY MIXTURE

—smoke it for a change—you won't want to change again.

2oz. POCKET TIN 1/10

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 3, N. Man. 496 lb....	44	6
Eng. Gas. av., per cwt.	10	0
Barley, Eng. Gas. av.	10	4
Oats, " "	9	9
Maize, La Plata, landed, 480 lb.	38	0
Flour, Lon. stan. ex mill, 280 lb.	31	6
Rice, No. 2 Burma, per cwt.....	12	10½
Sago, pearl, per cwt.	22	6
Tapioca, per cwt.—		
E.I. flake, fair spot	21 6	22 6
Medium pearl	20 0	21 9
Potatoes, good English, per ton...	60 0	70 0
New Spanish, cwt	13 0	0 0
Beef, per 8 lbs.—	s. d.	s. d.
English sides.....	5 6	6 4
Argentine chilled hinds...	4 2	4 8
Mutton, per 8 lbs.—		
English wethers	6 0	8 0
N.Z. frozen "	4 0	5 4
Pork, English, per 8 lbs. ...	7 8	8 4

BACON— OTHER FOODS.

Irish .....per cwt.	110 0	130 0
Danish.....	102 0	112 0
Canadian.....	100 0	108 0
Dutch	96 0	106 0
HAMS—Irish.....	0 0	0 0
Canadian.....	0 0	0 0
American	108 0	125 0
BUTTER—		
Irish creamery per cwt.	160 0	166 0
Australian	146 0	164 0
New Zealand	150 0	168 0
Danish.....	166 0	167 0
CHEESE—		
Canadian ..... per cwt.	96 0	110 0
New Zealand	85 0	90 0
English Cheddars	130 0	144 0
Dutch	42 0	81 0
COCOA—		
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)		
Accra f.f., per cwt.	46 0	49 0
Trinidad	60 0	65 0
Grenada	50 0	57 0
COFFEE—		
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)		
E.I., good to fine, per cwt.	147 0	160 0
Costa Rica, good to fine...	155 0	186 0
Cent. Amer., mid to fine	130 0	150 0
Kenya, bold sizes	125 6	149 0
Colombian, mid to fine...	127 0	140 0
EGGS—		
English ..... per 120	12 6	15 0
Danish.....	12 0	14 9
FRUIT—		
Oranges, Denia & Val. 300	22 0	40 0
" " 360	23 0	35 0
" " 504	22 0	38 0
Jaffa ..... boxes 144	0 0	0 0
Lemons, Naples boxes	0 0	0 0
Sicilian ..... boxes	8 6	14 0
" .....cases	13 0	20 0
Murcia ..... half cases	0 0	0 0
Malaga ...cases 420 No. 1	0 0	0 0
Apples: Amer. (var.) bris.	0 0	0 0
" (var.) boxes	11 0	13 6
Onions, Valencia :—		
case 4s.	0 0	0 0
case 5s.	0 0	0 0

FRUIT (*continued*)—	s.	d.	s.	d.
Onions, Egyptian, bag	5	0	6	0
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....bris.	0	0	0	0
LARD—				
Irish bladders.....	70	0	76	0
American boxes 56 lbs.	61	6	62	0
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	2½	0	0
Black Lampong	1	4½	0	0
Cinnamon—1st sort, per lb.	2	2	0	0
Cloves—Zanzibar per lb.	1	5½	0	0
Ginger—per cwt.—				
African	59	0	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	2	9	3	10
Nutmegs 65's	1	10	2	0
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	21	0	23	6
Java, white, c.i.f. India, July–Sept.	12	0	0	0
REFINED—London—				
Yellow Crystals	20	10½	0	0
Cubes	25	3	25	9
Crushed	24	0	24	6
Granulated	22	0	22	10½
Home Grown (prompt)	21	6	21	9
TEA—				
(Duty 3½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	0	11½	2	2
Broken Pekoe	0	11½	2	2½
Orange Pekoe.....	1	0½	2	3½
Broken Orange	1	1½	2	8
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	5	0	10½

TEXTILES.

COTTON—	d.
Mid-American .....per lb.	10·28
Sakellaridis, f.g.f.	17·85
Yarns, 32's twist	15
60's twist	26

FLAX—	£	s.	£	s.
Livonian ZK .....per ton	79	0	0	0
Pernau HD.....	71	0	0	0
Slanetz Medium 1st sort	84	0	0	0
HEMP—				
Italian P.O. ..... per ton	60	0	0	0
Manila, June–Aug. "J2"	37	0	15	0
N.Z.			nom.	
Sisal	38	0	39	10
JUTE—				
Native 1st mks....per ton				
May–June	30/10/0		0/0/0	
June–July	30/15/0		0/0/0	

SILK—	s.	d.	s.	d.
Canton .....per lb.	17	0	19	0
Tussah.....	8	0	10	0
Japan	21	0	23	3
Italian—Raw, fr. Milan	20	0	22	6

WOOL—	d.
English Southdown, washed	
per lb.	25½
" Lincoln hog, washed	17½
Queensland, scd. super cmbg.	41
N.S.W. greasy, super "	23
N.Z., grsy., half-bred 50–56	19½–20
Crossbred 48's	15
Tops—	
Merinos 70's	44
" 64's	41½
Crossbred 48's	25
" 46's	23

MINERALS.

COAL—	s.	d.	s.	d.
Welsh, best Ad'ty...ton	20	0	21	0
Durham, best gas	16	0	16	6
Sheffield, best house ...	20	0	21	0
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	70	0	0	0
Bars, M'brough 215	0	0	0	
Steel Rails, heavy.....170	0	0	0	
Tin Plates, I.C., per box	18	6	18	9

METALS—	£	s.	£	s.
Copper, Electrolytic, ton	84/0/0		84/7/6	
Sheets (strong) 112	0		0	0
Standard	74/0/0		74/5/0	
Lead Eng. Pig ...per ton	25/0/0		0/0/0	
Soft Foreign	23/13/9		23/11/3	
Spelter G.O.B.	26/16/3		26/11/3	
Tin—English ingots ...197/10/0			198/0/0	
Standard, cash	196/15/0		197/0/0	

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb. less 5%	2	1	2	2
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	0	9	10
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	29	0	30	0
CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
S.D. Straits, c.i.f., per ton May–June	£22/0/0		0	0
Smoked ditto.....	£21/2/6		0	0
DRUGS—				
Camphor—	s.	d.	s.	d.
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	14	9	14	6
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d.
Wet salted—Australian per lb.	0	5½	0	6½
West Indian	0	4	0	6½
Cape	0	6	0	6½
Dry and Drysalted Cape...	0	9	1	0½
Market Hides, London—				
Best heavy ox & heifer	0	6	0	6½
Best cow	0	5½	0	5½
Best calf	1	8½	0	10½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.—				
per lb.	1	2	2	2
Bark Tanned Sole	2	6	3	3
Shoulders fm DS Hides	0	9½	1	1½
Do. Eng. or WS do.	1	2	1	8
Bellies from DS do.	0	8	0	10
Do. Eng. or WS do.	0	10	1	3
Dressing Hides.....	1	6	2	0
Bo. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Sides	1	0	1	5

VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	29/0/0		0	0
Rape, refined	43	10	0	0
Cotton-seed, crude	27	10	0	0
Coconut, crude.....	32	10	0	0
Palm	31/12/6		32/15/0	
Oil Cakes, Linseed, Eng., per ton	12/10/0		12/15/0	
Oil Seeds—Linseed—				
LaPlata, p.ton May–Jne.	15/15/0		0	0
Calcutta, p.ton May–Jne.	17/10/0		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	46	6	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		19/15/0	
Cylinder	14/5/0		38/0/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	17	5	24	0
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	11½	0	0
Fine Hard Para per lb.	0	11½	0	0
SHELLAC—				
TN Orange ... per cwt.	200	0	0	0
SHELLS—	£	s.	£	s.
W. Aust. M.-o.-P. "	4	0	12	10
TIMBER—	£	s.	£	s.
Swedish u/s 3 x 8 per std.	19	0	0	0
Do. 2½ x 7 "	19	0	0	0
Do. 2 x 4 "	19	0	0	0
Can'dn Spruce, Dis. "	17	10	0	0
Pitchpine ..... per load	9	0	0	0
Rio Deals ..... per std.	32	0	0	0
Teak ..... per load	20	0	0	0
Honduras Mahg. logs c. ft.	0	11	0	
African "	0	6	0	
American Oak Boards "	0	6	0	
Do. Ash "	0	6	0	
English Oak Planks "	0	7	0	
Do. Ash "	0	6	0	

cent., 2 by 56 lb. tins, crated, 92s.; M.S. (1 cwt. cases), 42s.; roller ditto F.C., 26 per cent., 73s.; M.S., 31s. 6d.; all nett, duty paid ex-wharf London. On the grocery side, F.C.S., 20s.; M.S.S., 9s. 6d., basis per case, usual packing. Danish cream, evaporated, unsweetened, 40 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d.; condensed, sweetened, 40 by 14 oz., 20s. per case.

HONEY.—Market quietly steady. New crop, ivory white, set, Jamaican, 57s. 6d.; good amber to fine pale, 49s. to 55s.; dark to fair amber, 42s. to 47s. 6d. New Zealand, dark amber, 50s. to 65s.; medium, 55s. to 65s.; light, 65s. to 85s.; white and water whites, 65s. to 87s. 6d. per cwt.

RUBBER.

Market presented a quiet tone and prices after opening steadily, eased slightly, though there was no undue selling pressure. Standard sheet, spot, and June, sold, 11½d., 11⅛d.; July, 11⅛d. to 11⅛d.; July–September, 11⅛d. to 11⅛d.; October–December, 1s. 0½d. to 11⅛d. and January–March, 1s. 0⅜d.; to 11⅛d.; January–December, 1930, 1s. 0⅜d. to 1s. 0⅜d. London stocks reduced 172 tons on the week, landings being 1,254, deliveries 1,426, stocks 30,955, against 48,705 last year. Liverpool stocks 168 tons lower, landings 116, deliveries 284, stocks 4,216.

GENERAL.

JUTE.—A quiet market pervaded this market. Firsts, May–June quoted, £30 7s. 6d.; June–July, £30 7s. 6d.; new, August–September, sellers, £31 7s. 6d. ton. Hamburg stocks, 12,000 bales lower on the fortnight at 121,827 bales.

HEMP.—Fully steady regarding Manila descriptions, moderate buying disposition being met with marked reserve. J No. 2, June–August, quoted, £37 5s.; K ditto, £32 15s.; L No. 1, £33; L No. 2, £30 10s.; M No. 1, £30 15s.; and M No. 2, £26 5s.; H, £33; with G grade, £37 15s.; S No. 1, £55; S No. 2, £48 10s.; S No. 3, £39; C No. 2, £30; C No 3, £27 10s. Manila receipts for the past week, 31,000 bales, against 27,000 at same time last year. Estimate for next week, 27,000, and following week, 31,000. Shipments from Manila last week, 9,000 bales to U.K./Continent; 11,000, U.S.A.; 4,000, Japan; and 1,000 other countries. Local stocks, 6,000 bales up at 208,000. African Sisal in demand and stronger. Good marks, June–July, quoted, £39 10s., and No. 2 grade from £38 to £38 10s. ton c.i.f.

SHELLAC.—Market firm. T.N., spot, 200s.; August, 197s.; October, 201s. cwt.

COPRA.—Market dull, with trade inclined to drag, the natural sequel being weaker prices. Straits, sun-dried, May–June, to Rotterdam, quoted, £22; June–July, £22 2s. 6d. Dutch East Indies, May–June, £21 15s.; June–July, £21 16s. 3d. Ceylon, June–July, £23 5s. South Sea to Marseilles, June–July, smoked, sellers, £20 17s. 6d.; S.D., £21; plantation Rabaul, also hot-air dried, £21 5s.

PALM KERNELS.—Quiet. For shipment, April–May, £17 1s. 3d., sellers, to Hull, ex ship. To Hamburg, May–June, £17 1s. 3d.; July–August, £17 3s. 9d. c.i.f.

BABASSU KERNELS.—Market slow, and April–May, quoted £21 5s. c.i.f.

MISCELLANEOUS.—Coconuts, quoted, 16s. to 24s. per 100. Coir yarn, Ceylon, £19 10s. to £37 10s.; Cochin, £23 to £41; Ceylon bristle, £18 15s. to £25; cinnamon leaf oil, 5½d.; citronelle, Ceylon, 1s. 10½d.; Java, 2s.

METROPOLITAN CATTLE.—May 22.

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

	s. d.	s. d.		s. d.	s. d.
Beasts—Norfolk	6 8	7 2	Beasts—Heavy Bulls	...	...
Irish	...	...	Canadian	...	...
Cambridge.....	...	...	Sheep—Downs	8 0	10 8
Short Horns	6 4	6 8	Half bred	...	...
Herefords	...	...	Ewes	...	...
Devons	...	...	Scottish	...	...
Leicester runts	...	...	Lamb—Downs	13 0	14 0

LONDON POTATO MARKETS.—May 22.

	Per Cwt. s.	d.	s.	d.
English King Edward—Lincoln	3	0	3	6
White varieties.....	2	0	2	6
New Spanish	13	0	...	

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, JUNE 1, 1929. No. 4,475.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

(*Established in* 1824.)

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

Marine Department: 2-6, Billiter Square, London, E.C.3.

ASSETS EXCEED £30,000,000.

THE ALLIANCE GRANTS INSURANCES OF ALL KINDS.

LIFE DEPARTMENT.

INCREASED INTERIM BONUSES ALLOWED on Participating Policies.

Assurances granted with DISABILITY BENEFITS. Children's Educational Policies and Deferred Assurances.

For full information apply to the Head Office or to any of the Offices or Agents of the Company.

CHRISTIANIA BANK OG KREDITKASSE

OSLO

Established 1848.

Paid-up Capital and Reserve Funds,

Kr. 40.000.000.—.

Oldest Norwegian Joint Stock Bank. Direct correspondents throughout the country. Offering complete services to banks and firms doing business on Norway.

Correspondence invited.

CREDITO ITALIANO

Capital Subscribed - - -	Lire 400,000,000
Capital Paid-up - - -	Lire 354,777,700
Reserve - - - - -	Lire 210,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES AND CORRESPONDENTS THROUGHOUT ITALY.

London Branch: 2 ROYAL EXCHANGE AVENUE, E.C. 3.

Transacts a general Foreign Banking Business.

STERLING DRAFTS AND DOCUMENTS ON ITALY COLLECTED ON SPECIALLY FAVOURABLE TERMS.

CORRESPONDENT OF THE ROYAL ITALIAN TREASURY.

Telegrams: 'Italcredi, London."

Telephone: Avenue 3081-4.

TABLE OF CONTENTS.

The Money Market	1197
Leading Articles—	
The Election and After	1199
The World Community	1200
The Economic Future of Australia	1201
Foreign Competition in Steel	1202
Position in Roumania...	1203
India's Foreign Trade in 1928–29	1204
Notes of the Week—	
Verdict of the Boroughs	1205
A Reparations Agreement in Sight	1205
King Amanullah in Exile	1206
The Little Entente.....	1206
"Dollar" Wheat	1206
The American Investor and Europe	1207
Industrial Production...	1207
A High Quarter's Mortality	1207
Cotton Trade Hours ...	1207
Cotton Industry in Japan	1207
Conditions in Jugoslavia	1208
The Outlook in Argentina	1208
American Duty on Hides and Leather	1209
American Developments in France	1209
Canada and the United States Tariff	1209
Latin-American Trade with U.S.A.	1210
Canadian Timber Resources	1210
French Discrimination against Foreigners ...	1210
Swiss Railway Electrification	1211
Guardian Eastern Insurance Co., Ltd.....	1211
Guardian Assurance Co.	1211
Oversea Correspondence—	
France	1212
Germany	1213
Austria	1214
Norway	1214
Finland	1215
Canada	1215
New Zealand	1216
Japan	1217
Letters to the Editor—	
Lipton's Capital Reorganisation	1217
Books and Publications—	
Toryism—New and Old	1218
Managerial Profit Sharing	1218
Books Received	1218
The Stock Exchange—	
The Tin Outlook	1220
The Week in the Markets	1221
London Active Securities	1221
Foreign Stock Exchanges	1222
Railway Dividend Prospects	1223
Lipton's Capital Proposals	1223
Marconi's Wireless Telegraph.....	1224
New Capital Issues in May	1225
Waring and Gillow.....	1225
Callender's Cable and Construction.....	1225
James Finlay	1226
New York Central Railroad.....	1226
Burmah Oil.....	1226
Rhodesian Copper Revival	1226
Russo-Asiatic.....	1227
I. G. Farbenindustrie.....	1227
Electricity Supply Companies—a Correction...	1227
Company Meetings.....	1227
Capital Issues.....	1227
Dividend Announcements	1228
Company Meetings, &c......	1229
Government Returns, &c.....	1254
The Bankers' Gazette—	
Bank of England.....	1255
Bankers' Clearing Returns	1256
Overseas Bank Returns...	1256
Loan and Discount Rates	1258
Rates of Exchange.....	1259
Overseas Bank Rates ...	1259
Bullion.....	1259
Gold and Silver Prices....	1260
Oil Outputs.....	1260
Summary of Balance Sheets.....	1260
Weekly Traffic Returns...	1261
Monthly Traffic Returns..	1261
Profit and Loss Accounts	1262
Mining Output Statistics	1262
Reports and Notices.....	1262
Commercial Reports—	
The Corn Trade.....	1263
American Wheat Markets	1264
The Coal Trade.....	1264
Iron and Steel.....	1264
Other Metals.....	1265
The Cotton Trade.....	1265
The Wool Trade.....	1265
Colonial Wools.....	1265
Hide and Leather Trade	1266
Overseas Produce	1266
Price Current	1268

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d. Colonies and Abroad, £3 1s. 0d. per annum.

Single Copies, post free, 1s. 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4

THE MONEY MARKET.

The sharp set-back in the price of speculative stocks on Wall Street, which made an immediate rise in the Federal Reserve re-discount rate seem less probable, and the acquisition by the Bank of the greater part of the gold coming from South Africa, caused the money market this

week to adopt a rather more hopeful tone after stringent conditions over the week-end, and market discount rate fell away after being up to 5 7/16 per cent. on Monday. Money has been throughout distinctly usable; payment for £6 million Government of India Bills and an excess of Treasury bill issues over maturities to the tune of £15 million caused some difficulty at the beginning of the week, when up to 6 per cent. was paid for new day-to-day money, and the market had recourse to the Bank on a small scale. The Government of India gave some relief by appearing as a buyer of bills, and the joint stock banks have not been calling heavily, with the result that by Wednesday money was obtainable at 5 to 5¼ per cent., and on Thursday afternoon the market rate had fallen 4¼ to 4½ per cent.

* * * *

At the end of last week, following the weakness of sterling on New York, and the fear of higher Federal Reserve rates, discount rates were remarkably high. The nine-months India Bills having fetched an average of £5 18s. 1d. per cent., on Friday £45 million Treasuries were allotted at an average of £5 8s. 2d. per cent. On Tuesday came the news of heavy selling of stocks on Wall Street, and conditions at once became easier. June bills, which on Monday were changing hands at 5 7/16 per cent., found buyers at 5 11/32 on Wednesday, when the India bills were quoted at 5 7/16. The Bank at that time was a buyer of three-months bills at 5 5/16, thus adding to the ease of the market. The Continent has also been a buyer of bills this week at that price, and there has been no evidence of the continuance of the recent influx of bills from Berlin. The rate further declined on Thursday to 5 5/16 on three-months bills, and 5⅜ on India Bills.

* * * *

On Wednesday the Bank announced the purchase of £489,211 of bar gold, out of a total consignment of about £560,000, the remainder being taken for India and the trade. The price paid was 84s. 11d. against 84s. 11⅜d. last week. By this time sterling was considerably firmer on New York at 4.85, but the result was surprising in view of the strength of marks, then standing at 20.34¼. It is understood, moreover, that the South African gold bought on German account last week was never exported, being immediately resold to the Bank, which would explain the apparent excess of the Bank's acquisitions over the amount available in the market. These facts, whether or not their explanation is to be found in an understanding between the Reichsbank and the Bank of England, have considerably diminished the uneasiness which would otherwise be felt at the strength of marks, which on Wednesday touched 20.43¾, re-acting later.

	May 30, 1929.	May 23, 1929.	May 16, 1929.	May 9, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate	5½	5½	5½	5½	4½ (Feb. 7,'29)
Banks' Deposit Rate	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Notice	3¾	3¾	3¾	3¾	2¾ (Feb. 7,'29)
Market rate (3 months' bills)	5⅛–5 3/16	5 5/16–⅜	5⅛	5 3/16–⅛	...

The Bank return this week contains no particular surprises. The chief change is the increase of £9 million in Public Deposits, reflecting the week's excess of Treasury borrowing. This is offset by a decline of £1 million in Bankers Deposits and by an increase of £4 million in Government and Other Securities. Discounts and Advance are also up by £1 million, the Bank having appeared as a buyer of bills as well as lending a little to the market. In spite of the Bank's purchases, the circulation was reduced by £2 million, against a net gain of gold totalling £522,643. These movements have resulted in a decline both in the "proportion" and the "reserve ratio," the former to 54 13/32 and the latter to 42 7/32.

NEW YORK MARKETS.

Our New York correspondent cables:—The reduction which has already been made in Reserve credit, along with the growing lack of confidence in business conditions, is probably beginning to influence the Federal Reserve Board, which is not now expected to sanction an advance in the discount rate. Relief is felt that the predicted sharp advance in call money for month-end requirements did not materialise, but some monetary stringency between now and the next tax date, June 15th, would not be surprising. The ease of money indicates the extent to which stocks are being liquidated, as well as the usual seasonal movement. It is thought, nevertheless, that the Treasury will be obliged to pay 5 per cent. or more on its large forthcoming short-term issues.

THE STOCK MARKETS

Not unnaturally little business was transacted on the Stock Exchange in the days preceding the result of the General Election. Assisted by signs of a recovery in the American exchange, and by the Bank's acquisition of gold at a lower price, gilt-edged stocks improved in welcome fashion, the market being encouraged by Monday's slump on Wall Street to believe that speculation there was being successfully fought. Home Rails were idle, but with a few upward changes. Buyers and sellers were alike scarce in the industrial markets; American weakness forced all the "international" counters down, until bear closing and the subsequent rally in New York restored support, but the majority of British industrials moved only within narrow limits. The oil and rubber share markets were unexciting, but tea shares had a firmer appearance. A continuance of professional operations in Rhodesian coppers, with some sensational advances, overshadowed all else in the mining markets.

THE COMMODITY MARKETS.

Such symptoms of trade improvement as have recently manifested themselves appear to be maintained. Coal remains steady, though in some districts the market is quiet; the position in South Wales has improved. Conditions in the iron and steel trades are fair, and the tinplate market is steady. Business in cotton piece-goods for overseas markets has been very restricted, but the home demand is healthy. Bradford trade is impeded by uncertainty as to raw material prices, the result of the Safeguarding enquiry, and the outcome of the election. The improvement in hide and leather is so far maintained, and there is greater activity in the footwear manufacturing centres. Wheat has again fallen several points.

THE FOREIGN EXCHANGES.

Features of a fairly active Foreign Exchange market this week have been the strength of Paris and Berlin as a result of month-end requirements and the recovery of sterling against the dollar. The tendency in the early part was generally against this country. New York recovered to 4.85 1/32 from 4.84 15/16, and Montreal lost ¼ at 4.88½. Paris went from 124.12 to 124.03 after being 124.0½. Berlin jumped from 20.38 to 20.34, some business being done on Wednesday at 20.32¾. Madrid was again weak at 34.40. Switzerland was unchanged. Stockholm improved from 18.15¼ to 18.14, and Copenhagen gained ½ at 18.20¼. Helsingfors lost fractionally at 193. Constantinople again showed hesitation at 1003. The South American exchanges were very steady, Buenos Aires losing 1/32d. at 47 5/32d. and Montevideo ¼ at 48¼d. In the Far East the rupee and the yen both showed some weakness at times, the former losing 1/32d., on balance at 1s. 5⅞d. and the latter 1/16d. at 1s. 10 1/32d., after having been below 1s. 10d. Batavia lost ¼ at 12.10¼. In the forward markets dollars were rather more in demand at narrower discounts of 7/32 cent and 15/32 cent for the two periods. The premiums on Paris fell away from 4 centimes to one centime for one month and from 7 centimes to 4 centimes for three months. Forward Brussels are now at discounts of ½ and 1½ centimes as against premiums of ¼ and ½ centimes last week. Forward pesetas were less sought at narrower premiums of 9 and 27 centimes, and the discounts on forward marks increased to 6 and 15 pfennigs, actual borrowers being down at these levels. Silver lost 3/16d. for both quotations at 24⅝ on weak European advices and lack of support. Hong-Kong was unchanged at 1s. 11⅞d., whilst Shanghai lost ¼d. at 2s. 5¼d.

THE ELECTION AND AFTER.

THE electoral battle is over. But Press exigencies compel us to write while the dust of conflict is still hanging over the arena and has only cleared sufficiently to show us conditions as the battle has left them in one-third of the stricken field. Certain considerations regarding the interpretation of these early results are suggested on a later page. Meanwhile, pending full knowledge of the verdict of the people, we may indulge in a few reflections on certain main features of the campaign and upon certain effects which that campaign appears destined to produce upon the immediate political life of the country.

The most prominent feature of this election has been the absence of the passionate and acrimonious controversy which has embittered so many elections in the past. Not only has the propaganda of all three parties been unusually free from mutual recrimination and defamatory attacks on personalities, but there has been no yawning gulf across which the contestants could glare at each other with hatred and malice. In fact, the lack of fire has been due largely to the lack of explosive material. On the single spectacular issue—unemployment—the proposals of the three parties have differed only in ways and means of dealing with a problem which all three have recognised as being of primary importance. Over the fiscal issue the Conservatives have cast with some success a cloak of obscurity, while Labour has been at pains to keep the Socialistic aspects of its programme in the background. Hence it is not surprising that foreign observers, as witness the comments of representative Continental newspapers, have been somewhat at a loss to understand what the parties have been fighting about.

It is possible, moreover, that the foreign observer "hot for certainties" in our political life has been greatly mystified by the *rôle* played since the Dissolution by our "popular" Press. Whereas the independent journals (due allowance in the case of the Conservative *Observer* being made for Mr Garvin's right to chasten most whom most he loves) have followed in the main their traditional party allegiances, the "Combine" newspapers have adopted an attitude tending rather to bewilder than enlighten the electorate. The "Berry" chain of papers has, it is true, given its readers a consistently straight lead towards support of the Government, but the groups controlled by Lord Beaverbrook and Lord Rothermere, though ranked usually as Conservative organs, have taken a line more significant by its implications than illuminating by the clarity of its advice. Thus the *Daily Express* and its associated newspapers, having "featured" railway rationalisation as the optimum policy during the major part of the campaign, ended by advising readers at the polls to eschew, in effect, their party loyalties and "size up their candidates as though they were a company board choosing a new managing director." The hope held out was that by wise selection on personal merits among individual candidates a "business House of Commons" might be elected in which "the backbencher of ability and knowledge will swiftly make himself felt." On lines scarcely more lucid, if differently phrased, Lord Rothermere, in the group headed by the *Daily Mail*, appealed to his readers that they should "keep out the Socialists," and at the same time so allocate their votes as to produce the "salutary result" of a minority Government. Presenting first a somewhat ostentatious bouquet to the Liberal "shadow" Cabinet, the *Daily Mail* proceeded in its final summing up of the election campaign to state roundly that an absolute majority would be undesirable either for Mr MacDonald or Mr Baldwin, whose Election Address it had searched in vain for "any sign that he would do better next time." Whether this indirect way of saying: "Vote Liberal" will have any discernible effect on the *Daily Mail* group's millions of readers remains, as we write, to be seen. Mr Baldwin, hero of the "Big Circulation" Press in 1924 and 1926, may be pardoned if he has rested his hopes of victory "*non tali auxilio nec defensoribus istis.*" For our own part we take leave to doubt whether the "popular" Press, save only when it is vouchsafed by fortune such a "stunt" as the Zinoviev letter, has sufficient influence on public opinion to produce any considerable turnover of votes.

Be that as it may, and in whatever way the final allocation of seats among the parties may work out, the important fact will remain that the six hundred and fifteen members of the new House of Commons will return to Westminster with vivid impressions derived from close-quarters observation of the trend of popular opinion on certain vital matters. This salutary experience cannot fail to produce results, and we would go as far as to say that, even if the Conservative Government were to find itself returned once more with a full and effective majority, its policy in regard both to unemployment and to foreign policy would, as a result of contact with the constituencies, become sensibly modified. Three issues have, by general admission, monopolised the attention of the country—unemployment, peace, and the fiscal issue. Whatever its value in terms of votes, the Liberal unemployment plans have won the careful attention of the thoughtful, and at least touched the imagination of the thoughtless. Now that one party has deliberately laid before the country specific proposals and detailed plans, and since a nation-wide discussion has ranged round those plans, it is unlikely that the next Government, whatever its political texture may be, will pursue the policy of comparative inertia adopted by the last Administration. Even those sections of the country where unemployment is not obtrusive have had the urgency of the problem firmly impressed upon their minds. The country will expect any Government, and any Government will feel obliged, to move somewhat boldly. In that sense the influence of the Liberal proposals will exceed that which is symbolised by actual representation in the House of Commons.

Very much the same thing is true of the question of foreign policy. Candidates of all parties in all parts of the country have been surprised at the keen interest shown by the electors in such subjects as disarmament, Anglo-American friendship, and the general work of establishing peace and security on a firm basis. Here, again, the contact of Ministers, actual or potential, with a very definite and strong trend of public opinion can hardly fail to make its mark on the policy of the new Government and the attitude of the new Parliament. To them the country will unquestionably look for an enlightened and active peace and disarmament policy.

One more thing that is certain about the next House of Commons affects the third great issue of the election—Free Trade *versus* Protection. Mr MacDonald has deeply committed his party to Free Trade, and to the Liberals one and all it is an essential tenet. In addition to this, there exists among the Conservatives a by no means negligible band of Free Traders. The meaning of this is that, unless the Conservatives achieve a clear majority of substantial proportions over the two other parties combined, no extension of "Safeguarding" on the wholesale lines suggested by Mr Baldwin will be possible. In any case, we cannot conceive any composition of the House of Commons under which an irresistible demand would not at least be made for the application of the conditions recommended by the Balfour Committee to be imposed on "Safeguarded" industries. These, it will be remembered, include the establishment of a time-limit for duties, the obligatory furnishing by the industries in question of full and regular information to the Board of Trade, and the opportunity for the case of the consumer to be laid fully and properly before the "Safeguarding" Tribunal. Unless, therefore, the polling results prove to have exceeded the hopes of Conservatives themselves, the worst of the threat to our fiscal system will have been eliminated.

The temper of the electorate has been such that our future legislators' contact with it can hardly fail to have been useful. The people have shown themselves interested not in words but in concrete plans; and no newly elected or re-elected member can go to Westminster without feeling that fiddling while Rome burns and anachronistic foreign policy are repugnant to the British people at large. They will feel, too, that while opposition to reaction or dangerous experiment is equally widespread, there yet remains a wide field of common agreement in which even a minority Government would function effectively in the direction of contributing to world settlement and reorganising for domestic prosperity.

THE WORLD COMMUNITY.

"DISARMAMENT is a world problem. It can only be solved by the world as the world organised in a community."

Any man or woman who has some inkling of the kind of world in which we find ourselves to-day will be interested in these two sentences, for they deal with the fate of the question of our times, and they answer it in positiveful question. It is possible to disagree with the answer here given in terms. It is not possible, except through sheer lack of knowledge or understanding, to disagree with the terms in which the problem is stated or to deny that, whatever the right answer may be, our success or failure in discovering it is going to be the determining factor in world destinies in the immediate future, and perhaps for many hundreds of years to come. These sentences, then, are interesting as they stand; but their interest is enhanced when we state their context. They are quoted from a book* on disarmament just published by an ex-official in the Secretariat of the League of Nations, who recently retired after six years' service at Geneva, where he was Director of the Disarmament Section. Here, at once, is a portent, and a most encouraging one: the portent of an "expert" who testifies that the technical problem on which he has specialised can only be solved within the framework of a non-technical and general organisation of society. This is a welcome relief from the practice of most "experts," who love to exercise their ingenuity in reducing the great universal human problems to terms of their own technique and then asserting that this is the only road to solution. Señor Madariaga, unlike the common run of his profession, proceeds from the particular to the general and not from the general to the particular. His ability to take this line is perhaps to be explained by the fact that he is not merely an expert but a man of affairs and not merely a man of affairs but a man of letters. Moreover, Fortune has established him in a place that commands a wide and well-proportioned view of the world of to-day; for Señor Madariaga happens to be a citizen of one of those European countries which preserved their neutrality during the European war. These countries were "of" the war, for they suffered from the war materially almost as much as the belligerents and also suffered from it spiritually because they were bone of the bone and flesh of the flesh of a civilisation which the war was rending asunder under their eyes. But they were not "in" the war, and, therefore, their vision was not clouded by war-madness. As a former official of the Secretariat of the League and as a man of letters and as a Spaniard, Señor Madariaga writes with threefold authority. We have only to add that he has a clear and penetrating intelligence, a pretty wit, and a humane feeling that is patently sincere inasmuch as it is unclouded by sentimentality. We had almost forgotten to say that he has a nice command of the English language, for in reading his book, we were very seldom conscious that the language in which it was written was not the author's mother tongue.

Señor Madariaga's book is divided into three parts. The first, which bears no title, states the problem and does this, as it ought to be done, in psychological terms. The second part, entitled "historical," records the various attempts made—not only inside the League, but also outside it—to grapple with the problem of disarmament from the drafting of the Covenant onwards. The third part, entitled, "prospective," deals with what has to be done and with how certain "Powers," on present showing, are likely to help or hinder. In the second part Señor Madariaga is writing at first hand of transactions in which he has himself been intimately concerned, and of which he must have a more continuous knowledge than anybody. As was to be expected, this is the most authoritative and lucid account of these ten years of international dealings over disarmament that has yet appeared. Yet the other two parts of the book are even more interesting—a fact which speaks much, both for the book and for the writer.

The reader should particularly mark the chapter in Part III., in which Señor Madariaga, in the light of his first-hand knowledge, appraises the policies of half a dozen countries. "Next to the United States, the heaviest responsibility in the slow pace of disarmament must be attributed to Great Britain. The facts are there and stare us in the fact." And so they do when Señor Madariaga courteously but frankly proceeds to marshal them. In this inverted roll of honour, Russia comes third, France most gloriously at the tail, and Italy only just one place above her. Here is food for reflection for us "English-speaking peoples," who thank God daily that we are not as other men are: Junkers, Fascists, Bolsheviks, warmakers. As this Latin observer sees us, we look uncommonly like those insufferable people who load men with burdens grievous to be borne and themselves touch not the burdens with one of their fingers.

At this point your Nordic practical man will strike "an Anglo-Saxon attitude" and ask: "Well, what is it that our Latin friend wants us to do?" And he will perhaps be disconcerted to find that Señor Madariaga has a short, plain and practical answer ready for him. The World-Community must possess a court with compulsory jurisdiction on all questions of a judicial character. The World-Community must possess a political organisation with powers to seek the solution of disputes of a non-judicial character by all possible means; to deal with any and every threat of war; and, if necessary, to lead the world in any action, moral or even physical, against law-breaking nations. Finally, the World-Community must possess a technical organisation which will gradually bring under the world-control the study and solution of a growing number of problems which are taking on a world-wide scope.

Does such a World-Community, with such functions and powers, amount to a "super-state"? Does its establishment commit the existing local States to a surrender of their sovereign independence? These are the first questions that will occur to minds set in the nationalistic ruts of the immediate past. Yet we are not sure that it is possible to answer them or even worth while making the attempt to do so. Supposing that we could define the constitutional implications of Señor Madariaga's desiderata in precise judicial terms, we should only find that history had moved on while we were busily preparing to imprison her in the strait-waistcoat of a formula. For this World-Community is the goal towards which the tide in human affairs is inevitably set; and however hard we try to swim against it, "we shall follow just the same," as the Stoic poet divined in his day. The practical question is not whether we shall fulfil our destiny but in what attitude and what spirit we shall go to meet it; and this is a matter of life and death, for this irresistible unification of the world is going—according as we react to it—to turn either to our salvation or to our destruction.

The world is travelling towards unification. There is no doubt of that. The issue has been settled already by the inventors of railways and steamships and aeroplanes, telegraphs and telephones and wireless, newspapers and cinemas, sewing-machines and safety-razors and motor-cars. And this unification will evolve, as its ultimate form, a World-Community. There is no doubt of that either; for we have no intention of giving up the use of all this "high-powered" machinery, yet the use of it is going to be prohibitively dangerous and destructive unless it is placed under some effective universal control. The one thing that we have to worry about is whether the process by which the World-Community is to be established is going to be violence and conflict ending in the peace of exhaustion, or whether it is going to be reason and co-operation ending in the peace of self-control.

If we wish to measure the importance of the issue at stake, we may remind ourselves that, in the past, communities which were virtually World-Communities for practical purposes have occasionally been brought into existence by the process of violence, and that in all these cases the harvest has been Dead Sea Fruit. Consider the community of this kind with which we are most familiar, the Roman Empire, under which, for a few centuries, the celebrated Pax Romana embraced the whole circuit of the Mediterranean and half Europe. The first step towards its foundation was a series of general wars in which Rome "knocked out" all the other great Powers of her world and thus attained the "world power" which Germany failed to attain in the War of 1914-18. The next step was that Rome repudiated responsibility for reconstructing a shattered world (in much the same spirit as America has been repudiating her share in a similar responsibility to-day). This second act condemned the Ancient World, including Rome herself, to two centuries of social revolution and civil war. After that, the World-Community took shape in the hands of Augustus, who effectively endowed it with all the functions and powers which Señor Madariaga sets forth. The Roman Empire has made an enduring impression upon the imagination of subsequent generations; but the point to mark is this: It failed to save the wonderful civilisation of the Ancient World; and the reason for this failure was that it came too late and came by violence. That is the way in which we moderns, likewise, shall get our World-Community sooner or later if we go on rebelling blindly against the spirit of our own times. But there is not much consolation in a death-bed repentance. Let us lay foundations of the World-Community, this time, before we have committed suicide.

* "Disarmament." By Salvador de Madariaga, Professor of Spanish Studies in the University of Oxford; late Director of the Disarmament Section in the League of Nations Secretariat. (London: 1929. Milford. 15s.)

THE ECONOMIC FUTURE OF AUSTRALIA.

CYNICS are wont to observe that if "some power" were to give ear to Burns's invocation and bestow upon us the power of seeing ourselves as others see us the "giftie" would not be altogether welcome. That this scepticism is not wholly justified has been splendidly proved by the reception in Australia of the report of the British Economic Mission.* This Mission consisted of four members nominated by His Majesty's Government in Great Britain to proceed to Australia and "confer with the Commonwealth and State Governments, with the Development and Migration Commission, and the leaders of industry and commerce in Australia on the development of Australian resources and on any other matters of mutual economic interest to Great Britain and the Commonwealth, which may tend to the promotion of trade between the two countries and the increase of settlement in Australia." In interpreting this the Mission took as its keynote the guiding principle that the maximum commercial intercourse would follow the maximum of Australian prosperity. The members travelled widely, and in addition endeavoured to make full use of the investigations of others. Their function was thus to co-ordinate and reflect the views held by well informed and thinking persons throughout Australia. This, no doubt, accounts for, and perhaps justifies, an admonitory tone in the report which might well have aroused resentment had the opinions expressed been purely those of an outside body.

Apart from a number of detailed recommendations relegated to an appendix, the Mission concentrated its main attention on three principal fields: Public finance, together with questions of development and migration which are closely bound up with it; tariff policy; and wage regulation. The budgetary situation they (unlike Mr Bruce in his recent speech before the Conference of Premiers) found to be satisfactory, the average annual deficit for the past six years amounting to only 4s. per head. But the position of Australia's public indebtedness is regarded as unsound, though the Mission is careful to emphasise that there is no question of the country's ample power to discharge her obligations. The steady increase in the combined public debt of States and Commonwealth, which in 1928 amounted to £174 per head, is not *per se* unwise, but it requires for its justification some certainty that the development schemes for which the loans are floated should become self-supporting within a reasonable time. They have evidently not done so, and the Mission quotes instances, as, for example, the Murrambridgee Scheme, of heavy expenditure on irrigating land which is then not used for the purposes for which it was intended. Sometimes this is due to pressure of sectional interests, often to the failure to conduct an adequate preliminary investigation to make sure of the suitability of the means to the end in view. The report, therefore, recommends a very close scrutiny of the purposes of proposed loans, and it further suggests that much more development work might be left to private enterprise with some partial Government guarantee. As a probable indirect aid to prudence in borrowing it welcomes the Financial Agreement by which the Commonwealth will borrow on behalf of itself and the States, and competition between the Australian Governments in the loan market will be eliminated.

Another institution which helps in the control of borrowing is the Development and Migration Commission, whose duty it is to investigate schemes for which loans are proposed under the £34 million Agreement. The purpose of this Agreement is to afford assistance from the British and Commonwealth Governments to migrants from Great Britain, but assisted migration has been declining of recent years, and the Mission points out that the limitations of the scheme practically confine the field to the production of wheat and sheep products. Moreover, there are difficulties, clearly explained in the report, caused by the obligation on individual States to absorb specific numbers of immigrants in connection with such schemes, and the Mission recommends the abolition of these requirements. In this connection the opportunity is also taken to stress the tendency, already recognised, towards extending the development, at great expense, of unsettled country when the same expenditure applied to intensive cultivation of land already partly developed might be much more profitable.

All measures designed for the increase of Australia's prosperity will, however, in view of this report, be rendered nugatory if costs of production cannot be reduced, and the most important issues raised in this connection are the tariff and the Arbitration Acts. Here a committee not composed of Australian citizens is on delicate ground, but the Mission supports its views by well chosen quotations from the reports of the Commonwealth Tariff Board and is careful to give weight to the arguments which may be adduced in favour of protection. It recognises that the objects of protection are not purely economic and that a young country may choose to impose a tariff for the sake of promoting diversity of occupation, or in order to ensure self-sufficiency in the production of essential commodities in the event of war. The paragraph on which this is conceded, however, concludes with the words: "She may be prepared to pay for these objects through economic sacrifice; but, if this be necessary, it is important that she should make the sacrifice with her eyes open and be ready to count the cost." As to the nature of this economic sacrifice, the report does not mince matters: "The combined operation of the tariff and the Arbitration Acts has raised costs to a level which has laid an excessive and possibly even a dangerous load upon the primary industries." This burdening of the primary industries, together with the vicious circle of rising prices and rising labour costs, and the consequent crippling of Australia's power to export manufactured articles, are heavily stressed, but as the Mission recognises that Protection is the settled policy of Australia, and that it would, therefore, be idle to suggest the abolition of the tariff, its practical suggestions are confined to the removal of abuses and anomalies. The point is made that administrative additions to the tariff are "gravely to be deprecated," as containing always the possibility of abuse. In point of fact, certain anti-dumping duties imposed on the products of various European countries whose exchanges have depreciated have been within the past few weeks done away with by administrative order on the ground that these currencies are now stabilised. Then the report proceeds to distinguish between weakness (for "Protection, as its very name implies, is designed for the weak")

* H.M. Stationery Office. Dominions No. 2. 2s. 6d. net.

The MERCANTILE BANK *of* INDIA
LIMITED.
Head Office: 15, Gracechurch St., London, E.C.3
Branches and Agencies throughout the East.
EVERY DESCRIPTION OF HOME AND EASTERN BANKING TRANSACTED.
Enquiries invited.

due to infancy, temporary ailment, or inefficiency. In the first two cases it concedes that temporary protection may be defensible if a careful watch is kept to see that it is removed in due course, and it suggests a series of precautions on the same lines as those proposed by the Balfour Committee to guard against protecting inefficient industries. Moreover, if artificial assistance is to be given, Sir Arthur Duckham and his colleagues hold that this is better done by means of a bounty, the cost of which can be exactly measured. In order to carry into effect these suggestions, the Mission recommends the institution by the Commonwealth Government of a full scientific inquiry into the economic effect of the tariff and the incidence of its duties.

In the matter of wage-regulation and the settlement of industrial disputes which is closely bound up with the question of Protection, the representatives of both workmen and employers agree that the present system is not fulfilling its purpose. The Mission feels strongly that if arbitration in these matters must continue, at least overlapping between the spheres of Commonwealth and State jurisdiction should be eliminated. There is at this moment some prospect of a movement in this direction: Mr Bruce has just announced to a Conference of Premiers that if the States do not hand over to the Commonwealth Government the control of all industrial matters he will introduce a measure for the repeal of existing arbitration legislation. The Premiers have notified the States' refusal, so Mr Bruce will presumably proceed to carry out his threat. Whatever the fate of such an attempt may be, it will at least secure a much-needed discussion of the position.

The great strength of this report lies in the timeliness rather than in the originality of its proposals. Enlightened opinion in Australia knew these things before, but was prevented from acting on them by the opposition of Labour and of extreme protectionists. It is the merit of the Economic Mission that it so gauged the economic situation on the one hand and the psychological situation on the other as to formulate a report which just gave the needed impetus. Australian Press comment has been extraordinarily favourable with the exception of a very few extremist organs, and the present Conference at Canberra, referred to above, which was called by the Commonwealth Prime Minister to discuss the proposals, affords convincing evidence of the impression made by the report. Moreover, in the session which followed its publication in Australia, an Act was passed to establish a Bureau of Economic Research. This again was no new idea; the Government had intended such action for some time but had been hesitating over the constitution of the proposed Bureau. In the appendix to the report the British Economic Mission recommended the establishment of an independent body, free from political influence and responsible directly to the Commonwealth Government. Here again these suggestions came at the right moment to supply a needed impulse, and it says much for the progressiveness of Australia that she does not mind whether suggestions appear to originate within or without the country, so long as they seem to her appropriate.

FOREIGN COMPETITION IN STEEL.

(BY A CORRESPONDENT.)

FOREIGN competition in steel, which developed rapidly in the last few years before the war, Germany being our most formidable and successful rival, progressed further in the first seven or eight years after the war, France and Belgium coming forward as great rivals. But in the last year or two the competition has eased, and British steel has taken a new lease of life. Our competitive powers in the heavy trades have been substantially strengthened by the fact that Continental prices have increased as follows in the last twelve months:—

FRENCH AND BELGIAN STEEL PRICES, F.O.B., ANTWERP

	A Year Ago.	Now.
Steel blooms	83s. to 87s.	95s. to 99s.
Steel billets	90s. to 93s.	103s. to 106s. 6d.
Steel sheet bars	95s. to 96s.	107s. 6d. to 108s.
Steel joists	94s. to 95s.	101s. to 102s.
Merchant steel bars	106s. to 107s.	121s. to 122s.

German prices have moved up concurrently, whilst at no period since the war have American prices been strongly competitive. In recent months pig iron has ranged from 5s. to 15s. a ton dearer in the United States than in Britain, and galvanised steel sheets, a leading export line, have been from 50s. to 60s. a ton dearer at the works, hundreds of miles inland in the United States, than they have been quoted f.o.b. in our country. Whereas iron and steel costs were 13 per cent. lower in America than in Britain before the United States Steel Trust was formed in 1901, it has been calculated since the war that American costs have been 37 per cent. higher than British costs. The only considerable market for American steel outside the United States is Canada. Even in this market competitive conditions are now such that nearly all heavy iron and steel products, and many medium products, can be delivered in the Dominion by British manufacturers at lower prices than the corresponding American goods can be sold there. Whereas our raw materials and finished products have only to stand the cost of very short rail hauls, plus low sea freights, all the American goods have to stand extremely long and expensive overland hauls. Canada imports nearly 233 million dollars worth of iron and steel from the United States in a year. Our people are now making a bid for the business, and they have productive costs, transport costs, and the Canadian Preferential Tariff all in their favour.

It is important to observe that it is excessive cost of transport that keeps American competition weak in heavy goods. A ton of American steel, by the time it reaches a port of shipment, has carried over $17, or about 70s., in inland transport charges. That is because the ore in the States is about a thousand miles from the coal, and has to stand two rail hauls and a long Lakes voyage before it gets to the furnaces, and because the iron and steel works, on account of the coalfields position, are mostly between 300 and 500 miles from seaboard. Against about £3 10s. transport cost per ton on American steel for export, we have mines, works and ports so situated that much of our steel carries only about £1 in inland transport charges. Even taking a plant near Sheffield, nearly in the middle of our country, and nearly as far from a port as it is possible for British works to be, our inclusive transport costs —assemblage of the materials and then the transport to the ship's side—were less than 29s. per ton of finished steel, even before the recent rail rate reductions were made. A ton of steel can be carried from Sheffield to the St. Lawrence ports of Canada for a considerably less inclusive transport cost than a ton of American steel can be carried from United States works to those Dominion ports.

Germany has most often been our chief competitor in exports, but costs are now so high in that country that even the pre-war scale of lavish export bounties is insufficient to give Germany her old-time lead. Before the last wage advances in Germany it was found that German iron was 28 per cent. dearer than before the war, and steel ranged from 15 to 40 per cent. dearer, whereas the average level of British iron and steel prices was less than 13 per cent. above pre-war. The Germans, like the Americans, have a transport cost disadvantage as regards heavy materials and products since their plants are all a long way from ports.

In France, too, the inland transport distances are very long—about six times as long as our average haul; and wages all along the line from mining to manufacturing and transporting are increasing greatly. The French exporters are getting uneasy, for they visualise a great increase in the competitive power of Britain. Belgium is in the strongest competitive position; but her wages and other costs have substantially increased in recent months, and, in spite of her low ton-mile rail rates, Belgian steelmakers pay more per ton, point-to-point, than our manufacturers pay, for the works in Belgium are some 80 miles from port, whilst we have works within sight of docks in some cases.

One point in the export trade problem not generally understood is that tonnage figures do not tell the full story. Value is the true test of competitive power, and many of our exports range from £15 to £20 per ton in value, whereas most of the foreign exports range only from about £3 10s. to £6 per ton in value. In tonnage of exports we are behind France, Germany and Belgium; but in value we have the leading position. Here are the tonnage returns for last year:—

IRON AND STEEL EXPORTS, IN TONS, 1928.

From—	
France	4,697,500
Germany	4,645,800
Belgium (with Luxemburg)	4,463,000
Britain	4,261,300
United States	2,347,800

It is noteworthy that our exports of pig iron, a low-priced material, have declined by nearly one-half as compared with pre-war, whereas our exports of more highly-finished and high-priced goods have substantially increased.

The factors in our improved competitive position are not far to seek. Apart from the increase in foreign costs of production, our shipping freights are very little higher than before the war, and all our exports are dependent on shipping. Our rail rates are about 50 per cent. higher than before the war, but as our hauls are very short this makes little difference in the total point-to-point, or works-to-docks, charges. On the other hand, the American increase of 60 per cent. in rail rates is over enormous distances and adds hugely to the total transport cost. The Continental rail rate post-war increases, ranging from 25 to 75 per cent., are all for hauls much longer than ours, and, therefore, our foreign rivals are considerably more handicapped than we are by railway rates. The third factor is that great economies have been effected within our steel works. Obviously, an industry which, in the last few years, has paid about 25 to 50 per cent. more for its fuel, about 75 per cent. more for labour per man-hour, and about 200 per cent. more per ton in rates and taxes, and has yet sold its products at prices only 13 per cent. higher than before the war has made great headway in reducing costs. Finally, there is our improved commercial organisation. In 1927 our steel makers launched a home-made steel rebate scheme—that is, they offered rebates to those consumers who bought only British steel in specified periods. One result of that is that scarcely any foreign steel is to be seen in our shipyards to-day. A few months ago our steel makers formed an export agency, which has already secured substantial orders from the Canadian market. The agency is now turning its attention to other markets. If our costs can be kept down our trade will grow, for the world demand for iron and steel is pronouncedly on the up grade, and it is probable that large railway and other steel-using plans now projected in various parts of the world will materialise during the next few years.

THE POSITION IN ROUMANIA.

(BY OUR BUCHAREST CORRESPONDENT.)

THE raising of the rate of discount of the National Bank of Roumania from 6 per cent., where it had stood unchanged ever since 1920, to 8 per cent. at the beginning of this month and to 9½ per cent. on the 13th, automatically accompanied by the increase in the rate for advances against collateral from 7 per cent. to 10½ per cent., has definitely annihilated the hopes of those who expected cheaper money as an immediate consequence of the stabilisation and foreign loan. This rapid increase in the official rates by 3½ per cent. in a fortnight is primarily a measure of defence by which the central monetary institution endeavours to check the considerable demands for foreign exchange made on it lately. The same aim was pursued when it was decided recently to diminish the payments on account of the debts of the State and the railways to the home industries and to place no more orders, payable during the current year, in foreign countries. When it became known that part of the proceeds of the foreign loan was to be used by the State to reduce its indebtedness to home industries it was hoped that these funds would come to the relief of the money market. These hopes, however, were not borne out by events. In order to be able to finance home industries, which were crippled by the enormous outstanding debts of the State and the railways, the Roumanian banks had contracted extensive overdrafts in foreign countries, and the money which now became available by the disbursements of the State was used by the banks to pay these foreign debts.

MAIL or CABLE
us your banking orders on SWEDEN
Skandinaviska Kreditaktiebolaget
KREDITBOLAGET

Hence the demand for foreign exchange. This explains also the small but persistent contraction in the note circulation of the National Bank. The following figures will show the importance of the movement of funds at the National Bank during the period from March 9th to April 27th last:—

(In million lei.)

	March 9th.	April 27th.	Increase.	Decrease.
Gold reserve	8,275	8,641	366	...
Foreign bills	3,655	2,520	...	1,135
Total reserve	11,930	11,161	...	769
Other foreign bills	1,660	387		1,273
		Total decrease		2,042
Sight liabilities:—				
Note circulation	20,152	19,968	...	184
Other sight liab.	11,094	6,560	...	4,534
	31,246	26,528	...	
		Total decrease		4,718
Proportion of gold reserve to sight liab.	26·48%	32·57%		
Proportion of total reserve to sight liab.	38·18%	42·07%		

The minimum proportions of the gold reserve and of the total reserve to the sight liabilities allowed by the Statutes are fixed at 25 per cent. and 35 per cent. respectively.

The principal item in the "Other Sight Liabilities" is represented by the proceeds of the stabilisation loan and of the funds received under the German convention, which on March 9th stood at about 9,500 million and on April 27th at approximately 4,500 million lei. The foreign bills fall into two categories, those forming part of the reserve, described by the National Bank as "expressed in legal money and practically convertible into exportable gold," and other foreign bills. The total stock of these has fallen in the period of 1½ months under review by about 2,000 million lei, whereas the sight liabilities, apart from the note circulation, have been reduced by about 4,500 million. It appears, therefore, that 2,000 million of the State disbursements, or 45 per cent., have left the country. It is probable that the movement has continued after April 27th.

Other important changes in the situation of the National Bank are shown in the following figures:—

(In million lei.)

	March 9th.	April 27th.	Increase.	Decrease.
Assets.				
Discounts	7,109	8,465	1,356	...
Temporary advance to the Treasury	1,700	2 000	300	...
Advances to popular banks etc.	4,180	1,672	...	2,508
Various debtors	4,400	1,266	...	3,134
Liabilities.				
Various creditors	4,466	2,493	...	1,973
Time deposits	...	710	710	...

Special mention must be made of the temporary advances to the Treasury, which have now reached the limit of 2,000 million lei allowed by the Law of Stabilisation. A new departure is represented by the time deposits, which are accepted by the National Bank at 6 per cent., and for which bonds are issued discountable at the National Bank at its official rate. The reduction in the advances to the popular banks, co-operative societies, etc., payable by the State, has taken place in accordance with the provisions of the Law of Stabilisation, which obliges the State to pay off these long-term credits. Transactions of great importance are also reflected in the

decrease of the various debtors by over 3,000 million and the reduction of the various creditors by almost 2,000 million lei.

The rise in the official rates followed, of course, by a rise in the rates charged on advances by the principal banks, has caused no small uneasiness in commercial circles. Dear money, however, has proved one of the principal handicaps of trade during the last few years, and, in view of the acute crisis now ruling, the higher rates are particularly unwelcome. Money is not, in fact, scarce at the present moment. Deposits at the banks are said to be on the increase. The situation of the National Bank has gained in liquidity. Nevertheless, the chief characteristic of the present crisis is the pronounced contraction of credit caused by the insecurity of the situation evident in the large number of failures. The high rates of interest are, therefore, only partly making good the large amounts of bad debts which the banks must carry on their books. The seriousness of the situation is aggravated by the severe slump in prices on the Stock Exchange. Government stocks and other fixed-interest-bearing securities have naturally fallen in value on account of the rise in the Bank rate. But the share market has also suffered, and almost to an unprecedented degree. It appears that the general crisis is now forcing holders to realise their shares.

The situation of the Treasury, as shown in the last published returns, is causing grave concern in Government circles as well as in the whole business community. For the period from January 1st to March 31st last the receipts, compared with the proportionate amount of the budget estimates, show a deficit of 3,814 million lei. But what makes the position more disquieting is the fact that the receipts are 750 million less than in the corresponding period of last year. It will be remembered that last year's budget deficit was very large. It was met by means of the foreign loan. To cover current expenditure by a loan again would be very unsound finance. Already the Government has taken 2,000 million lei from the National Bank, and has, therefore, no more facilities in this quarter. This advance, moreover, must be repaid before the end of the year. The only possibility of making both ends meet lies, therefore, in economy on the budget estimate of the year's expenditure. The Government, to judge by their utterances, fully realise the position. But whether sufficient cuts in the expenditure can be made is doubtful.

As has been pointed out before in the *Economist*, the possibility of amelioration in the present grave economic situation of Roumania depends, to a large extent, upon this year's harvest. Never have eyes turned with more anxiety to the crop reports. Although it is too early yet to form a definite opinion, the prospects of the harvest are considerably brighter than they appeared to be a month ago. The weather lately has been very favourable indeed, and the spring sowings are expected to make up in some measure for the loss caused by the severe winter. The Government has gone to considerable lengths to help the farmers, especially in the famished districts. It is realised, however, that the creation of an organised credit system for the purposes of agriculture is imperative, and reports of an offer by a British syndicate in connection with the creation of the agricultural credit bank which is under consideration has raised no small amount of interest.

INDIA'S FOREIGN TRADE IN 1928-29.

(BY OUR CALCUTTA CORRESPONDENT.)

THE official statistics now available indicate that in the official year ending March 31st the value of India's imports from oversea countries increased, as compared with 1927-28, by Rs. 3 crores, or 1 per cent., and amounted to Rs. 253 crores, while the total exports, including re-exports, rose by Rs. 9 crores, or 3 per cent., to Rs. 338 crores. The exports of Indian merchandise increased by Rs. 11 crores, or 3 per cent., but re-exports declined by Rs. 2 crores, or 18 per cent. The grand total of imports, exports and re-exports amounted to Rs. 591 crores, as against Rs. 579 crores in the preceding year, an increase of Rs. 12 crores, or 2 per cent. Overtly, therefore, the new exchange ratio has neither stimulated imports nor checked exports. Certain industries, notably the Bombay cotton mills, remain depressed, but the causes must be sought in other directions. This is now so widely recognised that the agitation against the eighteenpenny rupee, despite occasional fitful protests, may be said to have practically faded away.

The lower level of bullion imports which succeeded the abnormal acquisitions in 1924-25 (when the net imports jumped to 93.99 crores) remained operative in 1928-29, confirming the official belief, which is widely endorsed in India, that in normal conditions it seems unlikely that India's absorption of gold and silver will revert to the pre-war level, owing to the growth of the investment habit. In 1928-29 imports of treasure (private and Government) increased by Rs. 2,40 lakhs to Rs. 37,29 lakhs. Gold bullion rose by Rs. 46 lakhs to Rs. 11,41 lakhs, and sovereigns and other British gold coin by Rs. 2,69 lakhs to Rs. 9,40 lakhs, while other coined gold was valued at Rs. 40 lakhs, as against nearly Rs. 48 lakhs in the preceding year. The value of silver imported declined by Rs. 55 lakhs to Rs. 15,92 lakhs, and that of currency notes by Rs. 14 lakhs to Rs. 15 lakhs. Exports of treasure advanced by Rs. 3,22 lakhs to Rs. 6,35 lakhs, due mainly to larger shipments of silver.

India's visible balance of trade in merchandise and treasure during the twelve months April to March, 1926-27, 1927-28 and 1928-29, is shown in the following table. The figures are arrived at by combining the balance of transactions in (*a*) private merchandise and (*b*) treasure (private account). The balance of remittance of funds is also shown with details at the end of this table. In these balances the sign plus (+) indicates net export and minus (−) net import.

	Twelve months, April to March. 1926–27. Rs. (lakhs).	1927–28. Rs. (lakhs).	1928–29. Rs. (lakhs).
Exports of Indian merchandise (private)	+301,44	+319,15	+330,13
Re-exports of foreign merchandise (private)	+ 8,01	+ 9,54	+ 7,83
Imports of foreign merchandise (private) (*a*)	−229,98	−246,73	−251,42
Balance of trade in merchandise (private)	+ 79,47	+ 81,96	+ 86,54
Gold (private)*	− 19,40	− 18,10	− 21,20
Silver (private)*	− 19,79	− 13,89	− 13,04
Currency Notes (private)	− 14	− 24	− 12
Balance of transactions in treasure (private)	− 39,33	− 32,19	− 34,36
Total visible balance of trade	+ 40,14	+ 49,77	+ 52,18
Council bills, purchases of sterling and other Government remittances to the United Kingdom (*b*)	− 2,82	− 37,77	− 41,02
Sterling transfers on London sold in India	+ 1,93	...	...
Transfers of Government securities	+ 3	+ 28	− 1
Interest drafts on India in respect of Government of India securities	− 34	− 35	− 36
Balance of remittances of funds	− 1,20	− 37,84	− 41,39

(*a*) Exclusive of the value of railway materials (Rs. 124 lakhs, Rs. 312 lakhs and Rs. 182 lakhs in the twelve months April to March, 1926-27, 1927-28 and 1928-29 respectively, imported direct by State Railways working under company management which was not paid for in the ordinary way, and not therefore taken into account in arriving at the balance of trade.

(*b*) This head includes, in addition to Council Bills (1) sterling purchases in India and (2) payments in India to local bodies, *i.e.*, against proceeds of sterling loans floated by them in London and taken over by the Secretary of State.

* These exclude transactions which do not enter into the balance of trade.

Of India's imports last year, goods to the value of 137 crores came from countries within the British Empire, compared with 136¼ crores in the preceding year, and of these totals 113 crores represented imports from the United Kingdom, against 119 crores from the same source in 1927-28. One of the most remarkable features of the year's trade was the importation of large supplies of wheat from Australia and Canada, the total imports from the former, mainly owing to these purchases, rising from under two to nearly 8½ crores, and from the latter from under two to over three crores. The total tonnage of wheat imported from all sources ran to 558,390 tons, against less than 70,000 tons a year previous and just over 40,000 tons in 1926-27; and it is convenient to mention here that imports of rice totalled as much as 125,426 tons, compared with 68,954 tons in 1927-28 and 40,476 tons in 1926-27. Although it is gratifying to think that India is able to indent upon the world's supplies of grain on this scale in years when her own crops yield less than is required for domestic consumption, a less satisfactory aspect of the problem is that, if the necessary capital, skill and energy were forthcoming, India should be quite capable of feeding her own population without external assistance; in fact, the recourse to foreign supplies indicates, in the most conclusive fashion, the importance of carrying the recommendations of the Agricultural Commission into effect with the greatest possible energy and the least possible delay. In the course of a pamphlet recently circulated, entitled "Economic Milestones on the High Road to India's Prosperity," the Bengal Chamber of Commerce wrote:—

> "There will probably be few to dissent from the proposition that India should at least grow enough food to feed her own population, and it will probably also be agreed that this aim can be achieved only by maintaining a sufficient area under food crops to make possible, *in normal years*, a considerable export of foodstuffs to other countries. A surplus available for export in good years becomes a reserve available for local consumption in years of poor outturn. In view of this consideration, the decline in the export of wheat, and the increasing inability of Burma rice to hold its former position in the principal international markets, affords matter for grave concern, and points to the urgent necessity of bringing the methods of producing these two important crops into closer accord with modern conceptions of scientific cultivation. India, in her present stage of economic development, cannot afford to drift into the position of becoming a large importer of foodstuffs."

No aspect of India's economic position requires closer scrutiny than her increasing dependence on imported foodstuffs, including not only wheat and rice, but sugar, salt, &c.

In view of the importance of reciprocal trade, it is a matter of some concern that, while exports of Indian merchandise to the United Kingdom declined 9 crores to 70 crores, exports to Japan increased from 29 to over 34 crores, to the United States from 36 to 39 crores, to Belgium from under 11 to over 13 crores, to France from under 16 to over 17 crores, and to Italy from under 13 to nearly 15 crores. It may be recognised, however, on the one hand, that the United Kingdom still remains incomparably the largest purchaser of Indian products (India importing British goods valued at 113 crores, against sales totalling 70 crores to the United Kingdom), and, on the other, that larger purchases depend, to some extent, on an improvement in the average quality of Indian products.

Among staple imports increases were recorded in dyes and colours, electrical goods and appliances other than machinery, machinery of all kinds (plus 3 crores), paper, and vehicles (principally motor), while decreases occurred in cotton goods (minus two crores), chemicals, drugs and medicines, glassware and earthenware, iron and steel goods, other metals, woollen goods, &c. In the cotton piece-goods trade, further declines in imports from the United Kingdom coincided with further increases in imports from Japan. Indian millowners are pressing for a further increase in the import duties on cotton goods, and, in the event of such an increase being deemed expedient for revenue purposes, it remains to be seen whether, as in the steel tariff, any attempt will be made to differentiate between British goods and imports from other sources.

Notes of the Week.

The Verdict of the Boroughs.—At the time of going to press, the votes have been counted in about a third of the constituencies of the country. These are in the main those in London, the great cities, the chief boroughs and the industrial districts. In them Labour have made a net gain of 53 seats, and practically reversed their position *vis-à-vis* the Conservatives. Even if they maintain the same rate of progress in the constituencies still to be counted, however, it is unlikely that they will secure an absolute majority, though they may be the largest party in the House. At the same time, the vagaries of our electoral system are so irrational that it is unwise to forecast even on the basis of so large a proportion as one-third of the country. The total Labour poll in these 200 seats at the last election was about 2¼ millions in 1924 against 2¾ millions this year, and their seats 115 against 62. The Conservatives, on the other hand, have polled 2½ millions, which is about the same as in 1924; but their seats have fallen from 123 to 72. The Liberals, with a poll of nearly 1½ millions against 900,000 in 1924, have two seats less than before. The party have, however, secured the return of Sir Herbert Samuel, who will greatly add to their influence in the House of Commons. The Minister of Labour has been defeated, and the Foreign Secretary only squeezed through by the skin of his teeth in Birmingham, where the Labour party has made a net gain of six seats. On the whole, the polls are somewhat smaller in proportion to the electorate than five years ago. The newly-enfranchised women have voted in very substantial numbers, but the verdict in these areas where Labour was expected to make its greatest advance is not appreciably different from that which was expected on the basis of the by-election results of recent times. The result of the election as a whole depends upon whether or not the Conservatives will be more successful in repulsing the attacks of the Liberals in the counties than they have been in meeting the Labour onslaught in the industrial districts. But they can hardly fail to lose their majority. It may be taken as certain that in the coming Parliament there will be a majority for Free Trade and for a more active policy of peace.

A Reparations Agreement in Sight.—After much toiling and tossing it almost looks at the time of writing as though the Committee of Reparation Experts will safely make port. If they succeed in doing so it will be a great personal triumph for the members of the Committee who have had to find a compromise between apparently irreconcilable views which were very tenaciously held. Without authority to commit their Governments or to implement their decision, yet knowing that it was useless to produce a solution which would not be honoured at home, the Committee have laboured with great pertinacity. But, as we have more than once observed, the Committee has gone so far in recognising the need for modifying the annuities provided under the Dawes plan that it had become impracticable to throw up the sponge altogether and leave the maximum annuities still in force. Some new agreement—at all events for the near future—was imperative, and it seems to have been achieved. The outstanding fact is that Dr Schacht has accepted the figures now agreed by Germany's creditors as a basis of discussion, and, as we write, it seems that the German reservations alone remain to be dealt with. It is understood that the difficult problem of meeting the various Allied claims has been assisted by postponing the date of the application of the Young plan until September 1st, and charging the full Dawes annuities for the five months until that date, which gives a small surplus over the original figures of the plan. A significant feature of the agreement relating to the distribution of the proceeds is that no provision is made for the military expenses of the occupation of the Rhineland after September next. The period of occupation is, of course, entirely outside the province of the Experts, but, as our Paris correspondent has pointed out

more than once, Dr Schacht has raised problems which are, in fact, political. It is not, however, unduly optimistic to hope that this calculation of the Experts will prove to be an accurate anticipation. The agreement does not provide for the settlement of the Belgian marks claim, which must now be discussed and settled independently. Greater secrecy than hitherto has been preserved with regard to the last stages in negotiation, and comment on the scheme as a whole must wait for the publication of the report.

King Amanullah in Exile.—On Thursday, May 23rd, at Chaman, King Amanullah crossed the frontier from Afghanistan into India with a small party, including his consort, Queen Surayya, and his brother, Inayatullah Khan, the king of a day. The unveiling of Queen Surayya—begun on the royal journey from Bombay to Europe last year and continued, after return to Afghanistan, in a public ceremony at Kabul—was intended to be a symbol of the emancipation of the country, but proved to be one of the chief stimuli of the fanatical reaction. Thereafter, the setting of the shadow-king Inayatullah upon the throne was intended to save the Durani Dynasty at the sacrifice of the single member of the house who had sown the storm. But the whole dynasty has reaped the whirlwind; and, though Nadir Khan in the Khost Hills is still a claimant to the throne, the Son of the Water-Carrier for the time being reigns more or less securely in the Duranis' stead. Thus, once more, Amanullah is to make the journey from Bombay to Europe, *quantum mutatus ab illo*, who made it with such pomp and ceremony a few months ago. In the circumstances, King Amanullah and Queen Surayya may consider themselves lucky to have escaped with their lives; for the pioneers of Westernisation in Oriental countries are usually offered no other alternatives than victory or death. This Afghan pioneer is at least free to join the company of exsovereigns who have " lived comfortably ever after " at Montreux or Surbiton or Cannes. Yet we fear that this may be a mortifying experience for him; for if he has suffered for being " too previous," he has only been ahead of the times in Afghanistan by a year or two; and he will almost certainly live to see the Westernisation of that country—the enterprise that has cost him his throne—resumed and completed by the very stalwarts who have cast him out for daring to bring the abomination of desolation into the Islamic holy of holies. At the moment, no doubt, the Afghan doctors of the Islamic law and the Ghilzai tribesmen are jubilant. They imagine that in the Son of the Water-Carrier they have found a ruler after their own hearts: a ruler who will not profane the faith or extort taxes or impose conscription or compel decent civilised Muslim men and women to wear those outrageous Western clothes.

> " But at my back I always hear
> Ford's winged chariot hurrying near;
> And yonder all before us lie
> Deserts of vast Modernity."

Though these ingenuous tribesmen and ulama may not know it, their doom is assuredly sealed. For Mr Ford and Mr Singer and Mr Gilette are apostles of Western civilisation whose powers are immeasurably greater than an Amanullah's, because they convert by salesmanship and not by the sword; and Habibullah, the Water-Carrier's Son, for all his prowess, can hardly fail to succumb to the charm of their wares now that he possesses the wherewithal to buy them. Or are we after all reckoning on the obvious just once too often? For it is just conceivable that Habibullah might turn out to be the Judas Maccabaeus of these latter-day saints of the Islamic world.

The Little Entente.—Last week, at Belgrade, representatives of the three States members of the Little Entente—Czechoslovakia, Jugoslavia and Roumania—held one of their periodical meetings to take stock of how their common interests stand. The official communiqués were as colourless as usual; but we may infer that, though the links between the three States may not have been relaxed, they certainly have not been drawn closer. The Entente rests upon three sets of bipartite treaties which were negotiated on the morrow of the peace settlement, have been renewed since then from time to time, and remain in force to-day. The gist of these treaties is an agreement to take common action, in case of need, in order to uphold the peace treaties against certain countries that would like to see them revised. The country envisaged in the treaties between Czechoslovakia and each of her two partners is Hungary, while in the treaty between Jugoslavia and Roumania the terms of reference are extended to cover Bulgaria as well. This limitation of the scope of the Little Entente is important; for while Hungary, at any rate, though hardly Bulgaria, may cause the Czechoslovak and the Jugoslav and the Roumanian Foreign Minister to pass some sleepless nights, now and then, Hungarian irredentism is not really the greatest anxiety in the minds of any of the three. The Jugoslav Foreign Minister's worst nightmare is the Italian penetration of Albania, the Roumanian's is the Russian claim to Bessarabia, the Czechoslovak's is the *Anschluss* of Austria to the German Reich. Hence Roumania has her defensive treaty against Russia with Poland; Czechoslovakia enters with Poland and France into the Pact of Locarno in order to make herself secure against Germany; while Jugoslavia scans the international horizon for some Power who will support her against Italy without leaving her in the lurch if the worst comes to the worst. But, in these major troubles, no member of the Little Entente is willing to pledge itself to come to the rescue of the others at the risk of sharing their possible fate. The first rift in the lute was over Russia. When the Soviet Government proved to be intransigent in its refusal to recognise the lawfulness of the transfer of Bessarabia from Russia to Roumania, the Roumanian Government tried to induce the Governments at Prague and Belgrade to make the integrity of the Roumanian frontier towards Russia their business as well as the integrity of the Roumanian frontier towards Hungary. But Czechoslovakia and Jugoslavia, being Slavonic countries situated at a comfortable distance from the Russian border, politely but steadily refused to meet Roumania's wishes in this matter. Roumania, however, has given them tit-for-tat during the last two years, when the " forward policy " of Italy in South-Eastern Europe has been causing increasing anxiety to Jugoslavia. It was now Roumania who, being at a comfortable distance from the scene of trouble, could afford to assume an air of detachment and even to coquette with the Power which was showing itself such an awkward neighbour to one of Roumania's partners. The Russian and the Italian complication have rather lowered the vitality of the Little Entente, but they have by no means killed it. Indeed, it cannot afford to die so long as " the Awakening Magyars " live; and then its members have a general common interest in their concern to prevent the treaties for the protection of minorities from working more effectively than they have done hitherto. Moreover, they have a common interest with France in maintaining the sacrosanctity of all the four European peace treaties as a single inviolable and immutable European system—lest some Hungarian or German or, may be, Russian or Italian Samson, by uprooting one pillar, should bring the whole top-heavy structure down about the ex-victors' ears. It will be seen that the Little Entente is by no means yet played out.

" Dollar " Wheat.—The downward movement of wheat prices, which has made steady progress during the past three months, reached this week a point at which the cost of the commodity in the Chicago and Buenos Aires markets stands at about pre-war level. The following figures indicate the extent to which the quotations for futures have recently declined:—

1929.	July Wheat, Chicago. Cents per bushel.	June Wheat, Buenos Ayres. Pesos per quintal.
End March	124½	9·80
End April	118⅜	9·35
May 28th	100	8·05

The causes of this slump in wheat prices are not obscure. At the end of the last cereal year (July 31, 1928) the carry-over of the world's wheat-exporting countries was estimated by the Rome Institute of Agriculture to amount to 222 million bushels, while the exportable surplus for 1928-29 was put at 1,180 million bushels, against estimated requirements of 845 million bushels on the part of the importing countries. The institute, in its Crop Report for last month, raised the figure of exportable surplus to 1,241 million bushels. Exports in the first seven months of the season were put at 576 million bushels, leaving 665 million bushels available for export between March 1st and July 31st. So far, lower prices seem not to have stimulated consumption to an extent as great as the market anticipated, and it is expected that the exporting countries' carry-over at the end of the cereal year will reach the high total of 360-365 million bushels. Given this position—with favourable new crop advices from Canada and the United States—and the recent fall in prices is seen to have been inevitable. The reactions on the American " prosperity cycle " may well be important.

The American Investor and Europe.—While the immediate explanation of the recent weakness of sterling in relation to the dollar is to be found in special and, it may be hoped, transitory causes—e.g., transfers from London to New York of French and other balances attracted by the high rates obtainable for call money in Wall Street—there is growing recognition of the fact that America's position as the creditor of Europe may have an uncomfortably permanent influence on the dollar-sterling exchange. This exchange, which is a barometer sensitive to the balance of payments not only between Great Britain and America, but between America and Europe as a whole, has this year had to carry the burden of a predominantly westward flow of payments relieved to a far less extent by the factor which until recently has tended to disguise the real situation—American loans to Europe. The following table, based on figures taken from the *Bulletins* of the Federal Reserve Board, shows clearly how the direction of the American new issue market has recently changed.

AMERICAN NEW ISSUES (EXCLUDING REFUNDING).
(Million dollars.)

	Domestic Total.	Foreign To Europe.	Foreign Total.	Foreign per cent. Total.	Europe per cent. Foreign.
Year 1927	6,151	564	1,382	*18*	*41*
Year 1928	6,728	581	1,247	*16*	*47*
1st Quarter, 1928	1,404	179	327	*19*	*55*
1st Quarter, 1929	2,227	38	233	*9·5*	*16*

It will be observed that in January-March, 1929, not only was the proportion of foreign to total new issues reduced to half that of a year ago, but the percentage of the total foreign issues destined for Europe declined, in comparison with the first quarter of 1928, from 55 to 16 per cent. If the cessation of American lending to Europe indicated by the last quarterly figures proves to be a permanent feature of the next few years, a serious complication in the monetary outlook has to be faced.

Industrial Production.—As estimated by the Board of Trade, the volume of production of British industry in the first quarter of 1929 was 1.6 per cent. greater than in the fourth quarter of 1928, and 0.8 per cent. above the level of the corresponding quarter a year ago. Comparative figures for the ten groups of industry on which the estimate is based are summarised below:—

INDEX OF PRODUCTION. (1924 = 100.)

	March Quarter, 1928.	December Quarter, 1928.	March Quarter, 1929.
1. Mines and quarries	96·2	91·9	98·9
2. Iron and steel	105·6	105·2	111·5
3. Non-ferrous metals	121·6	119·8	115·7
4. Engineering and shipbuilding	117·4	111·5	119·0
5. Textiles	106·9	101·2	101·7
6. Chemicals	110·5	115·1	108·3
7. Paper and printing	(*a*)	(*a*)	(*a*)
8. Leather and boots	120·0	91·4	103·2
9. Food, drink and tobacco	98·7	104·8	97·5
10. Gas and electricity	(*a*)	(*a*)	(*a*)
Total (*b*)	109·3	108·5	110·2

(*a*) Complete separate data not available.
(*b*) Including various industries not specified above.

The salient feature disclosed by the foregoing figures is the marked revival of activity in the " heavy " industries (Groups 1-2). Against this improvement, the index of production of textiles in the March quarter was approximately 5 per cent. lower than a year ago, and a decline was recorded also by the chemical and allied trades. Activity in non-ferrous metals was appreciably less than in the March quarter of 1928, whereas engineering and shipbuilding showed an increase of 1.4 per cent., lower shipbuilding output being offset by an expansion in electrical engineering. The reduction by about 1 per cent. of activity in the food, drink and tobacco trades, as compared with a year ago, is surprising. Taken as a whole, however, the Board of Trade's estimate bears out the conclusions which we have deduced from the *Economist's* indices of Business Activity, that the first three months of 1929 witnessed a definite, if unevenly distributed, upward movement of British industrial production.

A High Quarter's Mortality.—A striking reflection of the severe climatic conditions of February and March this year is to be found in the mortality statistics now issued by the Registrar-General for the first quarter of 1929. Deaths numbered 204,293, an increase of 67,978 over the corresponding quarter a year ago. Over 11 per cent. of the total deaths registered were attributable to influenza, with respiratory and circulatory ailments occasioned by the cold as contributory factors in this high mortality, whose rate was 21.0 per mille of population, against 13.9 per mille in the first three months of 1928. With the single exception of the March quarter of 1919, in which influenza occurred in severe epidemic form and the recorded death rate was 21.3 per mille, last quarter's rate of mortality was the highest record in any first quarter of the present century. The live births registered in the quarter numbered 160,181, so that the natural decrease of population was 44,112, as compared with an increase of 31,611 a year ago.

Cotton Trade Hours.—At the end of last week, writes our Manchester correspondent, there was a meeting of the Committee of the International Federation of Cotton Spinners' and Manufacturers' Associations in Brussels, and it is reported that Mr William Howarth, on behalf of the English members, submitted a statement upon the desirability of securing in all countries a uniform 48-hour week and the abolition of overtime and double shifts. An attempt was made to persuade the representatives of Continental countries to allow the subject to be placed on the agenda of the forthcoming International Cotton Congress, which is to be held at Barcelona this autumn. The Continental spinners, however, objected to this course, but finally they agreed that Mr Howarth should prepare a paper setting out the views of the English members on the proposal, and that the Committee at its next meeting, after having received the considered views of the affiliated associations, should decide whether the subject should be dealt with at the International Congress. Some surprise has been expressed in Lancashire at this attitude of the English representatives on the International Committee. Most of the countries on the Continent have a 48-hour week, but it is possible to obtain modifications from the different Governments, and a certain amount of overtime is allowed, which means that the mills run longer hours than in this country. There seems to be very little probability of spinning employers on the Continent agreeing to the English proposal. It is being suggested that possibly this attempt is being made with little hope of success prior to another endeavour to increase the working hours in Lancashire mills, and, if an agitation of this kind is begun, it will be pointed out that there is no likelihood of the unfair competition from the Continent being removed.

Cotton Industry in Japan.—Mr Arno S. Pearse, the general secretary of the International Federation of Master Cotton Spinners' and Manufacturers' Associations, has just arrived in Manchester after an extensive investigation of the cotton industry in Japan. It is understood, writes our Manchester correspondent, that at a later date he will issue an exhaustive report, but he has

already published a summary of his conclusions. He points out that the Japanese cotton spinning and manufacturing industry could never have achieved its present position without that group instinct which is generated by the family system, and is still characteristic of Japan. The second cause for Japan's rapid advancement is the speculation which permeates all classes. According to an official publication of the Japan Cotton Spinners' Association, at the beginning of the world war the mills in Japan had to contract purchases of raw cotton at about 30 yen per picul to cover their requirements for a whole year or longer, twice as much as they used to do in normal times. In the course of time the price of raw cotton steadily advanced to 100 yen and more, followed by a still greater advance of cotton yarn prices in Japan. Mr Pearse points out that none of that cotton was hedged. He was surprised to find that not one of the big combines hedged their cotton purchases. He was assured time after time that it is quite a common occurrence for these combines to have 30,000, 50,000 and at time even 80,000 bales unhedged. The profits made during the war have enabled them to build up such huge reserves that the average reserves of all the mills belonging to the Japan Cotton Spinners' Association, which is to-day 97 per cent. of the total spindles of Japan, is 60 per cent. of the paid-up capital. The third cause of the strength of the industry is to be found in the organisation. In the first instance, there are four mill combines controlling 60 per cent. of the whole industry. There are three very large cotton-buying firms which also undertake the selling of the manufactured goods, and they cut out any intermediary between themselves and the wholesale dealer in China, India, etc. One big advantage is the cheaper costs of labour in spinning as well as in weaving. According to information received, the labour cost for 20's yarns is about ½d. per lb. cheaper than that of the cheapest countries in Europe. As regards the labour cost of weaving, the fact that the average number of looms per operative in the big combines is 5.5, against three on the Continent and four in England, shows that there is a considerable advantage there. The wage for looking after 5.5 looms in Japan is 3s. 6d. per day, and the production per loom is higher, certainly not lower, than in England for similar cloths. The abolition of nightwork in Japan as from July 1st has led many people to believe that this would be the cause of a considerably increased cost of production in Japan, but that is not so. The Japanese millowners have worked for two years organised short time to an extent of fully 23 per cent., but only 15 per cent. was latterly carried out. This 15 per cent. has now been given up. The new working hours are two shifts of 8½ hours per day for 28 days per month. Mr Pearse is full of admiration for the welfare work which the various cotton firms in Japan are carrying on. About 80 per cent. of the operatives live on the premises. The mill workers in Japan are all able to read and write, and he considers their general standard of education to be quite equal to that of the mill operatives of England. Every operative had a bath daily, and the dormitories in which the operatives slept were an example of cleanliness and comfort.

Conditions in Jugoslavia.—Our Belgrade correspondent writes:—The new Government continues its work of administrative reform. Four more ministries have been abolished—those of Religion, Health, Agrarian Reform and Posts and Telegraphs—and their activities transferred to the remaining twelve. Departments are being cut down, and the administrative procedure revised and simplified. The dismissal of a number of officials, as well as the impeachment of others for abuse and corruption is having a salutary effect on administrative discipline as a whole. Even more important is the establishment of the Privileged Agrarian Bank with a subscribed capital of 300 million dinars (£1.1 million), which is to give credit to agriculture directly, through its branches, and through the peasant co-operatives. The bank, which is to be an autonomous body controlled by the State, will enjoy all the privileges of the State Mortgage Bank, and is to have a dividend of 6 per cent. guaranteed by the State. It is expected to command soon a credit of 500 million dinars, which, together with the credit of the co-operatives, should go a good way towards relieving peasant indebtedness. This, estimated two years ago at between 2 and 3 milliard dinars (£7 to £11 million), was contracted mostly during the reconstruction period and the years of agricultural boom, when peasants incurred heavy capital outlay. The two poor harvests of the last years and the heavy interest rate in the interior (from 18 per cent. to 30 per cent.) have both prevented the peasants from reducing this debt by a considerable amount and from finding the necessary capital for further intensification of production. This, in its turn, in a country predominantly agrarian as Jugoslavia is, has very adversely affected trade, business in general and State receipts, as well as the national balance of payment. Trade is, at the moment, very dull and responsible for many business failures, especially in Serbia. The adverse balance for the first quarter is 339 million dinars, as compared with 541 million during the first quarter of last year. It is for this reason that harvest prospects are watched with anxiety. The extremely severe winter—the severest for over sixty years, with weeks of 50 degrees of frost—has exhausted stocks of fodder, entirely ruined the opium crop in South Serbia, much affected the fig and olive in Dalmatia, and damaged spring wheat in Serbia between 10 and 20 per cent. On the other hand, 250,000 hectares, or over 10 per cent. more than last year, were sown this winter, the area under spring wheat having increased from 1,832,000 to 2,031,000 hectares, and that of other cereals by 64,000 hectares. The demand for artificial manure is growing relatively fast, and, except for local damage due to cloudbursts and floods, conditions for spring sowing have been very good. With the present abundant humidity of the soil prospects are good, unless, owing to the extreme lateness of the sowing, severe droughts should overtake the corn while ripening. On the harvest will depend also the successful execution of the budget, which amounts to no less than 12,464 million dinars (£45 million), receipts balancing expenditure. This is made obvious from a comparative table of the last five budgets as compared with actual receipts and expenditure, the figures in several cases being only approximate, pending official confirmation:—

(In million dinars.)

Budgetary Year.	Budget. Receipts.	Budget. Expenditure.	Actual. Receipts.	Actual. Expenditure.
1925–6	12,356	12,356	12,063	11,777
1926–7	12,504	12,504	11,906	11,592
1927–8	11,477	11,477	10,910	10,957
1928–9	11,629	11,592	...	...
1929–30.....	12,464	12,464	...	...

The difficulties of the budget may be alleviated to some extent by the reduction of ministries and officials carried out after the publication of the budget, as well as the better yield of direct taxation due to the recent reform. The clearing of the floating debt from the Swedish loan is also expected by the Minister of Finance to lower tenders made to the Government. This loan has been now discounted by Rothschild's in London at the rate of 7 per cent. plus ¼ per cent. bankers' commission for the last two instalments of 15 million dollars, and will be used to clear all State floating debts up to March 31, 1928. The money from this loan will also serve to improve the cover of the national bank, which is now around 600 million dinars, to an amount of 1,350 million dinars, a sum well in excess of anything registered recently.

The Outlook in Argentina.—Writing on May 10th our Buenos Aires correspondent says:—There are unmistakable signs of a coming change in the Argentine financial weather, but by this it ought not to be understood that there is any immediate danger ahead. Partly owing to local circumstances, and partly on account of the international financial situation, there is already noticeable among local capitalists a disposition to mark time before investing their surplus funds in enterprises of any magnitude. During the past 18 months there have been several costly building schemes put into execution in Buenos Aires, almost all of them being based on long-term credit facilities of one kind or another; and there is again a feeling that perhaps after all the present supply of costly flats, to be let at between eight hundred and a thousand pounds a year, has more than caught up with the demand.

Moreover, cereal production, satisfactory as regards quantities, is now realising prices that, in the case of wheat, are lower than have been known for 15 years; and, as there are available for export at least 3,750,000 tons of wheat, and the prospects in the northern hemisphere are uniformly good, there is small chance of a recovery. Of maize the exportable surplus is put at 4,000,000 tons, while of linseed there is still close on a million tons available for shipment. Compared with the first quarter of 1928 the drop in value of all Argentina's exports is estimated by the Bureau of Economic Research of the Banco de la Nación to be at least 13.3 per cent. When the April prices are taken into the reckoning this percentage will be considerably higher. It stands to reason that, with unusually heavy import figures and reduced receipts for the sale of exports, the prospects of an early recovery in Argentine exchange are slight. Hence further gold shipments may be expected, unless and until important foreign loans are arranged. Offers of funds from the United States have been formally made, without, however, any exact specification of terms. President Irigoyen declined these offers, which were understood to be based on the taking over of constructional and finance work in connection with sundry Government schemes that have already been projected. It is reasonably probable that these offers will be renewed, probably with better success. Meanwhile money rates may be called 6 per cent. to 7 per cent. for first-class discounts, with 7 per cent. readily paid for current account advances. This latter form of credit has of recent years greatly increased. In March, 1926, the total of current account advances for all Buenos Aires banks was 887 millions paper; in 1929 it had reached 1,078 millions, while discounts had fallen from 1,652 millions to 1,566 millions in the same period. Deposits have, however, not yet felt any serious restriction, while the cash in hand of the banks still maintains a very high level, and the gold in the Conversion Office at the end of April, despite some special shipments, stands slightly higher than it did at the end of March. The actual figures were $484,039,247, against which there are notes in circulation to a total of $1,393,107,429. Exchange during the month of April was steady, and, at date, banks' cable rates are 47 7/32 and 104.75 drawing, on London and New York respectively, which is but 1/32 and 0.10 below the quotation for April 15th. The depreciation in the Uruguayan dollar, now quoted at $102.40 Argentine gold to the $100 Uruguay, is viewed with some concern by the many interests having connections on both sides of the Plate. It was suggested that Uruguay ought to ship part of her reduced stock of gold, but that suggestion is not likely to be entertained. Congress, due to meet on May 1st, has not yet held a session, and it seems only too certain that sterile political debate will be the order of the day when the jockeying for position ends and the two chambers assemble for the transaction of business. It is, however, rumoured that one of the first measures to be dealt with concerns the expropriation of oil deposits throughout the republic. Unusually warm weather for the time of year, and a general feeling of uncertainty, handicaps both retail and wholesale business. Failures for April were again heavy, the total liabilities being close on $16,000,000 paper, and it is feared that they will be on the up grade during the next few months.

American Duty on Hides and Leather.—Our leather trade correspondent writes:—Cabled reports to hand this week to the effect that the American House of Representatives have passed the Tariff Bill, including a duty of 10 per cent. *ad valorem* on hides, 20 per cent. *ad valorem* on boots and shoes, and 12½ to 30 per cent. on leather, have created a good deal of anxiety in trade circles. During the past three years Great Britain has done a large and increasing trade in leather with the United States, the value of exports of all kinds for 1926-27-28 being £1,601,147, £2,506,035 and £2,939,377 respectively. The figures include sole leather, rough dressing leather, such as welting shoulders, split hides for automobile work, and large quantities of linings for shoes dressed by English curriers of rough East Indian kips. A fair amount of low-priced glacé kid has also been sent to the United States from this country, but it is anticipated that, if the duties are imposed, it will practically put an end to business in this direction. There is a strong feeling against the duties in view of the fact that America sends millions of pounds worth of dressed leather into Britain every year, which often undersells the home production. Britain exported boots and shoes to the United States last year valued at £353,071, and the imposition of a duty of 20 per cent. will seriously handicap this trade.

American Developments in France.—It is announced by *La Situation Financière et Economique* (our Paris correspondent writes) that Messrs Schneider and Co., the proprietors of the great Creusot armament works, have entered into contracts with the Westinghouse Electric and Manufacturing Co. and the Westinghouse International Electric Co., of New York, with a view to undertaking electrical material construction in France under the Westinghouse patents. A special company is being organised under these agreements for carrying on the well-known electrical material construction plant at Champagne-sur-Seine. Following the policy recently adopted by many other French manufacturing concerns, who have acquired important interests in Belgian colliery undertakings, the Schneider firm has now taken a large interest in the Ressaix colliery.

Canada and the United States Tariff.—Our Ottawa correspondent writes:—The publication of the provisional draft of the new American tariff Bill has terminated a period of suspense for the people of Canada. The politicians were particularly nervous about it, as the course of Canadian politics has often in the past been affected by tariff making at Washington. The general impression in Canada is that the proposed tariff changes, while they will adversely affect a variety of Canadian interests, are nothing like so disastrous for the Dominion as had been foreboded. On the basis of the trade returns for the fiscal year ending March 31, 1928, as published by the Dominion Bureau of Statistics, a survey reveals that only some forty-three million dollars, or less than a tenth of Canada's exports to the United States, will be affected by the proposed increases. Even in the realm of agricultural produce two of the most important export items, live cattle and potatoes, have so far escaped interference, although the representatives of the cattle States in the Republic are continuing their pressure for duties. The worst sufferers from the new duties will probably be the shingle manufacturers of British Columbia, who in 1928 sold nearly three-fourths of their output in the American market. Their spokesmen declare that the proposed duty of 25 per cent. will compel them to cut their prices from $4 to $3 per thousand to meet the competition of composite roofing in the American market, and in view of prevalent wage conditions such a cut would be ruinous. The doubling of the duty on fresh beef will cut down exports of this commodity to the U.S., but the trade is already diminishing. At first sight the heightened duties on cream and milk, which have already come partially into force by executive decree under the flexible provisions of the tariff would seem to be a hard blow to the dairy farmers of Eastern Canada, who have been shipping large quantities of milk products to New York and the New England States. But the truth is that the Canadian dairymen of this region have available for recapture a local market which they left open to the dairymen of New Zealand, who last year sold 15 million pounds of butter to Canada. In these circumstances the Liberal politicians and Press of Canada are minimising the effect of the tariff changes and arguing that they offer no ground for a rash adventure in retaliation. The *Manitoba Free Press*, which gives independent support to the King Government, takes the view that, in comparison with the forecasts of a tariff deliberately designed to shut Canadian products out of the American market, the draft Bill is mild, and that the damage done to Canadian trade will not be very considerable. It feels that considerations of an international character were not absent from the deliberations of the Ways and Means Committee, and that there was evidence during the tariff discussion in the U.S. of an obvious

desire not to tread on Canada's toes. The *Financial Post* of Toronto, which is not a party organ and is usually very critical of the United States, delivers the verdict that, while some of the new schedules will bear hardly upon Canadian interests, the changes promise to prove much less onerous for the Dominion than anybody anticipated, and that there is no cause for Canadians to get unduly excited. However, the Conservative Press is proceeding to stimulate local Protectionist sentiment by representing that the tariff changes which affect Canada are a deliberate blow aimed at the Dominion by a selfish economic imperialism, and that the Canadian people will be untrue to their traditions if they do not force the King Government to undertake immediate reprisals or turn them out of office as servile trucklers to the United States. Ministers have so far remained silent upon the subject with the exception of the Minister of Agriculture, who declared that the new tariff was not nearly as bad as he had apprehended. At present the situation here resulting from the American tariff is that the Conservatives have got some good talking points for a Protectionist campaign, but not as many or as good as they had hoped. The striking feature of the American tariff in relation to Canada is that it hits hardest provinces like Ontario and British Columbia, where Protectionist sentiment is always strong and lets off comparatively lightly those provinces where low tariff views predominate.

Latin-American Trade with U.S.A.—The steadily increasing value of Latin-American markets, from the trade point of view, is apparent, writes a correspondent, from the figures published up to the end of December last year. From these it appears that the whole world's commerce with those countries has again improved, but no single trading nation has registered more marked advancement on balance than that of the United States. The trade carried on with the twenty Latin Republics amounted to $1,780,000,000, a total even better than that of 1927, when the record figure of $1,763,000,000 had been touched. Compared with 1913, the value of this trade was no less than 139.35 per cent. greater. Imports into the United States valued at $948,143,000, although marking a decrease of 1.17 per cent. in value from the previous year, showed an improvement over the pre-war period of no less than 122.08 per cent.; exports over the same period, aggregating $831,466,000, showed an improvement of 162.65 per cent., at the same time establishing an expansion of 3.41 per cent. beyond the trading of the previous year. The net showing, however, was unequal, for, while the ten States of North America —Mexico, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, Cuba, the Dominican Republic and Haiti—registered declines of 14.16 per cent. upon their exports to the United States, the ten countries of South America—Argentine, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay and Venezuela—showed an advance of 10 per cent. Taking the value of the whole of the twenty Republics' exports to the United States, there was, as stated, a decline of 1.17 per cent. In regard to the imports into Latin America from the United States, while the ten North American Republics took 4.16 per cent. less, the ten South American Republics took 9.83 per cent. more. While Brazil remained by far the largest exporter to the United States, increasing her shipments—principally coffee—by 8.68 per cent., Colombia registered the largest percentage advance among purchasers of American goods, the increase in her imports from the United States marking an advance of 20.33 per cent. Ecuador followed with an increase, over the same period, of 19.23 per cent.; Brazil came third with 12.77 per cent., and Argentina fourth with 9.42 per cent. Within this period all ten Republics of South America increased their business with their big neighbour by 9.83 per cent., and the whole of the twenty Latin American States registered an all-round augmentation of their purchases from the United States by 8.41 per cent.

Canadian Timber Resources.—The Canadian Government has arranged a national forestry conference, at which officials of the Federal Forestry Department, provincial representatives, and the experts of private corporations will attempt to determine what exactly are the pulpwood resources of Canada. Upon this subject two conflicting schools of thought have long existed. Mr F. D. J. Barnjum, a well-known lumberman of Nova Scotia, has for years plastered the Canadian papers with doleful letters about the plight of Canada's forests, and other pessimists have echoed his views. These people have contended that Canada's forest resources are being exhausted at a dangerously rapid rate, and that, unless a halt is called, and a policy of rigid conservation and replacement adopted, the Dominions will soon discover that one of its most valuable assets has been improvidently wasted away. They hold that the depletion of the forests has already had serious consequences for farming, as it has removed the most effective vehicle of moisture storage in many areas, and that a shortage of pulpwood supplies for newsprint and other mills is inevitable. But another body of equally authoritative opinion holds that these apprehensions are unjustified, that Canada has still huge untapped reserves of forest wealth in her northern hinterland, and that the operations of nature assure an adequate rate of replacement in the regions which have been stripped. The projected conference, which will meet in Ottawa some time in June, will attempt to ascertain which of these two schools has a sounder basis for its views. The statistical information which it will have at its disposal will be exhaustively analysed to discover how long at the present rate of consumption the pulpwood forests of Canada will be able to meet the demands now being made upon them, and whether or not they will reproduce themselves with sufficient rapidity to make the supply of pulp material inexhaustible. Evidence will also be adduced to show what natural reproduction and scientific culture are doing to husband Canada's forest wealth, and to afford some guidance about the relative importance of replanting and forest protection. Experts of the Forestry Department at Ottawa assert that its fieldmen are at present planting 5,000,000 new trees annually, but they also admit that, for the achievement of real progress in reafforestation, it would be necessary to allow for the growth of 5,000,000,000 new trees every year, and that the simplest expedient is to conserve by every means known to modern science the natural new growth in all the forest areas of the Dominion.

French Discrimination Against Foreigners.—Our Paris correspondent writes:—A fresh instance of the French dislike of the presence of the foreigner amongst them has occurred during the present week. The opportunity arose on Tuesday, during the discussion of the new Rent Bill, which proposes to extend for some years further the special conditions enjoyed by old tenants whose holdings date from or before the war. These number some 950,000 in the whole country, and include about 5,000 British residents in Paris. All these are paying rentals limited to double the number of francs they paid down to the end of the war (which means that they are paying two-fifths of the war and pre-war gold value), and they have still some years to run before they can be brought back under common rent law conditions. The new Bill proposes a fresh scale of gradual increases of rent on that fixed in 1926, with fixity of tenure until 1934 for tenants who paid 6,000 frs. during the war, and varying *pro rata* periods for smaller rentals until 1938, when tenants with original rentals of 500 frs. will be brought back under the common law. By a vote of 318 to 266 the Chamber decided to exclude foreigners from the benefit of the new law. This amendment was strongly opposed by the Government on the ground that such discrimination would be in direct conflict with the terms of existing treaties between France and some forty other nations, by which each party binds itself not to impose on the other's nationals conditions which are not imposed on its own people in the other's country. A similar attempt against foreigners was made a few years ago, when a law was actually passed prohibiting aliens from possessing real estate in France. On that occasion both the United States and the British Governments protested vigorously through diplomatic channels, and the new law was quietly allowed to drop. Should the Senate endorse the Chamber's decision further similar action will apparently be called for.

Swiss Railway Electrification.—Our Swiss correspondent writes:—The first stage of the electrification programme of the Swiss Federal Railways was terminated at the end of 1928, as scheduled by the Railways Board. All the main lines are equipped with electricity, the total electrified mileage being 1,035 miles out of a network of 1,806 miles. Switzerland is thus occupying the first place among the countries which are electrifying their railways, the second place being held by Sweden and the third by Italy. The completion of the first stage of electrification is an unquestionable success, both from the technical and financial point of view, which is all to the credit of Swiss engineers and statesmen. The total expenditure, which had been at first estimated at £30,400,000, hardly reached £25,000,000. Apart from a sum of £1,200,000 granted by the Federal Government in the form of a subsidy, the capital needed by that important work was raised in Switzerland by means of loans on which the Federal Railways are paying yearly interest amounting to about £850,000. The savings realised, thanks to the use of electricity, now exceed the sum of the interest and the yearly instalments for the gradual repayment of the capital invested. It is furthermore estimated that the capital now produces an interest of 6 per cent., as against 5 per cent. when steam engines were used. In 1928 savings aggregated £1,420,000; £720,000 were saved on coal—corresponding to a decrease in consumption of 450,000 tons over 1916; £520,000 were saved on the wages bill; £160,000 on the upkeep of locomotives and rolling stock. The total economy is expected to be still higher in 1929, when the consumption of coal will be reduced by another 50,000 tons, as the 85 per cent. of the train traffic will be assured by electric engines, and when the consumption of electric power will reach 420,000 kilowatts-hour. The railways expended about £5,500,000 on the building of six big water-power plants, and preparations are now being made in view of constructing a seventh. The Federal Railways are using the monophased current supplied by these six plants and by seven private plants, which can altogether yield a total force of 490,000 kilowatts. The Federal Railways will in a few weeks be in possession of 55 power coaches and 367 electric locomotives, some of which can reach a velocity of 51 miles an hour, others 40 miles, while 60 can be driven by one man. These locomotives—all built in Switzerland—are in many ways superior to steam engines; they haul a load of 300 tons while a steam engine only hauls 210 tons at a lower speed, and the distance every day covered by an electric locomotive averages from 375 to 440 miles, which makes it possible to obtain a better employment of the rolling stock and at a lower cost. The programme for the second stage of electrification is ready; it provides for the equipment of 261 miles of branch lines, but the Federal Railways show some reluctance in pushing on with that scheme within the next four or five years. They object, on the one hand, that the existing water-power plants just meet the present needs of the railways, and that the extension of the electrified network would necessitate the expensive building of a new hydro-electric plant; on the other hand, it is felt that the Federal Railways should for some time curtail all expenditure so as to reduce their debt. But the Federal Government seems willing to help the railways by granting them a subsidy, in which case the second stage of electrification might begin next year. It is true that the situation of the Federal Railways is not flourishing; their consolidated debt, which was £54,552,000 in 1910 and £59,777,000 in 1913, rose to £103,417,000 in 1926 and £107,330,000 at the end of 1928, the yearly interest on the debt being £4,427,000 last year. Until 1927, the yearly surplus of the Federal Railways was less than the interest to be paid on the debt. In 1927, the surplus reached £5,138,900, and £6,617,000 in 1928, so that the financial situation may be regarded as improving, though strict economy is still needed. It is generally felt that the time has come for the Railways Board to enter decidedly on a debt redemption programme. The Federal Government will probably grant the railways a sum of £1,600,000 to make good part of the losses suffered during the war, but now that the surplus obtained, thanks to electrification, is reaching unexpected figures, the railways ought to establish a redemption plan which might ease their position within a short period.

Guardian Eastern Insurance Co., Limited.—Formed in 1919 under the auspices of the Guardian with the particular object of transacting all classes of insurance in the Near and Far East, the hopes entertained at the inception of this company have, so far, not been realised. As a result of the world-wide post-war depression, and of the unrest in some parts of the Orient, economic progress has been generally retarded, and the company now finds itself nearly 10 years later with a total premium income, excluding life, of under £100,000 in respect of a paid-up capital of £130,000, made up of 650,000 shares of £1 with 4s. paid up. With so small a premium income in relation to capital, progress has been very slow, and only two dividends have been paid, namely, 5 per cent. for each of the last two years. Fortunately the company has been conservatively managed, and the reserves, amounting to over 100 per cent. of the premiums, are very satisfactory. The Guardian Eastern had an unfavourable trading year in 1928, as will be seen from the following table:—

	1927. Amount of Profits. £	1927. % of Premiums.	1928. Amount of Profits. £	1928. % of Premiums.
Fire	6,424	10·1	−4,092	−6·6
Accident	3,400	25·2	−1,430	−8·2
Marine	− 890	−6·4	−1,097	−5·5
Life	...		1,000	
	8,934		−5,619	
Income debited to profit and loss account	1,991		+ 52	
Total net trading surplus	6,943		−5,567	
Net interest earnings	7,187		8,570	
	14,130		3,003	
Dividend	5,200(5%)		5,200(5%)	
Net addition to free reserves	8,930		−2,197	

Accompanying the 1928 report is an announcement of an offer by the Guardian of an exchange of shares on terms which we imagine shareholders of the Guardian Eastern will have no hesitation in accepting. At the present time the Guardian holds 208,697 out of 650,000 shares issued, and is prepared to increase its interest to 90 per cent. of the total by an exchange of shares on the basis of one Guardian share for each 30 Guardian Eastern shares. This is an advantageous offer, since one Guardian share yields an annual income of 8s., compared with only 6s. in respect of 30 Guardian Eastern shares. Moreover, the uncalled liability on each Guardian share is £2 10s., whereas that on 30 Guardian Eastern shares amounts to £24—a considerable reduction.

Guardian Assurance Co., Limited.—As will be seen from the following table, the Guardian experienced favourable underwriting results last year:—

	1927. Amount of Profit. £	1927. % of Premiums.	1928. Amount of Profit. £	1928. % of Premiums.
Fire	151,606	14·0	146,600	13·7
Accident	31,581	4·7	47,920	6·7
Marine	− 1,104	− ·9	3,372	2·1
Life	25,000		25,000	
	207,083		222,892	
Less:—				
Items debited to profit and loss account	87,276		56,759	
Transferred to investment reserve and contingency fund	...		120,000	
Total net trading surplus	119,807		46,133	

Apart from the "Alliance," the fire underwriting profit is the highest earned by any of the large composite offices,

this result being due to the abstention of the company from American business. The premium income in this department last year was £1,068,000, being some £13,000 less than the 1927 figure, but premiums in other departments show increases, and the total in all departments, excluding life, is about £15,000 higher at £1,950,785. The dividend has been maintained at 80 per cent. for the fifth year in succession, but whereas previously this distribution has necessitated a small draft on trading surplus, interest earnings last year were sufficient for the purpose with a small margin. The life department was responsible for the issue in 1928 of new policies for net sums assured of £1,303,188, compared with £1,287,103 in 1927. The life fund now amounts to close upon £6 million, and the next quinquennial valuation is due to be made at the end of this year. The announcement of the offer to shareholders of the Guardian Eastern is referred to in our analysis of that company's accounts. The acquisition of the remaining share capital of the Guardian Eastern would involve the creation by the Guardian of 14,710 new shares. The annual dividend requirements on these, at the present rate of 80 per cent., would be £4,700, but in exchange the Guardian would receive the whole interest earnings of the Guardian Eastern, amounting last year to £8,600, plus trading surplus, if any.

Oversea Correspondence.

FRANCE.—REPARATIONS—BUDGET—CAISSE d'AMORTISSEMENT.

(FROM OUR CORRESPONDENT.)

PARIS, May 29.

AMID all the welter of confusing detail attending the recent efforts of the experts to round off the draft of their plan, two facts now appear to have been established: (1) That the Allied and American experts have, for all practical purposes, arrived at an agreement as to figures; and (2) that Dr Schacht's reservations, which he still maintains, are to be treated as "political" factors and left to be dealt with by the Government themselves. The best the experts will be able to do will be to lay down the basis of a solution, the practicability of which will depend entirely on the degree to which the Allied Governments can come to an agreement with Germany on the political factors involved in a settlement. It is, nevertheless, even more evident to-day than a week ago that there will be nothing in the form of a rupture, and that Mr Young will shortly be able to present some kind of report. This report will undoubtedly to a great extent clear the ground for the pending diplomatic action, but it is yet too early to suggest whether this will operate through the usual channels or involve the organisation of yet another special international conference.

Seeing that some days ago the difference between the Allied experts and Dr Schacht had been brought down to a matter of 80,000,000 marks a year only, the question of Germany's capacity to pay (reduced although the suggested annuities are) has been in principle disposed of. The difficulty of settling down to provide for payment of the costs of the Army of Occupation and the various Allied commissions, although these are comparatively trifling matters in themselves, is typical. These charges are at present covered by the Dawes plan annuities; the Young plan excludes them from the annuities. Before these items can be effectively dealt with by the experts, therefore, it is necessary to know how long the occupation of the Rhineland will last, and that only the Governments can fix. The German demand, too, that the amounts owing by the succession States for former Austro-Hungarian State property (attributed to them by the peace treaties) shall be allocated towards the liquidation of Germany's later annuities, can also obviously only be dealt with by the Allied Governments.

In the report on the Washington and London agreements, presented this afternoon to the Foreign Affairs Commission of the Chamber, M Jacques Stern points out that the French Parliament has the choice of three courses: (1) To ratify the agreements unconditionally, (2) to ratify subject to a safeguard clause being attached to the agreements and under the condition that the French payments shall be subordinate to Germany keeping her engagements towards France, (3) to refuse ratification and accept the consequences, beginning with the payment of the $400,000,000 due to the Washington Government on August 1st for the American war stocks. There are indications that unconditional ratification is regarded by the majority of the commission as unthinkable, and that a substantial number of the members favour prompt liquidation of the commercial debt as an entirely separate matter, leaving the political debt to be settled by further negotiations. The situation of the Treasury is now such that payment of the £80,000,000 due on August 1st would present no serious difficulty.

The Budget for 1930, the general provisions of the draft of which are now known, provides for an increase of over 3,000 millions in both expenditure and receipts, as compared with that for 1929. The comparative totals are as follows:—

	Budget voted in 1929.	Draft Budget for 1930.	Differences.
Expenditure ...	45,386,130,503f	48,665,916,698f	−3,279,786,195f
Revenue	45,430,717,348f	48,722,103,976f	−3,291,386,628f
Estmtd. Surplus	44,586,845f	56,187,278f	− 11,600,433f

The new Budget contains no spectacular provisions, but is a measure of sober and well-considered attention to public needs at an exceptionally difficult period for all categories of taxpayers. When it is realised that, in spite of increased expenditure amounting to 3,900,000,000 frs. (representing the total accorded by the Finance Minister out of 6,000 millions of new credits demanded by the various departments), M Chéron has found it possible to reduce taxation by 1,500,000,444 frs. merely by "readjustments" of existing imposts, the nature of the task accomplished will be understood. The new Budget is at the same time of a thoroughly democratic character, and affords substantial relief to the creative economic forces of the country. The bulk of the proposed new expenditure of 3,300 millions is to be devoted to social betterment and development of national productive works. Military expenditure is 224,000,000 frs. larger (of which one-half is for improving the food, clothing and housing of the soldier, and the other half for frontier defence and war material), in spite of a reduction of 42,000 men. For the Navy additional credits of 197,000,000 frs. are asked, of which 84,000,000 frs. are for new construction. A further 29,000,000 frs. is asked for in regard to the colonial army.

The 1929 Budget raised the limit of abatement from 7,000 frs. to 10,000 frs. (the French abatement allowance being thus even now only one-half of that prevalent in Great Britain). The 1930 proposals, if adopted, will reduce by a further 700,000,000 frs. the burden of direct taxation on citizens with large families and will also reduce succession duties on small estates. A striking feature of the reductions is that out of the total of 1,500,000,000 frs. only 1,000 millions will be borne by the Budget, the remaining 500,000,000 frs. being at the cost of the Caisse d'Amortissement; in other words, the revenue of the Caisse for debt redemption purposes will be reduced, if these modifications are carried into effect, by some £4,000,000 a year. The policy of the Caisse, however, has never been to regard debt extinction as an end in itself, but as an essential for bringing about financial restoration. By sacrificing a portion of its revenue the Caisse will contribute directly towards fiscal reorganisation and thus create new sources of revenue for itself. The Caisse's new policy of buying in Rentes on the Bourse has already proved successful to the point that the Budget for 1930 will be able to reduce the amount required for the public debt service by over 200,000,000 frs. By its success in launching the last big conversion loan at 4½ per cent., moreover, the Caisse has enabled further large savings to be effected. Exact figures are now available which show that the amount of debt converted by that loan (March 31) was 7,528,000,000 frs. By its broad views and bold policy the Caisse has already given strength to the market, and its directors are in full sympathy with the policy of tax reduction which is the feature of the 1930 Budget Bill. Put in a nutshell, the Caisse is satisfied to lose £4,000,000 of revenue from transfer tax on property recouping the difference in other directions that will be sales and succession duties because it counts firmly on less onerous for all concerned. Figures now published show that from June 30th to December 31st last the public absorbed (two-year) Defence Bonds at an average rate of 333,000,000 frs. per month. Large numbers of these Bonds were, of course, converted under the last large loan.

GERMANY.—CREDIT—BALANCE OF PAYMENTS—INDUSTRY—APRIL FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, May 28.

THE currency situation last week improved further, and it seems that the Reichsbank has attained its aim, which was to reduce the volume of its credits without resorting to a new advance in the discount rate. It is believed that the discount rate will remain unchanged, unless New York or London takes the lead. The situation here remains abnormal only in that the official rate has been out of relation to the very much higher market rates; and, as long as this condition prevails, the Reichsbank, it seems, will have to continue the present system of restricting the volume of discounts. The bank's return for the 23rd, the date by which the credit restriction policy was expected to have full effect, shows a decline of 270 million marks in discounts, advances and securities. Circulation fell by only 161 million marks. This small decline is due to the acquisition by the bank of 90 million marks of foreign exchange, which is booked to legal-cover exchange. The discounts sum, 2,523 million marks, is still larger than in any preceding third week of the month, but this is partly explained by inclusion of Treasury bill discounts, which began to appear separately in the portfolio only this year. The legal-cover ratio increased further, to 47.7 per cent., or to 43 per cent. if Rentenmarks are counted. There was continued selling of exchange, mainly, it seems, by Western industrial concerns which needed money for their month-end liabilities. The Reichsbank showed no desire last week to buy dollars, but it seems to have supported sterling, apparently out of fear that the Bank of England rate might be advanced without waiting for a lead from New York. The dollar declined further to, on May 28th, 4.195, sterling to 20.344. The effect of this sharp drop in the exchange is to retard the return of German funds sent abroad and to check foreign investment in mark securities. In the money market day-loan rates began to decline late last week, and the supply early this week was abundant, but month loans continued dear and hard to obtain. To-day's rates were: Day loans, 7½-10 per cent.; month loans, 10-11 per cent.; private discount, 7⅞ per cent. No business is done in trade bills. The commercial banks yesterday advanced their credit and debit interest rates by 1 per cent. The new charge for credits is 9½ per cent. plus ⅛ per cent. per month commission, or altogether 11½ per cent. Normally the bank's charge is only 1 per cent. above the Reichsbank rate, but this assumes a real relationship between the official rate and the market position, which does not at present exist. The banks have to face a heavy demand for loans from business, and their deposits, as shown by the balance sheets for April 30th, are declining. Deposits of the six chief banks on that date totalled 10,035½ million marks, as against 10,404½ million marks on March 31st. Discounts show a corresponding sharp drop. The liquidity ratio declined, and was 56.4 per cent., as against 58 per cent. The balance-sheet total fell from 11,969 to 11,596 million marks.

The official balance of foreign payments for 1928 (which naturally in part consists of estimates) shows a considerable improvement over that of 1927 in that the passive balance on the current accounts (trade, services, interest and reparations) was about 1 milliard marks lower, and the net movement of capital into Germany, wherewith a balance was created, was correspondingly smaller. The official trade value figures are, as in past years, corrected for errors, imports being put at 351 million marks lower than is given in the returns and exports at 145 million marks higher. The corrected figures are: Imports, 13,716 million marks; exports (including 658 million marks Reparation deliveries in kind), 12,444 million marks. The passive effect on trade was, therefore, 1,272 million marks, as against 2,987 million marks in 1927. The main features of the 1928 account (showing net balances) are given below:—

	Millions of Marks.		
Current Payments—			
Trade	− 1,272		
Shipping and services		+ 294	
Reparation payments at home		+ 69	
Reparation payments	− 2,000		
Interest	− 735		
Travel and emigrants	− 70		
			− 3,714
Movement of Capital—			
Gold and exchange gain of note banks	− 931		
Foreign investments in Germany		+ 3,559	
German investments abroad.....	− 1,846		
Short-term credits to Germany...		+ 1,588	
Other capital movements, to balance.....		+ 1,344	
			+ 3,714

The unaccounted-for capital import of 1,344 million marks probably represents the yield of securities exported otherwise than through German banks (securities sold through German banks are included in the table), and not directly traceable, and increase of short-term indebtedness to abroad of business concerns. The balance of payments in 1928 is strictly in accord with the state of national business.

The wholesale-prices index for May 22nd shows 135.6, which is 6 points behind the high level of July, 1928. The agricultural products group shows a new sharp drop. The labour market continues to improve.

Coal production in the first four months of the year totalled 52,503,447 metric tons, as against 52,179,439 tons in the same months of 1928. The Ruhr Syndicate has advanced its per-ton assessment from 2 marks to 2.30 marks. This is a result of the recent increase in the proportion of sales to the "contested districts," which has had the effect of reducing the average price received. Output of rolling-mill products in April was 978,473 tons against 833,308 tons in April, 1928. The activity in the semi-products export market has ceased and prices (under Belgian influence) are somewhat weaker. A lock-out affecting 50,000 employees in the Silesian textiles industry has begun. The credit stringency has affected the textiles branch everywhere. Numerous bankruptcies are reported. In the cotton spinning branch a reduction of working time by 40 per cent. is being discussed. In the woollen industry conditions are rather better. The I.G. Farbenindustrie and some other concerns have taken over 40 per cent. of the capital of the German Ford Motor Co. This company was founded with 5 million marks capital in 1925, and the capital was this year increased to 15 million marks. The President of the Directorate of I.G. Farbenindustrie, Privy Councillor Dr. Bosch, will join the Board of Supervision of the German Ford Co. The official communication concerning this transaction lays stress on the use of German materials by the Ford company in Germany and also on the purchase of German materials by the Ford companies elsewhere.

THE BRITISH LINEN BANK.
Incorporated by Royal Charter, 1746.
Capital and Reserve Funds, £3,400,000.
EXECUTOR and TRUSTEE DEPARTMENT.
Head Office: 38, St. Andrew Square, Edinburgh
The Bank is prepared to undertake the duties of Executor or Trustee, and to act as Trustee for Debenture Stockholders, Public Institutions, etc.
LONDON OFFICE: 38, Threadneedle St., E.C.2
Every description of Banking Business transacted.

The April foreign trade report shows a new improvement, the passive balance (Reparations deliveries in kind being counted) having almost disappeared.

	April.	March.	Jan.–April.
	Marks (000's omitted).		
Imports :—			
Livestock	12,389	8,221	41,532
Foodstuffs	350,820	262,879	1,296,112
Raw and half-manufactured materials	691,802	562,955	2,488,959
Manufactured goods	199,890	187,875	784,586
Total merchandise	1,254,901	1,021,930	4,611,189
Gold and silver	11,558	9,519	41,151
Totals	1,266,459	1,031,449	4,652,340
Exports :—			
Livestock	1,647	1,389	5,713
Foodstuffs	83,588	49,260	246,613
Raw and half-manufactured materials	269,514	223,417	951,086
Manufactured wares	876,261	709,458	3,089,169
Total merchandise	1,231,010	983,524	4,292,581
Thereof deliveries in kind	66,822	52,602	240,880
Gold and silver	936,610	2,492	946,162
Totals	2,167,620	986,016	5,238,743

The improvement in the trade balance is a necessary consequence of the reversal in the movement of capital which has taken place this year; and indicates a return towards the conditions of 1926.

AUSTRIA.—LOAN PLANS—TRADE—MONEY AND STOCKS.

(FROM OUR CORRESPONDENT.)

VIENNA, May 27.

IN view of the resistance of Italy on the Reparations Commission and of the unfavourable situation of the international money market, the Investment Loan—the greatest hope for which was reposed in America and in the Western States of Europe—has misfired, and the possibility is now being discussed of issuing Treasury bonds at home redeemable in two to three years. An amount of 100 million schillings could probably be disposed of to the banks and savings banks. The banks, however, are not enthusiastic about the plan of a domestic loan, as they are not overburdened with liquid funds, and for many months the Stock Exchange has not permitted the issue of fresh shares for the enterprises with which the banks are connected.

The situation of the Austrian textile industry is unfavourable. In addition to the Neunkirchen mill, the Guntramsdorf mill is to be closed down, and the Trumau-Marienthal mill will greatly reduce its activity. The boot and shoe industry is also in a bad way, and efforts are now being made to put a stop to Czechoslovakian dumping. Whereas in the year 1925 there were 41 boot factories working, with a yearly aggregate output of seven million pairs, there are now only 21 in operation, with an output of a million and a half pairs. The leather industry, too, is in an unsatisfactory state. It is an interesting fact that Austrian export trade has changed its direction. Exports to Germany have fallen off, while those to Poland, Hungary, and the Balkan countries have increased, though, it must be said, at the cost of a relaxation of payment conditions. Expectations here in regard to the approaching trade treaty negotiations with Germany are not running high, the general opinion being that there will be no great change from the present state of affairs. The promotion of domestic brown-coal raising is important. The home requirement of brown coal is already being covered to an extent of 82 per cent. from the domestic fields. During the first quarter domestic brown-coal production showed increase of 100,000 tons over the corresponding period of last year. It should be mentioned that the increase in coal consumption is due less to the demands of industry than to household requirements. The Graz-Köflach railway, which owns large coal mines, and the majority of whose shares is now in the possession of the Alpine, has almost become financially sound after living through a crisis so serious that the shares became almost valueless.

The future of the Austrian money market still remains a problem. Several Czechoslovakian banks have lately offered loans in Vienna, for the Vienna banks are still paying 7 per cent. to 7¼ per cent. for dollar credits. The National Bank is doing its best to maintain its present rate, and, if it is at all possible, will not increase it. At the middle of May the Bank's Bills receivable Account stood at 186.5 million, as against something over 207 million schillings at the end of April, so that more than 20 per cent. of the fiduciary circulation was covered by the Bills Receivable Account, a condition which has not obtained for a long time, apart from the last day of the year. At the end of April deposits with the Vienna banks and saving banks amounted to 1,252 million schillings. These deposits are being added to more slowly now, because business activity is at a low pitch, and special earnings are lacking. For call money on savings books the banks give 4¾ per cent., and for time money the public gets up to 6 per cent.

The Vienna Stock Exchange still shows no signs of animation. The Vienna security holdings also suffered severe losses through the collapse of the Budapest banking house, Simon von Krausz, as a number of Hungarian shares, held in this country, fell considerably; moreover, big sales have been made in Vienna for some time now for Budapest account in Hungarian bank and industrial stocks. It is of some consolation to the shareholders of the Danube Steamship Co. that the Government now appears to be disposed to grant the company a subsidy for the purpose of maintaining the passenger services on the upper Danube. The company had declared that it would not resume this traffic this year without such an assurance.

NORWAY.—MONEY—BANKS—TRADE—SHARES—PRICES.

(FROM OUR CORRESPONDENT.)

TRONDHJEM, May 24.

THE monetary position in Norway is apparently only to a small extent influenced by the international position, as the market has remained very quiet during the last two months. This fact may be due to several circumstances, among which may be mentioned the influx of foreign exchange resulting from whaling operations, and the increase of balances abroad other than those disposed of by the Norges Bank. The latest return of the Norges Bank shows a slight contraction of the item "Notes in Circulation," from 302.5 million kroner on May 15th to 301.7 million kroner on May 22nd, while deposits at sight have risen by some 700,000 kroner. Discounts and loans went up from 272.8 million to 275.1 million kroner, while balances abroad and holdings of foreign bills were reduced by some 2 million kroner. It does not seem, therefore, that there need be any fear of a rise in the Bank rate; but still, so long as the international money markets remain in their present condition, the general feeling is that there is no telling what may happen in this respect.

The operations of the private joint-stock banks during the past months of the current year have been favourable, especially during the first two months, while March showed a comparatively important decrease in deposits. The official statistics for 1928 record the fact that the item "Balance in Account with Foreign Banks," which in December, 1927, showed a balance of 85 million kroner in favour of the foreign banks, had turned by September, 1928, into a balance in favour of the Norwegian banks. The balance amounted to 5.4 million kroner in December, 1928, and stood at 5.0 million kroner at March 31, 1929. The process of liquidation of the banks under public administration has been going on smoothly, and at present only three banks, with total assets of about 50 million kroner, are left under official administration, the others having either gone into liquidation or been reconstructed.

The foreign trade figures for April have just been published, and show an excess of imports over exports of nearly 35.8 million kroner, against 27.8 million kroner in April, 1928. This development is due to a heavy rise in imports, viz., from 75 million kroner in April, 1928, to 98 million kroner this year, a rise which is only partially offset by an improvement in the export figures, viz., from 47.7 million to 62.8 million kroner. The rise in imports is chiefly due to an increased import of vessels, cars and machinery, while the rise in other import items, such as drapery goods, cereals, produce, and raw and half-finished materials, is comparatively small. The rise thus chiefly falls on instruments of production, a fact which, to some extent, alleviates the concern that may be felt at this substantial increase in imports. Among the export items, paper and pulp and fertilisers show the greatest rise.

According to the official figures, the Lofoten cod fisheries this season have been unusually good, the total returns being 130.5 million kilograms, a result which exceeds all previous records. The total value of the fishery to the men engaged in it is calculated at 17.6 million kroner, against 16.6 million kroner last year. The Finmark fisheries, which have not yet come to an end, have hitherto not been very good, but an improvement may still take place.

The bond and share markets have been rather quiet lately, with a firm tendency in Government stock, especially as regards the high interest-yielding bonds. Banking, industrial and shipping shares have been rather featureless, while the turnover in whaling shares has been on the increase with rising quotations. According to the Central Bureau of Statistics, the general price index at May 15th shows a decline of 2 points to 152, as compared with 154 on April 15th.

LEGAL & GENERAL
ASSURANCE SOCIETY LIMITED
Established 1836.
LEASEHOLD REDEMPTION POLICIES
Head Office: 10, FLEET STREET, LONDON, E.C. 4.
near Temple Bar.
Assets Exceed - - £20,750,000
General Manager: W. A. WORKMAN, F.I.A.

FINLAND.—THE MONEY MARKET—BUSINESS—FOREIGN TRADE—THE DIET.

(FROM OUR CORRESPONDENT.)

HELSINKI, May 18.

THE money market has been quiet lately. The position is still marked, it is true, by the stringency experienced since the middle of last year, but there is a tendency towards improvement. This is clearly seen in the position of the Bank of Finland. The foreign balances of the bank, which usually are reduced by two or three hundred million marks or even more between the beginning of the year and the end of April, fell off this year to an extent of only about 70 millions, and grew by another 12 millions during the first week in May. Credits, on the other hand, were about 90 millions less on May 8th than they had been at New Year, whereas last year they rose by 250 million marks, and in 1927 by 50 millions during the corresponding period, while the note reserve, which usually decreases at this season, has gradually increased from 209 millions at the end of last year to 395 millions on May 8th. The bills rediscounted by the joint-stock banks at the Bank of Finland have also been reduced to some extent, from 677 millions at the end of 1928 to 542 millions at the beginning of May. In comparison with the corresponding figures for past years at the same date, however, barely 3 millions last year and 5 millions in 1927, it is apparent that the position is still strained.

The position of the joint-stock banks has been tight during the last few months. Credits have not, indeed, increased anything like as much as last year, only by 325 million marks, compared with 845 millions, but at the same time deposits were much smaller than then. Against an increase of over 520 millions during January-April last year there is now a rise of scarcely 250 million marks. Thus the difference between the credits and deposits of the joint-stock banks has again grown this year, though only by a bare 75 millions, as against about 320 millions during the same period last year. That the banks were nevertheless able to reduce their rediscounting at the Bank of Finland was solely due to the fact that they were in a position to increase their net indebtedness abroad.

In general, trade is somewhat reduced from the record pace of the early part of 1928. It is, however, clear that the development of the money market has not had serious consequences for economic enterprises, at any rate, so far. The number of protested bills and their amount were, indeed, two or three times as large as during the same time last year, but on the contrary the number of bankruptcies was no greater than in previous years. It is natural that the business done on the Stock Exchange was very small. It looks, however, as if things had touched bottom. Industrial production increased appreciably in the course of last year, though financial results were often unsatisfactory.

For the completed four months the value of imports amounted to 1,899 million marks compared with 2,292 millions last year and 1,677 millions for the same time in 1927. Exports amounted to 1,056 million marks for January-April as against 983 millions last year and 997 millions in 1927. For this season of the year, when exports of sawn timber are quite at a standstill, there is, as usual, a considerable surplus of imports. It amounted to 843 million marks, thus showing a considerable improvement over last year, when the surplus of imports amounted to 1,309 million marks.

On April 19th the Diet was dissolved by the President. The immediate cause was the defeat by the Diet of the Government's proposals for improving the conditions of pay of civil officials. Before the dissolution the Diet had dealt with a number of important measures. Among these the following should be mentioned: the law regarding the prolonging of export credits, the laws regarding loans for improving agriculture and the regulating of production, importation and trade in cattle food and fertilisers, the granting of State guarantees to the Mortgage Society of Finland and the Industrial Mortgage Bank of Finland for taking up foreign bond loans, and amendments of the regulations for the Bank of Finland.

CANADA.—WEATHER—SEEDING OPERATIONS—GRAIN PRICES—BUSINESS OUTLOOK.

(FROM OUR CORRESPONDENT.)

OTTAWA, May 15.

THE spring has been decidedly backward and unpleasant in Canada and spells of cold wet weather have hampered the farmers in their seeding operations. In Quebec and the Maritime provinces practically no seeding had been done at the end of April and farm work is still behindhand. In Ontario, weather conditions were rather better but not as good as usual. On the prairies seeding, which became general about April 23rd, began rather earlier than last year, but it proceeded under discouraging conditions, as the weather was cold and heavy night frosts occurred frequently. Snow and rain halted farming operations, but were far from unwelcome as the reserves of moisture in the soil were in many places inadequate. In Manitoba the seeding of wheat is practically completed and it is about 90 per cent. completed in Saskatchewan, but Alberta has still at least 20 per cent. of its wheat acreage to seed. Some wheat is above ground but it has actually suffered from its early start as it has been damaged by frost. The cold weather has retarded growth and as a result pasturage on the prairies is abnormally poor for this time of year. British Columbia has also had a poor spring and live stock are experiencing difficulty in finding sufficient feed, moisture and warmer weather being urgently needed; however, fruit trees show a good bloom and promise an excellent crop. Altogether the spring of 1929 has been the least satisfactory of recent years, but a spell of warm weather accompanied by timely rains would soon improve conditions. The indications are that the anticipations of a substantial increase in the acreage planted to wheat will not be realised.

As far as the farmers of western Canada are concerned, a much more serious blow than the new American tariff has been the sharp slump in wheat

prices which has already carried them about 25 cents below their peak for the year and brought them to the lowest level for some years. The loss will run into millions of dollars as there is no immediate hope of the market strengthening, and it will be distributed among farmers, the grain trade, the milling and baking companies and speculators. Comparatively little grain remains on the farms, but there is a huge quantity in the elevators and a serious grain blockade has developed at Montreal and other points. The co-operative wheat pools are being blamed for holding back their grain, but their secretary has issued a statement denying this charge and asserting that the pools were quite satisfied with the present situation as they had foreseen it and taken steps to prepare for it. He also asserted that the pools had already assured for themselves a good average price for the whole year's operations and that the latest debacle illustrated the inadequacies of the present grain marketing system which permitted vast quantities of grain to be dumped on the world market regardless of the relation of demand to supply. The slump is chiefly attributed to the advertisement given to the world of the difficult position of holders of wheat in the United States by the announcement that the American railways, under pressure from the Hoover administration, were about to put in force emergency rates for export wheat to facilitate its disposal. The Canadian railways have now met the American cuts by reducing their rates from the Great Lakes to tidewater, but this move can do little to stimulate the export of Canadian wheat because Canadian transport rates are on a water basis and were already at a lower level than American rates.

The disposal of the balance of the wheat crop of 1928 at what would be regarded as a reasonable price will now present a difficult problem and a heavy carryover into the next crop year now seems almost inevitable. In view of the heavy crop of American winter wheat which is now assured, prices are not likely to rise for many months, and consequently the Canadian graingrowers are very pessimistic about their immediate future. The slump in grain prices will materially diminish the amount of money which would come into the farmers' hands this summer and the business community is beginning to realise that it would do well to prepare for a curtailment of trade in the prairie provinces. There is also some disquietude about the future of the mining industry on which such high hopes have been based. The latest annual report of the Hollinger mine was a very disappointing document, and other well-known mines which were reported to offer a certainty of continuously rich yields, are not living up to expectations. There are rumours abroad of a plan for the merger of some of the leading mines in the Porcupine district to permit economies, but, anyhow, at the moment most mining stocks are a drug upon the market, and many investors are mourning the disappearance of capital which has been sunk in mining ventures. Add to this the difficulties of the newsprint industry which have not been solved and the omens at present point to a slackening of Canadian business in the latter half of the year. But for the moment there are no sign of any real recession and the carloading figure for the week ending May 4th, placed at 67,449 cars, while it shows a slight decline of 481 cars from the figure for the previous week, is still 3,070 cars above the figure for the parallel week of 1928.

NEW ZEALAND.—TRADE—BANKING—PUBLIC FINANCE—TRANSPORT.

(FROM OUR CORRESPONDENT.)

CHRISTCHURCH, April 22.

TRADE returns now published for the March quarter show that both quantities and values of exports have been maintained at a high level, and the exceptionally favourable balance of overseas trade is continued. Exports for the quarter were valued at slightly more than £24 million, nearly a million higher than last year, and, for the year ending March, 1929, at £57 million, an increase of over £2 million on the preceding year. Imports for the quarter amounted to £7.6 million, slightly less than for the first quarter of 1928, and for the year totalled £45 million. The favourable balance for the year's trading amounts to £12 million, compared with £10½ million for the preceding year. It is expected that this fortunate position will be well maintained throughout the export season, which normally ends in June.

The very favourable trade situation continues to be reflected in satisfactory banking returns, and the March quarter's figures show that ample funds are available. During the past year deposits have increased from £52.3 million to £58.2 million, while advances and discounts combined have increased only from £46.1 to £46.4 million. Free deposits, however, increased by only £1.3 million, while fixed deposits expanded by £4.1 million, and Government deposits by nearly £½ million. The extraordinary concentration of funds in fixed deposits has occasioned considerable discussion. It is possible that lower rates of interest on both fixed deposits and advances would reduce fixed deposits and expand advances, and so lead to a more normal ratio between deposits and advances, but, in view of the high bank rates ruling in Britain, the United States and Australia, it would probably be more remunerative to use New Zealand funds elsewhere than to reduce local rates. In some quarters it is suggested that export of private capital has occurred during the past year. Australian securities are rapidly increasing in popularity in the share markets, and for the past year, while the trade balance was £12 million in the Dominion's favour, the balance of payments was favourable to the extent of only about £5 million. Since new loans raised abroad approximately balance interest payments abroad, it is difficult to account for so great a discrepancy. No adequate figures are available for other invisible items in the balance of payments, but an excess of exports over imports of about £2 million is usually sufficient to balance payments, and this leaves about £5 million unaccounted for. Part of the difference may be due to a reduction of immigrants' capital, for net immigration amounted to only 800 in 1928, compared with 12,000 in 1926, and the remainder to overseas investments by New Zealanders. In any case, the high level of fixed deposits, the low level of advances, the possible export of capital, and the failure of imports to expand with exports, all indicate that, despite very favourable trade conditions, the Dominion has not yet fully recovered confidence after the depression of 1926-27.

In a recent statement on public finance, the Prime Minister (Sir Joseph Ward) announced that a deficit was expected for the financial year ending on March 31st. Preliminary figures show that this will be approximately £550,000. Customs were £302,000 and income tax £89,000 short of the estimates, while expenditure on pensions has exceeded the estimate. Such a deficit is extremely unusual in New Zealand. In order to secure greater control and systematic review of the expenditure of loan moneys, Sir Joseph proposes to amend the form of the public works estimates so that they may show the estimated total cost of each work, when authorised, the total expenditure on each work to the end of the last complete financial year, and the estimated amount required to complete the work.

Other important changes announced by the Prime Minister are the speeding up of State advances, loans to settlers and workers from December 10, 1928 to April 16, 1929, having amounted to slightly more than £2 million, and the cessation of work on certain new railway projects, the Palmerston North deviation and the Rotorua-Taupo line, which are not expected to prove paying propositions. Widespread support has been given to this restriction of railway building, as the railways find difficulty now in paying their way, and these projects were regarded as likely to increase rather than diminish these difficulties. A Transport Ministry, under the Hon W. A. Veitch, Minister for Public Works, has also been formed, mainly with a view to the more satisfactory co-ordination of road and rail transport.

JAPAN.—INDUSTRIAL PROFITS—BANKING—TRADE—PRICES.

(FROM OUR CORRESPONDENT.)

TOKIO, May 8.

ACCORDING to Mitsui Gomei Kaisha's half-yearly analysis of profits of Japanese joint stock banks and industrial joint stock undertakings, the aggregate net profits of 300 banks for the second half-year of 1928 show a substantial increase at 93,619,000 yen, as against 62,472,000 yen for the first half of that year. In making comparison with the preceding half-year, however, it must be remembered that in the June half-year of 1928 a few Osaka and other provincial banks recorded a huge combined loss of 47 million yen as the worst sufferers from the after effects of the banking crisis in 1927, and when we eliminate the figures of those banks individual banks generally disclose decreased earnings reflecting easier money and lower money rates ruling during the period. On the other hand, net profits of 1,200 industrial companies totalled 273,899,000 yen, representing a decrease of 25,970,000 yen against those earned by the same concerns in the first half of 1928. This decline is mainly accounted for by heavy losses of a few large concerns in the groups of brewery, sugar, shipbuilding and mining. Electricity and gas, textiles, and many other sections continue an upward movement in profits, though trust companies, machinery and tools, trading companies and stores, and warehouses make a poorer showing, and the rubber companies show a steep decline. A small but welcome recovery is also recorded by such industries as iron and steel and land, mortgages, &c., which have long been in depressed state. The following table, which classifies the 1,200 companies into 24 groups, together with 300 banks, gives the comparison of last three half-years:—

BANKING AND INDUSTRIAL NET PROFITS.

	No. of Companies.	2nd half-year, 1927. Yen.	1st half-year, 1928. Yen.	2nd half-year, 1928. Yen.
Trust companies...	34	3,995,264	4,930,436	4,408,127
Electricity and gas	145	91,128,303	90,385,843	92,766,736
Textiles	104	38,986,321	39,729,510	40,228,258
Artificial silk	5	1,767,303	2,384,809	3,218,918
Breweries.....	5	6,549,685	7,553,066	2,608,662
Sugar	2	3,795,855	3,183,273	*Dr. 5,806,186*
Flour mills	6	732,563	*Dr.4,254,798*	1,139,572
Tanneries.....	5	439,231	333,844	520,215
Paper mills	26	10,319,120	10,182,847	10,727,952
Cement	17	*Dr. 60,252*	3,768,041	6,320,083
Chemical and drugs	111	976,305	9,392,607	11,844,696
Iron and steel	25	2,436,371	3,315,953	4,935,203
Copper	10	3,196,607	3,417,825	3,481,292
Shipbuilding	14	*Dr.30,153,063*	3,860,826	*Dr15,999,455*
Machinery and tools	107	9,840,161	11,793,443	11,067,158
Mining	45	18,262,021	18,920,170	11,838,977
Trading companies and stores	105	23,875,399	25,549,365	23,238,455
Stock and produce exchanges	32	5,521,327	4,597,021	5,220,043
Land, mortgages, &c.	60	4,542,804	4,788,392	5,073,982
Rail and road transport	154	31,511,747	31,145,592	31,765,365
Warehouses.....	28	2,111,817	2,098,237	1,291,840
Shipping	24	7,918,063	5,935,776	7,462,991
Rubber	13	993,623	1,041,665	178,344
Miscellaneous	123	12,473,617	15,815,421	16,368,214
Total	1,200	251,160,192	299,869,164	273,899,442
Banks	300	85,714,693	62,472,858	93,619,353
Grand total ...	1,500	336,874,885	362,342,022	367,518,795

The bank amalgamation movement is fast gathering momentum. According to the recent report of the Treasury, the number of commercial banks has decreased by merger by 252 during 1928—as against a decrease of 134 during 1927—the total number being thus reduced to 1,031 at the end of last year. Of the decrease, nearly 80 per cent. is accounted for by small institutions whose capital does not exceed one million yen, showing that small local banks are being rapidly forced into large combinations. The following table shows the comparison of the existing number of banks at the end of 1927 and 1928 dividing them into groups according to the size of capital:—

Size of Capital. Yen.	Number of Banks. Dec. 31, 1927.	Dec. 31, 1928.	Number of Diminution.
Under 100,000.....	140	99	41
Exceeds 100,000.....	350	250	100
,, 500,000.....	327	267	60
,, 1,000,000.....	251	217	34
,, 2,000,000.....	112	103	9
,, 5,000,000.....	48	46	2
,, 10,000,000.....	47	41	6
,, 50,000,000.....	8	8	...
Total	1,283	1,031	252

The record of foreign trade during last month is fairly satisfactory. The April return shows that imports at 212,735,000 yen were 24,681,000 yen higher than in the corresponding month of last year, and exports at 176,543,000 yen were 16,750,000 yen higher, the import excess being 7,925,000 yen larger. Though the increase in imports is largely accounted for by raw cotton, there is a noticeable expansion in iron and steel and machinery, while the chief declines are in rice, sugar and oilcake. On the export side, raw silk and cotton goods are mainly responsible for the expansion of exports. The increase of 6.8 per cent. in silk and 40 per cent. in cotton manufactures—the two staples which dominate Japan's trade—can be considered encouraging.

The Bank of Japan's wholesale index number for April recorded a fall of one-half of one per cent., the total being 225.13 as against 226.23 for March. Fourteen articles advanced, nineteen declined, and twenty-three remained unchanged. The noteworthy rise is in timber, on which import duty was raised at the end of March.

Letters to the Editor.

LIPTON'S CAPITAL REORGANISATION.

TO THE EDITOR OF THE ECONOMIST.

DEAR SIR,—Knowing the world-wide reputation which the *Economist* enjoys for its encouragement of equitable dealing in matters of finance, I am writing with some confidence to beg that you will make known the following facts in connection with the reduction and reorganisation of the capital of Liptons, Ltd.

I gather from the Stock Exchange Year Book that the 5 per cent. cumulative preference shares of the company rank first for dividend and capital, and I searched the scheme to see in what way the priority has been made effective. To my amazement, I found that it is proposed to write down each of these shares to 12s. (which will be sub-divided into one 5 per cent. non-cumulative first preference share of 10s. and two ordinary shares of 1s. each). The shares are, in fact, to be written down as drastically as the 9 per cent. preference shares over which they have priority, the only difference being that the rate of interest on the new shares to be substituted for the latter is reduced from 9 per cent. to 6 per cent.

Dealing first of all with the question of the priority for capital, the revised balance sheet on the last page of the circular letter to the shareholders dated the 24th instant, shows that the assets, after drastic reductions, amount to £2,729,947; that the debenture stock and other liabilities ranking before the 5 per cent. preference shares amount to £1,707,447; and that the balance, £1,022,500, is more than sufficient to meet in full the existing £1,000,000 of 5 per cent. preference shares. What has become of the priority?

Turning to the effect of the proposed reconstruction on income, the table on the top of page 3 of the circular letter referred to above shows that when the assumed profit available for dividend is £50,000 the 5 per cent. preference shareholders receive £28,146, which is equivalent to £2 16s. 3d. per cent. (instead of 5 per cent.) on the existing capital of £1,000,000, whereas the 9 per cent. preference shareholders receive £19,888, equal to £3 6s. 3d. per cent. (instead of nil) on the present capital of £600,000. Again, what has become of the priority?

I am quite aware that if the available profits should ever reach or exceed £100,000 the 5 per cent. preference shareholders would receive some compensation for the great concessions that are demanded of them, but past experience does not encourage them to place much value on this contingency. Moreover, the special reserve of £50,000 to be created for the

maintenance of dividends on the first preference shares should not have much weight in the balance, for the board expresses the belief that if the scheme goes through future profits should be sufficient to pay the revised preference dividends—in other words, they should amount to at least £43,000 a year. I am prepared to admit that in a reorganisation of capital in such circumstances as Lipton's are now placed the 5 per cent. preference shareholders (and, indeed, the debenture-holders) might be asked to agree to some sacrifice, but I submit that the facts I have endeavoured to place before you prove that they are being treated very unfairly.—Yours very truly,

J. A. ARCHER.

Christow, Grove Road, Sutton, Surrey.
May 29, 1929.

[Reference is made to the subject-matter of this letter in an "Investment Note" on page 1223.—ED., *Econ.*]

Books and Publications.

TORYISM—NEW AND OLD.*

"HISTORY teaches us," says Sir Reginald Mitchell Banks, early on in a vigorous little book, written with all the cheery animus of an Election manifesto, "that the Tory Party is always in danger of losing its creative qualities and forgetting its highest ideals at those very moments when the nation suffers from panic and calls upon it to concentrate on the destruction of the Jacobin." A cynic might add that "the nation" is much less apt to suffer from panic and to call upon it (or anyone else) to concentrate on the destruction of the Jacobin, than to demand that certain regenerative steps should be taken by its government, which the Tory Party interprets as panic and a Jacobin hunt. But such ruminations were not, perhaps, fairly to be expected from an active politician at this date in the calendar. His point of view is given by the passage later on (on Foreign Affairs) in which he recalls that: "My generation, after all, remembers 1897. We remember the might, majesty and dominion of that Empire which we adored in the symbolic person of Victoria. We remember, too, the Recessional—

> 'Still stands thine ancient sacrifice,
> An humble and a contrite heart.'"

Surely here—and elsewhere, too—at moments Sir Reginald has his tongue in his cheek? When engaged in abuse of the other side, and, notably, of the wicked Socialists, he has an entertaining fire and vim; but when he elevates his voice to lofty peroration, the sense of the hustings hovers over him. His logic may be assessed by his comparison of the opposition to Safeguarding with the opposition to chloroform in midwifery cases—"no such bigotry must be suffered to prevent industry bringing forth her offspring painlessly and in profusion"!

Dr Haden Guest is quite unable to forgive the party he has left, and his rancour involves him in the awkward position of trying to prove, at one and the same time, that the Labour Party is, as his title implies, turning its back upon Socialism, and that the "moderate men" in it are going to be driven by their scarlet tail into heady and super-Socialist courses. His pages make it very difficult to comprehend by what process of reasoning Dr Guest ever convinced himself that he was in sympathy with the Labour Party. What he writes about it here might have been written by a leader-writer in the *Morning Post*. His book is a psychological document, but it is his own psychology rather than that of Labour that it illuminates.

Toryism and the People is a much more serious work than either of these. It is the fruit of solid research into the obscure but very interesting period between 1830 and 1846—a period as to which Mr Hill remarks that "at the present time, when the doctrines of individualism have lost their influence alike over the intellect and the imagination, it is less difficult to estimate the relative position of Tory and Liberal social ideas than in the days of unquestioned Liberal supremacy." His main thesis is that Toryism, rooted in the soil, essentially the expression of a "country" party, resisted the present dominance of machinery, which, to its opponents, seemed a beauteous examplification of the irresistible workings of pure economic law, and looked back longingly to a past which they saw as a "half legendary paradise." Toryism, as he defines it, "never had anything in common with what is generally understood as democracy—the right of all, irrespective of property or intellect, to a share in government": the parliamentary party, "had it dared, would have resisted the introduction of a State-aided national system of education"; its alliance with the resistance to the new Poor Law and the curious associations into which it was brought with the masses of operatives who were bitterly disillusionised by Reform, was artificial in basis. Mr Hill is of opinion that the Toryism he describes has passed away—"Tory ideas could not be brought into harmony with proletarian conditions." But this does not detract from the value or interest of his study, which are great. It is full, too, of most fascinating side lights; such, for instance, as are to be found in his account of the progressive decline of mechanics' institutes, as members "would cease to yearn for useful knowledge and their institute would become a club. . . . The ordinary village labourer, faced with the alternative of imbibing useful knowledge at the mechanics' institute or beer at the local Conservative working men's society can never have been much in doubt"; or of the high moral sensitiveness which induced a "Whig Duke to act as chairman at a meeting of London wet nurses to consider the propriety of discouraging the consumption of Godfrey's Cordial and Daffy's Elixir until the opium question shall have been settled with Christian-like justice to the Chinese."

* "Toryism and The People." By Richard Hill, Constable. 10s. 6d.
"The Conservative Outlook." By Sir Reginald Mitchell Banks, Chapman and Hall, 5s.
"Is Labour Leaving Socialism?" By L. Haden Guest, Murray, 2s. 6d.

MANAGERIAL PROFIT-SHARING.

THE appearance of Mr Balderston's detailed monograph on managerial profit-sharing in the U.S.A.* is symptomatic of the growing cleavage between the function of ownership and the function of management in modern industrial organisation, and of the consequent emergence of an industrial bureaucracy inspired by the stimulus of fluctuating gain. What substitute stimulus can be devised to extract the last ounce of initiative and efficiency out of the salaried executive, of whatever grade, whose effort may contribute "the something extra" over and above due compensation to invested capital? Mr Balderston's answer is managerial profit-sharing, which he defines as "the sharing of net income with management on a definite basis, fixed in advance." What this precise basis shall be is necessarily a matter demanding careful adaptation to the conditions of the firm or group concerned; and his summary of sixty-five profit-sharing schemes in actual operation show a remarkable diversity in this respect. But he is able to distil a number of instructive and convincing generalisations from his recorded facts, and the widest of is that, although the progress of managerial profit-sharing is slow, by reason, he surmises, of demarcation and measurement difficulties plus business conservatism, it is remarkably sure. As compared with rank and file profit-sharing schemes, it has a strikingly low mortality rate. Existing schemes, given the predetermined basis, have been characterised by "exceptional success," and all things considered, Mr Balderston regards it as strange that the system has not been adopted more widely. Perhaps as a result of his lucid and informative exposition it will be.

* "Managerial Profit Sharing." By C. Canby Balderston. John Wiley & Sons, New York. P . + 127. $2.50.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

The Age of Grey and Peel. By the late H. W. Carless Davis. With an Introduction by G. M. Trevelyan. Oxford University Press, Warwick Square, London. 15s. net.

We welcome the publication in book form of the Ford lectures for 1926. The value of an analysis, by an historian of Professor Davis' calibre, of the ideas and character of the Whig and Tory parties will be recognised not only by historians, but by everybody who is interested in modern politics.

Unemployment. Some International Aspects, 1920-1928. (London) P. S. King and Son, Limited, 14 Great Smith Street. 5s.

This international survey of unemployment is divided into three sections, dealing respectively with "Unemployment and Monetary Fluctuations," "Unemployment in the Coal-Mining and Textile Industries," and "Unemployment and International Migration." There is a large collection of graphs based on the statistics of each of the principal countries.

League of Nations. Memorandum on Production and Trade, 1913 *and* 1923-927. (London) Constable and Co., Orange Street. 2s.

This publication is divided into four sections, dealing repectively with population, production, trade and the relative movements in the prices of raw products and manufactured articles.

League of Nations. International Statistical Year Book, 1928. (London) Constable and Co., Orange Street.

This invaluable publication of the Economic and Financial Section of the League of Nations contains the usual statistics for each of the principal countries of territory, population, production, trade, transport, public finance and prices.

Commerce. By S. Carter. (London) Oxford University Press, Warwick Square. 3s. 6d. net.

An introductory book on the organisation of wholesale and retail trade. There are chapters on currency and banking, the stock exchange, insurance and transport.

Interrelationships of Supply and Price. By G. F. Warren and F. A. Pearson. (New York) Cornell University, Agricultural Experiment Station.

This very interesting statistical study is based on the price movements of a wide variety of farm products. The treatment is very thorough, and includes an examination of the relationship between wholesale and retail prices.

The Process of Inflation in France, 1914-1927. By James Harvey Rogers. With the assistance of his students, August Maffry and Robert E. Landman. (London) Oxford University Press, Warwick Square. 25s. net.

In addition to the material indicated by the title, there is a chapter on exchange, prices and circulation in Germany, 1918-1923, and two chapters of theoretical analysis, in which the apparatus of Fisher and Keynes is employed.

Taxation in the Modern State. By Alzada Comstock. (London) Longmans, Green and Co., Limited, 39 Paternoster Row. 10s. 6d. net.

This volume aims at filling a gap in the text-books of public finance by analysing those tendencies in post-war national practice which appear likely to become permanent.

Bankers and the Property Statutes of 1925 *and* 1926. By R. W. Jones. (London) Sir Isaac Pitman and Sons, Limited, Parker Street, Kinsway. 6s. net.

Sets forth those principles in the new law which more particularly affect bankers when dealing with land as security.

The Arithmetic and Practice of the Foreign Exchanges. By A. G. Sugg. (London) Sir Isaac Pitman and Sons, Limited, Parker Street, Kingsway. 3s. 6d. net.

An extremely useful handbook for bank clerks and others who have occasion to make practical exchange calculations. Much of it would also be of use to the theoretical student in making his conceptions more concrete and vivid.

Federal Finance in India. By K. T. Shah. (Bombay) D. B. Taraporevala and Sons, Kitab Mahal, Hornby Road. Rs. 6s.

This is a reprint of a course of lectures delivered at Patna University.

The Technique of Speculation. By P. S. Seward. (London) Sir Isaac Pitman and Sons, Ltd., Parker Street, Kingsway. 5s. net.

This might be described as a text-book for speculators.

Foreign Office Organisation. By Henry Kittredge Norton. Supplement to the Annals of American Academy of Political and Social Science.

A comparison of the organisation of the British, French, German and Italian Foreign Offices with that of the Department of State of the United States of America.

The Annals of the American Academy of Political and Social Science. Women in the Modern World. (Philadelphia) American Academy of Political and Social Science, 3622-27 Locust Street.

Le Danemark. (Copenhagen) Published by the Foreign Office and Statistical Department.

A description, in French, of the social and economic organisation of Denmark. The treatment is in guide-book form.

The Railway Year Book for 1929. (London) The Railway Publishing Co., Limited, 33 Tothill Street. 5s. net.

A very complete handbook containing all manner of information directly or indirectly connected with railways. There are maps; generous statistics; details of associations and institutions; and, in the case of British railways, a chronological list of important events dating back to 1602.

The Oil and Petroleum Year Book, 1929. By Walter E. Skinner. (London) Walter E. Skinner, 15 Dowgate Hill. 7s. 6d. net.

Contains the usual statistics of petroleum production and financial details of oil companies.

Industry Year Book and Directory, 1929. (Calcutta) Industry Book Department, Keshub Bhaban, 22 Shambazar Bridge Road. Rs. 5.

A useful guide book to the economic organisation of India.

The Official Year Book of New South Wales, 1927-28. Compiled by T. Waites. (Sydney) Alfred James Kent. 7s. 6d.

A satisfactory feature of this very complete year book is its efficient index. The information given is comprehensive and the provision of statistics lavish.

The Corn Trade Year Book, 1929. *International Grain Trade Statistics.* By G. J. S. Broomhall. (London) "Corn Trade News," St. Mary's Chambers, St. Mary Axe. (Liverpool) Northern Publishing Co., Limited. 7s. 6d. net.

Contains statistics of acreage, production, yields, trade, prices, shipments and stocks of wheat, maize, barley, oats and rye.

Interim Report on Protein Content as a Factor in Grading Wheat. (Ottawa) Council on Scientific and Industrial Research.

The Realist, June, 1929. (London) Macmillan and Co., St. Martin's Street.

Articles in this number include "The Conquest of the Wastes," by Sir John Russell; "Trade Unionism's Future," by W. Milne-Bailey; and "Schools or Scholars," by M. Alderton Pink.

Oil Facts and Figures, May, 1929. (London) F. C. Mathieson and Sons, 16, Copthall Avenue. Price 1s. 6d.

Gives valuable statistical information concerning oil companies.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2.

Report of the Chief Registrar of Friendly Societies for the Year 1927: *Part* 2. Friendly Societies. 4s. net.

Accounts Relating to the Trade and Commerce of Certain Foreign Countries and British Countries Overseas during the Period ended December 31, 1928. 6s. 6d. net.

Department of Overseas Trade: Economic Situation in Czechoslovakia, March, 1929. 1s. 6d. net.

COMMONWEALTH OF AUSTRALIA

BUREAU OF ECONOMIC RESEARCH

Applications are invited for the position of Director of the Bureau of Economic Research. The powers and functions of the Bureau and conditions of service, etc., of Director are set out in the Economic Research Act, 1929, which may be examined at undernoted address.

The term of appointment will be seven years with salary at the rate of £1,500 per annum. Applications marked "Research," setting out particulars of age, qualifications, experience and war service, if any, should reach the OFFICIAL SECRETARY, COMMONWEALTH OF AUSTRALIA, AUSTRALIA HOUSE, STRAND, W.C.2, not later than 12 noon, 1st July, 1929.

The Stock Exchange.

THE TIN OUTLOOK.

WHEN last we reviewed the outlook for tin shares (*Economist*, October 6, 1928) the price of tin was recovering from the year's lowest level of £206, which it reached in July last. This recovery carried the price to over £240 a ton, but it was short lived. By the end of the year the price had fallen to £225, and, after a period of comparative stability between £220 and £225, it experienced a sharp fall in April, which brought it to £196 a ton. At the moment of writing it has improved to £199.

In October, last year, we described the tin outlook as extremely uncertain, and cited the sharp conflict of opinion in the trade on the future of prices. There is the same outlook, the same conflict, to-day. It is almost impossible for an investor who is outside the trade to take any but the long view of the tin situation. Nevertheless, thanks to the publications of the Anglo-Oriental Mining Corporation, more statistics are now available than used to be the case, and it is worth the investor's while to examine the trend of production and consumption figures this year.

The "visible supply" returns of the London Metal Exchange are admittedly incomplete. They are made up of stocks landing or warehoused in Great Britain, the United States and Holland and tin afloat to Great Britain, the United States and Europe from the Straits, Batavia and China, but they do not include stocks of tin and tin-ore in the Straits Settlements, the Dutch Indies, China and Hong-Kong, or of tin-ore afloat from Bolivia and Nigeria to Europe or tin in course of smelting and in consumers' hands. The Anglo-Oriental Mining Corporation supplements the "visible supply" returns by estimating the stocks held in the Straits Settlements.* These two sets of figures up to April are given in the following table:—

	(Long Tons). "Visible Supply" (Metal Exchange).	Visible Supply, *plus* Stocks in East (Anglo-Oriental Mining).
At end December, 1927 ...	15,733	19,553
„ December, 1928 ...	24,563	26,817
„ January, 1929	24,237	27,351
„ February, 1929 ...	26,402	30,359
„ March, 1929.....	26,632	30,492
„ April, 1929	26,353	28,986

It will be seen that, since December, 1928, the "visible supply" returns of the Metal Exchange show an increase of 1,790 tons, and those of the Anglo-Oriental an increase of 2,169 tons. The Anglo-Oriental Mining Corporation goes further and estimates world production and consumption by making use of Government and trade returns and estimating the production of "common" tin in Great Britain, which is not usually given in the returns. These supply and demand estimates are shown in the next table:—

	(Estimates of Anglo-Oriental Mining) In tons. World Production.	World Consumption.	Excess of Supply.
12 months, 1927	139,579	137,826	1,753
12 months 1928	159,128	152,586	6,542
4 months 1929.....	55,476	53,213	2,263

These estimates, showing an over-production of 6,542 tons for the twelve months of 1928 and of 2,263 tons for the first four months of 1929 (the latter figure confirming the increase in the "visible supply," plus stocks in the East, returns of 2,169 tons), largely account for the sensational fall in the price of tin in 1928 and the further reaction in April, 1929.

* These estimates are arrived at by taking the difference between the metal equivalent of ore supplies arriving in the Straits for smelting and the shipments of tin from Penang and Singapore.

But the economic situation is scarcely so discouraging as these figures would suggest. To ascertain the trend of production and consumption it is advisable to compare the position as shown by three months' moving averages in each case. These averages, using the production and consumption figures of the Anglo-Oriental Mining Corporation, are shown in the following table:—

Monthly average of 3 months ending—	In tons. World Production.	World Consumption.
December, 1928	14,170	13,169
January, 1929	14,650	13,654
February, 1929.....	14,457	12,391
March, 1929	13,802	12,802
April, 1929.....	13,685	13,265

These monthly average figures have recently disclosed a declining trend for production and an ascending trend for consumption—in other words, a tendency for supply and demand to balance. An outstanding fact of the trade returns this year has been the record figures of deliveries of tin in the United States, which consumes more than half the world's output. For the four months of 1929 United States deliveries amounted to 32,155 tons, against 26,175 tons in the corresponding quarter of 1928, an increase of 23 per cent. In view of the 50 per cent. increase in the production of automobiles in the United States and Canada and the 7 per cent. increase in the United States production of tin plate, in the first quarter of this year as compared with the first quarter of 1928, these "record" deliveries of tin in America are not surprising. The trend of tin consumption is unmistakably upward. That the trend of production is downward is not so apparent, but it is significant that the returns published for 1928 by the Warden of Mines, Federated Malay States, have disclosed the fact that when the price of tin falls below the level of £220 a ton there is a distinct falling off in output from the less efficiently managed concerns. Thus, during 1928, the Federated Malay States labour force declined by about 11 per cent. in the larger mines and by about 15 per cent. in the smaller. It is reasonable to draw the conclusion that, if it had not been for the extensive dredge construction programmes which became operative in 1928, the decline in the total labour force in the Straits would have been much more extensive. The fact that the dredges entering operation in 1929 are chiefly not additions but in *substitution* of existing methods of production suggests that a downward trend for Straits production is probable. Until another four months' figures are available it is, however, unwise to say more than that the chances of production and consumption balancing in 1929 are distinctly better than they appeared at the beginning of the year.

At this point the investor may remark that even if he is persuaded to take a definite view of the economic outlook of the tin industry, he must perforce buy the shares of individual tin-producing companies "in the dark," for, without local or technical knowledge of the dredging or mining operations, the monthly returns of output are meaningless. The force of this objection cannot be denied. Of course, if the price of tin were to advance steadily, most tin shares would automatically be quoted higher on the Stock Exchange. For practical purposes of investment, the buyer of shares should keep to the freer markets (the tin share market is proverbially narrow) or follow the managements known to be efficient and sound, or buy only the shares of the finance and holding companies. We give in the next table the prices ruling to-day and in October last of four Malayan companies, one Nigerian, one Burmese (Tavoy) and one of the holding companies (Tin Selection Trust) of the Anglo-Oriental group which we gave in our article of October 6, 1928, together with the last dividends and the estimated dividend yields:—

Shares.	Prices. Nov./28	To-day	Divs. for Year. %	Est. div. Yield. %
Malayan Tin, 5s.	28/6	25/9	65 to June, '28 ...	10·7
Siamese Tin, 5s.	23/6	15/–	40* to Dec., '28 ...	13·3
Kamunting Tin, 5s. ..	18/9	15/1½	40 free to June,'28	10·0 free of tax.
Idris Hydraulic, 5s....	18/6	15/–	40 to Dec., '28	11·9
N. Nigeria (Bauchi) pref. 10s.	32/6	26/3	50 to June, '28 ...	17·3
Tavoy Tin, 4s.....	25/9	10/9	35 $\frac{6}{12}$ to June, '27	(†)
Tin Selection Trust, £1	36/3	23/–	15 to Dec., '28	13·5

* Est. final at 10%, 1927 divs. were 50%.
† Yield impossible to estimate as int. div. passed.

It will be seen from this table that the fall in the price of these leading tin shares has been severe. Allowance has been made in the calculation of the dividend yields for a reduction in dividends from 65 per cent. to 55 per cent. in respect of Malayan Tin Dredging for the year ending June, 1929, from 40 per cent. to 30 per cent. tax free in respect of Kamunting for the year to June, 1929, from 40 per cent. to 35 per cent. in the case of Idris Hydraulic for the year ending December, 1929, and from 50 per cent. to 45 per cent. for Northern Nigeria (Banchi) for the year to June, 1929. The yield of 17.3 per cent. obtainable from Northern Nigeria (Bauchi) participating preference shares is notable seeing that the hydro-electrification of the Bauchi plateau has brought down the operating costs of this company to the level of the lowest costs in Malaya. The yield of 13½ per cent. on Tin Selection Trust shares is perhaps misleading because this company has recently increased its capital by 50 per cent., but allowance must be made for the earnings to be derived from the new capital. The other holding companies of the Anglo-Oriental group are London Malayan Tin Trust and London Tin Syndicate. Half the investments of the parent, Anglo-Oriental Mining Corporation, are spread between these three holding companies.

We repeat that, although the chances of balancing tin production and consumption this year have improved, the only safe view for the investor to take is the long view. The Warden of Mines of the F.M.S. stated in his annual report that, on the present basis of dredging operations, the dredging ground now held would be more or less worked out in about fifteen years. High prices for tin would naturally stimulate the search for new deposits. Meanwhile, we understand that in order to husband their resources and check the selling of metal at uneconomic prices, the tin producers of the British Empire, which account for over half the world output, are meeting together to consider plans for some measure of output reduction. While the price of tin remains under £200 a ton there is a strong incentive for British tin producers to co-operate. And shareholders should exhort them to do so.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
June 11.	June 13.

APART from "shop" activity in Rhodesian mining shares, little business was undertaken before Polling Day in any of the markets. Sellers were not greatly in evidence, and consequently through these dull days the tone remained satisfactorily steady. The Wall Street slump, accompanied by a slight improvement in the dollar exchange from the dangerously low level reached last week, brought about a general rise in the gilt-edged market on the presumption that speculation in New York was being checked to some effect. Anglo-American counters, on the other hand, naturally suffered, though Tuesday's rally in New York enabled them to regain some ground. The results of the new Commonwealth of Australia loan and the Central Electricity Board issue became known on Wednesday, when dealings in them started. Underwriters were left with 48 per cent. of the former, not an unreasonably large amount considering all the adverse factors—our money position *vis-à-vis* New York, the absence of good news from the Reparations Conference, and the nearness of the General Election—

LONDON ACTIVE SECURITIES.

	Closing Prices May 23.	May 30.	Rise or Fall.
British and Colonial Government Securities.			
Conv. Loan 3½%	76⅞	77⅛	+ ⅛
Do. 4½% 1944	98	96½x	+ ⅛
War Loan 5% 1929-47	100⅜	101	+ ⅛
Consols 2½%	54	54⅛	+ ⅛
Do. 4%	86	86⅛	+ ⅛
Funding 4%	87⅛	87⅜	+ ⅛
Victory Bonds 4%.....	91⅛	92⅛	+ ⅛
Local Loans 3%.....	63½	63⅛	– ⅛
Foreign Government Securities.			
Japanese 6% (1924) ..	97	98	+ 1
Argentine 4% Recies..	85½	85½	...
Austrian 6% 1923-43..	103	103½	+ ½
Belgian 7%	106½	106½	– ½
Brazil 6½% (1927)	92½	93	+ ½
Bulgaria 7%.....	86	86	...
China 5% (1912)	46½	46½	...
Czechoslovakia 8%....	111½	111½	...
Egypt Unified 4% ...	81	79½	– 1½
French 5%	97	98	+ 1
Do. 4% (Brit.).....	17⅛	17⅛	...
German 7%	103⅛	103⅛	...
Greek 7% Refugee ..	100½	100½	– ½
Hungary 7½%	102½	102½	...
Chili 6%	98⅛	98⅛	...
Poland 7%	87⅛	86	– 1⅛
Mexican 5% (1899)	30	31	+ 1
S. Paulo Coffee 7½%	103	103	...
Corporation Stocks.			
L.C.C. 3%	63	63	...
E. London 5% 1960-70	98	98	...
Sydney 5½% 1954 ...	97	97	...
Berlin 6% Ster.....	93	93	...
British and Foreign Railways.			
G. Western Ord. Stk...	85½	85½	...
L.N.E., Def. Stk.....	12	12½	+ ½
Do. 5% Pref. Stk...	27½	28½	+ ½
L.M.S. Ord. Stk.	52⅜	52½	+ ⅛
Metropol'an Cons. Stk.	61	61	...
Met. District Ord. Stk.	76½	76	– ½
Southern Def. Stk. ...	30⅜	30½	– ⅛
Do. Pref. Ord. Stk.	73⅛	73½	– ⅛
Underground Ord. £1	1⅛	1⅛	...
Do. Income Bonds..	112	111½	– ½
Can. Pacific Com. Stk.	232½	229	– 3½
Antofagasta Ord. Stk.	107½	110	+ 2½
B.A.&Pacific Ord.Stk.	102½	104	+ 1½
B.A.Gt.Sthn.Ord.Stk.	107⅛	109	+ 1½
B.A.Western,Ord.Stk.	93⅜	95	+ 1½
C. Argentine Ord.Stk.	97⅛	98⅛	+ 1
Cordoba Ord. Stk. ...	39	39	...
G.W. of Brazil £10 ...	4	4	...
Leopoldina Ord. Stk.	61	58½x	...
San Paulo Ord. Stk.	203	204	+ 1
Taltal Ord. (£5).....	5	5	...
Utd. Havana Ord.Stk.	41½	39½	– 2
Banks.			
Bank of England Stk.	249	249	...
Barclay B. (£1).....	2⅛	2⅛	...
Barcl.(Dom. &c.) A £1	1⅛	1⅛	...
Lloyds £5, with£1 pd.	3½	3½	– ⅛
Midland £1, fully pd.	3⅛	3⅛	...
Nat. Prov. £20,£4pd.	13⅛	13⅛	– ⅛
Com.Bk of Austr. 10/	1⅛	1⅛	+ ⅛
Hongk. and S.($125)	133	132	– 1
St. of S. A.£20,£5 pd.	15⅛	15½	+ ⅛
W'minster £4, £1 pd.	3⅛	3⅛	...
Insurance.			
Alliance £1, fully paid	20	19½x	...
Com. Un. £2½, fully pd.	26½	26x	...
Ldn.& Lanc. £5, £1 pd.	30½	30x	...
N.B.&Merc.£5,£1¼pd.	36½	35½x	...
Phœnix £1.....	14⅛	14½x	...
Roy.Ln.£1,with10/ pd.	8⅛	8⅛x	...
Coal, Iron and Steel.			
Amal. Anthracite (£1).	⅜	⅜	...
Babcock, Wilcox (£1)	3⅛	3⅛	...
Baldwin (4/).....	⅛	⅛	+ ⅛
Bolckow Vaughan (£1)	⅛	⅛	...
Cory, William (£1)	2⅛	3	+ ⅛
Dorman, Long (£1) ...	⅜	⅜	...
Guest, Keen (£1)	1⅛	2	+ ⅛
Powell Duffryn (£1).	1	1	...
Stewarts&Lloyds(£1)	1⅛	1½	+ ⅛
Swan, Hunter (£1) ..	1⅛	1⅛	...
Thornycroft,John(£1)	4½	4⅝	+ ⅛
Vickers (6/8)	⅛	⅛	...
Textiles.			
Bradford Dyers (£1)..	2⅛	2⅛	+ ⅛
Brit.Celanese,Ord.(10/)	2⅛	2⅛	– ⅛
Coats, J. and P. (£1)...	3⅜	3⅜x	...
Courtaulds.....	4⅛	4⅛	+ ⅛
Eng.Sewg.Cotton(£1)	2⅜	2⅜	+ ⅛
Fine Cott.Spinn.(£1)	1⅛	1⅛x	+ ⅛
Listers (£1)	1½	1½	...
Snia Viscosa (200 lire)	1	⅞	– ⅛
Electrical Manufacturing.			
Associated Elec. (£1)	2⅜	2⅜	+ ⅛
British Insulated (£1).	3⅛	3⅛	...
Ever Ready (G.B.)(5/)	1⅛	1⅛	...
General Electric(£1)	2⅛	2⅛	– ⅛
Johnson&Phillips(£1)	1⅛	1⅛x	– ⅛
Siemens (£1)	1⅛	1⅛x	...
Electric Light and Power.			
Atlas L'ht & P'er (£1)	1⅛	1⅛	+ ⅛
City of London (£1)...	1⅛	1⅛	...
County of London (£1)	2⅛	2½	– ⅛
Hydro-Elec. com. stk.	34½	35½	+ 1
Lancashire Elec. (£1)	1⅛	1⅛	...
Newcastle-on-Ty(£1)	1⅛	1⅛	+ ⅛
Gas.			
Gas Light & Coke (£1)	⅜	⅜	...
Imp. Continental Stk.	445	440	– 5
Primitiva (£1)	1⅛	1⅛	...
S. Metropolitan Stk.	105	105	...
Telegraphs and Cables.			
Eastern Stk.....	272½	273½	+ 1
Eastern Exten. (£10)..	27½	27½	...
Marconi (10/)	4⅛x	3⅛	– ⅛
Marconi (£1).....	4⅛x	4⅛	– ⅛
Marconi Marine (£1)	3⅛	3⅛	...
Western Tel. (£10)...	27½	27½	...
Motors.			
Dennis (1/)	2⅛	2⅛	– ⅛
Ford Motors (£1).....	3⅜	3½	– ⅛
Leyland (£1)	2⅜	2½	– ⅛
Morris 7½% Cm.Pf.(£1)	1⅛	1⅛	+ ⅛
Rover (8/).....	⅛	⅛	– ⅛
Singer (£1).....	1⅛	1⅛	– ⅛
Shipping.			
Cunard (£1).....	1⅛	1⅛	+ ⅛
Furness Withy (£1) ...	1⅛	1⅛	...
P. & O. Defd. (£1) ...	2⅜	2⅜	– ⅛
Royal Mail Ord. Stk.	69	69	...
Tea and Rubber.			
Anglo-Dutch (£1).....	1⅜	1⅜	...
Cons.Tea & Lnds.(£10)	32½	33⅛	+ ⅛
London Asiatic (2/)..	⅛	⅛x	...
Rubber Trust (£1) ...	2⅛	2⅛	– ⅛
Oil.			
Anglo-Persian (£1)	4⅜	4⅜	...
Attock (£1)	3⅛	3⅛	...
Burmah Oil (£1).....	4⅛	4⅛	+ ⅛
Canadian Eagle no par	⅛	⅛	+ ⅛
Lobitos (£1).....	2⅛	2⅛	...
Mexican Eagle(£1/0/6)	2⅜	2⅜	+ ⅛
Royal Dutch (£5⅛) ..	32⅛	32⅜	+ ⅛
Shell (£1)	4⅛	4⅛	+ ⅛
Miscellaneous.			
Aerated Bread (£1)....	1½	1½	...
Assoc. P. Cement (£1)	1⅛	1⅛	...
Braz. Traction, no par	52⅛	53	+ ⅛
Brit.-Am.Tobacco(£1)	6⅛	6⅛	+ ⅛
Carreras,"A"Ord.(£1)	14⅛	14⅛	...
Columbia Graph.(10/)	14⅛	14⅛	+ ⅛
Crittall (£1)	2⅛	2⅛	...
Dunlop (6/8)	⅜	⅜	...
Forestal Land (£1).....	1⅛	1⅛x	...
Gramophone Co. (£1)..	16⅛	16⅜	+ ⅛
Harrods (£1)	3⅜	3⅜	+ ⅛
Hudson's Bay (£1).....	5⅛	5⅛	+ ⅛
Imp. Airways(£1 15/p)	1⅛	1⅛	...
Imp. Chem., Ord. (£1)	1⅛	1⅛	+ ⅛
Imperial Tobacco(£1)	5	5⅛	+ ⅛
Inter. Nickel of Can..	48⅛	47⅞	– ⅛
Kreuger & Toll (kr.100)	34⅛	34⅜	+ ⅛
Lever 7% pref. £1....	1⅛	1⅛	– ⅛
Lyons (J.) (£1)	5⅛	5⅛	– ⅛
Margarine Union (£1)	4⅛	4⅛	+ ⅛
Plychin Johnson (10/)	2⅛	2⅛	– ⅛
Swed Match,B(kr100)	20½	20½	+ ⅛
Tate and Lyle (£1) .	2⅛	2⅛	+ ⅛
Tilling, Thomas (£1)	5⅛	5⅛	– ⅛
Turner & Newall (£1)	5⅛	5⅛	...
United Molasses (£1)	6⅛	6⅛	– ⅛
Vocalion (10/)	2⅛	2⅛	– ⅛
Watney Combe Df.(£1)	3⅛	3⅛	– ⅛
Mines.			
Anglo-Amer.ofS.A.(£1)	2⅛	2⅛	...
De Beers Def. (£2½)....	13⅛	13⅞	– ⅛
Brakpan (£1)	4⅛	4⅛	– ⅛
"Chartered" 16/f.p..	1⅛	2⅛	+ ⅛
Burma Corp. (Rs.10)	⅛	⅛	+ ⅛
Bwana M'Kubwa,5/f.p.	⅛	1⅛	+ ⅛
Central Provinces (£1)	4⅛	4⅛	...
Geduld (£1)	3⅛	3⅛	...
Johan. Cons. (£1) ...	2⅛	2⅛	+ ⅛
Lake View & Star (4/)	⅛	⅛	...
London Tin (£1).....	3⅛	3⅛	– ⅛
Rio Tinto (£5)	53½	54½	+ 1⅛
RoanAntelopeCpr.(5/)	2⅛	2⅛	+ ⅛
Sub Nigel (10/)	1⅛	1⅛	...
Tanganyika (£1)	2⅛	2⅛	+ ⅛
UnionCorp.(12/6)fu.pd.	4⅛	4⅛x	...

which were becoming intensified throughout the time the lists were open, so that there was nothing to encourage last-minute conversions or applications. Underwriters of the Central Electricity Board issue were left with as much as 79 per cent., but here, too, in considering the largeness of this proportion, it must be remembered that a less favourable time could scarcely have been met with; the lists were only open from Saturday till Tuesday, and investment demand generally, within these few days of the election, was at a very low ebb. The price advanced from 1 to ¾ discount on the first day; the Commonwealth scrip closed that day at ⅝ discount.

After a quiet Monday gilt-edged stocks improved all round as the week went on, helped by the Bank's acquisition of £489,211 out of £577,000 of African gold on Tuesday, at a price ½d. lower than last week. Four-and-a-half per Cent. Conversion Loan was weaker at 98 before going ex-dividend on Tuesday, but with the rest picked up afterwards, and the Three-and-a-half per Cent. was in particular demand. Treasury Bonds were also a better market. India loans were uninteresting, though the Three per Cent. fluctuated slightly. Apart from the new Commonwealth stock, there was nothing of note in Dominion and Colonial issues.

Only the narrowest movements occurred in the Foreign market. On more hopeful prospects of a Reparations settlement European loans hardened slightly all round. All classes of Peru Corporations were lowered, but Brazilians had a firmer appearance. A number of Chinese loans recorded advances on Monday, but otherwise the Far Eastern section was featureless.

The Home Railway market was quiet, if not idle, but prices were better where changed, North-Eastern junior stocks being gainers. The week's traffic returns were not directly enlightening, as they compared the Whit-Monday week this year with the pre-Whitsun week of 1928. The indications of the traffic returns to date are dealt with in a subsequent "Investment Note." Among Foreign Rails irregularity set in, though here again no great interest was shown at any time. Antofagasta rose 2½ to 110½ before the announcement on Tuesday of a stock bonus of £15 per £100, the new stock ranking for dividend as from January 1st last; a slight reaction followed. Apart from a weakening in Leopoldina, Brazilians were steady, and Argentines rose slightly. Canadian Pacifics developed irregularly, falling to 226 on American selling, recovering to 232½, and then reacting once again. The rights were actively dealt in up to 5.

Not unnaturally business in the industrial market was extremely restricted. Falls were general on Monday in shares having an international market, prominent among these being Nickels, Associated Electrics and Columbias (the latter in spite of a one-in-five bonus at £5 per share), but subsequent bear closing, coupled with a Wall Street recovery, carried them upwards again two days later. This was the general story. Margarines, United Molasses and Marconis, to name a few in which business was not wholly lulled, all responded to bear support after more or less extensive realisations. Continental selling sent down Imperial Continental Gas, Hydro-Electrics, and, to a less extent, Primitivas. There was little business in textiles, and artificial silks showed no decided movement. Motors were dull this week, whereas Electric Light shares had renewed spurts of activity. Waring and Gillow received good support on the publication of the report, but reconstruction proposals caused a slump in Lipton's ordinary. Both these subjects are dealt with in "Investment Notes." Insurance shares eased slightly; movements in bank shares were of little account.

Rubbers remained an idle and uninteresting market, with no abundance of either sellers or buyers, though a slightly more cheerful tone could be detected when, on Wednesday, the gradual weakening in the price of the commodity was arrested. Tea shares, though quiet, had a firm appearance; irregularity was noticeable at the resumption of the auctions after Whitsun. In oils, business was as restricted as elsewhere. Shells and Mexican Eagles came in for some demand, and Burmah Oil was harder on the report, but small declines occurred in other directions. The mining markets were dominated by professional operations in Rhodesian coppers. Kaffirs refused to give way under French selling, and in fact a few upward changes were recorded, but the turnover was negligible. Following on the "inside" rise in Congo Borders last week, a general advance, proceeding in some cases by leaps and bounds, was brought about in Rhodesians. Rio Tintos moved down and up sharply, the company's interest in Congo Borders being adduced as a reason for support. Other coppers provided little interest, while tin shares were inclined to sag again.

FOREIGN STOCK EXCHANGES.

NEW YORK.

Early in the week liquidation reflected credit uncertainties accentuated by the break in wheat and a belief that the Reserve authorities' deflating policy was beginning to hurt business. A brisk rally occurred before Thursday's holiday, assisted by the elimination of weak holders, "short" covering and superabundance of call money at the lowest rates of the year. Pressure was heaviest in farm implement and motor shares, reflecting a decreased rural purchasing power and the enforced withdrawal of support from pools which had held up prices. Copper shares show moderate recovery. Belated recognition of the importance of the Supreme Court's railroad valuation decision was reflected in buying of good railroad shares, many reaching new high levels. Bonds improved after fresh weakness, but new issues remained at a low ebb. Industrial news remains favourable, despite a certain slackening in steel and slight sales congestion in the automobile industry.

	May 23.	May 29.	Rise or Fall.
4½% Lib.Ln.'33–8	98⅛	98⅜	+ ⅛
3½% Tra.Bs.'46–56	100	100⅛	+ ⅛
Ach., Top. San. Fé	202	215½	+ 13½
New York Central	187	188	+ 1
Union Pacific	219½	223½	+ 4
Pennsylvania	76⅛	76⅛	...
Southern Railway	139	142	+ 3

	May 23.	May 29.	Rise or Fall.
U.S. Steel	171⅛	166⅛	− 5
General Motors	76	71⅞	− 4⅛
Amer. Tel. & Tel.	209⅛	206½	− 2⅝
General Elec.(New)	277	265½	− 11½
Victor Talking	148	148	...
Std. Oil of N.J.	58⅛	56⅛	− 2
Anaconda	103½	103⅞	+ ⅜

By courtesy of the Standard Statistics Company, Inc., of New York and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926=100):—

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	May 16.	May 23.
342 Industrials	104·7	137·1	132·5	186·4	191·1	196·0	189·1
33 Rails	106·1	128·0	120·5	139·7	140·9	137·7	138·4
35 Utilities	103·3	128·3	128·3	180·6	184·6	216·0	211·5
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	190·6	185·2
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·24%	3·35%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Highest of 1929. (May 4.)	Lowest of 1929. (May 27.)	May 22.	May 23.	May 24.	May 25.	May 27.	May 28.	May 29.
225·4	201·7	207·2	212·2	210·2	209·4	201·7	204·8	204·4

PARIS.

The Bourse this week was a prey to bearish influences. The Committee of Experts had not succeeded in reaching smooth water: the New York market was on the donk grade: and the international monetary situation was disquieting, the Bourse fearing that the French money market would in the long run feel the repercussion of any rise in the discount rate in London and New York. These discouraging considerations had less influence on prices than might have been apprehended, the technical position of the market being extremely sound. Falls predominated, however, and once again it was bank shares which were most affected. French industrials reacted likewise, on a relatively small amount of selling; Lyonnaise des Eaux, in particular, went down. Substantial realisations of Serbian issues were effected in anticipation of the decision of the Hague Court.

	May 23.	May 30.	Rise or Fall.
3% Perp. Rentes	74·40	74·17	−0·23
5% Rentes, '15–16	101·50	101·00	−0·50
5% Rentes, 1920	124·25	124·27	+0·02
Banq. de France	25,650	25,675	+ 25
Banque de Paris	3,365	3,370	+ 5
Crédit Lyonnais	3,270	3,300	+ 30
Nord	2,605	2,585	− 20
Com. Gen. d'Elec.	3,770	3,870	+ 100
Littoral Médit.	1,400	1,410	+ 10

	May 23.	May 30.	Rise or Fall.
Mines de Lens	1,322	1,342	+ 20
Courrières	1,585	1,582	− 3
Pechiney	3,885	3,850	− 35
Kuhlmann	1,252	1,237	+ 15
Com. Gen. Trans.	1,265	1,262	− 3
Suez Canal	25,750	25,700	− 50
Assur. Gen. Vie	12,800	12,300	− 500
Dollfus. Mieg.	13,150	13,250	+ 100
Denain et Anzin	3,350	3,330	− 20

BERLIN.

Uncertainty about the Paris Conference and the continuance of dear money were the chief influences affecting the Bourse a week ago. The new week made a very dull start, and selling on Paris and Vienna account was reported. Renewed optimism about the conference led to buying in on Tuesday, and the general tendency of markets was firm and fairly active. The cash markets which comprises the great mass of less active stocks, did not share in the general improvement. Wednesday and Thursday were firm and active days, on prospects of a settlement at Paris.

	May 23.	May 30.	Rise or Fall.
Reichsbank	304·50	309·00	+ 4·50
Deutsche Bank	160·00	161·75	+ 1·75
Disconto Bank	150·75	152·75	+ 2·00
Hamburg-Amer.	115·25	120·00	+ 4·75
Norddeut.-Lloyd	109·00	110·00	+ 1·00
I.G. Farbenindus.	242·50	252·00	+ 9·50
Verein. Glanztff.	411·00	436·00	+25·00
Bemberg	333·00	340·00	+ 7·00

	May 23.	May 30.	Rise or Fall.
Verein. Stahlke.	90·88	94·00	+ 3·12
Mannes Rohrke.	116·00	120·00	+ 4·00
Allgemne. Elekt.	184·50	197·50	+13·00
Siemns. & Halske	376·00	389·50	+13·50
Daimler Benz.	52·25	52·50	+ 0·25
Cont. Caoutchuc.	158·50	165·50	+ 7·00
Salzdetfurt. Kali	383·00	401·75	+18·75

AMSTERDAM.

At the beginning of the week the Bourse was quiet and price movements were irregular, owing chiefly to the uncertainties of the international monetary position and the less favourable news of the Paris Conference. The tone was firmer on Tuesday, especially among industrials. The announcement of the amalgamation between Dutch Enka and Vereinigte Glanzstoff caused artificial silks to improve, and Margarine Unie and Philips, after a reaction, also advanced. Sugars and oils were lower, rubbers eased, and tobaccos were dull. Shipping shares moved irregularly. As the week went on the market became definitely strong. The money market was easier, with the private discount rate 5⅜-5 7/16 per cent., and the prolongation rate 5½-5⅝ per cent.

	May 23.	May 30.	Rise or Fall.
5% Bds. Neth., '18	101⅛	101½	+ ⅜
4½% Ams. 1913–14	98⅛	98	− ⅛
Margarine Unie	451	468	+ 17
Neth Art. Silk	363	398½x	...
Philips El. Lamp.	760	784½	+ 24½
Singkep Tin	295	288	− 7
Royal Dutch	392⅛	393⅛	+ 1
Amst. Rubber	261½	264½	+ 3

	May 23.	May 30.	Rise or Fall.
Serbadjadi Sm.R.	194½	192½	− 2
Holl. Amer. Line	55½	64	+ 8½
Navig. Co., Ned.	191	189½	− 1½
Vorstenlanden	161	161	...
Trading Co., Ams.	657	644	− 13
Besoeki	450	450	...
Deli	414½	410	− 4½
Neth. Trad. Soc.	185½	173½x	...

INVESTMENT NOTES.

Railway Dividend Prospects.—In happier times on the Stock Exchange the comparatively favourable trend of recent home railway traffic figures would doubtless have been more faithfully reflected in market prices. The outlook, indeed, is less discouraging for the ordinary stockholder than at this time last year, as the following table shows:—

GROSS RECEIPTS FOR 21 WEEKS.

Inc. (+) or Dec. (−)	London, Midland & Scottish Rly.	London & North Eastern Rly.	Great Western Rly.	Southern Rly.
1928 compared with 1927.	£'000.	£'000.	£'000.	£'000.
Passengers, etc.	+ 135	− 150	− 36	+ 50
Merchandise, etc.	− 850	− 634	−268	−146
Coal and coke	− 586	− 245	−323	− 98
Total goods	− 1,436	− 879	−591	−244
Total, goods and passengers	**−1,301**	**−1,029**	**−627**	**−194**
1929 compared with 1928.				
Passengers, etc.	− 354	− 235	−138	−124
Merchandise, etc.	− 564	− 314	+ 3	− 75
Coal and coke	− 342	+ 578	+210	+ 79
Total goods	222	+ 264	+213	+ 4
Total, goods and passengers	**− 576**	**+ 29**	**+ 75**	**−120**

The 1928 figures include the pre-Whitsun traffic but not that of the succeeding Bank Holiday week, while the 1929 figures embrace the whole of the Whitsun traffic. Allowing for this, the figures suggest that the railways have not yet succeeded in stopping the slow but persistent drain of passengers from their systems to the roads—or, at least, have been unable to attract new passengers in sufficient numbers to compensate, so far as gross receipts are concerned, for the reductions made in "effective" fares under extended excursion and cheap travel facilities. The "merchandise" figures are more difficult to interpret. British industry as a whole has been more active this year than last, but the reductions in freight charges conceded to the heavy industries under the "de-rating" scheme tend to lower the figures of *gross* receipts to some extent. The conclusion suggested, on the whole, is that while the railways may not be completely holding their ground against their road competitors, the *rate of loss* of traffic has been markedly checked. The most noteworthy feature, however, is the extensive recovery in coal receipts, which has more than offset the decline under other headings on two of the four systems, and significantly reduced it on the other two. What are the prospects as regards interim dividends, based on results of the first half of 1929 which will be announced in approximately two months' time? Were the railways, during the remaining five weeks of the half-year, to record each week the average gain or less, as compared with 1928, shown during the four weeks preceding the Whitsun holiday, the Midland and Scottish would finish the half-year with a decline as compared with the first six months of 1928 of something like £585,000 in gross receipts, the North-Eastern with a gain of approximately £290,000, the Great Western with one of about £135,000, and the Southern with a drop of about £175,000. Last year the railways pleasantly surprised the investing public by announcing "economies" in working expenditure during the half-year of £1,000,000 on the Midland and Scottish and the equivalent of £750,000 on the North-Eastern, and of about £270,000 on the Southern. These figures were subsequently shown to be much less than half of those attained in the full year. It is scarcely likely, in view of what was said by the various chairmen at the last annual meetings, that further economies have been made this year of the full dimensions of those attained in 1928, but there is no reason to regard the possibilities of "rationalisation" as having been exhausted on any of the lines. Other considerations require to be taken into account, such as the recoupment by the railways of their reductions under the de-rating scheme, and the continuing effect of the "cut" in wages and salaries agreed to in August last (which in five months last year produced reductions of £418,501 and £180,591 on the Midland and Scottish and North-Eastern respectively.) On the whole, the North-Eastern and the Great Western should be, and, the Midland and Scottish and the Southern may be, in a somewhat better position as regards net receipts than they were twelve months earlier. It is questionable, however, whether those in control will regard this improvement as sufficient to warrant an increased interim dividend distribution, particularly as the railways are not yet by any means out of the wood as regards their major problems and difficulties.

Lipton's Capital Proposals.—From the year 1924, when ordinary dividends suddenly ceased, Lipton's has passed through a decidedly lean period. Twelve months ago the directors reported that a reduction of capital would probably be necessary in order to adjust the values of certain assets which, owing partly to a writing-up in 1923, stood in the books at an excessive figure, and to deal with additional capital losses in respect of further closing of shops and departments. A scheme has now been submitted, drawn up in collaboration with two distinguished accountants, Sir William McLintock and Sir Gilbert Garnsey, who hold that the proposals are equitable as between the various classes of shareholders, and recommend their

acceptance. The appearance of the balance sheet, before and after the necessary writing down, is shown below:—

[As at January 5, 1929]	Before Writing Down.	After Writing Down.	Amount to be written off.
	£	£	£
Goodwill	1,445,620	100,000	1,345,620
Properties and estates	774,254	690,410	83,844
Plant, etc.	632,817	375,366	257,451
Interests in subsidiaries	190,539	183,635	6,904
Government securities	73,680	73,680	...
Debtors	375,344	375,344	...
Stocks	856,423	856,423	...
Cash	75,089	75,089	...
	4,423,765	2,729,947	1,693,818

In addition to the £1,693,818 shown above some £146,102 is required for anticipated losses on the further closing down of shops and factories. There were also as at December 31st last arrears of dividend of £137,500 on the first preference and £202,500 on the second preference shares. The ordinary share capital amounts to only £1,250,000, so the preference shareholders must necessarily shoulder part of the burden of sacrifice. It is proposed, therefore, that the £1 ordinary shares be written down to 1s.; that the 600,000 issued £ 1 9 per cent. cumulative second preference shares be written down to 12s., and then subdivided into one 10s. 6 per cent. non-cumulative second preference share and two 1s. ordinary shares; that the 1,000,000 £1 5 per cent. cumulative first preference shares be written down to 12s., and subdivided into one 10s. 5 per cent. non-cumulative first preference share and two 1s. ordinary shares; and that the arrears of preference dividend be cancelled. In contrast to some other reconstruction schemes, recognition is given by their admission to a share of the equity in the company to the rights of preference shareholders. The writing down of the ordinary shares involves the holders concerned in a purely nominal loss, since their interest in the equity of the company is identical by whatever outward symbol it be expressed. The real loss which such shareholders incur in this instance is the giving up to the old preference shareholders of 71.91 per cent. of the equity. They would appear, however, to have little ground for complaint of this treatment. Strictly speaking, all their money is lost, but if they accept this scheme they will receive some dividend as soon as distributable profits exceed £43,000, instead of having to wait empty-handed for an indefinite number of years. The proposed changes in dividend rights can be set out as follows:—

Class of existing Share.	Claim on Profits.	
	Old basis.	New basis.
First preference ...	First £50,000	First £25,000, *plus* 44·94% of excess* over £43,000.
Second preference	Next £54,000	Next, £18,000, *plus* 26·97% of excess* over £43,000.
Ordinary	Excess over £104,000	28·09% of excess* over £43,000.

* Subject to the setting aside of one-fifth of the dividend on the ordinary shares, until the fund thus created reaches £50,000.

Preference shareholders may be reluctant to sacrifice their arrears of dividend, but they too must consider how distant, otherwise, is their chance of obtaining anything. A correspondent, whose letter appears on page 1217, questions whether full and effective recognition has been given to the prior claims of the first preference shareholders. That the latter are being asked to make a tangible sacrifice can scarcely be disputed. Supporters of the present proposals, however, would probably urge that the choice must be made between a scheme which will grant something to all classes of shareholders, or a return to the status quo. It is true that the two classes of preference shares suffer equal capital sacrifices, but the effect is to cut down the fixed dividend of the first preference by half, of the second preference by two-thirds. If the company settles down to earn less than £25,000 a year, the first preference shareholders will receive the whole. If profits range between £25,000 and £98,629, they will certainly receive less than under the old régime, while on earnings over £25,000 and up to £77,232 the second preference will be receiving more. Appropriately, however (for this is the only condition under which the first preference could, on the old basis, have any hope of eventually beginning to receive their arrears) if earnings do rise soon above the £100,000 mark, they stand to gain much more than any other class of shareholders. Nor is this an unreasonable supposition; the business is improving, for a small profit (£1,556) is reported in the period April 1, 1928-January 5, 1929, whereas there was a loss of £88,538 in the previous twelve months and a loss of £40,601 in the year before that. The directors express their belief that, if the scheme goes through, profits "in the future" should be sufficient to pay the revised preference dividends, and, given normal trading conditions, there should be a gradually increasing surplus available for distribution on the ordinary. Three minor points call for mention. The new first preference shares, though non-cumulative, are to be safeguarded by the creation of a special reserve fund, as described above, sufficient to pay two years' dividends. Stronger voting power will be obtained by the present preference shareholders; hitherto first preference and ordinary shares have each carried one vote, but second preference shares none except when their rights were affected or their dividends in arrear, whereas in future all ordinary shares, but not preference shares, will carry one vote. Finally, in pursuance of its general cleaning-up policy, Lipton's has abandoned the savings-bank scheme which it initiated 21 years ago, and the item "savings banks deposits" has disappeared from its liabilities. It is pardonable to recall that critical reference to the dangers of this appendage was made in the *Economist* as long ago as October 10, 1908.

Marconi's Wireless Telegraph.—The general meeting of the shareholders of Marconi's Wireless Telegraph Co., on Wednesday of this week, was interesting for a number of reasons, but in one sense disappointing. Lord Inverforth, the chairman, dealt with the future of the Marconi Co. very frankly, but did not attempt to meet the objections of the £1 shareholders to the terms of the offer of shares in Cables and Wireless. He stated that, in the opinion of the directors, the allocation of shares was fair, and that the £1 Shareholders' Committee was taking on itself a serious responsibility in giving advice which was unsound. He did not, however, attempt to deny the legal status of the shareholders in the payment of dividends, the amount of dividend on a £1 share being twice as much as that on a 10s. share. The Marconi Co., as Lord Inverforth stated, does not go out of business. It disposes of its communication assets to the Communications Co. in exchange for shares (on a basis which has not been disclosed), but it will continue to carry on its sales and manufacturing business and to derive royalties from patents. As regards the revenue from patents, Lord Inverforth anticipated a substantial reduction in the future, as the principal broadcasting patents, from which the company had derived such large profits, expire during this year or in 1930. In the last two years these royalties amounted to about £250,000, which was more than half of the total profit, after paying debenture interest and preference dividends. On the other hand, although it will take time before complete co-ordination of the cable and wireless companies can be effected, the revenues of the Communications Co. will be increased by considerable economies in operating expenditure. While, therefore, it is reasonable to anticipate a steadily increasing revenue coming to the Marconi Co. from (*a*) its manufacturing and sales business and (*b*) its shares in the Communications Co., it remains true that, when these revenues are distributed in dividends, a £1 share obtains double the dividend received by an old 10s. share. Dr O'Biern, the chairman of the Irish Shareholders' Association, made it clear, of course, that the 10s. shareholders would not have accepted any less favourable terms than those offered. Lord Inverforth had no difficulty in showing that the company was justified in coming into the merger, not only because it was faced with a rate war with the cable companies, who were in possession of large cash resources, which the Marconi Co. did not possess, but also because the Government had taken the exploitation of the "beam" system for Imperial communications out of the hands of the Marconi Co., which had invented and developed it, for a consideration only of a royalty of 6¼ per cent. on the gross traffic receipts. The Marconi Co., in agreeing to the merger, rightly made it a condition that the Imperial "beam" stations, which had been acquired by the Government from the company for less than the cost price, should be handed over to the new Communications Co. The Government did well out of that bargain, seeing that it received about £4,000,000 for the three "beam" stations, which it had obtained from the Marconi Co. for about £960,000.

New Capital Issues in May.—In the table below we show the new capital raised in London by issue to the public or shareholders in May; some comparative figures for 1929 and 1928 are also given, together with the monthly averages for preceding years:—

(000's omitted.)

Monthly Average.	United Kingdom.	British Possessions.	Foreign Countries.	Total.
	£	£	£	£
1924	7,051	6,023	4,370	17,444
1925	12,918	5,077	1,356	19,351
1926	10,765	4,431	4,036	19,232
1927	17,240	8,318	4,039	29,597
1928	21,965	5,263	3,526	30,754
	Govt.	Other.		
	£	£		
Jan.–Mar. 1928	*28,570*	*16,215*	*7,201*	*4,345*	*56,331*
April, 1928	*Dr. 250*	*10,707*	*4,523*	*980*	*15,960*
May, 1928	*Dr. 300*	*18,590*	*8,381*	*3,589*	*30,260*
Jan.–Mar., 1929	617	18,757	8,797	4,147	32,318
April, 1929	*Dr. 150*	24,896	3,686	1,865	30,297
May, 1929	*Dr. 200*	9,746	15,406	241	25,193

The British Government figures for this year represent solely the difference between sales and encashments of Savings Certificates. A remarkable rush of industrial and speculative prospectuses preceded the Whitsun holidays, but the second half of the month, except for an important issue on behalf of the Central Electricity Board, was practically bare. Prominent among earlier issues to the public were two of an industrial character, comprising £1,600,000 in ordinary shares for the British Power and Light Corporation and £748,800 (net) in convertible debentures for Allied Ironfounders, a "rationalising" combine in the cast-iron industry. Speculative prospectuses had a chilly reception, as was inevitable in view of monetary difficulties, election uncertainties, and the dullness of Stock Exchange business as a whole. Two investment trust issues emanated from Canada, and the Canadian Pacific Railway and the Canadian Bank of Commerce also made issues to shareholders on favourable terms, the former involving some £10 million of new money, the latter some £2 million. The "British Possessions" total was further augmented by a "shareholders only" issue of some £2,200,000 made by Roan Antelope Copper Mines. Not included in the above figures is £12,403,734 of Commonwealth of Australia 5 per cent. stock, intended for the conversion of a similar amount of Queensland stock, and offered in the first place to Queensland stockholders for conversion; this was the first outward sign in London of the working of the law under which the Commonwealth has taken over the debts of the separate States. The "foreign" total for the month was negligible, and included no Government or municipal borrowing.

Waring and Gillow.—Though last year was in some respects a difficult period for the great London stores, substantial progress is indicated by the report of the well-known furnishing business of Waring and Gillow. Net earnings showed a further increase of no less than 42 per cent., and the dividend on the ordinary shares has been raised from 10 to 15 per cent., some £25,000 again allocated to general reserve, and the "carry forward" strengthened by £27,000.

(Years ended January 31)	1927.	1928.	1929.
	£	£	£
Profit	192,099	219,802	282,410
Debenture interest	59,527	58,868	57,929
Reserve for amortisation of bases	13,023	13,782	14,721
Net earnings	119,449	147,152	209,760
Preference dividends	45,000	45,000	45,000
Number of times covered	*2·6*	*3·2*	*4·6*
Management shares dividend	25,000	25,000	37,500
Ordinary *earned*	*9·9%*	*13·6%*	*21·9%*
Ordinary paid	10%	10%	15%
Ordinary amount of dividend	50,000	50,000	75,000
To general reserve	...	25,000	25,000
Inc. or dec. in carry-forward	−551	+ 2,152	+27,260

The balance sheet suggests increased turnover and enhanced liquidity, debtors and creditors being each higher by some £200,000, cash and investments in War Loan by £100,000, and stock-in-trade by £20,000. Fixed assets show relatively little change, but the item "plant, machinery, vans, motors, etc.," has grown from £31,415 to £55,708. The only item showing a fall among the assets [which total £3,362,977 against £3,067,068) is "investments in and accounts due by subsidiary companies," which have declined from £265,006 to £201,925. Reserves of various kinds amount to £330,750 in all. The directors report that in addition to the increase in the volume of trade, they were successful in obtaining further important contracts at home and abroad. The 10s. ordinary shares at the market price of £1 3/16 *cum* dividend, yield 6 11/16 per cent. on dividends and about 10 per cent. on the basis of last year's earnings.

Callender's Cable and Construction.—Callender's profits are proverbially steady, and though some had anticipated a slight reduction in 1928 owing to unexpected delay in proceeding with the national electricity schemes, the accounts actually show a small increase. The sum of £10,000 is set aside as the nucleus of a pension fund, and £5,000 is required to pay stamp duty on new capital authorised. The dividend is not raised above 15 per cent.—though nearly twice as much was earned—but £186,000 from the reserve fund is to be capitalised in the form of a one-in-five bonus to ordinary shareholders. There will still remain reserves, including the carry-forward, of £784,246.

(Years ended December 31)	1926.	1927.	1928.
	£	£	£
Profit	356,525	357,378	360,581
Depreciation	45,000	45,000	50,000
Income tax	25,000	25,000	10,000
Debenture interest	13,500	13,500	13,500
Net earnings	273,025	273,878	287,081
6½% preference dividend	26,000	26,000	26,000
7½% preference dividend	30,000	30,000	30,000
Ordinary *earned*	*27·0%*	*27·2%*	*28·8%*
Ordinary paid, less tax	15%	15%	15%*
Ordinary amount of dividend	120,000	120,000	120,000
Stamp duty	3,054	...	5,000
Pension fund	...	...	10,000
Increase in carry-forward	93,971	97,878	96,081

* *Plus* a 20 per cent. capital bonus.

The balance sheet is as strong as usual, and shows no significant change save an increase in the investments item from £607,416 to £671,067. The directors report that, though 1928 was marked by the absence of large cable contracts, at home or abroad, the general business remained steady, and in many directions improved materially, while since the beginning of 1929 the outlook has distinctly improved. Work has been commenced on the Electricity Board's order for the S.E. section of the southern grid, an important contract for underground mains has been received from the London Power Co., and several contracts in India have recently been secured. Since the date of the balance sheet, an old-established Manchester cable manu-

CARTENOR Co., Ltd.

UNDERTAKE

THE PROVISION AND ISSUANCE OF CAPITAL FOR APPROVED INDUSTRIAL UNDERTAKINGS BOTH IN THE BRITISH EMPIRE & ELSEWHERE

RIVER PLATE HOUSE,
SOUTH PLACE,
E.C. 2, LONDON.

facturing business has been purchased, at short notice, the transaction being carried through by the sale of an additional 130,000 shares (which will rank for bonus) to a firm of bankers. Reference to this purchase (of which further particulars are promised at the meeting next Thursday), to the probability of the bonus issue, and to the general outlook for cable manufacturing companies was made in an article in the *Economist* of March 2nd (p. 451). The present price of the £1 ordinary shares is around 88s. 6d., cum 2s. final dividend and bonus, and the yield £4 3s. 2d. per cent., presuming the continuance of the 15 per cent. dividend.

James Finlay.—The old-established business of James Finlay and Co., which is interested in tea, cotton, and jute in India and Ceylon, besides acting as merchant bankers and as agents for steamship and insurance companies, succeeded, in spite of all trading difficulties, in fully maintaining its profits last year. It was remarked in these columns last week that all the four tea companies forming what is known as the Finlay-Muir group reduced their dividends in respect of 1927-8, but it should be remembered that the final dividends from that group are not payable till June and do not, therefore, figure in the 1928 accounts. The company's trading income in fact, declined from £174,793 to £147,109 last year, but the difference was counterbalanced by an increase of £31,668 in dividends from investments. The dividend on the ordinary shares is maintained at 25 per cent., which has been paid regularly since the concern became a public company five years ago.

(Years ended December 31.)	1926. £	1927. £	1928. £
Profit	486,136	502,516	506,500
Preference dividend	30,000	30,000	30,000
Ordinary { *earned*	*30·4%*	*31·5%*	*31·7%*
Ordinary { paid	25%	25%	25%
Ordinary { amount of dividend	375,000	375,000	375,000
To general reserve	80,000	100,000	100,000
Increase or decrease in carry-forward	+ 1,136	— 2,484	+ 1,500

The balance sheet, though showing a slightly lower total of gross assets, is extremely strong, for reserves—which receive £14,763 from profit on sale of investments in addition to an allocation (as in 1927) of £100,000—now amount to £2,173,528, and the balance carried forward is £278,562, while the issued capital of the company is only £2,000,000. Investments stand at £3,757,527 against £3,595,967, and there is a £600,671 surplus of liquid assets over current liabilities. At the market price of 5$\frac{11}{12}$, *cum* final dividend of 3s., the £1 ordinary shares yield £4 13s. 6d. per cent.

New York Central Railroad.—Though the net income of the New York Central Railroad decreased in 1928 from $58,565,145 to $50,334,485, it will be seen from the following table that a big fall in non-operating income approximately corresponds to the difference, and that drop is largely explained by the fact that a windfall of more than $9,000,000 was received in 1927 in the shape of an extra dividend from the Michigan Central Railroad, whereas no extra dividend was paid by that company in 1928.

(Years ended December 31)	1927. $	1928. $
Railway operating revenues	383,377,311	381,733,244
Railway operating expenses	293,399,836	288,250,203
Rents, taxes, etc. (net debit)	28,108,603	31,226,343
Total operating income	61,868,872	62,256,698
Total non-operating income	42,608,679	34,594,741
Deductions from gross income	45,912,406	46,516,954
Net income	58,565,145	50,334,485
Dividends	30,462,783	34,854,879
Sinking funds, etc.	159,704	175,851
Surplus	27,942,658	15,303,754

The dividend for the year was raised from 7$\frac{3}{4}$ to 8 per cent.; earnings per share were equivalent to 10.86 per cent., against 13.90 per cent. in 1927. A balance of $258,798,617 to credit of profit and loss was carried forward to 1929, being in all $40,871,702 higher than the amount brought in. The report declares that traffic during the first six months of 1928 was substantially less than in the corresponding period of the previous year, but a sharp recovery occurred during the last six months—a reversal of the trend in 1927. Freight tonnage showed a small reduction, but revenue therefrom increased slightly. Considerable falls were recorded in the tonnage of bituminous coal and iron ore, but better showings were made in respect of anthracite (thanks to rate adjustments) and automobiles. Passenger revenues again decreased, though the number of passengers carried was actually greater.

Burmah Oil.—The directors of the Burmah Oil Co., in their report for 1928, remind their shareholders that the accounts cover some six months of a "rate war" in the Indian kerosene market. On the settlement in June, 1928, of that fight with the Standard Oil Co., which had been importing Russian oil into India, the prices of kerosene were advanced into line with world prices, but the 22.7 per cent. decline in net profits shows how expensive a rate war can be in the oil business. The earnings and distribution of profits over the last three years are set out in the following table:—

	1926. £	1927. £	1928. £
Issued ordinary capital, Dec. 31..	6,868,256	6,868,256	6,868,256
Net profit after income tax but before depreciation	2,994,072	2,311,305	1,861,361
Depreciation (fields and plant)	491,254	396,533	381,735
Net profit after depreciation	2,502,818	1,914,772	1,479,626
Preference dividends (less tax)	263,750	268,125	261,875
Available for ordinary shares	2,239,068	1,646,647	1,217,751
Earned on ordinary shares*	37·25%	29·97%	20·26%
Ordinary dividends { Rate	30%	20%	20%
Ordinary dividends { Amount (less tax).	1,811,502	1,227,500	1,199,083
To reserves	370,000	370,000	370,000
Brought forward	395,903	453,469	502,416
Carried forward	453,469	502,416	151,084

* After adding back tax.

It will be observed that 1928 net profits are not much more than half those earned in 1926. Oil prices have, of course, declined since that year, and the dividends received from the company's Anglo-Persian holding have been substantially reduced. The misfortunes of the last two years not doubt convinced the directors that they should broaden the basis of the company's investment in the oil industry. For that reason they acquired last year one million ordinary shares in Shell Transport and Trading Co., and financed the purchase by an issue to shareholders of £4,000,000 5½ per cent. debenture stock convertible into B.O.C. Anglo-Persian Share Trust shares (equivalent to Anglo-Persian shares) within five years. The balance sheet shows the effect of this transaction, the investments being some £4,790,000 higher at £11,622,491. The directors' report concludes with the notice that as the agreement with Finlay, Fleming and Co. as managing agents terminated on December 31st, and as certain of the directors (including the chairman) participated as partners of that firm in the agents' commissions, the Burmah Oil directors' remuneration is now to be increased.

Rhodesian Copper Revival.—With business in other mining sections virtually at a standstill, writes our mining correspondent, the renewal of interest in Northern Rhodesian copper shares appears all the more striking. It was set going by well-informed buying of Congo Border shares, which have this week attained a record quotation. The latest drilling result of the company is not only the best so far reported, but proves the extension of the deposit for a further 1,500 ft. on the strike. An even larger relative advance has been secured by the shares of the Southern Rhodesian Base Metals. At one time in 1926 these touched £7 12s. 6d.; last year they went under 5s. on an adverse report having been issued on certain mines and operations suspended. The company, has, however,

one property upon which extensive deposits have been indicated, and as a pilot treatment plant is in course of erection there seems ground for the claim that the S.R.B.M. will be the first of the new producers. At any rate, the recent buying is understood to have been of influential character. The shares of trust companies interested, and some of the junior shares, have naturally participated in the movement.

Russo-Asiatic.—Details have been published of the scheme for segregation of the assets of the Russo-Asiatic Consolidated, whose principal object is to separate the Siberian interests and to unify the other holdings, clearing the way for the payment of dividends when profits become available. It will be necessary to form a new company to take over the Russian claims. This concern will have only about £50,000 cash, but there is ground for the belief that if and when the return of the properties is secured ample American capital will be available for their exploitation. The Mining Trust, which is to acquire the other assets of the Russo-Asiatic, together with the kindred holdings of the Urquhart group, will have a capital of £6,000,000 in £1 shares, 3,000,000 of which are to be issued as purchase consideration and 1,500,000 will be subscribed at par. Ultimately the Trust will hold a 76 per cent. interest in the Mount Isa Mines (Queensland), a 55½ per cent. interest in the Mines de Villemagne, and 67 per cent. in the Mines de St. Sebastien d'Aigrefeuille (lead-zinc properties in France), 40 per cent. interest in the "final" Ellyou Goldfields Co., also the benefits of an agreement to explore the territories of the North Charterland Concession. Some criticism has been directed to the terms upon which the Urquhart group interests are to be acquired, but a little inquiry shows that the 277,000 Mount Isa and 500,000 Ellyon Goldfields shares at the prices ruling on the date of publication of the scheme represented more than the £1,129,100 payable for them, altogether apart from the various other interests and options to be taken over. Moreover, the purchase consideration, plus £581,400, is to be applied in subscribing at par for 1,710,600 shares of the Trust. It is true that 500,000 Mining Trust shares will be under option for two years at par to the subscribers; such a proviso is, however, quite usual. Russo-Asiatic proprietors will receive one new Russo-Asiatic 2s. 6d. share for each now held and one Mining Trust £1 share in respect of every eight Russos.

I.G. Farbenindustrie.—The failure of this German chemical trust to pay an increased dividend this year caused considerable disappointment to shareholders. The outside opinion that the considerable increase in net profits justified a dividend advance is not shared by the company, which states in its report that, in view of the business and political situation it was considered desirable to use the additional profit for writings down and strengthening the reserve. The latter receives an addition of nearly 12 million marks and is brought up to 200 million marks. The amount written off—71.8 million marks as against 74.7 million marks in 1927—is criticised by some shareholders as unnecessarily large, since buildings (excluding land), railways, and plant are valued at only 378 million marks. The profit and loss account shows the following position:—

(Year ending December 31.)	1926. (In marks.)	1927.	1928.
Gross profit	186,074,526	224,303,485	257,139,238
Net Profit	68,718,255	100,812,133	118,458,169
Ordinary Dividend { Amount	65,993,320	95,595,576	95,915,736
Ordinary Dividend { Rate	10%	12%	12%

Since 1926 net profits have risen much more than gross profits as a result of the proportionately very small increase in administration and general expenditure. The balance sheet shows only small changes in the book value of land, buildings, railways, and participations in other concerns, but plant and apparatus has risen from 160 to 224 million marks, stocks of materials, fuel, and goods from 245 to 342 million marks, and bank deposits from 166 to 228 million marks. Debts due to the company are 500 million marks against 412 million marks; bank debts 82 million marks against 67 million marks, other current liabilities 330 million marks against 320 million marks. The report states that further good results have been attained by "rationalisation" of processes and business methods. The year 1928 was satisfactory for the chemicals industry taken as a whole. The company's total turnover increased, and it extended its plant, and established new works which in great part are already working at a profit. Business was good in such branches as dyes, inorganic products and intermediates, solvents, and pharmaceutical chemicals. The output of nitrate fertilisers increased. Reference is made to the crisis in artificial silk, despite which the company's export sales increased. The demand for photographic goods exceeded the company's production capacity and the factories were extended. The total number of workers employed, including those at work in the company's mines and in controlled concerns, was 154,596 at the end of last year.

Electricity Supply Companies—A Correction.—We regret that in an article, published in our issue of last week, dealing with Electricity Supply Companies, the statement was made that the County of London Electric Supply Co. is controlled by the Greater London and Counties Trust. We have been authoritatively assured that the statement in our article is erroneous and entirely without foundation.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Royal Insurance, Eastern Telegraph, Eastern Extension Telegraph, Western Telegraph, Marconi's Wireless Telegraph, Fine Cotton Spinners' and Doublers' Association, Central Mining and Investment Corporation, Phœnix Assurance, British Rubber Estates of Java, Anglo-American Oil, Nitrate Producers' Steamship, La Guaira Harbour Corporation, Imperial Continental Gas Association, Province of Buenos Ayres Waterworks, V.O.C. Holding, African and Eastern Trade Corporation, Gresham Trust, W. J. Bush and Co., Crown Mines and International Telephone and Telegraph Corporation. We deal with the Marconi meeting in a note above. The chairman of the Fine Cotton Spinners described the prospect as dark, with some bright places on the horizon, one being the likelihood of fashion bringing cotton dresses back into favour. At the Central Mining meeting Sir R. Sothern Holland referred to native labour difficulties in South Africa, and gave an explanation of the decline in the Indian demand for gold. The report of International Telephone and Telegraph described the development of the company's connections throughout the world, and the policy followed as regards their operation.

CAPITAL ISSUES.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total recorded since January 1, 1929, £152,366,634.
Total, including conversion, recorded since January 1, 1929, £178,349,788.

National Savings Certificates.
Net sales week ended May 25, 1929, *Dr. £100,000.*
Total receipts, April 1, 1929, to May 25, 1929, *Dr. £350,000.*

Description of Issue and Date of Opening of Lists. To the Public.	Nominal Capital. £	Conversions or Repayments. £	New Money Cash Subscription. £	First Payment. £	Further Liability £
None	...	...	...	...	...
To Shareholders Only.					
Aeonic Radio, 1,250,000 Ord. 2s. at par	125,000	...	125,000	125,000	...
Northern Securities Trust, 10,000 Ord. £1 at par.	10,000	...	10,000	10,000	...
Speedways Trust, 800,000 Ord. 1s. at par.	40,000	...	40,000	20,000	20,000
Total offered to Shareholders week ended June 1, 1929	175,000	...	175,000	155,000	20,000

Total offered for Subscription— To date—	Including Conversions. £	Excluding Conversions. £
1929 ...	178,424,788	152,441,834
1928 ...	...	217,294,979
1927 ...	...	187,587,311
1926 ...	...	93,381,314
1925 ...	...	90,164,485
1924 ...	...	93,333,257
1923 ...	...	152,433,966

Total offered for Subscription— Whole year—	Including Conversions. £	Excluding Conversions. £
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,601
1925	...	232,214,500
1924	...	209,326,100
1923	...	271,399,173
1922	...	573,675,650

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Advertisement (in brackets).	Amount of Capital Introduced. £	Price at which Dealings Began. £	Total Cash Involved. £
Total recorded since Jan. 1, 1929	20,735,505	...	29,212,540
Anglo-Norwegian Holdings, 420,000 Shares, no par value (May 22)	...	18/6	...
Indestructible Paint and Standard Varnish, 58,000 Ord. £1 at par (May 22), 10s. pd.	58,000	10/-	58,000
Do., 60,000 7% Cum. Pref. £1 at par	60,000	20/3	60,750
Lewis (John) Partnership, 7½% Pref. £1 (May 21)	151,250	20/-	151,250
Neverest Automatic Supply, 779,993 Shares 1s.	38,999	1/9	68,234
Total, week ended June 1, 1929	308,249	...	338,234
Total to date, 1929	21,043,754	...	29,550,774

Particulars of the following have been issued "for information only" with a view to Stock Exchange introduction:—**Hambro Trust, Limited**; issued capital, 1,000,000 £1 ordinary shares (1s. 3d. paid, with the right to the allotment of 500,000 £1 6 per cent. cumulative preference shares at par) and one £1 "A" share; incorporated as an investment trust company primarily to acquire shares in Hambros Bank, Limited. **Oswald Tillotson (1929), Limited**; issued capital, 344,007 5s. shares; acquires an established business of motor engineers and dealers, with net assets valued at £82,515, for £85,000 in shares. **Robertson Automatic Variable Speed Gear Company, Limited**; issued capital, 70,000 £1 8 per cent. cumulative participating preference and 470,000 1s. ordinary shares, the former entitled to one-third of the surplus distributed profits; incorporated in 1928 to acquire a licence to manufacture, sell, and sublicense an automatic gear. **Mills and Rockleys, Limited**; issued capital, 675,643 10s. 10 per cent. preferred ordinary and 100,000 2s. deferred ordinary shares, the former entitled to half the remaining distributable profits after payment of 10 per cent. on the latter; registered in 1928 to amalgamate 29 businesses engaged in poster advertising; an option has been granted on 50,000 preferred ordinary shares at 12s. **William Blythe and Company, Limited**; issued capital, 22,620 £1 7½ per cent, cumulative preference and 880,400 5s. ordinary shares; incorporated in 1892 as chemical manufacturers; net profits have been:—1925, £24,431; 1926, £11,217; 1927, £30,643; 1928, £38,039. **Neu-Flame (Canada), Limited**; issued capital, 34,000 $25 7 per cent. cumulative participating preference shares (carrying an allotment of one common share with each four preference shares) and 40,000 common shares of no par value; after payment of $2 dividend on the common stock, surplus distributable profits shall be applied rateably upon the outstanding shares without distinction between preferred and common stock; incorporated in Ontario to acquire rights in certain inventions, with premises. **Anglo-French (Verdun) Artificial Silk, Limited**; issued capital, 192,777 £1 10 per cent. preferred non-cumulative participating ordinary and 624,770 1s. deferred shares, the former entitled to $\frac{5}{16}$ of the remaining distributed profits after payment of 10 per cent. on the deferred; incorporated in 1928 to acquire land and factory buildings for the manufacture of artificial silk, valued at £187,000, at a purchase price of £32,000 in cash, £108,000 in ordinary and £27,000 in deferred shares. **Townsend Trust, Limited**; issued capital, 67,427 £1 ordinary (10s. paid) and 500,000 1s. deferred shares, the former entitled to 70 per cent. of the distributed profits; an investment and finance company, formed principally to interest itself in the drapery, fur, mantle, ladies' wearing apparel and allied trades; a further 157,573 ordinary shares are under option at par. **Selection Trust, Limited**; issued capital, 200,000 £1 7½ per cent. cumulative preference and 600,000 £1 ordinary shares, together with £300,000 6½ per cent. debenture stock, redeemable at par by annual drawings, 1934-9, or the whole may be redeemed earlier at a premium.

Grace National Bank

Hanover Square, New York, U. S. A.

Collections made and credits established anywhere in the United States for banking correspondents.

Special Representative

148 Leadenhall St. London, E.C.3.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. — Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. — Latest Year.	Previous Year.
RAILWAYS.				%	%
Atchison Topeka and Santa Fe	...	...	...	10	...
BANKS.					
Anglo-Polish	...	...	...	...	...
Bank of Nova Scotia	4%*	...	Quarterly	10	8
Dominion Bank (Canada)	3%*	...	Quarterly	...	...
Standard Bk. of S. Africa	...	...	...	17	16½
INSURANCE.					
Canton	{$22† {$18*	...	...	$40	...
Law Union & Rock	6/- p.s.*	May 31	Less tax	...	...
TEA AND RUBBER.					
Alliance Tea	12%†	...	...	18	20
Allied Sumatra	...	...	...	5	Nil
Amsterdam Rubber	...	...	...	15	18
Assam Frontier Tea	5½%†	...	Less tax	7½	10
Balijan Tea	15%†	...	...	20	20
Borhat Tea	7%†	...	Less tax	10	12½
British India Tea	20%†	...	...	25	40
Changkat Serdang	...	...	...	6	...
Cheras Rubber	7½%†	...	...	12½	15
Dalkieth Rubber	5%†	...	...	10	15
Dangua Jhar Tea	5%†	...	Less tax	7½	7½
Djember Rubber	...	...	Less tax	10	10
Doloo Tea	10%†	...	Less tax	15	...
Dooars Tea	7½%†	July 8	Less tax	10	35
Empire of India & Ceylon	15%†	July 8	...	18¾	25
Glenshiel Rubber	...	...	...	7½	5
Hongkong (Selangor) Rubber	...	...	...	5	5
Hope Tea	20%†	...	Less tax	35	55
Imperial Ceylon Tea	8%†	...	...	12	15
Jaliuga Tea	15%†	...	Less tax	20	25
Jokai (Assam) Tea	22½%†	June 15	...	30	45
Jugra Estate	15%	...	...	25	30
Kurau Rubber	...	...	...	5	4
Malaya General	7½%*	June 12	Less tax	...	...
Petoong Java	...	...	Less tax	1½d.p.s.	2d.p.s.
Rubber Estates of Krian	...	...	...	5	5
Shakomato Tea	...	...	Less tax	10	10
Sungei Purun (F.M.S.)	7½%†	...	...	12½	15
Telogoredjo United	...	...	Less tax	6	10
United Sua Betong	10%†	...	Less tax	15	20
MINING.					
Hodbarrow Mining	2½%†	...	Less tax	5	5
Union Corporation	3/6 p.s.†	...	Less tax	...	...
Wattarah Coal	...	...	Less tax	9d.p.s.	...
OTHER COMPANIES.					
A. B. Fleming and Co.	...	...	Less tax	15	15
Abbott (W.) and Sons	5*	...	Less tax	...	...
Aboukir	...	June 3	Tax free	5	...
African & European Invest.	...	July 31	Less tax	6	7½
Aldred Investment	8½ p.s.*	June 1	...	...	...
Anderston Foundry	...	...	...	9s.p.c.	...
Anglo-Amer. Nile and Tourist	...	...	...	5	...
Associated Biscuit Manufacturers	8%†	...	Tax free	13½	13
Baltic Mercan. & Shipping Exch.	...	...	...	12½	12½
Barnagore Jute Factory	50%†	...	Less tax	75	75
Boots Pure Drug	...	...	...	29	27½
British Feeding Meals	5%*	...	...	...	...
Brown (Thomas) and Sons	...	...	...	7½	5
Brownlee and Co.	...	...	Less tax	10	10
Burma Electric Supply	2½%*	June 1	Less tax	...	...
Burntisland Shipbuilding	4%	...	Less tax	6	Nil
Burton (Joseph) and Sons	...	...	...	7	7
Butler's Wharf	...	...	Less tax	15	15
Buttons	1/- p.s.*	June 30	Tax free	...	...
Callender's Cable	10%†	...	...	15	15
Carreras "A"	15%*	June 19	Tax free	...	...
"B"	15%*	June 19	Tax free	...	...
Carr's Flour Mills	5%†	...	...	7½	22½
City of London Real Property	...	...	...	5½	5½
City & West End Properties	4%†	...	...	6§	...
Cheltenham Original Brewery	5%	May 26	Less tax	...	...
Claymore Shipping	...	...	Less tax	5	4
Cope Brothers	8½%	...	Less tax	12½	12½
Electric Construction	...	...	Less tax	5½	7½
Electric Furnace	...	...	...	7	...
Fitch and Son	4%†	...	...	8	8
Hastings Pier	...	...	...	5	5
Holbrooks	...	...	Tax free	20	20
Hull Brewery	3½%*	May 31	Less tax	...	...
Inglis and Co.	...	...	Tax free	25	15
Investment Trust Corp. (Def.)	12%†	...	...	20	20
James Finlay	15%†	...	...	25	25
John Hunter Morris and Elkan	...	...	Less tax	10	10
Jones Dickinson and Co.	2½%*	May 31	...	...	...
London Palace	...	...	Less tax	7½	6
Malta & Mediterranean Gas	5%†	...	Tax free	9	8
Manchester Corn Grocery	4%*	...	Less tax	...	...
Manitoba and North West Land	...	...	Less tax	6	6
Maritime Oilfields	...	...	Less tax	2½	10
Marling and Evans	...	...	Less tax	6	...
Massey's Burnley	3½%*	...	Less tax	...	...
Metropolitan Assoc. for Improving Dwellings of Industrious Classes	2½%†	...	Less tax	5	5
Mortgage Co. of Egypt	...	...	...	17	17
Noakes and Co.	25%*	May 30	Less tax	...	...
Para Telephone	...	...	...	5	4
Pennsylvania Water & Power	$½*	July 1	Quarterly	...	...
Rendezvous Restaurant	...	...	Tax free	10	10
Sheffield Refreshment Houses	...	...	Less tax	10	9
Smith (Frederick)	...	...	...	17½	17½
South African Lighting Assoc.	...	...	Less tax	4	...
Stanton Ironworks	6%†	...	Tax free	10	10
Tadcaster Tower Brewery	4%*	...	Less tax	...	...
Tamaszow (Artificial Silk)	...	...	...	12	10
Trust and Loan of Canada	...	May 30	Tax free	6	6
Twyfords	5%† and	d bonus	2½% less tax	12½	40§
United Motor Finance	...	...	...	10	...
Virol	...	...	...	22½	22½
Wolverhampton and Dudley Breweries	7%*	June 1	Less tax	...	...
Yates' Castle Brewery	2½%*	...	Less tax	...	...
Yeo (John) and Co.	...	...	Less tax	10	...

§ Bonus 25%.

COMPANY MEETINGS, &c.

ROYAL INSURANCE COMPANY, LIMITED.

INCREASED FIRE INCOME—FAVOURABLE LOSS RATIO.
SATISFACTORY NET NEW LIFE BUSINESS.
INTERIM BONUS INCREASED TO 42s. PER CENT.
MR GLAZEBROOK'S REVIEW OF POSITION AND PROSPECTS.

The eighty-fourth annual general meeting of the shareholders of the Royal Insurance Co., Limited, was held, on the 27th ultimo, in the board room of the company's head office building, No. 1 North John Street, Liverpool.

Mr W. R. Glazebrook (the chairman) presided.

The notice convening the meeting having been read by the general manager (Mr J. J. Atkinson),

The Chairman said:—Ladies and Gentlemen,—Before proceeding with the business of the meeting I would wish to refer to the death during the year of our old friend Mr John Rankin, who was associated with the company as a director for nearly 40 years, and occupied this chair for four years during his long term of office. Mr Rankin will long be remembered by his colleagues as a man of sound judgment and a director who took great interest in the affairs of the company.

A few days after our last annual meeting our sub-manager, Mr Alex. D. Robertson, who was then seriously ill, died, and I would like to pay tribute to the valued services he rendered to the company. The loss of his wise counsel, level judgment and keen enthusiasm is deeply felt by us.

I will now proceed to deal with the results of the past year's working as disclosed in the report and accounts which are already in your hands, and which, I presume, it will be your wish to take as read.

FIRE DEPARTMENT.

The income in this department shows an increase of approximately £38,000, which is satisfactory in these days of strenuous and widespread competition. The loss ratio at 45.82 per cent. can, I think, be regarded as thoroughly satisfactory and reflects credit upon the management for the care with which the business of the company is selected. The expense ratio remains at practically the same level as last year, and, after adjusting the reserve for unexpired risks on the customary basis of 40 per cent., a handsome profit of £818,065 is transferred to profit and loss account, representing nearly 12 per cent. of the premium revenue. That profit has been contributed to by all sections of our business, and I am glad to be able to record that the improved experience in the United States to which I made reference last year has continued. There have been no major catastrophes to record during the past year with the exception of a conflagration in Fall River, Mass., in February, causing damage estimated at over £1,000,000, and a disastrous hurricane in September last, when extensive damage was done, particularly in the State of Florida and in the Island of Porto Rico. Our interests, however, in both occurrences were fortunately very moderate.

The year has been by no means free from problems due in part to the ever-increasing keenness of competition. The growth of a spirit of nationalism in many parts of the world continues to manifest itself in the enactment of laws requiring the deposit of funds and other measures hampering the development of foreign insurance companies. I hope for the eventual recognition of the fact that insurance is an international industry which develops its greatest efficiency when its natural growth on free economic lines is unrestricted. Legislative interference on discriminatory lines is to my mind opposed to the best interests of communities in general, and the history of insurance contains repeated instances of payments by foreign insurance companies proving of vital moment in repairing the effect of conflagrations.

LIFE DEPARTMENT.

The net new business transacted by the company during the past year amounted to £3,634,190, practically on a level with that corresponding to the previous year, and following upon the marked expansion of that year the result should, I think, be looked upon as quite satisfactory.

This is the last year of the current quinquennium, and I am sure it will have been gratifying not only to the shareholders as evidence of the vitality of the department but also to Royal policyholders to learn that, on the advice of our actuary, the directors have increased the interim bonus on with-profit policies from 40s. to 42s. per cent., particularly as this follows so closely on the previous increase in the interim bonus declared in 1927. We have not overlooked the needs of those who require or prefer non-participating policies yielding a large immediate cover at a low rate of premium. I may be permitted to remind you that the Royal was one of the first companies to recognise that changed monetary conditions and improved mortality experience demanded reconsideration of the then existing standards of practice, and our first reduction of non-profit rates was made in 1915. Subsequent events proved that step to be fully justified, and on the situation being again passed under review it has been possible to effect a further reduction in the without-profit rates, the third since we first gave attention to the subject. I can confidently recommend the Royal non-participating policy as a very attractive contract for those who desire this class of cover.

I would also call your attention to the substantial increase in the life funds, which now amount to the imposing figure of £20,825,826, representing an increase on the previous year of £1,213,000.

MARINE DEPARTMENT.

I am sure you will agree that the profit of £85,308 which we are transferring from the marine account to the profit and loss account in respect of the year 1927 is, in all the circumstances, very satisfactory, and one upon which our underwriters are to be congratulated.

As regards the market generally, conditions do not show any important measure of improvement, and leave much to be desired. There are still too many instances of weakness on the part of leaders in failing to insist on adequate rates and proper conditions, probably through fear of losing business which they would really be better without on the terms offered.

In spite of the difficult conditions, we are able to show a satisfactory profit, and I feel that I can point to the results of the year just closed as a clear justification of the policy we have followed, more especially as those results were obtained by conservative underwriting methods without extraneous aids. I congratulate our chief underwriter, Mr Stitt, and his colleagues.

As regards the 1928 account, the premium income of £1,175,882 represents an increase of some £145,000 over 1927, and the ratio of first-year paid claims is 25.15 per cent., against 23.97 per cent., a slight increase, but I think the position of this account may be regarded as satisfactory so far.

ACCIDENT DEPARTMENT.

In the personal accident section of the business the premium income shows a small increase of £7,362, which arises from both the home and foreign fields. The claims have been slightly higher and the resulting profit is, therefore, somewhat reduced. In spite of "Safety First" efforts the toll of the road continues unabated, and the dangers that so beset us nowadays are a constant reminder of the necessity for adequate personal accident insurance.

The "Employers' Liability" premiums show a small expansion, and the profit on this very difficult business is again, I venture to say, a very satisfactory one. Though we may hope that, with improving trade, our premiums from this department will grow, I hardly think that it is wise to count upon similar profits from this account in the future.

The general insurances account shows a healthy expansion in premium of £247,341, to which practically every section has contributed a share. For such a large account the profit of £126,546 shown is a somewhat meagre one, and this is due principally to the difficulties experienced in America in securing adequate underwriting profits there. The business of the Royal Indemnity Co. forms a large proportion of the account, and I fear that the instability of conditions in that field and acute competition make it difficult for us to foresee any expansion of profit in the immediate future,

though the capable executive of that company make every possible effort to attain that end.

We have lately had the pleasure of a visit from Mr F. J. O'Neill, president of the Royal Indemnity Co., who has been doing valuable work in improving the character of the business of the company over which he so admirably presides. His difficulties have not been lessened by the fact that about 80 new casualty companies, financed to the extent of from 70 to 80 million dollars, have been formed in the United States during the last 12 months.

Our accident operations in the foreign field are steadily being extended wherever conditions seem favourable. The adoption from time to time of the principle of workmen's compensation in other countries affords openings in this direction, and the Royal is doing its share in providing facilities in such cases to employers for obtaining insurance protection against their responsibilities for accidents to their workpeople.

MOTOR DEPARTMENT.

Conditions in the motor department, which forms a part of our general insurances account, continue difficult and require constant vigilance. The rapid world-wide increase in the number of motor vehicles on the road continues unabated, and statistics show that for some years past the ratio of the number of accidents to every 100 vehicles insured has steadily increased. The tendency of modern motor-car design is to provide higher speeds, the continuous improvement of road construction creates increased traffic, and these suggests that no diminution of accident frequency should be looked for in the immediate future. Competitive conditions render it difficult to ensure that the rates of premium charged are maintained at a level corresponding to the less favourable accident experience. The severe frosts of last winter in our own country caused a large influx of claims, amounting in the aggregate to a considerable figure, but it may be hoped that those conditions may be regarded as exceptional, and also that motor owners will have gained from them valuable experience in the safeguarding of their vehicles from frost damage.

Notwithstanding these adverse influences, I am pleased to say that we were able to record a modest profit on last year's operations, and it may be hoped that the consideration which various Government committees are giving, or have recently given, to the problem of improving traffic conditions and of instituting controls in the interest of public safety, will have a salutary effect upon the results of the business in the not distant future.

PROFIT AND LOSS.

On the income side of this account the interest earnings show a further satisfactory advance of some £36,000. The profit of £53,000 realised on sale of investments calls for no special comment. The remaining entry represents the underwriting profit for the year, and the total of £1,131,000 has only once been surpassed, viz., in 1919, and then by a relatively small amount; 1919 was, you will remember, an exceptional year of general prosperity, not only in our own but other businesses.

On the other side of the account is the provision for dividend and interest on debenture stock. Expenses not charged to other accounts represent £50,615. Provision for income tax calls for £200,000, an increase of £50,000 on the amount it was necessary to reserve for that purpose last year; and in accordance with our usual practice we are writing £50,000 off freehold house property account. In order to strengthen further the underwriting accounts transfers of £200,000 and £300,000 have been made to the fire and general insurance funds respectively, raising the reserve in respect of our fire business to 104 per cent., and of our general insurance business to 86 per cent. of the respective premium incomes, thus augmenting still further the high standard of security which it has been our practice to observe.

BALANCE SHEET.

There is no marked change in the balance sheet to which I think your attention should be drawn, beyond the increase of over £2,100,000 in the funds of the company as a result of the year's operations. The total funds now reach a figure little short of £40,000,000. The uncalled capital reduction fund disappears from the liability side, the shares now having a nominal value of £1 with 10s. paid up, following your acceptance of the special resolutions submitted to you last year. As regards the assets side of the balance sheet, I am glad to be able to repeat what I have said on previous occasions, that there is a margin of safety between the market price and the figure at which the investments appear in the accounts.

This concludes my review of the past year's working, and in submitting these accounts for your acceptance I would like to remind you of the widespread nature of the company's operations, the variety of the forms of insurance we offer to the public, and the many countries throughout the world, each with its own problems, where your representatives are advancing the interests of the company.

The present year hardly gives promise of a continuance of the high level of prosperity we have enjoyed for the past year. So far as it has gone we have no reason to be dissatisfied, but the incidence of losses both at home and in many places abroad is materially higher than last year. Your directors continue their interest unabated in the direction of the company's multifarious activities, and arrangements are being made for a visit to the United States, where our interests are of exceptional importance, by three or four of our directors.

GENERAL MANAGER'S RETIREMENT.

And now may I refer to the letter which I issued to you with the balance sheet announcing the impending retirement of our general manager?

I want to pay our sincere tribute to the unstinted devotion which Mr Atkinson throughout his long service of nearly 52 years has given to the interests of the company. It has been my privilege to be associated with him as chairman for five years. I have learned to entertain a high sense of respect for his wide knowledge of a business necessarily technical in its character and an admiration for his sound and wise judgment. Mr Atkinson has attained many distinctions in the insurance profession, and I am sure has commanded the universal respect of his colleagues in the business. He was president of the Chartered Insurance Institute some few years ago, and is at the present time chairman of the British Insurance Association.

The directors have acceded with reluctance to his desire to lay down the reins of office which he has held for the past eight years. Mr Atkinson's long years of service entitle him to the relief from the strain on his health of active business cares for which he has asked, and it only remains to me to offer him for myself, for the directors, and for you the best of good wishes that he may for many years enjoy happiness in his retirement, confident in his recollection of the gratitude we owe to him for his achievements in the interests of the Royal.

The directors have invited Mr Atkinson to join them on the board, and I am sure that this will be in accordance with your wishes as enabling us to retain the benefit of his experienced counsel.

CO-ORDINATION WITH LIVERPOOL AND LONDON AND GLOBE.

For some time past your directors have shared with their colleagues on the board of the Liverpool and London and Globe the opinion that closer co-ordination between that company and the Royal would be advantageous to you as shareholders.

The retirements of the respective general managers of both companies at one and the same time left the directors faced with a new situation, and gave them wide freedom for the consideration of the best means of achieving that co-ordination.

You will have learned from the notice enclosed with the balance sheet that our first objective was to secure identity of *personnel* upon the boards of directors of the two companies themselves.

There has always been close association between the boards, as a number of my colleagues have, like myself, been directors of both companies. It only needed, therefore, that those directors who sat on the board of one company only should be elected to the board of the other to bring about the identity necessary to allow of concurrent direction of the affairs of both companies.

I have no doubt that these measures will approve themselves to your minds.

NEW EXECUTIVE APPOINTMENTS.

On the executive side the directors have thought well to follow the same principle, and have appointed Mr Robert M'Connell to be the general manager of the two companies.

Mr M'Connell joined our service 33 years ago, and for the past 20 years has filled with distinction the post of London manager of the company.

The esteem in which he is generally held is evidenced by the fact that he has served as president of the London Insurance Institute and of the Chartered Insurance Institute.

In Mr M'Connell the directors felt that they have a man of proved ability and of the highest standing in the insurance world, fully able to maintain the high traditions of the company.

Mr Walter Carter, our deputy manager here, goes to London to take control there as manager of the offices of both companies, and he brings to those important duties a wide experience gained in our home service and in the United States.

Mr F. J. Williams and Mr J. D. Simpson have been appointed assistant general managers at the head office.

Mr Williams has travelled widely and has an extensive knowledge of the foreign field. He has served the company for 32 years, many of which were spent in South America. Last year he was made a sub-manager of the company.

Mr Simpson has for 25 years been in the service of the Globe at home, in Canada and the United States. After his return from a tour of the Antipodes last year he was made London manager of that company.

The directors are confident that all these changes will approve themselves to you as securing to the service of the two companies men with wide experience, capable of giving efficient supervision to the shareholders' interests.

I beg to move "That the report, accounts, and balance sheet be adopted, and that a dividend of 3s. per share, less income tax, be payable on or after Tuesday, the 28th inst., making, with the interim dividend paid in November last, 6s. per share, less income tax, for the year 1928."

Mr Frank Henderson (chairman of the London board) seconded the motion.

Mr John Hedges (a shareholder) congratulated the company—the largest fire insurance company in the world—upon the successful management and the large profits of its fire department.

The motion was carried unanimously.

Mr A. Allan Paton, C.B. (deputy chairman) proposed the re-election of Mr Frederic A. Bates, Sir Edmund F. Bushby, Mr P. R. England, Mr T. H. Jackson and Mr Evelyn S. Parker as directors of the company.

This was seconded by Mr Arthur E. Pattinson and agreed to.

VOTE OF THANKS.

Mr W. A. Weightman proposed the following resolution :—"That the thanks of this meeting be presented to the directors of the company and to the London board, also to the members of the company's local boards and to its officers and agents at home and abroad, and to the boards of directors and officials of allied companies for their valuable services during the past year." On behalf of the shareholders Mr Weightman paid a tribute to the long and able service to the company of Mr J. J. Atkinson, whose retirement, he said, was regretted, but whose appointment as a director met with approbation. He added that Mr Robert M'Connell, who was coming to Liverpool from London to assume the dual post of manager of both the Royal and the Liverpool and London and Globe Companies, could be assured of a very cordial welcome from shareholders. (Hear, hear.) Mr W. Carter, who was to take over the position of London manager, would be missed from Liverpool.

Mr J. H. Clegg seconded the motion, which was carried with acclamation.

The Chairman, in acknowledgement, said it was the unanimous opinion of the directors of both the Royal and the Globe that the changes about to be made and the co-ordination which was to come into operation would be for the benefit of both companies.

GENERAL MANAGER'S REPLY.

Mr J. J. Atkinson (general manager), who also replied, met with a very cordial reception. He said :—I desire gratefully to acknowledge the kind expressions which have been voiced, and which have been so well received, by the shareholders. Personally, I do not wish to lay too much stress on the wrench in my business life which my retirement from the general managership of the Royal involves. On the whole, I have had a happy time in doing what I conceived to be my duty to the company. (Hear, hear.) I can lay claim to a highly successful career in the Queen and Royal companies, and the results speak for themselves.

It is true that I have been fortunate during the eight years of my general managership in so far as there has been an absence of anything approaching, for example, the disasters of 1905 and 1907, but the keen competition in all sections of insurance business in these days renders the position of executive officers very trying. The Royal is, however, fortified in all directions against possible disasters, and this will be better realised when I tell you that collectively the reserves, measured in terms of premium income, now exceed 100 per cent. in our fire, accident and marine departments. (Hear, hear.)

Indeed, I may use the words of an insurance magnate, who is no mean judge in matters of the kind, in saying that I am passing on to my successor "a fine heritage."

TRIBUTE TO COLLEAGUES AND STAFF.

I cannot speak too highly of the great assistance I have received from my colleagues at home and abroad, and from the staff of the company generally, for, without their whole-hearted co-operation, the excellent results referred to could not have been achieved.

It is quite impracticable in the time at my disposal to say as much as I would like to, but I cannot refrain from striking a special note of appreciation in respect of our business in the United States and Canada, whence so large a proportion of the company's revenue is derived, and to say how much I have been indebted to the company's officials on that side.

The decision of the boards to bring about a closer co-ordination of the affairs of the Royal and Globe, as referred to by the chairman, is, I consider, a great move forward in carrying out the true object for which the companies were brought together some 10 years ago, and the decision will, I feel confident, not only result in economies in the actual working arrangements between the two companies, but prove of very great value in securing unity of policy in Imperial matters.

The appointment of a sole general manager will bring about that fusion of common interests which is so necessary, and will, I trust, create a common brotherhood among the staffs, which will be most advantageous.

I hope that Royal and Globe men will henceforth regard themselves as equally members of one family—(hear, hear)—with one common thought and aim—that is, to raise to even greater heights the prosperity of the great companies they have the honour of serving.

Finally, let me say a word of keen appreciation of the compliment which the directors of the Royal have paid me by their invitation to join the board. I believe that, as a director, I can still continue to render assistance in the interests of the company. I part with deep regret with my colleagues and the staff at head office and elsewhere, and I wish them individually and collectively all happiness and prosperity in their respective spheres of work. (Applause.)

The meeting then terminated.

LA GUAIRA HARBOUR CORPORATION, LIMITED.

INCREASING TONNAGE.

The annual general meeting of the La Guaira Harbour Corporation Ltd., was held on the 29th ultimo, at Winchester House, London E.C., Mr John G. B. Stone presiding.

The Chairman, in moving the adoption of the report and accounts, said that the profit of £64,876, compared with £63,366 for 1927, and after paying interest, etc., there was a surplus of £2,050. This made £23,511 to the credit of the shareholders to be dealt with when the financial position allowed. The gross receipts were higher by £9,676, and the working expenses by £8,602. The tonnage coming to La Guaira was increasing, and it must be provided for if they were to cope with it profitably. Individual cargoes were increasing; the number of vessels touching at the port increased, and ships of larger tonnage were constantly arriving. In short, there was every indication of considerable growth in the traffic for the near future, and unless they improved the port they would be considerably handicapped, with the result that expenses would absorb the bulk of the increased earnings.

PLANS FOR EXTENSIONS.

The general manager looked forward to effecting considerable savings in working expenses. The board still had under consideration plans for the extension and improvement of the port which would lead to important economies. They were in consultation with the engineers as to the cost of the proposed work. Estimates had been obtained, and the consulting engineers had been instructed to obtain tenders for a lump sum contract covering all contingencies. The board would then be in a definite position to consider financial arrangements. The consulting engineers stated that if the new works were carried out, the corporation would be able to make a saving in working expenses of over £30,000, apart from any additional tonnage that might be handled.

Regarding the Macuto Railway, competition from motor 'buses had become even more severe. The general manager regarded lack of rolling stock as one of the incentives of increased competition. The corporation were interested as shareholders and Second Mortgage bondholders, and the directors would not recommend embarking further capital unless some satisfactory arrangement were made with the First Mortgage bondholders in the way of co-operation.

The report and accounts were adopted.

THE FINE COTTON SPINNERS' AND DOUBLERS' ASSOCIATION, LIMITED.

A YEAR OF BAD TRADE.

DIFFICULTIES OF THE INDUSTRY.

GLIMPSES OF AN INDUSTRIAL REVIVAL.

MR HERBERT W. LEE'S REVIEW OF POSITION AND PROSPECTS.

The thirty-second ordinary general meeting of shareholders of The Fine Cotton Spinners' and Doublers' Association, Limited, was held in the Memorial Hall, Manchester, on Tuesday, May 28th, 1929.

Mr Herbert W. Lee, Chairman of the Association, presided.

There were also present: Colonel R. W. D. Phillips Brocklehurst and Mr John Graham Peel (Vice-Chairmen); Mr William Howarth (Managing Director); Mr Vernon Bellhouse and Mr Alan Murray Gordon Debenham (the above constitute the Executive Board); Mr John Wallace Adam, Mr Percy Ashworth, Mr George Alfred Barnes, Mr Robert Leslie Bellhouse, Mr Robert W. Bennett, Mr Arthur Lyons Carroll, Mr Archibald E. Dixon, Mr Esmond Mills Dixon, Mr Francis Iredale Dixon, Mr John I. Higson, Mr F. Watkin Hillier, Mr Ernest Mather, Mr Percy Musgrave, Mr E. Lomas Oliver, Mr Edwin Oliver, Mr Ian Maurice Lomas Oliver, Mr Wm. Alfred Perry, Mr John Baird Walker, Mr Philip Bruce Whitehead, and Mr Herbert Stowell (Director and Secretary).

About eighty shareholders were also present.

Letters of apology for absence were read from Mr H. M. Harwood, who is abroad, and from Mr A. E. Rahr and Mr J. A. Wanklyn, who are travelling on the company's business abroad.

DIRECTORS' REPORT.

The thirty-first annual report of the directors for the year ended March 31st, 1929, states that :—

	£	s.	d.
The balance brought forward from last year's account is		200,449	3 10
The profits for the year, after charging £200,000 to depreciation, and providing for directors' fees and bonuses to management, amount to		632,617	11 8
Add Transfer from reserve for equalisation of *dividends* ...		*100,000*	0 0
		933,066	15 6
and after deducting :—			
Interest on debenture stocks ...	£110,000	0 0	
Transfer to welfare fund ...	15,000	0 0	
		125,000	0 0
There remains a balance of ...		808,066	15 6
Out of which have been paid interim dividends as under :—			
On preference shares at the rate of 5 per cent. per annum ...	£75,000	0 0	
On preferred ordinary shares at the rate of 5 per cent. per annum	23,500	0 0	
On ordinary shares at the rate of 8 per cent. per annum ...	176,400	0 0	
		274,900	0 0
leaving a balance of...		533,166	15 6
which the directors recommend should be appropriated in the following manner :—			
To payment of a dividend for the half-year ended March 31, 1929, at the rate of 5 per cent. per annum on the preference shares	75,000	0 0	
To payment of a dividend for the half-year ended March 31, 1929, at the rate of 5 per cent. per annum on the preferred ordinary shares ...	23,500	0 0	
To payment of a dividend for the half-year ended March 31, 1929, at the rate of 10 per cent. per annum on the ordinary shares (making with the interim dividend a total distribution of 9 per cent. for the year) absorbing	220,500	0 0	
Total	319,000	0 0	
Balance carried forward ...	214,166	15 6	
		533,166	15 6

The Directors report with regret that Mr Alfred Edwin Rahr has resigned from his post of executive director owing to reasons of health, and they desire to record his valuable service in that capacity to the commercial side of the association, but are pleased to state that he continues as an active member of the board.

Mr Alan Murray Gordon Debenham has been appointed to the executive board in place of Mr Alfred Edwin Rahr.

In accordance with the articles of association, the following eight members of the board now retire :—R. W. D. Phillips Brocklehurst, John Graham Peel, Robert Wharton Bennett, John Isaac Higson, Edwin Oliver, Frank Watkin Hillier, William Alfred Perry, Robert Leslie Bellhouse.

The board recommends their re-election.

The auditors, Messrs Edwin Guthrie and Co., of 71, King Street, Manchester, retire, and being eligible, offer themselves for re-election.

By Order of the Board,
Herbert W. Lee, Chairman.
William Howarth, Managing Director.
Herbert Stowell, Secretary.

St. James's Square, Manchester.
May 17th, 1929.

THE CHAIRMAN'S SPEECH.

The Chairman, in moving the adoption of the report and accounts, said :—The report and balance sheet has been posted to every one of our shareholders, and I expect you will follow our usual custom and take them as read. You will notice in the report that we have to announce with great regret that Mr A. E. Rahr has retired from the position of an executive director. He has held this post for the past six years, during which time his services have been most valuable to the association, and we have to record our thanks for these as well as for the work that he has done for the association ever since its formation. The reason for Mr Rahr's retirement from this post is one of health, and I can assure you that anyone holding the position of an executive director has to be in very good condition in order to enable him to cope with the very heavy work that is inseparable from such a post. I have pleasure in telling you that since his retirement from this post Mr Rahr has enjoyed better health. He remains a director of the association, and is, in fact, at the present time, in company with another of our directors, Mr Wanklyn, making a business tour for us, which will extend over three months, of markets where we think our trade may with advantage be increased.

A QUESTION OF PUBLICITY.

A great amount of attention has lately been drawn to salesmanship and what goes under the name of publicity. This problem is a very difficult one for our association. If we embark on a campaign of advertisement in the ordinary manner we are in most cases simply calling the attention of our competitors to the markets in which we hope to increase our trade, and we have found that our best method is to expend such sums as we can devote for this purpose in personal visits to the principal users of yarn in every market of the world. It is on such an errand that these two gentlemen are now engaged.

You will notice that we have appointed Mr A. M. G. Debenham to fill the vacant post. As many of you know, Mr Debenham was one of our first apprentices; he rose to be managing director of one of our biggest mills. He is taking up his new duties with ability and the vigour of youth, and you may be satisfied that our choice has been a good one and likely to promote the welfare of the association.

THE BALANCE SHEET : TRADE DEPRESSION AND ITS EFFECTS.

Last year I had the great pleasure of presenting to you a balance sheet that approached the very best that we have ever sent out from our association, but those of you who were present at the last meeting will remember that I indicated to you then that the trade which had been so good for the twelve months preceding that balance sheet had greatly fallen off, and I was not able at that moment to give you a good report of the trade that was passing through. I indicated quite clearly that, should the trade continue for long on the restricted volume that was then in evidence, you could not expect to see a balance sheet with the results that we were at that meeting able to put before you.

YEAR'S ADVERSE FACTORS.

I regret to say that my anticipations of restricted trade and restricted profits have proved correct, and that the balance sheet which I have to present to you to-day does not show a profit to compare with that of last year, and is, indeed, very much below the amount that we consider the association should earn in any average year. There is no question that the year we have just passed through has not only had no pretensions to be an average year, it may quite truthfully be put down as a year of bad trade for the fine section of cotton textiles. It is not possible to point to any one particular feature which has caused this reduction in profits. The chief factor has been a general want of demand for the goods made from our particular yarns. Several times during the year orders have begun to come in well, and we have had reason to hope that the worst of the dull, quiet time was over, but in every case, for some reason which it has been impossible to identify, the trade has quite quickly dropped back into a dull condition, quite unable to keep all spindles running on our class of yarns fully occupied. This has meant that in addition to the difficulty of keeping spindles going we have had to contend with great competition and margins all round have suffered seriously.

One feature is very marked, and that is that this quiet period of trade in our particular qualities of textiles has not only affected our mills and those generally spinning Egyptian cotton in this country, but has also been very marked in the markets abroad, with the sole exception of France, in mills depending upon the same class of trade. It is not, as far as I can see, a question of our being unable as yet in this country to compete in the markets of the world with our particular goods, it is really a distinct falling off in demand in almost every market for this period for the particular goods made from the qualities we spin, and, naturally, under these circumstances, we have not only to compete with great vigour to get our full share of the trade which is going, but we have also to compete against mills in our own country, many of which, in their endeavour to keep full running, in many cases, I am afraid, without a great knowledge of the cost of production and the necessities of the case, cut their prices to a far lower figure than is really necessary, so that we have on the one hand the difficulty of obtaining a sufficient weight, and on the other hand we have to compete against what is really undue cutting of the prices of the yarn. In all the circumstances I think we may contend that we have survived the difficulties of the year in a creditable manner, and that the balance sheet which we are able to present to you to-day is one for which we need not apologise, and one which, under the circumstances, you should find to be not unsatisfactory. (Applause.)

BALANCE SHEET ITEMS.

Turning to the details of the balance sheet itself, and taking, as we usually do, first of all, the assets of the company, you will find that our additions to the properties of the associated mills during the year have only amounted to £28,481, which is rather less than the expansion we have been making in our Associated Mills for some years past. You will notice we have taken the same amount for depreciation as last year, and that we have spent almost exactly the amount thus put on one side in renewals, in addition to which we have expended a sum of £109,800 on repairs, which has been written off profit and loss account, so that the final result is that our associated mills stand in our balance sheet at just about £30,000 more than they did a year ago. In the case of our investments and subsidiary companies you will notice they have increased in value by £200,000; the main items accounting for this increase are the purchase of the Stockport Cotton Doublers, Ltd., and the Victor Mills, Ltd., the payments for which have taken place this year.

STOCKPORT COTTON DOUBLERS, LTD.

I told you when addressing you last year that we had just arranged the purchase of the doubling mills in Stockport, which are now registered under the title of the Stockport Cotton Doublers, Ltd. We have run this concern during the past year and have done so at a profit, and we have no doubt that, in the years to come, it will prove a good investment to the association.

These mills have long been competitors with the doublers of the association, and we, therefore, expect in the future to get an advantage, not only from the profit that we can make on this concern, but also from the help it can give to both the spinners and the doublers in the association.

VICTOR MILL.

The case of the Victor Mill is entirely different. There has been a considerable amount of speculation as to why an association like ours should purchase a mill like the Victor Mill. It will interest you to know that this mill is one of the best-built, best-arranged and most up-to-date concerns spinning really good American cotton in Lancashire. It consists of two mills and a big shed, standing together, and contains 170,000 ring spindles and 1,064 looms, with all the necessary equipment to run them. As a regular thing our policy prevents us from owning looms because we do not in any way wish to compete with our customers in the weaving trade, but these particular looms are heavy looms; they will not compete in the fine trade or have any effect upon the weavers who use our yarns, and who so loyally help and support us both in good and bad conditions of trade. We can, therefore, run these looms without any misgivings. In acquiring these mills we are slightly broadening the basis of operation of the association. We are in possession of mills that can be run for the trade, for which they were put down, or can be adapted for other trades if we should find it more desirable to do so. We take them over with a good managing staff, in whom we have confidence, and our directors of this concern have followed the policy of the Fine Spinners' directors and have resigned all other appointments in the trade in order to devote all their time and energy to the service of the association. (Applause.) At the price we paid for the mills in question I have not the slightest hesitation in assuring you that they will be a valuable acquisition to our association. There are, of course, other smaller alterations in the figures which go to make the total under the head of subsidiary companies, but they are all of a normal nature, and the purchases that I have specially mentioned to you are the only new elements that enter into the account.

STOCK-IN-TRADE.

In the case of the stock-in-trade, you will notice a very considerable increase. This increase occurs in both raw cotton, and in finished yarn. It must be remembered that our stock, which on March 31, 1928, was valued at £2,706,985, was a very small stock for this association, and, although the present stock is considerably bigger, especially in the value of yarns, than we like, still it is not an extraordinarily heavy stock for a company the size of ours. I am glad to tell you that the short-time running which we have joined in for the past two months, and which, naturally, we very much deplore, has enabled us to make some reduction in the value of the yarns we have in stock, and I trust that we shall have an improvement in the trade which will enable us to bring these down to a considerably lower figure before we meet you next year. In any case, the stocks are all well and carefully made. They are priced with great care, and on the conservative side, and we see no reason for any anxiety on their account.

TRADE AND OTHER DEBTORS, ETC.

The trade and other debtors show a reduction on last year of £174,504, which is entirely occasioned by slackness of trade, and the reduction of the turnover during the twelve months, and you will notice that the cash at bankers and in hand shows a very big reduction, which is easily accounted for by the increase in our stocks and by the purchase of the two concerns which I have already mentioned to you. I should perhaps remind you that, since we made our last issue of shares, we have bought four mills. With our stocks kept at a normal figure, our finance is still easy, but if for any reason it should prove desirable to extend further we should have then to issue shares and increase the capital of the association.

LIABILITIES.

Turning to the liabilities, there is no change of any description until you come to the reserve for the equalisation of dividends, which, you will notice, stands at £200,000 instead of £300,000 that we brought it to last year. I shall refer to that again when we come to the profit and loss account.

The insurance fund has increased £3,629, the amount by which the premiums have exceeded the claims during the year.

RESEARCH FUND.

The research fund is reduced by £664, money expended on capital account at our Bollington Research and Experimental Station during the year. You will, I know, hear with great satisfaction that this department of experiment and research which we have at Bollington is working with great advantage to the association, and

although the yearly cost of upkeep is quite considerable, we are convinced that the expense incurred on that account is one which will be more and more beneficial to the trade of the association.

WELFARE FUND.

From the welfare fund we have spent during the year on what is really capital expenditure nearly £19,000. We are really, I think, getting near to the end of the special expenditure for this purpose. We are asking you to-day to put on one side a further £15,000, which should enable us to complete the schemes which we have in hand, or are likely to put in hand, for quite a considerable period. It may seem to you that we have spent a very large amount on the schemes which we have inaugurated for the welfare of our workpeople, but you cannot institute rest rooms, clinics, canteens, playing fields and pavilions without spending a very large sum of money if you are to obtain results for an association of the size of ours, and I am quite certain that if any shareholder should choose to investigate the work that has been done, and the results that we are getting from it, he would be very satisfied that the course we are taking is the right one. (Applause.) It is beginning to be apparent that the work we have done in the mills themselves has ensured better health to our workpeople, much greater freedom from sickness and accident, and I feel sure these good results will make themselves more and more evident as time goes on.

PENSION SCHEME.

You will like me to say a word about the pension scheme, for which you have in past years provided funds for the benefit of your workpeople. We are not asking you this year to put anything further on one side for this purpose. The fund you have already provided will be sufficient for a considerable time to come. The total number of pensions already given since the inception of this fund is 550. 151 of our pensioners have died, and that leaves on the books to-day 399 of our old workers enjoying the pensions you have so generously provided for them. These pensioners from time to time show great recognition of the generosity that the shareholders of the association have shown in providing this fund, which is of such vital benefit to them when they are incapacitated, and have to retire from work.

SUPERANNUATION FUND.

The superannuation fund, which is a contributory scheme, is also continuing its good work, and stands to-day at £14,147 more than it did a year ago.

I must mention also the long service certificates we have this year presented to all workers who have given 40 or more years continuous service in the mills of the association, because we presented these from the shareholders, and the recipients specially desired me to convey an expression of their thanks and gratification to you on the first opportunity. 925 workers have now received these certificates, and it was a great pleasure to note the satisfaction it gave to each one of them to know that their good work over such a long period was recognised by the board and by the shareholders of their company.

Taking the other features on the balance sheet, we have loans of £564,321, which are lower by £71,979 than they were a year ago, and about which there is no special comment to make. Creditors and bills on open account are higher, mainly by an increase, which is a tmporary one, in the trade debtors, but present no special features to bring before you.

PLANTATIONS ON THE MISSISSIPPI.

Before we come to the profit and loss account, I must say a word about our subsidiary companies, and especially about the plantations on the Mississippi, which were devastated by the great flood in 1927. It is a great pleasure to be able to tell you that these plantations have now been brought back into cultivation, and that during the season we have been able to pick a very satisfactory crop of cotton. The rearrangements in connection with the management have also been completed and are working well. The headquarters of the business have been moved from Memphis, which was 150 miles away from the plantations, and where they have been stationed ever since the company was formed, to Scott, the little town in the centre of the plantations, and the whole arrangement in connection with the working of the estates has been simplified and improved. We have not as yet received the profit and loss account for the past year, but we have full information of the chief figures of that account, and it is quite certain that the profits for the year will be satisfactory, and will not only pay the interest on the first gold bonds, but will leave a very considerable surplus outside that liability. Only the interest on the gold bonds has been brought into the present accounts, but if the estates continue to prosper as they have done during the past year, we can expect further additions to our profits in future years. (Applause.)

THE COLLIERY.

The colliery has naturally had a hard year's trade to face, but I am glad to tell you that it has been able to make some profit during the year, which has been taken into our accounts in the usual way.

Our subsidiary companies in this country spinning cotton have not made their usual contribution to the profits of the association. Like the Associated Mills they have found the trading very difficult, and in almost every case the dividend we have received from them has been reduced.

THE FRENCH MILLS.

Our mills in France have again done well, and have given us as good a return this year as they did last. We find trade there at the present time quite steady, and we have no reason to anticipate anything but a satisfactory profit from these concerns in the year which they are now entering. I am not sure that our shareholders fully realise what a fine property we have in these mills in France. They gave us naturally great anxiety after the war in reinstating them and restarting them, and afterwards in regaining our full staff of workers. It was indeed only by building what we call here a garden city that we were able to get over this difficulty. But to-day every mill is in first-rate condition, and fully staffed, is fully working, and our French colleagues are working with the greatest energy, enthusiasm and success. (Applause.)

PROFIT AND LOSS ACCOUNT.

We come now to the profit and loss account, where you will notice that the total profit we have made for the year is £632,617 11s. 8d. It is not by any means the smallest profit that this association has ever made, but, as I said in the beginning, we consider it far lower than we ought to make with average trade in an average year. We have to take into account £200,449 3s. 10d. brought forward from last year's accounts, and we have thought it desirable to transfer from the reserve fund, which you will remember was specially put on one side for the equalisation of dividends, the sum of £100,000. If you deduct from this the £110,000, interest on debenture stocks, and the £15,000 we are asking you to devote to the welfare fund, you will find we have a balance of £808,066 15s. 10d., which you will find again if you turn to the front sheet of the report. From this we have to deduct the interest on preference shares, preferred ordinary shares, and the interim dividend paid on the ordinary shares at the half-yearly term, which came together to £274,900, so that we have a balance of £533,166 15s. 6d. to deal with. From this must be deducted the £75,000 interest on preference shares and £23,500 interest on preferred ordinary shares, and the directors advise a dividend at the rate of 10 per cent. per annum on the ordinary shares of the company, which will absorb £220,500, leaving a carry-forward of £214,166 15s. 6d., which is £13,717 11s. 8d. more than we brought into the accounts. This, with the interim dividend, makes a return on the ordinary shares of the association for the year of 9 per cent.

BOARD'S SOUND DIVIDEND POLICY.

You will no doubt consider that in the dividend which the board recommend they have shown, in face of the reserves we have in hand, a very careful and conservative policy, but you must remember that there are considerable elements of uncertainty about the possibilities of trade for the coming year, which the directors are compelled to take into account when they are considering the dividend to advise. It may be that this carefulness will prove to have been unnecessary, but, on the other hand, it may prove to have been a desirable decision in view of the policy of the association to keep up a steady reasonable return year by year on the ordinary shares of the company.

CURRENT YEAR'S OUTLOOK.

The half-year we are now trading in does not start well. Two months' short time, although it has reduced our stocks, does not for the time being improve our profits.

We have the drawback to trade, and it is a great one, of a high Bank rate; such a rate as 5½ per cent. must always be a handicap to business. We have the upset of the General Election, and the uncertainty of the result of that election. These are all matters which are calculated to make a responsible board walk carefully.

FAVOURABLE FACTORS.

On the other hand, while the prospect is, for the moment, dark, there are some bright places on the horizon. The formation of a combination of considerable size of firms in the Bolton district, spinning Egyptian cotton, which now seems certain to go through, has for one of its objects the stoppage of the insane cutting of prices that has obtained during the past year, from which we, with them, have suffered.

We have information from the retail trades that fashion is more than likely in the near future to bring cotton dresses back into favour, and we are all well assured in that case that our yarns will again be in active demand. We are already receiving valuable relief from reductions in the cost of carriage, and in reduction of shipping freights, and the relief we shall obtain from the De-rating Act will be very considerable, especially as our mills are situated largely in towns where the rating is high. We shall in future enjoy the many advantages that are attached to mills situated in large centres without the disadvantage of heavy rates.

Since I have presided at these annual meetings I have always attempted to give you a general idea of the working of the business, and the features of trade in our favour and the difficulties we have to face.

To-day reporting on conditions that obtain, for the moment at any rate, my report may seem a little discouraging, and you may like to hear that I am personally by no means pessimistic. It is well to remember that you have a solid concern, in splendid condition for the work it has to do, that its real value stands in a most favourable relation to the figures that represent it in the balance sheet. That its basis of operation is a broad one and its trading widespread. We have had, and always shall have, our ups and downs in trading and in profits, but I am sure we may look forward without misgiving and with confidence to the future.

CONDITIONS IN TEXTILE TRADE IN GENERAL.

I have to-day spoken only of our particular concern. I felt there was not time to discuss the textile trade in general. There is, at the moment, very little cheerful to report of its general condition, but action is being taken not only in the formation of groups of mills, but also in combined and concerted action between the various sections of the industry in order to regain the trade that has been lost since the war. We are lending our help in the conferences that take place, and we have hope that success will crown the efforts that are being made.

TRIBUTE TO STAFF.

Before I close I must say a word about our staff. They have been working for the past year under most difficult and trying conditions, but they have never allowed themselves to be discouraged, and each obstacle they have encountered has only roused them to greater effort. The shareholders have, in my opinion, good cause to be satisfied with the work of all ranks, from the board, the executive and the mill managers, right down to the rank and file of the mills. (Applause.)

Colonel Brocklehurst seconded the resolution, which was passed without a single question being asked.

Resolutions as to dividends, the re-election of retiring directors, and the election of auditors, were afterwards submitted and passed unanimously.

A vote of thanks to the chairman for the ability and courtesy with which he had presided over the meeting, and to the directors and staff for their untiring exertions on behalf of the company, brought the meeting—one of singular harmony, as usual—to a close.

PHŒNIX ASSURANCE COMPANY, LIMITED.

NET NEW LIFE ASSURANCES EXCEED £3,000,000.

The ordinary general meeting of the shareholders of the Phœnix Assurance Co., Limited, was held, on the 29th ultimo, at Phœnix House, King William Street, London.

Mr Arthur M. Walters (deputy-chairman of the company), who presided, in moving the adoption of the report and accounts, said:—

Last year our chairman made reference to the fact that recent legislation regarding income tax might render it advisable to make a change in our dividend dates. In the hope of avoiding this, representations were made to those in authority. While, however, the reasonableness of our protest was recognised, the only satisfactory course now open to us is to make the alteration in dividend dates from May 1st and November 1st to June 15th and December 15th. I must ask you to absolve us from responsibility for the need of this change.

FIRE DEPARTMENT.

I now turn to the details of our transactions during 1928, and take first the fire department. The income amounted to £3,362,000, representing a healthy increase of some £75,000. The losses at 48·7 per cent. are rather more than 1 per cent. higher than in 1927. This modest rise is not a matter for uneasiness, and if we could always rely on such a loss ratio there would be but small cause for anxiety.

Our expenses are also 1 per cent. higher, the increase being largely occasioned by circumstances over which we have but little control.

You can rest assured, however, that no effort is being spared to reduce our expenses. The sum of £204,000 is being transferred to the profit and loss account from the fire department, representing 6·1 per cent. of profit, which is not an unreasonable result.

MARINE DEPARTMENT.

The tale that has had to be told, not only by ourselves, but by others for some years past, of the unsatisfactory state of the marine market still stands repetition to-day. In closing the 1927 accounts we are advised that a loss of £5,000 may be sustained. This is considerably better than the position twelve months ago, and the improvement is welcome. Our underwriting account stands by itself without the aid of interest on the funds, so there is during the past year benefit to the company by virtue of having undertaken marine business.

ACCIDENT DEPARTMENT.

The combined net premium income at £3,889,000 remains approximately constant, as against £3,903,000 in 1927. The loss ratio of 58·7 per cent. compares favourably with 58·8 per cent. last year, and we have a transfer of £116,000 to profit and loss. This is quite an improvement on the figure obtained in 1927, and, coupled with the large interest earnings obtained from the accident department, constitutes a valuable portion of our business.

LIFE DEPARTMENT.

We have had the satisfaction of issuing policies carrying new net assurances in excess of £3,000,000, a record for the company. The death rate, while heavy, is still within our expectancy.

The shareholders' proportion of the ascertained profit which has accrued in the life fund enables us to transfer to the profit and loss account the usual amount of £40,000, while the quinquennial valuation of the London Guarantee and Accident Life Fund brings us in a sum of £30,000, so that our life business has contributed handsomely to our prosperity.

PROFIT AND LOSS ACCOUNT.

You will perceive that our interest, dividends, and rents have increased by £13,000, and the total is just short of £600,000. Our various trading accounts give us a total profit of just over £390,000. These items added to the balance of last year's account are disposed of as shown in the account; first and foremost comes the dividend, which calls for £589,000. The recommendation of the board is that the dividend be at the rate of 14s. per share. While this is at the same rate as 1927, through the operation of the relief in respect of Dominion income tax, the amount will be equivalent to an increase of 6d. per share in the dividend.

This is a benefit which we are glad to have obtained for our shareholders. It is but right, however, that I should sound a note of warning. The amount which has now been recovered represents the accumulations of some six years' rebate. Therefore, in the future, anything recovered will probably be small in comparison.

It will be observed that we have transferred £500,000 to the additional reserve.

The various disbursements leave us with a balance to carry forward of just over £1,500,000; this figure will enable you to feel that any sudden and exceptional onslaught that may come upon us will encounter a solid buttress which must be passed before there can be any inroad upon our other reserve funds.

On previous occasions you have been informed that the market value of your Stock Exchange securities is considerably in excess of the figure in the balance sheet. It gives me pleasure to be able to repeat this information to-day.

In addition, we regard our contingencies reserve as the first line of defence should depreciation dissipate our hidden reserve. Our contingencies reserve is independent of the ample departmental funds, with no liabilities ranking against it.

Your business is well spread, your finance cautiously and efficiently conducted, your dividend well secured, and, jointly with yourselves, our policy-holders are able to view with satisfaction and a sense of security the accounts of this old company. With a feeling of confidence that this security will be maintained and in the hope of continued prosperity, I have much pleasure in moving that the report and accounts be adopted. (Applause.)

Mr Bristow Bovill seconded the motion, which was carried unanimously.

CENTRAL MINING AND INVESTMENT CORPORATION, LIMITED.

ANOTHER PROSPEROUS YEAR.

SOUTH AFRICAN MINING INDUSTRY.

SOME RECORD FIGURES.

OIL AND RAILWAY INTERESTS.

SIR R. SOTHERN HOLLAND'S REVIEW

The twenty-fourth ordinary general meeting of the Central Mining and Investment Corporation, Limited, was held, on Wednesday, May 29th, at No. 1, London Wall Buildings, London, E.C.

Sir R. Sothern Holland, Bt. (the chairman), presided.

The secretary (Mr R. A. Macqueen) having read the notice convening the meeting and the auditors' report,

The Chairman said: Gentlemen, I presume that it is your wish to follow the usual course of taking the report and accounts as read. They have been in your hands for a fortnight and I feel confident that they have given you satisfaction.

The total of the balance-sheet exceeds that of the previous year by over £1,000,000. The difference is almost entirely due to the increase in deposits, arising from the steady growth of our oil companies, which have at present large capital sums at their disposal. In consequence the item under "Head office" creditors has risen by about £1,200,000. South African companies have withdrawn approximately £300,000, thus leaving on balance an increase in deposits for the year of £900,000. On the other side of the account we maintain correspondingly larger liquid resources. The amount shown as "Cash" on December 31st last happened to be exceptionally high in view of a maturity of some importance during the first few days of the current year. We do not as a rule operate with such a large cash balance at the bank, but our daily transactions in the money market are very considerable.

Loans to associated companies have risen, and under the heading appearing in the balance-sheet the amount of £1,400,000 compares with £800,000 (speaking in round figures) in respect of the year 1927. The increase of £600,000 thus shown does not, however, give you the complete picture of the transactions involved, as they included, for instance, repayment by the North Venezuelan Petroleum Company of substantial amounts advanced to them in previous years. Loans were outstanding to the City Deep, Durban Deep and Glynn's Lydenburg companies, but the major portion of the advances outstanding were made to the Anglo-Spanish Construction Company, from whom we have had substantial repayments since the beginning of this year. Owing to the rapid approach of the completion of the work in Spain the new current requirements from that quarter are gradually diminishing. The repayment of the total amount due to that company from Spain for work done or still to be performed will extend well into next year.

INVESTMENTS.

Very little change is shown in the amount invested in "Gold, diamond and platinum mining." The heading "Base metals" has disappeared from the balance-sheet owing to the sale of our copper manufacturing interest at Swansea to the Imperial Chemical Industries, Limited. The interest in "Oil and coal" has been nearly doubled; we have increased our share-holding in Trinidad Leaseholds through the exercise of rights to which we were entitled when the capital of the company was increased; we have acquired a substantial interest in the Tocuyo Oilfields of Venezuela, and have exercised options on shares in the North Venezuelan Petroleum Company. I shall deal with these three companies at a later stage.

The increase of £160,000 in "Banking, railway and industrial" is divided among a number of items, none of which requires special reference. With regard to "Commercial and sundry," there have also been a number of changes and transactions in a year which has been active on the Stock Exchange. I need not go into detailsr but would like to mention that under this heading is included ou holding in the Cape Asbestos Company. We had an opportunity of increasing our formerly insignificant interest in this successful and promising company and are now directly represented on its board.

The profit for the year amounts to £725,000. We recommend the payment of a final dividend of 8s. per share and a bonus of 4s. per share, making, with the interim dividend paid last December, a total distribution of 20s. per share, free of income tax. We also propose the transfer of £150,000 to the reserve fund, which will then amount to the substantial sum of £1,900,000. These results are very similar to those obtained in the previous year.

SOUTH AFRICA'S RECORD GOLD OUTPUT.

I will now turn to your South African interests. The Witwatersrand gold mining industry again experienced a satisfactory year, and the total output of gold—namely, 10,358,596 ozs.—exceeded by 227,966 ozs. the previous highest record, attained in the preceding year.

The realisation of the gold forwarded last year by South African producers to the Rand refinery was effected on lines similar to those in 1927.

The demand from India during the first five months showed an increase over the corresponding period of 1927 and gave promise of a revival in this quarter, which, as mentioned on previous occasions, the producers consider their best market. These welcome indications, however, failed to materialise, and for three months from the middle of June onwards there were no transactions, with the result that the total value of consignments from Durban during 1928 only slightly exceeded that of 1927, in which year shipments were smaller than at any time since the inauguration of sales f.o.b. Durban.

DISPOSAL OF THE METAL.

The details of disposal are as follows:—

	£
9,539,217 ozs., valued at ..... were sold to the Reserve Bank locally under the agreement.	40,460,366
986,428 ozs., valued at ..... were sold in London to India, of which 855,760 ozs. were shipped from Durban to Bombay, and 131,168 ozs. from Durban to Madras, making a total of:—	4,180,888
10,526,145 ozs., valued at	44,641,254

The average selling price obtained, before deduction of expenses on bullion railed to Durban was 84s. 9·828d. for 1928, as against 84s. 10d. for 1927.

In order to arrive at the aggregate of gold exported from South Africa to India, reference must be made to the consignments of sovereigns by the South African commercial banks during the year under review. These amounted to £5,400,000, exceeding by 25 per cent. the sales of bar gold by the South African producers. It is the practice of the banks to sell and ship sovereigns from South Africa to India at varying rates of discount. These transactions provide them with credits in London on favourable exchange terms, and for similar purposes the producers endeavour to realise in India as much of their output as possible.

Experience shows that there is at times a specific demand for sovereigns on the part of Indian banks to satisfy exchange requirements; but when the rate of discount allowed on sovereigns makes the cost of their importation cheaper than that of bar gold there is the inducement, if a demand arises for the latter, for sovereigns to be taken by the purchaser, as facilities for melting them into bars are always at hand.

From this it is apparent that the fluctuation of the discount on sovereigns may entail from time to time an adjustment of the Durban price for bar gold. Fluctuations in foreign exchanges, especially between this country and the United States, also affect the price. It may be recalled that in the early part of last year, owing to the temporary weakness of the dollar quotation, exports of gold were made from the United States to India. The amounts then taken naturally tended to reduce the demand from that country for South African gold, and it became necessary to adjust the Durban price. May I give you an illustration? Towards the end of February the American exchange was 4·88⅛, and the Durban price was reduced to 84s. 8d., remaining at that level until the beginning of July, when the exchange approached parity, and permitted producers to revert to the price of 84s. 10½d., which has been maintained up to the present.

DECLINE IN INDIAN DEMAND EXPLAINED.

The decline in the Indian demand for gold since the record years of 1924–25 may be attributed to a combination of circumstances, of which the more important are as follows:—

(1) For some years prior to 1925 the external trade of India showed a continued satisfactory growth, which gave that country purchasing power for gold, and in 1925 large quantities were bought in anticipation of the sterling value of the rupee being fixed at 1s. 4d. When it became known in the following year that it was recommended to fix it at 1s. 6d., these purchases ceased.

(2) Although the monsoon was favourable in 1928 there was a failure of crops in certain districts, and large quantities of wheat had to be imported.

(3) The cotton crop was satisfactory and tea also had a fairly good season, but the prices realised were low.

These factors affected adversely the purchasing power of India.

(4) Low prices ruling for silver encouraged Indian operators to turn their attention to this metal as offering, in their opinion, better prospects for a rise than gold.

Nearly all the silver recovered at the Rand Refinery was sold and shipped to India, via Durban, and amounted to 1,018,987 fine ounces, showing a slight increase over 1927.

If any excuse be needed for having dealt at such length with the subject of gold realisation, it is, perhaps, only necessary to point out that the Transvaal produced last year gold to the value of £44,000,000, of which this group contributed over 42 per cent. (Hear, hear.)

SOME NOTABLE RESULTS.

In many respects the mines administered by the Central Mining/Rand Mines group achieved some notable results. The tonnage milled, at 13,320,700 tons, was the highest yet recorded, exceeding the figure of 1927 by nearly 500,000 tons. The fine gold recovered—namely, 4,341,053 ozs.—exceeded that of the previous year by over 125,000 ozs. The working revenue was correspondingly greater by over half a million pounds sterling. The total fathomage broken in stopes was greater than in any preceding year, and a record development footage of over 508,000 feet was accomplished being an increase of 8 per cent. as compared with 1927.

On the other hand, the working expenditure of the mines under the administration of the group increased from £13,469,000 to £14,016,000, with a resulting slight decrease in the working profit from £4,484,000 in 1927 to £4,477,000 in 1928. The reason for this decrease, which was fortunately only small, is due almost entirely to the unfavourable results of one mine, the City Deep, to which I will refer later on. If, as is pointed out in the consulting engineer's report attached to the directors' report, this mine were excluded from the comparative figures of the two years in question, it will be seen that actually there would have been seen a slight improvement in the profit results for 1928, notwithstanding the greater development footage accomplished that year. Further, it must not be forgotten that mining expenditure tends to increase on account of the greater cost of operating as mines get deeper. The fact that the unavoidable increase in working costs for that and other reasons was more than offset is, therefore, gratifying evidence of the increased efficiency with which mining operations were carried out. In this connection it is well worth quoting the opinion of a well-known American expert, Professor L. C. Graton, of Harvard University, who recently visited the Rand. He stated at a meeting of the New York section of the American Institute of Mining Engineers that on the Rand there was the greatest collection of mining brains in the world, and that the technical ability and co-operative attitude of these members of the mining profession in solving their common problems and in sharing their knowledge and experience were most impressive to a visitor.

NATIVE LABOUR SUPPLY.

One of the most important problems with which the gold-mining industry is at present concerned is that of an adequate native labour supply. In my address to you at last year's meeting I mentioned that negotiations between the Union Government and the Portuguese Government had resulted in a settlement, the full details of which were not then available. Briefly, under the new Convention, which was completed in September, 1928, it was agreed that the maximum complement of Portuguese East African natives for gold and coal mines should be reduced from 105,000 by 5,000 annually to 80,000, the latter figure to be reached by December 31st, 1933. Owing to the institution of deferred pay and a drastic reduction in the period of service, it may be found difficult to maintain these reduced figures at the maximum number allowed under the agreement. It is true that very slowly one or two of the older mines are coming to the end of their natural lives, but, on the other hand, it must be remembered that the native labour requirements of the gold mines of the Witwatersrand are likely to increase for some years to come, as new areas on the far Eastern Rand are opened up, and as the workings of the older mines become deeper and more extensive. During the past year the industry not only instituted additional measures for attracting British South African natives and widened the scope of its recruiting activities, but also emphasised to the Government the importance of an undiminished supply from Portuguese East Africa, and made representations in favour of the re-opening to recruiting of the territories north of latitude 22 degrees south. Unfortunately the attitude of the Government does not appear to be wholly sympathetic on this vitally important subject.

During the year under review relations between the mining industry and its white employees were generally satisfactory. In September the agreement between the South African Mine Workers' Union and the industry was cancelled by notice given by the union, but a revised agreement on similar lines has been recently concluded. Various points raised by the Reduction Workers' and Engine Drivers' and Firemen's Associations and other trade unions have been settled satisfactorily during the year.

Very full reports are issued by each individual mining company, and the year's results of each mine are tabulated in the consulting engineer's report. Here, gentlemen, I should like to pay a tribute to the services rendered to the corporation by our consulting engineer. I think we are most fortunate in having a man of the character, personality and professional attainments of Mr Brett. (Hear, hear.) It is only necessary, therefore, for me to refer briefly to two or three of the companies under our administration, where a few comments may be of interest.

NEW MODDERFONTEIN.

New Modderfontein Gold Mining Company, Limited, again eclipsed for the year ended June 30th, 1928, previous records in respect of ore milled, gold recovered and working profit, the latter amounting to nearly £2,250,000. When I addressed you last year I stated that great attention was being devoted to the testing of the upper leaders and south reef throughout the mine, and I ventured the opinion that there were good prospects of opening up important tonnages of ore. A record development footage was accomplished mainly on these leaders, and I am glad to be able to report that the results disclosed in the company's past financial year, as well as in the current year, have fully borne out the expectations we have formed concerning the potentialities of these undeveloped areas. In November last the chairman of the company Mr A. W. Rogers, devoted a considerable portion of his speech to a description of these leaders, and drew the conclusion that the addition of some millions of tons of ore to the reserves is assured. A vigorous development policy is being continued. While the work so far accomplished has made certain the addition of large tonnages to the ore reserves, any endeavour to estimate the remaining life of the mine is futile while large areas remain unexplored. I would like, however, to endorse fully the words of the chairman that the position of the company is an enviably sound one.

CROWN MINES.

Crown Mines, Limited, which may be described as the world's largest gold mine, continued milling at an average rate of about 218,000 tons a month, and, with a very slightly lower grade than the previous year, made practically the same profit—namely, £969,093. In spite of periodical native labour shortages the mine accomplished a record development footage of 99,677 ft., or nearly 19 miles, which disclosed very satisfactory values. A gratifying feature of these disclosures was the excellent grade shown by the main reef leader in the deeper portion of the mine below the South Rand dyke, and the fairly satisfactory results still obtained from the south reef development in the western section of the mine. As a result of this work, the ore developed during 1928 was 894,394 tons more than in 1927, and the total ore reserves were increased by over 520,000 tons, a very excellent accomplishment under the circumstances. Capital expenditure was again heavy for the year, and was almost entirely devoted to shaft sinking and equipment. The programme of shaft sinking for the current year and the two following years will call for further heavy capital expenditure, which from that time onward should steadily decrease. Given an adequate supply of native labour, the future prospects of this mine appear excellent.

CITY DEEP.

City Deep, Limited, is passing through a difficult period, as was pointed out last year. Heavy losses were incurred due to the exceptional—and in its rapidity almost unprecedented—decline of the grade of ore developed and percentage of payability, which made it impossible, with the labour force obtainable, to carry out sufficient development work to improve or even maintain the ore reserve position. The mine is accordingly undergoing drastic reorganisation in underground methods with a view to meeting the altered conditions. The success of the new methods evolved will naturally be dependent upon the development values and percentage of payability disclosed. While the work of reorganisation is by no means yet completed, monthly working losses have already declined appreciably, and there is reason to believe that in due course the mine will again be placed upon a profit-earning basis. Apart from the reservation already made, the maintenance of an adequate native labour supply for the purpose of a full milling tonnage is essential.

Before leaving the subject of the gold mines, I cannot refrain from mentioning with regret the passing out of two old mines from the list of companies under the group's administration. I refer to the Wolhuter Gold Mines, Limited, which, under the title of the Wolhuter Gold Mining Co., Limited, commenced operations as far back as 1888, and to the Ferreira Deep, Limited, which started crushing in 1899 and has distributed dividends amounting to £6,637,000.

TRINIDAD LEASEHOLDS.

I will now deal with your oil interests. Very satisfactory progress continues to attend the operations of the Trinidad Leaseholds, Limited, in which this corporation is so largely interested. Although, as you will remember, the issued capital of the company was increased at the beginning of last year from £1,049,250 to £1,311,562, nevertheless the same dividend—namely, 27½ per cent.—was distributed as in the two previous years. In respect of the first six months of the current financial year an increased interim dividend has just been announced. For the most part, lower selling prices were obtained for the various products, but the shortfall in revenue was largely compensated for by increased sales, lower working costs, and a higher recovery of the more valuable constituents in the crude oil treated. In the ten months that have elapsed in the current financial year, production and purchases again show a substantial increase; in fact, the quantity of oil handled is already 104,676 tons greater than for the whole of the last financial year. (Hear, hear.) In recent months there has been some improvement in the price of light products, but fuel oil continues a heavy market. The reason for the decline in the level of oil prices as compared with 1927 was the large overproduction of crude oil in the United States which has continued over many months. As you will no doubt have observed in the press, this situation is now engaging the close attention of all the important oil interests in America, and it is, therefore, reasonable to anticipate that a satisfactory method of meeting it will ultimately be found. The last balance-sheet of Trinidad Leaseholds showed the company to be in a very strong financial position and well supplied with funds to carry out the programme now in hand, which covers the modernising of field equipment and refineries, the provision of additional refinery capacity, &c., and the opening up of the Guayaguayare area lying in the south-east corner of the island. The first-mentioned portion of this programme is well in hand, and its completion is expected early next year. As regards Guayaguayare, recent test drilling has produced such satisfactory results as to merit this field being considered a commercial proposition and justifying its immediate development and exploitation. The laying of a pipe-line to connect this field with the refinery is now in progress.

In the early part of the year Sir Evelyn Wallers, who is now taking an active part in the direction of the various oil interests of the corporation, visited the Trinidad fields. He brought back with him very encouraging accounts of the development prospects and general organisation of the company, and indeed I may say that the fact that the oil industry has passed, and is passing, through such difficult times.

NORTH VENEZUELAN PETROLEUM.

Since the date of our last meeting, the authorised capital of the North Venezuelan Petroleum Co., Limited, was increased from £300,000 to £1,500,000. You will recall that your corporation, together with the Trinidad Leaseholds and the Rand Mines, have been financing the North Venezuelan Petroleum Co. since its original capital was exhausted in 1921, and in consideration of their advances these companies were granted—on certain conditions—options on the shares of the North Venezuelan Petroleum Co. up to a total of £1,100,000. Towards the close of last year the companies above referred to agreed to exercise calls on 300,000 shares, and to take up a further 100,000 shares by October next.

The cash consideration paid to the North Venezuelan Petroleum Company by the Tocuyo Oilfields of Venezuela on the acquisition by that company of the oil rights over the El Mene Area amounted to £500,000. With this money, and after the exercise by the lenders of the call on the 300,000 shares to which I have just referred, the company was able to liquidate its considerable indebtedness. It is now relieved of the heavy interest charges which it had to meet when financing its operations by means of advances from the lending companies, and has thus been placed on a sound financial basis. In addition to the foregoing cash payments, the North Venezuelan Petroleum Company was allotted 500,000 shares in the Tocuyo Oilfields of Venezuela. The flotation of this latter company for the purpose of exploitation marks an epoch in the development of the whole concession. We anticipate that it is the forerunner of the creation of several more subsidiaries in the not distant future. It is considered that the aim of the parent company to bring its vast area to fruition in the shortest possible time will best be served in this way, and that gradually a group of companies will be working in co-operation with each other—a system which has been applied with efficiency and success by this corporation in other parts of the world. At the present time a test well is being drilled in the Aguide area, which is situated about 30 miles to the north-west of the property of the Tocuyo Company, and a second well will be drilled in the near future. As a result of the extensive geological examinations which have been carried out in this area for a considerable time past, the geological staff are very hopeful of finding oil in payable quantities. Geological investigations have been proceeding actively in various other parts of the concession, and we have every reason to hope that the existence of oil in commercial quantities will be established in certain of these areas in due course. We hold a very high opinion of the ultimate value of the properties of the North Venezuelan Petroleum Company.

POTENTIALITIES OF THE TOCUYO OILFIELDS.

The Tocuyo Oilfields of Venezuela, Limited, to which I have just referred, was formed last October to acquire from the North Venezuelan Petroleum Company the oil rights over an area of approximately 85,000 acres at El Mene de Acosta, together with the machinery, plant, stores, buildings, etc., which were on the spot at the date of purchase. For a number of years the North Venezuelan Petroleum Company had carried out exhaustive geological investigations in this district, and, on the strength of the favourable results obtained and the conclusions that had been drawn from them, undertook a programme of test drilling. Up to the time of the flotation of Tocuyo Oilfields of Venezuela three wells had been proved capable of yielding very high grade light oil in commercial quantities. Since then another well was successfully brought in, which gave on test 500 barrels per day of the same high-grade oil as had been encountered in the wells previously sunk. Further test drilling is now in progress. It is clear from the results so far obtained in the test wells and from the very detailed geological examinations carried out at El Mene that the property of the Tocuyo Oilfields of Venezuela possesses great potentialities. On the completion of the railway, which it has been decided to construct, the transport of materials will be much facilitated. The company is fortunate in having a property situated close to the seaboard and to a natural deep-water harbour which can easily accommodate a number of tankers. Preliminary surveys for a pipe-line route from the field to this harbour were recently completed. Work in connection with the general development of the property is already well in hand. We may look forward to speedy progress, as all arrangements regarding organisation are well advanced, and the majority of the carefully-selected staff, including manager, chief engineer, geologists and others are now on the field. In addition to their own geological and technical staff, the company will, when required, have the benefit of the advice and experience of the management of the North Venezuelan Petroleum Company. No effort will be spared by those responsible to bring the company to the revenue-earning stage in the shortest possible time.

Mr Brett, our consulting engineer, visited both Trinidad and Venezuela early this year. You will be gratified to know that his views and impressions concerning the outlook of the three oil companies in which your corporation is so largely interested were wholly favourable.

PROGRESS OF SPANISH RAILWAY CONSTRUCTION.

With regard to the Spanish Railway, in which you are interested through the Anglo-Spanish Construction Company, Limited, good progress has been made and the extensive programme outlined to you last year has been proceeded with energetically.

In addition to the section which was in exploitation at the time of our last meeting, two further sections have now been brought into service; one opened on August 25th last, extending the line northwards from Burgos to Peñahorada, a distance of 22 kilometres, and the other opened on January 23rd of this year, extending the line in a south-easterly direction for 83 kilometres from Cabezon de la Sierra to Soria. The total length of the line now in exploitation has thus been increased to approximately 177 kilometres. The construction of the remainder of the line so far projected, approximately 188 kilometres, is well in hand, and it is hoped to complete it by the end of this year, although it is possible a small section will not be finished until early in 1930. When that time arrives and the whole line between Calatayud and Cidad, a distance of approximately 365 kilometres, has been built and equipped, there will remain the question of the section from Cidad northwards, regarding which we still await the decision of the Government as to the route to be followed.

EXCELLENT QUALITY OF THE WORK.

What has so far been accomplished in this undertaking has been no easy task, and on our frequent visits to the railway we are impressed with the rapidity with which the work has been carried out and the excellent quality of that work. That it is a soundly constructed, well-equipped railroad is naturally a source of gratification to us, as well as to the Spanish Government, and reflects great credit on the ability and tact with which the general manager of construction, Mr. Thompson, and those associated with him are handling the job.

Payment has been received from the Spanish Government for the section between Burgos and Peñahorada. An instalment of twenty million pesetas has also been received on account of the section Cabezon to Soria, and the balance outstanding, which it is anticipated will be settled within the next month or two, carries interest at 5 per cent. per annum. All payments received are subject to certain minor claims for adjustment. The method in connection with the financing of this enterprise, to which I referred last year, has been followed, and it would appear that the peak of the temporary advances made by our corporation can now be regarded as having been passed, and by June or July next year payment for the remainder of the completed line between Calatayud and Cidad should be received.

Labour conditions continue satisfactory and our most recent advices from those competent to judge indicate that the financial and industrial conditions in Spain are thoroughly sound. It is felt there that the recent depreciation in the peseta is temporary only and that appreciable improvement in this respect may soon be in evidence.

Our interests continue to be well served in Spain by Señor Don Ramon de Aguinaga, Señor Don José de Aguinaga, Señor E. Cobian, and those associated with them in the direction of the Santander-Mediterraneo Railway Company, and I would take this opportunity of expressing to them our gratitude for their valuable services and help.

THE OUTLOOK.

I think I have now dealt with all the essential features affecting the corporation's work of last year. Before concluding, it has become customary to say a few words on current affairs and immediate prospects. On the eve of a General Election in this country and facing a General Election in South Africa in a fortnight's time, I am bound to be—if possible—even more cautious than usual, but, relying on our sound financial position and on the efficiency of an organisation whose loyalty and capacity have been tested under varying conditions over many years, we have good reason to entertain a feeling of confidence in regard to the future. (Applause.)

TRIBUTE TO OFFICIALS AND STAFF.

In presiding at our annual meeting it is my privilege to express my appreciation and that of my colleagues of the service rendered to the corporation by the officials and members of the staffs of all grades. To be afforded the opportunity of paying this tribute is a great pleasure to me. The men and women engaged in our various enterprises number many thousands. They are working on your behalf in many different countries and under the most varying conditions. It is our constant endeavour to render these conditions as pleasant as possible, particularly in new countries where the hardships of pioneer work have to be faced. We wish them to know that our sympathies are with them and desire to convey to them our hearty thanks for their zeal and devotion. I am sure that you will wish to associate yourselves with this renewed expression of our appreciation. (Applause.)

I now beg to move: "That the report and accounts for the year ended December 31, 1928, as printed and circulated among the shareholders, be, and they hereby are, received, approved and adopted; and that the payment of a final dividend of 8s. per share and a bonus of 4s. per share, both free of income tax, to shareholders registered in the books of the company at the close of business on May 21, 1929, and to holders of coupon No. 34 attached to share warrants in respect of the year ended December 31, 1928, be, and the same is hereby, sanctioned."

I will ask Mr Phillips to be good enough to second the resolution. (Applause.)

Mr F. R. Phillips, M.C., seconded the resolution, and, shareholders' questions having been answered, it was carried unanimously.

The Chairman announced that the dividend warrants would be posted that evening, and would be payable on the following day (May 30th).

Sir Evelyn Wallers, K.B.E., proposed that Monsieur Maurice de Verneuil and Mr A. W. Rogers de re-elected directors of the corporation.

Mr F. Heim seconded the resolution, which was unanimously adopted.

On the proposition of Mr David Holt, seconded by Mr Hogg, Messrs Cooper Brothers and Co. were reappointed auditors of the corporation.

VOTE OF THANKS.

Mr W. Mosenthal, in proposing a vote of thanks to the Chairman, said he wished to express on behalf of himself and brother-shareholders their very best thanks for the most interesting address given by Sir Sothern Holland, and also once again to convey to him and to the Board their thanks for the very active interest they had taken and continuous activity in furthering the interests of this old and very prosperous corporation, whose name stood out prominently, not only in mining, but also in the financial and industrial world. (Applause.)

Mr Holt seconded the vote, which was carried with acclamation, and the Chairman having made a brief acknowledgment, the proceedings terminated.

ANGLO-AMERICAN OIL COMPANY, LIMITED.

INCREASED VOLUME OF BUSINESS.

VIEWS OF MR. F. E. POWELL.

The forty-second annual general meeting of the Anglo-American Oil Company, Limited, was held, on May 29th, at 36, Queen Anne's Gate, Westminster, London, S.W. 1.

Mr F. E. Powell (the chairman) presided.

The secretary (Mr A. H. Hewett) read the notice convening the meeting.

The Chairman then addressed the shareholders as follows :—

In presenting the report and accounts for the past year, you will naturally expect me to say something as regards the progress of this business.

In view of all the encouraging reports appearing in the Press as to the recovery of prosperity in the oil business, nothing would please me more than to tell you to-day that this company had been able during the past year to return to a full measure of participation as to profits.

Under the conditions prevailing in the United Kingdom markets during 1928, however, that was not possible, and we shall have to wait at least another year for a satisfactory financial return.

The trouble has been that the world has had too much oil to sell. In this country, the regular and more than adequate supplies from the usual sources, supplemented by a flood of supplies from Russia, have forced the selling prices of kerosene and motor spirit below the replacement costs in the world's markets, and all companies have shown heavy losses on those products.

PROFIT AND DIVIDEND.

Fortunately for this company, owing to long-term contracts made with suppliers, this situation was greatly relieved. Aside from kerosene and motor spirit, the other products we handle, such as gas oil, lubricating oil, general merchandise, etc., show a small profit which, together with revenue from miscellaneous sources, makes up a credit total of £432,693 16s. 2d. for the year. This, while much better than a year ago, is not what we expect to earn from our very large turnover, nor shall we be satisfied until it is greatly improved upon.

The surplus fund at December 31, 1927, was £1,517,064 2s. 7d.

After paying the final dividend for 1927, and adding the above profit for 1928, brings this fund up to £1,741,312 7s. 9d., as per the balance sheet.

No interim dividend was declared last December on the 1928 business—the outlook was too uncertain; but it is now proposed to pay a final dividend for that year of 1s. 6d. per share, free of British income tax. This is equal to 7½ per cent. and will be payable June 5th next upon presentation of coupon No. 37. After paying the dividend, the balance remaining in the surplus fund will be £1,425,902 1s. 3d.

The gold notes outstanding were reduced last July to the extent of $2,000,000, leaving a balance of $2,000,000, which will be paid in July next.

The debenture stock remains the same.

Insurance reserves have substantially increased, as losses during the year have been small.

THE COMPANY'S BUSINESS.

As regards the business itself, the volume continues to increase in practically all departments.

The subsidiary companies have all done well except those marketing motor spirit, where competitive conditions have made it impossible to show profits. These conditions, however, have been considerably improved since the beginning of March, when prices were restored. This is partly the result of a trading and purchase agreement made by this company with the Naphtha Syndicate of Soviet Russia on behalf of ourselves and the other national companies. By this agreement the Russians confine their business in the United Kingdom to definite quantities, and are satisfied to sell us further quantities of fuel oil, gas oil and kerosene for this market. The arrangement is one that should operate to the advantage of all concerned, and has enabled United Kingdom prices to be restored to more nearly the world's parity.

Our sales of other products, such as lubricating oil, gas oil, merchandise, etc., have been satisfactory and shown a profit. The sales of ethyl petrol are now on the increase. The sales of oil-consuming devices for the year reached the remarkable total of over 400,000 oil heaters—all-British, made in our Birmingham factory. In addition, we sold over 50,000 Valor Perfection cookers. This result is in spite of keen competition from other sources.

MOTOR LUBRICATING OILS.

For over 40 years this company has been the largest importer and distributor of lubricating oils to this country, but the sales have been confined entirely to some 600 separate oil jobbers and blenders, who have again sold direct to consumers.

These Anglo lubricating oils have been maintained consistently at the highest basis of quality possible, and the company's reputation with its wholesale customers has always been most satisfactory.

Owing, however, to the development of the sales of motor oil to garages by our principal motor spirit competitors, your directors feel that this company should protect its motor spirit trade by also distributing motor oils to garages.

This step has not been taken lightly, but as a result of the above competition, which has resulted in the diversion of some of our motor spirit business to competitors. This cannot be allowed to continue.

Beginning almost at once, therefore, "Pratt's standard motor oils" will be distributed to motorists everywhere through all the principal garages in the country, and the facilities offered and the goods supplied will be of the highest quality.

THE FUTURE OUTLOOK.

Looking into the immediate future, it is hoped by a stabilisation of the production of crude oil throughout the world, that the flooding of our markets with motor spirit, kerosene, fuel oil and, in fact, of all petroleum products in excess of the consumption capacity of those markets will be stayed. To this end strenuous efforts have been made by the American Petroleum Institute to limit the production of crude oil.

The idea in the first instance is to limit the production to the needs of the refineries and not for storage. There is already one hundred million tons of petroleum products above ground, which is double the amount required for any emergency, while this extra investment of capital, and the resultant losses by evaporation, make it a costly business. The Sherman Anti-Trust Law has prevented any agreement among the crude oil operators themselves, but the Governor of the State of California showed the way out by appointing a Commission to study the safeguarding of the natural resources of the State in natural gas and crude oil, and, as a result, the oil operators were told what they had to do, and they are doing it.

The States of Oklahoma and Texas followed suit, so that to-day the producing activities of the larger companies in America are under control. The temporary increases in a particular field should not interfere seriously with this plan, and it is hoped that the smaller men will follow.

If this co-operation fails, then the alternative may spell ruin to all concerned, for by wasting the present natural resources of the country, together with the cost of deeper borings and the search for new deposits, it may well result that crude oil will cost many times what it is costing to-day, with a possibility of a real shortage as well. Fortunately, the large producers outside the United States, in Venezuela, Columbia, Roumania, Persia and the Far East, are also working along similar lines, and with gratifying results.

THE AMERICAN EXPORT ASSOCIATION.

The American Export Association has also been formed with the object of limiting exports from the United States to the quantities exported in 1928, plus any natural increase. This plan should ensure ample supplies for all needs and still not require any excess of refining or production. As a result, distress cargoes will not be forced on the market, prices will be stabilised, and, by correcting irregularities and withdrawing allowances, the result will be the making of more profit. It is not expected, however, that prices for export will be appreciably increased. The foreign markets will then be based on these stabilised export prices, plus charges and a fair profit.

This is the plan in brief, and when you consider that the 1928 basis all round is to be taken as a standard, there cannot be any great harm done to anyone, including the consumer, who is more protected under a stabilising plan than by spectacular and erratic changes in prices or uncertainty as to supplies.

From all the above you can see that those responsible for the welfare of the oil industry are sparing no efforts to establish it for the future on a sane, safe and fairly profitable basis, with a broad outlook that means rationalisation and not demoralisation.

The chairman then moved that the report and accounts as presented be approved. Mr James Hamilton, vice-chairman, seconded the motion after the chairman had asked for questions.

The motion was put to the meeting and approved.

The retiring directors were re-elected. Mr J. Wilkie Frye, for many years in charge of the company's lubricating business, has been made a member of the board.

A vote of thanks to the staff was then proposed and accepted, after which the proceedings terminated.

AFRICAN AND EASTERN TRADE CORPORATION, LIMITED.

RESULTS OF DIFFICULT YEAR'S TRADE.

Sir Robert Waley Cohen, K.B.E. (chairman of directors), presiding over the 39th annual meeting of the African and Eastern Trade Corporation, Limited., at Liverpool, on Thursday, May 23rd, said the balance carried forward of £44,717 represented what was left after providing out of the amount carried forward last year for the loss of £96,953 incurred as a result of the year's trading and for the sums paid in dividends on the preference shares. They had been anxious to give to the shareholders all the information possible, and the consolidated balance sheet gave a clear and comprehensive view of the position of the whole of the corporation's business. Viewing their business as a whole, their floating assets exceeded the whole of their liabilities by £1,600,000. When last autumn it became known that the corporation had suffered severe losses, their financial facilities were curtailed, but the disclosure of these figures, showing as they do that at this crest of their wave of misfortune they were financing their own stocks to the extent of £1,600,000, re-established confidence, and it was satisfactory that the United Africa Co. was able to start on its career with the good will and confidence of all the great banks and credit houses upon whom active and prosperous trade so largely depended.

PROFIT AND LOSS ACCOUNT.

The profit and loss account showed a loss of £96,953 suffered by the parent company alone during the period under review. The subsidiary companies had also shown losses, and, after adding these in, as well as the profits earned by others, there was a trading loss of £136,720, to which must be added a net claim for income tax of £43,764, based on the profits of the previous year after allowing for such rebates as they were entitled to claim. After debiting all these charges there would remain a final credit to carry forward in the parent and subsidiary companies of £89,556.

COCOA POOL.

They would want to know how these losses arose. By far the largest item was due to the so-called Cocoa Pool. The losses incurred in the Cocoa Pool and in other directions absorbed the whole of these profits and more. Such losses carried with them severe and not easily forgotten lessons, and they should indeed be unworthy of their confidence if they did not profit by them. It would be their constant care to cut off as rapidly as practicable the losing businesses and the losing methods, then to develop to the utmost of their power those which had proved themselves to be profitable, and of the profits earned on the profitable business he though there was reason to draw some degree of hopefulness for the future.

ACCOUNTANTS' RECOMMENDATIONS TO BE CARRIED OUT.

The report of the distinguished firms of accountants who were invited to make a complete investigation for the corporation at the time when he joined their board was received by him last week, and after being submitted to their board was circulated immediately to all the shareholders. Their recommendations appear to be well conceived and wise, and they proposed to carry them into effect in their entirety; they might even decide to go somewhat further in the direction of writing down the valuation of their fixed assets in their balance sheet.

This Corporation has become a holding Company, so that the functions of their Board would mainly consist of disposing of the dividends received from the United Africa Company and appointing and instructing their representatives on the Board of that Company. Accordingly it was proposed to reduce their numbers.

With regard to the future, he hoped that they might find that the spirit of violent and destructive competition which had prevailed in the West African trade in the past would give way to one of constructive effort on the part of all concerned in the trade, and that a new spirit of mutual co-operation and commercial and economic efficiency would prevail.

The appointments of Sir Robert Waley Cohen, K.B.E., and Lieut.-Col. E. H. L. Beddington, C.M.G., D.S.O., M.C., were confirmed, and Messrs. R. B. Miller, Lieut.-Col. Wm. Nicholl, and Mazzini Stuart were re-elected directors.

EASTERN TELEGRAPH COMPANY, LIMITED.

WIRELESS-CABLE MERGER APPROVED.

The ninety-eighth ordinary general meeting of the Eastern Telegraph Company was held on Wednesday, May 29th, at the Cannon Street Hotel, London, Mr. J. C. Denison-Pender, the chairman, presiding, to receive the report of the directors and to consider resolutions dealing with the suggested merger of cables and wireless.

Mr Edward Wilshaw, F.C.I.S., read the notice convening the meeting and the auditors' report.

The Chairman, having explained the reasons for only submitting three months' accounts, said:—I do not propose to go through the figures in detail. I should, however, like to point out that after providing for all expenses, income tax and debenture interest, and for the dividend on the preference stock, there remains a balance of profit of nearly £150,000, so that we have been able to maintain the dividend at the rate of 10 per cent. per annum, free of tax, which we have paid for many years past, and still leave a balance of £24,672 13s. 2d. This amount, together with the balance of £525,764 12s. 10d. brought forward from the preceding year, has been transferred to the general reserve fund, thus closing the company's revenue account as at March 31, 1928. The total reserves at the date of the accounts amounted to £3,730,242.

If the necessary percentage of stockholders and shareholders in the cable and wireless companies agree to exchange their stock or shares for shares in the newly formed company—Cables and Wireless Limited—this will be the last meeting of the Eastern Company under existing conditions. I am glad to think, however, that, having been in existence for fifty-seven years, its name will be preserved, and that it will remain as a separate entity, although no longer operating a telegraph business, but remaining simply as a company holding reserve fund investments and investments in the new Imperial and International Communications Company.

When we met in July last it was stated that we had hoped to tell the stockholders something definite about the negotiations with the Government, and the merger with the Marconi Company, but that as the matter was still in the hands of the Government we were unable to give any further information beyond a statement appearing in the Press that the Imperial Wireless and Cable Conference had been able to arrive at unanimity in putting forward its recommendations. It is now common knowledge that the Conference made a unanimous recommendation as to Empire communications, and also approved the tentative arrangement come to between the Eastern Associated Companies and the Marconi Company for the merging of interests. They also recommended that an advisory committee, composed of representatives of the Home Government and of all the Empire Governments, should be formed. Your directors welcome this condition as they feel confident that on all questions of general policy such committee will be of the greatest value to them.

I should like to take this opportunity of expressing the gratitude of your Board, which I know will be shared by all of you, to Sir William Plender and his partner, Mr Rae Smith, who is here to-day, for their share in bringing about this most important fusion of interests. It has involved an enormous amount of labour and negotiations which took a long time, and it is largely owing to the experience and eminent sense of fairness of Sir William that those negotiations were brought to a successful conclusion, and a conclusion which your directors can so confidently recommend for your acceptance. As a result of this momentous decision two companies have been formed: Cables and Wireless Limited and Imperial and International Communications Limited. The former was designed to hold the ordinary stock and shares of the cable companies and preference and ordinary shares of the Marconi Company. The latter, Imperial and International Communications Limited, to acquire the communications assets of these companies, together with telegraphic services which were either owned or being operated by the Government. This latter company will therefore be worldwide in its ramifications and very comprehensive in its scope.

You have recently received from the Bank of England an offer on behalf of Cables and Wireless Limited to exchange your existing holding of ordinary stock in this company for shares in the new Cables and Wireless Limited, an offer which your directors unanimously and unreservedly recommend you to accept.

It should here be stated that it must not be anticipated that the full dividends on the "A" ordinary shares, or a dividend on the "B" ordinary shares will be paid at the outset, for while we are confident as regards the future of these new undertakings, it must be some time before complete co-ordination, with its resulting economies, can be effected, and before the other benefits which should flow from the combined undertakings can be achieved.

I may say that your directors have given the recommendation their most careful consideration in all its aspects; they believe that it is in your best interests to follow their advice, and they are confident that in due course the future will prove that the advice was sound and worthy of acceptance.

The report was adopted and the resolutions were passed.

EASTERN EXTENSION AUSTRALASIA AND CHINA TELEGRAPH COMPANY, LIMITED.

THE MERGER.

The ninety-fifth ordinary general meeting of this company was held on the 29th ultimo, at the Cannon Street Hotel, London, Mr. J. C. Denison-Pender (the chairman) presiding.

The chairman, in moving the adoption of the report and accounts, said: The reason for the limitation of period of the accounts is that an arrangement was entered into, on the 14th March, 1928, between the Eastern and Associated Telegraph Companies and Marconi's Wireless Telegraph Company, Limited, for the merging of cable and wireless interests. Of this fact, the Imperial Wireless and Cable Conference, which was then sitting, was duly informed. In its report the Conference recommended to the Government the formation of an Imperial Communications Company, which would acquire as from April 1, 1928, the communications assets of the Cable and Marconi Companies: also those of the Government's cable and wireless systems. The recommendation having received Parliamentary sanction, it became incumbent upon your directors to make provision as from the date mentioned for the financial obligations which would arise through the merging of interests of your company with those of Cables and Wireless Limited. You will readily appreciate the fact that the work involved has been very arduous, and that it was not found possible to complete the transaction until a later date than was anticipated. In order to obviate any inconvenience to shareholders, which might have resulted through the non-payment of interim dividends during the transition period, and which action, if followed, might also have caused adverse market fluctuations of your shares, it was decided to pay dividends quarterly as hitherto. You have, therefore, received the usual amounts, at the rate of 10 per cent. per annum, free of tax, on July 15th and October 15th, 1928, and on January 15th and April 15th, 1929, covering the full dividends in respect of the year 1928.

DISTRIBUTION OF DIVIDENDS.

Dating from January 1, 1929, the distribution of dividends to those shareholders assenting to the transfer of their shares to Cables and Wireless Limited will be as stated in the circular letter sent you by the Bank of England on the 17th instant. To non-assenting shareholders, such amount of dividend as is earned on the result of working for the year 1929 will be declared and distributed, but this will not as hitherto be paid quarterly. Whilst our system of cables has, to date, been operated successfully as regards earning powers, and satisfactorily as a national means of communication, we could not ignore the likelihood that, through the increasing competition created by Governments operating cable and radio communications, results might not have been in the future so favourable to cable shareholders. Your directors, therefore, advise your acceptance of the plan for the merger of cable and wireless interests. If the necessary percentage of stockholders and shareholders in the Cable and Wireless Companies agree to exchange their stock or shares for shares in the newly-formed company—Cables and Wireless Limited—this will be the last meeting of the Eastern Extension Company under existing conditions. I am glad to think, however, that, having been in existence for 56 years, its name will be preserved and that it will remain as a separate entity, although no longer operating a telegraph business, but remaining simply as a company holding reserve fund investments and investments in the new Imperial and International Communications Company.

PRIDE IN COMPANY'S RECORD.

One is tempted on an occasion such as this to become reminiscent, and I think we may all look back with pride and admiration at the work which has been accomplished for the benefit of mankind, the commercial and investing public, and the further development of the British Empire. During those years no such success could have been achieved without courage, imagination, resource and prudence. Not we alone, but the community, owe a debt of gratitude to the directors and to the efficient and loyal staff who have administered the company's affairs in the past and who have rendered such service during its history. When we met in July last it was stated that we had hoped to tell the shareholders something definite about the negotiations with the Government and the merger with the Marconi Company, but that as the matter was still in the hands of the Government, we were unable to give any further information beyond a statement appearing in the Press that the Imperial Wireless and Cable Conference had been able to arrive at unanimity in putting forward its recommendations. Shortly after that meeting the Conference issued its report, and you are now well aware of the terms.

The report was unaimously adopted and resolutions making certain alterations in the Articles of Association were approved.

MARCONI'S WIRELESS TELEGRAPH COMPANY, LIMITED.

"CABLES AND WIRELESS" OFFER.

The thirty-first ordinary general meeting of Marconi's Wireless Telegraph Company, Limited, was held, on the 29th ultimo, at the Connaught Rooms, London, the Rt. Hon. Lord Inverforth, P.C. (the chairman) presiding.

The chairman, in moving the adoption of the report and accounts said that the profit for 1927, after payment of debenture interest, and preference dividend, had amounted to £412,971, the estimated comparable figure for 1928 being approximately £408,500. An interim dividend of 20 per cent. had been paid on the ordinary shares in respect of 1927, and a similar dividend for 1928, which dividends would be final, and represented, he thought, a satisfactory result. There was one source of revenue which had proved extremely fruitful during the past few years in which there would, in all probability, be a substantial reduction in the future; that was the company's revenue for royalties for the use of broadcasting patents, which in 1927 had amounted to £251,964, and in 1928 to an estimated figure of £251,368. The explanation was that the principal patents from which the company had drawn such large revenues expired during this year and in 1930, and he considered that the question of the revenue from broadcasting patents was one which must play a considerable part in influencing their decision as to whether they would remain shareholders of the Marconi Company or accept the offer for the exchange of their shares into shares of Cables and Wireless, Limited.

The decision to dispose of the company's interest in what might be called the entertainment side of wireless had been arrived at because the directors were of opinion that the company's principal interest consisted in its wireless traffic services, and in the manufacture and sale of transmitting and receiving stations both for telegraphy and telephony, of broadcasting stations and of wireless apparatus for ships. The directors felt they had acted in the best interests of the shareholders in accepting the offer of the Gramophone Company, and were confident that the result of the transaction would be to strengthen the financial position of the company.

THE MERGER PLAN.

The question which was in the minds of all the shareholders was the merger between their company and the Eastern and Associated Telegraph companies. The report set out in some detail the history of the negotiations which had resulted in the formation of Cables and Wireless, Limited, and since the issue of the report shareholders had received from the Bank of England, on behalf of Cables and Wireless, Limited, an offer to exchange their shares for shares in that great new company. Having regard to the tremendous progress which wireless communication had made during the past three or four years the directors might be asked on what ground they justified their acts in agreeing to a merger of interest with the Cable companies. They had followed the course they did because the Government of this country had decided that the exploitation of the Beam system of wireless telegraphy for Imperial communications was to be taken out of the hands of the company which had invented and developed the system, and was to be made a monopoly of the Post Office.

THE TERMS OF EXCHANGE.

The solution of the problem which the Imperial Conference had evolved would, the board believed, form a landmark in the history of world communications, and the terms which had been offered to the shareholders on behalf of Cables and Wireless, Limited, were such that he felt sure the overwhelming majority of shareholders of all classes would decide to accept. When the reorganisation of the company was begun in 1925, no one would have dreamt it would have been possible to obtain such terms as were now offered. That the directors' action had met with the approval of shareholders was shown by the fact that, without having made any special effort to secure them, the board held proxies for over 1,200,000 shares.

As to the allocation of shares in Cables and Wireless, Limited, amongst the different classes of shareholders, the board were satisfied that the allocation was fair. He also felt it necessary to say that in the opinion of the directors the committee which was urging the £1 shareholders not to accept the scheme was taking on itself a serious responsibility and giving advice which was unsound. Under the merger scheme the whole of the communication assets were being transferred to Imperial and International Communications, Limited, in exchange for shares in that company. The directors were satisfied that the consideration received took full account of the existing and potential value of the assets transferred.

The report and accounts were adopted, and resolutions altering the Articles of Association with a view to carrying out the plan of the Wireless and Cable merger were also approved.

V.O.C. HOLDING COMPANY, LIMITED.

NEGOTIATIONS TOWARDS STABILISING PRODUCTION.

The eighth ordinary annual general meeting of The V.O.C. Holding Co., Limited, was held, on the 28th ultimo, at the Cannon Street Hotel, London, E.C. The Right Hon the Viscount Bearsted, M.C. (chairman of the company) presiding.

The Secretary (Mr W. A. Turner, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman, who was received with cheers in moving the adoption of the report and accounts, said that the accounts showed the dividend due from the Concessions Company at £891,601 net; interest received amounted to £94,241 and transfer fees to £529. The net revenue for the year was £971,790, to which had to be added £3,348 brought forward, making a total balance at credit of £975,139. The directors were satisfied that the accounts presented had been drawn up on sound and conservative lines, and recommend the payment of a dividend on both classes of shares of 22½ per cent. less tax, which would absorb £971,678, leaving £3,461 to go forward.

YEAR'S OPERATIONS.

It being a little over three months since he last had the pleasure of addressing the shareholders, there was not a great deal to be added to what had then said, and little to tell them on the 1928 operations beyond the statements made in the directors' report. Reference had been made in the past to results obtained by his company in comparison with those obtained by others. Such comparisons could never be helpful unless made by people fully conversant with the respective conditions of production and methods employed in drawing up the accounts that were being compared. He would say this, however, that he had had a careful study made of the results obtained by their company over the past year, and he was satisfied that as regarded working expenditure, prices obtained and profits realised for the shareholders, they had every reason to feel that the manner in which the company's affairs had been conducted had resulted in profits comparing favourably with other concerns handling similar fields and similar qualities of crude oil.

Production for the first 18 weeks of the current year had been approximately 2,222,000 metric tons, which worked out at the rate of just under 6,500,000 metric tons per annum; the whole of the production had been sold unde the company's four sale of oil agreements.

OIL AT AMBROSIO.

A large area of offset territory had been proved to be productive along the Ambrosio shore line, and owing to the quality of the oil it had been decided to transfer the greater part of the company's drilling equipment from Langunillas. The effect of the change had begun to manifest itself, and the lighter oil production from the La Rosa-Cabimas-Ambrosio field had been increased from under 7,000 tons per day at the end of the last year to well over 8,000 tons per day at the present time.

Apart from the change of drilling programme, the most important step taken by the company had been by way of standardisation of drilling equipment and other materials, by which it was hoped to effect further economies. A second oil line on the Cabimas had been laid, and additional pumps had been installed to increase the loading capacity at that terminal; the new divisional gathering stations in the Ambrosio field, and also at Lagunillas, were under progress of construction. Their small casinghead gasoline plant, originally installed at Lagunillas, was being transferred to Ambrosio, where it was anticipated more profitable operation would be possible owing to the higher gasoline content of the gas in that field.

BOARD'S DIVIDEND POLICY.

It would have been possible for the board to have recommended a dividend of 25 per cent. instead of 22½ per cent. For this company to have paid a 25 per cent. dividend, including taxes, would have necessitated receiving from the Concessions Company in respect of 1928 an additional amount of about £135,000, which would have involved a reduction in the Concessions Company's carry-forward of over £40,000 instead of the increase of over £90,000, as at present.

Several factors had been taken into consideration by the board before the conservative policy in relation to the dividend recommendation had been adopted. The first point was the price of fuel oil; the average posted price of fuel bunkers in New York—the most representative ocean bunkering market in the world—had fallen in 1928 by nearly 30 per cent. as against the 1927 average, while the price for 1929 to date was slightly lower than the 1928 average. The fact that during last year certain of the big oil companies had closed three-year contracts with steamship companies at very low prices prejudiced the future price for fuel oil; many of the contracts had been made on terms which involved the delivery of fuel oil by the sellers at a loss. The future was thus obscure and formed a reason why the company must husband its financial resources.

STABILISATION.

The second point considered was "Stabilisation." In spite of many and continuing attempts to find a basis, there was nothing very definite to tell about the negotiations proceeding for the stabilisation of the production of oil throughout the world. Notwithstanding steadily increasing consumption of oil products over the last few years, untimely and unwise competition between crude oil producers had resulted in a veritable glut of flush production which the markets had been unable to absorb. The folly of the situation had been realised for some time by the heads of the responsible oil companies who know that such production was not permanent, and efforts had been made for some months past to agree to some workable scheme of stabilisation of production on a reasonable basis which would eliminate waste and would provide for the consumer a reasonable price without violent fluctuations.

Many factors had contributed to defer the effective working of a proposal that the 1928 rate of production should be maintained in each region from date of agreement until the end of 1929, but, as the whole idea was economically sound, he hesitated to think that all the efforts made would prove unavailing. As things were, economy in production was largely being ignored because of competitive drilling. the world's supply of oil was being used up at a rate, which was neither necessary nor profitable, and unless better reasons prevailed, they were bound, sooner or later, to suffer from the profligate methods being employed in connection with the production of a commodity which had become a necessity throughout the world, and of which Nature's supply could not be looked upon as unlimited. He referred to the stablisation question because it was most important in connection with their company. If the frenzied rush for production was not moderated, the known oil fields of the world would be forced to give up their supplies prematurely to the prejudice of the future.

The third point the board had considered was the probable future trend of development of the company's properties. Their profit for 1928 had been made in spite of market conditions, as a result of very substantial economies, which had brought down the cost of production. They had about exhausted the possibilities in their campaign for economy, and the time might not be very far off when drilling must go further inland with attendant expenditure for the development of new areas.

The resolution was carried unanimously.

WESTERN TELEGRAPH COMPANY, LIMITED.

OFFER TO SHAREHOLDERS.

An extraordinary general meeting of the Western Telegraph Co., Limited, was held, on the 29th ultimo, at the Cannon Street Hotel, London.

Mr J. C. Denison-Pender (the chairman) said that if the necessary percentage of stockholders and shareholders in the cable and wireless companies agreed to exchange their stock or shares for shares in the newly-formed company, Cables and Wireless, Limited, the present would be the last meeting of the Western Co. under existing conditions. They had recently received from the Bank of England an offer on behalf of Cables and Wireless, Limited, to exchange their existing holding of ordinary shares in the company for shares in the new Cables and Wireless, Limited, an offer which the directors unanimously and unreservedly recommended them to accept. The Western Co. would not in future pay its dividends quarterly under the changed conditions. That was a change which might not be welcomed entirely by any shareholder who did not accept the offer, but those who did would receive proportions of three classes of shares of a nominal value largely in excess of their present nominal holding, and would receive half-yearly in September and March dividends on the preference shares comprised in their new holding, and those would cover a large portion of the present dividends in the case of those who joined the merger.

It must not be anticipated that the full dividends of the "A" ordinary shares, or a dividend on the "B" ordinary shares, would be paid at the outset, for it must be some time before complete co-ordination, with its resulting economies, could be effected.

In Imperial and International Communications, Limited, comprising the cables companies, the Marconi Co., the Government Beam, and cables taken over from the Government, they had seen the fulfilment of that idea of co-operation between wireless and cables which they had heard advanced more than once at meetings of the company.

The resolutions before the meeting were for the purpose of making certain alterations in the company's statutes in order to conform with the recommendations of the Imperial Wireless and Cables Conference. They established that the company should always be under British control and ensured that the predominating shareholding interests in the company should remain British.

The resolutions were approved.

IMPERIAL CONTINENTAL GAS ASSOCIATION.
SUCCESSFUL YEAR'S RESULTS.
INCREASE OF CAPITAL APPROVED.

The 181st ordinary general meeting of the Imperial Continental Gas Association was held, on the 29th ultimo, at Winchester House, Old Broad Street, London.

Colonel H. Le Roy-Lewis, C.B., C.M.G., D.S.O. (the chairman), said that when they had met at the end of February they were assembled to consider a bill to co-ordinate and amend the association's powers. That bill had passed through all its Parliamentary stages, with minor amendments, in almost record time, and had received the Royal Assent on May 10th. Briefly, the purpose of the Act was to co-ordinate the association's powers, which were scattered throughout a series of enactments dating from 1845; to define those powers on many points, the interpretation of which had been open to doubt; and to bring them up to date, that was to say, into line with those which an ordinary limited liability company would enjoy. The first effects of their new Act were already apparent in the simpler procedure for summoning proprietors to the meeting and in the proposals submitted for increasing the capital.

Under the new Act no limit was fixed to the amount of capital which they might raise subject to the consent of the proprietors, and they therefore enjoyed a power which Parliament had but rarely granted. Under their old Acts a definite and somewhat narrow limit had been fixed to the amount of the capital they were authorised to raise. When their fixed capital powers were exhausted it was necessary to apply on each occasion to Parliament for a fresh Act to increase their authorised capital, and in normal times such an Act would take from twelve to eighteen months to obtain. Now, if it was deemed advisable to raise the authorised capital, all that was necessary was that the proprietors in general meeting should pass a resolution to that effect. The important point was, however, that, if they wished to undertake fresh business, they had not to resort to the temporary, and perhaps expensive, expedient of borrowing the necessary capital, while awaiting the sanction of Parliament to an increase in their authorised capital.

NEW CAPITAL PROPOSALS.

They were submitting to the proprietors at that meeting a proposal to raise the nominal capital from £1,976,000, the amount now actually issued, to £3,000,000 by the creation of £1,024,000 of fresh capital, of which £524,000 was to be offered for early subscription at the price of 200 per cent., so bringing the issued capital up to £2,500,000. He had heard criticism passed on the board's proposals to the effect that capital ought to be returned to the proprietors rather than fresh capital created, or, alternatively, that a free capital bonus ought to be distributed. The facts of the case were that for some time past the association had been overspent on capital account, as all expanding enterprises tended to be. Their associated companies had big programmes in hand, and the association had been forced to finance those by bank loans and by the sale of investments. That position ought to be regularised as soon as possible. They could employ with advantage the £1,048,000 of fresh money which the proprietors were invited to subscribe. He would prefer to ask them for that fresh capital rather than submit proposals for returning capital to the proprietors. The former course denoted expansion, the latter course might well indicate stagnation.

To the critic who urged that a free capital bonus ought to be distributed, might he be permitted to point out that the profits would remain the same, and that they would merely have paid stamp duty for the privilege of increasing the number of divisors of that profit. The only way possible to justify the issue of a capital bonus would be to write up the book value of some of their investments, which course might, perhaps, be permissible if they considered the present market values, but would be adopting the policy of the bird-in-the-bush, a fertile source of disillusionment in their time, and one which the board would never prefer to the solid benefits of the bird-in-the-hand. There might, however, be a feeling among the proprietors that the stock had, owing to its high price, become too heavy. If so, the directors would be prepared to consider the question of approaching the Stock Exchange to quote their stocks in £1 units.

TERMS OF ISSUE.

If the proposals were approved, proprietors would receive their letters of rights to that £524,000 of new stock on June 18th, together with their dividend warrants. Of the amount due, 10 per cent. would be payable on application, a further 15 per cent. on allotment, and three instalments of 25 per cent. each on October 15th, January 15th and March 31st next. Each £100 of existing stock would entitle the holder to apply for £26 10s. of new stock, and *pro rata*. In addition to his fixed right, each stockholder could apply for an allotment of stock not taken up. As the stock could only be registered in multiples of £1, fractions of £1 would not be allotted to the proprietors, but would be dealt with by the board in such a way as to give the staff an opportunity to make an investment in the association. Intercalary interest would be paid on the instalments at the rate of 4½ per cent. per annum. The new stock would obviously not entitle the holder to any rights, whether of a capital, dividend, or bonus nature, until after March 31, 1930, when it became fully paid and would rank *pari passu* in all respects with the existing stock. It was their intention to close their accounts on March 31, 1930, in order to enable the dividends of their subsidiary companies, which would be declared after December 31st, to be brought into their next accounts. They would, therefore, have a fifteen months' year, but, after next year, they would settle down to twelve months, always closing on March 31st.

The accounts were presented in a different form. The changed method of presentation was a natural consequence of the evolution of the association from an operating into a holding company.

FORMATION OF LOCAL COMPANIES.

It had been recognised as a governing principle by the board of the association before the war that the operation of public utility services abroad as direct branch establishments of an English company had become an anachronism, and that while an organisation such as the association had built up might have its uses in the past, yet now local capital and local interests ought to be given the opportunity to associate themselves with their undertakings. If they did not of their own initiative recognise the changed conditions under which the world lived, recognition might be forced upon them in a manner not desirable in the shareholders' interests. Some shareholders might remember that in deference to that feeling the following changes had been made before the war. Their Hungarian interests had been incorporated in a Hungarian company; the Compagnie Continentale du Gaz had been formed to absorb their French undertaking; their station at Frankfort had been constituted as a German company in 1909, and at the time of the outbreak of war steps had been about to be taken to convert their Berlin station into a German company. No similar measures had been taken in regard to their Belgian stations, largely because everything could not be done at once. After the war the reasons for carrying through that programme to completion had been far greater, owing to the strong feelings of nationalism which war engendered; while exchanges had been depreciating, it was obviously necessary to stay their hand, but now that objection had disappeared the board had continued the pre-war policy and converted their Belgian enterprises into local companies.

They had every reason to believe that that step had met with general approval in Belgium, and if that was the case a consolidation of their interests would ensue. It would be their policy to allow their Belgian friends to take up a substantial interest in those companies and to seek to create a real community of interest. In consequence, the association was assuming more the character of a holding company, and various items appearing in the old form of accounts had had to be altered or to disappear.

The chairman then dealt in considerable detail with the various items in the accounts, explaining the changes that had taken place. He pointed out that the net revenue from stations showed the satisfactory increase of £154,000 compared with last year. The increase was chiefly due to improved trading, partly the result of the expansion of their business, and also of the more normal economic conditions under which they were now working. The year had also benefited from the fact that in order to prepare the way for the formation of their subsidiary companies in Belgium there had been an adjustment of meter readings so as to start completely clear on January 1 of the current year. That adjustment had been to the advantage of the 1928 accounts, and naturally would not recur. The item of net revenue from stations would probably be of very small importance in their next accounts, for as those stations became subsidiary companies dividends would take the place of stations' revenue.

The balancing item of profit and loss was £428,466, after providing for the payment of the interim dividend at the rate of 5 per cent. They proposed allocating £70,000 to general and specific reserve and the payment of a final dividend on the capital stock of 10 per cent, less income tax, making 15 per cent. for the year, and a profit participating bonus to the staff of £2,371. That would leave a balance to be carried forward of £198,000, or an increase of £78,000.

The resolution was carried unanimously, and the increase of capital referred to by the chairman was approved.

CROWN MINES, LIMITED.
(INCORPORATED IN THE UNION OF SOUTH AFRICA.)
TWENTY YEARS' RECORD.—IMPROVED ORE RESERVES.

The thirty-third ordinary general meeting of shareholders was held in Johannesburg, on April 29th, 1929.

The chairman (Dr Samuel Evans) in the course of his speech said: This is the twentieth annual meeting of the Crown Mines shareholders at which I have occupied the chair, and it may perhaps be of interest to shareholders if, before dealing with the reports and accounts which are before us, I briefly review what has been accomplished since the Crown Mines was established on July 1st, 1909. The first annual meeting was held on March 8, 1910, and dealt with the reports and accounts for the year 1909, covering the work of the Crown Deep during the first half and of the amalgamated company during the second half of that year. I find that, of the 4,976 shareholders registered at the end of last year, 1,167 were on the register in 1909. The number of shareholders registered in South Africa has increased from 453 in 1909 to 1,176 at the end of December last. The average number of shares held by each registered shareholder (exclusive of the holdings of the Rand Mines Limited, and the Central Mining and Investment Corporation Limited), were 107 in 1909 and 134 at the end of last year. In June, 1909, the working mines included in the amalgamation, Crown Deep, Langlaagte Deep, Crown Reef and Robinson Central Deep, were employing 1,200 Europeans and 8,300 coloured workers. We had in our employ last year an average of 2,103 Europeans and 15,738 coloured workers. In 1909, the ore brought to the surface was from an average vertical depth of 1,300 feet. Last year we were stoping at an average vertical depth of 3,386 feet. The vertical depth of the deepest level was 1,700 feet in July, 1909 To day we are down to a vertical depth of 6,500 feet.

At the time of the amalgamation, the mining ground of the Crown Mines totalled 2,216·6 claims, of which 237·3 claims had been exhausted or were north of the outcrop, and 1,979·3 claims were intact south of the outcrop. The company has since bought the undermining rights of 1,119·6 reef-bearing claims at a cost of £539,925, or £480 per claim. 893·7 Main Reef Leader claims and 715·8 South Reef claims have been exhausted or proved unpayable since the amalgamation up to the end of December last, and the company had at the beginning of this year 2,210 intact Main Reef Leader claims and 2,386 South Reef claims.

It is interesting to note that the total quantity of gold—19,651,506 fine ounces—produced in a little over forty years from the area now owned by the Crown Mines, was almost equal to the total gold production of the world—20,488,552 fine ounces—in the first forty years of the nineteenth century, 1801–1840.

THE ACCOUNTS.

I propose now to deal with the reports and the accounts which are submitted for your approval to-day. I think you will agree that they show on the whole a satisfactory state of affairs, although a lower dividend was paid last year. The reduction in our distributable profits was due partly to the extra capital expenditure incurred and partly to the erratic and inadequate supply of native labour. Notwithstanding the heavy capital expenditure, we would have been in a position to pay a dividend above the average of recent years had we had throughout the year a sufficient number of native workers. As you will gather from the reports, there are several directions in which the results of last year's operation constitute records, but what is most important and encouraging, is the fact that our record development of 99,677 feet over a wide area and largely in the deeper portions of the mine below the South Rand Dyke, resulted in an addition of 737,510 tons to our ore reserves and an improvement of 0·2 dwt. per ton in the value of our total ore reserves, which now stand at 10,962,250 tons, having an estimated average value of 6·69 dwts. over a stoping width of 46·4 inches.

Our revenue totalled £3,668,195 as compared with £3,556,679 in 1927. The increase in the capital expenditure—£277,311 as compared with £243,813 in 1927—more than accounts for the lower net profits. Excluding capital expenditure, the net profits for the two years were: 1927, £812,019; 1928, £816,988.

It is estimated that the capital expenditure this year will amount to £230,000 or £47,000 less than last year's figures. The work to be done this year and charged to capital account includes the sinking and equipment of No. 16A and No. 17 shafts, compound additions and pumping plant on 41 level. A large portion of the capital expenditure in recent years has been spent on the sinking and equipment of vertical shafts, which are approaching completion.

Your directors have been subjected to some criticism for not declaring a larger dividend last year. Under the circumstances, and particularly having regard to the uncertainty as to the labour position, I consider that we were justified in what we did. Moreover the net cash carried forward at the end of the year, after allowing for all liabilities, was £89,209, as compared with an average of £141,414 in the previous seven years.

WORKING COSTS.

The working costs last year show an increase of 45 per cent. as compared with 1914, and of 3·8 per cent. as compared with 1927. The increase last year, as compared with 1914, is largely due to the higher cost of European labour, the greater depth of the workings, the decrease in stoping widths from 67 inches in 1914 to 45 inches in 1928, and the greater development footage. White labour shows an increase of £334,628, of which £20,461 are due to increased development. The wage paid per European employed was £80 per annum higher than in 1914, an increase of 26 per cent.

The lower output last year is probably fully accounted for by the greater depth of the workings and the decreased stoping widths. The mine has suffered from a shortage of native labour throughout the year. The tonnage milled was 2,611,000, which is equal to the previous record, but owing to the improvements and the additions which have been made to the plant, it would have been possible to mill a further 150,000 tons had labour been available. Further additions have recently been made to the capacity of our plants, which are now in a position to treat 247,000 tons per month whenever the necessary labour is available. There is no dearth of stope faces, and the mine is capable of producing a much greater quantity of ore per month than has ever been the case before.

CURRENT YEAR'S RESULTS.

The results obtained in the first quarter of this year compared with those of the same period in 1928 are as follows:—

	1928.	1929.
Fathomage broken	47,660	48,834
Tons mined	719,739	704,456
Tons milled	617,000	613,000
Percentage of waste sorted	14·0	13·3
Yield—		
Total—fine ozs.	201,857	204,142
Per ton milled, dwts.	6·543	6·660
Value of yield—		
Total, including silver and osmiridium	£858,781	£868,446
Per ton milled	27s. 10·0d.	28s. 4·0d.
Working costs—		
Total	£653,534	£638,444
Per ton milled	21s. 2·2d.	20s. 10·0d.
Working profit—		
Total	£205,247	£230,002
Per ton milled	6s. 7·8d.	7s. 6·0d.

The improvement in profit for the first quarter of the current year, compared with the first quarter of last year, is due largely to a reduction in development footage, which has resulted in lower costs, and an improvement in the yield. The yield has also been improved by an increase in underground sorting, which has been facilitated by the adoption of the reef packing or shrinkage method of stoping throughout the mine. The waste sorted is used to support the hanging wall and a saving in the amount of timber consumed underground has been effected. Good progress has been made in our main shafts during the current year. At the end of March, No. 16A shaft had reached a depth of 1,766 feet below the 19th level, and had to be sunk a further depth of 1,796 feet. This sinking will probably be completed about the middle of next year, after which the shaft equipment will take nearly another year to complete. No. 17 shaft had reached a depth of 2,573 feet at the end of March, and had a further 1,283 feet to go. It is now in normal quartzite, and if no further serious difficulties are encountered, it should be completed by the end of the year. Before the subvertical shaft sinking can be started, it will be necessary to equip No. 17 shaft with guides and cages and to excavate engine chambers and erect engines for sinking.

The following table shows the results of our development operations for the first quarter of this year, as compared with those of the same period in 1928:—

	1928.	1929.
South Reef:		
Footage sampled	7,450	2,740
Payable footage	5,080	1,510
Average value of payable footage, inch-dwts.	322	314
Main Reef Leader:		
Footage sampled	10,160	9,280
Payable footage	7,590	6,140
Average value of payable footage, inch-dwts.	352	416
Total development footage	27,234	20,117

The reduction in the development footage on South Reef is partly due to a large portion of the South Reef development on the Western Section above the 26th level being completed, and does not indicate any alteration in policy. There is no change of any note in Main Reef Leader development; the values of the ore exposed in the bottom levels of the mine are about the same average as in recent years. As I have indicated, we have every reason to be satisfied with our ore reserves.

The estimated tonnage of payable ore developed during 1928 was 2,862,323, an increase of 894,394 tons in the 1927 figures.

GOLD POSITION.

The position of gold in the world continues to improve. In the past 2½ years there have been serious departures from the self-regulating gold standard recommended by Drs Kemmerer and Vissering, and these departures have been brought about without public enquiry or any reference to the Union Parliament. In the first place, the coinage of half-sovereigns at the Pretoria Mint was stopped about the end of 1926; later, an embargo was imposed on the export of half-sovereigns, and, in the second half of 1927, impediments were placed in the way of supplying the public with half-sovereigns. We have repeatedly applied for half-sovereigns to pay our natives, but are informed that the Reserve Bank declines to supply them in exchange for its notes. Apparently the Union Parliament, and the public generally, knew nothing of this interference with the minting, the export and the circulation of half-sovereigns in South Africa.

It is hardly necessary for me to point out that were the policy which has been pursued in the case of half-sovereigns carried to its logical conclusion, and the coinage of gold at Pretoria Mint entirely stopped, the effect on the gold mining and other South African industries might be disastrous, apart altogether from the injustice to the natives which the abandonment of gold coins would involve. I have dealt at some length with this subject, as it appears to me that Parliament and the public have not yet realised its importance and the urgent necessity of freeing our currency from constant tampering.

The report and accounts were unanimously adopted.

GRESHAM TRUST LIMITED.

HIGHLY SATISFACTORY RESULTS.

The fourth annual general meeting of the Gresham Trust, Ltd., was held on 24th ultimo, at the Cannon Street Hotel, London.

Sir Arthur Wheeler, Bt., D.L., J.P., who presided, said that the results were highly satisfactory. The net profit amounted to £92,746, and the balance available for distribution was £103,775. The board suggested a conservative and adequate allocation; after paying the cumulative dividend of 6 per cent. they proposed a further 4 per cent. for the participating preference shares, making 10 per cent. in all, and 32 per cent. for the ordinary shares; and they recommended that £20,000 should be added to reserve, carrying forward £27,775 to the new year.

The year under review had been interesting because of the large amount of business available, and perplexing because of the difficulty of making wise decisions. The earlier portion of the company's year had witnessed a period of wide speculation and active markets, giving reason for wondering if there were any limit to the purse of the speculating and investing public. Issues were over-subscribed day after day, and there was every evidence that the public were willing to find money for the most venturesome propositions.

The chief difficulty had been to sort the wheat from the chaff, in which work a company such as theirs had an enormous advantage over the individual investor. Before a decision was reached in their case, the business under review had to pass through a sieve of investigation by professional experts, such as chartered accountants and solicitors, as well as the highly skilled members of the Trust's own permanent staff. In addition, every member of the board put in a great deal of time on behalf of the company. When the necessary data had been collected and analysed he proposition was placed before the board by the managing director, with this recommendations. By starting off from that basis shareholders would appreciate that practically everything possible was done to ensure success in whatever investment the board made or in whatever propositions they handled. He would not attempt to forecast what the coming year had in store, but unless something exceptionally unforeseen arose, he was satisfied that a year hence the board would be able to come before the shareholders with a satisfactory account of their stewardship.

The report was unanimously adopted, and the directors were authorised to borrow for the purposes of the company up to an amount not exceeding the sum of £1,000,000.

BRITISH RUBBER ESTATES OF JAVA, LIMITED.

CROP RESULTS AND PROSPECTS.

The nineteenth ordinary general meeting of the British Rubber Estates of Java, Limited, was held on the 27th ultimo, at 2, 3, and 4 Idol Lane, London, E.C.

Mr Stanlake Lee (the chairman) presided, and in the course of his speech said:—The net proceeds of our crops including unsold balances at December 31st last amounted to £196,588, of which 18 per cent. Our revenue from rubber has been a great disappointment. When the amalgamation proposals were put before you in the beginning of last year, the price of rubber was in the neighbourhood of 1s. 8d. per lb. for prime qualities, and the price we took for our calculations was 1s. 7¼d. per lb. for all grades. You all know what happened, however, and instead of selling our rubber crop at an average of over 1s. 7¼d. per lb. we had to be content with 10¼d. per lb., or 9d. per lb. less than that on which our calculations were based. On our crop of 2,057,746 lb. that 9d. represents £77,165, and if you add that amount to the balance of our profit and loss account you will find that the estimate of profit given by us in the memorandum, viz., £118,790, was a very conservative one.

Coffee in 1928 continued to be the faithful friend it has proved to be in the past, and we have every reason to expect that in 1929 results will be even better, as we hope for an equally large crop and our forward sales are at somewhat higher prices than those for 1928.

Tea is a new crop with us, and I am happy to assure you that your directors are satisfied that their decision to add this culture to those of rubber and coffee as principal crops has been amply justified. Crop per acre is satisfactory, and as all the expenditure on extra cultivation will be finished this year, and also our building programme will have been completed, we look forward to some prosperous years.

The total planted area is 12,532 acres, of which 9,606 are mature and yielding crops. The balance-sheet value of that planted area and its equipment is £735,850, which gives a cost per planted acre of £58 14s. 4d., a figure considerably below what is now required to open up, plant, and bring areas to maturity. The 9,606 acres which are mature have earned a profit that represents about £6 13s. per acre, or roughly just under 11½ per cent. gross on our cost price of £58 14s. 4d. per acre.

The report was unanimously adopted.

BARCELONA AND SEVILLE EXHIBITIONS, 1929.

¶ The Anglo-South American Bank has branches in seven cities in Spain—including Barcelona and Seville—as well as Agents throughout the Peninsula.

¶ It is therefore in a unique position to provide complete financial services to intending visitors to the present Exhibitions in Spain.

THE ANGLO-SOUTH AMERICAN BANK LTD
117 OLD BROAD ST, LONDON, EC2

W. J. BUSH AND COMPANY, LIMITED.

SATISFACTORY YEAR—IMPORTANCE OF SAFEGUARDING ACT.

The thirty-second annual general meeting of the shareholders of W. J. Bush and Co., Limited, was held, on the 24th ultimo, at the Great Eastern Hotel, London, Mr J. M. Bush (chairman and managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, said: Although there was no general improvement in trade activity during the past year, our turnover was considerably larger and the increase in our net profits was in still greater proportion. This gratifying result may be attributed to various causes. Since the year 1921 we have left, including the amount we now propose to put to general reserve, no less than £205,000 of undistributed profit in the business. In the same period we have written off £62,497 to depreciation of plant, fittings, &c. This has enabled us to modernise our plant and to take up the manufacture of additional products. Our net profit also greatly benefited by the great attention that has been devoted to economy in every direction.

The above figures give some indication of the financial effort we have made to build up a fine chemical industry in this country under the encouragement of the Safeguarding of Industries Act. The discontinuance of the Act would certainly retard the future progress of this branch of chemical manufacture. We have still large capital commitments in respect to factory extensions in this country and abroad, and it is for this reason we propose again to leave a large sum of undivided profit in the business.

Our trade investments show a tendency to grow, and, as our auditors are not in a position to certify as to the correctness of the value placed on shares under this heading, shareholders will be interested to learn that the proportion of earnings equivalent to the company's shareholding in the various companies amounted last year to over 24 per cent. of the value placed upon these assets in the balance sheet. The profit, of course, was not all distributed.

To the net profit of £87,492 11s. 6d. we have to add the amount of £61,624 8s. 1d. brought forward, and to deduct the amount required for preference dividends, £6,250, leaving £142,866 19s. 7d. for disposal. We make the following recommendations:—The payment of a final dividend of 11 per cent. on the ordinary shares making, with the interim dividend already paid, 15 per cent. for the year, the increase of our general reserve by £45,000, which will then stand at £200,000, and the carrying forward of a balance of £60,356 19s. 7d.

The resolution was carried unanimously.

PROVINCE OF BUENOS AYRES WATERWORKS COMPANY, LIMITED.

BUSY AND PROGRESSIVE YEAR.

The twentieth ordinary general meeting of the Province of Buenos Ayres Waterworks Company, Limited, was held, on the 27th ultimo, at Winchester House, London, Mr P. A. Cooper (chairman and managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, said: In the past year the most important event in Argentina has been the election, for a second term, as President of the Republic, of that distinguished statesman, Dr. Hipolito Irigoyen. We are glad to think that one of his objects will be to secure rapid progress in public works, and that, provided that those in charge of these services show a proper regard of their duties, they may count upon his encouragement and support. The directors recommend the payment of a dividend of 6 per cent., free of tax. We have had another busy year and a progressive one.

The revision of the rent lists has allowed us to make extensions which otherwise we could not have considered. Many improvements and developments have been planned and executed. The most important is a new super pumping station which incorporates many novel features, and will, when completed, be the largest and best equipped station of the kind in existence. The construction of this great unit has only been made possible by the action of the authorities, who have granted us the use of a strip of land by the side of the Provincial Railway. This land, and important additions which we have bought, will provide wells for many years ahead. We hope the first section of this new station will be in use before the next Argentine summer, and we look forward confidently to being able to expand our capacity as necessity arises. We had serious difficulties to contend with in our rapidly expanding districts, but in spite of these it is always our earnest desire to meet all requirements. We have greatly extended and improved our service.

With a sympathetic and constructive attitude on the part of the public authorities, and energy and skill on ours, we will not only be able to serve our present districts well, but be ready to widen our sphere of action into other districts and other services.

The report was unanimously adopted, and the increase of the capital to £1,500,000 by the creation of 500,000 new shares of £1 each approved.

NITRATE PRODUCERS' STEAMSHIP COMPANY, LIMITED.

POSITION AND PROSPECTS OF SHIPPING INDUSTRY.

The annual general meeting of the Nitrate Producers' Steamship Co., Limited, was held, on the 24th ultimo, at 20 Billiter Buildings, London, E.C.

Sir John Latta, Bt. (chairman of the company) presided.

The Secretary (Mr James A. Walker) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of his speech, after paying a tribute to the late Mr Blane, said:—During the closing months of last year an encouraging improvement in the freight market led shipowners to hope that the long period of depression was disappearing. That sanguine view resulted in the placing of orders for new tonnage to an inordinate extent. Rates were steadily recovering from the glut of vessels built under the impetus of Trade Facilities loans. Unfortunately, that ill-advised innovation, the Trade Facilities Act, is being actively copied in foreign countries, and may be indefinitely continued. The inducement, therefore, to create still further unwanted tonnage persists, and already the improvement mentioned has been checked.

Our new Diesel vessel, Anglo Canadian, fitted with Doxford engines, has given every satisfaction; her efficiency and general adaptability have surprised us. There is less time lost in deviating for and loading fuel, while the baneful consequences of striking coal of poor quality, so frequent with steamers, is avoided. Notwithstanding these and other advantages, we find steamers, on present capital values, more profitable for our purposes. We committed the Anglo Canadian to a successful round voyage involving identically the same service in all departments as had just been fulfilled by the Anglo Australian.

THE OUTLOOK.

As to the outlook, this is hardly the moment for prophecy. We are approaching what may prove the most momentous General Election for generations. No analysis, therefore, can be complete that ignores its resultant possibilities. With the rise of Socialism and the pseudo-democratic idealism which it has engendered, our ability to compete in world markets has steadily diminished, while there has been a corresponding increase in unemployment.

As tramp shipowners we have observed that Continental consumers and manufacturers enjoy a great advantage from the lower freights at which shipowners can profitably carry, among other things, foodstuffs and raw materials to their ports, owing to the operating expenses in the process being much less than corresponding charges at British ports, due to a more sane and sensible use of labour. Living on an island, the liquidity of labour in our arterial and key industries is vital to our existence.

In conclusion, the Chairman said: I have the pleasure to propose the adoption of the report and accounts; that a dividend of 7½ per cent. per annum for the final six months of the financial year, together with a bonus of 2½ per cent., both free of income tax, be now paid; that £55,000 be placed to reserve for depreciation, etc.; and that £15,485 1s. be carried to next year's account.

Mr Thomas S. Short, J.P., seconded the resolution, which was carried unanimously.

THE CASE FOR FREE TRADE

A pamphlet of 56 pages reprinted from "The Economist."

The fundamental arguments against Trade Restriction are set out; and the claims of "Safeguarders" examined.

Price 4d.

(Special terms for quantities.)

Obtainable from "THE ECONOMIST,"
6, BOUVERIE STREET, FLEET STREET, LONDON, E.C.4.

INTERNATIONAL TELEPHONE and TELEGRAPH CORPORATION.

ANNUAL REPORT, 1928.

NEW YORK, MAY 20th, 1929.

To the STOCKHOLDERS:

In view of the continuing extension of the activities of your Corporation, as well as the expanding list of stockholders in the United States and other countries, it is desirable that this report should cover not only the activities and operations for the year 1928 and succeeding months, but generally the development of the International Corporation and again review its purposes and policies.

With the association during 1928 of the Mackay System which includes Postal Telegraph, Commercial Cables, Commercial Pacific Cables and Mackay Radio, with the previous association in 1927 of All America Cables, there was welded together an international communications system with a nationwide telegraph service in the United States, and cables extending to the West Indies, Central and South America, certain principal countries of Europe and the Far East, and serving through connecting telegraph and cable services Canada, Mexico and practically all other countries of the world.

The development of national telephone systems, by the installation of modern equipment as well as by the most advanced engineering and commercial practices, should be of inestimable value in the economic and social development of the countries served. Through interconnection with our communications system, these countries will be further benefited and will in turn add to the comprehensive services of the International System.

The establishment, wherever practicable, of national manufacturing plants for the production of telephone, telegraph and wireless apparatus, cables and accessories, will meet the demands of governments and companies which, by custom or regulations, require national manufacture. The association of these national plants, with the laboratories and other services of the international system, will assure the highest quality and efficiency in their products.

The International Telephone and Telegraph Corporation was not organised with a single profit-making purpose to itself, nor with the desire of imposing American practices in its foreign activities. There appeared to be a fruitful field of service to be rendered in bringing together under one general organisation electrical communications systems, and the extension by the parent company to the associated companies of the technical and financial facilities and direction that might be needed for their intensive and efficient development. The best American practices have been suggested, but never imposed. On the contrary, the management has always been ready and quick to adjust American practices to other national conditions and to adopt such local practices as were conducive to the successful development of the various entities. The combined and co-operative effort of the associated companies of the international System is daily justifying the purposes and policies of your corporation.

The association of the several enterprises now forming part of the international system, in addition to the technical, managerial and financial advantages, should result in appreciable economies and general efficiency throughout the system. In the initial periods of these associations, however, economies are not immediately realised, due in part to duplications which must of necessity be gradually eliminated. It is also well to bear in mind that, particularly during the initial development period of the international system and even in its successive periods of development, large investments are made and will be carried without immediate return of income on such investments, or with inadequate return on investments in companies which are undergoing reorganisation and expansion.

It is generally recognised that wire and wireless communications services are complementary to each other, and the advantage of their association is manifest as it permits of the most efficient and economical use of both wire and wireless in their rsepective fields. In Great Britain, France, Germany and Italy unification of the cable and wireless services, through consolidation or joint working agreements, has been, or is being, effected.

The desirability of consolidating the radio communications services of the Radio Corporation of America with the communications services of the International Telephone and Telegraph Corporation has been recognised by both corporations, and a tentative plan has been agreed upon under which the communications services of the Radio Corporation of America may be acquired by the International Corporation when the law permits.

An agreement was signed on December 31, 1928, between All America Cables, Incorporated, and the Compagnie Française des Câbles Télégraphiques (Paris), which provides for the operation during a twelve-year period by All America Cables of the United States and Haiti Telegraph and Cable Co. and the French Antilles Cable System connecting Cuba, Haiti, Santo Domingo, Porto Rico, St. Thomas, Curaçao and Venezuela, which cables total some 3,200 nautical miles.

On December 11, 1928, an offer was made through a banking syndicate for the acquisition of the ordinary (common) shares of the United River Plate Telephone Co., Limited, the shareholders of that company having been given the opportunity to deposit their shares and to receive in payment either part cash and part stock of the International Corporation, or all cash, and the operation was completed to the satisfaction of all. At this date the International Corporation has acquired 99.9 per cent. of the outstanding ordinary (common) shares of that company.

One of the gratifying results of the acquisition of the United River Plate Telephone Co., Limited, was the increase in the list of British stockholders of the International Telephone and Telegraph Corporation. Temporary certificates were issued to the shareholders of the United River Plate Telephone Co., Limited, who deposited their shares against payment, part in cash and part in stock of the International Corporation, and it is expected that, when the definitive stock certificates are issued, there will be over 1,300 new British holders of the stock of your corporation. The stock of the International Telephone and Telegraph Corporation is listed on the London Stock Exchange.

The United River Plate Telephone Co., Limited, owns and operates the largest telephone system in South America. As of December 31, 1928, the company had 194,566 telephones in service in the Argentine. Of this number, there were 131,154 telephones in Buenos Aires, the capital of Argentina, which has a population of over 2,000,000 inhabitants.

There was acquired by your corporation in July, 1928, the controlling stock interest in Creed and Co., Limited, of Croydon, England. This company, which was established in the year 1912, is engaged in the development and manufacture of automatic printer telegraph equipment and accessories for use on land lines and submarine telegraph cables as well as the manufacture of apparatus and equipment for manually operated telegraph circuits. Due to the development work of Mr F. G. Creed, the founder, and the high quality of their equipment, their apparatus has been distributed throughout the world. Mr Creed, who will continue as chairman of Creed and Co., Limited, will at the same time carry on his development work for the company.

The International Standard Electric Corporation during the current year has acquired a substantial interest in the Ferdinand Schuchhardt Berliner Fernsprech-und Telegraphenwerk, A. G. (telephone and telegraph apparatus factory), located at Berlin. It is planned in co-operation with German industrialists and bankers to develop this and other factories in Germany in order to provide for a larger national distribution of telephone and telegraph equipment as well as to develop an export trade in such equipment.

The Postal Telegraph and Cable Corporation was organised May 18, 1928, to acquire the interests of The Mackay Companies, which include the ownership or operation of Commercial Cables from the United States and Canada to Great Britain and Ireland, France and Cuba, aggregating approximately 27,000 nautical miles; Commercial Pacific Cables from San Francisco to the Hawaiian Islands, Midway Island, Island of Guam, Philippine Islands, and Shanghai, with a branch connecting at the Bonin Islands with the Japanese Government cable to Japan, with a total of slightly over 10,000 nautical miles; Postal Telegraph, with its nationwide telegraph service throughout the United States; and Mackay Radio, with a point-to-point wireless telegraph system between certain principal cities in California, Washington and Oregon and a Pacific ship-to-shore wireless service.

The Postal Telegraph and Cable Corporation, of which the common stock is all held by the International Corporation, has acquired to date through the exchange of securities 98 per cent. of the common shares and 95 per cent. of the preferred shares of The Mackay Companies as well as all but $200,000 of the total of $20,000,000 of 4 per cent. bonds and 4 per cent. debenture stock of the Commercial Cable Co.

All American Cables, Incorporated, which became associated in 1927 with the International Corporation, owns and operates cables and connecting land lines between North America, the West Indies, Central and South America, and its system comprises nearly 27,000 nautical miles of cables and connecting land lines. Its cables and land lines extend to 23 countries and islands and through connecting companies practically every island in the West Indies and all countries of Central and South America are served by this system.

The Cuban American Telephone and Telegraph Co., which is jointly owned by the American Telephone and Telegraph Co. and the International Telephone and Telegraph Corporation, and which owns and operates the three Key West-Havana cables, reported for the year 1928 a satisfactory increase in telephone traffic and, in addition, the carrier telegraph equipment installed on these cables was remodelled and six new channels added so that there are now available nine carrier telegraph channels on the three cables.

The Trans-Andean telephone service connecting Chile with the Argentine and Uruguay was successfully inaugurated by the Presidents of the three countries on June 22nd, 1928. The traffic between the Argentine, Uruguay and Chile will be further increased by the connection of this service with the United River Plate Telephone Co.'s system. Subject to necessary agreements with the Governments concerned and with connecting companies, it is planned to extend this international long distance service through southern Brazil to Sao Paulo and Rio de Janeiro.

During the year 1928 the International Corporation's associated systems in Spain, Cuba and Mexico were placed in communication with each other through the connecting services of the French Post Office, the British Post Office and the American Telephone and Telegraph Co. Telephone service between Spain and the United States was inaugurated on October 13, 1928, by His Majesty King Alfonso XIII and President Coolidge; and with Cuba, the service was inaugurated by His Majesty the King and President Machado on November 13, 1928. Telephone service between Spain and Mexico was established on November 30, 1928.

The International Radio Co. of Argentina, an associated company of International Corporation, is installing a wireless telephone station at Buenos Aires for service with Spain, which it plans to inaugurate in the early fall of this year. This service will be available to the United River Plate Telephone system and the other associated telephone systems in the adjoining countries.

The International Radio Co. of Argentina is also installing a station at Buenos Aires for service with the United States of America and it is planned to inaugurate this service shortly after the end of the current year. The Buenos Aires station, which will connect with the Argentine telephone system and other associated telephone systems, will communicate in the United States with the wireless telephone station and telephone system of the American Telephone and Telegraph Co.

The International Radio Co. of Chile, another associated company, has ordered the equipment for its station at Santiago, Chile, and will establish as promptly as practicable wireless telephone service with Europe and the United States.

The International Standard Electric Corporation has installed on a transatlantic liner short-wave wireless telephone equipment, which will be put under the severest tests with the view of developing ship-to-ship and ship-to-shore commercial wireless telephone service. This should make it possible for travellers to be in constant touch with one or more shore stations as well as with other ship stations. The commercial application of this service will be actively developed.

COMMUNICATIONS COMPANIES.

The Postal Telegraph and Cable Corporation, through its associated companies, Postal Telegraph, Commercial Cables and Mackay Radio, handled an increasing volume of traffic.

Postal telegraph is a very important part of the communication system of the International Corporation, and all necessary steps are being taken to develop its service within the United States as well as to meet its obligations in connection with international communications. A large number of telegraph printers, which receive and send the written message on the same principle as a typewriter, are being installed both in the central operating offices and with customers.

As a result of contracts entered into with the American Telephone and Telegraph Co. and associated companies (Bell system), and, subject to the terms of these contracts, every telephone, whether on the premises of a customer or in a public telephone pay station, may be used to send postal telegrams, and the telephone companies will bill and collect for such telegraph service. This arrangement has already been put into effect in a great number of cities and towns and will be extended as rapidly as possible. Postal Telegraph under these contracts may secure additional facilities within municipalities and between municipalities, and, by these means, extensions to new territory and relief over existing routes can be quickly obtained.

Facsimile telegraph service, known as "Photograms," was inauguarted for the first time in the United States by Postal Telegraph in September, 1928, and its use is being developed.

Commercial Cables during the year 1928 maintained its high standard of service, and with its cables working direct with England, France and Germany an almost instantaneous service is given to these countries.

During the preceding months of the current year there has been a large increase in traffic handled by Commercial Cables. The rates for night letter messages to Great Britain and Ireland were reduced to 4 cents per word and for week-end letter messages to 3 cents per word. Reduction of present rates for these services to other countries will be put into effect as soon as necessary arrangements are made in the countries served.

Mackay Radio inaugurated on May 1st of this year its new short-wave wireless telegraph service between San Francisco and Honolulu, and it is proposed to promptly extend the service to the Philippine Islands.

On the Atlantic the ship-to-shore wireless telegraph service was inaugurated on May 15th of this year by Mackay Radio from its station located at Sayville, Long Island. This station is equipped with a modern short-wave system, and will be arranged to communicate in due course with the other radio telegraph stations being installed in South America and Europe by the International System.

The total number of messages handled by postal telegraph, Commercial Cables and Mackay Radio during the year 1928 amounted to 47,665,930, as compared with 45,329,101 in 1927.

All America Cables, Incorporated, during the year 1928 maintained and developed its efficient services to the West Indies, Central and South America.

Under agreement with the Compagnie Française des Câbles Télégraphiques (Paris), All America Cables took over as of January 1, 1929, the operation of the United States and Haiti Telegraph and Cable Co.'s cable from New York to Cape Haitien and the cables of the French Antilles system connecting Cuba, Haiti, Santo Domingo, Porto Rico, St. Thomas, Curaçao and Venezuela.

As an interesting result of this operation All America Cables has made important reductions in cable rates to Haiti, Santo Domingo, Curaçao and Venezuela, thereby continuing the long-established policy of this company of providing at reasonable rates the best possible facilities to the countries it serves.

The total number of messages handled by All America Cables during the year 1928 amounted to 2,549,456, as compared with 2,372,877 during 1927.

The submarine cables operated by the Communications Companies now total approximately 65,000 nautical miles, and it is planned to supplement the present cable system by the latest type of telephone and telegraph cables to provide for telephone service to certain countries and much greater telegraph capacity to most of the countries served by the international system.

The efficiency and capacity of the cables, wires and wireless equipment now in service may be increased somewhat, but the new types of cables, carrier current for wire service and short-wave wireless equipment will have so much greater traffic capacity that new commercial practices and services must be adopted to absorb these capacities. It cannot be denied that the engineering development of communication facilities in respect to cables, wire and wireless has outdistanced the adoption of more advanced commercial practices in the use of such services. Commercial development studies are being emphasised, and it is confidently expected that within a reasonable time greater facilities and more varied types of service will generally be available, and that, in consequence, the volume of traffic handled by our communication services will be very much greater.

TELEPHONE OPERATING COMPANIES.

The development and expansion of the associated telephone operating companies during 1928 were generally very satisfactory.

The Compañía Telefónica Nacional de España, which undertook to carry out an exacting five year programme as provided for in the concession contract, will complete this programme well ahead of the specified time, and has also placed in service additional

plant to take care of the ever-increasing demand for long distance service.

Spain has to-day one of the very best telephone systems in the world. This development of a complete and highly efficient national telephone system in less than a five year period is an outstanding achievement. Nearly 58 per cent. of the telephones in service are of the Rotary automatic system, a higher percentage of automatic telephones to total stations than exists in any other country in Europe.

In Madrid, where complete automatic telephone service was inaugurated in 1926, there was an increase during 1928 of 5,426 telephones, with a total of 29,362 telephones in service at December 31, 1928. Complete automatic telephone service was inaugurated in Barcelona, Bilbao, Córdova, Málaga, Sevilla and Valencia during the year 1928 and automatic service will be established in Cádiz, Granada, Murcia, Oviedo, Valladolid and Vigo during the current year.

During the year 1928 telephone service was extended to 314 cities and towns, of which 125 were given local and long distance service and 189 long distance service. As of September 1, 1924, when the Compañía Telefónica Nacional de España started to operate, there were but 581 cities and towns with long distance service and at the end of the year 1928 there were 2,051 communities connected and forming part of the Spanish telephone system.

It is worthy of note that, at the time the concession was granted by the Spanish Government, international telephone communications from Spain were limited to inadequate service from Barcelona and Madrid, in addition to the frontier towns, with certain cities of France and Switzerland. The total daily average messages from Madrid and Barcelona were 189 messages. At the present time every telephone in Spain can avail itself of thoroughly efficient international long distance service, connecting with Lisbon (Portugal), Gibraltar, Ceuta (Morocco) and principal cities and towns of Austria, Belgium, Czechoslovakia, Denmark, France, Germany, Great Britain, Holland, Italy, Luxemburg, Norway, Sweden and Switzerland. The average daily messages for the first quarter of 1929 between Spain and Portugal, England, France, Switzerland, Belgium and Germany were over 745 messages. The economic value to Spain, as represented by this large growth in its international communications services, must remain unquestioned.

In addition to the services established with the other European countries mentioned, long distance telephone service was established between Spain, and the United States and Canada, and with the associated companies of the International Corporation in Mexico and Cuba.

As a result of these long distance services in a period of less than five years every telephone in Spain, which in 1924 could connect with not more than 25,000 telephones, may now be connected with over 20,000,000 telephones on this side of the Atlantic in addition to approximately 7,000,000 telephones on the European Continent.

Notwithstanding the economic depression in Cuba, due to the low price of sugar, the Cuban Telephone Company had a net increase of 4,870 telephones. There was an increase of 3,609 telephones in the City of Havana, which city on December 31, 1928, had a total of 50,123 automatic telephones in service.

There was also a satisfactory increase of long distance telephone service with the United States. Through the Cuban American Telephone and Telegraph Company's cables and the wire and wireless system of the American Telephone and Telegraph Company, the subscribers of the Cuban Telephone Company may be connected with over 80 per cent. of the world's telephones.

The development of the Porto Rico Telephone Co.'s system has been somewhat retarded by the economic situation resulting from the devastating hurricane of September 13, 1928, and a short period of rehabilitation is required. An exemplary spirit was shown by the staff and employees in repairing and reconstructing the damaged lines and equipment and putting them back into service with a minimum of delay. There were in service, on December 31, 1928, 12,156 telephones, a decrease of 246 telephones as compared with December 31, 1927, which, however, should be more than made up during the current year.

The Mexican Telephone and Telegraph Co.'s system was increased by 7,020 telephones to a total of 32,085 telephones in service at December 31, 1928. At the end of the current year, with the completion of the exchanges now under construction, Mexico City will be provided with complete automatic telephone service.

The long distance lines, connecting at the American border with the American telephone system, have been satisfactorily maintained under all conditions and the toll service revenues for the year showed an increase of over 190 per cent.

The Chili Telephone Co., Limited, had an increase of 3,543 telephones, with a total of 31,116 telephones in service on December 31, 1928. A special telephone law has been submitted by the President of Chile to the Chilean Congress and, when enacted, it will permit of the organisation of a national telephone company and an intensive development of the telephone system of Chile.

The support which has been received from the Government of Chile has been most gratifying and is an encouragement to intensify the reconstruction and expansion program in order to provide Chile with the best possible telephone service and thereby effectively assist in the economic development of that progressive country.

The United River Plate Telephone Co., Limited, which operates telephone systems in Buenos Aires and other principal cities of the Argentine with connecting long distance lines, became associated with the International Corporation as of January 1, 1929.

In Buenos Aires, the capital of Argentina, the fourth largest city in the Americas and the eighth largest city in the world, there is a real opportunity to plan the development of the plant and service so that the people of Buenos Aires may be justly proud of having one of the best telephone services in the world.

A complete engineering and commercial survey is being made of this property and, subject to satisfactory agreement with the Government of the Argentine, a considerable expansion of the properties and services rendered by this company will be undertaken.

The Montevideo Telephone Co., Limited, which became associated with the International Corporation during 1927, has continued to maintain its services and minor extensions have been made. There have been no major developments, however, pending action on the part of the Government with respect to a new concession contract which would permit of the installation of a complete automatic telephone system in Montevideo and the extension of modern telephone service throughout the Republic of Uruguay.

The activities of the Companhia Telephonica Rio Grandense (Rio Grande do Sul, Brazil) were principally devoted to improving maintenance conditions and rebuilding of certain portions of its telephone and telegraph plant. As a result of these improvements, the company was able to handle an increase of approximately 31 per cent. in telegraph traffic.

During the year direct radio telegraph service was inaugurated between Porto Alegre, Brazil and Buenos Aires, Argentina, which service connects all points in the State of Rio Grande do Sul, Brazil, with all telegraph stations in Argentina.

The Sociedad Cooperativa Telefónica Nacional (Montevideo) and the Compañía Telefónica Argentina (Buenos Aires) have made normal progress; maintenance conditions have been considerably improved and the outstanding achievement of these companies during the past year was the establishment in connection with the Chili Telephone Company, Limited, and All America Cables, Incorporated, of long-distance telephone service between Uruguay, Argentina and Chile.

MANUFACTURING COMPANIES.

The International Standard Electric Corporation's Associated companies have manufacturing plants in Antwerp, Budapest, London, Madrid, Milan, Paris, Shanghai, Sydney, Tokyo and Vienna.

The consolidated sales of the International Standard Electric Corporation and associated companies for the year 1928 totalled $48,976,425 as compared with $43,491,948 for 1927. The increase in sales was 12·6 per cent. and the estimated sales for 1929 indicate an even greater increase than obtained in 1928.

Orders on hand on January 1, 1929, were $30,442,558 as compared with $29,085,166 on January 1, 1928. The increase of orders on hand was particularly satisfactory as the speeding up of production and availability of increased factory capacity has resulted in generally cutting down the delivery time on major equipment from one-quarter to one-half the time previously required.

The generally recognised high quality of the products of our factories, as well as of their engineering services, gives every promise of the continuing development of this principal manufacturing branch of the International Corporation. By the development of national factories, it is possible to cater to the national characteristics and meet the desires of government administrations and companies which favour national manufacture.

The Rotary automatic system, which was developed by the engineers of the International Standard Electric Corporation and is a principal product of a number of the factories of the Standard, has met with increasing success in its operation. Among the principal cities in which this system has been or is being installed may be mentioned Antwerp, Auckland, Barcelona, Brussels, Bucharest, Budapest, Copenhagen, Geneva, The Hague, Madrid, Mexico City, Oslo, Paris, Rio de Janeiro, Shanghai and Zurich. It is expected that, with the continuous development of this system, by our laboratories tending to lower the cost of production, there will be an increasing sale of this machine-driven automatic system.

In other factories of the Standard Corporation the step-by-step automatic system is being produced with increasing distribution to those cities and countries which are using that system and here again our laboratory developments have indicated that we will be able to produce a step-by-step automatic type simpler in construction and lower in cost.

The development of both the machine-driven (rotary) and step-by-step automatic systems will be interesting to watch, for, as may be seen, we occupy a principal position in the development, manufacture and distribution of the rotary system as well as a strong position in the development, production and distribution of the step-by-step system and we are, therefore, able, irrespective of the type of system desired, to maintain our important position in the manufacture and distribution of automatic systems.

The Standard Corporation is also manufacturing improved manual telephone systems and has made marked progress in the development and manufacture of wireless apparatus, long distance telephone cable systems and equipment for the transmission of pictures by wire. The Standard factories and also a number of other cable factories, which have been licensed to manufacture the Standard system, have continued to supply the major portion of the long distance telephone cable systems in Europe and other parts of the world.

The London factory completed the installation during 1928 of step-by-step automatic equipment for the Sloane, Bermondsey and Welbeck exchanges of the London area and, in addition to important orders on hand for the London area, has also in production orders for step-by-step automatic equipment for the Newcastle and Maidstone areas. The London factory has also placed in production an order of 16,000 lines of rotary automatic equipment for Cairo, Egypt.

The Paris factory successfully completed on contract time during 1928 the installation of the first 6,000 line Rotary automatic, equipment for the Paris area and an additional 14,000 lines were turned over to the French Telephone Administration on April 14th of the current year. There are on order for delivery during 1929 and 1930 a total of 34,000 Rotary automatic lines for the Paris area.

The Antwerp factory during the year 1928 completed the Paille Rotary automatic exchange in Brussels and has on hand orders for over 50,000 Rotary automatic lines for Brussels, Antwerp, Liege and Ghent.

A total of 139,860 Rotary automatic lines manufactured by the Antwerp factory were put into operation during the year 1928, the larger part of which was exported for installation in 27 cities and 10 countries. Among the export orders now in production are 16,800 lines for Geneva, Switzerland, 14,000 lines for Copenhagen, Denmark and 9,000 lines for Shanghai, China.

The Madrid factory is now fully equipped and has begun the manufacture of Rotary automatic equipment for the Spanish telephone operating company, which equipment was imported from the Antwerp factory during the initial construction period of the Spanish telephone system.

The Budapest factory has continued its successful production of Rotary automatic equipment and is carrying out in a satisfactory way its principal installation of 70,000 Rotary automatic lines in Budapest, the capital of Hungary.

The Tokyo factory has on order and in production the first nationally made step-by-step automatic equipment. It is expected that the national manufacture of automatic equipment will be considerably developed to provide in a large measure for the increasing demand for telephone service in Japan.

The Shanghai factory showed a very satisfactory improvement in business in spite of the unsettled condition in China and its sales were increased more than 93 per cent. over the previous year. Among the interesting orders received during 1928 was an order from the Canton municipality for 4,000 lines of Rotary automatic equipment.

Compagnie des Téléphones Thomson-Houston (Paris), an Associated Company of the International Corporation, increased its volume of sales for the year 1928 to 78,999,434 francs, as compared with 71,614,504 francs for 1927. Orders on hand on December 31, 1928, amounted to 42,714,337 francs, as compared with 42,449,909 francs at the close of the previous year. Among the sales and installations made during 1928 of the step-by-step automatic equipment manufactured by this factory may be mentioned the exchanges for Rabat, Casablanca and Fez (Morocco) and Tunis (Tunis).

Creed and Co., Limited, of Croydon, England, which became associated with the International Corporation during 1928, has met with increasing success in the manufacture and sale of cable and telegraph equipment and it is planned to enlarge the facilities of this Company during the ensuing year to meet anticipated increase in sales. This is fully borne out by their sales during the first quarter of the current year.

RESEARCH LABORATORIES.

The International Communications Laboratories, Inc., of New York, was organised by your corporation for the purpose of research and development in connection with our cable, telegraph and wireless systems in the United States.

These laboratories will also carry on research and development work in terminal equipment for new types of submarine telephone and telegraph cable.

The European laboratories, which are located at London and Paris, have been extended and supplied with the most advanced equipment to enable the scientific workers to explore the complete field of research and to successfully bridge the gap between this and the practical utility field in a manner which should result in satisfying the national characteristic requirements of our international *clientèle*; improved communications to the user; better and more economical manufacturing methods for our manufacturing companies and in establishing our system as second to none in the type, quality and range of the communication services which it offers.

The London and Paris laboratories are complementary to each other in that the field of research and development is divided between them, but a uniformity of methods is followed which, combined with their location, permits a truly international spirit and outlook. In this connection it is interesting to note that representatives of fifteen nationalities are on their payrolls and that among the employees are graduates of practically every university internationally known for its scientific training.

The practical results already obtained from our laboratories are too numerous to mention in this report. They have extended into the entire field of communications as well as to the designing of apparatus with the view of bringing about, to the fullest extent possible, standardisation and lower cost of production in the factories. Among certain developments of note, the following may be mentioned:—

The development of a new telephone hand set, equal in every way to the best known types but with very distinct advantages both in respect to its manufacture and maintenance as well as greater satisfaction to the users.

As a result of scientific research in our laboratories, a new process of making cable has been evolved which produces a more efficient long-distance telephone cable than any previously known type.

In the radio broadcasting field the development in our laboratories has resulted in our obtaining the order for the world's largest radio broadcasting station, to be located at Prague, Czechoslovakia, and with a capacity of 120 k.w.

The research and development work carried on during 1928 has resulted in 144 inventions which have been considered worthy of patent protection. Some of these inventions have been incorporated in wire and wireless telephone equipment already furnished to our customers. The filing of 715 patent applications in 41 countries and the grant of 273 patents in 31 countries to our manufacturing companies in 1928 shows good progress in the endeavour to secure protection under the patent laws for the products and processes of the International System.

On December 31, 1928, your associated companies owned 1,395 pending patent applications, 5,560 patents and were licensed under more than 3,500 patents and patent applications owned by others. These patents and patent applications are spread over a total of 69 countries.

NEW YORK GENERAL OFFICES.

The expansion of the International Corporation not only made it necessary shortly after moving to our new General Offices in the International Telephone Building at 67 Broad Street to occupy all of the building under lease but it was recognised that the option which was held for the purchase of this building should be anticipated and that the adjoining properties should be acquired, so that an addition to the building might be constructed with a minimum of delay. Accordingly, all of the adjoining property on Broad Street up to and including the corner of South William Street was acquired during 1928, the present building—67 Broad Street—has also since been purchased and construction of the addition to our building has been started. It is expected that such addition, which will more than double our present floor space, will be completed and ready for occupancy by May 1, 1930.

The present building at 67, Broad Street was designed by our own architects and a minimum of alterations will be required in the building of the addition. When completed the entire building will form a unit of attractive architecture which will extend on Broad Street from the corner of Beaver Street to South William Street, with a total floor space of 454,000 square feet and an over-all height of 456 feet including the tower structure above its 33 office floors.

In the building will be installed the central operating rooms of the Postal Telegraph, Commercial Cables, All America Cables and Mackay Radio with ample room for the development of these services.

The International Telephone Building Corporation, a subsidiary of your corporation, has taken title to the present building and the adjoining property as well as to the two buildings of All America Cables at 89, Broad Street and 33-37, South William Street and the 253 Broadway building previously occupied by the Mackay companies.

ORGANISATION.

The stockholders approved at the annual stockholders' meeting held on May 9, 1928 the issuance of 13,000 shares for subscription by employees. This stock was offered to the employees for subscription on a basis of one share of stock at par for each $600 of salary received and with a maximum subscription on the part of any employee for 50 shares of stock. The subscriptions received from 8,592 employees were for a total of 21,491 shares and the stock was allotted *pro rata* to permit all subscribers to obtain one or more shares of stock.

In view of the inadequate amount of stock available for employees' subscription in the past and the keen desire of the old and new employees to subscribe for the stock of your Corporation, the Banking Syndicate, through which was consummated the acquisition of the United River Plate Telephone Company, Limited, was approached with the view of acquiring a block of 60,000 shares of International stock for subscription by the employees. The Banking Syndicate readily co-operated in the transfer of these shares to be made available for subscription by the employees of the International System through a trust in such form and manner as may be determined by your board of directors.

From this block of stock your board of directors has decided to make an immediate offering of stock to officers and employees of your corporation and associated companies. Officers who are directors are not excluded from participation, this being considered a just measure in order not to differentiate between officers of equal rank who may or may not be directors of your corporation; and, as in the past a reasonable maximum number of shares for distribution to any one employee under the offer will be determined. As this block of stock will not in itself be sufficient to take care of the anticipated subscription by the employees in the immediate future, your board of directors has also decided to issue for the benefit of employees an amount of stock not in excess of one-tenth the amount of stock which may be issued from time to time to the stockholders, for cash, at an issue price of not less than the amount to be paid by the stockholders.

The approval by the stockholders at the meeting held on May 8, 1929, of the action above outlines is most gratifying, as these measures will undoubtedly tend to stimulate the interest and efforts of the staff and employees in the development of the International system.

The International Telephone Pension and Benefit Plan as approved by your board of directors was put into effect as of January 1, 1929, for the employees of the International Telephone and Telegraph Corporation and recommendation made that such a plan be adopted as soon as practicable by the associated companies of the International system.

Very careful consideration was given to the preparation of this plan. All well-known pension and benefit plans in the United States and foreign countries were studied and expert actuarial advice obtained and it is believed that the International Telephone pension and benefit plan, as adopted, is considerably in advance of any other known plan to which there is no contribution on the part of the employees.

The outstanding feature of the plan is the continuity of the pension to dependents. Your board of directors felt that protection should be provided, within reasonable limitations, for the dependents of those whose deaths occur in the service and of the pensioners. The education of minor children and the requirements of dependent widows and mothers during the difficult period of readjustment must appeal to all and it is believed that this insurance of the future is one that should be given to the employees and that it will bind them ever closer to the companies they serve.

Your board of directors has also approved a group insurance plan for the International system, which will permit the employees to obtain life insurance to the extent of their annual salaries at a minimum cost to them. This group insurance plan will be promptly placed in effect for the employees of the International Corporation and will be extended to the associated companies as soon as practicable.

Including the employees of the Companies associated since the first of the current year, there are now over 85,000 employees in the cable, telegraph, wireless, telephone, manufacturing and laboratory branches of the International System. These employees, who are distributed through nearly all countries of the world and are keenly interested in the development of their respective national enterprises, are equally interested in the development of the International Corporation because of the benefits derived by their respective enterprises fro mtheir association with our System and of the greater opportunity which they can all find in the International system.

FINANCIAL.

During the year 1928 the outstanding capital stock of your Corporation was increased from 1,301,994 shares to 1,422,785 shares, or an increase of 120,791 shares. Of this number 13,316 additional shares were issued in exchange for outstanding stock of All America Cables Incorporated; 94,475 shares were issued in connection with the acquisition of the Postal Telegraph and Cable Corporation's common stock, and 13,000 shares were made available for subscription by the employees under the third special offer for the sale of International Telephone and Telegraph Corporation stock to employees.

At the end of 1928 there was a total of 16,568 stockholders of the International Telephone and Telegraph Corporation, as compared with 11,682 at the end of 1927. As of April 27, 1929, the total number of stockholders was increased to 18,043, not including all of the new stockholders who will result from the acquisition of the ordinary (common) shares of the United River Plate Telephone Company, Limited.

As of January 1, 1929, your Corporation issued $56,911,400 principal amount of Ten Year Convertible 4½ per cent. Gold Debenture Bonds as authorised by your board of directors on December 10, 1928, to provide for additional capital requirements and for funds necessary to acquire the ordinary (common) shares of the United River Plate Telephone Co., Limited. These Bonds are convertible into common stock of your Corporation after July 1, 1929, on the basis of $200 in bonds for $100 par value of stock and subject to an increasing rate of conversion as well as certain adjustment provisions of the conversion rate. The stockholders of the International Corporation were offered these bonds at a price of $98 for $100 principal amount of bonds and in the ratio of $100 principal amounts of bonds for each 2½ shares of stock held by the stockholders on the date of record, December 21, 1928. Those of the stockholders who did not subscribe were able to dispose advantageously of their rights.

At the Special Stockholders' Meeting held on May 8, 1929, the stockholders approved the change and increase of the authorised capital stock of the International Telephone and Telegraph Corporation from 2,500,000 shares of $100 par value each to a total of 15,000,000 shares without par value. The stockholders also approved the conversion of the issued and outstanding capital stock from $100 par value per share to no par value stock and a split of three shares no par value stock for each share of $100 par value stock now issued and outstanding.

The consolidated balance-sheet and statement of consolidated income and surplus accounts of the International Telephone and Telegraph Corporation and Associated Companies, presented herewith, show the important changes resulting from the expansion of your Corporation.

Regular dividends at the rate of 6 per cent. per annum were distributed quarterly, adequate reserves were established and the balance of net income was transferred to surplus. The net earned surplus at the end of the year was increased by $5,835,659·55, and total earned and capital surplus amounted to $34,709,760·93 at December 31, 1928.

Too much cannot be said for the enthusiastic efforts of the staff and employees of the International System as a whole, but particular mention may be made of the staff and employees of Postal Telegraph, who are out for a traffic record during the current year and an increasing share of the telegraph business of the United States.

For the Board of Directors,
SOSTHENES BEHN, President.

ARTHUR ANDERSEN & Co.,
Accountants and Auditors,
Members American Institute of Accountants

67, Wall Street,
New York.

Auditors' Certificate.

We have examined the accounts for the year ended December 31, 1928, of the International Telephone and Telegraph Corporation; the Postal Telegraph and Cable Corporation and principal associated companies; the International Standard Electric Corporation; and also the associated companies in Cuba, Porto Rico and Mexico. For the associated companies consolidated which we have not ourselves audited, we have been furnished with independent auditors' certificates for all but one of the major companies; we have reviewed properly authenticated company reports for all of the consolidated companies not audited and also for the associated companies not consolidated. The consolidated income account gives effect for the full year to the operating results of associated companies acquired during the year and to interest and dividend charges on bonds and preferred stocks issued during the year to acquire properties, and is based upon the company's provisions for depreciation and its allocation to capital account and operation of general supervisory charges. The property account, as stated in the consolidated balance sheet, reflects preliminary valuations of the principal properties of the Postal Telegraph and Cable Corporation, made by independent engineers.

Upon the basis of the foregoing, we certify that, in our opinion, the accompanying consolidated balance sheet and statement of consolidated income and surplus accounts fairly present the financial position as of December 31, 1928, and the results of operations for the year ended that date.

ARTHUR ANDERSEN & Co.

New York, N.Y.
April 30, 1929.

INTERNATIONAL TELEPHONE AND TELEGRAPH CORPORATION AND ASSOCIATED COMPANIES

CONSOLIDATED BALANCE SHEET—December 31, 1928.

ASSETS.

Plant and Property		209,339,119·81
Patents, licenses, etc.		15,933,722·28
Investments in and advances to associated and allied companies:		
Associated companies not consolidated	36,457,806·96	
Allied companies	8,452,306·79	
		44,910,113·75
Special deposits		979,474·57
Deferred charges:		
Bond discount and expense in process of amortisation	4,709,401·94	
Prepaid accounts and other deferred charges	7,706,342·16	
		12,415,744·10
Miscellaneous accounts and investments		2,652,308·53
Current assets:		
Cash in banks and on hand	24,110,422·21	
Marketable securities	26,630,287·98	
Accounts and notes receivable	29,023,927·03	
Merchandise, materials and supplies	23,546,942·61	
Deposits to meet matured interest, dividends, etc.	150,336·80	
Sundry current assets	221,933·07	
		103,683,849·70
		$389,914,332·74

INTERNATIONAL TELEPHONE AND TELEGRAPH CORPORATION AND ASSOCIATED COMPANIES.

CONSOLIDATED BALANCE-SHEET—DECEMBER 31, 1928.

LIABILITIES.

	$	$
Capital Stock:		
Common stock of International Telephone and Telegraph Corporation—authorised 2,500,000 shares of $100 par value each—Issued and outstanding 1,422,785 shares		142,278,500·00
Preferred stock of Associated Companies		40,580,589·51
Minority stockholders' equity in common stock and surplus of companies herein consolidated		15,617,828·44
Funded debt:		
International Telephone and Telegraph Corporation—Twenty-five year 4½ per cent. gold debenture bonds, due July 1, 1952—		
Outstanding	35,000,000·00	
Associated Companies	58,516,876·73	
		93,516,876·73
Deferred liabilities:		
Subscribers' deposits	337,645·36	
Employees' benefit and pension reserves	7,825,119·30	
		8,162,764·66
Current liabilities:		
Notes and bills payable	23,158,548·20	
Accounts and wages payable	10,281,584·84	
Accrued interest and dividends payable	5,213,364·54	
Accrued taxes	4,057,682·91	
Sundry current liabilities	345,214·68	
		43,056,395·17
Reserves:		
For depreciation, replacements and renewals	10,822,059·57	
For contingencies, &c.	1,169,557·73	
		11,991,617·30
Surplus:		
Capital	13,238,083·69	
Earned	21,471,677·24	
		34,709,760·93
		$389,914,332·74

EDWIN F. CHINLUND, Comptroller.

INTERNATIONAL TELEPHONE AND TELEGRAPH CORPORATION AND ASSOCIATED COMPANIES.

STATEMENT OF CONSOLIDATED INCOME AND SURPLUS ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 1928.

(After giving effect for full year to earnings of properties acquired during the period and to interest and dividend charges on bonds and preferred stock issued during the period by Associated Companies to acquire properties.)

CONSOLIDATED INCOME ACCOUNT.

	$	$
Earnings:		
Telephone, telegraph and cable operating revenues and gross profit on sales	71,444,763·79	
Fees for services	2,300,149·91	
Interest	3,792,048·97	
Dividends (including $458,676·86 from Associated Companies not consolidated)	1,724,840·86	
Miscellaneous	1,973,020·65	
		81,234,824·18
Operating, selling and general expenses, taxes and depreciation		58,180,995·62
Net earnings		$23,053,828·56
Deduct—Charges of Associated Companies:		
Interest charges	3,224,508·43	
Dividends on preferred stock	2,730,746·56	
Minority stockholders' equity in net income	927,236·66	
		6,882,491·65
Net income before deducting interest on debenture bonds		16,171,336·91
Deduct:		
Interest on twenty-five year 4½ per cent. gold debenture bonds		1,575,000·00
Net income		$14,596,336·91

CONSOLIDATED SURPLUS ACCOUNT.

Earned surplus—January 1, 1928	15,636,017·69	
Add:		
Net income, as above	14,596,336·91	
		30,232,354·60
Deduct:		
Dividends	8,173,740·00	
Sundry surplus charges—net (including portion of above earnings of Associated Companies for the year applicable to period prior to date of acquisition, less adjustments for interest and dividend charges applicable to such prior period)	586,937·36	
		8,760,677·36
Earned surplus—December 31, 1928		21,471,677·24
Capital surplus—January 1, 1928	5,529,229·56	
Additions during year—net	7,708,854·13	
Capital surplus—December 31, 1928		13,238,083·69
Total surplus, December 31, 1928		$34,709,760·93

EDWIN F. CHINLUND, Comptroller.

INTERNATIONAL TELEPHONE AND TELEGRAPH CORPORATION ASSOCIATED AND AFFILIATED COMPANIES.

All American Cables, Incorporated .....New York, N.Y.
Chili Telephone Company, Limited, The..... Santiago, Chile.
Compagnie des Téléphones Thomson-Houston..... Paris, France.
Companhia Telephonica Rio Grandense..... Porto Alegre, Brazil.
Compañía Internacional de Radio.....Buenos Aires, Argentina.
Compañía Internacional de Radio, S.A..... Santiago, Chile.
Compañía Telefónica Argentina..... Buenos Aires, Argentina.
Compañía Telefónica Nacional de España..... Madrid, Spain.
Creed and Company, Limited..... Croydon, England.
Cuban American Telephone and Telegraph Company Havana, Cuba.
Cuban Telephone Company..... Havana, Cuba.
Havana Subway Company..... Havana, Cuba.
Radio Corporation of Cuba..... Havana, Cuba.
International Communications Laboratories, Inc...New York, N.Y.
International Standard Electric Corporation..... New York, N.Y.
Bell Telephone Manufacturing Company..... Antwerp, Belgium.
China Electric Company, Limited.....Peking, China.
Compañía Standard Electric Argentina...Buenos Aires, Argentina.
Le Matériel Téléphonique..... Paris, France.
Nippon Denki Kabushiki Kaisha.....Tokyo, Japan.
Standard Electric Aktieselskap..... Oslo, Norway.
Standard Eléctrica, S.A. ..... Madrid, Spain.
Standard Elettrica Italiana..... Milan, Italy.
Standard Telephones and Cables, Limited.....London, England.
Standard Telephones and Cables (Australasia), Limited..... Sydney, Australia.
Standard Villamossági Részvény Társaság...Budapest, Hungary.
Vereinigte Telephon-und Telegraphenfabriks Aktien-Gesellschaft Czeija, Nissl and Company... Vienna, Austria.
International Telephone and Telegraph Company, Limited ..... London, England.
International Telephone and Telegraph Corporation (España)..... Madrid, Spain.
International Telephone Building Corporation.....New York, N.Y.
International Telephone Securities Corporation.....New York, N.Y.
Mexican Telephone and Telegraph Company...Mexico City, Mexico.
Montevideo Telephone Company, Limited.....Montevideo, Uruguay.
Porto Rico Telephone Company.....San Juan, Porto Rico.
Radio Corporation of Porto Rico.....San Juan, Porto Rico.
Postal Telegraph and Cable Corporation.....New York, N.Y.
Mackay Companies, The.....New York, N.Y.
Commercial Cable Company, The.....New York, N.Y.
Commercial Cable Company, Limited.....London, England.
Commercial Cable Company of Cuba.....New York, N.Y.
Commercial Cable Company of Massachusetts...Boston, Mass.
Commercial Pacific Cable Company.....New York, N.Y.
Mackay Radio and Telegraph Company.....New York, N.Y.
Mackay Radio and Telegraph Company.....San Francisco, Cal.
Postal Telegraph System.....New York, N.Y.
Radio Communication Company, Incorporated, New York, N.Y.
Sociedad Cooperativa Telefónica Nacional.....Montevideo, Uruguay.
United River Plate Telephone Company, Limited..... Buenos Aires, Argentina.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended May 25, 1929 :—

(000's omitted.)

EXPENDITURE.	£	RECEIPTS.	£
Supply Services	4,100	From Revenue	6,981
Interest, &c., on Debt	855		
Sinking Fund	1,485		
Decrease in Balances	68		
Decrease in Debt	291		
Sundries	182		
	6,981		6,981

The total ordinary revenue for the week amounted to £6,981,000, as compared with £7,682,000 in the corresponding week of last year. Property and income tax amounted to £54,000, and super-tax to £360,000, against £51,000 and £330,000 respectively a year ago. Estate duties brought in £2,720,000, as against £2,320,000 a year ago. Customs receipts at £3,036,000 showed an increase of £174,000 over last year's figure, but Excise receipts were lower, being £476,000 against £934,000.

The National Debt was reduced by £291,000, as shown below :—

(000's omitted.)

	£		£
National Savings Certificates	– 100	Treasury Bills	+ 6,069
Public Department Advances	– 5,560		
Depreciation Fund	– 350		
Sundries	– 350		
	– 6,368		+ 6,069

The floating debt was increased by £510,000 to £743,350,000.

FINANCIAL YEAR, 1929–30, APRIL 1 TO MAY 25.

	£		£
Expenditure	94,777,389	Revenue	92,886,433
Amount repaid	1,175,529	Decreases in balance	3,066,485
	95,952,918		95,952,918

ESTIMATES FOR FINANCIAL YEAR, 1929–30.

	£		£
Expenditure	691,564,000*	Revenue	746,060,000
Sinking Fund	50,400,000		
Surplus	4,096,000		
	746,060,000		746,060,000

* This figure includes the new Exchequer Contributions of £15,560,000 to Local Revenues, &c.

SELF-BALANCING REVENUE AND EXPENDITURE.

	£
Post Office	58,110,000
Road Fund	22,510,000
	80,620,000

RATING RELIEF SUSPENSE ACCOUNT.

	£		£
Balance on April 1, 1929	22,633,000	Cost of anticipating rate relief for Agriculture	2,570,000
		Balance on March 31, 1930	20,063,000
	22,633,000		22,633,000

NATIONAL DEBT—(Million £).

	Aug. 4, 1914.	Dec. 31, 1919.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 31, 1929.	May 25, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	13	13	12	12	12	12	12
4% Consolidated Loan	...	...	...	...	166	204	204	204	204
3½% Conversion Loan	...	...	709	760	740	832	832	832	832
3½% War Stock	...	...	210	211	211	221	221	221	221
4% War Stock	...	63	63	63	63	...	...	...	...
4% and 5% War Stock	...	13	13	13	13	13	13	13	13
National War Bonds	...	2,047	2,052	2,109	2,154	2,253	2,253	2,253	2,253
4% Funding Loan	...	1,609	778	708	556	194	111	64	64
4½% Victory Bonds	...	409	394	390	389	385	385	388	388
Treasury Bonds	...	360	303	292	277	261	261	261	261
Exchequer Bonds	...	...	499	482	454	675	773	762	760
National Savings Certs.	20	323	15	15	15	16	16	16	16
Other Debt*	...	267	369	375	372	362	360	360	360
American Loan (Anglo-French)	...	1,308	1,124	1,111	1,103	1,097	1,094	1,094	1,094
Treasury Bills	...	51	...	...	...	...	...	...	...
Temporary Advances	15	1,107	576	565	599	537	738	700	709
	1	243	167	139	117	162	28	37	33
Other Capital Liabilities	654	8,033	7,598	7,558	7,555	7,528	7,665	7,528	7,531
	57	46	68	75	98	103	103	88	86
Total Liabilities	711	8,079	7,666	7,633	7,653	7,631	7,768	7,616	7,617

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	May 26, '28.	Mar. 31, '29.	May 25, '29.	Movement Week ended May 25, '29.
Ways and Means Advances Outstanding—	£	£	£	£
Advances by Bank of England	...	...	...	...
Advances by Public Deptmts.	144,300,000	37,050,000	35,040,000	– 5,560,000
Treasury Bills Outstanding	502,635,000	700,295,000	708,310,000*	+ 6,070,000
Total Floating Debt	696,935,000	737,345,000	743,350,000	+ 510,000

* Includes £8,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bills were opened on May 24, 1929, and the total amount applied for was £50,310,000. For bills at 3 months, dated Monday to Friday, at £98 12s. 6d., about 16 per cent. and above in full; Saturday, at £98 12s. 10d. and above, in full. The amounts allotted were in bills at 3 months, £45,000,000.

Date.		Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.		£	£	£ s. d.
March	22	35,000,000	46,515,000	5 5 1·71
March	28	45,000,000	50,430,000	5 7 0·87
April	5	40,000,000	63,280,000	5 5 9·16
April	12	40,000,000	57,440,000	5 5 4·39
April	19	40,000,000	52,045,000	5 5 2·07
April	26	45,000,000	49,785,000	5 5 2·72
May	3	35,000,000	49,800,000	5 5 0·97
May	10	35,000,000	40,530,000	5 5 1·30
May	17	35,000,000	38,090,000	5 5 10·91
May	24	45,000,000	50,310,000	5 5 2·05

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Revenue and other Receipts.	Estimate for the Year 1929–30.	Total Receipts into the Exchequer from April 1, 1929, to May 25, 1929.	Total Receipts into the Exchequer from April 1, 1928, to May 26, 1928.	Week Ended May 25, 1929.	Week Ended May 26, 1928.
ORDINARY REVENUE.	£	£	£	£	£
Inland Revenue—					
Income Tax	239,500,000	17,937,000	17,657,000	54,000	51,000
Super-Tax	58,000,000	6,230,000	6,460,000	360,000	330,000
Estate, &c., Duties	81,000,000	14,350,000	10,600,000	2,720,000	2,320,000
Stamps	31,000,000	2,590,000	2,800,000	110,000	200,000
Excess Profits Duties, and Corporation Profits Tax	1,700,000	10,000	130,000	...	...
Land Tax and Mineral Rights Duty, &c.	800,000	70,000	100,000	...	...
Total Inland Revenue	412,000,000	41,187,000	37,747,000	3,244,000	2,901,000
Customs and Excise—					
Customs	119,850,000	17,840,000	17,062,000	3,036,000	2,862,000
Excise	130,330,000	19,246,000	20,354,000	476,000	934,000
Total Customs & Excise	250,180,000	37,086,000	37,416,000	3,512,000	3,796,000
Motor Vehicle Duties (Exchequer Share)	4,680,000	808,000	...	...	...
Post Office (Net Receipt)	8,900,000	4,650,000	3,700,000	...	500,000
Crown Lands	1,250,000	250,000	210,000	100,000	100,000
Receipts from Sundry Loans	30,550,000	5,385,675	4,093,406	105,543	122,578
Miscellaneous :					
Ordinary Receipts	12,500,000	1,513,354	2,263,587	19,645	262,616
Special Receipts	26,000,000	2,006,404	2,645,671	...	...
Total Ordinary Revenue	746,060,000	92,886,433	88,075,664	6,981,288	7,682,194
SELF-BALANCING REVENUE.					
Post Office	58,110,000	7,100,000	7,800,000	1,750,000	1,300,000
Motor Vehicle Duties apportioned to Road Fund	22,510,000	3,104,000	3,503,000	...	...
Total Self-Balancing Revenue	80,620,000	10,204,000	11,303,000	1,750,000	1,300,000
Total		103,090,433	99,378,664	8,731,288	8,982,194
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		...	...	...	...
Under the Unemployment Insurance Acts, 1920 to 1928		...	514,432	...	...
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues : Under the Telegraph (Money) Act, 1925, and Post Office and Telegraph (Money) Act, 1928		...	...	...	...
(b) Under the Unemployment Insurance Acts, 1920 to 1928		850,000	560,000	130,000	140,0000
(c) For other Issues :					
By Treasury Bills		465,469,000	362,703,000	49,759,000	46,762,000
By National Savings Certificates		6,400,000	6,400,000	800,000	850,000
By National War Bonds		...	10	...	...
By 5 per cent. Treasury Bonds, 1933–35		...	58,226,093	...	1,093
By 4½ per cent. Treasury Bonds, 1932–34		26,120,000	...	...	...
(d) Ways and Means Advances		128,605,000	77,700,000	3,295,000	7,000,000
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		23,221	19,707	...	...
		730,557,654	605,501,906	62,715,288	63,735,287

Balances in Exchequer on 1st April :—	1929. £	1928. £			
Bank of England	5,515,917	5,913,513			
Bank of Ireland	736,607	404,112			
Total			6,252,524	6,322,625	... ...
			736,810,178	611,824,531	62,715,288 63,735,287

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1929–30 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1929, to May 25, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to May 26, 1928.	Issues Week Ended May 25, 1929.	Issues Week Ended May 26, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt	304,600,000	41,051,165	51,091,704	855,254	7,384,255
Payments to Local Taxation Accounts	15,000,000	...	...	...	...
Payments to Northern Ireland Exchequer	5,400,000	555,759	553,521	182,429	415,286
Other Consolidated Fund Services	3,500,000	436,538	353,640	...	2,837
Supply Services (excluding Post Office)	363,318,000	46,058,860	44,772,200	4,100,000	6,160,000
Total Ordinary Expenditure	691,818,000	88,102,322	96,771,065	5,137,683	13,963,378
Sinking Fund	50,400,000	6,675,067	12,544,210	1,485,000	3,351,000
SELF-BALANCING EXPENDITURE.					
Post Office	58,110,000	7,100,000	7,800,000	1,750,000	1,300,000
Road Fund	22,510,000	3,104,000	3,503,000	...	...
Total Self-Balancing Expenditure	80,620,000	10,204,000	11,303,000	1,750,000	1,300,000
TOTAL		104,981,389	120,618,275	8,372,683	18,614,374

EXPENDITURE AND OTHER ISSUES	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1929, to May 25, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to May 26, 1928.	Issues Week Ended May 25, 1929.	Issues Week Ended May 26, 1928.
OTHER ISSUES.				
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	18,458	18,458	...	...
Under the Unemployment Insurance Acts, 1920 to 1928	850,000	560,000	130,000	140,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928	1,550,000	1,950,000	350,000	400,000
Unemployment Insur. Acts, 1920-28	...	514,432	...	...
Repayment of Amounts Borrowed				
Redemption of Debt—				
Treasury Bills	457,430,000	337,010,000	43,690,000	40,720,000
Principal of National Savings Certificates	6,750,000	6,950,000	900,000	850,000
Principal of National War Bonds paid off	...	45,919,524	...	100,000
Principal of Treasury Bonds paid off	29,209,505	...	...	...
Ways and Means Advances Repaid	130,615,000	95,250,000	8,855,000	2,900,000
Depreciation Fund under the Finance Act, 1917	2,219,787	...	349,743	...
Old Sinking Fund, 1907-08—				
Issued under Section 9 of the Finance Act, 1908	...	1,000	...	...
	733,624,139	608,791,689	62,647,426	53,724,378

Balances in Exchequer—	May 25, 1929 £	May 26, 1928 £			
Bank of England	2,465,561	2,047,991	...	...	+ 21,862 – 45,091
Bank of Ireland	720,478	984,851	3,186,039	3,032,842	+ 46,000 + 56,000
Total			736,810,178	611,824,531	+ 67,862 + 10,909

Treasury, May 27, 1929.

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.
ASSETS - - - - £9,101,717
CLAIMS PAID - - - £41,161,592
Accidents and Illness.
Employers' Liability. Fidelity Guarantees.
Burglary. Fire. Motor Cars. Public Liability.
Inspection and Insurance of Boilers, Engines, Electrical Plant and Lifts.
Executorships and Trusteeships.
Head Office: 36-44 MOORGATE, LONDON, E.C. 2

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, May 29, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	360,106,563	Other Government Securities	236,205,588
In Banking Department	62,360,708	Other Securities	7,945,442
		Silver Coin	4,833,773
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	162,467,271
	£422,467,271		£422,467,271

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	40,051,855
Rest	3,253,573	Other Securities—	
Public Deposits*	24,340,708	Discounts and Advances	£8,151,163
Other Deposits—		Securities	22,422,917
Bankers	£58,349,043		30,574,080
Other Accounts	35,268,620	Notes	62,360,708
	91,617,663	Gold and Silver Coin	802,669
7-Day and other Bills	5,368		
	£133,769,312		£133,769,312

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

Both Departments.	Amount May 29, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	360,106,563	− 2,257,211	− 13,325,197
Public deposits	24,340,708	+ 9,040,960	+ 2,203,567
Bankers' deposits	56,349,043	− 1,158,259	+ 2,049,697
Other deposits	35,268,620	− 46,078	
Seven-day bills	5,368	+ 37	+ 1,445
Total, outside liabilities	476,070,302	+ 5,579,449	− 9,070,488
Capital and rest	17,805,573	+ 27,116	+ 41,920
Government debt and securities	287,252,640	+ 1,516,811	+ 15,470,113
Discounts and advances	8,151,163	+ 1,235,485	− 24,199,921
Other securities	30,368,359	+ 2,326,151	
Silver coin in issue department	4,833,773	+ 5,475	− 666,227
Coin and bullion (bank's reserve)	163,269,940	+ 522,643	+ 367,467
Reserve of notes and coin in banking department	63,163,377	+ 2,779,854	+ 16,495,664
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	54 13/32 %	− 1 13/32 %	+ 12 31/32 %
(b) Gold stocks to deposits and notes ("reserve ratio")	34 7/32 %	− 3/32 %	+ 3/32 %

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
Apl. 10	415,042,703	362,130,979	17,205,719	63,900,072	36,617,576	963,053 in	5½
17	415,836,622	358,940,958	17,876,233	60,779,118	36,016,599	760,357 in	5½
24	416,043,567	357,277,566	18,317,977	58,432,912	35,655,296	203,121 in	5½
May 1	418,216,669	361,371,339	10,939,252	60,688,826	38,473,837	2,125,861 in	5½
8	420,213,172	362,793,961	8,679,717	63,223,123	35,531,591	1,991,901 in	5½
15	421,140,187	362,810,877	9,290,798	61,070,863	36,078,600	923,715 in	5½
22	421,990,492	362,363,774	15,299,748	57,507,302	35,314,698	846,806 in	5½
29	422,467,271	360,106,563	24,340,708	56,349,043	35,268,620	437,112 in	5½

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Reserve & the "Proportion."
1929.	£	£	£	£	£	£	%
Apl.10	246507820	8663950	155482700	53276855	12671742	16092205	53361721
17	246741657	8430376	156271783	48346855	11028809	15621612	57330825
24	246791289	8383489	156541341	44256855	10949807	15612927	59263775
May 1	246822960	8351096	158766163	45351855	9285812	15783945	57394824
8	247204557	7974765	160880419	39781855	11807200	15705552	58086458
15	247226046	7951539	161860918	37816855	9586015	17746941	59050041
22	247248974	7922728	162747297	38486855	6915678	20119480	60383523
29	247220785	7945442	163269940	40031855	8151163	22422917	63163377

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to May 15	15,194,604	722,673	1,169,358	17,086,635
Week ended May 22	607,471	31,334	51,222	690,027
Week ended May 29	677,602	32,451	51,384	761,437
Total to date, 1929	16,479,677	786,458	1,271,964	18,538,099
Do. 1928	16,395,866	765,386	1,268,874	18,430,126
Increase or decrease in 1929	+ 83,811 = 0·5%	+ 21,072 = 2·7%	+ 3,090 = 0·2%	+ 107,973 = 0·6%
Total for year 1928	39,311,117	1,854,190	3,039,422	44,204,729
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Increase or decrease in 1928	+ 2,491,435 = 6·7%	+ 96,158 = 5·4%	+ 66,595 = 2·2%	+ 2,654,185 = 6·3%

PROVINCIAL CLEARING RETURNS.

	Month of April. 1928.	Month of April. 1929.	Month of April. %	Aggregate Weekly Totals to May 25. 1928.	Aggregate Weekly Totals to May 25. 1929.
Number of Working Days	23	25			
	£	£		£	£
BIRMINGHAM	10,834,000	10,126,000	− 6·5	58,348,000	55,331,600
BRADFORD	5,975,000	5,388,000	− 9·8	...	...
BRISTOL	4,677,000	4,738,000	+ 1·3	25,615,000	25,066,000
DUBLIN	...	...	...	103,777,900	102,520,300
HULL	3,707,000	3,876,000	+ 4·5	19,681,600	18,799,000
LEEDS	3,834,000	4,061,000	+ 5·9	21,273,300	21,467,800
LEICESTER	3,557,000	3,490,000	− 1·8	18,917,200	17,115,400
LIVERPOOL	35,451,000	32,936,000	− 7·0	181,972,000	168,273,100
MANCHESTER	56,242,000	55,057,000	− 2·1	289,866,000	270,469,000
NEWCASTLE-ON-TYNE	6,127,000	6,003,000	− 2·0	31,457,800	30,537,900
NOTTINGHAM	2,682,000	2,533,000	− 5·6	13,757,000	13,267,900
SHEFFIELD	3,828,000	4,043,000	+ 5·6	21,542,700	21,165,500
Total	136,914,000	132,251,000	− 3·4	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Denmark appeared in the *Economist* of May 11; Italy in May 18; Portugal, Chile, Egypt, Danzig, Lithuania, Russia, Roumania, Austria, and Canada in May 25.

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

Resources.	May 23, 1929.	May 16, 1929.	May 9, 1929.	May 2, 1929.	May 31, 1928.
Total gold reserves	2,841,900	2,838,120	2,840,950	2,812,030	2,606,870
Total bills discounted	904,430	914,600	962,020	985,830	943,790
Bills bought in open market	137,990	146,110	157,180	170,420	303,990
Total U.S. Govt. securities	153,290	155,830	149,490	150,730	219,430
Total bills and securities	1,203,520	1,224,350	1,281,910	1,329,250	1,468,300
Total resources	5,056,800	5,235,040	5,097,570	5,164,890	4,986,320
Liabilities.					
Federal Reserve notes in actual circulation	1,639,550	1,646,660	1,663,680	1,663,640	1,593,320
Deposits—Memberbank—reserve account	2,275,750	2,319,890	2,330,030	2,335,820	2,357,320
Total deposits	2,324,510	2,365,510	2,389,210	2,410,360	2,407,610
Capital paid in and surplus	410,680	410,690	410,570	410,350	372,920
Total liabilities	5,056,800	5,235,040	5,097,570	5,164,890	4,986,320
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	75·9%	75·1%	74·3%	73·3%	68·9%

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

	May 23, 1929.	May 16, 1929.	May 9, 1929.	May 2, 1929.	May 31, 1928.
Total bills discounted	197,330	254,370	276,890	247,580	321,900
Bills bought in open market	27,440	35,120	44,000	56,830	59,510
Total U.S. Govt. securities	20,680	22,730	16,550	17,170	34,980
Total bills and securities	247,370	314,130	340,640	328,280	416,380
Deposits — Memberbank — reserve account	913,100	931,020	940,310	947,320	932,740
Ratio of total res. to dep. and Federal Res. note liabilities combined	84·4%	78·9%	77·8%	79·2%	72·1%

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

Assets.	May 3, 1929.	Apr. 26, 1929.	Apr. 19, 1929.	Apr. 12, 1929.	Apr. 5, 1929.	May 4, 1928.
Gold coin and bullion	7,926	8,049	7,385	7,472	7,777	7,838
Subsidiary coin	108	114	115	114	99	153
Bills discounted	9,599	9,138	8,693	9,273	9,337	9,414
Investments	616	616	596	596	626	593
Liabilities.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	600	600	600	509	509	509
Notes in circulation	9,430	8,755	8,233	8,569	9,159	8,784
Government deposits	1,622	2,392	2,374	1,659	1,592	1,771
Bankers' deposits	4,990	5,140	4,832	4,922	4,969	5,435
Ratio of cash reserves to liabilities to public	48·1%	48·5%	48·5%	47·4%	48·5%	47·9%

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

Assets.	May 3, 1929.	Apr. 26, 1929.	Apr. 19, 1929.	Apr. 12, 1929.	Apr. 5, 1929.	May 4, 1928.
Total securities	22,84,90	22,49,16	21,47,11	21,38,45	21,64,08	24,20,08
Loans	14,34,91	17,17,56	18,04,19	19,05,44	16,50,63	15,29,42
Cash credits	28,71,74	28,89,75	28,90,04	29,84,51	30,39,87	31,06,55
Inland bills	9,64,10	10,29,08	10,45,70	10,63,94	11,15,02	14,82,43
Foreign bills	46,99	46,81	47,84	48,69	41,68	49,49
Dead stock	2,83,83	2,83,94	2,83,88	2,83,75	2,83,69	2,81,98
Bal. with other banks	27,82	58,02	37,83	26,24	1,24	19,89
Cash	12,80,09	13,66,71	11,93,58	9,84,75	11,11,09	8,52,55
Liabilities.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,22,50	5,12,50
Total deposits	80,58,26	84,75,36	81,13,66	81,03,65	80,77,43	77,09,14
The above includes—	£	£	£	£	£	£
Deposits in London	1,087	1,152	1,113	1,058	844	1,025
Advances in London	923	930	880	899	871	982
Cash, &c., at other Banks in London	205	286	285	189	11	11

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

Assets.	May 24, 1929.	May 17, 1929.	May 10, 1929.	May 3, 1929.	Apr. 26, 1929.
Gold	36,590,277	36,534,411	36,525,431	36,462,461	35,788,083
Foreign assets—					
Sight deposits	7,893,030	7,941,968	7,987,715	8,044,770	8,543,546
Bills discounted	18,392,676	18,385,576	18,446,725	18,464,115	18,481,853
Commercial bills discounted at home	6,848,329	6,097,010	5,743,588	6,351,583	6,510,431
Advances against sec. To the State	8,968,689	8,968,689	8,998,339	8,998,339	9,130,000
Other advances	2,321,795	2,367,483	2,415,400	2,440,199	2,283,419
Other assets (excluding forward exch.)	...	3,127,896	3,543,478	5,831,344	3,110,941
Liabilities.					
Notes in circulation	62,653,577	62,863,907	63,420,111	63,828,155	62,847,740
Public deposits	11,987,755	11,886,250	11,528,202	11,286,905	11,875,758
Private deposits	7,246,179	6,453,649	6,509,303	6,743,362	6,858,828
Other liabilities	...	2,219,218	2,203,062	2,294,190	2,265,947

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

Assets.	May 23, 1929.	May 15, 1929.	May 7, 1929.	May 23, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	1,764,596	1,764,785	1,765,619	2,040,722
Of which deposited abroad	59,147	59,257	59,897	85,626
Reserve in foreign currencies	146,455	56,085	53,580	228,456
Bills of exchange and cheques	2,521,679	2,672,388	2,985,418	2,035,312
Silver and other coin	154,164	141,942	127,896	91,158
Notes of other German banks	24,956	22,511	16,242	27,508
Advances	97,179	216,523	208,725	27,405
Investments	92,899	92,899	92,899	33,997
Other assets	589,483	588,767	514,026	553,730
Liabilities.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	319,608	319,608	284,205
Notes in circulation	4,006,198	4,167,321	4,442,428	3,821,567
Other daily maturing obligations	642,349	648,507	584,768	675,111
Other liabilities	300,468	297,676	294,813	195,707

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

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

Assets.	May 23, 1929.	May 15, 1929.	May 8, 1929.	May 2, 1929.	May 24, 1928.	Position, May 25, 1914.
Gold	963,313	962,195	962,183	962,034	771,909	(b) 232,659
Foreign Bills and Balances Abroad	462,312	460,157	455,400	454,948	455,188	
Silver and other coin	1,612	1,637	1,575	1,590	2,342	
Securities	742,552	731,097	732,992	720,256	553,361	697,600
Liabilities.						
Notes in circulation	2,451,799	2,476,661	2,469,907	2,468,191	2,118,701	934,150
Current accounts	86,991	66,691	63,878	50,752	87,052	112,125

(b) In thousand francs.

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

Assets.	May 21, 1929.	May 13, 1929.	May 6, 1929.	Apr. 29, 1929.	May 21, 1928.	Position, May 30, 1914.
Gold	437,025	437,037	437,042	432,203	435,144	163,092
Silver	20,929	20,356	20,754	21,235	25,018	8,436
Discts. and advances	366,901	379,458	398,927	385,313	366,908	153,504
Liabilities.						
Notes in circulation	808,891	826,948	850,665	841,093	794,725	316,632
Deposits	19,831	15,771	16,482	26,980	41,848	5,016

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

Assets.	May 25, 1929.	May 18, 1929.	May 11, 1929.	May 4, 1929.	May 26, 1928.	Position May 30, 1914.
Gold	184,100	184,300	183,600	184,600	174,351	22,971
Silver					18,218	29,785
Discounts, advances, and other investments	134,000	132,300	136,100	135,700	114,320	77,567
Liabilities.						
Notes in circulation	300,400	305,100	307,800	302,800	304,634	109,499
Deposits and bills payable	34,100	28,700	31,100	36,300	43,193	11,250

ROUMANIA.

A RICH COUNTRY IN EASTERN EUROPE.

If we follow, on the map of Europe, the course of the largest river, we see around its mouth a country in the shape of an almost perfect circle. We also see from the map that this country has, more than any other, large rivers, high mountains and vast plains. It is a country endowed by nature with an immense natural wealth, with enormous possibilities and with a hard-working people—a country waiting only for the necessary means to enable it, from a quite important country in the south-east of Europe, to become the granary of Europe as well as the industrial centre of the Near East. This is Roumania.

But, Roumania is as yet far from that goal. It must be remembered that until fifty years ago it was under a foreign yoke—a kind of Turkish dominion, at the goodwill of the Pashas from Constantinople—that until half a century ago it had neither liberty nor commercial relations with other countries, its industry being limited to a few rudimentary distilleries and coach-building shops, and finally, that its agricultural production was very little developed. The Roumanian soil had not then known the creative power of a ploughshare and other modern agricultural implements were unknown to it.

If we examine Roumania's achievements during the last half-century, without external assistance and by the energy of her people alone, it is easy to comprehend what future is in store for Roumania, especially now that a new and favourable economic policy toward foreign finance, and the beneficial results of the reincorporation of the Ardeal, Banat and Bukovina (great industrial and raw material centres), and of Bessarabia (the Russian granary until a few years ago), raise so many possibilities.

The greatest wealth of Roumania is, undoubtedly, agriculture. But Roumanian agriculture is at present passing through a crisis, firstly owing to the application of agrarian reform during the war and aggravated by the last two bad harvests.

The Roumanian agriculturist, since the war, has enjoyed none of the normal rich pre-war crops. In no year since the war has the production reached 40 million hectolitres of wheat and that only in the old Kingdom. However, in a year, when weather conditions were not altogether adverse—in 1926—the total production reached the figure of 1,225,000 carloads of grain. Nevertheless, it must be remembered that, even in 1926, Bessarabia's contribution was of no account, as this province was ravaged by drought, whereas in a good agricultural year it may produce as much as 400,000 carloads of grain.

Roumanian agriculture is in need of large investments and financing. If the small rural landowners—for Roumania since the agrarian reform has only small landowners—could prepare for drought by a system of irrigation and special cultivation, which has met with such success in other countries, and for excess of moisture by a vast web of drainage canals, Roumanian crops would not fluctuate so violently, and the entire Roumanian economy would be improved.

The second difficulty with which Roumanian agriculture is faced is the scarcity of credit available for the producers. As a remedy for this the Roumanian Government decided to establish a large agricultural mortgage bank of credit for the purpose of redeeming gradually—over a long term and at a small rate of interest—the actual debt at the banks on rural property. The institution, which is still in formation yet, will be supplied mostly with foreign capital.

The second great source of wealth of Roumania consists of products of the sub-soil. The petroleum industry of Roumania produced in 1928 about 4,250,000 tons of oil, and it is worth mentioning that there are in Roumania, more than in any other country, vast reserves of yet undrilled oilfields, which ensure the possibility of production for a long time to come.

Apart from the potential oil-bearing layers of the plains of Transylvania, we must mention the important oil deposits of the sub-Carpathian region; also those situated at the extremity of the Carpathian mountains, mostly in the porous rocks of the tertiary epoch, in regions of Zemesti-Luckeesti, Solonț, Moinești, Doftana, Slănicul, Moldovii, Podeiul, Bogata, Nineasa, Poiana, Săracă, Mosoarele, &c.; and especially those from the chain of more recent formations than the tertiary, in the regions of Bustenari, Câmpina, Drăgăneasca, Colibași, Ocnița-Glodeni, Varfurile, Pucioasa-Vulcana, Ochiuri, Gura-Ocniței, Moreni, Bana, Băicoiu-Tintea, Păcurești, Matița-Apostolache, Berca-Beciu-Policioare, Ceptura, Sărata-Monteoru (in the districts of Dâmbovița, Prahova and Buzău); Govora-Făusești, Săcel-Târgu-Jiu (in the districts of Râmnicu-Vâlcea and Gorj); and Tescani-Câmpei, Pârjol (district of Bacău).

The lands recognised as oil-bearing represent an area of about 20,000 hectares—and the area of land considered as probably oil-bearing is 150,000 hectares. The total area of concessions up to the present is about 517,380 hectares and the area under exploitation is 40,027 hectares.

These vast oil deposits, the richest in Europe, offer, as we have seen, an immense field of activity, which calls for the collaboration of foreign capital. If this collaboration has not yet come up to the level worthy of the object, it is only because the Roumanian Mining Law of 1914 hindered the flow of foreign capital in search of profitable enterprises. But now, thanks to a new law recently promulgated, equality of treatment is guaranteed for foreign and domestic capital, and there are signs that this favourable change will be welcomed by foreign investors.

In addition to oil, the Roumanian subsoil contains important deposits of peat, brown coal, pit coal and anthracite, deposits of which are found mostly in Ardeal and Banat. Up till now these have been exploited on a very small scale. The total yearly production of Roumanian coal was never more than 2,250,000 tons, although by intensive mining the yield of the coal might well reach 10,000,000 tons. However, this kind of fuel is replaced, in many localities of Roumania, by hydraulic energy (and even this is inefficiently exploited) and by the natural gas found in vast quantities in Ardeal and all about the oil fields of Roumania.

Another potential source of great wealth in Roumania is its forestry. The wooded area was increased in size through the annexation of the new provinces. Before the war there were 2,400,000 hectares of forests and there are now 7,500,000 hectares, or 25 per cent. of the total area of the country. Roumania's forestry exploitation varies from the rudimentary methods of some regions of Moldavia and Bessarabia to the most modern system of exploitation in the immense forests of Transylvania and Bukovina. Roumanian timber is sought after all over the world, and Roumanian woodwork has been in insistent demand even for America. The Central European market, France and the Near East are supplied in a very large measure with Roumanian wood.

In order to give a complete picture of Roumania's economic possibilities, the mineral wealth of its subsoil should also be described. Roumania is rich in ores of gold, silver and copper, and has valuable deposits of salt, amber, &c. If all these minerals could be brought to light they would provide excellent raw material for Roumanian industry, which, having at its disposal the two main elements of an industrial country—cheap fuel and raw material—might transform Roumania, within a relatively short time, into the factory of the Balkans and of the Near East.

Roumania, as we have shown above, is thus, from the economic standpoint, one of Europe's countries with a great future. It did not progress as it should have done during the ten years which followed the war, but to-day, thanks to the new *régime* created through the currency stabilisation, the law of commercialisation, the mining law, the credits obtained abroad and the investments in railways and other means of communication, Roumania's economic horizon is greatly enlarged, and there is not the slightest doubt that she will reach the place she deserves through her natural resources, the creative power of her people and the loyal collaboration of foreign capital.

[Advertisement.]

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

ASSETS.	May 23, 1929.	May 15, 1929.	May 7, 1929.	Apr. 30, 1929.	May 23, 1928.	1914.
Gold	496,103	496,087	496,074	492,591	439,995	171,175
Silver	41,148	40,799	40,307	41,601	59,878	18,350
Foreign Bills and Balances abroad	253,189	245,970	250,701	246,882	...	...
Discounts	122,106	126,340	133,313	137,135	211,772	...
Advances	54,829	53,826	59,943	64,127	62,981	103,000
LIABILITIES.						
Notes in circulation	813,572	823,606	848,228	875,354	772,251	275,925
Deposits	144,237	145,202	126,923	111,920	126,558	33,750

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

ASSETS.	May 25, 1929.	May 18, 1929.	May 11, 1929.	May 4, 1929.	May 26, 1928.
Gold	234,222	234,348	234,450	234,557	231,510
Government securities—Swedish	5,693	5,719	5,740	5,755	11,027
" " Foreign	73,774	73,774	73,774	73,774	68,524
Other Swedish bonds quoted on foreign bourses	177	177	177	231	1,096
Bills payable in Sweden†	232,782	236,894	239,670	246,480	254,866
" " abroad	62,070	55,634	57,748	56,597	13,409
Balance abroad	45,844	51,213	49,514	53,358	34,275
Advances made on government securities and bonds†	52,927	57,648	57,827	63,532	53,027
LIABILITIES.					
Notes in circulation	463,187	478,803	490,433	509,323	445,321
Government deposits	193,168	194,822	179,932	177,691	180,923
Private deposits	8,065	5,578	7,469	6,325	11,122

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are not available as cover for the note issue.

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

ASSETS.	May 22, 1929.	May 15, 1929.	May 7, 1929.	May 22, 1928.	Position May 31, 1914.
Coin and bullion—Gold	146,810	146,812	146,819	147,076	44,224
Balance abroad and foreign bills	43,359	45,400	51,498	46,036	28,533
Norwegian and Foreign Government securities	11,393	11,393	11,393	10,044	8,816
Discounts and loans	275,140	272,813	268,916	273,585	769,110
LIABILITIES.					
Notes in circulation	301,757	302,508	304,703	310,375	113,484
Deposits at sight	110,924	110,224	110,300	112,701	7,188

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

ASSETS.	May 25, 1929.	May 18, 1929.	May 11, 1929.	May 4, 1929.	May 26, 1928.	Position, May 30, 1914.
Gold	2,560,404	2,560,266	2,560,017	2,559,917	2,607,871	521,775
Silver	719,899	715,409	713,564	716,299	706,556	728,600
*Loans & Discounts	1,681,784	1,751,222	1,771,989	1,820,791	1,811,476	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,272,058	4,317,524	4,354,976	4,339,909	4,231,130	901,550
Deposits	1,110,591	1,110,543	1,067,935	1,041,115	1,060,582	477,500

* Including 91 million pesetas lent to the State.

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

ASSETS.	May 23, 1929.	May 15, 1929.	May 7, 1929.	Apr. 30, 1929.	May 23, 1928.
Metal reserve—					
Gold coin and bullion	176,623	176,622	176,622	176,622	196,529
Drafts and notes	26,631	29,026	33,202	33,032	92,160
Silver coin and bullion	10,080	9,710	9,665	10,166	362
Inland bills, warrants and securities	352,210	351,287	363,851	370,248	289,218
Advances to the Treasury	92,219	92,219	92,219	92,257	105,895
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	387,132	424,145	460,716	485,452	397,967
Current accounts, deposits, &c.	229,787	195,703	178,204	153,650	316,363

* Calculated at pre-war parity of exchange.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

ASSETS.	May 23, 1929.	May 15, 1929.	May 7, 1929.	Apr. 30, 1929.	May 23, 1928.
Gold and silver holdings	1,206,629	1,206,591	1,206,559	1,206,534	1,118,746
Balance abroad and foreign currency	1,646,993	1,650,002	1,696,658	1,687,602	1,684,078
Discounts and advances	437,243	415,403	583,104	652,907	163,803
State notes debt balance	4,012,771	4,013,153	4,020,715	4,023,053	4,326,331
Other assets	649,213	664,337	675,712	706,945	834,564
LIABILITIES.					
Bank notes in circulation	6,409,749	6,544,477	6,851,286	7,132,518	6,371,214
Check account balances	834,055	711,511	619,246	466,280	993,767
Other liabilities	236,451	220,904	239,622	205,649	329,916

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

ASSETS.	May 22, 1929.	May 15, 1929.	May 8, 1929.	Apr. 30, 1929.	May 22, 1928.
Gold	92,455	92,358	92,276	92,157	89,909
Other coin and notes	18,230	18,056	17,994	17,872	17,658
Foreign credits	236,479	183,485	198,205	191,290	270,381
Bills	1,307,367	1,342,003	1,370,182	1,370,517	1,236,326
Government advances	4,201,078	4,201,078	4,201,069	4,201,067	4,333,049
LIABILITIES.					
Notes in circulation	5,032,871	5,115,172	5,302,726	5,212,045	5,218,868
State credits	227,808	227,808	227,799	227,797	294,030
Deposits	1,205,266	1,104,456	1,018,250	1,058,853	1,116,037

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

ASSETS.	May 15, 1929.	May 7, 1929.	Apr. 30, 1929.	Apr. 23, 1929.	May 15, 1928.
Gold and silver holdings	1,526,334	1,523,746	1,521,481	1,519,427	1,461,928
Balances abroad and foreign currencies	2,209,716	2,268,129	2,308,310	1,325,056	447,748
Discounts and advances	1,489,202	1,498,425	1,471,376	1,463,865	1,365,043
Advances to the Treasury	3,665,241	3,685,241	3,685,241	3,685,241	4,470,613
LIABILITIES.					
Capital paid up	500,000	500,000	500,000	500,000	516,422
Reserves	1,170,366	1,166,576	1,166,576	1,166,616	1,128,563
Bank notes in circulation	4,156,441	4,337,858	4,365,639	4,188,359	3,908,048
Sight liabilities	2,782,380	2,665,654	2,711,365	2,885,873	1,124,408
Deposits	460,183	465,682	466,478	466,500	1,245,877

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

ASSETS.	May 15, 1929.	May 7, 1929.	Apr. 30, 1929.	Apr. 23, 1929.	Apr. 15, 1929.
Gold	574,752	571,377	569,996	568,163	567,052
Gold exchange	5,350,651	4,933,291	4,892,037	4,716,405	4,770,990
Other foreign exchange	1,151	1,154	1,053	1,127	1,087
Bills discounted	37,719	37,175	37,953	41,519	42,842
Advances	78,534	70,188	70,165	72,613	74,262
Debt to the State	3,656,305	3,656,305	3,656,305	3,656,305	3,656,305
LIABILITIES.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,606,356	5,721,209	5,617,182	5,527,123	5,520,513
Deposits and current accounts	1,902,837	1,751,235	1,856,414	1,750,706	1,802,267
Foreign exchange liabilities	1,872,031	1,465,353	1,422,861	1,443,032	1,457,479

BANK OF POLAND.—In zloty* (000's omitted).

ASSETS.	May 20, 1929.	May 10, 1929.	Apr. 30, 1929.	Apr. 20, 1929.	May 21, 1928.
Gold	623,515	623,233	623,037	622,820	565,317
Of which held abroad	195,402	195,402	195,402	195,402	185,010
Foreign currencies	557,696	576,991	576,410	570,125	761,977
Bills discounted	716,611	695,382	697,539	687,975	545,448
Loans against securities	90,152	90,227	89,563	89,953	61,478
Reserve fund securities	68,949	68,949	68,957	68,967	55,950
Liability of the Treasury	25,000	25,000	25,000	25,000	25,000
LIABILITIES.					
Share capital	150,000	150,000	150,000	150,000	150,000
Reserve funds	100,000	100,000	100,000	100,000	94,435
Notes in circulation	1,182,847	1,227,211	1,274,240	1,168,292	1,086,944
Current accounts	566,166	531,542	491,233	565,278	610,496
Government accounts	75,000	75,000	75,000	75,000	75,000

* As from October 13, 1927, 8·91 zlotys equals 1 U.S. dollar.

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

ASSETS.	May 15, 1929.	May 8, 1929.	Apr. 30, 1929.	May 15, 1928.	Position, May 30, 1914.
Gold	301,103	301,300	301,623	312,493	35,091
Balance abroad and foreign bills	631,175	680,611	669,516	854,355	90,379
Finnish and Foreign Government securities	301,708	301,708	301,708	338,443	21,826
Discounts and loans	1,469,513	1,465,060	1,476,661	1,040,404	105,151
LIABILITIES.					
Notes in circulation	1,470,389	1,505,220	1,556,167	1,569,315	123,941
Deposits at notice	209,968	214,553	179,595	108,328	21,225

BANK OF ESTONIA.—In Est. krones (000's omitted).

ASSETS.	May 15, 1929.	May 7, 1929.	Apr. 30, 1929	Apr. 23, 1929.	May 15, 1928.
Gold coin and bullion	6,286	6,277	6,271	6,243	10,281
Net foreign exchange	19,301	19,483	19,803	19,495	27,706
Subsidiary Estonian coin	664	751	745	627	808
Home bills discounted	14,865	14,659	14,973	15,061	9,060
Loans and advances*	14,389	14,282	15,075	14,868	18,706
LIABILITIES.					
Notes in circulation	34,357	33,309	34,728	35,631	36,696
Sight deposits and current accounts	16,511	18,369	18,451	16,922	22,054
Ratio of reserve to current liabilities	50·30%	49·84%	49·03%	48·97%	64·65%

* Includes Ekr. 10,712,496·42, guaranteed by the Government.

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

ASSETS.	May 22, 1929.	May 15, 1929.	May 8, 1929.	May 1, 1929.	Apr. 24, 1929.	May 23, 1928.
Gold bullion and coins	23,842	23,840	23,826	23,824	23,821	23,714
Silver coin	4,782	4,751	4,764	4,749	4,769	4,256
Balance abroad	55,250	56,736	58,966	55,983	53,698	76,896
Treas. notes and sm. change	11,342	11,654	9,533	9,516	11,349	11,751
Short term bills	87,583	86,644	87,048	86,693	85,777	81,617
Loans against securities	58,423	56,288	56,576	55,969	54,373	43,538
Other assets	17,714	17,602	17,571	17,726	17,418	9,498
LIABILITIES.						
Notes in circulation	45,492	44,408	45,770	45,898	45,054	40,071
Capital paid up	15,581	15,581	15,581	15,581	15,581	15,581
Reserve	3,091	3,091	3,091	3,091	3,091	3,091
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	12,919	12,887	12,790	12,760	12,671	11,323
Current accounts	55,889	55,385	54,319	53,762	55,945	51,046
Government accounts	108,966	109,661	112,623	106,128	105,288	119,836
Other liabilities	14,499	14,012	11,602	14,733	14,075	8,010

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

ASSETS.	May 11, 1929.	May 4, 1929.	Apr. 27, 1929.	Apr. 20, 1929.	May 12, 1928.	Position June 30, 1914
Cash & bullion	1,127,730	1,126,856	1,126,129	1,125,779	1,132,112	221,320
Discounts	703,536	714,708	715,797	709,812	1,023,200	41,740
Advances	78,217	78,016	76,327	76,182	81,320	70,540
LIABILITIES.						
Notes	1,154,252	1,256,479	1,335,439	1,197,824	1,166,826	362,270
Govt. deposits	558,760	549,156	539,391	566,901	692,814	87,540
Other deposits	390,709	302,812	249,698	368,391	538,285	11,440

LONDON RATES.

	May 23, 1929.	May 24, 1929.	May 25, 1929.	May 27, 1929.	May 28, 1929.	May 29, 1929.	May 30, 1929.
Bank rate (changed from 4½% Feb. 7, 1929)	% 5½	% 5½	% 5½	% 5½	% 5½	% 5½	% 5½
Market rates of discount—							
60 days' bankers' drafts	5⅜	5⅜	5⅜	5⅜	5⅜	5⅜	5⅜
3 months' do.	5⅜	5⅜	5⅜	5⅜	5⅜	5⅜	5⅜
4 months' do.	5⅜	5⅜	5⅜	5⅜	5⅜	5⅜	5⅜
6 months' do.	5⅜	5⅜	5⅜	5⅜	5⅜	5⅜	5⅜
Discount (Treasury Bills)— 2 months'	5⅜	5⅜	5⅜	5⅜	5⅜	5⅜	5⅜
3 months'†	5⅜	5⅜	5⅜	5⅜	5⅜	5⅜	5⅜
Loans—Day to day	5	5	5	5	5	5	5
Short	4½	5	5	5	5	5	5
Deposit allowances: Bank	4½	4½	4½	4½	4½	4½	4½
Discount houses at call	4½	4½	4½	4½	4½	4½	4½
At notice	4½	4½	4½	4½	4½	4½	4½

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months.	Trade Bills. 6 Months.
1929.	%	%	%	%	%	%	%
May 9	4½ 5	5⅛ ⅛	5⅛ ⅛	5⅛ ¼	5⅛ 5⅛	5⅛ 6	6 6⅛
16	4½ 5	5⅛	5⅛	5⅛	5⅛ 5⅛	5⅛ 6	6 6⅛
23	4½ 5	5⅛ ⅛	5⅛ ⅛	5⅛ ⅜	5⅛ 6	6⅛ 6	6 6⅛
30	4½ 5	5⅛	5⅛	5⅛ ⅜	5⅛ 6	5⅛ 6	6 6⅛

RATES OF EXCHANGE.

London on		Usance	Par.	May 31, 1928.	May 23, 1929.	May 30, 1929.
New York	dollars to £1	Cable	4·86⅜	4·88 1/16–⅛	4·84 31/32–85	4·85–85 1/16
Montreal	dollars to £1	Cable	4·86⅜	4·89 1/16–⅛	4·88 1/16–88⅜	4·88 7/16–88 9/16
Paris	francs to £1	T.T.	124·21	123 7/16–4/16	124 1/16–124⅛	124·03–·07
Berlin	marks to £1	T.T.	20·43	20·39 3/4–40 1/4	20·37 1/2–20·38	20·33 1/2–·34
Amsterdam	florins to £1	T.T.	12·107	12·09 1/2–·03	12·06 1/2–·07	12·06 7/16–·07 1/16
Brussels	belgs to £1	T.T.	35·00	34·97 1/2–·98	34·12–·14	34·90–·91
Milan	lire to £1	T.T.	92·46	92 3/8–1/2	92·67–·70	92·65–·68
Berne	francs to £1	T.T.	25·22	25·33–1/4	25·19 1/2–·19 1/2	25·19 1/2–·19 1/2
Oslo	kroner to £1	T.T.	18·159	18·22–1/4	18·19 1/2–·19 1/2	18·19 1/2–·20 1/2
Stockholm	kronor to £1	T.T.	18·159	18·19 1/2–3/4	18·14 1/2–·15	18·14–·14 1/2
Copenhagen	kroner to £1	T.T.	18·159	18·18 1/2–19	18·20 1/2–·21	18·20 1/2–·20 1/2
Madrid	pesetas to £1	T.T.	25·22½	29·22–4	34·12–·14	34·40–·45
Lisbon	escudo to £1	T.T.	4·50	113 1/4–1/4	108–108 1/2	108–108 1/2
Vienna	schillgs. to £1	T.T.	34·58½	34·69–72	34·51–·54	34·52–·54
Prague	krone to £1	T.T.	24·02(a)	164 3/4–1/2	163 1/2–163 3/4	163 1/2–163 7/8
Belgrade	dinars to £1	T.T.	25·22½	277–1	275 1/2–276 1/2	275 1/2–276 1/2
Budapest	pengo to £1	T.T.	27·82	27·93–7	27·83–·86	27·82–·85
Bukarest	lei to £1	T.T.	813·6	789–92	817–819	817–818
Sofia	leva to £1	T.T.	25·22½	672–7	668–673	668–673
Athens	drachmæ to £1	T.T.	375	374 1/2–5 1/2	374 1/2–375	374 1/2–375 1/2
Constantin'ple	piastres to £1	T.T.	110	947–52	996–1001	1003–1005
Moscow	roubles to £1	T.T.	9·46	†9·48–·50	†9·42–9·43	†9·41 1/2–·43 1/2
Warsaw	zloty to £1	T.T.	43·38	43 1/2–1/2	43 1/2–1/2	43 1/2–1/2
Helsingfors	F. marks to £1	T.T.	193·23	193 1/4–4	192 1/2–193	192 1/2–193 1/2
Kovno	lits to £1	T.T.	48·66	48 1/4–9/4	48 1/4–49 1/4	48 1/4–49 1/4
Reval	kroon to £1	T.T.	18·159	18·00–18·40	18·16–18·23	18·16– ·23
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15–25·25	25·15– ·25
Alexandria	piastres to £1	Sight	97 1/2	97 11/16–1/16	97 1/16–1/16	97 1/16–97 1/16
Buenos Aires	pence to peso	T.T.	47·62d.	47 7/16–1/16	47 1/16–47 1/16	47 1/16–47 1/16
Rio de Janeiro	pence to mlls.	90 days	16	5 15/16–1/16	5 3/32–3/32	5 3/32–3/32
Montevideo	pence to peso	T.T.	51	50 1/16–1/16	48 3/32–3/32	48 3/32–3/32
Valparaiso	dollars to £1	90 days	40	39·50	39·51	39·60
Lima	Eng. to Per. £1	90 days	par	20 1/2% prm.	19 1/2% prm.	19 1/2% prm.
Calcutta	pence	T.T.	18	1/32 2-1/64	1/32 1-1/64	1/32 1-1/64
Bombay	to	T.T.		1/32 3-1/64	1/32 2-1/64	1/32 2-1/64
Madras	rupee	T.T.		1/32 3-1/64	1/32 2-1/64	1/32 2-1/64
Hong Kong	ster. to dollar	T.T.	—	2/01–2/1 1/16	1/11 1/2–2/01	1/11–2/01 1/16
Shanghai	ster. to tael	T.T.	—	2/8 1/2–2/9 1/16	2/5–2/5 1/2	2/4 3/4–2/5 1/16
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3 15/16–1/16	2/3 13/16–2/3 15/16	2/3 13/16–2/3 15/16
Kobe	ster. to yen	T.T.	24·58d.	1/10 15/16–1/16	1/10 7/16–1/10 1/2	1/10–1/10 1/16
Manila	ster. to peso	T.T.	24·066d.	†2s. 0 1/16d.	†2s. 0 1/16d.	†2s. 0 1/16d.
Mexico	pesos to £	T.T.	9·76	23 1/2–24 1/2	10·00–10·25	10·00–10·25

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, *i.e.*, approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%
Amsterdam	Mar. 23, 1929	5½
Athens	Dec. 2, 1928	9
Belgrade	July 26, 1921	6
Berlin	April 25, 1929	7½
Brussels	June 30, 1928	4
Bucharest	May 14, 1929	9½
Budapest	April 26, 1929	8
Calcutta	May 9, 1929	6
Copenhagen	June 23, 1927	5
Danzig	June 20, 1927	6
Helsingfors	Nov. 16, 1928	7
Kovno	Feb. 8, 1925	7
Lisbon	July 26, 1926	8
New York Federal Reserve	July 12, 1928	5
Madrid	Dec. 19, 1928	6½
Oslo	Mar. 26, 1928	5½
Paris	Jan. 19, 1928	3½
Prague	Mar. 8, 1927	5
Pretoria	Jan. 9, 1928	5½
Reval	Jan. 2, 1928	7½
Riga	April 1, 1928	6 / 7½
Rome	Mar. 13, 1929	7
Sofia	Dec. 15, 1928	9
Stockholm	Aug. 24, 1928	4½
Swiss Bank places	Oct. 22, 1925	3½
Tokio	Oct. 18, 1927	5·48
Vienna	Apr. 23, 1929	7½
Warsaw	Apr. 19, 1929	9
Irish	Apr. 21, 1927	6½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	May 29, 1928.	May 2, 1929.	May 9, 1929.	May 16, 1929.	May 23, 1929.	May 30, 1929.
	%	%	%	%	%	%
Call money	5	11	14	10	7	6
Time money (90 days' mixed coll.)	5½	8½	8½	8½	9	9
Bank acceptances :—	Selling Rates.					
Members—eligible, 90 days	4½	5½	5½	5½	5½	5½
Non-mem.—eligible, 90 days	4½	5½	5½	5½	5½	6½
Ineligible, 90 days	4½	6½	5½	6½	6½	5½
Commercial accept. 90 days	4½	5½	5½	5½	5½	5½

Rates of Exchange, New York on—		Par Level.	May 29, 1928.	May 16, 1929.	May 23, 1929.	May 30, 1929.
London—						
60 days	Dollars for £1	4·8666	4·84 1/16	4·79 11/16	4·79⅛	4·79⅝
Cable			4·88 1/16	4·85 1/16	4·84 15/16	4·85
Cheques			4·88	4·845	4·845	4·845
Paris	Cents for 1 franc	3·918	3·93 1/16	3·905	3·90⅛	3·91
Brussels	Cents for 1 Belga	13·90	13·955	13·88	13·88	13·885
Switzerland	Cents for 1 franc	19·30	19·275	19·25½	19·245	19·24
Italy	Cents for 1 lire	5·263	5·26876	5·235	5·23¼	5·2325
Berlin	Cents for 1 mark	23·81	23·92½	23·73	23·77	23·84
Vienna	Cts. for Austrn. shlg	14·07	14·075	14·05	14·05	14·05
Madrid	Cents for 1 peseta	19·30	16·725	14·22	14·215	14·10
Amsterdam	Cents for 1 guilder	40·195	40·34	40·16	40·15	40·155
Copenhagen	Cents for 1 kroner	26·80	26·835	26·63½	26·62	26·62
Oslo			26·795	26·64½	26·63	26·625
Stockholm			26·835	26·69½	26·71	26·72
Athens	Cents for 1 drachma	1·297	1·305	1·295	1·295	1·29½
Montreal	Can. Cents for $1	100	⅛ dis.	⅛ dis.	⅛ dis.	⅛ dis.
Yokohama	Cents for 1 yen	49·85	46·58	44·55	44·45	44·35
Hong Kong	Cents for H. Kong $	...	51·6	48·45	48·25	48·35
Shanghai	Cts. for 1 Shng. tael	...	69	60	59·25	58·90
Calcutta	Cents for 1 rupee	36·50	36·53	36·13	36·15	36·08
Buenos Aires	Gold Pesos for $100	103·65	42·80	104·75	104·80	104·80
Rio de Janeiro	Cents for 1 milreis	32·42	12·02	11·83	11·83	11·83
Valparaiso	Cents for 1 peso	12·125	12·22	12·05	12·05	12·08

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·56
Venezuela	Bolivares to £	25·25	"	25·45
Colombia (Bogota)	Pesos to £1	5	"	5·04
Nicaragua	Cordobas to £	4·8665	"	4·23
Salvador	Colones to £	9·73	"	9·68
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Union of South Africa. From February 6, 1928. London on South Africa. Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Union of South Africa. From February 18, 1929. South Africa on London. Selling.
T.T.	...	⅛% dis.	par to ⅛% pm.	⅛% prem
Demand	1⅛% dis.	⅛% "	⅛% dis.	⅛ to ¼% "
30 days	1⅛% "	⅛% "	⅛% "	⅛% "
60 days	2⅛% "	⅛% "	⅛% "	⅛% "
90 days	3% "	⅛% "	1⅛% "	⅛% "
120 days	3⅛% "	1⅛% "	2⅛% "	...

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	London on Australia and New Zealand. Buying. New Zealand.	London on Australia and New Zealand. Selling. Australia.	London on Australia and New Zealand. Selling. New Zealand.	Australia and New Zealand on London. Buying. Australia.	Australia and New Zealand on London. Buying. New Zealand.	Australia and New Zealand on London. Selling. Australia.	Australia and New Zealand on London. Selling. New Zealand
T.T.	...	...	99⅛	99⅜	...	...	101	100⅜
Demand	98⅛	98⅛	99⅛	99⅜	99⅛	99⅛	100⅛	100⅜
30 days	97⅛	97⅛	...	...	99⅛	98⅞	100⅛	99⅜
60 days	97	97⅛	...	...	98⅛	98⅛	99⅛	99⅜
90 days	96⅛	96⅛	...	...	98⅛	97⅛	...	99⅛

BULLION.

The following statistics of imports and exports of gold for week ended May 30, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland.	£	Exported from Great Britain and Northern Ireland.	£
From—		*To*—	
Irish Free State	8,000	Poland (includ. Danzig)	1,650
British West Africa	41,309	Germany	44,518
British South Africa	564,121	Netherlands	2,215
Other Countries	2,012	France	13,321
		Switzerland	37,585
		Belgium	12,300
		Spain	274
		Hungary	1,365
		Egypt	116,428
		British India	48,488
		Other Countries	137
Total declared value of imports	615,442	Total declared value of exports	278,581

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929.	ARRIVALS.	£	1929.	WITHDRAWALS.	£
May 24	Bars bought	26	May 24	Bars sold	3,411
" 25	Bars bought	4,802	" 25	Sovs. for export	5,000
" 27	...	Nil	" 27	Bars sold	1,707
" 28	Bars bought	489,211	" 28	...	Nil
	Sovs. from abroad	8,000		Bars sold	6,941
" 29	...	Nil	" 29	Bars sold	13,871
" 30	...	Nil	" 30	...	...
	Total	502,039		Total	30,930

Net arrivals, £471,409.

Messrs. Samuel Montagu and Co. write as follows on May 29, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £161,990,492 on the 22nd instant (as compared with £161,140,187 on the previo us Wednesday), and represents an increase of £8,084,177 since April 29, 1925, when an effective gold standard was resumed.

The bar gold available in the open market yesterday amounted to about £577,000. Although the weakness in the U.S.A. and German exchanges pointed to a possibility of enquiries from these quarters, no purchases were made on either account, and the main proportion, viz., £489,000, was secured by the Bank of England. The balance was divided between India and the Home and Continental Trade. There was a net influx of gold of £437,112 during the week.

SILVER.

The week has seen sharp movements in prices, and, with the dearth of buyers continuing, the tendency has still been downward. Selling has again been general; China, America, the Indian Bazaars

and others having offered silver on an unwilling market. A fall of 1s. 4d. occurred on the 23rd instant, quotations being fixed at 24·$\frac{13}{16}$d. for both deliveries, and at this figure the market became momentarily hesitant. A reaction to 25d. followed on the 25th instant, due chiefly to a temporary reluctance on the part of sellers, but the recovery could not be maintained in the face of the substantial offerings evoked by the rise, and prices receded sharply, 24·$\frac{7}{8}$d. being fixed to-day for both cash and two months' delivery.

The quotation for cash delivery was fixed yesterday at $\frac{1}{16}$d. discount as compared with that for two months' delivery, but level rates were re-established to-day.

The following were the United Kingdom imports and exports of silver registered from mid-day on the 18th instant to mid-day on the 27th instant :—

Imports.	£	Exports.	£
Mexico	162,407	Egypt	68,414
Other countries	13,881	British India	51,892
		Other countries	15,098
	£176,288		£135,404

Indian Currency Returns (in lacs of rupees).

	May 22.	May 15.	May 7.
Notes in circulation.....	18,304	18,283	18,293
Silver coin and bullion in India.....	9,861	9,840	9,851
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,222	3,222	3,222
Gold coin and bullion out of India...	...	...	...
Securities (Indian Government).....	4,323	4,323	4,323
Securities (British Government) ...	898	898	897

The stock in Shanghai on the 25th instant consisted of about 76,600,000 ounces in sycee, 128,000,000 dollars and 4,640 silver bars, as compared with about 76,300,000 ounces in sycee, 130,000,000 dollars and 6,880 silver bars on the 18th instant.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Forward.		Date.	Silver. Cash.
1929.	s. d.	d.	d.			d.
May 24.....	84 11½	24 $\frac{13}{16}$	24 $\frac{13}{16}$	May 25, 1923		32$\frac{5}{8}$
,, 25.....	84 11½	25	25	,, 23, 1924		34$\frac{1}{8}$
,, 27.....	84 11½	24$\frac{7}{8}$	24$\frac{7}{8}$	,, 22, 1925		31 $\frac{1}{16}$
,, 28.....	84 11	24$\frac{5}{8}$	24 $\frac{11}{16}$	,, 21, 1926		30 $\frac{1}{16}$
,, 29.....	84 11½	24$\frac{5}{8}$	24$\frac{5}{8}$	,, 20, 1927		26 $\frac{3}{16}$
,, 30.....	84 11½	24$\frac{5}{8}$	24 $\frac{11}{16}$	,, 24, 1928		28$\frac{7}{8}$

NOTICES.

Lloyds and National Provincial Foreign Bank, Limited, announce that during the rebuilding of their Threadneedle Street premises the business will be transferred temporarily to 37/41 Gracechurch Street as from 27th May.

Mr. Francis Lawrence Bland, Mr Lionel Gurney Buxton and Mr Quintin Edward Gurney have been elected to seats on the Board of Barclays Bank, Limited.

The Midland Bank, Limited, announce that Mr G. P. A. Lederer, formerly an assistant general manager, has been appointed a joint general manager.

A branch of Barclays Bank (Dominion, Colonial and Overseas) has been opened at Mwanza, Tanganyika, and the sub-branch at Dannhauser, Natal, has been converted into a full branch.

The Australian Bank of Commerce, Limited, announces the opening of two new branches in Perth, Western Australia, viz., 349 Murray Street and 449 Newcastle Street.

Agencies of the Commonwealth Savings Bank of Australia are open on all the "Bay" vessels acquired by the Aberdeen and Commonwealth Line.

Barclays Bank Limited have opened a new Sub-Branch at Hogsthorpe and Chapel St. Leonards (Lincs).

OIL OUTPUTS.

Mexican Eagle Oil.—The production for the week ended May 18, 1929, was 201,000 barrels.

British Controlled Oilfields, Limited.—Production for the week ended May 22nd :—Venezuela, 36,784 barrels; Trinidad, 13,016 barrels—49,800 barrels. The Trinidad production has been affected by floods.

Venezuelan Consolidated Oilfields, Limited.—Production for week ended May 25th, 2,730 barrels (390 tons). Palo Seco Well No. 1, depth 560 ft.; rig for Well No. 2, Palo Seco, completed.

Venezuelan Oil Concessions, Limited.—Production for the week ended May 25 was 126,164 metric tons (previous week ended May 18th, 129,125 metric tons).

SUMMARY OF BALANCE SHEETS.

BOOTS PURE DRUG COMPANY, LIMITED.

March 31, 1929.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £
Ord. and pref. capital.....	2,900,000	...
Creditors.....	597,838	+ 40,994
Subsidiary cos.	56,010	
Staff pension fund	190,420	+ 42,400
Depreciation fund	418,638	+ 11,694
Works development fund	100,000	...
Freehold property reserve	10,000	...
Reserve fund	700,000	+ 150,000
Profit and loss	501,710	+ 87,153
Total	5,474,616	+ 332,241

ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
Properties	1,892,385	+ 107,350
Plant	607,182	+ 61,279
Stock	788,122	— 35,676
Debtors.....	106,040	
Amounts owing by subsidiaries	824,003	+ 172,804
5% War Stock ...	248,125	...
Cash	70,557	+ 30,554
Investments in subsidiaries (ord. shares taken at par value)	938,202	— 4,070
Total	5,474,616	+ 332,241

BURMAH OIL COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
6% pref. shares...	250,000	...
6% pref. shares...	750,000	...
8% pref. shares...	3,000,000	...
Ord. shares	6,868,256	...
5½% deb. stk.	4,000,000	+ 4,000,000
Accrued int.....	20,637	+ 20,637
General reserve...	1,000,000	+ 200,000
Insurance fund...	520,000	+ 20,000
Fields expenditure reserve ...	750,000	+ 150,000
Fire and marine fund	1,013,899	+ 74,464
Sundry creditors	1,529,980	— 1,030,209
Pref. dividends...	130,938	— 3,125
Profit and loss...	750,626	— 365,640
Total.....	20,584,336	+ 3,066,127

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Refineries	1,464,337	+ 50,192
Wells, plant, &c.	350,000	...
Field electrification	528,861	+ 60,739
Pipe lines	307,704	— 1,420
Tanks, tankers, &c.	331,874	— 453,818
Stocks of plant	2,087,837	— 527,872
Stocks of products	1,121,647	+ 90,614
Investments ...	11,622,491	+ 4,789,907
Sundry debtors	2,261,364	— 788,560
Deb. issue expenses	65,384	+ 65,384
Cash and loans	442,837	— 219,039
Total	20,584,336	+ 3,066,127

CALLENDER'S CABLE AND CONSTRUCTION CO., LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927 £
6½% cum. pref. £1	400,000	...
7½% B. cum. pref. £1	400,000	...
Ord. shares £1 ...	800,000	...
Deb. stock	300,000	...
Reserve	400,000	...
Bills payable.....	191,342	— 56,947
Creditors.....	867,291	— 54,534
Profit and loss	650,246	+ 96,080
Total.....	4,008,879	— 15,401

ASSETS.	Amount. £	Compared with Dec. 31, 1927 £
Properties	701,288	— 23,051
Cable drums, etc.	113,059	— 6,207
Stocks	248,232	— 54,938
Uncompleted contracts.....	263,577	— 37,463
Debtors	1,790,169	— 71,907
Cash	162,487	+ 55,515
Short loan	59,000	+ 59,000
Investments	671,067	+ 63,650
Total.....	4,008,879	— 15,401

JAMES FINLAY AND COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
6% cum. pref. shares, £1.....	500,000	...
Ord. shares, £1...	1,500,000	...
Reserves.....	2,073,528	+ 114,762
Banking deposits and accounts...	624,515	— 34,424
Creditors	535,723	— 108,676
Bills payable	261,843	— 6,597
Profit and loss....	603,562	+ 1,500
Total.....	6,099,171	— 33,535

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Properties.....	311,519	+ 13,450
Office f'rnit're,&c.	73,730	+ 1,112
Goods consigned and on hand....	700,723	— 63,540
Debtors.....	1,083,007	+ 150,396
Bills receivable...	35,092	— 22,811
Investments.....	3,757,527	+ 161,560
Cash	203,930	— 273,696
Total.....	6,099,171	— 33,535

LIPTON, LIMITED.

January 5, 1929.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £
5% cum. pref.....	1,000,000	...
9% cum. pref.....	600,000	...
Ord. shares	1,250,000	...
Debentures	1,100,000	...
Bank overdraft	10,529	— 7,617
Sun. creditors, &c.	440,525	+ 65,635
Savings bank deposits	...	— 92,589
Unclaimed divs.	4,524	— 176
Deb. int. accrued	5,767	— 3,233
Reserve.....	10,864	— 36,914
Profit and loss....	1,556	+ 1,556
Total.....	4,423,765	— 73,338

ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
Goodwill	1,445,620	...
Properties.....	774,254	...
Plant, &c.....	632,816	— 33,269
Stocks	856,423	— 37,530
Sundry debtors	375,345	— 95,821
Investments and interest accrued —British and Colonial Government securt's	73,680	+ 25,693
Investments in subsidiary cos.	190,539	— 24,948
Cash at bank and on hand	75,088	+ 41,888
Total.....	4,423,765	+ 50,649 — 73,338

WARING AND GILLOW, LIMITED.

January 31, 1929.

LIABILITIES.	Amount. £	Compared with Jan. 31, 1928. £
6% cum. pref., £1	750,000	...
Ord. shares, 10s.	500,000	...
Management shrs.	5,000	...
6% deb. stock ...	959,760	— 13,580
Int. accrued	4,803	— 86
Unclaimed divs...	3,193	+ 135
Amortisation res.	42,580	+ 14,721
Creditors.....	674,472	+ 211,964
Capital reserve ...	62,565	— 7,004
General reserve ...	25,000	+ 25,000
Profit and loss....	335,604	+ 64,760
Total.....	3,362,977	+ 295,910

ASSETS.	Amount. £	Compared with Jan. 31, 1928. £
Cash	382,873	+ 97,568
Debtors.....	859,449	+ 199,348
Stocks	602,476	+ 20,067
Investments in subsidiaries ...	201,925	— 63,081
Plant.....	55,708	+ 14,293
Properties.....	1,260,546	+ 17,715
Total.....	3,362,977	+ 295,910

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended May 24, 1929. (c) Week ended May 25, 1929.	Miles Open.	Week ended May 26, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 21 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western...	3,733	269	193	83	282	551	4,447	4,623	2,674	7,297	11,744
Do. for 1928 ..	3,734	281	235	109	344	625	4,585	4,620	2,464	7,084	11,669
Lon.& N.Eastn.(c)	6,345	396	380	207	587	983	6,716	8,595	5,735	14,330	*21,046
Do. for 1928 ..	6,363	427	401	233	634	1,061	6,951	8,909	5,157	14066	21,017
Lond.,Mid.&Scot.	6,960	607	475	151	626	1,233	10176	11708	6,059	17767	27,943
Do. for 1928 ..	6,952$\frac{3}{4}$	707	570	255	825	1,532	10530	12272	5,717	17989	28,519
Southern	2,175	347	73	24	97	444	5,941	1,591	678	2,269	8,210
Do. for 1928 ..	2,175	378	85	26	111	489	6,065	1,665	600	2,265	8,330
Metropolitan (c)	59	36·2	...	...	2·9	39·1	670·0	...	...	77·1	747·1
Do. for 1928 ..	59	33·2	...	...	3·4	36·6	670·5	...	...	76·6	747·1
†Und'rgr'ndE.R.c	...	...	...	...	...	337·5	...	...	...	...	5,795·6
†Do. for 1928 ..	...	...	...	...	...	287·3	...	...	...	...	5,820·9
Lon&Sub.Gr'upe	...	...	...	...	...	52·4	...	...	...	...	839·8
Do. for 1928 ..	...	...	...	...	...	41·6	...	...	...	...	839·0
B'lf'st&Co.D'wn b	80	2·7	...	...	0·7	3·4	43·2	...	...	18·8	62·0
Great Northern b	562	12·6	...	...	15·1	27·7	229·6	...	...	340·3	569·9
Great Southern b	2,187	30·3	...	...	38·9	69·2	517·3	...	...	989·6	1,506·9

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or —	Total Gross Receipts. 1929.	+ or —
INDIAN.							
Assam Bengal	5weeks	Apr.20	1,217	Rs. 4,13,000	— 7,262	Rs. 11,39,000	— 38,651
Barsi Lt. Ry.....	5weeks	May 4	202	43,400	— 7,400	3,11,400	+ 42,100
Bengal & N.Western	5weeks	4	2,078	7,70,605	— 79,488	36,10,247	— 3,10,850
Bengal-Nagpur.....	3weeks	20	2,979	18,69,000	— 30,989	55,11,000	+ 1,24,872
Bombay, Bar.,& C.I.	8weeks	18	3,022	23,61,000	— 2,86,000	1,67,51,000	— 18,13,000
Madras & S. Mahr ..	4weeks	Apr.27	3,121	20,83,000	— 49,690	76,53,000	— 4,11,722
Nizam'sGuarantd.(s)	5weeks	May 4	1,146	5,14,817	+ 63,767	25,49,810	+ 2,87,901
†Rohilk'dd & Kumaon	4weeks	Apr.27	572	1,46,275	— 12,734	5,54,081	— 1,17,536
South Indian	4weeks	May 4	2,294	12,92,526	— 38,121	62,80,606	+ 53,611
ARGENTINE (a).				£	£	£	£
Argentine N.E.	47weeks	May 25	753	16,900	+ 2,000	736,300	+ 25,100
B.A. and Pacific ...	47weeks		25	2,806	180,000	+ 14,000	8,280,000	— 859,000
B.A. Central	47weeks		26	....	15,016	+ 1,773	686,868	+ 28,455
B.A. Gt. Southern	47weeks		25	4,762	240,000	+ 31,000	11,862,000	+ 359,000
B.A. Western	47weeks		25	1,296	102,000	+ 12,000	4,795,000	— 19,000
Central Argentine..	47weeks		25	3,319	274,000	+ 36,000	12,829,000	+ 473,000
Cordoba Central....	47weeks		25	1,218	67,000	+ 16,000	3,238,200	+ 50,500
Entre Rios	47weeks		25	838	23,500	— 1,500	1,422,700	+ 50,900
CUBAN.				£	£	£	£	£
United of Havana†	47weeks	May 25	1,374	59,581	+ 1,517	3,541,922	+ 169,803
URUGUAYAN.				£	£	£	£	£
Central Uruguay ..	47weeks	May 26	273	29,608	+ 1,734	1,420,351	— 8,366
C. Urug. (East Ext.)	47weeks		26	311	7,630	— 510	327,420	— 7,172
C.Urug.(North.Ext.)	47weeks		26	185	4,600	+ 743	175,716	+ 6,148
C. Urug.(West. Ext.)	47weeks		26	211	2,981	+ 768	142,916	+ 3,214
CANADIAN.				$	$	$	$	$
Canadian National	20weeks	May 21	19,362	4,991,272	+ 127,807	97,403,191	+ 3,765,432
Canadian Pacific ...	20weeks		21	14,822	3,935,000	— 151,000	76,925,000	+ 2,860,000
BRAZILIAN (b).				£	£	£	£	£
Gt. West. of Brazil	21weeks	May 25	1,016	13,600	+ 3,400	400,100	+ 99,100
Leopoldina.....	21weeks		25	1,856	36,639	— 7,191	754,029	— 259,283
Leopoldina Termni.	21weeks		25	Mlrs.	259,000	— 1,000	5,825,000	+ 154,000
San Paulo	21weeks		26	153$\frac{1}{4}$	46,954	— 5,896	991,168	+ 48,728
CHILEAN.				£	£	£	£	£
Antofagasta (Chili and Bolivia).....	21weeks	May 26		838	32,360	— 1,335	840,725	+ 112,050
Nitrate (½-monthly)	19weeks		15	402	31,380	— 2,884	345,695	+ 37,021
OTHER OVERSEAS.				£	£	£	£	£
Egyptian Delta	5weeks	May 10	608	7,975	+ 766	33,846	+ 5,210
Gt. Southn. of Spain	20weeks		18	104	Ps126,152	— 3,952	2,454,852	— 98,783
Mexican Railway...	20weeks		21	483	$ 276,200	+ 6,600	5,047,400	— 642,200
Paraguay Central ..	47weeks		25	274	5,270	+ 50	210,060	+ 4,410
Salvador.....	47weeks		25	100	6,141	+ 2,141	241,636	+ 11,696

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or —	Total Receipts. 1929.	+ or —
Anglo-Argentine ...	20weeks	May 20	329	£ 89,923	+ 4,245	£ 1,772,507	— 17,456
B. Aires Lacroze ...	47weeks		26	10,913	— 1,002	607,120	— 1,755
Burnley Corporation	1week		25	3,356	+ 437	...	...
Calcutta Tramways	19weeks		25	35$\frac{1}{4}$ Rs122,699	— 3,829	...	...
Chatham & District	19weeks		16	15	1,043	— 175	19,396	— 4,862
Egyptian Marketa..	19weeks		16	...	1,908	+ 1	40,368	+ 2,047
Glasgow Corporation	42weeks		20	136$\frac{1}{2}$	43,481	+ 1,272	2,018,186	+ 2,287
Isle of Thanet Trams	19weeks		15	...	1,087	— 64	17,512	— 737
Liverpool Corpn.....	8weeks		25	124	32,476	+ 4,157	235,242	+ 4,959
L.C.C. Tramways .	8weeks		22	166	68,074	+ 5,058	619,602	+ 11,968
Madras Electric ...	‡19w'ks		16	...	Rs. 44,357	+ 4,609	3,89,607	+ 28,085

‡ Fortnightly figures.

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the *Commercial and Financial Chronicle* of New York.

Date.	Miles of Road. 1927.	1928.	Gross Earnings. 1928.	Increase or Decrease.	Net Earnings 1928.	Increase or Decrease.
			$	$	$	$
Jan.....	237,846	239,476	456,560,897	— 30,161,740	93,990,640	— 5,558,796
Feb.....	237,970	239,584	455,681,258	— 12,850,859	108,120,729	+ 541,678
Mar.	237,804	239,649	504,233,099	— 26,410,659	131,840,275	— 4,034,267
Apr.	238,904	239,852	473,428,231	— 24,437,149	110,907,453	— 2,910,862
May.....	239,079	240,120	509,746,395	— 8,823,323	128,780,393	+ 840,317
June	238,870	239,833	501,676,771	— 14,871,440	127,284,367	— 1,827,387
July	238,316	240,430	512,145,231	+ 3,333,445	137,412,487	+ 11,711,856
Aug.	238,672	240,724	556,908,120	+ 165,107	173,922,684	+ 9,835,559
Sept.	239,499	240,693	554,440,941	— 9,980,689	180,359,111	+ 1,711,331
Oct.	238,828	240,661	616,710,737	+ 36,755,850	216,522,015	+ 35,437,734
Nov.	239,982	241,138	530,909,223	+ 26,968,447	157,140,516	+ 29,896,691
Dec.	239,286	240,337	495,574,485	+ 27,178,944	138,293,445	+ 48,444,421
	1928.	1929.			1929.	
Jan.....	240,417	240,833	486,201,495	+ 28,853,685	117,730,186	+ 23,578,231
Feb.....	242,668	242,884	474,780,516	+ 18,292,585	126,368,848	+ 17,381,336

OVERSEAS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month. 1927-28.	+ or —	Aggregate Receipts. 1927-28.	+ or —
INDIAN.							
Southern Punjab	4 mths	Jan. 31	931	Rs. 13,18,715	— Rs. 17,025	Rs. 51,86,974	+ Rs. 2,20,159
CANADIAN.							
CanadianNational	4 mths	Apr. 30	Gross	$22,455,244	+ 2,643,845	82,421,071	+ 2,991,649
			Net	$ 4,443,180	+ 1,558,894	15,293,948	+ 1,885,668
Canadian Pacific	4 mths	Apr. 30	Gross	$17,529,000	+ 2,233,000	65,391,000	+ 2,994,000
			Net	$ 3,191,000	+ 786,000	10,835,000	+ 316,000
BRAZILIAN.							
State of Bahia..	11 mths	Mar. 31	52	£3,060	— 1,902	75,549	— 6,789
CHILE AND PERU.							
Peruvian Corp..	10 mths	Apr. 30	31066	£151,808	+ 19,465	1,487,473	+ 2,212
Taltal.....	10 mths	Apr. 30	174	£108,900	+ 205	142,680	— 130
URUGUAYAN.				£	£	£	£
Midland Uruguay	10 mths	Apr. 30	319	17,021	+ 2,766	184,363	— 3,934
N.-W. Uruguay	10 mths	Apr. 30	113	4,893	+ 637	64,430	— 1,138
Uruguay North	10 mths	Apr. 30	73	1,915	— 106	27,873	— 159
OTHER OVERSEAS.							
Alcoy & Gandia	4 mths	Apr. 30	33	£ 3,309	— £ 974	£ 17,062	— £ 2,756
Algoma Cent. & Hudson Bay (a)	9 mths	Mar. 31	Gross	$226,025	— 30,909	1,522,776	+ 162,808
Beira and Mashonaland	2 mth	Feb. 28	740	$84,164	— 58,328	...	...
Bilbao River	4 mths	Apr. 30	15	4,991	+ 2,832	13,526	+ 2,502
Bolivar	4 mths	Apr. 30	170	13,100	+ 800	52,750	+ 12,250
Colombia Rlys.&c	10 mths	Apr. 30	Gross	40,071	+ 5,458	374,722	— 35,317
Costa Rica	8 mths	Feb. 28	190	15,490	— 24,545	254,890	— 25,538
Dorado Railway	4 mths	Apr. 30	70	45,700	+ 8,200	152,700	+ 3,100
Dorado Rope. Rx.	4 mths	Apr. 30	45	4,600	— 1,800	20,400	— 3,900
International of Central America	4 mth	Ar.30	Gross	167,862	+ 15,448	700,097	+ 50,355
			Net	81,124	+ 11,541	341,156	+ 52,204
La Guaira & Car.	4 mths	Apr. 30	22$\frac{1}{2}$	10,780	+ 1,740	50,070	+ 1,700
Mid. of W. Aust.	9 mths	Mar. 31	277	24,402	+ 2,251	179,494	+ 12,047
Nanajo Oscarsh	4 mths	Jun. 30	...	9,859	— 1,160	41,481	+ 1,332
PuertoCabello,&c.	1 mth	Jan. 31	35	5,500	+ 500	...	...
Rhodesia Rail'ys	1 mth	Mar. 31	1,397	£200,893	+ 25,340	...	...
Samana&Sant'go	4 mths	Apr. 30	...	2,630	— 917	10,070	— 2,670
Sante Fe Prov. .	1 mth	Apr. 30	...	183,333	+ 18,712	...	...
Zafra and Huelva	3 mths	Apr. 30	112	Ps. 463,770	+ 81,059	1,705,603	+ 187,691

(a) Railway receipts only.

TRAMWAY AND OTHER RECEIPTS.

BarcelonaTrac rcpts.in pstas.	4 mths	Apr.30	Gross	Ps8,234,601	+ 931,917	34,963,704	+ 2,852,851
			Net	Ps5,656,368	+ 599,563	24,646,913	+ 1,444,533
Brazilian Trac. receipts in $..	4 mths	Apr.30	Gross	$4,042,145	+ 646,177	15,619,237	+ 2,312,894
			Net	$2,333,352	+ 340,706	8,917,906	+ 1,240,567
Brit. Columbia Electric, &c..	9 mths	Mar.31	Gross	$1,247,795	+ 69,620	10,532,764	+ 368,077
			Net	$451,868	+ 94,216	3,480,889	+ 480,148
Burma Electric Supply Co.	1 mth	Apr.30	...	Rs. 64,744	— 5,700	...	...
Cape Elec. Tram.	1 mth	Apr.30	Gross	£37,121	...	...	...
Carthagena and Herrerias Trns.	10 mths	Dec.31	...	£778	— 328	11,521	— 2,693
Catalinas Warehs	1 mth	Apr.30	...	£10,250	+ 3,250	...	...
Cities Service Co.	12 mths	Apr.30	...	$3,454,095	+ 723,171	36,902,526	+ 3,973,548
International Light& Power	12 mths	June30	Gross	£34,072	+ 962	395,658	+ 6,489
			Net	£8,671	+ 2,197	94,990	— 6,058
Kalgoorlie Elec Tramways ..	12 mths	Dec.31	Gross	£1,900	...	£21,125	...
			Net	£387	...	...	...
La Guaira Harb.	1 mth	Apr.30	...	£14,696	+ 1,845	...	...
La Plata Electric	4 mths	Apr.30	...	£10,130	+ 710	39,904	+ 942
Madras Electric	4 mths	May30	Gross	Rs. 79,888	— 17,303	321,806	— 67,896
N'rth'nMexico Power	Year	Dec.31	Gross	$123,924	+ 26,157	...	...
			Net	$103,949	+ 25,020	$1,055,265	+ 244,520
			Gross	$15,060	+ 408	72,426	— 1,076
Para Electric ...	5 mths	Apr.30	Net	$5,660	— 28	26,319	— 3,453
Puebla Tram, &c	9 mths	Sep.30	Net Mr.	$98,000	— 9,800	984,000	— 32,200
Rangoon Electric	4 mths	Apr.30	Gross	Rs.4,56,250	— 8,858	1,736, 28	+ 11,605
			Net	Rs.2,37,650	— 12,556	885,088	— 29,266
Shanghai Elec..	4 mths	Apr.30	Mex.	$336,624	+ 37,699	1,290,337	+ 126,595
Singapore Trac.	7 mths	Apr.30	...	$131,000	+ 28,000	827,000	+ 170,000
United Electric T. of Caracas	9 mths	Mar.31	Gross	Bol.216,049	+ 31,954	1,831,636	+ 45,583
United ElectricT. of Montevideo	1 mth	Nov.30	Gross	$58,112	— 2,405	...	...
Vera Cruz	9 mths	Sep.30	Net Mr.	$17,600	...	175,400	+ 108,600
Winnipeg Electric	3 mths	Mar.31	Gross	$572,492	+ 25,456	1,751,353	+ 105,982
			Net	$207,444	+ 28,917	641,676	+ 91,127

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.		
					Prefce.	Ordinary.					
					Amount	Amount.	Rate.			Net Profit.	Dividend.
		£	£	£	£	£	%	£	£	£	%
Gas.											
Imperial Continental Gas ...	Dec. 31	120,247	387,259	507,506	...	239,491	15	70,000	198,015	217,167	10
Malta and Mediterranean...	Mar. 31	17,499	15,631	33,130	3,454	6,750	9†	3,000	19,926	10,812	8†
Iron, Coal and Steel.											
Wilsons and Clyde Coal.....	Feb. 28	8,229	3,981	12,210	3,500	...	...	...	8,710	1,930	...
Financial, Land, &c.											
City of London Real Property	April 12	145,639	516,008	661,647	37,439	352,000	5½	120,000	152,208	526,152	5½
House Property and Investment.....	Mar. 31	9,086	32,686	41,772	8,428	13,113	9	10,500	9,731	32,478	9
Trust and Loan of Canada .	Mar. 31	23,542	86,299	109,841	...	81,000	6†	7,650	21,191	98,305	6†
Rubber, &c.											
Allied Sumatra	Dec. 31	101,342	70,497	171,839	...	70,000	5	...	101,839	87,527	Nil
Baru (Java) Estates.....	Dec. 31	9,512	17,753	27,265	...	11,000	10	5,500	10,765	41,843	15
Besoeki Plantations	Dec. 31	8,322	23,735	32,057	...	16,500	15	7,000	8,557	32,918	20
Cheras	Dec. 31	19,636	9,632	29,268	...	8,125	12½	6,000	15,143	15,991	15
Dalkeith (Ceylon)	Dec. 31	12,661	19,008	31,669	...	14,000	10	...	17,669	...	...
Djember Estates	Dec. 31	3,301	15,578	18,879	...	16,450	10	...	2,429	27,403	10
Henrietta Estate	Dec. 31	11,903	3,178	15,081	...	4,812	5	3,000	7,269	14,160	10
Hongkong (Selangor).....	Dec. 31	2,197	2,361	4,558	...	2,250	5	...	2,308	2,248	5
Java United	Dec. 31	8,987	35,038	44,025	...	22,500	15	12,000	9,525	53,099	20
Rubber Estates of Krian ...	Dec. 31	58	6,093	6,151	...	6,000	5	...	151	3,388	5
Sungei Purun (F.M.S.)	Dec. 31	17,132	9,853	26,985	...	8,125	12½	5,000	13,860	14,717	15
Telogoredgo United	Dec. 31	26,984	27,215	54,199	...	35,712	6	...	18,487	73,440	10
United Sua Betong.....	Dec. 31	46,045	87,764	133,809	...	65,018	15	20,000	48,791	130,009	20
Oil.											
Burmah Oil.....	Dec. 31	502,416	1,479,626	1,982,042	261,875	1,199,083	20	370,000	151,084	1,914,772	20
Shipping.											
Claymore Shipping.....	Mar. 31	160	5,857	6,017	...	4,000	5	1,792	225	4,758	4
Shops and Stores.											
Lipton, Limited	Jan. 5	(9 mths.)	1,556	1,556	...	...	...	...	1,556	*Dr88,538*	...
Waring and Gillow	Jan. 31	148,344	187,731	336,075	45,000	75,750	15	39,721	175,604	135,934	10
Tea.											
Alliance (Ceylon)	Dec. 31	9,974	30,565	40,539	...	27,000	18	5,000	8,539	39,238	20
British Indian.....	April 30	21,123	21,171	42,294	825	21,289	25	350	19,830	39,973	40
Glentaffe Estates	Dec. 31	3,934	1,279	5,213	...	3,400	4	500	1,313	4,272	Nil
Imperial Ceylon Estates ...	Dec. 31	7,358	16,734	24,092	...	12,000	12	5,000	7,092	25,304	15
Sylhet Co.	Dec. 31	2,721	3,047	5,768	...	1,125	7½	1,500	3,143	6,264	15
Telegraphs, &c.											
Great Northern Telegraph (Denmark)	Dec. 31	219,308	438,848	658,156	...	400,000	20	33,333	224,823	357,240	20
Trust.											
Investment Trust Corporation	May 1	187,525	352,864	540,389	78,000	208,000	20	185,000	69,389	326,405	20
General Co-operative Investment.....	May 3*	593	2,537	3,130	...	2,093	6	...	1,037	...	...
Second Co-operative Investment.....	Mar. 31*	3,156	32,428	35,584	400	30,063	3	...	5,121	17,210	3½
Other Companies.											
Boots Pure Drug Co.	Mar. 31	208,307	750,153	958,460	96,750	435,000	29(*m*)	200,000	226,710	701,973	27½
Brown (Thomas) and Sons...	Jan. 31	851	27,781	28,632	7,425	10,125	7½	10,500	582	18,640	5
Burton (Joseph) and Sons...	Apr. 13	21,629	20,791	42,420	11,714	3,500	7	4,000	23,206	22,788	7
Callender's Cable, &c.	Dec. 31	474,165	347,081	821,246	56,000	120,000	15	75,000	570,246	343,878	15
City and West End Properties	Mar. 25	24,390	97,733	122,123	15,356	36,360	6¾	43,644	26,763	92,216	22(*b*)
Cope Brothers and Co.	Mar. 31	51,739	34,809	92,168	...	37,500	12½	...	54,668	62,653	12½
Crosse and Blackwell.....	Dec. 31	51,739	202,081	253,820	168,750	...	...	25,000	60,070	170,373	...
Finlay (James) and Co.	Dec. 31	277,062	506,500	783,562	30,000	375,000	25	100,000	278,562	502,516	25
Inglis and Co.	April 27	21,281	64,444	85,725	2,160	34,750	25†	22,678	26,137	60,370	15
London Palace (1921)	Mar. 25	2,722	20,174	22,896	...	15,289	7½	3,000	4,607	17,005	6
Metropolitan Association, &c.	Mar. 31	4,509	9,307	13,816	...	7,688	5	1,500	4,628	8,945	5

* Half-year. † Free of Income Tax. (*b*) On old capital. (*m*) Includes a bonus of 5 per cent. free of tax.

MINING OUTPUT STATISTICS FOR APRIL 1929.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	$	£
Lena	(1st half of May)		...	...	2,706	11,365	...
London and Rhodesian (March)	4,362	...	...	...	...	5,787	...

	Tons Output.	Other Notes in Return.
Uru Yam.....	611	Piculs. Value $38,041.
Asam Kumbang	584	Piculs. Value $36,351.
Kampong Kamunting.....	664	Piculs. Value $41,246.
Thabawleik	495	Piculs. Value $40,209.
Jantar.....	19	...

THE BROKEN HILL PROPRIETARY COMPANY LIMITED.—Report for four weeks ended May 19, 1929:—Coke ovens: Produced 9,427 tons of coke, 115,000 gallons of tar, and 147 tons of sulphate of ammonia; Blast furnace (No. 3): Produced 15,654 tons of pig iron. Open hearth: Produced 19,906 tons of steel. Blooming Mill: Produced 19,681 tons. Slimes flotation plant treated 12,169 tons slimes tailings—producing 1,729 tons oxidised lead concentrates assaying 37 per cent. lead, 17 ozs. silver per ton. Reduction in lead grades due to difficulties early in period since overcome. 1,906 tons concentrates despatched to Broken Hill Associated Smelters. Zinc roasting plant and sulphuric acid plant operated on behalf Electrolytic Zinc Company throughout period.

Reports and Notices.

BANKS.

THE NATIONAL BANK OF AUSTRALASIA, LIMITED.—The ordinary general meeting has closed, report and balance sheet as published adopted, net profit £659,278, reduction bank premises £50,000, transferred to reserve fund account £100,000, and carried forward £157,773. Balance sheet:—Total deposits, £37,341,464; advances, £32,127,195; liquid assets, £13,991,072; total assets, £47,431,823. Sir John Grice and Hon. Sir Frank Clarke, K.C.B., M.L.C., have been re-elected as directors.

RAILWAYS.

THE ANTOFAGASTA (CHILI) AND BOLIVIA RAILWAY.—The Directors announce that at the general meeting to be held on June 11th the stockholders will be asked to authorise an increase in the total of the consolidated ordinary stock. The Directors have resolved to recommend that the capital proportion of the cost of the change of gauge be adjusted by the free issue to the consolidated ordinary stockholders on the register at June 11th of £15. Consolidated ordinary stock for each £100 held. The new stock would rank for dividend as from January 1st last.

THE GREAT WESTERN OF BRAZIL RAILWAY COMPANY.—An increase of £73,398 is shown in the net operating receipts for 1928 of the Great Western of Brazil Railway Co. The revenue amounts to £218,187, against £141,731. A deficit of £224,807 brought in is replaced by a net surplus of £16,797, which is carried forward. Revised tariffs for the carriage of goods and passengers came into force on October 1st last. The President of the Republic issued a decree, dated April 26, 1929 (which has since been duly registered), revising the lease contract under which the company's system is operated. It is proposed to redeem the £72,695 of interest arrears debentures outstanding in order to resume the payment of dividends.

MISCELLANEOUS.

INVESTMENT TRUST CORPORATION, LIMITED.—The report for year ended May 1, 1929, shows a total income of £570,263, as compared with a total income of £534,083 for preceding year. Preference dividend absorbed £78,000 against £75,000. Income tax amounted to £66,882 against £61,131. The sum of £185,000 is put to reserve account against nothing in preceding year, but the carry-forward is reduced from £187,525 to £69,389. The reserve account now stands at £1,700,000. The dividend on the deferred stocks is maintained at 20 per cent., less income tax. The valuation of the investments, based as far as possible upon prices current at date of balance sheet, shows an appreciation of about £1,750,000 over their book cost of £8,088,402. Meeting, Gresham House, 24 Old Broad Street, London, on June 5th, at 2.30 p.m.

COLUMBIA GRAPHOPHONE COMPANY, LIMITED.—The directors of Columbia Graphophone Co., Limited, announce that an offer of new ordinary shares will be made on June 5, 1929, to shareholders registered on the books of the company on June 1, 1929, in the proportion of one new ordinary share at £5 for every five shares held, fractions of five shares being disregarded. The new shares will not be entitled to any dividends or bonuses declared or which may be declared for the current year ending June 30, 1929.

CROSSE AND BLACKWELL, LIMITED.—The ninth annual report and accounts show that the total income, including profits of subsidiary companies, amounted to £272,612 as compared with 1927, £207,253, 1926, £190,588. Deducting directors' remuneration, office and travelling expenses, etc., £38,056, and interest on notes £32,475, there is a balance of £202,081, which, with the amount brought forward, makes a total of £253,820. After providing for the preference dividend to December 31, 1928, the directors recommend that £25,000 be placed to reserve account (last year nil), and the balance, £60,070, be carried forward (last year £51,739). The report states that the expenditure on the Baltimore and Toronto factories has now been repaid by Crosse and Blackwell Incorporated, and that American trade is making good progress. During the year the majority of the shares of Dandicolle and Gaudin, S.A., of Bordeaux, has been acquired, and it is proposed to amalgamate this company with Etablissements Crosse and Blackwell Reunis. Goodwill, trade marks, etc., stand at £1,450,000. Cash is at £28,980 against £22,595. Loans from bankers stand at £316,044 against £329,746. Reserve stands at £212,996 against £55,073. Meeting Holborn Restaurant, June 7th, at noon.

BOOTS PURE DRUG COMPANY, LIMITED.—As shown in our issue of May 25th, page 1191, the net profit is £750,152, compared with £701,973, after allowing for repairs £66,989 (against £58,567), depreciation £40,558 (against £42,028), and staff pension fund £35,000 (against £30,000). The reserve fund is strengthened by the addition of £200,000 (against £150,000 last year) and now totals £900,000. Dividends on the ordinary shares absorb £360,000, while the bonus of 1s., tax free (against 9d., less tax), requires £75,000. The balance to be carried forward is raised from £208,307 to £226,709. The pension fund, with the year's allocation, will stand at £190,421, apart from the chemists' pension fund.

INTERNATIONAL MATCH CORPORATION.—The Report of International Match Corporation for 1928 shows net profits available for dividends of $19,098,861, or $8.12 per share on all preference and common shares compared with $7.07 for 1927.

GREAT NORTHERN TELEGRAPH COMPANY OF DENMARK.—Ordinary receipts for 1928 are £44,500 lower than in 1927. Expenditure is £7,500 higher. The actual decline in net profits is about £52,000. In order to propose a dividend of 20 per cent. on the increased share capital the Board have credited the Revenue account with about £133,000 transferred from accrued interest on the reserve fund. Cash at banks on deposit has decreased by about £165,000 during 1928.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

The continued spell of fine open weather over the United Kingdom has further enhanced agricultural prospects, all cereal crops responding to warmth and sunshine, while the condition of pastures leaves little to be desired. Limited supplies of native wheat at the principal statute markets experienced a poor demand and prices disclosed a sagging tendency in sympathy with the general situation, values of imported varieties being further reduced following forward weakness. In the floating and forward cargo section continued selling pressure was the predominant feature, and naturally resulted in a lower price level for all descriptions. The disposal of large surplus holdings in exporting countries, and particularly North America, presents a difficult problem, which apparently can only be solved by bargain prices, thus stimulating European and outside purchases. This would create healthier conditions and ensure a better market for the coming crops. Both Argentina and Canada are competing keenly, but so far United States sellers have made no serious effort to market old supplies, though putting forward offers of new hard Winter wheat. Meanwhile, buyers remain apathetic, and with everything in their favour, there is certainly little inducement to operate freely at this juncture, as bottom prices do not yet appear to have been reached. Crop prospects are satisfactory both here and abroad, and with buying competition lessened by the increased import duty on wheat in France and Italy, sellers are faced with a stiff task in finding an outlet. Part cargoes of Australian afloat sold at 41s .6d., white Pacific, June shipment, 41s., and Rosafe afloat 37s. 3d. per 480 lbs. c.i.f. Futures declined sharply, but a fairly good business resulted, chiefly in the November position. Feeding stuffs proved difficult to vend, even at a further reduction in prices, Plate maize being still pressed for sale.

Wheat, dull and easier. No. 2 Northern Manitoba, ex ship, 43s. 9., No. 3 ditto, 42s. 9d.; No. 4 Manitoba, 41s. 3d., No. 5, 38s., No. 6, 34s.; No. 2 mixed Durum, 37s. 3d.; Rosafe, 64 lbs., 39s. 9d.; Barusso, 63½ lbs., for shipment, 39s. 6d; Australian, 43s. 6d., ex ship, per 496 lbs. English, 9s. 6d.-9s. 9d. per 112 lbs.

Flour, tends easier. London straight run, 32s. 6d. per sack delivered. Of imported, Manitoba patents range from 32s. 6d. to 35s. 6d.; Minneapolis, 33s. 6d.-35s. 6d.; Australian, 32s. 6d. ex store per 280 lbs.

Maize, again easier. Plato, landed, 36s., ex ship, to arrive, 34s., May-June, 34s. 6d., June-July, 34s. 9d., July-August, 35s. per 480 lbs. Yellow maize meal, £10 per ton, landed.

Barley, dull and weak. Californian, ex ship, 43s. to 48s.; Chilean, ex store, 45s.-58s.; Australian, 41s.-44s. 6d.; Smyrna, 44s.-47s. per 448 lbs. Algerian/Tunisian, ex ship, 29s. 3d.; Canadian, food, 27s. 3d.; No. 3 Canadian Western, ex ship, 30s. 3d., landed, 31s. 3d.; No. 4, ex ship, 28s. 9d.; No. 2 Federal American, landed, 28s. 6d. per 400 lbs. English malting, 10s. 6d.-11s. 2d.; food, 9s. 8d.-10s. per 112 lbs.

Oats, easier. Plate, landed, 24s., ex ship, to arrive, 22s. 9d.; No. 1 Canadian feed, 22s. 6d.; No. 2 ditto, 21s. 6d.; ex ship, mixed Canadian food, ex ship, to arrive, 18s., landed, 20s.; Chilean, white, ex ship, to arrive, 28s., landed, 30s. 6d.; German, landed, 28s., ex ship, to arrive, 27s. per 320 lbs.; English, 9s. 8d.-10s. 2d. per 112 lbs.; Scotch, landed, 29s. 9d. per 336 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to May 25.....	Qrs. 141,532	Qrs. 174,515	Qrs. 162,986	Qrs. 189,992
37 weeks to May 25	9,103,715	9,691,105	10,778,458	12,381,246
Average price of English wheat per cwt.	s. d. 9 10	s. d. 11 2	s. d. 12 5	s. d. 13 7

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold.			Average Price per Qr.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Qrs.	Qrs.	Qrs.	s. d.	s. d.	s. d.
May 18	88,053	17,386	18,407	10 0	10 4	9 9
May 25	141,532	28,274	27,349	9 10	10 7	9 8
May 23, 1925...	339,416	33,205	65,350	12 10	10 5	10 4
May 29, 1926...	189,992	31,574	26,266	13 7	9 3	10 0
May 28, 1927...	162,986	18,326	50,231	12 5	11 5	9 11
May 26, 1928...	174,515	12,846	14,868	11 2	10 8	13 1

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

Capital Subscribed - - - - ¥15,000,000
Capital Paid Up - - - - ¥13,125,000

Head Office - - TAIPEH, FORMOSA.

London Office 40/41, OLD BROAD STREET, E.C.2

BRANCHES:

Amoy, Batavia, Bombay, Calcutta, Canton, Foochow, Hankow, Hongkong, Keelung, Kobe, New York, Osaka, Semarang, Shanghai, Singapore, Soerabaya, Swatow, Tainan, Tokyo, Yokohama, &c., &c., and Correspondents in every principal town of the world.

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

AMERICAN WHEAT MARKETS.

There has been a steady decline owing to good weather reports favourable crop prospects and inactive demand. The decline was checked late in the week by improvement in foreign inquiry, rumours that the Wheat Pool was holding for a rise, and talk of the introduction into Congress of a bill for purchasing surplus wheat for export to China. Quotations :—

NEAREST FUTURE.	Jan. 4, 1928.	Jan. 2, 1929.	May 30, 1928.	May 18, 1929.	May 22, 1929.	May 29, 1929.
Winnipeg (No. 1 Manitoba) —Cents per 60 lb.)	156⅛	122	141	114	113½	109⅜
Chicago (No. Winter)— Cents per 60 lb.....	166¼	116⅜	*144¼	105⅜	103	97

* Previous day's quotation.

Visible supplies of wheat in Canada at 72,431,000 show a decrease of 3,192,000 as compared with the previous week's figures. Supplies a year ago stood at 62,519,000.

THE COAL TRADE.

Our Sheffield correspondent writes :—The coal market is fairly steady, although trade, both abroad and at home, is a good deal quieter than it was before Easter. The house-coal section is slack and industrial fuel not very brisk. Coke is in fair supply, with an increased home demand. Best South Yorkshire steams are quoted 15s. 6d. at pits.

Our Glasgow correspondent writes :—Steam coal is moving off steadily from Fife, but is dull in the Lothians. In Lanarkshire there is an excess of supplies of all large coal, but the collieries are not disposed to cut prices to any extent. Among nuts trebles and doubles are firmer in Fife and the Lothians, while the smaller sizes are steady all over. Shipping prices are approximately as follows :— LANARKSHIRE.—Ell best, 14s.; splint best, 16s.; splint second, 15s. 6d.; navigation, 17s. 6d.; navigation second, 15s.; steam, 13s. 6d.; Hartley, 16s. 6d.; trebles, 14s. 3d.; doubles, 13s. 6d.; singles, 12s.; pearls, 11s.; dross, 10s. FIFE.—Screened navigation, 17s. 6d.; first-class steam, 13s. 6d.; third-class steam, 12s.; trebles, 14s. 6d.; doubles, 13s. 6d. to 13s. 9d.; singles, 12s.; pearls, 11s. LOTHIANS.—Prime steam, 13s.; secondary steam, 12s. 6d.; trebles, 14s. 6d.; doubles, 13s. 6d.; singles, 12s.; pearls, 11s. AYRSHIRE : Unscreened navigation, 16s. 6d.; jewel, 17s. 6d.; steam, 13s. 3d.; trebles, 13s. 9d.; doubles, 13s. 3d.; singles, 12s. 6d.; pearls, 11s.; dross, 10s. 6d.

Our Cardiff correspondent writes :—There has been a slight recovery of strength on the South Wales coal markets this week. The docks have been well supplied with tonnage, with vessels at some of them waiting turns at the loading berths, and shipments consequently have been active. Moreover, the recent action of the colliery owners in raising the minimum prices of large coals by 6d. per ton has minimised the influence of "bear" operations on the part of speculative middlemen and quotations are steadier for most descriptions. Collieries are, on the whole, regularly employed and it is estimated that production this week has again exceeded one million tons. The declared f.o.b. values of all the coal exported from the South Wales ports in April showed an increase over that for March of 8½d. per ton, viz., 18s. 5½d. compared with 17s. 9d. The improvement in f.o.b. prices has been continuous since the beginning of the year, and the April value is the highest since December, 1927. The joint audit for the three months ended April will be announced on Saturday and it is fully anticipated that it will show a credit balance for the first time since January, 1927. The following are the current approximate quotations :— Best Admiralties, 19s. 9d. to 20s. 3d.; seconds, 19s. 6d. to 19s. 9d.; best drys, 19s. to 19s. 3d.; Black Veins, 18s. to 18s. 6d.; Western Valleys, 17s. 9d. to 18s.; Eastern Valleys, 17s. 6d. to 17s. 9d.; best small steams, 13s. to 13s. 6d.; cargo smalls, 12s. to 12s. 3d.; coking smalls, 13s. 3d. to 13s. 6d.; anthracite best large, 33s. to 36s. 6d.; Red Vein, large, 23s. to 27s.; machine-made cobbles, 40s. to 44s.; French nuts, 42s. to 44s.; stove nuts, 39s. to 42s. 6d.; rubbly culm, 10s. to 10s. 6d.; foundry coke, 27s. 6d. to 36s. 6d.; patent fuel, 20s. to 21s. 6d.; pitwood, ex ship, 25s. 6d. to 26s.

IRON AND STEEL.

We extract the following from the Weekly Report of the London Iron and Steel Exchange :—Trading in iron and steel is moderately active, but it is only natural to expect that buying will show some slackness after the large business that was transacted immediately before the British steelmakers advanced their prices for structural steel. In addition, the quiet period of the year is approaching, and many of the stockholders have covered their requirements for the time being. Irregular conditions continue to rule in the pig-iron department, with a scarcity of North-East Coast foundry iron, while the supplies of Midland irons seems to be somewhat in excess of the demand; notwithstanding this, however, buying has been on a scale sufficient to maintain prices. In the Continental market conditions remain practically unaltered. The supplies of semi-finished steel material available for this country are comparatively small, and Continental manufacturers easily maintain their prices at the recent high levels. In the finished-steel department the recent indications of weakness in prices have disappeared and quotations are again firm at the levels ruling of late. The steelmakers state that they are in a comfortable position as regards the orders on their books, and have no intention of reducing prices. The export demand from several of the more important markets still fails to materialise, and both British and Continental steelworks are finding conditions disappointing in this respect.

Our Midland correspondent writes :—The iron and steel market is still firm, although the proximity of the General Election is tending to make business quiet. The outlook, however, is very promising, and the recent improvement in trade is expected to continue after the Election is over. Pig-iron production is still not sufficient to cover the requirements, but ironmasters are still adopting a waiting policy to make more certain of the outlook before increasing the production. Further, the shortage of coke is also delaying the blowing in of more furnaces. Works have practically no Cleveland iron to dispose of for some months to come and any business which is being done is through merchants, and prices are on the following basis : No, 1, 72s. 6d.; No. 3 G.M.B., 70s.; No. 4 foundry, 69s.; No. 4 forge, 68s. 6d. East Coast hematite is probably not such an active market, but the position is sound, and producers are fairly well sold for two or three months ahead. The price, however, is maintained at the same level of 74s. for mixed numbers. The recent rise in steel prices has probably somewhat reduced the flow of orders, but as works have satisfactory order books for some months ahead they need not worry over any slight slackness at the moment. The steelworks are working to satisfactory capacity, and there are prospects that this will be further increased in the district shortly. Prices remain unchanged on the following bases, subject of course, to the usual rebates : Steel ship plates, £8 12s. 6d.; steel ship angles, £8 2s. 6d.; iron bars, £10 15s.; steel rails, £8 10s. The ore market is still very firm, with supplies for forward delivery getting extremely scarce. The price of Durham blast-furnace coke also has a tendency to harden, with supplies not quite so plentiful, 19s. being asked delivered furnaces.

Our Sheffield correspondent writes :—A further advance of a shilling per ton on Derbyshire foundry pig-iron was announced this week, making the delivered quotation to this district 68s. 6d. Demand, however, continues poor. Conditions are also quieter in the heavy steel branches. In some quarters it is thought that the recent increases of iron and steel prices have checked the flow of business. Continental steel competition in this market is also rather more active in certain lines, and a few purchases of billets are reported. Several fewer open-hearth furnaces are working in this district than a month ago. Trade continues brisk at the Lincolnshire steel works, and the plants there are running approximately full time with good prospects. The trade in hand tools is steady. Cutlery and plate are depressed.

Our Glasgow correspondent writes :—In Glasgow and the West of Scotland the position in the iron and steel industry is dull. Prices of pig iron remain unchanged, but there is no expansion of business. The recent advance of 5s. per ton in steel prices for home trade has not had the effect of stimulating demand, and the market for both plates and sections is unsatisfactory, and that in spite of the fact that there is at the moment very little foreign competition. In the sheet trade the tone is rather better, and specifications are coming in more freely this week, especially for the thinner gauges, both of black and galvanized. Prices are maintained at last week's levels. Tube makers are still fully employed, and well booked for forward delivery.

Our Cardiff correspondent writes :—On the Swansea Metal Exchange on Tuesday it was reported that inquiries were good and that a fair amount of new business has been arranged with the Far East, South America, and the Continent. Consumers are accelerating contracts as it is feared that rising costs may compel manufacturers to raise the prices of tinplates. Makers are already asking premiums for certain specifications in wasters, and home consumers are taking odd sizes for prompt and forward delivery at 18s. 6d. pre basis I.C. f.o.t. works. Quotations have ruled between 18s. 6d. and 18s. 9d., and for galvanised sheets between £13 12s. 6d. and £13 17s. 6d., compared with £13 12s. 6d. and £13 15s. before the Whitsun holidays. Prices of both native and imported bars are unaltered. Stocks at the end of last week totalled 238,878 boxes, compared with 222,278 boxes at the corresponding period last year.

OTHER METALS.

TIN.—The standard market presented dull features, and value gave way following weakness in American and Eastern cables, with buyers indifferent. Tone steadier later. Stocks in London and Liverpool warehouses for week ending May 25th were returned at 7,986 tons, compared with 1,559 tons at corresponding period last year. Standard cash changed hands at £196 10s., £195 10s. and £196 10s.; three months, £199, £198 10s. and £199 2s. 6d. In the East sales were recorded at £202 to £200 15s. and £201 5s. per ton c.i.f.

COPPER.—The easiness in America was reflected on this side under moderate realisations, but later the tone was steady on a fair trade demand. Standard cash sold £72 15s., £72 5s. and £73 10s.; three months, £72 5s., £71 10s. and £72 7s. 6d. ton.

LEAD market steady, with dealings on a fairly liberal scale. Good soft pig, May, sold £23 12s. 6d. to £23 13s. 9d. and £23 11s. 3d.; June, £23 13s. 9d. to £23 11s. 3d.; August, £23 8s. 9d. to £23 7s. 6d., £23 10s.; September, £23 7s. 6d. to £23 11s. 3d. ton.

SPELTER maintained with a moderate inquiry, chiefly for distant positions. May sold £26 17s. 6d.; June, £26 11s. 3d., £26 10s.; July, £26 10s., £26 7s. 6d.; August, £26 7s. 6d.; September, £26 8s. 9d. to £26 7s. 6d. ton.

ALUMINIUM steady. Ingots and bars for home delivery £95 per ton.

ANTIMONY quiet. English regulus, £50 to £52 10s.; foreign spot, £35; May-June, £31 to £31 10s. ton c.i.f.

WOLFRAM steady. Straits quality quoted 30s. to 31s. per unit c.i.f. terms.

QUICKSILVER quiet. Spot, £22 2s. 6d. to £22 7s. 6d. per bottle.

TIN PLATES maintained. I.C. coke prompt and forward, 18s. 6d. to 18s. 9d. per box f.o.b. Swansea.

THE COTTON TRADE.

LIVERPOOL, May 29th.

Spot sales for the week 23rd to 29th, inclusive, with 24th and 25th, exclusive (the market being closed on those dates) are 22,000 bales, of which 16,330 are American, 200 Brazil, 550 Argentine, 1,150 Peru, 1,400 Egyptian, 1,000 African, 1,300 East Indian, and 70 sundries. Imports for the week 23rd to 29th, inclusive, are 58,059 bales, of which 25,390 are American, 217 Brazil, 590 Argentine, 391 Peru, 22,049 Egyptian, 3,376 African, 4,800 East Indian, and 1,246 sundries. Quotations to-day are : American Middling, 10·20; Egyptian Sakel, 17·05; Egyptian Uppers, 11·28; Brazil Fair, 10·45; Peru G.F. Mod-Rough, 12·50; Peru G.F. Smooth, 11·20; West African Mid., 10·30; East African G.F., 11·65.

MANCHESTER, May 29th.

Traders in the market have been slow at getting to work again after the Whitsuntide holidays, and to some extent the General Election has put a check upon business. Prices on the whole show very little change, but there is a fear in some quarters of a decline in raw material rates. Cloth inquiry for India has been of limited dimensions, and most of the offers have been unworkable. Mail advices at the moment are not encouraging, and there seems to be a disposition in all quarters to restrict commitments as much as possible. Only a miscellaneous business has been done for China and auction news from Shanghai has not been healthy, the quantities sold this week being reduced. Odd lots have been booked for Egypt and the Near East, and rather more demand has been about in fine finishing goods for South America and the Continent. Healthy reports on the whole have been received from the home trade. American yarns for home use have moved off slowly, and there are loud complaints of wretched prices being taken by needy sellers. Quotations in Egyptian yarns have been rather more irregular, and trade has not been of any importance.

Statement of the Cotton Trade.

	1929.				Corresponding Date.	
	May 8.	May 15.	May 22.	May 29.	1928.	1927.
	d.	d.	d.	d.	d.	d.
Raw Cotton—Mid. American .....per lb.	10·17	10·12	10·28	10·20	11·47	9·26
— Sakellaridis Fully Good Fair Egyptian .....per lb.	17·85	17·85	17·85	17·05	21·90	17·00
Yarns—32's twist .....per lb.	15	15	15	15	16⅛	15½
— 40's weft .....per lb.	15⅞	15⅞	15⅞	15¼	17½	16
— 60's twist (Egyptian) .....per lb.	26	26	26	25½	31⅛	28
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
32-in. Printers, 116 yds., 16 by 16, 32's and 50's.....	25 3	25 3	25 3	25 3	26 9	26 0
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's.....	27 9	27 9	27 9	27 9	29 3	27 9
38-in. ditto, 38 yds., 18 by 16, 10 lb.	15 0	15 0	15 0	15 0	15 3	14 1½
39-in. ditto, 37½ yds., 16 by 15, 8¼ lb.	13 4½	13 4½	13 4½	13 4½	14 3	13 4½

THE WOOL TRADE.

Our Bradford correspondent writes :—Though there are hopes that with the General Election out of the way business will improve, it is to be feared that the root cause of the depression goes much deeper than the influence of politics. The wool textile industry of the entire world is more or less depressed at the moment, lack of confidence in current values being as much in evidence in Continental centres as it is in this country. Demand in all markets is restricted to small quantities for immediate requirements, and little development can be expected until users in all countries are satisfied that raw wool is again on a firm basis. In Bradford quotations are largely nominal, especially for fine tops and yarns, and there is not enough business in any depratment to test values. There is very little change in the wages dispute, and at present it is hardly affecting the worsted industry, though there is a possibility of the trouble extending. Uncertainty regarding Safeguarding is as pronounced as ever.

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

It was not to be expected that the decline in wool values at the Australian selling centres since last February would please pastoralists. Several members of the wool-using end of the trade are surprised that the Australian Press has not already had something to say about the fall, charging buyers with adopting "bearing" tactics. It appears to be recognised that Bradford has never made any deliberate attempt to depress values in either Australia or London. Prices began to decline early his year, because of the weakening of buying power. Users in Yorkshire, France and Germany found a marked falling off in the demand for tops and yarns, which was directly responsible for the sharp decline in values which took place in February and March. Unfortunately, a more rapid decline has taken place in tops and yarns than in wool, and while Bradford buyers in Australia thought at the time that they had obtained raw material at reasonable prices, they are now finding that on arrival in this country it is too dear. In view of present manufacturing conditions, the best that can be expected is that raw material will not decline any further, and some of those associated with the wool and top market are sufficiently optimistic to think that this may be so. Whether this anticipation is realised or not depends very largely on what inspiration is given

An International Bank

The FIRST NATIONAL BANK of BOSTON

1784 :: :: 1929

BOSTON, U. S. A.

Foreign Branches

ARGENTINA — BUENOS AIRES

CUBA — HAVANA, CIENFUEGOS, SANTIAGO, SANCTI SPIRITUS

European Representatives

LONDON — 24, Old Broad St.

PARIS — 39, Rue Cambon

BERLIN — 52, Unter den Linden

Capital and Surplus

$50,000,000

BARCLAYS BANK

LIMITED

The Bank issues Drafts and Letters of Credit on all the principal towns of the World; makes Mail and Telegraphic Transfers; effects Foreign Collections; establishes Documentary Credits & generally undertakes every description of British & Foreign Banking Business.

Chief Foreign Branch : 168 Fenchurch St., London, E.C. 3.

Head Office :

54, LOMBARD STREET, LONDON, E.C.3

And over 2,000 Branches in England and Wales.

by the result of the Parliamentary election. The mere fact of this being over will probably induce the majority of firms to settle down to more serious business.

HIDE, LEATHER AND ALLIED TRADES.

The hide market is steadier with prices of market hides showing very little alteration this week. Tanners are, however, still reducing input until stocks of sole leather are lower and prices more stable. Foreign hides seem inclined to firm up, and quotations at origin are in some instances higher, as stocks are said to be low in shipper's hands. South American hides have been selling well to the United States. Europe also showing more interest in this market. Argentine fregorifics are now selling at 8 7/16d., and the market is reported as being well sold up. In saladero hides, sales of Saltos are reported at 8¾d., and Rio Grandes at 7 15/16d., the latter on Russian account. In view of a strong demand, prices of African hides have advanced, with small supplies, best and second drys making 11¼d. and 10¼d. respectively. Australians are again wanted, and Queensland meatworks hides are selling at 9d. for dry salted. Cables from Chicago report a steady market, with best heavy packer steers selling at 15½ cents. Frequent small orders for sole leather make up an improved turnover for tanners and merchants. Prices are rather more stable, but not sufficiently so to induce speculation. Light bends are wanted by shoe manufacturers, whilst repairers are again taking medium weights of wet salted. Business is, however, rather checked by the fact that there are weak holders of stock who are prepared to sell at below cost of production. Offal is selling regularly with prices rather fluid, shoulders which will cut soles are well in request from makers of ladies' and sports shoes. Dressers of kip leathers are rather slack, the demand for semi-chrome and wax leathers being still slow. As some of them have done a large business with the United States in linings, they are feeling rather anxious at the proposal to place a heavy tax on dressed leather under the American Tariff Bill. Box and willow calf are wanted in small lots, prices being rather weak in view of the anxiety of Continental makers to sell. Patent sells regularly, while the demand for black and brown glacé is well maintained in centres catering for women's and children's shoes. The footwear section is improving, and many manufacturers are now well placed for orders for some weeks ahead.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—The market produced very little matter for comment. Trade jogs along quietly and previous prices were repeated in the case of spot goods with British makes claiming all attention. Cables from Java still speak of weather conditions being too dry over an extensive area, while according to market gossip, there is some reduction in previous estimate by Mr. F. O. Licht, respecting European area sown. The U.S.A. Tariff Bill has apparently passed the lower House and now awaits presentation to the Senate. Raw refining kinds steady. T.L., granulated, ex refinery, sold, 21s. 7½d.; white, Mauritius, spot, London, 20s. to 20s. 4½d. as to quality. Czecho granulated ready for shipment to the U.K. sold, 10s.; November–December, quoted, 10s. 5½d.; with sales in November–December, 1930, at 11s. 2½d. f.o.b. Hamburg. Dutch J, ready, quoted, 10s. 6d. f.o.b. Rotterdam. White Java unaltered. Cuban 96 per cent., July–August, 8s. 6d. c.i.f. U.K. Terminals, steady, quiet. Raw, August, sold, 7s. 9d.; December, 8s. 2½d., 8s. 1½d.; March, 8s. 5½d., 8s. 4½d.; white, May, quoted, 9s. 8½d.; August, 10s. 0¾d.; December, sold 10s. 6d.; March, 11s. cwt. Cuban receipts last week, 75,465 tons, against 37,379 last year; exports, 110,729 (also 901 old crop), against 66,127; stocks, 1,488,370, against 1,288,713; Central Workings, 8 against 3. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending May 25th amounted to 122,083 tons, against 129,972 at same time last year.

COCOA.—Market very quiet and prices in forward positions gave way. Accra F/F, July–August, quoted, 39s. 6d.; and October–December, sold, 42s. f.o.b. Terminal, July, quoted, 43s. 6d.; September, 45s. 3d.; March, sold, 47s. 4½d., 46s. 10½d. and 47s. 1½d.

COFFEE.—Public sales were resumed this week and while home-trade qualities received fair support at about steady rates, particularly foreign cleaned Costa Rica, export kinds were neglected. Kenya bold sizes, sold, 133s. 6d. to 140s. 6d.; Costa Rica, 130s. 6d. to 140s. 6d.; Vera Paz Maragogipe, 191s.

TEA.—Indian sales were resumed on Monday last and during the week, 51,725 packages were offered. A generally quieter tone predominated, though really fine liquoring teas were well competed for at full rates. Otherwise, market disclosed irregularity with medium about ½d. and common ¼d. per lb. easier. Ceylon sales were heavy at 38,835 packages. A quiet market resulted in the main. A small quantity, finest, sold steadily, but all other descriptions suffered a decline of ½d. to 1d., which, however, was partly accounted for by continued falling off in quality. Java and Sumatra auctions quiet and almost without exception easier. Of China, Keemuns sold 2s. 5d. to 2s. 6d., and there was a good demand for siftings at 6½d. to 7d. Cables from Hankow, record quality of new season's arrivals as decidedly better than last year and Keemuns held for 2s. 7d. to 3s. 3d. per lb. as to quality.

RICE.—All Eastern markets cabled very firm, and offers of Burma grain by shippers are comparatively small, as the native is reluctant to sell. Trade throughout Europe, however, fails to revive, and is held in considerable check by the low rates now current for wheat and maize. This position, however, now becomes changed regarding France, where there is now a better demand for rice owing to the prohibitive import duty imposed on wheat.

PEAS.—Market quietly steady. Japanese, afloat, 16s. 9d. to 17s. 3d.; April–May, Liverpool sold, 17s. 3d.; May–June, London, sellers, 17s. 3d.; new crop, September–October, 19s. c.i.f. Little mention is made respecting Dutch and Maple varieties.

BEANS.—Market firm; fair demand. Madagascar butters, afloat, 39s.; spot, 40s. to 42s. as to sample. Rangoon haricots, May–June, 14s. c.i.f.

SPICE.—Pepper met a quiet demand, but prices denoted no material change. Sales in Lampong black, May–July, at 1s. 3½d.; August–October, 1s. 2½d.; Muntok white, August–October, 1s. 11d. and buyers. London stocks of black reduced 14 tons on the week, and white 33. Tellicherry, March–May, 147s. cwt. c.i.f. Cloves quiet, unaltered. Sago flour, May–June, to the United Kingdom, sellers, 11s. 3d. c.i.f. Tapioca dull on former terms. African ginger, spot, London sold, 60s. cwt.

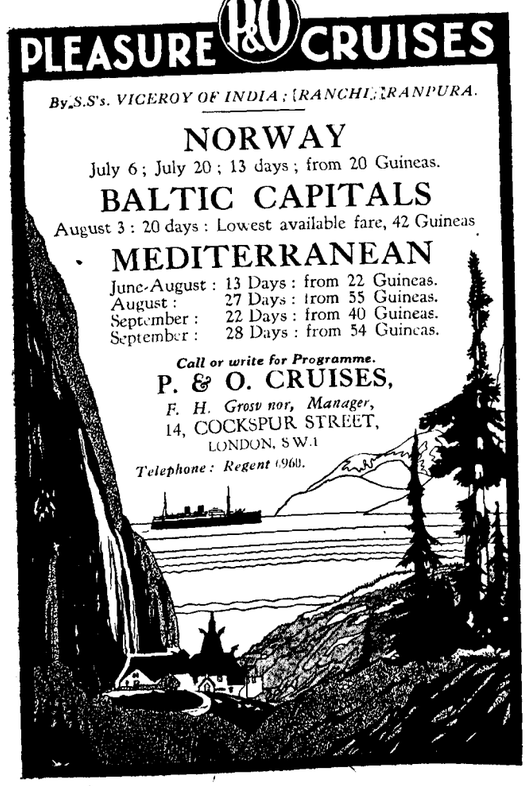
FRUIT (Dried).—Currants in quiet request, but prices fully steady on limited offerings. Pyrgos quoted 45s.; Amalias, 45s. 6d.–46s.; Zante, 46s. 6d.–47s.; Vostizza, 50s.–55s.; Australian, sold steadily at 46s.–56s. Sultanas quiet, and Smyrna practically cleared on spot, but parcels to arrive are engaging attention at about 40s. c.i.f. Choice Cretan quoted at 55s.–59s; Australian, new, 40s.–68s., old, 31s.–40s.; Cape, 52s.–56s. Raisins dull; Valencia, common to good, 40s.–45s.; Lexias, 45s. Figs in small supply, bags genuine, common to fine, 28s.–33s. Dates in fair demand; Siar, spot, 14s.–16s.; first tide, 14s. per cwt.

EVAPORATED FRUITS.—In steady demand and market firm. Californian plums, 20's–30's, quoted 66s.–67s.; 30's–40's, 57s.–58s.; 60's–70's, 44s.–46s. Pears, Lake County, 7s.–100s. Apricots, South African Royal, 57s. 6d.–117s. 6d.; Australian, 70s.–82s. 6d. Peaches, Californian, choice, 54s.; extra choice, 56s.; fancy, 60s. Apples, Californian, spot, sliced, extra choice, 77s. 6d. Almonds quiet and tendency easier; Mazagan, 132s. 6d.; Mogador, 132s. 6d.; Majorcas, 135s.; Bitter-Jordan, 185s.–210s. cwt.

CANNED GOODS.

CANNED FRUITS.—Market firm, with a good demand for most descriptions of Californian fruits, consumption being stimulated by a spell of warm weather. Certain lines are becoming scarce, especially peaches and apricots, which show a hardening tendency. Australian fruits clear readily on arrivals. Singapore pines in moderate request, but prices steady as stocks are by no means large. South African in fair request, Hawaiian being firmly held. Italian tomatoes quiet but without material change in value.

CANNED FISH.—Sardines, market steady; Portuguese clubs, 5s. per dozen tins. Lobsters, new pack in limited supply and best halves held for 145s.–155s. Salmon in better demand, and prices were maintained; red talls, spot, 44s.–46d.; pink, ditto, 26s. 6d.–27s. 6d.; halves, 33s.–36s. 6d. Japanese crab firm, finest quality ruling at 97s. 6d.–102s. 6d.



THE NEW YORK CENTRAL RAILROAD COMPANY

Extracts from the Report of the Board of Directors to the Stockholders for the year ended December 31, 1928.

Operating Income.	Year ended Dec. 31, 1928.	Year ended Dec. 31, 1927.	Increase.	Decrease.
Railway Operations.	6,911·27 *miles operated.*	6,906·21 *miles operated.*	5·06 *miles.*	
Railway operating revenues	$381,733,244 32	$383,377,311 19		$1,644,066 87
Railway operating expenses	288,250,203 20	293,399,836 25		5,149,633 05
Net revenue from railway operations	$93,483,041 12	$89,977,474 94	$3,505,566 18	
Percentage of expenses to revenues	(75·51)	(76·53)		(1·02)
Railway tax accruals	$29,136,903 40	$25,193,779 94	$3,943,123 46	
Uncollectible railway revenues	130,543 88	106,116 97	24,426 91	
Railway operating income	$64,215,593 84	$64,677,578 03		$461,984 19
Equipment rents, net debit	$5,082,960 30	$5,831,379 94		$748,419 64
Joint facility rents, net credit	3,089,488 42	2,977,628 96	111,859 46	
Net railway operating income	$62,222,121 96	$61,823,827 05	$398,294 91	
Miscellaneous Operations.				
Revenues	$806,434 21	$844,401 48		$37,967 27
Expenses and taxes	771,857 88	799,356 42		27,498 54
Miscellaneous operating income	$34,576 33	$45,045 06		10,468 73
Total operating income	$62,256,698 29	$61,868,872 11	$387,826 18	
Non-operating Income.				
Income from lease of road	$121,460 21	$118,545 02	$2,915 19	
Miscellaneous rent income	4,678,141 05	3,913,012 56	765,128 49	
Miscellaneous non-operating physical property	1,670,448 10	218,305 67	1,452,142 43	
Separately operated properties—profit	625,521 14	1,046,006 81		$420,485 67
Dividend income	19,604,392 20	31,260,564 75		11,656,172 55
Income from funded securities and accounts	3,251,582 82	3,230,591 21	20,991 61	
Income from unfunded securities and accounts	4,330,899 54	2,551,845 74	1,779,053 80	
Income from sinking and other reserve funds	187,573 12	168,311 39	19,361 73	
Miscellaneous income	124,622 45	101,495 85	23,126 60	
Total non-operating income	$34,594,740 63	$42,608,679 00		$8,013,938 37
Gross income	$96,851,438 92	$104,477,551 11		$7,626,112 19
Deductions from Gross Income.				
Rent from leased roads	$14,117,576 90	$14,360,838 39		$243,261 49
Miscellaneous rents	1,381,959 89	893,639 29	$488,320 60	
Miscellaneous tax accruals	1,738,966 97	266,405 56	1,472,561 41	
Separately operated properties—loss	52,899 70		52,899 70	
Interest on funded debt	27,744,694 35	29,292,539 92		1,547,845 57
Interest on unfunded debt	752,012 48	334,765 77	417,246 71	
Amortization of discount on funded debt	456,381 85	501,155 70		44,773 85
Maintenance of investment organization	3,777 75	5,266 60		1,488 85
Miscellaneous income charges	268,683 93	257,794 58	10,889 35	
Total deductions from gross income	$46,516,953 82	$45,912,405 81	$604,548 01	
Net income	$50,334,485 10	$58,565,145 30		$8,230,660 20
Disposition of Net Income.				
Dividends declared (8 per cent. in 1928; 7¼ per cent. in 1927)	$34,854,879 30	$30,462,783 11	$4,392,096 19	
Sinking and other reserve funds	175,851 37	159,054 11	16,797 26	
Investment in physical property		650 00		$650 00
Total appropriations of income	$35,030,730 67	$30,622,487 22	$4,408,243 45	
Surplus for the year carried to profit and loss	$15,303,754 43	$27,942,658 08		$12,638,903 65

PROFIT AND LOSS ACCOUNT.

Balance to credit of profit and loss, December 31, 1927		$217,926,914 65
Additions:		
Surplus for the year 1928	$15,303,754 43	
Profit on property sold (net)	169,349 46	
Profit on securities sold (net)	26,953,997 39	
Sundry adjustments (net), unrefundable overcharges, and uncollectible accounts	348,580 29	42,775,681 57
		$260,702,596 22
Deductions:		
Surplus appropriated for investment in physical property	$230,763 37	
Depreciation prior to July 1, 1907, on equipment retired during year	534,400 39	
Loss on property retired	812,020 17	
Cancellation of indebtedness of Raquette Lake Railway Company account deficit from operation prior to January 1, 1928	326,795 71	1,903,979 64
Balance to credit of profit and loss, December 31, 1928		$258,798,616 58

CONDENSED GENERAL BALANCE SHEET, DECEMBER 31, 1928.

ASSETS.	1928	Comparison with 1927.
Investments.		
Investment in road	$591,202,847 19	$27,230,727 82 Inc
Investment in equipment		
Trust	150,321,151 46	396,542 00 Inc
Owned	254,630,413 61	4,143,592 25 Inc
Improvements on leased railway property	134,345,900 76	2,552,023 30 Dec
Deposits in lieu of mortgaged property sold	45,582 06	54,701 70 Dec
Miscellaneous physical property	28,262,011 43	8,624,459 49 Inc
Investments in affiliated companies		
$157,634,846 66 Stocks $142,192,221 07		15,442,625 59 Dec
12,267,490 36 Bonds 11,963,490 36		304,000 00 Dec
42,805,666 57 Notes 11,840,095 32		30,965,571 25 Dec
68,029,225 97 Advances 97,922,663 50		29,893,437 53 Inc
	263,918,470 25	16,818,759 31 Dec
Other investments		
$42,658,997 90 Stocks $40,435,972 77		2,223,025 13 Dec
1,550,821 67 Bonds 1,577,321 67		26,500 00 Inc
2,495,906 30 Notes 1,375,041 26		1,120,865 04 Dec
11,066,569 54 Advances 8,835,966 59		7,769,397 05 Inc
12,444 98 Miscellaneous 9,712 85		2,732 13 Dec
	62,234,015 14	$4,449,274 75 Inc
Total Investments	$1,484,960,391 90	$25,419,112 00 Inc
Current Assets.		
Cash	$40,012,139 59	$19,380,551 90 Inc
Special deposits	351,881 09	86,160 18 Dec
Loans and bills receivable	1,628,268 78	1,619,289 44 Inc
Traffic and car-service balances receivable	2,243,660 70	1,928,765 47 Inc
Net balance receivable from agents and conductors	4,385,588 95	467,137 17 Inc
Miscellaneous accounts receivable	12,014,322 21	716,690 71 Inc
Material and supplies	28,221,596 35	4,167,186 05 Dec
Interest and dividends receivable	7,669,904 17	562,563 05 Dec
Rents receivable	375,455 54	19,256 00 Dec
Other current assets	461,939 56	86,110 41 Dec
Total Current Assets	$97,364,756 94	$19,191,159 00 Inc
Deferred Assets.		
Working fund advances	$191,351 67	$7,150 00 Inc
Insurance and other funds	4,010,009 31	383,784 88 Inc
Other deferred assets	850,701 62	3,210 81 Inc
Total Deferred Assets	$5,052,062 60	$394,145 69 Inc
Unadjusted Debits.		
Rents and insurance premiums paid in advance	$171,772 70	$28,593 83 Inc
Discount on funded debt	11,001,284 28	456,381 85 Dec
Securities acquired from lessor companies (per contra)	$125,001 00	
	15,176,458 82	349,883 71 Dec
Other unadjusted debits	$26,473,516 80	$777,671 73 Dec
Total Unadjusted Debits	$1,613,850,728 24	$44,226,744 96 Inc

LIABILITIES.	1928	Comparison with 1927.
Stock.		
Capital stock	$463,559,135 00	$42,273,700 00 Inc
Premium on capital stock	4,647,825 90	250,975 90 Inc
Total Capital Stock	$468,206,960 90	$42,524,675 90 Inc
Long Term Debt.		
Funded debt unmatured—		
Equipment obligations	$61,720,071 31	$7,360,867 33 Dec
Mortgage bonds	547,951,000 00	50,000,000 00 Dec
Debenture bonds	17,560,200 00	
Real estate mortgages	37,000 00	
Total Long Term Debt	$627,268,271 31	$57,360,867 33 Dec
Total Capitalisation	$1,095,475,232 21	$14,836,191 43 Dec
Current Liabilities.		
Traffic and car service balances payable	$6,148,764 05	$3,594,849 21 Inc
Audited accounts and wages payable	22,977,448 07	861,024 84 Dec
Miscellaneous accounts payable	2,886,219 44	234,359 41 Dec
Interest matured unpaid	2,488,074 48	10,467 25 Dec
Dividend declared, payable Feb. 1, 1929	9,271,177 90	845,476 00 Inc
Dividends matured unpaid	201,744 98	6,041 85 Inc
Funded debt matured unpaid	333,090 00	320,000 00 Inc
Unmatured interest accrued	5,126,080 85	740,906 02 Dec
Unmatured rents accrued	1,147,586 35	51,870 01 Inc
Other current liabilities	15,017,235 11	1,954,035 37 Dec
Total current liabilities	$65,597,361 23	$1,017,444 18 Inc
Deferred Liabilities.		
Liability to lessor companies for equipment	$14,715,322 52	$904,337 41 Inc
Other deferred liabilities	4,603,013 97	
Total deferred liabilities	$19,318,336 49	$904,337 41 Inc
Unadjusted Credits.		
Tax liability	$14,660,833 36	$2,766,296 59 Inc
Insurance and casualty reserves	1,602,550 86	536,221 18 Inc
Accrued depreciation—road	1,833,520 54	259,164 06 Inc
Accrued depreciation—equipment	126,677,134 76	12,517,996 59 Inc
Accrued depreciation—miscellaneous physical property	1,525,642 99	381,689 96 Inc
Liability to lessor companies for securities acquired (per contra)	125,001 00	
Other unadjusted credits	25,238,175 19	592,412 85 Dec
Total unadjusted credits	$171,662,858 70	$15,868,955 53 Inc
Corporate surplus.		
Additions to property through income and surplus	$1,406,779 76	$230,763 37 Inc
Miscellaneous fund reserves	1,591,543 27	169,733 97 Inc
Profit and loss—balance	258,798,616 58	40,871,701 93 Inc
Total corporate surplus	$261,796,939 61	$41,272,199 27 Inc
	$1,613,850,728 24	$44,226,744 96 Inc

For the Board of Directors, P. E. CROWLEY, President.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 3, N. Man. 496 lb....	43	9
Eng. Gas. av., per cwt.	9	10
Barley, Eng. Gas. av.	10	7
Oats, " " "	13	0
Maize, La Plata, landed, 480 lb.	36	0
Flour, Lon. stan. ex mill, 280 lb.	31	6
Rice, No. 2 Burma, per cwt.....	13	0
Sago, pearl, per cwt.	22	6
Tapioca, per cwt.—		
E.I. flake, fair spot 21, 6	22	6
Medium pearl 20 0	21	9
Potatoes, good English, per ton... 60 0	70	0
New Spanish, cwt 13 0	14	0

Beef, per 8 lbs.—	s.	d.	s.	d.
English sides.....	5	6	6	2
Argentine chilled hinds...	4	2	4	6
Mutton, per 8 lbs.—				
English wethers	6	4	8	0
N.Z. frozen "	4	0	5	4
Pork, English, per 8 lbs. ...	6	8	7	4

OTHER FOODS.

BACON—			
Irish .....per cwt.	110	0	130	0
Danish.....	104	0	112	0
Canadian.....	98	0	108	0
Dutch	96	0	106	0
HAMS—Irish.....	0	0	0	0
Canadian.....	0	0	0	0
American	108	0	125	0
BUTTER—				
Irish creamery per cwt.	158	0	160	0
Australian	146	0	164	0
New Zealand	148	0	168	0
Danish.....	164	0	0	0
CHEESE—				
Canadian ..... per cwt.	96	0	110	0
New Zealand	88	0	92	0
English Cheddars	130	0	144	0
Dutch	42	0	81	0
COCOA—				
(Duty, British grown, 2s. 4d., foreign, 14s. cwt.)				
Accra f.f., per cwt.	46	0	49	0
Trinidad	60	0	65	0
Grenada	50	0	57	0
COFFEE—				
(Duty, British grown, 2s. 4d., foreign, 14s. cwt.)				
B.I., good to fine, per cwt.	145	0	155	0
Costa Rica, good to fine...	160	0	180	0
Cent. Amer., mid to fine	120	0	145	0
Kenya, bold sizes	133	6	145	0
Colombian, mid to fine...	123	0	134	0
EGGS—				
English ..... per 120	12	3	14	3
Danish.....	11	6	14	3
FRUIT—				
Oranges, Denia & Val. 300	20	0	40	0
" " 360	20	0	35	0
" " 504	22	0	38	0
Jaffa ..... boxes	144	0	0	0
Lemons, Naples boxes	15	0	42	0
Sicilian ..... boxes	12	0	16	0
" .....cases	12	0	25	0
Murcia ..... half cases	0	0	0	0
Malaga ...cases 420 No. 1	0	0	0	0
Apples: Amer. (var.) brls.	0	0	0	0
" (var.) boxes	10	6	12	0
Onions, Valencia :—				
case 4s.	0	0	0	0
case 5s.	0	0	0	0

FRUIT (*continued*)—	s.	d.	s.	d.
Onions, Egyptian, bag	4	0	5	6
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....brls.	0	0	0	0
LARD—				
Irish bladders.....	76	0	82	0
American boxes 56 lbs.	60	9	61	3
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	2½	0	0
Black Lampong	1	4½	0	0
Cinnamon—1st sort, per lb.	2	2	0	0
Cloves—Zanzibar per lb.	1	5½	0	0
Ginger—per cwt.—				
African	60	0	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	2	9	3	10
Nutmegs 65's	1	10	2	0
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	21	0	23	6
Java, white, c.i.f. India, July–Sept.	11	10½	0	0
REFINED—London—				
Yellow Crystals	20	10½	0	0
Cubes	25	3	25	9
Crushed	24	0	24	6
Granulated	22	0	22	10½
Home Grown (prompt)	21	6	21	9
TEA—				
(Duty 3½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	0	11	2	2
Broken Pekoe	0	11	2	2½
Orange Pekoe.....	1	0⅜	2	3
Broken Orange	1	1½	2	8
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	1	3	2	3
Rhodesian	1	0	3	6
Havana	1	6	0	0
Greek	0	10	1	6
East Indian	0	5	0	10½

TEXTILES.

COTTON—	d.	
Mid-American .....per lb.	10·20	
Sakellaridis, f.g.f.	17·05	
Yarns, 32's twist	15	
60's twist	25	
FLAX—	£	s. £ s.
Livonian ZK .....per ton	79	0 0 0
Pernau HD.....	71	0 0 0
Slanetz Medium 1st sort	83	0 0 0
HEMP—		
Italian P.O. ..... per ton	59	0 0 0
Manila, June–Aug. "J2"	38	0 10 0
N.Z.		nom.
Sisal	38	0 40 0
JUTE—		
Native 1st mks....per ton		
June–July	30/5/0	0/0/0
Aug.–Sept.	31/0/0	0/0/0

SILK—	s.	d.	s.	d.
Canton .....per lb.	16	0	18	0
Tussah.....	8	0	10	0
Japan	21	6	23	3
Italian—Raw, fr. Milan	19	0	22	0

WOOL—	d.
English Southdown, washed per lb.	25
" Lincoln hog, washed	17
Queensland, scd. super cmbg.	41
N.S.W. greasy, super "	23
N.Z., gray., half-bred 50–56	19½
Crossbred 40–44	15
Tops—	
Merines 70's	44
" 64's	41½
Crossbred 48's	25
" 46's	23

MINERALS.

COAL—	s.	d.	s.	d.
Welsh, best Ad'ty...ton	20	0	20	6
Durham, best gas	16	0	16	6
Sheffield, best house ...	19	0	20	0

IRON AND STEEL—	£	s.	£	s.
Pig, Cleveland No. 3, ton	70	0	72	6
Bars, M'brough 215		0	0	0
Steel Rails, heavy.....170		0	0	0
Tin Plates, I.C., per box	18	6	18	9

METALS—	£	s.	£	s.
Copper, Electrolytic, ton	84/0/0		84/7/6	
Sheets (strong) 112		0	0	0
Standard	72/7/6		72/10/0	
Lead Eng. Pig ...per ton	24/15/0		25/0/0	
Soft Foreign	23/12/6		23/8/9	
Spelter G.O.B.	26/17/6		26/7/6	
Tin—English ingots ...197/10/0			198/0/0	
Standard, cash 196/15/0			196/17/6	

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb. less 5%	2	0	2	2
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	0	9	10
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	29	0	30	0

CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
S.D. Straits, c.i.f., per ton June–July	£21/3/9		0	0
Smoked ditto.....	£19/10/0		0	0

DRUGS—	s.	d.	s.	d.
Camphor—				
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	13	6	13	9
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d.
Wet salted—Australian per lb.	0	5½	0	6½
West Indian	0	4	0	6½
Cape	0	6	0	6½
Dry and Drysalted Cape....	0	9	1	0½
Market Hides, London—				
Best heavy ox & heifer	0	6	0	6½
Best cow	0	5½	0	5⅝
Best calf	1	8½	0	10⅝
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	6
LEATHER—				
Sole Bends 8/14 lb.— per lb.	1	2	2	2
Bark Tanned Sole	2	6	3	3
Shoulders fm DS Hides	0	9½	1	1½
Do. Eng. or WS do.	1	2	1	8
Bellies from DS do.	0	7½	0	9½
Do. Eng. or WS do.	0	9½	1	3
Dressing Hides.....	1	6	2	0
Ro. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Beads	1	6	2	0

VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	28/15/0		0	0
Rape, refined	43	0	0	0
Cotton-seed, crude	27	10	0	0
Cocoanut, crude.....	32	0	0	0
Palm	30/5/0		32/2/6	
Oil Cakes, Linseed, Eng., per ton	12/10/0		12/15/0	
Oil Seeds—Linseed—				
La Plata, p.ton June–July	15/11/3		0	0
Calcutta, p.ton June–July	17/3/9		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	45	9	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		21/12/6	
Cylinder	14/15/0		42/15/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	17	5	24	0
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	10⅜	0	0
Fine Hard Para per lb.	0	11½	0	0
SHELLAC—				
TN Orange ... per cwt.	197	6	0	0
SHELLS—	£	s.	£	s.
W. Aust. M.-o.-P. "	4	0	12	10

TIMBER—	£	s.	d.
Swedish u/s 3 x 8 per std.	19	0	0
Do. 2½ x 7 "	19	0	0
Do. 2 x 4 "	19	0	0
Can'dn Spruce, Dis. "	17	10	0
Pitchpine ..... per load	9	0	0
Rio Deals ..... per std.	32	0	0
Teak ..... per load	20	0	0
Honduras Mahg. logs	c. ft.	0	11	6
African "	0	6	0
American Oak Boards "	0	6	0
Do. Ash "	0	6	0
English Oak Planks "	0	7	0
Do. Ash "	0	6	0

CANNED MEATS.—Corned beef and tongues firm, with moderate inquiries. Danish boned hams also realise full rates. Brawn also firm and in request.

CONDENSED MILK AND MILK POWDERS.—Market fairly steady. Full cream, sweetened, English, spot, 42s. 6d.; Dutch ditto, 37s. 6d.; June–July, 37s. 6d. Machine-skimmed, sweetened, English, spot, 25s.; Dutch, ditto, 22s. 6d.; June–July, 23s., all in 5-cwt barrels. Powders, spray process, F.C. 26 per cent., 2 by 56 lb. tins, crated, 90s.; M.S. (1-cwt. cases), 41s.; roller ditto, F.C. 26 per cent., 73s., M.S., 31s. 6d., all nett, duty paid, ex-wharf London. On the grocery side, F.C.S., 20s.; M.S., 9s. 6d., basis per case, usual packing. Danish cream, evaporated, unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d.; condensed, sweetened, 48 by 14 oz., 20s. per case.

HONEY.—Market quiet. Jamaican good amber to fine pale 49s.–55s.; dark to fair amber, 40s.–47s. 6d.; New Zealand dark amber, 50s.–55s.; medium, 55s.–65s.; light, 65s.–85s.; white and water whites, 65s.–87s. 6d. per cwt.

RUBBER.

Market steady, but general course of trade quiet, as manufacturers are not disposed to exceed immediate requirements at the moment. Sheet spot and June sold 10⅝d.; July–Sept., 10⅞d.; Oct.–Dec., 11⅛d.; Jan.–March, 11⅜d. London stocks 62 tons lower on the week, landings being 1,368; deliveries, 1,430; stocks, 30,893; compared with 44,628 at corresponding period last year. Liverpool stocks, 449 tons higher, landings being 559; deliveries, 110; stocks, 4,665

GENERAL.

JUTE.—Market easier, especially for new crop. Calcutta cabled steady for old but lower regarding new, while local stocks have undergone considerable diminution of late. Firsts, May-June, quoted £30 2s. 6d.; June–July, £30 5s.; new crop, Aug.-Sep., sold £31.

HEMP.—Quite a firm market for Manila grades as shippers are reserved in their offers and fair buying disposition shown. J.2, June-Aug., quoted £38 10s.; K ditto sold £33 15s. net; L.1 quoted £24; L.2, £32; M.1, £32 5s.; M.2, £27 5s. African sisal firm, unaltered. Manila receipts for the past week totalled 32,000 bales, against 32,000 last year. Estimate for next week, 32,000, and following week, 26,000. Shipments to U.K./Continent last week, 12,000; U.S.A., 17,000; Japan, 7,000; other countries and local consumption, 5,000. Local stocks 7,000 down at 201,000 bales.

SHELLAC, quieter. T.N., spot, 197s. 6d.; Aug., 193s.; Oct., 195s. cwt.

COPRA.—Intensified depression took possession of this market and which appears unable to absorb the full quantities now coming along. Straits, S.D., June–July, Rotterdam, quoted, £21; Aug.-Sep., £21 2s. 6d.; Dutch East Indies, June–July, £20 17s. 6d.; Ceylon, £22 2s. 6d., to Marseilles; mixed, excluding Padang, June–July sellers, £19 12s. 6d.; smoked, South Sea, sellers, £19 8s. 9d.; sun-dried, £19 15s.; plantation Rabaul, £20; hot-air dried, £20; Manila, £19 15s. Palm kernels, June–July, to Hamburg quoted £16 10s.

MISCELLANEOUS.—Coconuts, quoted, 16s. to 23s. per 100. Coir yarn, Ceylon, £19 10s. to £37 10s.; Cochin, £23 to £41; Ceylon bristle, £18 15s. to £25; cinnamon leaf oil, 5½d.; citronelle, Ceylon, 1s. 10½d.; Java, 2s. 1d.

METROPOLITAN CATTLE.—May 29.

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

	s. d.	s. d.
Beasts—Norfolk	6 6	6 8
Irish	...	...
Cambridge.....	...	...
Short Horns	...	...
Herefords	6 0	6 4
Devons	...	...
Leicester runts	...	...
Beasts—Heavy Bulls	s. d.	s. d.
Canadian	...	...
Sheep—Downs	8 4	8 10
Half bred	...	...
Ewes	4 4	5 0
Scottish	...	...
Lamb—Downs	12 4	13 4

LONDON POTATO MARKETS.—May 29.

	Per Cwt. s.	d.	s.	d.
English King Edward—Lincoln	3	0	4	0
White varieties.....	2	0	2	6
New Spanish	16	0*	16	0

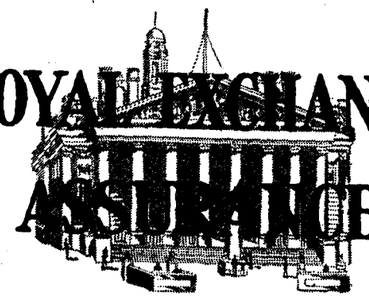
The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, JUNE 8, 1929. No. 4,476.



Incorporated A.D. 1720

ALL CLASSES OF INSURANCE TRANSACTED

Head Office: Royal Exchange, London, E.C.3

WITH PROFIT
ASSURANCE
AT
NON PROFIT RATES

Full particulars will be sent on application

The Scottish Provident Institution

for Mutual Life Assurance

Head Office: 6 ST. ANDREW SQUARE, EDINBURGH.
London: 3 Lombard Street, E.C.3; 56 Chancery Lane, W.C.2.
17 Pall Mall, S.W.1.

FUNDS £20,500,000

BANCA COMMERCIALE ITALIANA.

Established in 1894. Head Office: MILAN.
Capital 700 million Lire. Reserves 560 millions.
Deposits 7,251 millions.

Branches in every centre of commercial and industrial importance in Italy; also in London, New York, and Constantinople.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Greece, Egypt, Morocco, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

London Office

32, Threadneedle Street, E.C.2.

A. JOEL, *Manager.*

Correspondents to the Italian Treasury.

TABLE OF CONTENTS.

The Money Market	1269
Leading Articles—	
Parliament and the Nation	1271
The Foreign Policy of Mr MacDonald	1272
The Fall in Wheat Prices	1273
Group Pension Schemes	1274
Our Timber Imports ...	1275
The Election Results...	1276
Notes of the Week—	
President Hoover and Naval Armaments ...	1278
The Reparations Settlement	1279
Franco-American Debt..	1279
Minorities and the League Council	1279
The Second Finance Bill	1279
The New Government and Banking.....	1280
The Honours List	1280
World Production and Trade	1280
Our Index Number	1281
China and Russia.....	1281
Protectionism in the Irish Free State	1282
The Elections in Northern Ireland	1282
South Wales Coal Movement	1283
Safety at Sea	1283
Agriculture in 1928	1283
Economic Conditions in Czechoslovakia	1283
Pioneer Life Assurance	1284
Overseas Correspondence—	
France	1284
Germany	1285
Belgium	1286
Russia	1287
Australia	1288
Letters to the Editor—	
Electricity Supply Companies	1288
Books and Publications—	
Mr Theodore Dreiser on Russia	1290
The Unemployed.....	1290
Books Received	1291
The Stock Exchange—	
American Buying of British Securities.....	1292
The Week in the Markets	1294
Foreign Stock Exchanges	1294
London Active Securities	1295
Slump in New Issues ...	1296
The Gilt-Edged Position	1296
The Copper Outlook ...	1297
Royal Mail Steam Packet	1297
The Austin Motor Co.	1297
Pease and Partners	1298
Associated Newspapers	1298
Hudson's Bay	1298
International Telephone and Telegraph Corporation	129
Antofagasta (Chile) and Bolivia Railway Co.	129
Anglo-American Oil Co.	129
Eagle Oil Transport	1300
Associated Tin Mines of Nigeria, Limited	1300
Eastern Dredging Results	1301
Zinc Corporation	1301
The Underwriters' Trust, Limited.....	1301
The New Luxembourg Bourse.....	1301
Company Meetings of the Week	1302
Capital Issues.....	1302
Rhodesian Gold Output	1302
Company Meetings, &c. ...	1307
Government Returns, &c.	1315
The Bankers' Gazette—	
Bank of England.....	1317
Bankers' Clearing Returns	1317
Overseas Bank Returns	1317
Loan and Discount Rates	1318
Rates of Exchange.....	1318
Overseas Bank Rates....	1318
Bullion	1319
Gold and Silver Prices...	1319
Dividend Announcements.....	1320
Weekly Traffic Returns	1320
Profit and Loss Accounts	1321
Balance Sheets.....	1321
Reports and Notices	1322
Commercial Reports—	
The Corn Trade	1322
American Wheat Markets.....	1323
The Coal Trade.....	1323
Iron and Steel	1323
Other Metals	1324
The Cotton Trade	1324
The Wool Trade	1325
Colonial Wools.....	1325
Hide and Leather Trades	1325
Jute Trade	1325
Vegetable Oils and Seeds	1325
Overseas Produce	1326
Price Current	1328

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d. Colonies and Abroad, £3 1s. 0d. per annum.

Single Copies, post free, 1s. 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4

THE MONEY MARKET.

CONDITIONS in the money market were this week described as dull and apathetic. Three months bank bills were quoted at a weak $5\frac{5}{16}$ per cent., and the rate for short loans was around 4½ per cent., but on Thursday morning money was almost unlendable. The reason for

this was mainly the release of the War Loan dividend on June 1st, which as usual glutted the market with money, but a contributory factor was the lack of commercial bills. Treasury bills, of course, were plentiful, as the Government have lately been making heavy issues in preparation for the War Loan dividend, but it is stated that the Bank has been making large purchases of Treasuries in order to relieve the market.

* * * *

The situation, though for the moment quiet, is not without interest. Evidence of the plentiful supply of money is found in the fact that several of the joint stock banks are believed to have lent a certain amount to the market at 4½ per cent. until June 28th. This date is clearly chosen with a view to the half-year balance sheets, but the fact that the banks have fixed part of their funds for a period as long as three weeks suggests that no immediate shortage of money is anticipated.

* * * *

On the other hand, the Bank of England is believed to hold most of the June maturities, and while the market in its turn is a big holder of July bills, it has been selling them freely this week at rates around 5¼ per cent. These facts do not altogether suggest that conditions are likely to remain easy, unless, indeed, the Bank continues to take up fresh bills as those now in its possession reach maturity. It is these cross-currents that make the position an interesting one, and while no change of major importance is expected, the present apathy may well turn out to be a mask concealing developments beneath the surface.

* * * *

The gold position, too, is interesting, with both the mark and the dollar down to the export gold point. On Wednesday £258,000 was actually bought from the Bank on American account, and while there was little profit in this transaction, it is only fair to call it a normal exchange operation. Germany has not yet taken gold direct from the Bank, but the £500,000 of new gold bought on Tuesday by an "unknown buyer" is believed by some to have passed into German hands. Market opinion, however, differs on this point. Against this, the Bank got £500,000 in sovereigns from South Africa on Monday, and on Tuesday secured £290,000 of new gold at 84s. 11d., so that on balance the Bank is still gaining gold.

	June 6, 1929	May 30, 1929.	May 23, 1929.	May 16 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5	5	5	5	4 (Feb. 7,'29)
Banks' Deposit Rate...	3	3	3	3	2 (Feb. 7,'29)
Discount { Call	3	3	3	3	2 (Feb. 7,'29)
Houses { Notice	3¼	3¼	3¼	3¼	2½ (Feb. 7,'29)
Market rate (3 months' bills)	5 5/16	5 5/16–⅜	5⅜	5 5/16–⅜	...

The weakness of sterling against the dollar is ascribed to French purchases of dollars in preparation for the repayment of their commercial debt. At present, the whole sum falls due next August, but if the Mellon-Bérenger agreement, which is discussed on a later page, is ratified, repayment will be spread over a term of years. In this event, the French will find themselves in possession of large dollar balances which they will not immediately require. The strength of the mark is largely due to the high level of money rates in Germany, but the approaching success of the reparations conference has led to some foreign buying of German securities, and this has also helped the mark.

NEW YORK MARKETS.

Our New York correspondent cables:—This week's Reserve system statement is complicated by end-of-month settlements; it shows a small reduction in discounts and bills and a slight rise in Government securities, with the ratio little changed at 74.4 per cent. The New York Bank bought bills and securities and increased its discounts, its ratio being lower at 83.3 per cent. There is little expectation of any change in the discount rate, unless it is lowered later on with the idea that severe deflation of shares and commodities, especially wheat, would upset business confidence. There was a better feeling on the share market this week, in the belief that the Reserve Board is ready to ease up its tight money policy. Professionals are doing more, but a return of the old speculation is not anticipated until the Reserve policy becomes clearer and a better idea is obtained of business prospects. Most observers expect business activity to pick up in the autumn after a moderate summer curtailment. Congress is wearing on the nerves of everybody, but it is yet believed that the worst features of the Tariff Bill may be eliminated, and farm relief is apparently going through without the subsidy plan. It is not thought likely that legislation directed at the Federal Reserve system will be undertaken, in spite of the irresponsible talk of some members of the Senate.

THE STOCK MARKETS.

After standing fast, with a certain precautionary marking-down of prices on Friday of last week, during the announcement of the election results, the Stock Markets opened with a firm tone on Monday. Easier conditions supervened subsequently, speculative ardour being absent, though investment demand remained steady. Gilt-edged lost ground slightly on a small shipment of gold by the Bank of England, after a sharp rise early in the week. Home rails were neglected. Industrials showed few features, the markets apparently awaiting a "lead" from outside. Rubber shares were idle, teas quiet but steady, and oils easier after a firm start. Paris showed increased interest in Kaffirs, but Rhodesians failed to maintain their initial outstanding activity.

THE COMMODITY MARKETS.

This week's reports show little change. The coal position remains steady and in some districts export business is improving. Business in the iron and steel trades varies very much as between sections and districts, but there is still no evidence of a seasonal setback. The tinplate outlook is promising. Manchester cotton reports contain little cheerful news, except the announcement of improved business in Egyptian yarns. Uncertainty as to wool values continues to dominate trade in Bradford. Only a hand-to-mouth business is being done in the jute trade. The slight improvement in the hide and leather trades continues, in spite of a slight check to exports resulting from the proposed changes in the United States tariff. Vegetable oils and oilseeds are a dull market. Wheat has rallied to the level of a month ago.

THE FOREIGN EXCHANGES.

The Foreign Exchange market was fairly active, with steady trading, last week, the main feature being the renewed weakness of sterling against the dollar. The New York rate fell from 4.85 1/32 to 4.84 15/16, although Montreal rose ¼ to 4.88⅜. Paris was very steady at 124.03, but Brussels lost appreciably at 34.92. Milan was rather weaker at 92.68, and Madrid again exhibited weakness and irregularity, moving on balance from 34.40 to 34.80. Amsterdam weakened from 12.06⅝ to 12.07¾, and Berlin gained ⅛ at 20.33½. The South American currencies were on the whole steady. Buenos Aires losing 1/32d. at 47⅛d., whilst Montevideo fell away by ⅜d. to 47⅞d. In the Far East the rupee was less firm at 1s. 5 5/16d., and the yen also weakened from 1s. 10 3/32d. to 1s. 9 29/32d. In the forward market dollars for one month's delivery remained at 7/32 cent, but those for three months were at an enhanced discount of ½ cent. The premiums on Paris went from 1 centime to 2 and from 4 centimes to 5, whilst last week's discounts for Belga changed to par for both periods. The Madrid premium narrowed to 5 and 14 centimes, as against 9 and 27 centimes last week. The discounts on forward Amsterdam fell slightly to ⅜ cent and 1⅛ cent, as did those for forward Berlin to 5 and 12 pfennigs. In the silver market prices declined by ⅝d. to 24d. for spot and to 24 1/16d. for forward, chiefly under the influence of China, where silver fell sharply. The China silver exchanges fell away in sympathy, Hongkong losing ¼d. at 1s. 11⅝d., whilst Shanghai lost ⅞d. at 2s. 4⅜d.

ECONOMIST INTELLIGENCE BRANCH.

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

PARLIAMENT AND THE NATION.

THE country has spoken and Mr Baldwin has obeyed. Whatever the shades of meaning which may be read into the election statistics, which we examine in a subsequent article, one thing is clear beyond a peradventure. The people voted for a change of Government. Theoretically, Mr Baldwin could have remained in office for three weeks and awaited his dismissal at the hands of Parliament; and there were those who urged him to take that course. In resisting this advice and placing immediately the resignation of his Administration in the hands of the King, Mr Baldwin, in our view, took the only course consonant with dignity, fair dealing and democratic sense. Postponement would have prolonged uncertainty, to the detriment of trade and finance; and it would have aroused a suspicion, however unfounded, of party intrigue and a lack of willingness to give Labour a fair chance. It is to Mr Baldwin's credit that, faced by the inevitable, he has accepted it frankly and without delay.

So we say good-bye to Mr Baldwin's second Government. He will be remembered in political history as the man who threw away a majority twice in six years. In 1923 he courted certain disaster by his deliberate plunge into Protection; and in 1929 he made the defeat of his Party certain by failure—we might almost say obstinate refusal—to formulate a concrete policy adequate to the great national and international issues of the day, peace abroad and unemployment at home. It is easy to kick the fallen. It is equally easy to adopt the motto *de mortuis nil nisi bonum*. Somewhere between the two lies the true note of the fair obituary of the recent Administration. In a sentence, the late Government fell because the people chafed at a lack of grip and imagination. Yet in the international sphere it can claim the credit of bringing to fruition at Locarno the seeds of co-operation sown by its predecessor; while at home the De-rating Act, marred though it was by superfluous generosities and insufficient concentration on the points where help was most needed, was at least a big attempt to aid productive industry and remove some of the burdensome anomalies of an illogical and anachronistic tax system. Perhaps the most remarkable feature of the past four and a half years has been the degree to which Conservatism has been forced along the road of democracy and progress. Just as the previous Conservative Administration made itself distinguished by granting Home Rule to Southern Ireland, a measure against which the whole force and resources of the Party had been mobilised for thirty years, so Mr Baldwin's second Government has placed on its record the extension of pensions (against the whole theory of which the Conservative Opposition inveighed in 1910) and a spread of the franchise as wide as could have been advocated by the Liberal or Labour Parties. In these acts may be seen some recognition that time and tide wait for no man; but if is a fair question whether this recognition would have gone even as far as it has if Conservatism and Labour had been facing each other over an unbridgeable chasm and Ministers had not realised and felt the existence of an alternative anti-Socialist Party imbued with the spirit of democratic progress.

A balanced judgment in the farewell to the old Conservative Government, if desirable, is academic; a balanced judgment in the welcome to the new Labour Government is of great practical and national importance. We welcome the abundance of available evidence that the country as a whole and its press and politicians are prepared to give the new Government a full and fair chance. Such attempts as have been made to frighten the City with the bogey of Socialist legislation have failed, and, indeed, such attempts have been conspicuously few and feeble. Markets, indeed, have not even repeated the momentary slump which in 1924 occurred, but was followed by strong and rapid recovery. There may be those who remember the previous Labour Administration merely by the blunders over the Campbell prosecution and the proposed Russian Loan which led it to disaster; but larger minds recall a period of uneventful home administration, of successful foreign policy, and of maintained British credit, and realise, moreover, that the oft-criticised electoral efforts of the Liberals have provided safeguards in Parliament against any ill-conceived legislation into which the Labour Cabinet might (by any stretch of imagination) be seduced by the left wing of the Party behind it.

Reassurance, then, springs from the record of the first Labour Government in office and from the present Parliamentary position. Hand in hand with reassurance goes keen expectation. For Mr MacDonald and his colleagues return to power at a moment when circumstances have conspired to provide them with great opportunities. In the international field they are faced with a great new chance of achieving an Anglo-American agreement which would open the door to security and disarmament and economy, while the task of putting through a new Reparations settlement, with all that this implies, greets them on the threshold. We discuss elsewhere Mr MacDonald's record and opportunities in the realm of foreign policy, and need only pause here to say that, since a naval agreement is the key that will unlock the door to Anglo-American friendship and co-operation, there is an urgent need for a strong and enlightened statesman at the Admiralty who, with the full support of his Prime Minister and Foreign Secretary behind him, will not allow the higgling of experts to obstruct the broader lines of negotiation.

But if the new Government's opportunity in the foreign field is great, it is no less striking in the sphere of domestic politics. We are not thinking so much of the practical steps towards free trade and towards the cure of unemployment, in which the Cabinet are assured in advance of the decisive support of the Liberal Party, although they are of obviously first-class importance. We are thinking rather of the supreme opportunity of showing how minority government under the three-party system can be worked to the practical advantage of the country. No real attempt to achieve this has yet been made. In 1924 we had the unsatisfactory position in which the Liberals acted as hewers of wood and drawers of water for the Labour Government, just so long as the limits of Liberal endurance were observed, and no new adjustments of constitutional or parliamentary procedure were attempted. That experiment is not to be repeated. Mr MacDonald is not likely to seek, and the country will not wish him to seek, conditional arrangements or backstairs accommodations with other parties. How, then, is a minority government to stay in office and save the country from a fresh General Election which no one wants, as the new Premier rightly divines, for two years at least? To that question there are three lines of answer. In the first place, there is the unemployment problem to be tackled, and a House of Commons fresh from contact with the electorate will hardly take the onerous responsibility of rejecting practical measures for its solution. There, together with the big international issues that are approaching, and the routine of financial and administrative business, is enough to occupy the attention of the Government for a substantial period. Next, the Government must recognise the limitations of the present position and realise that, if it wishes to stay in power, it must not include in its Parliamentary programme measures which outrage the convictions of the other two parties, and to ascertain the position in this respect a reasonable degree of consultative *liaison* between the leaders of the three parties must be established. Thirdly, the most important of all, it must be clearly established that the Government should not retire from office except in answer to a direct vote by a majority of the House requesting it to do so. Some observers add, as a further *desideratum*, the definite removal from the present and all future Governments of the right to demand a dissolution and the transference of that right to the House of Commons. The passage of that far-reaching constitutional measure would certainly permit of the introduction and full discussion even of proposals which the Government knew would not pass through the House of Commons, and their ventilation in a "free" House would be salutary and instructive. On that matter, however, there are, we realise, abundant grounds for differences of opinion.

Be that as it may, we believe that if the Prime Minister and his colleagues will handle the Parliamentary situation in the light of their hard-earned experience of 1924;

if they will remember that 13½ million votes were cast against at least part of their election programme; if they will grasp the big opportunities that greet them in a broad-minded spirit of peace abroad and business reorganisation at home, then there is no reason why their period in office should not be prolonged and fruitful. Anglo-American agreement, a new Reparations settlement, disarmament, practical schemes for reducing unemployment, the reform of our anomalous electoral system—here is a field wide enough and rich enough for cultivation with the goodwill of the nation and to its material and lasting advantage.

THE FOREIGN POLICY OF MR MACDONALD.

In the statement issued by Mr MacDonald last Saturday, in which he pleaded that "Whatever Government is going to make itself responsible for the conduct of national affairs both at home and abroad at this time ought to have a chance to develop its policy," he referred to his own record and experience in the domain of international relations in the following terms:—

> "The way they broke the development of my policy as Foreign Secretary in 1924 is a thing that ought not to happen again. I was only able to start it and then to leave it to others to develop. They did that with regard to Locarno and the admission of Germany to the League, and then the whole of the policy was dropped. I do not think that is fair or in the interests of the country."

The tone of this statement is militant; the substance is true. In spite of two notorious failures, Mr MacDonald's brief term of office in 1924 was the year of greatest progress and achievement in British foreign policy out of all these ten years that have passed since the signature of the Versailles Treaty. During those months Great Britain took the place in the field of international affairs that is her natural place. She stood out as the leader, in Europe, along the paths of reconciliation and reconstruction. And the point to mark is this. When she assumed this position courageously she found herself able to fill it with effect. The chief credit for that belongs to Mr MacDonald himself, who was responsible, in his double capacity of Prime Minister and Foreign Secretary, for all the larger transactions in the domain of foreign affairs that were put in hand during his ministry. He has refrained from assuming the double burden again; but in 1929, as in 1924, the main issues in foreign affairs touch our vital national interests so closely that, whoever may represent the Government at the Foreign Office, the Prime Minister is bound to take a large hand himself in what is done. Therefore we may expect Mr MacDonald to play almost as great a personal part in the conduct of foreign affairs in this ministry as in the last; and, if we are right in this expectation, it is profitable to recall what he did or tried to do five years ago in order to compare his work then with the work that lies before him to-day.

The remarkable thing about Mr MacDonald's achievement in 1924 in the international field was the quality of his diplomacy: the tact, the forbearance, the good temper, the suppression of personal feeling which he imported into his rôle of Foreign Secretary. The problem with which he was then confronted immediately after taking office was enough to make any statesman quail. He had to deal with Monsieur Poincaré in the Ruhr, with Monsieur Poincaré still apparently at the zenith of his power (for it was not yet evident that he was approaching his fall), and, not least, with a Poincaré driven even more savage and sullen than he would have been anyway as a result of his long war of words with Mr MacDonald's own predecessor at the Foreign Office, Lord Curzon. Anybody who wishes to estimate Mr MacDonald's ability as a diplomatist (when he chooses to be one) need only study the Curzon-Poincaré correspondence of 1923 and then compare it with the MacDonald-Poincaré correspondence of 1924. The former is a melancholy alternation of polemics, each longer than the last, in which either statesman is simply concerned to "score off" his opponent after having long ago abandoned any hope of coming to a constructive agreement with him. Mr MacDonald somehow lifted the correspondence right out of this rut and carried it at once on to human lines in which friendliness and frankness were no longer incompatible; and Monsieur Poincaré, suddenly confronted with this unexpected change of tactics, first shook himself in amazement and then responded in the same spirit—so much so that, just before his fall, he had accepted an invitation from Mr MacDonald to pay him a visit at Chequers and talk things over, heart to heart! This correspondence is the most brilliant thing in the conduct of British foreign policy since the War—and, in passing, we may allow ourselves to say how heartily we wish that Monsieur Poincaré's Mr MacDonald was the Mr MacDonald with whom we always had to deal. If Mr MacDonald has a court jester (a very necessary officer in any Government of which Mr MacDonald is the head), that functionary might well advise his master to try and think of the sixty Liberal members of the new Parliament as so many Poincarés to be appeased. How much more kindly he would think of them if once he saw them in that light! What allowances he would make for their foibles! How vastly the prospects of a long spell of progressive British foreign policy would be improved! But this is by the way. The point that we wish to make is that Mr MacDonald is at his best when he is free from the atmosphere of personal and party resentments and when he is confronted with a problem which he enjoys. In other words, he is at his best in dealing with foreign affairs.

How good that best can be is shown by his record in 1924. His great achievement then, of course, was the preliminary settlement of the Reparations question—the negotiation of the London Agreement that brought the Dawes Plan into operation and that got the French and Belgians out of the Ruhr. In fairness to the Conservative Party, it must be recalled that the initiative in seizing upon the suggestion for an expert inquiry, which had been thrown out previously by the American statesman, Mr Hughes, had been taken by them in the autumn of 1923. It was Mr MacDonald, however, who nursed that seedling until it matured and bore its fruit. His correspondence with Monsieur Poincaré was the crucial stage; and though Fortune then came to his assistance by putting Monsieur Poincaré out and Monsieur Herriot in, it is only fair that Fortune should favour the brave.

Yet, in the long perspective of history, Mr MacDonald's Ministry in 1924 may be remembered less for its solid success in dealing with Reparations than for its efforts in connection with the Geneva Protocol and the Anglo-Russian negotiations. The Protocol is the most comprehensive attempt to solve the problem of security that has yet been made since the war. It is one of those pieces of fine work which, though they may not come to fruition themselves, become fruitful by entering into everything that is accomplished afterwards in the same field. As one of the architects of the Geneva Protocol, Mr MacDonald is perfectly justified in claiming credit for the Pact of Locarno. The Locarno Pact is, in fact, a local application of that method of dealing with the security problem which the Geneva Protocol would have applied universally. And it was carried through to success by the momentum of the Protocol—a momentum which was strong enough to achieve that much even when the more ambitious plan of a world-wide Locarno had been rejected. As for "the Locarno spirit," that, pre-eminently, was a legacy which Sir Austen Chamberlain inherited from his predecessor. It was a compound of the permanent "atmosphere of Geneva" with the cordial personal touch which Mr MacDonald had introduced into his relations with foreign statesman from Monsieur Poincaré onwards.

As for the Anglo-Russian negotiations of 1924, they were, whatever their shortcomings, a strenuous attempt to accomplish what was then an almost superhumanly difficult task. In making this attempt, Mr MacDonald was deliberately exposing his flank to a formidable fire from his political adversaries at home; and even the severest critics of the handling of Anglo-Russian affairs in 1924 can take little comfort from the policy of 1925-29. The Conservative Government's policy towards Russia has been entirely negative, and has not only damaged

The New York Trust Company

Capital, Surplus & Undivided Profits - $44,000,000

COMPLETE INTERNATIONAL
BANKING FACILITIES

100 Broadway New York City

British interests—particularly on the tender spot of our export trade—but has placed another stumbling-block in the path of international peace.

How do the great foreign problems of 1929 compare with those of 1924? As regards Reparations, it looks as though Mr MacDonald were now going to reap his full reward for what he accomplished five years ago. Thanks to the provisional settlement that was reached then, it seems as if a more definite settlement is on the verge of achievement at the moment when Mr. MacDonald is assuming office again. A complete evacuation of the Rhineland ought to follow; and if once the Franco-German problem is solved, Mr MacDonald will be free to address himself to the other urgent problems that have been waiting for the re-appearance of a constructive-minded British statesman. The key problem to-day is that of Anglo-American relations, conceived in terms of naval armaments; and here Fortune has favoured Mr MacDonald once again. In 1924 she gave him Monsieur Herriot to work with; in 1929 she has given him President Hoover. The inauguration of the Dawes Plan in 1924 should find its counterpart in 1929 or 1930 in a general agreement for a drastic reduction of naval armaments. The next problem is to make adequate provision for the pacific settlement of international disputes to which we have pledged ourselves in signing the general Pact for the Renunciation of War as an Instrument of National Policy. The first step which the British Government has to take here is plain because it is long overdue. Great Britain has to subscribe to "the optional clause" of the Permanent Court of International Justice, under which we should be pledging ourselves, in advance and in general, to submit to the Court four categories of disputes of a justiciable character. In the wake of these two problems, half a dozen others crowd up for consideration: Russia, Egypt, Minorities, Economic Barriers; but at this stage it would be premature to go into these. Sufficient that in the realm of world affairs Mr MacDonald faces a position pregnant with tremendous possibilities, and faces it, as we have shown, with a record that inspires good hope of achievement.

THE FALL IN WHEAT PRICES.

Though it has become unfashionable now to connect unemployment with sun-spots, economists have often ascribed the cyclical progression of slumps and booms in world production and trade to the influence of the weather through its reaction on staple crops. The immediate reverberations of the recent drop in wheat prices tend to vindicate such theories, but in the contrary sense to that in which the causal sequence was supposed to occur. Not famine crops but abundant crops have become a threat to the "prosperity boom" of the United States, and though the immediate reaction in this country has, indeed, been favourable, since monetary conditions at once relaxed on news of the Wall Street break, the fut effects of abnormally low wheat prices may not be a gether to our advantage.

It was on May 27th that the Chicago prices for M wheat fell below a dollar a bushel for the first time since 1913. At once the Wall Street quotations of leading stocks connected with the agricultural industry began to fall, and soon brought with them the majority of industrial securities. Montgomery Ward, which at the end of April stood at 128½, fetched only 101½ on May 31st. American Agricultural Chemicals fell, over the same period, from 16½ to 10½, National Dairy from 135½ to 63¼, International Harvester from 110 to 94½, and Sears Roebuck from 161 to 143¼. In Montreal, Cockshutt Plow dropped from 41⅞ to 36¼ in the month. Other influences, including the policy of the Federal Reserve Board, were working in the same direction, but the direct connection between Wall Street bear movements and declining wheat prices is proved by the sharp recovery of the stocks mentioned when the price of wheat hardened again on Monday last as a result of reports that official action would be taken by the United States Government to assist in financing the handling of the surplus..

The big drop at the end of May followed the announcement of official crop prospects for 1929-30. But the trade had already adopted an unfavourable view of the chances of a restricted supply this year, and prices had been falling almost without interruption since February.

Wheat Prices.

	Cents per 60 lbs. Winnipeg. No. 3 Manitoba.		New York. No. 2 Winter.	
Average, 1926–27.....	146¾		151½	
Average, 1927–28.....	146⅜		150¼	
Monthly averages:—	*1928*	*1929.*	*1928.*	*1929.*
January.....	143½	120⅜	146	134½
February	141¼	127⅛	148½	141⅜
March.....	147⅜	126⅜	156⅜	138
April	157	123	171⅜	130⅜
May	158½	113⅜	172¼	116⅛

It will be seen from this table, not only that prices have been throughout at a much lower level than last year, but also that the direction of the price-movement has been precisely opposite. Last spring, weather reports were consistently adverse to the prospect of heavy crops, in spite of an unusually large acreage under cultivation, and the fall did not come till August, when it became clear that the season's crop had been much under-estimated. This year the outlook in general has been better, and rumours of lack of moisture in Western Canada, or of widespread frost in the United States, have not undermined the general optimism since January. The killing by frost has, in fact, been unusually small. Nevertheless, there is still plenty of time for current estimates of production to be falsified, as last year's experience proves. The estimate at May 1, 1928, for the year's production in the United States was 486,478,000 bushels, whereas actually 878,964,000 bushels were harvested. The corresponding

estimate for 1929 was 595,335,000 bushels, and this may be just as far out in the opposite direction. News from Canada is promising, and certain of the extra European wheat-growing countries make good reports, but the Indian outlook is poor, some of the news from the Argentine is distinctly unfavourable, and most European countries are still doubtful. It is significant that this week prices have rallied considerably, and there is evidence in the recovery of the last few days that the slump has definitely come to an end.

The most important factor in the price situation is undoubtedly the large carry-over from last year. Surpluses on hand and in prospect are abnormally large. In January the International Institute of Agriculture estimated that against an export surplus of 1,230 million bushels there was a demand for approximately 830 millions, and that therefore the carry-over to next season would amount to 400 million in round figures, or about double the carry-over to the season 1928-29. A later and more accurate estimate put the carry-over at 370 million bushels. In these circumstances a fall in price is not surprising.

Indeed, it is true of wheat as of most agricultural products that the surplus fixes the price. Selling pools have endeavoured to bring better average prices by absorbing the surplus and carrying it over against a period of short supplies. But this year we are likely to see the defeat of that policy by a succession of two good crop years, raising to an impossible level the stocks which it would be necessary to withhold. The Canadian pool has had to face the competition of other countries, especially the Argentine, just as the Rubber Restriction Scheme had to meet the intervention of the Dutch producers, and it would not be surprising to find the Canadian elevator companies in difficulties before long.

The demand for wheat is highly inelastic, and any excess causes a disproportionate fall in price. Figures were quoted in the *Economist* of February 16th last to prove that the larger the aggregate world crop the less the total price obtained for it. In other words, what the farmers are suffering from at the moment is too bounteous a Providence. They should grumble, if they could be assured that Nature would treat all farmers alike, not at the bad weather but at the good.

The effect on the world economic situation of a succession of good harvests would undoubtedly be enormous. The poorer classes would be enabled to raise their standard of living, and the reduced total amount spent on cereals would intensify the demand for other commodities of general consumption. In this way the industrial part of the community gains doubly, and its losses on account of the reduced purchasing power of the agricultural population are more than offset. These considerations help to explain why it has been possible for American industrial prosperity to go side by side with "serious agricultural depression"—in the words of the report on the national income and its distribution made by Professor Copeland to the Committee on Economic Changes. Professor Copeland estimated that the proportion of the income of the United States going to farmers has declined by 3 per cent. over a period of 13 years, and present portents indicate an acceleration of that movement. There is much of comfort in the prospect for the industrial parts of the world, but very little for the British arable farmer.

GROUP PENSION SCHEMES.

In our issues of March 16th and May 18th we printed two articles from correspondents on this subject, the first extolling the merits of schemes on the American pattern and the second championing the cause of the private pension scheme. In the article which follows a third correspondent deals with the subject from the point of view of the British Life Offices.

YOUR correspondent, when dealing with this interesting subject in your issue of May 18th, took exception to the article of March 16th on the ground that it was not free from partisanship; that in fact it was simply "an *ex parte* advocacy of the establishment of a scheme on the methods adopted by American Life Offices." Unfortunately, his own contribution cannot escape a similar criticism; he has expounded the virtues of the establishment of a Private Fund in a manner which is certainly not free from bias.

The naïve comparison of the rate of interest earned by a privately constituted Pension Fund in a single year with that guaranteed by a Life Office for the whole duration of its contracts—thirty or forty years on the average it may be—leaves one with the feeling that a fuller statement of the case would be more satisfactory and might lead to a different conclusion; while the inference, possibly quite unintentional, that the well-known benevolence of the Income Tax Authorities is extended more readily to "approved" private funds than to the annuity funds of the great Life Offices, and that the former are consequently in a better position to serve their members than are the latter, is very unfortunate and may mislead.

The original article on this subject dealt with certain types of pension schemes which are managed by Life Offices with the greatest success both in this country and in America. For some years pension schemes were not pushed forward to any great extent, in so far as they affected the wage-earning classes, by Life Offices at home; the position of our wage-earners, who are required to make weekly contributions to the great State insurance and pension schemes of this country, for some time diverted the attention of the Life Offices from them to the salaried officials of commercial and other bodies for whom many useful schemes were instituted. The period of stress through which industry in the United Kingdom has passed in recent years also acted as a drag on the Life Offices since the times were hardly propitious to approach employers on such a subject. The credit for giving the initial impetus to group life insurance and pension schemes consequently belongs largely to our friends in America; but in the last year or two British Life Assurance Companies, feeling that the time was now ripe, have taken up the subject with vigour, and several of the important offices now recommend, in cases which they consider suitable, and carry through successfully, group schemes for wage-earners.

There is a great variety of schemes available for industrial and other workers and it is on the flexibility of their schemes and the variety of the arrangements they are able to make for the convenience of individual firms that the Life Offices base their appeal. The pension scheme, pure and simple, may be arranged through a Life Office with the minimum of trouble, the pension being based either on a percentage of salary or on length of service. The manner in which the contributions are to be made is, of course, a matter for arrangement to suit the requirements of the particular case under consideration. The privately constituted pension fund is wedded to a system, which has often caused considerable financial upsets and inconvenience in practice, of contributions and pensions both of which are percentages of salary—the latter usually being a percentage of the average of the salary during the last few years of service—and while there is no magic in this arrangement, something very similar can be carried through by any Life Assurance Company accustomed to the business in a case in which a scheme on these lines is regarded as a *sine qua non*.

So far as the female worker is concerned a scheme giving pensions at the retiring age with the usual subsidiary benefits is quite suitable in certain cases if a dowry or marriage benefit be included; but for the great majority of male workers such an arrangement goes only part of the way towards giving security, and it is here that the flexibility of the Life Offices' schemes is invaluable. A scheme which combines life assurance, disability and pension benefits in one comprehensive contract gives complete security to the worker; in the event of his early death, his widow and family are provided for by means of a lump sum or equivalent income under the assurance benefit, and should he be rendered unfit for work owing to disability of a permanent nature it can be provided that a similar lump sum or income be payable to him then. Every eventuality is carefully provided for and the result is complete satisfaction to all concerned. If the full contract should prove to be a rather large undertaking for an industrial firm, in the first instance, a group life assurance and disability scheme should be entrusted to a Life Assurance Co. and the more costly pension benefits can be added in course of time if circumstances should render such a course desirable.

There are two distinct methods by which such schemes can be arranged through a Life Assurance Co. The first is to effect one comprehensive group life assurance and pension policy in respect of the whole staff concerned, individual accounts being kept by the assurance company for each employee in respect of his pension contributions, which are usually returnable in the event of his death while in the service or on his retirement before the pension age is reached. The second method is by means of individual endowment assurance policies on the life of each employee. Under this latter arrangement it is customary for the policies to be written by the assurance company in favour of duly appointed trustees of the scheme who hold the policies for the benefit of the employees or their representatives. Two policies are usually effected on each life, one in respect of the employees' contributions and the other in respect of the contributions of the firm. The manner in which the policies are dealt with is governed by a trust deed and a code of rules drawn up and adjusted to meet the case of each particular firm and subscribed to by the employee as a condition of becoming a member of the scheme. This method has considerable advantages, particularly where the employees are likely to leave the service, since it can conveniently be arranged that a retiring employee takes his policies with him and consequently retains the advantage of insurance cover and pension rights in the future, either at his own expense or with the assistance of his new employer. His right to the policy or policies secured by the contributions of the firm he is leaving is a matter of arrangement, and some payment may be required from him in consideration of the firm's handing over their policies. As the wage or salary of the employee increases, new policies are effected under this arrangement to cover the corrsponding increase in benefits.

Perhaps the most satisfactory method is a group life assurance and pension policy in respect of the wage-earners and an endowment assurance scheme by individual policies for salaried employees, whose remuneration is normally on a higher scale and increases more rapidly as time passes. The wage earners may be divided into classes according to circumstances in such a way as to give appropriate benefits and to charge appropriate contributions in each division. Naturally the relation between the contributions of the employee and those of the firm is a matter of adjustment.

Many such schemes have been arranged by Life Assurance Companies in recent years and their usefulness is being recognised to a continually increasing extent. The question as to whether to institute a private scheme or to entrust the management to a Life Assurance Co. is, of course, very much to the fore just now, but the merits of the latter arrangement cannot fail to appeal in the long run. In this age of specialists such a slogan as "every man his own financier" is unworthy of a moment's consideration and yet this is undoubtedly the idea underlying the private fund.

It is manifestly absurd to suppose that a committee of management drawn from the directors and workers of an industrial firm should be able to obtain better results from the investment of funds left in their charge than can the management of our great Life Offices, who have in their care accumulated funds of many millions of pounds, and who are specialists with large organisations and expert advisers continually devoted to the subject. The committee of management may be composed of men of first-class ability and energy, but the management of a pension scheme and the investment of its funds is not their business—they are amateurs attempting to compete with the professionals.

In some cases the accumulated moneys of a private fund are left in the charge of the directors of the firm, who allow the fund a fixed rate of interest each year. Incidentally, since this rate is fixed and more or less guaranteed, it will seldom, if ever, exceed 4 per cent. per annum, and serious consideration of the history and future prospects of investment yields, bearing in mind the question of possible fluctuation in capital values, certainly does not lend colour to the idea that this rate is too low. Such an arrangement as this is often convenient to the firm; but it is never satisfactory to the worker. Security is the first essential of a pension scheme and if the firm meet misfortune the pension fund moneys invested with it are hardly likely to escape at least part of the disaster. The contract of the Life Assurance Co. is a guaranteed contract; the security of British Life Assurance Companies has stood the test of many years. Not a few private pension funds have fallen on evil times owing to the onesided nature of the business they transact and owing, in some cases, it must be admitted, to the amateurish methods of their management. Disappointment and often serious want falls upon the worker in such a case and when the employer is considering the question of ameliorating the conditions under which his employees work, of binding them to the firm by giving them and their dependents protection and assistance, he should bear in mind that he is not infallible. He knows his own business and would never think of asking a Life Assurance Co. to manage it for him. He should apply the same principle to his pension arrangements and not try to manage the business of a Life Assurance Co. himself. He should seek first of all the utmost security so that there shall be no disappointments, so that the promises which are made when the scheme is instituted will be fulfilled when the benefits are required; and with this security he should seek to utilise the expert knowledge which years of experience have placed at the disposal of the staffs of the Life Assurance Companies of this country.

Westminster Bank Leaflets

¶Points before Travelling, *Notes on the Protection of Travellers from Loss.* ¶Thirty-nine Advantages *of an Account with the Bank.* ¶The Saving Habit, *an outline of the Home Safe system.* ¶The Postal Account, *a service for those living in outlying rural districts.* ¶The Financial Machinery of the Export and Import Trade, *or the function of the Documentary Credit.* ¶Foreign Exchange, *with particular reference to Forward Exchange.* ¶Safeguards for Travellers, *a warning against carrying foreign notes.* ¶Securities, *their Custody and Supervision.* ¶Wills, Trusts, and Settlements, *the Bank as an Executor.*

Copies may be had by asking at almost any branch or from the Secretary, Westminster Bank Limited 41 Lothbury, London, E.C.2

OUR TIMBER IMPORTS.

(BY A CORRESPONDENT.)

OUR timber trading in sawn soft and planed or dressed woods last year was on quite different lines from those of 1927. In the winter of 1926-27 there was a general impression among timber traders that the end of the coal strike would see considerable trade expansion, and that large supplies from the north of Europe would be necessary. The result was a very large import, choking up docks for four or five months towards the end of 1927 and leaving large supplies on the market in the early months of 1928.

Last year's overseas buying was on much more restricted lines, and if North European shippers had not been prepared to meet the United Kingdom market in the

second half of the shipping season we should have had to report a very much smaller import than that recorded below:—

SAWN, PLANED AND DRESSED WOOD IMPORTS.

	Sawn Loads (of 50 cub. ft.).	Planed and Dressed Loads (of 50 cub. ft.).
1926	4,771,058	605,409
1927	6,025,932	688,616
1928	4,605,723	589,470

PERCENTAGE OF TOTAL IMPORTS OF SAWN SOFTWOODS FROM EACH PRODUCING COUNTRY.

	1926. %	1927. %	1928. %
Russia	15·09	18·98	26·58
Finland	31·81	28·46	26·02
Sweden	18·49	15·31	14·23
Poland (including Danzig)	10·74	13·35	5·86
Latvia	6·28	7·28	8·65
Canada	4·94	5·24	5·32
U.S.A.	3·74	3·91	6·02
Norway	2·18	2·28	2·09
Germany	·81	·93	·52
Other Countries	5·92	4·27	4·72

It will be observed from the percentages of imports of these sawn woods (i.e., deals, battens and boards, used so much in building construction work) that Russia once more heads the list. The increase of exports from that country to the United Kingdom within the past three years is remarkable, and is likely to become more pronounced this year. Imports from Sweden, more a competitor of Russia than is Finland, declined considerably, as will be seen from the following statistics:—

SAWN WOOD IMPORTS.

	1926. Loads (of 50 cub. ft.).	1927. Loads (of 50 cub. ft.).	1928. Loads (of 50 cub. ft.).
Russia	723,730	1,143,615	1,224,281
Finland	1,505,452	1,714,761	1,198,251
Sweden	885,817	922,435	655,386
Other Countries	1,656,059	2,245,121	1,527,805
Total	4,771,058	6,025,932	4,605,723
Values	£21,914,630	28,239,995	21,440,976

In the above table the 1927 import volume is conspicuous, but it was an abnormal year for timber imports, and the conditions are not likely to be repeated unless there is something more tangible to rely upon than expectations.

Planed and dressed woods are complementary to the sawn softwoods in the building trade. The chief exporters are:—

	1926. Loads. (of 50 cub. ft.).	1927. Loads. (of 50 cub. ft.).	1928. Loads. (of 50 cub. ft.).
Sweden	374,200	423,804	360,802
Norway	171,193	153,783	138,698
Finland	37,190	74,209	56,218
Other Countries	22,826	36,820	33,752
Total	605,409	688,616	589,470
Values	£3,465,736	4,037,867	3,393,731

In the percentage of imports of the sawn softwoods we must draw attention to the slightly increasing shipments from Canada. It is to be hoped that this will continue, as it is remarkable that the only important softwood producing area of the British Empire should send us such small quantities compared with those of north of Europe countries.

Another section of the softwood trade, of which not much news is given, is that of softwood logs. Imports for the past three years amounted to 386,667 loads (value £1,881,024) last year and 319,146 loads (£1,237,012) and 281,475 (£1,042,223) respectively for 1927 and 1926. Here, again, Russia has become premier shipper (29.9 per cent.), with Finland (19.1 per cent.) second. America, 16.9 per cent., as a large pitchpine shipper, is third on the list. Canada ought to be well up in export to the United Kingdom, especially with logs from British Columbia, but for the last year only 2 per cent. of our total soft log imports were received from the Dominion, as against 5.1 per cent. in 1927 and 4.17 per cent. in 1926.

In the hardwood section of the trade first reference must be made to mahogany logs and sawn wood, demand for which was well maintained throughout the year. An average of the total imports for the past six years shows that the import trade of mahogany logs is steadily declining in London. The arrivals from all countries to the port of London last year consisted of 24,531 tons, compared with a six years' average of 27,060 tons. Much of this lost trade is due to America importing large quantities of mahogany logs from producing countries, sawing them into planks, and shipping them here, whilst some of the producing countries now ship mahogany lumber, which also tells on our log imports. Of hardwood logs other than mahogany both India and Canada sent more last year compared with 1927. On the other hand, American shipments of logs declined.

Sawn hardwoods form the backbone of the hardwood section of the trade. Imports of these last year amounted to 30,088,154 cubic feet (c.i.f. value, £7,384,258), compared with 28,165,400 cubic feet (£6,853,961) and 23,084,389 cubic feet (£5,988,456) in 1927 and 1926 respectively. The percentages of imports last year were: —U.S.A., 56.8 per cent.; Canada, 15.6 per cent; "Other Countries," 12.3 per cent.; British India, 6.2 per cent.; Poland, 4.6 per cent.; Finland, 2.6 per cent.; and Japan, 2 per cent. American supplies increased considerably last year, yet the percentage is gradually declining. This may be expected to continue, but it is to be hoped that the British Empire forests and those of other parts of the world will be so exploited and advanced as to be making up for any deficiencies from the United States, which in years to come will be using still more of their own lumber.

The table below gives average prices of timber for the past three years:—

AVERAGE C.I.F. PRICES OF IMPORTED WOODS, 1926, 1927 AND 1928

	Per	1926. £ s. d.	1927. £ s. d.	1928. £ s. d.
Mahogany Logs	c. ft.	4 10·4	5 2·5	4 10·8
,, sawn	,,	7 5·1	7 3·0	7 5
Other Hardwood Logs	,,	3 10·3	3 6·7	3 10
Other Hardwood sawn	,,	5 2·3	4 10·3	4 10·9
Softwood Logs	load	3 14 6·5	3 17 8·5	3 11 5·1
,, sawn	,,	4 11 6·2	4 13 9	4 13 1·2
Planed or Dressed	,,	5 14 6·4	5 17 2·9	5 15 1·7
Pitwood	,,	1 17 9·2	1 18 1·2	1 16 9·6

The whole of our timber imports, exclusive of plywood, cost us last year £42,565,243, as against £49,666,787 in 1927 and £39,259,493 in 1926. Though own requirements, it is undesirable that her production should dwindle below a certain minimum. At present her output is below the pre-war level.

THE ELECTION RESULTS.

WHEN we wrote last week the results of the election in only some 200 constituencies were known, but the verdict of London, the large cities and the industrial boroughs has been fully borne out by the returns from the rest of the country. Indeed, the Labour Party did rather better in the declarations on Friday afternoon than might have been inferred from those announced on Thursday night. The net result of the full returns is that, though no party has an absolute majority, Labour comes back with considerably the strongest force.

SEATS.

Assuming that no change occurs in the representation of the four seats still unfilled, the new House of Commons will be constituted as follows:—

	At Dissolution.	Present Election.	Net Gains and Losses.
Conservative	401	260	−141
Labour	162	288	+126
Liberal	46	59	+13
Independent	6	8	+2
	615	615	

Thus Labour has fallen short of a bare majority by 20 seats. They have, however, won some 30 to 40 seats more than most of the forecasts assigned to them. The Liberals, on the other hand, have fallen short of expectations by a similar amount. The net gains and losses of the various parties have been attained as follows:—

	Gains and Losses of			
	Conservative.	Labour.	Liberal.	Independent.
To and from—				
Conservative	...	+111 −2	+30 −1	+3 ...
Labour	+2 −111	...	+2 −17	... −2
Liberal	+1 −30	+17 −2	...	+1 ...
Independent	... −3	+2 ...	... −1	...
Net Gain or Loss	−141	+126	+13	+2

It is, of course, by no means the case that all county constituencies are mainly agricultural, for they include all the mining and many industrial areas, nor are the boroughs all industrial. It is, therefore, not possible to divide the country sharply into industrial and other constituencies. But the following table, which shows the boroughs and counties separately, brings out to some extent the preponderance of Labour strength in the urban and therefore in the more industrialised parts of the country. Figures have been added in italics showing the results in 1924:—

	1929. Conservative.	Labour.	Liberal.	Independent.
London	24	36	2	...
English Boroughs	59	121	11	2
Scottish Boroughs	9	20	3	1
Welsh Boroughs	...	10	1	...
N. Ireland Boroughs	4	...	...	...
Total, Boroughs	96	187	17	3
Total Boroughs, 1924	*183*	*94*	*22*	*4*
English Counties	138	69	22	1
Scottish Counties	11	17	10	...
Welsh Counties	1	15	8	...
N. Ireland Counties	6	...	...	2
Total, Counties	156	101	40	3
Total Counties, 1924	*224*	*58*	*17*	*1*
Universities	8	...	2	2
Universities, 1924	*3*	...	*3*	*1*
Grand total	260	288	59	8
Grand total, 1924	*415*	*152*	*42*	*6*

Summarising from this table, it appears from the following figures that the strength of the Conservative Party lies, as always, in England:—

	1929. Conservative.	Labour.	Liberal.	Independent.
England	221	226	35	3
Scotland	20	37	13	1
Wales	1	25	9	...
N. Ireland	10	...	...	2
Universities	8	...	2	2
	260	288	59	8

The corresponding figures for 1924 were:—

England	350	110	21	4
Scotland	36	26	8	1
Wales	9	16	10	...
N. Ireland	12	...	...	...
Universities	8	...	3	1
	415	152	42	6

The distribution of seats compares with the last three elections as follows:—

	1922.	1923.	1924.	1929.
Conservative	347	258	415	260
Labour	142	191	152	288
Liberal	117	158	42	59
Other	9	8	6	8
	615	615	615	615

Thus, we are back to 1923 so far as the position of the Conservative Party is concerned. But Labour has gained 100 seats at the expense of the Liberals.

VOTES.

Next to the advance in the position of the Labour Party in the House of Commons, the most striking fact about the election is the disproportion between the votes cast and the seats obtained by the three parties. The following are the votes cast up to date—excluding the seven constituencies where there was no contest and the four results still to be declared:—

	Electorate.	Conservative.	Labour.	Liberal.	Other Parties.	Total.
London Boroughs	2,871,167	754,242	784,646	353,737	14,852	1,907,477
English Boroughs	9,502,746	2,968,513	3,401,861	1,642,811	58,642	8,071,827
Scottish Burghs	1,468,055	388,060	519,431	167,551	93,181	1,168,223
Welsh Boroughs	477,474	84,044	188,589	117,311	5,789	395,733
English Counties	10,864,084	3,447,808	2,648,223	2,334,390	59,757	8,490,178
Scottish Counties	1,438,844	381,390	401,432	233,810	11,613	1,028,245
Welsh Counties and Monmouth	1,117,777	205,011	384,965	319,590	2,943	912,509
Northern Ireland	572,539	354,657	...	100,103	55,293	510,053
Universities	69,081	28,049	1,463	11,832	9,263	50,607
Total ..	28,381,767	8,611,774	8,330,610	5,281,135	311,333	22,534,852

Thus the total poll of the Conservative Party is substantially bigger than that of the Labour Party, though they have secured nearly 30 fewer seats. The most striking disproportion, however, is between the votes cast for and the seats secured by the Liberals, for though that party secured nearly one-quarter of the total votes cast it has less than one-tenth of the seats in Parliament. The disproportion reaches fantastic dimensions in the case of the English boroughs, where the party only secured one seat for every 150,000 votes, compared with a seat for every 28,000 votes for the Labour Party.

The disproportion between votes and seats, as the following table shows, has existed in the last three elections, but on this occasion it is more pronounced than ever. The following are the figures:—

	1923. Votes.	Seats.	1924. Votes.	Seats.	1929. Votes.	Seats.
Conservative	5,544,540	258	7,838,225	415	8,611,774	260
Labour	4,508,504	191	5,423,589	152	8,330,610	288
Liberal	4,314,202	158	2,925,142	42	5,281,135	59
Independent	196,789	8	197,673	6	311,333	8
Total	14,564,035	615	16,384,629	615	22,534,852	615
	% of Total.		% of Total.		% of Total.	
Conservative	*38·1*	*42·0*	*47·8*	*67·5*	*38·2*	*42·3*
Labour	*31·0*	*31·1*	*33·1*	*24·7*	*37·0*	*46·8*
Liberal	*29·6*	*25·7*	*17·9*	*6·8*	*23·4*	*9·6*
Independent	*1·3*	*1·1*	*1·2*	*1·0*	*1·4*	*1·3*
	100	*100*	*100*	*100*	*100*	*100*

The figures for the three elections are not strictly comparable, since there are always a few seats uncontested (7 only on this occasion), while the number of candidates has varied. In particular, the number of candidates put into the field by the Liberal Party on this occasion was substantially larger than before. This has been made a cause of complaint against the Liberal Party by many Conservatives, who declare that in putting many candidates into the field who had no hope of success the Liberal Party has split the anti-Socialist vote and presented 50 seats to the Socialists. Mr Churchill has made himself the spokesman of this criticism, not only now, but for some time past in connection with recent by-elections. The argument cannot be taken seriously except by those who believe that the Liberal Party ought to go out of existence—an assumption which means alternations between Protectionist and Socialist Governments. Seeing, however, that a large proportion of the population prefer to vote for a party which is neither socialist nor protectionist, and clearly desire to keep it in existence, the tactics of the Liberal Party in putting a large number of candidates in the field is the only possible one for them, since there is no other way of recording the volume of Liberal opinion in the country. The poll at this election probably does not represent the full Liberal strength, owing to the fact that even on this occasion many constituencies had no Liberal candidate; and even where they were in the field it is probable that many voters, who would have preferred to vote for the Liberal, in fact voted for other candidates in the hope of keeping out the Socialist or the Conservative as the case might be. The policy has, however, demonstrated the strength of the party as an important factor which must be taken into account. The influence of the 5½ million Liberal votes on the political situation is discussed in another column. It is relevant here, however, to consider the bearing of the Liberal vote in relation to the electoral situation.

THE ELECTORAL TRIANGLE.

It is difficult to gauge exactly what the precise effect of the triangular contests has been. Mr Churchill and those who think with him fondly imagine that if the Liberal candidates were out of the way the 5¼ million Liberal votes would be given to the Conservatives. This is a case of the wish being father to the thought. It is, however, patently untrue. Liberal votes would certainly be cast against a Communist or an extreme Socialist. But against a moderate Labour man experience shows, in the few cases where the matter has been tested at by-elections, that in the North at all events Labour gets two-thirds and the Tory one-third of the Liberal votes. At best the Conservatives might hope to get one-half of the Liberal votes. This view is confirmed by the fact that most of the Liberal seats previously held under an understanding with Conservatives have been won by Labour, while in the two-member constituencies where Liberal and Labour ran in harness they won, whereas when Liberal and Tory ran together they lost. Now, when we come to examine the electoral triangle, the results show that out of some 480 triangular contests there were some 300, or practically half the House of Commons, in which no candidate secured a majority. Of these " minority " seats about 120 were won by Labour and 150 by Conservatives. If our assumption as to the division of the Liberal vote is correct, a substantial number of the seats won by the Conservatives on narrow margins would have been won by Labour, and few, if any, of those won by Labour would have gone to the Conservatives. As to the Liberal seats as a whole, an examination of the returns suggests that if the party had not been in the field some 20 of the seats would have been won by Labour and 39 by the Conservatives.

Taking all these factors into account, it seems that if the election had been fought out between Conservatives and Labour alone the latter would have been returned with an absolute majority of seats, and might even have secured a majority of votes.

The unfairness of the working of the system of single-member constituencies, without a transferable vote in a case where one party is definitely smaller than the other two, is illustrated by the total figures given in this article. Its working in particular areas is perhaps even more striking. Somerset, for example, is a county which has a strong Liberal tradition, but has also a small industrial element. Surrey, again, is a traditionally Conservative residential county, but one in which Liberal activity has made substantial, and Labour small, headway. The results for these counties are as follows:—

	Surrey.		Somerset.	
	Votes.	Seats.	Votes.	Seats.
Conservative.....	148,000	7	98,000	5
Labour	45,000	Nil	48,000	1
Liberal	79,000	Nil	71,000	Nil

In many other counties the Conservatives made a clean sweep; the Labour Party captured Durham and several of the large cities, while the Liberals captured Cornwall. Even if it could be assumed that these " solid areas " would balance one another fairly, it is not sound that over large districts important minorities should be entirely unsented. Taking the country as a whole, however, it is clear the areas have not balanced one another. In short, the electoral system has worked very markedly against the Liberals and in favour of the Labour Party, though not to the same extent as it worked in favour of the Conservatives in 1924.

To sum up, so long as there is a third party to vote for, there is little likelihood of either of the three parties securing an absolute majority of the voting strength of the country. The result of the election reflects this situation by giving no party a majority of seats. At the same time, the present voting system results in a very haphazard distribution of seats which favours, now one, now the other, of the larger parties. If this element of hazard is to be eliminated, the choice before the country is between some modification of the voting system or a return to the two-party system, which would compel a substantial part of the electorate either to abstain or to vote for a party with which they are out of sympathy, because they dislike still more the only possible alternative.

Notes of the Week.

President Hoover and Naval Armaments.—Polling day in Great Britain coincided with Memorial Day in the United States—a happy augury of the great international results that may be achieved by co-operation between new, vigorous and progressive administrations in the two senior English-speaking countries. President Hoover, in his speech at the National Cemetery at Arlington last Thursday, left no doubt that he means business in the vital matter of the reduction of naval armaments. His address was supplemented by the Secretary of State, Mr Stimson, last Friday, in a statement that abounded in the same sense. Here is an opportunity for progressive international statesmanship in Great Britain such as we have not seen since Mr Macdonald and Monsieur Herriot had the good fortune to find themselves in office simultaneously five years ago. We are sure that Mr MacDonald has taken note of these two American pronouncements, even in the heat of the election campaign here. We are equally sure that he has fully realised their import and their importance. Since, however, this country as a whole, and most of its citizens to a very large extent of their energies, have been preoccupied during these last days with domestic affairs, it may be well this week to remind ourselves of the significant gesture which has just been made on the other side of the Atlantic in regard to this larger matter of international relations. President Hoover has made his outlook and policy absolutely clear. He has appealed to the public opinion of the United States and of the world to translate the ideals of the " Peace Pact " into action. He contested the sceptical view that the Pact was an empty form of words, and then went on to point out its implications on the assumption that it was meant seriously. He means that, " if we are honest, we must reconsider our own naval armament and the armaments of the world in the light of their defensive not their aggressive use." He took it as a general accepted axiom that " the defensive needs of navies are relative "; recalled that the American demand for parity had been conceded by other nations, and thus approached his central thesis: that agreement must be sought with a view to *reductions* in naval armament. Our " italics " are justified, for the President then went on to explain that it was definitely " reduction," as opposed to " limitation," that he was seeking. In a courteous and ungrudging reference to the disarmament work of the League of Nations, he pointed out that, while in some respects the results had been beneficial, limitation—and limitation upward—had been the practical upshot; competitive building was still in full swing; drastic reduction was the remedy. In putting before his hearers and readers this definite, concrete aim, the President took care at the same time to make it clear that this was not an end in itself, but that the ultimate object of statesmanship must be to introduce a new spirit and a new procedure into the handling of international disputes. He made the point that the drastic reduction of armaments would be a powerful material means of promoting this spiritual end. With the American flair for practical things, the President—taking up the suggestion which he had made through Mr Gibson at Geneva—once more urged the need for a " national yardstick " in order to take the measure of relative naval strengths; and it is reported that an index number formula of this kind has already been worked out by the United States Government as a basis for international discussion. Mr Stimson's supplementary statement was a pertinent reminder of the cost of modern navies—a cost which the American taxpayer does not bear any more gladly than the European taxpayer, for all that he is less heavily burdened. Here, then, is the opportunity for making a great advance towards disarmament—an advance which will affect the whole world, and from which there will be no going back. We hope and believe that this gesture from across the Atlantic will be reciprocated in this country in the large-minded spirit in which it has been made.

The Reparations Settlement.—It is now certain that the Committee of Experts on Reparations will present an agreed report. Indeed, it is expected to be signed at about the time of our going to press, and the American delegates leave for America before the end of the week. The only outstanding question relates to the Belgian marks claim, and it is understood that this is to be settled before the Reparations agreement comes into force. At the time of writing the text of the report is still to be agreed, and some minor details, particularly those in connection with the precise form of the constitution of the Bank for International Settlement, have to be adjusted. We shall not, therefore, attempt to comment until the text is available. It is, however, obvious that the agreement involves an early summoning of a diplomatic conference to put into effect the recommendations of the experts, for, as in the previous case of the Dawes' Report, no one is committed at this stage except the experts themselves. It is hoped that this conference will also deal with the question of the evacuation of the Rhineland. Thus, the Labour Government will have to tackle an international problem of the first importance at the very outset of their term of office. We have every confidence that Mr MacDonald will on this occasion repeat the success which he achieved at the London Conference of 1924.

The Franco-American Debt.—Developments are expected in the near future in the matter of the ratification of the French debt to the United States, and it is worth while to recall the events out of which it arises. The debt consists of two parts, the so-called " political " debt, incurred for strictly war purposes, and the " commercial " debt, which was incurred chiefly in the purchase of surplus war stores. The total involved is in the neighbourhood of £800 million, of which about 10 per cent. consists of " commercial " obligations. In 1926, Senator Bérenger and Mr Mellon signed a funding agreement, which, however, has never been ratified by either party; meanwhile, since M Poincaré definitely undertook the stabilisation of the national finances, payments have been regularly made as if the Churchill-Bérenger and Mellon-Bérenger agreements were legally in force. The most important fact in the situation is that the commercial obligations fall due on August 1st of this year, and the only alternative to payment in full is the ratification of the Mellon-Bérenger agreement, which merges the commercial with the political debt and provides for payment of both over a long period of years. The agreement is, compared with the Anglo-American settlement, very generous to France. If the present value of the proposed annuities is calculated on the basis of a 4½ per cent. interest—the minimum rate laid down by Congress for the United States Debt Funding Commission—the extent of cancellation is over 50 per cent. M Poincaré, however, has taken no steps to ratify, and on May 20th Mr Mellon addressed an inquiry to the French Government asking whether ratification might be expected at an early date. The French reply is understood to have been favourable, but M Poincaré has declared that no action will be taken without full parliamentary discussion, and in view of the connection between the debt question and Reparations has postponed the debate on the matter in the Chamber till June 25th. Meanwhile the Socialist Party has put down for discussion a long resolution, which includes an appeal to the Government of the United States " to consider whether it is possible, wise, and without danger to civilisation and the economic life of the world to compel Europe to export for a long period of years large quantities of gold, while it is subjected by the United States itself to the competition of an output having lighter charges and protected by high tariff walls." The resolution has been ingeniously drafted to attract votes from outside the Socialist Party, and there is known to be considerable feeling of opposition to ratification of the political debt settlement. Recent purchases of dollars by the Banque de France have been taken in the City as evidence that the French Government has no intention at any rate of being forced to ratify the Mellon-Bérenger accord through inability to transfer the capital of the War Stocks debt.

Minorities and the League Council.—This week, in advance of its fifty-fifth session, which is to open on June 10th, the Council of the League is meeting in private committee in order to consider a report on the procedure for carrying out the various minorities treaties, clauses and declarations of which the Council is trustee. The matter was raised last March by the representatives of two States members of the Council, Senator Dendurand (Canada) and Herr Stresemann (Germany). That it should have been raised in two quarters simultaneously signified that the situation was in urgent need of being investigated and overhauled; and each of the statesmen who raised it was on strong ground—Monsieur Dendurand as the representative of an overseas country " far removed from the conflagrations of Europe," Herr Stresemann as the representative of a great European nation which formerly ruled over alien minorities throughout Central Europe, and which now, by the Fortune of War, sees many millions of its own people reduced, in turn, to the status of subject minorities in the new " Successor States." What the Council did was to appoint a sub-committee of three, consisting of Mr Adatchi (Japan) as *rapporteur*, Señor Quinoñes de Leon (Spain) and Sir Austen Chamberlain. In constituting the Committee, the Council deliberately and properly selected representatives of States members that were not directly concerned in the sense that they were none of them bound by specific treaties, clauses or declarations of the kind in question. Indirectly, of course, more than one of the three might be concerned inasmuch as their respective countries had awkward minorities of their own to deal with (albeit minorities unprotected by any international instrument). To a Japanese statesman, for example, the word " minority " could hardly fail to suggest the word " Korea," while to a Spanish statesman it might be similarly associated with the word " Catalans." Clearly a certain unintentional and unconscious bias might creep in; and, indeed every representative of a Government who has got the " governmental point of view " ingrained into his habits of mind, is likely to find it difficult to hold the scales evenly when attempting to do justice between " sovereign independent States " on the one side and mere men, women and children on the other—especially when, *ex hypothesi* this handful of private individuals can never hope to command a majority in a general election. In this point a certain lack of heart was noticeable in Sir Austen Chamberlain's public references to the minorities *à propos* of the present investigation. He seemed a little inclined to regard it as a slight upon the dignity of a Government that any category of its subjects should be entitled to international redress for their grievances; and we shall be surprised if the report of the Committee of three deals with the problem as energetically as its seriousness demands. The issue amounts to this: that, unless a satisfactory status for European minorities is secured, it will be increasingly difficult to maintain the existing European frontiers. A Government which is just taking office ought to be left free to shape its own policy in a matter of this magnitude; and we have no doubt that the new Foreign Minister will give the matter his just attention.

The Second Finance Bill.—It is doubtful whether the new Government will attempt much in the way of legislation before the summer holidays, for after the debate on the Address, most of the available time will be needed for the second Finance Bill, into which were swept many of the minor points that were postponed by Mr Churchill until after the election. One of the first duties of the new Government will be to declare its policy with *regard to these proposals, for though none of them raise* issues of first-class importance, it is by no means certain that the new Chancellor of the Exchequer will adopt them all. The first Finance Bill, apart from clauses necessary for the protection of the revenue—namely, the continuance of the income tax and the duty on hops—contained the repeal of the tea duty and of the betting duty on turnover, and the repeal of the railway passenger duty. The changes which remain to be dealt with are the imposition of a tax on bookmakers' telephones and of a tax on bets

made with totalisators, the reduction of on-licence duties, with certain other changes in the duties on the manufacture and sale of drink and tobacco, and a few small reductions in motor vehicle duties. It will be observed that definite questions of principle, on which leaders of the Labour Party have spoken with no uncertain voice, are raised over these proposals. Mr MacDonald has repeatedly stated his disapproval of the policy of raising revenue from betting, and in the Budget debates both Opposition parties made a great deal of play with the relief of taxation given to traders in alcoholic liquor, estimated to amount in a full year to £590,000. The necessity of reconsidering the financial arrangements of the year without raising any issues of first-class importance will give the Government a respite—if they wish to use it—until the autumn before presenting to the House the legislative programme on which their continued existence will depend.

The New Government and Banking.—In the two years of office on which Mr MacDonald is understood to count as the probable period of the new Government's tenure, there is clearly little prospect of the House of Commons being asked to pass any measures of an undisguised Socialistic character. Those portions of the programme, published after the Blackpool Conference in 1927 under the title "Labour and the Nation," which relate to the nationalisation of land, and of the coal, transport, power, and life insurance industries, are destined in all probability to remain in "cold storage" during the lifetime of this Parliament. Within the limits, however, of what is practicable for a Cabinet which does not command an independent majority in the House, there are possibilities of Government action with regard to banking and credit control which should not be overlooked. In the statement on banking and currency policy issued by the Labour Party last autumn, the positive proposals—apart from the recommendation that an inquiry should be held into the means whereby to secure "qualitative and not merely quantitative use of credit"—were (1) the extension of banking facilities to people with small means by the spread of Municipal and Co-operative Banks; (2) the control of the Bank of England by a "public Corporation containing representatives of such essential factors in the community as the Treasury, Board of Trade, Industry, Labour and the Co-operative Movement." The first of these proposals, despite the adverse report of the Bradbury Committee in 1927, would not provoke serious opposition either from financial circles or, we imagine, from the other Parties in the House of Commons. On the other hand, reform of the constitution of the Bank on the lines indicated would be a major issue on which opinion outside the Labour Party would be sharply divided. The conclusions of the Liberal Industrial Inquiry were such as not to exclude the possibility of the Liberal Party supporting a Bill to amend the Charter of the Bank in respect to the size and composition of the Court of Directors, and there is a case to be made for providing for the co-operation of the Treasury in the inner management of the Bank, but the "new model" contemplated by the Labour Party involves so great a degree of interference with the functions of a central bank by interests open to political considerations that there is no possibility of a Bill on the suggested lines being passed by this Parliament.

The Honours List.—The Birthday Honours List, with which was incorporated on this occasion the list of honours conferred as usual on the Dissolution of Parliament, contained few surprises and gives little ground for criticism. Fitting recognition is given to the services of the eminent doctors who attended the King during his long illness; Mr Bridgeman, lately First Lord of the Admiralty, is duly rewarded with a viscounty for his long years of service in politics, and is joined in that rank by the Lord Chancellor and Lord Plumer. An earldom is conferred on Viscount Inchcape, whose record has been as distinguished in public service as in big business; and the labours of Sir Arthur Balfour and Lord Lee as chairmen, respectively, of the Committee on Industry and Trade and of the Police Commission, are recognised by a baronetcy in the first case and the conferment of a G.C.B. in the second. Sir William Berry, almost the only "popular" Conservative Press owner who remained uncritically loyal to the Party during the election, receives a barony; while Sir John Cadman, a leader among British oil magnates, becomes G.C.M.G., an honour also conferred on Sir Maurice Hankey—for many years secretary to successive Cabinets. Apart from an uneventful and not too extensive list of "political" knighthoods, the conferment of that honour on Dr Chalmers Mitchell will be popular with all who have enjoyed the fruits of his devoted efforts in the Zoological Gardens. From the point of view of public interest, however, the appointments watched most keenly are those to the Order of Merit, which receives on this occasion as new members Dr Robert Bridges and Mr John Galsworthy—both craftsmen in the art of letters whose work it is fitting that the State should honour. Those who share the spirit of kindly irony with which Mr Galsworthy has consistently surveyed the doings of gods and men may be forgiven if they trace the handiwork of the Comic Spirit of Destiny in the coincidence that the creator of the Forsyte Saga, in which was crystallised the essence of "bourgeois" England of Victorian and Edwardian days, should have received this crowning honour at the end of a Parliament which Soames Forsyte would undoubtedly have regarded as the swan song of his class.

World Production and Trade.—A third edition, now published, of the "Memorandum on Production and Trade," which the Secretariat of the League of Nations originally prepared in 1926 for the World Economic Conference, brings up to the end of 1927 the various data previously given of international output and exchange of goods. In the following table world indices of population, production and quantum of trade are analysed in seven Continental Groups:—

1913 = 100.

Group.	Population	Production of Food and Raw Materials (a).		Quantum of Trade.	
	1927.	1924.	1927.	1924.	1927.
Europe, excluding U.S.S.R.	106	93–94	109–110	90	108
Europe, including U.S.S.R.	107	90–91	110–112	85	103
North America	123	118	128–129	127	155
Caribbean (b)	105	169–171	148	133	137
South America	141	121	140–141	91	118
Africa	111	135–136	148–149	97	119
Asia, excluding Russia	107	117–122	123–132	124	152
Oceania	123	122–123	121–123	119	142
World	109	108–110	121–124	99	120

(a) The double figures indicate different results obtained by using pre-war and post-war values respectively, as weights in computing the indices.
(b) Central America, Mexico, and Caribbean Islands.

The chief features of interest disclosed are the striking recovery between 1924 and 1927 in European production and trade, the great increase since 1913 in the population of South America (outdistancing the growth of foreign trade) and the marked expansion in the trade of North America, the Caribbean, Asia and Oceania compared with that of the rest of the world. In 1927, Europe's share of total international trade was 14 per cent. lower than in 1913 (being 50.4 per cent., against 58.4 per cent. of the total), whereas the share of North America had risen by 28 per cent. and that of Asia by 27 per cent. With regard to the world output of raw materials and foodstuffs it is to be noted that production of foodstuffs since 1913 has not grown so rapidly as that of industrial raw materials. In 1927, the foodstuffs index (weighted by values of that year) was 113 and the raw materials index 135. For 1928, provisional figures of 116 and 139 are given. Among individual commodities entering into industrial consumption, the 1927 indices, in descending order of magnitude, are as follows:—Rubber, 550; woodpulp, 179; cement, 179; fertilisers, 139; metals, 134; fuels, 128; textile materials, 122. The fuel index, it may be observed, would have been much lower but for the large increase in petroleum output. With regard to the estimated quantum of world trade, the Memorandum points out that in 1927 the discrepancy between the increase of production and growth of international exchange of goods which has characterised recent years appreciably diminished, but that "it remains to be seen whether this tendency towards the restoration of the old balance will prove to be permanent or not." Finally, the important comment is made that the index figures of raw material production given above probably understate the rate of industrial development, since much progress has been made in more economical use of primary products. For example, in the United States the net value added by manufacture, in terms of pre-war prices, was found to be about 70 per cent. greater in 1925 than in 1914, and in other countries the same tendency is discernible.

Our Index Number.—The downward turn in the course of wholesale prices which took place in April was accentuated last month. Expressed as a percentage of the average for 1927, our index number at the end of May works out at 91.5, a fall of 2.7 per cent. on the month, and of 10.4 per cent. in comparison with May, 1928. Recent movements in the indices of each group are summarised below:—

AVERAGE, 1927 = 100.

End of	May, 1928.	Feb., 1929.	Mar., 1929.	April, 1929.	May, 1929.
Cereals and meat	116·3	101·2	100·9	99·1	92·6
Other foods	94·7	88·5	87·3	86·5	84·3
Textiles	108·6	99·9	100·8	96·7	94·9
Minerals	92·5	96·4	99·7	96·7	95·7
Miscellaneous	97·4	91·4	91·4	90·0	89·5
Complete Index	102·1	95·6	96·1	94·0	91·5

It will be seen that each of the five groups of commodities declined last month, lower food prices being responsible for the greater part of the fall in the complete index figure. In the following table we show the percentage of change in the index figure for each group, and in the value of each commodity individually, in comparison with April, 1929, and May, 1928:—

	Inc. (+) or Dec. (−) per cent. compared with	
	Month Ago.	Year Ago.
Wheat—For.	−12·4	−25·4
Wheat—Eng.	− 0·9	−12·0
Flour	−11·3	−25·0
Barley	+ 5·8	− 0·8
Oats	− 0·8	−26·1
Maize	−11·1	−18·6
Rice	+ 3·0	− 4·6
Potatoes	−33·3	−68·2
Beef—Eng.	+ 1·4	−21·6
Beef—Arg.	−14·8	−12·0
Mutton—Eng.	+ 9·9	−15·5
Mutton—N.Z.	...	− 9·7
Bacon, Danish	−11·5	+10·2
Cereals and meat	− 6·6	−20·4
Tea	− 3·7	− 0·8
Coffee	− 3·2	− 7·0
Cocoa	− 2·3	−20·9
Sugar, cane	− 1·1	−12·7
Sugar, ref.	− 3·2	−18·7
Cheese, Can.	− 1·0	− 7·2
Butter, Dan.	− 0·6	− 4·7
Coco. oil	− 7·2	−23·4
Tobacco	...	...
Other foods	− 2·5	−11·0
Cotton A.	+ 1·7	−11·1
Cotton F.	− 2·0	−21·1
Cotton yarn	− 3·2	−10·4
Cotton cloth	...	− 4·4
Wool, Eng.	− 3·8	−10·7
Wool, Aust.	...	−14·6
Wool tops	− 4·7	−24·1
Silk	− 3·5	− 8·9
Flax	− 6·0	−22·5
Hemp	+ 3·4	+ 0·7
Jute	+ 0·4	− 9·1
Textiles	− 1·9	−12·6
Pig iron	+ 4·0	+ 8·0
Steel rails	...	...
Iron bars	...	+ 4·9
Tin plates	...	...
Coal, Welsh exp.	− 5·9	+ 3·9
Coal, Dur. gas	...	+ 3·3
Coal, household	...	+ 5·3
Lead	− 3·8	+ 9·9
Tin	− 0·9	−13·8
Copper	− 4·4	+15·6
Spelter	...	+ 3·4
Minerals	− 1·0	+ 3·5
Timber, Eng.	...	...
Timber, Swed.	...	...
Cement	...	−13·0
Hides	−11·5	−37·1
Leather	− 4·8	−32·2
Petrol, No. 1	...	+14·8
Petroleum oil	...	+14·3
Fuel oil	...	− 6·9
Linseed oil	− 0·9	− 2·4
Tallow	...	+ 4·1
Rubber	+10·3	+10·3
Soda crystals	...	...
Sulph. ammon.	...	...
Creosote	...	−35·5
Miscellaneous	− 0·6	− 8·1

The outstanding features in the cereals and meat group were a seasonal decline in potato prices and substantial decreases in the cost of imported wheat, maize and flour. English mutton advanced in price, but Argentine beef and Danish bacon fell sharply. With the exception of tobacco, "other foods" all cheapened. Among textiles, Egyptian raw cotton, cotton yarn, wool tops, silk, and flax all fell in price, while American cotton recorded a small advance, and hemp was also slightly dearer. In the minerals section a higher quotation for Cleveland pig iron was more than offset by lower values of Welsh coal, lead and copper. Of the "miscellaneous" commodities, rubber rose in price, whereas hides and leather declined. The minerals group, it will be noted, is the only group which does not show a substantial fall in comparison with May, 1928. The figures of our index number, converted to a percentage of the average for 1913, are as under:—

AVERAGE, 1913 = 100.

Date.	Cereals and Meat.	Other Foods.	Textiles.	Minerals.	Miscellaneous.	Complete Index.
Average, 1924.	168·5	215·8	214·7	149·3	122·6	166·2
,, 1925.	168·4	204·2	194·6	139·8	126·2	160·9
,, 1926.	151·7	195·3	152·6	149·8	120·7	149·4
,, 1927.	147·6	202·2	157·0	125·1	116·1	143·7
,, 1928.	152·9	189·7	165·0	115·2	111·2	140·9
End May, 1928.	171·6	191·5	170·5	115·7	113·1	146·7
End Apr., 1929.	146·2	174·9	151·8	120·9	104·5	135·0
End May, 1929.	136·6	170·5	149·0	119·7	103·9	131·5

Calculated as a percentage of the average for 1924, our index number at the end of May was represented by the figure 79.1, the group figures ranging from 84.7 in the "miscellaneous" section to 69.4 in the case of textiles.

China and Russia.—When Soviet Russian spokesmen survey the failures and triumphs of their foreign policy, they must be particularly galled by the reactions of their Oriental *protégés*. So long as they have had their own backs to the wall, Turkey, China and the rest have been glad enough to echo the slogan of "a common front against Western Imperialism"; and they have not been slow to accept from Moscow the material and moral support which the Soviet Government was ready to contribute to the cause. No sooner, however, have they turned the corner than they have hastened to astonish their Bolshevik benefactors by their ingratitude. Turkey led the way in 1923, the Kuomintang followed suit in 1927. Nor, indeed, can they be blamed, for gratitude is only earned by disinterested kindness; and the Turks and Chinese were well aware that the Russian Communists were only assisting them in their bourgeois national struggles in the hope of ultimately furthering Communist international ends. More than that, if in either country Russian Communism had really succeeded in overthrowing local Nationalism after the joint campaign against Western Imperialism had been won, the result would simply have been to substitute for the ascendancy of Great Britain or Japan or some other "capitalist" power the ascendancy of the U.S.S.R.—and this would be the old story of Russian Imperialism over again. Like father, like child. Russia gone Communist is Russia still; the wolf is a wolf for all his sheep's clothing. And nowhere in the world was this truth more patent than in Manchuria, where the Red Russians have managed to inherit that instrument of White Russian Imperialism, the Chinese Eastern Railway. Hence it is not surprising that ever since 1917, whatever *régime* might be momentarily in power at Moscow or Harbin, at Mukden or Peking, the Chinese have set themselves doggedly to push the Russians out of Manchuria. The late tuchun Chang Tso-lin began the game with the tacit approval of his Nationalist opponents, who were denouncing almost every other feature in his policy. His son and heir, the young general Chang Hsüeh-liang, who has reversed his home policy by making friends with Chinese Nationalism, has been carrying steadily forward the policy of evicting the Russians from Manchuria. It is all very awkward for the Bolsheviks, for they can only defend their hereditary rights in Manchuria by placing themselves in the same category as those infamous "bourgeois" Powers who have been trying, in adjoining parts of China, to save their settlement rights and concessions and "unequal treaties." At last, however, the Soviet Government has apparently become tired of turning the other cheek, and, in reprisal for a recent raid upon the Russian Consulate at

Harbin, they have announced the withdrawal of the customary extra-territorial privileges from the Chinese Embassy at Moscow and from the Chinese Consulates throughout the U.S.S.R. This retort is unlikely to cause much concern to Chinese statesmen, either at Mukden or at Nanking. The interesting question is: What is going to be the policy of Japan in this strange "three-cornered contest" for the control of Manchuria? It began, a quarter of a century ago, as a straight fight between the two foreign "Imperialist" Powers, Japan and Russia, for the division of the Manchurian bear-skin, with China playing bear. Latterly the bear *redivivus* has taken a hand in the game by doing his best to push out both intruders. Since Russia has been the weaker party, the Chinese have taken much greater liberties with Russian interests in Manchuria than with Japanese; and there has been a kind of collusion between the Japanese and Chinese, even while they were at odds in their own field of competition, to assist one another in pursuit of their common object of getting the Russians out of the way. Meanwhile, as Russian strength in Manchuria has continued to decline, Chinese strength has been steadily rising. Will there come a point at which the Japanese will seek to redress the balance by beginning to support the Russians against the Chinese?

Protectionism in the Irish Free State.—Our Dublin correspondent writes:—The result of the Census of Production which was taken in 1926 has been published. The value of the net output of all the non-agricultural industries in the Free State in that year was £24,189,572, of which £2,808,403 was paid in salaries and £11,467,400 in wages. The principal industries in order of importance were: (1) brewing, (2) building and contracting, (3) bread, flour, confectionery and biscuits, (4) railways and tramways, (5) printing and publishing, and (6) tobacco manufacture. Most of the above industries either are naturally sheltered from outside competition or depend on the export trade for their principal market. The former class of industry is already protected, whereas the latter is vitally dependent on the maintenance of low costs of production. Neither class has anything to gain from an extension of protection to other industries. The industries that have been already protected appear of no great importance, and it is obvious that their artificial expansion would confer but minor benefits on the country compared with the injury which it might inflict on the great exporting industries, not to mention agriculture. A salutary object lesson on the danger of assisting one industry at the expense of others is to be learnt from the supplementary report of the Tariff Commission on the duty on woollen goods. The result of the imposition of the duties recommended by the Commission was to raise the price of the raw materials of two other industries, which suffered such damage in consequence that the tariff has now had to be hastily amended. Protectionists are, however, as a rule quite impervious to the logic of hard facts, and it is not surprising to learn that Mr de Valera's party is in favour of more and more protection. Last week the Dail devoted a day to discussing proposals for a duty on flour which had already been rejected, first by the Tariff Commission, and secondly by the majority of the Economic Committee, of which Mr de Valera and two of his followers were members. The proposal was rejected, for the third time, by the Dail, but it would be unduly sanguine to hope that it will not be brought forward again. Indeed, the duty on flour is only one part of a much more comprehensive scheme to make the Free State independent of foreign supplies of foodstuffs. The Economic Committee considered for three months and rejected by a majority a proposal that the import of wheat should be controlled by a public authority, which would also have the power of fixing guaranteed minimum prices for home-grown wheat. Such a measure would be a complete reversal of the agricultural policy of the present Government, which has aimed at the development of the mixed dairy farming industry, the natural type of agriculture for a country with the soil, climate and geographical situation of the Free State. A great deal has already been accomplished in the direction of increasing the quantity and improving the quality of the exports of live stock, butter and eggs, but there is still room for a great further development on these lines. The desire to replace this policy by deflecting farmers by means of subsidies into the cultivation of unprofitable crops is the outcome of an absurd dislike of imports which is based on some atavistic trace of mercantilism. The majority report of the Economic Committee pretty conclusively disposed of all the arguments adduced in favour of this absurd scheme, but it is to be feared that the proposal may prove effective in securing some votes in rural constituencies, where every farmer will picture himself as the recipient of the subsidy and will overlook the fact that he may also figure in the less enviable rôle of contributor to the greatly increased taxation that would be necessary to pay it.

The Elections in Northern Ireland.—Our Belfast correspondent writes:—The elections for the Northern Ireland Parliament were held on May 22nd, while a week later electors were called upon to select representatives for the Imperial House of Commons. One of the final acts of the last Northern Ireland Parliament was to pass a Method of Voting and Redistribution of Seats Act abolishing the system of proportional representation —under which previous elections had been held—and introducing a system of single-member constituencies. This measure was strenuously opposed by the Nationalist members on the ground that it would prejudice their representation. The result of the recent election, however, has been to give the Nationalists eleven seats in the new House as compared with ten at the dissolution of the old House. The system of single-member constituencies has tended to throw into sharper relief the division of political opinion between two main parties—Unionist and Nationalist—and candidates representing other interests fared badly at the polls. The composition of the new Parliament compared with the last Parliament is shown below:

	New Parliament.	Last Parliament.
Official Unionists	37	33
Independents	3	3
Labour	1	3
Nationalists	11	10
Republicans	—	2
Farmers	—	1
	—	—
	52	52
	—	—

Contests occurred in twenty-six out of the forty-eight single-member constituencies (Queen's University returns four members by a system of proportional representation). Of this number eighteen seats were secured by the official Unionist party, five by the Nationalists, two by Independents, and one by Labour. The total electorate in these constituencies was 429,084, and the total votes polled 290,297, or 67.6 per cent. The votes secured by each party are shown below:—

	Votes.	Candidates	Seats won.	Votes per Seat.
Official Unionist	147,099	23	18	8,387
Independent (Unionist)	41,307	9	2	20,653
Nationalist	34,069	5	5	6,814
Independent Nationalist	3,694	1	...	...
Labour	24,960	6	1	24,960
Liberal	18,208	5	...	...
Local Option	9,776	3	...	...
Tenants' Association	2,886	1	...	...
Town Tenants	4,015	1	...	...
Farmers	3,437	1	...	...
Working Class	816	1	...	...

In the election for the Imperial Parliament eleven Unionists and two Nationalists have been returned. Contests took place for nine seats, all of which have been retained by the Unionists. In the case of six seats there were straight contests between Unionists and Liberals, the aggregate polls for each party being:—Unionist, 269,552; Liberal, 100,103.

South Wales Coal Movement.—The joint audit of the South Wales coalfield for the three months ended April last showed a credit balance for the first time since the second quarter of 1924. The period covered was the most active since 1923, and the production, at 10.6 million tons, was the largest since that in the three months ended July 1927, when it amounted to 11.1 million tons. The improving output has been accompanied by declining costs and rising prices. The pit-head proceeds per ton raised averaged 13s. 6.81d., compared with 13s. 2.26d. per ton in the preceding quarter, and with the bottom price of 12s. 8.95d. per ton realised in the three months ended July 1928. The total costs of production averaged only 13s. 4.57d. per ton, which shows a decrease of 3¼d. per ton compared with the preceding quarter, and of 8.34d. per ton compared with the corresponding period last year. The effect of these improved conditions was that the industry realised a credit balance of £99,063, equal to 2.24d. per ton on the total output, compared with a loss in the corresponding period last year of £693,438, or 1s. 3.99d. per ton. The economic wage certified by the auditors was 10.41 per cent. above the 1915 standard rates, compared with 2.10 per cent. above those rates in the preceding three months, but under the agreement the owners are under an obligation to pay a minimum wage rate of 28 per cent. above the base rates, and the deficiency during the three months amounted to £729,743, bringing the aggregate deficiency carried forward under the present agreement to £11,600,351. The average output per man shift worked was, at 21.12 cwts., slightly less than in the previous three months, while the output per man shift worked at the coal face was 44.88 cwts., compared with 45.78 cwts. Because of this slightly reduced production per person, due to an increase in the number of persons employed, the average wage per man shift was 9s. 4d., compared with 9s. 5.78d. in the previous three months. This slightly lower wage, however, compares with 6s. 10d. in 1913, and it is of interest to add that the costs per ton in the last quarter of 13s. 4.57d. compared with 11s. 1.29d. in the pre-war year, and the average pit-head price 13s. 6.81d. with 12s. 1.2d. per ton. Since 1913, however, the output per man shift worked has increased from 18.4 cwts. to 21.12 cwts., or by nearly 15 per cent., and it is for this reason that the wages cost per ton now averages only 8s. 5.94d., compared with 7s. 6.38d. in 1913—an increase of about 12½ per cent.—although, as has been shown, the average wage per shift in the three months ended last April was about 36½ per cent. greater than in the pre-war year, without making any allowance for the increased value of payments in kind, which were estimated by the Board of Trade in its last quarterly statement of the finances of the industry at 3d. per man shift worked.

Safety at Sea.—The International Conference on Safety of Life at Sea, which concluded a six weeks' session in London at the end of last week, adopted unanimously a Convention which is, in the main, a revised version of that drawn up after the "Titanic" disaster, but never fully carried into effect because of the disturbances of the war period. The delegates of eighteen nations were present, and the detailed work was done by a series of committees, into which the Conference divided. Afterwards the results were confirmed by a full gathering. Rules for subdivision of ships by bulkheads were not substantially altered, but there was amplification of provisions under this head. The principle, embodied in the previous Convention, that on ocean passenger ships there should be boats for all on board, was reaffirmed, but, in the light of experience, strong emphasis was placed on the necessity for boats to be kept ready for prompt launching. The desirability of boat drills and musters for passengers as well as crews was also stressed. Requirements as to wireless equipment and watch are to extend to all except cargo ships of less than 1,600 tons gross. The North Atlantic ice patrol arrangements were reconsidered and adjustments made in the division of expenses. Some amendments proposed in the international regulations for preventing collisions at sea were adopted, and also a proposal to standardise the terms on which orders are given to steersmen. On this last point, however, uniformity is to be attained (after two years) by altering the traditional mode of giving helm orders on British ships and others which follow the same rule. This would be a case of the great majority conforming to the practice of a minority. No indication of the trend of discussion on this matter was given till the report of the final signature of the Convention was issued, and the large number of those practically concerned who have opposed this alteration in helm orders will be taken by surprise. Disappointment may also be felt at the exclusion from the Convention of the important question of enforcing internationally agreed regulations for the prevention of overloading. The British standard of load-line legislation is beyond criticism, but it is common knowledge to every shipowner and underwriter that in many countries the position is far from satisfactory. The failure of the Conference to tackle this urgent issue is difficult to understand.

Agriculture in 1928.—The tendencies of recent years in British agriculture have continued in the past year. According to the Report just published by the Ministry of Agriculture,* the net loss of land to agriculture in 1928 was 33,746 acres. The decline of 201,342 acres in arable land was offset to the extent of 116,264 and 51,332 acres by increases in permanent grass and rough grazings in sole occupation respectively. The distribution of the decline was not materially different from that in 1927, and was heaviest in the less important arable areas. The area sown to the three principal cereals is a steadily declining proportion of the total arable acreage, though the amount under barley and oats increased slightly as compared with 1927. The loss in wheat area was 240,437 acres, or nearly 15 per cent. Roots, fodder and potatoes all were grown on smaller acreage, while there was a reduction of 21 per cent. (47,000 acres) in the area under sugar beet. Yields, on the other hand, were in almost all cases exceptionally heavy and of good quality, though fruit crops were below the level of 1927. The numbers of livestock, except pigs, were reduced all round; cattle were 249,000, or 4 per cent., fewer than in 1927; sheep declined by 683,000, or 4 per cent., and there was a decline in the breeding of horses. Pigs increased by over 10 per cent., and were not far behind the record year of 1924. Fowls increased very slightly, but other classes of poultry diminished. As corollaries of these developments, heavier slaughterings resulted in the production of an additional 700,000 cwt. of beef, 75,000 cwt. of veal, 355,000 cwt. of mutton and lamb, and 870,000 cwt. of pigsmeat; milk production for the year, June, 1927-May, 1928, fell by 5 million gallons to 1,147,000 million gallons; egg production increased by 7 per cent.; and the wool clip fell from 56 to 53 million pounds. The total number of agricultural workers diminished, but this was due to a decline in the number of casual workers. Regular workers increased slightly in numbers.

Economic Conditions in Czechoslovakia.—The annual report to the Department of Overseas Trade† on conditions in Czechoslovakia draws a picture of steady economic progress, which is attributed by its author to "a traditional export psychology," aided by low costs of production, industrial peace, hard work and expert specialising. The interesting point is emphasised that the rigorous control which is exercised by the banks over Czechoslovakian industry has enforced a high degree of efficiency in administration and trading. Another contributory cause of the "unruffled economic situation" lies in the sincere efforts which are being made to weld together the Slav and German industrial elements. A successful step in this direction was the recent amalgamation of the Federation of Czechoslovak Manufacturers and the Federation of German Industries in Czechoslovakia. A similar amicable disposition in the

* "Agricultural Statistics, 1928." Vol. LXIII. Part I. H.M. Stationery Office. 1s. 3d. net.

† H.M. Stationery Office. 1s. 6d. net.

economic relations of the country with her immediate neighbours bears fruit but slowly, owing to the fact that Czechoslovakia, being the most highly industrialised country of the group, stands to gain much more obviously than they do from commercial treaties. Internally her position is strong; exports have increased from Kč. 20,135 million in 1927 to Kč. 21,228 million in 1928, and imports from Kč. 17,962 million to Kč. 19,194 million: effective interest on Government debt has been recently reduced from 7½ to 6 per cent.; there is a Budget surplus, though only at the cost of very burdensome taxation; and many branches of industry, including iron and steel and engineering, are flourishing. This report is not drawn up with such constant reference to the point of view of the British trader as is customary with this series of publications; it is, however, indicated that there is a good potential market in Czechoslovakia for British cars. It is also emphasised, and the advice cannot be too often brought home to us in Great Britain, that in these days of intensified competition, a knowledge of foreign languages and personal acquaintance with conditions and methods in other countries, are invaluable, if not indispensable, weapons.

Pioneer Life Assurance.—Established in Liverpool in 1891, it has taken this company nearly 40 years to accumulate total funds now amounting to £637,000. Progress has been slow, partly because the company's organisation has been limited and localised, and partly because it has never transacted any other class of business than without-profit assurances. Nevertheless, the financial position is a satisfactory one. Four years ago an item labelled "Establishment Expenses" figured in the balance sheet for a sum of £79,000. This has been gradually reduced, and on March 31, 1929, stood at £44,000, and is therefore within measurable distance of being entirely eliminated. Against this, moreover, there is an investment reserve fund of £40,000, and, further, the book value of the Stock Exchange securities is stated to be within the market value. New business during the year ended March 31, 1929, has been well maintained in both departments, the total being £89,388 in the ordinary branch and £321,196 in the industrial branch. Having regard to the size of the office and the class of business transacted, the expense ratios are moderate, being 15 per cent. in the ordinary branch and 39.9 per cent. in the industrial branch. The rate of interest earned last year worked out at £4 18s. 1d. per cent. net of income tax. The results of the annual valuation in both branches are set out below, together with those of the preceding years:—

	1927–28.	1928–29.
Ordinary Branch:	£	£
Trading surplus earned during the year ...	3,980	8,593
Investment profits.....	1,869	3,851
Brought forward from previous year	4,782	1,818
	10,631	14,262
Allocations:		
To Shareholders	8,500	9,000
„ Investment reserve fund.....	313	3,000
„ Carried forward to next year	1,818	2,262
	10,631	14,262
Industrial Branch:		
Trading surplus earned during the year ...	13,452	19,948
Investment profits.....	1,842	3,965
Brought forward from previous year	5,333	9,818
	20,627	33,731
Allocations:		
To Shareholders	10,500	12,000
„ Investment reserve fund.....	309	7,000
„ Strengthening of actuarial reserves...	...	5,000
„ Carried forward to next year	9,818	9,731
	20,627	33,731

The dividend for the year has been maintained at the same rate as before, namely, 9⅜ per cent.

Oversea Correspondence.

FRANCE.—REPARATIONS—FOREIGN TRADE—IRON AND STEEL—COAL PRODUCTION.

(FROM OUR CORRESPONDENT.)

PARIS, June 5.

THE experts, after four months' patient work, yesterday surmounted the last of their difficulties, and to-night it is practically certain that their report to the Allied and German Governments will be definitely signed on Friday. A week ago there was every reason to fear that, by reason of the German reservations, much of the experts' work might eventually be either rendered useless or require to be recast, owing to the necessary subsequent diplomatic conversations. The delay, due to the necessity of assuring Belgium that her grievance will be satisfied as to repayment for the worthless German marks left behind by the invaders, gave time for many other potential difficulties to be advanced nearer a solution, with the result that the solution of the main question will be found, when the report is actually signed, to be much more definite than had been expected. Thanks to the excellent work of the experts, the historic interview at Thoiry, over two years ago, has now borne satisfactory fruit. M Briand and Dr Stresemann, however, foreshadowed only a partial mobilisation of the Dawes bonds; American financial and other opinion has so developed that the Schacht-Young plan provides for the mobilisation of the whole of the Reparation debt except that part of Germany's payments which will go to extinguish Allied debts to America. As the result of conversations M Briand will have with Dr Stresemann at Madrid, it is regarded here as almost certain that the outstanding political questions will be taken in hand immediately with a view to an international conference at Berlin in July or August for the express purpose of ratifying the experts' report and settling the questions of evacuating the left bank of the Rhine, etc.

The Young plan, as now modified, provides for the Dawes plan to come to an end on August 31st next, or half way between April 31st last, the date asked for by Dr Schacht, and the end of the year, which was originally proposed by Mr Young. By this the Allies would lose about 800,000,000 gold marks, but this has been made up for by readjustments elsewhere. The actual date when the new plan will come into operation will depend, however, on the political decisions, as it would directly involve the fixation of the date for evacuating the Rhineland. The new proposed scale of payments is understood to range, for the first ten years, from 1,700 million marks to 1,995 millions, and for the 27 following years from 2,000 millions to 2,400 millions, the mean figure for the 37 remaining at 2,050 millions, of which 1,988,800,000 marks will be for Reparations and 61,200,000 marks to meet the Dawes loan service of 1924. Should the Governments decide to prolong the term of occupation and to maintain the various Allied commissions in existence, after the Young plan comes into operation, then it will be for the Governments to find the necessary money, as no provision is made for this expenditure under the new plan.

The unconditional fraction of the average annuity of 2,050 million marks (for 37 years) has been fixed at 660,000,000 marks (of which 500,000,000 marks will go to France and the balance to meet the Dawes loan service). This will be subject to no conditions as to transfer or moratorium, and is thus entirely mobilisable. The French 500 millions will make possible, on a 5 per cent. interest basis, the extinction of 50,000 millions of internal debt, while the whole of the French foreign debt due to the war will be covered by the Reparation payments proper. The payment of the unconditional portion of the German annuities is guaranteed on the security of the German railways.

The system of Reparation payments in kind will come to an end in ten years from the new plan coming into operation, during which period they will diminish from 1,750 million gold marks to 300,000,000 marks a year. The 26 per cent. tax on German imports into France and Great Britain (Reparation Recovery Act) will be reduced to 20 per cent., and will also end in ten years. Germany has withdrawn her demand that the Austro-Hungarian succession States shall contribute towards her Reparation payments, and it is understood that other reservations have also been dropped. The capital of the proposed international bank is fixed at $100,000,000, or 400,000,000 gold marks. Any profits earned after payment of dividends to shareholders, constitution of reserves, interest on deposits, etc., will be used to create a special interest-bearing fund, which will be applied to the payment of the 22 annuities to be devoted to settling debts between the Allies. In the event of modifications occurring in the way of discount or cancellation, in regard to debts between Allies, the corresponding reduction will be divided as to two-thirds to Germany and one-third to the Allies.

In the Chamber yesterday the first step was taken towards ratification of the London and Washington agreements. By 322 votes against 249 on a vote of confidence, the discussion of the various interpellations on the inter-Allied debt question was fixed for June 25th. From the reports of yesterday's debate it is by no means clear whether the Chamber will be asked formally to ratify the agreements or to authorise the Government to proceed to ratification by decree, but it is believed in many quarters that, for tactical reasons M Poincaré will adopt the latter method, in view of the serious hesitation which is known to be felt by many deputies, who are anxious that ratification shall be accompanied by reservations as to safeguard and transfer.

The foreign trade figures for April show total imports of 5,143,715,000 francs, and exports of 4,419,455,000 francs, resulting in an adverse balance on the month of 724 millions. This, added to similar deficits of 754 millions in March, 1,044 millions in February, and 1,471½ millions in January, brings the excess of imports over exports since the beginning of the year up to nearly 3,994 millions for the four months, whereas the total deficit for the whole of 1928 was only 2,101 millions. Much of the increase in imports has been due to a fresh spurt on the part of manufacturers to bring back their stocks of raw materials to pre-stabilisation levels, in view of the general improvement which is expected to follow the settlement of the Reparations and debt problems. It is significant, however, that the detailed figures for the period since January 1st disclose increased imports of manufactured goods totalling 780½ millions and a drop in exports of the same class of products amounting to 305½ millions, which accounts for about 25 per cent. of the deficit, while a further 25 per cent. is due to increased imports and decreased exports of foodstuffs. The detailed figures for the four months are as follows:—

	First four months of 1928.	1929. (000's omitted)	Differences for 1929.
Imports.			
Foodstuffs	3,847,858	4,694,590	+ 846,732
Raw materials	11,409,569	12,641,734	+1,232,165
Manufactured goods	2,396,544	3,077,095	+ 780,551
Totals	17,553,971	20,413,419	+2,859,448
Exports.			
Foodstuffs	2,089,569	1,983,463	— 106,106
Raw materials	4,476,277	4,260,039	— 216,238
Manufactured goods	10,481,515	10,175,982	— 305,533
Totals	17,047,361	16,419,484	— 627,877

Iron and steel production figures for April were both well above those recorded for the corresponding month in previous years. The output of steel was 808,000 tons, as against 736,000 tons in April, 1928, and 680,000 tons in April, 1927, a monthly average of 782,000 tons throughout 1928, of 689,000 tons in 1927, and of 559,000 tons (Alsace-Lorraine plants included) in 1913. The output of iron in April was 871,000 tons, against 834,000 tons in April, 1928, 774,000 tons in April, 1927, and a monthly average of 841,000 tons in 1928, 774,000 tons in 1927, and 749,000 tons in 1913 (Alsace-Lorraine plants included). The number of blast-furnaces in activity in April was 158, with 63 ready to work, under repair or undergoing reconstruction, as compared with an average of 190 in operation in 1913, and 74 ready for work or preparing for it.

Coal production during April totalled 4,553,472 tons in 25 working days, against 4,668,722 tons in 26 working days in March. Although the demand for industrial combustibles remains good, French coalowners are watching foreign competition closely, and especially that from the British coalfields. During the first quarter of the year France absorbed 5,224,867 tons of foreign coal, of which 2,838,000 tons came from Great Britain (1,119,000 tons in March alone), 1,113,814 tons from Germany (almost entirely "Reparation coal"), 964,000 tons from Belgium and Luxemburg, and smaller quantities from Poland, Russia, and elsewhere, including a cargo of 871 tons from the United States. The appreciable rise in British imports of coal to France in March (when most other countries' exports to France fell off) suggests that the strenuous effort your collieries have recently been making to recover the ground lost in Continental markets during the great coal strike is at last bearing fruit. French coalowners are also studying keenly the process of reorganisation which the British coal industry is undergoing, and are anxious to know whether your collieries will continue in future to follow a policy of isolation or will seek to enter into working agreements with Continental producers.

BANQUE BELGE & INTERNATIONALE EN EGYPTE.

Egyptian Limited Liability Company.
(Authorised by Royal Decree, dated January 30th, 1929).

EMBODYING THE FORMER EGYPTIAN BRANCHES OF THE
BANQUE BELGE POUR L'ETRANGER

CAPITAL (subscribed): L.E. 1,000,000
„ (paid up): L.E. 500,000

HEAD OFFICE: CAIRO. BRANCH IN ALEXANDRIA.
Correspondents in all the principal cities of the world.
ALL BANKING OPERATIONS TRANSACTED.

GERMANY.—REPARATIONS SETTLEMENT—CREDIT AND CAPITAL—FINANCE.

(FROM OUR CORRESPONDENT.)

BERLIN, June 4.

THE Reparations settlement has been on the whole well received. The chief visible effects were on the Bourse, which rose immediately, and on credit, in that short-term foreign money was increasingly offered. There are also signs of a disappearance of the hesitation and reserve shown by business circles during the prolonged uncertainty as to the Paris result. During the long negotiations the public, which six months ago was misled by optimists into expecting a future annuity of one-half or even one-third of the Dawes standard, was able to prepare itself for a plan which would impose a very considerable burden. For domestic political reasons the settlement is welcome to the Government, which has yet to pass the contentious 1929-30 Budget, in which, on the basis of the Dawes Plan, there would have been a deficit of some 900 million marks. How much the Budget proper will be relieved is not yet clear, because a question will arise as to the relation between the finances and the railway and industrial bonds debtors who have to contribute 385 and 150 million marks respectively in the seven months of the financial year remaining after September 1st.

The new plan is criticised a good deal in detail; chiefly, as was the Dawes Plan, for what seem to be superfluous complications. The disappearance of the Berlin control organisation is welcomed, although it is admitted that the organisation worked efficiently and, with one exception, without friction. Equal satisfaction is felt that there is to be no prosperity index. This index was always criticised on the ground of unfairness; German economists would not admit that the absolute volume of imports and exports could be a measure of prosperity. They considered that an index in which this was a prominent feature was inconsistent with the Dawes Plan proposition that in the long run the size of the favourable trade balance would determine ability to pay. The new forms given to the "transfer protection" and the internal moratorium are regarded as a practical compromise not based on any

principle. They are hard to reconcile with the theory behind the Dawes Plan, which proclaimed that there could not be any foreknowledge of the amount transferable, and provided in certain contingencies for complete suspension both of transfers and of internal payments. If this theory, and at the same time the familiar assumption that past transfers were made possible only by foreign loans, are both correct, there is no guarantee that even 660 millions a year will be transferable; if so, depriving it of "protection" will not make it transferable. It is assumed that the sum of 660 millions was hit upon as a reasonable-looking basis for international bond flotations. A close examination of the recent German balances of foreign payments, bringing out the connection between the foreign loans and the passive trade balances, favours the conclusion that there will not be any difficulty in transferring 660 millions, or a much larger sum. As a source of profit the International Bank is regarded with scepticism. The obvious comment is made that the bank can make a profit only by using Allied and German capital which in any other use would earn interest. This part of the settlement is regarded as an expedient for avoiding the real difficulties which arose out of Germany's objection to extend the payment term for longer than 37 years.

Very dear money prevailed before the May month-end settlements. The time loans rate was the highest since 1924; but in the new month rates, except for month loans, began to weaken earlier than usual, and the demand fell off. The day-loan rate of June 4 was 7½-10 per cent; month-loans 10-11 per cent. The private discount rate remains unchanged at 7½ per cent. The money market position has been improved by continuing realisations of exchange by native holders; and the dollar and sterling are still weak. The Reichsbank's legal-cover exchange reserve in the return for May 31st increased by 153 million marks, so that in spite of the normal large rise in circulation in the last week of the month, the combined gold and exchange reserve remain at 44.8 per cent., well above the legal minimum. The month-end credit pressure was less than in April, the increase in discounts, advances, and securities being 641 million marks as against 831 million marks, and deposits declined by only 14 million marks as against 184 million marks. The circulation increase of 600 million marks is moderate, if the bank's large purchase of exchange is taken into account. The bank's discounts (including treasury bills) and advances are still the highest on record since the stabilisation, but circulation is lower than at the end of March and April. An improvement in the money market and a reduction of the commercial bank's interest rates are expected as a result of the new inflow of foreign funds; in the meantime the Reichsbank seems not inclined either to alter its discount rate or withdraw entirely the restrictions on new discounting announced last month, but the restrictions seem to be less rigidly enforced. The capital market continues stagnant. The home loans total in January-May was 154 million marks as against 835 million marks in the same month of 1928. Foreign loans in May totalled only 3½ million marks; in the first five months 202 million marks as against 876 million marks.

The ordinary Budget for 1928-29 closed with a deficit. Revenue totalled 10,427.1 million marks, whereof 149.5 million marks were to be received after close of the financial year; expenditure, 10,581.5 million marks. Revenues from taxes, duties and fees exceeded the estimate by 162.4 million marks; but as the gross receipts from taxes, out of which proportional subventions are paid to the states and municipalities, considerably exceeded the estimate, the subventions cost 198.3 million marks above the estimate. The net revenue remaining to the Reich from taxes was, therefore, 35.9 million marks below estimate, but this deficit is reduced to 15.1 by a surplus on other revenue. Expenditure exceeded the estimate by 139.3 million marks; the deficit, therefore, was 154.4 million marks. Under Budget law this deficit must be carried by the Budget for 1930. Extraordinary revenue totalled 217 million marks; expenditure (including 260 million marks lent to the Unemployment Insurance Fund, which is repayable), 656 million marks; the deficit being 436 million marks. Including an uncovered deficit of 465 million marks from 1927-28, the extraordinary deficit to be covered by loan at the end of 1928-29 is 977 million marks.

The wholesale prices index number for May 29th is 134.2. The agricultural products group is down to 122.3. The cost of living index for May is 153.5. The heavy fall in prices since March has not affected the prices of cartellised products, which in general tend upward. Bankruptcies in May numbered 871 as against 906 in April. The number of unemployed fell further to 927,000 in the first half of May. The official Institute for the Study of Trade Fluctuations declares that no trade improvement is in sight, and predicts that "no great rise in the level of stocks can be expected within visible time." The Institute is further not optimistic about the increase of export trade, with the exception of trade in the iron consuming manufacturing branches. The heavy iron export market is active only for pig iron and semi-products. A thin-sheets syndicate under the control of the Wolff group of Cologne and the Vereinigte Stahlwerke A.G. has been founded, to embrace about 50 per cent. of production. Thin sheets are the only iron or steel branch not syndicated in 1925-26, and of late there has been sharp price-cutting. The prospects of renewing the expiring syndicates is not good. The Bismarckhuette of Silesia, now a Polish concern, is to absorb the Kattowitz Mining and Smelting A.G. and the Huta Silesia. Some 35 concerns which manufacture tramcars and wagons for light and private railways are negotiating to found a cartel for control of prices, rationalisation, distribution of orders, and later for conclusion of agreements with foreign associations of the same kind. Since 1928 the manufacturers of wagons for the Railways Corporation have had a loose syndicate.

The textiles situation has not improved. The last Textile Trades Union return shows a continuing increase in the percentage of unemployed members, although unemployment as a whole has been declining. In the linen branch are only 39 per cent. of fully employed members, cotton 52 per cent., and woollen 72 per cent.

BELGIUM.—AGRICULTURAL PROSPERITY—TRADE—INDUSTRY—RAILWAY DIVIDENDS.

(FROM OUR CORRESPONDENT.)

LOUVAIN, May 25.

WHILE agriculture throughout the world is in a state of depression, or even of serious crisis, Belgian agriculture continues to enjoy prosperity. On a journey through the country this is very apparent from the high standard of life; the farms have become very comfortable and are in good repair; they have tractors or at least good horse teams; electricity is used for lighting and motive power. Between 1913 and 1928 deposits in the banking department of the Boerenbond (League of Peasants) increased enormously. This peasants' corporation is at present the fourth financial power of the country, after the Société Générale de Belgique, the Banque de Bruxelles and the Mutuelle Solvay.

Agricultural prosperity is much less marked in the big enterprises (those exceeding 100 acres), which are at present finding labour scarce and expensive. Besides, sugar beet culture on a large scale is at present unremunerative on account of the low level of the world's sugar quotations. It must be remembered, however, that in Belgium farms average 20 acres in size, so that farming is generally carried on by members of one family by themselves or with a few hands from elsewhere.

The growth of market gardening is one of the reasons for prosperity in Belgian agriculture. Cauliflowers, asparagus and strawberries give a high return to careful and unremitting work. This cultivation is carried on with such skill that a market gardener and his family can live by the yield of two acres and a half. Greenhouses also are on the increase; the Boerenbond, for instance, grants loans to agriculturists desirous of constructing them. Another cause of farming prospering is the absence of all serious financial hindrance. Of course, agriculturists borrow money in order to buy land, but this gives rise to no abuse. The Boerenbond supplies about half this capital; for 1927 such loans amounted to less than £50,000. The third reason for the prosperous position of agriculture is the existence of organisations like that referred to above. The Boerenbond comprises 120,000 members, all of them heads of farming enterprises, covering practically two-thirds of the country. It possesses at Antwerp big works which prepare cattle foods and different kinds of manure. Daily production totals 1,000 tons. This organisation also instructs the peasantry by means of lectures and periodicals, for which they show great enthusiasm. A special department covers insurance against miscellaneous risks. Revenue has been largely influenced by these favourable conditions. Since the war a real increase is apparent, though income tax induces agriculturists to return their produce at less than it really is. The following table gives the yield per hectare (2½ acres) as returned, in metric tons:—

	Averages for 1911–1913.	Averages 1927 and 1928.
Wheat	2·60	2·82
Rye	2·20	2·45
Oats	2·30	2·55

It is generally admitted that the total productivity of Belgian agriculture has risen since the war by 15 or perhaps even 20 per cent. A final reason for the prosperous state of affairs is the very low distribution charges. The difference between the price paid by the consumer and what is paid to the producer is very small. This explains the fact that farmers can live very well, while in Brussels milk is sold only at 21.0 francs per litre (1s. 1d. a gallon), receiving as they do about 10d. for milk taken at the farm.

Farm rents have advanced slowly; for leases recently taken out they are, expressed in gold, at about the same level as before the war, in some parts even a little above; leases of long standing are much less.

Industrial conditions in Belgium remain good. Nevertheless, for the first quarter foreign trade turns out less favourable. Exports cover only 88 per cent. of the imports, against 93 per cent. a year ago. This regression is due partly to a crisis in the textile industry, which curtailed shipments. A further explanation is that the rise in the standard of living causes a part of what was formerly exported to be consumed within the country.

Coal mines are again in a state of prosperity which is difficult to explain. Scarcity of labour is slightly reducing output, which on account of the intense industrial activity is barely sufficient. Output per man is 580 kilograms per working day, against 525 in 1913. Metallurgy is in a no less satisfactory position. At present six highly perfected blast furnaces are in process of construction. They will be set in progressively, the first in a few weeks. It is said that they will increase cast-iron production, and in consequence steel production, from 340,000 tons, to-day's level, to about 400,000 tons; the figures for 1913 were 200,000 tons.

The dividend payable at the first of June by the Société Nationale des Chemins de Fer Belges (Belgian Railways Company) will be 2 per cent., though at first 2.7 per cent. was expected. According to figures published in the beginning of 1929 a dividend of 2 per cent. could not be ensured; a tariff increase of 15 per cent. was deemed necessary. For political reasons only an increase of about 8½ per cent. was made, which at that time was certainly inadequate. At present traffic conditions are very favourable, so that the increase will easily give a minimum of 2 per cent.

RUSSIA.—AGRICULTURE—CREDIT—FINANCES INDUSTRY—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

THE crops prospect in the greater part of the Soviet Union is still doubtful. In the south part of the Ukraine winter wheat was badly damaged by frost and lack of snow; but according to an official report of May 30th "the condition of winter crops (in the Union generally) is above average." Spring sowing was affected by the lateness of the spring and by unsettled weather. The yield of bread cereals in the crops year 1927-28 (ending June 30th) is put at 73.6 million metric tons, as against 78.3 million tons in the preceding crops year and 96.6 million tons in the same area in 1913. The Council of Labour and Defence has sanctioned a plan for creation in 1930 of 66 "Soviet farms" under the Grain Trust, as a result of which the area of this group of socialised farms will increase from 1½ to 4½ million hectares. The State buying-up campaign for agricultural products in the first half of the current business year (October-March) did not develop satisfactorily. As a result of an increase of 8½ per cent. in buying-up prices, the total quantity of agricultural products bought up was about 4 per cent. larger than in the corresponding half of 1927-28, but there was a sharp decline in food products, in particular grain and meat, the increase falling to raw materials. The decline in buying-up of foodstuffs is officially described as "one of the most alarming factors in internal trade."

The currency situation has not improved. In April circulation increased three times as much as in April, 1928, and since the decline in January-March, in which quarter alone a contraction of circulation can be expected, was only slight, the present absolute circulation is too high, and this is undoubtedly one cause of the rapid price-rise. The movement of circulation (State Bank and Finance Commissariat) since the beginning of the business year, as compared with past years, has been:—

	Millions of Roubles.		
	1928–29.	1927–28.	1926–27.
October 1	1,971	1,628	1,291
January 1	2,028	1,668	1,354
May 1	2,104	1,554	1,300

The large increase in circulation in April is attributed to advance payments of wages, which led to an expansion of credit and also to a drop in bank deposits. In the first half of May circulation declined. According to plan circulation in the current quarter, April-June, is to increase by not more than 75 million roubles. A Bill removing the State Bank from the competence of the Finance Commissariat and giving it increased independence in its credit operations has been submitted. The Commissariat retains power to fix the maximum note issue. The retail prices index rose by May 1st to 2.33 (1 in 1913), and is 15.1 per cent. higher than a year ago, the agricultural group having risen 32.2 per cent. in the year; industrial group 5.8 per cent.

Revenue receipts in the first seven months of the financial year are returned at 4,298 million roubles, as against 3,752 million roubles in the same months of 1927-28. The proportion of revenue received to the estimate for the whole financial year is practically the same as in 1927-28. The proportion of expenditure is somewhat higher, the increase falling to the financing of industry and agriculture. A new decree provides that the Union Budget must be presented to the Council of People's Commissaries by September 20th. The issue of a third Industrialisation Loan is announced. Since the end of the financial year 1922-23 the Union debt has risen from 88 kopecs *per capita* to 10 roubles 29 kopecs. The total debt at the end of the current financial year will (according to the Budget plan) be 1,938 million roubles.

Since October the shortened working day has been introduced into 50 factories of the Russian S.F.S. Republic, with varying results in the matter of productivity. In the machine manufacturing branch the results were good in that while the number of employees had to be increased the gross production increased still more. The rate of increase in railway goods traffic in the present business year so far shows a slight decline as compared with previous years. Plans of industrial production have not been fully carried out. In the first half of the business year (to March 31st) output of the State industries was to exceed that of the same half of 1927-28 by 22 per cent.; the actual increase is 19.7 per cent. Production cost declined 2.5 per cent., as against 7 per cent. planned. Nominal wages rose 7.1 per cent., the real wage a little over 1 per cent. The April production figures for the heavy industries are mostly unsatisfactory. Pig-iron output in the first half of the business year was 1,877,000 metric tons, against 1,622,000 tons in the corresponding half of 1927-28; steel production 2,314,000 tons, against 2,109,000 tons. The Ferrous Metals Board declares that the plan to increase

pig-iron production to 10 million tons by 1933 cannot be carried out unless the centre of gravity of the industry is transferred from the south to the east, mainly to the Urals, where there are iron ore fields containing 800 million tons of good ore. Plans for the building of 38 machine construction shops, to cost 666 million roubles, in 1929-30, and for construction of 60 grain elevators of average capacity 1,640 tons, have been sanctioned. A new tractors construction shop, output 40,000 a year, is to be erected in the Urals. The number of tractors at present in use, nearly all in agriculture, is returned at 30,000. The existing Stalingrad works, which at present can produce at the rate of 20,000 a year, is to have its capacity increased to 40,000. The products of the engineering industries continue to be inferior.

The Amtorg in New York has been negotiating for employment of American technical experts on a great scale, but it complains that the Soviet trusts offer salaries lower than the wages of American workmen, and it advises that a few highly-paid engineers, instead of as is proposed several hundred ill-paid, be engaged. The new agreements with the International General Electric Co. and the Ford Motor Co. provide for the despatch of American engineers to Russia. A new motor car works, with an annual output of 100,000 cars of Ford type, is to be erected at Nijni-Novgorod. A report puts the number of foreign concessions working on February 1st at 68, whereof 12 German, 11 Japanese, 8 American and 7 British; capital invested 51 million roubles, whereof 19 million roubles in manufacturing industries. An official Moscow journal states that 19 foreign manufacturing concessions in 1927-28 earned an average gross profit of 140 per cent. on capital brought from abroad, and 100 per cent. on their own total capital, including former profits employed in Russia; net profits, after deduction of taxes, were respectively 90 per cent. and 64 per cent. The output of the three chief oil trusts is returned as follows (in metric tons):—

	October to March Incl.	
	1928–29.	1927–28.
Azneft (Baku)	4,050,097	3,565,711
Grozneft (Grozy)	2,089,124	1,655,746
Embaneft	114,927	123,023
	6,254,148	5,344,480

Production of the oil refineries of the three trusts was 5,105,376 tons against 3,952,262 tons. The concentration of trust trade in the hands of syndicates is progressing. The trade of the sugar, rubber and leather branches is already completely syndicalised; and according to plan this will be attained, or nearly attained, for 9 out of 19 industries before October. The foreign trade (European frontiers) returns for the first seven months of the business year were: Imports 370 million roubles, against 419 million in 1927-28; exports 399 million roubles, as against 346 million in 1927-28. As compared with 1927-28 the total agricultural export declined a little, but agricultural export other than grain increased 10 per cent. Export of industrial products increased 45 per cent., the greatest increase being of wood. The trade balance was 28,452,000 roubles active, as compared with a passive balance of 72,900,000 roubles in 1927-28.

AUSTRALIA.—SHIPPING CONFERENCE—UNITED STATES TARIFF.

(FROM OUR CORRESPONDENT.)

MELBOURNE, April 24.

THE shipping conference lately held at Sydney between representatives of the oversea steamship lines and representatives of Australian importing and exporting interests to consider the position of the oversea shipping trade in relation to the recent proposal for an increase in freights has had the effect of placing a number of cardinal points in the situation in a clear light before the Australian public. The audited figures presented by the shipowners showed that in recent years trade has been unprofitable, and that, on this ground alone, the increase in freights would be justified. It is also shown in the report drawn up by the conference that there is room for reform in Australian port charges and taxation, and in the delays and expenses incurred through labour troubles. During the five years 1924 to 1928 inclusive, the Government revenues of four of the Australian States have included a total of £3,500,000 from surplus port revenue, and in view of the objections to making port charges a method of raising revenue for general Government purposes and the recommendation of the Imperial Economic Conference held in London in 1928 that this should be amended, the present report states that the cost of transport should no longer be increased by special taxes, which amount to an export tax. This subject, however, has received attention for many years in Australia, but without result. At Melbourne, for example, part of the Harbour Trust gross revenue goes to the State Treasury, and the State Government has never seen its way to forego this item of revenue.

The shipping conference report also calls attention to the desirability of giving immediate effect to the scheme for relieving oversea shipping from double taxation, as recommended by the Imperial Economic Conference in 1923. A number of other matters are proposed for consideration in detail by representative committees to be formed in the Australian States. The central body of these committees will be known as the Australian Oversea Transport Committee, with headquarters in Sydney.

The Commonwealth Government has published its Note to the United States Government on the proposed re-adjustment of the American tariff, with the possibility that this may include an increase in the duty on wool. One of the main features of the situation is that Australian imports from America, which amounted to £34,593,142 in 1927-28, against £41,394,277 in 1926-27, and £37,234,257 in 1925-26, are much greater than Australian exports to the United States, which were approximately £9,000,000 for 1927-28, against £8,578,504 for 1926-27, and £9,953,877 for 1925-26, exclusive of gold shipments. The largest group of imports from America is "vehicles," which totalled £11,047,257 for 1926-27, in addition to which kerosene, lubricating oil and petroleum spirit, etc., amounted to £5,700,656. The principal competitor against America as regards motor cars is the United Kingdom (with a preferential tariff), and as regards oils the Netherland East Indies, from which the imports of oils in 1926-27 were nearly 3¾ million sterling. The Commonwealth Government expresses the hope that the United States Government will do everything in its power to avoid the placing of further restrictions upon the movement of Australian commodities into the United States, but points out that further restrictions by American tariff increases affecting Australian products would inevitably intensify feeling against the American trade preponderance.

Letters to the Editor.

ELECTRICITY SUPPLY COMPANIES.

TO THE EDITOR OF THE ECONOMIST.

DEAR SIR,—The very interesting article in your issue of May 25th on "Electricity Supply Companies" seems to need some amplification of certain points:—

(1) The Clyde Valley Co. should not now be excluded, as you exclude it, from the list of companies which have recently issued new ordinary shares on bonus terms. You will no doubt remember that on April 26th it was announced that new shares were to be offered to shareholders in the ratio of three new shares at par for every four shares held; and the price which your article quotes as the present price of Clyde Valley is, of course, *ex* this bonus.

(2) Your article, perhaps wisely, avoids any reference to the thorny subject of depreciation.

It is not possible to dogmatise about what should be charged for depreciation, nor indeed is it always possible to say with certainty what account any given company has taken of depreciation; but it is, I think, misleading to compare earnings yields of different companies, when some show their earnings after making allocations for depreciation, while others make allocations to reserves which are not labelled depreciation reserves, but serve the same purpose, *e.g.*, the Clyde Valley Co.'s contingency account.

In an attempt to fill in these details I have set out below some calculations as to the real earnings of some of the companies dealt with in your article. I have excluded the Scottish Co. and the Midland Counties Electric Supply Co. because the data which they supply to the public is not, in my opinion, ample enough to enable the investor to form any reasoned judgment of their position.

In calculating the earnings of these companies it is obviously essential to take some account of the changes in their positions which recent emissions of capital have caused, and it is therefore inevitable that one's calculations should be in some sort a guess at the earnings likely to be realised for the current year. In order to make any such estimate as nearly as may be a logical entity I have therefore made the calculations as if they were simply estimates of the earnings of the four companies dealt with for the current year.

In order to deal with the question of depreciation satisfactorily it is obviously essential to deal with it on a comparable basis for all four companies. Without inside knowledge of the various companies' positions, any allocation for depreciation must be to some extent a guess. But for what it is worth I have, in the calculations below, written back the companies' own allocations for depreciation (if any) and made the following assumptions:—

The main part of the capital expenditure of a power company consists of mains, buildings and other civil works. On mains 2 per cent. per annum is severe enough depreciation; on buildings the figure of 1 per cent. would probably be adequate. At a guess, therefore, I have taken the figure of 1¾ per cent. for the total of capital expenditure. This, however, does not, by any means, provide adequately for the depreciation of generating machinery—turbines, boilers, generators, etc.—on which a figure of 5 per cent. per annum is not, I think, excessive.

I have assumed that every 4,000 units generated by a company implies the existence of 1 kw. of generating plant, representing, say, £15 of capital expenditure.

I have, therefore, altogether allowed for depreciation 1¾ per cent. on the total of capital expenditure, plus an extra 3¼ per cent. of £15 per 4,000 units of output—*i.e.*, say, £120 per million units.

Making these assumptions, we have the following results for the companies that I have attempted to deal with:—

Newcastle-upon-Tyne Electricity Supply Co., Limited.

	£	£
The net profit for the year 1928, after providing for income tax, debenture interest and preference dividends, appears to have been		395,916
To which the normal rate of growth might be expected to contribute for 1929, an increase of, say		40,000
While earnings should be increased further by, say, 5 per cent., less tax, on the £1,086,875 of new capital provided by the issue of further shares at the end of 1928, or		43,475
Making a total of		£479,391
Less depreciation at 1¾ per cent. on total capital expenditure of	£7,012,450	
Less depreciation reserves	761,359	
	£6,251,091 or	£109,394
Plus £120 per million on 700 million units	84,000	
		193,394
		£285,997

This is equivalent to 8 per cent., less tax, on the 4,007,681 ordinary shares outstanding, plus a further sum of £30,000. The 5 per cent. non-cumulative preference shares (of which there are 1,537,552 in issue) are entitled to a further 3 per cent. dividend—taking £36,900—before the ordinary receive any dividend in excess of 8 per cent. At a price of 27s. 6d. on the 6 per cent. dividend, the yield is 4.4 per cent. and the earnings yield is 5.8 per cent. (The sum required to pay a 10 per cent. dividend on the preference and ordinary shares, calculated on the same basis as the £286,000 shown above, is £382,106.)

Clyde Valley Electrical Power Co.

	£	£
The net profit (after income tax) for 1928 was		273,497
To which the normal growth might be expected to contribute for 1929 an increase of, say		20,000
Making		293,497
In a full year the fresh cash provided by the issue at par of 900,000 new ordinary shares might be expected to increase earnings (whether by saving interest through the liquidation of temporary loans shown in the balance sheet, £848,782, or otherwise) by 5 per cent, less tax, or		36,000
		£329,497
From which must be deducted depreciation at the rate of 1¾ per cent. on capital expenditure	£3,444,929	
Less two-thirds of contingency fund (arbitrarily segregated as depreciation reserve fund)	631,667	
	£2,813,262	
	i.e., 49,232	
Plus £120 million units sold, or	28,800	
		78,032
Available for share capital		251,465
Less preference dividend		46,400
Leaving for ordinary		£205,065

which is equivalent to about 12.2 per cent. (less tax) on the present ordinary capital of the company (£2,100,000).

These calculations allow for the gain of a whole year's interest on the £900,000 of new capital, which is only in the company's possession—on an average—for about half a year, but the fact that the new shares rank for dividend only in respect of the periods during which they are paid up helps to correct this anomaly, which may therefore stand.

Assuming, then, that the dividend of 8 per cent. on the much enlarged capital is continued, the dividend yield on the price of 33s. is about 4.85, and the real earnings yield is likely to be 7.35 per cent.

The Yorkshire Electric Power Co.

	£	£
The earnings after income tax for 1928 amounted to		310,070
To which the normal growth might contribute an increase for 1929 of		35,000
And extra interest on the funds from new shares issued during 1928, but not fully paid up till late in the year		30,000
Making a total of		375,070
Less preference dividend		77,658
		£297,412
Less Depreciation:		
Say, 1¾ per cent. on £4,612,796	£80,724	
Plus £120 per million on 150 million units	18,000	
		98,724
		£198,688

This is equivalent to 9.9 per cent., less tax, on the ordinary capital of £2,500,000.

At the price of 34s., if the 8 per cent. dividend is continued, dividend yield is 4.8 per cent., and the earnings yield is likely to be 5.8 per cent.

Lancashire Electric Light and Power Co., Limited.

	£	£
The net earnings for the year ending March 31, 1929, after income tax, debenture interest and dividends on the 6 per cent. first preference shares was		120,198
To which must be added back the allocation to depreciation, etc., account in the Parliamentary company of		50,000
The normal growth of earnings should contribute a further increase for the current year of		30,000
And earnings should be increased by 5 per cent. (less tax) on the further £810,000 of capital provided by the issue of further shares in April, or		32,400
Making a total of		£232,598
From which must be deducted for depreciation 1¾ per cent, on (calculated) capital expenditure of £3,234,108	£56,596	
Plus £120 per million on 200 million units	24,000	
		80,596
Leaving		£152,002
7 per cent., less tax, on the Cumulative Participating Preference shares	£1,000,000	
And ordinary shares	1,600,000	
		145,600
Leaving		£6,402

On this basis the earnings for the current year are not likely to exceed 7¼ per cent., unless there is a greater growth in the net earnings than the figure of £30,000 shown above—a not unlikely contingency.

On a continuance of the 7½ per cent. dividend the yield on the price of 29s. 6d. is 5.2 per cent., and the earnings yield on the above basis is 5.0 per cent.

There remains one factor of importance which I think should be taken into account. This is the relation between earnings and ordinary capital.

In the table below I have taken, for the sake of argument, an increase of 10 per cent. in the gross revenue (as shown in published figures or estimated), assumed that the whole 10 per cent. is retained as the net revenue, and expressed the amount as a percentage upon the ordinary capital of each company, after making allowance for the premium at which the shares stand. The *actual* figure shown is not of importance, but the relative figures are, I think, significant as a guide to the effect that an increase in earnings will have upon the sums available for dividend on ordinary capital.

	Dividend Yield. Per cent.	Earnings Yield. Per cent.	Increase Factor (as above). Per cent.
Newcastle	4·4	5·8	3·0*
Clyde Valley	4·85	7·4	2·2
Yorkshire	4·8	5·8	1·2
Lancashire	5·2	5·0	1·5

* Allowance being made for the participation of the preference shares.

—I am, Sir, yours truly,

GEORGE WANSBROUGH.

24 Old Broad Street, London, E.C. 2.
May 28th.

[We are obliged to Mr Wansbrough and other correspondents who have pointed out that the Clyde Valley Co. has recently issued to shareholders three new shares at par for every four held.—ED., *Econ.*]

Books and Publications.

Mr THEODORE DREISER ON RUSSIA.*

BOOKS about the new Russia, however impartially written, are almost inevitably labelled by readers " pro " or " anti " Bolshevik. " Dreiser Looks at Russia " will probably be put in the former class. The result of Mr Dreiser's eleven weeks' tour, made in conditions which ensured him complete freedom to observe, is a wish " to see Russia, as it is now, recognised and aided financially in order that this impetus to something better may be strengthened." Mr Dreiser started with no pro-Soviet bias; he describes himself as an individualist; his dislike of certain Soviet governmental practices is not concealed. But, independently of the Russian comparison or contrast, he is dissatisfied with western social and economic conditions, and is ready to welcome any revolutionary innovation which holds out a bare hope of improvement. Therefore Bolshevism appears to him, if not as an achievement, still as " a tremendous experiment," from which not only Russia but also the rest of the world may gain.

Mr Dreiser's account of Russia is interesting and judicial. He endorses the commonplace of anti-Bolshevik literature that the system of the Kremlin resembles the system of Tsarskoe Selo—" replacing one kind of dogmatic tyranny with another." Not very much, he makes clear, has been accomplished in eleven years of Bolshevism. He was shocked by the uncleanliness, overcrowding and discomfort; he saw, he notes, only one good bed in all his travels, and it had belonged to a foreigner. Enthusiasm, propaganda, programmes and passion for debate he found in plenty, but these had borne little fruit. He approves of the economic levelling down, as a result of which a high administrator draws about the same wage as a skilled industrial worker; of the prevention of " individual accumulation of wealth "; of the clearing away of " the trappings and vanities and gauds and follies " of Russia's Fifth Avenues. This being his attitude, he is ready to accept Bolshevism wholeheartedly if only it can fulfil its programme, but he does not seem entirely confident as to the fulfilment. About the present trend he is well informed. Communism, he says, is not being watered down, as some travellers hastily conclude on the basis of official information given with the design to attract capital. " The share of the State and co-operative organisations in the economic system of the country," he says, " is steadily increasing." But whether he is right in saying that the State's monopoly has freed citizens from " the haunting sense of poverty . . . that so distresses one in Western Europe and America " may well be doubted.

To Mr Dreiser the Soviet educational system is " the most intelligent I have ever seen." It is designed to liberate the human mind " from dogma and slavery of every kind "; and though this liberation can only be achieved, to quote Mr Dreisler, " via dogma," the end justifies the means. A less friendly critic of Bolshevism, admitting the similarity of Soviet and Tsarist means, might not so readily admit the difference between the two systems' ends. In Tsarist Russia, he would object, there was no consistent discouragement of education and other social initiatives. In themselves these were unobjectionable; they became objectionable only when they took forms antagonistic to the political structure. Soviet education, says Mr Dreiser, is " a means for ensuring the stability of the State and for creating a type of human being who will fit in with and continue the theories of Marx." If " Marx " is replaced by " Pobiedonostseff " or " Katkoff " that is just the complaint of the pre-Revolution malcontents. The dictators' ideal of a condition " in which no dictatorship is needed " also sounds familiar. Before the Revolution Russians were almost daily told that dictation would disappear as soon as revolt and conspiracy ceased. If the invisible ends of rulers are judged by promises, Mr Dreiser's new Russia seems not to differ materially from the old.

Mr Dreiser thinks that the non-Russian world may be Sovietised. But except for an ingenious comparison between American chain-stores and the Bolshevik trade mechanism he gives no reason justifying his faith. He is himself inclined to attribute peculiarities of Russian life to a specific Russian spirit or character. From this it might be concluded that Bolshevism could endure in Russia, as Mr Dreiser predicts will be the case, without having any attractions for other countries.

* " Dreiser Looks at Russia." By Theodore Dreiser. Constable & Co., Ltd. 5s. net.

THE UNEMPLOYED.

MR R. C. DAVISON'S book deals, as its title suggests,* with the treatment of the unemployed rather than with the problem of unemployment. He must not, therefore, be reproached with having failed to do what he has not set himself to do: provide a critical analysis of proposed measures for the prevention of unemployment. Nevertheless, in his chapter on relief works, he approaches very near to the frontiers of this wider zone of his subject. Here his definite conclusion is that " the policy of mixing relief and wage-earning has failed." " Nothing less than the stimulation of ordinary industry and business is any real good. If under a *non-Socialist* economy this can be done at all, it would be by the expansion of credits through the agency of the central bank." As an alternative to the various kinds of relief work in which practical experiments have at different times been conducted, " unhelpful to the State and actually lowering in their effects on the unemployed," he proposes the ideal of maintenance under training.

For the rest, Mr Davison's book provides us with a competent and well-proportioned survey of the treatment of unemployment in England, as it has developed in the hands of the national Poor Law since its inception, through the relief work experiments of the 19th century, to the institution of employment exchanges and national unemployment insurance in our own time. His story is carried down to the " Blanesburgh Act " of 1927, and closes with an analysis of the personnel of the unemployed, which is perhaps the most interesting and suggestive section of the book. Here he lays stress upon the existence of a " hard core " of unemployment, separable from the effects of acute and abnormal trade depression, and having its roots

* " The Unemployed." By R. C. Davison. Longmans, Green and Co., pp. xiii. 292. 10s. 6d.

in the nature, methods and recruitment of present-day industry. Its existence leads him, as one might expect, to some sharp criticism of the excessive exploitation of semi-skilled juveniles, especially in the " heavy industries."

His general satisfaction with the development of our present insurance scheme is tempered by criticisms which gain force from his intimate mastery of the details and actual working of the administrative machinery under discussion. For instance, in examining the contributions policy pursued after 1921, when the heavy drain on the new unemployment fund set in, he is not satisfied with the equity of imposing so large a share of the abnormal burden upon employers and employed. He considers that there is force in the contention that the State should have shouldered a larger proportion, or even have defrayed the whole cost of the extended benefit. Nor is he favourably disposed towards the change of administrative policy which, in 1925, stiffened the insistance upon personal search for jobs, by depriving claimants to benefit of the rule that registration at an exchange is sufficient evidence of genuine unemployment. This was, he considers, a repudiation of the policy of concentrating applications on the exchanges, and he challenges the assumption that jobs found under the stimulus of the new individual compulsion to tramp from gate to gate would otherwise have gone unfilled.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

International Gold Movements. By Paul Einzig. (London) Macmillan and Co., Limited, St. Martin's Street. 6s. net.

The subject is treated here entirely from the practical point of view, and makes very interesting reading for the student of monetary theory. There are several useful appendices containing a variety of relevant statistics.

The Money Illusion. By Irving Fisher. With a Foreword by Sir Josiah Stamp. (London) George Allen and Unwin, Limited, 40 Museum Street. 7s. 6d. net.

A further discussion, by one of the most distinguished exponents of monetary reform, of the extent, causes and effects of monetary fluctuations. There are three chapters on proposed remedies, and a section devoted to suggestions for further reading.

Middletown. A Study in Contemporary American Culture. By Robert S. Lynd and Helen Merrell Lynd. Foreword by Clark Wissler. (London) Constable and Co., Limited. Orange Street. 18s. 6d. net.

A remarkably interesting study, in the fullest detail, of the life of a small, and as far as such a thing exists, typical American town. As far as possible the observations are presented against the background of that same city as it was in 1890, and the authors express the modest hope " that by the presentation of these phenomena, familiar though some of them may be, in their inter-relatedness in a specific situation, fresh light may be thrown upon old problems and so give rise to further investigation."

Joy in Work. By Henri de Man. Translated from the German by Eden and Cedar Paul. (London) George Allen and Unwin, Limited, 40 Museum Street. 8s. 6d. net.

So much nonsense has been written on this subject that it is most refreshing to meet an interesting treatment of it. The book is based largely on reports (not reproduced in the English version) of their own experience from 78 workers, and its fundamental thesis is that joy in work, like health, is the natural thing, requiring no furtherance but merely the removal of those factors which tend to frustrate it.

Economic Control. By Neil Skene Smith. With an Introduction by Hugh Dalton. (London) P. S. King, 14 Great Smith Street. 15s.

The author takes as the theme of the first two parts of his book the possibility of deliberate control of the economic machinery of a country in the interests of its inhabitants (world control being temporarily left out of account as too ambitious), and examines in Part III. certain Australian experiments in this direction.

Die rechtlichen Grundlagen des Kapitalismus. By Geh. Hofrat D. Wail Diehl. (Jena) Verlag von Gustav Fischer.

This short German essay on the legal foundations of capitalism develops the thesis that the ideas on which those foundations rest have not lost their significance, and that there is therefore no need to anticipate a change in the legal basis of capitalism within measurable time.

The Mexican Agrarian Revolution. By Frank Tannenbaum. (London) George Allen and Unwin, Limited, 40 Museum Street. 12s. 6d. net.

The New York edition of this book received notice in this column two weeks ago.

Methods of Compiling Statistics of Coal Mining Accidents. (London) P. S. King and Son, Limited. 14 Great Smith Street. 2s.

This examination, by the International Labour Office, of the different practices of the various countries concerned, is the preliminary step on the way to greater uniformity of statistics. Meanwhile it is a valuable aid to the interpretation of comparative statistics.

Kelly's Directory of Merchants, Manufacturers and Shippers of the World, 1929. In two volumes. (London) Kelly's Directories, Limited, 186 Strand. 64s., post free.

This remarkable publication is indispensable to business offices in the leading commercial countries of the world. It contains a list of the names of merchants, manufacturers and shippers throughout the world, indexed both geographically and according to trades, and is fully intelligible to persons with a knowledge of any one of the English, French, Spanish or German languages.

The Directory of Directors, 1929. Compiled and published by Thomas Skinner and Co., 330 Gresham House, Old Broad Street. 25s. net.

An alphabetical list of the directors of the principal joint-stock companies known to the British Stock exchanges, with a list of the companies of which each is a director.

The Central Association of Accountants. List of Members, Articles, By-Laws, Examination Papers, &c., 1929. (London) Central Association of Accountants, 57 Salters Hall, Cannon Street. 5s.

Loi Portant Modification à la Loi des Mines du Juillet, 1924. (Bucarest) Imprimerie Socie and Co., Société Anonyme.

Text of the French Mines (Amendment) Act of 1924.

Journal of the Royal Statistical Society. Part II., 1929. (London) Royal Statistical Society, 9 Adelphi Terrace. 7s. 6d. net.

This issue contains the opening, by Professor Bowley, of a discussion on the national income. There are also articles on " Sickness in Various Industrial Occupations," by A. Beresford Hill; and " Wholesale Prices of Commodities in 1928," by the Editor of *The Statist.*

The Round Table, June, 1929. (London) Macmillan and Co., Limited, St. Martin's Street. 5s.

Articles in this number include " Naval Disarmament," " Unemployment," " East Africa," " India and Suspense " " The Australian Labour Movement."

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2.

Department of Overseas Trade: Economic Situation in Czechoslovakia, March, 1929. 1s. 6d. net.

Agricultural Statistics, 1928: *Report on the Acreage and Production of Crops and Number of Live Stock in England and Wales.* 1s. 3d. net.

Journal of the Ministry of Agriculture for Northern Ireland, 1929. 2s. 6d. net.

STOCK EXCHANGE UNDERWRITING
ITS PRINCIPLES AND PRACTICE

By C. COPLEY SINGLETON

Anyone interested in Underwriting and the profit which may be made thereby should acquire a copy of the above.

Obtainable 2s. 6d., post free,
From UNDERWRITING NEWS LIMITED,
52, Queen Victoria Street, E.C.4.

Economist . . . " rightly insists on the Insurance aspect of Underwriting."

The Stock Exchange.

AMERICAN BUYING OF BRITISH SECURITIES—I.

THE London Stock Exchange has quite rightly regarded its discovery by America as a distinct milestone in its history. Share "booms," however spectacular, are but passing phenomena, leaving few traces behind them, but the entry of the American investor into the British security markets promises to have permanent results. Whatever attitude be adopted to the new development, its occurrence, sooner or later, was inevitable. A nation of 120,000,000 people, accumulating new capital year by year at a rate reflecting its enjoyment of the highest standard of living in history, was bound eventually to turn its attention to the investment opportunities offered by other nations, and not least to those offered by Great Britain, America's nearest neighbour in point of industrial power and prestige. The rapid rise in American security values, which has reduced the average yield on common industrial stocks (according to the index figures compiled by the Standard Statistics Co., and published weekly in our columns) to less than 3½ per cent., has drawn the attention of many far-seeing United States investors to the income-yielding possibilities of the shares of sound and old-established British concerns. The implications of this movement are extensive, and it is well that all British investors should understand them. We propose, therefore, in the present article, to describe the extent and character of recent American buying of British securities, and, subsequently, to analyse its probable economic consequences.

The first conclusion suggested by the available evidence is that the movement in its contemporary form is of extremely recent origin. A handful of British securities was listed on Wall Street as far back as the war period, but the real impetus to the tendency came from the adoption, in October 1927, by the New York Stock Exchange, of listing regulations which standardised transactions in foreign shares with all the convenience and elasticity of domestic bearer issues. British interest in this development dates only from last year, when, in rapid succession, came news of the listing of Four per Cent. Funding Loan and Five per Cent. War Loan in New York, the taking of measures by certain well-known British companies to obviate the possibility of American "control," and the out-and-out acquisition by American interests of various British enterprises (mainly in the electrical and telephone industries) in South America. Subsequent progress has, however, been rapid, and of late scarcely a week has passed without the news of the listing of a new block of British securities in New York, or of some "protective" measure undertaken by a fresh British company.

The primary instinct of many British boards of directors, faced with this new and incalculable development, has been self-protective. The extent to which fears of American "domination" are justified will be discussed at a later stage. For the moment, it may be of interest to mention the chief companies which are known to have changed their articles of association in order to guard against such a contingency. Certain concerns have endeavoured to *exclude* American shareholders, either wholly, as in the case of Imperial Airways, or partially, as in those of Marconi International Marine and Cables and Wireless. Other companies have placed no theoretical limit on American share acquisitions, but have limited voting power—and, consequently, ultimate control of their affairs—to British subjects, the leading examples of this policy being the General Electric Co., Burma Corporation, Rubber Plantations Trust, and, most recently, the Buenos Ayres and Pacific Railway, which has "disfranchised" all but British and Argentine shareholders. A motion in the Ottawa House of Commons, however, to compel the Canadian Pacific Railway to ensure the maintenance of British control was recently defeated.

What are the actual dimensions of America's interest in British stocks to-day? No statistics, reliable or otherwise, are extant, but one would naturally assume that her stake must needs be very substantial, since so many companies have deemed it advisable to take special measures against its extension directly or indirectly—though in some cases, such as the Burma Corporation or the Buenos Ayres and Pacific Railway, those measures have been described as purely precautionary. The readiness of "American-favoured" British security prices, again, to take their tone from the way New York "comes over" on the London Stock Exchange, at about 3.30 every afternoon, seems to point to substantial American holdings. It is known that American citizens or corporations hold (or held three months ago) 60 per cent. of the ordinary shares of the (British) General Electric Co., and that the (American) International General Electric Co. apparently controls 1,200,000 votes of a total of 4,115,425 in Associated Electrical Industries. The (American) Utilities Power and Light Corporation has just definitely announced its ownership of the Greater London and Counties Trust (of which Lord Birkenhead is chairman), which "serves exclusively" (on the parent company's showing) 95 cities and towns in England and Scotland with electricity—controlling an area of approximately 9,300 square miles, with a population in excess of 2,000,000—and has just made an offer to buy out the "A" and "B" shareholders in the Shropshire, Worcestershire and Staffordshire Electric Power Co. America has taken a considerable interest in the future development of the copper deposits of Rhodesia, the American Smelting Co.'s offer to finance the N'Changa Co. being withdrawn only after a more favourable counter-offer by a British group, while in South America, in addition to the acquisitions already mentioned, the Guggenheim interests of the United States have obtained an influential position in the Chilean nitrate industry, and, according to a Press statement this week, have agreed on a fusion of interests with the (British) Lautaro Co.

The cumulative effect of this evidence is certainly considerable. There are, nevertheless, a number of reasons for questioning whether America's "penetration" into British industry is as extensive, or its results are regarded with as much uneasiness, as a superficial reading of the facts would imply. In the first place, only a small minority of the British companies whose shares are listed in New York has so far considered it necessary to take special precautions against American "control." In this connection it may be of interest to set out a skeleton list of companies "quoted" in America, or known to be of special interest to American investors or speculators. The list does not claim to be exhaustive:—

GRAMOPHONE COMPANIES.....	Columbia Graphophone; Gramophone Co. (H.M.V.).
TEXTILE COMPANIES	J. & P. Coats; Courtaulds; British Celanese.
TOBACCO COMPANIES.....	Imperial Tobacco; British American Tobacco; Carreras.
ELECTRICAL MANUFACTURING COMPANIES.	General Electric; Associated Electrical; Johnson & Phillips.
MOTOR COMPANIES	Rolls-Royce; Leyland Motors; Dennis; Ford Motor Co.
AVIATION COMPANIES	Imperial Airways; De Havilland.
OIL COMPANIES	Royal Dutch; Shell Transport and Trading; Anglo-American Oil; Anglo-Persian; Burmah Oil; V.O.C. Holding.
MINING COMPANIES	De Beers; Rand Mines; Bwana M'Kubwa; N'Changa; Roan Antelope; Rhodesian Anglo-American; Rhodesian Congo Border; Rhodesian Copper; Rio Tinto; International Nickel; Consolidated Goldfields; Burma Corporation; British South Africa Co.; London Tin Syndicate.
OTHER COMPANIES	Imperial Chemical Industries; Dunlop Rubber Co.; Distillers; Associated Portland Cement; British Aluminium; Triplex Safety Glass; Margarine Union; Marconi's Wireless; Marconi International Marine; Kolster—Brandes; Rubber Plantations Trust; Debenham's Securities; Selfridge Provincial Stores; Pinchin Johnson.

A more direct "check" on the extent of American holdings in British companies can, however, be obtained from the share registers kept at Somerset House, London. With this purpose in view we have examined the most recent records of some 16 of the above companies, which may be claimed to represent a fair sample of the whole. In every instance we extracted particulars of ordinary shareholdings standing in the names (*a*) of residents in America; (*b*) of residents in other countries outside Great Britain; and (*c*) of banks or other "nominees." The last-named category is important since some holders may, for reasons personal to themselves, desire that their identity remain a matter of confidence. The register of every large and "active" public company includes many thousands of names, but it was found on examination that individual holders of 1,000 shares or over represented much the largest proportion of the total capital. In the case of Columbia Graphophone, for example, the average shareholding was only £99, but "four-figure" holdings accounted for 83 per cent. of the avowedly foreign-held shares, and 99½ per cent. of the "nominee" shares. In the following table, therefore, which sets out the results of our survey, the particulars given are confined to such holdings:—

Holdings of 1,000 shares or over.

Company.	Date of Register.	Nature of Capital.	Total Issued.	Shareholders of Declared Foreign Residence.				Held by Banks and "Nominees."		Remarks.
				American.		Other Foreign Countries.				
				No. of Shares Held.	*Percentage of Total.*	No. of Shares Held.	*Percentage of Total.*	No. of Shares Held.	*Percentage of Total.*	
Imperial Tobacco*	Mar. 5, 1929	Ordinary	29,951,647 shares of £1.	1,717,604	*5·7*	1446709†	*4·8*	‡	‡	...
Courtaulds	Mar. 21, 1929	Ordinary	24,000,000 shares of £1.	373,170	*1·6*	66,645	*0·3*	2,579,941	*10·7*	...
"Shell" Transport and Trading	July 9, 1928	Ordinary	19,654,274 shares of £1.	4,500	*0·02*	97,405	*0·5*	641,828	*3·3*	...
Dunlop Rubber	May 3, 1928	Ordinary	23,353,046 shares of 6s. 8d.	None	...	8,850	*0·05*	2,085,607	*10·6*	...
Marconi's Wireless	Dec. 31, 1928	Ordinary	3,250,038 shares of 10s.	None	...	9,653	*0·3*	369,968	*11·4*	...
		Ordinary	395,114 shares of £1.	None	...	None	...	82,530	*20·8*	...
		Convertible Preference	250,000 shares of £1.	None	...	2,150	*0·9*	36,243	*14·5*	...
General Electric.....	July 17, 1928	Ordinary	2,253,645 shares of £1.	None	...	4,912	*0·2*	131,168	*5·9*	...
Rubber Plantations Trust.....	May 23, 1928	Ordinary	2,250,000 shares of £1.	None	...	3,625	*0·2*	88,218	*3·9*	...
Margarine Union	Dec. 31, 1928	Ordinary	1,819,065 shares of £1.	None	...	None	...	195,239	*10·7*	...
British Celanese	July 30, 1928	Ordinary	3,500,000 shares of 10s.	2,000	*0·06*	64,772	*1·9*	1,115,603	*31·9*	Large Swiss "Nominee" holdings.
Bwana M'Kubwa.....	Jan. 2, 1929	Ordinary	6,808,981 shares of 5s.	5,400	*0·08*	99,781	*1·5*	1,161,574	*17·1*	...
Carreras.....	Jan. 1, 1929	Ordinary	900,000 shares of £1.	None	...	1,590	*0·2*	38,792	*4·3*	...
		"B" shares	1,800,000 shares of 2s. 6d.	15,498	*0·9*	2,025	*0·1*	210,136	*11·7*	...
Gramophone Co.	Nov. 28, 1928	Ordinary	1,600,000 shares (750,000 of £1 and 850,000, 12s. paid).	865,100	*54·2*	None	...	191,785	*12·0*	Victor Talking Machine Co., of New Jersey, holds 850,000 shares.
Leyland Motors	Mar. 14, 1928	Ordinary	900,000 shares of £1.	None	...	None	...	149,938	*16·7*	...
Rolls-Royce	Mar. 8, 1929	Ordinary	787,176 shares of £1.	3,000	*0·4*	None	...	12,823	*1·6*	...
Columbia Graphophone	Oct. 4, 1928	Ordinary	1,000,000 shares of 10s.	21,888	*2·2*	15,433	*1·5*	656,096	*65·6*	601,340 held by Guaranty Nominees, Ltd.
N'Changa	July 26, 1928	Ordinary	525,000 shares (225,000 of £1, 300,000, 17s. 6d. paid).	2,000	*0·4*	None	...	25,461	*4·9*	225,000 shares held by Rhodesian Congo Border.

* *All* foreign shareholdings included. † Irish Free State. ‡ Not ascertained.

It will be seen on examination that, of the 16 concerns included in the table, three made up their registers within the last three months, seven within the last six months, and nine within the last nine months. Only in one instance—the Gramophone Co., controlled, as is well known, by the Victor Talking Machine Co., of New Jersey—do "open" American shareholdings represent a controlling interest, or even an important interest. The "nominee" holdings may include the shares of British as well as foreign beneficiaries, but in no case, except Columbia Graphophone—where American voting control is suggested by this and other evidence—do the proportions of those holdings approach anything like 50 per cent. of the whole. In view of the relative smallness of the total shown under each heading, it is scarcely conceivable that the addition of individual holdings of less than 1,000 shares would affect the main conclusions suggested by our figures. From what has been already stated as to the *recency* of America's interest in British securities, there is more than a possibility, of course, that the situation as regards some of the companies shown has changed significantly since the date of the last public register. The recent announcement of a 60 per cent. American interest in the General Electric Co., for instance (apparently non-existent less than a year ago) suggests the advisability of a qualification of this kind. On the whole, however, the figures may reasonably be regarded as suggesting that, for the present at least, alarmist reports of widespread American "penetration" into or "domination" of well-known British companies should be received with a certain caution, in the absence of definite evidence.

The Somerset House registers yield yet another conclusion to reassure those who are unduly apprehensive of "insidious" American buying. Among the companies which we examined it was the exception rather than the rule to find a majority of the voting shares in few hands, much the largest part of the capital being, as a rule, in holdings of less than £10,000. Wide diffusion of ownership is not necessarily a bar to the private American investor desirous of obtaining a shareholding in a British concern, nor even to the accumulation of a reasonable block of shares as a prelude to "listing" under the rules of the New York Stock Exchange. The more numerous the army of small British holders, however, the more difficult the task of those desirous of obtaining *control* by "quiet" purchases in the market, the longer the notice of their intentions furnished to the directors concerned, and the greater the probability that the would-be controllers will be compelled to come out into the open and make a definite offer to *all* shareholders. In such an event, however, the price offered would of necessity be well above the current market value of the shares, and might appear

decidedly tempting to many existing holders. Would the latter's acceptance be an " unpatriotic " act, calculated to prejudice the best interests of British industry? The question opens up a number of wide issues, which will be reserved for discussion in a subsequent article.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

Ticket.	Account.
June 11.	June 13.

Last week's events confirmed the view that the reduction of commitments, which had been going on steadily for some weeks before the election, would enable markets to face any new development, favourable or otherwise, with comparative equanimity. Even in the pre-luncheon hours of Friday, May 31st, when the incomplete results suggested the return of a Labour Government with a clear majority, the Stock Exchange chose to " stand fast " rather than to sell securities, though a precautionary marking down of prices was effected, especially among gilt-edged stocks. On Monday, with the complete results available, investment demand was discovered again to be flowing in its accustomed channels, and, though Derby Day and the approaching end of the Account subsequently acted as restraining influences on the growth of business, the " House " may congratulate itself on having, so far, surmounted the difficulties of a critical period with a minimum of inconvenience.

The Gilt-edged market, as we show in a later " Investment Note," opened the week with a firmness which, judging by the scarcity of stock in the market, came as a surprise to some people. Five per Cent. War Loan gained ⅜ on Monday and ¼ on Tuesday, while Three-and-a-Half per Cent. Conversion Loan was prominent with an improvement of ⅝ and 5/16 on the two days respectively. The tone became easier as the week progressed, more purely monetary factors—such as the continuance of New York exchange fluctuations below $4.85, and the Bank of England's sale of £285,182 bar gold, announced on Wednesday—re-exerting their normal influence. India Loans shared partially in the earlier activity and the subsequent quieter tendency. Dominion issues were inactive but steady, Commonwealth Five per Cent. Scrip hardening slightly after initial dullness.

Only a small business was done in the Foreign market, and few price changes occurred. German Seven per Cents were in improved demand on the Reparations agreement, and a modest speculative inquiry showed itself for Russian bonds on the Labour Party's victory. Brazilians were quiet but firm, and Peru Corporation rallied slightly on improved May traffic figures. No interest was taken in Far Eastern descriptions.

A slight appearance of investment interest in Home Rails, on Monday, which found the market not very well provided with stock, proved of disappointingly short duration. The market was felt to be in the position of " having nothing to go for." The week's traffic figures afforded comparison with those of Whitsun Bank Holiday week last year. Apart from the Great Western, the figures were not regarded as over-encouraging, a general decline of ½ in the group ordinary stocks following their publication. Among foreign railways, dullness prevailed in Argentine stocks, despite the satisfactory traffic position, but Antofagasta continued to rise, though the directors' action in postponing the bonus announcement came in for criticism.

A confident tone obtained in the Industrial market at the opening of the week's business, but it quickly became evident that, while the stream of investment demand was unchecked, the public were not willing to be drawn into speculative operations. The market, indeed, appeared to be waiting for some major monetary or political development to give a definite lead, and none was forthcoming. Some interest was taken in Columbias and H.M.V. on both sides of the Atlantic, on reports that negotiations between the two companies had once again been taken up. The names of Courtaulds and British Celanese were also linked together in some quarters, though the rumour did not prevent both shares coming on offer after early firmness. A similar coupling of Associated Electrical and General Electric was discredited in view of the known views and personality of the latter's chairman and the doubtful manufacturing advantages of such a merger. The market continued to discount American enthusiasm for Associated Electrical stock. Tobacco shares were quiet. In the brewery group Hoare's were prominent, but Distillers did not maintain their opening activity. Match shares were firm on buying from a Continental quarter. Rolls-Royce were harder on American inquiry, but Leylands attracted less interest, and Dennis Bros. declined on the assumption that the increase in orders was not being fully maintained. The proposed Hudson's Bay capital increase was received without enthusiasm, no long period having elapsed since the last increase. Insurance share movements were of minor interest, apart from an improvement in Sun Life and a decline in Yorkshire, while bank shares showed scarcely measurable variations.

The rubber market was idle, though such changes as occurred in quotations were generally in an upward direction. The commodity itself had no distinct price trend, demand from consumers being on scanty lines. Tea shares were steady, with the exception of Nedeem, which fell sharply on disappointment with the dividend. The tea market itself was heavy, common teas again showing weakness. Oil shares opened actively on the calling of a " conservation " conference by President Hoover for June 10th, and rumours of a further increase in mid-Continent crude prices, but the movement was checked by the publication of increased American production figures. Speculative attention was paid to Eagles, on reported favourable production returns, though the forthcoming balance sheet of the Mexican company was not awaited with much enthusiasm.

The Kaffir market showed few signs of animation before mid-week, when a revival of demand from Paris, where sentiment became optimistic on the Reparations settlement, caused a making up of numerous Rand shares, especially Modder B. Rhodesians opened the week in flamboyant fashion, but business tailed off on the later days, the Congo Border and N'Changa issues making large numbers of new shares available. Tin shares were inclined to take heart of grace, partly owing to the publicity given to propaganda for increased co-operation among producers. Copper prices improved slightly on the Metal Exchange, and a moderate recovery in international counters such as Tinto and Tharsis was accentuated by the better turn of events in Paris.

FOREIGN STOCK EXCHANGES.

NEW YORK.

There is a better feeling on the share market, in the belief that the Reserve Board is ready to ease up its tight money policy; 7 per cent. is the prevalent rate for call money, time rates are lower, and there is some expectation of a reduction in bill rates if, as rumoured, the Reserve turns buyer of bankers' bills. Although the past week saw a well-sustained recovery in shares, brokers' loans are down $4 million, revealing " short " covering and much new buying of an investment nature, done without resort to borrowing. Bonds are also improving on easier money, but there is some doubt whether the usual July reinvestment demand will be as large as usual. The Reparations settlement was regarded as gratifying, and was reflected in a good market for German bonds. Bankers do not look for any immediate rush of foreign financing. The principal activity was in public utilities, rails and (later) coppers and food company shares, but the general market felt little change, and public interest was still low. Professionals are doing slightly more, but a return of the old speculation is not anticipated until the Reserve policy grows clearer and a better idea of business prospects is obtained. So far the building industry is slowing down, and the motor output was lower in May, but steel is holding up; most observers expect activity to pick up in the autumn after a moderate summer curtailment.

	May 29.	June 6.	Rise or Fall.
4½% Lib.Ln.'33–8	98⅝	98⅞	— ⅛
3½% Trs.Bs.'46–56	100⅛	100⅛	...
Ach., Top. San. Fé	215½	215½	...
New York Central	188	196	+ 8
Union Pacific	223½	226	+ 2½
Pennsylvania	76⅛	78⅜	+ 2¼
Southern Railway	142	143½	+ 1½

	May 29.	June 6.	Rise or Fall.
U.S. Steel	166½	168½	+ 2⅛
General Motors	71½	73⅛	+ 1⅝
Amer. Tel. & Tel.	206⅞	210	+ 3⅛
General Elec.(New)	265½	276½	+ 10⅞
Victor Talking	148	148	...
Std. Oil of N.J.	56⅝	59⅛	+ 2⅝
Anaconda	103⅞	106	+ 2⅛

By courtesy of the Standard Statistics Company, Inc., of New York and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926=100):—

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	May 23.	May 29.
342 Industrials	104·7	137·1	132·5	186·4	191·1	189·1	182·4
33 Rails	106·1	128·0	120·5	139·7	140·9	138·4	139·7
35 Utilities	103·3	128·3	128·3	180·6	184·6	211·5	208·4
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	185·2	180·2
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·35%	3·52%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Highest of 1929. (May 4.)	Lowest of 1929. (May 27.)	May 29.	May 30.	May 31.	June 1.	June 3.	June 4.	June 5.
225·4	201·7	204·4	—	204·5	204·7	208·4	212·7	212·2

PARIS.

At the beginning of the week the market was once again narrow, though holding up satisfactorily. Later, business developed, and the general level of prices rose appreciably. This regaining of firmness was due partly to the good tone of the foreign markets, and notably that of the London Stock Exchange after the General Election, partly to the promise of an imminent agreement at the Committee of Experts. The view that the Banque de France would benefit by this agreement caused widespread buying of its stock. Elsewhere chemicals were most in favour, together with Citroën and Distribution d'Electricité. Oils were a firm and animated market, Royal Dutch making progress on important arbitrage demands. Rio Tinto registered some recovery.

	May 30.	June 6.	Rise or Fall.
3% Perp. Rentes	74·17	74·50	+0·33
5% Rentes, '15–16	101·00	100·55	−0·45
5% Rentes, 1920	124·27	125·40	+1·13
Banq. de France	25,675	26,325	− 350
Banque de Paris	3,370	3,435	+ 65
Crédit Lyonnais	3,300	3,370	+ 70
Nord	2,585	2,630	+ 45
Com. Gen. d'Elec.	3,870	3,965	+ 95
Littoral Médit.	1,410	1,445	+ 35

	May 30.	June 6.	Rise or Fall.
Mines de Lens	1,342	1,367	+ 25
Courrières	1,582	1,616	+ 34
Pechiney	3,850	4,045xd	+ 195
Kuhlmann	1,237	1,324	+ 87
Com. Gen. Trans.	1,262	1,285	+ 23
Suez Canal	25,700	25,695	− 5
Assur. Gen. Vie	12,300	12,500	+ 200
Dollfus. Mieg.	13,250	13,500	+ 250
Denain et Anzin	3,330	3,360	+ 30

BERLIN.

The Reparations agreement enabled the Bourse to begin the week firmly, and quotations moved upward more sharply than at any time this year. The relief promised by the settlement to the public finances resulted in a rise in valorisation securities. Foreign buying was on a considerable scale. Among industrials, steel and coal stocks, long neglected, felt the greatest benefits; electricals profited less, and A.E.G., which had risen greatly during the bear movement in the early part of May, weakened slightly in opposition to the general tendency. Next day the tone remained firm, industrial debentures being on the rise, but A.E.G. continued weak, and the Bourse closed with realisations. Led by potash and engineering stocks, the market was fairly firm on Wednesday also, and loans had a further rise. On Thursday, however, profit-taking brought about a decline, though bank stocks continued to go forward.

	May 30.	June 6.	Rise or Fall.
Reichsbank	309·00	324·00	+15·00
Deutsche Bank	161·75	167·38	+ 5·63
Disconto Bank	152·75	156·25	+ 3·50
Hamburg-Amer.	120·00	123·75	+ 3·75
Norddeut.-Lloyd	110·00	116·50	+ 6·50
I.G. Farbeninds.	252·00	260·00	+ 8·00
Verein. Glanstff.	436·00	457·00	+21·00
Bemberg	340·00	359·00	+19·00

	May 30.	June 6.	Rise or Fall.
Verein. Stahlke.	94·00	99·50	+ 5·50
Mannes Rohrke.	120·00	120·13	+ 0·13
Allgemne. Elekt.	197·50	193·25	− 4·25
Siemns. & Halske	389·50	402·00	+12·50
Daimler Bens.	52·50	57·00	+ 4·50
Cont. Caoutchuc.	165·50	173·00	+ 7·50
Salzdetfurt. Kali	401·75	408·50	+ 6·75

LONDON ACTIVE SECURITIES.

British and Colonial Government Securities.

	Closing Prices May 30.	Closing Prices June 6.	Rise or Fall.
Conv. Loan 3½%	77⅛	77⅛	+ ⅛
Do. 4½% 1944	96¼x	95⅞	− ⅜
War Loan 5% 1929-47	101	101⅛	+ ⅛
Consols 2½%	54⅛	54¼x	+ ⅛
Do. 4%	86⅝	86⅝	...
Funding 4%	87⅛	87⅛	...
Victory Bonds 4%	92⅛	92⅛	− ⅛
Local Loans 3%	63⅛	62¾x	+ ⅛

	Closing Prices May 30.	Closing Prices June 6.	Rise or Fall.
Treasury 5% (B)	99½	99½	...
Canada 4% 1940-60	90	90	...
S. Africa 5% 1945-75	103	101x	+ ⅛
India 3½%	67⅞	67x	+ ⅛
Do. 4½% 1958-68	88½	88	− ⅛
Australia 5% 1945-75	99	96x	− ⅛
N.S.Wales 5% 1935-55	96	96	...
N. Zealand 5% 1946	104	102x	− ⅛

Foreign Government Securities.

Japanese 6% (1924)	98	98	...
Argentine 4% Reciss.	85⅛	87	+ 1⅛
Austrian 6% 1923-43	103½	103½x	+ ½
Belgian 7%	106½	106½	...
Brazil 6½% (1927)	93	93	...
Bulgaria 7%	86	86	...
China 5% (1912)	45½	45	− ½
Czechoslovakia 8%	111½	111½	...
Egypt Unified 4%	79⅜	81⅜	+ 2

French 5%	20½	20½	...
Do. 4% (Brit.)	17⅛	18	+ ⅛
German 7%	103⅛	104⅛	+ ⅛
Greek 7% Refugee	100½	100⅛	+ ⅛
Hungary 7½%	102½	103	+ ⅛
Chili 6%	98½	99	+ ⅛
Poland 7%	86	86⅛	+ ⅛
Mexican 5% (1899)	31	29	− 2
S. Paulo Coffee 7½%	103	103	...

Corporation Stocks.

L.C.C. 3%	63	63	...
E. London 5% 1960-70	98	97x	+ 1½

Sydney 5½% 1954	97	97	...
Berlin 6% Ster.	93	93	...

British and Foreign Railways.

G. Western Ord. Stk.	85½	84⅜	− ⅜
L.N.E., Def. Stk.	12⅛	11⅞	− ⅛
Do. 5% Pref. Stk.	28⅛	27⅛	− ⅛
L.M.S. Ord. Stk.	52⅛	51⅛	− 1
Metropol'an Cons. Stk.	61	60⅜	− ⅛
Met. District Ord. Stk.	76	76	...
Southern Def. Stk.	30⅛	30	− ⅛
Do. Pref. Ord. Stk.	73½	73	− ½
Underground Ord. £1	1⅛	1⅛	...
Do. Income Bonds.	111½	111½	...
Can. Pacific Com. Stk.	229	231½	+ 2½

Antofagasta Ord. Stk.	110	110	...
B.A.&Pacific Ord.Stk.	104	102½	− 1½
R.A.G.Sthn.Ord.Stk.	109	108	− 1
B.A.Western,Ord.Stk.	95	94½	− ½
O. Argentine Ord.Stk.	98½	97⅞	− ⅝
Cordoba Ord. Stk.	39	37½	− 1½
G.W. of Brazil £10	4	4⅛	+ ⅛
Leopoldina Ord. Stk.	58⅛x	57½x	− 1½
San Paulo Ord. Stk.	204	203	− 1
Taltal Ord. (£5)	5	5	...
Utd. Havana Ord. Stk.	39½	39	− ½

Banks.

Bank of England Stk.	249	251	+ 2
Barclay B. (£1)	2⅜	2⅜	...
Barcl.(Dom. &c.) A £1	1⅜	1⅜	...
Lloyds £5, with£1 pd.	3½	3⅝	+ ⅛
Midland £1, fully pd.	3⅜	3⅜	− ⅛

Nat. Prov. £20,£4pd.	13⅛	13⅜	− ⅛
Com.Bk of Austr. 10/	1⅛	1⅛	...
Hongk. and S.($125)	132	132	...
St. of S. A.£20,£5 pd.	15½	15⅝	+ ⅛
W'minster £4, £1 pd.	3⅛	3⅜	− ⅛

Insurance.

Alliance £1, fully paid	19⅜	19½	− ½
Com. Un. £2½, fully pd.	26	26	...
Ldn.& Lanc. £5, £1 pd.	30	29⅝	− ⅜

N.B.&Merc.£5,£1¼pd.	35⅜	35⅛	− ¼
Phœnix £1	14½	14	− ½
Roy.In.£1,with10/ pd.	8⅜	8½	− ⅛

Coal, Iron and Steel.

Amal. Anthracite (£1)	1⅛	1	− ⅛
Babcock, Wilcox (£1)	3⅛	3⅛	− ⅛
Baldwin (£)	3⅛	3	− ⅛
Bolckow Vaughan (£1)	⅞	⅞	...
Cory, William (£1)	3	2⅞	− ⅛
Dorman, Long (£1)	1⅛	½	− ⅛

Guest, Keen (£1)	2	2	...
Powell Duffryn (£1)	1	1	− ⅛
Stewarts&Lloyds(£1)	1½	1⅞	− ⅛
Swan, Hunter (£1)	1⅛	1⅛	...
Thornycroft,John(£1)	4⅛	4½	− ⅛
Vickers (6/8)	⅛	⅛	− ⅛

Textiles.

Bradford Dyers (£1)	2⅛	2⅛	...
Brit.Celanese,Ord.(10/)	2⅛	2⅛	+ ⅛
Coats, J. and P. (£1)	1⅛	1⅛	...
Courtaulds	4⅛	4⅛	− ⅛

Eng.Sewg.Cotton(£1)	2⅛	2⅛	+ ⅛
Fine Cott.Spinn.(£1)	1⅛	1⅛	+ ⅛
Listers (£1)	1⅛	1⅛	− ⅛
Snia Viscosa (200 lire)	⅛	⅛	...

Electrical Manufacturing.

Associated Elec. (£1)	2⅛	2⅛	...
British Insulated (£1)	3⅛	3⅛	...
Ever Ready (G.B.) (5/)	1⅛	1⅛	...

General Electric (£1)	2⅛	2⅛	− ⅛
Johnson& Phillips(£1)	1⅛	1⅛	...
Siemens (£1)	1⅛x	1⅛	+ ⅛

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅛	1⅛	...
City of London (£1)	1⅛	1⅛	− ⅛
County of London (£1)	2⅛	2⅛	+ ⅛

Hydro-Elec. com. stk.	35½	35⅜x	...
Lancashire Elec. (£1)	1⅞	1⅞	...
Newcastle-on-Ty(£1)	1⅛	1⅛	+ ⅛

Gas.

Gas Light & Coke (£1)	⅛	⅛	...
Imp. Continental Stk.	440	440	...

Primitiva (£1)	1⅛	1⅛	+ ⅛
S. Metropolitan Stk.	105	105	...

Telegraphs and Cables.

Eastern Stk.	273½	266½	− 7
Eastern Exten. (£10)	27⅞	26⅛	− ⅜
Marconi (10/)	3⅛	3⅛	− ⅛

Marconi (£1)	4⅛	4⅛	− ⅛
Marconi Marine (£1)	3⅛	3⅛	+ ⅛
Western Tel. (£10)	27½	26⅝	− ⅞

Motors.

Dennis (1/)	2⅛	2⅛	− ⅛
Ford Motors (£1)	3½	3⅝	+ ⅛
Leyland (£1)	2⅛	2⅛	...

Morris 7½%Cm.Pf.(£1)	1⅛	1⅛	− ⅛
Rover (8/)	⅛	⅛	− ⅛
Singer (£1)	1⅛	1⅛	− ⅛

Shipping.

Cunard (£1)	1½	1½	...
Furness Withy (£1)	1⅛	1⅛	...

P. & O. Defd. (£1)	2⅛	2⅛	− ⅛
Royal Mail Ord. Stk.	69	68	− 1

Tea and Rubber.

Anglo-Dutch (£1)	1⅛	1⅛	− ⅛
Cons. Tea & Lnds. (£10)	3½	3	+ ½

London Asiatic (2/)	⅛x	⅛	...
Rubber Trust (£1)	2⅛	2⅛	...

O

Anglo-Persian (£1)	4⅛	4⅞	− ⅛
Attock (£1)	3⅛	3	− ⅛
Burmah Oil (£1)	4⅞	4⅜	+ ⅛
Canadian Eagle no par	⅛	⅛	+ ⅛

Lobitos (£1)	2⅛	2⅛	+ ⅛
Mexican Eagle(£1/0/6)	⅜	⅜	...
Royal Dutch (£5)	32⅛	33⅛	+ ⅛
Shell (£1)	4⅛	4⅛	+ ⅛

Miscellaneous.

Aerated Bread (£1)	1⅛	1⅞	+ ⅛
Assoc. P. Cement (£1)	1⅛	1⅛	...
Braz. Traction, no par	53	56⅛	+ 3⅛
Brit.-Am.Tobacco(£1)	6⅛	6⅞	− ⅛
Carreras, "A" Ord.(£1)	14⅛	14⅛	...
Columbia Graph.(10/)	14⅛	13½xr	...
Crittall (£1)	2⅛	2⅛	− ⅛
Dunlop (6/8)	⅜	⅜	− ⅛
Forestal Land (£1)	1⅛x	1⅞	...
Gramophone Co. (£1)	16⅛	17⅛	+ ⅛
Harrods (£1)	3⅜	3⅜	− ⅛
Hudson's Bay (£1)	6⅛	5⅞	− ⅛
Imp. Airways(£1 15/p)	1⅞	1⅞	...
Imp. Chem., Ord. (£1)	1⅜	1⅜	− ⅛

Imperial Tobacco(£1)	5⅛	5⅛	− ⅛
Inter. Nickel of Can.	47⅛	50⅛	+ 2⅛
Kynoch & Toll (kr.100)	34⅛	36⅛	+ 1⅛
Lever 7% pref. £1	1⅛	1⅛	+ ⅛
Lyons (J.) (£1)	5⅛	5⅛	...
Margarine Union (£1)	4⅛	4⅞	− ⅛
Pinchin Johnson (10/)	2⅛	2⅛	...
Swed. Match, B(kr100)	20⅞	21⅛	+ ⅛
Tate and Lyle (£1)	2⅛	2⅛	− ⅛
Tilling, Thomas (£1)	5⅛	4⅞	− ⅛
Turner & Newall (£1)	5⅛	5	− ⅛
United Molasses (£1)	6⅞	7	+ ⅛
Vocalion (10/)	2⅛	2⅛	+ ⅛
Watney Combe Df.(£1)	3⅛	3⅛	+ ⅛

Mines.

Anglo-Amer. of S.A. (£1)	2⅛	2⅛	+ ⅛
De Beers Def. (£2½)	13⅛	13⅛	+ ⅛
Brakpan (£1)	4⅛	4⅛	...
"Chartered" 10/t.p.	2⅛	2⅛	+ ⅛
Burma Corp. (Rs.10)	⅜	⅜	+ ⅛
Bwana M'Kubwa, 5/-	1⅛	1⅛	− ⅛
Central Provinces (£1)	1⅛	1⅛	...
Geduld (£1)	3⅛	3⅛	...

Johan. Cons. (£1)	2⅛	2⅛	...
Lake View & Star (4/)	⅜	⅜	...
London Tin (£1)	3⅛	3⅛	+ ⅛
Rio Tinto (£5)	54⅛	55⅛	+ ⅛
Roan Antelope Cpr.(5/)	2⅛	2⅛	− ⅛
Sub Nigel (10/)	1⅛	1⅛	+ ⅛
Tanganyika (£1)	2⅛	3	+ ⅛
Union Crp.(12/6)fu.pd.	4⅛x	4⅛	...

AMSTERDAM.

Interest continued to be directed mainly to industrials. After a period of considerable activity, business suffered a remarkable decline, prices giving way all round. On Monday attention was paid to oils, where Royal Dutch met with a good demand. Mining and sugar shares were a strong market, but rubbers and tobaccos dull. Shipping shares recovered slightly. Although prices weakened, the general tone continued unchanged and satisfactory; Philips, exceptionally, enjoyed a period of strength. The money market was a little easier, with the private discount rate 5¼ per cent. and the prolongation rate 5¾ per cent.

	May 30.	June 6.	Rise or Fall.		May 30.	June 6.	Rise or Fall.
5% Bds. Neth., '18	101⅛	102⅛	+ ⅛	Serbadjadi Sm.R.	192½	188½	− 3¾
4½% Ams. 1913–14	98	98⅜	+ ⅜	Holl. Amer. Line	64	65	+ 1
Margarine Unie ...	468	468	...	Navig. Co., Ned.	189½	194	+ 4½
Neth. Art. Silk ...	398½	382	− 16½	Vorstenlanden ...	161	161½	+ ½
Philips El. Lamp.	784½	821	+ 36½	Trading Co., Ams.	644	659	+ 15
Singkep Tin.....	288	280	− 8	Rescoeki	450	450	...
Royal Dutch	393⅜	403	+ 9⅜	Deli	410	413½	+ 3½
Amst. Rubber.....	264½	260	− 4½	Neth. Trad. Soc.	173⅜	169½	− 3⅜

INVESTMENT NOTES.

Slump in New Issues.—The new issue market has struck an unmistakably bad patch. A year ago the *Economist* gave particulars of new capital emissions, in the second week of June, aggregating £4,504,075; the total announced this week amounts to a trumpery £262,500. This falling off is not to be laid entirely at the door of post-election dullness, for it follows upon a period during which the public has given clear evidence of loss of appetite for new securities, speculative or otherwise. During the month of May the results were announced of some 22 offers by way of prospectuses. Of these only five were declared to be "oversubscribed," and two "fully subscribed," while of the remainder ten failed to obtain as much as half the desired amount, and in three cases subscribers had their money returned in the absence of a response sufficient to justify allotment. Particulars of the issues which failed to obtain full subscription are given below:—

Company.	Issue. (at par unless otherwise stated).	Proportion left with Underwriters.
Lactagol	100,000 8% Cum. preference 10s., and 100,000 ordinary 1s.	Withdrawn owing to insufficient response.
Walkers (Stourbridge) Fireclay.	660,000 Ordinary 5s.	
Islas del Guadalquivir	Pts. 20,000,000 7% Convertible Notes to holders Founders' shares.	
Berkeley Property Investment.	433,485 ordinary £1 at 21s.....	90 per cent.
International Talking Screen Productions.	1,200,000 Ordinary 10s.....	90 per cent.
British Power & Light Corporation (1929).	1,600,000 Shares £1	80 per cent.
Pass & Joyce (1929) ...	100,000 7½% Cum. part. pref. £1 and 100,000 ord. 5s.	80 per cent.
Central Electricity Bd.	£3,000,000 4% Stock at 83	79½ per cent.
N.T. Artificial Wool ...	120,000 10% Cum. part. pref. £1 and 120,000 ord. 4s.	75 per cent.
Tarapaca & Tocopilla Nitrate.	223,000 Shares 10s. at 11s. 6d.....	66 per cent.
Commonwealth of Australia.	£12,403,734 Queensland conversion offer.	48 per cent.
Associated Talking Pictures.	400,000 Ordinary 5s.	40 per cent.*
Darwins.....	200,000 "A" 7½% Cum. part. pref. £1.	30 per cent.
Allied Ironfounders ...	£780,000 6% Conv. deb. stock at 96	25 per cent.
Rubber Processes	1,650,000 Ordinary 1s.	20 per cent.

* Proportion left unsubscribed. Issue not underwritten.

In the case of some of the securities in the list, such as the Commonwealth and Central Electricity Loans, absorption by the permanent investor is a foregone conclusion, but, under present conditions, the underwriters of many new speculative company shares are likely to find the process of "unloading" a difficult one. Even the most venturesome of speculators is unlikely to subscribe to new and unproved concerns when each day's Supplementary List bears witness to the catastrophic drop in the price of earlier issues of the same ilk, which has occurred in recent months. The extent of this decline may be inferred from the table below, which compares the present price with the highest point touched last year as regards various new securities, all of which have been dealt with in earlier articles in the *Economist*:—

Company and Share.	Highest Price. 1928.	Latest Price.
Gramophone Companies—		
Duophone Ord. (10s.).....	89/4½	1/6
Electramonic Def. (1s.).....	8/6	1/4½
Dominion Records Def. (1s.).....	6/6	9½d.
World echo Records (2s.)	10/3	1/8
"Parent and Offspring" Companies—		
Blue Bird Petrol Def. (1s.)	3/3	9d.
Blue Bird Petrol (Foreign) Def. (1s.)	1/4½	3½d.
Photomaton Parent (5s.).....	17/9	13/3½
Far Eastern Photomaton (no par).....	7/–	1/3
Ner Sag Ord. (£1)	£9/6/3	14/4½
Photo-Matik Portraits (1s.)	2/3	2⅛d.
Film Companies—		
British Filmcraft (5s.)	7/9	1/1½
British Lion Film Corp. Def. (1s.)	2/6⅛	6d.
Whitehall Films Def. (1s.).....	3/–	1d.
Welsh Pearson-Elder (1s.)	2/10½	5½d.
Other Companies—		
Waste Food Products (1s.).....	40/7½	13/9
Greyhound Racing Association Trust Ord. (1s.).....	5/3	9d.

The list might have been lengthened many times over, but enough examples are furnished to suggest why the "shilling deferred" share has lost its former lure. It may conceivably re-emerge whenever a recrudescence of Stock Exchange activity occurs to restore new life and vigour to the speculative section of the issue market, but is more than likely to have "suffered a sea-change" in the interim.

The Gilt-Edged Position.—A certain revival of business in the gilt-edged market has been seen in the last ten days. Prices advanced on polling day itself, only to receive a setback on May 31 when the Conservative Government was known to have been defeated. The considerable advance which followed on Monday and Tuesday was doubtless attributable, principally, to the combined effect of bear covering and the disbursement of War Loan interest on a narrow and unusually sensitive market. To thoughtful observers both the fall and the rise appeared somewhat excessive. At that point the news of a shipment of gold to America damped bullish sentiment; though the amount was small, it happened to be the first loss of gold to America since the raising of our Bank rate, and so its psychological effect was disproportionate, reviving old disquietudes. Among these contrary and ephemeral forces it was hard to detect any immediate change of feeling on the definite news that the experts in Paris had arrived at an agreement on Reparations. The negotiations had lasted for so many months that excitement could scarcely be anticipated on their completion. Seeing how little is yet known about the details of the plan, it is too early to discuss what practical effects it will have on the gilt-edged market. So far, it is as the smoothing down of an obstacle to international goodwill that the fact of agreement is to be welcomed; further comment must await the publication of the full terms. The election result did not come up entirely to the market's hopes, but events may be claimed to have shown already that confidence is not shaken by the advent of a Labour Government in the existing circumstances. Genuine investment buying has been going on steadily this week. There is obviously

SECURITY FIRST

ROYAL

INSURANCE COMPANY, LIMITED

HEAD OFFICES: LIVERPOOL AND LONDON.

no fear of penal legislation. On the other hand, in the City the possibility is apprehended that the new Cabinet may contemplate action on the lines of extending Government credit facilities to industrial enterprises in need of new capital. These are general considerations, however. Nowadays the interpretation of the gilt-edged outlook is admittedly more complex than ever before. In the traditional old days, it was only necessary to look in two or three main directions, in order to be confident that a comprehensive view of the situation had really been obtained. But since the war, and especially since American prosperity and its monetary consequences have come right into the foreground of the financial world-picture, it is not enough to be able to assess or predict correctly the force of the known and recognised influences, for the effect of unrecognised ones is continually making itself felt. The market to-day, in fact, is compelled to take account of many more factors than in earlier times, and inferences from one set of known facts are constantly liable to be upset by new and uncertainly comprehended developments.

The Copper Outlook.—The continued activity in Rhodesian copper shares, however "professional" its character, has stood out in strong contrast to the decline in share values among companies which are actually producing copper at the present time. Shareholders in such concerns are naturally anxious to obtain some idea of the outlook for the metal in the near future. For the moment the prolonged lull in the market, following the slump early in April, shows some signs of coming to an end, for consumers have displayed more inclination this week to put metal on their books. Standard quotations are firmer, while still maintaining an abnormal "differential" below electro, but copper scrap prices remain easy owing to complete absence of demand. Latterly the amount of second-hand electrolytic offered outside the combine has lessened, but parcels are still available for prompt and forward shipment at a discount. Stocks of rough copper in Europe are very low, but the blister tonnage in America at April 30th exceeded 250,000 short tons, while the world production for that month broke all records at close on 200,000 short tons. Refined copper output in the Americas also surpassed all previous figures during April, with a record daily rate of 5,376 short tons, making 620,703 tons during four months, against 499,371 in the corresponding period of 1928. In spite of the lull in buying, activity in all trades employing copper in their manufactures is well maintained, but unless fresh orders are speedily forthcoming a quieter period must supervene. In Europe especially, ultimate users, such as the railway companies, shipbuilders, etc., are looking for a reduction in price, and are deferring purchases as long as possible. The price reaction left consumers the world over in an over-bought position, and, although their abstention from buying has acted as a corrective to some extent, this factor is still prominent and is exercising a depressing influence. For the immediate future their policy is certain to err on the side of caution, and no *prolonged* buying movement is likely. A gradual increase of refined metal stocks seems probable, which will encourage the maintenance of hand-to-mouth purchasing. Stocks at consumers' works are probably heavy. On the production side we have seen an extraordinary change of front, for famine talk has given place to an announcement of a 10 per cent. cut in output by the refiners, which, however, has not yet been generally adopted. This may be taken as a sign that a higher price level is aimed at, but recent experience has shown the danger from substitution of rival metals, and the supposition is probably erroneous. More probably it is a gesture to combat the present apathy of consumers and a weapon with which to fight the more distant menace of increased refinery production from new plants. The institution of trading in copper futures on the National Metal Exchange in New York may be taken as a step towards real price stability in America, but this innovation receives no support from the big producers, and can hardly at the moment exert much influence. The trend towards still wider co-ordination of producing and consuming interests in the States is strengthening the hands of the mine-owners, but the industry must still depend upon support from the free manufacturers of the Old World. All things considered, a drift towards a lower price level seems probable.

Royal Mail Steam Packet.—The 1928 accounts show little change in profits at £729,367, but owing to the additional debenture interest payable the 5 per cent. dividend has not been fully earned. The issue of £2,000,000 5 per cent. debenture stock at 92½, made last July and largely oversubscribed, required £35,000 in interest for the broken period of 1928, and will henceforth call for £100,000 annually. The reserve is untouched at £1,450,000, but the dividend reduces the carry-forward to £46,879.

(Years ended December 31.)	1926. £	1927. £	1928. £
Profit	478,536	737,293	729,367
Debenture and other charges	273,210	247,413	272,151
Net earnings	205,326	489,880	457,216
5% preference dividend	45,000	45,000	45,000
Number of times covered	*4·5*	*10·8*	*10·1*
6½% cum. pref. dividend	188,500	188,500	188,500
Number of times covered	*0·8*	*2·0*	*1·9*
Ordinary { *earned*.....	*−0·5%*	*5·1%*	*4·4%*
Ordinary { paid, less tax	4%	5%	5%
Ordinary { amount of dividend	200,000	250,000	250,000
Reserve fund	*Dr.150,000*	...	...
Increase or decr. in carry-forward.....	−78,174	+6,380	−26,284

The report makes repeated reference to competition, but indicates that trade in general remains satisfactory. Cruising business continues to expand, winter tours round South America are gaining favour, and the range of commodities carried under refrigeration from the River Plate and Brazil is increasing. The auditor introduces into his certificate a qualification regarding the values, under present conditions, of the investments in allied shipping companies, which, with the book value of the fleet and investments in other allied companies, stand at £16,253,755—an amount which is stated to be under cost. He remarks further that the provision for depreciation of the fleet has been calculated at a lower rate than hitherto. The balance sheet, however, thanks presumably to the proceeds of the debenture issue, shows a gratifying return to liquidity, cash, &c., having risen from £310,605 to £1,114,580, debtors from £411,033 to £493,207, while bills payable have been reduced from £658,125 to £421,471, and an inclusive "creditors" item, which last year stood at £2,257,070 (including a bank loan of £428,484), now stands at £1,404,890. The ordinary stock, priced at 83 a year ago, is down to 67½, cum final dividend of 3 per cent., and offers a yield of £7 15s. 0d. on dividends. The affairs of the R.M.S.P. Co. are of interest to holders of White Star Line preference shares, guaranteed by the Royal Mail, since these shares were covered only 1.7 times by earnings last year.

The Austin Motor Company.—The report of the Austin Motor Company for the 15 months to December 31, 1928, brings out the difficulties which British motor manufacturers had to meet last year. The Austin Motor Company budgeted for an increase in turnover of 50 per cent. for 1928. During October and November, 1927, this rate of turnover was actually accomplished in the home market, but it could not be maintained, and for the 15 months' period the actual increase in turnover was only 10 per cent. as compared with the preceding similar period. In view of the fierce competition and the fact that new motor car registrations in Great Britain declined in 1928, the directors regard this increase in 1928 turnover as gratifying, particularly as the export trade during that period was substantially increased. Profits were, of course, badly affected by the company's failure to live up to its programme and the substantial reductions in selling prices which were made in August, 1927, and August, 1928

Comparison with the two preceding years is shown in the following table:—

	Year to Sept. 30, 1926.	Year to Sept. 30, 1927.	15 months to Dec. 31, 1928.	Last Figures on 12 months' Basis.
	£	£	£	£
Ord. Capital—				
20% Pf. ord. 10s. shs.	1,500,000*	750,000	750,000	750,000
Ord. 5s. shs.	600,000	150,000	150,000	150,000
Gross profit	648,415	962,477	861,300	689,040
Directors' fees	3,050	3,000	3,507	...
Maintenance	172,392	262,233	323,399	...
Depreciation	54,000	55,774	72,619	...
Income tax	...	100,000	50,000	...
Balance	418,973	541,470	411,775	329,420
Int. on Debentures	88,465	95,567	115,800	...
Sinking Fund Reserve	...	39,432	52,950	...
Available for pref.	330,508	406,471	243,025	194,420
1st pref. divs. less tax	14,000	14,000	...	14,000
No. of times covered	*23·6*	*29·03*	...	*13·88*
2nd pref. divs. free of tax	60,000	60,000	...	60,000
No. of times covered	*4·47*	*5·49*	...	*2·63*
Available for ord.	256,508	480,471	...	120,420
Earned on pref. ord.	*17·1%*	*64·06%*	...	*16·06%*
Earned on ord.	...	*220·31%*	...	...
Carried forward	*Dr.1,386,938*	10,639	59,664	...

* Shares of £1, subsequently reduced.

This table brings out the big reverse in Austin Motor fortunes in comparison with the year to September, 1927. The preference dividend deductions are shown on an annual basis, but it must be remembered that from September 30, 1927, to December 31, 1928, the company paid out seven years' arrears of dividend as well as the current dividends on the 7 per cent. first preference shares, while last year it paid three years' arrears on the 6 per cent. "B" preference shares. On July 1st next a further one year's arrears on the "B" preference shares will be paid, leaving arrears as from June 30, 1924, still to be paid, amounting to £300,000. The first preference shares are quoted at 16s. 9d., to yield 8½ per cent., and the second preference at 17s. The preferred ordinary shares of 10s. have reacted to 6s. As regards the future, the directors state that in order to reduce manufacturing costs and meet the severe competition the company has expended on new plant and equipment during the period under review £576,760, and the full benefits of this expenditure will not be obtained until the end of the current year. The outlook appears only moderately encouraging, but Sir Herbert Austin will doubtless go fully into the company's prospects at the shareholders' meeting on June 11th.

Pease and Partners.—Though the coal trade as a whole has improved since Christmas, the accounts of Pease and Partners, the Yorkshire and Durham coalowners, to March 31st last, continue the dismal story of the previous year:—

(Years ended March 31.)	1927.	1928.	1929.
	£	£	£
Loss	252,807	106,345	100,286
Debenture and loan charges	66,000	83,075	86,324
Depreciation of plant	38,388	38,931	36,005
Debited to profit and loss account	375,195	228,352	222,615

Some departments of the business have made reasonable profits, but others have been worked at a loss, the result being a net trading loss of £3,785 (against £21,677 for the previous twelve months), which, with £55,136 for maintenance of idle establishments, is included in the above figures. Increasing demand in recent months, however, has caused two collieries and a battery of coke ovens to be restarted, while a new colliery, on which capital expenditure has been practically completed, has entered the profit-earning stage. The debit balance of the profit and loss account amounts to £1,060,634, and the bank overdraft has increased to £1,236,279. Apart from other more specific funds, there is a general reserve of £250,000, a depreciation reserve of £498,400, and a dividend equalisation reserve of £63,210, but on a reconstruction the fixed assets (£4,232,190) and the investments in subsidiary companies (£1,100,658) would probably call for drastic writing down. The capital reconstruction foreshadowed in last year's report is still delayed. It is, of course, overdue, and should be facilitated by the fact that the company has no preference shares. The £1 ordinary shares, on which the last dividend paid was 1½ per cent. for 1924-25, are valued by the Stock Exchange at 6s.

Associated Newspapers.—A further slight advance is recorded in the profits of the Rothermere newspaper combine, which are struck after making "ample provision" for depreciation of plant and machinery, buildings and fittings, and providing for income tax, &c. The dividend on the deferred shares (53 per cent. are held by the Daily Mail Trust), which were split into four 5s. shares in June, 1928, remains at 40 per cent., requiring £900,000 as before.

(Years ended March 31.)	1927.	1928.	1929.
	£	£	£
Profit	1,121,909	1,170,835	1,205,666
Preference dividend	25,000	25,000	25,000
Ordinary dividend	42,000	42,000	42,000
Deferred *earned*	*62·5%*	*49·0%*	*50·6%*
Deferred paid	40%*	40%	40%
Deferred amount of dividend	675,000	900,000	900,000
Reserve fund	*Dr. 300,000*	...	...
Capitalised share bonus	750,000	...	...
Pension fund	20,000	...	40,000
Increase or decr. in carry-forward	*– 90,091*	+ 203,835	+ 198,666

* Together with a 50 per cent. capitalised bonus.

Earnings of over 50 per cent. on the junior shares are the more impressive since these represent more than two-thirds of the issued capital. The directors report that the increased expenditure entailed by the production of larger papers and wider distribution has been fully justified, and that the income from advertisements and sales showed a very considerable increase. Certainly the balance-sheet items indicate gradual all-round growth. Detailed references to the development and present position of Associated Newspapers will be found in the articles published by the *Economist* last autumn entitled "The Contemporary British Press" (especially pages 786, 834, 1005). The deferred shares are now priced at 42s. 6d. and yield £4 14s. per cent.

Hudson's Bay.—From the final dividend statement of the Hudson's Bay Co. (the full accounts are not yet available) it is not possible to say how satisfactory a year the company has experienced. Shareholders receive the same distributions as last year, a final 7½ per cent.—making 15 per cent. for the year—in respect of trading, less income tax at 2s. 7d. in the pound, and 10 per cent. (on which income tax is not payable) from the land department. Subject to audit, the balance carried forward in the latter account is raised from £3,837 to £47,600, and in the former from £114,251 to £161,000, after transferring £75,000 to the dividend equalisation account. A year ago £225,000 was set aside for an equalisation of dividends reserve, but on that occasion an extra £200,000 was available, described as provision for contingencies no longer required. If there have been no similar windfalls this time, and the statement makes no mention of any, the figures suggest that the combined profits of the two departments may have risen by some £140,000. It is proposed to increase the ordinary share capital to £3,000,000 by the creation of 1,000,000 new ordinary £1 shares, and to offer 500,000 of these to the holders of the existing ordinary shares next month in proportion to their holdings. It is not intended to issue more than 500,000 at present. On this announcement the shares reacted from 5 11/16 to 5½; at the latter price, allowing for final dividends of 7½ per cent. gross and 10 per cent. tax free, 3s. 6d. in all, they yield £5 3s. 3d. per cent., calculated on the basis of a total distribution of 27½ per cent. gross.

International Telephone and Telegraph Corporation.—This corporation was formed in 1920 to provide telephone services in countries outside the United States. Under the direction of Colonel Sosthenes Behn its development and growth have been phenomenal. In 1927 the corporation absorbed the All America Cables, which dominates the telegraph and cable business between North America and Central and South America, and also serves the principal countries in Europe and the Far East. Last year the corporation amalgamated with the Mackay system, which included Postal Telegraph, Commercial Cables, Commercial Pacific Cables, and Mackay Radio. This gave the corporation a nation-wide telegraph service in the United States in addition to its international cable lines. In December last year the corporation acquired the United River Plate Telephone Co., which owns the largest telephone system in South America. One of the gratifying results, according to the directors, of this acquisition was an addition to the lists of British stockholders of the International Telephone and Telegraph Corporation. An interesting feature of the corporation's telephone activities is the development of the telephone in Spain through the National Telephone Co., with which it is closely affiliated. Spain has to-day one of the best telephone systems in the world, and nearly 58 per cent. of the telephones in service are of the rotary automatic system—a higher percentage of automatic telephones to total stations than exists in any other country in Europe. In addition to its communications services, the corporation also undertakes the manufacture of telephone and telegraph and electrical apparatus through its ownership of the International Standard Electric Corporation and its interest in the Compagnie-Téléphones Thomson-Houston—one of the leading manufacturers of telephone equipment in France. It appears to be desirous of bringing apparatus-manufacturing firms in this country also under its control, for in July of last year it acquired control of Creed and Co., of Croydon, which is engaged in the manufacture of automatic printer telegraph equipment and accessories. There would seem to be no limit to the expansion of the corporation's activities. The latest development is the proposal for a merger between the corporation and the Radio Corporation of America, which is the American answer to the wireless-cable merger in this country. This proposal has not yet been assented to by the Inter-State Commerce Commission. The consolidated income account shows the further growth of the corporation's 48 associated companies in 1928. Dividends of $6 per $100 share have been paid since 1921. The balance sheet shows a total of $389,914,332, capital stock consists of 1,422,785 shares of $100, and $40,580,589 preferred stock of associated companies.

	1926.	1927 (*b*)	1928 (*c*).
	$	$	$
Gross earnings	22,680,845	37,228,946	81,234,824
Operating and selling expenses, taxes and depreciation	11,615,603	20,062,577	58,180,995
Deb. interest, pref. divs. and minority interest	3,960,036	2,752,873	8,457,492
Surplus available for common stock dividends	7,105,206	14,413,496	14,596,337
Earned per share of common stock (*a*)	12·13	11·07	10·26
Number of shares outstanding end of period	585,983	1,301,994	1,422,785

(*a*) Based on number of shares outstanding at end of period. Earnings per share, if computed on the average number of shares outstanding during each period, would make more favourable showing.

(*b*) Reflecting net income from all America Cables Inc., Montevideo Telephone Company, Limited, and the Chile Telephone Company, Limited.

(*c*) Reflecting net income from Mackay Companies and Commercial Cables, but not from United River Plate Telephones.

The loan capital consists of $35,000,000 35-year gold debenture bonds and $58,516,876 bonds of associated companies. There was a surplus of current assets over current liabilities of $60,627,000. Reserves stand at $11,991,617. The book value of the $100 common shares works out at $129.5, the market price being $250.

Antofagasta (Chile) and Bolivia Railway Co.—The accounts of the Antofagasta Railway for 1928 make a favourable showing, the operating expenses ratio for the railway and waterworks combined having fallen from 62.45 to 60.26 per cent., and earnings being equivalent to nearly 9 per cent. on the ordinary stock, as shown below:—

(Years ended December 31.)	1926.	1927.	1928.
	£	£	£
Receipts	1,862,426	1,689,970	1,841,842
Working expenses	1,245,663	1,055,343	1,109,825
Net receipts	616,763	634,627	732,017
Other income	231,168	106,738	99,233
Provision for income tax	25,000	...	...
Debenture and note interest	233,256	230,447	230,447
Net earnings	589,675	510,918	600,803
Cumulative preference dividend	100,000	100,000	100,000
Consolidated ordinary *earned*	*8·7%*	*7·3%*	*8·9%*
Consolidated ordinary paid	7%	7%	7%
Consolidated ordinary amt. of div.	390,499	390,499	390,499
Staff benevolent fund	15,000	15,000	20,000
Reserve account	...	...	100,000
Increase or decrease in carry-forward	+ 84,176	+ 5,419	*– 9,696*

Nitrate traffic increased but little; it is estimated, however that some 200,000 tons of the 1928 production remained for transport during the current year. Traffic in borate ceased three months ago, the establishment at Cebollar having been closed down, but a substantial increase in copper bars is reported. The market anticipated either an increase in the dividend or a capital bonus, and the report does not explain why the directors took the mystifying course of first making the bare announcement of a 7 per cent. dividend, and then waiting for some time before revealing that a bonus (£15 per £100 of stock) was to be distributed. Antofagasta stock has been prominent lately, and at 110 *cum* final dividend of 4 per cent. it offers a yield of £7 11s. 9d. per cent., taking into account the bonus.

Anglo-American Oil Co.—The accounting procedure of the Anglo-American Oil Co. is curious. Shareholders are informed of the annual dividend and, later on, at a meeting behind locked doors, through which the Press are never admitted, the chairman unfolds the year's story. The chairman's speech and the balance sheet are handed round to shareholders in place of the annual report. It is not surprising that an air of mystery should hang over the affairs of the company. It was popularly supposed that the company, being the marketing subsidiary in Great Britain of the Standard Oil Co. of New Jersey, was protected against loss by its parent company. This, if it was true once, is no longer the case. The Anglo-American Oil Co. has to buy its supplies from America at the market rates now fixed by the American

OTIS & CO.
Established 1899

Underwriters of Stocks and Bonds

Cleveland New York
Chicago Philadelphia

Members New York Stock Exchange

Oil Exporters' Association. It may be recalled that in 1927 the selling prices of oil products in Great Britain declined so rapidly that the company's inventory values at the end of the year showed a loss which practically wiped out the ordinary trading profits. In 1928 the company still found it impossible to make a profit on sales of motor spirit. Other branches of its business—the sale of lubricating oil in bulk and the sale of oil heaters—returned satisfactory profits. The following table shows that 1928 trading results, though unsatisfactory, were slightly better than in 1927:—

	1926.	1927.	1928.
	£	£	£
Issued capital (ordinary shares of £1)	4,007,185	4,159,245	4,192,635
Gross trading profits	2,912,301	1,042,904	1,328,874
Profit on sale of investments	267	48,917	178,140
Dividends received	103,568	83,069	89,514
Interest, exchange, &c.	26,251	18,910	26,182
Gross income	3,042,387	1,193,800	1,622,711
Interest on gold notes	67,517	84,199	27,725
Interest on debenture stock	...	...	165,000
Income tax	512,410	57,617	125,845
Depreciation	799,195	664,761	693,307
Net profits	1,663,265	387,223	610,834
Earned on ordinary shares	41·5%	9·31%	14·57%
Dividends, tax free	20%	12·5%	7·5%
Expense of issuing new capital, gold notes, &c.	28,029	130,092	...
Investment reserve	...	48,917	178,140
Carried forward	1,620,532	1,308,618	1,425,902

If the capital profit of £178,140 be excluded from the total profits, the earnings on the ordinary shares work out at 10.3 per cent. It is satisfactory, therefore, to find that the company earned its tax-free dividend of 7½ per cent. As regards the future, the chairman stated that the company would have to wait another year for a satisfactory financial return. It has benefited from the rise in petrol prices this year, which came about as a result of a trading and purchase agreement with the Naphtha Syndicate of Russia, but if the statement of costs and selling prices which was handed to the Government by the petrol companies this year is correct, it still cannot be making any profit on the bulk of its petrol trade. Further, the chairman's cryptic remark that the sales of ethyl petrol were now on the increase may possibly suggest that the company had made a loss on that particular experiment. As regards lubricating oil, the company now proposes to enter the retail trade, and no doubt its profits should thereby be increased. The chairman expressed himself as hopeful of the benefits to be derived from the restriction of oil output in America, but even before his speech was delivered restriction had broken down in Oklahoma. The crude oil outlook remains somewhat uncertain. The balance sheet continues to show a strong position, with a surplus of current assets over current liabilities of £2,991,517. The ordinary shares are easier at 62s. 6d.

Eagle Oil Transport.—This company is controlled by the Canadian Eagle Oil Company, which charters its fleet of some 29 oil tank steamships. Under the agreement the charter rates are based upon current market freights. This means, in fact, that dividends on the ordinary shares (£3,000,000) which are held by the Canadian Eagle, are generally limited to periods of good freight rates. A dividend reserve has been created to safeguard the payment of 8 per cent (6 per cent. being guaranteed by the Canadian Eagle and 2 per cent. being the maximum participation dividend) on the participating preference shares (£2,000,000) in which the public are interested. In 1926 and the early part of 1927 oil freights favoured the owners, and a dividend of 2 per cent. was paid in each of these two years on the ordinary share capital. The 1928 freights were low, profits were more than halved, and in order to maintain the 8 per cent. dividend on the preference capital £122,500 was transferred from the dividend reserve. The results for the past three years are shown in the following table:—

	1926.	1927.	1928.
	£	£	£
Net profits	989,642	1,131,256	519,095
Interest on notes	150,288	73,281	...
Depreciation	625,000	500,000	481,622
Balance	214,354	557,974	37,474
Preference dividends—8 per cent.	160,000	160,000	160,000
No. of times covered	*1·8*	*3·4*	...
Balance for ordinary	54,354	397,974	...
Earned on ordinary	1·81%	13·27%	...
Paid on ordinary	2%	2%	...
Carried forward	89,687	6,521	6,494

Out of the profits of the prosperous year, 1927, £400,000 was transferred to a dividend reserve, which was reduced to £277,500 by the transfer of £122,500 to the lean year, 1928. The balance shows depreciation and repair reserves at £6,092,228, as against £9,384,557 for cost of steamers and shares in subsidiary companies. A liquid position is shown—cash, Treasury bills and debtors exceeding current liabilities by £2,025,467. The book value of the assets is £15 14s. per ordinary share of £5. Each year, by writing down the Eagle Oil fleet, the Canadian Eagle is building up for itself a very valuable "hidden reserve." The 6 per cent. preference shares of £5 are quoted at 5⅛. The participation dividend of 2 per cent. on these shares, no doubt, will be continued. When the dividend reserve is exhausted the company may apparently call upon the charterers to pay rates above those ruling in the market.

Associated Tin Mines of Nigeria, Ltd.—By the absorption of what was known as the Keffi group of mines the Associated Tin Mines of Nigeria, a member of the Anglo-Oriental group, became the largest alluvial tin producers in the world, the monthly rate of output being 230 tons. When hydro-electric power is available—the Nigerian Power and Tin Fields scheme at Kurra Falls, in which the company has a half interest, will make such power available by the end of 1930—the company will be one of the cheapest producers in the Empire. For the present, costs of production (steam shovels, gravel pumps, underground and surface mining and hand labour are all employed) are high, being £94.5 per ton f.o.r. Bukuru, on an output of 3,061 tons. Comparison of the trading results is difficult, because the company's capital for the eighteen months ended December 31, 1928, was increased to £1,000,000 (in 5s. shares).

	13 months to June 30, 1927.	18 months to Dec. 31, 1928.
	£	£
Capital	100,000	1,000,000
Proceeds of tin ore	29,054	483,953
Sales of areas and investments &c.,	124,702	86,662
Gross profits	153,756	570,615
Net profits	130,115	174,594
Earned	130%	17·4%
Paid	30%	20%*
Carried forward	130,115	116,097†

* Payable on £100,000.
† After payment of income tax, £58,196.

About 15 per cent. of the profits in the last period was derived from the sale of areas and investments. The ore reserves are now estimated at 19,000 tons. According to the directors' report, the full benefit of the extensive acquisitions completed during 1928 and of the economies resulting from the working of the amalgamated companies as one concern was not felt during this period. Production could be increased, but in view of the low price of tin and the coming of electric power, the policy of the directors is to go slow. To conserve cash resources no final dividend is being paid, the interim of 20 per cent. having been paid in January, 1928, on the old capital. The balance sheet discloses a liquid position, working

capital being about £100,000. The reserve fund, with an appropriation from the profit and loss account of £10,850, is brought up to £260,000. The 5s. shares are easier at 8s.

Eastern Dredging Results.—Satisfactory progress was secured by the Tanjong Tin Dredging in its first full year of operations. A marked expansion in the cubic yards dredged was accompanied by a substantial advance in average yield and reduction in costs, although owing to the decline in the price of tin the profit per ton of metal was only about £1 up at £78 17s. 6d. The total net profit of £23,600 compares with £8,500, and permits the payment of dividends totalling 25 per cent., as against 10 per cent., leaving a balance of £4,000 to go forward. In the case of the Kinta—an old-established undertaking—a decline in yardage was accompanied by a slight improvement in average yield and a fair economy in costs. At £40,400 the net profit is £6,000 down, entailing a cut of 5 per cent. to 25 per cent. in the dividend total. Kramat Public earned only £12,200 in place of £21,200, and the final dividend of 2½ per cent. makes 12½ per cent., as against 20 per cent. Although an increased quantity of ground was treated, the output showed a renewed falling off, owing to the lower values carried—a point upon which a warning was uttered at the last annual meeting.

Zinc Corporation.—It is fortunate for the shareholders, writes our mining correspondent, that the directors of this undertaking have built up a good investment business as a sideline. Last year the increased tonnage of 274,400 was treated, with a further improvement in metal recoveries and a satisfactory reduction in working costs; but owing to the decline in metal prices the operating profit came out £69,700 lower than before at £205,900. Interest and dividends, however, contributed £114,000, in place of £87,700, with the result that the net profit of £255,500 showed a reduction of only a few thousands. Accordingly, no difficulty was experienced in maintaining the 40 per cent. dividend rate in both classes of capital. The policy is continued of making a decidedly large appropriation for mine development and new plant. Of the £100,000 thus set aside in 1926, £89,900 was brought back into the 1927 accounts; similarly, of the £100,000 appropriated in 1927, only £23,700 was expended. After setting aside the same amount, the slightly enhanced balance of £45,000 remains go forward. As "mining property and investments" are lumped together in the balance sheet, it is difficult to tell whether the portfolio has been added to or reduced: the entry in the latest balance sheet—£821,200—compares with £847,800 twelve months previously. The holdings are spread over something like a hundred gilt-edged securities, industrials, &c. Fresh development opened up rather more ore than was extracted, the lead lode reserves figuring at 2,666,800 tons, no averages now being given. The zinc lode reserves are estimated at 246,000 tons. The total represents fully ten years' supply for the mill. The current quotation of Zinc Corporation participating preference shares includes 4s. 6d. dividend—2s. 6d. final for 1928, 2s. interim on account of the current year; that on the ordinary includes 2s. 6d. final. Allowing for this the yields shown are about 9 per cent. and 8 per cent. respectively, plus allowance in respect of Dominion income tax. The apparent anomaly is explained by the circumstance that the ordinary shares benefit more than the preference from any improvement in metal prices. In this connection it may be noted that during the first four months of 1929, the average for lead and zinc exceeded that of the corresponding period of 1928.

The Underwriters' Trust, Limited.—A new trust company with this name has been formed with the object of (*a*) engaging in the underwriting of all kinds of new issues; and (*b*) providing a medium whereby shareholders of the trust can obtain participation in the trust's underwriting. The company is to have a capital of £30,000 in £1 shares, of which 25,000 are now being offered at 21s. per share. Of the shares now offered, it is stated that 10,000 have been taken up by the directors and their friends, leaving available for subscription a balance of 15,000. The promotion of this company is presumably the sequel to a brochure entitled "Stock Exchange Underwriting," published last September and reviewed by us in our columns at that time, for the managing director of the trust, Mr Copley Singleton, is also the author of this brochure. Mr Copley Singleton is a partner of the firm of Copley Singleton and Co., solicitors, and a director of a publication called "Underwriting News, Limited," which is a sponsor of this venture, by virtue of an agreement to defray the preliminary expenses in consideration of a cash sum of £850 and an option for two years to subscribe for the remaining 5,000 shares at 22s. 6d. per share. The sponsors of the undertaking claim that there is room for an underwriting concern prepared to undertake the business on insurance principles, and, further, that the shareholders will thereby be in a position to participate in underwriting issues on terms more favourable than would otherwise be open to them in their individual capacities. This is a new type of finance company, but we are inclined to think that the difficulties to be encountered are much under-rated, and that for two reasons; in the first place, there is already considerable competition for the underwriting of all sound, good new issues, and issuing houses and stockbrokers who control the business have frequently great difficulty in satisfying their existing *clientèle*; in the second place, it is a common practice to require as a condition for admission to underwriting lists some undertaking, or at least a prospect, of reciprocal business in the form of Stock Exchange orders, and this, presumably, the trust will not be in a position to give. The more attractive the underwriting proposition the more difficult it is to obtain underwriting. Conversely, the more speculative the easier it is, and in practice the trust may tend to secure a larger proportion of speculative business with correspondingly greater risks. In a finance company of this specialised character the management factor is all important, and however eminent the directors may be in their own sphere one would like to have more exact knowledge of the extent of their special experience in the financial field. Thus the issue is essentially a speculation. Nevertheless, being a new experiment, its progress will be watched with interest.

The New Luxembourg Bourse.—Fears that the Luxembourg Bourse would constitute a keen competitor of the Bourses of Paris, Brussels, Antwerp, Amsterdam and Zurich have proved to be well founded since the new Stock Exchange commenced operations, writes our Paris correspondent. As one result the Belgian Government has already reduced the stamp duty on foreign stocks and bonds negotiated on the Brussels Bourse, from 3 to 1 per cent., in spite of the urgent necessity to maintain a balanced Budget. The Netherlands Bank, for similar reasons, has brought down its rate for advances on foreign securities to the same level as for those on Dutch scrip, thus abolishing an advantage which the latter has enjoyed since 1865. The Dutch Government itself, moreover, has reduced to a maximum of 0.60 per cent. the impost levied on foreign issues desiring official quotation on the Amsterdam Bourse. All this has stimulated the campaign in progress in Paris for the reduction of the present abnormally heavy fiscal charges on securities. One of the French provincial Chambers of Commerce has passed resolutions urging that the maximum taxation levied on the yield from securities should be fixed at 30 per cent., that companies that have earned no profits during the year should be exempted from transfer tax, and that dividends coming from foreign subsidiary companies should be exempt from the present 18 per cent. tax.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Bank of Brazil, Mexican Railway, Great Western of Brazil Railway, Suez Canal, Guardian Assurance, Compania Hispano Americano de Electricidad S.A. Barcelona, Investment Trust Corporation, Sialang Rubber, Telogoredjo United Plantations, City of London Real Property, Atlas Artificial Silk Processes, Boots, Callenders Cable and Construction, John Hetherington and Sons, Waring and Gillow, Geduld Proprietary Mines, Modderfontein Deep Levels, and East Geduld Mines, The report of the Bank of Brazil referred to the stability of the national currency last year, the end of budgetary deficits, the note issue, and the Bank's credit policy. The chairman of the Great Western of Brazil Railway Co. described the main features of the new arrangement with the Brazilian Government, under which the railway has been granted an improved tariff and a reduction in the scale of rental charges. The traffic through the Suez Canal in 1929 was shown by the President of the latter company to have exceeded all earlier records.

CAPITAL ISSUES.

Only one prospectus of interest to the Stock Exchange was issued during the past week, and that on behalf of a trust and finance company, *British Overseas and General Investment Company*. This is the issue which was foreshadowed at the recent meeting of the Province of Buenos Ayres Waterworks Company, and the funds are to be used in the first instance for the expansion of that business, preferential consideration being given to applications from security-holders in the parent company. To what extent the risks will be actually spread is, therefore, not clear as yet. The *Government of Newfoundland* has announced that tenders will be received up to Monday next, in sterling or dollars, for the purchase of $6,000,000 5 per cent. bonds, repayable in 1954. A prospectus has been filed, but not advertised, for *Hawnes School (Ampthill)*, an issue of a kind which, though necessarily hazardous as a commercial proposition, will attract those who are interested in and can afford to venture their resources upon a good cause—the founding of a new school.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total recorded since January 1, 1929, £152,441,834.
Total, including conversion, recorded since January 1, 1929, £178,424,788.

National Savings Certificates.
Net sales week ended June 1, 1929, £100,000.
Total receipts, April 1, 1929, to June 1, 1929, *Dr. £250,000.*

Description of Issue and Date of Opening of Lists. To the Public.	Nominal Capital. £	Conversions or Repayments. £	New Money, Cash Subscription. £	First Payment. £	Further Liability. £
British Overseas and General Investment, 50,000 Ord. £5 at 105s. (June 4)	250,000	...	262,500	50,000	212,500
Total offered to Public, week ended June 8, 1929	250,000	...	262,500	50,000	212,500
Hawnes School (Ampthill), 3,000 shares £10 (May 18)	30,000	...	30,000	3,000	27,000
To Shareholders only.					
Balkis, 23,400 Def. £1 at 20s. 6d.	23,400	...	23,985	12,285	11,700
Debenture Securities Invest., 40,000 Ord. £2 at 45s.	80,000	...	90,000	50,000	40,000
London General Invest. Trust, 30,000 Def. £4 at £5	120,000	...	150,000	30,000	120,000
Montevideo Gas and Dry Dock, 58,080 Ord. £1 at par	58,080	...	58,080	58,080	...
Slaters and Bodega, 135,000 Ord. £1 at 25s.	135,000	...	168,750	84,375	84,375
Total offered to Shareholders	416,480	...	490,815	234,740	256,075

Total offered for Subscription—

	Including Conversions. £	Excluding Conversions. £
To date—		
1929 ...	179,308,103	153,325,149
1928 ...	...	222,365,975
1927 ...	...	189,897,311
1926 ...	...	102,037,414
1925 ...	...	92,731,651
1924 ...	...	93,409,332
1923 ...	...	167,800,441

Total offered for Subscription—

Whole year—	Including Conversions. £	Excluding Conversions. £
1928.....	693,100,056	369,058,073
1927.....	...	355,165,970
1926.....	...	230,782,600
1925.....	...	232,214,500
1924.....	...	209,326,101
1923.....	...	271,399,17
1922.....	...	573,675,65

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Advertisement (in brackets).	Amount of Capital Introduced. £	Price at which Dealings Began. £	Total Cash Involved. £
Total recorded since Jan. 1, 1929	21,043,754	...	29,550,774
Neu-Flame (Canada), 40,000 shares (no par value) (May 27)	...	$5½	...
Do., $850,000 7% Cum. Pfg. Pref. $25 (at 5 dollars to £1)	170,000	$25⅛	170,425
Oswald Tillotson (1929), 344,007 Ord. 5s. (May 27)	86,001	6/-	103,201
Hambro Trust, 500,000 6% Cum. Pref. £1 (May 24)	500,000	20/6	512,500
Total, week ended June 8, 1929	756,001	...	786,126
Total to date, 1929	21,799,755	...	30,336,900

Government of Newfoundland.—Applications will be received at the Bank of Montreal, London, New York, Montreal and St. John's, N.F., up to June 10, 1929, for the purchase of $6,000,000 (or sterling equivalent at $4.86⅔ to the £) Government of Newfoundland 5 per cent. bonds, 1954.

British Overseas and General Investment Company, Limited.—Issue of 50,000 (out of 100,000) £5 shares at £5 5s. per share, which will be converted when fully paid up into £3 of 5 per cent. preference and £2 of ordinary stock. The company will carry out the business of an investment trust company in all its branches.

Hawnes School (Ampthill), Limited.—Issue at par of 3,000 (out of 4,000) £10 shares. The company has been formed to found a public school for girls in Bedfordshire. A large house, with freehold land, has been purchased for the sum of £12,200. Not more than 6 per cent. dividend may be paid until the reserve funds are equal to the issued share capital.

Particulars of the following have been issued "for information only" with a view to Stock Exchange introductions:—**International Pulverising and Grinding Machines (Parent) Corporation, Limited**; issued capital, £37,500 in 1s. shares; acquires certain assets, including patents, of a business of manufacturing and selling machines for milling and pulverising substances of all kinds, at a price of £5,000 in cash and £25,000 in shares. **Smithfield Animal Products Company, Limited**; issued capital, £119,594 in 5s. shares; formed in 1920 to recover, refine and deal in products and constituents from animal carcases and slaughter house and butchers' waste. **Irvin and Johnson (South Africa), Limited**; issued capital, 550,007 £1 shares, together with £269,500 7 per cent. first mortgage debentures, 1943; formed in 1922 to acquire a business of fishing and trawling in South African and Antarctic waters. **European Meat and Packing Corporation, Limited**; issued capital, 180,000 5s. ordinary and 50,000 2s. deferred shares, the former to receive a non-cumulative 10 per cent. dividend and one-half of the surplus distributed profits; a finance and investment company, devoting its activities particularly to the preserved meats and other foodstuffs packing industries on the Continent.

RHODESIAN GOLD OUTPUT.

Month.	1926. £	1927. £	1928. £	1929. £
January	207,021	206,094	217,027	195,481
February	194,556	195,996	196,649	191,786
March	197,908	213,708	204,000	200,435
April	219,984	204,876	206,234	203,780
May	209,331	207,818	200,130	...
June	221,560	225,418	218,745	...
July	213,500	207,448	206,877	...
August	209,982	199,860	214,077	...
September	204,187	193,646	201,625	...
October	211,680	197,501	182,032	...
November	215,982	200,481	201,689	...
December	202,836	208,016	189,319	...
Total Gold	2,508,527	2,458,862	2,438,404	...

Grace National Bank
Hanover Square, New York, U. S. A.

We undertake the investment of funds in U.S. Government Bonds, Bank Acceptances and American securities for our Banking correspondents.

Special Representative

148 Leadenhall St. London, E. C. 3.

BANK OF BRAZIL.

REPORT SUBMITTED TO THE GENERAL MEETING OF SHAREHOLDERS ON APRIL 27th, 1929.

TO THE SHAREHOLDERS!

Gentlemen,—In accordance with the Articles of Association, it is my duty to lay before you a report dealing with the year 1928. The Exchange has continued to remain within the limits fixed by Law No. 5108 of December 18, 1926, without any sacrifice of credit or money either on the part of the Government or of the bank.

Remittances of credit and of cash have been received from abroad to be invested in private enterprises, in the purchase of land, in loans and even in banking transactions, in the hope of a remunerative return. Gold has been paid into the Stabilisation Fund, the stock of which on December 31 to the amount of £20,533,389 showed an increase of £9,826,443 over the stock at the corresponding date in 1927 equal to the difference between the total received and the total paid out which did not exceed £87,032.

This constitutes a proof of the general confidence in the stability of the exchange, in the administrative order and the satisfactory progress of the country. In order to recognise how well deserved is this confidence, it will suffice if we bear in mind some of the data and facts already quoted as a proof that the economic and financial situation of the country in 1928 has shown marked firmness and improvement.

END OF BUDGET DEFICITS.

As a fact, the old régime of budget deficits would seem to have at last come to an end and to have been replaced by one of surplus balances. The financial year of 1927 showed a surplus of Reis 30,851,360,496 and that of 1928 promises to show a still larger sum. The service of the Sinking Fund for the Foreign Debt was resumed. The notes of the Conversion Fund held by private holders were bought up by the Government. Of the Consolidated Internal Debt the sum of Reis 48,152,000,000 was redeemed, namely, Reis 35,555,000,000 in Treasury Bonds and Reis 12,597,000,000 in Railway Bonds. The paper circulation was reduced by burning of Treasury notes to the value of Reis 25,579,798,000. There were purchased for the Sinking Fund of the Public Debt 32,709 policies of Reis 1,000,000 with the interest belonging thereto, which for years had not been used to increase it.

On December 31 the Government had to its credit in the Floating Debt account, Reis 68,423,324,673, and Advance Revenue Account, Reis 27,270,036,118, this latter being the result of the rents got in by the Bank and not from any credit operations realised by same. At the same date the Stabilisation Fund which had increased by £10,000,000 deposited in the Sinking Fund, making a total of Reis 1,242,101,133,240, was equivalent to 36·76 per cent. of the then total circulation to the value of Reis 3,379,024,432,500.

On the economic side the commercial movement of the country both internal and abroad increased notably in the coasting trade and in the increase of tonnage and revenue from transports.

The chief farming products to-day fetch stable prices and enjoy a firm position in all markets. Other products such as fruit also find a good outlet in those markets. As regards the world production of cacao, Bahia continues to maintain the second place which she won from Ecuador 20 years ago.

Industries, thanks to the stability of the exchange, show a tendency to reform themselves. The electric power industry owing to foreign capital that has been invested in it, shows promise of great success to the general good in view of the express guarantees given by its purchasers to develop it by means of new installations and by the renovation of the existing plant.

Thanks to the helpful measures adopted by the Government, we hope that the textile industries will overcome the crisis against which they have been contending.

BANK RETURNS.

The banking movement of which three yearly average before 1927 amounted to 16,000,000 contos increased to 24,800,209, exceeding by 4,065,480 contos the total of 20,734,729 attained in 1927.

Finally, exports exceeded those of the financial year of 1927, both as regards tonnage as well as regards foreign money and national money. If with the increase in exports there has been a like increase in imports, this only signifies that the country had the credit and resources for greater purchases abroad, and these latter, it is quite clear, were not purchased solely for immediate consumption, but have been used in the development of the sources of production, constituting, therefore, capital which has been incorporated in the national patrimony.

The accounts submitted for your approval and the annexed tables will explain to you the position of the Bank and its operations during the past year. We would like, however, to point out or explain some of the data which they contain and add others thereto. Comparing the balances as at December 31, 1928, with those of 1927, the former show over the latter increases of Reis 725,936,775,600 in their total; of Reis 160,062,760,339 in the item referring to Discounts, Loans on current accounts and Bills receivable and Reis 236,759,117,149 in Deposit Accounts, which latter show clearly that the operations of the past year exceeded those of previous years, and that if the Bank facilitated credits and discounts, commercial and private people on the other hand, did not fail to honour it with their confidence. As a fact, if we calculate the decreases in number and value in all the various kinds of accounts opened with the Mother House, we find that there were 57 new accounts with Reis 12,018,091,033 more than in 1927 and 16,968 proposals for discounts and rediscounts of Commercial Securities were agreed to.

DIVIDEND MAINTAINED.

The net profits meanwhile which in the previous year had already gone down from Reis 126,807,783,689 to Reis 111,368,886,183 suffered a still greater decrease and only totalled Reis 82,614,822,387 namely, Reis 71,125,038,495 from the Head Office and Reis 11,489,783,892 from the Agencies. In spite of this reduction of Reis 28,754,063,796 arising chiefly from the Exchange Department having only yielded Reis 20,195,672,914 against Reis 43,511,964,950 in 1927, we were able to distribute a dividend of 20 per cent., which is what you have been receiving ever since 1922; to put to Reserve Fund Reis 8,261,482,238, thereby raising it to Reis 150,855,086,426; to increase by Reis 826,148,214 the Capital of the Bank Officials' Benevolent Fund; to endow, as was arranged, the Provident Fund of the latter with Reis 200,000,000; and to credit the Paper Money Redemption Fund with Reis 11,214,329,613.

The smaller profit earned by the Exchange Department is not to be wondered at when we compare it with the very big figure which it showed in previous years. On the contrary, its progressive decrease, which commenced in 1927, is but natural inasmuch as under the régime of stabilisation the exchange can only oscillate between the "gold points," and such oscillations, which it is the duty of the Bank to prevent, do not bring to the latter any great profits.

In order to compensate the decline in the results of the year's working and provide for those which may perchance result from the liquidation of the old accounts, there were respectively put aside the sums of Reis 5,000,000,000 and Reis 25,120,000,322.

The cash balances varied between a minimum of Reis 338,927,690,372 as at January 31, and the maximum of Reis 662,697,468,676 as at May 31, the balance corresponding to December 31 equalling more than one-third of the total deposits.

BANK OF BRAZIL—*Contd.*

NOTE ISSUE.

The Bank issue continues to be Reis 592,000,000,000, of which during the course of the year there were substituted and burnt 4,763,435 torn notes to the total amount of Reis 19,129,300,000.

Owing to the difference between the respective credits at the dates of the half-yearly balances and the value at which they appeared in the books the bonds of the Internal and of the Foreign Debt belonging to the Bank were valued at Reis 5,122,456,836 as regards the former and Reis 4,000,000,000 as regards the second.

The service of cheque compensation and the sale of gold vouchers was carried out with the usual regularity and care. The compensated cheques attained a total of Reis 18,379,216,090,936, or 3,674,775,314,879 more than in 1927. In order to redeem the gold vouchers issued, the Bank paid into the National Treasury in bills at 90 days' sight on New York and London $18,790,412·44 and £14,871,526 5s. 1d.

The revenue of the Bank Employés' Benevolent Fund amounted to Reis 513,360,000, and if we add to it the balance of Reis 129,209,910 from the respective account as at December 31, 1927, they present a total of Reis 642,569,910, which was sufficient to meet the expenses of Reis 539,363,850, including the medical fees, hospital charges, cost of surgical operations, and other assistance rendered to the sick and invalid employés.

A balance of Reis 103,206,060 has been carried forward to the current year, which perhaps will not be sufficient to cover the deficiency of revenue for the first six months if we bear in mind the total sum of the current subsidies since 1928 and those granted from January 1 up till now.

The Bank figured as creditors in 112 out of the 186 agreements with creditors, and in 133 out of 444 failures with regard to which proceedings were taken in this market, the cause of them having been due to the abuse of credit and to the undertaking, or the increasing of business without sufficient capital, either through the mixing up of firms and undertakings and having recourse to accommodation bills, or by crossed bonds for obtaining discounts or owing to guaranteed accounts current which are never settled and which prevent banks from noticing in due time the insolvency of their clients.

Up to December 31 the Bank had received from its creditors 37 per cent. from the agreements with creditors and 27 per cent. from the bankrupt estates.

These losses were compensated for by the sums which from the operations of every half-year and from the results of previous liquidations have for some years past been set aside for this purpose in the balance sheets.

The balance of the reserve set aside for liquidating previous operations enabled the Bank to carry this out and to prevent further losses. This balance as at December 31 amounted to Reis 65,632,191,386, and is included under the heading of Current Accounts without interest in the balance sheet of December 31.

DISTRIBUTION OF AGENCIES.

The work of the Bank extends through the whole of the National territory, and is carried out by means of its 73 agencies, the movements of which are shown in the respective tables attached hereto. Two of these agencies, namely, that of Rio Branco in Acre and that of Nictheroy, were opened during the first six months of this past year. The Bank's agencies are situated as follows:—One in Acre and one in each of the States of the Amazonas, Para, Maranhao, Sergipe, Espirito, Santo and Goyaz; two in each of the States of Piauhy, Ceara, Rio Grande do Norte, Parahyba, Alagoas, Parana and Santa Catharina; three in Pernambuco and in the State of Rio de Janeiro; four in Mata Grosso; seven in Rio Grande do Sul; eight in Bahia; ten in Minas Geraes; and 17 in São Paulo.

Of these agencies fifty-one work in buildings which belong to the Bank, three of them—those of Guaxupe, Ilheos and Pelotas—were built in 1928. Nine have already obtained the land intended for their respective offices. The work of construction has already been begun in the case of the following: Bage, Manaos, Parahyba and Tres-Corações, and those of S. Salvador, of Bahia and of Livramento have been sanctioned.

Twenty-two show a loss to the total amount of Reis 3,321,725,075. In the second half-year, the total limit of operations of the agencies was increased from Reis 461,450,000,000 to Reis 511,450,000,000, and to some of them authority was granted to carry out certain fixed loans beyond the respective limit.

The Board did not consider it convenient to accede to the request made to it for the establishment of a further agency, for São Paulo, and one in Itu and for another three, in Espirito Santo, in Alegre, Cachoeira, and Cachoeira de Itapermirim.

In addition to the usual services, the Government entrusted the Bank with the duty of buying the Bonds for the Sinking Fund of the Public Debt, as well as the Bonds for redeeming and promoting the placing or sale of 80,000 Road Debentures of the nominal value of Reis 1,000,000 with interest at 5 per cent. issued in accordance with Law No. 5,525 of September 5 and Decrees Nos. 18,438 of October 22 and 18,503 of November 21, 1928.

RESTRICTION OF CREDITS.

Since September the Bank has abstained from granting any loans for a longer period than six months, from accepting any securities which are difficult to realise or only slowly realisable, from the opening of fresh credits and from the extension of those already granted, from carrying out any operations the proceeds of which may be intended to be devoted to any permanent investments or to financing the beginning, increase or development of any businesses or undertakings. It has also endeavoured to get rid of any real estate acquired by way of payment the use of which could be dispensed with, to obtain the settlement of credits that were not redeemed and that could not be made redeemable and to limit the responsibilities of the clients of the Head Office in the same manner as it already has been doing with regard to the agencies.

This course has been not only in strict accordance with the explicit instructions of the Bank's Statutes and of its interior regulations, it was also dictated by the necessity of hastening and facilitating the reform of the bank. As a fact, this course was necessary in order successfully to complete the economic financial programme which we have undertaken and which is rendered all the more essential in the case of an issuing bank which deals in re-discounts, and which governs the monetary market. But it would not have been prudent to carry it out unless the Bank had been prepared properly to carry out the functions which belong to it. We are continuing the preparation of these measures, and with good reason, since the Government has not yet deemed it opportune to make use of the powers granted by Art. 11 of Law No. 5,103, of December 18, 1926.

I take exception to the plan of the present Report inasmuch as it does not bring in as one of the events of the year under review the reason why the Bank, in order to regularise the proper working of its Exchange Department, altered its selling rates of the dollar.

EXCHANGE RATES.

All currency, although it may have been stabilised at a fixed standard rate, does not cease from oscillating between two levels whose extreme points have been fixed, as is well known, under the name of the "gold points," *i.e.*, the points of influx and efflux of the gold. This means that in order to maintain stability, it is not necessary that the Bank Rate should rigorously correspond to the standard rate of conversion. Fluctuations are therefore most natural phenomenons, common to all classes of currency, and arise from the greater or lesser quantity of Export Bills or Bank Drafts on offer, but currencies are supported by the control of the circulating medium, which control is effected by means of adequate alterations in the official re-discount rate.

Nevertheless, the Bank has maintained its rate of sterling at sight on London at the rate of 5 57/64d., which is precisely the nearest rate to the standard of conversion fixed by Art. 2 and the single paragraph of the Regulation dealing with the Stabilisation Fund, and by acting in this manner it did not disturb the Exchange. But as the dollar appreciated slightly in comparison with the £ sterling, a phenomenon entirely foreign to our economic situation and to the conditions of our exchange market, the Bank could not, since it did not change the rate of the £, refrain from re-establishing the parity of those two currencies by raising the price of the dollar. And that is what it did by altering the value from Reis 8,359 to Reis 8,395.

It will be as well to add that this alteration in the selling rate of the dollar can have no influence in inciting the withdrawal of gold from the Stabilisation Fund, as some people suppose, since the obligation of the latter with regard to the holders who possess notes issued by it consists only of redeeming such notes with a quantity of gold equivalent to the respective values on the basis of two hundred milligrammes of gold per milreis consisting of nine hundred thousand parts of fine metal and one hundred thousand parts of alloy, as determined by Art. 2 and the paragraph above mentioned, and also by Art. 10 of Decree No. 17,618 of January 5, 1927.

BANK OF BRAZIL—*Contd.*

RELATIONS WITH STAFF.

At the end of 1927 the Bank had 1,911 employés, without counting the night cleaners at the head office.

In order to fill up vacancies that had occurred to the number of 57, viz., 38 through dismissal, and 19 through death, and in order to meet the constant complaints from the agencies as to the lack of staff caused through their having to comply with the Holiday Law and through prolonged leaves of absence for sick treatment, 250 employés were admitted, so that the number of employés at December 31 amounted to 2,134, of which 583 are engaged at the head office and 1,551 in the agencies. With the object of harmonising as much as possible the interests of the Bank with those of the employés, and in order to attend better to the carrying out of the various services, 564 staff changes were made, of which 456 were among the agencies, 82 being sent to the head office from the latter and 26 transferred from the head office to the agencies.

We would like to call special attention to the difficulties with which the board of directors at the head office generally has to contend in order to retain the employés in the agencies in which they are serving, especially those newly admitted who have entered the service of the Bank with the intention of working at the head office. Any pretext, even the least plausible, serves as a basis for a request to be removed somewhere else, and these requests or applications are for the most part repeated and communicated through channels which are not in harmony with the discipline which should exist in such a large body of functionaries. In order to put an end to all these requests, measures have been adopted tending to confine all such removals to the strict requirements of the various services.

In accordance with the established custom, promotions were made at the end of the year after inspection of the list of the staff of the Bank, drawn up on December 31, 1926. Having confirmed the increases that have taken place in the various categories and having duly filled the various vacancies of departmental managers, sub-managers and others at the head office, the board established general rules for the appointments to the various posts in accordance with the Decree of January 10 last.

The employés received the same half-yearly bonus which was given to them in 1927, as well as all the other advantages conferred by the interior regulations or by subsequent resolutions adopted by the board. Special mention should be made of the devotion and discipline which has been shown by the staff in general.

The general meeting held on April 28 re-elected as director Augusto Mario Caldeiro Brant, who had retired from office by rotation; and in order to fill up the vacancy caused by the voluntary retirement of Dr. Felisberto de Azevedo, which took place on May 26, 1927, Dr. Adeodato de Andrade Botelho was elected in his place and took office on April 30.

To replace Colonel Antonio Mostardeiro Filho, who had asked to be released from the office of resident, which he had held since the beginning of the present period of four years, and had filled with the greatest proficiency and devotion, I was appointed by the decree of August 23 and took over my office on the 25th of the same month.

The managers of the various departments were as follows: EXCHANGE DEPT.: Snr. Pedro Luiz Correa e Castro; COMMERCIAL: Dr. Augusto Mario Caldeiro Brant; AGENCIES: Dr. Manoel Thomaz de Carvalho Britto, Snr. Rodolpho Ambronn and Snr. Carlos Inglez de Souza.

From January 19 to February 15 the office of president was temporarily filled by Snr. Pedro Luiz Correa e Castro owing to the absence of Colonel Antonio Mostardeiro Filho.

In addition to forming your opinion as to the management of the board for the last year (during which the Bank was only under my presidency for 129 days), you have to elect the members of the Fiscal Council and their substitutes, as well as a director, because the mandate of Dr. Manoel Thomaz de Carvalho Britto has expired.

Should the attached tables and what I have just told you not be sufficient, I will give any information or explanation which you may consider necessary.

Rio de Janeiro, April 27, 1929.

REPORT OF THE FISCAL COUNCIL.

TO THE SHAREHOLDERS:

Gentlemen,—In the discharge of the duties incumbent on the Fiscal Council of the Bank of Brazil, I have the honour to lay before you our report with regard to the operations carried out during the year 1928, and I would call your attention to the very detailed report of His Excellency the President of the Bank, whose report faithfully portrays the situation of our great credit institution.

Before venturing an opinion on the business of the Bank, it is the duty of the Fiscal Council to report to you as to what has happened in the course of its important administration.

On April 28 of last year Dr. Adeodato de Andrade Botelho, who for many years past had been manager of two of the Bank's principal agencies, was appointed director of the Bank. That illustrious banker, Colonel Antonio Mostadeiro Filho, feeling tired and requiring rest, applied for and obtained release from his post as president of the Bank. He was succeeded by Dr. Henrique Carneiro Leão Teixeira, whose name represents a past full of honourable traditions—full of unforgettable services rendered to our country. The Fiscal Council congratulates itself with the honoured chief of the nation for the judicious choice in confiding the very important post of president of our great credit institution to such a worthy man, who has been guiding it with judgment, competency, and energy.

On February 6 last, Snr. Pedro Luiz Correa e Castro obtained from the Government the release, for which he asked, from his post as director of the Exchange Department—the department which he had managed for many years during which he inspected various agencies of the Bank and discharged the office of manager of the head office, and, finally, during these last four years, that of director of the Exchange Department.

Snr. Correa e Castro was succeeded by Snr. Jose da Silva Gordo, whose recent appointment caused an excellent impression in the market, and from whose technical experience the Bank of Brazil expects much.

The assets of the Bank, a resultant from its general movements, were on December 31, 1928, Reis 4,915,317,703,370, showing the considerable increase of Reis 725,936,775,600 as compared with December 31, 1927, which represented a total of Reis 4,189,380,927,770.

SERVICES OF THE BANK.

These facts prove that the operations of the Bank have had an upward rather than a downward movement, while the Bank, in the midst of the crisis through which the whole market is passing, has rendered inestimable services by assisting commerce and the productive classes of the country, and especially by the service which it has rendered to the Government in remitting large sums to all public departments of the Union, and in transferring from its agencies to the head office, from all the collecting offices, fiscal delegations and custom houses, scattered throughout the country, the various sums collected, as well as the torn paper money, to be handed over to the competent departments. This enormous movement of funds, the responsibility of which the Bank has assumed, has been carried out with all due regularity and gratuitously, and amounted last year to the sum of approximately Reis 300,000,000,000.

The net profits of the Bank were Reis 82,614,822,387. Its reserve fund was increased by Reis 8,261,482,238, and stands to-day at Reis 150,855,086,426.

The sum of Reis 30,120,000,322 was put aside in order to strengthen various items of the assets, and the Bank finds itself to-day fully equipped with ample reserves, which will enable it to face without fear any emergency.

In addition to the indirect profits which they bring to the Bank, the agencies brought in to the head office a net revenue of Reis 11,489,783,892.

In conclusion, and in offering you their recommendation, the Fiscal Council propose that the accounts and acts of the board of the Bank of Brazil referring to the past year as at January 31, 1928, be duly approved and passed.

The Board Room of the Fiscal Council of the Bank of Brazil, April 16, 1929.

(Sgd.) Raymundo Gabriel Vianna, Joao Pereira do Couto Ferraz Junior, Antonio Manoel Bueno de Andrada, Manoel Francisco de Britto, Jose Mendes de Oliveira Castro.

BANK OF BRAZIL—*Contd.*

SCHEDULE.

BALANCE SHEET AS AT JUNE 30th, 1928.

ASSETS.		
National Treasury :		
Revenue Advance a/c	175,210:894$584	
Bills discounted	743,643:900$368	
Loans in account current	291.128:145$575	
Bills Receivable	35,495:470$689	
		1,245,478:311$207
Bills to be received for outside accounts :		
From abroad	17,486:566$710	
From the Interior	319,206:557$285	
		336,687:123$995
Securities in payment		965:520$103
Guaranteed securities		680,717:929$767
Securities deposited		439,861:786$894
Agencies and Branches in the Interior		451,814:715$098
Correspondents abroad		170,876:487$080
Correspondents in the Interior		7,394:299$242
Correspondents in the Bank		44,335,631$257
Bonds and Funds belonging to the Republic of Brazil		28:882$795
Settlement of the Bank of the Republic of Brazil		28,361:447$479
Real Estate		74$000
Personal Estate and Plant		417,071:486$824
Collected in the States		12,644:577$407
Sundry accounts		
GOLD IN STOCK.		
In the Sinking Fund, £10,000,025 11 0at 8d.		300,000:766$510
GOLD BONDS DEPOSITED ABROAD.		
£2,595,030 nominal at the latest quotation, £1,624,530 at 8d.		48,735:900$000
Cash in hand		588,372:725$153
		4,773,349:664$811

LIABILITIES.		
Capital		100,000:000$000
Reserve Fund		146,444:514$081
Fund for the redemption of paper money ...	377,234:323$614	
LESS		
Amount paid to the Sinking Fund account to be burnt	271,828:980$000	
		105,405:343$614
Notes in circulation		592,000:000$000
DEPOSITS.		
In account current with interest	717,824:586$223	
In account current limited accounts	136,869:714$674	
In account current without interest	339,376:498$741	
In accounts at fixed dates	242,952:248$063	
In cheque compensation accounts	52,201:726$932	
		1,489,224:774$633
Bonds as guarantee and on deposit		1,120,579:716$661
Agencies and Branches in the Interior		232,216:662$597
Agencies abroad		3,023:736$480
Correspondents abroad		5,390:223$741
Correspondents in the Interior		753,758:610$819
Depositors of Bills for collection		
BONUS AND DIVIDENDS.		
Previous balance	1,271:781$370	
44th Dividend to be distributed	10,000:000$000	
		11,271:781$370
Sundry accounts		14,035:300$815
		4,773,349:664$811

Rio de Janeiro, 10th July, 1928.
A. MOSTARDEIRO FILHO, President.
Ayres Pinto de Miranda Montenegro.
Accountant.

PROFIT & LOSS ACCOUNT AS AT JUNE 30th, 1928.

DEBIT.		
Fees and Percentages of the Directors		
Fees of the Fiscal Council		
Salaries, gratifications, percentages of the employés ...		
Up-keep, adaptation and hire of Real Estate for the services of the Bank Office plant and other general expenses ...		11,020:516$597
Donation to the Employés Provident Fund		100:000$000
Employés Benevolent Fund		385:090$980
Probable losses during the half-year's working		1,000:000$000
Reserve against probable losses in the final settlement of operations belonging to the previous half-year		12,000:000$000
44th dividend to be distributed at the rate of 20 per cent. on 500,000 fully paid up shares		10,000:000$000
Carried to Reserve Fund		3,850:909$893
Carried to the Paper Money Redemption Fund		5,383:936$060
		43,740:453$530

CREDITS.	
Profits of the Head Office on Exchange, Commissions, Interest and discounts not counting those of the next half-year	39,434:146$730
Nett profits of the Agencies	4,306:306$800
	43,740:453$530

Rio de Janeiro, 10th of July, 1928.
Sgd. Ayres Pinto de Miranda Montenegro.
Accountant.

BALANCE SHEET AS AT DECEMBER 31st, 1928.

ASSETS.		
Bills discounted	754,234:274$546	
Loans in account current	384,644:724$040	
Bills Receivable	45,971:066$501	
		1,184,850:065$087
Bills to be received for outside accounts.		
From abroad	23,319:252$400	
From the Interior	381,298:960$627	
		404,618:213$027
Securities in payment		4,480:331$116
Guaranteed securities		667,878:885$647
Securities deposited		448,066:602$791
Securities for the Employés Benevolent Fund		2,566:800$000
Securities for the Employés Benevolent Fund		556,295:765$072
Agencies and Branches in the Interior		177,201:431$840
Correspondents abroad		6,782:761$265
Correspondents in the Interior		81,170:894$757
Correspondents in the Bank		22:749$895
Bonds and Funds belonging to the Republic of Brazil		16,247:270$104
Liquidation of the Bank of the Republic of Brazil		74$000
Real Estate		196,331:468$451
Personal Estate and Plant		10,862:202$030
Collected in the States		
Sundry accounts		
GOLD IN STOCK.		
In the Sinking Fund, £10,000,025 11 0 at 8d.		300,000:766$510
GOLD BONDS DEPOSITED ABROAD.		
£2,595,030 0 0 nominal at the latest quotation, £1,757,863 6 8 at 8d.		52,735:900$000
Cash in hand in current money		505,265:521$778
		4,915,317:703$370

LIABILITIES.		
Capital		100,000:000$000
Reserve Fund		150,855:086$426
Fund for the redemption of paper money ...	388,695:110$720	
LESS.		
Amount paid to the Sinking Fund Account for burning	271,828:980$000	
		116,866:130$720
Notes in circulation		592,000:000$000
National Treasury Revenue Advance accou		37,270:096$118
DEPOSITS.		
In account current with interest	621,066:442$848	
In account current limited accounts	139,250:137$707	
In account current without interest	348,180:293$582	
In accounts at fixed dates	178,021:371$047	
In cheque compensation accounts	45,506:673$469	
		1,332,024:918$653
Bonds as guarantee and on deposit		1,115,945:488$438
Bonds deposited for Employés Benevolent Fund		2,566:800$000
Agencies and Branches in the Interior		28,427:859$814
Correspondents abroad		12,948:002$000
Correspondents in the Interior		4,502:453$320
Depositors of Bills for collection		900,949:681$478
BONUS AND DIVIDENDS.		
Previous balance	1,374:905$870	
45th Dividend to be distributed	10,000:000$000	
		11,371:905$870
Sundry accounts		19,586:280$533
		4,915,317:703$370

Rio de Janeiro, 10th of January, 1929.
HENRIQUE CARNEIRO LEAO TEIXEIRA, President.
Ayres Pinto de Miranda Montenegro,
Accountant.

PROFIT & LOSS ACCOUNT AS AT DECEMBER 31st, 1928.

DEBIT.		
Fees and Percentages of the Directors		
Fees of the Fiscal Council		
Salaries, gratifications, per centages of the employés ...		
Up-keep, adaptation and hire of Real Estate for the services of the Bank Office plant and other general expenses ...		10,891:532$755
Donation to the Employés Provident Fund		100:000$000
Employés Benevolent Fund		441:057$234
Probable losses during the half-year's working		4,000:000$000
Reserve against probable losses in the final settlement of operations belonging to the previous half-year		30,120:000$322
46th dividend to be distributed at the rate of 20 per cent on 500,000 fully paid shares		10,000:000$000
Carried to Reserve Fund		5,730:393$553
Carried to the Paper Money Redemption Fund		4,410:572$345
		48,693:556$209

CREDITS.	
Profits of the Head Office on Exchange, Commissions, Bonds, Interest and discounts, not counting those of the next half-year	41,510:798$117
Nett profits of the Agencies	7,183:477$902
	48,693:556$209

Rio de Janeiro, January 10th, 1929.
(Sgd.) Ayres Pinto de Miranda Montenegro,
Accountant.

COMPANY MEETINGS, &c.

MEXICAN RAILWAY COMPANY, LIMITED.

RESULTS "REASONABLY GOOD."

CONDITIONS IN MEXICO.

The 128th ordinary general meeting of the Mexican Railway Co., Limited, was held at Winchester House, Old Broad Street, London, on Wednesday, June 5th, Mr Vincent W. Yorke (chairman of the company) presiding.

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

The Chairman, in moving the adoption of the report and accounts, said : I am afraid that we are holding our meeting at a somewhat later date than usual. This has not been due to any delay in receiving the accounts, which came to hand in very good time, but the general manager's report was delayed by reason of the recent disturbances in Mexico, and we did not wish to issue the report until we had ascertained his views on the working of the half-year.

THE HALF YEAR'S RESULTS.

The results of the half-year which we are reviewing, though they show a falling off as compared with the preceding half-year in which we received a large influx of revenue from banana traffic, are very much better than those of the corresponding half-year of 1927, and may again be described as reasonably good. The gross receipts at the figure of about $6,000,000 are not really satisfactory, as they are about 9 per cent. lower than the average of the ten half-years 1924-28. They show a slight decrease on those of the corresponding half-year. Passenger traffic has been distinctly better. There were no interruptions in 1928, as there were in 1927, from revolutionary activities, and American tourist traffic which, as I said at our last meeting, is in my opinion capable of almost indefinite expansion, has brought in a welcome increase of revenue. As regards goods traffic, there has been a satisfactory increase of over $100,000 in foreign traffic, but this has been more than wiped out by a decrease of over $200,000 in local traffic. The tonnage of the latter shows an actual increase, and the decline in revenue is due to the competition of the National Railways. A conference with the management of the National Railways is now taking place, and I hope that some equitable arrangement may be arrived at to eliminate a competition which neither system can to-day afford.

It gives me great satisfaction to be able again to draw your attention to a substantial saving in expenses. They show a decrease of $550,000 (say £50,000) when compared with the corresponding half-year. This has been due to several causes. The completion of the electrification of the mountain section has resulted in decreased mileage, less fuel oil at a lower cost has been burned, the amount of compensation to workmen has been reduced to an insignificant figure, and last but not least, the watchful eye of the general manager has been quick to seize opportunities of economy in many directions.

NET REVENUE FIGURE.

The resulting net revenue of £69,000, though a great improvement on that of the corresponding half-year, after deduction of difference in exchange, debenture interest and that disagreeable modern innovation Mexican income tax, which amounts to over £7,000 for the year, leaves a deficit of £29,000 and nearly wipes out the credit of £31,000, which we were able to place to net revenue in the last half-year's accounts. The net revenue account, therefore, stands much where it did twelve months ago, and shows a debit balance of no less than £890,000.

This large figure leads me on to say that I fear that the figures of the balance sheet must seem most unwieldy and unintelligible to you, and yet I do not see that any real progress in simplifying it can be made until the debt of the Mexican Government to us for compensation under the Railway Law, damages to the property and arrears of freight, has been finally agreed. You will see on the left hand side of the balance sheet that we have received the substantial sum of £1,351,000 on account of Compensation, and there will probably be found due to us when all the claims have been agreed as much again or even more. We are now receiving payment of compensation, as I have previously explained, at the rate of some £2,500 per week in the form of additions to our tariffs, but for the last few months have not been allowed to retain 50 per cent. of the 10 per cent. Railway Tax which at one time brought up the weekly payments to £3,500. The Government, when they made this alteration in the method of payment, solemnly assured us that they would rectify matters in some other way, but I regret to say they have as yet given us no such consideration. When as I say a final settlement of the figure of our claims has been arrived at, it will, of course, be easy to show the amount owing, less the amount of compensation then paid, and the net figure will represent the debt of the Mexican Government to the railway.

Since our last general meeting we have been able to come to a satisfactory arrangement with the holders of registered stocks, "A" and "B," representing arrears of interest funded, and have obtained a postponement until the end of 1933, when both stocks, if not previously paid off, will fall due. The only consideration given to the holders was the increase of interest to holders of "B" stock from 3 to 3½ per cent., which entails a fresh burden on the company of less than £700 per annum. I am glad to say that we were able to redeem 10 per cent. of the "A" stock on December 31st last; and propose, as stated in the report, to redeem a further 10 per cent. on June 30th next, out of funds already in hand. When the second of these redemptions has been made, the original amount of "A" stock will have been redeemed by one half.

THE CURRENT HALF-YEAR.

As regards the results of the current half-year, I am glad to say that the net receipts for April, which have been cabled to us since the publication of the report, are very satisfactory, and give earnings of some $279,000. This sum, added to that given in the report, brings up the earnings for the four months to the end of April to $783,000, and would indicate that the net earnings for the half-year to the end of this month should be equivalent to those of the first half of 1928, and be nearly double those of the half-year under review. It should be remembered that there has been a very serious attempt at revolution during the current half-year, and although our traffic was only suspended for five days, there was naturally caused a serious dislocation of business.

I am glad to say in this connection that the outbreak in the region of Vera Cruz in March last was very quickly subdued, and that the damage to any of our property was wholly insignificant. The fighting in the northern parts of the Republic was, however, of a really serious character, though it resulted in a complete victory for the forces of the Government. Sporadic fighting appears to continue still in the State of Jalisco, but it would seem that the Government have the situation well in hand. There can be little doubt that the religious question has been responsible for the serious and widely spread military outbreaks in many parts of the country, and it is much to be hoped that the negotiations which, according to Press reports, have been opened between the Church and State, will reach a successful issue. If this question can be disposed of, there would seem to be a very fair chance of tranquillity for some time to come. The three last attempts at revolution in 1923, 1928 and this year, have all failed, and so long as the United States continues to maintain the attitude which it has taken up since 1923 with regard to the supply of arms, further serious attempts at revolution would appear to be highly improbable. I need hardly say that nothing is so desirable for our interests as tranquillity, without which it is impossible for any business in the country to recover.

LATEST INFORMATION.

I will now read a cablegram just received from our general manager :

"Crop prospects on both divisions of the line are fair, but the "banana plantations have been almost destroyed by hurricanes. "Competition with National lines still very severe. Anxiety is "expressed in business circles over the increasing tendency to "introduce very advanced legislation of social reform. Train "service is working normally, and expenses are being kept as low "as possible. Rains have started, and the drought has at last "been broken."

The news about the banana plantations is somewhat disappointing, as our traffic in this fruit had reached very large proportions a year ago, and the damage done may discourage the growers in making further outlays. I am also sorry to hear of what would appear to be socialistic tendencies in legislation which, if carried at all far, must discourage the introduction of fresh capital, of which the country is in much need.

Though I fear that I have not found much of a really encouraging nature to say to you to-day, there are certain features of a really hopeful character in our situation to which I should draw your attention, and which I hope you will bear in mind. The large sums of money which we have put into the property are now bearing good fruit, and the expenses have reached a lower level than for many years past. The property is in an excellent state, and should require little fresh expenditure on capital account for a long time to come. The ordinary revenue is now sufficient to cover our debenture and other interest; while the indemnity thus becomes available for the purpose of discharging our old liabilities. By July 1st next we shall have paid off one half of our indebtedness to the "A" stockholders, and to me to-day there seems to be a good deal of truth in the old Greek saying that "the half is greater than the whole." Of course we still have serious liabilities to discharge, but the end of them, though not near, is very much nearer than it was.

Mr Henry Goschen seconded the resolution and it was carried unanimously.

GREAT WESTERN OF BRAZIL RAILWAY COMPANY, LIMITED.

IMPROVED POSITION—GOOD PROSPECTS.

The ordinary general meeting of the Great Western of Brazil Railway Company, Limited, was held, on the 4th instant, at River Plate House, Finsbury Circus, London, Mr Follett Holt, M.Inst.C.E. (the chairman), presiding.

The secretary (Mr W. M. Codrington, M.C.) having read the notice convening the meeting and the auditors' report,

The chairman, in moving the adoption of the report and accounts, said: At one time, some years ago, our position had become so starved that, through inability to carry on with our lease, our retirement from Brazil appeared imminent, in which case our only asset would have been a lawsuit. However, always with your unfailing support, we struggled on, and now I think that we can safely say that your capital and its revenue-earning power have been preserved

To obtain amelioration of the position created by an inadequate tariff, we have been since the 1920 contract in negotiation with three successive Federal Governments, and it is very satisfactory now to report that the Government of his Excellency Dr Washington Luiz has rectified in a measure the past and given us good hopes for the future.

As you will remember, in 1920 we sold and delivered our own lines to the Brazilian Government and accepted in return a lease of the whole system on the terms that we should receive a tariff which would provide interest on our capital, and for its amortisation during the term of the lease, which expires in 1960. This tariff we did not receive, it being contended that the users of the railway could not afford to pay it; but subsequent events have proved this contention to have been entirely fallacious.

REVISED TARIFF AND NEW RENTAL CHARGES.

As stated in the report, under the new arrangement we have been granted an improved tariff and a substantial reduction in the scale of rental charges; further, the repayment of the 13,000 contos loan and the unpaid rentals have been placed definitely behind such earnings as are required to make provision for the amortisation of capital and to provide 6 per cent. on our share capital.

The new rental charges are based on a sliding scale. Under the old scale the rental for last year, with average receipts per kilometre at 20·2 contos, would have amounted to £51,000. Under the new scale the charge would have been £3,750, a sum which will not be increased until the average exceeds 29 contos per kilometre. Between 29 contos and 35 contos per kilometre we shall pay 10 per cent. of that excess, and beyond 35 contos 15 per cent. of the further excess.

I think I should refer now to a remaining dark spot in our affairs. Just before the war we obtained a concession from the Alagoas Government for the construction of the Alagoas and Northern Railway. We commenced construction, plans and surveys had been completed, and a number of banks and cuttings, since destroyed by rain, had been made, when the war broke out. It was impossible in the circumstances to obtain materials, or to carry on the work, and in the passing of time there has been little encouragement to us to proceed. We have, of course, made many representations to the Alagoas Government, and our case is now before the Courts, but I am afraid that, as time passes, we may find that it will be prudent to make further provision for loss in this undertaking.

You will have noticed with some satisfaction that the amount of interest arrears debentures outstanding has been reduced to £72,000. We are anxious to pay these off as soon as possible, because until this has been done we are, by the trust deed securing them, precluded from paying any dividends. We have, therefore, arranged that, if owners of the arrears debentures will send them to our bankers, Messrs Glyn Mills and Company, they will be purchased at par, and in any event we hope to dispose of this liability before the end of the year. With this obstacle removed, as far as we can see at present, we shall be in a position to pay an interim dividend on the preferred shares. The question of a dividend on the ordinary shares, for the current year, must remain open until the completion of the year's accounts.

CURRENT YEAR'S PROSPECTS.

The traffic receipts published during this year show an increase in the gross receipts of £99,000, brought about by the satisfactory sugar crop and, to some extent, by the better tariff. Our operating results for the first few months compare favourably with the corresponding period of 1928, and, as the general manager anticipates that the new sugar-cane crop, which commences in the autumn, will be a good one, we are hoping that next year we shall be able to show you that this old-established company has ceased to be a [illegible] and has become once again a credit to Brazil.

The resolution was carried unanimously.

SUEZ CANAL COMPANY.

EXCELLENT RESULTS.

The seventy-fifth annual meeting of the Suez Canal Company was held on Monday, June 3rd, in Paris.

The Marquis de Vogüé (the president) presented the report of the Council of Administration, which was substantially as follows:

The results of the year 1928 have been exceptionally satisfactory. The increase of traffic of nearly three million tons, compared with the preceding year, has only been exceeded on one occasion, in 1919, also, in spite of the remission of 25 centimes on the charge, which took effect from April 1, 1928, receipts increased by 7 per cent. over 1927. This allows us to increase the dividend rate, We propose to fix this at 644 fr. 57 gross, an increase of fr. 67·05.

The stability of French money, on which we congratulated our selves last year, was made legal from June 25, 1928. This measure so indispensable to the security of economy and to the development of sound financial or commercial operations, offered, besides, an interesting issue. It allowed us, in fact, to make satisfactory entries in our accounts, which the fluctuation in the franc had, up till now, prevented. As a result of this all the items in the balance sheet which we lay before you to-day represent their actual value in French francs, whilst up to the present some, and amongst these, very important ones, were shown by their nominal value in gold francs, the difference being shown as a debit or credit under the heading "Results of Conversions of French Francs." This heading will disappear in time.

As we have shown you, all the items in the balance-sheet, which is before you, are expressed in French francs; you will not be surprised, therefore, to see some considerable difference in the amounts compared with last year. As a matter of fact, expenses remain on much the same level as last year. As to receipts, these have increased, owing to the development of traffic, and show an increase of about 65 million francs over those of 1927.

We propose, owing to the exceptionally favourable results, to make a considerable allocation to development work; making 100 million francs, this allocation actually represents a somewhat larger amount than that allocated during each of the last few years to the improvement of the maritime Canal. If the difference appears great as compared with those of preceding years, this is due, as we have explained, to Conversion operations.

We ask you also to allocate 25 millions to a fund for building houses in Egypt, and, also, to write down material, as in preceding years, by 25 million francs.

After all allocations, the excess of receipts over expenses amounted to 713,146,175 frs., to which has to be added 3,152,147 frs. brought forward from 1927, making a sum of 716,298,322 frs. Of this sum it is proposed to distribute among the shareholders 712,192,676 frs., and to carry forward 4,105,646 frs. We propose a dividend of 644 frs. gross and 563 frs. net.

TRAFFIC FIGURES.

The general traffic for 1928, as compared with 1927, which itself had surpassed all previous results, showed a net increase of 2,943,854 net tons, rather more than 10 per cent. It reached 31,905,902 tons. The number of transits through the Canal was 6,084, as against 5,545 in 1927. Traffic in ballast increased to 2,956,481 tons, and represents 9·3 per cent. of the total movement, as against 8·3 per cent. in the preceding year. The average tonnage of steamers passing through the Canal has slightly increased; it reached the gross tonnage of 7,249 tons. The proportion of passages made by vessels of 10,000 tons gross and over has risen from 10·6 per cent. to 11 per cent. The average time of transit was 15 hours 9 minutes; this only exceeds by 3 minutes the time of 1927, which remains the lowest. We had one passage of an exceptional character, which was made in August, 1928—that of a floating dock destined for the naval base at Singapore. This measured 260 m. in length, 52 m. in width and 23 m. in height, and was in two parts—one part 141 m., the other 119 m.—each towed by four tugs. Thanks to the measures taken, this very delicate operation was effected without the slightest incident in four days. The number of passengers in 1928 was 317,718, 22,600 less than in the preceding year, due to events in China. British-owned steamers, as always, head the list with 56·8 per cent. of the total traffic, as against 57·1 per cent. in 1927. Then come the Netherlands, Germany (which shows a large increase of 536,235 tons); then France and Italy. Goods carried through the Canal rose to 32,622,000 tons, an increase of more than 3,000,000 tons over the maximum shown in 1927. In the north–south direction the increase is 880,000 tons; European exports of manufactured articles have been stimulated by the increased purchasing power of the countries situated beyond the Canal. In the return movement the increase of merchant traffic reached the considerable total of 2,200,000 tons.

Altogether the situation appears favourable, and there is no reason for anticipating a less favourable report for 1929 than the splendid results that we have placed before you on this occasion.

CITY OF LONDON REAL PROPERTY COMPANY, LIMITED.

MR W. E. R. INNES ON THE POSITION AND PROSPECTS.

The ordinary general meeting of the City of London Real Property Co., Limited, was held, on the 3rd instant, at the Cannon Street Hotel, London. Mr W. E. R. Innes (chairman and managing director) presided.

The Secretary (Mr L. A. Kingscote) having read the notice convening the meeting and the report of the auditors,

The Chairman said: The net revenue, after deducting all outgoings, including debenture and mortgage interest and income tax, amounts to £516,007 18s. 10d., as against £526,151 2s. 2d., a decrease in round figures of £10,144. To the £516,007 18s. 10d. net profits must be added £145,638 3s. 3d. brought forward from last year, making a total of £661,646 2s. 1d. The Preference dividend absorbs £37,438 8s., and the directors recommend that a dividend be declared for the year on the ordinary shares at the rate of 5½ per cent., less tax—the same as last year—of which three quarterly payments, amounting together to 3¾ per cent., have already been paid. This will require £352,000 and leave a balance of £272,208, out of which it is proposed to place £50,000 to reserve, making the total £1,100,000, and £70,000 to income-tax reserve, and to carry forward £152,207 14s. 1d., an increase of £6,569 10s. 10d.

The decrease in the net revenue for the year is due in a large measure to developments which have been taking place in the company's properly. We mentioned in our last report that the new building at the corner of Mincing Lane and Fenchurch Street was approaching completion, and would be brought into the current accounts. The house has now been finished, and our thanks are due both to the architect and builders for a very attractive and well-built office building. For the last eight months we have been in receipt of the rent of the ground floor, which was let to the Westminster Bank before operations were commenced. But, in spite of excellent offices offered at moderate rents, the demand for the upper floors has up to the present been slow.

Unfortunately, Mincing Lane and Mark Lane, the home of the produce markets, where we have a large quantity of property, have suffered very severely owing to bad trade, especially in rubber and corn, and until there is a change in this direction I do not think a lively demand can be expected. The nature of the businesses carried on is such that the district has always been especially subject to fluctuations, but when trade has been good properties have been well let.

Our new building in Lime Street is very nearly completed. The main portion is already let to tenants of the highest order at satisfactory rents, and should assist our revenue during part of the current year. Nos. 51 to 54 Gracechurch Street have likewise produced practically no income, owing to a rebuilding scheme. The old buildings have now been demolished and a new one is on the point of being commenced, from which we hope for substantial rents in due course.

Another matter that to some extent affected our net revenue was that, in order to prevent some of our older houses from being unable to compete with buildings of more recent date, we spent a larger sum than usual in repairs last year.

THE OUTLOOK.

As to the future, it is difficult and rash to prophesy, but I am not at all despondent. We have had a most prosperous time in the Stock Exchange area to set off against the depression in the produce markets. Business always has, and always will have, its ups and downs, and we must hope that we do not have the "downs" in too many districts at the same time. In order to ride on an even keel we have tried to take these chances into account in deciding on the purchases we make and the dividends we declare. In the main, whether our offices are well let or not depends upon trade. If that is good, a demand springs up and our empties go down, while, if trade is slack, the number of offices to let naturally increases. Many property companies have recently been showing largely increased earnings, but for the most part these have been companies owning flat properties in the West End, while our business is confined to the City. We had a trade boom a few years ago, and have since been suffering from the natural reaction. But, when we consider we are paying something like the enormous sum of £120,000 a year more in rates and income tax than we were during our record year, and our net income is only down by about 6 per cent., I think we can claim to have done well, though this result could not, of course, have been achieved without the earnings from our annual savings, which have really gone in taxes.

We have recently purchased Asia House, in Lime Street, a leasehold with 83 years to run, a well-built and up-to-date office property. The house is fully let to excellent tenants, and though the return on the capital will not at first be large, we expect in the course of time it will prove a very satisfactory investment. We examine closely every property in the City that is offered us which we think may provide a profitable investment, but, with the exception of Asia House, we have been offered nothing for some time past at a price justifying a purchase. The figure a company can afford to pay for property to be let to various tenants is naturally different from that which a person who wants something for his own occupation can give, since the latter has not got to provide for finding tenants and making allowances for empties; and expenses of management do not arise.

INCOME-TAX CLAIMS.

You will remember that last year I explained a claim had been made against us by the Inland Revenue for income tax under Schedule D. A similar claim has been made against the Salisbury House Estate Company. Both cases have come before Mr Justice Rowlatt and been decided as to the major part in favour of the Crown. Appeals have been lodged by the Crown and the companies concerned. Though, in the event of the case being ultimately decided against us, the amount of our liability has not yet been agreed, we have set aside the round sum of £70,000 as a contingent reserve in respect of the last two years.

I noticed the other day that our very good friends, the City of London Electric Company, are, through a subsidiary company, commencing to carry on the business of building and letting offices in the City of London. We obtain our supply of electricity from this company, and have always been on the most excellent terms. But as they have been granted certain statutory powers with the definite object of supplying electricity, and are in the nature of a public utility company, I think they ought to tell their customers whether profits they may make from this business, which we believe to be outside the principal objects for which they were formed, will be used to reduce their charges for electricity, or, if perchance the venture is not successful, whether the consumers will have to pay their losses.

UNSCIENTIFIC BURNING OF FUEL.

I am very glad to see that a great deal of attention has been called during the last few weeks to the damage and discomfort caused by the unscientific burning of fuel. That London has not been as active as it might have been in finding means for dealing with this nuisance cannot be disputed. As new buildings replace older ones the trouble is reduced by central heating, but this can only be a relatively slow process owing to economic considerations. It is possible the solution will be found in the low-temperature carbonisation system. I have been using a form of this material for private consumption for some little time, and have found it very satisfactory. But as yet the supply is not sufficiently large and regular to enable its employment where it is required in bulk. But with new works in course of erection in different parts of the country I hope before long it will be produced in sufficient quantity for it to be properly tested for general use. If delivered without the addition of coke it lights easily, is very clean, appears to give more heat than coal and is quite free from unpleasant smell. But I have noticed that unless the coal merchant is careful, coke, since it is very similar in appearance, has a way of getting mixed with the other material, and when burnt in an open stove emits unpleasant fumes. To those who have not done so in winter time, it is quite a revelation to look from the roof of one of the modern high buildings and see the amount of smoke rising from chimneys in all directions. However, even this is said to be less injurious than the fumes and dust which will be emitted from the proposed new monster power stations unless their erection is delayed until a means has been discovered of rendering them innocuous. The manager of a well-known property company has told me he finds a very much less powerful plant scorches the paint on a building which he looks after. If the gases are powerful enough to scorch paint, it is reasonable to assume they are harmful to the lungs of human beings. When means have been found to dispose of these gases a great benefit will have been conferred on us all.

You will be very sorry to hear that last summer Sir William Burton expressed a desire, after 50 years of service, during which time the company prospered very greatly, to relinquish his position as managing director. The directors thought that in view of his long and arduous services it was only fair to accede to his wish, which was rendered easier by his willingness to accept the position of an ordinary director, in which capacity the company will retain the benefit of his very valuable knowledge and experience.

As I have been associated with the working of the company for a great many years, the directors paid me the compliment of inviting me to succeed Sir William, which I accepted, and it will be my endeavour to continue successfully the business which he took so prominent a part in building up.

I am sure you will all wish to join with me in thanking our staff for the work they have done and the trouble they have taken on behalf of the shareholders. I am proud to be associated with them every day, and can assure you it would be impossible to find a staff more zealous and with your interests more at heart.

The report and accounts were unanimously adopted.

GUARDIAN ASSURANCE COMPANY, LIMITED.

IMPROVED RESULTS.

NEW LIFE BUSINESS EXCEEDS £1,303,000.

The ordinary meeting of Guardian Assurance Company, Limited, was held on the 3rd instant, at the head office, 68 King William Street, London, E.C. The Hon. Evelyn Hubbard (the chairman) presiding.

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

The Chairman, in moving the adoption of the report and accounts, said the net new life assurance were £1,303,188, slightly more than in 1927, and the total premiums of the department £550,777, an increase of £40,983. The net income derived from interest was £266,174, an increase of £10,285, and the net rate of interest was £4 14s. 4d., the same as in 1927.

The claims amounted to £494,556, inclusive of £259,137 for endowment assurance augmented by the fast maturing policies effected under War Bonds Purchase Schemes, which at the time they were inaugurated were of assistance to the nation, and had enabled many by methodical saving to become capitalists. The funds of the life department amounted to £5,894,861, an increase of £209,814.

The fire premiums amounted to £1,067,989, a reduction of £12,705, and the losses to £438,958 (41·1 per cent.), a reduction of £1,638. After credit was taken for interest £68,104, profit on investments realised £183, and profit on exchange £257, the total surplus on the fire account was £216,412. Of this surplus they had transferred £191,412 to profit and loss, and the balance, £25,000, to the general reserve, leaving the total fire fund at £1,459,000, against £1,440,350 as at the end of 1927. The year 1928 was the fifth in succession of prosperous fire accounts, and, although it was early yet to estimate, the present indication was less favourable than for a long time past.

In the accident account were included the figures relating to the accident, burglary, employers' liability, fidelity, motor car, and glass departments. The premiums were £709,712, an increase of £42,733, and the claims were £329,006, 46·36 per cent. of the premiums. After providing £19,250 for the premium reserve, rebates to policyholders £5,864, and for bad debts and loss in exchange £580, there was a trading profit of £45,182, which was 6·36 per cent. of the premium income.

With interest derived from the reserve funds, £32,203, there was a total surplus of £77,383. Of this they had transferred £57,383 to profit and loss account, and £20,000 to the general reserve, leaving the total accident fund at £639,400.

COMPETITION IN MARINE DEPARTMENT.

In the marine department, the claims, returns, and other payments on account of 1927, settled in 1928, amounted to £73,895, and the account was closed by tra ferring £15,500 to suspense, resulting in a profit on the 1927 account of £9,140, or 6 per cent. of the premiums received in that year. On the 1928 account the premiums amounted to £173,083, claims paid £35,008, and expenses of management £28,393. Interest revenue produced £19,200, and after providing £107 for loss in exchange, contributing £5,000 to the staff pensions fund, and transferring £17,572 to profit and loss, the amount of the marine fund at the end of the year was £374,926, against £358,118 at the end of 1927.

By the exercise of very great restraint in underwriting they had consistently so far avoided loss in the marine department. Nevertheless, they must continue to deplore the general bad state to which the marine markets had become reduced, mainly because of unreasoning competition.

Taking the departmental accounts as a whole, it would be seen that the company had done well in 1928, but he would add a few words of warning as to the trend of business generally. It was true that they had not, so far, had to contend with such fierce competition in the fire and accident departments as in the marine, but there was ample evidence that the circumstances which had contributed to the poor state of marine business were arising in other branches, which would, unless sternly checked, have baneful results.

With regard to the profit and loss account, the item interest and rents was nearly £8,000 better, which was satisfactory, but it must not necessarily be assumed that this advanced income would be wholly maintained. The sum of £120,000 had been transferred to the investment reserve and contingency fund, £20,000 to staff pensions fund, and they were carrying forward £193,561, out of which a balance dividend of 4s., less income tax (making 8s. per share for the year), on each ordinary and staff share would be paid.

The report and accounts were unanimously adopted, and resolutions were passed authorising the acquisition of the balance of the issued shares in the Guardian Eastern Insurance Company, Ltd., and also increasing the nominal capital of the Guardian Assurance Company to £2,175,000 by the creation of 50,000 new Ordinary shares of £3 each.

CALLENDER'S CABLE AND CONSTRUCTION COMPANY, LIMITED.

ANOTHER SUCCESSFUL YEAR.

The thirty-third ordinary general meeting of Callender's Cable and Construction Co., Limited, was held, on the 6th instant, at River Plate House, London, E.C., Sir J. Fortescue Flannery, Bart., D.L., M.Inst.C.E. (chairman of the company), presiding.

The secretary (Mr Howard Foulds, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of his speech, said: Since 1912, when I first had the pleasure of addressing the shareholders, each year has brought continued prosperity to the company, and I am fortunate once more to be able to present on behalf of my colleagues and the management a balance sheet and accounts which maintain the wonderful record which the Callender company enjoys. The successful achievement of the year's working has not been easy to attain. There come more or less quiet periods in all businesses, and the year 1928 appears to have been one of them; that is to say, so far as large contracts are concerned, and bearing in mind the size of our factories and the workpeople we employ, substantial orders must be received in order to keep them fully occupied.

During 1928 there was some restriction on the electrical cable industry, and few large contracts were placed for the heavy mains which are essential for the widespread distribution of electricity. Most of those engaged in electrical supply hold their hands pending the completion of the Government scheme, which involved the erection of an extensive system of overhead conductors generally known as "The Grid." Undertakers felt themselves bound to await complete information as to where the sections would be placed before launching on any expenditure on their own account. The details of the "Grid" are now known, and several contracts have been placed in connection therewith, one of which has been secured by your company for the southern section of England between the Thames and the sea coast as far as Worthing, and this contract represents a value of approximately half a million of money.

Owing to wayleave difficulties, which appear to have been unavoidable, those responsible for this work were not able to give us instructions to proceed until during the last few weeks, but we are now in full operation erecting the first section of the mains near the South Coast. The effect of the "Grid," when completed, will, we believe, be to increase the quantity of underground cable required for distribution and general services, especially in the towns which the "Grid" serves, and therefore the tendency will be to considerably enlarged business for the underground cables which it is your company's speciality to manufacture.

On the other hand, the orders obtained by your company for the ordinary run of underground cables, and for the wires and cables required inside premises, represent a highly satisfactory business, which continually tends to increase and helps materially to produce the profit shown in the balance sheet which we have at our disposal. Your technical staff has been fully employed during the year in research work to assist in producing cables for service at still higher pressures than those now employed. Great progress has been made which has been very helpful in assisting the company to obtain the larger order for mains of 66,000 volts recently placed with them, to be laid in London to form the interconnecting link between the various local generating stations, thus also giving to those stations supply from the Government network. One of the three such districts in London has been entrusted to this company.

The company's overseas business during the past year was satisfactory and increasing, and it still continues to progress. Our factory at Erith has been well supplied with work, but we could have done with more had heavy mains contracts been more plentiful. The Anchor works have been kept very fully supplied with orders, and have turned out an unusually large quantity of rubber work. Indeed, it has been an exceptional year for them, and, excepting for the war years, their output has proved a record one, not only in sales in this country but also in export to our Overseas Dominions and to foreign lands. There is every indication, at both Erith and Leigh, where the Anchor works are, that the production for the present year will be highly satisfactory.

After referring to the fact that they had purchased the business of W. T. Glover and Co., Limited, an old-established cable-manufacturing undertaking, he went on to refer to the accounts, stating that the profits for the year were £625,723, and it was proposed to pay a dividend of 15 per cent.

The Chairman concluded by moving the adoption of the report and accounts.

The report and accounts were unanimously adopted, and it was also resolved to capitalise £196,600, part of the amount standing to the credit of the reserve fund.

INVESTMENT TRUST CORPORATION, LIMITED.

THE BONUS ISSUES.

MR ROBERT FLEMING'S ANNUAL ADDRESS.

The forty-first annual general meeting of the Investment Trust Corporation, Limited, was held, on the 5th instant, at the offices of the company, Gresham House, Old Broad Street, London, E.C., Mr Robert Fleming (chairman of the company) presided.

The secretary (Mr Hildred Carlisle) having read the notice convening the meeting and the report of the auditors,

The chairman said: Gentlemen—Our revenue account and balance sheet are very simple and I need not detain you by going over their various items.

The amount of redemption and repayment of bonds during the year was £230,000 and the average rate of interest thereon was 6·08 per cent., this lower than usual rate arising from some of the bonds redeemed bearing only 5 per cent. During the past five years we have had no less a sum repaid than £884,000, the average rate of interest being 6·31 per cent. So that we are not losing very much through reinvestment the average rate on which is not very much less than that figure of 6·31 per cent.

INCREASE IN THE RESERVE FUND.

After providing the preferred dividend our net earnings for the year have been at the rate of 26·42 per cent. on our £1,300,000 deferred stock. We have transferred the sum of £185,000 from revenue to the reserve fund, this being the accumulation of past years' surpluses. Following our previous years' plan, we do not propose to increase the cash dividend but to make an issue of new capital on bonus terms. The amount of the issue will be £125,000—that is about 10 per cent. of the present deferred stock—and the new shares immediately after their issue will be converted into £75,000 preferred stock and £50,000 deferred stock; each existing £52 of deferred stock will thus receive, as nearly as possible, £3 of preferred stock and £2 of deferred stock at par.

When we first made this bonus issue in 1927 I used these words: "I need hardly say that this division must not be considered an annual one." Well, this is the third year in which we have made this issue, and, so far as the near future is concerned, I see no reasou to doubt its continuance.

The shareholders realise, however, that the cash dividend and the bonus market value of the new stock amount to a considerable percentage which evil times, if we should fall upon them, might make it impossible to maintain. Taking the present market values—namely, 75 per cent. for the preferred stock and 460 per cent. ex dividend for the deferred stock, the "rights" are worth 12½ per cent., so that, including the cash dividend, the total amount, if the "rights" are realised in cash, is 32½ per cent. upon the deferred stockholder's holding.

Our securities stand pretty much as they did a year ago. We have 53·2 per cent. in bonds, 23 per cent. in preferred stock, and 23·8 per cent. in ordinary stocks, and they are geographically distributed as mentioned in the report.

This is rather a ticklish time in which to predict the revenue of coming years, but, as far as we can foresee, 1929-30 will not be less than 1928-29. So much for the revenue part of our accounts.

CAPITAL APPRECIATION.

With regard to capital, while market values have fluctuated considerably during the year, our valuation has remained fairly steady, and on May 1st was about £50,000 better than last year, which I think you will agree is satisfactory.

At the conclusion of this meeting another meeting will be held, when resolutions, whose object is to make our preferred stock cumulative, will be submitted, thus bringing our stock into line with the great majority of the preferred stocks of the other trust companies. As the available income covers the dividend on the preferred stock more than five times over, this alteration may seem unnecessary; but it has been pointed out to us that some trustees are prohibited by the terms of their trust from investing in our preferred stock because it is non-cumulative, and so we have decided to recommend the alteration, which cannot conceivably harm the deferred stockholders and may perhaps slightly benefit the preferred.

With these remarks I beg to move: "That the report and accounts as presented be and they are hereby received, approved, and adopted and that dividends of £2 per cent., less income tax, on the preferred stock and £12 per cent., less income tax, on the deferred stock (making with the interim dividend 20 per cent. for the year ended May 1, 1929) be and the same are hereby declared."

Mr H. A. Vernet seconded the resolution, and it was carried unanimously.

Mr Vernet then proposed the re-election of the retiring director, Mr Robert Fleming.

Sir W. Guy Granet, G.B.E., seconded the resolution, and it was unanimously approved.

The auditors, Mr Cecil O. Webb, C.A., and Mr Lionel Badd, C.A., were reappointed on the motion of Mr Ledger.

At an extraordinary general meeting which followed resolutions were passed with the object of making the dividend on the company's preferred stock cumulative.

The proceedings closed with a vote of thanks to the chairman, moved by Sir Paul Makins and seconded by Mr Towns.

SIALANG RUBBER ESTATES, LIMITED.

SUBSTANTIAL REDUCTION IN COSTS.

The twentieth annual ordinary general meeting of the Sialang Rubber Estates, Limited, was held, on the 6th instant, in London.

Mr H. Eric Miller (the chairman) said that every possible economy consistent with the efficient working of the properties was being exercised, and the cost per pound showed a substantial reduction on the previous year. There had been no change in the planted area, viz., 6,819 acres, of which 6,645 acres were mature. They had only a comparatively small reserve area of plantable land, and it was to cover this deficiency that they acquired their holding of 50,000 £1 shares in the Namoe Tongan Rubber Estates, which was formed in 1926. To December 31st last that company had planted 4,450 acres with the finest material available on the most scientific and up-to-date lines, so that exceptionally good yields could be looked for when the rubber was mature.

As to their own estates, the lowland areas on Tebing Tinggi and Paya Pinang, which were manured with sulphate of ammonia in 1928, were similarly treated again in February of this year. The foliage and general appearance of these areas were reported to have been greatly improved as a result.

YEAR'S PROFIT.

The net profit for the year, after writing off £5,600 for depreciation of mature areas, amounted to £40,724. With the unappropriated profit from last year this gave a total to be dealt with of £105,603. The directors proposed transferring £10,000 to reserve, bringing that account up to £60,000, and to pay a dividend of 10 per cent., less tax, leaving £65,603 to be carried forward. The current year's crop on conservative tapping was estimated at 2,100,000 lbs., out of which upwards of 250,000 lbs. had been sold at a price equivalent to 1s. 2½d. per lb. London landed terms.

Rubber was being put into consumption throughout the world at a very satisfactory rate. Shareholders would have seen the references in the Press to the rapidity with which the large American automobile manufacturers were expanding their activities, and there was no doubt that the movement towards motorisation was exceedingly helpful, firstly in creating work on roads, and, secondly, in cheapening and improving transportation generally. This could not be done without rubber, and rubber growers were surely justified in taking an optimistic view of the future ahead of them.

The report and accounts were unanimously adopted.

162 Branches in Finland

CAPITAL AND RESERVES: Fmk.417,000,000.
TOTAL ASSETS (31/12/28): Fmk.2,934,742,000.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank)

HEAD OFFICE: HELSINKI (HELSINGFORS), FINLAND

Established 1889.

ATLAS ARTIFICIAL SILK PROCESSES, LIMITED.
EXCELLENT PROGRESS—BOARD'S CONFIDENCE.

The statutory meeting of Atlas Artificial Silk Processes, Limited, was held, on the 31st ultimo, at Winchester House, Old Broad Street, London.

Mr. Andrew Clark, J.P. (the chairman) said: The geographical position of the works is a very fine one indeed, while the buildings—being of one storey and entirely new—are magnificent in their structure and ideal in their suitability. They are conveniently laid out and cover a floor space of 130,000 square feet, leaving ample room for extension inasmuch as the whole factory occupies a site of 42 acres. The lay-out of the works and the general equipment leave nothing to be desired, and our key-men are at their appointed posts. I am happy to give you in a few words the following progress report: We are spinning already on a commercial scale. Our silk has been found by English and foreign users, and even by producers, to be of the highest quality. Our cost of production is, we believe, considerably lower than that of other producers. Satisfactory arrangements have been made for the sale of the whole first year's output.

Doubtless some producers and perhaps users were sceptical regarding the statement that in three months we would be making artificial silk. Such a thing had never been heard of or experienced before by the usual methods. What was regarded as impossible has been accomplished: the silk has been produced within the specified period of only three months on our full-sized machines and on a commercial basis, and it is here for examination and inspection. Our product has been commended and spoken of in the highest terms by experts and by some of the largest users in the country, and, in addition to that, we are being pressed already for deliveries of the silk.

A REVOLUTIONARY PROCESS.

Your directors stated that the Brandwood processes were nothing short of a revolution in the manufacture of artificial silk, and they have found nothing to shake that statement or to minimise in any way the many and remarkable claims made for them. When the works have been fully equipped it is anticipated that the total cost of the plant and equipment will be considerably below the amount given in the prospectus, and one has only to compare that sum with the figures of any similar undertaking, to see what an extraordinarily favourable position the company is in, not only for meeting competition and supplying the various requirements of the textile industry, but also for making substantial profits.

The directors are already assured in respect of the sale of the output, one important consideration in our favour being the fact that practically the whole of the silk produced by the Brandwood processes is first or grade "A" quality. Those of you who know the technical difficulties of artificial silk production by the usual methods need no further words of mine to emphasise the importance of such a high proportion of "Grade A" quality artificial silk.

ANTICIPATED PRODUCTION.

In the autumn we anticipate that production will be at the rate of 10 tons per week and towards the end of this year we shall be producing half of our "prospectus" output, which will be gradually increased until the full thirty tons weekly are reached. Having regard to the definitely lower costs of production which are ensured by the adoption of these processes and patents we are confident that we shall be making satisfactory profits in our first year. Consequently, you may look forward to the receipt of substantial annual dividends.

I may add that from the reports received from the factory your directors are satisfied that on the basis of even lower prices than are now current the manufacturing profits will be considerable. The profits anticipated from the sale of patents and the revenue expected from royalties arising out of the exploitation of the Colonial and foreign rights should be valuable additions, for you will remember that your company are not only the owners of the Brandwood processes and patents for exploitation throughout the British Empire, but also that they own a 50 per cent. interest in them for upwards of 20 of the principal industrial countries of the world, including the United States of America, Canada and Germany.

You will no doubt be interested to hear that your directors confidently anticipate being in a position to produce in the near future special quality of artificial silk equal in appearance and strength to real silk.

It only remains for me to say that your directors are satisfied that the distinct advantages possessed by your company in lower costs of production, a higher percentage of Grade "A" quality and superior tensile strength, will place us in a good position to share profitably in the future development of the industry and with such assured prospects shareholders have every reason to be thoroughly satisfied.

BOOTS PURE DRUG COMPANY, LIMITED.
RECORD SALES AND BONUS DISTRIBUTION.
HUGE WORKS EXTENSION.

The forty-first annual general ordinary meeting of Boots Pure Drug Co., Limited, was held at Station Street, Nottingham, on June 6, 1929, the Hon J. C. Boot, J.P., chairman of directors, presiding over a large attendance of shareholders.

The Chairman (who was greeted with applause) said:—Turning to the profit and loss account, you will observe that the balance, after deducting various charges, is £750,152, which is £48,180 more than last year. The trading profit this year has been arrived at after deducting income tax, whereas last year this appeared as a charge on the other side of the account. This charge, however, was not so heavy, owing to certain adjustments, as in the previous year.

After payment of all preference and preferred share dividends, and after payment of four quarterly dividends of 6 per cent., less tax, on the ordinary shares, we have a balance from the year's profits of £293,402, which, with the balance from last year, amounts to £501,709.

Your directors recommend the payment of a bonus of 1s. per share, free of income tax, on the ordinary shares, absorbing £75,000, and a transfer to the reserve fund of £200,000, leaving £226,709 to be carried forward to next year.

You will be pleased to hear that our new unit at Beeston, Notts., will start production this month, and we are satisfied that better results will be obtained from that ideal plant than from the inadequate buildings hitherto used.

In conjunction with Professor Robinson, F.R.S., and with the biochemical departments of several universities and medical schools, our research department is working on problems in the forefront of medical science; amongst them researches on vitamins, carried out in our own laboratories, have been largely responsible for the high repute of our vitamin preparations such as "Vitamalt."

INCREASED PROFITS, SALES AND NUMBER OF CUSTOMERS.

It is pleasant to be able to inform you that the results of the year's trading have been excellent in every way, showing an increase over all previous years in profits, sales and number of customers served. During the past twelve months the rate of sickness in the country has been far above normal. That, and the extremely cold winter we had, have naturally benefited the drug business, but we cannot expect those conditions to be repeated every year.

You will be interested to hear that our recent sale of toilet preparations was a great success. Some customers have wondered how we could possibly give two articles for the price of one, and the reasons are as follows:—

Firstly, the enormous amount of goods manufactured enables us to keep an even load in the factories during what is usually a slack time of the year. This, of course, reduces our overhead very considerably, and lessens the possibility of short time.

Secondly, we are able to utilise the publicity value of the windows of our 840 shops to the maximum.

Thirdly, we deliberately spent a great deal of money on this sale as a form of advertising; our ordinary rate of profit could not stand such a sale otherwise. In fact, the net profit available for ordinary shareholders last year amounted on an average to only 1½d. per customer, which gives an idea of the very small margin of profit on which we work.

BRIGHTON AND GLASGOW PREMISES.

During the past year, amongst other new branches, we have rebuilt our main Brighton shop, and now have magnificent premises, of which the local people are very proud. We have also opened on the best corner in Glasgow, one of the busiest positions in the kingdom.

When shareholders and customers see such shops they are apt to form a mistaken idea of the nature of our business. You must remember that we are chemists, and that 80 per cent. of our entire business is identical with that carried on by any good-class pharmacy, and that two-thirds of our shops carry purely chemists' lines only. As I said earlier on, our turnover was again a record one, and I am glad to state that our comparative shops again went well ahead.

Our aim is to build a well-established, sound business and not to show figures merely to influence the market price of our shares. We have a fine staff and a business of which the shareholders may well be proud, and we look forward with confidence to the future.

The Chairman then moved that the accounts be accepted and that the appropriation out of the profits as printed in the directors' report be hereby approved.

Mr J. E. Greenwood, M.A., L.L.B., A.C.A., seconded the adoption of the report, which was carried unanimously.

COMPANIA HISPANO AMERICANA DE ELECTRICIDAD S.A. BARCELONA.
"CHADE."
LARGELY INCREASED SURPLUS.

The ordinary general meeting of the Compania Hispano Americana de Electricidad S.A. was held on Saturday, May 25, 1929, in Madrid. Mr Francisco de A. Cambo, the president of the company, was in the chair.

The chairman said: Gentlemen, before submitting the balance sheet for your approval, I think it necessary to make some remarks concerning it.

In the first place, I have to point out that the valuations of our assets in currencies on a gold basis and of our gold investments (which form nearly the total amount of our available monetary resources and investments) appear in the balance sheet calculated at the peseta rate as at December 31st last, when our currency had sustained a depreciation of only 18·06 per cent. It is scarcely necessary to state that all our fixed assets represent gold values.

In spite of this, the item "Operating surplus, dividends, interest and other revenues" has increased from Ptas.103,726,432·43 in 1927 to Ptas.114,670,760·73 in 1928, that is to say, the increase has been Ptas.10,944,328·30, or 10·55 per cent. After having duly carried Ptas.45,790,248·55 to our depreciation fund, as compared with Ptas.42,766,129·34 in the previous financial year, the balance of net profits available for distribution is Ptas.50,884,559·60, as compared with Ptas.43,196,873·52 for the year 1927, that is, an increase of 17·79 per cent.

INCREASED DIVIDEND.

This permits the board, without abandoning their traditional conservative policy, to propose the payment of a total dividend of 15 per cent. gold, as compared with 14 per cent. gold in the previous financial years, in spite of its having to pay dividends on a capital which has had a nominal increase of Ptas.60,000,000, due to the creation and issue of 600,000 shares series "E."

I also call your attention to the fact that, the approval of H.E. the Minister of Finance having been duly obtained, it is proposed to adopt a new form of payment, so that the dividend may really be collected in gold, without any detriment, rather with appreciable advantage, to the Spanish exchange. This form of payment will eliminate the difficulties which have arisen in previous financial years when applying to the payment of the dividend in gold a co-efficient of depreciation of the paper peseta which, owing to its relating to a date much earlier than that of payment of the dividend, very rarely coincided with the peseta exchange ruling at the time the dividend was paid.

The sale of 200,000 shares series "E" at a rate very much above par has provided the company with a net profit of Ptas.98,460,350, which we propose to carry in full to the reserve fund.

In spite of what I have said, the balance carried forward is Ptas.6,553,169·55.

Our balance sheet reaches the figure of Ptas.933,798,228·43, and of our liabilities the debts due to the public, including income bonds and debentures in circulation, represent only a round sum of 280,000,000 pesetas.

BUENOS AIRES SUPER-STATION.

Few companies, even among the strongest and most prosperous in the world, can show such brilliant results, due, to a great extent, to the conservative policy of dividend payments which has been adopted hitherto and which has permitted us, without making any strain on our cash resources, to carry out the construction of our super-station at Buenos Aires, which is to-day the most perfect in the world, and in the construction of which more than 50,000,000 Argentine paper pesos have been invested.

Respecting the construction of this super-station, I can tell you that the estimates of time and cost have not only been confirmed, but have been improved upon, as the super-station started working three months before the estimated date, and the cost has been lower than that of the estimate. I might add that the industrial results of the new super-station exceed by a long way what we had anticipated, and it is right that, in view of these results, we should render homage to the Société Financière de Transports et d'Entreprises Industrielles of Brussels, to whose expert technical management such results are to be attributed.

Finally, in view of the rumours circulated abroad to the effect that the "CHADE" may be affected by the fluctuations of the peseta, I declare before you that this assertion is absolutely false, as all the revenues of the "CHADE" are in gold currency, the cash surplus is kept in currencies on a gold basis or in gold values and its dividends are paid in gold.

The resolution to the effect that the report and accounts for the year ended December 31, 1928, be adopted was then submitted and carried unanimously. The proceedings closed with a vote of thanks to the chairman and directors.

JOHN HETHERINGTON AND SONS, LIMITED.
INCREASED DIVIDEND.
SATISFACTORY PROGRESS IN ALL BRANCHES.

The annual general meeting of John Hetherington and Sons, Limited, was held, on the 29th ult., Mr Martin Coles Harman, the chairman, presiding.

The Chairman said that net profits, after providing for depreciation, were £70,578 18s. 7d., or approximately £7,000 more than the previous year. It was proposed to pay a dividend of 7½ per cent. on the ordinary shares, being ½ per cent. more than last year, and to carry forward £33,393 14s. It was the fifth consecutive year showing an increase of profits. Many economies in production had been effected. The mainstay of the business was still the cotton, wool, worsted and waste machinery. The new Nasmith Comber was very popular. The Rayon Machinery had given great satisfaction to customers. The first of the Maratti Machines was operating commercially, and giving satisfaction. They believed this machine would create a revolution in knitting. The machine tool business now contributed to the profits and the outlook was good.

INCREASED WORLD CONSUMPTION OF ARTIFICIAL SILK.

Mr. Harman referred to the great increase in world consumption of artificial silk, the production of which was still only about 3 per cent. of that of cotton alone. Mr. Harman stated that if means could be devised for avoiding the loss of strength due to lack of co-operation among textile machinists, Hetheringtons would favourably consider any proposals from within that industry.

In closing, reference was made to the excellent work of Mr E. V. Haigh (managing director) and his supporters of every grade.

Mr Haigh said that the decisive factor in the company's emergence from the difficulties which followed the last boom had been the chairman's leadership. He praised the staff for their unstinted efforts throughout the period of concentration and re-organisation; shareholders could feel that the spirit of enterprise which animated the whole staff would encourage them to look forward to the company's prosperity and expansion.

WARING AND GILLOW, LIMITED.
INCREASED PROFITS AND DIVIDEND.

The annual general meeting of Waring and Gillow, Limited, was held, on the 31st ultimo, at 164–182, Oxford Street, London.

Lord Waring (the chairman) said that the profit for the past year (£282,410) showed an increase of £62,509, which was due to the satisfactory expansion of the company's business. The directors recommended a dividend of 15 per cent. on the ordinary shares, as compared with 10 per cent. in the previous year, and the transfer of a further £25,000 to general reserve, the carry-forward being increased by £27,261. All the subsidiary companies were showing very important improvements, and were materially increasing their general trading. The financial position had been considerably strengthened by the fact that the item of goodwill had now been entirely eliminated from the balance-sheet. In his opinion, the world-wide goodwill of Waring and Gillow might reasonably figure as an asset almost equivalent in value to the entire share capital.

Last year he referred to the fact that within the unprecedented period of twenty-one days their studios succeeded in producing and delivering 4,500 miles overseas a superb range of 150 designs for decorative interiors, furniture, and furnishing. In the face of powerful foreign competition the company secured the contract from the Cuban Government, one of the largest ever given for decoration and furnishing. The contract had recently been successfully completed, and within the last few days they had published some illustrations of the Palacio de Congreso of the Republic of Cuba at Havana, which gave some idea of the beauty and distinction of the work accomplished there. He believed it would convince the world that Great Britain still maintained against all comers her forefront position in enterprise, capacity, artistic skill, and reliable production.

In this connection he would draw special attention to the extraordinary manufacturing resources of the company. The resources and equipment of Waring and Gillow were equal to any call upon them, and were, indeed, unique throughout the world.

They would be pleased to hear that since the beginning of the financial year business had shown a most satisfactory expansion. They had every confidence in being able in another twelve months to make an even better report that would bear witness to further progress, even more notable than that day's satisfactory report.

The report and accounts were unanimously adopted.

GEDULD PROPRIETARY MINES, LIMITED.

IMPROVED OUTLOOK.

The twenty-eighth ordinary general meeting of shareholders in the Geduld Proprietary Mines, Limited, was held at Johannesburg, on May 14, 1929. Mr P. M. Anderson (chairman of the company), presided, and in the course of his remarks said :—

The tonnage milled during 1928 was 979,000 tons, or 4,500 tons less than the record figure of the preceding year.

The average value of the yield of gold per ton milled last year was 26s. 6d., which compares with 27s. 9d. in 1927. This reduction of 1s. 3d. per ton was due to the lower value of the ore milled—the extraction having been, if anything, improved—and must have been expected by shareholders, for in my address to you last year your attention was drawn to the lower value of the ore reserves, which I indicated would affect the profits during that year. I am pleased to be able to state that here also there is an improvement in the outlook, for you will have noticed from the report of the consulting engineer that he values the ores reserves at a slightly higher figure than in the previous year. Consequently, I think we may look for a small improvement in the grade of the ore milled during the current year.

The working profit was £485,663, or £65,714 lower than in 1927.

The net profit, together with the unappropriated balance brought forward from the previous year, made available a sum of £636,785. Of this, £3,180 was appropriated for capital expenditure on property; £448,218 for the two dividends declared, totalling 33¾ per cent. (being 3¾ per cent. less than the previous year); and £1,800 for directors' additional remuneration in terms of the Articles of Association. In addition, a further amount of £6,000 was set aside towards meeting the company's proportion of the outstanding liability to the Miners' Phthisis Compensation Fund. These amounts together total £459,198, leaving a balance carried forward in the Appropriation Account of £177,587, which is about £9,000 less than the year before.

The development footage accomplished in your mine during the year was further reduced by 1,961 feet, and amounted to 16,048 feet. But as 18,436 feet were done for your neighbour, the East Geduld Mines, Limited, the total footage of 34,484 was 4,546 feet more than that of the year before. Although the footage in your own mine was reduced, the results as to the percentage payable and the values disclosed have been most satisfactory, as may be seen by comparing the consulting engineer's estimate of the ore reserves at the end of the year with his previous calculation. The present estimate of 6,100,000 tons, averaging 6.5 dwt. over a stoping width of 60 inches, shows an improvement of 80,000 tons—in spite of a reduction of 2 inches in the width—and the value is higher by a tenth of a pennyweight. In view of our strong ore reserve position it is intended to do more exploratory work in areas that have hitherto been considered less promising.

CURRENT YEAR'S OPERATIONS.

The operations on the mine during the first four months of the current year have resulted in the milling of 333,000 tons and the earning of a profit, excluding sundry revenue, of £168,867, which is £7,246 more than for the same period of last year. Working costs have averaged 16s. 6d. per ton. 4,184 feet of development were done, of which 3,110 feet were on reef. 1,400 feet, or 45 per cent., disclosed payable values averaging 9.3 dwt. over a channel width of 37 inches, equal to 343 inch-dwt.

Since the issue of the annual report shareholders have been made fully aware by means of a circular issued on April 16th of the state of development of the East Geduld Mines, Limited, and its proposed increase of capital, as well as of the steps taken by your directors to exercise your right to participate in the provision of such capital funds for that company.

CAPITAL.

You are well aware that your company has the right to participate equally with the Union Corporation, Limited, in providing these additional funds at par. After mature consideration of various alternatives, your directors decided that the best interests of shareholders would be served if the capital of your company were increased so as to provide the necessary funds to enable it to take up not only its proportion of the 650,000 East Geduld shares now being issued, but also its share of the further 500,000 that will probably be issued as soon as a decision is made to proceed with the erection of a reduction plant. Consequently the issued capital of your company has been increased by 132,805 shares, ranking *pari passu* in all respects with existing shares of the company, and these shares have been offered *pro rata* to shareholders at a price of 62s. 6d. per share, the Union Corporation, Limited, guaranteeing to take up all shares not subscribed for by shareholders for a commission of 2½ per cent.

At previous annual meetings you were informed that your company's commitments in connection with the initial capital of East Geduld Mines, Limited, had been reduced by the introduction of that company's shares on the Stock Exchanges in London and Johannesburg. The circular of April 16th, to which I have already referred, informed you that your commitment in connection with the present issue is being reduced by an offer of shares to East Geduld shareholders at a price of 32s. 6d. per share.

THE POSITION.

The position, therefore, is that for the comparatively small increase of 10 per cent. in the issued capital of your company, which shareholders had the right to take up, you will acquire a substantial interest of probably between 35 and 40 per cent. in an adjoining mine which has a slightly larger area than your own, which even now has nearly 2,000,000 tons of ore reserves of a slightly higher value than yours, and which it is not unreasonable to expect should reach the producing stage, with a 60,000-ton per month plant, in, say, two and a half years.

The report and accounts were adopted.

EAST GEDULD MINES, LIMITED.

GRATIFYING PROGRESS.

The second ordinary general meeting of shareholders in the East Geduld Mines, Limited, was held at Johannesburg, on May 14, 1929. Mr P. M. Anderson (chairman of the company) presided, and in the course of his remarks said :—

This is the second annual meeting of shareholders of the company. When you consider that we are dealing with a deep level mine more than a mile away from the nearest shaft, the progress that has been made in exploring and developing our ore body in the short space of a little over two years is very gratifying. Development has made very satisfactory progress, 18,436 feet having been accomplished. Of this footage, 11,954 feet were on reef, and 4,940 feet, or 41 per cent., were classed as payable, having a value of 12.4 dwt. over a channel width of 37 inches, equal to 455 inch-dwt. The figures for the two years 1927 and 1928 together amount to 30,365 feet advanced, of which 20,450 feet were on reef and 8,545 feet, or 42 per cent., were considered payable, having a value of 12.9 dwt. over a channel width of 37 inches. In order to bring your information up to the latest date possible, I will now give you the particulars of development during the first four months of this year. The total footage for this period was 6,663 feet; 4,655 feet were on reef and 2,205 feet, or 47 per cent., were payable, having a value of 11.9 dwt. over a channel width of 44 inches, equal to 522 inch-dwt. These figures show a substantial improvement in the percentage payable, channel width and inch-dwt. over the average of either of the preceding years. This is, of course, very gratifying, as recent development is taking place on the lower levels. On reviewing the work done up to March 31st last, the consulting engineer in his report to the board estimated that the ore reserves sufficiently developed to value, though not quite fully blocked out for stoping, amounted to 1,900,000 tons, having a value of 6.6 dwt. over an assumed stoping width of 56.5 inches. He recommended that arrangements be made to sink a vertical shaft without delay, and that, subject to development continuing to be satisfactory, a decision with regard to a reduction plant be made in time to permit of the completion of its erection by the time the shaft is ready for use. The estimate of the funds required to cover this work was approximately £650,000 for the shaft-sinking stage, and £500,000 for the milling stage, which includes a plant capable of treating 60,000 tons per month. Your directors, having given due consideration to the matter, decided to adopt these recommendations, and immediately took steps to procure the funds required for the shaft sinking stage by the issue of 650,000 ordinary shares ranking *pari passu* with the existing shares, these new shares being subscribed by the Union Corporation, Limited, and the Geduld Proprietary Mines, Limited, at par, subject to a commission of 5 per cent. in terms of their respective agreements.

No time has been lost in getting shaft sinking under way. Immediately the question of further funds had been decided, excavations were commenced for the shaft collar and the foundations for the necessary equipment, which is being assembled as rapidly as possible. The site of the shaft is about 2,800 feet from the west boundary—that is, the common boundary with the Geduld Proprietary Mines, Limited—and about 6,500 feet from the south boundary. It is anticipated that the shaft will cut the reef at a depth of 2,850 feet, and it will be continued to a depth of 3,250 feet to allow for the ore bins. Connections will be made to the 4th and 5th level drives which are already being developed in this neighbourhood from the main incline, and there will also be a cross-cut to the 6th level. Given reasonable conditions, it is anticipated that the shaft should be in full commission for the purpose of hoisting stope ore within two and a half years.

The report and accounts were adopted.

THE MODDERFONTEIN DEEP LEVELS, LIMITED.

NEW MILLING RECORD.

The twenty-eighth ordinary general meeting of shareholders in the Modderfontein Deep Levels, Limited, was held at Johannesburg, on May 14, 1929. Mr P. M. Anderson (chairman of the company) presided, and, in the course of his remarks, said : As in the previous year, one of the most satisfactory features was the setting up of a new milling record for the mine, the total of 530,300 tons milled being 1,000 tons in advance of the record established in 1927. The yield per ton milled was 45s., compared with 45s. 1d. for the previous year, and working costs amounted to 15s. 10d. per ton, or 5d. above the 1927 average.

The net result of the year's operations was a working profit of £773,605, or £11,553 less than in 1927. Sundry revenue was, however, £2,525 in excess of the previous year, this increase resulting chiefly from a higher rate of interest having been earned on the funds placed on deposit from time to time, so that the gross profit of £791,176 showed a reduction of only £9,027 as compared with the previous year. Taxation absorbed £109,799, and donations to charities, etc., £2,684, leaving a balance of £678,693 to be added to the amount of £159,040 broughtf orward in the appropriation account and making a total of £837,733. Two dividends were declared, aggregating for the fourth successive year 135 per cent., and absorbing £675,000.

DEVELOPMENT FOOTAGE.

The total development footage accomplished during the year was 4,782 ft., of which 3,356 ft. were on the horizons of upper leaders and 1,426 ft. in Main Reef. This compares with a total of 4,084 ft. in 1927, of which 3,081 ft. were in leaders and 283 ft. in the Main Reef. It was not possible to push on the work of testing the upper leaders at a greater pace, because this work has to be carried out above stopes from which the Main Reef ore has been extracted, and it is essential to fill these stopes with sand before proceeding with blasting operations immediately above these areas.

Owing to the necessarily slow rate of progress in the development of the upper leaders, little more is known about their potentialities to-day than when I addressed you a year ago, and it remains impossible to make a more definite statement than that the work has indicated the existence of a comparatively small tonnage of ore of moderate value. As work proceeds, however, the upper leaders have been contributing a steadily increasing proportion of the ore stoped. This proportion rose from 1 per cent. at the beginning of the year to just over 6 per cent. at the end of the year, and has averaged 12 per cent. for the first quarter of this year.

No hanging wall leader tonnage has as yet been included in the ore reserves, which, at the end of last year, were calculated by the consulting engineer, to amount to 3,000,000 tons of an average value of 9 dwt. over a width of 79 in. Compared with the position at the end of the previous year, this represents a decrease of 560,000 tons in quantity and of 1 in. in width, but there is an increase of a tenth-of-a-dwt. in the average value. The development of the Main Reef areas having been virtually completed, this decrease in the ore reserves in the course of the year must be regarded as satisfactory, seeing that it represents but 85 per cent. of the ore mined during the period.

During the first four months of the current year the working results show little variation from those of the corresponding period of last year. The tonnage milled was 175,100 tons, the yield per ton was 44s. 10d., and working costs per ton 15s. 7d., so the working profit was slightly higher by £863.

The report and accounts were adopted.

TELOGOREDJO UNITED PLANTATIONS, LIMITED.

ENCOURAGING NEW USES FOR RUBBER.

The nineteenth annual general meeting of the Telogoredjo United Plantations, Limited, was held, on the 4th instant, at Winchester House, London, Major C. C. L. Fitzwilliams, M.C. (the chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said : The accounts of the combined companies show a profit of £52,363. You will have seen from the report that it is proposed to pay a dividend of 6 per cent., less tax, for the year 1928, and carry forward the balance of £18,486, subject to the payment of bonus to the Eastern staff. I think we can consider the results satisfactory.

You will see from the statement of acreage planted that we have areas of young rubber which will consecutively come into bearing from year to year. It is expected tapping will commence on part of these next year, and from thence onward each year should show an increase in the areas being tapped, and a consequent increase in crops. It can hardly be expected that the old plantings will continue to yield indefinitely at the present rate without expensive cultivation and resting, and this company will be in the position of being able, if it is necessary, to rest the older areas without materially affecting crops.

The estimated crops for 1929 are given in the report : rubber, 3,950,000 lb., and coffee, 11,900 cwts. Up to the end of May, 2,663 cwts. of coffee have been harvested. Of the estimated crop, 6,678 cwts. have been sold forward at an average price of 71s. 8d. per cwt. For the five months ending May, 1,875,686 lb. of rubber have been harvested.

A small item appearing in the English company's accounts under the heading of investments represents an interest we took, in common with other rubber companies, to endeavour to further the development of rubber roadways. We think it highly desirable that rubber companies should support in every way possible any efforts that are made to further the extension of new uses, and I would go further and suggest rubber companies should agree between themselves to supply a certain percentage of their crops at cost price, or at a reasonable price, for a period of years to any manufacturer who is prepared to risk capital in laying down plant for the purpose of making rubber roadways a commercial success.

I previously mentioned the increased production which would come from the young areas of the Tjondong estate year by year. It looks as if this regular increase of crops in the future will coincide with a healthy commodity market, and consequently a higher basis of prices than exists to-day.

The report and accounts were unanimously adopted.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended June 1, 1929 :—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	5,932	From Revenue	6,496
Interest, &c., on Debt	33,400	Increase in Balances	954
Sinking Fund	615	Increase in Debt	32,895
Sundries	398		
	40,345		40,345

The total ordinary revenue for the week amounted to £6,496,000, as compared with £6,540,000 in the corresponding week of last year. Property and income tax amounted to £513,000, and super-tax to £670,000, against £1,396,000 and £380,000 respectively a year ago. Estate duties brought in £1,550,000, as compared with £400,000 a year ago. Customs receipts at £2,226,000 showed an increase of £669,000 over last year's figure, and Excise receipts, at £827,000, an increase of £115,000.

The National Debt was increased by £32,895,000, as shown below :—

(000's omitted.)

	£		£
Treasury Bonds	– 100	Treasury Bills	+ 19,720
		National Savings Certificates	+ 100
		Public Department Advances	+ 13,175
	– 100		+ 32,995

The floating debt was increased by £32,925,000 to £776,275,000.

FINANCIAL YEAR, 1929–30, APRIL 1 TO JUNE 1.

	£		£
Expenditure	135,122,810	Revenue	99,382,539
		Decreases in balance	4,020,800
		Amount borrowed	31,719,471
	135,122,810		135,122,810

ESTIMATES FOR FINANCIAL YEAR, 1929–30.

	£		£
Expenditure	691,564,000*	Revenue	746,060,000
Sinking Fund	50,400,000		
Surplus	4,096,000		
	746,060,000		746,060,000

* This figure includes the new Exchequer Contributions of £15,560,000 to Local Revenues, &c.

SELF-BALANCING REVENUE AND EXPENDITURE.

	£
Post Office	58,110,000
Road Fund	22,510,000
	80,620,000

Rating Relief Suspense Account.

	£		£
Balance on April 1, 1929...	22,633,000	Cost of anticipating rate relief for Agriculture.....	2,570,000
		Balance on March 31, 1930	20,063,000
	22,633,000		22,633,000

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 31, 1929.	June 1, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt....	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	13	13	12	12	12	12	12
4% Consolidated Loan	...	...	...	...	166	204	204	204	204
3½% Conversion Loan	...	...	709	760	740	832	832	839	832
3½% Conversion Loan	...	...	210	211	211	221	221	221	221
4½% War Stock.....	...	63	63	63	63	...	...	...	...
5% War Stock.....	...	13	13	13	13	13	13	13	13
4½% War Stock.....	...	2,047	2,052	2,109	2,154	2,253	2,253	2,253	2,253
4% and 5% War Stock	...	1,509	778	706	556	194	111	64	64
National War Bonds	...	409	394	390	389	385	385	385	385
4% Funding Loan ...	...	360	303	292	277	261	261	261	261
4% Victory Bonds	...	...	499	482	454	675	773	762	760
Treasury Bonds.....	...	...	...	...	...	16	16	16	16
Exchequer Bonds.....	20	323	15	15	15	16	360	360	360
National Savings Certs.	...	267	369	375	372	362	...	...	...
Other Debt*	...	1,306	1,124	1,111	1,103	1,097	1,094	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills.....	15	1,107	576	565	599	527	788	700	729
Temporary Advances	1	243	167	139	117	162	28	37	46
Other Capital Liabilities	654 57	8,033 46	7,698 68	7,558 75	7,555 98	7,528 103	7,665 103	7,528 88	7,564 86
Total Liabilities.....	711	8,079	7,666	7,633	7,653	7,631	7,768	7,616	7,650

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	June 2, '28.	Mar. 31, '29.	June 1, '29.	Movement Week ended June 1, '29.
Ways and Means Advances Outstanding—	£	£	£	£
Advances by Bank of England	6,000,000	...	2,500,000	+ 2,500,000
Advances by Public Deptmts. ..	166,900,000	37,050,000	45,715,000	+10,675,000
Treasury Bills Outstanding.....	562,075,000	700,295,000	728,060,000*	+19,750,000
Total Floating Debt.....	734,957,000	737,345,000	776,275,000	+32,925,000

* Includes £38,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bills were opened on May 31, 1929, and the total amount applied for was £51,600,000. For bills at 3 months, dated Monday to Friday, at £98 12s. 11d., about 25 per cent. and above in full; Saturday, at £98 13s. 4d. and above in full. The amounts allotted were in bills at 3 months, £45,000,000.

Date.		Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
	1929.	£	£	£ s. d.
March	28	45,000,000	50,430,000	5 7 0·37
April	5	40,000,000	63,280,000	5 5 9·16
April	12	40,000,000	57,440,000	5 4 2·39
April	19	40,000,000	52,045,000	5 2 1·07
April	26	45,000,000	49,785,000	5 2 8·72
May	3	35,000,000	49,800,000	5 0 9·07
May	10	35,000,000	40,530,000	5 2 1·30
May	17	35,000,000	38,090,000	5 3 10·91
May	24	45,000,000	50,310,000	5 8 2·06
May	31	45,000,000	51,600,000	5 6 6·06

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Revenue and other Receipts.	Estimate for the Year 1929–30.	Total Receipts into the Exchequer from April 1, 1929, to June 1, 1929.	Total Receipts into the Exchequer from April 1, 1928, to June 2, 1928.	Week Ended June 1, 1929.	Week Ended June 2, 1928.
ORDINARY REVENUE.	£	£	£	£	£
Inland Revenue—					
Income Tax	239,500,000	18,450,000	19,053,000	513,000	1,396,000
Super-Tax	58,000,000	6,900,000	6,840,000	670,000	380,000
Estate, &c., Duties ...	81,000,000	15,900,000	12,120,000	1,550,000	1,520,000
Stamps	31,000,000	3,330,000	3,200,000	740,000	400,000
Excess Profits Duties, and Corporation Profits Tax	1,700,000	10,000	150,000	...	20,000
Land Tax and Mineral Rights Duty, &c.	800,000	70,000	110,000	...	10,000
Total Inland Revenue...	412,000,000	44,660,000	41,473,000	3,473,000	3,726,000
Customs and Excise—					
Customs	119,850,000	20,066,000	18,619,000	2,226,000	1,557,000
Excise	130,330,000	20,073,000	21,066,000	827,000	712,000
Total Customs & Excise	250,180,000	40,139,000	39,685,000	3,053,000	2,269,000
Motor Vehicle Duties (Exchequer Share)	4,680,000	808,000	...	...	...
Post Office (Net Receipt)	8,900,000	4,150,000	3,700,000	Dr500000	...
Crown Lands	1,250,000	250,000	210,000	...	...
Receipts from Sundry Loans	30,550,000	5,803,700	4,631,445	418,025	538,039
Miscellaneous:					
Ordinary Receipts	12,500,000	1,564,617	2,270,587	51,263	7,000
Special Receipts	26,000,000	2,007,222	2,645,671	818	...
Total Ordinary Revenue	746,060,000	99,382,539	94,615,703	6,496,106	6,540,039
SELF-BALANCING REVENUE.					
Post Office	58,110,000	8,350,000	8,600,000	1,250,000	800,000
Motor Vehicle Duties apportioned to Road Fund	22,510,000	3,104,000	3,503,000	...	...
Total Self-Balancing Revenue	80,620,000	11,454,000	12,103,000	1,250,000	800,000
Total	...	110,836,539	106,718,703	7 746,106	7,340,039

OTHER RECEIPTS.	Total Receipts into the Exchequer from April 1, 1929, to June 1, 1929.	Total Receipts into the Exchequer from April 1, 1928, to June 2, 1928.	Week Ended June 1, 1929.	Week Ended June 2, 1928.
	£	£	£	£
Temporary Advances Repaid—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	...	...	...	...
Under the Unemployment Insurance Acts, 1920 to 1928	...	514,432	...	...
Money Raised by Creation of Debt—				
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and Post Office and Telegraph (Money) Act, 1928	...	...	...	...
(b) Under the Unemployment Insurance Acts, 1920 to 1928.....	910,000	650,000	60,000	90,000
(c) For other Issues:				
By Treasury Bills.....	528,834,000	410,885,000	63,365,000	48,182,000
By National Savings Certificates	7,200,000	7,200,000	800,000	800,000
By National War Bonds.....	...	10	...	...
By 5 per cent. Treasury Bonds, 1933–35	...	58,226,093	...	...
By 4½ per cent. Treasury Bonds, 1932–34	26,120,000	...	...	...
(d) Ways and Means Advances	147,875,000	106,300,000	19,270,000	28,600,000
Repayments—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	23,221	31,767	...	12,060
	821,798,760	690,526,005	91,241,106	85,024,099

Balances in Exchequer on 1st April:—	1929. £	1928. £			
Bank of England	5,515,917	5,918,513			
Bank of Ireland	736,607	404,112			
Total			6,252,524	6,322,625	... ...
			828,051,284	696,848,630	91,241,106 85,024,099

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1929–30 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from April 1, 1929, to June 1, 1929.	Total Issues out of the Exchequer to meet Payments from April 1, 1928, to June 2, 1928.	Issues Week Ended June 1, 1929.	Issues Week Ended June 2, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt.....	304,600,000	74,451,381	90,398,306	33,400,216	39,306,602
Payments to Local Taxation Accounts.....	15,000,000	...	70,000	...	70,000
Payments to Northern Ireland Exchequer.....	5,400,000	555,759	553,521	...	...
Other Consolidated Fund Services	3,500,000	834,993	373,276	398,455	19,636
Supply Services (excluding Post Office)	363,318 000	51,990,610	49,990,200	5,931,758	5,218,000
Total Ordinary Expenditure.....	691,818,000	127,832,743	141,385,303	39,730,421	44,614,238
Sinking Fund	50,400,000	7,290,067	13,173,244	615,000	629,034
SELF-BALANCING EXPENDITURE.					
Post Office	58,110,000	8,350,000	8,600,000	1,250,000	800,000
Road Fund	22,510,000	3,104,000	3,503,000	...	...
Total Self-Balancing Expenditure.....	80,620,000	11,454,000	12,103,000	1,250,000	800,000
TOTAL		146,576,810	166,661,547	41,595,421	46,043,272
OTHER ISSUES.		£	£	£	£
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		18,458	18,458	...	...
Issues to meet Capital Expenditure—					
Under the Unemployment Insurance Acts, 1920 to 1928.....		910,000	650,000	60,000	90,000
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		1,550,000	1,950,000	...	...
Unemployment Insur. Acts, 1920-28					
Repayment of Amounts Borrowed					
Redemption of Debt—					
Treasury Bills.....		...	514,432	...	...
Principal of National Savings Certificates.....		501,075,000	375,765,000	43,645,000	38,755,000
Principal of National War Bonds paid off		7,450,000	7,700,000	700,000	750,000
Principal of Treasury Bonds paid off		...	46,169,524	...	250,000
		29,309,505	...	100,000	...
Ways and Means Advances Repaid					
Depreciation Fund under the Finance Act, 1917		136,710,000	95,250,000	6,095,000	...
Old Sinking Fund, 1907–08—					
Issued under Section 9 of the Finance Act, 1908		2,219,787	...	...	...
		...	1,000	...	...
		825,819,560	694,679,961	92195,421	85,888,272

Balances in Exchequer—	June 1, 1929 £	June 2, 1928 £			
Bank of England	1,901,247	1,914,575			
Bank of Ireland	330,477	254,094			
			...	...	— 564,316 — 133,416
Total.....			2,231,724	2,168,669	— 390,001 — 730,757
			828,051,284	696,848,630	— 954,315 — 864,173

Treasury, June 3, 1929.

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, June 5, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt.....	11,015,100
In Circulation.....	361,576,772	Other Government Securities	236,252,577
In Banking Department.....	61,391,652	Other Securities	7,900,003
		Silver Coin	4,832,320
		Amount of Fiduciary Issue.....	260,000,000
		Gold Coin and Bullion	162,968,424
	£422,968,424		£422,698,424

BANKING DEPARTMENT.

	£		£
Proprietors' Capital.....	14,553,000	Government Securities.....	43,106,855
Rest	3,236,699	Other Securities—	
Public Deposits*.....	8,511,444	Discounts and Advances..... £6,215,102	
Other Deposits—		Securities..... 20,999,901	
Bankers..... £70,346,971			27,215,003
Other Accounts 35,945,514		Notes	61,391,652
	106,292,485	Gold and Silver Coin	882,706
7-Day and other Bills	2,588		
	£132,596,216		£132,596,216

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

Both Departments.	Amount June 5, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	361,576,772	+ 1,470,209	— 13,486,063
Public deposits	8,511,444	— 15,829,264	— 211,184
Bankers' deposits	70,346,971	+13,997,928	— 3,980,279
Other deposits	35,945,514	+ 676,894	
Seven-day bills.....	2,588	— 2,780	— 1,470
Total, outside liabilities	476,383,289	+ 312,987	— 17,678,996
Capital and rest	17,789,699	— 15,874	— 14,956
Government debt and securities.....	290,374,532	+ 3,121,892	+ 9,302,426
Discounts and advances	6,215,102	— 1,936,061	— 26,198,863
Other securities	28,999,904	— 1,468,455	
Silver coin in issue department.....	4,832,320	— 1,453	— 567,680
Coin and bullion (bank's reserve).....	163,851,130	+ 581,190	— 228,835
Reserve of notes and coin in banking department	62,274,358	— 889,019	+ 14,106,228
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	54 11/16 %	— 1/16 %	+ 13 11/16 %
(b) Gold stocks to deposits and notes ("reserve ratio")	34 1/16 %	+ 1/16 %	+ 1 1/16 %

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
Apl. 17	415,836,622	358,940,958	17,876,233	60,779,118	36,016,599	760,357 in	5
24	416,043,567	357,277,566	18,317,977	58,432,912	35,655,296	203,121 in	5
May 1	418,216,669	361,371,339	10,939,252	60,688,826	38,473,837	2,125,861 in	5
8	420,213,172	362,793,961	8,679,717	63,223,123	35,531,591	1,991,901 in	5
15	421,140,187	362,810,877	9,290,798	61,070,863	36,078,600	923,715 in	5
22	421,990,492	362,363,774	15,299,748	57,507,302	35,324,698	846,806 in	5
29	422,467,271	360,106,563	24,340,708	56,349,043	35,268,620	437,112 in	5
June 5	422,968,424	361,576,772	8,511,444	70,346,971	35,945,514	494,107 in	5

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1929.	£	£	%	£	£	£	%
Apl.17	246741657	8430376	156271783 32 1/16	48346855	11028809	15621612	57330825 49 7/16
24	246791289	8383489	156641341 33 1/16	44256855	10949807	15612927	59263775 52 5/16
May 1	246822960	8351096	158766163 33 1/16	45351855	9265812	15783945	57394824 52 1/16
8	247204557	7974765	160880419 34 1/16	39781855	11607200	15705552	58086458 54
15	247226046	7951539	161860918 34 1/16	37816855	9586015	17746941	59050041 55 1/16
22	247248974	7922728	162747297 34 1/16	38486855	6915678	20119480	60383523 55 1/16
29	247220785	7945442	163269940 34 1/16	40031855	8151163	22422917	63163377 54 1/16
June 5	247267677	7900003	163851130 34 1/16	43106855	6215103	20999901	62274358 54 1/16

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to May 22	15,802,075	754,007	1,220,580	17,776,662
Week ended May 29	677,602	32,451	51,384	761,437
Week ended June 5	829,462	39,913	61,471	930,866
Total to date, 1929	17,309,159	826,371	1,333,435	19,468,965
Do. 1928	17,272,043	803,364	1,332,947	19,408,354
Increase or decrease in 1929.....	+ 37,116 = 0·2%	+ 23,007 = 2·9%	+ 488 ...	+ 60,611 = 0·3%
Total for year 1928	39,311,117	1,854,190	3,039,422	44,204,729
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Increase or decrease in 1928.....	+2,491,435 = 6·7%	+ 96,158 = 5·4%	+ 66,595 = 2·2%	+2,654,188 = 6·3%

PROVINCIAL CLEARING RETURNS.

	Month of May. 1928.	Month of May. 1929.	Month of May. %	Aggregate Weekly Totals to June 1. 1928.	Aggregate Weekly Totals to June 1. 1929.
Number of Working Days	26	26			
	£	£		£	£
BIRMINGHAM	12,313,000	10,216,000	— 17·0	61,142,100	57,729,800
BRADFORD	5,330,000	5,124,000	— 3·8	...	...
BRISTOL	5,357,000	4,808,000	— 10·2	26,614,000	26,179,000
DUBLIN	...	...	...	108,322,300	106,965,900
HULL	3,976,000	3,386,000	— 14·8	20,484,700	19,527,500
LEEDS	4,081,000	4,245,000	+ 4·0	22,122,200	22,231,400
LEICESTER	3,940,000	3,070,000	— 22·0	19,463,800	17,683,900
LIVERPOOL	38,025,000	33,049,000	— 13·0	189,023,300	175,609,400
MANCHESTER	58,600,000	51,107,000	— 12·7	300,596,300	281,104,400
NEWCASTLE-ON-TYNE	6,185,000	6,373,000	+ 3·0	32,917,800	31,920,200
NOTTINGHAM	2,874,000	2,536,000	— 11·7	14,430,600	13,787,100
SHEFFIELD	4,321,000	4,210,000	— 2·5	22,527,100	22,069,000
Total	145,002,000	128,124,000	...	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Banks of Egypt, Russia, Lithuania, Roumania, Austria, Danzig, Chile and Canada appeared in the *Economist* of May 25; Japan, Norway, Spain, Hungary, Czechoslovakia, Bulgaria, Greece, Finland, Estonia, Latvia, Serbs and Poland in June 1.

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

	June 7, 1929.	May 31, 1929.	May 23, 1929.	May 16, 1929.	June 7, 1928.
Resources.					
Total gold reserves	2,843,970	2,823,720	2,841,900	2,838,120	2,608,950
Total bills discounted.....	977,440	988,190	904,430	914,600	982,000
Bills bought in open market	112,750	117,920	137,990	146,110	266,390
Total U.S. Govt. securities	147,330	144,570	153,290	155,830	210,030
Total bills and securities ...	1,247,440	1,258,500	1,203,520	1,224,350	1,459,510
Total resources	5,103,320	5,034,890	5,056,800	5,235,040	5,029,350
Liabilities.					
Federal Reserve notes in actual circulation	1,653,690	1,653,690	1,639,550	1,646,660	1,598,370
Deposits—Memberbank—reserve account	2,321,340	2,285,870	2,275,750	2,319,890	2,384,830
Total deposits	2,365,780	2,331,190	2,324,510	2,365,510	2,423,820
Capital paid in and surplus	411,900	410,840	410,680	410,690	372,950
Total liabilities	5,103,320	5,034,890	5,056,800	5,235,040	5,029,350
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	74·4%	74·5%	75·9%	75·1%	68·7%

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

	June 7, 1929.	May 31, 1929.	May 23, 1929.	May 16, 1929.	June 7, 1928.
Total bills discounted.....	209,940	194,430	197,330	254,370	365,350
Bills bought in open market	18,170	11,650	27,440	35,120	46,600
Total U.S. Govt. securities	23,590	13,450	20,680	22,730	32,880
Total bills and securities ...	253,620	221,440	247,370	314,130	444,840
Deposits — Memberbank — reserve account	941,170	917,030	913,100	931,020	948,420
Ratio of total res. to dep. and Federal Res. note liabilities combined	83·3%	86·6%	84·4%	78·9%	69·4%

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

	May 10, 1929.	May 3, 1929.	Apr. 26, 1929.	Apr. 19, 1929.	Apr. 12, 1929.	May 11, 1928.
Assets.						
Gold coin and bullion	8,131	7,926	8,049	7,385	7,472	7,478
Subsidiary coin	106	108	114	115	114	183
Bills discounted	8,530	9,899	9,138	8,693	9,273	8,731
Investments	616	616	616	596	596	596
Liabilities.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	600	600	600	600	509	509
Notes in circulation	8,804	9,430	8,755	8,233	8,669	8,147
Government deposits	1,383	1,622	2,392	2,374	1,859	1,577
Bankers' deposits.....	4,842	4,990	5,140	4,832	4,922	5,398
Ratio of cash reserves to liabilities to public	50·3%	48·1%	48·5%	48·5%	47·4%	47·6%

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

	May 10, 1929.	May 3, 1929.	Apr. 26, 1929.	Apr. 19, 1929.	Apr. 12, 1929.	May 11, 1928.
Assets.						
Total securities.....	23,00,50	22,84,90	22,49,16	21,47,11	21,38,45	24,09,46
Loans	13,42,20	14,34,91	17,17,56	18,04,19	19,05,44	15,32,33
Cash credits	28,43,13	28,71,74	28,89,75	28,90,04	29,84,51	31,04,34
Inland bills	9,51,36	9,64,10	10,29,08	10,45,70	10,63,94	14,14,18
Foreign bills	39,70	46,99	46,81	47,84	48,69	41,28
Dead stock	2,84,09	2,83,83	2,83,94	2,83,88	2,83,75	2,84,79
Bal. with other banks	19,55	27,82	38,02	37,83	26,24	33,82
Cash	12,53,61	12,80,09	13,66,71	11,93,58	9,84,75	7,75,77
Liabilities.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,22,50	5,12,50
Total deposits	78,93,71	80,58,26	84,75,36	81,13,66	81,03,65	78,67,50
The above includes—						
Deposits in London	1,012	1,087	1,152	1,113	1,058	1,139
Advances in London	935	923	930	880	899	956
Cash, &c., at other Banks in London	137	205	286	285	189	245

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

	May 31, 1929.	May 24, 1929.	May 17, 1929.	May 10, 1929.	May 3, 1929.
Assets.					
Gold	36,596,433	36,590,277	36,534,411	36,625,431	36,462,461
Foreign assets—					
Sight deposits	7,805,026	7,893,030	7,941,968	7,987,715	8,044,770
Bills discounted ...	18,466,712	18,392,676	18,385,576	18,446,725	18,464,115
Commercial bills discounted at home ...	5,762,129	6,848,329	6,097,010	5,743,588	6,351,583
Advances against sec.	8,968,689	8,968,689	8,968,689	8,998,339	8,998,339
To the State.....	2,443,808	2,321,795	2,367,483	2,415,400	2,440,199
Other advances ...					
Other assets (excluding forward exch.)	...	3,092,202	3,127,896	3,543,478	5,831,344
Liabilities.					
Notes in circulation	54,316,379	52,653,677	52,863,907	53,420,111	53,828,155
Public deposits	11,431,298	11,987,755	11,886,250	11,528,202	11,286,905
Private deposits	6,808,089	7,246,179	6,453,649	6,509,303	6,743,362
Other liabilities	...	2,219,487	2,219,218	2,203,062	2,294,190

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

Assets.	May 31, 1929.	May 23, 1929.	May 15, 1929.	May 31, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	1,764,529	1,764,596	1,764,785	2,040,784
Of which deposited abroad	59,147	59,147	59,257	85,626
Reserve in foreign currencies	299,147	146,455	56,085	274,051
Bills of exchange and cheques	3,004,819	2,521,679	2,672,388	2,469,399
Silver and other coin	108,100	154,164	141,942	75,960
Notes of other German banks	1,582	24,956	22,511	9,455
Advances	254,776	97,179	216,523	42,992
Investments	92,899	92,899	92,899	93,996
Other assets	458,695	589,483	588,767	666,721
Liabilities.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	319,608	319,608	284,205
Notes in circulation	4,606,388	4,006,198	4,167,321	4,486,906
Other daily maturing obligations	628,170	642,349	648,507	581,523
Other liabilities	307,593	300,468	297,676	197,936

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

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

Assets.	May 30, 1929.	May 23, 1929.	May 15, 1929.	May 8, 1929.	May 31, 1928.	Position, May 28, 1914.
Gold	963,274	963,313	962,195	962,183	779,935	(b) 232,650
Foreign Bills and Balances Abroad	491,085	462,312	460,157	455,400	476,245	
Silver and other coin	1,661	1,612	1,637	1,575	2,351	
Securities	743,502	742,552	731,097	732,992	543,369	697,600
Liabilities.						
Notes in circulation	2,497,531	2,451,799	2,476,661	2,469,907	2,154,828	934,150
Current accounts	96,073	86,991	66,691	63,878	118,220	112,125

(b) In thousand francs.

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

Assets.	June 3, 1929.	May 27, 1929.	May 21, 1929.	May 13, 1929.	June 4, 1928.	Position, May 30, 1914.
Gold	436,901	437,012	437,025	437,037	435,085	163,092
Silver	21,403	21,659	20,929	20,356	24,328	8,456
Dscts. and advances	372,555	355,154	366,901	379,458	363,042	153,504
Liabilities.						
Notes in circulation	826,758	797,117	808,891	826,948	812,266	316,632
Deposits	18,148	30,228	19,831	15,771	34,526	5,016

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

Assets.	June 1, 1929.	May 25, 1929.	May 18, 1929.	May 11, 1929.	June 2, 1928.	Position May 30, 1914.
Gold	185,700	184,100	184,300	183,600	174,251	22,971
Silver					17,149	29,785
Discounts, advances, and other investments	141,400	134,000	132,300	136,100	120,272	77,567
Liabilities.						
Notes in circulation	302,400	300,400	305,100	307,800	306,429	109,499
Deposits and bills payable	37,600	34,100	28,700	31,100	44,011	11,250

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

Assets.	May 31, 1929.	May 23, 1929.	May 15, 1929.	May 7, 1929.	May 31, 1928.	Position, May 31, 1914.
Gold	496,119	496,103	496,087	496,074	439,938	171,175
Silver	39,663	41,148	40,799	40,307	60,555	18,350
Foreign Bills and Balances abroad	260,748	253,189	245,970	250,701	...	...
Discounts	120,748	122,106	126,340	133,313	198,970	...
Advances	60,661	54,829	53,826	59,943	71,538	103,000
Liabilities.						
Notes in circulation	871,605	813,572	823,606	848,228	831,387	275,925
Deposits	110,271	144,237	145,202	126,923	75,704	33,750

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

Assets.	May 20, 1929.	May 10, 1929.	Apr. 30, 1929.	Apr. 20, 1929.	May 20, 1928.
Gold, coin and bullion	5,125,600	5,125,600	5,125,408	5,125,206	4,809,834
Foreign bills and balances abroad	4,923,800	4,906,700	4,879,484	4,891,079	7,493,745
Other cash	243,800	247,400	237,005	239,456	134,825
Gold deposited abroad due by the State	1,824,700	1,824,700	1,824,662	1,824,662	1,847,713
Discounts	3,742,900	3,723,900	3,730,465	3,647,188	2,942,147
Advances	1,317,700	1,549,100	1,792,885	1,501,047	800,533
Credit with "Istituto di Liquidazioni"	1,047,000	1,047,000	1,047,010	1,047,010	1,256,306
Government securities	1,043,200	1,042,900	1,042,878	1,042,813	1,001,605
Liabilities.					
Notes in circulation	16,038,900	16,143,400	16,274,242	16,010,409	16,903,327
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	1,692,800	1,655,200	1,844,145	2,187,022	3,133,190
Ratio of reserve to note and sight liabilities combined	55·73%	55·44%	54·32%	54·15%	60·49%

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

Assets.	June 1, 1929.	May 25, 1929.	May 18, 1929.	May 11, 1929.	June 2, 1928.
Gold	234,169	234,222	234,348	234,450	231,439
Government securities—Swedish	5,684	5,693	5,719	5,740	11,018
" Foreign	73,774	73,774	73,774	73,774	68,524
Other Swedish bonds quoted on foreign bourses	167	177	177	177	1,068
Bills payable in Sweden†	272,644	232,782	236,894	239,670	304,039
" abroad	61,666	62,070	55,634	57,748	13,461
Balance abroad	47,236	45,844	51,213	49,514	25,860
Advances made on government securities and bonds†	71,227	52,927	57,648	57,827	66,442
Liabilities.					
Notes in circulation	525,749	463,187	478,803	490,433	493,645
Government deposits	199,483	193,168	194,822	179,932	192,732
Private deposits	4,841	8,065	5,578	7,469	3,996

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are *not* available as cover for the note issue.

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

Assets.	May 31, 1929.	Apr. 30, 1929.	Mar. 30, 1929.	Feb. 28, 1929.	May 31, 1928.	Position May 30, 1914.
Coin and bullion	172,636	172,691	172,672	172,670	181,893	76,644
Loans & discounts	101,161	100,128	96,196	89,240	81,780	88,470
Debtors abroad	88,131	86,492	86,086	99,307	102,919	24,102
Securities	33,221	33,924	34,403	36,050	20,735	11,988
Liabilities.						
Circulation	358,173	359,411	357,137	341,873	346,954	157,266
Deposits	28,742	33,081	26,857	29,848	27,752	6,698

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

Assets.	May 22, 1929.	May 15, 1929.	May 8, 1929.	May 1, 1929.	May 23, 1928.
Coin and bullion	9,667	9,439	9,438	9,457	9,186
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	307,333	298,843	308,466	304,572	203,188
Discounts	280,744	287,353	279,731	277,510	246,052
Government loans	1,725,656	1,718,083	1,728,068	1,724,627	1,628,842
Liabilities.					
Notes in circulation	1,814,815	1,832,679	1,834,827	1,829,952	1,851,164
Deposits	64,268	66,016	59,946	66,781	79,011

LONDON RATES.

	May 30, 1929.	May 31, 1929.	June 1, 1929.	June 3, 1929.	June 4, 1929.	June 5, 1929.	June 6, 1929.
Bank rate (changed from 4½% Feb. 7, 1929)	5½	5½	5½	5½	5½	5½	5½
Market rates of discount—							
60 days' bankers' drafts	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛	5⅛ – ⅛
3 months' do.	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛	5⅛ – ⅛
4 months' do.	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛	5⅛ – ⅛
6 months' do.	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛
Discount (Treasury Bills)—							
2 months'	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛ – ⅛
3 months'†	5⅛	5⅛	5⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛
Loans—Day to day	4½ – ⅛	4½ – ⅛	3½ – 4½	3½ – 4½	3½ – 4½	3½ – 4½	3 – 4
Short	4½ – 5	4½	4½	4½	4½	4½	4½ – ½
Deposit allowances: Bank	3½	3½	3½	3½	3½	3½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months.	Trade Bills. 6 Months.
1929.	%	%	%	%	%	%	%
May 16	4½ – ½	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – 6	6 – 6⅛
23	4½ – 5	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅜	5⅛ – 6	5⅛ – 6	6 – 6⅛
30	4½ – 5	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – 6	5⅛ – 6	6 – 6⅛
June 6	4½ – ½	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅛	5⅛ – ⅜	5⅛ – ⅜	6 – 6⅛

RATES OF EXCHANGE.

London on		Usance	Par.	June 7, 1928.	May 30, 1929.	June 8, 1929.
New York	dollars to £1	Cable	4·86⅓	4·88⅜ – ½	4·85 – 85⅛	4·84⅞ – 84⅝
Montreal	dollars to £1	Cable	4·86⅓	4·89⅛ – ¼	4·88⅞ – 88⅞	4·88⅛ – 88⅛
Paris	francs to £1	T.T.	124·21	124·10–20	124·03 – 07	124·124
Berlin	marks to £1	T.T.	20·43	20·42 – ½	20·33½ – 34	20·33½ – 33½
Amsterdam	florins to £1	T.T.	12·107	12·09½ – ½	12·06½ – 07½	12·07½ – 08½
Brussels	belga to £1	T.T.	35·00	34·97½ – ½	34·90 – 91	34·91½ – 92
Milan	lire to £1	T.T.	92·46	92·70–5	92·65 – 68	92·67 – 70
Berne	francs to £1	T.T.	25·22	25·32½ – 3	25·19½ – 19½	25·19 – 19½
Oslo	kroner to £1	T.T.	18·159	18·22 – ½	18·19½ – 20½	18·19½ – 20
Stockholm	kroner to £1	T.T.	18·159	18·19½ – ½	18·14 – 14½	18·13½ – 13½
Copenhagen	kroner to £1	T.T.	18·159	18·19½ – ½	18·20½ – 20½	18·20½ – 20½
Madrid	pesetas to £1	T.T.	25·22½	29·31–33	34·40 – 45	34·75 – 78
Lisbon	escudo to £1	T.T.	4·50	111½ – 112	108 – 108½	108 – 108½
Vienna	schillgs. to £1	T.T.	34·58½	34·68–72	34·52 – 54	34·51 – 53
Prague	krone to £1	T.T.	24·02(a)	164½ – ½	163½ – 163½	163½ – 163½
Belgrade	dinars to £1	T.T.	25·22½	277 – ½	275½ – 276½	275½ – 276½
Budapest	pengo to £1	T.T.	27·82	27·94–8	27·82 – 85	27·81 – 84
Bukarest	lei to £1	T.T.	813·6	792–4	817 – 818	817 – 818
Sofia	leva to £1	T.T.	25·22½	672–7	668 – 673	668 – 673
Athens	drachmae to £1	T.T.	375	374–5½	374½ – 375½	374½ – 375½
Constantin'ple	piastres to £1	T.T.	110	950–2	1003–100 6	1010–1015
Moscow	roubles to £1	T.T.	9·46	†9·48–9·50	†9·41½ – 43½	†9·41½ – 43½
Warsaw	zloty to £1	T.T.	43·38	43½ – ½	43 ⅜ – ⅝	43 ⅜ – ⅝
Helsingfors	F. marks to £1	T.T.	193·23	193½ – ½	192½ – 193½	192½ – 193
Kovno	lits to £1	T.T.	43·66	43½ – 9½	43½ – 49½	43½ – 49½
Reval	kroon to £1	T.T.	18·159	18·00–18·40	18·16 – 23	18·16½ – 23½
Riga	lats to £1	T.T.	25·22½	25·15–30	25·15 – 25	25·15 – 25
Alexandria	piastres to £1	Sight	97½	97 11/16 – ½	97 ⅜ – 97 ½	97 11/16 – ½
Buenos Aires	pence to peso	T.T.	47·62d.	47 11/16 – ½	47½ – 47⅜	47½ – 47⅜
Rio de Janeiro	pence to mils.	90 days	16	5 13/16 – ⅞	5 7/16 – 7/16	5 7/16 – ½
Montevideo	pence to peso	T.T.	51	50 – ½	48 – 48½	47½ – 48
Valparaiso	dollars to £1	90 days	40	39·44	39·60	39·58
Lima	Eng. to Per. £1	90 days	par	20⅛% prm.	19⅜% prm.	19⅜% prm.
Calcutta	pence	T.T.	18	1/5 13/16 – 1/6 1/16	1/5 13/16 – 1/5 15/16	1/5 13/16 – 1/5 15/16
Bombay	to rupee	T.T.		1/5 13/16 – 1/6 1/16	1/5 13/16 – 1/5 15/16	1/5 13/16 – 1/5 15/16
Madras	rupee	T.T.		1/5 13/16 – 1/6 1/16	1/5 13/16 – 1/5 15/16	1/5 13/16 – 1/5 15/16
Hong Kong	ster. to dollar	T.T.	—	2/0 1/16 – 2/1 ⅛	1/11 – 2/0 1/16	1/11⅛ – ⅜
Shanghai	ster. to tael	T.T.	—	2/8 13/16 – 2/9 1/16	2/4 3/16 – 2/5 ⅛	2/4 3/16 – ⅜
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3 11/16 – 15/16	2/3 11/16 – 2/3 15/16	2/3 11/16 – 15/16
Kobe	ster. to yen	T.T.	24·58d.	1/10 15/16 – 1/11	1/10 – 1/10 1/16	1/9 15/16 – 1/9 15/16
Manila	ster. to peso	T.T.	24·066d.	†2s. 0 1/16 d.	†2s. 0 1/16 d.	†2s. 0 1/16 d.
Mexico	pesos to £	T.T.	9·76	23½–24½	10·00–10·25	10·05–10·20

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, *i.e.*, approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Mar. 23, 1929	5½	Oslo	Mar. 26, 1928	5½
Athens	Dec. 2, 1928	9	Paris	Jan. 19, 1928	3½
Belgrade	July 26, 1921	6	Prague	Mar. 8, 1927	5
Berlin	April 25, 1929	7½	Pretoria	Jan. 9, 1928	5½
Brussels	June 30, 1928	4	Reval	Jan. 2, 1928	7½
Bucharest	May 14, 1929	9½	Riga	April 1, 1928	6 / 7
Budapest	April 25, 1929	8			
Calcutta	June 6, 1929	5	Rome	Mar. 13, 1929	7
Copenhagen	June 23, 1927	5	Sofia	Dec. 15, 1928	9
Danzig	June 20, 1927	6	Stockholm	Aug. 24, 1928	4½
Helsingfors	Nov. 15, 1928	7	Swiss Bank places	Oct. 22, 1925	3½
Kovno	Feb. 8, 1925	7	Tokio	Oct. 18, 1927	5·48
Lisbon	July 28, 1926	8	Vienna	Apr. 23, 1929	7½
New York Federal Reserve	July 12, 1928	5	Warsaw	Apr. 19, 1929	9
Madrid	Dec. 19, 1928	5½	Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	June 6, 1928.	June 9, 1929.	June 16, 1929.	June 23, 1929.	June 30, 1929.	June 8, 1929.
	%	%	%	%	%	%
Call money	6½	14	10	7	6	7
Time money (90 days' mixed coll.)	5½	8½	8½	9	9	8½
Bank acceptances :—	Selling Rates.					
Members—eligible, 90 days	4½	5½	5⅝	5⅝	5⅝	5⅝
Non-mem.—eligible, 90 days	4½	5⅝	5⅝	5⅝	6¼	5⅝
Ineligible, 90 days	4⅝	5½	6½	6½	5⅝	6½
Commercial accept. 90 days	4½	5½	5⅝	5⅝	5⅝	5⅝

Rates of Exchange, New York on—		Par Level.	June 6, 1928.	May 23, 1929.	May 30, 1929.	June 8, 1929.
London—						
60 days	Dollars for £1	4·8666	4·84½	4·79⅜	4·79⅝	4·79⅝
Cable			4·88⅛	4·84⅜	4·85	4·84⅜
Cheques			4·87⅞	4·845	4·845	4·84 7/16
Paris	cheques	Cents for 1 franc	3·918	3·93⅛	3·90⅜	3·91	3·9075
Brussels	"	Cents for 1 Belga	13·90	13·95½	13·88	13·885	13·88
Switzerland	"	Cents for 1 franc	19·30	19·27½	19·245	19·24	19·24½
Italy	"	Cents for 1 lire	5·263	5·265	5·23½	5·2325	5·23
Berlin	"	Cents for 1 mark	23·81	23·88	23·77	23·84	23·82
Vienna	"	Cts. for Austrn. shlg	14·07	14·075	14·05	14·05	14·05
Madrid	"	Cents for 1 peseta	19·30	16·685	14·215	14·10	13·79
Amsterdam	"	Cents for 1 guilder	40·195	40·34	40·15	40·155	40·13
Copenhagen	"	Cents for 1 kroner	26·80	26·825	26·62	26·62	26·62
Oslo	"			26·79	26·63	26·625	26·625
Stockholm	"			26·825	26·71	26·72	26·72
Athens	"	Cents for 1 drachma	1·297	1·305	1·295	1·29⅜	1·29⅜
Montreal	"	Can. Cents for $1	100	⅛ dis.	11/16 dis.	⅜ dis.	⅝ dis.
Yokohama	"	Cents for 1 yen	49·85	46·70	44·45	44·35	43·65
Hong Kong	"	Cents for H.Kong $	...	50·85	48·25	48·35	47·35
Shanghai	"	Cts. for 1 Shng. tael	...	66·75	59·25	58·90	57·10
Calcutta	"	Cents for 1 rupee	36·50	36·52	36·15	36·08	36·00
Buenos Aires	"	Gold Pesos for $100	103·65	42·74	104·80	104·90	105·10
Rio de Janeiro	"	Cents for 1 milreis	32·42	12·02	11·83	11·83	11·83
Valparaiso	"	Cents for 1 peso	12·125	12·18	12·05	12·05	12·05

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·56
Venezuela	Bolivares to £	25·25	"	25·32
Colombia (Bogota)	Pesos to £1	5	"	5·04
Nicaragua	Cordobas to £	4·8665	"	4·92
Salvador	Colones to £	9·73	"	9·88
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Union of South Africa. From February 6, 1928. London on South Africa. Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Union of South Africa. From February 18, 1929. South Africa on London. Selling.
T.T.	...	⅛% dis.	par to ⅛% pm.	⅛% prem.
Demand	1⅛% dis.	⅛% "	⅛% dis.	¼ to ⅜% "
30 days	1⅛% "	⅛% "	⅛% "	⅛% "
60 days	2⅛% "	⅛% "	1⅛% "	⅛% "
90 days	3% "	⅛% "	1⅝% "	⅛% "
120 days	3½% "	1⅛% "	2⅛% "	...

OVERSEAS DOMINIONS RATES.

Commonwealth of Australia and Dominion of New Zealand.

	London on Australia and New Zealand. Buying. Australia.	London on Australia and New Zealand. Buying. New Zealand.	London on Australia and New Zealand. Selling. Australia.	London on Australia and New Zealand. Selling. New Zealand.	Australia and New Zealand on London. Buying. Australia.	Australia and New Zealand on London. Buying. New Zealand.	Australia and New Zealand on London. Selling. Australia.	Australia and New Zealand on London. Selling. New Zealand
T.T.	...	...	99⅛	99⅝	...	...	101	100⅝
Demand	98⅛	98½	99⅛	99⅝	99⅝	99⅝	100⅛	100½
30 days	97 11/16	97 15/16	...	...	99 3/16	98⅞	100⅛	99⅞
60 days	97	97⅜	...	...	98 5/16	98⅜	99⅝	99½
90 days	96 9/16	96 13/16	...	...	98 7/16	97⅝	...	99⅛

BULLION.

The following statistics of imports and exports of gold for week ended June 6, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported into Great Britain and Northern Ireland.	£
From—	
France	4,053
British South Africa	1,354,765
Total declared value of imports	1,358,818

Exported from Great Britain and Northern Ireland.	£
To—	
Denmark	275
Poland (includ. Danzig)	3,100
Germany	13,600
Netherlands	10,554
France	19,721
Switzerland	6,800
Belgium	20,465
Egypt	34,204
British India	24,879
Other Countries	420
Total declared value of exports	134,018

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929.	Arrivals.	£	1929.	Withdrawals.	£
May 31	Bars bought	4,330	May 31	Bars sold	13,739
June 1	Nil		June 1	Nil	
" 3	Sovs. from abroad	500,000	" 3	Bars sold	3,431
" 4	Bars bought	278,800	" 4	Nil	
" 5	Nil		" 5	Bars sold	258,182
" 6	Nil		" 6	Bars sold	10,251
	Total	783,130		Total	285,603

Net arrivals, £471,409.

Messrs. Samuel Montagu and Co. write as follows on June 5, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £162,467,271 on the 29th ultimo (as compared with £161,990,492 on the previous Wednesday), and represents an increase of £8,560,956 since April 29, 1925—when an effective gold standard was resumed.

Gold from South Africa to the value of £853,000 was offered in the open market yesterday. The requirements for Home and Continental trade absorbed £45,000 and £20,000 was taken for India. The Bank of England secured £279,000, and the balance of about £500,000 was acquired for a destination not disclosed. Although both the U.S.A. and German exchanges remain favourable to the export of gold to those countries, no enquiry from either quarter was forthcoming yesterday for the gold in the open market. To-day, however, there has been a withdrawal of gold from the Bank of England for shipment to New York. This constitutes the first appreciable withdrawal of bar gold since February 6th last. There was a net influx of gold of £494,107 during the week.

SILVER.

Supplies have continued to be freely offered in the London Market, but in spite of the falling prices silver has had little attraction for buyers. Advices from Shanghai have indicated further falls in the tael exchange, and Bombay prices have moved sharply down in conformity. The Indian Bazaars have secured silver for shipment by this week's steamer, which was due to arrive in Bombay in time for the June settlement, but Bazaar operators have in some cases made forward sales against their cash purchases, a potential steadying influence being therefore to some extent discounted.

China has both bought and sold, but America has been a ready seller, and quotations moved rapidly downwards, yesterday's prices being fixed at 24d. and 24 1/16d. for cash and two months respectively; the cash price was the lowest recorded since the 27th October, 1915, and at that time forward delivery was not quoted. The quotation of 24 1/16d. for two months' delivery, however, was fixed as recently in comparison as October 19, 1926.

The following were the United Kingdom imports and exports of silver registered from mid-day on the 27th ultimo to mid-day on the 3rd instant :—

Imports.	£	Exports.	£
U.S.A.	94,793	Egypt	18,888
Mexico	9,000	British India	31,328
Other countries	9,514	Other countries	13,880
	£113,307		£64,096

Indian Currency Returns (in lacs of rupees).

	May 31	May 22	May 15
Notes in circulation	18,416	18,304	18,283
Silver coin and bullion in India	9,957	9,861	9,840
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,222	3,222	3,222
Gold coin and bullion out of India	...	...	...
Securities (Indian Government)	4,323	4,323	4,323
Securities (British Government)	914	898	898

The stock in Shanghai on the 31st ultimo consisted of about 77,400,000 ozs. in sycee, 128,000,000 dollars and 5,540 silver bars, as compared with about 76,600,000 ozs. in sycee, 128,000,000 dollars and 4,640 silver bars on the 25th ultimo.

Statistics for the month of May last are appended :—

	Bar Silver per oz. std. Cash delivery.	Bar Silver per oz. std. Two mos. delivery.	Bar Gold. Per oz. fine.
Highest price	25½d.	25 3/16d.	84s. 11½d.
Lowest price	24 11/16d.	24⅝d.	84s. 10½d.
Average price	25·086d.	25·101d.	84s. 11·35d.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Silver— Per Ounce. Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
May 31	84 11½	24 5/16	24⅜	June 8, 1923	31⅛
June 1	84 11½	24⅜	24 7/16	" 5, 1924	35 1/16
" 3	84 11½	24 5/16	24½	" 5, 1925	30⅜
" 4	84 11	24	24 1/16	" 4, 1926	30 1/16
" 5	84 11½	24	24 1/16	" 2, 1927	26½
" 6	84 11½	24	24 1/16	" 7, 1928	27 5/16

NOTICES.

The National Provincial Bank, Limited, announce that new branches are now open in Liverpool at 102 Allerton Road, 61 Great Nelson Street and 509 Prescot Road. The business of their branch at Bridgend has been transferred to temporary premises at Nolton Church Institute, Bridgend.

The directors of Lloyds Bank, Limited, announce that Mr. Robert K. Blair, W.S., of Messrs. Blair and Cadell, W.S., 19 Ainslie Place, Edinburgh, has been elected to a seat on the board. Mr Blair is also a director of the National Bank of Scotland, Limited, and the Scottish Equitable Life Assurance

The Commercial Bank of Australia, Limited, notify that a Branch of this Bank has been opened at Wellington Street, Perth, West Australia.

Barclays Bank, Limited, announce the opening of a new sub-branch at Askrigg, Yorks.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. — Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. — Latest Year.	Previous Year.
BANKS.				%	%
Bank of Adelaide	...	...	...	10	10
Equitable Trust of New York	3%*	June 29	Quarterly	...	...
Ottoman	...	...	...	2½	2½
INSURANCE.					
Pioneer Life	9d. p.s.	...	Less tax	1/6 p.s.	...
Sun Life	16/–p.s.*	July 1	Tax free	...	...
TEA AND RUBBER.					
Assam	10%†	...	Less tax	15	17½
Badek Rubber	...	...	Less tax	10	20
Bagracote Tea	15%†	...	...	20	30
Bamgaon Tea	15%†	...	Less tax	20	...
Battalgalla	10%*	June 12	...	...	...
Dejoo Tea	20%†	...	Less tax	25	30
Doolahat Tea	35%†	June 28	Less tax	40	20
Doranakande	...	...	...	4	Nil
Eastern Assam	30%†	June 22	...	40	40
Emerald Rubber	...	...	Less tax	8	5
Gadek Rubber	...	...	Less tax	5	10
Halem Tea	10%†	...	...	15	25
Harmutty Tea	15%†	June 28	Less tax	20	20
Juru	...	...	Less tax	8	4
Kali (Java)	...	...	...	4	Nil
Khota Tampan	...	...	Less tax	2½	5
Lankapara Tea	10%†	...	...	15	15
Malay Rubber	5%*	July 1	... *	...	...
Nedeem Tea	5%†	...	...	10	32½
Nordanal Rubber	...	...	...	5	5
Rajawella Produce	5%*	June 21	...	...	...
Riverside Rubber	...	...	...	4	5
Scottish Malay	3%†	...	Less tax	6	5
Singlo Tea	22½%†	July 1	Less tax	50	30
United Planters of Ceylon	10%†	June 25	...	15	40
OTHER COMPANIES.					
Amalgamated Dental	...	...	Less tax	6½	6½
Barnagore Jute	...	...	Less tax	75	75
Bentley's Yorkshire Breweries	5%*	July 1	...	...	...
Boake, Roberts and Co.	1%†	...	Tax free	7	6½
Brickwood & Co.	7%*	...	Less tax	...	...
British Borneo Petroleum	7½%†	...	Less tax	12½	12½
British Photographic Industries	...	...	Less tax	10	6
British Tobacco (Australia)	2½%*	June 28	...	...	...
Brownlee and Co.	...	...	Tax free	10	10
Canadian Car and Foundry	1¼%*	Aug. 20	Quarterly	...	...
Canadian General Investment	$3 p.s.*	July 1	Half-yearly	...	...
Cape Asbestos	...	...	...	15	12½
Carlton Main Colliery	...	...	Less tax	2½	2½
Coronet Brick	7½%†	...	Less tax	15	21
Cory (W.) and Son	12½%†	...	Less tax	17½	17½
Crédit Foncier d'Algérie	...	...	Less tax	37 frs.	37 frs.
Esperanza Copper	...	...	...	7	6
Field (J. C. and J.)	...	...	Less tax	10	10
Forster's Glass	...	...	...	5	Nil
Fremlins	2½%*	...	Less tax	...	...
Gardner (Henry)	...	...	...	8	8
General Securities Investment	4%†	...	Less tax	7½	...
Goldsbrough Mort.	...	...	...	15	15
Grand Junction	2½%†	...	...	4	4
Havana Cigar and Tobacco	10%†	...	Less tax	35	60
Hesketh Estates (Southport)	...	...	...	7	7
Home and Colonial Stores	10%*	July 1	...	...	...
Imperial Tobacco Co. of Canada	1½	June 28	...	...	...
Indian and General Invest. (Det.)	...	...	...	...	...
Java Invest., Land and Agency	7½%†	...	...	18	17
Lobitos Oilfields	...	July 2	...	12½	20
L'Union Foncière d'Egypte	3/– p.s.*	June 3	...	10	10
Madras Electric Supply	5½%†	...	Tax free	8	8
Manley and Regulus	10%† &	bon 2½%	Less tax	22½	22½
Marston, Thompson & Evershed	...	...	Tax free	15	15
McColl (R. S.)	...	...	Less tax	7½	7½
Metropolitan Association	...	...	...	5	5
Mulliners (Holdings)	4½*	June 20	Less tax	...	...
Newcastle Breweries	2%*	July 1	...	...	...
New Tamarugal Nitrate	5%*	June 26	...	...	...
Reed (Albert E.)	...	...	...	10	7½
Rio de Janeiro Flour Mills	6½%*	July 1	Tax free	...	...
Roberts and Birch (Burton)	...	...	Less tax	15	...
Royal Mail Steam Packet	...	...	...	5	5
Ruston and Hornsby	...	...	Tax-free	2½	2½
Sphere Investment Trust	...	...	Less tax	4	4
Spiers and Pond	10%†	...	...	...	...
Taylors (Cash Chemists) (Def.)	23½%†	...	...	33⅓	25
Thomas Hart	...	...	Less tax	15	20
Tredegar Iron and Coal "A" and "B"	...	...	Tax free	2½	Nil
Turner and Newall	2½%*	...	...	...	...
United Tobacco (South)	6d. p.s.*	June 29	Tax free	...	...
Virol	...	...	...	22½	22½
Wiggins and Co.	...	...	Less tax	12½§	...
Yorkshire Dyeware & Chemical	7½%†	...	...	10	15

§ 16 months.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended May 31, 1929. (c) Week ended June 1, 1929.	Miles Open.	Week ended June 2, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 22 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western	3,733	224	242	124	366	590	4,671	4,865	2,798	7,663	12,334
Do. for 1928	3,734	282	179	69	248	530	4,867	4,799	2,533	7,332	12,199
Lon.& N.Eastn.(c)	6,345	349	435	244	679	1,028	7,065	9,030	5,979	15009	22,074
Do. for 1928	6,363	435	375	180	555	990	7,386	9,284	5,337	14621	22,007
Lond.,Mid.&Scot.	6,960	518	571	235	806	1,324	10694	12279	6,294	18573	29,267
Do. for 1928	6,952½	659	467	153	620	1,279	11189	12739	5,870	18609	29,798
Southern	2,175	305	88	30	117	422	6,246	1,678	708	2,386	8,632
Do. for 1928	2,175	372	76	19	95	467	6,437	1,742	619	2,360	8,797
Metropolitan (c)	59	32·5	...	...	3·6	36·1	702·5	...	...	80·7	783·2
Do. for 1928	59	35·2	...	...	2·9	38·1	705·7	...	...	79·5	785·2
†Und'rgr'ndE.R.c	...	...	...	...	...	304·3	...	...	...	...	6,100
†Do. for 1928	...	...	...	...	...	330·5	...	...	...	...	6,151
Lond.Sub.Gr'upc	...	...	...	...	...	44·9	...	...	...	...	875·7
Do. for 1928	...	...	...	...	...	51·1	...	...	...	...	890·1
B'ff'st&Co.D'wn b	80	2·8	...	...	0·9	3·7	46·0	...	...	19·7	65·7
Great Northern b	562	12·2	...	...	19·1	31·3	241·8	...	...	359·4	601·2
Great Southern b	2,187	29·6	...	...	45·6	75·2	546·9	...	...	1035·2	1,582·1

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or –	Total Gross Receipts. 1929.	+ or –
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	5weeks	May 4	1,217	3,85,000	– 18,219	19,35,000	– 81,566
Barsi Lt. Ry.	6weeks	11	202	45,800	+ 2,400	3,57,200	+ 44,500
Bengal & N.Western	6weeks	11	2,078	8,06,932	– 58,027	44,17,179	– 3,68,877
Bengal-Nagpur	4weeks	Apr.27	2,984	18,50,000	– 1,04,937	73,61,000	+ 19,935
Bombay, Bar.,& C.I.	9weeks	May25	3,022	22,44,000	– 4,03,000	1,89,95,000	– 22,16,000
Madras & S. Mahr	6weeks	11	3,121	17,80,000	– 2,79,560	1,13,93,000	– 8,56,348
Nisam'sGuarantd.(s)	6weeks	11	1,146	4,99,011	+ 62,134	30,48,821	+ 3,48,035
†Rohilk'dà Kumaon	6weeks	11	572	1,35,077	– 29,662	8,31,681	– 1,73,632
South Indian	4weeks	May 4	2,294	12,92,526	– 38,121	62,80,606	+ 53,611

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

ARGENTINE (a).					$	£	£	£	£
Argentine N.N.	48weeks	June 1	753	16,700	– 1,200	753,000	+ 23,900		
B.A. and Pacific	48weeks	1	2,806	169,000	]...	8,449,000	+ 859,000		
B.A. Central	48weeks	2	...	15,762	+ 1,653	703,630	+ 30,108		
B.A. Gt. Southern	48weeks	1	4,762	231,000	+ 12,000	12,093,000	– 347,000		
B.A. Western	48weeks	1	1,296	97,000	+ 4,000	4,892,000	– 15,000		
Central Argentine	48weeks	1	3,319	270,000	...	13,099,000	+ 473,000		
Cordoba Central	48weeks	1	1,218	65,000	– 3,000	3,303,200	+ 47,500		
Entre Rios	48weeks	1	838	24,300	– 2,700	1,447,000	+ 48,200		
CUBAN.					£	£	£	£	£
United of Havana†	48weeks	June 1	1,374	56,868	+ 1,635	¶ 3,598,790	+ 171,438		

† Figures include Havana Central Railway.

URUGUAYAN.					£	£	£	£	
Central Uruguay	48weeks	June 1	273	30,145	– 880	1,450,496	– 9,246		
C. Urug. (East Ext.)	48weeks	1	311	7,302	– 298	334,722	– 7,470		
C.Urug.(North.Ext.)	48weeks	1	185	4,122	+ 217	179,838	+ 6,365		
C. Urug.(West. Ext.)	48weeks	1	71	2,141	– 368	145,057	+ 2,646		
				$		$			
CANADIAN.									
Canadian National	20weeks	May 21	19,362	4,991,272	+127,807	97,403,191	+3,765,432		
Canadian Pacific	22weeks	31	14,822	5,386,000	–234,000	82,805,000	+2,600,000		
BRAZILIAN (b).					£	£	£	£	
Gt. West. of Brazil	22weeks	June 1	1,016	11,800	+ 2,200	411,900	+ 101,300		
Leopoldina	22weeks	1	1,856	35,848	– 6,667	789,377	– 265,950		
Leopoldina Termni.	22weeks	1	Mire.	265,000	– 17,000	6,090,000	+ 137,000		
San Paulo	22weeks	2	153½	53,216	+ 266	1,044,384	+ 48,994		
CHILEAN.					£	£	£	£	
Antofagasta (Chili and Bolivia)	22weeks	June 1	838	32,680	+ 3,845	873,405	+ 115,895		
Nitrate (½-monthly)	21weeks	May 31	413	24,617	– 10,155	370,312	+ 26,866		
OTHER OVERSEAS.					£	£	£	£	
Egyptian Delta	5weeks	May 10	608	7,975	+ 766	33,846	+ 5,210		
Gt. Southn. of Spain	21weeks	25	104	Ps 125,311	+ 5,009	2,580,163	– 93,775		
Mexican Railway	22weeks	31	483	$ 329,400	– 30,100	5,398,600	– 650,500		
Paraguay Central	47weeks	25	274	5,270	+ 50	210,060	+ 4,410		
Salvador	48weeks	June 1	100	3,030	– 1,909	244,666	+ 9,787		

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or –	Total Receipts. 1929.	+ or –
				£	£	£	£
Anglo-Argentine	22weeks	June 3	329	84,309	– 4,503	1,937,059	– 26,263
B. Aires Lacroze	47weeks	2	...	10,651	– 1,498	617,771	– 3,253
Calcutta Tramways	1week	1	13	2,951	– 419	...	...
Chatham & District	20weeks	May 23	15	1,283	+ 83	20,679	– 4,780
Glasgow Corporation	20weeks	23	...	657	– 1,197	41,025	+ 850
Isle of Thanet Trams	20weeks	20	136½	43,481	+ 1,272	2,018,186	+ 2,287
Liverpool Corp.	9weeks	June 1	124	30,628	– 1,024	265,871	+ 3,934
L.O.C. Tramways	9weeks	May 29	166	83,846	– 4,261	703,570	+ 7,953
Madras Electric	121 w'ks	31	...	Rs. 42,674	– 3,428	4,32,281	+ 24,625

‡ Fortnightly figures.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
Banks.		£	£	£	£	£	%	£	£	£	%
Bank of Adelaide	Mar. 25	33,464	145,411	178,875	...	125,000	10	15,000	38,875	128,637	10
Breweries.											
Marston, Thompson & Evershed	Mar. 31	91,438	121,161	212,599	15,000	60,000	15†	34,675	102,924	111,333	15†
Canals and Docks.											
Grand Junction Canal	Dec. 31	3,111	48,913	52,024	5,622	45,200	4	...	1,202	45,710	4
Electric Lighting, &c.											
Madras Electric Supply	Dec. 31	6,657	65,933	72,590	17,973	37,856	8†	9,855	6,906	63,667	8†
Financial, Land, &c.											
Australian Sheep Farms	Mar. 31	*Dr.75,740*	*Dr.15,341*	*Dr.91,081*	...	...	...	...	*Dr.91081*	*Dr81,033*	...
Gas.											
Plymouth and Stonehouse	Mar. 31	13,322	37,840	51,162	...	33,762	8	4,000	13,400	33,194	7½
Iron, Coal and Steel.											
Pease and Partners	Mar. 31	*Dr838,019*	*Dr222,615*	*Dr1060634*	...	...	...	...	*Dr. 10,60,634*	*Dr228352*	...
Niddrie and Benhar	Mar. 30	*Dr. 10,844*	83	*Dr. 10,761*	...	...	...	...	*Dr.10761*	*Dr.21563*	...
Motor and Cycle.											
Austin Motor	Dec. 31	115,639	(v)345,975	461,614	*a*299000	...	...	102,950	59,664	406,469	...
Oil.											
Anglo-American Oil	Dec. 31	1,308,619	610,833	1,919,452	...	315,410	7½	178,140	1,425,902	257,131	12½†
British-Borneo Petroleum	Mar. 31	27,445	43,059	70,504	...	31,251	12½	...	39,253	42,931	12½
Scottish Oils	Mar. 31	30,230	182,151	212,381	165,945	...	...	...	46,436	144,445	...
Rubber.											
Chota	Dec. 31	3,631	4,559	8,190	...	3,727	5	1,000	3,463	4,498	5
Emerald	Jan. 31	18,974	21,595	40,569	...	15,050	8	10,000	15,519	21,385	5
Marawan (Java)	Dec. 31	4,531	2,811	7,342	...	2,188	4	1,530	3,624	5,392	Nil
Nordanal (Johore)	Dec. 31	19,961	15,158	35,119	...	14,000	5	2,500	18,619	27,897	5
Shipping.											
Royal Mail Steam Packet	Dec. 31	73,163	457,216	530,379	233,500	250,000	5	...	46,879	489,881	5
Eagle Oil Transport	Dec. 31	6,521	519,096	525,617	160,000	...	...	359,122	6,495	1,036,834	2
Tea.											
Assam Consolidated	Dec. 31	7,545	46,103	53,648	16,000	20,000	5	10,245	7,403	69,182	8
Bagracote	Dec. 31	7,151	24,816	31,967	2,000	15,600	20	8,450	5,917	36,305	30
Borbheel	Dec. 31	5,175	12,254	17,429	...	12,210	55	...	5,219	16,993	70
Chulsa	Dec. 31	35,950	100,005	135,955	6,000	67,500	25	26,290	36,165	128,060	30
Dangua Jhar	Dec. 31	2,612	6,717	9,329	800	3,000	7½	3,050	2,479	4,411	7½
Jokai (Assam)	Dec. 31	70,741	174,140	244,881	6,000	173,453	30	...	65,428	202,376	45
Textiles.											
Armitage (Sir Alkanah) and Sons	Mar. 31	*Dr. 208*	*Dr. 7,446*	*Dr. 7,454*	...	...	...	*Dr.8,000*	546	*Dr. 7,880*	...
Coats (J. and P.)	Dec. 31	676,896	3,929,058	4,605,954	330,000	2,950,000	20	500,000	825,954	3,729,642	17½
Tramways.						106,101	8 Pf.ord.				8 pf.or.
British Electric Traction	Mar. 31	172,226	196,994	369,220	54,686	7,394	5 Def.	...	186,251	179924	5Def.
						14,788	10Def.(t)				10Def. (t)
Calcutta Tramways	Dec. 31	7,758	147,957	155,715	12,500	42,292	6½†	90,403	11,020	130,457	5†
Carthagena and Herrerias	Dec. 31	*Dr. 36,406*	*Dr. 10,827*	*Dr. 47,233*	...	...	...	...	*Dr47,233*	...	...
Trust.											
Indian and General	Apr. 30	...	25,848	25,848	6,013	14,576	18	5,259	...	25,554	...
Sphere Investment	Mar. 31	4,745	38,629	43,374	24,000	16,000	4	...	3,374	42,874	4
Taylors (Cash Chemists) Trust	Mar. 31	3,609	114,426	118,035	52,800	32,000	33⅓	20,000	13,235	130,053	25
Waterworks.											
Rickmansworth and Uxbridge Valley Water	Mar. 31	4,995	32,130	37,125	2,410	20,684	10 7	4,000	10,031	23,539	10 7
Other Companies.											
Associated Newspapers	Mar. 31	496,347	1,205,666	1,702,013	25,000	42,000 900,000	7 Ord. 40 Def.	40,000	695,013	1,170,835	7 Or. 40D.
Brownlee and Co.	Mar. 31	35,323	53,770	89,093	4,000	31,495	10†	15,000	38,598	43,363	10†
Cape Asbestos	Dec. 31	11,862	52,210	64,072	20,000	15,000	7½	16,750	12,322	39,705	12½
Coronet Brick	Feb. 28	3,144	13,424	16,568	...	15,000	15	...	1,568	11,807	17½
Gardner (Henry) and Co.	Mar. 31	32,298	104,305	136,603	...	52,000	8	50,000	34,603	...	...
Hart (Thomas)	Mar. 31	1,602	4,081	5,683	...	3,600	15	...	2,083	6,402	20
Holbrooks	Mar. 31	20,250	67,170	87,420	2,989	60,000	16†	3,707	20,724	71,481	20†
McColl (R. S.)	Apr. 26	6,556	26,253	32,809	9,600	9,000	7½	7,500	6,709	24,087	7½
Virol	Mar. 31	72,317	48,206	120,523	8,750	16,875	22½	20,000	74,898	46,430	22½
Wiggins and Co. (Hammersmith)	Mar. 31	...	70,096	70,096	28,125	21,500	12½	13,041	10,430	...	...
Yorkshire Dyeware and Chemical	Mar. 31	2,226	11,199	13,425	...	12,000	10	...	1,425	18,998	15

† Free of income tax. (v) 15 months. (a) Including arrears. (t) Capitalised bonus.

SUMMARY OF BALANCE SHEETS.

ASSOCIATED NEWSPAPERS, LIMITED.

March 31, 1929.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £
5% cum. pf. shs., £1	500,000	...
7% cum.ord.shs., £1	600,000	...
Def. shares, £1	2,250,000	...
Reserve account	400,000	...
Pension funds	191,999	+ 40,775
Sundry shr'hldrs. for dividends	28,265	+ 63
Creditors & resvs. against contingencies	995,495	+ 65,822
Profit and loss	920,013	+ 198,666
Total	5,885,772	+ 305,326

ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
Properties, plant, &c.	1,058,673	+ 116,618
Stocks	625,688	+ 177,777
Investments	2,654,101	+ 76,730
Loan to Empire Paper Mills at 5% per annum	420,000	– 70,000
Debtors	712,255	+ 28,536
Cash	415,056	– 24,335
Total	5,885,772	+ 305,326

ANGLO-AMERICAN OIL COMPANY, LIMITED (OF ENGLAND).

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Ord. shares £1	4,192,635	+ 33,390
Capital reserve	111,592	+ 49,509
4½% gold notes	412,052	– 407,200
5½% deb. stock	3,000,000	...
Creditors and bills payable	4,383,193	– 671,078
Deposits by associated cos.	93,660	– 18,295
Divs. declared, but not paid	15,314	– 126,219
Insurance reserve	351,184	+ 123,413
Investment res.	830,204	+ 178,140
Reserve	2,000,000	...
Surplus	1,741,312	+ 224,248
Total	16,931,146	– 614,092

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Freehold land at cost	626,788	+ 27,753
Construction and equipment	2,957,258	– 118,338
Steamships, &c.	1,858,634	+ 22,546
Debtors and bills receivable	2,853,270	+ 256,281
Loans to associated cos.	676,256	+ 195,280
Stocks	3,375,145	+ 23,696
Investments in British Govt. securities	345,994	...
In other cos.	3,328,526	+ 404,308
Cash	909,275	– 1,425,618
Total	16,931,146	– 614,092

AUSTIN MOTOR COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Sept. 30, 1927. £
7% cum. pref. (£1)	250,000	...
6% cum. "B" pref. (£1)	1,000,000	...
20 pref. ord. (10s.)	750,000	...
Ord. shares (5s.)	150,000	...
6½% deb. stk.	1,416,447	— 43,913
Sinking fund reserve	92,383	+ 52,951
Accrued charges	394,853	+ 5,328
Creditors	352,823	+ 141,981
Profit and loss	59,664	— 55,975
Total	4,466,170	+ 100,372

ASSETS.	Amount. £	Compared with Sept. 30, 1927. £
Freehold properties	1,080,015	+ 226,004
Leasehold properties	2,600	— 500
Plant	964,601	+ 258,547
Longbridge Estate	29,193	— 18,834
Goodwill and patents	280,000	...
Debtors	133,080	+ 33,404
Cash	524,206	— 45,042
Investments at cost	106,271	— 4,036
Stocks	1,346,204	— 370,171
Total	4,466,170	+ 100,372

BRITISH ELECTRIC TRACTION COMPANY, LIMITED.

March 31, 1929.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £
Def. ord. stock	147,888	+ 15,262
8% non-cum. pref. ord. stock	1,326,263	...
6% cum. ptg. pref. stock	712,744	...
Debentures	1,620,012	...
Reserve	520,000	...
Creditors	19,541	+ 3,409
Loan from bankers	...	— 25,000
Interest on deb.	38,520	...
Undivided profits account	172,226	+ 474
Revenue account balance	122,563	+ 17,070
Total	4,679,757	+ 11,215

ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
Investments	4,371,392	— 61,508
Leasehold premises	39,335	— 147
Furniture	2,470	— 105
Debtors	134,625	— 29,109
Treasury bills	49,335	+ 49,335
Cash	82,600	+ 52,749
Total	4,679,757	+ 11,215

J. AND P. COATS, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Pref. shares	2,500,000	...
Pref. "B" shrs.	3,000,000	...
Ord. shares	14,750,000	...
Divs. and interest outstanding	507,644	— 15,133
Creditors	1,851,829	+ 281,899
Underwriting accounts	1,000,000	...
Div. reserve	2,550,000	+ 250,000
War contingencies fund	3,000,000	...
Pension fund	750,000	...
Profit and loss	2,616,580	+ 767,809
Total	32,526,053	+ 1,284,575

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Capital expenditure, less depreciation	16,750,785	+ 84,437
Book debts, &c.	2,136,840	+ 651,253
Stocks	3,249,101	— 146,245
Cash	4,681,207	— 393,536
Bills receivable	181,838	+ 6,218
Investments, &c.	2,175,801	+ 1,381,643
Advances, dividends due, &c.	3,350,481	— 199,195
Total	32,526,053	+ 1,284,575

PEASE AND PARTNERS, LIMITED.

March 31, 1929.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £
Ordinary shares	3,000,000	...
4% deb. stock	400,000	...
5% deb. stock	876,672	— 35,366
Deb. int. accrued	28,583	— 885
5% db. sinking fd.	35,011	+ 15,817
Unpaid purchase moneys	103,881	+ 100,000
Employees' deposits	118,444	— 8,896
Creditors	532,868	— 40,762
Bills payable	8,613	— 2,356
Wages outstanding	26,721	— 1,055
Bankers' overdraft	1,236,279	+ 87,686
Insurance fund	...	— 217,817
Damaged Land Reserve	225,835	+ 225,835
Reserve	250,000	...
Dep. res. account	498,400	...
Res. for renewals	38,666	— 15,329
Res. for eq. of divs.	63,210	...
Pension fund	14,821	— 2,123
Fund for employees	2,592	— 1,000
Royal Exchange Assurance	400,000	...
Barclay's Bank	76,800	— 3,200
Total	7,937,396	+ 100,547

ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
Minerals, land, &c.	4,232,190	+ 92,351
Rolling stock, &c.	511,790	— 29,621
Coal, coke, &c.	177,240	— 40,918
Debtors	578,435	— 38,877
Short workings	74,348	+ 4,973
Investments	1,271,010	— 89,114
Cash	2,589	— 420
Barclay's Bank	...	— 39,942
Charges and commission	9,160	— 500
Royal Exchange Assurance	20,000	+ 20,000
Profit and loss	1,060,634	+ 222,615
Total	7,937,396	+ 100,547

ROYAL MAIL STEAM PACKET COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
Ord. stock	5,000,000	...
5% pref. stock	900,000	...
6½% cum. pref.	2,900,000	...
4½% deb. stock	1,400,000	...
5% deb. stock	5,100,000	+ 2,000,000
Div. int. accrued	208,600	+ 20,000
Divs. unclaimed	1,470	+ 25
Reserve fund	1,450,000	...
Insurance acct.	1,331,713	+ 19,958
Bills payable	421,471	— 236,654
Sundry balances	1,404,890	— 852,180
Profit and loss	196,879	— 26,284
Total	20,315,023	+ 932,935

ASSETS.	Amount. £	Compared with Dec. 31, 1927 £
Fleet, &c.	16,253,755	— 112,888
Coal	8,482	— 11,673
Premises	1,529,010	+ 22,650
Plant	28,000	— 3,000
Stores	61,460	— 8,187
Unex. insurances	9,096	— 3,128
Debtors	483,207	+ 72,173
Investments	349,395	— 3,164
Freights	159,257	+ 15,268
Pending voyages	156,781	— 1,092
Cash, bills, rec., &c.	1,114,580	+ 803,976
Discount and Expenses, Deb. Issue	162,000	+ 162,000
Total	20,315,023	+ 932,935

Reports and Notices.

At a board meeting of the Royal Insurance Co., Limited, held May 27th, the following, who are directors of the Liverpool and London and Globe Insurance Co., Limited, were elected to the board :—Mr J. J. Atkinson, Sir Frederick C. Bowring, Mr J. Bruce Ismay, Mr Hugh Lewis, Mr W. F. Moore, Mr W. J. Orr, Mr R. Q. Wilson.

Mr W. R. Glazebrook has been re-elected chairman of the Royal Insurance Co., Limited. Mr A. Allan Paton, C.B., and Mr Arthur E. Pattinson were re-elected deputy-chairmen, and Mr A. Kentish Barnes was elected a deputy-chairman. Mr W. S. Crichton did not seek re-election to the office of deputy-chairman, but retains his seat on the board.

In consequence of the death of Mr T. B. Ponsonby, the late General Manager, the Directors of the Alliance Assurance Co., Limited, have made the following appointments :—Mr A. Levine, F.I.A., to be General Manager; Mr Ralph F. Barnett to be Assistant General Manager; Mr Louis D'Elboux to be Manager, Fire Department; Mr R. C. Simmonds, F.I.A., to be Actuary.

The Rt. Hon. Sir Frederick Ponsonby, G.C.B., G.C.V.O., and Mr Roger Wright have joined the Board of the London and Scottish Assurance Corporation, Limited, and also its Associate Office, the Scottish Metropolitan Assurance Co., Limited.

BANKS.

BANK OF MONTREAL.—The total assets for half-year ended April 30, 1929, have increased to $915,000,000, the largest figure in the bank's history. Liquid assets are equal to 59.24 per cent. of liabilities to the public, and cash holdings of $109,000,000 are equal to 13.24 per cent. of such liabilities. Current loans in Canada have reached $314,000,000 as compared with $297,000,000 at the same date last year, reflecting the greater business activity throughout Canada. Total deposits have increased to $771,000,000, as against $746,000,000 a year ago. Bank premises at $14,500,000 show an increase of $3,000,000 due to the inclusion of the properties of the Merchants Bank Realty Holding Co. All premises now appear in this one item. Profits for the half-year amount to $3,491,651, which compares with $2,994,901 for the corresponding period of last year.

RAILWAYS.

MEXICAN RAILWAY COMPANY, LIMITED.—The balance carried to net revenue account for the second half-year of 1928 was $692,623 as compared with $154,664 in second half-year 1927. At standard rate of 24d. to the peso this balance is equal to £69,262. Debenture interest absorbed £82,869, and, after allowing for other miscellaneous items there is a debit to net revenue of £29,394, raising the total debit to net revenue from £861,252 to £890,646. Holders of registered stock, issue "A," of Mexican Railway are informed that, in accordance with the terms of the trust deed securing the registered stock, issue "A," notice is hereby given that on July 1, 1929, ten per cent. of the original amount of the stock issued, or one-sixth of the sum outstanding, will be redeemed out of moneys which will be paid by the company to the trustees on account or in anticipation of profits of the company. Stock certificates may now be lodged at the company's offices, but in any case certificates must be left six clear days for examination, endorsement, and the issue of the respective redemption warrants. Interest on the proportion of Stock, the subject of this notice, will cease on and after June 30, 1929.

MISCELLANEOUS.

BRAZILIAN TRACTION LIGHT AND POWER.—The net earnings for 1928 amounted to $24,869,330, as compared with $22,054,624 for 1927. Out of the year's revenue the sum of $6,230,511 has been set aside for depreciation of physical properties of the subsidiary companies, and the sum of $300,000 has been transferred to this company's general amortisation reserve. The total of the balances at December 31, 1928, standing to the credit of the general amortisation reserve of this company and the depreciation and sinking fund reserves of the subsidiary companies is $54,941,632. In January, 1929, the quarterly dividend on the ordinary shares of no par value was increased from 44 cents per share to 50 cents per share, the first dividend at this rate being paid on March 1, 1929. The surplus revenue for the year after payment of dividends amounts to $6,053,459, which, added to the balance of $8,893,907 brought forward from 1927, gives a total of $14,947,366. Out of this sum the amount of $5,000,000 has been transferred to general reserve account, leaving a balance of $9,947,366 carried forward.

NATIONAL PROVIDENT INSTITUTION
48 GRACECHURCH STREET, E.C.3.
BONUS DECLARATION 1927.
WHOLE LIFE ASSURANCE
£2 10 0% per annum, steadily increasing after "expectation" to over £5% per annum at extreme ages.
SURPLUS DIVIDED - £1,249,700
CARRIED FORWARD - £392,000

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

Cereal crops in the United Kingdom continue to make satisfactory progress, refreshing rains and an even temperature tending to stimulate growth and colour. Supplies of native wheat were on a small scale, but tone steady and sellers more reserved in face of the improvement in imported varieties. In the floating and forward cargo section a reaction occurred following recent slumping prices under a sharp rally in North American quotations. United States growers are hopeful of disposing of their old crop holdings by Government financial support. In this connection, it was reported that the Farm Relief Bill would become operative immediately instead of October next, and a portion of the huge sum allocated would be utilised to purchase the wheat. Even if this is the case, the statistical position remains the same, the only difference being that the actual marketing of grain comes under official control, and therefore in stronger hands. Elevator space is urgently needed, and with offers of the new winter crop now being made on European markets, there is a possibility of gradually working off old supplies through domestic channels. Other factors influencing the upward movement were to be found in adverse climatic conditions for seeding the new crops in the Southern hemisphere, rains being insufficient in Argentine and Australia to ensure satisfactory germination. It is also stated that the American Secretary of Agriculture has advised farmers to reduce the spring acreage of wheat to avoid over-production, so that it is quite possible that, encouraged by the increased import duty, farmers may put a larger area under linseed, of which there is a domestic shortage. Ample supplies of wheat are available; shipments are maintained, and buyers express little confidence in the upward movement. Futures were also firmer in sympathy, with dealings of fair extent, chiefly in the November position. Prices of feeding stuffs also followed the course of wheat, but trading was of a restricted character.

Wheat advanced sharply for Canadian descriptions following firmer forward quotations: No. 2 Northern Manitoba, ex ship, 45s. 9d.; No. 3, ditto, 44s. 9d.; No. 4 Manitoba, 43s. 6d.; No. 5, 39s. 3d.; No. 6, 35s. 6d.; Rosafe, 64 lbs., 39s. 6d.; Barusso, 63½ lbs., for shipment, 39s. 3d.; Australian, 43s. 9d. ex ship, per 496 lbs.; English, 9s. 4d.–9s. 8d. per 112 lbs.

Flour firmer. London straight run, 33s. per sack delivered. Of imported, Manitoba patents range from 33s.–35s. 6d.; Minneapolis, 33s. 6d.–35s. 6d.; Australian, 32s.–32s. 6d., ex store. On c.i.f. terms Manitoba top patents, June–July, 32s. 6d.–33s. 6d.; export ditto, 29s. 9d.–30s. 9d.; Australian, June–July, 30s. 6d.–31s. 6d. per 280 lbs.

Maize steadier. Plate, landed, 36s. 6d.; ex ship to arrive, 34s. 6d.; May–June, 34s. 6d.; June–July, 34s. 9d.; July–August, 35s., per 480 lbs. Yellow maize meal, £10 per ton, landed.

Barley firmer. Californian, ex ship, 43s.–48s.; Chilian, ex store 45s.–58s.; Australian, 41s.–44s. 6d.; Smyrna, 44s.–47s. per 448 lbs; Algerian–Tunisian, ex ship, 29s. 6d.; Canadian feed, 27s. 6d.; No. 3 Canadian Western, ex ship, 30s. 3d.; landed, 31s. 9d.; No. 4, ex ship, 29s.; No. 2 Federal American, landed, 29s. per 400 lbs.; English malting, 10s. 6d.–11s. 2d.; feed, 9s. 8d.–10s., per 112 lbs.

Oats firm. Plate, landed, 23s. 9d.; ex ship to arrive, 22s. 6d.; No. 1 Canadian feed, 22s. 6d.; No. 2, ditto, 21s. 6d. ex ship; mixed Canadian feed, ex ship to arrive, 18s. 3d.; landed, 20s.; Chilian white, ex ship to arrive, 28s.; landed, 30s.; German, landed, 27s. 6d.; ex ship to arrive, 26s. 6d., per 320 lbs.; English, 9s. 8d.–10s. 2d. per 112 lbs.; Scotch, landed, 29s. 6d. per 336 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to June 1	Qrs. 95,098	Qrs. 262,838	Qrs. 131,275	Qrs. 118,455
38 weeks to June 1	9,198,813	9,953,943	10,909,733	12,499,701
Average price of English wheat per cwt.	s. d. 9 9	s. d. 11 2	s. d. 12 6	s. d. 13 6

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928 :—

Weeks ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Qrs.	Qrs.	Qrs.	s. d.	s. d.	s. d.
May 25	141,532	28,274	27,349	9 10	10 7	9 8
June 1	95,098	10,078	14,691	9 9	9 9	9 9
May 30, 1925	322,962	40,188	43,250	12 11	10 5	10 5
May 29, 1926	189,992	31,574	26,266	13 7	9 3	10 0
June 4, 1927	131,275	10,481	31,288	12 6	11 6	9 11
June 2, 1928	262,838	21,247	24,637	11 2	10 10	12 11

OVER ONE HUNDRED YEARS OF SERVICE.
SCOTTISH UNION & NATIONAL
INSURANCE COMPANY.
ASSETS EXCEED - £15,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4, and 4, St. James's Street, S.W.1.

AMERICAN WHEAT MARKETS.

The technical position has improved, and weather reports, prospects of diminished surplus in Argentina, and bullish rumours as to possible action by the United States Government have combined to bring about a slight recovery, in spite of a strong selling movement on Wednesday. Quotations :—

Nearest Future.	Jan. 4, 1928.	Jan. 2, 1929.	June 6, 1928.	May 22, 1929.	May 29, 1929.	June 5, 1929.
Winnipeg (No. 1 Manitoba)—Cents per 60 lb.)	156⅛	122	144½	113½	109⅛	115
Chicago (No. Winter)—Cents per 60 lb.	166½	116⅛	145	103	97	107

Visible supplies of wheat in Canada at 71,044,000 show a decrease of 1,387,000 as compared with the previous week's figures. Supplies a year ago stood at 64,546,000.

THE COAL TRADE.

Our Sheffield correspondent writes :—Export trade has been resumed after the holidays and is fairly brisk with prices firm. The industrial demand has been stationary for some time and remains without change. House coal demand has dropped to a very low ebb and prices are weak. Output under the quota system is barely adequate and there is scarcity in some directions. The market for blast-furnace coke is firm, with prices on the up-grade.

Our Glasgow correspondent writes :—The position is perhaps rather more encouraging, but in the main the collieries could deal with much more business than is offering. Except in Lanarkshire, however, the collieries contrive to keep moving fairly comfortably; in Lanarkshire, where the collieries depend largely on home industrial orders, several pits have been forced to adopt short-time working, prices offered by foreign buyers being considered unremunerative when the relatively high railway rates are allowed for. A good enquiry is circulating for forward delivery, especially for washed nuts. Shipment prices (f.o.b. district ports) :—Lanarkshire.—Ell best, 14s.; splint best, 16s.; splint second, 15s. 6d.; navigation, 17s. 6d.; navigation second, 15s.; Hartley, 16s. 6d.; steam, 13s. 6d.; trebles, 14s. 3d.; doubles, 13s. 6d.; singles, 12s.; pearls, 11s.; dross, 10s. Fife.—Screened navigation, 17s. 6d.; first-class steam, 13s. 9d.–14s.; third-class steam, 12s.; trebles, 14s. 6d.; doubles, 13s. 9d.; singles, 12s.; pearls, 11s. Lothians.—Prime steam, 13s.; secondary steam, 12s. 6d.; trebles, 14s. 6d.; doubles, 13s. 6d.; singles, 12s.; pearls, 11s.

Our Cardiff correspondent writes :—Conditions on the Cardiff coal market during the past week have, on the whole, continued very stable. There has been an improvement in the supply of tonnage and collieries have consequently lost very few shifts; while prices for practically every description have been fairly well maintained. All the collieries are not, of course, equally stemmed, but some even of the large groups are as fully employed as they were during the pressure last March and are realising from 6d. to 9d. per ton above the recently increased minimum schedule of prices. The question of reorganisation is again under consideration, and at a meeting of a committee of the owners this week a further effort was made to surmount the difficulties which stand in the way of the introduction of the proposed output regulation scheme. One of the most formidable of these difficulties, it is understood, relates to the position of the single colliery companies, and so far no way has been found out of it. An interesting development has been the acceptance by the workmen's leaders of an invitation from the colliery owners to convene a meeting of the Conciliation Board to consider the advisability of opening negotiations for a new agreement in place of that now in operation, which will automatically expire at the end of the present year. The following are the current approximate quotations: Best Admiralties, 19s. 9d. to 20s. 3d.; seconds, 19s. 9d. to 20s.; best drys, 19s. to 19s. 6d.; Black Veins, 18s. to 18s. 6d.; Western Valleys, 17s. 9d. to 18s.; Eastern Valleys, 17s. 6d. to 17s. 9d.; best small steams, 13s. 3d. to 13s. 6d.; cargo smalls, 12s. 3d. to 12s. 9d.; coking smalls, 13s. 6d. to 14s.; anthracite, best, large, 33s. to 36s. 6d.; Red Vein, large, 23s. to 27s.; machine-made cobbles, 40s. to 44s.; French nuts, 42s. to 44s.; stove nuts, 39s. to 42s. 6d.; rubbly culm, 10s. to 10s. 6d.; foundry, coke, 27s. 6d. to 36s. 6d.; patent fuel, 20s. to 21s. 6d.; pitwood, ex ship, 25s. 6d.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange. The iron and steel markets are entering upon a period of the year when trade is generally quiet, but so far the volume of business has been fairly well maintained. The election naturally interrupted business, but already there has been some increase in inquiry, although it is only natural that until

political situation becomes more settled there will be a tendency to limit commitments. In the pig iron department there is still a scarcity of East Coast iron and although the official prices have remained unaltered for a long period good premiums are obtainable upon any parcels coming on the market. The recent advance in the prices of Midland pig irons has somewhat checked business, but the demand for that description of iron seems to be slightly improving. In the semi-finished steel department British manufacturers appear to be well off for orders, while the quotations of Continental material offering are restricted. Continental prices remain firm and it is not easy to place orders for near delivery. The demand for finished steel continues irregular. The overseas markets seem to be buying spasmodically and to be limiting their purchases as much as possible. In the home market most departments of the steel trades have covered their requirements for the time being and at the moment the demand is not lively. On the other hand, the steel works booked a considerable amount of business before the advance in prices at Whitsuntide, and most of them are not badly off for work.

Our Middlesbrough correspondent writes :—The market for Cleveland iron continues very firm, with numerous inquiries, but, unfortunately, there is not sufficient iron available and many orders have to go unfilled. Makers are entirely off the market, being sold for some months ahead, and the quantity of iron obtainable second hand is now considerably reduced. Prospects of an increase in the make to any important extent are not favourable and although a Cleveland furnace at Jarrow is going in very shortly the prospective make was all sold some time ago. Prices obtained by merchants at Tuesday's market for odd lots were: No. 1, 72s. 6d.; No. 3, 70s.; No. 4 foundry, 69s.; and No. 4 forge, 68s. 6d. Total shipments of all classes of pig iron for May were 32,718 tons, compared with 30,101 tons in April and 24,873 tons in March. Hematite is an improving market. There is not much iron available for this month and the price realised is 74s. for mixed numbers, which figure would still be accepted by makers for the third quarter, but beyond they are inclined to ask more. Inquiries are increasing and an expansion in business is in evidence. Steel works are busy on old contracts which will carry them on for some time, but so far there has not been much buying on home account at the recently advanced prices. A fair number of orders are coming to hand for export and the outlook in this department is encouraging. Prices for home are: Plates, £8 12s. 6d.; angles, joints, channels, £8 2s. 6d., subject to rebates. Heavy steel rails are quoted £8 10s.; black sheets, 21/24 gauge, £10 10s.; 24-in. gauge galvanised corrugated sheets, £13 15s.; iron crown bars, £10 15s., all for home consumption. Coke is in increased request and producers are only offering in moderate quantities. The price for good medium brands is advanced to 19s. 6d. delivered furnaces. Ores of best qualities are scarce and prices are firm on the basis of 23s. for best rubio c.i.f. Tees. There are 42 furnaces at present in blast on the North-East Coast, against 31 at the beginning of the year.

Our Sheffield correspondent writes :—Local industrial conditions remain quiet and it is evident that recent increases of iron and steel prices have checked the flow of trade to some extent. This upward movement has also enabled certain classes of foreign material to re-enter our market. Wire rod prices have been advanced owing to the rise of billet prices. The further advance of a shilling on foundry pig does not appear to have affected the market, which was already very flat. Sales and consumption are alike poor. The depression in the acid steel department grows even more acute, and is not likely to be relieved until the railway companies resume buying of material on a normal scale. Output of basic steel is large. Depression is general in plate, cutlery and hand tools. The unemployment figures do not undergo much change, and have varied little for six or nine months.

Our Glasgow co respondent writes :—Business remains quiet in the iron and steel industries in the West of Scotland, and there are no apparent signs of renewed activity. Although pig iron conditions are still unsatisfactory, increased prices are contemplated as to-day's prices are unremunerative. Steel works plants are working steadily, although possibly in many cases not to full capacity, and, as has been the case for some time, there is a better demand for structural and engineering materials than for shipbuilders' requirements. Owing to the increased price of Continental semis, British makers are able to secure a larger share of the orders for sheet bars. In the sheet trade the position is unchanged; works are well employed and prices maintained, but most of the purchases are for early delivery.

Our Cardiff correspondent writes :—On the Swansea Metal Exchange on Tuesday business in South Wales tinplates was comparatively quiet, but it was reported that order books were, on the whole, well filled. Export trade conditions are normal, but prospects are opening out of increased inland consumption as the result of the extension of canning factories. Quotations for tinplates were stationary at from 18s. 6d. to 18s. 9d. per basis boxes, and for galvanised sheets at from £13 12s. 6d. to £13 17s. 6d. per ton. Local tinplate bars are unaltered at £6 6s. 3d. per ton, but foreign bars are 6d. higher at £5 17s. 6d. than a week ago. Scrap steel prices are a shade easier. Shipments of tinplates last week totalled 129,469 boxes and stocks 218,183 boxes, compared with 238,878 boxes the previous week. The production of tin, terne and black plates in the first three months of the year totalled 192,000 tons, compared with 200,000 tons in the corresponding period last year, and of galvanised sheets 247,200 tons, compared with 225,800 tons

PLAYER'S WHITE LABEL

NAVY MIXTURE

—smoke it for a change—you won't want to change again.

2OZ. POCKET TIN 1/10

OTHER METALS.

Tin.—The market for tin exhibited firmer features, sellers being more reserved in face of improved American and Eastern advices, while influenced by a decrease in monthly visible supplies. A fair business transpired, though profit-taking accounted for some irregularity and weakness at times. Stocks in London and Liverpool warehouses for week ending June 1st were returned at 8,211 tons compared with 1,391 tons at corresponding period last year. Standard, cash, sold, £197 12s. 6d.–£199 10s. and £198; three months, £199 10s.–£201 10s. and £201 5s.. In the East sales were reported at £201 5s. to £203 15s. and £202 12s. 6d. c.i.f. terms.

Copper.—Market opened with a quiet and easier tone, but later buyers were more in evidence, particularly regarding forward positions, and a firmer market resulted. Standard cash sold £74–£73 10s. and £74 6s. 3d.; three months, £73 5s.–£72 15s. and £74. Stocks of refined up to May 31st totalled 775 tons, and rough, 5,163 tons; comparing with 927 and 3,718 tons for the previous month.

Lead.—In fair request and market firm. Good soft foreign pig, June, sold at £23 10s.–£23 16s. 3d. and £23 13s. 9d.; July, £23 11s. 3d. to £23 15s.; September, £23 10s. to £23 15s. and £23 13s. 9d. ton.

Spelter.—Quiet and easier. June, sold, £26 11s. 3d. to £26 5s.; July, £26 10s. to £26 5s.; September, £26 7s. 6d. to £26 2s. 6d. ton.

Aluminium quiet. Ingots and bars for home delivery, £95 ton.

Antimony dull. English regulus, £48 to £52; foreign spot, £34 10s. to £35 ton.

Wolfram quiet. Straits nominally 32s. to 32s. 6d. per unit c.i.f.

Quicksilver steady. Spot, £22 2s. 6d. to £22 7s. 6d. per bottle.

Tin Plates maintained. I.C. coke, prompt and forward, 18s. 6d. to 18s. 9d. per box f.o.b. Swansea.

THE COTTON TRADE.

Liverpool, June 5th.

The market continues to be ruled by weather news, but some short covering has taken place on adverse news from the west. Spot sales for the week May 30th to June 5th (inclusive) are 57,000 bales, of which 7,240 American, 200 Brazil, 1,950 Argentine, 1,600 Peru, 2,500 Egyptian, 2,000 African, 1,100 East Indian, and 410 sundries. Imports for the same period are 46,474 bales, of which 15,005 are American, 2,106 Brazil, 3,732 Argentine, 894 Peru, 9,772 Egyptian, 6,874 African, 7,433 East Indian, and 658 sundries. Quotations to-day are: American Middling, 10·26; Egyptian Sakel, 17·25; Egyptian Uppers, 11·53; Brazil Fair, 10·46; Peru G.F. Mod. Rough, 12·50; Peru G.F. Smooth, 11·21; West African Mid, 10·31; East African G.F., 11·50.

Manchester, June 5th.

A flat and featureless state of affairs has continued to prevail throughout the cloth and yarn sections. Depressing advices have been received from abroad regarding current and prospective demand for piece-goods and in the circumstances there is little probability of demand broadening sufficiently to enable producers to work a larger amount of machinery, and at the same time insist on more remunerative rates being paid. As a matter of fact there is a distinct tendency for manufacturers' order lists to run down and in order to keep machinery working some low rates have been accepted. Demand for Calcutta has been at a low ebb. There has been rather more inquiry, however, for Bombay, Karachi, Delhi and Cawnpore, and a fair miscellaneous business has been done in light cloths, prints and fancies. Demand for China has been rather larger, but transactions of weight have been few and far between. Business with the Far Eastern markets has been affected by the low price of silver. Only sorting-up lines have changed hands for the smaller markets. The turnover in American yarns leaves much to be desired. Business in Egyptian descriptions tends to broaden.

Statement of the Cotton Trade.

	1929.				Corresponding Date.	
	May 15.	May 22.	May 29.	June 5.	1928.	1927.
Raw Cotton—Mid. American .....per lb.	d. 10·12	d. 10·28	d. 10·20	d. 10·26	d. 11·48	d. 9·26
Sakellaridis Fully Good Fair Egyptian .....per lb.	17·85	17·85	17·05	17·25	21·70	17·00
Yarns—32's twist .....per lb.	15	15	15	15	17	15½
— 40's weft .....per lb.	15¾	15¾	15¾	15¾	17½	16
— 60's twist (Egyptian) .....per lb.	26	26	25½	25½	31½	28
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	s. d. 25 3	s. d. 25 3	s. d. 25 3	s. d. 25 3	s. d. 26 9	s. d. 26 0
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	27 9	27 9	27 9	27 9	29 3	27 9
38-in. ditto, 38 yds., 18 by 16, 10 lb.	15 0	15 0	15 0	15 0	15 3	14 1½
39-in. ditto, 37½ yds., 16 by 15, 8½ lb.	13 4½	13 4½	13 4½	13 4½	14 3	13 4½

THE WOOL TRADE.

Our Bradford correspondent writes :—Apart from the fact that the possibility of a safeguarding duty on imported fabrics has become very remote, it cannot be said that the result of the General Election has had any influence upon trade. It was realised that the defeat of the Conservative Party would shatter the hopes of those who looked to Safeguarding to restore prosperity in the wool textile industry, and now everybody seems to be resigned to a policy of "wait and see." The wages position is almost Gilbertian. Reductions have been accepted by some of the operatives in the heavy woollen district; in other districts the operatives are on strike; and in the worsted section firms, who recently gave notice of a 10 per cent. reduction, have capitulated without a struggle and gone back to the old rates. The whole position is most perplexing, and it is high time the Industrial Council took the matter in hand with a view to arriving at a general agreement for the entire industry. In the matter of values, users are still without confidence. Very little business is being transacted in tops and yarns, and quotations remain more or less nominal. The only thing that is at all certain is that the market favours the buyer, and for anything like a decent order, concessions can be obtained in almost all qualities. Merinos appear to be attractive at current rates, but users are not at all inclined to speculate. The political situation has little or nothing to do with it; the trouble is that a workable basis has not yet been established, although it is quite possible that when demand does revive, prices will be on a higher level than that now ruling.

COLONIAL WOOLS.

(from a correspondent.)

This is a rather quiet period so far as the market for Colonial wool is concerned, though naturally growers, sellers and users are beginning to cast their thoughts towards the next clip. It is early to make any definite anticipations about the selling value of forthcoming supplies, though, judging from impressions gathered from various sources, there is likely to be enough wool for requirements without undue inflation. There is, of course, still a considerable quantity of wool to be consumed before the machinery in the West Riding and on the Continent is able to tackle another clip, and it is gratifying to find that each week fairly encouraging sales are being made from the stocks held in Bradford. It is an anomaly to which reference has often been made that wool is more valuable in the bale or as matchings than after being combed, but this fact has again been brought out within the past few days, merino wool having been sold at such a price as it would be absolutely impossible to realise in the top. Prices for merino tops are no firmer to-day than before the election took place, and it is rather disquieting to find that while wool values, so far as it is possible to test them at this juncture, remain steady, tops can only barely hold their own. There does not seem to be quite so much tension about the wages question. The fact that some of the mills have decided to take back their operatives at the old rate of wages will help to maintain consumption, and this is a very vital point at the present time. It is also understood that, following pressure brought to bear by the topmakers, the Commission Woolcombers' Association have withdrawn the scheme announced about a month ago. Instead of a higher rate, with a rebate of 9 per cent., payable periodically, it is expected that a definitely reduced scale of charges will come into force. This is a satisfactory conclusion to the dispute between the topmakers and the combers. It will serve as some inducement for the combers to send more wool to be combed, and will leave them at liberty to use their own discretion in giving out their combing work.

HIDE, LEATHER AND ALLIED TRADES.

Market hides remain steady, with a firm tendency, and at some of the provincial auctions best ox have advanced fractionally. Special interest will be taken at the resumed sales in Bermondsey this week, when some indication of future values will be recorded. Prospects seem bright in foreign hides, as in some cases prices are again advancing. South American fregorifics are, however, the exception, as Argentine and Montevideo ox have sold at 7⅞d. Saladeros are very slow of sale, 7¾d. being paid for Livramento ox. Dry River Plates are firm on spot, with B.A. Americanos offering at 11d., buyers ideas being 10⅝d. There is a decided scarcity in S. African hides, and dry-salted Capes are eagerly bought at 11½d.–10½d. for first and seconds. The Chicago market is cabled as steady and slow, with best heavy packer steers selling at 15½ cents. Australians are held at origin for higher prices, which is checking business. A few dry salted Queensland meatworks hides have, however, sold on a basis of 9½d. The turnover in sole leather shows some improvement. Shoe manufacturers are in receipt of fair-sized orders for footwear, and are perforce obliged to renew stocks of bends and offal. Light dry hide bends are still popular owing to their cheapness, but a fair-sized business is also passing in wet-salted bends with makers of the better class of men's goods. Prices are rather more stable, and one hears less of "slaughter" prices paid by merchants. Export trade remains fairly brisk, but has received a check owing to the suggested imposition of duties on leather sent to the United States. Tanners and merchants have of late done a better business in upper leathers. Prices, however, are still very unstable, and it is to be feared much of the business done shows no profit. Glacé kid in black and colours sells well at firm rates, whilst there has been a better demand for light-weight willow calf and side leathers. Patent remains slow at easier prices, but there is still a good demand for reptile leathers, suede coming in again for attention. The shoe section reports an all-round improvement, and some manufacturers are booked ahead for several weeks. A satisfactory feature of the trade is that the demand for artisan boots shows an improvement after a long period of stagnation.

HARRISONS & CROSFIELD LTD

East India Merchants,

Agents and Secretaries of Rubber,

Tea and Produce Companies,

1-4 Great Tower Street, London. E.C.3

JUTE TRADE.

Dundee, June 5.

Inactive conditions still dominate the jute trade. Business is confined to a minimum and buyers of all commodities are—purchasing only what they cannot do without. Both spinners and manufacturers are stopping machinery to curtail their production, and the number of workers receiving unemployment benefit has increased during the past month by about 600. The stagnation in trade is world-wide, and all the producing centres are complaining of a lack of demand for jute goods. The inevitable result of dull trade is a falling tendency of prices, which, however, have now come down to a very attractive level, and the day may not now be far off when a good improvement in business will be seen. The new jute crops prospect have greatly improved and sellers of the fibre have shown less reserve in offering, but the lack of demand for productions is responsible for an apathetic mood on the part of spinners, who cannot afford to pay even the lower rates now prevailing for the raw material, as these are still high in comparison with the rates ruling for jute yarns and cloth. Good First Marks could be obtained at £32 15s. to £33 for August/September shipment, and Lightnings are offered at £31 to £32, according to quality. Daisee assortment has been sold at £29 10s. for good marks, and Tossa assortment offered at £31 5s. for September/October shipment. Spinners are waiting till conditions become more settled. A good crop of jute is expected in the coming season. Sales of jute yarns are extremely few. Prices are not being really tested. Common 8 lb. crops are quoted at 3s. 3d. and 8 lb. spools at 3s. 4d., but ¼d. less in each case has been done. Buyers are not even indicating what they will pay now that further weakness has been displayed by the raw material prices. Twist is obtainable at 5¼d. for 3-ply 8 lb., and sacking yarns are at 3¾d. for 24-lb. weft and 5⅛d. to 5¼d. for 8-lb. chains. Rove rules unchanged at £17 for 200 lb. and £27 for 48-lb. Fine yarns keep steady, while carpet qualities have been sold to a fair extent for home trade consumption at 5d. for 14-lb. warp. Buyers of jute cloth are unwilling to go forward for delivery. They confine their purchases to small lots for immediate use, and prices vary according to width and weight wanted and the position of the manufacturer. Some makers are well placed for the next few weeks, but others are desperately in need of orders. The quoted rates are from 4 5/16d. for 10½-oz. 40-in. hessians and 3¼d. for 8-oz. Linoleum hessians are quiet, and heavy goods are moving slowly.

VEGETABLE OILS AND OILSEEDS.

Markets for the greater part of the week have been unsettled largely owing to American influences. With falling prices consumers have held aloof and no fresh amount of business has been possible. Linseed oil, in sympathy with seed, fell sharply to £28 per ton naked ex Hull for all positions, but crushers endeavoured to maintain the recent figure of £28 15s. for "spot" oil. With a rather better tone in the market raw oil shaded to £28 5s. for all positions to December. Cotton oils are dull and neglected, but values are nominally unchanged at £26 15s. for crude Egyptian and £30 10s. for common edible, spot, and June–August, ex Hull. Soya oil is easier but other seed oils are about unchanged. In the oilseed section linseed further declined, following the slump in wheat, and trade in Plate on spot transpired at £15, since when there has been some improvement to £15 5s., while £15 7s. 6d. is the value for afloat and early shipment. Calcutta linseed to London declined to £17 for May–June shipment. The quantity of linseed on passage to Europe, at 172,200 tons, is nearly 30,000 tons less than

a week ago and this is having a steadying influence on prices, particularly shipment. Cottonseed sharply declined upon lower cotton values in America and black Egyptian was done down to £8 15s.; but rather more is now asked for June and July loadings. The oilcake demand is very poor and prices easier.

OVERSEAS PRODUCE.

FOOD BEVERAGES, &c.

SUGAR.—Business proceeded with more freedom, both on grocery and manufacturing account at lower prices. The spasm of buying, which usually follows a price concession, was observable, otherwise there was no new feature to note in the general outlook. Depression gradually becomes more acute as producers have still to carry the weight of stock and the preponderance of raw descriptions undermines the market. Any replacing of depleted stocks on the part of the trade would materially alter the position. Acreage in Europe appears to be larger, though to a small degree, than last season, but it must be borne in mind that conditions commenced very much behindhand, and there is considerable lee-way to be made good. So much depends upon climatic conditions and so far very little mention is made of this important point. The domestic crop of beet in the U.S.A. is smaller than last year. It is thought that American houses may soon show interest in the balance of Cuban, as price now is very attractive. Messrs Tate and Lyle reduced quotations 3d. both London and Liverpool sugars. Cubes vary from 25s. to 25s. 6d. as to quality, fine granulated, 22s. 7½d.; coarse, 22s. 6d.; London, 22s. 1½d.; T.L., 21s. 10½d.; ditto month forward, 21s. 9d.; yellow crystals, spot, 20s. 7½d. Business done in T.L. granulated from second-hands ex refinery at 21s. 3d. Other granulated from home-grown factories 21s. 3d. to 21s. 6d. ex works, with parcels depot London 21s., a decline of 1½d. to 3d. White Mauritius, spot, London, 19s. 7½d. to 20s., according to sample. Czecho granulated ready for shipment to the United Kingdom, 10s.; November–December, 10s. 3d. f.o.b.; Dutch J ready, 10s. 3d. f.o.b. Rotterdam. Cuban, 96 per cent. centrifugal, August sellers, 8s.; buyers, 7s. 11½d. c.i.f. Terminal sections easy but unproved with dealings on a fair scale. Of raw, August delivery, sold 7s. 3d., 7s. 4½d.; December, 7s. 9½d. to 7s. 8½d., 7s. 10½d.; March, 8s. 0¾d. to 8s. and 8s. 1½d.; May, 8s. 3¾d. to 8s. 4½d. White, August, sold 9s. 6d. to 9s. 8½d.; December, 10s. 1½d.; March, 10s. 6¾d. to 10s. 7½d. cwt. Cuban receipts last week 54,842 tons, against 39,512 last year; exports, 103,179, against 60,948; stocks, 1,239,050, against 1,257,908; Central workings, 3, against 2. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending June 1st, totalled 120,049 tons, compared with 140,391 last year.

COFFEE.—General slackness was the salient feature in this market during the week. Home-trade buyers were decidedly reserved, while export requirements count for little at the moment. With the exception of East African, prices tended lower. A large quantity Costa Rica mainly bought in.

COCOA.—Only a small movement in spot goods on about former terms. Forward positions rather irregular. Accra, F/F, October–December, sold 41s. 9d. to 42s. 9d. f.o.b. terms. Terminal, June, sold 41s. 6d.–41s. 9d.; September, 44s. 9d. to 45s. 6d.; December, 45s. 6d. to 46s.; January, 45s. 9d. to 46s.; March, 46s. 9d. to 47s.

TEA.—Quantity of Indian offered during the week amounted to 49,329 packages. A rather quiet tone pervaded the auction room, but apart from slight irregularity, there was no marked change in prices. Finest liquoring teas met quite a firm market. Ceylon sales of 31,089 packages came to an irregular and easier market. Buyers were not inclined to operate with any freedom, except at a distinct reduction. Prices mostly from ¼d. to 1d. down, but this was largely attributable to continued falling off in quality. Java and Sumatra auctions quiet and easier.

RICE.—Market firm for all Eastern grain owing to the limited quantities on offer, but an unusual lack of interest on the part of European buyers is still marked. Finer qualities, such as Spanish and blue rose American, meet with but scanty support at the moment.

BEANS.—A firm but quiet market. Madagascar butters, spot, London, 41s. to 43s.; afloat, 40s. 6d.; Rangoon haricots, spot, London, 14s., afloat, 13s. 6d. c.i.f.

PEAS.—Market dull. Japanese, spot, 18s.; afloat, 16s. 6d. to 17s., as to position of steamer; April–May sold, 17s. 3d.; May–June sellers, 17s. 1½d.; new crop, September–October sold, 18s. 9d. to 18s. 10½d. c.i.f.

SPICE.—A good demand for pepper in forward positions and with reserve marked on the part of sellers, prices ruled firmer. Spot lots steady, moderate inquiries. Lampong, May–July sold, 1s. 3½d.; August–October, 1s. 2½d.; white Muntok, May–July, quoted, 2s. 2¾d.; June–August sold, 2s. 1¾d.; August–October, 1s. 11¾d. London stocks increased 151 tons on the week for black, but white, 16 down. Cloves dull, unaltered. Pimento very slow. August–October steamer to London quoted 113s. cwt. c.i.f. Singapore flake tapioca, June–July, to Havre, quoted, 18s. c.i.f. Sago flour, near, 11s. 1½d., distant, 11s. 3d. c.i.f. U.K. Dutch farina, 11s. 10½d. f.o.b. African ginger, spot, London, 62s.; shipment, 61s. cwt. c.i.f.

FRUIT (Dried).—Currants in quiet demand, but market firm. Pyrgos quoted, 45s.–46s.; Amalias, 46s.–47s.; Zante, 46s. 6d.–47s.; Vostizza, 52s.–56s.; Australian sold readily at 46s.–57s. Sultanas, parcels to arrive meet with fair support at about 34s. c.i.f., the small quantity available on spot ruling at 44s.–48s.; choice Cretan quoted at 55s.–59s.; Australian, new, 45s.–65s.; old, 31s.–38s.; Cape, bleached, 52s.–68s. Raisins slow; Valencia, common to good, 40s.–45s.; Lexias, new, 45s. Figs in small supply, bags genuine, common to fine, 28s.–35s. Dates in fair demand; Siar, spot, 14s.–16s.; first tide, 14s. per cwt.

EVAPORATED FRUITS.—Market firm, with a steady trade passing' plums tending dearer on reserved offerings; Californian plums, 20's–30's, quoted 66s.–68s.; 30's–40's, 58s.–60s.; 60's–70's, 44s.–46s. Pears, Lake County, 80s.–100s.; Australian, 75s.–76s. Apricots, South African Royal, 57s. 6d.–117s. 6d.; Australian, 70s.–85s. Peaches, Californian, choice, 54s.; extra choice, 56s.; fancy, 60s. Apples, Californian, spot, sliced extra choice, 77s. 6d. Almonds quiet and values easy; Magazan, 132s. 6d.; Mogador, 132s. 6d.; Majorcas, 135s.; Bitter-Jordan, 185s.–210s. cwt.

CANNED GOODS.

CANNED FRUIT.—A good demand continues for all descriptions of Californian fruits and a firm tone prevailed, packers indicating higher figures for the small remaining stocks on hand. New crop position unchanged pending the issue of opening quotations. Australian varieties sell readily at full rates. South African pines move off steadily and Hawaiian firm on scarcity, but Singapore are somewhat irregular in value, both spot and forward. Tomatoes quiet at about late rates.

CANNED FISH.—Market quiet, but best quality held for full rates. Portuguese clubs, 5s. per dozen tins. Lobsters, new pack supplies are readily absorbed, and best halves held for 145s.–155s. Salmon in good demand and market firm; Red talls, spot, 44s.–46s.; pink, ditto, 27s. 6d.–29s. 6d.; halves, 33s.–36s. 6d. Japanese crab firm, finest quality ruling at 97s. 6d.–102s. 6d., available supplies being light.

CANNED MEATS.—Corned beef and tongues tend firmer on limited offerings, but demand quite moderate. Danish boned hams realise full rates. Brawn in request at fully steady rates.

CONDENSED MILK AND MILK POWDERS.—Market generally steady. Full cream, sweetened: English, spot, 42s. 6d.; Dutch, ditto, 37s.; June–July, 37s. 6d. Machine skimmed, sweetened, English, spot, 25s.; Dutch, ditto, 22s. 9d.; June–July, 23s., all in 5-cwt. barrels. Powders, Spray process F.C., 26 per cent., 2 by 56 lb. tins, crated, 90s.; M.S. (1-cwt. cases), 41s.; Roller, ditto, F.C. 26 per cent., 73s., M.S., 31s. 6d., all nett, duty paid ex-wharf, London. On the grocery side, F.C.S., 20s.; M.S.S., 9s. 6d., basis per case, usual packing. Danish cream, evaporated, unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d.; condensed, sweetened, 48 by 14 oz., 20s. per case.

THE

STANDARD BANK

OF SOUTH AFRICA, LIMITED

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

CAPITAL Authorised and Subscribed	£10,000,000
CAPITAL PAID UP	£2,500,000
RESERVE FUND	£3,164,170
CAPITAL UNCALLED	£7,500,000
	£13,164,170

Board of Directors.

William Reierson Arbuthnot, Esq.
Rt. Hon. Lord Balfour of Burleigh.
Stanley Christopherson, Esq.
Edward Clifton-Brown, Esq.
Robert E. Dickinson, Esq.
James Fairbairn Finlay, Esq., C.S.I.
Solomon B. Joel, Esq.
Horace Peel, Esq.
Rt. Hon. the Earl of Selborne, K.G.
William Smart, Esq.
Rt. Hon. Lord Sydenham, G.C.S.I., F.R.S.

Joint General Managers in South Africa—John Jeffrey, James S. Shiel.
Deputy General Managers in South Africa—G. F. Le Sueur, W. K. Robertson.
Assistant General Manager in South Africa—Francis E. King.
London Manager—Bertram Lowndes.
Secretary—Herbert G. Hoey.

Head Office: 10 CLEMENTS LANE, LOMBARD STREET, and 77, KING WILLIAM STREET, LONDON, E.C.4.
London Wall Branch: 63, LONDON WALL, E.C.2.
West End Branch: 9, NORTHUMBERLAND AVENUE, W.C.2.
NEW YORK AGENCY: 67, WALL STREET.
HAMBURG AGENCY.
Bank of British West Africa, Ltd., 49–53, SCHAUENBURGER-STRASSE
Over 350 Branches, Sub-Branches, and Agencies in SOUTH AND EAST AFRICA.

EXECUTORSHIPS AND TRUSTEESHIPS UNDERTAKEN.

COMMERCIAL SERVICE.

The Bank has over 350 Branches in Africa, and Agents and Correspondents throughout the World. The closest touch with Trade and Industrial conditions is maintained, with special attention to Commercial and Credit Intelligence. This service is available to Exporters, Importers and others wishing to develop trade between South and East Africa, the United States of America and the Continent of Europe.

THE STANDARD BANK MONTHLY REVIEW is sent post free on application. It gives the latest information on all South and East African matters of Trade and Commercial Interest.

CENTRAL HANOVER
BANK AND TRUST COMPANY

Unites

Central Union Trust Company Of New York
and Hanover National Bank

With total resources of over $582,000,000 and capital funds of over $100,000,000 Central Hanover Bank and Trust Company merges two old, independent and conservative New York financial institutions with a history dating back to 1851.

Central Hanover Bank and Trust Company brings together two groups of widely experienced and carefully trained officers whose traditional policy of direct dealing with customers assures prompt decisions and quick action.

Its large banking business as well as the volume and quality of its trust business have been notable characteristics of the Central Union Trust Company. Hanover National Bank has been eminently a bankers' bank. Central Hanover Bank and Trust Company therefore has unusual facilities and organization for a completely rounded banking and trust service, domestic and foreign.

Central Hanover Bank and Trust Company will continue to maintain foreign representative offices which cooperate with local banks, rather than compete with them. This has been largely responsible for the highly satisfactory service of the foreign departments in expediting and financing foreign business, export and import.

The presidents of both institutions head the official staff of Central Hanover. George W. Davison is president and William Woodward is chairman of the board.

CENTRAL HANOVER
BANK AND TRUST COMPANY
NEW YORK

Representatives in London, Paris, Berlin, Buenos Aires and Sydney

Capital, Surplus and Undivided Profits Over One Hundred Million Dollars

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 3, N. Man. 496 lb....	44	9
Eng. Gas. av., per cwt.	9	9
Barley, Eng. Gas. av.	9	9
Oats, " " "	9	9
Maize, La Plata, landed, 480 lb.	36	6
Flour, Lon. stan. ex mill, 280 lb.	32	0
Rice, No. 2 Burma, per cwt.....	13	0
Sago, pearl, per cwt.	22	6
Tapioca, per cwt.—		
E.I. flake, fair spot 21 6	22	6
Medium pearl 20 0	21	9
Potatoes, good English, per ton... 50 0	70	0
New Spanish, cwt 10 0	0	0
	s.	d.
Beef, per 8 lbs.—	s.	d.
English sides.....	5 6	6 2
Argentine chilled hinds...	4 4	4 8
Mutton, per 8 lbs.—		
English wethers	7 4	8 8
N.Z. frozen "	4 0	5 2
Pork, English, per 8 lbs. ...	6 8	7 4

BACON— OTHER FOODS.

Irish .....per cwt. 110	0 130	0
Danish..... 106	0 112	0
Canadian..... 98	0 108	0
Dutch 96	0 106	0
HAMS—Irish..... 0	0 0	0
Canadian..... 0	0 0	0
American 109	0 123	0
BUTTER—		
Irish creamery per cwt. 164	0 168	0
Australian 148	0 168	0
New Zealand 164	0 174	0
Danish..... 176	0 0	0
CHEESE—		
Canadian ..... per cwt. 89	0 93	0
New Zealand 88	0 92	0
English Cheddars	nom.	
Dutch 42	0 81	0
COCOA—		
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)		
Accra f.f., per cwt. 46	0 49	0
Trinidad 60	0 65	0
Grenada 49	0 56	0
COFFEE—		
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)		
E.I., good to fine, per cwt. 145	0 155	0
Costa Rica, good to fine... 150	0 175	0
Cent. Amer., mid to fine 120	0 142	0
Kenya, bold sizes 125	0 143	0
Colombian, mid to fine... 123	0 132	0
EGGS—		
English ..... per 120 13	3 15	6
Danish..... 11	9 14	3
FRUIT—		
Oranges, Denia & Val. 300 17	6 29	0
" " 360 17	6 27	0
" " 504 17	0 27	0
Jaffa " ..... boxes 144 0	0 0	0
Lemons, Naples boxes 0	0 0	0
Sicilian ..... boxes 10	6 16	0
" .....cases 12	0 21	0
Murcia ..... half cases 0	0 0	0
Malaga ...cases 420 No. 1 0	0 0	0
Apples : Amer. (var.) brls. 0	0 0	0
(var.) boxes 10	0 12	6
Onions, Valencia :—		
case 4s. 0	0 0	0
case 8s. 0	0 0	0

	s.	d.	s.	d.
FRUIT *(continued)*—				
Onions, Egyptian, bag	3	6	5	0
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....bris.	0	0	0	0
LARD—				
Irish bladders.....	76	0	82	0
American boxes 56 lbs.	61	6	62	3
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	3½	0	0
Black Lampong	1	4½	0	0
Cinnamon—1st sort, per lb.	2	0	2	3
Cloves—Zanzibar per lb.	1	5½	0	0
Ginger—per cwt.—				
African	62	0	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	4	0	4	6
Nutmegs 65's	1	10	2	0
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	21	0	23	0
Java, white, c.i.f. India, July–Sept.	11	9	0	0
REFINED—London—				
Yellow Crystals	20	7½	0	0
Cubes	25	0	25	6
Crushed	23	9	24	3
Granulated	21	9	22	7½
Home Grown (prompt)	21	3	21	6
TEA—				
(Duty 3½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	0	10½	2	0½
Broken Pekoe	0	11	2	1
Orange Pekoe.....	1	0½	2	2
Broken Orange	1	0½	2	5
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	0	10	2	9
Rhodesian leaf	0	9	1	6
Nyasaland leaf	0	9	1	8
" strips	0	10	1	10
East Indian leaf.....	0	4½	0	7½
" strips.....	0	6	0	10

TEXTILES.

	d.
COTTON—	
Mid-American .....per lb.	10·26
Sakellaridis, f.g.f.	17·25
Yarns, 32's twist	15
60's twist	26

	£	s.	£	s.
FLAX—				
Livonian ZK .....per ton	79	0	0	0
Pernau HD.....	71	0	0	0
Slanets Medium 1st sort	83	0	84	0
HEMP—				
Italian P.O. ..... per ton	58	0	0	0
Manila, June–Aug. "J2"	38	0	0	0
N.Z.		nom.		
Sisal	37	10	39	10
JUTE—				
Native 1st mks....per ton June–July	28/12/6		0/0/0	
Aug.–Sept.	30/2/6		0/0/0	
	s.	d.	s.	d.
SILK—				
Canton .....per lb.	16	0	18	0
Tussah.....	6	0	9	0
Japan	20	0	22	0
Italian—Raw, fr. Milan	19	0	22	0

	s.	d.	s.	d.
WOOL—				
English Southdown, washed per lb.		24		
" Lincoln hog, washed		16½		
Queensland, scd. super cmbg.		41		
N.S.W. greasy, super "		23		
N.Z., grsy., half-bred 50–56		19½		
Crossbred 40–44		15		
Tops—				
Merinos 70's		43½		
" 64's		41		
Crossbred 48's		24½		
" 46's		23		

MINERALS.

	s.	d.	s.	d.
COAL—				
Welsh, best Ad'ty...ton	19	9	20	0
Durham, best gas	16	0	16	6
Sheffield, best house ...	19	0	20	0
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	70	0	72	6
Bars, M'brough 215	0	0	0	
Steel Rails, heavy.....170	0	0	0	
Tin Plates, I.C., per box 18	6	18	9	

METALS—	£	s.	£	s.
Copper, Electrolytic, ton	84/5/0		84/15/0	
Sheets (strong) 112	0	0	0	
Standard	73/18/9		74/0/0	
Lead Eng. Pig ...per ton	25/0/0		0/0/0	
Soft Foreign	23/15/0		23/13/9	
Spelter G.O.B.	26/8/9		26/5/0	
Tin—English ingots ...198/10/0			199/0/0	
Standard, cash 197/10/0			197/12/6	

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb. less 5%	2	1	2	2
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	0	9	10
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	29	0	30	0
CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
S.D. Straits, c.i.f., per ton June–July	£20/17/6		0	0
Smoked ditto.....	£19/15/0		0	0
DRUGS—				
Camphor—	s.	d.	s.	d.
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	13	6	13	9
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d
Wet salted—Australian per lb.	0	5½	0	6½
West Indian	0	4	0	6½
Cape	0	6	0	6½
Dry and Drysalted Cape...	0	9	1	0½
Market Hides, London—				
Best heavy ox & heifer	0	6	0	6½
Best cow	0	5½	0	5½
Best calf	1	8½	0	10½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	0	6	0	0
LEATHER—				
Sole Bends 8/14 lb.—				
per lb.	1	2	2	2
Bark Tanned Sole	2	6	3	3
Shoulders fm DS Hides	0	9½	1	1½
Do. Eng. or WS do.	1	1	1	7½
Bellies from DS do.	0	7½	0	9½
Do. Eng. or WS do.	0	9½	1	3
Dressing Hides.....	1	6	2	0
Ro. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Beads	1	6	2	0

VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	28/17/6		0	0
Rape, refined	42	15	0	0
Cotton-seed, crude	26	10	0	0
Coconut, crude.....	30	10	0	0
Palm	30/5/0		32/10/0	
Oil Cakes, Linseed, Eng., per ton	12/5/0		12/10/0	
Oil Seeds—Linseed—				
LaPlata, p.ton June–July	15/7/6		0	0
Calcutta, p.ton June–July	17/0/0		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	43	9	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		£	
Pales	10/5/0		22/7/6	
Reds	11/10/0		21/12/6	
Cylinder	14/15/0		42/15/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	52	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	17	5	23	9
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	10¾	0	0
Fine Hard Para per lb.	0	11½	0	0
SHELLAC—				
TN Orange ... per cwt.	200	0	0	0
SHELLS—	£	s.	£	s.
W. Aust. M.-o.-P. "	4	0	12	10
TIMBER—			£	s. d.
Swedish u/s 3 x 8 per std.			19	0 0
Do. 2½ x 7 "			19	0 0
Do. 2 x 4 "			19	0 0
Can'dn Spruce, Dis. "			17	10 0
Pitchpine ..... per load			9	0 0
Rio Deals ..... per std.			32	0 0
Teak ..... per load			20	0 0
Honduras Mahg. logs c. ft.			0	11 6
African "			0	6 6
American Oak Boards "			0	6 6
Do. Ash "			0	6 6
English Oak Planks "			0	7 0
Do. Ash "			0	6 6

HONEY.—Market quiet and larger quantities of new crop Jamaican are available, general run of quality being satisfactory. Jamaican, white set, 55s.; good amber to fine pale, 48s.–53s.; dark to fair amber, 42s.–46s. New Zealand, dark amber, 50s.–55s.; medium, 55s.–65s.; light, 65s.–85s.; white and water whites, 65s.–87s. 6d. Fine white smooth San Domingo, 55s., with lower grades down to 47s. Californian, 55s.–57s. 6d. cwt.

RUBBER.

Market quite steady, but only a comparatively small business was arranged. Plantation sheet, spot, and June, sold, 10⅛d., 10 7/16d.; July–September, 10 11/16d., 10⅝d.; October–December, 11 3/16d., 10⅞d.; January–March, 11 7/16d., 11⅛d. London stocks, 646 tons higher on the week, landings being 2,175; deliveries, 1,529; stocks, 31,539, against 43,716 last year. Liverpool stocks, 23 tons lower; landings, 135; deliveries, 158; stocks, 4,642. Total Straits shipments last month, 43,960 tons, of which 15,593 were of foreign importation. To the U.K. 5,477 tons were shipped; U.S.A., 30,996; Europe, 4,257; British Possessions, 1,583; Japan, 1,525; other foreign countries, 152.

GENERAL.

JUTE.—Business again kept down and undertone of market by no means robust owing to slackness of demand for manufactured goods and excellent crop prospects but steadied later Firsts, May–June, Continent, quoted, £28 15s.; June–July, £28 15s.; July–August, £29 5s.; new crop, August–September, sold, £30 2s. 6d.; lightnings, June–July, quoted, £28 7s. 6d.; August–September, sold, £28.

HEMP.—Despite firm cable advices from Manila and sustained inquiries on Japanese account, the London market disclosed a dull state of affairs with trend of prices against sellers. J.2, June–August, quoted, £38; K, £33; L.1, £33 10s.; M.1, £31 10s. African sisal, No. 1 f.a.q., June–August, sellers, £39 10s.; No. 2, £37 10s. c.i.f. Manila receipts for past week totalled 34,000 bales, compared with 24,000 at corresponding period last year. Estimate for next week, 26,000; and following week, 29,600. Manila shipments to Europe last week, 16,000 bales; U.S.A., 6,000; Japan, 4,000; other countries, 1,000. Local stocks, 7,000 bales up at 208,000.

SHELLAC.—Market quiet. T.N., spot, 200s.; August, 199s.; October, 201s. cwt.

COPRA.—Increased depression proved the salient feature as crushers confine their purchases to wants of immediate necessity, but became steadier. Straits, sun-dried, June–July and July–August, to Rotterdam, quoted, £21; Dutch East Indies, £20 15s.; Ceylon, June–July, sellers, £22; South Sea, S.D., to Rotterdam or Hamburg, quoted, £19 17s. 6d. To Marseilles, F.M. Manila, June–July, sellers, £19 12s. 6d.; smoked South Sea ditto, £19 12s. 6d.; business negotiated in mixed, excluding Padang, June–July, at £19 10s. to £19 13s. 9d. Palm Kernels, June–July, Hamburg, quoted, £16 10s.; July–August, £16 10s.

MISCELLANEOUS.—Coconuts, quoted, 12s. to 16s. per 100. Coir yarn, Ceylon, £19 10s. to £37 10s.; Cochin, £23 to £41; Ceylon bristle, £18 15s. to £25; cinnamon leaf oil, 5½d.; citronelle, Ceylon, 1s. 10½d.; Java, 2s. 2d.

METROPOLITAN CATTLE.—June 5.

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

	s.	d.	s.	d.		s.	d.	s.	d.
Beasts—Norfolk	6	4	6	8	Beasts—Heavy Bulls	...		...	
Irish	...		...		Canadian	...		...	
Cambridge.....	...		...		Sheep—Downs	8	4	9	0
Short Horns	6	0	6	4	Half bred	...		...	
Herefords	...		...		Ewes	4	4	5	0
Devons	...		...		Scottish	...		...	
Leicester runts	...		...		Lamb—Downs	11	4	12	4

LONDON POTATO MARKETS.—June 5.

	Per Cwt. s.	d.	s.	d.
English King Edward—Lincoln	2	0	3	6
White varieties.....	2	0	2	6
New Spanish	17	0	...	
" Jersey	19	0	...	
" St. Malo	18	0	...	

1329

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, JUNE 15, 1929. No. 4,477.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

(*Established in* 1824.)

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

Marine Department: 2-6, Billiter Square, London, E.C.3.

ASSETS EXCEED £30,000,000.

THE ALLIANCE GRANTS INSURANCES OF ALL KINDS.

LIFE DEPARTMENT.

INCREASED COMPOUND BONUSES on Participating Policies.

Assurances with DISABILITY BENEFITS (including Income Benefit).

Comprehensive Deferred Assurances for Children.

For full information apply to the Head Office or to any of the Offices or Agents of the Company.

A. LEVINE, General Manager.

CHRISTIANIA BANK OG KREDITKASSE

OSLO

Established 1848.

Paid-up Capital and Reserve Funds,

Kr. 40.000.000.—.

Oldest Norwegian Joint Stock Bank. Direct correspondents throughout the country. Offering complete services to banks and firms doing business on Norway.

Correspondence invited.

CREDITO ITALIANO

Capital Subscribed	- - -	Lire 400,000,000
Capital Paid-up	- - -	Lire 354,777,700
Reserve - -	- - -	Lire 210,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES AND CORRESPONDENTS THROUGHOUT ITALY.

London Branch: 2 ROYAL EXCHANGE AVENUE, E.C. 3.

Transacts a general Foreign Banking Business. STERLING DRAFTS AND DOCUMENTS ON ITALY COLLECTED ON SPECIALLY FAVOURABLE TERMS. CORRESPONDENT OF THE ROYAL ITALIAN TREASURY.

Telegrams: "Italocredi, London."

Telephone: Avenue 3031-6.

TABLE OF CONTENTS.

The Money Market.....	1329
Leading Articles—	
The New Government...	1331
The Reparations Report	1332
The Reparations Bank..	1333
Another Cotton Crisis?	1334
Recent Economic Changes in the United States.....	1335
Political Consistency.....	1336
Notes of the Week—	
The King and the Counsellors.....	1337
Whitehall and Washington.....	1337
Politics and the Bench...	1338
Mr MacDonald's Broadcast	1338
The Eight-Hours Contion	1338
The Treaty of the Lateran.....	1338
The League and Minorities.....	1339
Overseas Trade in May..	1339
London Traffic Bills.....	1340
The European Steel Cartel.....	1340
Agriculture in May.....	1340
Canadian Shipping Losses.....	1340
Shipping Freight Index Number.....	1341
Venezuela's Improvement	1341
Transvaal Output of Gold.....	1341
Overseas Correspondence—	
United States	1342
France	1343
Germany	1344
Italy	1345
Denmark.....	1346
Canada	1346
Letters to the Editor—	
The Fall in Wheat Prices	1347
Books and Publications—	
A Century of Poor Law	1347
American Politics	1348
Labour and Internationalism.....	1348
Books Received	1348
The Stock Exchange—	
American Buying of British Securities—II.	1350
The Week in the Markets	1351
London Active Securities	1351
Foreign Stock Exchanges	1352
The City and the New Government	1353
The Rhodesian Copper Boom.....	1353
Sheffield Steel Products Reorganisation.....	1354
Hudson's Bay Report...	1354
J. Lyons and Co.....	1355
Wm. Cory and Son.....	1355
Bleacher's Association...	1355
Anglo-Persian Oil	1355
Lobitos Oilfields	1356
Primitiva Gas Co.....	1356
African and European Investment	1356
Bangrin Tin — Siamese Syndicate	1356
Company Meetings of the Week	1356
Capital Issues	1357
Company Meetings, etc....	1358
Government Returns, etc.	1367
The Bankers' Gazette—	
Bank of England.....	1368
Bankers Clearing Returns	1368
Overseas Bank Returns	1369
Loan and Discount Rates	1370
Rates of Exchange	1370
Bullion	1371
Gold and Silver Prices...	1371
Summary of Balance Sheets	1371
DividendAnnouncements	1372
Weekly Traffic Returns	1372
Profit and Loss Accounts	1373
Monthly Statement of London Clearing Banks	1374
Reports and Notices ...	1374
Commercial Reports—	
The Corn Trade	1374
American Wheat Markets	1375
The Coal Trade.....	1375
Iron and Steel	1375
Other Metals.....	1376
The Cotton Trade	1376
The Wool Trade	1376
Colonial Wools.....	1377
Hide and Leather Trade	1377
Vegetable Oils and Seeds	1378
Overseas Produce.....	1377
Overseas Trade Returns	1378
Price Current	1380

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d.

Colonies and Abroad, £3 1s. 0d. per annum.

Single Copies, post free, 1s. 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4.

THE MONEY MARKET.

ALTHOUGH money remains easy, 4½ per cent. being the rate charged for new money in the middle of the week, there are signs that the supplies released by the payment of the War Loan dividend at the beginning of the month are slowly being absorbed. At the same time, the clearing banks are continuing to lend money until June 28th at 4½ per cent., and this suggests that there is no fear of any immediate stringency. Nor is any undue pressure

anticipated at the turn of the half-year. There will, presumably, be the usual precautionary borrowing from the Bank during the last week of June, but some banks are already offering money over the end of the month at 5 per cent., a fact which carries with it a general suggestion of relative ease.

* * * *

July bills are quoted at $5\frac{1}{16}$-$\frac{1}{8}$ per cent., August bills at $5\frac{3}{16}$ per cent., while the market rate on three months' bills is $5\frac{1}{4}$-$\frac{5}{16}$ per cent., $5\frac{9}{32}$ per cent. being the working rate. The banks are already well supplied with bills maturing at the end of June, and no change in rates or in market conditions is anticipated. In view of the low level of the New York Exchange, the gold position is satisfactory. This week, the Bank secured £307,000 of the new gold in the market, and there is no trace of any having gone to America. The " unknown buyer " was in evidence again, and obtained £500,000. There is no clue to his identity and indeed it is believed that this week there were three or four " unknown buyers " in the market who secured the gold between them.

* * * *

The weakness of sterling in New York is now viewed with greater equanimity. Debt payments by England and France are believed to be the explanation. In particular, it is thought that a few months ago, when the French authorities were buying dollars, heavy forward sales were made against sterling. These sales are now having to be covered, and it is said that one or two dealers are now finding themselves caught short. This squeeze explains the low level of the spot rate, and if this explanation is correct, an early rally can be expected, when once the squeeze is over. In any case, it is clear that the American authorities do not want to take gold.

	June 13, 1929.	June 6, 1929.	May 30, 1929.	May 23, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate	5½	5½	5½	5½	4½ (Feb. 7,'29)
Banks' Deposit Rate	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount ∫ Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
Houses \ Notice	3¾	3¾	3¾	3¾	2¾ (Feb. 7,'29)
Market rate (3 months' bills)	$5\frac{1}{4}-\frac{5}{16}$	$5\frac{5}{16}$	$5\frac{5}{16}-\frac{3}{8}$	$5\frac{1}{8}$	...

The monthly statement of the nine English clearing banks records a decline of £11.1 million in deposits, and one of £9.9 million in acceptances. It is difficult to resist the conclusion that these are the result of the fall of £5.7 million in the banks' cash holdings.

	Jan., 1929.	Feb., 1929.	Mar., 1929.	April, 1929.	May, 1929.
Capital and reserves	130·8	130·8	130·8	130.8	130·8
Acceptances	232·4	230·8	222·1	206·3	196·4
Deposits (including undivided profits, &c.)	1,809·6	1,773·4	1,739·3	1,743·4	1,732·3
Total liabilities	2,172·8	2,139·0	2,092·2	2,080·5	2,059·5
Coin, notes, balance at bank, and cheques in course of collection	255·1	240·5	239·5	251·0	245·3
Money at call	145·1	133·4	131·3	140·8	141·0
Investments	274·3	270·8	268·9	269·2	269·3
Discounts	274·2	260·2	214·3	191·5	194·9
Loans and advances	956·1	967·5	980·3	985·8	976·4
Cover for accept., premises, &c.	268·0	266·6	257·9	242·2	232·6
Total assets	2,172·8	2,139·0	2,092·2	2,080·5	2,059·5

Discounts have risen by £3.4 million, this increase being probably the reflection of the upward trend of Treasury Bill issues. The steady expansion in advance has at last been checked, this item having fallen by £9.4 million. In view of the general shrinkage in the bank's resources, it was inevitable that this experience should come to an end.

NEW YORK MARKETS.

Our New York correspondent cables:—After temporary firmness following preparations for tax date settlements, money has been easier, call rate having fallen to 7 per cent. The banks have been allowing their reserves to run off in anticipation of the Treasury borrowing at the end of the week. Easier money still is expected in the early part of next week, until income-tax cheques for second-quarter payments are collected. The easier tendency has been aided by the Reserve Banks, who bought $22 million of Government securities and $2 million of bills, probably with a view to helping dealers over mid-month difficulties. Meanwhile, the member banks have cut down their borrowings by $44 million, and the Reserve ratio is up to 75.2 per cent. There has been an increase in contingent liabilities, and the total of bills purchased by foreign correspondents is higher. A considerable gold movement from Canada is now expected on the removal of what has been a virtual embargo by the Dominion Government.

THE STOCK MARKETS.

After a wholly deceptive appearance of re-awakening activity on Monday, markets slipped back into their former dull condition. Investment demand was sufficient to maintain prices and to give a steady tone, but the public refused to be drawn into speculative operations. The gilt-edged market was idle and easier on the behaviour of the New York exchange, but the Foreign Market derived benefit from the signature of the Reparations report. Home Rails had a short-lived period of activity in view of possible assistance from the Labour Government; but the Industrial markets were stagnant, apart from considerable dealing in Gramophone (H.M.V.) shares on a bonus capital issue announcement. Rubber shares attracted no interest. Oils early lost the impetus given by the conservation conference in America. Activity in Rhodesians remained professional, but General Smut's success in South Africa was regarded as a bull point for Kaffirs.

THE COMMODITY MARKETS.

Trade in the principal markets continues the trend of recent weeks. The coal industry is for the most part maintaining its position, though South Wales reports easier conditions. Except for some disappointment in the finished steel section over the falling-off in new shipbuilding contracts, the iron and steel trades continue to report a fairly satisfactory state of affairs, though a shortage of Cleveland iron is causing some inconvenience. Other metals have shown some slight weakness. There has been no perceptible improvement in the Manchester cotton trade. While there has been no definite change in the Bradford position, the adoption of a firmer attitude by topmakers is a promising sign. The hide and leather trades are definitely improving. Linseed and linseed oil are in poor demand, but cottonseed and oils are steadier. Wheat has declined one point.

THE FOREIGN EXCHANGES.

Fair activity again characterised the Foreign Exchange market with steady trading. The principal features were the continued weakness of sterling against the dollar, and the recovery of the peseta, apparently under the influence once more of some official control. New York fell away from 4.84$\frac{15}{16}$ to 4.84$\frac{25}{32}$,—as a result of persistent buying of dollars especially by France. The Montreal rate rose to 4.89. Paris lost a point at 124.04 after 124.02. Madrid recovered to 33.93, after opening at 34.65 and touching 33.85. Amsterdam was better by $\frac{1}{8}$ at 12.07$\frac{1}{4}$ after 12.08, and Berlin lost $\frac{1}{2}$ on balance at 20.34 after 20.35$\frac{1}{4}$. Switzerland fell away to 25.20$\frac{1}{4}$, but Stockholm gained 1$\frac{1}{8}$ at 18.12$\frac{3}{8}$. The other Scandinavian currencies were unmoved. Constantinople recovered to 998 from 1,015. Of the South American exchanges Buenos Aires gained $\frac{1}{32}$d. at 47$\frac{5}{32}$d. Montevideo lost $\frac{1}{8}$d. at 47$\frac{3}{4}$d. and the premium on 90 days' Lima on London declined by $\frac{1}{8}$ per cent. to 19$\frac{1}{2}$ per cent. In the Far East the rupee lost $\frac{1}{32}$d. at 1.5$\frac{33}{64}$ with the lowering of the Bank rate whilst the yen fell away by $\frac{7}{32}$d. to 1s. 9$\frac{3}{4}$d. Batavia lost $\frac{1}{8}$ at 12.10$\frac{5}{8}$. In the forward market the discounts on forward New York widened from $\frac{7}{32}$ cent to $\frac{5}{16}$ cent for one month and from $\frac{1}{2}$ cent to $\frac{19}{32}$ cent for three months. The premium on forward Paris rose from 2 to 4 centimes and from 5 to 6 centimes for the two periods. The quotations for forward Milan was practically unchanged, but the premium on one month's pesetas widened a point to 5 centesimi. Discounts on forward Amsterdam were rather wider at $\frac{1}{4}$ and 1$\frac{1}{4}$ guilders, but that on one month's Berlin was a shade narrower at 4$\frac{1}{2}$ pfennigs. The silver market showed no signs of genuine demand for consumption, but prices rose $\frac{3}{8}$d. for spot and $\frac{3}{16}$d. for forward under the influence of Chinese and Indian buying for cover for speculation. The China silver exchanges improved in sympathy, Hongkong gaining $\frac{1}{8}$d. at 1s. 11$\frac{3}{4}$d. and Shanghai $\frac{1}{4}$d. at 2s. 4$\frac{7}{8}$d.

THE NEW GOVERNMENT.

The general complexion of Mr MacDonald's second Ministry is such as to encourage the country, irrespective of differences of political faith, in its determination to give the new Government a friendly welcome and a fair, unprejudiced trial. In forming his Administration the Prime Minister, whose wisdom in refraining this time from the burden of two portfolios is undoubted, has avoided alike the sensational and (with one exception) the provocative. His Cabinet, reduced on this occasion to nineteen in number by the exclusion of the Postmaster-General and the Chancellor of the Duchy of Lancaster, is composed in the main of " old hands," whose influence may be relied on to weigh heavily against the adoption of legislative short-cuts to Utopia. Certain appointments give room for slight misgiving; in the case of others judgment must be suspended until capacity has been tested by events. As a whole, however, the list of Ministers, strengthened, as it is, by the infusion of a considerable amount of new blood in the junior posts, holds the promise of a sane, well-balanced Government, not lacking either vigorous or talented elements, but likely on balance to " play for safety " in full consciousness of the fact that their tenure of office rests upon a minority in the House of Commons.

In the realm of domestic policy Mr MacDonald's selections are well advised and in appearance—one may add—ingenious. Allotting to Mr Clynes the task of assuming at the Home Office the mantle (" cut down " a trifle) of Sir William Joynson-Hicks, the Prime Minister has clearly planned how best to co-ordinate in the strongest hands available the work of the Departments upon whose aid he must call in implementing the Labour Party's " unqualified pledge " of their Election Manifesto, " to deal immediately and practically with unemployment." Mr J. H. Thomas is appointed to the sinecure office of Lord Privy Seal in order that he may devote the whole of his considerable energies to carrying out the Government's unemployment schemes, which the Prime Minister defined in his broadcast speech last Saturday as " dealing with unemployment not only by relief works but by plans directed by the idea of national reconstruction." As lieutenants in this campaign Mr Thomas will have Mr George Lansbury and Sir Oswald Mosley—" part-timers " in the not onerous posts of First Commissioner of Works and Chancellor of the Duchy of Lancaster—while the Ministry of Labour is given to Miss Margaret Bondfield, whose record and abilities have fittingly earned her the distinction of being the first woman to reach Cabinet rank. The inclusion in this quadrumvirate of Mr Lansbury—a fiery vintage mellowed somewhat by years—is an astute move, inspired, we suspect, by the hope that the Left Wing may hesitate to fire its arrows of impatient criticism at the Lord Privy Seal thus " covered " by a veteran champion of " Socialism undefiled." On the other hand, lest the eleemosynary enthusiasms of the First Commissioner prove too strong even for Mr Thomas' well-known sense of realism, assurance against fears of extravagant policy is to be found in the return of Mr Snowden to the Exchequer, and the well-merited appointment of Mr William Graham, an essentially sound and careful administrator, as President of the Board of Trade. In Mr Arthur Greenwood also the Prime Minister has found a Minister of Health whose policy is unlikely to be over-adventurous but whose criticism from the Opposition benches of the late Government's De-Rating Bill showed a rare grasp of an intricate subject, equalled only on that side of the House by Miss Susan Lawrence, who appropriately becomes Parliamentary Secretary to the Ministry. Finally, by the appointment of an energetic Minister of Transport in Mr Herbert Morrison—with Dr Addison, returned from exile at the Prime Minister's " special and urgent request " to support Mr Noel Buxton at the Ministry of Agriculture, and with Sir Charles Trevelyan back at the Board of Education—Mr MacDonald completes a " Home " team whose personnel should succeed in combining adequately the qualities of boldness and moderation.

It is in the sphere of external policy that the capacity of the new Ministry may be most severely tested. Of the two " key " positions under present circumstances—the Foreign Office and the Admiralty—the first is filled by Mr Arthur Henderson, the second by Mr A. V. Alexander. The Prime Minister has made it clear that he intends personally to take an active part in major issues of foreign policy, but Mr Henderson, whose temperament is not that of a docile " second fiddle," and who is certain to insist on a fair measure of the " rights " of his office, can hardly be described as the ideal Foreign Secretary. A shrewd party organiser, whose world at home and abroad has been limited in the main to the confines of " the Movement," Mr Henderson has a reputation less for keenness of vision or subtlety of perception than for a solid, not to say insular, integrity of purpose which is capable of blinding him to what he fails to understand. In regarding this appointment as an unfortunate, if inevitable, *pis aller*, we are glad to note that the Foreign Office will have a promising Under-Secretary in Dr Hugh Dalton, an economist of ability, who has lately made a special study of foreign affairs.

First Lord of the Admiralty at a critical juncture, Mr Alexander, who has made his name hitherto in the Co-operative movement, is a somewhat unknown quantity. He is endowed, however, with both tact and pertinacity, qualities which should stand him in good stead if hoped-for progress towards naval disarmament involves, as well it may, a sharp clash of opinion between the Board of Admiralty and the First Lord. Mr Alexander has a very great opportunity: a great chance to make a Ministerial reputation also awaits the new Secretary of State for India, Captain Wedgwood Benn. A " bonny fighter " in debate, and well liked in all parts of the House of Commons, he will in all probability have the responsibility for whatever measures fall to be taken by Parliament on the report of the Simon Commission. It is a task in which he will have valuable assistance from Dr Drummond Shiel as Under-Secretary, and in which he will be free at least from factious party criticism. We are hopeful that, although new to office, he will rise to the occasion.

For the rest—with one exception—the composition of the Government has occasioned little comment beyond expressions of good will. Mr Sidney Webb's appointment to the Dominions and Colonial Office is an interesting experiment. Never wholly effective as a House of Commons man, Mr Webb, translated to the House of Lords, will have a chance, in an atmosphere perhaps more congenial, to devote to the various problems of the constitution of the Commonwealth the great talents and industry given hitherto chiefly to questions of Local Government at home; and though the choice of Mr Ponsonby as Mr Webb's deputy in the House of Commons is possibly not the happiest, he will have a useful colleague in Mr Lunn. At the War Office, Mr Shaw should be a popular and unprovocative Minister; Lord Justice Sankey's promotion to the Lord Chancellorship gives general satisfaction; Mr Adamson at the Scottish Office resumes duties with which he was successfully entrusted in 1924. As for Mr Jowitt, his appointment as Attorney-General raises questions of the ethics of political recantation which we discuss in a later column. Here we need only observe that Mr MacDonald would, in our opinion, have done better to forgo this admittedly strong reinforcement of his legal advisers by methods of recruitment so repugnant to the traditions both of British politics and of the Bar.

Having thus manned his Ministry with a crew of safely " gradualist " persuasion, chosen from the Right and the Right Centre of his party, Mr MacDonald has elected to face one risk—the prospect of disaffection on the part of his Left Wing. He has spared Cheltenham and the City from alarm. The price is failure to evoke enthusiasm on the Clyde. Mr Wheatley, a formidable exponent of uncomfortable doctrine, is dropped; Mr Maxton—an omission calculated to cost Mr MacDonald dear—is left outside. Already the I.L.P. has conveyed to the Prime Minister blessings in a deliberately embarrassing tone of

mock enthusiasm. In short, if the new Government is shipwrecked, the omens are that disaster will come from mutiny on board. The sea, at the time of sailing, is calm and the wind favourable. The Press is cordial, the camera-men attentive, and public opinion hopefully expectant. Abroad, in naval agreement with the United States and in the ratification of the Young Plan for Reparations settlement, there are ripe plums of credit to be gathered. The rocks lie in home waters. The demands of the miners, whose district wage agreements expire in the autumn, are a problem which offers grave difficulties. It may take more than the prestige of Mr Ben Turner, the new Parliamentary Secretary of the Mines Department, and an ex-chairman of the Trades Union Congress, closely associated with the cause of industrial peace, to persuade the members for South Wales and Durham constituencies to exercise patience in this issue. And if the industrial side of the Labour Movement may be inclined to draw embarrassingly on Government support, we fear that the Left Wing politicians who have committed themselves sincerely to the pledge of "Socialism in Our Time," may in the end refuse to subscribe to the alternative policy of "Office for Ever," and insist, to Mr MacDonald's undoing, on speculative adventures which the country does not desire and which the present House of Commons will not tolerate.

THE REPARATIONS REPORT.

The report of the reparations experts, the text of which is now available, is an epoch-making document. It may not be—indeed, it certainly is not—the last word on the subject, and there will be various occasions when this inscrutable figure of ill-omen will again glide into the limelight. But its appearance will no longer throw the chancelleries of Europe into panic and confusion, for its power of creating discord has been greatly curtailed by the experts who have contrived to introduce certain elements of finality into the settlement and to set up commercial machinery for the collection of the debt. By so doing they have taken the question still further out of politics and prepared the way for the final act and symbol of the pacification of Europe—the evacuation of the Rhineland. If the report has created less stir than its predecessor, the report of the Dawes Committee, it is because the debates, the differences of opinion and the decisions of the Committee have been deliberately allowed to become known during the course of the Conference.

But this does not detract from the merit of those who have struggled to reach a settlement through the gravest difficulties. That they have reached an agreed conclusion which it is practically certain will be acceptable to the Governments concerned is evidence not merely of their technical skill and ingenuity, but also of their perseverance, their understanding of political possibilities and their personal good relations. In this connection they undoubtedly owed much to the fact that Belgium, Britain, France, Italy, and the United States each had one delegate on the Committee who had also been a member of the Dawes Committee. It was, indeed, largely the reunion of a family party whose members were determined to emulate their own previous success.

The chief features of the new scheme may be briefly summarised :—

The fantastic figure of 132 milliard marks which was fixed in 1921 as the total of Germany's obligations, and left nominally untouched by the Dawes Report, is gone for ever.

The Dawes annuities, which reached a maximum—subject to an increase in accordance with an index of prosperity—of 2½ milliard marks this year, and were to continue for an indefinite period, are to be superseded by a definite schedule of annuities which comes to an end in 1988, or earlier if there is a complete cancellation of war debts in respect of payments due after 1966. The index of prosperity, which was the subject of much criticism in Germany, entirely disappears.

The new schedule of annuities follows an ascending curve for 36½ years from September next during which period it will yield a surplus over the total payments due to America in respect of Allied debts. Thereafter, for a period of 22 years, it is fixed at a figure calculated to cover the total of the Allied debts. The following shows the annuity for selected years of the schedule (the figures have been readjusted to fit in with the German fiscal year which ends in March):—

DURING FIRST 37 YEARS.
(In million reichsmarks.)

Seven months to March, 1930 ...	742·8	1940–1	.....	2,155·5
1930–1	1,707·9	1945–6	.....	2,203·8
1931–2	1,685·0	1950–1	.....	2,359·2
1932–3	1,738·2	1955–6	.....	2,359·8
1933–4	1,804·3	1960–1	.....	2,380·5
1934–5	1,866·9	1965–6	.....	2,428·8

SUBSEQUENT 22 YEARS.

1966–7	1,607·7	1980–1	.....	1,711·3
1970–1	1,643·7	1985–6	.....	925·1
1975–6	1,675·0	1987–8	.....	897·8

It is calculated that the annuities during the first 37 years are equivalent to a constant annuity of 1,988·8 million marks plus the service of the Dawes loan.

This schedule is a substantial reduction—particularly in the early years—on the standard Dawes annuity of 2½ milliards and does not even reach it in the maximum year. While it limits the payment of a surplus for reparations to 37 years, it definitely links the payments of Germany with payment of the Allied debts thereafter. If there is any remission of Allied debts during the first 37 years, Germany is to benefit to the extent of two-thirds of the remission. The whole benefit of any remission in the subsequent 22 years will go to Germany.

The experts do not assume that it will always be possible to transfer these sums punctually; they accordingly propose that 660 million marks a year (to include the service of the Dawes loan) shall be unconditional, but that the rest shall be subject to postponement of transfer (and to a less extent of payment) at the option of the German Government. The period of postponement is carefully limited, and interest will be charged. Whenever the postponement is declared an advisory committee is to be called into being to report to the governments and to the International Bank.

Subject to this measure of elasticity, and in view of the reduction of the amount of the annuities, the experts—including, of course, those of Germany—declare that "the total amount of the annuity proposed . . . is one which they have every reason to believe can, in fact, be both paid and transferred by Germany.

Germany will therefore take full responsibility for payment and for transfer. Consequently, the assignment of particular German revenues will cease and the Agent-General and the apparatus of control will be swept away. The special reparations charge on German industries will go, as will also the bond on German railways with its accompanying foreign participation in management and control. But the railway is to pay a tax guaranteed by the German Government of 660 million marks a year for 37 years to the account of Germany's creditors. During this period the private and independent character of the railway company is to be preserved. The scheme also provides for the gradual elimination over a period of 10 years of deliveries in kind which are limited in amount to a definite schedule. In return for these concessions Germany will lose the protection of the Transfer Committee—the device under which an Allied Committee assumed the responsibility of transferring the annuities into foreign currencies or suspending payment if this proved impossible. Germany also undertakes to maintain the convertibility and gold parity of the reichsmark.

In place of the elaborate provisions of the Dawes plan in regard to revenues, mortgages, controls, &c., the new annuities are to be paid monthly into a new institution—the Bank of International Settlement—whose constitution and functions are discussed in a later column. The motive for the foundation of this institution is described as follows :—

"The organisation and machinery of the Dawes plan were based on the conviction that it must find its proper guarantee in the interest of all parties to carry it out in good faith. In aiming as it did at the transference of the Reparation payments from the political to the economic and business sphere, it presumed constant co-operation of debtor and creditor alike. The new system goes farther along the same road, replacing the collaboration of separate administrative and governmental organisation by common work in a purely financial institution, in the management of which Germany is to have an appropriate part."

There are many other important details which we cannot enumerate here. For example, it is proposed to wipe out all claims and counter-claims outstanding connected with the war, including Germany's demand for reimbursement from her former Allies.

Whatever be the final outcome, the present report clears up a tremendous number of questions and simplifies the machinery. It carries a stage further the writing down of Germany's annuity and provides for the commercialisation of all reparation transactions. The report is actuated by the doctrine which all the creditors now recognise, namely, that the only way to secure greater certainty is by moderating claims. The present report is a big step forward in this direction. Particularly significant in this connection is the fact that the Experts have fixed a very modest sum as the unconditional sum which Germany is to pay in good times as in bad—a figure, which is approximately equal to that which Britain has been paying to the United States. Indeed, the report as a whole seems actuated by a keen desire to attain certainty, and has therefore abandoned many of the economic finesses of the Dawes report. There is no economic discussion of Germany's capacity to pay, or of the ability to make transfers. With the index of prosperity has also gone apparently the suggestion in the Dawes report that the annuity should be subject to reconsideration if there were a great change in the value of gold. Nobody can say for certain that such a change will not occur before 1988, but it is possible that the Experts rely in this connection on their new baby, the Bank of International Settlement, to prevent any violent change in the value of gold. Whether Germany can in fact pay for two generations the sum which the Germans as well as the other Experts have now attributed to her, is still a matter of conjecture. Clearly 1¾ to 2 milliards is an easier proposition than 2½ milliards, but Germany has not yet paid anything from her own export surplus. For the time being the problem is out of the way. It is now definitely in hands which will treat it as a financial and not as a political problem. Europe will be content to leave it there.

It remains to observe how the scheme has overcome certain special difficulties. The fact that a part of the annuity—even though a relatively small one—is unconditional, will make it possible for this sum to be used as the basis of a loan. At long last France will thus be able to "mobilise" a portion of these long drawn out payments. To meet her special needs, the creditors have agreed that 500 millions of the 660 millions unconditional annuity should be assigned to her. This would mean that she would have a considerable advantage if difficulties arise in connection with the payment of the balance. It is therefore laid down that France will give an undertaking to the Bank to deposit in a Trust Fund a sum of 500 million marks in the event of the postponement clauses coming into effect. This fund will in any case be brought into being if France mobilises her annuity.

Finally, a word must be said as regards distribution among the creditor powers. This question inevitably starts from the Spa percentages. But Great Britain has consented to a reduction of her percentage in return for an immediate advantage. In view of the reduction in the early annuities compared with the large sums we are paying to America, a strict adherence to the Spa percentages would not, for some time, give us the full amount of our outgoings. The other creditor nations have recognised our position and agreed to give us a higher percentage in the earlier years in return for a lower percentage later on. The net effect is that the receipts which we shall obtain under the scheme from now onwards will, with the receipts from our former Allies, cover our payments to America and, in this sense, fulfil the terms of the Balfour Note. We have, however, agreed to sacrifice any claims for arrears in respect of net payments already made to the United States, and the wiping out of this claim accounts for the drop in the annuities between 1985 and 1988. We think, however, that everyone will approve the abandonment of this claim for repayment of arrears two generations hence for the sake of a settlement and all that it implies, especially seeing that from now onwards we shall cover our outgoings to America unless the whole scheme breaks down. Our delegates have in fact very sensibly adopted the policy which has actuated our debt settlements up-to-date, namely, that a bird in the hand is worth two in the bush.

The MERCANTILE BANK *of* INDIA
LIMITED.
Head Office: 15, Gracechurch St., London, E.C.3
Branches and Agencies throughout the East.
FIXED DEPOSIT ACCOUNTS.
Rates will be quoted on application.

THE REPARATIONS BANK.

In some ways the draft constitution of the new "Bank for International Settlement" is the most important section of the report of the Young Committee. If the powers proposed to be given to the new bank are limited to those absolutely necessary for the transfer of reparations, the bank would only have to be regarded as an unobtrusive if necessary piece of machinery in the Plan. But the bank's powers are to be far wider—so wide, in fact, that it is impossible to resist the conclusion that the experts had in mind the ideal of a world central bank performing the same functions for existing central banks as they in turn perform for commercial banks in their own countries.

To consider first the more important details of the draft constitution.

1. Purpose: To provide additional facilities for the international movement of funds, and to afford a ready instrument for promoting international financial relations; to act as trustee and administrator of the Reparations Plan, and to assist in the mobilisation of certain portions of the annuities.

2. Share Capital: $100,000,000, to be issued at once, in shares 25 per cent. paid. The shares are to be issued equally in the seven countries represented on the experts committee, but the issue of shares up to a limit of $44,000,000 may by mutual arrangement be transferred to other countries. The shares carry no direct voting rights, which are vested in the central banks of the countries concerned in the issue of shares.

3. Management: The board of directors shall consist of the governors of the central banks of the seven countries represented on the committee, together with a nominee of each governor. During the period of the annuities the Governor of the Bank of France and the President of the Reichsbank may also appoint an additional director. These directors shall in turn elect up to nine other directors from lists supplied by the governors of other central banks participating in the share issue.

So much for the aims and control of the bank. To come now to the duties it is to undertake.

1. Deposits: The bank shall classify the deposits into (*a*) deposits on annuity account; (*b*) demand and time deposits from central banks; (*c*) deposits from central banks on "clearing account" for establishing and maintaining a fund for settling accounts among them; (*d*) deposits arising from the exercise of the bank's functions in connection with the German annuities; (*e*) deposits constituting guarantee funds relative to the mobilisation of the unconditional annuities; and (*f*) the special deposit of the German Government as provided in the main scheme.

2. Reserve: (*a*) deposits on "clearing account" are to be made in gold, either delivered to the new bank or held for its account under earmark. Such gold is to be reserved exclusively for this purpose, which means that this class of deposits is fully backed by gold; (*b*) all de-

posits payable on demand or at less than fifteen days' notice are to be backed as to 40 per cent. by gold or eligible gold exchange; (*c*) time deposits are to be backed as to 25 per cent. by gold or eligible gold exchange.

3. Loan and Discount Powers: These are drawn so widely as to correspond to the usual powers and functions of a central bank. Thus the new bank may buy and sell gold coin and bullion. It may buy and sell approved bills of exchange and securities. It may open and maintain deposit accounts with central banks. It may act as their agent and correspondent, and conversely appoint them as its own agents. It may act as the agents of any creditor Government in issuing bonds against any part of the securities and in managing their service. Last, but not least, it may rediscount eligible bills for central banks, or make loans to them against gold, eligible bills or approved securities. The investment powers of the bank, however, "shall never be used in such a way as to exercise a predominant influence over business interests in any country."

4. Special Reparations Duties: These are too many to enumerate in detail, but in general it is to carry out all the duties laid down in the main scheme.

5. The Bank's Profits: (*a*) 5 per cent. of each year's profits are to be paid to the bank's "legal reserve fund," until the fund equals 10 per cent. of the paid-up capital; (*b*) a cumulative dividend of 6 per cent. on the paid-up capital shall next be paid; (*c*) 20 per cent. of the surplus shall then be paid to the shareholders until a maximum dividend of 12 per cent. is reached; (*d*) a defined proportion of outstanding profits shall then be allocated to the bank's general reserve fund, according to a sliding scale based on the relative sizes of the general reserve fund and the paid-up capital; (*e*) any surplus then remaining shall under certain defined conditions be paid as to 75 per cent. thereof to the creditor countries, and as to 25 per cent. to Germany to aid in the payment of the last 22 annuities. To obtain her full share, Germany must make a long-term deposit with the bank of at least 400,000,000 marks.

The above is a brief summary of the constitution and functions of the new bank, as proposed in the experts' report. Apart from its manifold reparations duties, the scheme suggests two main lines of thought. The first is that of the ultimate ideal of a central bank of central banks hinted at above. The second is the care taken to provide the closest liaison between the new bank and existing central banks.

It is laid down that the operations of the new bank shall not "exercise a predominant influence over business interests in any country." Clearly no Government and no central bank would tolerate large-scale operations in their own money market designed to further an international as opposed to a national policy. Quite apart from the definite provision quoted above, there are other safeguards against undue interference. To mention one point, which by itself is sufficient, the control of the new bank is vested in the central banks themselves, and in addition the Governor of a central bank has a right of veto over any credit operation affecting his own market. Sufficient safeguards, therefore, seem to have been provided, and if the new Bank ever comes to occupy the position of a world central bank, it will only be by the consent of existing central banks.

With these limitations, it is not easy to tell what will be the effect of the new bank. Up to a point, an analogy may be found in the United States to-day. There, there are twelve Reserve Banks, each master in its own area, but over them, occupying a position of a rather loose authority, comes the Federal Reserve Board at Washington. Furthermore, one important duty of the Board is the guardianship and management of the Gold Settlement Fund, which acts as a clearing reservoir between the Reserve Banks, and so is exactly parallel to the new central bank clearing fund which the Bank for International Settlement is to institute. Apart from this, the parallel is by no means complete. For one thing, the new bank is clearly not to have even the limited authority of the Federal Reserve Board. No one suggests that the Bank of England or the Reichsbank should apply to the new bank for leave to change its discount rate, and any interference in this way would not be tolerated for one moment. On the other hand, the Federal Reserve Board is not a bank, and apart from the Gold Settlement Fund, carries out no banking operations. There is no possibility of any friction arising from the Reserve Board, say, buying bills in New York and selling them in Chicago.

The new bank, however, is a bank, with all the powers of a central bank, except for the right of veto given to existing central banks as described above. Besides, even if it can be restrained from open-market operations on its own initiative, it is laying itself open to buy and sell bills on the initiative of the central banks themselves. Even this limited power raises several wide questions. If it is going to rediscount bills, it must fix a rediscount rate, and the conception of a world rediscount rate is by itself provocative of much serious thought. Again, much care will be required to avoid the risk of partiality in the new bank's dealings with existing central banks. Can it agree to rediscount for Paris, and be reluctant to rediscount for Berlin; even if the facts of the case warrant such reluctance, can the new bank put obstacles in the way without setting itself up as the arbiter of national as well as international monetary conditions? Finally, what will happen in practice is probably that some central banks will make it an unwritten rule never to resort to the new bank for assistance, while others will be only too eager to avail themselves of the new facilities. This again is likely to disturb the new bank's balance and position of independence.

All these are questions which time and experience alone can answer. For the moment, it is only necessary to recognise their existence. Meanwhile, the new bank can in two ways become a great power for good. Firstly, if central banks will consent to replace their gold reserves by deposits at the new bank, such action will do much to solve the problem of ekeing out the world's supplies of gold. Even demand deposits at the new bank only require a 40 per cent. reserve in gold or gold exchange, and this percentage is a measure of the economy possible. Next there seems no valid reason why the new bank should not handle all allied-debt transfers as well as those relating to reparations. Such a development would have the immense advantage of enabling these various payments to cancel each other out to the maximum degree. England alone would automatically be quit of all the exchange disturbances arising from these transfers, simply because under the Balfour Note and the main reparations scheme, England's receipts are equated to her payments. The series of shocks to the world's foreign exchange markets caused by these huge periodical transfers would largely be minimised, and debt and reparations payments would reduce largely to a single act of transfer from Germany to France and America. Apart from these possibilities, the full exercise of the new bank's powers is in the present stage of international co-operation largely an ideal. It is a bold and wise conception, containing enormous possibilities of good, but its full realisation will clearly need quite a generation of educative work.

ANOTHER COTTON CRISIS?

However anxious the new Government may be that the early months of their tenure of office should be a period of calm cogitation of future plans, it looks as if their attention were destined to be absorbed at no distant date by looming industrial disputes. Elsewhere in this issue we refer to the problem which the autumn will bring them in the coal-mining areas. A still briefer respite is promised in the case of the cotton industry, in which, as a result of the past week's developments, an ominous cloud has appeared over the horizon, fraught with possibilities of grave disturbance to the relations between the textile workers and their employers.

An account of how the threatened crisis has been reached is given by our Manchester correspondent, who writes as follows:—

"The cotton employers of Lancashire have decided to raise again the question of the wages of the operatives. At the end of last week the Master Spinners' Federation, which controls the spinning section, decided to recommend the local associations and the members to press for a reduction of 25 per cent. in the present piece price list rates of wages. This demand means a reduction on current earnings of about 12½ per cent. On Tuesday last the position was considered at a meeting of the Central Committee of the Cotton Spinners' and Manufacturers' Association, which controls the weaving branch of the industry, and it was resolved to join hands with the master spinners in the wages movement and press for a similar reduction. The district associations are now being consulted, and, if support is obtained from those quarters, then a definite claim to the trade unions will be sent within the next week or two. With regard to the action of the spinning employers a further meeting of the General Committee of the Masters' Federation is to be held on June 21st, when it is expected that communications will have been received from the local associations. As it will be necessary for the employers to give the trade unions one month's notice of the proposed alteration in list rates it is unlikely that any crisis can arise until towards the end of July.

"In trade circles in Lancashire there is some difference of opinion as to whether the employers are justified in raising this question again. It will be remembered that, at the beginning of last year, there was a definite movement to secure a reduction in wages and longer hours. In due course, however, the hours demand was dropped. Several joint conferences were held between the employers and the trade union officials, but no headway was made, and ultimately the Master Spinners' Federation took a ballot of their members as to whether they were prepared to close their mills to enforce the demand for a reduction in wages. This ballot showed that less than 67 per cent. of the employers in the American section and less than 29 per cent. in the Egyptian section were in favour of drastic action. As, according to the rules of the Federation, a ballot must show 80 per cent. in favour of a lock-out, it was decided to take no further action in the matter. The employers in the weaving branch consulted the district associations, and it was understood that only about 60 per cent. of the members were prepared to stop their machinery, if necessary, to enforce the demand. The whole movement, therefore, was a failure. Since then the position of the industry has undoubtedly become steadily worse. More firms have had to go into liquidation, and there has been a tendency for further trade to be lost to foreign competitors.

It is understood that, when negotiations take place with the trade union officials, the employers will justify their claim partly on the ground that the cost of living has declined. The index of the Ministry of Labour shows that, at the end of 1922, when the last wages reduction took place, the cost of living was 80 per cent. above July, 1914, while to-day the figure is 62 per cent. Another factor of importance is the increasing competition from foreign countries. Figures have recently been published which have been agreed to by the employers and several of the leaders of the operatives showing that, since 1914, this country has lost 33 per cent. of her trade in manufactured cotton goods. The world consumption has not declined, and undoubtedly a big part of the lost trade has gone to Japan. All kinds of suggestions are being made in Lancashire whereby the depression can be relieved, but most people are convinced that Lancashire prices are not competitive in the markets of the world. It is, therefore, absolutely necessary that something should be done to reduce production costs. The Lancashire Cotton Corporation, Limited, and the recent combine of Egyptian spinners will undoubtedly accomplish something towards this end, but the employers' contention is that the operatives will have to be willing to make some sacrifices if the decline of the industry in Lancashire is to be checked."

In a letter addressed last Tuesday to the *Manchester Guardian*, Mr Holroyd, the president of the Master Cotton Spinners' Association, stated in support of the employers' demands that the comparative labour costs of spinning a pound of 20's yarn in different European countries are to-day as follows:—"England, 1.5d.; Holland, 1.18d.; Czechoslovakia, 0.8d. to 1.19d.; Belgium, 0.931d.; Italy, about 1d.," Japanese costs being substantially less than the lowest of these figures. If this statement be accepted as an accurate measure of comparative average spinning wage-costs, it may justifiably be argued that a *prima facie* case for relief in the matter of labour charges has to be considered. On the other hand, different figures of production costs, also quoted by Mr Holroyd in the same letter, referring to 42's weft, show that of a total cost of 6.26d. per lb., no less than 3.89d. is accounted for by "interest, depreciation and other expenses." The textile trade unions are entitled to ask why more cannot be done to reduce these heavy "overhead" charges before wages are attacked, and to complain that since the employers last put forward demands for wage-reductions eighteen months ago. Lancashire's progress towards cotton "rationalisation" has been disappointingly slow. Nor are the employers in a position to dispute the operatives' contention that during the past year short-time working has made heavy inroads into their earnings without thereby rescuing the industry from its admitted difficulties. These difficulties, as a recently published memorandum of the International Labour Office on Unemployment points out, are essentially international, since "the situation of the cotton industry in the world may be summed up as one of over-equipment and changing geographical distribution."

In this situation it becomes a matter of no small importance that the Labour Party's election manifesto included a definite pledge to appoint an enquiry into the troubles of the cotton industry. It would seem to be highly desirable that the new Government should make a definite statement of its intentions in this respect, and should do so before the passage of time has allowed bitterness to develop in the Lancashire wage discussions. In any case, there is yet plenty of time for wise counsels to prevail in preventing a deadlock which could only add to the troubles of all parties to the industry. But the implementation of the promise to appoint an enquiry would probably assist substantially in promoting the cause of peace, or at least in delaying the advent of any critical position.

RECENT ECONOMIC CHANGES IN THE UNITED STATES.

It is characteristic of the unemployment problem that any attempt to investigate it at once leads the investigator into every highway and byway of the economic systems of the world. It is therefore hardly surprising that an aftermath of the President's Conference on Unemployment should be a report,* in two substantial volumes, which surveys in the greatest detail the whole field of economic activity in the United States. The Committee responsible for this report, under the chairmanship of Mr Hoover, was directed "to make a critical appraisal of the factors of stability and instability," and this definite focussing of purpose, while not in the least limiting the very wide range of the survey, gives it a unity of interest which greatly enhances its effectiveness.

In the main, the elaborate statistical researches embodied in the various sections bear out the impressions already more superficially formed by casual observers as to the most obvious tendencies in American economic development. The level that has been reached in productive capacity and standard of living, as evidenced by the rapid growth in *per capita* income shown in the table

* "Recent Economic Changes in the United States." McGraw-Hill Book Company, Inc., 370 Seventh Avenue (New York). (London) 6 Bouverie Street, E.C. 4.

below, is so high that clearly the greatest need is now for the evolution of a " technique of balance."

PER CAPITA INCOME IN THE UNITED STATES.

(In terms of the purchasing power of the dollar in 1925.)

	Income received in Money.	Disbursed Income.*
	$	$
1913	554	621
1917	579	656
1919	510	611
1920	520	600
1921	500	576
1922	557	625
1923	616	679
1924	628	697
1925	647	714
1926	659†	733

* Includes income yielded by houses occupied by their owners, farm produce consumed on the farm and similar items.
† Preliminary.

As a necessary preliminary to this, stability of prices is highly desirable, since it helps to eliminate the tendency to rely partly for profits on fortuitous fluctuations. Since 1922 such stability has been almost reached as far as the general price level is concerned; what slight movement took place was in a downward direction. Individual prices have fluctuated more than in the years immediately before the War, but they are gradually settling down again, and in so far as their steadier tendency is attributable to improved statistical services and to growing skill in management and banking, it may be expected to increase.

An examination of changes in the scale of industrial production indicates a distinct tendency towards large-scale operation, measured in terms of horse-power, though not in terms of numbers employed. The data adduced tend to bear out the theory that each branch of production has, in given circumstances, its own optimum size. The enormously increased proportion of machinery to labour tends to eliminate minor fluctuations in employment, but probably increases their severity during cyclical movements, since large concerns aim at maintaining price stability by varying output. Meanwhile the growing use of machinery is actually diminishing the numbers employed in industry, and though this is largely compensated for by increased employment in distributive and other occupations it is estimated that between 1920 and 1927 there has been a net increase of over 650,000 in the numbers unemployed.

On the financial side stabilising influences have certainly predominated. Business is financed more and more by the issue of stock instead of by bank credits, and the number of commercial banks has steadily decreased. Moreover, the rapidly increasing volume of real savings has made possible a considerable expansion of credit without inflation of prices. The Federal Reserve System has been faced during the period with difficult problems arising from abnormal gold movements and from instability in the international monetary situation, but on the whole its influence also has been on the side of diminishing unnecessary price variations.

The importance in the economic situation of the country of the part played by the constructive industries is very considerable. Increased prosperity has resulted in a growing demand for a better quality of housing, for bigger and better factories, and for all manner of public buildings. A number of factors have co-operated to prevent this giving rise to an unhealthy building boom. A much bigger proportion of the work is nowadays financed by banks, building societies and other organisations of sufficiently wide scope to ensure some pooling of the available funds; improved transport methods have prevented serious fluctuations in stocks of materials; the period required for construction has been shortened; and there has been a steady increase in deliberate planning and in co-operation among different communities to eliminate both seasonal and long-term fluctuations. Improvement in organisation and methods has been a pronounced factor in the general prosperity of the industry, and here, as in several other instances, more harmonious labour relations are spoken of as an important contributor to the improvement. Similar, though less pronounced, developments have taken place in transport, and the railways, left in a state of thorough confusion after the cessation of Government control, have made great strides in improving their equipment, service and operating efficiency, though they still yield an inadequate return on capital. The extraordinary developments in all branches of marketing are already well known, though this Report makes it clear that popular ideas of the rapid advance of instalment selling are somewhat exaggerated.

Throughout the survey of the internal economic affairs of the United States the point which stands out is that, while powerful forces in the direction of instability are at work in the shape of rapid changes in the direction of demand and in the technique of supply, still more powerful influences in the other direction are developing, of which the principal are the greater ingenuity of management and the more enlightened attitude of labour. Professor Wesley Mitchell ventures, with much qualification, on the cautious conclusion that, though business cycles have not been " ironed out," their amplitude has been reduced. The result is that there are certain sections of the community which are anything but prosperous, as, for example, some of the producers in staple industries like agriculture, coal and cotton, and certain types of skilled artisan whose craft has become obsolete, but that the losses of these have been many times outweighed by the gains of the rest of the community.

The chapter in the Report which deals with foreign markets is significantly silent as to the future. With due warning as to the questionable reliability of the data, it calls attention to a remarkably close correlation between movements in the visible balance of trade and those in net foreign loans. Without committing himself as to whether the egg or the bird came first, the author points out that the balance of exports could not have been maintained without these credits, which, by largely doing away with the necessity for imports of gold, checked the action of the normal corrective price changes. Meanwhile the interest payments are piling up, and

> "Combined with the maintenance of our high tariff policy are forcing slowly, but none the less surely, an ever wider separation in prices at home and abroad, with a resulting rapid increase in the expenditures of American tourists abroad and the migration of American industry to many foreign countries."

As long, however, as fresh loans staved off this effect, they offered a stimulus to the export trades. As exports amount to a very small proportion of the total production of the United States, and only to 10 per cent. of the exportable production, this might seem negligible, but in the case of certain industries like cotton growing, which export a far higher proportion of their output than the average, a large increase in exports may make an immense difference to the prosperity of whole districts, and so have far-reaching repercussions on other trades. It would have been interesting to have the opinion of the Hoover Committee as to what will happen when the United States ceases to cover her export balance and her growing interest dues by fresh foreign loans. But the business of the Committee was to confine itself to facts, and it has resolutely minded it.

POLITICAL CONSISTENCY.

ON May 31st Mr Jowitt, K.C., was returned as a Liberal member of Parliament by the electors of Preston. On June 5th he accepted the coveted and lucrative office of Attorney-General in a Labour Administration. The swiftness of the conversion was certainly surprising; but the extent to which it clearly shocked the public is in itself a tribute to our political life. In the mind of the country this incident was at once silhouetted against the background of a tenacity of principle which, happily, Britons are accustomed to expect in those who woo their suffrages.

The episode, we think, has a far wider and deeper importance than is represented by questions of Mr Jowitt's political and intellectual conscience or of the advantage to Mr MacDonald and the country in obtaining the services of an able legal adviser. It leads us, indeed, to consider some of the fundamental points in the working of our political system. For, clearly, if rapid conversions and headlong tergiversations were the rule rather than the exception in political life, political life, as we know it, would become impossible; trust and confidence by the people in their servants or would-be servants would vanish; smouldering distrust of the parliamentary system would be fanned to flame; and the country would soon be treading a path that leads to no man knows what political end. Happily, the whole temper of the British race is such as to preclude the frequency of lightning desertions. But, on the other hand, it must be admitted, the country has little love for intransigence. The stiffness of opinion that arises from narrowness or laziness of mind neither merits nor receives our applause; and indeed a change of opinion may often be legitimately hailed as the symbol of mental alertness and efficiency. We are led, therefore, to inquire what degree of consistency may properly be expected from our public men; what are the conditions under which recantation is regarded as tolerable; what are the lines that divide the turncoat from the honest convert, and tenacity from bigotry; what are the circumstances which invest apostasy with propriety?

Although constancy to party has been a feature, as it is a major postulate, of politics as practised in this country, history abounds with instances of changes from party to party which, while the object of *ex parte* controversy, have been accepted by public opinion, even though it be with a shrug of the shoulders in some cases, as at least defensible and not beyond the bounds of propriety. When Mr Gladstone renounced his youthful Toryism political tongues wagged, no doubt; but who, in the light of a long career of outstanding Liberal devotion, would now question that the change was broad-based upon conviction? Who to-day would point to the transition of Joseph Chamberlain from Radical to Conservative as a matter for scorn, or fail to excuse the conversion of his son to Tariff Reform on grounds of environment and filial piety? Even the double *volte face* of Mr Winston Churchill is capable of charitable regard, his first change from Tory to Liberal being explained by the impetus of youth and a devotion to Free Trade, and his return to the Tory fold by the gradual influences of contact with Coalition colleagues. If Lord Carson was once, in his youth, a Home Ruler, that cannot influence our estimate of the sincerity of his subsequent and violent opposition to that measure. Nor, of course, can the breath of scandal touch the myriad host of those who have veered to left or to right on the emergence of a great new issue of national importance, or have crossed the Rubicon at the end of a long and steady trek towards its bank.

What, then, are the conditions required to satisfy majority opinion that voluntary transfer from one political camp to another is justified by the *bona fide* conviction, which is the only justification possible? Except where a new issue emerges, conversion must observe the law of the inevitably of gradualness. The change over must be effected with dignity, must be adequately explained, and, we may add, should be coupled with an offer to the constituency in question to resign and fight an election under newly-adopted colours. It was by his neglect to satisfy this last condition that Sir Alfred Mond (now Lord Melchett) afforded a target to the critics of his recent political translation. If the public are to approve the change, it must be shown to be due to careful consideration of the national good, real or imagined; the element of personal advancement should not obtrude itself. Of sudden repentance the world is always sceptical, and many a generation has laughed at the case of the loose-living Knight who met his end with unexpected haste on the field of chase:—

> Between the saddle and the ground
> I mercy sought and mercy found.

No more easily can the present generation refrain from the cynical smile at Mr Jowitt's quick-change time-

WE afford every facility for banking business with SWEDEN

Skandinaviska Kreditaktiebolaget

Cables: KREDITBOLAGET

table. To be fair to Mr Jowitt, few people suspect him of any meteoric conversion of opinion. He was a left-wing man with left-wing sympathies. He stood in a constituency where the fight was not against Labour, and indeed he enjoyed a considerable degree of liaison with the Labour candidate. That one can understand. But here is the enigma. Why did he woo the suffrages and use the work and energies of Liberals when all the time his views were such as to allow him, within a few brief days, not merely to accept office with another party and be welcomed by that party's leader in a letter expressing the wish that the convert will find comfort of soul in Labour doctrines and in the realisation that his old party is done for once and for all; but even to pronounce himself a " loyal " servant of his newly-adopted masters. No; the cynic has reason for his smile. Fortunately such moonlight flittings are as rare in British public life as the cases of the implacable doctrinaire, to whom all forms of reasonable compromise are taboo. The comparative rarity of both phenomena is, perhaps, the finest attribute of the political life of this country.

Notes of the Week.

The King and the Counsellors.—The Order in Council issued this week, substituting the present Prime Minister and Lord Chancellor in place of Mr Baldwin and Lord Hailsham as two of the six Counsellors of State nominated last December by His Majesty to assume the delegated functions of the Crown, contains welcome evidence of the King's convalescence. Acting under the advice of his doctors that he should be relieved for a further period of a proportion of the Crown's very considerable burden, His Majesty signed on Monday a revised Order defining the powers and duties of his Counsellors of State, whose effect is that many of the duties delegated last winter now revert to the King himself. General satisfaction will be felt at this indication of confidence on the part of the King's medical advisers that his recovery has now reached a stage in which, within limits, active participation in public affairs should not overtax His Majesty's happily regained strength.

Whitehall and Washington.—At the end of this week General Dawes is due to arrive in London in order to take up his duties as Ambassador, and it seems probable that one of his first commissions will be to convey to Mr MacDonald a personal invitation from President Hoover to visit him in America; and it is certain that if this invitation is given it will be accepted, and that Mr MacDonald will pay his visit during the summer recess of Parliament. It is also credibly reported that if the President of the United States and the Prime Minister of Great Britain do meet this summer on American ground they will be joined by the Prime Minister of Canada, Mr Mackenzie King. This would happily complete the original plan, for Canada has, if possible, a greater interest in the maintenance of peace and amity between Great Britain and the United States than those two countries have themselves. It is equally important

that Mr Mackenzie King has the same outlook as Mr Hoover and Mr MacDonald on the future of the relations between the English-speaking peoples and also on the future of international relations in general, to which the relations between the English-speaking peoples will possibly supply the key. There is nothing that can be so fruitful in the relations between countries as the conjunction of several statesmen, all of one mind, all in office at the same moment, and each holding a commanding position in his country, so that what is agreed upon by all can be immediately put into train in all the countries concerned. In 1924, when M. Herriot came into power in France a few months after Mr MacDonald became Prime Minister of this country, it was Mr MacDonald who made the gesture inviting his colleague, and it was M. Herriot who accepted the invitation to Chequers. From that meeting great things followed: the translation of the Dawes Plan into the London Agreement, and the evacuation of the Ruhr. The forthcoming meeting between Mr MacDonald, Mr Hoover and Mr Mackenzie King may produce results of still greater value for the advancement of peace. All the necessary psychological conditions are present; the common outlook of the statesmen and the feelings of the peoples. Since the failure of the Naval Conference of 1927, the American people has shown its determination that the failure shall be retrieved by rejecting the original "Big Navy" Bill, which was brought forward at the close of that year. Meanwhile, the British people have shown the same determination by rejecting the so-called Anglo-French naval compromise. As far as the psychological atmosphere goes, this meeting of the three statesmen should run smoothly. The one thing needful is that they should follow a workmanlike procedure—in plain words, that they should do one thing at a time and do these things in the right order. The first thing to be done is to examine Mr Hoover's new "yard stick" for the comparative estimation of naval strengths, for until this is agreed upon we cannot go on to the essential step of agreed proportionate reduction of a drastic kind. The question of "sea law" is to come second. If the naval question is settled, other issues will almost certainly fall into line afterwards.

Politics and the Bench.—There could be few more unfortunate developments in the public life of this country than the growth of an impression that in appointments to the judiciary political expediency has become, to however small an extent, a contributory factor. It is in no sense derogatory to the personal merits of the new Lord Justice of Appeal that we record our regret that in selecting a new Attorney-General Mr MacDonald should have felt himself constrained to confer on Sir Henry Slesser promotion which will be widely construed as in the nature of a political consolation prize. When legal pilots are thrown overboard we should be the last to deny the right of the skipper to "have his feelings"; but Lord Justiceships were not designed for use as life-buoys.

Mr MacDonald's Broadcast.—The Prime Minister's wireless address to the country on Saturday last sounded rather like the reply of a gentleman who has had his health drunk at a solemn public banquet. The circumstances demanded that he should be as non-controversial as possible, and politics without controversy can hardly hope to be effervescent. But the palpable moderation of Mr MacDonald's words was not due merely to the censorship of the British Broadcasting Corporation, they were in tune with his professions of desire that for the next couple of years the country should be governed peaceably and in accordance with the expressed wishes of the electorate. Mr MacDonald's most tendencious remark related to his disbelief in the possibility of reducing unemployment to normal proportions within a year, but it is plain that Mr Maxton would take greater offence at the tenor of the address than would any Liberal and many Conservatives. The most important part of the Prime Minister's speech dealt with foreign affairs. In view, he said, of the overshadowing importance of the problem of disarmament and the need for friendly discussion and agreement between the United States and other Powers and ourselves, he hoped to be able to pay a short visit to Geneva at the opening of the next meeting of the Assembly of the League of Nations, and would, he added, also watch the American situation. There is little doubt that it is in the management of foreign affairs and in the tackling of the unemployment problem that the new Government means to make the change of administration most decisively felt, and Mr MacDonald has been wise thus to retain the personal initiative at the most critical points while not over-burdening himself with administrative duties.

The Eight-Hours Convention.—Last Friday an Indian workers' delegate to the International Labour Conference now sitting at Geneva warned the Conference that the superior attractiveness of Moscow's promises in the industrial sphere, compared with the paucity of practical results achieved by the methods of Geneva, might lead the awakening people of the East to disaster, which must in part be laid at the door of Western dilatoriness. As if in answer to his wishes, it was announced on Tuesday by the British official representative that the new Government would proceed at the earliest possible opportunity with the ratification of the Washington Hours Convention, and would embody in the industrial code of this country such provisions as are required to carry out both the Convention and the decisions with regard to its interpretation reached by the London Conference of March, 1926. This announcement was greeted with deserved acclamation. The "Draft Convention Limiting the Hours of Work in Industrial Undertakings to Eight in the Day and Forty-eight in the Week" was drawn up in November, 1919, and was then supported by the representatives of British employers and workers and of the Government. In July, 1921, Mr Lloyd George's Government announced that ratification was impossible in view of the conflict between the clauses of the Convention and the British practice as regards overtime, as well as existing railway agreements, neither of which the Government saw reason to alter. The policy then announced, of asking that the whole question should be reopened and a new Convention drafted, was carried on by the Governments of Mr Bonar Law and Mr Baldwin. The Labour Government apparently found no time in their short span of office for a matter so fundamentally affecting the industrial legislation of the country. Urged on by public opinion, the late Government called together in 1926 a Conference of the Ministers of Labour of the five chief European industrial countries for the purpose of surmounting difficulties which had arisen with regard to the interpretation of the Convention. That Conference, which the last Minister of Labour described as completely successful, reached an agreement covering a number of important points—the application of the Convention to the building trades, the railways and postal services, the definition of "working hours" and "intermittent work," adaptation to a five-day week, provision for time lost by holidays, and the suspension of the law in cases of national emergency. The legislation giving effect to the Convention will, it was stated on Tuesday, embody these points of interpretation. Thus in the end victory goes to public opinion, which has never acquiesced in the attitude adopted by Mr Baldwin's Government, and which has resented the international odium which that attitude brought upon us. Certain trades will be faced with difficulties as, for example, the cotton trade, which has not been able to emulate the policy of Japan, whose cotton industry has been organised on a multiple shift system. But most industries will take the view that they stand to gain if uniform conditions as to hours of labour are imposed in competing countries, several of whom have made their ratification of the Convention conditional on those of Germany and Great Britain. On Germany's action now depend the ratifications of France, Italy, Spain, Austria and Latvia.

The Treaty of the Lateran.—On Friday, June 7th, the ratifications of the Treaty of the Lateran and of the accompanying Concordat between the Holy See and the Kingdom of Italy were duly exchanged at the Vatican between Cardinal Gasparri and Signor Mussolini. There-

with, the new sovereign independent state of the Vatican City came into being, as the Italian Government would say; or, to put the same thing from the Papal point of view, the territory of the Papal States was reduced to these limits, by consent of the Holy See, from the frontiers of 1815, which had not been extinguished judicially by the brute fact of an Italian occupation through *force majeure*. In any case, whichever of the two formulae we may prefer, they both convey the new fact that there are now in the Italian peninsula two sovereign independent States, the Kingdom and the City, which have recognised one another as such and have agreed upon the frontiers that delimit their respective territories. So far, so good; and in the ceremonies that heralded and followed the diplomatic formality of June 7th, everything was done to suggest to the spectators and to the world that all was well. Meanwhile, between the signature of the Treaty and Concordat and this exchange of ratifications, it has become plain that we have not seen the end of the Roman Question, but only the end of one chapter and the beginning of another; for the Pope and the Duce have drifted into a public controversy of a serious character. Presumably, this was not the intention of either party; but Signor Mussolini was constrained to hint that the Fascist State was still keeping the whip hand over the Catholic Church; and the Pope, in reply, was constrained to make it evident that the sovereignty which he had never surrendered *de jure* had been recovered by him *de facto*. Hence this altercation—and, as it goes on, a detached observer finds his sympathies curiously divided. We are all for the Pope when His Holiness challenges Signor Mussolini's claim that the Fascist State shall educate the children of Italy into a nation of conquerors—especially when the Pope enlists the Church on the side of the Family and champions the joint claim of these two institutions to have a voice in education. It is another matter when the Pope criticises the measures which the Italian Government has taken to make it clear that the re-establishment of the Catholic Church in Italy will not deprive adherents of other religions of toleration. The fact is that both the Catholic Church and the Fascist State are in essence autocratic; and the gestures of toleration which each of them tries to make, in deference to the spirit of the times, are strictly confined to fields outside their own cherished spheres of activity. Nevertheless, the general cause of liberty may stand to gain from this contest for supremacy between two illiberal Powers; for when Great Powers grind one another down, the small fry have a chance to breathe. Thus, in the Middle Ages, the conflict between Pope and Emperor gave the Italian Communes the opportunity to assert their freedom. Dare we hope that this conflict between Pope and Duce, which is arising before our eyes, may bring a fresh harvest of liberty to Italy?

The League and Minorities.—In this fifty-fifth session of the Council of the League of Nations the principal business on the agenda is the important and urgent question of Minorities. The report of the Committee of Three, which had been appointed by the Council at its last session, has been signed and has accordingly come before the Council itself in Committee. This is quite in order; for though one of the three members of the Committee of Three, namely, Sir Austen Chamberlain, was no longer the official representative of his country, and, indeed, was not present at the meeting last week at Madrid at which the signatures were appended, the report itself had been substantially completed before the change of Government in Great Britain took place. It is quite another question, however, whether the Council would be well advised to take action on the report during a session at which the new British Government is unable, in the nature of the case, to take an effective part. For the occasion, this country is being represented on the Council by its Ambassador in Madrid; but, however ably Sir George Grahame may fulfil his mission, he is not the Secretary of State, and Mr Henderson has hardly had time to send him detailed instructions on such an intricate piece of business. This *impasse* cannot be resolved by the formula "continuity of foreign policy"; for there is every reason to believe that the new British Government will have quite a different policy from Sir Austen Chamberlain's on the question of minorities, as, indeed, on many other important matters. Fortunately, it looks as though, even if the British Government itself were to refrain from asking the Council to wait, the Council will find itself unable simply to accept the report of the Committee of Three at this session owing to opposition from certain representatives of States members of the Council who are not only present at Madrid but who are in a position to represent their respective countries with full authority. The opposition is being led by Herr Stresemann (Germany) and Senator Dandurand (Canada), who originally raised the question independently of one another; and they seem likely to have the support of the representative of Finland. Indeed, it is evident that the report of the Committee of Three, which is now before the Council, is unsatisfactory. Its scope appears to be confined to matters of procedure; and there is no indication that it has made, or could make, any proposals under this head which would offer a real solution of the problem. It comes to this: The implementation of the charter which has been given to certain European minorities in the Peace settlement cannot be secured effectively except by setting up a Permanent Minorities Commission of independent experts responsible to the Council of the League itself and not to the Governments of the States members of which these experts happen to be nationals. The need for such a Commission is demonstrated by nine years' experience of the relative success of the mandates system, in which a permanent commission of this kind has existed from the beginning, and the relative failure of the arrangements for the protection of minorities, in which this element has been lacking. The opponents of reform assert that the League has no power to set up a Permanent Minorities Commission because, unlike the Permanent Mandates Commission, it is not explicitly provided for in the Covenant; but this argument will not hold water. The League, since it came into existence, has appointed many important commissions and committees; and any institution, if it is to be a "going concern," must be presumed to possess the power to set up any machinery which experience proves to be essential to the discharge of its duties. By the terms of the Treaties, the League is trustee for the rights of minorities; and experience has amply proved that it cannot discharge this trusteeship effectively without a Permanent Minorities Commission to advise it.

Overseas Trade in May.—The May foreign trade figures confirm the view that this year the industrial set-back of previous years is being escaped. Imports of all kinds show an increase on last year of 4.1 per cent., while exports have risen by 15.2 per cent. The chief weakness is the decline in our re-export trade.

MONTH OF MAY

	1929.	Increase or Decrease compared with 1928.		1927.	
	£	£	%	£	%
Imports	103,491,587	+4,061,299	+4·1	+7,102,742	+7·4
British exports	67,436,598	+8,882,122	+15·2	+4,160,724	+6·6
Re-exports	10,471,310	−1,349,915	−11·4	−1,879,312	−15·2
Total exports	77,907,908	+7,532,207	+10·7	+2,281,412	+3·0
Excess of imports over total exports	25,583,679	−3,470,908	−12·0	+4,821,330	+23·2

FIRST FIVE MONTHS.

	1929.	Increase or Decrease compared with 1928.		1927.	
	£	£	%	£	%
Imports	513,506,394	+ 7,513,445	+1·5	− 4,413,251	− 0·9
British exports	308,848,942	+13,089,489	+4·4	+22,489,627	+ 7·6
Re-exports	50,945,799	− 5,069,379	−9·0	− 4,658,245	− 8·4
Total exports	359,794,741	+ 8,020,110	+2·3	+17,831,382	+ 5·2
Excess of imports over total exports	153,711,653	− 506,665	−0·3	−22,244,633	−12·6

An analysis of the May figures is not quite so reassuring, as it shows that imports of raw materials have fallen

since last year by £632,431. The decline is insignificant when set against the actual raw material imports of £28.2 million, but it shows that there is no definite upward trend, and the five months' figures confirm this view. Still, retained imports of iron ore have risen from 370,000 tons in May, 1928, to 489,000 tons for May this year, while those of sheep's and lamb's wool have increased from 599,000 to 635,000 centals, so that two at least of our staple trades are moving in the right direction. Details of British exports are shown below:—

SOME LEADING EXPORTS.
(Quantity.)

	First Five Months.		
	1927.	1928.	1929.
Coal ..... tons	22,005,967	20,232,049	23,210,341
Railway material ..... tons	207,608	299,097	215,772
Total of iron and steel ..... tons	1,581,081	1,761,863	1,933,982
Textile machinery ..... tons	47,820	50,564	55,867
Total machinery ..... tons	203,554	238,971	243,319
Cotton yarns ..... lbs.	89,581,500	72,708,900	73,322,600
Cotton piece-goods ..... sq. yds.	1,745,590,000	1,654,677,300	1,710,247,400
Wool tops ..... centals	183,462	159,360	145,279
Woollen tissues ..... sq. yds.	48,418,300	54,038,400	45,208,000
Worsted tissues ..... sq. yds.	16,631,200	14,215,300	20,803,900
Linen piece-goods ..... sq. yds.	32,693,500	32,274,400	31,431,500
Jute piece-goods ..... sq. yds.	65,530,100	77,693,000	73,185,000
Boots and shoes.....doz. pairs	365,096	455,218	381,397
Leather ..... cwts.	148,284	187,432	139,646
Locomotives ..... tons	8,458	19,307	15,977
Motor cars and chassis ... number	19,426	13,035	18,120

Coal exports show a satisfactory increase of 3,000,000 tons over 1928, while iron and steel exports are also 172,000 tons higher. Cotton piece-goods, too, are better, but wool is not so good. On the whole the five months' figures are encouraging, but there are still some weaknesses.

London Traffic Bills.—The return of the Labour Party to power renders it doubtful whether, after all, the two Bills for the co-ordination of London traffic, which passed through the House of Commons last session, will receive the assent of Parliament. At the Dissolution, both Bills had passed their third reading and stood committed to the Lords. The constitutional practice is that all legislation which is not ripe for the Royal assent when Parliament is dissolved must begin again in the next session at the earliest parliamentary stage. But the introductory and committee stages of private bill legislation are so costly that on this occasion, as several times in the past, a resolution was carried enabling all private bills to begin in the next session at the stage at which they stood at the Dissolution, with the important exception that, in order to retain control in the hands of the Commons, bills which had passed their third reading would nevertheless have once more to undergo that trial. The exceptional provision applies to the Co-ordination of Passenger Traffic Bills, promoted respectively by the London County Council and the London Electric Railway companies. They were strongly opposed by the Labour Party on the ground that public interest was being sacrificed for the sake of the achievement of practical monopoly by the Ashfield combine (which reminded Mr Jack Jones of "a certain kind of serpent, which slobbers all over its victim before finally swallowing it"). The Labour members received Liberal support, and there is little doubt that in the present Parliament a majority could be mustered against the Bills. As, moreover, the new Minister of Transport, Mr Herbert Morrison, was himself active in opposition, their rejection seems highly probable. Nevertheless, by a majority vote, the London County Council decided on Tuesday to go forward with the Bill for which it is responsible, though, as Mr Percy Harris pointed out, it is now without official sponsors.

The European Steel Cartel.—The representatives of the Continental International Steel Cartel (writes our Paris correspondent) are to meet here on June 18 for general business. The gathering is one at which it would be possible, under the statutes, for the question formally to be raised of whether the present working agreements shall continue, be modified, or brought to an end. It is significant that the matter has not even been placed on the agenda, from which it may be assumed that present agreements will automatically continue. Germany, in any case, has derived such constant benefit from the Cartel since its formation in 1927 that she, at least, has no interest in cancelling the existing conventions. The point in which the German steelmasters are now most keenly interested is the creation of a central selling organisation, to prevent the recurrence of irregularities in marketing which during the past two years have proved detrimental to the Cartel as such, however much they may have benefited individual concerns. French iron and steel production figures for the first four months of 1928 were better, in comparison with those of Germany, than during the corresponding period of 1928. French steel exports during the four months were 25 per cent. lower, but this was due to a substantial increase in domestic consumption. British metallurgical exports to the Continent fell off somewhat during the four months (although it is recognised this will be more than made up for in the near future). The difference was not sufficient, however, to modify the important influence which Great Britain exercises on the Continental markets, in spite of the fact that she is outside the Cartel. The systematic attack which the United States steel companies are now making on the European market was emphasised in March by shipments to Europe totalling 271,000 tons, which is the highest figure reached during any one month since the war. "In every European market," remarks *Le Capital*, "the American menace is being felt," and there is little doubt this menace will prove more and more formidable in the near future.

Agriculture in May.—Conditions have not been favourable for growth, but it has been possible to clean and prepare the land more thoroughly than usual. Rainfall was inadequate in May, and the abundant sunshine was accompanied by cold winds, so that cereals are still backward. Wheat and autumn-sown barley are healthy, though there are some thin patches, and many areas of winter oats have had to be resown. It appears that wheat acreage in England and Wales has diminished still further, oats increased slightly, and barley remained about the same. Winter beans have suffered badly from the frost, but later sowings are healthy, and peas are doing well. The early potato crop promises to be average, though it is likely to be late. Germination of mangolds and sugar beet has been delayed by lack of moisture, but where showing the plants look healthy. The sugar beet area is expected to show an appreciable increase over that of last year. Early sowings of swedes and turnips have suffered damage by fly. The hops outlook is satisfactory and the acreage probably unchanged. Prospects for hay are not at all good; growth is light and backward and a late crop, with yield well below average, is anticipated. Pasture grass has similarly suffered from weather conditions, but in spite of this cattle are doing well, milk yields are up to average, and sheep and lambs are in fairly good condition.

Canadian Shipping Losses.—Undertaken originally ten years ago, the Canadian Government's venture in merchant shipping has proved a costly experiment. The accounts of the Canadian Government Merchant Marine, Limited, for the twelve months ended December 31, 1928, show that operating expenses for the year amounted to $10,321,593, against total receipts of $9,112,510. Thus the loss on trading was $1,209,088—in comparison with $720,735 in 1927—to which have to be added allowance for depreciation, $2,431,315, and interest charges $3,905,126. The aggregate deficit for

1928 is, therefore, $7,545,525, which brings the total losses since the establishment of the service up to nearly $58 million. Competition in the North Atlantic trades has become increasingly severe, but the privately-owned lines operated between Canada and Europe have of recent years succeeded not only in covering depreciation of their fleets but in making at least small profits. The magnitude of the losses incurred by the Canadian Government in the operation of its tonnage reinforce the conclusions already suggested by the experience of Australia and the United States, that shipping is an industry ill-suited to management by the State. Canada has now no ground for supposing either that privately-owned tonnage would not suffice to deal with her exports or that competition between existing ownerships serving her ports would fail to keep rates down to the minimum economic level. The Canadian taxpayer, who pays the piper, has clearly the right to call the tune, but it would not be surprising if the Ottawa Government should decide in the near future to follow the example set by Washington and gradually withdraw from a business in which much public money has been expended to little purpose.

Shipping Freight Index Number.—As measured by our index number, the average level of whole-cargo shipping freights in May was rather less than 2 per cent. lower than in April—this downward movement being in accordance with normal seasonal trend. The current total figure of the index number, 113.2, compares with 109.1 a year ago, and 129.6 in May, 1927. The mean figure for the month of May in the years 1923-25 works out at 126.8. The recent movements of the various groups in the index are summarised below:—

(Average 1898-1913=100.)

	Average 1913.	May, 1928.	Mar., 1929.	Apr., 1929.	May, 1929.
European Waters	110·0	101·5	123·8	117·7	119·6
North America	113·1	100·7	122·7	120·5	115·6
South America	123·4	105·9	118·5	118·4	122·6
India	106·3	110·0	112·2	106·3	109·0
Far East and Pacific	117·4	111·9	118·3	114·7	112·6
Australia.....	127·9	124·6	121·1	113·9	99·7
Total	116·3	109·1	119·4	115·3	113·2

There was a good demand during the past month for tonnage to load British coal, and the supply of vessels being not too plentiful, rates both to Bay, Mediterranean and South American ports stiffened appreciably. Homeward grain business was restricted again by the downward movement of wheat prices, and the consequent hesitancy of European importers. Argentine maize continued to absorb a substantial volume of cargo space, and homeward rates from South America were well maintained. North American freights, on the other hand, had a weaker tendency, and the homeward rate from Australia slumped heavily, competition from liner services in this trade being particularly severe. Eastern business was quiet.

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

	Index Number	Inc. or Dec. points.		Index Number	Inc. or Dec. Points.
Home trade.....	95·2	−2·7	South America—Outwards	97·2	+ 8·6
Bay—outwards.....	141·3	+9·2	South America—homewards	148·0	− 0·2
Bay—homewards	135·5	—	India—outwards	117·9	+ 2·1
Mediterranean—outwards	145·0	+9·9	India—homewards ...	100·2	+ 3·3
Mediterranean—homewards	105·3	−2·6	Far East, etc.	112·6	− 2·1
North America	115·6	−4·9	Australia	99·7	−14·2

Expressed as a percentage of the average for 1913, the total figure of our index number for May works out at 97.3, as compared with 99.1 in April, and 93.8 a year ago.

Venezuela's Improvement.—A correspondent writes:—After close upon twenty years' tenure of office as Chief Executive, during which the economic fortunes of Venezuela have seen consistent advancement, General Juan Vincente Gómez has given place, voluntarily, to a successor. Dr Juan Baptiste Peréz, the new President elected by Congress, is an advocate of distinction, practising in the High Court of Appeal, a well-known authority upon economics and with an extensive knowledge of finance. In no sense of the word is he a politician. Dr Peréz assumes office at a time when conditions in Venezuela have been hardly ever upon a more satisfactory basis. It claims to be the only country free from debt to the United States. On January 1st last the debt was reduced to $13,512,921 (£2,702,584), while on April 13th following gold worth $18,584,852 (£3,716,976) was upon deposit in New York, thus satisfying the last—and the whole—of the outstanding payment due. In regard to Venuezuela's debt payment due on the Three per cent. Diplomatic Debt, the Government commenced in June of last year to remit double the amount required, and, assuming that these satisfactory efforts to extinguish the debt are maintained, the whole of it should be redeemed by the end of 1931. All Venezuelan business is conducted in the currency of the country, and, as the banks operate almost exclusively with New York, the rate of exchange is regulated by the value of sterling there. The exterior trade of the country attained in 1928 the record figure of $173,353,508 gold (£34,670,700), of which $71,691,862 (£14,338,372) represented imports and $101,661,640 (£20,332,328) exports. The commercial balance was, therefore, distinctly favourable. So large has been the output of petroleum, the 1928 production having amounted to 107,253,094 tons, that Venezuela occupies now the position of second largest oil-producing country of the world. The balanced 1928-29 budget estimates revenues and expenditures at 195,450,000 bolívars. The political disturbances reported appear to have no more adverse consequences than might have been foreseen with an exchange of Government personnel.

Transvaal Output of Gold.—The gold output of the mines of the Transvaal for May amounted to 897,598 ozs. of fine gold. For May, 1928, the output was 886,186 ozs. of fine gold. The following table shows the monthly output since the beginning of 1923:—

Months of	1923.	1924.	1925.	1926.	1927.	1928.	1929.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January ...	764,469	796,768	823,592	796,270	839,782	843,857	872,45
February	704,970	760,617	753,925	753,924	779,339	816,133	815,28
March ...	761,586	795,671	825,479	834,340	860,511	877,380	866,89
April	743,651	768,923	787,519	803,303	824,014	825,907	872,12
May.....	786,564	809,003	813,249	849,214	859,479	886,186	897,59
5 months	3,761,240	3,930,982	4,003,867	4,037,051	4,163,125	4,249,463	4,327,99
June	755,309	773,053	780,251	852,145	855,154	862,363	...
July	754,306	829,437	818,202	860,134	851,861	857,211	...
August ...	769,371	809,571	808,218	843,854	863,345	891,863	...
September	739,504	799,422	797,247	839,939	842,118	857,731	...
October ...	793,842	827,583	812,832	853,296	885,743	897,720	...
November	780,639	802,313	787,633	840,276	848,059	872,484	...
December	778,849	825,273	791,455	836,157	851,225	889,761	...
Total ...	9,133,060	9,597,634	9,599,702	9,962,852	10,130,630	10,356,596	4,327,99

The number of natives employed by members of the Witwatersrand Native Labour Association and Contractors over the past few months was as follows:—

	Sept., 1928.	Oct., 1928.	Nov., 1928.	Dec., 1928.	Jan., 1929.	Feb., 1929.	Mar., 1929.	April, 1929.	May, 1929.
Gold mines	194,936	193,147	190,870	187,970	192,526	196,150	197,646	197,412	195,733
Coal mines	16,803	16,506	16,241	16,059	15,845	15,940	16,065	15,900	15,852
Diamond mines	4,889	4,762	4,481	4,444	5,056	5,635	5,787	5,554	5,473
	216,628	214,415	211,592	208,473	213,427	217,725	219,498	218,866	217,058

There was a further decline in the number of natives employed in all branches of mining during May.

Oversea Correspondence.

UNITED STATES.—STOCK MARKET—MONEY—TARIFF—PROFITS—RAILWAY VALUATION.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 5.

SETTLEMENT of the Reparations question and the purging of the stock market have cleared the atmosphere somewhat, and sentiment is somewhat better. As was to be expected, the long drawn out deflation policy of the Federal Reserve Board, after bringing drastic liquidation in securities, affected also the commodity markets. The combination of falling stock prices and a rapidly sinking wheat market caused genuine alarm throughout the country, and there is reason to believe that the Federal Reserve Board will be less insistent on further liquidation if, indeed, it does not come to the aid of the money market.

The drop in wheat cannot, of course, be blamed entirely on the decline in stocks, any more than the latter can be explained by the break in wheat; but each reacted on the other, and was caused largely by tightening credit. While it is true that the wheat carry-over was large and the prospect for a large crop was good, the fact that the Chicago market was above world prices indicated that, so long as credit was available, speculators were willing to hold wheat for higher prices. For one thing, hope of Government aid had not been abandoned, and it was noticeable that the market rallied sharply on rumours that Government money would be forthcoming to take care of the wheat surplus. Shares of companies dependent largely on farm buying for their prosperity have suffered, but pessimism over the situation, no doubt, is overdone. The new crop wheat is just beginning to come to the market, and even though the bulk of it must be disposed of at prices which will yield the average producer little, if any, profit, the total reduction in farm income will not be in all probability a large percentage of total income. Moreover, part of the loss from lower prices will be made up by larger production.

The liquidation in the share market, which wiped out virtually all the gains of the past month or so and brought many of the overbulled stocks to new lows for the year, has brought brokers' loans down about $275 million in the past two weeks, and has released credit lent on stock collateral over the country generally. The smaller demand for money in this district as a result of stock liquidation has come at a time when a considerable flow of funds has come to New York from the interior, partly in preparation for end of the month and June 15th financial transactions. In consequence call money has been superabundant at 6 per cent. officially on the Stock Exchange and as low as 5 per cent. in the open market. This week the rate has advanced to 7 per cent. on improving demand from the Stock Exchange. Time money also has weakened, and the short dates are quoted 8¼ per cent. Commercial paper rates, however, have firmed up somewhat, the banks endeavouring to charge as near the discount rate as possible owing to the fact that they are still borrowing more than 900 millions from the Reserve.

The range of money rates in New York, as compiled by the Federal Reserve Bank, is shown in the following table:—

Money Rates at New York.

	May 31, 1928.	April 30, 1929.	May 29, 1929.
Stock Exchange call loans	*5½–6½	*8–16	*6
Stock Exchange 90 days loans	5½	8½	8¾
Prime commercial paper	4½–¾	6	6
Bills—90 day unindorsed	4–4½	5⅜	5½
Customers' rates on commercial loans	†4·53	†5·73	†5·78
Treasury certificates:			
Maturing September 15	...	4·94	5·10
Maturing December 15	3·89	4·92	5·07
Federal Reserve Bank of New York rediscount rate	4½	5	5
Federal Reserve Bank of New York buying rate for 90-day bills	4	5½	5½

* Range for preceding week.
† Average rate of leading banks at middle of month.

Now that the money situation is easier there is less fear of a bear market in stocks, although some observers anticipate a moderate recession in business on account of the tightness which has prevailed for so long a period. Some signs of a check in business activity may be seen. The steel industry is maintaining its fast pace, and operations are still at or near capacity, but forward orders are beginning to decline, especially from the motor trade. The unfinished work on hand is sufficient to insure an active summer in steel, but the second three months promise to be the best quarter of the year. The motor industry is falling off, although gradually, and revival in the autumn is expected to follow introduction of new models which will be got ready during the summer lull. Meanwhile the building industry, which improved in April after two or three months of decline, has again receded in May. During the first five months building contracts awarded were lower than for any similar period since 1925.

Commodity prices, which have been declining rather steadily during the past year, were lower during May. The loss, according to Dun's index, was 1.7 per cent., due mainly to the drop in breadstuffs, but all sections declined. Declining commodity prices and the fact that money is still dear probably forecast some stoppage in business until the position is better adjusted. Whether this readjustment takes place without much disturbance will depend somewhat on the policy to be pursued by the central banks.

Just what the Federal Reserve Board has in mind is not much clearer than it was. The market for Government bonds has been improving, and dealers in bankers' acceptances look for cessation of the sales by the Reserve Banks. Should the Federal Reserve, instead of a seller, become a buyer of securities and bills, business confidence might be restored.

The attitude of Congress towards the tariff is not liked in good quarters, but it is hoped that some of the worst features of the proposed increases may not find their way into law. Most of the tirades against stock speculation may be dismissed as made for the edification of constituencies. Some progress is being made with the farm relief programme, though it is yet too early to determine just how, if at all, Congress is going to do the farmer much good. The extensive increases in protection to manufactures will, if carried, render the new tariff rather a menace than a protection to the farming community.

Great satisfaction is felt here over the success of the efforts of the experts to arrive at an agreement on Reparations. Bankers anticipate a resumption of foreign financing here, although our current high money market may be a hindrance. Numerous loans to German industrial enterprises are known to be impending. Improvement has been noted also in the market for certain commodities, notably copper, as a result of Reparations settlement.

An interesting compilation of corporation profits during the first quarter is published in the current bulletin of the New York Federal Reserve Bank. The report shows that net earnings of 235 industrial and mercantile companies were 33 per cent. larger than in the same period of last year and 42 per cent. above 1927. Such unusually large earnings go far toward explaining the upward movement in the share market, and while their very size indicates the probability of some recession, it is apparent that nothing short of genuine business depression this autumn will prevent 1929 from being the banner year for corporate earnings.

Copper and steel companies turned in the largest gains, with oils companies and motor accessory manufacturing concerns next. Oils, however, had the advantage of a poor showing for a year ago. Building supply, leather and shoe companies were the only classes to report lower earnings as compared with a year ago. The record is shown in the following table:—

Corporation Groups.	Number.	First Quarter. 1927.	1928.	1929.
Motors	16	75,121	94,736	98,948
Motor parts and accessories (excl. tyres)	16	6,580	6,775	12,816
Oil	24	21,727	12,081	23,524
Steel	15	44,911	36,276	73,835
Food and food products	31	32,338	33,662	38,075
Machine and machine mfg.	17	9,630	9,656	12,586
Copper	7	6,770	8,684	21,724
Coal and coke	6	3,186	1,383	2,329
Other mining and smelting	12	6,835	7,032	11,892
Chemicals	11	12,996	14,729	19,269
Building supplies	11	4,592	3,936	3,381
Railroad equipment	5	5,502	5,371	6,004
Amusement	6	9,032	11,393	14,315
Tobacco	4	1,994	1,701	1,965
Leather and shoe	5	703	1,471	Def. 1,375
Textiles	6	1,042	678	1,053
Miscellaneous	43	44,707	57,159	68,839
Total 17 groups	235	287,666	306,723	409,180
Telephone (net operating income)	88	58,700	62,700	69,600
Other public utilities	95	206,100	226,100	263,000
Total public utilities	183	264,800	288,800	332,600
Class I. railroads (net operating income)	183	225,500	217,400	259,500

The decision of the Supreme Court in the St. Louis and O'Fallon Railway valuation case, which had been used by the railroads as a test case of the method used by the Interstate Commerce Commission in placing a value on railroad property for rate making purposes, as directed by the Transportation Act of 1920, has been given in favour of the railroad. The railroads claimed that reproduction cost should be given more consideration, whereas the Commission made up its valuations on the basis of 1914 reproduction costs plus subsequent investment. Since the roads have failed, with record-breaking traffic, to earn as much as 5¾ per cent. on their tentative valuation, their case for higher rates would appear to be good. However, rates are set largely in conformity with what the traffic will bear, and so far as rates are concerned, the value of the decision to the railroads lies in the stoppage it probably will put to the whittling away of rates on various commodities which has been a practice of the Commission for the past two or three years. Another, and to the holder of certain railroad shares, very important feature of the case was the removal of the danger that some of the roads which have been earning more than 6 per cent. on their individual property investment will have to turn over one-half of the excess to the Government, as provided by the Recapture Clause of the Transportation Act. Few roads on which a valuation under the O'Fallon decision will be set will be found to earn over 6 per cent. on their property value, but a number of them exceeded that percentage on the Commission's tentative valuation.

FRANCE.—REPARATIONS—LONDON AND WASHINGTON AGREEMENTS—PRICES—PRODUCTION—CAPITAL ISSUES.

(FROM OUR CORRESPONDENT.)

PARIS, June 15.

FRENCH opinion in general, now that the full text of the experts' recommendations is available, inclines to the view that the new Young Plan is worthy of acceptance. It gives the French satisfaction, to a considerable extent, in regard to what they regard as their fundamental essentials—that the reparations and the inter-allied debt problems should, and must, be regarded as forming one inseparable whole, and that the only acceptable settlement is one which will furnish them with sufficient money, not only to liquidate their debts to Great Britain and the United States, but also to recoup them for most, if not all, of their expenditure on the devastated regions. Further, it renders possible the mobilisation of sufficient of their debtor's liabilities to enable them to extinguish a substantial portion of their own public debt, and thus contribute towards a massive reduction of the burden of taxation that at present strangles both the French taxpayers and French industry. Unofficial critics place the cost of the reconstruction of the devastated departments as having been over 100,000,000,000 francs (and in present day francs very much more). The 500,000,000 marks (3,125,000,000 francs) a year which will come to France out of the "unconditional" portion of the first series of the German annuities, will furnish this country with the means to wipe out from 45,000 to 50,000 millions of the debt incurred since the war in financing reconstitution of the devastated area. The total sum that should come to France under the Young Plan is estimated at a capital value of 19,367 million marks, or 117,750,000,000 francs.

Detailed criticism of the new Plan is as yet lacking, as might be expected from the complex nature of the various provisions, which render hasty conclusions dangerous. It is possible, too, that there is a desire to suppress what might seem to be captious criticism, in view of the fact that British sacrifices under the new proposals appear to be much more serious than those that would be suffered by this country. The "Joker" in the experts' report, of which much will probably be heard in the future, is the recommendation (Part 8, Section II) that in the event of any Allied debtor Power benefiting later from any reduction accorded to it by any of its own creditors, two-thirds of such reduction shall pass to Germany, and the remaining third be paid into the International Bank. In other words, if the American Government should, at some future time, for reasons of its own, reduce the debt owing to it by France, the latter will not be able to utilise the amount so saved by applying it to the liquidation of its own unrepaid war losses, as the advantage arising from such reduction will go to benefit Germany—and American capital invested in Germany. The proviso in question, at all events, appears to render nugatory any idea of an effort to induce the United States to modify its intransigeant attitude towards its European debtors, and still further to strengthen America's financial grip on Europe.

For the moment, discussion of the experts' proposals is taking second place to the question whether France shall or shall not ratify the London and Washington agreements. The matter will come formally before the Chamber on June 25, but whether the House will be asked for direct ratification of the agreements, or whether it will avoid responsibility for so doing—which at present seems more likely—and adopt the expedient of authorising the Government to deal with the matter as it thinks fit (which would mean ratification by decree) is not yet clear. Immediately after the debate in the Chamber the Government issued for publication the text of the opinion of Me Gaston Jéze and two other eminent constitutional experts. All three agree that, in the circumstances, Parliamentary ratification is unnecessary. The Marin group of Nationalist deputies, who have hitherto been opposed to ratification of the agreements in any form, decided a few days ago, at their Party Congress at Rouen, to support ratification as the only way out of the present

NATIONAL BANK OF GREECE
Established 1841

Head Office: Athens.
Branches throughout Greece.
New York Agency, 51 Maiden Lane.

THE BANK OFFERS EXCEPTIONAL FACILITIES FOR BUSINESS WITH GREECE

Capital paid up and Reserves Drs. 1,205,000,000.

difficult situation. This seems to remove the only obstacle in the way of both agreements being formally ratified in the near future—either by direct vote of the two Houses, or by Governmental decree. The urgency of the matter lies in the fact that payment of $400,000,000 for the American war stocks falls due in August, unless meanwhile ratification is accorded to the Washington agreement, under which this commercial debt will be merged with the political debt, and payment thus be both substantially reduced and spread over a long series of annuities.

The Statistique Générale returns the index figure for wholesale prices at the end of May as 636. This represents a drop of four points on the month, of 17 since March, of 10 since May last year, and of 218 since the record figure of 854 in July, 1926, but a rise of 36 points compared with October, 1928, when the figure recorded was 600, the lowest since October, 1925. The detailed comparative figures for May are as follows (based on 100 as representing corresponding prices in July, 1914):—

	Articles.	March.	April.	May.
General index figure	(45)	653	640	636
French products	(29)	647	648	649
Imported products	(16)	665	625	614
Foodstuffs (general figure)	(20)	610	610	608
Vegetable foods	(8)	641	622	642
Meats	(8)	579	599	584
Sugar, coffee, cacao	(4)	611	606	581
Raw materials (general figure)	(25)	691	667	662
Minerals and metals	(7)	669	623	622
Textiles	(6)	765	738	722
Various	(12)	659	652	650

Purely French products, as in the two previous months, have again risen a point, the figure for May being the highest recorded since November, 1926, when it was returned as 698. The figure for imported products is the lowest recorded since June, 1926 (when this system of differentiating between French and foreign products was first applied), and no fewer than 460 points below that established in July, 1926. Reduced to gold franc value, the French wholesale figure for May works out in round figures at 123, as compared with (for April) Great Britain, 141; Germany, 137; Holland, 144; Sweden, 141; Switzerland, 140; Belgium, 123 (or 862 in new Belgian currency). Retail prices in Paris are returned at 626 for May, or 11 points higher on the month, 30 since the end of 1928, 103 since December, 1927, and 32 since January, 1927.

The general index figure for industrial production during April is returned at 139 (1913=100), or a rise of one point on the month, five since January 1, 11 since June, 1928, 30 since June, 1927. With the exception of the motor-car industry (which has shed half a dozen points, as is usual at this time of year) all the seven categories of manufacturing industries covered show fractionally increased figures. Textiles remain the weak spot, the output figure, although a point up on the month, being still five points below pre-war level. Railway receipts were a fraction lower in April, although the number of trucks loaded per day was 67,586, against 65,185 in March. Shipping tonnage remained practically at the previous month's level. The number of workers unable to secure employment through the labour bureaux during April was 9,798 (including those actually in receipt of unemployment pay), as against 10,618 in March. Employers were unable to find labour to fill 20,390 vacancies, as against 18,602 in March.

Public issues during May totalled 1,112,600,000 francs, of which 115,300,000 francs were issued by new companies and the rest increases of capital (628,900,000 shares and 368,400,000 franc bonds) by existing concerns. The average rate of interest offered was 5.95 per cent., as against 5.90 per cent. in April, 6.20 per cent. in March, 6.65 per cent. in May, 1928, 7.55 per cent. in May, 1927, and 8.85 per cent. in May, 1926. The Statistique Générale returns an index figure of 86.6 (as against 85.5 in April (1913=100) for Bourse quotations in May of 52 French descriptions with fixed yields, and 512 for 288 French issues with variable yield (against 518 in April). Banks, collieries, iron and steel concerns, chemical products, and electrical undertakings all rose while construction material, metal-working, textile, railway and insurance shares fell, the drop in the figure for the latter being from 1,096 to 977.

GERMANY.—REPARATIONS—CREDIT—FINANCES—INDUSTRY—AGRARIAN PROTECTION.

(FROM OUR CORRESPONDENT.)

BERLIN, June 11.

THE detailed provisions of the Young Committee's Report are subjected to very little criticism. In general the methods prescribed for operation of the new Plan are considered practical. Commercial circles are pleased by the proposed adoption of the reichsmark for all purposes of the plan, and consider that it will help towards the internationalisation of German bills of exchange. The " gold mark " of the Dawes Plan and of earlier Reparation arrangements cast a shadow on the reputation of the reichsmark, and its own reputation was not enhanced by the Dawes Plan prescription that it should be called and treated as a gold mark even if in the Transfer Committee's opinion it would not fetch its nominal gold value in the exchange market. In view of the fact that the Reichsbank has consistently, though voluntarily, converted its notes by selling foreign exchange at par or by exporting gold, the proposed putting into force of article 31 of the Bank Law of August, 1924, seems at first sight only to recognise an existing condition; but the putting into force will have more than mere formal importance, in that it will for the first time give holders of mark banknotes, cheques, and bills a legally enforceable claim. After the putting into force of article 31, the currency will be on a gold-exchange, not a gold, basis; redemption in gold will remain optional. It is not likely that gold will be coined.

The Paris Report is considered to express a more optimistic view of Germany's position and prospects than that held by the Dawes Committee. If the moderate average reduction of the Dawes annuities means that Germany's payment-capacity was over-estimated in 1924 —though this is not clear—the fixing of a sum transferable in all circumstances and the limitation of the right to postpone internal payments seems to mean that the Young Committee was more confident of fulfilment of its Plan than the Dawes Committee was of the Dawes Plan. The Dawes Committee did not unconditionally count upon any transfers at all or (after the accumulation in the Reichsbank reached its maximum) upon any internal payments. The Young Committee, including the German members, holds, it is noted, the view that full transfers and full payments are assured except during possible emergency periods. As the cessation of borrowing from abroad could hardly be considered an emergency, it seems that the Young Committee rejected the very common view that the Dawes Plan must have broken down the moment borrowing ceased. The Committee seems rather to have held that the balance of foreign payments will adjust itself, via the foreign trade balance, as soon as the outflow of funds for payment of Reparations ceases to be counterbalanced by an inflow of borrowed funds. There are already indications that this process has begun. It should be added that the official foreign-payments balances issued last month show that the excess of payments abroad (for imports, interest and Reparations) over receipts was much smaller in the past five years than is generally believed and that a correspondingly smaller import of capital to make good the deficit took place. The deficit, and the balancing net import of capital in form of loans, short-term credits, and receipts from sales of securities, averaged in 1924-28 some 3,500 million marks a year.

The money situation has continued to improve. Day money has been abundant. The average day loan interest rate fell last week by about 2 per cent., and was to-day 6-8½ per cent. Month rates remain relatively high at 9½-10¾ per cent. The market was not affected by payment of the first instalment of the new Federal loan, due on the 12th. Increased willingness by France to grant credits has been observed since the Paris agreement. The Reichsbank's return for the first week of June shows only a moderate improvement, but discounts and advances are considerably below the figures of the same week of May, and circulation is a little lower. The reserve ratio has risen to 47.4 per cent. of reichsmark

circulation, and to 42.9 per cent. of the combined reichsmark and rentenmark circulation. The restrictions upon new rediscounting have not been removed.

The federal loan flotation has not been a success. Of the total 500 million marks only 300 million marks were offered for immediate subscription, but subscriptions totalled only 178 million marks. Although the promised tax-exemption, in view of the progressive character of income and other direct taxes, favoured wealthy persons, the greater part of the subscriptions was in small sums and apparently by petty capitalists. Only a few weeks before the new loan was announced, the Finance Ministry declared that home capital market conditions made long-term borrowing impossible, and it seems that this first judgment was right and ought to have been acted upon. On the strength of the loan the Finance Ministry got an advance of 120 million marks from the commercial banks, and as only 40 per cent. of the subscriptions is payable this month (the remainder in July and August) some new form of short-term borrowing will be needed to cover the Republic's cash deficit.

The now complete tax revenue returns for the financial year 1928-29 show, as compared with the estimates:—

	Marks (000's omitted). Estimated.	Received.
Total	8,862,000	9,024,514
Direct taxes	6,060,000	6,146,781
Thereof:		
Income	2,900,000	3,109,749
Corporation income	550,000	608,332
Property	520,000	450,757
Inheritance	100,000	73,545
Turnover	1,050,000	1,000,134
Motor-car	160,000	181,364
Railway traffic	340,000	354,080
Indirect	2,802,000	2,877,610
Thereof controlled	2,760,000	2,827,205
The Controlled Revenue taxes yielded:		
Customs	1,200,000	1,104,598
Tobacco	780,000	870,522
Sugar	140,000	158,218
Beer	370,000	396,894
Spirits monopoly	270,000	296,971

The deficit on Customs is presumably due to the falling-off, as compared with the preceding financial year, of imports, that on the turnover tax to the slackening of home trade. The inheritance tax yielded a very small sum. The stagnation in the capital market and on the Bourse are reflected in deficits on the company, securities, and Bourse-transfers taxes. Total receipts from taxes in the financial year 1927-28 were 8,490,395,000 marks, or 534,119,000 marks less than in 1928-29.

The wholesale prices index for June 5th rose to 134.5, the first rise for some weeks, owing to the recovery of grain prices. Unemployment is still declining, being, on the basis of local Labour bureaux, about 800,000 on June 8rd. As a whole the coalmining industry is very well occupied. No shifts are now being passed, and the number of unemployed miners on the Ruhr has declined to 8,400. The position of the heavy iron and steel industry is improving. The export market for wire products has been very firm. The net exports of iron and steel in April were the largest since 1926. Machinery exports this year to the end of April totalled 200,454 metric tons, or an average of 50,100 tons a month, as against a monthly average in 1928 of 44,800 tons. Export trade in cutlery is increasing, exports in April being 738 metric tons against 586 tons in March and 571 tons in April, 1928. Exports to Great Britain increased, but the largest percentage increases were to the British and Dutch Indies, the Argentine Republic, and the Philippines. The Potash Syndicate's home and foreign sales in the first five months were 732,171 metric tons of pure potash, against 703,148 tons in the same months of 1928.

The Minister for Industry declares that food import-duties must be increased in order to cover the rise in farm production costs, and the Food Minister declares that Reparations can be paid only if part of the foodstuffs now imported is produced at home.

ITALY.—FOREIGN TRADE—EMIGRATION—UNEMPLOYMENT—SAVINGS—JOINT STOCK COMPANIES—WHEAT DUTY.

(FROM OUR CORRESPONDENT.)

TURIN, June 4.

A TURN for the better seems to have begun in foreign trade as the April figures indicate a decreased excess of imports over exports of 749.7 million lire, against 849.5 millions in the corresponding months of 1928, while in the first quarter the excess rose from 1,673.7 millions in 1928 to 2,349.5 in 1929. In the first quarter the most noteworthy increases in imports were: Corn, from 124,815 to 261,431 tons; oil seeds, from 81,097 to 112,703 tons; raw jute, from 16,539 to 18,029 tons; raw cotton, from 64,127 to 71,875 tons; broken iron and steel, from 114,460 to 227,216 tons; pig iron, from 27,025 to 43,426 tons; copper, from 16,997 to 19,637 tons; lead, from 5,104 to 8,277 tons; tin, from 1,075 to 1,475 tons; spelter, from 1,977 to 3,131 tons; machinery and parts, from 16,411 to 20,778 tons; coal, from 2,070,157 to 2,577,961 tons; mineral phosphates, from 140,138 to 181,830 tons; mineral oils, raw and lubricating, from 27,736 to 31,910 tons; mineral oil residues, from 101,281 to 130,319 tons; crude hides, from 8,267 to 11,521 tons; rubber, from 1,986 to 4,822 tons. Generally these increases can be interpreted as forerunners of future increases in exports,—but some people believe that there has been a permanent change in the demand for raw materials, as home industry must provide for an increasing population, no longer reduced by emigration. The net number of emigrants, less those returned home, was 240,000 in 1923, and decreased progressively to 177,000 in 1924, 81,000 in 1925, 72,000 in 1926, 67,000 in 1927. In 1928 the number is probably lower, and certainly no higher than 51,600. The effect of the increasing pressure of population seems, until to-day, to have verified Adam Smith's rather than Malthus' theories; each new worker coming of age creates a new demand for goods, but also an increasing supply of them. The number of unemployed has been as follows: January, 438,211 (1928) and 461,889 (1929); February, 413,383 (1928) and 489,347 (1929); March, 411,785 (1928) and 293,277 (1929); April, 356,795 (1928) and 257,603 (1929).

Warnings have been reiterated in the daily Press as to the slowness of savings, the progress of which is shown below:—

	Postal Savings Banks.	Ordinary Saving Banks.	Ordinary Banks.	People's Banks.	Regional Banks.
Dec., 1913	100	100	100	100	100
Dec., 1925	503·7	468·1	552·2	645·6	745·6
Dec., 1926	504·4	476·7	543·0	655·8	755·9
Dec., 1927	480·9	509·9	579·8	669·3	785·6
Dec., 1928	512·8	572·9	650·8	696·4	823·4
Feb., 1929	522·7	586·7	654·1	703·2	...
Mar., 1929	523·5	588·0	...	...	...

As by far the greatest proportion of sums technically known as savings are deposited in the postal and ordinary savings banks (26,435 million lire out of a total of 35,318 at the end of 1928), it will appear that the increase has not been very great since 1925. If we take into account, however, the increased value of the money, the increase in the purchasing power of these sums will loom much larger. Probably it is this same increase in the purchasing power of the saving, which is responsible for the slowing down of the pace of the nominal increases, since margins for savings during a period of reduced monetary incomes are smaller. Another reason for the slackened rate of increment of saving is probably the increasing amount of direct investment by agriculturists, of which no trace appears in statistics, as savings are invested in buildings or cultural betterments by millions of small or medium-sized agricultural proprietors, none of them having recourse to agricultural loans or mortgages. Statistics of investments are published only in the shape of figures of capital subscribed to joint-stock companies new and old. Taking into account winding up and reductions of capital of existing companies, the number of companies increased in the first four months of the year from 14,609 to 15,213, and their capital from 44,961.2 to 46,483.7 million lire.

Following reports of the slump in the prices of wheat in the United States and Canada, a Royal decree increased the duty on foreign wheat from 11 to 14 gold lire. On the present internal price of 125 paper lire, the duty works out at about 40 per cent., or 66 per cent. on the price of foreign wheat duty bound.

DENMARK.—POLITICS—CAPITAL—PRICES—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, June 10.

AFTER the election of the "Venestre" (agricultural party) Madsen-Mygdal Cabinet has been superseded by the Stauning-Munch Cabinet, composed of members of the Socialist and Radical Parties. But the Rigsdag has closed its sessions and started the summer vacation, and the new Cabinet is at present taking its bearings. One of the measures taken is the appointment of a Committee to investigate the market possibilities for Danish goods abroad. Political conflicts are likely to arise when the Rigsdag resumes its sessions, but in some quarters it is believed that the Government will not attempt to carry through too drastic measures.

In business life a steady development is still going on. Agriculture is benefiting by the good bacon prices, and up to the present nothing has happened to impair the prospects of good crops. Apparently merchants are fairly busy. With regard to the labour situation, which the Socialist papers do not appear to view with anything like the same pessimism as before the election, the number of unemployed is at present 31,441, against 39,800 at the same time last year. A special indication of increased enterprise and continued easy money is the fact that public issues of shares are taking place in Copenhagen as well as in the provinces. The latest instance is the increase of the capital of the most important of the provincial banks, the Aarhuus Privatbank, from 9,000,000 kroner to 12,000,000 kroner. With regard to the contemplated reduction of the interest rates of the finance institutions— a matter which had been postponed owing to increased bank rates abroad—it is stated by the chairman of the Association of Provincial Banks that all efforts in this direction will be supported, provided that it should be desired to take the matter up for the separate provinces. It is believed, however, that the matter is not suitable for uniform treatment all over the country.

The official wholesale price index showed a decline of two points in the course of May, the figure being now 148. In the course of the month there were particularly great declines for cattle food, i.e., from 155 to 147, and for hides, leather and footwear, which declined from 140 to 136. The total wholesale price index has declined continuously for the last three months. In January the figure was 151, but owing to the higher fuel prices during the period of ice obstructions the figure rose. As will be noted, the subsequent declining tendency has now brought it down below the figure at the beginning of the year. Last year at the same time (May) the index was 155.

The foreign trade statistics last published are those for April. While the two preceding months had shown excess of exports of 12,000,000 kroner and 10,000,000 kroner respectively, the April statistics had an excess of imports amounting to as much as 56,000,000 kroner, as a result of imports to the value of 212,000,000 kroner, against exports realising 156,000,000 kroner. This extraordinary change is explained by the weather. Considerable shipments arrived in April to cover orders given a long time before, but not carried out until the ice obstructions had ceased. Actually the total excess of imports during the current year to date has amounted to 87,000,000 kroner only, while for the first four months of 1928 the balance of trade showed a deficit of 57,000,000 kroner.

CANADA.—WEATHER—CROPS—BUSINESS—UNITED STATES TARIFF—THE C.N.R.

(FROM OUR CORRESPONDENT.)

OTTAWA, May 29.

THE weather has materially improved throughout Canada during the past week and a spell of really warm days has been favourable to the growth of crops and pasture, which were both very backward. There have also been heavy rains of a timely character throughout the prairie provinces, and they have relieved for the time being all anxiety about moisture reserves, which in many districts were very inadequate. Indeed, crop conditions are now reported to be better in the West than in the East, where the farmers have been greatly hampered in their operations by the cold, wet weather which prevailed from the middle of April onwards. The wheat situation is still causing a good deal of anxiety, and, although there has been some outward movement of wheat in the past week, the congestion at Montreal is still very acute, and on May 17th 156 millions of bushels were still in store in the Dominion. The improved news about the prairie wheat crop had had the effect of depressing prices still lower, and the holders of Canadian wheat have already lost many millions of dollars. A lowered purchasing power, which will have an adverse effect upon business, is now seen to be inevitable for a large part of the farming community during the rest of the year, and the portents foreshadowing a curtailment of business are already visible in the carloading figures. For the week ending May 18th it was placed at 67,461 cars, which shows declines of 784 and 1,507 cars respectively as compared with the figures for the previous week and the parallel week of 1928. The cumulative total of the year's carloadings to date, which for a long time ran well ahead of last year's corresponding figure, is now only some 8,400 cars ahead, and will probably fall behind in the near future unless things improve. However, the feeling in well-informed circles is that, while some recession of business must be prepared for, there is no real ground for pessimism if long views are held. Wholesale and retail trade is about normal for this period of the year, and the advent of warm weather is now inducing the public to purchase freely its supplies of summer goods, which it had postponed owing to the inclement conditions. The new building programme is of considerable dimensions, and, with the general resumption of outdoor work, employment has increased. The lumber business is active, and, although the newsprint companies still find prices unsatisfactory, they are keeping up their production at a good level. The Canadian stock markets had begun to show distinctly bearish tendencies before the recent slump in the New York market took place, but they have been materially affected by it, and the majority of the Canadian stocks have fallen sharply during the past week. The mining market is also dull, and the general public, which has, on the whole, suffered considerable losses, has had its fill of speculation. Merchants are not displeased at this development, as they find that a waning interest in the stock market promotes a disposition to make more generous purchases of goods.

The Ministry is reported to be sharply divided on the question of the policy which should be adopted to meet the impending Conservative assault. The protectionist wing of the Cabinet, which is headed by Mr Robb, the Minister of Finance, Mr Malcolm (Trade and Commerce) and Mr Eurler (National Revenue), is credibly said to be in favour of boldly adopting a policy of retaliation, and raising the Canadian scale of duties to substantially higher levels; it would commit the Liberal party to a level of protectionism which would be singularly at variance with the tariff planks of its platform of 1919, but it would enable them to pose as the vigilant defenders of the country's interests against selfish American fiscal aggression, and would offer them a chance of holding industrial seats in the East. But hitherto the Western members of the Cabinet, headed by Mr Dunning, the Minister of Railways, and Mr Stewart (Interior) have been resolutely opposing any such adventures in retaliation. Their arguments have been that the American tariff is not nearly as bad as was forecast, that it does very little harm to the Western Provinces, and that, if the Liberal party steals the Conservative's tariff clothes and takes a protectionist path, it will forfeit what agrarian support it has in the West and lose many seats to Progressive candidates, who will accuse the Liberals of betraying their principles for the sake of office. However, during the past week the situation has been somewhat changed by the news from Washington about an amendment to the Tariff Bill, which, if put into effect, will raise the tariff on most of the Canadian cattle exported to the United States from 1½ to 2½ cents per pound. No feature of the original draft Bill caused so much relief in Canada as the apparent preservation of the cattle duties at their present level, and there is corresponding dismay at the discovery that the jubilation was premature. In the fiscal year ending March 31, 1928, Canada exported to the United States some 200,000 cattle, chiefly young store animals, which the farmers of Iowa and Nebraska bought to fatten on corn; in the last fiscal year the number was substantially increased, and the prices for cattle, which, in the case of young "stores" have recently been averaging about 9 cents per pound, were quite profitable to the Canadian farmer. As a result, many prairie farmers during the past year, disappointed with the price of grain, have been turning their energies to cattle raising. The amendment now inserted will face these young cattle exported by Canada with a levy of 2½ cents per pound, as the great majority of them weigh over 800 pounds, and it will be equivalent to an *ad valorem* rate of 25 per cent., which is a heavy impost. The impression is that the effect of the heightened duty will not be felt for some time as there is a shortage of cattle on both sides of the line, and, if the American price for cattle is raised, the Canadian will be also, and the cattle raisers of both countries will profit temporarily at the expense of the consumer. But, if the new cattle duties are to produce any satisfactory results, they must encourage the raising of more cattle in the United States, and the Canadian cattle raisers will feel the pinch two or three years hence, when the augmented number of calves in the United States has come to maturity and diminished the need of importing cattle from Canada. Other amendments adverse to Canada have also been inserted, and the potato growers of Prince Edward Island and New Brunswick, who escaped in the original draft Bill, will now be penalised unless the Senate intervenes. But the result of these developments is that it will no longer be possible for the Liberals to argue that the West has suffered no damage from the new tariff, and the Conservatives hope to find for the propagation of their retaliatory protectionist gospel the same sort of atmosphere of resentment against the United States prevailing in the West as in the East. Naturally, the hands of those Liberal Ministers who are advocating a policy of reprisals have been strengthened, and it is they who are credited with urging a general election this autumn, at which a mandate should be sought for the policy favoured by them. They believe that, in view of the sharp slump in grain prices and the threatened recession in business, things may be worse from an electioneering point of view before they are better, and that the sooner the ordeal is faced the better. Meanwhile, the present session of the Federal Parliament, which has been one of the dullest on record, is in its penultimate stages, and prorogation is expected early in June.

The Canadian National Railway, although it has failed to secure the co-operation of its rival, the Canadian Pacific, is going ahead with an ambitious scheme for new terminal facilities in Montreal, and Parliament has been induced to sanction an expenditure of 50 million dollars, which will be spread over a number of years. In many quarters, however, there is some disquietude about the finances of the C.N.R., and certain members of the Senate have been unpleasantly inquisitive about the purchase of a small railway system in Quebec by the C.N.R. from the Delaware and Hudson Railway. It was revealed that a mysterious middleman had intervened in the transaction, and the necessity for his intervention has yet to be explained.

Letters to the Editor.

THE FALL IN WHEAT PRICES.

TO THE EDITOR OF THE "ECONOMIST."

SIR,—Our attention has been drawn to the article under the title "Fall in Wheat Prices," published in your issue of June 8th. On page 1274 the following expression is used: "and it would not be surprising to find Canadian Elevator Companies in difficulties before long."

This statement was apparently made without making proper enquiries, and has caused some anxiety and concern among holders in this country of the securities of Canadian Elevator Companies.

Immediately our attention was drawn to your article we communicated with the presidents of two of the leading Elevator Companies in Canada, and their reply is to the effect that, whereas the Farmers' Wheat Pool may be embarrassed by the low price of grain, the Elevator Companies are in an excellent position.

The profits of the Elevator Companies are principally obtained from the services they render in storing, grading, cleaning and shipping grain. If grain is purchased from farmers it is the usual practice for the Line Elevator Companies to hedge the amount immediately in the market, and the action of the wheat market does not therefore affect them.

In view of the anxious enquiries we have received as a result of your article, we think you should take the opportunity of putting forward the correct position of the Canadian Elevator Companies in your next issue.—Yours faithfully,

D. C. JENNINGS.
(*Royal Securities Corporation (Canada), Limited.*)

9-13, King William Street, London, E.C.4.
June 13, 1929.

Books and Publications.

A CENTURY OF POOR LAW.*

"NOR in nature," observed the rector of Pewsey in 1785, "can anything be more beautiful than the mild complacency of benevolence hastening to the humble cottage to relieve the wants of industry and virtue, to feed the hungry, to clothe the naked, and to soothe the sorrows of the widow with her tender orphans; nothing can be more pleasing, unless it be their sparkling eyes, their bursting tears, and their uplifted hands, the artless expression of unfeigned gratitude for unexpected favours . . . . When the poor are obliged to cultivate the friendship of the rich, the rich will never want inclination to relieve the distress of the poor." So the Reverend Joseph Townsend:—a hundred and twenty years later, the Minority of the Poor Law Commissioners, surveying the same phenomenon, remarked, perhaps with less poetry of thought, that "there is nothing more disastrous, alike to the character of the poor and to the efficiency of the services of public assistance which is at their disposal, than the alms dispensed by well-meaning persons in the mere relief of distress. The distribution of indiscriminate, unconditional, and inadequate doles is none the less harmful when it is an adjunct of quite kindly meant district visiting, the official ministrations of religion, or the treatment meted out by a 'medical mission.'"

These two statements stand almost at the two ends of the second part of Mr and Mrs Sidney Webb's great history of the Poor Law; between them lies a long and terrible tale of misery, inefficiency, and squalor, in which the most depressing fact is that no expedient of Poor Law administrators, whether "stern" or "merciful," appeared to have any lasting effect in mitigating, to any real extent, the poverty with which they had to deal. The rigid Benthamite, trying by severity to dry up the pools of inefficient, hopeless, pauper labour which the Old Poor Law kept in being to feed decaying industries which ought long ago to have died, found that it was impossible

* "English Poor Law History: Part II.; The Last Hundred Years." By Sidney and Beatrice Webb. 2 vols. Pp. 1085. Longmans, Green and Co. 36s.

in practice to reduce the condition of the pauper below that of the lowest-paid free labourer without killing him; the would-be humaniser of the New Poor Law that he was creating havens of refuge where the workshies and the weaklings of industry could hide themselves, to the great scandal of the respectable classes; and the inventors of the " Able-Bodied Test Workhouses " that they caught, not the sturdy vagabonds whom they wanted to penalise, but the poor creatures for whom the world was too much and who ought, for the most part, to have been in a home of rest, and not on the labour market at all. A " deterrent " policy could, indeed, reduce the number of paupers, but only at the price of increasing the number of beggars; and it is, to say the least of it, doubtful whether the social value of this change was worth the expenditure of some millions of national money. One can only guess at the depths of misery and degradation which underlie the simple statement that from 1870 to 1900 the " proportion in receipt of relief " scarcely varied at all, though that period includes both the booming prosperity of '74 and the black years of '79 and '80.

As the task of the Guardians was hopeless, it cannot be expected that its administration should have been pleasant, or its history cheerful reading; and the minute and valuable account which the Webbs here give of all the expedients which were from time to time adopted to abolish the pauper without abolishing poverty makes, sometimes, the most depressing reading. The only addition to theory which a century of Poor Law administration appears to have produced, as illustrated by the extracts quoted above, was that, useless as the Poor Law was for curing poverty, private charity was even worse.

The Webbs, however, as practical politicians, do not leave their readers quite in this state of despair. The moral of their book, as drawn again and again in the account of each mournful experiment, is that a Poor Law is in itself an anomaly, because of its nature it can deal only with destitution, i.e., with a sympton which belongs to many social diseases, e.g., crime, lunacy, old age, sickness, and unemployment, and not with the diseases or their causes. To set up a Poor Law in order to get rid of the symptom of destitution is as though a hospital were to employ a doctor whose speciality it was to cure spots. And the Webbs draw hope from the fact, which they point out, that the whole tendency of nineteenth and twentieth century legislation, whatever its theory, has been to tackle the diseases of which destitution is a symptom, by providing more and more, out of national resources, assistances and services which do not carry with them the stigma of pauperism. Much still remains to be done; even when all the permanent causes of destitution, such as old age, sickness, or mental deficiency, are removed from the Poor Law, destitution will still exist as long as low wages and unemployment remain; and the new Local Government Act (summarised in an epilogue), though in theory it " breaks up the Poor Law," leaves, in fact, much of it still remaining. But tendencies speak louder than theories; and on this hopeful note the book ends.

For the rest, these two volumes wind up the great *corpus* of English local government history which we owe to their authors, and which, as far as we can see, will be indispensable to the student and the statesman for generations to come. The amount of information, available from no other source, which is contained in them, is colossal, and merits the warm gratitude of every worker in the body politic. Two criticisms only can be made. The treatment of " Poplarism " in the metropolis is rather misleading, because it is considered too much as a theory of administration, which it was not, and too little as a demonstration. The whole episode of " Poplarism " was as much an experiment in practical politics as the strike of 1926, and no more. And on page 679, by an extraordinary lapse, our authors speak of the miners' strike of 1921 as " *arising out of a claim for improvement in conditions* "— a rather staggering statement to anyone who remembers the tremendous cuts made that year in miners' wages. These, however, are but minor blemishes on a really valuable piece of work.

AMERICAN POLITICS.*

A WELCOME addition to the materials for a scientific study of politics and public administration is now available in the shape of a volume of " Documents and Readings in American Government." Collected from a wide field, the documents include extracts from various official publications, legislative acts, law reports, records of Congress and the daily Press. While the work will be used chiefly to bring the raw materials of political study alongside the pages of any of the standard text-books on American political affairs, it is to a considerable extent self-contained, since the editors have skilfully classified their material and prefixed useful introductory notes to bring out the significance of the various extracts.

The book is long, but as it aims to cover the whole field of American Government, national State and local, it is difficult to see how it could be much shorter. The difficulty of making the study of political theory more concrete and hence more fruitful of practical results is well known. This volume should prove an immense help in this task in America, since many extracts dealing with recent events are included. There is room for a similar volume in other countries.

LABOUR AND INTERNATIONALISM.†

Dr Lorwin's book, " Labour and Internationalism " —the outcome of an investigation conducted under the auspices of the Institute of Economics of the Bookings Institution—professes to tell the story of international labour co-operation during the past hundred years. It does tell the story, but by the method of the annalist rather than of the historian. Masses of particulars fill over 600 pages, and the mental impression left after perusal is one of disconnectedness. This, perhaps, is due as much to the subject as the method. The reader seems to be immersed in a maze of details about policies which were always being recast, and personalities between whom there was as much friction as pulling together. Underlying all, there has been, no doubt, a growing sense of one common purpose—the purpose of working out a state of things everywhere in which individuals would have opportunity to develop and really live, instead of passing through dull, depressing existence—but the chains of events described come too near in point of time to allow readily of their being made, by means of the true historian's touch, to exhibit their significance in relation to other broad tendencies.

The development of international labour organisations, both in the old world and the new, is traced from 1830 to the outbreak of the world war. Then we are shown the drifting apart which ensued as a result of inflamed national prejudice, and the attempts at stabilisation and reorganisation which followed the war. A second part of the volume is devoted to discussing the outlook for the future, but the " horizons ahead," described in the last chapter, seem to be made up as much of the likelihood of internal struggle for control as of possibilities for co-ordinated action.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

Survey of International Affairs, 1927. By Arnold J. Toynbee; assisted by V. M. Boulter. (London) Oxford University Press, Warwick Square. 24s. net.

This invaluable work is divided into four sections: Security and Disarmament; Europe; China; and The American Continent. The text of the more important treaties and notes are given in an appendix, and there are four maps.

Recent Economic Changes in the United States. The Report of the President's Conference Committee. In 2 vols. (London) McGraw-Hill Book Co., Inc., 6 Bouverie Street. 37s. 6d. net.

This report is the subject of a leading article in this issue.

* " Documents and Readings in American Government." By J. M. Mathews, Professor of Political Science in the University of Illinois, and C. A. Berdahl, Assistant Professor. Macmillan and Co., 8vo, pp. xviii. + 928. 14s. net.

† " Labour and Internationalism." By Lewis L. Lorwin (New York). The Macmillan Co., 1929. $3.

History of Manufactures in the United States. By Victor S. Clark. With an Introductory Note by Henry W. Farnam. In 2 vols. (London) McGraw-Hill Book Co., Inc., 6, Bouverie Street. 25s. net.

This monumental work has long been out of print, and a revised edition is therefore especially welcome. It is the most comprehensive history in existence of industrialism in the United States down to 1893. A third volume, at present in the press, will trace developments up to the present time.

Industrial Standardisation. (New York) National Industrial Conference Board, Inc., 247 Park Avenue. $3.50.

A non-technical discussion, of which Part I is devoted to the organisations for promoting standardisation, and Part II to a discussion of its economic advantages and disadvantages.

Russian Schools and Universities in the World War. Introduction. By Count Paul N. Ignatiev. *Primary and Secondary Schools.* By Dimitry M. Odinetz. *Universities and Higher Technical Schools.* By Paul J. Novgorotsev. (London) Oxford University Press, Warwick Square. 15s.

These volumes belong to the Carnegie Endowment Series.

Organisation und Betrieb des Brasilianischen Importhandels. By Dr Walter Schück. (Stuttgart) C. E. Poeschel Verlag.

A valuable account, in German, of the organisation of the import trade of Brazil. It includes chapters on finance, customs regulations, communications and markets.

L'Oro e l'Aratro. By Alberto de' Stefani. (Milan) Fratelli Treves Editori.

A discussion of Italian agricultural policy.

Zehn Jahre Tschechoslowakische Steuerpolitik. By Dr Armin Spitaler. (Reichenberg) Verlag von Gebrüder Stiepel G.m.b.H.

A discussion in German of Czechoslovakian financial policy.

Italy To-day. The Lateran Treaty. Edited and published by Mrs V. M. Crawford, 32 Upper Gloucester Place, London. 6d. net.

Bond Values. Edited by Einar Huss and K.-G. Hagström. (Stockholm) Skandinaviska Kreditaktiebolaget.

This volume of tables, with headings in both English and Swedish, was inspired by the defects of existing tables, and is therefore unusually complete. Values and yields in decimals are tabulated for loans at nominal interest from 3 to 8 per cent. In addition to loans redeemable by constant annuities and loans repayable at a fixed date, tables for some other varieties are included. Interest in the main tables is reckoned as payable semi-annually.

Rules and Regulations of the Stock Exchange. By F. J. Varley. Supplement to June 1929. (London) Effingham Wilson, 16 Copthall Avenue, E.C. 2. 1s. 6d. net.

Super Tax in Relation to Limited Companies. By Stanley A. Spofforth. With a Foreword by Col. Gilbert Norton. (London) Gee and Co. (Publishers), Limited, Kirby Street. 7s. 6d. net.

A useful guide with a summary of the relevant statistics and cases.

The Directory of Insurance Brokers and Claims Associations, 1929 (London) Cawley's Publicity Service, 11 Queen Victoria Street, E.C. 4. 4s.

Wheeler's Company Tables, 1929. Compiled and published by Arthur Wheeler & Co., Town Hall Square, Leicester.

A ten years' summary of the balance sheets of the leading public companies.

The Bankers' Magazine. (London) Waterlow and Sons, Limited, London Wall. 2s. 6d. net.

This number includes articles on " The Proposed New Bank," and " Recent Tendencies in International Banking."

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2.

Aliens' Order, 1920. Statistics in regard to alien passengers who entered and left the United Kingdom in 1928. Cmd. 3332. 4d. net.

A Return of Alien Passengers, excluding transmigrants, landed, embarked and refused leave to land, in the United Kingdom, during the three months ended March 31, 1929. Cmd. 3334. 1s. 6d.

Twenty-first General Report of the Public Trustee. 3d. net.

International Labour Conference. Proposed action by the British Government regarding Draft Conventions and Recommendations adopted by the Conference at its Ninth Session, June 7 to 24, 1926. Cmd. 3336. 1d.

Forty-sixth Report of the Comptroller-General of Patents, Designs and Trade Marks, with Appendices for the year 1928. 6d. net.

Report to the Lord Chancellor on H.M. Land Registry for the Financial Year 1928-29. 2d. net.

Secondary Schools. Return " showing the 235 secondary schools not provided by the local education authorities which continue to receive direct grant from the Board of Education, together with the percentage of free-place admissions required under article 15 in each of them." 2d. net.

Ministry of Health. Report on an investigation regarding the emission of fumes from artificial silk works. 3d. net.

Foreign Trade and Commerce. Accounts relating to the Trade and Commerce of certain foreign countries and British countries overseas during the period ended December 31, 1928. 6s. 6d. net.

Ministry of Transport. Railway Statistics—Great Britain. March 1929. 3s. 6d. net.

Department of Overseas Trade. Economic and Trade Conditions in Belgium in 1928. 4s. 6d. net.

FREE Facts About Gland Failure

and the New Drugless Treatment for Prostate trouble.

MEDICAL authorities agree that 65% of all men past middle age (many much younger) are afflicted with a disorder of the prostate gland. Aches in feet, legs, and back, sciatic pains, are some of the signs—and now a member of the Association for the Advancement of Science has written a remarkably interesting Free Book that tells of other symptoms and just what they mean. No longer should a man approaching or past the prime of life be content to regard these pains and conditions as inevitable signs of approaching age. Already more than 60,000 men have used the amazing method described in this book to restore the prostate gland to its proper functioning.

GET THE FREE BOOK.

Send immediately for this book. If you will mail your request to the

ELECTRO THERMAL COMPANY
(Dept. 6609)
3. Lower John Street, London, W. 1.

—the concern that is distributing this book for the author—it will be sent to you absolutely free without obligation. Simply send name and address. But don't delay, for the edition of this book is limited.

The Stock Exchange.

AMERICAN BUYING OF BRITISH SECURITIES.—II.

In an earlier article (*The Economist*, June 8, 1929, page 1292) we discussed the nature and extent of the interest shown by American investors for British securities. We suggested that although the British companies which had deemed it expedient to take steps to safeguard themselves against possible American " control " represented only a minority of those in which American investors were known to have an interest, the movement was one of which much was likely to be heard in the future. This possibility obviously raised a number of issues of first-rate importance from the investor's point of view, which we propose to discuss in the paragraphs which follow.

It will be well, at the outset, to put the matter in due perspective. We are concerned with the possibility of a large-scale transfer of capital from one country to another. While the investor will be called upon to consider every particular case on its own merits, there are certain general principles which may afford a broad background for his judgment. In the first place, the capital market is, by common admission, the most fluid in the world. To debar new capital from any country or industry where conditions favour its profitable employment is a process comparable in difficulty with that of shutting out new ideas, and far more onerous than any attempt to exclude alcoholic liquor or other forms of merchandise. In the second place, such an effort would come most inappropriately from a country such as Great Britain, which has been the world's schoolmaster in the theory and practice of foreign lending, and draws an income at the present time (according to the estimates of the Board of Trade) of something like £285,000,000 a year from its capital investments overseas. Both by conviction and interest, the London Stock Exchange has consistently upheld the ideal of " free trade in capital." So long as British investment continues to have exposed flanks in every country in the world, the Stock Exchange Committee is likely to set its face, in the future as in the past, against every attempt to impose restrictions on the negotiability of its wares.

To these contentions the reply may be made—and has, indeed, been recently made by more than one company board—that while there is no desire to restrict the flow of American capital into Great Britain, or any other country, the buying of particular securities " for investment " is one thing, and buying " for control " is another. Directors may be indifferent as regards the existence of foreign shareholders, but unable to contemplate with equanimity the prospect that the ultimate control of their companies' fortunes may be transferred to a foreign group. Putting on one side for the moment the question whether " national " considerations do, in fact, render foreign control in certain industries undesirable, or even dangerous, we may pause to consider how far the regulations recently adopted by certain British companies are likely to be effective in obviating the possibility of such control. The following is a list of the concerns known to have taken steps to that end:—

Company.	Measures adopted.
Imperial Airways.....	No shares to be held by foreigners.
Marconi International Marine	Foreign holding limited to 25 per cent.
Cables and Wireless	Foreign holding limited to 25 per cent.
General Electric Company ...	Foreign shareholders disfranchised.
Burma Corporation	Foreign shareholders disfranchised.
Rubber Plantations Investment Trust.	Voting rights limited to British shareholders.
Buenos Ayres and Pacific Railway.*	Foreign (other than Argentine) shareholders disfranchised.

* The B.A. Great Southern also proposes to take action in this connection.

Two distinct methods, it will be seen, have been followed, the first seeking to exclude non-British citizens, wholly or partially, from share ownership, the second denying them one of the prerogatives of such ownership —the exercise of voting power. The first is, of course, to the extent specified, a policy of " prohibition " pure and simple, which in theory offers a company the advantage of knowing " just where it stands " as regards its foreign shareholdings, at any given moment, but in practice is obviously calculated to provoke considerable resentment—and, possibly, agitation for measures of reprisal—in America and elsewhere, if its adoption becomes at all widespread in British company practice. It is doubtful how far the most unremitting vigilance on the part of a secretary can be relied upon to ensure that no transfer in the " British register " is made on behalf of a foreign citizen, in view of the ease with which the beneficial owner of stock can disguise his identity under that of some British institution or of a man of straw. Members of British Stock Exchanges, again, are unlikely to welcome the prospect of numerous bargains being discovered " bad " when delivery is tendered, owing to disputes as to the buyer's nationality.

The practice of allowing ownership without control, on the other hand, may be described as an attempt to make the best of both worlds—to obtain a higher share quotation (and, consequently, the ability to raise fresh capital at a premium) which American interest has been found to bring in its train, without incurring any liability to foreign interference in a company's internal affairs. The flaw in the argument has been demonstrated by the affair of the General Electric Co.—a " leading case." A body of " disfranchised " American shareholders found themselves, on that occasion, in a position to bring sufficient pressure to bear on a British company to prevent a capital issue which would have reduced their proportion in the equity of future profits from 60 per cent. to 36 per cent. The " disfranchisement " method, in fact, is not only open to all the objections of the " exclusive " system, as regards the difficulties of identifying beneficial owners of shares, but has strong *moral* forces arrayed against it. In the long run, holders of a majority interest who are determined to make their interest effective will find ways and means of doing so, whatever company articles may say, and public opinion, always unfriendly to the idea of minority rule, may be relied upon to support them in the last resort. In the meantime, however, *differentiation* in the rights of identical shares in the hands of various holders must tend to produce a dual set of quotations for one and the same stock. Against such differentiation, when proposed, say, by foreign Government borrowers, the Stock Exchange has invariably protested with might and main. Indeed, in a recent instance, it went so far as to refuse a quotation, for a period of many months, to the stock of a European country which attempted to differentiate between holders of various nationalities.

That the practical difficulties surrounding all endeavours to prevent the entry of American capital into British industry have not been more widely realised may be attributed, in the main, to the recency of the whole movement. The companies who have made the attempt can be counted on one's fingers, and the efficacy of their restrictive regulations has only in one case—so far as is known—been put to a decisive test. We hope, in a final article, to deal with the contention that American control of British companies is less desirable in some instances—in the communication and public utility industries, for example—than in others, and the possibility that American-owned " British " concerns may give out a large share of their orders for new equipment, etc., to American rather than British producers. Other questions of a more general character, such as the effect of America's purchases on the exchanges and the trade balance of this country, may profitably be considered in the same article. For the present, we may point out that it is by no means necessary to read any desire for

economic " domination " into America's interest in British securities. An explanation may rather be sought in the desire of investors, the world over, to obtain as high a yield as possible, consistent with safety, on their stockholdings. The Standard Statistics Co. of New York has calculated that the dividend yield on fifty representative American industrial stocks declined from 4.29 per cent. at the beginning of 1926 to 3.52 per cent. at the end of last month. We have ourselves made a similar calculation in respect of as many as 178 representative British ordinary stocks in the " Commercial Industrial, etc.," section of the London Official List. The average dividend yield, at the same dates, we found to be 6.86 per cent. and 6.23 per cent. respectively. The yield on 14 industrial stocks of which America has been a recent buyer, however, worked out at 5.63 per cent. at the beginning of 1926, and 4.02 per cent. on May 31st last. In other words, the difference in the average yield of securities of the same general character in the two countries would seem to have been sufficient to attract the attention of the American investor, whose purchases have reduced the percentage obtainable to-day, on the stocks he has favoured, below that of British securities as a whole. The figures suggest that a continuance of the movement is highly probable, until the average yield of the securities concerned—i.e., *the price of equity-bearing capital*, has become more nearly identical in the two countries. In the absence of an extensive decline in American security prices, it would seem that the effect may be a further enhancement in the quotations of British ordinary stocks.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

Ticket. June 25.	Account. June 27.

Only a small open account, as expected, was disclosed by the carry-over arrangements, and unless anything occurs next week to give a lead, the same story is likely to be told at the next settlement. The public is taking very little interest in the Stock Exchange at present. Activity in Rhodesians continued, but was almost entirely of a professional character. In the gilt-edged market there was " nothing to go for "; and the New York exchange was about gold point all the week. The Reparations agreement was naturally received with favour in the Foreign market, but elsewhere it had no effect, though regrets were expressed that deliveries in kind were to continue for ten years. On Monday, it is true, there was some revival in semi-speculative business, but the following days were as dull as ever. The fillip given by the Anglo-Persian dividend to the oil market did not last long, and a sudden rise in Home Rails the same day, ascribed to " inspired " buying in a market short of stock, quickly brought out sellers. Events, in short, have so far borne out the view that the markets are in a position to receive good or bad news with almost equal stoicism, and are not likely to be shaken out of their quiet condition in the very near future.

The gilt-edged market was idle, prices slowly sagging in the absence of any outstanding development. The unexpected success of the Bank of England in obtaining £307,700 of the week's gold consignment from the Cape was negatived by the continuance of the New York exchange at a low level, though various rumours of pending shipments to America were proved incorrect. Daily declines of about one-sixteenth in quotations were fairly general through the list, with Conversion Loan somewhat weaker than the rest. A meagre business in Indian Loans had little effect on prices. Dominion stocks maintained a firm appearance for the most part, the most significant exception being Commonwealth Five per Cent. Scrip, which was on offer during the week at ½ to ¾ discount.

The Foreign market shone with the reflected light of the Reparations agreement, but its illumination was steady rather than intense. German Seven per Cents. showed consistent improvement and other European

LONDON ACTIVE SECURITIES.

British and Colonial Government Securities.

	Closing Prices Jne. 6.	Jne. 13.	Rise or Fall.		Closing Prices Jne. 6.	Jne. 13.	Rise or Fall.
Conv. Loan 3½%	77⅛	77	− ⅛	Treasury 5% (B) ...	99½	99⅛	− ⅛
Do. 4½% 1944	95⅝	95½	− ⅛	Canada 4% 1940-60	90	90	...
War Loan 5% 1929-47	101⅜	101¼	− ⅛	S. Africa 5% 1945-75	101x	101	...
Consols 2½%	54½x	54⅜	+ ⅛	India 3½%	67x	66½	− ½
Do. 4%	86⅜	86⅜	− ⅛	Do. 4½% 1958-68..	88	86	− ½
Funding 4%	87½	87⅜	− ⅛	Australia 5% 1945-75	96x	96	...
Victory Bonds 4%.....	92⅞	92⅜	− ⅛	N.S.Wales 5%1935-55	96	96	...
Local Loans 3%.....	62¼x	62⅛	− ⅛	N. Zealand 5% 1946	102x	102	...

Foreign Government Securities.

Japanese 6% (1924) ..	98	98½	+ ½	French 5%	20½	20½	...
Argentine 4% Reciss..	87	87	...	Do. 4% (Brit.).....	18	17½	− ½
Austrian 6% 1923-43..	100½x	100½	...	German 7%	104½	105½	+ 1
Belgian 7%	106½	106⅜	+ ⅛	Greek 7% Refugee ..	100½	100½	...
Brazil 6½% (1927)	93	93½	+ ½	Hungary 7½%	103	103½	+ ½
Bulgaria 7%.....	86	86	...	Chili 6%	99	99½	+ ½
China 5% (1912)	45	45½	+ ½	Poland 7%	86½	86½	...
Czechoslovakia 8%....	111½	111½	...	Mexican 5% (1899)	29	29	...
Egypt Unified 4% ...	81½	81½	− ½	S. Paulo Coffee 7½%	103	103½	+ ½

Corporation Stocks.

L.C.C. 3%	63	63	...	Sydney 5½% 1954 ...	97	97	...
E. London 5% 1960-70	97x	97	...	Berlin 6% Ster.....	93	93½	+ ½

British and Foreign Railways.

G. Western Ord. Stk...	84½	86½	+ 2	Antofagasta Ord. Stk.	110	107½x	+ 1½
L.N.E., Def. Stk.....	11½	12½	+ ½	B.A.&Pacific Ord.Stk.	102½	103	+ ½
Do. 5% Pref. Stk..	27½	27½	+ ½	B.A.Gt.Sthn.Ord.Stk.	108	108½	+ ½
L.M.S. Ord. Stk.	51½	51½	+ ½	B.A.Western,Ord.Stk.	94½	94½	...
Metropol'an Cons. Stk.	60½	60½	...	C. Argentine Ord.Stk.	97⅞	97⅛	− ⅛
Met. District Ord. Stk.	76	76	...	Cordoba Ord. Stk. ...	37⅛	37⅛	...
Southern Def. Stk. ...	30	30	...	G.W. of Brazil £10 ...	4⅛	4⅛	...
Do. Pref. Ord. Stk.	73	73	...	Leopoldina Ord. Stk.	57⅛x	57	− ⅛
Underground Ord. £1	1⅛	1⅛	+ ⅛	San Paulo Ord. Stk.	203	203	...
Do. Income Bonds..	111½	110	− 1½	Taltal Ord. (£5).....	5	5	...
Can. Pacific Com. Stk.	231½	231	− ½	Utd. Havana Ord. Stk.	39	39	...

Banks.

Bank of England Stk.	251	250	− 1	Nat. Prov. £20,£4pd.	13⅛	13⅛	− ⅛
Barclay B. (£1).....	2⅛	2⅛	...	Com.Bk of Austr. 10/	1⅛	1⅛	...
Barcl.(Dom. &c.) A £1	1⅛	1⅛	− ⅛	Hongk. and S.($125)	132	132	...
Lloyds £5, with£1 pd.	3⅛	3⅛	+ ⅛	St. of S. A.£20,£5 pd.	15⅛	15⅛	...
Midland £1, fully pd.	3⅛	3⅛	...	W'minster £4, £1 pd.	3⅛	3⅛	+ ⅛

Insurance.

Alliance £1, fully paid	19½	19½	...	N.B.&Merc.£5,£1¼pd.	35½	35½	...
Com. Un. £2½, fully pd.	26	26½	+ ½	Phœnix £1.....	14	14	...
Ldn.& Lanc. £5, £1 pd.	29½	29½	...	Roy.In.£1,with10/ pd.	8⅛	8⅛	...

Coal, Iron and Steel.

Amal. Anthracite (£1).	⅞	⅞	...	Guest, Keen (£1)	2	1⅞	− ⅛
Babcock, Wilcox (£1)	3⅛	3⅛	...	Powell Duffryn (£1).	⅝	⅝	− ⅛
Baldwin (4/).....	¼	¼	− ⅛	Stewarts&Lloyds(£1)	1⅞	1⅞	...
Bolckow Vaughan (£1)	⅞	⅞	...	Swan, Hunter (£1) ..	1⅛	1⅛	...
Cory, William (£1)	2⅛	3⅛	+ ⅛	Thornycroft,John(£1)	4½	4	− ½
Dorman, Long (£1) ...	⅞	⅞	...	Vickers (6/8)	⅝	⅞	− ⅛

Textiles.

Bradford Dyers (£1)...	2⅛	2⅛	+ ⅛	Eng.Sewg.Cotton(£1)	2⅛	2⅛	...
Brit.Celanese,Ord.(10/)	2⅛	2⅛	+ ⅛	Fine Cott.Spinn.(£1)	1⅝	1⅝	− ⅛
Coats, J. and P. (£1)...	3⅛	3⅛	+ ⅛	Listers (£1)	1⅛	1⅛	...
Courtaulds.....	4⅛	4⅛	− ⅛	Snia Viscosa (200 lire)	⅝	⅝	− ⅛

Electrical Manufacturing.

Associated Elec. (£1)	2⅛	2⅛	− ⅛	General Electric(£1)	2⅛	2⅛	...
British Insulated (£1).	3⅛	3⅛	− ⅛	Johnson&Phillips(£1)	1⅛	1⅛	− ⅛
Ever Ready (G.B.)(5/)	1⅛	1⅛x	...	Siemens (£1)	1⅛	1⅛	...

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅛	1⅛	+ ⅛	Hydro-Elec. com. stk.	35½x	38½x	+ 3½
City of London (£1) ...	1⅛	1⅛	...	Lancashire Elec. (£1)	1⅛	1⅛	+ ⅛
County of London (£1)	2⅛	2⅛	...	Newcastle-on-Ty(£1)	1⅛	1⅛	− ⅛

Gas.

Gas Light & Coke (£1)	⅝	1	+ ⅛	Primitiva (£1)	1⅜	1⅜	+ ⅛
Imp. Continental Stk.	440	440	...	S. Metropolitan Stk.	105	105	...

Telegraphs and Cables.

Eastern Stk.....	266½	265½	− 1	Marconi (£1).....	4⅛	4⅛	...
Eastern Exten. (£10)..	26⅛	26⅛	...	Marconi Marine (£1)	3⅛	3⅛	...
Marconi (10/)	3⅛	3⅛	...	Western Tel. (£10)...	26⅛	26⅛	...

Motors.

Dennis (1/)	2⅛	2⅛	...	Morris 7½%Cm.Pf.(£1)	1⅛	⅝	− ⅛
Ford Motors (£1).....	3⅛	3⅛	− ⅛	Rover (£1).....	⅝	⅝	− ⅛
Leyland (£1)	2⅛	2⅛	− ⅛	Singer (£1).....	1⅛	1⅛	− ⅛

Shipping.

Cunard (£1).....	1⅛	1⅛	− ⅛	P. & O. Defd. (£1) ...	2⅝	2⅝	...
Furness Withy (£1) ...	1⅛	1⅛	...	Royal Mail Ord. Stk.	68	61½x	− 3½

Tea and Rubber.

Anglo-Dutch (£1)	1⅞	1⅛	+ ⅛	London Asiatic (2/)..	⅛x	⅛	+ ⅛
Cons.Tea & Lnds.(£10)	33	34	+ 1	Rubber Trust (£1) ...	2⅛	2⅛	+ ⅛

Oil.

Anglo-Persian (£1)	4⅞	4⅛	+ ⅛	Lobitos (£1).....	2⅛	2⅛	+ ⅛
Attock (£1)	3	2⅛	+ ⅛	Mexican Eagle(£1/0/6)	⅛	⅛	...
Burmah Oil (£1).....	4⅛	4⅛	+ ⅛	Royal Dutch (£34) ..	33⅛	34⅛	+ ⅛
Canadian Eagle no par	⅛	⅛	+ ⅛	Shell (£1)	4⅛	4⅛	+ ⅛

Miscellaneous.

Aerated Bread (£1)...	1⅞	1⅞	− ⅛	ImperialTobacco(£1)	5⅛	5	− ⅛
Assoc. P. Cement (£1)	1⅛	1⅛	+ ⅛	Inter. Nickel of Can..	50½	49	− 1⅛
Braz. Traction, no par	53½	55½	+ 2⅛	Kreuger & Toll (kr.100)	36⅛	35⅛	− ⅛
Brit.-Am.Tobacco(£1)	6⅞	6⅞	...	Lever 7% pref. £1...	1⅛	1⅛x	...
Carreras,"A"Ord.(£1)	14⅛	14⅛x	...	Lyons (J.) (£1)	5⅛	5⅛	+ ⅛
Columbia Graph.(10/)	13⅛xr	12⅛	− ⅛	Margarine Union (£1)	4⅛	4⅛	+ ⅛
Crittall (£1)	2⅛	2⅛	− ⅛	Pinchin Johnson (10/)	2⅛	2⅛	− ⅛
Dunlop (6/8)	⅜	⅜	− ⅛	Swed.Match,B(kr100)	21⅛	20⅛	− 1
Forestal Land (£1).....	1⅛	1⅛	...	Tate and Lyle (£1) .	2⅛	2⅛x	...
Gramophone Co. (£1)..	17⅛	17⅛	+ ⅛	Tilling, Thomas (£1)	4⅛	5⅛	+ ⅛
Harrods (£1)	3⅛	3⅛	+ ⅛	Turner & Newall (£1)	5	5⅛	...
Hudson's Bay (£1).....	5⅛	5⅛	+ ⅛	United Molasses (£1)	7	7⅛	+ ⅛
Imp. Airways(£1 15/p)	1⅛	1⅛	...	Vocalion (10/)	2⅛	2⅛	− ⅛
Imp. Chem., Ord. (£1)	1⅜	1⅜	...	Watney Combe Dl.(£1)	3⅛	3⅛	...

Mines.

Anglo-Amer.ofS.A.(£1)	2⅛	2⅛	+ ⅛	Johan. Cons. (£1) ...	2⅛	2⅛	+ ⅛
De Beers Def. (£2½)....	13⅛	13⅛	+ ⅛	Lake View & Star (4/)	⅜	⅜	...
Brakpan (£1)	4⅛	4⅛	+ ⅛	London Tin (£1).....	3⅛	3⅛	− ⅛
"Chartered" 15/f.p..	2⅛	2⅛	...	Rio Tinto (£5)	55⅛	56	+ ⅛
Burma Corp. (Rs.10)	⅜	⅜	+ ⅛	RoanAntelopeCpr.(5/)	2⅛	2⅛	+ ⅛
Bwana M'Kubwa,5/fp	⅜	1⅛	+ ⅛	Sub Nigel (10/)	1⅜	1⅜	− ⅛
Central Provinces (£1)	4⅛	4⅛	− ⅛	Tanganyika (£1)	3	3⅛	+ ⅛
Geduld (£1)	3⅛	3⅛	+ ⅛	UnionCrp.(12/6)fn.pd.	4⅛	4⅛	+ ⅛

issues strengthened. Turkish Unified, on the other hand, suffered from Paris selling. Support was forthcoming for Brazilians, which turned sharply upward, but Peru Corporations were subjected to profit-taking. Continued fears of a renewed outbreak of civil war produced dullness in Chinese stocks.

Signs of an incipient revival in Home Rails were in evidence at the beginning of the week, on the belief that Mr J. H. Thomas's employment plans would include measures designed to help the railways in the widest sense. The matter is further referred to in an "Investment Note" on the Stock Exchange's attitude towards the new Government. By the middle of the week, however, the movement had quite subsided, contemporary conditions being against it, while the basis of sound fact available regarding the Government's intentions was felt to be unduly slender. The week's traffic figures were undistinguished, showing little change from last year's. An active demand for Guayaquil and Quito bonds was the chief feature in a generally uninteresting Foreign Railway market. Argentine stocks were quietly absorbed, but profit-taking was in evidence in Antofagasta.

The industrial markets belied the promise of a marked increase in activity suggested by Monday's dealings, which were, in fact, the heaviest for some weeks past. The public steadily refuses to speculate at present, and though investment demand was sufficient as a rule to maintain prices the volume of dealings fell off markedly after the opening day. America gave no bull lead as regards the shares in which she is interested, the sagging tendency of shares in motor companies and concerns such as Dunlops suggesting, indeed, that fears of a removal of the McKenna Duties by a Labour Chancellor were inclined to trouble American investors. The announcement that the Gramophone Co. was issuing 1,600,000 new £1 shares to holders at par—in the proportion of one to one—was very well received, the market deciding that the shares would "look cheap" when quoted *ex* the very substantial bonus involved. Lyons were firm on the maintenance of the dividend, and the satisfactory state of the company's finances. Marconi, together with the cable stocks, remained dull pending Friday's lawsuit over the merger proposals. In the shipping group Royal Mail continued to decline somewhat extensively. Lord Kylsant's explanation of the valuation of the company's shipping investments, given at Wednesday's meeting, was regarded as unconvincing, and failed to remove the impression that the company had been casting its net very widely, and heavily pledging its credit on contingent liabilities and guarantees. Hudson's Bays were firm, the complete accounts giving a better impression than last week's preliminary statement and announcement of a capital increase. Insurance shares remained irregular and bank shares dull, changes being of narrow dimensions in both cases.

Rubber shares continued to attract no public interest whatever, though values were steady. The price of the commodity was erratic, with a slightly downward trend. Neither the market nor the outside public has made up its mind as to the outlook for rubber. An irregular and slightly easier tendency prevailed in the tea share market, though more extensive competition was in evidence for tea at the auctions. The opening of the Oil Conservation Conference in America produced a strong tone in the share market on Monday, but subsequent communiqués suggested the wisdom of awaiting the outcome of the deliberations before definite action. Business became dull in the absence of a definite lead from Wall Street, Eagles—Mexican and Canadian—shedding much of last week's activity.

The outstanding event of the week in the South African market was General Smuts' victory at the polls, which was regarded as a bull point for Rand shares. On Monday signs were discernible of the public's being drawn into the Rhodesian market, but on the succeeding days dealings were as "professional" as ever, inside support being forthcoming on any decline, such as that of Thursday morning. Tin and copper shares were again sensitive to changes in the price of the respective metals, the former market rising on the advance and declining on the subsequent reaction in the commodity, while the poor showing of the Bangrin Co. came as an unpleasant reminder of the contemporary difficulties of some producers. Rio Tinto were sold on a fresh decline in copper quotations.

FOREIGN STOCK EXCHANGES.

NEW YORK.

Our New York correspondent cables:—The maintenance of a high business activity and the end of the decline in wheat prices, along with easier monetary conditions, have brought a slow return of confidence to the share market. Nevertheless, public interest remains small, and the volume of trading does not exceed the usual midsummer amount. On the week, however, the trend has been upward, and strong investment buying of public utility shares has been taking place, large financial interests aiming at the rapid acquisition of control of operating units for the amalgamation of a few large concerns. The strong nature of the buying is reflected in the fact that brokers loans stand unchanged on the week at $5,284 million. There is little hope of any tangible results of the oil conference, and oils have consequently been stagnant. Rails, too, have been inclined to sag on the temporary satiation of investment trust requirements and the wearing off of the effects of the O'Fallon decision. Coppers are also dull, but food shares are buoyant on reports of mergers and on the lower prices ruling for grain and other farm products. Fixed interest-bearing securities are gradually reviving, the belief being general that bottom has been already scraped.

	June 6.	June 13.	Rise or Fall.
4½% Lib.Ln.'33–8	98¼	98¼	—
3½% Trs.Bs.'46–56	100⅛	100⅛	— ⅛
Ach., Top. San. Fé	216½	212	— 4½
New York Central	196	194½	— 1½
Union Pacific	226	224½	— 1½
Pennsylvania	78⅛	78⅛	...
Southern Railway	143½	142½	— 1

	June 6.	June 13.	Rise or Fall.
U.S. Steel	168½	173⅜	+ 5⅛
General Motors	73⅛	71⅛	— 1⅛
Amer. Tel. & Tel.	210	212	+ 2
General Elec.(New)	276½	298	+ 21½
Victor Talking	148	148	...
Std. Oil of N.J.	59½	58	— 1½
Anaconda	106	104½	— 1½

By courtesy of the Standard Statistics Company, Inc., of New York and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926=100):—

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	May 29.	June 6.
342 Industrials	104·7	137·1	132·6	186·4	191·1	182·4	189·1
33 Rails	106·1	128·0	120·5	139·7	140·9	139·7	143·1
35 Utilities	103·3	128·3	128·3	180·6	184·6	208·4	225·8
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	180·2	187·6
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·52%	3·38%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Highest of 1929. (May 4.)	Lowest of 1929. (May 27.)	June 5.	June 6.	June 7.	June 8.	June 10.	June 11.	June 12.
225·4	201·7	212·2	212·3	211·2	210·0	208·8	210·1	209·8

PARIS.

Important lines of stock have changed hands outside the Bourse between French and foreign groups, but Bourse operations properly so-called have been reduced to a minimum. The absence of the outside investor is eventually discouraging even the professional, and once again quotations are sagging as a result of relatively light selling. Bank shares lost some of the ground that they had recovered, and the Banque de France could not maintain the levels it reached the week before. French stocks suffered a setback. The oil market was firm, as were Rhodesians, though coppers barely held their own. Rubbers remained around their previous prices.

	June 6.	June 13.	Rise or Fall.
3% Perp. Rentes	74·50	74·40	−0·10
5% Rentes, '15–16	100·55	101·25	+0·70
5% Rentes, 1920	125·40	126·35	+0·95
Banq. de France	26,325	26,150	— 175
Banque de Paris	3,435	3,585	— 50
Crédit Lyonnais	3,370	3,240	— 130
Nord	2,630	2,575	— 55
Com. Gen. d'Elec.	3,965	3,840	— 125
Littoral Médit.	1,445	1,411	— 34

	June 6.	June 13.	Rise or Fall.
Mines de Lens	1,367	1,336	— 31
Courrières	1,616	1,599	— 17
Péchiney	4,045	3,880	— 165
Kuhlmann	1,324	1,272	— 52
Com. Gen. Trans.	1,285	1,290	+ 5
Suez Canal	25,695	25,300	— 395
Assur. Gen. Vie	12,500	12,000	— 500
Dollfus. Mieg.	13,500	13,200	— 300
Demain et Anain	3,360	3,250	— 110

BERLIN.

ıe *Frankfurter Zeitung* stocks index for June 7th 128.26, as compared with 124.56 a month before. underlying tendency of the Bourse has continued , but reactions have occurred due to profit-taking and ıe failure of the federal loan. Reichsbank, Siemens, letfurth potash and artificial silk stocks have received f attention, Reichsbank being bought for foreign unt. On Tuesday more foreign buying went on, but e trading was dull, and with a few exceptions quota- declined. Interest was taken in Polyphon on the of rumours concerning proposed international com- tions. Wednesday again was dull, attention being ined to bank stocks, A.E.G., and Daimler, and prices tened on Thursday also, a considerable rise in Poly- providing the principle exception.

	June 6.	June 13.	Rise or Fall.
bank	324·00	328·25	+ 4·25
he Bank	167·38	172·50	+ 5·12
to Bank	156·25	157·00	+ 0·75
ıtg-Amer.	123·75	118·87	— 4·88
ıut.-Lloyd	116·50	111·75	— 4·75
rbeninds.	260·00	256·00	— 4·00
Glanztff.	457·00	456·00	— 1·00
ng	359·00	357·00	— 2·00

	June 6.	June 13.	Rise or Fall.
Verein. Stahlke.	99·50	99·75	+ 0·25
Mannes Rohrke.	120·13	116·00	— 4·13
Allgemne. Elekt.	193·25	191·25	— 2·00
Siemns. & Halske	402·00	389·50	— 3·50
Daimler Benz.	57·00	60·87	+ 3·87
Cont. Caoutchuc.	173·00	170·75	— 2·25
Salzdetfurt. Kali	408·50	408·50	...

AMSTERDAM.

ıe general tendency of the Bourse last week was firm, there were signs that the volume of business was in- sing. Philips took the lead with a rapid rise. garine Unie showed only a slight improvement, but ıcial silks were in obvious favour. Oils were steady somewhat harder, Royal Dutch setting a good tone. ırs weakened on the news of sales at lower prices for ıew crop in the Dutch East Indies. Tobaccos moved ularly, and some rubber shares were easier, but in ping shares, though there was not much business, ıs were well maintained. On Wednesday, June 12, Bourse was closed. In the Money Market the private ount rate was 5 5/16 per cent., and the prolongation 5⅜ per cent.

	June 6.	June 13.	Rise or Fall.
s. Neth., '18	102½	102½	...
ns. 1913–14	98⅛	98	— ⅛
ine Unie	468	480	+ 12
ırt. Silk	382	406	+ 24
El. Lamp.	821	874	+ 53
Tin	280	277	— 3
Dutch	403	410	+ 7
Rubber	260	262	+ 2

	June 6.	June 13.	Rise or Fall.
Serbadjadi Sm.R.	188½	188	— ½
Holl. Amer. Line	65	66½	+ 1½
Navig. Co., Ned.	194	194	...
Vorstenlanden	161½	160	— 1½
Trading Co., Ams.	659	637	— 22
Besoeki	450	450	...
Deli	413½	396	— 17½
Neth. Trad. Soc.	169½	168	— 1½

INVESTMENT NOTES.

e City and the New Government.—No sign of ral uneasiness has been shown in the City at the ng of a Labour Government into office. On the con- , confidence rather than otherwise is expressed in quarters at the personnel of the new Cabinet, and who have been selected for the departments which ern finance, commerce, and industrial life are recog- to be for the most part men of judgment and ex- nce. Before the election there were indications if a stalemate position was avoided and the Conser- e Government returned, public interest in the Stock ange might revive and another upward swing might iven to British industrials. Though that has not ened, the behaviour of the industrial markets as a e has afforded no support whatever for the view that y is passing out of industrials into foreign stocks. nly shares that can be picked out as having suffered ıe result of the election are those of companies that l be affected by the removal of the safeguarding or enna duties. Dunlop Rubber and a number of motor s have had a setback for that reason, and the mar- n them is unsettled. Iron and steel shares have on ıce slightly weakened; the disappearance of any pro- of a safeguarding duty might have been ex- d to put prices lower than they have actually but, on the other hand, there is an indeterminate ıg abroad that the new Government's plans for pro- g employment, especially in connection with the ays, may bring indirect benefit to the heavy indus- tries. Stocks of cable companies are somewhat down on uncertainty about the policy of Labour with reference to the cable-wireless merger, especially if the dissatisfied Marconi shareholders succeed in holding up the present proposals; the opposition which that party made to the Bill in Parliament is fresh in the memory. On the other side, there is the curious spectacle of Home Railway stocks benefiting on the establishment of Labour in office. Though the sharp upward movement on Monday last was semi-professional in character, there is a justifiable feeling that no Minister could be more suited than Mr Thomas, with his special knowledge, to interest himself in the possibilities of railway improvement; moreover, if the Government does succeed in stimulating employment generally, railway traffics are likely to reap some benefit. As for the rest of British industrials, the indications are that the market will continue quietly firm. Many of them are at prices which do not render their yields conspicuously attractive by British standards and no great revival of investment buying from the British public is to be anticipated in the immediate future. Public interest, however, is capricious and unaccountable. Looking further ahead, the life of the new Government is by general consent estimated at about two years, and the next election is bound to be preceded by a period of considerable uncertainty, as it is thought possible that the Government will then choose to go to the country on an avowedly Socialist programme. Taking all in all, therefore, there is little above the horizon that would foreshadow another boom in industrials at present, unless Stock Exchange fever should take hold of the public, but it also appears likely that if prices should weaken, the movement will not be ascribable to political causes.

The Rhodesian Copper Boom.—To refer to the past is not popular during a Stock Exchange boom, yet the past is so often the mould in which the future is cast that we are glad to reproduce the remarks of a correspondent who writes to recall the record of the Rhodesian market. Boom—disappointment—slump—have been, he declares, the ever-recurring theme in Rhodesian mining finance for over 30 years. The setting is varied, the players are changed, but the underlying plot is the same. From their free seats the investing public gleefully applaud each act, in blissful ignorance of the inevitable collection after the show. The great Rhodesian copper deposits have to be exploited, and it is equitable that those who cause the preliminary work to be done and take the responsibility of forming operating companies should receive a substantial reward. But those who consider the true interests of Rhodesia, the investor, or the Stock Exchange itself, can only deplore the encouragement of public participation in Rhodesian copper shares at price levels which appear grossly inflated. As an example of present share prices, the case of Roan Antelope may be taken. At the current level of approximately 2⅝, Roan

AMERICAN RAILROAD
Share Earnings in 1929
Descriptive Treatise on Request.
HARVEY FISK & SONS
Members New York Stock Exchange.
Members New York Curb Market.
New York: 120 Broadway.
London: 64 Bishopsgate, E.C.2.
'Phone: London Wall 3524.
Telegrams: Harfiskson, Stock, London.

Antelope has a market capitalisation of almost £12,000,000, based on an issued capital of 4,543,633 shares. The total amount which has been put into the coffers of the company is approximately £3,800,000, but of this sum about £2,160,000 was provided by the recent issue of 1,139,033 shares to shareholders, who now include a large number of ordinary private investors. No less than 3,404,000 shares were issued privately at an average price of just under 14s. before Stock Exchange permission to deal in the shares was granted in July, 1928. It is since then that the market has broadened—no doubt owing to the numerous favourable reports regarding developments. To show 10 per cent. earnings on the present capitalisation would, on the basis of a profit of £15 per ton, require an output of 80,000 tons per annum of metallic copper. This vast production must take some years to attain in the most favourable circumstances. Making all allowance for recent advances in technique, an example of the length of time taken to overcome initial difficulties is furnished by the experience of the Bwana M'Kubwa mine. Operations in this case commenced in 1910; the company was reconstructed and came under new management in 1922; a loss of £169,784 was sustained in 1927-28; the production figure for April last was no more than 538 tons. Looking at the Rhodesian copper market as a whole, it must seem to any observer that, during the past nine months, circumstances likely to attract public attention have dovetailed with a series of financial operations. Before ten years are past we shall see whether present share prices are really justified on a yield basis, or whether the round of unforeseen difficulties, changes of programme, and further share issues will culminate merely in a moderate return on the actual capital sunk in Rhodesian soil.

Sheffield Steel Products Reorganisation.—A post-war combine which, after paying 10 per cent. in its first two years of life and nothing afterwards, underwent a scheme of rearrangement in 1924 and obtained a moratorium, Sheffield Steel Products has now put forward a second capital reorganisation scheme in view of the expiring of the moratorium on May 21st last. If the debenture holders were to exercise their strict rights and the undertaking were sold, the assets could not, in the directors' opinion, be expected to realise enough even to repay the whole of the first debenture stock. The issued stock and share capital is as follows:—

	£
Prior lien mortgage debenture stock (all except £2,040 held as security for bank advances and Treasury loan)	79,338
6% first mortgage debenture stock	1,285,464
4½% second mortgage debenture stock	312,680
6% non-cumulative income debenture stock	211,904
727,001 10s. 5% participating non-cum. pref. shares	363,500
1730,700 1s. ordinary shares	86,535

Apart from the prior lien stock, which is unaffected, the reorganised capital will consist of £495,574 in 1s. ordinary shares and £321,366 in new 6 per cent. mortgage convertible debenture stock, the latter repayable at par in 1954 or, at the company's option, at 5 per cent. premium in or after 1939, and also convertible at par at holder's option into ordinary shares at any time up to 1939. The existing first debenture holders will receive the whole of the new debenture issue, together with an equal nominal amount in ordinary shares which will give them approximately 65 per cent. of the equity. The remainder will be apportioned as follows:—

	New amount in ordinary shares. £	Per cent. of equity.	Nominal amount (per cent.) written off present capital.
Second debentures	78,170	15½	75
Income debentures	42,381	8½	80
Preference shares	36,350	7½	90
Ordinary shares	17,307	3½	80

A circular letter to security holders explains that anything available for distribution in the above cases should be regarded as in the nature of a free gift, made by the first debenture holders to obtain the consent of the other classes to the scheme. The amount cannot be divided up amongst the other classes in accordance with their strict rights, for if it were, the second debenture holders would take the whole, and there would be nothing left for the others whose assent is necessary if the scheme is to be carried. They, in their turn, must therefore be prepared to make some concessions—and so all down the line. If any single class of shareholders were to take the attitude that they must have everything and leave nothing for those junior to them, no scheme could possibly be formulated, and the first debenture stockholders would be forced to foreclose. These are, in fact, the principles which have governed other recent iron and steel reconstruction schemes, and an explicit statement of them is welcome. No explanation is offered, unfortunately, of the reason for treating the preference shares more drastically than the ordinary. As to the future, additional working capital is to be obtained through the recognised channel of prior lien debentures, and it is proposed to raise their existing figure of £79,338 to £200,000. The directors estimate a profit for the year ended May 31st last of £40,000, and anticipate profits of £70,000 in a few years, after charging interest on the prior lien debentures. Examination of recent balance sheets suggests that the business is on the mend, but the past history of the company has been decidedly unfortunate, and if the scheme goes through, ordinary shareholders will be left with only 1 per cent. of the nominal value of their capital before the first reconstruction.

Hudson's Bay Report.—In the full report, issued this week, the directors remark that the development of mining and manufactures in Canada conduced to a general prosperity which was reflected in the expansion of the company's trading, although the purchasing power of the farming community was affected by unfavourable crop returns, while the company's operations in the Northern regions suffered through a scarcity of furs. The profit in the trading account for the period to May 31, 1929, which includes rents from lands, is slightly higher at £556,197, as compared with £544,410 in the previous year. In 1927-28 the company began to reap the benefit of its new policy of retail trading, which involved the building and equipment of large modern stores. The following table shows the net profits from trading and the distribution of profits for the last three years:—

TRADING ACCOUNT.

	(Years to May 31.) 1927. £	1928. £	1929. £
Preferred capital	2,000,000	2,000,000	2,000,000
Ordinary capital	1,500,000	2,000,000	2,000,000
Net profit from trading	151,910	423,396	427,567
Rents, &c., less taxes	117,681	120,490	127,982
Transfer fees, profits on investments and miscellaneous	70,435	524	648
Total profits	339,926	544,410	556,197
Less directors', auditors' and miscellaneous fees	41,372	81,115†	6,115
Balance	298,554	463,295	550,082
To dividend equalisation account	...	225,000	75,000
Balance available for distribution	298,554	438,295*	475,082
Preference dividend	100,000	100,000	100,000
Available for ordinary	198,554	338,295	375,082
% earned	13·23%	18·16%	22·50%
% paid	10%	15%	15%
Dominion income-tax refund	20,833	...	...
Interest on new issue	24,000	30,000	28,334
Carried forward	105,956	114,251	161,000

* Including £200,000 provision for contingencies no longer required.

† Including £75,000 to insurance and provident funds.

As regards the land department, farm land sales for the 12 months ended January 31, 1929, comprised 318,360 acres sold at £765,648, an average of £2 8s. 1d. per acre, compared with 268,646 acres at £663,678, an average of £2 10s. 4d. per acre, during the preceding

twelve months. Sales of town lots amounted to £12,965, compared with £11,740. On January 31, 1929, the unsold lands in possession of the company amounted to 2,657,319 acres, as compared with 2,717,487 acres twelve months earlier. The balance to the credit of the land account was £243,763, out of which a dividend of 10 per cent. tax free was paid as in the previous year. The results on land account for the last three years are shown:—

LAND ACCOUNT.

	(Years to Jan. 31.) 1927. £	1928. £	1929. £
Cash from the sale of lands and sundries	334,645	418,640	464,675
Taxes and expenses	162,166	*171,500	165,912
Capital reserve fund	21,159	45,162	55,000
Net receipts	151,319	201,976	243,763
Dividend: Amount	150,000	200,000	200,000
Dividend: Rate % (tax free)	10%	10%	10%
Balance carried forward	1,860	3,836	47,600

* Including £12,000 to land settlement and advertising fund.

The balance sheet discloses reserves (including the capital reserve fund of £565,000) amounting to £1,600,000. The surplus of current assets (cash, debtors and merchandise on hand) over creditors, amounted to £2,686,897. At 5⅞ the ordinary shares, allowing for final dividends of 20 per cent. gross in the price (7½ per cent. gross from trading and 10 per cent. tax free from land), yield over 4.8 per cent. on the basis of a total distribution of 15 per cent. gross from trading and 10 per cent. free of tax from land. As we noted last week, it is proposed to increase the ordinary share capital to £3,000,000 by the creation of 1,000,000 new £1 shares, and to offer 500,000 next month to holders of ordinary shares.

J. Lyons and Co.—Record profits are reported by the catering firm of J. Lyons and Co., the figures for the year ended March 31, 1929, marking an advance of some 9 per cent. on the previous twelve months. Most, but not quite all, of the increase is required to pay dividends on the new 7 per cent. preference shares; the dividends on the ordinary and on the proportional profit shares, which are entitled per share to one-fifth of the dividend paid on the ordinary, remain unaltered, and the usual sum of £100,000 is put to reserve.

(Years ended March 31)	1927. £	1928. £	1929. £
Profit	757,160	832,516	908,950
5% preference dividend	32,353	32,353	32,353
7% preference dividend	140,000	190,167	259,192
8% preference dividend	80,000	80,000	80,000
6% preferred ordinary dividend	24,000	24,000	24,000
Ordinary and "A" ordinary: paid per share	4/3	4/6	4/6
Ordinary and "A" ordinary: amt. of dividend	336,021	357,474	359,161
Proportional and "B" proportional profit: paid per share	10·2d.	10·8d.	10·8d.
Proportional and "B" proportional profit: amt. of div.	40,375	42,750	42,750
To reserve	128,352	100,000	100,000
Increase or decrease in carry-forward	−23,941	+5,772	+11,494

Another £125,000 received in respect of share premiums has been added to the reserve, which now amounts to £1,175,000. The balance sheet shows evidences of increased strength, all the asset items being larger except investments in associated companies, which have dropped from £291,667 to £222,536. On the other side, creditors are down from £2,646,403 to £2,352,577. The larger class of ordinary share, the "A" ordinary, at 5⅛ cum final dividend of 2s. 10d., yield just 4½ per cent.

Wm. Cory and Son.—The profits of Wm. Cory and Son, coal contractors and exporters, which declined in 1927-8 after their abnormal rise in the coal stoppage period, rose again by 11 per cent. in the year ended March 31 last. The earnings are equivalent to over 23¾ per cent. on the ordinary and employees' shares. The directors, following a conservative policy, are maintaining the dividend at 17½ per cent., but allocating £150,000 to reserve account instead of £100,000 as in previous years.

(Years ended March 31.)	1927. £	1928. £	1929. £
Profit	1,038,727	696,047	777,289
Debenture interest	37,000	37,000	37,000
Net earnings	1,001,727	659,047	740,289
Preference dividend	42,500	42,500	42,500
Ordinary and employees' shares: earned	33·0%	21·1%	23·8%
Ordinary and employees' shares: paid	25%	17½%	17½%
Ordinary and employees' shares: amt. of div.	728,986	511,094	512,220
To reserve	100,000	100,000	150,000
Increase in carry-forward	130,241	5,452	35,569

Reserves, including premium received on shares, and the carry-forward, together aggregate now £2,367,497, which is slightly less than one-quarter of the gross assets. The investments are classified less lucidly in the new balance-sheet—a retrograde step. Otherwise the various items show little change, though the general position is stronger since debtors are down from £3,165,381 to £3,058,851, and creditors down from £2,974,152 to £2,696,780. At the market price of 3¼, cum final dividend of 12½ per cent., the £1 ordinary shares yield £5 12s. per cent., less tax.

Bleachers' Association.—The report of the Bleachers' Association for the year ending March 31 last repeats the story of the previous year in every significant respect. Profits are virtually unchanged, and though £100,000 in place of £75,000 is put to the general reserve fund (making that fund up to £975,000), the extra allocation is mainly at the expense of the carry-forward.

(Years ending March 31.)	1927. £	1928. £	1929. £
Trading profits	627,906	898,577	901,358
Depreciation fund	200,000	200,000	200,000
Debenture interest	101,250	101,250	101,250
Net earnings	326,656	597,327	600,108
Preference dividend	135,988	135,988	135,988
Number of times covered	*2·4*	*4·3*	*4·4*
Ordinary: earned	5·0%	12·1%	12·2%
Ordinary: paid	7½%	10%	10%
Ordinary: amount of dividend	284,530	379,374	379,374
Dividend equalisation reserve	*...Dr90,000*	...	...
General reserve fund	...	75,000	100,000
Increase or decr. in carry-forward	− 3,862	+ 6,965	− 15,254

The balance sheet contains no important changes, either in its items or their method of presentation. A document can scarcely be regarded as informative when a heterogeneous item which combines all sorts of fixed assets, goodwill, and shares in controlled business accounts for £10,158,178 out of a gross assets total of £12,250,093. Investors will await with interest the results of the breaking up of this item, which will be necessary next year under the new Companies Act. The £1 ordinary shares at 1⅝, cum 1s. 6d. final dividend, yield £6 9s. per cent.

Anglo-Persian Oil.—The Anglo-Persian Oil Company has announced a dividend for the nine months ending December 31, 1928, at the rate of 12½ per cent. per annum, less tax, which compares with 7½ per cent. for the twelve months ending March 31, 1928. After allocating £600,000 to the various reserve funds and £201,051 to extra depreciation, and deducting £513,434 on account of excess profits duty, there is a balance to be carried forward of £1,771,645, as compared with £2,224,267 brought in. The accounts of the company will no doubt show an improvement in trading profits in respect of the nine months ending December, 1928, seeing that the company had the benefit of higher kerosene prices in India since June, 1928, and higher petrol prices in France and Germany. The increase in petrol prices in Great Britain this year no doubt encouraged the directors to distribute a higher proportion of the company's earnings.

Lobitos Oilfields.—A further reduction in earnings is disclosed in the report of Lobitos Oilfields for the year ending December, 1928. This company's revenue is derived from the operation of its tank steamers and the sale of crude oil from its properties in Peru. It has a controlling interest in the Anglo-Ecuadorian Oilfields, but that is not yet returning dividends. As Lobitos Oilfields does not purchase oil from outside sources, or market refined products except in Peru, it has felt the full force of the fall in crude oil prices. At the same time it has had to pay heavy taxation to the Peruvian Government, which amounted in 1927 to £200,000 and in 1928 was at the rate of £180,000. The earnings for the past three years are shown in the following table, but the results for 1928 are not strictly comparable with those of earlier years, as they include only ten months trading of the Peruvian subsidiary, which has altered its financial year to end on October 31. This subsidiary reported a loss on the ten months working of £43,523 as against a loss of £1,350 in the previous twelve months.

	1926. £	1927. £	1928. £
Ordinary capital	600,000	1,000,000	1,000,000
Net revenue—			
From oil sales	266,393	56,535	50,371
From steamers	89,723	84,708	22,146
From interest, &c.	5,083	13,083	32,694
Balance	361,199	154,326	105,212
Less London expenses	14,162	14,802	15,676
Net profit	347,037	139,524	89,536
Per cent. earned	57·84%	13·95%	8·95%
Per cent. paid	35%	10%	10%
Reserve for income tax	100,000	70,000	15,000
Carried forward	249,393	318,917	313,453
Production Tons	266,918	296,248	264,956 (10 months)

As regards the future, the directors anticipate improved results in 1929 on account of the rise in crude oil prices. It is understood that the price obtained by the company for its crude oil exports to the United States is based upon American mid-continent crude oil prices, which were advanced last month to a level considerably higher than that ruling in 1928. At the meeting on June 19th, Lord Forres will also be able to announce some improvement in the tanker freight market. Lobitos shares are quoted at 2⅝. The book value of the ordinary shares, as disclosed by the balance sheet of December 31, 1928 (which shows a very liquid position), is 2$\frac{31}{32}$.

Primitiva Gas Co.—The preliminary statement states that the discussions with the Cia. Hispano-Americana de Electricidad, of which the shareholders were informed last year, have recently been renewed, with satisfactory results, an agreement for co-operation and mutual working between the two companies having been reached, details of which will be given at the annual meeting. Meanwhile the company, which reduced its share capital five years ago from £4,000,000 to £2,339,644, succeeds in paying a dividend on its ordinary shares for the first time since 1914. A year ago the board decided that though a dividend might have been recommended, a conservative policy was more likely, in view of the precarious position of the company only three years before, to put the company on a sound dividend-paying basis for the future. Its recovery has certainly been a rapid one, as the following table shows:—

(Years ended December 31.)	1926. £	1927. £	1928. £
Profit	97,947	151,055	222,000
Contingencies reserve	11,731	74,000	10,000
Depreciation and renewals account	74,608	76,000	75,000
Dividend { rate	...	...	5%
Dividend { amount	...	...	93,058*
Increase in carry-forward	11,608	1,055	43,942

* Presumed.

The sum carried forward to the current year is apparently £56,605. At December 31, 1927, the depreciation and renewals account stood at £247,100 and the contingencies reserve at £131,101. The statement was favourably received by the market; the £1 shares, which stood at 25s. at the beginning of January last (after being 20s. at one time last year) are now priced at 38s., yielding £2 13s. 4d. on the 5 per cent. dividend rate—a figure which obviously discounts a further increase in earnings.

African and European Investment.—This Kaffir finance company, writes our mining correspondent, experienced a set-back last year. Reduced sums were received in the shape of dividends, profits on sales and from the farms, the total of £181,800 comparing with £265,600 for 1927. Expenses were lower, the chief variations being that the writing off of bad debts called for only £2,100 in place of £30,000, while taxation absorbed £8,850, as against £19,750. At £89,100 the net profit shows a decline of £41,400. Accordingly, the dividend rate, which for 1927 was 7½ per cent.—comparing with the initial distribution of 5 per cent. in respect of 1926—is reduced to 6 per cent. Quoted investments standing in the books at £720,300 are stated to have a market value of £1,050,300; unquoted shares, taken at cost, represent £397,500. The company's more important holdings are the Union Steel and Vereeniging undertakings. Like others of its class, the African and European has extended its field of activity, exploiting a process for the manufacture of wool. Since the date of the accounts the Transvaal Estate and Development Co. has been absorbed, rendering the concern "the most important land-holding company in South Africa."

Bangrin Tin—Siamese Syndicate.—The results of these associated enterprises for 1928 are disappointing, the decline in the price of tin being, of course, an important factor. In the case of the Bangrin, a falling off in the average yield was accompanied by an expansion in costs, the working profit coming out at only 6¾d. per cubic yard as against 10d. After writing off £13,400 for amortisation of properties and development—somewhat less than before—the net profit figure was £28,600, in place of £55,600. As the interim dividend of 10 per cent. absorbed £30,000, there is naturally no final distribution. As regards the additional dredges, No. 2 commenced running at the end of November. Owing to various reasons, the returns so far have not come up to expectation, but the manager looks for better results in the future. No. 3 dredge is due to start very shortly. With both in full operation, the output should show a marked expansion. The experiences of the Siamese Tin Syndicate—the parent of the Bangrin—were in several respects similar to those of the subsidiary, the gross working profit coming out at barely ½d. per cubic yard as against nearly 4d. in 1927. The net profit of £27,000 compares with £60,900. The two interim dividends required £30,000, and there is no balance payment, the carry-forward of £7,500 being £5,600 less than brought in. In respect of 1927 the distributions totalled 50 per cent. Some recovery in the monthly output has lately been shown.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Antofagasta (Chili) and Bolivia Railway, Royal Mail Steam Packet, Eagle Oil Transport, Burmah Oil, Associated Newspapers, Calcutta Tramways, Madras Electric Supply, J. & P. Coats, Associated Tin Mines of Nigeria, and Zinc Corporation. The chairman of J. and P. Coats referred to the increased bonus paid this year and was at pains to contradict the general impression that future payments would necessarily be at the same level. Shareholders must expect, he declared, that the amount of the bonus would henceforth depend more than in the past on the result of each year's working, and was, therefore, "likely to fluctuate." Sir John Cargill discussed the Burmah Oil Co.'s policy of closer co-operation with the Royal Dutch-Shell group, and the world outlook for oil prices. Reference was made at the Associated Newspapers meeting to the continued increase in advertising revenue.

CAPITAL ISSUES.

Only three prospectuses were issued this week, representing an aggregate cash subscription (excluding conversions) of £722,000, and bringing the total for the year to £159,591,342, against £228,016,225 last year. Hambros Bank offered £500,000 30-year 6½ per cent. sterling bonds of the *City of Abo (Finland)* at 94½. This was a well-secured investment, returning a yield of 6⅞ per cent. flat and nearly 7 per cent. on redemption. The total service of the City of Abo debt, including the present issue, is only £76,000, whereas the revenue derived last year from properties owned by the City was £386,500. A conversion offer of *London County* 4½ per cent. Consolidated Stock, 1945-85, was made to holders of the 3½ per cent. Metropolitan Stock due on October 6, 1929, on the basis of £105½ new 4½ per cent. stock for £100 3½ per cent. Metropolitan Stock. The object of conversion, it is stated, is not to extend the period of repayment of the original debt, but to set free the money provided in the sinking fund to repay the stock, which can then be used to meet new capital expenditure. The increase in cash income should be a strong inducement to convert. The only "business" issue of the week was that of *Foreign Securities Investment Trust* in shares of £5, to be converted later into £3 of 5 per cent. preference stock and £2 of ordinary stock. The promoter of the issue appears to be Mr Emil Davies, the chairman of the First, Second, Third, and Fourth Co-operative Trusts, which have in the past followed a policy of distributing dividends in high ratio to earnings. This week's issue is not, however, a co-operative trust, but is registered under the Companies' Acts. The proceeds will be largely invested abroad.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total recorded since January 1, 1929, £153,325,149.
Total, including conversion, recorded since January 1, 1929, £179,308,103.

National Savings Certificates.
Net sales week ended June 8, 1929, *Dr. £50,000.*
Total receipts, April 1, 1929, to June 8, 1929, *Dr. £300,000.*

Description of Issue and Date of Opening of Lists. To the Public.	Nominal Capital. £	Conversions or Repayments. £	New Money, Cash Subscription. £	First Payment. £	Further Liability. £
City of Abo (Finland) 6½% Ster. Loan, 1929, £500,000 red. by Apl. 1, 1959, issued at 94½% (June 11)	500,000	...	472,500	25,000	447,500
Foreign Securities Investment Trust, 50,000 Ord. £5 at par (June 10)	250,000	...	250,000	50,000	200,000
London County Council 4½% Consolidated Stk., 1945-1985 (Conversion offer to holders of 3½% Metropolitan Consolidated Stk. due Oct. 6, 1929 (June 12)	...	5,551,396	...	...	...
Total offered to Public, week ended June 15, 1929	750,000	5,551,396	722,500	75,000	647,500
To Shareholders only.					
British Cement Products and Finance, 350,000 Ord. £1 (95,000 to shareholders only, remainder to a group) issued at £2½	350,000	...	875,000	875,000	...
Columbia Graphophone, 427,520 Ord. 10s. at £5	213,760	...	2,137,600	2,137,600	...
Consolidated Estates, 42,000 Ord. £1 at £2½	42,000	...	105,000	21,000	84,000
Investment Trust Corporation: 75,000 4% Preferred £1 at par	75,000	...	75,000	75,000	...
50,000 Deferred £1 at par	50,000	...	50,000	50,000	...
N'Changa Copper Mines, 200,000 Shares, £1 at £3	200,000	...	600,000	200,000	400,000
Rhodesian Congo Border Concession, 299,871 Ord. £1 at £5	299,871	...	1,499,355	299,871	1,199,484
Rhodesian Selection Trust, 503,475 new Shares, 5s. at 10s.	125,869	...	251,738	125,869	125,869
Total to Shareholders only, week ended June 15, 1929	1,356,500	...	5,593,693	3,784,340	1,809,353

Total offered for Subscription—	Including Conversions. £	Excluding Conversions. £
To date—	191,125,692	159,591,342
1929	...	228,016,225
1928	...	195,175,311
1927	...	108,634,498
1926	...	98,345,965
1925	...	96,747,777
1924	...	176,868,661
1923	...	

Total offered for Subscription—	Including Conversions. £	Excluding Conversions. £
Whole year—	693,100,056	369,058,073
1928	...	355,165,970
1927	...	230,782,600
1926	...	232,214,500
1925	...	209,326,101
1924	...	271,399,173
1923	...	513,675,853
1922	...	

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Advertisement (in brackets).	Amount of Capital Introduced. £	Price at which Dealings Began. £	Total Cash Involved. £
Total recorded since Jan. 1, 1929	21,799,755	...	30,336,900
Smithfield Animal Products, 478,376 Shares, 5s. (June 3)	119,594	5/1¼	122,583
Mills and Rockleys, 10% Pref. Ord. 10s. (May 27)	337,821	13/-	439,167
International Pulverising and Grinding Machines (Parent) Corporation, 750,000 Shares 1s. (June 3)	75,000	1/3½	98,430
J. G. Graves, 315,000 7% Cum. Pref. £1 (June 10)	315,000	22/-	346,500
Total, week ended June 15, 1929	847,415	...	1,006,580
Total to date, 1929	22,647,170	...	31,343,580

Government of India Rupee Loan.—Issue at 96½ of a 5 per cent. loan, 1939-44. Subscriptions may be in the form of cash, including Indian Treasury Bills, or of 6 per cent. bonds, 1930, 1931 or 1932. The three sets of bonds will be accepted at Rs. 102, Rs. 103 annas 2, and Rs. 104 annas 2 respectively per Rs. 100 nominal of the bonds tendered. The loan will be closed to cash subscriptions when they have reached Rs. 12 crores (nominal). A 1½ per cent. sinking fund will be provided. This loan will be accepted at its issue price in subscription to any future Indian loan having a currency of 10 years or more and maturing after 1944.

Issue at 98 of 5 per cent. bonds, 1935. Subscriptions may be in the form of cash or (provided that at least an equal amount of such bonds is tendered as subscription to the 5 per cent. loan) of 6 per cent. bonds, 1930. The bonds will be closed to cash subscriptions when they have reached Rs. 15 crores (nominal), but either the loan or the bonds may be closed to cash subscriptions at any time after subscriptions for both together have reached a total of Rs. 18 crores (nominal).

London County Council.—Offer of conversion to holders o 3½ per cent. Metropolitan Consolidated stock, due October 6, 1929, into 4½ per cent. London County Consolidated stock, 1945-85, at the rate of £105 10s. for each £100 surrendered. The amount of 3½ per cent. stock outstanding is £5,551,396 8s. 6d. The new stock will be amalgamated with the existing 4½ per cent. London County Consolidated stock, 1945-85, on September 3, 1929. Cash in the sinking fund in respect of the cancelled stock will be treated as the proceeds of the issue of the substituted stock, and used to meet new capital expenditure on housing, main drainage, education, improvements to streets and bridges and other purposes.

City of Abo (Finland).—Offer for sale at 94½ of £500,000 30-year 6½ per cent. sterling bonds, redeemable by 1959 by an accumulative sinking fund applied in half-yearly drawings at par; the City of Abo reserves the right to repay the whole or any part at par in or after 1939. The loan will rank *pari passu* with all other existing loans of the City except to the extent of the Finnish Government guarantee given in respect of the Finnish Guaranteed Municipal Loan of 1924, in which the City participated. The total revenue for 1928 amounted to £549,000; the total funded debt, including this issue, is £1,058,000, and the total yearly service of debt, including this issue, is £76,000. The proceeds will be used for the conversion of a portion of the existing loans for harbour extension and creation of new gas works, extension of water works, electric power station, and hospitals.

Foreign Securities Investment Trust, Limited.—Issue at par of 50,000 £5 shares, to be converted, when fully paid up, into £3 of 5 per cent. preference and £2 of ordinary stock. The company will particularly but not exclusively invest in foreign securities dealt in on British and foreign stock exchanges.

Particulars of the following have been issued "for information only" with a view to Stock Exchange introduction:—**J. G. Graves, Limited**; issued capital, 315,000 £1 7 per cent. cumulative preference and 420,000 £1 ordinary shares; a mail order business, incorporated in 1906, and dealing in Sheffield cutlery and plate, clothing, furnishing drapery, gramophones, floor coverings, wireless apparatus, cycles, etc.

Grace National Bank
Hanover Square, New York, U. S. A.
A thoroughly organized international bank, giving special attention to the requirements of European banking correspondents.
Special Representative
148 Leadenhall St. London, E. C. 3.

COMPANY MEETINGS, &c.

BURMAH OIL COMPANY, LIMITED.

DIVIDEND MAINTAINED AND BALANCE SHEET STRENGTHENED.
CO-OPERATION WITH THE ROYAL DUTCH-SHELL GROUP.
STABILISATION OF PRODUCTION.
MARKETING CONDITIONS—RATE WAR SETTLEMENT.
SIR JOHN CARGILL ON THE POSITION AND OUTLOOK.

The twenty-seventh annual general meeting of the Burmah Oil Co., Limited, was held, on the 7th instant, in the Merchants' Hall, 30 George Square, Glasgow.

Sir John T. Cargill, Bart. (chairman of the company), presided, and there was a large attendance of shareholders.

The Chairman said: Ladies and Gentlemen,—I have here the certificate that the notices calling this meeting were duly posted, and I presume that I may, with your kind permission, as usual, hold the notice as read. (Agreed.) I will ask the secretary to read the auditor's report.

The auditor's report having been read by Mr F. G. Holdsworth (the secretary),

The Chairman, continuing, said: Ladies and Gentlemen,—The report and accounts having been in your hands for fully a week, may I hold them as read, as usual? (Agreed.)

While we held our meeting last year under the cloud of some nine months of rate-cutting conditions in the kerosene market of India, to which my speech fully referred, we closed it on a note of optimism and confidence from your managing director that we would win through to an even more secure position in that market than we had ever occupied in the past. Within some 48 hours of that confident prediction, the principal parties to the dispute met with Mr Watson and composed their differences, and kerosene prices were shortly thereafter re-established on the basis of world parity. Between this settlement and the arrangements secured, both with the Royal Dutch-Shell Group and with the Anglo-Persian Oil Co., Limited, through the formation of Burmah-Shell Oil Storage and Distributing Co. of India, Limited, the sequel anticipated with such assurance by your managing director has been completely realised.

It would serve no good purpose in the circumstances of this happy issue to stir up the dead ashes of the kerosene rate war by anything in the nature of a post mortem, and I do not, therefore, purpose saying more on the subject than to express our confidence that the settlement arrived at and agreed between authoritative and responsible representatives of the parties concerned will be lived up to by all in accordance with the best traditions of commercial conduct.

UNFOUNDED ACCUSATIONS.

But before leaving the subject of the rate war itself I must in a word refer—and leave it at that—to the *démenti* we found it necessary to issue on certain accusations and innuendoes—directly against the smaller units of the indigenous petroleum industry of India, but indirectly against your company—contained mainly in the finding of the Minority Report of the Tariff Board on the appeal for protection against these rate-cutting conditions. These accusations were shown to be as unfounded as the innuendo that your company's kerosene price restriction policy was "eyewash," of which no competitor who has had to sell against and under its conditions has ever required any convincing. And that in the sequel the conclusion of the Tariff Board that the appeal of these smaller companies for relief was, at the best, premature proved well founded, in no way alters the fact that, but for that settlement, these companies would undoubtedly have shortly been compelled to shut down their operations.

SATISFACTORY TRADING RESULTS.

These remarks are a necessary prelude to consideration of the trading results for 1928, which are now before you. That they should be so satisfactory in the face of the inclusion in the period of some six months of intensified rate-cutting in your largest product market against less than three months of less acute conditions in 1927 is, I think you will agree, not only subject for congratulation, but, and more important, evidence of the inherent strength and soundness of the position created for your company by the conservative allocation of your profits of the past between dividends on the one hand and depreciations and reserves—not to mention "carry forward"—on the other.

SUBSTANTIAL "CARRY FORWARD."

As you are aware, we have for some years now been building up a "carry forward" in excess of any normally anticipated requirements. But it is generally the unexpected that happens, and this wise provision has now enabled us, despite these difficult trading conditions, to maintain our policy of reserves and depreciations intact, to recommend a final dividend on the ordinary share capital of 10 per cent., less tax, making 20 per cent., less tax, for the year, and still to carry forward the substantial amount of £151,084 7s.

It is true that conservation of resources while the rate war continued has resulted in merely a deferment of expenditure which, while helping 1928 results, must sooner or later require to be incurred, but, beyond this, the spur of low values has undoubtedly quickened appreciation of the possibilities of more economical and less efficient methods of operation throughout the whole of your organisation, and the realisation of these has played an important part in the year's results.

PROFIT AND LOSS ACCOUNT.

If you will now turn to the profit and loss account you will see that the balance of profit after charging depreciation amounts to £1,558,973 10s. 6d., or some £344,339 less than in 1927. The addition of transfer fees and interest and dividends gives a figure of £2,121,320 18s. 4d., from which the normal deductions would have been the costs of income-tax, directors' etc., fees, salaries, office rents and charges, subscriptions, and employees' provident fund, but in this year are added interest on the Five-and-a-Half per Cent. Secured Debenture stock, one-third of the cost of the debenture issue, and the costs of formation of the relative company, the B.O.C. Anglo-Persian Share Trust, Limited, amounting together to some £61,000. To the balance of £1,479,626 2s. 5d. brought down there is added the "carry forward" from 1927 of £502,416 5s., giving the figure of £1,982,042 7s. 6d., out of which general reserve takes £200,000, fields expenditure equalisation reserve £150,000, and insurance reserve £20,000, leaving the £1,612,042 7s. 6d. carried to the balance sheet. The preference and interim ordinary dividends for the year absorb £861,416 10s. 3d., and of the balance of £750,625 17s. 3d. the recommendation to-day of a final dividend of 2s. per share, less tax, requires £599,541, 10s. 3d., leaving £151,084, 7s. to be carried forward.

You will have observed the considerable drop in the interest and dividend account. This is due in the main to two causes—namely, first, the gradual investment in our own business of moneys temporarily placed out on loan and deposit which I mentioned in my speech last year; and second, the reduced dividend received in the period from our holding of Anglo-Persian Oil Company, Limited, ordinary shares. While in this account we have on the one hand taken no credit for accrued and declared dividend on our purchase of ordinary shares of the Shell Transport and Trading Company, Limited, since it was not received in the period, we have, on the other hand, as already mentioned, debited interest accrued in the period on the Five-and-a-Half per Cent. Debenture stock.

BALANCE SHEET FIGURES.

Turning to the balance sheet, on the liability side we now find the £4,000,000 of Five-and-a-Half per Cent. Secured Debenture stock which was offered to you in the late autumn of last year. The offer fully explained the objects of this issue, as again briefly referred to in the report now before you, and that these objects and your board's proposals for securing them had your complete approval was emphatically shown by the somewhat embarrassing over-subscription which you tendered for the debentures. Interest accrued on these debentures to December 31st last is a consequential addition to liabilities. General reserve now stands at £1,000,000, insurance reserve at £520,000, and fields expenditure equalisation reserve at £750,000 as a result of the allocations of £370,000 again made for the year to these reserve accounts. The increase of some £74,454 on fire and marine insurance account to £1,013,899 9s. 5d. represents the difference between premia internally charged for risks and claims on this account in the period. Sundry creditors and credit balances are down by some £1,030,208.

ASSETS.

On the assets side sundry debtors and debit balances, on the other hand, are down by some £788,560; the refinery block is up by some £50,193, representing additions less £174,136 8s. provided as depreciation for the year; and the oil wells, etc., block remains at the very conservative figure of £350,000 at which we have restricted it for some years. Extended application of electrification to the Singu field is mainly responsible for the increase of some £60,739 on the fields electrification block account, which has been written down by £100,000 for the year; £20,000 has been written off the main pipe-line block account, which, including renewals for the year, now stands at some £307,704. The reduction in the tankers and tank installation block account of some £453,818 represents the depreciated book value of portion of the assets sold to Burmah-Shell Oil Storage and Distributing Co. of India, Limited, which has been moved down to and is now included in the figure of £11,622,491 of investments, the cost of the Shell Transport and Trading Co., Limited, shares accounting for the great bulk of the £4,789,907 increase in these. Then stocks of plant are down by some £527,871, and stocks of products up by some £90,614. The £65,384 of debenture stock issue expenses is the two-thirds residue of the total, and finally the reduction of some £219,039 in loans, deposits, and cash reflects the further utilisation in the business of moneys previously temporarily loaned out on the market.

These, then, are the results for the year, and I am confident you will share the view of your board that in all the circumstances of the conditions ruling in the period we have reason for considerable satisfaction and confidence in the fact that we have been able to maintain the 1927 dividend and to continue the policy of strengthening the balance sheet by the usual generous allocations to reserves and depreciations.

"SHELL" AND "ANGLO-PERSIAN" INTERESTS.

But, in the opinion of your board, supported in a most gratifying way by your response to the debenture offer—to say nothing of outside public expressions of opinion—your balance sheet has been still further strengthened by the broadening of the basis of your investments in the petroleum industry generally through the purchase, after exercising the accompanying rights, of 1,000,000 ordinary shares of the Shell Transport and Trading Co., Limited. The great position which the Royal Dutch-Shell Group occupies in the industry by reason of its interests in almost every producing and consuming country of the world is well known to you all, and we have every reason to anticipate that that position will be maintained and improved and that this new investment will steadily appreciate in value.

Our contingent financing of its cost, possibly merely temporarily met therefore by these debentures, reflects your board's view of the potential value of your holding of Anglo-Persian Oil Co., Limited, ordinary shares, and the board's scheme took the form it did for the reason, first, that the company's shareholders should have preference over the general public in the potential "plum" which a higher market value than £6 for the Anglo-Persian share might offer in the period of the exchange option, and, secondly, that there were, meantime at least, good reasons why your company should continue to retain the voting rights attached to these Anglo-Persian shares. The able chairman of that company periodically brings up to date the tale of its great achievements and makes clear how its enormous resources are being carefully and soundly extended and developed, and I do not, therefore, propose saying more here as to your investment in that company than that at no time have I or your other representatives on the Anglo-Persian board had better reason to congratulate you on it.

CLOSER CO-OPERATION WITH ROYAL DUTCH-SHELL GROUP.

The wider spreading of your investments in the industry generally, and this reason alone, determined the manner in which these transactions were put through. The direction itself presented no difficulty. Through fair and foul weather over a period of 23 years we have worked in the closest and most friendly way—and to the advantage of both—with our friends the Royal Dutch-Shell Group, and the conditions in the Indian kerosene market previously referred to had already brought this association there on to a permanent and corporate basis, so that this further, but for the first time direct, interest in the fortunes of that group was a natural step to take even apart from our opinion of the potential intrinsic value of the investment. The Royal Dutch-Shell Co. and the Shell Co. themselves welcomed this decision to strengthen our association with that group, and we are especially indebted to Sir Henri Deterding and to Sir Robert Waley Cohen for their co-operation in enabling us to secure these shares without recourse having to be made to the market.

And here I would like to take this opportunity to express our sense of loss to the petroleum industry as a whole involved in the decision of Sir Robert Cohen to take a less active part in its administration. His fertile and constructive brain is well known to those who have been brought into close relations with him, and while we have differed—and differed on occasions very strongly during an active association of almost a quarter of a century—these qualities and the quality of compromise have played a substantial part both in maintaining this long business co-operation and in at last establishing it on the more stable and fruitful foundations to which I have referred.

This investment in the Shell Co. carries no right to representation by your company on its board, and that company's invitation to your managing director to a seat must be regarded as a tribute to him personally for the active part for years played by him in the cementing together of the interests of both companies—to the considerable advantage, as you are well aware, of your company. I am sure that you will all wish me to convey to Mr Watson your heartiest congratulations on this signal mark by the directors of the "Shell" Co. of their appreciation of the extremely fair and broadminded way in which he has carried on negotiations—often of very difficult and delicate nature—between the two companies over such a long period of years, and of their recognition of the outstanding position which he has created for himself in the oil world.

STABILISATION OF PRODUCTION.

Having now covered and explained these important and far-reaching changes in your balance sheet, I would just briefly stroke the "t's" and dot the "i's" of the brief summary of the year's operations otherwise which the report gives you. There has been much talk in recent months of waste through over-production and the vital importance alike to consumers and to the industry of balancing production and consumption by stabilisation. Our production policy is to secure such volume as can be profitably marketed and to keep our tankage full. Just as with rationalisation, reflected in the arrangements we have had with the Royal Dutch-Shell and the smaller indigenous producers of India in connection with marketing, so also then with the reasonable balancing of production and offtake your company have been pioneers. It is true that we have not had the compelling forces of enormous flash production from the Burma fields which in other fields has, at least to some extent, forced the hands of our companions in the industry, but we have at any rate recognised the general economic waste that was going on and have for years stabilised our production on a basis which has clearly recognised that situation, preferring, both from your point of view and from that of India itself, the sounder and saner policy of a long, steady and regular life on our known resources to a meteoric outpouring of excessive production. And on this stabilised basis we have never had the situation in our fields so accurately gauged or equilibrium so well maintained as we have them to-day.

Electrification of the Singu field is being steadily extended, and the increasing demand for power both there and in the older Yenangyoung field will shortly involve both increased generating and transmission capacity, which are now engaging our attention.

OUTSIDE TESTING ACTIVITIES RESUMED.

The moratorium in outside testing operations was removed on the termination of the kerosene rate war and our suspended activities on these have been resumed. The drill alone can determine the justification of their expense, but they are geological possibilities which insurance considerations leave us no option but to probe.

Concentration and reconstruction of the Rangoon refineries are to all intents and purposes now completed, and are yielding the advantages and economies anticipated. But there is no finality to technical advance, and scrappings and substitutions and/or additions will be resorted to whenever they point to compensating further advantages and/or economies.

"CHAPTER OF ACCIDENTS" IN BURMA.

I regret to have to confirm the reports which have appeared in the Press of a chapter of accidents within our Burma organisation during the current year, quite unprecedented both in their number and in the deplorable loss and injury to life which they involved. In no case has the material damage or the interruption to steady operation been more than trifling, but I am sure you will wish to identify yourselves with your board in an expression of deep regret

at the loss and injury to life, and of sympathy with the relatives of the killed and with the injured. In the case of the worst disaster—the fire on the route of the pipe line—that the killed and injured were the victims of their own trespass and anxiety to make off with the leaking oil can in no way qualify this regret, of which your company promptly gave tangible expression. In the other cases, also, no blame is attachable to our arrangements or organisation, but, as is our practice, compensation for the relatives of the killed and/or the injured has been arranged. We have been remarkably free from serious accident until now, and I sincerely trust that I shall not again have to bring any to your notice.

The amalgamation of your and the Royal Dutch-Shell Group's Indian marketing organisations under the name of Burmah-Shell Oil Storage and Distributing Co. of India, Limited, has placed a great burden on those entrusted with the necessary and considerable dovetailing of the two separate units, simultaneously with their continued day-to-day conduct of a great and expanding business, and that it has advanced so smoothly and so completely in the time and in the circumstances reflects the greatest credit on our friends in India.

PETROL PRICES.

As regards the market for our products in 1928, I have already referred to kerosene. When peace came and better prices were possible world market values for the product did not, however, permit re-establishment of prices on the full pre-War level, and they were placed, and still remain, substantially below that. Petrol prices were unchanged in the period, but have since advanced this year to the extent of the addition made to the Excise duty specifically for that road development which India so badly requires. Both lubricating oil and jute batching oil values were on a lower level in the period, and, although wax values on average were not materially changed, our volumes of production and sale of this product, as of petrol, marked a considerable advance, and indigenous production of petrol still meets the steady and important increase in the demand in India and Burma for that product.

While under the existing relations of world production to world consumption I can see no prospect of improvement in product values, the maintenance at least of to-day's values should enable us to submit to you next June quite satisfactory results for 1929.

Provident fund balances, withdrawn some time ago from investment in the company and temporarily held by trustees, have now been entrusted to permanent trustees by the formation of a trust company, and new relative rules and regulations and the necessary trust deed have been respectively adopted and entered into.

ASSAM OIL COMPANY'S RESULTS.

Some of you may have seen the Press report of the annual meeting in London this week of the Assam Oil Co., Limited, copies of which will be circulated to you along with the proceedings of this meeting. That company's 1928 results are painful, if eloquent, testimony to the actual damage and potential threat of the recent rate-cutting war to the very existence of the smaller indigenous producing companies of India, and, as I have already said, are perhaps sufficient commentary on the Tariff Board's conclusion and recommendation that their appeal for relief was, at the highest, premature. But this interest of yours, thanks for your financial backing, continues to develop according to plan, and, given even merely to-day's values for products, there should be a much improved position to report next year.

The sound and efficient technical and profit-earning position so painfully reached by the Tinplate Co. of India, Limited, has for the moment been checked by the spread to it of that epidemic of labour unrest—without apparent rhyme or reason—which is playing havoc with the whole industrial development of India, and one can merely stand and wait until reason and the individual desire for steady employment are once more allowed full and free play and not subordinated to the irresponsibilities of Communistic agitation.

TRIBUTE TO STAFF AND LABOUR.

Once again it is both my duty and my privilege to bring to your attention and to express the board's and I am sure your appreciation also of the very fine work done throughout the whole of our organisation and those of our associated companies by your and their staff and labour in Burma and in India, and by your staff in the home offices. It requires no great reading between the lines of my remarks to visualise the very difficult and hard-pressure conditions which have surrounded the operations of the year, and I can assure you from intimate knowledge of the position that these men have worked as a team and with the team spirit to secure the advancement not of personal but of corporate interests.

During the year the head of the home engineering department, Mr John Gillespie, decided that the time had now arrived to take and enjoy a well-earned retirement. Directly and indirectly, Mr Gillespie had been associated with the company since its earliest days, and played an important and valuable part in its development on the engineering side. He has taken with him into his retirement the best wishes of the whole company.

And I would here take this opportunity to bid farewell and godspeed to Mr James Moore, who at his own desire, and to our great regret and loss, has decided that the time has arrived to give up his position as superintending engineer of the Rangoon refineries which he has filled with such credit to himself and advantage to the company for many years now. Mr Moore has left monuments in the form of improved technique in the industry which will long endure, but he has left even more than this in the memory of work done as president in and for the Syriam Municipality and for its inhabitants—mainly directly or indirectly your employees—which must have a deeper and more lasting value.

COMPLETE MANAGEMENT BY THE BOARD.

As mentioned in the report, the company took over on January 1st this year the complete management of its own affairs in India and Burma, which hitherto had been in the hands of its managing agents, Messrs Finlay, Fleming and Co. You are, I think, all aware that for many years your board, with only one or two exceptions, was composed of partners in that firm, who as such participated in the commissions earned by the agency. It has been for this reason that fees paid to your directors have all these years been out of line with those normally paid by companies of your standing. Now that the agency has gone the time has come to correct this position, and the necessary alterations in the articles will come up for your consideration at an extraordinary meeting which has been called to follow on the conclusion of our present proceedings.

I now beg to propose: "That the report of the directors and audited statement of accounts, including the balance sheet and profit and loss account to December 31, 1928, presented to the meeting, be received, approved, and adopted," and I shall call on Mr R. I. Watson, your managing director, to second this motion. After the motion has been seconded an opportunity will be given to shareholders to ask questions or make comments.

LOYAL CO-OPERATION.

Mr R. I. Watson: Ladies and gentlemen,—Before seconding the motion for the adoption of the accounts and the report, I would like just in a word to express my deep appreciation of the remarks made about me personally by our chairman and of the very kind way in which you have received them. Sir John's generosity in his tributes at these meetings of ours to the work done and the services rendered by the whole organisation are a constant stimulus to all of us to deserve them—(cheers)—and I would specially, therefore, like you to realise that any services that I may have rendered which appeared to be specially worthy of your approbation have been possible only because of the support and sympathy of the chairman and of the board, and of the loyal co-operation of the whole of the staff. Most especially I would like to refer to the able services which are being constantly rendered to you by Mr Whigham, your assistant managing director. (Cheers.) To him, and to all the other chief officials of the company, whether on this side or in India, I especially owe a great debt of gratitude. I have now great pleasure in seconding the motion to adopt the report and accounts. (Cheers.)

The Chairman: Are there any questions, ladies and gentlemen, that you would like to put? There being none, I now beg formally to put to the meeting the resolution which I proposed, and which Mr Watson has seconded.

The motion was then put to the meeting and declared carried unanimously.

DIVIDEND RESOLUTION.

The Chairman: I have now pleasure in moving that the dividend on the ordinary shares recommended by the directors at the rate of 10 per cent. per annum (2s. a share), less tax, making, with the interim dividend paid in November last, 20 per cent., less tax, for the year, be adopted and that the same be hereby authorised to be paid on June 14th and that the balance of £151,048 7s. be carried forward. I would be glad if Mr James Stark would kindly second that.

Mr James Stark: I have much pleasure in seconding the motion that has just been made.

The Chairman: I am quite sure, ladies and gentlemen, you are all agreeable to that motion. (Cheers.) I would now ask Mr Watson to move the next resolution.

Mr R. I. Watson: I have much pleasure in moving the re-election of Sir John Cargill as a member of the board, and I would like to take this opportunity of congratulating Sir John on the great distinction which has been conferred upon him by the University of Glasgow. (Cheers.)

Mr Alexander Morrison: I have much pleasure in seconding that motion.

The Chairman: May I take it, ladies and gentlemen, that you are agreeable? (Cheers.) Thank you very much. I now beg to propose the re-election of Mr H. S. Ashton, who has been associated with the company for so many years as a director, and I would ask Mr Paul to kindly second that.

Mr W. J. Paul: I have much pleasure, Mr Chairman, in seconding the motion.

The Chairman: Is that your pleasure, ladies and gentlemen? (Cheers.) I would also now move: "That Mr R. A. Murray be re-elected a director of the company."

Mr George Readman: I have much pleasure in seconding this motion.

The motion was also adopted.

Mr Thomas Stark: I beg to propose the reappointment of Mr James Herbert Wilson, C.A., as auditor for the current year.

Mr A. S. M. Breigan: I have much pleasure in seconding that.

The motion was adopted.

EXTRAORDINARY GENERAL MEETING.

The Chairman: That is all the business for the general meeting. We will now proceed to the extraordinary general meeting, and I shall just read the resolution of which you have had notice, and then ask Mr T. F. Donald if he would kindly propose it.

The resolution is to this effect, that the articles of association of this company be altered in the manner following:—

(1) "That Article 91 be cancelled and the following article substituted therefor and hereafter be referred to as Article 91—namely, '91. The directors (other than the managing directors and assistant managing directors) shall be paid out of the funds of the company by way of remuneration for their services a sum of £10,000 in respect of the year 1929 and in respect of each subsequent year, and such further sum, if any, as shall from time to time be determined by the company in general meeting, such sums to be divided among the directors in such proportions as they may agree among themselves, and failing such agreement in equal proportions'"; and (2) "That Article 121 be cancelled."

Mr Donald: Ladies and gentlemen,—I do not think that many words from me are required to recommend to you this proposal of the directors. Those who were present at the meeting last year will remember how fully Sir John Cargill dealt with the question of the marketing side of the business, and the consequent forming of the Burmah Shell unit, to which he has referred to-day, and which, I understand, has been of great efficiency and a great source of strength to the company, but it involved the termination of the Calcutta agency, and it also involved at the end of 1928 withdrawing or cancelling the old-standing agency of Messrs Finlay, Fleming and Co. in Burma.

That is a matter, as the report tells us, which could only be dealt with if it was forced upon the board by a resolution of the company, but our chairman and those of his colleagues who are interested have voluntarily agreed to allow the agency to be wound up, and now everything is on a different footing.

SERVICES OF THE BOARD.

In a company of this kind, with a capital of about £11,000,000, which shows, even in not a very fat year like this, a profit at the credit of profit and loss of £2,200,000, and which distributes nearly £1,500,000 in dividends, I consider that the only unsatisfactory figure in the balance sheet and accounts is "Directors' fees, £2,300." It is entirely inadequate to the services and the claims of the board upon the shareholders.

I am not in a position to give you figures, but I am credibly informed that the actual sum which has been paid to our chairman during all his tenancy of the chair out of the funds of the company is really insignificant; in fact, I think we are very lucky that our chairman, instead of sticking to the ship as he has always done, has not "cut the painter." If he had gone into the City of London he could have got no end of seats on good companies and no doubt would have enjoyed fees such as, rumour says, are now drawn by certain ex-politicians who have left that game and gone in for a business career.

I think, ladies and gentlemen, that £10,000, as mentioned, is not more than is due to our board, and I have therefore great pleasure in moving that we approve of this resolution as read. (Cheers.)

Mr David Young: I beg to second the resolution so eloquently put forward by Mr Donald.

The Chairman: Is there any amendment, ladies and gentlemen, to that? (Cheers.) There being none, I will now formally put the resolution to the meeting.

The resolution was put to the meeting and declared carried unanimously.

The Chairman: That is all the business, ladies and gentlemen and I thank you for your presence here.

VOTE OF THANKS TO THE CHAIRMAN.

Mr R. C. Greig: Ladies and gentlemen,—I have very much pleasure in asking you to accord to our chairman a very hearty vote of thanks. Owing to the very specially happy relationship which has existed now for many years between Sir John Cargill and the shareholders of the Burmah Oil Company, and owing to the very high position he now occupies in our esteem and affections, I think you will agree with me that a vote of thanks on this occasion is very far from being a mere formality. I do not think it is any exaggeration to say that the reason of the large attendances at these meetings is not because the shareholders come here hoping to hear they are going to get rich quickly. I think Sir John Cargill has removed all these hopes in past years. (Laughter.) But we come here because we are anxious to hear his speech, and we are also anxious to express our appreciation not only of his occupancy of the chair, but also of the work which he and the Board have done for us in the previous financial year.

Last year, Sir John, you told us, without minimising the position, of the serious difficulties which had occurred in connection with the kerosene war, and when you took such a serious view of the position I could not help remembering a remark made by you two or three years before. I admit it was made in one of Sir John's lighter moments. He said he had come to feel with regard to the shareholders of the Burmah Oil Company that he stood to them *in loco parentis*. I think when the kerosene war was at its height we can realise that his knowledge that the fortunes of this large family were going to be so seriously affected must have been a great strain upon him. We are very glad to hear from you, Sir John, this year that this strain has passed, due to the efforts of yourself and your Board, and we can only say that we do feel that we have every reason to be grateful to you for what you have done.

In expressing to you, and offering you, our thanks, we join to it the hope that you will be long spared to preside over these meetings.

The vote was accorded with acclamation.

THE CHAIRMAN'S REPLY.

The Chairman: Mr Greig, ladies and gentlemen,—I am really most grateful to you for the very hearty way in which you have endorsed the vote of thanks to me which has been proposed in such kindly terms by my old friend and old schoolmate Mr Greig. (Cheers.) To-day is really a red-letter day for me in my long connection with the Burmah Oil Company, because to-day I have just completed 25 years—a quarter of a century—as chairman of this great company. (Cheers.) I am sure you must all realise what a profound source of satisfaction it is to me, after having been associated with the company from its infancy, to see it to-day standing among the great oil companies of the world.

As Mr Greig has said, we have come through very trying times. You know that from my speech last year, and you know it from my speech this year. But thanks largely to your managing director for his extraordinarily able handling of a most difficult situation, and thanks to these much more complete and permanent arrangements which we have been able to make with our good friends the Royal Dutch-Shell, I unhesitatingly say to-day that we stand in a stronger position than we have ever done before. (Cheers.)

I have already referred to the great services that Mr. Watson has rendered to the company, and I do not wish to get into his bad graces by saying anything more, but I wish to endorse most heartily what he has said about your assistant managing director, Mr. Whigham. (Cheers.)

I cannot imagine any stronger combination than Mr Watson as managing director and Mr Whigham as assistant managing director. (Cheers.) I assure you from a long and intimate knowledge of the work and capabilities of these two gentlemen that the management of your great company could not possibly be in more able and better hands. (Cheers.)

I have just again to thank you most heartily for your very kind reception to-day and for the very kind things Mr Greig has said. I can only say that I share with him the hope that I will be spared for a few more years, and if I am I shall certainly promise you in the future my best, as I have tried to give you it in the past. (Cheers.)

This concluded the proceedings.

ASSOCIATED NEWSPAPERS, LIMITED.

SUCCESSFUL YEAR.

RECORD ADVERTISING REVENUE AND SALES.

The twenty-fourth annual ordinary general meeting of the Associated Newspapers, Ltd. (proprietors of *The Daily Mail*, the London *Evening News*, and the *Sunday Dispatch*), was held, on the 11th instant, in the Memorial Hall, Farringdon Street, London.

Sir George A. Sutton, Bt., managing director, presided.

The Secretary (Mr J. P. Hobbs, F.C.I.S.) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the annual report and balance sheet, said :—

The directors' report and the balance sheet were sent out with the notice convening the meeting, and you will, I assume, as usual, take them as read.

The profits of the company for the year to the end of March last amounted to £1,205,666 8s. 0d. This very satisfactory figure was arrived at notwithstanding that the year was one of great developments, and, therefore, of increased expenditure. In accordance with our policy of keeping well ahead of all competitors, we have provided our readers with bigger and better newspapers. Our news services have been improved and increased, and we have introduced many new features which have met with the approval of our readers. Also, as you doubtless have noticed, we are now providing in large numbers the best pictures illustrating the news of the day.

The result of our enterprise, I think you will agree, is eminently satisfactory.

The holders of the preference and ordinary shares have received their dividends in accordance with the articles of association, and holders of the deferred shares have been paid quarterly dividends of 10 per cent., the same as last year. The sum of £695,013 4s. 11d. is carried forward, compared with £496,346 16s. 11d. last year.

The valuable goodwill does not figure among the assets. The buildings, machinery and plant have been amply depreciated and are kept in a state of the highest efficiency. The stock of paper and other materials are ample for our needs. The value of our investments as shown in the balance sheet is considerably below the present market value. The loan to the Empire Paper Mills (1922), Limited (of which we hold the whole of the capital) has been reduced by £70,000. Consequent upon the increase in the revenue from sales and advertisements, our debtors have increased somewhat.

Our cash position is very satisfactory and is more than sufficient for our present requirements.

The two staff pension funds now amount to over £150,000.

YEAR OF GREAT PROGRESS.

I should like to give you a few particulars of the year's activities and the happy position of your journals. *The Daily Mail* net sales now approach nearly two millions daily. Its daily net sales are the largest in the world and they are higher than this time last year. Its position is unrivalled.

The Evening News has the largest net sale of any evening paper in the world.

A noteworthy feature of the year's trading is what I may justly call the remarkable rise in the net sales of the *Sunday Dispatch*. During the year between 400,000 and 500,000 more people have become regular readers of the paper which is now admittedly the great Sunday national newspaper. Doubtless the remarkable free insurance scheme has had a great deal to do with this. The number of new readers increases weekly.

As an advertising medium, too, the *Sunday Dispatch* is now outstripping its rivals. Published in Manchester as well as in London, with its 24 pages of attractive reading matter, it is able speedily to cater for the great reading public in the North of England and in Scotland. Its merits have gained for it a net sale in excess of 1,200,000 copies per week.

RECORD ADVERTISING FIGURES.

The advertising departments of all your newspapers have again shown substantial development during the year. We have greatly increased the number of 24-page *Daily Mails* published. *The Evening News* is now practically standardised at 16 pages every evening. The *Sunday Dispatch* regularly publishes 24 pages on Sunday, while I am pleased to say that our overseas edition of *The Daily Mail*, which reaches out to the ends of the earth wherever a Briton is to be found, has also increased in size and revenue.

As an example of the amount of advertising handled I should like to tell you that in *The Daily Mail*, *The Evening News*, and *Sunday Dispatch* alone we often publish more than 900 columns of advertising during the course of a single week. Last year a single week's advertising revenue exceeded £100,000. This year I have to report that our record week just before the Whitsuntide holiday was nearer £120,000, and that there is every prospect of a further increase during the year we have now entered upon.

The Daily Mail still stands unchallenged as the supreme British advertising medium, and wider use than ever is being made of its advertising columns for trade and commercial undertakings, while the financial advertising revenue has increased during the year to the extent of about 50 per cent.

It is also gratifying to see the great increase of financial advertising in *The Evening News*. Financial houses have not been slow to recognise that a new class of investor has arisen, and that their announcements must reach the home circle. *The Evening News*, as the predominant home newspaper for London and the surrounding districts, and the paper having the largest evening net sale, has consequently benefited in this direction. During the year the big drapery houses and stores greatly increased their appropriations in *The Evening News*, the figures for this class of advertising alone being about 25 per cent. better than the previous year.

In regard to the *Sunday Dispatch*, advertisers have promptly taken advantage of the big increase in sales to which I have already referred, and the revenue figures again show substantial increases. This newspaper is now recognised as the most influential national Sunday medium for reaching the upper and middle classes.

STEADY INCREASE.

At the last general meeting a belief was expressed that a steady increase in the volume of advertising might be looked for. This has been fully justified, and I firmly believe the progress this department is making will be again reflected by increased revenue when we meet next year.

The congratulatory letters we receive from advertisers show that your publications are giving excellent results. I might just instance that a few weeks ago a full-page advertisement in *The Daily Mail* produced to the advertiser 86,000 replies.

Many instances of gratifying returns might be quoted, but the best proof of this is to be found in the increased and increasing demand for our advertising space.

The strict censorship of all our advertising continues, and there is ample evidence that our action in this respect is greatly appreciated by our advertisers and advertising agents alike, while the relationship existing between advertisers, advertising agents, and our advertising departments has never been more cordial.

At the same time by our censorship we have fostered the confidence of our readers in our columns—a confidence which is not to be found in any other group of papers in the United Kingdom.

Taking into consideration the few facts mentioned, it is not surprising that we are receiving the benefit of increased appropriations; indeed, when the appropriation is limited we often find that all the money is spent in our papers—sometimes even in *The Daily Mail* alone.

I therefore confidently believe that next year will show still greater progress and bigger developments.

Net sales certificates of *The Daily Mail*, *Sunday Dispatch*, and *Evening News* are available to all advertisers and advertising agents.

THE FUTURE.

In achieving the results outlined to you to-day, we have had the loyal support of an enthusiastic staff. You would, I am sure, like me on your behalf to thank the members of all departments of the business in London and Manchester, and all the workers in all departments of the Empire Paper Mills and the Anglo-Newfoundland Development Co. at Grand Falls.

These few particulars refer to our trading in the past. As to the future, it is not the habit at these meetings to prophesy, but this I will say, we started the coming year with favourable omens. Our advertising revenue is increasing, our sale revenue is increasing. Competition doubtless will be keen and expensive. This we welcome —our experience in the past has proved repeatedly that the greater the competition we have to meet the greater is our progress. The liquid resources and ramifications, however, of this company are strong enough to enable us to meet any competition, and we shall continue our policy of solidifying our newspapers and still further installing them on a rock of stability which it has hitherto been hard to shake, and which we have every intention, if possible, of strengthening still more.

The resolution for the adoption of the report and accounts was carried unanimously.

The retiring directors were re-elected and the auditors (Messrs Lever, Honeyman and Co.) were reappointed.

The proceedings closed with a cordial vote of thanks to the chairman, directors, and staff.

ROYAL MAIL STEAM PACKET COMPANY.

COMPETITION IN SOUTH AMERICAN TRADE.

LORD KYLSANT ON POSITION AND OUTLOOK.

The annual meeting of the Royal Mail Steam Packet Company was held, on the 12th instant, at Cannon Street Hotel, London, Lord Kylsant, G.C.M.G. (the chairman), presiding.

The chairman, in moving the adoption of the report and accounts, said : The results for the year 1928 reflect the difficulties with which British shipping still has to contend, including the continuance not only of high costs of operation but of intensified competition in the South American trade, particularly on the part of foreign lines.

After providing for taxation, debenture interest, and preference dividends, we recommend the payment of a dividend on the ordinary stock which, with the interim dividend already paid, will make a total distribution for the year of 5 per cent., less income tax, the same as for the previous year.

You may have noticed the auditor's comment regarding the company's investments in allied shipping companies. In most cases the allied shipping companies in which we hold ordinary shares are either entirely owned or controlled by this company. These shares are therefore not quoted on the Stock Exchange, and their value is what they are worth to this company.

You will notice from the balance sheet that these investments are under cost, and I can supplement this by saying that they also stand in the company's books at less than their full nominal value. The reserve fund remains at £1,450,000, whilst the insurance fund now stands at £1,331,713.

PASSENGER TRAFFIC.

During 1928 there was no marked variation in the volume of first and second-class passenger traffic to and from South American ports, but by our mail service from Southampton and our intermediate service from Liverpool we secured satisfactory complements of passengers. The total volume of emigrant traffic to and from South America does not show much fluctuation from year to year.

Though hampering Government restrictions are encountered in many countries, emigrants from the Peninsula and Central and Eastern Europe are conveyed to the South American republics at a low rate of passage money, and our company maintains a high reputation for the good treatment afforded to these emigrants.

We have continued to arrange a series of pleasure cruises by our specially equipped cruising vessels "Arcadian" and "Araguaya," which have been well supported, whilst early this year the "Asturias" made a six weeks' cruise to the West Indies, which was much appreciated by the touring public.

FREIGHT.

The total tonnage of general cargo carried outwards by our vessels to South America showed some improvement over the previous year. Homewards a slight decrease in volume has to be recorded, as compared with 1927, but this is largely accounted for by the company's vessels having conveyed a lesser proportion of low-rated cargo. On the other hand, our homeward carryings of the better classes of general cargo improved.

This company and its associated shipping companies continued to secure a large share of chilled and frozen meat shipments from South America. Whilst the quantity of meat shipped from South America shows no present tendency to expand, it is satisfactory to find that the range of products carried under refrigeration from Argentina and Brazil is steadily increasing in the form of both dairy produce and fruit, for the conveyance of which our vessels are particularly adapted.

We have, as you know, taken a prominent part in the development of the North Pacific Coast Service, in conjunction with our friends, the Holland-America Line. Last year's apple crop on the North Pacific seaboard was an exceptionally good one, and large quantities were available for export. In addition to our regular service, we despatched a number of fully-insulated vessels to supplement our regular service, which vessels secured full cargoes.

THE FLEET.

As in past years, particular attention has been paid to keeping the units of our fleet in first-rate condition. The steamers "Cardiganshire" and "Carmarthenshire," which were no longer suited to the company's requirements, have been sold for whaling purposes, whilst the "Teviot" was disposed of for breaking up.

The company's fleet now comprises forty-two vessels of 352,956 tons, whilst the fleets of our associated shipping companies aggregate 2,337,736 tons, making a total of 2,690,692 tons gross register, excluding ships now under construction.

During 1928 the vessels of this mercantile fleet traversed over 20,000,000 miles, made nearly 79,000 calls at various ports in the world, and carried nearly 1,500,000 passengers, and just under 15,000,000 tons of cargo. The average number of men employed daily on the ships was over 36,000, and the average daily number employed on shore was nearly 23,000.

CONDITIONS IN ARGENTINA.

This company is engaged so largely in the ocean carrying trade of Argentina that the trend of events in that great country— political economic, and commercial—is naturally of intimate concern to us, as affecting the maintenance and development of overseas communications to and from South America. It is gratifying that during the past year the general level of prosperity in Argentina was well maintained, whilst the prospects for 1929 are promising.

During the past year, production in Argentina was generally and uniformly good, and prices realised were, on the whole, satisfactory. This marked prosperity in the export trade of Argentina naturally reacted favourably not only on the national finances, but upon her purchases of manufactured goods from abroad.

The total imports into Argentina showed a substantial increase, of which Great Britain secured her proportion, our exports to Argentina being up to a figure not approached since the collapse of 1920.

To Great Britain the Argentine market for manufactured goods is of outstanding importance, in view of the dependence of this country upon the maintenance of a flourishing export trade, whilst the River Plate trade provides employment annually for several millions of tons of British shipping. For over a century, trade and commerce between Argentina and Great Britain have steadily developed, and to-day Argentina buys a larger quantity of British goods per head of population than any other foreign country.

This is largely accounted for by the fact that hundreds of millions of British capital are invested there, whilst the British reputation for integrity and reliability in commercial dealings stands high with the people of Argentina. The fact that, at the present time, the Argentine is the largest foreign market for British cotton and woollen goods, as well as railway material, is one of far-reaching significance for British industry and the unemployment problem.

Whilst one cannot fail to be impressed by the many indications in Argentina of present prosperity, as shown by the advances that have taken place within a comparatively brief period in production, commerce, industries, currency, savings, gold imports, and railway traffic, there are possibilities of greater developments in the future, which should bring increased opportunities for trade and investment, to which Great Britain would do well to pay close attention.

A British Economic Mission has been appointed to proceed to Argentina and Brazil under the presidency of Viscount D'Abernon, whilst a British Empire Trade Fair is to be held in Buenos Aires in the Argentine summer of 1930-1931, to which this company and its associated shipping companies are giving practical support.

REMUNERATION FOR CONVEYANCE OF MAILS.

Having referred to the trade outlook in Brazil, the chairman concluded : Whilst there are many indications on the part of foreign Governments of their intention to foster by every possible means their national mercantile marines, and to increase rather than to reduce the financial and other aid afforded to their nationals engaged in the shipping industry, there has, I regret to say, been a disposition on the part of our own authorities for some years to curtail as far as possible the rates of payment even for services rendered in the conveyance of mails.

As you know, this company was one of the pioneers in providing steamship services for the carriage of mails, and in the early days substantial subsidies were granted for this purpose.

On the company's main route to South America the rates received from the British Government for the conveyance of mails have been scaled down over a long period of years, and those at present in operation cannot be regarded as a satisfactory recompense for the services rendered. It is hoped that the British Government will before long agree to some readjustment in this respect.

I feel British shipowners are justified in asking that adequate payment be made to them for the valuable services they render in this connection, and that they should receive their fair share of the amount paid by the general public in the form of postage.

Although the cost of fuel during 1928 was somewhat less than for the previous year, the working expenses of high-class vessels are still very heavy. Every effort continues to be made by the management to bring about economies in all departments where this can be done without any sacrifice of efficiency.

The cost of handling goods at British ports is still very excessive, and in the interest of the development of the trade of the country it is hoped that this important matter will receive the careful consideration of the various port authorities.

The Duke of Abercorn, K.G., K.P., seconded the resolution, which was carried unanimously, and the formal business was transacted.

J. & P. COATS, LIMITED.

IMPROVED RESULTS OF PAST YEAR'S BUSINESS, CHAIRMAN ON POSITION AND PROSPECTS.

The thirty-ninth annual ordinary general meeting of J. & P. Coats, Limited, was held on the 13th instant, in the Christian Institute, Bothwell Street, Glasgow. There was a large attendance of shareholders.

Mr J. O. M. Clark (the Chairman), presided.

The Secretary (Mr M. Neilson), read the notice convening the meeting, and Sir Robert C. Mackenzie, C.A., read the auditors' certificate. The meeting agreed to hold the report and accounts as read.

The Chairman then said:—

Before proceeding further with the business of the meeting I wish to refer to the great loss which we sustained last year by the death of our chairman, Mr W. H. Coats. Mr Coats was a director of this company for 29 years, and was chairman for six years. During this long period he took a deep interest in the company's affairs, and particularly in the well-being of all those connected with the business.

I have also to record with deep regret the death of Mr J. William Clark, who was the head of our American business, and who had had a life-long connection with the thread trade.

For my colleagues, as well as for myself, I may say that we felt the deaths of these two members of our Board as a great personal loss, and we wish to take this opportunity of placing on record the affection and esteem in which we hold their memory.

The directors have elected me to fill the vacant office of chairman, and, as such, it will be my endeavour to serve the best interests of the company.

THE RESULTS.

The results for the past year are rather better than for the year 1927, and considerably better than might have been expected, taking into consideration the depressed condition of the textile trade in several of our principal markets. The increase in the profits, which is rather less than 6 per cent., has no special significance, and I attribute the improvement to certain economies which we have been able to effect, and to improved results in a number of less important markets which, though small in themselves, have in the aggregate helped appreciably to swell the total.

Before I deal with these, however, if you will turn to the balance sheet there are one or two observations which I might make.

You will observe that among the liabilities the dividend reserve fund now shows a total of £2,550,000, which is equivalent to one full year's dividend.

As regards the assets there is an increase of about £550,000 in the book debts, while stocks are slightly down as compared with last year. There is nothing special to remark upon these figures, as they vary according to conditions of trade.

The cash in hand is down by £400,000, but investments, etc., have been increased by £1,400,000, a substantial portion of which is in gilt-edged securities which could be easily realised. The The Board have always aimed at having a considerable portion of the Assets in liquid form so as to take full advantage of market conditions for the purchase of raw material.

The interest earned during the year is substantially increased because of the fact that we have been able to invest available cash on very favourable terms.

From the Profits which result we are recommending that £500,000 should be set aside in order to write down plant purchased during the inflation period, which we consider stands in our books at too high a figure. During the war years little was done in the way of capital expenditure either on buildings or on the replacement of plant. When peace came, it was found necessary to install a certain amount of additional machinery to meet our orders, as well as to make provision for the regular renewals which had been postponed for four years. The prices which we were compelled to pay were high as compared with present-day values.

THE BONUS.

After providing for the balance of the dividends, we recommend that a bonus of one shilling per share should be paid. You will doubtless look for some explanation from me to account for this change of policy. A bonus of sixpence per share in addition to the usual dividends has been paid for the last nine years, and, if we except certain abnormal years, and take into consideration the smaller capital prior to 1920, you will find that the payment of a bonus at the same rate goes back very much further. During that time we have had good years and bad years. There have been occasions when we could have safely paid a larger amount than sixpence, and there have been occasions when, taking the results of the years by themselves, we were not justified in paying any bonus at all.

When the company originally commenced paying quarterly dividends it was stated that, should the directors in future years feel justified in recommending a larger distribution on the ordinary shares, any excess over the amount payable in four quarterly instalments would take the form of a bonus to be distributed after the annual meeting. It was certainly not contemplated at that time that the amount of the bonus would be so regular that shareholders would look upon it merely as part of the dividend, and shareholders must expect that henceforth the amount of the bonus will depend more on the result of the year's working and is therefore likely to fluctuate.

Our trade on the whole has been well maintained, but expansion, where such has taken place, is more in the lengths used by manufacturers and in the fancy articles than in the domestic trade.

There is, of course, no lack of competitive sewing thread throughout the world's markets, and the low wages paid to workers in many Continental countries, coupled generally with high protective tariffs, tend to benefit local competitors.

ARTIFICIAL SILK.

As regards those articles which are manufactured from artificial silk, I am afraid I cannot add very much in the way of information to what my predecessor told you last year. Our sales have increased to some extent, and there seems to be no reason why this expansion should not continue, particularly in the finer qualities. Meantime, there is no difficulty in purchasing from outside makers all our requirements at reasonable prices.

Several of the silk companies, including one on the Continent in which we are interested, are now selling a rayon or artificial silk thread for sewing purposes as a substitute for sewing silk. This article has at least the merit of being considerably cheaper than real silk. Experiments which we started more than a year ago for the purpose of investigating the possibility of making from viscose or some similar product a thread to take the place of cotton yarn are still being continued, but so far we have not solved the problem.

TRADE PROSPECTS.

As regards trade prospects for the current year, the figures for the first few months are rather behind last year's. On the Continent there was a long spell of exceptionally severe weather; in this country the King's illness and the General Election; in Mexico revolutionary troubles—all these contributed to the setback. At the moment the outlook is brighter; and if we can at the end of the year show results that are no worse than those before us now, I do not think we shall have much cause for complaint.

You will observe in the report that we have added two additional directors to our Board—Mr Colin H. Mackenzie and the Marquis of Linlithgow. Mr Mackenzie has been in the Company's service since the war, and has visited a number of our foreign markets, and obtained a varied practical training on the selling side of the business. I am sorry to say he is not with us to-day, as he is abroad in the interests of the company. We have invited Lord Linlithgow to join the Board, in the belief that his wide experience of affairs, both at home and abroad, will be of value to the company. You will be asked at a later stage to confirm their election as directors.

It has been brought to my notice that there is a misconception about this company which is very widespread, namely, that its shares are still held by a comparatively small number of people. As a matter of fact, we have over 53,000 shareholders on the register.

I now beg to move that the report and accounts for the year ended December 31, 1928, as submitted to this meeting, be and are hereby adopted, and that the payment of dividends and of a bonus of one shilling per share, less income tax, on the ordinary shares, and the appropriation to extra depreciation, all as stated therein, be and are hereby confirmed.

Mr P. Herbert Coats seconded the resolution that the report and accounts be adopted.

No questions were asked by the shareholders, and the report was adopted with acclamation.

On the motion of Mr W. H. Sutton, and seconded by Mr T. H. Coats, the appointment of the new directors Lord Linlithgow and Mr Colin H. Mackenzie was confirmed while the retiring directors Lord Glentanar and Messrs Robert Clark, P. H. Coats, John A. Coats, and A. H. Glen-Coats were re-elected.

The auditors, Sir Robert C. Mackenzie, C.A., and Mr Wm. H. Goff, C.A., were reappointed on the motion of Col. Wm. Clark and seconded by Mr A. R. Harper.

The proceedings terminated with a cordial vote of thanks to the new chairman by Mr John A Holmes.

ASSOCIATED TIN MINES OF NIGERIA, LIMITED.

EFFECTS OF DEPRESSED TIN PRICES.

The second ordinary general meeting of the shareholders of the Associated Tin Mines of Nigeria, Limited, was held on the 10th inst. at Winchester House, Old Broad Street, London, the Hon. Lionel Holland (chairman of the company) presiding.

The representative of the Secretaries (the Anglo-Oriental and General Investment Trust, Limited) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of his speech, said: From a comparatively modest undertaking your company has become the largest alluvial tin-producer in the Empire.

The financial results of the year's working set out in the profit and loss account may, I am afraid, appear to some of us to be disappointing.

The depressed price of tin that prevailed during the whole period—an average price of £158 2s. 1d. a ton of tin concentrates—has been the factor that destroyed all chance of a more favourable showing under existing conditions.

We sold during the period covered by the accounts 3,061 tons of tin concentrates. They realised, as you will see in the profit and loss account, £483,953. We also derived a substantial profit from the sale of certain of the outlying areas held by the associated company, disconnected from any lands where we are at present winning production—areas that we could not ourselves exploit economically. With £694 accruing from transfer fees, the total income revenue came to £570,615.

Against this we have to set working expenses, royalty, smelting and transport charges and directors' fees—items of expenditure set out in the accounts in some detail—a total of, roughly, £396,021. We are left, then, with a net profit balance for the year of £174,594.

BOARD'S SOUND POLICY.

If you will turn from the profit and loss account to the balance-sheet you will see that the position of the company financially is a sound one, one that will enable it to take advantage of any improvement in the outlook—of any rise in the price of tin, or reduction in working costs.

But however satisfactory this may be, and however confident or hopeful we may feel about an improvement being due in the general tin position, it cannot be disputed that the conditions of the moment dictate caution, and render it imperative to pursue a conservative policy and husband the resources of the company against the possibility of a continuing spell of depression.

The realised profits now shown would, of course, admit of the payment of a final dividend for the accountancy period. But you will have learned from the directors' report the reasons that have influenced the board against recommending a distribution, and I cannot do better than read the paragraph in the report that explains their decision: "The low price of tin and the uncertain position of the tin market, besides the necessity of making full provision for the conversion of the existing steam plants to operate electrically, are considerations that dictate a conservative policy in dealing with the company's funds. By conserving the resources of the company on this occasion, the directors are convinced that more than proportionate benefits will accrue to the company in the future, and that it is inadvisable to distribute a dividend until the position is more settled."

THE FUTURE.

As to the future of our undertaking, I have entire confidence in its success. The only factor that can qualify and retard its full success until such time as the electric power scheme is completed is a continuance of the depressed price of tin.

We may, in my opinion, justly criticise the shortsighted reluctance and tardiness of a section of tin producers to arrive at some understanding that would assist in stabilising the price of tin, and prevent the violent fluctuations in price that are almost as prejudicial to the interests of consumers as they are to producers. I am hopeful that the saner counsels now in evidence will prevail, and a sound understanding not be long deferred.

Meanwhile, in gauging the promise of this company's future, the price of tin is the one uncertain factor; otherwise, it is endowed with every element of success.

The capitalisation of the business at £1,000,000—all in ordinary shares—is exceptionally moderate, having regard to the extent of its proved lands, to the wide areas in reserve, to the value of its plant, equipment and other assets, and to the magnitude of its output, which, so our engineers have estimated, can be maintained for 20 years without taking into consideration the wide areas of unexplored territory that we control.

The report and accounts were adopted.

ANTOFAGASTA (CHILI) AND BOLIVIA RAILWAY COMPANY, LIMITED.

IMPROVED RESULTS—BONUS ISSUE.

The forty-first annual general meeting of the Antofagasta (Chili) and Bolivia Railway Co., Limited, was held, on the 11th instant, at Winchester House, London.

Mr A. W. Bolden (chairman and managing director) said that the directors had been able to present a report giving results of an improved character compared with 1927. The nitrate industry had not then recovered from its setback in 1926, but now they had to deal with a year which had given good results from nitrate during the whole period. The figures for the combined undertaking of the railway and waterworks showed gross receipts of £1,841,842, compared with £1,689,970 in 1927, an increase of 8.99 per cent., while the working expenses showed an increase of 5.16 per cent., so that they were able to retain a satisfactory proportion of the increase in the gross takings. The net receipts were £732,017, an increase of 15.35 per cent. They proposed to pay a final dividend of 4 per cent., less tax, on the consolidated ordinary stock, making 7 per cent. for the year.

All who were interested in Chile were much gratified by the improved position of Chilean nitrate. As the result of the formation of a Central Sales Corporation. Chilean nitrate had been competing successfully with synthetic nitrate. The Chilean Government had made it known that it would continue its scheme for assistance to the industry, and he thought they might all rest assured that the Chilean Government, as well as all those concerned, would do their best to see that the industry was assisted and that every possible measure was taken to ensure its future on sound business lines. He thought it not unreasonable to say that there easily should be sufficient room in the world's markets for Chilean nitrate of soda.

Continuing, he said that they had always been fortunate with regard to their finances as concerned the rate of interest on their prior charges, and they had also been thrifty, having conserved their finances and not having paid away all their profits in dividends. The directors now proposed to capitalise a part of the reserve account and renewals account, issuing to the consolidated ordinary stockholders 15 fully-paid ordinary shares of £1 each—to be later converted into consolidated ordinary stock—for each £100 of stock held.

The report and accounts were unanimously adopted and the proposed capitalisation of reserves was approved.

EAGLE OIL TRANSPORT COMPANY, LIMITED.

LOW LEVEL OF FREIGHTS.

The eighteenth ordinary general meeting of the Eagle Oil Transport Co., Limited, was held, on the 10th instant, at Winchester House, London, the Hon Clive Pearson (chairman of the company) presiding.

The Secretary, Mr C. H. M. C. Wilson, having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: The net profit of £519,095 shows a considerable reduction as compared with last year. Freights were at a low level when we met a year ago, and they remained low during the whole of 1928; it was to provide for such periods of depressions that we conserved the large profits made in 1927 and created thereout a dividend reserve. Had this reserve not been in being we could have asked our charterers for a freight rate during 1928 sufficient to meet our depreciation and the dividend on our preference shares, but under our arrangements with our charterers we have utilised the reserve, and thus they have not been called upon to pay a rate of freight higher than that ruling on the market. As shown in the report, the profits for the year enabled us to write off our normal depreciation of 5 per cent. on first cost—an amount of £481,000—and, in order to maintain the preference dividend at the usual rate, we have, as provided in our chartering agreement, drawn upon the reserve to the extent of £122,500, leaving us with a balance of £277,500 at the credit thereof.

I am again able to report that your vessels have given satisfactory service throughout the year and have been well maintained. Repair costs have been normal, and the repair reserve now stands at £665,104, the small reduction being due to a charge against the reserve in respect of Lloyd's surveys carried out during the year.

As stated in the directors' report, three of your vessels, the "San Jeronimo," "San Lorenzo," and "San Nazario," were sold during the year, and the "San Patricio" has also recently been sold, at prices which your directors consider satisfactory. As a result the heading in the balance sheet, "Cost of Steamers, &c.," shows a reduction as compared with last year, since the first cost of the vessels sold disappears from this item. Similarly the depreciation which had already been written off the ships sold disappears from

the depreciation reserve, and consequently, although we have transferred from this year's earnings the sum of £481,000 to depreciation, the reserve does not show a corresponding increase over last year. I have already referred to the repair and dividend reserves. Sundry creditors show a reduction of some £113,000, whilst cash at £2,147,000 shows an increase of some £366,000.

Since we last met, shipping has sustained a severe loss in the death of Mr Havelock Wilson, the president of the National Sailors' and Firemen's Union. For many years his thoughts were turned towards peace in industry, and his efforts greatly helped in the maintenance of good relations between shipowners and their men, to the mutual benefit of both sides.

In reviewing the company's operations during the 17 years of its existence, we are proud of the fact that our captains, officers and engineers continue to show an increasingly long record of service and that a large proportion of the lower ratings have served continuously with the company for long periods; our thanks are due to them all for their good and loyal service. Our managers and their technical and clerical staff have also earned our thanks for their attention to your interests and the resulting efficiency and economical running of your vessels.

Mr Clive Bowring seconded the resolution.

The Chairman, in reply to a question, said that the preference shares were 6 per cent. shares, participating up to 8 per cent., but the arrangements under the chartering agreement were such that the shares would receive the full 8 per cent.

The resolution was carried unanimously.

The Chairman next proposed: "That the dividend paid in respect of the year ended December 31, 1928, on 400,000 cumulative participating preference shares of the company at the rate of 6 per cent. per annum be and is hereby confirmed and that a final dividend of 2 per cent., making 8 per cent. for the year, be declared payable on July 1, 1929."

This resolution was seconded by Sir Robert Waley Cohen, K.B.E., and unanimously approved.

ZINC CORPORATION, LIMITED.

LOW METAL PRICES.

The eighteenth ordinary general meeting of the Zinc Corporation, Limited, was held, on the 11th instant, at River Plate House, Finsbury Circus, London.

Mr Robert W. Skipwith, the vice-chairman, presided, and in moving the adoption of the report and accounts said: Our business derives its income from two sources—our mining property at Broken Hill and the return on the very considerable capital employed in investments.

Taking first the mining side, there was during the year under consideration a further substantial falling off in the value of mine production, due entirely to the continued decline in metal prices. In 1926 the value of our mine production was £1,015,000; in 1927 it fell to £765,000, and last year to just under £684,000. The total expenditure on mining, including development, treatment, and general expenses, absorbed £529,000 in 1926, £490,000 in 1927, and nearly £478,000 in 1928. The profit on our mining operations in 1926 was £486,000; in 1927 it fell to £275,614, and last year dropped to £205,867. The decline in mine profits has been very serious and may be entirely attributed to the reduction in metal prices. The effect of these reduced metal prices on our profits will clearly be illustrated to you by the statement that our net mine revenue in 1928, instead of being £205,867, would on the average prices of 1927 have been £328,700 and on the 1926 average £595,000.

On the operating side we have been able to increase our output and to effect substantial metallurgical improvements with a further reduction in costs. Our output in 1928 was greater by 11,169 tons than in 1927, and 31,230 tons in excess of 1926. Our aggregate metal recoveries of lead, zinc, and silver averaged 88.3 per cent. last year, against 86.6 per cent. in 1927, and 85.3 per cent. in 1926. Our costs, exclusive of development, fell to 32s. 9d. per ton last year, against 35s. 1d. in 1927, and 36s. 5d. in 1926. You will, I feel, agree with me when I claim that these are very substantial improvements and, but for them, our position to-day would have been much less satisfactory than we feel you will regard it to be.

Lower mining profits have carried a substantial reduction in royalties and taxation, and, in addition, we have benefited by some refunds on account of previous years. The investment side of our business yielded us a substantially larger income last year, the total being £114,276, against £87,720 in 1927, and £77,672 in 1926. After including sundry revenue and, deducting administration expenses, including the cost of the staff provident scheme, we have a profit of £225,534 for the year, against £259,278 in the previous year, and £424,048 in 1926. With the balance brought forward, and the unexpended appropriations for new plant, we have £373,926 available, from which we have paid interim dividends. These, together with what we now recommend as a final dividend, absorb £228,904. We again keep the appropriation for mine development and new plant at £100,000, and carry forward, subject to your approval, the increased balance of £45,022.

Turning to the balance sheet, the chief item on the assets side is made up of property at Broken Hill and investments at £821,221. Out of this total what we term our property stands in our books at rather less than £100,000, and our investments—less an investment reserve—account for the balance. The value placed upon our investments is considerably less than their realisable value to-day.

The balance sheet shows the position of the corporation to be a strong one. The position of your mine and metallurgical works at Broken Hill is satisfactory. Mine developments in the deeper ground have been of a very satisfactory nature. The drives, cross-cuts, and diamond-drill boreholes indicate that the ore bodies live strongly in depth, and although a larger tonnage was mined in 1928 than in 1927, the reserves show an appreciable increase. I cannot predict the course of future developments, but I know of no reason why the results of the current year should not fully maintain the present sound position.

The report was unanimously adopted.

MADRAS ELECTRIC SUPPLY CORPORATION, LIMITED.

INCREASING DEMAND—BALANCE SHEET STRENGTHENED.

The ordinary general meeting of shareholders of the Madras Electric Supply Corporation, Limited, was held, on the 12th instant, at 1, Queen Victoria Street, London.

Mr John G. B. Stone, who presided, said that the accounts, while showing nothing phenomenal, indicated continued steady progress. The aggregate kilowatt hours sold during 1928 exceeded the previous year by 24·5 per cent. Domestic supply improved by 6·2 per cent. only, but they had now reached the stage when more strenuous efforts might be adopted to increase this demand by catering for smaller consumers. This is possible by the completion of the new plant. Supplies for power increased by 38·4 per cent. They foresaw a marked increase in this direction, although events moved slowly in Madras. The demand for current for street lighting increased by 8·4 per cent.

The average rate obtained for 1928 was As.2·44 per kilowatt hour, compared with As.2·7 for 1927. Having regard to the price of fuel, their tariff would bear favourable comparison with others in India. He would assure consumers that their interests are the company's own, and that they were most anxious to furnish a supply at the lowest possible rate consistent with a reasonable return on the capital. Good progress had been made with the erection of the new plant. The second 6,000 kw. set was now running, one of the 60,000-lb. Babcock boilers had been completed, and the erection of the second was proceeding. A large storage pond—10 acres in extent—for the circulating water for the turbines had also been practically completed.

The amount at the credit of revenue account was £210,866, or £33,102 more than last year. The sums at the debit of that account were £96,503, showing an increase of £20,029. The balance at the credit of revenue account carried to net revenue was £114,363. A balance of £65,934 11s. 8d. remained as net revenue for the year, to which had to be added £6,656 brought forward, making a total of £72,591. The directors recommended a final dividend of 5½ per cent. (actual) on the ordinary shares (making 8 per cent. for the year), free of income tax, and the transfer to general reserve fund of £9,855, leaving to be carried forward £6,906.

The general reserve fund had been considerably strengthened by the premium on 36,400 ordinary shares issued during the year, and if the recommendation to transfer £9,855 were approved, the fund would amount to £102,000. This, with the operation of the debenture sinking fund, had materially strengthened the balance-sheet.

The report and accounts were unanimously adopted.

CALCUTTA TRAMWAYS COMPANY, LIMITED.

INCREASED TRAFFIC RECEIPTS.

The ordinary general meeting of the Calcutta Tramways Company, Limited, was held on the 13th instant, at 1 Queen Victoria Street, London.

Mr John G. B. Stone (the chairman), in the course of his speech, said: Dealing with the tramways, the traffic receipts show the satisfactory increase of £37,105, due partly to the additional takings from the Ballygunge Extension, the Congress Exhibition and to the extra day in February, but mainly to the continued success of the monthly season tickets. The expenditure shows an increase

of £5,257 only, a very satisfactory result having regard to the increased mileage run. As regards the buses, whilst the receipts have increased by £8,049 the expenses have also increased by £10,078, resulting in an operation loss of £12,903.

The final result is that there remains an available balance of £124,753. This has been dealt with by the allocation of £80,000 to the depreciation fund, £4,566 to the staff provident funds, leaving £40,186 out of which it is proposed to pay a final dividend of 10d. per share, making 1s. 2½d. for the year, or a little over 6 per cent., free of income tax, against 5 per cent. for the previous year.

Nearly 90 per cent. of the total traffic receipts, amounting to £503,055, was again taken by the tramways, the actual tramways earnings for the year showing an increase of over £37,000, whilst those for the current year (1929) to date show an increase of £6,500. The monthly ticket issue continues to be very popular. It was thought, however, that there was still a considerable tramway traffic to be obtained during the slack periods of the day between the morning and evening rush hours if special facilities were afforded; accordingly a system of cheap midday fares was inaugurated on March 1 last both in Calcutta and Howrah.

Turning now to the buses, we show a working loss of nearly £13,000 for the past year. We have not yet been able to concentrate our garage accommodation at our Nonapooker Depot. This arrangement, with the reduction in mileage where possible on non-paying routes, should effect economies, in addition to the advantages which should accrue from the new bus arrangement with the East Indian Railway at Howrah. The fact remains, however, that the bus proposition in itself is not a paying one, and a similar position seems to prevail in Bombay, Rangoon and Mandalay. We feel, however, the time will come sooner or later when the system of transportation within Calcutta may be controlled by one authority, but in the meantime we feel that the company should give the additional facilities of travel which the bus service provides, even though this service in itself is unremunerative.

The report and accounts were unanimously adopted.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended June 8, 1929:—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	7,000	From Revenue	8,748
Interest, &c., on Debt	20,030	Increase in Debt	19,213
Sinking Fund	500		
Sundries	220		
Increase in Balances	211		
	27,961		27,961

The total ordinary revenue amounted to £8,748,300 as compared with £7,699,200 in the corresponding week last year. Property and income tax was lower at £82,000 against £559,000, but super-tax at £420,000 was £120,000 higher. Customs and excise brought in £2,094,000 and £812,000, against £1,740,000 and £872,000 respectively. Ordinary receipts amounted to £359,400 against £31,800, and special receipts to £2,050,000 against £1,070,000. The National Debt was increased by £19,213,400, as shown below:—

(000's omitted.)

	£		£
National Savings Certificates	— 50	Treasury Bills	+ 17,660
Public Department Advances	— 1,910	Bank of England Advances	+ 3,500
		Sundries	+ 13
	— 1,960		+ 21,173

The floating debt was increased by £19,250,000 to £795,525,000.

FINANCIAL YEAR, 1929–30, APRIL 1 TO JUNE 8.

	£		£
Expenditure	162,873,481	Revenue	108,130,852
		Decreases in balance	3,809,808
		Amount borrowed	50,932,821
	163,873,481		163,873,481

ESTIMATES FOR FINANCIAL YEAR, 1929–30.

	£		£
Expenditure	691,564,000*	Revenue	746,060,000
Sinking Fund	50,400,000		
Surplus	4,096,000		
	746,060,000		746,060,000

* This figure includes the new Exchequer Contributions of £15,560,000 to Local Revenues, &c.

SELF-BALANCING REVENUE AND EXPENDITURE.

	£
Post Office	58,110,000
Road Fund	22,510,000
	80,620,000

RATING RELIEF SUSPENSE ACCOUNT.

	£		£
Balance on April 1, 1929	22,633,000	Cost of anticipating rate relief for Agriculture	2,570,000
		Balance on March 31, 1930	20,063,000
	22,633,000		22,633,000

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 31, 1929.	June 8, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	13	13	12	12	12	12	12
4% Consolidated Loan	...	...	...	...	166	204	204	204	204
3½% Conversion Loan	...	...	709	760	740	832	832	832	832
4½% Conversion Loan	...	...	210	211	211	221	221	221	221
3½% War Stock	...	63	63	63	63	...	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,052	2,109	2,154	2,253	2,253	2,253	2,253
National War Bonds	...	1,509	778	706	556	194	111	64	64
4% Funding Loan	...	409	394	390	389	385	385	385	385
4% Victory Bonds	...	360	303	292	277	261	261	261	261
Treasury Bonds	...	...	499	482	454	675	773	762	760
Exchequer Bonds	20	323	15	15	15	16	16	16	16
National Savings Certs.	...	267	369	375	372	362	360	360	360
Other Debt*	...	1,306	1,124	1,111	1,103	1,097	1,094	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	876	565	599	527	788	700	746
Temporary Advances	1	243	167	139	117	162	28	37	48
Other Capital Liabilities	654	8,033	7,598	7,558	7,555	7,528	7,665	7,528	7,583
	57	46	68	75	98	103	103	88	86
Total Liabilities	711	8,079	7,666	7,633	7,653	7,631	7,768	7,616	7,669

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances Outstanding—	June 9, '28. £	Mar. 31, '29. £	June 8, '29. £	Movement Week ended June 8, '29. £
Advances by Bank of England	250,000	...	6,000,000	+ 3,500,000
Advances by Public Deptmts.	179,900,000	37,050,000	43,805,000	— 1,910,000
Treasury Bills Outstanding	568,145,000	700,295,000	745,720,000*	+17,660,000
Total Floating Debt	748,295,000	737,345,000	795,525,000	+19,250,000

* Includes £38,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bills were opened on June 7, 1929, and the total amount applied for was £55,980,000. For bills at 3 months, dated Monday to Friday, at £98 13s. 0d., about 53 per cent. and above in full; Saturday, at £98 13s. 4d. and above in full. The amounts allotted were in bills at 3 months, £40,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.	£	£	£ s. d.
April 5	40,000,000	63,280,000	5 5 9·18
April 12	40,000,000	57,440,000	5 4 2·39
April 19	40,000,000	52,045,000	5 2 1·07
April 26	45,000,000	49,785,000	5 2 8·72
May 3	35,000,000	49,800,000	5 0 9·07
May 10	35,000,000	40,530,000	5 2 1·30
May 17	35,000,000	38,090,000	5 3 10·91
May 24	45,000,000	50,310,000	5 8 2·06
May 31	45,000,000	51,600,000	5 6 6·06
June 7	45,000,000	55,980,000	5 6 10·74

PUBLIC INCOME AND EXPENDITURE

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Revenue and other Receipts.	Estimate for the Year 1929–30.	Total Receipts into the Exchequer from April 1, 1929, to June 8, 1929.	Total Receipts into the Exchequer from April 1, 1928, to June 9, 1928.	Week Ended June 8, 1929.	Week Ended June 9, 1928.
ORDINARY REVENUE.	£	£	£	£	£
Inland Revenue—					
Income Tax	239,500,000	18,532,000	19,612,000	82,000	559,000
Super-Tax	58,000,000	7,320,000	7,140,000	420,000	300,000
Estate, &c., Duties	81,000,000	17,120,000	13,250,000	1,220,000	1,130,000
Stamps	31,000,000	3,560,000	3,920,000	230,000	720,000
Excess Profits Duties, and Corporation Profits Tax	1,700,000	10,000	150,000	...	...
Land Tax and Mineral Rights Duty, &c.	800,000	120,000	110,000	50,000	...
Total Inland Revenue	412,000,000	46,662,000	44,182,000	2,002,000	2,709,000
Customs and Excise—					
Customs	119,850,000	22,160,000	20,359,000	2,094,000	1,740,000
Excise	130,330,000	20,885,000	21,938,000	812,000	872,000
Total Customs & Excise	250,180,000	43,045,000	42,297,000	2,906,000	2,612,000
Motor Vehicle Duties (Exchequer Share)	4,680,000	1,114,000	...	306,000	...
Post Office (Net Receipts)	8,900,000	3,850,000	3,700,000	Dr300000	...
Crown Lands	1,250,000	250,000	210,000	...	...
Receipts from Sundry Loans	30,550,000	7,228,624	5,907,819	1,424,924	1,276,574
Miscellaneous:					
Ordinary Receipts	12,500,000	1,924,006	2,302,383	359,389	31,796
Special Receipts	26,000,000	4,057,222	3,715,671	2,050,000	1,070,000
Total Ordinary Revenue	746,060,000	108,130,852	102,314,873	8,748,313	7,699,170
SELF-BALANCING REVENUE.					
Post Office	58,110,000	9,350,000	9,500,000	1,000,000	900,000
Motor Vehicle Duties apportioned to Road Fund	22,510,000	3,104,000	3,939,000	...	436,000
Total Self-Balancing Revenue	80,620,000	12,454,000	13,439,000	1,000,000	1,336,000
Total	...	120,584,852	115,753,873	9,748,313	...

	Total Receipts into the Exchequer from		Week Ended June 8, 1929.	Week Ended June 9, 1928.
	April 1, 1929, to June 8, 1929.	April 1, 1928, to June 9, 1928.		
OTHER RECEIPTS.				
Temporary Advances Repaid—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	...	...	...	...
Under the Unemployment Insurance Acts, 1920 to 1928	30,000	514,432	30,000	...
Money Raised by Creation of Debt—				
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and Post Office and Telegraph (Money) Act, 1928	...	...	...	...
(b) Under the Unemployment Insurance Acts, 1920 to 1928	910,000	700,000	...	50,000
(c) For other Issues:				
By Treasury Bills	599,684,000	458,029,000	70,850,000	47,144,000
By National Savings Certificates	7,950,000	8,000,000	750,000	800,000
By National War Bonds	...	10	...	...
By 5 per cent. Treasury Bonds, 1933–35	...	58,235,113	...	9,020
By 4½ per cent. Treasury Bonds, 1932–34	26,120,000	...	...	...
(d) Ways and Means Advances	161,135,000	124,200,000	13,260,000	17,900,000
Repayments—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	36,571	31,767	13,350	...
	916,450,423	765,464,195	94,651,663	74,938,190

Balances in Exchequer on 1st April:	1929. £	1928. £				
Bank of England	5,515,917	5,918,513				
Bank of Ireland	736,607	404,112				
			6,252,524	6,322,625	...	...
Total			922,702,947	771,786,820	94,651,663	74,938,190

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1929–30 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from		—ISSUES— Week Ended June 8, 1929.	Week Ended June 9, 1928.
		April 1, 1929, to June 8, 1929.	April 1, 1928, to June 9, 1928.		
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt	304,600,000	94,481,799	104,627,052	20,030,418	14,228,746
Payments to Local Taxation Accounts	15,000,000	...	70,000	...	...
Payments to Northern Ireland Exchequer	5,400,000	719,187	716,949	163,428	163,428
Other Consolidated Fund Services	3,500,000	891,818	373,276	56,825	...
Supply Services (excluding Post Office)	363,318,000	58,990,610	55,980,200	7,000,000	5,990,000
Total Ordinary Expenditure	691,818,000	155,083,414	161,767,477	27,250,671	20,382,174
Sinking Fund	50,400,000	7,790,067	13,757,244	500,000	584,000
SELF-BALANCING EXPENDITURE.					
Post Office	59,110,000	9,350,000	9,500,000	1,000,000	900,000
Road Fund	22,510,000	3,104,000	3,939,000	...	436,000
Total Self-Balancing Expenditure	80,620,000	12,454,000	13,439,000	1,000,000	1,336,000
TOTAL		175,327,481	188,963,721	28,750,671	22,302,174
OTHER ISSUES.					
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		18,458	18,458	...	...
Under the Unemployment Insurance Acts, 1920 to 1928		910,000	700,000	...	50,000
Issues to meet Capital Expenditure—					
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		1,550,000	1,950,000	...	...
Unemployment Insur. Acts, 1920-28		30,000	514,432	30,000	...
Repayment of Amounts Borrowed					
Redemption of Debt—					
Treasury Bills		554,265,000	416,830,000	53,190,000	41,065,000
Principal of National Savings Certificates		8,250,000	8,450,000	800,000	750,000
Principal of National War Bonds paid off		...	46,169,524	...	...
Principal of Treasury Bonds paid off		29,309,505	...	...	...
Ways and Means Advances Repaid		148,380,000	105,900,000	11,670,000	10,650,000
Depreciation Fund under the Finance Act, 1917		2,219,787	...	...	...
Old Sinking Fund, 1907–08—					
Issued under Section 9 of the Finance Act, 1908		...	1,000	...	...
		920,260,231	769,497,135	94,440,671	74,817,174

Balances in Exchequer—	June 8, 1929 £	June 9, 1928 £			
Bank of England	2,054,239	1,953,590			
Bank of Ireland	388,477	336,095			
			2,442,716	2,289,685	+ 152,992 + 58,000	+ 39,015 + 82,001
Total			922,702,947	771,786,820	+ 210,992	+ 121,016

Treasury, June 10, 1929.

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, June 12, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—			
In Circulation	362,058,951	Government Debt	11,015,100
In Banking Department	61,182,531	Other Government Securities	236,252,938
		Other Securities	7,899,472
		Silver Coin	4,832,494
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	163,241,482
	£423,241,482		£423,241,482

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	36,211,955
Rest	3,284,496	Other Securities—	
Public Deposits*	10,580,976	Discounts and Advances	£5,675,391
Other Deposits—		Securities	21,006,730
Bankers £61,100,497			26,682,121
Other Accounts 35,523,122		Notes	61,182,531
	96,623,619	Gold and Silver Coin	969,919
7-Day and other Bills	4,334		
	£125,046,425		£125,046,425

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

Both Departments.	Amount June 12, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	362,058,951	+ 482,179	− 13,272,749
Public deposits	10,580,976	+ 2,069,532	− 7,484,490
Bankers' deposits	61,100,497	− 9,246,474	
Other deposits	35,523,122	− 422,393	− 6,169,116
Seven-day bills	4,334	+ 1,746	+ 1,182
Total, outside liabilities	469,267,880	+ 7,115,409	− 26,925,173
Capital and rest	17,837,496	+ 47,797	+ 231
Government debt and securities	283,479,890	− 6,894,642	+ 3,351,827
Discounts and advances	5,675,391	− 539,711	
Other securities	21,006,730	+ 6,829	− 34,720,696
Silver coin in issue department	4,832,494	+ 174	− 567,506
Coin and bullion (bank's reserve)	164,211,400	+ 360,280	− 3,888,125
Reserve of notes and coin in banking department	62,152,449	− 121,909	+ 9,376,621
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	57¼ %	+ 3⅛ %	+ 14⅛ %
(b) Gold stocks to deposits and notes ("reserve ratio")	35⅛ %	+ ⅞ %	+ 1⅛ %

* Comparison includes old currency notes return.

Date.	Issue Department.		Banking Department.				
	Notes Issued.	Circulation.	Public Deposits.	Bankers' Deposits.	Other Deposits.	Gold in or out of Bank.	Bank Rate
1929.	£	£	£	£	£		%
Apl. 24	416,043,567	357,277,566	18,317,977	58,432,912	35,655,296	203,121 in	5
May 1	418,216,669	361,371,339	10,939,252	60,688,828	38,473,837	2,125,861 in	5
8	420,213,172	362,793,961	8,679,717	63,223,123	35,531,591	1,991,901 in	5
15	421,140,187	362,810,877	9,290,798	61,070,863	36,078,600	923,715 in	5
22	421,990,492	362,363,774	15,299,748	57,507,302	35,314,598	846,806 in	5
29	422,467,271	360,106,563	24,340,708	56,349,043	35,268,620	437,112 in	5
June 5	422,968,424	361,576,772	8,611,444	70,346,971	35,945,514	494,107 in	5
12	423,241,482	362,058,951	10,580,976	61,100,497	35,523,122	270,967 in	5

Date.	Issue Department.		Both Depts.	Banking Department.			
	Govt. Debt and Securities.	Other Securities.	Gold Coin and Bullion and Reserve Ratio.	Govt. Securities.	Discounts & Advances.	Other Securities.	Reserve & the "Proportion."
1929.	£	£	£ %	£	£	£	£ %
Apl. 24	246791289	8383489	156641341 33⅛	44256855	10949807	15612927	59263775 53⅛
May 1	246822960	8351096	158766163 33⅝	45351855	9285812	15783945	57394824 52⅜
8	247204557	7974766	160880419 34⅛	39781855	11607200	15705552	58086458 54
15	247226046	7951539	161860318 34⅛	37816855	9586015	17746941	59050041 55⅛
22	247248974	7922728	162747297 34⅛	38486855	6915678	20119480	60383523 56⅛
29	247220785	7945442	163269940 34⅛	40031855	8151163	22422917	63163377 58⅛
June 5	247267677	7900003	163851130 34⅛	43106855	6215102	20999901	62274358 57⅛
12	247268035	7899471	164211400 35⅛	36211855	5675391	21006730	62152449 57⅛

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to May 29	16,479,677	786,458	1,271,964	18,538,099
Week ended June 5	829,482	39,913	61,471	930,866
Week ended June 12	647,151	34,464	59,227	741,042
Total to date, 1929	17,956,310	861,035	1,392,662	20,210,007
Do 1928	17,963,908	835,772	1,386,613	20,186,293
Increase or decrease in 1929	− 7,598	+ 25,263	+ 6,049	+ 23,714
	...	= 3·0%	= 0·4%	= 0·1%
Total for year 1928	39,311,117	1,854,190	3,039,422	44,204,729
Total for year 1927	36,819,682	1,758,039	2,972,827	41,550,547
Increase or decrease in 1928	+ 2,491,435	+ 96,158	+ 66,595	+ 2,654,182
	= 6·7%	= 5·4%	= 2·2%	= 6·3%

PROVINCIAL CLEARING RETURNS.

	Month of May.			Aggregate Weekly Totals to June 8.	
	1928.	1929.	%	1928.	1929.
Number of Working Days	26	26			
	£	£		£	£
BIRMINGHAM	12,313,000	10,216,000	−17·0	63,474,500	61,147,300
BRADFORD	5,330,000	5,124,000	− 3·8	...	...
BRISTOL	5,357,000	4,808,000	−10·2	27,608,000	27,428,000
DUBLIN	...	...	...	113,403,200	112,577,900
HULL	3,976,000	3,386,000	−14·8	21,369,200	20,354,800
LEEDS	4,081,000	4,245,000	+ 4·0	22,772,200	23,172,400
LEICESTER	3,940,000	3,070,000	−22·0	20,261,300	18,467,500
LIVERPOOL	38,025,000	33,049,000	−13·0	196,447,800	183,527,808
MANCHESTER	58,600,000	51,107,000	−12·7	311,448,000	295,141,800
NEWCASTLE-ON-TYNE	6,185,000	6,373,000	+ 3·0	34,046,200	33,396,900
NOTTINGHAM	2,874,000	2,536,000	−11·7	14,950,800	14,558,900
SHEFFIELD	4,321,000	4,210,000	− 2·5	23,451,700	23,367,800
Total	145,002,000	128,124,000	...	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Banks of Russia, Austria, Roumania, Danzig, Chile and Canada appeared in the *Economist* of May 25; Japan, Bulgaria, Poland and Greece in June 1; Denmark, Sweden, Java and Netherlands in June 8.

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

RESOURCES.	June 14, 1929.	June 7, 1929.	May 31, 1929.	May 23, 1929.	June 14, 1928.
Total gold reserves	2,875,630	2,843,970	2,823,720	2,841,900	2,580,410
Total bills discounted	933,910	977,440	988,190	904,430	1,042,860
Bills bought in open market	114,120	112,750	117,920	137,990	240,420
Total U.S. Govt. securities	169,870	147,330	144,570	163,290	223,300
Total bills and securities	1,227,820	1,247,440	1,258,500	1,203,520	1,507,660
Total resources	5,150,750	5,103,320	5,034,890	5,056,800	5,125,570
LIABILITIES.					
Federal Reserve notes in actual circulation	1,644,220	1,653,690	1,653,690	1,639,550	1,605,430
Deposits—Memberbank—reserve account	2,328,230	2,321,340	2,285,870	2,275,750	2,392,430
Total deposits	2,376,220	2,365,780	2,331,190	2,324,510	2,436,140
Capital paid in and surplus	412,330	411,900	410,840	410,680	373,030
Total liabilities	5,150,750	5,103,320	5,034,890	5,056,800	5,125,570
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	75·2%	74·4%	74·5%	75·9%	67·6%

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

	June 14, 1929.	June 7, 1929.	May 31, 1929.	May 23, 1929.	June 14, 1928.
Total bills discounted	225,700	209,940	194,430	197,330	397,020
Bills bought in open market	28,520	18,170	11,650	27,440	30,820
Total U.S. Govt. securities	45,340	23,590	13,450	20,680	47,110
Total bills and securities	301,470	253,620	221,440	247,370	474,950
Deposits — Memberbank — reserve account	940,090	941,170	917,030	913,100	950,000
Ratio of total res. to dep. and Federal Res. note liabilities combined	80·3%	83·3%	86·6%	84·4%	67·2%

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

ASSETS.	May 17, 1929.	May 10, 1929.	May 3, 1929.	Apr. 26, 1929.	Apr. 19, 1929.	May 18, 1928.
Gold coin and bullion	7,930	8,131	7,926	8,049	7,385	7,772
Subsidiary coin	113,177	106	108	114	115	160
Bills discounted	8,415	8,530	9,899	9,138	8,693	8,536
Investments	616	616	616	616	596	596
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	600	600	600	600	600	509
Notes in circulation	8,318	8,804	9,430	8,755	8,233	7,838
Government deposits	1,803	1,383	1,622	2,392	2,374	1,593
Bankers' deposits	5,053	4,842	4,990	5,140	4,832	5,693
Ratio of cash reserves to liabilities to public	51·7%	50·3%	48·1%	48·5%	48·5%	50·8%

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

ASSETS.	May 17, 1929.	May 10, 1929.	May 3, 1929.	Apr. 26, 1929.	Apr. 19, 1929.	May 18, 1928.
Total securities	23,35,00	23,00,50	22,84,90	22,49,16	21,47,11	24,17,11
Loans	13,64,38	13,42,20	14,34,91	17,17,56	18,04,19	16,55,98
Cash credits	29,31,93	28,43,13	28,71,74	28,89,75	28,90,04	30,64,53
Inland bills	8,06,22	9,51,36	9,64,10	10,29,08	10,45,70	13,45,68
Foreign bills	39,91	39,70	46,99	46,81	47,84	42,98
Dead stock	2,85,28	2,84,09	2,83,83	2,83,94	2,83,85	2,84,95
Bal. with other banks	16,05	19,55	27,82	38,02	37,83	14,83
Cash	13,96,04	12,53,61	12,80,09	13,66,71	11,93,58	9,09,22
LIABILITIES.						
Capital paid up	5,52,50	5,52,50	5,52,50	5,52,50	5,52,50	5,12,50
Reserve	5,52,50	5,52,50	5,52,50	5,52,50	5,52,50	5,12,50
Total deposits	78,14,06	78,93,71	80,58,26	84,75,36	81,13,66	76,92,62
The above includes—	£	£	£	£	£	£
Deposits in London	979	1,012	1,087	1,152	1,113	1,037
Advances in London	937	935	923	930	880	992
Cash, &c., at other Banks in London	121	137	205	286	285	110

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

ASSETS.	June 7, 1929.	May 31, 1929.	May 24, 1929.	May 17, 1929.	May 10, 1929.
Gold	36,602,836	36,596,433	36,590,277	36,534,411	36,525,431
Foreign assets—					
Sight deposits	7,512,884	7,805,026	7,893,030	7,941,968	7,987,715
Bills discounted	18,502,915	18,466,712	18,392,676	18,385,576	18,446,725
Commercial bills discounted at home	6,667,819	5,762,129	6,848,329	6,097,010	5,743,588
Advances against sec. To the State	8,968,689	8,968,689	8,968,689	8,968,689	8,998,339
Other advances	2,429,467	2,443,808	2,321,795	2,367,483	2,415,400
Other assets (excluding forward exch.)	...	4,839,320	3,092,202	3,127,896	3,543,478
LIABILITIES.					
Notes in circulation	63,486,423	64,316,379	62,653,577	62,863,907	63,420,111
Public deposits	11,581,099	11,431,298	11,987,755	11,886,250	11,528,202
Private deposits	6,450,037	6,808,059	7,246,179	6,453,649	6,509,303
Other liabilities	...	2,306,865	2,219,487	2,219,218	2,203,062

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

ASSETS.	June 7, 1929.	May 31, 1929.	May 23, 1929.	June 7, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	1,764,424	1,764,529	1,764,596	2,040,776
Of which deposited abroad	59,147	59,147	59,147	85,626
Reserve in foreign currencies	308,548	299,147	146,455	266,905
Bills of exchange and cheques	2,856,514	3,004,819	2,521,679	2,238,071
Silver and other coin	120,009	108,100	154,164	80,808
Notes of other German banks	9,822	1,582	24,956	17,876
Advances	113,410	254,776	97,179	21,627
Investments	92,891	92,899	92,899	93,996
Other assets	491,699	458,695	589,483	602,403
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	319,608	319,608	284,205
Notes in circulation	4,372,539	4,606,388	4,006,198	4,218,014
Other daily maturing obligations	632,125	628,170	642,349	532,662
Other liabilities	310,257	307,593	300,468	204,793

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

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

ASSETS.	June 6, 1929.	May 30, 1929.	May 23, 1929.	May 15, 1929.	June 7, 1928.	Position, May 28, 1914.
Gold	980,796	963,274	963,313	962,195	787,163	(b) 232,650
Foreign Bills and Balances Abroad	477,160	491,085	462,312	460,157	428,656	
Silver and other coin	1,690	1,661	1,612	1,637	2,457	
Securities	736,825	743,502	742,552	731,097	541,394	697,600
LIABILITIES.						
Notes in circulation	2,475,729	2,497,531	2,451,799	2,476,661	2,121,754	934,150
Current accounts	80,426	96,073	86,991	66,691	69,851	112,125

(b) In thousand francs.

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

ASSETS.	June 7, 1929.	May 31, 1929.	May 23, 1929.	May 15, 1929.	June 7, 1928.	Position, May 31, 1914.
Gold	496,132	496,119	496,103	496,087	439,699	171,175
Silver	38,648	39,663	41,148	40,799	60,216	18,350
Foreign Bills and Balances abroad	261,385	260,748	253,189	245,970	...	...
Discounts	121,100	120,748	122,106	126,340	191,264	...
Advances	62,716	60,661	54,829	53,826	...	103,000
LIABILITIES.						
Notes in circulation	839,517	871,605	813,572	823,606	798,806	275,925
Deposits	119,187	110,271	144,237	145,202	98,237	33,750

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

ASSETS.	May 31, 1929.	May 20, 1929.	May 10, 1929.	Apr. 30, 1929.	May 31, 1928.
Gold, coin and bullion	5,125,900	5,125,600	5,125,600	5,125,408	4,884,664
Foreign bills and balances abroad	4,908,600	4,923,800	4,906,700	4,879,484	7,289,130
Other cash	244,200	243,800	247,400	237,005	128,933
Gold deposited abroad due by the State	1,824,700	1,824,700	1,824,700	1,824,662	1,847,713
Discounts	3,680,600	3,702,900	3,723,900	3,730,465	2,936,528
Advances	1,428,200	1,317,700	1,549,100	1,792,885	1,044,320
Credit with "Istituto di Liquidazioni"	1,045,000	1,047,000	1,047,000	1,047,010	1,256,306
Government securities	1,058,200	1,043,200	1,042,900	1,042,878	998,541
LIABILITIES.					
Notes in circulation	16,250,900	16,038,900	16,143,400	16,274,242	17,104,988
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	1,753,600	1,692,800	1,653,200	1,844,145	3,150,869
Ratio of reserve to note and sight liabilities combined	54·82%	55·73%	55·44%	54·32%	69·22%

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

ASSETS.	May 31, 1929.	May 22, 1929.	May 15, 1929.	May 31, 1928.	Position, May 31, 1914.
Coin and bullion—Gold	146,793	146,810	146,812	147,065	44,224
Balance abroad and foreign bills	45,600	43,359	45,400	40,984	28,533
Norwegian and Foreign Government securities	11,393	11,393	11,393	10,044	8,816
Discounts and loans	277,531	275,140	272,813	289,764	769,110
LIABILITIES.					
Notes in circulation	304,979	301,757	302,508	313,434	113,484
Deposits at sight	112,485	110,924	110,224	120,680	7,188

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

ASSETS.	June 8, 1929.	June 1, 1929.	May 25, 1929.	May 18, 1929.	June 9, 1928.	Position, May 30, 1914.
Gold	2,560,808	2,560,512	2,560,404	2,560,266	2,607,891	521,175
Silver	717,576	719,815	719,899	715,409	704,059	728,600
Loans & Discounts	2,091,026	3,230,892	1,681,784	1,751,222	1,850,437	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	186,000
LIABILITIES.						
Circulation	4,311,348	4,260,800	4,272,058	4,317,524	4,291,185	901,550
Deposits	940,425	894,138	1,110,591	1,110,543	999,638	477,900

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

ASSETS.	May 29, 1929.	May 22, 1929.	May 15, 1929.	May 8, 1929.	May 30, 1928.
Coin and bullion	9,697	9,667	9,439	9,438	9,213
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	300,183	307,333	298,843	308,466	196,771
Discounts	280,690	280,744	287,353	279,731	247,784
Government loans	1,718,547	1,725,656	1,718,083	1,728,068	1,622,529
LIABILITIES.					
Notes in circulation	1,813,363	1,814,815	1,832,679	1,834,827	1,868,743
Deposits	54,670	64,268	66,016	59,946	66,256

NATIONAL BANK OF HUNGARY—In Hungarian Pengö (000's omitted).

ASSETS.	May 31, 1929.	May 23, 1929.	May 15, 1929.	May 7, 1929.	May 31, 1928.
Metal reserve—					
Gold coin and bullion	176,623	176,623	176,622	176,622	196,530
Drafts and notes	18,613	26,631	29,026	33,202	94,931
Silver coin and bullion	9,823	10,080	9,710	9,565	832
Inland bills, warrants and securities	380,741	352,210	351,287	363,851	306,762
Advances to the Treasury	92,218	92,219	92,219	92,219	105,895
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	446,354	387,132	424,145	460,716	450,334
Current accounts, deposits, &c.	190,114	229,787	195,703	178,204	282,668

* Calculated at pre-war parity of exchange.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

ASSETS.	May 31, 1929.	May 23, 1929.	May 15, 1929.	May 7, 1929.	May 31, 1928.
Gold and silver holdings ...	1,206,190	1,206,629	1,206,591	1,206,559	1,118,647
Balance abroad and foreign currency ...	1,702,693	1,646,993	1,650,002	1,696,658	1,736,615
Discounts and advances ...	639,765	437,243	415,403	583,104	359,467
State notes debt balance ...	4,006,436	4,012,771	4,013,153	4,020,715	4,324,449
Other assets ...	750,774	649,213	664,337	675,712	905,271
LIABILITIES.					
Bank notes in circulation...	7,182,688	6,409,749	6,544,477	6,851,286	7,110,935
Check account balances ...	404,474	834,055	711,511	619,246	585,605
Other liabilities ...	1246,102	236,451	220,904	239,622	315,284

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

ASSETS.	May 31, 1929.	May 22, 1929.	May 15, 1929.	May 8, 1929.	May 31, 1928.
Gold ...	92,583	92,455	92,358	92,276	90,003
Other coin and notes ...	18,443	18,230	18,056	17,994	17,877
Foreign credits ...	228,710	236,479	183,435	198,205	262,306
Bills ...	1,253,866	1,307,367	1,342,003	1,370,182	1,240,236
Government advances ...	4,201,094	4,201,078	4,201,078	4,201,069	4,332,985
LIABILITIES.					
Notes in circulation ...	5,092,016	5,032,871	5,115,172	5,302,726	5,279,766
State credits ...	227,824	227,808	227,808	227,799	293,966
Deposits ...	1,049,640	1,205,266	1,104,456	1,018,250	996,004

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

ASSETS.	May 31, 1929.	May 23, 1929.	May 15, 1929.	May 31, 1928.	Position, May 30, 1914.
Gold ...	301,101	300,952	301,103	311,989	35,091
Balance abroad and foreign bills	586,969	581,239	631,145	814,474	90,379
Finnish and Foreign Government securities ...	301,708	301,708	301,708	338,443	21,826
Discounts and loans ...	1,515,362	1,489,080	1,469,513	1,079,711	105,161
LIABILITIES.					
Notes in circulation ...	1,480,876	1,435,843	1,470,389	1,575,768	123,941
Deposits at notice ...	191,350	203,574	209,968	109,633	21,225

BANK OF ESTONIA.—In Est. krones (000's omitted).

ASSETS.	May 31, 1929.	May. 23, 1929.	May 15, 1929.	May 7, 1929.	May 31, 1928.
Gold coin and bullion ...	6,295	6,290	6,286	6,277	10,291
Net foreign exchange ...	19,296	19,880	19,301	19,483	27,404
Subsidiary Estonian coin...	765	652	664	751	722
Home bills discounted ...	14,422	14,512	14,865	14,659	9,184
Loans and advances...	13,548*	13,370	14,389	14,282	18,069
LIABILITIES.					
Notes in circulation ...	31,587	33,512	34,357	33,309	37,133
Sight deposits and current accounts ...	18,240	16,690	16,511	18,369	22,518
Ratio of reserve to current liabilities...	51·35%	52·13%	50·30%	49·84%	63·19%

* Includes Ekr. 10,262,641·54, guaranteed by the Government.

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

ASSETS.	June 5, 1929.	May 29, 1929.	May 22, 1929.	May 15, 1929.	May 8, 1929.	June 6, 1928.
Gold bullion and coins...	23,850	23,842	23,842	23,840	23,826	23,717
Silver coin...	4,854	4,814	4,782	4,751	4,754	4,343
Balance abroad ...	50,999	53,281	55,250	56,736	58,966	78,203
Treas. notes and sm. change	13,535	12,644	11,342	11,654	9,533	11,091
Short term bills ...	88,407	87,079	87,583	86,644	87,048	81,645
Loans against securities ...	57,878	57,603	58,423	56,288	56,576	42,686
Other assets...	17,604	17,926	17,714	17,602	17,571	11,981
LIABILITIES.						
Notes in circulation...	43,449	44,226	45,492	44,408	45,770	40,487
Capital paid up...	15,581	15,581	15,581	15,581	15,581	15,581
Reserve ...	3,090	3,091	3,091	3,091	3,091	3,091
Special reserve ...	2,500	2,500	2,500	2,500	2,500	2,500
Deposits...	13,076	12,946	12,919	12,887	12,790	11,648
Current accounts...	51,874	52,859	55,889	55,385	54,319	54,135
Government accounts...	112,088	111,190	108,966	109,651	112,623	120,838
Other liabilities...	15,,469	14,796	14,499	14,012	11,602	5,385

BANK OF LITHUANIA.—In lt. (000's omitted).

ASSETS.	May 31, 1929.	May 15, 1929.	Apr. 30, 1929.	Apr. 15, 1929.	Mar. 31, 1929.	May 31, 1928.
Gold...	34,361	34,358	34,354	34,342	34,330	34·222
Silver...	4,401	4,372	4,352	4,346	4,321	4,534
State Treasury coins...	1,820	1,825	1,835	1,845	1,850	1,881
Foreign currency...	39,017	41,088	42,110	37,164	36,506	48,006
Discount and credit...	83,531	85,256	87,502	88,902	89,488	83,729
LIABILITIES.						
Capital ...	12,000	12,000	12,000	12,000	12,000	12,000
Reserve...	1,350	1,350	1,200	1,200	1,200	1,200
Banknotes in circulation...	85,488	86,897	91,743	89,163	93,473	90,604
Deposits...	68,988	70,154	67,098	65,753	62,736	73,291

NATIONAL BANK OF EGYPT.—In £E (000's omitted).

ASSETS.	Apr. 30, 1929.	Mar. 31, 1929.	Feb. 28, 1929.	Jan. 31, 1929.	Apr. 30, 1928.	Position, May 31, 1914.
Gold ...	3,621	3,605	3,602	3,602	3,840	1,571
Govt. securities ...	47,095	47,595	47,494	47,785	45,833	2,084
LIABILITIES.						
Notes in circulation	26,813	27,732	27,530	28,443	29,286	2,400
Govt. deposits ...	20,233	19,912	20,649	21,148	18 200	2,315
Other deposits ...	16,990	17,954	17,905	18,085	17,226	2,600

LONDON RATES.

	June 6, 1929.	June 7, 1929.	June 8, 1929.	June 10, 1929.	June 11, 1929.	June 12, 1929.	June 13, 1929.
Bank rate (changed from 4½% Feb. 7, 1929) ...	% 5½	% 5½	% 5½	% 5½	% 5½	% 5½	% 5½
Market rates of discount—							
60 days' bankers' drafts	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛
3 months' do...	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛
4 months' do...	5⅛ ⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
6 months' do...	5⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛
Discount (Treasury Bills)—							
2 months' ...	5⅛ ⅛	5⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛
3 months'‡...	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛
Loans—Day to day ...	3 4	3 4	3 4	3 4	3 4	3 4	3 4
Short ...	4⅛ ⅛	4⅛ ⅛	4⅛ ⅛	4⅛ ⅛	4⅛ ⅛	4⅛ ⅛	4⅛ ⅛
Deposit allowances: Bank	3½	3½	3½	3½	3½	3½	3½
Discount houses at call ...	3½	3½	3½	3½	3½	3½	3½
At notice ...	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months.	Trade Bills. 6 Months.
1929.	%	%	%	%	%	%	%
May 23	4½ 5	5⅝ ⅞	5⅝ ⅞	5½ ¾	5⅝ 6	5⅝ 6	6 6
30	4½ 5	5⅝ ⅞	5⅝ ⅞	5½ ¾	5⅝ 6	5⅝ 6	6 6
June 6	4½ ½	5½ ⅝	5½ ⅝	5½ ¾	5⅝ 6	5⅝ ½	6 6
13	4½	5½ ⅝	5⅝	5⅝	5⅝ ½	5⅝ 6	6 6

RATES OF EXCHANGE.

London on		Usance	Par.	June 14, 1928.	June 6, 1929.	June 13, 1929.
New York ...	dollars to £1	Cable	4·863	4·88⅛–⅛	4·84⅛–84⅜	4·84⅜–⅝
Montreal...	dollars to £1	Cable	4·86⅔	4·89⅛–⅜	4·88⅛–88½	4·89⅛–89⅜
Paris ...	francs to £1	T.T.	124·21	124·10–20	124-124⅛	124–124⅛
Berlin ...	marks to £1	T.T.	20·43	20·43–⅛	20·33½–33⅜	20·33½–34⅛
Amsterdam ...	florins to £1	T.T.	12·107	12·091–10	12·07⅞–08⅛	12·07⅝–07⅞
Brussels ...	belga to £1	T.T.	35·00	34·94–⅛	34·91½–92	34·91½–92
Milan ...	lire to £1	T.T.	92·46	92·78–82	92·67–·70	92·67–·70
Berne ...	francs to £1	T.T.	25·22	25·33–⅛	25·19–·19½	25·20–·20½
Oslo...	kroner to £1	T.T.	18·159	18·22–⅛	18·19½–20	18·19½–20
Stockholm...	kronor to £1	T.T.	18·159	18·19–⅛	18·13½–13⅞	18·13½–13
Copenhagen ..	kroner to £1	T.T.	18·159	18·19½–20½	18·20½–20⅞	18·20–20½
Madrid ...	pesetas to £1	T.T.	25·22½	29·37–39	34·75–·78	33·91–·95
Lisbon ...	escudo to £1	T.T.	4·50	105⅛–106½	108–108½	108–108½
Vienna ...	schilgs. to £1	T.T.	34·58½	34·69–71	34·51–·53	34·51–·54
Prague ...	krone to £1	T.T.	24·02(a)	164⅛–⅜	163⅛–163⅝	163⅛–163⅝
Belgrade ...	dinars to £1	T.T.	25·22½	277–¼	275½–276½	275½–276
Budapest ...	pengo to £1	T.T.	27·82	27·95–8	27·81–·84	27·81–·84
Bukarest ...	lei to £1	T.T.	813·6	794–5	817–818	816–818
Sofia ...	leva to £1	T.T.	25·22½	672–7	668–673	668–673
Athens ...	drachmæ to £1	T.T.	375	374¼–5½	374½–375	374½–375
Constantin'ple	piastres to £1	T.T.	110	949–54	1010–1015	1004–1007
Moscow...	roubles to £1	T.T.	9·46	†9·48–9·49	†9·41½–·43½	†9·41½–·43½
Warsaw ...	zloty to £1	T.T.	43·38	43½–¾	43⅜–⅞	43⅜–⅞
Helsingfors ...	F. marks to £1	T.T.	193·23	193⅝–¾	192½–193	192½–193
Kovno ...	lits to £1	T.T.	48·66	48½–9½	48¼–49⅛	48¼–49⅛
Beval ...	kroon to £1	T.T.	18·159	18·00–18·40	18·16½–23½	18·16½–23½
Riga ...	lats to £1	T.T.	25·22½	25·15–30	25·15–·25	25·15–·25
Alexandria ...	piastres to £1	Sight	97⅛	97⅛–⅜	97⅛–⅜	97⅛–⅜
Buenos Aires	pence to peso	T.T.	47·62d.	47⅛–⅜	47⅛–47⅜	47⅛–47⅜
Rio de Janeiro	pence to mils.	90 days	16	47⅛–⅜	47⅛–47⅜	47⅛–47⅜
Montevideo ...	pence to peso	T.T.	51	53⅛–⅜	53⅛–⅜	53⅛–⅜
Valparaiso...	dollars to £1	90 days	40	50–⅛	49⅞–50	49⅞–50
Lima ...	dollars to £1	90 days	par	39·48	39·58	39·59
Calcutta ...	Eng. to Per. £1	T.T.		20⅛% prm.	19⅛% prem.	19⅛% prem.
Bombay ...	pence to rupee	T.T.	18	1/5 11/16–1/5 13/16	1/5 13/32–1/5 15/32	1/5 13/32–1/5 15/32
Madras ...	pence to rupee	T.T.		1/5 11/16–1/5 13/16	1/5 13/32–1/5 15/32	1/5 13/32–1/5 15/32
Hong Kong ...	ster. to dollar	T.T.		1/5 11/16–1/5 13/16	1/5 13/32–1/5 15/32	1/5 13/32–1/5 15/32
Shanghai ...	ster. to tael	T.T.	—	2/01–2/1⅛	1/11⅛–⅜	1/11⅛–⅜
Singapore ...	ster. to dollar	T.T.	2s. 4d.	2/8⅛–2/9⅛	2/4⅛–⅜	2/4⅛–2/5⅛
Kobe...	ster. to yen	T.T.	24·58d.	2/3⅛–⅜	2/3⅛–⅜	2/3⅛–2/3⅝
Manila ...	ster. to peso	T.T.	24·066d.	2/10⅛–⅜	1/9⅛–1/9⅛	1/9[illegible]–1/9⅛
Mexico ...	pesos to £	T.T.	9·76	†2s. 0⅛d.	†2s. 0⅛d.	†2s. 0⅛d.
				23⅛–24⅛	10·05–10·20	10·10–10·20

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilization at 2·90–3·03 dollars to 100 krone, *i.e.*, approximately 162½ krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam ...	Mar. 23, 1929	5½	Oslo ...	Mar. 26, 1928	6½
Athens ...	Dec. 2, 1928	9	Paris...	Jan. 19, 1928	3½
Belgrade ...	July 26, 1921	6	Prague ...	Mar. 8, 1927	5
Berlin...	April 25, 1929	7½	Pretoria ...	Jan. 9, 1928	5½
Brussels ...	June 30, 1928	4	Reval ...	Jan. 2, 1928	7½
Bucharest...	May 14, 1929	9½	Riga ...	April 1, 1928	{ 6½ 7½
Budapest ...	April 26, 1929	8	Rome ...	Mar. 13, 1929	7
Calcutta...	June 6, 1929	5	Sofia ...	Dec. 15, 1928	9
Copenhagen...	June 23, 1927	5	Stockholm ...	Aug. 24, 1928	4½
Danzig ...	June 20, 1927	6	Swiss Bank places ...	Oct. 22, 1925	3½
Helsingfors ...	Nov. 15, 1928	7	Tokio...	Oct. 18, 1927	5·48
Kovno...	Feb. 8, 1926	7	Vienna ...	Apr. 23, 1929	7½
Lisbon...	July 28, 1926	8	Warsaw...	Apr. 19, 1929	9
New York Federal Reserve...	July 12, 1928	5	Irish ...	Apr. 21, 1927	5½
Madrid ...	Dec. 19, 1928	5½			

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York :—

	June 13, 1928.	May 16, 1929.	May 23, 1929.	May 30, 1929.	June 6, 1929.	June 13, 1929.
	%	%	%	%	%	%
Call money ...	6	10	7	6	7	8
Time money (90 days' mixe coll.)	5⅝	8½	9	7	8	8
Bank acceptances :—			Selling Rates.			
Members—eligible, 90 days ...	4½	5⅝	5⅝	5⅝	5⅝	5⅝
Non-mem.—eligible, 90 days ...	4½	5⅝	5⅝	6⅛	5⅝	5⅝
Ineligible, 90 days...	4⅝	6⅛	6⅛	5⅝	6⅛	6⅛
Commercial accept. 90 days ...	4½	5⅝	5⅝	5⅝	6⅛	6⅛

Rates of Exchange, New York on—		Par Level.	June 13, 1928.	May 30, 1929.	June 6, 1929.	June 13, 1929.
London—						
60 days...	Dollars for £1	4·8666	4·84⅛–⅜	4·79⅝–⅞	4·79⅛–⅜	4·79⅛–⅜
Cable ...			4·88⅛–⅜	4·85	4·84⅛–⅜	4·84⅛–⅜
Cheques ...			4·87⅛–⅜	4·84⅝–⅞	4·84⅛–⅜	4·84⅛–⅜
Paris... cheques	Cents for 1 franc	3·918	3·92⅞	3·91	3·9075	3·90625
Brussels ... „	Cents for 1 Belga	13·90	13·96½	13·885	13·88	13·88½
Switzerland ... „	Cents for 1 franc	19·30	19·26⅜	19·24	19·24½	19·23⅝
Italy... „	Cents for 1 lire	5·263	5·2575	5·2325	5·23	5·225
Berlin ... „	Cts. for Austrn. shlg	23·81	23·87½	23·84	23·82	23·81
Vienna ... „	Cents for 1 peseta	14·07	14·075	14·05	14·05	14·045
Madrid ... „	Cents for 1 gulilder	19·30	16·62	14·10	13·79	14·30
Amsterdam ... „		40·195	40·32	40·155	40·13	40·12
Copenhagen ... „	Cents for 1 kroner	26·80	26·815	26·62	26·62	26·62
Oslo... „			26·785	26·625	26·625	26·62
Stockholm... „			26·825	26·72	26·72	26·73
Athens ... „	Centsforldrachma	1·297	1·305	1·29⅜	1·29⅜	1·29⅝
Montreal... „	Can. Cents for $1	100	⅛ dis.	⅜ dis.	⅜ dis.	⅜ dis.
Yokohama ... „	Cents for 1 yen	49·85	45·40	44·35	43·65	43·8
Hong Kong ... „	Cents for H. Kong $	...	50·70	48·35	47·35	47·95
Shanghai ... „	Cts. for 1 Shng. tael		66·625	68·90	57·10	57·85
Calcutta ... „	Cents for 1 rupee	36·50	36·48	36·08	36·00	35·95
Buenos Aires ... „	Gold Pesos for $100	103·65	42·68	104·90	105·10	105·10
Rio de Janeiro „	Cents for 1 milreis	32·42	12·00	11·83	11·83	11·85
Valparaiso... „	Cents for 1 peso	12·125	12·18	12·05	12·05	12·06

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange :—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador ...	Sucres to £ ...	24·3325	Sight London	24·56
Venezuela...	Bolivares to £ ...	25·25	„	25·21
Colombia (Bogota) ...	Pesos to £1 ...	5	„	5·04
Nicaragua ...	Cordobas to £ ...	4·8665	„	4·92
Salvador...	Colones to £ ...	9·73	„	9·88
Bolivia...	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates :—

	Union of South Africa. From February 6, 1928. London on South Africa. Buying.	Union of South Africa. From February 6, 1928. London on South Africa. Selling.	Union of South Africa. From February 18, 1929. South Africa on London. Buying.	Union of South Africa. From February 18, 1929. South Africa on London. Selling.
T.T. ...	...	⅛% dis.	par to ⅛% pm.	⅛% prem.
Demand ...	1/32% dis.	⅛% „	⅛% dis.	⅛ to ¼% „
30 days...	1/16% „	⅛% „	1/32% „	1/32% „
60 days...	3/32% „	⅛% „	1/16% „	1/16% „
90 days...	3/32% „	⅛% „	1/16% „	1/16% „
120 days...	1/8% „	⅛% „	2/32% „	...

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying. Australia.	London on Australia and New Zealand. Buying. New Zealand.	London on Australia and New Zealand. Selling. Australia.	London on Australia and New Zealand. Selling. New Zealand.	Australia and New Zealand on London. Buying. Australia.	Australia and New Zealand on London. Buying. New Zealand.	Australia and New Zealand on London. Selling. Australia.	Australia and New Zealand on London. Selling. New Zealand.
T.T. ...	...	...	99½	99⅝	...	...	101	100⅝
Demand	98⅛	98⅛	99½	99⅝	99⅝	99⅝	100⅝	100⅛
30 days	97⅞	97⅞	---	---	99⅛	98⅜	100⅛	99⅝
60 days	97	97⅛	---	---	98⅛	98⅜	99⅜	99⅛
90 days	96⅛	96⅛	---	---	98⅛	97⅛	...	99⅛

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the Reserve was held on May 31, 1929 :—

	£	£
In India ...		Nil
In England :		
Cash at the Bank of England ...	2,750	
Gold ...	2,152,334	
British Treasury Bills :—Value as on May 31, 1929 ...	6,148,081	
Other British and Dominion Government Securities :—Value as on May 31, 1929 ...	31,696,835	
		40,000,000
		40,000,000

India Office, June 11, 1929.

SIDNEY TURNER, Accountant-General.

BULLION.

The following statistics of imports and exports of gold for week ended June 13, 1929, are issued by the Statistical Department of H.M. Customs and Excise :—

Imported Into Great Britain and Northern Ireland.

From—	£
France...	9,747
Venezuela...	3,400
British West Africa...	31,730
British South Africa ...	923,602
British Guiana ...	2,504
Other Countries...	845
Total declared value of imports ...	971,828

Exported from Great Britain and Northern Ireland.

To—	£
Belgium...	8,875
Poland (includ. Danzig) ...	3,415
Germany ...	30,637
Netherlands ...	13,209
France ...	26,664
Kenya...	4,150
Switzerland...	64,740
British India...	2,540
Other Countries...	850
Total declared value of exports	155,080

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow :—

1929.	ARRIVALS.	£
June 7	Bars bought ...	4,139
„ 8	...	Nil
„ 10	...	Nil
„ 11	Bars bought ...	307,700
„ 12	...	Nil
„ 13	Sovs. received...	349,254
„	Bars bought ...	1,572
Total ...		662,665

1929.	WITHDRAWALS.	£
June 7	Sovs. for export ...	10,000
„ 8	Bars sold ...	6,864
„ 10	Bars sold...	10,320
„ 11	...	Nil
„ 12	Bars sold...	3,437
„ 13	Bars sold...	10,338
Total ...		40,959

Net arrivals, £621,706.

Messrs. Samuel Montagu and Co. write as follows on June 12, 1929 :—

GOLD.

The Bank of England gold reserve against notes amounted to £162,968,424 on the 5th instant (as compared with £162,467,271 on the previous Wednesday), and represents an increase of £9,062,109 since April 29, 1925—when an effective gold standard was resumed.

About £924,000 bar gold from South Africa was offered in the open market yesterday. The Home and Continental trade requirements absorbed £92,000, India took £20,000, the Bank of England secured £307,000—as shown in the figures below, and £500,000 was acquired for a destination not disclosed. There was a net influx of gold of £270,967 during the week.

SILVER.

The market has developed rather a steadier tendency during the week under review. With Eastern rates reacting, there has been some revival of enquiry, selling being less insistent. China has been more a buyer than a seller, and although the Indian Bazaars have not been active, purchases for their account have been made in cover of bear sales. In addition, America was inclined to support the market at the low level obtaining at the beginning of the week. Prices have therefore recovered somewhat, and, following a rise to-day of 1s. 8d. for cash and ⅜d. for two months' delivery respectively, were fixed at 24⅜d. and 24 7/16d.

Quotations were quoted level on the 10th instant, when 24 7/16d. was recorded for both cash and two months' deliveries, but a premium of 1/16d. on the latter was re-established to-day.

The following were the United Kingdom imports and exports of silver registered from mid-day on the 3rd instant to mid-day on the 10th instant :—

IMPORTS.	£	EXPORTS.	£
Mexico ...	229,552	Persia ...	30,027
U.S.A. ...	31,980	British India ...	79,425
Canada ...	16,290	Other countries ...	3,660
Germany ...	39,482		
Other countries ...	6,690		
	£323,994		£113,112

INDIAN CURRENCY RETURNS (in lacs of rupees).

	June 7.	May 31.	May 22.
Notes in circulation ...	18,426	18,416	18,304
Silver coin and bullion in India...	9,949	9,957	9,861
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India...	3,222	3,222	3,222
Gold coin and bullion out of India	...	...	...
Securities (Indian Government) ...	4,323	4,323	4,323
Securities (British Government) ...	932	914	898

The stock in Shanghai on the 8th instant consisted of about 77,500,000 ounces in sycee, 128,000,000 dollars and 5,000 silver bars, as compared with about 77,400,000 ounces in sycee, 128,000,000 dollars and 5,540 silver bars on the 31st ultimo.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver— Per Ounce. Cash.	Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.		d.
June 7...	84 11½	24	24 1/16	June 22, 1923	31½
„ 8...	84 11½	24 3/16	24½	„ 20, 1924	34 13/16
„ 10...	84 11½	24 3/16	24 3/16	„ 19, 1925	31 13/16
„ 11...	84 11½	24½	24 5/16	„ 18, 1926	30 7/16
„ 12...	84 11½	24⅜	24 7/16	„ 17, 1927	26½
„ 13...	84 11½	24 5/16	24⅜	„ 14, 1928	27⅝

NOTICES.

The board of the Anglo-French Banking Corporation, Limited, have appointed Mr Walter G. Songhurst a joint assistant manager and Mr A. W. Cartwright an assistant secretary of the bank.

The National Provincial Bank, Limited, announce that a branch of the bank is now open at 13 Bridge Street, Pinner.

The Midland Bank, Limited, have elected Colonel H. Le Roy-Lewis, C.B., C.M.G., D.S.O., to a seat at their board.

SUMMARY OF BALANCE SHEETS.

BLEACHERS' ASSOCIATION, LIMITED.

March 31, 1929.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £	ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
Ord. shares (£1)...	3,793,737	...	Land, buildings, &c. ...	10,158,178	— 100,948
Pref. shares (£1)...	2,472,500	...	Stocks, &c. ...	818,290	— 84,049
4½% deb. stock ...	2,250,000	...	Debtors ...	965,741	+ 40,833
Unpaid divs. ...	1,271	— 150	Cash ...	24,955	+ 1,198
Sundry creditors	1,238,351	— 224,415	Investments ...	282,929	— 2,362
General reserve ...	875,000	+ 75,000			
Div. reserve ...	90,000	...			
Superannuation fund ...	392,540	— 7,309			
Fire insur. fund ..	377,713	+ 1,829			
Investments contingencies fund	57,635	— 30			
Profit and loss	701,346	+ 9,747			
Total ...	12,250,093	— 145,328	Total ...	12,250,093	— 145,328

WILLIAM CORY AND SON, LIMITED.

March 31, 1929.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £	ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
5% cum. pref. shares ...	850,000	...	Land, buildings, &c. ...	4,540,068	+ 7,377
Ord. shares ...	2,850,094	...	Stock, &c. ...	78,372	— 20,340
Employees' shares	81,861	+ 6,645	Debit balances ...	3,058,851	— 106,530
4% deb. stock ...	700,000	...	Invests. on behalf of staff funds...	105,662	...
4½% debs. ...	200,000	...	Investments...	2,451,003	+ 32,926
Unpaid dividends	17,683	+ 1,360	Cash ...	35,768	+ 3,577
Premium on new ord. shares ...	440,000	...			
Reserve...	1,100,000	+ 100,000			
Staff pensions ...	118,604	...			
Credit balances...	2,696,780	— 277,372			
Profit and loss...	1,214,702	+ 86,377			
Total...	10,269,724	— 82,990	Total ...	10,269,724	— 82,990

LOBITOS OILFIELDS, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.
	£	£
Ord. shares, £1 ...	1,000,000	+ 231
Bills payable	131,081	+ 100,814
Creditors.....	171,684	– 15,752
Tank steamers reserve	8,800	+ 2,250
Capital reserve ...	1,000,000	– 119,119
Reserve	650,000	...
Profit and loss ...	313,453	– 5,464
Total	3,275,018	– 238,670

ASSETS.	Amount.	Compared with Dec. 31, 1927.
	£	£
Shares in oil and allied cos.	2,036,944	– 3,852
British Government securities..	405,213	...
Tank steamers ...	432,924	– 26,063
London office furniture	322	+ 10
Property expenditure	...	– 109,434
Debtors	270,333	– 3,349
Stocks and stores in Colombia ...	12,048	+ 12,048
Cash.....	117,234	– 108,030
Total	3,275,018	– 238,670

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. — Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. — Latest Year.	Previous Year.
RAILWAYS.				%	%
Bengal Nagpur	2½%*	July 1	Less tax	...	...
Bombay, Baroda, &c.	3%†	July	Less tax	6	6
United of Havana 5% Cum. Pref.	2½%*	July 1	Less tax	...	...
BANKS.					
Bank of British West Africa.....	3½%†	...	Less tax	6	6
Bank of New Zealand	1/4 p.s.†	bonus1%	Less tax	14½	14½
Guaranty Trust of New York ...	5%	(Qrtr.)	...	...	...
Netherlands Bank of South Africa	...	...	Less tax	7	6½
TEA AND RUBBER.					
Battalgalla Estate	10%*	June 12	Less tax	...	...
Bidor Rubber	...	July 6	Less tax	12½	12½
Bogawantalawa Tea	20%†	July 12	Less tax	30	30
British Borneo Timber	...	...	Less tax	6	Nil
Brusch Rubber	...	...	Less tax	7½	Nil
Deanooltu Tea	40%†	July 4	Less tax	50	50
Derby Tea	10%†	...	Less tax	15	27½
Emerald Rubber	...	...	Less tax	8	5
Federated (Selangor) Rubber ...	...	July 5	Less tax	2½	2½
Jhamzie Tea	32½%†	July 2	Less tax	40	45
Marawan (Java) Rubber	...	...	Less tax	4	Nil
New Sylhet Tea	17½%†	...	Less tax	22½	50
Riverside (Selangor) Rubber ...	...	...	Less tax	4	5
Rungajaun Tea	7½%†	...	Less tax	10	25
Rupai Tea	30%†	July 4	Less tax	40	40
Scottish Assam Tea	...	...	Less tax	20	20
Scottish Malay Rubber	...	...	Less tax	6	5
Sumatra Rubber	...	...	Less tax	18	6
Telok (F.M.S.) Rubber	...	...	Less tax	12½	10
MINING.					
Burma Corporation	9 annas	p.s.	Tax free	16 (£)	12(£)
Cam and Motor	12½%†	...	Less tax	20	30
Henderson's Transvaal Estates	2½%†	...	Less tax	5	...
Do. do.	2½%*	...	Less tax (on 1929–30).	account	of yr.
Kramat Pulai	2½%*	June 11	Less tax	...	...
Lahat Mines.....	2½%*	July 5	Less tax	...	...
Nevada Consolidated Copper	75 cts. p.s.	June 29	...	...	...
Pari Tin	5*	June 27	Less tax	...	...
Sungei Besi	2½%*	June 26	Less tax	...	...
Sungei Way Dredging	5*	...	Less tax	...	...
Tronah Mines.....	7½%*	June 28	Less tax	...	...
Utah Copper	$4 p.s.	June 29	...	...	...
OTHER COMPANIES.					
Anglo-Persian Oil	12½	(For nine	months to e	nd of 19	28) 7½
Army and Navy Investment ...	3%	June 15	Less tax	...	...
Associated Biscuit	8%†	...	Tax free	13½	13
Australian Pastoral	3%*	July 1	Tax free	...	...
Barcelona Traction	1%*	June 29	Less tax	...	...
Barclay Perkins	2½%	(Three	months' div.)	...	...
British Maritime Trust	3/– p.s.*	July 1	Less tax	...	...
British Tanker	...	...	Tax free	10	15
Butterley Co.	2½%†	June 30	Tax free	2½	5
Cadena Cafés	7½%*	...	Less tax	...	...
Cardinal Investment (Def.)	6%*	July 1	Less tax	...	...
Crossley Motors	...	...	Less tax	5	...
Debenture Corporation	4%*	July 1	Less tax	...	...
Edison Bell	5%*	July 10	Less tax	...	...
Electric & General Invest., Ord.	10	July 10	Less tax	10	...
,, ,, Def. (1s.)	100	July 10	Less tax	100	...
Globe Telegraph and Trust	2½%†	...	Tax free	10	10
Guest, Keen and Nettlefolds ...	5%†	June 27	Tax free	10	10
Henekeys, Limited.....	8%*	July 1	Less tax	...	...
Hudson's Bay Co.	17½%†	...	10% tax fr	ee 25	25
Hyde's Bird Seeds	3½%†	June 30	Less tax	15	15
Lanston Monotype	3½%*	June 18	Less tax	...	...
Leibig's Extract of Meat	7/– p.s.*	July 2	Tax free	...	...
Lobitos Oilfields	...	...	Less tax	10	10
London Produce Clearing.....	3/– p.s.*	July 16	Less tax	...	...
Maidstone & Dist. Motor Services	...	...	Less tax	12½	15
Manchester Ice Rink	...	...	Less tax	12½	12½
National Mort of New Zealand...	7½%*	July 1	Tax free	...	...
New Zealand and River Plate Land.....	4½%*	July 1	Less tax	...	...
Neuchatel Asphalte	3½%	July 5	Less tax	6½	6½
Northampton Brewery	5%*	June 30	Less tax	...	...
O. C. Hawkes	3%*	July 1	Less tax	5	Nil
Primitiva Gas of Buenos Aires...	...	...	Less tax	10	10
Ribble Motor Services	6%†	...	Less tax	12½	12½
Sanders Bros. (Stores)	10%†	...	Less tax	12½	12½
Scottish Tea and Rubber Trust..	10%†	...			
Second Scottish Mortgage and Trust.....	3½%	...	Less tax	...	...
South African Breweries	11½%†	...	Tax free	16½	16½
Southdown Motor Services	...	...	Less tax	15	15
Sunlight Laundries (1s.)	1d. p.s.	June 30	Less tax	...	...
Swan (John) and Sons	...	...	Tax free	10	...
Temperance Billiard Halls	6%*	...	Less tax	...	...
Transvaal & Delagoa Bay Invest.	1/6 p.s.	...	Less tax	...	...
Trust Union	6%†	...	Less tax	10	10
United River Plate Telephone ...	5%†	...	Tax free	8	8

(c) Annas per share.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended June 7, 1929. (c) Week ended June 8, 1929.	Miles Open.	Week ended June 9, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 23 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western...	3,733	239	247	125	372	611	4,910	5,112	2,923	8,035	12,945
Do. for 1928 ..	3,734	249	226	116	342	591	5,116	5,025	2,649	7,674	12,790
Lon.& N.Eastn.(c)	6,345	347	393	237	630	977	7,412	9,423	6,216	15639	23,051
Do. for 1928 ..	6,363	365	391	217	608	973	7,751	9,675	5,554	15229	22,980
Lond.,Mid.&Scot.	6,960	533	593	237	830	1,363	11227	12872	6,531	19403	30,630
Do. for 1928 ..	6,952½	556	572	234	806	1,362	11745	13311	6,104	19415	31,160
Southern	2,175	339	75	22	97	436	6,585	1,753	730	2,483	9,068
Do. for 1928 ..	2,175	348	77	21	98	446	6,785	1,818	640	2,458	9,243
Metropolitan (c)	59	32·4	...	...	3·7	36·1	734·9	...	...	84·4	819·3
Do. for 1928 ..	59	32·1	...	...	3·5	35·6	737·8	...	...	83·0	820·8
†Und'rgr'ndE.&c	...	...	...	...	...	294·9	...	...	...	...	6,394·8
†Do. for 1928	...	...	...	...	...	304·0	...	...	...	...	6,455·4
Lon&Sub.Gr'upe	...	...	...	...	...	42·8	...	...	...	...	918·5
Do. for 1928 ..	...	...	...	...	...	44·3	...	...	...	...	934·4
B'ff'st&Co.D'wn b	80	2·6	...	...	0·7	3·3	48·6	...	...	20·4	69·0
Great Northern b	562	13·4	...	...	14·3	27·7	255·2	...	...	1080.1	628·9
Great Southern b	2,187	29·1	...	...	44·9	74·0	576·0	...	...	373·7†	1,656·1

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or –	Total Gross Receipts. 1929.	+ or –
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	6weeks	May11	1,217	3,95,000	– 12,920	23,30,000	– 94,486
Barsi Lt. Ry.....	7weeks	18	202	44,600	+ 3,300	4,01,800	+ 47,800
Bengal & N.Western	7weeks	18	2,078	7,57,885	– 98,885	51,75,064	– 4,67,763
Bengal-Nagpur.....	6weeks	11	2,984	1,795,000	– 1,30,810	1,10,61,000	– 2,09,228
Bombay, Bar.,& C.I.	10weeks	June 1	3,022	2,333,000	– 2,57,000	2,13,28,000	– 24,73,000
Madras & S. Mahr ..	7weeks	May18	3,121	20,15,000	– 79,192	1,34,08,000	– 9,35,540
Nizam'sGuarantd.(s)	7weeks	18	1,146	4,87,638	+ 50,761	35,36,559	+ 3,98,796
†Rohilk'd& Kumaon	7weeks	18	572	1,27,867	– 27,392	9,59,548	– 2,01,024
South Indian	6weeks	11	2,351	12,55,892	– 38,050	75,36,498	+ 15,561

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

				£	£	£	£
ARGENTINE (a).							
Argentine N.E.	49weeks	June 8	753	15,900	+ 2,000	768,900	+ 25,900
B.A. and Pacific ...	49weeks	8	2,806	168,000	+ 1,000	8,617,000	+ 860,000
B.A. Central	49weeks	9	...	16,413	+ 1,193	719,043	+ 31,301
B.A. Gt. Southern	49weeks	8	4,762	218,000	+ 18,000	12,311,000	– 329,000
B.A. Western	49weeks	8	1,926	95,000	+ 12,000	4,987,000	– 3,000
Central Argentine .	49weeks	8	3,319	263,000	+ 3,000	13,362,000	+ 417,000
Cordoba Central....	49weeks	8	1,218	71,000	+ 1,000	3,374,200	+ 48,500
Entre Rios	49weeks	8	838	24,600	– 200	1,471,600	+ 48,000
CUBAN.							
United of Havana†	49weeks	June 8	1,374	54,956	+ 572	3,653,746	+ 172,010
URUGUAYAN.				$	$	$	$
Central Uruguay ...	49weeks	June 8	273	28,429	+ 2,186	1,478,925	– 7,060
C. Urug. (East Ext.)	49weeks	8	311	6,672	– 439	341,394	+ 7,909
C.Urug.(North.Ext.)	49weeks	8	185	3,854	– 275	183,672	+ 6,090
C. Urug.(West. Ext.)	49weeks	8	211	2,286	+ 14	147,543	+ 2,860
CANADIAN.							
Canadian National	23weeks	June 7	19,362	4,855,692	+ 150,348	109,803,982	+ 3,917,879
Canadian Pacific ...	23weeks	7	14,822	3,978,000	+ 101,000	86,783,000	+ 2,701,000
BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil	23weeks	June 8	1,016	13,000	+ 4,100	424,900	+ 105,400
Leopoldina.....	23weeks	8	1,856	36,365	– 4,339	826,242	– 270,289
Leopoldina Termnl.	23weeks	8	Mlrs.	309,000	+ 31,000	6,399,000	+ 168,000
San Paulo	23weeks	9	153½	53,853	– 3,497	1,098,237	+ 45,497
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia).....	23weeks	June 8	838	35,240	+ 7,890	908,645	+ 123,785
Nitrate (¼-monthly)	21weeks	May 31	413	24,617	– 10,155	370,312	+ 26,866
OTHER OVERSEAS.				£	£	£	£
Egyptian Delta	7weeks	May20	608	7,483	+ 1,362	43,329	+ 6,572
Gt. Southn. of Spain	22weeks	June 1	104	119,014	– 14,259	2,699,177	– 108,034
Mexican Railway...	23weeks	7	483	230,700	– 29,400	5,629,300	– 679,900
Paraguay Central ..	49weeks	8	274	5,160	+ 80	220,290	+ 4,450
Salvador.....	49weeks	8	100	6,808	+ 2,566	251,474	+ 12,353

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or –	Total Receipts. 1929.	+ or –
				£	£	£	£
Anglo-Argentine ...	23weeks	J'ne10	329	85,502	– 3,349	2,022,561	– 29,632
Burnley Corporation	48weeks	9	...	10,913	– 1,695	628,684	– 4,948
Calcutta Tramways	1week	1	13	3,019	– 166	...	...
Chatham & District	1week	8	35½	122,024	– 3,123	...	...
Egyptian Markets..	21weeks	May30	15	1,159	– 394	21,838	– 5,174
Glasgow Corporation	42weeks	20	...	1,680	+ 885	42,705	+ 1,735
Isle of Thanet Trams	21weeks	20	136‡	43,481	+ 1,272	2,018,186	+ 2,237
Liverpool Corp.....	10weeks	29	...	1,446	– 586	20,581	– 508
L.C.C. Tramways ..	10weeks	June 8	124	29,329	– 621	295,200	+ 3,313
Madras Electric ...	‡21w'ks	5	166	83,188	– 215	786,884	+ 7,999
		May31	...	Rs. 42,674	– 3,428	4,32,281	+ 24,635

‡ Fortnightly figures.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
		£	£	£	£	£	%	£	£	£	%
Banks.											
Bank of British West Africa	Mar. 31	52,280	128,331	180,611	...	72,000	6	55,000	53,611	124,950	6
Netherlands Bk. of S. Africa	Dec. 31	1,080	44,838	45,918	...	32,798	7	12,083	1,037	42,693	6½
Breweries.											
Booth's Distilleries.....	Mar. 31	10,012	66,283	76,295	12,348	19,517	7½	33,599	10,831	55,218	7½
Electric Lighting, &c.											
Whitehall Electric Investments	Mar. 31	995,707	292,193	1,287,900	187,500	1,000,000	20	...	100,400	504,267	4
Financial Land, &c.											
Hudson's Bay Co.	May 31	118,088	933,846	1,051,934	100,000	300,000	15	215,000	208,600	742,132	15
						c200,000	c10†				c10
						28,334	d				b
Java Invest. Loan & Agency	Mar. 31	23,559	56,176	79,735	...	38,364	12½	17,500	23,871	94,756	20
Hotels, Restaurants, &c.											
Lyons (J.) and Co.	Mar. 31	30,814	908,950	939,764	395,545	401,912	22½	100,000	42,308	832,516	22½
Pritchards Restaurants ...	Feb. 3	1,839	19,218	21,057	12,000	...	...	6,948	2,109	...	...
Trust Houses	Mar. 31	27,161	108,963	136,124	...	72,908	5	40,000	23,216	104,475	5
Iron, Coal and Steel.											
Consett Iron	Mar. 31	...	163,255	163,255	40,000	...	...	100,000	23,255	150,322	...
Cooke (William) and Co. ...	Mar. 31	*Dr.30,878*	*Dr.17,527*	*Dr.48,405*	...	...	...	*Dr.50,000*	1,595	*Dr25,931*	...
Cory (Wm.) and Son	Mar. 31	641,928	740,289	1,382,217	42,500	512,220	17½	150,000	677,497	659,046	17½
Whitehead Iron and Steel	Mar. 31	4,659	41,108	45,767	...	25,526	10	10,000	10,241	20,679	8
Oil.											
Lobitos Oilfields	Dec. 31	238,917	74,536	313,453	...	80,000	10	...	233,453	69,524	10
Rubber, &c.											
Batavia (Kerkoven)	Dec. 31	*Dr. 3,486*	720	*Dr. 2,766*	...	...	...	...	*Dr.2,766*	1,363	...
British Borneo Timber	Dec. 31	...	15,005	15,005	...	10,800	6	...	4,205	5,190	...
Foothills (Malaya) Estate	Dec. 31	4,779	2,342	7,121	...	2,000	5	2,000	3,121	6,378	10
Khota Tampan	Jan. 31	1,688	2,262	3,950	...	1,500	2½	...	2,450	3,483	5
Ledang.....	Dec. 31	18,961	5,626	24,587	...	...	...	...	24,587	11,555	...
Malacca	Dec. 31	36,810	44,872	81,682	...	49,246	7½	5,000	27,436	104,166	10
Riverside Selangor	Dec. 31	4,845	6,035	10,880	...	8,397	4	1,000	1,483	13,077	5
Scottish Malay	Dec. 31	1,887	18,058	19,945	...	15,720	6	1,000	3,225	10,353	5
Tjiliwoeng Java	Dec. 31	1,770	4,897	6,667	3,325	3,017	4	...	325	16,290	14
Travancore Rubber	Dec. 31	32,294	6,176	38,470	...	4,795	7½	...	33,675	16,659	5
United Rubber and Coffee	Dec. 31	7,192	1,493	8,685	...	...	...	4,022	4,663	6,643	...
Shops and Stores.											
Sanders Bros. (Stores)	April 27	39,939	114,388	154,327	21,000	37,600	12½	55,563	40,164	109,315	12½
Tea.											
Derby	Dec. 31	19,173	3,616	22,789	754	5,027	15	...	17,008	10,656	27½
East India and Ceylon	Dec. 31	9,443	16,588	26,031	6,000	10,000	10	...	10,031	34,289	25
Isa Bheel	Dec. 31	12,266	*Dr. 2,099*	10,167	504	3,522	10	...	6,142	16,565	45
Longai Valley	Dec. 31	4,144	*Dr. 468*	3,676	2,191	...	...	*Dr. 500*	1,985	8,947	10
Maleber	Dec. 31	840	4,622	5,462	...	3,750	15	500	1,212	3,842	10
New Sylhet	Dec. 31	5,619	5,010	10,629	...	6,300	22½	...	4,329	20,785	50
Noyapara	Dec. 31	24,308	12,251	36,559	...	11,250	15	...	25,309	18,828	20
Telegraphs, &c.											
United River Plate Telephone.....	Dec. 31	165,002	489,617	654,619	10,000	486,400	8†	...	158,219	464,016	8†
Textiles.											
Bleachers' Association	Mar. 31	298,072	800,107	1,098,179	135,987	379,373	10	300,000	282,819	797,326	10
Trust.											
Carmelite Trust	Apr. 30	(14 m'ths)	216,169	216,169	...	...	...	127,500	88,669	...	...
First Scottish American.....	May 1	27,557	51,648	79,205	7,680	32,000	25	10,000	29,525	39,762	24
Second London Scottish American.....	April 30	7,553	51,456	59,009	24,000	16,000	5	10,000	9,009	20,887	5
Sterling Securities Invest....	May 31	262	4,169	4,431	...	3,306	13 Ord.	250	348	3,188	9Ord.
						527	26⅔ Def.				23 Def.
Other Companies.											
Associated Biscuit	Mar. 31	40,806	197,601	238,407	31,200	189,020	†13½	15,000	3,187	258,924	13†
Charrington, Gardner, Locket and Co.	Mar. 31	11,308	50,189	61,497	...	42,400	20	7,500	11,597	...	...
City of Santos Improvements	Dec. 31	18,252	160,443	178,695	12,000	30,000	3†	29,848	106,847	163,642	10†
Clover Paint, &c.	Apr. 30	3,540	27,234	30,774	7,500	10,500	10½	6,567	6,207	20,609	6
Electric Construction	Mar. 31	8,044	8,739	16,783	4,395	16,500	5½	*Dr.10,000*	5,888	20,593	7½
Hovis, Limited	Mar. 31	18,847	87,851	106,698	9,000	46,200	15	30,000	21,498	85,961	15
Meters	Mar. 31	4,490	2,319	25,809	7,216	13,252	9	...	5,341	32,145	9
Shorts, Limited	Mar. 31	3,028	45,760	48,788	15,500	26,250	15	4,000	3,038	47,979	15
Swan(John) and Sons	April 30	10,227	14,029	24,256	...	5,500	10†	6,129	12,627	9,200	10†
Union Cinema Co.	Dec. 31	(6½ mths)	14,462	14,462	6,662	...	...	3,580	4,221	...	...
Victoria Dwellings	April 30	216	1,964	2,180	...	1,934	3	...	246	1,528	3
White (A. J.)	Mar. 31	70,017	40,203	110,220	...	37,500	12½	...	72,720	36,659	11

£30,000 Dominion Income Tax refund. c Paid in respect of Receipts from Land Department. d Dominion Income Tax refund. † Free of Income Tax.

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances. MAY, 1929.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills and Co.	Lloyds Bank, Limited.	Martins Bank, Limited.	Midland Bank, Limited.	National Bank, Limited.	National Provincial Bank, Limited.	Westminster Bank, Limited.	Williams Deacon's Bank, Limited.	Aggregate.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes and balances with the Bank of England	34,777	1,528	3,107	38,569	7,881	42,042	3,176	28,916	28,320	3,251	191,567
Balances with and cheques in course of collection on other banks in the United Kingdom	8,996	710	1,390	8,426	2,581	13,779	163	8,683	19,070	1,119	54,917
Items in transit	...	...	...	2,185	...	...	....	...	...	...	2,185
Money at call and short notice	25,838	1,756	3,849	27,897	6,503	23,470	4,507	20,427	29,070	2,188	145,505
Bills discounted	39,102	996	841	38,841	3,854	48,339	2,218	25,431	36,099	1,429	197,150
Investments	59,239	3,734	7,516	37,745	20,113	34,851	15,108	37,203	38,352	5,517	259,378
Advances to customers and other accounts	170,609	11,130	14,625	198,378	41,856	223,003	16,032	150,442	147,456	18,824	992,355
Liabilities of customers for acceptances, endorsements, &c.	24,512	376	2,622	55,577	5,897	61,690	19	20,590	23,971	1,193	196,447
Bank premises account	5,495	372	695	6,930	2,165	8,716	775	5,910	4,912	975	36,945
Investments in affiliated banks	5,361	...	...	6,625	...	6,961	...	3,114	2,992	...	25,053
	373,929	20,602	34,645	421,173	90,850	462,851	41,998	300,716	320,242	34,496	2,101,502
Ration of cash to current, deposit and other accounts	10·75	8·38	10·27	11·35	10·19	11·23	8·45	11·07	10·20	10·80	10·82
LIABILITIES.											
Capital paid up	15,858	1,000	1,060	15,810	4,160	13,433	1,500	9,479	9,320	1,875	73,495
Reserve fund	10,250	1,000	530	10,000	3,458	13,433	1,440	9,479	9,320	1,350	60,260
Current, deposit and other accounts	323,309	18,226	30,229	339,782	77,318	374,295	37,543	261,168	277,618	30,078	1,769,566
Acceptances, endorsements, &c.	24,512	376	2,622	55,577	5,897	61,690	19	20,590	23,971	1,193	196,447
Notes in circulation	...	...	...	4	17	...	1,496	...	13	...	1,530
Reduction of bank premises account	...	...	204	...	...	...	...	...	...	...	204
	373,929	20,602	34,645	421,173	90 0	462,851	41,998	300,716	320,242	34,496	2,101,502

Reports and Notices.

BANKS.

BANK OF ADELAIDE.—The report for year ended March 31, 1929, showed a profit of £145,410, against £128,637 for preceding year. The ordinary dividend is again 10 per cent., absorbing £125,000, against £115,000. The sum of £15,000 is put to reserve, against £20,000, making reserve £985,000. The carry-forward is £38,875, against £33,464 brought in. Deposits amount to £6,177,592, against £6,084,129.

BANK OF NEW ZEALAND.—The profit for the year ended March 31, 1929, amounted to £934,153, as compared with £863,077 for preceding year. The dividend on the ordinary shares is 2s. 8d. per share for the year, while a bonus of 1 per cent. is paid in addition. The distributions are at the same rate as for the previous year. The sum of £275,000 is transferred to reserve fund, making total reserve fund £3,425,000. The carry-forward is increased from £582,525 to £617,592.

MISCELLANEOUS.

CARMELITE TRUST, LIMITED.—The first report and accounts are for the period from February 21, 1928, to April 30, 1929. They reveal a net profit on realisation of investments, dividends, etc., of £243,985. Salaries, rent, expenses of issue, etc., absorbed £24,877. Directors' fees absorbed £2,940. The net profit is £216,169. Out of this profit £127,500 is transferred to reserve for depreciation of investments, and the carry-forward is £88,669, subject to income tax. Preliminary expenses amounting to £22,179 have been written off from share premium account, leaving a balance of £152,803, which has been transferred to general reserve. Investments in quoted securities stand in balance sheet at £1,352,727, their market value being shown at £1,225,527. Unquoted securities stand at £379,261. Loans secured are at £128,509. Cash is at £18,160. Bankers' loans stand at £426,545. Creditors stand at £125,966. Debtors are at £42,823. Meeting, Winchester House, London, June 17th, at noon.

HOVIS, LIMITED.—The net profit on trading for year ended March 31, 1929, amounted to £108,706, as compared with £108,542 for preceding year. The ordinary dividend is 10 per cent. for year and a bonus of 5 per cent. is paid, making 15 per cent. as before. The sum of £25,000 is put to reserve, making reserve account £290,000. The staff benevolent fund receives £5,000. The carry-forward is £21,498, against £18,847 brought in. Cash has risen from £4,012 to £114,070. Investment in War Loan stock and bonds is now £151,283, against £204,300 in preceding report.

WHITEHALL ELECTRIC INVESTMENTS, LIMITED.—The report for the year ended March 31, 1929, states that the whole of the company's investments, which consisted of holdings in companies operating in Chile and Mexico, have been sold to America and Foreign Power Co., Inc., realising a profit of £2,738,793, which has been transferred to capital reserve account. Against this reserve account there has been charged:—(*a*) £625,000 contingently passed to special reserve account to meet the proposed premium of 5s. per share on the preference shares under the proposed arrangement set out in circular to shareholders in October last; (*b*) £729,313 to write off discount on debenture stock issues. The gross income for the year amounts to £517,105, against £721,951, the reduction being the results of the sale of investments having been made cum interest and cum dividend. After charging expenses and debenture interest and providing for income tax, the net income is £292,192, which with the amount brought forward amounts to £372,193. Deducting preference share dividend, the balance is £184,693. To this is added the profits previously applied in writing off discount, etc. (including income tax corresponding thereto) £915,706, making a total of £1,100,400. It is proposed to pay a dividend of 2 per cent. on the ordinary shares, with a bonus of 18 per cent., leaving £100,400 to be carried forward

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

Climatic conditions in the United Kingdom remained favourable for cereal crops, which derived considerable benefit from recent showers and sunshine. Winter wheat is improving, and spring sowings have made a good start, while hay crops and pastures present a healthy appearance. Supplies of native wheat at the principal statute markets continue on a small scale, and business is restricted owing to the firmness of holders. Imported descriptions, after a firm interval, are now easier in sympathy with reduced forward offers, and in view of the general situation buyers adopt a reserved attitude. In the floating and forward cargo section, the tone is very unsettled, due to fluctuating prices from Chicago and Winnipeg. Liberal sales were reported, particularly on Continental account at firm rates, but news of the rejection by the United States Senate of the Farm Relief Bill imparted a weaker tone, and the uncertainty regarding the disposal of surplus old crop holdings is a disturbing factor in the general situation. Meanwhile Argentina is still the cheapest seller, and consequently attracts chief attention, cargoes of Rosafe, 63½ lbs., July, selling at 37s. 6d. per 480 lbs., c.i.f. terms. The general position remains favourable for importers, as crop reports in the chief exporting countries show improvement, and European prospects are also

favourable, the total area sown to winter and spring wheat in France being equal to last year. Reports from the United States indicate a liberal yield from the winter crop, official estimates being placed at 622 million bushels against 578 million bushels last year. Meanwhile shipments are maintained, particularly to Continental and outside destinations, though United Kingdom arrivals were on a reduced scale. Of feeders, prices of Plate maize were rather erratic following the violent fluctuations in wheat, the early improvement being lost, and shippers more inclined to press. A fair business, however, was reported for near positions, particularly on Irish account. Feeding barleys showed more activity owing to a revival in consumption demand both here and on the Continent.

Wheat.—Quiet and easier. No. 2 Northern Manitoba, ex-ship, 45s. 6d.; No. 3, ditto, 44s. 6d.; No. 4 Manitoba, 43s. 3d.; No. 5, 39s. 3d.; No. 6, 36s. 3d.; Rosafe, 64 lbs., 40s. 3d.; Barusso, 63½ lbs., for shipment, 39s. 9d.; Australian, 44s. ex-ship, per 496 lbs. English, 9s. 5d.-9s. 8d. per 112 lbs.

Flour.—Quiet. London, straight run, 34s. per sack, delivered. Of imported, Manitoba patents range from 33s. 6d. to 36s. 6d., Minneapolis, 34s. 6d.-35s. 6d.; Australian, 31s. 6d.-32s. ex-store, per 280 lbs.

Maize.—Quieter. Plato, landed, 37s., ex-ship to arrive, 35s. 6d.; May-June, 35s. 6d.; June-July, 35s. 6d.; July-August, 35s. 9d. per 480 lbs. Yellow maize meal, £10 5s. per ton f.o.r. London.

Barley.—Quiet. Californian, ex-ship, 43s.-48s.; Chilian, ex-store, 45s.-58s.; Australian, 41s.-44s. 6d.; Smyrna, 44s.-47s. per 448 lbs. Algerian Tunisian, ex-ship, 29s. 9d.; Canadian, feed, 27s. 9d.; No. 3 Canadian Western, ex-ship, 30s. 6d.; landed, 32s.; No. 4, ex-ship, 29s. 3d.; No. 2 Federal American, landed, 29s. 3d. per 400 lbs. English malting, 10s. 6d.-11s. 2d.; feed, 9s. 8d.-10s. per 112 lbs.

Oats.—Steady, quiet. Plate, landed, 24s.; ex-ship to arrive, 23s. 3d.; No. 1 Canadian, feed, 23s.; No. 2, ditto, 22s., ex-ship; mixed Canadian, feed, ex-ship to arrive, 18s. 6d.; landed, 20s. 3d.; Chilian white, ex-ship to arrive, 28s.; landed, 30s.; German, landed, 27s. 6d.; ex-ship to arrive, 26s. 6d. per 320 lbs.; English, 9s. 8d.-10s. 2d. per 112 lbs. Scotch landed, 29s. 6d. per 336 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to June 8	Cwts. 67,167	Cwts. 174,435	Cwts. 214,579	Cwts. 115,321
39 weeks to June 8	9,265,980	10,128,378	11,124,312	12,615,022
Average price of English wheat per cwt.	s. d. 9 7	s. d. 11 0	s. d. 12 9	s. d. 13 5

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Cwts.	Cwts.	Cwts.	s. d.	s. d.	s. d.
June 1	95,098	10,078	14,691	9 9	9 9	9 9
June 8	67,167	9,771	11,888	9 7	10 0	9 6
June 6, 1925	275,182	22,710	45,484	13 0	10 5	10 4
June 5, 1926	118,455	17,413	19,295	13 6	9 3	9 10
June 11, 1927	214,579	17,409	51,221	12 9	11 6	10 0
June 9, 1928	174,435	18,566	13,576	11 0	10 11	13 0

AMERICAN WHEAT MARKETS.

Wheat has fluctuated within narrow limits this week; changing weather and crop reports and conflicting rumours about farm relief were the principal influences. The failure of Congress to pass a farm relief measure brought a slight decline, but this was partly counteracted by rumours of unwanted rains. Quotations:—

NEAREST FUTURE.	Jan. 4, 1928.	Jan. 2, 1929.	June 13, 1928.	May 29, 1929.	June 5, 1929.	June 12, 1929.
Winnipeg (No. 1 Manitoba) —Cents per 60 lb.)	156½	122	138½	109⅜	115	114½
Chicago (No. Winter)— Cents per 60 lb.	166½	116⅜	137½	97	107	105⅞

Visible supplies of wheat in Canada at 66,344,000 show a decrease of 4,700,000 as compared with the previous week's figures. Supplies a year ago stood at 63,027,000.

THE COAL TRADE.

Our Sheffield correspondent writes:—The export coal market has picked up somewhat after the recent falling off, and prospects for the second half of the year are now regarded as being moderately favourable. Although the quotas under the five counties scheme have been increased, supplies of steam coals are still rather short. The house coal section is now feeling the usual summer slackness, and business is exceptionally quiet. Demand for blast-furnace coke steadily increases, whereas the home demand for foundry coke is poor. Prices all round are steady.

Our Glasgow correspondent writes:—The Fifeshire collieries are comfortably placed for the next week or two, having good orders for both large and small coal. The Lothian collieries are, however, looking for business in steams, while in Lanarkshire practically all qualities are in need of orders. The market for nuts is rather patchy in all districts, but generally the smaller sizes are moving away better than the larger grades. Shipping prices are approximately as follows (all f.o.b. district ports):—LANARKSHIRE.—Ell best, 14s.; splint best, 16s.; splint second, 15s. 6d.; navigation, 17s. 6d.; navigation second, 15s.; Hartley, 16s. 6d.; steam, 13s.; trebles, 14s. 3d.; doubles, 13s. 6d.; singles, 12s.; pearls, 11s.; dross, 10s. FIFE.—Screen navigation, 17s. 6d.; first-class steam, 14s. to 14s. 6d.; third-class steam, 12s. to 12s. 6d.; trebles, 14s. 6d.; doubles, 14s.; singles, 12s.; pearls, 11s. LOTHIANS.—Prime steam, 13s.; secondary steam, 12s. 6d.; trebles, 14s. 3d.; doubles, 13s. 6d.; singles, 12s. 3d.; pearls, 11s. AYRSHIRE.—Unscreened navigation, 16s. 6d.; jewel, 16s. 6d.; steam, 13s. 3d.; trebles, 13s. 9d.; doubles, 13s.; singles, 12s. 6d.; pearls, 11s.; dross, 10s. 6d.

Our Cardiff correspondent writes:—Slightly easier conditions have prevailed on the Cardiff coal market this week. Current inquiries have been of a restricted character, and the supply of tonnage has been inadequate for the requirements of the collieries. Nominally, there has been little or no change in market quotations, which are still above the recently increased minimum schedule, but there are many collieries which have been in need of prompt stems, and stocks have increased substantially. The impression is growing that some of the colliery companies were too precipitate in the reopening of pits during the pressure in February and March, and that some of these will again have to close down. The firmest prices in the market are those for some of the best steam and coking smalls and for sized coals, the supply of which is hardly keeping pace with the demand. The attempt of the colliery owners to persuade the workmen's representatives to open negotiations for a new wages agreement has temporarily failed, for at the meeting of the Joint Board held on Monday last the workmen's leaders intimated that they would have to consult the Executive Committee of the Miners' Federation in regard to the question of the revival of a demand for a national agreement before committing themselves to any negotiations on a district basis. They were informed, however, by the owners' representatives that "there was no possibility of any negotiations for a national agreement, and that an agreement for the South Wales coalfield must be negotiated between the owners and the workmen's representatives in the district without the intervention of any other party." It is unlikely that any further action will be taken till after the annual conference of the M.F.G.B. at Blackpool next month. The following are the current approximate quotations:—Best Admiralties, 19s. 9d. to 20s.; seconds, 19s. 9d. to 20s.; 19s. to 20s.; best drys, 19s. to 19s. 6d.; Black Veins, 18s. to 18s. 6d.; Western Valleys, 17s. 9d. to 18s.; Eastern Valleys, 17s. 6d. to 17s. 9d.; best small steams, 13s. 6d. to 14s.; cargo smalls, 12s. to 12s. 6d.; coking smalls, 14s. to 14s. 6d.; anthracite, best large, 33s. to 36s. 6d.; Red Vein, large, 23s. to 27s.; machine-made cobbles, 40s. to 44s.; French nuts, 42s. to 44s.; stove nuts, 39s. to 42s. 6d.; rubbly culm, 10s. to 10s. 6d.; patent fuel, 20s. 6d. to 21s. 6d.; foundry coke, 27s. 6d. to 36s. 6d.; pitwood, ex ship, 26s. 3d. to 26s. 9d.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—The quieter conditions noticeable in the iron and steel market of late continue to rule, but the tone remains firm. The situation in the pig-iron market continues to be marked by an increasing scarcity of North-East Coast iron. Producers are practically off the market and Cleveland iron is

For Life Assurance.

AMP

The Australian Mutual Provident Society is mutual. That is to say, all divisible Surplus, without deduction, belongs to the Policy-holders themselves and is distributed yearly. Moreover, the Society, established in 1849, has been for many years the largest and most prosperous British Mutual Life Office. Why is this? Because it offers to Assurers the Acme of Security and Profit, and because its satisfied members are its best advertisement. Why are policies with the A.M.P. Society so profitable? Because while its premium rates are below the average, it possesses in a unique degree the combination of a low expense rate, a high interest return and a favourable mortality experience. The A.M.P. Society should be covering you. You will be sent full particulars on application.

EVERY YEAR A BONUS YEAR.

Assets: £70,000,000. Annual Income: £10,000,000.
New Business for 1927: £15,397,528.
Cash Surplus for One Year (1927): £2,895,454.

ROBERT THODEY, F.I.A. Manager for the United Kingdom.

AUSTRALIAN MUTUAL PROVIDENT SOCIETY

Established in Australia, 1849.

LONDON OFFICE: 73-76, King William St., E.C. 4.

almost unobtainable excepting from merchants. The stringency in this department is undoubtedly hampering trade, but it is stated that considerable difficulties exist in the way of increasing the production. In the case of Midland irons there is no shortage of supplies, but prices are well maintained. In the semi-finished steel department British producers continue to take the greater part of the business coming into the market, and some export business has been reported of late. Most of the foreign works apparently require the greater part of their production of semis for their own use, and their terms do not appeal to British users. German manufacturers, however, have done a fair business with English buyers. Conditions are irregular in the finished steel department, and whilst some of the British works have good order books, others are rather short of orders. The falling off in new shipbuilding contracts, however, has caused some disappointment in this department.

Our Middlesbrough correspondent writes :—The position in regard to Cleveland iron shows no change. A good demand continues, both on home and export account, but this can only be satisfied to a small extent, as makers have nothing to offer for anything approaching early delivery, and merchants' holdings are now very limited. Local founders have just made purchases of important quantities of Northants foundry iron to help them out of their difficulties. During the past week small lots of No. 3 Cleveland were sold by second hands at 70s., but at Tuesday's market 70s. 6d. and up to 71s. was realised. Prices at the close were nominally : No. 1, 73s. 6d. ; No. 3, 71s. ; No. 4 foundry, 70s., and No. 4 forge, 69s. 6d., but on Wednesday 6d. to 1s. more was asked in each case. Shipments of all classes of pig iron to the 11th instant total 8,392 tons against 16,383 tons to May 11th. Business in hematite is on an improving scale, and sales have been made by makers at 74s. for mixed numbers, both for prompt and forward delivery, and they are still sellers at this figure. The present make is being absorbed on current contracts, but more iron will be available next month, when extra furnaces will be in operation. Steel works continue busy on home orders booked before the recent advance in prices, but little new buying in this department is reported, although some satisfactory business is coming forward for export. Prices for home are : Plates, £8 12s. 6d. ; angles, joists and channels, £8 2s. 6d., subject to rebates. Heavy steel rails, £8 10s. ; black sheets, 21/24 gauge, £10 10s. ; galvanised corrugated sheets, 24 gauge, £13 15s. ; iron crown bars, £10 15s. There is an increasing demand for coke and producers are not offering freely. Good furnace qualities are advanced to 20s. delivered works. The ore market is quiet, consumers being well covered for early requirements. Best rubio is firm at 23s. to 23s. 6d., c.i.f. Tees. The number of furnaces in blast in the district is so far unchanged at 42. Two at Jarrow are going in next week.

Our Sheffield correspondent writes :—In several directions orders for steel material have increased. The giving out of a number of deferred orders for railway axles, tyres and springs has relieved to some extent the depression in these departments. Several of the forges are well employed on shipbuilding, locomotive hollow boiler work and specialties. Although the orders on hand do not suffice to keep the works employed up to anything like capacity, and are small individually, the volume of trade is considerable. The depression in acid steel continues. There is a progressive demand for basic steel. Steel prices are firm, and likely to go up further. Another advance on foundry iron is also talked about, notwithstanding the extremely restricted demand and consumption. Local capacity for cold rolling steel strip has lately been increased. Makers of high-class wire report favourably of trade. There is an improved demand for mechanics' and engineers' small tools. Seasonal orders for garden and farm tools are nearly executed. The demand for scythes equals output capacity. Plate and cutlery are quiet.

Our Glasgow correspondent writes :—In the West of Scotland there is very little change this week as regards the iron and steel position. The pig iron market is quiet, but prices of foundry pig have been advanced by 2s. per ton, making to-day's prices 77s. per ton for No. 1 and 74s. 6d. for No. 3, both f.o.t. makers' works. Several contracts have been placed with Glasgow works for steel structures within the past week and a further order for locomotives with the North British Locomotive Co., Limited, of Springburn, Glasgow, but, while there have been several launches on the Clyde within the past few days there is, unfortunately, a scarcity of new work at the shipyards. Steel makers are able to keep going but are not booked far ahead. In the sheet trade, orders booked during the week are just about the weekly average for the past month or two, but inquiries for overseas trade have been more numerous. Prices generally are unaltered.

Our Cardiff correspondent writes :—Comparatively quiet conditions have ruled this week on the South Wales iron and steel market. The blast furnaces, steelworks, and tinplate factories have been working normally, but there has been no expansion of demand and prices, if anything, have been a shade easier, with tinplates quoted round about 18s. 6d. per basis box, compared with from 18s. 6d. to 18s. 9d. last week, and galvanised sheets at from £13 12s. 6d. to £13 15s. per ton, compared with £13 12s. 6d. to £13 17s. 6d. Both Welsh and foreign tinplate bars are unaltered at £6 6s. 3d. and £5 17s. 6d. per ton. Scrap prices have again slightly hardened, with bundled shearings quoted at 73s. 6d. to 75s., compared with 72s. 6d. to 75s. the previous week. Shipments were very low last week, and stocks have increased to 234,786 boxes, compared with 226,428 boxes in the corresponding week last year.

OTHER METALS.

TIN.—The market exhibited firmer features, a better demand being somewhat reservedly met in view of improved cable advices from the East and America, and prices responded rather sharply. Later realisations caused slight irregularity and weakness. Stocks in London and Liverpool warehouses for week ending June 8th totalled 8,369 tons, compared with 1,463 tons at corresponding period last year. Standard cash sold at £200 10s., £202 10s., and £198 10s. ; three months, £203 10s., £206 5s., £201 10s. In the East a good business was reported at £205 10s. to £209 and £205 10s., c.i.f. terms.

COPPER also in request, and market commenced firmer while influenced by improved Continental inquiries and American advices, though forward positions disclosed some irregularity at times. Standard cash sold, £75 12s. 6d. to £76, £74 15s. and £76 2s. 6d. ; three months, £75, £75 10s., and £74 ton.

LEAD in fair support and market barely steady, offerings being adequate for requirements. Good soft foreign pig, June, sold, £26 12s. 6d. to £23 13s. 9d. and £23 11s. 3d. ; July, £23 12s. 6d. to £23 10s. ; August, £23 11s. 3d. ; September, £23 12s. 6d. to £23 8s. 9d. and £23 10s.

SPELTER dull and tendency in buyers' favour. June, sold, £26 7s. 6d. to £26 3s. 9d. ; July, £26 6s. 3d. to £26 3s. 9d. ; September, £26 3s. 9d. to £26 1s. 3d. ; October, £26 1s. 3d., per ton.

ALUMINIUM steady. Ingots and bars for home delivery, £95 ton.

ANTIMONY dull and easier. English regulus, quoted, £48 to £52 ; foreign, spot, £34 ; June-July, £31 per ton c.i.f.

WOLFRAM quiet. Straits quality, quoted, 28s. to 30s. per unit c.i.f.

QUICKSILVER steady. Spot, quoted, £22 2s. 6d. to £22 7s. 6d. per bottle.

TIN PLATES maintained. I.C. coke, prompt and forward, 18s. 6d. to 18s. 9d. per box, f.o.b. Swansea.

THE COTTON TRADE.

LIVERPOOL, June 12.

Spot sales for the week 6th to 12th (inclusive) are 41,000 bales, of which 24,300 bales are American, 2,900 Brazil, 2,150 Argentine, 2,100 Peru, 4,300 Egyptian, 2,550 African, 2,230 East Indian, and 470 sundries. Imports for the same period are 39,694 bales, of which 10,185 are American, 996 Brazil, 770 Argentine, 4,384 Peru, 15,216 Egyptian, 456 African, 7,537 East Indian, and 150 sundries. Quotations to-day are : American Middling, 10·14 ; Egyptian Sakel, 16·80 ; Egyptian Uppers, 11·35 ; Brazil Fair, 10·24 ; Peru, Mod-Rough, 12·50 ; Peru, Smooth, 11·09 ; West African Mid., 10·19 ; East African G.F., 11·40.

MANCHESTER, June 12th.

The past week has not brought an expansion of trade, and spinners and manufacturers as a body have reported a disappointing demand. There does not appear to be any inducement at the moment for buyers to place orders of weight with producers. General steadiness continues in raw material rates, but there are fears in many quarters of lower values in the near future. Cloth sales for India have been of retail dimensions. Monsoon advices are generally favourable. No development has taken place in the business passing for China. A little more demand has been dealt with for Egypt, and printing cloths have attracted some attention for South America and the Continent. Mixed reports have been received from the home trade. The yarn market remains sluggish. There are indications of further ground being lost by American spinners, the offtake at the moment being discouraging. Business in Egyptian counts has been irregular and not of any weight.

Statement of the Cotton Trade.

	1929.				Corresponding Date.	
	May 22.	May 29.	June 5.	June 12.	1928.	1927.
Raw Cotton—Mid. American ..... per lb.	d. 10·28	d. 10·20	d. 10·26	d. 10·14	d. 11·20	d. 9·26
— Sakellaridis Fully Good Fair Egyptian ..... per lb.	17·85	17·05	17·25	16·80	20·30	17·00
Yarns—32's twist ..... per lb.	15	15	15	15	16⅛	15½
— 40's weft ..... per lb.	15⅞	15⅞	15¼	15¼	17	16
— 60's twist (Egyptian) ..... per lb.	26	25⅞	25¼	25¼	30½	28
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	s. d. 25 3	s. d. 25 3	s. d. 25 3	s. d. 25 0	s. d. 26 6	s. d. 26 0
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	27 9	27 9	27 9	27 9	29 0	27 9
38-in. ditto, 38 yds., 18 by 16, 10 lb.	15 0	15 0	15 0	15 0	15 1½	14 1½
39-in. ditto, 37½ yds., 16 by 15, 8¼ lb.	13 4½	13 4½	13 4½	13 4½	14 1½	13 4½

THE WOOL TRADE.

Our Bradford correspondent writes : No real change can be recorded in market conditions, but it is, perhaps, rather more encouraging to note that some of the larger topmakers are adopting a firmer attitude. For several weeks there has been a persistent downward tendency in merino tops, and prices now being accepted in several quarters bear absolutely no relationship to the cost of production. Even wool bought during the latter part of the season has proved to be wrong in the matter of price, when it has come to a question of selling the tops, and weak holders have been at the mercy of the market. Now it would appear that the larger firms with good financial backing have determined to stand aside and wait for a readjustment. They argue, in effect, that if they want to sell they have to accept an unremunerative price, so they may just as well quote a price more in keeping with production costs, and wait for the market to come back. Fine crossbreds are still neglected, and are weak, but medium and low sorts are steady, and holders appear to have confidence in the maintenance of values. Business in yarns remains very "spotty" and competition is exceedingly keen in all fine counts. Crossbred yarns for the home trade are slow, but there is a moderate amount of activity on export account, though most of the orders are only for small weights. The immediate outlook is uncertain, but many traders are of the opinion that values are just about at the bottom.

COLONIAL WOOLS.

FROM A CORRESPONDENT.

This is an intermediate period so far as the wool trade is concerned, though during recent weeks decent clearances have been made from importers' stocks. The unfortunate thing in this connection is that the sale of the raw material in the bale or as matchings has proved more attractive than topmaking, and even yet it is not possible to sell the combed article at atisfactory prices. Some of the leading firms are refusing to be influenced by the present lack of demand on actual consumption account, and still believe that spinning and manufacturing requirements can develop without any further decline in values. No doubt there is a large measure of truth in this, for the atmosphere has been partially cleared by the result of the Parliamentary Election, and rather more encouraging reports are being received from the Continent. Among traders there we find evidences of reviving confidence in values, and one of the weakest spots at this juncture is the United States. Values for wool and tops there are sagging, and the domestic clip is being bought much more cautiously than a year ago. The latter also applies to the English clip, but even when all these facts have been recognised, we find no justification for anticipating a serious slump. From various parts of Australia news has been received to the effect that some excellent rains have fallen, and flocks are stated to be in better condition than at this time last year. This should tell beneficially upon the clip. The lambing season is also understood to be later in certain parts, and there should be some chance for flocks in these districts to be increased. An excess of sheep over carrying capacity is not desirable, for this can only result in loss of stamina in the flocks and poorer clips, but merino wool, in particular, is at such a price to-day that there is every probability of the next clip being picked up fairly readily.

HIDE, LEATHER AND ALLIED TRADES.

The hide market is again firming up steadily, and with moderate supplies tanners take them as offered at advances of ¼d. to ⅜d. per lb. Calfskins are also dearer, and prices at provincial auctions have advanced ¼d. to ⅜d. per lb. Tanners are showing anxiety at the advance in prices of raw material, some of them refusing to work in more hides until there is a better demand for leather. The American market is also very strong. Prices of packer hides have advanced one cent on the week, best heavy steers now being quoted at 16 cents. All classes of oversea hides are dearer, and Argentine fregorfics are now quoted at 8 7/16d. There has been more activity in saladeros, Russia taking big supplies. Casablanca ox are now quoted at 8¼d.-8⅝d. Dry River Plates are advancing and B.A. Americanos are selling on a basis of 11⅞, although operations in this direction are not very marked. Africans are also advancing, dry salted Capes, first and second selling at 11¾d. and 10¾d. respectively. Australians share the advance, Queensland meatworks hides now offering at 9¾d. The demand for sole leather continues to improve, and tanners are receiving more orders for light dry hide bends, which are now none too plentiful, owing to the decrease in the quantities worked in during the past few months. Wet salted bends are wanted by repairers, but there seems a tendency for some of them to use cheaper leather to compete with the rubber substitutes now on the market. Offal in shoulders and bellies is moving off well, the American demand for welting shoulders being rather brisk just now. Rough leathers in split and dressing hides are selling better, dressers obtaining them at lower prices. Whilst there is no rush to obtain supplies of upper stock, trade is certainly improving. Box calf has sold in fair sized blocks at firmer prices, whilst there is a much better demand for willow calf suitable for men's and women's summer shoes. Glacé kid in the cheaper grades is being cut up steadily by makers of women's shoes, and sellers report a good business in black and colours. Curriers are still rather slack, as the anticipated duty on kip leathers into the U.S.A. is holding up orders. Wax and russet kip butts are selling in small lots, and semichrome is being bought steadily by makers of the cheaper grades of women's shoes. Trade in the shoe districts is improving steadily.

VEGETABLE OIL AND OILSEEDS.

Markets are far from active. Linseed oil is neglected by consumers, who refuse to pay the higher figure for which "spot" oil is held. Current value for June delivery and forward to December is around £28 5s. per ton, naked, ex Hull. Cotton oil is somewhat steadier, with crude Egyptian quoted £27 10s. for June-August delivery, and common edible £30 15s. spot. Other seed oils show little or no movement. In the oilseed section linseed is very quiet. indeed, with crushers unable to concede the present level of values Plate is held for £15 7s. 6d., but no transactions are reported. Calcutta linseed to London is nominally £17 5s. for shipment. The quantity of linseed on passage to Europe at 183,000 tons, is 13,000 tons advance on the week, more than two-thirds being destined for the Continent. Cotton seed is somewhat steadier, and business to Hull in black Egyptian has been done at £9 2s. 6d. and £9 5s. July and August loadings. New crop is also offering for September shipment to Hull, and transactions are reported at £9 10s. and £9 11s. 3d. Rather more interest has been evinced in soya beans, for which £10 12s. 6d. has been accepted for a cargo on passage to Hull. Oil cakes are slow, and in average demand for the time of year.

OVERSEAS PRODUCE.

FOOD BEVERAGES, &c.

SUGAR.—A very poor market again prevailed and inherent weakness is observable in the general situation. Continued niggardly buying on the part of manufacturers and distributors, both in the U.K. and U.S.A., tends to intensify liberal offers from producing countries. Spot prices in most cases remained unaltered, with a slight concession made here and there. But trade fails to revive. T.L. granulated, ex refinery, sold, 21s. 1½d. Forward positions largely nominal. Czecho, granulated, ready, quoted, 9s. 11½d. ; November-December, 9s. 10½d. f.o.b. Hamburg. Dutch J and Dinteloord, ready, 10s. f.o.b. Rotterdam. Four steamers' cargoes, Cuban, and one San Domingo, 96 per cent., September loading, sold, 8s. c.i.f. terms U.K./Continent. White Java, July-December, to Calcutta, sellers, 11s. 4½d. ; January-March, 11s. 6d. ; c. and f. Java shipments for last month total over 93,000 tons. Terminal sections fairly active but easier owing to continued pressure to sell. Of raw, August sold 7s. 2½d. to 7s. 1½d. ; December, 7s. 7½d. to 7s. 6⅝d. ; March, 7s. 9⅜d. ; May, 8s. 1½d. White, August, sold, 9s. 3⅜d. to 9s. 3d. ; December, 9s. 9⅜d. ; March, 10s. 3d. cwt. Cuban receipts last week 64,273 tons, against 21,255 last year ; exports, 82,305, against 45,058 ; stocks, 1,417,449, against 1,232,348 ; Central workings, 2, against nil. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending June 8th totalled 111,520 tons, against 146,342 last year. Receipts last week at chief ports of Atlantic seaboard of the U.S.A., 66,000 tons, against 77,000 same time last year, meltings, 70,000, against 61,000, stocks, 699,000 against 703,000. United Kingdom imports during last month total 177,780 tons against 228,477 same time last year ; entered for home consumption, 192,659 against 191,216 ; and stocks, 186,050 against 306,050, with stocks of home-grown, 19,550 against 16,800 last year.

COFFEE.—The general tone of the market is very quiet. Supplies consisted largely of Costa Rica. Here, inferior kinds of foreign cleaned were very difficult of sale, but qualities possessing good cleaned and roast and liquor sold steadily. London cleaned ruled slow, but in some cases steady prices were realised. African steady. Costa

Time tests all things.

THE CHATWOOD SAFE

Offers the highest degree of security it is possible to buy.

It is built by craftsmen who have behind them the inspiring tradition of a firm with almost three-quarters of a century's experience.

It is offered to those who desire to have contented protection for their treasure.

It has stood the greatest of all tests—the test of time—and is accepted by Bankers throughout the world.

The Chatwood Safe is the cheapest Safe that can be bought having regard to the degree of security offered.

J.E.S.

THE CHATWOOD SECURITY

THE CHATWOOD SAFE CO., LTD.,
Bankers' Engineers,
SHREWSBURY, ENGLAND.

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended May 31.		5 Months Ended May 31.	
	1928.	1929.	1928.	1929.
I.—Food, Drink, and Tobacco—	£	£	£	£
A. Grain and flour	7,914,155	7,383,707	40,270,817	37,684,393
B. Feeding stuffs for animals	694,343	781,092	4,216,687	3,909,290
C. Meat	9,685,546	10,947,453	43,592,255	47,161,354
D. Animals, living, for food	1,038,330	991,195	5,120,468	5,708,636
E. Other food and drink, non-dutiable	16,464,099	17,337,044	83,366,339	87,383,349
F. Other food and drink, dutiable	6,244,088	5,686,544	33,128,420	30,477,198
G. Tobacco	688,254	1,115,401	6,117,277	6,125,747
Total, Class I.	42,728,815	44,242,436	215,812,263	218,449,967
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	2,735	2,225	14,861	15,388
B. Other non-metallic mining and quarry products and the like	464,978	482,019	2,246,585	2,304,469
C. Iron ore and scrap	408,833	550,925	2,071,492	2,439,251
D. Non-ferrous metalliferous ores and scrap	1,425,992	1,786,654	7,107,266	7,414,760
E. Wood and timber	2,618,653	2,584,852	10,684,406	10,493,396
F. Raw cotton and cotton waste	7,674,291	6,554,730	33,794,512	39,084,345
G. Wool, raw and waste, and woollen rags	8,234,408	7,556,715	44,116,393	38,890,207
H. Silk, raw, knubs and noils	141,475	137,362	767,587	797,640
I. Other textile materials	841,069	1,311,991	7,614,837	7,855,622
J. Oil seeds, nuts, oils, fats, resins and gums	4,137,607	3,493,464	19,307,886	19,996,629
K. Hides and skins, undressed	1,748,705	1,406,652	12,136,508	9,081,734
L. Paper-making materials	885,860	1,449,406	3,571,910	4,913,366
M. Rubber	508,140	1,067,229	6,317,919	6,632,360
N. Miscellaneous, raw materials and articles mainly unmanufactured	759,184	835,275	4,789,657	4,870,709
Total, Class II.	29,851,930	29,219,499	154,541,819	154,789,876
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	69	1,659	5,618	6,690
B. Earthenware, glass, abrasives, &c.	913,941	961,888	4,308,645	4,300,306
C. Iron and steel and manufactures thereof	2,018,722	2,319,602	10,939,385	9,882,148
D. Non-ferrous metals and manufactures thereof	2,505,675	3,240,125	13,185,437	15,143,946
E. Cutlery, hardware, implements, and instruments	702,049	733,673	3,185,177	3,586,070
F. Electrical goods and apparatus	320,885	434,557	1,749,103	2,083,515
G. Machinery	1,372,454	1,802,323	6,928,575	7,682,635
H. Manufactures of wood and timber	679,674	1,027,563	3,322,024	3,903,183
I. Cotton yarns and manufactures	821,871	872,852	4,587,849	4,291,804
J. Woollen and worsted yarns and manufactures	1,395,504	1,219,839	7,587,134	7,505,014
K. Silk and silk manufactures	1,318,467	1,100,888	6,243,151	5,712,316
L. Manufactures of other textile materials	1,258,840	1,409,890	7,022,738	7,113,811
M. Apparel	1,458,083	1,527,918	8,711,998	8,054,240
N. Chemicals, drugs, dyes and colours	1,306,454	1,342,387	6,693,146	6,721,180
O. Oils, fats, and resins, manufactured	3,103,887	4,153,072	14,659,316	18,368,480
P. Leather and manufactures thereof	1,570,641	1,323,798	8,817,568	6,284,347
Q. Paper and cardboard	1,474,082	1,566,005	6,344,890	6,873,548
R. Vehicles (including locomotives, ships, and aircraft)	807,000	1,153,872	3,862,826	4,748,981
S. Rubber manufactures	238,641	346,064	1,409,557	1,495,551
T. Miscellaneous articles, mainly or wholly manufactured	2,445,928	2,681,378	13,066,669	12,678,154
Total, Class III.	25,712,867	29,219,353	132,630,806	136,435,919
IV.—Animals, not for food	201,327	191,488	798,150	1,086,720
V.—Parcel Post, non-dutiable articles	935,349	618,811	2,209,911	2,743,912
Total	99,430,288	103,491,587	505,992,949	513,506,394

EXPORTS of PRODUCE and MANUFACTURES of the UNITED KINGDOM (Value F.O.B.)

	Month Ended May 31.		5 Months Ended May 31.	
	1928.	1929.	1928.	1929.
I.—Food, Drink, and Tobacco—	£	£	£	£
A. Grain and flour	480,125	448,381	2,474,536	2,042,424
B. Feeding stuffs for animals	317,853	286,540	1,490,196	1,529,486
C. Meat	131,869	146,883	675,937	703,372
D. Animals, living, for food	19,078	18,547	56,931	69,958
E & F. Other food and drink	2,364,948	2,921,808	12,637,870	13,428,473
G. Tobacco	733,883	781,756	3,537,182	3,862,183
Total, Class I.	4,047,756	4,603,915	20,872,652	21,635,896
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	3,500,475	4,279,204	15,911,351	18,500,401
B. Other non-metallic mining and quarry products and the like	182,146	243,370	764,682	835,344
C. Iron ore and scrap	106,933	222,507	495,951	744,396
D. Non-ferrous metalliferous ores and scrap	179,899	201,438	761,859	951,440
E. Wood and timber	42,993	40,446	184,151	161,225
F. Raw cotton and cotton waste	111,726	131,325	619,823	597,025
G. Wool, raw and waste, and woollen rags	832,124	1,123,201	4,407,758	4,793,427
H. Silk, raw, knubs and noils	2,821	2,606	17,323	14,384
I. Other textile materials	40,581	56,454	220,842	169,669
J. Oil seeds, nuts, oils, fats, resins, and gums	465,386	566,437	2,184,417	2,335,995
K. Hides and skins, undressed	262,860	319,341	1,513,724	1,565,723
L. Paper-making materials	133,852	172,618	602,780	626,285
M. Rubber	15,423	24,735	115,985	116,345
N. Miscellaneous raw materials and articles mainly unmanufactured	303,080	403,392	1,774,280	1,942,390
Total, Class II.	6,180,299	7,787,074	29,574,926	33,354,049
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	202,282	263,302	1,333,393	1,622,729
B. Earthenware, glass, abrasives, &c.	1,175,959	1,434,258	5,111,775	5,604,159
C. Iron and steel and manufactures thereof	5,632,345	6,715,254	27,636,131	29,300,669
D. Non-ferrous metals and manufactures thereof	1,494,512	1,835,025	7,490,777	7,888,075
E. Cutlery, hardware, implements, and instruments	769,501	905,548	3,621,029	3,753,460
F. Electrical goods and apparatus	992,681	1,288,888	4,959,030	5,240,664
G. Machinery	4,656,320	5,527,880	22,489,490	23,018,101
H. Manufactures of wood and timber	198,127	396,018	926,273	1,226,752
I. Cotton yarns and manufactures	11,189,579	12,328,784	61,774,900	61,726,239
J. Woollen and worsted yarns and manufactures	4,121,047	4,178,277	23,367,347	22,443,461
K. Silk and silk manufactures	198,601	165,914	969,818	875,691
L. Manufactures of other textile materials	2,591,996	2,439,932	12,246,238	11,186,167
M. Apparel	1,987,332	1,996,518	10,598,668	10,231,801
N. Chemicals, drugs, dyes, and colours	2,358,576	2,457,061	10,640,392	10,899,461
O. Oils, fats, and resins, manufactured	695,234	791,570	3,700,213	3,557,267
P. Leather and manufactures thereof	799,946	781,191	4,094,865	3,067,820
Q. Paper and cardboard	844,594	985,645	3,816,477	3,911,732
R. Vehicles (including locomotives, ships, and aircraft)	3,043,077	4,853,897	17,456,263	22,958,018
S. Rubber manufactures	330,200	351,014	1,447,844	1,436,211
T. Miscellaneous articles mainly or wholly manufactured	3,163,357	3,702,623	14,902,168	15,743,467
Total, Class III.	46,445,266	53,398,599	238,583,091	245,691,944
IV.—Animals, not for food	114,254	181,435	656,450	671,988
V.—Parcel Post	1,766,901	1,465,575	6,072,334	7,495,065
Total	58,554,476	67,436,598	295,759,453	308,848,942

Rica, fair to fine bold blue, sold, 142s. to 176s. Uganda, Robusta, 73s. 6d. to 82s. 6d.

COCOA.—Market generally quiet. Accra F/F, October-December, sold, 43s. 42s. f.o.b. Terminal, July, sold, 44s. 6d.-44s.; September, 46s. 3d.-45s. 10½d., 46s.-45s. 3d.; December, 46s. 3d., 45s. 9d.; March, 47s. 3d.-46s. 9d.

TEA.—Indian auctions amounted to 45,837 packages. There was a good general demand while parcels showing autumnal flavour were wanted. Prices in most cases manifested but little alteration. Ceylon sales of 30,683 packages received fair attention. A few finest qualities proved quite steady, also leaf teas on export account. Otherwise, irregularity ensued and prices favoured the buyer, but this was largely accounted for by falling off in quality. Java and Sumatra sales met a fair reception at easy rates. Overland samples of new season's China have arrived and show attractive quality, but comparatively high prices are required in the Hankow market. On spot, London, Keemums at 2s. 4d. were sought after, also common teas round about 8d. and siftings at 6½d. The latter are now very scarce.

RICE.—Market nominally unaltered as far as the European side of the commodity is concerned, requirements being quite retail. New crop, two stars, Rangoon, spot, London, held for 14s., with buyers at 13s. 9d.; Spanish, spot, 18s. 3d., and forward 17s.-17s. 6d. c.i.f.

BEANS.—Market quite steady, but business confined to moderate limits. Shippers of Rangoon haricots are difficult to deal with and require prices much above buyers' views. Doubtless they are encouraged in taking such a firm stand, pending developments of Danubian crop and which is likely to be on a smaller scale than usual owing to paucity and high rates current there for the bean at time of seeding. Madagascar butters, spot, London, 41s.-43s.; parcels afloat steamer "Malgache" sold to Liverpool at 39s. 6d. June-July, London, changed hands at 39s. 6d. c.i.f. Rangoon haricots, spot, London, 13s. 6d. paid; afloat quoted 13s. 6d.; and for June shippers ask 15s. 6d.; July, 16s., c.i.f.

PEAS remain dull. Japanese, spot, London, 17s.; afloat, 15s. 6d.-15s. 9d.; May-June, 16s. 6d.; new crop, September-October, 18s. 3d. cwt. c.i.f. Dutch marrowfats, 21s. 6d. f.o.b.

SPICE.—Pepper market shows general stability, reserve being marked on the part of sellers, and trade in these circumstances is somewhat curtailed. Black descriptions, spot, quoted 1s. 4¼d., white Muntok, 2s. 3⅝d. Lampong, May-July sellers, 1s. 3⅝d.; August-October buyers, 1s. 2½d.; Muntok white, May-July, quoted 2s. 3½d.; August-October, 1s. 11⅞d. lb. London stocks 19 tons higher on the week for black, but white reduced 36. Cloves steady. Zanzibar, spot, 1s. 5d.; July-August, 1s. 1½d.; August-October, 11⅛d.; October-December, 10⅜d. African ginger, spot, held for 62s. 6d. Sago flour, also tapioca, idle at the moment. Desiccated coconut, spot, halves, 30s. 9d.; forward, 28s. 9d. cwt. c.i.f.

FRUIT (Dried).—Currants. A generally quiet tone prevailed. Pyrgos quoted 44s. 6d.-45s.; Amalias, 45s. 6d.-46s.; Zante, 46s.; Vostizza, 52s.-56s. Australian sold readily at 45s.-52s. Sultanas, Smyrnas, cleared on spot, but a small quantity shortly due is offering at 44s. 6d.-45s.; Australian, new, 40s.-65s.; old, 31s.-34s.; Cape, bleached, 52s.-68s. Raisins slow. Valencia, common to good, 42s.-45s.; Lexias, new, 45s. Figs in small supply. Bags genuine, 14s.-16s.; first tide, 13s. 6d. per cwt.

EVAPORATED FRUITS.—Market generally firm and plums reservedly offered, but other descriptions move off quietly. Californian plums, 20's-30's, quoted 65s.-67s.; 30's-40's, 57s.-59s.; 60's-70's, 44s.-46s. Pears, Lake County, 80s.-100s.; Australian, 75s.-76s. Apricots: South African Royal, 57s. 6d.-117s. 6d.; Australian, 70s.-100s. Peaches, Californian, choice, 53s.; extra choice, 55s.; fancy, 60s. Apples, Californian, spot, slice, extra choice, 77s. 6d. Almonds quiet and easier. Mazagan, 127s. 6d.; Mogador, 127s. 6d.; Majorcas, 130s.; Bitter-Jordan, 180s.-210s. cwt.

CANNED GOODS.

CANNED FRUITS.—Firm conditions continue to prevail, with a good demand for most descriptions of Californian. New pack quotations, so far, appear fairly satisfactory, though offers are by no means freely made, and general position still rather obscure. Australian descriptions are disposed of without difficulty at steady rates. Singapore pines in moderate request on spot, while forward business is restricted by firmness of packers. A ready clearance was effected in South African, with Hawaiian held for full rates. Tomatoes dull of sale, both spot and forward.

CANNED FISH.—Sardines quietly steady. Portuguese clubs, *5s. per dozen tins. Lobsters firm, with moderate inquiries, and* best halves held for 145s.-155s. Salmon in fair demand and prices maintained. Red talls, spot, 44s. 6d.-46s. 6d.; pink ditto, 27s. 6d.-29s. 6d.; halves, 33s.-33s. 6d. Japanese crab firm on limited offerings, finest quality ruling at 97s. 6d.-102s. 6d.

CANNED MEAT.—Corned beef and tongues firm on light supplies. Danish boned hams sell readily at full rates, and brawn also in request.

CONDENSED MILK AND MILK POWDERS.—Market steady. Full cream, sweetened, English, spot, 42s.; Dutch, ditto, 37s.; June-July, 37s. 6d.; machine-skimmed, sweetened, English, spot, 24s. 6d.; Dutch ditto, 22s. 9d.; June-July, 23s., all in 5-cwt. barrels. Powders, Spray process, F.C., 26 per cent., 2 by 56-lb. tins, crated, 90s.; M.S. (1-cwt. cases), 41s.; roller ditto, F.C., 26 per cent., 73s.; M.S., 31s. 6d., all nett, duty paid, ex-wharf London. On the grocery side, F.C.S., 19s. 6d.; M.S.S., 9s. 3d., basis per case, usual packing. Danish cream, evaporated, unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d.; condensed, sweetened, 48 by 14 oz., 20s. per case.

HONEY.—Market generally quiet, with larger supplies available. Jamaican, white set, 55s.; good amber to fine pale, 48s.-53s.; dark to fair amber, 42s.-46s. New Zealand, dark amber, 50s.-55s.; medium, 55s.-65s.; light, 65s.-85s.; white and water whites, 65s.-87s. 6d. Fine smooth San Domingo, 55s., with lower grades down to 47s. Californian, 55s.-57s. 6d. cwt.

RUBBER.

Market steadier, fair demand. Spot and June, sold, 10⅝d.-10 11/16d.; July–September, 10 13/16d.–10⅞d.; October–December, 11⅛d.-11 1/16d.-11⅛d.; January–March, 11⅜d. London stocks increased 96 tons on the week, landings being 1,804; deliveries, 1,708; stocks, 31,635, against 42,683 at same time last year. Liverpool stocks increased 108 tons; landings, 315; deliveries, 207; stocks, 4,750.

GENERAL.

JUTE.—Market steady, but general demand quiet. *Firsts*, June–July and July–August quoted, £29 0s.; new, August–September, £30 5s. to £30 2s. 6d. Lightnings, June–July, £28 5s.; August–September, £28 5s.

HEMP.—Manila in quiet demand. J No. 2, June–August, sellers, £38; K ditto, £32 15s.; L No. 1, quoted, £33; L No. 2, £31 value; M No. 1, £30 15s.; M No. 2, £26 10s.; H, £33 5s.; G, £38 10s.; S No. 1, £53; S No. 2, £49; S No. 3, £39 10s.; C No. 2, £31 10s.; C No. 3, £28 10s. Sisal quiet. African, No. 1 Tanganyika, June–August, f.a.q., £38 10s., and No. 2, quoted, £37. Manila receipts last week, 25,000 bales, compared with 28,000 at corresponding period last week; estimate for next week, 31,000, and following week, 25,000.

SHELLAC.—In slow request. T.N., spot, 197s. 6d.; August, 196s.; October, 198s. cwt.

COPRA.—Quiet, and prices tend in buyers' favour. Straits S.D., June–July, to Rotterdam, quoted £20 17s. 6d.; Dutch East Indies, £20 15s.; Ceylon, £22; F.M. Manila to Marseilles, £19 15s.; F.M. Straits, £19 18s. 9d.; smoked, South Sea, £19 10s.; ditto, sun-dried, £19 15s.; mixed, excluding Padang, £19 15s. Palm kernels, August–September, to Hamburg, sold, £16 15s. ton.

MISCELLANEOUS.—Coconuts, quoted, 12s. to 16s. per 100. Coir yarn, Ceylon, £19 10s. to £37 10s.; Cochin, £23 to £41; Ceylon bristle, £18 15s. to £25; cinnamon leaf oil, 5½d.; citronelle, Ceylon, 1s. 10½d.; Java, 2s. 3½d.

METROPOLITAN CATTLE.—June 12.

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

	s. d.	s. d.		s. d.	s. d.
Beasts—Norfolk	6 2	6 8	Beasts—Heavy Bulls	...	...
Irish	...	...	Canadian	...	...
Cambridge	...	...	Sheep—Downs	8 4	9 0
Short Horns	...	...	Half bred	...	...
Herefords	...	...	Ewes	4 4	5 0
Devons	...	...	Scottish	...	...
Leicester runts	...	...	Lamb—Downs	11 4	12 4

LONDON POTATO MARKETS.—June 12.

	Per Cwt.	
	s. d.	s. d.
English King Edward—Lincoln	2 0	3 6
White Varieties	2 0	2 6
New Spanish	7 0	7 6
Jersey	12 0	...

Prosperity without Socialization

Is what I sought when, three years ago, I commenced an inquiry into the Economic Problem. My investigations, which extended to **all the industrial countries of Europe,** cost me

£5,000

and the whole of my time during the past three years. The results are embodied in my book,

THE MYSTERY OF THE TRADE DEPRESSION

In that book I show that the Economic Programme of every political party in this country is upon a fundamentally false basis. The Socialists will fail to solve the Economic Problem as completely as the Conservatives, and the Liberal Programme, *if carried out*, will bring disaster upon this country.

Unemployment does not arise from a decline in foreign trade. The tariffs in oversea lands are an inevitable reaction to the fatuous policy of trying to maintain employment in this country by means of an export surplus or the export of capital. Great Britain, as the world's largest exporter of capital, is the chief architect of the tariff walls of the world. The income that this country is supposed to receive from exports of capital is a financial fiction. The Free Trade issue is a false economic issue.

Those are only a few of the propositions proved in clear and precise language in my book, which can be understood in its entirety by any intelligent reader of a daily newspaper. There is not an issue of importance that is not dealt with with clearness, precision and completeness—whether it be the export trade, the inrush of cheap foreign goods, the development of the Dominions, Reparations, Industrial Unrest or the Coal industry. It is impossible to condense the subject matter of a book of 400 pages into a few sentences. I earnestly appeal to all men and women who seek **Prosperity without Socialization** to read my book, the price of which is only 7s. 6d. That is the only way by which they can discover whether I am right or wrong.

I base my claim to a hearing on this subject of vital importance to this country and to the whole Empire upon the fact that my inquiry into the Economic Problem is the only scientific inquiry that has been made. The economists have done nothing to find a solution of the Economic Problem without Socialization. During the past eight years they have betrayed their trust.

I am prepared to meet any Socialist, Liberal or Conservative politician, economist or financier in a public debate on the issues raised in my book.

"The Mystery of the Trade Depression" can be obtained direct from me at 7s. 6d. net, postage eightpence extra.

FREDERIC E. HOLSINGER,

40-43, Fleet Street, London, E.C. 4.
Telephone: Central 7769.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 3, N. Man. 496 lb....	44	6
Eng. Gas. av., per cwt.	9	7
Barley, Eng. Gas. av.	10	0
Oats, " " "	9	6
Maize, La Plata, landed, 480 lb.	37	0
Flour, Lon. stan. ex mill, 280 lb.	33	0
Rice, No. 2 Burma, per cwt.....	13	0
Sago, pearl, per cwt.	22	6
Tapioca, per cwt.—		
E.I. fake, fair spot 21	6 22	6
Medium pearl 20	0 21	9
Potatoes, good English, per ton... 50	0 70	0
New Spanish, cwt 7	0 7	6
Jersey..... 12	0 0	0
Beef, per 8 lbs.—	s. d.	s. d.
English sides.....	5 6	6 2
Argentine chilled hinds...	4 10	5 4
Mutton, per 8 lbs.—		
English wethers	6 4	7 8
N.Z. frozen "	4 0	5 2
Pork, English, per 8 lbs. ...	7 0	7 8

BACON— OTHER FOODS.

Irish .....per cwt.	110	0 130 0
Danish.....	104	0 112 0
Canadian.....	98	0 108 0
Dutch	96	0 106 0
HAMS—Irish.....	0	0 0 0
Canadian.....	118	0 0 0
American	108	0 120 0
BUTTER—		
Irish creamery per cwt.	168	0 174 0
Australian	148	0 168 0
New Zealand	164	0 172 0
Danish.....	172	0 174 0
CHEESE—		
Canadian ..... per cwt.	108	0 111 0
New Zealand	91	0 96 0
English Cheddars	nom.	
Dutch	41	0 81 0
COCOA—		
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)		
Accra f.f., per cwt.	46	0 49 0
Trinidad	60	0 63 0
Grenada	49	0 56 0
COFFEE—		
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)		
B.I., good to fine, per cwt.	145	0 155 0
Costa Rica, good to fine...	145	0 172 6
Cent. Amer., mid to fine	120	0 142 0
Kenya, bold sizes	125	0 143 0
Colombian, mid to fine...	123	0 134 0
EGGS—		
English ..... per 120	14	3 16 6
Danish.....	12	0 14 6
FRUIT—		
Oranges, Denia & Val. 300	14	0 25 0
" " 360	14	6 24 0
" " 504	15	0 20 0
Jaffa ..... " boxes 144	0	0 0 0
Lemons, Naples boxes	0	0 0 0
Sicilian ..... boxes	9	6 15 0
" .....cases	11	0 17 0
Murcia ..... half cases	0	0 0 0
Malaga ....cases 420 No. 1	0	0 0 0
Apples: Amer. (var.) brls.	0	0 0 0
" (var.) boxes	11	0 12 6
" Tasmanian boxes..	12	0 16 0

FRUIT (continued)—	s.	d.	s.	d.
Onions, Valencia :—				
case 4s.	0	0	0	0
case 5s.	0	0	0	0
Onions, Egyptian, bag	4	0	6	6
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....brls.	0	0	0	0
LARD—				
Irish bladders.....	76	0	82	0
American boxes 56 lbs.	62	0	63	3
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	3½	0	0
Black Lampong	1	4½	0	0
Cinnamon—1st sort, per lb.	2	0	2	3
Cloves—Zanzibar per lb.	1	5	0	0
Ginger—per cwt.—				
African	62	6	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	3	6	4	0
Nutmegs 55's	1	10	2	0
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	21	0	23	6
Java, white, c.i.f. India, July-Sept.	11	4½	0	0
REFINED—London—				
Yellow Crystals	20	7½	0	0
Cubes	25	0	25	6
Crushed	23	9	24	3
Granulated	21	9	22	7½
Home Grown (prompt)	21	3	21	4½
TEA—				
(Duty 3½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	0	10½	1	11½
Broken Pekoe	0	10½	2	1
Orange Pekoe.....	0	11½	2	2
Broken Orange	1	0½	2	7
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	0	10	2	9
Rhodesian leaf	0	9	1	6
Nyasaland leaf	0	9	1	8
" stripe	0	10	1	10
East Indian leaf.....	0	4½	0	7½
" strips.....	0	6	0	10

TEXTILES.

	d.
COTTON—	
Mid-American .....per lb.	10·14
Sakellaridis, f.g.f.	16·80
Yarns, 32's twist	15
60's twist	26

FLAX—	£	s.	£	s.
Livonian ZK .....per ton	79	0	0	0
Persan RS	71	0	0	0
Slanets Medium 1st sort	85	0	0	0
HEMP—				
Italian P.O. ..... per ton	58	0	0	0
Manila, June–Aug. "J2"	38	0	0	0
N.Z.		nom.		
Sisal	37	0	38	10
JUTE—				
Native 1st mks....per ton June–July	29/7/6		0/0/0	
Aug.-Sept.	30/7/6		0/0/0	

SILK—	s.	d.	s.	d.
Canton .....per lb.	14	6	16	0
Tussah.....	6	0	9	0
Japan	20	0	22	0
Italian—Raw, fr. Milan	19	0	22	0

WOOL—	d.
English Southdown, washed per lb.	23½
" Lincoln hog, washed	16½
Queensland, scd. super cmbg.	41
N.S.W. greasy, super "	23
N.Z., grsy., half-bred 50–56	19½
Crossbred 40–44	15
Tops—	
Merinos 70's	43
" 64's	40½
Crossbred 48's	24½
" 46's	23

MINERALS.

COAL—	s.	d.	s.	d.
Welsh, best Ad'ty...ton	19	9	20	0
Durham, best gas	16	0	16	6
Sheffield, best house ...	19	0	20	0

IRON AND STEEL—	£	s.	£	s.
Pig, Cleveland No. 3, ton	70	0	72	6
Bars, M'brough 215		0	0	0
Steel Rails, heavy.....170		0	0	0
Tin Plates, I.C., per box	18	6	18	9

METALS—	£	s.	£	s.
Copper, Electrolytic, ton	84/5/0		84/10/0	
Sheets (strong) 110		0	0	0
Standard	74/12/6		74/15/0	
Lead Eng. Pig ...per ton	25/0/0		0/0/0	
Soft Foreign	23/10/0		23/8/9	
Spelter G.O.B.	26/3/9		26/1/3	
Tin—English ingots ...	201/5/0		201/15/0	
Standard, cash 200/12/6			200/15/0	

MISCELLANEOUS.

CHEMICALS—	s.	d.	s.	d.
Acid, citric, per lb. less 5%	2	1	2	2
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	0	9	10
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	9
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
Sulphate Copper...per ton	£	s.	£	s.
	29	0	30	0

CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0

COPRA—	£	s.	£	s.
S.D. Straits, c.i.f., per ton June–July	£20/17/6		0	0
Smoked ditto.....	£19/15/0		0	0

DRUGS—	s.	d.	s.	d.
Camphor—				
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	13	6	13	9
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d.
Wet salted—Australian per lb.	0	5½	0	6
West Indian	0	4	0	5
Cape	0	6	0	6
Dry and Drysalted Cape...	0	9	1	0
Market Hides, London—				
Best heavy ox & heifer	0	6	0	6
Best cow	0	5½	0	5½
Best calf	1	8½	0	10½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	0
LEATHER—				
Sole Bends 8/14 lb.—				
per lb.	1	2	2	1
Bark Tanned Sole	2	6	3	3
Shoulders fm DS Hides	0	9½	1	1½
Do. Eng. or WS do.	1	1	1	7
Bellies from DS do.	0	7½	0	9½
Do. Eng. or WS do.	0	9½	1	3
Dressing Hides.....	1	6	2	0
Bo. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Bends	1	6	2	0

VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	29/0/0		0	0
Rape, refined	42	15	0	0
Cotton-seed, crude	26	10	0	0
Coconut, crude.....	30	10	0	0
Palm	30/17/6		32/15/0	
Oil Cakes, Linseed, Eng., per ton	12/5/0		12/10/0	
Oil Seeds—Linseed—				
LaPlata,p.ton June–July	15/8/9		0	0
Calcutta, p.ton June–July	17/7/6		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	45	3	0	0

MINERAL OILS—	£	s.	£	s.
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		£	s.
Pales	10/5/0		22/7/6	
Reds	11/10/0		21/12/6	
Cylinder	14/15/0		42/15/0	
Fuel—	s.	d.	s.	d.
B.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	17	5	23	9
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	10½	0	0
Fine Hard Para per lb.	0	11	0	0
SHELLAC—	£	s.	£	s.
TN Orange ... per cwt.	195	0	197	6
SHELLS—	£	s.	£	s.
W. Aust. M.-o.-P. "	4	6	12	10

TIMBER—		s.	d.	s.	d.
Swedish u/s 3 x 8	per std.	19	0	0	0
Do. 2½ x 7	"	19	0	0	0
Do. 2 x 4	"	19	0	0	0
Can'dn Spruce, Dis.	"	17	10	0	0
Pitchpine	per load	9	0	0	0
Rio Deals	per std.	32	0	0	0
Teak	per load	20	0	0	0
Honduras Mahg. logs	c. ft.	0	11	0	6
African		0	6	0	6
American Oak Boards	"	0	6	0	8
Do. Ash	"	0	6	0	8
English Oak Planks	"	0	6	0	9
Do. Ash	"	0	7	0	9
	"	0	6	0	6

THE CHINESE ENGINEERING AND MINING COMPANY LIMITED.

SIX PER CENT. FIRST MORTGAGE DEBENTURES (KAILAN BONDS).

Notice is hereby given that Coupon No. 34 for the half-year's Interest due on the 1st July, 1929, will be paid, less Income Tax, on and after that date at the following places:—

In London: The Transfer Offices of the Company, 3 London Wall Buildings, E.C. 2.

In Brussels: La Succursale de la Société Générale de Belgique (Ancienne Banque d'Outremer), 48 rue de Namur, Brussels.

In Shanghai: The Hongkong and Shanghai Banking Corporation.

The Chartered Bank of India, Australia and China; and others.

The Coupons must be left four clear days for examination.—By Order of the Board,

ALFRED W. BERRY, Secretary.

22 Austin Friars, London, E.C. 2.
14th June, 1929.

CENTRAL ARGENTINE RAILWAY, LIMITED.

Notice is hereby given that the Transfer Books of the 4% Debenture Stock and the 3½% Central Debenture Stock of the Company will be closed from the 8th to 20th June, both days inclusive, for the preparation of Interest Warrants for the half-year ending 30th June, 1929.

F. FIGHIERA, Secretary.

3A, Coleman Street,
London, W.C. 2.
6 June, 1929.

CENTRAL ARGENTINE RAILWAY, LIMITED.

Notice is hereby given that the Transfer Books of the 6% Cumulative Convertible Preference Stock will be closed from the 8th to 20th June, both days inclusive, for the preparation of Warrants for dividend.

F. FIGHIERA, Secretary.

3A, Coleman Street,
London, W.C. 2.
6th June, 1929.

BASS, RATCLIFF AND GRETTON, LIMITED

Notify that the Transfer Registers of their 4½% and 3½% Debenture and Preference Stocks will be closed from the 17th to the 30th inst., both dates inclusive, for the preparation of Warrants.

June, 1929.

SPANISH FOUR PER CENT. EXTERNAL AND INTERNAL LOANS.

The coupons due 1st July, 1929, can be presented for PAYMENT at the Bank of Spain, Bilbao House, New Broad Street, E.C., between the hours of 10 and 2, Saturdays 10 and 12.

Coupons of the 4 per cent. Internal Debt will be paid less 20 per cent. discount, by orders on Madrid at 15 days after examination thereat.

London, 14th June, 1929.

A. VALLS, Manager.

THE RIO TINTO COMPANY, LIMITED.

NOTICE IS HEREBY GIVEN pursuant to section 31 of the Companies (Consolidation) Act 1908, that the register of members of the above-named Company will be closed from the 17th day of June, 1929, till the 20th day of June, 1929, inclusive.

By Order of the Board,
R. H. BEECHER, Secretary.

INDIA

The World's Best Customer

is attracting the renewed interest of many firms anxious to share the benefits of the country's improving purchasing power, being brought about by numerous development schemes now in course of completion.

THE PIONEER PRESS OF INDIA

The London Offices of

THE PIONEER & CIVIL & MILITARY GAZETTE LTD.,

with Branches or Agents throughout India, has been enlarged to handle any enquiry, Editorial or Advertising, that may be submitted.

Write

W.T.DAY, London Manager, 11, Aldwych, W.C. 2.

(Next to Waldorf Hotel and opposite India House).

Telephone: Gerrard 1546/7.
Telegrams: "Kuttra, Estrand, London."

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, JUNE 22, 1929. No. 4,478.

ROYAL EXCHANGE ASSURANCE

Incorporated A.D. 1720.

All classes of Insurance transacted and the duties of Executor and Trustee undertaken.

For full particulars apply to:—

Head Office: Royal Exchange, London.

BANCO NACIONAL ULTRAMARINO.

STATE BANK OF THE PORTUGUESE COLONIES.

Head Office: LISBON.

Capital: Esc. 50,000,000$00 fully paid.

Established 1864.

Reserves: Esc. 50,800,000$00.

OFFICES IN THE FOLLOWING COUNTRIES:

Portugal, Portuguese East and West Africa, India, China, Timor and Brazil.

Paris Office ... 8 Rue du Helder.

Angola, Belgian Congo } Banco de Angola

New York—Trust Co. of N. America—93 Liberty Street.

AGENTS & CORRESPONDENTS IN ALL PARTS OF THE WORLD.

London Office: 9 BISHOPSGATE, E.C.2.

Telephone—London Wall 0295. *Telegrams—Ultranacio, London.*

BANCA COMMERCIALE ITALIANA.

Established in 1894. Head Office: MILAN. Capital 700 million Lire. Reserves 560 millions. Deposits 7,251 millions.

Branches in every centre of commercial and industrial importance in Italy; also in London, New York, and Constantinople.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Greece, Egypt, Morocco, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

London Office

32, Threadneedle Street, E.C.2.

A. JOEL, *Manager.*

Correspondents to the Italian Treasury.

TABLE OF CONTENTS.

The Money Market	1381
Leading Articles—	
A New Move towards Disarmament	1383
Gold and the Dollar	1384
Our Protective Duties	1384
Unemployment as an International Problem	1386
American Capital in Britain	1386
Hudson Bay Route—I.	1388
Reparations and Debts due to America	1389
Notes of the Week—	
Miners and Government	1389
Paris Conversations	1390
South African Elections	1390
The French Reverse in Morocco	1390
League Council and Minorities	1391
Safety in Aviation	1391
Iron and Steel Production in May	1391
Cost of Living	1392
Employment in May	1392
Costly British Ports	1392
American Protection and European Defence	1393
Cotton Trade Wages	1393
Lancashire Cotton Corporation	1393
Copper Producers' Position	1394
Coal Trade Reorganisation	1394
Advertisers in Conference	1394
London Life and Labour	1395
Automobile Statistics	1395
The Chilled and Frozen Meat Trade	1395
"Continuous Production" in Russia	1395
Prosperity in Belgium	1395
Trade of British Malaya	1396
Oversea Correspondence—	
United States	1396
France	1397
Germany	1398
Northern Ireland	1399
Sweden	1400
Canada	1401
Letters to the Editor—	
Group Pension Schemes	1402
Books and Publications—	
Organised Labour in the U.S.A.	1403
Marketing — a Farmers' Problem	1403
Books Received	1404
The Stock Exchange—	
London Electricity Supply Companies	1405
United Steel Reorganisation	1406
The Week in the Markets	1407
London Active Securities	1408
Foreign Stock Exchanges	1409
Tin Control	1409
British Shares in France: Handicaps Removed	1410
L.N.E.R. Debentures	1410
Lautaro Nitrate's Metamorphosis	1410
Guest, Keen and Nettlefolds	1411
Stanton Ironworks	1411
Ebbw Vale	1411
Anglo-Argentine Tramways	1412
Attock Oil	1412
Anglo-Persian Oil	1412
Royal Dutch and Shell Transport	1413
The Rand Midsummer Dividends	1413
Co. Meetings of the Week	1414
Capital Issues	1414
Company Meetings, &c.	1415
Government Returns, &c.	1420
The Bankers' Gazette—	
Bank of England	1421
Bankers' Clearing Returns	1421
Overseas Bank Returns	1421
Loan and Discount Rates	1423
Rates of Exchange	1424
Bullion	1424
Gold and Silver Prices	1424
Summary of Balance Sheets	1425
Transvaal Gold Output Statistics	1426
Weekly Traffic Returns	1426
Profit and Loss Accounts	1427
Mining Output Statistics	1428
Dividend Announcements	1428
Reports and Notices	1428
Commercial Reports—	
The Corn Trade	1430
American Wheat Markets	1430
The Coal Trade	1430
Iron and Steel	1431
Other Metals	1431
The Cotton Trade	1432
The Wool Trade	1432
Colonial Wools	1432
Hide and Leather Trades	1432
Jute Trade	1433
Vegetable Oils and Seeds	1433
Overseas Produce	1433
Price Current	1434

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d.
Colonies and Abroad, £3 1s. 0d. per annum.
Single Copies, post free, 1s. 1d.
Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.
Office: 6 Bouverie street, Fleet street, London, E.C.4.

THE MONEY MARKET.

ON Tuesday the market received a rude though not unexpected shock from the news that the United States had taken all the new gold available in the market, and also £1,117,633 of gold from the Bank. The significance of these withdrawals is discussed elsewhere in this week's

issue, but they naturally created a considerable feeling of nervousness in the market, which already was beginning to find itself short of money. July Bills were consequently marked up from 5 1/16-1/8 to 5 1/4 per cent., while the market rate of discount on three months' bills rose from a weak 5 5/16 per cent. to 5 3/8 per cent. On Thursday rates were a little lower.

* * * *

The gold withdrawals were, of course, a straight exchange operation, for early in the week the dollar rate was for a very short time as low as $4.84 23/32, whereas the gold point was given in one quarter as being $4.8495. As we point out elsewhere, it is just as well that the market should realise that no obstacles have been placed in the way of gold shipments, and to this extent the week's losses have cleared the air. The unfortunate thing is that the exchange rate responded very little to the shipment. On Tuesday dollars were quoted at $4.84 13/16, while on Thursday the rate was only $4.84 7/8, or still below the gold point. It is not impossible that a further sum in gold will be shipped on Saturday in the *Mauretania*.

* * * *

The gold position, together with the approaching end of the half-year is naturally restricting the demand for bills, and at the moment dealers are reluctant to buy. It now seems possible that the turn of the half-year will be the occasion for greater strain than had been anticipated, and already a certain quantity of bills have been discounted at the Bank, this week's return showing an expansion of £1,921,000 in Discounts and Advances. Bills too are now being offered in larger quantities, while on the other hand the loans pressed on the market by the clearing banks during the early part of this month, expire on June 28th, and are certain to be called in. Hence the rise in market rate has more than a psychological basis.

* * * *

The Bank return reveals a net gold loss of £711,000 on the week, the withdrawals on Tuesday being partially off-set by gold acquisitions at the end of last week. Fortunately for the Bank's technical position, this loss has been more than balanced by the return of £1,755,000 of notes from circulation, so that the reserve has risen by £1,044,000. The Proportion, however, has fallen from 57 3/8 to 55 5/8 per cent., the decline being mainly due to an increase of £10,682,000 in public deposits. It is not easy to interpret this last movement, but it must be remembered that money is coming in and out of the Treasury every day in a fortuitous manner, and the exact size of public deposits at the moment when the Bank makes up its weekly return is to some extent a matter of chance.

	June 20, 1929.	June 13 1929.	June 6, 1929.	May 30, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5	5	5	5	4 (Feb. 7,'29)
Banks' Deposit Rate...	3 1/2	3 1/2	3 1/2	3 1/2	2 1/2 (Feb. 7,'29)
Discount ∫ Call	3 1/4	3 1/4	3 1/4	3 1/4	2 1/2 (Feb. 7,'29)
Houses ⌊ Notice.....	3 3/4	3 3/4	3 3/4	3 3/4	2 1/2 (Feb. 7,'29)
Market rate (3 months' bills)	5 1/16	5 1/4-5/16	5 1/16	5 1/16-1/8	...

Amid the monetary events of the past twelve months, there is one fact that has largely escaped notice. This is the fall in the note circulation of £14,927,000. This contraction is partly accounted for by the return of notes formerly circulating in Southern Ireland, but this by no means explains the whole shrinkage. Whatever the cause, the development is a fortunate one for the country and also for the Bank, as it has enabled the Bank to increase its reserve, which is at the basis of the credit supply of the country. The contraction in the note circulation has in fact acted as a useful cushion to take the shock of the net gold losses of £8,190,000 incurred during the past year.

NEW YORK MARKETS.

Our New York correspondent cables: The money market has been considerably affected by the influx of gold, which amounted to $5 1/2 million net on the week, double that total being due next week. It is not now expected that the middle of the year will see any big rise in money rates. The Federal Reserve Board appears to be taking advantage of the present seasonal decline in demands for credit to take in the slack of the market, and after the Reserve holdings of bills and government securities had expanded in the middle of the month, the former this week show a decline of $27 million and the latter a decline of $30 million. Meanwhile the member banks increased their borrowings by $26 million. Total Reserve credit fell by $29 million, but the acquisition of gold brought the Reserve ratio up to 75.8 per cent., and the New York ratio to 81.1 per cent.

THE STOCK MARKETS.

Business in the Stock Markets was again restricted by the monetary situation and the absence of favourable outside news. Gilt-edged securities reacted unfavourably to the news of a large gold shipment, but a number of European bonds continued to benefit from the Reparations settlement. Liquidation of Home Railway stocks was partially checked by the publication of fairly satisfactory traffic figures. Dullness reigned in industrial shares, the public continuing to hold off the market, while professional activity was damped by a series of unfavourable rumours. Rubber shares were slightly lower on provincial selling, tea shares irregular, and oil shares quieter than for some time past. The final results of the South African elections, showing a victory for the Nationalist Party, were regarded as a bear point for Kaffirs, and Rhodesians experienced an appreciable falling-off in activity.

THE COMMODITY MARKETS.

The demand for industrial coal is increasing in some districts; conditions in South Wales have not yet improved, however, and the demand for price and output control is growing more insistent. The position of the iron and steel trades continues to be on the whole satisfactory, though the finished steel section is affected by the lack of railway and shipyard orders. Manchester trade is not yet affected by the impending labour difficulties, and is meanwhile benefiting by improved Chinese demand and fairly steady buying of fabrics for the home market. There is no change in the wool textile industries. The jute trade is quiet and prices of yarn and cloth are lower, but the level of the raw material is maintained. Hides incline to firmness, and the leather trade, though unsettled, continues its increased activity. The vegetable oil and oilseeds markets are a little more active. Wheat is firmer.

THE FOREIGN EXCHANGES.

The market opened the week quietly but livened up towards the close, when sterling, after continued weakness, revived slightly against the dollar as a result of the gold shipments to New York. The dollar rate opened at 4.84 13/16 and gradually fell away to 4.84 23/32, the lowest level reached for a very long time; but by Thursday there had been a recovery to 4.84 7/8, a large shipment of gold to New York having occurred on Tuesday. Montreal gained 1/2 at 4.88 1/2, and Paris, after going as low as 123.90, closed at 123.96, against 124.04 last week. Madrid was again irregular, and went from 33.93 to 34.35 after touching 34.80. Amsterdam moved for unknown reasons against the general tendency, as did Switzerland, the rate rising when the current was against this country and vice versa. The former lost 1/8 at 12.07 3/8, whilst the latter gained 1/4 on balance. Berlin improved steadily from 20.34 to 20.32 1/4, as did Stockholm from 18.12 3/8 to 18.09 1/4. Oslo gained 1/4 at 18.19 1/4, Copenhagen, after irregularity, losing to the same extent at 18.20 1/4. Buenos Aires, after early weakness, when 46 31/32d. was recorded, lost 1/16d. on balance at 47 3/32d. In the Far East the rupee was firm at 1s. 5 5/8d., but the yen was again weak at 1s. 9 13/16d. Batavia lost 3/4d. at 12.11 1/2. In the forward market the discounts quoted for New York narrowed to 3/16 and 15/32 cent, whilst Paris went from a premium to 1/2 discount for both periods. Brussels, from par, went to one centime premium, for both periods also. Discounts for forward Milan were rather wider at 8 and 25 centesimi, but pesetas were at enhanced premium of 6 1/2 centimos for one month and 22 centimos for three. Amsterdam was at rather narrow discounts of 1/4 and one cent, but forward Berlin was virtually unchanged. Prices in the silver market advanced 1/8d. for spot at 24 7/16d. and 1/16d. for forward at the same figure, as a result of further Chinese speculative bear covering and Indian buying at the lower levels obtainable on Saturday. The Chinese exchanges were unaffected, Hongkong remaining at 1s. 11 1/4d. and Shanghai at 24 7/8d.

A NEW MOVE TOWARDS DISARMAMENT.

On Tuesday, June 18th, the two promised speeches were duly delivered by the Prime Minister at Lossiemouth and by the United States Ambassador in London; and we now know a good deal more about the plan of operations. It is evident that the statesmen concerned in setting in motion this new move towards disarmament have been thinking a great deal about the tactics of procedure; and this is a very good sign, since the inadequacy of this kind of preparation was the direct cause of the failure of the Three-Power Naval Conference at Geneva in 1927. We should guess that, up to this point, most of the thinking has been done on the American side; and this would be natural, since Mr Hoover and his Cabinet have been in office for seven months, whereas the political leaders in this country have only just emerged from a general election, in which they had neither the time to think out plans of international action nor the foreknowledge whether they themselves would be returned to power. We may presume, however, that the definite plan of action which General Dawes unfolded in his speech on Tuesday night had been talked over between him and Mr MacDonald during their meeting on Sunday; and that it was made public, with Mr MacDonald's approbation, as a line of policy which the British Government as well as the American Government regards with favour.

Meanwhile, Mr MacDonald has made one very statesmanlike and very important contribution, on which he evidently intends to lay stress, since he referred to it in the *communiqué* regarding his talk with General Dawes, in his speech at Lossiemouth on Tuesday and in his message to the Pilgrims which was read out before General Dawes delivered his speech in London that same evening. On each occasion, he took pains to declare that the conversations now beginning are not to be exclusive, but inclusive; that there is no question of the United States and Great Britain coming to an agreement *à deux* and then confronting the other countries of the world with a *fait accompli* and expecting combined pressure to impose their will. Mr MacDonald has intimated that he intends, in the course of the summer, to pay a personal visit to President Hoover; and this is good hearing; but in this connexion he added that his conception of the negotiations that have now been opened was that "of a big world movement," and in his message to the Pilgrims he added: "It is a great world impulse to get side by side which both America and ourselves are feeling."

This is true fact and sound statesmanship; and it is also an aspect of the disarmament problem which is perhaps especially prominent from the British point of view. For the United States, the practical issue is simpler than it is for us. If the United States can arrive at an agreement for a reduction of naval armaments with Great Britain, she has a fair assurance that Japan will come into line, seeing that in 1927, and ever since, Japan has shown a sincere and steady desire to secure a reduction in naval armaments all round, if only Great Britain and the United States would fall into line. When once an Anglo-American naval agreement had been translated into an agreement between all the three principal naval powers of the world, the disarmament problem would be as good as solved as far as the United States was concerned; for the United States has to consider no foreign navies except the British and the Japanese, and no foreign air forces or land armies at all. For Great Britain the problem is not so simple; for if we sought a tripartite British-American-Japanese naval agreement and actually secured one that was satisfactory to all three Powers, we should still have to reckon with the French and Italian navies in the Mediterranean and with the air forces and the land armies of all the European Continental Powers. We are therefore bound to envisage the problem of naval disarmament as a problem which involves all navies and which opens up the further problems of disarmament in the air and on land. It is satisfactory that the former of these two propositions, at any rate, is accepted by General Dawes; for on Tuesday night he prefaced his suggestions regarding procedure by remarking that "agreement upon a method of negotiation must concern, from the very beginning, all interested naval Powers and should have not a partial but a world sanction."

General Dawes's suggestions for procedure were an example of that use of the empirical method which always appeals to the English-speaking peoples and which has repeatedly shown them the way to great practical achievements. The theme which ran like a thread through this part of his speech was given in a quotation from Burke. "Politics ought to be adjusted not to human reasonings but to human nature, of which the reason is but a part, and by no means the greatest part." He illustrated this thesis from the history of the Reparations question. Reason suggested that it should be handled by experts and statesmen working together. Painful experience of the impracticability of this method led to the accidental discovery that the proper method for solving an international problem that involved a separate technical and political problem in each country was to set independent experts to work upon it first, and then to submit the formula at which the experts had arrived to a conference of statesmen. This endeavour revealed that this was the way to get on the right side of human nature, or, in other words, the way to get things done. Thereupon, General Dawes applied this experience to the Naval Disarmament question, and drew the inference that the naval experts must get to work first upon the technical task of devising a "yard-stick" for the quantitative comparison of naval strengths; and that the statesmen should afterwards meet separately to consider the results and to translate them into political terms. So far, he followed the analogy of the procedure which had proved successful when applied to the Reparations problem in 1924; but at this point he proposed a vital difference in procedure on the pertinent ground that human nature would react differently in the different circumstances of the case. "Should a commission composed of the representatives of each navy concerned meet to reach agreement upon this 'yard-stick,' they would be asked to agree upon something the use of which will reduce in number the idols of their hearts—the ships of their navies. . . . I will say frankly," he declared, "that from a commission of naval experts of the respective nations meeting together and called to evolve a final definition of the naval 'yard-stick,' I personally should expect a failure to agree." General Dawes made his point in a manner at which no naval officer could take offence; for he made it clear that he was offering no special criticism of the naval profession but was proceeding on a general view of human nature which might be expected in any similar circumstaces to react in a similar way. Yet the courtesy and good feeling with which he made his point do not detract from the importance of it. It amounts to this. The American Ambassador proposes—and we may take this to mean that the American President proposes and the British Prime Minister approves—a procedure in which the naval experts are to play a closely circumscribed part. They are not to participate in the final political conference, which is to be attended by statesmen alone. They are not to have a preliminary technical conference of their own, corresponding to the work done by the two commissions of financial and economic experts before the London Reparations Conference of 1924. Their functions are to be limited to providing their respective Governments with suggestions for a "yard-stick" formula, which the statesmen, meeting alone in an international conference, are then to compare and adjust as the first step towards working out a solution of the naval disarmament problem in political terms.

What are these political terms to be? Some people feel that it is a mistake to make a frontal attack on the problem of naval disarmament without first having arrived at an agreement, or at least explored the ground for an agreement, on the question of maritime law in wartime. Other people point out that, in any future war, one of the combatants will have violated the Kellogg Pact *ex hypothesi;* and that since all the fully self-governing States in the world have become parties to the Pact, there can never again be the old division between "belligerents" and "neutrals" in the old meaning of those terms. Therefore, it is argued, the right starting point, from now onwards, for all discussion of disarmament is the [redacted]

Pact itself; and it is significant that General Dawes did start from the Pact in his speech on Tuesday. He declared that the achievement of the Pact "has one of its first effects in a pronounced change in the form of the international discussion of the world's peace. The closing of the discussion upon the form of the expression of the principle and the inception of the discussion of the practical methods by which to make it effective, prove the existence of a general determination to make the treaty not a mere gesture but the foundation of an era of international harmony." That is to say that the Kellogg Pact was not America's last word but her first.

GOLD AND THE DOLLAR.

On May 25th the dollar exchange fell to $4.84\frac{7}{8}$, and since that date has, with one or two exceptions, remained below $4.85, the point at which it pays America to draw gold from the Bank of England. On June 5th, £258,000 was bought from the Bank on American account, but except for this isolated movement nothing untoward occurred until Tuesday, June 18th. On that day, American interests bought £500,000 of new gold in the market, this being the whole of the balance available after satisfying the needs of India and the trade, and in addition took £1,117,633 from the Bank. The money market promptly responded by raising the discount rate on three months' bills from $5\frac{5}{32}$ to $5\frac{3}{8}$ per cent.

This is the bald monetary history of the past three weeks, and there is no doubt that it has given the City a rude shock. If, so the market argues, America takes gold from us at a time when there is no seasonal strain upon the exchanges, when our export trade is relatively good and, above all, when call rate in New York is at the unattractive level of 7 per cent., what are we to expect next autumn when conditions cease to be in our favour, and instead will have turned against us? This is the feeling abroad in the City to-day, and it is one that is hard to contradict. The market, too, recalls that between February 7th and June 5th, the Bank only gained £14,000,000 in gold, and concludes that once the Bank has lost those fourteen millions, its gold stocks will be down to what the market considers to be a minimum level of £150,000,000.

Now what are the facts of the case? To take the good items first, it cannot be emphasised too strongly that the Bank is in no way bound to keep its gold stocks above £150,000,000. It is true that this figure is the one suggested in the Cunliffe Report of eleven years ago, but the whole monetary position has radically changed since then, and we are certain that the Bank attaches no importance at all to that figure to-day. It is true that last February the Bank rate was raised just at the moment when the Bank's gold stocks happened to fall below £150,000,000, but we are satisfied that this is to be regarded as a pure coincidence, for since the amalgamation of the note issues there is no special significance attaching to that figure. Naturally, the Bank cannot afford to lose gold indefinitely; but the market should realise that, under present conditions, the Bank has a greater margin in hand and more freedom of action than the theory of a minimum limit of £150,000,000 implies.

If between now and October America took from London all the new gold in the market, and an additional £10,000,000 besides, a serious situation would arise, and it cannot be gainsaid that such a development is at least not impossible. Still, the low lever of current cotton and grain prices is a point in our favour, and so, too, is the more restrained tone now apparent on Wall Street. On the other hand, to come to the crux of the whole position, Europe is having to pay her debts and is looking to London to arrange the necessary exchange.

The primary cause of the low level of sterling in New York appears to be the need some dealers have of covering forward sales of dollars made some time ago to those responsible for preparing for French debt payments. The actual sum at stake is thought to be only some two or three million pounds, and if this estimate is correct, another £500,000 out of the Bank will probably settle the matter. Unfortunately, this incident must properly be regarded as a symptom of the general *malaise* created by the transfer of debt money from Europe to America. Last year, between January 1st and April 30th, European capital issues on the American markets totalled $561 million, but this year the corresponding figure was only $217 million, while this year, in addition to the normal debt transfers, $400 million have had to be found in preparation for the repayment of the French commercial debt due next August. In other words, this year America is relending less and Europe is having to repay more, and if this year's American re-sales of European securities are also given their proper weight, the balance is heavily against sterling.

There is no need for undue anxiety as to the immediate outlook, nor is any change in Bank rate likely, before the holidays. In fact, this week's gold losses have in one respect been productive of good. Until last Tuesday it was common talk in the City that an unofficial embargo was in existence to prevent undesired gold imports into America, and this talk found expression in one or two unsubstantiated rumours, which have since been reduced to their true bearings. An atmosphere of this kind was thoroughly unwholesome. Either England and America are on the gold standard or they are not, but in either case the public of both countries have a right to know where they stand. A situation in which an official adherence to the gold standard is combined with its unofficial abandonment would mean that we have the disadvantages of both alternatives with the added troubles arising from an atmosphere of mystery. That atmosphere has now been dispelled, and it has been made clear to the world that the gold standard and nothing else is in force. From this standpoint, the recent gold shipments should create rather than destroy confidence.

To come to the more distant outlook, much depends upon the terms upon which France has to repay her $400,000,000 commercial debt to America. Strictly speaking, the whole sum is due next August, but if the French debt agreements are ratified, repayment will be spread over a term of years. Now there is good ground for believing that France to-day holds the whole of the exchange required for repayment, and indeed the purchase of this exchange may well have contributed to the present weakness of the pound. Thus if immediate repayment is not required, France will be in possession next autumn of a big reserve of dollars, part of which she can, if she so wishes, turn into sterling, and so ease the autumnal strain upon the pound.

For the rest, the market would be well advised not to try to look ahead further than it can. The autumn is likely to be a difficult time, and the possibility of a higher Bank rate must not be ruled out of account. Still, much can happen, for good as well as for evil, between now and next September, and the old adage of not trying to cross your fences before you reach them is one that the market might well bear in mind to-day.

OUR PROTECTIVE DUTIES.

Speculation is rife as to the fate of the various Customs Tariffs which were imposed by the late Government. As to their merits, of course, opinions differ. Our own have already, in former articles, been made quite clear. But (such questions apart) there is general agreement that some early pronouncement is desirable, if trade is not to be injured by prolonged uncertainty. Mr Snowden's precise intentions are his own secret. He may decide to take an early opportunity to foreshadow them, *e.g.*, on the occasion of his introducing the outstanding 1929 Finance legislation, which is apparently to come next month. But in any case it may be convenient now to survey the various duties from the point of view of their constitutional position, with regard to which they do not all stand on an equal footing.

The McKenna Duties formerly were imposed from year to year; but in the 1925 Finance Act they were placed on a permanent footing, and they were extended in 1926 (for the sake of "simplicity") to commercial vehicles; in 1927 (for the sake of "symmetry") to motor tyres. They do not, however, affect merely the motor trade. They include clocks, watches, musical instruments and cinematograph films. There can be no question of letting these duties "lapse." They will continue unless and until they are definitely repealed by Act of Parliament. Mr Snowden's hostility to them is well known.

Next, there are the Safeguarding Duties, which fall into two main classes: (*a*) The Key Industry Duties, formerly imposed under Part 1 of the Safeguarding of Industries Act, 1921, which, in respect of these duties, was re-enacted in the Finance Act, 1926, to run for a further period of ten years from that date. (Certain increases were then made in some of these duties and further items added.) These Key Industry Duties, therefore, will continue in force until 1936, unless, meanwhile, they are repealed or modified by Act of Parliament. (*b*) A series of Safeguarding Duties imposed after special Committee Enquiries, beginning with the lace duty and ending with the duty on enamelled hollow-ware, which was tacked on to the Finance Bill of last year. Each of these duties was imposed under statute to run for a period of five years from the date of imposition. The following is the complete list, with respective dates of expiry, viz.:—

Lace and certain embroidery—to June 30, 1930.
Cutlery, fabric and leather gloves, gas mantles—to December 22, 1930.
Packing and wrapping paper—to April, 1931.
Translucent and vitrified pottery (tableware)—to April, 1932.
Buttons—to April, 1933.
Enamelled hollow-ware—to June, 1933.

Thirdly, there are the Silk Duties. These are somewhat different from the rest, in that they were introduced by Mr Churchill ostensibly for revenue purposes only, and they include a countervailing excise on artificial silk as well as Customs duties extending, in the case of silk, to the basic imported raw material. But before these "Churchill" duties emerged on the Statute Book they had acquired a definitely protective element; so much so that the political "safeguarders" in their propaganda have persistently included the silk and artificial silk figures in their tables for purposes of showing the effects of "safeguarding." These duties occupy at present the same statutory position as the McKenna Duties, and will continued indefinitely until they are repealed (or modified) by Act of Parliament.

Finally, reference should be made to the Dyestuffs Act, which, though it does not involve Customs "duties," is to a great extent involved with the same controversy. This Act is a Prohibition Act, making it illegal to import dyestuffs (of a very wide range) except under licence obtained from the Board of Trade Committee. The Dyestuffs (Regulation) Act, 1920, is due to expire on January 15, 1931, and it contains the following remarkable clause: "The provisions of this Act to continue in force for a period of ten years from the commencement thereof *and no longer*." The unusual addition of these last three words emphasises the original intention of the legislators, that the protection should not extend beyond the appointed term, and it is doubtful whether its re-enactment would be practicable without the concurrence of the colour users, who have indicated very clearly their unwillingness to acquiesce in its extension on the present basis.

Mr Snowden's intentions towards these tariffs are a subject of general speculation. He might, of course, interfere with the duties before next April; but this is not thought likely. At the time of next year's Budget he might elect, say, to repeal the McKenna Duties, and, at the same time, to announce that the Lace Duty would be allowed to lapse at the end of its term (in June, 1930), and likewise the Cutlery, Gas Mantle and Glove Duties (in December, 1930). In that event, will the later Safeguarding Duties also be allowed to run their course, or will they be repealed in advance? On this point some interest attaches to the Balfour Committee's Report, which was issued last February. After surveying the Safeguarding Duties, that Committee suggested that the data available so far were quite inconclusive as to "results." Some members of the Committee (how many we are not told) recommended that, "in the national interests, both the Safeguarding Duties and the McKenna Duties should be repealed." The rest of the Committee, however, suggested that "the principle of stability" seemed to require that the duties "should not be disturbed" until (under the new machinery which this Committee proposed) there should have been gathered more complete data as to the general effect on prices, production, export, etc. They also suggested that at least a year before any safeguarding duty was due to expire it should automatically be referred to a Board of Trade Committee for careful review. Such suggestions open up a wide field for discussion which cannot be traversed here. It remains to comment that the Key Industry Duties in the main have not met with the same violent antagonism as the other duties. They rest at any rate on a more clearly defined basis of objective, and may possibly be tolerated longer.

Lastly, when Mr Snowden in November definitely recommitted himself in the House of Commons to the statement that "at the first possible practical opportunity" the "protective" duties proposed by the late Government would be "repealed," is it safe (some are asking) to assume that he meant to include the Silk Duties? In any case, when considering the question of the possible repeal of the Silk Duties we come up against the question of revenue. It was an objection raised specifically by Mr Snowden, in criticism of the protectionist adventures of the late Government, that in a space of three or four years they might create vested interests which it would take a new Government some time to dislodge. It was evident that he had in mind not least the vested interest of the Treasury. The problem he thus envisaged Mr Snowden now has to face. The net receipts from the silk and artificial silk duties are no less than £5 million per annum; indeed, they constitute nearly half of the net receipts of the whole range of these protective

The New York Trust Company

Capital, Surplus & Undivided Profits - $44,000,000

COMPLETE INTERNATIONAL
BANKING FACILITIES

100 Broadway New York City

duties. A possible solution of this difficulty would be to increase the internal Excise to an equality with the import duty. The Key Industry Duties yield approximately £650,000 per annum; the other Safeguarding Duties about £1½ million; while the McKenna Duties bring to the Treasury approximately £3½ million. This is a summary of the principal factors in the case, and the next move is with Mr Snowden.

UNEMPLOYMENT AS AN INTERNATIONAL PROBLEM.

It has become increasingly clear of late years that in addition to the numerous and important local causes of unemployment within each country, there are many phases of the problem which have their origin in the close economic interdependence of nations, and can only be dealt with internationally. The purpose of the Report* just published by the International Labour Office is to examine certain of these international aspects of the problem and to suggest appropriate international action.

The first section of the Report is devoted to an examination of the relation between unemployment and price fluctuations. An imposing collection of graphs for seventeen countries is marshalled in illustration of this connection, but the issue was apparently prejudged, for the Report says: "If the observed facts did not reveal a broad correspondence between the changes in the price level and the movements of unemployment, the inference would be, not that the movement of prices does not react on the labour market in the directions indicated, but simply that other and stronger forces have acted in a contrary direction. Where, however, the expected correspondence is found to exist in the majority of cases, this will be evidence that the monetary factor really does influence the labour market." Heads we win, tails you lose. The correlation was found to exist, and the authors of the Report conclude that the level of unemployment is affected by changes in the price level. It would be as logical to infer from appropriate statistics that shipping in the Baltic is held up by exceptional prosperity among British plumbers; a correlation of this kind may imply a causal relation, but far more frequently is the result of a cause common to both sets of variations. However, the desirability of measures to prevent fluctuations in the value of gold is generally accepted, and the question has been brought before successive international conferences, until in December last the Council of the League, on the recommendation of the Financial Committee, approved the proposal to constitute a special committee to examine and report on the causes of fluctuations in the purchasing power of gold and their effect on the economic life of nations.

The Report then turns to a detailed examination of unemployment in coalmining and in the textile industries. In coalmining it finds that variations in output during the last eight years have been the resultant of opposite fluctuations in the production of Europe and the United States. Within Europe there has been a similar tendency to inverse variation of the British and German figures. This suggests that there is considerable scope here for the introduction of greater stability by the conclusion of agreements between the principal producing countries. Any such international action would have thus as its nucleus an agreement between Great Britain and Germany.

As might be expected from these variations in output, employment also varies inversely in the different producing countries, an increase in the figure of two or three countries being invariably accompanied by a fall in those of some others. This, again, points to the necessity of international action, though it also appears clear that there is a surplus of miners in each of the principal countries which must be reduced by local action in the direction of pensioning, and of transference to other occupations.

The problem in the textile industries is somewhat different and arises, broadly, from fashion changes and reduced purchasing power on the one hand and from growing industrialisation of oriental countries on the other. Within each branch of the industries there are wide fluctuations, due partly to their competition with each other, partly to changes in fashion and to fluctuations in general prosperity, partly to unavoidable variations in raw material prices. In cotton the total volume of international trade has diminished owing to an increasing tendency on the part of a large number of countries to produce for themselves what they used to import. This is most marked in the case of China and India, but Canada, Brazil, Italy and the United States are also developing their own production, and Japan is not only satisfying more of her home demand but is also competing with increasing vigour in the international market. How far these developments apply to the coarse trade only is not clearly brought out, but the point is made that those countries which at present only compete in the coarser branches of the trade are not likely to remain limited in that way for ever. Similar conditions are observed in the wool textile trades, and have severely increased unemployment in those countries which produce largely for export. Where production is for the home market it has been badly hit by the diminution in purchasing power consequent upon general trade depression. The changed international situation is the predominant influence, and it is therefore the opinion of the framers of this Report that even if the most optimistic view of trade recovery be taken, it will remain necessary to transfer a certain number of surplus textile workers to other industries. Their proposals for international remedies scarcely go beyond improved organisation for the collection and dissemination of knowledge, with a view to more accurate business forecasting.

Lastly, the International Labour Office addresses itself to the question of international migration as a contributary solution of the unemployment problem. There appears to be little to be hoped for in this direction, since not only are emigrants actuated more by conditions in the country to which they are going than by those in the country they leave, but also, since they are usually men of the more successful and prosperous type, the effect of their departure on the labour market of their own country is highly intricate and problematical. Any *a priori* conclusions on this subject which might be formed are apt to be upset by the complicated regulations governing both immigration and emigration which are at present in force in most countries. The most hopeful sign lies in the development of the practice of concluding bilateral agreements which have as their object the regulation of migration in such a way as to secure the maximum of benefit alike to the country of immigration and to that of emigration.

* "Unemployment: Some International Aspects, 1920–28." P. S. King & Sons, 14, Great Smith Street, S.W. 5s.

AMERICAN CAPITAL IN BRITAIN.

In our last two issues we have discussed in our Stock Exchange section the much-debated question of American buying of British securities and the attempts which have been made by certain companies to prevent, or to limit, the holding of shares by American investors. The debate raises issues of wide national importance, and we, therefore, propose briefly to summarise some of the conclusions reached and to make some general comments from the point of view of national interest.

At the outset it is important to distinguish arguments which relate to any influx of American capital into British industry from those relating to buying for control. As regards the former, there can on consideration be no room for serious difference of opinion. It is a cardinal point of British commercial policy to encourage the greatest possible freedom in the international movement of capital, and to support without reservation the resolution on this subject passed by the Stockholm Conference of the International Chamber of Commerce in 1927, which runs as follows:—

FREE MOVEMENT OF CAPITAL.

The Congress,

Considering that after the great dislocation of the world economic conditions which have been a consequence of the war, a readjustment to the new conditions can only be attained within reasonable time if the most complete freedom is given to all factors of production and among them particularly to capital,

Considering that the relative freedom of movement which has been allowed to capital has been one of the most powerful agents in the work of reconstruction which has already been completed.

Considering that it is of primary interest to commerce as well as to industry and agriculture that it shall be possible to have free capital transferred with the least friction and delay to such occupations for which it is most urgently needed, and without such restrictions as only tend to render the condition for the borrower more burdensome,

Considering, finally, the great advantage that lending countries generally will derive from the development of the productive powers and of the buying capacity of the borrowing countries,

Recommends that all prohibitions and all other artificial hindrances laid in the way of the free international movement of capital should be removed.

Those who drafted this resolution were clearly thinking primarily of attempts by nations to prevent their capital going abroad. But its underlying principle applies equally to measures designed to limit the importation of capital. The Bill for the reservation of coastwise shipping, recently before the Indian Legislative Assembly, and similar suggestions for obstructing the investment of external in favour of national capital, are examples of a tendency which exists in many countries. It would be suicidal for the country which is still the largest lender in the world to foster these tendencies by similar action.

Attempts have been made to support the case by the argument that American investment on a large scale in England would imperil the balance of our international payments. Two ideas are current in this connection. One is that, by importing capital, we shall incur an obligation for interest which will neutralise our interest receipts from abroad. The other is that the stability of our international position may be imperilled because of the possibility that foreign holders may at any moment convert their claims in this country into cash and withdraw them. The first point ignores the fact that our exports of capital at the present moment very greatly exceed our imports of capital, the balance added last year, for example, to our net foreign holdings being about 150 millions sterling. While we have to pay increasing sums to foreign investors in England, our receipts of interest from abroad are rising still faster. Indeed, this whole question of our balance of international payments can only be brought into focus if we remember that in recent years there has been growing up in the case both of America and ourselves, and, indeed, to a lesser extent with all other lenders, a simultaneous process of borrowing and lending. Three years ago those who were worried about our balance of trade position were constantly urging that we were in danger because Britain was "borrowing short and lending long." The present complaint is that we are borrowing long, *i.e.*, that foreigners are putting their money into so-called permanent investments. The fact is, of course, that this distinction is largely illusory. If foreigners wish to withdraw their capital from Britain they will sell out their investments almost as readily as they will withdraw their bank balances. It must be frankly recognised that, to the extent that the market for capital is international, inevitably it means that great financial centres are liable to feel not merely the ripples, but also great waves of capital movement. This international situation, however, has its compensations, for if foreigners can withdraw their resources from Britain, we have much larger resources which, in an emergency, we can withdraw from other countries. If the situation makes us susceptible to other people's troubles and risks, it equally enables us to spread our own.

Again, the existence of an international market has an important influence on the rate of interest. While we were relatively the largest producer of capital in the world and had the lowest rate of interest, the internationalisation of the capital market tended to raise our own rate and lower that charged to foreign borrowers. But in present conditions the rate of interest, as measured by the yield on industrial investments, is lower in America than here, and the influx of American capital is tending to lower the return required from industrial investments in Britain. This is an advantage to an increasing number of British industrialists. Before the war it was frequently said, and with some justification, that British savings invested on the London market went predominantly abroad, whereas the industrialist borrowed from his banker or on the local Stock Exchange. To-day the situation is very different; for the industrial borrower has begun to tap the capital resources of London on a very large scale. The fact that the pool from which he draws to-day is fed not merely from British but also from foreign sources is unquestionably to his advantage. On balance, then, we may take it that the utmost freedom of investment in all countries of the world is to the advantage not only of British lenders and of those who benefit from the trade, transport and business of all kinds which follows this stream of capital, but also of home producers in their capacity as borrowers.

But are these considerations, powerful though they may be, more than offset if the investment from abroad is made with a view to securing control? Again, let us remember at the outset that a vast volume of British business all over the world has been built up on the assumption that, in general, foreign enterprise in a country is not only innocent, but is in the economic interests of the country concerned. In view of the railways, banks and other numberless enterprises overseas which have been organised and run by boards of directors in London, it is very late in the day and would be flying in the face of the experience of the nineteenth century for Britain, of all nations, to suggest that there is anything either derogatory to national pride or damaging to national economic interests in such a system.

So far as the recent discussion in regard to American buying is concerned, there are, broadly, three reasons which have been suggested for Americans desiring to obtain control of British firms. The first and least important is to permit them to exploit the British market. In this respect a foreign controlled firm is certainly in no better position, and is probably in a worse position than a British controlled firm attempting to do this. As far as public utilities are concerned, the public depends in both cases on State regulation of fares, charges for gas, electricity, etc. In more competitive commodities our chief protection is our Free Trade system. The second alleged reason is that control is a step towards the organisation of international combinations. We cannot go fully into this question here, but shortly it may be said that a certain degree of organisation involving standardisation of methods or even attempts to stabilise production and markets, may be to the advantage of the consuming public; but, of course, such organisations also may involve the danger of monopoly. We do not believe that tinkering by individual companies with their articles of association is at all a satisfactory way of dealing with this problem. If international combinations become a danger these defects must be met by State or even international action. The suggestion that such organisations might bring British enterprise under the domination of foreign ideas and foreign methods leaves us entirely calm. If the nationals of other countries can manage our enterprises better than our own people, it is high time that they took on the job. Experience, however, does not suggest that this is a very probable result. The story of the White Star Line, which passed under American financial control a quarter of a century ago, but remained under British management, and has now returned to British ownership, is a case in point which should do something to persuade the fainthearted that British business men, though no doubt they have much to learn from other countries, know how to run their business under British conditions better than anyone else.

Finally, there remains the argument special to certain recent incidents, that Americans may sometimes wish to

LEGAL & GENERAL
ASSURANCE SOCIETY LIMITED
Established 1836.
SPECIAL POLICIES
Name and Arms, Marriage, Sanity, etc.
Head Office: 10, FLEET STREET, LONDON, E.C. 4.
near Temple Bar.
Assets Exceed - - £20,750,000
General Manager: W. A. WORKMAN, F.I.A.

buy public utilities or sales undertakings in Britain in order to ensure that orders may be placed with American factories. In reply to this, we can only say that recent experience has shown that it is worth while for American capitalists to start the manufacture in this country of goods which are also manufactured in the United States —and, of course, in a field far wider than that which is covered by Safeguarding or McKenna Duties. The reasons for this are low costs of production under our Free Trade system, our geographical position, and our facilities for distribution. This question of cost is, in fact, the crux of the whole matter. It might, under very exceptional circumstances, be worth while to buy an enterprise in order to place certain orders in the United States, but it could not pay as a regular policy to equip a British works with American plant at higher prices than could be obtained here unless the enterprise in question had a monopoly, and this, as we have said, is a matter for the State.

To sum up, our previous articles have shown that the extent of the "invasion" has been greatly over-estimated, in any case the obtaining of control is no easy matter owing to the wide diffusion of ownership, while the measures adopted to check it have produced many unexpected reactions and revealed unsuspected difficulties. But, even if the movement had gone much further than is actually the case, the idea of restriction would be a most dangerous idea for us to entertain, and would encourage reprisals which, if successful, would deal a most damaging blow at our whole economic situation.

THE HUDSON BAY ROUTE.—I.

(BY OUR OTTAWA CORRESPONDENT.)

SINCE the war there has been no more notable development in Canada than the changes which have been accomplished or are afoot in her transportation arrangements. Before the war practically all Canada's export and import trade with other countries than the United States was conducted in summer through the St. Lawrence route and in winter via the Atlantic ports of Halifax, St. John, and Portland, Maine.

But the opening of the Panama Canal for commercial traffic in July, 1920, which shortened the water route between Vancouver and Europe by 5,600 miles, between Montreal and Yokohama by 3,000 miles, between Montreal and Sydney by 3,500, and created a water route of 7,260 miles between Vancouver and Montreal, has already effected a serious diversion in the currents of Canadian trade. Canadian traffic immediately began to use the canal, and, in the year ending June 30, 1921, it moved through it in both directions and to and from both coasts of Canada to the extent of 308,171 tons. By 1924 this Canadian traffic had mounted to 1,672,069 tons, and the succeeding years have seen steady gains, until, in the year ending June 30, 1928, it amounted to 3,677,095 tons. However, the traffic is somewhat one-sided, for out of these 3,677,171 tons no less than 2,845,675 tons consist of export shipments from the western ports of Canada, chiefly grain to Europe and lumber to the east coast of North America. Ten years ago only a meagre quantity of prairie grain was shipped out each year from Vancouver, but this port has been attracting more and more grain to itself each year, and, during the present crop year, between August 1, 1928, and May 10, 1929, there were exported from it 87 million bushels of grain, as compared with 308 million bushels via the head of the Great Lakes; last year Vancouver's proportion was even higher, because the early harvest of 1928 favoured the Lakes' route. Again, Vancouver is every year becoming in an increasing degree the import entrepôt for the western half of the prairie province, and has been diverting to itself a large volume of imports which used to reach the consumer via Winnipeg. In some classes of goods, indeed, the water route from Montreal to Vancouver is now an effective competitor to the 2,905-mile rail route between these points, and Eastern manufacturers are using it.

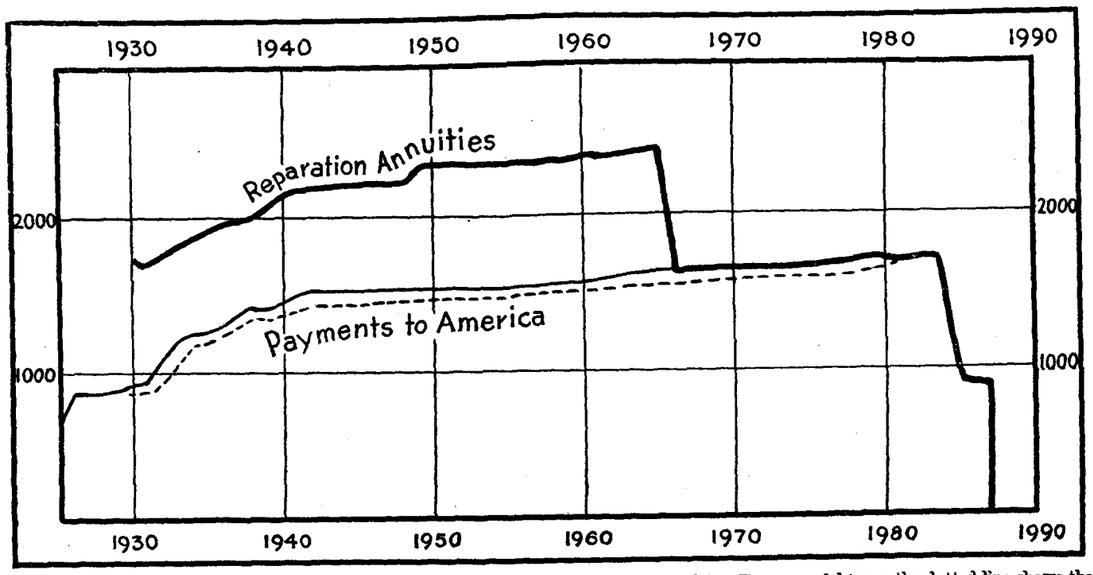
Naturally, places like Winnipeg and a variety of interests which were established on the Great Lakes-St. Lawrence water-way do not relish this change in traffic current, and now they are confronted with a fresh menace to their fortunes in the New Hudson Bay route, now within measurable distance of availability for traffic, which will offer a new channel of communication between the western prairies and Europe. The Hudson Bay is a great salt-water basin which cuts deep into the heart of the Dominion, measuring 1,000 miles at its greatest length from north to south and 600 miles from east to west at its greatest breadth. Its gateway into the Atlantic Ocean is known as the Hudson Strait, which is 500 miles long and has an average breadth of 100 miles. These waters have been frequented by navigators for centuries, and have been the trading route utilised by the vessels of the Hudson Bay Co. which brought supplies from England and took back furs; it was by this route, too, that the first agricultural settlers of Western Canada, a group of Highland Scots, brought out by Lord Selkirk more than a century ago, reached Manitoba.

The pioneers of Manitoba, groaning under the heavy freight rates imposed by the Canadian Pacific Railway in its days of monopoly, always harboured the notion that a cheaper alternative route was available through the Hudson Bay, and when the prairies became settled and began to export their grain and other produce there were recurring agitations for the development of the West's original outlet for its commerce. The prairies became increasingly conscious of their transportation handicaps; they found themselves producing 60 per cent. of the commodities which sustained the export trade of the Dominion, but, on the other hand, the manufacturing industries of the country were located chiefly in Ontario and Quebec, within reasonable distance of tidewater, from which the prairie farmers were far removed. They found themselves under a triple handicap, selling in the world market at world prices and buying in a protected market at artificially enhanced prices, and incurring the additional penalty of heavy transportation charges on sales and purchases alike. Such circumstances have made it almost inevitable that most of the two million denizens of the prairies should be resolute anti-protectionists and persistent advocates of new routes which would reduce the cost of transporting their grain, livestock and dairy products to the seaboard. Ottawa, however, dominated by Eastern interests, which wanted all trade to flow by the St. Lawrence route, resisted the Western pressure for many years, but in 1910, when the Canadian Northern Railway, now absorbed in the Canadian National system, had completed a branch line from Hudson Bay Junction on its main line to the Pas on the Saskatchewan River, the Laurier Government had to bow to it, and secured authorisation from Parliament for the building of a State-owned railway from the Pas to the Hudson Bay. Churchill, which had, under the name of Fort Churchill, been a Hudson Bay post for generations, was selected as a tideway terminus of the railway, a town-site was mapped out and the construction of the road, whose route of 474½ miles lay entirely to the north of the Nelson River, was begun. But before any serious progress had been made the Government suddenly decided to move the terminus 50 miles south to Port Nelson, and the route of the railroad had to be changed. The work of construction went steadily ahead, and, when the Great War broke out, the right of way had been cleared and graded to Port Nelson and some 332 miles of steel out of 426 had actually been laid. But the exigencies of the war, with its heavy demand for man-power and steel, caused a suspension of operations, and the line lay derelict for a dozen years, only a part of it being kept in repair.

When peace arrived, the West at once insisted on the resumption of the enterprise, but the Federal Governments at Ottawa had too heavy financial commitments to undertake additional burdens for some years. However, during the election campaign of 1925 definite pledges were exacted from both the Liberal and Conservative leaders that the railway would be completed, and, when the Liberal Ministry of Mr Mackenzie King was returned to power, it proceeded to fulfil its pledges. But in the intervening years the discovery had been made that Port Nelson had too many drawbacks to be a satisfactory port, and, after Mr Frederick Palmer, a well-known British engineer, had made a careful inspection of both harbours and reported in favour of Churchill, the Government reverted to the original plan, and the location of the railway was once more changed. The necessary money votes were passed through Parliament amid some grumbling from the papers of Eastern centres like Montreal, which apprehended a diversion of business enjoyed now by themselves, and the task of completing the railway and equipping the port at Churchill with modern facilities has been pushed rapidly ahead in the last three years.

Since steel reached the Bay in April a few light trains have been running to the Fort, but as a substantial part of the track had been laid in temporary fashion over morasses which had been frozen solid in winter and has now subsided under the spring thaw, the line is now closed for traffic until the road bed is thoroughly ballasted and in permanent form. This work will take some time, and, although a limited amount of traffic may be handled this autumn, the new route will not undergo a serious test until the latter half of 1930. Meanwhile, Churchill is a very busy place; Government dredges are clearing the channel, wharves and sheds are being built, and equipment is being provided for the simultaneous loading of ten vessels.

REPARATIONS & DEBTS DUE TO AMERICA
(Figures in Million Marks)



The continuous "payments" line represent payments due to America from all her European debtors; the dotted line shows the total payments to America by Germany's creditors. The narrow margin between the dotted line and the thin continuous line represents the direct payments which the United States will receive from Germany.
The margin between the two continuous lines represents the surplus which European Powers will receive towards their war costs.

THE diagram on this page gives a graphical representation of the annuities to be paid by Germany and of the annuities due to be paid by the creditor Powers in respect of war debts and by Germany in respect of reparations to the United States. The graph brings out clearly the conception of the settlement which provides that Germany shall pay sufficient to enable the creditor Powers to meet their obligations to America for the whole period during which these payments must be made, but limits to 37 years the period during which Germany is to pay something in excess of these payments as a net contribution towards the cost of reconstruction and reparation of war damage. It is to be noted that Great Britain has abandoned her claim to any share in this surplus, having agreed, in accordance with the doctrine of the Balfour Note, to accept a figure which will suffice—together with our receipts from our European debtors—to meet our payments to America. It is possible that these intermediate transfers may be eliminated altogether by the Bank of International Settlements—in which case we may wipe off our international debts and claims from both sides of our budget, so long as the Young Schedule is duly and punctually paid by Germany. Of the surplus shown during the first 37 years, much the largest share is, of course, due to France.

Notes of the Week.

The Miners and the Government.—With forty-three representatives in Parliament and seven in posts of Government, the Miners' Federation has lost no time in reminding the Prime Minister that the happy day for the implementing of pledges has arrived. Mr MacDonald has been asked by the Federation's executive committee for an interview "to discuss mining problems." The nature of these "problems" from the miners' point of view is not disguised. The ultimate objective of the Federation is the so-called "Miners' Charter," defined by Mr A. J. Cook in last week's issue of the *New Leader* as Nationalisation, a Seven Hours' Act, Pensions at 60, a new Compensation Act, and a Minimum Wage Act giving 12s. per shift for piece-workers. Mr Cook admits, however, that "the granting of the whole charter will take time," and it is clear that, in their interview with Mr MacDonald, the miners' leaders will be concerned with two immediate claims—(*a*) that Government should support them in an attempt to replace the present district agreements, expiring next winter, by a national agreement for the whole country; (*b*) that the Eight Hours' Act—passed in 1926 to make permissive the addition of one hour to the working day—should be repealed. On the second claim, Mr MacDonald is heavily committed. Not only did th Labour Party election manifesto (in which actual nati alisation of the mines was made conditional upon " Labour majority " being obtained) promise short for miners, but less than three months ago the

committee of the Parliamentary Labour Party assured the miners' officials that a Bill re-enacting a Seven Hours' Day would be introduced in a Labour Government's first session. The extent to which this commitment is destined to embarrass the Government cannot yet be foreseen. In the last quarter of 1928, when an average loss of 3d. per ton was disclosed by the working of the industry as a whole, output was 21.80 cwts., and earnings 9s. 4d. per man-shift, and wage costs 9s. 2d. per ton, whereas the corresponding figures for the December quarter of 1925 were 18.31 cwts., 10s. 5d., and nearly 12s. 6d. On a conservative estimate, sudden reversion to a seven hours' day would raise wage costs to 11s. 3d. per ton, and, since the increase could not be passed on to consumers abroad, the result would be either the closing down of many more mines or the enforcement of still lower piece-rates for the miners. The Government cannot contemplate either alternative with equanimity. On the other hand, though Mr Herbert Smith has explained that he realises that the Government "has its own difficulties and must move with the times," a frank refusal to make good the promise of shorter hours would be certain to provoke strong protests from the Government's own supporters. In the matter of the wage-agreements, also, the Government will be pressed to follow the precedent of 1912, and to make the refusal of the owners to establish national negotiations on wages the ground for introducing a new Minimum Wage Bill. In short, the prospects are that the coal industry is once more to be embroiled in political crises. The Government will no doubt endeavour to walk warily, but there are many uncomfortable possibilities of false steps, and, until the outlook has been clarified, uncertainty—damaging to the interests both of the mines and of all large consumers of coal—must exist.

Paris Conversations.—Two important and welcome items of news come from Paris. The first is that the French Government has accepted the Young Plan for Reparations settlement. The second is that in conversations between M Briand and Dr Stresemann, begun at Madrid and continued in Paris, an early date is contemplated for the assembly of the international conference of statesmen necessary to implement and set in motion the machinery which the experts have devised. The news that this conference is likely to take place as early as next month is good; for there are many reasons why delay is undesirable. For one thing, the date suggested for the inauguration of the Young Plan, September 1st, is near; while urgency also attaches to the big questions of policy arising out of the Reparations agreement, principally, of course, Rhineland evacuation and inter-Allied debts. The urgency of the former is enhanced by the fact that under the Young Plan no expenses are allowed for armies of occupation after September 1st. Apart from these special reasons for haste, it is all to the good that the period of uncertainty should be curtailed by the assembly of the statesmen's conference as soon as ever the Governments concerned have had reasonable time to study the experts' report itself, and the questions immediately arising from it. Incidentally, the early holding of this conference will clear the way for Mr MacDonald's visit to Mr Hoover later in the year.

The South African Elections.—The result of the South African elections has been to give the Nationalists a clear absolute majority. The actual figures are: Nationalists 76, South African Party 61, Colonel Cresswell's wing of the Labour Party 5, the Labour National Council 3, and one Independent. The Nationalists can count on the support of Colonel Creswell and his followers, and they have again decided to include Colonel Creswell in the Cabinet, although his support is no longer the condition of their remaining in power. The most conspicuous feature in the readjustment of party strengths is the discomfiture of Labour, which may be ascribed partly to the dissensions within the Labour Party, but partly, no doubt, to the unfortunate fact that, in South Africa, social and economic issues are tending to become identified with the racial issue between White and Black, in which the Nationalist Party stands for inequality of civil rights in the White Race's favour. This racial issue overshadowed the elections, as indeed it is coming to overshadow the whole life of South Africa. In the Union the immediate questions are whether the local franchise in the Cape, which has been enjoyed since before the Union was made by natives who satisfy a certain property and educational qualification, is to be withdrawn, and whether, throughout the Union, there is to be a segregation of the areas in which natives and whites are to be entitled respectively to own land. There is no question in South Africa of a geographical segregation of the two racial elements in the population; for there is no intention of assigning to the native reserves an aggregate area large enough to support the whole native population; nor is there any intention of attempting to work the white man's farms, factories and mines without native labour. Thus the effect of the contemplated legislation would be, not to preclude racial conflict by literally segregating the two races, but rather to accentuate and precipitate it by forcing the native to work for the white man, in the white man's areas, as a kind of helot without rights of his own. This is a very grave issue; and its gravity is increased by the fact that the outcome in the Union of South Africa, whatever it may be, will affect not only South Africa itself but all those territories, stretching away beyond the Limpopo, north-eastwards right up to Kenya, in which white settlers have planted themselves among native African populations. It is therefore all the more unfortunate that the South African Party has not made headway in these elections; for, in South African politics, General Smuts and his followers stand for the moderate and statesmanlike policy on the racial question. More serious even than the non-success of the South African Party in this particular trial of strength is the tendency for it to lose its character of a party transcending nationality, which was the essence of its original spirit, and to shrink into becoming the national party of the English-speaking element in the white population of the Union, over against the Nationalist Party, which already explicitly represents the Dutch-speaking element. It is ominous that the national cleavage within the white population of the Union and the racial cleavage between the white and the native population should be increasing simultaneously. It is still more ominous that, in the politics of the country, these two lines of cleavage should be tending to coincide.

The French Reverse in Morocco.—The reverse suffered on June 8th by a French force in the Great Atlas is nothing unusual in the history of frontier warfare between modern empires and untamed tribes. It could be paralleled by dozens of similar incidents from the history of the North-West Frontier of British India or from the history of the Russians in the Caucasus, not to speak of earlier chapters in the history of the French conquest of North-West Africa. In Morocco, the French policy has been to establish order rapidly throughout the lowlands by working as far as possible through the pre-existing Moroccan institutions and authorities; and then to draw a military cordon round the highlands, where the Sherifs of Fez and Marrakish have never exercised more than a nominal authority over the Berber tribes. This much had been accomplished already before the outbreak of the Great War; and even during the war General Lyautey succeeded not only in avoiding any setback, but in actually drawing his cordon tighter. The tightening of the cordon has gone on slowly but remorselessly. First, the highlands of the Rif were cut off from those of the Atlas by the opening up of the Taza corridor, which established a direct connection overland between the French domain in the Moroccan lowlands and the three French Departments in Algeria. After that the great unsubdued area in the Atlas was broken up in turn into several isolated enclaves; and, one after another, these enclaves have been wiped off the map. The French are now attacking the largest and remotest remaining enclave in the Atlas from the south-east; and it was in these operations that the disaster of June 8th occurred.

The story, as it emerges from the official statement issued on the 14th, is familiar. In this sector the French line was advanced, on April 29th, by the establishment of two new posts in the villages of Al-Borj and Ait-Yakub, in order to forestall an expected attack from the unsubdued tribes. The French force which suffered the disaster was ambushed while operating in order to keep the two new posts in touch with one another. The French disaster was followed by a general gathering of the tribes to attack the more exposed of the two posts, Ait-Yakub; and, in delivering this attack, the Berber tribesmen of the Atlas have apparently displayed the same power of sustained *élan* that their Rifi cousins displayed in similar circumstances in 1925. Ait-Yakub has now been relieved, and the besiegers have been induced to disperse by intensive and widespread bombing from the air—a feature of modern frontier warfare which is open to criticism from the standpoint of both morality and policy, though it is doubtless difficult for any belligerent to refrain from employing, in emergency, the most effective weapons at its disposal. The whole incident is unpleasantly reminiscent of the war of 1925-26 between France and Abdulkarim; and the French are taking it seriously. However, there is no question now, as there was then, of the French dominion in Morocco being endangered. Abdulkarim's advance-guards penetrated to within a few miles of Fez; whereas the "dissidents" who have been besieging Ait-Yakub could not threaten any vital point in the French position in Morocco, even if they were to achieve much greater local successes than they have achieved so far.

League Council and Minorities.—A League correspondent writes:—The main question considered by the League of Nations Council at its Madrid session was that of its general minorities obligations and of its procedure in fulfilling them. The absence of a direct representative of the new British Government was a bitter disappointment to the Germans in connection with the minorities discussions. The new British Government will, however, have ample opportunity of asserting its views at the September Assembly, when the problem will undoubtedly be a subject of long discussion, but it is to be hoped that they will take pains to make themselves thoroughly aware of the extremely difficult and delicate considerations involved. They might well take a lesson from the moderation and perspicacity of Dr Stresemann in the gradual progress of achievement, for the experience of the last ten years has shown that the best policies and intentions may go awry if too forcibly pressed on unwilling parties. As matters now stand on this vexed question, the principles underlying the League's guarantee of protection are left open, and the Council has confined itself to the safer ground of improvements in procedure which have been unanimously adopted. Germany agreed on the definite understanding that she was opposed to the report of the committee of three which met in London, and Poland and Roumania (speaking also for other Powers with minority obligations) reluctantly agreed on the definite understanding that they considered the procedure proposals as indissolubly linked with the report as a whole. The main bone of contention is the extent of the League's duty in the matter of improving procedure, the German thesis being that the mere handling of petitions is not enough; there should be a permanent commission of some sort to keep the Council regularly informed of the situation of the minorities in general, apart from its dealing with specific protests. This is considered by the minority treaty Powers as outside the scope of the treaties, and is so defined by the London report. In these circumstances, Germany suggests that the permanent Court of International Justice should be asked to define the matter, and it seems beside the point for M Briand to argue in reply, as he did, that it would put the Council in a humiliating position to ask some other authority whether it had properly fulfilled its duties during the past eight or nine years. Such appeal may have to come some day, for the underlying controversy centres on how far minority rights are lasting and how far they are merely applicable as measures of transition until the minorities are absorbed. Dr Stresemann admitted, for the first time in clear terms, that minorities owe allegiance to the States to which they belong, and that the essential thing is to maintain for them their cultural identity. This should be common ground, but the minority Powers are not too eager to admit even so much; they obviously want absorption and assimilation. On the other hand, it would be childish to blink the fact that there are strong elements in Germany, among the minority Germans, and still more in Hungary and among the minority Hungarians, which deliberately make it a political issue and a means of changing the peace treaties. It is legitimate, of course, to work by peaceful means for the revision of peace treaties, but it is doubtful whether it is legitimate or wise to do so through maintenance of strife between minority populations and the States to which they belong. The best preparation for ultimate treaty changes is the development of good relations and confidence. Meanwhile, so long as minorities are used on both sides as pawns in big politics, legitimate minority grievances will receive less than justice. This is a fact which must be recognised in any dispassionate consideration of the question; and British policy should take it into account first of all. It is no use approaching it on simple humanitarian grounds, and it is no use imagining that there are dramatic short cuts. The effective results of the discussion are a somewhat more reasonable manner of dealing with petitioners, a recognition of the Council's right to ask for information from any source which appears desirable, and a considerable improvement in making known the results of the deliberations of the Council committee of three which considers and deals with petitions before it is decided whether or not to bring them definitely on to the Council agenda. Germany wanted more procedure improvements, but accepted what she could get for the time.

Safety in Aviation.—The regrettable disaster of last Monday, in which the breakdown of a cross-Channel plane over the sea resulted in the loss of seven lives, should not lead the public to take alarmist views with regard to the danger of flying. No form of transport can hope to escape occasional accident, and the record of Imperial Airways, which had 3,800,000 air miles to their credit since the beginning of 1925 without one fatal accident, compares very favourably with the showing made by road vehicles. At the same time, we consider that passengers by air are entitled to seek reassurance that considerations of expense are not allowed to interfere with the essential principle of endeavouring to reduce to a minimum the risks (more considerable in the case of large machines) entailed by engine-failures in the air. Apparently, in the case of the "City of Ottawa," the shortest (but less direct) sea crossing was not being followed; further, given the load on board, the duplicate engine was not by itself adequate to secure level flight except for a distance too short to avoid disaster. There should be no desire to impose unreasonable conditions on our commercial flying services, but we hope that the official inquiry into this accident will lead to universal adoption of the policy of restricting loads to a limit under which the failure of one engine (whether the machine be dual- or triple-engined) should not involve the risk of forced landings in situations of peril.

Iron and Steel Production in May.—The improvement in the position of the iron and steel industry, as reflected in the production figures issued by the National Federation of Iron and Steel Manufacturers, was continued in May. The number of blast furnaces in operation increased by seven during the month to 159, and the production of pig iron increased to 654,800 tons from 611,300 tons in the previous month. The number of furnaces now blowing is 27 higher than at the beginning of the year and is higher than at any time since October, 1927, while the production of pig iron in May was higher than in any month since May, 1927. Except for March,

when steel production amounted 859,900 tons, the production of steel ingots and castings in May (840,400 tons) was also the highest for two years, and for the past few months the British production of steel has been definitely higher than the French. Imports of iron and steel continued high after the abnormally low imports of February and March and amounted to 257,300 tons compared with 261,900 tons in April and 236,900 tons in May, 1928; imports of pig iron amounted only to 5,500 tons. Exports of iron and steel amounted to 442,800 tons and were thus over 100,000 tons more than in April, and higher than in any month since before the war, the previous highest having been 424,500 tons in May, 1923. Of this total 58,500 tons consisted of pig iron, which is also a record post-war figure, 71,700 tons were galvanised sheets and 57,700 tons tinplates and sheets. Owing to the increased cost of raw materials prices of various iron and steel products rose during the month and the Board of Trade's price index number for May rose to 114.5 (1913=100) from 113.9 in April. The following table compares production, imports and exports in each of the first five months of 1928 and 1929:—

PRODUCTION, IMPORTS, EXPORTS AND PRICES OF IRON AND STEEL. FIRST 5 MONTHS, 1928 AND 1929.

	Furnaces in Blast.	Production. Pig Iron.	Production. Steel Ingots and Castings.	Imports.	Exports.	Board of Trade Price Index No. (1913 = 100).
1928—						
January	148	560·5	626·2	283·9	332·2	112·9
February.....	148	550·8	764·4	286·9	317·0	112·9
March	150	592·6	793·3	271·5	409·3	113·0
April	149	563·1	644·1	252·7	344·3	112·7
May	148	591·5	752·7	236·9	359·0	112·3
	...	2,858·5	3,580·7	1,331·9	1,761·8	...
1929—						
January	139	563·9	764·6	244·3	421·2	112·5
February.....	140	519·6	774·9	160·0	380·1	112·6
March	145	590·5	859·9	182·1	350·1	113·0
April	152	611·3	808·6	261·9	339·8	113·9
May	159	654·8	840·4	257·3	442·8	114·5
	...	2,940·1	4,048·4	1,105·6	1,934·0	...

It will be seen that pig iron production so far this year is 3 per cent. higher than in the corresponding period last year, steel production is 13 per cent. higher and exports 10 per cent. higher while imports are 17 per cent. lower.

Cost of Living.—There was a further fall in the cost of living during May. At June 1st the index number of the Ministry of Labour stood at 60 per cent. above the level of July, 1914. This compares with 61 per cent. a month ago and 65 per cent. at June 1, 1928. For food alone the index stood at 47 per cent. at June 1st, as compared with 49 per cent. a month ago and 56 per cent. a year ago. The following table shows the monthly movements of the index figures over a number of years:—

AVERAGE PERCENTAGE INCREASE over JULY, 1914.—All Items. (Food, Rent, Clothing, Fuel, and Light, &c.)

1st Day of	1918.	1921.	1924.	1925.	1926.	1927.	1928.	1929.
	%	%	%	%	%	%	%	%
January ...	85–90	165	77	80	75	75	68	67
February ...	90	151	79	79	73	72	66	65
March.....	90	141	78	79	72	71	64	66
April	90–95	133	73	75	68	65	64	62
May	85–100	128	71	73	67	64	64	61
June	100	119	69	72	68	63	65	60
July	100–105	119	70	73	70	66	65	...
August	110	122	71	73	70	64	65	...
September..	110	120	72	74	72	65	65	...
October.....	115–120	110	76	76	74	67	66	...
November ..	120–125	103	80	76	79	69	67	...
December ..	120	99	81	77	79	69	68	...

The decline in the cost of living during May is mainly due to reductions in the prices of certain articles of food, including potatoes, butter and bacon.

Employment in May.—The recent improvement in employment was maintained during May. According to the *Ministry of Labour Gazette*, among the 11.9 million workpeople insured under the Unemployment Insurance Acts of Great Britain and Northern Ireland, the percentage unemployed (wholly and partially) at May 27th was 9.9. This compares with 9.9 per cent. at April 22nd and 9.8 per cent. at May 21, 1928. The total number of registered unemployed at May 27th was approximately 1,177,484, as compared with 1,181,375 at April 22nd, and 1,168,009 at May 21, 1928. The following table gives the monthly movements of the unemployed percentage for some years past:—

PERCENTAGE UNEMPLOYED AMONG INSURED WORKPEOPLE IN GREAT BRITAIN AND NORTHERN IRELAND.

	1922.	1923.	1924.	1925.	1926.	1927.	1928.	1929.
End of—	%	%	%	%	%	%	%	%
January	16·2	12·7	11·9	11·5	11·0	*12·0	10·7	12·3
February	15·7	11·8	10·7	11·3	10·4	10·9	10·4	12·2
March	14·6	11·1	9·9	11·1	9·8	9·8	9·5	10·1
April	14·4	10·9	9·7	10·9	9·1	9·4	9·5	9·9
May	13·5	10·7	9·5	10·9	*14·3	8·7	9·8	9·9
June	12·7	11·3	9·4	11·9	*14·6	8·8	10·8	...
July	12·3	11·5	9·9	11·2	*14·4	9·2	11·7	...
August	12·0	11·8	10·6	12·1	*14·0	9·3	11·7	...
September ...	11·9	11·7	10·8	12·0	*13·7	9·3	11·4	...
October	12·0	11·7	11·1	11·4	*13·6	9·5	11·8	...
November ...	12·4	11·5	11·0	11·0	*13·5	9·9	12·2	...
December ...	12·2	10·7	10·9	10·4	*11·9	9·8	11·2	...

* Excluding workpeople in the coal-mining industry who were disqualified for unemployment benefit owing to the dispute.

There was a further improvement during May in the building trade, public works contracting and brick, tile and cement manufacture. Employment in constructional engineering, the fishing industry, glass-bottle manufacture, the linen industry, road transport, river, dock and harbour service, hotel and boarding-house service, also showed an improvement. There was, however, some decline in general engineering and in pottery manufacture, while the holiday stoppages were extended in some of the textile industries and in the boot and shoe trade. There was a further decrease in the numbers wholly unemployed in the coal mines, but this was more than offset by an increase in the numbers of those temporarily without employment.

Costly British Ports.—A correspondent writes:—The decision of the Tyne Commissioners to make a further reduction in the dues payable by vessels entering the River Tyne has been warmly welcomed in shipping circles as evidence of recognition by this port authority at least that the present level of British port costs imposes a serious disability on British trade. It is hoped that the example set by the Tyne in thus passing on to traders the benefit of relief enjoyed by the harbour under the De-Rating Act will be followed promptly by other port authorities. At the same time, there is a growing feeling among shipowners that a determined effort must be made without further delay to tackle the whole issue of British stevedoring charges, with all its complications and anomalies. In the course of the proceedings of the Baltic and International Maritime Conference at Newcastle last Friday, a representative of the Danish Steamship Owners' Association drew attention to the fact that, in the case of timber cargoes, British loading and unloading charges were not only much higher on the average than those of Continental ports, but varied surprisingly as between one British port and another. Thus, whereas the cost to the shipowner of discharging a standard of Baltic timber at German, Dutch or Belgian ports ranged from 3s. to 4s., in this country corresponding charges were 4s. 6d. at Hull, 5s. 5d. at London, 7s. at West Hartlepool, and 11s. at Garston. Similar discrepancies exist in the case of other cargoes, and not only in the stevedoring charges payable by the ship, but in the costs borne by the receiver or shipper on shore. The root of the trouble appears to be the complex and, in many ways, unsatisfactory system whereby the remuneration of British dock labour is at present regulated. Having regard to the extent to which such labour is still "casually" employed, there is no great disposition in shipping circles to quarrel with the standard national time-rate (at large ports) of 12s. per day, though it is felt that an increase of 129 per cent. on pre-war rates can be supported only on the basis of increased efficiency in the employment of such comparatively expensive labour. But it has to be borne in mind that stevedoring charges are largely made up of locally determined piece-rate schedules, whose simplification and revision is becoming a matter of urgency. Moreover, rigidity in the definition of "working hours" has been allowed to result in overtime payments being raised in many instances to a level which is an excessive burden on trade. Emphasis on the costliness of British dock labour was laid by shipowners in their evidence before the Balfour Committee on Industry, and even more strongly by the Report issued in 1926 on behalf of the Traders' Co-ordinating Committee on Dock Charges, but there the matter has remained. In view of the considerable importance of port costs as a factor in the general cost of British production, the necessity of further investigation into possibilities of effecting economies in stevedoring charges is clearly indicated.

American Protection and European Defence.—No more glaring exposé of the tyranny of "Protection and its secret arms," to borrow an expression used by the Paris *Temps* has perhaps ever been afforded than that which is now alarming every European country owing to the rates of the proposed new American tariff. The French (writes our Paris Correspondent) have submitted in silence, for reasons of *politesse* and diplomacy, to many American demands, since the beginning of the Peace Conference, that would have met with strong protests had they come from any other nation. The exaggerated rates of the new tariff and the American refusal, while demanding most-favoured-nation treatment for American exports to France, to reciprocate with the slightest concession have at last, however, proved too much for French patience. Most of the great industrial and commercial associations in France are now voicing indignant protests. In a joint letter the presidents of the Confédération Générale de la Production Française and the Association Nationale de l'Expansion Economique insist that "the increase of the proposed new tariff rates is in many cases so great that it must render imports impossible . . . It is proposed, for instance, to increase to 90 per cent. the duty on French dresses (which at 75 per cent., as fixed by the Fordney Tariff, was already prohibitive) . . . Will such methods, which will inevitably call for reprisals, help to consolidate peace?" A resolution adopted by the 500 presidents of the French Chambers of Commerce at their meeting in Paris this week, covers the French point of view so completely that it merits quotation in full:—

> Considering that the United States of America seem to wish to reject all economic solidarity with other nations and to pursue a more and more protectionist tariff policy, without paying any attention to the more just claims of their foreign purveyors or taking into account the advantages which certain countries according to them without reciprocity obligations;
>
> Considering that, owing to the war and to the consequent impoverishment of the belligerent countries, the United States have become both the creditors of Europe and the holders of the greater part of the world's gold, there can be no question that debtor countries can only settle their debts in merchandise; that consequently the United States, by closing their market to foreign imports while maintaining their exactions in regard to debtor countries, are forcing Europe into an impasse in which it cannot allow itself to be imprisoned;
>
> Considering that, in spite of what it may cost French industry and commerce to speak to the United States in a manner to which we are not accustomed, it is necessary in the interest even of the economic future of the world to raise a cry of alarm and to demand that the French Government shall emerge from its neutrality and enter into such negotiations with other European nations as may be necessary to defend Europe from the economic point of view and thus form the indispensable barrier against the imminent danger that threatens it;
>
> It is resolved (1) that the French Government be urged to take without delay against the United States all tariff measures which the present circumstances call for; (2) that the various European Governments seriously menaced in their economic future by the tariff policy of the United States, whose recently voted rates will constitute an impassable barrier for most classes of goods, shall forthwith come to an agreement to take the necessary defensive measures in common.

The next step will be awaited with interest.

Cotton Trade Wages.—Our Manchester correspondent writes:—It is fully expected in Lancashire that at the end of this week the Master Cotton Spinners' Federation, representing the spinning employers and the Cotton Spinners' and Manufacturers' Association, which controls the weaving section, will be able to report that owing to the support given by the local associations it has been decided to give the trade unions one month's notice of a reduction in wages of 25 per cent. off piece price list rates, which is equal to about 12½ per cent. off current earnings. So far as can be gathered the private meetings held this week of the local employers' associations have supported the wages demand to a greater extent than was expected in some quarters. No doubt the attitude of many employers is being affected by the distinct falling off in the demand for manufactured goods during the last few weeks. Many leading traders on the Manchester Royal Exchange have made the statement this week that they have never before experienced such a slack state of affairs as during the past month. The sales of yarn and piece-goods have been less than the production, and order lists are lighter than at the end of May. It is contended by the employers that in view of the fall in the cost of living sice 1922 (when the last reduction in wages took place), from 80 to 60 per cent. above July, 1914, and the marked trade depression, the operatives should be willing to make some sacrifices in order to assist the industry to relieve the situation. Lancashire cotton employees have this week met the President of the Board of Trade in London at his request to discuss the general position of the industry. The conferences have no connection with the proposed reduction of wages. It is understood that Mr William Graham has decided to interview leading employers in all the big industries.

Lancashire Cotton Corporation.—During the last few weeks, writes our Manchester correspondent, very little has been heard as to the progress being made by the Lancashire Cotton Corporation, Limited, in absorbing mills, and in Lancashire trade circles there has been a certain amount of apprehension as to the success of the Corporation. An official announcement, however, just made public, shows very clearly that the directors and the officials are hard at work and that substantial headway is being made in reorganising the American spinning section. It is pointed out that up to date 80 mills have been visited and firm offers have been made for 71 companies, comprising 10,194,347 spindles and 5,719 looms. Five of the mills offered to the Corporation have been refused as non-economic units, which are impossible to reorganise on efficient lines. The Corporation has completed the details of 12 companies, controlling 980,000 spindles and the arrangements will shortly be submitted to the Courts for approval. Informal meetings of creditors and shareholders have already been arranged with regard to a further 14 companies controlling 1,300,000 spindles. Arrangements which will not require preliminary meetings are being made in connection with four other companies. With regard to 26 other companies preliminary negotiations with large creditors and shareholders are in process of completion. The valuation of fixed assets is now proceeding at the rate of 10 mills per week. The mills still to be valued include a large number of combined spinning and weaving concerns, the valuation of which was postponed until a considerable proportion of the spinning mills have been dealt with. Some 30,000 looms are concerned in all, which will place the Corporation in the position of being by far the largest manufacturing unit in Lancashire.

Copper Producers' Position.—It was recently announced in the United States, a trade correspondent writes, that the great and powerful Kennecott Copper Corporation was to acquire the entire stock of the Chase Companies (Incorporated), Waterbury, Conn. Kennecott's production, together with that of its subsidiary and affiliated concerns, exceeds 400,000 tons per annum, an output unsurpassed by any other group, while the capacity of the Chase plants will shortly exceed 60,000 tons. The merger will thus be one of immense importance, and its policy on questions of output and price level calculated to have a marked bearing on the copper situation in America, and indeed in the whole world. Since the foundation of Copper Exporters Incorporated it has repeatedly been pointed out that European consumers are defenceless against price manipulations in the States, except in periods of slack trade when opportunity may arise to purchase second-hand metal. Latterly very little advantage has been taken of this in Europe, but American manufacturers have availed themselves of these offers of cheap copper and have thus kept down any accumulation. The other defensive weapon in the armoury of consumers on this side of the Atlantic is the London standard market, which has been responsible for the pricking of many American inflation bubbles, and the fact that the grip of United States interests on standard warrants has lately assumed big proportions is undoubtedly a menace to all whose progress is identified with untrammelled trading conditions in the red metal. The Kennecott-Chase merger, however, leads to the consideration of even more dangerous possibilities, for it brings to mind again a menace which has always overhung the European market for semi-finished brass and copper products, and perhaps British interests in particular. This may be summed up in the one word "dumping." Obviously, a powerful group controlling production both of raw copper and of semi-finished articles in brass and copper would present a grave menace to manufacturers on this side, who, while paying the fixed association price, c.i.f. English port, for their material, would be faced with the sinister possibility of internal sales within such a group which would enable its products to be dumped in Europe at prices calculated to undercut very severely the home quotation. The bogey of such competition showed itself during the ramp in copper a couple of months ago, for at that time rolled wire rods were sold to consumers in this country at a price below the wirebar quotation, and it is, of course, a fact that there has always been a steady trade done in this product at very cut prices. If English wiredrawers are buying their raw material in such a form it means that the mills possessing plant for breaking down wirebars are going short of work. In the United States there are large manufacturing plants where the wire-bars are cast, broken down and worked up into wire, and it must be presumed that costs are considerably lower than in this country. Old metals, both brass and copper cross the Atlantic and are sold on this market in competition with the surplus disposals of British manufacturers, shipbreakers and Government departments, and if American scrap can hold its own here, why not the finished product? It must be borne in mind that every unit of brass and copper production in this country now possesses a larger potential output than in pre-war days, and that the whole basis of selling values rests upon the achievement and maintenance, if at all possible, of a hundred per cent. production programme. In world competition to-day the British producers are definitely placed at a disadvantage with their American rivals owing to the fact that they must pay more for their copper. Germany, foreseeing perhaps the day when European manufacturers of non-ferrous metals will stand with their backs to the wall against an influx of American material, is making every effort to increase her production of the red metal, but in this country we are dependent for at least 70 per cent. of our needs upon the Incorporated Exporters of the United States. The break up of this association and a return to a free and open market would appear to be the first step towards providing a safeguard for our manufacturers in the difficult years that lie ahead of them.

Coal Trade Reorganisation.—There has been an important development in the South Wales coalfield in connection with the efforts that have been made during the past 18 months to improve the organisation of the industry. It has not yet been found possible, writes our Cardiff correspondent, to obtain sufficient support for the full and effective adoption of any of the schemes which have been suggested with a view to the restoration of the industry to a sound economic basis, and last autumn the voluntary arrangements under which minimum prices had been charged proved so unequal in their effects on the different collieries that one of the most important groups of collieries threatened to withdraw from the scheme at the end of the year. This group favoured output regulation in preference to price control, and a scheme was drafted providing exclusively for the regulation of production on a quota basis. It failed, however, to obtain the requisite support of owners producing 85 per cent. of the bituminous output in the three months ended September, 1928. The advance of prices, under the improved demand conditions during the early part of the present year, to figures substantially in excess of the old minimum schedule temporarily scotched interest in schemes of control, and for several months no meetings of the executive committee of the Marketing Association, formed early last year, were held. Since May, however, there has been a reaction in the condition of the trade. Collieries have found it difficult to find outlets for their increased outputs and prices are from 1s. 6d. to 2s. 6d. per ton less than they were in March. In these altered circumstances there has been a revival of interest in measures of rationalisation, and a strong effort is now being made to bring together the rival advocates of exclusive output regulation and of exclusive price regulation on the basis of an amended and enlarged scheme embodying the principles of both output and price control. It has been officially announced this week that considerable progress has already been made along this new avenue of co-operation, and that a further meeting of the executive committee of the Marketing Association is to be held shortly.

Advertisers in Conference.—The growth of advertising from the position of a humble Cinderella, casually patronised by the superior sisterhood of industry and commerce, to a recognised status as an economic equal in the world of trade, is an arresting phenomenon of our times. The attention given by the Press to the proceedings of the fifth annual convention of the Advertising Association, held this week at Newcastle-upon-Tyne, is significant not only of the fact that without the advertiser the modern daily newspaper could not exist, but of growing realisation on the part of all manufacturers and traders that the problems of optimum production—the best goods at the lowest price—cannot be solved without simultaneous solution of the problems of marketing. Lord Riddell, in his presidential address to the Convention, did well to emphasise the advisability of strengthening British sales-organisation abroad by judicious expenditure on advertising campaigns, carefully planned, based on thorough study of the market concerned, and followed up by the establishment of close personal contact between the manufacturer and his overseas customers. Other speakers at the conference had much of interest to say on the specialised technique of advertising. Mr. L. C. Blennerhasset pleaded cogently for greater attention to "market research" as a factor of prime importance in scientific selling; Mr Cecil Taylor, from the advertiser's standpoint, emphasised equally the need for fuller knowledge and closer control on the part of those who spend the money. Broadly, with certain qualifications, we endorse the argument that well-regulated advertising benefits the consumer by leading to larger turnover and lower prices; but this is emphatically untrue of advertising outlay misdirected through ignorance either of material facts or of the psychology of consumers. The art of advertising has made great progress in this country of recent years, but the quality of its productions is somewhat uneven. The present convention will succeed, we hope, in influencing more producers and merchants to take a keener interest in its methods, weaknesses, and possibilities.

London Life and Labour.—At last Tuesday's meeting of the Royal Statistical Society, Sir Hubert Llewellyn Smith, G.C.B., read a paper on the New Survey of London Life and Labour, which is being prepared under his direction. The intention of this new inquiry, which is being undertaken on the initiative of the London School of Economics, is to bring up to date the Poverty Map of London which Charles Booth drew forty years ago, on the line of a survey lasting seventeen years. The new survey is based on a combination of Mr Booth's method of indirect investigation through tapping the knowledge of persons who in the ordinary course of their duties come into intimate contact with the population surveyed, with the more intensive direct method of sample inquiry pursued by Mr Rowntree and Professor Rowley in their provincial investigation of 1914 and 1924. The former method produces the ampler picture, while the latter draws the lines more firmly and is obviously more useful in making comparison between two periods of time. For the purpose of the new work the poverty line is being taken at 40s. per week for a typical family, which at present prices corresponds to Mr Booth's standard of 21s. per week. Sir Hubert Llewellyn Smith pointed out that in the meantime the rate of money wages in London has advanced more rapidly than the cost of living, so that the "poverty" line is now a good deal further below the average earnings of unskilled labour than in Booth's time. Concurrently with the Survey proper an introductory volume is being prepared, linking up the Survey with the period of Charles Booth's inquiry by a series of long-period data showing the movements of population, industry, and the economic, social and health conditions of the people of London during the last thirty or forty years. At the same time, a re-survey is taking place of the principal groups of London industries, especially those which in Booth's time were most definitely associated with poverty, together with a number of special subjects, including the use of leisure. All social and economic students will look forward to the publication of the preliminary volume and of the results of the survey itself.

Automobile Statistics.—The current edition of "Facts and Figures," a year book issued by the National Automobile Chamber of Commerce of the United States, contains a wealth of interesting data relating to the motor industry of all countries. World production of motor vehicles in 1928 is put at 5,198,167, of which 83.5 per cent. were built in the United States, 4.7 per cent. in Canada, 4.2 per cent. in France, and 4 per cent. in Great Britain. The United States exported 515,744 cars (excluding units shipped as "parts for assembly"), as compared with a Canadian export of 79,388, French 44,106, and British 19,743. In considering these figures it is significant that producing concerns in the country number 98, against 152 (for an output 25 times as large) in the United States. Some light on the vexed question of "saturation point" in automobile markets is thrown by the following summary of comparative data:—

YEAR 1928.

	United States.	United Kingdom.	France.	Canada.
Vehicles registered ...	24,493,124	1,318,169	1,098,000	1,061,830
Road mileage	3,005,614	178,737	440,085	424,014
Sq. miles of area per road mile	1·01	0·49	0·48	9·00
Vehicles per road mile	7·8	10·4	2·5	2·3
Persons in population per vehicle	4·9	35·8	37·0	9·0

The high level of vehicles per road mile in this country, when related to the comparatively low proportion of car owners to total population, suggests that, from the automobile manufacturers' point of view, further road construction is a matter of some urgency. On the other hand, with the exception of France, we have already a greater mileage of road per square mile of area than any country in the world. The conclusion is irresistible that, in the absence of substantial relief from road congestion, expansion of our automobile industry depends preponderantly on our success in cultivating markets overseas.

The Chilled and Frozen Meat Trade.—The year 1928 was satisfactory for beef producers in most parts of the world, according to the annual review of Messrs W. Weddel and Co. In the United States prices were high, as a result of the shortage induced by the unprofitable prices of 1927; in Great Britain also prices were affected by reduced supplies of home-grown meat, resulting from a scarcity of feeding stuffs and the stoppage of imports of Canadian store cattle. Supplies of beef from the Argentine were very heavily reduced. As prices of beef had previously been low with reference both to cost of production and to the prices of other foodstuffs, this rise was not sufficient materially to affect consumption. There was a very great increase in the consumption of lamb, at prices more favourable than those of the previous year. The total consumption of beef, mutton and lamb in the United Kingdom during 1928 is estimated at 1,987,525 tons, of which 1,107,800 tons were home-grown and 879,725 tons imported. On the Continent the demand for imported meat diminished further and overseas imports fell to 203,284 tons from 296,567 tons in 1927. This is attributed by the trade to action on the part of the various Governments, and little hope is held out of any change in the position. Nor is there any evidence of a substantial improvement in home demand as compared with recent years. Home supplies in 1929 are expected to be about normal; oversea supplies of beef may, if anything, be slightly reduced, while the shipments of lamb are expected to be ample.

"Continuous Production" in Russia.—On June 14th appeared a decree of the U.S.S.R. Supreme Council of Economy requiring all interested industrial authorities to report on the proposal to introduce "a continuous industrial production week." The reports are to be submitted within three weeks. The proposal is to keep all factories working on Sundays and on the present legal holidays (of which there are thirteen), with exception of five holidays which commemorate the revolution events. This measure was advocated by M Larin in a recent speech to the All-Union Congress of Soviets, and it has since been daily debated in the Press and at meetings of industrial employees. Among the advantages promised are an increase in production, fuller utilisation of plant, more rapid turnover of working capital, and, not least it seems, "emancipation from the bourgeois-traditional division up of the workers' time." That the plan involves many practical difficulties is indicated by the Council of Economy's decree, which enumerates no less than eleven questions needing elucidation—questions of the sufficiency of fuel and materials supplies, the effect of continuous operation on a plant, the carrying out of current repairs, the supplementary supply of labour, the necessary additional housing, the extra capital investment, and the moral effect on labour. It is not proposed to reduce the number of rest days. The problem is in what manner workers' groups should be organised so as to give all employees at least the present number of holidays. It is admitted that the groups must be so organised that "the more backward workmen," i.e., those religiously inclined, should never have to work on Sunday. One suggestion is that the seven hours' day, which, according to present plan will be universal within five years, should be abandoned, and be replaced by an eight hours' day with, however, only five working days, followed by two successive rest days, in the week. Certain branches of production, among them smelting and steel (not the rolling mills) have already a "continuous working week," and a large glassworks and the Leningrad engineering works "Co-operator" have gone over to the system. The Press publishes many workmen's resolutions in favour of the "360 days working year."

Prosperity in Belgium.—In the report* by the Commercial Secretary to the British Embassy on conditions in Belgium during 1928, it is predicted that lasting recovery should be attained by the end of 1929. Public finance has been conspicuously satisfactory: internal debt was reduced during the year ending September 30, 1928, by 803

* Department of Overseas Trade. H.M. Stationery Office. 4s. 6d. net.

million francs; external floating debt was extinguished; revenue from taxation exceeded the estimate of 8,671 million francs by a probable 1,179 million, so that substantial reduction in taxation is promised for 1929. The National Bank of Belgium continued the reduction in its rate of discount which is now 4 per cent. The least satisfactory development during the year was a certain weakness in the Stock Exchange, which was sharply accentuated by the death of Mr Loewenstein. Although the position is now sound, there is still very little general activity. The returns of foreign trade are highly satisfactory, showing a rise in imports from 29,138,507 francs in 1927 to 31,564,240 francs in 1928, and in exports from 26,696,614 francs to 30,145,421 francs. Except for a diminution in the imports of food, the increase both in imports and in exports is spread fairly evenly over the various classes. Great Britain has increased her share in Belgian import trade from 11.4 to 11.9 per cent. and diminished the proportion of Belgian goods she takes from 18.2 to 17.1. She is still Belgium's principal customer, and as a source of Belgian imports ranks third, after France and Germany. Industrial progress during 1928 has been most marked in the coal, iron and steel, chemical, electric light and power industries, in all of which a process of concentration is under way. The special committee of inquiry has not yet issued its final report on the coal industry, but meanwhile there have been five important mergers, a sales organisation has been formed, a bill for the abolition of royalties has passed the Chamber of Representatives, and certain tax reductions are expected further to strengthen the position of the industry. Coal consumption increased during 1928 owing to the improved position of the iron and steel trades, in which also amalgamations and the establishment of sales organisations have been prominent. British competition, however, especially in pig iron, has been felt keenly in the export business. Belgian motor-car production by no means keeps pace with the expansion in home demand, but home manufacturers are just beginning to turn attention to the production of cheap 8/25 h.p. cars with a light petrol consumption. This is a type of model in which one would suppose British manufacturers to be in a strong position to compete, but at present, owing to lack of advertising, British cars are rarely seen in Belgium, whereas expensive French and American models are very successful there, aided by strong publicity campaigns. One of the most progressive branches of industry in Belgium is that of chemical manufacture. New processes are being steadily developed and an increase in the capitalisation of the industry has been reflected in the installation of much new plant. Co-operation between the chemical industry and the coal and non-ferrous metal industries is growing, and promises to become an important factor in the prosperity of the industries involved. The prosperity of agriculture was the main theme of our Belgian correspondent's letter in a recent issue. On the other hand the textiles, leather, boot and shoe, lace and ceramic industries are not yet out of their difficulties.

The Trade of British Malaya.—The British Trade Commissioner in Malaya has presented to the Department of Overseas Trade a Report* which is of great interest to British manufacturers. Malaya is in a very favourable geographical position for commerce, and offers considerable scope for increased production, so that there is every reason to suppose that her part in world trade will grow substantially in the near future. Meanwhile, Great Britain's share in Malayan trade is failing to keep pace with that of other countries, and the percentage of imports which came from Great Britain declined from 19 in 1921 to 13.5 in 1927. The two principal reasons suggested are, first, the intensification of European and Asiatic competition in goods of cheap and medium quality, and, second, the comparative slackness of the distribution methods adopted by the United Kingdom, many of whose manufacturers fail to establish an intimate contact with the requirements of the local markets. Chinese merchant firms play a growing part in Malayan trade, and it would pay British exporters to establish closer relations with them. The greatest need in meeting the extraordinarily competitive conditions of this trade is for the appointment of resident investigators, who would thoroughly explore even the smallest and remotest markets. The market as a whole is promising, since, in spite of some disorganisation caused by the restriction in rubber exports and its subsequent removal, economic conditions in Malay are very sound. Exports are dominated by rubber (50 per cent. of the total in 1927), tin (19.5 per cent.), and motor spirit, but about half of each of the first two of these items and the whole of the last consists of re-exports, and it is a weak point in the position of the country that she should depend so largely upon commodities not wholly of her own producing, especially as Asiatic trade is tending to become more direct. An improvement in this respect is, however, predicted. In the import trade the decline in the British share is more serious than might appear from the total percentages, since it has been most marked in the case of manufactured goods. In the metal and machinery groups Great Britain is holding her trade fairly well, partly because some of the firms with the most efficient trading methods are to be found in those lines, but partly, it is to be feared, because of Government purchases. The most serious decline is in the textiles group. In 1923, 66 per cent. of Malayan imports of cotton piece-goods came from the United Kingdom and 9.5 per cent. from Japan. After an unbroken movement in each case the respective percentages in the first four months of 1928 were 50 and 24. A similar growth in Continental-European competition in general imports has taken place; Belgium, France, Germany, Italy and the Netherlands increased their sales of total merchandise to British Malaya by percentages varying from 160 to 417 between 1922 and 1927, against an increase in the British total of only 74 per cent. The British Trade Commissioner, however, estimates that the United Kingdom could increase her share of the import trade of British Malaya from 27 to 40 per cent. in two or three years, thereby adding an annual value of some £4 million to our exports. The groups which could, in his opinion, contribute to such an increase are: Earthenware and glass, iron and steel, machinery, chemicals, dyes and paints, motor vehicles, rubber manufactures, cutlery, hardware, etc., leather manufactures, and paper. All but the last three of these are already showing some improvement. The point is stressed that, in order to achieve this objective, more aggressive and efficient methods of sale and distribution are essential.

* H.M. Stationery Office. 3s. net.

Oversea Correspondence.

UNITED STATES.—STOCK EXCHANGE—MONEY—PRODUCTION—REPARATIONS.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 12.

MIDSUMMER dulness has settled over the financial district. While there is a good deal of gratification in conservative quarters over the apparent culmination of what many felt was excessive speculative activity, some adverse effects of the methods used in bringing it about are beginning to be felt. Business on the Stock Exchange has fallen to midsummer proportions and except for some sections of stocks, such as the public utilities and shares with special attractions, price movements are narrow. Professionals are largely in control of the market. The public is indisposed to come in, but at the same time it has apparently sold all the stock it intends to sell unless something unforeseen occurs to shake its confidence in the future. Current money rates are scarcely a factor in the share market, but Reserve Board policy toward the money market during the remainder of the year is. The uncertainty over what to expect from the Washington authorities is holding back market operations, but, anyhow, the share market is unlikely to make any impressive demonstrations on the bull side until after further rest.

The markets have been well supplied with money this week, and the trend of time rates has been downward. Call money, after remaining at 6 per cent. for some days has risen to 7 and finally to 8 per cent. In a measure the higher rates were a corrective, perhaps, of the low rates prevailing over the end of May and early in June, since bankers feel that 6 per cent. or lower is not justified by conditions. Moreover, the banks are now making their preparations for the June 15 tax payments and corporation interest and dividend payments. Rights to subscribe to new stock issues between now and the end of the month will require, it is estimated, about $800,000,000 of investors' money. Subscriptions to stock offerings in such large amounts will, of course, put some strain on the individual shareholder, and the increase in stock outstanding will tend to hold down prices until the period of digestion is over. However, the money market is unlikely to feel more than passing effects, if, indeed, New York may not be easier as a consequence of the massing here and into corporation treasuries of money drawn from savings banks and small deposit accounts throughout the country.

Toward the end of next week the usual tax date ease in money should be felt. The Treasury has closed its books on an offering of approximately $400,000,000 of short-term notes on which it will have to pay 5⅛ per cent., the highest rate paid by the Government since the depression year of 1921. The issue was over-subscribed two and a half times, a testimonial to the generous terms. Payment for the new issue will not be made immediately, whereas the Treasury will borrow from the Federal Reserve Banks on special certificate and with the funds grant the banks immediate credit on maturing notes and certificates. In addition, the Treasury will pay interest on its obligations. Tax collections will necessarily be slow, and pending cashing of tax checks the overdraft at the Treasury will put funds into the money market. The high coupon rate on the Treasury issue fairly meets the current market for Government obligations. It is believed that the Treasury might have done better, but a year ago it had an unpleasant experience in cutting the corner too sharply, causing losses to subscribing banks in the subsequent decline of the bond market. The high rate does not, of course, forecast the money market for the remainder of the year. On the other hand, the over-subscription would indicate expectation by bankers of easier conditions. At any rate, the market for good bonds has been improving moderately for the past two or three weeks.

Such recession as the summer may bring in business will at least have the virtue of coming later than ever before. For the first time in history the steel industry has made its record output in May. Operations are declining somewhat this month, but the first half-year is bound to set up a new peace-time record for the industry. Motor car sales are falling off moderately, but are still running much above the same period of last year, and some manufacturers are talking of higher prices in order to show a satisfactory profit. The situation this year is that while the leading makers are selling more cars than ever, the margin of profit per car is smaller than ever. Building activity in May was below that of last year, as indicated by the record of permits for new construction, which were about 20 per cent. under last year. A better indication of construction activity may be had from the record of contracts let. Contracts let in the territory east of the Rocky Mountains in May, according to the F. W. Dodge Corporation, were 9 per cent. below April and 12 per cent. under the same month of last year. For the five months contracts were 11 per cent. under a year ago.

Quiet satisfaction is apparent in all circles over the settlement of the Reparations question. In some international banking quarters it is thought that interest in foreign financing will shortly revive as a result. However, there is no expectation in good quarters of any considerable German Government loan in the near future. The proposed international bank meets with general approval among bankers, but the attitude of Washington toward Federal Reserve participation is an uncertain factor, and it is realised that the country as a whole is still far from being internationally minded in financial affairs.

BANQUE BELGE & INTERNATIONALE EN EGYPTE.

Egyptian Limited Liability Company.
(*Authorised by Royal Decree, dated January 30th, 1929*).
EMBODYING THE FORMER EGYPTIAN BRANCHES OF THE
BANQUE BELGE POUR L'ETRANGER

CAPITAL (subscribed): L.E. 1,000,000
„ (paid up): L.E. 500,000

HEAD OFFICE: CAIRO. BRANCH IN ALEXANDRIA.
Correspondents in all the principal cities of the world.
ALL BANKING OPERATIONS TRANSACTED.

FRANCE.—REPARATIONS—LONDON AND WASHINGTON AGREEMENTS—BUDGET.

(FROM OUR CORRESPONDENT.)

PARIS, June 19.

AT yesterday's sitting of the Ministerial Council, the Government formally decided unanimously to approve of the new German reparations plan. So far as can be seen, this decision reflects public opinion in general, which recognises that France, although she will not receive anything like as much as she might rightly claim, will gain many solid advantages in other directions than from direct cash payments. Chief of these is the fact that under the new plan the French are given a right to the mobilisation of the "unconditional" portion of the annuities due to them. In a formal letter to M Poincaré, reporting the results of the work of the experts' committee, MM Moreau and Parmentier, the French delegates thereon, state that "all the effort of the French experts was focused on this point. Thanks to the solution arrived at, the amortisation of the debt contracted by France, in the room and place of Germany, may be accelerated, and France will have the benefit of a veritable priority in favour of her material reparations."

In the same report the French delegates state that the present value of the amount that France should receive under the new plan will be (at 5½ per cent.) 18,739,000,000 marks (plus about 4,000,000,000 marks which she has already received). The French share of Germany's first 37 years of reparation payments should, therefore, total, in round figures, close upon 23,000,000,000 marks, or over 138,000,000,000 francs. Of this total 102,000,000,000 francs will represent the cost of reconstructing the devastated regions. The balance of 36,000,000,000 francs over and above the actual cost of reconstitution, the French experts explain, "will attenuate the consequences of the fact that our reparation expenditure will be reimbursed at different dates from those when the money was actually expended; but the cost of the war pensions left to Germany's charge by the peace treaty will continue to encumber the French Budget."

The French experts recognise definitely that, although the new plan foreshadows a moratorium in favour of Germany, the conditions of it are such, "combined with those of the London and Washington agreements, that France can never be exposed to having to pay to her old allies and associates more than she will receive from Germany." They also assert that "the *de facto* liaison established for the first time between German reparation payments and French foreign debt payments will be in practice all the closer from the fact that the proposed International Bank will have the duty of making the payments." Of the constant annuity of 1,046,500,000 marks due to France, only 626,500,000 marks will be required to meet her foreign debt instalments. The balance of 420,000,000 marks, which will constitute a net revenue for France, payable for 37 years, will be equivalent (at 5½ per cent., plus amortissement) to an actual present value of 6,945,000,000 marks, or about 42,000,000,000 francs.

Controversy is already rife as to the method to be adopted for the mobilisation of the German payments. One suggestion is that the French Government should deliver scrip issued by the German Government in ex-

change for scrip of French Government loans issued since the reconstruction period. It is scarcely likely, however, that French holders would agree to exchange Rente scrip or Government Bonds against German scrip, even if this form of conversion were made compulsory, which it is unlikely any French Government would venture to propose. A forced conversion proposal of this kind was tentatively put forward during the critical days of the franc and met with such opposition that no more was heard of it. A more practical suggestion is that the available portion of the French annuities (which would amount to 420 million marks a year) should be entrusted to the Caisse d'Amortissement, to be utilised to buy in French public debt issues on the Bourse, for extinction purposes. This, however, would be to rob the new Young plan of one of its most notable advantages, as it would prevent the German scrip from coming into general circulation, and consequently render impossible the transformation of the German political debt to France into a commercial one.

It is now clear that the Government will have no easy task to secure ratification, during the coming week, of the London and Washington debt agreements, whether it asks for their approval by direct Parliamentary vote or for ratification to be left to the Government, with power to act by decree. The various groups in the Chamber have all held long sittings on the question, but none has so far pronounced in favour of ratification pure and simple. The two outstanding factors to-day are (1) that payment of $407,000,000 for the American war stocks falls due on August 1st, and that it is impossible to know before that date whether (2) the various governments concerned will approve of the new reparations plan. M. Stern, the rapporteur of the Foreign Affairs Commission of the Chamber states that the Treasury is certainly in a position to pay the $407,000,000 on August 1st, if the Washington Government demands it, but in that case the New York and London money markets would undoubtedly be seriously affected, and probably Paris as well. France would also lose the benefit of having this payment absorbed in the scheme of annuities provided under the Washington agreement, in addition to suffering a drain on her sound money reserves. Whether, in the circumstances, Washington will refrain from insisting on immediate payment, as a penalty for French failure to ratify the agreement as to the larger debt, is uncertain. French hesitation to ratify is due to nervousness owing to the absence of any safeguard clause in the agreement, and also to uncertainty as to whether the other governments will approve the Young plan as it stands. The situation has not been improved by the news from Washington that the United States Government does not regard it as necessary to express approval of the new reparations plan.

The gravity of the situation is shown by the fact that the Foreign Affairs and Finance Commissions of the Chamber have taken the unusual step, after discussing the problem separately during several sittings, of holding to-day a joint session for the purpose of hearing important statements not only from M. Poincaré but also M. Briand and M. Chéron. It is expected that these conferences will occupy the next three or four days, in view of the importance of definite decisions being come to prior to next Tuesday's pre-ratification debate in the Chamber. There is undoubtedly a large body of opinion in the Chamber which is strongly in favour of immediate ratification of both agreements. At the same time most of the parties are divided among themselves as to the best course to take. Further evidence of this was afforded yesterday, when the Radical Left, which usually strongly supports the Ministry, passed a resolution calling on the Government to adjourn ratification of "all the agreements" until Germany and all the Allied Powers have pronounced on them. Meanwhile, MM. Bérenger and Caillaux, who negotiated the Washington agreement, are loudly insisting that ratification is imperative, as this country is offered remarkable advantages which are never likely to be accorded in future, if the question is re-opened either in Washington or London.

The revenue returns for May show a yield from all budgetary sources (exclusive of the postal department, the revenue devoted to the Caisse d'Amortissement and local taxation) of 3,268,948,600 francs (as compared with 5,105 millions and 3,147 millions during the corresponding months in 1928 and 1927). Of this sum only 398,652,000 francs consisted of direct taxation proper (almost entirely income tax yield) levied under the State Budget. In addition 227,714,000 francs were recovered in the way of local taxation, while the Caisse d'Amortissement received the yield from the tobacco monopoly, the succession duties and other taxation now devoted to debt extinction purposes and dealt with outside the Budget. With the exception of the yields from sugar, salt, benzols and heavy mineral oils, which are always the least important items in the list, and from the tax on Bourse operations, all categories of taxes again showed appreciable advances over the yield in the corresponding month of last year. The turnover tax produced 849 millions, or 62½ millions more than in May, 1928. Registrations were 96 million up, Customs 88 millions (partly due to rising price in *ad valorem* categories), taxes on securities 38 millions, stamp duties 18 millions, and the supertaxes on motor spirit and petroleum 20 millions. The total yield for the first five months of the year, exclusive of that from income tax, has been 14,903,000,000 francs, or 2,481,000,000 francs above Budget estimates. It is announced that the total yield under the General Budget for 1928 now amounts (down to December 31st last) to 47,293,990,000 francs. The balanced Budget, when passed, provided for a total revenue of 42,496,616,176 francs, so that the year appears to have resulted in a surplus of 4,800,000,000 francs. How much of this will be left after the usual long list of Supplementary Expenditure has been provided for (in July) remains to be seen.

GERMANY.—TARIFF QUESTIONS—CREDIT—INDUSTRY—"CONSUMPTION FINANCING."

(FROM OUR CORRESPONDENT.)

BERLIN, June 18.

THE Cabinet has postponed the amendment of the Unemployment Insurance Law of July, 1927, until the late summer Reichstag session, in view of the rapid decline of unemployment, as a result of which revenue is now about covering expenditure. The Committee which is investigating the question will render its report at the end of next month, so that it will be possible to submit the amendment Bill during the August session.

The tariff question threatens to become acute, partly in connection with the Cabinet's decision to increase the food import duties, partly in connection with the American Tariff Revision Bill, which is strongly objected to by industrial exporters. The trade Press demands not only that the commercial treaty with America shall be denounced as soon as possible (which, however, cannot be until 1933), but that in future no commercial agreements on the basis of most-favoured-nation treatment shall be concluded. The Minister of Industry, Dr Curtius, some months ago, proclaimed that the commercial treaty with Great Britain should be denounced, this on the ground that the safeguarding duties injured Germany in particular. The proposed increases in the American duty, it is declared, will affect every branch of German industrial export that at present sells more than 10 million marks a year worth of goods to the United States. The increased "flexibility" of the new American Tariff, as compared with the Tariff of 1922, in the matter of anti-export bounty measures and of measures based on the vague and incalculable "competition" factor will create constant uncertainty as to the duties which will have to be faced by German exporters. The food duties position is pointed to as an instance of the inconvenience of most-favoured-nation treatment. The Government has definitely decided to increase these duties. The aim is not to keep out American foodstuffs—this could be attained only gradually—but to put up home prices. The interim grain duties at present in force are at reduced rates, 50 marks per metric ton on rye, 55 marks on wheat. The autonomous rates fixed by the Minor Tariff of August, 1925, are, on rye 70 marks, on wheat 75 marks. These cannot be put into force against countries like the United States, which enjoy most-favoured-nation treatment, because the rates in the German-Swedish commercial treaty are only 60 and 65 marks respectively. The Government is negotiating in Stockholm "for removal of the difficulties which arise out of the German-Swedish commercial treaty," that is, apparently, negotiating for a release from this provision of the treaty. This indicates a design to increase the duties to at least the Minor Tariff autonomous rates. The official attitude towards the food duties increases seems to be apologetic. The Food Minister declares that "the misfortune does not lie in our having low food duties, but in our having low food duties and at the same time high industrial duties." It is reported that the "Valorisation Commission" has prepared a grain monopoly plan.

The money market improvement has continued. Day loans last week were plentiful, with, however, little change in the interest rate; but month loans rates declined. Early this week day and month rates slightly advanced in connection with impending settlements in Western industry. Offers of foreign funds are coming increasingly in, but their acceptance is checked somewhat by the continuing high reichsmark exchange. The Reichsbank's restriction of the volume of rediscounting has practically ceased. The Reichsbank's return for June 15th shows only a small increase in the exchange reserve, but as a result of a decline of 181 million marks in circulation, the ratio of combined gold and exchange reserve to reichsmark circulation rose further to 49.7 per cent., the ratio to total circulation to 44.8 per cent. Discounts declined by 824 million marks, advances increased by 12 million marks. Anxiety about the money market during the June half-yearly settlements has been allayed by the report, not yet confirmed, that a 200 million marks credit for the Republic, whose cash position is still unsatisfactory, has been arranged with native banks, while the banks will in turn get a $50 million American credit.

The wholesale prices index for June 12 is 134.9 as against 134.5 on the 5th. The rise again falls to the agricultural products group. The number of unemployed declined between May 15th and 31st from 927,000 to 807,570. Lost through strikes and lockouts in the first quarter of this year were 1,046,000 working days as against 10,167,700 days in the last quarter of 1928, in which fell the Western steel lockout. Railway freight traffic is increasing, and in the latest weeks for which returns are issued has considerably exceeded that of the corresponding period of 1928. The industrial consumption of coal is also larger than a year ago. These facts, and the high iron and steel production figures, seem to point to general industrial improvement, but complaints that shortage of capital hampers the revival continue to come in. Pig iron production in May was 1,133,134 metric tons as against 1,044,046 tons in May, 1928; in the first five months 5,386,594 tons against 5,565,030 tons. The trade balance in pig iron is strongly active, export in the first four months being 98,708 tons against 57,627 tons imports, whereas in these months last year import exceeded export. Negotiations are reported to be under way for modification of the agreement under which the Ingot Steel Syndicate (Rohstahlgemeinschaft) grants price rebates to native manufacturers on material bought for conversion into export goods. The manufacturers' association "Avi" considers that the price rebates should be equal to the full difference between the higher German and lower work market prices. At present something less than the difference is allowed. The machine manufacturers' association reports increasing activity, which is due entirely to the great rise in the volume of foreign orders. The Ruhrgas A.G., which was founded in 1926 for long-distance supply of gas, reports that it has concluded a large number of contracts with industrial concerns, gas companies, and municipalities, including a contract to supply the whole consumption of Hanover city. In April, 1928, the company took over all the gas delivery plant of the Rhenish-Westphalian Electricity Co., which supplies 41 municipalities. The paper industry is very active. Export of print paper in the first four months was 72,664 tons against 62,816 tons in the same months of 1928. The increase falls almost entirely to reparation deliveries in kind, to France. The porcelain industry complains of bad business. The degree of employment is at present below that of industry as a whole, whereas a year ago it was higher. Import this year so far has been much larger than a year ago whereas export has slightly declined.

The system of "consumption-financing," which was started 3½ years ago, partly under American influence and partly as a consequence of capital shortage and of trade depression, is being subjected to some severe criticism. Two "consumption-financing" institutions, whose turnover and profits at first grew rapidly, are reported to be in difficulties. "Consumption-financing" took the forms of granting credits to retailers to enable them to conduct a payment-by-instalment system, and of granting would-be buyers "credit-cheques" against a definite commission and security, the cheques being taken in payment only by a retailer who sold for cash. It is reported that present sales under these systems total over 1 milliard marks a year, that 65 per cent. of all motor cars sold, and practically all complete house furnishings, are financed in this way. In most cases the original credit-givers, who are Swiss or American, are secured against loss by a chain of guarantees and ultimately by insurance. The proportion of defaults on instalment payment has been very considerable. A report of the chief Credit-Insurance Co. complains of the methods practised. As the business is very profitable to the original credit-givers, credit is obtainable in abundance; and in the competition to obtain instalment-buyers very little regard is paid to business methods. The buyers are well protected against exploitation by a law dating from 1894, but it is complained that national savings in the hands of insurance institutions are devoted to the encouragement of various forms of waste.

NORTHERN IRELAND.—BUDGET—SUSPENSE ACCOUNT—RESERVED REVENUES.

(FROM OUR CORRESPONDENT.)

BELFAST, June 19.

THE Northern Ireland budget for the year 1929-30 was passed by the House of Commons last week. The total estimated expenditure for the current year is £10,694,000. Consolidated Fund services are estimated to cost £726,000, including a payment of £440,000 to the Road Fund. Under this heading provision is also made for payments of £83,000 to the Sinking Fund in connection with the issue of Ulster Savings Certificates and of £93,000 to the Sinking Fund which is being built up in connection with land purchase annuities. These annuities were made over to the Northern Ireland Government as a free gift to defray the expenses involved in setting up the new state. The receipts from this source are estimated to amount to £665,000 in 1929-30, but as the process of land purchase is completed this sum will steadily decrease, and by the end of sixty-three years it will have disappeared. It is therefore the intention of the Government to build up a sinking fund which will eventually provide an investment income in lieu of the revenue at present obtained from these terminable annuities. The total cost of supply services is estimated at £7,580,000. Estimates in respect of £7,245,000 have already been passed. A comparison with the estimates and supplementary estimates for 1928-29 is given below.

	Estimates and Supplementary Estimates, 1928–29.	Estimates, 1929–30.
	£	£
Total—All transferred services	7,150,931	7,245,015
Deduct—		
Section 34 (Government of Ireland Act) Works Charges Treasury Contribution towards Generalisation Payment (Unemployment Insurance Agreement)	214,137	244,167
	550,000	473,000
Adjusted net total	6,386,794	6,527,848

It is stated that in framing the 1929-30 estimates it was not possible to anticipate the passing of legislation to give effect to the Government's proposals in connection with de-rating, and a supplementary estimate amounting to about £335,000 will be necessary to meet the additional cost of giving relief of rates to agricultural land and partial relief to industrial hereditaments during the half-year October 1, 1929-March 31, 1930. The cost of anticipating the de-rating of agricultural land during the six months April 1st-September 30th this year will be defrayed out of a special suspense account to which will be allocated the entire revenue surplus of the three years 1927-30. The cost of reserved services is estimated at £1,788,000, while the contribution to Imperial services has been provisionally fixed at £600,000. The latter contribution was originally fixed at £7,920,000—a figure, however, which was based upon a reserved revenue of over fourteen million pounds. Through changes in taxation the reserved revenue raised in Northern Ireland has declined very greatly, and last year, when the provisional amount contributed to the British Treasury was £1,100,000, the amount raised in the six counties by reserved revenue was just over seven and a half million pounds. The surplus available for contribution to Imperial services, after maintaining the same level of local services in Northern Ireland as in Great Britain, has thus been necessarily reduced.

On the revenue side of the accounts, transferred taxes are estimated at £1,445,000, as compared with actual receipts amounting to £1,508,000 in 1928-29. Reserved taxes are expected to yield £6,741,000, bringing the total tax revenue up to £8,186,000. Other sources of revenue (including land purchase annuities, Post Office receipts, and payments from the Imperial Treasury in respect of works charges under the Government of Ireland Act, 1920, and under the Unemployed Insurance Agreement) are expected to bring in £2,526,000, giving a total estimated revenue of £10,712,000, as compared with an estimated expenditure of £10,694,000.

SWEDEN.—DISCOUNT RATE—PRODUCTION—FOREIGN TRADE—MONEY—STOCK MARKET.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, June 15.

THE discount question has continued to occupy the same central position, but as the general trend has proved even more favourable than was expected, the threat to the discount rate has not been due to internal conditions, but to international factors, with the consequent tendency of dearer money and the uncertainty regarding the result of the Reparations negotiations in Paris. The latter question has now happily been settled, but the situation in the United States is still such that Stockholm may have to raise its discount rate in consonance with New York and London, although, normally, the critical season should be past.

While the Reparations question and the American situation have patently been ruling factors abroad, very few traces indeed of their influence can be found in Sweden. They have been a constant source of danger to the discount rate and have, of course, influenced the Stock Exchange, but the general economic life of the nation has proceeded as if these complications had not existed. Production in the principal industries has so far been on a remarkably high level and the chief export markets have been favourable. The "Svensk Finanstidning" production index, which comprises all the heavy export industries, registered the following changes in the early part of the year:—January, 148; February, 134; March, 135; April, 146 (1923-1924=100). These are post-war records and reflect good orders all along the line, although pulp and ore are well ahead of the other industries.

In the pulp industry only 5 per cent. of the estimated production for the year of strong sulphite remains unsold, and 7 per cent. of easy bleaching, whilst large quantities have already been sold for 1930 and later, and it has been possible to reach this favourable position with prices almost continuously showing a firm tendency—in the case of sulphite and mechanical pulp slowly rising, and of sulphate, at a less satisfactory level. This development is the more notable as the volume of production in the pulp industry has continued to increase at a rapid rate. Thus the production index for the first quarter of this year was 177; in April it had risen to 196. Both figures are records. The situation in the timber industry is, of course, not nearly as good, yet the progress made has materially exceeded expectations. At the end of last month, sales since the beginning of the year had reached 700,000 stds., and there is little doubt that the whole of this year's production will be sold. In spite of irritating Russian competition, it has been possible to effect these sales without a material lowering of prices. Of the remaining important export products, paper has shown a trend somewhat similar to that of pulp; the engineering industry has continued its recovery in the iron and steel industry is becoming more pronounced and ore mining has been proceeding at a record rate, except for a temporary setback in February and March.

Owing to special circumstances this progress has not, however, been reflected to its full extent in foreign trade. The main factor here was the exceptional ice conditions in February and March, which almost entirely cut off Sweden from other countries. The mild weather in January prolonged the shipping season and the month ended with an import surplus of only 13 million kronor. Then in February and March there came an almost unexampled drop in the volume of trade. Contrary to previous experience, the ice blockade affected imports more than exports, hence the excess of imports fell to 10 million kronor in February, and actually gave place to an export surplus of 6 million kronor in March—an abnormality for that time of year. It was only to be expected that as soon as the ice barrier was removed in April, the pendulum would swing over violently in the opposite direction. The foreign trade in April did, in fact, reach unprecedented dimensions, and although exports were unexpectedly large, imports were more so, with the result that the import surplus at the end of the month stood at the enormous amount of 56 million kronor.

On account of the unusually favourable trade balance early in the year the excess of imports over exports, nevertheless, stopped at the comparatively low figure of 73 million kronor for the first four months. For the corresponding period of last year, the passive balance was 183 millions. This figure was unduly high by reason of the labour disputes at the time, but the average in former years has been in the neighbourhood of 135 millions, if the exceptionally favourable year 1927, when the import surplus was 72 millions only, is left out of account. The ice blockade, through its influence on the Swedish trade balance, has affected the discount problem, for it was mainly in the event of pressure on the Swedish exchange that a heavy demand for foreign currencies, caused by a pronounced passive trade balance, could be expected to force a rise in the discount rate. It may be doubted, however, whether a less substantial passive balance alone would have prevented the raising of the discount. The deterioration of the trade balance in April was counter-balanced by a gigantic—for Swedish conditions—financial transaction in so far as the Kreuger group during the month called in a large part of the outstanding payments on the latest debenture issue. This perverted the normal development of the trade balance to such an extent that instead of a backward trend in April, there was an improvement of 32 million kronor, thus the result of the first four months of the year was a reduction of the net claims abroad by only 53 million kronor—an astonishingly favourable figure. The exchange market has on this account in April and May been characterised by offers instead of demands, to which the early appearance of bills in connection with Gulf shipments has also contributed. It is not altogether surprising, therefore, that the Riksbank at the end of last month had a currency reserve of 183 millions, and this

only a fortnight before the time of year when the lowest point is usually reached. Since the beginning of the year, the fall has been only 32 million kronor, as against 156 millions last year (owing to labour conflicts) and 46 millions in 1927.

This trend was bound to react to some extent on the home money market. In April, especially, credits were noticeably restricted—for the first time since the labour troubles of last year—and were then below last year's level. The contrast is well illustrated by the fact that the credit volume in the period January-April this year dropped to 97 million kronor, whereas in the corresponding period last year it rose by 79 million kronor. But if the year has so far been mainly satisfactory, there is one field of financial activity that has suffered through the dominance of the international situation. It has already been mentioned that the Stock Exchange reacted decisively to the uncertainty regarding the reparations settlement and the outcome of the violent speculation in New York. The Stockholm Stock Exchange is normally firm and active in the Spring, when the bulk of the industrial concerns make up their accounts. But this year the tone has been halting, and sharp movements have taken place in shares quoted abroad. In the first five months of the year, the shares on the A list dropped 116 million kronor, whereas last year, in spite of the labour situation, they rose 145 million kronor, and 282 millions in 1927. It is true that these variations are almost wholly due to the movements in Kreuger shares, as these lost 167 millions this year, as against a gain of 212 millions last year. But this means that the remaining shares have risen by only 51 million kronor this year, in spite of favourable conditions, while during last year's industrial difficulties they rose by 273 millions.

CANADA.—CROPS—GRAIN ACT—LIBERAL LOSSES—BUSINESS—STOCKS.

(FROM OUR CORRESPONDENT.)

OTTAWA, June 12.

THE weather has been reasonably good in Eastern Canada during the past fortnight and crops have been regaining some of the leeway which they lost through their belated start. But on the prairies conditions are less satisfactory and the second crop survey of the *Manitoba Free Press*, published on June 8th, cannot be described as an enthusiastically optimistic document. It reports that the wheat averages five or six inches high and is well rooted, but that it and other grains are in many districts suffering seriously from a lack of moisture. Abnormally abundant rains were required this summer to compensate for the inadequacy of the moisture reserves left by a light snowfall, and they have not so far been vouchsafed. Indeed, out of 335 districts reporting to the *Free Press* not less than 158 or almost half stressed the more or less urgent need of rain. There was also complaints of soil-drifting which is an inevitable result of the lack of moisture to bind the soil. Accordingly, at the moment the auguries do not point to another bumper crop on the prairies, but a spell of copious rains accompanied by warm growing weather could soon retrieve a situation which is by no means beyond remedy.

The battle which was expected to develop over the proposed amendments to the Canada Grain Act did not materialise, for the agricultural committee of the House of Commons after some heated discussions evolved a unanimous compromise report which was adopted without much demur by the House of Commons, and the Bill giving legislative effect to its recommendations was put through in a few hours. The most important change is the complete prohibition of "Mixing" of the so-called guiding grades Nos. 1, 2 and 3 red spring wheat. This regulation will entail the segregation of these grades in the terminal elevators and will involve some changes in the system of handling wheat, especially for companies which have only one terminal elevator. Mixing will still be permitted in No. 4 and lower grades, but an important provision has been introduced for the preservation of uniformity in the out-turn standards of grain from the terminal elevators. The recommendations of the co-operative pool officials were embodied in the Bill which fixes the out-turn standards at 75 per cent. of the average of the grain and 25 per cent. of the minimum. The prohibition of mixing will not become effective until August 1, 1930. Another provision confirms the right of the grain grower to designate the terminal elevator to which his grain will be shipped and thereby settles an ancient controversy in favour of the farmer. The Board of Grain Commissioners is to be strengthened by the appointment of four assistant commissioners to be stationed one in each of three prairie provinces and one at Fort William. The grain trade does not exactly relish some of the amendments, but they represent a reasonable compromise and the Government has pledged itself to introduce next year a measure consolidating all the legislation in regard to grain marketing.

The Liberal Party has just suffered a serious setback in the provincial election which was held in Saskatchewan on June 6th. This prairie province since its organisation in 1903 has been one of the great strongholds of Liberalism; the party has controlled the provincial administration without interruption for 25 years and, while the Progressive Party has carried a number of Federal seats on different occasions, its Federal representation has been predominantly Liberal, and not since 1917 has a Conservative member been sent to Ottawa from Saskatchewan. In the last legislature the Liberals held 55 seats out of 63 and, while some erosion of their huge majority was predicted, nobody was prepared for the overturn of votes which has deprived them of more than half their seats. Two deferred elections have still to be held, but at present the Liberals and Conservatives each hold 26 seats and the remaining nine are divided between Progressives and Independents, practically all of whom ran as anti-Government candidates. The result is admitted defeat for the Liberal administration of Premier Gardiner, and he has the alternative of submitting his resignation immediately or of hanging on to meet the legislature in the hope that he may be able to bargain for Progressive or Independent support. But the *Manitoba Free Press*, which supported Premier Gardiner during the campaign thinks that at no distant date a Conservative administration will govern Saskatchewan for the first time in its history. Undoubtedly the religious issue and disquietude about the influence of Quebec on the councils of the Liberal Party cut some figure in the election, and the slump in wheat prices had produced a widespread feeling of rural discontent, which operated against the Government. But another important factor was the growing feeling of resentment over the tariff measure now under consideration at Washington. The Conservatives meanwhile have been making the welkin ring with their denunciations of the new tariff and the timidity of a Liberal Government which was afraid or unwilling to take retaliatory measures for the chastisement of the United States. If provincial control of Saskatchewan is lost, the Liberals will only retain control of one solitary province, Quebec, and in Federal elections the help of provincial administrations means a great deal. The Conservative experts who insist upon interpreting the Saskatchewan result as the premonitory signs of a political upheaval which will sweep the Liberals out of power at Ottawa next year may be too optimistic, but the setback will undoubtedly strengthen the hands of the group of Liberal Protectionist Ministers who have been urging that the Government should lose no time in re-imposing the special tariff duties on fruit and vegetables.

Business conditions remain more or less stationary, but there is some hesitation about commitments until the fortunes of the western crop are more assured. Industrial activity, however, is still being maintained at a satisfactory level, and the employment index of the Bureau of Statistics on May 1st stood at 116.2, as compared with 110.4 on April 1st and 106.8, 101.8 and 95.4 on May 1st, 1928, 1927, and 1926 respectively. Building construction is still running ahead of last year's figure and firms dealing in lumber, building supplies and electrical equipment are all busy. The locomotive and railway equipment plants are also running full time, and both

the cotton textile and the knitting mills have adequate orders. The American tourist trade which every year brings an increasing sum of money to the country is also making its influence felt in many directions. New hotels designed to cater for it are being erected at different places and the Canadian Pacific Railway is now ready to open its gigantic new modern hotel, the Royal York, in Toronto.

There has been a somewhat better export movement of grain in the past fortnight, but the domestic stocks are still heavy, although it transpires that comparatively little remains in the farmer's hands. The carloading figure for the week ending May 25th placed at 64,318 cars showed recessions of 484 and 1,113 cars respectively, compared with the parallel figures for the previous week, and the corresponding week of 1928. The stock markets are still very dull and bearish and the Bureau of Statistics "Investors'" index of industrial common stocks for the week ending May 30th was 248.1 as compared with 263.1 for the previous week. The mining market is also very listless and even the western oil stocks have lost their popularity. But production in the Turner Valley oilfield is steadily increasing and its May output of 88,302 barrels set a new high record exceeding that of April and March by 19 and 20 thousand barrels respectively.

Letters to the Editor.

GROUP PENSION SCHEMES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I had intended to send you a comprehensive reply to the statements made in the article on "Group Pension Schemes" in your issue of May 18th, most of which were very much in opposition to statements I made in the original article, published March 16th, which I wrote. I am greatly pleased to see that the second article has been so completely answered by another correspondent, and am especially glad that it came from British sources.

There are one or two charges in the May 18th article that deserve a little further clearing up. The statement that my article was "simply an *ex-parte* advocacy of the establishment of a scheme on the methods adopted by American life offices" is ridiculous. I know of at least one important case in England where five companies submitted proposals on this so-called American basis. This group comprised three British, one Canadian and one American company. To label a plan "American" when it has been in use here by British companies for many years is ingenious, to say the least.

So far as group assurance is concerned, it is, of course, common knowledge that more than 50 British companies have adopted group principles and have a tariff known as the British Life Offices Group Tariff.

The statement that "There can be no question that where numbers are large enough for the law of averages to operate a private scheme is more advantageous, &c.," is the crux of your correspondent's entire argument. He says: "In general, all the advantage lies on the side of the private trust."

The fact is, as all informed persons know, that all the advantage, whether for employer or employees, lies on the side of the scheme administered and guaranteed by a life assurance company, whose business it is to make such contracts as these.

The best unprejudiced light on this question is found in the report of the committee on pensions of the New York Stock Exchange, which studied this question for more than three years before deciding on a pension scheme. On this point the report said:—

"We have found that many plans originally well conceived have come to grief because of changes in rates of mortality and seemingly minor alterations of benefits in later years without coincident financial provision. We have further found that the experience in England, where pension plans have been long in existence, is that those administered by assurance companies are not only guaranteed as to their benefits, but have actually in experience given greater money return for the investment than the privately administered funds."

There is a phase of this controversy which has not so far been mentioned in print. The reason why there are so many private pension schemes in existence in Britain is due to the fact that employers, when considering such schemes, ask the opinion of actuaries. The actuaries receive good fees for the work incidental to the establishment of private schemes, and a further fee every five years for the legally required quinquennial examination. Perhaps it is expecting too much of human nature that these experts, despite the fact that most of them have assurance company connections, could advise the use of a life assurance company as administrator and trustee of the pension funds, where no payment of fees would be involved.—Faithfully yours,

WRITER OF THE FIRST ARTICLE.

London, June 13th.

TO THE EDITOR OF THE ECONOMIST.

SIR,—As the writer of the second article on the subject of "Group Pension Schemes" which appears in your issue of May 18th, and one who has had many years of experience in establishing such schemes by means of private trusts, I have read with interest and some surprise the last article on the subject, which appeared in your issue of June 8th.

This article, apart from repeating to a large extent the arguments on the subject contained in your issue of March 16th setting out the merits of schemes of the American life office pattern, devotes a good deal of space to:—

(1) A very unconvincing argument as to the flexibility of assurance company schemes;
(2) Unworthy insinuations as to security of private schemes; and
(3) An arrogant statement that persons responsible for private funds are mere "amateurs" in the matter of investment of funds and in administration.

Such remarks cannot be allowed to go unchallenged, and I ask for the indulgence of your columns to set out my opinion on these matters.

With regard to (1), I merely draw attention to the scheme set up under the Local Government and Other Officers' Superannuation Act, 1922. This Act provides for the superannuation of officers and servants of local authorities, and, briefly, the scheme is one of pensions on incapacity or old age according to a scale based upon the average salary or wages received during the five years prior to retirement, provided for by an annual contribution expressed as a *fixed* percentage of salaries or wages from the employee and the council respectively and a definite certified equal annual charge to meet the non-contributory service of existing employees at the date of the establishment of the scheme. The general scheme contained in this Act was based upon the recommendations of a Departmental Committee, and included amongst its members two eminent actuaries, viz., the Government actuary, Sir Alfred Watson, and Mr W. P. Elderton, the actuary to the Equitable Life Assurance Society.

Many schemes have been set up under this Act, and though they are capable of actuarial solution by means of private funds, yet it is quite safe to say that not one single life assurance company would be prepared to quote for a scheme of this character on the definite lines laid down in the Act. The same criticism applies also to any scheme where it is desired to fix both the scale of pensions and the scale of contributions at the outset. So much, therefore, for the flexibility of life assurance company schemes.

Your correspondent suggests that a private scheme is wedded to a particular system. Exactly the opposite is the case. Any scheme which is desired by employers and employees can be provided for by means of a private fund.

With regard to (2), all I would say is that actuaries are responsible both for the schemes drawn up for life assurance companies and for schemes under private trust deeds, and as I am sure your correspondent does not desire to cast reflection upon the ability of that section of the Profession which has most to do with the establishment of private schemes, it is difficult to understand why in his opinion one scheme should give rise to insolvency any more than the other. The fact that in the past some schemes which were set up without actuarial advice have required financial adjustment at a later stage does not affect the argument. It is true, of course, that there have been some schemes set up under actuarial advice which have required adjustment of the pension rate on account of the acceleration of the age of retirement; but in that case the pension rate of a life office scheme would also have had to be adjusted. In this connection, it must be remembered that the age at which employees retire rests entirely with the employers and nobody else.

With regard to (3), my own experience is that the investment of private funds have been most skilfully handled, as has the administration also. Surely it is almost an impertinence to suggest that the persons responsible for prosperous businesses in this country are mere amateurs on the subject of investments, particularly when they have at their disposal the same type of expert advisers as those attached to life offices.

Finally, I would point out that although assurance companies can do useful work in the case of a small staff, or a group of small staffs, yet there can be no question that where the numbers are large enough for the law of averages to operate, a well-arranged private fund must be able to offer better benefits than any life office scheme. This will be obvious when it is realised that all profit from interest above 4 per cent. (and this is very considerable) falls into the general profits of the assurance company under a life office scheme, whereas, in the case of a private fund, such profit, and in fact all profit, is available for the benefit of the employees.

Generally, since salaries and wages, age of retirement, and questions of incapacity are all matters to be settled by the employers only, any scheme of pensions is so closely bound up with ordinary staff conditions that of necessity it must be more suitably and equitably treated by means of a private trust rather than by any outside scheme through a life office, which really has no domestic interest in the firm concerned. I enclose my card.—I am, Sir, yours faithfully,

CONSULTING ACTUARY.

London, June 18, 1929.

Books and Publications.

ORGANISED LABOUR IN THE U.S.A.*

FOUR small competently written books lie before us, each dealing, from its own angle, with organised labour in the U.S.A. Miss Beard's *Short History of the American Labour Movement*, supplemented by Mr Spero's detailed monograph on trade unionism among Federal employees, gives us a general view of the growth and structure of American trade unionism. We see it, as one might expect, emerging on a craft basis, in response to certain evolutions in the history of business organisation, much as it did in Great Britain, but somewhat later by reason of the later development of American industrial capitalism. In its earliest years the shadow of the Mother Country fell across its destiny, and its first legal battles centred round the relevancy of the English common law with regard to criminal conspiracy. In the end, judicial opinion seems to have reached the position secured in Great Britain by the statutes of 1824 and 1825; the right of combination was recognised, the methods of effective combination were penalised. As the century proceeds there emerges a close parallelism in the reactions of organised labour in both countries to those larger movements of prosperity and depression which involve the world's cash nexus, as well as in the closely related alternation of emphasis as between economic and political action. In the case of the women's labour movement, outlined from its beginnings by Miss Henry in *Women and the Labour Movement*, there appears to be a still more intimate interlocking of destiny. It is interesting to note that Mrs Patterson, founder of the British Women's Trade Union League, derived her original inspiration from certain women's craft unions seen during a visit to New York in 1873; and that the American Women's Trade Union League subsequently took shape on the British model, and formulated its legislative demands on lines laid down by Mary Macarthur.

The contrasts, however, are more interesting than the similarities; and one is tempted to marshal them in the form of an answer to the question: Why is there no political national labour party in the U.S.A.? Looking behind this outstanding fact, we can see it as a reflection of the structure and policy of the American Federation of Labour, which took shape under the shrewd and consistent leadership of Samuel Gompers in the early eighties. It is, and always has been, according to the deliberate intention of its founders, a loose organisation of national craft union, with strongly developed benevolent functions and limited aims. As such it has pursued a "non-partisan political policy," whose scope is instructively illustrated in the extracts which comprise Chapter xxxiii. of Mr Sapos' useful collection of *Readings in Trade Unionism*. Three factors, summarised in the opening chapter of Miss Beard's *Short History*, may throw some light on this failure of the American labour movement to emphasise horizontal economic cleavages and precipitate them into the sphere of party politics. In the first place, there is the fact that in spite of the influence of the English common law on their early struggles, American trade unionists have no long tradition of resistance to the political and social privileges of a strongly entrenched governing class. In the second place, there is the relief afforded to industrial conditions, at least up till the nineties of last century, by the easy acquisition of government farming land. It may be that an effective substitute for such relief is found to-day in the diffused ownership of property and in the banking and financial enterprise which characterise American trade unionism. This last factor is not emphasised by any of the authors under review, but it is not without significance as a counterweight to anti-capitalist movements. In the third place, the steady stream of immigration which set in after the eighteen thirties created a problem of organisation and assimilation which is perhaps, in itself, enough to account for the relative numerical weakness of American trade unionism. And alongside the variations of language, economic standards, and political ideals against which any effective craft unionism has to stand its ground, must be set the early development of trust organisation over a gigantic market on the side of the employers.

Finally, a small factor in relation to the last, yet one which is not without its significance in this connection, is the fact that industrial legislation is State legislation, State legislation, moreover, which is at the mercy of judicial interpretations of the Federal Constitution in its bearing on individual "freedom of contract." Here again is a diversion, if not from anti-capitalist entanglements, at any rate from nationally organised effort in one important field of labour activity.

*"A Short History of the American Labour Movement." By M. R. Beard. Macmillan Co. of New York. 6s. net. "The Labour Movement in a Government Industry" By S. D. Spero. Macmillan Co. of New York. 7s. 6d. net. "Women and the Labour Movement." By A. Henry. Macmillan Co. of New York. 6s. net. "Readings in Trade Unionism." By D. J. Sapos. Macmillan Co. of New York. 7s. 6d. net.

MARKETING—A FARMER'S PROBLEM.*

THE importance of Chicago in the international grain market is common knowledge, and when it is found, as the outcome of three months' investigation, by an authoritative *ad hoc* Committee, that the marketing situation in Chicago is "in confusion and disorganised owing to archaic laws and practices which have grown up," it cannot but be useful to seek the causes which have brought about such a state of affairs. This is the more obvious when it is realised that, five years before the above opinion was recorded by the Illinois Legislative Grain Market Investigating Committee in 1927, a special convention in the same State had recommended that the same body of laws be retained "as it has been for fifty years, and has worked to the advantage of all concerned."

Such a difference of opinion regarding what may be described as the point of focus of the world's wheat market demands further investigation, and the author of the work under review, who acted as special counsel for the Investigating Committee, is peculiarly fitted to carry out the task. The results of his labours are here presented, and are a noteworthy addition to the literature bearing on the historical, legal and economic aspects of grain marketing in the United States.

The study covers the latter half of the nineteenth century, that is, from the time when Chicago, being already a primary grain market of considerable importance owing to its strategic position as a lake shipping point located in the heart of the grain-growing area, became subject to the evolutionary influence of railroad developments. The remoteness of the grain growers from the consumers, both in America and in Europe, has inevitably invested the warehousing problem with very considerable importance, and the history of the development of the Chicago grain market, its relationship to other important terminal markets which grew up with the railroads, is very largely

*"Marketing: A Farmer's Problem." By Benjamin F. Goldstein. London: Macmillan & Co., Ltd., St. Martin's Street. 15s. net.

a story of attempts to control, in the public interest, the conditions under which grain was shipped into and out of the Chicago warehouses. Beginning with the setting up, in 1848, of the Board of Trade of Chicago, a voluntary association, the author shows how it became necessary from time to time to strengthen control by legislative action in order that public confidence in the administration of the warehousing and shipping facilities in Chicago, with the attendant credit problems surrounding the use of warehouse receipts as instruments of currency, might be restored and maintained.

The changing character of the Chicago Grain Market under the influence of such factors as the growing dominance of Canada in the world's wheat market; the shifting of the wheat areas in the Western States; changes in railroad transport policy; increasing demands for flour at home and and in European markets; and the growth of future dealings is concisely stated in the chapter which surveys the position from the commencement of the present century to date.

The work as a whole possesses a strong legal flavour and is a record of facts not overburdened with personal opinion or criticism. Whether the reader has a bias towards the legal, constitutional, economic or geographic aspects of historical surveys, there is here material deserving of notice. The annotations are surprisingly numerous; the list of authorities cited in itself covers twelve pages, and is evidence of the painstaking and thorough manner in which the author's objective has been attained.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

The Transactions of the Fuel Conference, London, 1928. With a Foreword by C. H. Lander. In three volumes. (London) Percy Lund, Humphries and Co., Limited, 3 Amen Corner.

In addition to the full record of proceedings at the Conference these volumes include lists of the national committees and representatives of the World Power Conference of delegates and members of the Fuel Conference. The subject matter is overwhelmingly comprehensive, and covers the composition, preparation and utilisation of every kind of fuel and source of power.

The Unequal Treaties. By Rodney Gilbert. With a Foreword by H. E. Morriss. (London) John Murray, Albemarle Street. 9s. net.

The author's long and intimate knowledge of the Chinese people entitles his defence of the treaties to the respectful consideration even of those who cannot accept his position.

Income Tax Law and Practice. By Cecil A. Newport. Third Edition. (London) Sweet and Maxwell, Limited, 2 and 3, Chancery Lane. 10s. 6d. net.

A thoroughly documented work, illustrated throughout by examples.

Mediaeval Cheshire. By H. J. Hewitt. (Manchester) Manchester University Press, 23, Lime Grove, Oxford Road. 21s. net.

The author has aimed at filling in, by his own researches, gaps in previous investigations into the history of mediaeval Cheshire and in throwing light on certain phases of that history which have not been previously treated.

Farm and Factory in China. By J. B. Tayler. (London) Student Christian Movement, 32, Russell Square. 2s. 6d.

This very readable little book describes briefly and effectively the human side of the industrial revolution in China.

Evasion in Taxation. By A. Victor Tranter. (London) George Routledge and Sons, Limited, 68-74 Carter Lane. 6s. net.

This interesting discussion of the extent of forms of evasion, both legal and illegal, and of the scope of existing remedies, closes with a plea for the establishment of a Government investigation into the matter.

Modern Office Machinery. By Leonard F. Foster. Gee and Co. (Publishers), Limited, 6 Kirby Street. 12s. net.

An illustrated account of the mechanical devices now available for office use.

Conquering the Illusion of Economic Isolation. By Magnus W. Alexander. (New York) National Industrial Conference Board, Inc., 247 Park Avenue.

Reprint of a presidential address to the National Industrial Conference Board.

Brasilien Volk und Land. By Dr Walter Schück. (Berlin) Hermann Paetel Verlag G.m.b.H.

A descriptive account of Brazil by a resident German, which aims at the presentation of a general picture rather than of detailed statistics.

La Paix par La Justice. By Emmanuel Lévy. (Paris) Librairie Giard, Rue Soufflot, 16. Fr. 3.50.

Reprint of a lecture delivered in Lyons and published by *La Vie Socialiste.*

Balance Sheet Values. By P. D. Leake. (London) Gee and Co. (Publishers), Limited, 6 Kirby Street. 3s 6d. net.

A discussion of the rules which should be applied in computing the appropriate values of industrial assets and liabilities.

The 100 Best Investments, May 1929. (London) British, Foreign and Colonial Corporation, Limited, B.F.C. House, Gresham Street. 1s. net.

Full details are given of 100 investments, each of which the authors consider to be among the best of its class.

New York Stock Exchange. Report of the President. May 1, 1928, to May 1, 1929. (New York) Stock Exchange, 11 Wall Street.

Stock Exchange Investments for Non-Residents. New Edition. (London) Frederick C. Mathieson and Sons, 16 Copthall Avenue. 6d.

A list, with explanatory notes, of British Stock Exchange Securities on which non-residents do not have to pay income tax.

Soviet Union Year Book, 1929. Compiled and edited by A. A. Santalov and Louis Segal. (London) George Allen and Unwin, Limited, 40 Museum Street. 7s. 6d. net.

As a work of reference on Russian conditions this annual publication is becoming well known. The present edition brings the information up to date and contains in addition a Who's Who in politics, science, literature and banking. The statistical tables are extremely comprehensive.

The Economic Journal, June, 1929. (London) Macmillan and Co., Limited, St. Martin's Street, 6s. net.

An unusually interesting number includes articles on: "Organised Marketing in the Coal Industry," by Professor J. H. Jones; "The Monetary Theory of the Trade Cycle," by Professor Pigou; "The Theory of International Trade Reconsidered," by Professor J. H. Williams; and a discussion of the transfer problem by Professor Ohlin with a rejoinder by Mr J. M. Keynes.

The Banker, June, 1929. (London) Eyre and Spottiswoode, Limited, 9, East Harding Street, Fleet Street. 2s. 6d.

Articles in this number include, *inter alia*, "The French War Debt Debate," by Joseph Caillaux; "The Gold Position of the United States," by H. Parker Willis; and "Internationalisation of Banking," by Paul Einzig.

The Financial World. (New York) 31 Park Place. 25 cents.

A weekly investment and business journal of independent conservative colour. The current number includes articles on "Advantages of Utility Consolidation," by Matthew S. Sloan, and "Power Companies in Europe," by Max Winkler.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2.

Colony and Protectorate of Kenya. Report for 1927. 2s. net.

Government of Northern Ireland. Ministry of Agriculture. Third Annual Report upon the Agricultural Statistics of Northern Ireland, 1927. Cmd. 97. 2s. net.

Census of Production of Northern Ireland, 1927. General Report. 10s. net.

Department of Overseas Trade. A Review of the Trade of British Malaya in 1928. 3s. net.

Report of the Commissioner of Police for the Metropolis for the year 1928. Cmd. 3335. 1s. net.

Electricity Commission. Electricity Supply, 1926-27. 12s. net.

Foreign Trade and Commerce. Accounts relating to the trade and commerce of certain foreign countries and British countries overseas during the period ended December 31, 1928. 6s. 6d. net.

Standing Orders of the House of Commons, 1929. 3s. net.

The Stock Exchange.

LONDON ELECTRICITY SUPPLY COMPANIES.

In the *Economist* of May 25th we discussed the position of some of the large electricity supply companies under the national electricity scheme. We propose to deal in this article with the London companies, which form a separate group under the leadership of the London Power Co. and the County of London Electric Supply Co.

The investor must realise that the shares of the London electricity companies coming under the London Electricity Acts fall into the class of redeemable securities. In calculating the dividend yields obtainable on the ordinary or preference shares of such companies at the current market price, allowance must be made for capital loss on redemption at par in 1971. This position arises as a result of the London and Home Counties Electricity District Order of 1925, which established a Joint Electricity Authority for the general supervision and development of electricity supply over an area of approximately 1,785 square miles, covering the counties of London and Middlesex, with parts of Essex, Hertfordshire, Buckinghamshire, Berkshire, Surrey and Kent. The area extends roughly from Windsor to Gravesend and from St. Albans to Reigate. The London Electricity No. 1 and No. 2 Acts gave legislative sanction to the settlement arrived at between the London County Council and certain companies, under which the undertakings of these companies are to be handed over to the Joint Electricity Authority in 1971. The No. 1 Act dealt with the City of London Electric Lighting Co., County of London Electric Supply Co., South London Electricity Supply Corporation, and South Metropolitan Electric Light and Power Co. The No. 2 Act dealt with the ten constituent companies of the London Power Co., which are: Brompton and Kensington Electricity Supply, Central Electric Supply, Chelsea Electric Supply, Charing Cross Electricity Supply, Kensington and Knightsbridge Electric Lighting, London Electric, Metropolitan Electric Supply, Notting Hill Electric Lighting, St. James' and Pall Mall Electric Light, and Westminster Electric Supply.

The main provisions of the London Electricity Acts are as follows:—

1. The undertakings of the companies are to be taken over by the Joint Electricity Authority in 1971 on the following terms: the assets in existence at July 29, 1925, free, and the future assets at cost less depreciation.
2. Each company is allowed to capitalise, and distribute to its ordinary shareholders, the reserves remaining after the existing assets have been written down in accordance with the rates allowed by the Income Tax Authorities.
3. Subject to the existing maximum prices, each company is allowed to make charges sufficient to cover all expenses, interest on debenture and other debt, preference share dividends, sinking funds, sufficient to provide for the repayment of capital at par in 1971, and dividends on the ordinary share capital at the following rates: (*a*) until 1931, at the rate of 10 per cent. on capital subscribed for in cash before December 31, 1922, and at the rate of 7 per cent. on capital issued after that date, together with 7 per cent. on the capitalised reserves. (Alternatively, each company may pay the same amount of money in ordinary share dividends as it paid for the year 1922. Two companies have elected to adopt this alternative, the City of London Electric Lighting and the Notting Hill Electric Lighting.) (*b*) After 1931 at the rate of 7 per cent. per annum on the whole ordinary share capital, including capitalised reserves.
4. The standard prices to consumers are fixed and if the charge to consumers is less than the standard price so fixed, then, if profits are available, one-sixth of the difference can be retained for the benefit of the ordinary shareholders.

The following table shows how the constituent companies of the London Power Group have distributed their free reserves under the terms of the London Electricity Acts, 1925. Central Electric is omitted because it is controlled by the St. James' and Pall Mall, and the Westminster, which hold its ordinary shares in equal proportions:—

Company.	Ordinary share capital at 31 Dec., 1925.	Reserves capitalised and issued to shareholders.		Present Ordinary share capital (including capitalised reserves and shares issued under staff superannuation schemes).
		Amount.	Per cent. of Ordinary share capital in existence at 31 Dec., 1925.	
	£	£		£
Brompton & Kensington	292,330	58,466	20% (1 for 5)	350,796
Charing Cross	576,000	460,800	80% (4 for 5)	1,036,800
Chelsea	247,180	148,308	60% (3 for 5)	395,488
Kensington & Knightsbridge	105,000	189,000	180% (9 for 5)	317,500
London Electric	499,500	199,800	40% (2 for 5)	699,300
Metropolitan	1,000,000	500,000	50% (1 for 2)	1,500,000
Notting Hill*	£1,352 10s. in def. shs. of 1s.	*	*	*
St. James and Pall Mall	200,000	440,000	220% (11 for 5)	670,000
Westminster	755,620	503,746	66⅔% (2 for 3)	1,259,366

* The Notting Hill Co. is compelled to wait until its share of the free reserves of the Kensington and Notting Hill undertaking is ascertained before capitalising its own free reserves.

The next table shows standard dividends allowed to the same companies up to 1931, the actual dividends paid in the last three years, the present market price of the ordinary shares, the current yield per cent. at the last rate of dividend paid, and the redemption yield per cent. allowing for a 7 per cent. dividend from 1931 to 1971. It does not, of course, follow that these companies will pay the exact dividends allowed as "standard" under the Acts; the ordinary shares held by various staff benefit and superannuation funds may slightly affect the figures of the standard dividends:—

Company.	Standard dividend up to and including 1931 on the present increased Ord. share capital.	Dividends paid.			Present market price.	Current yield.	Yield for redemption in 1971 allowing for 7% as from 1931 to 1971.
		1926.	1927.	1928.			
	%	%	%	%		%	%
Brompton and Kensington	8·625	8·625	8·6275	8·6275	26/–	6·7	5·5
Charing Cross†	8·1574	8·151	8·151	8·151	27/–	6·13	5·23
Chelsea	8·875	8·875	8·875	8·875	26/6	6·76	5·42
Kensington & Knightsbridge	8·0714	8·0357	8·0095	7·9921	26/6	6·12	5·35
London El.	8·4285	8·4285	8·4285	9·00	28/6	6·54	5·05
Metropolitan	...	9·0	9·0	9·0	2⅛	3·79	...
Notting Hill	13/6	12/6	13/7·636	14/4·006	7½ (def.)	9·88	...
St. James and Pall Mall	7·8954	7·9375	7·8954	7·8954	27/6	5·83	5·07
Westminster	8·8	8·8	8·8	8·8	26/6	6·75	5·45

† The standard dividend of 10 per cent. on £350,000 Ordinary share capital of the City Undertaking of the Charing Cross Electricity Supply Co., Limited, will continue until December 31, 1936. For the years 1931–1936, inclusive, the difference between 7 per cent. and 10 per cent. on this £350,000 Ord. share capital of the City Undertaking (£10,500 per annum) will be retainable by the Charing Cross Company for the benefit of its Ordinary shareholders. This amount (£10,500) is equal to slightly over 1 per cent. on the existing £1,036,800 Ordinary share capital of the Charing Cross Company.

It should be added that the extra benefit accruing to the ordinary shareholders, if the charge to consumers is less than the standard price fixed, has enabled certain companies to apply sums to special reserve (and Notting Hill to increase its dividends), but this must not be regarded as recurrent.

As regards the London Power Co., the Stock Exchange is interested in the debenture stock only, the £50,000 ordinary share capital being held by the ten constituent companies, who have agreed to take from the London Power Co. the whole of the electricity required by them up to 1971, with the exception of the Metropolitan Electric Supply Co., which has bound itself for at least ten years from March 11, 1927, to take from the company all the electricity it may require for its London area of supply. Four of the existing generating stations of the London Power Co. (namely, Willesden, Grove Road, Bow and Deptford East), together with the two new

generating stations that are being constructed by the company at Deptford West and Battersea, have been adopted by the Central Electricity Board as selected stations for purposes of the South East England Electricity scheme. The undertaking of the London Power Co. will be taken over by the Joint Electricity Authority in 1971 on the terms provided in the London Electricity No. 2 Act of 1925. Meanwhile, each of the ten constituent companies has agreed with the company that if in any year the receipts of the London Power on revenue are insufficient to meet the charges payable, which include interest on the debenture stock and contributions to the sinking funds, it will provide a part of the deficiency equal to the proportion that the amount paid by it for electricity during the year bears to the total amount paid for electricity supplied by the London Power Co. during that year. Including the £3,000,000 issue of February, 1929, the 5 per cent. redeemable debenture stock of the London Power Co. amounts to £13,858,400, on which the interest charges amount to £692,920 and the 1 per cent. sinking funds to £138,584, making the total of £831,504. The security behind the debenture stock of the London Power Co. may be described as of a gilt-edged character. The present price of the old London Power debenture stock is 101, which, allowing for accrued interest returns a yield of about 5 per cent.

The terms on which the City of London, South London, part of the County of London, and South Metropolitan Companies are to be acquired under the London Electricity No. 1 Act, 1925, are the same as provided under the No. 2 Act. Power is given under the Act for County of London, City of London, South London, and South Metropolitan to amalgamate. No amalgamation has yet taken place, but County of London has a controlling interest in South London and South Metropolitan, and the power stations of the City and County Companies are linked to enable reciprocal supplies to be given as and when required. It is not possible to give the standard dividend of the County of London because it has areas outside the scope of the London Electricity Acts, including interests in the Bournemouth and Poole Electricity Supply Co., the West Kent Electric Co., the Kent Electrical Power, the South East Kent Electrical Power, the Sevenoaks and District and other electricity companies. It will therefore be seen very clearly that these outside areas have potentialities for development of much greater scope than those of the inside areas. The amount of the reserves capitalised and issued to shareholders in respect of the portion of the company's undertakings coming under the London Electricity Act amounted to £1,773,334 (133⅓ per cent. of the existing capital, or four shares for three) which brought the ordinary share capital up to £3,103,334. The following table shows how these four companies have been affected by the Act.

	Ordinary share capital at Dec. 31, 1925.	Reserves Capitalised and issued to shareholders.		Present ordinary share capital (including capitalised reserves and shares issued under staff superannuation schemes).	Standard dividend up to and including 1931 on the present increased ordinary share capital.	Dividends paid.			Present market price.	Current yield.	Yield for redemption in 1971 allowing for 7 per cent. as from 1931 to 1971.
		Amount.	Per Cent. of ordinary share capital in existence at Dec. 31, 1925.			1926.	1927.	1928.			
	£	£		£	%	%	%	%		%	%
City of London	800,000	400,000	50% (1 for 2)	1,200,000	10*	10	10	10	33/9	6·0	4·05
County of Lond.†	1,330,000	1,773,334	133⅓% (4 for 3)	3,103,334	...	7½	7½	10	55/9	3·60	...
South London...	260,000	234,000	90% (9 for 10)	494,000	8·5789	8·5065	8½	8½	26/6	6·67	5⅛
South Met.† ...	250,000	350,000	140% (7 for 5)	600,000	...	8⅛	8⅛	8½	26/3	6·73	...

* Up to and including 1932.
† These two companies have areas outside the scope of London Electricity Acts, and for this reason it is not possible to give figures of standard dividends.

It will be seen that the redemption yield in the case of City of London is the lowest obtainable of all the shares we have considered. The company, however, has not yet fully capitalised its reserves. Up to now there would appear to be some £185,000 of uncapitalised reserves, and the hope has been expressed in some quarters that by 1932 the company will be able to capitalise sufficient reserves to enable it to maintain the present rate of distribution thereafter. In the case of County of London and the Metropolitan companies the current yield of dividend is also comparatively low, which is no doubt explained by the importance attached to the development of the areas outside the scope of the London Electricity Acts. It is worthy of note that the dividend yield obtainable from British electric light and power companies is, on the average, higher than that obtainable from American or Continental companies of similar standing. Nor can it be denied that the scope for electrical development in this country is at any rate as large as, if not larger than, in those countries.

UNITED STEEL REORGANISATION.

In earlier issues of the *Economist* (April 20 and 27 and May 11, 1929) we described the various stages in the buying out of debenture and shareholders in the United Steel Companies by a financial group represented by the Austin Friars Trust. In a new circular, the latter states that holders of from 95 to 99½ per cent. of the various classes of securities concerned have now intimated their acceptance of the offer, and gives figures regarding the earnings of the United Steel organisation, which, as we earlier took occasion to suggest, might well have been provided when the offer was first made.

For the six months ended June 30, 1928, the gross profit earned, as audited by a firm of accountants, is stated to have been at the rate of £350,482 per annum, and for the six months ended December 31, 1928, at the rate of £496,181 per annum; while for the three months ended March 31, 1929, the estimated gross profit was at the rate of £648,448 per annum. Estimated relief from derating brings up the latter figure to £798,448, from which fall to be deducted £90,000 for interest on the prior charges of subsidiary companies, and, say, £200,000 for depreciation, leaving £508,448 available for holders of the £8,000,000 ordinary shares of the reconstructed company. The figures, it should be clearly realised, are based on the results for three months only, when the improvement, common to the whole of the iron and steel industry in the first part of this year, was accentuated, as regards the company's coal production, by the effects of a severe winter.

The approximate consolidated balance sheet of the reorganised United Steel Companies is shown below:—

LIABILITIES.

Debentures of subsidiary companies and secured loans	£1,846,000
Sundry creditors	1,195,000
Share capital—	
8,000,000 Ordinary shares of £1 each	8,000,000
	£11,041,000

ASSETS.

Land and minerals, steel works, collieries, coking plants, &c. say	£6,791,000
Wagons	267,000
Miscellaneous investments in associated undertakings written down from ... ... £865,000 to	250,000
Stocks	1,394,000
Debtors and debit balances	1,364,000
Cash and marketable investments ...	975,000
	3,733,000
	£11,041,000

It will be seen that land and minerals, etc., wagons and miscellaneous investments in associated undertakings are now valued, in the aggregate, at £7,308,000, whereas in the June 30, 1928, balance sheet of the old company the corresponding items (*plus* goodwill and advances to subsidiaries, which have now disappeared) had an aggregate valuation of £14,771,440. Meetings are to be held to alter the articles of association so as to restrict total charges to £3,000,000, *i.e.*, to rather less than £1,200,000 in excess of their present amount.

It may be recalled that debenture and shareholders were given the option of taking cash for their holdings or subscribing, on given conditions, for ordinary shares. They are now offered the further choice of applying at par for 6½ per cent. first cumulative preference shares (convertible into "A" ordinary on a scaled series of premiums up to July 1, 1935) in a holding company formed to take over the new United Steel capital, and known as Steel Industries of Great Britain, Ltd. As shareholders may find it difficult to decide on their best policy, in view of the somewhat complex points involved in the proposed arrangements, we have endeavoured to work out the actual position (A) presuming that all former holders elected to subscribe for ordinary shares in United Steel Companies (the "operative" company); and (B) presuming that all such holders chose instead to take up preference shares in Steel Industries of Great Britain (the "holding" company). Putting available earnings of United Steel, in both cases, at the figure mentioned above, as being based on the results of the first three months of 1929, viz., £508,448, the following state of affairs would ensue, according to our calculations:—

A. *All former holders of United Steel Securities elect to subscribe for shares in the new United Steel Co., on the terms set out in the earlier Austin Friars Trust circular.*

The total ordinary share capital would be £8,000,000, of which former United Steel debenture and shareholders would own £3,435,992 (42.95 per cent. of the whole), and other parties £4,564,008 (57.05 per cent. of the whole)*—say, in round figures, £3,500,000 and £4,500,000 respectively.

		£	
Total available earnings		508,448	
Divided	Former United Steel holders	222,446	(Dividend 6·35%)
	Other parties	286,002	(„ „)

B. *All former holders elect to subscribe for 6½ per cent. cumulative convertible preference shares in the holding company (Steel Industries of Great Britain):—*

TOTAL CAPITAL.

Authorised.		To be issued.
£		£
3,500,000	6½% First Cum. Convertible Pref. shares of £1	3,500,000
6,000,000	"A" Ord. shares of £1.....	3,300,000
1,500,000	"B" Ord. shares of £1.....	1,500,000
11,000,000		8,300,000

The "A" ordinary are entitled to 80 per cent. and the "B" ordinary to 20 per cent. of residual profits after payment of preference dividend.

		£	
Total available earnings		508,448	
Divided between	Preference shares (*i.e.*, former United Steel holders).....	227,500	(Dividend 6½%)
	No. of times covered	*2·2*	
	Other parties:—		
	"A" ord. shares	224,758	(Dividend 6·8%)
	"B" ord. shares	56,190	(Dividend 3·7%)

The chairman of the United Steel Companies has stated that, in his opinion, profits should reach a figure of £840,000, or, after certain further expenditure, £1,040,000. Let us suppose, however, that they show the more modest increase of 50 per cent., and reach £750,000 in a few years' time. Then, under alternative "A" above, former United Steel holders would have a right to total earnings of £328,125, representing a return of 9.4 per cent. on their capital. Under alternative "B," they would obtain dividends of only £227,500 (covered 3.3 times), but by exercising their option to convert into "A" ordinary shares, *and paying premiums ranging from 5s. to 10s. a share*, their receipts would rise to £309,000, equal to a return of 8.8 per cent. on their capital (less any premium paid). Were the holding company to issue new capital—as a result, possibly of the acquisition of further iron and steel interests—these figures would require adjustment.

The conclusions suggested by our calculations may be briefly summarised. Former debenture and shareholders who were not sufficiently attracted by the original offer to exchange into ordinary shares of the reorganised company, will find no fresh inducement in the terms of the new offer. Former holders who wish to re-identify themselves with the company's fortunes, will elect to subscribe for ordinary shares in the operating company if they believe that the latter's *earnings are likely* to be on the up-grade during the next few years. If they are doubtful, in their own minds, whether the present level of earnings will be maintained, they may take preference shares in the new holding company, and obtain dividends at the current level, even if earnings fall off by as much as 50 per cent. They must ask themselves, however, whether in such a case the price of a preference share returning only 6½ per cent. would not be liable to fall below par on the Stock Exchange. If they find difficulty in making up their minds as to the most likely course of events in the next six years, they can "hedge" by taking preference shares and, after paying the appropriate "premium," convert later on, after seeing how events turn out. In view, however, of the slender basis for all these calculations—three months' working in a far from normal period—we regret that the Austin Friars Trust has not seen its way to reveal any new and concrete details as to the scope of its plans for the further "rationalisation" of the iron and steel trades.

* According to the estimate made in the *Economist* of April 27, 1929, p. 935.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET.	ACCOUNT.
June 25.	June 27.

ABSENCE of business and of public interest kept the stock markets extremely quiet. The New York exchange remained at a low level, and a substantial outward shipment of gold inevitably affected the gilt-edged market—though there was no pressure to sell—and spread an indirect influence further afield. European bonds continued to benefit from the Reparations agreement, but industrials contained few features of interest, and the Rhodesian boom appeared to have passed its climax. There is no sign of an end to the present dull conditions; public attention has turned away, and nothing is occurring that might be counted on to bring it back.

The gilt-edged market was obviously apprehensive at the opening, the New York exchange being regarded as a danger signal. Most quotations were ⅛ off on Monday and Tuesday, but not until Wednesday, when the full psychological effect was experienced of the Bank of England's loss of gold, was the fall in prices at all serious. Funding Loan was ⅝ lower that day, and Three-and-a-half per Cent. Conversion and Four per Cent. Consols ¼ lower. India Loans were on offer most of the week, but Dominion and Colonial issues, though infrequently dealt in, showed little change of price.

The only part of the House where activity was witnessed in fixed-interest stocks was the Foreign Government market. The Reparation settlement continued to have some effect on French and other European loans, while, further afield, inquiry was forthcoming for Mexican, Brazilian and Chilean bonds, though in no case were prices maintained at the best. Japanese

LONDON ACTIVE SECURITIES.

	Closing Prices Jne. 13.	Jne. 20.	Rise or Fall.
British and Colonial Government Securities.			
Conv. Loan 3½%	77	76⅞	− ⅛
Do. 4½% 1944	95⅛	95½	− ⅛
War Loan 5% 1929-47	101½	101	− ½
Consols 2½%	54⅛	54⅝	+ ⅛
Do. 4%	86½	85⅞	− ⅛
Funding 4%	87⅛	86⅝	− ½
Victory Bonds 4%	92⅜	92	− ⅜
Local Loans 3%	62⅛	62⅛	− ⅛
Foreign Government Securities.			
Japanese 6% (1924)	98½	98	− ½
Argentine 4% Reciss.	87	88	+ 1
Austrian 6% 1923-43	100⅜	100½	− ⅛
Belgian 7%	106⅜	106⅜	...
Brazil 6½% (1927)	93½	93	− ½
Bulgaria 7%	86	87	+ 1
China 5% (1912)	45½	45½	...
Czechoslovakia 8%	111½	112	+ ½
Egypt Unified 4%	81½	81½	...
Corporation Stocks.			
L.C.C. 3%	63	63	...
E. London 5% 1960-70	97	97	...
British and Foreign Railways.			
G. Western Ord. Stk.	86⅜	86½	− ⅛
L.N.E., Def. Stk.	12½	12	− ½
Do. 5% Pref. Stk.	27⅜	26⅜	− 1
L.M.S. Ord. Stk.	51½	50½	− 1
Metropol'an Cons. Stk.	60⅜	60⅜	...
Met. District Ord. Stk.	76	76	...
Southern Def. Stk.	30	29½	− ½
Do. Pref. Ord. Stk.	73	72½	− ½
Underground Ord. £1	1⅛	1⅛	...
Do. Income Bonds	110	110	...
Can. Pacific Com. Stk.	231	236	+ 5
Banks.			
Bank of England Stk.	250	249	− 1
Barclay B. (£1)	2⅛	2⅛	...
Barcl./Dom. &c.) A £1	1⅛	1⅛	...
Lloyds £5, with £1 pd.	3⅛	3½	+ ⅛
Midland £1, fully pd.	3⅛	3⅛	...
Insurance.			
Alliance £1, fully paid	19½	19½	− ½
Com. Un. £2½, fully pd.	26½	26	− ½
Ldn. & Lanc. £5, £1 pd.	29⅛	29⅛	...
Coal, Iron and Steel.			
Amal. Anthracite (£1)	⅞	⅜	− ⅛
Babcock, Wilcox (£1)	3⅛	3⅛	− ⅛
Baldwin (4/)	⅛	⅛	...
Bolckow Vaughan (£1)	⅛	⅛	...
Cory, William (£1)	3⅛	3⅛	...
Dorman, Long (£1)	⅛	⅛	...
Textiles.			
Bradford Dyers (£1)	2⅛	2⅛	− ⅛
Brit. Celanese, Ord. (10/)	2⅛	1⅜	− ⅛
Coats, J. and P. (£1)	3⅜	3⅛	+ ⅛
Courtaulds	4⅛	4	− ⅛
Electrical Manufacturing.			
Associated Elec. (£1)	2⅛	2⅛	− ⅛
British Insulated (£1)	3⅜	3⅜	+ ⅛
Ever Ready (G.B.) (5/)	1⅛	1⅛	− ⅛
Electric Light and Power.			
Atlas L'ht & P'er (£1)	1⅞	1⅞	...
City of London (£1)	1⅜	1⅜	...
County of London (£1)	2⅜	2⅜	− ⅛
Gas.			
Gas Light & Coke (£1)	1	1	...
Imp. Continental Stk.	449	385xr	...
Telegraphs and Cables.			
Eastern Stk.	265½	265½	...
Eastern Exten. (£10)	26½	26½	− ½
Marconi (10/)	3⅛	3⅛	...
Motors.			
Dennis (1/)	2⅛	2⅛	+ ⅛
Ford Motors (£1)	3⅛	3⅛	+ ⅛
Leyland (£1)	2⅜	2⅜	...
Shipping.			
Cunard (£1)	1⅞	1⅞	...
Furness Withy (£1)	1⅜	1⅜	− ⅛
Tea and Rubber.			
Anglo-Dutch (£1)	1⅜	1⅜	− ⅛
Cons. Tea & Lnds. (£10)	34	34	...
Oil.			
Anglo-Persian (£1)	4⅛	4⅛	− ⅛
Attock (£1)	2⅜	2⅜	− ⅛
Burmah Oil (£1)	4⅜	4⅜	− ...
Canadian Eagle no par	⅛	⅛	− ⅛
Miscellaneous.			
Aerated Bread (£1)	1⅛	1⅛	...
Assoc. P. Cement (£1)	1⅛	1⅛	− ⅛
Braz. Traction, no par	55½	59½	+ 3½
Brit.-Am. Tobacco (£1)	6⅜	6⅜	− ⅛
Carreras, "A" Ord. (£1)	14⅛	14⅛	...
Columbia Graph. (10/)	12⅜	12⅛	− ⅛
Crittall (£1)	2⅛	2⅛	− ⅛
Dunlop (6/8)	⅞	⅞	− ⅛
Forestal Land (£1)	1⅛	1⅛	...
Gramophone Co. (£1)	17⅛	16⅛	− 1
Harrods (£1)	3⅜	3⅛	+ ⅛
Hudson's Bay (£1)	5⅞	5⅝	− ⅛
Imp. Airways (£1 15/p)	1⅞	1⅛	+ ⅛
Imp. Chem., Ord. (£1)	1⅜	1⅜	+ ⅛
Mines.			
Anglo-Amer. of S.A. (£1)	2⅛	2⅛	− ⅛
De Beers Def. (£2½)	13⅛	13⅛	− ⅛
Brakpan (£1)	4⅛	4⅛	− ⅛
"Chartered" 15/f.p.	2⅛	2⅛	...
Burma Corp. (Rs.10)	⅛	⅛	...
Bwana M'Kubwa, 5/fp	1⅛	1⅛	− ⅛
Central Provinces (£1)	4⅛	4⅛	...
Geduld (£1)	3⅛	3⅛	− ⅛

	Closing Prices Jne. 13.	Jne. 20.	Rise or Fall.
Treasury 5% (B)	99⅞	99⅜	− ⅛
Canada 4% 1940-60	90	90	...
S. Africa 5% 1945-75	101	101x	...
India 3½%	66⅛	66	− ⅛
Do. 4½% 1958-68	86	85⅞	− ⅛
Australia 5% 1945-75	96	97	+ 1
N.S.Wales 5% 1935-55	96	96	...
N. Zealand 5% 1946	102	102x	...
French 5%	20½	20½	+ ⅛
Do. 4% (Brit.)	17⅞	18⅛	+ ⅛
German 7%	105⅛	105½	...
Greek 7% Refugee	100⅛	100⅜	+ ⅛
Hungary 7½%	103⅛	103⅛	+ ⅛
Chili 6%	99⅛	96	...
Poland 7%	86⅛	87⅛	+ 1
Mexican 5% (1899)	29	32	+ 3
S. Paulo Coffee 7½%	103⅛	103⅛	...
Sydney 5½% 1954	97	97	...
Berlin 6% Ster.	93½	93½	...
Antofagasta Ord. Stk.	107½x	106	− 1½
B.A. & Pacific Ord. Stk.	103	103⅛	+ ⅛
B.A. Gt. Sthn. Ord. Stk.	108⅛	108⅛	+ ⅛
B.A. Western, Ord. Stk.	94⅛	94⅛	+ ⅛
C. Argentine Ord. Stk.	97⅛	97⅜	+ ⅛
Cordoba Ord. Stk.	37⅛	38⅛	+ 1
G.W. of Brazil £10	4⅛	4⅛	...
Leopoldina Ord. Stk.	57	59⅜	+ 2⅜
San Paulo Ord. Stk.	203	203	...
Taltal Ord. (£5)	5	5	...
Utd. Havana Ord. Stk.	39	39	...
Nat. Prov. £20, £4 pd.	13⅞	13⅞	− ⅛
Com. Bk of Austr. 10/	1⅛	1⅛	− ⅛
Hongk. and S. ($125)	132	132	...
St. of S. A. £20, £5 pd.	15⅛	15⅜	+ ⅛
W'minster £4, £1 pd.	3⅜	3⅜	...
N.B. & Merc. £5, £1½ pd.	35⅛	35⅛	...
Phœnix £1	14	13⅞	− ⅛
Roy. In. £1, with 10/ pd.	8⅛	8⅛	...
Guest, Keen (£1)	1⅜	1⅜	− ⅛
Powell Duffryn (£1)	⅜	⅜	...
Stewarts & Lloyds (£1)	1⅛	1⅛	...
Swan, Hunter (£1)	1⅛	1⅛	...
Thornycroft, John (£1)	4	4	...
Vickers (6/8)	½	⅜	− ⅛
Eng. Sewg. Cotton (£1)	2⅜	2⅜	− ⅛
Fine Cott. Spinn. (£1)	1⅜	1⅜	− ⅛
Listers (£1)	1⅞	1⅞	− ⅛
Snia Viscosa (200 lire)	⅛	⅛	− ⅛
General Electric (£1)	2⅜	2⅜	...
Johnson & Phillips (£1)	1⅜	1⅜	...
Siemens (£1)	1⅛	1⅜	− ⅛
Hydro-Elec. com. stk.	38½x	39½	+ 1
Lancashire Elec. (£1)	1½	1⅛	− ⅛
Newcastle-on-Ty (£1)	1⅜	1⅜	+ ⅛
Primitiva (£1)	1⅜	1⅜	...
S. Metropolitan Stk.	105	105	...
Marconi (£1)	4⅛	4⅜	+ ⅛
Marconi Marine (£1)	3⅛	3⅛	− ⅛
Western Tel. (£10)	26⅛	26⅜	− ⅛
Morris 7½% Cm. Pf. (£1)	⅜	1	+ ⅝
Rover (8/)	⅞	⅞	...
Singer (£1)	1⅛	1⅛	− ⅛
P. & O. Defd. (£1)	2⅜	2⅜	...
Royal Mail Ord. Stk.	61½x	61	− ⅜
London Asiatic (2/)	⅛	⅛	...
Rubber Trust (£1)	2⅛	2⅛	− ⅛
Lobitos (£1)	2⅛	2⅜	+ ⅛
Mexican Eagle (£1/0/6)	⅛	⅛	− ⅛
Royal Dutch (£5½)	34⅛	33⅞	− ⅛
Shell (£1)	4⅜	4⅛	+ ⅛
Imperial Tobacco (£1)	5	4⅜	− ⅛
Inter. Nickel of Can.	49	51½	+ 2½
Kreuger & Toll (kr.100)	35⅜	36	+ ⅛
Lever 7% pref. £1	1⅛x	1⅛	...
Lyons (J.) (£1)	5⅛	5⅛	− ⅛
Margarine Union (£1)	4⅜	4⅛	− ⅛
Pinchin Johnson (10/)	2⅛	2⅛	...
Swed. Match, B (kr100)	20⅛	20⅛	− ⅛
Tate and Lyle (£1)	2⅛x	2	− ⅛
Tilling, Thomas (£1)	5⅛	5⅛	− ⅛
Turner & Newall (£1)	5x	4⅞	− ⅛
United Molasses (£1)	7⅞	7⅞	+ ⅛
Vocalion (10/)	2⅛	1⅞	− ⅛
Watney Combe Dl. (£1)	3⅛	3	− ⅛
Johan. Cons. (£1)	2⅛	2⅛	...
Lake View & Star (4/)	⅛	⅛	− ⅛
London Tin (£1)	3⅛	3⅛	− ⅛
Rio Tinto (£5)	56	54	− 2
Roan Antelope Cpr. (5/)	2⅛	2⅞	− ⅛
Sub Nigel (10/)	1⅛	1⅛	− ⅛
Tanganyika (£1)	3⅛	2⅛	− ⅛
Union Crp. (12/6) fu. pd.	4⅛	4⅛	...

receded after a little early buying, but Chinese were a shade firmer.

The Home Railway traffic returns came opportunely to support a drooping market. The Great Western and North-Eastern increases in receipts were hailed as satisfactory, though Southern yet again reported a loss of traffic. Undergrounds suffered appreciably as a result of the growing belief that the London Traffic Bill will not obtain a benison from the Labour Government, though the week's traffic figures initiated an appreciable recovery. Foreign Rails were irregular, Leopoldina advancing while Antofagasta remained on offer. Argentine stocks remained firm for the most part, the decision of the Cordoba Central to follow the example of the Pacific and the Great Southern, by "disfranchising" shareholders other than British or Argentine, having no effect on the market. Canadian Pacific rose four points on Monday, following week-end activity in New York, but lost part of the improvement on subsequent days.

Industrials continued, as for some weeks past, a "difficult," dull and hesitant market. Such rumours as were current were generally of a bearish nature, and no outside development occurred which could be construed at all optimistically. British Celanese were depressed by fears of a poor report, and Dunlops by rumours of a new issue. Marconi's were unable completely to hold their ground, despite the favourable decisions from the company's point of view, given in the courts of law regarding the position of the £1 shareholders and the company's patent rights. Dutch shares reacted and Margarine issues were subjected to profit-taking. Breweries were weak on a surprisingly small amount of selling. In the gramophone section the profits and dividends were regarded as disappointing. Deccas hardened on the news that a strong shareholders' committee would investigate the position, the company, meanwhile, having ample liquid resources. The news of further foreign purchases by United Molasses had only a moderate reflection on prices. Associated Electricals again fluctuated, largely on American advices, though Sir Felix Pole's acceptance of the chairmanship was well received. A steady demand was in existence for Henley's Telegraph. A succession of poor iron and steel reports proved too much for the market, which gave, possibly, less than their meed of attention to the better trade reports now coming from various districts. Among nitrate shares, Lautaros advanced on the new financial arrangements set out in a later "Investment Note" in this issue. Bank shares opened harder but became dull, while dealings in insurance shares remained restricted.

Rubber shares proved sensitive to comparatively small forced liquidation from the provinces, the incident affording a significant commentary on the narrow market now prevailing. The commodity remained erratic, with a slight but perceptible upward trend, but only a spectacular increase would have any effect on the share market in its present mood. Tea shares were irregular in the absence of a definite "lead" from the auction rooms. The Shell and Royal Dutch reports, discussed on a later page, were calculated to have a reassuring effect on holders, but the oil market, as a whole, was quiet to the point of dullness, owing partly to the absence of news and partly to the efforts of stale bulls to rid themselves of Mexican Eagles.

The earlier South African election results, commented on in this column last week, proved illusory "pointers" of the final state of affairs, General Hertzog's ultimate victory inducing much heaviness among Kaffirs. The Rhodesian group, in its turn, was much less active, the effect of any withdrawal by the large interests being immediately felt in the present technical condition of this market. The news of the formation of British-American Tin (referred to in a subsequent "Investment Note"), and of a rise in the price of the metal, produced a short period of activity in tin shares, but no considerable amount of public interest was attracted. Copper continued its downward course, carrying with it the quotation for Tinto, after the latter had risen on going ex rights on Monday.

FOREIGN STOCK EXCHANGES.

NEW YORK.

Our New York correspondent cables: This week has seen an increase of $136 million in brokers' loans, which is believed to be due almost entirely to the exercise of expiring rights to subscribe to additional stock of certain corporations. The week's calls on stock amount to about $400 million, out of approximately $900 million due during June and early July. These overhanging rights to subscribe have made the share market feel rather lethargic. Public utility shares alone are unusually strong and active, while fixed interest-bearing securities have been gradually improving on the belief that money rates will fall still further. Food company shares show gains on account of certain mergers and of the fall in the prices of grain, sugar and other foodstuffs. Coppers are also a trifle better, but oils show weakness on the expectation that the failure of the Conservation Conference will mean a further increase of output. Following the arrangement of a $50 million credit for the German Government here, some foreign bond issues are expected, but it is thought that high money rates will keep down the total, and that the issues are unlikely to include a Reich Goverment loan. The week has shown a certain increase in bonds, but there has been a marked decline in stock flotations.

	June 13.	June 20.	Rise or Fall.
4½% Lib. Ln. '33-8	98⅜	99⅛	+ ⅜
3½% Trs. Bs. '46-56	100⅛	100⅜	+ ⅛
Ach., Top. San. Fé	212	218	+ 6
New York Central	194⅛	199¼	+ 4¼
Union Pacific	224½	226½	+ 2⅜
Pennsylvania	78⅛	78⅛	...
Southern Railway	142½	142	− ½
U.S. Steel	173⅛	177⅛	+ 4
General Motors	71¼	73½	+ 2¼
Amer. Tel. & Tel.	212	213	+ 1
General Elec. (New)	298	302¼	+ 4¼
Victor Talking	148	148	...
Std. Oil of N.J.	58	56⅛	− 1⅞
Anaconda	104⅛	111⅜	+ 7¼

By courtesy of the Standard Statistics Company, Inc., of New York and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926=100):—

	1927. Lowest.	1927. Highest.	1928. Lowest.	1928. Highest.	1929. Beginning of Year.	1929. June 6.	1929. June 13.
342 Industrials	104·7	137·1	132·5	186·4	191·1	189·1	188·8
33 Rails	106·1	128·0	120·5	139·7	140·9	143·1	141·7
35 Utilities	103·3	128·3	128·3	180·6	184·6	225·5	227·7
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	187·6	187 9
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·38%	3·37%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Highest of 1929. (May 4.)	Lowest of 1929. (May 27.)	June 12.	June 13.	June 14.	June 15.	June 17.	June 18.	June 19.
225·4	201·7	209·8	212·7	213·4	214·5	217·7	216·9	215·2

PARIS.

It has become a commonplace to deplore the lack of business on the Bourse, and this week again the amount of activity was insignificant. Neither the prospect of having tax encumbrances removed nor the likelihood of important foreign securities being introduced, which is a corollary of the proposed law modifying the *abonnement* arrangements, provided the market with the stimulus which it needs. In the general apathy, prices again tended to sag; Banque de France went back considerably, while credit institutions, commercial houses and industrial shares generally suffered small setbacks. Coppers, rubbers, and oils were on offer likewise, Mexican Eagles being specially affected in the last group. French Rentes stood out by reason of their firmness. At the mid-month settlement, the contango rate was 4 per cent. An important rise in the franc was a feature of the foreign exchange market.

	June 13.	June 20.	Rise or Fall.
3% Perp. Rentes	74·40	75 10	+0·70
5% Rentes, '15-16	101·25	101·95	+0·70
5% Rentes, 1920	126·35	127·70	+1·35
Banq. de France	26,150	25,850	− 300
Banque de Paris	3,385	3,325	− 60
Crédit Lyonnais	3,240	3,170	− 70
Nord	2,575	2,585	+ 10
Com. Gen. d'Elec.	3,840	3,790	− 50
Littoral Médit.	1,411	1,400	− 11
Mines de Lens	1,336	1,313	− 23
Courrières	1,599	1,604	+ 5
Pechiney	3,880	3,860	− 20
Kuhlmann	1,272	1,262	− 10
Com. Gen. Trans.	1,290	1,260	− 30
Suez Canal	25,300	24,775	− 525
Assur. Gen. Vie	12,000	12,100	+ 100
Dollfus. Mieg.	13,200	12,650	− 550
Denain et Anzin	3,250	3,125	− 125

BERLIN.

The Bourse has been generally dull, and the volume of dealings fell away in comparison with the previous week. Foreign buying of Reichsbank and of potash stocks was reported on Monday, but elsewhere the tendency was towards weakness, being influenced by fears of an unfavourable Reichsbank return and by the increasing opposition of the Right parties to the Paris agreement. On the 18th the chief interest was in Vereinigte Glanzstoffe, which rose 19 points on news of the completed fusion with Dutch Enka. Both Wednesday and Thursday were dull and undecided, A.E.G. and Siemens und Halske receiving most attention. Glanzstoffe dropped considerably from its highest.

	June 13.	June 20.	Rise or Fall.
Reichsbank	328·25	327·00	− 1·25
Deutsche Bank	172·50	171·25	− 1·25
Disconto Bank	157·00	156 00	− 1·00
Hamburg-Amer.	118·87	119·88	+ 1·01
Norddeut.-Lloyd	111·75	111·00	− 0·75
I.G. Farbeninds.	256·00	254·00	− 2·00
Verein. Glanztf.	456·00	466·13	+ 10·13
Bemberg	357·00	353·50	− 3·50
Verein. Stahlke.	99·75	98·50	− 1·25
Mannes Rohrke.	116·00	116·50	+ 0·50
Allgemne. Elekt.	191 25	194·75	+ 3·50
Siemns. & Halske	389·50	401·00	+11·50
Daimler Benz.	60·87	60·00	− 0·87
Cont. Caoutchuc.	170·75	173·50	+ 2·75
Salzdetfurt. Kali	408·50	411·00	+ 2·50

AMSTERDAM.

The dullness on the principal European Stock Exchanges caused an alteration in the general attitude of speculators as well as of investors, who became anxious to realise profits. Heavy buying was thus followed by cautious liquidation. Margarine Unie came back, and Philips were not a steady market, while artificial silks were very irregular on the publication of the "General Artificial Silk Union" project. Fords, however, stood out as good and active. In the oil market Royal Dutch suffered from the sudden end of the Colorado Springs conference. Sugars improved a trifle, but tobaccos gave way and rubbers were dull. Shipping shares were almost neglected. The money market was easy, with the private discount rate 5 3/16 per cent. and the prolongation rate 5 per cent.

	June 13.	June 20.	Rise or Fall.
5% Bds. Neth., '18	102⅛	102⅛	+ ⅛
4½% Ams. 1913-14	98	98½	+ ½
Margarine Unie	480	470	− 10
Neth. Art. Silk	406	380	− 26
Philips El. Lamp.	874	875	+ 1
Singkep Tin	277	282	+ 5
Royal Dutch	410	403	− 7
Amst. Rubber	262	251½x	...
Serbadjadi Sm.R.	188	187	− 1
Holl. Amer. Line	66½	65½	− 1⅛
Navig. Co., Ned.	194	194	...
Vorstenlanden	160	158	− 2
Trading Co., Ams.	637	650	+ 13
Besoeki	450	450	...
Deli	396	401	+ 5
Neth. Trad. Soc.	168	171	+ 3

INVESTMENT NOTES.

Tin Control.—Not long ago a letter appeared in *The Times* signed by a number of leading men in the tin producing industry, urging the need for co-operation among British tin producers. It met with a good response, although the chairman of one company, Kramat Pulai, Limited, was sceptical of the success of any scheme for restriction of output, was pessimistic about the future, and believed that higher prices would only tend to increase over-production from independent sources of supply. The formation of the British-American Tin Corporation within the last ten days may, however, be read as a sequel to the conversations which have been proceeding between tin producers. This Corporation has been formed with a capital of £1,000,000 to deal in tin and to finance producers. Its subscribers include representatives of the Anglo-Oriental Mining group, the Aramayo Mines in Bolivia, in which Guggenheim Brothers have an interest, the Consolidated Goldfields of South Africa, and Sir Hugo Cunliffe Owen, who is chairman of the Tobacco Securities Trust. No doubt it is intended to bring other producers into the fold. In this connection the following figures are of interest as showing the distribution of the world's tin production inside and outside the British Empire:—

	1927.	1928.
	In long tons.	
Federated Malay States	52,176	61,898
Unfederated Malay States	1,999	2,499
Bolivia	33,858	40,307
Dutch East Indies	35,288	34,964
Siam and Burma	9,038	9,188
China	6,000 (est.)	6,000(est.)
Nigeria	7,592	9,010
Australia	1,160 (est.)	2,500(est.)
Cornwall	2,593	2,500
Elsewhere	2,700	2,000
	152,404	170,866

It will be seen that the British Empire accounts for about 50 per cent. of the world's tin output. If, therefore, producers in Bolivia and the Dutch East Indies refuse to participate in the scheme for the regulation of tin production the results of restriction of British output will be as fatal in the case of the tin industry as they were in the case of the rubber industry. The attitude of the Dutch Government, which controls production and smelting in the Dutch East Indies, is of prime importance. One factor which is not to be ignored is that British interests control about 80 per cent. of the world's tin-smelting capacity.

British Shares in France: Handicaps Removed.—Sweeping reductions in taxation on both native and foreign securities are proposed by the French Budget Bill for 1930 (writes our Paris correspondent), and will prove particularly interesting to the many British companies whose shares were formerly quoted in Paris. Owing to the chaotic fiscal conditions of the past few years, and especially to the hampering effects of the French *abonnement* system, many South African and other British companies recently ceased to *abonner* their issues, so that their shares were no longer quoted on the Bourse, which thus lost a substantial portion of its business. Now, under strong pressure from the French financial world, the Govment has decided to suppress entirely the system of compulsory *abonnement* of foreign issues, which will henceforward—in all probability as from July 1—be allowed official quotation on the same terms as French issues. Holders of non-*abonné* shares who produce an ownership certificate in their own names will be required to pay only 18 per cent. income tax on the yield, instead of the existing 25 per cent., while the stamp duty will be reduced to 1 per cent. A further reform of interest to British investors in French issues concerns the so-called "transfer" tax (*taxe de transmission*) imposed on dividend coupons, which is not a transfer tax in the English sense of the term, but a form of super-tax on income. Its principal vice is that it is levied every year, no matter whether dividends have been distributed or not. If no dividend is distributed, the transfer tax is carried forward till the following year, so that there have been many cases in which taxation payable has amounted to even more than the yield from the coupon. Companies will henceforth be authorised to pay the transfer tax themselves, which will relieve holders of any visible burden in this respect, although the revenue collected by the State will be undiminished. Other reforms include the reduction of income tax on dividends from future issues from 18 per cent. to 15 per cent., which will be brought down to 12 per cent. in the case of all loans issued by local government and other public bodies, while the yield from issues by French colonies, protectorates and mandated areas will, like the Rente, be entirely exempt from income tax.

North-Eastern Railway Debentures.—A new capital issue by a British railway company is sufficiently *rara avis* to call for special notice. An offer has this week been made to proprietors and debenture stockholders in the London and North-Eastern Railway Co. of £2,000,000 5 per Cent. Debenture Stock (redeemable at par on April 15, 1947) at 96. From October 15th next the stock will rank *pari passu* in all respects with the company's existing 5 per Cent. Redeemable Debenture Stock (of which some £5,000,000 is at present quoted on the London Stock Exchange), and will be a trustee security, though the company's letter to its proprietors omits to mention this fact. The price of issue compares with a current market price of 97, gives a running yield of £5 4s. 2d. per cent. and a redemption yield of £5 7s. 2d. per cent., and represents an advance on the price (95) at which the last issue of this stock was made two years ago. Among the "Big Four" railways only the North-Eastern and the Midland and Scottish have redeemable debentures outstanding, but a number of guaranteed and preference stocks are of this character, with redemption dates falling within the next thirty-five years:—

Stock.	When Redeemable.	Amount Outstanding.	1929 Prices. Highest.	Lowest.	Latest.	Yield at last price, including redemption.	Availability for Trustees.
		£				£ s. d.	
London & N. Eastern 5% red. deb.	April 15, 1947.	*5,000,000	101¾	97½	98	5 4 3	All trusts.
London, Midland & Scottish 5% red. deb.	May 15, 1952.	5,570,000	102¾	98	99	5 1 6	All trusts.
Southern 5% cum. pref. red.	June 30, 1957.	4,000,000	101⅝	97	98	5 4 0	All trusts.
Gt. Western 5% red. pref.	June 30, 1950.	6,000,000	100	96	97	5 6 0	All trusts.
L. & N. Eastern 5% red. pref.	1955.	4,014,400	86½	82⅛	86	6 3 6	All trusts.
L. Mid. & Scottish 5% red. pref.	June 30, 1955.	9,695,832	97	93	93*	5 10 3	English, Irish and Welsh trusts.
Southern 5% red. pref.	Dec 31, 1964.	2,000,000	99	95	96	5 6 3	English, Irish and Welsh trusts.

* Excluding present issue.

The present is not altogether a propitious time for raising new capital from the railways' point of view. The indications are that actual issues will be maintained for some time at as low an aggregate as possible, and recourse will be had, as in the present instance, to redeemable stocks offering the prospect of a saving in interest charges by conversion at a lower rate on maturity.

Lautaro Nitrate's Metamorphosis.—To British shareholders, who have been interested in the development of the Chilean nitrate industry from its earliest days, a decided significance attaches to the news that $32,000,000 First Mortgage Six per Cent. Convertible Gold Bonds, issued by the Lautaro Nitrate Company, were promptly taken up in New York on Wednesday. The announcement, in fact, signalises the triumph of "massed production" methods in the industry, and the passing under American control of the largest British producer. The merits of the newer "Guggenheim" as against the older "Shanks" process of nitrate extraction have been a vexed question in Chile for some time past. The Lautaro board, faced with the necessity of erecting new plant to exploit the large and valuable areas obtained some time ago, has now decided, after inspection of the plant at work on the (Guggenheim) Anglo-Chilean properties, that the future lies with the newer method. The advantages claimed for the Guggenheim process are, broadly, that it enables caliche with as little as 8 per cent. nitrate content to be profitably treated, against a minimum of 13 per cent. under the Shanks process, that the substitution of electric shovels for hand mining reduces labour requirements by 80 per cent., that as much as 88 per cent. of the nitrate content can be extracted from the caliche, and fuel consumption can be reduced by two-thirds to three-fourths. The financial arrangements attendant upon the new development are of a complex character. The American-controlled Anglo-Chilean Consolidated Nitrate Corporation will erect a Guggenheim process plant with a capacity of approximately 540,000 tons of nitrate per annum on the Lautaro land, and will provide, for the Lautaro, a licence to use the Guggenheim process for a payment of $485,000 U.S.A. currency. The existing ordinary and "A," "B" and "C" ordinary shares of Lautaro will be converted into 7 per cent. cumulative preferred (sterling) shares of £5, with voting rights, which are intended to be acquired or redeemed by a 1 per cent, sinking fund in about 31 years. Two million new ordinary shares of 1s. will then be created and issued at their nominal value (carrying one vote per share) to a company formed in Delaware, U.S.A., to be called "The Lautaro Nitrate Corporation." The latter will have a capital of 4,000,000 "no par value" shares, 2,340,000 being held by the Anglo-Chilean and 1,660,000 by the Lautaro company. The latter will proceed to distribute its 1,660,000 shares as follows: 320,000 to its present shareholders in the proportion of one to five; 740,000 to a Chilean firm as part compensation for the termination of agreements; and 600,000 to the National City Company of New York. The National City Company has purchased from Lautaro the $32,000,000 bonds mentioned at the beginning of this note, and disposed of them at 99, every purchaser of $1,000 of the bonds receiving a free present of 10 shares of the Delaware Corporation. The bonds mature in 25 years at 105, and are convertible into preferred (dollar) shares of Lautaro. The proceeds will be used to provide the cost of the new plant and additional working capital. The upshot of these arrangements will be that, for the future, America will have the heaviest of stakes in Chilean nitrate production.

American Buying of British Securities.—Readers who have been following the articles which have appeared in our Stock Exchange columns on this subject in the last two weeks will find a concluding exposition of the broader economic issues involved in the matter in an article entitled "American Capital in Britain" on page 1386 of this week's paper.

Guest, Keen and Nettlefolds.—Thanks, partly, to its ability to compensate for the poorness of present-day coal and heavy steel prices by its manufacture of specialised articles, Guest, Keen and Nettlefolds has again fully earned its 10 per cent. tax free dividend, as the following table for the past three years shows:—

(Years ended March 31.)		1927. £	1928. £	1929. £
Profit		909,279	966,244	956,071
First preference dividend		86,000	86,000	86,000
Second preference dividend		220,019	225,759	229,259
Ordinary	*earned*	*9·5%*	*10·3%*	*10·1%*
	paid, tax free	10%	10%	10%
	amt. of dividend	630,447	630,447	630,447
Increase or decr. in carry-forward		− 27,188	+ 24,038	+ 11,365

The reserve fund has been reduced by £847,070—from £2,628,503 to £1,781,434—to write off the loss arising on the company's holding in the Consolidated Cambrian group of colliery companies, which went into liquidation last autumn. As investments, however, are only £395,909 lower, at £12,989,614, they must have been increased in other directions. The item is by far the largest in the balance sheet, and in view of present conditions in the industry the directors might well consider the possibility of taking the shareholders fully into their confidence as to the basis of valuation. Such knowledge, after the Consolidated Cambrian experience, would reassure all shareholders that the balance sheet was as demonstrably strong as it appears to be on paper. At their present price of 39s. 4½d., cum final dividend of 1s., the £1 ordinary shares yield £5 3s. 6d. per cent., free of income tax. Power is being asked to make certain alterations in the memorandum and articles of association.

Stanton Ironworks.—In view of the hard times through which the iron and steel industry is passing, the Stanton Ironworks deserves congratulation on its ability both to earn and pay regular dividends of 10 per cent., tax free, Earnings, however, fell away by some £22,000 in the last financial year, and the allocation of the usual £50,000 to reserve for depreciation of new works has entailed a reduction in "carry-forward" to £117,187.

(Years ended March 31.)		1927. £	1928. £	1929. £
Profit		234,617	214,308	192,037
Debenture interest		45,000*	36,000	36,000
Net earnings		189,617	178,308	156,037
Preference dividend		21,488	21,488	21,488
Number of times covered		*8·8*	*8·2*	*7·2*
Ordinary	*earned, after taxation*	*14·7%*	*13·7%*	*11·8%*
	paid, free of tax	10%	10%	10%
	amount of dividend	113,671	113,671	113,671
Reserve for depreciation of new works		50,000	50,000	50,000
Increase or decrease in carry-forward		+ 4,458	− 6,850	− 29,122

* Tax included.

The balance-sheet no longer shows a liquid position, a bank overdraft of £235,929 having made its appearance. This is principally accounted for by the rebuilding of the blast furnace plant; four complete new units out of the five proposed are now in operation. The "new colliery development account" has advanced from £773,267 to £917,359, and the colliery is approaching the stage at which half its maximum planned capacity will be in operation. It appears, therefore, that the new capital provided by the issue of £1,000,000 debentures in 1925 under the Trade Facilities Acts has nearly all been expended, so that it will now be seen what earning power has been gained by this provision of cheap funds for capital development. In notes appended to the report and accounts, it is stated that, so far as the iron industry is concerned, there are signs that during the next 12 months there will be some improvement over the conditions of 1928; this improvement had become noticeable in the first three months of 1929, the results of which are included in the present accounts. The last bargain marked in the fully-paid £1 ordinary shares was at 33s. 9d., which, allowing for final dividend of 6 per cent., represents a yield of £6 2s. 9d., free of income tax.

Ebbw Vale.—A loss of £407,394 was incurred by Ebbw Vale for the year to March 31, 1929, as compared with one of £234,716 in the previous twelve months. The trading account shows a loss of £40,818; debenture and other charges (including £240,000 interest, debited but not paid, on the £3,000,000 of 8 per cent. notes redeemable in 1938) amount to £336,576, while £30,000 (against £7,500 last year) is set aside for the note redemption premium reserve, which nominally calls for £100,000 each year. The total debit balance has risen to £957,636, and once again nothing has been provided for depreciation. A capital reconstruction scheme is inevitable sooner or later, though the company still maintains £1,350,348 on capital reserve account; and "reserves for special purposes, including provision for taxation," have increased from £791,709 to £871,886—a movement to which no explanatory reference is made. The report states that though the trade depression continued without abatement throughout 1928, an improvement in demand set in after the beginning of 1929, and all but one of the collieries are now at work. Moreover, a battery of 100 bye-product coke ovens, completed in 1922 and never started, were successfully put into operation last July. The iron and steel departments were fully employed throughout the period, with some improvement in costs, but the prices obtained reflected the intense Continental competition prevailing. These are the reasons which compel the directors to describe the financial results of the year as "altogether inadequate." Production, however, increased all round—the output of coal by 11 per cent., of coke by 44 per cent., of pig iron by 28½ per cent., and of steel by 38 per cent. The company would obviously gain considerably by the stabilisation of prices at a more remunerative level.

OTIS & CO.
Established 1899

Underwriters of Stocks and Bonds

Cleveland New York
Chicago Philadelphia

Members New York Stock Exchange

Anglo-Argentine Tramways.—The results achieved by the Anglo-Argentine Tramways Co. in respect of 1928 carry on the story of recent years, the second preference dividend being again covered, but no dividend being paid on the ordinary shares. The latter are held by the South American Public Utilities Trust, and received their last distribution in 1914:—

(Years ended December 31.)	1926. £	1927. £	1928. £
Profits	1,031,876	1,042,481	1,052,176
Annuity to City of B.A. Tramways Co.	70,660	70,660	70,660
Debenture interest on sinking funds	587,821	587,821	587,821
Sinking fund for preference and ordinary	9,230	9,599	9,983
Net earnings	364,165	374,401	383,712
First preference dividend	176,000	176,000	176,000
Number of times covered	*2·0*	*2·1*	*2·1*
Second preference dividend	183,000	183,000	183,000
Number of times covered	*1·0*	*1·0*	*1·0*
Increase in carry-forward	5,165	15,401	24,712

Receipts from passenger traffic increased, and the operating ratio was reduced from 74.57 to 73.50 per cent. Renewals expenditure was £279,742, against £335,473 in 1927, and the allocation to renewals reserve £372,416, against £368,666. Reference is again made in the report to the difficulties created by the traffic congestion in the central streets of Buenos Aires. The measures taken by the authorities and by the company have mitigated some of the worst features of the situation, but cannot remove its causes. Omnibus competition continues to be severe, but the increase in the tramway receipts is taken as a justification of the directors' policy for meeting this competition; though the company's omnibus services have been run at a loss, they are stated to have proved a valuable auxiliary to its other services. Unfortunately, the company's *ad referendum* agreement on tariffs, signed in 1925, has not yet received the necessary ratification of the Municipal Council, though hope is expressed, in view of the traffic problems and the need of underground line extensions, that it will be dealt with definitively at an early session. The balance sheet of the company is less liquid than a year ago. The £5 second preference shares at 3⅝ (cum 3s. final dividend) yield £8 11s. 6d., and the first preference at 3 9/16 (cum 2s. 9d. final dividend) just £8, whilst the 5 per cent. debenture stock, at 74½ ex dividend, gives a flat yield of £6 14s. 3d.

Attock Oil.—The directors' report of the Attock Oil Co. for the year ending December 31, 1928, has particular interest in view of the recent rise in the shares following on the reports of the discovery of deep oil sands on the c mpany's properties. The report shows that the production of crude oil increased from 266,360 barrels to 306,288 barrels, the bulk of the production being obtained from the 3,100 and 3,300 ft. sands. In the latter part of the year deeper sands were proved at 3,600 and 3,800 ft. and three wells were driven in to these sands by December 31st. The directors remark that these deeper sands have proved satisfactory producers, and that their further development is proceeding. The improvement in earnings is shown in the following table:—

	1927. £	1928. £
Ordinary share capital	1,500,000	1,500,000
Net profit	128,383	203,931
Ad. expenses	4,678	5,058
Depreciation	86,091	120,000
Balance	37,614	78,872
Percentage earned	2·5%	5·26%
Percentage paid	Nil	7½%

The improvement in earnings is all the more satisfactory seeing that profits were affected by the price-cutting war in the Indian kerosene market during the first half of the year. The dividend of 7½ per cent. is the first dividend to be declared since 1924, when 10 per cent. was paid. The dividend was not actually earned if allowance is made for depreciation, but the directors have no doubt paid regard to the current rate of earnings. The chairman, at the general meeting on June 28th, will probably have some cheerful remarks to make on the prospects of the company as affected by the development of the deep sands. That the market takes a favourable view of these prospects is shown in the current price of the shares, which, at 2⅞, return a yield of only 2.66 per cent. on dividends of 7½ per cent.

Anglo-Persian Oil.—The report for the nine months ended December 31, 1928, of the Anglo-Persian Oil Co. compares favourably with that of the previous twelve months, the rate of earnings being 15 per cent. higher. Indeed, the company did better than was generally expected, seeing that the price of petrol in Great Britain was reduced at the end of March 1928 (before the petrol tax was imposed) by 1d. per gallon ex pump in the London and home counties area and by 1½d. ex pump outside those areas. Why the directors do not give in their report the amount of the company's production in Persia is difficult to understand. Are they not aware that the report of the Royal Dutch gives the figures of world oil production, which show that Persia increased its output from 5,227,200 metric tons in 1927 to 5,600,138 metric tons in 1928? The increase in production does not account fully for the increase in net profits, but it may be assumed that the Anglo-Persian has been able to reduce further its operating expenditure. Moreover, the alliance between the Anglo-Persian and the Royal Dutch-Shell group for the joint marketing of oil products in parts of Asia and the east coast of Africa has no doubt been instrumental in increasing profits. The following table, giving the trading results for the last three periods, shows the beginning of the recovery in Anglo-Persian fortunes:

	12 months to March 31, 1927. £	12 months to March 31, 1928. £	9 months to Dec. 31, 1928. £	Equivalent for 12 months. £
Ordinary capital	13,425,000	13,425,000	13,425,000	...
Net profits	6,927,123	4,300,803	3,738,239	4,984,319
Deb. and note interest	310,918	254,397	216,206	288,275
Directors' fees	22,197	21,294	22,326	29,768
Persian Government royalty	1,027,595	250,806	305,816	407,755
Income tax	930,968	661,776	360,933	481,244
Balance	4,635,443	3,112,529	2,832,958	3,777,277
Preference dividend	875,000	875,000	656,250	875,000
Balance available for ordinary capital	3,760,443	2,237,529	2,176,708	2,902,277
Earned (net)	28·01%	16·67%	21·62%	21·62%
Dividends (subject to tax)	12·5%	7·5%	12½% p.a.	12½%
To deb. stock redemption reserve	200,000	200,000	206,250	275,000
To extra depreciation and reserves	1,590,888	1,053,267	651,052	868,068
To carry forward	2,246,879	2,224,266	1,771,645*	...

* Less £513,434 payments for excess profits duty.

It will be seen that a smaller amount was applied to extra depreciation and reserves in 1928, but a conservative dividend policy is still being pursued. The amount paid by way of royalty to the Persian Government remains a subject of mystery. Presumably it varies in proportion to the profits earned by the Company, but no definite proportion can be ascertained from the extreme fluctuations in the amounts paid for the last three years. The balance sheet shows a strong cash position, the surplus of current assets over current liabilities being £8,348,850 as against £6,200,000 at March 31, 1928. The ordinary share capital remains at £13,425,000 in £1 shares, of which the British Government own 7,500,000 shares and the Burma Oil Co. 2,861,990 after transferring 700,000 to the B.O.C. Anglo-Persian Oil Trust. The British public is, therefore, interested in only 17.6 per cent of the equity, a fact which may account for the relatively high price of 4½ (yielding only 2¾ per cent. on dividends of 12½ per cent) at which the ordinary shares are quoted in the Stock Exchange.

Royal Dutch and Shell Transport.—The curious but singularly effective alliance between the Royal Dutch Petroleum and Shell Transport and Trading is based on the holding of 60 per cent. by Royal Dutch and 40 per cent by Shell of the shares of their subsidiary oil producing, refining, shipping, and marketing companies. Whatever the state of the oil markets may be, the earnings of both Royal Dutch and Shell, which are derived from dividends paid by their subsidiary companies, seem to increase steadily each year. Last year was one of mixed blessings for a worldwide combine such as the Royal Dutch-Shell group. While oil prices rose in the United States and to a less extent in Europe, in India there was a price-cutting war in kerosene for the first half of the year, and in Great Britain there was no recovery in prices at all. The real earnings of the Royal Dutch-Shell group are, however, never ascertainable, because the dividends drawn from their subsidiary companies do not absorb the whole of the profits earned. Moreover, the earnings of the subsidiary companies are arrived at after allowing very substantial depreciation. The feature of the Royal Dutch report for 1928 is the increase of nearly 30 per cent. in the crude oil production of the subsidiary companies which is given in the following table:—

	1927.	1928.
	Metric tons.	
Dutch East Indies	3,448,116	3,971,045
Sarawak	711,756	751,092
Egypt	183,284	268,461
Roumania	593,828	705,854
Mexico { Corona	594,753	528,979
Mexico { Aguila	987,528	893,681
Venezuela	4,497,713	7,125,339
Trinidad	65,841	65,187
United States (Shell Petroleum Corporation, formerly Roxana Petroleum Corporation)	2,694,312	3,890,767
United States (Shell Oil Company, formerly Shell Co. of California)	3,203,719	3,812,233
Argentina	17,701	50,773
	16,998,551	22,063,411

These figures must not be taken to imply that the turnover of the Royal Dutch-Shell has increased by 30 per cent in 1928. It is possible that the group bought less crude oil from independent sources. Nevertheless, a substantial increase in sales must have been realised. Mention is made in the report of the Royal Dutch of the extended use of asphalt for industrial purposes, in which connection the company took over last year the Flintkote Co. of Boston, a concern of many years' standing in the asphalt manufacturing business. More attention has also been given to the use of the by-products of the refineries in the agricultural and the chemical industries. The following tables show the net income and distribution of profits of the two following companies for the last three years:—

ROYAL DUTCH.

	(In florins.) 1926.	1927.	1928.
Ord. capital	412,103,000	412,103,000	412,103,000*
Net income	101,595,945	101,978,637	103,367,780
Pref. div.	,342,500	1,342,500	1,342,500
Times covered	75·67	75·96	77·00
Bal. for ord.	100,253,445	100,636,137	102,025,280
Percentage earned	24·6%	24·4%	24·6%
Percentage paid	23½%	24%	24%
Carried forward	1,179,319	423,438	1,015,025

* Since increased by Fl. 82,420,600

SHELL TRANSPORT.

	(In £'s.) 1926.	1927.	1928.
Ord. capital	19,654,274	19,654,274	19,654,274*
Net income	5,361,512	5,369,694	5,447,893
Pref. div.	450,000	450,000	450,000
Times covered	11·91	11·93	12·11
Bal. for ord.	4,911,512	4,919,694	4,997,893
Percentage earned	25·32%	25·03%	25·43%
Percentage paid	25% (free of tax)	25% (free of tax)	25% (free of tax)
Carried forward	230,486	236,612	237,604

* Since increased by £333,333.

The balance sheets of Royal Dutch and Shell continue to show the strong liquid position which is usually associated with the group. The surplus of current assets over current liabilities for the Royal Dutch amounted to Fl. 289,363,227, and for the Shell to £6,768,722. The investments of the Shell group, which are mostly in gilt-edged securities, show a rise of £1½ million at £6,627,101. Both Royal Dutch and Shell increased their capital last year by the issue of shares to shareholders in the proportion of one new share at par for every five shares held. These shares rank for dividend as from the beginning of 1929. In calculating dividend yields obtainable from the ordinary shares it will be appreciated that Shell Transport pays its dividend free of British income tax, which is a disadvantage to the foreign shareholder, seeing that he cannot get back the tax which in effect has been deducted. At the present price of 4 29/32 Shell Transport shares return a yield of 5.09 per cent. free of tax, and Royal Dutch at 33¾, a yield of 5.87 per cent.

The Rand Midsummer Dividends.—Our mining correspondent writes: The half-yearly dividend announcements of the Witwatersrand Gold Mining Companies have only in one instance aroused any enthusiasm. Comparing the present declaration with those of a year ago, there are nine examples of change, five being in the upward direction. The most noticeable instance is furnished by the Crown Mines, whose rate exceeds even the increased distribution in respect of the December period. The explanation would appear to consist in smaller requirements for capital outlay, the monthly profits of the current half year having totalled less than those for the last six months of 1928. The most notable reduction occurs with Sub Nigel. In the circular accompanying the report of Dr Maclaren, issued about the end of February, the directors foreshadowed a reduction in the milling grade owing to the development position; but, although the monthly profits have displayed an almost continuous decrease, the difference has scarcely been such as to prepare the shareholders for so substantial a cut as one-third. The lower rate of the Geduld is payable upon an increased capital, additional shares having been issued to enable the company to subscribe for its proportion of the new capital of the Geduld East. Our usual table is appended:—

Company.	Total, 1927.	June, 1928.	Dec., 1928.	Total, 1928.	June, 1929.
	%	%	%	%	%
Brakpan	50	23¾	25	48¾	23¾
City Deep	5	...	...	...	...
Consolidated Main Reef	11¼	6¼	5	11¼	5
Crown Mines	67½	25	30	55	32½
Geduld Proprietary	37½	16¼	17½	33¾	15
Geldenhuis Deep	2½	...	2½	2½	2½
Government G.M. Areas	85	45	45	90	45
Langlaagte Estate	12½	7½	7½	15	7½
Meyer and Charlton	15	...	...	...	...
Modderfontein "B"	80	40	40	80	40
Modderfontein Deep	135	65	70	135	65
Modder East	5	8¾	10	18¾	10
New Modderfontein	130	70	70	140	70
New State Areas	12½	5	7½	12½	7½
Nourse	2½	2½	2½	5	...
Rose Deep	5	2½	...	2½	...
Simmer and Jack	15	...	...	...	...
Spring Mines	33¾	16¼	17½	33¾	17½
Sub Nigel	60	30	30	60	20
Van Ryn Gold	5*	2½*	2½*	5*	...
Van Ryn Deep	40	20	20	40	17½
Village Deep	...	...	2½	2½	2½
West Springs	10	3¾	5	8¾	5
Witwatersrand Gold	7½	2½	...	2½	...
Johannesburg Consold.	15*	7½*	7½*	15*	7½*
New Era Consolidated	20	6¼	8¾	15	5
Rand Mines	100	50	50	100	50
Rand Selection	50	15	10	...	15

* Tax free.

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

The City Deep, which has been out of the list for two years, is now picking up a little: its monthly losses, at least, are less than they were. Some disappointment was experienced at the absence of any payment on the part of the Nourse and the Rose Deep, which made distributions on account of the first half of 1928. As regards the finance companies the Johnnies rate

is steadily maintained, but that of the New Era has further shrunk. The position as regards the Rand Selection is a little complicated. Hitherto this company's announcements have been made in March and September. Last autumn the dividend was passed owing to the company's financial requirements, but an interim was declared in December and this is followed up by 15 per cent.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Whitehall Electric Investments, Independent Investment, Carmelite Trust, Electric Supply Corporation, British Electric Traction, Malacca Rubber Plantations, General Mining and Finance Corporation, City Deep, Siamese Tin Syndicate, Bangrin Tin Dredging, Booth's Distilleries, Lobitos Oilfields, Wm. Cory and Son, and Hovis. Mr Horne, at the Carmelite Trust meeting, referred to the fall in newspaper shares, but predicted a material appreciation "at no far-distant time" in the Trust's large holdings in them. The chairman of the Independent Investment Company defined his board's attitude to investment in low-yielding ordinary shares. For the current year a record output is anticipated for Malacca Rubber Plantations, and the company is also embarking on the cultivation of oil palms. The chairman of Hovis discussed the unsatisfactory state of the milling industry.

CAPITAL ISSUES.

One Dominion corporation loan and two "business" prospectuses made their appearance during the week, involving a total cash subscription of £2,597,917. The aggregate for the year to date, including offers to shareholders as well as to the general public, is £163,229,034, excluding conversions, which compares with £240,860,861 for the corresponding period of last year. The issue of £2,149,109 *City of Montreal* 4½ per cent. stock at 92½ was interesting as the first Canadian loan raised in London for some years. The yield is £4 17s. 3d. flat, or £4 18s. 9d., allowing for redemption at par in 1969. Money market conditions, unfortunately, were unfavourable, and 72 per cent. was left with underwriters. The stock is not a trustee investment in Great Britain, but only in the Province of Quebec. A reasonably secured debenture issue, 6 per cent. at 97, was put out by *Daily Express Building Co.*, and obtained over-subscription. The company is to acquire and demolish certain property in Fleet Street, and to erect on the site a building which is to be part of the London headquarters of the *Daily Express* and *Sunday Express* newspapers, the London Express Co. having contracted to take a 35 years' repairing lease of the building when completed. An issue to the public of 10s. shares at 2s. 6d. premium was made on behalf of *Gooch's* (1928), a company formed last year to take over the well-known shop premises and business in Brompton Road. The shares previously existing had been allotted to the vendors in part satisfaction of the purchase price. The new shares, though fully subscribed, were not without a certain speculative tinge, the prospectus giving no figures of the former company's results. It is a noteworthy sign of the times that these were the first issues of an industrial character, save for one small speculative offer, since May 16 last.

Grace National Bank

Hanover Square, New York, U. S. A.

Commercial Banking. Execution of orders in New York for European banking correspondents.

Special Representative

146 Leadenhall St. London, E. C. 3.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total recorded since January 1, 1929, £159,591,342.
Total, including conversion, recorded since January 1, 1929, £191,125,692.

National Savings Certificates.
Net sales week ended June 15, 1929, Nil.
Total receipts, April 1, 1929, to June 15, 1929, *Dr. £300,000.*

Description of Issue and Date of Opening of Lists To the Public.	Nominal Capital. £	Conversions or Repayments. £	New Money, Cash Subscription. £	First Payment. £	Further Liability. £
Daily Express Building Co., £500,000 6% Guar. Deb. Stk., issued at 97½ finally red. at par Dec. 1, 1956 (June 17)...	500,000	...	485,000	25,000	460,000
City of Montreal £2,149,109 4½% Reg. Stk. red. at par May 1, 1969, issued at 92½% (June 17)	2,149,109	...	1,987,917	107,455	1,880,462
Gooch's (1928) 200,000 Shares 10s. at 12s. 6d. (June 17).....	100,000	...	125,000	25,000	100,000
Total offered to Public, week ended June 22, 1929	2,749,109	...	2,597,917	157,455	2,440,462
To Shareholders only.					
Eastern and Overseas Products, 300,000 New Ord. £1 at £1 2s. 6d.....	300,000	...	337,500	337,500	...
Home and Foreign Investment Trust, 25,000 Shares £10 at £11¼	250,000	...	287,500	287,500	...
Indian and General Investment Trust, 12,500 Ord. £10 at £17 14s. 0d.....	125,000	...	221,250	12,500	208,750
Venezuela Telephone and Electrical Appliances, 136,975 A Ord. £1 at par	136,975	...	136,975	136,975	...
Woodford and Wormleighton, 377,000 Shares 1s. at 3s.....	18,850	...	56,550	56,550	...
Total to Shareholders only, week ended June 22, 1929....	830,825	...	1,039,775	831,025	208,750

Total offered for Subcription—

To date—	Including Conversions. £	Excluding Conversions. £
1929	194,554,634	163,229,034
1928	...	240,860,861
1927	...	199,298,664
1926	...	117,252,324
1925	...	111,261,974
1924	...	103,674,781
1923	...	181,301,661

Total offered for Subscription—

Whole year—	Including Conversions. £	Excluding Conversions. £
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,600
1925	...	232,214,500
1924	...	209,326,101
1923	...	271,399,173
1922	...	573,675,653

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Advertisement (in brackets).	Amount of Capital Introduced. £	Price at which Dealings Began. £	Total Cash Involved. £
Total recorded since Jan. 1, 1929	22,647,170	...	31,343,580
Total, week ended June 22, 1929.....	Nil	...	Nil
Total to date, 1929.....	22,647,170	...	31,343,580

City of Montreal.—Issue at 92½ of £2,149,109 4½ per cent. registered stock, 1969. The proceeds will be used for the purchase of the Montreal Water and Power Co. and for the enlargement of an aqueduct and the construction of underground conduits. The stock is a trustee investment in the Province of Quebec. Total funded debt of the city, including this issue, amounts to £35,674,346; the revenue from all sources for 1928 was £7,026,957 and the expenditure £6,741,423. The population is estimated at 1,032,385.

Daily Express Building Company, Limited.—Issue at 97 of £500,000 6 per cent. first mortgage guaranteed debenture stock, redeemable by 1956 by a 2 per cent. cumulative sinking fund commencing in 1932, applied in purchase at or below par or annual drawings at par; the company may also redeem at 105 until 1934, at 103 between 1934 and 1939, and thereafter at par. Capital and interest are unconditionally guaranteed by the London Express Newspaper, Limited. The stock will be secured by a first specific mortgage or charge upon land in the City of London, which the company is being formed to acquire, and the building to be erected thereon. Issued share capital consists of 50,000 £1 shares. The purchase price for freehold and leasehold properties is £156,500, payable as to £138,700 in cash and £17,800 in shares. The London Express Co. will take a 35-years' repairing lease of the building when completed at a yearly rent of £45,000.

Gooch's (1928), Limited.—Authorised capital consists of 600,000 10s. shares. Issue of 200,000 10s. shares at 12s. 6d., to rank *pari passu* with the 317,207 existing shares. The company took over an established London business of fashion and wear specialists. The present issue is intended to provide additional working capital and to repay advances made on reconstruction account, &c.

Particulars of the following have been issued "for information only" with a view to Stock Exchange introduction:—**Quemont Mining Corporation, Limited**; issued capital, 1,465,607 shares of no par value; incorporated in Canada as a mining, milling, reduction and development company.

COMPANY MEETINGS, &c.

GENERAL MINING AND FINANCE CORPORATION, LIMITED.

UNAPPROPRIATED PROFIT AND GENERAL RESERVE.
CAUSES OF THE DECREASE IN REVENUE.
OPERATIONS OF THE SUBSIDIARY UNDERTAKINGS.

Mr Arthur French, presiding at the annual general meeting of the General Mining and Finance Corporation, Limited, held in Johannesburg on Tuesday, the 18th instant, dealt with the balance sheet and profit and loss account. He explained the new item of £23,613 under the heading of pension fund, stating that the corporation had contributed £10,000 for 1928. The increase in stocks and shares of £274,798 was partly represented by an increase in the holding of Phœnix Oil and shares in Witpoort Gold Areas accruing in respect of the capitalisation of the debt due by Rand Collieries. The decrease in Government securities and cash was more than accounted for by the increase in stocks and shares and sundry debtors.

THE LIQUID ASSETS.

Attention was drawn to the fact that liquid assets, namely, cash, Government stocks, and advances against securities, together making £564,119, compared with current liabilities amounting to £304,116, which position was very satisfactory. The decreased revenue was explained by the unfavourable market conditions which prevailed during the latter part of the year. Further, it was necessary to write down, out of profits, certain holdings in order to bring them into the balance sheet at or under the market prices as at the end of the year. The statement in the directors' report was reiterated that the valuation of stocks and shares per balance sheet was still considerably under aggregate market prices. No final dividend was declared owing to the conservation of funds for carrying out present undertakings and for undertaking further business.

Apart from the unappropriated profit of £120,257 carried forward they had a general reserve of £400,000, which was invested in the corporation's business, for which purpose it was chiefly created. It was one of the functions of a controlling house to advance moneys to subsidiary companies when such funds were required for expanding their producing capacity, or for entering into active mining operations, until the companies concerned were able to finance themselves. The corporation's general reserve had been gradually built up, mostly from profits, with this object largely in view; otherwise these profits would probably have been distributed as dividends.

THE SUBSIDIARY COMPANIES.

Dealing with the position and prospects of the subsidiary companies, Mr Arthur French stated that the early cessation of mining at the Meyer and Charlton was not anticipated. At the Van Ryn development of the upper leaders was being vigorously prosecuted. The West Rand Consolidated profits for the last five months showed a satisfactory increase. Working costs at 18s. 1d., including 2s. 9d. development, representing a net cost of 15s. 4d. per ton were very creditable, and no better record could be shown by any other mine on the Rand working under similar conditions. He quoted the ore reserve position, and reiterated the statement *re* an additional million tons now payable owing to lower working costs. A satisfactory feature of the recent expansion in operations was that the ore mined from reserve blocks consistently reflected the value called for; in other words, that stoping fully confirmed the computed valuation of the ore reserve. It had been decided to sink a vertical shaft which should, on completion, result in substantial economies in working expenditure. Development on the lower levels of the main and battery reefs continued to exhibit gratifying values, the development accomplished during the last five months indicating a higher percentage of payability than recently, and the whole outlook was very encouraging.

The recent issue of shares by the Witpoort Gold Areas, Limited, had provided a net amount of £157,812 for working capital, while the terms of the Government lease were satisfactory to the company. Surface equipment had been completed, dewatering commenced, and the water was now down to 1,500 ft. from the shaft collar, As the extended area of 3,010 claims now held was in close proximity to mines in which the existence of rich ore had been proved, there was reasonable hope that the company would meet similar conditions when unwatering was completed and development resumed in the near future.

EAST RAND PROPRIETARY AND PHŒNIX OIL.

At the East Rand Proprietary good progress had been made with the extensive scheme of reorganisation undertaken on the amalgamation. The advancing profits confirmed the chairman's statement at the last annual meeting that the board expected improved returns during the current year. Development was still being energetically pursued with satisfactory results, and Mr French expressed the opinion that the outlook was now better than for many years past.

As regards the Phœnix Oil and Transport, in which the corporation had increased its interest, the outlook showed considerable improvement as the result of the installation during 1928 of the most modern refining plant, and of the drilling of new oil lands which already indicated a satisfactory improvement in the production, as shown by increased outputs.

CITY DEEP, LIMITED.

(INCORPORATED IN THE UNION OF SOUTH AFRICA)

RESULTS OF A DIFFICULT YEAR.

The twenty-eighth ordinary general meeting was held in Johannesburg, on May 23, 1929.

The Chairman (Mr J. Martin) said:—The past year has been an exceedingly difficult and most disappointing one for the City Deep. For the first time in its history, a loss—and that a heavy one—was incurred; the yield of gold per ton milled was the lowest on record; working costs were, on the average, the highest since 1921; there was a further decline both in the grade of ore mined and developed and in the percentage of payability; and the ore reserve showed a decrease of 401,500 tons and a drop of 0·2 dwt. in value compared with the previous year. The most vigorous measures have, however, been adopted to cope with the situation, and I am glad to be able to express the belief that some of the most anxious of our difficulties have been overcome, that the progressive reduction of monthly working losses may be expected to continue, and that, given a reasonable share of good fortune, a profit-earning position will, at no distant date, be regained.

The tonnage of ore treated during 1928, at 1,027,000 tons, was 27,000 tons more than in 1927, but the value of the yield decreased by 3s. per ton milled, working costs increased by 1s. 10d. per ton milled, and a working loss of £122,940 was incurred. The total loss for the year, after adding the difference between sundry items of expenditure and revenue detailed in the working expenditure and revenue account, was £127,934.

At the commencement of the year the net cash liabilities of the company amounted to £33,966; to this must be added the following items, viz., net loss for the year, less forfeited dividends, £127,796; Government and provincial taxes, £4,085; undermining rights annuity, £6,560; expenditure on capital account, £146,093. After deducting from the above the decrease in cash assets of £49,505, the cash liability at the end of the year was £268,995; against this liability the company had £124,111 invested in cash assets.

I referred at our last annual meeting to the financial assistance rendered by the Central Mining and Investment Corporation, Limited, and Rand Mines, Limited, who had made a loan to your company up to an amount of £150,000, bearing interest at the rate of 7 per cent. per annum. These corporations have since agreed to increase the limit of the loan to £350,000.

The proportion of the outstanding liability of the scheduled mines in respect of miners' phthisis compensation for which the company is liable has been calculated at £288,388 as at July 31, 1928, an increase of £22,848 compared with the estimate made twelve months before.

The heavy indebtedness of the company on loan account has, of course, been due to the working losses incurred and the financing of the capital expenditure programme to which we were committed. That indebtedness has for the same reasons been increased since the beginning of the current year. The assistance rendered to the company during this critical period by the Central Mining and Investment Corporation, Limited, and Rand Mines, Limited, has been invaluable; but shareholders will, I think, agree that as soon as circumstances permit, proposals should be submitted by the Board for liquidating the loan and placing the finances of the company upon a more stable and satisfactory basis.

Capital expenditure during the current year and during the early part of 1930 is estimated at about £70,000, practically all of which will be spent on the equipment of the 26th main haulage level, which will be connected between the No. 1 and No. 2 shafts towards the end of this year, on the equipment of a main loading station at the bottom of the No. 4 shaft and on the equipment of main pumping stations at the 27th level, No. 4a shaft, and 25th level, No. 1 shaft, which will reduce pumping costs and provide an improved clear-water system for mine service. The completion of these necessary and urgent items will mark the end of the present programme, and no further capital expenditure of any importance is anticipated for some years.

The heavy fall in profits from 1924 onwards and the serious loss incurred last year have been primarily due to a persistent decrease both in the grade of ore developed and mined, and in the percentage of payability revealed by development. The effect of this marked change in the characteristics of the mine during recent years is seen

in the exceptional decline that has taken place in the yield of gold per ton milled—a decline the rapidity of which, the consulting engineer states, is without precedent in Central Rand mining.

The actual footage accomplished in 1928 was 46,524 feet, or 4,774 feet more than in the previous year. The footage sampled on Main Reef Leader was 12,813 feet, of which 5,990 feet were classed as payable, having an average value of 17·7 dwts. over a reef width of 18 inches or 318 inch-dwts. Some good values were obtained to the west of No. 4 shaft from the 21st to the 27th levels, and in the main cross-cut at the 28th level the reef intersection also gave encouraging indications.

The ore reserve as recalculated at December 31, 1928, totalled 1,809,000 tons, of an average value of 6·31 dwts. per ton over an assumed stoping width of 51·2 inches, showing, as already mentioned a decrease in tonnage of 401,500 tons, a decline in average value of 0·2 dwt. per ton and a reduction of 1·6 inches in the estimated stoping width.

During the first four months of this year there has been a small improvement in the percentage of payability obtained in development operations. The footage sampled was 6,560 feet, of which 50·8 per cent. was payable, with a value of 16·0 dwts. over 19·5 inches, or 312 inch-dwts.; throughout 1928 the percentage was 46·7 per cent. payable, at 17·7 dwts. over 18 inches, or 318 inch-dwts.

There are, therefore, favourable and unfavourable factors to be taken into account in assessing the prospects of the company, but that, after all, is an inseparable, inherent condition present, in a lesser or greater degree, in all mining ventures and enterprises. The City Deep has had its share of prosperity and adversity. We had sixteen years of substantial profits, the dividends over that period amounting to nearly £6,000,000. We have now had a year and more of heavy losses and are faced by a number of onerous problems. There can be no certainty about the future, but I feel hopeful that our difficulties will, in course of time, be overcome, and the mine re-established on a profitable basis. In that endeavour no effort will be spared by the management, by our technical advisers or by the board.

The report and accounts were unanimously adopted.

CARMELITE TRUST, LIMITED.
CONSIDERABLE PROGRESS ACHIEVED.

The first annual general meeting of the Carmelite Trust, Limited, was held on Monday, the 17th instant, at Winchester House, E.C.

Mr H. S. Horne (the chairman) said that to have made a net profit of £216,168 in a most difficult period of creating and building up their organisation was no small achievement, but even more important was the fact that they had sown the seed for carrying on an undertaking which already occupied a unique position in the general newspaper situation. The Trust was one of the largest holders of *Daily Mirror* ordinary shares, a company which had the controlling interest in the Daily Mail Trust and Associated Newspapers, Limited, and various other important investments. The Daily Mirror Company's ordinary shares, despite a record profit, had depreciated during the year by nearly 30 per cent. The break-up value of the assets, however, apart from goodwill, was substantially in excess of the current market valuation. The depreciation in values was not confined to newspaper securities and was due to a variety of causes. No useful purpose would be served at the present time by dwelling on the point, but if the occasion arose in the future he would not hesitate to dot the "i's" and cross the "t's" as to his views concerning this particular phase.

Their quoted securities, with a market value of £1,225,527 consisted almost entirely of holdings in leading newspaper-owning concerns, and the valuation placed on them should show a material appreciation at no far distant time. As to Associated Newspapers, Limited, deferred shares, where could one find a security paying quarterly dividends, increasing its earnings year by year, being in an exceptionally strong financial position, and in addition controlling a mining property that might be worth millions in due course. They understood that the shares of the Associated Newspapers, Limited, would be listed in New York, which would have a beneficial effect on the market, not only in those shares, but in certain other newspaper securities as well. Perhaps there, even more than in this country, it was realised what an enormous capital was required to reach the impregnable position which certain of the newspapers enjoyed to-day in this country. He hoped shareholders, despite the disappointment in not receiving a dividend in the company's first year, would appreciate the considerable progress that had been made and that the company had an organisation equipped to take full advantage of the expansion likely to come about in the specific sphere of operations they had chosen.

The report and accounts were unanimously adopted.

WHITEHALL ELECTRIC INVESTMENTS, LIMITED.
ADVANTAGEOUS SALE OF CHILIAN AND MEXICAN HOLDINGS.

The seventh ordinary general meeting of Whitehall Electric Investments, Limited, was held, on the 20th instant, at Winchester House, Old Broad Street, London.

The Hon Clive Pearson (chairman of the company) presided.

The Chairman said: You were advised by letter dated October 9, 1928, of the sale of our holdings in the various Chilian and Mexican companies which then constituted the entirety of our investments. I consider we have made an advantageous sale both from the point of view of profit and because our investments need no longer be confined to two countries only. I also consider that Electric Bond and Share Company have made a good purchase, since the acquisition of our properties extends the geographic diversity of their operations. The criticism has been made that the sale to Americans of interests in companies built up by British capital looses for British manufacturers orders for materials which would otherwise continue to be placed in this country. It has to be remembered, however, that it is during the early years of development that the greatest expenditure is incurred in the way of plant and equipment and that our companies were developed and extended whilst under British control. Further, a large sum of money has been made available in English hands for reinvestment in new undertakings which in their turn should bring trade to this country.

DIVIDEND AND BONUS.

Our investments having been sold as at January 1, 1929, cum accrued interest and dividends, our gross income for the year amounted to the reduced sum of £517,105. After charging debenture interest, expenses and the preference share dividend, and adding the amount brought forward from last year and the amount previously applied in writing off discounts, &c., there is a total to be dealt with of £1,100,400. Your directors recommend a dividend of 2 per cent. for the year on the ordinary shares, together with a bonus dividend of 18 per cent., which will require £1,000,000, and leave a carry-forward of £100,400.

The sale of our investments realised a profit of £2,738,793, which, in accordance with the company's articles of association, has been credited to capital reserve. From this reserve two transfers have been made, namely, £625,000 to special reserve account and £729,313 in writing off discounts, &c.

As to the special reserve, this has been contingently set aside to provide a bonus of 5s. per share on the preference shares, to be payable on redemption or liquidation. The intention is to convert the existing £1 preference shares into shares of the same nominal value, but redeemable by the company at any time at 25s. per share, and also repayable on liquidation at 25s. per share. In the meantime, there is no proposal before the shareholders, and no action is required on their part. In any case, I would like to make it clear that there is no immediate intention to repay the outstanding debenture stock or to redeem the preference shares.

Our present position—and by that I mean the position of this company and that of its two subsidiaries—is a very liquid one, inasmuch as we have a temporary investment of some £1,500,000 in War Loan, we hold about £2,000,000 of 5-year 6 per cent. notes of South American Power Co., which are secured on bonds and debentures of the companies in Chile and Mexico previously in our ownership, and there is owing to us the balance of the sale price of our investments, which will give us approximately £6,000,000 of free cash.

INTERESTS IN DEVON AND SOMERSET.

Through the intermediary of Whitehall Securities Corporation, Ltd., we have acquired controlling interests in a number of companies operating electric undertakings in Devon and Somerset. These undertakings will be linked up by high tension transmission lines and the service extended to neighbouring towns and villages. The extensions we shall make in the system of distribution will reach many districts not yet served, and we have every confidence that at the same time the per capita consumption of the present users of electricity will respond to the improved facilities we intend to provide. Your directors are considering other investments in electrical and other public utility undertakings in some of which, although not necessarily in all, we anticipate obtaining share control.

I think we may congratulate ourselves upon the present position of the company. The trustees for the debenture stock holders hold shares and securities having a value of over £5,000,000, which are specifically charged to the service of the debenture stock. The position of both the debenture holders and preference shareholders has been improved, since they now hold a more widely distributed security for their investment.

The report and accounts were unanimously adopted

SIAMESE TIN SYNDICATE, LIMITED.
CURRENT YEAR'S IMPROVED RETURNS.

The twenty-second ordinary general meeting of the Siamese Tin Syndicate, Limited, was held, on the 19th instant, at Winchester House, London, Mr William H. P. Stevens (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the result of the company's mining operations during the past year was a total revenue from ore sales of £180,402, against £210,590 in the previous year. On the Ngow property 507·87 tons were produced in 1928, of a value of £78,677, which compared with 661·08 tons, of a value of £129,434 in 1927, while the productions from the Kopah property was 642·29 tons, of a value of £101,725, as against 418·81 tons, of a value of £81,156.

The Kopah figures for the past year included for the first time a full normal year's working of both the Plaiwah and Peek dredges The results of the working of Ngow property were obtained from the operation of the three dredges. The report of the manager of this estate explained the reasons for the relatively poor returns Improved returns began in November last, and the returns for the first five months of the current year were 326 tons, as compared with 183 tons for the corresponding period of 1928. For the same period the returns from the Kopah dredges had amounted to 284 tons, bringing the total output for the five dredges up to 610 tons, against 468 tons for the corresponding period of 1928. Whereas the total output for 1928 had increased by some 70 tons, the total proceeds showed a decrease of approximately £30,000. The net average price per ton received, before deduction of Government duty, was £156, as compared with £195 for 1927.

The net trading revenue of £35,227 compared with £71,031 for the previous year. They were fortunate in being able to bring into credit of the accounts a sum of £10,000 which became available during the year from income-tax reserve. Two interim dividends amounting to 20 per cent. had already been paid, and after writing off £21,947 for amortisation and depreciation, they carried forward £7,459.

During the year the company had acquired an interest in the Alaska Gold Dredging Co., which was formed in October last.

The company had undertaken an active prospecting campaign in the Australasian Dominions, and much work had been done, very promising results having been obtained on one property, the name of which it was inadvisable to mention.

The report and accounts were unanimously adopted.

BANGRIN TIN DREDGING COMPANY, LIMITED.
INCREASED OUTPUT ASSURED.

The ninth ordinary general meeting of the Bangrin Tin Dredging Co., Limited, was held, on the 19th instant, at Winchester House, London, Mr William H. P. Stevens (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the total revenue from mining operations during the past year amounted to £77,596, being the proceeds of 498·36 long tons of tin ore as compared with £106,451 and 544·09 long tons in the previous year. The net average price per ton received, before deducting Government duty, was £155, whereas for 1927 the average was £195. Expenditure on mining operations amounted to £24,729 and Government duty was £10,007, the comparable figures for 1927 being £21,661 and £17,881. The expenditure for the past year included only a short period of working of the No. 2 dredge, which commenced operations on the Bangrin Extended property on December 1st last, but no revenue accrued from this source in the accounts now submitted. Mining operations showed a net revenue of £42,958 transferred to profit and loss account, and this arose entirely from the No. 1 dredge on Bangrin property. A dividend of 10 per cent. had already been paid, and, after providing £13,366 for amortisation and depreciation for the past year, they were carrying forward £10,469.

It would be seen that the whole revenue of the year was obtained from the operation of No. 1 dredge only; that the tin recovered was 45·73 tons less than in the previous year, and that the average price realised was less by £40 per ton.

The great delay in the completion of the two new dredges and the power-house had been due to a combination of circumstances beyond the control of the directors—delay in the delivery of material and local labour difficulties. The first of these two dredges, known as dredge No. 2, was, however, completed and started to work out of her erection paddock in November. The various initial difficulties had been almost entirely overcome, and the dredge was now giving very satisfactory returns. No. 3 dredge was almost ready to start.

With three dredges in full operation a material increase in output was assured. This company, however, like all other tin producers, was passing through a period of depression, and the immediate future was obscure. He had no doubt that the price of tin would ultimately rise far above the present level, and that the average in future years would enable this company to distribute very handsome dividends.

The report and accounts were unanimously adopted.

BRITISH ELECTRIC TRACTION COMPANY, LIMITED.
SALE OF VARIOUS INTERESTS.

The twenty-third ordinary general meeting of the British Electric Traction Co., Limited., was held, on the 17th instant, at Winchester House, London.

Mr J. S. Austen (the chairman) said that the profits for the past year showed an advance of £17,000 on the figures of the previous year. That might not seem a particularly large sum, but he could assure them that when a company derived its sole income from dividends, it was a material amount even for a company of their size.

With regard to the past year, during that period they had sold their holding in the London and Suburban Traction Co. That had been the largest holding—amounting to a nominal sum of over £850,000—which they had held in any single undertaking. He was not going to say that they had got a wonderfully good price for those shares, but he would say that the money they had got would be of more worth to them than were the shares which were paying them no dividend at all. They had also sold the Shropshire, Worcestershire and Staffordshire Power Co., in which they had held about a one-third interest. The profit on that deal was nearer £700,000 than £600,000.

He would like to say a few words with regard to the value of the company's deferred stock. As stockholders knew when that stock had been created it had not been their intention to pay large dividends upon it, but it was a stock to which they must look for appreciation. He thought stockholders would agree that that appreciation came with a vengeance, for at the present it was quoted upon the Stock Exchange at £1,400 for £100 of stock.

As to dividends it was their intention to continue a distribution at the same rate as they were making this year, but if their revenue grew and they saw they were in a position to give the stockholders an extra bonus and then after that for an indefinite number of years to continue on the previous basis, they would not hesitate to do so. With regard to earnings, just at the moment they were lagging behind the capital value, and the reason for that was merely that they had received money which was not immediately remunerative. Therefore, if during the current year they had a material increase in their revenue, the stockholders must not assume that that represented an increase in their capital value, because it would merely be that revenue was catching up capital.

The report and accounts were adopted.

ELECTRIC SUPPLY CORPORATION, LIMITED.
INCREASED SALES—REDUCED CHARGES.

The twenty-seventh annual general meeting of the Electric Supply Corporation, Limited, was held, on the 17th instant, at Winchester House, Old Broad Street, London. Mr John G. B. Stone (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said: Gross earnings were practically stationary because of reductions in charges to consumers. The effect of cheaper coal upon our large power contracts accounted for nearly £2,000, and reductions during the second half of the year to the general consumers amounted to £7,000. We have always made a point of considering the consumers' interests as well as our own, and we felt it right to make these reductions, the effect of which, you will observe, is that we sold 11,627,623 units for practically the same amount as we sold 11,017,008 units in the previous year. We shall undoubtedly reap the benefit of this policy in the future from the largely increased demand which the reduced charges will encourage. Finally it will be observed that the gross profit, including dividends on investments, shows a small reduction of £1,433.

Coming to the revenue account of the company, you have already seen that the balance from this account is less than the corresponding figure for the year 1927, but as the interest on investments amounting to £13,247 has to be compared with £10,942 in 1927, it is in the trading profit that we fall short of the 1927 figure. Our working expenses amounted to £68,783, against £64,995 in 1927. The revenue at £109,099 is £50 more than in 1927.

The net revenue account shows on the credit side the balance brought forward from 1927, interest and rent at £1,903, as against £1,168 in 1927, and the balance from the revenue account reduced as already mentioned. When we come to the debit side, the dividend on the preference shares at £15,000 is for a full year on the increased preference capital, and the interim dividend on the ordinary shares at £10,000 is similarly on the increased ordinary capital. There is a corresponding increase in the extra remuneration to which the directors are entitled under the articles, and the balance carried to the balance sheet, £38,902, compares with £38,025 in 1927.

We recommend a final dividend of 7 per cent., making the same distribution as for the previous year, and we propose to carry forward £17,012 18s. 11d., against £10,525 8s. 3d. brought in from 1927.

The resolution was carried unanimously.

BOOTH'S DISTILLERIES, LIMITED.

CHAIRMAN'S CRITICISMS OF SPIRITS DUTY.

The ordinary general meeting of this company was held, on the 20th instant, at the Great Eastern Hotel, London, E.C.

Lord Lurgan, K.C.V.O. (the chairman), said that, considering the strenuous times which they had been through, and were still experiencing, he thought he was justified in saying that they might all be satisfied with what the company had accomplished. The turnover for the year showed an increase over that of the previous year, and the gross profit was greater by £27,709. Working expenses had naturally increased, and were larger by £20,074, which was mainly accounted for by advertising. After charging all expenses, the net trading profit came out at £66,283 as compared with £55,217 a year ago, an increase of £11,066, a result which, under prevailing conditions, he felt they were entitled to consider an adequate return for all their labours.

A year ago he ventured to speak rather fully on the iniquitous duty which the Government of this country imposed on spirits and the absurdly small margin of profit which they consequently had to work upon, and the results now submitted had only been arrived at after a great deal of strenuous work by their employees and the most rigid attention to detail and economy by the board and everybody connected with the company. He had hoped that the late Chancellor of the Exchequer would have seen his way to lighten this very heavy burden. Whether his successor, Mr Snowden, would have the temerity to rise to the occasion and have the courage to do what was obviously right in regard to a greatly overburdened British industry remained to be seen, but if his Government studied the unemployment question from an industrial standpoint—and this surely was their party cry—this industry must obviously require to be seriously considered, as it was bearing a much heavier burden than was any other trade in the country. The present heavy prohibitive duty placed their products quite out of the reach of the great majority of the workers in this country, who would be all the better for a little stimulant, and would not be forced to drink cheap foreign wines or inferior imitations of them. Early in this year they went through an extremely and almost abnormally cold period, and, while Bovril and other such commodities reaped great advantages, they, by reason of the absurd price they were forced by the Government to charge for their products, practically receiving no extra benefit at all. The revenue produced by this industry was of paramount importance, not only to the country, but to the Government in office, and he ventured to say that the continuance of the duty on the present basis would eventually "kill the goose that lay the golden eggs."

ALARMING DROP IN REVENUE FROM SPIRITS.

In proof of what he had said he might mention that there had for a number of years past been a steady decline in revenue from this great industry. The figures for the Government year just issued showed an alarming decrease in Customs and Excise, amounting on spirits to no less than £1,767,000, which simply meant a decrease in the consumption of their commodities. Their goods were placed beyond the masses by an unfair and restricted duty, which should certainly be greatly modified. They had to work desperately hard to produce the results which they placed before the shareholders.

There was another irksome matter which had a direct bearing on their position: he referred to "Dora." "Dora," and its very offensive and tiresome restrictions, meant that the number of hours for consumption of spirits was less than it used to be, and there was no doubt that "Dora," in every sense of the word, kept visitors away from this country and drove them to France, where everybody was free to do what he liked, to say nothing of those Americans who came over here after suffering under prohibition in their own country. Again he wondered whether our new Home Secretary would have the courage to tackle this question. He was glad to notice that "Dora's" chief sponsor, Sir William Joynson Hicks, was going to be relegated—or should he say elevated—to a place where, at any rate, he would be comparatively harmless in the future.

Referring to the balance sheet the chairman pointed out that certain of the changes in the figures were due to the fact that additional businesses had been acquired during the year under review. The profit and loss account showed a net available balance of £30,348, as against £30,547 a year ago. This figure was arrived at after allowing for the dividends on the preference and cumulative preferred ordinary shares, setting aside £15,000 for redemption of debentures, writing off £15,294 from investments, and the whole expense incurred in connection with the new share issue, viz., £3,305.

The report and accounts were adopted.

INDEPENDENT INVESTMENT COMPANY, LIMITED.

BOARD'S SOUND INVESTMENT POLICY.

The fifth ordinary general meeting of the Independent Investment Co., Limited, was held, on the 17th instant, at Winchester House, London, Mr T. J. Carlyle Gifford, W.S., presiding.

The Chairman said: The accounts differ from those of previous years, in that the capital has now been divided into five per cent. preference stock and ordinary stock, the amounts being £252,000 of preference stock and £168,000 of ordinary stock. In other respects, the main feature of the balance sheet is that the amount of money borrowed at March 31, 1929, was £60,000 less than at March 31, 1928, and, in view of the general situation in recent months, I think you will agree that it is satisfactory to find our position so unencumbered. The general outlook is obviously uncertain, and, having borrowing power which we can make use of when thought desirable, we are in a position to act if we think prices of securities have fallen to an attractive level.

The market value of our securities as at the close of the year is equivalent, after deducting the final dividend and having written off the stamp duty on last year's increase of capital, to £163 for each £100 of ordinary stock. This calculation is made on the basis of a liquidation in which the preference stock would be repaid at par.

As regards the future, we are each year more impressed by the fact that the ordinary shares and common stocks, which afford the best prospects of successful investment, are often those which at the moment of purchase give a low current yield on the price paid for them. If too much thought has to be given to earning an immediately attractive return on our own ordinary capital, there is a risk of being precluded from investing in shares which on their own merits appear most suitable for investment, and we, therefore, as a board, do not wish you to have too high hopes as to the rapidity of the progress of our revenue account in the near future. Taking a longer view, the results should be not less satisfactory than if we had aimed at an immediately higher income. We naturally do not anticipate that our policy will endanger the maintenance of the present rate of dividend, but, while we could increase that rate if we were to buy securities giving a high immediate yield, we prefer to let you know now that that is not likely to be the line which we shall follow.

The report was unanimously adopted, and a final dividend of 5½ per cent. on the ordinary stock, making 7½ per cent. for the year, was declared.

MALACCA RUBBER PLANTATIONS, LIMITED.

BOARD'S FORWARD SALES POLICY.

The twenty-third annual general meeting of the Malacca Rubber Plantations, Limited, was held, on the 18th instant, at 2–4 Idol Lane, London.

Mr Charles Emerson (the chairman) said that their crop for the year amounted to 4,988,910 lb., compared with 5,283,150 lb. for 1927, and they recorded a net profit of £53,766, as contrasted with £114,545 for the previous year, a falling-off which shareholders would have anticipated owing to the materially weaker market for the raw material which had ruled during the accounting period. They proposed to pay a dividend of 7½ per cent. for the year on both classes of shares. That, he thought, might be said to be a reasonably good showing under the somewhat depressing conditions.

For the current year they estimated an output of 5,753,000 lb., which would, if obtained, constitute a record in the history of the company. Present indications were that their estimate would prove to have been justified, and if that were so they would have 764,090 lb. more rubber to market at, they hoped, a slightly better price, with commensurately favourable results upon their profits. Their costs for the past year were appreciably lower than those for the previous year, and were, in fact, the lowest in the history of the company.

They had decided to embark upon an alternative form of culture, and had selected oil palms as being the most likely to yield a substantial return upon the capital involved. Two other companies in the Guthrie group had come to the same decision, and it was quite conceivable that the three companies would be operating some 15,000 or more acres of oil palms in one compact block.

With regard to forward sales they regarded their 1930 sale as a prudent measure of insurance, because no one could tell what market conditions would be during that year. A company of this size must carry large and heavy obligations in any event, and they deemed it only prudent to secure their position in advance when they could do so upon reasonable terms. They could adopt a policy of not selling forward upon any occasion, but that would involve the necessity of carrying much heavier liquid reserves, and he did not believe that it would commend itself to the general body of shareholders.

He committed himself to no prophecy regarding the near future of the industry, but as to its ultimate well-being he did not think there was need for heart-searching.

The report and accounts were unanimously adopted.

WILLIAM CORY AND SON, LIMITED.

DIVIDEND OF 17½ PER CENT.

The thirty-third annual ordinary general meeting of William Cory and Son, Limited, was held, on the 20th instant, at the Cannon Street Hotel, London.

Sir A. C. Cory-Wright, Bart., the chairman of the company, who presided said that the record of steady progress had been fully maintained. The trade for the past year had resulted in a profit of £772,289. The payment of a final dividend of 12½ per cent. on the ordinary and employee shares, making with the interim dividend of 5 per cent. a total of 17½ per cent. for the year, was proposed and the board also recommended that £150,000 be placed to reserve, bringing that fund up to £1,250,000, and that the balance of £677,497 be carried forward.

Throughout the greater part of the year under review, the depression through which the coalmining industry had been passing for the last five years had continued unabated, and prices fell to a low and uneconomic level. In every district it had been found necessary to close down many of the more expensively-worked pits, and a large number of miners had been thrown out of employment. The condition of affairs had grown so serious that it became imperative that steps should be taken to reorganise the industry and place it on a sound basis. Agreements were entered into by most of the collieries on the lines of local amalgamations and co-operative arrangements whereby both prices and output could be regulated. Those schemes, while they had caused difficulties to those engaged in the distribution of coal, and to consumers, had proved of benefit to the collieries. Owing to the curtailment of output, it had not been easy to supply the consumer with either the quantity or class of coal required, and during the early part of the current year efforts to meet the position were further handicapped by a long period of severe weather conditions which prevailed both at home and all over the Continent.

He was of opinion that a closer association between the productive and distributive side of the industry was essential in any complete scheme for the reorganisation of the industry, and if that could be brought about on the lines of co-operation whereby the influence and facilities that the larger distributors possessed for the maintenance and development of both the home and foreign markets could be utilised to the best advantage. He felt certain that it would not only be beneficial to the industry generally, but would prove advantageous to all consumers.

The report and accounts were unanimously adopted.

HOVIS, LIMITED.

INCREASED NET PROFITS.

The meeting of Hovis, Limited., was held, on the 18th instant, at the Caxton Hall, Westminster, London, Mr A. H. Dence (chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said it was very gratifying that, after another most trying and difficult year, the directors were again able to show a small but very satisfactory increase in the company's net profits. That result had not been achieved without much hard work, and it represented a very useful increase in the company's turnover through its depôts and allied companies and it also resulted from increased care in their expenditure and rigid economy in their administration. He thought it was most necessary to emphasise the fact when dealing with a commodity such as theirs that formed the most important part of the food of the nation, that their profits were not by any stretch of imagination the result of profiteering. It was surely a matter of general knowledge that the reward of the milling industry to-day, and for some years past, had been almost meagre—for months together milling might be and frequently was carried on at a dead loss, and white flour was sold under cost price. That, of course, was due to keen competition from both home and abroad, and was complicated by the great difficulty all millers had to face together with the risks in buying wheat. That was a very unhealthy and unsatisfactory state of affairs, and unless something was done to remedy it milling would become one of our depressed and dying industries, and the country would grow more and more dependent on Overseas supplies.

The businesses of their allied companies continued to show progress, and to bring in good returns. Finally, the Chairman remarked that this was the thirty-first annual meeting of the company, and it must be apparent to all the shareholders that in a company of this age there were many of their staff who had served for a great number of years, and it was incumbent on the directors that some provision should be made to meet the inevitable call for those who had fallen ill or who had reached such an age as to be no longer capable of carrying on. A scheme had been carefully considered by the board, and had been worked out actuarially by an insurance company, and they reckoned that the annual cost to the company would be about £2,220.

The resolution was carried unanimously.

162 Branches in Finland

CAPITAL AND RESERVES: Fmk.417,000,000.
TOTAL ASSETS (31/12/28): Fmk.2,934,742,000.

KANSALLIS-OSAKE-PANKKI
(National Joint Stock Bank)

HEAD OFFICE: HELSINKI (HELSINGFORS), FINLAND
Established 1889.

LOBITOS OILFIELDS, LIMITED.

A YEAR OF GREAT DIFFICULTY.

The twenty-first annual ordinary general meeting of Lobitos Oilfields, Limited, was held, on the 19th instant, at Winchester House, Old Broad Street, London, E.C. The Rt. Hon. Lord Forres (the chairman) presided.

The Chairman, in moving the adoption of the report and accounts, said the year had been one of great difficulty. Their chief interest was the ownership of shares in the Cia Petrolera Lobitos, a Peruvian company, whose results for the ten months ended October 31st last showed a loss of £43,522. Shareholders were informed in January last that drilling was being limited by the Peruvian company during the period of low prices, which policy had enabled them to dispense with the services of a large number of men, and at the same time reduce the amounts spent in the engineering shops, transport, &c., all of which in the aggregate would save their financial resources.

During the ten months the Peruvian company had drilled 121,068 ft., as compared with 177,766 ft. during the previous twelve months. In one well a depth of 6,332 ft. was reached, which was a record for the field. The well passed through several oil sands on its way down. Production for the whole year 1928 was 314,281 tons, as compared with 296,248 tons for the preceding year, and was since being maintained at about 26,000 tons per month. The total gasoline produced during the ten months was, in round figures, 1,690,000 gallons, for which, although the price obtained was not high, they had received a new and welcome addition to the company's income, especially when the price of oil was so low.

With regard to market conditions, while the price obtained for oil in 1927 showed a reduction of £1 2s. 11d. per ton on the 1926 average, the price obtained during 1928 was 8s. 7d. lower still. They reached a price which was below cost of production, taking into account the necessary depreciation. Information as to development of other companies in which they were interested, mainly the International Petroleum Company and Anglo-Ecuadorian Oilfields, was satisfactory. Since the accounts were closed some improvement had taken place in the basic price of oil of the quality they sold, and for 1929 they should obtain a slightly higher premium, and the board therefore felt justified in recommending the payment of a dividend of 10 per cent., although it was not fully earned during the year.

The report and accounts were unanimously adopted.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended June 15, 1929 :—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	3,600	From Revenue	6,786
Interest, &c., on Debt	16,481	Increase in Debt	14,227
Sinking Fund	615		
Sundries	26		
Increase in Balances	291		
	21,013		21,013

Revenue amounted to £6,786,400, against £5,800,000 in the corresponding week last year. Income tax yielded £685,000, against £11,000, and super-tax £400,000, against £120,000. Estate, &c., duties yielded £1,320,000, against £1,530,000. Customs produced £2,488,000, against £2,003,000, and excise receipts were £500,000 lower, at £1,472,000. The National Debt was increased by £14,227,000, as shown below :—

(000's omitted.)

	£		£
Bank of England Advances	− 6,000	Treasury Bills	+ 11,127
Sundries	− 400	Public Department Advances	+ 9,500
	− 6,400		+ 20,627

The floating debt was increased by £14,610,000 to £810,135,000.

Financial Year, 1929-30, April 1 to June 15.

	£		£
Expenditure	183,595,438	Revenue	114,917,276
		Decreases in balance	3,518,341
		Amount borrowed	65,159,821
	183,595,438		183,595,438

Estimates for Financial Year, 1929-30.

	£		£
Expenditure	691,564,000*	Revenue	746,060,000
Sinking Fund	50,400,000		
Surplus	4,096,000		
	746,060,000		746,060,000

* This figure includes the new Exchequer Contributions of £15,560,000 to Local Revenues, &c.

Self-Balancing Revenue and Expenditure.

	£
Post Office	58,110,000
Road Fund	22,510,000
	80,620,000

Rating Relief Suspense Account.

	£		£
Balance on April 1, 1929	22,633,000	Cost of anticipating rate relief for Agriculture	2,570,000
		Balance on March 31, 1930	20,063,000
	22,633,000		22,633,000

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 31, 1929.	June 15, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	13	13	12	12	12	12	12
4% Consolidated Loan	...	...	...	...	166	204	204	204	204
4% Conversion Loan	...	...	709	760	740	832	832	832	832
3½% Conversion Loan	...	...	210	211	211	221	221	221	221
3½% War Stock	...	63	63	63	63	...	...	...	...
4½% War Stock	...	13	13	13	13	13	13	13	13
4% and 5% War Stock	...	2,047	2,052	2,109	2,154	2,253	2,253	2,253	2,253
National War Bonds	...	1,509	778	706	556	194	111	64	64
4% Funding Loan	...	409	394	390	389	385	385	385	385
4% Victory Bonds	...	360	303	292	277	261	261	261	261
Treasury Bonds	...	...	499	482	454	675	773	762	760
Exchequer Bonds	20	323	15	15	15	16	16	16	16
National Savings Certs.	...	267	369	375	372	362	360	360	360
Other Debt*	...	1,306	1,124	1,111	1,103	1,097	1,094	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	576	565	599	527	788	700	756
Temporary Advances	1	243	167	139	117	162	28	37	53
	654	8,033	7,598	7,558	7,555	7,528	7,665	7,528	7,598
Other Capital Liabilities	57	46	68	75	98	103	103	88	86
Total Liabilities	711	8,079	7,666	7,633	7,653	7,631	7,768	7,616	7,684

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	June 15, '28.	Mar. 31, '29.	June 15, '29.	Movement Week ended June 15, '29.
Ways and Means Advances Outstanding—	£	£	£	£
Advances by Bank of England	...	...	...	− 6,000,000
Advances by Public Deptmts.	178,450,000	37,050,000	53,305,000	+ 9,500,000
Treasury Bills Outstanding	576,180,000	700,295,000	756,830,000*	+11,110,000
Total Floating Debt	754,630,000	737,345,000	810,135,000	+14,610,000

* Includes £21,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bills were opened on June 14, 1929, and the total amount applied for was £50,125,000. For bills at 3 months, dated Monday to Friday, at £98 13s. 1d. about 29 per cent. and above in full; Saturday, at £98 13s. 5d. and above in full. The amounts allotted were in bills at 3 months, £35,000,000.

Date.		Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
	1929.	£	£	£ s. d.
April	12	40,000,000	57,440,000	5 4 2·39
April	19	40,000,000	52,045,000	5 2 1·07
April	26	45,000,000	49,785,000	5 2 8·72
May	3	35,000,000	49,800,000	5 0 9·07
May	10	35,000,000	40,530,000	5 2 1·30
May	17	35,000,000	38,090,000	5 3 10·91
May	24	45,000,000	50,310,000	5 8 2·06
May	31	45,000,000	51,600,000	5 6 6·06
June	7	45,000,000	55,980,000	5 6 10·74
June	14	35,000,000	50,125,000	5 6 5·67

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Revenue and other Receipts.	Estimate for the Year 1929–30.	Total Receipts into the Exchequer from April 1, 1929, to June 15, 1929.	Total Receipts into the Exchequer from April 1, 1928, to June 16, 1928.	Week Ended June 15, 1929.	Week Ended June 16, 1928.
ORDINARY REVENUE.	£	£	£	£	£
Inland Revenue—					
Income Tax	239,500,000	19,217,000	19,623,000	685,000	11,000
Super-Tax	58,000,000	7,720,000	7,260,000	400,000	120,000
Estate, &c., Duties	81,000,000	18,440,000	14,780,000	1,320,000	1,530,000
Stamps	31,000,000	3,980,000	4,460,000	420,000	540,000
Excess Profits Duties, and Corporation Profits Tax	1,700,000	10,000	150,000	...	...
Land Tax and Mineral Rights Duty, &c.	800,000	120,000	110,000	...	...
Total Inland Revenue	412,000,000	49,487,000	46,383,000	2,825,000	2,201,000
Customs and Excise—					
Customs	119,850,000	24,648,000	22,362,000	2,488,000	2,003,000
Excise	130,330,000	22,357,000	23,910,000	1,472,000	1,972,000
Total Customs & Excise	250,180,000	47,005,000	46,272,000	3,960,000	3,975,000
Motor Vehicle Duties (Exchequer Share)	4,680,000	1,114,000	...	...	...
Post Office (Net Receipt)	8,900,000	3,850,000	3,300,000	...	*Dr400,000*
Crown Lands	1,250,000	250,000	210,000	...	...
Receipts from Sundry Loans	30,550,000	7,228,624	5,909,216	...	1,397
Miscellaneous :					
Ordinary Receipts	12,500,000	1,925,430	2,317,072	1,424	14,689
Special Receipts	26,000,000	4,057,222	3,723,873	...	8,202
Total Ordinary Revenue	746,060,000	114,917,276	108,115,161	6,786,424	5,800,288
SELF-BALANCING REVENUE.					
Post Office	58,110,000	10,350,000	10,400,000	1,000,000	900,000
Motor Vehicle Duties apportioned to Road Fund	22,510,000	3,104,000	4,117,000	...	178,000
Total Self-Balancing Revenue	80,620,000	13,454,000	14,517,000	1,000,000	1,078,000
Total	...	128,371,276	122,632,161	7,786,424	6,878,288
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		...	...	...	...
Under the Unemployment Insurance Acts, 1920 to 1928		90,000	514,432	60,000	...
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues : Under the Telegraph (Money) Act, 1925, and Post Office and Telegraph (Money) Act, 1928		...	...	...	...
(b) Under the Unemployment Insurance Acts, 1920 to 1928		910,000	770,000	...	70,000
(c) For other Issues :					
By Treasury Bills		658,071,000	499,490,000	58,387,000	41,461,000
By National Savings Certificates		8,750,000	8,750,000	800,000	750,000
By National War Bonds		...	10	...	...
By 5 per cent. Treasury Bonds, 1933–35		...	58,235,113	...	...
By 4½ per cent. Treasury Bonds, 1932–34		26,120,000	...	...	...
(d) Ways and Means Advances		171,975,000	127,450,000	10,840,000	3,250,000
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		36,571	31,767	...	...
		994,323,847	817,873,483	77,873,424	52,409,288

Balances in Exchequer on 1st April :—	1929. £	1928. £			
Bank of England	5,515,917	5,918,513			
Bank of Ireland	736,607	404,112			
Total			6,252,524	6,322,625	...
			£1,000,576,371	824,196,108	77,873,424	52,409,288

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1929–30 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1929, to June 15, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to June 16, 1928.	ISSUES Week Ended June 15, 1929.	ISSUES Week Ended June 16, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt	304,600,000	110,963,198	111,145,548	16,481,399	6,518,496
Payments to Local Taxation Accounts	15,000,000	...	195,000	...	125,000
Payments to Northern Ireland Exchequer	5,400,000	744,745	716,949	25,558	...
Other Consolidated Fund Services	3,500,000	891,818	373,887	...	611
Supply Services (excluding Post Office)	363,318,000	62,590,610	59,830,200	3,600,000	3,850,000
Total Ordinary Expenditure	691,818,000	175,190,371	172,261,584	20,106,957	10,494,107
Sinking Fund	50,400,000	8,405,067	14,382,244	615,000	625,000
SELF-BALANCING EXPENDITURE.					
Post Office	58,110,000	10,350,000	10,400,000	1,000,000	900,000
Road Fund	22,150,000	3,104,000	4,117,000	...	178,000
Total Self-Balancing Expenditure	80,620,000	13,454,000	14,517,000	1,000,000	1,078,000
TOTAL	...	197,049,438	201,160,828	21,721,957	12,197,107
OTHER ISSUES.					
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		18,458	18,458	...	...
Under the Unemployment Insurance Acts, 1920 to 1928		910,000	770,000	...	70,000
Issues to meet Capital Expenditure—					
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		1,950,000	2,350,000	400,000	400,000
Unemployment Insur. Acts, 1920-28		90,000	514,432	60,000	...
Repayment of Amounts Borrowed					
Redemption of Debt—					
Treasury Bills		601,525,000	450,250,000	47,260,000	33,420,000
Principal of National Savings Certificates		9,050,000	9,250,000	800,000	800,000
Principal of National War Bonds paid off		...	46,569,524	...	...
Principal of Treasury Bonds paid off		29,309,505	...	...	...
Ways and Means Advances Repaid		155,720,000	110,850,000	7,340,000	4,950,000
Depreciation Fund under the Finance Act, 1917		2,219,787	...	...	...
Old Sinking Fund, 1907-08—					
Issued under Section 9 of the Finance Act, 1908		...	1,000	...	...
		997,842,188	821,734,242	77,581,957	52,237,107

Balances in Exchequer—	June 15, 1929 £	June 16, 1928 £			
Bank of England	2,265,706	2,053,772	...	+ 211,467	+ 100,182
Bank of Ireland	468,477	408,094	2,734,183	2,461,866	+ 80,000	+ 71,999
Total			£1,000,576,371	824,196,108	+ 291,467	+ 172,181

Treasury, June 17, 1929.

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, June 19, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—			
In Circulation	360,303,589	Government Debt	11,015,100
In Banking Department	62,165,881	Other Government Securities	235,503,264
		Other Securities	8,649,008
		Silver Coin	4,832,628
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	162,469,470
	£422,469,470		£422,469,470

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	35,401,855
Rest	3,339,604	Other Securities—	
Public Deposits*	21,263,029	Discounts and Advances	£7,596,498
Other Deposits—		Securities	24,756,088
Bankers	£56,237,150		32,352,586
Other Accounts	35,554,502	Notes	62,165,881
	91,791,652	Gold and Silver Coin	1,031,147
7-Day and other Bills	4,184		
	£130,951,469		£130,951,469

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

Both Departments.	Amount June 19, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	360,303,589	− 1,755,362	− 14,926,951
Public deposits	21,263,029	+10,682,053	− 2,980,419
Bankers' deposits	56,237,150	− 4,863,347	− 6,330,374
Other deposits	35,554,502	+ 31,380	
Seven-day bills	4,182	− 150	− 59
Total, outside liabilities	473,362,454	+ 4,094,574	− 24,237,803
Capital and rest	17,892,604	+ 55,108	− 3,098
Government debt and securities	281,920,219	− 1,559,671	+ 4,627,809
Discounts and advances	7,596,498	+ 1,921,107	− 28,759,923
Other securities	24,756,088	+ 3,749,358	
Silver coin in issue department	4,832,628	+ 134	− 567,372
Coin and bullion (bank's reserve)	163,500,617	− 710,783	− 8,190,423
Reserve of notes and coin in banking department	63,197,028	+ 1,044,579	+ 6,782,528
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	55⅞ %	− 2 %	+ 9⅛%
(b) Gold stocks to deposits and notes ("reserve ratio")	34 17/32 %	− 1/32 %	+ ...

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
May 1	418,216,669	361,371,339	10,939,252	60,688,826	38,473,837	2,125,861 in	5½
8	420,213,172	362,793,961	8,679,717	63,223,123	35,531,591	1,991,901 in	5½
15	421,140,187	362,810,877	9,290,798	61,070,863	36,078,600	923,715 in	5½
22	421,990,492	362,363,774	15,299,748	57,507,302	35,314,698	846,806 in	5½
29	422,467,271	360,106,563	24,340,708	56,349,043	35,268,620	437,112 in	5½
June 5	422,968,424	361,576,772	8,511,444	70,346,971	35,945,514	494,107 in	5½
12	423,241,482	362,058,951	10,580,976	61,100,497	35,523,122	270,967 in	5½
19	422,469,470	360,303,589	21,263,029	56,237,150	35,554,502	784,263 out	5½

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1929.	£	£	£ %	£	£	£	%
May 1	246822960	8351096	158766163 33⅛	45351855	9285812	15783945	57394824 52⅛
8	247204557	7974765	160880419 34 1/16	39731855	11607200	15705552	58086458 54
15	247226046	7951539	161860918 34⅛	37816855	9586015	17746941	59050041 55⅛
22	247248974	7922728	162747297 34⅛	38486855	6915678	20119480	60383523 55⅛
29	247220785	7945442	163269940 34 7/16	40031855	8151163	22422917	63163377 54⅛
June 5	247267677	7900003	163851130 34 7/16	43106855	6215102	20999901	62274358 54⅛
12	247268035	7899471	164211400 35 1/16	36211855	5675391	21006730	62152449 57⅛
19	246518364	8649008	163500617 34⅛	35401855	7596498	24756088	63197028 55⅛

BANKERS' CLEARING RETURNS (000's omitted).

	Town. £	Metropolitan. £	Country. £	Total. £
1929.				
January 1 to June 5	17,309,159	826,371	1,333,435	19,468,965
Week ended June 12	647,151	34,464	59,227	741,042
Week ended June 19	762,082	36,254	61,117	859,453
Total to date, 1929	18,718,392	897,289	1,453,779	21,069,460
Do 1928	18,748,216	872,501	1,448,860	21,069,577
Increase or decrease in 1929	− 29,824	+ 24,788	+ 4,919	− 117
	= 0·1%	= 2·9%	= 0·3%	...
Total for year 1928	39,311,117	1,854,190	3,039,422	44,204,729
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Increase or decrease in 1928	+ 2,491,435	+ 96,158	+ 66,595	+ 2,654,185
	= 6·7%	= 5·4%	= 2·2%	= 6·3%

PROVINCIAL CLEARING RETURNS.

	Month of May. 1928.	Month of May. 1929.	Month of May. %	Aggregate Weekly Totals to June 15. 1928.	Aggregate Weekly Totals to June 15. 1929.
Number of Working Days	26	26			
	£	£		£	£
BIRMINGHAM	12,313,000	10,216,000	−17·0	66,034,800	63,524,000
BRADFORD	5,330,000	5,124,000	− 3·8	...	...
BRISTOL	5,357,000	4,808,000	−10·2	28,832,000	28,535,000
DUBLIN	...	...	...	118,296,900	117,163,300
HULL	3,976,000	3,386,000	−14·8	22,169,400	21,043,100
LEEDS	4,081,000	4,245,000	+ 4·0	23,690,600	24,030,900
LEICESTER	3,940,000	3,070,000	− 22·0	21,316,100	19,381,600
LIVERPOOL	38,025,000	33,049,000	− 13·0	204,235,300	190,766,200
MANCHESTER	58,600,000	51,107,000	− 12·7	324,534,800	307,404,200
NEWCASTLE-ON-TYNE	6,185,000	6,373,000	+ 3·0	35,274,100	34,744,000
NOTTINGHAM	2,874,000	2,536,000	− 11·7	15,615,700	15,213,800
SHEFFIELD	4,321,000	4,210,000	− 2·5	24,162,200	24,129,800
Total	145,002,000	128,124,000	...	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Canada appeared in the *Economist* o May 25; Denmark in June 8; Lithuania and Egypt in June 15.

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

Resources.	June 21, 1929.	June 14, 1929.	June 7, 1929.	May 31, 1929.	June 21, 1928.
Total gold reserves	2,880,300	2,875,630	2,843,970	2,823,720	2,580,920
Total bills discounted	959,100	933,910	977,440	988,190	990,880
Bills bought in open market	87,030	114,120	112,750	117,920	223,880
Total U.S. Govt. securities	139,460	169,870	147,330	144,570	222,870
Total bills and securities	1,198,760	1,227,820	1,247,440	1,258,500	1,438,170
Total resources	5,199,330	5,150,750	5,103,320	5,034,890	5,037,690
LIABILITIES.					
Federal Reserve notes in actual circulation	1,649,190	1,644,220	1,653,690	1,653,690	1,599,370
Deposits—Member bank—reserve account	2,291,770	2,328,230	2,321,340	2,285,870	2,332,160
Total deposits	2,368,670	2,376,220	2,365,780	2,331,190	2,366,160
Capital paid in and surplus	412,810	412,330	411,900	410,840	373,620
Total liabilities	5,199,330	5,150,750	5,103,320	5,034,890	5,037,690
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	75·8%	75·2%	74·4%	74·5%	69%

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

	June 21, 1929.	June 14, 1929.	June 7, 1929.	May 31, 1929.	June 21, 1928.
Total bills discounted	251,660	225,709	209,940	194,430	377,550
Bills bought in open market	11,960	28,520	18,170	11,650	28,900
Total U.S. Govt. securities	15,540	45,340	23,590	13,450	47,660
Total bills and securities	284,970	301,470	253,620	221,440	454,120
Deposits — Memberbank — reserve account	928,020	940,090	941,170	917,030	921,170
Ratio of total res. to dep. and Federal Res. note liabilities combined	81·1%	80·3%	83·3%	86·6%	68·4%

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

Assets.	May 23, 1929.	May 17, 1929.	May 10, 1929.	May 3, 1929.	Apr. 26, 1929.	May 25, 1928.
Gold coin and bullion	7,961	7,930	8,131	7,926	8,049	7,572
Subsidiary coin	112	113	106	108	114	152
Bills discounted	8,606	8,415	8,530	9,599	9,138	8,155
Investments	616	616	616	616	616	596
Liabilities.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	600	600	600	600	600	509
Notes in circulation	8,243	8,318	8,804	9,430	8,755	7,851
Government deposits	2,250	1,803	1,383	1,622	2,392	1,911
Bankers' deposits	4,925	5,053	4,842	4,990	5,140	4,790
Ratio of cash reserves to liabilities to public	49·5%	51·7%	50·3%	48·1%	48·5%	50·3%

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

Assets.	May 24, 1929.	May 17, 1929.	May 10, 1929.	May 3, 1929.	Apr. 26, 1929.	May 25, 1928.
Total securities	23,57,65	23,35,00	23,00,50	22,84,90	22,49,16	24,20,24
Loans	10,97,91	11,64,38	13,42,20	14,34,91	17,17,56	15,80,64
Cash credits	29,45,06	29,31,93	28,43,13	28,71,74	28,89,75	30,15,12
Inland bills	7,16,14	8,06,22	9,51,36	9,64,10	10,29,08	13,42,68
Foreign bills	33,80	39,91	39,70	46,99	46,81	32,41
Dead stock	2,85,40	2,85,28	2,84,09	2,83,83	2,83,94	2,85,20
Bal. with other banks	24,30	16,05	19,55	27,82	38,02	12,80
Cash	16,24,75	13,96,04	12,53,61	12,80,09	13,66,71	11,82,06
Liabilities.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,22,50	5,12,50
Total deposits	79,18,34	78,14,06	78,93,71	80,58,26	84,75,36	78,21,01
The above includes—	£	£	£	£	£	£
Deposits in London	1,043	979	1,012	1,087	1,152	1,045
Advances in London	980	937	935	923	930	1,043
Cash, &c., at other Banks in London	182	121	137	205	286	91

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

Assets.	June 14, 1929.	June 7, 1929.	May 31, 1929.	May 24, 1929.	May 17, 1929.
Gold	36,609,919	36,602,836	36,596,433	36,590,277	36,534,411
Foreign assets—					
Sight deposits	7,439,795	7,512,884	7,805,026	7,893,030	7,941,968
Bills discounted	18,531,259	18,502,915	18,466,712	18,392,676	18,385,576
Commercial bills discounted at home	6,274,965	6,667,819	5,762,129	6,848,329	6,097,010
Advances against sec.					
To the State	8,968,689	8,968,689	8,968,689	8,968,689	8,968,689
Other advances	2,415,007	2,429,467	2,443,808	2,321,795	2,367,483
Other assets (excluding forward exch.)	3,200,650	3,244,900	4,839,320	3,092,202	3,127,886
Liabilities.					
Notes in circulation	63,140,820	63,486,423	64,316,379	62,653,577	62,863,907
Public deposits	11,716,192	11,581,099	11,431,298	11,987,755	11,886,250
Private deposits	6,028,098	6,450,037	6,808,059	7,246,179	6,453,649
Other liabilities	2,555,174	2,387,473	2,306,865	2,219,487	2,219,218

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

Assets.	June 15, 1929.	June 7, 1929.	May 31, 1929.	June 15, 1928.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	1,764,382	1,764,424	1,764,529	2,062,262
Of which deposited abroad	59,147	59,147	59,147	85,626
Reserve in foreign currencies	318,515	308,548	299,147	251,651
Bills of exchange and cheques	2,632,411	2,856,514	3,004,819	1,924,767
Silver and other coin	134,949	120,009	108,100	95,409
Notes of other German banks	16,277	9,822	1,582	20,803
Advances	125,808	113,410	254,776	78,150
Investments	92,891	92,891	92,899	93,996
Other assets	471,503	491,699	458,695	604,343
Liabilities.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	319,608	319,608	284,205
Notes in circulation	4,191,840	4,372,539	4,606,388	4,039,275
Other daily maturing obligations	602,637	632,125	628,170	471,840
Other liabilities	319,863	310,257	307,593	213,273

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

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

Assets.	June 13, 1929.	June 6, 1929.	May 30, 1929.	May 23, 1929.	June 14, 1928.	Position, May 28, 1914.
Gold	998,545	980,796	963,274	963,313	787,177	(b)
Foreign Bills and Balances Abroad	459,784	477,160	491,085	462,312	465,597	232,650
Silver and other coin	1,654	1,690	1,661	1,612	2,404	
Securities	733,050	736,825	743,502	742,552	568,094	697,600
Liabilities.						
Notes in circulation	2,474,129	2,475,729	2,497,531	2,451,799	2,108,064	934,150
Current accounts	106,256	80,426	96,073	86,991	152,423	112,125

(b) In thousand francs.

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

Assets.	June 17, 1929.	June 10, 1929.	June 3, 1929.	May 27, 1929.	June 18, 1928.	Position, May 30, 1914.
Gold	436,788	436,893	436,901	437,012	435,036	163,092
Silver	21,356	21,189	21,403	21,659	23,375	8,436
Discts. and advances	331,688	349,785	372,555	355,154	351,847	153,604
Liabilities.						
Notes in circulation	788,661	804,012	826,758	797,117	778,394	316,632
Deposits	15,007	14,703	18,148	30,228	45,155	5,016

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

Assets.	June 15, 1929.	June 8, 1929.	June 1, 1929.	May 25, 1929.	June 16, 1928.	Position May 30, 1914.
Gold } Silver }	183,400	184,800	185,700	184,100	174,111 / 15,678	22,971 29,755
Discounts, advances, and other investments	149,700	143,200	141,400	134,000	130,303	77,567
Liabilities.						
Notes in circulation	308,600	306,700	302,400	300,400	309,831	109,499
Deposits and bills payable	39,700	34,700	37,600	34,100	48,379	11,280

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

Assets.	June 15, 1929.	June 7, 1929.	May 31, 1929.	May 23, 1929.	June 15, 1928.	Position May 31, 1914.
Gold	496,137	496,132	496,119	496,103	440,850	171,175
Silver	39,016	38,648	39,663	41,148	60,838	18,560
Foreign Bills and Balances abroad	258,092	261,385	260,748	253,189	...	...
Discounts	116,956	121,100	120,748	122,106	168,234	...
Advances	57,761	62,716	60,661	54,829	...	103,008
Liabilities.						
Notes in circulation	815,037	839,517	871,605	813,572	776,359	276,928
Deposits	140,715	119,187	110,271	144,237	96,290	33,780

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

Assets.	June 10, 1929.	May 31, 1929.	May 20, 1929.	May 10, 1929.	Jude 14, 1928.
Gold, coin and bullion	5,126,000	5,125,900	5,125,600	5,125,600	4,884,700
Foreign bills and balances abroad	4,925,700	4,908,600	4,923,800	4,906,700	7,288,100
Other cash	240,600	244,200	243,800	247,400	131,900
Gold deposited abroad due by the State	1,824,700	1,824,700	1,824,700	1,824,700	1,847,712
Discounts	3,577,200	3,680,600	3,702,900	3,723,900	2,823,088
Advances	1,323,800	1,428,200	1,317,700	1,549,100	910,200
Credit with "Istituto di Liquidazioni"	1,045,000	1,045,000	1,047,000	1,047,000	1,256,300
Government securities	1,058,100	1,058,200	1,043,200	1,042,900	998,800
Liabilities.					
Notes in circulation	16,108,000	16,250,900	16,038,900	16,143,400	17,027,700
Public deposits	300,000	300,000	300,000	300,000	300,000
Other deposits and drafts	1,660,400	1,753,600	1,692,800	1,653,200	3,027,300
Ratio of reserve to note and sight liabilities combined	55·63%	54·82%	55·73%	55·44%	59·8

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

Assets.	June 15, 1929.	June 8, 1929.	June 1, 1929.	May 25, 1929.	June 16, 1928.
Gold	233,909	234,043	234,169	234,222	231,042
Government securities—Swedish	6,052	6,074	5,684	5,693	11,018
" " Foreign	75,705	75,705	73,774	73,774	60,584
Other Swedish bonds quoted on foreign bourses	164	164	167	177	956
Bills payable in Sweden†	263,317	265,610	272,644	232,782	282,377
" abroad	63,068	62,994	61,666	62,070	13,246
Balance abroad	47,107	49,135	47,236	45,844	34,044
Advances made on government securities and bonds†	61,150	61,616	71,227	52,927	64,020
Liabilities.					
Notes in circulation	500,520	496,350	525,749	463,187	472,582
Government deposits	205,299	204,611	199,483	193,168	187,701
Private deposits	6,737	5,961	4,841	8,065	5,432

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are *not* available as cover for the note issue.

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

Assets.	June 7, 1929.	May 31, 1929.	May 22, 1929.	June 7, 1928.	Position, May 31, 1914.
Coin and bullion—Gold	146,791	146,793	146,810	147,056	44,224
Balance abroad and foreign bills	43,620	45,600	43,359	39,656	28,533
Norwegian and Foreign Government securities	11,393	11,393	11,393	10,044	8,616
Discounts and loans	269,566	277,531	275,140	274,874	769,110
Liabilities.					
Notes in circulation	302,993	304,979	301,757	310,693	113,484
Deposits at sight	104,352	112,485	110,924	107,044	7,188

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

Assets.	June 15, 1929.	June 8, 1929.	June 1, 1929.	May 25, 1929.	June 16, 1928.	Position, May 30, 1914.
Gold	2,561,039	2,560,808	2,560,512	2,560,404	2,607,940	521,176
Silver	719,653	717,876	719,815	719,899	706,417	728,600
Loans & Discounts	2,034,002	2 091,026	3,230,892	1,681,784	1,805,212	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
Liabilities.						
Circulation	4,279,828	4,311,348	4,260,800	4,272,058	4,241,944	901,850
Deposits	966,757	940,425	894,138	1,110,591	1,037,445	477,500

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

Assets.	June 5, 1929.	May 29, 1929.	May 22, 1929.	May 15, 1929.	June 6, 1928.
Coin and bullion	9,696	9,697	9,667	9,439	9,220
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	304,159	300,183	307,333	298,843	205,617
Discounts	280,387	280,690	280,744	287,353	247,781
Government loans	1,722,362	1,718,547	1,725,656	1,718,083	1,630,864
Liabilities.					
Notes in circulation	1,860,430	1,813,363	1,814,815	1,832,679	1,899,904
Deposits	49,012	54,670	64,268	66,016	66,833

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

Assets.	June 7, 1929.	May 31, 1929.	May 23, 1929.	May 15, 1929.	June 7, 1928.
Cash Reserve—					
Gold coin and bullion	168,634	168,634	168,634	168,634	117,199
Foreign exchange	194,712	195,148	192,845	197,190	285,977
Other foreign exchange†	342,700	343,306	342,099	346,014	277,686
Bills discounted	212,963	225,372	188,674	186,581	126,613
Gov. Debt	109,714	109,811	109,811	109,811	167,701
Liabilities.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	9,283	9,283	9,283	9,283	8,167
Notes in circulation	942,048	997,795	862,077	892,206	913,062
Deposits	89,860	47,639	144,264	120,061	84,710

† In dollar and sterling only.

NATIONAL BANK OF HUNGARY.—In Hungarian Pengö (000's omitted).

Assets.	June 7, 1929.	May 31, 1929.	May 23, 1929.	May 15, 1929.	June 7, 1928.
Metal reserve—					
Gold coin and bullion	176,624	176,623	176,623	176,622	196,538
Drafts and notes	15,620	18,613	26,631	29,026	89,025
Silver coin and bullion	9,656	9,823	10,080	9,710	836
Inland bills, warrants and securities	363,857	380,741	352,210	351,287	297,259
Advances to the Treasury	92,180	92,218	92,219	92,219	105,832
Liabilities.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	414,734	446,354	387,132	424,145	426,846
Current accounts, deposits, &c.	200,504	190,114	229,787	195,703	290,486

* Calculated at pre-war parity of exchange.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

Assets.	June 7, 1929.	May 31, 1929.	May 23, 1929.	May 15, 1929.	June 7, 1928.
Gold and silver holdings	1,206,233	1,206,190	1,206,629	1,206,591	1,118,653
Balance abroad and foreign currency	1,729,502	1,702,693	1,646,993	1,650,002	1,761,402
Discounts and advances	624,935	639,765	437,243	415,403	350,784
State notes debt balance	3,994,927	4,006,436	4,012,771	4,013,153	4,319,132
Other assets	724,512	750,774	649,213	664,337	925,170
Liabilities.					
Bank notes in circulation	6,876,603	7,182,688	6,409,749	6,544,477	6,881,758
Check account balances	684,998	404,474	834,055	711,511	838,318
Other liabilities	245,914	246,102	236,451	220,904	322,440

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

Assets.	June 8, 1929.	May 31, 1929.	May 22, 1929.	May 15, 1929.	June 15, 1928.
Gold	92,817	92,583	92,455	92,358	90,130
Other coin and notes	18,712	18,443	18,230	18,056	18,241
Foreign credits	224,948	228,710	236,479	183,485	250,356
Bills	1,226,248	1,253,866	1,307,367	1,342,003	1,235,077
Government advances	4,201,096	4,201,094	4,201,078	4,201,078	4,323,052
Liabilities.					
Notes in circulation	5,161,820	5,092,016	5,032,871	5,115,172	5,213,631
State credits	227,827	227,824	227,808	227,808	294,032
Deposits	950,290	1,049,640	1,205,266	1,104,456	931,895

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

Assets.	June 8, 1929.	June 1, 1929.	May 25, 1929.	May 18, 1929.	May 11, 1929.
Gold & gold exchange	10,651,975	10,762,876	11,014,654	11,039,801	11,255,632
Commercial bills	8,499,379	8,503,179	8,524,508	8,445,215	8,335,333
State debt, advances to State, &c.	7,671,850	7,671,850	7,671,850	7,671,850	7,671,850
Liabilities.					
Notes in circulation	18,979,142	19,079,584	19,343,217	19,621,188	19,915,194
Other sight liabilities	8,493,758	8,532,651	8,487,850	8,256,686	7,220,972

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

Assets.	May 31, 1929.	May 23, 1929.	May 15, 1929.	May 7, 1929.	May 31, 1928.
Gold and silver holdings	1,531,392	1,528,553	1,526,334	1,523,746	1,464,495
Balances abroad and foreign currencies	2,094,865	2,077,721	2,209,716	2,268,129	339,316
Discounts and advances	1,522,999	1,500,123	1,489,202	1,498,425	1,371,210
Advances to the Treasury	3,645,241	3,665,241	3,665,241	3,685,241	4,470,613
Liabilities.					
Capital paid up	500,000	500,000	500,000	500,000	516,422
Reserves	1,171,188	1,171,166	1,170,366	1,166,576	1,128,723
Bank notes in circulation	3,977,155	7,039,034	4,156,441	4,337,858	3,784,418
Sight liabilities	2,875,601	2,820,031	2,782,350	2,665,654	1,126,966
Deposits	458,438	458,510	460,183	465,582	1,266,538

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

Assets.	May 31, 1929.	May 23, 1929.	May 15, 1929.	May 7, 1929.	Apr. 30, 1929.
Gold	581,393	578,418	574,752	571,377	569,996
Gold exchange	5,526,961	5,663,411	5,350,651	4,933,291	4,892,037
Other foreign exchange	1,354	1,154	1,151	1,154	1,053
Bills discounted	37,382	34,574	37,719	37,175	37,953
Advances	79,730	76,440	78,534	70,188	70,165
Debt to the State	3,656,305	3,656,305	3,656,305	3,656,305	3,656,305
Liabilities.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,414,846	5,438,338	5,606,356	5,721,209	5,617,182
Deposits and current accounts	1,801,620	1,829,990	1,902,837	1,751,235	1,856,414
Foreign exchange liabilities	2,318,738	2,390,030	1,873,031	1,466,353	1,422,861

BANK OF POLAND.—In zloty* (000's omitted).

Assets.	June 10, 1929.	May 31, 1929.	May 20, 1929.	May 10, 1929.	June 10, 1928.
Gold	625,003	624,428	623,515	623,233	566,920
Of which held abroad	198,402	195,402	195,402	195,402	185,499
Foreign currencies	519,361	538,478	557,696	576,991	1,642,860
Bills discounted	733,064	742,207	716,611	695,382	567,804
Loans against securities	91,758	92,456	90,152	90,227	63,650
Reserve fund securities	58,951	58,948	58,949	58,949	55,946
Liability of the Treasury	25,000	25,000	25,000	25,000	25,000
Liabilities.					
Share capital	150,000	150,000	150,000	150,000	150,000
Reserve funds	100,000	100,000	100,000	100,000	94,435
Notes in circulation	1,214	1,244	1,182,847	1,227,211	1,116,449
Current accounts	525,601	532,132	566,166	531,542	593,233
Government accounts	75,000	75,000	75,000	75,000	1,709,682

* As from October 13 1927, 8·91 zlotys equals 1 U.S. dollar.

RUSSIAN STATE BANK.—Note-Issuing Department.

(In Tchervonetz—000's omitted.) (NOTE: 1 Tchervonetz=10 gold roubles.)

Assets.	June 17, 1929.	June 1, 1929.	May 16, 1929.	May 1, 1929.	June 15, 1928.
Gold in coin and bullion	18,098	18,098	17,975	17,972	16,502
Other precious metals	4,233	4,268	4,327	4,376	3,477
Foreign bank notes	8,982	9,126	8,558	8,891	6,524
Drafts in sterling (less 10%)	280	280	280	280	267
Bills (less 10% discount)	89,132	81,954	81,587	84,208	76,956
Securities covering advances on goods (less 10%)	274	274	274	274	274
Liabilities.					
Bank notes	119,730	112,905	112,286	115,460	103,279
Balance to which notes may still be issued	1,270	1,095	714	550	721

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

Assets.	June 8, 1929.	May 31, 1929.	May 23, 1929.	June 8, 1928.	Position, May 30, 1914.
Gold	300,801	301,101	300,952	311,713	35,091
Balance abroad and foreign bills	578,268	586,969	581,239	840,654	90,379
Finnish and Foreign Government securities	301,707	301,708	301,708	338,443	21,826
Discounts and loans	1,523,770	1,515,362	1,489,080	1,158,747	105,151
Liabilities.					
Notes in circulation	1,478,610	1,480,876	1,435,843	1,566,696	123,941
Deposits at notice	155,266	191,350	203,574	209,538	21,225

BANK OF ESTONIA.—In Est. krones (000's omitted).

Assets.	June 7, 1929.	May 31, 1929.	May 23, 1929.	May 15, 1929.	June 7, 1928.
Gold coin and bullion	6,300	6,295	6,290	6,286	10,291
Net foreign exchange	18,874	19,296	19,880	19,301	27,251
Subsidiary Estonian coin	790	765	652	664	729
Home bills discounted	14,088	14,422	14,512	14,865	9,010
Loans and advances	13,034*	13,548*	13,370	14,389	16,746
Liabilities.					
Notes in circulation	30,912	31,587	33,512	34,357	35,551
Sight deposits and current accounts	17,392	18,240	16,690	16,511	22,359
Ratio of reserve to current liabilities	52·11%	51·35%	52·13%	50·30%	64·82%

* Includes Ekr. 10,186,673·89, guaranteed by the Government.

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

Assets.	June 12, 1929.	June 5, 1929.	May 29, 1929.	May 22, 1929.	May 15, 1928.	June 13, 1928.
Gold bullion and coins	23,850	23,850	23,842	23,842	23,840	23,719
Silver coin	4,930	4,854	4,814	4,782	4,751	4,356
Balance abroad	48,966	50,999	53,281	55,250	56,736	78,319
Treas. notes and sm. change	15,274	13,535	12,644	11,342	11,654	12,529
Short term bills	88,184	88,407	87,079	87,583	86,644	81,513
Loans against securities	58,885	57,878	57,603	58,423	56,288	42,088
Other assets	17,835	17,604	17,926	17,714	17,602	10,878
Liabilities.						
Notes in circulation	42,552	43,449	44,226	45,492	44,408	39,278
Capital paid up	15,581	15,581	15,581	15,581	15,581	15,581
Reserve	3,091	3,090	3,091	3,091	3,091	3,091
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	13,048	13,076	12,946	12,919	12,887	11,802
Current accounts	55,388	51,874	52,859	55,889	55,385	52,911
Government accounts	108,455	112,088	111,190	108,966	109,651	121,083
Other liabilities	17,306	15,469	14,796	14,499	14,012	7,155

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	June 15, 1929.	May 31, 1929.	May 15, 1929.	Apr. 30, 1929.	Apr. 15, 1928.	Mar. 28, 1929.	June 15, 1928.
Coin and bullion	3,052	2,663	2,804	2,503	2,800	2,307	3,004
Of which gold coin	8	8	8	8	8	8	5
Danzig subsidiary coin	3,043	2,655	2,796	2,495	2,792	2,299	2,999
Bal., Bk. of Eng., inc. notes	12,879	16,176	11,841	13,407	11,537	16,069	11,831
Bills of exchange	22,344	23,662	23,592	24,128	23,627	23,479	20,891
Loans	500	583	...	100	240	1,850	57
Foreign exchange	11,830	11,746	14,189	16,032	16,225	13,967	25,768
Other bals. on dem'd	861	1,463	1,052	1,081	1,058	914	1,535
Securities	3,403	3,403	3,403	3,403	3,403	3,403	3,448
Liabilities.							
Capital paid up	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation	33,018	37,028	33,603	37,402	33,268	38,739	32,249
Deposits on demand	1,975	2,294	2,156	2,107	4,078	2,116	3,185

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

Assets.	May 25, 1929.	May 18, 1929.	May 11, 1929.	May 4, 1929.	June 26, 1928.	Position June 30, 1914
Cash & bullion	1,129,599	1,129,055	1,127,730	1,126,856	1,134,802	221,320
Discounts	704,882	702,896	703,536	714,708	1,002,750	41,740
Advances	76,573	77,572	78,217	78,016	71,935	70,540
Liabilities.						
Notes	1,188,162	1,132,115	1,154,252	1,256,479	1,206,807	362,270
Govt. deposits	530,347	537,314	558,760	549,156	660,063	37,340
Other deposits	411,057	444,652	390,709	302,812	456,149	11,440

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

Assets.	May 17, 1929.	May 3, 1929.	Apr. 26, 1929.	Apr. 12, 1929.	May 18, 1928.
Gold at home	61,305	60,950	60,892	60,853	61,814
Gold abroad	466,714	261,178	463,189	473,490	511,008
Discounts and advances	69,994	99,258	88,150	83,747	10,300
Liabilities.					
Notes of the bank in circulation	369,867	373,482	365,644	363,015	308,857
Government notes in circulation	5,674	5,787	5,850	5,932	32,645
Deposits	154,849	165,576	171,769	175,273	167,857
Drafts	1,675	4,287	4,287	7,958	2,088
Paid-up capital	90,625	90,625	90,625	90,625	89,833

LONDON RATES.

	June 13, 1929.	June 14 1929.	June 15, 1929.	June 17, 1929.	June 18, 1929.	June 19, 1929.	June 20, 1929.
Bank rate (changed from 4½% Feb. 7, 1929)	5½	5½	5½	5½	5½	5½	5½
Market rates of discount—							
60 days' bankers' drafts	5⅜	5⅜ ⅛	5⅜ ⅛	5⅜	5⅜ ⅛	5⅜ ⅛	5⅜ ⅛
3 months' do.	5⅜ ⅛	5⅜ ⅛	5⅜ ⅛	5⅜ ⅛	5⅜ ⅛	5⅜ ⅛	5⅜ ⅛
4 months' do.	5⅜	5⅜	5⅜	5⅜	5⅜ ⅛	5⅜ ⅛	5⅜ ⅛
6 months' do.	5⅜	5⅜ ⅛	5⅜ ⅛	5⅜ ⅛	5⅜	5⅜	5⅜
Discount (Treasury Bills)—							
2 months'	5⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛	5⅛ ⅛	5⅛ ⅛
3 months'‡	5⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛	5⅛ ⅛
Loans—Day to day	4½ ½	4 ½	4 ½	4½ 5	4½ 5	4½ 5	4½ 5
Short	4½	4½	4½	4½	4½	4½ 5⅛	4½ 5⅛
Deposit allowances: Bank	3½	3½	3½	3½	3½	3½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½

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

###

RATES OF EXCHANGE.

London on		Usance	Par.	June 21, 1928.	June 13, 1929.	June 20, 1929.
New York	dollars to £1	Cable	4·86⅝	4·87 15/16–8	4·84 31/32–85/32	4·84 29/32–84 31/32
Montreal	dollars to £1	Cable	4·86⅝	4·89–1/32	4·89 1/32–89 3/32	4·88 7/32–88 11/32
Paris	francs to £1	T.T.	124·21	124·10–20	124·–124 1/32	123·98–124·01
Berlin	marks to £1	T.T.	20·43	20·41 1/2–3/4	20·33 1/2–34 1/2	20·32 1/2–33
Amsterdam	florins to £1	T.T.	12·107	12·09 3/4–10	12·07 3/8–07 7/8	12·07 1/4–07 3/8
Brussels	belga to £1	T.T.	35·00	34·93–3/4	34·91 1/2–·92	34·92 3/8–93 1/4
Milan	lire to £1	T.T.	92·46	92·85–90	92·67–·70	92·68–·70
Berne	francs to £1	T.T.	25·22	25·30 1/2–31	25·20–20 1/2	25·19 1/2–20 1/2
Oslo	kroner to £1	T.T.	18·159	18·22–1/2	18·19 1/2–·20	18·19 1/2–·20
Stockholm	kroner to £1	T.T.	18·159	18·18–1/2	18·12 1/2–·13	18·09–09 1/2
Copenhagen	kroner to £1	T.T.	18·159	18·20–1/2	18·20 ·20 1/2	18·20 1/2–·21
Madrid	pesetas to £1	T.T.	25·22 1/2	29·87–9	33·91–·93	34·25–·27
Lisbon	escudo to £1	T.T.	4·50	107–108	108–108 1/2	108·108 1/2
Vienna	schillgs. to £1	T.T.	34·58 1/2	34·65–9	34·51–·54	34·49–·52
Prague	krone to £1	T.T.	24·02(a)	164 1/2–11/32	163 3/8–163 1/2	163 3/8–163 1/2
Belgrade	dinars to £1	T.T.	25·22 1/2	277–1/2	275 1/2–276	275 1/2–276
Budapest	pengo to £1	T.T.	27·82	27·97–8·01	27·81–·84	27·81–·84
Bukarest	lei to £1	T.T.	813·6	795–8	816–818	817–818
Sofia	leva to £1	T.T.	25·22 1/2	672–7	668–673	668–673
Athens	drachmæ to £1	T.T.	375	374 1/2–5 1/2	374 3/8–375	374 1/2–375
Constantin'ple	piastres to £1	T.T.	110	957–62	1004–1007	1005–1010
Moscow	roubles to £1	T.T.	9·46	†9·48–49	†9·41 1/2–43 1/2	†9·41 1/2–43 1/2
Warsaw	zloty to £1	T.T.	43·38	43 1/2–3/4	43 3/8–7/8	43 3/8–7/8
Helsingfors	F. marks to £1	T.T.	193·23	193 1/2–4	192 3/4–193	192 3/4–193
Kovno	lits to £1	T.T.	48·66	48 1/2–49 1/2	48 1/2–49 1/2	48 1/2–49 1/2
Reval	kroon to £1	T.T.	18·159	18·00–18·40	18·16 1/2–·23 1/2	18·16 1/2–·23 1/2
Riga	lats to £1	T.T.	25·22 1/2	25·15–30	25·15–·25	25·15–·25
Alexandria	piastres to £1	Sight	97 1/2	97 15/16–31/32	97 15/16–31/32	97 15/16–31/32
Buenos Aires	pence to peso	T.T.	47·62d.	47 15/16–31/32	47 7/16–47 15/16	47 7/16–47 15/16
Rio de Janeiro	pence to mils.	90 days	16	5 25/32–6·4	5 3/4–5·1	5 13/32–·27
Montevideo	pence to peso	T.T.	51	50–1/2	47 1/4–48	47 1/4–48
Valparaiso	dollars to £1	90 days	40	39·51	39·59	39·57
Lima	Eng. to Per £1	90 days	par	20 1/2 % prm.	19 1/2 % prm.	19 1/2 % prm.
Calcutta	pence	T.T.	18	1/5 37/64–23/32	1/5 31/64–1/5 1/2	1/5 31/64–1/5 1/2
Bombay	to	T.T.		1/5 31/64–23/32	1/5 31/64–1/5 1/2	1/5 31/64–1/5 1/2
Madras	rupee	T.T.		1/5 37/64–23/32	1/5 31/64–1/5 1/2	1/5 31/64–1/5 1/2
Hong Kong	ster. to dollar	T.T.	—	2/0 3/32–7/32	1/11 15/16–2/0	1/11 15/16–2/0
Shanghai	ster. to tael	T.T.	—	2/8 1/16–1/8	2/4 1/4–2/5 1/4	2/4 1/2–5 1/16
Singapore	ster. to dollar	T.T.	2s. 4d.	2/3 1/16–1/8	2/3 3/16–2/3 1/8	2/3 1/16–1/8
Kobe	ster. to yen	T.T.	24·58d.	1/10 13/16–1/16	1/9 7/16–1/9 9/16	1/9 5/16–1/9 7/16
Manila	ster. to peso	T.T.	24·066d.	†2s. 0 1/16 d.	†2s. 0 1/16 d.	†2s. 0 1/16 d.
Mexico	pesos to £	T.T.	9·76	23 1/2–3/4	10·10–10·20	10·05–10·25

† Rate for previous day. ‡ Pence to escudo.
(a) An official stabilisation at 2·90–3·03 dollars to 100 krone, *i.e.*, approximately 162 1/2 krone to £. (b) Pence to dollars.

OVERSEAS BANK RATES.

	Changed.	%
Amsterdam	Mar. 23, 1929	5½
Athens	Dec. 2, 1928	9
Belgrade	July 26, 1921	6
Berlin	April 25, 1929	7½
Brussels	June 30, 1928	4
Bucharest	May 14, 1929	9½
Budapest	April 25, 1929	8
Calcutta	June 6, 1929	5
Copenhagen	June 23, 1927	5
Danzig	June 20, 1927	6
Helsingfors	Nov. 15, 1928	7
Kovno	Feb. 8, 1926	7
Lisbon	July 28, 1926	8
New York Federal Reserve	July 12, 1928	5
Madrid	Dec. 19, 1928	5½

	Changed.	%
Oslo	Mar. 26, 1928	5½
Paris	Jan. 19, 1928	3½
Prague	Mar. 8, 1927	5
Pretoria	Jan. 9, 1928	5½
Reval	Jan. 2, 1928	7½
Riga	April 1, 1928	6½ / 7½
Rome	Mar. 13, 1929	7
Sofia	Dec. 15, 1928	9
Stockholm	Aug. 24, 1928	4½
Swiss Bank places	Oct. 22, 1925	3½
Tokio	Oct. 18, 1927	5·48
Vienna	Apr. 23, 1929	7½
Warsaw	Apr. 19, 1929	9
Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York:—

	June 20, 1928.	May 23, 1929.	May 30, 1929.	June 6, 1929.	June 13, 1929.	June 20, 1929.
	%	%	%	%	%	%
Call money	6	7	6	7	8	7
Time money (90 days' mixed coll.)	5½	9	9	8½	8½	8
Bank acceptances:—	Selling Rates.					
Members—eligible, 90 days	4½	5⅝	5⅝	5⅝	5⅝	5⅝
Non-mem.—eligible, 90 days	4½	5⅝	6⅛	5⅝	5⅝	5⅝
Ineligible, 90 days	4⅝	6⅛	5⅝	6⅛	6⅛	6⅛
Commercial accept. 90 days	4½	5⅛	5⅛	5⅛	5⅛	5⅛

Rates of Exchange, New York on—		Par Level.	June 20, 1928.	June 6, 1929.	June 13, 1929.	June 20, 1929.
London—						
60 days	Dollars for £1	4·8666	4·84	4·79 3/8	4·79 1/8	4·79 3/8
Cable			4·88	4·84 11/16	4·84 11/16	4·84 11/16
Cheques			4·87 1/8	4·84 1/16	4·84 1/16	4·84 1/16
Paris	cheques	Cents for 1 franc	3·918	3·92 11/16	3·9075	3·90625	3·90875
Brussels	„	Cents for 1 Belga	13·90	13·97	13·88	13·88 1/4	13·88
Switzerland	„	Cents for 1 franc	19·30	19·27 1/4	19·24 1/4	19·23 1/4	19·23
Italy	„	Cents for 1 lire	5·263	5·25 3/8	5·23	5·22 1/2	5·22 1/2
Berlin	„	Cents for 1 mark	23·81	23·88 1/2	23·82	23·81	23·84
Vienna	„	Cts. for Austrn. shlg	14·07	14·06	14·05	14·045	14·04
Madrid	„	Cents for 1 peseta	19·30	16·30	13·79	14·30	13·95
Amsterdam	„	Cents for 1 guilder	40·195	40·31 1/2	40·13	40·12	40·12 1/2
Copenhagen	„	Cents for 1 kroner	26·80	26·82	26·62	26·62	26·62
Oslo	„			26·78	26·625	26·62	26·63
Stockholm	„			26·83	26·72	26·73	26·79
Athens	„	Cents for 1 drachma	1·297	1·3025	1·29 3/8	1·29 1/8	1·29 3/8
Montreal	„	Can. Cents for $1	100	1/32 dis.	3/32 dis.	3/32 dis.	1/32 dis.
Yokohama	„	Cents for 1 yen	49·85	46·58	43·65	43·8	43·95
Hong Kong	„	Cents for H.Kong $	...	50·25	47·35	47·95	47·95
Shanghai	„	Cts. for 1 Shng. tael	...	65·375	57·10	57·85	58·15
Calcutta	„	Cents for 1 rupee	36·50	36·38	36·00	35·95	35·95
Buenos Aires	„	Gold Pesos for $100	103·65	42·65	105·10	105·10	105·25
Rio de Janeiro	„	Cents for 1 milreis	32·42	12·00	11·83	11·85	11·25
Valparaiso	„	Cents for 1 peso	12·125	12·18	12·05	12·05	12·05

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange:—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·56
Venezuela	Bolivares to £	25·25	„	25·21
Colombia (Bogota)	Pesos to £1	5	„	5·04
Nicaragua	Cordobas to £	4·8665	„	4·92
Salvador	Colones to £	9·73	„	9·88
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa. From February 6, 1928. London on South Africa.		Union of South Africa. From February 18, 1929. South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	...	½% dis.	par to ½% pm.	½% prem
Demand	1½% dis.	¾% „	½% dis.	¼ to ½% „
30 days	1⅝% „	⅞% „	¾% „	½% „
60 days	2⅛% „	1⅛% „	1⅛% „	¾% „
90 days	3% „	1⅜% „	1½% „	1⅛% „
120 days	3¾% „	1¾% „	2⅛% „	...

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying.		Selling.		Australia and New Zealand on London. Buying.		Selling.	
	Australia.	New Zealand.	Australia.	New Zealand.	Australia.	New Zealand.	Australia.	New Zealand.
T.T.	...	...	99⅛	99⅜	...	...	101	100⅜
Demand	98⅛	98⅜	99⅛	99⅜	99⅜	99⅜	100⅜	100⅜
30 days	97 3/16	97 7/16	...	...	99 5/16	98⅞	100⅛	99⅞
60 days	97	97⅛	...	...	98⅛	98⅜	99⅞	99⅞
90 days	96 1/16	96⅛	...	...	98 1/16	97⅛	...	99⅜

BULLION.

The following statistics of imports and exports of gold for week ended June 20, 1929, are issued by the Statistical Department of H.M. Customs and Excise:—

Imported into Great Britain and Northern Ireland.

From—	£
France	2,503
Argentine Republic	350,000
British South Africa	655,123
Australia	4,300
Other Countries	1,601
Total declared value of imports	1,013,527

Exported from Great Britain and Northern Ireland.

To—	£
Austria	13,000
Poland (includ. Danzig)	1,709
Germany	20,420
Netherlands	1,543
France	18,182
Egypt	27,430
United States of America	838,000
Bombay *via* other Ports	51,230
Other Countries	274
Total declared value of exports	971,788

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow:—

1929.	ARRIVALS.	£	1929.	WITHDRAWALS.	£
June 14	Bars bought	2,618	June 14	Bars sold	8,578
„ 15		Nil	„ 15		Nil
„ 17		Nil	„ 17	Bars sold	5,158
„ 18		Nil	„ 18	Bars sold	1,117,633
„ 19		Nil	„ 19		Nil
„ 20	Bars bought	47	„ 20		Nil
Total		2,665	Total		1,131,369

Net withdrawals, £1,128,704.

Messrs Samuel Montague and Co. write as follows on June 19, 1929:—

GOLD.

The Bank of England gold reserve against notes amounted to £163,241,482 on the 12th instant (as compared with £162,968,424 on the previous Wednesday), and represents an increase of £9,335,167 since April 29, 1925—when an effective gold standard was resumed.

In the open market yesterday about £655,000 bar gold from South Africa was available. The U.S.A. exchange being favourable to the export of gold to that country, there was keen competition from New York for the amount offered in the open market, and the bulk—about £545,000—was secured at the maximum price of was withdrawn from the Bank of Englaand for the same destination —as shown in the figures below. The balance—about £110,000— of the gold in the open market was absorbed by the requirements of India and the home and Continental trade. There was a net efflux of gold of £788,263 during the week.

SILVER.

The steadier tone prevailing last week has continued, mainly owing to a slackening off in the selling which has been the feature during the past few weeks. China operators have been buyers on most days, but have shown willingness to sell at rates slightly above current prices. The Indian Bazaars have made small purchases for shipment, and also in cover of bear commitments, whilst America has been inclined to support the market.

Mail advice from Bombay under the date of May 31st contained the following information:—

"The daily trade return of the Bombay Chamber of Commerce shows an export of 408 ingots of silver to London, valued at Rs. 5.88 lacs, on Government account."

The following were the United Kingdom imports and exports of silver registered from mid-day on the 10th instant to mid-day on the 17th instant:—

Imports.	£	Exports.	£
Germany	16,795	Poland	107,032
Canada	19,262	Egypt	17,300
Other countries	16,443	British India	365,512
		Other countries	8,920
	£51,500		£498,764

The stock in Shanghai on the 15th instant consisted of about 78,600,000 ounces in sycee, 126,000,000 dollars and 7,780 silver bars, as compared with 77,500,000 ounces in sycee, 128,000,000 dollars and 5,000 silver bars on the 8th instant.

GOLD AND SILVER PRICES.

	Gold Per Ounce.	Silver—Per Ounce. Cash Forward.	Date.	Silver. Cash.
1929.	s. d.	d.	d.	
June 14	84 11½	24 7/16	24½	June 29, 1923	31¼
„ 15	84 11½	24⅜	24⅜	„ 27, 1924	34⅜
„ 17	84 11½	24 7/16	24½	„ 26, 1925	32⅜
„ 18	84 11½	24½	24 9/16	„ 25, 1926	30 9/16
„ 19	84 11½	24 7/16	24 7/16	„ 24, 1927	26 1/16
„ 20	84 11½	24 7/16	24 7/16	„ 21, 1928	27⅛

NOTICES.

The directors of Martins Bank, Limited, announce that Mr A. Harold Bibby, D.S.O., of Thornton Hall, Childer Thornton, Cheshire, has been elected to a seat on the general board of the bank.

The Bankers' Trust Company, New York, announces the appointment of Mr Oluf Berntsen as general manager of its London office. They also announce the appointment of Mr Ferdinand Norland as assistant manager.

The Midland Bank, Limited, announce with much regret the retirement in consequence of ill health of Mr Richard Richards, joint general manager. Mr H. Wrighton, formerly an assistant general manager, has been appointed a joint general manager. Mr C. B. Allen and Mr J. H. Parry, formerly general managers' assistants, have been appointed assistant general managers.

Barclays Bank, Limited, announce the opening of a new sub-branch at 46A Bohemia Road, St. Leonards-on-Sea.

Facilities for day and night banking are now available at 202 branches of the Midland Bank, of which 37 are in the London postal area and 165 are country offices.

Lloyds Bank, Limited, announce that a branch is now open at 38 King Street, Twickenham, under the management of Mr F. J. Cowell.

Barclays Bank, Limited, announce the opening of a new branch at 393 Lordship Lane, East Dulwich, S.E. 22.

A sub-branch of Barclays Bank (Dominion, Colonial and Overseas) has been opened at Kalkfontein (South-West Africa) under the control of Keetmanshoop branch.

The Standard Bank of South Africa, Limited, announce that a branch has been opened at Morogoro, Tanganyika Territory. Agencies have been opened at Gobabis and Rehoboth, near Windhoek, South-West Africa.

Branches of the Commercial Banking Co. of Sydney, Limited, have been established at the following places:—Augathella, in the State of Queensland, Australia; Mascot, Sydney, in the State of New South Wales, Australia; Tottenham, in the State of New South Wales, Australia.

The Westminster Bank announce the opening of a new branch at Station Road East, Orxted.

SUMMARY OF BALANCE SHEETS.

AMALGAMATED ANTHRACITE COLLIERIES, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
7% cum. pref. (£1)	1,961,996	+ 961,996
Ord. shares (£1)	6,694,427	+ 3,247,913
Provision for taxation	315,439	+ 19,997
Creditors	3,587,285	+ 3,039,583
Bills payable	2,639	+ 2,639
Unclaimed divs.	207	— 60
Profit and loss	...	— 38,625
Total	12,561,993	+ 7,233,443

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Properties	8,376,951	+ 4,254,572
Wagons	651,209	+ 111,893
Shares and debs. in associated cos.	2,170,829	+ 2,071,576
Shares in other cos.	32,846	+ 32,846
Debtors	768,455	+ 432,112
Stocks of coal and stores	260,661	+ 30,292
Bills receivable	15,446	+ 15,446
Cash	3,873	+ 2,983
Amalgamation expenses	10,888	+ 10,888
Profit and loss	270,835	+ 270,835
Total	12,561,993	+ 7,233,443

ANGLO-ARGENTINE TRAMWAYS COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Dec. 31, 1927. £
1st pref. shs. (£5)	3,200,000	...
2nd pref. shs. (£5)	3,050,000	...
Ord. shares (£4)	2,700,000	...
4% deb. stock	3,621,924	— 64,650
Accrued interest	72,438	— 1,294
5% deb. stock	1,599,594	— 11,122
Accrued interest	35,991	— 250
Deb.stks.red.fund	5,773,354	— 23,176
Sinking fund	24,056	— 97
Accrued interest	81,119	...
Diff. between par and cost of debs.	130,610	+ 130,610
Sinking fund	161,820	+ 9,984
Renewals fund	544,833	+ 92,674
Creditors	2,041,897	+ 358,158
Divs. unclaimed	6,857	+ 247
Interest accrued on profits	179,500	...
Balance of revenue account	85,928	+ 24,712
Total	23,309,920	+ 515,796

ASSETS.	Amount. £	Compared with Dec. 31, 1927. £
Concessions, property, &c.	22,048,211	+ 497,917
Stores & furniture	458,591	+ 113,954
Debtors	131,595	+ 11,079
Investments	187,265	+ 4,659
Deposits in Buenos Aires	5,392	— 171
Cash	461,470	— 129,038
Bills receivable	17,396	+ 17,396
Total	23,309,920	+ 515,796

ANGLO-PERSIAN OIL COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £
Ord. shares (£1)	13,425,000	...
8% cum. pref.	7,000,000	...
9% cum. pref.	3,500,000	...
5% deb. stock	5,125,000	+ 1,125,000
6½% notes	723,900	— 1,400
Int. accrued deb. stock	...	— 53,929
Note int. accrued	15,684	+ 15,684
Deposits by associated cos.	1,508,906	+ 16,911
Sundry creditors	3,252,139	+ 85,441
Employees' pension fund acct.	...	— 2,487,109
Reserves	6,108,129	+ 600,000
Profit and loss	3,686,489	+ 17,847
Total	44,345,247	— 681,555

ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
Purchase price of concession shs. & advances to associated companies	25,218,172	+ 174,330
Refineries, &c.	4,953,989	— 501,539
Stocks of stores, &c.	1,047,505	— 50,279
Stocks of crude oil, &c.	3,693,319	+ 449,579
Sundry debtors	4,451,197	+ 140,308
Cash	2,196,177	+ 529,615
Investments in British Government stocks	2,784,888	— 1,142,953
Total	44,345,247	— 681,555

EBBW VALE STEEL, IRON AND COAL COMPANY, LIMITED.

March 31, 1929.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £
Ord. shares (£1)	2,500,000	...
7% cum. pref. (£1)	1,200,000	...
6% mt. deb.	729,500	...
8% red. notes	3,000,000	...
Int. accrued (less tax)	528,000	+ 192,000
Provision for premium on redemption	37,500	+ 30,000
Capital reserve	1,350,348	...
Bank loans	784,709	+ 16,504
Open accounts	543,955	+ 198,248
Secured loans	4,805	...
Reserves for special purposes	871,836	+ 80,128
Total	11,550,653	+ 516,880

ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
Properties	7,347,310	+ 40,362
Investments in associated cos.	2,600,298	...
Shares and debs. in other cos.	1,083	...
Stocks on hand	198,359	+ 11,700
Stocks against orders	53,111	— 20,493
Debtors	390,479	+ 76,995
Cash	2,377	+ 922
Profit and loss	957,636	+ 407,394
Total	11,550,653	+ 516,880

GUEST, KEEN, AND NETTLEFOLDS, LIMITED.

March 31, 1929.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £
5% cum. pref. shs.	1,720,000	...
5% 2nd pref. shs.	4,565,170	+ 50,000
Ord. shares	6,304,474	...
4% deb. stock	1,850,500	...
Reserve fund	1,781,434	— 847,069
Sundry creditors	1,402,053	+ 87,245
Profit and loss	716,207	+ 12,615
Total	18,339,838	— 697,209

ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
Land, buildings, collieries, &c.	3,473,279	+ 7,974
Stock	516,143	— 16,106
Debtors	1,141,760	— 213,114
Investments	12,989,614	— 395,909
Cash and bills	219,042	— 81,054
Total	18,339,838	— 697,209

HUDSON'S BAY COMPANY.

May 31, 1929.

LIABILITIES.	Amount. £	Compared with May 31, 1928. £
Ord. shares, £1	2,000,000	...
5% cum. pref., £5	2,000,000	...
Creditors	1,818,779	+ 287,945
Capital reserve	565,000	+ 55,000
Reserves—		
Share premium account	3,000,000	...
Insurance act.	150,000	...
Equalisation of dividends	300,000	+ 75,000
Saleships extension	300,000	...
Buildings	285,000	+ 85,000
Allocations—		
Officers' & servants' pensns.	275,000	...
Provident & welfare fund	25,000	...
Land settlement & advertising	12,000	...
Edmonton improvements	8,000	— 17,000
Land account	247,600	+ 43,762
Profit and loss	375,166	+ 45,916
Total	11,361,545	+ 575,623

ASSETS.	Amount. £	Compared with May 31, 1928. £
Cash	94,147	— 131,257
Freehold & leasehold premises in London	996,945	+ 88,992
Shares in other companies	766,965	+ 312,537
Debtors	1,305,138	+ 287,363
Ships & steamers	86,534	— 10,119
Merchandise on land and in transit	3,106,391	+ 214,465
Land, buildings, & equipment in Canada	4,977,587	+ 232,129
Suspense account	27,837	— 418,487
Total	11,361,545	+ 575,623

J. LYONS AND CO., LIMITED.

March 31, 1929.

LIABILITIES.	Amount.	Compared with Mar. 31, 1928.
	£	£
Ordinary shares...	400,000	...
"A" ordinary ...	1,196,273	+ 7,500
5% pref. shares ...	647,065	...
7% pref. ...	4,000,000	+1,000,000
8% pref. shares ...	1,000,000	...
6% pref. ord. shrs.	400,000	...
Prop. profit shares	500,000	...
"B" prop. profit shares	225,000	...
4% deb. stock	300,000	...
4½% deb. stock ...	20,789	— 2,639
4½% deb. stock ...	125,000	...
6% deb. stock ...	66,820	...
Mortgages	1,734,904	— 28,628
Interest accrued...	26,471	— 172
Creditors.....	2,352,578	— 293,825
Divs. unclaimed ..	3,478	+ 272
Reserve.....	1,075,000	+ 226,000
Profit and loss	418,148	+ 12,557
Total	14,491,524	+ 920,065

ASSETS.	Amount.	Compared with Mar. 31, 1928.
	£	£
Land, buildings, &c.	9,982,462	+ 283,667
Stock	2,856,465	+ 406,647
Debtors	844,611	+ 253,694
Investments in associated cos.	222,536	— 69,131
Cash	585,430	— 45,188
Total	14,491,524	+ 920,065

"SHELL" TRANSPORT AND TRADING COMPANY, LIMITED.

December 31, 1928.

LIABILITIES.	Amount.	Compared with Dec. 31, 1927.
	£	£
5% pref. shares..	2,000,000	...
7% 2nd pref. ...	5,000,000	...
Ord. shares	19,987,607	+ 333,333
Reserve	5,000,000	...
Premium on ord. shares issued in 1928	1,354,165	+1,354,165
Sundry creditors	35,194	— 161
Divs. unclaimed	77,225	+ 7,376
Divs. accrued on pref. shares ...	170,833	...
Profit and loss ...	5,234,506	+ 84,325
Total	38,859,530	+1,779,038

ASSETS.	Amount.	Compared, with Dec. 31, 1927.
	£	£
Prop. account ...	26,684,876	— 158,340
Debtors	121,909	— 15,533
Balance of divs. in sundry cos.	5,293,513	+ 464,204
Investments ...	6,627,101	+3,879,069
Cash at bankers	132,131	—2,390,362
Total	38,859,530	+1,779,038

THE ASSOCIATED BISCUIT MANUFACTURERS, LIMITED.

March 31, 1929.

LIABILITIES.	Amount.	Compared with Mar. 31, 1928.
	£	£
6½% cum. pref. £1	600,000	...
Ord. shares £1 ...	1,400,140	...
Pref. div. (half-yr.)	15,600	...
Loans from associated cos.	28,100	— 10,000
Creditors	5,755	+ 1,797
Profit and loss ...	115,199	— 30,617
Total	2,164,794	— 38,820

ASSETS.	Amount.	Compared with Mar. 31, 1928.
	£	£
Investments in associated cos. ...	2,090,000	...
Due from associated cos.	112,000	— 35,250
Debtors	13,826	+ 4,284
Stocks	2,336	+ 43
Cash.....	23,695	+ 7,142
Formation expenses, less amnt. written off	12,937	— 14,999
Total	2,164,794	— 38,820

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	April, 1929. Ore.	Est. Yield.	Est. Profit.	May, 1929. Ore.	Est. Yield.	Est. Profit.
	Tons.	£	£	Tons.	£	£
Brakpan	89,000	143,556	58,150	92,500	152,301	60,493
City Deep.....	95,000	110,121	8,206*	98,000	115,888	6,668*
Consolidated Main Reef	58,500	94,695	16,022	59,100	93,334	15,060
Crown Mines (10s. shs.)	206,000	295,592	77,402	223,000	309,583	76,678
Durban Roodepoort Deep	40,300	59,590	3,126	41,300	59,700	3,668
East Rand Proprietary	143,000	162,107	10,634	145,500	166,231	11,510
Ferreira Deep	23,600	18,190	250	21,000	18,710	2,121
Geduld Proprietary ...	83,000	111,629	43,173	85,000	114,586	44,575
Geldenhuis Deep.....	62,600	61,767	3,045	65,500	63,897	3,013
Glynn's Lydenburg ...	6,600	9,239	1,182	6,500	9,402	1,124
Government Areas	202,000	385,240	227,088	210,000	399,021	236,127
Kleinfontein, New	51,700	46,632	63	52,300	49,544	15
Langlaagte Estate	81,000	110,922	26,101	85,000	114,422	27,035
Meyer and Charlton ...	16,800	20,039	2,112	16,300	19,225	1,306
Modderfontein B.....	69,000	109,096	48,478	71,500	108,880	47,211
Modderfontein Deep Levels	44,600	99,555	64,772	45,900	103,041	67,432
Modderfontein East....	67,000	87,513	19,019	70,000	90,302	19,080
Modderfontein, New (£4 shares).....	146,000	310,703	182,068	152,000	316,509	183,360
New State Areas.....	79,000	138,555	60,073	81,000	142,216	61,035
Nourse Mines.....	62,300	77,621	4,951	65,000	79,538	5,365
Randfontein Estates...	205,000	211,918	15,050	216,000	213,707	18,015
Robinson Deep.....	79,300	91,863	15,712	79,000	93,683	15,685
Rose Deep.....	57,500	51,032	2,347	59,000	52,105	2,831
Simmer and Jack.....	73,000	77,088	6,035	75,900	80,350	5,436
Spring Mines.....	70,000	142,907	66,013	72,000	145,468	67,052
Sub-Nigel	22,800	84,483	30,373	24,800	92,258	32,790
Transvaal Gold Mining Estates	14,620	19,956	72	15,110	21,795	2,949
Van Ryn	39,000	38,452	4,222	39,000	37,383	4,018
Van Ryn Deep	65,000	105,514	43,108	67,000	108,699	44,120
Village Deep	58,500	64,448	4,842	59,500	66,971	4,625
West Rand Consold'td	83,800	91,659	16,007	90,000	93,828	16,023
West Springs	62,600	78,254	21,025	65,100	80,833	21,850
Witwatersrand Deep...	46,000	45,972	141	45,305	41,614	1,120*
Witwatersrand Knight's	52,500	47,081	2,575	55,000	48,648	3,030
Wolhuter.....	27,000	25,715	243	22,100	22,245	1,570

* Loss.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended June 14, 1929. (c) Week ended June 15, 1929.	Miles Open.	Week ended June 16, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 24 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western....	3,733	258	243	124	367	625	5,168	5,355	3,047	8,402	13,570
Do. for 1928 ..	3,734	262	231	117	348	610	5,378	5,256	2,766	8,022	13,400
Lon.&N.Eastn.(c)	6,345	365	420	261	681	1,046	7,777	9,843	6,477	16320	24,097
Do. for 1928 ..	6,363	373	400	235	635	1,008	8,124	10075	5,789	15864	23,988
Lond.,Mid.&Scot.	6,960	551	587	245	832	1,383	11778	13459	6,776	20235	32,013
Do. for 1928 ..	6,952½	565	586	231	817	1,382	12310	13897	6,335	20232	32,542
Southern	2,175	340	82	28	110	450	6,925	1,835	758	2,593	9,518
Do. for 1928 ..	2,175	348	89	25	114	462	7,133	1,908	665	2,572	9,705
Metropolitan (c)	59	32·4	...	...	3·8	36·2	767·3	...	...	88·2	855·5
Do. for 1928 ..	59	32·0	...	...	3·5	35·5	769·8	...	...	86·5	856·3
†Und'rgr'ndE.R.c	...	...	...	...	...	303·9	...	...	...	...	6,698·7
Lon&Sub.Gr'upc	...	...	...	...	...	288·8	...	...	...	...	6,744·2
Do. for 1928 ..	...	...	...	...	...	44·6	...	...	...	...	963·1
B'lf'st&Co.D'wn b	80	2·7	...	...	0·8	41·9	51·4	...	...	21·2	976·3 / 72·6
Great Northern b	562	12·8	...	...	16·2	29·0	268·0	...	...	389·9	657·9
Great Southern b	2,187	30·9	...	...	42·9	73·8	606·9	...	...	1123.0	1,729·9

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or —	Total Gross Receipts. 1929.	+ or —
				Rs.	Rs.	Rs.	Rs.
INDIAN.							
Assam Bengal	7weeks	May18	1,217	4,06,000	— 2,482	27,36,000	— 96,968
Barsi Lt. Ry.....	8weeks	25	202	43,800	+ 1,500	4,45,600	+ 49,300
Bengal & N.Western	8weeks	25	2,079	7,29,124	—1,00,447	59,04,188	— 5,68,209
Bengal-Nagpur.....	7weeks	18	2,988	18,01,000	— 66,585	1,28,62,000	— 2,75,811
Bombay, Bar.,& C.I.	11weeks	June 8	1,022	23,05,000	+ 62,000	2,36,33,00	—24,11,000
Madras & S. Mahr ..	8weeks	May25	3,121	18,92,000	—2,00,476	1,53,00,000	—11,36,016
Nizam'sGuarantd.(s)	8weeks	25	1,146	4,45,623	+ 3,590	39,82,082	+ 4,02,386
†Rohilk'dà Kumaon	7weeks	18	572	1,27,867	+ 27,392	9,59,548	— 2,01,024
South Indian	8weeks	25	2,351	13,69,837	+ 32,980	1,01,94,711	+ 98,769

† Including Lucknow-Bareilly State Railway. (s) Total receipts of all lines.

ARGENTINE (a).				£	£	£	£
Argentine N.E.	50weeks	J'ne15	753	14,000	— 1,600	782,900	+ 24,300
B.A. and Pacific ...	50weeks	15	2,806	164,000	+ 2,000	8,781,000	+ 852,000
B.A. Central	50weeks	15	...	15,012	+ 115	734,055	+ 31,416
B.A. Gt. Southern	50weeks	15	4,762	241,000	+ 26,000	12,552,000	— 303,000
B.A. Western	50weeks	15	1,926	85,000	...	5,072,000	— 3,000
Central Argentine .	50weeks	15	3,319	272,000	+ 1,000	13,634,000	+ 477,000
Cordoba Central....	50weeks	15	1,218	69,000	— 3,000	3,443,200	+ 45,500
Entre Rios	50weeks	15	838	28,000	— 5,100	1,493,600	+ 42,900
CUBAN.							
United of Havana†	50weeks	J'ne15	1,374	£ 49,878	— £ 4,665	£ 3,703,624	+ £ 167,345

† Figures include Havana Central Railway.

URUGUAYAN.				£	£	£	£
Central Uruguay ..	50weeks	J'ne15	273	25,686	— 1,316	1,504,611	— 8,378
C. Urug. (East Ext.)	50weeks	15	311	6,138	— 577	347,532	— 8,486
C.Urug.(North.Ext.)	50weeks	15	185	3,977	— 155	187,649	+ 5,935
C. Urug.(West. Ext.)	50weeks	15	211	2,132	— 157	149,475	+ 2,703
CANADIAN.							
Canadian National	23weeks	June 7	19,362	$ 4,855,692	+ $ 150,348	$ 109,803,982	+ $ 3,917,879
Canadian Pacific ...	24weeks	14	14,822	4,154,000	+ 239,000	90,937,000	+ 2,940,000
BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil	24weeks	J'ne15	1,016	13,400	+ 4,200	438,300	+ 109,600
Leopoldina.....	24weeks	15	1,856	46,423	+ 3,754	872,665	— 266,535
Leopoldina Termni.	24weeks	15	Mrs.	283,000	+ 3,000	6,682,000	+ 171,000
San Paulo	24weeks	16	153½	57,213	— 1,878	1,155,450	+ 43,619
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia).....	24weeks	J'ne15	838	38,860	+ 4,460	947,505	+ 128,245
Nitrate (½-monthly)	24weeks	15	413	26,125	— 10,065	396,437	+ 16,803
OTHER OVERSEAS.				£	£	£	£
Egyptian Delta	9weeks	May31	608	8,347	+ 958	49,676	+ 7,530
Gt. Southn. of Spain	23weeks	June 8	104	126,680	— 480	2,825,857	— 108,514
Mexican Railway...	24weeks	14	483	$250,000	— 21,200	5,879,300	— 701,100
Paraguay Central ..	50weeks	15	274	4,400	— 180	224,690	+ 4,270
Salvador.....	50weeks	15	100	3,110	— 3,102	254,584	— 9,251

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or —	Total Receipts. 1929.	+ or —
				£	£	£	£
Anglo-Argentine ...	24weeks	J'ne17	329	83,878	— 4,772	2,106,439	— 34,404
B. Aires Lacroze ...	50weeks	16	...	12,135	— 257	640,819	— 5,206
Burnley Corporation	1week	15	13	3,013	+ 116	...	...
Calcutta Tramways	1week	15	35½	123,085	+ 3,689	...	...
Chatham & District	22weeks	6	15	1,057	— 211	22,895	— 5,385
Egyptian Markets..	22weeks	6	...	1,681	+ 392	44,386	+ 2,127
Glasgow Corporation	42weeks	20	136½	43,481	+ 1,272	2,018,186	+ 2,287
Isle of Thanet Trams	22weeks	5	...	1,408	— 132	22,289	— 640
Liverpool Corp.....	11weeks	15	124	30,283	+ 773	325,484	+ 4,086
L.C.C. Tramways .	11weeks	12	166	84,123	+ 698	‡871,172	+ ‡ 8,983
Madras Electric ...	12weeks	15	...	45,117	+ 2,013	477,398	+ 26,838

‡ Fortnightly figures.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, etc.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Dividend.
Breweries.		£	£	£	£	£	%	£	£	£	%
Ely Brewery	Mar. 31	13,169	*t Dr21,919*	*Dr. 8,750*	...	...	...	*Dr. 8,750*	...	13,254	...
Financial, Land, &c.											
Ceylon Estates Investment	Mar. 31	466	8,939	9,405	...	7,875	35	500	1,030	6,304	30
New South Wales Land, &c.	Jan. 31	8,053	12,845	20,898	...	15,687	12	...	5,211	16,384	12
Gas.											
Primitiva Gas (B.A.).....	Dec. 31	12,663	222,521	235,184	...	93,579	5	85,000	56,605	151,055	Nil
Hotels, Restaurants, &c.											
Cranston's Hotels	May 17	15,042	36,977	52,019	7,689	15,500	25	15,747	13,083	32,850	22½
Iron, Coal and Steel.											
Allen (Edgar) and Co.	Mar. 31	15,529	16,783	32,312	15,000	10,211	2½†	...	7,101	22,366	2½†
Amalgamated Anthracite ...	Dec. 31	38,626	*Dr309,461*	*Dr270,835*	...	...	...	...	*Dr270835*	...	...
Brown (John) and Co.	Mar. 31	91,163	87,262	178,425	87,500	...	...	...	90,925	67,390	...
Ebbw Vale Steel, &c.....	Mar. 31	*Dr550,242*	*Dr377,394*	*Dr927,636*	...	...	...	30,000	*Dr957636*	*Dr227216*	...
Guest, Keen and Nettlefolds	Mar. 31	232,490	956,071	1,188,561	314,257	630,449	10†	...	243,855	966,244	10†
Mirrlees, Bickerton and Day	Mar. 31	5,829	31,895	37,724	3,124	26,096	7	...	8,504	20,162	6
Ransomes, Sims and Jefferies	Mar. 31	52,823	21,112	73,935	11,000	12,500	2½	...	50,435	19,835	2½
Ruston and Hornsby.....	Mar. 31	24,157	82,709	106,866	23,500	51,250	2½	...	32,116	73,097	2½
Stanton Ironworks.....	Mar. 31	146,309	156,037	302,346	21,489	113,670	10†	50,000	117,187	178,308	10†
Tredegar Iron and Coal.....	Mar. 31	47,819	46,151	93,970	...	43,278	2½†	10,000	40,693	11,852	Nil
Yorkshire Amalgamated Collieries	Mar. 31	23,918	1,530	25,448	...	...	...	20,000	5,448	30,803	...
Nitrate.											
Alianza Co.	Dec. 31	214,734	37,212	251,946	...	35,000	7	...	216,946	43,033	Nil
Santa Rita	Dec. 31	*Dr. 1,785*	*Dr. 6,209*	*Dr. 7,994*	...	...	...	...	*Dr.7,994*	963	...
Oil.											
Anglo-Persian Oil	Dec. 31	1,710,832	*s*2,832,958	4,543,790	656,250	1,258,594	12½	857,301	1,771,645	3,112,529	7½
Attock Oil	Dec. 31	63,473	198,872	262,345	...	112,500	7½	120,000	29,845	123,705	Nil
Shell Transport, &c.	Dec. 31	236,612	5,447,894	5,684,506	450,000	4,996,902	25†	...	237,604	5,369,695	25†
Rubber, &c.											
Badek	Dec. 31	22,607	16,701	39,308	...	12,576	10	5,000	21,732	34,782	20
Batang Consolidated	Dec. 31	9,622	6,004	15,626	...	...	...	...	15,626	20,098	5
Brusch	Mar. 31	6,019	5,319	11,338	...	3,354	7½	2,000	5,984	3,919	Nil
Cicely	Mar. 31	4,450	37,364	41,814	1,650	30,022	22½	4,000	6,142	22,749	15
Dusun Durian.....	Dec. 31	34,100	26,470	60,570	...	21,200	10	6,000	33,370	35,046	10
Holyrood	Dec. 31	1,826	6,746	8,572	...	4,308	5	2,000	2,264	3,022	7½
Medini	Dec. 31	5,270	7,385	12,655	...	6,250	12½	1,000	5,405	9,645	12½
Sungei Krian	Dec. 31	20,516	18,972	39,488	10,700	2,400	10	2,742	23,646	13,176	6
Tanah Datar	Dec. 31	1,648	3,440	5,088	...	3,424	5	...	1,664	...	...
Shipping.											
Elder, Dempster and Co. ...	Dec. 31	139,527	447,106	586,633	410,875	57,920	4	*Dr.25,000*	142,838	425,294	4
Trawlers, Limited	Mar. 31	1,245	14,984	16,229	...	6,125	7½	8,500	1,604	13,695	5
Shops and Stores.											
Baker (Albert) and Co. ...	Mar. 31	14,953	28,467	43,420	...	25,000	12½	...	18,420	28,432	12½
Tea.											
Baraoora (Sylhet)	Dec. 31	14,034	25,426	39,460	4,750	15,000	12½	3,152	16,558	39,185	25
Bordubi	Dec. 31	10,415	51,191	61,606	...	40,500	45	9,752	11,354	40,489	45
Borhat	Dec. 31	25,640	18,433	44,073	...	20,093	10	...	23,980	28,279	12½
Dhendai	Dec. 31	5,568	12,161	17,729	...	10,400	32½	1,200	6,129	11,928	35
Ghoir Allie	Dec. 31	2,244	1,092	3,336	...	1,250	25	...	2,086	2,278	45
Kacharigaon	Dec. 31	4,648	5,106	9,754	192	4,210	10	...	5,352	8,273	17½
Rajmai.....	Dec. 31	12,753	41,848	54,601	...	42,000	75	...	12,601	46,002	75
Koomsong	Dec. 31	5,600	27,083	32,683	...	22,500	45	2,000	8,183	25,303	42½
Romai	Dec. 31	6,828	13,262	20,090	...	12,005	75	600	7,485	11,273	70
Rupajuli	Dec. 31	2,639	4,563	7,202	...	4,108	22½	...	3,094	9,197	35
Scottish Assam	Dec. 31	5,361	17,515	22,876	...	13,315	20	4,308	5,253	19,267	20
Singlo	Dec. 31	19,555	76,954	96,509	6,825	60,480	30	12,980	16,224	80,810	30
Southern India Estates ...	Feb. 28	1,140	19,261	20,401	438	9,705	15	9,000	1,258	26,210	25
Textiles.											
Salts (Saltaire)	Mar. 31	97,487	92,235	189,722	84,000	...	...	40,000	65,722	126,729	...
Tramways.											
Anglo-Argentine	Dec. 31	61,216	383,712	444,928	359,000	...	...	...	85,928	374,401	...
Lisbon Electric	Dec. 31	17,587	116,399	178,986	25,533	66,573	7†	70,000	16,880	161,876	6
Worcester Electric	Dec. 31	1,539	8,113	9,652	...	4,770	5	2,738	2,144	...	...
Trust.											
Globe Telegraph and Trust	May 31	52,322	347,390	399,712	86,941	235,400	10†	...	77,371	343,288	10†
International Sleeping Car...	May 31	6,594	54,825	61,419	...	52,500	1	...	8,919	111,594	2
Waterworks.											
New River Co.	Mar. 25	4,689	34,772	39,461	...	26,000	20†	7,000	6,461	31,806	18½†
Other Companies.											
Clark's Bread	Mar. 31	3,405	16,418	19,823	...	9,625	17½	2,659	2,659	7,539	...
Consolidated London Props.	Mar. 25	20,265	37,065	57,330	...	36,300	15	...	21,030	62,546	16
Denny, Molt and Dickson...	Mar. 31	34,845	89,235	124,080	32,400	20,400	6	...	50,880	*Dr55,093*	6
Hazell, Watson and Viney	Mar. 31	26,411	47,197	73,608	4,800	31,292	9†	10,000	27,516	51,444	9†
Keith (J.) and Blackman ...	Mar. 31	13,065	38,787	51,852	2,112	24,000	15	12,000	13,740	32,751	12½
Lancs. and Yorks. Waggon	Mar. 31	14,914	7,867	22,781	...	8,000	10	...	14,781	12,822	10
Manganese Bronze, &c. ...	Dec. 31	*Dr.11,909*	12,117	208	...	...	...	...	208	1,589	...
Molassine Co.	Mar. 31	265	18,745	19,010	8,193	2,760	(*m*)	5,853	2,204	17,450	Nil
Newnes (George)	Mar. 31	55,482	116,597	172,079	25,000	60,000	20	20,000	67,079	116,183	20
Pearson (C. Arthur)	Mar. 31	27,047	72,240	99,287	13,750	39,375	15	...	46,162	72,136	15
Phosferine	Apr. 30	...	69,701	69,701	...	35,033 8,000	9 ord. 8 def.	17,000	9,668	...	...
S.D.H. Pianos.....	Feb. 28	...	43,384	43,384	11,774	24,863	20	2,184	4,563	...	...
Twyfords	Mar. 31	38,710	56,119	94,829	...	43,577	12½	12,500	38,752	54,990	15
Vocalion Gramophone	Mar. 31	23,216	95,437	118,653	...	80,000	40	...	38,653	96,627	40
Webb's Crystal Glass	Dec. 31	5,127	12,101	17,228	...	6,851	7	5,000	5,377	...	...

(*t*) 15 months. (*s*) 9 months. † Free of income tax. (*m*) 6·5666d. on ord. and 3·3996d. on deferred.

MINING OUTPUT STATISTICS FOR MAY 1929.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
GOLD.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	$	£
Ashanti	9,234	...	...	...	10,367	44,539	19,334
Associated Gold	5,151	...	...	...	...	9,902	...
Balaghat	4,850	...	2,432	583	3.015	...	...
Blackwater	3,350	...	...	...	...	5,455	510
Boulder Perseverance	6,329	...	...	...	...	13,685	Loss 894
Cam and Motor	24,600	...	...	...	12,506	53,030	23,514
Champion Reef	8,475	21,976	4,026	1,098	5,124	...	...
						Yen	Yen
Chosen Syndicate	8,050	...	...	...	...	112,950	32,450
El Oro	...	...	...	...	...	...	$5,552
El Oro La Noria	...	...	...	...	...	...	$14,632
Frontino & Bolivia	1,650	...	...	...	...	$5,073	...
Great Boulder Proprietary	9,451	...	...	...	...	26,049	...
Lake View and Star	7,975	...	...	...	...	9,681	Loss2213
Lena Goldfields	...	...	...	...	7,060	29,652	...
Lonely Reef	5,100	14,000	3,197	866	4,063	...	8,059
Luipard's Viei	23,500	...	5,941	...	5,941	...	4,396
Marmagito Mines	640	...	...	...	...	4,058	...
Mayfair Gold	1,862	...	...	...	768	3,230	54
Mysore	18,490	...	8,370	...	8,370	...	...
Nundydroog	10,528	18,309	5,478	1,168	6,646	...	...
Ooregum	14,000	17,000	6,438	856	7,294	...	...
Oriental Consolidated (*April*).	21,139	...	...	...	...	$77,500	$12,447
Oroville Dredging (Pato)	...	...	...	...	...	5,790	...
Rezende	6,400	...	...	...	2,913	12,624	5,014
Rhodesian Corp. (Exd. Mini.)	...	...	...	...	...	...	1,258
San Francisco Mines of Mexico	26,460	...	...	...	...	$306177	$178,252
Santa Gertrudis	49,493	...	...	...	...	$129885	...
Shamva	47,000	...	...	...	...	24,283	1,011
Sherwood Starr	4,800	...	...	...	...	8,515	3,024
Sons of Gwalia	14,358	...	...	...	...	12,152	...
South Kalgarli	9,090	...	...	...	...	17,142	3,013
St. John del Rey	...	...	...	...	...	36,600	...
Taquai & Abosso	7,435	...	...	...	...	12,734	...

	Tons Output.	Other Notes in Return.
TIN.		
Ampang (Perak)	16	Concentrates.
Anglo-Burma	6⅔	...
Anglo-Nigerian	56	...
Aramayo	425	Silver, 252,000 ozs.
Baba River	4	...
Bangron	65⅔	...
Batu Caves	48	Est. profit, £3,966.
Batura Monguna	2½	...
Bisichi	66	...
Chenderiang	28½	Est. value, £3,255.
Daffo	5	...
Ex Lands, Nigeria	50	...
Fabulosa	128	...
Fliani (Nigeria)	1⅔	Concentrates.
Geevor	70	Amount realised, £8,300.
Gopeng	83	Est. value, £9,685; est. profit, £6,985.
Idris Hydraulic	41⅔	Est. value, £4,550; est. profit, £2,724.
Ipoh	35⅓	...
Jantar	43	...
Jos Tin Area	22½	...
Kaduna Prospectors	24⅔	...
Kaduna Syndicate	32	...
Kagera (Uganda)	23	...
Kamunting	102	Est. value, £12,133.
Kasaa	17	...
Kent	54	Est. value, £5,985; est. profit, £3,930.
Kepong	25	Est. value, £2,862; est. profit, £975.
Kinta	28½	Est. value, £3,348; est. profit, £1,744.
Kinta Kellas	25½	Est. value, £3,150; est. profit, £1,634.
Kramat Pulai	18⅔	Est. value, £2,217; est. profit, £1,330.
Lahat	17⅔	Est. value, £2,198; est. profit, £370.
Lower Bisichi	5	...
Malaya Consolidated	83	...
Malayan	131	Est. value, £15,815; est. profit, £7,299.
Meni	14⅔	...
Naraguta Extended	10	...
Nigerian Base Metals	54	...
Nigerian Consolidated	20	...
Offin River Gold	8	...
Pahang Consolidated	220	Black tin.
Pengkalen	74⅓	Est. value, £9,250; est. profit, £7,275.
Petaling	220	Est. value, £24,267; est. profit, £16,334.
Rahman Hydraulic	71⅔	...
Rambutan	10⅓	Est. value, £1,355; est. profit, £485.
Rantau	26	...
Renong	37⅓	...
Ribon Valley	14⅔	...
Ropp	80	...
Rukuba	4	...
San Finx	26⅔	Wolfram, 15 tons. Est. value, £4,900.
Selayang	27	Concentrates.
Siamese	131⅔	...
South Bukem	14	...
South Crofty	65⅓	...
Southern Malayan	154⅔	Est. value, £18,368; est. profit, £11,663.
Southern Perak	91⅔	Est. value, £11,211; est. profit, £6,918.
Southern Tronoh	18	Est. value, £2,846; est. profit, £1,359.
Sungei Besi	46	Est. value, £5,917; est. profit, £2,107.
Sungei Kinta	26	...
Sungei Way	89½	Est. value, £9,700; est. profit, £5,600.
Taiping	47	Est. profit, £2,800.
Tanjong	30	Est. value, £3,500; est. profit, £1,750.
Teja Malaya	17⅔	Dredge, No. 2.
Tekka	45	Est. value, £5,170; est. profit, £2,985.
Tekka-Taiping	48	Est. value, £5,660; est. profit, £2,720.
Temoh	36⅔	...
Tin Fields of Nigeria	5	...
Tronoh	106	Est. value, £12,808; est. profit, £6,379.
COAL.		
Chinese Engineering	104,000	Coal sales week ended June 1.
Clydesdale (Transvaal)	50,314	...
Dundee	50,642	...
Durban Navigation	58,366	...
Natal Navigation	124,294	...
Singareni	59,950	...
South African	72,731	...
Tweefontein United	75,248	...
Vereeniging	267,705	...

	Tons Output.	Other Notes in Return.
COPPER.		
Mazapil Copper	...	860 metric tons copper matte; 643 tons lead concentrates; 1,242 tons zinc concentrates.
Messina (Transvaal)	582	...
DIAMOND.		
Crown	8,066	Carats.
New Vaal River	674	Value, £6,844.
Tanganyika Diamonds	3,131	Carats.
West African	13,600	Carats.
MISCELLANEOUS.		
Onverwacht Platinum	2,154	Crude platinum yield, 400 ozs.
Lydenburg Platinum	...	Tons milled, 3,580; 791 ozs. won.
Rhodesia Broken Hill	385	Slab zinc.
	145	Lead.

ANGLO-ORIENTAL MINING CORPORATION.—The following cabled advices have been received by the Anglo-Oriental Mining Corporation, Limited, regarding the May production of the affiliated tin companies: In the East: Larut, 80 tons; Jelapang, 33 tons; Kuala Kampar, 115 tons; Chaangkat, 54 tons; Rawang, 70 tons; Kundang, 37 tons; Tavoy, 51 tons; Theindaw, 3½ tons; total, 443½ tons. Nigeria: Associated Tin of Nigeria, 250 tons; Northern Nigeria (Bauchi), 160 tons; Mongu (Nigeria), 35 tons; Tin Properties, 15 tons; Juga Valley, 12 tons; Junction Tin Mine (Nigeria), 8 tons; total, 480 tons. Cornwall: Wheal Kitty, 50 tons; Polhigey, 31 tons; total, 81 tons.

THE BROKEN HILL PROPRIETARY COMPANY, LIMITED.—Report for four weeks ended April 24, 1929:—Coke ovens: The average number of ovens in operation was 76·22, the production for the period being: Coke, 12,733 tons; tar, 134,509 gallons; sulphate of ammonia, 164 tons. Benzol: Satisfactory quantities of refined motor spirit continue to be produced by this plant. Blast furnace dept.: Production of pig iron amounted to 14,972 tons. Open hearth dept.: Production of Ingot steel amounted to 20,418 tons. Blooming Mill: This mill produced 19,853 tons of blooms and billets for the period. 28-in. Mill: The output from this mill amounted to 14,903 tons of rails, beams, billets, angles, clutch bars, and sheet bar. Broken Hill: The slime plant working without interruption treated 12,191 tons of oxidised slime tailings, producing 1,646 tons of lead concentrates, assaying 40 per cent. lead and 17 ozs. silver per ton. The despatches to Port Pirie smelters amounted to 1,472 tons.

BROKEN HILL SOUTH, LIMITED.—For the four weeks ended June 1, 1929, 22,220 tons of crude ore were treated and produced 4,359 *tons of leady concentrates* assaying 67 per cent. lead and 24 ounces silver per ton; also 3,954 tons of zinc concentrates assaying 49 per cent. zinc. Decreased output due to labour holidays, and three days' strike.

BURMA CORPORATION, LIMITED.—(Incorporated in India.)—Cable advices received this day report:—During the month of May 40,747 tons of ore were mined, including 4,278 tons of high-grade ore. 30,600 tons of ore were milled in the treatment plant, producing 10,010 tons of leady concentrates. 15,850 tons of lead-bearing material, including 3,715 tons of high-grade ore, were smelted in the blast furnaces, producing 7,955 tons hard lead for treatment in the refinery. Refinery products were 6,567 tons refined lead, and 623,222 ounces refined silver. Of silver production, 46,976 ounces were recovered from the treatment of copper matte. Zinc plant produced 4,900 tons zinc concentrates, assaying 8·59 ounces silver, 4·27 per cent. lead and 52·9 per cent. zinc. In addition to the above, 1,193 tons copper matte were produced from the treatment of accumulated smelter by-products and 4,342 tons copper ore; 100 tons of refined antimonial lead were also produced. Included in the tonnage of refined lead is 287 tons recovered from the smelting of copper ore.

EAST POOL.—May:—Tons of ore milled, 7,464; tons of black tin recovered, 84·75 lbs.; black tin recovered per ton of ore milled, 25·44; tons of arsenic recovered, 25. Estimated revenue, £10,200. [April, £10,008.]

ELECTROLYTIC ZINC CO. OF AUSTRALASIA, LIMITED.—Production during four-weekly period ended May 29th: 3,982 tons zinc, of which 70 tons used at the works. Silver-lead product for shipment to Port Pirie for realisation containing 560 tons lead, 68,000 ounces silver.

SULPHIDE CORPORATION, LIMITED.—During the four weeks ended May, 18 1929, 11,135 tons of Central Mine-ore, together with 1,630 tons of slimes, were milled at the Central Mine, producing 1,955 tons of leady concentrates (including 70 tons from the de-leading plant), which assayed 53 ozs. silver, 67 per cent. lead, together with 3,055 tons of zinc concentrates assaying 7 ozs. silver, 4 per cent. lead, and 50 per cent. zinc per ton, and 184 tons special slimes, assaying 8 ozs. silver, 12 per cent. lead and 6 per cent. zinc per ton.

ZINC CORPORATION.—May:—Lead concentrator treated 24,105 tons of ore, producing 5,485 tons of lead concentrates and 4,212 tons of *zinc concentrates*. Estimated gross profit, with lead at average price for May (£23 17s.), zinc at contract flat rate, silver 2s. (£27,847). Variation for each £1 fluctuation in price of lead, £3,381. [April profit, £27,515.]

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Latest Year.	Previous Year.
RAILWAYS.					
Bengal and North Western	9%*	July 29	Less tax 2/2 in £.	...	...
New York Central	2%	Aug. 1	...	...	...
Rohilkund and Kumaon	7%*	July 29	Less tax 2/3 in £.	...	...
BANKS.					
Barclays (Dominion, Colonial and Overseas) A and B	4%*	July 18	Subject to tax 3/- in £	...	...
Irving Trust Co.	4%	July 1	...	...	...
INSURANCE.					
Eagle, Star, &c., Insurance	5%	July 1	Less tax	...	...
TEA AND RUBBER.					
Anglo-Ceylon & General Estates	10%†	...	Less tax	15	20
Borhat Tea	7%†	...	Less tax	10	12½
Dekhari Tea	45%†	...	Less tax	55	55
Jorehaut Tea	17½%†	July 2	Less tax, 27½ 3/2·84 in £.	27½	37½
Manchester North Borneo Rubber	...	...	Less tax	6	12½
Medini Rubber	...	June 26	Less tax	12½	12½
Rim (*Malacca*) Rubber	...	July 2	Less tax	7½	7½
Rini (Java) Rubber	...	...	Less tax	10	7½
Sedenak Rubber	5%*	July 10	Less tax, 4/- in £.	...	...
Straits Plantations	...	...	Less tax, 4/- in £.	10	...
MINING.					
Apex Mines	3⅛%*	Aug. 10	Less tax	...	...
Brakpan	4/9 p.s.	...	Less tax	...	...
Cam and Motor Gold	12½%	...	Less tax	...	...
Consolidated Main Reef	5%	...	Less tax	...	...
Crown Mines	32½%	...	Less tax	...	...
De Beers Consolidated (Def.)	20%*	...	Less tax	...	...
Geduld	15%	...	Less tax	...	...

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Latest Year.	Previous Year.
Geldenhuis Deep	2½%	...	Less tax	...	...
Gopeng Consolidated	9d. p.s.	July 6	Less tax	...	...
Government Gold Mining Areas	2/3 p.s.	Aug. 8	Less tax	...	...
Idris Hydraulic Tin	5%*	June 29	Less tax	...	...
Jelapang Tin	2½%	June 29	Less tax	...	...
Johannesburg Consolidated	1/6 p.s.	Sept. 12	Less tax	...	...
Langlaagte Estate	1/6 p.s.	Aug. 8	Less tax	...	...
Kundang Tin	2½%	June 29	Less tax	...	...
Messina (Transvaal)	20%*	July 4	...	...	...
Minerals Separation	20%†	July 6	Less tax	25	...
Modder B.	40%	...	Less tax	...	...
Modder Deep	65	...	Less tax	...	...
Modder East	10%	...	Less tax	...	...
Natal Navigation Collieries	3½%†	...	Less tax	8½	10
New Era	3d. p.s.	...	Less tax	...	...
New Modderfontein	70%	...	Less tax	...	...
New State Areas	1/6 p.s.	Aug. 8	Less tax	...	...
Pengkalen	5%	July 25	Less tax	...	...
Rand Mines	50%	...	Less tax	...	...
Rand Selection	9d. p.s.	...	Less tax	...	...
Rezende Mines	12½%	...	Less tax	...	...
Robinson Deep A	1/6 p.s.	...	Less tax	...	...
San Francisco of Mexico	1/6 p.s.*	July 10	Less tax 4/- in £.	...	...
Santa Gertrudis Co.	1/6 p.s.*	July 10	Less tax	...	...
Sherwood Starr Gold	10%	...	Less tax	...	...
South African Coal	2½%	...	Less tax	...	...
Springs	3/6 p.s.	...	Less tax	...	...
Sub-Nigel	2/- p.s.	...	Less tax	...	...
Van Ryn Deep	3/6 p.s.	Aug. 8	Less tax	...	...
Van Ryn Gold	2½%†	...	Tax free	5	5
Village Deep	2½%	...	Less tax	...	...
West End Diamonds	10%	...	Less tax	...	...
West Springs	1/- p.s.	...	Less tax	...	...
OTHER COMPANIES.					
Aberthaw Cement	5%†	...	Less tax	8½	12½
Apex (Trinidad) Oilfields	22½%*	July 16	Less tax 2/0·3d. in £.	...	...
Assam Railways &c. A	8	July 4	Less tax	...	...
Australian Agricultural	3%†	July 19	Tax free	5½	6½
Canadian Wallpaper	...	...	Less tax	6	3
Foster Clark	15%*	July 1	Less tax	...	...
Greening (N.) and Sons	5%†	...	Less tax	7½	7½
Hellenic and General Trust	3%*	June 28	Less tax	...	...
Hoare and Co.	13%†	...	Less tax	22	19
Lisbon Electric Tramways	4%†	July 1	Tax free	7	6
National Dominion and General Investment	7*	July 1	Less tax	...	...
New River Co.	...	...	Tax free	20	18½
Ohlssons' Cape Breweries	7%†	...	Less tax	10	10
Omnium Investment	10*	July 1	Less tax	...	...
Phipps (P.) and Co.	5%*	July 10	Tax free	...	...
Rayweavers	...	...	Less tax	5	...
Roberts (J. F. and H.)	3⅛%*	...	Less tax	...	...
Scottish Stockholders Investment	2½%*	July 6	Less tax	...	...
S.D.H Pianos	...	...	Less tax	20	...
St. James' Court Estate	3%*	July 1	Less tax	...	...
Stuttaford and Co.	4½%*	July 2	Free of Cape Tax.	...	...
United States Trust of Scotland	8%†	...	Less tax	14	...
Vocalion Gramophone	10%†	July 2	Less tax	40	40
White, Tomkins and Courage	...	...	Less tax	10	10

Reports and Notices.

Associated Electrical Industries, Limited, announce that, having decided to retire from active business, Mr. H. C. Levis has tendered his resignation as Chairman of Associated Electrical Industries, Limited, and it has been accepted with regret. Sir Felix J. C. Pole, General Manager of the Great Western Railway, has been appointed Chairman in his place, and will give his whole time to Associated Electrical Industries, Limited, except that the Great Western Railway have a call on his services in a consultative capacity.

GOVERNMENT STOCKS, &c.

3½ PER CENT. METROPOLITAN CONSOLIDATED STOCK.—Holders of this stock, due October 6, 1929, are reminded that the list of applications for conversion into 4½ per cent. London County Consolidated Stock will be closed on June 25, 1929. Any 3½ per cent. Metropolitan Consolidated Stock not converted will be redeemed at par on Monday, October 7, 1929.

MISCELLANEOUS.

JOHN BROWN AND COMPANY, LIMITED.—The net profit for year ended March 31, 1929, was £87,262, against £67,390 for preceding year. The preference dividend absorbed £87,500. The carry forward is reduced from £91,163 to £90,925. The directors have before them the necessity for dealing with the book value of the fixed assets and investments, which are in excess of present values, notwithstanding the depreciation which has been applied in the past. The shareholders may, however, rest assured that this situation will be dealt with whenever the directors consider the proper time for doing so has arrived. Cash and bills stand at £46,294, against £62,116. Debtors are at £438,099, against £484,262. Reserve account remains at £300,000. Contingency account is £325,000, against £375,000.

SALTS (SALTAIRE) LIMITED.—The profit and loss account for year ended March 31, 1929, reveals a decline in trading profits from £133,728 to £45,234. Gross income from investments amounted to £85,814, against £85,453. Over provision for income tax brought in £29,467, making a total income of £160,515, against £219,182 for preceding year. Directors' fees again absorbed £4,000. No income tax has been paid against £16,875. The depreciation fund again receives £40,000. Debenture interest took £64,280, against £66,199. The net profit is reduced from £92,108 to £52,235. The total available amounted to £149,722. Preference dividend for year ended March 31, 1926, paid during year ended March 31, 1929, amounted to £84,000. The amount at credit of profit and loss is £65,722, against £97,487 a year ago. Bank overdraft is now £404,057, against £242,833. Cash is at £465, against £693.

DECCA RECORD COMPANY, LIMITED.—A group holding a large proportion of the shares of the company has appointed a committee, at the request of the directors, to investigate the position. The board has expressed its desire to co-operate with the committee to the fullest extent, and, meantime, the committee is assured that the company has ample resources and is in a strong financial position. The committee is composed of the following members: Sir Duncan Watson, J.P., Sir W. Harry Peat, K.B.E., Brendan Bracken, M.P., F. W. Rickett, E. R. Lewis.

THE UNITED MOLASSES COMPANY, LIMITED.—The National Distillers Products Corporation of New York has contracted to sell to the United Molasses Co., Limited, of London, its molasses business represented by stock ownership in the Old Time Molasses Co., a Cuban corporation, also 100 per cent. of the Solex Car Line Corporation, and one-half interest in the Eastern Alcohol Corporation, which owns and operates one of the world's largest and most up-to-date industrial alcohol plants, located in Philadelphia; the other half interest in the Eastern Alcohol Corporation is owned by E. I. Dupont de Nemours and Co. The purchase price will be satisfied partly by payment in cash and partly by an issue to the vendors of 200,000 fully paid United Molasses Co., Limited., ordinary shares, which will rank *pari passu* in every respect with the existing ordinary shares. In addition, 80,000 fully paid ordinary shares have been issued *in exchange for shares in companies which were already partly* owned by the United Molasses Co., Limited.

MARCONI'S WIRELESS TELEGRAPH COMPANY, LIMITED.—The committees representing the two classes of £1 shareholders have felt obliged to hold up the formation of the proposed investment company, pending the decision on the proceedings instituted in the Chancery Court by an independent £1 shareholder. The result of these proceedings, which accorded with the committees' expectations, has in no way modified their views as to the expediency of proceeding with the plan to form such investment company. They have received sufficient support to justify, in their opinion, the formation of this company forthwith.

VOCALION GRAMOPHONE COMPANY, LIMITED.—Trading profits for year ended March 31, 1929, amounted to £102,094 against £76,941 for preceding year. To this sum must be added £13,635

THE

CEMENT INDUSTRY

A series of three articles dealing with Cement and Cement Companies has been arranged to appear in the *Investors' Chronicle*. They are the outcome of an exhaustive enquiry by Mr. Roy Hopkins extending over many months. The first article appeared in the issue of 15th June. The subsequent articles will appear on 22nd June and 29th June, respectively.

This week's article discusses:—

NATIONAL MONOPOLY AND WORLD COMPETITION IN THE BRITISH CEMENT INDUSTRY

It will show that the British cement industry has moved towards rationalisation more quickly, perhaps, than any other industry, an achievement accomplished, however, only after a fierce struggle.

In the third article Mr. Hopkins will deal with the financial position of the leading British cement companies and will make a survey of market prospects.

The Investors' Chronicle may be obtained at all bookstalls and newsagents throughout the country, or a copy of each of the three issues containing these articles will be sent, post free, on receipt of **1s. 9d.**, by

The Publisher:

"THE INVESTORS' CHRONICLE"

14, BISHOPSGATE, LONDON, E.C.2

derived from profits on realisation of, and dividends on, investments making total profit £115,729, from which has been deducted £20,291 for depreciation and amortisement of copyrights, &c., leaving a net profit of £95,438 against £96,627 for preceding year. The ordinary dividend is again 40 per cent. The carry forward is £38,653 against £23,216 brought in.

TREDEGAR IRON AND COAL COMPANY, LIMITED.—The report for the year ended March 31, 1929 points out that the heaviest depression which has ever affected the coal industry characterised the opening of the company's financial year, and not until November was any improvement apparent. The arrangement of a minimum price for South Wales coals had a good effect and the state of trade made it possible to obtain more remunerative prices from January, 1929, onwards. The company has obtained some advantage from the railway rates rebates, which came into force on December 1, 1928. The profit secured was £46,151 against £11,852 for preceding year. The sum of £10,000 is put to depreciation. A dividend of 2½ per cent. free of tax is paid on "A" and "B" shares, against nothing for preceding year. The carry-forward is reduced from £47,819 to £40,693. Bank overdraft has disappeared from the balance sheet. It was £22,257 in March 31, 1928, balance sheet. Cash is at £86,705, against nothing a year ago.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

All cereal crops in the United Kingdom have derived considerable benefit from the recent spell of fine weather, and spring sowings now present a healthy appearance after an indifferent start, while winter wheat indicates a fairly good yield. Limited offerings of native varieties came to a sluggish market, and prices for the most part were nominally unaltered. Imported descriptions, however, were in fair request, and rates generally firm, a good clearance being effected of Australian and Plate cargoes on passage and for early shipment. Canada is putting forward offers freely, but buyers are reluctant to follow the upward trend in view of the heavy statistical position, and meanwhile are able to cover their pressing requirement on more favourable terms from the southern hemisphere. The United States Farm Relief Bill has now been passed in an amended form, but being already discounted exercised no influence on the market, as in any case surplus stocks are not reduced thereby and must eventually be offered for export. The new winter crop gives every promise of a larger yield than last year; harvesting is progressing steadily, and will soon become general. The progress of the new crops now claims chief attention in the international situation, and is apparently a more influential factor than the North American surplus, being mainly responsible for the present firmness. Canada reports rain in some districts, but more moisture is needed. Conditions are similar in Argentina, but the Australian crop is making satisfactory progress, and European prospects are maintained. Weekly shipments continue on a liberal scale but only moderate arrivals occurred at United Kingdom ports. Of feeders, Plate maize ruled firmer on a good demand for both cargoes and parcels to the U.K., and improved inquiries from the Continent, sellers adopting a reserved attitude, but South African offers are restricted, very little being available before August-September shipment. Feeding barley also firmer, but oats neglected and in buyers' favour.

Wheat.—Quiet. No. 2 Northern Manitoba, ex-ship, 45s. 9d.; No. 3, ditto, 45s.; No. 4 Manitoba, 43s. 9d.; No. 5, 39s. 6d.; No. 6, 38s. 3d.; Rosafe, 64 lbs., 40s. 9d.; Barusso, 63½ lbs., for shipment 40s. 6d.; Australian, 44s. ex-ship, per 496 lbs. English, 9s. 5d.-9s. 8d. per 112 lbs.

Flour.—Quietly steady. London, straight run, 34s. per sack delivered. Of imported, Manitoba patents range from 33s. 6d. 36s. 6d., Minneapolis, 34s. 6d.-35s. 6d.; Australian, 31s. 6d.-32s. ex-store, per 280 lbs.

CENTRAL HANOVER
BANK AND TRUST COMPANY

MAIN OFFICE
70 Broadway,
New York.

Commercial and
Foreign Banking

London
Representative
C. Noël Hume
1 & 2 Gracechurch
Street, E.C.3

Complete Fiduciary
Service Personal and
Corporate

Capital, Surplus and Undivided Profits Over
One Hundred Million Dollars.

Maize.—Steady. Plate, landed, 37s., ex-ship to arrive, 35s. 6d.; May-June, 35s. 6d.; June-July, 35s. 6d.; July-August, 35s. 6d.; August-September, 35s. 9d. per 480 lbs. Yellow maize meal, £10 5s. per ton f.o.r. London.

Barley.—Inactive. Californian, ex-ship, 41s.-45s.; Chilian, ex-store, 40s.-50s.; Australian, 41s.-44s. 6d.; Smyrna, 44s.-47s. per 448 lbs. Algerian-Tunisian, ex-ship, 28s. 3d.; Canadian feed, 28s. 3d.; No. 3, Canadian Western, ex-ship, 30s. 9d.; landed, 31s. 9d.; No. 4, ex-ship, 29s. 6d.; No. 2, Federal American, landed, 29s. 3d. per 400 lbs. English malting, 10s. 6d.-11s. 2d.; feed, 9s. 8d.-10s. per 112 lbs.

Oats.—Dull. Plate, landed, 24s.; ex-ship to arrive, 23s.; No. 1 Canadian feed, 23s.; No. 2 ditto, 22s., ex-ship; mixed Canadian feed, ex-ship to arrive, 18s.; landed, 19s. 3d.; Chilian white, ex-ship 26s. per 320 lbs.; English, 9s. 8d.-10s. per 112 lbs. Scotch landed, 29s. per 336 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to June 15	Qrts. 70,952	Qrts. 183,780	Qrts. 118,930	Qrts. 88,474
40 weeks to June 15	9,336,932	10,312,158	11,243,242	12,703,496
Average price of English wheat per cwt.	s. d. 9 7	s. d. 11 0	s. d. 12 9	s. d. 13 6

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold.			Average Price per Cwt.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Qrts.	Qrts.	Qrts.	s. d.	s. d.	s. d.
June 8	67,167	9,771	11,888	9 7	10 0	9 6
June 15	70,952	15,106	11,468	9 7	10 3	9 6
June 13, 1925..	208,401	24,668	32,810	13 0	10 6	10 5
June 12, 1926..	115,321	19,420	21,069	13 5	9 2	9 11
June 18, 1927..	118,930	10,077	36,922	12 9	11 5	10 3
June 16, 1928..	183,780	12,202	13,709	11 0	11 2	12 9

AMERICAN WHEAT MARKETS.

After a fairly steady rise owing to the need of rains in the chief growing districts, there was a sharp drop upon the news that the drought had broken. This was, however, shortlived, owing to the strength of cash and export demand, and the close was higher on the week. Quotations :—

Nearest Future.	Jan. 4, 1928.	Jan. 2, 1929.	June 20, 1928.	June 5, 1929.	June 12, 1929.	June 29, 1929.
Winnipeg (No. 1 Manitoba) —Cents per 60 lb.)	156½	122	136⅜	115	114½	116⅞
Chicago (No. Winter)— Cents per 60lb.	166½	116⅜	137⅛	107	105⅞	109⅛

Visible supplies of wheat in Canada at 65,511,000 show a decrease of 833,000 as compared with the previous week's figures. Supplies a year ago stood at 62,477,000.

THE COAL TRADE.

Our Sheffield correspondent writes :—The position of the coal industry is fairly steady, the only notable weakness being the house coal section. Demand for industrial fuel tends to improve and there is no surplus of coal suitable for export. Blast-furnace coke is fairly strong in the home market, with moderate business being done abroad.

Our Glasgow correspondent writes :—Shipping business is being hampered by a scarcity of vessels, which is preventing shippers from taking up the quantities for which they are committed and leading to some price-cutting on the part of the collieries. The registered collieries are not affected at the moment through the shortage of ships. The Lothian collieries are still in need of business in steams, and in Lanarkshire all round coals are slow of sale. Shipping prices are approximately as follows (f.o.b. district ports) :—Lanarkshire.—Ell best, 14s.; splint best, 16s.; splint second, 15s. 6d.; navigation, 17s. 6d.; navigation second, 15s.; steam, 13s.; Hartley, 16s. 6d.; trebles, 14s. 6d.; doubles, 13s. 3d.; singles, 12s. 6d.; pearls, 11s. 6d.; dross, 10s. Fife.—Screened navigation, 17s. 6d.; first-class steam, 14s. to 14s. 6d.; third-class steam, 12s. to 12s. 6d.; trebles, 14s. 6d. to 15s. 6d.; doubles, 13s. 6d.; singles, 12s.; pearls, 11s. Lothians.—Prime steam, 13s.; secondary steam, 12s. 6d.; trebles, 14s.; doubles, 13s. 6d.; singles, 12s. 3d.; pearls, 11s. Ayrshire.—Unscreened navigation, 16s. 6d.; jewel, 16s. 6d.; steam, 13s. 3d.; trebles, 13s. 9d.; doubles, 13s. 3d.; singles, 12s. 9d.; pearls, 11s.; dross, 10s. 6d.

Our Cardiff correspondent writes :—There has been no improvement this week in the general position on the Cardiff coal market Prices of sized and small coals have continued very firm, but there is something like a glut of large coals, and it is only loyalty on the part of salesmen to the minimum price schedule that is preventing a fall in quotations. Stocks are accumulating, and in some of the districts pits are less regularly employed than they have been at any other period this year. In these altered conditions there is a more insistent demand for output regulation, and hopes are now entertained that the conflicting views of some of the more important groups as to the respective merits of output control and price control will ultimately be reconciled on the basis of a scheme embodying both methods of regulation. The Buenos Ayres Electricity Works have placed a contract for 100,000 tons and an inquiry for a further 100,000 tons is anticipated, while there are also expectations that an order will be placed during the next few days by Australian buyers for 40,000 tons of Monmouthshire coals. The following are the current approximate quotations :—Best Admiralties, 19s. 9d. to 20s.; seconds, 19s. to 20s.; best drys, 19s. to 19s. 6d.; Black Veins, 18s. to 18s. 6d.; Western Valleys 17s. 9d. to 18s.; Eastern Valleys, 17s. 6d. to 17s. 9d.; best small steams, 13s. 9d. to 14s.; cargo smalls, 12s. to 13s.; coking smalls, 14s. to 14s. 6d.; anthracite, best large, 33s. to 36s. 6d.; Red Vein, large, 23s. to 27s.; machine-made cobbles, 40s. to 44s.; French nuts, 42s. to 44s.; stove nuts, 39s. to 42s. 6d.; rubbly culm, 10s. to 10s. 6d.; foundry coke, 27s. 6d. to 36s. 6d.; patent fuel, 20s. 6d. to 21s. 6d.; pitwood, ex ship, 27s. to 27s. 3d.

IRON AND STEEL.

We extract the following from the weekly report of The London Iron & Steel Exchange :—Some improvement was noticeable in the iron and steel market in the latter part of last week, when a fresh spurt of buying took place which to some extent has been continued. It is realised that we have now entered upon the quiet time of the year, but business is maintained in a fair volume, although the export trade has not come up to the expectations entertained a month or two ago. This, however, is generally attributed to the financial stringency which is affecting some of the most important of the overseas markets. In the home market the pig iron position has become firmer if anything, and the shortage of North East Coast iron and the difficulty of obtaining parcels for near delivery has led to an improved demand for iron from other districts. In the semi-finished department also business continues brisk, and the British works are doing well as a result of the scarcity and high prices of Continental material. The demand for finished iron and steel has been somewhat irregular, and the quieter demand from the shipyards is affecting this section of the market. Nevertheless, the general volume of business is good.

Our Middlesbrough correspondent writes :—A firm tone pervades the market, but business in Cleveland iron is considerably restricted, owing to the shortage of supplies. There are no indications of any increased quantities being available from makers for the open market, and as merchants have now very little local iron to offer, consumers have to look to other districts for supplies, and further important purchases of Northants iron are reported. Second-hand holders of Cleveland have realised 72s. 6d. for small odd lots of No. 3 for early delivery, and this was the nominal figure at Tuesday's weekly market, No. 1 being 75s., No. 4 foundry 71s. 6d., and No. 4 forge 71s. Shipments of all kinds of pig iron to June 18th total 16,105 tons, against 23,710 tons to May 18th. A fair trade is passing in hematite. Makers have moderate quantities available for this month and for July onwards full supplies can be secured. The price for mixed numbers is firm at 74s. and for No. 1 74s. 6d. The demand for steel on home account at the recently advanced prices is quiet, but producers have important tonnages on their books at the old figures which keeps them busy, and a fair amount of export business is being secured. Home prices are unchanged, viz., steel plates, £8 12s. 6d.; angles, joists and channels, £8 2s. 6d.; subject to rebates. Outside the rebate scheme iron crown bars are unchanged at £10 15s. 0d.; heavy steel rails, £8 10s.; black sheets, 21/24-gauge, £10 10s. 0d.; galvanised corrugated sheets, 24-gauge, £13 15s. 0d. The demand for coke is increasing, and prices have an upward tendency. 20s. is now a minimum for good average qualities delivered works, and 20s. 6d. is quoted for some brands. There is not much new business in ore, but sellers are not pressing for business. Best rubio is firm at 23s. 3d. to 23s. 6d. c.i.f. Tees. The number of furnaces in blast in this district is increased to 44, two at Jarrow having been blown in on Tuesday.

Our Sheffield correspondent writes :—Makers of Sheffield's staple steel goods are benefiting in increased orders, from the expansion of trade in some of the great industrial centres of the country. Sheffield has only gained in a limited degree by this revival, as her railway, steel and waggon plants are still badly depressed. Under plans of rationalisation a local tyre plant—one of the largest in the country—has been closed, and the work previously booked there will be transferred to other plants. Specialities in steel are selling freely and several departments are on full time. On the other hand business still drags in ordinary commercial lines and prices are cut to the bone owing to excessive competition. The output of acid steel is abnormally low. Business in basic steel is active and the output of the Lincolnshire works is being increased to meet the heavy demand. Tool steel is doing a little better. Exports of tools and cutlery show a tendency to expand, although the abnormal proportion of small orders militates against profitable operation.

Our Glasgow correspondent writes :—In Glasgow and district there is no great activity in the iron and steel markets. Pig-iron business continues to be on a small scale and the output of the furnaces still in blast is more than sufficient for present requirements. There has been a better demand for plates during the current week and on the whole steel makers are fairly well placed with orders for early delivery. The demand for British semis is also fairly steady but no betterment is noted in the malleable iron trade. The position at the tube works remains highly satisafctory. The improvement in the demand for galvanised sheets is maintained and meantime prices are held firm although export buyers are endeavouring to place business at reduced prices.

Our Cardiff correspondent writes :—In the iron and steel trade conditions continue, on the whole, fairly satisfactory. Exports of tinplates last month established a new record, while those of galvanised sheets were also in excess of the recent monthly average. Prices of both these products, however, are unaltered, and quotations for Welsh and foreign tinplate bars are stationary on the basis of last week's figures.

OTHER METALS.

Tin.—The standard market presented firmer features, sellers being somewhat more reserved in face of improved American and Eastern advices, also a better general demand, though a good deal of irregularity was noticeable at times. Stocks in London and Liverpool warehouses for week ending June 15th amounted to 8,498 tons, compared with 1,559 tons at same period last year. Standard cash changed hands at £201-£202 7s. 6d.; three months, £205 10s.-£204 5s., £206 5s. and £205 10s. In the East, sales were reported at £205-£208-£207 10s. and £208 17s. 6d. per ton c.i.f. terms.

Copper proved a quiet market, and, with sellers prominent, a weaker tone resulted, dealings being chiefly in cash and early positions. Standard, cash, sold, £75 10s. to £72 15s.; three months, £74 17s. 6d. to £73 ton.

Lead slightly irregular but firmer on balance, with a fair business in force. Good soft foreign pig, June, sold, £23 15s. to £23 18s. 8d.; July, £23 15s.-£23 18s. 9d.; September, £23 13s. 9d. to £23 16s. 3d. U.K. consumption for May, 23,426 tons, against 23,628 during April.

Spelter market opened easier, but steady since on improved inquiries. June, sold, £26 3s. 9d.-£26 1s. 3d. and £26 2s. 6d.; July, £26-£26 1s. 3d. and £26; August, £26 to £26 1s. 3d.; September, £25 18s. 9d. to £26 and £25 18s. 9d.; October, £26 ton.

Aluminium steady. Ingots and bars for home delivery, £95 per ton.

Antimony slow. English regulus, £48 to £52; foreign spot, £34 to £34 10s. ton.

Wolfram quiet. Straits nominally quoted 31s. per unit c.i.f.

Quicksilver quiet. Spot, £22 2s. 6d. to £22 7s. 6d. per bottle.

Tin Plates quiet. I.C. coke, prompt and forward, 18s. 4½d. to 18s. 7½d. per box f.o.b. Swansea.

Facilities for Travellers in S. America

Travellers to Latin-American countries can obtain valuable facilities through the Bank of London & South America. With branches and agencies at all strategical points, this Bank issues letters of credit, renders status reports on South American firms, supplies a free Monthly Review of market information, and offers a complete international banking service between Great Britain and South America.

Estd. 1862.

BANK OF LONDON & SOUTH AMERICA LIMITED

6, 7 & 8, Tokenhouse Yard, London, E.C.2

MANCHESTER: 36, Charlotte Street.
BRADFORD: 33, Hustlergate.

Affiliated to Lloyds Bank Limited.

THE COTTON TRADE.

LIVERPOOL, June 19th.

The market continues featureless with very little business passing. Spot sales for the week 13th to 19th (inclusive) are 43,000 bales, of which 26,930 are American, 2,050 Brazil, 2,850 Argentine, 2,900 Peru, 3,550 Egyptian, 2,600 African, 1,550 East Indian, and 570 sundries. Imports for the same period are 23,816 bales, of which 4,217 are American, 3,644 Brazil, 3,429 Argentine, 3,318 Peru, 2,122 Egyptian, 1,921 African, 4,534 East Indian, and 631 sundries. Quotations to-day are: American Middling, 10·20; Egyptian Sakel, 16·40; Egyptian Uppers, 11·26; Brazil Fair, 10·30; Peru G.F. Mod.-Rough, 12·50; Peru G.F. Smooth, 11·15; West African Middling, 10·25; East African G.F. 11·45.

MANCHESTER, June 19th.

The tone of the market has been rather firmer and inquiry has shown some expansion. Spinners and manufacturers, however, complain of offers being on a very low basis and progress in the way of securing contracts has been difficult So far the wages question has not had any vital effect upon the market, but it is realised that a serious labour situation may arise towards the end of next month. The feature of interest during the week has been the better advices from China. At the auction sale in Shanghai on Tuesday a revival of demand was experienced, and the clearances showed an increase of 30 per cent. on the previous auction, with higher prices all round. More new business has been attempted, especially in white shirtings and dyed goods. No particular development has occurred in the off-take for India, but a few more contracts have been arranged in dhooties for the up-country markets and in bleached shirtings for Bombay. No activity worth mentioning has been reported for the several minor outlets, but steady buying has taken place in home trade fabrics. Rates in American yarns have been rather firmer and some spinners have sold a little more freely. Business in Egyptian counts has been patchy.

Statement of the Cotton Trade.

	1929.				Corresponding Date.	
	May 29.	June 5.	June 12.	June 19.	1928.	1927.
	d.	d.	d.	d.	d.	d.
Raw Cotton—Mid. American .....per lb.	10·20	10·26	10·14	10·20	11·45	9·26
— Sakellaridis Fully Good Fair Egyptian .....per lb.	17·05	17·25	16·80	16·40	20·50	17·00
Yarns—32's twist .....per lb.	15	15	15	15	16¼	15¼
— 40's weft .....per lb.	15½	15½	15½	15½	17	16
— 60's twist (Egyptian) .....per lb.	25½	25½	25½	25½	30½	28
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
32-in. Printers, 116 yds., 16 by 16, 32's and 50's.....	25 3	25 3	25 0	25 0	26 4½	26 0
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's.....	27 9	27 9	27 9	27 9	29 3	27 9
38-in. ditto, 38 yds., 18 by 16, 10 lb.	15 0	15 0	15 0	15 0	15 4½	14 1½
39-in. ditto, 37½ yds., 16 by 15, 8½ lb.	13 4½	13 4½	13 4½	13 4½	14 3	13 4½

THE WOOL TRADE.

Our Bradford correspondent, writing on Wednesday, says:—There is, perhaps, a more general feeling that prices have touched bottom, but it cannot be said that spinners and manufacturers are at all responsive. Users everywhere still appear to be waiting for a lead, though no one seems to have any idea as to the quarter from which it may come. Probably little will be done until the raw material position has again been tested, and for this reason the London auctions which open next month are awaited with considerable interest. There is no doubt that a firm series in Coleman Street Wool Exchange would materially assist in restoring confidence both in the West Riding and on the Continent. New business in tops is of a retail character, and low prices are still being offered, but several of the larger topmakers are practically out of the market; they realise that under existing conditions they cannot make the prices which they need if the cost of production be taken into account, and so they prefer to maintain their recent quotations and wait for things to improve. Weak sellers, however, are to be found here and there, and the position generally is against the seller. The only exception is found in the lower qualities of crossbred tops, in which supplies are comparatively small and prices, therefore, remain steady. Little of interest has developed in the yarn market. Fine counts are plentiful and low prices are being accepted by firms who have stock or are anxious to keep machinery running. The wages question has been considered by the Emergency Committee of the Industrial Council, but the discussion yesterday proved abortive and the general position remains unchanged.

PLAYER'S WHITE LABEL
NAVY MIXTURE
—smoke it for a change—you won't want to change again.

2oz. POCKET TIN 1/10

COLONIAL WOOLS.

(FROM A CORRESPONDENT.)

The season will commence in Sydney on September 9th, and before then some of the earliest shorn Queensland clips will be on the Brisbane market. It is evident that wool is selling in Sydney on a level which is fully equal to the market value of tops in Bradford. It is agreed on all hands that merino wool is now at a price which should enable it to be handled profitably, and there does not seem to be any likelihood of bigger supplies of any class of raw material coming forward than can be absorbed if patience is exercised. The sale of the clips to be offered in Brisbane will be followed with close interest, for the prices realised will indicate how things are likely to go when selling begins in good earnest. The Australian clip is not likely to be much, if any, larger than last year. Though encouraging rainfall reports have been published recently, drought has been rather severe in various parts. This will militate against any increase in the quanttiy, as well as tending to the production of a slightly finer fibre. It has been quite appropriately commented in Bradford that the disappointment in handling the last clip has been intensified by the fact that a good deal of it was of excellent Bradford style. While conditions in consuming centres do not show any great improvement, there is evidence that the standing of the raw material is fairly sound. The declining tendency in merino tops has been checked, topmakers refusing to believe that it is impossible to sell without accepting lower prices. The stiffening in the attitude of topmakers has no doubt been largely induced by the firmness of wool, and it would really seem as if some of the reports received, even from the selling end of the trade, have been too pessimistic. Demand for tops has certainly not developed much, and the call for yarns by manufacturers is capable of considerable improvement. The future of prices is entirely dependent upon the development of machinery requirements, and if the dispute about the rate of wages payable to operatives could be settled, there would be a better prospect of getting more spindles and looms running.

HIDE, LEATHER AND ALLIED TRADES.

The home hide position is steadier to firm, and advances have been made at most provincial auctions this week, higher prices being expected at the Bermondsey auctions. Tanners are fighting the advances as much as possible as they fear they may upset the values of leather just as trade is opening up a little. Overseas hides share the firmness, and Argentine fregorifics are now quoted at 8¾d. with light at 8 3/16d. Saladeros are firm, and Russia is quoted as a buyer of Salto and Casablanca hides at 7 15/16d. Dry River Plates are also advancing, and sales of B.A. Americanos have been made at 12⅜d. African hides are again much in request, but the higher prices has affected business. Dry-salted Capes of first and second quality have sold at 12½d.-11½d. respectively. Australians are again firmer, and dry-salted Queensland meatworks have sold on a basis of 9½d. The Chicago market is cabled as steady with best heavy steers selling freely at 17 cents. Although prices are still rather unsettled, there is a better business doing in sole leather. Light bends from dry hides are wanted by shoe manufacturers, but it is a good sign that wet-salted bends of lighter weights are also being used for the better-class boots and shoes. Repairers are also busier, and merchants report good deliveries of the sorts of bends favoured by this section. Offal is selling rather better, and parcels of bellies and shoulders at firmer prices have gone into consumption. There seems a shade more confidence in the dressed leather section, and inquiries for box and willow calf have been frequent now prices are more established. Glacé kid in black and brown is still selling well, although shoe manufacturers seem unable to appreciate the fact that raw skins are dear, and want the finished leather at below cost. Suede and reptile leathers are also wanted, some varieties of the latter being scarce. Imports of dressed leather for the first five months of 1928–29 were valued at £3,827,147 and £2,876,776 respectively—a very decided fall, showing how dull the state of trade has been. Shoe manufacturers are busier, and many have enough orders in hand to last them for some weeks ahead.

JUTE TRADE.

DUNDEE, June 19th.

Trade in jute goods continues in a very quiet manner. Consumers are only purchasing small quantities to meet their immediate requirements, and spinners and manufacturers are compelled to continue their policy of curtailing production. Much machinery is standing, and the majority of the works are running only four days per week, closing down on Friday evenings till Tuesday mornings. Brighter prospects have appeared on the horizon through a better market for Calcutta goods during the past few days, and it is hoped that this may be the forerunner of an improvement generally throughout the trade. Users of jute cloth have operated sparingly during the past three months, and stocks are bound to be greatly reduced. Especially noticeable has been the lack of demand for linoleum hessians, and it is the works engaged in the production of these which are most severely hit. Ordinary hessians are not so badly off, the widths ranging from 45 to 60 in. being quite busy. Unless conditions improve, the works will probably be off for two to three weeks at the holiday period at the end of July. The raw material is not being allowed to fall in price, even though the prospects for a good crop in the coming season are bright. Sellers are maintaining a very reserved attitude, and appear afraid to sell "bear." Offers therefore are very few. Supplies of old crop are decreasing. The forecast has again been exceeded, the quantity accounted for during the eleven months ending May 31st being 10,300,000 bales, against 9,916,000 bales estimated in September last. Prices of jute are from £33 for First Marks and £31 for good Lightnings, August/September shipment, while Daisee assortment rules at £29 10s. for long group to £30 for short group, and Tossa assortment at £31 10s. for good marks, October/November shipment.

Jute yarns have declined in value in face of a meagre demand. Common 8 lb. cops are offered at 3s. 1d. to 3s. 2d., and 8 lb. spools at 3s. 2d. to 3s. 3d. There are buyers at 3s. 0d. and 3s. 1d. respectively, but spinners will not reduce their prices further, owing to the fact that the cost of the raw material is even relatively higher than their quotations. Twist is from 5 3/16d. to 5⅜d. for 3-ply 8 lb., and 24 lb. sacking weft at from 3½d. to 3¾d., and 8 lb. chains at 5d. to 5⅛d. Rove is steadily held at £27 for 48 lb., and £17 for 200 lb., while fine yarns show no change. Carpet 14 lb. warp is from 4¾d. to 5d. Prices of jute cloth have been reduced to a very reasonable level. For 10½ oz. 40 in. hessians 4 3/16d. to 4¼d. is quoted, and 8 oz. at 3 3/16d. for the common makes in the 40 in. and also wide widths, but a fraction more must be paid in the medium widths. Heavy goods are only being bought in small quantities.

OVER ONE HUNDRED YEARS OF SERVICE.
SCOTTISH UNION & NATIONAL
INSURANCE COMPANY.
ASSETS EXCEED - £15,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4, and 4, St. James's Street, S.W.1

VEGETABLE OIL AND OILSEEDS.

Markets are fairly active. Linseed oil is scarce on spot and for near delivery, and with a good consumptive demand prices advanced to £29 10s. per ton, naked, ex Hull mill, but with easier seed values is now lower at £29 5s. for prompt, with £28 12s. 6d. quoted for June and July-August delivery. Cotton oil is in fair demand, heavy crude Egyptian quoting £28 spot and £27 10s. June-August, and common edible £31 spot. Other seed oils are about unchanged. In the oilseed section linseed is irregular, and after a rise on reports of reduced surplus of Plate seed and the need of rain in Canada, it again relapsed. Demand, however, is poor. Some little business in Plate to Hull is recorded at £15 10s. for shipment June-July to August-September, but Indian is entirely neglected. The quantity afloat for Europe at 182,000 tons is slightly less than a week ago. A moderate trade has transpired in cotton seed. Black Egyptian (old crop) has been sold at £9 2s. 6d., July and August loadings, and new crop at £9 7s. 6d. September, and £9 5s. November-January. At the close linseed prices were 2s. 6d. easier. Soya beans are quiet, but some business in early positions has been done on Continental account.

OVERSEAS PRODUCE.

FOOD BEVERAGES, &c.

SUGAR.—Both on the grocery and manufacturing side of the commodity, buyers vie with each other to secure supplies, and prices are advancing. A rise of 1s. was registered on all spot sugars. An interesting item was the discarding of the habit on the part of British refiners of booking orders at the old figure, after an advance had been announced. Tate and Lyle's cubes now 26s. to 26s. 6d. as to quality; London granulated, 23s. 1½d.; T.L., ditto, 22s. 10½d.; ditto, month forward, 22s. 9d.; yellow crystals, spot, 21s. 7½d. T.L. granulated, sold, 22s. 3d. ex refinery. White Mauritius, spot, London, ranges from 20s. 3d. to 20s. 9d., and extra-fine parcels, 21s. 3d. Czecho granulated, ready, 10s. 9d.; November-December, 11s. 1½d. f.o.b. Hamburg. Dutch J., ready, 10s. 10½d., f.o.b. Rotterdam. Polish crystals, ready, 10s. 4½d., f.o.b. Danzig. White Mauritius, September-November shipment, 13s. 9d., c.i.f. U.K. Java sugars steady; 10,000 tons browns, June shipment sold, 10½ guilders ex go-down, and 4,000 tons white, 12 guilders. White Java, July to March, 1930, shipments, quoted 11s. 4½d., c. and f. Calcutta. Cuban raws again higher, and a steamer cargo, 96 per cent. July sold to the United Kingdom at 8s. 9d. c.i.f. Terminal sections again stronger and extensive transactions occurred in raws, but quieter later. August sold, 8s. 2½d. to 7s. 10½d.; December, 8s. 8½d. to 8s. 4½d.; March, 9s. to 8s. 7½d.; May, 9s. 3¾d. to 8s. 10½d. White, August sold, 10s. 6d. to 10s. 9d. and 10s. 1½d.; March, 11s. 7½d. to 11s. 6d. and 11s. Cuban receipts last week, 43,934 tons, against 31,438 last year; exports, 91,996, against 52,747; stocks, 1,369,144, against 1,209,482; centrals, 2, against nil. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending June 15th totalled 128,909 tons, against 149,405 last year.

READY SHORTLY
IN BOOK FORM
The Journal of Commerce
FULL REPORT OF THE
"VESTRIS" INQUIRY

Everyone connected with shipping should secure and study the report of the Board of Trade inquiry into the loss of the "Vestris." Copies of "The Journal of Commerce" report together with the findings of the Court will shortly be available. To prevent disappointment

ORDER YOUR COPY NOW!

Head Office - LIVERPOOL
Tel.: Bank 8787 (5 wires). T.A.: "Birchall," Liverpool.
LONDON - - - 14-20, Bishopsgate.
'Phone: 7543 Avenue.
GLASGOW - - - 93, Hope Street.
'Phone: 3499 Central.
NEWCASTLE - 1, Armstrong Avenue.
'Phone: 833 City.
CARDIFF - 9, Stuart Street, Docks.
'Phone: 5864.

To the Publisher,
The Journal of Commerce
LIVERPOOL.

Please send on publication.....copies of the "Vestris" Inquiry volume, for which remittance for.....is enclosed.

Name.....
Address.....
.....

PRICE 1/6 PER COPY. BY POST 1/10

HARRISONS & CROSFIELD LTD
East India Merchants.
Agents for Engineering and Estate Supplies
Textiles and Hardware generally.
Assoc. with Harrisons Ramsay Proprietary Ltd., established throughout Australasia.
1-4, Great Tower Street, London, E.C.3.

COFFEE.—There was no new feature to note in this market. Moderate supplies offered in auction, and really attractive roasting and liquoring parcels were but poorly represented. These met a fair demand and commanded steady prices. Inferior qualities only saleable at easier prices.

COCOA.—Spot market dull, unaltered. Accra F/F, October-December sold, 42s. 6d. f.o.b. Business again kept down in Terminal market. September sold, 45s. 4½d., and December, 46s. to 45s. 10½d.

TEA.—Indian auctions during the week amounted to 47,039 packages. Competition for most descriptions continued active, and on balance there was no essential change to note in prices. Common easy. Ceylon auctions embraced some 30,085 packages, which met a fairly good demand, and, allowing for continued falling off in quality, rates remained about unaltered. Java and Sumatra sales steady. Business resulted in new season's Keemun on overland sample at 2s. 6d. to 3s. per lb.

RICE.—Spanish and similar kinds steady. Burma firm in local markets, Siam being decidedly dear and Saigon steady. But there is a woeful absence of business throughout the set of European markets.

BEANS.—Butters firm, quiet. Spot, 41s.-43s. Rangoon haricots, spot, 13s.; afloat, 12s. c.i.f.

PEAS.—Market quieter. Japanese, spot, 17s.-17s. 6d.; afloat, 16s. 9d. to 17s. 6d.; June-August, 17s.; September-October, 19s. cwt. c.i.f.

SPICE.—Pepper steady but quiet. Lampong, August-October quoted, 1s. 3½d.; Muntok, May-July, 2s. 4⅛d.; August-October, 2s. 0½d. London stocks of black about unaltered on the week, but white reduced 59 tons. Cloves dull, unaltered; also sago flour. Dutch farina and tapioca. African ginger, spot, 62s. 6d. cwt.

FRUIT (Dried).—Currants steady, but demand restricted. Pyrgos quoted 44s.; Amalias, 45s.-45s. 6d.; Zante, 45s.-46s.; Vostizza, 50s.-56s.; Australian, 45s.-51s. Sultanas, Smyrnas cleared. Australian, new, 40s.-65s.; old, 32s.-35s.; Cape, bleached, 52s.-68s. Raisins dull. Valencia, common to good, 42s.-45s.; Lexias, new, 45s. Figs in small supply. Bags, genuine, common to fine, 27s. 6d.-35s.; new September shipment, 21s.-22s. c.i.f. Dates in fair demand. Siar, spot, 14s.-16s.; first tide, 13s. 6d. per cwt.

EVAPORATED FRUITS.—Trade generally quiet, but late rates were maintained, Californian plums being sparingly offered. Fair supplies of Australian were available, but moved off slowly. Californian plums, 20's-30's, quoted 66s.-67s.; 30's-40's, 58s.-59s.; 60's-70's, 44s.-45s. Pears, Lake County, 80s.-100s.; Australian, 75s.-76s. Apricots, South African Royal, 57s. 6d.-117s. 6d.; Australian, 67s. 6d.-100s. Peaches, Californian, choice, 54s.; extra choice, 56s.; fancy, 60s. Apples, Californian, spot, sliced, extra choice, 77s. 6d. Almonds quiet, and tendency easier. Mazagan, 127s. 6d.; Mogador, 127s. 6d.; Majorcas, 130s.; Bitter-Jordan, 180s.-210s. cwt.

CANNED GOODS.

CANNED FRUITS.—A good movement continues for all descriptions of Californian fruits on the spot, and prices at a firm level, First shipment of the new pack may be later than usual and prices are slightly above ruling last year, due to crop damage by frost. Australian descriptions move off freely, heavy deliveries being made against forward contracts. Singapore pines in better demand on spot, while packers indicate higher prices. South African sell readily, Hawaiian being reservedly offered. Tomatoes quiet, but available supplies are in moderate compass and forward parcels firmly held.

CANNED FISH.—Sardines steady. Portuguese clubs, 5s. per dozen tins. Lobsters firm, with larger quantities available, and best halves quoted 140s.-145s. Salmon also in good request at full rates. Red talls, spot, 43s. 6d.-46s. 6d., forward quotations being much above spot parity; pink ditto, 26s. 6d.-28s. 6d.; halves, 33s.-36s. 6d. Japanese crab firm on limited offerings, finest quality ruling at 98s.-102s. 6d.

CANNED MEAT.—Corned beef quiet, but ox tongues tend firmer on light supplies, also Danish lunch, with a good trade passing. Danish boned hams sell readily and market firmer, also Dutch veal and brawn.

CONDENSED MILK AND MILK POWDERS.—Market steady. Full cream, sweetened, English, spot, 41s.; Dutch, ditto, 37s.; July, 37s. 6d.; August-September, 38s. 3d.; machine-skimmed, sweetened, English, spot, 24s. 6d.; Dutch, ditto, 22s. 6d.; July-August, 23s., all in 5-cwt. barrels. Powders, Spray process, F.C., 26 per cent., 2 by 56-lb. tins, crated, 92s.; M.S. (1-cwt. cases), 41s.; roller ditto, F.C., 26 per cent., 72s. 6d.; M.S., 31s. 6d., all nett, duty paid, ex-wharf London. On the grocery side, F.C.S., 19s. 6d.; M.S., 9s. 3d., basis per case, usual packing. Danish cream, evaporated, unsweetened, 48 by 16-oz., 18s. 6d.; 96 by 6 oz., 19s. 6d.; condensed, sweetened, 48 by 14 oz., 20s. per case.

You can have

THE MYSTERY OF THE TRADE DEPRESSION

By Frederic E. Holsinger

A book which in simple and non-technical language makes a sensational exposure of what is really wrong in the economic system, and of the fallacies and contradictions in the teachings of the Economists,

ON FIVE DAYS' APPROVAL

By sending 7s. 6d. (the price of the book) and eightpence extra (for postage). If the book is received back within seven days of despatch the whole price of the book (7s. 6d.) will be forthwith returned.

For one hundred years this country has tried to maintain Employment and Prosperity upon the basis of an Export Surplus or the Export of Capital. The result has been a disastrous failure, as shown by over a million unemployed and the most appalling poverty.

In *The Mystery of the Trade Depression* it is shown that it is a ridiculous fallacy that Employment and Prosperity can be maintained by the Export of Capital. The logic of the book is simple. The only possible justification of the Export of Capital is the Import of Interest in the form of foodstuffs, raw materials and other goods. It is proved in *The Mystery of the Trade Depression* upon irrefutable evidence that the income from British capital invested in oversea lands is a financial fiction, that no foodstuffs, raw materials or other goods are received in payment of interest and that the capital exported has been completely lost to this country.

There could be no more sensational disclosure in the economic sphere, because this country is the world's largest exporter of capital.

In no less than ten chapters the author answers in an entertaining and detailed manner all the pretexts upon which the export of capital has hitherto been maintained.

The author shows, among other things, how exactly the export of capital arises and that it is destructive of genuine trade, because it must have the effect of compelling the debtor countries to try to reduce imports and increase exports in order to find a surplus of exports with which to make payments of interest.

The author shows that the tariffs in the Dominions, India, the Republics of South America and the States of Central Europe—all debtor countries—are an inevitable reaction to the Export of Capital from this country.

In a chapter, entitled "The Myth of Mercantilism," the author gives the first economic explanation of the absorption of the precious metals by India, where the author has lived for thirteen years, and explodes the fallacy of the Economists that it arises from "an ingrained fondness for handling hard gold" in the people of India.

***The Mystery of the Trade Depression* is a most sensational and epoch-making book. It will revolutionise economic thought more completely than Adam Smith's "The Wealth of Nations." Incidentally, it is a vindication of John Stuart Mill, who, unlike Adam Smith, was, upon theoretical grounds, opposed to the Export of Capital.**

Write to-day for a copy on approval, enclosing remittance, to

FREDERIC E. HOLSINGER
40-43, Fleet Street, London, E.C.4.
Telephone: Central 7769.

929,000 MILES!

This amazing figure represents the tyre and wheel mileage accomplished by the Dunlop Test Fleet during 1928.

This Fleet, which includes cars, motorcycles, cycles and lorries, tests Dunlop Tyres *on the road*—in the interests of all users.

The operations of the Fleet mean that the tyre buyer can buy Dunlop Tyres with confidence—knowing that all the experimental work has been done.

Buy the proved and tested Tyre—

DUNLOP

As British as the Flag!

DUNLOP RUBBER COMPANY LIMITED, BIRMINGHAM.

C.F.H. 903

THE JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LTD., GROUP.

DECLARATION OF DIVIDENDS.

Notice is hereby given that DIVIDENDS have been declared payable to all shareholders registered in the books of the undermentioned Companies at 30th June, 1929.

The TRANSFER BOOKS will be CLOSED in each case from 1st July to 10th July, 1929, both days inclusive.

Dividend Warrants despatched from the London Office to persons resident in Great Britain and Northern Ireland will be subject to a deduction of British Income Tax at a rate to be arrived at after allowing for relief *in respect of Dominion Taxes.*

Holders of Share Warrants to Bearer will receive payment at the London Office on presentation of the respective Coupons, detailed below. Coupons must be deposited four clear days for examination, and unless accompanied by Inland Revenue Declarations they will be subject to a deduction of British Income Tax as above.

NAME OF COMPANY (All of which are Incorporated in the Union of South Africa).	DIVIDEND No.	COUPON No.	Rate of Dividend. Per Cent.	Rate of Dividend. Per Share.	Date of Payment.
Government Gold Mining Areas (Modderfontein) Consolidated, Ltd.	24	24	45	2/3	8 Aug.
Langlaagte Estate and Gold Mining Co., Ltd.	76	65	7½	1/6	8 Aug.
New State Areas, Ltd.	9	9	7½	1/6	8 Aug.
Van Ryn Deep, Ltd.	32	32	17½	3/6	8 Aug.

By Order,
JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LTD.,
London Agents.
T. HONEY, Secretary.

10/11 Austin Friars, London, E.C. 2.
19th June, 1929.

JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED.

(Incorporated in the Union of South Africa.)

NOTICE IS HEREBY GIVEN that the Directors have declared a Dividend of seven-and-one-half per cent. (1s. 6d. per share), free of income tax, for the six months ending 30th June, 1929, payable to all shareholders registered on the Company's books at that date.

The TRANSFER BOOKS of the Company will be closed from the 1st July to the 10th July, 1929, both days inclusive.

The DIVIDEND will be payable on and after the 12th September, 1929.

By Order of the Board,
JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED,
T. HONEY, Secretary.

10/11 Austin Friars, London, E.C. 2.
19th June, 1929.

CHILIAN GOVERNMENT.

4½ PER CENT. LOAN OF 1885.

Notice is hereby given that the Coupon due 1st July, 1929, on the Bonds of the above Loan, and also the Bonds amounting to £10,800 drawn in London on the 12th inst., will be paid on and after the 1st proximo at the Offices of the Midland Bank Limited, Threadneedle Street, London, E.C. 2. Coupons must be left three clear days for examination.

London, 18th June, 1929.

CITY OF YOKOHAMA.

5% STERLING BONDS FOR £716,500.

Notice is hereby given that the coupons and drawn bonds of the above issue due 5th July, 1929, will be paid on and after that date (Saturdays excepted) between the hours of 11 and 3 at The Yokohama Specie Bank Limited, where lists may be obtained.

Coupons and drawn bonds must be left three clear days for examination prior to payment.

For The Yokohama Specie Bank Ltd.,
D. NOHARA,
Manager.

9, Bishopsgate,
London, E.C. 2.
20th June, 1929.

CHILIAN GOVERNMENT.

4½ PER CENT. LOAN of 1893.

Notice is hereby given that the Coupon due on the 1st July, 1929, on the Bonds of the above Loan will be paid on and after the 1st proximo at the Offices of the Midland Bank Limited, Threadneedle Street, London, E.C. 2.

Coupons must be left three clear days for examination.

London, 18th June, 1929.

INDIA

The World's Best Customer

is attracting the renewed interest of many firms anxious to share the benefits of the country's improving purchasing power, being brought about by numerous development schemes now in course of completion.

THE PIONEER PRESS OF INDIA
The London Offices of
THE PIONEER & CIVIL & MILITARY GAZETTE LTD.,
with Branches or Agents throughout India, has been enlarged to handle any enquiry, Editorial or Advertising, that may be submitted.

Write
W.T.DAY, London Manager,
11, Aldwych, W.C. 2.
(Next to Waldorf Hotel and opposite India House).

Telephone: Gerrard 1546/7.
Telegrams: "Kuttra, Estrand, London."

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 3, N. Man. 496 lb....	45	0
Eng. Gas. av., per cwt.	9	7
Barley, Eng. Gaz. av.	10	3
Oats, " "	9	6
Maize, La Plata, landed, 480 lb.	37	0
Flour, Lon. stan. ex mill, 280 lb.	33	0
Rice, No. 2 Burma, per cwt.....	13	0
Sago, pearl, per cwt.	22	6
Tapioca, per cwt.—		
E.I. flake, fair spot 21	6	22 6
Medium pearl 20	0	21 9
Potatoes, good English, per ton... 40	0	60 0
St. Malo, ewt..... 7	6	8 0
Jersey..... 9	0	0 0
Beef, per 8 lbs.—	s.	d. s. d.
English sides.....	5	0 5 10
Argentine chilled hinds...	4	10 5 4
Mutton, per 8 lbs.—		
English wethers 6	4	8 0
N.Z. frozen " 4	0	5 4
Pork, English, per 8 lbs. ... 6	10	7 4

BACON— OTHER FOODS.

Irish .....per cwt.	112	0	130 0
Danish.....	106	0	112 0
Canadian.....	100	0	108 0
Dutch	96	0	106 0
HAMS—Irish.....	0	0	0 0
Canadian.....		nom.	
American	107	0	118 0
BUTTER—			
Irish creamery per cwt.	164	0	170 0
Australian	148	0	168 0
New Zealand	162	0	172 0
Danish.....	172	0	173 0
CHEESE—			
Canadian ..... per cwt.	98	0	110 0
New Zealand	91	0	95 0
English Cheddars		nom.	
Dutch	43	0	81 0
COCOA—			
(Duty, British grown, 2s. 4d., foreign, 14s. cwt.)			
Accra f.f., per cwt.	46	0	48 0
Trinidad	60	0	63 0
Grenada	49	0	56 0
COFFEE—			
(Duty, British grown, 2s. 4d., foreign, 14s. cwt.)			
E.I., good to fine, per cwt.	140	0	150 0
Costa Rica, good to fine...	145	0	176 6
Cent. Amer., mid to fine	120	0	145 0
Kenya, bold sizes	125	0	143 0
Colombian, mid to fine...	123	0	134 0
EGGS—			
English ..... per 120	14	6	17 6
Danish.....	12	6	15 0
FRUIT—			
Oranges, Denia & Val. 300	16	0	21 0
" " 360	18	0	21 0
" " 504	15	0	20 0
" ..... boxes 144	0	0	0 0
Jaffa ..... boxes	0	0	0 0
Lemons, Naples boxes	0	0	0 0
Sicilian ..... boxes	9	0	14 0
" .....cases	11	0	17 0
Murcia ..... half cases	0	0	0 0
Malaga ...cases 420 No. 1	0	0	0 0
Apples: Amer. (var.) brls.	0	0	0 0
" (var.) boxes	0	0	0 0
" Tasmanian boxes..	14	6	22

	s.	d.	s.	d.
FRUIT (*continued*)—				
Onions, Valencia :—				
case 4s.	4	6	6	0
case 5s.	4	6	6	6
Onions, Egyptian, bag	7	0	7	6
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....brls.	0	0	0	0
LARD—				
Irish bladders.....	76	0	82	0
American boxes 56 lbs.	0	0	0	0
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	3½	0	0
Black Lampong	1	4½	0	0
Cinnamon—1st sort, per lb.	2	0	2	3
Cloves—Zanzibar per lb.	1	4½	0	0
Ginger—per cwt.—				
African	63	6	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	3	6	4	0
Nutmegs 65's	1	10	2	0
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	21	0	23	6
Java, white, c.i.f. India, July–Sept.	11	4½	0	0
REFINED—London—				
Yellow Crystals	21	6	21	7½
Cubes	26	0	26	6
Crushed	24	9	25	3
Granulated	22	9	23	7½
Home Grown (prompt)	22	1½	22	3
TEA—				
(Duty 3½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	0	10½	1	9½
Broken Pekoe	0	11	2	0½
Orange Pekoe.....	1	0½	2	0
Broken Orange	1	0½	2	5
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	0	10	2	9
Rhodesian leaf	0	9	1	6
Nyasaland leaf	0	9	1	8
" strips	0	10	1	10
East Indian leaf.....	0	4½	0	7½
" strips.....	0	6	0	10

TEXTILES.

	d.
COTTON—	
Mid-American .....per lb.	10-20
Sakellaridis, f.g.f.	16-40
Yarns, 32's twist	15
60's twist	26

	£	s.	£	s.
FLAX—				
Livonian ZK .....per ton	79	0	0	0
Pernau HD.....	71	0	0	0
Slanetz Medium 1st sort	85	0	84	0
HEMP—				
Italian P.C. ..... per ton	56	0	0	0
Manilla, June–Aug. "J2"	38	0	0	0
N.Z.		nom.		
Sisal	38	0	39	15
JUTE—				
Native 1st mks....per ton June–July	29/10/0		0/0/0	
Aug.–Sept.	30/12/6		0/0/0	

	s.	d.	s.	d.
SILK—				
Canton .....per lb.	14	6	16	0
Tussah.....	6	0	9	0
Japan	21	0	22	6
Italian—Raw, fr. Milan	19	0	22	0

	s.	d.	s.	d.
WOOL—				
English Southdown, washed per lb.	d. 23			
" Lincoln hog, washed	16½			
Queensland, scd. super cmbg.	41			
N.S.W. greasy, super ...	23			
N.Z., grsy., half-bred 50–56 Crossbred 40–44	19½ 15			
Tops—				
Merinos 70's	43½			
" 64's	41			
Crossbred 48's	24½			
" 46's	23			

MINERALS.

	s.	d.	s.	d.
COAL—				
Welsh, best Ad'ty...ton	19	9	20	0
Durham, best gas	17	6	18	0
Sheffield, best house ...	19	0	20	0
IRON AND STEEL—				
Pig, Cleveland No. 3, ton	71	0	0	0
Bars, M'brough 215	0	0	0	
Steel Rails, heavy.....170	0	0	0	
Tin Plates, I.C., per box	18	4½	18	7½

	£	s.	£	s.
METALS—				
Copper, Electrolytic, ton	83/15/0		84/15/0	
Sheets (strong) 110	0		0	0
Standard	73/7/6		73/10/0	
Lead Eng. Pig ...per ton	25/5/0		0/0/0	
Soft Foreign	24/0/0		23/16/3	
Spelter G.O.B.	26/2/6		26/18/9	
Tin—English ingots ...	202/0/0		202/10/0	
Standard, cash 201/10/0			201/15/0	

MISCELLANEOUS.

	s.	d.	s.	d.
CHEMICALS—				
Acid, citric, per lb. less 5%	2	1	2	2
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	0	9	10
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	29	0	30	0
ORMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
S.D. Straits, c.i.f., per ton June–July	£21/0/0		0	0
Smoked ditto.....	£19/7/6		0	0
DRUGS—				
Camphor—	s.	d.	s.	d.
Japan, refined	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	13	6	13	9
Peppermint, Wayne Co....	14	6	14	9

	s.	d.	s.	d.
HIDES—				
Wet salted—Australian per lb.	0	5½	0	6½
West Indian	0	4	0	6½
Cape	0	6	0	6½
Dry and Drysalted Cape...	0	9	1	0½
Market Hides, London—				
Best heavy ox & heifer	0	6	0	7
Best cow	0	5½	0	6½
Best calf	1	8½	0	11½
INDIGO—				
Bengal gd. red-vio. to fine—per lb.	5	6	6	6
LEATHER—				
Sole Bends 8/14 lb.—				
per lb.	1	2	2	1
Back Tanned Sole	2	6	3	3
Shoulders fn DS Hides	0	9	1	1
Do. Eng. or WS do.	1	0½	1	6
Bellies from DS do.	0	7½	0	9½
Do. Eng. or WS do.	0	9½	1	3
Dressing Hides.....	1	6	2	0
Ro. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Bends	1	6	2	0

	£	s.	£	s.
VEGETABLE OILS—				
Linseed, naked, p. ton net	29/5/0		0	0
Rape, refined	42	15	0	0
Cotton-seed, crude	27	0	0	0
Coconut, crude.....	30	10	0	0
Palm.....	31/7/6		33/5/0	
Oil Cakes, Linseed, Eng., per ton	12/5/0		12/10/0	
Oil Seeds—Linseed—				
LaPlata,p.ton June–July	15/10/0		0	0
Calcutta, p.ton June–July	17/10/0		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	44	6	0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	0
Water-White	1	1	0	0
Lubricating—	£		s.	
Pales	10/5/0		22/7/6	
Reds	11/10/0		21/12/6	
Cylinder	14/15/0		42/15/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per ton	17	5	23	15
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	10½	0	0
Fine Hard Para per lb.	0	11	0	0
SHELLAC—				
TN Orange ... per cwt.	197	6	200	0
SHELLS—	£	s.	£	s.
W. Aust. M.-o.-P. "	4	0	12	10

	£	s.	d.
TIMBER—			
Swedish u/s 3 x 8 per std.	19	0	0
Do. 2½ x 7 "	19	0	0
Do. 2 x 4 "	19	0	0
Can'dn Spruce, Dis. "	17	10	0
Pitchpine ..... per load	9	0	0
Rio Deals ..... per std.	32	0	0
Teak ..... per load	20	0	0
Honduras Mahg. logs c. ft.	0	11	6
African "	0	6	6
American Oak Boards "	0	6	0
Do. Ash "	0	6	0
English Oak Planks "	0	7	0
Do. Ash "	0	6	6

HONEY.—Market fairly steady, but only a moderate trade passing. Further supplies of new crop Jamaica and San Domingo are to hand, also substantial arrivals of new crop New Zealand. Jamaica, good amber to find pale, 49s.-55s.; dark to fair amber, 40s.-47s. 6d.; San Domingo, white set, 50s.; New Zealand, dark amber, 50s.-55s.; medium, 55s.-65s.; light, 65s.-85s.; white and water whites, 65s.-87s. 6d. cwt.

RUBBER.

No new feature crept into the general situation. Meantime, there is a moderate amount of business in progress, with but minor price fluctuations. The way London landings and deliveries proceed so far, a drop of about 400 tons is promised for Monday next. Standard sheet, spot, and June, sold 10 11/16d.-10 13/16d.; July, 10 3/4d.-10 11/16d.; August, 10 3/4d.; July-September, 10 11/16d.-10 3/4d.; October-December, 11 1/16d.; and January-March, 11 5/16d. London stocks reduced 493 tons on the week, landings being 1,142; deliveries, 1,635; stocks, 31,142, compared with 41,185 at corresponding period last year. Liverpool stocks 17 tons down; landings, 232; deliveries, 4,733.

GENERAL.

JUTE.—Market generally slow, but steady. Firsts, June-August, old crop, quoted £29 15s.; new, August-September, £30 17s. 6d. ton c.i.f. Hessians steady. Hamburg stocks, 99,701 bales, being a decrease on fortnight of 5,927.

HEMP.—Market fully steady, with a moderate demand, chiefly for K and H grades. J No. 2, June-August, quoted, £38; K for sellers, £33; K, August-October, buyers, £33; L No. 1, June-August, quoted, £33; L No. 2, £31; M No. 1, £31; M No. 2, £26 10s.; G, £38 15s.; H, buyers', shippers' terms, £33 10s.; S No. 1, quoted, £53 10s.; S No. 2, £49 10s.; S No. 3, £39 10s.; C No. 2, £31 10s.; C No. 2, £28 15s. c.i.f. There is quite a dearth of offers regarding African sisal, and prices advanced sharply. No. 1 f.a.q., June-August, quoted, £39 10s.; marks, £40, with finer from £40 10s.-£41; No. 2, f.a.q., quoted, £38 c.i.f. Manila receipts for last week, 34,000 bales, against 23,000 last year estimate for next week, 29,000, and following week, 29,000. Shipments to Europe last week, 13,000 bales; U.S.A., 15,000; and Japan, 3,000. Local stocks, 3,000 bales up on the week at 212,000

SHELLAC.—Steady, quiet. T.N., spot, 195s. 6d.; August, 194s. 197s. to 196s. 6d.; October, 197s. to 199s. cwt.

COPRA continues in quiet demand and trend of values in buyers favour. Straits, sun-dried, to Rotterdam, June-July, also July-August, £21; August-September, £21; Dutch East Indies, June-July, £20 15s.; Ceylon ditto, £22; South Sea, smoked, to Marseilles, June-July, £19 10s.; sun-dried, ditto, £19 17s. 6d.; palm kernels to Hamburg, June-July, £16 16s. 3d. per ton.

MISCELLANEOUS.—Coconuts, quoted, 13s. to 19s. per 100. Coir yarn, Ceylon, £19 10s. to £37 10s.; Cochin, £23 to £41; Ceylon bristle, £18 15s. to £25; cinnamon leaf oil, 5½d.; citronelle, Ceylon 1s. 10½s.; Java, 2s. 3½d.

METROPOLITAN CATTLE.—June 19.

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

	s.	d.	s.	d.		s.	d.	s.	d.
Beasts—Norfolk	6	2	6	8	Beasts—Heavy Bulls	...		...	
Irish	...		...		Canadian	...		...	
Cambridge.....	...		...		Sheep—Downs	8	0	8	
Short Horns	6	2	6	4	Half bred	...		...	
Herefords	...		...		Ewes	4	8	5	
Devons	...		...		Scottish	...		...	
Leicester runts	...		...		Lamb—Downs	11	0	11	

LONDON POTATO MARKETS.—June 19.

	Per Cwt. s.	d.	s.	d.
English King Edward—Lincoln	2	0	3	
White Varieties	2	0	2	
New.....	...		...	
" Jersey	9	0	...	
" St. Malo	7	6	8	0

The Economist,

1437

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CVIII. SATURDAY, JUNE 29, 1929. No. 4,479.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

(*Established in* 1824.)

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

Marine Department: 2-6, Billiter Square, London, E.C.3.

ASSETS EXCEED £30,000,000.

THE ALLIANCE GRANTS INSURANCES OF ALL KINDS.

LIFE DEPARTMENT.

INCREASED COMPOUND BONUSES on Participating Policies.

Assurances with DISABILITY BENEFITS (including Income Benefit).

Comprehensive Deferred Assurances for Children.

For full information apply to the Head Office or to any of the Offices or Agents of the Company.

A. LEVINE, General Manager.

CHRISTIANIA BANK OG KREDITKASSE

OSLO

Established 1848.

Paid-up Capital and Reserve Funds,

Kr. 40.000.000.—.

Oldest Norwegian Joint Stock Bank. Direct correspondents throughout the country. Offering complete services to banks and firms doing business on Norway.

Correspondence invited.

CREDITO ITALIANO

Capital Subscribed	Lire 400,000,000
Capital Paid-up	Lire 354,777,700
Reserve	Lire 210,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES AND CORRESPONDENTS THROUGHOUT ITALY.

London Branch: 2 ROYAL EXCHANGE AVENUE, E.C. 3.

Transacts a general Foreign Banking Business.

STERLING DRAFTS AND DOCUMENTS ON ITALY COLLECTED ON SPECIALLY FAVOURABLE TERMS.

CORRESPONDENT OF THE ROYAL ITALIAN TREASURY.

Telegrams: "*Italcredi, London.*"

Telephone: Avenue 3031-4.

TABLE OF CONTENTS.

The Money Market	1437
Leading Articles—	
The Poor Relations	1439
Great Britain and Russia	1440
The Economic Position of the Irish Free State	1441
The Half-Year's New Capital	1442
The Indian Banking Inquiry	1443
The Hudson Bay Route.—II	1444
Notes of the Week—	
The Coming Session	1445
Appointed Guardians	1446
Progress towards Naval Disarmament	1446
The Acquittal of an Alsatian Autonomist	1446
Religious Truce in Mexico	1447
America's Balance of Payments	1447
An American Tariff View	1447
Mr Snowden and the Savings Banks	1448
North-East England Electricity Scheme	1448
Engineers' Wage Tactics	1448
Cotton Trade Wages	1449
The Continental Steel Cartel	1449
Substitutes for Timber	1449
Gresham Fire and Accident Insurance	1449
Licenses and General Insurance	1450
University Life Assurance	1450
British Oak Insurance	1450
Victory Insurance	1450
Oversea Correspondence—	
United States	1451
France	1452
Germany	1452
Austria	1454
Greece	1455
Finland	1456
South Africa	1456
Letters to the Editor—	
Gold and the Dollar	1457
The Rhodesian Copper Boom	1457
Books and Publications—	
The Grain Trade during the World War	1457
Economic Control in Australia	1458
Books Received	1459
The Stock Exchange—	
The Half-year on the Stock Exchange	1460
The Week in the Markets	1462
Foreign Stock Exchanges	1463
London Active Securities	1463
Industrial Shares and the State of Trade	1464
Argentine Railways and Foreign Holdings	1464
Agreement in the Nitrogen Industry	1465
International Artificial Silk Developments	1465
General Electric	1465
Marconi's Wireless Telegraph	1465
Amalgamated Anthracite Collieries	1466
Yorkshire Amalgamated Collieries	1466
United Automobiles Services	1466
Hudson's Bay	1467
Ship Canal Portland Cement	1467
Company Meetings of the Week	1467
Capital Issues	1467
Oil Outputs	1468
Rhodesian Gold Output	1468
Company Meetings, &c.	1469
Government Returns, &c.	1484
The Bankers' Gazette—	
Bank of England	1485
Bankers' Clearing Returns	1485
Overseas Bank Returns	1485
Loan and Discount Rates	1487
Rates of Exchange	1487
Bullion	1488
Gold and Silver Prices	1488
Dividend Announcements	1489
Summary of Balance Sheets	1489
Profit and Loss Accounts	1490
Reports and Notices	1490
Weekly Traffic Returns	1491
Commercial Reports—	
The Corn Trade	1491
American Wheat Markets	1492
The Coal Trade	1492
Iron and Steel	1492
Other Metals	1493
The Cotton Trade	1493
Colonial Wools	1494
The Wool Trade	1494
Hide and Leather Trades	1494
The Timber Trade	1494
Vegetable Oils and Seeds	1495
Overseas Produce	1495
Price Current	1496

TERMS OF SUBSCRIPTION.

Quarterly, 14s. 6d.; Half-yearly, £1 9s. 0d.; Yearly, £2 18s. 0d. Colonies and Abroad, £3 1s. 0d. per annum.

Single Copies, post free, 1s. 1d.

Cheques and Post-office Orders to be made payable to the "Economist" Newspaper, Limited.

Office: 6 Bouverie street, Fleet street, London, E.C.4

THE MONEY MARKET.

THE Money Market this week has been dominated by preparations for the end of the half-year on the one hand and by the heavy and continued gold losses by the Bank on the other hand. Since Monday, heavy borrowings from the Bank took place every day in preparation for the half-

year stringency, and on Wednesday, when the Bank return was made up, discounts and advances showed an increase on the week of no less than £19,391,214. As a result of these borrowings, money has this week been unlendable at rates as low as 4 per cent. The Bank's gold losses, however, had the natural result of forcing up discount rates, which, on Wednesday, were quoted at 5⅜ per cent. for one month's, two months', and three months' bills alike. On that day, fears of an impending rise in Bank rate to 6½ per cent. were freely expressed, and the market was in a thoroughly nervous condition.

* * * *

To give the week's gold movements in detail, on Monday the Bank acquired £10,000 in sovereigns and sold £1,721 of bars, these transactions being of very minor importance. Tuesday saw the first of the big outward movements, Germany taking £1,873,718 out of the Bank, in addition to all the new gold available in the market. On Wednesday, Germany took another £1,540,592 from the Bank, while on Thursday the Bank lost £1,000,000 to the United States and £1,804,564 to Germany. Including the shipments of £1,100,000 taken from the Bank on Tuesday of last week, the Bank's net loss during the present efflux is, in round figures, £7,300,000, of which £5,200,000 has gone to Germany and £2,100,000 to the United States. By Thursday evening, the Bank's gold stocks were down to about £157,000,000.

* * * *

The shipments to America are easily explained, but the reasons for the strength of the reichsmark and the shipments to Germany have been the subject of some misunderstanding. One factor clearly is that, especially since the reparations settlement, Germany has become an attractive centre for money seeking investment, and to this must be added a certain amount of foreign short-term borrowing by German municipalities and also the recent appearance in the London market of a fair number of German bills. About £900,000 of insurance money was also paid against the *Europa* claims this week. Finally comes the $50,000,000 credit recently arranged for Germany in New York. Here it is reported that these dollars are being sold in Paris in exchange for sterling, and that while the French get the dollars, Germany gets sterling, which she is taking in the form of gold. It is needless to add that the report that the Federal Reserve Banks are in any way connected with this transaction is entirely groundless. It will be recalled that an exactly similar triangular transfer was the cause of the gold shipments to Germany last autumn.

* * * *

The truth of the matter is that London is back in its old position as a free gold market and the world's banker. London is open to supply gold on demand, and circumstances at the moment are such as to induce other centres to ask for gold. In spite of all fears to the contrary, the Bank has not felt it necessary to raise its rate, and indeed it is difficult to see how it could have at present justified such a step. Apart from the reassuring fact that about £2,500,000 of gold is due to reach London within the next ten days, current gold exports are the result of special circumstances discussed above and also in the *Economist* of last week. Even though the foreign exchanges are slow in responding, the conditions that have caused the outflow are still properly to be regarded as temporary. If this assumption were to prove incorrect and the outflow continue at its present rate, drastic action would be necessary. But in the meantime to raise the rate would impose a handicap on industry to remedy a situation which is in no way due to inflation at home.

	June 27, 1929.	June 20, 1929.	June 13, 1929.	June 6, 1929.	Previous Rate and Date Changed.
	%	%	%	%	%
Bank Rate.....	5½	5½	5½	5½	4½ (Feb. 7,'29)
Banks' Deposit Rate...	3½	3½	3½	3½	2½ (Feb. 7,'29)
Discount { Call	3½	3½	3½	3½	2½ (Feb. 7,'29)
{ Houses \ Notice.....	3¾	3¾	3¾	3¾	2¾ (Feb. 7,'29)
Market rate (3 months' bills)	5⅜	5 5/16	5 1/16–5/16	5 5/16	...

The salient features of the week's Bank return are declines of £3,293,540 in Gold and of £5,723,836 in the banking department's Reserve, and increases of £11,183,115 in Bankers' Deposits and of £19,391,214 in Discounts and Advances. Most of these movements have been already discussed, but the fall in the Reserve is in part due to an inopportune increase of £2,429,296 in the note circulation. The Proportion of Reserve to Liabilities has fallen sharply from 55⅞ to 44 23/32 per cent. It should be understood, however, that much of this decline is due to the week's borrowings at the Bank. Apart from this purely artificial factor, the Proportion would only have fallen to about 52½ per cent. A better test of the effect of recent gold losses on the Bank's own position will be obtainable in a fortnight's or three weeks' time.

NEW YORK MARKETS.

Our New York correspondent cables:—Wall Street is undisturbed by the advance in call money to 10 per cent. The tone of other money is easier, and the stringency in the call rate is due to mid-year disbursements for dividends and interest by corporations and to heavy window-dressing. Gold imports for the week amount to $17.6 millions, but nevertheless member banks have increased their borrowings at the Reserve by $40 millions, and here has been a further rise of $122 millions in brokers' loans. The bill holdings of the Reserve system are little changed, but Government securities are $10 millions up, probably on the 15-day repurchase agreement usual at the end of the month. The Reserve ratio is 75.3 per cent., compared with 68.7 per cent. last year.

THE STOCK MARKETS.

The stock markets were overshadowed by unfavourable monetary developments. Gilt-edged stocks were most closely affected, but caution was the dominant note everywhere, investment purchases, as well as speculative operations, being "held up" for the time being. America purchased a few favourite stocks, and Marconis were firmer on the consummation of the Cable-Wireless merger, but dullness obtained elsewhere in the industrial market, as in the Home Railway, Rubber, Oil, and Mining Markets. An offer was made of £5,000,000 debenture stock of the Agricultural Mortgage Corporation—a trustee issue yielding a full 5 per cent.

THE COMMODITY MARKETS.

Markets have done little more than hold their own. In spite of a serious shortage of tonnage, coal prices are fairly well maintained. The volume of business in the iron and steel trades compares very favourably with that of the corresponding season in previous years. Apart from an improvement in the advices from China, Manchester trade is increasingly unsatisfactory, and uncertainty continues to hamper the woollen industry. There has been a sharp advance in hides. The timber trade has greatly improved its position. More interest has been shown in vegetable oils and oilseeds, and wheat has risen several points.

THE FOREIGN EXCHANGES.

The principal features of a quiet market were the continued weakness of sterling on New York, and the rather spectacular variations of the reichsmark before and after the gold shipments to Germany. New York opened at 4.84⅞, but remained weak, being quoted at 4.84 27/32 on Thursday. Montreal went from 4.88⅛ to 4.84 1/16. Paris gained four points at 123.92, after being 123.90 and 123.98, and Brussels was three points better at 34.90. The peseta, after early weakness, now appears to be pegged at 34.25. Amsterdam lost ⅛ at 12.07⅛, and Berlin moved from 20.31½ to 20.35¼ on Tuesday's gold shipment, reacting on Thursday to 20.34½. Buenos Aires gained 5/16d. at 47⅛d. on gold being shipped to New York. The rupee was very firm at 1s. 5 7/16d., but the yen lacked strength and was erratic at 1s. 9 23/32d. Batavia gained a point at 12s. 10½d. In the forward market New York was quoted at narrower discounts of ⅛ cent and 7/16 cent; Paris went from a half-centime discount to par for both periods. Berlin was at considerably narrower discounts of 3 and 9 pfennigs for the two periods. The silver markets showed an easy tendency, China affording the principal support, whilst America and the Continent were ready to meet any demand. Prices for both spot and forward fell 3/16d. The Chinese silver exchanges were not much affected, Hong Kong being unchanged at 1s. 11⅛d., whilst Shanghai lost ¼d. at 2s. 4⅝d.

THE POOR RELATIONS.

Poor Relations traditionally display three characteristics in their attitude towards their rich kinsmen. They are respectful—even humble; they are expectant if not importunate; but neither their humility nor expectancy prevents them from being very acutely critical. All these three shades of feeling are, we believe, mingled in varying degrees in the attitude of the statesmen and the peoples of the various countries of Europe towards that great nation across the Atlantic to whom most of them are individually in debt and all collectively are looking expectantly, but not always confidently, for signs that the Rich Uncle will fully recognise in policy and in action the implications and obligations of his powerful and favoured position.

The most Christian of these feelings—humility or respectfulness—is, we believe, more prevalent than Americans might be led to think by a casual review of superficial indications. It is not merely a humility of overawed regard for great wealth, power and resources. In the homes as well as in the Chancelleries of Europe there is a keen remembrance of the idealism of President Wilson (not wholly obliterated even yet by its tragic sequel), of the great war relief work of the American people under the lead of the present President, of the courage and vision which led to the Washington naval agreement and to the Kellogg pact. Even more lively and general is the recognition of the high thinking and courage of those many leaders of opinion who have often and successfully influenced the policy of America in the direction of large and liberal aims, and it is well to emphasise that of all this and much more Europe is not unmindful. Yet it would be folly to pretend that other aspects of the relations between the old world and the new—aspects provocative of the less amiable sentiments of the poor relative—are more immediately and constantly in the European mind. Most significant and even startling a proof of this fact was given this week by no less a person than Dr Stresemann who, in a speech in the Reichstag on the Reparations agreement, said (*Frankfurter Zeitung* report): "We are not a colony of the French and English. It seems to me doubtful whether the whole of Europe is not in danger of becoming a colony of those who have been more fortunate than we have." (Cheers.) No longer is the old enmity with France the chief preoccupation of the German Foreign Minister, no longer is Britain or British "Imperialism" the burden of his popular song; the thought of Germany isolated in defeat has passed away. The picture has changed, and it is now one of Europe as a whole in fee to the power of the United States.

There can be no doubt that Dr Stresemann, greatly daring, indiscreet perhaps, has spoken the half-formed thought of millions of Europeans and of a dozen Governments. And that, we think, is a thing that America ought to know and understand. To any thinking man in Europe the revolution in the relationship between the old world and the new, brought about, equally perhaps, by Nature and by War, is the great outstanding fact and factor of our times. To whatever European problem you may turn, this new factor is present. Is it a question of population or unemployment, there is America's immigration policy; or of inter-Allied Debts and Reparations, there stands America as the ultimate and almost all-consuming creditor; or of monetary stability, international investments and gold questions, every European eye has to be anxiously watching the signs in the sky of Wall Street or Washington; or, most important of all, of the struggle to acquire the surplus of commodity exports by which foreign debts can be paid, there is the high Protectionist tariff of America still growing higher. To a Europe striving to export and thereby gain the means for foreign payments, it will pass as a grim jest to-day that the latest revision of the American tariff is not all upward; there is one reduction on—garlic! Can we wonder, then, that, as our Paris correspondent pointed out last week, European Chambers of Commerce are talking of "defence and secret weapons" against American Protection; that schemes for a great development of British inter-Imperial trade have received a fillip from the encouragement of Canadian statesmen; and that protests against the new tariff have been received by the State Department at Washington from the Governments of twenty nations.

Poor relations are sometimes able to appreciate hard facts better than rich uncles; and the central facts which they see to-day in the world economic and financial situation are, first, that American policy can play the principal *rôle* in making or marring the immediate future in Europe, and, second, that whether that future be one of stable progress or of chequered struggle is in these days of growing world interdependence a question of vital interest to America herself as well as to Europe. Do the American people, they ask again, realise the implications and obligations, whether selfish or unselfish, of their overwhelmingly responsible position? To that question we receive sometimes an answer productive of hope. One example is to be found in the comments (referred to in a "Note of the Week") of the *Baltimore Sun* on a recent article in the *Economist*, and another in the latest issue of the *Information Service* of the Foreign Policy Association of America, which, after reviewing the economic position of America, says:—

> In view of this situation, many critics of American tariff policy, both at home and abroad, declare that the United States tariff stands in the way of a normal and equitable exchange of goods and services. According to their arguments, unless we are prepared to receive from abroad goods and services in exchange for those we export, our exports are being sent out on credit. The indebtedness so created can ultimately be paid off only in goods and services. It would seem absurd, therefore, to set up artificial barriers against the receipt of those goods and services by which alone we may receive the benefit of our foreign loans. This argument derives point from the fact that the United States must receive, besides payment for her current exports, a large annual payment on account of war debts and previously acquired private indebtedness.
>
> Whatever may be the merits of these arguments, they undoubtedly influence foreign attitudes towards American tariff policy. Considerable resentment is expressed against the country which insists upon the payment of war debts and, at the same time, adopts a policy making that payment more difficult.

Then, again, the current issue of *The Annals of the American Academy of Political and Social Science* contains, amid a wealth of Protectionist essays, an article in which Professor George B. Roorbach, of Harvard, frankly faces the facts. Reviewing recent economic events, he says:—

> There has thus been placed upon Europe the added burden during reconstruction of making adjustments and shifts in her trade, some of which at least are economically less advantageous than would have been the case if only economic forces were operating under less restricted trade conditions. In addition, the tariff must bear its share in the responsibility for the added complications and misunderstandings and bitternesses that have developed in European relations with the United States. . . . And ill-will is not an asset in commercial expansion, either national or international.

Such signs of clear recognition of the facts of world economics and of America's interdependence with older nations are welcome, but we could wish that they were more common. It is to be hoped that Americans who have achieved a broad world perspective will work unceasingly to give to the economic policy of their country the breadth of vision which has characterised the Kellogg pact and the new attempt at a solution of the disarmament problem. The situation is an anxious one. Our apprehensions are most inclined to be assuaged when we remember that Mr Hoover is at the White House; for Mr Hoover knows Europe and has a broad first-hand grasp of the relentless laws of world economics.

So runs the case against America. But America, we do not forget, has something to say at the bar of world opinion. Her case is that, in the last analysis, there is no reason why Europe (regarded as an integral whole) should be a "poor relation," for she is a continent of greater aggregate resources and productivity than the United States; that her poverty is due to her own faults, to her nationalistic subdivisions and economic rivalries, to h[illegible] slowness in learning and applying the secrets of mod[illegible] industrial success, and to the inability of units to [illegible] stitute co-operation for division. There is very [illegible] force in these contentions. For many of her pre[illegible] troubles Europe has herself to blame. Great and urgent are the tasks of self-help that await her. She must frankly face the fact of the shifted world balance of economic power, and she must face it with courage and

determination and without cringing. Yet to our more favoured kinsmen across the sea we would say that, at the final reckoning, there will be applied to nations as to men the test that from him who hath much, much shall be expected.

GREAT BRITAIN AND RUSSIA.

When Mr MacDonald came into power in 1924 one of his first steps in the field of foreign affairs was an attempt to re-establish normal relations between this country and Russia. The enterprise was extraordinarily difficult because it exposed the Labour Government to an attack on two fronts: from the Conservative Opposition at home, who were enabled to represent the Government as being the dupes or pawns of the Russian Communists; and from the leaders of the Third International at Moscow, who were enabled, from their point of view, to interpret precisely the same transactions as proof that Mr MacDonald and his colleagues were the dupes or pawns of the British capitalists. The question of Russian Communist propaganda, which was and still is inseparable from the other aspects of Anglo-Russian relations, was largely responsible for the Labour Government's fall; for Mr MacDonald resigned over the "Campbell Case" and lost the subsequent election over the "Zinoviev Letter." Thus, the enterprise was a costly one for the Labour Party; yet, Mr MacDonald, having now returned to power, may be expected to make a second attempt at settling this difficult but important business. No doubt, if and when he does make the attempt, he will profit by the experience of five years ago. Above all, he is likely to go slow and to insist, whatever the Russians may say, upon taking one thing at a time.

How does the present state of Anglo-Russian relations compare with that which existed at the beginning of 1924? In the first place, the Soviet Government was not then recognised *de jure* by the British Government, as it is now. This *de jure* recognition is the sole monument of Mr MacDonald's Russian policy in 1924 that survives to-day. It has survived the "Zinoviev Letter" and it has survived the "Arcos Raid." The fact is that, when once *de jure* recognition has been accorded by one Government to another, it is not easy to find any plausible ground for withdrawing it, unless the Government that has been recognised is swept away or transformed out of recognition by the effects of war or revolution. The Soviet Government, however, has not ceased to exist, and the British *de jure* recognition stands. This means that at any moment, without further formality, the two Governments can agree to accredit diplomatic and consular representative *auprès* one another; and that is so much to the good.

On the other hand, the present situation is appreciably worse than the situation which existed at the beginning of 1924 owing to the lapse of the Anglo-Russian Trade Agreement of March 16, 1921. That agreement, which had been negotiated by Sir Robert Horne on behalf of Mr Lloyd George's Coalition Government, afforded Mr MacDonald in 1924 a foundation for building upon which he lacks to-day. The virtues of the Trade Agreement were these. It provided a juridical basis for Anglo-Russian trade, it explicitly looked forward to the eventual conclusion of a regular commercial treaty, it contained a reciprocal pledge that neither party would conduct propaganda at the other party's expense, and it made it possible for either Government to be informally, but not necessarily ineffectively, represented in the territory of the other. The Trade Agreement of 1921 preceded and survived the abortive treaties of 1924; it was terminated in 1927 by the Conservative Government on the ground that the provision regarding abstention from propaganda had been violated on the Russian side. The final and conclusive evidence for this violation was said to have been obtained by the British Government as a result of the "Arcos Raid." It will be remembered that, on this occasion, the Conservative Government not only declared that the Trade Agreement had lapsed, but dismissed the Soviet diplomatic mission from London and withdrew the British diplomatic mission from Moscow. Thus, on returning to office now, Mr MacDonald finds the British Government without any kind of diplomatic agreement or any kind of diplomatic relations with Moscow; and this practical setback considerably outweighs the formal advance represented by *de jure* recognition.

So far we have been comparing the situations of 1924 and 1929 on the juridical and diplomatic planes, but these are relatively superficial matters, which can be adjusted readily if the state of mind on both sides is favourable. What differences, if any, of outlook and feeling on either side can we observe to-day in contrast to 1924? As far as Moscow is concerned, it is virtually impossible for us to judge. Some of those in authority at Moscow have always desired an Anglo-Russian settlement; others have always proved strong enough to frustrate the policy of their colleagues. So it was in 1924 and perhaps in 1927; and it is idle to speculate whether the position has been altered by those personal dissensions within the bosom of the Russian Communist Party, which have since brought new men into control of both the Soviet Government and the Governing Body of the Third International. It is true that the eponymous hero of the "Zinoviev Letter" has been hurled from power into ignominy, and that the redoubtable Trotsky is frankly pleading for permission to enjoy the bourgeois comforts of residence at Surbiton or Weston-super-Mare. But it would be rash to presume that the triumph of Stalin at Moscow means a new orientation of Soviet Russian foreign policy. For all that we know, these dissensions in the Russian Communist Party may be entirely personal; and even if the contending Kommissars were also divided by genuine differences of opinion on matters of principle, it is improbable that these differences would be discernible to the naked eye of the mere bourgeois infidel sitting in outer darkness. It must be remembered the Marxism is a theological system, and that the greater part of this system is not the subject of controversy among the faithful. Trotsky and Zinoviev did not disagree with Stalin over such axiomatic dogmas as the Eternal Damnation of the Capitalist World. That is common ground between them all; and there is, therefore, no reason to expect any change of attitude on this matter just because Trotsky and Zinoviev have been beaten and because Stalin has been victorious in controversies that have arisen over other, and far more subtle, theological issues.

In Great Britain, on the other hand, Mr MacDonald is likely to encounter less opposition to an Anglo-Russian settlement to-day than five years ago; for, with every year that passes, the temperature of public feeling towards the Bolsheviks tends to grow cooler. It does so because the people of Great Britain have a keen eye for realities and a strong sense of humour. For a dozen years they have been told, day in and day out, and this in the same breath, that the Bolsheviks are just going to set the Thames on fire and that they are just going to vanish into thin air; and a dozen years' experience has convinced them that the two prophecies are equally futile. They have come to realise that the Communist and Capitalist dispensations are likely to go on existing side by side in the modern world—Communism in the territories of the U.S.S.R. and Capitalism elsewhere. Either system is a hard fact in its own domain, and hard facts must be accepted for what they are. Again, the Englishman's sense of humour makes him feel ridiculous in the posture of righteous indignation He may be persuaded to fall into it for a moment, but nothing will induce him to remain in it permanently. There is also a feeling that the Conservative Party have exploited the Bolshevik bogey for party purposes once too often, and a suspicion that, in pursuing these party tactics, they may have sacrificed possible openings for British trade. The upshot is that a fresh attempt to arrive at an Anglo-Russian settlement is likely to meet in this country with public approval though not to arouse public enthusiasm.

If and when the Government do embark on negotiations with the Russians, the first step will presumably be to re-establish provisional diplomatic relations on both sides. At present Russian interests in Great Britain are in the hands of the German Embassy in London and British interests in the U.S.S.R. in the hands of the Norwegian Legation in Moscow. This roundabout business, at any rate, is absurd, and some kind of direct relations ought to

be re-established forthwith. It has been explained above that this can be done without any fresh formalities. The first thing needed is to restore effective contact between the Governments. After that, the old issues will present themselves again. Will the British Government be willing to convert provisional diplomatic relations into regular permanent diplomatic relations unconditionally? Or will it, as in 1924, stipulate that this must wait upon some measure of agreement in regard to propaganda and debts? And if the question of debts is reopened, will the Soviet Government once more decline to admit liability for old debts unless the British Government places its guarantee behind the flotation of a new Russian loan on the London market? These were the critical issues in 1924. It does not follow that they will present themselves in the same form in 1929, but there are sufficient imponderable factors in the situation to make it wise for Mr MacDonald and Mr Henderson to proceed slowly and warily.

THE ECONOMIC POSITION OF THE IRISH FREE STATE.

(BY OUR DUBLIN CORRESPONDENT.)

The outstanding feature of the economic life of the Irish Free State is the extent to which the country relies on agriculture as the source of its national wealth. The recently-published Census of Occupations shows that, of the total occupied population, 51.4 per cent. are employed on the soil, while a very large number of those engaged in transport and commerce are also indirectly engaged in assisting agricultural production. It is estimated that agriculture directly and indirectly employs nine times as many persons as manufacturing industry. The export figures point in the same direction, about 80 per cent. of the total exports being composed of agricultural products. It is obvious that the interests of an industry that plays such an overwhelmingly important part in the national economy must be regarded as paramount in the framing of any economic policy. This consideration has been, on the whole, borne in mind by the Government during its eight years of office.

The agricultural policy of the Irish Free State is founded on the Report of the Agricultural Commission, which was set up in 1922. This Commission emphasised the impossibility of assisting by protective measures an industry depending upon export markets, and indicated that the correct line of development lay in the direction of reducing costs of production and improving the quality of the articles produced. Several definite measures were recommended, many of which have since been adopted. The Dairy Product Act and the Eggs Act have put the butter and egg trades respectively under strict public regulation and control; grades and standards of quality have been established, and severe penalties provided for the export of any produce that might injure the reputation of Irish butter or eggs in outside markets. The Live Stock Breeding Act, by making it illegal to keep bulls without a licence, aims at improving the general level of the breed of cattle. The creamery industry has been "rationalised" by a bold measure whereby the Ministry for Agriculture purchased the greater number of the privately-owned creameries, closed those that were redundant, and transferred the others to co-operative societies. Much overlapping and wasteful competition have been abolished by this measure. The cause of orderly marketing has been advanced by the formation of a central selling agency for creamery butter, the Irish Associated Creameries, Limited, through which about 80 per cent. of the butter exported is now sold. The improvement of agriculture in other directions has been actively pursued; schemes of education and live-stock improvement have been developed; faculties of agriculture have been established in two universities; and an Agricultural Credit Corporation has been founded, financed largely by public money. Finally, land purchase has been actively pushed forward; it is expected that all the land in the country will be transferred to the tenants in the course of a couple of years. The single protective agricultural measure already tried—namely, the subsidising of sugar beet, has not been so conspicuously successful as to encourage other experiments in the same direction.

It is not unnatural that the great predominance of agriculture should have given rise to the complaint that the economic life of the Free State is unbalanced, and unduly reliant on a single source of income. Mr Arthur Griffith, the real founder of the Free State, was alleged to hold protectionist views, and it is not surprising, therefore, that a certain clamour for industrial protection made itself manifest soon after the Treaty. The Government, in order to avoid undue haste in coming to a decision on such an important matter, set up a committee of economic experts to advise them. The report of this committee was adverse to any measure of industrial protection on the grounds that the Free State market was too small to permit of production on a scale large enough to ensure cheap prices, and that the consequent rise in the cost of living would injure the exporting industries, especially agriculture. The Government, however, was coerced by political pressure into imposing duties on quite a number of commodities, so that at present 60 per cent. of the non-agricultural imports of the Free State are included in the tariff.

The principal protected articles are manufactured tobacco, confectionery, furniture, boots and shoes, made-up clothing, and woollens and worsteds. The McKenna Duties on motor cars, clocks and watches and musical instruments have also been retained. Imperial preference has been conceded in many cases. About 12,000 persons have obtained employment as the result of the imposition of these duties, and the cost of living has not been appreciably raised, thanks to the balancing effect of the abolition of many of the old revenue duties, those, for example, on tea, coffee, cocoa and sugar. Applications for protection are now heard by the Tariff Commission, a body composed of three high civil servants. Several applications are at present being heard by the Commission, which has recently rejected the claim for a duty on flour. A measure taken for the encouragement of industry is the granting of trade loans with a Government guarantee. Of £1,000,000 available for this purpose, only £400,000 has been utilised; two thousand persons are said to have found employment in consequence of these advances. The recently-published Report of the Census of Production shows that the net value of the manufacturing output of the Free State in 1926 was £24,109,000, the number of salaried workers and of wage earners 14,077 and 93,223 respectively, and the net output per person engaged £225. This Report also shows that the most important industries are those that do not rely for their prosperity on protection. Brewing is one example, while the most important new industry started since the Treaty, namely the Ford motor works at Cork, manufactures almost exclusively for export. The cost of power for industrial purposes will be materially reduced as soon as the Shannon hydro-electric scheme is completed. It is expected that current will be available before the end of the present year, in spite of certain serious engineering difficulties which have delayed the work of construction.

The figures of the external trade of the Free State have caused a good deal of uneasiness owing to the large adverse balance which they disclose. The following

The MERCANTILE BANK *of* INDIA
LIMITED
Head Office: 15, Gracechurch St., London, E.C.3
Capital Paid up - - - - £1,050,000
Reserve Fund and Undivided Profits - - £1,612,047
Branches and Agencies throughout the East.
EXECUTORS AND TRUSTEES
The Bank has power to undertake these duties, and the Appointment of a Corporation secures important advantages.
A booklet giving full particulars may be obtained on request.

table shows that this balance is being gradually reduced:—

Year.	Imports. £000's.	Exports. £000's.	Balance. £000's.
1924	68,890	51,585	17,306
1925	62,950	44,381	18,569
1926	61,286	41,957	19,329
1927	60,824	44,852	15,972
1928	59,852	46,305	13,547

The invisible items in the international balance of payments have not been accurately measured, but the following figures are probably approximately correct:—

INVISIBLE EXPORTS.

(£000's.)

Revenue from foreign investments	12,500
Emigrants' remittances from U.S.A.	2,200
British war pensions	2,100
Post Office adjustment	1,218
Other items	403
	18,421

INVISIBLE IMPORTS.

(£000's.)

Profits on foreign capital invested in Free State	5,700
Land purchase annuities	3,002
Local loans fund	600
Pensions to ex-R.I.C.	286
Other items	508
	10,096

It would appear that the real balance of payments of the Free State is adverse to about the extent of £5,000,000, but that this adverse balance is tending to disappear. Any material increase in the price of agricultural products would probably convert the adverse into a favourable balance.

The currency of the Free State is linked to sterling, so that no fluctuating rate of exchange with Great Britain is possible. Two kinds of notes are in circulation: a currency or legal tender note, issued by the Currency Commission, backed by short-dated British Government securities, and payable in sterling on demand at the Bank of England; and a consolidated bank note, also issued by the Currency Commission, backed by the liquid assets of the issuing bank, and payable by demand at the issuing bank in legal tender notes. It will thus be seen that the Free State is on the gold standard, and that the existing currency Act makes the issue of any unsound or irredeemable money impossible. The joint-stock banks are in a flourishing condition; the deposits of the six Free State banks on January 1, 1929, amounted to £129,000,000, and the Dublin clearings in 1928 were £251,631,000, an increase of 1.3 per cent. on the previous year. Rumours are heard that amalgamations between some of the banks may be expected as soon as the Bank of Ireland obtains its new charter which is now being considered by the Dail.

The public finances of the Free State have been managed with admirable conservatism by Mr Blythe, who has succeeded in reducing the income tax to 3s. in the £. The normal revenue and expenditure have been made to balance each year; for the present financial year the estimated revenue is £23,939,000 and the estimated expenditure £23,925,000, showing a small surplus. In the years following the Treaty a large amount of abnormal extraordinary expenditure was incurred in connection with the civil war, and in more recent years large sums have been expended on certain capital outlays, such as the Shannon scheme and the rationalisation of the dairying industry. To meet this expenditure borrowing was necessary, but such borrowing was done on very favourable terms, and, except for a small American issue, was all done internally. The 5 per cent. National Loan issued at 95½ now stands at par, which is a striking tribute to the credit of the Free State and to the wise financial administration of Mr Blythe. The National Debt at present amounts to £23,517,000, against which assets are held worth £9,534,000, so that the total dead-weight debt is about £14,000,000, or less than £5 per head of the population. To this must be added the liability to pay Great Britain sixty annual sums of £250,000 and twenty annual sums of £600,000 in settlement of the Free State's liabilities in respect of the National Debt and the Local Loans Fund respectively.

As a field of investment, the Free State possesses the attraction that it is socially very stable. The great majority of the population are small landowners, who have all the conservatism of peasant proprietors. Even in the town organised labour is moderate and essentially non-revolutionary. Probably far fewer working days have been lost in the Free State through industrial disputes than in any other country in Europe during the last five years. The quality of Irish labour is also admittedly very good; the managers of the Ford motor works at Cork have expressed the most complete satisfaction with the labour which they employ. The danger of political insecurity is far less than it has been at any time within the last ten years, and there is every reason to believe that the Free State has definitely turned the corner economically. The long-continued fall in agricultural prices has apparently come to an end, the number of cattle and other live stock is increasing, the balance of trade is becoming more favourable, unemployment is decreasing, bank deposits and clearings are on the increase. In a word, all the generally accepted indices of economic prosperity point in the right direction.

THE HALF-YEAR'S NEW CAPITAL.

EXCLUDING conversion operations, which amounted in all to £31.3 millions, new capital issues during the past half-year totalled £174.4 millions, or £70.4 millions less than in the first six months of 1928. On the other hand, it will be seen from the first of the ensuing tables that if British Government borrowings are omitted in both half-years, the 1929 total works out at £172.8 millions, or £13.2 millions more than the corresponding figure a year ago.

DESTINATION OF NEW CAPITAL.

	First Half of Years. 1913.	1925.	1926.	1927.	1928.	1929.
	£	£	£	£	£	£
United Kingdom— Government	Nil	6,950,000	7,566,800	67,153,800	85,211,000	1,600,000
Other	20,324,400	71,749,500	58,967,800	89,869,800	99,310,900	103,815,800
	20,324,400	78,699,500	66,534,600	157,023,600	184,521,900	105,415,800
British Possessions— Government	14,324,300	14,661,500	22,969,000	12,813,100	31,423,000	23,590,000
Other	28,678,300	13,462,300	9,735,100	21,529,000	8,754,700	26,374,000
	43,002,600	28,123,800	32,704,100	34,342,100	40,177,700	49,964,000
Foreign countries— Government	22,529,500	Nil	12,700,500	2,657,500	5,745,100	3,650,000
Other	34,403,100	5,187,900	8,826,000	13,540,600	14,318,100	15,363,800
	57,032,600	5,187,900	21,526,500	16,198,100	20,063,200	19,013,800
Grand total	120,359,600	112,011,200	120,765,200	207,563,800	244,762,800	174,393,600

Borrowings by the British Government this year are represented exclusively by the net excess of sales over encashments of National Savings Certificates, whereas a year ago this item included a large Treasury bond issue made for purposes of Debt Conversion. Colonial Government borrowings (other than conversions) are £7.8 millions lower than last year, and Foreign Government loans down by over £2 millions.

Excluding all Government borrowings, other issues in the first half of the current year have amounted to £145.6 million, against £122.4 million a year ago, and £83.4 million in the first half of 1913. The destinations of these aggregates may be indicated conveniently by the following comparative percentages:—

	1913.	1928.	1929.
United Kingdom	24	81	71
British Possessions	35	7	18
Foreign Countries	41	12	11
Total	100	100	100

New capital supplied to the Empire overseas has formed a larger proportion of the total this year than in 1928, but the alteration in the distribution of lending as compared with 1913 is still striking.

The next table gives an analysis under different heads of the total capital issues made in the June quarter of this year, with the corresponding figures for the March quarter and for earlier periods.

IN MILLION £'S.

	Total.	British Government.	Foreign and Colonial Govt.	British Colonial and Foreign Corpn.	Foreign Railways.	Mines, Finance, and Exploration.	Rubber and Oil.	Balance (Mainly Home Industry).
Total whole year, 1919	1,017·4	805·8	14·6	2·9	...	15·3	18·3	160·3
Total whole year, 1920	367·5	37·6	12·0	46·5	1·1	10·3	18·9	241·1
Total whole year, 1921	389·0	202·8	79·5	23·9	·6	2·4	16·9	62·9
Total whole year, 1922	573·7	369·7	72·9	20·0	14·8	9·4	17·4	69·5
Total whole year, 1923	271·4	77·7	95·8	4·8	5·4	15·5	7·7	64·5
Total whole year, 1924	209·3	13·7	90·6	18·8	1·0	12·7	2·3	70·2
Total whole year, 1925	232·2	45·6	30·7	25·3	3·8	18·0	19·1	89·7
Total whole year, 1926	230·7	4·7	54·6	49·2	8·2	26·9	6·2	80·9
Total whole year, 1927	355·1	66·0	67·5	37·9	5·4	33·2	11·0	134·1
1928—1st quarter	169·0	85·7	22·7	3·0	1·0	16·7	2·2	37·7
2nd "	75·7	*Dr.0·5*	14·4	10·0	Nil	11·0	0·6	40·2
3rd "	45·9	*Dr.0·9*	*11·4*	4·0	*Nil*	6·5	*0·3*	*24·6*
4th "	78·4	*Dr.0·5*	7·6	9·4	2·1	15·5	5·6	38·7
Total whole year, 1928	369·0	83·8	56·1	26·4	3·1	49·7	8·7	141·2
1929—1st quarter	96·9	1·9	27·2	·3	3·8	21·2	4·9	37·6
2nd "	77·4	*Dr.0·3*	Nil	11·4	Nil	12·9	0·1	53·3

In view of the monetary conditions which have prevailed during the past three months, it is not surprising that Foreign and Colonial Government borrowing should have dropped in the past quarter from £27.2 million to nil. Foreign railway issues were also non-existent, and rubber and oil issues negligible. The increase in the total raised by "Corporations" represents borrowing by the Melbourne Board of Works and the City of Montreal, in addition to the loans raised by the Central Electricity Board and the Agricultural Mortgage Corporation in this country. It should also be noted that the unclassified balance, described in the table above as "mainly for home industry" includes an issue of £10.2 million for the Canadian Pacific Railway.

The next table carries our analysis a stage further by sub-dividing the past half-year's issues into twenty-nine categories.

ANALYSIS OF NEW CAPITAL APPLICATIONS.

Description.	First Half-Year, 1928.	First Quarter, 1929.	Second Quarter, 1929.	Total First Half-Year, 1929.
	£	£	£	£
British Government Loans	88,211,000	1,900,000	*Dr.300,000*	1,600,000
Colonial Government Loans	31,423,000	23,590,000	Nil	23,590,000
Foreign Government Loans	5,745,100	3,650,000	Nil	3,650,000
British Corporation, County and Public Board Loans	9,996,000	336,000	*7,490,000*	*7,826,000*
Colonial Corporations and Public Board Loans	2,341,400	Nil	3,483,900	3,483,900
Foreign Corporations	772,000	Nil	472,500	472,500
British railways	2,080,900	Nil	1,920,000	1,920,000
Colonial railways	*Nil*	*Nil*	10,200,000	10,200,000
Foreign railways	980,000	3,835,000	Nil	3,835,000
Australasian mines	*Nil*	12,000	Nil	12,000
South African mines	1,317,700	340,300	1,471,300	1,811,600
Other mines	3,553,800	607,500	6,840,500	7,448,000
Exploration, financial and investment trusts	22,968,400	20,280,600	4,615,200	24,895,800
Breweries and distilleries	230,400	3,130,300	98,000	3,228,300
Merchants, importers, &c.	642,500	425,300	Nil	425,300
Stores and trading	4,735,000	2,577,200	*262,500*	2,839,700
Estate and land	1,044,700	1,555,900	241,000	1,796,900
Rubber	2,839,800	*566,500*	*110,200*	*676,700*
Oil	23,400	4,315,800	5,000	4,320,800
Iron, coal, steel and engineering	1,672,500	712,000	1,183,800	1,895,800
Electric lighting, power and telegraph	10,626,300	6,389,200	4,172,000	10,561,200
Tramway, omnibus, &c.	1,001,700	*165,000*	114,700	279,700
Motor traction and manufacturing	876,900	222,000	158,700	380,700
Gas and water	448,000	250,000	1,106,100	1,356,100
Hotels, theatres and entertainments	10,427,300	1,487,200	1,066,800	2,554,000
Patents and proprietary articles	4,717,700	5,913,400	691,500	6,604,900
Docks, harbours and shipping	300,000	Nil	544,500	544,500
Banks and insurance	7,777,500	575,000	3,633,900	4,208,900
Manufacturing and miscellaneous	31,009,800	14,116,800	27,858,500	41,975,300
Total	244,762,800	96,953,000	77,440,600	174,393,600

Apart from the borrowings to which reference has been already made, an interesting feature disclosed by the foregoing table is the slump—by no means untimely—which occurred last quarter in issues for "Patents and Proprietary Articles." Following the great activity witnessed in the March quarter, "Investment Trust" issues were also on a much smaller scale. The second quarter's figure of the "Manufacturing and Miscellaneous" group is somewhat over-weighted by the issue at a premium (to shareholders only) of 4,410,595 Preference and 6,016,857 Ordinary shares of Imperial Chemical Industries. Issues confined to existing shareholders bulk largely in the total for this group in the June quarter, amounting to £18.4 million out of £27.8 million.

In a recent issue of the *Economist* (June 8, 1929, page 1296) we referred to the unfavourable reception accorded by the public to offers made during the month of May.

The following table shows some of the most important issues during the half year:—

Date of Issue.	Name and Description.	Nominal Amount.	Issue Price.	Price, End June, 1929.
1929.		£		
Jan. 3	Govt. of India 4½% Loan, 1958–1968	10,000,000	91	86
9	New Zealand Govt. 4½% Stk., 1948–1958	19,510,000 (a)	95	95
16	Commonwealth of Australia 5% Stk., 1945–1975	8,000,000	98	96
Feb. 5	J. Sears and Co. 7% Cum. Pref.	2,000,000	Par	22/6
6	London Power 5% Debs., 1972	3,000,000	99½	...
13	Roumanian Stabilisation 7% Loan, 1937–59	2,000,000	88	85½
Mar. 6	Watney Combe Reid 5½% Debs., 1959	2,500,000	99	100½
6	Barclay Perkins 5½% Debs., 1940–65	500,000	98	100½
12	Chilian Govt. 6% Bds., 1962	*2,000,000*	94½	96
May 11	Canadian Pacific Railway, 300,000 Ord. $100 (shareholders only)	10,200,000	$170	239
13	Allied Ironfounders 6% Debs.	780,000	96	43½
13	British Power & Light Corporation, Ord. £1	1,600,000	Par	19/3
13	Commonwealth of Australia 5% Reg. Stk., 1945–75	12,403,734 (b)	97	96
25	Central Electricity Board 4% Stk., 1959–89	3,000,000	83	81½
June 15	London County Council 4½% Cons. Stk. 1945–85	5,551,396 (b)	...	...
26	Agricultural Mortgage Corporation 5% Debentures, 1959–1989	5,000,000	par	...

(a) £12,510,000 for Conversions. (b) All for Conversion purposes.

The foregoing list comprises issues of a "solid" investment character rather than of a speculative nature. Current prices, reflecting for the most part the general reaction of "gilt-edged" securities to dearer money—both actual and apprehended—indicate clearly that many of the numerous foreign and home issues known now to be "ripe" for flotation may have to await a more propitious season.

20 SWEDISH BANKS amalgamated to One

Skandinaviska Kreditaktiebolaget

KREDITBOLAGET

THE INDIAN BANKING INQUIRY.

(BY A CORRESPONDENT.)

IT is now announced that the *personnel* of the Indian Banking Committee, set up by Sir George Schuster to inquire into the general banking organisation of India, has been finally decided upon. The utility of such an inquiry may, at first sight, seem doubtful. The publicity gained by the authoritative recommendations of the Hilton Young Report of 1926 on Indian Currency and Finance, must surely have led many observers to conclude that almost every question connected with Indian finance had received an appropriate answer in the Reports of one or other of the notable Committees and Commissions which have examined the Indian financial system five times in the last forty years. But these bodies, however wise and far reaching their recommendations, never came to grips with purely banking problems. Their object was to reorganise the currency, and banking questions received in most cases only a cursory consideration as (admittedly relevant) side issues. There is consequently still distinct room for a general banking inquiry as such in India (as in other parts of the British Empire).

Moreover, recent developments make the present a particularly opportune time to undertake the work.

To begin with, the unfortunate fate of the 1926 Commission's recommendations will almost certainly mean that Sir B. N. Mitra will have to take up the work where Sir E. Hilton Young left it. It is well known that the Report of the Royal Commission recommended the establishment of a " Reserve Bank," to give effect to the proposals as to the reform of the currency, and to act in all respects as an orthodox Central Bank. Unfortunately the three Bills introduced by Sir Basil Blackett, each embodying more or less of the main features of this proposal, all came to grief as a result of strenuous opposition in the Indian Legislature. The Government nevertheless still seem to cherish the idea of resurrecting a scheme which Sir Basil Blackett described as " the most important measure of liberalism in finance that has been ever offered to India," and a new Reserve Bank Bill, with the blessing of the new Committee to sustain it, would certainly be assured of a much less stormy passage than its predecessors. On the other hand, the principal reason for the failure of the original Bills raises perplexing doubts as to the chances of success of any new one passing into law *intact*. It will be remembered that the Finance Member's first draft Bill of 1927 was referred to a Joint Committee of the Council of State and the Legislative Assembly, and at the hands of this body it suffered drastic amendment. The " shareholders " bank envisaged by the Hilton Young Commission became a State bank, capitalised by the Government, because a Central Bank " would if directed by a body responsible only to a number of private shareholders, tend to be controlled by vested interests. . . . Its utility to the public might even be endangered by a conflict of interest within the management of the Bank between Indian and external capital." Further, six of the proposed fifteen directors of the Bank were to be *elected* by the members of the Central and Provincial Legislatures, in spite of the specific recommendation to the contrary of the Royal Commission, and of the well-known Brussels and Genoa objections to political pressure of any sort being exerted upon Central Banks. Finally, the principle of Indianisation was implicit in the suggestion of the Joint Committee that either the Governor or the Deputy-Governor of the Bank should be an Indian, this introducing totalling irrelevant racial questions into a sphere where they obviously do not belong. It is to be hoped that the new Committee will rise above the desire to quarrel with such widely accepted banking principles as those enunciated so clearly by the Royal Commission, and that they may also be able to soothe the refractory elements in the Assembly into acquiescence.

Indian banking questions are, however, certainly not exhausted by the solution of the Reserve Bank problem. An equally urgent need has yet to be provided for. India with a population of 320 millions has but 710 commercial bank offices of a reasonable size (and these mostly at the ports), whereas the fortunate 45 million people of the United Kingdom are served by nearly 9,000 bank branches. This grossly inadequate financial equipment has become a by-word. Recognised Indian writers like Findlay Shirras, official bodies like the Indian Industrial Commission of 1918 and the External Capital Committee of 1925, have all emphasised the urgent and growing need for more banking facilities. No doubt the present Committee will concern itself with the possibility of developing the co-operative banks started by Lord Curzon to help the agriculturist, and the Post Office Savings Banks, which so far seem to be most successful in towns already provided with commercial banks. Perhaps another bargain will be struck with the Imperial Bank (whose present contract with the Government expires in 1931) like that of 1921, which bound the bank to open 100 new branches in five years in exchange for the privilege of keeping the Government accounts. But beyond the bare need for more banks, there comes the need for more trained staff. The Exchange Banks and the Imperial Bank can never hope to supply the financial requirements of the whole of India, and the necessary development must be almost wholly an internal affair, though the help of the European banks in training Indians to assume posts of responsibility would be appreciated. Beyond the need for trained men even, there is yet the more vital necessity of stimulating an increase in the banking habit amongst the people. The cheque system in India is notably under-developed. Seven clearing houses (for the whole of India) handled in 1926 Rs. 15,91 crores, an insignificant amount in comparison with the annual United Kingdom total of £40,000 million. It has been suggested, by Sir Basil Blackett amongst others, that the Indian Bills of Exchange law is too imitative to take account of local instruments, in which case the remedy is obvious. But the language difficulty seems to be one of the greatest obstacles in the way of a more widespread use of credit instruments, and this will naturally take time to overcome.

India's unfortunate banking experiences in recent years, especially during the war, have given the Committee at least one certain lead. The absence of any comprehensive bank law, like the Canadian Bank Act, has made the incorporation of numerous small and unstable " banks " far too easy, with the result that these form a potentially dangerous and quite unregulated part of the Indian banking system, liable to instant disintegration at the first sign of financial crisis. This weakness was revealed by Mr Keynes as early as 1913, and the failures of 1914-17 provided his vindication. Legislation providing for a minimum paid-up capital, as in Canada, for some form of Government inspection, as in the United States, or at least for some restriction on the promiscuous use of the title " Bank," might succeed in mitigating the worst effects of the small bank nuisance; it might well have helped in the crisis of 1914, which did so much to bring banks in general into disrepute and set back financial progress.

In its examination of all these questions, the Banking Committee will compel the attention of other British countries, like South Africa and New Zealand, where similar enquiries have been urged. And in England it will be watched by the Eastern Exchange Banks, which have much to gain from progressive banking legislation. Their former opposition to the Central Bank scheme has now died away, and their approval and their help will be substantial evidence of home interest and support to the Committee in its difficult work.

THE HUDSON BAY ROUTE.—II.

(BY OUR OTTAWA CORRESPONDENT.)

THE partisans of the Hudson Bay route have always realised that its value would largely hinge upon navigation conditions in the Bay, and there were critics who contended that only specially equipped vessels could successfully cope with them, and that the insurance rates on ships and cargoes using the route would be prohibitive. So the Dominion Government was induced to despatch an expedition to the Hudson Straits in 1927 to make accurate observations of ice and weather conditions. Including meteorological and other experts, it established bases on the Hudson Strait, and spent a winter there, remaining altogether 18 months, and aviators who accompanied it enabled almost daily flights to be made over the Hudson Strait. Now it has returned and submitted to Parliament a report which confirms the basic claims of the advocates of the route. The all-important question was the length of the navigation season, and on this point the report makes this statement: " Taking July 1st as the opening date for the Strait and the Bay, and November 16th, when ice was first reported at Nottingham, as a closing date, we get a season of 120 days, or practically four months during which commercial vessels could have been navigated with safety and without the aid of ice-breakers."

Now, navigation on the Great Lakes, down which the larger part of the exported grain of Western Canada is carried each year, usually closes before the middle of November, and accordingly there will be available each autumn just as long a period for shipping grain by the Hudson Bay route as by the Lakes. Indeed, it will be longer, as, Churchill being so much nearer the grain fields, as will be shown later, the first new grain will be received

there at an earlier date than at Fort William, and it will be possible to send shipments forward at a later date with the assurance of their despatch.

The report also infers that the Bay season could be extended by the use of ice-breakers, and it recommends that two powerful vessels of this type be secured and stationed, one at Churchill and the other in the Hudson Strait. It admits that heavy fogs, the navigator's worst enemy, are common, but expresses the view that they need not prove a serious obstacle if all modern aids to navigation, like direction-finding stations, are enlisted. The report, after referring to the vessels of the Hudson Bay Co., which have been coming into the Bay for two hundred years, finds it not unreasonable to suppose " That modern ships, modern equipment and modern ideas should meet with a considerably greater degree of success, and that a very important route will eventually be developed, provided always that, in the initial stages of development, every precaution is taken to provide for the protection of vessels using it."

It is now proposed that the Government should send ships of the State-owned mercantile marine and insure their cargoes for the initial tests of the route in order that shipping firms and marine insurance companies may obtain some guidance about the risks involved for the settlement of their rates. But whether this suggestion is acted upon or not, the Bay route will receive an exhaustive trial, and, if it proves a success, it may easily have far-reaching effects upon the present transportation arrangements of the North American continent.

To-day the exports of the prairie provinces reach the markets of Britain and the European continent either via the Great Lakes and Atlantic ports or by the Pacific ports and the Panama Canal at heavy cost; but the Hudson Bay route will offer the prospect of a substantial reduction in the freight rate toll now levied upon the prairie farmers. How great will be the curtailment of the rail haul can be gauged from the following table, which shows the distances between the more important centres of the prairies as compared with the distances to Montreal:—

From	To Churchill. All Rail. Miles.	To Montreal. All Rail. Miles.	To Montreal.. *via* Gt. Lakes Miles.
Winnipeg	992	1,357	1,633
Regina	843	1,713	1,990
Moose Jaw	886	1,756	2,032
Saskatoon	847	1,828	2,136
Edmonton	1,146	2,158	2,464
Calgary	1,246	2,260	2,466

Now the ocean voyage from Montreal to Liverpool is 3,007 miles in length, and from Churchill by the shortest track it is about 30 miles less. Accordingly, the new route will bring the chief centres of the prairies from 500 to 1,000 miles nearer to European markets, according to their location. And the Vancouver-Panama route cannot hope to compete with it during its nagivation season, for by it the distance from Edmonton to Liverpool is 10,701 and from Calgary to Liverpool 10,572 miles.

Now both Winnipeg and Vancouver are faced with the possibility of suffering from the competition of the new route, and do not like the prospect. British manufacturers, however, might easily derive great profit from it as the vessels and cars which take out wheat from Churchill will not want to return empty, and very low ocean rates are likely to be offered from Europe.

Moreover, the Government dare not allow the railway rates on the Hudson Bay line to be fixed at a high level lest they be accused of conniving at the strangulation of the new route. So British manufacturers may find themselves in a position to compete with the manufacturers of Eastern Canada on better terms than ever before, and should be preparing to take advantage of the opportunities which are likely to offer themselves. Furthermore, if the new route proves a success, the trade of the United States may experience repercussions from it. The Hudson Bay line will bring Minnesota, the Dakotas, most of Montana and parts of Wisconsin, Illinois and Iowa, Nebraska and Wyoming—a huge area—within 4,500 miles of Liverpool, as compared with an average to-day of more than 5,000 miles via Duluth or any other of the Upper Lake ports. Even to-day a large amount of grain and some other farm produce raised in the north-western States of the Republic is exported via Montreal, and the Hudson Bay route should offer greater attractions. Moreover, the transportation systems of Canada and the United States have for many years found it good policy to keep their rates at a reasonable approximation to one another, and, if the popularity of the Hudson Bay route compelled a reduction of Canadian rates on the Great Lakes route, American transportation interests would be faced with the alternative of following suit or losing business.

But whatever its results may be, the Hudson Bay route is soon going to receive an extended and thorough trial, and business interests in Western Canada which are concerned with import and export trade are already trying to appraise what its effect will be upon their fortunes and arrangements. At present chief stress is laid upon its potential value as an outlet for grain and livestock, but it may get a substantial trade from exports of a different type. Churchill is the nearest port to the new mining field in Northern Manitoba, which contains the Flin-Flon, Sherritt-Gordon, and other promising mines, and the whole area lying west of the Hudson Bay is known to be richly mineralised; prospectors are now swarming in this country and hundreds of claims have been staked. Churchill is the base of operations for these mining ventures, and three Canadian banks are apparently satisfied that it will soon be a prosperous place, as they have already established branch offices there.

Notes of the Week.

The Coming Session.—Its Speaker elected, its members duly sworn, the new House of Commons has attained corporate existence and is ready to proceed with the business of the Session. Mr MacDonald has, so it seems, rather strangely failed to recognise the studiously courteous and unprejudiced character of the welcome given to his Government by the Press, has complained, with some unfairness, that there has been " in mischievous papers like the *Times* an appeal to the country to get into a frame of mind of general fear " before the Session begins. The Prime Minister, we trust, will not accuse us of sharing our distinguished contemporary's hitherto unsuspected *Schadenfreude* if we say that all shades of responsible opinion in the country await the forthcoming King's Speech—the first to be framed by a Labour Cabinet—with expectancy not unmixed with concern. If rumour prove to be correct that in his Speech and in the subsequent debate on the Address the Government intends to outline in considerable detail its legislative and administrative plans for the ensuing twelve months, then next week's proceedings in Parliament should at any rate have a good result in that much of the unsatisfactory uncertainty, which now prevails, will be dispelled one way or another. To demand of any Government a year's programme, " cut and dried " in every particular, would be an unreasonable request. At the same time, having regard to the fact that the present Government, placed in office by the votes of a minority of the electorate, is supported by a Party whose election programme was conspicuously nebulous both in its promises of action and professions of faith, it is not unfair to look to Mr MacDonald for rather more than usual precision in the terms of next week's Speech. The issues in which a clear statement of the Government's intentions is required are as important as they are numerous. The terms on which the foreshadowed resumption of diplomatic relations with Russia may be effected, the future of the McKenna and the Safeguarding Duties, the treatment of the London Traffic Bills, the policy to be followed by Government with regard to the coal-mining and cotton textile industries, the legislation projected in order to implement the pledge, already given, that the Washington Hours Convention will be ratified—all these are controversial questions in which continued uncertainty would have damaging economic reactions. In addition, it is earnestly to be hoped that the Government will lose no time in explaining in concrete terms what is implied by Mr MacDonald's

latest promise of " sincerity, determination, and courage " in " facing the various causes of unemployment." What use of Trade Facilities Acts is contemplated? What forms of Relief Works has Mr Thomas in mind? Is it proposed that the unemployed shall be reduced by lowering the pensionable or raising the school-leaving age, and, if so, at what cost? Does the Government's unemployment policy involves the raising of substantial loans in a market not propitious, at this juncture, for Government borrowing? The obvious questions, thus put, demand an answer. Finally, implicit in and overshadowing all these particular issues, there is the still uncertain attitude of the Government in relation to its own position as tenant " by leave " of office. The opening of the Session should go far to show whether our hopes are justified that Mr MacDonald appreciates both the opportunities and responsibilities of Government by minority under a Three-Party System. As we write, the omens are conflicting. The Prime Minister's broadcast idealism, tempered by concern for the " quiet development of industry " has been met by less re-assuring " Thunder on the Left " from the Clyde-side members. Gossip, neither malicious nor ill-informed, has it that the Government, determined to escape the accusation of " firing on the Red Flag," is in the mood to eschew " Safety First," and to strain to the maximum from the outset Liberal conceptions of the limits of " common fruitful ground." If this forecast be accurate, and if the coming Session prove to be a battle-ground in which the contending protagonists are in reality Mr Maxton *versus* Mr Lloyd George, with Mr Baldwin as *tertium gaudens*, the first Session of the present Parliament is likely to be its last. But such a fear, we should have thought, is belied by Mr MacDonald's clear recognition, on the morrow of the election, that the country does not want another election for two years.

Appointed Guardians.—In the course of the debates of last session on the new Local Government Act Mr Chamberlain revealed his intention of allowing the emergency arrangements at present in force in the Poor Law Unions of Bedwellty and Chester-le-Street to lapse on April 1, 1930, the date on which the poor-law provisions of the Act come into operation. He proposed, however, to make use of his powers to retain the appointed Commissioners in West Ham until April, 1935. The Labour Party has always so vehemently attacked on principle the policy of superseding elected guardians and putting in their place Commissioners appointed by the Ministry that it is not surprising to learn that the new Government has determined to remove the Commissioners from all three Unions as soon as possible. Turning to account the provision in the new Act that no further elections of guardians should be held after its passing into law, the Government proposes, for the period between August 1st and April 1st next, to place in office members of local authorities in the different areas, to be nominated by the local authorities themselves. In a sense these persons will still have the character of " appointed " guardians, but the selection of them will have been made by local representatives and not by Whitehall. After April 1st all difference between these three and other poor-law areas will disappear automatically, the administration being transferred to the councils of the counties or county boroughs concerned, exactly as in the case of any other Union. The event will measure the wisdom of these decisions, but few will regret that there is now no prospect of direct elections of guardians ever again being held in Bedwellty, Chester-le-Street or West Ham. In each of them the appointed Commissioners effected very large economies and probably suppressed grave abuses, though they were ceaselessly charged with callousness by Labour spokesmen; and it is true that in an official report last winter the Chief Medical Inspector of the Ministry of Health criticised the practice of the Bedwellty Commissioners in neglecting single men. [illegible] the intervening months before these Unions become [illegible] in larger and supposedly more responsible areas. [illegible]nestly to be hoped that the local authorities will [illegible]e unbiassed and competent administrators.

Progress Towards Naval Disarmament.—The new movement towards naval disarmament is making progress. Mr MacDonald's and General Dawes's speeches of the 18th, on which we commented last week, have been very well received in Japan; and though the French and Italians are lying rather low, there is nothing to indicate that they either of them intend to stand in the way of the movement. Nor, if they are not led to do so by motives of policy, are they likely to be goaded into obstruction out of pique; for the American and British statesmen who have initiated the new move are taking care, at every stage, not to leave the other naval Powers out in the cold. For example, the texts of Mr MacDonald's and General Dawes's speeches are reported to have been shown, before the speeches were delivered, to the Japanese, French and Italian Ambassadors in London. In Washington, an effective contradiction has been given to a false and mischievous report that " the freedom of the seas " had been the subject of a conversation between the British Ambassador and Senator Borah. There is, of course, no intention on the British side of interfering (and least of all in an " incorrect " way) with the course of procedure which President Hoover is gradually unfolding. The President's latest step has been to despatch Mr Hugh Gibson to London in order to confer with General Dawes. This is a good practical step to take, because Mr Gibson is better acquainted, from personal experience, than any other American diplomat with the history of the Three-Power Naval Conference of 1927 and also with the work of the League of Nations Preparatory Commission for the Disarmament Conference. It was in the Preparatory Commission that Mr Gibson originally made the announcement about the new American policy for a " yard-stick " which was the starting-point of the present movement. It looks as though President Hoover regards the Preparatory Commission as the proper place for bringing forward and comparing the alternative " yard-sticks " which are to be worked out by the respective naval experts of the Powers. The next step will probably be a meeting between President Hoover, Mr MacDonald and perhaps also Mr Mackenzie King on American soil. And all this is to lead up to the conference of the five naval Powers which is due to take place at Washington in 1931 in pursuance of the decision of the Washington Conference of 1921-2. We are beginning to see the road clear ahead.

The Acquittal of an Alsatian Autonomist.—On Saturday, June 22nd, a French jury at Besançon acquitted the Alsatian Autonomist leader, Monsieur Roos, who was being tried on a charge of conspiracy against the safety of the State. All good friends of France and of Alsace and of Europe will hope that this verdict may mark a turning point in Franco-Alsatian relations; and that the state of feeling between the Frenchmen of " the interior " and the Frenchmen of the " disannexed departments," which has been growing steadily worse since the Armistice, may now begin to improve. The possibility of improvement depends, of course, upon whether the view taken by the jurymen in Franche Comté is adopted by French public opinion in general. Meanwhile, this verdict is at least a hopeful sign; for there is no reason to suppose that, on the Alsatian question, Besançon thinks differently from the rest of France. Indeed, the trial was held there, and not in Alsace, precisely in order that Monsieur Roos should be tried by an ordinary French jury which would have no predisposition in favour of Alsatian autonomy and whose verdict might therefore be taken to represent the verdict of France herself. Besançon was well chosen; for the ancient provinces of Franche Comté has had a history in some ways like that of Alsace and in some ways different from it. Both Franche Comté and Alsace were annexed to France in the reign of Louis XIV., and were afterwards spiritually incorporated in France by passing through the common experience of the French Revolution. On the other hand, Franche Comté is a French-speaking province which has never since been separated from France and which is not divided from the rest of the country by any geographical barriers; whereas Alsace is differentiated from the rest of France by the three barriers of the Vosges, the German language, and the captivity of

1871-1918. The jury at Besançon seem to have realised a truth about the Alsatian point of view which it is evidently difficult for French minds, moulded in the French tradition, to grasp. The truth is that the Alsatians have a genuine and earnest desire for autonomy within the French body politic; but that this desire is simply what it professes to be, and is not a cloak for any insidious designs of breaking away again from France and re-entering the German Reich. During the trial, Monsieur Roos made it clear that the present autonomist movement in Alsace is a completely Alsatian movement. It is neither inspired nor supported by the Germans; and, if it were, Monsieur Roos and his friends would not be leading it. One of the Alsatian witnesses at the trial put the difference in the Alsatian attitude towards Germany and towards France in an epigrammatic way. " When the Germans made a *gaffe*," he said, " I used to laugh. When the French make one I want to weep." There is a world of difference in these words. They mean that " the Frenchmen of Alsace " will help " the Frenchmen of the interior " to heal the present unhappy breach, if once " the Frenchmen of the interior " will begin to help themselves. The jury at Besançon have now shown the way.

Religious Truce in Mexico.—On Friday, June 21st, the religious conflict in Mexico, which had been going on for nearly three years, was brought to an end by an agreement (since approved telegraphically by the Pope) between a Mexican prelate, who had been appointed Apostolic Delegate for these negotiations, and the President of the Mexican Republic, Don Emilio Portes Gil. In some of the remoter and wilder States of the Mexican Union, particularly in the north, the conflict had actually taken the form of civil war—the " Cristeros " maintaining a guerilla warfare in the mountains with at least one militant bishop at their head; but this was not the most serious aspect. The religious conflict was serious first because it tore the Mexican nation in two—even in States where the Catholic Party could not or would not actually take up arms—and secondly, because it was one of the factors that threatened to prevent the consolidation of a good understanding between Mexico and the United States. This was not only because the Catholics in the United States, who are, of course, a numerous and influential community, were strongly sympathetic towards their co-religionists over the border; but because the religious conflict was the most formidable remaining obstacle to the restoration of internal stability in Mexico, and an unstable Mexico practically means a Mexico at loggerheads with the United States, in view of the immensity of the American vested interests in Mexican territory. The strife that has now been composed, at least temporarily, goes a long way back in Mexican history. The power of the Catholic Church, both as an owner of property and a mistress of men's souls through her control of education, has been nowhere greater than in the former Spanish dominions in the New World; and this ascendancy of the Catholic Church in Mexico lasted longer than the authority of the Spanish Crown. During the century of Mexican independence that preceded the Revolution of 1910, the State several times came to grips with the Church and sought to clip her wings, without ever succeeding in bringing her permanently under control. The anti-clerical legislation of that century was resumed and extended in the Mexican Constitution of 1917; but the recent conflict did not break out until the Mexican Government began to take steps to put the ecclesiastical provisions of the new Constitution into effect, and that was not until 1926. The Church's retort to the Government's decree of July, 1926, was to suspend all Church services, and this suspension continued until last week—to the acute distress of millions of women and men who wanted to be both good Mexicans and good Catholics. The gist of the settlement seems to be that while priests are still to be required, in accordance with the Constitution, to register with the civil authorities, the candidates for registration are now to be designated by the Mexican Episcopate; and that while—again in accordance with the Constitution—religious instruction is to be prohibited in the schools, it is now to be permitted in the churches. An interesting point is that ex-President Calles and also the American Ambassador at Mexico City, Mr Dwight Morrow, are reported to have contributed towards bringing about the settlement.

America's Balance of Payments.—The annual report of the United States Department of Commerce, giving details of the balance of International payments of that country, has just been issued in Washington. The cabled summaries of this complicated but important statement are insufficient to enable us to piece together the balance sheet for 1928, and we must reserve comment until the full text is available. At this stage we can only record the final results and some of the impressions made upon the minds of the compilers of the calculation. Last year, it will be remembered, America's net export of merchandise amounted to about 550 million dollars, but, when interest due to and from the United States and invisible items such as tourist expenditure, payment for freights, immigrants' remittances, &c., had been taken into account this figure was reduced to 500 million dollars. To this has to be added a net transfer of gold to foreigners of 166 million dollars. The final result, therefore, was that America added 670 million dollars to her net foreign assets. In 1928 the visible export surplus had risen to about 1,030 million dollars, and after taking all the invisible items into account and making all the necessary adjustments, the report comes to the conclusion that this figure of approximately 1,000 million dollars represents the net increase in America's foreign investments for the year. The report again makes the comment that this figure is comparatively small in relation to the foreign issues placed on the American market, but this latter figure is, of course, largely offset by the investments made by foreigners in the United States and by other capital movements. The report also comments on the comparatively low figure of the total of America's net foreign investments, which are estimated in the case of private investments at about 9,000 million dollars (13,000 millions owned abroad less 4,000 million owned in America by foreigners). The extent to which the United States is a creditor nation is, however, greatly increased if to this figure we add the war debts at their face value, which would bring the total up to nearly 20,000 million dollars. This latter figure is not far from the probable total of Britain's private capital overseas. Our total would be very substantially swollen if war debts were included at their face value, for the sums due to us are several times greater than the amount we owe to the United States. We cannot, however, now claim to add this figure, seeing that we have agreed to scale down the debts due to us to the figure which we owe to the United States. Confining ourselves to private investments, the figures show that, as in 1927, so in 1928, the United States is slowly overhauling Great Britain, for the net export of 1,000 million dollars in 1928 compares with 150 millions sterling—or, say, 750 million dollars—which was Great Britain's net export of capital in that year. At this rate America's private foreign holdings will equal those of this country in 44 years. The report makes the comment that the character of the capital movements has changed very greatly in the twelve months under review, and therefore suggests that the resources of international finance are much more capable of dealing with the vast problem of " transfers of capital " than is commonly assumed, the conclusion suggested being that, from the point of view of international exchange, Europe will have no difficulty in paying its debts to America.

An American Tariff View.—Recent comments in the *Economist*, contrasting America's progressive record in some sections of the economic sphere with her reactionary tariff policy, have called forth some significant references in the American Press. " One reason for this discrepancy," comments the *Baltimore Sun*, " is the fact that in building up our domestic economic system, we Americans have had the advantage of operating in a great [illegible] restricted trading area. Had the founding fathers allow[illegible]

the several States to erect tariff walls around themselves, as some of them wanted to do, our inferior development would not only have been retarded, but our thinking on domestic commerce would be the same as that of the high protectionist. Benefits obviously attributable to superior industrial efficiency and management would have been credited to the tariff system of New York, or Massachusetts, or Maryland. The fact that the United States has been a free trading area makes it necessary for these bad logicians to transfer their faulty reasoning to the international scene. In spite of the export of capital, which makes the world virtually a single trading area, the ordinary Congressman still continues to think in terms of American industrial achievement as the result solely of the tariff." After describing what happens "when the bargaining begins"—the struggle of different industries to gain their own ends and not the nation's—the *Sun* goes on to say: "Everybody who has been in Washington when a tariff bill was being constructed knows that the doctrines, the tables of statistics, the expert testimony and all the rest of the paraphernalia of economic science are snares and delusions. It is all a matter of what politician you know and whether somebody more important than you knows the same politician even better. If the public followed it closely, a tariff revision should be a great education for the populace—but not an education in economics." British Protectionists please note.

Mr Snowden and the Savings Banks.—At the recent annual meeting of the Trustee Savings Banks Association the chairman read a letter from Mr Snowden conveying his congratulations and good wishes to the association. He commented on the fact that the funds of the banks have grown during the past year more rapidly than during any other year since 1920, and now reach a total of very nearly £159 million, while at the same time there has been a gratifying increase in the number of depositors, and added: "It is of the highest importance to the economic welfare of the country that great numbers of the citizens should contribute to the national savings, and I am very sensible how greatly the trustee savings banks have encouraged them to do so." These sentiments a contemporary describes as "feeding the fowls for plucking." But they are as complementary to Mr Snowden's policy of taxing large "unearned" incomes as to his declared views on national savings. Eighteen months ago Mr Snowden declared that trade revival was vitally dependent on capital raising and the capital development of this country, and that the lack of savings was greatly hindering our trade recovery. A year later he said, apropos of the surtax, that sometimes when they were trying to estimate what was available for further taxation they were apt to leave out of account the important item of capital investment, which was absolutely essential if the efficiency of industry was to be maintained. These admirable views can only be reconciled with a policy of taxation which must inevitably discourage in some measure the capital investment of the very rich, if Mr Snowden intends to foster a wider distribution of savings and a proper utilisation of the small resources of poor people. Should he succeed, the country will have cause to be grateful. Should he fail, he is likely to find two parts of his faith in conflict.

North-East England Electricity Scheme.—The sixth scheme to be prepared by the Electricity Commission covers Northumberland and Durham and part of the North Riding of Yorkshire; it coincides, therefore, with the area of supply of the Newcastle Electric and Associated Companies and, as a result of the co-ordination and centralisation of production carried out by the latter, affords less opportunity for the realisation of economies through interconnection. The Electricity Commission has recognised without modification the existing system as far as generation and transmission are concerned, but it has provided definitely for the conversion of frequency from the present 40-cycles to the national standard of 50-cycles. To avoid, however, dislocation of the extensive industrial electrification network which has been elaborated on a 40-cycle basis, the change will be spread over a long series of years. In the first five years, i.e., by 1935-36, only £2,207,155 will be expended for this purpose out of a total earmarked of £5,963,070. On full conversion, the annual capital charges will amount to £368,678, and it is advisable that this sum, which will be met by the national scheme as a whole, in common with standardisation charges from other schemes, be spread over as large an output as possible. The total expenditure to be incurred before 1935-36 will be £4,113,622, main transmission accounting for £1,131,467 and extensions of generating stations (75,000 kilowatts) for £775,000, so that the scheme is rather less costly than any other yet evolved. The output of electricity in the area, which covers roughly 5,050 square miles, with a population of 2,674,800, was 802,780,000 units in 1927-28, but to this should be added energy derived from waste-heat stations owned by the Newcastle Company and surplus power fed into the system from private coal-mining, iron and steel plants, equivalent to an additional 375,000,000 units, which are not considered by the Electricity Commission. By 1935-36 the output will have risen to 1,338,400,000 units and, by 1942-43 to 2,138,000,000 units, a consumption per head of population of 660 units. The cost of electricity as furnished by the Central Board will fall from .3268d. per unit in 1931-32 to .3167d. per unit in 1935-36, and the working costs per unit in the selected stations will be, in the latter year, .2809d., the lowest in Great Britain. Through interconnection a saving of £382,173 will be effected in four years and five months, while 80,000 kilowatts of reserve plant, representing an original expenditure of £1,360,000, will be brought into revenue-earning activity. The position of the principal undertakings under the scheme is illustrated by the summary table below:—

ELECTRICITY SUPPLY IN NORTH-EAST ENGLAND.

Undertaking.	Stations.	Capacity of Generating Plant. (Kilowatts).		Output of Electricity. (Millions of Units).	
		1928.	1941.	1927–28.	1935–36.
Newcastle Electric Supply Co.	Carville A	38,250	75,000	263·9	480·0
	Carville B	55,000	75,000		360·0
	Dunston	83,980	245,000	177·4	250·0
	Grangetown	15,300			
	North Tees	110,000	160,000	249·4	189·0
	Total	302,530	555,000	690·7	1,279·0
Darlington Corporation	Darlington	20,900	37,400	23·7	46·0
Sunderland Corporation	Sunderland	33,000	20,000	36·8	9·0
Scarborough Corporation	Scarborough	9,750	5,625	4·0	...
Newcastle Corporation	Manors	11,300	...	19·2	...
Newcastle and District Electric Lighting Co.	Close	12,500	...	23·7	1·0
South Shields Corporation	South Shields	14,300	10,800	12·7	3·4
Total		403,980	628,825	810·8	1,338·4

Only South-West England and South Wales, a part of East Anglia and the Northern and Southern extensions of Central Scotland remain to be surveyed to complete the national scheme, so that early next year the work of national reorganisation can be assessed at its proper value and in its proper setting.

Engineers' Wage Tactics.—The official report of the proceedings at last week's conference between the National Federation of Engineering and Allied Employers and the Trade Unions representing workers in the engineering industry is a document which deserves a place among the more curious archives of our industrial history. The upshot of the conference was purely negative, the application of the Trade Unions for an advance of 8s. per week for time-workers being countered by an offer on the part of the employers to consider the position in six months' time—an offer which the Trade Unions declined to accept. To appreciate, however, the whole matter of the present *impasse*, it is necessary to recall the history of engineering wages during the past five years. In 1924 the employers were presented with an application for an all-round increase of 20s. per week in wages—an application based on the grounds of the admitted disparity between the rates payable to engineers and those enjoyed by less skilled workers in "sheltered" trades. Lengthy negotiations on this claim broke down in January, 1926, and were followed by the local strike at Messrs R. Hoe and Co.'s works, which led to the employers' threat of a national lock-out as a deterrent against attempts to secure local advances. The Hoe works strikers eventually obeyed the orders of their Union officials to return to work, and the growing movement for district advances was arrested by the General Strike of May, 1926. In August of that year the engineering Trade Unions, which had refused in April an offer of 2s. 6d. per week advance conditional on modified regulations with respect to overtime and night shifts, formally announced that their claim for the 20s. per week increase was "deferred indefinitely." Nine months later, however, negotiations were renewed—on an "unprejudiced basis"—and in July, 1927, the employers offered to give an advance of 2s. per week to plain time workers. This offer was accepted with a patent lack of enthusiasm, and in January, 1928, the Trade Unions once again decided to approach the employers on the wages issue, and to apply for an 8s. per week increase for time workers with corresponding additions to piece-raters. Refused in April, 1928, on the ground that the engineering industry, with a net return on turnover stated to be only 2.7 per cent., was in no position to bear any addition to labour costs, this patiently submitted application came once more last week before the employers. On this occasion, Sir Allan Smith, the employers' chairman, chose as the grounds on which to base the now almost traditional rejection—not the economic position of the industry, but the supposition that Parliament, with a Government of pink "placid imbecility," goaded by "purple patches" of extremism, might impose on engineering—either by repeal of De-Rating, ratification of the Washington Convention, increase of school-leaving age, abandonment of the McKenna Duties, repeal of the coal mining Eight Hours' Act, or approval of the establishment of the Reparations Bank in Brussels—burdens which would render the industry unable to pay higher wages. With this remarkable medley of alarms the employers backed their refusal, and at the abortive end of the conference Sir Allan Smith remarked in farewell to the trade unions: "So far so good." We dissent. It is not good. Whatever the financial difficulties of some engineering firms may be, however valid may be the case against a rigid national advance under present conditions, we are convinced that the engineering employers, whose attitude to the Melchett-Turner Report indicated a deplorably anachronistic view of industrial organisation, will do their industry the worst possible service if they fail to recognise and to admit frankly and without reservation that the engineering trade unions have waited with commendable courage and patience for conditions of trade which might justify at last the full consideration of the question whether wage increases have become possible. Engineers throughout the country will reasonably want more convincing arguments than those advanced by Sir Allan Smith to prove that those conditions have not now arrived—at least in some degree, and in some sections of the industry.

Cotton Trade Wages.—The proposed new rates of wages for the operatives engaged in the cotton industry will come into operation in the week ending August 3rd, and, in the meantime, arrangements are being made for a joint conference between the employers and representatives of the workpeople. It is expected, writes our Manchester corrspondent, that the Master Spinners' Federation and the Cotton Manufacturers' Association will act jointly and deal with the nine cotton trade unions as one body. With regard to the Master Spinners' Federation, a new development is that a ballot is being taken of the members before the notices expire, and it will, therefore, be necessary for 80 per cent. of the members to vote in favour of the wages reduction. There is ground for believing, however, that the rank and file of the employers, both spinning and weaving, will support their central committees to the extent of over 80 per cent. Statements made during the week by the leaders of the operatives indicate that the strongest possible opposition will be made to the claims of the employers. Should there be a danger of a stoppage of machinery, however, intervention, either by the Government or some outside party, is regarded as a practical certainty.

The Continental Steel Cartel.—At its periodical meeting here last week (writes our Paris correspondent) the managing committee of the European International Steel Cartel fixed its tonnage programme for the third quarter of 1929 at one million tons higher than that hitherto in force. The Cartel's nominal total output for the next three months, therefore, will be carried to 32,295,770 tons. An informal discussion took place as to whether the international entente should be prolonged, and this was unanimously decided in the affirmative. The details for bringing the prolongation of the agreement into operation will be discussed at the next meeting of the committee, which will take place in Vienna. Other international agreements in the metallurgical industry will come up for consideration in the near future. The international rail cartel, whose leaders are to meet here, propose to come to decisions as to the increase of selling prices. The existence of the international zinc syndicate has been prolonged until the beginning of October next, and it has also been decided to maintain the rate of restriction of production at 5 per cent. A similar policy of regulating production and maintaining prices is contemplated by the lead and tin industries. A conference is to be held in London next month to discuss the advisability of organising an international lead cartel. The dropping of tin prices to £200 a ton is apparently inspiring the leaders of that industry to come to an agreement with a view to bringing selling level back to £300. The Anglo-Oriental Corporation is reported here to be anxious to bring about a general restriction of production, on the ostensible ground that the mines will soon be exhausted unless protective measures of this kind are taken. The leaders of the nickel industry in England, Holland and this country are reported to have met here with the object of creating an international syndicate.

Substitutes for Timber.—From time to time, writes a timber trade correspondent, new composition boards come on the world's markets, which all in their way help to delay still further that timber shortage of which we hear so much. Amongst the latest patents is one in Canada, where a company has been formed to manufacture boards made of compressed straw. It is claimed that the product is fireproof on account of the extreme pressure given it, amounting to 100 pounds to the square inch. These boards will be turned out in sizes 14 feet long by 5 feet wide, and no doubt others to meet requirements to save labour as much as possible. We have heard of straw boards before, but the surprise in the new manufactured board is that the thicknesses will be as much as two inches. As Canada must have large quantities of straw available year by year, a new industry is likely to be set up, which may have results in timber economy.

Gresham Fire and Accident Insurance.—A year ago this society was overtaken by an unexpected and serious loss in that the Canadian subsidiary, the Dominion Gresham Co., was forced into liquidation. Thus the whole of the parent company's investment, standing in the books at £64,000 was lost. The situation was promptly met by the issue of 100,000 new £1 fully-paid shares, all of which were taken up by the Gresham Life, which controls the Gresham Fire, at 35s. per share. The premium, amounting to £75,000, was thereupon utilised for the purpose of writing off the Gresham Fire Co.'s investment, and, incidentally a further £8,000 was employed in eliminating from the balance sheet the balance of "establishment of business" account. Without the help so readily afforded by the Gresham Life, the position might obviously have been much more serious. As it is, the company's anxieties have been relieved, and it appears to have grappled vigor-

ously with the overhaul of the business. The results, as disclosed by the 1928 report, are indeed gratifying, and are better than for many years past. The fire premiums for 1928 amounted to £171,477, being some £14,000 less than in 1927, but the accident premium income of £168,935 shows practically no change. The detailed results of the past two years are as follows:—

	1927. Amount.	1927. Percentage of Premiums.	1928. Amount.	1928. Percentage of Premiums.
	£	%	£	%
Fire profit	2,337	1·2	3,916	2·3
Accident profit	1,816	1·1	5,457	3·2
Investment profits	4,137		2,572	
	8,290		11,945	
Less items debited to profit and loss account	2,408		1,288	
Total net trading surplus	5,882		10,657	

Owing to the increased funds provided by the new issue, the interest earnings have grown from £10,065 to £15,178, and have been sufficient to cover the usual 7 per cent. dividend, costing £14,919. A beginning has been made with the task of strengthening reserves. The underwriting reserve in the fire account has been raised from 35 per cent. of the premiums to the accepted minimum of 40 per cent., but the reserve in the accident account still remains at 35 per cent.

Licenses and General Insurance.—The primary function of this company, which was established some 30 years ago, still remains the provision of insurance for licensees against risk of loss entailed by the forfeiture or non-renewal of their licences. The premium income of this business, including also the whole of the general business, now amounts to £300,000. Of late years, however, the company has cultivated to an increasing extent a fire and accident business, the combined premium income for which now slightly exceeds £200,000. The underwriting experience of the company for the last few years has been very patchy and uneven, and the year 1928 has proved to be no exception from this, as the detailed results set out below indicate.

	1927. Amount.	1927. Percentage of Premiums.	1928. Amount.	1928. Percentage of Premiums.
Fire	— 3,482	— 2·1	— 12,853	— 7·6
Accident	— 1,801	— 14·8	— 280	— 1·9
Employers' liability	— 759	— 2·3	1,100	3·3
Licences and general	718	0·3	5,336	1·8
Marine	— 25,000	— 66·5	Nil	...
	— 30,324		— 6,697	
Less items debited to profit and loss a/c	7,778		12,838	
Total net trading surplus	— 38,102		— 19,535	

The dividend remains at the same rate as for 1927, namely 20 per cent., and its cost, namely £11,816, is easily covered by interest earnings of £18,245. In the past two years, when commenting upon this company's results, we have referred to what appeared to be an over-valuation of the shares. For instance, last year the ordinary shares of £1, with 10s. paid up, rose to a high point of 95s. A subsequent gradual fall has occurred, and a month ago the company issued to its shareholders 57,624 additional ordinary shares at 50s. Even at the present price of about 55s. the yield, namely £3 12s. 6d. per cent., is very moderate.

University Life Assurance.—Within the limits of the very restricted field in which it operates, this society has succeeded in showing a notable expansion in the past four years. In 1924 the new business amounted only to £75,053, but in 1928 this had grown to £160,356. As is implied by the name, the *clientèle* of the society is for the most part drawn from members of universities, and, indeed, the business is strictly limited to "members of the universities, public schools, theological colleges, and other approved educational institutions." Hitherto the financial year has ended on April 30th, but last year the directors decided to alter the financial year so as to coincide with the calendar year, and, therefore, the report now published is for the broken period of eight months from May 1, 1928, to December 31, 1928. In that period good progress appears to have been made, and the new sums assured, amounting to £150,631, are almost up to the level of the figure for the preceding complete year. The present report being for a broken period, the figures are naturally disturbed somewhat by the incidence of the business, and an exact comparison of interest earned and of expenses is impracticable. As regards the former, however, earnings hitherto have been on the low side, and the annual net rate of interest during the first years ended April 30, 1928, was little more than 4 per cent. On the other hand, owing to the fact that the society pays no commission for introduction of business, the expense ratio is remarkably low, and averages over the same period 8.5 per cent. The next quinquennial valuation is due to be made as at December 31, 1929. The society is controlled by the "old Equitable" by virtue of the ownership of almost the whole of the share capital.

British Oak Insurance.—This company is really an offshoot of Spillers Milling and Associated Industries, Limited. There is an inter-locking directorate, and a large proportion of the company's business is derived from its association with the milling industry. No dividend has been paid since 1918, when the company was converted into a public company, and a year ago it became evident that some reconstruction was needed. Accordingly £75,000 was written off the issued capital of £250,000 and utilised for the purpose of eliminating a good-will item from the balance sheet amounting to £17,000 in respect of a subsidiary, the "M.M.I." Association, Limited, and also of strengthening the marine account. Both of these things have been done, but, unfortunately, during 1928 the company encountered an unhappy underwriting experience. In the fire account there was a loss of £20,808 on a premium income of £103,000, and in the Accident Account a loss of £22,920 on a premium income of £303,000. The result is, that the writing down has turned out in fact to be insufficient, and there still remains a debit profit and loss balance of £18,450. Nevertheless, all known losses appear to have been provided for, including the complete writing down of another subsidiary, The St. Christopher Insurance Co., Limited, in course of liquidation, and there is no reason why, in due course, the company may not be made into a profitable concern.

Victory Insurance.—This company has undergone in the ten years of its existence a very trying experience. The combination of disastrous losses from early adventures in marine insurance and of the failure of the Essex Union, with which it was intimately associated, necessitated in 1926 a drastic reconstruction scheme. Since that time good progress has been made, and as at the end of 1928 the company finds itself with a general reserve fund of £20,000 and a profit and loss balance of £7,123 in respect of paid-up capital of £150,000—originally £250,000. Only fire and accident insurance business is now conducted, and the combined operations are exhibited in one account. From this it appears that the premium income has risen by £50,000 to £250,000 in 1928, in respect of which the underwriting profit was £2,520, compared with £3,011 in 1927. This is a very meagre return. Allowing for items debited to profit and loss account, there was a total net trading loss in 1928 of £2,793, compared with a loss in 1927 of £1,103. Fortunately, however, there is a very substantial margin between interest earnings and dividend amounting last year to nearly £8,000. The dividend has been raised from 4 per cent. to 5 per cent., and the shares of 16s., with 6s. per share paid up, now stand at 7s., and yield, therefore, just under 5 per cent.

The Reparation Commission at its meeting held on June 11th, appointed (after consultation with the British member of the General Board of the Reichsbank) Mr Charles Wigham to be a member of the Transfer Committee in the place of Mr Henry Bell, resigned.

Oversea Correspondence.

UNITED STATES.—BUSINESS—PRICES—FOREIGN TRADE—MONEY—CAPITAL.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 19.

THE heat has slowed down dealings on the Stock Exchange to some extent, but it has stimulated trade. Recession in the principal industries is being remarked, but it is only slight and promises to be less than usual for the season. There is no disguising the fact that great satisfaction is felt over the adjournment of Congress for a summer recess, which will last until August. Wall Street would have been better pleased if adjournment had been *sine die*. However, the farm relief bill has been passed and without the objectionable feature of a subsidy for the purpose of buying up the surplus. The bill as passed is considered sound enough, although there is a difference of opinion as to how soon actual benefits will flow from it. At least a controversial matter has been settled. In all probability when Congress reconvenes, enthusiasm for sharp increases in tariff duties will have cooled somewhat.

With credit more abundant and interest rates somewhat lower the security markets are improving and the principal commodity markets are steadier. Wheat and cotton new crops are now coming on the market and more attention is paid to the weather than to the money market. Commodity prices as a whole, however, are continuing to decline. Farm products groups account for most of the drop, but prices everywhere are weaker. The decline has been gradual, however, and probably has not hampered trade. The decrease during May, according to the index of the Bureau of Labour Statistics, was about one per cent., which is the average amount of monthly decline for the past few months. The Bureau's index, as compared with the previous month and a year ago, follows:—

INDEX NUMBER OF WHOLESALE PRICES BY GROUPS AND SUB-GROUPS OF COMMODITIES.

(1926 = 100·0.)

Groups and Sub-Groups.	May, 1928.	April, 1929.	May, 1929.
All commodities	98·6	96·8	95·8
Farm products	109·8	104·9	102·2
Foods	101·2	97·7	97·7
Hides and leather products	126·3	107·9	106·8
Textile products	96·6	95·5	94·2
Fuel and lighting	81·8	80·6	81·1
Metals and metal products	98·6	106·4	105·2
Building materials	93·5	97·9	96·8
Chemicals and drugs	95·3	94·9	94·2
House-furnishing goods	97·8	96·7	96·7
Miscellaneous	85·1	79·2	79·6
Raw materials	101·4	97·0	95·3
Semi-manufactured articles	98·6	97·4	95·1
Finished products	97·1	96·9	96·4
Non-agricultural commodities	95·6	94·7	94·1

In addition to the continuous decline in commodity prices foreign trade statistics for May, published a few days ago, have caused some concern. For the first time since April, 1926, this country brought in merchandise of a greater value than that shipped abroad. The excess of imports over exports was due both to lower exports and to higher imports, as compared with a year ago. Imports during May amounted to $401 millions, which was $8 millions less than in April, but which was nearly $50 millions above May, 1928. Exports of $387 millions were $40 millions below April and $35 millions below last year. Department of Commerce officials attribute the drop in exports to smaller shipments of cotton, while higher imports are attributed to an attempt to send in goods before new tariff rates become operative. The explanation of the increased imports would, of course, be more convincing had the outlook for tariff increases been brighter; as it was, no one expected any change in old rates for some time. So far as our exports are concerned, the question is raised whether the tight money policy of the Federal Reserve Board, which has brought about deflation here, has not had enough depressing effect on foreign currencies as to reduce purchases of our cotton and other commodities. The bugaboo among business men now seems to be that a decline must be expected in export trade, but fears of that doubtless are exaggerated. Admittedly relentless pressure on credit by the Reserve Banks would not only injure foreign trade, but domestic business as well, but that pressure probably will be lifted and foreign borrowing will probably be resumed with the approval of the reparations agreement.

At the moment the money market is fairly easy under the influence of Treasury borrowing at the Reserve Banks of an amount estimated at $150 millions, which is less than usual at the tax date. Member banks were granted immediate credit at the Federal Reserve Banks on Saturday for maturing certificates of $528 millions and the Treasury paid out about $100 millions in interest. As an offset, $404 millions of new certificates were sold, foreign Governments paid about $80 millions interest on war debts, principally in United States bonds bought at a discount, and income taxes were collected. Most income tax payments are made by cheque, however, and their collection will spread over the week. As the Treasury overdraft is liquidated the money market should firm up somewhat, but seasonal influences are at work toward easier money.

In addition to the help which the money market is receiving from the Government, gold is now coming in. In the past week Canada, for the first time in several months, has sent in gold, the first shipment being about $2 millions. More has come from Argentina and more is on the way. Including this week's announcements of about $7 million, the total addition to the gold stock of the country through import and release from earmark since the first of the year is about $160 millions. Although that will support about $2,000 millions of credit, Federal Reserve credit actually has been deflated by about $700 millions and total loans and investments of reporting member banks (about 40 per cent. of the banking resources of the country) are down $1,200 millions since the first of the year. Just how much help will come from the gold depends largely on what the member banks do with it. They may be depended on to cut their discounts further, but some easing effect is nevertheless anticipated. Morally the effect is expected to be considrable on the Federal Reserve Board, which has no desire to drain off any more of Europe's gold.

The share market has been creeping forward, but the volume of business is small, indicating public participation at a low ebb. The best class of shares have made the best showing, and the bond market also continues to improve. Offerings of additional shares were made by a large number of corporations last spring, for the purpose of paying off bonds, retiring debt and expanding commercial activities. It is estimated that the exercise of subscription privileges maturing in June and early July will call for the investment of approximately $850 millions. The effect on the money market should not be considerable, since the operations merely mean a shifting about of bank balances. The effect for a short while may be, however, to increase brokers' loans since many shareholders are unable to take up new stock all at once. This week a total of $401 millions was called for on new stock subscriptions.

The latest statement of the Federal Reserve system indicates a more lenient attitude. The Reserve Banks increased slightly their holdings of bills and added largely to Government securities. Total credit outstanding fell, however, because the member banks cut down their borrowings. The excuse for the addition to bills and securities is offered that the Reserve wished to help dealers over the mid-month, and while the financial district is inclined to accept it for what it is worth, a close eye is being kept on Reserve operations to detect further signs of an easier money policy.

FRANCE.—LONDON AND WASHINGTON AGREEMENTS—PUBLIC DEBT.

(FROM OUR CORRESPONDENT.)

PARIS, June 26.

THE question whether the Washington and London debt agreements shall undergo ratification forthwith continues to dominate all others, and it is not yet possible to foresee what the solution will be. Opinion in the Chamber and throughout the country is still sharply divided on the matter. M Poincaré, in a series of three exhaustive speeches before a joint assembly of the Foreign Affairs and Finance Commissions of the Chamber, has put forward a remarkable mass of arguments in favour of ratification, but the Commissions have not yet reported their decision. In political circles, although there is still a large section which refuses to agree to ratification in any form, the opinion of the majority appears to be in favour of ratification accompanied by reservations. The principal condition which it is desired to attach to ratification is that France shall be free, in the event of Germany suspending or repudiating reparation annuities, also to suspend payment. The difficulty confronting the Chambers is how to express this condition without rendering the form of ratification adopted inacceptable to the United States. M Poincaré's proposal is that the Chambers should, as a preliminary step, pass a resolution authorising the President of the Republic to ratify the two agreements by decree. This, he pointed out to the Commissions, would enable Parliament to voice its reservations as part of the resolution. The presidential decree, once signed, would come before Parliament for formal approval, which would provide a final opportunity to attach an expression of their reservations to their vote.

The Commissions have admittedly been much impressed by the Premier's arguments, but outside Parliament opposition to ratification has been in no degree lessened. A demonstration on Sunday of former soldiers belonging to several national federations proved a fiasco, owing to the Premier refusing to receive a deputation representing them. To-day capital is being made out of a statement made in October, 1926, by M Jacques Bardoux, to the effect that he had been told by " one of the highest personages in the republic " that the campaign then being carried on in certain newspapers in favour of ratification was being " paid for by American money, and that the names and figures were known." Several of the newspapers are now demanding that the names of the persons accused should be made public.

Common sense, in view of the fact that on August 1st payment becomes due of the $400,000,000 owing for the American war stocks left in France in 1918, would seem to dictate immediate ratification. The Treasury, as already announced, is undoubtedly in a position to find the money required to liquidate the American claim, but this apparently would not stand alone. It is now announced that a few weeks ago, before the General Election, Mr Churchill reminded the French Government that if it decides to pay off the American bill of $400,000,000 forthwith, the British Government will demand payment of an equivalent amount in sterling, on the ground that the London agreement stipulates that the payments made to Great Britain must not be inferior to those made to the United States. M Poincaré, as might be expected, does not accept Mr Churchill's interpretation of the clause in question. Unofficially, the opinion is expressed here that, in view of the present situation of the pound, the new Labour Government may find it advisable to adopt a more conciliatory attitude towards its Continental debtors than Mr Churchill appeared to assume.

The following statement of the French public debt, as on May 1, 1929 (comprising both that of the State and of the Caisse d'Amortissement), is published by the newspaper *Le Capital*, which is generally well informed:—

I.—INTERNAL DEBT.

"Perpetual" Rente	100,941,000,000f.	
Redeemable Rente	110,130,000,000f.	
Short-term debt	22,118,000,000f.	
Floating debt	40,507,000,000f.	
		273,696,000,000f.

II.—FOREIGN COMMERCIAL DEBT.

United States Loan, 1921	1,552,000,000f.	
" " " 1924	2,112,000,000f.	
" " " 1928–68	1,914,000,000f.	
United States Loans (Lyons, Bordeaux, Marseilles)	1,149,000,000f.	
United States War Stocks	10,397,000,000f.	
Argentine (banking credits)	202,000,000f.	
		17,326,000,000f.

III.—FOREIGN POLITICAL DEBT.

United States Treasury	74,310,000,000f.	
British Treasury	89,553,000,000f.	
		163,863,000,000f.
Total		454,885,000,000f.

Assuming *Le Capital's* figures to be approximately accurate, it is interesting to work out the modification the French public debt has undergone during the five years that have elapsed since M Clementel, the then Finance Minister, published his historic " Inventory of the Financial Situation of France " in 1924. In that exhaustive summary M Clementel set forth the total internal debt at July 31, 1924, as 277,850,000,000 francs, which he estimated as equivalent in gold (calculated on the basis of the average rate of exchange during the month named) to 73,550,000,000 francs. Reducing the amount of 273,696 million stabilised francs (given above as that of the French internal debt to-day) to a similar gold level (on the rough basis of 125 to the £, as representing the present franc's value), it appears that the internal debt is now equivalent, approximately, to 54,739,000,000 francs gold; from which it appears that during the period since stabilisation the total internal debt has been reduced (in real values) by some 18,811,000,000 francs gold. This result has, of course, been obtained almost entirely owing to the fixing of the franc by the stabilisation law at its present diminished value; one effect of which law was to wipe out at a stroke the 23,000,000,000 francs which figured in M Clementel's " Inventaire " as owing by the State to the Bank, and which was equivalent to about 25 per cent. of the floating debt as it existed in 1924. Quite apart from any question of reducing the internal debts of 1924 and of 1929 to a common gold basis, the figures given in the table above and in M. Clementel's " Inventaire " show that the internal debt since 1924 has been reduced from 277,850,000,000 francs to 273,696,000,000 francs, in addition to which the floating debt has been rendered " safe " by the conversion of the whole of the former dangerously short-term bonds into securities with a minimum maturity of two years.

GERMANY. — REPARATIONS—CREDIT—FINANCE —INDUSTRY—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, June 25.

THE evacuation of the Rhineland was the central point of the Reichstag debate on foreign policy which began yesterday. The attitude of the parties on this point was made clear—that of the Cabinet not quite so clear. Late last week it was announced that the Cabinet had decided to treat the Young Report as " the basis for a conference between the Governments and in connection therewith for the liquidation of the outstanding questions which originated in the World War." This not very clear reference to evacuation was supplemented by the Minister for Occupied Territory, who expressed approval of " the unanimity of the parties in demanding a speedy evacuation of the occupied area and the restoration of the Saar district." Dr Stresemann yesterday declared with great emphasis that evacuation must not be followed by any form of permanent control, but he did not declare categorically that evacuation is the Cabinet condition for acceptance of the Young plan. The Government parties' spokesmen did make declarations in this sense; evacuation must, they declared, be a conditions. The Cabinet, it is clear, is committed to reject control as a condition of evacuation, but, unlike the parties, has not committed itself to reject the Young plan if evacuation cannot be attained or if it could be attained only under the unacceptable condition of control. It is, however, not likely that even if " liquidation of the outstanding questions " cannot be negotiated on conditions acceptable to Germany, the Young plan, which offers such great advantages, would be rejected.

The party speakers professed to be disappointed with or doubtful about the plan. The plan is also being subjected to criticism outside the Reichstag, not on the ground of its organisation details, but on the alleged ground that the payments are excessive. The Central Association of Banks declares that the Young Committee's proposed protection for part of the payments should—contrary to the Committee's report—not be regarded as an emergency expedient necessary only when the economic position is exceptionally bad. Germany should have a right to demand this protection if the general expectations which are the basis of the plan prove to have been too optimistic. The Federation of German Industries holds that the burden is too high. The Disconto Bank complains that the Young Committee ignored " the vital fact that the Dawes annuities were paid out of foreign loans," predicts that without foreign loans the reduced annuities will not be payable, and holds that even the payment of the unprotected 660 million marks a year is in doubt. On this point, which has played such a big part in Reparation discussions, the banker, Dr Bernhard Dernburg, told the Reichstag the truth—that " the moneys borrowed from America went into German business; it is therefore false to assert that the Reparations payments were effected through debts."

The demand for money last week increased, but in view of the impending half-yearly settlements and of the holiday demand it was not excessive and was easily supplied. The recent money market stringency was largely due to the need of the Republic, caused by the old cash deficit. Here the position has been improved by agreement for a credit of 210 million marks from a banking syndicate led by Mendelssohn and Co., against which the syndicate is to get an equivalent one-year dollar credit from an American group. Offers of foreign funds increased last week at somewhat reduced interest rates, but the lowness of the chief foreign exchanges tended to cause sale of mark holdings by foreigners. Day loans to-day cost 6½-9 per cent., month loans 9½-10½ per cent.; private discount rate unchanged 7½ per cent. The commercial banks, which on June 1st put up their interest rates all round by 1 per cent., have reduced them as from July 1st by the same amount, so that the debit rate is again the normal 1 per cent. above the official rate. This reduction is a result of the removal of the Reichsbank's restriction of rediscounts, and the removal is a cause of the money market improvement. The Reichsbank's return for June 22nd shows a decline in discounts by 128½ million marks, in advances by 33 million marks, and in circulation by 123 million marks. The gold and exchange reserves show only small changes, and the ratio to reichsmark circulation has risen further to 51.5 per cent., and to all circulation 46.5 per cent. The sterling exchange rose sharply to-day to 20.345 as a result of the abandonment of the Reichsbank's opposition to import of gold, followed by the purchase of English gold of so far unknown amount. The Reichsbank, which seems to have believed that the extreme weakness of sterling witnessed since the middle of May was temporary, had given the commercial banks to believe that it opposed arbitrage gold purchases. The natural consequence was a complaint by exporters to England, who stood to lose if they converted sterling bills into marks. The sale last week of English gold to the United States caused a change in the Reichsbank's attitude. Commercial circles here disapprove of the gold export embargoes and gold purchase embargoes of which so much has been heard of late. The system is considered to be inconsistent with a gold currency.

Receipts from taxation in May totalled 657 million marks, against 939 million marks in April (including quarterly payments). The completed Budget for 1928-29 shows:—

	Ordinary.	Extraordinary.
	Millions of M.	
Receipts	10,277·6	216·8
Expenditure	10,231·7	1,121·3
Surplus or deficit	45·9	*Dr. 904·5*
Expenditure not paid by end of Budget year	200·3	73·3
Deficit	154·4	977·8

The total deficit is, therefore, 1,132.2. The extraordinary deficit of 977.8 million marks is recoverable out of loans; the ordinary deficit of 154.4 million marks, according to law, out of ordinary revenue in the Budget year 1931. The extraordinary deficit is due as to 259.8 million marks to repayable loans to the Unemployment Insurance Board, and as to 465.3 million marks to a liability carried forward from 1927-28. The funded debt at the close of the Budget year was 7,947.9 million marks, whereof 877.1 million marks represented the international loan of 1924, 5,039.8 million marks valorised paper-mark debts, 562.3 million marks home war-compensation registered claims, and 655.6 million marks Rentenbank loan. The floating debt totalled 990 million marks.

The wholesale-price index number for June 19th is 135.2 as against 134.9 on June 12th. The agricultural products group continues to rise. Unemployed members of the trades unions on May 31st were 9.1 per cent., as against 11.1 per cent on April 30th and 22.3 per cent. on February 28th. While the labour market as a whole has greatly improved, unemployment and partial unemployment in the textiles branch have increased during the past four months. The import of raw cotton and wool this year so far has been at about the same level as in the first part of 1928, but the import of cotton and woollen yarns has heavily declined, and this is regarded as pointing to slack trade. Export of finished textiles this year so far has been larger than in 1928 or 1927. The steel market is increasingly active. The May ingot steel production, 1,421,047 metric tons, is the largest since the war; the production of January-May inclusive is 6,892,882 metric tons, against 6,627,696 metric tons in the same months of 1928, and exceeds *pro rata* the production of 1927. Business in semi-products, joists, and railway permanent materials is very good. Export of structural steel to South America and Scandinavia is increasing, and the price has been put up 5s. per ton. The bar market is still dull.

The " Grain Valorisation Commission's " proposal to create a monopoly with the aim of maintaining remunerative prices has met with difficulties. The present design is to abolish the reduced interim duties which are 55 marks a ton for wheat and 50 marks for rye. This would merely bring into force the Swedish commercial-treaty rates of 65 marks and 60 marks respectively, which are considered too low. As Sweden does not seem inclined to surrender her rights the treaty will probably be denounced to January 1, 1930. This will leave Germany entirely free. It is desired, however, that this year's crops shall benefit from the price rise; and it is, therefore proposed to pass immediately a law compelling millers to mill a fixed production of home grain, and by this means to drive prices up. In the sugar industry negotiations for a cartel in order to get full advantage of the import duty (which is combined with a legal maximum price) are under way.

The foreign-trade balance for May, for the first time since 1926, is favourable. Both imports and exports show declines as compared with April. Exports of finished

goods declined slightly, but remained far above the monthly average of the past year:—

	Imports.			Exports.		
	May.	April.	Jan.-May.	May.	April.	Jan.-May.
	Marks (000's omitted).			Marks (000's omitted).		
Livestock	11,661	12,389	53,193	2,100	1,647	7,813
Foodstuffs	300,074	350,820	1,596,186	79,510	83,588	326,123
Raw and half-manufactured materials.	613,482	691,802	3,102,441	260,132	269,514	1,211,218
Manufactured goods	196,417	199,990	981,003	834,074	876,261	3,923,218
Merchandise	1,121,634	1,254,901	5,732,823	1,175,816	1,231,010	5,468,372
(Thereof Reparations Deliveries in kind)	...	...	...	77,392	66,822	318,272
Gold and silver	11,770	11,558	52,921	3,290	936,610	949,452
Totals	1,133,404	1,266,459	5,785,744	1,179,106	2,167,620	6,417,824

The adverse balance on the five months (wares only) is 264½ million marks, or a monthly average of 53 million marks, as against a monthly average of 200 million marks in 1928, and 330 million marks in 1927.

AUSTRIA.—RENT ACT—RAILWAYS—INDUSTRY—AGRICULTURE—STOCK EXCHANGE.

(FROM OUR CORRESPONDENT.)

VIENNA, June 22.

THE Rent Bill has been passed by Parliament, and the cause of the most bitter political fights has thereby been removed until the year 1931. The increase which the tenants will have to pay in comparison with the present rents are of little material consequence in those categories which had small flats and shops in pre-war times, and even for large flats and large business premises the old tenants will not have to make any great sacrifice. In the case of new tenants and new leases, however, a not unjustifiable increase of rent will be imposed. The important question now is whether private enterprise in house building will set in in the measure anticipated. The Department of Finance has allotted a sum of 24 million schillings per annum for the redemption service of the housing bonds, which are to be issued to a value of about 450 million schillings. Private builders of houses who may avail themselves of the advantages of the new law will have to pay about 5 per cent. interest for the redemption of the credits accorded to them. Banks, savings banks and insurance companies are to lay out in the new loan a certain quota of the savings deposits or premiums paid to them. A political touch is being given to the whole matter. in that in Vienna the tenants of houses on sites especially valuable in pre-war times will have imposed upon them a special rate, which will be used to furnish a fund for the benefit of tenants of houses on which the cost of repairs would otherwise be too high. The chief thing is, however, that the impracticable provisions of the Tenants' Protection Act have been modified, so that within a reasonable time house property in Vienna will once more come into consideration for security purposes. The issue of the housing loan will undoubtedly be influenced by the situation of the international money market, especially as it is intended to dispose of a portion of the loan abroad; foreign inquiries for this loan have already come to hand. The proposed rate of interest is 7 per cent.

The Department of Finance must also shortly take legislative measures in order to be in a position to prosecute with more vigour the negotiations for the big investment loan which it desires to float. It is probable, however, that for the time being the big loan will not be issued but the example of Germany followed and requirements covered by means of provisional transactions.

The balance sheet of the Post Office Savings Bank indicates that for a long time to come the State will have to continue subsidies. For last year they amounted to 5.5 million schillings, corresponding to the interest on a 4.8 per cent. guarantee, which the State undertook for an amount of 113 million schillings on behalf of the Post Office. The 113 million schillings represent losses sustained by the Post Office Savings Bank during the inflation period and now being gradually worked off. The balance sheet of the Federal Railways, it is true, shows a working surplus of 28.7 million schillings. As, however, the greater part of this was drawn upon for purposes of the loan and interest service, there remains a net profit of only 135,689 schillings. During the present year, the Federal Railways have increased their rates, but they will not be able to derive any great profit therefrom, because the severe winter caused serious damage to rolling stock and railway property. At present a considerable movement has set in for a fresh reduction of staff, especially as calculations show that the cost of the personal representation, which exercises a decisive influence upon the whole enterprise, is unusually high. Another transport concern, the Danube Steamship Co., has so far not yet succeeded in getting the subsidy it desires from the State. The company has declared that it cannot maintain for long even the reduced passenger service, as it is completely unprofitable and involves serious losses. It was perhaps a great mistake on the part of the company in previous years to overestimate its assets and to calculate the temporary profitableness of its coal values and the value of its fleet so high that it did not give adequate consideration to the profitableness of the passenger service. In an appeal to the State it has pointed out that the shipping companies in all neighbouring countries enjoy government subsidies, while it has none. For the time being, the shareholders are the sufferers, as they have received no dividend for the last business year.

Apart from individual industries, stagnation prevails, though bankruptcies and compositions are less numerous. In the year 1928 there were 2,663 bankruptcies and compositions in Austria (18 per cent. less than in 1927), in Czechoslovakia 2,660 (10 per cent. less), Yugoslavia 917 (13.5 per cent. less), and Hungary 1,599 (21.7 per cent. more). Brisker business is shown in the brewing industry, in several branches of the electrical industry and in building. The iron industry is slowing down, though the works are still fairly busy. The position of the Austrian milling and textile industries is decidedly unfavourable. Both these industries are endeavouring to secure greater tariff protection. It is also proposed to introduce the duty on cast-iron pipes, which was formerly suspended; the first domestic enterprise is about to be established. The demand for a higher duty on boots is meeting with the resistence of the Czechoslovakian and German footwear concerns.

In spite of these unfavourable signs, seasonal work has again reduced unemployment in the first week of June, at which time there were in Vienna only 56,757 in receipt of unemployment benefit. Building concerns are making great preparations in view of the Housing Promotion Act, and the price of building land has already gone up. It appears that a number of savings bank and bank depositors are withholding their savings and also drawing them out for the purpose of building their own houses and acquiring ground. In any case the movement of saving, which for a long time had been constantly rising, has been slowing up very noticeably.

The position of farming has lately become unfavourable. It is suffering through sharp foreign competition, and in certain quarters the introduction of a State grain-trading monopoly is advocated. The trade-treaty negotiations with Germany are making very slow progress. The revision of the Austro-Roumanian most-favoured-nations agreement is contemplated and the creation of a tariff treaty instead of it. For the present the farming interests are sharply opposed to one another. The fight over the extension of the West Tyrol water power has not yet been decided. It is likely that a compromise will be arrived at between the Austrian banks who are financing the affair and the German consumers of electric energy, who desire to secure a stronger influence on the finance. The National Bank still remains the chief source of credit. Even though important offers are received from abroad, the National Bank is practically the cheapest source of credit accommodation. As a consequence, its bills receivable account, which at the beginning of June had grown to 228 million schillings, which was almost the highest level since the year 1924, is receding very slowly. It is hardly likely that there will be any change in the bank rate in the near future.

The Stock Exchange is stagnant. Matters are made worse by the circumstances that the Austrian public has large holdings of Hungarian shares from an earlier period and has been badly hit by the depreciation consequent upon recent events on the Budapest market. Aversion from shares is as bad as it can be, and various plans to execute fresh issues have accordingly had to be put back. The index figure of Austrian shares, exclusive of mining shares, stood at 1,053 at the beginning of January, at 1,054 at the beginning of May, and at 1,452 and 1,479, at the beginning of June respectively, including mining shares. Business people complain that foreign tourist traffic is not fulfilling expectations. The desire of certain circles of business people for more stringency in the regulations covering composition with creditors, which is undoubtedly necessary, will probably not be fulfilled until a later date.

GREECE.—POLITICS—BANKS—MERCHANT MARINE—TREATY WITH RUSSIA—REPORT OF THE I.F.C.

(FROM OUR CORRESPONDENT.)

ATHENS, June 19.

WITH the Opposition parties casting blank votes, Admiral Coundourioutis was elected on June 3rd President of the Republic of Greece. Though he has been carrying out the duties of a President for several years, it is only now that his nomination to the post of the head of the State is made conformable to the Constitution. The election of the President afforded to Mr Venizelos the opportunity of realising a reconstruction of his Cabinet, which had been expected for some months. While a few Ministers are to continue in office, new ones were appointed and two new posts were created: a Deputy Minister of Finance and one of Communications. The inclusion in the new Cabinet of persons considered by the principal Opposition party as belonging to the group responsible for the shooting of the five Royalist Ministers and the Commander-in-Chief after the Asia Minor catastrophe, led to a decision of the Popular Party to abstain from any further collaboration with the Government in the House of Parliament and the Senate. In view of the successful reconciliation efforts made by all the parties after the overthrow of the Dictatorship and before the return to politics of Mr Venizelos, this relapse into the old political quarrel is a lamentable development. On the other hand, with the impending transference of the hitherto Minister of National Economy to the Ministry of Finance, and the appointment as his Deputy-Minister of one of the young and promising Greek statesmen, the finances of the country will be once more in strong and dexterous hands—an event of paramount importance in view of the present financial conditions of Greece. Again, of considerable, if not of equal, importance is the nomination as Minister of Communication of a sober-minded man, who, in a statement made on the day of taking office, pledged himself to see to the faithful and unprejudiced application of existing contracts. From a British point of view, these changes, coupled with the assurances given recently by Mr Venizelos, may be looked upon with a feeling of gratification. For they permit the entertainment of the confident hope that British financial interests will receive fair treatment.

Nearly a year after it was raised, the question of the ownership of the difference on revaluation at the stabilisation price of the cover in gold and gold exchange held by the National Bank for its note circulation has been definitely disposed of. By an agreement signed between the State and the Bank, the latter undertakes to pay to the former, by instalments, a sum of 560 million drachmas—*i.e.*, roughly half the difference. The Bank is entitled to write off the loss arising from this payment of annual amortisation. The question of principle is not settled, each of the signatory parties maintaining its point of view as to the ownership of the amount representing the difference on revaluation.

Provision is made by the same agreement for the establishment of an Agricultural Bank, which will take over from the National Bank its agrarian credit branch. Credits not exceeding a sum of 850 million drachmas will be granted to the Agricultural by the National Bank for a period of 10 years, at a rate of interest 2 per cent. lower than the discount rate of the latter—except for a sum of 100 millons, for which the rate of interest will be 3 per cent. lower, this difference being reduced to 2 per cent. only should the discount rate of the National Bank fall to or below 7 per cent. The credits to be so granted will be reduced by 15 per cent. during the second five years of operation of the Agricultural Bank, save for the aforementioned sum of 100 millions, which, constituting a special credit, will be repayable at the termination of the 10-years' period. As from that date, and until December 31, 1950, a credit of 200 million drachmas will be allowed by the National to the Agricultural Bank. In addition to the above credits, the State will endow the new institution with a sum of 985 million drachmas.

A question concerning central banking theory has been raised owing to an agreement between the State and the National Bank, by virtue of which the cash balances of various funds of public character shall continue to be deposited with the latter instead of with the Bank of Greece, the new bank of issue. The question was brought before the Financial Committee of the League of Nations. As this concession has been made to the National Bank in exchange for services rendered to the State, the Greek Government insists on this stipulation being maintained in force. It is expected that a compromise solution will be found.

According to figures published by the *Merchant Marine Review*, the Greek mercantile marine numbered on December 31, 1928, 528 steamers of 1,256,965 gross tons, and 729 vessels of 58,508 tons, or 1,257 ships in all of 1,315,473 gross tons. The total gross tonnage was 1,001,116 tons in 1915, and 410,793 tons in 1918—owing to heavy losses from submarines. The majority of owners of coasting vessels have combined into a company with a fleet of some 30 ships and a share capital of 93,050,000 drachmas. By this association it is aimed at eliminating the keen competition hitherto prevailing, and improving generally the conditions of coastal traffic.

A new commercial agreement has been concluded with Russia. The most-favoured-nation clause is mutually granted. Russia is entitled to keep a trade delegation for her commercial transactions with Greece. The head of the delegation only, and, in his absence, his substitute, are to rank with the foreign commercial secretaries and enjoy diplomatic privileges. The headquarters of the delegation will be in Athens, with agencies in Piræus and Salonika only.

From the annual report for 1928 of the International Financial Commission just issued, it appears that the yield of the revenues assigned for the service of the national debt amounted to 4,064 million drachmas, as compared with 3,892 million drachmas in 1927. This increase is due entirely to larger receipts from Custom duties. In addition to these receipts, the Commission has received from the Refugee Settlement Commission a sum of 53,000,000 drachmas for the ordinary and £15,151,147 for the extraordinary service of the Refugee Loan of 1924.

NATIONAL BANK OF GREECE
Established 1841

Head Office: **Athens.**
Branches throughout Greece.
New York Agency, 51 Maiden Lane.

THE BANK OFFERS EXCEPTIONAL FACILITIES FOR BUSINESS WITH GREECE

Capital paid up and Reserves Drs. 1,205,000,000.

The revenues subject to the distribution of the surplus in favour of the old debt in gold reached 232,399,929 drachmas, as against 200,293,830 drachmas for the previous year. The interest to be paid in the course of the year on the old loans will be 100 per cent. of the original interest for the 1887 loan, 90 per cent. for the 1893 loan and those of the second group, and 88 per cent. for the 1889 loan. The contractual 2 per cent. of the original sinking fund will be increased for the distribution of 1929 by 14 per cent. for the first and the second group of loans, and 12 per cent. for the third group. The service of the loans controlled by the Commission has required an amount of 1,371 million drachmas. A surplus of 2,745 million drachmas was returned to the Greek Government.

FINLAND.—MONEY MARKET—FOREIGN TRADE—FINANCE—IMATRA WATER-POWER PLANT—BANK AMALGAMATION.

(FROM OUR CORRESPONDENT.)

HELSINKI, June 22.

As is usually the case, there was growing stringency on the money market in May. This seasonal phenomenon is, however, not so marked this year as it has been in previous years. The joint-stock banks, indeed, saw their deposits reduced by 61.3 million marks, whereas as a rule they increase, but, on the other hand, credits increased less than in previous years, namely, by 90.7 millions, compared with 332.4 millions in 1928 and 201.8 millions in 1927. The joint-stock banks were, nevertheless, forced to increase their rediscounting at the Bank of Finland at the same time as their net foreign indebtedness rose by 45.7 millions to 466.9 millions, as against 331.6 millions a year ago. The fact that the joint-stock banks were able to manage so well, comparatively, in spite of the heavy imports, was mainly due to lumber work having been restricted considerably—according to calculations from 308 million English cubic feet last year to only 207 millions last winter. The falling off in building operations also contributed to this result.

The heavy imports also left their mark on the position of the Bank of Finland. The reserve of foreign currency dropped in May by 80.9 millions, and in the first two weeks in June by a further 24.6 million marks to only 555.6 millions, compared with 761.2 millions a year earlier. The credits of the Bank, too, increased slightly, principally as a result of the rise in rediscounts. Notes in circulation have gradually dropped from last year's level, so that on June 15th they amounted to 1,469.8 millions, against 1,555.8 millions a year before. The note reserve, which had risen in March and April, fell again in May by 21.2 millions, only to rise again at the beginning of June, so that, by the middle of that month, it amounted to 354.1 million marks, compared with 470.8 millions a year ago, but only 208.7 millions at the beginning of this year.

Imports in May were very large. Their value amounted to 819.3 million marks, as against 766.5 millions last year. Exports amounted to 497.7 millions, compared with 489.9 millions in May last year. The balance of trade is, however, not so adverse as these figures would seem to indicate, for imports were influenced by several chance causes, such as the import of three vessels and of machinery for certain industrial undertakings and so on. In regard to exports, the real season only starts a little later, when shipments of timber products get under way.

The economic activity which marked the last few years and reached its highest point last year has also left its impress on last year's State finances. Revenue amounted altogether to 5,072 million marks, and exceeded the Budget estimates by close on 580 million marks. In the expenditure, too, there were certain increases, but the final balance sheet showed a surplus of over 30 million marks, whereas the Budget had closed with a deficit. The actual result is, however, even better. Of the expenditure, redemption of the national debt accounts for 322 million marks. This redemption is in addition to 535 millions converted by the 5½ per cent. State loan of 1928. It should further be pointed out that a by no means insignificant part of the expenditure is made up of investments of capital, including over 400 million marks for extending the railway network and the Imatra power station, State business undertakings and other purposes which are expected directly to increase the revenue of the State.

At the end of May the electric water-power station constructed by the Government at Imatra was inaugurated. In accordance with the decision of the Diet in 1921, the work has been carried on since 1922. Now that the first phase of the work is completed, the Imatra power station develops 81,000 h.p.; in its final form the power will be increased to 216,000 h.p. The cost of the power station amounts to approximately 355 million marks, including the erection of the main lines with subsidiary stations for distributing the power throughout the whole south of Finland. The new station will be of great importance to the industry and agriculture of the country. In addition, several towns will draw their supply of electricity from the station for lighting purposes and the electrification of the railways is being planned.

At the beginning of June a meeting was held to constitute a new bank, under the name of Maakuntain Pankki Osakeyhtiö, formed by the amalgamation of three older banks. The share capital of the new bank is 125 million marks, its reserve funds 66 million marks, and its total balance sheet about 1,300 million marks. Thus, Maakuntain Pankki Oy. becomes the third in size of the Finnish joint-stock banks.

SOUTH AFRICA.—ELECTIONS—MINES—WAGE BOARD.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, June 5.

THIS is written within one week of polling day, but it cannot be said that the elections are causing any great stir so far. Most of the argument turns on the attitude of the parties towards the native question. Occasionally one hears references to other matters, such as the financial record of the late Government, railway and Customs questions, or emigration. For a party which professes such anxiety about the future of the white race, the Nationalist attitude towards emigration is decidedly curious. Their general course is apathetic and their references to emigration and emigrants are seldom courteous. Not long since the mining industry imported thirty or forty winding-engine drivers—young married men for the most part—and both wings of the Pact became hysterical on the subject. Latterly, the Government have, by their own actions, provided a curious comment on the existing history of the emigration and on their own attitude. In Angola (Portuguese West Africa) there were some Afrikander families who had lived in that territory since the 'seventies, when their forebears trekked there after one of the numerous quarrels of the Republican States. Recently these families wished to return—and their reasons read astonishingly like the grievances of the Transvaal Uitlanders in 1899. The Portuguese, on their part, seem to have regarded the Boers without enthusiasm. The Union Government solved the situation by moving the whole body from Angola to the Mandated Territory of South-West Africa, at a cost to the Union taxpayer of about £500,000. The reason for putting up the money was the "poor and helpless condition of the people."

The mining industry appears not to be greatly interested in the outcome of the election. Backveld Nationalist candidates certainly accuse the South African Party of being "in the pockets of the mining magnates." If this be so, it cannot be said that the industry profited much when the South African Party were in power. There are signs, however, that the next Government (whatever its political complexion) will be more likely than any of its predecessors to order matters so that it may become profitable to work a lower grade of ore than is generally payable at present. It is known that the present Government mining engineer has very much in mind the existence of important tonnages of ore at or not far below the present pay level. The Chamber of Mines told the Mining Industry Board in 1922 that there were at that time nearly 700-million tons of ore valued at 3 dwts. and upwards in the mines then producing. There were somewhat over 400 million tons at 5 dwts. and over. It is sometimes overlooked that a mine as a going concern can always treat individual blocks of ore so long as their value exceeds the actual breaking and hoisting costs, although it is far below the general working costs. The extent to which this factor affects the life of the mines naturally depends on the ratio of the quantities of various grades of ore. In official and political circles, and in the Press, there are nowadays more references than formerly to the future of the industry, and it seems not impossible that the next Government will give more sympathetic attention to railway questions, Customs questions and labour questions as they affect the mines. The Reef mines in total are the holders of ore reserves of about 90 million tons—say three years' milling. Some individual figures at December 31st last, with crushing figures for 1928, are: Springs, approximately 3,000,000 at 9.10 dwts. (830,600 at 9.725 dwts.); Modder Deep, 3,000,000 at 9 dwts. (530,300 at 10.569 dwts.); Crown Mines, 11,000,000 at 6.7 dwts. (2,611,000 at 6.540 dwts.); New Modderfontein, over 9,000,000 at 8.7 dwts. (1,662,000 at 10.813 dwts.); Government Areas, 11,000,000 at 8.9 dwts. (2,383,500 at 9.063 dwts.). Any important change of Government policy might affect the figures of payable ore reserves very materially.

The Wage Board has recently submitted to the Minister a report on its work during three years. In its general comments the Board refers to the fact that the Wage Act (No. 27 of 1925), under which it operates, does not distinguish employees by colour, and that the Board has no power to function as a colour-bar body or to recognise diverse standards of living; it can recognise diverse standards of skill. The Board claims that there have not been any dire effects from wage regulation, and states that, in making 2-lb. loaves of bread, the difference in cost between the employment of Europeans at the regulated rate and natives at much less was one-fifteenth of a penny per lb. in four representative firms. An almost certain result of wage regulation in South Africa will be to hasten a change in the somewhat old-fashioned methods in use in so many small industries here. The whole organisation of the country has in the past depended on the supply of cheap manual labour. In future, the supply is unlikely to keep pace with the demand, while the native is becoming more skilled and more ambitious in his social requirements. If at present the Board claims "an absence of any dire economic effect," it may easily happen that in future the claim may be that it has encouraged important economic advance.

Letters to the Editor.

GOLD AND THE DOLLAR.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your interesting and able article on the above subject which appeared in your issue of the 22nd instant is a valuable survey of the money market as it exists to-day. I agree entirely with your advocacy of removing any justification for the rumours that there had been any interference with the freedom of the exchange. Should the dollar exchange remain at gold shipping point, and there is a desire to prevent the gold reserve from being unduly depleted, can the Bank of England and the Treasury not take advantage of the power provided in the "Currency and Bank Notes Act, 1928," and reduce the fiduciary note issue? That would tend to tighten up money somewhat, but it would enable the Bank to control the situation and affect favourably the rate of exchange, and, in the long run, prove beneficial to the general trade of the country. Confidence is what is desired, and the trouble is that neither Mr Snowden nor Mr Pethick Lawrence at the Treasury inspire confidence. Mr Snowden made a speech during the General Election which indicated ignorance on the subject, and Mr Pethick Lawrence addressed a question some time ago to the Chancellor of the Exchequer which also showed that he did not understand the question. It may be said, leave it to the permanent officials, but surely the country is entitled to be governed by men who know their job, and, frankly, I have no confidence in the present administration.—I am, sir, your obedient servant,

D. M. MASON.

June 26, 1929.

[The Bank is able, by means of its open market policy, to exercise a fair measure of control over the situation. We cannot see that the drastic proposal recommended by Mr Mason would give the Bank any power that it does not possess and use to-day, nor that it would be of any help in the special circumstances now prevailing. In reply to Mr Mason's attack upon the new Ministers, we would point out that the British Constitution definitely refrains from placing the government of the country in the hands of experts. Moreover, when Mr Snowden was last at the Treasury he deservedly won the confidence both of the country and also of the City of London.—ED., *Econ.*]

THE RHODESIAN COPPER BOOM.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I am interested to read the remarks of your correspondent reproduced in your issue of June 15 under the heading of "The Rhodesian Copper Boom." It appears to me, however, that his criticism of the market position in Roan Antelope shares is unwarrantably pessimistic in tone. Apparently your correspondent has not yet realised that, owing to the discovery and development of large bodies of copper sulphide ore, Rhodesian copper mining has entered upon a new phase during the past three years, and that a state of semi-industrial stability is foreshadowed akin to that attained on the Rand.

I have a close acquaintance with the circumstances in the cases of Bwana M'Kubwa and Roan Antelope, and ask you to take note of the following points of difference between the two properties, differences which nullify comparison. These points will be appreciated by anyone familiar with the problems of copper production.

Bwana M'Kubwa Co. treats at its old mine only a comparatively small tonnage of complex oxide ore which has not proved particularly amenable to the process of treatment employed. This process had not previously been tried out at other properties.

At its new N'kana mine sulphide ore has been opened up, but treatment of this ore has not yet commenced.

Roan Antelope, on the other hand, has a plant under construction to operate on a very large scale on the simple sulphide ore, which will be treated by ordinary well-known flotation processes. The plant is being designed by one of the foremost metallurgical engineers from the American copper fields. An immense tonnage of simple sulphide ore is being progressively indicated by drilling and mining to an extent sufficient to satisfy the judgment of highly-experienced engineers of the world's great metal-producing corporations.

The history of the Bwana M'Kubwa Co. provides no criterion by which to judge the ultimate value of the Roan Antelope Mine or its neighbours, the Mufulira Mine of the Rhodesian Selection Trust and the N'Kana Mine of the Bwana M'Kubwa Co., where also similar sulphide ore bodies are being actively developed for exploitation.

The future offers a field for guesswork for us all, but surely intelligent anticipation can foresee great possible expansion of output and greater efficiency of operation beyond that considered by your correspondent.—I am, your faithfully,

Gerrard's Cross, June 24, 1929. P. L.

[Our correspondent's remarks, as we read them, did not question the potentialities of the Rhodesian copper fields, but rather drew attention to the considerable difference between the present "market capitalisation" of many companies and the amount of capital actually obtained for development purposes by some of the concerns in question.—ED., *Econ.*]

Books and Publications.

THE GRAIN TRADE DURING THE WORLD WAR.*

THE purpose of this work itself is "to place on record a discussion of the policies and accomplishments of the Food Administration Grain Corporation and its successor, the United States Grain Corporation, in carrying out the mandates of Congress regarding the guaranteed price for wheat, and in providing an adequate supply of cereal foods for ourselves and the Allied nations."

* "The Grain Trade during the World War." By Frank M. Surface. London: Macmillan & Co., Ltd., St. Martin's Street. 25s. net.

The work, therefore, is a record of vast economic experiments. Moreover, it is an authoritative record, because Mr Surface, as economist for the United States Grain Corporation, was himself most intimately associated with the working of the Food Administration, and has been able, not only to make full use of official records, but also to supplement these by personal contact with the responsible heads of the undertakings themselves. His work, therefore, is a most valuable addition to the economic history of the war, and is an engrossing story of the measures taken to safeguard the production and distribution of one of the most vital munitions of war.

Although the United States of America did not enter the world war as a belligerent until April 16, 1917, the accumulating effect of the European disruption had been felt in that country from the commencement of the struggle. The Allies, being denied their normal supplies of wheat from Russia, Bulgaria and Roumania, while the submarine activities of the enemy excluded a large proportion of Australian and Indian wheat, were compelled to draw to an increasing extent upon the North and South American States, and the position was already becoming critical when the United States declared war upon Germany. Uncontrolled buying by Allied and neutral countries in the American market, actuated largely by the insistent need for supplies regardless of price, was a most influential factor in the unstable and partly demoralised conditions obtaining in this market. The record of the steps taken, once it was realised that Government intervention was necessary, is very fully and most ably set forth in a series of twenty-four chapters, which present the operations of the United States Food Administration in their many-sided aspects.

The vastness of the problems faced from the outset may be appreciated from the concise statement contributed in a preface by Mr Julius H. Barnes, President of the Grain Corporation, and later chairman of directors. Briefly stated, the objects which the directors aimed at were to redeem the national pledge of Congress for a guaranteed price for wheat; to conserve home consumption; to stimulate production, and to direct its flow in such a way that neither in quantity, nor quality, nor price should advantage be taken of the Allies; to avoid, on the one hand, the incurrence of operating losses and, on the other, the levying of profits at the expense of either Americans or Allies; to leave a field for the maintenance of private enterprise which would enable the resumption of normal trade activities with a minimum of dislocation when victory had been achieved.

Reference may be made in particular to those sections of the work which deal with the problem of a guaranteed price. The phrase "stabilisation of prices" is apt to interject itself rather easily into present-day discussions of agricultural policy, and there is here a valuable record of one of the biggest experiments ever conducted in this sphere of agricultural marketing. The determination of a "fair" price, having regard to the areas on the margin of profitable production, on the one hand, and to the need for preventing an undue rise in the cost of living, on the other hand; the reaction of wheat growers to the guaranteed price; the relation between the home and foreign markets and the necessity for the maintenance of a centralised selling agency—the Grain Corporation—in the face of consolidated buying on behalf of the Allies, are all features of a problem involving tremendous issues, and from them it is possible to derive a fuller appreciation of the scope which exists at the present time for a stabilising policy. The war-time psychology no doubt simplified the problem at that time.

Tense drama underlies the narrative of the fateful winter of 1917-1918, when the Allied demands were most insistent and the conditions on the American side were probably at their worst. Chapter 11, dealing with this part of the subject, quotes freely from the cables which flashed across the Atlantic at this time, and is full of such phrases as "situations of extreme gravity," "areas of food vacuum," "critical and anxious," "most critical juncture," "nothing short of a calamity," and so on. The detailed account of the co-ordination of shipping and railroad facilities and of the Grain Corporation's operations is a story of great achievement in the face of tremendous odds, and, though the stars in their courses may have refrained from taking part, blizzards and intense cold interfered so much with rail and water transport as almost to prevent the efforts of the United States to meet the most urgent needs of the Allies.

Further interesting sections of the work are the chapters dealing with legislative activity; the statistical summary of the Grain Corporation's activities and the methods by which these colossal dealings were financed. The work is rounded off with a series of appendices containing the text of the Food Control Act, and other legislation forming the basis of the Grain Corporation's authority, and copies of the various report forms used in the compilation of the necessary statistical information during the control.

That the success of these bold economic experiments under circumstances which in many ways gave a certain rigidity to the conditions in which they were conducted, was not complete is not surprising, and it is worth while repeating the considered opinion of Mr Julius H. Barnes in this connection: "That even when war has broken down the usual influences that, through supply and demand, chart the field of opportunity for individual effort, even when men and communities surrender in the spirit of war-sacrifice those rights and opportunities which they should otherwise sturdily defend, even when those placed in authority reach decisions with a devotion to an exact and equal justice which borders on consecration, even with all these influences at play, the most skilful business judgment, the most profound desire for justice, the most exalted ideal of public service, cannot prevent in Government operation instances of public and private injury."

ECONOMIC CONTROL IN AUSTRALIA.*

The voyage of adventure upon which Mr Smith takes his reader is disappointing. It ends nowhere. Exploration is to be undertaken under the author's guidance among the Australian experiments in rationalisation and safeguarding. Mr Smith writes after visiting Australia, and after much study in the library of the London School of Economics. He is able easily to show that the methods of exercising "a conscious control over the economic system" practised in Australia are legion. There are innumerable tribunals, and boards and commissions, whose reports and statistics are the basis of the book. "Economic friction due to inertia, ignorance, the anti-social preferences of individuals, and the inconvenient division of resources in industry" is, we see, being "attacked in a forcible if somewhat unsystematic manner." Great masses of people must, it would seem, be "inert" or "ignorant" or dominated by "anti-social preferences" for so much economic control to be needed in Australia, though the population of the half-dozen States of the Commonwealth is, after all, but equivalent to that of half a dozen English counties. Mr Smith revels in contemplating it all, yet every now and again he is shaken by dreadful doubts. "Helping people," he soliloquises, "often makes them apathetic, and if control helps them to do the wrong thing, results may be far worse than if they had been left to their own efforts." So Mr Smith drifts along, and never arrives. Moreover, the look-out kept on board is defective at times. Thus he quotes from the report of an Australian Royal Commission of 1923 that "the whole of the overseas shipping of England is in the hands of the shipping combine known as the Inchcape group" without any exclamation at the gross inaccuracy of the statement. And the references to improper political pressure contained in the last report of the Australian Tariff Board appear to have escaped notice. It should be explained that the book does not profess to do more than state some of the methods of economic control which are being used, and to relate them to economic theory, but if, as indicated from time to time, the facts are altogether incomplete, comment should have been reserved, unless the author, if he had had a strong view of his own, had bluntly challenged criticism by giving it.

* "Economic Control: Australian Experiments in Rationalisation and Safeguarding." By N. S. Smith. (London). P. S. King and Son, Ltd. 1929. 15s.

BOOKS RECEIVED.

[Brief mention of a book in this column does not necessarily mean that it will not receive fuller notice in a subsequent issue.]

A Picture of World Economic Conditions at the Beginning of 1929. (New York) National Industrial Conference Board, Inc., 247 Park Avenue. $2.50.

This useful survey is divided into two sections. The first contains information as to industrial production, wages, employment, prices, foreign trade and finance in each of twenty-one countries and in the United States. The second consists of articles specially written by distinguished nationals of the principal countries.

Industrial Standardization. (New York) National Industrial Conference Board, Inc., 247 Park Avenue. $3.50.

Part I. is descriptive, and deals with the structure of the standardisation movement as expressed in the work of individual concerns, societies and organisations. In Part II. an attempt is made to discuss in the light of available evidence the economic advantages obtained and the social problems involved.

Artificial Silk (Rayon), Its Manufacture and Uses. By Thomas Woodhouse. Second edition. (London) Sir Isaac Pitman and Sons, Limited, Parker Street, Kingsway. 7s. 6d. net.

This interesting account of the processes involved in the manufacture of rayon is well illustrated, and should be easily intelligible to the general reader.

Ce Qu'il Faut Connaître de la Finance Internationale. By Jean Compeyrot. (Paris) Boivin et Cie., 3 and 5 Rue Palatine. 8 frs.

Without being too elementary, this little book aims at bringing home to the ordinary reader the importance of the growth of international interdependence in financial matters.

Automatic Weaving. By Wm. A. Hanton. (London) Ernest Benn, Limited, Bouverie House, Fleet Street. 21s. net.

An illustrated, technical treatise on the more important types of automatic looms.

The American Merchant Marine Problem. (New York) National Industrial Conference Board, Inc., 247 Park Avenue. $2.50.

The facts and the controversial matters relating to the problem are here collected and discussed with the object of providing a basis for a clearer public understanding of the issue.

The Cost of Living in the United States in 1928. (New York) National Industrial Conference Board, 247 Park Avenue. 50c.

This is a supplement to "The Cost of Living in the United States, 1914-1927," published in April, 1928, and the detailed price tables continue those in the earlier publication up to the end of 1928.

New Colonial Policy. By Dr Hjalmar Schacht. (Berlin-Wilmersdorf) R. Hauptmann, Saalfeldersti. 7.

Though this paper was first read in 1926, Dr Schacht's views on colonial policy are still a matter of keen interest, and this translation makes them readily available to English-speaking readers.

Foreign Affairs, July, 1929. Published by the Council on Foreign Relations, Inc., 25 West 43rd Street, New York. $1.25.

Articles in this number include: "An American Substitute for British Blockades," by Charles Cheney Hyde; "The Lateran Treaties," by André Géraud; and "Federal Reserve Policy: Its International Implications," by Franz Schneider, jun.

Savory's Insurance Share Annual, June, 1929. (London) Thomas Skinner and Co., Gresham House. 5s. net.

The results of the last ten years are summarised for each of the companies dealt with, and a detailed summary of the last three profit and loss accounts is given. There is also a record of absorptions and of alterations in issued capital.

Atkin's Manual, 1929. (London) Geo. D. Atkin and Co., 1 Drapers' Gardens, E.C. 2.

The investor can find here full particulars of electric light, power and traction, motor omnibus and rubber and cocoanut companies. He is also provided with interest tables and with summaries of the Electric Lighting and Tramways Acts and the Electricity Supply Act of 1926.

The Austrian Year Book, 1929. Edited and published by the Austrian Federal Press, Department of the Federal Chancellery, Vienna.

The strong point of this volume, which is an unusually slim specimen of its kind, is not so much in its economic and statistical section as in its general descriptive chapters on politics and recent economic history.

Les Valeurs de l'Afrique du Nord, 1928-1929. (London) Crédit Foncier d'Algérie et de Tunisie, 18 Saint Swithins Lane.

This volume contains particulars of a large number of companies of every kind which are concerned in the development of North Africa.

The Public Debts of Australia. By J. R. Collins. (London) Australia House, Strand.

A revised reprint of articles which appeared in *The Times* of April 13th and 15th.

The Boundary Dispute Between Bolivia and Paraguay. Translated from the Spanish of Jose Aquirre Acha by Andrew Boyle. (Birmingham) Baker's Great Bookshop, 14-16 John Bright Street. (London) Bolivian Legation, 16 Grosvenor Place.

This brief description of the points at issue states the case from the Bolivian point of view.

The "Will to Work." By G. H. Miles. (London) George Routledge and Sons, Limited, 68-74 Carter Lane. 6d. net.

An interesting booklet by the Assistant Director of the National Institute of Industrial Psychology.

Zeitschrift für Nationalökonomie. (Vienna) Verlag von Julius Springer, 1 Schottengasse 4. Rm. 14.40.

It appears from the introduction to this first issue that the practical side of economics is not to be neglected, but it so happens that on this occasion all the articles deal with such purely theoretical subjects as "Elasticity of Demand for Substitutes," "The Mathematical Theory of Economic Equilibrium," and "Psychological Economics in France." Though the book is in German, the writers are of all nationalities, and include such well-known economists as Professors Liefmann, Birck and Marco Fanno. There is also an appreciation of the late Professor Allyn Young.

Scottish Chartered Accountants. Official Directory, 1929-30. (London) Wm. Blackwood and Sons, 37 Paternoster Row.

Contains a list of Scottish chartered accountants, lists of members and officials of the society, rules for admission, and the syllabus of the qualifying examinations.

Speculation in Securities. Address delivered by E. H. H. Simmons. (New York) Stock Exchange.

An interesting address by the President of the New York Stock Exchange.

Deutscher Wirtschaftsatlas. Compiled by Prof. Dr. Ernst Tiessen. (Berlin) Verlag von Reimar Hobbing.

Less an atlas than a collection of ingenious diagrams, this volume should prove a fascinating aid to the understanding of German economic geography.

Hyvät Ja Huonot Ajat. By W. A. Lavonius. (Helsingfors) Suomi Life Insurance Co.

A study, in the Finnish language, of industrial fluctuations.

"Lancashire Betrayed." By Ernest E. Canney. Forewood by F. Holroyd. (Manchester) John Heywood, Limited, Deansgate. 3s. 6d.

A collection of essays on cotton trade politics.

Unemployment and Purchasing Power. By P. W. Martin. (London) P. S. King and Son, Limited, 14 Great Smith Street. 4s. 6d.

As the experienced reader will divine from its title, the thesis of this book is that unemployment is largely due to deficient purchasing power. The remedy suggested is "for the Government to negotiate a loan with the banks in such a way as to increase the total quantity of money in circulation and to use the funds thus obtained to finance public works."

The Countryman. July, 1929. Edited and published by J. W. Robertson Scott at Idbury, Kingham, Oxford. 2s. 6d.

An interesting feature of the current number is a first instalment of the replies of a large number of prominent men to the question "What can be done for agriculture?" The replies are anonymous, but a list of the contributors is given.

Bericht über die Lage von Handel, Industrie und Schiffahrt in Jahre 1928. (Danzig) Druck von A. Schroth.

A useful collection of statistics relating to the trade and industry of Dantzig.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2.

Report of the Ministry of Labour for the year 1928. Cmd. 3333. 2s. 6d. net.

Department of Overseas Trade: Economic Conditions in Denmark. March, 1929. 1s. 6d. net.

The Stock Exchange.

THE HALF-YEAR ON THE STOCK EXCHANGE.

THE past half-year has been a period of difficulty and disappointment for the professional Stock Exchange operator, and of severe, if wholesome, disillusionment for the amateur. The extensive upward movement of values which first took definite shape about the beginning of 1926 reached its peak last January, but the rise of Bank rate from 4½ per cent. to 5½ per cent. on February 7th proved to be the signal for a moderate but extensive reaction which is still in progress. Given a more favourable monetary background, prices might conceivably have withstood the psychological influence of a general election, a series of industrial reports showing a falling-off in profits reflecting last year's setback in trade, the "indigestion" of a capital market in which earlier issuing zeal had outrun prudence, the collapse of numerous mushroom concerns, and the reorganisation of older but unfortunate businesses. The deciding factor, however, was the tightness of money—a phenomenon whose causes must be sought in far-reaching international movements. To this extent the Stock Exchange may regard the setback of the last five months as part of the price paid, in common with the whole money market, for the tangible benefits of London's position as an international monetary centre.

Gilt-edged securities showed themselves extremely sensitive week-to-week changes in the monetary outlook, though the general election had but slight influence on prices. The following table shows the extent of the half-year's variations in a number of representative Home, Dominion and Foreign Government stocks:—

Government Stocks.

Security.	1929. Highest Price.	1929. Lowest Price.	Price, Beginning of 1929.	Price, June 27, 1929.	Rise or Fall in Half-year (% of Opening Price).	Yield. Beginning 1929.	Yield. June 27, 1929.
						£ s. d.	£ s. d.
British Government Stocks—							
5% War Loan (1929-47)	103½	100⅝	102⅝	100⅝	−2·1	4 16 0	5 0 0
3½% Conversion Loan ...	80½	75	79½	75½	−4·4	4 8 0	4 14 0
4% Consolidated Loan ...	88½	83	88⅛	83⅝	−5·7	4 12 9	4 16 0
4% Funding Loan	91⅛	85½	90	85⅛	−4·8	4 9 0	4 14 3
5% Treasury Bonds (1933–35)	101⅜	98½	101	98⅜	−2·2	4 15 9	5 5 0
4½% Indian Loan (1950-55)	92⅛	86½	92½	86⅜	−6·2	4 19 9	5 5 9 6
Dominion Govt. Stocks—							
Commonwealth of Australia 5% (1935-45)	99⅜	96⅞	98	97	−1·0	5 3 9	5 5 6
South Africa 5% (1933-43)	101⅜	99⅜	100	101x	+1·0	5 0 0	4 18 0
Canada 4% (1940-60).....	91⅜	87	91	90	−1·1	4 11 6	4 16 0
New Zealand 4½% (1947)..	97⅜	94	96	95	−1·0	4 15 0	5 0 6
New South Wales 5½% (1947-57)	102	99	100x	99x	−1·0	5 5 0	5 6 0
Foreign Government Stocks—							
German 7% (1924), red. 1925-49.....	107½	102	106	105½	−0·5	6 9 0	6 12 9
Japan 6% (1924), red. by 1959	98⅜	95⅜	98½	98	−0·3	6 2 9	6 6 0
China 4½% Gold (1898) (English issue), red. by 1943	81½	74	81	76	−6·1	6 14 0	7 8 6
Argentine 5% Internal (1909)	97½	94	96	96	...	5 6 3	5 6 3

x = ex dividend.

The rise in money rates put an end to hopes of a conversion operation during the present summer in respect of Five Per Cent. War Loan, which remains a millstone round the neck of the British Treasury. Indian Loans developed appreciable instability, but Dominion and Colonial issues, though never active, held their own to a gratifying extent. Foreign stocks reflected the rise in Bank rate, but were subsequently firmer, the signature of the Reparations agreement acting as a bull-point for European issues, while, among South Americans, Brazilian stocks obtained support after an extensive decline.

Corporation, Public Utility and Industrial fixed preference stocks showed moderate price variations:—

Other Fixed Interest Stocks (Railways excepted).

Security.	1929. Highest Price.	1929. Lowest Price.	Price Beginning of 1929.	Price June 27, 1929.	Rise or Fall in Half-year (% of Opening Price).	Yield. Beginning of 1929.	Yield. June 27, 1929.
						£ s. d.	£ s. d.
Corporation Stocks—							
London County Council 5%, 1940–60	104⅜	100	104	102½	−1·4	4 14 6	4 15 0
Bristol 5%, 1948-58	105	101½	104	102	−1·9	4 15 9	4 16 9
Glasgow 5½%, 1935–50	104	101	103x	101	−1·9	5 4 6	5 6 0
Sydney (N.S.W.) 5% Debs., 1939	97½	97	97	97	...	5 7 9	5 7 9
Buenos Aires (City of) 5%, 1913	97	90½	95	94	−1·1	5 9 0	5 10 0
Public Utility Stocks—							
Port of London 4%, 1940–60	86	82	84x	82x	−2·4	5 0 6	5 4 0
Gas Light and Coke 4% Cons. Pref.....	80½	76	78½	77	−1·9	5 3 0	5 4 0
Barcelona Traction 5½% Prior Lien	104½	101½	103½x	101½	−1·9	6 5 6	6 8 0
Metropolitan Water Bd. 3% "B".....	67½	62½	66½	64	−3·8	4 12 6	4 14 0
Industrial and Miscellaneous Preference Stocks—							
North British and Mercantile Insurance 4% Pref. Stock	81	78½	79x	79x	...	5 1 3	5 1 3
Barclays Banks (Dominion, Colonial, and Overseas) 8% Cum. Pref. (£1)	1⅛	1⅛	1⅛	1⅛	...	5 2 6	5 2 6
Mercantile Investment Trust 5% Cum. Pref. Stock	95½	93½	95½	94½	−1·0	5 5 9	5 6 0
Royal Mail Steam Packet 6½% Cum. Pref. Stock.....	102	88	96½x	89½	−7·3	6 14 9	7 10 3
Fine Cotton Spinners 5% Cum. Pref. (£1).....	⅞	⅞	⅞	⅞	−6·6	5 10 9	5 18 6
Imperial Chemical 7% Cum. Pref. (£1).....	1⅛	1⅛	1⅛	1⅛	−2·4	5 6 9	5 9 3
Bass, Ratcliff, and Gretton 5% Cum. Pref. Stock	96½	85½	88½x	85½x	−3·4	5 13 0	5 17 0
Eastern Telegraph 3½% Pref. Stock	69	66½	67⅛	67⅛	...	5 2 3	5 2 3
Hudsons Bay Co., 5% Cum. Pref. (£5).....	1⅛	1⅛	1⅛	1⅛	...	5 1 0	5 1 0
	5⅛	4⅛	4⅛x	5x	+1·3	5 1 3	5 0 0

x = ex dividend.

The relative stability of these stocks may be ascribed both to their conservative *clientèle*, and to the very slight extent to which their outstanding total was increased during the half-year. While it may not have been true to say of London, as of New York, that to sell a bond was practically impossible, the unpropitious conditions of the issue market were exemplified by the paucity of new emissions, and the large amounts underwriters were frequently compelled to take up in respect of such issues as were made, though in some cases the issuing houses would seem to have cut prices too finely.

Fluctuations in Home Railway stocks were again extensive, though the effect on prices was less depressing than that of the corresponding movement in 1928. The public was pleasantly surprised by the amount of the reductions in working expenses achieved last year by the "Group" lines, but remained unconvinced that the railways were holding their own against their road competitors:—

Railway Stocks.

Security.	1929. Highest Price.	1929. Lowest Price.	Price, Beginning 1929.	Price, June 27, 1929.	Rise or Fall in Half-year (% of Opening Price).	Yield. Beginning 1929.	Yield. June 27, 1929.
						£ s. d.	£ s. d.
Fixed Interest Stocks—							
Lon. Mid. & Scot., 4% deb.	83	77	81⅛x	77½x	− 5·2	4 17 9	5 3 3
Gt. Western, 5% cons. guar.	102½	96	101	97	− 4·0	5 0 0	5 3 0
Southern, 5% irred. pref. ...	99	86⅜	94	88	− 6·4	5 8 9	5 12 0
Lon. & N.E.R., 4% 2nd pref.	58¼	49	50	55½	+11·0	8 0 0	7 4 0
East Indian Rly., 3½% deb.	71	66	70½	67½	− 4·3	4 19 9	5 3 9
Canadian Pacific, 4% pref....	80⅜	77½	79	79	...	5 0 9	5 0 9
Ordinary Stocks—							
London Midland and Scottish	57⅞	49⅜	54	50½	− 6·9	8 16 0	6 19 3
Great Western.....	87⅞	78½	81⅜	86⅜	+ 6·4	8 11 9	5 15 3
North Eastern, def.	14⅜	10¼	11½	12	+ 4·3	Nil	Nil
Southern, def.....	34¼	29	31¼	29½	− 6·3	6 7 0	6 15 6
London Electric	76	71½	75⅛	73½	− 2·6	5 6 6	6 16 0
Canadian Pacific	275	228¼	243x	239x	− 1·6	4 4 9	4 6 3
H.H. Nizam's Guar. State....	243	234	239½	235½	− 1·7	7 11 0	7 12 9
Bengal and North-Western	306	290½	303¾	292x	− 3·6	5 18 6	6 11 6
Pennsylvania ($50).....	86	73	73	86x	+17·7	5 1 6	4 5 3
Buenos Aires Pacific	107	97½	98	103½	+ 5·6	7 2 9	6 15 3
Leopoldina	62	55⅜	56	62	+10·7	8 0 9	8 1 6
Beira.....	1⅛	1⅛	1⅛	1⅛	−16·7	...	...
Buenos Ayres Great Southern	110½	106¼	108	109¼	+ 1·4	7 8 3	7 6 3
Antofagasta	111½	88¼	89¼	93¾xr	...	8 7 0	7 10 0

x = ex dividend. xr = ex rights.

Among foreign railway stocks a more or less steady upward tendency in South Americans reflected the consistent improvement in economic conditions as evinced by the reports of various companies—particularly that of Antofagasta, whose shares enjoyed a prolonged rise on well-founded anticipations of a bonus.

The entry of America as a willing buyer of British industrial shares renders advisable some distinction between "American-favoured" and other securities. The classification adopted in the two following tables is not, however, to be regarded as water-tight, since it is difficult to say where America's interest begins and ends:—

American-Favoured Industrial Securities.

Security.	Prices of 1929. Highest	Prices of 1929. Lowest.	Price beginning of 1929.	Price June 27, 1929.	Rise or fall in half-yr. % of opening price.	Yield. Beginning of 1929.	Yield. June 27, 1929.
						£ s. d.	£ s. d.
Assoc. Electrical (£1)	2⅜	1½	1½	2⅛x	+54·2	4 0 0	2 11 9
Associated Cement (£1)	1⅝	1⅛	1⅛	1½	+11·6	5 18 6	5 6 9
British Amer. Tob.(£1)	6⅜	6⅛	6⅛	6⅜x	+ 3·0	4 0 0†	3 18 6†
British Celanese (10s.)	2⅛	⅝	1⅛	1⅛	4·0	...	...
Carreras A. ord. (£1)...	18⅛	13	17½	14½x	−18·3	2 16 0	3 8 0†
Coats (J. and P.) (£1)	3⅛	3⅛	3⅛	3⅛	− 1·8	5 1 9	5 2 0
Courtaulds (£1)	5⅛	3⅛	4⅛	3⅞	− 8·8	2 19 0†	3 19 0†
Col. Graphophone (10s.)	18⅛	11⅛	15½	12⅝x	−15·6	1 18 0	2 6 0
Dennis Brothers (1s.)	3⅛	2⅛	3⅛	2⅛x	−21·6	4 18 0	6 6 0
Distillers Co. (£1).....	4⅛	3⅜	3⅞	3⅞	...	5 6 9	5 6 9
Dunlop Rub. (6s. 8d.)	1⅜	⅞	1⅛	⅞x	−28·9	7 0 0	7 18 0
Ford Motors (£1)	4⅛	3⅛	3⅞	3⅛	−16·1	...	...
General Electric (£1)	4	2⅛	2⅛	2⅞	+20·0	4 11 6	3 16 3
Gramophone (£1)	18⅜	13	13⅜	16½	+23·8	4 3 0	3 8 0
Imperial Airways (£1 with 15s. pd.)	1⅜	1⅛	1⅛	1⅜	+20·0	3 0 0	2 10 0
Imp. Chemical ord. (£1)	2⅛	1⅛	1⅜	1⅜	− 6·3	4 1 3	4 6 6
Do. Def. (10s.)	⅜	⅜	⅜	⅜	...	1 4 0	2 6 9
Imperial Tobacco (£1)	6⅞	4⅞	6⅛	4⅞x	...	3 16 0†	4 8 0†
Johnson & Phillips (£1)	2⅛	1⅛	1⅜	1⅜	...	5 10 3	5 10 3
Leyland Motors (£1)...	3⅛	1⅛	1⅜	2⅛	+64·7	Nil	Nil
Marconi's ord. (10s.)...	4⅛	3⅜	3⅛	3⅜x	− 2·4	2 11 6	2 13 0
Do. (£1)	5⅛	4⅛	4⅛	4⅛x	−11·5	4 4 0	4 12 6
Margarine Union (£1)	4⅛	3⅛	3⅝	4⅛	+39·6	...	2 3 3
Rolls Royce (£1)	2⅛	1⅜	2	2⅛	+15·6	5 0 0	4 6 6

x = ex dividend. † Free of tax.

Broadly speaking, though much was heard of American "penetration" in connection with the efforts of a number of concerns (including the Argentine railway companies) to limit effective "foreign" influence in their affairs, and the unsuccessful attempt of the General Electric Co. to differentiate between British and other holders as regards a new share issue, the evidence suggested that America's "investment" purchases of British shares were of no more than moderate proportions, especially during the latter part of the period.

Commercial and Industrial Securities.

Security.	1929. Highest Price.	1929. Lowest Price.	Price, beginning 1929.	Price, June 27, 1929.	Rise or Fall in Half-year (% of Opening Price).	Yield. Beginning, 1929.	Yield. June 27, 1929.
						£ s. d.	£ s. d.
Banking Insurance and Investment Trust—							
Midland Bank (£1 fully paid)	4½	3⅜	3⅜	3⅜	− 0·9	4 11 6	4 12 0
Bank of Montreal ($100).....	£85½	£68	£82¼	£68	−17·6	3 10 9	4 2 0
Prudential Ass. "A" (£1 fully paid).....	28½	23½	26½x	23½x	−11·3	†3 8 0	†3 17 0
Com. Union Assur. (£2½ fully paid).....	29⅜	25⅞	28½	25½	− 8·8	†2 19 9	3 17 6
Gen. Investors and Trust, ord. stk.	371½	340	340	353	+ 3·8	4 14 3	4 16 6
Mercan.Invest.Trust, ord. stk.	350	309½	333½	317½	− 4·8	4 10 0	5 1 3
Indust. & Gen. Trust, ord. stk.	390	357	382½	357	− 6·7	4 8 0	4 18 0
Public Utilities—							
Imperial Cont. Gas, ord. stk.	495	198	200	385xr	+92·5	5 0 0	3 18 0
BrazilianTraction ord.(no par)	$84½	$51½	$78½	$58	−26·1	...	...
Newc.-on-Tyne Elec. ord. (£1)	1⅜	1⅛	1⅛	1⅜	+ 2·4	4 3 3	4 3 3
Primitiva Gas (£1)	1⅜	1⅛	1⅛	1⅜	+40·0	Nil	2 17 0
County of London Elec. (£1)	2½	2⅛	2⅜	2⅛	+26·8	3 7 9	3 11 0
Clyde Valley Electric (£1)....	2⅛	1⅞	1⅜	1⅜	..	4 2 9	4 8 3
Midland Counties Electric (£1)	1⅛	1⅜	1⅛	1⅛	+16·7	4 6 9	3 14 3
General Indust.& Commercial—							
Cunard Steamship ord. (£1)	1⅜	1⅛	1⅜	1⅛	−27·8	4 9 0	6 3 3
P. & O. Steam Nav. def. (£1)	3⅛	2⅜	3x	2⅜	− 5·2	†4 0 0	†4 4 0
Royal Mail, ord. stock	76	60⅛	69⅜	60⅛x	−12·9	7 4 0	8 5 0
Guest, Keen & Nettlefolds (£1)	2⅛	1⅛	1⅛	1⅜x	− 3·3	†5 6 9	†5 10 3
Vickers ord. (£3).....	⅜	⅜	⅜	⅜	−28·6	4 1 9	5 14 0
Powell Duffryn St.Coal ord.(£1)	1⅛	⅜	⅜	⅜	+15·4	Nil	Nil
Babcock & Wilcox ord. (£1)	1⅜	3⅛	3⅛	3⅛	−11·6	†4 6 9	†4 17 0
John I. Thornycroft ord. (£1)	5	3⅜	3⅜	4⅛	+ 6·6	4 14 0	3 13 3
Humber ord. (£1)	1⅛	⅜	⅜	⅜	−20·0	Nil	Nil
Eastern Telegraph, ord. stock	290	255½	267½	265½	− 0·7	†3 9 0	†3 15 3
Assoc. Newspapers, def. (5s.)	2⅛	1⅜	2	2⅛	+ 3·1	5 0 0	4 17 0
Watney, Combe, Reid, def.(£1)	3⅜	2⅛	3⅛	2⅛	−11·5	5 16 3	6 12 0
Harrods, ord. (£1)	3⅜	3⅛	3⅜	3⅜	+ 5·1	5 8 0	5 3 3
Gordon Hotels, ord. (£1).....	⅜	⅜	⅜	⅜	− 9·1	7 5 9	8 0 0
Marks and Spencer (10/-).....	6⅜	4⅛	4⅛	5⅛	+21·1	...	1 6 0

x = ex dividend. † = Free of tax. xr = ex rights.

The two preceding tables afford an instructive commentary on the stability of the best-known British "business" shares in an unfavourable environment, apart from stocks such as Associated Electrical, Margarine Union, and Leyland Motors, in the "international" group, and Imperial Continental Gas, in the "home" group, which enjoyed a substantial rise, and a few companies like Dunlops, British Celanese, and Royal Mail, which developed somewhat striking weakness for individual reasons. Electric-supply shares maintained their popularity on the steady progress of the national electricity schemes, but in various groups which showed noteworthy activity last year, including artificial silk and gramophones, the growth of competition focussed market attention on the larger concerns, of assured earning power, to the exclusion of their newer and weaker rivals. Bank, insurance and investment trust securities, the semi-gilt-edged aristocracy of the ordinary share market, were unable to hold their ground completely in the face of the adverse monetary conditions which prevailed.

The collapse of the boom in shares of low denomination was one of the most striking features of the half-year. The process of "deflation" started with the catastrophic decline in Ner-Sag shares and the prosecution of that company's ex-chairman, and was accentuated by the liquidation of various companies whose fall was hastened by their inability to obtain adequate working capital as a result of weak underwriting. The decline extended to all the main types of recent speculative promotion—"patent," "parent," film, gramophone, automatic photography, and greyhound-racing companies—the losses suffered by many holders who had purchased "at the top" being extremely severe:—

Low Denomination Shares.

Company and Share.	1929. Highest.	1929. Lowest.	Price Jan. 14, 1929.	Price June 27, 1929.	Rise or Fall % of Jan. 14 Price.
Duophone Ord. (10s.)	12/-	1/6	6/3	1/7½	− 74·0
Electramonic Def. (1s.)	3/6	1/-	2/-	1/-	− 50·0
Dominion Records Def. (1s.)	2/3½	6½d.	2/1½	10½d.	− 58·8
World echo Records (2s.).....	3/9	10½d.	2/-	1/9	− 12·5
Photomaton Parent (5s.).....	15/7½	12/3	15/-	13/9	− 8·3
Far Eastern Photomaton (no par).....	3/9½	4½d.	3/6	1/-	− 71·4
Ner Sag Ord. (£1)	80/-	4/1½	50/-	12/6	− 75·0
Ner Sag (Overseas) Ord. 5s.	9/6	6d.	7/6	9d.	− 90·0
Photo-Matik Portraits (1s.).....	1/1½	1½d.	10½d.	2½d.	− 76·2
British Filmcraft (5s.)	2/9	6d.	2/4½	10½d.	− 63·3
British Lion Film Corp. Def. (1s.).....	1/6	4½d.	1/4½	6½d.	− 59·1
Whitehall Films Def. (1s.)	7½d.	1d.	...	...	...
Waste Food Products (1s.)	18/9	2/-	16/-	3/11½	− 75·3

Our concluding table sets out the fluctuations in price of a number of representative securities in other markets:—

Other Securities.

Security.	1929. Highest Price.	1929. Lowest Price.	Price, beginning 1929.	Price, June 27, 1929.	Rise or Fall in Half-year (% of Opening Price).	Yield. Beginning of 1929.	Yield. June 27, 1929.
						£ s. d.	£ s. d.
Exploration & Development—							
Hudson's Bay Co. (£1)	6⅛	5½	5⅞	5½x	− 10·6	4 5 0	4 15 0
Brit. S. Africa Co.(Chartered) (15/- fully paid)	2⅛	1⅛	1⅛	2⅜	+ 22·2	4 8 9	3 11 0
Forestal Land, ord. (£1) ...	1⅛	1	1⅛x	1⅜	+ 26·1	6 5 3	7 1 3
Plantation—							
Rubber Plantation Investment Trust, ord. (£1) ...	2⅛	1⅛	1⅛	2⅛	+ 27·8	8 7 9	6 18 0
Anglo-Dutch Plantations of Java (£1)	2⅛	1⅝	1⅞	1⅞	+ 20·0	8 0 0	6 13 3
Cons. Tea & Lands, ord. (£10)	39½	32	36x	32x	− 11·1	8 10 0	6 9 0
Jorehaut Tea, ord. (£1).....	4⅛	4⅛	4⅛	...	...	8 6 9	8 6 9
Oil—							
"Shell" Transport, ord. (£1)	5⅛	4⅛	5⅛	4⅛	...	†4 5 0	†5 2 0
Burmah Oil, ord. (£1)	4⅞	4⅜	4⅛	4⅜x	− 9·7	4 3 0	4 11 6
Anglo-Persian (£1).....	4⅛	4⅛	4⅛	4⅛	− 2·7	1 11 0	2 15 9
Canadian Eagle (No par) ...	⅛	⅛	⅛	⅛	− 10·0	...	...
Mexican Eagle ($4).....	⅛	⅛	⅛	⅛	− 3·8	...	...
Mining—							
Johannesburg Consolidated Investment (£1)	2⅛	2⅛	2⅛	2⅜	+ 2·6	†6 6 3	†6 1 0
Modder Deep (5/-)	1⅛	1⅛	1⅛	1⅜	− 10·7	19 6 0	21 12 0
Cons. Diamond Mines (£1)	1⅛	1⅛	1⅛	1⅛	+ 18·2	9 14 0	8 4 3
Malayan Tin (5/-)	1⅛	1⅛	1⅛x	1⅛	...	7 12 6	5 14 3
London Tin Syndicate (£1)	1⅜	1⅛	1⅛	1⅛	− 13·1	10 0 0	12 15 0
Rio Tinto, ord. (£5)	66	52½	62½	52⅝	− 15·8	4 1 0	3 16 9
Lautaro Nitrate (£1)	4⅛	4⅛	4⅛	4⅛	+ 11·7	3 10 6	3 3 0
Bwana M'Kubwa (5/-)	1⅛	⅛	⅛	1⅛	+ 50·0	Nil	Nil
N'Changa Copper (£1, with 17/6 paid).....	4⅛	1⅛	3⅛	⅛	+138·5	Nil	Nil
Rhodesian Congo Border (£1)	9⅛	3	3	9	+200·0	Nil	Nil
Roan Antelope (5/-)	2⅛	2⅛	2⅛	2⅜	+ 2·6	Nil	Nil

x = ex dividend. † = Free of tax.

Apart from a short-lived spurt of activity early in the half-year, following a sharp rise in the price of the commodity, the rubber market was idle and featureless, while the removal of the tea duty failed to stimulate interest in tea shares, in view of the uncertain outlook for the commoner grades of leaf. Dealings in oil shares were, for the most, "professional," the various efforts made to place oil conservation on an effective and enduring basis having little positive result. The Chilean nitrate position was strengthened by the adhesion of American interests to the official selling scheme and the negotiation of a "stabilisation" agreement with the synthetic producers of Europe. The largest British producing company passed under American control. Kaffirs had an uneventful half-year, but activity in the shares of companies owning Rhodesian copper deposits attained spectacular dimensions, the pace being set throughout by powerful inside interests. Tin prices failed to bear out the prognostications of the more optimistic of the two opposing parties into which the industry is divided, and copper shares (other than Rhodesian) reflected the vagaries of the market for the metal, which slumped extensively after a hectic rise.

In reviewing the outlook for Stock Exchange values it is essential to distinguish the immediate and ephemeral from the long-term factors which must ultimately dominate the permanent investor's calculations. A Labour Government has assumed office without any serious upset of prices, though the shares of motor-manufacturing and other "protected" industrial concerns must remain susceptible to variation until the Government's intentions with regard to safeguarding and the McKenna Duties are made known. So long, however, as the monetary situation remains uncertain, and even threatening, a revival of speculative interest in securities is unlikely, and the steady growth of *investment* resources, which, week in and week out, provides the real sustaining-power of Stock Exchange prices, may not immediately exercise its full beneficial effect. In the long run, prospects of a revival have their basis, as regards gilt-edged stocks, in the hope that sterling will successfully weather the autumnal strain, and, as regards industrials, partly in the expectation that the improved conditions now obtaining in many basic national trades will, in due course, be reflected in published statements of earnings, and partly in the likelihood that renewed American interest in British securities will be encouraged by the demonstrably higher dividend yields obtainable on those shares than on many of their counterparts in New York.

THE WEEK IN THE MARKETS.

THE LONDON STOCK EXCHANGE.

SETTLING DAYS.

TICKET. July 9.	ACCOUNT. July 11.

THE loss of £3,414,310 in bar gold to Germany, followed by the withdrawal of £2,804,562 on June 27, overshadowed all else this week. The gilt-edged market refused to believe that Bank rate would be put up on Thursday, and this view was proved correct, but British Government securities were naturally affected, especially as the Berlin exchange rate conspicuously remained below gold point. That peculiar and passing causes existed for the weakness of this exchange was, perhaps, inadequately realised at first. Gilt-edged stocks, which were additionally affected by a semi-official £5,000,000 debenture issue for the Agricultural Mortgage Corporation and by money requirements in view of the end of the half-year, set the tone to the whole market, and everywhere business for the new Account was slow. As the King's Speech next Tuesday drew nearer, political doubts appeared to be bulking larger than at any time since the General Election, but they actually reflected not so much the fear of a Labour Government as the uncertainty which precedes any momentous announcement. A contrast was furnished by a number of American favourites, which benefited by the renewed activity of Wall Street.

The gilt-edged market was characterised by more pressure to sell than in recent weeks, though dealers would in any case have marked prices down as a protective measure in view of the events in the money market. Funding Loan was particularly affected, dropping ¼ on Monday, ½ on Tuesday, and ¼ on Wednesday. Treasury Bonds suffered among short-dated securities, but declines were general throughout the British Government list. India Loans inevitably shared in the prevailing movement, and although little was done in Dominion and Colonial stocks a few sales served to depress prices in a number of instances. Recent new issues, including Commonwealth Fives and City of Montreal Four-and-a-Half per Cents., were weaker, while Central Electricity Board debentures fell to 2½ discount.

The foreign market stood out for a time against the prevailing current, but became less firm on profit-taking in mid-week. The Reparations report was still an appreciable bull-point for a number of European issues. Brazilians reacted after a fresh gain of ground on Monday, while among Far Eastern stocks the 1913 Reorganisation Loan came into prominence on rumour of the pending payment of a coupon.

A tentative revival of investment buying for all Home Railway stocks except Southern was suggested by Monday's events, but, as has so frequently been the case, the movement lacked stamina and quickly collapsed. The traffic figures were satisfactory, the North-Eastern heading the list with an increase of £31,000 as compared with a year ago, while the Southern showed a small gain for the first time for some weeks. The North-Eastern redeemable debenture issue was successful, small applicants receiving full allotment, while the larger subscribers obtained varying proportions of the sums applied for. Among foreign railways, Argentines were firm before encountering profit-taking, the publicity given by recent restrictive measures in the matter of foreign holdings having, paradoxically, served to draw American attention to their investment possibilities. Great Western of Brazil and Leopoldina improved on good traffic returns, while Antofagasta and Nitrate Railways moved upwards on expectations of an increased demand for nitrate as a result of the price reduction accompanying the agreement between Chilean and European producers (discussed on page 1465).

The effect of the week's events, plus a slight amount of forced selling before Pay Day, was to induce a spirit of the utmost caution all through the industrial markets. The tendency spread to investment as well as speculative business, many of the investment trusts and other large buyers choosing to stand fast until the outlook had cleared. It was left to America to support her favourites, such as Columbias, International Nickels, and electrical manufacturing shares, in conjunction with the stronger tone in New York. H.M.V., however, were weaker on selling induced by the new issue. Courtaulds lost ground, and British Celanese reflected further fears as to the nature of the coming report. The approach of the date of the King's Speech was responsible for a general decline in brewery shares, on the expectation that Mr Snowden would decline to confirm the concessions to the trade embodied in Mr Churchill's Budget proposals, and that the Labour Government would appoint a Commission to go into the liquor question as a whole. Similar speculations as to a possible increase of the tobacco duty induced selling of Imperials and others in the tobacco group. The news of an agreement between the Chilean Finance Minister, the I.G., and Imperial Chemical Industries, for the "stabilisation" of the nitrogen industry encouraged useful buying of the last-named company's shares. Marconis were also better on the official announcement that the cable-wireless merger had become operative. Cement shares, however, lost rather than gained ground on the news of the closer merger of the "Horne" companies and the subsequent disclaimer by the Associated Portland Cement Co. of any amalgamation negotiations (as described in an "Investment Note" on page 1467). Insurance shares were dealt in to a very small extent, and bank shares remained on the dull side.

Rubber shares were an idle market, and the turn lower where changed, the commodity again failing to show any well-marked price tendency. Tea shares suffered a measurable decline, the week's auctions affording no evidence that stability had been reached as regards the selling price of the commoner teas. Oils were irregular, the dull tone of the market being slightly ameliorated by the heartening views of the world situation put forward at the Shell and Anglo-Persian meetings. Mining shares came within the orbit of the week's monetary fears, but on the whole gave way less than might have been expected. Paris was a further depressing influence in the Kaffir market. Rhodesian activity was nipped somewhat in the bud by Tuesday's gold withdrawal, but became partially in evidence again on Thursday, after the period of subscription for new Congo Border and N'Changa shares had expired. Tin shares sagged in sympathy with the instability of the price of the metal, despite the semi-official promise of an early announcement on the "rationalisation" of the industry. Copper-producers' shares opened dully, but improved on a slight rise in the market, Tinto being bought from Paris.

FOREIGN STOCK EXCHANGES.

NEW YORK.

The market feels that the worst of the Reserve tight-money policy is over, and is encouraged by the exceptionally high rate of corporations earnings for the half-year and by the good prospects for the rest of the year. The share market advance, though ragged, continues, with activity centred in public utilities, best-grade rails and steels. Earnings of the last named are at a record level. Mining shares are steady, oils rather weak and chemicals strong. The remainder of the market is indifferent, with little net change in prices, and average prices, which are calculated on the more active issues, are not at a new high level. Rails are cheered by another month of higher earnings, May reports showing a 20 per cent. gain over a year ago. Some disappointment is felt at the Washington attitude to Reserve participation in the International Bank, but it is hoped that a way may be found to more indirect co-operation. There is much satisfaction at the settlement of the vexatious religious question in Mexico, and due credit is given to Ambassador Morrow. The issue market is active, especially in foreign loans, which are well taken. Ready subscription to recent domestic stock offers reveals a good underlying investment demand.

	June 20.	June 27.	Rise or Fall.
4½% Lib.Ln.'33–8	99⅛	99⅜	— ⅛
3½% Trs.Bs.'46–56	100⅛	101⅛	+ ⅛
Ach., Top. San. Fe	218	236½	+18½
New York Central	199½	209½	+10
Union Pacific	226½	232	+ 5½
Pennsylvania	78⅜	83⅜	+ 5
Southern Railway	142	147½	+ 5½

	June 20.	June 27.	Rise or Fall.
U.S. Steel	177⅜	187⅞	+ 10½
General Motors	73¾	73⅜	— ⅜
Amer. Tel. & Tel.	213	221⅜	+ 8⅜
General Elec.(New)	302½	315	+ 12½
Victor Talking	148	148	...
Std. Oil of N.J.	56⅝	56½	— ⅛
Anaconda	111⅜	114¼	+ 3⅛

By courtesy of the Standard Statistics Company, Inc., of New York and 13, Copthall Avenue, London, we print the following index figures of American security values and yields, calculated on closing prices (1926=100):—

	1927.		1928.		1929.		
	Lowest.	Highest.	Lowest.	Highest.	Beginning of Year.	June 13.	June 20.
342 Industrials	104·7	137·1	132·5	186·4	191·1	188·8	197·7
33 Rails	106·1	128·0	120·5	139·7	140·9	141·7	144·6
35 Utilities	103·3	128·3	128·3	180·6	184·6	227·7	237·4
Total, 410 Stocks	104·7	134·1	130·3	178·9	182·8	187·9	191·8
Average Yield on 50 Industrial Common Stocks	4·21%	5·12%	3·32%	4·42%	3·44%	3·37%	3·41%

DAILY AVERAGE OF 50 INDUSTRIAL COMMON STOCKS (1926 = 100):—

Highest of 1929. (May 4.)	Lowest of 1929. (May 27.)	June 19.	June 20.	June 21.	June 22.	June 24.	June 25.	June 26.
225·4	201·7	215·2	216·3	217·9	218·3	217·8	220·0	220·8

LONDON ACTIVE SECURITIES.

British and Colonial Government Securities.

	Closing Prices Jne. 20.	Jne. 27.	Rise or Fall.
Conv. Loan 3½%	76½	75⅞	— ⅝
Do. 4½% 1944	95½	94½	— 1
War Loan 5% 1929-47	101	100⅞	— ⅛
Consols 2½%	54⅝	54½	— ⅛
Do. 4%	85⅞	85⅜x	— ⅜
Funding 4%	87⅞	85⅜	— 2⅛
Victory Bonds 4%	92	91½	— ½
Local Loans 3%	62⅝	62⅜	— ⅜

	Closing Prices Jne. 20.	Jne. 27.	Rise or Fall.
Treasury 5% (B)	99⅜	98⅝	— ⅜
Canada 4% 1940-60	90	89	— 1
S. Africa 5% 1945-75	101x	101	...
India 3½%	66	65½	— ½
Do. 4½% 1958-68	95⅞	95⅝	— ⅜
Australia 5% 1945-75	97	96	— 1
N.S.Wales 5% 1935-55	96	96	...
N. Zealand 5% 1946	102x	102	...

Foreign Government Securities.

Japanese 6% (1924)	98	98	...
Argentine 4% Recies.	88	87	— 1
Austrian 6% 1923-43	100½	100½	...
Belgian 7%	106½	106½	— ½
Brazil 6½% (1927)	93	93	...
Bulgaria 7%	87	87	...
China 5% (1912)	45½	45½	...
Czechoslovakia 8%	112	111½	— ½
Egypt Unified 4%	81½	81	— ½
French 5%	20½	20½	...
Do. 4% (Brit.)	18⅝	18⅞	+ ⅛
German 7%	105½	105½	— ½
Greek 7% Refugee	100¼	100¼	— ¼
Hungary 7½%	103½	103	— ½
Chili 6%	96	96	...
Poland 7%	87⅛	87⅜	...
Mexican 5% (1899)	32	32	...
S. Paulo Coffee 7½%	103½	103½	...

Corporation Stocks.

L.C.C. 3%	63	63	...
E. London 5% 1960-70	97	97	...
Sydney 5½% 1954	97	97	...
Berlin 6% Ster.	93½	94	+ ½

British and Foreign Railways.

G. Western Ord. Stk.	86½	86½	+ ½
L.N.E., Def. Stk.	12	12	...
Do. 5% Pref. Stk.	26⅜	26½	— ⅛
L.M.S. Ord. Stk.	50⅜	50½	— ¼
Metropol'an Cons. Stk.	60⅜	60	— ⅜
Met. District Ord. Stk.	76	76	...
Southern Def. Stk.	29⅛	29⅛	— ⅛
Do. Pref. Ord. Stk.	72¼	72⅝	+ ⅛
Underground Ord. £1	1⅛	1⅛	...
Do. Income Bonds	110	110	...
Can. Pacific Com. Stk.	236	239½	+ 3½
Antofagasta Ord. Stk.	106	93½x	...
B.A.&Pacific Ord.Stk.	103½	103⅜	...
B.A.Gt.Sthn.Ord.Stk.	108½	109	+ ½
B.A.Western,Ord.Stk.	94½	95½	+ 1
C. Argentine Ord.Stk.	97½	97⅞	— ⅛
Cordoba Ord. Stk.	38½	39	+ ½
G.W. of Brazil £10	4½	4⅝	+ ⅛
Leopoldina Ord. Stk.	59⅜	62	+ 2½
San Paulo Ord. Stk.	203	202	— 1
Taltal Ord. (£5)	5	5	...
Utd. Havana Ord. Stk.	39	37½	— 1½

Banks.

Bank of England Stk.	249	248	— 1
Barclay B. (£1)	2⅛	2⅛	...
Barcl.(Dom. &c.) A £1	1⅞	1⅞	+ ⅛
Lloyds £5, with £1 pd.	3¼	3⅜	— ⅛
Midland £1, fully pd.	3⅛	3⅛	— ⅛
Nat. Prov. £20, £4 pd.	13⅞	13½	— ⅜
Com. Bk of Austr. 10/	1⅞	1⅞	...
Hongk. and S.($125)	132	132	...
St. of S. A. £20, £5 pd.	15⅛	15⅞	— ⅛
W'minster £4, £1 pd.	3⅛	3⅛	— ⅛

Insurance.

Alliance £1, fully paid	19½	19	— ½
Com. Un. £2½, fully pd.	26	25⅜	— ⅝
Ldn.& Lanc. £5, £1 pd.	29⅛	29½	— ⅛
N.B.&Merc.£5,£1¼pd.	35½	35	— ½
Phœnix £1	13⅞	13⅜	— ⅛
Roy.In.£1, with 10/ pd.	8⅛	8⅛	— ⅛

Coal, Iron and Steel.

Amal. Anthracite (£1)	1⅛	1⅛	+ ⅛
Babcock, Wilcox (£1)	3⅛	3⅛	— ⅛
Baldwin (4/)	⅛	⅛	...
Bolckow Vaughan (£1)	⅛	⅛	— ⅛
Cory, William (£1)	3⅛	3⅛x	...
Dorman, Long (£1)	⅛	⅛	— ⅛
Guest, Keen (£1)	1⅛	1⅛x	— ⅛
Powell Duffryn (£1)	⅛	⅛	...
Stewarts&Lloyds(£1)	1⅛	1⅛	— ⅛
Swan, Hunter (£1)	1⅛	1⅛	— ⅛
Thornycroft, John (£1)	4	4	...
Vickers (6/8)	⅛	⅛	...

Textiles.

Bradford Dyers (£1)	2⅛	2⅛	...
Brit.Celanese,Ord.(10/)	1⅛	1⅛	— ⅛
Coats, J. and P. (£1)	3⅛	3⅛xb	...
Courtaulds	4	3⅞	— ⅛
Eng.Sewg.Cotton(£1)	2⅛	2⅛	— ⅛
Fine Cott.Spinn.(£1)	1⅛	1⅛	— ⅛
Listers (£1)	1⅛	1⅛	...
Snia Viscosa (200 lire)	⅛	⅛	+ ⅛

Electrical Manufacturing.

Associated Elec. (£1)	2⅛	2⅛	— ⅛
British Insulated (£1)	3⅛	3⅛	+ ⅛
Ever Ready (G.B.) (5/)	1⅛	1⅛	...
General Electric (£1)	2⅛	2⅛	— ⅛
Johnson&Phillips(£1)	1⅛	1⅛	...
Siemens (£1)	1⅛	1⅛	— ⅛

Electric Light and Power.

Atlas L'ht & P'er (£1)	1⅛	1⅛	— ⅛
City of London (£1)	1⅛	1⅛	...
County of London (£1)	2⅛	2⅛	+ ⅛
Hydro-Elec. com. stk.	39½	39⅛	+ ⅛
Lancashire Elec. (£1)	1⅛	1⅛x	+ ⅛
Newcastle-on-Ty(£1)	1⅛	1⅛	...

Gas.

Gas Light & Coke (£1)	1	⅛	— ⅛
Imp. Continental Stk.	385xr370	—15	
Primitiva (£1)	1⅛	1⅛x	— ⅛
S. Metropolitan Stk.	105	105	...

Telegraphs and Cables.

Eastern Stk.	265⅛	264⅛	— 1
Eastern Exten. (£10)	26⅛	26⅜	+ ⅛
Marconi (10/)	3⅛	3⅛	...
Marconi (£1)	4⅛	4⅛	— ⅛
Marconi Marine (£1)	3⅛	3⅛	...
Western Tel. (£10)	26⅛	26⅛	...

Motors.

Dennis (1/)	2⅛	2⅛	— ⅛
Ford Motors (£1)	3⅛	3⅛	— ⅛
Leyland (£1)	2⅛	2⅛	...
Morris 7½%Cm.Pf.(£1)	1	1	...
Rover (8/)	⅛	⅛	...
Singer (£1)	1⅛	1⅛	+ ⅛

Shipping.

Cunard (£1)	1⅞	1⅞	...
Furness Withy (£1)	1⅛	1⅛	...
P. & O. Defd. (£1)	2⅛	2⅛	— ⅛
Royal Mail Ord. Stk.	61	61	...

Tea and Rubber.

Anglo-Dutch (£1)	1⅛	1⅞	— ⅛
Cons. Tea & Lands (£10)	34	32x	...
London Asiatic (2/)	⅛	⅛	...
Rubber Trust (£1)	2⅛	2⅛	...

Oil.

Anglo-Persian (£1)	4⅛	4⅛	— ⅛
Attock (£1)	2⅛	2⅛	...
Burmah Oil (£1)	4⅛	4⅛x	...
Canadian Eagle no par	⅛	⅛	...
Lobitos (£1)	2⅛	2⅛	+ ⅛
Mexican Eagle(£1/0/6)	⅛	⅛	— ⅛
Royal Dutch (£5)	33⅛	33	— ⅛
Shell (£1)	4⅛	4⅛	— ⅛

Miscellaneous.

Aerated Bread (£1)	1⅜	1⅜	— ⅛
Assoc. P. Cement (£1)	1⅛	1⅛	...
Braz. Traction, no par	59½	57½	— 1½
Brit.-Am.Tobacco(£1)	6⅛	6⅜	— ⅛
Carreras, "A" Ord. (£1)	14⅜	14⅜	...
Columbia Graph. (10/)	12½	12½	— ½
Crittall (£1)	2⅛	2⅛	...
Dunlop (6/8)	⅛	⅛	+ ⅛
Forestal Land (£1)	1⅛	1⅛	...
Gramophone Co. (£1)	16⅛	16⅛	— ⅛
Harrods (£1)	3⅛	3⅛	+ ⅛
Hudson's Bay (£1)	5⅛	5⅛	...
Imp. Airways(£1 15/p)	1⅛	1⅛	...
Imp. Chem., Ord. (£1)	1⅛	1⅛	+ ⅛
Imperial Tobacco(£1)	4⅛	4⅛	— ⅛
Inter. Nickel of Can.	51⅛	54⅛	+ 3⅛
Kreuger & Toll (kr.100)	36	35⅜	— ⅛
Lever 7% pref. £1	1⅛	1⅛	...
Lyons (J.) (£1)	5⅛	5⅛x	...
Margarine Union (£1)	4⅛	4⅛	+ ⅛
Pinchin Johnson (10/)	2⅛	2⅛	— ⅛
Swed.Match.B(kr100)	20⅛	20⅛	— ⅛
Tate and Lyle (£1)	2	2	...
Tilling, Thomas (£1)	5⅛	5⅛	+ ⅛
Turner & Newall (£1)	4⅛	4⅛	— ⅛
United Molasses (£1)	7⅛	7⅛	— ⅛
Vocalion (10/)	1⅛	1⅛x	...
Watney Combe Dt.(£1)	3	2⅞	— ⅛

Mines.

Anglo-Amer.of S.A.(£1)	2⅛	2⅛	— ⅛
De Beers Def. (£2½)	13⅜	13⅛	— ⅛
Brakpan (£1)	4⅛	4⅛	...
"Chartered" 15/f.p.	2⅛	2⅛	— ⅛
Burma Corp. (Rs.10)	⅜	⅜	— ⅛
Bwana M'Kubwa, 5/fp	1⅛	1⅛	...
Central Provinces (£1)	4⅛	4	— ⅛
Geduld (£1)	3⅛	3⅛	...
Johan. Cons. (£1)	2⅛	2⅞	— ⅛
Lake View & Star (4/)	⅛	⅛	— ⅛
London Tin (£1)	3⅛	3⅛	...
Rio Tinto (£5)	54	52⅛	— 1⅛
RosanAntelopeCpr.(5/)	2⅞	2⅞	...
Sub Nigel (10/)	1⅛	1⅛	+ ⅛
Tanganyika (£1)	2⅛	2⅛	— ⅛
UnionCrp.(12/6)fu.pd.	4⅛	4⅛	...

PARIS.

The persistence of the fall in prices has forced the liquidation of bull positions of long standing. It has even caused realisations on some shares which of late had been remarkable for their firmness, such as Banque de France and Suez. The latter, after keeping between 25,000 and 26,000 ever since February, suddenly fell below 24,000. These realisations weighed the more heavily on the market by reason of the continuing scarcity of business. On the other hand, several buying orders in a single session sufficed to bring about an appreciable rise. Otherwise, apart from the shares of electricity generating and distributing companies, which are still holding up not far below their highest, the general tendency of the market appears to be weak.

	June 20.	June 27.	Rise or Fall.
3% Perp. Rentes	75·10	74·80	−0·30
5% Rentes, '15–16	101·95	102·45	+0·50
5% Rentes, 1920	127·70	127·60	−0·10
Banq. de France	25,850	24,800	−1,050
Banque de Paris	3,325	3,100	− 225
Crédit Lyonnais	3,170	3,090	− 80
Nord	2,585	2,525	− 60
Com. Gen. d'Elec.	3,790	3,655	− 135
Littoral Médit.	1,400	1,385	− 15
Mines de Lens	1,313	1,262	− 49
Courrières	1,604	1,555	− 49
Pechiney	3,860	3,700	− 160
Kuhlmann	1,262	1,216	− 46
Com. Gen. Trans.	1,260	1,235	− 25
Suez Canal	24,775	23,350	−1,425
Assur. Gen. Vie	12,100	12,000	− 100
Dollfus. Mieg.	12,650	12,450	− 200
Denain et Anzin	3,125	3,095	− 30

BERLIN.

After a recovery on June 21, the Bourse relapsed into dullness which lasted until the middle of the present week, and quotations declined all round. Artificial silk stocks particularly weakened, Vereinigte Glanzstoff dropping to 40 points below the highest price reached after the announcement of the agreement with Dutch Enka. Selling, which at times was heavy, was in part attributable to the need for money for the month-end settlements. Interest continued to be shown in steel and coal stocks, Vereinigte Stahlwerke being notably firm. Salzdetfurth and other potash stocks were relatively well supported. Farbenindustrie went ex dividend on June 25th. On both Wednesday and Thursday the tone was fairly firm, and the upward movement of steel stocks continued. Interest was also attracted to Reichsbank and to shipping shares, and foreign buying of Siemens and Halske was reported. There was a slight reaction on Thursday afternoon, dullness prevailing.

	June 20.	June 27.	Rise or Fall.
Reichsbank	327·00	334·25	+ 7·25
Deutsche Bank	171·25	171·25	...
Disconto Bank	156·00	156·00	...
Hamburg-Amer.	119·88	122·00	+ 2·12
Norddeut.-Lloyd	111·00	114·00	+ 3·00
I.G. Farbeninds.	254·00	242·00x	...
Verein. Glanzstff.	466·13	438·50	− 27·63
Bemberg	353·50	346·00	− 7·50
Verein. Stahlke.	98·50	104·00	+ 5·50
Mannes Rohrke.	116·50	123·50	+ 6·50
Allgemne. Elekt.	194·75	191·88	− 2·87
Siemns. & Halske	401·00	399·25	− 1·75
Daimler Benz.	60·00	59·00	− 1·00
Cont. Caoutchuc.	173·50	170·13	− 3·37
Salzdetfurt. Kali	411·00	411·00	...

AMSTERDAM.

During the past week business remained restricted, and the uncertainties of the sterling rate provoked an irregular tendency. In sympathy with the Berlin market artificial silk shares were weak, and the Enka-Glanzstoffe fusion had a less favourable influence. Among other industrials, Margarine Unie had a firm appearance, but Philips were listless. Tobaccos also were lower, and rubbers reacted, but sugars fluctuated little. The report of the Trading Co. of Amsterdam made an unfavourable impression. Shipping shares were dull, and the oil market easier. Prices went gradually lower all round as the week proceeded. The money market was easier, with the private discount rate $5\frac{3}{16}$-$5\frac{5}{16}$ per cent., and the prolongation rate $4\frac{3}{4}$ per cent.

	June 20.	June 27.	Rise or Fall.
5% Bds. Neth., '18	102¼	102	− ¼
4½% Ams. 1913–14	98½	98¾	+ ¼
Margarine Unie	470	477½	+ 7½
Neth. Art. Silk	380	356½	− 23½
Philips El. Lamp.	875	868½	− 6½
Singkep Tin	282	270	− 12
Royal Dutch	403	400¾	− 2¼
Amst. Rubber	251¼	243⅝	− 7⅛
Serbadjadi Sm. R.	187	184½	− 2½
Holl. Amer. Line	65½	58⅝	− 6⅞
Navig. Co., Ned.	194	186¾	− 7¼
Vorstenlanden	158	146	− 12
Trading Co., Ams.	650	634	− 16
Besoeki	450	430	− 20
Deli	401	393	− 8
Neth. Trad. Soc.	171	166½	− 4½

INVESTMENT NOTES.

Industrial Shares and the State of Trade.—The review of the state of trade given this week in our *Monthly Supplement* contains many points of interest to ordinary shareholders in British industrial companies. Experience shows that, whenever the annual reports of many companies reveal a stationary or declining tendency in profits, the share market is liable to become dull and heavy. On the other hand, when increasing profits and dividends are reported and prophecies of such a condition are steadily borne out by events, markets show a buoyancy highly gratifying to all shareholders. For some time past the company reports dealt with in these columns have reflected the indubitable setback suffered by trade as a whole last year. In other words, the dullness of industrial shares at the moment is partially due, not to current industrial conditions, but to circumstances which existed some time ago, since most companies do not issue their accounts for three to six months after the end of their financial year. Our *Trade Supplement* shows that the activity of British industry has been significantly accelerated since the beginning of 1929; that the numbers of the unemployed have been reduced by approximately one-fifth, and that the seasonal falling off in trade which is usually experienced in the summer months has not yet shown itself on a large scale. The coal trade reports a firm export market; the outlook for the iron and steel industry is described as promising for at least the next two or three months (after which time, however, new Continental plant may come into production and increase the already formidable competition in the industry). Cotton prices are steady, though the volume of trade done has been disappointing. Too much importance should not, of course, be attached to the results of a comparatively short period, especially in view of the possibility that labour questions may shortly assume considerable importance in more than one industry. It may be hoped, however, that the recent trade improvement will be maintained, and will ultimately be a factor in the recovery of industrial share prices.

Argentine Railways and Foreign Holdings.—Extraordinary meetings were held on Friday, June 21st, of shareholders in the Buenos Ayres Great Southern Railway, the Buenos Ayres Western Railway, and the Entre Rios Railway, to consider resolutions preventing persons of other than Argentine or British nationality from holding more than an aggregate of 20 per cent. of the issued shares or stock of any class or from becoming directors of the companies. The resolutions, which was carried unanimously, were described as being purely precautionary, foreign holdings being negligible in the case of the Great Southern and amounting only to 1 per cent. in that of the Western. The "safeguarding" of British ownership of the leading Argentine railways is proceeding steadily, the above resolutions following an alteration in the articles of the Buenos Ayres and Pacific, a few weeks ago, disfranchising foreign shareholders (without, however, placing any limit on the extent of their holdings). Next Wednesday the shareholders of the Cordoba Central will, in turn, consider a "disfranchising" resolution. Our views on the desirability and the probable effects of changes conceived on these lines have been set out in a series of articles on "American Buying of British Securities" (see the *Economist*, June 8, 15 and 22, 1929, pages 1292, 1350 and 1386).

SECURITY FIRST

ROYAL

INSURANCE COMPANY, LIMITED

HEAD OFFICES: LIVERPOOL AND LONDON.

Agreement in the Nitrogen Industry.—Events in the nitrogen industry have moved rapidly during the last few weeks. Discussing the outlook on May 11 last (page 1056), we hazarded the view that the stage might shortly be set for co-operation between natural and synthetic nitrogen producers. In speedy succession has come the news of the re-financing of the Lautaro Company under American auspices, with a construction programme sufficient to enable that company alone to double the Chilean output, followed by the announcement of an agreement between the Chilean Finance Minister, the I.G. Farbenindustrie, and Imperial Chemical Industries, providing "a substantial basis for the stabilisation of the nitrogen industry." In future a common policy will be followed as regards propaganda, experiment, and research, while "stabilisation" will involve an immediate reduction of 10s. a ton in the price of nitrogenous fertilisers. The present Chilean Government has consistently shown itself capable of taking a long view of the interests of one of the most important of Chilean industries, and may be congratulated on its wisdom in making terms with the largest European producers and thus obviating the possibility of its nitrate revenues being lost in the bottomless pit of "financial assistance" to Chilean companies engaged in a possible price-war with their synthetic competitors. The output of synthetic nitrogen has doubled in the last three years, and, although the triumph of the "Guggenheim" over the "Shanks" process may significantly reduce the costs of production of Chilean nitrate, the balance of advantage in any long drawn-out struggle would inevitably have rested with the large European chemical interests. An official statement expresses the hope that the agreement between the three largest producers of nitrogenous fertilisers in the world, outside the United States, may pave the way for the stabilisation of the whole nitrogen industry, since it is proposed to invite the other groups of nitrogen producers to come into line. The consumer of nitrogen, which has become an essential raw material of agriculture in many parts of the world, is not, of course, a party to the present agreement. There is no reason to suppose that the possibilities of research work, such as has so largely extended the range and variety of fertilisers in recent years, are likely to reach their effective limit in the near future. It may be hoped, therefore, that the readiness of producers to "pass on" the economies of improved knowledge and technique will suffer no diminution as a result of the new arrangements.

International Artificial Silk Developments.—Simultaneously with the meeting of the Silk Federation at Barcelona, important negotiations were undertaken between the leaders of the Dutch and German artificial silk industry, with a view to arriving at an agreement to bring the two countries into the *entente* which already include the Italians and the Courtauld-Glanzstoff and Snia Viscosa groups, the object being to prevent another overproduction crisis similar to that which proved so costly to the industry last year. The outcome, writes a correspondent, is a scheme for a Glanzstoff-Enka alliance. A new company known as the General Artificial Silk Union is to be formed, which will exchange fl. 2,000 of its shares for every fl. 2,000 of the Enka Co., fl. 5,000 of Mackubee and Rm. 2,700 of Glanzstoff. The new alliance is one of obvious importance to the world industry. The total output of the new group has been estimated at 60,000 kilos daily. Both Enka and Glanzstoff have large American subsidiaries, whilst Enka has, in addition, subsidiaries in Great Britain and Italy, and Breda is extending its interests in this country, after establishing subsidiaries in France and Spain. Courtaulds, with their worldwide connections, will have a direct interest in the new alliance, which almost automatically includes Snia Viscosa. Snia in turn are connected in some measure with the other Italian producers through the recently formed Italian convention. The position of the French Comptoir is still somewhat of a mystery, but there is every likelihood that sooner or later they may come into closer contact with the International Cartel. A more stabilised market would, of course, benefit both the producer and consumer of artificial silk, so long as those concerned continue to share with the consumer the fruits of improving knowledge and technique.

General Electric.—There is little in the General Electric report to suggest the grounds on which the price of the £1 shares was run up to 80s. by American buying during January. A slightly increased profit is shown for the year ended March 31, 1929, and over 16½ per cent. was earned on the ordinary shares, though the dividend remains at 10 per cent. Even at the present price of 51s. cum dividend, the yield is little more than 4 per cent. on dividends and 6⅔ per cent. on earnings:—

(Years ending March 31)	1927.	1928.	1929.
	£	£	£
Profits	1,030,853	1,057,867	1,084,077
Debenture interest	232,515	229,190	222,380
Depreciation	195,612	195,433	206,055
Pension fund	18,344	21,405	24,662
Net earnings	584,382	611,839	630,980
"A" preference dividend	117,000	117,000	117,000
Number of times covered	*4·9*	*5·2*	*5·3*
"B" preference dividend	135,000	135,000	135,000
Number of times covered	*2·3*	*2·4*	*2·5*
Ordinary *earned*	*14·7%*	*15·9%*	*16·7%*
Ordinary paid	7½%	10%	10%
Ordinary amount of dividend	169,023	225,365	225,365
To reserve	140,000	130,000	130,000
Increase in carry-forward	23,359	4,474	23,615

The reserve account now stands at £1,230,000, and £362,072 is carried forward. A laudable feature of the General Electric report is its habit of stating the liquid resources of the company at the end of the financial year. On this occasion they amounted to £1,519,000, compared with £1,780,000 a year before, and it is noticeable that "cash" in the balance sheet has fallen from £698,187 to £436,296. Possibly these reductions reflect the postponement of the proposed issue of "British shares," which would have supplied the company with abundant cash for the purpose of accelerating the redemption of the 7 per cent. debentures, which were described by the chairman as a blot on the balance sheet. Referring to the past year, the directors report that the demand for general electrical commodities steadily expanded, and thus counteracted, to some extent, a tendency towards lower prices. The volume of overseas trade is stated to have been well maintained. The company's branches in India and Argentina again experienced a successful year, and some improvement was visible in South Africa, but in Australia and China conditions remained difficult.

Marconi's Wireless Telegraph.—The action brought by the Venture Trust on behalf of themselves and other holders of the £1 ordinary shares of the Marconi Co. for an injunction to restrain the Marconi Co. from carrying the Cables-Wireless merger scheme into effect was decided in the Chancery Court last week. The injunction was refused on the grounds, firstly, that, as the offer of shares to Marconi shareholders was made by Cables and Wireless, Limited, which was not a party to the action, the Court had no right to interfere; secondly, that as the Marconi directors had not yet fixed the terms on which they proposed to sell the company's communication assets to Imperial and International Communications, Limited, the Court could not interfere unless it were proved that the directors of Marconi were about to commit a breach of duty. The judge took the only possible view that there was no ground for supposing that the Marconi directors would be influenced by their double position as directors of Marconi and of the merger companies, and would sacrifice the interests of the Marconi Co. by selling their communication assets at an insufficient price. Resolutions approving the merger were confirmed at an extraordinary meeting of the Marconi Co. on Wednesday last. Cables and Wireless have certified that the merger has become

operative, and that, on and after the evening of July 15th, the special register referred to in the plan and deposit agreement (described in the *Economist* of May 25, 1929, page 1176) will be closed. As regards the committees representing the £1 Marconi shareholders, we understand that their view as to the desirability of remaining out of the merger remains unchanged, but that they have decided not to proceed with the formation of the proposed holding company in view of insufficient support from the smaller £1 shareholders. The object of the investment trust company to hold £1 Marconi shares was mainly to provide a free market for the smaller £1 shareholders. Now that this scheme has been abandoned the market in the £1 Marconi shares will virtually disappear. The larger £1 shareholders, it is believed, will definitely remain out of the merger. As Mr Justice Clauson remarked, in the Venture Trust case, the £1 shareholder is entitled to refuse the offer of shares in Cables and Wireless, and if he does so, he will still remain a £1 shareholder in the Marconi Co., and be entitled to receive its dividends and have a certain vote. In view, however, of the fact that little or no market will remain in the £1 Marconi shares, it would seem advisable for the smaller shareholders to accept the offer of shares in Cables and Wireless.

Amalgamated Anthracite Collieries.—The report and accounts for 1928 of Amalgamated Anthracite Collieries are significant as being the first issued since the virtual doubling of the size of the company last summer. They include the trading results from August 1st and September 1st last respectively, of the colliery properties taken over or brought under the company's control at that time. A trading loss of £243,255 and a total loss of £309,461 are recorded for the year to December 31, as compared with a small profit (£7,857) for the preceding fifteen months. In neither period was any depreciation provided on plant or machinery, and naturally no dividend is recommended on either class of shares, but explanations of the special character of a large proportion of the 1928 loss were given by Lord Melchett at the annual meeting. The greatly expanded balance sheet shows colliery and other property at £8,376,951, against £4,122,379 a year ago, and holdings in associated companies at £2,170,829 (at cost, less reserve for losses) against £99,253 only. The enormous item, £3,587,285, ascribed to creditors and credit balances (including advances from bankers and balance of purchase price of properties), accounts largely for the fact that current liabilities exceed liquid assets by no less than £2,541,488. A debit balance of £270,835 is carried forward. In these conditions, shareholders will be the more grateful for the information that since October last the company has been operated at a profit, and that earnings for the first five months of the current year are estimated at £158,000. This is attributed to the policy carried through last year of "rationalising" the anthracite industry, which has resulted in approximately four-fifths of the industry being brought under a single control; though all the advantages of the merger will not be realised for some time to come. The £1 ordinary shares of Amalgamated Anthracite are quoted at 8s. 6d., the 7 per cent. cumulative preference, on which no dividend has yet been paid, at 15s.

Yorkshire Amalgamated Collieries.—The affairs of Yorkshire Amalgamated Collieries have a special interest, since the company represents one of the very few colliery mergers, outside the anthracite industry, effected since the publication of the Samuel Report. In 1927-28, the first period of the merger company's existence, two of the four constituent concerns declared a dividend, but in the year to March 31 last only one. This company reports a profit of £21,460; the other three, whose accounting periods end at different dates, suffered losses of £1,238, £11,489 and £40,962 respectively, and in the case of the last two no depreciation was written off. The merger company shows a profit of £1,530, and after £20,000 has been reserved to meet trading losses and interest charges in excess of the amounts taken into account in the valuations upon which the amalgamation was based, there remains £5,448 to carry forward.

	Period ending March 31, 1928.	Year ended March 31, 1929.
	£	£
Profit	30,804	1,530
Preliminary expenses	6,885	...
Reserve to meet trading losses, &c..	...	20,000
Increase or decrease in carry forward	+ 23,918	— 18,470

The accounts are presented in a new and businesslike form, the balance sheet of the merger company being followed by those of each of the four constituent companies. The directors express the opinion that the operations of the Central Collieries Commercial Association (known as the Five Counties marketing scheme) have achieved to a large extent the objects for which the association was formed—it was stated, indeed, at the meeting that exports of coal from the Humber during the year ended March last showed an increase of 80 per cent. over the previous year; but, it is added, the improvement in prices during the winter was barely sufficient to compensate for their extremely low level during the earlier part of the year. It is a favourable commentary on the amalgamation policy that the further loans advanced to the Rossington Main Colliery (where development has been completed and better results are now being obtained), and to the Maltby Main Colliery (which also shows considerably improved results), have enabled both concerns materially to reduce their working costs. The £1 ordinary shares were last marked at 6s. 1½d., the 4s. deferred at 9½d.; both are, of course, to be regarded as "lock-ups."

United Automobiles Services.—The shareholders of the United Automobiles Services have learned with surprise and not a little interest of a difference among their directors as to the acceptance of offers for the purchase of the company's undertaking. United Automobiles Services has a capital of £100,000 in 7 per cent. cumulative preferred shares and £510,314 in ordinary shares. The area served by the company is mainly in the north-east of England, although it has buses running as far as Edinburgh and London. It now covers 1,774 miles of route with nineteen main depôts. The company builds vehicle bodies in its factory at Lowestoft, both for its own buses and for other users. In addition to its passenger traffic receipts, it derives a considerable revenue from parcels traffic, advertising, sales of petrol, and the building of vehicle bodies in its Lowestoft factory. For the last few years it has paid dividends of 7 per cent. In a circular dated June 20th, however, the directors stated that difficulties had arisen on account of competition and the higher costs of operation resulting from the petrol tax, which made it probable that dividends could not be maintained. The circular added that two separate offers for purchase of the company's undertaking had been considered: (*a*) a cash offer of 27s. 6d. per ordinary share from Tilling and British Automobile Traction, Limited, which specified that the total number of shares purchased should not be less than 51 per cent. of the total ordinary share capital, or, if the percentage purchased was less than 51 per cent., that the company should issue new shares at 23s. to make up the required percentage; (*b*) a proposal of the London and North-Eastern Railway Co., under which shareholders would receive shares in a new company plus a small sum in cash. This circular ended by recommending the acceptance of the Tilling and British Automobile cash offer. Two directors protested against the issue of this circular, on the ground that the London and North-Eastern Railway Co. should be given a chance of making a better offer. The railway company proceeded to act upon this suggestion and made a fresh offer of 30s. in cash for the shares, subject to acceptances being obtained for not less than 51 per cent. of the ordinary capital. United Automobiles next received a request from the Tilling and British Automobile Traction for permission to amend their cash offer, but the prospect of further competition between the would-be purchasers was obviated by an eventual agreement whereby Tillings associated themselves with the railway company's offer, on equal terms. Shareholders are given up to July 4th (with an extension in the case of foreign holders) to signify their acceptance, which the board unanimously recommends. The price of 30s. will probably appear advantageous to many holders, since the shares could have been sold in the market at about 29s. only, and, if held, would be liable to a reduction of dividend in future. The railway companies and the big omnibus combines are well advised to avoid extravagant competitive bidding, which can only react ultimately on railway or road passenger fares.

Hudson's Bay.—It was announced after the annual meeting that the 500,000 new ordinary shares, the issue of which had been foreshadowed in the report, were to be offered to shareholders at the price of £4 per share, payable in four equal quarterly instalments, in the proportion of one new share for every four ordinary shares now held, fractions being ignored. On the news the old shares have fallen to 5¼ ex dividend, at which price the terms of the new issue represent a bonus of about 5s. The eagerness of the company to augment its capital is not wholly popular, though only three dissentients opposed the necessary resolution. The governor, who had previously expressed his confidence in the prosperous development of the Western Provinces of Canada, made it clear that liquid funds were required in order to keep pace with the natural growth of the company's trade, consequent on the rate at which, in his first-hand view, the country is progressing. The company has made it a rule to pay cash for all purchases, and expanding trade demands the carrying of larger stocks, while in Calgary, Edmonton and elsewhere extension programmes are calling for heavy capital expenditure, in addition to commitments that have been entered into over a period of years in connection with the fur trade and transport. The governor's faith in the future of Western Canada is a fact of first-rate significance for the shareholders.

Ship Canal Portland Cement.—The annual report of the Ship Canal Portland Cement Manufacturers for the year ending March 31, 1929, contains an announcement that the time has arrived for the practical merger of the shareholdings in Greaves, Bull and Lakin, and Holborough Cement and the ordinary shares of the Dunstable Portland Cement by means of an exchange of shares. The basis of the exchange is to be one 4s. ordinary share of Ship Canal for each 5s. ordinary share of Greaves, Bull and Lakin, and five 4s. ordinary shares of Ship Canal for one £1 ordinary share of Holborough Cement, the Dunstable terms not yet being arranged. These companies belong to what is known as the "Red Triangle" group, in which Mr H. S. Horne is a leading figure. This group has lately absorbed J. and W. Henderson, Ltd., of Aberdeen, and it is now stated that negotiations have been completed for the acquisition of another cement manufacturing business in the South of England. It may be recalled that the "Red Triangle" group were engaged last year in a price-cutting war with the Associated Portland Cement group and other members of the Cement Manufacturers' Association. The war came to an end in November when the "Red Triangle" group joined the Cement Manufacturers' Association. Having regard to the competitive conditions which prevailed for the greater part of the year ended March, 1929, and the depression of the principal industries in those areas directly served by the company, the directors of the Ship Canal Portland Cement Manufacturers' Association consider that the earnings of the company were satisfactory, particularly as the benefit from the various acquisitions made during the year did not accrue to the company for the whole period. The following statement shows the earnings and distribution of profits for the last three years:—

Years ended March 31.	1927.	1928.	1929.
Ordinary capital (4s. shares)	£280,000	£500,000	£1,000,000
Net profit	60,397	138,708	137,741
Pref. dividends	7,107	11,250	11,250
Depreciation	40,000	50,000	40,000
Available for ordinary	13,290	77,458	86,491
Per cent. earned	4·8%	15·4%	8·6%
Per cent. paid	7½%	10%	8%
To reserve	4,750	...	12,000*
Carried forward	11,204	38,662	33,153

* To debenture redemption account.

It will be seen that the company earned only 8.6 per cent. on its ordinary share capital last year, as against 15.4 per cent. in the previous year. The fact that earnings have not expanded although the effective ordinary share capital was doubled during this period is evidence of the adverse conditions encountered. The balance sheet is not over impressive. Stocks on hand, debtors and cash amounted at March 31st to £403,511, against which there were creditors of £71,701 and secured bank loans of £511,250. The company's capital now consists of £150,000 in preference shares, £1,000,000 in ordinary shares of 4s. and £175 in deferred shares of 1s., with £600,000 6½ per cent. first mortgage debenture stock ranking in priority. The premiums received from new issues of shares have enabled an investment reserve to be built up, but the total reserves amount only to £243,213. The 4s. ordinary shares, quoted a year ago at 10s. 9d., stand to-day at about 7s., yielding only 4.6 per cent. on dividends of 8 per cent.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—The Ottoman Bank, Bank of British West Africa, Hudson's Bay Co., Bleachers' Association, J. Lyons and Co., Elder Dempster, Globe Telegraph and Trust, Anglo-Argentine Tramways, "Shell" Transport and Trading, Yorkshire Products Investment, Amalgamated Anthracite Collieries, Tanah Datar Rubber Estate, Union Corporation, Aramayo Mines in Bolivia and Twyfords. The chairman of the Ottoman Bank reviewed recent obstacles to the economic development of Turkey. Major Isidore Salmon, at the Lyons meeting, mentioned that the abolition of the tea duty has cost the company a considerable sum, not all of which will, however, fall upon this year's trading. The chairman of Yorkshire Products Investment Co. ventured to prophesy that no area in the country was faced during the next decade with a bigger programme of public works and building developments than South Yorkshire. It was pointed out at the Union Corporation meeting how the character of the business was changing in the direction of a greater interest in industrial ventures other than mining. The Hudson's Bay and Amalgamated Anthracite meetings are referred to in earlier notes.

CAPITAL ISSUES.

The only public prospectus of the week was of considerable importance and interest, the *Agricultural Mortgage Corporation*, formed some months ago to provide long-term credits for agricultural purposes, offering £5,000,000 of debenture stock. The Bank's share capital has been subscribed by a number of the principal British joint stock banks, and loans to a total of some £2,500,000 have already been negotiated, repayable over a period not exceeding sixty years. The issue opened on Wednesday. The debentures are a trustee investment yielding a full

5 per cent. for not less than 30 nor more than 60 years. The terms may instructively be compared with those of a recent offer, the Central Electricity Board loan (4 per cent. at 83), which was not a trustee security. Unfortunately, money market conditions were entirely unpropitious, the issue synchronising with a week of heavy gold exports from the Bank of England.

ISSUES OF THE WEEK.

By Prospectus or Offer for Sale.

Net total recorded since January 1, 1929, £163,229,034.
Total, including conversion, recorded since January 1, 1929, £194,554,634.

National Savings Certificates.
Net sales week ended June 22, 1929, £50,000.
Total receipts, April 1, 1929, to June 22, 1929, *Dr. 250,000.*

Description of Issue and Date of Opening of Lists. To the Public.	Nominal Capital. £	Conversions or Repayments. £	New Money, Cash Subscription. £	First Payment. £	Further Liability. £
Agricultural Mortgage Corporation, £5,000,000 5% Deb. red. 1959–1989 issued at par (June 26)	5,000,000	...	5,000,000	250,000	4,750,000
Total offered to Public, week ended June 29, 1929	5,000,000	...	5,000,000	250,000	4,750,000
To Shareholders only.					
Achabam Tea, 14,000 £1 at par	14,000	...	14,000	700	13,300
Hellenic and General Trust, 100,000 £5 at £5 2s. 6d.	500,000	...	512,500	512,500	...
Imperial Continental Gas, £524,000 £1 Stock at £2	524,000	...	1,048,000	104,800	943,200
London and North Eastern Rly., £2,000,000 5% Red. Deb. Stk. issued at 96, red. at par April 15, 1947	2,000,000	...	1,920,000	100,000	1,820,000
Randall (C. W.), 75,000 Ord. 1s. at 12s.	3,750	...	45,000	7,500	37,500
Rio Tinto, 50,000 Ord. £5 at £50	250,000	...	2,500,000	2,500,000	...
Second British Assets Trust, 25,000 £1 at £3	25,000	...	75,000	75,000	...
Total to Shareholders only, week ended June 29, 1929	3,316,750	...	6,114,500	3,300,500	2,814,000

Total offered for Subscription—	Including Conversions. £	Excluding Conversions. £
To date—		
1929	205,719,134	174,393,534
1928	...	244,762,793
1927	...	207,563,814
1926	...	122,745,363
1925	...	114,061,974
1924	...	114,575,914
1923	...	184,697,946

Total offered for Subscription—	Including Conversions. £	Excluding Conversions. £
Whole year—		
1928	693,100,056	369,058,073
1927	...	355,165,970
1926	...	230,782,600
1925	...	232,214,500
1924	...	209,326,101
1923	...	271,399,173
1922	...	573,675,653

By Stock Exchange Introduction.

Name of Company, Description of Shares and Date of Advertisement (in brackets).	Amount of Capital Introduced. £	Prices at which Dealings Began. £	Total Cash Involved. £
Total recorded since Jan. 1, 1929	22,647,170	...	31,343,580
Anglo-French (Verdun) Artificial Silk, 192,777 10% Non. Cum. Ptg. Pref. Ord. £1 (May 27)	192,777	21/1¼	203,620
Do., 624,770 Def. 1s.	31,238	1/6½	48,810
Total, week ended June 29, 1929	224,015	...	252,430
Total to date, 1929	22,871,185	...	31,596,110

Agricultural Mortgage Corporation, Limited.—Issued share capital consists of 650,000 £1 shares (19s. paid). Issue at par of £5,000,000 5 per cent. debenture stock, 1959-89. The stock, which is a trustee investment, will be redeemed over the years 1939-89 by a ½ per cent. cumulative sinking fund, applied in purchase at or under par, or invested as trust funds. The corporation reserves the right to redeem in or after 1959 at par. The corporation was formed in pursuance of the Agricultural Credits Act, 1928, to make loans on first mortgages of agriculture or farming estates, properties or lands in Great Britain, and to make loans in accordance with the Improvement of Land Acts, 1864 and 1899, for effecting or paying for improvements for agricultural purposes. The principal assets will consist of the mortgages or securities held in respect of loans; in addition a guarantee fund, now amounting to £617,500, has been established by the Treasury.

Grace National Bank

Hanover Square, New York, U. S. A.

Collections made and credits established anywhere in the United States for banking correspondents.

Special Representative

148 Leadenhall St. London, E.C.3.

East Hull Gas Company. — Offer for sale [by tender of £64,000 5½ per cent. perpetual debenture stock (minimum price, par). Issued stock capital amounts to £236,077, and loan capital to £54,005. Revenue for 1928 was £17,384, and interest on loan capital, including present issue, require £6,325. Accumulated funds of the company at December 31st totalled £52,639.

Particulars of the following have been issued "for information only" with a view to Stock Exchange introduction:—**Rhymney Valley Sewerage Board**; issue of £250,000 *5 per cent.* redeemable stock, 1954; debt outstanding at March 31st was £555,000.

OIL OUTPUTS.

ANGLO-ECUADORIAN OILFIELDS, LIMITED.—The production for May is cabled as 13,683 tons.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The result for the month of May are as follows: Production of oil, 37,060 tons; deliveries, 41,110 tons. These production figures make a total of 269,350 tons for the first eight months of the current financial year, compared with 182,060 tons for the corresponding period of the previous year.

BRITISH CONTROLLED OILFIELDS, LIMITED.—Production for the week ended May 29th:—Venezuela, 36,532 barrels; Trinidad, 13,109 barrels; total, 49,641 barrels. Production for the week ended June 5: Venezuela, 40,087 barrels; Trinidad, 11,840 barrels; total, 51,927 barrels. Production for the week ended June 12th: Venezuela, 38,844 barrels; Trinidad, 12,585 barrels; total, 51,429 barrels. Production for May: Venezuela, 163,280 barrels; Trinidad, 66,655 barrels; total, 229,935 barrels. Deliveries for May: Venezuela, 160,430 barrels; Trinidad, 77,769 barrels; total, 238,199 barrels. Production for the week ended June 19th: Venezuela, 39,729 barrels; Trinidad, 11,419 barrels; total, 51,148 barrels.

LOBITOS OILFIELDS, LIMITED.—The production of the Peruvian Company for May is cabled as 27,362 tons.

STEAUA ROMANA (BRITISH), LIMITED.—The production of the Steaua Romana Co., Bucharest, for the month of May was 68,940 tons.

TAMPICO OIL.—The total production on the company's properties in Mexico during May was 20,140 barrels, in respect of which the royalty due to Tampico Oil, Limited, amounted to 1,510 barrels.

THE ATTOCK OIL CO.—Production for May, 32,818 barrels.

THE BRITISH BURMAH PETROLEUM CO.—Production of crude oil by this company for the month of May amounted to 39,567 barrels.

THE KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—The total production during the month of May amounted to [illegible] per cent. barrels, or approximately 34,094 tons. The total for [illegible] ordinary 1,655 barrels) is a record production for any month in the history of the company.

THE MEXICAN EAGLE OIL CO.—The production for the week ended June 1, 1929, was 237,000 barrels. The production for the week ended June 8, 1929, was 234,000 barrels. The production for the week ended June 15, 1929, was 239,000 barrels.

THE VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended June 1st was 122,893 metric tons (previous week ended May 25th, 126,164 metric tons). Production for the week ended June 8th was 129,179 metric tons (previous week ended June 1st, 122,893 metric tons). Production for the week ended June 15th was 126,981 metric tons (previous week ended June 8th, 129,179 metric tons). The production for the week ended June 22nd was 125,386 metric tons (previous week ended June 15th, 126,981 metric tons).

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during May, 32,100 tons; oil purchased during May from other companies, 44,550 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Production for the week ending Wednesday, June 5, 1929, amounted to 2,251 tons.

VENEZUELAN CONSOLIDATED OILFIELDS, LIMITED.—Total production for the month of May, 13,047 barrels (1,864 tons). Well P.S. No. 1, depth 1,260 ft. Total production for week ended June 1st, 2,688 barrels (384 tons). Production for week ended June 15th, 2,975 barrels (425 tons). Production for week ended June 22nd, 3,255 barrels (465 tons).

RHODESIAN GOLD OUTPUT.

Month.	1926. £	1927. £	1928. £	1929. £
January	207,021	206,094	217,027	195,481
February	194,556	195,996	196,649	191,786
March	197,908	213,708	204,000	200,435
April	219,984	204,876	206,234	203,789
May	209,331	207,818	200,130	203,798
June	221,560	223,418	218,745	...
July	213,500	207,448	206,877	...
August	209,982	199,860	214,077	...
September	204,187	193,646	201,625	...
October	211,680	197,501	182,032	...
November	215,982	200,481	201,689	...
December	202,836	208,016	189,319	...
Total Gold	2,508,527	2,458,862	2,438,404	...

COMPANY MEETINGS, &c.

THE OTTOMAN BANK.

SATISFACTORY RESULTS OF THE YEAR.
POSITION AND PROSPECTS IN TURKEY.
SIR HERBERT LAWRENCE'S REVIEW OF CONDITIONS IN THE NEAR EAST.

The sixty-second annual general meeting of shareholders of the Ottoman Bank was held, on the 25th instant, at Winchester House, Old Broad Street, London, E.C.

General the Hon. Sir Herbert A. Lawrence, G.C.B., presided.

The Secretary (Mr W. P. Sheppard) having read the notice convening the meeting,

The Chairman said: Gentlemen, I have been informed that this meeting is properly constituted, and I presume that it is your pleasure that the report and balance sheet circulated among you should be taken as read. (Agreed.)

Before referring to business matters I have to report with the deepest regret the loss which we have sustained since our last meeting by the death in September last of the Baron de Neuflize. He was the oldest member of the general committee, to which he was appointed in 1896, and since 1919 he had been chairman of the Paris committee. For a period of more than 30 years, Baron de Neuflize gave to our establishment, for which he had a particular regard, the benefit of his wide experience and of his well-known expert knowledge. His personal qualities contributed no less in inspiring our affection and respect. I have no doubt that you will share the very deep regret at the loss of such a colleague.

CONDITIONS IN TURKEY.

The past year was not favourable to the economic development of Turkey. As in all countries which are essentially agricultural, the weather is a factor of the utmost importance. Since the exceptional campaign of 1925 a series of severe winters and rainless summers has not ceased to counter the effects of the considerable extension of land under cultivation. The drought has never been so prolonged nor the yield so meagre as in 1928.

The wheat crop, in particular, suffered so seriously that the importation of foreign flour on a large scale is inevitable. Even in the regions of Konia and Afion-Karahissar—considered the granary of Anatolia—the scarcity of supplies would have ended in real disaster save for the energetic intervention of the public authorities.

Livestock did not escape the ravages of the cold, and last year in the Eastern vilayets the rate of mortality reached 20 to 25 per cent.; the results have yet to be shown in the mohair and woollen markets, the importance of which is known to you.

It is pleasing to note the slow but continuous recovery of silk culture in the region of Broussa, and the stability in the production of cotton in the Adana district. In certain respects the fresh and considerable decrease in the production of tobacco may be regarded as advantageous. It facilitates the liquidation of old stocks and tends to relieve the post-war crisis, which the direction of the monopoly is also meeting by a limitation of the cultivated area and by a better selection of seed.

"AN UNHEALTHY SITUATION."

The unfavourable results of the agricultural campaign reduced still further the weak purchasing powers of the country population, who are the real consumers of imported articles.

In normal times piece goods are the chief import. These in particular remained a heavy market, although the trade, at great sacrifices, succeeded in reducing the excessive stocks resulting from too generous credits in the past. The mistakes made have been costly, and bankruptcies in Stamboul, which in 1927 numbered 28, rose to 72 for the year 1928. It is certainly to the credit of our management that we have not been directly affected by that situation. Nevertheless, the quality of discountable bills is becoming poorer, and the average length of credits longer, while requests for renewal are certainly more frequent. These are evidence of an unhealthy situation which cannot fail indirectly to weigh on the operations of our branches, obliging them to display an ever-increased caution in the employment of our funds.

The Customs statistics reflect the seriousness of the situation and its influence on foreign exchanges. For several years past the total of imports and exports shows a constant decrease. From 434,000,000 Turkish pounds in 1925 it fell to 421,000,000 in 1926 and to 370,000,000 in 1927.

In so far as a smaller capital was required to finance the autumn export season, the business stagnation had the advantage of avoiding a return of the critical monetary stringency of October 1927. Although the cash position of the banks was more elastic, the necessary result has been a smaller yield in interest.

As we mentioned last year, our establishment was entrusted by the Government with the task of exchanging the old Turkish currency notes for the new issue. As a result of our arrangements and the special precautions taken, we were able to carry out this operation without any immobilisation of the circulation of the country.

In the order of public finance I am glad to record the progress accomplished since the installation of the régime, in the establishment of the Budget and the organisation of the Treasury. For the year 1928–29 the Budget has been balanced, without new fiscal charges, at 207,000,000 Turkish pounds. On the other hand, the Treasury benefited by the non-utilisation of the amounts set aside for the service of the exterior debt and by a fresh issue of metallic currency authorised to the extent of 5,000,000 Turkish pounds.

GOLD BASIS RESUMED FOR LOAN SERVICE.

We are happy to state that the resumption of the service of the Ottoman loans on a gold basis is to-day an accomplished fact. The agreement signed in Paris on June 13, 1928, having been ratified by Parliament and approved by the bondholders, came into force on May 15th. Two coupons have already been paid out of old provisions, and from the beginning of this month the budgetary execution of the plan comes into force. Our bank took part in the negotiations which paved the way for this equitable settlement, as well as in the actual operations which its application necessitates. By the terms of the new contract it has also been charged with receiving the Customs revenues given in guarantee, and the distribution of the annuities due to the bondholders.

THE RAILWAYS.

The railway policy of Turkey, however useful from a national point of view, constitutes an addition to their foreign indebtedness by reason of the important orders for material which are required for new constructions. These in 1928–29 absorbed 29,000,000 Turkish pounds of the Budget credits as against 22,000,000 in 1927–28.

In addition to an extensive railway programme, the Government, having decided to nationalise the exploitation of the Anatolian railway, the Mersina-Adana railway, and the Port of Haidar Pacha, concluded a convention towards the end of 1928 for the repurchase of these lines.

In the same order of policy the National Assembly has quite recently approved agreements made with the Smyrna-Cassaba, the Smyrna-Aidin, and the Oriental railways, in order to re-adapt the exploitation of these lines to the new economic conditions.

In reviewing other events of interest since our last meeting, I must not fail to refer to two capital reforms for the modernisation of Turkey—the adoption of international numerals and the obligatory use of the Latin alphabet.

Also it is of importance that the Turkish Government, using the faculty left to it by our Conventions of 1924–25, has expressed the intention of founding a State bank and gave us, in November last, formal notice of such intention. Nothing could be better for the prosperity of Turkey, and the interests engaged therein, than an issuing bank, framed—so as to assure both a stable and an elastic currency—upon lines which take into account the post-war experiences of other countries, and inspiring confidence in the great financial centres.

EGYPT, PALESTINE AND CYPRUS.

The year in Egypt has been tranquil and prosperous.

The present Government has embarked on a long programme of public works, at an estimated cost of 30,000,000 Egyptian pounds.

The cotton crop for the year 1927–28 amounted to 6,000,000 kantars. It is thought that for 1928–29 it will be more than 7,500,000 kantars. Cotton exports for 1928 were valued at 45,000,000 Egyptian pounds, against 39,000,000 Egyptian pounds for the preceding year.

In Palestine the general financial situation has been somewhat easier throughout 1928. Fewer bills have been protested, though there have been numerous small failures.

On the whole, the depression which began in 1925 as a result of the land speculation in 1923 and 1924 shows signs of passing.

Reports on the 1929 agricultural situation are favourable. Rains have been abundant and record grain and orange crops are anticipated.

Conditions in Cyprus during the year were disappointing from an agricultural point of view, the cereal yield being 50 per cent. below that of 1927.

The Agricultural Bank of Cyprus, Limited, which was formed by us in 1925, has made further progress, and the number of co-operative credit societies increased during the year from 96 to 270. In order to provide the further sums required, our London office arranged an issue of £200,000 five per cent. agricultural bank bonds, which were placed on the London market in January last. With the authority of the Colonial Office the interest on these bonds is guaranteed by the Cyprus Government

IRAQ.

In Iraq agricultural development continues as steadily and rapidly as the best interests of the country require.

In 1928, however, owing to adverse weather conditions, the value of the date crop was below the average figure, and agricultural produce generally did not reach the exceptionally high yield of the preceding year.

The acreage under cotton was considerably larger than in any previous year.

The Turkish Petroleum Co. have continued their drilling programme with results which are believed to fulfil the best expectations.

The Government follows an active policy in the matter of irrigation, and productive works in the form of barrage and regulators, within the resources of the Budget, are in progress.

The inauguration by his Majesty the Shah of a railway line linking up the north and south of Persia was an event of moment in the economic development of the country. The construction has been started both from the north and from the south; on the Caspian Sea from the Port of Pehlevi, and on the Persian Gulf from Khor Musa.

The Persian Government are, further, undertaking the building of a barrage near Ahwaz on the Karum River, which, when completed, will be capable of irrigating a vast and fertile area.

The Russian trade competition in Persia weakened somewhat by the end of 1928, and this had led to a noticeable movement of trade between Persia and Iraq.

LEVANT COUNTRIES.

In spite of a certain slackening in the activity of the Levant countries under the French Mandate, the Banque de Syrie et du Grand Liban, which occupies the first place in their economic machinery, was able to increase its dividend from 10 per cent. to 11 per cent. These States have agreed to the same terms as Turkey for their part in the Ottoman Debt, and our filiale undertakes for the Syrian Debt the same duties as those entrusted to the Ottoman Bank for the Turkish part.

In Athens the bank which we created last year under the title of the British-French Discount Bank, Limited, has made an encouraging start. It has just opened a new office at Piræus, and we have good hopes that it will not be long before the support which it enjoys, both in Paris and London, will assure for it an honourable rank among the foreign banks working in Greece.

Macedonia has not yet recovered from a stagnation of long duration, and this state of affairs is reflected in the results of our branches of Salonica and Cavalla.

YUGOSLAVIA AND RUMANIA.

Concerning Yugoslavia, it became clear during the year 1928 that the Banque Franco-Serbe, in which your establishment was interested, should be reorganised with a view to writing off certain bad debts arising from the far-reaching economic crisis. It was also felt desirable to have a preponderant interest in the bank instead of the former plurality of interests. With the help of the Banque de Paris et de Pays Bas and of the Société Financière d'Orient, our Paris office took this task in hand, and so obtained a unity of direction and management which augurs well for the future.

Exports from Rumania for 1927 exceeded imports, but the indifferent harvest and the state of the oil industry were reflected in trade generally. Currency continued scarce, and banking business, including that of the Bank of Roumania, Limited, in which we are interested, suffered a shrinkage.

Turning to the London and Paris offices, there has been a considerable development in the acceptances of the bank, thanks to our international relations and the favourable tendency of the discount market in Paris. As you will have remarked in the figures of the balance sheet, these acceptances now appear on both sides as a separate item

PARTICIPATION IN PLACING OF LOANS.

I should also draw your attention to our participation in the placing of loans recently issued on the great financial markets by various States in Eastern Europe desirous of reorganising their currency, with the support and under the direction of the principal issuing houses. Among such operations I may mention the Bulgarian Seven-and-a-Half per Cent. Stabilization Loan, the London portion of which, in conjunction with our friends, Messrs J. H. Schröder and Co. and Messrs Stern Bros., we successfully floated during the year.

Our Manchester branch continued to suffer from the depression which has paralysed for so many years the business of Lancashire. At Marseilles and Tunis our business has developed in normal fashion, and in order to complete our Mediterranean chain of branches we have opened an office at Nice, where there is an Eastern clientele to whom our establishment was already well known.

ANALYSIS OF GENERAL RESULTS.

Having reviewed as usual the different regions of the Near East to which our activities extend, I now come to the analysis of our general results.

The accounts which we are submitting for your approval have been drawn up with our traditional prudence. Those elements on the credit and debit sides which the exigencies of our business compel us to maintain in other currencies than those of the balance sheet have been converted into pounds sterling at the rates ruling on December 31, 1928.

Doubtful debts have been amortised, and our holding in bills has been conservatively valued.

As drawn up, the accounts for 1928 show an available balance of £239,004, approximately the same as last year. With the carry-forward of £22,244, the sum at our disposal amounts to £263,248.

Faithful to the policy which was inaugurated in 1926, and followed since with your approval, we propose to divide this sum into two practically equal parts, one for distribution to the shareholders, the other for a further strengthening of our provisions for eventualities.

If you agree once more to follow our recommendations, we propose the distribution of a dividend of 5s. a share, which in Paris will be paid free of tax. This dividend will be payable from July 2 next in Constantinople, London, and Paris.

From the remaining amount of £138,248 a sum of £115,000 will be placed to provision for eventualities, and the balance of £23,248 will be carried forward.

NEW APPOINTMENTS TO GENERAL COMMITTEE.

In order to fill the vacancies left in your general committee by the deaths of our regretted colleagues the Baron de Neuflize, M. Georges Heine, and Mr M. S. Spencer-Smith, we have nominated Messrs Jacques de Neuflize, René Bechmann, and A. A. Jamieson, who, like their predecessors, belong to banking houses with whom we have traditional relations. You will be asked to ratify these elections. As chairman of the Paris committee, the Baron de Neuflize has been succeeded by M. Raoul Mallet, who has been a member of the general committee since 1902.

Finally, I desire to mention our staff of all grades, who have continued to give loyal and devoted service to the bank and deserve our thanks; with which, I am sure, you will wish to associate yourselves.

Now, gentlemen, I beg to move: "That the report and accounts now read be received and adopted; that the dividend for the year ended December 1, 1928, be fixed at the rate of 5s. per share, and that this dividend be payable in Constantinople, London, and Paris on July 2, 1929." Before I put the resolution to the meeting I will answer any questions addressed to me.

M. Raoul Mallet seconded the resolution, which, in the absence of question or of comment, was put to the meeting and carried unanimously.

The Chairman next moved: "That Messrs Jacques de Neuflize, René Bechmann and Archibald G. A. Jamieson be and they are hereby elected members of the general committee."

Sir John P. Hewett, G.C.S.I., K.B.E., C.I.E., seconded the motion, which was unanimously approved.

The Chairman also moved: "That Messrs Charles de Cerjat, Horace Finaly, E. W. H. Barry, and Lord Hillingdon be and they are hereby re-elected members of the general committee."

The motion was seconded by Lieutenant-Colonel Sir Albert Stern, K.B.E., C.M.G., and unanimously approved.

Mr A. Hood proposed a vote of thanks to the chairman for the very able speech he had delivered, and to the committee of management and the staff of the bank, both at home and abroad, for their good work during the past year.

Mr E. Bradbery seconded the vote, which was unanimously accorded, and, the chairman having briefly acknowledged the compliment, the proceedings terminated.

TANAH DATAR RUBBER ESTATE, LIMITED.

DIVIDEND OF 5 PER CENT.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

The seventeenth annual general meeting of the shareholders of Tanah Datar Rubber Estate, Limited, was held, on the 26th instant, at the registered offices, 7 Martin's Lane, Cannon Street, London, E.C., Mr W. Arthur Addinsell (chairman of the company) presiding.

Mr J. Lewis, on behalf of the secretaries (Messrs Bright and Galbraith, Limited), read the notice convening the meeting and the report of the auditors.

The chairman said: Gentlemen,—Since we met last year, I regret to say we have lost the benefit of the counsel and advice of our friend Mr Hawkins B. Varwell. He served his day and generation in a remarkably able way and every one of his colleagues on this board very much feels his loss.

I move: "That the directors' report and accounts for the year ended December 31, 1928, as submitted to this meeting, be approved and adopted, and that a dividend of 5 per cent. for the year be declared and paid."

SATISFACTORY NET PROFIT.

Having regard to the disturbing factors which beset the rubber industry during the calendar year 1928, I venture to think that the net profit earned by this company over that period must be considered satisfactory. It should be specially noted that this profit is arrived at after charging a total of £1,549 against revenue for depreciation, which can best be described as a book entry only, and does not represent actual outgoings. Your directors feel justified in recommending a dividend of 5 per cent. for the year.

You will see from the report that the crop harvested was higher by approximately 45,000 lbs. only as compared with the previous financial period, and in this connection I would remind you that this company voluntarily assumed the compulsory measures in force in the British rubber-growing colonies throughout the six years of restriction.

I would also emphasise the point that not only were exports restricted, but, what is more important, output was faithfully curtailed also. In consequence, when the Stevenson scheme was abolished at the end of October last, our estate was carrying only a normal stock of surplus rubber.

The industry would indeed have been better served if every company had observed the spirit and letter of the restriction scheme in a similar manner.

As regards estate works, although we do not consider it desirable to publish costs figures, I am able to assure you that economy compatible with efficiency has been the order throughout the year under review, and working costs show a reduction under all main headings.

Your directors have not hesitated to follow recommendations submitted by the agricultural experts, whose services are at our disposal through our local agents, Messrs Harrisons and Crosfield, Limited, in carrying out programmes of contour terracing and manuring, believing that attempts to secure a cheap rate of production at the expense of the sound agricultural condition of the property is false economy.

POSITION AND OUTLOOK OF THE INDUSTRY.

The chairman then gave particulars (which have already been published) regarding Edensor Rubber Estate, Limited, and of the company's interest therein. He proceeded:—

I have addressed several shareholders' meetings during the past week and have referred to the present position and outlook for our industry.

Notwithstanding its population and prosperity, surely there is a tendency to pay too marked attention to the activities of the United States of America in special branches of industry. This particularly applies to the consumption of rubber, because admittedly America is by far the largest consumer, but in my opinion too much publicity is given in market circles to American statistics, to the exclusion of details of consumption by other countries and continents. When the full world's statistics for this year are published, I feel confident it will be found that the rate of consumption outside America has advanced at least in equal ratio.

I therefore claim that we have every right to be optimistic as regards the long view, and I am quite hopeful that in future years the economic price of rubber will be such that this company will be able to pay something more than a 5 per cent. dividend, which rate, I am sure, would be admitted on all hands as not a sufficient annual return for the capital outlay and risks incidental to this industry.

Mr Edward F. Slade, J.P., seconded the motion, which was unanimously adopted.

The retiring director and the auditors were re-elected, and the proceedings concluded with the customary vote of thanks.

BANK OF BRITISH WEST AFRICA, LIMITED.

SUCCESSFUL YEAR—INCREASED PROFITS.

The 35th annual general meeting of the Bank of British West Africa, Ltd., was held on the 27th instant, at 37 Gracechurch Street, London.

The Rt. Hon. the Earl of Selborne, K.G., G.C.M.G. (the chairman), first referred with great regret to the loss the bank had sustained by the death of their late general manager, Mr Leslie Couper, C.M.G., and said that Mr David W. Paterson had been appointed to fill the vacant position.

Referring to the balance sheet, the chairman said that current deposit and other accounts were higher by £156,000, while drafts issued showed an increase of £66,000, and bills for collection £443,000, but their liability on acceptances given for customers was down. The cash balance was lower by £333,000, but their holding of Treasury Bills, at £890,000, was an increase of £545,000 as compared with the previous year. Trade bills showed a shrinkage of £404,000, partly due to the lower prices of West African produce, and to some extent accounted for by the increase of £364,000 in loans, advances, &c. Under the heading of investments, a rise of £65,000 was recorded. The profit for the year amounted to £128,330, which was £3,381 more than in the previous year, and they had again allocated £25,000 to contingency fund, but had utilised £30,000 for writing down premises and furniture instead of £25,000. The directors recommended a final dividend of 3½ per cent., making 6 per cent. for the year, less tax, thus maintaining the dividend paid last year. If these figures indicated slow, he believed they also indicated sure, progress. The lands in which the bank did its business shared the vicissitudes of the Old World and not the wealth of the New World. When international trade again flourished in Europe they would very soon feel the effects in Africa, and trade would revive there. The best political news which could come to them would be that the question of Reparations was settled once and for all, and of this there seemed fair hope.

West Africa was visited last year by Sir Samuel Wilson, Permanent Under-Secretary of State for the Colonies, and the result of that visit must be helpful to the Colonial Office in dealing with the various problems it had to handle, and beneficial to the colonies. At the meeting of the bank two years ago, Sir Graeme Thomson, Governor of Nigeria, spoke of the need for improved methods of extracting palm oil. He (the speaker) hoped that there would soon be some definite progress to report in connection with that matter, which was regarded as being so important for Nigeria. On the Gold Coast, Sir Ransford Slater was actively engaged in trying to improve the quality of cocoa, which meant so much to the colony, and the possibilities of co-operative societies among the farmers were receiving close attention. Sir Joseph Byrne had completed his first period of service in Sierre Leone, where he had been busy providing more and better roads, and they had to welcome Sir Edward Denham as the new Governor of the Gambia.

Since the last meeting the bank had opened two new branches in Nigeria—at Makurdi on the Benue River, and at Maiduguri in Bornu—and the new premises at Abonnema, Abeokuta and Kano had been completed.

Prices of commodities exported from West Africa had fallen very seriously in the consuming countries, and the decrease had been most severe in the case of cocoa, which was approximately £20 per ton lower on May 31st, as compared with the same date last year. In the same period, palm oil fell £3 per ton; palm kernels £4 per ton; ground nuts £3 per ton; and tin £30 per ton. This, of course, meant a shrinkage of imports into West Africa and a general contraction of trade and of Government revenue. In conjunction with so many other interests they hoped for the day when a definite improvement would increase the wealth of the countries with which the bank was so closely associated, and at the same time help to diminish unemployment in England, which manufactured such a large proportion of the goods imported by West Africa.

The report and accounts were unanimously adopted.

J. LYONS AND COMPANY, LIMITED.

SUCCESSFUL RESULTS—RECORD PROFITS.

CONTINUED EXPANSION.

17,500,000 "CORNER HOUSE" CUSTOMERS.

MAJOR ISIDORE SALMON'S REVIEW OF POSITION AND PROSPECTS.

The thirty-fifth ordinary general meeting of J. Lyons and Co., Limited, was held, on the 24th instant, at the Trocadero Restaurant, Piccadilly Circus, London.

Major Isidore Salmon, C.B.E., D.L., J.P., M.P. (one of the managing directors), presided.

DIRECTORS' REPORT.

The report of the directors for the year ended March 31, 1929, states that :—

The balance from trading account shows :—	£	s.	d.
A profit of	908,950	5	6
Amount brought forward from last year	30,813	19	2
Total	£939,764	4	8

From this amount is to be deducted :—	£	s.	d.
Dividend on 5 per Cent. Preference Shares paid to November 30, 1928, and proportion provided for period to March 31, 1929	32,353	5	0
Dividend on 7 per Cent. Preference Shares paid to March 31, 1929	259,191	15	7
Dividend on 8 per Cent. Preference Shares paid to March 31, 1929	80,000	0	0
Dividend on 6 per Cent. Preferred Ordinary Shares paid to September 30, 1928, and proportion provided for period to March 31, 1929	24,000	0	0
Interim Dividend (1s. 8d. per share) on Ordinary and "A" Ordinary Shares already paid for the half-year ended September 30, 1928	133,022	15	0
Interim Dividend (4d. per share) on Proportional and "B" Proportional Profit Shares already paid for the half-year ended September 30, 1928	15,833	6	8
And the Directors propose to deal with the balance as under :—			
To place to reserve (making a total of £1,175,000)	100,000	0	0
To pay a dividend of 2s. 10d. per share on the Ordinary Shares and "A" Ordinary Shares for the half-year ended March 31, 1929	226,138	13	6
To pay a dividend of 6.8d. per share on the Proportional and "B" Proportional Profit Shares for half-year ended March 31, 1929	26,916	13	4
To carry forward to next account	42,307	15	7
Total	£939,764	4	8

The amount of £125,000 received in respect of premiums on shares has been added to the reserve, making a total of £1,075,000 appearing on the balance sheet.

The expenses of issue amounting to £1,572 1s. have been charged to trading account.

During the financial year the following establishments have been opened :—

150 Fenchurch Street, E.C.,
336-338 Green Street, Upton Park,
24 Russell Street, Covent Garden, W.C. 2,
841-843 High Road, Leytonstone,
Old Steine, Brighton,
27-28 High Street, Weston-super-Mare,
13 Tavern Street, Ipswich,
13 The Walk, Norwich,
Maison Lyons, Compton House, Liverpool,

and the new laboratories in Hammersmith Road, W. 14.

Additional premises have been acquired and will be opened in due course, and negotiations for other premises are proceeding.

Since the issue of the last report the board has suffered a great loss in the death of three directors—Mr Alfred Salmon (the chairman), Mr S. M. Gluckstein and Mr J. Joseph. Mr Alfred Salmon joined the board in the first year of the company's existence, and had been managing director for 30 years; Mr S. M. Gluckstein and Mr J. Joseph joined the board together in 1914. They had all rendered the most valuable services to the company and were held in the highest esteem both by their colleagues and the staff, by whom their loss is keenly felt.

Messrs I. M. Gluckstein and B. S. Gluckstein retire from the office of directors, and, being eligible, offer themselves for re-election.

Messrs G. Dee and G. A. Pollard, employee directors, retire and are eligible for re-election.

Messrs Turquand, Youngs and Co., the auditors, retire and are eligible for re-election.

CHAIRMAN'S SPEECH.

Mr Geo. W. Booth (secretary) read the notice convening the meeting and the report of the auditors.

TRIBUTE TO LATE DIRECTORS.

The Chairman said :—Ladies and Gentlemen,—We are recording to-day the results of the thirty-fifth year of the company's trading, but before proceeding to make any review of the business I must pay a tribute to the memory of those who have gone from us since the last annual meeting. The hand of death has been heavy upon us : first, Mr S. M. Gluckstein, then my brother, our late chairman, Mr Alfred Salmon, and within the last two months Mr Jack Joseph. It is not an easy task, for I have been associated with these men from childhood, and there was a close bond between us. I cannot attempt to differentiate between them in their value to the company. My brother was with the company from its inception, and his experience alone, coupled with his ability, which was undeniable, made him a tower of strength to the company. Mr Sam and Mr Jack, as they were generally called, came straight into the business from school, and, after serving an arduous apprenticeship, acted as managers, and in due course came to a seat on the board. They, too, were men of marked ability with only one thought—the welfare of the business. All these men were entirely single-minded in that respect, and only those who worked with them can know the extent and intensity of their efforts. This is a feeble tribute, but it is a tribute of knowledge and affection; and I do not stand alone, for it is felt equally by all of my colleagues and by the staff who had the privilege—and I know they accounted it a privilege—of coming in contact with them.

PERSONAL INTEREST IN WELFARE OF STAFF.

It is a frequent complaint that those who are in control of large companies lose all personal contact with the staff, but whether that be the case or not, these men showed that it was not at all a necessity to lose such contact, for they had a personal interest in the welfare of the staff and took an effective part in their collective activities. I do not think it will be out of place to say that the lovableness of their characters was felt by all who knew them, whether in the company or in the wider sphere outside it where they endeavoured to put into practice ideals of the service of humanity which they all shared and which were shown in personal effort to assist their less fortunate fellows. The world is the poorer for their loss, though we hope and believe it is the richer for their example.

I am sure you would wish that we should record on the minutes of this meeting a resolution of sympathy and regret, and that a copy should be sent to their widows and families. I will ask you, please, to stand so as to signify your assent to this suggestion.

The shareholders present then stood for a few moments.

THE CHAIRMANSHIP.

The Chairman, continuing, said : Ladies and Gentlemen,—You will understand that I am presiding at this meeting by virtue of my appointment as chairman of the board, and I should like to take this, my first, opportunity of giving expression to a view which originated with my late brother, who, unfortunately, did not live to give effect to it—that the appointment of chairman should not depend on succession arising out of death or old age, but that members of the board should be called upon to fill the office for set periods. I hope to see this idea put into practice and to have the pleasure and privilege in due course of supporting my successor in this responsible and honourable position.

There is another point I should like to make : It is a severe test to any company when in one year three men of the quality of our late colleagues are withdrawn from the administration. That we can withstand the test speaks volumes for the organisation of the administration and shows the soundness of our policy of constantly introducing into the company new blood and putting it through the training necessary for positions of authority. That policy has been followed right from the company's inception and is particularly justified in the present circumstances. The younger men have had the advantage of understudying and assisting and of profiting by the experience and maturer judgment of their elders until they in turn are qualified to undertake more and more important tasks in the administration. Thus, whilst those who have gone from us were ideal personalities for the tasks they undertook, their influence and the tradition of their policy and work are being continued by men younger perhaps in years but full of energy and of ambition for the company's future.

YEAR'S RESULTS.

Now to turn to the company's trading. The year's results, I think, sufficiently establish our claim that we are giving to the public what it wants and at a price commensurate with quality and efficient service. With your permission, I propose to depart somewhat from our usual custom and to dispense with the lengthy reading of the items of the profit and loss account and balance sheet and a recital of their variation from the previous year. They are really so regular, the changes arise so naturally out of the normal development of the business that the comments on them are of little service to anyone. When there is anything of serviceable interest to note I shall comment upon it.

You have seen that the profits for this year have reached the substantial figure of £908,950. You know that is larger than last year or any other year, and you expect me, naturally, to tell you that the amount of business has increased. That is the fact, and the profits are in a reasonable proportion. These profits remain after providing substantially for redemption of leaseholds and for depreciation, as well as providing liberally for possible bad debts. Provision for bad debts is a necessity where there is an expanding credit business, but it is pleasing to be able to report that the percentage of this undesirable expense is quite small. The profits also include dividends from subsidiary and associated companies, but, of course, these are a very small proportion of the £908,000. I need hardly say that the dividends do not represent the whole earnings of those companies, for the policy of gradually building up reserves is followed there as in our own case.

LARGE INCREASE IN RESERVE.

One or two other figures, perhaps, call for a passing reference; the first is the amount of debtors, which shows a substantial increase on the figure of last year. This is only commensurate with increased business, and has been adequately discounted, as I have mentioned previously, by the allowance for bad debts. The amount invested in associated companies appears as a less figure. Certain provisions have been made for contingencies, and certain figures have been transferred to the subsidiary companies account, which is included in the first item of assets on the balance sheet. Then as to the reserve; you will have noticed from the report that the whole of the amount received in premiums on the issue of 7 per cent. preference shares last July—namely, £125,000—has been added to this account. It now stands on the balance sheet at £1,075,000, and will be further increased by the £100,000 proposed to be allocated to it out of the year's profits. The small amount of expenses of the issue—namely, £1,572—was charged to trading account.

EFFECTS OF ABOLITION OF TEA DUTY.

While I am dealing with profits it may be well to say something about the effect of Budget changes upon them. The abolition of the tea duty cost the company a considerable sum of money. Ours is a business where it is impossible to reduce stocks in anticipation of changes to such a point as not to be affected by them. If it were possible we should do so on every occasion, notwithstanding that sometimes we might be in pocket by holding stocks—it is not our practice to gamble on stocks or money rates—and each year we do reduce them to the practicable minimum. But when we have done so there is still a large amount in our warehouses, and, as I have said, the loss of 3.4 pence per lb. on our stocks of tea—for the price to the public was reduced the same day as the announcement—amounted to a substantial sum. This figure was assessed before we made up the accounts for the year, and an amount was set aside so that all of it will not fall upon us in this year's trading. We thought it wise to make this provision notwithstanding the fact that we shall have some reduction in rates in the coming year under the Derating Act. How much or how little that will be I am not in a position to say, but whatever the figure it is already earmarked; it will go to the benefit of the consumer. In fact, he is already receiving it because the reduction in the price of all our teas is more than the actual duty remission, since the vast bulk of our tea, being Empire grown, bore duty only at the lower preferential rate.

PARTICIPANTS IN COMPANY'S PROSPERITY.

Three classes are interested in the company's turnover and expect to share in the results—the public whose servants we are; the staff who serve the company; and the shareholder who supplies the wherewithal which enables the business to be carried on.

As regards the first; they benefit from an expanding business in that we are able to give better value, reduce prices, and increase the efficiency of our service.

Labour expects to take more in wages, that is to say, the individual looks for improvement in his scale of wages, and it is expected also that expanding business will provide for the employment of more people. This expectation is realised notwithstanding the increasing use of machinery, in fact, I might almost say because of it. Not only is there an increase in the scale of pay, but we are employing some 8,000 more people than we did ten years ago.

As to the third participant; when one considers the enormous capital provided by the shareholder by which the power of employment is created, the proportion of the surplus which goes to him is not unreasonable. A comparison of profits to capital over a series of years shows that there is a tendency to a reduced ratio, which is what one would expect because of the fact, as I have just said, that there are two others who must participate—namely, the public and the staff. If it were not so, profits would all go to the shareholder, who would be getting more and more interest for his capital out of all proportion to his risk, and that would hardly be fair, for indeed the risk, with increasing business, steadily diminishes. But, of course, there is a sounder reason than that; if the public and staff did not also share in the prosperity the expansion would soon cease; there would be diminished turnover and consequently diminished profits. The difficulty is—need I say it?—to keep a just balance between the three, and it is by the skill or otherwise of this balancing that companies rise or fall. Well, ladies and gentlemen, this company is rising, so we shall assume that so far the skill has been forthcoming.

THE MANAGING DIRECTORS.

I may mention here that the board has again this year given the same privilege to the three managing directors and has allotted to each of them 2,500 "A" ordinary shares at par. And at the risk of being egotistical, I am going to introduce a further personal note. While my brother Alfred was alive—he was a host in himself if only by reason of his long experience—it was not thought necessary, in spite of the colossal—I think the word is justified—colossal increase in the company's business, to have more than three managing directors, although there had originally been four. Since his death we have divided that work among four, and Messrs Maurice Salmon and Jack Joseph were added by myself and my brother Harry Salmon. The death of Jack Joseph has necessitated another change, and after reconsidering the matter, we have now increased the number of managing directors to five by the appointment of Messrs Montagu Gluckstein and Julius Salmon. I wish I could say that this was going to lighten our labours, but that will not be the case in view of the rapid progress of the company.

EXTENSIONS AT CADBY HALL.

The growth of business is very well illustrated by the expenditure on buildings and equipment. Cadby Hall factories (which you were informed last year are by no means limited to the provision of the goods sold in our teashops) are no sooner extended than they are found too small for the amount of work, and it is scarcely an exaggeration to say that building never ceases. We have been fortunate in securing, from time to time, land adjoining to provide for these extensions. During the past 18 months we have pulled down a large part of the flats on the east side, the tenancies of which have fallen in, and there we have erected a large block, consisting of a goods dispatch with its consequential clerical provision, and also a floor of administrative offices more in keeping with the requirements of so large a central organisation.

We have also completed our new laboratories, which are now probably among the most completely equipped in the country, not fitted only for daily needs (and the demands are in such a business as ours of the most exacting character), but also fitted for recording all such matters of scientific interest as can be of service to us and for training a staff who shall be capable of meeting such calls as the future may make upon us.

POPULARITY OF CORNER HOUSES.

I should like also to say a word or two about another section of our business—the Corner Houses. The one in Oxford Street, which was opened just before the last annual meeting, has met with general approval and is so much established in the public confidence that one wonders how we got along without it. In the course of the week its customers are counted in tens of thousands. It is, therefore, obvious that it fills a public need.

The popularity of our other Corner Houses continues and even increases; in fact, the Strand Corner House, at its present size,

cannot meet the demands made on its seating capacity. We accordingly bought in April, 1928, premises known as the Grand Hotel Annexe for an extension. It was our intention to commence the work of enlargement during the financial year and the new site has been cleared in readiness. We have since, however, bought two further adjoining premises in the Strand which will enable us to build an extension on a still more satisfactory scale when, in 1930, we have vacant possession of the whole. The numbers of customers at our Corner Houses as a whole will give you some idea of the magnitude of this section of our business and, I think, astonish you. During the past 12 months we have served in these establishments no fewer than 17,500,000 customers. No wonder the name Lyons is known the world over, just as the word "Nippy" has become a universal term for "waitress." We have also made use of that word for many of our commodities—to quote one example, chocolates—and it has so caught the public fancy that we receive many applications for our consent to its use in various directions, which, naturally, we have to refuse. We regard "Nippy" as a valuable trade mark, and it is, of course, registered; so that we have taken and shall continue to take any steps that may be necessary to protect our rights.

THE TROCADERO.

I would also like to say a word regarding the Trocadero, where you are to-day. Many of you will doubtless be aware that in February last a fire occurred here which, though causing considerable damage—fully covered by insurance—happily did not seriously interfere with our business. We have taken the opportunity, while reinstating the damaged portions of this building, to combine with that work a scheme we have for some time had in mind for the grill room and some needed improvements in the Empire room. In the grill room we are improving and extending the stage, installing an up-to-date ventilation system, and have devised a means of doing away with a number of pillars which were not only unsightly but also obstructed a clear view of the stage and orchestra from some parts of the room. The Empire room is also being considerably improved, so that instead of being, as at present, virtually two rooms with a narrow connecting opening, it will become one large and magnificently proportioned room capable of accommodating 450 persons for banquets, &c.

This, I think, exhausts the matters of interest, but I must not omit once again to express the thanks of your directors to the staff, who continue with unabated energy those loyal services we are accustomed to expect and receive from them and without which, as has been previously said, the efforts of the administration would be of no effect.

In conclusion, may I say that the policy laid down with such foresight by our predecessors on the board will be continued by us, with such modifications as changing times and past expereince may dictate? We believe we can claim that the company of Lyons is the greatest and, we hope, the most efficient catering concern in being, and we intend, if work and foresight can do it, to maintain that position.

I shall now move: "That the report of the directors and the balance sheet submitted to this meeting be and are hereby adopted; that the payment of interim dividends of 1s. 8d. per share on the issued ordinary and 'A' ordinary share capital of the company and 4d. per share on the proportional profit and 'B' proportional profit share capital of the company for the half-year ended September 30, 1928, be and is hereby confirmed; and that a dividend be paid for the half-year ended March 31, 1929, of 2s. 10d. per share to the holders of ordinary and 'A' ordinary shares of the company and 6.8d. per share to the holders of proportional profit and 'B' proportional profit shares of the company who were on the registers on June 7, 1929."

A SPIRIT OF ENTERPRISE AND PROGRESS.

Sir Henry Harris, K.B.E., in seconding the resolution, said he wished to congratulate his old friend Major Salmon upon his accession to the chair of this important company. He had been associated with Major Salmon in many fields of public work, and could testify to the ability, energy, industry, and business acumen which he brought to bear upon everything he undertook. It might be indiscreet to inquire whether at the recent election, of which he was a happy survivor, he adopted the motto "Safety first," but he (the speaker) expected that, in the direction of this undertaking, Major Salmon would combine safety with that spirit of enterprise and progress which had always animated the board of this company and which had enabled them continually to find new worlds to conquer. The able and interesting speech of the chairman on the present occasion confirmed his opinion and showed that the board did not intend to rest upon their laurels. The distinguishing quality of the board had been imagination—the capacity for foreseeing what the public would appreciate and providing it. The Corner Houses were a notable example of this, as was shown by the fact that 17½ million customers had been served in them during the past year. He was sure that, under the able guidance of the chairman, the company would continue its career of prosperity.

The resolution was carried unanimously.

Mr Harry Salmon (one of the managing directors) proposed the re-election of Mr I. M. Gluckstein and Mr B. S. Gluckstein as directors of the company.

Mr Shield seconded the motion, which was unanimously adopted.

Major M. Gluckstein then moved the re-election of Mr G. Dee and Mr G. A. Pollard as employee directors of the company, which was seconded by Mr Livermore and unanimously agreed to.

On the proposition of Mr A. J. Wood, seconded by Mr E. Woolf, Messrs Turquand, Youngs and Co. were reappointed auditors of the company for the current year.

The chairman having announced that the dividend warrants would be posted that evening,

Mr Shield proposed a hearty vote of thanks to the chairman, directors and staff, which was seconded by Mr Pinto and carried with acclamation.

The chairman briefly acknowledged the compliment, and the proceedings terminated.

"SHELL" TRANSPORT AND TRADING COMPANY, LIMITED

PROBLEM OF OVER-PRODUCTION.

VISCOUNT BEARSTED'S REVIEW.

The annual general meeting of the "Shell" Transport and Trading Co., Limited, was held, on the 25th instant, at the Cannon Street Hotel, Cannon Street, London,

The Rt. Hon. Viscount Bearsted, M.C. (the chairman), presiding.

The chairman, in the course of his speech, said: The capital of the company has been increased during the year by the issue of 333,333 ordinary shares of £1 each. These were issued to the Burmah Oil Company in pursuance of an arrangement to which I will refer later. The premium on these shares amounted to £1,354,165 6s. 3d., and this amount has been credited to the reserve account, bringing it up to the figure of £6,354,165 6s. 3d. The balance to the credit of the profit and loss account is £84,000 more than in the previous year, which is sufficient to enable your directors to pay the same dividend of 25 per cent., free of tax, on the increased capital. I think we can all congratulate ourselves on this result. Our cash position has been bettered during the year by nearly £1,700,000, and the earning capacity of our investments in other securities has remained unimpaired, and even improved.

INCREASED WORLD'S PRODUCTION.

I began my survey last year by calling your attention to the enormous increase in the world's production, and the main outstanding fact to-day is the same tendency. At the same time the rate of increase has not been on the same high scale as in 1927, when it was 22,500,000 tons, whereas during 1928 it was only 9,000,000 tons. During 1928 the United States of America tota production actually dropped below that of 1927. But I would not have you think that this is due to natural causes, but rather to that voluntary restriction to which I called your attention last year.

Coming to a more up-to-date survey, the increase is more imminent and more marked. The average daily production of the United States for the first three months of the current year has shown an increase of 200,000 barrels. This brings the problem of over-production once more to the front.

There have been many conferences with a view to handling the situation, not only in the interests of the producer, but also in the interests of the consumer. The first step has been taken by the formation of an American Export Association, and I take this opportunity of emphasising the fact that this Export Association is not to be regarded as an instrument for raising prices, but as the first step towards the active rationalisation of the oil trade.

ADVANTAGES OF RATIONALISATION.

I would go a little further, and endeavour to define what I actually mean by rationalisation. I take it to be generally admitted that it is to the best interest of the consumer, the producer, and the distributor that there shall be stability of supply and stability of price, subject only to such minor variations in world conditions of freight, exchange, and finance as may naturally occur, and which are not directly influenced or influencable by the oil trade. But overproduction must inevitably tend to instability. It means that at times there will be a glut of oil and low prices, which will restrict development of new fields. This will be succeeded by a period of higher prices during the temporary scarcity pending the bringing in of the arrested development, and such alternations will continue. To my mind rationalisation is the intelligent prevention of such alternating periods. We can never hope to get away from human fallibility, and it is not to be expected any perfect scheme can be evolved; but there is very much that can be done, and I believe we are slowly but surely getting on to the right road. I would take this opportunity of appealing to all concerned to put personal interests and desires for immediate advantage aside, and to concentrate on the framing of a large and sound policy to which all can willingly subscribe.

In view of what I have just said, you will not be surprised to hear that during 1928 the market for petroleum products was a very variable one, and on the whole prices were lower than in 1927. Our only resort against low prices has been increased business, and this policy has again proved successful, since our production rose from 17,000,000 tons in 1927 to 22,000,000 in 1928.

There is one other feature of last year to which I should like to make brief reference: the closer co-operation between the Burmah Oil Company, the Anglo-Persian Oil Company, and ourselves, which has resulted in the formation of a joint selling association in the British Indian market, and also in a similar organisation covering part of Asia and the East Coast of Africa. Moreover, the Burmah Oil Company have now become holders of 1,000,000 shares in your company.

INCREASE IN CONSUMPTION.

The rise in production has been met by a steady increase in consumption, which has been fostered by new uses that are continually being found for petroleum products.

I would say a few words on the particular countries in which we are interested. We have had our full share of the world increase. In the Dutch Indies our production rose by 500,000 tons, or roughly 14 per cent., in Sarawak by 6 per cent., in Egypt by 20 per cent., in Roumania by 6 per cent., in the United States by over 30 per cent., and in Venezuela by over 50 per cent. In the Argentine our interests have been quite successful on the development side, and we feel convinced that the near future will show that the confidence we have shown by investing a considerable amount of money in the Argentine oil industry has been justified.

PRICE OF PETROL.

I should now like to touch upon the increase in the price of petrol which took place on March 1st of this year. It is to be regretted that the full explanation of the rise, as furnished by ourselves and the other companies concerned, was not given the same degree of publicity as was given to the vast amount of prejudiced and uninformed criticism at the time of the announcement of the change. This is not the time or place to discuss the causes of that rise in detail, but I do want to emphasise that prior to March 1st, with the exception of a rise of 1d. per gallon in February, 1926, petrol had fallen uninterruptedly for over five years, and, after allowance is made for the 4d. per gallon tax now included in the price, it is one of the few commodities now selling below its pre-war price.

I would make one other comment on this subject. It has been suggested that we have changed our views and our standpoint in the matter of Russian oil, but I would expressly deny that this is the case, and would reiterate that when an agreement was about to be entered into with the Russian producers for the purchase of certain quantities of oil f.o.b., we stipulated as a condition that part of the purchase price should be reserved as compensation for the former owners of oilfields in Russia. The Soviet Government objected to this condition on the grounds of principle, and to meet their wish to disguise any lack of principle on their part, we agreed that the purchase price should be subject to a rebate which, as was known to the Soviet Government's representatives from the beginning of the negotiations, would be reserved for these former owners. I can only express the hope that other purchasers of Soviet products will take the same line.

The provident fund of the united companies now amounts to about £20,000,000 sterling, and comprises 29,000 members. It may also interest you to hear that this company has 121,000 registered shareholders and at least 50,000 holders of bearer warrants. Among our registered shareholders are no less than 13,500 shareholders of one share each, and I commend this fact to those who suggest that great companies such as ours are conglomerations of large capitalists.

I want to assure you that, whether rationalisation comes or not, this company and its associates have never been in better condition, and that you can look forward to the future with the utmost confidence.

The report and accounts were unanimously adopted.

ELDER DEMPSTER & COMPANY, LIMITED.

DEVELOPMENT OF WEST AFRICAN TRADE.

The nineteenth ordinary general meeting of Elder Dempster and Co., Limited, was held, on the 25th instant, at Fenton House, 114 Fenchurch Street, London. The Rt. Hon. Lord Kylsant, G.C.M.G. (the chairman) presiding.

The secretary (Mr. Joseph P. Baillie) read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said: For 60 years our vessels have been engaged in transporting goods and produce, as well as passengers and mails, to and from West Africa, and during the year under review the services of the company over every route on which we trade have been fully and regularly maintained.

In recent years an increasing amount of attention has been focussed upon the possibilities of trade in West Africa, and in welcoming this gratifying evidence that the opportunities for development which present themselves there are being more widely appreciated, Elder Dempster and Company, as pioneers of the seaways to West Africa, are entitled to credit for their share in the opening up and progress of the British West African Colonies.

After paying the debenture interest and the dividends on the preference shares, we recommend the payment of a dividend on the ordinary shares of four per cent., less income tax, and that the balance of £142,838 be carried forward.

FLEET.

The fleet now consists of sixty-nine steamers and motor-ships of 317,907 tons gross register, and has been maintained in good condition.

We have, as you know, steadily pursued the policy of providing not only for existing requirements in the West African carrying trade, but, wherever possible, of anticipating them. I referred last year to the five new cargo motor vessels we had recently built for the West African trade. At the present time, we have under construction a fine passenger motor liner for our Express Mail Service and eight cargo motor-ships, which we expect to be delivered during the latter months of this year or in the early part of 1930. These ships will embody the cumulative results of our experience in the West African trade in the form of the most up-to-date equipment for efficient and expeditious working.

WEST AFRICAN PRODUCE.

The interests of Elder Dempster and Company have always been closely bound up with the march of progress in the important British colonies which constitute the West African group. These tropical territories grow and export large quantities of valuable commodities for which there is an increasing world demand.

Palm kernels and palm oil constitute the primary exports of Nigeria and Sierra Leone, whilst the Gold Coast is the world's largest producer and exporter of cocoa.

As regards palm kernels, it is regrettable that there has been a further falling off in the quantity imported into the United Kingdom from West Africa, whilst Germany again increased her importation of palm kernels.

The reason why Germany attracts so large a proportion of palm kernels from West Africa is that when the valuable edible oil has been extracted from the palm kernel, the residue is manufactured into palm kernel cake for feeding cattle. For this product industrial Germany has, in the vast agricultural hinterland behind it, a ready and assured market, an advantage which the seed crushers of Great Britain do not at present enjoy. Further careful investigation might well be made as to whether greater use could not be made in this country of the potential market we have in our agricultural areas for palm kernel cake.

Next in importance to palm kernels comes the export of palm oil, of which Nigeria alone supplies some 75 per cent. of the world's annual consumption.

Whilst this staple industry of West Africa has grown to large proportions, and the world demand for its products continues to increase, it is satisfactory to find that there is now more general appreciation of the difficulties which the industry must meet and overcome, as the result of the success which has attended the adoption of the plantation system of cultivation in Sumatra. The scientific methods followed on the Sumatran oil palm plantations have resulted in the production of palm oil of more uniform quality and containing less acid, which commands a higher price in New York, whither most of the Sumatran oil is shipped, whilst it is estimated that, with more scientific treatment, double the quantity of oil could be produced than by the present admittedly inefficient and wasteful methods of the West African natives.

For some years the Gold Coast has been the world's largest producer and exporter of cocoa. During 1928 the Gold Coast contributed 45 per cent. of the world's total supply of cocoa beans.

The report and accounts were unanimously adopted.

BLEACHERS' ASSOCIATION, LIMITED.

INCREASED PROFIT—DIVIDEND MAINTAINED.
IMPROVED POSITION AND PROSPECTS AT HOME AND ABROAD.
INTERESTING REVIEW BY SIR ALAN J. SYKES.

The thirtieth ordinary general meeting was held at Blackfriars House Assembly Rooms, Manchester, on Friday, June 21, 1929, at 12 noon. The chairman, Sir Alan J. Sykes, Bart., in proposing the adoption of the report and accounts, said :—

Ladies and gentlemen,

Before proceeding with the business of the meeting, I desire to refer to the loss that the company has sustained during the past year by the death of Mr John T. Taylor, a director of the company, who had been connected with the bleaching trade for many years, and had acted as manager of one of the branches of Bleachers' Association—the Tenterhouse Bleaching and Dyeing Co., Limited—since it was purchased about ten years ago.

Mr Taylor had for many years been connected with various organisations affecting the bleaching trade, and his advice and counsel will be much missed.

THE ACCOUNTS.

With regard to the accounts, you will find that these have been drawn up in the form to which you have been accustomed in previous years.

In the items on the capital and liabilities side of the balance sheet, there are no noticeable changes to record. The total amount of sundry creditors, however, is lower by about £224,000, and a large portion of this decrease is due to the smaller sum that we are owing to our bankers compared with a year ago.

The general reserve fund stands in the balance sheet at £875,000, and it is proposed this year to increase it by a further sum of £100,000, which we are able to do by reducing the amount carried forward to a small extent. This will bring the total of the reserve fund to £975,000.

The balance on profit and loss account I will deal with later when I come to the allocation of the profit for the year.

Turning to the property and assets side, you will notice that the land, buildings, &c., now stands at £10,158,177.

The remaining items in the balance sheet need no comment, and any differences that occur merely represent normal fluctuations in connection with the business of the company.

PROFIT, DIVIDEND AND RESERVE.

With regard to the profit and loss account, the net profit for the year shows an increase of £2,781, which, with a slight increase in the carry-forward, makes the available balance £898,179 as against £888,433, showing an increase of £9,746.

Before arriving at this figure, you will see from the accounts that the sum of £443,308 has been spent on repairs, maintenance, and reorganisation of works, and the shareholders can be assured that this money has been spent in such a manner as to ensure that their property and assets have been kept in a high state of efficiency.

After deducting an interim dividend paid on the ordinary shares during the year of 6d. per share, the directors recommend that after providing for the three months' preference dividend to March 31, 1929, amounting to £33,996, a final dividend on the ordinary shares for the year be paid at the rate of 1s. 6d. per share making a total of 2s. per share for the year. This absorbs a further item of £284,530, and the dividend for the year is at the same rate as a year ago.

The directors then propose to add a sum of £100,000 out of the available balance to the general reserve fund of the company, and to carry forward a balance of £282,818 to next year's account.

You will have realised from the figures that I have quoted that our trading results during the past year show remarkably little variation from those of the preceding year, and this similarity is also a characteristic of the published records of the volume of our trade.

EXPORTS OF BLEACHED COTTON PIECE-GOODS.

In the twelve months ended March 31, 1929, the exports of bleached cotton piece-goods amounted to 1,375,661,000 square yards, and in the twelve months ended March 31, 1928, to 1,334,727,000 square yards, an increase of about 3 per cent. in the last year.

But, although the volume of trade would appear to account for the maintenance of our profits at about the same level as last year, the achievement of that result has been by no means as easy as the trade statistics would appear to indicate.

COST OF PRODUCTION.

In addressing you last year, I referred to our policy of effecting, wherever possible, reductions in the cost of production, and of translating these reductions, without jeopardising the interests of our shareholders, into reduced prices to customers. The reductions in price which I then referred to have been operative throughout the past financial year, and these, together with other and later reductions of lesser magnitude, have in the aggregate involved a quite substantial decrease in our revenue.

Thus, although the volume of our trade has been fairly well maintained, we have only succeeded in maintaining our profit in the face of a decreased revenue by economies which have enabled us, in one direction or another, to reduce our costs to a corresponding extent. In this, the major problem confronting British industry to-day, we are faced with special difficulties, for, as I have told you on a previous occasion, two-fifths of our cost of production is represented by the cost of labour and one-third by overhead charges of a more or less fixed character.

Despite the difficulties inherent in reorganisation under these conditions, we have steadily progressed in our plans for effecting economy, and I am glad to take this opportunity of acknowledging the assistance which the directors have received from our managers and executive officials in carrying out this important work.

TRADE IN THE PRINCIPAL MARKETS—INDIA.

The reference which I have made to the fact that the volume of our total export trade in bleached cotton piece-goods has shown such little variation within the last two years would be incomplete if I did not for a moment dwell upon the distribution of that trade to our principal markets.

In our largest market, India, I am glad to say that we have, during the past financial year, improved somewhat upon the previous year's trade, which in itself, was the best year we have had in that market since the war, and the promise of the early months, to which I referred in my speech at the last annual meeting, has been fulfilled. Foreign competition in India has never assumed serious proportions in the trade in bleached goods, but it is, nevertheless, a matter of some satisfaction to be able to say that, such as it is, it is rather less than it was. We have slightly increased our share of the trade within the last financial year, and our foreign competitors have secured only 5·3 per cent. of the volume of India's total imports of bleached goods.

CHINA.

Last year I had to deplore the fact that China, which used to be our second largest market, had been reduced to sixth in order of importance, but I was able to point to indications of improvement, and here again I am even more pleased to be able to say that the promise of better times has materialised. China has again taken her place as our second largest customer for bleached cotton piece-goods. Not with a volume of trade equal to that of the pre-war years, but still more than double that of our last financial year. And if China can make so marked a recovery in the earlier days of her relief from internal strife, the future is surely not without promise. The horizon is still not so clear as we could wish, and the renewed threat of internal conflict and the fall in the rate of exchange are factors which militate against expanding trade. Nevertheless, in the first five months of 1929, our exports of bleached goods to China were more than 50 per cent. above the quantity exported in the corresponding months of 1928. Here again we have the satisfaction of knowing that the expansion in our trade in bleached goods with China has been relatively, as well as absolutely, greater than that of our competitors, or, in other words, that we have secured a rather larger share of the trade than we held in the previous year.

EGYPT AND THE NEAR EAST.

In Egypt conditions have not been quite so favourable, but our exports of bleached goods to that market in the period corresponding to our financial year were less than one per cent. below those of the previous year. Trade in this market has been somewhat depressed by reason of the large stocks which were being carried, but the early months of this year appear to indicate that conditions are improving, and in the five months January to May, 1929, we exported to Egypt 60 per cent. more bleached goods than in the corresponding months of 1928.

Our trade with the Near East showed some diminution during the past year, as also did that with South America, but, except in the case of the Argentine, the early months of the present year show some recovery in both of these groups of markets.

ARGENTINE AND BRAZIL.

In connection with trade in Argentine and Brazil, it will be of interest to our shareholders to know that one of our managing directors, Sir William Clare Lees, has been appointed a member of the British Mission, which, under the chairmanship of Lord d'Abernon, will examine and report upon our economic relations with Argentina and Brazil. On this mission, which is a small body composed of four members, Sir William has been selected as the representative of the textile trade. The mission, after some preliminary work in England, leaves on August 2nd to visit these two leading South American States.

We must congratulate Sir William on his appointment to such an important Government Mission.

WEST AFRICA.

Our exports to West Africa have continued to show that satisfactory expansion which has characterised recent years.

THE FAR EAST.

The extent to which our trade is dependent upon the demand from Far Eastern markets is revealed in a striking manner if our exports of bleached cotton piece-goods are analysed to show the proportion taken by each continent.

EXPORTS OF BLEACHED COTTON PIECE-GOODS FROM THE UNITED KINGDOM.

Continent.	12 months ended March 31, 1929. Thousand sq. yds.	Percentage of total.
Europe	42,361	3·1
Asia	877,609	63·8
Africa	222,127	16·1
America (North and South)	136,609	9·9
Australasia	42,526	3·1
Unallocated	54,429	4·0
Total exports	1,375,661	100·0

Asia absorbs nearly 64 per cent. of our total exports of bleached goods, and next in importance are Africa, with 16 per cent. of the total, and America with nearly 10 per cent. The remaining 10 per cent. is divided between Europe, Australasia, and a residue which the Board of Trade statisticians are unable to allocate to specific countries.

ENCOURAGING SIGNS.

The brief review of the trade in bleached goods in a few of our principal markets, which I have been able to give you within the limits of a speech of reasonable length, contains, I think, signs sufficiently encouraging to permit a moderate optimism for the future, particularly having regard to the improvement in the demand from the Far East, and the importance of that area to the bleaching trade.

I wish that it were possible to exhibit for each section of the cotton industry as favourable a picture of our foreign trade as that which I have been able to draw of the bleaching section, but, unfortunately for Lancashire, other sections of the trade have not been able to withstand the onslaught of foreign competition with quite the same degree of success that we have. Not that they are less efficient or less enterprising, but in the main because our foreign competitors have found it less easy to reach the standard which British bleachers have established throughout the markets of the world.

EXCEPTIONAL POSITION OF THE TRADE.

An analysis of our exports in the different categories of finish illustrates the exceptional position which the bleaching trade has occupied in the past year relatively to other sections of the trade.

EXPORTS OF COTTON PIECE-GOODS OF ALL KINDS FROM THE UNITED KINGDOM.

Description.	Twelve months ended March 31, 1928. Thousand sq. yds.	% of total.	1929. Thousand sq. yds.	% of total.	Percentage increase + or decrease − in 1928–29 compared with 1927–28.
Grey	1,323,595	31·9	1,066,927	27·7	− 19·4
Bleached	1,334,727	32·1	1,375,661	35·7	+ 3·1
Printed	589,735	14·2	518,198	13·4	− 12·1
Dyed	754,446	18·2	754,254	19·5	− ·03
Coloured cottons	150,322	3·6	139,967	3·6	− 6·9
Total	4,152,825	100·0	5,855,007	100·0	− 7·2

In a comparison of the twelve months ended March 31, 1929, with the corresponding period in the previous year, the exports of bleached goods increased by 3·1 per cent., and those of dyed goods were practically maintained, the decrease being only ·03 per cent. In all other sections exports decreased, grey cloth by 19·4 per cent., printed goods by 12·1 per cent. and coloured cottons by 6·9 per cent.—the average decrease for piece-goods of all kinds amounting to 7·2 per cent.

It is of interest to note that in 1928–29 the exports of bleached goods formed over 35 per cent. of the total exports of all kinds of piece-goods. This is the highest proportion we have yet attained and compares with an average of less than 28 per cent. in pre-war years. Bleached goods appear now to be firmly established as the largest section of our exports of cotton piece-goods, and, with dyed goods, continue to show the least relative decline in comparison with the average pre-war volume of trade.

Although I have referred to the more favourable position which we have been fortunate enough to occupy, it should not be thought that we are satisfied with the present state of trade, for, although our share of the total has been more than maintained, that total is far less than is required to keep Lancashire fully occupied.

In the quest for the solution of the problems with which we are faced, the work of the Joint Committee of Cotton Trade Organisations, with which we are closely associated, is of outstanding importance in co-ordinating the efforts of every section of the trade.

THE HOME MARKET.

I have dealt at some length with our export trade for the reason that it forms by far the larger part of our output, but our interest in the home market is by no means insignificant.

In the home trade, demand has been restricted by changes in taste and fashion, but, apart from these, the prospects for our own, as for any other trade, depend ultimately upon the purchasing power of the British public, and it will not, therefore, be out of place if, for a moment, I deal briefly with those indications which are available of the improvement in British industry. For signs of improvement there undoubtedly are, although we still have far to go before we can fully employ the available population at the present standard of life.

For some time past the Board of Trade has recalculated the quarterly values of our imports and exports at the average values of 1924, and has furnished us thereby with an index to the volume of our foreign trade. From this index we learn that in the first three months of this year the monthly average of our total net imports exceeded that of the corresponding quarter of 1928 by more than 2 per cent., and that of the year 1924 by 13½ per cent. Imports of raw materials (the basis of much of our trade) exceeded the corresponding figures of 1928 by no less than 24 per cent., and those of the year 1924 by 12 per cent.

British exports in the first quarter of 1929 exceeded those of the first quarter of 1928 by nearly 7 per cent., and were 1½ per cent. greater than the average of the year 1924.

Movements of shipping show a definite increase in the first three months of this year compared with those of last year, and although the tonnage of merchant ships under construction at the end of the quarter was lower than at the corresponding date last year, the new tonnage commenced within the quarter was 6 per cent. greater this year than last.

The production of pig iron has been rather less this year than last, but steel production in the first quarter exceeded the 1928 figures by 10 per cent., and the average of 1924 by 17 per cent.

The weight of saleable coal raised in January, February, and March this year was nearly 3 per cent. greater than in the corresponding months of 1928, and this year's figures have provided the best monthly average since 1924, and have come within 10 per cent. of the monthly average of 1913. The weight of coal exported in the first quarter of 1929 exceeded by more than 9 per cent. the quantity shipped in the corresponding period last year, and on the railways also the tonnage of coal moved was nearly 9 per cent. greater.

A USEFUL INDEX TO INDUSTRIAL PROSPERITY.

The London country cheque clearings and the provincial bank clearings afforded a useful index to industrial activity, and, in the aggregate, these were rather greater during the first quarter of 1929 than in the corresponding quarter of 1928. Also the daily average is greater this year than in the year 1924, and the comparison assumes an added significance when it is remembered that wholesale prices were lower in 1929 than in 1928, and not less than 16 per cent. lower than in 1924.

New capital issues in the first three months of 1929 exceeded those in the corresponding period of 1928 by 10 per cent., and,

moreover, a greatly increased proportion of the capital raised was for use within the United Kingdom.

Encouraging as are these indications of improvement, it must be remembered that, although British industries generally may show signs of expansion, the prosperity of the cotton trade depends upon a series of factors that are more or less peculiar to itself, and it is to these that we must look for a return to better times. Chief amongst them are the purchasing power in our Far Eastern markets, and our ability to place our products abroad at prices which are competitive with those of foreign producers based upon cheaper labour and longer working hours.

The former is largely beyond our control, but in the latter there is a great deal that Lancashire can do for herself, and much is already being done. I am convinced that the co-ordinated efforts of every section of the trade which are at the present time so much in evidence will, if steadfastly pursued, do much to re-establish our position in the markets of the world.

THANKS TO THE STAFF.

Before I conclude, you would, I feel sure, wish me to refer to the work which has been done by the staff and workpeople during the past year. A brief review such as the one I have given you of our activities cannot possibly convey to you any adequate idea of the patient and loyal work, the sum total of which you will find written in the balance sheet of the company. So to one and all, managing directors, central office staff, managers of our branches, engineering and transport staff, I say on your behalf, as well as my own, "Thank you."

The motion for the adoption of the report and for the declaration of the dividend was seconded by Mr Arthur K. Davies and carried.

The retiring directors and auditors were re-elected, and the meeting terminated with a vote of thanks to the chairman.

UNION CORPORATION LIMITED.

INCREASED PROFIT AND DIVIDEND.

MR P. M. ANDERSON'S REVIEW OF THE CORPORATION'S INTERESTS.

Mr P. M. Anderson presided at the ordinary general meeting of shareholders of the Union Corporation, Limited, held on May 30th at Johannesburg, and in the course of his remarks said: The revenue side of our profit and loss account shows an advance from £441,940 for 1927 to £520,447 for 1928, an increase of 18 per cent. Our net profit at £428,582, which compares with £386,160 for the preceding year, has not risen to the same extent, not because our recurrent expenses are higher—they are in fact £8,915 lower on the year—but because, in view of the exceptional improvement in revenue, we have thought it wise to make provision for £30,000 in respect of income tax and £15,000 in respect of expenditure on new offices.

The dividend we pay is 5s. 6d. per share against 5s. paid for 1926 and 1927, and the sum carried forward is increased on the year from £103,013 to £116,595.

Our reserve account shows the largest advance in our history at £630,569 as against £484,213. If the amount carried forward is added to the amount of the reserve account, you will note that our open reserves are £747,165, or over 85 per cent. of our capital. Our open reserves increased by £159,938 last year, which is about twice the rate of the few preceding years.

Our share and debenture holdings at £1,896,684 show an addition of £311,126. Our cash assets, including British and other Government and Municipal securities held, stand at £1,641,081, which compares with £1,856,389 a year earlier, though if we include the sundry debtors items of £128,913, the bulk of which consists of temporary loans or the ordinary utilisation of cash, the figure is raised to £1,769,994. Our total liabilities figure at £1,802,640, as compared with £1,861,146, and, as in the past, these show, by comparison with our cash assets, a high degree of liquidity.

CHANGING CHARACTER OF THE BUSINESS.

You will doubtless have gathered, from what has been said in previous years, that the character of our business is to some extent changing, and that we are taking a greater interest in industrial ventures other than mining. This is due partly to the fact that the scope for gold mining on the Rand has become limited with time, though we have found a further promising outlook for our energies in connection with the East Geduld Mines, Limited. We are quite prepared to consider industries which are developing in the Union of South Africa, and have examined many such proposals, but we should not render the country any good service by encouraging enterprises which do not hold out a very definite prospect of a successful career. Going further afield in South Africa, we have turned our attention to the Northern Rhodesian copper fields, where much systematic work of an exploratory character has been carried on, and has disclosed the existence of an extensive copper-bearing formation that promises to become a large and profitable producer of the metal. Furthermore, in accordance with the policy pursued for some time, we have continued to study many industrial and other propositions in Europe and America, and have taken an interest during the past year in two or three new directions, notably in connection with the Polyphonwerke Aktiengesellschaft.

PROSPECTING IN NORTHERN RHODESIA.

The chairman reviewed the position of the Modderfontein Deep Levels, Limited, Geduld Proprietary Mines, Limited, and East Geduld Mines, Limited, as detailed at the recent annual meetings, and continued:—

In the northern portion of Northern Rhodesia, in the vicinity of the Belgian Congo border, extensive copper-bearing formations are being prospected over a large area mainly by three separate organisations—the Rhodesian Anglo-American, Limited, the Rhodesian Selection Trust, Limited, and the Rhodesian Congo Border Concession, Limited. The geological indications are being systematically followed up by extensive boring operations in selected areas, and these are being followed in turn by shaft-sinking and development.

The work done so far has by no means defined the limits of the ore bodies where work is going on, nor has active prospecting covered the whole of the field in which ore zones may be expected. In view of the very promising outlook for copper mining in the district, we have acquired an interest in several of the more important of the companies operating there.

POSITION OF THE SAN FRANCISCO MINES OF NORTHERN RHODESIA.

By reason of the heavy fall in base-metal prices which occurred in the year to September 30th last, the San Francisco Mines of Mexico, Limited, showed a small reduction in its dividend from 4s. to 3s. 9d., but the drop, we hope, is only temporary, as metal prices are now higher and the mine is in a very good condition. You will be glad to know that the Mexican rebellion, while it meant that railway communications were temporarily interfered with, so that there was interruption in the realisation of products, did not affect production. Indeed, March showed a rate of profit on almost a record scale. As shown by the published returns, the working profit for the December quarter was £91,000, for the March quarter £120,000, and for April £47,000. The first seven months of the current financial year, therefore, show a working profit of £258,000, as compared with £189,000 for the corresponding period of the previous year. The profit for the whole year as a consequence promises, with the better level of metal prices now ruling, to show appreciable improvement.

BRITISH ENKA ARTIFICIAL SILK.

Operations of the British Enka Artificial Silk Co., Limited, for 1928 resulted in a trading loss of £2,292, to which have been added depreciation charges, debenture interest, and sundry outgoings, so that a net loss of £82,325 appeared in the balance sheet. Technical difficulties were not overcome as rapidly as expected, and market conditions developed unfavourably, resulting in a severe cut in selling prices, and it proved desirable to curtail production at the No. 2 factory.

An encouraging feature is that the company has reached the stage in the development of its business at which it can turn its attention to the spinning of fine denier and other classes of rayon—the new name for artificial silk—which offer a better margin to producers than the standard viscose rayon forming the basis of the trade.

HOLDING IN THE POLYPHONWERKE AKTIENGESELLSCHAFT.

Early in the past year we acquired an appreciable holding in the Polyphonwerke Aktiengesellschaft, which is the second largest manufacturer of gramophones and gramophone records in Germany, and occupies an important position internationally. For the three years, 1926, 1927 and 1928, the net profits have been Rm. 797,000, Rm. 2,047,000 and Rm. 3,136,000, while the corresponding dividends have been 9 per cent., 14 per cent. and 20 per cent. During the year the company's capital was increased from Rm. 10,000,000 to Rm. 17,000,000, the difference being issued at a considerable premium, with the result that the company has been provided with large funds for the development of its business. The 1927 dividend was paid on a capital of Rm. 10,000,000, and last year's dividend on Rm. 12,500,000, and, though the issued capital is now much higher, the rate of dividend which has been reached should be maintained for 1929.

The report and accounts were adopted.

HUDSON'S BAY COMPANY.

DEVELOPMENT OF SALESHOPS.

INCREASE OF CAPITAL APPROVED.

A general court of the Governors and Company of Adventurers of England Trading into Hudson's Bay was held, on the 25th instant, in the Fur Trade Sale Room, Beaver House, London.

Mr Charles V. Sale (the governor) presided, and expressed the regret of Mr Vivian Hugh Smith and the Hon. A. J. P. Howard, members of the committee, in not being able to be present owing to absence abroad.

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

The chairman, in moving the adoption of the report and accounts, said: In the profit and loss account you will find a total of £556,000. Of this £427,000 comes from trading, and nearly £128,000 from interest on instalments in respect of land sales, which is taxable as the profits of trade. On the other side there are charged, as you will see, the usual expenses, and £75,000 placed to the reserve for equalisation of dividends, leaving a profit of £475,000 to be carried to the balance sheet.

In the land account we record an increase of £30,000 in the cash received from the sale of lands, and have transferred £17,000 from the reserve created some years ago for Edmonton Improvements. The net results for the year to the proprietors are a distribution of 10 per cent. from land and 15 per cent. from trade on the ordinary shares, and 5 per cent. on the £2,000,000 of preference shares, making in all £600,000. The various reserves have been increased by £215,000, and the amount carried forward, taking land and trading together, shows an increase of £91,000.

THE FUR TRADE.

After stating that their association with Messrs Job Brothers, Limited, of Newfoundland, had already proved its value and that they had acquired a further share in the business, he went on to say: The period under review has been a difficult one for the fur trade, owing to the scarcity of furs and a widespread epidemic of influenza among the Indian and Eskimo population. Measures for conservation in several of the provinces, particularly as regards beaver, have diminished the available number of such skins, and competition for the catch near the lines of communication has consequently been very keen, but the benefit of these welcome and necessary measures will come to us in the future.

The steady invasion by travellers and prospectors of regions regarded hitherto as remote is a noteworthy feature of the present time and a precursor of change. The last section of railway from the prairie lands to Hudson's Bay, projected so long ago, reached Churchill on March 29th. The opening of this channel of communication will have important consequences since it shortens the distance from Great Britain to the centre of the North American continent.

Nevertheless, this new line has already justified the courage and faith of the Minister of Railways by the opening up of rich mineral areas, and it will have another result of wider consequence to British trade, for, as it shortens the overland haul from the ocean to the central parts of North America, it will draw an inflow of merchandise through Churchill, not to Canada only, but to the United States as well, and, if we narrow our outlook to our own immediate concerns, it is of importance to us, since it opens up the North. With this new era before us comes the need for transformation in the conduct of your fur trade, but, as it comes, so we believe we shall be ready.

SALESHOPS.

I am glad to renew the assurances given a year ago that trade in the saleshops is responding in a satisfactory manner to the policy of expansion. There is a long way to go before we reach our ideals, and some time to wait for the full harvest of our endeavours, but, prepared and preparing as we are for the future of a great and growing country, you may look forward with confidence to the results of your adventure. There is a saying of old that "husbandry is governed by the most uncertain of circumstances, winds and tempests," and, trading as we do with a population depending to a great extent on agriculture, we suffer from the same uncertainties.

The grain and root crops of 1928 promised well, almost up to the time of harvest, but threshing yields were adversely affected, in quantity, if not in quantity, by an early frost, and owing to bountiful harvests in other countries, the low price declined in September 1928 to $1·10 per bushel, compared with $1·33 in September 1927, but the quotation yesterday was $1·24.

The weather on the prairies during the autumn and winter was mild and open when cold and snow were to be expected. Such unusual conditions disorganise the course of trade, for they upset the time-table of stocks prepared far in advance and calculated for each week in succession, and sometimes for each day in the week. But, despite all this, there is a definite and encouraging all-round improvement in this important department.

LAND DEPARTMENT.

In the land department we had good reason for expecting a record year, but the sale of land and the collections of instalments fell away very suddenly in the autumn, owing to the disappointing quality of the harvest and a sharp decline in the wheat market. Taking the year as a whole, figures are satisfactory, and you will notice just a shade of improvement in the sale of townsites, which brought in £12,965, against £11,740 a year ago.

The first four months of this year, from February 1 to May 31, show the same tendencies—a decline in respect of farm-lands and an increase in respect of townsites. We have sold 84,000 acres of farm-lands against 110,000 acres a year ago, and townsites for $44,000 against $11,000. Total gross receipts are $886,000 against $1,100,000 in the corresponding four months of last year, but do not forget that the comparison is made with a period in which the sales and collections were exceptionally good.

The townsites have been a source of anxiety and expense to us during the last 15 years, but ever since 1925 we have been preparing for the demand which must come, and may come soon. Our largest interest lies in the City of Edmonton, where we still hold several hundred acres north of the railway, but within the City limits. There we have, by an exchange with the City, consolidated, as far as it was possible to do so, our unsold lots.

All our sales in this area are subject to building restrictions of a reasonable nature so as to preserve the amenities of the neighbourhood, and we are considering a limited scheme for building loans which has proved successful elsewhere. We think Edmonton, as the gateway to the Nortn, has a great future, but it is only by thus making our property approachable and attractive, and by assisting in its development, that we can hope to bring buyers to our market.

SETTLEMENT WORK.

Just a few words on the work of the Hudson's Bay Co. Overseas Settlement, Limited, in which, with the Cunard Steamship Co. and the Canadian Pacific Railway Co., you are interested. During the last eighteen months we have found place for nearly 2,000 people on the land in Canada, including over 230 young men who passed through our training farm in England. The numbers also include the family scheme which the Canadian Pacific Railway and ourselves undertook in co-operation with the Oversea Settlement Department. As our share, we are equipping 100 farms in the Vermilion district, and 89 families have already been settled.

It is an interesting work, and, if the experiment succeeds, it will pave the way for something more extensive. There is, without doubt, plenty of room in Canada for men who commence with a willingness to work, and a peaceable disposition, and it will interest you to know that the great majority of farmers who apply to us for helpers express preference for men of the British race. This, I think, disposes of the fallacy that British settlers are not wanted in Canada.

REASONS FOR INCREASE OF CAPITAL.

In conclusion, the Governor, dealing with the reasons for the proposed increase of the capital by the issue of 1,000,000 new shares, of which they would limit the immediate issue to 500,000 shares, said: We have made it an invariable practice to pay cash for all purchases, this being, of course, a great lever in buying our merchandise at lowest prices. As our trade increases—and it is increasing rapidly—larger sums are required to maintain this practice. The need is not perhaps so apparent in the balance sheet, because the annual accounts are closed both in Canada and in London on those dates in the year on which stocks are at the lowest point. Thereafter they increase up to a peak in the autumn months. For this purpose we can profitably use a sum of approximately £1,000,000.

In Calgary we are expending about £400,000 in an extension which is wanted to keep pace with the growing trade of that city. In Edmonton we are erecting a warehouse in which we shall consolidate several activities now housed in different buildings, most of which are rented. This will cost about £50,000, and a like sum will be required for an extension to the saleshop in Victoria. Certain expenditures in connection with the fur trade and transport, taken over several years, will absorb between £100,000 and £200,000.

We have no programme beyond these items at the present moment, but, as the buildings now under construction approach completion, we shall have to decide, according to circumstances as they will then exist, how far and to what extent it is advisable to construct or reconstruct our buildings in other Western cities.

The report and accounts were adopted and the proposed issue of capital was approved.

ANGLO-ARGENTINE TRAMWAYS COMPANY, LIMITED.

RECORD TRAFFIC FIGURES.

TRANSPORT PROBLEMS—NEED FOR CO-ORDINATION.

The forty-fifth ordinary general meeting of the Anglo-Argentine Tramways Company, Limited, was held, on the 25th instant, at Winchester House, Old Broad Street, London, E.C.

Sir George A. Touche, Bt. (the chairman), presided.

The secretary (Mr J. S. Anderson) read the notice convening the meeting and the auditors' report.

TRIBUTE TO LATE MR SANFORD.

The chairman said: Before proceeding with the business of the meeting I feel sure you will desire to associate yourselves with an expression of regret at the loss of our old friend and oldest colleague, Mr Charles Henry Sanford, who died in December. During the 39 years for which he was a director he rendered many services to the company. His great interest in its affairs remained with him to the last, and his experienced advice was always helpful. His practical concern in the welfare of the company's *personnel* and particularly in the children of the operating staff, and workmen in Buenos Aires, won for him an affection and gratitude which will remain, like the home near Buenos Aires which bears his name, a lasting tribute to his kindly beneficence.

The name of another director who was with us a year ago is missing from the list, but, happily, on other grounds. Sir Frederick Sykes, who brought a special knowledge of transport problems to our counsels, is now occupied with the difficult and important duties of Governor of Bombay. We hope he will return to us when his term of office has expired.

OPERATING RESULTS.

The date of the balance sheet now submitted to you, December 31, 1928, marked the termination of the 52nd year of the company's existence. In presenting the report and accounts for that year we are glad to announce that the prosperity which Argentina has enjoyed was reflected in the volume of traffic handled by the company, if not in the financial results to the company. During the 12 months under review the traffic surpassed all records. The number of passengers carried was 570,079,027, or 9,331,473 more than in 1927, when the previous highest total of 560,747,554 was reached.

The car miles run aggregated 70,477,031, compared with 69,861,752 in 1927. Receipts amounted to £4,719,180, as against £4,658,618, an increase of £60,562. Expenditure also increased. At £3,693,048 it was £46,070 more than in 1927. This was accounted for largely by higher maintenance costs due to the additional strain imposed on rolling-stock and installations through acceleration of services.

The appropriation to renewals reserve was £372,416, as against £368,666 in 1927. Of this £280,000 was absorbed by expenditure on renewals. The balance carried to net revenue account was £1,026,132. To this has been added £26,044 from interest and minor receipts in London, making a total of £1,052,176. Against this there is charged the annuity to the City of Buenos Aires Tramways Company, interest on the debenture stocks, sinking fund quotas for redemption of debenture and share capital, and dividends on the first and second preference shares. These amount in all to £1,027,464.

SUPREMACY OF THE TRAMWAYS.

In view of the controversy about the comparative merits and capabilities of tramways and omnibuses, the proportions of traffic in the City of Buenos Aires are worthy of notice. As you are aware, the City of Buenos Aires is now well supplied with omnibuses. The total number of passengers carried by them in 1928 is estimated at 190,000,000. The total number of passengers carried by all the tramways in Buenos Aires during the same period was 675,000,000, of which our proportion represents about 75 per cent. The significance of this comparison lies in its contradiction of the common belief that omnibuses everywhere can equal if not surpass, tramcars in fulfilling the modern transit needs of large populations.

Whatever may be the case elsewhere, the figures show that, in Buenos Aires, with a fixed population of more than 2,000,000, the tramway maintains its supremacy as the principal and most popular means of urban communication. Even a co-ordinated system of omnibuses could not usurp the function of the tramways, though, as an auxiliary, it would prove valuable.

Apart from the greater comfort which tramcars afford, by reason of their smoothness in running and their safe adaptability to the heavy loading in rush hours, their economy in operation makes them the cheapest means of travel. Further—and this is of great importance to all cities whose inhabitants comprise an appreciable industrial community—workmen are given the benefit of reduced fares and special services, neither of which features belongs to the operation of omnibuses. The number of workmen's tickets issued by the company during 1928 at the single fare of 5 cents for any distance—that is to say, half the ordinary fare—was 38,817,986, and represents a substantial percentage of the total number of passengers carried on the surface lines.

OMNIBUS COMPETITION.

The motor omnibus question in the Argentine has to be viewed from a different angle from that to which we are accustomed here. Here we have large well-paved towns, with great populations, at no great distances apart, linked up by arterial roads. It is a condition of things which lends itself to the development of a mobile form of traction.

In the Argentine main roads, as we know them—or perhaps better than we know them—belong to the future. It is an assured future, but, for the time being, the scope for the use of motor omnibuses is limited. Their roads in the central areas of Buenos Aires and the larger avenues would do credit to any great modern city, but, owing to the rapidity of expansion, those in the outer limits are not yet suited for omnibus traffic. The strain on the vehicles is excessive, the cost of operating heavy, and the life short. Under such conditions there is every temptation to concentrate in the central streets where the cream of traffic is to be gathered. In that way the omnibuses tend to increase rather than to relieve the existing congestion.

The provision of a public utility should be governed by duty to the public as well as by considerations of profit. But the problem created in Buenos Aires by the advent of the omnibuses has not yet been solved in accordance with the wholesome rule.

TAXICAB PROBLEM.

Matters have not improved during the past year. In September last other competition made its appearance in the form of taxicabs plying for collective hire. The vehicles employed in these Jitney Services are of greater capacity than the ordinary taxicab, and are run at the busiest hours of the day in considerable numbers in the most frequented thoroughfares. They operate indiscriminately, with official toleration rather than sanction, and subject to none of the conditions imposed upon the tramway and the other organised services. Their entrance into the arena of the traffic struggle has aggravated the difficulties of an already very serious situation. Not only do they prejudice our receipts, but, like the pirate omnibuses, they help to nullify our efforts to improve the services. Progress through the principal thoroughfares has been rendered so slow as to be a matter of general concern.

MEASURES OF ALLEVIATION.

Any measures of relief would be welcomed by the public. An experiment of the municipality, made in August, regulating parking and the circulation of horse-drawn vehicles in the central zone, showed that much could be done by organised methods of control to improve speeds in the congested areas.

In the interests of the community the company has continued to pursue its policy of bettering services, on both the surface and underground lines, wherever that course has been practicable. More commodious and comfortable cars, with larger platforms and higher speed capabilities, have been introduced on the surface lines, and still further improvements are contemplated in this type of rolling stock. Alterations in the entire fleet of subway cars, increasing their carrying capacity by about 30 per cent., were, in great measure, completed by the close of the year. A shortening of time schedules is being introduced to ensure more rapid handling of the increasingly dense traffic on the underground system. Indeed, we have had to widen some of the station exits to the streets to relieve pressure at peak hours.

These measures, with the progressive replacement of trailer cars by motor-cars, and the general speeding up of services, all form part of a comprehensive plan, initiated by the company, for assisting in the alleviation of the city's transport troubles. But there can be no real cure while the chief causes of traffic congestion remain.

NEED FOR CO-ORDINATION.

The confusion which exists, and tends to increase, makes clearer, with every passing day, the need for replacing the haphazard development of transport facilities by a scheme of co-ordination in conjunction with the extension of underground lines. Proposals laid before the municipality by the company embody a scheme of this nature. In other great cities of the world—notably in London—co-ordination has been recognised as the only enduring basis on which to cater adequately and economically for the transport demands of large and concentrated communities under modern conditions.

The needs of Buenos Aires to-day are no less insistent. Sooner or later they will be met by the adoption of similar methods, for nothing stays its march of progress.

The best solution lies in a combination of tramway, omnibus, and subway. Each have their part to play: the tramways to provide transit in thickly populated areas, the omnibuses a quick means of developing and expanding these areas, and forming feeders, and the subways, with their speed and regularity, best of all.

INCREASED SUBWAY TRAFFIC.

The increase in the traffic handled on our present subway is a noticeable feature of the year's operations. As in previous years it has been helped by our omnibus service, which connects with that part of the system. Some 6,000,000 more passengers were carried in the subway than in 1927. The time is approaching rapidly when this line will be taxed to the limit of its present capacity. This emphasises the urgency of the work on station improvements on which we are now engaged. As you are aware, the line runs for 4½ miles under the busiest thoroughfare of the city. The increasing extent to which it is used by the populace is an indication of the degree of relief which eventually will be brought to the general traffic situation when the company's other subways have been constructed.

THE "AD REFERENDUM" AGREEMENT.

The final plans for the second subway, which will run between the big railway termini at Retiro and Constitución, were presented during the year for the approval of the authorities. We are now awaiting such action on the part of the municipality as will render procedure with the work of construction economically possible. I refer to the ratification of the *ad referendum* agreement signed in 1925, with the Intendente of Buenos Aires, which provides for equitable adjustments in the pre-war tariffs, still in force, notwithstanding the post-war burdens imposed upon and borne by the company.

Throughout 1928 we continued to hope for a decision of this question. But the auguries were not encouraging. It is fair to remember the special circumstances of the year. The intervention of the National elections and their disturbing influence on the business of the council hardly allowed our hopes to become expectations. The subject is now being studied actively by the authorities.

In spite of many disappointments, we still anticipate a result which will not only ensure a reasonable measure of prosperity to the company, but, with it, the well-being of its 11,000 employees and their dependents, and bring about the provision of one of the vital needs of the city—the extension of its underground transport system.

The agreement with the municipality would enable us to increase the wages of our men, who have fulfilled their duties with a great loyalty. There is a clause providing for the increase, and there is no provision to which we would more readily respond. In their interests, as well as in that of the travelling public, we hope there will be no avoidable delay.

I fear to-day's story must sound rather like a sermon which has been preached before. Its text is "Patience." An old proverb, quoted by Chaucer, says "The Patient Conquer." You have learned, through a dreary experience, that the business of transport operation in Buenos Aires entails, in these times, many difficulties demanding constant effort, and the exercise of a very great patience. But we expect to win through, because our interests are identical with those of the citizens of Buenos Aires.

TRIBUTE TO STAFF.

Neither we nor our admirable general manager in Buenos Aires (Mr Rongé) regard the difficulties as insurmountable. On the contrary, he and his loyal staff, supported by all the help and encouragement we can give them from this side, are actively engaged in overcoming these difficulties one by one.

In this, as in every task performed in the service of your interests, it affords us satisfaction to be able to pay tribute to the efficiency, devotion and good will which characterise the efforts of all the company's officers and personnel, and which have never failed us yet. Such qualities are assets no balance-sheet can show, but they constitute a real factor in the safeguarding of the company's affairs, the fulfilment of its obligations, and the conquest of difficulties.

I move: "That the report of the board of directors and the audited accounts for the year to December 31, 1928, now presented to the meeting, be and are hereby received and adopted."

Mr William Morris: I have pleasure in seconding the motion.

The Chairman: Has any shareholder any observation to make?

No comments being made by shareholders, the resolution was put to the meeting and carried unanimously.

The formal business having been transacted, votes of thanks to the chairman and staff terminated the proceedings.

AMALGAMATED ANTHRACITE COLLIERIES, LIMITED.

RATIONALISATION POLICY JUSTIFIED—IMPROVED OUTLOOK.

The fifth annual general meeting of this company was held, on the 24th instant, at the Victoria Hotel, Northumberland Avenue, London. The Right Hon Lord Melchett, F.R.S., LL.D. (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that they had during the past financial year been faced, like all other companies in this country, with a year of depression, of acute competition, of irregular working, and of low prices. In other directions it had been a year of completing that scheme of amalgamation and centralisation of control of the anthracite industry on which they had originally set out some years ago. They now controlled 80 per cent. of the total output of the Welsh anthracite industry.

One of the advantages they had already gained by their amalgamation was the entire reorganisation of the Canadian business. They were now in a position to assure the Canadian merchant both as to the quality of the output and as to the stability of the price, instead of his being in the difficulty in which he had found himself in the past, when a large number of people shipped different qualities at different prices to his market. He was quite certain that the Canadian market, which they had established with so much care and trouble, would be a very remunerative market in the future.

During the first nine months of 1928 the depression was unprecedented. Then this merger was formed, and from October they had been working at a profit. The profit for the last three months of last year was not very great, but they had turned the corner from a heavy loss to a profit. Since that date their profits had substantially increased, and the profits which they estimated they had earned for the first five months of the current year were £158,000. That, at any rate, was a change in the right direction, and it was entirely a justification of the policy which they had pursued of endeavouring to rationalise the industry.

EFFECT OF BOARD'S SOUND POLICY.

But for the steps which they had taken they would never have been able to make use of the railway rebate, a very useful addition to their profits, which they had been able to retain instead of having to hand it over, as would formerly have been the case, to the importers from other countries. It had enabled them already to make very many useful and economical alterations in their organisation—central control of sales, a central purchasing department, pooling of wagons, and central power stations—and he was glad to say that at the present time out of 37 collieries that were working 34 were now working good time, while the other three were red vein anthracite collieries, which had little to do in the summer. Out of 45 collieries, eight were closed because they could be more economically worked from the adjoining collieries, or the collieries themselves could be worked except at a permanent loss. But, out of the 37 working collieries, 34 were working good time, and their forward sales for the rest of this year and into the next year were very satisfactory. They were able slowly to re-establish a much better range of prices for their qualities, and they were able to recover markets from which they had been to a large extent eliminated.

FORWARD SALES.

Their forward sales for the rest of the current year and into next year were very satisfactory. They were able slowly to re-establish a much better range of prices for their qualities, and they were able to recover markets from which they had been to a large extent eliminated.

On the whole, their relations with those engaged in the collieries had been of a very friendly character, so far as their own pits were concerned. They had succeeded in re-establishing their people on a relatively steady and regular time basis. He felt certain that with reasonableness on both sides, a spirit of give-and-take, and a real desire—which he was sure existed from his experience of the responsible leaders of trade unions over the last 18 months—to see unemployment diminish in the mining industry, if they were left alone without outside interference the coal industry could succeed in re-establishing itself on an economic and reasonable basis.

Sir David R. Llewellyn, Bart. (deputy chairman), in seconding the motion, said that the true barometer of trade and of the well-being of the country was the quantity of coal exported. There was a prevalent opinion that coal was done for, and that through the inroads of oil and water power abroad the demand for coal would never be in the future what it had been in the past. That was a great mistake. The demand for coal was still increasing, and since the war it had been increasing more rapidly than it ever had done in any period of modern history.

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

ARAMAYO MINES IN BOLIVIA.
DEVELOPMENT POLICY—FALL IN TIN PRICES.
MR CARLOS V. ARAMAYO'S REVIEW.

The ninth ordinary general meeting of Aramayo Mines in Bolivia Co. was held, on the 21st instant, at the company's offices, 16 Quai de la Poste, Geneva, Mr Carlos V. Aramayo (the chairman) presiding.

The chairman, in moving the adoption of the report and accounts, said: The balance of the profit and loss account at December 31, 1928, as remitted by the local management in Bolivia, shows a profit of Swiss francs 4,833,857·85 (£193,354) as the result of the year's work, and the final figure of profit in 1928 is Swiss francs 4,801,094·99 (£192,044). It will be remembered that the corresponding figure in the previous year was Swiss francs 6,932,370·58 (£277,295). The decrease of nearly two million Swiss francs in the net profits is due almost entirely to the very sharp fall in the price of tin, which began at the end of 1927 and which unfortunately still continues.

The sale of black tin (60 per cent. concentrate) during the period under review was 4,229·5 tons at an average price of £114 14s. 8½d., as against 4,045 tons sold in 1927 at an average price of £143 18s. 10d.

The sale of silver in the form of precipitated sulphide was 1,683,180·46 troy oz. at a price of 28·3d., as against 1,629,427·90 troy oz. sold in 1927 at an average price of 26·7d.; and that of rich silver shipping ore was 21,911·62 troy oz. at 24·6d., as against 63,110·45 troy oz. in 1927 at 22·8d.

The sale of copper cement was 348·9 tons at an average price of £31 5s. 4d., as against 323·96 tons sold in 1927 at £30 4s. 1½d.

The quantity of bismuth sold during 1928 was practically the same as in 1927, but the prices obtained were lower, with a consequent decrease of £11,000 in the profit arising from this item.

The total output of black tin in the various mining sections of the company was 4,199·35 tons, as compared with 4,248 tons in the previous year; while that of fine silver in the form of precipitated sulphides, rich shipping ore and copper cement was 2,167,744·29 troy oz., as compared with 1,722,195·76 oz. in 1927.

This is the highest figure yet reached by the company for fine silver, and the increase is being more than maintained in the current year.

The output of copper cement in 1928 was 325·92 tons, against 324·24 tons in 1927; and that of metallic bismuth in bars, residues and rich shipping ore was 124,765·00 tons, as compared with 68,312 tons in the previous year.

The cost of production of black tin was £84 5s. 9d., as compared with £73 19s. 3½d. in 1927.

WORK IN THE MINES.

The total number of metres driven during the year was 1,625·25 metres as against 1,432·70 metres in 1927. There was a decrease in Chocayo of 773 metres, while there was an increase of 185·5 metres in Chorolque, of 58·1 metres in the Tasna bismuth mines, and of 26·25 in the Tasna tin mines.

Ore reserves at Chocaya were considered to be so far ahead of operating requirements that again development was restricted; but this year it has been decided to continue it on a more extensive scale. The central shaft is being sunk to the 302 level—that is, the level of the Oploca tunnel—with the object of opening up the block of ore contained between this level and the 264 gallery, which is at present the lowest working level.

At Chorolque the pumping apparatus lowered the water level under the San Bartolomé adit to 70·7 metres below the collar of the shaft, which had been sunk 100 metres before the inrush of water in November 1926.

The development of the lodes down to and on the 32-metre level showed such decreasing mineral values that the combined work of investigation and exploitation of this deep level zone ceased to provide profits, and the section for the first time in its history failed to show a profit in the yearly accounts.

It is curious to note that the composition of the lodes down to the 32-metre level continues to be of a perfectly oxydised character, thus showing that the oxydised zone penetrates to the most unusual depth of 2,000 ft. below the outcrop of the principal lode.

WATER TUNNEL BEING DRIVEN.

When it was found that, contrary to expectations, the water level in the shaft was not falling any more rapidly, and that therefore the volume of water still filling the underground caverns must be larger than had at first been supposed, it was considered that the cost of prolonged pumping operations could no longer be justified and an alternative scheme was submitted by the new management, which comprised the driving of a water tunnel of some 950 metres in length from a point situated in the south-west corner of the mountain, at Fierro Unu, to intersect the perpendicular line of the shaft at a point 130 metres below the collar. The probable cost was calculated at £12,000. The scheme, after due consideration, was adopted by your directors.

Driving operations began last November and, according to the latest advice, have advanced 450 metres. It is expected that the tunnel will be finished by the end of the year, and that it will then be possible to carry out development work on 100 metres of virgin backs without pumping expenses.

The geologist of the management firm has completed his first study of the Chorolque mining section, and has recommended that three other drives be carried out in search of fresh ore bodies, on and above the San Bartolomé level.

In spite of the fact that pumping operations ceased in October last, and notwithstanding the very heavy rainfall sustained in the early months of the year, the water level under the San Bartolomél adit has only risen to the 44 metre line, thus indicating the very vast cubic capacity of the water deposits which have already been drained by the pumps. It will now be left to the new water tunnel to complete the drainage.

Steps will be taken to make use of this water, as it flows from the tunnel, to operate the large tin-bearing deposit of natural debris which lies at the foot of the southern face of the mountain, locally called the Yana-Salli face. Although the potential value of this deposit has always been borne in mind, it has not hitherto been ranked as a positive asset because of the lack of water.

ORE RESERVES.

Of the 866·5 metres of development work driven in Chocaya in the course of the year, only 412·1 metres were concerned with the development of new ore, while 354·5 metres consisted of raises and winzes driven into known ore to make ready for economical and rapid extraction. Moreover, it so happens that most of the new ore was opened up by the 264 N.E. level and the 303 N.E. level, and that no development work has as yet been carried out above these points to determine the vertical height reached by the new ore zones. For this reason it has not been thought that this new ore could as yet legitimately be considered as proven ore, and the official estimate of new proven ore opened up during the year has therefore been kept down to the conservative figure of 8,520 tons, running 6·12 per cent. tin and 13·5 oz. per ton of silver.

As an example of the conservative character of the mine assay plans, it may be mentioned that in 1928 49,581 tons of ore were crushed, with an assay value of 5·3 per cent. tin and 59·2 oz. of silver—that is to say, with a metal content of 2,627·79 tons of fine tin and 91·22 tons of fine silver, whereas the mine assay plan for the corresponding area showed only 36,729 tons of ore with a metal content of 1,985·20 tons of fine tin and 83·66 tons of fine silver.

A fresh estimate of the Chocaya ore reserves as at January 1, 1929, has been made by the new management, and the figures given are 243,283 tons of ore, with a value of 4·51 per cent. tin and 46·6 oz. of silver.

The tonnage of silver-tin ore milled (after kiln-roasting) was 43,510 tons, assaying 67·5 oz. of silver to the ton, as against 44,167 tons in 1927 assaying 52·68 oz. to the ton.

The tonnage of ore concentrated for tin, mostly from the silver lixiviation tailings, was 41,047 tons running 6·26 per cent. tin, as against 40,108·52 tons in 1927 assaying 6·21 per cent. tin.

CURRENT YEAR'S OUTPUT.

During the first five months of the present year (1929) 17,551 tons of Chocaya ore have been milled. The tonnage handled has been deliberately restricted pending the installation of new appliances, which are intended to increase the percentage of tin recovery.

The total output of products to May 31st of the current year has been 1,677 tons of black tin, as against 1,788 tons in the same period last year; 1,191,178 oz. of silver, as against 738,000, and 90 tons of copper as against 86.

TIN MARKET.

Your directors have viewed with concern the continued weakness of the tin market, which has considerably reduced the profits of the company for the year under review, and which threatens to do so again in the current year. Low prices may ultimately have the effect of squeezing out many of the high-cost concerns, and of thus causing a shortage of supplies with a violent reaction in values. But it is felt that such market fluctuations cannot but be prejudicial to both consumers and producers, and that therefore any reasonable scheme of co-operation tending to control output and to stabilise prices should be examined with care and sympathy. It is with this in view that your directors have agreed to be signatories of the British American Tin Company, which has recently been formed with the object of pursuing more formally the preliminary conversation which have already taken place.

The report and accounts were unanimously adopted.

THE
LIVERPOOL
AND
LONDON
AND
GLOBE
INSURANCE CO., LTD.
FOR ALL CLASSES OF INSURANCE
Head Office: 1, Dale St., Liverpool.
London Chief Office: 1, Cornhill, E.C.3.

GLOBE TELEGRAPH AND TRUST COMPANY, LIMITED.
CONFIDENCE IN THE FUTURE.

The fifty-sixth ordinary general meeting of the Globe Telegraph and Trust Company, Limited, was held, on the 25th instant, at Winchester House, Old Broad Street, London, the Rt. Hon. the Earl of Midleton, K.P. (the chairman), presiding.

The chairman first referred to the loss the company had sustained by the death of Sir John Denison-Pender. In moving the adoption of the report and accounts, the chairman said the gross receipts amounted to £359,191, as against £354,860. The net income was £347,389, making with the balance brought forward of £52,322, a gross total of £399,711. It was proposed to pay a dividend of 10 per cent. on the ordinary shares, and carry forward £77,370. The changes in capital investments had been small in the period under review. There was one large investment, the American Telegraph and Cable Company, and negotiations were still proceeding with the Western Union Telegraph Company.

In regard to the two important mergers during the year, the Mackay companies had now become the Postal Telegraph and Cable Corporation and the International Telephone and Telegraph Corporation, and there was now £16,800 5 per cent. gold bonds, £12,690 debenture stock and 4,553 $100 shares of the preference stock of the Postal Telegraph and Cable Corporation and 1,518 $100 shares of the International Telephone and Telegraph Corporation. With regard to the cable and wireless merger, they held £2,915,000 in the shares of the three great cable companies and they had no hesitation in signifying their assent to the exchange of those shares for what was offered them in an undertaking which was the only means of safeguarding the position of Great Britain in the communications of the world. The past year, though it had seen no change in issued capital, had seen the greatest development in the value of the securities held by the trust in the fifty-four years of its history. They had complete confidence in the future of the merger company, but as would have been gathered from statements made at the cable company's meetings, the new Cables and Wireless Company's dividend on the 7½ per cent. stock could not be declared until July 1930, when the working of the present year had been ascertained.

The report and accounts were unanimously agreed to and the formal resolutions enlarging the board's powers of investment were approved.

YORKSHIRE PRODUCTS INVESTMENT COMPANY, LIMITED.
WIDESPREAD ACTIVITIES.

The statutory meeting of Yorkshire Products Investment Co., Limited, was held, on the 21st instant, at Grosvenor House, Park Lane, London, W.

Mr A. O. Edwards, the chairman of the company, who presided, said that the company had been formed for the purpose of investing in companies engaged in the production of building, road-making and refractory materials, together with the merchanting and factoring of other goods in connection with those industries. The centre of their activities lay in South Yorkshire, and the company now controlled a group of businesses which, by reason of the unification of control, were capable of being managed with every regard for economy, and were also in good shape for the expansion of their interests as occasion offered; it was not their intention to expand the activities of the company, however, unless control was obtained of the businesses acquired. The brickmaking activities of the company embraced, in addition to common bricks, all the higher grades of bricks and terra-cotta; they controlled the output of 10 modern, well-equipped brickworks in South and West Yorkshire, and in the near future would be turning out a greater variety of high-grade architectural bricks than any other brick-making organisation in England. Equally important was the company's interest in a number of well-equipped sand and gravel quarries; they controlled a chain of 12 quarries, and the increasing use of the materials produced convinced the board that on that side of the business there were many active years in front of them. They also owned at Warmsworth Cliffs, near Doncaster, the largest magnesian limestone quarries in England, whence a large business was done in high magnesian hydraulic building lime, and also in stone for road making, &c. Their works for the production of special firebricks were so full of orders that a considerable extension of their plant had been necessitated.

A marketing and distributing organisation for the whole of their group had been established, and they were interested in carrying out important public works through their ownership of Edcaster, Limited, which old-established business, in addition to carrying out engineering contracts in Yorkshire, had recently developed a valuable connection in London.

As to the outlook, he believed there was no area in the country which was faced during the next 10 years with a bigger programme of public works and building developments than their own home area in South Yorkshire. The volume of business in sight justified the belief that the coming 12 months would be favourable to the company, and the board looked with every confidence to an increasingly profitable business for it.

TWYFORDS, LIMITED.
THE SANITARY POTTERY TRADE.
A SUCCESSFUL YEAR.

The 34th ordinary general meeting of Twyfords, Limited, was held, on the 27th instant, at the Institute of Chartered Accountants, Moorgate Place, London, E.C.

Mr J. T. Webster, J.P. (chairman and managing director), who presided, said that the balance sheet this year had to take into account the financial rearrangement of last year, which included the issue of bonus shares and debenture stock, so that they now had an issued capital of £348,613 in ordinary shares and £69,722 of 6 per cent. debentures. His forecast of a year ago that all indications pointed to a busy period for them had been fulfilled. He had also said that they were less certain about the level of selling prices, and, as a fact, quite substantial reductions had had to be made to maintain their trade in some of the overseas markets. Taking that into consideration the profit of £58,757, as against £54,990, was a matter for congratulation. The board recommended the payment of a final dividend of 5 per cent., making 10 per cent. for the year, with a bonus of 2½ per cent., and they also proposed to add £10,000 to the reserve fund, bringing that up to £35,000, and £2,500 to the employees' pension and benevolent fund, leaving the slightly increased carry-forward of £38,752. The 12½ per cent. distribution on the increased capital represented a slightly higher return than the 15 per cent. paid last year on the original capital, and shareholders also had the additional benefit of the debenture interest. In the balance sheet no credit whatever was taken for the company's valuable goodwill, and the investments, totalling £203,408, were valued on a sound and conservative basis. In every respect the financial affairs of the company were in a strong and healthy condition.

As to prospects, the board saw no sign of any lessening of the demand for the company's products, but uncertainty respecting selling prices rendered it it impossible to estimate the future trend of profits. The board did know, however, that the company's sanitary wares, recognised throughout the world for their excellence, continued to be held in the same high repute as ever amongst the building and plumbing trades; also that the company's potteries were being continually tuned up to ensure the utmost efficiency. They were happy in the good relationshp which continued to exist with the company's employees to whom the thanks of the directors were due, and were cordially given.

The report and accounts were unanimously adopted, and the allocation of profits recommended was approved.

THE CASE FOR FREE TRADE
Price 4d.
(Special terms for quantities.)
Obtainable from "THE ECONOMIST,"
6, BOUVERIE STREET, FLEET STREET, LONDON, E.C.4.

Government Returns, &c.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended June 22, 1929 :—

(000's omitted.)

Expenditure.	£	Receipts.	£
Supply Services	6,797	From Revenue	12,325
Interest, &c., on Debt	1,323	Decrease in Balances	187
Sinking Fund	1,216		
Sundries	177		
Decrease in Debt	2,999		
	12,512		12,512

The total ordinary revenue for the week amounted to £12,325,300, as compared with 13,614,400 in the corresponding week last year. Income tax amounted to £200,000, as compared with £20,000, and super-tax to £320,000, as compared with £530,000. Estate duties were lower at £1,960,000, against £2,330,000; Customs and Excise were also lower at £2,536,000 and £7,041,000, against £2,890,000 and £7,080,000 respectively; while special receipts brought in £485,300, as compared with £924,400. The National Debt was reduced by £2,998,900, as shown below :—

(000's omitted.)

	£		£
Public Department Advances	— 2,150	National Savings Certificates	+ 50
Treasury Bills	— 902	Sundries	+ 3
	— 3,052		+ 53

The floating debt was reduced by £3,053,000 to £807,080,000.

FINANCIAL YEAR, 1929-30, APRIL 1 TO JUNE 22.

	£		£
Expenditure	193,109,498	Revenue	127,242,604
		Decreases in balance	3,705,981
		Amount borrowed	62,160,913
	193,109,498		193,109,498

ESTIMATES FOR FINANCIAL YEAR, 1929-30.

	£		£
Expenditure	691,564,000*	Revenue	746,060,000
Sinking Fund	50,400,000		
Surplus	4,096,000		
	746,060,000		746,060,000

* This figure includes the new Exchequer Contributions of £15,560,000 to Local Revenues, &c.

SELF-BALANCING REVENUE AND EXPENDITURE.

	£
Post Office	58,110,000
Road Fund	22,510,000
	80,620,000

RATING RELIEF SUSPENSE ACCOUNT.

	£		£
Balance on April 1, 1929	22,633,000	Cost of anticipating rate relief for Agriculture	2,570,000
		Balance on March 31, 1930	20,063,000
	22,633,000		22,633,000

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1925.	Mar. 31, 1926.	Mar. 31, 1927.	Mar. 31, 1928.	Dec. 31, 1928.	Mar. 31, 1929.	June 22, 1929.
2½% and 2¾% Consols	573	300	300	300	300	300	300	300	300
Other Funded Debt	15	15	14	14	14	14	14	14	14
Term. Annuities	30	20	13	13	12	12	12	12	12
4% Consolidated Loan	...	...	...	...	166	204	204	204	204
3½% Conversion Loan	...	...	709	760	740	832	832	832	832
4½% Conversion Loan	...	...	210	211	211	221	221	221	221
3½% War Stock	...	63	63	63	63	...	...	...	...
5½% War Stock	...	13	13	13	13	13	13	13	13
4½% and 5% War Stock	...	2,047	2,052	2,109	2,154	2,253	2,253	2,253	2,253
National War Bonds	...	1,509	778	706	656	194	111	64	64
4% Funding Loan	...	409	394	390	389	385	385	385	385
4% Victory Bonds	...	360	303	292	277	261	261	261	261
Treasury Bonds	...	...	499	482	464	675	773	762	760
Exchequer Bonds	20	323	15	15	15	16	16	16	16
National Savings Certs.	...	267	369	375	372	362	360	360	360
Other Debt*	...	1,306	1,124	1,111	1,103	1,097	1,094	1,094	1,094
American Loan (Anglo-French)	...	51	...	...	...	...	...	...	...
Treasury Bills	15	1,107	576	565	599	527	788	700	755
Temporary Advances	1	243	167	139	117	162	28	37	51
Other Capital Liabilities	654	8,033	7,598	7,558	7,655	7,528	7,665	7,528	7,595
	57	46	68	75	98	103	103	88	86
Total Liabilities	711	8,079	7,666	7,633	7,653	7,631	7,768	7,616	7,681

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	June 23, '28.	Mar. 31, '29.	June 22, '29.	Movement Week ended June 22, '29.
	£	£	£	£
Ways and Means Advances Outstanding—	...	...	...	...
Advances by Bank of England	169,100,000	37,050,000	51,155,000	— 2,150,000
Advances by Public Deptmts.	580,045,000	700,295,000	755,925,000*	— 905,000
Treasury Bills Outstanding	749,145,000	737,345,000	807,080,000	— 3,055,000
Total Floating Debt				

* Includes £18,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bills were opened on June 21, 1929, and the total amount applied for was £47,425,000. For Bills at 3 months, dated Monday to Friday, at £98 12s. 11d. and above in full; Saturday, at £98 13s. 3d. and above in full. The amounts allotted were in bills at 3 months, £38,575,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.
1929.	£	£	£ s. d.
April 19	40,000,000	52,045,000	5 2 1·07
April 26	45,000,000	49,785,000	5 2 8·72
May 3	35,000,000	49,800,000	5 0 9·07
May 10	35,000,000	40,530,000	5 2 1·30
May 17	35,000,000	38,090,000	5 3 10·91
May 24	45,000,000	50,310,000	5 8 2·06
May 31	45,000,000	51,600,000	5 6 6·06
June 7	45,000,000	55,980,000	5 6 10·74
June 14	35,000,000	50,125,000	5 6 5·67
June 21	40,000,000	47,425,000	5 6 10·09

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Revenue and other Receipts.	Estimate for the Year 1929-30.	Total Receipts into the Exchequer from April 1, 1929, to June 22, 1929.	Total Receipts into the Exchequer from April 1, 1928, to June 23, 1928.	Week Ended June 22, 1929.	Week Ended June 25, 1928.
ORDINARY REVENUE.	£	£	£	£	£
Inland Revenue—					
Income Tax	239,500,000	19,417,000	19,643,000	200,000	20,000
Super-Tax	58,000,000	8,040,000	7,790,000	320,000	530,000
Estate, &c., Duties	81,000,000	20,400,000	17,110,000	1,960,000	2,330,000
Stamps	31,000,000	4,740,000	4,780,000	760,000	320,000
Excess Profits Duty, and Corporation Profits Tax	1,700,000	10,000	180,000	...	30,000
Land Tax and Mineral Rights Duty, &c.	800,000	120,000	130,000	...	20,000
Total Inland Revenue	412,000,000	52,727,000	49,633,000	3,240,000	3,250,000
Customs and Excise—					
Customs	119,850,000	27,184,000	25,252,000	2,536,000	2,890,000
Excise	130,330,000	29,398,000	30,990,000	7,041,000	7,080,000
Total Customs & Excise	250,180,000	56,582,000	56,242,000	9,577,000	9,970,000
Motor Vehicle Duties (Exchequer Share)	4,680,000	962,000	...	*Dr152,000*	...
Post Office (Net Receipt)	8,900,000	2,850,000	2,600,000	*Dr1000000*	*Dr700,000*
Crown Lands	1,250,000	250,000	230,000	...	20,000
Receipts from Sundry Loans	30,550,000	7,403,624	6,059,216	175,000	150,000
Miscellaneous:					
Ordinary Receipts	12,500,000	1,925,449	2,317,072	19	...
Special Receipts	26,000,000	4,542,531	4,648,248	485,309	924,375
Total Ordinary Revenue	746,060,000	127,242,604	121,729,536	12,325,328	13,614,375
SELF-BALANCING REVENUE.					
Post Office	58,110,000	12,250,000	12,000,000	1,900,000	1,600,000
Motor Vehicle Duties apportioned to Road Fund	22,510,000	3,359,000	4,117,000	255,000	...
Total Self-Balancing Revenue	80,620,000	15,609,000	16,117,000	2,155,000	1,600,000
Total	...	142,851,604	137,846,536	14,480,328	15,214,375
OTHER RECEIPTS.					
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		...	...	...	...
Under the Unemployment Insurance Acts, 1920 to 1928		210,000	514,432	120,000	...
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1925, and Post Office and Telegraph (Money) Act, 1928		...	...	...	...
(b) Under the Unemployment Insurance Acts, 1920 to 1928		910,000	900,000	...	130,000
(c) For other Issues: By Treasury Bills		709,659,000	538,901,000	51,588,000	39,411,000
By National Savings Certificates		9,500,000	9,500,000	750,000	750,000
By National War Bonds		...	10	...	...
By 5 per cent. Treasury Bonds, 1933-35		...	58,235,113	...	...
By 4½ per cent. Treasury Bonds, 1932-34		26,123,092	...	3,092	...
(d) Ways and Means Advances		175,975,000	127,450,000	4,000,000	...
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		36,571	31,767	...	...
		1,065,265,267	873,378,858	70,941,420	55,505,375

Balances in Exchequer on 1st April :—	1929. £	1928. £
Bank of England	5,515,917	5,918,513
Bank of Ireland	736,607	404,112
Total	6,252,524	6,322,625
	1,071,517,791	879,701,483

EXPENDITURE AND OTHER ISSUES.	Estimate for the Year 1929-30 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1929, to June 22, 1929.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1928, to June 23, 1928.	Issues Week Ended June 22, 1929.	Issues Week Ended June 23, 1928.
ORDINARY EXPENDITURE.	£	£	£	£	£
Interest and Management of National Debt	304,600,000	112,286,608	112,330,838	1,323,410	1,185,290
Payments to Local Taxation Accounts	15,000,000	...	195,000	...	...
Payments to Northern Ireland Exchequer	5,400,000	744,745	731,949	...	15,000
Other Consolidated Fund Services	3,500,000	1,069,168	427,637	177,350	53,750
Supply Services (excluding Post Office)	363,318,000	69,387,910	65,330,200	6,797,300	5,500,000
Total Ordinary Expenditure	691,818,000	183,488,431	179,015,624	8,298,060	6,754,040
Sinking Fund	50,400,000	9,621,067	15,630,244	1,216,000	1,248,000
SELF-BALANCING EXPENDITURE.					
Post Office	58,110,000	12,250,000	12,000,000	1,900,000	1,600,000
Road Fund	22,510,000	3,359,000	4,117,000	255,000	...
Total Self-Balancing Expenditure	80,620,000	15,609,000	16,117,000	2,155,000	1,600,000
TOTAL	...	208,718,498	210,762,868	11,669,060	9,602,040
OTHER ISSUES.					
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		18,458	18,458	...	...
Under the Unemployment Insurance Acts, 1920 to 1928		910,000	900,000	...	130,000
Issues to meet Capital Expenditure—					
Under the Telegraph (Money) Act, 1925, and the Post Office and Telegraph (Money) Act, 1928		1,950,000	2,350,000	...	...
Unemployment Insur. Acts, 1920-28		210,000	514,432	120,000	...
Repayment of Amounts Borrowed					
Redemption of Debt—					
Treasury Bills		654,015,000	485,795,000	52,490,000	35,545,000
Principal of National Savings Certificates		9,750,000	10,000,000	700,000	750,000
Principal of National War Bonds paid off		...	46,569,524	...	...
Principal of Treasury Bonds paid off		29,309,505	...	...	...
Ways and Means Advances Repaid		161,870,000	120,200,000	6,150,000	9,350,000
Depreciation Fund under the Finance Act, 1917		2,219,787	...	...	...
Old Sinking Fund, 1907-08—					
Issued under Section 9 of the Finance Act, 1908		...	1,000	...	...
		1068,971,248	877,111,282	71,129,060	55,377,040

Balances in Exchequer—	June 22, 1929. £	June 23, 1928. £			
Bank of England	2,020,066	2,103,107	...	...	— 245,640	+ 49,335
Bank of Ireland	526,477	487,094	2,546,543	2,590,201	+ 58,000	+ 79,000
Total			1071,517,791	879,701,483	— 187,640	+ 128,335

Treasury, June 24, 1929.

The Bankers' Gazette.

BANK OF ENGLAND.

Return for Week ended Wednesday, June 26, 1929.

ISSUE DEPARTMENT.

	£		£
Notes Issued—		Government Debt	11,015,100
In Circulation	362,732,885	Other Government Securities	235,003,264
In Banking Department	56,343,542	Other Securities	9,149,509
		Silver Coin	4,832,127
		Amount of Fiduciary Issue	260,000,000
		Gold Coin and Bullion	159,076,427
	£419,076,427		£419,076,427

BANKING DEPARTMENT.

	£		£
Proprietors' Capital	14,553,000	Government Securities	38,551,855
Rest	3,400,918	Other Securities—	
Public Deposits*	24,714,405	Discounts and Advances £26,987,712	
Other Deposits—		Securities 23,236,682	
Bankers £67,420,265			50,224,394
Other Accounts 36,159,499		Notes	56,343,542
	103,579,764	Gold and Silver Coin	1,130,650
7-Day and other Bills	2,354		
	£146,250,441		£146,250,441

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

Both Departments.	Amount June 26, 1929.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.*
	£	£	£
Note circulation	362,732,885	+ 2,429,296	— 13,303,235
Public deposits	24,714,405	+ 3,451,376	+ 1,019,114
Bankers' deposits	67,420,265	+11,183,115	— 2,012,953
Other deposits	36,159,499	+ 604,997	
Seven-day bills	2,354	— 1,828	— 3,618
Total outside liabilities	491,029,408	+17,666,954	— 14,300,692
Capital and rest	17,953,918	+ 61,314	— 2,385
Government debt and securities	284,570,219	+ 2,650,000	+ 8,574,234
Discounts and advances	26,987,712	+19,391,214	— 10,229,395
Other securities	32,386,191	— 1,018,905	
Silver coin in issue department	4,832,127	— 502	— 567,873
Coin and bullion (bank's reserve)	160,207,077	— 3,293,540	— 12,080,043
Reserve of notes and coin in banking department	57,474,192	— 5,723,836	+ 1,693,192
Proportion of reserve to outside liabilities—			
(a) Banking department only ("proportion")	44⅜%	— 11/16%	+ 1⅜%
(b) Gold stocks to deposits and notes ("reserve ratio")	32⅜%	— 1⅜%	— 1⅜%

* Comparison includes old currency notes return.

Date.	Issue Department. Notes Issued.	Issue Department. Circulation.	Banking Department. Public Deposits.	Banking Department. Bankers' Deposits.	Banking Department. Other Deposits.	Gold in or out of Bank.	Bank Rate.
1929.	£	£	£	£	£	£	%
May 8	420,213,172	362,793,961	8,679,717	63,223,123	35,531,591	1,991,901 in	5½
15	421,140,187	362,810,877	9,290,798	61,070,863	36,078,600	923,715 in	5½
22	421,990,492	362,363,774	15,299,748	57,507,302	35,314,698	846,806 in	5½
29	422,467,271	360,106,563	24,340,708	56,349,043	35,268,620	437,112 in	5½
June 5	422,968,424	361,576,772	8,511,444	70,346,971	35,945,514	494,107 in	5½
12	423,241,482	362,058,951	10,580,976	61,100,497	35,523,122	270,967 in	5½
19	422,469,470	360,303,589	21,263,029	56,237,150	35,554,502	788,263 out	5½
26	419,076,427	362,732,885	24,714,405	67,420,265	36,159,499	3,405,970 out	5½

Date.	Issue Department. Govt. Debt and Securities.	Issue Department. Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Banking Department. Discounts & Advances.	Banking Department. Other Securities.	Banking Department. Reserve & the "Proportion."
1929.	£	£	£ %	£	£	£	£ %
May 8	247204557	7974765	160880419 34 7/16	39781855	11607200	15705552	58086458 54
15	247226046	7951539	161860918 34⅜	37816855	9586015	17746941	59050041 55⅛
22	247248974	7922728	162747297 34 7/16	38486855	6915678	20119480	60383553 55⅛
29	247220785	7945442	163269940 34 7/16	40031855	6215102	20999901	62274358 54⅛
June 5	247267677	7900003	163851130 34 7/16	43106855	6215102	20999901	62274358 54⅛
12	247268035	7899471	164211400 35⅛	36211855	5675391	21006730	62152449 57⅛
19	246518364	8649008	163500617 34⅛	35401855	7596498	24756088	63197028 55⅛
26	246018364	9149509	160207077 32⅛	38551855	26987712	23236682	57474192 44⅜

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1929.	£	£	£	£
January 1 to June 12	17,956,310	860,835	1,392,662	20,209,807
Week ended June 19	762,082	36,254	61,117	859,453
Week ended June 26	627,186	33,361	52,342	712,889
Total to date, 1929	19,345,578	930,650	1,506,121	21,782,349
Do 1928	19,414,546	906,194	1,501,099	21,821,839
Increase or decrease in 1929	— 68,968	+ 24,456	+ 5,022	— 39,490
	— 0·3%	— 2·7%	— 0·3%	— 0·2%
Total for year 1928	39,311,117	1,854,190	3,039,422	44,204,729
Total for year 1927	36,819,682	1,758,032	2,972,827	41,550,541
Increase or decrease in 1928	+ 2,491,435	+ 96,158	+ 66,595	+ 2,654,185
	— 6·7%	— 5·4%	— 2·2%	— 6·3%

PROVINCIAL CLEARING RETURNS.

	Month of May. 1928.	Month of May. 1929.	Month of May. %	Aggregate Weekly Totals to June 22. 1928.	Aggregate Weekly Totals to June 22. 1929.
Number of Working Days	26	26			
	£	£		£	£
BIRMINGHAM	12,313,000	10,216,000	—17·0	68,648,200	65,694,600
BRADFORD	5,330,000	5,124,000	— 3·8	...	...
BRISTOL	5,357,000	4,808,000	—10·2	30,066,000	29,703,000
DUBLIN	...	...	...	123,353,900	121,796,800
HULL	3,976,000	3,386,000	—14·8	23,000,800	21,813,300
LEEDS	4,081,000	4,245,000	+ 4·0	24,571,500	25,009,100
LEICESTER	3,940,000	3,070,000	—22·0	21,994,000	20,068,800
LIVERPOOL	38,025,000	33,049,000	—13·0	211,849,400	197,525,000
MANCHESTER	58,600,000	51,107,000	—12·7	336,493,800	319,119,100
NEWCASTLE-ON-TYNE	6,185,000	6,373,000	+ 3·0	36,731,200	36,326,200
NOTTINGHAM	2,874,000	2,536,000	—11·7	16,105,400	15,770,300
SHEFFIELD	4,321,000	4,210,000	— 2·5	24,972,600	24,982,000
Total	145,002,000	128,124,000	...	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Bank of Denmark appeared in the *Economist* of June 8; Egypt in June 15; Italy, Roumania, Poland, Russia, Danzig and Netherlands in June 22.

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

Resources.	June 28, 1929.	June 21, 1929.	June 14, 1929.	June 7, 1929.	June 28, 1928.
Total gold reserves	2,895,510	2,880,300	2,875,630	2,843,970	2,583,310
Total bills discounted	1,016,750	959,100	933,910	977,440	1,031,870
Bills bought in open market	82,840	87,030	114,120	112,750	223,430
Total U.S. Govt. securities	149,530	139,460	169,870	147,330	211,940
Total bills and securities	1,262,430	1,198,760	1,227,820	1,247,440	1,467,730
Total resources	5,147,480	5,199,330	5,150,750	5,103,320	4,963,460
LIABILITIES.					
Federal Reserve notes in actual circulation	1,658,500	1,649,190	1,644,220	1,653,690	1,604,640
Deposits—Memberbank—reserve account	2,343,810	2,291,770	2,328,230	2,321,340	2,344,710
Total deposits	2,419,660	2,368,670	2,376,220	2,365,780	2,381,800
Capital paid in and surplus	413,000	412,810	412,330	411,900	373,640
Total liabilities	5,147,480	5,199,330	5,150,750	5,103,320	4,963,460
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	85·3%	75·8%	75·2%	74·4%	68·7%

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

	June 28, 1929.	June 21, 1929.	June 14, 1929.	June 7, 1929.	June 28, 1928.
Total bills discounted	317,590	251,660	225,700	209,940	373,080
Bills bought in open market	14'170	11,960	28,520	18,170	36,860
Total U.S. Govt. securities	24,570	15,540	45,340	23,590	34,750
Total bills and securities	362,140	284,970	301,470	253,620	444,690
Deposits — Memberbank — reserve account	962,820	928,020	940,090	941,170	939,750
Ratio of total res. to dep. and Federal Res. note liabilities combined	77·2%	81·1%	80·3%	83·3%	69·8%

STATEMENT OF CANADIAN BANKS.—In $'s (000's omitted).

	Mar. 31, 1929.	Feb. 28, 1929.	Jan. 31, 1929.	Dec. 31, 1928.	Mar. 31, 1928.
ASSETS.					
Cash and bank balances	448,105	421,199	434,654	515,804	417,751
Bank balances abroad	88,219	73,026	84,978	77,638	74,395
Call and short loans	559,971	596,556	594,800	558,493	467,852
Securities	523,529	530,186	529,695	524,561	544,109
Loans in Canada	1,412,022	1,359,665	1,324,127	1,334,220	1,254,498
Loans abroad	265,455	257,254	259,657	262,498	289,923
Other assets	196,787	197,525	197,804	196,486	184,736
LIABILITIES.					
Note circulation	188,726	162,333	158,120	186,087	176,805
Deposits—					
Government	190,294	160,515	142,112	135,461	107,990
Public in Canada	2,161,382	2,166,014	2,200,431	2,235,308	2,135,531
Foreign	398,742	393,530	394,732	382,577	364,458
Bank balances—					
Canadian	17,304	11,978	13,383	16,705	15,164
Foreign	122,844	138,295	118,971	118,275	50,935
Bills payable, &c.	106,404	104,141	113,052	116,874	98,754
Capital and rest	277,923	271,233	261,396	260,560	256,331
Other liabilities	3,218	5,461	4,579	3,879	3,047

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

	May 30, 1929.	May 23, 1929.	May 17, 1929.	May 10, 1929.	May 3, 1929.	June 1, 1928.
ASSETS.						
Gold coin and bullion	8,257	7,961	7,930	8,131	7,926	8,211
Subsidiary coin	94	112	113	106	108	134
Bills discounted	9,404	8,606	8,415	8,530	9,599	7,640
Investments	616	616	616	616	616	596
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	600	600	600	600	600	509
Notes in circulation	9,709	8,243	8,318	8,304	9,430	9,070
Government deposits	2,050	2,250	1,803	1,383	1,622	2,149
Bankers' deposits	4,994	4,925	5,053	4,842	4,990	5,007
Ratio of cash reserves to liabilities to public	47·1%	49·5%	51·7%	50·3%	48·1%	49·2%

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

	May 31, 1929.	May 24, 1929.	May 17, 1929.	May 10, 1929.	May 3, 1929.	June 1, 1928.
ASSETS.						
Total securities	23,68,38	23,57,65	23,35,00	23,00,50	22,84,90	24,98,40
Loans	10,80,04	10,97,91	11,64,38	13,42,20	14,34,91	15,82,94
Cash credits	28,73,65	29,45,06	29,31,93	28,43,13	28,71,74	30,46,86
Inland bills	6,59,55	7,16,14	8,06,22	9,51,36	9,64,10	11,60,44
Foreign bills	30,06	33,80	39,91	39,70	46,99	30,61
Dead stock	2,85,40	2,85,40	2,85,28	2,84,09	2,83,83	2,84,98
Bal. with other banks	18,82	24,30	16,05	19,55	27,82	6,81
Cash	19,21,72	16,24,75	13,96,04	12,53,61	12,80,09	12,50,33
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	5,22,50	5,22,50	5,22,50	5,22,50	5,22,50	5,12,50
Total deposits	80,81,69	79,18,34	78,14,06	78,93,71	80,58,26	78,21,52
The above includes—	£	£	£	£	£	£
Deposits in London	940	1,043	979	1,012	1,087	953
Advances in London	922	980	937	935	923	1,009
Cash, &c., at other Banks in London	139	182	121	137	205	50

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

	June 21, 1929.	June 14, 1929.	June 7, 1929.	May 31, 1929.	June 25, 1928.
ASSETS.					
Gold	36,616,599	36,609,919	36,602,836	36,596,433	28,934,885
Foreign assets—					
Sight deposits	7,254,755	7,439,795	7,512,884	7,805,026	15,984,601
Bills discounted	18,469,689	18,631,259	18,502,915	18,466,712	10,544,906
Commercial bills discounted at home	6,366,589	6,274,965	6,667,819	5,762,129	2,965,454
Advances against sec.					
To the State	8,968,689	8,968,689	8,968,689	8,968,689	9,130,000
Other advances	2,354,757	2,415,007	2,429,467	2,443,808	1,846,774
Other assets (excluding forward exch.)	...	3,200,650	3,244,900	4,839,320	3,110,839
LIABILITIES.					
Notes in circulation	62,970,649	63,140,820	63,486,423	64,316,379	58,772,461
Public deposits	11,410,130	11,716,192	11,581,099	11,431,298	7,012,806
Private deposits	6,519,888	6,028,098	6,450,037	6,808,059	5,471,053
Other liabilities	...	2,555,174	2,387,473	2,306,865	1,251,139

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

	June 22, 1929.	June 15, 1929.	June 7, 1929.	June 23, 1928.
ASSETS.				
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	1,764,327	1,764,382	1,764,424	2,062,207
Of which deposited abroad	59,147	59,147	59,147	85,626
Reserve in foreign currencies	330,746	318,515	308,548	245,255
Bills of exchange and cheques	2,481,510	2,632,411	2,856,514	1,860,861
Silver and other coin	144,706	134,949	120,009	104,008
Notes of other German banks	19,440	16,277	9,822	24,067
Advances	92,609	125,808	113,410	27,211
Investments	92,888	92,891	92,891	93,996
Other assets	480,142	471,503	491,699	616,893
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	319,608	319,608	319,608	284,205
Notes in circulation	4,068,747	4,191,840	4,372,539	3,906,724
Other daily maturing obligations	579,210	602,637	632,125	572,708
Other liabilities	316,015	319,863	310,257	208,073

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

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

	June 20, 1929.	June 13, 1929.	June 6, 1929.	May 30, 1929.	June 21, 1928.	Position, May 28, 1914.
ASSETS.						
Gold	999,631	998,545	980,796	963,274	798,012	(b)
Foreign Bills and Balances Abroad	456,482	459,784	477,160	491,085	444,457	232,650
Silver and other coin	1,693	1,654	1,690	1,661	2,473	
Securities	730,260	733,050	736,825	743,502	556,753	697,600
LIABILITIES.						
Notes in circulation	2,449,975	2,474,129	2,475,729	2,497,531	2,085,454	934,150
Current accounts	97,601	106,256	80,426	96,073	132,369	112,138

(b) In thousand francs.

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

	June 22, 1929.	June 15, 1929.	June 8, 1929.	June 1, 1929.	June 23, 1928.	Position May 30, 1914.
ASSETS.						
Gold	182,900	183,400	184,800	185,700	174,040	22,971
Silver					15,640	29,785
Discounts, advances, and other investments	155,200	149,700	143,200	141,400	133,308	77,567
LIABILITIES.						
Notes in circulation	304,700	308,600	306,700	302,400	307,594	109,499
Deposits and bills payable	43,500	39,700	34,700	37,600	50,013	11,250

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

	June 22, 1929.	June 15, 1929.	June 7, 1929.	May 31, 1929.	June 23, 1928.	Position May 31, 1914.
ASSETS.						
Gold	496,062	496,137	496,132	496,119	444,623	171,178
Silver	39,209	39,016	38,648	39,663	60,052	18,360
Foreign Bills and Balances abroad	258,767	258,092	261,385	260,748	...	...
Discounts	119,653	116,956	121,100	120,748	174,571	...
Advances	57,521	57,761	62,716	60,661	67,109	103,000
LIABILITIES.						
Notes in circulation	812,397	815,037	839,517	871,605	776,203	275,925
Deposits	128,075	140,715	119,187	110,271	92,270	33,750

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

	June 22, 1929.	June 15, 1929.	June 8, 1929.	June 1, 1929.	June 23, 1928.
ASSETS.					
Gold	233,772	233,909	234,043	234,169	230,729
Government securities—Swedish	6,052	6,052	6,074	5,684	11,018
" Foreign	75,705	75,705	75,705	73,774	60,584
" Swedish " bonds quoted on foreign bourses	164	164	164	167	956
Bills payable in Sweden†	259,899	263,317	265,610	272,644	282,387
" " abroad	69,318	63,068	62,994	61,666	13,201
Balance abroad	46,686	47,107	49,135	47,236	33,342
Advances made on government securities and bonds†	67,704	61,150	61,616	71,227	65,245
LIABILITIES.					
Notes in circulation	508,236	500,520	496,350	525,749	475,865
Government deposits	204,093	205,299	204,611	199,483	181,596
Private deposits	6,588	6,737	5,961	4,841	4,852

† The sum of the items "Bills payable in Sweden" and "Advances made on Government Securities and Bonds" excludes advances and cash credits which are not available as cover for the note issue.

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

	June 15, 1929.	June 7, 1929.	May 31, 1929.	June 15, 1928.	Position, May 31, 1914.
ASSETS.					
Coin and bullion—Gold	146,786	146,791	146,793	147,044	44,224
Balance abroad and foreign bills	41,780	43,620	45,600	31,995	28,535
Norwegian and Foreign Government securities	11,393	11,393	11,393	10,340	8,816
Discounts and loans	287,443	269,566	277,531	271,943	769,110
LIABILITIES.					
Notes in circulation	305,414	302,993	304,979	312,453	113,484
Deposits at sight	98,251	104,352	112,485	94,132	7,188

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

	June 22, 1929.	June 15, 1929.	June 8, 1929.	June 1, 1929.	June 23, 1928.	Position, May 30,1914.
ASSETS.						
Gold	2,561,262	2,561,039	2,560,808	2,560,512	2,608,019	521,775
Silver	722,317	719,653	717,876	719,815	710,948	738,600
Loans & Discounts	2,036,363	2,034,002	2,091,026	3,230,892	1,783,726	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Advcs. to Treasury	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,234,918	4,279,828	4,311,348	4,260,800	4,197,163	901,550
Deposits	927,815	966,757	940,425	894,138	1,014,139	477,500

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

	June 12, 1929.	June 5, 1929.	May 29, 1929.	May 22, 1929.	June 13, 1928.
ASSETS.					
Coin and bullion	9,693	9,696	9,697	9,667	9,269
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	290,225	304,159	300,183	307,333	213,485
Discounts	284,128	280,387	280,690	280,744	250,770
Government loans	1,708,422	1,722,362	1,716,547	1,725,656	1,639,171
LIABILITIES.					
Notes in circulation	1,851,150	1,860,430	1,813,363	1,814,815	1,890,459
Deposits	49,597	49,012	54,670	64,268	85,068

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

	June 16, 1929.	June 7, 1929.	May 31, 1929.	May 23, 1929.	June 15, 1928.
ASSETS.					
Cash Reserve—					
Gold coin and bullion	168,634	168,634	168,634	168,634	117,199
Foreign exchange	191,616	194,712	195,148	192,845	282,411
Other foreign exchanges	340,169	342,700	343,306	342,099	276,207
Bills discounted	204,226	212,963	225,372	188,674	105,634
Gov. Debt	109,714	109,714	109,811	109,811	167,701
LIABILITIES.					
Share capital	43,200	43,200	43,200	43,200	43,200
Reserve fund	9,283	9,283	9,283	9,283	9,167
Notes in circulation	921,668	942,048	997,755	862,077	881,385
Deposits	95,485	89,860	47,639	144,264	71,481

† In dollar and sterling only.

NATIONAL BANK OF HUNGARY.—In Hungarian Pengö (000's omitted).

	June 15, 1929.	June 7, 1929.	May 31, 1929.	May 23, 1929.	June 15, 1928.
ASSETS.					
Metal reserve—					
Gold coin and bullion	176,624	176,624	176,623	176,623	196,539
Drafts and notes	11,859	15,620	18,613	26,631	78,255
Silver coin and bullion	9,780	9,656	9,823	10,080	817
Inland bills, warrants and securities	355,637	363,857	380,741	352,210	287,100
Advances to the Treasury	92,180	92,180	92,218	92,219	105,832
LIABILITIES.					
Share capital (gold crowns 30,000,000*)	34,756	34,756	34,756	34,756	34,756
Notes in circulation	398,086	414,734	446,354	387,132	405,039
Current accounts, deposits, &c.	199,996	200,504	190,114	229,787	292,564

* Calculated at pre-war parity of exchange.

NATIONAL BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

	June 15, 1929.	June 7, 1929.	May 31, 1929.	May 23, 1929.	June 15, 1928.
ASSETS.					
Gold and silver holdings	1,206,259	1,206,233	1,206,190	1,206,629	1,118,623
Balance abroad and foreign currency	1,710,615	1,729,502	1,702,693	1,646,993	1,741,596
Discounts and advances	581,853	624,935	539,765	437,243	314,475
State notes debt balance	3,989,367	3,994,927	4,006,436	4,012,771	4,316,149
Other assets	678,158	724,512	750,774	649,213	902,499
LIABILITIES.					
Bank notes in circulation	6,706,417	6,876,603	7,182,688	6,409,749	6,674,737
Check account balances	736,807	684,998	404,474	834,055	971,077
Other liabilities	250,434	245,914	246,102	236,451	314,903

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

	June 15, 1929.	June 8, 1929.	May 31, 1929.	May 22, 1929.	June 15, 1928.
ASSETS.					
Gold	92,953	92,817	92,583	92,455	90,130
Other coin and notes	18,035	18,712	18,443	18,230	18,241
Foreign credits	201,251	224,948	228,710	236,479	250,356
Bills	1,202,604	1,226,248	1,253,866	1,307,367	1,235,077
Government advances	4,201,087	4,201,096	4,201,094	4,201,078	4,323,052
LIABILITIES.					
Notes in circulation	5,025,759	5,161,820	5,092,616	5,032,871	5,213,631
State credits	227,839	227,827	227,824	227,808	294,032
Deposits	976,609	950,290	1,049,640	1,205,266	931,895

NATIONAL BANK OF BULGARIA.—In levs (000's omitted).

	June 7, 1929.	May 31, 1929.	May 23, 1929.	May 15, 1929.	June 7, 1928.
ASSETS.					
Gold and silver holdings	1,533,805	1,531,392	1,528,553	1,526,334	1,466,016
Balances abroad and foreign currencies	2,013,429	2,094,865	2,077,721	2,209,716	312,493
Discounts and advances	1,522,257	1,522,999	1,500,123	1,489,202	1,386,890
Advances to the Treasury	3,625,241	3,645,241	3,665,241	3,665,241	4,470,613
LIABILITIES.					
Capital paid up	500,000	500,000	500,000	500,000	516,422
Reserves	1,172,514	1,171,188	1,171,166	1,170,366	1,128,451
Bank notes in circulation	4,007,763	3,977,155	7,039,034	4,156,441	3,843,028
Sight liabilities	2,723,640	2,875,601	2,820,031	2,782,350	1,042,150
Deposits	455,939	458,438	456,510	460,183	1,261,418

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

	June 7, 1929.	May 31, 1929.	May 23, 1929.	May 15, 1929.	May 7, 1929.
ASSETS.					
Gold	583,387	581,393	578,418	574,752	571,377
Gold exchange	5,505,981	5,526,961	5,663,411	5,350,651	4,933,291
Other foreign exchange	1,303	1,354	1,154	1,151	1,154
Bills discounted	40,035	37,382	34,574	37,719	37,175
Advances	79,946	79,730	76,440	78,534	70,188
Debt to the State	3,656,305	3,656,305	3,656,305	3,656,305	3,656,305
LIABILITIES.					
Capital paid up	400,000	400,000	400,000	400,000	400,000
Notes in circulation	5,380,342	5,414,846	5,438,338	5,606,356	5,721,209
Deposits and current accounts	1,774,325	1,801,620	1,829,990	1,902,837	1,751,235
Foreign exchange liabilities	2,361,893	2,318,738	2,390,030	1,872,031	1,465,353

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

	June 15, 1929.	June 8, 1929.	May 31, 1929.	June 15, 1928.	Position, May 30,1914.
ASSETS.					
Gold	301,477	300,801	301,101	311,277	35,091
Balance abroad and foreign bills	563,614	578,268	586,969	797,858	90,379
Finnish and Foreign Government securities	301,707	301,707	301,708	337,806	21,826
Discounts and loans	1,526,988	1,523,770	1,515,362	1,176,403	105,151
LIABILITIES.					
Notes in circulation	1,469,837	1,478,610	1,480,876	1,555,847	123,941
Deposits at notice	144,038	155,266	191,350	176,697	21,225

BANK OF ESTONIA.—In Est. krones (000's omitted).

	June 15, 1929.	June 7, 1929.	May 31, 1929.	May 23, 1929.	June 15, 1928.
ASSETS.					
Gold coin and bullion	6,306	6,301	6,295	6,290	10,367
Net foreign exchange	18,498	18,875	19,296	19,880	27,498
Subsidiary Estonian coin	763	790	765	652	787
Home bills discounted	14,238	14,089	14,422	14,512	9,045
Loans and advances	13,178*	13,034	13,548	13,370	16,573
LIABILITIES.					
Notes in circulation	31,158	30,913	31,587	33,512	35,148
Sight deposits and current accounts	16,485	17,392	18,240	16,690	22,583
Ratio of reserve to current liabilities	52·06%	52·11%	51·35%	53·13%	65·58%

* Incindes Ekr. 9,894,303·71, guaranteed by the Government.

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

	June 19, 1929.	June 12, 1929.	June 5, 1929.	May 29, 1929.	May 22, 1929.	June 20, 1928.
ASSETS.						
Gold bullion and coins	23,861	23,850	23,850	23,842	23,842	23,722
Silver coin	5,033	4,930	4,854	4,814	4,782	4,396
Balance abroad	47,316	48,966	50,999	53,281	55,250	78,983
Treas. notes and sm. change	14,554	15,274	13,535	12,644	11,342	12,218
Short term bills	88,711	88,184	88,407	87,079	87,583	81,893
Loans against securities	57,684	58,885	57,878	57,603	58,423	42,405
Other assets	17,757	17,835	17,604	17,926	17,714	10,867
LIABILITIES.						
Notes in circulation	42,894	42,552	43,449	44,226	45,492	40,321
Capital paid up	15,581	15,581	15,581	15,581	15,581	15,581
Reserve	3,091	3,091	3,090	3,091	3,091	3,091
Special reserve	2,500	2,500	2,500	2,500	2,500	2,500
Deposits	13,036	13,048	13,076	12,946	12,919	11,844
Current accounts	53,932	55,388	51,874	52,859	55,889	54,114
Government accounts	106,723	108,455	112,088	111,190	108,966	118,999
Other liabilities	17,157	17,306	15,469	14,796	14,499	8,034

BANK OF LITHUANIA.—In lt. (000's omitted).

	June 15, 1929.	May 31, 1929.	May 15, 1929.	Apr. 30, 1929.	Apr. 15, 1929.	June 15, 1928.
ASSETS.						
Gold	34,367	34,361	34,358	34,354	34,342	34,332
Silver	4,411	4,401	4,372	4,352	4,346	4,551
State Treasury coins	1,816	1,820	1,825	1,835	1,845	1,891
Foreign currency	36,993	39,017	41,088	42,110	37,164	44,788
Discount and credit	84,298	83,531	85,256	87,502	88,902	82,849
LIABILITIES.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Reserve	1,350	1,350	1,350	1,200	1,200	1,200
Banknotes in circulation	81,357	85,488	86,897	91,743	89,163	85,235
Deposits	70,365	68,988	70,154	67,098	65,753	74,344

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

	June 8, 1929.	June 1, 1929.	May 25, 1929.	May 18, 1929.	June 9, 1928.	Position June 30,1914
ASSETS.						
Cash & bullion	1,129,890	1,129,198	1,129,599	1,129,055	1,137,599	221,320
Discounts	696,914	709,272	704,882	702,896	990,737	41,740
Advances	74,067	79,128	76,573	77,572	73,500	70,540
LIABILITIES.						
Notes	1,203,938	1,298,904	1,188,162	1,132,115	1,204,031	362,270
Govt. deposits	480,869	491,700	530,347	537,314	685,954	87,340
Other deposits	449,887	371,309	411,057	444,652	444,234	11,440

CENTRAL BANK OF CHILE.—In $'s (000's omitted).

	May 17, 1929.	May 10, 1929.	May 3, 1929.	Apr. 26, 1929.	May 18, 1928.
ASSETS.					
Gold at home	61,305	60,806	60,950	60,892	61,814
Gold abroad	466,714	477,444	261,178	463,189	511,008
Discounts and advances	69,994	81,944	99,258	88,150	10,300
LIABILITIES.					
Notes of the bank in circulation	369,867	372,693	373,482	365,644	308,857
Government notes in circulation	5,674	5,740	5,787	5,850	32,645
Deposits	154,849	172,421	165,576	171,769	167,857
Drafts	1,675	1,676	4,287	4,287	2,088
Paid-up capital	90,625	90,625	90,625	90,625	89,523

LONDON RATES.

	June 20, 1929.	June 21, 1929.	June 22, 1929.	June 24, 1929.	June 25, 1929.	June 26, 1929.	June 27, 1929.
Bank rate (changed from 4½% Feb. 7, 1929)	5%	5%	5%	5%	5%	5%	5%
Market rates of discount—							
60 days' bankers' drafts	5⅛–5	5⅛–5	5⅛–5	5⅛–5	5⅛–5	5⅛–5	5⅛–5
3 months' do.	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛
4 months' do.	5⅛–5	5⅛–5	5⅛–5	5⅛–5	5⅛–5	5⅛–5	5⅛–5
6 months' do.	5⅛–5	5⅛–5	5⅛–5	5⅛–5	5⅛–5	5⅛–5	5⅛–5
Discount (Treasury Bills)—							
2 months'	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛
3 months'†	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛	5⅛–5⅛
Loans—Day to day	4½–5	4–4½	3½–4½	3½–4½	3½–4½	3½–4½	3½–4
Short	4½–5½	4½–5½	4½–5½	4½–5½	4½–5½	4½–5½	5–6
Deposit allowances: Bank	3½	3½	3½	3½	3½	3½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks :—

	Short Loans.	Bank Bills. 3 Months.	Bank Bills. 4 Months.	Bank Bills. 6 Months.	Trade Bills. 3 Months.	Trade Bills. 4 Months.	Trade Bills. 6 Months.
1929.	%	%	%	%	%	%	%
June 6	4½–5	5½–⅝	5½–⅝	5⅝	5½–⅝	5½–⅝	6–6½
13	4½–5	5½–⅝	5⅝–¾	5⅝	5½–⅝	5½–6	6–6½
20	4½–5½	5⅝–¾	5⅝–¾	5⅝–¾	5½–6	5½–6	6–6½
27	5–6	5⅝–¾	5⅝	5⅝	5½–5⅝	5½–6	6–6½

RATES OF EXCHANGE.

London on		Usance	Par.	June 28, 1928.	June 20, 1929.	June 27, 1929.
New York	dollars to £1	Cable	4·86⅝	4·87⅛–⅛	4·84 31/32–85 1/32	4·84 31/32–85 1/32
Montreal	dollars to £1	Cable	4·86⅝	4·88⅛–9	4·88⅛–88⅛	4·89–4·89⅛
Paris	francs to £1	T.T.	124·21	124¼–124½	123·98–124·01	123 89–92
Berlin	marks to £1	T.T.	20·43	20·40–1	20·32½–33	20·34½–35
Amsterdam	florins to £1	T.T.	12·107	12·10½–10½	12·07¼–07⅛	12·07½–08
Brussels	belga to £1	T.T.	35·00	34·91½–2	34·92½–93½	34·90–90½
Milan	lire to £1	T.T.	92·46	92·70–75	92·68–70	92·67–70
Berne	francs to £1	T.T.	25·22	25·29½–¼	25·19½–20½	25·19½–20
Oslo	kroner to £1	T.T.	18·159	18·21½–2	18·19¼–20	18·19½–20
Stockholm	kroner to £1	T.T.	18·159	18·17–½	18·09–09½	18·08½–09½
Copenhagen	kroner to £1	T.T.	18·159	18·20¼–½	18·20¼–21	18·20–20½
Madrid	pesetas to £1	T.T.	25·22½	39·52–4	34·25–27	34·24–25
Lisbon	escudo to £1	T.T.	4·50	107½–108	108–108½	108½–108⅝
Vienna	schilgs. to £1	T.T.	34·58½	34·62–4	34·49–52	34·48–51
Prague	krone to £1	T.T.	24·02(a)	164⅛–⅜	163½–163¾	163½–163¾
Belgrade	dinars to £1	T.T.	25·22½	276¼–77½	275–276	275½–276½
Budapest	pengo to £1	T.T.	27·82	27·95–8	27·81–84	27·81–84
Bukarest	lei to £1	T.T.	813·6	794–7	817–818	816–818
Sofia	leva to £1	T.T.	25·22½	673–8	668–673	668–673
Athens	drachmæ to £1	T.T.	375	374½–5½	374½–375½	374½–375½
Constantin'ple	piastres to £1	T.T.	110	955–58	1005–1010	1010–1015
Moscow	roubles to £1	T.T.	9·46	†9·47–9·49	†9·41½–43½	†9·41½–9·43½
Warsaw	zloty to £

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Mar. 23, 1929	5½	Oslo	Mar. 26, 1928	5½
Athens	Dec. 2, 1928	9	Paris	Jan. 19, 1928	3½
Belgrade	July 26, 1921	6	Prague	Mar. 8, 1927	5
Berlin	April 25, 1929	7½	Pretoria	Jan. 9, 1928	5½
Brussels	June 30, 1928	4	Reval	Jan. 2, 1928	7½
Bucharest	May 14, 1929	9½	Riga	April 1, 1928	{ 6† 7†
Budapest	April 25, 1929	8	Rome	Mar. 13, 1929	7
Calcutta	June 6, 1929	5	Sofia	Dec. 15, 1928	9
Copenhagen	June 23, 1927	5	Stockholm	Aug. 24, 1928	4½
Danzig	June 20, 1927	6	Swiss Bank places	Oct. 22, 1925	3½
Helsingfors	Nov. 15, 1928	7	Tokio	Oct. 18, 1927	5·48
Kovno	Feb. 8, 1925	7	Vienna	Apr. 23, 1929	7½
Lisbon	July 28, 1926	8	Warsaw	Apr. 19, 1929	9
New York Federal Reserve	July 12, 1928	6			
Madrid	Dec. 19, 1928	5½	Irish	Apr. 21, 1927	5½

Central Bank of Chile.—Discount rate for member banks, 6½%; discount rate for the public, 7½%.
† 6% applied to banks, &c., charging not more than 11% p.a. for their loans.
† 7% applied to banks, &c., charging more than 11% p.a. for their loans.

CURRENT RATES IN NEW YORK.

The Irving Trust Company cable the following money and exchange rates in New York:—

	June 27, 1928.	May 30, 1929.	June 6, 1929.	June 13, 1929.	June 20, 1929.	June 27, 1929.
	%	%	%	%	%	%
Call money	7	6	7	8	7	10
Time money (90 days' mixed coll.)	5½	9	8½	8½	8	8
Bank acceptances:—			Selling Rates.			
Members—eligible, 90 days	4½	5⅛	5⅛	5⅛	5⅛	5⅛
Non-mem.—eligible, 90 days	4½	6⅛	5⅛	5⅛	5⅛	5⅛
Ineligible, 90 days	4⅝	5⅛	6⅛	6⅛	6⅛	6⅛
Commercial accept. 90 days	4½	5⅛	5⅛	5⅛	5⅛	5⅛

Rates of Exchange, New York on—		Par Level.	June 27, 1928.	June 13, 1929.	June 20, 1929.	June 27, 1929.
London—						
60 days	Dollars for £1	4·8666	4·83 31/32	4·79 3/8	4·79 3/8	4·795
Cable			4·87 19/32	4·84 19/32	4·84 19/32	4·84 19/32
Cheques			4·87 19/32	4·84 9/16	4·84 9/16	4·84 9/16
Paris	cheques	3·918	3·92 1/4	3·90625	3·90875	3·90 15/16
Brussels	Cents for 1 franc	13·90	13·97	13·88 1/2	13·88	13·885
Switzerland	Cents for 1 Belga	19·30	19·27 1/2	19·23 1/2	19·23	19·2325
Italy	Cents for 1 franc	5·263	5·255	5·22 1/2	5·22 7/8	5·22 1/2
Berlin	Cents for 1 lire	23·81	23·87 1/2	23·81	23·84	23·815
Vienna	Cents for 1 mark	14·07	14·07	14·045	14·04	14·04
Madrid	Cts. for Austro. schlg	19·30	16·53	14·30	13·95	14·145
Amsterdam	Cents for 1 peseta	40·195	40 26 1/4	40·12	40·12 1/4	40·12
Copenhagen	Cents for 1 gulider		26·82	26·62	26·62	26·62
Oslo	Cents for 1 kroner	26·80	26·76	26·62	26·63	26·63
Stockholm			26·815	26·73	26·79	26·79
Athens	Centsforldrachma	1·297	1·3025	1·29 3/8	1·29 3/8	1·29 3/8
Montreal	Can. Cents for $1	100	1/4 dis.	3/8 dis.	3/8 dis.	1/4 dis.
Yokohama	Cents for 1 yen	49·85	46·35	43·8	43 95	43·70
Hong Kong	Cents for H.Kong $	...	50·60	47·95	47 95	47 90
Shanghai	Cts. for 1 Shng. tael	...	66·25	57·85	58 15	57·70
Calcutta	Cents for 1 rupee	36·50	36·28	35·95	35 95	36 05
Buenos Aires	Gold Pesos for $100	103·65	42·65	105·10	105·25	104 85
Rio de Janeiro	Cents for 1 milreis	32·42	11·93	11·85	11·25	11·85
Valparaiso	Cents for 1 peso	12·125	12·18	12·05	12·05	12·07

CENTRAL AND SOUTH AMERICAN EXCHANGE RATES.

The Anglo-South American Bank, Limited, quotes the following rates of exchange:—

Country.	Method of Quoting.	Par Value.	Usance.	Rate.
Ecuador	Sucres to £	24·3325	Sight London	24·55
Venezuela	Bolivares to £	25·25	"	25 21
Colombia (Bogota)	Pesos to £1	5	"	5·04
Nicaragua	Cordobas to £	4·8665	"	4·92
Salvador	Colones to £	9·73	"	9·90
Bolivia	pence to Boliviano	18·0	90 days	18

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa. From February 6, 1928. London on South Africa.		Union of South Africa. From February 18, 1929. South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	...	⅛% dis.	par to ⅛% pm.	⅛% prem
Demand	1/32% dis.	1/32% "	⅛% dis.	1/32% "
30 days	1/16% "	1/32% "	1/32% "	1/16% "
60 days	3/32% "	1/16% "	1/16% "	3/32% "
90 days	3/32% "	1/16% "	1/16% "	1/16% "
120 days	3/16% "	1/8% "	2/16% "	...

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand. Buying.		London on Australia and New Zealand. Selling.		Australia and New Zealand on London. Buying.		Australia and New Zealand on London. Selling.	
	Australia.	New Zealand.	Australia.	New Zealand.	Australia.	New Zealand.	Australia.	New Zealand.
T.T.	...	...	99 1/4	99 1/4	...	...	101	100 1/2
Demand	98 1/4	98 1/2	99 1/2	99 1/2	99 1/2	99 1/2	100 1/2	100 1/4
30 days	97 15/16	97 15/16	...	...	99 3/16	99 1/16	100 1/4	99 1/4
60 days	97	97 1/8	...	...	98 3/16	98 1/16	99 1/4	99 1/4
90 days	96 1/8	96 1/8	...	...	98 1/8	97 1/16	...	99 1/4

BULLION.

The following statistics of imports and exports of gold for week ended June 27, 1929, are issued by the Statistical Department of H.M. Customs and Excise:—

Imported into Great Britain and Northern Ireland.	£	Exported from Great Britain and Northern Ireland.	£
From—		*To*—	
France	2,754	Austria	15,000
Irish Free State	10,000	Poland (includ. Danzig)	1,700
British West Africa	39,011	Germany	37,400
British South Africa	766,678	Netherlands	2,100
Other Countries	277	Belgium	1,001,705
		France	17,422
		Switzerland	44,428
		United States of America	$16,500
		British India	23,917
		Other Countries	205
Total declared value of imports	818,720	Total declared value of exports	1,961,234

GOLD MOVEMENTS.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follow:—

1929.	ARRIVALS.	£
June 21		Nil
" 22		Nil
" 24	For. coin bought & Sovs. from abroad	14
" 25		10,000
" 26		Nil
" 27		Nil
	Total	10,014

1929.	WITHDRAWALS.	£
June 21		Nil
" 24	Bars sold	Nil
" 25	Bars sold	1,721
" 26	Bars sold	1,873,718
" 27	Bars sold	1,540,592
		2,804,564
	Total	6,220,595

Net withdrawals, £6,210,581.

Messrs Samuel Montagu and Co. write as follows on June 26, 1929:—

GOLD.

The Bank of England gold reserve against notes amounted to £162,469,470 on the 19th instant (as compared with £163,241,482 on the previous Wednesday), and represents an increase of £8,563,155 since April 29, 1925—when an effective gold standard was resumed.

The exchange with Germany remaining favourable to the export of gold to that country, there was a keen demand for the gold on offer in the open market yesterday. About £777,000 was available, and of this £20,000 was secured for India and £37,000 for the Home and Continental trade. The balance of £720,000 was taken for Germany, and in addition, both yesterday and to-day, large withdrawals were made from the Bank of England for that quarter—as indicated in the figures given below. There was a net efflux of gold of £3,405,970 during the week.

SILVER.

The week under review has been quiet, and at 24½d. and 24 5/16d. for cash and two months' delivery respectively, prices remained unchanged for three consecutive working days. China has both bought and sold and the Indian Bazaars also worked both ways, having made some forward sales besides buying to cover bear positions. American operators have continued to sell without pressing silver on the market, being usually willing to meet the moderate demand at current rates. In the return of the Bank of France dated the 14th instant, the holding of demonetised silver coin showed a decrease of about 100,000,000 francs as compared with the return of the previous week. The following were the United Kingdom imports and exports of silver registered from mid-day on the 17th instant to mid-day on the 24th instant:—

IMPORTS.	£	EXPORTS.	£
Mexico	77,500	Poland	160,548
Netherlands	10,150	Egypt	29,149
Irish Free State	6,400	British India	44,765
Other countries	194	Other countries	5,693
	£94,244		£240,155

INDIAN CURRENCY RETURNS (in lacs of rupees).

	June 15.	June 7.	May 31.
Notes in circulation	18,531	18,426	18,416
Silver coin and bullion in India	10,055	9,949	9,957
Silver coin and bullion out of India	...	...	...
Gold coin and bullion in India	3,222	3,222	3,222
Gold coin and bullion out of India	...	...	...
Securities (Indian Government)	4,322	4,323	4,323
Securities (British Government)	932	932	914

The stock in Shanghai on the 22nd instant consisted of about 79,500,000 ounces in sycee, 124,000,000 dollars and 7,340 silver bars, as compared with about 78,600,000 ounces in sycee, 126,000,000 dollars and 7,780 silver bars on the 15th instant.

GOLD AND SILVER PRICES.

1929.	Gold Per Ounce.	Silver— Per Ounce. Cash.	Silver— Per Ounce. Cash Forward.	Date.	Silver. Cash.
	s. d.	d.	d.		d.
June 21	84 11½	24 3/16	24 7/16	June 29, 1923	31½
" 22	84 11½	24 1/4	24 5/16	" 27, 1924	34⅜
" 24	84 11½	24 1/4	24 5/16	" 26, 1925	32⅜
" 25	84 11½	24 1/4	24 5/16	" 25, 1926	30 1/16
" 26	84 11½	24 3/16	24 1/4	" 24, 1927	26 11/16
" 27	84 11½	24 1/8	24 3/16	" 28, 1928	27 1/16

NOTICES.

The Union Bank of Australia, Limited, announces that a new branch of this Bank has been opened at Wiluna, Western Australia.

At the General Court of the Bank of England Mr Edward Robert Peacock was elected a director to fill the vacancy caused by the death of Lord Revelstoke.

The Banco Italiano, Lima, announce the opening of a new branch at Cuzco, Peru.

A branch of the Queensland National Bank, Limited, has been opened at Julia Creek, Queensland.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or Stated in Cash. * Interim div. † Final div. Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Years. Latest Year.	Previous Year.
RAILWAYS.				%	%
Assam-Bengal	10/-%*	...	Less tax	...	...
BANKS.					
Imperial Bank of Persia	7/- p.s.†	...	...	11/- p.s.	11/- ps.
National Bank of New Zealand	6%† & bonus 2%		Tax free	14	14
Netherlands Bk. of S. Africa	...	...	...	7	6⅔
INSURANCE.					
Victory	...	...	Less tax	5	4
TEA AND RUBBER.					
Alluta Rubber and Produce	...	...	...	5	Nil
Attaree Khat Tea	10%†	...	...	12½	15
Bidor Rubber	...	...	...	12½	12½
Borelli Tea	25%†	...	Less tax	40	60
Borjan Tea	15%†	...	...	20	40
Bukit Mertajam Rubber	...	...	...	10	8⅓
Bukit Rajah	...	...	Less tax	5	10
Bukit Selangor Rubber	...	...	...	5	Nil
Central Perak Rubber	...	...	Less tax	2½	Nil
Ceylon Land and Produce	10%*	July 1	...	...	...
Dekhari Tea	45%†	...	Less tax	55	55
Galphele Tea	...	...	...	7½	12½
Ghoir Allie Tea	...	...	Less tax	25	45
Jeram Rubber	...	...	Less tax	10	Nil
Jurn Estates	...	...	Less tax	8	4
Kuala Pertang	...	...	...	7½	10
Lungla Tea	...	...	Less tax	2½	7
Madingley (Malay) Rubber	...	...	Less tax	4	3⅓
Marudu Rubber	...	...	...	Nil	5
Meenglas Tea	15%†	...	Less tax	20	35
Merchiston Rubber	...	...	...	12½	7½
Merlimau-Pegoh	...	...	...	5	...
Mt. Austin (Johore) Rubber	...	...	...	6	5
N. Hummock Rubber	...	...	...	3	5
Nirmala (Java)	...	...	...	3	2½
Nuwara Eliya Tea	8%*	July 9	...	...	...
Pathfinl Tea	...	...	...	5	30
Pyre Rubber	...	...	Less tax	5	Nil
Sampang (Java) Rubber	...	...	...	5	12½
Sedgeley (F.M.S.) Rubber	12½%†	...	Less tax	17½	20
Selama (Malaya) Rubber	...	...	...	5	5
Selangor United Rubber	...	July 20	...	10	5
Sephinjuri Bheel Tea	...	...	Less tax	7	22½
Sudan Plantations Syndicate	10%*	July 25	Less tax	...	...
Sumatra Tea	...	...	Less tax	2½	2½
Tanah Datar Rubber	...	...	...	5	5
Teekoy Rubber	...	...	Less tax	6	10
Tingri Tea	...	...	...	25	25
Upper Assam Tea	7½%†	July 13	...	12½	25
Yam Seng Rubber	...	...	...	15	15
Zaloni Tea	12½%†	...	Less tax	22½	20
MINING.					
Andes Copper	75 cts.*	Aug. 12	Quarterly	...	...
Clydesdale (Transvaal) Collieries	...	...	...	...	...
Onverwacht Platinum	2½%*	...	...	...	...
Otavi	...	...	...	15	12½
OTHER COMPANIES.					
Airedale Collieries	...	...	Less tax	5	2½
Allanza	...	...	...	7	Nil
Allen (Edgar) and Co.	...	...	Tax free	6d. p.s.	6d. p.s.
Amalgamated Dental (Def.)	...	...	Tax free	5	5
Angus (Geo.) and Co.	5*	July 1	...	...	...
Annandale and Son	7½%*	July 10	...	...	...
Armitage Brothers	10%†	...	...	...	...
Associated Bakeries	4%†	...	...	7½	...
Australian Estates and Mortgage	...	...	...	5	4
Barratt and Co.	20%*	...	Less tax	...	...
Bassett (Geo.)	12½%†	...	...	20	17½
Bland (John) and Co.	...	...	Less tax	7½	7½
Brewers and Distillers of Vancouver	5cts.p.s.*	July 15	...	...	...
British Industrial Corporation	...	...	...	4	Nil
British North Borneo	...	...	...	1½	Nil
Caldwell's Paper	5%*	July 10	...	...	...
Cameron (J. W.) and Co.	4%*	...	Less tax	...	...
Carrongrove Paper	5%*	July 10	...	...	...
Central Portland Cement	5%*	...	...	...	...
Chalmers' Paper Mill	20%*	July 10	...	...	...
Ciro Pearls (Holdings)	7½%*	July 1	...	...	...
Colthrop Board and Paper Mills	...	...	...	6	6
Consol. African Selection Trust	45%*	Aug. 3	...	...	...
Consolidated African Selection	2/3 p.s.*	Aug. 3	Less tax 3/1 in £.	...	...
Cork Electric Supply	5%*	July 31	Less tax	...	...
Cornbrook Brewery	5%*	...	...	...	...
Crossley (John) and Sons	1/- p.s.*	Aug. 1	...	...	...
Crossley (John) and Sons	2½%*	Aug. 1	Less tax	...	...
	...	June 29	...	5	...
Davies Bros.	8%†	...	...	12	12
Delhi Electric Supply	15%†	...	Tax free	25	30
Deuchar (James)	12½%†	...	Less tax	20	20
Distillers	7½%†	...	...	10	5
Downing (T. H.) and Co.	4½%†	...	...	8	...
Edmundson's Electricity	...	...	...	5	5
Findlater (Alex.) and Co.	5%*	July 5	Less tax	...	...
Fortnum and Mason	...	...	...	10	10
General Electric	5%*	June 24	Less tax	...	...
General Portland Cement	6%† and bonus 6%		...	18	17
Greene, King and Sons	2½%†	July 1	...	5	5
Greenwood and Batley					
Hall Telephone Accessories	4%*	...	Less tax	...	...
Hardy's Crown Brewery	2½%†	...	...	10	10
Harris (Philip) and Co.	7½%† & bonus 7½%		...	15	7½
Harrison Barber	5*	...	Less tax	...	...
Henley's (W. T.) Teleg. Works	12½%† and bonus 10%			30	25
Hotel York	5%*	...	...	...	...
Hyde Park Hotel	...	...	...	5	10
International Petroleum	...	...	...	6½d.p.s	...
Imperial Cold Storage and Supply	...	...	...	7½	5
Kensington and Knightsbridge Electric	9d. p.s.*	July 20	Less tax	...	...
Leeds and Wakefield Breweries	3%*	July 1	Less tax	...	...
Leicester Brewing and Malting	...	...	Less tax	20	18
Lennards	5%*	...	Less tax	...	...
Les Etablissements Marechal	...	...	Less 18 fcs. 100 fcs. tax.	...	...
Leslie and Co.	...	...	Less tax	10	10
Lister and Co.	2½%*	...	...	...	...
London Brick and Forders	5%*	...	...	...	...
London Produce Clearing House	3/- p.s.*	July 16	Less tax	...	...
London Shoe	...	...	Tax free	2/6 p.s.	2/6 p.s.
Main (A. and J.)	10% and bonus 2½%			12½	10
Manchester Dry Docks	7½%†	...	Less tax	10	...
Mason (Frank)	2½%†	...	...	10	10
Methuen and Co.	5%†	...	Less tax	7½	...
Morton (C. and E.)	7%*	July 14	...	...	...
Mowatt (Wm.) and Sons	...	...	...	10	11½
Murray (William)	6*	July 1	...	...	...
North British Cold Storage	7%†	...	...	10	10
North of Scotland Canad. Mtge.	7½%†	July 18	Less tax, 2/9½ in £.	...	...
Northern Securities Trust	6*	...	...	...	...
Nuthalls (Caterers)	...	...	Less tax	3½	3½
Olive and Partington	5%*	July 10	...	...	...
Patons and Baldwins	...	...	Tax free	5	10
Peel River Land	3%*	July 23	Tax free	...	...
Prince of Wales Dry Dock	...	...	Less tax	7½	7½
Provincial Newspapers	5%*	July 10	...	...	...
Real Estate of S. Africa	5%† and bonus 2%			10	10
Reckitt and Sons	3½%	July 1	...	...	...
Redeem. Securities Invest. Trust	3%*	July 1	...	...	...
Reeves and Sons	7½%†	...	...	10	10
Residential Properties Improvement	...	June 29	...	5	...
Rhodesia Copper & Gen. Explor.	...	...	Less tax	12½	12½
Romney Trust	3%*	July 1	...	...	...
Sawers	...	...	...	10½	10½
Scottish Cities Invest. Trust	3½%†	...	Less tax	6	...
Scottish Consolidated Trust	3%*	...	...	...	...
Second Consolidated Trust	6%†	...	...	9	9
Sheffield & Dist. Cine. Theatres	...	...	Less tax	10	10
Ship Canal Portland Cement	...	...	...	8	10
Smith (Z.) and Co.	10%†	...	Tax free	20	20
Steel Developments	3%*	...	Tax free	...	...
St. James' & Pall Mall Elec.	3½*	July 27	...	...	...
Tamplin and Son's Brewery	...	...	Less tax	15	15
Third Scot. Northn. Invest. Trust	3%*	July 12	...	...	...
Timber Fireproofing	...	...	Tax free	6d.p.s.	...
Towles (1928)	...	...	...	10	...
Turner's Paper Mill	5%*	July 10	...	...	...
Victoria Falls and Trans. Power	12%†	July 15	...	15	15
Western Mansions	4%*	...	...	...	...
Westfield Paper	5%*	July 10	...	...	...
Waterlow and Sons (Def.)	2½%*	July 1	Tax free	...	...
Willoughby's Consolidated	2½%†	...	Less tax	5	Nil

SUMMARY OF BALANCE SHEETS.

BARCLAY PERKINS AND CO., LIMITED.

March 31, 1929.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £
Ord. shares (£1)	1,749,754	+1,739,553
10% cum.pref.(£1)	756,000	+ 36,000
Ord. shrs., Style & Winch	41,025	+ 41,025
3½% deb.	1,450,000	...
Int. accrued	12,688	...
5% debs.	Nil	− 35,588
5% deb. 1937-77	344,990	+ 48,560
Int. accrued	4,314	
5½% deb.	250,000	+ 250,000
General reserve	550,117	...
Property reserve	258,480	+ 124,210
Liabilities on mortgage	80,576	+ 49,692
Loans from bkrs.	270,000	+ 160,000
Deposits	73,795	+ 2,992
Outstanding int.	590	− 133
Creditors	222,822	+ 18,328
Beer duty	74,964	− 7,601
Profit and loss	221,627	+ 560
Total	6,361,742	+2,427,598

ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
Plant	806,600	+ 20,313
Goodwill	Nil	− 284,014
Shares in subsidiary co. at cost	1,078,597	+1,078,597
Properties	3,548,723	+1,612,653
Debtors	195,020	+ 13,855
Stocks	440,159	− 7,371
Investments	237,495	+ 873
Cash	52,170	+ 1,200
Cash in hands of Trustees	2,978	− 8,508
Total	6,361,742	+2,427,598

GENERAL ELECTRIC COMPANY, LIMITED.

March, 31, 1929.

LIABILITIES.	Amount. £	Compared with Mar. 31, 1928. £
Ord. shares	2,253,645	...
Pref. shares	3,600,000	...
7% deb. stock	3,068,060	−181,549
Sundry creditors	2,230,999	+282,092
Reserve	1,230,000	+130,000
Profit and loss	587,436	+ 23,615
Total	12,970,140	+254,167

ASSETS.	Amount. £	Compared with Mar. 31, 1928. £
Freehold land and buildings	3,343,978	+131,250
Plant, &c.	866,631	+ 29,582
Loose plant, goodwill, &c.	3	...
Sundry debtors	3,466,971	+311,211
Stock-in-trade	2,125,065	+ 55,174
Trade inv'stments	1,648,487	− 11,158
British Govt. stks.	1,082,709	...
Cash	536,296	− 261,892
Total	12,970,140	+254,167

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period. Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation. Dividend. Prefce. Amount	Ordinary. Amount.	Ordinary. Rate.	Carried to Reserve, Depreciation, etc.	Balance Forward.	Corresponding Period Last Year. Net Profit.	Corresponding Period Last Year. Dividend.
Banks.		£	£	£	£	£	%	£	£	£	%
Imperial Bank of Persia ...	Mar. 20	34,646	125,956	160,602	...	55,000	†11/-p.s.	70,000	35,602	135,312	†11/-p.s.
National Bank of New Zealand	Mar. 31	165,572	290,581	456,153	...	280,000	14†	21,000	155,153	289,803	14†
Ottoman Bank	Dec. 31	24,244	239,005	263,249	...	125,000	2½	115,000	23,249	246,591	2½
Breweries.											
Barclay, Perkins and Co.....	Mar. 31	78,467	209,780	288,247	73,800	127,959	11	20,200	66,288	240,858	1,000†
Greene, King and Sons.....	May 31	27,080	103,197	130,277	10,000	63,000	18	30,197	27,080	100,429	17
Ohlsson's Cape Breweries ...	April 30	40,843	108,812	149,655	11,500	52,500	10	40,000	45,655	97,235	10
Tamplin and Sons, Brighton	Mar. 31	25,213	58,741	83,954	30,720	18,600	15	5,000	29,634	50,161	15
Electric Lighting, &c.											
Edmunson's Electricity.....	Mar. 31	39,388	149,272	188,660	28,000	90,000	8	36,501	34,159	125,083	10
Hotels, Restaurants, &c.											
Spiers and Pond.....	Mar. 31	8,714	97,281	105,995	8,085	83,108	15	8,556	6,246	97,570	12½
Iron, Coal and Steel.											
Davy Brothers	Mar. 31	*Dr.42,302*	*Dr. 6,308*	*Dr.48,610*	...	...	...	...	*Dr.48610*	437	...
Greenwood and Batley	Mar. 31	13,459	28,385	41,844	7,028	17,420	5	6,000	11,396	30,511	5
Platt Brothers	Mar. 31	50,364	87,198	137,562	79,150	...	...	...	58,412	44,434	...
Nitrate.											
Rosario.....	Dec. 31	*Dr.59,906*	*Dr. 2,099*	*Dr.62,005*	...	...	...	...	*Dr.62005*	*Dr.39830*	...
Oil.											
Tankers, Limited	Mar. 31	10,068	134,447	144,515	50,048	...	...	85,000	9,467	107,876	...
Rubber, &c.											
Alluta	Mar. 31	2,415	2,750	5,165	...	2,563	5	...	1,602	1,946	Nil
Bidor.....	Mar. 31	4,878	8,202	13,080	...	6,250	12½	...	6,830	7,796	12½
Bukit Rajah	Mar. 31	18,166	15,595	33,761	...	16,675	5	1,000	16,086	42,980	10
Burma Estates	Mar. 31	1,206	5,717	6,923	...	...	...	... 743	6,180	...	...
Central Perak.....	Dec. 31	11,844	10,557	22,401	...	10,000	2½	5,500	6,901	11,273	Nil
Federated (Selangor)	Mar. 31	4,455	2,891	7,346	...	2,640	2½	45	4,661	5,052	2½
Juru Estates	Mar. 31	3,392	7,051	10,443	...	6,400	8	1,000	3,043	2,627	4
Madingley (Malay).....	Feb. 28	4,049	1,858	5,907	...	2,992	4	...	2,915	3,560	3½
Mount Austin (Johore)	Mar. 31	41,240	37,824	79,064	...	36,000	6	...	43,064	30,957	5
Nanette Plantations	Mar. 31	941	*Dr. 639*	302	...	...	...	...	302	...	...
Nirmala (Java).....	Dec. 31	2,480	1,698	4,178	1,631	...	...	...	2,347	10,210	...
Rim (Malacca).....	Mar. 31	7,096	6,881	13,977	...	6,750	7½	200	7,227	7,413	2½
Sampang (Java).....	Dec. 31	13,438	7,160	20,598	...	3,650	5	4,000	12,948	...	Nil
Selama (Malaya).....	Mar. 31	2,988	6,121	9,109	...	2,500	5	2,000	4,609	3,358	...
Straits Plantations.....	Mar. 31	6,269	(*s*) 60,860	67,129	...	41,500	10	7,000	18,629	16,940	5
Teekoy.....	Mar. 31	6,402	4,967	11,369	...	4,440	6	1,000	5,929	...	12½
Tea.											
Attaree Khat	Dec. 31	3,102	16,812	19,914	...	15,813	12½	...	4,101	16,401	...
Borelli	Dec. 31	8,464	35,594	44,058	384	31,268	40	3,000	9,406	51,545	15
Borjan	Dec. 31	2,306	6,300	8,606	560	4,951	20	...	3,095	10,400	60
Dooars.....	Dec. 31	965	55,550	56,515	5,250	32,760	10	...	3,095	10,400	40
Empire of India.....	Dec. 31	28,013	90,558	118,571	10,950	74,024	18¾	6,442	27,155	117,921	25
Jhanzie	Dec. 31	25,449	92,986	118,435	...	83,600	40	12,500	22,335	109,575	45
Majuli	Dec. 31	7,601	*Dr. 8,923*	*Dr. 1,322*	1,200	...	...	*Dr. 5,532*	3,008	26,223	25
Nedeem	Dec. 31	16,535	24,262	40,797	11,334	22,669	10	*Dr. 6,000*	12,794	124,174	32½
Panora	Mar. 31	*Dr.19,987*	*Dr. 2,950*	*Dr.22,937*	...	...	...	...	*Dr22,937*	2,017	...
Pathini.....	Dec. 31	7,285	5,863	13,148	1,860	3,100	5	...	8,188	20,931	30
Tingri	Dec. 31	6,526	28,647	35,173	...	25,195	25	3,593	6,385	34,584	30
Zaloni	Dec. 31	3,137	14,571	17,708	...	9,000	22½	4,000	4,708	11,999	20
Trust.											
British Empire Trust.....	April 30	6,312	82,496	88,808	17,022	37,482	7Pref.ord 9 Def.	25,000	9,304	240,826	9
Dominion and General	April 30	9,543	28,756	38,299	7,835	19,161	9	...	11,303	21,576	8
Grange Trust	May 31	703	35,089	35,792	12,637	17,160	6	3,750	2,245	21,534	5½
Scottish Tea and Rubber Trust.....	May 31	3,914	16,311	20,225	...	15,000	12½	1,000	4,225	18,382	12½
Second Consolidated.....	June 15	11,491	50,817	62,308	21,600	22,680	9	15,000	3,028	32,638	9
United States Trust of Scotland	May 31	5,981	38,969	44,950	10,800	22,400	14	5,000	6,750	39,416	20
Other Companies.											
Beechams Pills	Mar. 31	...	(*s*) 210,449	210,449	105,575	80,000	(*m*)40	...	24,874	...	...
British Internat. Pictures...	Mar. 31	6,148	194,651	200,799	16,000	90,000	15	55,000	39,799	...	...
Caroni Sugar Estates.....	Dec. 31	2,671	22,142	24,813	...	...	...	...	24,813	2,027	...
Chadburn's Ship Telegraph	Mar. 31	*Dr. 1,570*	6,592	5,022	3,600	...	...	...	1,422	...	...
Cyprus Asbestos.....	Dec. 31	28,987	61,037	90,024	...	...	...	46,300	43,724	31,004	...
Findlater (Alex.) and Co. ...	Feb. 28	11,159	3,898	15,057	1,402	468	5	500	12,687	2,154	5
General Electric.....	Mar. 31	338,456	861,698	1,200,154	252,000	225,365	10	360,717	362,072	828,677	10
Harris (Philip) and Co.....	Mar. 31	5,493	18,087	23,580	3,452	2,400	15	10,000	7,728	15,917	7½
London Shoe Company.....	Feb. 28	2,434	10,562	12,996	3,900	6,250	250†	...	2,846	9,534	250†
Mason (Frank) and Company	Mar. 31	2,074	48,130	50,204	16,000	24,000	10	8,204	2,000	...	...
Mowat (Wm.) and Sons.....	May 31	2,322	2,350	4,672	1,200	1,600	10	...	1,872	2,988	11½
Reeves and Sons.....	April 30	8,140	25,498	33,638	10,250	10,386	10	5,000	8,002	29,852	10
Sawers, Limited.....	Mar. 31	2,746	22,432	25,178	4,250	10,500	10½	6,639	3,789	22,430	10½
Ship Canal Portland Cement	Mar. 31	38,662	137,741	176,403	11,250	80,000	8	52,000	33,153	138,708	10
Standard Wood Pulp.....	May 31	...	10,701	10,701	8,283	...	...	...	2,418	...	...
Webley and Scott	Dec. 31	*Dr. 4,165*	*Dr. 4,256*	*Dr. 8,420*	...	...	...	...	*Dr. 8,420*	*Dr.1,976*	...

(*s*) Nine months. † Free of income tax. (*e*) 15 months. (*m*) Equivalent to 34¼ per cent. per annum.

Reports and Notices.

Lieut.-Colonel G. K. M. Mason, M.P., has been elected to the board of the Guardian Assurance Co., Limited.

We are informed that Mr L. F. A. d'Erlanger, of Erlangers, Limited, bankers, has joined the board of Olympia, Limited.

Mr Louis Sterling, the Managing Director of the Columbia Graphophone Company, Limited, has accepted appointment as a director of Herrburger, Brooks Limited, in place of Mr William Boosey, who has retired from the board.

The Royal Exchange announces that its court of directors has accepted with regret the resignation of Mr W. G. Ross, chief cashier to the corporation, who has completed 40 years' service. Mr R. E. F. Johns has been appointed to succeed him.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended June 21, 1929. (c) Week ended June 22, 1929.	Miles Open.	Week ended June 23, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total for Week.	Aggregate 25 Weeks, 1929. (000's omitted.) Passengers, &c.	Merchandise, &c.	Coal and Coke.	Total Goods.	Total Receipts.
		£	£	£	£	£	£	£	£	£	£
Great Western...	3,733	256	232	122	354	610	5,424	5,587	3,169	8,756	14,180
Do. for 1928 ..	3,734	260	227	115	342	602	5,638	5,483	2,881	8,364	14,002
L.M.& N.Eastn.(c)	6,345	383	415	253	668	1,051	8,160	10258	6,730	16988	25,148
Do. for 1928 ..	6,363	382	404	234	638	1,020	8,506	10479	6,023	16502	25,008
L.and.,Mid.&Scot.	6,960	561	595	239	834	1,395	12339	14054	7,015	21069	33,408
Do. for 1928 ..	6,952½	588	573	230	803	1,391	12898	14070	6,565	21035	33,933
Southern	2,175	368	83	31	114	482	7,293	1,918	789	2,707	10,000
Do. for 1928 ..	2,175	369	82	27	109	478	7,502	1,990	691	2,681	10,183
Metropolitan (c)	59	32·5	...	...	3·8	36·3	799·8	...	...	92·0	891·8
Do. for 1928 ..	59	32·4	...	...	3·5	35·9	802·2	...	...	90·0	892·2
†Und'grn'nd&B.E.c	...	...	...	...	...	301·2	...	...	...	...	6,999·9
†Do. for 1928	...	...	...	...	...	296·2	...	...	...	...	7,040·4
Lond&Sub.Gr'apo	...	...	...	...	...	44·8	...	...	...	...	1,007·9
Do. for 1928 ..	...	...	...	...	...	43·0	...	...	...	...	1,019·3
E'l'st&Co.D'wn b	80	3·2	...	...	1·0	4·2	54·6	...	...	22·3	76·9
Great Northern b	562	14·4	...	...	16·6	31·0	282·4	...	...	406·5	688·9
Great Southern b	2,187	34·9	...	...	44·6	79·5	641·8	...	...	1167.6	1,809·4

† Includes receipts from independent omnibuses acquired during current year.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week. 1929.	+ or −	Total Gross Receipts. 1929.	+ or −
INDIAN.				Rs.	Rs.	Rs.	Rs.
Assam Bengal	8weeks	May 25	1,217	3,84,000	− 30,909	31,20,000	− 1,27,877
Barsi Lt. Ry.....	9weeks	June 1	202	39,200	− 2,900	4,84,800	+ 46,400
Bengal & N.Western	9weeks	1	2,079	7,49,493	+ 54,439	66,53,681	− 5,13,770
Bengal-Nagpur.....	8weeks	25	2,988	18,14,000	− 36,469	1,46,76,000	− 3,20,485
Bombay, Bar.& C.I.	12weeks	15	3,022	23,72,000	+1,28,000	2,60,05,000	−22,83,000
Madras & S. Mahr ..	9weeks	June 1	3,121	18,71,000	−1,20,372	1,71,71,000	−12,56,388
Nizam'sGuarantd.(*s*)	9weeks	1	1,146	4,50,907	+ 22,087	44,32,989	+ 4,24,473
†Rohilk'd&Kumaon	9weeks	1	572	1,19,010	− 22,298	11,98,085	− 2,58,921
South Indian	9weeks	1	2,351	13,45,944	+ 22,401	1,15,40,655	+ 1,21,170

† Including Lucknow-Bareilly State Railway. (*s*) Total receipts of all lines.

ARGENTINE (*s*).				£	£	£	£
Argentine N.E.	51weeks	J'ne22	753	15,300	+ 1,300	798,200	+ 25,600
B.A. and Pacific ...	51weeks	22	2,806	163,000	+ 1,000	8,944,000	+ 863,000
B.A. Central	51weeks	23	...	15,051	+ 163	749,106	+ 31,579
B.A. Gt. Southern	51weeks	22	4,762	246,000	+ 39,000	12,798,000	− 264,000
B.A. Western	51weeks	22	1,926	92,000	+ 7,000	5,184,000	+ 4,000
Central Argentine .	51weeks	22	3,319	273,000	+ 4,000	13,907,000	+ 481,000
Cordoba Central....	51weeks	22	1,218	74,000	+ 6,000	3,517,200	+ 39,500
Entre Rios	51weeks	22	838	22,900	− 3,300	1,516,500	+ 39,600
CUBAN.				£	£	£	£
United of Havana†	51weeks	J'ne22	1,374	52,894	+ 708	3,756,518	+ 168,053
URUGUAYAN.				£	£	£	£
Central Uruguay ..	51weeks	J'ne22	273	24,463	+ 351	1,529,074	− 8,025
C. Urug. (East Rly.)	51weeks	22	311	6,664	+ 482	354,196	− 8,004
C.Urug.(North.Rly.)	51weeks	22	185	3,054	− 220	190,703	+ 5,715
C. Urug.(West. Rly.)	51weeks	22	211	1,979	+ 31	151,454	+ 2,734
CANADIAN.				$	$	$	$
Canadian National	24weeks	J'ne14	19,362	5,074,167	+ 43,488	114,878,149	+3,961,367
Canadian Pacific ...	25weeks	21	14,822	4,137,000	+ 318,000	95,074,000	+3,258,000
BRAZILIAN (b).				£	£	£	£
Gt. West. of Brazil	25weeks	J'ne22	1,016	13,600	+ 3,000	451,900	+ 112,600
Leopoldina.....	25weeks	22	1,856	52,889	+ 3,753	925,554	− 262,782
Leopoldina Termni.	25weeks	22	Mrs.	276,000	+ 4,000	6,958,000	+ 175,000
San Paulo	25weeks	23	153½	64,198	+ 3,501	1,219,648	+ 47,120
CHILEAN.				£	£	£	£
Antofagasta (Chili and Bolivia).....	24weeks	J'ne15	838	38,860	+ 4,460	947,505	+ 128,245
Nitrate (½-monthly)	24weeks	15	413	26,125	− 10,065	396,437	+ 16,801
OTHER OVERSEAS.				£	£	£	£
Egyptian Delta	9weeks	May31	608	8,347	+ 958	49,676	+ 7,530
Gt. Southn. of Spain	24weeks	J'ne15	104	Ps 125,610	+ 7,529	2,951,467	− 100,985
Mexican Railway...	25weeks	21	483	$ 230,500	+ 7,400	6,109,800	− 693,700
Paraguay Central ..	51weeks	15	274	4,400	− 180	224,690	+ 4,270
Salvador.....	51weeks	22	100	3,606	+ 474	258,190	+ 9,726

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week. 1929.	+ or −	Total Receipts. 1929.	+ or −
				£	£	£	£
Anglo-Argentine ...	25weeks	J'ne24	329	84,783	− 2,000	2,191,222	− 36,404
B. Aires Lacross ...	51weeks	23	...	10,913	− 1,171	651,732	− 6,376
Burnley Corporation	1week	22	13	2,856	− 43	...	...
Calcutta Tramways	1week	22	35½	121,137	− 1,574	...	...
Chatham & District	23weeks	13	15	1,655	− 137	24,060	− 5,521
Egyptian Markets..	23weeks	13	...	1,686	+ 218	46,072	+ 2,345
Glasgow Corporation	42weeks	20	136‡	43,481	+ 1,272	2,018,186	+ 2,287
Isle of Thanet Trams	23weeks	12	...	1,808	+ 103	24,097	− 538
Liverpool Corp.....	12weeks	22	124	29,920	+ 346	355,405	+ 4,434
L.C.C. Tramways .	12weeks	19	166	83,510	+ 485	954,864	+ 9,779
Madras Electric ...	12weeks	15	...	45,117	+ 2,013	477,398	+ 26,638

‡ Fortnightly figures.

MISCELLANEOUS.

IMPERIAL AIRWAYS, LIMITED.—Miles flown for March 84,337, against 67,928; miles flown since April 1, 1928, 1,006,531, against 834,622. Ton miles for March, 62,806, against 45,126; ton miles since April 1, 1928, 810,328, against 575,669. Receipts for March, 1929, £44,686, against £29,176. Receipts since April 1, 1928, £460,802, against £398,400.

LONDON BRICK COMPANY AND FORDERS, LIMITED.—At an extraordinary general meeting the increase of capital from *£1,400,000* to *£2,000,000* by the creation of *600,000* ordinary shares was unanimously approved. It is proposed shortly to issue to shareholders 200,000 ordinary shares at par. Shareholders will have the right to apply for one new share for every five old shares held. It is understood that the increase of capital is required to finance extensions to the company's works, and thus enable it to further its policy of displacing foreign bricks.

THE MILLOM AND ASKAM HEMATITE IRON COMPANY, LIMITED.—Payment of Dividend on the Preference Shares for the year ending September 30, 1928, will be posted at end of June.

SPIERS AND POND, LIMITED.—The profit on trading for year ended March 31, 1929, amounted to £139,279, against £136,237 for preceding year. The sum of £6,556 is put to reserve, making reserve £110,000. The ordinary dividend is 15 per cent., against 12½ per cent. The carry-forward is £6,246. Cash has risen from £45,329 to £64,970. Investments are shown separately and total £205,258, against £129,508. The company's holding of British Government securities has increased from £61,021 to £91,546.

PLATT BROTHERS AND CO., LIMITED.—The 31st annual Report and Accounts shows that the net profit for the year ended March 31, 1929, after deducting income tax, depreciation and all expenses, amounts to £116,054, against £73,291 for preceding year. Adding the amount brought forward and deducting debenture interest and the 4½ per cent. and 7 per cent. preference dividends there is a balance of £58,412, which the directors propose to carry forward. No dividend is paid on the ordinary shares. The balance sheet shows:—Home and foreign investments at £785,828, against £783,977; sundry debtors at £1,469,727, against £1,434,160; cash and bills on hand at £394,920, against £386,459; reserve fund stands at £1,000,000. Meeting at Oldham, July 4, 1929, at 2.30 p.m.

BEECHAMS PILLS LIMITED.—The first report covers a period of fifteen months to March 31, 1929. The net profit amounted to £255,949. Income tax account absorbed £42,000 and provision for directors' fees £3,500. The participating preferred dividend at the rate of 10 per cent per annum absorbed £105,575. The dividend on the deferred shares absorbed £80,000. The deferred shares were allotted on February 1, 1929, and the dividend is equivalent to 34¼ per cent. per annum. The carry-forward is £24,874. Total assets are £1,875,254. Goodwill and trade marks, at cost, stand at £946,349. Cash is at £68,356.

TWYFORDS LIMITED.—The profit for year ended March 31, 1929 is £58,757, against £54,990 for preceding year and £38,704 for year ended March 31, 1927. The ordinary dividend is 10 per cent. for the year and a bonus of 2½ per cent. is paid, making 12½ per cent. for the year, subject to deduction of income tax. The sum of £10,000 is put to reserve, and £2,500 is put to employees' pension and benevolent fund. The carry-forward is increased from £38,710 to £38,752. Nothing is down for goodwill. Investments at cost are at £203,408, against £172,757. Cash is at £23,954, against £42,428.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Thursday evening.

A spell of warmth and sunshine during the past week proved beneficial to cereal crops, winter wheat giving every promise of a good yield. Spring crops have also progressed favourably up to the present, but good soaking rains are necessary to relieve the parched state of the ground, while hay crops are suffering from lack of sufficient moisture to ensure normal growth. Supplies of native wheat were in small compass and held for full rates, imported varieties also responding to higher forward offers. A firm tone prevailed in the floating and forward cargo section, sellers showing more reserve in face of stimulating cables from North and South America. The market just now is very sensitive to weather and crop news, and both Winnipeg and Chicago prices quickly responded to unfavourable reports regarding spring sowings in Canada and the United States, also disappointing yields of winter wheat in the latter country. Rains are evidently needed in both Northern and Southern hemispheres in order to afford the young crops a good start, and similar conditions obtain in Europe. In these circumstances, buyers were more in evidence, and a good business was put through, chiefly in La Plata and Australian qualities which offer the best value for price. It is reported that American farmers are showing more anxiety to press sales of old wheat for export in order to make elevator room for the new crop, also that Government assistance would not be forthcoming unless a serious decline occurred in prices. So far there is no evidence of pressure on this side, though offers of hard winter wheat are made at prices still much above buyers' views. Weekly shipments are maintained at a good pace, and arrivals in this country were on a larger scale, but floating supplies marked a substantial decrease. Of feeders, maize proved an active market, and prices hardened, partly in sympathy with wheat, but chiefly on a better consumptive inquiry

from the Continent. Near cargoes of Plate offer with fair freedom, but shippers are more reserved regarding distant loadings, even at the premium obtainable. African varieties very firm, and climatic conditions being unfavourable for conditioning, there are practically no offers from this direction. Malting barley quiet, but feeding sorts firmer following heavy purchases by Germany of North African types, with Moroccan and Persian in request on U.K. account. Oats firm, but general trade without improvement.

Wheat—Again firmer. No. 2 Northern Manitoba, ex ship, 49s.; No. 3 ditto, 48s.; No. 4 Manitoba, 46s. 3d.; No. 5, 41s. 9d.; No. 6, 37s. 9d.; No. 2 mixed Durum, 40s. 6d.; Rosafe, 63½ lbs., 42s. 3d.; Barusso, 63½ lbs., 42s. 3d.; Australian, 45s. 3d., ex ship, per 496 lbs.; English, 9s. 8d.-9s. 10d. per 112 lbs.

Flour.—Firm. London straight run, 35s. per sack delivered. Of imported, Manitoba patents range from 35s.-37s. 6d.; Minneapolis, 35s.-36s. 6d.; Australian, 31s.-32s. 6d. ex store, per 280 lbs.

Maize.—Firm. Plate, landed, 38s. 6d.; ex ship, to arrive, 36s. 9d.; June-July, 36s. 9d.; July-August, 36s. 9d.; August-September, 37s.; September-October, 37s. 3d., per 480 lbs. Yellow maize meal, £10 5s. per ton f.o.r. London.

Barley.—Maintained. Californian, ex ship, 41s.-45s.; Chilean, ex store, 40s.-50s.; Australian, 41s.-44s. 6d.; Smyrna, 42s.-45s. per 448 lbs. Algerian/Tunisian, ex ship, 28s. 3d.; Canadian feed, 29s.; ex ship, 30s.; landed, No. 3 Canadian Western, ex ship, 31s. 6d.; landed, 32s. 9d.; No. 4, ex ship, 30s. 6d.; No. 2 Federal American, ex ship, 28s. per 400 lbs. English malting, 10s. 3d.-10s. 8d.; feed, 9s. 6d.-10s. per 112 lbs.

Oats.—Quietly steady. Plate, landed, 24s.; ex ship to arrive, 22s. 6d.; No. 1 Canadian feed, 23s. 3d.; No. 2 ditto, 22s. 3d. ex ship, mixed Canadian feed, ex ship to arrive, 18s.; landed, 19s. 3d.; Chilean, white, ex ship to arrive, 27s. 6d.; landed, 29s.; German, landed, 27s.; ex ship to arrive, 26s. per 320 lbs. English, 9s. 4d.-10s. per 112 lbs. Scotch, landed, 29s. per 336 lbs.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1928–29, 1927–28, 1926–27, 1925–26:—

	1928–1929.	1927–1928.	1926–1927.	1925–1926.
Estimated sales of home-grown wheat—				
1 week to June 22	Qrs. 71,440	Qrs. 148,160	Qrs. 114,225	Qrs. 52,595
41 weeks to June 22	9,408,372	10,460,318	11,357,467	12,756,091
Average price of English wheat per cwt.	s. d. 9 7	s. d. 10 10	s. d. 12 9	s. d. 13 8

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1925 to 1928:—

Weeks ended.	Quantities Sold.			Average Price per Qr.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1929.	Qrs.	Qrs.	Qrs.	s. d.	s. d.	s. d.
June 15	70,952	15,106	11,468	9 7	10 3	9 6
June 22	71,440	8,289	9,083	9 7	9 7	9 5
June 20, 1925..	174,318	20,757	38,357	12 10	10 2	10 4
June 26, 1926..	52,595	12,995	17,563	13 8	8 11	9 11
June 26, 1927..	114,225	11,323	33,542	12 9	11 5	10 1
June 23, 1928..	148,160	11,241	9,350	10 10	10 10	12 7

AMERICAN WHEAT MARKETS.

Lack of rain where rain was needed, together with unwanted rain in areas where harvesting was already in progress had a bullish effect on prices. Later these were reinforced by news of crop damage, of frost in Alberta, and of unfavourable conditions in the South-West. This caused some speculative buying, but part of the advance was afterwards lost owing to improvement in the weather and rumours that Europe was buying Argentine wheat. Quotations :—

Nearest Future.	Jan. 4, 1928.	Jan. 2, 1929.	June 27, 1928.	June 12, 1929.	June 19, 1929.	June 26, 1929.
Winnipeg (No. 1 Manitoba) —Cents per 60 lb.	156⅛	122	135⅛	114⅛	116⅛	124⅛
Chicago (No. Winter)— Cents per 60 lb.....	166⅛	116⅜	136⅛	105⅛	109⅛	113⅜

Visible supplies of wheat in Canada at 63,674,000 show a decrease of 1,837,000 as compared with the previous week's figures. Supplies a year ago stood at 60,396,000

THE COAL TRADE.

Our Sheffield correspondent writes :—The export market continues fairly steady, with an easier tendency in prices. Buyers seem disposed to hold off the market as regards future supplies in the expectation of lower rates. Present supplies are ample to meet the demand. Trade in house coal has declined further. Furnace coke is firm with an increased demand, although sales for central heating have ceased. The home market for foundry coke is badly depressed. South Yorkshire best steams are quoted at 16s. 6d. f.o.b. Blast-furnace coke is quoted at 14s. 6d.; foundry patent-oven coke, 18s. to 24s., and beehive quality, 22s. to 27s.

Our Glasgow correspondent writes :—Business is still hampered by a scarcity of tonnage, which is preventing shippers from taking up the quantities for which they are committed and necessitating idle time even in quarters where substantial orders are in hand. Shippers in a position to put vessels forward can secure concessions as a rule in round coal, but nuts are maintaining their prices. Shipping prices are approximately as follows :—Lanarkshire.—Ell best, 14s.; splint best, 16s.; splint second, 15s 6d.; navigation, 17s. 6d.; navigation second, 15s.; steam, 13s.; Hartley, 16s. 6d.; trebles, 14s. 6d.; doubles, 13s. 3d.; singles, 12s. 6d.; pearls, 11s. 6d.; dross, 10s. Fife.—Screened navigation, 17s. 6d.; first-class steam, 14s.-14s. 6d.; third-class steam, 12s.-12s. 6d.; trebles, 14s. 6d.-15s. 6d.; doubles, 13s. 6d.; singles, 12s.; pearls, 11s. Lothians.—Prime steam, 13s.; secondary steam, 12s. 6d.; trebles, 14s.; doubles, 13s. 6d.; singles, 12s. 3d.; pearls, 11s. Ayrshire.—Unscreened navigation, 16s. 6d.; jewel, 16s. 6d.; steam, 13s. 3d.; trebles, 13s. 9d.; doubles, 13s. 3d.; singles, 12s. 9d.; pearls, 11s.; dross, 10s. 6d.

Our Cardiff correspondent writes :—On the Cardiff coal market this week the scarcity of tonnage has been a serious handicap to exporters and colliery owners. The Baltic seems to have absorbed an unusually large proportion of the smaller sea-going tonnage, and so marked has been the shortage of shipping at the Bristol Channel ports that colliery stems have been disorganised to an exceptional extent. Large coals have consequently been easy. Salesmen, however, have adhered to the minimum price schedule; and while the strength of the smaller classes of coal, and particularly of nuts, peas and beans, has been firmly maintained this week, collieries have found it extremely difficult to find tonnage to lift their current outputs of these grades. The following are the current approximate quotations :—Best Admiralties, 19s. 9d. to 20s.; seconds, 19s. to 20s.; best drys, 19s. to 19s. 6d.; Black Veins, 18s. to 18s. 6d.; Western Valleys, 17s. 9d. to 18s.; Eastern Valleys, 17s. 6d. to 17s. 9d.; best small steams, 13s. 9d. to 14s.; cargo smalls, 12s. to 12s. 9d.; coking smalls, 14s. to 14s. 6d.; anthracite, best large, 33s. to 36s. 6d.; Red Vein large, 23s. to 27s.; machine-made cobbles, 40s. to 44s.; French nuts, 42s. to 44s.; stove nuts, 39s. to 42s. 6d.; rubbly culm, 10s. 6d. to 10s. 9d.; foundry coke, 27s. 6d. to 36s. 6d.; patent fuel, 20s. 6d. to 21s. 6d.; pitwood, ex ship, 28s. 3d. to 28s. 6d.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange :—Although trading in some departments of the iron and steel trades has been quiet, the general volume of business must be considered satisfactory, as it has shown an improvement when compared with the corresponding periods of previous years. In the pig-iron department prices are firm and have an advancing tendency and there does not appear to be any surplus pig iron on the market. The recent price advances have not yet made it possible to import Continental pig iron in any quantity, but reports are current that a few parcels have been sold in the more accessible districts. In the semi-finished steel department business is active and remains principally in the hands of the British works. Although Continental material is still being imported, it is in comparatively small quantities and buyers have to be contented with contracts for forward delivery and at prices which show little advantage when compared with those quoted by the British works. The demand for finished steel materials is still irregular, and reports from the various districts regarding the position of the works producing this class of material vary considerably. Generally speaking, however, although business has been confined chiefly to contracts for small quantities, works operations have been well maintained, although some of the British works would be glad to obtain new business to ensure the even running of their plant. The export demand is on a restricted scale, and this is one of the disappointing features of the market, but is attributed generally to the prevailing financial stringency in the principal overseas markets.

The upward tendency in the North-West Coast hematite pig-iron trade that manifested itself two months ago persists, and makers look for a steady, if gradual, increase in the volume of business. With twelve furnaces in blast between Workington and Ulverston, they are disposing readily of their output, and they have already on their books orders representing a substantial proportion of their make during July and August. Despite keen East Coast competition, they are obtaining a considerable share of the business offered by the Continent and America, and they have, of course, large Scottish, Midland and South Wales needs to satisfy. The only unsatisfactory feature of the position is the uncertainty as regards a continuance of the local absorption on the present scale. Steel-makers in the district cannot keep their mills in full operation, and hardly that for more than three weeks in four, and new business is coming very slowly. There is, then, at present no prospect of additional furnaces being put into draught, and the general belief is that it may be winter before such a step becomes necessary. While there is no actual scarcity of supply, there is no pressure to sell, and prices are firmly maintained, Bessemer mixed numbers being £4 3s. 6d. per ton delivered at Glasgow; £4 7s. per ton delivered at Manchester; £4 7s. per ton delivered at Sheffield; £4 10s. delivered at Birmingham. Low-phosphorus iron is in steady request at 2s. 6d. to 5s. per ton higher than the above figures, and there is a fair market for malleable iron at 99s. per ton delivered, while ferro-manganese, the output of one of the furnaces at Workington, is in rather better demand at £14 per ton. The steel trade is dull and orders hard to come by. The mills at Workington have been rolling rails for South America and home railways and steel bars for Scotland during the past month. Native ore quoted at 17s. 6d. to 18s. 6d. per ton, according to grade, is a fair production for local, East Coast and Scottish smelters. The coal trade is slack, and unless Scottish competition in the Irish market can be met, the output will shortly have to be reduced. It was expected that prices would be reduced this week, though not to the extent that they have been in Scotland. Cross-channel shipments are below the average. Best round coal for shipment is quoted nominally at 20s. per ton; washed doubles, 20s. per ton; washed singles, 19s. per ton; washed smalls, 17s. to 18s. per ton, all f.o.b. Best house coal is 30s. per ton; house nuts, 28s. 4d. per ton. Gas coal is 28s. per ton, and West Coast coke, 17s. 6d. to 18s. 6d. per ton.

Our Middlesbrough correspondent writes :—The market for Cleveland iron is practically idle owing to scarcity of supplies. The position of producers does not hold out any likelihood of their being able to increase the make for the open market, and the quantities held by second hands have been depleted to such an extent that very little is left for early delivery. Recent purchases of inland irons by large local consumers have been of great assistance, but the quantities now offering are considerably reduced. Only very small lots of Cleveland were obtainable at Tuesday's weekly market, and 72s. 6d. was easily obtained for No. 3, with the usual differences for other qualities, No. 1 being 75s., No. 4 foundry 71s. 6d., and No. 4 forge 71s. Shipments of pig iron to 25th instant amount to 21,441 tons, compared with 30,338 to same date in May. Hematite is in good demand, both on home and export account, and a further expansion in business is anticipated with the improvement in the steel trade where works are busily employed, in almost all departments, and some have orders in hand that will carry them on to the end of the year. The price for mixed numbers is firmer and makers are generally asking 74s. 6d. per ton, although some iron might still be got at 74s. from second hands. Orders for five large steamers have just been placed on the North-East Coast, two at Hebburn, one at Blyth, and two on the Tees, one of the latter being a 16,000-ton Diesel engine tanker for Danish owners. In the steel trade prices are unchanged from last week, with a fair amount of business passing. Coke is in increasing demand, and supplies are not offering freely; 20s. 6d. is now a minimum figure for ordinary qualities delivered furnaces. The ore market is very firm, with tonnage extremely scarce. On to-day's freight best Rubio is 23s. 6d. to 24s. c.i.f. Tees.

Our Sheffield correspondent writes :—The market for Midlands and Derbyshire foundry pig iron has shown increased activity lately, despite the continued quietness of most of the foundries. Prices were advanced a shilling last week and a further general advance of 1s. 6d. at the end of the present week is almost certain to be announced. Users of Midlands pig iron have been buying forward more freely recently than for a long period. Forge iron is quiet. The market for heavy steel scrap continues brisk, with prices firm. Supplies are sufficient, but there is no surplus. There is a ready overseas market for basic scrap. Activity in the local heavy steel branches has tapered off, as is usual towards July. Good business is being done in special lines of steel, and several recent departures are meeting with much success. There is also more trade passing in various kinds of tools, particularly those used in engineering and construction. Prices of steel material are firm, but no further advances are being made. The tendency of prices of foreign material continues in an upward direction. There are many instances of slackness in the various Sheffield industries and the unemployed roll is maintained at the former high level. The cutlery and plate branches leave much to be desired.

Our Glasgow correspondent writes :—In the West of Scotland there is no important change in the position in the iron and steel industries. Structural and engineering establishments are keeping the makers of sections fairly well employed filling their requirements, but the demand for shipbuilding material is not so satisfactory. During the past week it is reported that the Blythswood Shipbuilding Company, Limited, of Scotstoun, have booked an order for a single-screw passenger and cargo vessel to be engined by Messrs D. and W. Henderson, Limited, of Partick; and Messrs Scotts' Shipbuilding and Engineering Company, Limited, of Greenock, have secured a contract for a twin-screw passenger and cargo motorship. At the sheet mills there is some improvement in the tonnage booked, but good export orders have been taken at a slight reduction on recent figures.

Our Cardiff correspondent writes :—There have been no special features in the South Wales steel and tinplate trades this week. Business generally has been rather quiet, and in the sheet market the control of prices for thick gauges has been removed. Quotations for tinplates were slightly higher at 18s. 3d. to 18s. 6d., compared with 18s. 6d. to 18s. 9d. last week, and also those of galvanised sheets, which are quoted between £13 10s. 6d. and £13 12s. 6d., compared with £13 12s. 6d. and £13 15s. a week ago. Steel-bar prices, local and foreign, are unaltered. Shipments last week totalled 161,407 boxes, compared with 127,401 boxes the previous week, and stocks in warehouses have been reduced to 185,000 boxes, compared with 219,841 boxes in the corresponding period of last year.

OTHER METALS.

Tin.—The standard market presented a quieter tone, and with sellers more in evidence, a weaker tendency was discernible, while influenced by lower Eastern cables. Sales totalled 1,480 tons, cash at £202 5s. to £200 12s. 6d. and £201 2s. 6d., and three months, £206 to £203–£204 7s. 6d. Sales in the East were reported at £209 5s. to £206 10s. and £208 per ton c.i.f. terms. Stocks in London and Liverpool warehouses for week ending June 22nd amounted to 8,339 tons, compared with 1,548 tons at corresponding period last year.

Copper.—With buyers showing decidedly more interest, a firmer market resulted, and offers reservedly made, though later profit-taking imparted slight irregularity and top points were not maintained. 2,750 tons changed hands, standard cash at £73 18s. 9d, £73 12s. 6d., three months, £73 7s. 6d., £73 17s. 6d. and £73 2s. 6d. per ton.

Lead.—A fair consumptive demand was dealt with, and tone barely steady. Turnover, 2,000 tons, good soft foreign pig, June, at £23 17s. 6d., £23 18s. 9d. and £23 12s. 6d.; July, £23 16s. 3d. to £23 15s.; August, £23 12s. 6d., £23 10s.; September, £23 11s. 3d. to £23 12s. 6d.-£23 10s. per ton.

Spelter quiet but fairly steady. 1,350 tons sold, June, at £26 2s. 6d., £26 3s. 9d.; July, £25 17s. 6d., £25 15s.; August, £25 15s.; September, £25 17s. 6d. to £25 13s. 9d.; October, £25 16s. 3d. to £25 12s. 6d. ton.

Aluminium quiet. Ingots and bars for home delivery, £95 per ton.

Antimony dull. English regulus, spot, £48 to £52 10s.; China, ditto, £34; July-August, £31; ditto, crude, July-August, £21 10s. c.i.f.

Antimony Ore.—July-August buyers, 4s. 6d. per unit, with few offers c.i.f.

Antimony Oxide.—July-August, £31 ton.

Wolfram firm. Chinese, July-August sold, 34s. c.i.f. to Continent, but further offers were not available. Straits quality, quoted 33s. per unit c.i.f.

Quicksilver steady. Spot, £22 2s. 6d. to £22 7s. 6d. bottle.

Tin Plates quiet. I.C. coke, prompt and forward, 18s. 4½d. to 18s. 7½d. per box, f.o.b. Swansea.

THE COTTON TRADE.

Liverpool, June 26th.

Spot sales for the week 20th to 26th (inclusive) are 38,000 bales, of which 23,410 are American, 3,200 Brazilian, 1,750 Argentine, 1,850 Peru, 4,050 Egyptian, 2,700 African, 730 East Indian, and 310 sundries. Imports for the same period are 36,057 bales, composed of 16,357 bales American, 4,798 Argentine, 922 Peru, 8,332 Egyptian, 4,307 African, 1,241 East Indian, and 100 sundries. Quotations to-day are: American Middling, 10·35; Egyptian Sakel, 15·95; Egyptian Uppers, 11·28; Brazilian Fair, 10·35; Peruvian G.F. Mod-Rough, 12·50; Peruvian G.F. Smooth, 11·20; West African Middling, 10·30; East African G.F., 11·50.

Manchester, June 26th.

Cloth manufacturers have continued to report an absence of bulk orders. India is decidedly disappointing. Dealers and merchants are nervous as to political events, and there is a determination to limit commitments as much as possible. Better advices have come through from China, and rather more contracts have been arranged. There has been no particular activity for any of the minor outlets.

VICTORY BONDS

For full list of drawn numbers of Victory Bonds, see

The Financial News

The Saturday issues of The Financial News include a complete list of Friday's business done on the London Stock Exchange, together with a record of the less active shares in which markings have appeared in the Stock Exchange lists during the week.

The Financial News is on sale at all newsagents and bookstalls throughout the country.

DAILY, TWOPENCE.

Head Offices :

14, 18 & 20, Bishopsgate, London, E.C. 2.

Competition for contracts amongst manufacturers tends to increase. It is a struggle for spinners of American yarns to prevent loss of ground. When sales take place, margins are worse than a month ago. Some spinners of Egyptian numbers are meeting with an increased demand, but orders do not flow with any freedom. The market is overshadowed by the wages dispute, but there is no real apprehension just at present.

Statement of the Cotton Trade.

	1929.				Corresponding Date.	
	June 5.	June 12.	June 19.	June 26.	1928.	1927.
	d.	d.	d.	d.	d.	d.
Raw Cotton—Mid. American ..... per lb.	10·26	10·14	10·20	10·35	12·13	9·26
— Sakellaridis Fully Good Fair Egyptian ..... per lb.	17·25	16·80	16·40	15·95	21·05	17·00
Yarns—32's twist ..... per lb.	15	15	15	15	17¼	15¼
— 40's weft ..... per lb.	15½	15½	15½	15½	17½	16
— 60's twist (Egyptian) ..... per lb.	25½	25½	25½	25½	31	28
	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
32-in. Printers, 116 yds., 16 by 16, 32's and 50's	25 3	25 0	25 0	25 0	26 9	26 0
36-in. Shirtings, 75 yds., 19 by 19, 32's and 40's	27 9	27 9	27 9	27 9	29 9	27 9
36-in. ditto, 38 yds., 18 by 16, 10 lb.	15 0	15 0	15 0	15 0	15 9	14 1½
39-in. ditto, 37½ yds., 16 by 15, 8½ lb.	13 4½	13 4½	13 4½	13 4½	14 7½	13 4½

COLONIAL WOOLS.

[FROM A CORRESPONDENT.]

The proposal made by the Australian Graziers' Federal Council to raise money for advertising wool has raised a fair amount of interest among importers and users in this country, and everybody concerned is quite prepared to give the scheme their blessing, though it is felt that it will not be an easy matter to get to the root of the trouble. It is very regrettable indeed that the price of wool has fallen so much that it is in danger of becoming an unprofitable commodity. Many firms have suffered serious financial losses. Spinners and manufacturers have been struggling for years to hold their place in the competitive race, but they have been well nigh beaten by artificial silk and other substitutes. They will still be able to render valuable service in advertising wool by keeping abreast of the times in the production of yarns and in turning out wool fabrics of attractive design and colour. Australia is apparently having a dry winter. No information about good rains has been received for a considerable time, and this is somewhat alarming, although water is not needed so much during the winter season. Very soon shearing will be general in Australia. Prices in Brisbane this week for the new clip of autumn-shorn wools appear to have been largely in sympathy with those recently current at Sydney. Japan purchased freely of the fine qualities, while the home trade and the Continent did some picking up. The price must be right if Bradford is buying, for most of the importing topmakers are well supplied with stocks purchased in Australia last February, March and April. Unfortunately, these purchases are now too dear, and though some firms are now less pessimistic than a month ago, they have still a keen struggle before them, particularly as there is no improvement in consuming centres in the West Riding.

An International Bank

The FIRST NATIONAL BANK *of* BOSTON

1784 :: :: 1929

BOSTON, U.S.A.

Foreign Branches

ARGENTINA — BUENOS AIRES

CUBA — HAVANA, CIENFUEGOS, SANTIAGO, SANCTI SPIRITUS

European Representatives

LONDON — 24, Old Broad St.

PARIS — 39, Rue Cambon

BERLIN — 52, Unter den Linden

Capital and Surplus

$50,000,000

THE WOOL TRADE.

Our Bradford correspondent writes: The trade is simply marking time and waiting for something to turn up. The clearing up sales in Australia are hardly a sufficient guide to the state of the raw material market, and it is to London that traders are looking for a lead. The auctions open in Coleman Street Wool Exchange on July 9th, and it seems certain that the verdict then given will determine the policy to be pursued for the next two months. Probably few traders expect anything of a spectacular nature at the next series of auctions, but it is felt that if the sales went with a swing, and prices showed even a slight hardening tendency, it would bring out business that is being held up simply on account of the lack of confidence. This uncertainty is everywhere apparent at the present time, and is quite as pronounced in Continental consuming centres as it is in the West Riding. Hand-to-mouth business is the order of the day in all sections of the industry, and in the circumstances it is very difficult to find a real market price for tops and yarns. Some of the larger firms are resolutely standing out against accepting lower prices for their fine tops, but the weak seller is still to be found, and spinners know where concessions can be obtained. Unfortunately, it does not help spinners much, for the simple reason that they in turn are being squeezed by users who know that stocks are plentiful and orders are badly needed for machinery requirements. The market, therefore, remains weak and irregular, and is much in need of a fillip to set demand running again in more normal volume.

HIDE, LEATHER AND ALLIED TRADES.

British market hides have shown a sharp advance, and at the Manchester auctions on Tuesday prices of best ox were higher by ½d. to ½d. per lb., best selections making 6¾d. to 7¼d. The advance is puzzling tanners, and some of the largest concerns are seriously thinking of stopping input of hides until there are signs of a better demand for sole leather. The oversea market is steadier, but lower prices seem probable. South American fregorifics are a shade firmer, and Argentine ox have sold on a basis of 8¼d. At the sales by inscription of 22,000 Leibig Colon hides, heavy ox made from 8¾d. to 9d., an advance of ¼d.–¾d. on prices made at the previous inscription. Dry River Plates have also advanced, B.A. Americanos realising 12¾d. Cape dry hides are selling better, but tanners refuse business at the higher prices asked. First and second Capes have sold at 12¾d. and 11¾d. respectively. Australian hides are steady, and dry-salted Queensland meatworks hides have sold at 9½d., with wet salted quoted at 7½d. Latest cables from Chicago report the hide market as steady, with best heavy packer steers selling at 17½ cents. Although business appears to be unevenly distributed, the demand for sole leather has improved. Shoe manufacturers, who are in receipt of orders are taking the better selections of dry hide bends of 6, 10 and 10-12 lbs. average, and for these prices are firm. Repairers are also now taking fair-sized quantities of wet salted and English bends up to 12 lbs. average, some of their customers now finding out the drawbacks of rubber substitutes owing to the hot weather. Shoulders and bellies meet with a fair demand at unchanged prices. More business is passing in upper leathers, and quite good sales of willow and glacé kid have of late been made, prices being a little firmer. Patent remains slow, but makers of men's shoes are taking box calf and sides in fair-sized quantities at the lower rates of prices. Curriers are meeting with a rather better demand for wax butts and semichrome, but the lining trade with the U.S.A. is now rather dragging in view of the uncertainty of the tariff question. Shoe manufacturers are fairly well employed, but complain that orders do not come up to expectations in view of the summer season.

THE TIMBER TRADE.

[FROM OUR OWN CORRESPONDENT.]

Imports of building woods last month were only 411 loads (of 50 cubic feet) in excess of those to hand in May last year, thus there is nothing out of the normal in the volume of receipts for the first month of the new shipping season. So far as the first five months' receipts are concerned, Finland, Russia and Sweden have sent larger quantities this year, more than making up for the large deficiency of Polish wood, and the smaller quantities from Latvia. In all, some 10,000 loads in excess have been received this year, to swell the fairly large stocks that have wintered in the U.K. The demand, however, has been so exceptionally satisfactory in the metropolitan area that stocks on that market can be considered light in view of June demand and the prospects for building construction. In addition to the improvement in April, the costs of buildings for which plans were passed in May outside the L.C.C. area amounted to £7,461,500, as compared with £5,625,000 for the corresponding month a year ago, so that the prospects are exceptionally good from the Midlands and South of England, and ought soon to get better in the coal, shipbuilding and cotton areas. The weak spot at present in the softwood market is floorings and matchings, stocks being very heavy, but here again the demand for new house requirements and other sources of consumption has been exceptionally good, and with anticipation of favours to come from the change of Government may go even more rapidly into consumption as the summer progresses. As regards the free-on-board and c.i.f.

markets, Finnish and Swedish sales have been larger than a year ago, and approximately the shippers have cleared quite two-thirds of their annual export quantities. The U.K. has bought well and cheaply, and the Continent also is much more active. Supplies of mahogany logs are decreasing this year, and other hardwood logs are also coming in on a smaller scale, especially from the United States. Empire countries on the whole are hardly keeping up with their last year's shipment volume, although there is plenty of time this year for improvement. Teak is a very strong market, both spot and for forward business, but in each of these departments little is being done. For sawn hardwoods the market continues dull, and both c.i.f. and spot values are unsteady. Plywood supplies and demand are growing prodigiously, the excess of imports this year over last amounting to 29½ million square feet, while from European manufacturing areas we hear of factories being very active.

VEGETABLE OIL AND OILSEEDS.

There is rather better tone in the markets, and oils available for prompt or near delivery are scarce and firmer. Linseed oil on spot is held for £29 12s. 6d., and for June delivery £29 per ton naked ex mill, but later positions continue at a small discount. Consumers, however, are only buying to cover immediate requirements. Cotton oils are firm, and crude Egyptian have advanced to £28 15s. on spot, but is obtainable for June-August delivery at £28 5s., while common edible is now quoted £32 on spot. Ground nuts oil is easier, but soya and other seed oils are about unchanged. In the oilseed section, linseed is somewhat firmer in sympathy with the advance in wheat and on account of the smaller quantity on passage unsold and estimates of a reduced exportable balance. Plate on spot is quoted around £15 17s. 6d., and this figure has been paid for July-August to Hull. Some interest is displayed in Indian linseed, and for Calcutta to London up to £17 13s.½d. has been conceded. Cotton seed is firmer, and old crop black Egyptian has advanced to £9 2s. 6d., while new crop has been dealt in at £9 7s. 6d. September, and £9 5s. November-January. Soya beans are in some demand on Continental account, current value being around £10 15s. early shipment.

OVERSEAS PRODUCE.

FOOD BEVERAGES, &c.

SUGAR.—There is a good steady inquiry from manufacturers and distributors alike, which has resulted in the lifting of quite extensive quantities from the spot, and prices advanced 1½d., but in most cases 3d., more money was registered. Messrs Tate and Lyle's goods, 3d. dearer both London and Liverpool. Cubes now 26s. 3d.-26s. 9d. as to quality; London granulated, 23s. 4½d.; T.L., 23s. 1½d.; ditto, month forward, 23s.; yellow crystals, spot, 21s. 10½d.; castor, A, 27s. 4½d.; B, 25s. 9d. Other British makes of granulated, 22s. 4½d. to 22s. 6d., with Cupar 22s. 9d. ex works. White Mauritius, spot, London, 20s. 1½d. to 21s. 1½d. as to sample. Czecho granulated, ready, 10s. 9d.; November-December, 10s. 9d. f.o.b. Hamburg. J Dutch, ready, 10s. 9d.; W.S.R. and H.U.M., ready, 11s. f.o.b. Rotterdam. Cuban 96 per cent. centrifugal, July-August, to the U.K., 8s. 9d. c.i.f. Cuban produce continues on the move and the "Pool" disposed of 50,000 tons, 96 per cent. July-August shipments, to refiners and operators at 8s. 9d. c.i.f. terms. Terminal sections a shade easier and trade pursued a quieter course. Of raws, August sold 8s. 0½d., 7s. 11½d.; December, 8s. 7½d. to 8s. 4½d.; March, 8s. 11½d., 8s. 9d.; May, 9s. 2½d. to 9s. White, August, 10s. 5½d. to 10s. 3d.; December, 11s. Cuban receipts for past week totalled 50,278 tons, against 27,383 last year; exports, 66,318, against 55,974; stocks, 1,371,317, against 1,180,591. Stocks of raw sugar in the three chief ports of the United Kingdom for week ending June 22nd, 121,494 tons against 137,983 last year.

COFFEE.—Market conditions continue very quiet apart from steady absorption of London cleaned Costa Rica, and prices for most other descriptions favoured the buyer.

COCOA.—There is only a moderate amount of business in spot lots at late prices. Forward positions steady but quiet. Accra July-August, quoted, 41s. 6d.; October-December, 43s. f.o.b. Terminal, July, sold, 42s. 9d. to 44s. 6d.; September, 45s. 1½d. to 45s. 6d.; December, 45s. 6d. to 45s. 9d. and 46s. 1½d.; January, 45s. 7½d. to 46s. 3d.; March, 46s. 6d. to 46s. 10½d.

TEA.—Indian sales of 49,465 packages met with good competition and a steady market resulted. In fact, prices were quite unaltered except for weakness in commonest and stalky kinds. Ceylon sales of 30,030 came to a somewhat quieter market. Quality still marks a falling off. Finest broken orange pekoes and flavoury leaf teas suitable for export sold firmly while in small supply, but otherwise prices were distinctly easier. Java and Sumatra sales met a fair demand at occasionally easier prices.

RICE.—Market remains firm for all Eastern grain on reserved offers. Spanish and similar varieties unaltered.

BEANS.—Butters steady, unaltered. Rangoon haricots firm, and spot lots, sellers, 15s. 9d.

PEAS.—A better demand sprang up for Japanese and prices responded. Spot, London, sold, 17s. to 18s.; afloat, steamers "Nagpore" and the "Carnarvonshire," sold, 16s. 3d.; May-June, nominally, 17s. 3d., sellers having withdrawn; June-July, also July-August, sellers, 17s. 9d.; new crop, September-October, sold, 18s. 10½d., now 19s. 9d. asked; October-November, sellers, 19s. 6d. c.i.f. London.

SPICE.—Pepper market steady on spot and there was a fair business in forward positions at irregular and rather easier prices. Lampong and other black qualities on spot, 1s. 4¼d.; white, 2s. 4¼d. Lampong, May-July, sellers, 1s. 3¾d.; August-October, sold, 1s. 2½d.; Muntok, white, May-July, sellers, 2s. 4d.; August-September, sold, 2s. 0½d.; August-October, 1s. 11⅝d. London stocks reduced 57 tons on the week. Cloves dull, unchanged. Sago flour, to arrive, 11s. c.i.f. Tapioca nominally unaltered. African ginger, spot, London, 62s. 6d.

FRUIT (Dried).—Currants quietly steady. Pyrgos quoted 44s.; Amalias, 45s.-45s. 6d.; Zante, 45s.-46s.; Vostizza, 50s.-56s.; Australian, 44s.-51s. Sultanas, Smyrna, practically cleared. Australian, new, 40s.-62s.; old, 32s.-34s.; Cape, bleached, 52s.-65s. Raisins dull. Valencia, common to good, 42s.-45s.; Lexias, new, 45s. Figs in small supply, bags, genuine, common to fine, 27s. 6d.-35s.; new, September shipment, 21s. 6d. c.i.f. Dates in fair demand for new crop. Siar, spot, 13s. 6d.-15s. 6d.; first tide, 14s.; Khedrowie 17s. cwt.

EVAPORATED FRUITS.—Market steady, but business slow to expand. Peaches and apricots neglected, but plums firm and reservedly offered. Californian plums, 20's-30's quoted 66s.-67s.; 30's-40's, 58s.-59s.; 60's-70's, 44s.-45s. Pears, Lake County, 80s.-100s.; Australian, 75s.-76s. Apricots, South African Royal, 57s. 6d.-117s. 6d.; Australian, 67s. 6d.-100s.; peaches, Californian choice, 54s.; extra choice, 56s.; fancy, 60s. Apples, Californian spot, sliced, extra choice, 77s. 6d. Almonds, quiet and tendency weak. Mazagan, 125s.; Mogador, 125s.; Majorcas, 127s. 6d.; Bitter-Jordan, 180s.-210s. cwt.

CANNED GOODS.

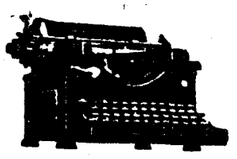
CANNED FRUITS.—A brisk demand continues for all descriptions of Californian fruits and prices firm, but forward business restricted, owing to high selling limits. Pears and apricots are clearing readily, peaches being held for extreme rates on reduced crop. Australian varieties also sell well at full prices. Singapore pines steady on spot, with improved inquiries, while forward quotations appear attractive. Small stocks of Hawaiian are firmly held. Tomatoes move off quietly, but tone fairly steady, and shippers refrain from pressing.

CANNED FISH.—Sardines steady, with Portuguese in larger supply. Portuguese clubs, 5s. per dozen tins. Lobsters firm, with moderate inquiries, and best halves quoted 140s. to 145s. Salmon in good demand at hardening rates in sympathy with high forward offers. Red talls, spot, 43s.-46s. 6d.; pink ditto, 26s.-28s. 6d.; halves, 33s.-36s. 6d. Japanese crab in good request, finest quality ruling at 98s. -102s. 6d.

CANNED MEAT.—Corned beef unaltered, but ox tongues firm on limited offerings, also Danish lunch, which continues in good demand. Danish boned hams sell readily and market firm, also Dutch veal and brawn.

CONDENSED MILK AND MILK POWDERS.—Market steady. Full cream, sweetened, English, spot, 40s.; Dutch ditto, 37s.; July, 37s. 6d.; August-September, 38s. 3d. Machine skimmed, sweetened, English, spot, 24s. 6d.; Dutch ditto, 22s. 6d.; July, 22s. 6d.; August, 23s.; all in 5-cwt. barrels. Powders, Spray process, F.C. 26 per cent., 2 by 56 lb. tins, orated, 92s.; M.S. (1-cwt. cases), 41s.; Roller ditto, F.C. 26 per cent., 72s.; M.S., 31s. 6d., all nett, duty paid, ex-wharf London. On the grocery side, F.C.S., 19s. 6d.; M.S.S., 9s. 6d., basis per case, usual packing. Danish cream, evaporated, unsweetened, 48 by 16 oz., 18s. 6d.; 96 by 6 oz., 19s. 6d.; condensed, sweetened, 48 by 14 oz., 20s. per case.

HONEY.—Market steady, but generally quiet, with increased supplies available. Jamaica, good amber to fine pale, 49s. to 55s.; dark to fair amber, 40s.-47s. 6d.; San Domingo, white set, 50s. New Zealand, dark amber, 50s.-55s.; medium, 55s.-65s.; light, 65s.-85s.; white and water whites, 65s.-87s. 6d. cwt.



Royals SAVE more than they COST!

Because they do more work, better work—easier work, for a longer time, at less expense. Compare Royal work—it's the work that counts.

ROYAL

:: STANDARD & PORTABLE TYPEWRITERS ::

75, 75a, QUEEN VICTORIA STREET, E.C.4.

'Phone: Royal 7601 (10 lines).

PROVINCES: Look in any 'phone book.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, WEDNESDAY.

CEREALS AND MEAT.

	s.	d.
GRAIN, &c.—		
Wheat, No. 3, N. Man. 496 lb....	48	0
Eng. Gas. av., per cwt.	9	7
Barley, Eng. Gas. av.	9	5
Oats, " "	9	7
Maize, La Plata, landed, 480 lb	38	6
Flour, Lon. stan. ex mill, 280 lb.	33	6
Rice, No. 2 Burma, per cwt.....	13	6
Sago, pearl, per cwt.	22	6
Tapioca, per cwt.—		
E.I. flake, fair to ot	21 6	22 6
Medium pearl	20 0	21 9
Potatoes, good English, per cwt. ...	5 0	8 0
St. Malo, cwt.	6 6	0 0
Jersey	7 0	8 0
Beef, per 8 lbs.—	s. d.	s. d.
English sides	5 8	6 4
Argentine chilled hinds...	5 2	5 6
Mutton, per 8 lbs.—		
English wethers	6 4	8 4
N.Z. frozen "	4 0	6 4
Pork, English, per 8 lbs. ...	7 0	7 4

BACON— OTHER FOODS.

Irish .....per cwt.	119	0 134 0
Danish	112	0 118 0
Canadian	110	0 115 0
Dutch	106	0 114 0
HAMS—Irish	0	0 0 0
Canadian	nom.	
American	108	0 118 0
BUTTER—		
Irish creamery per cwt.	166	0 172 0
Australian	150	0 168 0
New Zealand	152	0 172 0
Danish	174	0 176 0
CHEESE—		
Canadian ..... per cwt.	88	0 110 0
New Zealand	91	0 95 0
English Cheddars	nom.	
Dutch	42	0 80 0
COCOA—		
(Duty, British grown, 9s. 4d., foreign, 14s. 4d.)		
Accra f.f., per cwt.	46	0 48 0
Trinidad	60	0 63 0
Grenada	49	0 55 0
COFFEE—		
(Duty, British grown, 9s. 4d., foreign, 14s. cwt.)		
E.I., good to fine, per cwt.	140	0 150 0
Costa Rica, good to fine...	145	0 176 6
Cent. Amer., mid to fine	120	0 145 0
Kenya, bold sizes	125	0 143 0
Colombian, mid to fine...	123	0 134 0
EGGS—		
English..... per 120	17	0 19 0
Danish	13	
FRUIT—		
Oranges, Denia & Valencia	14	0 21 0
" " 360	0	21 0
" " 504	15	0 20 0
Jaffa ..... cases	0	0 0 0
Lemons, Naples ..... boxes	14	0 28 0
Sicilian ..... boxes	10	0 18 0
" ..... cases	11	0 18 0
Murcia ..... half cases	12	0 17 3
Malaga ...cases (av.) 420 No. 1	0	0 0 0
Apples: Amer. (var.) brls.	0	0 0 0
" " (var.) boxes	0	0 0 0
" Tasmanian boxes..	14	0 20 0

FRUIT (*continued*)—	s.	d.	s.	d.
Onions, Valencia :—				
case 4s.	0	0	0	0
case 5s.	0	0	0	0
Onions, Egyptian, bag	0	0	0	0
Chestnuts, Huelva bags	0	0	0	0
Grapes, Almeria .....brls.	0	0	0	0
LARD—				
Irish bladders.....	82	0	88	0
American boxes 56 lbs.	62	0	63	6
SPICES—				
Pepper, per lb.—				
Muntok, fair White ...	2	4½	0	0
Black Lampong	1	4½	0	0
Cinnamon—1st sort, per lb.	2	0	2	3
Cloves—Zanzibar per lb.	1	4½	0	0
Ginger—per cwt.—				
African	62	6	0	0
Jamaica, ord. to good	80	0	120	0
Mace ..... per lb.	3	6	4	0
Nutmegs 65's	1	10	2	0
SUGAR—				
(Duty, 11s. 8d. per cwt.)				
B.W.I., crystallised	21	0	23	6
Java, white, c.i.f. India, July-Sept.	11	4½	0	0
REFINED—London—				
Yellow Crystals	21	10½	0	0
Cubes	26	3	26	9
Crushed	25	0	25	6
Granulated	23	0	23	10½
Home Grown (prompt)	22	4½	22	7½
TEA—				
(Duty 4½d. British, foreign 4d. per lb.)—				
Indian & Ceylon—per lb.				
Pekoe	0	10½	1	10½
Broken Pekoe	0	11	2	1
Orange Pekoe.....	1	0½	2	1
Broken Orange	1	0½	2	9
TOBACCO—				
(Duty 8/10–11/2½ per lb., Empire growths, 6/9½ per lb.)				
Virginia leaf—				
Common to fine	0	10	2	9
Rhodesian leaf	0	9	1	6
Nyasaland leaf	0	9	1	8
stripe	0	10	1	10
East Indian leaf.....	0	4½	0	7½
stripe.....	0	6	0	10

TEXTILES.

	d.	
COTTON—		
Mid-American .....per lb.	10·35	
Sakellaridis, f.g.f.	15·95	
Yarns, 32's twist	15	
60's twist	25½	
FLAX—	£ s.	£ s.
Livonian ZK .....per ton	76 0	78 0
Pernau HD.....	71 0	0 0
Slaneta Medium 1st sort	83 0	0 0
HEMP—		
Italian P.C. ..... per ton	56 0	0 0
Manila, June–Aug. "J2".	37 15	0 0
"	nom.	
Sisal	37 10	41 0
JUTE—		
Native first marks....per ton		
July–Aug.	30/5/0	0/0/0
Aug.–Sept.	31/5/0	0/0/0
SILK—	s. d.	s. d.
Canton .....per lb.	14 6	16 0
Tussah	6 0	9 0
Japan	21 0	22 6
Italian—Raw, fr. Milan	19 0	22 0

WOOL—	d.
English Southdown, washed per lb.	22
" Lincoln hog, washed	15½
Queensland, scd. super cmbg.	41
N.S.W. greasy, super "	23
N.Z., grwy., half-bred 50–56	19½
Crossbred 40–44	15
Tops—	
Merinos 70's	43
" 64's	41
Crossbred 48's	24½
" 46's	22½

MINERALS.

	s.	d.	s.	d.
COAL—				
Welsh, best Ad'ty...ton	19	9	20	0
Durham, best gas	16	6	17	6
Sheffield, best house ...	19	0	20	0
IRON AND STEEL—				
Pig, Cleveland No. 1, ton	72	6	0	0
Bars, M'brough 215		0	0	0
Steel Rails, heavy.....170		0	0	0
Tin Plates, I.C., per box	18	4½	18	7½
METALS—	£	s.	£	s.
Copper, Electrolytic, ton	83/15/0		84/15/0	
Sheets (strong) 110		0	0	0
Standard	73/18/9		74/0/0	
Lead Eng. Pig ...per ton	25/5/0		0/0/0	
Soft Foreign	23/15/0		23/10/0	
Spelter G.O.B.	26/3/9		26/13/9	
Tin—English ingots ...	201/10/0		202/0/0	
Standard, cash	200/17/6		201/0/0	

MISCELLANEOUS.

	s.	d.	s.	d.
CHEMICALS—				
Acid, citric, per lb. less 5%	2	1	2	2
Nitric.....	0	2½	0	4
Oxalic, net	0	3½	0	4
Tartaric, English less 5%	1	4½	0	0
	£	s.	£	s.
Alum, lump .....per ton	9	0	9	10
Ammonia, carb. ..... ton	36	0	38	0
Sulphate	14	0	15	0
Arsenic, lump .....per ton	35	0	40	0
	s.	d.	s.	d.
Bleaching powder, per cwt.	6	9	8	0
Borax, gran. ..... per cwt.	13	0	0	0
Do. powder	15	0	0	0
Nitrate of Soda ...per cwt.	11	6	12	6
Potash—Chlorate, net ...	0	3	0	3½
Sulphate .....per cwt.	9	0	10	0
Sal-Ammoniac ... per cwt.	42	6	45	0
Soda Bicarb. .....per cwt.	9	0	10	6
Crystals ..... per cwt.	5	0	5	3
	£	s.	£	s.
Sulphate Copper...per ton	29	0	29	10
CEMENT—	s.	d.	s.	d.
Portland, best Eng. pr. ton	46	0	48	0
COPRA—				
S.D. Straits, c.i.f., per ton July–Aug.	£21/7/6		0	0
Smoked South Sea July–Aug.	£19/17/6		0	0
DRUGS—				
Camphor—	s.	d.	s.	d.
Japan, refined ..... per lb.	2	4½	2	5
Castor-oil	85	0	95	0
Ipecacuanha	13	6	13	9
Peppermint, Wayne Co....	14	6	14	9

HIDES—	s.	d.	s.	d.
Wet salted—Australian per lb.	0	5½	0	6½
West Indian	0	4	0	6½
Cape	0	6	0	8½
Dry and Drysalted Cape...	0	8	1	0½
Market Hides, London—				
Best heavy ox & heifer	0	8	0	8½
Best cow	0	5½	0	7
Best calf	1	8½	0	12½
INDIGO—				
Bengal gd. red-rie. to fine—per lb.	5	6	6	6
LEATHER—				
Sole Bends 8/14 lb.— per lb.	1	2	2	1
Bark Tanned Sole	2	6	3	3
Shoulders fm DS Hides	0	9	1	1
Do. Eng. or WS do.	1	0½	1	6
Bellies from DS do.	0	7½	0	9½
Do. Eng. or WS do.	0	9½	1	3
Dressing Hides.....	1	6	2	0
Bo. Eng. Calf, 20/30 lb.	4	0	6	0
Aust. Bends	1	6	2	0
VEGETABLE OILS—	£	s.	£	s.
Linseed, naked, p. ton net	29/8/9		0	0
Rape, refined	43	0	0	0
Cotton-seed, crude	28	0	0	0
Coconut, crude	30	10	0	0
Palm	31	5/0	33/2/6	
Oil Cakes, Linseed, Eng., per ton	12/5/0		12/10/0	
Oil Seeds—Linseed—				
LaPlata, p.ton July–Aug.	15/17/6		0	0
Calcutta, p.ton July–Aug.	17/13/9		0	0
	s.	d.	s.	d.
Turpentine, per cwt.	44		0	0
MINERAL OILS—				
Petroleum—Oil, per 8 lbs.	1	0	0	8
Water-White	1	1	0	0
Lubricating—	£		s.	
Pales	10/5/0		22/7/6	
Reds	11/10/0		21/12/6	
Cylinder	14/15/0		42/15/0	
Fuel—	s.	d.	s.	d.
S.G. 895, 910.....	82	6	0	0
" 950.....	67	6	0	0
ROSIN—	£	s.	£	s.
American .....per cwt.	1	7	5	23 10
RUBBER—	s.	d.	s.	d.
Plantation Sheet per lb.	0	10½	0	0
Fine Hard Para per lb.	0	11	0	0
SHELLAC—	£	s.	£	s.
TN Orange ... per cwt.	197	6	0	0
SHELLS—	£	s.	£	s.
W.-Aust. M.-o.-P. "	4	0	12	10
TIMBER—	£	s.	£	s.
Swedish u/s 3 x 8 per std.	19	0	0	0
Do. 2½ x 7 "	19	0	0	0
Do. 2 x 4 "	19	0	0	0
Can'dn Spruce, Dis. "	17	10	0	0
Pitchpine ..... per load	9	0	0	0
Rio Deals ..... per std.	32	0	0	0
Teak ..... per load	20	0	0	0
Honduras Mahg. logs c. ft.	0	11	0	0
African "	0	0	0	0
American Oak Boards "	0	0	0	0
Do. Ash "	0	0	0	0
English Oak Planks "	0	7	0	0
Do. Ash "	0	0	0	0

RUBBER.

Nothing occurred to alter the market to any appreciable extent either way. General state of trade is decidedly sluggish, while manufacturers would appear to be in possession of adequate stocks for the time being. The undertone is one of steadiness, but the fact of New York remaining under London parity forms a barrier to any sustained upward move. Sheet, spot, and June, sold 10½d. to 10 9/16d.; July, 10½d.; July-September buyers, 10⅝d.; October-December, sold, 10¾d.; January-March sellers, 11¼d. Hard Para, spot, sold, 11d. London stocks 525 tons down, including 15 tons correction under an inspection; landings, 1,089; deliveries, 1,599; stocks, 30,617, compared with 40,085 at corresponding period last year. Liverpool stocks reduced 218; landings, 42; deliveries, 260; stocks, 4,515.

GENERAL.

JUTE.—A quiet market and prices easier. Firsts, June-July and July-August, continent, sellers, £30; new crop, August-September, £31; September-October, October-November, and November-December, £30 17s. 6d. Lightnings, June-July, £29; August-September, £29.

HEMP.—Market remains very quiet, and prices tend against sellers. J No. 2, June-August, quoted £37 15s.; K sellers, £32 10s.; L No. 1, June-August, £32 15s.; L No. 2, £30 10s.; M No. 1, £30 10s.; M No. 2, £26 10s.; G, £38 10s.; H, £33; S No. 1 quoted £53 10s.; S No. 2, £49 10s.; S No. 3, £39 10s.; C No. 2, £31 10s.; C No. 3, £28 10s. c.i.f. African sisal quieter. No. 1 f.a.q., June-August, quoted £39 12s. 6d.; marks from £40 10s. to £41. No. 2 f.a.q. quoted £37 10s. c.i.f. Manila receipts for last week, 28,000 bales, against 28,000 bales at the same time last year. Estimate for next week, 31,000, and following week, 27,000. Shipments from Manila last week: to United Kingdom, 4,000 bales; Continent, 4,000; U.S.A., 6,000; Japan, 8,000; and other countries, 1,000. Local stocks, 216,600 bales.

SHELLAC.—In quiet request. T.N. spot, 197s. 6d.; August, 194s.; October, 198s. 6d. cwt.

COPRA.—Stability was again the distinguishing characteristic in this market. Fair inquiries continue to circulate, and a gradual tightening of the general position is the natural sequel to reduced offers being put out by shippers. Doubtless this is brought about by low prices current over rather a prolonged period. Straits S.D., June-August, Rotterdam, quoted £21 7s. 6d.; August-September, sold, £21 7s. 6d.; Dutch East Indies, quoted, £21 2s. 6d.; Ceylon, £22 5s. To Marseilles, mixed, excluding Padang, July-August, sold £20, and buyers; smoked South Sea, quoted £19 17s. 6d.; sun-dried, £20; palm kernels to Hull, June-July, £16 12s. 6d.; Hamburg, ditto, £16 12s. 6d.; July-August, £16 12s. 6d.; August-September, £16 15s. ex c.i.f. per ton.

MISCELLANEOUS.—Coconuts, quoted, 16s. to 22s. per 100. Coir yarn, Ceylon, £19 10s. to £37 10s.; Cochin, £23 to £41; Ceylon bristle, £18 15s. to £25; cinnamon leaf oil, 5½d.; citronelle, Ceylon, 1s. 10½d.; Java, 2s. 3½d.

METROPOLITAN CATTLE.—June 26.

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

	s.	d.	s.	d.
Beasts—Norfolk	6	4	6	8
Irish	...		...	
Cambridge	...		...	
Short Horns	...		...	
Herefords	...		...	
Devons	...		...	
Leicester runts	...		...	
Beasts—Heavy Bulls	s.	d.	s.	d.
Canadian	...		...	
Sheep—Downs	8	0	8	8
Half bred	...		...	
Ewes	...		...	
Scottish	4	8	5	0
Lamb—Downs	10	4	11	4

LONDON POTATO MARKETS.—June 26.

	Per Cwt. s.	d.	s.	d.
New English Kidneys	7	0	8	0
" Epicures.....	5	0	6	0
" Jersey			6	6
" St. Malo			Per bag. 7	0
" St. Malo.....			Per barrel. 8	0

The Economist
MONTHLY SUPPLEMENT.

New Series. SATURDAY, JANUARY 26, 1929. No. 68.

In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations, supplemented from our statistical records. We propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.*

* "League of Nations Monthly Bulletin of Statistics." 1s 6d. Constable.

THE STATE OF TRADE AT HOME AND ABROAD.

At the opening of the New Year it is always difficult to determine the trend of business. The rush of Christmas trade is succeeded first by the holiday period and then by stock-taking. The public, after their Christmas buying activity, are naturally inclined to refrain from further purchases, and this tendency is accentuated by the fact that numerous large periodical payments fall due immediately after Christmas. Thus those manufacturers who are directly supplying the public's needs cannot look for any marked revival in demand during early January. This statement, of course, does not apply to manufacturers of "capital" goods, such as plant and equipment, nor to those primarily interested in export trade; while of those engaged in supplying the home consumer, a large proportion will now be engaged in filling distributors' shelves with spring and summer goods. Still, even allowing for these factors, there is no doubt that in early January the course of business is subject to temporary interruptions.

Allowing for this disturbance, the present trend of trade is on the whole good. Encouraging reports are being received from such staple industries as coal, iron and steel, engineering and cotton. It may seem misleading to speak of an encouraging situation in the coal industry at a time when the distress in the mining areas has become so acute as to call for a big and sustained national relief scheme, but the position to-day is both simple and tragic. At the cost of closing down numbers of pits and of throwing hundreds of thousands of miners out of work, the rate of output has been reduced to a point where it corresponds to demand. The result is the paradox of acute unemployment on the one hand, as against firm markets and a hardening tendency in prices on the other, though prices are still too low to yield any profit to owners.

In the other heavy trades, the most encouraging event is the revival of activity in the shipbuilding industry. This is proving a distinct help both to iron and steel, and to marine engineering. Partly as a result of this, the steel trade is anticipating better conditions during the next few months, though this forecast is tempered by fears of a summer setback similar to those experienced in previous years. The engineering trades also report a cheerful tone. In the cotton industry prices seem fairly steady, and this is bringing fresh orders. China, too, is at last buying more freely, and this is a great gain for Lancashire.

The unemployment returns must be interpreted in the light of the disturbance to trade caused by Christmas. During the first three weeks of December there was a definite improvement, but this was followed by a setback immediately after Christmas. If this can be ascribed to the holiday factor, the general trend is encouraging. Improvements were recorded in such important trades as coal-mining, iron and steel, shipbuilding and textiles, and declines were confined to fishing, pottery, pig-iron, building, hosiery, and cocoa and chocolate.

Apart from the disturbance usual at the end of the year, monetary conditions remain stable, though signs of stringency are beginning to develop. This is the natural result of the inflow of revenue, while, in addition, the Bank of England must be beginning to take into account the need of replenishing the gold losses of the past few months. The reduction in the Reichsbank's rate lessens the danger of further losses to Germany, but the New York exchange still remains at the point at which it pays America to take gold, and recent shipments to America make it clear that the Bank will have to exercise care. Commodity prices remain steady, and unless gold shipments to the United States continue into the spring months there now seems little ground for fearing that developments in the money market will be such as to counteract the improving tendency in trade which now is becoming apparent.

Conditions abroad show little change from a month ago. United States trade remains active, and reports from the Empire are reassuring. On the Continent, French and Belgian trade conditions are good, while the German iron and steel trades are beginning to recover from the effects of the November lock-out. South American news is little different from a month ago.

HOME TRADE STATISTICS—DECEMBER, 1928

		Nov.	Dec.	Compared with Dec., '27.
UNEMPLOYMENT—				
(State Insurance %)		12·2	11·2	+ 1·4
PRODUCTION—				
Coal (million tons)*		4·8	5·1	+ 0·3
Iron (thous. ")		544	540	— 1·9
Steel (" ")		752	683	+ 78
FOREIGN TRADE—				
Imports	(million £'s)	106·9	101·5	— 4·0
Re-exports (" ")		10·8	9·1	— 1·2
Exports (" ")		63·8	69·5	+ 0·3
TRANSPORT—				
Railway Receipts* (£0,000)		320	324	— 29
Shipping Freights	(av. level[1])	110·9	113·2	+ 10·9
COMMODITY PRICES (" " [2])		149·5	95·0	— 3·8
TRADE DISPUTES (thous. working days lost)		64	32	— 6
SECURITY VALUES (av. level[3])		127·4	127·3	+ 4·3
FINANCIAL DATA—				
Bank Notes	(million £'s)* ..	134	380	— 1
Currency Notes (" ")* ..		290		
Bank Deposits (" ")* ..		1,789	x	x
Bank Advances (" ")* ..		957	x	x
Banks Cash Ratio [4] (%)*		11·0	x	x
Bank Clearings:				
London	(million £'s)*	844	803	+ 40
Manchester (" ")*		12·4	13·2	+ 2·1
Three months' Bank Drafts (Discount Rate %)*		4⅜	4⅜	+ 1/16
Day-to-day Loans (%)*		3¾	3 1/16	— ⅛

[1] 1913 = 100. [2] *Economist* Index No.; 1927 = 100. [3] *Bankers' Magazine* Index No. of 365 securities; December, 1921 = 100. [4] Cash in hand and at Bank of England as % of total current, deposit, and other accounts. x Not available.
* Average weekly figures.

Reports from the Far East are encouraging with respect to both China and Japan.

HOME INDUSTRIES.

Iron and Steel.—Trade last month was disturbed by the Christmas holidays, but the general tone and outlook were both promising, and rather more active conditions are anticipated during the next few months. The revival in the shipyards has proved distinctly helpful, while the decline in imports in December is also regarded as encouraging. Some uncertainty is felt as to the future course of German prices, but home prices remain firm and the industry has improved its position since last summer.

Coal.—A distinct improvement has been recorded in the South Wales coal trade, and the general tone is good. Export trade in Durham and Northumberland is also satisfactory, a definite revival having occurred during January. Some of this demand has spread to the Yorkshire fields, and Scottish pits are disposing readily of house and gas coal. Though the country's coal production to-day is far below the full capacity of the industry, demand is fully commensurate with the present rate of output.

Engineering.—The year has opened with a fairly cheerful tone. An increase in activity in the shipyards has been reflected in better orders for marine engineers. Locomotive builders are still very active, and now enjoy a definite advantage in the world's markets. There is a fairly steady demand for textile machinery and power plant, while the machine tool trade has recently had little of which to complain. The outlook for agricultural machinery is now thought to be a little better than during most of last year.

Electrical Industry.—The following index of production in the electrical industry is copyright by the Economic and Statistical Department of the British Electrical and Allied Manufacturers' Association. An explanation of the manner in which it has been computed will be found on page 888 of the *Economist* of November 28, 1925.

INDEX of ACTIVITY in the ELECTRICITY INDUSTRY.
(1920 = 100.)

1925.	Home.	Export.	Total.	1927.	Home.	Export.	Total.
July	58	119	73	April	90	181	113
August	61	119	76	May	88	200	116
September	61	121	76	June	94	234	128
October	67	125	81	July	93	231	126
November	68	124	81	August	90	236	126
December	76	117	86	September	87	230	122
1926.				October	81	208	112
January	75	110	84	November	80	192	107
February	74	106	82	December	69	160	92
March	80	101	85	1928.			
April	83	100	87	January	68	148	88
May	83	104	88	February	68	143	87
June	82	110	89	March	71	141	89
July	80	79	80	April	70	122	84
August	84	83	84	May	68	108	79
September	87	70	83	June	68	105	78
October	89	86	88	July	71	80	74
November	93	103	95	August	74	86	78
December	94	143	106	September	81	102	88
1927.				October	83	107	91
January	95	152	109	November	85	105	93
February	92	159	108	December	93	103	96
March	89	163	107				

Owing to the new orders placed by the Electricity Supply Board, December was an active month. 1929 promises to be a good year. In addition to the orders from the Supply Board a big new contract for generating plant has just been received from Rotterdam.

Motor Industry.—Since the Motor Exhibition, the private car section of the motor trade has experienced a satisfactory degree of activity. The commercial and passenger carrying vehicle section continues at a high level of production, orders from railway companies being no doubt in some measure responsible. Motor-cycle manufacturers are also well employed.

Cotton.—Our Manchester correspondent writes:—Trade has been disorganised by the holidays, but apart from these disturbing influences there has been a tendency for yarn and cloth demand to broaden, and there are indications of buyers showing increased confidence in current prices. Here and there an increased turnover has taken place. The feature of interest has been the better news from Shanghai, and freer buying for China generally in standard makes and fancies. Most of the buying for India has been in light fabrics and specialities, and a fair amount of business has been done. Rather better support has been met with from other centres. In some places idle looms have been restarted.

Woollens and Worsteds.—There is a fair amount of inquiry for tops, and quotations remain steady, but yarn prices are very irregular on account of the keen competition among spinners for orders to keep machinery employed. Prices still remain the main difficulty, for while users hold that even current quotations are too high, there seems no likelihood of any immediate decline in raw material values.

Linen.—Spinners are well supplied with orders. Fresh business has been inclined to lag since the holidays. Manufacturers are passing through the quiet period usual at the beginning of the year.

Artificial Silk.—The market has now adjusted itself to the reduction in the prices of both yarns and fabrics, which took place last month, and business in every section is now expanding well. There has been a marked improvement in demand from India and the East, and a steady trade is maintained with the Colonies and Brazil.

Boots and Shoes.—Trade has not yet recovered from the holidays, but there are hopes that further orders will be coming to hand before long.

Pottery.—This industry has been passing through a period of inactivity as distributing houses have mainly been busy with stocktaking and winter sales, and have not been replacing orders.

Chemical Industry.—Exports in 1928 were 8 per cent. above those for 1927, while imports were not appreciably different. Since Christmas there appears to have been a development in home demand, accompanied by the usual fairly satisfactory export activities.

Building Trades.—Little change took place in employment between November and December, Wales and Northern Ireland and the North of England remaining the least satisfactory districts. A slight improvement was recorded in the brick industry.

Agriculture.—Conditions were fairly favourable for outdoor work, and in many areas it was possible to keep cultivation well forward during December. Early-sown corn was promising, except on wet heavy soils, where some patchiness and lack of colour were noticeable. Potatoes were keeping well. Milk yields were usually about normal.

Shipping.—Chartering is less active than a month ago, but grain freights have been firm. Rates on outward coal have been irregular with a weaker tendency.

London Retail Trade.—Reports indicate good sale business. The colder weather has stimulated the demand for woollen materials and inner and outer garments of a heavier type, so that the clearance of winter merchandise has been fairly successful. Stocks are low, and the prospects for next season good.

BRITISH EMPIRE.

In Canada last December's Christmas trade achieved record volumes and provided general evidence of prosperity. The outlook for the current quarter is looked on as satisfactory, except in some areas where crop results were disappointing and country merchants are finding some difficulty in financing their winter commitments.

The weather in Western Australia, South Australia and

MINISTRY OF LABOUR UNEMPLOYMENT RETURNS.

	Coal-Mining.	Other Trades.	Total.
(a) *Monthly Returns—Great Britain and Northern Ireland—Numbers of Insured Persons Recorded as Unemployed—*			
End of December, 1925	140,469	1,102,618	1,243,087
End of December, 1926	124,883†	1,306,957	1,431,840†
End of December, 1927	207,256	987,049	1,194,305
End of November, 1928	282,132	1,170,885	1,453,017*
End of December 1928	213,024	1,120,587	1,333,611*
(b) *Weekly Returns—Great Britain only—Nos. on Registers of Employment Exchanges—*			
1928 January, First week	..	..	1,336,303
January, Second week	..	..	1,232,069
January, Third week	..	..	1,193,813
1929 January, First week	..	..	1,520,700
January, Second week	..	..	1,452,600
January, Third week	..	..	1,435,000

* Including casuals 34,858 in November, and 78,413 in December.
† Excluding persons in the coal mining industry who ceased work on account of the dispute.

Victoria and inland parts of New South Wales has generally been favourable for the wheat harvest. The wool clip should approach a record in weight, but prices may average about 10 per cent. below last year's rates. Export of butter shows a marked gain on the two previous seasons. Victoria has experienced a particularly good dairying season. Definite though not pronounced gains have been made by trade generally.

In India weather has been seasonable in most parts. Standing crops are good and prospects fair. The condition of cotton in the Punjab is generally below normal owing to damage by insect pests and adverse weather in many districts, and the yield is below normal.

In South Africa trade conditions generally are good. Towards the end of November good rains were well distributed over all four Provinces. The major portion of West Karroo has also had its share.

UNITED STATES OF AMERICA.

The following indices of American economic conditions have been forwarded to us by Moody's Investors' Service, of New York and London, and may serve as an indication of the main features in the business situation as it existed last month:—

AMERICAN TRADE STATISTICS—DECEMBER, 1928.

	Nov.	Dec.	Compared with Dec., '27.
EMPLOYMENT†—(June, 1914=100)	110·4 ..	111 ..	+ 3·4
PRODUCTION—			
Bituminous coal (Thous. tons)	46,041 ..	43,380 ..	+ 5,595
Pig-iron („ „)	3,303 ..	3,371 ..	+ 675
Steel („ „)	4,259 ..	4,015 ..	+ 865
Unfilled orders, U.S. Steel Corporation (Thous. tons) ..	3,673 ..	3,977 ..	+ 4
Building permits (Thous. $)	227,404 ..	211,730 ..	— 49,060
FOREIGN TRADE—			
Imports (Thous. $).....	355,404 ..	388,000 ..	+ 57,079
Exports („ „).....	544,022 ..	475,000 ..	+ 67,351
TRANSPORT—			
Freight car loadings (Thous. cars)	4,244 ..	3,648 ..	+ 68
SECURITIES—			
20 industrial stocks—Highest quotations‡..	295·62 ..	300·00*..	+ 98
Lowest quotations‡..	254·17 ..	257·33 ..	+ 64
Thous. shares sold during month —(New York)..	115,434 ..	92,837 ..	+ 30,471
New securities issued (Thous. $)	874,682 ..	986,382 ..	+ 91,280
BANK CLEARINGS—			
New York (Million $)	35,716 ..	39,218 ..	+ 7,308
Other cities („ „)	20,244 ..	21,062 ..	+ 1,176
RETAIL BUSINESS—			
Total sales, mail order houses (Thous. $)	61,628 ..	74,386 ..	+ 14,892

*** Preliminary estimates made by Messrs Moody, subject to revision. † Based on reports of U.S. Labour Bureau and of Bureaux of the States of New York, Wisconsin, and Pennsylvania. ‡ Average of actual prices.**

The year closed with industrial activity at a high level, 1928 proving a record year in the steel and automobile industries. Car loadings and railroad earnings for last year were above those for 1927. During December buildings contracts underwent a seasonal decline, but the recovery of the textile industry continued.

EUROPE.

The French iron and steel trades remain active, but the coal trade has been disturbed by strikes in the Loire and South of France. Trade generally continues fair.

The Belgian coal and steel industries have become more active since the New Year and steel prices in particular show a hardening tendency. The textile trades closed the year under more satisfactory conditions.

German industrial conditions are fairly good though the steel trades have hardly yet recovered from the effects of the November lock-out. The outlook for prices, too, is uncertain. The textile industries have undergone a slight improvement, and the chemical trade remains good. Dutch industries maintain their activity.

Norwegian shipyards are now busy, and the Christmas agreement between employers and workers in the iron industry has distinctly improved the outlook. In Denmark agriculture and building have been interrupted by cold weather, but the general business situation is thought sound.

Italian industries made good progress during December. This was accompanied by the usual seasonal increase in unemployment. Austrian Christmas trade was fairly good, but not up to last year's level, and unemployment, too, increased during December. Elsewhere in Europe conditions show little change from a month ago.

SOUTH AMERICA.

The Argentine maize crop is being affected in some districts by lack of rain, but other crops are in better condition. Chilean trade underwent little change during November, but retail trade experienced its usual seasonal activity, and the general outlook was thought promising. Business in Brazil was dull during December, but Peruvian conditions were described as normal.

FAR EAST.

Latest reports from China confirm the view that trade is becoming more active as a result of the greater political stability. This is shown by the orders now being received in Manchester. It is, however, clear that progress will be extremely slow, and according to an American report no important development can be expected during the early part of the current year.

Business conditions in Japan improved slightly during December. Activity in the cotton industry was maintained, but the raw silk market remains quiet.

ELECTRICAL PRODUCTION.

IN the *Economist* of July 10, 1926 (pages 57-8), we published a new index of electrical production in the chief industrial areas of Great Britain. We show below a *résumé* of the results achieved during recent periods:—

INDEX of PRODUCTION of ELECTRICITY.*
(Monthly Average 1923-24 = 100.)

Date.	Britain, Excluding London and Wales.	Coal Mining, Iron and Steel, Shipbuilding, Heavy Engineering.	General Engineering and Automobile Construction.	Chemicals.	Marine Transport, Docks, &c.	Textiles, Cotton and Wool.
1926.						
January	139	138	162	184	155	135
February	141	153	161	192	150	134
March	135	136	155	161	139	131
April	119	121	128	153	127	114
May	93	88	103	145	99	90
June	100	88	119	157	114	105
July	91	77	125	147	110	97
August	96	84	112	149	110	101
September	105	88	132	163	127	112
October	125	110	148	149	148	131
November	136	119	159	167	161	146
December	148	141	157	183	163	148
1927.						
January	158	155	167	212	179	151
February	157	156	165	212	169	150
March	147	152	153	187	155	140
April	144	144	146	208	151	136
May	138	139	151	198	150	129
June	126	128	136	206	131	114
July	123	118	135	184	140	119
August	123	124	130	201	142	113
September	138	133	157	228	159	131
October	152	146	166	228	175	146
November	166	155	190	236	192	162
December	180	170	200	230	210	172
1928.						
January	174	164	195	232	199	172
February	170	162	188	249	195	164
March	170	165	192	252	195	159
April	149	149	164	226	164	132
May	140	135	170	223	163	125
June	141	138	160	248	158	130
July	131	127	149	248	151	124
August	130	131	131	227	147	116
September	150	145	164	263	209	138
October	161	153	185	245	222	154
November	178	164	215	240	238	169
December	181	171	210	195	238	176

* Prepared by the economic and statistical department of the British Electrical and Allied Manufacturers' Association.

Compared with December, 1927, progress has been disappointing. The most active centres last month were Manchester, Liverpool, Bristol, and to a lesser degree Birmingham and the Midlands.

INDICES OF BUSINESS ACTIVITY.

WITH certain exceptions, the December figures of our series of Index Numbers of Business Activity suggest that the condition of industry is still one of stability rather than progress. The volume of employment, apart from a fractional improvement in "heavy" industry, shows no signs of expansion. In comparison with the previous month, the indices of net imports of raw materials and of consumption of cotton make a better showing, but the increase in both cases is largely in the nature of a seasonal movement, and the December figures are substantially below those for the closing month of both 1924 and 1925. The same comment applies equally to last month's figures of the index numbers of provincial bank clearings and consumption of coal and electricity. A further fall is recorded by the figure of iron and steel consumption, which stands at the lowest level reached during the past year. Apart from postal traffic and London bank clearings—indices whose course is not closely indicative of industrial development, the best feature is the relatively satisfactory volume of exports of British manufactures.

In the following table we give the quarterly figures for October-December of our indices of British manufactured exports, and of total foreign trade turnover:—

Average 1924 = 100.	Exports British Manufactures.	Foreign Trade Turnover.
October-December, 1924	102	109
" " 1925	105·5	109·5
" " 1926	90	105·5
" " 1297	113	112
" " 1928	111	112

In comparison with 1927 there is a small decline in the quarter's volume of manufactured exports—whereas the figure for July-September, 1928, was nearly 3 per cent. higher than that for the third quarter of 1927.

Turning to the annual averages for 1928, which—except in the case of the belatedly published railway traffic returns—have now been added to the yearly series in the table below, it will be seen that the instances in which an increase over 1927 is shown are net imports of non-ferrous metals, consumption of rubber and electricity, employment in miscellaneous services, shipping movements, postal traffic, London bank clearings, and exports of British manufactures. On the other hand, net imports of raw materials, consumption of cotton, iron and steel, and coal, employment in "heavy" industry, provincial bank clearings, and total foreign trade turnover, all show a heavy fall on the year.

In the following table we summarise for purposes of ready comparison annual means of ten of the more important indices of the series, excluding 1926 as an abnormal year:—

1924 = 100.	1925.	1927.	1928.
Net Imports—			
Raw materials	107	113	101
Consumption—			
Cotton	116	113	103
Coal	93	106	99
Electricity	101	109	110
Total employment	101	105	105
Provincial clearings	102	102	100
Shipping movements	98	105	106
Manufactured exports	101	104	108
Foreign trade turnover	102	107	106
Average	102	107	104

In appending to the foregoing figures the "crude" (unweighted) average for each year, we have no intention of framing as yet a single index of business activity. It may, however, not be wide of the mark to suggest that the activity of 1928, so far as it can be statistically measured, should be represented by a figure about midway between the level of 1925 and 1927.

INDICES OF BUSINESS ACTIVITY.

1924 = 100.

Period.	Net Imports. Raw Materials.	Net Imports. Non-Ferrous Metals.	Consumption of Iron and Steel.	Consumption of Cotton.	Consumption of Rubber.	Consumption of Power. Coal.	Consumption of Power. Electricity.	Volume of Employment. Heavy Industry.	Volume of Employment. "General" Industry.	Volume of Employment. Miscellaneous Services.	Volume of Employment. Total.	Merchandise on Railways.	Provincial Bank Clearings.	Postal Traffic.	Shipping Movements.	London Bank Clearings.	Exports British Manufactures.	Foreign Trade Turnover. (Quarterly Figs.)
Monthly Average.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1919	113	74	96	109	143	89	..	..	..	..	..	109	92	..	59b	54	74	79
1920	106	71	99	113	134	91	..	..	..	..	..	100	113	..	69b	65	101	87
1921	56	50	43	74	79	69	..	..	..	..	..	81	82	..	66	76	67	68
1922	89	63	34	99	58	87	..	..	..	..	..	84	97	..	91	97	88	85
1923	88	92	69	93	118	91	..	..	..	..	..	97	98	..	101	97	95	94
1924	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1925	107	107	89	116	137	93	101	90	103	103	101	98	102	103·5	98	104	101·5	102
1926	107a	100	57	98	175	72	92	57	101	104	95·5	88	94	103·5	90	109	94	100
1927	113a	106	133	113	197	106	109	87	108	108	105	99	102	109·5	105	117	104·5	107·5
1928	101	113	88	103	212	99	110	81·5	108	109·5	105	..	100·5	114	106·5	125	108	106
"Corrected" average for 3 months ended:																		
1927—Dec.	105	102	102	111	230	115	125	86·5	107·5	109	105	101	106	110	103	118	109	..
1928—January	106	114	100	106	136	118	127	86·5	107·5	108·5	105	98	106	113	99	120	111	
February	107	125	106	107	175	119	124	86·5	107·5	108·5	105	94	106	115	95	122	103	109
March	111	124	102	110	248	114	123	86·5	108	109	105	96	106	117·5	97	125	108	
April	108	119	98	110	305	105	117	86	108·5	109·5	105·5	93	107	116	98	124	106	
May	108	116	91	104	246	102	108	85	109	110	106	94	105	113·5	104	124	107	105
June	99	118	87	104	152	93	101	83	108·5	110	105·5	90	102	111	107	126	103	
July	94	114	94	102	139	91	97	80	108	110	105	91	100	110	112	126	107	
August	88	113	93	98	143	88	95	78·5	107·5	110	104·5	90	96	110 5	114	125	109	102
Sept.	84	104	83	87	181	89	96	79	107	110	104	90	95	111	114	123	108	
Oct.	86c	104	83	92	257	95	103	79	107	109·5	104	95	91	114	117	122	110c	..
Nov.	96c	107	79	101	314	102	115	78·5	107·5	109	104	..	91	115·5	114	125	110c	112
Dec.	111	110	76	109	310	103	122	79	107·5	109	104	..	97	116	111	126	111	..
December, 1924	124	92	104	133	107	104	108	96	101	100	100	103	101	100	102	99	102	..
December, 1925	1.6	102	74	126	172	101	114	89·5	104·5	103·5	102	101	105	104	100	107	106	..
December, 1926	117a	98	76	102	134	88	107	54·5	101·5	104·5	95	91	93	106	90	108	90	..
December, 1927	105	102	102	111	230	115	125	86·5	107 5	109	105	101	106	110	103	118	109	..
December, 1928	111	110	76	109	310	103	122	79	107·5	109	101	..	97	116	111	126	111	..

a Excluding coal imports. b Excluding Government War movements. c Revised figure.

PRODUCTION. (Thousands of Metric Tons.)

Period. Monthly Average.	COAL. United Kingdom.	Belgium.	Czecho-slovakia.	France.	Germany.	Nether-lands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	LIGNITE. Austria.	Czecho-slovakia.	Germany.	Hungary.
	d		b		g		k		j	e			b	b k	g	b
1913	24,337	1,903	1.189	3,338	15,842	156	748	1,119	665	1,311	1,776	43,088	218	1,927	7,269	460
1923	23,369	1,910	1,029	c 3,140	5,193	440	3,008	1,014	901	1.593	2,412	49,736	222	1,356	9,899	575
1924	22,617	1,947	1.265	e 3,668	9,897	490	2,685	762	944	1,717	2,509	43,213	231	1,705	10,386	529
1925	20,590	1,925	1,063	c 3 921	11,052	571	2,423	719	983	1.693	2,622	45.988	255	1,566	11,644	460
1926	10.692	2,110	1,214	c 4,285	12,114	721	2,979	974	1,038	1,703	2,433	50,144	247	1,589	11,656	485
1927	21 355	2,298	1,222	c 4,315	12,800	777	3,174	1,027	1,006	1,778	2,597	45,398	256	1,669	12,571	520
1927—December	21,182	2.359	1,302	c 4,323	13,238	887	3,446	1,080	1,017	2,084	2,942	42,918	295	1,929	14,133	635
1928—January	21.889	2,378	1,388	4,350	13,421	903	3,454	988	943	1,923	2,560	45,266	297	2,102	14,222	635
February	20.982	2,260	1,375	4,164	12,926	824	3,271	1,000	910	2,341	2,723	42.486	275	1,136	13,419	514
March	22,438	2,516	1,310	4,470	14,118	939	3,509	1,029	1,007	2,185	2,959	44,862	296	1,858	14,401	531
April	18,500	2.223	1,119	4,053	11,715	832	2,981	860	918	1,909	2,566	35,468	240	1,695	12,263	431
May	19,994	2,228	1,165	4,162	11,932	874	3,060	1.072	1,041	1,930	2,719	40,581	246	1,567	12,964	452
June	19,260	2,378	1,152	4,374	11,833	894	3,191	1,105	1,040	1,624	2,608	37,434	236	1,561	13,241	473
July	18,423	2,220	1,198	4,172	12,483	921	3,248	1,057	1,035	1,508	2,569	36,968	245	1,629	13,531	473
August	18,651	2,219	1,356	4,359	13,041	927	3,416	1,191	1,104	1,784	2,401	43,536	263	1,741	14,330	516
September	19,154	2,175	1,334	4,179	12,157	876	3,401	996	1,058	1,890	2,436	42,943	258	1,759	13,616	557
October	21,415	2,413	1,300	i 4,607	13,311	961	3,848	1,024	1,067	1,769	2,680	53,446	306	2,054	15,226	603
November	20,969	2,328	1,255	i 4,477	12,141	892	3,767	1,044	1,062	..	..	48.532	303	1,893	14,548	..
December	18,995	..	..	..	..	..	..	..	..	..	..	†45,780	..	..	..	..

Period. Monthly Average.	PIG IRON. United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.	STEEL. United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg	Sweden.	Canada.	United States.
					g	a	f					c		g	a	f		
1913	869	207	434	114	1,397	212	61	85	2,601	649	206	391	159	1,467	101	62	88	2,564
1923	638	179	e 456	85	412	117	24	75	3,392	718	191	426	83	525	100	26	75	3,682
1924	619	237	e 641	116	651	180	43	50	4,634	694	240	575	121	820	157	46	55	3,117
1925	530	212	e 708	121	848	197	36	48	3,082	625	212	621	131	1,016	174	43	64	3,737
1926	208	283	e 783	137	804	209	38	64	3.308	304	281	703	145	1.028	187	43	66	3.794
1927	618	313	e 775	148	1,092	227	34	60	3,068	770	309	690	158	1,359	206	43	77	3,675
1927—December	568	317	e 796	153	1,150	228	34	64	2,739	615	311	735	166	1,368	214	43	98	3,226
1928—January	569	315	809	156	1,180	230	31	66	2.916	636	316	753	169	1,469	213	38	86	4,055
February	560	302	784	151	1,122	220	32	66	2,947	777	310	738	166	1,323	205	48	100	4,110
March	602	327	857	169	1,170	240	35	80	3,251	806	326	806	182	1,422	226	51	120	4,580
April	572	313	834	156	1,045	227	29	76	3,237	654	305	738	161	1,161	203	42	115	4,372
May	601	329	871	164	1,044	234	33	89	3,337	765	325	794	170	1,248	215	57	120	4,271
June	573	321	844	157	1,021	230	29	99	3,131	721	329	797	172	1,295	215	43	118	3,803
July	546	324	836	160	1,035	225	26	97	3,121	678	320	751	173	1,311	208	43	84	3,873
August	527	329	858	161	1,031	234	23	93	3,187	659	342	793	175	1,329	224	54	90	4,246
September	512	325	822	158	985	231	31	92	3,110	730	331	757	162	1,190	209	46	101	4,214
October	552	344	857	169	1,016	236	39	95	3,428	768	356	834	190	1,306	229	56	111	4,722
November	553	331	850	169	l 267	299	45	97	3,356	775	340	800	179	l 357	213	66	110	4,328
December	549	..	..	..	883	..	..	..	3,425	694	..	..	..	..	..	..	..	†4,067

† Provisional figure. a Figures communicated by the "Groupement des Industries Sidérurgiques." b Present territory. c Including Alsace-Lorraine. d Saleable coal; since end 1921 excluding Ireland. e British Provinces only. f "Ekonomisk Oversikt." g From 1919 excluding Alsace-Lorraine and from 1919 excluding Saar; from 1922, excluding Polish Upper Silesia. h Since July, 1922, including Upper Silesia. i Including lignite. l Lockout of the iron and steel trade. j Coal sold. k Until end 1925 saleable coal.

WHOLESALE PRICES.

Monthly Average.	U.K. Board of Trade.	U.K. Economist.	Belgium.	Czecho-slovakia.	Denmark.	France.	Germany. ("Frankfurter Zeitung")	Holland.	Italy (Bachi).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Australia.	British India.	Canada.
			f		j		j					j						
1913	100	100	h 100	h 100	100	100	h 100	100	100	100	h 100	100	100	100	h 100	100	A100	100
1924	166·2	166·2	573	997	g 234	488·5	146·9	156	512	267	109·8	172	183	162	174·6	173·3	173	156·2
1925	159·1	160·9	558	1,008	e 176	549·8	143·6	155	596	253	125·4	183	188	161	161·6	169·5	159	160·3
1926	148·1	149·4	744	954	e 158	702 6	136·8	145	603	198	181·2	177	181	149	144·5	168·4	148	146·2
1927	141·4	143·7	847	979	e 154	617·2	138·3	148	495	167	118·6	171	173	146	142·2	167·9	148	151·6
			b		d	k				p	p k		s		b		b	
1927—December	140·4	141·9	841	982	154	603·9	138·3	151	463	166	119·6	171	169	148	146·2	169·9	148	151·8
1928—January	141·1	141·5	851	985	153	606·7	138·3	153	463	164	118·1	171	166	148	144·7	171·0	145	151·3
February	140·3	141·5	848	978	152	60e·8	137·0	150	461	163	117·4	171	166	147	144·2	168·1	144	150·8
March	140·8	143·5	848	984	153	622·8	137·7	152	464	164	121·0	171	165	149	144·9	168·2	144	152·8
April	142·9	145·7	847	987	154	623·8	139·6	153	464	162	124·1	171	166	151	145·6	169·5	146	153·1
May	143·6	146·7	844	986	155	632·6	140·5	152	465	162	122·5	172	164	152	145·1	166·4	147	152·5
June	142·6	144·5	844	979	155	625·7	139·7	153	462	161	121·5	172	164	151	145·2	166·4	145	150·2
July	141·1	141·9	841	996	155	623·8	138·3	148	453	162	120·8	173	164	150	144·1	165·4	148	149·6
August	139·3	139·4	831	986	154	617·0	137·9	144	466	162	118·7	173	166	149	143·6	161·0	143	149·1
September	137·6	137·5	830	971	151	619·9	134·3	145	468	158	118·1	176	168	146	143·6	160·5	142	149·7
October	137·9	136·9	835	957	150	617·0	138·1	146	463	157	118·4	176	174	145	144·6	159·7	143	150·2
November	137·9	136·9	847	955	151	645·7	138·2	148	466	157	118·4	177	176	145	145·2	..	..	148·6
December	138·3	136·5	..	..	151	624	137	..	..	157	..	..	..	..	..	..	..	..

a New index. b End of the month. c 15th of month. d Beginning of the following month. e Official. f Second half of month. g "Finanztidende." h 1914. j End year. k Average last week of month. p Since January, 1926, new index. s 000,000,000 omitted.

Wholesale Prices—*Continued*

Index Numbers of Retail Prices. Cost of Living.—(Base=100.)

Monthly Average.	South Africa.	China.	Japan.	United States, Bureau of Labour.		U.K.	Irish Free State.	Austria.	Belgium.	Bulgaria.	France.	Germany.	Italy.	Spain.	Canada.	U.S.A.
					No. of Towns and Localities.	630	105	Vienna.	59	12	Paris.	71	Milan.	Madrid.	60	32
1913	100	100	100	100	Base.	July, 1914.	July, 1914.	July, 1914.	April, 1914.	1914.	1914.	Oct., 1913. Jan.-June, 1914.	Jan.-June, 1914.	1914.	1913.	1913.
1922	128·4	145·6	195·8	138·5												
1923	126·6	156·4	199·1	144·1		a		c s		s	d	h		v	e	s
1924	128·7	153·9	206·5	140·5	1923—July	171	180	76	429	2477	334	3765100	487	177	151	173
					1924—July	171	183	86	493	2833	366	b 126·4	512	184	148	173
1925	127·6	159·4	201·7	148·3	1925—July	173	188	97	509	3014	390	b 143·3	598	189	150	178
1926	123·3	164·1	178·9	143·3	1926—July	170	182	103	637	2886	485	b 142·4	649	187	153	176
1927	124·2	170·4	169·8	136·7	1927—July	164	171	106	790	2788	525	b 150·0	548	189	151	172
		g								t		b				
1927—December	...	163·5	168·0	138·7	1927—Dec.	168	..	107	812	2692	498	151·3	531	186	152	..
1928—January	123·4	163·1	169·4	138·0	1928—Jan.	166	177	107	813	2735	..	150·8	w 145	178	153	172
February	..	164·3	169·2	138·1	Feb.	164	..	107	811	2777	..	150·6	w 145	176	152	..
March	..	163·4	169·2	137·5	Mar.	164	..	107	806	2791	507	150·6	w 145	176	152	..
April	120·8	163·1	169·6	139·5	April	164	170	107	807	2841	..	150·7	w 145	74	152	..
May	..	164 5	171·5	141·3	May	165	..	107	..	2857		150 6	w 144	171	151	..
June	..	160·0	168·9	139·8	June	166	..	108	..	2818	w 105	151·4	w 145	172	151	170
July	119·0	157·2	168·6	140·8	July	166	176	108	..	2801	..	152 6	w 143	175	151	..
August	..	156·2	170·1	141·7	Aug.	166	..	108	..	2742	..	153·5	w 142	174	152	..
September	..	156·2	173·7	143·4	Sept.	166	..	109	..	2757	w 108	152·3	w 143	178	152	..
October	120·0	156·8	173·6	140·1	Oct.	167	176	109	..	..	..	152·1	w 144	179	153	..
November	..	..	173·1	138·5	Nov.	168	..	109	..	..	..	152·3	w 146	181	153	..
December	..	..	..	..	Dec.	167	..	109	..	..	w 108	152·7	147	..	..	..

a The first of the following month. b Gold mark prices. c Since 1923 gold prices. d Yearly average. e Prices of foodstuffs. g Last Wednesday of month. h June. s 15th of month. t Excluding clothing and rent. v Since Nov., 1927, new index. w Since date of stabilisation gold standard index.

FINANCE.

Notes in Circulation. (000,000's omitted.)

Period.	United Kingdom.		Austria.	Belgium.	Bulgaria.	Czecho-slovakia.	Den-mark.	Finland.	France.	Germany.		Greece.	Hun-gary.	Jugo-Slavia.	Netherlands.	
End of	Bank of England Notes.	Currency Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Reichs-bank Notes.	"Renten-bank."	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.
	£	£	Schilling.	Francs.	Leva.	Koruna.	Kron.	Markaa.	Francs	Marks.	Rentenmks.	Drachmæ	Korona.	Dinars.	Gulden.	Gulden
1913.....	29·6	..	..	1,067	189	..	152	113	5,774	2,593	*h* 149	*j* 245	..	*u*	313	..
1923.....	*a* 102·9	*b* 295·4	*c*4,080,177	6,876	3,886	10,064	459	1,421	36,359	1,280,095	*e h* 13,663	3,149	76,887	5,040	1,012	33
1923.....	*a* 105·1	*b* 292·7	713	7,537	4,139	9,599	473	1,352	39,114	/496507,424,772	*e h* 800	4,681	331,337	5,790	1,086	33
1924.....	*a* 101·3	*b* 296·5	839	7,873	4,530	8,810	478	1,250	40,885	*g* 1,941	*i* 1,835	4,866	4,513,990	6,002	935	33
1925.....	*a* 88·6	*b* 296·8	890	7,814	3,555	8,408	438	1,309	51,085	*g* 2,960	*i* 1,476	5,395	*k* 416	6,063	875	17
1926.....	*a* 84·6	*b* 296·5	947	9,646	3,485	8,203	386	1,346	52,907	*g* 3,736	*i* 1,164	4,865	*k* 471	5,812	819	13
1927.....	*a* 82·5	*b* 299·8	1,005	10,951	3,727	8,417	354	1,514	56,551	*g* 4,564	*i* 716	4,966	*k* 487	5,743	797	12
	a	*b*								*g*	*i*		*k*			
1927—Dec.	82·5	299·8	1,005	10,951	3,727	8,417	354	1,514	56,551	4,564	716	4,966	487	5,743	797	12
1928—Jan.	79·6	288·4	920	11,160	3,558	7,099	336	1,503	57,765	4,251	626	4,831	467	5,382	788	12
Feb.	79·1	287·5	917	11,284	3,494	7,075	336	1,593	58,433	4,260	630	4,890	442	5,397	777	11
Mar.	79·2	289·5	944	11,120	3,639	7,396	353	1,644	58,580	4,513	616	4,895	455	5,453	823	12
Apl.	79·5	294·8	947	11,277	3,737	7,098	352	1,619	59,198	4,409	609	4,894	479	5,325	853	12
May	79·7	293·7	948	*e* 11,524	3,784	7,111	347	1,576	59,195	4,487	586	4,250	451	5,280	797	12
June	80·0	296·0	998	*e* 11,258	3,899	7,584	360	1,565	60,628	4,674	578	5,155	479	5,354	829	13
July	81·0	297·6	1,003	*e* 10,726	4,131	7,544	340	1,543	60,436	4,569	561	5,131	496	5,315	810	11
Aug.	79·2	296·9	1,003	*e* 11,121	4,285	7,549	341	1,565	62,184	4,673	570	5,258	497	5,562	792	11
Sept.	78·2	293·9	1,008	*e* 11,099	4,501	7,806	360	1,599	62,654	4,830	570	5,719	500	5,751	855	12
Oct.	78·3	291·6	1,007	*e* 11,625	4,610	7,825	361	1,539	62,769	4,672	543	5,759	542	5,786	829	12
Nov.	*x*367·0	*x*	984	*e* 11,530	4,379	7,818	354	1,502	62,660	4,724	524	5,599	476	5,598	855	12
Dec.	378·3	*x*	1,067	*e* 11,608	..	8,466	360	..	63,916	4,930	530		513	5,528	854	11

Period.	Italy.		Norway.	Poland.			Rumania.	Russia.		Sweden.	Switzer-land.	Australia.	Canada.	South Africa.	Egypt.	United States.		Japan.
End of	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.		Token Notes and Coins.	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes & Dominion Notes.	Bank Notes	Bank Notes	Bank Notes.	State Notes.	Bank Notes.
	Lire.	Lire.	Kroner.	Mark p.	Zloty.	Zloty.	Lei.	Gd. Rbls	Rbles.	Kroner.	Francs.	£	Dollars.	£	£s	Dollars.	Dollars.	Yen.
1913	*d* 2,284	*w* 499	108	..	..	..	437	..	..	234	314	*r* 10·0	*p* 116	*q* 2·5	2·2	726	343	*o* 426
1922	18,012	2,267	385	793,437	..	..	15,126	..	4	584	976	52·0	184	8·3	31·7	3,117	288	1,558
1923	17,247	2,428	396	125,371,955	..	..	17,917	..	237	576	982	52·2	187	8·8	34·3	2,951	308	1,704
1924	18,114	2,400	391	3,314,000	551	151	19,397	229	411	537	914	56·9	177	9·1	40·2	2,555	297	1,662
1925	19,349	2,100	363	*l* 2,770,200	381	440	20,222	388	727	530	876	53·9	178	7·2	33·5	2,458	294	1,668
1926	18,340	1,793	337	..	593	428	20,951	427	814	525	874	49·9	190	6·6	27·8	2,458	298	1,377
1927	17,985	783	331	..	1,023	309	21,021	480	1,003	526	917	51·8	192	7·2	27·5	2,387	294	1,682
1927—Dec.	17,756	783	331	..	1,023	309	21,025	480	1,003	526	917	51·8	192	7·2	27·5	2,387	294	1,682
1928—Jan.	17,381	691	325	..	1,003	285	21,027	435	935	473	814	47·9	174	6·8	26·1	2,182	284	1,397
Feb.	17,270	589	314	..	1,048	283	21,026	422	906	478	819	45·9	174	6·9	25·5	2,213	287	1,255
Mar.	17,265	489	323	..	1,128	285	21,024	430	906	536	859	45·4	190	7·5	25·9	2,246	291	1,355
Apl.	17,124	399	321	..	1,126	266	21,017	445	926	501	845	44·8	180	7·2	26·3	2,242	294	1,348
May	17,105	343	313	..	1,133	252	21,019	454	943	494	831	44·6	177	7·2	25·4	2,240	297	1,263
June	17,324	291	328	..	1,184	250	21,042	494	1,019	539	860	44·5	194	7·4	23·6	2,281	300	1,463
July	17,395	250	319	..	1,159	246	21,039	543	985	497	860	44·1	184	7·2	22·1	2,233	295	1,271
Aug.	17,140	229	318	..	1,207	249	21,051	639	973	514	864	44·1	191	7·4	21·7	2,316	302	1,369
Sept.	17,476	205	313	..	1,251	254	21,054	711	1,064	565	892	44·6	206	7·4	27·1	2,351	304	1,308
Oct.	17,236	190	306	..	1,313	256	21,959	734	1,087	517	885	44·3	203	7·1	31·6	2,312	302	1,306
Nov.	17,119	175	302	..	1,270	*n* 236	21,479	728	1,092	538	878	..	..	7·6	31·4	2,424	307	1,389
Dec.	..	..	316	..	1,295	..	..	..	*o*1,123	546	953	..	..	..	..	..	..	..

a Excluding notes held on redemption account in respect of currency notes. *b* Includes notes called in, but not cancelled. *c* Kronen. One schilling = 10,000 paper kronen. *d* In terms of new lire = 8,373 million. *e* Excluding Government notes. *f* Milliards. *g* In Reichsmarks. *h* Reichs- und Darlehens-kassenscheine. *i* Excluding notes held by Reichsbank. *j* 1913 figure includes notes of Bank o Crete and Ionian Bank. *k* Pengö. One pengo = 12,500 paper crowns. *l* May 31 t, 1925: ceased to be exchangeable against Zloty notes. *m* One Zloty = 1,800,000 P Marks. *n* Token coin 143 4 million Zloty. *o* Gross issue. *p* excluding notes held as reserve by Charte red Banks, *q* Circulation in Union only. *r* State notes. *s* Marks. *t* Since January, 1926, excluding notes held by Bank of Poland. *u* Since 1920, including Austria-Hungarian and other notes converted after the war into National Currency. *v* Since 1926, excluding notes held by the State Bank. *w* In terms of new lire = 1,329 millions. *x* Amalgamation of Currency and Bank Note Issues came into effect Nov. 22nd.

LONDON RATES OF EXCHANGE.

	Paris.	Brussels.	Italy.	Switzerland.	Madrid.	Amsterdam.	Stockholm.	Oslo.	Copenhagen.	Berlin.	Vienna.	New York.	Buenos Aires.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kronor to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.	Dollars to £1.	Pence to Dollars.
Par level	25·22½	*a* 35·00	25·22½	25·22½	25·22½	12·107	18·159	18·159	18·159	20·43	24·02	4·86⅜	47·58
Highest, 1927	124·15	*a* 35·00	115½	25·31	31·71	12·14½	18·18⅜	19·22	18·22½	20·64	‡34·65	4·88⅛	48
Lowest "	121·95	*a* 34·86½	83·15	25·10⅜	26·78	12·06¼	18·06⅜	18·31	18·13½	20·37½	‡34·34	4·84¼	46⅞
Beginning of—													
July, 1914	25·15	† 25·35½	25·25½	21·16½	26·10	12·11⅜	18·30	18·25	18·30	20·49½	24·55	4·87⅜	47⅞
January, 1922 ..	59·32½	54·65½	97½	21·70½	28·19½	11·44⅜	16·97½	18·99½	21·12½	791¼	14,000	4·20	43⅛
January, 1923 ..	66·30	72·85	93⅜	24·72½	29·73⅝	11·96⅜	17·37⅛	25·12½	23·40	48,500	330,080	4·68	44
January, 1924 ..	87·85	99·45	100·15/16	24·63½	33·68¼	11·68⅜	16·22½	29·62½	24·44½	billions	305,500	4·29⅜	40·7/16
January, 1925 ..	87·40½	94·79⅜	112·35	24·34½	33·95½	11·71⅛	17·62½	31·37½	25·85½	1·99·9/16 gldmrks	331,500	4·71·7/16	45·7/16
January, 1926 ..	129·31½	107·00	120	25·03½	34·31¼	12·05	18·08	33·43¾	29·80½	20·37½ "	1 34·37½	4·85·3/16	46·3/16
January, 1927 ..	122·81½	*a* 34·89	109·62½	25·14½	31·23¾	12·12¼	18·15¼	19·04¼	18·20	20·43¾ "	1 34·42½	4·85·3/16	46·3/16
January, 1928 ..	124·00	*a* 34·92½	92·33½	25·27½	28·24	12·09⅜	18·13⅛	18·34⅜	18·20¼	20·45¼ "	1 34·52	4·87·3/16	46·3/16
October " ..	124·02½	*a* 34·89⅜	92·63⅜	25·19½	29·73	12·09⅜	18·13⅛	18·19½	18·19½	20·36¼ "	1 34·44½	4·85·3/16	47·1/16
November " ..	124·12½	*a* 34·83½	92·52½	25·20	30·04	12·09⅜	18·13⅛	18·19½	18·18½	20·35½ "	1 34·47	4·84·3/16	47·1/16
December " ..	124·16½	*a* 34·89½	92·62½	25·18	30·03	12·07⅞	18·14⅜	18·19½	18·18½	20·35¼ "	1 30·93½	4·85·3/16	47·1/16
January, 1929 ..	124·10⅜	*a* 34·88¼	92·64	25·18⅛	29·74	12·08	18·13	18·19	18·17½	20·38½ "	1 34·44½	4·85·3/16	47·1/16

	Rio de Janeiro.	Monte Video.	Valparaiso.	Bombay.	Hong Kong.	Shanghai.	Japan.	Singapore.
	Pence to Milreis.	Pence to Dollars.	Pence to £.	10 to Gold Sovereign.	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.
				s d	s d	s d	s d	s d
Par level	16	51	13·33	..	..	..	2 0½	2 4
Highest, 1927	5·3/16	51⅜	39·88	1 6⅛	2 2·3/16	2 9⅛	2 0⅝	2 4·7/16
Lowest "	5·1/16	48⅜	39·34	1 5·13/16	1 11·13/16	2 4·1/16	1 10·13/16	2 3·13/16
Beginning of—								
July, 1914	16·1/16	51·1/16	19·9/16	1 3·13/16	1 10·5/16	2 6·1/16	2 0·3/16	2 3·7/16
January, 1923 ..	7·3/16	41	40·20	1 4·3/16	2 3·5/16	3 0·5/16	2 1	2 4·3/16
January, 1925 ..	5·7/16	44	34·70	1 4·3/16	2 4·3/16	3 1·5/16	2 1·3/16	2 4·3/16
January, 1924 ..	5·3/16	43·1/16	40·30	1 5·1/16	2 3·13/16	3 1·5/16	1 11·13/16	2 4·3/16
January, 1925 ..	5·3/16	50·1/16	40·30	1 6·1/16	2 4·1/16	3 1·5/16	1 9·13/16	2 4·3/16
January, 1926 ..	7·3/16	50·1/16	39·80	1 6·1/16	1 11·13/16	2 5·13/16	2 0·1/16	2 3·13/16
January, 1927 ..	5·13/16	50·1/16	39·65	1 6·1/16	2 0·1/16	2 7·1/16	1 11·13/16	2 3·13/16
January, 1928 ..	5·3/16	51	39·35	1 6·1/16	2 0·1/16	2 7·1/16	1 10·13/16	2 3·13/16
September " ..	5·3/16	50·1/16	39·56	1 6·1/16	2 0·1/16	2 7·1/16	1 10·13/16	2 4·1/16
October " ..	5·3/16	50·1/16	39·51	1 6·1/16	2 0·1/16	2 7·1/16	1 11·1/16	2 4
November " ..	5·3/16	50·1/16	39·69	1 6·1/16	2 0·1/16	2 7·1/16	1 10·13/16	2 4
December " ..	5·3/16	50·1/16	39·66	1 6·1/16	2 0·1/16	2 7·1/16	1 10·13/16	2 4
January " ..	5·3/16	51	39·64	1 6·1/16	2 0·1/16	2 7·1/16	1 10·13/16	2 3·13/16

‡ Francs to £1. § Pence to Peso. ‡ Schillings to £1. *a* Belgs to £1. *b* New parity, 92·46 lire to £1. * Daily rates.

Place.	Method of Quoting.	1928 Quotations.		
		Highest.	Lowest.	Average.*
New York.				
Dec., 1927	Dollars to £1.	4·88	4·86⅛	4·874
Dec., 1928		4·85·13/16	4·84·15/16	4·863
Year, 1928		4·89⅜	4·84⅛	4·867
Paris.				
Dec., 1927	Francs to £1.	124·12½	129·93½	124·002
Dec., 1928		124·25	125·96	124·100
Year, 1928		124·31	123·92	124·095
Amsterdam.				
Dec., 1927	Florins to £1.	12·09	12·06¼	12·075
Dec., 1928		12·08½	12·07⅛	12·078
Year, 1928		12·12	12·07⅛	12·086
Berlin.				
Dec., 1927	Reichsmks. to £1.	20·45·8	20·38·8	20·423
Dec., 1928		20·39	20·34·8	20·360
Year, 1928		20·48·8	20·35·8	20·396

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugo-Slavia.	Nether-lands.	Poland	Swed'n.	Switz'r-land.	Egypt	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Ekr.	Francs.	Markaa.	Mark.	Drach-mæ.	Lire.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£E.	Dollars.
1913.....	54,931	..	386,333	15,775	64,785	..	701,778	41,035	897,474	*i* 14,828	303,803	..	325,231	..	70,545	159,985	3,271	147,333
1922.....	74,950	..	*m* 767,035	336,472	121,322	465,785	1,994,194	328,254 *d*	516,700	257,122	1,313,731	536,823	168,966	70,375	92,847	159,539	3,382	256,148
1923.....	81,474	..	*m*1,045,866	426,722	158,949	777,690	2,724,067	381,105 *d*	512,477	502,937	1,432,431	692,470	167,436	93,040	107,877	186,923	3,643	310,981
1924.....	*t* 94,789	5,632	*m*1,463,963	463,109	184,874	683,684	3,327,334	385,641 *d*	756,921	671,149	1,615,056	685,145	196,961	123,184	118,708	207,000	4,086	297,936
1925.....	*t* 97,371	5,159	*m*1,481,934	607,612	161,382	8,046	3,674,616	457,640 *d*	1,030,171	850,794	2,183,374	729,407	204,563	138,713	120,535	219,427	4,678	348,018
1926.....	*t* 93,105	4,992	*m*1,912,265	516,032	125,799	7,964 *g*	4,959,560	474,717 *d*	833,451	833,745	2,155,945	635,982	203,492	128,897	124,399	201,209	4,199	367,340
1927.....	*t* 91,360	4,974	*m* 2,417,392	510,803	129,517	8,035 *g*	4,404,397	527,578 *d*	1,175,791	1,037,414	1,697,440	607,191	212,409	240,986	131,250	213,650	3,896	347,330
	t		*m*						*d*									
1927—Dec.	95,080	4,612	2,670,307	463,714	153,085	7,889	5,215,962	543,445	1,265,967	1,101,313	*1870475	637,434	221,151	275,327	145,195	250,243	4,576	324,185
1928—Jan.	90,092	4,016	2,350,380	438,177	140,043	8,541	4,123,922	509,851	1,357,036	1,124,576	1,560,163	591,927	216,279	271,163	123,090	219,683	4,140	341,112
Feb.	87,183	4,941	2,573,317	571,220	124,456	7,164	4,320,805	525,647	1,247,045	973,461	1,708,103	621,660	217,796	270,385	127,198	222,918	3,612	342,018
Mar.	99,243	5,703	2,984,887	692,149	145,113	11,217	4,525,495	646,674	1,229,305	1,205,709	1,818,403	701,061	247,182	372,232	140,749	244,031	3,697	371,649
April..	85,841	4,814	2,390,033	568 587	132,325	10,567	4,604,248	597,661	1,174,702	1,014,030	1,922,470	657,906	210,729	265,626	135,745	213,461	4,348	326,929
May ..	87,591	4,601	2,536,747	600,509	130,902	10,465	4,051,553	761,071	1,086,024	1,080,429	1,971,521	659,430	219,881	296,470	153,860	222,944	4,055	349,390
June ..	87,898	5,082	2,607,815	541,397	129,701	11,504	4,701,036	686,371	1,108,384	936,335	*2126170	590,306	231,620	289,662	143,884	211,014	3,715	314,571
July ..	87,015	5,105	2,335,904	518,417	133,640	10,763	4,048,506	573,922	1,182,647	973,902	1,740,143	619,510	211,388	288,195	127,374	214,431	3,469	322,853
Aug. ..	88,944	4,816	2,528,563	570,402	145,103	12,817	4,164,142	710,531	1,083,419	815,921	1,551,054	645,077	223,971	258,794	151,684	224,879	3,755	345,543
Sept..	80,826	5,057	2,853,412	668 966	138,118	11,733	4,229,188	758,987	1,088,227	899,548	1,615,555	713 892	239,867	272,784	152.184	218,195	4,352	319,227
Oct. ..	93,757	*z* 5,421	2,861.274	641,851	140,745	14,108	4,730,519	879.222	1,213,321	1,192,630	1,812,883	778,880	233,894	277.300	157,984	262,789	4,·38	355,404
Nov..	96,023	*z* 4,602	2,646.689	..	125,739	12,6·3	4,735,939	735,051	1,175,329	†1197393	1,859,775	..	222,441	261,084	166,336	243.139	4,872	† 327,000
Dec..	92,373	..	..	..	..	..	..	..	..	..	..	..	..	..	..	248,498	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugo-Slavia.	Nether-lands.	Poland	Swed'n.	Switz'r-land.	Egypt	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Ekr.	Francs.	Markaa.	Mark.	Drach-mæ.	Lire.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£E.	Dollars.
1913.....	43,771	..	302,882	7,778	53,113	*s*	573,351	*f* 33,482	841,436	*i* 9,917	209,303	..	255,453	*c* ..	58,112	114,700	2,626	204,024
1922.....	59,959	..	*m* 619,636	360,810	97,997	400,965	1,781,579	369,734	330,833	207,090	775,197	507,597	161,769	54,596	96,143	146,798	4,059	313,758
1923.....	*t* 63,938	..	*m* 738,041	294,761	128,217	475,996	2,536,049	363,787 *d*	508,527	212,092	923,802	670,737	108,602	99,633	95,175	146,684	4,863	340,893
1924.....	*t* 66,747	4,190	*m* 1,156,740	408,519	184,874	655,483	3,455,697	406,663 *d*	545,971	273,081	1,193,192	794,898	138,388	105,487	105,079	166,428	5,472	374,804
1925.....	*t* 64,424	3,614	*m* 1,260,165	470,206	149,067	8,054	3,812,911	462,358 *d*	733,208	378,447	1,522,855	742,045	150,641	116,375	113,322	169,895	4,928	401,568
1926.....	*t* 54,254	3,400	*m* 1,169,720	481,331	119,955	8,020	4,961,221	469,442 *d*	815,265	452,479	1,5·5,877	651,515	145,767	187,757	118,074	153,041	3,435	392,643
1927.....	*t* 59,092	3,851	*m* 2,212,580	558,185	120,381	8,815 *g*	4,602,060	523,788 *d*	851,971	487,554	1,692,635	533,345	158,309	209,564	134,288	168,604	3,977	396,526
			m				*g*		*d*									
1927—Dec.	58,834	4,115	2,817,738	594,417	127,918	10,503	5,020,340	385.568	953,875	722,918	*1517437	528,685	155,624	215,430	154,193	187,071	5,014	398,361
1928—Jan.	59,743	3,076	1,945,846	581,427	114,384	8.204	4,016,537	226,741	861.933	732.308	1,032,315	430,299	139,509	218,414	83.334	153,529	4,765	401,913
Feb.	57,236	3,014	2,584,435	428,303	115,916	7,437	4,423,363	231,089	942,205	462,893	1,206,363	438,963	151,695	197,823	81,352	173,617	3,989	362,612
Mar.	64,958	3,066	2,732,431	415,397	133,761	7,886	4,318,909	276,050	1,021,581	320,180	1,169,886	503,217	173,308	208,415	90,964	190,770	4,314	410,034
April..	55,268	2,962	2,158,396	450,688	120,392	8,233	4,291,078	235,185	923,977	508,009	1 072,926	428,538	152,031	184,521	87,462	167,788	4,868	356,298
May ..	58,554	3,513	2,363,105	446,691	130,886	11,570	3,985,452	484,511	895 420	299,3 01	1,104,387	431,660	169,335	201,775	134,760	172,382	4,537	413,119
June ..	59,472	4,225	2,456 978	370,547	128 965	13,144	4,214,438	522,308	892,951	217,052	*1410485	454,360	147.859	191 96	145,630	162,265	4,061	380 281
July ..	60,885	3,969	2,395,636	487,577	122,593	14,303	3,940,916	749,916	914,159	262,213	1,001,190	493,814	160,526	201,522	138,584	167,829	3,870	371,256
Aug. ..	62,217	4,011	2,297,883	7 1,204	136,005	13,465	4,170,011	821,144	1,025,793	292,771	1,115,252	693,801	187,627	195,333	148,701	167,895	3,346	379,874
Sept..	5 ,620	4,572	2,316,496	563,503	133,109	12,169	4,190,539	798.303	1,058,555	436,188	1 157 195	692,293	189.922	204,344	158.105	182,628	2,505	436,000
Oct. ..	64,313	*z* 4,753	2,914 030	622,103	132,963	12,208	4,448,456	734,176	9 19,810	680,661	1 301,663	666,058	1 9,984	238,6 15	165,569	206,234	5,942	544,022
Nov. ..	63 767	*z* 4,472	2,550,782	..	136,385	9,532	4,614,005	620,111	940,518	† 213,636	1,3·4,437	† 642,000	169,6·0	255,113	165,194	197,338	7,312	† 546,000
Dec..	60,394	..	..	..	..	..	..	..	..	..	..	..	..	..	..	192,161	..	..

a Including bullion and specie. *b* Since 1922 declared values. *c* Including Dantzig. *d* Since January, 1922, gold marks valuation. *e* Until February, 1923, Julian Calendar. *f* Including bullion. *g* Declared values. *i* Old Greece only. *m* Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." *t* From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. *z* Including bullion: until end 1924 Eesti mk. (1 Ekr. = 100 E mk.). *z* Excluding parcels post. † Provisional figures. * Including parcel post for the half-year.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

	Value.							Quantity (Metric Tons).								
Period.	Aus-tralia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	Bel-gium.	Czecho-slovakia.	France.	Ger-many.	Greece.	Hun-gary.	Nether-lands.	Poland.	Swit-zerland.	Brazil.
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis.										
	g	*b*					*a*					*e*	*i*				*f*
1913.....	6,356	152,725	54,917	1,785	3,366	60,474	83,958	2,721	..	3,685	*h* 6,076	84	..	5,041	..	661	467
1922.....	9,850	199,622	63,528	2,817	4,008	153,956	137,719	*q* 1,772	*o* 271	4,286	3,822	90	379	1,623	344	441	268
1923.....	11,088	185,088	75,253	3,575	4,584	161,224	188,330	*q* 2,203	*o* 357	4,572	3,915	112	313	1,612	266	556	285
1924.....	11,852	196,493	87,350	3,995	5,302	240,726	233,463	*q* 2,783	*o* 482	4,716	3,211	150	376	1,888	201	564	369
1925.....	12,104	186,861	74,189	4,308	5,448	207,223	281,403	*q* 2,746	*o* 563	3,954	4,331	175	373	2,125	284	546	414
1926.....	12,903	196,297	84,028	4,074	5,868	192,101	225,463	*q* 2,865	*o* 554	3,793	3,606	156	461	2,362	203	590	412
1927.....	13,212	204,771	90,593	3,662	5,821

CAPITAL ISSUES.—(000,000's omitted.)

Period.	United Kingdom.	Austria.	Czecho-Slovakia.	France.	Germany	Italy.	Nether-lands.	Poland.	Rou-mania	Sweden.	Switzer-land.	British India.	Japan	United States.
Monthly Average.	£	Schill-ling.	Koruna.	Francs.	Mark.	Lire.	Guilden.	Zloty.	Lei.	Kronor.	Francs.	Rupees.	Yen.	Dollars.
		b		d	m	f	ch	y			e	i		p
1913.....	16·3	..	..	..	60	23	13	..	20	18	44	56	45	137
1922.....	47·8	4,227	98	1,274	6,609	232	33	..	245	27	67	37	180	285
1923.....	22·6	18,206	48	955	p	332	19	..	320	19	62	21	176	300
1924.....	17·4	26 992	31	605	15·0	504	30	3·1	262	20	51	19	219	268
1925.....	19·4	2·3	21	329	55·1	746	33	7·7	219	16	56	29	204	304
1926.....	19·2	2·4	24	412	74·8	473	48	6·1	541	13	59	16	228	307
1927	29·6	9·7	31	629	114·1	264	43	17·7	282	22	..	17	255	499
1926.														
July-Sept...	12·0	6·4	12	237	101·8	389	50	1·7	500	17	63	22	164	234
Oct.-Dec. ..	25·2	2·6	18	433	124·7	360	75	5·6	453	12	54	17	257	273
1927.														
Jan.-Mar...	48·3	1·9	30	439	126·2	312	49	7·4	315	42	118	24	212	465
Apr.-June..	20·9	13·1	34	791	143·9	215	40	13·3	366	17	58	14	240	550
July-Sept..	17·4	9·3	21	413	82·7	350	40	21·9	196	9	71	15	202	336
Oct.-Dec. ..	35·1	14·5	37	870	103·4	177	42	28·3	253	20	..	16	365	644
1928.														
Jan.-Mar...	56·3	14·3	79	772	66·9	357	56	13·1	356	29	62	34	324	615
Apr.-June..	25·2	12 9	64	777	137·0	446	42	23	436	44	107	20	412	717
July-Sept..	15·3	6·9	60	126	108·0	597	24	16·7	463	21	58	22	376	369
Sept.	9·1	4·5	41	582	70 8	423	34	12·7	134	23	50	23	532	356
Oct.	39·3	15·9	36	1,527	119·6	402	54	27·0	269	29	52	7	264	633
Nov.	19·8	..	53	932	170·0	308	120	21·1	159	39	37	14	..	200
Dec.	19·3	..	..	1,171	..	..	..	69·1	..	..	..	..	..	..

Unless otherwise stated, the figures represent authorised share issue of new joint stock companies at home, and the increase of capital of existing companies. Bonus shares are excluded from the figures of the U.S.A., Roumania, Switzerland and Czechoslovakia. In the case of the Netherlands and the U.K. both bonus shares and conversions are excluded.
b Until end 1924, kronen. *c* Excluding Treasury Bills. *d* Exc. large railway issues.
f "Rivista Bancaria." *h* Issues exceeding Fls.100,000 on the Dutch market including Colonial, and since Jan., 1925, foreign issues. *i* Until Mar., 1924, new companies only.
m Since 1924, excluding amalgamations and conversions. Until end 1922 paper mark.
o "Société de Banque Suisse." invitation for subscriptions on Swiss market including obligations and Local Govt. loans. *p* "Journal of Commerce," subs. invited in home market by corporations for amounts exdg. $100,000. *y* Excluding Upper Silesia.

UNEMPLOYMENT.

Percentage of persons unemployed in trade unions or in official unemployment insurance schemes (Belgium and U.K.).

End of Month.	U.K.	Belgium.	Denmark.	Germany	Netherlands.	Norway	Sweden.	Australia.	Canada.
1921—June	17·8	9·9	16·8	3·0	8·1	20·6	27·7	12·5	12·3
December	16·2	6·6	25·2	1·6	16·6	23·4	33·2	9·5	15·1
1922—June	†								
	12·7	3·6	13·2	0·6	9·1	15·6	21·5	9·6	5·3
December	12·2	1·7	20·3	2·8	17·0	15·1	21·7	8·6	6·4
1923—June.....	11·3	0·8	8·1	4·1	10·8	7·9	9·8	7·1	3·4
December	10·7	1·7	19·6	28·2	17·3	14·0	14·1	8·2	7·1
1924—June.....	9·4	1·0	5·1	10·4	7·2	4·3	7·3	8·1	5·1
December	10·7	1·5	13·2	8·1	12·3	12·5	15·5	10·3	11·4
1925—June	11·9	1·0	9·3	3·5	6·6	8·9	8·2	10·2	6·1
December	10·4	2·3	31·1	19·4	16·0	23·7	19·4	8·1	7·9
1926—June	* 14·6	0·9	15·2	18·1	5·9	22·6	9·6	6·7	4·1
December..	* 11·9	2·6	32·7	16·7	12·1	27·7	19·0	5·7	5·9
1927—June	8·8	1·4	18·5	6·3	6·0	22·5	9·5	6·4	3·2
December.	9·8	3·6	30·5	12·9	14·9	28·0	18·6	8·9	6·6
1928—January	10·7	2 2	30·3	11·2	16·1	25·9	14·5	..	6·6
February .	10·4	1·2	25·9	10·4	9·0	25·9	13·4	..	7·3
March	9·6	0 8	22·5	9·2	6·3	24·4	13·3	10·7	6·5
April	9·6	0·8	17·6	6·9	5·0	28·8	11·6	..	5·2
May	9·9	0·7	14·3	6·3	4·4	18·0	8·1	..	4·3
June	10·8	0·6	13·7	6·2	4·4	14·4	7·6	11·2	3·2
July	11·7	0·7	13·5	6·3	5·3	13·6	7·2	..	2·5
August	11·7	0·5	13·1	6·5	5·2	13·9	7·0	..	2·4
September	11·5	0·6	12·2	6·6	4·8	..	7·7	11·4	2·3
October ..	11·8	0·6	14·8	7·3	† 5·1	..	9·1	..	..
November	12·2	..	17 6	9·5	† 6 2	..	10·3	..	..
December	11 2	..	..	..	..	..	..	..	..

Number of Workers Covered by Last Returns.

Millions	11·9	0·6	0·3	4·5	0·3	0·03	0·3	0·4	0·2

† Ex. Irish Free State since Mar., 1923.
* Workpeople in the coal mining industry, who ceased work on account of the dispute, are not included in this figure.
† Provisional figure.

BANK RATES.

	1923.	1923	1924.	1925.	1926.	1927.	1928.
	End of June	End of Dec.	End of June	End of Dec.	End of June	End of Dec.	End of June	End of Dec.	End of June	End of Dec.	End of June	End of Dec.	End of June	End of Dec.
London	5%	5%	5%	4%	4%	5%	5%	5%	5%	5%	4½	4½	4½	4½
Paris	5	5	5	5	6	7	6	6	6½	5	5	7	3½	3½
Berlin	5	10	18	90	10	10	9	9	6½	6	6	7	7	7½
New York*	4	4	4½	4½	3½	3	3½	3½	3½	4	4	3½	4½	5
Amst'dam	4½	4	4	4½	5	4½	4	3½	3½	3½	3½	4½	4½	4½
Brussels	4½	4½	5½	5½	5½	5½	5½	7	7	7	5	4½	4	4
Rome	6	5½	5½	5½	5½	5½	7	7	7	7	7	5½	5½	5½
Switz'land	3½	3	3	4	4	4	4	3½	3½	3½	3½	3½	3½	3½
Vienna	7	9	9	9	12	13	11	9	7½	7	6	6½	6	6½
Warsaw	7	7	12	48	12	12	12	12	12	9½	8	8	8	8
Tokyo	8	8	8	8	8	8	7·3	7·3	7·3	6·57	5·84	5·48	5·48	5·48
Calcutta	5	7	4	7	6	6	5	6	4	4	5	7	6	7

* Federal Reserve. † 6½ on Jan. 12, 1929. ‡ 6 on Jan. 5, 1929.

LONDON BANKERS' CLEARING RETURNS

(000's omitted.)

	Town.	Metropolitan.	Country.	Total.
	£	£	£	£
1913	14,191,275	855,648	1,389,481	16,436,404
1923	32,270,373	1,546,565	2,810,654	36,627,592
1924	35,038,605	1,594,114	2,900,145	39,532,864
1925	35,801,264	1,678,347	2,957,508	40,347,119
1926	35,346,429	1,660,757	2,817,868	39,825,054
1927	36,819,682	1,758,032	2,972,827	41,550,541
1928 (Jan. 18) ..	1,993,478	100,615	160 331	2,260 424
1929 (Jan. 16) ..	2,077,574	99,187	157,745	2,263,506

SECURITY VALUES.

	United Kingdom.		Nether-lands.	Sweden.	Switzer-land.	Canada.	United States.
	"Banker's Magazine."		Official.	Official.	Banque Nationale (*f*) 32 Industrial Shares.	Official.	"Wall Street Journal."
	365 representative securities.		49 Ordinary Industrial Shares.	Industrial and Shipping Shares.		79 Common Ind'strial Shares.	20 Common Industri'l Shares.
Base.	Dec. 1921 = 100.		1921-1925 = 100.	Nominal value=100		1913 = 100.	
	(a)	(b)	(c)	(*f*) (*h*)	(*g*)		(d)
1925—June..	108·6	125·5	114·1	96	113	134·4	..	138·8
December.	108·8	132·5	116·5	95	131	144·6	..	154·3
1926—June ..	110·0	136·5	118·7	91	146	176·9	93·2	160·1
December.	109·3	135·7	118·0	91	150	175·4	107·0	159·3
1927—June ..	110·1	141·5	120·4	102	153	189·9	121·5	169·2
December.	111·2	146·9	122·8	103	181	223·2	161·6	198·5
1928—January ..	112·4	147·9	124·0	111	193	242·6	172·5	198·9
February .	112·3	147·7	123·9	115	207	242·3	167·6	196·6
March ..	112·4	151·7	125·3	116	214	241·6	172·4	204·0
April	113·7	154·7	127·1	118	218	247·4	177·0	211·7
May	112·4	157·8	127·2	117	226	248·8	184·4	217·2
June	112·4	152·7	125·4	111	226	243·6	170·0	209·1
July	112·1	151·7	124·9	109	214	239·9	169·6	211·1
August ..	112·1	154·2	125·7	113	230	239·9	166·5	224·0
September	111·7	156·7	126·3	115	239	256·1	185·3	239·8
October	112·3	158·7	127·3	112	234	256·3	201·2	247·4
November	112·1	159·4	127 4	113	249	251·3	229·3	272·2
December	112·1	158·8	127·3	115	252	252·8	..	..

(*a*) Fixed interest. (*c*) Variable dividend. (*e*) Total. (*d*) Monthly average. (*e*) Average of highest and lowest quotations on each Wednesday. (*f*) Shares of companies with a capital of more than 5 millions. The composition of this class, therefore, of this index is not invariable. (*g*) On 25th of month. (*h*) End of month.

U.K. IMPORTS AND EXPORTS.—(000,000's omitted.)

	Food.		Raw Materials.		Manu-factures.		Imports of			Exports of		
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Wheat.	Raw Cotton.	Sheep's & Lambs' Wool.	Cotton Piece Goods.	Iron and Steel.	Coal.
	£	£	£	£	£	£	Cwts.	Centals.	Centals.	Sq. Yds.	Tons.	Tons.
Monthly average, 1913	24·2	2·7	23·5	5·8	18·1	34·3	8·8	1·8	0·7	*589	0·41	6·1
" 1921	47·2	3·1	23·3	5·3	20·4	49·1	6·7	1·0	0·6	242	0·14	2·0
" 1922	39·3	3·0	24·8	8·5	19·1	47·3	8·0	1·2	0·9	349	0·28	5·3
" 1923	42·5	3·7	27·1	10·9	21·4	48·3	8·4	1·1	0·6	345	0·36	6·6
" 1924	47·6	4·7	33·4	8·9	25·0	51·5	9·9	1·3	0·6	370	0·32	5·1
" 1925	47·6	4·6	35·4	7·0	25·7	51·4	8·1	1·6	0·6	370	0·31	4·2
" 1926	41·9	4·2	32·7	3·9	26·3	44·9	8·1	1·5	0·7	319	0·26	1·7
" 1927	44·9	4·4	29·3	6·4	26·9	47·0	9·2	1·3	0·7	343	0·35	4·3
September 1928	40·3	4·8	20·6	4·2	25·6	45·2	7·2	0·5	0·2	298	0·30	4·0
October "	48·2	5·3	24·2	6·2	29·1	50·8	7·0	1·1	0·2	334	0·38	4·6
November, "	48·4	5·6	29·9	6·1	27·3	49·9	8·4	2·2	0·3	331	0·40	4·2
December, "	45·3	4·6	30·9	6·3	24·4	46·8	10·4	2·2	0·5	290	0·36	4·2

* Yards.

RAILWAY STATISTICS.—(000,000's omitted.)

	Great Britain (*g*).						Austria.	Germany.	Italy.	Canada.	United States.
	Gross Receipts.		Freight Traffic (*f*).								
	Passengers.	Freight.	Mer-chandise.*	Coal, &c.	Other Minerals.	Total.					
	£	£	Tons.	Tons.	Tons.	Tons.	Ton-Miles.	(*b*)	(*a*)	(*e*)	(*c*) (*d*) (*e*)	(*d*) (*e*)
								Tonnes-Km	Tonnes-Km	Tonnes-Km	Ton-Miles.	Ton Miles.
1925—June	6·3	8·0	4·9	13·9	5·2	24·1	1,290	1,165	4,291	1,022	4,431	37,869
December	4·9	8·6	5·3	18·3	4·8	28·3	1,483	1,127	4,198	1,037	2,468	36,317
1926—June	4·4	5·3	4·7	1·9	3·6	10·2	704	1,202	4,695	1,132	2,846	39,237
December	4·7	8·5	4·9	15·9	4·1	24·8	1,392	1,321	5,641	1,094	3,641	40,096
1927 June	6·1	8·8	5·1	15·5	5·8	26·4	1,401	1,249	5,126	..	2,611	38,483
December	4·8	8·7	5·1	17·2	4·8	27·2	1,400	1,209	5,398	928	4,128	34,580
1928—January	3·8	8·6	5·0	16·7	4·5	26·2	1,405	1,178	5,219	858	3,506	36,271
February	3·5	8·8	5·0	15·5	4·9	25·4	1,384	1,165	5,113	919	3,338	35,701
March	4·0	9·5	5·5	17·2	5·5	28·1	1,527	1,273	5,633	1,012	3,328	39 467
April	5·1	8·1	4·7	14·4	4·9	24·0	1,273	1,20	5,068	938	2,806	35,866
May	5·2	8·7	5·1	14·9	5·6	25·6	1,395	1,275	5,197	1,027	3,466	39,260
June	5·5	8·3	4·8	14·9	5·3	25·0	1,324	1,398	5,427	1,038	3,129	37,304
July	7·5	8·2	4·8	14·0	5·1	23·9	1,312	1,430	5,461	1,017	5 091	39,196
August	8·5	8·4	5·0	14·7	5·0	24·7	1,359	1,417	5,085	960	5,092	42,406
September	6·6	8·5	5·0	14·7	4·9	24·6	1,324	1,398	5,836	..	4,251	43,778
October	6·7	9·4	5·7	16·2	5·3	27·2	1,490	1,314	..	..	..	48,206

* Inc. RVS-Bosch. (*a*) "Reichsbank." Excl. free-hauled. (*b*) State and private railways, including freight on foreign lines. (*c*) Railways with annual operating revenues of at least $500,000. (*d*) Short tons = kg. 907.18; mile = metres 1,609.34. (*e*) Including free-hauled. (*f*) Excluding free-hauled. (*g*) Long ton = kg. 1,016.05; mile = metres 1,609.34.

London: Printed for the Proprietors, THE ECONOMIST NEWSPAPER, LIMITED, by G. E. HAIN, St. Clements Press, Ltd., Newspaper Buildings, Portugal street, Kingsway, W.C.2, and Published by the Proprietors at 4, Bouverie street, Fleet street, E.C.4.

The Economist
MONTHLY SUPPLEMENT.

New Series. SATURDAY, FEBRUARY 23, 1929. No. 69.

In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations, supplemented from our statistical records. We propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.*

* "League of Nations Monthly Bulletin of Statistics," 1s. 6d.

THE STATE OF TRADE AT HOME AND ABROAD.

To judge from current statistics and reports, the New Year has opened well. The overseas trade returns are good; machinery exports in particular have achieved a post-war January record. There has been a distinct improvement in the production of steel, and some increase in activity in the iron trade. Fresh furnaces have been blown in since the New Year, and there is every ground for hoping that further furnaces will come into operation within the next few weeks. The engineering outlook is more promising, and shipbuilding has maintained its new vitality. Finally the coal trade, helped in part by the wintry weather, is at last able to report comparative activity. The weak spot is the textile trades. Bradford reports that the renewed fall in raw wool prices is restricting production, and while conditions in the cotton industry are not wholly unsatisfactory, demand for piece-goods has been restricted by the Bombay riots and the Chinese New Year holidays, and the decision of the spinners of Egyptian cotton to introduce short time bears an ominous appearance. The general situation seems to be that, as in previous years, a spell of comparatively good trade is being experienced which should last until April. Moreover, it is very satisfactory to be able to add that the current quarter is in some respects proving a more active period than the first quarter of last year.

HOME TRADE STATISTICS—JANUARY, 1929.

	Dec.	Jan.	Compared with Jan, '28.
UNEMPLOYMENT—			
(State Insurance %)	11·2	12·3	+ 1·6
PRODUCTION—			
Coal (million tons)*	5·1	5·0	...
Iron (thous. „)	540	564	+ 3
Steel („ „)	683	762	+ 135
FOREIGN TRADE—			
Imports (million £'s)	101·5	116·1	+ 15·7
Re-exports („ „)	9·1	9·8	− 0·5
Exports („ „)	69·5	76·7	+ 6·6
TRANSPORT—			
Railway Receipts* (£0,000)	324	316	+ 10
Shipping Freights (av. level[1])	113·2	127·6	+ 13
COMMODITY PRICES („ „ [2])	95·0	94·7	− 3·8
TRADE DISPUTES (thous. working days lost)	32	97	+ 47
SECURITY VALUES (av. level[3])	127·3	129·6	+ 5·6
FINANCIAL DATA—			
Bank Notes (million £'s)*	380	360	− 13
Currency Notes („ „)*			
Bank Deposits („ „)*	1843	1846	+ 62
Bank Advances („ „)*	960	972	+ 34
Banks Cash Ratio [4] (%)*	11·2	10·9	− 0·4
Bank Clearings:			
London (million £'s)*	803	922	+ 62
Manchester („ „)*	13·2	12·2	− 1·7
Three months' Bank Drafts (Discount Rate %)*	4 3/8	4 5/16	+ 1/16
Day-to-day Loans (%)*	3 1/16	3 3/8	+ 1/8

(1) 1913 = 100. (2) *Economist* Index No.; 1927 = 100
(3) *Bankers' Magazine* Index No. of 365 securities; December, 1921 = 100. (4) Cash in hand and at Bank of England as % of total current, deposit, and other accounts.
* Average weekly figures.

There are, however, two factors which may militate against a continuance of the present activity. These are the rise in Bank rate and the imminence of the General Election. As regards the former, industrial opinion seems to be divided. The first news of the increase to 5½ per cent. came undoubtedly as a considerable shock to industry, especially as there had previously been a general hope that the increase would be avoided. Now that there has been time for reflection, it is admitted that the extra one per cent. may not be a fatal addition to the burdens on industry, though it is naturally held to be unfortunate that any fresh obstacle should have been placed at present in the path of improving trade. At the same time, it is agreed that too much can be made of the increase, especially if it soon becomes apparent that an early reduction can be expected. Besides this, traders are no longer operating under the fear of an increase, and if under the new conditions of a 5½ per cent. rate the Bank can pursue a slightly more generous open-market policy, the increase from industry's point of view will not be a pure loss with no compensations.

The approaching election is a more serious factor, and one that will grow in intensity with the approach of polling day. At present it is exciting a sense of uncertainty of a particularly unfavourable kind. Without entering into any controversial political questions, this much can be agreed upon as common ground. Whatever the complexion of the new House of Commons and whatever the composition of the new Government, both will be intimately concerned for many years with matters acutely affecting trade and industry. A cursory inspection of the programmes of all the political parties is sufficient to prove this fact. Apart from the merits of any of these programmes, it is only natural that traders are today feeling some difficulty in laying their plans ahead, simply because they feel uncertain as to how far their plans will need modification when the result of the election is known. In fact, it is quite conceivable that whatever party comes into power, traders may after the election recover their confidence, because then they will know where they stand. For this reason many are hoping that the new Parliament will at least be of a staple composition.

As regards the state of employment, there was the usual increase in unemployment immediately after Christmas, but during January the figures steadily improved. There was a marked falling-off in the volume of work available in the building and allied trades, but this is a seasonal movement due to the inclement weather. There were a fair number of other decreases in employment, which were spread over many industries, but against these must be set improvements in ship-building and ship-repairing, marine engineering, linen textiles, and hat and cap manufacture. Employment in the coal industry underwent little change, a decline in the number

wholly unemployed being offset by an increase in the numbers temporarily stopped.

Abroad, Empire trade conditions remain on a satisfactory basis, while American activity is well maintained. European trade remains much the same as in previous months, with the exception that some disturbance to business has been caused by the severe weather. Little change is reported from South America and in the Far East; the end of the year passed in Japan without serious difficulty.

HOME INDUSTRIES.

Coal.—Conditions this month have been comparatively active. Most collieries are working full time and a certain number of closed pits have been reopened. This activity is common to home and export trades, and is in part the consequence of the recent cold weather. The frost, however, in addition to stimulating trade, has also caused some dislocation to shipments through delayed steamers and the freezing of apparatus at the docks.

Iron and Steel.—Conditions this quarter are proving comparatively active, and production is on a larger scale than a year ago. This month's increase of 1s. a ton in Cleveland pig iron is significant, and the reports from most districts state that the outlook is assured, at any rate until Easter. In several areas stocks have been reduced, and fresh furnaces have been blown in. The revival in shipbuilding has proved of material assistance.

Engineering.—The year has made a good start, and January exports of machinery established a post-war record for that month. The immediate prospects of the textile machinery and marine engineering firms are good. The demand for locomotives, though slightly less than for last year, is still well maintained, and the machine tool section remains at its recent level of output. Agricultural engineering is still depressed, but the outlook is becoming more hopeful, and should the unofficial negotiations with Russia bear fruit, this section will be one of the first to benefit. Structural engineering is still dull, mainly as the result of the cold weather, and there was little activity among makers of prime movers.

Electrical Industry.—The following index of production in the electrical industry is copyright by the Economic and Statistical Department of the British Electrical and Allied Manufacturers' Association. An explanation of the manner in which it has been computed will be found on page 888 of the *Economist* of November 28, 1925.

INDEX of ACTIVITY in the ELECTRICITY INDUSTRY.
(1920 = 100.)

1925.	Home.	Export.	Total.
July	58	119	73
August	61	119	76
September	61	121	76
October	67	125	81
November	68	124	81
December	76	117	86
1926.			
January	75	110	84
February	74	106	82
March	80	101	85
April	83	100	87
May	83	104	88
June	82	110	89
July	80	79	80
August	84	85	84
September	87	70	83
October	89	86	88
November	93	103	95
December	94	143	106
1927.			
January	95	152	109
February	92	159	108
March	89	163	107

1927.	Home.	Export.	Total.
April	90	181	112
May	88	200	116
June	94	234	128
July	93	231	126
August	90	236	126
September	87	230	122
October	81	208	112
November	80	192	107
December	69	160	92
1928.			
January	68	148	88
February	68	143	87
March	71	141	89
April	70	122	84
May	68	108	79
June	68	105	78
July	71	80	74
August	74	86	78
September	81	102	88
October	83	107	91
November	85	105	93
December	93	103	96
1929.			
January	92	122	99

The sharp improvement in the export index is due to the incidence of two very large orders. At home the industry has received few new contracts, but has been active in preparing tenders for the Central Electricity Board. In all sections the industry has been satisfactorily engaged.

Motor Industry.—In the private car section, factories are well supplied with orders, and exports reached the highest level for many months. In the commercial and passenger vehicle section, the demand remains at a very satisfactory level, while exports show a further advance. Cycle and motor-cycle manufacturers continue to be busy, with an encouraging demand from overseas markets.

Cotton.—January has proved a disappointing month, as although raw material prices have been stable export orders for cloth have been on a restricted scale. Indian demand has been restricted by the Bombay disturbances and by the Calcutta dealers' embargo upon imports, while operations for China were checked by the New Year festivities. Latest news from the Far East, however, is satisfactory, with prospects of an early expansion in trade. Egypt, the Near East and the Continent have given a fair amount of support, but trade with the Continent has been limited. Home demand has broadened. In the spinning section the introduction of short time by the Egyptian branch is a discouraging event.

Wool.—The recent decline in raw material prices has had a depressing effect upon the industry, and spinners are finding some difficulty in keeping machinery in operation. The spring goods trade has been retarded by the cold weather, but export demand for piece goods is fairly satisfactory.

Linen.—Irish flax is firm and is finding a ready sale. Spinners executed some additional sales in fine counts and have good orders still in hand. Weavers are finding business rather better, and more looms are working.

Rayon.—The market is showing slow but steady expansion, and though there are heavy stocks of poor-grade yarns which show little sign of being reduced, business in the better grades is fairly good. High-class fabrics are in fair request for the Dominions and the home trade, and there has been a moderate turnover in mixture fabrics for India and Brazil.

Boots and Shoes.—Business is slightly more active than at the end of last year, but manufacturers are still suffering from lack of orders.

Pottery.—With the exception of sanitary ware the conditions of the industry are fairly quiet. The earthenware section is now awaiting the Board of Trade's decision on their Safeguarding application, and this is causing some uncertainty.

Chemical Industry.—Generally trade is good. The general effects of the holiday season this year have lasted longer than usual. Both January exports and imports were larger than in the two preceding years, the improvement in exports being mainly due to heavier shipments of ammonium sulphate and coal tar products. With regard to home trade, the pharmaceutical section is at last sharing in the increased activity which hitherto has been confined to heavy chemicals.

Building Trades.—Employment has been seriously affected this year by bad weather, and the January figures showed an unemployment percentage of 19.9 per cent., while the corresponding percentage for painters alone was 33.7 per cent. Wales and Northern England remain the worst areas.

Agriculture.—Owing to snow and frost little cultivation work was possible, but, despite this, field work was as forward as usual at the end of January. Breeding ewes generally were in a good healthy condition, as were cattle and sheep, and the milk yield was about up to average.

Shipping.—The shipping trade in February has been without any particular feature. Grain freights are remaining unchanged, and there has been a sharp advance in rates on coal to the Continent consequent on the cold weather and dislocation of shipping owing to ice in the Baltic.

Retail Trade.—Climatic conditions have stimulated the demand for warm clothing, but otherwise the cold has given a set-back to general trade. White sales show fairly good results.

MINISTRY OF LABOUR UNEMPLOYMENT RETURNS.

	Coal-Mining	Other Trades.	Total.
(a) *Monthly Returns—Great Britain and Northern Ireland—Numbers of Insured Persons Recorded as Unemployed—*			
End of January, 1926	125 740	1,191,795	1,717,535
End of January, 1927	200,608	1,250 495	1 451 103
End of January, 1928	211.234	1 049 289	1 260 503
End of December, 1928	213.024	1,252,478	1 333 611*
End of January, 1929	213,259	...	1 465 737*
(b) *Weekly Returns—Great Britain only—Nos. on Registers of Employment Exchanges—*			
1928 January Last week	...	...	1,168,941
1928 February, First week	...	...	1,162,158
1928 Feb uary, Second week	...	...	1,159,772
1929 January, Last week	...	...	1,394,100
1929 February, First week	...	...	1,369,500
1929 February, Second week	...	...	1,342,500

* Including casuals 78,713 in December, and 71,374 in January.

UNITED STATES OF AMERICA.

The following indices of American economic conditions have been forwarded to us by Moody's Investors' Service, of New York and London, and may serve as an indication of the main features in the business situation as it existed last month :—

AMERICAN TRADE STATISTICS—JANUARY, 1929.

	Dec.	Jan.	Compared with Jan., '28.
EMPLOYMENT†—(June, 1914=100)	110·9	110.5	+ 4.3
PRODUCTION—			
Bituminous coal (Thous. tons)	43,380	51,458	+ 7,250
Pig-iron („ „)	3,370	3,442	+ 573
Steel („ „)	4,019	4,489	+ 528
Unfilled orders, U.S. Steel Corporation (Thous. tons)	3,977	4,109	— 166
Building permits (Thous. $)	211,730	564,000	+ 346,917
FOREIGN TRADE—			
Imports (Thous. $)	388,000	371,000	+ 33,388
Exports („)	475,000	491,000	+ 80,580
TRANSPORT—			
Freight car loadings (Thous. cars)	3,648	3,651	+ 77
SECURITIES—			
20 industrial stocks—Highest quotations‡	300·00	317·51*	+ 11
Lowest quotations‡	257·33	296·98	+ 10
Thous. shares sold during month —(New York)	92,837	110,804	+ 53,841
New securities issued (Thous. $)	986,382	703,306	— 55,100
BANK CLEARINGS—			
New York (Million $)	39,218	43,904	+ 12,860
Other cities („ „)	21,062	21,421	+ 1,687
RETAIL BUSINESS—			
Total sales, mail order houses (Thous. $)	74,386	47,400	+ 9,934

* Preliminary estimates made by Messrs. Moody, subject to revision. † Based on reports of U.S. Labour Bureau and of Bureaux of the States of New York, Wisconsin, and Pennsylvania. ‡ Average of actual prices.

Trade underwent a further expansion during January. The steel industry is operating at over 87 per cent. of its capacity, automobile production is at a record seasonal level, and construction contracts are improving. Car loadings are well above last year's level, and the cotton mills report an increase in activity.

BRITISH EMPIRE.

Canadian retail trade has fallen away since Christmas, but wholesale houses report that their orders compare favourably with those of previous Januarys. Factories are well supplied with orders, but outdoor work is restricted by the cold weather, and the employment position is not very good.

In Australia good rains have fallen in Queensland, but floods have been experienced in New South Wales. The latest wheat crop reports show a yield of nearly 160,000,000 bushels. The current wool clip is proving in excess of earlier estimates, but the fall of wool prices makes it difficult to forecast ultimate results this season.

South African conditions remain unchanged.

India reports that the 1928 monsoon was good and well distributed. Last year's jute crop was satisfactory, and sowings of cotton and oil seeds showed an advance on those of previous years. Crops generally are in a distinctly favourable position, and this year's export surplus should be well up to standard.

EUROPE.

The French coal industry remains active, though transport has been impeded in places by the frost. There is a keen export demand for French iron and steel products, and prices show a rising tendency. The position of the textile trades is fairly good, but there are signs of irregularity.

The Belgian coal industry is extremely active, and little change is reported in the steel trades where conditions are satisfactory. The cotton market is firmer.

The German steel industry is stagnant, while the coal trade, after a fairly active January, has suffered some dislocation owing to the severe weather. The chemical industry remains satisfactory, but the textile trades are somewhat irregular.

In Scandinavia, Norwegian shipbuilders report increased activity, and Swedish industry has lately recorded some improvement.

Conditions in Italy were satisfactory during January, and though some irregularity was noticeable there are signs of a coming improvement in trade. The steel trade in particular has experienced, during January, a full measure of activity. Apart from the general interruptions to business caused by the severe frost, conditions in Central Europe have been fairly satisfactory.

SOUTH AMERICA.

Beneficial rains have now fallen in the Argentine maize area, and it is reported that this year's exportable surplus will exceed 4,000,000 tons. Brazilian business conditions improved during January, but are still not very active. The Chilian situation remains satisfactory, but business in Peru is experiencing the dullness usual during the planting season. Uruguayan conditions are fairly good.

FAR EAST.

The end of the year was passed in Japan with little financial difficulty, and the money market continues to display an easy tendency. There were a few country bank failures reported. Recent trade returns show that the Chinese boycott on Japanese goods did not have a very serious effect. The January trade figures show the lowest adverse balance for several years. Chinese trade has been restricted by the New Year holidays, but confidence is gradually returning. There are hopes in Lancashire and elsewhere of a definite revival as soon as the holidays are over.

ELECTRICAL PRODUCTION.

In the *Economist* of July 10th, 1926 (pages 57–8), we published a new index of electrical production in the chief industrial areas of Great Britain. We show below a *résumé* of the results achieved during recent periods :—

INDEX of PRODUCTION of ELECTRICITY.*
(Monthly Average 1923-24 = 100.)

Date.	Britain, excluding London and Wales.	Coal Mining, Iron and Steel, Shipbuilding, Heavy Engineering.	General Engineering and Automobile Construction.	Chemicals.	Marine Transport, Docks, etc.	Textiles, Cotton and Wool.
1926.						
January	139	138	162	184	155	135
February	141	153	161	192	150	134
March	135	136	155	161	139	131
April	119	121	128	153	127	114
May	93	88	103	145	99	90
June	100	88	119	157	114	105
July	91	77	123	147	110	97
August	96	84	112	149	110	101
September	105	88	132	163	127	112
October	125	110	148	149	148	131
November	136	119	159	167	161	145
December	148	141	157	183	163	148
1927.						
January	158	155	167	212	179	151
February	157	156	165	212	169	150
March	147	152	153	187	155	140
April	144	144	146	208	151	136
May	138	139	151	198	150	129
June	126	128	136	206	131	114
July	123	118	135	184	140	119
August	123	124	130	201	142	113
September	138	133	157	228	159	131
October	152	146	166	228	175	146
November	166	155	190	236	192	162
December	180	170	200	220	210	172
1928.						
January	174	164	195	232	199	172
February	170	162	188	249	195	164
March	170	165	192	252	195	159
April	149	149	164	226	164	132
May	140	136	170	223	183	125
June	141	138	160	248	158	130
July	131	127	149	248	151	124
August	130	131	131	227	147	116
September	150	145	164	263	209	138
October	161	153	185	245	222	154
November	178	164	215	240	238	169
December	181	171	210	195	238	176
1929.						
January	187	172	234	236	250	190

* Prepared by the economic and statistical department of the British Electrical and Allied Manufacturers' Association.

The most active areas are the Midlands, the West of Scotland and the North-East Coast. Lancashire as a whole is fairly good, with the Liverpool transport consumption particularly active. There are signs of improvement in Yorkshire.

INDICES OF BUSINESS ACTIVITY.

THE picture presented this month by the figures (averaged for the three months ended January 31st) of our series of index numbers of business activity is in many ways more encouraging than has been the case for some time. There are still, it is true, certain aspects of the situation which must be considered unsatisfactory, and it would be premature to deduce from the latest movements of the indices that a marked " trade recovery " is positively developing, even in an embryonic stage. None the less, from an examination of the figures a number of features emerge which suggest that in some directions, at least, business activity is showing signs of incipient expansion.

To mention first the adverse factors in the industrial position—the volume of employment in " general " industry contracted (partly from seasonal causes) during January; the apparent consumption of iron and steel continues to decline; compared with the figures for the corresponding month of 1925 and 1926, the current indices of net imports of raw materials, cotton consumption, employment in " heavy " industry, and provincial bank clearings, all stand at lower levels; and the figure of total employment represents a definite set-back in contrast with January, 1928. These are all weighty items on the debit side of the account.

On the credit side, however, there is, in the first place, the sustained improvement in the volume of exports of British manufactures, the January figure being the highest recorded in any month during the past five years. In the next place, it will be seen that a slight recovery in the index figure of employment in " heavy " industry is taking place, that net imports of non-ferrous metals and apparent consumption of cotton both display a rising tendency, and that a great expansion has occurred in the volume of raw material imports, the comparatively low level of whose index figure has been one of the most depressing features of the past nine months. Finally, the course of the indices of fuel consumption, taken together, is not unsatisfactory, even when due allowance is made for seasonal considerations.

Comparing the January figures as a whole with those for the corresponding month of past years, it will be observed that the three index numbers which make the poorest showing are those of iron and steel consumption, employment in " heavy " industry, and provincial bank clearings. The fact that the provincial clearings' index is now 5 per cent. lower than a year ago, whereas the indices of shipping movements and exports of British manufactures are, respectively, 7 per cent. and nearly 2 per cent. higher than in January, 1928, suggests that home trade activity has decreased as a result of depression in certain branches of manufacturing.

[NOTE.—*A full explanation of the data on which the series of index numbers is based, and the methods of calculation employed, was published in the " Supplement " of March 24, 1928. It should be borne in mind that the monthly figures are in each case averages of the three months ended with the latest month shown, and that except in the case of imports of non-ferrous metals, no correction for seasonal trend has yet been instituted in the series. The index of postal traffic, however, is based on comparison, not with the annual average for 1924, but with the figure for the corresponding month of that year.*]

INDICES OF BUSINESS ACTIVITY.

1924 = 100.

Period.	Net Imports.		Consumption of			Consumption of Power.		Volume of Employment.				Merchandise on Railways.	Provincial Bank Clearings.	Postal Traffic.	Shipping Movements.	London Bank Clearings.	Exports British Manufactures.	Foreign Trade Turnover. (Quarterly Figs.).
	Raw Materials.	Non-Ferrous Metals.	Iron and Steel.	Cotton.	Rubber.	Coal.	Electricity.	Heavy Industry.	"General" Industry.	Miscellaneous Services.	Total.							
Monthly Average.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1919	113	74	96	109	143	89	...	...	...	...	...	109	92	...	59b	54	74	79
1920	106	71	99	113	134	91	...	...	...	...	...	100	113	...	69b	65	101	87
1921	56	50	43	74	79	69	...	...	...	...	...	81	82	...	66	76	67	68
1922	89	63	34	99	58	87	...	...	...	...	...	84	97	...	91	97	88	85
1923	88	92	69	93	118	91	...	...	...	...	...	97	98	...	101	97	95	94
1924	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1925	107	107	89	116	137	93	101	90	103	103	101	98	102	103·5	98	104	101·5	102
1926	107a	100	57	98	175	72	92	57	101	104	95·5	88	94	103·5	90	109	94	100
1927	113a	106	133	113	197	106	109	87	108	108	105	99	102	109·5	105	117	104·5	107·5
1928	101	113	88	103	212	99	110	81·5	108	109·5	105	...	100·5	114	106·5	125	108	106
"Corrected" average for 3 months ended:																		
1928—Jan.	106	114	100	106	136	118	127	86·5	107·5	108·5	105	98	106	113	99	120	111	} 109
Feb.	107	125	106	107	175	119	124	86·5	107·5	108·5	105	94	106	115	95	122	103	
March	111	124	102	110	248	114	123	86·5	108	109	105	96	106	117·5	97	125	108	
April	108	119	98	110	305	105	117	86	108·5	109·5	105·5	93	107	116	98	124	106	} 105
May	108	116	91	104	246	102	108	85	109	110	106	94	105	113·5	104	124	107	
June	99	118	87	104	152	93	101	83	108·5	110	105·5	90	102	111	107	126	103	
July	94	114	84	102	139	91	97	80	108	110	105	91	100	110	112	126	107	
August	88	113	83	98	143	88	95	78·5	107·5	110	104·5	90	96	110·5	114	123	109	} 102
Sept.	84	104	83	87	181	89	96	79	107	110	104	90	95	111	114	123	108	
Oct.	86	104	83	92	257	95	103	79	107	109·5	104	95	91	114	117	122	110	
Nov.	96	107	79	101	314	102	115	78·5	107·5	109	104	97	91	115·5	114	125	110	} 112
Dec.	111	110	76	109	310	103	122	79	107·5	109	104	...	97	116	111	126	111	
1929—Jan.	131c	121	72	117	315	110	126	80·5	107	109	104	...	101	116	106	129	113c	...
Jan., 1925	142	101	100	132	94	103	112	96	101·5	100	100	100	103	101	98	103	103	...
Jan., 1926	142	104	81	136	180	105	119	91·5	104	103·5	102	98	105	106·5	97	107	102	...
Jan., 1927	131a	102	118	116	196	103	115	70·5	102·5	104·5	98·5	93	97	108·5	93	109	91	...
Jan., 1928	106	114	100	106	136	118	127	86·5	107·5	108·5	105	98	106	113	99	120	111	...
Jan., 1929	131c	121	72	117	315	110	126	80·5	107	109	104	...	101	116	106	129	113c	...

a, Excluding coal imports. b Excluding Government War movements. c Provisional figure.

PRODUCTION. (Thousands of Metric Tons.)

COAL.

Period. Monthly Average.	United Kingdom.	Belgium.	Czecho-slovakia.	France.	Germany.	Nether-lands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.
	d	b k			g		h		j	e		
1913	24,337	1,903	1,189	3,338	15,842	156	748	1,119	665	1,311	1,776	43,088
1924	22,617	1,947	1,265	c3,668	9,897	490	2,685	762	944	1,717	2,509	45,213
1925	20,590	1,925	1,063	c3,921	11,052	571	2,423	719	983	1,693	2,622	43,988
1926	10,692	2,110	1,214	c4,285	12,114	721	2,979	974	1,038	1,703	2,433	49,729
1927	21,355	2,298	1,222	c4,315	12,800	777	3,174	1,028	1,006	1,778	2,597	45,197
1928	20,129	2,295	1,264	c4,238	12,573	891	3,383	1,035	1,014	...	...	43,025
				e								
1928—January	21,899	2,378	1,388	4,350	13,421	903	3,454	988	943	1,923	2,560	45,266
February	20,982	2,260	1,375	4,164	12,926	829	3,271	1,000	910	2,341	2,723	42,486
March	22,438	2,516	1,310	4,470	14,118	939	3,509	1,029	1,007	2,185	2,959	44,862
April	18,500	2,223	1,119	4,053	11,715	832	2,981	860	918	1,909	2,566	35,468
May	19,994	2,228	1,165	4,162	11,932	874	3,060	1,072	1,041	1,930	2,719	40,581
June	19,260	2,378	1,152	4,374	11,833	894	3,191	1,106	1,040	1,624	2,608	37,434
July	18,423	2,220	1,198	4,172	12,483	921	3,248	1,057	1,035	1,308	2,569	36,968
August	18,651	2,249	1,355	4,359	13,021	927	3,416	1,191	1,104	1,784	2,401	43,536
September	19,154	2,175	1,334	4,179	12,157	876	3,401	956	1,058	1,890	2,436	42,943
October	21,445	2,413	1,300	4,607	13,311	961	3,848	1,024	1,067	1,770	2,680	53,446
November	20,969	2,328	1,255	4,387	12,141	892	3,770	1,044	1,062	1,398	...	48,532
December	19,842	2,175	1,220	14,178	11,819	846	3,449	953	977	1,602	...	45,002
1929—January†	20,132	...	...	...	...	...	...	...	...	...	...	...

Period. Monthly Average.	LIGNITE. Austria.	Czecho-slovakia.	Germany.	Hungary.
	b	b k	g	k
1913	218	1,927	7,269	460
1924	231	1,705	10,386	529
1925	255	1,566	11,644	460
1926	247	1,589	11,596	485
1927	256	1,669	12,542	520
1928	...	1,726	13,852	...
			e	
1928—January	297	2,102	14,222	635
February	275	1,136	13,419	514
March	296	1,858	14,401	531
April	240	1,695	12,263	431
May	246	1,566	12,954	452
June	236	1,561	13,241	473
July	245	1,629	13,531	473
August	263	1,741	14,330	516
September	268	1,759	13,616	557
October	305	2,054	15,226	663
November	303	1,893	14,548	633
December	...	1,720	14,105	...
1929—January†	...	...	...	...

PIG IRON.

Period. Monthly Average.	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.
					g	a	f		
1913	869	207	434	114	1,397	212	61	85	2,601
1924	619	237	c641	116	651	180	43	50	2,634
1925	530	212	c708	121	848	197	36	48	3,082
1926	208	283	c786	137	804	213	39	64	3,308
1927	617	313	c777	148	1,092	228	35	60	3,068
1928	560	325	c834	161	984	231	33	88	3,204
			c						
1928—January	569	315	809	156	1,180	230	31	66	2,916
February	560	302	784	151	1,122	220	32	66	2,947
March	602	327	857	169	1,170	240	35	80	3,251
April	572	313	834	156	1,045	227	29	76	3,237
May	601	329	871	164	1,044	234	33	89	3,337
June	573	321	844	157	1,021	230	29	99	3,131
July	546	324	836	160	1,035	225	26	97	3,121
August	527	329	858	161	1,031	234	23	93	3,187
September	512	325	822	158	985	231	31	92	3,110
October	552	344	857	169	1,016	236	39	95	3,428
November	553	331	850	169	l 267	229	45	97	3,356
December	549	345	880	167	883	234	46	105	3,424
1929—January	573	...	...	...	...	...	9[illegible]	...	...

STEEL.

Period. Monthly Average.	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.
			c		g	a	f		
1913	636	316	753	169	1,469	213	38	86	4,055
1924	777	310	738	166	1,323	205	48	100	4,110
1925	806	326	806	182	1,422	220	51	120	4,580
1926	654	305	738	161	1,161	203	42	115	4,372
1927	765	325	794	170	1,248	215	57	120	4,271
1928	721	329	797	172	1,295	215	43	118	3,803
1928—January	678	320	751	173	1,311	208	43	84	3,873
February	659	342	793	175	1,329	224	54	90	4,246
March	730	331	757	162	1,190	209	46	101	4,214
April	768	356	834	190	1,306	229	56	111	4,722
May	775	340	800	179	l 357	213	66	110	4,328
June	694	333	828	173	...	218	50	105	4,080
July	774	...	...	...	1,091	...	...	...	...
August	...	...	...	...	...	...	...	...	...
September	...	...	...	...	...	...	...	...	...
October	...	...	...	...	...	...	...	...	...
November	...	...	...	...	...	...	...	...	...
December	...	...	...	...	...	...	...	...	...
1929—January	773	...	...	...	...	...	...	...	...

† Provisional figure. a Figures communicated by the "Groupement des Industries Sidérurgiques." b Present territory. c Including Alsace-Lorraine. d Saleable coal; since end 1921 excluding Ireland. e British Provinces only. f "Ekonomisk Oversikt." g From 1918 excluding Alsace-Lorraine and from 1919 excluding Saar; from 1922, excluding Polish Upper Silesia. h Since July, 1922, including Upper Silesia. i Including lignite. j Coal sold. k Until end 1925 saleable coal. l Lockout of the iron and steel trade.

WHOLESALE PRICES.

Monthly Average.	U.K. Board of Trade.	U.K. *Economist*.	Belgium.	Czecho-slovakia.	Denmark.	France.	Germany ("Frankfurter Zeitung").	Holland.	Italy (Bachi).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Australia.	British India.	Canada.
			f		j		j					j						
1913	100	100	h100	h100	100	100	h100	100	100	100	h100	100	100	100	h100	100	h100	100
1924	166·2	166·2	[illegible]	997	234	488·5	146·9	156	512	267	109·8	172	183	162	174·6	173·3	173	155·2
1925	159·1	160·9	[illegible]	1,008	176	549·8	143·6	155	596	253	125·4	183	188	161	161·6	169·5	159	160·3
1926	148·1	149·4	[illegible]	954	158	702·6	136·8	145	603	198	p181·2	177	181	149	144·5	168·4	148	156·2
1927	141·4	143·7	[illegible]	979	154	617·2	138·3	148	495	167	p118·6	171	172	146	142·2	167·0	148	151·6
1928	140·3	140·9	pe[illegible]	977	151	620·6	137·0	149	462	161	119·8	...	...	148	144·6	...	145	150·4
1928—January	141·1	141·[illegible]	851	985	153	606·7	138·3	153	463	164	118·1	171	166	148	144·7	171·0	145	151·3
February	140·3	141·[illegible]	848	978	152	604·8	137·0	150	461	163	117·4	171	166	147	144·2	168·1	144	150·8
March	140·8	142·[illegible]	848	984	153	622·8	137·7	152	464	164	121·0	171	165	149	144·9	168·2	144	152·8
April	142·9	14[illegible]	847	987	154	623·8	139·6	153	464	162	124·1	171	166	151	145·6	169·5	146	153·2
May	143·6	1[illegible]	844	986	155	632·6	140·5	152	465	162	122·5	172	164	152	145·1	166·4	147	152·9
June	142·6	[illegible]	844	979	155	625·7	139·7	153	462	161	121·5	172	164	151	145·2	166·4	145	150·2
July	141·1	[illegible]	841	996	155	623·8	138·3	148	453	162	120·8	173	164	150	144·1	165·4	148	149·6
August	139·3	[illegible]	831	986	154	617·0	137·9	144	456	162	118·7	173	166	149	143·6	161·0	143	149·1
September	137·6	[illegible]	830	971	151	619·9	138·3	145	458	158	118·1	176	168	146	143·6	160·5	142	149·7
October	137·9	[illegible]	835	957	150	617·0	138·1	146	463	157	118·4	176	174	145	144·6	159·7	143	150·2
November	137·[illegible]	[illegible]	847	955	151	625·7	138·2	148	466	157	118·4	177	176	145	145·2	...	146	148·6
December	138·[illegible]	[illegible]	855	953	151	623·8	137·3	148	464	157	118·4	...	...	145	143·9	161·8	145	146·7
1929—January	138·9	138·1	867	...	151	630·6	...	...	...	154	...	...	...	...	...	...	...	...

a New index. b [illegible]he month. c 15th of month. d Beginning of the following month. e Official. f Second half of month. g "Finanstidende." h [illegible]. i End year. k Average last week of month. p Since January, 1926, new index. s 000,000,000 omitted.

Wholesale Price[illegible] ...ntinued.

Monthly Average.	[illegible]hina.	Japan.	United States Bureau of Labour.
1913	[illegible]00	100	100
1923	[illegible]56·4	199·1	144·1
1924	[illegible]53·9	206·5	140·5
1925	[illegible]59·4	201·7	148·3
1926	[illegible]64·1	178·9	143·3
1927	[illegible]70·4	169·8	136·7
1928	[illegible]	170·9	140·0
	g		
1928—January	[illegible]163·1	169·4	138·0
February	[illegible]164·3	169·2	138·1
March	[illegible]163·4	169·2	137·5
April	[illegible]163·1	169·6	139·5
May	[illegible]164·5	171·5	141·3
June	[illegible]160·0	168·9	139·8
July	[illegible]159·2	168·6	140·8
August	[illegible]157·2	170·1	141·7
September	[illegible]156·2	173·7	143·4
October	[illegible]158·8	173·6	140·1
November	[illegible]159·2	173·1	138·5
December	[illegible]	173·7	138·5
1929—January	[illegible]	...	...

a The first of the month. b Gold mark prices. c Since 1923 gold prices. d Yearly average. e Prices of foodstuffs of average of quarter. g Last [illegible]month. h Average of second quarter. i 15th of month. k Excluding clothing and rent. l Last of month. w Since date stabilization gold standard index.

Index Numbers of Retail Prices. Cost of Living.—(Base=100).

	U.K.	Irish Free State.	Austria.	Belgium.	Bulgaria.	France.	Germany.	Italy.	Spain.	Canada.	U.S.A.
No. of Towns and Localities.	630	105	Vienna.	59	12	Paris.	71	Milan.	Madrid.	60	32
Base.	July, 1914.	July, 1914.	July, 1914.	April, 1914.	1914.	1914.	Oct., 1913, Jan., April, June, 1914	Jan.–June, 1914.	1914.	1913.	1913.
	a		c s	s	d	h		v	e		g
1924—July	171	183	86	125	2833	366	b 126·4	512	184	148	173
1925—July	173	188	97	133	3014	390	b 143·3	598	189	150	178
1926—July	170	182	103	174	2886	485	b 142·4	649	187	153	176
1927—July	164	171	106	204	2788	525	150·0	548	189	151	172
1928—July	165	173	108	205	...	105	152·6	145	...	151	...
							b				
1928—Jan.	166	177	107	209	2735	...	150·8	145	178	153	...
Feb.	164	...	107	206	2777	...	150·6	145	175	152	...
March	164	...	107	203	2791	507	150·6	145	176	152	...
April	164	170	107	204	2841	...	150·7	145	174	152	...
May	165	...	107	202	2857	...	150·6	144	171	151	...
June	165	...	109	204	2818	w 105	151·4	145	172	151	170
July	165	173	108	205	2861	...	152·6	143	173	151	...
August	165	...	108	206	2742	...	153·5	142	174	152	...
Sept.	166	...	109	209	2757	w 105	152·3	143	178	152	...
October	167	176	109	212	2796	...	152·1	144	179	153	...
Nov.	168	...	109	217	...	...	152·3	146	181	153	...
Dec.	167	...	109	216	...	w 108	152·7	147	...	...	...
1929—Jan.	165	...	109	...	...	...	153·1	...	...	...	...

FINANCE.

Notes in Circulation. (000,000's omitted.)

End of	United Kingdom. Bank of England Notes.	United Kingdom. Currency Notes.	Austria.	Belgium.	Bulgaria.	Czecho-slovakia.	Denmark.	Finland.	France.	Germany. Reichsbank Notes.	Germany. "Rentenbank."	Greece.	Hungary.	Jugo-Slavia.	Netherlands.	Netherlands.
	£	£	Schilling.	Francs.	Leva.	Koruna.	Kron.	Markat.	Francs.	Marks.	Rentenmks.	Drachmæ	Pengö.	Bank Notes. Dinars.	Bank Notes. Gulden.	State Notes. Gulden.
1913	*a* 29·6	...	...	1,067	189	...	152	113	*y* 5,714	2,742	*i* ...	*j* 245	*k* ...	*u* ...	313	...
1922	102·1	*b* 295·4	*c* 4,080,177	6,876	3,886	10,064	459	1,421	36,359	1,293,758	...	3,149	75,887	5,040	1,012	32
1923	105·1	*b* 292·7	713	7,537	4,139	9,599	473	1,352	39,114	/496507,424,772	...	4,681	931,337	5,790	1,066	32
1924	101·3	*b* 296·3	833	7,873	4,530	8,810	478	1,250	40,885	*g* 1,941	1,835	4,866	4,513,990	6,002	935	23
1925	88·5	*b* 296·8	890	7,814	3,655	8,408	438	1,309	51,085	*g* 2,960	1,476	5,395	416	6,063	875	17
1926	84·5	*b* 296·5	947	9,646	3,485	8,203	386	1,346	52,907	*g* 3,736	1,164	4,865	471	5,812	819	13
1927	82·5	*b* 299·8	1,005	10,951	3,727	8,417	354	1,514	55,551	*g* 4,564	716	4,966	487	5,743	797	12
1928	*x*378·3	*x*	1,067	11,608	4,173	8,466	360	1,513	63,916	4,930	530	5,690	513	5,528	854	11
1928—Jan.	*x*	*b*								*g*	626					
Feb.	79·6	288·4	920	11,160	3,558	7,099	336	1,503	57,765	4,251	639	4,831	467	5,382	788	12
Mar.	79·1	287·5	917	11,284	3,494	7,077	336	1,593	58,433	*i* 4,268	616	4,890	442	5,397	777	11
Apl.	79·2	289·5	944	11,120	3,638	7,396	353	1,644	58,580	*g* 4,513	609	4,895	455	5,453	823	12
May	79·5	294·8	947	11,277	3,737	7,098	352	1,619	59,198	4,409	586	4,894	479	5,325	853	12
June	79·7	293·7	948	*e* 11,524	3,784	7,111	347	1,576	59,195	4,487	578	4,250	451	5,280	797	12
July	80·0	296·0	998	*e* 11,258	3,899	7,584	360	1,585	60,628	4,674	561	5,155	479	5,354	829	12
Aug.	81·0	297·6	1,009	*e* 10,726	4,131	7,344	340	1,543	60,436	4,569	570	5,131	496	5,313	810	11
Sept.	79·2	296·9	1,003	*e* 11,121	4,285	7,549	341	1,565	62,184	4,673	570	5,258	497	5,562	792	11
Oct.	78·2	293·9	1,008	*e* 11,099	4,501	7,806	360	1,599	62,554	4,830	570	5,719	500	5,751	855	12
Nov.	78·3	291·6	1,007	*e* 11,625	4,610	7,825	361	1,539	62,759	4,672	543	5,759	542	5,786	829	12
Dec.	*x*367·0	*x*	984	*e* 11,530	4,379	7,818	354	1,502	62,660	4,724	530	5,599	530	5,598	855	12
1929—Jan.	*x*378·3	*x*	1,067	*e* 11,608	4,173	8,466	360	1,513	63,916	4,930	524	5,690	513	5,528	854	11
	*x*365·6	*x*	965	*e* 12,097	...	7,115	336	1,431	63,857	4,454	513	...	513	5,194	782	11

End of	Italy. Bank Notes. Lire.	Italy. State Notes. Lire.	Norway. Bank Notes. Kron r.	Poland. Bank Notes. Marki p.	Poland. Bank Notes. Zloty.	Poland. Token Notes and Coins. Zloty.	Roumania. Bank Notes. Lei.	Russia. State Notes. Gd.Rbls.	Russia. Bank Notes. Rbles.	Sweden. Bank Notes. Kronor.	Switzerland. Bank Notes. Francs.	Australia. Bank Notes. £	Canada. Bank Notes and Dominion Notes. Dollars.	South Africa. Bank Notes. £	Egypt. Bank Notes. £E.	United States. Bank Notes. Dollars.	United States. State Notes. Dollars.	Japan. Bank Notes. Yen.
1913	*d* 2,284	*w* 499	108	...	*t* ...	*u* 437	*v* ...	...	...	234	314	*r* 10·0	*p* 116	*q* 2·3	2·2	726	343	*o*
1922	18,012	2,267	385	793,437	...	...	...	...	4	237	584	52·0	184	8·3	3·1	3,117	238	426
1923	17,247	2,428	396	125,371,955	...	...	15,126	...	237	584	976	52·2	187	8·8	3·7	2,951	308	1,558
1924	18,114	2,400	391	3,514,000	...	551	17,917	...	411	537	982	56·9	177	9·1	4·0	2,555	308	1,704
1925	19,349	2,100	363	*f* 2,770,200	381	151	19,397	...	727	530	914	53·9	176	7·2	3·2	2,458	297	1,662
1926	18,340	1,793	337	...	593	440	20,222	229	791	525	876	49·9	190	6·6	3·5	2,458	294	1,668
1927	17,992	783	331	...	1,003	428	20,951	388	1,003	526	874	51·8	192	7·2	2·8	2,458	298	1,577
1928	17,295	161	316	...	1,295	309	21,025	398	1,003	526	874	48·7	...	7·2	2·5	2,458	298	1,577
1928—Jan.	17,381	691	325	...	1,295	244	...	480	1,003	525	874	47·9	174	6·8	2·7	2,387	294	1,632
Feb.	17,270	589	314	...	1,003	285	21,027	...	*o* 1,123	526	874	45·9	174	6·9	2·3	2,423	295	1,773
Mar.	17,265	489	323	...	1,048	233	21,026	435	955	546	917	45·4	190	6·9	26·1	2,142	284	1,271
Apl.	17,124	399	321	...	1,128	285	21,024	422	955	473	953	44·8	190	7·5	25·5	2,213	287	1,397
May	17,105	343	313	...	1,126	266	21,017	430	906	473	814	44·6	180	7·2	25·9	2,246	291	1,255
June	17,324	291	325	...	1,133	252	21,049	445	906	536	819	44·5	177	7·2	26·3	2,242	294	1,355
July	17,395	250	319	...	1,184	250	21,049	454	926	501	859	45·9	174	7·2	23·6	2,240	297	1,348
Aug.	17,140	229	318	...	1,159	246	21,042	494	943	494	845	45·4	190	6·9	22·1	2,281	300	1,263
Sept.	17,476	205	313	...	1,207	249	21,039	543	1,019	539	831	44·8	190	7·5	21·7	2,233	295	1,463
Oct.	17,236	190	306	...	1,261	254	21,051	639	985	497	860	44·6	180	7·2	27·1	2,316	302	1,271
Nov.	17,119	175	302	...	1,313	256	21,054	711	973	514	860	44·5	177	7·2	25·3	2,351	304	1,359
Dec.	17,295	161	316	...	1,270	246	21,959	734	1,064	565	892	44·1	194	7·4	23·6	2,242	302	1,308
1929—Jan.	...	...	299	...	1,295	244	21,479	728	1,087	517	885	44·1	184	7·4	22·7	2,240	297	1,306
				...	1,222	...	...	...	*o* 1,123	538	878	44·6	191	7·4	22·1	2,281	300	1,263
									o 1,065	486	953	45·9	206	7·4	21·7	2,233	295	1,463
											840	48·7	203	7·3	27·1	2,351	304	1,271
												...	202	7·6	31·6	2,332	302	1,359
													...	7·6	31·4	2,424	307	1,306
														...	...	2,428	295	1,389
																...	...	1,773

a From 1919 to October, 1928, excluding notes held on redemption account in respect of currency notes. *b* Includes notes called in, but not cancelled. *c* Kronen. One schilling = 10,000 paper kronen. *d* In terms of new lire = 8,373 million. *e* Excluding Government circulation outside chartered banks. *f* Milliards. *g* In Reichsmarks. *i* Excluding notes held by Reichsbank. *j* 1913 figure includes notes of Bank of Crete and Ionian Bank. *k* Until end 1924 paper kronen. (One pengö = 12,500 paper kronen.) *l* May 31st, 1925: ceased to be exchangeable against Zloty notes. *m* One Zloty = 1,800,000 P. Marks. *n* Token coin 145·1 million Zloty. *o* Gross issue. *p* Excluding notes held as reserve by Chartered Banks. *q* Circulation in Union only. *r* State notes. *t* Since January, 1926, excluding notes held by Bank of Poland. *u* Since 1920, including Austria-Hungarian and other notes converted after the war into National Currency. *v* Amalgamation of Currency and Bank Note Issues came into effect November 22nd. *w* In terms of new lire = 1,829 millions. *x* In terms of new francs.

LONDON RATES OF EXCHANGE.

	Paris. Francs to £1.	Brussels. Francs to £1.	Italy. Lire to £1.	Switzerland. Francs to £1.	Madrid. Pesetas to £1.	Amsterdam. Florins to £1.	Stockholm. Kroner to £1.	Oslo. Kroner to £1.	Copenhagen. Kroner to £1.	Berlin. Marks to £1.	Vienna. Krone to £1.	New York. Dollars to £1.	Buenos Aires. Pence Dollars.
Par level	25·22½	*a* 35·00	25·22½	25·22½	25·22½	12·107	18·159	18·159	18·159	20·43	24·02	4·86½	47·58
Highest, 1928	124·31½	*a* 35·04	92·90	25·35	30·27	12·13	18·20	19·34½	18·22	20·48½	14·75	4·88⅛	47⅜
Lowest, „	123·87½	*a* 34·86½	91·93	25·15	28·03	12·07⅜	18·09	18·18	18·17	20·33½	14·38	4·84½	47½
Beginning of—													
July, 1914	25·15	† 25·35⅛	25·25½	21·16½	26·10	12·11⅛	18·30	18·25	18·30	20·49½			
January, 1922	52·32½	54·65½	97½	21·70½	28·19½	11·44½	16·97½	26·99½	21·12½	791⅛			
January, 1923	66·30	72·85	93½	24·72½	29·73½	11·79	17·37½	25·12½	23·40	48,500			
January, 1924	87·85	99·45	100⅛	24·63½	33·58½	11·36⅜	16·26½	29·82½	24·44½	194 billions			
January, 1925	87·40½	94·70½	112·35	24·34½	33·95½	11·71⅛	17·62½	31·37½	26·85½	19·94⅜ gld. mks.			
January, 1926	129·31½	107·00	120	25·08½	34·31½	12·05	18·08	23·83½	29·60½	20·37½ „			
January, 1927	122·81½	*a* 34·89	109·62½	25·14½	31·23½	12·12½	18·15½	19·04½	18·20	20·43½ „			
January, 1928	124·00	*a* 34·92½	92·32½	25·27½	28·24	12·09½	18·11½	18·34½	18·20½	20·45½ „			
November, „	124·12½	*a* 34·88½	92·58½	25·20	30·04	12·09½	18·13½	18·19½	18·18½	20·35½ „			
December, „	124·16½	*a* 34·89½	92·62½	25·18	30·03	12·07⅜	18·14½	18·19½	18·17½	20·35½ „			
January, 1929	124·10½	*a* 34·88½	92·64	25·18½	29·74	12·08	18·13	18·19	18·19½	20·38½ „			
February, 1929	124·20½	*a* 34·90	92·75	25·23½	31·15	12·12½	18·15½	18·19½		20·46½ „			

	Rio de Janeiro. Pence to Milreis.	Monte Video. Pence to Dollars.	Valparaiso. Pesos to £1.	Bombay. Pence to Rupee.	Hong Kong. Sterling to Dollar.	Shanghai. Sterling to Tael.	Japan. Sterling to Yen.	Singapore. Sterling to Dollar.
Par level	16	51	40	s. d. 1 6	s. d. ...	s. d.	s. d.	s. d.
Highest, 1928	5·⅛	51⅛	39·73	1 6¼	2 1⅛	2 10½	2 0⅛	2 4⅞
Lowest, „	5·⅛	49⅛	39·34	1 5⅝	1 11½	2 6½	1 10⅛	2 3⅛
Beginning of—								
July, 1914	16⅛	51½	$ 9⅜	1 3⅜	1 10⅜	2 6½	2 0⅛	...
January, 1922	7⅛	41	40·20	1 4	2 7⅛	3 6⅜	2 3½	2 4½
January, 1923	5⅛	44	34·70	1 4⅛	2 4⅜	3 0⅛	2 1⅜	2 4⅛
January, 1924	5⅛	43⅛	40·30	1 5½	2 4⅜	3 1⅛	2 1⅜	2 4⅛
January, 1925	5⅛	50⅛	40·30	1 6⅛	2 3⅛	3 1⅛	2 0⅞	2 4⅛
January, 1926	7⅛	50⅛	39·80	1 6⅛	2 4⅛	3 1⅛	2 1⅜	2 4⅛
January, 1927	5⅛	50⅛	39·65	1 6⅛	2 4⅛	3 1⅛	2 0⅞	2 4⅛
January, 1928	5⅛	50⅛	39·35	1 6⅛	2 3⅞	3 0⅞	2 0⅛	2 4⅛
October, „	5⅛	51	39·51	1 6⅛	1 11⅛	2 7⅛	2 0⅛	2 4⅛
November, „	5⅛	50⅛	39·69	1 6⅛	2 0⅛	2 7⅛	1 11⅛	2 4⅛
December, „	5⅛	50⅛	39·68	1 6⅛	2 0⅛	2 7⅛	1 11⅛	2 4⅛
January, 1929	5⅛	51	39·64	1 6⅛	2 0⅛	2 7⅛	1 11⅛	2 4⅛
February, 1929	5⅛	50⅛	39·62	1 6	2 0⅛	2 7⅛	1 10⅛	2 3⅛

† France to £1. ‡ Pence to Peso. § Schillings to £1. *a* Belga to £1. ‖ New parity, 92·46 lire to £1.

Place.	Method of Quoting.	Quotations. Lowest.	Quotations. Average.
New York. Jan., 1928	Dollars to £1.		4·875
Dec., 1928			4·853
Jan., 1929			4·850
Paris. Jan., 1928	Francs to £1.		
Dec., 1928			
Jan., 1929			
Amsterdam. Jan., 1928	Florins to £1.		
Dec., 1928			
Jan., 1929			
Berlin. Jan., 1928	Rchmks. to £1.		
Dec., 1928			
Jan., 1929			

† Provisional figure.

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugo-Slavia.	Netherlands.	Poland.	Swed'n.	Switz'rland.	Egypt.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Ekr.	Francs.	Markka	Mark.	Drachmæ.	Lire.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£E.	Dollars.
1913	54,931	...	*m* 386,384	15,775	64,785	...	701,778	*f* 41,035	897,474	*i* 14,828	*b* 305,803	*a* ...	325,231	*c* ...	70,545	159,985	2,271	147,932
1923	*t* 81,474	...	1,099,347	426,987	158,949	777,690	2,738,296	381,105	*d* 512,477	502,937	1,432,431	692,470	167,436	160,028	107,877	186,923	3,643	310,981
1924	*t* 94,789	5,632	1,475,061	463,109	184,874	683,684	3,346,901	385,817	*d* 756,901	671,149	1,615,056	685,145	196,961	211,875	118,708	207,000	4,086	297,926
1925	*t* 97,371	5,162	1,488,378	606,958	161,382	8,046	3,712,700	458,185	*h* 978,700	850,794	2,183,374	729,407	204,583	229,589	120,535	219,427	4,678	348,018
1926	*t* 93,105	5,043	1,920,460	520,578	127,319	7,964	4,968,923	470,582	*h* 808,500	835,745	2,155,945	635,982	203,496	128,242	124,151	201,209	4,199	367,340
1927	*t* 91,360	5,012	2,422,921	510,745	131,508	8,035	*g* 4,420,823	529,001	*h* 1,150,100	1,037,414	1,697,440	607,191	212,405	240,998	132,030	213,650	3,896	346,924
1928	89,657	4,889	2,622,430	†599,300	135,205	10,953	*g* 4,454,022	664,260	*h* 1,137,000	...	1,832,797	659,078	223,658	280,180	142,507	228,723	...	339,947
1928—Jan.	*l* 90,082	4,016	*a* 2,350,380	438,177	140,043	8,541	4,123,922	509,851	1,357,036	1,124,576	1,560,163	591,927	216,279	271,163	122,090	219,683	4,140	341,112
Feb.	87,183	4,941	2,573,317	571,220	124,456	7,164	4,320,805	525,647	1,247,045	973,461	1,708,103	621,660	217,795	270,385	127,198	222,918	3,612	342,018
Mar.	99,243	5,703	2,984,887	692,149	145,113	11,217	4,525,495	646,674	1,205,709	1,018,403	701,051	247,182	372,232	140,749	244,031	3,697	371,649
April	85,841	4,814	2,390,033	568,587	132,325	10,567	4,604,248	597,661	1,174,702	1,014,030	1,922,470	657,906	210,729	265,626	135,745	213,461	4,348	326,929
May	87,591	4,601	2,536,747	600,509	130,902	10,465	4,051,553	761,071	1,108,384	938,333	*o* 2,126,170	590,306	231,620	289,662	143,884	211,014	3,715	316,703
June	87,898	5,082	2,507,315	541,397	129,701	11,501	4,701,036	685,371	1,182,647	973,902	1,740,143	619,510	211,388	288,195	127,374	214,431	3,469	322,837
July	87,015	5,105	2,335,904	518,417	133,640	10,763	4,048,506	573,922	1,083,419	813,921	1,551,654	645,407	223,971	258,794	151,684	224,879	3,755	352,639
Aug.	88,944	4,816	2,528,563	570,402	145,103	12,817	4,164,142	710,511	1,088,227	899,548	1,616,533	713,892	239,637	272,784	152,184	218,195	4,352	324,928
Sept.	80,826	5,057	2,853,412	668,966	138,118	11,733	4,229,188	758,987	1,213,321	1,192,630	1,812,527	778,880	233,697	277,300	157,984	262,789	4,838	367,647
Oct.	93,757	*z*5,421	2,861,274	635,825	140,745	14,108	4,730,519	879,222										
				x†														
Nov.	96,023	*z* 4,602	2,646,689	708,600	125,739	12,613	4,735,939	735,051	1,173,329	†1,197,393	1,863,658	706,796	222,307	261,034	166,336	243,139	4,872	326,502
Dec.	92,373	*z* 4,532	2,776,140	708,600	135,133	9,917	5,212,912	586,127	1,103,870	†1,029,548	2,302,215	622,113	209,7·6	238,396	130,990	248,498	...	†338000
1929—Jan.	106,253	...	...	...	...	...	...	...	...	...	...	...	...	...	...	212,128	...	...

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugo-Slavia.	Netherlands.	Poland.	Swed'n.	Switz'rland.	Egypt.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Ekr.	Francs.	Markka	Mark.	Drachmæ.	Lire.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£E.	Dollars.
1913	43,771	...	*m* 302,882	7,778	53,113	...	573,351	*f* 33,482	841,436	*i* 9,917	209,303	*a* ...	255,453	*c* ...	68,112	114,700	2,626	204,024
1923	*t* 63,938	...	807,718	294,761	128,217	475,996	2,572,236	363,787	508,527	212,092	924,418	670,737	108,602	171,366	95,175	146,684	4,863	340,893
1924	*t* 66,747	4,190	1,151,126	408,519	184,874	655,483	2,530,743	407,078	545,971	273,081	1,197,746	794,898	138,388	181,437	105,079	172,511	5,472	374,804
1925	*t* 64,424	3,615	1,228,662	470,206	149,067	8,054	3,882,676	462,684	*h* 744,200	378,447	1,522,855	742,045	150,641	182,235	113,318	169,895	4,928	401,560
1926	*t* 54,234	3,432	1,661,198	468,133	117,131	8,020	4,936,893	467,985	*h* 827,500	452,479	1,555,877	651,515	145,767	187,192	118,293	153,041	3,435	392,643
1927	*t* 59,092	3,681	2,218,975	552,262	120,546	8,815	4,577,063	523,876	*h* 864,600	503,118	1,301,232	533,346	158,309	209,562	134,715	168,604	3,977	396,572
1928	*t* 60,286	3,779	2,505,935	†538600	128,415	10,596	4,278,900	516,251	*h* 982,100	387,951	1,207,259	537,058	165,515	208,999	130,578	177,870	...	420,537
1928—Jan.	59,743	3,076	1,945,846	581,427	114,384	8,204	4,016,537	226,741	861,933	732,308	1,032,315	430,299	139,509	218,414	83,334	153,529	4,765	401,913
Feb.	57,236	3,014	2,584,435	428,303	115,916	7,437	4,423,363	231,089	942,205	462,893	1,206,363	438,963	151,695	197,823	81,352	173,617	3,989	362,612
Mar.	64,958	3,066	2,732,431	415,397	133,761	7,886	4,318,909	276,060	1,021,581	508,009	1,072,926	428,538	152,031	184,521	87,462	167,788	4,868	356,057
April	55,268	2,962	2,158,396	450,688	120,322	8,233	4,291,078	235,185	923,977	299,310	1,104,387	431,660	139,335	201,775	134,760	172,382	4,537	413,829
May	58,554	3,513	2,363,105	446,691	130,886	11,570	3,985,452	484,511	895,420	237,052	*o* 1,410,465	454,360	147,859	191,962	145,630	162,265	4,061	380,305
June	59,472	4,225	2,456,978	370,547	128,965	13,144	4,214,438	522,708	892,951	257,052	1,001,190	493,814	160,526	201,522	138,584	167,829	3,870	371,471
July	60,885	3,969	2,395,636	487,577	122,593	14,303	3,940,916	749,916	914,159	262,213	1,115,252	693,801	187,627	196,333	148,701	167,895	3,326	371,428
Aug.	62,217	4,011	2,297,883	731,204	136,005	13,465	4,170,011	821,144	1,025,793	436,188	1,157,195	692,293	189,922	204,344	158,105	182,628	2,505	426,000
Sept.	56,620	4,572	2,316,496	563,503	133,109	12,169	4,190,539	798,308	1,058,555	436,188	1,299,512	666,068	179,984	238,695	165,569	206,234	5,542	544,022
Oct.	64,313	*z* 4,753	2,914,030	569,935	132,963	12,208	4,448,456	734,176	949,810	680,661								
				x†														
Nov.	63,767	*z* 4,472	2,550,782	651,450	136,385	9,532	4,614,305	620,111	940,018	† 213,636	1,322,234	642,347	169,630	255,113	165,194	197,338	7,312	544,863
Dec.	60,394	*z* 3,711	3,355,204	651,450	134,511	8,995	4,733,095	495,461	978,364	† 210,159	1,595,382	569,339	164,758	209,173	167,280	192,161	...	†475000
1929—Jan.	66,880	...	...	...	...	...	...	...	...	...	...	...	...	...	...	153,892	...	...

a Including bullion and specie. *b* Since 1922 declared values. *c* Including Dantzig. *d* Since January, 1922, gold marks valuation. *e* Until February, 1923, Julian Calendar. *f* Including bullion. *g* Declared values. *h* Returns have been officially revised. *i* Old Greece only. *k* Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." *l* From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. *m* Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." † Provisional figure. *o* Including parcel post for the half-year. *p* Average of two months. *q* Including bullion: until end 1924 Eesti mk. (1 Ekr. = 100 E mk.). *z* Excluding parcels post.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

	Value.							Quantity (Metric Tons).								
Period.	Australia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	Belgium.	Czecho-slovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Switzerland.	Brazil.
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis.										
1913	*q* 6,355	*b* 152,725	54,917	1,785	3,365	60,474	*a* 83,958	*q* 2,721	*o* ...	3,685	*h* 6,069	*p* 84	*e* ...	3,739	...	661	*f* 494
1923	11,436	184,973	75,253	3,575	4,577	161,924	188,930	2,217	357	4,572	3,890	112	314	1,612	266	556	298
1924	11,960	196,493	67,350	3,995	5,302	240,726	232,463	2,784	482	4,716	3,216	150	376	1,888	201	564	369
1925	12,350	186,899	74,189	4,308	5,459	207,223	281,403	2,772	565	3,954	4,331	175	373	2,117	284	546	414
1926	13,429	196,673	84,028	4,074	5,848	192,101	225,463	2,859	554	3,783	3,606	156	461	2,362	203	590	412
1927	13,212	206,853	90,593	3,655	5,867	174,883	272,764	3,172	613	4,114	5,674	190	523	2,385	409	622	457
1928	...	207,275	101,860	3,674	6,290	...	...	3,293	778	4,092	5,498	313	...	2,485	430	668	...
1928—Jan.	12,4·m	222,767	79,506	3,698	6,423	186,613	296,152	2,993	524	3,519	5,448	179	484	2,068	354	565	539
Feb.	11,	199,696	86,007	3,497	5,848	194,512	288,527	3,065	609	3,653	5,181	172	432	2,217	379	595	570
Mar.	10,onc	220,008	120,455	4,201	6,420	216,055	283,638	3,401	791	4,086	5,645	222	509	2,569	432	680	448
April	9,	217,716	78,490	2,572	5,758	184,056	278,862	3,083	688	4,328	5,153	185	447	2,280	411	572	503
May	l.ic	208,090	113,582	3,093	5,561	166,381	301,898	3,164	680	4,161	4,809	204	484	2,510	511	643	416

The Economist
MONTHLY SUPPLEMENT.

New Series. **SATURDAY, MARCH 30, 1929.** **No. 70.**

In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations, supplemented from our statistical records. We propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.*

* "League of Nations Monthly Bulletin of Statistics," 1s. 6d.

THE STATE OF TRADE AT HOME AND ABROAD.

BUSINESS and employment alike were affected during last month by the severe weather prevalent in this country and also over a large part of Europe. It caused a heavy increase in unemployment in the building and allied industries, where work was largely brought to a standstill, and canal, river, dock and harbour services were also affected. On the other hand, there was a substantial improvement in the coal industry, and at some pits a shortage of skilled men was reported. The freezing up of transport facilities in Eastern and Central Europe diverted a fair amount of coal orders to England, and, while it is too early to write with any certainty, there is good ground for hoping that much of the business lost during the 1926 coal stoppage to European collieries has now been regained.

Apart from the industries affected by the frost, there was, on the whole, a slight improvement. Pig-iron manufacture, general and marine engineering and shipbuilding and repairing are all reported to be better, while elsewhere the textiles trades—with the important exception of cotton—clothing, boots and shoes, pottery, and shipping, are all better. To sum up recent employment figures, the substantial improvement recorded in the second week of March is significant. In most of the staple industries of the country there has been a definite improvement.

This serves to prove one very important fact, which is that the increase in Bank rate to 5½ per cent. has not had the unfavourable effect upon trade that was feared in some quarters. Employment is, in reality, better, and the price-level remains stable, with perhaps a slight rising tendency. At the same time, it must be emphasised that the prevailing monetary uncertainty has not been beneficial to trade, and if the outlook had of recent weeks been more assured, it is conceivable that the improvement in trade would have been still greater. Industry has shown itself able to withstand a 5½ per cent. Bank rate. It by no means follows that a further increase to 6½ per cent. would not have a deleterious effect.

Such danger as exists, however, lies elsewhere. Firstly, there is evidence that rationalisation in those industries where any progress has been made has already reduced the total volume of employment. This, of course, is inevitable, as one of the main objects of rationalisation is a reduction in the amount of employment per unit of production, but it is important to realise that the theory is already being borne out by the fact. The Balfour Committee's final report envisages still further reductions in the volume of employment as first one and then another industry re-conditions and rationalises itself. The implications of this prediction merit serious study to-day before their actual realisation.

Next, if the more immediate outlook be considered, it must be remembered that, on the basis of recent experience, we are now approaching the danger point of the year. During the last four or five years trade has always been relatively active up till Easter, only to be followed by a serious setback during the summer months. In one or two cases there has been a definite cause, such as the return to gold in 1925, and the industrial troubles of the following year. On other occasions, as last year, no definite reason was apparent. This year an event is imminent which, unless regarded in its proper proportions by the business world, could quite easily cause a setback to trade. This event is the approaching General Election.

So far it is not easy to decide whether the election has had much effect upon the course of trade. The engineering industry is described as being already under its shadow, while an iron and steel correspondent takes the more robust view that it will have no effect until the campaign is actually in progress. This last is clearly the view that it is essential for industry to take, and, if it should be generally accepted, the chances of the election giving a setback to trade will be greatly lessened. Whatever the result of the election, there seems no ground for supposing that the immediate effect on the trade of the country will be serious. Of whatever texture the new Government may be, industry will have ample warning of any new legislative proposals before they can take effect. Traders who allow their political apprehensions to interfere with their business are not only displaying fears of eventualities that are very unlikely to occur, but are also doing no service to their own interests or to those of the country.

As regards Empire trade, Canadian news is satisfactory. The Australian agricultural situation is also promising, despite the fall of wheat and wool prices. Un-

HOME TRADE STATISTICS—FEBRUARY, 1929.

	Jan.	Feb.	Compared with Feb, '28.
UNEMPLOYMENT—			
(State Insurance %)	12·3	12·2	+ 1·8
PRODUCTION—			
Coal (million tons)*	5·0	5·3	...
Iron (thous. „)	564	520	− 31
Steel („ „)	765	783	+ 19
FOREIGN TRADE—			
Imports (million £'s)	116·1	91·3	− 7·5
Re-exports („ „)	9·8	10·3	− 1·4
Exports („ „)	76·7	55·7	− 1·6
TRANSPORT—			
Railway Receipts* (£0,000)	316	311	− 15
Shipping Freights (av. level[1])	127·5	124·1	+ 14·4
COMMODITY PRICES („ „ [2])	94·7	95·6	− 2·9
TRADE DISPUTES (thous. working days lost)	97	78	− 39
SECURITY VALUES (av. level[3])	129·6	128·1	+ 4·2
FINANCIAL DATA—			
Bank Notes (million £'s)*	360	354	− 13
Currency Notes („ „)*			
Bank Deposits („ „)*	1846	1·814	+ 80
Bank Advances („ „)*	972	983	+ 50
Banks Cash Ratio [4] (%)*	10·9	10·5	— 0·6
Bank Clearings:			
London (million £'s)*	922	898	+ 51
Manchester („ „)*	12·2	13·9	− 1·6
Three months' Bank Drafts (Discount Rate %)*	4 5/16	5 1/4	+ 5/32
Day-to-day Loans (%)*	3 5/8	4 1/8	− 3/16

(1) 1913 = 100. (2) *Economist* Index No.; 1927 = 100
(3) *Bankers' Magazine* Index No. of 365 securities; December, 1921 = 100. (4) Cash in hand and at Bank of England as % of total current, deposit, and other accounts.
* Average weekly figures.

employment, however, is increasing. The outlook in both New Zealand and South Africa is good. The Indian rainfall is stated to be "moderate and seasonal," and standing crops are, on the whole, doing well.

United States industrial activity is well maintained and automobile production has attained a new record. European trade has been dislocated by the frost and the consequent interruption of transport. Continental iron and steel makers are well supplied with orders, though the German outlook does not appear very reassuring.

HOME INDUSTRIES.

Coal.—Partly as a result of the frost, export trade has undergone a marked revival, and by the middle of March many collieries both in Wales and on the North-East Coast were booked up well into April. Home demand for industrial fuel is fair, but orders for house coal, although still considerable, are falling away with the advent of the warmer weather.

Iron and Steel.—The hardening tendency of iron ore and coke prices is causing some difficulty in the pig-iron section, and possibly accounts for the reluctance of makers of pig iron to blow in fresh furnaces. The improved demand for pig iron has consequently run stocks down to a low level, and it is not impossible that a further advance in the price of Cleveland pig iron will be made before long. Steel makers are now experiencing fairly satisfactory conditions and are using more scrap, but here again prices have an upward trend. The outlook of the trade generally is well assured for the next few weeks, and there are no signs as yet that the approaching election is having a retarding influence.

Engineering.—Foreign demand for locomotives is still well maintained, and machine tool makers have lately improved their position. Marine engineering firms remain relatively well employed. Some interest has been taken by the makers of textile machinery in the unofficial Trade Delegation to Russia, and it is expected that this will result in the receipt of fresh orders from that country.

Electrical Industry.—The following index of production in the electrical industry is copyright by the Economic and Statistical Department of the British Electrical and Allied Manufacturers' Association. An explanation of the manner in which it has been computed will be found on page 888 of the *Economist* of November 28, 1925.

INDEX of ACTIVITY in the ELECTRICITY INDUSTRY.
(1920 = 100.)

1925.	Home.	Export.	Total.
October	67	125	81
November	68	124	81
December	76	117	86
1926.			
January	75	110	84
February	74	106	82
March	80	101	85
April	83	100	87
May	83	104	88
June	82	110	89
July	80	79	80
August	84	83	84
September	87	70	83
October	89	86	88
November	93	103	95
December	94	143	106
1927.			
January	95	152	109
February	92	159	108
March	89	163	107
April	90	181	112
May	88	200	116
June	94	234	128
July	93	231	126
August	90	236	126
September	87	230	122
October	81	208	112
November	80	192	107
December	69	160	92
1928.			
January	68	148	88
February	68	143	87
March	71	141	89
April	70	122	84
May	68	108	79
June	68	105	78
July	71	80	74
August	74	86	78
September	81	102	88
October	83	107	91
November	85	105	93
December	93	103	96
1929.			
January	92	122	99
February	92	126	101

Export trade was well maintained last month, the major share of this business consisting of orders from the Dominions for generating plant and switchgear. Home trade is of moderate dimensions.

Motor Industry.—The seasonal activity in the private car section continues, although there is a falling-off in exports, as compared with the preceding month. In the commercial goods and passenger section, the hitherto satisfactory demand is maintained, while exports show a marked increase as compared with the same month of last year. Motor-cycle manufacturers are also busy, with an encouraging increase in exports

Cotton.—The feature of the trade situation has been the advance in raw cotton prices, which has resulted in higher rates for yarn and piece goods. This advance enabled most spinners and manufacturers to sell for a time on a freer scale, but latterly trade has again fallen away. Nevertheless there has been a considerable increase in the amount of business done in cloth for India, especially in the lighter styles. An improved demand has also been experienced for China, and increased support has come from Singapore and Java. Clearances in the home trade have been better. Although weaving production is very irregular, a few more looms are running than a month ago. Sales of American yarns have also increased, but prices have remained bad, and some spinners have experienced a less satisfactory margin. Some improvement has also shown itself in the demand for Egyptian yarns, but here, too, producers have had to accept unsatisfactory rates.

Wool.—After their recent fall, prices have become more stable. As a result, the general tone of the industry has improved. Greater interest is now being shown in Botany yarns, and prices are still satisfactory. Spinners are able to display greater resistance to low offers. The piece-goods section is now experiencing its usual seasonal activity.

Linen.—The demand for Irish flax has recently not been quite so brisk, and prices are unchanged. There is a fair demand for yarns, which approximately balances current production, but some mills are reported to be making further reductions in their output. Small orders are being received by weavers, and there is keen competition for delivery, but prices remain bad.

Rayon.—Business is now more satisfactory, though still below the level reached last year before the trade depression. Good quality yarns, both acetate and viscose, are selling fairly well. The leading producers of the former type have increased the prices of their fine denier warps by 1s. per lb. Stocks of low-grade yarns are large, and price cutting continues. Business in dress fabrics, particularly those made entirely of rayon, is good.

Boots and Shoes.—The demand for spring goods has been delayed by the cold weather experienced in February, but during the last few weeks a revival has taken place, and the general position of the industry is now more satisfactory. Some firms have already received large orders, and there is a feeling that distributors are now only holding small stocks.

Potteries.—China manufacturers have booked good orders at the British Industries Fair. The conclusion of the ceramic printers' dispute has removed one serious obstacle to the improvement of trade.

Chemical Industry.—The past weeks have been comparatively uneventful. Carbolic acid and benzoles are firm, and naphthas have appreciated. Heavy chemicals have continued unchanged after the recent fairly general reduction among the more important items.

Building Trades.—The industry during recent weeks has been dislocated by the very cold weather. Plumbers have been well employed, but other occupations have suffered severely. The brick industry, too, was adversely affected by the weather.

Agriculture.—The frost-bound condition of the land rendered ploughing and sowing impossible almost everywhere during February. Autumn-sown crops made little or no progress. Early-sown wheat appeared to have been rather less affected by the frosts than early-sown barley and oats. Although severely cut in some areas, seeds in many districts were fairly satisfactory. The condition of ewes was fair, and it was anticipated that the fall of lambs would be about average. Cattle were in fair condition, but sheep on turnips had not done so well owing to the frozen state of the roots. Milk yields showed a downward tendency in some districts.

Shipping.—Apart from a reaction in coal freights, after their recent cold weather activity, there have been few developments of note in the freight market during the past month. Grain chartering has absorbed a substantial volume of tonnage, but vessels have been freely offered and rates, where changed, have had a weaker tendency.

Retail Trade.—Business generally has been irregular during the past month, but there are now signs of a better tone.

BRITISH EMPIRE.

Business conditions in Canada remain satisfactory, but it is believed that the purchasing power in rural areas, especially those in the West, is below previous anticipations. Nevertheless, even in the prairie provinces, wholesale and retail trade is satisfactory.

In Australia trading in wheat and wool has been active. Weather conditions have lately become more favourable to the dairying industry, and this has resulted in increased production and a long export season. Unfortunately, unemployment is reported to be increasing.

Conditions in New Zealand remain prosperous, and the February trade returns constituted a record for the month. The outlook generally seems favourable, and it is stated that, in a comparatively brief time, the Dominions should be able to absorb immigrants.

Reports from India state that standing crops are doing well except in certain parts of the Punjab, where they have been affected by the severe cold. Sugar-cane harvesting is progressing in most districts, but growth has been somewhat affected by drought in parts of the central districts. Railway traffics were better during 1928 than in the previous year.

In spite of drought in certain districts, the South African outlook is good. Last year's budget yields a surplus of £1,700,000.

UNITED STATES OF AMERICA.

The following indices of American economic conditions have been forwarded to us by Moody's Investors' Service, of New York and London, and may serve as an indication of the main features in the business situation as it existed last month :—

AMERICAN TRADE STATISTICS—FEBRUARY, 1929.

	Jan.	Feb.	Compared with Feb., '28.
EMPLOYMENT†-(June, 1914=100)	110·3	112·4	+ 4·7
PRODUCTION—			
Bituminous coal (Thous. tons)	43,380	47,400	+ 6,754
Pig-iron (,, ,,)	3,370	3,206	+ 306
Steel (,, ,,)	4,019	4,375	+ 210
Unfilled orders, U.S. Steel Corporation (Thous. tons)	3,977	4,144	— 254
Building permits (Thous. $)	209,865	228,906*	— 54,744
FOREIGN TRADE—			
Imports (Thous. $)	368,636	467,400	+ 116,249
Exports (,,)	480,317	486,500	+ 123,815
TRANSPORT—			
Freight car loadings (Thous. cars)	3,648	3,700	+ 111
SECURITIES—			
20 industrial stocks—Highest quotations‡	300·00	322·6	+ 123
Lowest quotations‡	257·33	295·84	+ 105
Thous. shares sold during month —(New York)	92,837	77,969	+ 30,803
New securities issued (Thous. $)	986,382	1,021,241	+ 787,601
BANK CLEARINGS—			
New York (Million $)	39,218	35,023	+ 8,199
Other cities (,, ,,)	21,062	18,930	+ 1,952
RETAIL BUSINESS—			
Total sales, mail order houses (Thous. $)	74,385	46,397	+ 8,005

* Preliminary estimates made by Messrs. Moody, subject to revision. † Based on reports of U.S. Labour Bureau and of Bureaux of the States of New York, Wisconsin, and Pennsylvania. ‡ Average of actual prices.

Active industrial conditions were experienced during February, and there was a general expansion in business. The steel industry was operating at over 98 per cent. of its capacity. Automobile production attained record levels, and the cotton mills remained active, with an improved outlook. Building contracts are below the level of last year, but car loadings are again higher.

EUROPE.

In France the break up of the frost has promoted the free movement of coal, and consumers' stocks are now being replenished. Iron and steel prices remain stable, and order books are well filled, but current demand has perhaps lately become a little quieter. The textile industries are only moderately active.

The Belgian iron and steel trade is well supplied with forward orders, prices remain firm, and the coal trade retained high prices during the cold weather. Operations in the port of Antwerp were rendered difficult by the frost.

In Germany the outlook of the iron and steel industry is uncertain, as demand has been dislocated by severe weather conditions. Ruhr coal production fell away during February, but has lately shown signs of improvement. Chemical trades remain satisfactory.

Business conditions in Holland were rendered abnormal by the freezing up of the waterways, and unemployment in certain trades has been severe.

Norwegian paper mills are well supplied with orders, and shipbuilders are well occupied. Industrial employment in Denmark was well maintained during February, while agriculture was severely impeded by the frost. Swedish trade was badly hampered by the freezing up of the Baltic.

In Central Europe coal production in Czechoslovakia in 1928 achieved a post-war record. Hungary continues to make progress, but foreign demand for Hungarian corn has lately not been very satisfactory, and prices offered have been low.

SOUTH AMERICA.

Cold, dry weather is accelerating the ripening of maize in Argentina, where the harvesting of wheat, oats and linseed has been completed and ploughing is beginning for the next season's crops of fine cereals. The economic situation in Uruguay is satisfactory, exports having recently reached their seasonal maximum level, while a steady demand for imported goods has been in evidence. In Chile general conditions may be stated to be continuing the promising progress made during 1928. Stocks of nitrate are reported to be accumulating, as purchases of the fertiliser in Europe have been delayed, owing to the exceptional frosts experienced; somewhat abnormally heavy purchases are to be anticipated shortly. Moreover, the Chilean Government has already intimated that some form of assistance to the industry will be continued after June next, when the present scheme of allocating bonuses to producers *pro rata* to their production ends. Trade in Brazil remains quiet, except in the importation of cotton textiles, for which orders have been placed in anticipation of the pending increase in import duties. Harvest prospects in Peru appear to justify a degree of optimism with regard to the trade outlook. The Central American countries are deriving benefit from an increased demand from both Europe and the United States for their mild grades of coffee.

FAR EAST.

Japanese commodity markets remained dull, but the high price of raw cotton has imparted some strength to yarn prices, while silk also was firm. The discount market remained quiet owing to the delay in the usual seasonal demands for funds. Some slight activity was apparent on the call market, but bonds and shares remained inactive. In China the political situation continues to improve, and clearances of goods to Shanghai are consequently better. Orders are beginning to come forward to Shanghai from various parts of China.

ELECTRICAL PRODUCTION.

In the *Economist* of July 10th, 1926 (pages 57–8), we published a new index of electrical production in the chief industrial areas of Great Britain. We show below a *résumé* of the results achieved during recent periods :—

INDEX of PRODUCTION of ELECTRICITY.*
(Monthly Average 1923-24 = 100.)

Date.	Britain, excluding London and Wales.	Coal Mining, Iron and Steel, Shipbuilding, Heavy Engineering.	General Engineering and Automobile Construction.	Chemicals.	Marine Transport, Docks, etc.	Textiles, Cotton and Wool.
1926						
January	139	138	162	184	155	135
February	141	153	161	192	150	134
March	135	136	155	161	139	131
April	119	121	128	153	127	114
May	93	88	103	145	99	90
June	100	88	119	157	114	105
July	91	77	123	147	110	97
August	96	84	112	149	110	101
September	105	88	132	163	127	112
October	125	110	148	149	148	131
November	136	119	159	167	161	145
December	148	141	157	183	163	148
1927.						
January	158	155	167	212	179	151
February	157	156	165	212	169	150
March	147	152	153	187	155	140
April	144	144	146	208	151	136
May	138	139	151	198	150	129
June	126	128	136	206	131	114
July	123	118	135	184	140	119
August	123	124	130	201	142	113
September	138	133	157	228	159	131
October	152	146	166	228	175	146
November	166	155	190	236	192	162
December	180	170	200	220	210	172
1928.						
January	174	164	195	232	199	172
February	170	162	188	249	195	164
March	170	165	192	252	195	159
April	149	149	164	226	164	132
May	140	136	170	223	163	125
June	141	138	160	248	158	130
July	131	127	149	248	151	124
August	130	131	151	227	147	116
September	150	145	164	263	175	138
October	161	153	185	245	189	154
November	178	164	215	240	206	169
December	181	171	210	195	210	176
1929.						
January	187	172	234	236	220	190
February	195	182	244	250	222	198

* Prepared by the economic and statistical department of the British Electrical and Allied Manufacturers' Association.

The improvement in the figures between January and February is partly the consequence of the frost, which has increased the consumption of electricity in the coal fields, and also the general consumption for heating purposes. Still, even after allowing for this abnormal factor, the general trend of the indices is satisfactory.

INDICES OF BUSINESS ACTIVITY.

In considering the conclusions to be drawn from the latest figures of our series of index numbers of business activity, it is necessary to bear in mind that February, the month added this time to the three monthly averages, held two working days less than November, the month automatically displaced from the averages, and one working day less than February, 1928. In addition, February's abnormally severe weather, both in this country and on the Continent, might be expected to have affected the figures for that month in several distinct ways. The natural results of the great frost would be an increase in internal coal consumption, restriction of employment in the building and allied trades, some degree of shipping dislocation through ice-blocks, and some interruption of imports originating in Europe.

When due allowance is made for these factors, the general impression conveyed by last month's indices is not unfavourable. Net imports of raw materials reacted, it is true, from the level recorded in January; there was a recession in the apparent rate of consumption of cotton and rubber; iron and steel consumption (as a result of curtailment of imports from abroad) fell to a remarkably low figure; the volume of employment in "General" industry underwent a set-back; and there was a contraction (partly seasonal, partly due to the exceptional weather) in shipping traffic at British ports, and in the volume of exports of British manufactures. On the other hand, employment in "Heavy" industry showed an appreciable expansion; net imports of non-ferrous metals continued to rise; the indices of consumption of power (even when discounted by weather considerations) made a good showing; and the upward movement of the significant index based on provincial bank clearings suggests that the rate of turnover of internal commerce has begun to improve.

Moreover, when the figures for last month are contrasted with those of a year ago it will be seen that in a number of instances the current figures point actually to a slight betterment in the situation, *e.g.*, retained imports of raw materials, cotton consumption, consumption of electricity, shipping movements, and exports of manufactured goods, all show advances. Against these indications of improvement there must be set a fall in the figure of iron and steel consumption from 106 to 66, a decrease in coal consumption and (save in the case of "Miscellaneous services") a contraction in the volume of employment. How far this contraction reflects "rationalisation" economies, and how far slackening of business activity is open to some doubt. It is also questionable how far the index figure of merchandise carried by the railways, a figure which works out for 1928 at 93, as compared with 99 in 1927, requires to be adjusted by a "correction" to compensate for the steady growth of road transport.

Weighing favourable against disappointing factors, we may sum up the present position by saying that the course of our series of index figures, taken as a whole, continues, as has been the case for some months, to provide no conclusive signs of a definite trade revival, but rather to suggest that, on balance at least, no ground is being lost—a suggestion with which our hopes of better times must at present be satisfied.

[NOTE.—*A full explanation of the data on which the series of index numbers is based, and the methods of calculation employed, was published in the "Supplement" of March 24, 1928. It should be borne in mind that the monthly figures are in each case averages of the three months ended with the latest month shown, and that except in the case of imports of non-ferrous metals, no correction for seasonal trend has yet been instituted in the series. The index of postal traffic, however, is based on comparison, not with the annual average for 1924, but with the figure for the corresponding month of that year.*]

INDICES OF BUSINESS ACTIVITY.

1924 = 100.

Period.	Net Imports. Raw Materials.	Net Imports. Non-Ferrous Metals.	Consumption of Iron and Steel.	Consumption of Cotton.	Consumption of Rubber.	Consumption of Power. Coal.	Consumption of Power. Electricity.	Volume of Employment. Heavy Industry.	Volume of Employment. "General" Industry.	Volume of Employment. Miscellaneous Services.	Volume of Employment. Total.	Merchandise on Railways.	Provincial Bank Clearings.	Postal Traffic.	Shipping Movements.	London Bank Clearings.	Exports British Manufactures.	Foreign Trade Turnover. (Quarterly Figs.).
Monthly Average.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1919	113	74	96	109	143	89	...	...	...	...	...	109	92	...	59*b*	54	74	79
1920	106	71	99	113	134	91	...	...	...	...	...	100	113	...	69*b*	65	101	87
1921	56	50	43	74	79	69	...	...	...	...	...	81	82	...	66	76	67	68
1922	89	63	34	99	58	87	...	...	...	...	...	84	97	...	91	97	88	85
1923	88	92	69	93	118	91	...	...	...	...	...	97	98	...	101	97	95	94
1924	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1925	107	107	89	116	137	93	101	90	103	103	101	98	102	103·5	98	104	101·5	102
1926	107*a*	100	57	98	175	72	92	57	101	104	95·5	88	94	103·5	90	109	94	100
1927	113*a*	106	133	113	197	106	109	87	108	108	105	99	102	109·5	105	117	104·5	107·5
1928	101	113	88	103	212	99	110	81·5	108	109·5	105	93	100·5	114	106·5	125	108	106
"Corrected" average for 3 months ended:																		
1928—Feb.	107	125	106	107	175	119	124	86·5	107·5	108·5	105	94	106	115	95	122	103	
March	111	124	102	110	248	114	123	86·5	108	109	105	96	106	117·5	97	125	108	...
April	108	119	98	110	305	105	117	86	108·5	109·5	105·5	93	107	116	98	124	106	...
May	108	116	91	104	246	102	108	85	109	110	106	94	105	113·5	104	124	107	} 105
June	99	118	87	104	152	93	101	83	108·5	110	105·5	90	102	111	107	126	103	
July	94	114	84	102	139	91	97	80	108	110	105	91	100	110	112	126	107	
August	88	113	83	98	143	88	95	78·5	107·5	110	104·5	90	96	110·5	114	123	109	} 102
Sept.	84	104	83	87	181	89	96	79	107	110	104	90	95	111	114	123	108	
Oct.	86	104	83	92	257	95	103	79	107	109·5	104	95	91	114	117	122	110	
Nov.	96	107	79	101	314	102	115	78·5	107·5	109	104	97	91	115·5	114	125	110	} 112
Dec.	111	110	76	109	310	103	122	79	107·5	109	104	96	97	116	111	126	111	
1929—Jan.	131*c*	121	72	117	315	110	126	80·5	107	109	104	...	101	116	106	129	113*c*	...
Feb.	123*c*	123	66	111	263	114	128	83	106·5	109	104	...	107	115	99	134	109*c*	...
Feb., 1924	105	90	89	106	38	106	112	102	98	98	99	96	100	100	91	104	98	...
Feb., 1925	143	104	100	132	115	104	114	95·5	101·5	100·5	100	98	105	103·5	93	104	105	...
Feb., 1926	135	107	82	127	171	108	115	93	104	104	102·5	97	106	108·5	94	107	105	...
Feb., 1927	129*a*	106	154	115	132	116	118	85	104	105	101·5	94	100	109·5	94	107	111	...
Feb., 1928	107	125	106	107	175	119	124	86·5	107·5	108·5	105	94	106	115	95	122	103	...
Feb., 1929	123*c*	123	66	111	263	114	128	83	106·5	109	104	...	107	115	99	134	109*c*	...

a Excluding coal imports. *b* Excluding Government War Movements. *c* Provisional figure.

PRODUCTION. (Thousands of Metric Tons.)

COAL.

Period. Monthly Average.	United Kingdom.	Belgium.	Czecho-slovakia.	France.	Germany.	Nether-lands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.
	d		*b k*		*g*		*h*		*j*	*e*		
1913	24,337	1,903	1,189	3,338	15,842	156	748	1,119	665	1,311	1,776	43,088
1924	22,617	1,947	1,265	c3,668	9,897	490	2,685	762	944	1,717	2,509	43,213
1925	20,590	1,925	1,063	c3,921	11,052	571	2,423	719	983	1,693	2,622	43,988
1926	10,692	2,110	1,214	c4,285	12,114	721	2,979	974	1,038	1,703	2,433	49,729
1927	21,355	2,298	1,222	c4,315	12,800	777	3,174	1,028	1,006	1,778	2,597	45,197
1928	20,129	2,295	1,264	c4,228	12,573	891	3,383	1,035	1,014	...	...	43,025
				c								
1928—February	20,982	2,260	1,375	4,164	12,926	829	3,271	1,000	910	2,341	2,723	42,486
March	22,438	2,516	1,310	4,470	14,118	939	3,509	1,029	1,007	2,185	2,959	44,862
April	18,500	2,223	1,119	4,053	11,715	832	2,981	860	918	1,909	2,566	35,468
May	19,994	2,228	1,165	4,162	11,932	874	3,060	1,072	1,041	1,930	2,719	40,581
June	19,260	2,378	1,152	4,374	11,833	894	3,191	1,106	1,040	1,624	2,608	37,434
July	18,423	2,220	1,198	4,172	12,483	921	3,248	1,057	1,035	1,308	2,569	36,968
August	18,651	2,249	1,356	4,359	13,021	927	3,416	1,191	1,104	1,784	2,401	43,536
September	19,154	2,175	1,334	4,179	12,157	876	3,401	956	1,058	1,890	2,436	42,943
October	21,445	2,413	1,300	4,607	13,311	961	3,848	1,024	1,067	1,770	2,680	53,446
November	20,969	2,328	1,255	4,387	12,141	892	3,770	1,044	1,062	1,398	2,603	48,532
December	19,842	2,175	1,220	4,089	11,819	846	3,449	953	977	1,602	...	45,002
1929—January	22,792	2,454	1,342	c4,528	...	...	4,043	...	952	...	...	53,275
February	†21,668	...	...	...	...	...	...	...	...	...	...	†58,210

LIGNITE.

Period. Monthly Average.	Austria.	Czecho-slovakia.	Germany.	Hungary.
	b	*b k*	*g*	*b*
1913	218	1,927	7,269	460
1924	231	1,705	10,386	529
1925	255	1,566	11,644	460
1926	247	1,589	11,596	485
1927	256	1,669	12,542	520
1928	...	1,726	13,852	...
		c		
1928—February	275	1,136	13,419	514
March	296	1,858	14,401	531
April	240	1,695	12,263	431
May	246	1,567	12,964	452
June	236	1,521	13,241	473
July	245	1,629	13,531	473
August	263	1,741	14,330	516
September	268	1,759	13,616	557
October	306	2,054	15,226	663
November	303	1,893	14,548	633
December	297	1,715	14,105	634
1929—January	...	1,943	...	...
February	...	...	...	...

PIG IRON.

Period. Monthly Average.	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.
				q	*g*	*a*	*f*		
1913	869	207	434	114	1,397	212	61	85	2,601
1924	619	237	c641	112	651	180	43	50	2,634
1925	530	212	c708	121	848	197	36	48	3,082
1926	208	283	c786	135	804	213	39	64	3,308
1927	617	313	c777	148	1,092	228	35	60	3,068
1928	560	325	c834	161	984	231	33	88	3,204
			c						
1928—February	560	302	784	151	1,122	220	32	66	2,947
March	602	327	857	169	1,170	240	35	80	3,251
April	572	313	834	156	1,045	227	29	76	3,237
May	601	329	871	164	1,044	234	33	89	3,337
June	573	321	844	157	1,021	230	29	99	3,131
July	546	324	836	160	1,035	225	26	97	3,121
August	527	329	858	161	1,031	234	23	93	3,187
September	512	325	822	158	985	231	31	92	3,110
October	552	344	857	169	1,016	236	39	95	3,428
November	553	331	850	169	*l* 267	229	45	97	3,356
December	549	345	882	167	883	234	40	105	3,424
1929—January	573	351	905	169	1,098	242	44	89	3,498
February	528	...	...	...	...	...	...	...	†3,325

STEEL.

Period. Monthly Average.	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.
			c		*g*	*a*	*f*		
1913	649	206	391	159	1,467	101	62	88	2,564
1924	694	240	575	121	820	157	46	55	3,117
1925	625	212	621	131	1,016	174	43	64	3,737
1926	304	281	703	145	1,028	187	43	66	3,794
1927	770	309	692	158	1,359	206	43	77	3,675
1928	722	328	770	173	1,210	214	50	105	4,221
1928—February	777	310	738	166	1,323	205	48	100	4,110
March	806	326	806	182	1,422	220	51	120	4,580
April	654	305	738	161	1,161	203	42	115	4,372
May	765	325	794	170	1,248	215	57	120	4,271
June	721	329	797	172	1,295	215	43	118	3,803
July	678	320	751	173	1,311	208	43	84	3,873
August	659	342	793	175	1,329	224	54	90	4,246
September	730	331	757	162	1,190	209	46	101	4,214
October	768	356	834	190	1,306	229	56	111	4,722
November	775	340	800	178	*l* 357	213	66	110	4,328
December	694	333	828	175	1,091	218	50	105	4,080
1929—January	774	357	837	...	1,470	225	47	118	4,561
February	793	...	...	...	...	...	...	...	†4,908

† Provisional figure. *a* Figures communicated by the "Groupement des Industries Sidérurgiques." *b* Present territory. *c* Including Alsace-Lorraine. *d* Saleable coal; since end 1921 excluding Ireland. *e* British Provinces only. *f* "Ekonomisk Oversikt." *g* From 1918 excluding Alsace-Lorraine and from 1919 excluding Saar; from 1922, excluding Polish Upper Silesia. *h* Since July, 1922, including Upper Silesia. *i* Including lignite. *j* Coal sold. *k* Until end 1925 saleable coal. *l* Lockout of the iron and steel trade. *q* Revised.

WHOLESALE PRICES.

Monthly Average.	U.K. Board of Trade.	U.K. *Economist.*	Belgium.	Czecho-slovakia.	Denmark.	France.	Germany (Official).	Holland.	Italy (Bachi).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Australia.	British India.	Canada.
			f		*j*		*i*					*j*						*q*
1913	100	100	*h*100	*h*100	100	100	100	100	100	100	*h*100	100	100	100	*h*100	100	*h*100	100
1924	166·2	166·2	573	997	234	488·5	137·3	156	512	267	109·8	172	183	162	174·6	173·3	173	155·3
1925	159·1	160·9	558	1,008	176	549·8	141·8	155	596	253	125·4	183	188	161	161·6	169·5	159	160·3
1926	148·1	149·4	744	954	158	702·6	134·4	145	603	198	*p*181·2	177	181	149	144·5	168·4	148	156·3
1927	141·4	143·7	847	979	154	617·2	137·6	148	495	167	*p*118·6	171	172	146	142·2	167·0	148	152·7
1928	140·3	140·9	843	977	151	620·6	140·0	149	462	161	119·8	...	...	148	144·6	...	145	150·8
		b		*d*	*e*	*b*	*b*		*b*	*c*	*p k*	*d*	*c*		*c*		*b*	
1928—February	140·3	141·5	848	978	152	608·8	137·9	150	461	163	117·4	171	166	147	144·2	168·1	144	151·3
March	140·8	143·5	848	984	153	622·8	138·5	152	464	164	121·0	171	165	149	144·9	168·2	144	152·7
April	142·9	145·7	847	987	154	623·8	139·5	153	464	162	124·1	171	166	151	145·6	169·5	146	153·6
May	143·6	146·7	844	986	155	632·6	141·2	152	465	162	122·5	172	164	152	145·1	166·4	147	153·0
June	142·6	144·5	844	979	155	625·7	141·3	153	462	161	121·6	172	164	151	145·2	166·4	145	151·7
July	141·1	141·9	841	996	155	623·8	141·6	148	453	162	120·8	173	164	150	144·1	165·4	148	150·3
August	139·3	139·4	831	986	154	617·0	141·5	144	456	162	118·7	173	166	149	143·6	161·0	143	149·1
September	137·6	137·5	830	971	151	619·9	139·9	145	458	158	118·1	176	168	146	143·6	160·5	142	149·2
October	137·9	136·9	835	957	150	617·0	140·1	146	463	157	118·4	176	174	145	144·6	159·7	143	149·1
November	137·9	136·9	847	955	151	625·7	140·3	148	466	157	118·4	177	176	145	145·2	159·5	146	148·3
December	138·3	136·5	855	953	151	623·8	139·9	148	464	157	118·4	...	175	145	143·9	161·8	145	147·7
1929—January	138·3	136·1	867	950	151	630·6	138·9	146	461	154	...	...	...	144	142·5	164·2	144	147·7
February	138·4	137·3	...	...	...	638·5	139·3	...	463	155	...	...	...	...	...	...	...	...

a New index. *b* End of the month. *c* 15th of month. *d* Beginning of the following month. *e* Official. *f* Second half of month. *g* "Finanztidende." *h* 1914. *i* *Frankfurter Zeitung* index discontinued. *j* End year. *k* Average last week of month. *l* Since 1924, new series. *p* Since January, 1926, new index. *q* Revised. *s* 000,000,000 omitted.

Wholesale Prices—*Continued.*

Monthly Average.	South Africa.	China.	Japan.	United States Bureau of Labour.
1913	100	100	100	100
1923	126·6	156·4	199·1	144·1
1924	128·7	153·9	206·5	140·5
1925	127·6	159·4	201·7	148·3
1926	123·3	164·1	178·9	143·3
1927	124·2	170·4	169·8	136·7
1928	129·8	...	170·9	140·0
		g		
1928—February	...	164·3	169·2	138·1
March	...	163·4	169·2	137·5
April	120·8	163·1	169·6	139·5
May	...	164·5	171·5	141·3
June	...	160·0	168·9	139·8
July	119·0	159·2	168·6	140·8
August	...	157·2	170·1	141·7
September	...	156·2	173·7	143·4
October	120·0	158·8	173·6	140·1
November	...	159·2	173·1	138·5
December	...	159·9	173·7	138·5
1929—January	119·9	...	172·2	139·3
February	...	...	...	...

Index Numbers of Retail Prices. Cost of Living.—(Base=100).

	U.K.	Irish Free State.	Austria.	Belgium.	Bulgaria.	France.	Germany.	Italy.	Spain.	Canada.	U.S.A.
No. of Towns and Localities.	630	105	Vienna.	59	12	Paris.	71	Milan.	Madrid.	60	32
Base.	July, 1914.	July, 1914.	July, 1914.	April, 1914.	1914.	1914.	Oct., 1913, *Jan., April,* June, 1914.	Jan.–June, 1914.	1914.	1913.	1913.
			a		*c s*	*s*	*d*	*h*	*v*	*e*	*d g*	*s*
1924—July	171	183	86	125	2833	366	*b* 126·4	*v* 512	184	98·0	168
1925—July	173	188	97	133	3014	390	*b* 143·3	598	189	99·3	171
1926—July	170	182	103	174	2886	485	*b* 142·4	649	187	100·0	171
1927—July	164	171	106	204	2788	525	150·0	548	189	98·5	167
1928—July	165	173	108	205	...	105	152·6	145	...	99·1	166
							b				
1928—Feb.	164	...	107	206	2777	...	150·6	145	175	99·2	...
March	164	...	107	203	2791	507	150·6	145	176	98·8	...
April	164	170	107	204	2841	...	150·7	145	174	98·7	...
May	165	...	107	202	2857	...	150·6	144	171	98·4	...
June	165	...	109	204	2818	*w* 105	151·4	145	172	98·2	165
July	165	173	108	205	2861	...	152·6	143	173	98·4	...
August	165	...	108	206	2742	...	153·5	142	174	99·2	...
Sept.	166	...	109	209	2757	*w* 105	152·3	143	178	99·2	...
October	167	176	109	212	2796	...	152·1	144	179	99·9	...
Nov.	168	...	109	217	2826	...	152·3	146	181	99·7	...
Dec.	167	...	109	216	...	*w* 108	152·7	147	187	99·7	166
1929—Jan.	165	177	109	...	...	...	153·1	148	...	99·6	...
Feb.	...	...	111	...	...	...	154·4	...	...	...	...

a The first of the following month. *b* Gold mark prices. *c* Since 1923 gold prices. *d* Yearly average. *e* Prices of foodstuffs average of quarter. *g* Last Wednesday of month. *h* Average of second quarter. *q* Revised. *s* 15th of month. *t* Excluding clothing and rent. *v* End of month. *w* Since date stabilisation gold standard index.

FINANCE.

Notes in Circulation. (000,000's omitted.)

Period.	United Kingdom.		Austria.	Belgium.	Bulgaria.	Czecho-slovakia.	Denmark.	Finland.	France.	Germany.		Greece.	Hungary.	Jugo-Slavia.	Netherlands.	
End of	Bank of England Notes.	Currency Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Reichsbank Notes.	"Rentenbank."	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.
	£	£	Schilling.	Francs.	Leva.	Koruna.	Kron.	Markat.	Francs.	Marks.	Rentenmks.	Drachmæ	Pengö.	Dinars.	Gulden.	Gulden.
	a										*i*	*j*	*k*	*u*		
1913	29·6	...	...	1,067	189	...	152	113	*y* 5,714	2,742	...	245	...	...	313	...
1922	102·1	*b* 295·4	*c*4,080,177	6,876	3,886	10,064	459	1,421	36,359	1,293,758	...	3,149	75,887	5,040	1,012	32
1923	105·1	*b* 292·7	713	7,537	4,139	9,599	473	1,352	39,114	/496507,424,772	...	4,681	931,337	5,790	1,066	32
1924	101·3	*b* 296·3	839	7,873	4,530	8,810	478	1,250	40,885	*g* 1,941	1,835	4,866	4,513,990	6,002	935	23
1925	88·5	*b* 296·8	890	7,814	3,655	8,408	438	1,309	51,085	*g* 2,960	1,476	5,395		6,063	875	17
1926	84·5	*b* 296·5	947	9,646	3,485	8,203	386	1,346	52,907	*g* 3,736	1,164	4,865		5,743	797	13
1927	82·5	*b* 299·8	1,005	10,951	3,727	8,417	354	1,514	56,551	*g* 4,564	716	4,966		5,812	819	13
1928	*x*378·3	*x*	1,067	11,608	4,173	8,466	360	1,513	63,916	4,930	530	5,690		5,743	797	12
	x	*b*								*g*	*i*			5,528	854	11
1928—Feb.	79·1	287·5	917	11,284	3,494	7,077	336	1,593	58,433	4,268	630	4,890				
Mar.	79·2	289·5	944	11,120	3,638	7,396	353	1,644	58,580	4,513	616	4,895	442	5,397	777	11
Apl.	79·5	294·8	947	11,277	3,797	7,098	352	1,619	59,198	4,409	609	4,894	455	5,453	823	12
May	79·7	293·7	948	*e* 11,524	3,784	7,111	347	1,576	59,195	4,487	586	4,250	479	5,325	853	12
June	80·0	296·0	998	*e* 11,258	3,899	7,584	360	1,585	60,628	4,674	578	5,155	451	5,280	797	12
July	81·0	297·6	1,009	*e* 10,726	4,131	7,344	340	1,543	60,436	4,569	561	5,131	479	5,354	829	12
Aug.	79·2	296·9	1,003	*e* 11,121	4,285	7,549	341	1,565	62,184	4,673	570	5,258	496	5,313	810	11
Sept.	78·2	293·9	1,008	*e* 11,099	4,501	7,806	360	1,599	62,654	4,830	570	5,719	497	5,562	792	11
Oct.	78·3	291·6	1,007	*e* 11,625	4,610	7,825	361	1,539	62,759	4,672	543	5,759	500	5,761	855	12
Nov.	*x*367·0	*x*	984	*e* 11,530	4,379	7,818	354	1,502	62,660	4,724	524	5,599	542	5,786	829	12
Dec.	*x*378·3	*x*	1,067	*e* 11,608	4,173	8,466	360	1,513	63,916	4,930	530	5,690	476	5,598	855	12
1929—Jan.	*x*355·6	*x*	965	*e* 12,097	3,898	7,115	336	1,431	63,867	4,454	513	5,514	513	5,528	854	12
Feb.	*x*352·3	*x*	977	*e* 12,162	...	7,063	342	1,523	64,226	4,553	508	...	451	5,194	782	11
														5,159	776	11

Period.	Italy.		Norway.	Poland.			Roumania.	Russia.		Sweden.	Switzerland.	Australia.	Canada.	South Africa.	Egypt.	United States.		Japan.
End of	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.		Token Notes and Coins.	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes and Dominion Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.
	Lire.	Lire.	Kroner.	Marki p.	Zloty.	Zloty.	Lei.	Gd.Rbls.	Rbles.	Kronor.	Francs.	£	Dollars.	£	£E	Dollars.	Dollars.	Yen.
	d	*w*			*m*	*t*	*u*	*v*				*r*	*p*	*q*				*o*
1913	*d* 2,284	*w* 499	108	...	...	...	437	...	...	234	314	10·0	116	2·3	2·2	726	343	426
1922	18,012	2,267	385	793,437	...	...	15,126	...	4	584	976	52·0	184	8·3	31·7	3,117	288	1,558
1923	17,247	2,428	396	125,371,955	...	...	17,917	...	237	576	982	52·2	187	8·8	34·3	2,951	308	1,704
1924	18,114	2,400	391	3,314,000	551	151	19,397	229	411	537	914	56·9	177	9·1	40·2	2,555	297	1,662
1925	19,349	2,100	363	*l* 2,770,200	381	440	20,222	388	727	530	876	53·9	176	7·2	33·5	2,458	294	1,668
1926	18,340	1,793	337	...	593	428	20,951	398	797	525	874	49·9	190	6·6	27·8	2,458	298	1,377
1927	17,992	783	331	...	1,003	309	21,025	480	1,003	526	917	51·8	192	7·2	27·5	2,387	294	1,682
1928	17,295	161	316	...	1,295	244	...	...	*o* 1,123	546	953	48·7	...	7·6	...	2,428	295	1,773
1928—Feb.	17,270	589	314	...	1,048	283	21,026	422	906	478	819	45·9	174	6·9	25·5	2,213	287	1,255
Mar.	17,265	489	323	...	1,128	285	21,024	430	906	536	859	45·4	190	7·5	25·9	2,246	291	1,355
Apl.	17,124	399	321	...	1,126	266	21,017	445	926	501	845	44·8	180	7·2	26·3	2,242	294	1,348
May	17,105	343	313	...	1,133	252	21,049	454	943	494	831	44·6	177	7·2	26·4	2,240	297	1,263
June	17,324	291	325	...	1,184	250	21,042	494	1,019	539	860	44·5	194	7·4	23·6	2,281	300	1,463
July	17,395	250	319	...	1,159	246	21,039	543	985	497	860	44·1	184	7·2	22·1	2,233	295	1,271
Aug.	17,140	229	318	...	1,207	249	21,051	639	973	514	864	44·1	191	7·4	21·7	2,316	302	1,359
Sept.	17,476	205	313	...	1,261	254	21,054	711	1,064	565	892	44·6	206	7·4	27·1	2,351	304	1,308
Oct.	17,236	190	306	...	1,313	256	21,959	734	1,087	517	885	44·9	203	7·1	31·6	2,332	302	1,306
Nov.	17,119	175	302	...	1,270	246	21,479	728	1,092	538	878	45·4	202	7·6	31·4	2,424	307	1,389
Dec.	17,295	161	316	...	1,295	244	21,321	730	1,123	546	953	48·7	*z* 163	7·6	30·3	2,428	295	1,773
1929—Jan.	16,590	157	299	...	1,222	230	20,391	...	*o* 1,065	486	840	47·9	...	7·3	...	...	...	1,405
Feb.	...	...	301	...	1,249	*n* 225	...	...	*o* 1,084	499	843	...	...	...	...	...	...	...

a From 1919 to October, 1928, excluding notes held on redemption account in respect of currency notes. *b* Includes notes called in, but not cancelled. *c* Kronen. One schilling = 10,000 paper kronen. *d* In terms of new lire = 8,373 million. *e* Excluding Government circulation outside chartered banks. *f* Milliards. *g* In Reichsmarks. *i* Excluding notes held by Reichsbank. *j* 1913 figure includes notes of Bank of Crete and Ionian Bank. *k* Until end 1924 paper kronen. (One pengö = 12,500 paper kronen.) *l* May 31st, 1925: ceased to be exchangeable against Zloty notes. *m* One Zloty = 1,800,000 P. Marks. *n* Token coin 139·7 million Zloty. *o* Gross issue. *p* Excluding notes held as reserve by Chartered Banks. *q* Circulation in Union only. *r* State notes. *t* Since January, 1926, excluding notes held by Bank of Poland. *u* Since 1920, including Austria-Hungarian and other notes converted after the war into National Currency. *v* Since 1926, excluding notes held by the State Bank. *w* In terms of new lire = 1,829 millions. *x* Amalgamation of Currency and Bank Note Issues came into effect November 22nd. *y* In terms of new francs. *z* Bank notes only.

LONDON RATES OF EXCHANGE.

	Paris.	Brussels.	Italy.	Switzerland.	Madrid.	Amsterdam.	Stockholm.	Oslo.	Copenhagen.	Berlin.	Vienna.	New York.	Buenos Aires.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kroner to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.	Dollars to £1.	Pence Dollars.
Par level	25·22½	*a* 35·00	25·22½	25·22½	25·22½	12·107	18·159	18·159	18·159	20·43	24·02	4·86⅝	47·58
Highest, 1928	124·31½	*a* 35·04	92·90	25·35	30·27	12·13	18·20	19·34½	18·22	20·48⅛	134·75	4·88⅛	47⅞
Lowest, „	123·87½	*a* 34·86¼	91·93	25·15	28·03	12·07⅝	18·09	18·18	18·17	20·33¼	134·38	4·84½	47⅛
Beginning of—													
July, 1914	25·15	† 25·35½	25·25½	21·16½	26·10	12·11⅝	18·30	18·25	18·30	20·49½	24·55	4·87⅛	47 1/16
January, 1922	52·32½	54·65½	97½	21·70½	28·19½	11·44½	16·97½	26·99½	21·12½	791¼	13,000	4·20	43 1/16
January, 1923	66·30	72·85	93½	24·72½	29·73½	11·79	17·37½	25·12½	23·40	48,500	330,000	4·68	44
January, 1924	87·85	99·45	100⅛	24·63½	33·58½	11·36⅛	16·26½	29·82½	24·44½	19½ billions	305,500	4·29⅜	40 1/16
January, 1925	87·40½	94·79½	112·35	24·34½	33·95½	11·71⅛	17·62½	31·37½	26·85½	19·94½ gld. mks.	337,500	4·74⅛	45 1/16
January, 1926	129·31½	107·00	120	25·08⅛	34·31½	12·05	18·08	23·83½	19·60½	20·37½ ,,	‡ 34·37½	4·85 1/16	46⅛
January, 1927	122·81½	*a* 34·89	109·62½	25·14½	31·23½	12·12½	18·15½	19·04½	18·20	20·43¼ ,,	‡ 34·42½	4·85 1/16	46⅛
January, 1928	124·00	*a* 34·92½	92·32½	25·27½	28·24	12·09⅛	18·11⅛	18·34½	18·20½	20·45⅛ ,,	‡ 34·49½	4·85 1/16	46⅛
December, „	124·16½	*a* 34·89½	92·62½	25·18	30·03	12·07⅛	18·14½	18·19½	18·18½	20·35¼ ,,	‡ 34·52	4·85 1/16	46⅛
January, 1929	124·10½	*a* 34·88⅛	92·64	25·18⅜	29·74	12·08	18·13	18·19	18·17½	20·38½ ,,	‡ 34·49½	4·87⅛	47⅛
February, „	124·20½	*a* 34·90	92·75	25·23⅝	31·15	12·12½	18·15½	18·19½	18·19½	20·46½ ,,	‡ 34·44½	4·85 1/16	47⅛
March, „	124·21½	*a* 34·95½	92·67½	25·23	32·97½	12·11½	18·16½	18·19½	18·20½	20·45½ ,,	‡ 34·55½	4·85⅛	47⅛
											‡ 34·52½	4·85 3/32	47 1/32

	Rio de Janeiro.	Monte Video.	Valparaiso.	Bombay.	Hong Kong.	Shanghai.	Japan.	Singapore.
	Pence to Milreis.	Pence to Dollars.	Pesos to £1.	Pence to Rupee.	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.
				s. d.	s. d.	s. d.	s. d.	s. d.
Par level	16	51	40	1 6	...	...	2 0⅛	...
Highest, 1928	5 1/16	51½	39·73	1 6½	2 1 1/16	2 10⅛	1 11⅛	2 4 7/32
Lowest, „	5 1/32	49⅛	39·34	1 5 31/32	1 11⅝	2 6⅛	1 10⅜	2 3 31/32
Beginning of—								
July, 1914	16 1/16	51⅛	§ 9⅜	1 3 31/32	1 10⅜	2 6⅛	2 0⅛	...
January, 1922	7 1/16	41	40·20	1 4	2 7⅛	3 6⅜	2 3⅛	2 3 7/32
January, 1923	5 1/16	44	34·70	1 4 1/16	2 3⅛	3 0⅜	2 1	2 4 1/16
January, 1924	5⅛	43⅛	40·30	1 5⅛	2 4⅜	3 4⅛	2 1⅜	2 4 1/16
January, 1925	5 1/16	50⅛	40·30	1 6 1/16	2 3⅞	3 1 1/16	1 7⅛	2 4 1/16
January, 1926	7 1/16	50⅛	39·80	1 6 1/16	2 4⅛	3 1 1/16	1 9 1/16	2 4 1/16
January, 1927	5 1/16	50⅛	39·65	1 6 1/16	1 11 1/16	2 5⅛	2 0⅛	2 4 1/16
January, 1928	5 1/16	51	39·35	1 6 1/16	2 0⅛	2 7⅛	1 11 1/16	2 4 1/16
October, „	5 1/16	50⅛	39·51	1 6 1/16	2 0⅛	2 7⅛	1 11 1/16	2 4 1/16
November, „	5 1/16	50⅛	39·69	1 6 1/16	2 0⅛	2 7⅛	1 11 1/16	2 4 1/16
December, „	5 1/16	50⅛	39·68	1 6 1/16	2 0⅛	2 7⅛	1 10 1/16	2 4 1/16
January, 1929	5 1/16	51	39·64	1 6 1/16	2 0⅛	2 7⅛	1 10⅛	2 4
February, „	5 1/16	50⅛	39·62	1 6	2 0⅛	2 7 1/16	1 10 1/16	2 3 31/32
March, „	5 1/32	50⅛	39·46	1 6 1/32	2 0⅛	2 7	1 10 1/32	2 3 31/32

† France to £1. § Pence to Peso. ‡ Schillings to £1. *a* Belga to £1. *b* New parity, 92·46 lire to £1. * Daily rates.

Place.	Method of Quoting.	January Quotations.		
		Highest.	Lowest.	Average.*
New York.				
Feb., 1928	Dollars to £1.	4·88⅛	4·86⅞	4·876
Jan., 1929		4·85⅛	4·84 31/32	4·850
Feb., 1929		4·85 1/16	4·84½	4·853
Paris.				
Feb., 1928	Francs to £1.	124·05	123·95	124·025
Jan., 1929		124·25	123·93	124·077
Feb., 1929		124·37½	124·06½	124·270
Amsterdam.				
Feb., 1928	Florins to £1.	12·13	12·08½	12·108
Jan., 1929		12·10⅛	12·07⅛	12·090
Feb., 1929		12·13	12·10	12·116
Berlin.				
Feb., 1928	Rchmks. to £1.	20·44½	20·41½	20·431
Jan., 1929		20·43	20·37½	20·400
Feb., 1929		20·47½	20·41½	20·447

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugo-Slavia.	Netherlands.	Poland.	Swed'n.	Switz'rland.	Egypt.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Ekr.	Francs.	Markka	Mark.	Drachmæ.	Lire.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£E.	Dollars.
			m			*s*		*f*		*e*	*b*	*a*		*c*		*f*		
1913	54,931	...	386,384	15,775	64,785	...	701,778	41,035	897,474	*i* 14,828	303,803	...	325,231	...	70,545	159,985	2,271	147,932
1923	*t* 81,474	...	1,099,347	426,987	158,949	777,690	2,738,296	381,105	*d* 512,477	502,937	1,432,431	692,470	167,436	160,028	107,877	186,923	3,643	310,981
1924	*t* 94,789	5,632	1,475,061	463,109	184,874	683,684	3,346,901	385,817	*d* 756,901	671,149	1,615,056	685,145	196,961	211,875	118,708	207,000	4,086	297,926
1925	*t* 97,371	5,162	1,488,378	606,958	161,382	8,046	3,712,700	458,185	*h* 978,700	850,794	2,183,374	729,407	204,583	229,589	120,535	219,427	4,678	348,018
1926	*t* 93,105	5,043	1,920,460	520,578	127,319	7,964	4,968,923	470,582	*h* 808,500	833,745	2,155,945	635,982	203,496	128,242	124,151	201,209	4,199	367,340
1927	*t* 91,360	5,012	2,422,921	510,745	131,508	8,035	*g* 4,420,823	529,001	*h* 1,150,100	1,037,414	1,697,440	607,191	212,405	240,998	132,030	213,650	3,896	346,924
1928	89,657	4,889	2,620,430	†599300	135,205	10,953	*g* 4,454,022	664,260	*h* 1,137,000	...	1,832,797	659,078	223,658	280,180	142,507	228,723	...	339,947
	t						*g*								*d*			
1928—Jan.	90,082	4,016	2,350,380	438,177	140,043	8,541	4,123,922	509,851	1,357,036	1,124,576	1,560,163	591,927	216,279	271,163	122,090	219,683	4,140	341,112
Feb.	87,183	4,941	2,573,317	571,220	124,456	7,164	4,322,767	479,461	1,247,045	973,461	1,708,103	621,660	217,796	270,385	127,198	2,2,918	3,612	342,018
Mar.	99,243	5,703	2,984,887	692,149	145,113	11,217	4,525,495	646,674	1,229,355	1,205,709	1,818,403	701,061	247,182	372,232	140,749	244,031	3,697	371,649
April	85,841	4,814	2,390,033	568,587	132,325	10,567	4,604,248	597,661	1,174,702	1,014,030	1,922,470	657,906	210,729	265,626	135,745	213,461	4,348	326,929
May	87,591	4,601	2,536,747	600,509	130,902	10,465	4,051,553	761,071	1,086,022	1,080,429	1,971,521	659,480	219,881	296,470	153,860	222,944	4,055	348,404
June	87,898	5,082	2,607,815	541,397	129,701	11,504	4,701,036	686,371	1,108,384	938,335	*2,126,170	590,306	231,620	289,662	143,884	211,014	3,715	316,703
July	87,015	5,105	2,335,904	518,417	133,640	10,763	4,048,506	573,922	1,182,647	973,902	1,740,143	619,510	211,388	288,195	127,374	214,431	3,469	322,837
Aug.	88,944	4,816	2,528,563	570,402	145,103	12,817	4,164,142	710,531	1,083,419	813,921	1,551,654	645,407	223,971	258,794	151,684	224,879	3,755	352,639
Sept.	80,826	5,057	2,853,412	668,966	138,118	11,733	4,229,188	758,987	1,088,227	899,548	1,616,533	713,892	239,637	272,784	152,184	218,195	4,352	324,928
Oct.	93,757 *z*	5,401	2,861,274	635,825	140,745	14,108	4,730,519	879,322	1,213,321	1,192,630	1,812,527	778,880	233,697	277,300	157,984	262,789	4,838	367,647
Nov.	96,023 *z*	4,602	2,646,689	664,709	125,739	12,613	4,735,939	735,051	1,173,329	1,244,357	1,857,981	706,796	222,307	261,084	166,336	243,139	4,872	328,525
Dec.	92,373 *z*	4,547	2,776,140	592,242	135,133	9,917	5,212,912	586,127	1,100,870	1,027,224	2,355,279	622,113	209,747	238,396	130,990	248,498	4,623	339,142
1929—Jan.	106,253 *z*	4,719	...	...	121,251	11,175	5,173,343	504,454	1,319,113	1,088,723	1,801,220	...	233,251	294,042	122,521	212,128	4,665	†371100
Feb.	91,350	...	...	...	...	...	...	...	...	...	...	...	...	...	...	188,515	...	...

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1913	43,771	...	302,882	7,778	53,113	...	573,351	33,482	841,436	*i* 9,917	209,303	...	255,453	...	68,112	114,700	2,626	204,024
1923	*t* 63,938	...	807,718	294,761	128,217	475,996	2,572,236	363,787	508,527	212,092	924,418	670,737	108,602	171,366	95,175	146,684	4,863	340,893
1924	*t* 66,747	4,190	1,151,126	408,519	184,874	655,483	2,530,743	407,078	545,971	273,081	1,197,746	794,898	138,388	181,437	105,079	172,511	5,472	374,804
1925	*t* 64,424	3,615	1,228,662	470,206	149,067	8,054	3,882,676	462,684	*h* 744,200	378,447	1,522,855	742,045	150,641	182,235	113,318	169,895	4,928	401,560
1926	*t* 54,234	3,432	1,661,198	468,133	117,131	8,020	4,936,893	467,985	*h* 827,500	452,479	1,555,877	651,515	145,767	187,192	118,293	153,041	3,435	392,643
1927	*t* 59,092	3,681	2,218,975	552,262	120,546	8,815	4,577,063	523,876	*h* 864,600	503,118	1,301,232	533,346	158,309	209,562	134,715	168,604	3,977	396,572
1928	*t* 60,286	3,779	2,505,935	†538600	128,415	10,596	4,278,900	516,251	*h* 982,100	387,951	1,207,259	537,058	165,515	208,999	130,578	177,870	...	420,537
															g			
1928—Jan.	59,743	3,076	1,945,846	581,427	114,384	8,204	4,016,537	226,741	861,933	732,308	1,032,315	430,299	139,509	218,414	83,334	153,529	4,765	401,913
Feb.	57,236	3,014	2,584,435	428,303	115,916	7,437	4,423,363	231,089	942,205	462,893	1,206,363	438,963	151,695	197,823	81,352	173,617	3,989	362,612
Mar.	64,958	3,066	2,732,431	415,397	133,761	7,886	4,318,909	276,060	1,021,581	320,180	1,169,886	503,217	173,308	208,415	90,964	190,770	4,314	409,961
April	55,268	2,962	2,158,396	450,688	120,322	8,233	4,291,078	235,185	923,977	508,009	1,072,926	428,538	152,031	184,521	87,462	167,788	4,868	356,057
May	58,554	3,513	2,363,105	446,691	130,886	11,570	3,985,452	484,511	895,420	299,310	1,104,387	431,660	169,335	201,775	134,760	172,382	4,537	413,829
June	59,472	4,225	2,456,978	370,547	128,965	13,144	4,214,438	522,308	892,951	237,052	*1,410,465	454,360	147,859	191,962	145,630	162,265	4,061	380,305
July	60,885	3,969	2,395,636	487,577	122,593	14,303	3,940,916	749,916	914,159	262,213	1,001,190	493,814	160,526	201,522	138,584	167,829	3,870	371,471
Aug.	62,217	4,011	2,297,883	731,204	136,005	13,465	4,170,011	821,144	1,025,793	292,771	1,115,252	693,801	187,627	196,333	148,701	167,895	3,326	371,428
Sept.	56,620	4,572	2,316,496	563,503	133,109	12,169	4,190,539	798,308	1,058,555	436,188	1,157,195	692,293	189,922	204,344	158,105	182,628	2,505	426,000
Oct.	64,313 *z*	4,753	2,914,030	569,935	152,963	12,208	4,448,456	734,176	949,810	680,661	1,299,512	666,068	179,384	238,695	165,569	206,234	5,542	544,022
Nov.	63,767 *z*	4,472	2,550,782	655,297	136,385	9,532	4,614,005	620,111	940,018	865,770	1,322,297	642,347	169,630	255,113	165,194	197,338	7,312	538,324
Dec.	60,394 *z*	3,711	3,355,204	534,924	134,511	8,995	4,733,095	495,461	978,364	1,184,690	1,635,282	569,339	164,758	209,173	167,280	192,161	5,921	475,602
1929—Jan.	66,880 *z*	3,149	...	...	118,034	7,900	3,701,892	309,660	1,104,928	1,037,058	1,039,245	...	152,192	215,834	109,414	153,892	5,483	†491000
Feb.	55,665	...	...	...	...	...	...	...	...	...	...	...	...	...	...	163,024	...	...

a Including bullion and specie. *b* Since 1922 declared values. *c* Including Dantzig. *d* Since January, 1922, gold marks valuation. *e* Until February, 1923, Julian Calendar. *f* Including bullion. *g* Declared values. *h* Returns have been officially revised. *i* Old Greece only. *m* Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." *t* From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. *s* Including bullion: until end 1924 Eesti mk. (1 Ekr. = 100 E mk.). *x* Average of two months. *z* Excluding parcels post. † Provisional figures. * Including parcel post for the half-year.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

	Value.							Quantity (Metric Tons).									
Period.	Australia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	Belgium.	Czecho-slovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Switzerland.	Brasil.
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis.										
	g	*b*					*a*	*g*	*o*			*e*					*f*
1913	6,355	152,725	54,917	1,785	3,365	60,474	83,958	2,721	...	3,685	*h* 6,069	*p* 84	...	3,739	...	661	494
1923	11,436	184,973	75,253	3,575	4,577	161,924	188,930	2,217	357	4,572	3,890	112	314	1,612	266	556	298
1924	11,960	196,493	67,350	3,995	5,302	240,726	232,463	2,784	482	4,716	3,216	150	376	1,888	201	564	369
1925	12,350	186,899	74,189	4,308	5,459	207,223	281,403	2,772	565	3,954	4,331	175	373	2,117	284	546	414
1926	13,429	196,673	84,028	4,074	5,848	192,101	225,463	2,859	554	3,783	3,606	156

CAPITAL ISSUES.—(000's omitted.)

Period.	United Kingdom.	Austria.	Czecho-Slovakia.	France.	Germany.	Italy.	Netherlands.	Poland.	Roumania.	Sweden.	Switzerland.	British India.	Japan.	United States.
Monthly Average.	£	Schill-ling.	Koruna.	Francs.	Mark.	Lire.	Gulden.	Zloty.	Lei.	Krouer.	Francs.	Rupees.	Yen.	Dollars.
		b		*d*	*m*	*f*	*ch*	*g*		*a*		*i*		*p*
1913	16·3	...	...	60	23	13	...	...	20	18	44	56	45	137
1922	47·8	4,227	98	1,274	6,609	232	33	...	245	27	67	37	180	285
1923	22·6	18,206	48	955	*p*	332	19	...	320	19	62	21	176	300
1924	17·4	26,992	31	605	15·0	504	30	3·1	262	20	51	19	219	268
1925	19·4	2·3	31	329	55·1	746	33	7·7	219	16	56	29	204	304
1926	19·2	2·4	24	412	74·8	473	48	6·1	541	13	59	16	228	307
1927	29·6	9·7	31	626	114·1	264	43	17·7	282	22	73	17	255	498
1928	30·8	10·3	60	896	110·0	450	...	23·0	384	31	57	24	...	604
1927.														
July-Sept.	17·4	9·3	21	413	82·7	350	40	21·9	196	9	71	15	202	336
Oct.-Dec..	35·1	14·5	37	870	103·4	177	42	28·3	253	20	...	16	365	644
1928.														
Apr.-June	25·2	12·9	64	777	137·0	446	42	23	436	44	107	20	412	717
July-Sept.	15·3	6·9	60	726	108·0	580	24	16·7	463	24	23	22	376	369
Oct.-Dec..	26·1	7·2	41	1,310	128·3	415	...	39·1	283	26	38	18	...	714
Oct.....	39·3	15·9	36	1,527	119·6	402	54	27·0	269	29	52	7	264	633
Nov.....	19·8	1·1	47	932	170·0	308	120	21·1	159	9	37	14	244	673
Dec.	19·3	5·4	42	1,471	95·2	534	...	69·1	422	39	23	33	...	833
1929.														
Jan.	42·6	...	24	770	226·8	233	...	...	374	12	...	...	...	609
Feb.	25·8	...	...	...	...	...	...	...	...	14·1	...	...	...	...

Unless otherwise stated, the figures represent authorised share issue of new joint stock companies at home, and the increase of capital of existing companies. Bonus shares are excluded from the figures of the U.S.A., Roumania, Switzerland and Czechoslovakia. *In the case of the Netherlands and the U.K. both bonus shares and conversions are excluded. b* Until end 1924, kronen. *c* Excluding Treasury Bills. *d* Exc. large railway issues. *f* "Rivista Bancaria." *h* Issues exceeding Pls. 100,000 on the Dutch market including Colonial, and since Jan. 1925, foreign issues. *i* Until Mar., 1924, new companies only. *m* Since 1924, excluding amalgamations and conversions. Until end 1922 paper mark. *o* "Société de Banque Suisse," invitation for subscriptions on Swiss market including obligations and Local Govt. loans. *p* "Journal of Commerce," subs. invited in home market by corporations for amounts exdg. $100,000. *y* Excluding Upper Silesia.

UNEMPLOYMENT.

Percentage of persons unemployed in trade unions or in official unemployment insurance schemes (Belgium and U.K.).

End of Month.	U.K.	Belgium.	Denmark.	Germany.	Netherlands.	Norway.	Sweden.	Australia.	Canada.
1921—June	17·8	9·9	16·8	3·0	8·1	20·6	27·7	12·5	13·2
December	16·2	6·6	25·2	1·6	16·6	23·4	33·2	9·5	15·1
1923—June	11·3	0·8	8·1	4·1	10·8	7·9	9·8	7·1	3·4
December	10·7	1·7	19·6	28·2	17·3	14·0	14·1	6·2	7·2
1924—June	9·4	1·0	5·1	10·4	7·2	4·3	7·3	8·3	5·9
December	10·7	1·5	13·2	8·1	12·3	12·5	15·5	10·3	11·6
1925—June	11·9	1·0	9·3	3·5	6·6	8·9	8·2	10·2	6·1
December	10·4	2·8	31·1	19·4	16·0	23·7	19·4	8·1	7·9
1926—June	*14·6	0·9	15·8	18·1	5·9	22·6	9·6	6·7	4·1
December	*11·9	2·6	32·7	16·7	12·1	27·7	19·0	5·7	5·9
1927—June	8·8	1·4	18·5	6·3	6·0	22·5	9·5	6·4	3·2
December	9·8	3·6	30·5	12·9	14·9	28·0	18·6	8·9	6·6
1928—February	10·4	1·2	25·9	10·4	9·0	25·9	13·4	...	7·0
March	9·6	0·8	22·5	9·2	6·3	24·4	13·3	10·7	6·5
April	9·6	0·8	17·6	6·9	5·0	28·8	7·6	...	5·2
May.....	9·9	0·7	14·3	6·3	4·4	18·0	8·1	...	3·7
June	10·8	0·6	13·7	6·2	4·4	14·4	7·6	11·2	3·2
July	11·7	0·7	13·5	6·3	5·3	15·5	7·2	...	2·5
August.....	11·7	0·5	13·1	6·5	5·2	16·1	7·0	...	2·4
September.....	11·5	0·6	12·2	6·6	4·8	17·4	7·7	11·4	2·2
October.....	11·8	0·6	14·8	7·3	†4·8	...	9·0	...	3·1
November	12·2	0·6	17·6	9·5	‡·2	...	10·9	...	4·2
December	11·2	1·2	25·0	16·7	†13·0	...	17·2	9·9	...
1929—January... ...	12·3	...	27·6	19·4	...	...	...	...	...
February	12·2	...	...	...	...	...	...	...	...
Number of Workers Covered by Last Returns.									
Millions	11·9	0·6	0·3	4·5	0·3	0·03	0·3	0·4	0·2

‡ Ex. Irish Free State since Mar., 1923.
* Workpeople in the coal mining industry, who ceased work on account of the dispute, are not included in this figure.
† Provisional figure.

BANK RATES.

	1923.	1924.	1925.	1926.	1927.	1928.	1929.
	End of	End of	End of	End of	End of	End of	End of
	June	Dec.	June	Dec.	June	Dec.	June	Dec.	June	Dec.	June	Dec.	Jan.	Feb.
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
London...	3	4	4	4	5	5	5	5	4½	4½	4½	4½	4½	5½
Paris	5	5	6	7	7	6	6	6½	5	5	3½	3½	3½	3½
Berlin ...	18	90	10	10	9	9	6½	6	6	7	7	7	6½	6½
NewYrk*	4½	4½	3½	3	3½	3½	3½	4	4	3½	4½	5	5	5
Amstrdm	4	4½	5	4½	4	5½	5½	3½	3½	4½	4½	4½	4½	4½
Brussels .	5½	5½	5½	5½	5½	7	7	7	5	4½	4	4	4	4
Rome	5½	5½	5½	7	7	7	7	7	7	7	5½	5½	6	†6
Switzerld	3	4	4	4	4	3½	3½	3½	3½	3½	3½	3½	3½	3½
Vienna ...	9	9	12	13	11	9	7½	7	6	6½	6	6½	6½	6½
Warsa w	12	48	12	12	12	12	12	9½	8	8	8	8	8	8
Tokyo	8	8	8	8	7·3	7·3	7·3	6·57	5·84	5·48	5·48	5·48	5·48	5·48
Calcut a	4	7	6	6	5	6	4	4	5	7	6	7	7	8

* Federal Reserve. † 7% as from Mar. 13.

SECURITY VALUES.

Base.	United Kingdom. "Banker's Magazine." 365 representative securities. Dec., 1921 = 100.			Netherlands. Official. 49 Ordinary Industrial Shares. 1921-25 = 100.	Sweden. Official Industrial and Shipping Shares. Nominal value = 100	Switzerland. Banque Nationale (*f*) 32 Industrial Shares.	Canada. Official. 79 Common Industrial Shares. 1913 = 100.	United States. "Wall Street Journal." 20 Common Industrial Shares.
	(*a*)	(*b*)	(*c*)	(*e*)	(*f*) (*b*)	(*g*)		(*d*)
1925—June	108·6	125·5	114·1	96	113	134·4	...	128·8
Dec.	108·8	132·5	116·5	95	131	144·6	...	154·2
1926—June	110·0	136·5	118·0	91	146	176·9	93·2	160·1
Dec.	109·3	135·7	120·4	91	150	175·4	107·0	159·3
1927—June	110·1	141·5	122·8	102	153	189·9	121·5	169·2
Dec.	111·2	146·9	123·9	103	181	223·2	161·6	198·5
1928—Feb.	112·3	147·7	125·3	115	207	242·3	167·6	195·6
Mar.	112·4	151·7	127·1	116	214	241·6	172·4	204·0
Apr.	113·7	154·7	127·2	118	218	247·4	177·0	211·7
May	112·4	157·8	125·4	117	226	248·8	184·4	217·2
June	112·4	152·7	124·9	111	226	243·6	170·0	209·1
July	112·1	151·7	125·7	109	214	239·9	169·6	211·1
Aug.	112·1	154·2	126·3	113	230	249·5	166·5	224·0
Sept.	111·7	156·7	127·3	115	239	256·1	185·3	239·8
Oct.	112·3	158·7	127·4	112	234	255·3	201·2	248·7
Nov.	112·1	159·4	127·3	113	249	251·3	229·3	273·8
Dec.	112·1	158·8	129 6	115	252	252·8	237·3	280·8
1929—Jan.	113·4	163·4	128·1	120	256	254·1	...	...
Feb.	111·7	162·0	...	...	253	249·3	...	...

(*a*) Fixed interest. (*b*) Variable dividend. (*c*) Total. (*d*) Monthly average. (*e*) Average of highest and lowest quotations on each Wednesday. (*f*) Shares of companies with a capital of more than 5 millions. The composition of this class, therefore, is not invariable. (*g*) On 25th of month. (*h*) End of month.

LONDON BANKERS' CLEARING RETURNS.

(000's omitted.)

	Town.	Metropolitan.	Country.	Total.
	£	£	£	£
1913	14,191,275	855,648	1,389,481	16,436,404
1923	32,270,373	1,546,565	2,810,654	36,627,592
1924	35,038,605	1,594,114	2,900,145	39,532,864
1925	35,801,264	1,674,347	2,957,508	40,347,119
1926	35,346,429	1,660,757	2,817,868	39,825,054
1927	36,819,682	1,758,032	2,972,827	41,550,541
1928 (Mar. 15)....	8,043,629	380,918	633,093	9,057,640
1929 (Mar. 13)...	8,439,837	393,470	631,505	9,464,812

U.K. IMPORTS AND EXPORTS.—(000,000's omitted.)

	Food.		Raw Materials.		Manufactures.		Imports of			Exports of		
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Wheat.	Raw Cotton.	Sheep's & Lambs' Wool.	Cotton Piece Goods.	Iron and Steel.	Coal.
	£	£	£	£	£	£	Cwts.	Centals.	Centals.	Sq. Yds.	Tons.	Tons.
Monthly average, 1913	24·2	2·7	23·5	5·8	16·1	34·3	8·8	1·8	0·7	*589	0·41	6·1
" 1921	47·2	3·1	23·3	5·3	20·4	49·1	6·7	1·0	0·6	242	0·14	2·0
" 1922	39·3	3·0	24·8	8·5	19·1	47·3	8·0	1·2	0·9	349	0·28	5·3
" 1923	42·5	3·7	27·1	10·9	21·4	48·3	8·4	1·1	0·6	345	0·36	6·6
" 1924	47·6	4·7	33·4	8·9	25·0	51·5	9·9	1·3	0·6	370	0·32	5·1
" 1925	47·6	4·6	35·4	7·0	26·7	51·4	8·1	1·6	0·6	370	0·31	4·2
" 1926	41·9	4·2	32·7	3·9	26·3	44·9	8·1	1·5	0·7	319	0·26	4·2
" 1927	44·9	4·4	29·3	6·4	26·9	47·0	9·2	1·3	0·7	343	0·35	1·7
" 1928	44·3	4·5	27·9	5·8	25·7	48·2	8·6	1·1	0·7	322	0·36	4·3
November, "	48·4	5·6	29·9	6·1	27·3	49·9	8·4	2·2	0·3	331	0·40	4·2
December, "	45·3	4·6	30·9	6·3	24·4	46·8	10·4	2·2	0·5	290	0·36	4·2
January, 1929	49·1	4·2	39·1	6·6	26·8	53·8	9·2	2·4	1·0	379	0·42	4·2
February, "	40·5	4·0	27·0	5·6	23·1	44·3	7·1	1·3	1·0	326	0·38	3·9

* Yards.

RAILWAY STATISTICS—(000,000's omitted.)

	Great Britain (*g*). Gross Receipts.		Great Britain (*g*). Freight Traffic (*f*).					Austria.	Germany.	Italy.	Canada.	United States.
	Passengers.	Freight.	Merchandise.*	Coal, &c.	Other Minerals.	Total.						
	£	£	Tons.	Tons.	Tons.	Tons.	Ton-Miles.	(*b*) Tonnes-Km	(*a*) Tonnes-Km	(*e*) Tonnes-Km	(*c*) (*d*) (*e*) Ton-Miles.	(*d*) (*e*) Ton-Miles.
1926—June	4·4	5·3	4·7	1·9	3·6	10·2	704	1,202	4,695	1,132	2,846	39,237
December	4·7	8·5	4·9	15·9	4·1	24·8	1,392	1,321	5,641	1,094	3,641	40,996
1927—June	6·1	8·8	5·1	15·5	5·8	26·4	1,401	1,249	5,126	...	2,611	38,483
December	4·8	8·7	5·1	17·2	4·8	27·2	1,400	1,209	5,398	928	4,128	34,580
1928—January	3·8	8·6	5·0	16·7	4·5	26·2	1,405	1,178	5,593	858	3,506	36,271
February	3·5	8·8	5·0	15·5	4·9	25·4	1,384	1,165	5,481	919	3,338	35,701
March	4·0	9·5	5·5	17·2	5·5	28·1	1,527	1,273	6,011	1,012	3,328	39,467
April.....	5·1	8·2	4·7	14·4	4·9	24·0	1,273	1,202	4,861	938	2,806	35,866
May	5·2	8·7	5·1	14·9	5·6	25·6	1,363	1,275	5,151	1,027	3,465	39,250
June	5·5	8·3	4·8	14·9	5·3	25·0	1,324	1,325	5,528	1,038	3,129	37,304
July.....	7·3	8·2	4·8	14·0	5·1	23·9	1,312	1,430	5,524	1,017	3,091	39,196
August	8·5	8·4	5·0	14·7	5·0	24·7	1,359	1,417	5,835	980	2,942	42,406
September	5·8	8·5	5·0	14·7	4·9	24·6	1,394	1,348	6,258	...	4,251	43,778
October	6·7	9·4	5·7	16·2	5·3	27·2	1,490	1,324	6,049	...	5,958	48,206
November	3·6	9·0	5·3	16·1	5·2	26·7	1,432	1,279	5,332	...	5,779	41,965
December.....	4·6	8·3	4·7	16·1	4·8	25·6	1,352	1,282	4,715	...	...	37,645

* Inc. live-stock. (*a*) "Reichsbahn." Exc. free-hauled. (*b*) State and private railways, including freight on foreign lines. (*c*) Railways with annual operating revenues of at least $500,000. (*d*) Short tons = kg. 907·18; mile = metres 1,609·34. (*e*) Including free-hauled. (*f*) Excluding free-hauled. (*g*) Long ton = kg. 1,016·05; mile = metres 1,609·3.4.

London: Printed for the Proprietors THE ECONOMIST NEWSPAPER, Ltd., by EYRE & SPOTTISWOODE, Ltd., His Majesty's Printers, East Harding Street, London, E.C.4.
Published by the Proprietors at 6, Bouverie Street, Fleet Street, E.C.4.—Saturday, March 30, 1929.

The Economist
MONTHLY SUPPLEMENT.

New Series. SATURDAY, APRIL 27, 1929. No. 71.

In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations, supplemented from our statistical records. We propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.*

* "League of Nations Monthly Bulletin of Statistics," 1s. 6d.

THE STATE OF TRADE AT HOME AND ABROAD.

In judging the present trade indications, there is one all-important factor that must be taken into account. This is that, on the analogy of recent years, April is the critical month of the year. For the past six or seven years, the first quarter has always shown signs of promise, but in each year as soon as May was reached the revival in trade has been suddenly nipped in the bud. On some occasions an obvious cause for this set-back appeared, as witness the adaptation of price levels in 1925 and the general strike in the following year. At other times, as, for example, a year ago, there was no apparent reason for the check, but, nevertheless, it occurred. Once more the year has reached its turning-point, and the outlook must be considered in that light.

On the whole, the omens are favourable. Unemployment recorded a substantial improvement during March. Part of this recovery was due to the resumption of work in the outdoor occupations following the break-up of the frost, but in addition to the improvement in building there was a shrinkage of unemployment in such staple trades as coal mining, iron and steel, general and marine engineering, textiles, clothing and pottery. The only setback was a slight one in shipping services, and altogether the returns of unemployment for the end of March are the most encouraging that there have been for a long time.

To turn to more recent reports from industrial centres, these are of a more variable character. In the coal trade, export demand has lately been good, but this was the result of the dislocation of the Continental coal trade caused by the frost. The European mines are now once more getting into their swing, and it is a moot question how much we can hold of our newly-won ground. On the whole, the outlook is not too bad, but Scotland reports a lack of business and prices generally are inclined to weaken in iron and steel.

Iron and steel production is increasing, and present indications are that the peak for the year will be reached in May, which is the normal practice. A set-back is anticipated in the summer, though if the railways take early advantage of the development programme indicated for them by the remission of the passenger duty, the setback may not be very pronounced. The main cause of anxiety to the steel industry is the recent falling-off in new orders for ships. This will not make its effect felt until the autumn, as the yards now have plenty of work on hand, but unless the demand for tonnage is renewed, steel-makers fear that their output will suffer before long.

Engineering has improved its position since the new year. Some textile machinists have obtained good orders from Russia as the result of the trade delegation, and marine engineers are very busy and do not share the anxiety regarding the shipbuilding outlook that is felt in the steel trade.

The textile trades are less reassuring. Demand for cotton goods has fallen away during the last few weeks, and the industry is far from satisfied with the present position. The wool industry is, perhaps, a shade more confident, while reports from the linen and rayon trades are, on the whole, good: In general, it would seem that there is, this year, a fair chance of escaping the May set-back to British trade. Even if the election retards business while it is actually in progress, there is equally likely to be a rebound once the result is known and uncertainty is allayed. The outlook in the heavy industries is, on the whole, encouraging, especially in comparison with previous years. Here much depends on how far we can retain the new coal export trade, won back early this year, and on how far the falling-off in orders for ships persists and adversely affects other trades, such as iron and steel and engineering.

The monetary outlook is more settled, and it is significant that, whereas a month ago, the market was discussing the possibility of a rise in Bank rate, they are now less inclined to expect it. These hopes, like the fears of a month ago, are likely to prove unfounded. A 5½ per cent. rate is enabling the Bank to hold its own, and slowly to augment its supplies of gold in readiness for the autumn strain, but it is doing little more, and at the moment a decline even to 5 per cent. seems very unlikely. At the same time, industrial conditions seem to be accommodating themselves to high money rates, and the knowledge that conditions are likely to remain stable is in itself a help.

Abroad, Empire news, is, on the whole, good, though perhaps not quite so satisfactory as in previous months; still, the breaking of the Queensland drought is a very

HOME TRADE STATISTICS—MARCH, 1929

	Feb.	Mar.	Compared with Mar., '28.
UNEMPLOYMENT—			
(State Insurance %)	12·2	10·1	+ 0·6
PRODUCTION—			
Coal (million tons)*	5·3	5·5	+ 0·5
Iron (thous. „)	520	591	— 2
Steel („ „)	775	860	+ 67
FOREIGN TRADE—			
Imports (million £'s)	91·3	98·6	— 11·9
Re-exports („ „)	10·3	10·0	— 1·3
Exports („ „)	55·7	58·6	— 6·3
TRANSPORT—			
Railway Receipts* (£0,000).....	311	346	+ 15
Shipping Freights (av. level[1])	124·1	119·4	+ 11
COMMODITY PRICES („ „ [2])	95·6	96·1	— 3·8
TRADE DISPUTES (thous. working days lost)	78	133	— 35
SECURITY VALUES (av. level[3])	128·1	127·3	+ 2·0
FINANCIAL DATA—			
Bank Notes (million £'s)* ..	354	375	+ 6
Currency Notes („ „)* ..			
Bank Deposits („ „)* ..	1,814	1,777	+ 68
Bank Advances („ „)* ..	983	996	+ 51
Banks Cash Ratio [4] (%)*.....	10·5	10·6	— 0·5
Bank Clearings:			
London (million £'s)*.....	898	892	+ 73
Manchester („ „)* ...	13·9	13·6	— 0·5
Three months' Bank Drafts (Discount Rate %)*.....	5½	5 11/16	+ 1 1/16
Day-to-day Loans (%)*	4 7/8	4 3/4	+ 1 1/8

(1) 1913 = 100. (2) *Economist* Index No.; 1927 = 100 (3) *Bankers' Magazine* Index No. of 365 securities; December, 1921 = 100. (4) Cash in hand and at Bank of England as % of total current, deposit, and other accounts.

* Average weekly figures.

satisfactory feature. American industry continues to prosper, while on the Continent, the more important trades have lately been engaged in recovering from the disturbances of the severe weather of February. The damage wrought was apparently very severe. South American news is on the whole satisfactory, though the position in Brazil is difficult and commercial affairs in Mexico are hampered by the political situation. Far Eastern reports are not quite so satisfactory, as the position in China is not so reassuring as a month ago.

HOME INDUSTRIES.

Coal.—Current export trade remains active, but there are signs that German and Polish producers have now recovered from the effects of the cold weather of February and are once more becoming able to compete on normal terms. This fact makes the outlook for the British industry less certain, and already in Scotland there are signs of weakness. At home the demand for house coal is undergoing its seasonal shrinkage in volume, but orders for industrial fuel are well maintained.

Iron and Steel.—Production is well maintained, and this year seems likely to reach the seasonal peak in May, which is the month in which the maximum output is usually recorded. The position consequently is better than that of last year, when the peak was reached as early as March. The recent unofficial but effective advance of 1s. 6d. per ton in Cleveland pig-iron is also indicative of the state of trade, and there is good ground for hoping that the May set-back in trade will this year be largely avoided. To-day the chief ground of anxiety is that orders from the shipbuilding industry are beginning to fall away, but even so, the shipyards have enough work in hand to last them for some time.

Engineering.—Trade has lately undergone a slight improvement, and the outlook is more hopeful than at the New Year. The election may be the cause of a slight recession during May, but even if this is the case, there should be a recovery the following month, when the result of the election is known. Meanwhile, at least one firm of textile machinists has secured a large order from Russia as a result of the trade delegation to that country. The locomotive section remains very busy, and the recent slight improvement in the agricultural machinery section is maintained. There is no change to record in the machine tool trades, but marine engineering firms remain busy.

Electrical Industry.—The following index of production in the electrical industry is copyright by the Economic and Statistical Department of the British Electrical and Allied Manufacturers' Association. An explanation of the manner in which it has been computed will be found on page 888 of the *Economist* of November 28, 1925.

INDEX of ACTIVITY in the ELECTRICITY INDUSTRY.
(1920 = 100.)

1925.	Home.	Export.	Total.
October	67	125	81
November	68	124	81
December	76	117	86
1926.			
January	75	110	84
February	74	106	82
March	80	101	85
April	83	100	87
May	83	104	88
June	82	110	89
July	80	79	80
August	84	83	84
September	87	70	83
October	89	86	88
November	93	103	95
December	94	143	106
1927.			
January	95	152	109
February	92	159	108
March	89	163	107
April	90	181	112
May	88	200	116
June	94	234	128

1927.	Home.	Export.	Total
July	93	231	126
August	90	236	126
September	87	230	122
October	81	208	112
November	80	192	107
December	69	160	92
1928.			
January	68	148	88
February	68	143	87
March	71	141	89
April	70	122	84
May	68	108	79
June	68	105	78
July	71	80	74
August	74	86	78
September	81	102	88
October	83	107	91
November	85	105	93
December	93	103	96
1929.			
January	92	122	99
February	92	126	101
March	88	126	97

Little change is noticeable in the home industry, the chief feature of interest being the news that the Central Electricity Board has already placed orders for transformers and switchgear to the value of £3,000,000. Export business is satisfactory. Continental demand has improved, mainly owing to the weakening of German competition.

Motor Industry.—The private car section remains fairly satisfactory, although greater seasonal activity might have been expected. The commercial vehicle section continues at a high level, with a brisk demand for coaches. Exports in both these sections are encouraging, and exceed by a good margin those for the corresponding month last year. A high level of activity in maintained in the motor cycle and cycle industries, both in home and overseas markets.

Cotton.—Since a month ago cotton spinners and manufacturers in Lancashire have tended to lose ground. Order lists are lighter, and stocks in some quarters have increased. The decline in trade for India has been largely due to the political disturbances and to increased nervousness on the part of dealers abroad and merchants on this side. China trade has also met with a set-back, but cables received during the last day or two are rather more promising. A fair scattered business has been done for several minor outlets, but very little support has come from Egypt and the Near East. A fair amount of activity has shown itself in the home trade. Spinners of American cotton continue to meet with difficulties, and prices are worse than ever. No relief has been met with by Egyptian spinners, and it has been decided to continue the organised short time in this branch for another month.

Wool.—Inquiries for tops and yarns have lately been a little better, but prices for merinos still seem rather high to buyers. In the piece-goods trade, men's fabrics are selling well, but business in dress goods is slow.

Linen.—Irish flax markets are now closing down, with prices firm. Some business is reported in Baltic flax. Yarns are moving slowly, but demand is sufficient to balance production. Looms are decidedly better employed, and some of the largest factories are fully engaged. Exports of finished linens are well up to the average.

Rayon.—There has been a gradual increase in demand for rayon yarns. The good qualities and fine filament types in both acetate and viscose are in keen request, but there is still a surplus of the lower-grade viscose yarns, and price-cutting among the smaller companies is still a menace. Business in the dress-goods trade is active, both for the home market and the Dominions, but in other directions foreign business is quiet.

Boots and Shoes.—Owing to the stablisation of raw material and prices the outlook is becoming rather better, and Northampton makers report production to be improving. Export trade is maintained, and home stocks in the hands of retailers are reported to be running rather low.

Pottery.—Shipments of china have decreased in value, but good overseas orders for sanitary ware have come to hand, and employment in this section remains satisfactory. Employment is also good in the electric accessory and encaustic tile branches.

Chemical Industry.—Overseas trade during March was dull compared with that of March, 1928, and thus followed a similar feature of the February trade. On the first three months of the year there is still, however, a favourable balance to 1929. Since Easter there has been a progressive development in business both at home and abroad, and in particular the pharmaceutical markets have enjoyed quite a reasonable demand. In consequence, it is to be expected that April business will show a return to the better levels of last year.

Building Trades.—As a result of the favourable weather and the general resumption of work, employment improved greatly during March in both the building and brick trades. London and the South of England remain the most satisfactory areas.

Agriculture.—Excellent progress was made with cultivation and sowing during the latter half of March, and good seed beds were obtained even on heavy soils. With the advent of the warmer weather, some improvement was noticeable in autumn-sown crops, but much re-sowing will be necessary. Good progress was made with the preparation of land for potatoes, and some earlies have been planted. The fall of lambs in lowland districts was satisfactory, but in some hill districts prospects were not very promising owing to the poor condition of the ewes. Pastures were very bare until the end of the month. Milk yields were about up to average.

Shipping.—The freight market for cargo shipping in April has been inactive, except for the sustained demand to load grain from the Argentine. Elsewhere business has been quiet, and rates have had a weaker tendency.

Retail Trade.—In spite of the recurrence of cold weather during early April, retail trade maintained its level, and there is every prospect of improvement in the near future.

BRITISH EMPIRE.

Farming operations in Canada received a passing check from severe blizzards experienced in early April, but this set-back should soon be overcome, and meanwhile general business conditions remain favourable.

Reports from Australia state that this year better rains have fallen in the Eastern States than have been experienced for many years. In Western Queensland the drought is now definitely broken. This auspicious opening of the autumn season is inspiring wheat growers and other farmers with fresh confidence.

India reports light rainfall in the North-East districts, which has greatly benefited standing crops. Elsewhere the weather remains dry, and rain is badly needed in the Punjab. In the North-West provinces farming operations are progressing favourably and standing crops are doing well.

South African trade has lately been quieter, but this is believed to be mainly due to the seasonal trend, and the outlook remains satisfactory. Farming prospects are good, especially for pastoralists, who are now assured of adequate winter feeding throughout the greater part of the country.

UNITED STATES OF AMERICA.

The following indices of American economic conditions have been forwarded to us by Moody's Investors' Service, of New York and London, and may serve as an indication of the main features in the business situation as it existed last month:—

AMERICAN TRADE STATISTICS—MARCH, 1929.

	Feb.	Mar.	Compared with Mar.,'28.
EMPLOYMENT†—(June, 1914=100)	112·9	113·8	+ 5·2
PRODUCTION—			
Bituminous coal (Thous. tons)	47,271	39,210	– 1,037
Pig-iron („ „)	3,206	3,714	+ 515
Steel („ „)	4,318	5,049	+ 542
Unfilled orders, U.S. Steel Corporation (Thous. tons)	4,144	4,410	+ 75
Building permits (Thous. $)	225,918	365,546	+ 28,153
FOREIGN TRADE—			
Imports (Thous. $)	371,448	*x*	*x*
Exports („)	442,456	*x*	*x*
TRANSPORT—			
Freight car loadings (Thous. cars)	3,984	3,831	+ 27
SECURITIES—			
20 industrial stocks—Highest quotations‡	322·6	321·2	+ 107
Lowest quotations‡	295·84	296·5	+ 102
Thous. shares sold during month —(New York)	77,969	105,662	+ 20,674
New securities issued (Thous. $)	1,021,025	1,049,863	+ 235,245
BANK CLEARINGS—			
New York (Million $)	35,023	42,319	+ 6,865
Other cities („ „)	18,093	20,181	+ 463
RETAIL BUSINESS—			
Total sales, mail order houses (Thous. $)	46,397	53,413	+ 11,625

* Preliminary estimates made by Messrs. Moody, subject to revision. † Based on reports of U.S. Labour Bureau and of Bureaux of the States of New York, Wisconsin, and Pennsylvania. ‡ Average of actual prices. *x* Not available.

Trade and industry were maintained at high levels during March, and, from the preliminary returns, it is evident that new records have been established both for the month and for the first quarter of the year. With the single exception of construction projects, the basic industries have been unusually active since the beginning of the year, trade in general has shown definite expansion, and goods have moved through distributive channels in a satisfactory manner. Inventories are relatively low; consumer purchasing power is high; the agricultural situation appears to have improved; and, in spite of the unsettled condition of the money market, there is a general air of confidence on the part of business men.

EUROPE.

The French coal industry is still engaged in replenishing stocks which were depleted during the February frosts. The iron and steel trades remain firm, with good export demand. Conditions in the textile industries are irregular, the cotton trades being perhaps the least favourable.

The Belgian coal trade is active, but the iron and steel industries are quieter, with some signs of anxiety regarding new orders.

The German industrial situation shows little change. The iron and steel industry has not yet recovered from the depression caused by the frost, while the coal trade is still overshadowed by the wages negotiations now in progress.

In Holland the chief event of the month was the increase in the Bank rate. So far there is little sign of any adverse effect internally.

Scandinavian trade has been crippled by the prolonged frost, which impeded shipping until nearly the end of March. Employment in the leading Swedish industries, however, has been good, while Norwegian manufacturers regard the outlook with confidence.

In Austria business has still to recover from the dislocation caused by the February frost.

SOUTH AMERICA.

There have been no outstanding developments in Argentine conditions during the past month, although mail advices indicate that the maize crop has been rather severely affected by dry weather, and it is possible that the yield may be 30 to 40 per cent. less than last year. The lack of rain, however, has assisted the farmers with their threshing operations, and has facilitated the carting of wheat to the stations. Business in general in the Republic has been quiet, on account of the summer holiday season, but the economic situation remains intrinsically sound, and prospects for autumn trade activities are favourable. The commercial movement in Chile is maintained, and the recent tone in the import markets appears to indicate anticipations of an increased retail demand during the approaching autumn and winter seasons. With the recent improvement in weather conditions in Europe, the demand for Chilean nitrate of soda became more active, and heavy deliveries have been taking place. The Brazilian situation is difficult, with monetary stringency in evidence, and caution is necessary in executing orders. The Peruvian markets are generally dull, orders being restricted to those necessary to cover immediate requirements, and in Mexico commerce is overshadowed by the continuance of the revolution. In Central America, business is generally normal, although it is to be noted that some measure of stringency is in evidence in Colombia, the Banco de la Republica having raised its rediscount rate from 7 to 8 per cent.

FAR EAST.

Japanese foreign trade was perhaps less satisfactory during the first quarter of 1929 than at the same period in the preceding year, but according to the Japanese Finance Minister the settlement of Tsinan will promote an improvement of trading with China. The same authority added that the Government are endeavouring to remove the embargo on the export of gold at an early date. Meanwhile business remains slow. At the end of March the Chinese outlook seemed less favourable owing to the anxiety regarding the agricultural situation. Later reports are slightly more hopeful. The Shanghai market was reported to be steady, with a fair demand for cotton goods at steady prices. The Japanese boycott has come to an end.

ELECTRICAL PRODUCTION.

In the *Economist* of July 10, 1926 (pages 57-8), we published a new index of electrical production in the chief industrial areas of Great Britain. We show below a *résumé* of the results achieved during recent periods:—

INDEX of PRODUCTION of ELECTRICITY.*
(Monthly Average 1923-24 = 100.)

Date.	Britain, excluding London and Wales.	Coal Mining, Iron and Steel, Shipbuilding, Heavy Engineering.	General Engineering and Automobile Construction.	Chemicals.	Marine Transport, Docks, etc.	Textiles, Cotton and Wool.
1926						
January	139	138	162	184	155	135
February	141	153	161	192	150	134
March	135	136	155	161	139	131
April	119	121	128	153	127	114
May	93	88	103	145	99	90
June	100	88	119	157	114	105
July	91	77	123	147	110	97
August	96	84	112	149	110	101
September	105	88	132	163	127	112
October	125	110	148	149	148	131
November	136	119	159	167	161	145
December	148	141	157	183	163	148
1927.						
January	158	155	167	212	179	161
February	157	156	165	212	169	150
March	147	152	153	187	155	140
April	144	144	146	208	151	136
May	138	139	151	198	150	129
June	126	128	136	206	131	114
July	123	118	135	184	140	119
August	123	124	130	201	142	113
September	138	133	157	228	159	131
October	152	146	166	228	175	146
November	166	155	190	236	192	162
December	180	170	200	220	210	172
1928.						
January	174	164	195	232	199	172
February	170	162	188	249	195	164
March	170	165	192	252	195	159
April	149	149	164	226	164	132
May	140	136	170	223	163	125
June	141	138	160	248	158	130
July	131	127	149	248	151	124
August	130	131	131	227	147	116
September	150	145	164	263	175	138
October	161	153	185	245	189	154
November	178	164	215	240	206	169
December	181	171	210	195	210	176
1929.						
January	187	172	234	236	220	190
February	195	182	248	250	222	188
March	175	169	215	268	192	162

* Prepared by the economic and statistical department of the British Electrical and Allied Manufacturers' Association.

The March figures are not very satisfactory. The chemical index records progress, but compared with a year ago the figure for the heavy industries is barely holding its own, while during the current year the marine transport index has definitely receded.

INDICES OF BUSINESS ACTIVITY.

THE "corrected" averages of our series of Index Numbers of Business Activity for the three months ended March 31st suggest that the gradual betterment, of which faint and tentative signs have been discernible since the beginning of the year, continued, on the whole, to make slow progress last month. An encouraging feature in March was the material expansion in the volume of employment, particularly in the case of "Heavy" industry, the index figure for which now stands at a level higher than that recorded for any month since May, 1928. Employment in "General" industry, some sections of which had suffered a setback through the abnormally severe weather in February, also recovered during March; and the total numbers of persons employed in British industry at the end of last month was greater than at any time last year—the three-monthly average figure, being, of course, still adversely affected by the slackness of employment in January.

Turning from employment to other phases of business activity, it will be seen that, despite the fact that Good Friday fell this year in March, the indices of consumption of coal and electricity make a satisfactory showing. Even when due allowance is made for the effects of an unusually cold spring in stimulating demand for domestic purposes, the fact that both these power indices were higher in March than in the corresponding month of any of the past five years is an encouraging indication that production in many branches of industry must have been proceeding at a fairly high rate—an indication supported by the substantial recovery which has been made since last November by the index of provincial bank clearings. The latest figure for iron and steel consumption is still disappointingly low (the three-monthly average being depressed by the poor results of January and February), but in this direction also March witnessed a materially better tendency. The decline in the indices of net imports of raw materials (revised figures for which are now available for the first quarter of the year) and of non-ferrous metals is a normal seasonal movement, whereas the consumption of cotton, which normally slackens in March, recorded an encouraging expansion. It is satisfactory, moreover, to note that the quarterly figure of net imports of raw materials works out at 124, against 111 in the first three months of last year.

With regard to other indices, London bank clearings, it will be noted, continued to reach fresh high levels. The volume of Postal traffic, on the other hand, was fractionally lower (calculated as a three-monthly average) than a year ago. The tonnage of merchandise carried by the railways—the latest figures for which relate to the month of January—makes a poor showing, but the index of shipping movements throughout the past quarter has been appreciably above the figure for the first three months of 1928.

In the following table we give the quarterly figures for January-March of our indices of exports of British manufactures and of total foreign trade turnover.

Average 1924 = 100.

	Exports British Manufactures.	Foreign Trade Turnover.
January-March, 1924	96	95
" 1925	108	107.5
" 1926	106.5	107
" 1927	100	112
" 1928	108	109
" 1929	109	110.5

An encouraging feature of the foregoing table is the revelation of a steady growth in our manufactured exports during the past two years, despite the depression in certain of our staple industries.

INDICES OF BUSINESS ACTIVITY.

1924 = 100.

Period.	Net Imports. Raw Materials.	Net Imports. Non-Ferrous Metals.	Consumption of Iron and Steel.	Consumption of Cotton.	Consumption of Rubber.	Consumption of Power. Coal.	Consumption of Power. Electricity.	Volume of Employment. Heavy Industry.	Volume of Employment. "General" Industry.	Volume of Employment. Miscellaneous Services.	Volume of Employment. Total.	Merchandise on Railways.	Provincial Bank Clearings.	Postal Traffic.	Shipping Movements.	London Bank Clearings.	Exports British Manufactures.	Foreign Trade Turnover. (Quarterly Figs.).
Monthly Average.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1919	113	74	96	109	143	89	...	...	...	...	...	109	92	...	59b	54	74	79
1920	106	71	99	113	134	91	...	...	...	...	...	100	113	...	69b	65	101	87
1921	56	50	43	74	79	69	...	...	...	...	...	81	82	...	66	76	67	68
1922	89	63	34	99	58	87	...	...	...	...	...	84	97	...	91	97	88	85
1923	88	92	69	93	118	91	...	...	...	...	...	97	98	...	101	97	95	94
1924	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1925	107	107	89	116	137	93	101	90	103	103	101	98	102	103·5	98	104	101·5	102
1926	107a	100	57	98	175	72	92	57	101	104	95·5	88	94	103·5	90	109	94	100
1927	113a	106	133	113	197	106	109	87	108	108	105	99	102	109·5	105	117	104·5	107·5
1928	101	113	88	103	212	99	110	81·5	108	109·5	105	93	100·5	114	106·5	125	108	106
"Corrected" average for 3 months ended:																		
1928—March	111	124	102	110	248	114	123	86·5	108	109	105	96	106	117·5	97	125	108	...
April	108	119	98	110	305	105	117	86	108·5	109·5	105·5	93	107	116	98	124	106	...
May	108	116	91	104	246	102	108	85	109	110	106	94	105	113·5	104	124	107	105
June	99	118	87	104	152	93	101	83	108·5	110	105·5	90	102	111	107	124	107	105
July	94	114	84	102	139	91	97	80	108	110	105	91	100	110	112	126	103	105
August	88	113	83	98	143	88	95	78·5	107·5	110	104·5	90	96	110·5	114	126	107	105
Sept.	84	104	83	87	181	89	96	79	107	110	104	90	95	111	114	123	109	102
Oct.	86	104	83	92	257	95	103	79	107	109·5	104	95	91	114	117	123	108	102
Nov.	96	107	79	101	314	102	115	78·5	107·5	109	104	97	91	115·5	114	122	110	102
Dec.	111	110	76	109	310	103	122	79	107·5	109	104	96	97	116	111	125	110	112
1929—Jan.	134d	121	72	117	315	110	126	80·5	107	109	104	94	101	116	106	126	111	112
Feb.	129d	123	66	111	263	114	130	83	106·5	109	104	...	107	115	99	129	113	112
Mar.	124d	118	70	116	290	119	128	84	107	109	104·5	...	106	116	99	134	109	110·5
Mar. 1924	100	102	96	102	42	108	112	102·5	98·5	98·5	99·5	99	102	100	90	104	95	...
Mar. 1925	130	110	105	127	111	107	116	94·5	101·5	100·5	100	100	106	105·5	92	107	107	...
Mar. 1926	120	111	81	125	187	111	113	93·5	104	104	102·5	101	104	110·5	96	110	106	...
Mar. 1927	137a	110	175	132	221	111	118	88	105·5	106	103	101	102	111·5	97	114	100	...
Mar. 1928	111	124	102	110	248	114	123	86·5	108	109	105	96	106	117·5	97	125	108	...
Mar. 1929	124d	118	70	116	290	119	128	84	107	109	104·5	...	106	116	99	136	109	...

a Excluding coal imports. b Excluding Government War Movements. d Revised figure.

PRODUCTION. (Thousands of Metric Tons.)

COAL.

Period. Monthly Average.	United Kingdom.	Belgium.	Czecho-slovakia.	France.	Germany.	Nether-lands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.
	d		b k		g		b		j	e		
1913	24,337	1,903	1,189	3,338	15,842	156	748	1,119	665	1,311	1,776	43,088
1924	22,617	1,947	1,265	c3,668	9,897	490	2,685	762	944	1,717	2,509	43,213
1925	20,590	1,925	1,063	c3,921	11,052	571	2,423	719	983	1,693	2,622	43,988
1926	10,692	2,110	1,214	c4,285	12,114	721	2,979	974	1,038	1,703	2,433	49,729
1927	21,355	2,298	1,222	c4,315	12,800	777	3,174	1,028	1,006	1,778	2,597	45,197
1928	20,129	2,295	1,264	c4,228	12,573	891	3,383	1,036	1,014	...	...	43,025
				c								
1928—March	22,438	2,516	1,310	4,470	14,118	939	3,509	1,030	1,007	2,185	2,959	44,862
April	18,500	2,223	1,119	4,053	11,715	832	2,981	878	918	1,909	2,566	35,468
May	19,994	2,228	1,165	4,162	11,932	874	3,060	1,072	1,041	1,930	2,719	40,581
June	19,260	2,378	1,152	4,374	11,833	894	3,191	1,122	1,040	1,624	2,608	37,434
July	18,423	2,220	1,198	4,172	12,483	921	3,248	1,077	1,035	1,308	2,569	36,968
August	18,651	2,249	1,356	4,359	13,021	927	3,416	1,205	1,104	1,784	2,401	43,536
September	19,154	2,175	1,334	4,179	12,157	876	3,401	963	1,058	1,890	2,436	42,943
October	21,445	2,413	1,300	4,607	13,311	961	3,848	1,089	1,067	1,770	2,680	53,446
November	20,969	2,328	1,255	4,387	12,141	892	3,770	1,049	1,062	1,398	2,603	48,532
December	19,842	2,175	1,220	4,089	11,819	846	3,449	958	977	1,603	2,890	45,002
1929—January	22,792	2,454	1,342	4,425	13,490	m 980	4,039	950	1,049	1,865	...	53,336
February	21,397	2,015	1,294	i4,188	12,104	m 841	3,285	...	977	2,064	...	48,971
March	21,873	...	...	...	...	...	...	...	...	...	...	†40,600

LIGNITE.

Period. Monthly Average.	Austria.	Czecho-slovakia.	Germany.	Hungary.
	b	b k	g	b
1913	218	1,927	7,269	460
1924	231	1,705	10,386	529
1925	255	1,566	11,644	460
1926	247	1,589	11,596	485
1927	256	1,669	12,542	520
1928	...	1,726	13,852	...
1928—March	296	1,858	14,401	531
April	240	1,695	12,263	431
May	246	1,567	12,964	452
June	236	1,561	13,241	473
July	245	1,629	13,531	473
August	263	1,741	14,330	516
September	268	1,759	13,616	567
October	306	2,054	15,226	663
November	303	1,893	14,548	633
December	291	1,715	14,105	634
1929—January	315	1,943	14,817	671
February	307	1,670	13,689	...
March	...	...	...	...

PIG IRON.

Period. Monthly Average.	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.
					g	a	f		
1913	869	207	434	114	1,397	212	61	85	2,601
1924	619	237	c641	112	651	180	43	50	2,634
1925	530	212	c708	121	848	197	36	48	3,082
1926	208	283	c786	135	804	213	39	64	3,308
1927	617	313	c777	148	1,092	228	35	60	3,068
1928	560	325	c834	161	984	231	33	88	3,204
			c						
1928—March	602	327	857	169	1,170	240	35	80	3,251
April	572	313	854	156	1,045	227	29	76	3,237
May	601	329	871	164	1,044	234	33	89	3,337
June	573	321	844	157	1,021	230	29	99	3,131
July	546	324	836	160	1,035	225	26	97	3,121
August	527	329	858	161	1,031	234	23	93	3,187
September	512	325	822	158	985	231	31	92	3,110
October	552	344	857	169	1,016	236	39	95	3,428
November	553	331	850	169	l 267	229	45	97	3,356
December	549	345	882	167	883	234	40	105	3,424
1929—January	573	351	905	169	1,098	242	44	89	3,498
February	528	302	701	151	982	209	42	95	†3,325
March	600	...	...	...	1,061	...	...	...	3,774

STEEL.

Period. Monthly Average.	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.
			c		g	a	f		
1913	649	206	391	159	1,467	101	62	88	2,564
1924	694	240	575	121	820	157	46	55	3,117
1925	625	212	621	131	1,016	174	43	64	3,737
1926	304	281	703	145	1,028	187	43	66	3,794
1927	770	309	692	158	1,359	206	43	77	3,675
1928	722	328	770	173	1,210	214	50	105	4,221
			c						
1928—March	806	326	806	182	1,422	220	51	120	4,580
April	654	305	738	161	1,161	203	42	115	4,372
May	765	325	794	170	1,248	215	57	120	4,271
June	721	329	797	172	1,295	215	43	118	3,803
July	678	320	751	173	1,311	208	43	84	3,873
August	659	342	793	175	1,329	224	54	90	4,246
September	730	331	757	162	1,190	209	46	101	4,214
October	768	356	834	190	1,306	229	56	111	4,722
November	775	340	800	178	l 357	213	66	110	4,328
December	694	333	828	175	1,091	218	50	105	4,080
1929—January	774	357	837	183	1,470	225	47	118	4,561
February	793	302	738	161	1,270	195	56	109	4,394
March	874	...	...	...	1,314	...	...	...	†5,140

† Provisional figure. a Figures communicated by the "Groupement des Industries Sidérurgiques." b Present territory. c Including Alsace-Lorraine. d Saleable coal; since end 1921 excluding Ireland. e British Provinces only. f "Ekonomisk Oversikt." g From 1918 excluding Alsace-Lorraine and from 1919 excluding Saar; from 1922, excluding Polish Upper Silesia. i Including lignite. j Coal sold. k Until end 1925 saleable coal. l Lockout of the iron and steel trade. m Including Schlamm.

WHOLESALE PRICES.

Monthly Average.	U.K. Board of Trade.	U.K. *Economist.*	Belgium.	Czecho-slovakia.	Denmark.	France.	Germany (Official).	Holland.	Italy (Bachi).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Australia.	British India.	Canada.
			f		j		i					j						
1913	100	100	h100	h100	100	100	100	100	100	100	h100	100	100	100	h100	100	h100	100
1924	166·2	166·2	573	997	234	488·5	137·3	156	512	287	109·8	172	183	162	174·6	173·3	173	156·3
1925	159·1	160·9	558	1,008	176	549·8	141·8	155	596	253	125·4	183	188	161	161·6	169·5	159	160·3
1926	148·1	149·4	744	954	158	702·6	134·4	145	603	198	p181·2	177	181	149	144·5	168·4	148	156·3
1927	141·4	143·7	847	979	154	617·2	137·6	148	495	167	p118·6	171	172	146	142·2	167·0	148	152·7
1928	140·3	140·9	843	977	151	620·6	140·0	149	462	161	119·8	...	...	148	144·6	...	145	150·8
	b	b		d	e	b	b		b	c	p k	d	c		c		b	
1928—March	140·8	143·5	848	984	153	622·8	138·5	152	464	164	121·0	171	165	149	144·9	168·2	144	152·7
April	142·9	145·7	847	987	154	623·8	139·5	153	464	162	124·1	171	166	151	145·6	169·5	146	153·6
May	143·6	146·7	844	986	155	632·6	141·2	152	465	162	122·5	172	164	152	145·1	166·4	147	153·0
June	142·6	144·5	844	979	155	625·7	141·3	153	462	161	121·5	172	164	151	145·2	166·4	145	151·7
July	141·1	141·9	841	996	155	623·8	141·6	148	453	162	120·8	173	164	150	144·1	165·4	148	150·3
August	139·3	139·4	831	986	154	617·0	141·5	144	456	162	118·7	173	166	149	143·6	161·0	143	149·1
September	137·6	137·5	830	971	151	619·9	139·9	145	458	158	118·1	176	168	146	143·6	160·5	142	149·2
October	137·9	136·9	835	957	150	617·0	140·1	146	463	157	118·4	176	174	145	144·6	159·7	143	149·1
November	137·9	136·9	847	955	151	625·7	140·3	148	466	157	118·4	177	176	145	145·2	159·5	146	148·3
December	138·3	136·5	855	953	151	623·8	139·9	148	464	157	117·9	177	175	145	143·9	161·8	145	147·7
1929—January	138·3	136·1	867	950	151	630·6	138·9	146	461	154	115·5	177	171	144	142·5	164·2	145	147·7
February	138·4	137·3	865	964	159	638·5	139·3	146	463	155	117·1	...	...	145	142·9	...	...	149·5
March	140·1	138·1	869	...	154	639·4	139·6	...	461	155	...	...	...	...	141·8	...	...	...

a New index. b End of the month. c 15th of month. d Beginning of the following month. e Official. f Second half of month. g "Finanztidende." h 1914. i *Frankfurter Zeitung* index discontinued. j End year. k Average last week of month. l Since 1924, new series. p Since January, 1926, new index. s 000,000,000 omitted.

Wholesale Prices—*Continued.*

Monthly Average.	South Africa.	China.	Japan.	United States Bureau of Labour.
1913	100	100	100	100
1923	126·6	156·4	199·1	144·1
1924	128·7	153·9	206·5	140·5
1925	127·6	159·4	201·7	148·3
1926	123·3	164·1	178·9	143·3
1927	124·2	170·4	169·8	136·7
1928	129·8	...	170·9	140·0
		g		
1928—March	...	163·4	169·2	137·5
April	120·8	163·1	169·6	139·5
May	...	164·5	171·5	141·3
June	...	160·0	168·9	139·8
July	119·0	159·2	168·6	140·8
August	...	157·2	170·1	141·7
September	...	156·2	173·7	143·4
October	120·0	158·8	173·6	140·1
November	...	159·2	173·1	138·5
December	...	159·9	173·7	138·5
1929—January	119·9	160·1	172·2	139·3
February	...	...	171·0	138·5
March	...	...	...	...

Index Numbers of Retail Prices. Cost of Living.—(Base=100).

	U.K.	Irish Free State.	Austria.	Belgium.	Bulgaria.	France.	Germany.	Italy.	Spain.	Canada.	U.S.A.
No. of Towns and Localities.	630	105	Vienna.	59	12	Paris.	71	Milan.	Madrid.	60	32
Base.	July, 1914.	July, 1914.	July, 1914.	April, 1914.	1914.	1914.	Oct., 1913, Jan., April, June, 1914.	Jan.–June, 1914.	1914.	1913.	1913.
			a			d	h				
1924—July	171	183	86	125	2833	366	b 126·4	512	184	98·0	168
1925—July	173	188	97	133	3014	390	b 143·3	598	189	99·3	173
1926—July	170	182	103	174	2886	485	b 142·4	649	187	100·0	171
1927—July	164	171	106	204	2788	525	150·0	548	189	98·5	167
1928—July	165	173	108	205	...	105	152·6	145	...	99·1	166
					i		b				
1928—March	164	...	107	203	2791	507	150·6	145	176	98·8	...
April	164	170	107	204	2841	...	150·7	145	174	98·7	...
May	165	...	107	202	2857	...	150·6	144	171	98·4	...
June	165	...	109	204	2818	w 105	151·4	145	172	98·2	165
July	165	173	108	205	2861	...	152·6	143	173	98·4	...
August	165	...	108	206	2742	...	153·5	142	174	99·2	...
Sept.	166	...	109	209	2757	w 105	152·3	143	178	99·2	...
October	167	176	109	212	2796	...	152·1	144	179	99·9	...
Nov.	168	...	109	217	2826	...	152·3	146	181	99·7	...
Dec.	167	...	109	216	2816	w 108	152·7	147	187	99·7	166
1929—Jan.	165	177	109	216	...	...	153·1	148	184	99·6	...
Feb.	166	...	111	217	...	...	154·4	153	...	99·4	...
March	...	...	110	...	...	w 111	156·5	...	...	...	...

a The first of the following month. b Gold mark prices. c Since 1923 gold prices. d Yearly average. e Prices of foodstuffs average of quarter. g Last Wednesday of month. h Average of second quarter. i Excluding clothing and rent. 1927, new series. w Since date stabilisation gold standard index. v Since November,

FINANCE.

Notes in Circulation. (000,000's omitted.)

Period.	United Kingdom.		Austria.	Belgium.	Bulgaria.	Czechoslovakia.	Denmark.	Finland.	France.	Germany.		Greece.	Hungary.	Jugo-Slavia.	Netherlands.	
End of	Bank of England Notes.	Currency Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Reichsbank Notes.	"Rentenbank."	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.
	£	£	Schilling.	Francs.	Leva.	Koruna.	Kron.	Markat.	Francs.	Reichsmark.	Rentenmks.	Drachmæ	Pengö.	Dinars.	Gulden.	Gulden.
1913	a 29·6	...	...	1,067	189	...	152	113	v 5,714	g 2,742	i	245	k ...	u ...	313	...
1922	102·1	b 295·4	c4,080,177	6,876	3,886	10,064	459	1,421	36,359	1,293,758	...	3,149	75,887	5,040	1,012	32
1923	105·1	b 292·7	713	7,537	4,139	9,599	473	1,352	39,114	/496507,424,772	...	4,681	931,337	5,790	1,066	32
1924	101·3	b 296·3	839	7,874	4,530	8,810	478	1,250	40,885	1,941	1,835	4,866	4,513,990	6,002	935	23
1925	88·5	b 296·8	890	7,814	3,655	8,408	438	1,309	51,085	2,960	1,476	5,395	416	6,063	875	17
1926	84·5	b 296·5	947	9,646	3,485	8,203	386	1,346	52,907	3,736	1,164	4,865	471	5,812	819	13
1927	82·5	b 299·8	1,005	10,951	3,727	8,417	354	1,514	56,551	4,564	716	4,966	487	5,743	797	12
1928	x378·3	x	1,067	11,608	4,173	8,466	360	1,513	63,916	4,930	530	5,690	513	5,528	854	11
	x	b									i					
1928—Mar.	79·2	289·5	944	11,120	3,638	7,396	353	1,644	58,580	4,513	616	4,895	455	5,453	823	12
Apl.	79·5	294·8	947	11,277	3,797	7,098	352	1,619	59,198	4,409	609	4,894	479	5,325	853	12
May	79·7	293·7	948	e 11,524	3,784	7,111	347	1,576	59,195	4,487	586	4,250	451	5,280	797	12
June	80·0	296·0	998	e 11,258	3,899	7,584	360	1,585	60,628	4,674	578	5,155	479	5,354	829	12
July	81·0	297·6	1,009	e 10,726	4,131	7,344	340	1,543	60,436	4,569	561	5,131	496	5,313	810	11
Aug.	79·2	296·9	1,003	e 11,121	4,285	7,549	341	1,565	62,184	4,673	570	5,258	497	5,562	792	11
Sept.	78·2	293·9	1,008	e 11,099	4,501	7,806	360	1,599	62,654	4,830	570	5,719	500	5,751	855	12
Oct.	78·3	291·6	1,007	e 11,625	4,610	7,825	361	1,539	62,759	4,672	543	5,759	542	5,786	829	12
Nov.	x367·0	x	984	e 11,530	4,379	7,818	354	1,502	62,650	4,724	524	5,599	476	5,598	855	12
Dec.	x378·3	x	1,067	e 11,608	4,173	8,466	360	1,513	63,916	4,930	530	5,690	513	5,528	854	11
1929—Jan.	x355·6	x	965	e 12,097	3,898	7,115	336	1,431	63,867	4,454	513	5,514	485	5,194	782	11
Feb.	x352·3	x	977	e 12,162	3,894	7,063	342	1,523	64,226	4,553	508	5,465	451	5,159	776	11
Mar.	x361·8	x	1,004	e 12,062	4,101	7,333	357	1,596	64,575	4,822	504	5,488	458	5,268	835	12

Period.	Italy.		Norway.	Poland.			Roumania.	Russia.		Sweden.	Switzerland.	Australia.	Canada.	South Africa.	Egypt.	United States.		Japan.
End of	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.		Token Notes and Coins.	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes and Dominion Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.
	Lire.	Lire.	Kroner.	Marki p.	Zloty.	Zloty.	Lei.	Gd.Rbls.	Rbles.	Kronor.	Francs.	£	Dollars.	£	£E	Dollars.	Dollars.	Yen.
					m	t	u	v					g					
1913	d 2,284	w 499	108	...	...	...	437	...	...	234	314	r 10·0	116	2·3	2·2	726	343	426
1922	18,012	2,267	385	793,437	...	...	15,126	...	4	584	976	52·0	184	8·3	31·7	3,117	288	1,558
1923	17,247	2,428	396	125,371,955	...	...	17,917	...	237	576	982	52·2	187	8·8	34·3	2,951	308	1,704
1924	18,114	2,400	391	3,314,000	551	151	19,397	229	411	537	914	56·9	177	9·1	40·2	2,555	297	1,662
1925	19,349	2,100	363	t 2,770,200	381	440	20,222	388	727	530	876	53·9	176	7·2	33·5	2,458	294	1,668
1926	18,340	1,793	337	...	593	428	20,951	398	797	525	874	49·9	190	6·6	27·8	2,458	298	1,377
1927	17,992	783	331	...	1,003	309	21,025	480	1,003	526	917	51·8	192	7·2	27·5	2,387	294	1,682
1928	17,295	161	316	...	1,295	244	...	...	o 1,123	546	953	48·7	...	7·6	...	2,428	295	1,773
1928—Mar.	17,265	489	323	...	1,128	285	21,024	430	906	536	859	45·4	190	7·5	25·9	2,246	291	1,355
Apl.	17,124	399	321	...	1,126	266	21,017	445	926	501	845	44·8	180	7·2	26·3	2,242	294	1,348
May	17,105	343	313	...	1,133	252	21,049	454	943	494	831	44·6	177	7·2	25·4	2,240	297	1,264
June	17,324	291	325	...	1,184	250	21,042	494	1,019	539	860	44·5	194	7·4	23·6	2,281	300	1,463
July	17,395	250	319	...	1,159	246	21,039	543	985	497	860	44·1	184	7·2	22·1	2,333	295	1,271
Aug.	17,140	229	318	...	1,207	249	21,051	639	973	514	864	44·1	191	7·4	21·7	2,316	302	1,359
Sept.	17,476	205	313	...	1,261	254	21,054	711	1,064	565	892	44·6	206	7·4	27·1	2,351	304	1,308
Oct.	17,236	190	306	...	1,313	256	21,959	734	1,087	517	885	44·9	203	7·1	31·6	2,332	302	1,306
Nov.	17,119	175	302	...	1,270	246	21,479	728	1,092	538	878	45·4	202	7·6	31·4	2,424	307	1,389
Dec.	17,295	161	316	...	1,295	244	21,321	730	1,091	546	953	48·7	193	7·6	30·3	2,428	295	1,773
1929—Jan.	16,590	157	299	...	1,222	230	20,391	...	1,037	486	840	46·7	173	7·3	28·4	2,248	283	1,405
Feb.	16,191	120	301	...	1,249	237	20,325	...	o 1,084	499	843	...	...	7·5	27·5	2,277	285	1,278
Mar.	...	...	312	...	1,333	n225	20,964	...	o 1,102	544	886	...	...	...	...	...	...	...

a From 1919 to October, 1928, excluding notes held on redemption account in respect of currency notes. b Includes notes called in, but not cancelled. c Kronen. One schilling = 10,000 paper kronen. d In terms of new lire = 8,373 million. e Excluding Government notes. f Milliards. g Marks—including Reichs and Dartchenkassenscheine notes. h Until end 1924 paper kronen. (One pengö = 12,500 paper kronen.) i May 31st, 1925: ceased to be exchangeable against Zloty Union only. k State notes. l Since January, 1926, excluding notes held by Bank of Poland. m One Zloty = 1,800,000 P. Marks. n Token coin 139·3 million Zloty. o Gross issue. p Excluding notes held as reserve by Chartered Banks. q Circulation in the war into National Currency. r Since 1926, excluding notes held by the State Bank. s Since 1920, including Austria-Hungarian and other notes converted after Bank Note Issues came into effect November 22nd. t In terms of new francs. u In terms of new lire = 1,829 millions. v Amalgamation of Currency and

LONDON RATES OF EXCHANGE.

	Paris.	Brussels.	Italy.	Switzerland.	Madrid.	Amsterdam.	Stockholm.	Oslo.	Copenhagen.	Berlin.	Vienna.	New York.	Buenos Aires.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kronor to £1.	Kronor to £1.	Kroner to £1.	Marks to £1.	Krone to £1.	Dollars to £1.	Pence Dollars.
Par level	25·22½	a 35·00	25·22½	25·22½	25·22½	12·107	18·159	18·159	18·159	20·43	24·02	4·86⅝	47·58
Highest, 1928	124·31½	a 35·04	92·90	25·35	30·27	12·13	18·20	19·34½	18·22	20·48½	34·75	4·88 1/16	47 7/16
Lowest, „	123·87½	a 34·86½	91·93	25·15	28·03	12·07⅛	18·09	18·18	18·17	20·33½	34·38	4·84½	47 1/32
Beginning of—													
July, 1914	25·15	† 25·35½	25·25½	21·16½	26·10	12·11½	18·30	18·25	18·30	20·49½	24·55	4·87⅝	47 3/16
January, 1922	52·32½	54·65½	97½	21·70½	28·19½	11·44½	16·97½	26·99½	21·12½	791	13,000	4·20	43 1/16
January, 1923	66·30	72·85	93½	24·72½	29·73½	11·79	17·37½	25·12½	23·40	48,500	330,000	4·68	44
January, 1924	87·85	99·45	100⅛	24·63½	33·58½	11·36⅜	16·26½	23·82½	24·44½	19½ billions	305,500	4·29⅝	40 7/16
January, 1925	87·40½	94·79½	112·35	24·34½	33·95½	11·71⅛	17·62½	31·37½	26·85½	19·94½ gld. mks.	337,500	‡ 4·74⅛	46 3/16
January, 1926	129·31½	107·00	120	25·08½	34·31½	12·05	18·08	23·83½	19·60½	20·37½ „	‡ 34·37½	4·85⅛	46 3/16
January, 1927	122·81½	a 34·89	109·62½	25·14½	31·23½	12·12½	18·15½	19·04½	18·20	20·43½ „	‡ 34·42½	4·85⅛	46 3/16
January, 1928	124·00	a 34·92½	92·32½	25·27½	28·24	12·09½	18·11½	18·34½	18·20½	20·45½ „	‡ 34·52	4·87⅛	47 1/16
January, 1929	124·10½	a 34·88½	92·64	25·18½	29·74	12·08	18·13	18·19	18·17½	20·38½ „	‡ 34·44½	4·85⅛	46 3/16
February, „	124·20½	a 34·90	92·75	25·23½	31·15	12·12½	18·15½	18·19½	18·19½	20·46¼ „	‡ 34·55½	4·85⅛	47 1/16
March, „	124·21½	a 34·95½	92·67½	25·23	32·97½	12·11½	18·16½	18·19½	18·20½	20·45½ „	‡ 34·52½	4·85 3/16	47 1/16
April, „	124·21½	a 34·95½	92·74½	25·22	32·22½	12·10⅛	18·17½	18·19½	18·21⅛	20·46½ „	‡ 34·52½	4·85¼	47 1/16

	Rio de Janeiro.	Monte Video.	Valparaiso.	Bombay.	Hong Kong.	Shanghai.	Japan.	Singapore.
	Pence to Milreis.	Pence to Dollars.	Pesos to £1.	Pence to Rupee.	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.
				s. d.	s. d.	s. d.	s. d.	s. d.
Par level	16	51	40	1 6	...	...	2 0⅛	...
Highest, 1928	5 11/16	51½	39·73	1 6⅛	2 1 1/16	2 10⅛	1 11⅞	2 4 1/16
Lowest, „	5 3/16	49⅛	39·34	1 5 15/16	1 11 1/16	2 6⅛	1 10⅛	2 3 1/16
Beginning of—								
July, 1914	16 1/16	51½	§ 9⅜	1 3 11/16	1 10⅛	2 6⅛	2 0⅛	...
January, 1922	7 1/16	41	40·20	1 4	2 7⅛	3 6⅛	2 3½	2 3 1/16
January, 1923	5 11/16	44	34·70	1 4 1/16	2 3½	3 0⅛	2 1	2 4 1/16
January, 1924	5 11/16	43⅛	40·30	1 5½	2 4⅛	3 6 1/16	2 1⅛	2 4 1/16
January, 1925	5 11/16	50⅛	40·30	1 6 1/16	2 3½	3 1⅛	1 7⅛	2 4 1/16
January, 1926	7 1/16	50⅛	39·80	1 6 1/16	2 4⅛	3 1⅛	1 9 1/16	2 4 1/16
January, 1927	5 11/16	50⅛	39·65	1 6 1/16	1 11 1/16	2 5⅛	2 0 1/16	2 3 1/16
January, 1928	5 11/16	51	39·35	1 6 1/16	2 0⅛	2 7⅛	1 11 1/16	2 4 1/16
November, „	5 3/16	50⅛	39·69	1 6 1/16	2 0⅛	2 7⅛	1 11 1/16	2 4
December, „	5 3/16	50⅛	39·68	1 6 1/16	2 0 1/16	2 7⅛	1 10 1/16	2 3 1/16
January, 1929	5 3/16	51	39·64	1 6	2 0 1/16	2 7⅛	1 10 1/16	2 3 1/16
February, „	5 3/16	50⅛	39·62	1 6	2 0⅛	2 7	1 10 1/16	2 3⅛
March, „	5 3/16	50⅛	39·46	1 6 1/16	2 0	2 6 15/16	1 10 1/16	2 3 1/16
April „	5 3/16	50	39·55	1 6	2 0	2 6 15/16	1 10 1/16	2 3 1/16

† Francs to £1. § Pence to Peso. ‡ Schillings to £1. a Belga to £1. b New parity, 92·46 lire to £1.

Place.	Method of Quoting.	March Quotations.		
		Highest.	Lowest.	Average.*
New York.				
Mar., 1928	Dollars to £1.	4·88⅛	4·87 1/16	4·880
Feb., 1929		4·85 15/16	4·84½	4·853
Mar., 1929		4·85⅜	4·85 1/16	4·853
Paris.				
Mar., 1928	Francs to £1.	124·12½	123·93¾	124·020
Feb., 1929		124·37½	124·06¼	124·270
Mar., 1929		124·31½	124·12½	124·236
Amsterdam.				
Mar., 1928	Florins to £1.	12·12½	12·11 1/16	12·124
Feb., 1929		12·13	12·10	12·116
Mar., 1929		12·12 1/16	12·10	12·116
Berlin.				
Mar., 1928	Rchmks. to £1.	20·43	20·40	20·412
Feb., 1929		20·47½	20·41½	20·447
Mar., 1929		20·47	20·44½	20·455

* Daily rates.

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugo-Slavia.	Netherlands.	Poland.	Swed'n.	Switz'land.	Egypt.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Ekr.	Francs.	Markka	Mark.	Drachmæ.	Lire.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£E.	Dollars.
			m	j		s												
1913	54,931	...	386,384	18,775	64,785	...	701,778	41,035	897,474	i 14,828	303,803	...	325,231	...	70,545	159,985	2,271	147,932
1923	t 81,474	...	1,099,347	426,987	158,949	777,690	2,738,296	381,105	d 512,477	502,937	1,432,431	692,470	167,436	160,028	107,877	186,923	3,643	310,981
1924	t 94,789	5,632	1,475,061	463,109	184,874	683,684	3,346,901	385,817	d 756,901	671,149	1,615,056	685,145	196,961	211,875	118,708	207,000	4,086	297,926
1925	t 97,371	5,162	1,488,378	606,958	161,382	8,046	3,712,700	458,185	h 978,700	850,794	2,183,374	729,407	204,583	229,589	120,535	219,427	4,678	348,018
1926	t 93,105	5,043	1,920,460	520,578	127,319	7,964	4,968,923	470,582	h 808,500	833,745	2,155,945	635,982	203,496	128,242	124,151	201,209	4,199	367,340
1927	t 91,360	5,012	2,422,921	510,745	131,508	8,035	p4,420,823	529,001	h1,150,100	1,037,414	1,697,440	607,191	212,405	240,998	132,030	213,650	3,896	346,924
1928	89,657	4,889	2,620,430	†590300	135,205	10,953	p4,454,022	664,260	h1,137,000	...	1,832,797	659,078	223,658	280,180	142,507	228,723	...	339,947
																a		
1928—Mar.	99,243	5,703	2,984,887	692,149	145,113	11,217	4,525,495	646,674	1,229,355	1,205,709	1,818,403	701,061	247,182	372,232	140,749	244,031	3,697	371,649
April	85,841	4,814	2,390,033	568,587	132,325	10,567	4,604,248	597,661	1,174,702	1,014,030	1,922,470	657,906	210,729	265,626	135,745	213,461	4,348	326,929
May	87,591	4,601	2,536,747	600,509	130,902	10,465	4,051,553	761,071	1,086,022	1,080,429	1,971,521	659,480	219,881	296,470	153,860	222,944	4,055	348,404
June	87,898	5,082	2,607,815	541,397	129,701	11,504	4,701,036	686,371	1,108,384	938,335	*2,126,170	590,306	231,620	289,662	143,884	211,014	3,715	316,703
July	87,015	5,105	2,335,904	518,417	133,640	10,763	4,048,506	573,922	1,182,647	973,902	1,740,143	619,510	211,388	288,195	127,374	214,431	3,469	322,837
Aug.	88,944	4,816	2,528,563	570,402	145,103	12,817	4,164,142	710,531	1,083,419	813,921	1,551,654	645,407	223,971	258,794	151,684	224,879	3,755	352,639
Sept.	80,826	5,057	2,853,412	668,966	138,118	11,733	4,229,188	758,987	1,088,227	899,548	1,616,533	713,892	239,637	272,784	152,184	218,195	4,352	324,928
Oct.	93,757	z 5,401	2,861,274	635,825	140,745	14,108	4,730,519	879,222	1,213,321	1,192,630	1,812,527	778,880	233,697	277,300	157,984	262,789	4,838	367,647
Nov.	96,023	z 4,602	2,646,689	664,709	125,739	12,613	4,735,939	735,051	1,173,329	1,244,357	1,857,981	706,796	222,307	261,084	166,336	243,139	4,872	328,525
Dec.	92,373	z 4,547	2,776,140	600,307	135,133	9,917	5,212,912	586,127	1,100,870	1,027,224	2,355,279	622,113	209,747	238,396	130,990	248,498	4,623	333,946
1929—Jan.	106,253	z 4,719	2,392,608	540,569	121,251	11,175	5,173,343	504,454	1,319,113	1,088,723	1,815,656	560,690	233,058	294,042	122,521	212,128	4,563	368,638
Feb.	81,048	z 4,245	2,698,172	428,744	87,325	6,322	5,162,237	333,831	1,016,853	905,350	1,823,781	...	177,576	264,954	87,035	188,515	...	369,465
Mar.	88,607	...	...	...	...	...	...	...	...	...	...	...	...	...	...	225,466	...	...

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

			m	j		s		f	d	e	b	a		c		f		
1913	43,771	...	302,882	7,778	53,113	...	573,351	33,482	841,436	i 9,917	209,303	...	255,453	...	68,112	114,700	2,626	204,024
1923	t 63,938	...	807,718	294,761	128,217	475,996	2,572,236	363,787	508,527	212,092	924,418	670,737	108,602	171,366	95,175	146 684	4,863	340,893
1924	t 66,747	4,190	1,151,126	408,519	184,874	655,483	2,530,743	407,078	545,971	273,081	1,197,746	794,898	138,388	181,437	105,079	172,511	5,472	374,804
1925	t 64,424	3,615	1,228,662	470,206	149,067	8,054	3,882,676	462,684	h 744,200	378,447	1,522,855	742,045	150,641	182,235	113,318	169,895	4,928	401,560
1926	t 54,234	3,432	1,661,198	468,133	117,131	8,020	4,936,893	467,985	h 827,500	452,479	1,555,877	651,515	145,767	187,192	118,293	153,041	3,435	392,643
1927	t 59,092	3,681	2,218,975	552,262	120,546	8,815	4,577,063	523,876	h 864,600	503,118	1,301,232	533,346	158,309	209,562	134,715	168,604	3,977	396,572
1928	t 60,286	3,779	2,505,935	†538600	128,415	10,596	4,278,900	516,251	h 982,100	387,951	1,207,259	537,058	165,515	208,999	130,578	177,870	...	419,040
1928—Feb.	57,236	3,014	2,584,435	428,303	115,916	7,437	4,423,363	231,089	942,205	462,893	1,206,363	438,963	151,695	197,823	81,352	173,617	3,989	362,614
Mar.	64,958	3,066	2,732,431	415,397	133,761	7,886	4,318,909	276,060	1,021,581	320,180	1,169,886	503,217	173,308	208,415	90,964	190,770	4,314	409,961
April	55,268	2,962	2,158,396	450,688	120,322	8,233	4,291,078	235,185	923,977	508,009	1,072,926	428,538	152,031	184,521	87,462	167,788	4,868	356,057
May	58,554	3,513	2,363,105	446,691	130,886	11,570	3,985,452	484,511	895,420	299,310	1,104,387	431,660	169,335	201,775	134,760	172,382	4,537	413,829
June	59,472	4,225	2,456,978	370,547	128,965	13,144	4,214,438	522,308	892,951	237,052	*1,410,465	454,360	147,859	191,962	145,630	162,265	4,061	380,305
July	60,885	3,969	2,395,636	487,577	122,593	14,303	3,940,916	749,916	914,159	262,213	1,001,190	493,814	160,526	201,522	138,584	167,829	3,870	371,471
Aug.	62,217	4,011	2,297,883	731,204	136,005	13,465	4,170,011	821,144	1,025,793	292,771	1,115,252	693,801	187,627	196,333	148,701	167,895	3,326	371,312
Sept.	56,620	4,572	2,316,496	563,503	133,109	12,169	4,190,539	798,308	1,058,555	436,188	1,157,195	692,293	189,922	204,344	158,105	182,628	2,505	414,859
Oct.	64,313	t 4,753	2,914,030	569,935	132,963	12,208	4,448,456	734,176	949,810	680,661	1,299,512	666,068	179,984	238,695	165,569	206,334	5,542	543,042
Nov.	63,767	t 4,472	2,550,782	654,433	136,385	9,532	4,614,005	620,111	940,018	865,770	1,322,297	642,347	169,630	255,113	165,194	197,338	7,312	538,332
Dec.	60,394	t 3,711	3,355,204	502,057	134,511	8,995	4,733,095	495,461	978,364	1,184,690	1,634,883	569,339	164,758	209 173	167,280	192,161	5,921	465,987
1929—Jan.	66,880	z 3,149	2,068,971	413,384	118,034	7,900	3 701,892	309,660	1,104,726	1,037,058	997,496	425,708	152,192	215,834	109,414	153,892	5,376	480,317
Feb.	55,665	z 2,986	2,391,585	285,297	98,871	5,885	4,117,941	184,156	973,321	608,486	1,039,716	385,000	123,615	167,392	77,448	163.024	...	435,235
Mar.	58,623	...	...	...	...	...	...	...	...	...	...	...	...	...	...	179,840	...	...

a Including bullion and specie. b Since 1922 declared values. c Including Dantzig. d Since January, 1922, gold marks valuation. e Until February, 1923, Julian Calendar. f Including bullion. g Declared values. h Returns have been officially revised. i Old Greece only. j Including bullion. m Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." t From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. s Including bullion: until end 1924 Eesti mk. (1 Ekr. = 100 E mk.). x Average of two months. z Excluding parcels post. † Provisional figures. • Including parcel post for the half-year.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	Value.							Quantity (Metric Tons).									
	Australia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	Belgium.	Czechoslovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Switzerland.	Brazil.
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis.										
	g	b				a		q	o		h6,069	p e	i		j		f
1913	6,355	152,725	54,917	1,785	3,365	60,474	83,958	2,721	...	3,685		84	...	3,739	...	661	494
1923	11,436	184,973	75,253	3,575	4,577	161,924	188,930	2,217	357	4,572	3,890	112	314	1,612	266	556	298
1924	11,960	196,493	67,350	3,995	5,302	240,726	232,463	2,784	482	4,716	3,216	150	376	1,888	201	564	369
1925	12,350	186,899	74,189	4,308	5,459	207,223	281,403	2,772	565	3,954	4,331	175	373	2,117	284	546	414
1926	13,429	196,673	84,028	4,074	5,848	192,101	225,463	2,859	554	3,783	3,606	156	461	2,362	203	590	412
1927	13,212	206,853	90,593	3,655	5,867	174,883	272,764	3,172	613	4,114	5,674	190	523	2,385	409	622	457
1928	...	207,275	101,860	3,674	6,290	...	...	3,293	778	4,092	5,498	313	...	2,485	430	668	...
1928—Feb.	11,714	199,696	86,007	3,497	5,848	194,512	288,527	3,065	609	3,653	5,181	172	432	2,217	379	595	570
Mar.	10,698	220,008	120,455	4,201	6,420	216,055	283,638	3,401	791	4,086	5,645	222	509	2,569	432	680	448
April	9,074	217,716	78,490	2,572	5,758	184,056	278,862	3,083	688	4,328	5,153	185	447	2,280	411	572	503
May	11,081	208,090	113,582	3,352	6,107	197,210	306,925	3,164	680	4,161	4,809	204	484	2,510	511	643

CAPITAL ISSUES.—(000's omitted.)

Period.	United Kingdom.	Austria.	Czecho-Slovakia.	France.	Germany.	Italy.	Netherlands.	Poland.	Roumania.	Sweden.	Switzerland.	British India.	Japan.	United States.
Monthly Average.	£	Schilling.	Koruna.	Francs.	Mark.	Lire.	Gulden.	Zloty.	Lei.	Kroner.	Francs.	Rupees.	Yen.	Dollars.
		b		*d*	*m*	*f*	*ch*	*y*			*o*			*p*
1913	16·3	...	...	...	60	23	13	...	20	18	44	56	45	137
1922	47·8	4,227	98	1,274	6,609	232	33	...	245	27	67	37	180	285
1923	22·6	18,206	48	955	*p*	332	19	...	320	19	62	21	176	300
1924	17·4	26,992	31	605	15·0	504	30	3·1	262	20	51	19	219	268
1925	19·4	2·3	21	329	55·1	746	33	7·7	219	16	56	29	204	304
1926	19·2	2·4	24	412	74·8	473	48	6·1	541	13	59	16	228	307
1927	29·6	0·7	31	626	114·1	264	43	17·7	282	22	73	17	255	498
1928	30·8	10·3	60	896	110·0	450	...	23·0	384	31	57	24	...	604
1927.														
July-Sept.	17·4	9·3	21	413	82·7	350	40	21·9	196	9	71	15	202	336
Oct.-Dec..	35·1	14·5	37	870	103·4	177	42	28·3	253	20	...	16	365	644
1928.														
July-Sept.	15·3	6·9	60	726	108·0	580	24	16·7	463	24	23	22	376	369
Oct.-Dec..	26·1	7·2	41	1,310	128·3	415	...	39·1	283	26	38	18	...	714
Nov.....	19·8	1·1	47	932	170·0	308	120	21·1	159	9	37	14	244	673
Dec.	19·3	5·5	42	1,471	95·2	534	36	69·1	422	39	23	33	175	833
1929.														
Jan.	42·6	12·0	24	770	226·8	233	50	...	371	12	65	57	...	609
Feb.	25·8	9·3	62	1,092	77·0	470	73	...	175	14	115	37	...	909
Mar.	28·5	...	...	...	...	...	...	...	...	16·6	131	...	...	...

Unless otherwise stated, the figures represent authorised share issue of new joint stock companies at home, and the increase of capital of existing companies. Bonus shares are excluded from the figures of the U.S.A., Roumania, Switzerland and Czechoslovakia. In the case of the Netherlands and the U.K. both bonus shares and conversions are excluded. *b* Until end 1924, kronen. *c* Excluding Treasury Bills. *d* Exc. large railway issues. *f* "Rivista Bancaria." *h* Issues exceeding Fls. 100,000 on the Dutch market including Colonial, and since Jan., 1925, foreign issues. *m* Since 1924, excluding amalgamations and conversions. Until end 1922 paper mark. *o* "Société de Banque Suisse," invitation for subscriptions on Swiss market including obligations and Local Govt. loans. *p* "Journal of Commerce," subs. invited in home market by corporations for amounts exdg. $100,000. *y* Excluding Upper Silesia.

UNEMPLOYMENT.

Percentage of persons unemployed in trade unions or in official unemployment insurance schemes (Belgium and U.K.).

End of Month.	U.K.	Belgium.	Denmark.	Germany.	Netherlands.	Norway.	Sweden.	Australia.	Canada.
1921—June	17·8	9·9	16·8	3·0	8·1	20·6	27·7	12·5	13·2
December	16·2	6·6	25·2	1·6	16·6	23·4	33·2	9·5	15·1
	‡								
1923—June	11·3	0·8	8·1	4·1	10·8	7·9	9·8	7·1	3·4
December	10·7	1·7	19·6	28·2	17·3	14·0	14·1	6·2	7·2
1924—June	9·4	1·0	5·1	10·4	7·2	4·3	7·3	8·3	5·9
December	10·7	1·5	13·2	8·1	12·3	12·5	15·5	10·3	11·6
1925—June	11·9	1·0	9·3	3·5	6·6	8·9	8·2	10·2	6·1
December	10·4	2·8	31·1	19·4	16·0	23·7	19·4	8·1	7·9
1926—June	*14·6	0·9	15·8	18·1	5·9	22·6	9·6	6·7	4·1
December	*11·9	2·6	32·7	16·7	12·1	27·7	19·0	5·7	5·9
1927—June	8·8	1·4	18·5	6·3	6·0	22·5	9·5	6·4	3·2
December	9·8	3·6	30·5	12·9	14·9	28·0	18·6	8·9	6·6
1928—March	9·6	0·8	22·5	9·2	6·3	24·4	13·3	10·7	6·5
April	9·6	0·8	17·6	6·9	5·0	28·8	7·6	...	5·2
May.....	9·9	0·7	14·3	6·3	4·4	18·0	8·1	...	3·7
June	10·8	0·6	13·7	6·2	4·4	14·4	7·6	11·2	3·2
July	11·7	0·7	13·5	6·3	5·3	13·6	7·2	...	2·5
August.....	11·7	0·5	13·1	6·5	5·2	13·9	7·0	...	2·4
September.....	11·5	0·6	12·2	6·6	4·8	15·5	7·7	11·4	2·2
October.....	11·8	0·6	14·8	7·3	4·8	16·1	9·0	...	3·1
November	12·2	0·6	17·6	9·5	6·2	17·4	10·9	...	4·2
December	11·2	1·9	25·0	16·7	11·5	22·1	17·3	9·9	6·6
1929—January...	12·3	3·5	27·6	19·4	18·9	...	14·9	...	6·6
February	12·2	...	30·0	22·3	†20·9	...	14·6	...	...
March	...	...	23·3	...	...	...	...	...	...
Number of Workers Covered by Last Returns.									
Millions	11·9	0·6	0·3	4·5	0·3	0·04	0·3	0·4	0·2

‡ Ex. Irish Free State since Mar., 1923.
* Workpeople in the coal mining industry, who ceased work on account of the dispute, are not included in this figure.
† Provisional figure.

BANK RATES.

	1923.	1924.	1925.	1926.	1927.	1928.	1929.	
	End of	End of	End of	End of	End of	End of	End of	
	June	Dec.	June	Dec.	June	Dec.	June	Dec.	June	Dec.	June	Dec.	Feb.	Mar.
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
London...	3	5	4	4½	4	5	5	5	4½	4½	5	4½	5	5½
Paris	5	5	6	7	7	6	6	6½	5	5	3½	3½	3½	3½
Berlin ...	18	90	10	10	9	9	6½	6	6	7	7	7	6½	6½
NewYrk*	4½	4½	3½	3	3½	3½	3½	4	4	3½	4½	5	5	5
Amstrdm	4	4½	5	4½	4	5½	3½	3½	3½	3½	4½	4½	4½	5½
Brussels .	5½	5½	5½	5½	5½	7	7	7	5	4½	4	4	4	4
Rome	5½	5½	5½	5½	7	7	7	7	7	5½	5½	5½	†6	7
Switzerld	3	4	4	4	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½
Vienna ...	9	9	12	13	11	9	7½	7	6	6½	6	6½	6½	6½
Warsaw	12	48	12	12	12	12	9½	8	8	8	8	8	8	8
Tokyo	8	8	8	8	7·3	7·3	7·3	6·57	5·84	5·48	5·48	5·48	5·48	5·48
Calcutta	4	7	6	6	5	6	4	4	5	7	6	7	8	†8

* Federal Reserve. † 7% as from Apr. 11.

SECURITY VALUES.

Base.	United Kingdom. "Banker's Magazine." 365 representative securities. Dec., 1921 = 100.			Netherlands. Official. 49 Ordinary Industrial Shares. 1921-25 = 100.	Sweden. Official Industrial and Shipping Shares. Nominal value = 100	Switzerland. Banque Nationale (*f*) 32 Industrial Shares.	Canada. Official. 79 (*i*) Common Industrial Shares 1913 = 100.	United States. "Wall Street Journal." 20 Common Industrial Shares.
	(*a*)	(*b*)	(*c*)	(*e*)	(*f*) (*h*)	(*g*)		(*d*)
1925—June	108·6	125·5	114·1	96	113	134·4	...	128·8
Dec.	108·8	132·5	116·5	95	131	144·6		154·2
1926—June	110·0	136·5	118·7	91	146	176·9	93·2	160·1
Dec.	109·3	135·7	118·0	91	150	175·4	107·0	159·3
1927—June	110·1	141·5	120·4	102	153	189·9	121·5	169·2
Dec.	111·2	146·9	122·8	103	181	223·2	161·6	198·5
1928—Mar.	112·4	151·7	125·3	116	214	241·6	172·4	204·0
Apr.	113·7	154·7	127·1	118	218	247·4	177·0	211·7
May	112·4	157·8	127·2	117	226	248·8	184·4	217·2
June	112·4	152·7	125·4	111	226	243·6	170·0	209·1
July	112·1	151·7	124·9	109	214	239·9	169·6	211·1
Aug.	112·1	154·2	125·7	113	230	249·5	166·5	224·0
Sept.	111·7	156·7	126·3	115	239	256·1	185·3	239·8
Oct.	112·3	158·7	127·3	112	234	255·3	201·2	248·7
Nov.	112·1	159·4	127·4	113	249	251·3	229·3	273·8
Dec.	112·1	158·8	127·3	115	252	252·8	237·3	280·8
1929—Jan.	113·4	163·4	129·6	120	256	254·1	286·1	306·0
Feb.	111·7	162·0	128·1	124	253	249·3	292·9	309·9
Mar.	111·1	161·1	127·3	124	242	239·2	...	308·8

(*a*) Fixed interest. (*b*) Variable dividend. (*c*) Total. (*d*) Monthly average. (*e*) Average of figures and lowest quotations on each Wednesday. (*f*) Shares of companies with a capital of more than 5 millions (*g*) The composition of this class, therefore, is not invariable. (*h*) End of month (*i*) Since Jan., 1929, 92 shares.

LONDON BANKERS' CLEARING RETURNS.

(000's omitted.)

	Town.	Metropolitan.	Country.	Total.
	£	£	£	£
1913	14,191,275	855,648	1,389,481	16,436,404
1923	32,270,373	1,546,565	2,810,654	36,627,592
1924	35,038,605	1,594,114	2,900,145	39,532,864
1925	35,801,264	1,678,347	2,957,508	40,347,119
1926	35,346,429	1,660,757	2,817,868	39,825,054
1927	36,819,682	1,758,032	2,972,827	41,550,541
1928 (Apr. 19)....	11,736,653	553,582	919,767	13,210,002
1929 (Apr. 17)....	12,242,152	573,369	924,873	13,740,394

U.K. IMPORTS AND EXPORTS.—(000,000's omitted.)

	Food.		Raw Materials.		Manufactures.		Imports of			Exports of		
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Wheat.	Raw Cotton.	Sheep's & Lambs' Wool.	Cotton Piece Goods.	Iron and Steel.	Coal.
	£	£	£	£	£	£	Cwts.	Centals.	Centals.	Sq. Yds.	Tons.	Tons.
Monthly average, 1913	24·2	2·7	23·5	5·8	16·1	34·3	8·8	1·8	0·7	*589	0·41	6·1
1921	47·2	3·1	23·3	5·3	20·4	49·1	6·7	1·0	0·6	242	0·14	2·0
1922	39·3	3·0	24·8	8·5	19·1	47·3	8·0	1·2	0·9	349	0·28	5·3
1923	42·5	3·7	27·1	10·9	21·4	48·3	8·4	1·1	0·6	345	0·36	6·6
1924	47·6	4·7	33·4	8·9	25·0	51·5	9·9	1·3	0·6	370	0·32	5·1
1925	47·6	4·6	35·4	7·0	26·7	51·4	8·1	1·6	0·6	370	0·31	4·2
1926	41·9	4·2	32·7	3·9	26·3	44·9	8·1	1·5	0·7	319	0·26	1·7
1927	44·9	4·4	29·3	6·4	26·9	47·0	9·2	1·3	0·7	343	0·35	4·3
1928	44·3	4·5	27·9	5·8	25·7	48·2	8·6	1·1	0·7	322	0·36	4·2
December, 1928	45·3	4·6	30·9	6·3	24·4	46·8	10·4	2·2	0·5	290	0·36	4·2
January, 1929	49·1	4·3	39·1	6·6	26·8	53·8	9·2	2·4	1·0	379	0·36	4·2
February, "	40·5	4·0	27·0	5·6	23·1	44·3	7·1	1·3	1·0	326	0·42	4·5
March, "	42·1	3·8	28·5	6·6	27·2	47·0	9·5	1·4	0·8	334	0·38	3·9
			* Yards.								0·35	4·8

RAILWAY STATISTICS—(000,000's omitted.)

	Great Britain (*g*). Gross Receipts.		Great Britain (*g*). Freight Traffic (*f*).				Austria.	Germany.	Italy.	Canada.	United States.
	Passengers.	Freight.	Merchandise.*	Coal, &c.	Other Minerals.	Total.					
	£	£	Tons.	Tons.	Tons.	Tons.	Ton-Miles.	Tonnes-Km.	Tonnes-Km.	Ton-Miles.	Ton-Miles.
							(*b*)	(*a*)	(*e*)	(*c*) (*d*) (*e*)	(*d*) (*e*)
1926—June	4·4	5·3	4·7	1·9	3·6	10·2	704	1,202	4,695	1,132	2,846	39,237
December	4·7	8·5	4·9	15·9	4·1	24·8	1,392	1,321	5,641	1,094	3,641	40,096
1927—June	6·1	8·8	5·1	15·6	5·8	26·4	1,401	1,249	5,126	...	2,611	38,483
December	4·8	8·7	5·1	17·2	4·8	27·2	1,400	1,209	5,398	928	4,128	34,580
1928—March	4·0	9·5	5·5	17·2	5·5	28·1	1,527	1,273	6,011	1,012	3,328	39,467
April.....	5·1	8·1	4·7	14·4	4·9	24·0	1,273	1,202	4,861	938	2,806	35,866
May	5·2	8·7	5·1	14·9	5·6	25·6	1,363	1,275	5,151	1,027	3,465	39,250
June	5·5	8·3	4·8	14·9	5·3	25·0	1,324	1,325	5,528	1,038	3,129	37,304
July.....	7·3	8·2	4·8	14·0	5·1	23·9	1,312	1,430	5,524	1,017	3,091	39,196
August	8·5	8·4	5·0	14·7	5·0	24·7	1,359	1,417	5,835	980	2,942	42,405
September	5·8	8·5	5·0	14·7	4·9	24·6	1,394	1,348	6,258	...	4,251	43,778
October	6·7	9·4	5·7	16·2	5·3	27·2	1,490	1,314	6,049	...	5,958	48,206
November	3·6	9·0	5·3	16·1	5·2	26·7	1,432	1,279	5,332	...	5,779	41,965
Dec mber.....	4·6	8·3	4·7	16·1	4·8	25·6	1,352	1,282	4,715	...	4,663	37,645
1929—January	3·7	9·1	5·2	18·3	4·9	28·4	1,495	1,179	†5,290	...	...	...
February	...	...	...	...	...	...	...	...	†5,290	...	...	...

* Inc. live-stock. (*a*) "Reichsbahn." Exc. free-hauled. (*b*) State and private railways, including freight on foreign lines. (*c*) Railways with annual operating revenues of at least $500,000. (*d*) Short tons = kg. 907·18; mile = metres 1,609·34. (*e*) Including free-hauled. (*f*) Excluding free-hauled. (*g*) Long ton = kg. 1,016·05; mile = metres 1,609·34.

The Economist
MONTHLY SUPPLEMENT.

New Series. SATURDAY, MAY 25, 1929. No. 72.

In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations, supplemented from our statistical records. We propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.*

* "League of Nations Monthly Bulletin of Statistics," 1s. 6d.

THE STATE OF TRADE AT HOME AND ABROAD.

THIS time last year, after a promising first quarter, trade was showing faint but unmistakable signs of flagging. This year there is as yet no indication of a similar setback, and most industries which have recently recorded an improvement continue to do so. This is the more encouraging as the reaction last year was due to no visible cause, whereas during the past few months not only has there been an increase in Bank rate, but there was reason to fear lest the imminence of a General Election might exercise a seriously disturbing influence.

Unemployment has been diminishing during the past few weeks. In addition to the marked seasonal improvement in the building trades there has been also a fall in the unemployment figures for several staple industries, notably shipbuilding and marine engineering, clothing, boot and shoe manufacturing, and the silk, artificial silk and lace industries. In coalmining, in the cotton, linen and jute industries, and in the textile finishing trades, on the other hand, the numbers unemployed increased. Taken as a whole, however, the figures are more encouraging than they have been for some time.

The coal trade has exhausted the special impetus given to it by the temporary paralysis of Continental competition, but its prospects are none the less improved as compared with those of a year ago. An important contributory element in this is the greater activity of the heavy industries. The iron and steel trades expect to reach their seasonal peak in the current month, but there is so far no reason to anticipate anything more than a normal summer recession. Much depends on the future course of orders from the shipyards, and this is difficult to predict. Similar doubt attends the prospects of Continental prices. At the time of writing they are still firm, and competition in consequence continues to be less keen than it was a few months ago.

In spite of slightly disappointing foreign trade returns for April, engineering activity has been well maintained, and the outlook is felt to be hopeful. The motor industry reports a satisfactory position, with increasing exports of vehicles. Though electricity production shows the usual seasonal decline, output is on a higher level than last year, and the fact that this increase is evenly spread over the various groups is a healthy sign of the state of general industrial activity. The weakest point is to be found in the textile trades. The narrowly-averted lock-out in the cotton industry and the prospect of labour troubles in the Bradford district are symptoms of a state of affairs which is far from satisfactory. The best that can be said is that the position is growing no worse, and therefore need not be regarded as evidence of any general declining tendency. The rayon and linen trades have experienced a slight improvement, and similar reports of a moderate upward movement are forthcoming from the chemical, pottery and boot and shoe industries.

The least satisfactory feature of the situation is the uncertain monetary outlook. During the past month the pronounced weakness of sterling in relation to the dollar has dissipated whatever hopes were previously entertained that the Bank of England would be able this summer to lower its discount rate, and the latest developments in the United States render it possible that a further increase in Bank rate may have to be made here. Although there is no reason to think that the present level of discount rates is affecting adversely production or commerce, a rise in Bank rate to 6½ per cent. could hardly fail to have a somewhat restricting effect on business.

Reports from the British Empire are encouraging. Weather news is satisfactory and crop prospects normal. In Canada and South Africa industrial conditions are said to be favourable. Business in the United States continues to be prosperous. On the Continent the industrial situation is improving, and though money market conditions are stringent in most countries, this is having comparatively little disturbing effect. In some South American States, on the other hand, especially in Brazil, dear money is making itself felt as a depressing

HOME TRADE STATISTICS—APRIL, 1929

	Mar.	April	Compared with April '28.
UNEMPLOYMENT—			
(State Insurance %)	10·1	9·9	+ 0·4
PRODUCTION—			
Coal (million tons)*	5·5	4·9	+ 0·4
Iron (thous. " ")	591	611	+ 56
Steel (" ")	860	809	+ 165
FOREIGN TRADE—			
Imports (million £'s)	98·6	104·2	+ 7·4
Re-exports (" ")	10·0	10·4	− 0·6
Exports (" ")	58·6	60·2	+ 4·9
TRANSPORT—			
Railway Receipts* (£0,000).....	346	334	− 10
Shipping Freights (av. level[1])	102·6	99·1	+ 4·5
COMMODITY PRICES (" " [2])	96·1	94·0	− 7·4
TRADE DISPUTES (thous. working days lost)	133	159	+ 129
SECURITY VALUES (av. level[3])	127·3	127·3	+ 0·2
FINANCIAL DATA—			
Bank Notes (million £'s)* ..	375	360	− 14·1
Currency Notes (" ")* ..			
Bank Deposits (" ")* ..	1,777	1,781	+ 53
Bank Advances (" ")* ..	996	1,002	+ 53
Banks Cash Ratio [4] (%)*	10·6	10·8	− 0·3
Bank Clearings:			
London (million £'s)*	892	861	+ 253
Manchester (" ")* ...	13·6	12·5	− 0·6
Three months' Bank Drafts (Discount Rate %)*	5 11/32	5 1/2	+ 1 1/2 2/32
Day-to-day Loans (%)*	4 1/2	4 1/32	+ 17/32

(1) 1913 = 100. (2) *Economist* Index No.; 1927 = 100 (3) *Bankers' Magazine* Index No. of 365 securities; December, 1921 = 100. (4) Cash in hand and at Bank of England as % of total current, deposit, and other accounts.

* Average weekly figures.

influence. Otherwise South American news is good. There is little change in conditions in the Far East; conditions in China remain very uncertain.

HOME INDUSTRIES.

Coal.—Output has recently diminished, and in consequence a steadier tone is again apparent. Inquiries for current shipment are good, and in the home market, though domestic demand is showing the usual seasonal decline, industrial consumption, at any rate of coking coal, has a prospect of improving with the increased activity of the heavy industries. The South Wales minimum schedule of prices for large coals has been raised by 6s. per ton.

Iron and Steel.—Production continues along the same lines as last month and it still appears likely that the peak will be reached in May, though there is no reason to anticipate that, if a recession does occur, it will be anything more than the usual seasonal decline. The decision of the Associated Steelmakers to raise prices by 5s. per ton is significant, though it is apparently a reflection of a state of opinion by no means unanimous. Orders for structural steel are coming in well, but it is doubtful whether orders for the shipbuilding industry will keep pace with the contracts completed. The firmer tendency of Continental prices, which has been a marked element in the market conditions of the last few months, has not yet abated, but it would be rash to count on its indefinite continuance. The apparently less favourable character of the April trade returns is due to a redressing of the import-export balance after the unusual conditions of the previous cold spell; for the first four months as a whole the returns show an improvement.

Engineering.—Activity has been well maintained during the past month, and it may be said that as yet there is no sign of any definite adverse influence. Actually the unemployment insurance index for the engineering trades as a whole, at April 22nd, was the lowest recorded for any month since 1920-21. Sections of the industry which are in a relatively favourable immediate position are:—Textile machinery, lifting machinery, machine tools, locomotives and marine engineering, although the current activity of the last-named branch must before long diminish unless there is a satisfactory maintenance of shipbuilding orders. There has occurred in recent weeks a slight recession in constructional engineering, and in the section devoted to prime movers, boilers and other power equipment. The foreign trade returns for machinery in April were somewhat disappointing. The decrease, however, was almost entirely attributable to the miscellaneous group; while perhaps the most gratifying feature of the returns is the definite, although slight revival in the activity and exports of the agricultural machinery section.

INDEX of ACTIVITY in the ELECTRICITY INDUSTRY.
(1920 = 100.)

1925.	Home.	Export.	Total.
October	67	125	81
November	68	124	81
December	76	117	86
1926.			
January	75	110	84
February	74	106	82
March	80	101	85
April	83	100	87
May	83	104	88
June	82	110	89
July	80	79	80
August	84	83	84
September	87	70	83
October	89	86	88
November	93	103	95
December	94	143	106
1927.			
January	95	152	109
February	92	159	108
March	89	163	107
April	90	181	112
May	88	200	116
June	94	234	128
July	93	231	126

1927.	Home.	Export.	Total
August	90	236	126
September	87	230	122
October	81	208	112
November	80	192	107
December	69	160	92
1928.			
January	68	148	88
February	68	143	87
March	71	141	89
April	70	122	84
May	68	108	79
June	68	105	78
July	71	80	74
August	74	86	78
September	81	102	88
October	83	107	91
November	85	105	93
December	93	103	96
1929.			
January	92	122	99
February	92	126	101
March	88	126	97
April	86	145	100

On balance the index for this month is satisfactory. The Central Electricity Board has placed further orders to the value of £2¼ million, bringing th e total placed within the last twelve months to £8½ million. There are signs of activity in the industrial sphere; these have not yet been translated into orders, but the industry is expecting to benefit before long from the results of the rationalisation movement.

The Motor Industry.—The general position of the motor industry is satisfactory. The private car section has been active, both for home and export markets, and the commercial vehicle section has been fully supplied with orders. The motor-cycle industry continues to enjoy a large volume of export business, though the home market has been a little disappointing. The export of British motor vehicles, after a period of depression, seems definitely on the upgrade.

Cotton.—During the past month prices in the Manchester market have tended to favour buyers, chiefly owing to the decline in raw material rates. Although inquiry in yarn and piece-goods has been fairly extensive, trade has been slow in expanding. The outlook for supplies of American cotton has tended to improve, and fairly favourable advices are being received with regard to the prospects for the growth in Egypt. There has not been any general activity in piece goods for abroad. Most of the demand for India has run on dhooties and other light fabrics. News from China has not been of a character to stimulate trade, and owing to the abandonment of the Japanese boycott English goods are meeting with more severe competition in Shanghai. A fair miscellaneous business has been done for Egypt, the Near East and South America, but very little support has come from the Continent. Home trade demand has been fairly active. Spinners continue to experience a very unsatisfactory state of affairs. Egyptian spinners have abandoned short time after three months' working, but the situation in this section still leaves much to be desired, and buyers have operated from hand to mouth.

Wool.—Prices, especially those of fine crossbreds and merinos, are still tending downwards. The resultant uncertainty, together with the unsatisfactory state of the yarn market, is causing buyers to continue their cautious policy. In the piece-goods section some irregularity is being caused by the uncertainty as to the outcome of the Safeguarding inquiry. Resistance to proposed wage reductions may become widespread.

Linen.—The Irish fiax acreage is expected to show an increase over last year. Enquiry for piece-goods on export account is fair and home demand continues steady. In Scotland business has been quiet, but there are distinct signs of improvement.

Rayon.—The turnover in rayon yarns of all qualities in April has shown a considerable improvement on the previous month. Orders for low-grade viscose yarns have been more numerous, but the actual prices obtained have frequently been uneconomic. The stock position has been slightly relieved. Dress goods have sold well at home and abroad, but in other lines the overseas trade has remained quiet.

Boots and Shoes.—The slight improvement is maintained, and there has been more absorption of unemployed labour in the country districts, but the trade is still only moderately active for the time of year. Orders are still small, and mainly for immediate delivery.

Pottery.—The April trade returns show a continuation of the slow improvement in exports, with the United States still the best overseas market. Imports of general earthenware are still increasing. There is a slight increase in unemployment as compared both with last month and with last year.

Chemical Industry.—Chemical trade in general has been fairly satisfactory during the last few weeks. Creosote, dyes and ammonium sulphate are mainly responsible for this advance; potassium and sodium compounds in general still show a decrease. Drugs have also maintained the slight increase recorded last month. Prices have remained substantially unchanged over the month, with the exception of those for essential oils, which, after a period of fluctuation, are now steady on a dull market.

Building Trades.—Employment showed a further general improvement during April, especially in the skilled trades. The most unsatisfactory districts are still Wales, Northern Ireland and Northern England.

Agriculture.—Winter corn crops made little growth, and at the end of April were badly in need of warmth and moisture. Sowing of spring corn was completed under most favourable conditions, but cold weather prevented any material growth. Planting of potatoes was nearly completed. Preparation of land for root crops was generally more forward than usual. Pastures were bare and quite insufficient to carry the stock turned out to grass. Dairy cattle and sheep on roots have done moderately well, but milk yields of cows were slightly below average.

Shipping.—The freight market during May has been somewhat quiet, and rates have been irregular. The weakness of grain prices has had a restrictive effect on chartering from North America, but the Plate has continued to absorb a large volume of tonnage and a fair business in coal and miscellaneous cargoes has been available.

Retail Trade.—The continued cold weather has been against the fashion trade, and the Whitsuntide demand has been smaller than usual, otherwise retail trade generally shows an increase over the corresponding period last year.

UNITED STATES OF AMERICA.

Industrial activity continues at a record pace, and general business is well above last year's level, though prosperity is by no means evenly distributed. There is a slight diminution in activity in the cotton industry. Again the weak spot is the state of the money market. Uncertainty as to the Federal Reserve Board's intentions continues to temper the optimism engendered by the favourable industrial situation.

The following indices of American economic conditions have been forwarded to us by Moody's Investors' Service, of New York and London, and may serve as an indication of the main features in the business situation as it existed last month:—

AMERICAN TRADE STATISTICS—APRIL, 1929.

	March.	April.	Compared with April,'28.
EMPLOYMENT†—(June, 1914=100)	113·8	114·4	+ 6·4
PRODUCTION—			
Bituminous coal (Thous. tons)	39,347	36,871	+ 4,683
Pig-iron („ „)	3,714	3,657	+ 471
Steel („ „)	5,049	4,938	+ 635
Unfilled orders, U.S. Steel Corporation (Thous. tons)	4,410	4,428	+ 556
Building permits (Thous. $)	365,546	490,839	+ 202,211
FOREIGN TRADE—			
Imports (Thous. $)	383,803	409,000	+ 62,864
Exports („)	489,737	427,000	+ 62,865
TRANSPORT—			
Freight car loadings (Thous. cars)	3,831	3,984	+ 166
SECURITIES—			
20 industrial stocks—Highest quotations‡	321·2	323·5	+ 106·6
Lowest quotations‡	296·5	218·7	+ 10·8
Thous. shares sold during month —(New York)	105,662	82,600	+ 2,032
New securities issued (Thous. $)	1,049,863	617,971	− 432,499
BANK CLEARINGS—			
New York (Million $)	42,319	34,998	+ 2,958
Other cities („ „)	20,181	20,206	+ 1,202
RETAIL BUSINESS—			
Total sales, mail order houses (Thous. $)	53,413	55,619	+ 15,519

* Preliminary estimates made by Messrs. Moody, subject to revision. † Based on reports of U.S. Labour Bureau and of Bureaux of the States of New York, Wisconsin, and Pennsylvania. ‡ Average of actual prices.

BRITISH EMPIRE.

Sowing in Canada is well advanced, and a considerable increase in the crop acreage is anticipated. Industrial conditions are still highly satisfactory, and in some lines manufacturing capacity is being strained to the utmost. The banks continue to keep a tight hold of the monetary situation.

The position in the agricultural areas of the Eastern States is at present distinctly favourable. Over South Australia dry conditions continue. Dairymen generally are in a satisfactory position, with grass well established and ample supplies of winter fodder assured.

India reports general rainfall towards the end of April and the prospects of crops are said to be fair to good. It is hoped that remission of the tea duty will increase consumption of Indian tea in Great Britain.

In South Africa rains have fallen during February in parts of the Cape, Transkei and Natal. The position of the manufacturing industries is, on the whole, satisfactory. The Government propose expending the sum recovered from diamonds on the rich State diggings in Namaqualand on gigantic irrigation and other schemes.

EUROPE.

In France the condition of the coal industry continues to be satisfactory. Activity in the iron and steel trades is sustained, though export trade is slightly less brisk. Conditions in the textile industries remain irregular.

The heavy industries in Belgium are still active, and both the home and the export markets for coal are satisfactory. The linen industry is still depressed, but there has been some improvement in the cotton and wool trade.

The German trade position improved during April, and employment increased rapidly. Coal production is well maintained. The iron and steel industries are envisaging the possibility of Germany's withdrawal from the international Cartel.

Apart from the fact that the money market is still inclined to be tight, business conditions in Holland are fairly favourable. The electrical industry is expanding, and other principal industries are showing satisfactory activity.

In Scandinavia trade conditions continue their gradual improvement. Norwegian foreign trade is slightly more satisfactory. The Swedish timber market is in a satisfactory position, and the paper pulp market is strengthening. The outlook in Denmark is regarded as satisfactory.

Economic conditions in Central Europe appear to be recovering from the set-back resulting from the bad weather early in the year. As far as can be seen at present the crop damage in Czechoslovakia is less than was originally feared. The Czechoslovakian china industry is in a satisfactory position. Trade conditions in Hungary are satisfactory, but the money market and Bourse reflect the uncertainties of the international credit situation.

SOUTH AMERICA.

The agricultural situation in Argentina is being affected by lack of rain in some of the inland districts, but ploughing operations for the next crops of wheat, linseed, and oats are proceeding near the littoral. The situation in Uruguay is generally satisfactory. The volume of retail sales in Chile appears to have increased, following the normally quiet summer season. A significant and substantial advance occurred in copper shipments, which attained as high a figure as 142,820,000 pesos, against 83,030,000 pesos. The growth in the foreign trade of the Republic is reflected in a corresponding increase in the Customs revenue for the period. In Brazil, stringent credit conditions continue to depress business. Trade conditions in Peru remain seasonally dull, although encouraging reports have been received from the agricultural districts. Colombian conditions show little change; the monetary situation continues stringent. Shipments of coffee from Guatemala during March were heavy. Some 70 to 75 per cent. of the last crop has already been exported, and only a small proportion of the yield remains unsold. Heavy exports of coffee have also taken place from Salvador, where the cheaper grades have continued in good demand. This season's crop of the commodity in Nicaragua turned out short, but prices have remained firm, and the outlook for the next harvest is promising.

FAR EAST.

Japanese foreign trade improved in April, but exports have not yet regained the level of last year. There is some tendency to a stringency in the money market, and the share market is dull. The Chinese market continues to be erratic and the outlook for the cotton industry is uncertain. There are indications of general labour unrest, but no serious demonstrations have taken place recently. Moderate rains in North China give promise of a fairly normal wheat crop.

ELECTRICAL PRODUCTION.

In the *Economist* of July 10, 1926 (pages 57-8), we published a new index of electrical production in the chief industrial areas of Great Britain. We show below a *résumé* of the results achieved during recent periods:—

INDEX of PRODUCTION of ELECTRICITY.*
(Monthly Average 1923-24 = 100.)

Date.	Britain, excluding London and Wales.	Coal Mining, Iron and Steel, Shipbuilding, Heavy Engineering.	General Engineering and Automobile Construction.	Chemicals.	Marine Transport, Docks, etc.	Textiles, Cotton, and Wool.
1926						
January	139	138	162	184	155	135
February	141	153	161	192	150	134
March	135	136	155	161	139	131
April	119	121	128	153	127	114
May	93	88	103	145	99	90
June	100	88	119	157	114	105
July	91	77	123	147	110	97
August	96	84	112	149	110	101
September	105	88	132	163	127	112
October	125	110	148	149	148	131
November	136	119	159	167	161	145
December	148	141	157	183	163	148
1927.						
January	158	155	167	212	179	151
February	157	156	165	212	169	150
March	147	152	153	187	155	140
April	144	144	146	208	151	136
May	138	139	151	198	150	129
June	126	128	136	206	131	114
July	123	118	135	184	140	119
August	123	124	130	201	142	113
September	138	133	157	228	169	131
October	152	146	166	228	175	146
November	166	155	190	236	192	162
December	180	170	200	220	210	172
1928.						
January	174	164	195	232	199	172
February	170	162	188	249	195	164
March	170	165	192	252	195	159
April	149	149	164	226	164	132
May	140	136	170	223	163	125
June	141	138	160	248	158	130
July	131	127	149	248	151	124
August	130	131	131	227	147	116
September	150	145	164	263	175	138
October	161	153	185	245	189	154
November	178	164	215	240	206	169
December	181	171	210	195	210	176
1929.						
January	187	172	234	236	220	190
February	195	182	248	250	222	198
March	173	169	215	268	192	162
April	165	158	201	321	185	152

* Prepared by the economic and statistical department of the British Electrical and Allied Manufacturers' Association.

As compared with the corresponding figures for last year the April figures show a decided improvement, fairly evenly spread over all sections. Indications point to a maintenance of this higher level.

INDICES OF BUSINESS ACTIVITY.

THE picture presented by the latest figures of our Index Numbers of Business Activity is on the whole satisfactory. Despite one or two disappointing features, it suggests that up to the end of April, at any rate, industry succeeded in avoiding the recession which has repeatedly occurred at this period in recent years. Indeed, not only does the ground gained gradually since last Christmas appear certainly to have been maintained, but in some directions—even when full allowance is made for the fact that only half the Easter holidays fell this year in April—there are signs of further improvement.

Bearing in mind that the monthly figures in the following table are three-monthly averages, it will be noted that the four indices of volume of employment continue to record a steady recovery. In the case of "Heavy" industry the index figure for the single month of April (before averaging) showed a decline as a result of greater unemployment among coal miners, but, even so, the April figure was appreciably better than that for January, and the "corrected" average registers an increase over March. Among other industries improved demand for labour last month was fairly general, and in this respect the situation is now much as it was a year ago, before last summer's unfortunate reaction.

Another encouraging feature is the substantial betterment in the index of consumption of iron and steel. As an offset to this recovery, the indices of cotton consumption and of retained imports of raw materials in general have fallen somewhat more heavily than should be expected at this season on the analogy of their trend in recent years, but it should be remembered that both these indices rose so markedly in the early months of 1929 that a compensatory decline is not surprising. The fall in the index of exports of British manufactures is similarly attributable largely to the fact that in January (the month now excluded from the current average) exports were abnormally large.

With regard to the remaining index numbers, consumption of power appears to have been maintained at a good level; shipping movements still keep ahead of last year; and non-ferrous metals are entering into consumption at a satisfactory rate. Moreover, though the volume of provincial bank clearings has a downward tendency which is disquieting at this season of the year, the index of London bank clearings is maintained at a high level. Since Stock Exchange and other purely "financial" turnover has not been great of recent months, it is possible that the relatively greater increase of London clearings, in comparison with the provincial figure, during the past three years, is in part an interesting reflection of the shift of industry from north to south—a movement accompanied by the concentration of head offices in the capital.

A glance at the comparative figures of the entire series of indices for the month of April in each of the past six years will serve to show that, except in the case of "Heavy" industry, the general situation of British trade has undoubtedly improved in the lifetime of the late Government. The trouble is, firstly, that the improvement has failed sufficiently to out-distance growth of population and, secondly, that mal-adjustment between supply and demand in particular areas, types of productions, and classes of labour has not yet been overcome.

INDICES OF BUSINESS ACTIVITY.

1924 = 100.

Period.	Net Imports. Raw Materials.	Net Imports. Non-Ferrous Metals.	Consumption of Iron and Steel.	Consumption of Cotton.	Consumption of Rubber.	Consumption of Power. Coal.	Consumption of Power. Electricity.	Volume of Employment. Heavy Industry.	Volume of Employment. "General" Industry.	Volume of Employment. Miscellaneous Services.	Volume of Employment. Total.	Merchandise on Railways.	Provincial Bank Clearings.	Postal Traffic.	Shipping Movements.	London Bank Clearings.	Exports British Manufactures.	Foreign Trade Turnover. (Quarterly Figs.).
Monthly Average.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1919	113	74	96	109	143	89	...	...	...	...	...	109	92	...	59*b*	54	74	79
1920	106	71	99	113	134	91	...	...	...	...	...	100	113	...	69*b*	65	101	87
1921	56	50	43	74	79	69	...	...	...	...	...	81	82	...	66	76	67	68
1922	89	63	34	99	58	87	...	...	...	...	...	84	97	...	91	97	88	85
1923	88	92	69	93	118	91	...	...	...	...	...	97	98	...	101	97	95	94
1924	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1925	107	107	89	116	137	93	101	90	103	103	101	98	102	103·5	98	104	101·5	102
1926	107*a*	100	57	98	175	72	92	57	101	104	95·5	88	94	103·5	90	109	94	100
1927	113*a*	106	133	113	197	106	109	87	108	108	105	99	102	109·5	105	117	104·5	107·5
1928	101	113	88	103	212	99	110	81·5	108	109·5	105	93	100·5	114	106·5	125	108	106
"Corrected" average for 3 months ended:																		
1928—April	108	119	98	110	305	105	117	86	108·5	109·5	105·5	93	107	116	98	124	106	
May	108	116	91	104	246	102	108	85	109	110	106	94	105	113·5	104	124	107	}105
June	99	118	87	104	152	93	101	83	108·5	110	105·5	90	102	111	107	126	103	
July	94	114	84	102	139	91	97	80	108	110	105	91	100	110	112	126	107	
August	88	113	83	98	143	88	95	78·5	107·5	110	104·5	90	96	110·5	114	123	109	}102
Sept.	84	104	83	87	181	89	96	79	107	110	104	90	95	111	114	123	108	
Oct.	86	104	83	92	257	95	103	79	107	109·5	104	95	91	114	117	122	110	
Nov.	96	107	79	101	314	102	115	78·5	107·5	109	104	97	91	115·5	114	125	110	}112
Dec.	111	110	76	109	310	103	122	79	107·5	109	104	96	97	116	111	126	111	
1929—Jan.	134	121	72	117	315	110	126	80·5	107	109	104	94	101	116	106	129	113	
Feb.	129	123	66	111	263	114	130	83	106·5	109	104	89	107	115	99	134	109	}110·5
Mar.	124	118	70	116	290	119	128	84	107	109	104·5	...	106	116	99	136	109	
Apr.	110*c*	117	83	105	259	114	123	85	108	110	105·5	...	105	116	100	134	104*c*	...
Apr, 1924	80	104	100	94	29	108	107	103·5	99·5	99	100	101	104	100	91	105	96	...
Apr, 1925	109	106	110	122	121	100	108	93	102	101	100·5	97	107	105	92	104	103	...
Apr, 1926	110	118	87	110	193	110	107	94	105	105	103·5	102	103	109	97	110	101	...
Apr, 1927	126*a*	112	170	118	208	104	114	88	107	107	104	100	103	111	98	114	98	...
Apr, 1928	108	119	98	110	305	105	117	86	108·5	109·5	105·5	93	107	116	98	124	106	...
Apr, 1929	110*c*	117	83	105	259	114	123	85	108	110	105·5	...	105	116	100	134	104*c*	...

a Excluding coal imports. *b* Excluding Government War Movements. *c* Provisional figure.

PRODUCTION. (Thousands of Metric Tons.)

COAL.

Period. Monthly Average.	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.
	d		*b k*		*g*		*b*		*j*	*e*		
1913	24,337	1,903	1,189	3,338	15,842	156	748	1,119	665	1,311	1,776	43,088
1924	22,617	1,947	1,265	*c*3,668	9,897	490	2,685	762	944	1,717	2,509	43,213
1925	20,590	1,925	1,063	*c*3,921	11,052	571	2,423	719	983	1,693	2,622	43,988
1926	10,692	2,110	1,214	*c*4,285	12,114	721	2,979	974	1,038	1,703	2,433	49,729
1927	21,355	2,298	1,222	*c*4,315	12,800	777	3,174	1,028	1,006	1,778	2,597	45,197
1928	20,129	2,295	1,264	*c*4,228	12,573	891	3,383	1,036	1,014	...	...	43,025
				c								
1928—April	18,500	2,223	1,119	4,053	11,715	832	2,981	878	918	1,909	2,566	35,468
May	19,994	2,228	1,165	4,162	11,932	874	3,060	1,072	1,041	1,930	2,719	40,581
June	19,260	2,378	1,152	4,374	11,833	894	3,191	1,122	1,040	1,624	2,608	37,434
July	18,423	2,220	1,198	4,172	12,483	921	3,248	1,077	1,035	1,308	2,569	36,968
August	18,651	2,249	1,356	4,359	13,021	927	3,416	1,205	1,104	1,784	2,401	43,536
September	19,154	2,175	1,334	4,179	12,157	876	3,401	963	1,058	1,890	2,436	42,943
October	21,445	2,413	1,300	4,607	13,311	961	3,848	1,089	1,067	1,770	2,680	53,446
November	20,969	2,328	1,255	4,387	12,141	892	3,770	1,049	1,062	1,398	2,603	48,532
December	19,842	2,175	1,220	4,089	11,819	846	3,449	958	977	1,603	2,890	45,002
1929—January	22,792	2,454	1,342	4,425	13,490	*m* 980	4,039	950	1,049	1,865	2,720	53,336
February	21,397	2,115	1,294	†4,188	12,104	*m* 841	3,295	1,016	977	2,068	2,545	48,934
March	21,873	2,393	1,508	†4,469	13,502	*m* 936	3,806	1,065	993	2,177	...	40,061
April	†19,775	...	...	...	...	...	...	...	...	...	...	†38,100

LIGNITE.

Period. Monthly Average.	Austria.	Czechoslovakia.	Germany.	Hungary.
	b	*b k*	*g*	*b*
1913	218	1,927	7,269	460
1924	231	1,705	10,386	529
1925	255	1,566	11,644	460
1926	247	1,589	11,596	485
1927	256	1,669	12,542	520
1928	...	1,726	13,852	...
1928—April	240	1,695	12,263	431
May	246	1,567	12,964	452
June	236	1,561	13,241	473
July	245	1,629	13,531	473
August	263	1,741	14,330	516
September	268	1,759	13,616	557
October	306	2,054	15,226	663
November	303	1,893	14,548	633
December	291	1,715	14,105	634
1929—January	315	1,943	14,817	671
February	307	1,670	13,689	687
March	333	2,087	14,727	...
April	...	...	...	...

PIG IRON.

Period. Monthly Average.	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.
					g	*a*	*f*		
1913	869	207	434	114	1,397	212	61	85	2,601
1924	619	237	*c*641	112	651	180	43	50	2,634
1925	530	212	*c*708	121	848	197	36	48	3,082
1926	208	283	*c*786	135	804	213	39	64	3,308
1927	617	313	*c*777	148	1,092	228	35	60	3,068
1928	560	325	*c*834	161	984	231	33	88	3,204
			c						
1928—April	572	313	834	156	1,045	227	29	76	3,237
May	601	329	871	164	1,044	234	33	89	3,337
June	573	321	844	157	1,021	230	29	99	3,131
July	546	324	836	160	1,035	225	26	97	3,121
August	527	329	858	161	1,031	234	23	93	3,187
September	512	325	822	158	985	231	31	92	3,110
October	552	344	857	169	1,016	236	39	95	3,428
November	553	331	850	169	*l* 267	229	45	97	3,356
December	549	345	882	167	893	234	40	105	3,424
1929—January	573	351	905	169	1,098	242	44	89	3,498
February	528	302	781	147	982	209	42	95	†3,325
March	600	334	880	174	1,061	237	38	...	3,774
April	621	...	...	...	1,105	...	...	...	3,722

STEEL.

Period. Monthly Average.	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.
			c		*g*	*a*	*f*		
1913	649	206	391	159	1,467	101	62	88	2,564
1924	694	240	575	121	820	157	46	55	3,117
1925	625	212	621	131	1,016	174	43	64	3,737
1926	304	281	703	145	1,028	187	43	66	3,794
1927	770	309	692	158	1,359	206	43	77	3,675
1928	722	328	770	173	1,210	214	50	105	4,221
			c						
1928—April	654	305	738	161	1,161	203	42	115	4,372
May	765	325	794	170	1,248	215	57	120	4,271
June	721	329	797	172	1,295	215	43	118	3,803
July	678	320	751	173	1,311	208	43	84	3,873
August	659	342	793	175	1,329	224	54	90	4,246
September	730	331	757	162	1,190	209	46	101	4,214
October	768	356	834	190	1,306	229	56	111	4,722
November	775	340	800	178	*l* 357	213	66	110	4,328
December	694	333	828	175	1,091	218	50	105	4,080
1929—January	774	357	837	183	1,470	225	47	118	4,554
February	793	302	742	161	1,270	195	56	119	4,388
March	874	349	803	179	1,314	221	59	...	5,130
April	823	...	...	...	...	...	...	...	5,030

† Provisional figure. *a* Figures communicated by the "Groupement des Industries Sidérurgiques." *b* Present territory. *c* Including Alsace-Lorraine. *d* Saleable coal; since end 1921 excluding Ireland. *e* British Provinces only. *f* "Ekonomisk Oversikt." *g* From 1918 excluding Alsace-Lorraine and from 1919 excluding Saar; from 1922, excluding Polish Upper Silesia. *i* Including lignite. *j* Coal sold. *k* Until end 1925 saleable coal. *l* Lockout of the iron and steel trade. *m* Including Schlamm.

WHOLESALE PRICES.

Monthly Average.	U.K. Board of Trade.	U.K. *Economist.*	Belgium.	Czechoslovakia.	Denmark.	France.	Germany (Official).	Holland.	Italy (Bachi).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Australia.	British India.	Canada.
			f		*j*		*i*					*j*						
1913	100	100	*h*100	*h*100	100	100	100	100	100	100	*h*100	100	100	100	*h*100	100	*h*100	100
1924	166·2	166·2	573	997	234	488·5	137·3	156	512	267	109·8	172	183	162	174·6	173·3	173	155·3
1925	159·1	160·9	558	1,008	176	549·8	141·8	155	596	253	125·4	183	188	161	161·6	169·5	159	160·3
1926	148·1	149·4	744	954	158	702·6	134·4	145	603	198	*p*181·2	177	181	149	144·5	168·4	148	156·3
1927	141·4	143·7	847	979	154	617·2	137·6	148	495	167	*p*118·6	171	172	146	142·2	167·0	148	152·7
1928	140·3	140·9	843	977	151	620·6	140·0	149	462	161	119·8	...	...	148	144·6	...	145	150·8
		b		*d*	*e*		*b*		*b*		*c*	*p k*	*c*		*c*		*b*	
1928—April	142·9	145·7	847	987	154	623·8	139·5	153	464	162	124·1	171	166	151	145·6	169·5	146	153·6
May	143·6	146·7	844	986	155	632·6	141·2	152	465	162	122·5	172	164	152	145·1	166·4	147	153·0
June	142·6	144·5	844	979	155	625·7	141·3	153	462	161	121·5	172	164	151	145·2	166·4	145	151·7
July	141·1	141·9	841	996	155	623·8	141·6	148	453	162	120·8	173	164	150	144·1	165·4	148	150·3
August	139·3	139·4	831	986	154	617·0	141·5	144	456	162	118·7	173	166	149	143·6	161·0	143	149·1
September	137·6	137·5	830	971	151	619·9	139·9	145	458	158	118·1	176	168	146	143·6	160·5	142	149·2
October	137·9	136·9	835	957	150	617·0	140·1	146	463	157	118·4	176	174	145	144·6	159·7	143	149·1
November	137·9	136·9	847	955	151	625·7	140·3	148	466	157	118·4	177	176	145	145·2	159·5	146	148·3
December	138·3	136·5	855	953	151	623·8	139·9	148	464	157	117·9	177	175	145	143·9	161·8	145	147·7
1929—January	138·3	136·1	867	950	151	630·6	138·9	146	461	154	115·5	177	171	144	142·5	164·2	145	147·7
February	138·4	137·3	865	964	154	638·5	139·3	146	463	155	117·1	178	173	145	142·9	163·4	144	149·5
March	140·1	138·1	869	963	154	639·4	139·6	147	461	155	117·3	...	...	144	141·8	164·7	...	150·2
April	138·8	135·0	862	...	150	626·6	137·1	...	...	154	...	...	...	...	...	...	...	...

a New index. *b* End of the month. *c* 15th of month. *d* Beginning of the following month. *e* Official. *f* Second half of month. *g* "Finanstidende." *h* 1914. *i* *Frankfurter Zeitung* index discontinued. *j* End year. *k* Average last week of month. *l* Since 1924, new series. *p* Since January, 1926, new index. *s* 000,000,000 omitted.

Wholesale Prices—*Continued.*

Monthly Average.	South Africa.	China.	Japan.	United States Bureau of Labour.
1913	100	100	100	100
1923	126·6	156·4	199·1	144·1
1924	128·7	153·9	206·5	140·5
1925	127·6	159·4	201·7	148·3
1926	123·3	164·1	178·9	143·3
1927	124·2	170·4	169·8	136·7
1928	129·8	...	170·9	140·0
		g		
1928—April	120·8	163·1	169·6	139·5
May	...	164·5	171·5	141·3
June	...	160·0	168·9	139·8
July	119·0	159·2	168·6	140·8
August	...	157·2	170·1	141·7
September	...	156·2	173·7	143·4
October	120·0	158·8	173·6	140·1
November	...	159·2	173·1	138·5
December	...	159·9	173·7	138·5
1929—January	119·9	160·1	172·2	139·3
February	...	162·4	171·0	138·5
March	...	...	171·0	139·7
April	...	...	169·6	...

Index Numbers of Retail Prices. Cost of Living.—(Base=100).

	U.K.	Irish Free State.	Austria.	Belgium.	Bulgaria.	France.	Germany.	Italy.	Spain.	Canada.	U.S.A.
No. of Towns and Localities.	630	105	Vienna.	59	12	Paris.	71	Milan.	Madrid.	60	32
Base.	July, 1914.	July, 1914.	July, 1914.	April, 1914.	1914.	1914.	Oct., 1913, Jan., April, June, 1914	Jan.–June, 1914.	1914.	1913.	1913.
					a	*d*	*h*				
1924—July	171	183	86	125	2833	366	*b* 126·4	*v* 512	184	98·0	168
1925—July	173	188	97	133	3014	390	*b* 143·3	598	189	99·3	173
1926—July	170	182	103	174	2886	485	*b* 142·4	649	187	100·0	171
1927—July	164	171	106	204	2788	525	150·0	548	189	98·5	167
1928—July	165	173	108	205	...	105	152·6	145	...	99·1	166
					i		*b*				
1928—April	164	170	107	204	2841	...	150·7	145	174	98·7	...
May	165	...	107	202	2857	...	150·6	144	171	98·4	...
June	165	...	109	204	2818	*w* 105	151·4	145	172	98·2	165
July	165	173	108	205	2861	...	152·6	143	173	98·4	...
August	165	...	108	206	2742	...	153·5	142	174	99·2	...
Sept.	166	...	109	209	2757	*w* 105	152·3	143	178	99·2	...
October	167	176	109	212	2796	...	152·1	144	179	99·9	...
Nov.	168	...	109	217	2826	...	152·3	146	181	99·7	...
Dec.	167	...	109	216	2816	*w* 108	152·7	147	187	99·7	166
1929—Jan.	165	177	109	216	2820	...	153·1	148	184	99·6	...
Feb.	166	...	111	217	...	...	154·4	153	183	99·4	...
March	162	...	110	216	...	*w* 111	156·6	150	...	99·5	...
April	161	173	109	...	...	...	...	...	...	...	...

a The first of the following month. *b* Gold mark prices. *c* Since 1923 gold prices. *d* Yearly average. *e* Prices of foodstuffs average of quarter. *g* Last Wednesday of month. *h* Average of second quarter. *q* Revised. *s* 15th of month. *t* Excluding clothing and rent. *v* Since November, 1927, new series. *w* Since date stabilisation gold standard index.

FINANCE.

Notes in Circulation. (000,000's omitted.)

Period; End of	United Kingdom. Bank of England Notes.	United Kingdom. Currency Notes.	Austria. Bank Notes.	Belgium. Bank Notes.	Bulgaria. Bank Notes.	Czecho-slovakia. Bank Notes.	Denmark. Bank Notes.	Finland. Bank Notes.	France. Bank Notes.	Germany. Reichsbank Notes.	Germany. "Rentenbank."	Greece. Bank Notes.	Hungary. Bank Notes.	Jugo-Slavia. Bank Notes.	Netherlands. Bank Notes.	Netherlands. State Notes.
	£	£	Schilling.	Francs.	Leva.	Koruna.	Kron.	Markat.	Francs.	Reichsmark.	Rentenmks.	Drachmæ	Pengö.	Dinars.	Gulden.	Gulden
	a									*g*	*i*		*k*	*u*		
1913	29·6	...	...	1,067	189	...	152	113	*y* 5,714	2,742	...	245	...	...	313	...
1922	102·1	*b* 295·4	*c*4,080,177	6,876	3,886	10,064	459	1,421	36,359	1,293,758	...	3,149	75,887	5,040	1,012	32
1923	105·1	*b* 292·7	713	7,537	4,139	9,590	473	1,352	39,114	/496507,424,772	...	4,681	931,337	5,790	1,066	32
1924	101·3	*b* 296·3	839	7,814	4,530	8,810	478	1,250	40,885	1,941	1,835	4,866	4,513,990	6,002	935	23
1925	88·5	*b* 296·8	890	7,814	3,655	8,408	438	1,309	51,085	2,960	1,476	5,395	416	5,063	875	17
1926	84·5	*b* 296·5	947	9,646	3,485	8,203	386	1,346	52,907	3,736	1,164	4,865	471	5,812	819	13
1927	82·5	*b* 299·8	1,005	10,951	3,727	8,417	354	1,514	56,551	4,564	716	4,966	487	5,743	797	12
1928	*x*378·3	*x*	1,067	11,608	4,173	8,466	360	1,513	63,916	4,930	530	5,690	513	5,528	854	11
	x	*b*									*i*					
1928—Apl.	79·5	294·8	947	11,277	3,797	7,098	352	1,619	59,198	4,409	609	4,894	479	5,325	853	12
May	79·7	293·7	948	*e* 11,524	3,784	7,111	347	1,576	59,195	4,487	586	4,250	451	5,280	797	12
June	80·0	296·0	998	*e* 11,258	3,899	7,584	360	1,585	60,628	4,674	578	5,155	479	5,354	829	12
July	81·0	297·6	1,009	*e* 10,726	4,131	7,344	340	1,543	60,436	4,569	561	5,131	496	5,313	810	11
Aug.	79·2	298·9	1,003	*e* 11,121	4,285	7,549	341	1,565	62,184	4,673	570	5,258	497	5,562	792	11
Sept.	78·2	293·9	1,008	*e* 11,099	4,501	7,806	360	1,599	62,654	4,830	570	5,719	500	5,751	855	12
Oct.	78·3	291·6	1,007	*e* 11,625	4,610	7,825	361	1,539	62,759	4,672	543	5,759	542	5,786	829	12
Nov.	*x*367·0	*x*	984	*e* 11,530	4,379	7,818	354	1,502	62,660	4,724	524	5,599	476	5,598	855	12
Dec.	*x*378·3	*x*	1,067	*e* 11,608	4,173	8,466	360	1,513	63,916	4,930	530	5,690	513	5,528	854	11
1929—Jan.	*x*355·6	*x*	965	*e* 12,097	3,898	7,115	336	1,431	63,867	4,454	513	5,514	485	5,194	782	11
Feb.	*x*352·3	*x*	977	*e* 12,162	3,894	7,063	342	1,523	64,226	4,553	508	5,465	451	5,159	776	11
Mar.	*x*361·8	*x*	1,004	*e* 12,062	4,101	7,333	357	1,596	64,575	4,822	504	5,488	458	5,265	835	12
Apl.	*x*361·4	*x*	995	*e* 12,341	4,366	7,133	359	1,556	62,848	4,631	489	...	485	5,212	840	12

Period. End of	Italy. Bank Notes.	Italy. State Notes.	Norway. Bank Notes.	Poland. Bank Notes.	Poland. Token Notes and Coins.	Rou-mania. Bank Notes.	Russia. State Notes.	Russia. Bank Notes.	Sweden. Bank Notes.	Switzer-land. Bank Notes.	Australia. Bank Notes.	Canada. Bank Notes and Dominion Notes.	South Africa. Bank Notes.	Egypt. Bank Notes.	United States. Bank Notes.	United States. State Notes.	Japan. Bank Notes.
	Lire.	Lire.	Kroner.	Marki p.	Zloty.	Zloty.	Lei.	Gd.Rbls.	Rbles.	Kronor.	Francs.	£	Dollars.	£	£E	Dollars.	Dollars.	Yen.
					m	*t*	*u*	*v*				*p*	*q*					*o*
1913	*d* 2,284	*w* 499	108	...	...	...	437	...	...	234	314	*r* 10·0	116	2·3	2·2	726	343	426
1922	18,012	2,267	385	793,437	...	...	15,126	...	4	584	976	52·0	184	3·3	31·7	3,117	288	1,558
1923	17,247	2,428	396	125,371,955	...	...	17,917	...	237	576	982	52·2	187	8·8	34·3	2,951	308	1,704
1924	18,114	2,400	391	3,314,000	551	161	19,397	229	411	537	914	56·9	177	9·1	40·2	2,555	297	1,662
1925	18,349	2,100	363	*t* 2,770,200	381	440	20,222	388	727	530	876	53·9	176	7·2	33·5	2,458	294	1,668
1926	18,340	1,793	337	...	593	428	20,951	398	797	525	874	49·9	190	6·6	27·8	2,458	298	1,377
1927	17,992	783	331	...	1,003	309	21,025	480	1,003	526	917	51·8	192	7·2	27·5	2,387	294	1,682
1928	17,295	161	316	...	1,295	244	...	...	*o* 1,123	546	953	48·7	...	7·6	...	2,428	295	1,773
1928—Apl.	17,124	399	321	...	1,126	266	21,017	445	926	501	845	44·8	180	7·2	26·3	2,242	294	1,348
May	17,105	343	313	...	1,133	252	21,049	454	943	494	831	44·6	177	7·2	25·4	2,240	297	1,263
June	17,324	291	325	...	1,159	246	21,039	543	985	497	860	44·5	194	7·4	23·6	2,281	300	1,463
July	17,395	250	319	...	1,207	249	21,051	639	973	514	864	44·1	184	7·2	22·1	2,233	295	1,271
Aug.	17,140	229	318	...	1,261	254	21,054	711	1,064	565	892	44·1	191	7·4	21·7	2,316	302	1,359
Sept.	17,476	205	313	...	1,313	256	21,959	734	1,087	517	885	44·6	206	7·4	27·1	2,351	304	1,308
Oct.	17,236	190	306	...	1,270	246	21,479	728	1,092	538	878	44·9	203	7·1	31·6	2,332	302	1,306
Nov.	17,119	175	302	...	1,295	244	21,321	730	1,091	546	953	45·4	202	7·6	31·4	2,424	307	1,389
Dec.	17,295	161	316	...	1,222	230	20,391	680	1,037	486	840	48·7	193	7·6	30·3	2,428	295	1,773
1929—Jan.	16,590	157	299	...	1,249	231	20,325	701	*o* 1,056	499	843	46·7	173	7·3	28·4	2,248	283	1,405
Feb.	16,197	120	301	...	1,333	239	20,964	...	*o* 1,102	544	886	45·4	177	7·5	27·5	2,277	285	1,278
Mar.	16,396	117	312	...	1,274	*n*223	26,528	...	...	518	875	44·4	...	8·0	...	2,323	284	1,354
Apl.	...	...	308	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

a From 1919 to October, 1928, excluding notes held on redemption account in respect of currency notes. *b* Includes notes called in, but not cancelled. *c* Kronen. One schilling = 10,000 paper kronen. *d* In terms of new lire = 8,373 million. *e* Excluding Government notes. */* Milliards. *g* Marks—including Reichs- und Darlehenkassenscheine. *h* Excluding notes held by Reichsbank. *k* Until end 1924 paper kronen. (One pengö = 12,500 paper kronen.) *i* May 31st, 1925: ceased to be exchangeable against Zloty notes. *m* One Zloty = 1,800,000 P. Marks. *n* Token coin 138·0 million Zloty. *o* Gross issue. *p* Excluding notes held as reserve by Chartered Banks. *q* Circulation in Union only. *r* State notes. *t* Since January, 1926, excluding notes held by Bank of Poland. *u* Since 1920, including Austria-Hungarian and other notes converted after the war into National Currency. *v* Since 1926, excluding notes held by the State Bank. *w* In terms of new lire = 1,829 millions. *x* Amalgamation of Currency and Bank Note Issues came into effect November 22nd. *y* In terms of new francs. *z* Excluding parcels post.

LONDON RATES OF EXCHANGE.

	Paris. Francs to £1.	Brussels. Francs to £1.	Italy. Lire to £1.	Switzer-land. Francs to £1.	Madrid. Pesetas to £1.	Amster-dam. Florins to £1.	Stock-holm. Kronor to £1.	Oslo. Kroner to £1.	Copen-hagen. Kroner to £1.	Berlin. Marks to £1.	Vienna. Krone to £1.	New York. Dollars to £1.	Buenos Aires. Pence Dollars.
Par level	25·22½	*a* 35·00	25·22½	25·22½	25·22½	12·107	18·159	18·159	18·159	20·43	24·02	4·86⅛	47·58
Highest, 1928	124·31½	*a* 35·04	92·90	25·35	30·27	12·13	18·20	19·34½	18·22	20·48½	‡34·75	4·88⅛	47⅜
Lowest, „	123·87½	*a* 34·86¾	91·93	25·15	28·03	12·07⅞	18·09	18·18	18·17	20·33¼	‡34·38	4·84½	47⅛
Beginning of—													
July, 1914	25·15	† 25·35½	25·25½	21·16½	26·10	12·11½	18·30	18·25	18·30	20·49½	24·55	4·87⅛	47⅛
January, 1922	52·32½	54·65½	97½	21·70½	28·19½	11·44½	16·97½	26·99½	21·12½	791½	13,000	4·20	43⅛
January, 1923	66·30	72·85	93½	29·72½	29·73½	11·79	17·37½	25·12½	23·40	48,500	330,000	4·68	44
January, 1924	87·85	99·45	100⅛	24·63¼	33·58½	11·36½	16·26½	29·82½	24·44½	19½ billions	305,500	4·84½	46⅛
January, 1925	87·40½	94·79½	112·35	24·34½	33·95½	11·71½	17·62½	31·37½	26·85½	19·94¼ gld. mks.	337,500	4·29⅜	40⅞
January, 1926	129·31½	107·00	120	25·08¾	34·31½	12·05	18·08	23·83½	19·60½	20·37½ „	‡ 34·37½	4·74⅛	46⅛
January, 1927	122·81½	*a* 34·89	109·62½	25·14½	31·23½	12·12½	18·15½	19·04½	18·20	20·43½ „	‡ 34·42½	4·85⅛	46⅛
January, 1928	124·00	*a* 34·92½	92·32½	25·27½	28·24	12·09½	18·11½	18·34½	18·20½	20·45½ „	‡ 34·52	4·85⅛	46⅛
January, 1929	124·10½	*a* 34·88½	92·64	25·18½	29·74	12·08	18·13	18·19	18·17½	20·38½ „	‡ 34·44½	4·87⅜	47⅛
March, „	124·21½	*a* 34·95½	92·67½	25·23	32·97½	12·11½	18·16½	18·19½	18·20½	20·45½ „	‡ 34·52½	4·85⅛	47⅛
April, „	124·21½	*a* 34·95½	92·74½	25·22	32·22½	12·10⅜	18·17½	18·19½	18·21½	20·46½ „	‡ 34·52½	4·85⅛	47⅛
May, „	124·17⅝	*a* 34·95½	92·61½	25·19	33·87½	12·07	18·16	18·19½	18·20	20·48 „	‡ 34·56¼	4·85⅛	47⅛

	Rio de Janeiro. Pence to Milreis.	Monte Video. Pence to Dollars.	Valpa-raiso. Pesos to £1.	Bombay. Pence to Rupee.	Hong Kong. Sterling to Dollar.	Shanghai. Sterling to Tael.	Japan. Sterling to Yen.	Singa-pore. Sterling to Dollar.
				s. d.	s. d.	s. d.	s. d.	s. d.
Par level	16	51	40	1 6	...	...	2 0⅛	...
Highest, 1928	5⅛	51½	39·73	1 6½	2 1⅛	2 10⅜	1 11½	2 4⅞
Lowest, „	5⅛	49¼	39·34	1 5⅝	1 11½	2 6⅜	1 10⅜	2 3⅛
Beginning of—								
July, 1914	16⅛	51½	§ 9⅜	1 3⅝	1 10⅜	2 6½	2 0¼	...
January, 1922	7⅛	41	40·20	1 4	2 7½	3 6¾	2 3½	2 3⅞
January, 1923	5⅛	44	34·70	1 4⅛	2 3½	3 0⅜	2 1	2 4⅛
January, 1924	5⅜	43⅛	40·30	1 5½	2 4⅜	3 4¾	2 1⅜	2 4⅛
January, 1925	5⅛	50½	40·30	1 6⅛	2 3⅜	3 1⅜	1 7½	2 4⅛
January, 1926	5⅛	50½	39·80	1 6⅛	2 4⅜	3 1⅛	1 9⅛	2 4⅛
January, 1927	5⅛	50½	39·65	1 6⅛	1 11⅜	2 5⅜	2 0⅛	2 4⅛
January, 1928	5⅛	51	39·35	1 6⅛	2 0⅜	2 7⅜	1 11⅛	2 4⅛
December, „	5⅛	51	39·64	1 6⅛	2 0⅜	2 7⅛	1 10⅜	2 4
January, 1929	5⅛	50⅜	39·62	1 6	2 0⅛	2 7⅛	1 10⅜	2 3⅜
February, „	5⅛	50⅜	39·46	1 6⅛	2 0⅛	2 7	1 10⅛	2 3⅛
March, „	5⅛	50	39·55	1 6	2 0	2 6⅞	1 10⅛	2 3⅛
April, „	5⅛	47⅜	39·61	1 5⅜	1 11⅜	2 5⅜	1 10⅛	2 3⅛
May, „	5⅛							

† Francs to £1. § Pence to Peso. ‡ Schillings to £1. *a* Belga to £1. *b* New parity, 92·46 lire to £1. • Daily rates.

Place.	Method of Quoting.	April Quotations. Highest.	Lowest.	Average.
New York. Apr., 1928	Dollars to £1.	4·88⅛	4·87⅛	4·882
Mar., 1929		4·85⅛	4·85⅛	4·853
Apr., 1929		4·85⅛	4·85⅛	4·853
Paris. Apr., 1928	Francs to £1.	124·06½	123·93½	124·008
Mar., 1929		124·31½	124·12½	124·236
Apr., 1929		124·31½	124·12	124·188
Amsterdam. Apr., 1928	Florins to £1.	12·12⅛	12·09⅞	12·111
Mar., 1929		12·12⅜	12·10	12·115
Apr., 1929		12·11½	12·06½	12·090
Berlin. Apr., 1928	Rchmks. to £1.	20·42½	20·39½	20·412
Mar., 1929		20·47	20·44½	20·465
Apr., 1929		20·58	20·45½	20·475

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period. Monthly Average.	U.K. £	Irish Free State. £	Belgium. Francs.	Bulgaria. Leva.	Den-mark. Kroner.	Estonia. Ekr.	France. Francs.	Fin-land. Markka	Germany. Mark.	Greece. Drach-mæ.	Italy. Lire.	Jugo-Slavia. Dinars.	Nether-lands. Gulden.	Poland. Zloty.	Swed'n. Kronor.	Switz'r-land. Francs.	Egypt. £E.	United States. Dollars.
			m	*j*		*s*		*f*	*d*	*e*	*b*	*a*		*c*		*f*		
1913	54,931	...	386,384	15,775	64,785	...	701,778	41,035	897,474	*i* 14,828	303,803	...	325,231	...	70,545	159,985	2,271	147,932
1923	*t* 81,474	...	1,099,347	426,987	158,949	777,690	2,738,296	381,105	*d* 512,477	502,937	1,432,431	692,470	167,436	160,028	107,877	186,923	3,643	310,981
1924	*t* 94,789	5,632	1,475,061	463,109	184,874	683,684	3,346,901	385,817	*d* 756,901	671,149	1,615,056	685,145	196,961	211,875	118,708	207,000	4,086	297,926
1925	*t* 97,371	5,162	1,488,378	606,958	161,382	8,046	3,712,700	458,185	*h* 978,700	850,794	2,183,374	729,407	204,583	229,589	120,535	219,427	4,678	348,018
1926	*t* 93,105	5,043	1,920,460	520,578	127,319	7,964	4,968,923	470,582	*h* 808,500	833,745	2,155,945	635,982	203,496	128,242	124,151	201,209	4,199	367,340
1927	*t* 91,360	5,012	2,422,921	510,745	131,508	8,035	*g* 4,420,823	529,001	*h* 1,150,100	1,037,414	1,697,440	607,191	212,405	240,998	132,030	213,650	3,896	346,924
1928	89,657	4,889	2,620,430	†593300	135,205	10,953	*g* 4,454,022	664,260	*h* 1,137,000	...	1,832,797	659,078	223,658	280,180	142,507	228,723	...	339,947
1928—Mar.	99,243	5,703	2,984,887	692,149	145,113	11,217	4,525,495	646,674	1,229,355	1,205,709	1,818,403	701,061	247,182	372,232	140,749	244,031	3,697	371,649
April	85,841	4,814	2,390,033	568,587	132,325	10,567	4,604,248	597,661	1,174,702	1,014,030	1,922,470	657,906	210,729	265,626	135,745	213,461	4,348	326,929
May	87,591	4,601	2,536,747	600,509	130,902	10,465	4,051,553	761,071	1,086,022	1,080,429	1,971,521	659,480	219,881	296,470	153,860	222,944	4,055	346,404
June	87,898	5,082	2,607,815	541,397	129,701	11,504	4,701,036	686,371	1,108,384	938,335	*2,126,170	590,306	231,620	289,662	143,884	211,014	3,715	316,703
July	87,015	5,105	2,335,904	518,417	133,640	10,763	4,048,506	573,922	1,182,647	973,902	1,740,143	619,510	211,388	288,195	127,374	214,431	3,469	322,837
Aug.	88,944	4,816	2,528,563	570,402	145,103	12,817	4,164,142	710,531	1,083,419	813,921	1,551,654	645,407	223,971	258,794	151,684	224,879	3,755	352,639
Sept.	80,826	5,057	2,853,412	668,966	138,118	11,733	4,228,188	758,987	1,088,227	899,548	1,616,533	713,892	239,637	272,784	152,184	218,195	4,352	324,928
Oct.	93,757 *z*	5,401	2,861,274	635,825	140,745	14,108	4,730,519	879,222	1,213,321	1,192,630	1,812,527	778,880	233,697	277,300	157,984	262,789	4,838	367,647
Nov.	96,023 *z*	4,602	2,646,689	664,709	125,739	12,613	4,735,939	735,051	1,173,329	1,244,357	1,857,981	706,796	222,307	261,084	166,336	243,139	4,872	328,525
Dec.	92,373 *z*	4,547	2,776,140	600,307	135,133	9,917	5,212,912	586,127	1,100,870	1,027,224	*2,356,626	622,113	209,747	238,396	130,990	248,498	4,623	333,946
1929—Jan.	106,253 *z*	4,719	2,392,608	563,128	121,251	11,175	5,173,343	504,454	1,319,113	1,082,117	1,812,705	560,690	233,011	294,042	122,521	212,128	4,563	368,636
Feb.	81,048 *z*	4,245	2,698,172	428,744	87,325	6,322	5,162,237	333,831	1,016,853	901,867	1,807,852	403,986	177,539	264,911	87,035	188,515	4,002	369,455
Mar.	88,607 *z*	5,508	3,039,941	...	107,057	6,619	4,934,124	349,442	1,021,930	1,170,051	1,998,708	†685000	216,088	233,286	89,020	225,466	...	383,803
April	93,792	...	...	...	...	...	...	...	...	...	...	...	...	...	...	243,396	...	†409000

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

			m	*j*		*s*		*f*	*d*	*e*	*b*	*a*		*c*		*f*		
1913	43,771	...	302,882	7,778	53,113	...	573,351	33,482	841,436	*i* 9,917	209,303	...	255,463	...	68,112	114,700	2,626	204,024
1923	*t* 63,938	...	807,718	294,761	128,217	475,996	2,572,236	363,787	508,527	212,092	924,418	670,737	108,602	171,366	96,175	146,684	4,863	340,893
1924	*t* 66,747	4,190	1,151,126	408,519	184,874	655,483	2,530,743	407,078	545,971	273,081	1,197,746	794,898	138,388	181,437	105,079	172,511	5,472	374,804
1925	*t* 64,424	3,615	1,228,662	670,206	149,067	8,054	3,982,676	462,684	*h* 744,200	378,447	1,522,855	742,045	150,641	182,235	113,318	169,895	4,928	401,560
1926	*t* 54,234	3,432	1,661,198	468,133	117,133	8,020	4,936,893	467,985	*h* 827,500	452,479	1,555,877	651,515	145,767	187,192	118,293	153,041	3,435	392,643
1927	*t* 59,092	3,681	2,218,975	552,262	120,546	8,815	4,577,063	523,876	*h* 864,600	503,118	1,301,232	533,346	158,309	209,562	134,715	168,604	3,977	396,572
1928	*t* 60,286	3,779	2,505,935	†538600	128,415	10,596	4,278,900	516,251	*h* 982,100	387,951	1,207,259	537,058	165,515	208,999	130,578	177,870	...	419,040
									d									
1928—Mar.	64,958	3,066	2,732,431	415,397	†133,761	7,886	4,318,909	276,060	1,021,198	320,180	1,169,886	503,217	173,308	208,415	90,964	190,770	4,314	409,961
April	55,268	2,962	2,158,396	450,688	120,322	8,233	4,291,078	235,185	920,396	508,009	1,072,926	428,538	152,031	184,521	87,462	167,788	4,868	356,057
May	58,554	3,513	2,363,105	446,691	130,886	11,570	3,985,452	484,511	893,927	299,310	1,104,387	431,660	169,335	201,775	134,760	172,382	4,537	413,829
June	59,472	4,225	2,456,978	370,547	128,965	13,144	4,214,438	522,308	890,376	237,052	*1,410,465	454,360	147,859	191,962	145,630	162,265	4,061	380,305
July	60,885	3,969	2,595,636	487,577	122,593	11,303	3,940,916	749,916	881,676	262,213	1,001,190	493,814	160,526	201,522	138,584	167,829	3,870	371,471
Aug.	62,217	4,011	2,297,883	731,204	136,005	13,465	4,170,011	821,144	1,025,269	292,771	1,115,252	693,801	187,627	196,333	148,701	167,895	3,326	371,312
Sept.	56,620	4,572	2,316,496	563,503	133,109	12,169	4,190,539	798,308	1,057,858	436,188	1,157,195	692,293	189,922	204,344	158,105	182,628	2,505	414,859
Oct.	64,313 *z*	4,753	2,914,030	569,935	132,963	12,208	4,448,456	734,176	948,999	680,661	1,299,512	666,068	179,984	238,695	165,569	206,234	5,542	543,042
Nov.	63,767 *z*	4,472	2,550,782	654,433	136,385	9,532	4,614,005	620,111	938,990	865,770	1,322,297	642,347	169,630	255,113	165,194	197,338	7,312	538,332
Dec.	60,394 *z*	3,711	3,355,204	502,057	134,511	8,995	4,733,095	495,461	977,509	1,184,690	*1,637,348	569,339	164,758	209,173	167,280	192,161	5,921	465,987
1929—Jan.	66,880 *z*	3,149	2,068,971	575,627	118,034	7,900	3 701,892	309,660	1,035,841	1,088,843	999,526	425,708	152,192	215,834	109,414	153,892	5,376	480,317
Feb.	55,665 *z*	2,986	2,391,585	285,297	98,871	5,585	4,117,941	184,156	921,061	629,980	1,098,231	385,074	123,615	167,465	77,448	163,024	4,472	435,235
Mar.	58,623 *z*	3,066	2,697,186	...	117,432	4,779	4,180,206	192,904	983,524	711,009	1,184,494	...	175,091	161,525	95,251	179,840	...	489,737
April	60,244	...	...	...	...	...	...	...	...	...	...	...	...	...	...	176,976	...	†427000

a Including bullion and specie. *b* Since 1922 declared values. *c* Including Dantzig. *d* Since January, 1922, gold marks valuation. *e* Until February, 1923, Julian Calendar. */* Including bullion. *g* Declared values. *h* Returns have been officially revised. *i* Old Greece only. *j* Including bullion. *m* Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." *t* From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. *s* Including bullion: until end 1924 Eesti mk. (1 Ekr. = 100 E mk.). *x* Average of two months. *z* Excluding parcels post. † Provisional figures. • Including parcel post for the half-year.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period. Monthly Average.	Value. Aus-tralia. £'s.	Value. British India. Rupees.	Value. Canada. Dollars.	Value. New Zealand. £'s.	Value. South Africa. £'s.	Value. Japan. Yen.	Value. Brazil. Milreis.	Quantity (Metric Tons). Belgium.	Czecho-slovakia.	France.	Ger-many.	Greece.	Hun-gary.	Nether-lands.	Poland.	Swit-zerland.	Brazil.
	g	*b*					*a*	*q*	*o*				*e*	*i*		*j*		*f*
1913	6,355	152,725	54,917	1,785	3,365	60,474	83,958	2,721	...	3,685	*h* 6,069	*p* 84	...	3,739	...	661		494
1923	11,436	184,973	75,253	3,575	4,577	161,924	188,930	2,217	357	4,572	3,890	112	314	1,612	266	556		298
1924	11,960	196,493	67,350	3,995	5,302	240,726	232,463	2,784	482	4,716	3,216	150	376	1,888	201	564		369
1925	12,350	186,899	74,189	4,308	5,459	207,223	281,403	2,772	565	3,954	4,331	175	373	2,117	284	546		414
1926	13,429	196,673	84,028	4,074	5,848	192,101	225,463	2,859	554	3,783	3,606	156	461	2,362	203	590		412
1927	13,212	206,853	90,593	3,655	5,867	174,883	272,764	3,172	613	4,114	5,674	190	523	2,385	409	622		457
1928	...	207,275	101,860	3,674	6,290	...	...	3,293	778	4,092	5,498	313	...	2,485	430	668		...
1928—Mar.	10,698	220,008	120,455	4,201	6,420	216,055	283,638	3,401	791	4,086	5,645	222	509	2,569	432

CAPITAL ISSUES.—(000's omitted.)

Period.	United Kingdom.	Austria.	Czecho-Slovakia.	France.	Germany.	Italy.	Nether-lands.	Poland.	Rou-mania.	Sweden.	Switzer-land.	British India.	Japan.	United States.
Monthly Average.	£	Schil-ling.	Koruna.	Francs.	Mark.	Lire.	Gulden.	Zloty.	Lei.	Kroner.	Francs.	Rupees.	Yen.	Dollars.
		b		*d*	*m*	*f*	*ch*	*y*			*o*			*p*
1913	16·3	...	...	60	23	13	...	...	20	18	44	56	45	137
1922	47·8	4,227	98	1,274	6,609	232	33	...	245	27	67	37	180	285
1923	22·6	18,206	48	955	*p*	332	19	...	320	19	62	21	176	300
1924	17·4	26,992	31	605	15·0	504	30	3·1	262	20	51	19	219	268
1925	19·4	2·3	21	329	55·1	746	33	7·7	219	16	56	29	204	304
1926	19·2	2·4	24	412	74·8	473	48	6·1	541	13	59	16	228	307
1927	29·6	9·7	31	626	114·1	264	43	17·7	282	22	73	17	255	498
1928	30·8	10·3	60	896	110·0	450	...	23·0	384	31	57	24	...	604
1927.														
July-Sept.	17·4	9·3	21	413	82·7	350	40	21·9	196	9	71	15	202	336
Oct.-Dec..	35·1	14·5	37	870	103·4	177	42	28·3	253	20	...	16	365	644
1928.														
July-Sept.	15·3	6·9	60	726	108·0	580	24	16·7	463	24	23	22	376	369
Oct.-Dec..	26·1	7·2	41	1,310	128·3	415	...	39·1	283	26	38	18	...	714
Dec.	19·3	5·5	42	1,471	95·2	534	36	69·1	422	39	23	33	175	833
1929.														
Jan.	42·6	11·2	24	770	226·8	233	50	...	371	12	65	57	106	609
Feb.	25·5	11·5	62	1,092	77·0	470	73	...	175	14	115	37	179	909
Mar.	28·8	5·3	18	1,406	52·6	774	...	...	409	17	131	16	...	877
April	31·0	...	...	1,475	...	...	...	...	...	16	...	...	...	502

Unless otherwise stated, the figures represent authorised share issue of new joint stock companies at home, and the increase of capital of existing companies. Bonus shares are excluded from the figures of the U.S.A., Roumania, Switzerland and Czechoslovakia. In the case of the Netherlands and the U.K. both bonus shares and conversions are excluded. *b* Until end 1924, kronen. *c* Excluding Treasury Bills. *d* Exc. large railway issues. *f* "Rivista Bancaria." *h* Issues exceeding Fls. 100,000 on the Dutch market including Colonial, and since Jan., 1925, foreign issues. *m* Since 1924, excluding amalgamations and conversions. Until end 1922 paper mark. *o* "Société de Banque Suisse," invitation for subscriptions on Swiss market including obligations and Local Govt. loans. *p* "Journal of Commerce," subs. invited in home market by corporations for amounts exdg. $100,000. *y* Excluding Upper Silesia.

UNEMPLOYMENT.

Percentage of persons unemployed in trade unions or in official unemployment insurance schemes (Belgium and U.K.).

End of Month.	U.K.	Bel-gium.	Den-mark.	Ger-many.	Nether-lands.	Norway.	Sweden.	Aus-tralia.	Canada.
1921—June	17·8	9·9	16·8	3·0	8·1	20·6	27·7	12·5	13·2
December	16·2	6·6	25·2	1·6	16·6	23·4	33·2	9·5	15·1
	‡								
1923—June	11·3	0·8	8·1	4·1	10·8	7·9	9·8	7·1	3·4
December	10·7	1·7	19·6	28·2	17·3	14·0	14·1	6·2	7·2
1924—June	9·4	1·0	5·1	10·4	7·2	4·3	7·3	8·3	5·9
December	10·7	1·5	13·2	8·1	12·3	12·5	15·5	10·3	11·6
1925—June	11·9	1·0	9·3	3·5	6·6	8·9	8·2	10·2	6·1
December	10·4	2·8	31·1	19·4	16·0	23·7	19·4	8·1	7·9
1926—June	*14·6	0·9	15·8	18·1	5·9	22·6	9·6	6·7	4·1
December	*11·9	2·6	32·7	16·7	12·1	27·7	19·0	5·7	5·9
1927—June	8·8	1·4	18·5	6·3	6·0	22·5	9·5	6·4	3·2
December	9·8	3·6	30·5	12·9	14·9	28·0	18·6	8·9	6·6
1928—April	9·6	0·8	17·6	6·9	5·0	28·8	7·6	...	5·2
May	9·9	0·7	14·3	6·3	4·4	18·0	8·1	...	3·7
June	10·8	0·6	13·7	6·2	4·4	14·4	7·6	11·2	3·2
July	11·7	0·7	13·5	6·3	5·3	13·6	7·2	...	2·5
August	11·7	0·5	13·1	6·5	5·2	13·9	7·0	...	2·4
September.....	11·5	0·6	12·2	6·6	4·8	15·5	7·7	11·4	2·2
October.....	11·8	0·6	14·8	7·3	4·8	16·1	9·0	...	3·1
November	12·2	0·6	17·6	9·5	6·2	17·4	10·9	...	4·2
December	11·2	1·9	25·0	16·7	11·5	22·1	17·3	9·9	6·6
1929—January... ...	12·3	3·5	27·6	19·4	18·9	22·2	14·3	...	6·3
February	12·2	4·7	30·0	22·3	†20·9	...	14·6	...	6·8
March	10·1	...	23·3	16·9	†6·0	...	...	...	...
April	9·9	...	...	...	...	...	...	...	...
Number of Workers Covered by Last Returns.									
Millions	11·9	0·6	0·3	4·5	0·3	0·04	0·3	0·4	0·2

‡ Ex. Irish Free State since Mar., 1923.

* Workpeople in the coal mining industry, who ceased work on account of the dispute, are not included in this figure.

† Provisional figure.

BANK RATES.

	1923.	1924.	1925.	1926.	1927.	1928.	1929.
	End of	End of	End of	End of	End of	End of	End of
	June	Dec.	June	Dec.	June	Dec.	June	Dec.	June	Dec.	June	Dec.	Mar.	April
London...	% 3	% 4	% 4	% 5	% 5	% 5	% 6	% 5	% 4½	% 4½	% 4½	% 5	% 5½	% 5½
Paris	5	5	6	7	7	6	6½	5	5	5	3½	3½	3½	3½
Berlin ...	18	90	10	10	9	9	6½	6	7	7	7	6½	7½	7½
New York*	4½	4½	3½	3	3½	3½	3½	4	4	3½	4½	5	5	5
Amstrdm	4	4½	5	4½	4	3½	3½	3½	3½	4½	4½	4	5½	5½
Brussels .	5½	5½	5½	5½	5½	7	7	7	5	4½	4	4	4	4
Rome	5½	5½	5½	7	7	7	7	7	7	7	5½	5½	7	7
Switzerld	3	4	4	4	4	3½	3½	3½	3½	3½	3½	3½	3½	3½
Vienna ...	9	9	12	15	11	9	7½	7	6	6½	6	6½	6½	7½
Warsaw	12	48	12	12	12	12	12	9	8	8	8	8	8	8
Tokyo	8	8	8	8	7·3	7·3	7·3	6·57	5·84	5·48	5·48	5·48	5·48	5·48
Calcutta	4	7	6	6	5	6	4	4	5	7	5	7	8	†7

* Federal Reserve. † 6% as from May 9.

LONDON BANKERS' CLEARING RETURNS.

(000's omitted.)

	Town.	Metropolitan.	Country.	Total.
	£	£	£	£
1913	14,191,275	855,648	1,389,481	16,436,404
1923	32,270,373	1,546,565	2,810,654	36,627,592
1924	35,038,605	1,594,114	2,900,145	39,532,864
1925	35,801,264	1,678,347	2,957,508	40,347,119
1926	35,346,429	1,660,757	2,817,868	39,825,054
1927	36,819,682	1,758,032	2,972,827	41,550,541
1928 (May 16)....	15,020,530	700,674	1,166,786	16,887,990
1929 (May 15)....	15,194,604	722,673	1,169,358	17,086,635

SECURITY VALUES.

Base.	United Kingdom. "Bankers' Magazine." 365 representative securities. Dec., 1921 = 100.			Nether-lands. Official. 49 Ordinary Industrial Shares. 1921-25 = 100.	Sweden. Official Industrial and Shipping Shares.	Switzer-land. Banque Nationale (*f*) 32 Industrial Shares. Nominal value = 100	Canada. Official. 79 (*i*) Common Industrial Shares 1913 = 100.	United States. "Wall Street Journal," 20 Common Industrial Shares.
	(*a*)	(*b*)	(*c*)	(*e*)	(*f*) (*h*)	(*g*)		(*d*)
1925-June	108·6	125·5	114·1	96	113	134·4	...	128·8
Dec.	108·8	132·5	116·5	95	131	144·6	...	154·2
1926-June	110·0	136·5	118·7	91	146	176·9	93·2	160·1
Dec.	109·3	135·7	118·0	91	150	175·4	107·0	159·3
1927-June	110·1	141·5	120·4	102	153	189·9	121·5	169·2
Dec.	111·2	146·9	122·8	103	181	223·2	161·6	198·5
1928-Apr.	113·7	154·7	127·1	118	218	247·4	177·0	211·7
May	112·4	157·8	127·2	117	226	248·8	184·4	217·2
June	112·4	152·7	125·4	111	226	243·6	170·0	209·1
July	112·1	151·7	124·9	109	214	239·9	169·6	211·1
Aug.	112·1	154·2	125·7	113	230	249·5	166·5	224·0
Sept.	111·7	156·7	126·3	115	239	256·1	185·3	239·8
Oct.	112·3	158·7	127·3	112	234	255·3	201·2	248·7
Nov.	112·1	159·4	127·4	113	249	251·3	229·3	273·8
Dec.	112·1	158·8	127·3	115	252	252·8	237·3	280·8
1929-Jan.	113·4	163·4	129·6	120	256	254·1	286·1	306·0
Feb.	111·7	162·0	128·1	124	255	249·3	292·9	309·9
Mar.	111·1	161·1	127·3	124	242	239·2	266·2	311·2
Apr.	111·9	159·5	127·3	119	244	231·3	...	309·2

(*a*) Fixed interest. (*b*) Variable dividend. (*c*) Total. (*d*) Monthly average. (*e*) Average of highest and lowest quotations on each Wednesday. (*f*) Shares of companies with a capital of more than 5 millions. The composition of this class, therefore, is not invariable. (*g*) On 25th of month. (*h*) End of month. (*i*) Since Jan., 1929, 92 shares.

U.K. IMPORTS AND EXPORTS.—(000,000's omitted.)

	Food.		Raw Materials.		Manu-factures.		Imports of			Exports of		
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Wheat.	Raw Cotton.	Sheep's & Lambs' Wool.	Cotton Piece Goods.	Iron and Steel.	Coal.
	£	£	£	£	£	£	Cwts.	Centals.	Centals.	Sq. Yds.	Tons.	Tons.
Monthly average, 1913	24·2	2·7	23·5	5·8	16·1	34·3	8·8	1·8	0·7	*589	0·41	6·1
,, 1921	47·2	3·1	23·3	5·3	20·4	49·1	6·7	1·0	0·6	242	0·14	2·0
,, 1922	39·3	3·0	24·8	8·5	19·1	47·3	8·0	1·2	0·9	349	0·28	5·3
,, 1923	42·5	3·7	27·1	10·9	21·4	48·5	8·4	1·1	0·6	345	0·36	6·6
,, 1924	47·6	4·7	33·4	8·9	25·0	51·5	9·9	1·3	0·6	370	0·32	5·1
,, 1925	47·6	4·6	35·4	7·0	26·7	51·4	8·1	1·6	0·6	370	0·51	4·2
,, 1926	41·9	4·2	32·7	3·9	26·3	44·9	8·1	1·5	0·7	319	0·26	1·7
,, 1927	44·9	4·4	29·3	6·4	26·9	47·0	9·2	1·3	0·7	343	0·25	4·3
,, 1928	44·3	4·5	27·9	5·8	25·7	48·2	8·6	1·1	0·7	322	0·36	4·2
,, 1929	49·1	4·2	39·1	6·6	26·8	53·8	9·2	2·4	1·0	379	0·42	4·5
January, ,, ...	40·5	4·0	27·0	5·6	23·1	44·3	7·1	1·3	1·0	326	0·38	3·9
February, ,, ...	42·1	3·8	28·5	6·6	27·2	47·0	9·5	1·4	0·8	334	0·35	4·8
March, ,, ...	42·7	5·0	30·9	6·8	30·2	47·1	10·2	1·2	1·2	349	0·34	4·8
April, ,, ...												

* Yards.

RAILWAY STATISTICS—(000,000's omitted.)

	Great Britain (*g*). Gross Receipts.		Great Britain (*g*). Freight Traffic (*f*).				Austria.	Germany.	Italy.	Canada.	United States.
	Passengers.	Freight.	Mer-chandise.*	Coal, &c.	Other Minerals.	Total.					
	£	£	Tons.	Tons.	Tons.	Tons.	Ton-Miles.	(*b*) Tonnes-Km	(*a*) Tonnes-Km	(*e*) Tonnes-Km	(*c*) (*d*) (*e*) Ton-Miles.	(*d*) (*e*) Ton-Miles.
1926—June	4·4	5·3	4·7	1·9	3·6	10·2	704	1,202	4,695	1,132	2,846	39,237
December	4·7	8·5	4·9	15·9	4·1	24·8	1,392	1,321	5,641	1,094	3,641	40,096
1927—June	6·1	8·8	5·1	15·5	5·8	26·4	1,401	1,249	5,126	...	2,611	38,483
December	4·8	8·7	5·1	17·2	4·8	27·2	1,400	1,209	5,398	928	4,128	34,580
1928—April.....	5·1	8·1	4·7	14·4	4·9	24·0	1,273	1,202	4,861	938	2,806	35,866
May	5·2	8·7	5·1	14·9	5·6	25·6	1,363	1,275	5,151	1,027	3,465	39,250
June	5·5	8·3	4·8	14·9	5·3	25·0	1,324	1,325	5,528	1,038	3,129	37,304
July.....	7·3	8·2	4·8	14·0	5·1	23·9	1,312	1,430	5,524	1,017	3,091	39,196
August	8·5	8·4	5·0	14·7	5·0	24·7	1,359	1,417	5,835	980	2,942	42,406
September	5·8	8·5	5·0	14·7	4·9	24·6	1,394	1,348	6,258	1,002	4,251	43,778
October	6·7	9·4	5·7	16·2	5·3	27·2	1,490	1,314	6,049	1,139	5,958	48,206
November	3·6	9·0	5·3	16·1	5·2	26·7	1,432	1,279	5,332	1,164	5,779	41,965
December.....	4·6	8·3	4·7	16·1	4·8	25·6	1,352	1,282	4,715	1,030	4,663	37,645
1929—January	3·7	9·1	5·2	18·5	4·9	28·4	1,495	1,182	†5,290	...	3,435	39,104
February	3·1	8·2	4·4	17·1	4·2	25·8	1,388	993	†5,290	...	...	38,129
March	...	...	...	...	...	...	...	...	†6,744	...	...	...

* Inc. live-stock. (*a*) "Reichsbahn." Exc. free-hauled. (*b*) State and private railways, including freight on foreign lines. (*c*) Railways with annual operating revenues of at least $500,000. (*d*) Short tons = kg. 907·18; mile = metres 1,609·34. (*e*) Including free-hauled. (*f*) Excluding free-hauled. (*g*) Long ton = kg. 1,016·05; mile = metres 1,609·34.

London: Printed for the Proprietors THE ECONOMIST NEWSPAPER, Ltd., by EYRE & SPOTTISWOODE, Ltd., His Majesty's Printers, East Harding Street, London, E.C.4.
Published by the Proprietors at 6, Bouverie Street, Fleet Street, E.C.4.—Saturday, May 25, 1929.

The Economist
MONTHLY SUPPLEMENT.

New Series. SATURDAY, JUNE 29, 1929. No. 73.

In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations, supplemented from our statistical records. We propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.*

* "League of Nations Monthly Bulletin of Statistics," 1s. 6d.

THE STATE OF TRADE AT HOME AND ABROAD.

In one respect, the past few weeks have been the most notable period of the year, for they have definitely confirmed previous hopes that the set-back to trade witnessed in the early summer of recent years has this time been escaped. It would be wrong to say that trade has recently made substantial progress, but despite the General Election and the obscure monetary outlook, the volume of the first quarter of the year has been well maintained, and this in itself is a great gain. The May export figures were most encouraging, iron and steel production was better than in April, and railway receipts were higher. The unemployment percentage, it is true, was still unchanged in the aggregate, but improvements were recorded during May in such staple industries as building, constructional engineering, transport services and the linen trades. Declines were registered in general engineering and the pottery trades, while certain extensions of holiday stoppages also added their quota to the unemployment returns. In the coal trade, an increase in temporary stoppages outweighed a decline in the numbers wholly unemployed.

Regarding the unemployment figures as a whole, they suggest that there has been a definite decline in the numbers permanently out of work, and if this interpretation is correct, it shows that on balance the changes have been in the right direction. This is in accordance with the general course of trade. The engineering industry is now taking a definitely hopeful view, while the iron and steel trades are feeling some degree of assurance at any rate for the next three months. Textiles remain weak. The stability in cotton prices has so far proved of little benefit to the industry, and the woollen and worsted trades are still failing to make any real progress.

The industrial world has received the result of the General Election and the advent to power of the Labour Party with almost complete equanimity. Without entering into purely political questions, it may be said that once the result of the election was known, much of the prevailing uncertainty disappeared, and the entry into office of Mr MacDonald and his colleagues caused few initial qualms. On one or two points, such as the safeguarding question, certain trades are anxiously awaiting information of the new Government's intention, but in general the industrial world is disposed to give the new administration a chance to prove itself.

A matter that is receiving far more attention from traders is the monetary outlook. A 5½ per cent. Bank rate has now been in force for nearly five months, and during that period the Bank has succeeded in adding to the gold stocks, but even so the higher rate has failed in one of its main objects, namely that of bringing the American exchange back to parity. For the last few weeks, the exchange has indeed been at or below the lower gold point, and over £1,000,000 of gold has been withdrawn from the Bank for America and an additional £13,300,000 for Germany. It is true that this may be due to special circumstances, but it means that the outlook for the autumn is not encouraging, and the possibility of a 6½ per cent. rate has to be envisaged. There is no purpose in burking the fact that such a rate would impose a heavy burden upon many traders, and if any hesitancy is now apparent, it may well be ascribed to that cause. Even to-day, there are one or two general signs of weakness. The price-level has lately had a downward trend, and imports of raw materials were the least favourable section of the May trade returns.

To sum up, it is a distinct gain that the early summer set-back has been escaped, and that the change of government has had no unsettling effect upon trade. There seems good ground for hoping that the summer of 1929 will compare favourably with those of previous years. The danger lies in the autumn, and all that can be said to-day is that there are still three months to elapse, during which time events may well dispel present apprehensions. It is, perhaps, wisest to-day not to seek to look too far ahead.

News from the Empire is on the whole good. Rain is needed in the Canadian prairie provinces, and this is holding back business a little. Weather conditions are variable in Australia, and there is little change in the general trend of business. The South African situation remains satisfactory, and, in India, rainfall has been normal everywhere except in Assam, where damage has been caused by floods.

American industrial activity is well maintained, though

HOME TRADE STATISTICS—MAY, 1929

	April	May	Compared with May '28.
UNEMPLOYMENT—			
(State Insurance %)	9·9 ...	9·9 ...	+ 0·1
PRODUCTION—			
Coal (million tons)*	4·9 ...	4·6 ...	− 0·2
Iron (thous. ,,)	611 ...	655 ...	+ 64
Steel (,, ,,)	809 ...	840 ...	+ 87
FOREIGN TRADE—			
Imports (million £'s) .....104·2 ...		103·5 ...	+ 4·0
Re-exports (,, ,,)	10·4 ...	10·5 ...	− 1·3
Exports (,, ,,)	60·2 ...	67·4 ...	+ 8·9
TRANSPORT—			
Railway Receipts* (£0,000).....334 ...		344 ...	+ 4
Shipping Freights (av. level[1])	99·1 ...	97·3 ...	+ 3·5
COMMODITY PRICES (,, ,, [2])	94·0 ...	91·5 ...	− 10·6
TRADE DISPUTES (thous. working days lost)	159 ...	218 ...	+ 104
SECURITY VALUES (av. level[3])	127·3 ...	125·6 ...	− 1·6
FINANCIAL DATA—			
Bank Notes (million £'s)* ..	360 ...	362 ...	− 11
Currency Notes (,, ,,)* ..			
Bank Deposits (,, ,,)* ..	1,781 ...	1,770 ...	+ 45
Bank Advances (,, ,,)* ..	1,002 ...	992 ...	+ 41
Banks Cash Ratio ([4]) (%)*.....	10·8 ...	10·8 ...	− 0·3
Bank Clearings:			
London (million £'s)*.....	861 ...	786 ...	− 89
Manchester (,, ,,)* ...	12·5 ...	12 ...	− 1·8
Three months' Bank Drafts (Discount Rate %)*.....	5½ ...	5 1/32 ...	+ 1 3/32
Day-to-day Loans (%)*	4 3/32 ...	4½ ...	+ 11/16

([1]) 1913 = 100. ([2]) *Economist* Index No.; 1927 = 100 ([3]) *Bankers' Magazine* Index No. of 365 securities; December, 1921 = 100. ([4]) Cash in hand and at Bank of England as % of total current, deposit, and other accounts.

* Average weekly figures.

not in every respect quite up to the records registered during recent years. Still a substantial advance on the general level of last year has been recorded. Little change has taken place in Europe, where the heavy industries remain good, and the textile trades less satisfactory. The business outlook in Germany has become a little more encouraging. In South America, more rain is needed in the Argentine. Brazilian trade is restricted by credit stringency, but Chilean news is more encouraging. In the Far East the political outlook in China has become less hopeful.

HOME INDUSTRIES.

Coal.—Export markets remain firm, though South Wales complains of excessive supply of large coal and of a certain shortage of tonnage. The North-East Coast is fairly well booked up for the rest of the year. The house-coal trade is experiencing its usual summer slackness, but the demand for steam and industrial coal is fairly well maintained, with a tendency towards improvement.

Iron and Steel.—This industry has so far succeeded in escaping the usual summer setback, and the outlook seems to be assured for the next two or three months. By that time it is feared that fresh plant will have been brought into operation on the Continent, and this may deprive British makers of part of their present trade. Meanwhile, there is a definite shortage of Cleveland pig iron, and prices have an upward trend. Quotations for selling manufactured products are also firm, and Sheffield reports a better demand for certain kinds of finished steel.

Engineering.—The outlook here is hopeful. Employment is well maintained and no apprehension is being aroused by the advent into power of the Labour Government. The weak spot in the industry is the fact that prices are still unremunerative, but it is recognised that, even if the volume of production has improved, it must take some time for prices to recover. The marine engineering branch is good, and construction engineers are now a little better placed than three months ago. The textile machinery section is also improving, though, apart from one big order, there is no definite news of further business from Russia. Agricultural engineers have improved their ground a little, but have still much leeway to recover. Makers of prime movers, boilers, etc., are steady, but the machine-tool section has definitely lost ground.

Electrical Industry.—The following index of production in the electrical industry is copyright by the Economic and Statistical Department of the British Electrical and Allied Manufacturers' Association. An explanation of the manner in which it has been computed will be found on page 888 of the *Economist* of November 28, 1925.

INDEX of ACTIVITY in the ELECTRICITY INDUSTRY.
(1920 = 100.)

1925.	Home.	Export.	Total.
October	67	125	81
November	68	124	81
December	76	117	86
1926.			
January	75	110	84
February	74	106	82
March	80	101	85
April	83	100	87
May	83	104	88
June	82	110	89
July	80	79	80
August	84	83	84
September	87	70	83
October	89	86	88
November	93	103	95
December	94	143	106
1927.			
January	95	152	109
February	92	159	108
March	89	163	107
April	90	181	112
May	88	200	116
June	94	234	128
July	93	231	126
August	90	236	126
September	87	230	122
October	81	208	112
November	80	192	107
December	69	160	92
1928.			
January	68	148	88
February	68	143	87
March	71	141	89
April	70	122	84
May	68	108	79
June	68	105	78
July	71	80	74
August	74	86	78
September	81	102	88
October	83	107	91
November	85	105	93
December	93	103	96
1929.			
January	92	122	99
February	92	126	101
March	88	126	97
April	86	145	100
May	84	143	99

Activity is well maintained, and the general tone is hopeful. Trade has lately consisted of a large collection of small orders. In the export markets Europe has placed a few orders for generating plant, switchgear, meters, &c., and one or two large government contracts for telephone and telegraph material. There is a revival in inquiries from India and South Africa.

Motor Industry.—In the private car section a satisfactory demand is maintained, while exports show a further improvement. The commercial vehicle section shows no sign of slackening, and exports continue at a high level. In the cycle and motor trade a high demand from overseas is still being experienced, though the home market appears quieter.

Cotton.—Only minor fluctuations have occurred in raw material rates, and quotations for most yarns and piece-goods have been unchanged. Notwithstanding such favourable conditions, the trade has been disappointing, and most spinners and manufacturers have lost ground. There has been very little alteration in the prospects for supplies of raw cotton, improved crop reports being offset by news of impending boll-weevil danger. Rather more favourable crop advices have recently come from Egypt. The general inquiry in piece-goods for abroad has been poor. Advices from India have not been at all encouraging, but towards the end of the month improved news has been received from China. With the exception of South America, the minor outlets have not given active support, but steady buying has taken place in home trade goods. It has been a poor month for spinners of American yarns, while operations in Egyptian yarns have been irregular.

Wool.—Prices have lately shown signs of greater stability, but producers are still unwilling to make any forward move, and are awaiting the London auctions of next month. Demand consequently is at a low ebb in all sections of the industry.

Linen.—Demand for yarn remains firm, but there are few signs of expansion. Prices are still unremunerative. Quiet conditions prevail in the weaving section, but this is usual at this season of the year.

Rayon.—There has been a further substantial increase in demand for rayon, but the improvement has been almost entirely for yarns for manufacturing home trade fabrics. Producers of acetate yarns are behind with delivery of certain qualities. There has been a bigger turnover in low-grade viscose yarns. Price-cutting has continued, though lately there has been a slightly harder tendency.

Boots and Shoes.—Shoe manufacturers are busier, and many now have enough orders in hand to last them for some weeks to come. Sole leather is in better demand.

Pottery.—The May export figures are regarded as encouraging, but unemployment shows little signs of improvement, and much short time is still being worked. Some apprehension is felt over the new American tariff, which, it is feared, will abolish the preference now given to British bone china over Continental felspar china.

Chemical Industry.—The improvement noted a month ago has been well maintained during May, overseas trade showing an increase over the corresponding month last year. This increase is chiefly due to an advance in ammonium and sodium compounds, drugs, medicines and dyes. Overseas trade in coal-tar products has reacted since April, this being largely due to a decrease in exports of creosote. Home prices have remained more or less steady over the month, markets being quiet as a result of the Whitsun holiday and the General Election.

Building Trades.—Conditions are now variable, as while there is a considerable amount of unemployment in certain trades and in certain parts of the country, elsewhere a shortage of bricklayers is reported. The fact that the housing subsidy is due to be reduced in September means that a certain amount of overtime is being worked in order to complete houses in time to rank for the subsidy at its present level.

Agriculture.—Cereals improved during May, but were still rather backward owing to lack of moisture and warmth. Early potatoes were expected to be up to average, and the main crop, where showing, looked well and healthy. Sowing of mangolds and sugar beet was practically completed, and, where showing, plants appeared strong and healthy. Although somewhat backward, hops appeared a fairly good plant. Yields of seeds and meadow hay were expected to be well below average. Live-stock did fairly well under the dry conditions, although there was a deficiency of grass. Milk yields were about up to the average.

Shipping.—A moderately active business is reported in outward coal chartering and rates in the near Continental trades are firm. With regard to homeward markets, Argentine demand for tonnage to load maize has been well maintained. Elsewhere business has been quiet, North America and Eastern requirements being small, and the general level of cargo freights has a declining tendency.

Retail Trade.—The more seasonable weather has stimulated an improvement in trade. Retail business generally shows a good increase over the corresponding period last year.

BRITISH EMPIRE.

In Eastern Canada good weather has been experienced, but the prairie provinces are badly in need of rain. Business conditions are more or less stationary, as dealers are hesitating till the forecasts of the western crop are more reassuring. Industrial activity, however, is maintained at a satisfactory level.

There has been little change in business conditions in Australia during the past month. Good rains have fallen over the greater part of Victoria, but rain is required in Northern Mallee and also in the Western Central and Western Riverina districts. New South Wales also requires rain. Seasonal conditions in Queensland are generally favourable and in Western Australia good, but dry conditions prevail in South Australia.

Conditions in South Africa in both wholesale and retail trading centres during the past month have been satisfactory. Good rains have fallen, and the farming outlook is generally good. The latest estimates of the maize crop indicate that there will be an exportable surplus equal to that of last season. The prospects for the citrus crop remain good. Sugar crop conditions remain satisfactory. The wool market is easier.

In India, with the exception of Assam, the weather and rainfall have been normal, and standing crops are doing well. Assam crops, however, have suffered considerable damage from flood, but Bengal jute crop prospects are very fair.

UNITED STATES OF AMERICA.

The following indices of American economic conditions have been forwarded to us by Moody's Investors' Service, of New York and London, and may serve as an indication of the main features in the business situation as it existed last month:—

AMERICAN TRADE STATISTICS—MAY, 1929.

	April.	May.	Compared with May, '28.
EMPLOYMENT†—(June, 1914=100)	114·4	114·5	+ 6·7
PRODUCTION—			
Bituminous coal (Thous. tons)	36,888	41,408*	+ 4,784
Pig-iron („ „)	3,657	3,898	+ 614
Steel („ „)	4,938	5,273	+ 1,070
Unfilled orders, U.S. Steel Corporation (Thous. tons)	4,428	4,304	+ 887
Building permits (Thous. $)	471,722	247,630*	— 74,072
FOREIGN TRADE—			
Imports (Thous. $)	410,677	401,000*	+ 46,285
Exports („)	425,872	387,000*	— 34,676
TRANSPORT—			
Freight car loadings (Thous. cars)	3,984	4,206	+ 198
SECURITIES—			
20 industrial stocks—Highest quotations‡	319·3	327·1	+ 106·2
Lowest quotations‡	299·1	293·4	+ 82
Thous. shares sold during month —(New York)	82,600	91,283	+ 9,120
New securities issued (Thous. $)	617,971	633,880	— 360,623
BANK CLEARINGS—			
New York (Million $)	34,998	36,782	+ 77
Other cities („ „)	20,206	19,389	— 1,102
RETAIL BUSINESS—			
Total sales, mail order houses (Thous. $)	55,619	55,056	+ 14,981

* Preliminary estimates made by Messrs. Moody, subject to revision. † Based on reports of U.S. Labour Bureau and of Bureaux of the States of New York, Wisconsin, and Pennsylvania. ‡ Average of actual prices.

Business and industrial activity was unusually high during May. The steel industry operated at over 85 per cent. of its capacity. Automobile production, though slightly reduced, continued at its record pace, and construction contracts were of good volume though slightly below last year. Car loadings established a record for the season, and wholesale and retail trade in general was well above the 1928 level.

EUROPE.

In France the coal and iron trades remain firm and active. An improvement was recorded in the textile industries during last month. The coal trade in Belgium is very active, and consumers are finding it difficult to fill their needs. The iron and steel trades are well maintained. The textile industries show few signs of improvement.

In Germany railway traffic has lately increased, while other encouraging signs are an expansion in the consumption of coal and a decline in unemployment. Manufacturers generally are complaining of a shortage of capital. The output in the heavy industries is satisfactory, but reports from the textile trades are variable.

Business conditions remain quiet in Italy, but some improvement has taken place in the motor and textile industries.

Norwegian crop prospects were hopeful at the end of May, and unemployment generally is better. Timber prices are firm. In Denmark agriculture has benefited from favourable weather conditions, and unemployment generally has been lower for the time of year than it has been since 1925. In Sweden some anxiety is felt as to the world monetary outlook, but paper and pulp prices are firm. Timber sales are making good progress, and there has been a definite improvement in the steel and engineering trades.

The Austrian iron industries remain fairly active, but no improvement is reported in the textile trades. The unemployment figures are better, but this movement may be seasonal. Producers in both Austria and Hungary are viewing the monetary outlook with some anxiety.

SOUTH AMERICA.

Argentine conditions have continued to be affected by insufficient rainfall. Latterly an improvement in this respect has been reported, but further rains are needed. The quantity of wheat available for export is considerably heavier than was the case this time a year ago, but that of linseed somewhat less. Substantial gold shipments have been arranged from Buenos Aires both to New York and London, but there can be no doubt of the ability of the Republic to sustain such exports if necessary for a considerable period. The situation in Chile continues satisfactory, mining and industrial activity and good agricultural crops marketed at enhanced prices having all contributed towards an expansion. There is still no sign of any improvement in Brazil, where credit conditions remain stringent. In the Sao Paulo coffee-growing areas the weather, though colder with some hail, continues generally favourable. Peruvian raw cotton markets have been more active, but business in sugar has been very quiet. Elsewhere business is generally quiet. Mail advices from Colombia indicate that the state of the river Magdalena is good, and that a larger proportion of the coffee crops than had been expected is likely to be gathered this season. In Ecuador the movement of the cocoa crop is slow, and business in coffee is quiet pending arrivals from the new harvest. Shipments of coffee from Guatemala are taking place normally. In Salvador the unwashed brands of coffee have been in considerable demand, but large stocks of washed coffee remain in the hands of dealers.

FAR EAST.

Money rates in Japan were easy during early June, but bonds and shares are dull after a short rally. At the first spring cocoon auctions held at the end of May slightly higher prices were obtained. Recent cables from Shanghai are to the effect that there is an improved demand for cotton goods from Yangtse districts, and prices had a slight upward trend. Internal trade, however, is depressed as a result of the uncertain political outlook and the prospect of further hostilities.

ELECTRICAL PRODUCTION.

In the *Economist* of July 10, 1926 (pages 57-8), we published a new index of electrical production in the chief industrial areas of Great Britain. We show below a *résumé* of the results achieved during recent periods:—

INDEX of PRODUCTION of ELECTRICITY.*
(Monthly Average 1923-24 = 100.)

Date.	Britain, excluding London and Wales.	Coal Mining, Iron and Steel, Ship-building, Heavy Engineering.	General Engineering and Automobile Construction.	Chemicals.	Marine Transport, Docks, etc.	Textiles Cotton, and Wool.
1926						
January	139	138	162	184	155	135
February	141	153	161	192	150	134
March	135	136	155	161	139	131
April	119	121	128	153	127	114
May	93	88	103	145	99	90
June	100	88	119	157	114	105
July	91	77	123	147	110	97
August	96	84	112	149	110	101
September	105	88	132	163	127	112
October	125	110	148	149	148	131
November	136	119	159	167	161	145
December	148	141	157	183	163	148
1927.						
January	158	155	167	212	179	151
February	157	156	165	212	169	150
March	147	152	153	187	155	140
April	144	144	146	208	151	136
May	138	139	151	198	150	129
June	126	128	136	206	131	114
July	123	118	135	184	140	119
August	123	124	130	201	142	113
September	138	133	157	228	169	131
October	152	146	166	228	175	146
November	166	155	190	236	192	152
December	180	170	200	220	210	172
1928.						
January	174	164	195	232	199	172
February	170	162	188	249	195	164
March	170	165	192	252	195	159
April	149	149	164	226	164	132
May	140	136	170	223	163	125
June	141	138	160	248	158	130
July	131	127	149	248	151	124
August	130	131	131	227	147	116
September	150	145	164	263	175	138
October	161	153	185	245	189	154
November	178	164	215	240	206	169
December	181	171	210	195	210	176
1929.						
January	187	172	234	236	220	190
February	195	182	248	250	222	198
March	173	169	215	268	192	162
April	165	158	201	321	185	152
May	156	150	182	321	170	135

* Prepared by the economic and statistical department of the British Electrical and Allied Manufacturers' Association.

Current figures continue to compare favourably with those of a year ago. The textile index is perhaps the weakest spot.

INDICES OF BUSINESS ACTIVITY.

From the latest evidence afforded by the movements of our series of Index Numbers of Business Activity the conclusion emerges that the upward trend manifested by British industry during the first four months of 1929 was continued up to the end of May. The improvement has not been pronounced or uniform, and in certain directions the indices for the last three months' averages are not altogether satisfactory or encouraging for the future; still, when allowance is made for the fact that the month of May was broken this year by the Whitsuntide holidays, the impression conveyed by the Index Numbers as a whole is that a critical season has been passed without the onset, so far, of any visible industrial reaction.

Turning, in the first instance, to the least reassuring elements in the picture, it will be observed that the "corrected" three-monthly averages ending with May show a decline in the case of consumption of coal and electricity, employment in "heavy" industry, provincial bank clearings, and London bank clearings. The cause of the recession in the last-named index, whose current level is still well above that of the past five years, is clearly the curtailment of new issues and of Stock Exchange activity which relatively dear money has produced during the past quarter. Of greater significance in direct relation to the activity of internal commerce is the downward course of the index figure of provincial bank clearings. This index, it may be recalled, is adjusted to allow for changes in the average level of commodity prices; and, while a seasonal decline is to be expected, on the analogy of the past years, between February and August, the latest figure, 101, is the lowest for the month of May recorded (except in 1926) since 1924.

On the other hand, it will be seen that net imports of raw materials and non-ferrous metals make a strikingly good showing; that shipping movements continue to record the greatest activity witnessed since the war; and that the index of British manufactured exports is distinctly favourable. Foreign trade, in short, appears to be slowly but surely expanding in the aggregate, if not in all branches, and it is somewhat surprising, therefore, to find a sagging tendency in the figure of provincial bank clearings. Last month we suggested that the explanation might lie in the tendency discernible lately for the head offices of many industrial concerns to be transferred from provincial cities to London. Another possible explanation, however, is that turnover of business in the home trade is not keeping pace with the expansion of exports.

If this be so—a conjecture which cannot be verified in the absence of data regarding stocks in distributors' hands—we may perhaps have to expect an adverse reaction on employment in future months. Up to the end of May, however, with the exception of a slight seasonal contraction in the numbers at work in the coal fields, the indices of employment maintained their recent rate of recovery, the improvement being well "spread" over the range of industrial occupations. Moreover, though the indices of power consumption, following their normal seasonal trend, showed a fall last month, the mean of the figures for coal and electricity combined compares very favourably with the corresponding figure for May in previous years.

With regard to the other indices in the series, the apparent consumption of cotton increased last month in compensation for the reduced visible intake of April, whereas the internal consumption of iron and steel declined on the month (the rise in the "corrected average" reflects improvement as compared with February) higher home production being more than offset by increased exports. Rubber consumption continued to run high, and postal traffic was well maintained.

In conclusion, it may be noted that, if the years 1926-27 be omitted as a period distorted out of its true perspective by the coal stoppage and its temporary aftermath, the only indices which do not point to greater activity in May than in the corresponding month of any year since our Index Numbers were begun are those of coal, iron and steel consumption, employment in "heavy" industry, and provincial bank clearings. Allowing for these exceptions, the remaining indices reflect an expansion of industry which is no small achievement for this country to have accomplished in five difficult years.

INDICES OF BUSINESS ACTIVITY.
1924 = 100.

Period.	Net Imports. Raw Materials.	Net Imports. Non-Ferrous Metals.	Consumption of Iron and Steel.	Consumption of Cotton.	Consumption of Rubber.	Consumption of Power. Coal.	Consumption of Power. Electricity.	Volume of Employment. Heavy Industry.	Volume of Employment. "General" Industry.	Volume of Employment. Miscellaneous Services.	Volume of Employment. Total.	Merchandise on Railways.	Provincial Bank Clearings.	Postal Traffic.	Shipping Movements.	London Bank Clearings.	Exports British Manufactures.	Foreign Trade Turnover. (Quarterly Figs.).
Monthly Average.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
1919	113	74	96	109	143	89	...	...	...	...	...	109	92	...	59b	54	74	79
1920	106	71	99	113	134	91	...	...	...	...	...	100	113	...	69b	65	101	87
1921	56	50	43	74	79	69	...	...	...	...	...	81	82	...	66	76	67	68
1922	89	63	34	99	58	87	...	...	...	...	...	84	97	...	91	97	88	85
1923	88	92	69	93	118	91	...	...	...	...	...	97	98	...	101	97	95	94
1924	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1925	107	107	89	116	137	93	101	90	103	103	101	98	102	103·5	98	104	101·5	102
1926	107a	100	57	98	175	72	92	57	101	104	95·5	88	94	103·5	90	109	94	100
1927	113a	106	133	113	197	106	109	87	108	108	105	99	102	109·5	105	117	104·5	107·5
1928	101	113	88	103	212	99	110	81·5	108	109·5	105	93	100·5	114	106·5	125	108	106
"Corrected" average for 3 months ended:																		
1928—May	108	116	91	104	246	102	108	85	109	110	106	94	105	113·5	104	124	107	...
June	99	118	87	104	152	93	101	83	108·5	110	105·5	90	102	111	107	126	103	...
July	94	114	84	102	139	91	97	80	108	110	105	91	100	110	112	126	107	} 102
August	88	113	83	98	143	88	95	78·5	107·5	110	104·5	90	96	110·5	114	123	109	
Sept.	84	104	83	87	181	89	96	79	107	110	104	90	95	111	114	123	108	
Oct.	86	104	83	92	257	95	103	79	107	109·5	104	95	91	114	117	122	110	
Nov.	96	107	79	101	314	102	115	78·5	107·5	109	104	97	91	115·5	114	125	110	} 112
Dec.	111	110	76	109	310	103	122	79	107·5	109	104	96	97	116	111	126	111	
1929—Jan.	134	121	72	117	315	110	126	80·5	107	109	104	94	101	116	106	129	113	} 110·5
Feb.	129	123	66	111	263	114	130	83	106·5	109	104	89	107	115	99	134	109	
Mar.	124	118	70	116	290	119	128	84	107	109	104·5	92	106	116	99	136	109	
Apr.	110c	117	83	105	259	114	123	85	108	110	105·5	...	105	116	100	134	104c	...
May	113c	124	96	110	289	104	115	84·5	109·5	111	106·5	...	101	116	109	130	111c	...
May, 1924	89	107	106	95	86	108	102	103·5	100	99·5	100·5	103	103	100	99	105	97	...
May, 1925	99	109	108	128	72	98	101	92	102·5	102	101	98	107	104·5	96	104	99	...
May, 1926	106	105	57	98	229	71	94	72	103	105	99	87	98	99·5	87	111	92	...
May, 1927	123a	107	157	116	190	104	109	88	108	108	105·5	103	104	110·5	105	120	104	...
May, 1928	108	116	91	104	246	102	108	85	109	110	106	94	105	113·5	104	124	107	...
May, 1929	113c	124	96	110	289	104	115	84·5	109·5	111	106·5	...	101	116	109	130	111c	...

a Excluding coal imports. b Excluding Government War Movements. c Provisional figure.

PRODUCTION. (Thousands of Metric Tons.)

Period. Monthly Average.	COAL. United Kingdom.	Belgium.	Czecho-slovakia.	France.	Germany.	Nether-lands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	LIGNITE. Austria.	Czecho-slovakia.	Germany.	Hungary.
	d		b k		g		b		j	e			b	b k	g	b
1913	24,337	1,903	1,189	3,338	15,842	156	748	1,119	665	1,311	1,776	43,088	218	1,927	7,269	460
1924	22,617	1,947	1,265	c3,668	9,897	490	2,685	762	944	1,717	2,509	43,213	231	1,705	10,386	529
1925	20,590	1,925	1,063	c3,921	11,052	571	2,423	719	983	1,693	2,622	43,988	255	1,566	11,644	468
1926	10,692	2,110	1,214	c4,285	12,114	721	2,979	974	1,038	1,703	2,433	49,729	247	1,589	11,596	485
1927	21,355	2,298	1,222	c4,315	12,800	777	3,174	1,028	1,006	1,778	2,597	45,197	256	1,669	12,542	520
1928	20,129	2,295	1,264	c4,228	12,573	891	3,383	1,036	1,014	...	...	43,025	...	1,726	13,852	...
				c												
1928—May	19,994	2,228	1,165	4,162	11,932	874	3,060	1,072	1,041	1,930	2,719	40,581	246	1,567	12,964	452
June	19,260	2,378	1,152	4,374	11,833	894	3,191	1,122	1,040	1,624	2,608	37,434	236	1,561	13,241	473
July	18,423	2,220	1,198	4,172	12,483	921	3,248	1,077	1,035	1,308	2,569	36,968	245	1,629	13,531	473
August	18,651	2,249	1,356	4,359	13,021	927	3,416	1,205	1,104	1,784	2,401	43,536	263	1,741	14,330	516
September	19,154	2,175	1,334	4,179	12,157	876	3,401	963	1,058	1,890	2,436	42,943	268	1,759	13,616	557
October	21,445	2,413	1,300	4,607	13,311	961	3,848	1,089	1,067	1,770	2,680	53,446	306	2,054	15,226	663
November	20,969	2,328	1,255	4,387	12,141	892	3,770	1,049	1,062	1,398	2,603	48,532	303	1,893	14,548	633
December	19,842	2,175	1,220	4,089	11,819	846	3,449	958	977	1,603	2,890	45,002	291	1,715	14,105	634
1929—January	22,792	2,454	1,342	4,425	13,490	m 980	4,039	950	1,049	1,865	2,720	53,336	315	1,943	14,817	671
February	21,397	2,115	1,294	4,094	12,104	m 841	3,295	1,016	977	2,068	2,545	48,934	307	1,670	13,689	607
March	22,949	2,393	1,508	4,562	13,502	m 936	3,808	1,065	993	2,201	...	40,271	333	2,087	14,727	624
April	21,206	2,243	1,341	†4,553	13,407	m 945	3,727	1,126	1,057	2,065	...	39,307	278	1,979	14,226	...
May	†18,697	...	...	...	...	...	...	...	...	...	...	†44,132	...	...	...	...

Period. Monthly Average.	PIG IRON. United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.	STEEL. United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.
					g	a	f					c		g	a	f		
1913	869	207	434	114	1,397	212	61	85	2,601	649	206	391	159	1,467	101	62	88	2,564
1924	619	237	c641	112	651	180	43	50	2,634	694	240	575	121	820	157	46	55	3,117
1925	530	212	c708	121	848	197	36	48	3,082	625	212	621	131	1,016	174	43	64	3,737
1926	208	283	c786	135	804	213	39	64	3,308	304	281	703	145	1,028	187	43	66	3,794
1927	617	313	c777	148	1,092	228	35	60	3,068	770	309	692	158	1,359	206	43	77	3,675
1928	560	325	c834	161	984	231	33	88	3,204	722	328	770	173	1,210	214	50	105	4,222
			c															
1928—May	601	329	871	164	1,044	234	33	89	3,337	765	325	794	170	1,248	215	57	120	4,275
June	573	321	844	157	1,021	230	29	99	3,131	721	329	797	172	1,295	215	43	118	3,804
July	546	324	836	160	1,035	225	26	97	3,121	678	320	751	173	1,311	208	43	84	3,867
August	527	329	858	161	1,031	234	23	93	3,187	659	342	793	175	1,329	224	54	90	4,246
September	512	325	822	158	985	231	31	92	3,110	730	331	757	162	1,190	209	46	101	4,214
October	552	344	857	169	1,016	236	39	95	3,428	768	356	834	190	1,306	229	56	111	4,725
November	553	331	850	169	l 267	229	45	97	3,356	775	340	800	178	l 357	213	66	110	4,335
December	549	345	882	167	883	234	40	105	3,424	694	333	828	175	1,091	218	50	105	4,083
1929—January	573	351	905	169	1,098	242	44	89	3,498	774	357	837	183	1,470	225	47	118	h 4,562
February	528	302	781	147	982	209	42	95	3,258	793	302	742	161	1,270	195	56	119	h 4,395
March	600	334	880	174	1,061	237	38	88	3,774	874	349	804	179	1,314	221	59	139	h 5,139
April	621	336	871	178	1,105	235	42	81	3,721	823	342	808	186	1,415	226	59	124	h 5,017
May	664	...	...	...	...	...	...	...	3,961	855	...	...	...	...	...	...	...	† 5,349

† Provisional figure. a Figures communicated by the "Groupement des Industries Sidérurgiques." b Present territory. c Including Alsace-Lorraine. d Saleable coal; since end 1921 excluding Ireland. e British Provinces only. f "Ekonomisk Oversikt." g From 1918 excluding Alsace-Lorraine and from 1919 excluding Saar; from 1922, excluding Polish Upper Silesia. h Establishments whose production in 1928 amounted to 94·51% of the total. i Including lignite. j Coal sold. k Until end 1925 saleable coal. l Lockout of the iron and steel trade. m Including Schlamm.

WHOLESALE PRICES.

Monthly Average.	U.K. Board of Trade.	U.K. Economist.	Belgium.	Czecho-slovakia.	Denmark.	France.	Germany (Official).	Holland.	Italy (Bachi).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Australia.	British India.	Canada.
			f		j		i					j						
1913	100	100	h100	h100	100	100	100	100	100	100	h100	100	100	100	h100	100	h100	100
1924	166·2	166·2	573	997	234	488·5	137·3	156	512	267	109·8	172	183	162	174·6	173·3	173	155·3
1925	159·1	160·9	658	1,008	176	549·8	141·8	155	596	253	125·4	183	188	161	161·6	169·5	159	160·3
1926	148·1	149·4	744	954	158	702·6	134·4	145	603	198	p181·2	177	181	149	144·5	168·4	148	156·3
1927	141·4	143·7	847	979	154	617·2	137·6	148	495	167	p118·6	171	172	146	142·2	167·0	148	152·7
1928	140·3	140·9	843	977	151	620·6	140·0	149	462	161	119·8	...	...	148	144·6	...	145	150·8
				b		d	e		b	c	p g	d	c				k	
1928—May	143·6	146·7	844	986	155	632·6	141·2	152	465	162	122·5	172	164	152	145·1	166·4	147	153·0
June	142·6	144·5	844	979	155	625·7	141·3	153	462	161	121·5	172	164	151	145·2	166·4	145	151·7
July	141·1	141·9	841	996	155	623·8	141·6	148	453	162	120·8	173	164	150	144·1	165·4	148 *	150·3
August	139·3	139·4	831	986	154	617·0	141·5	144	456	162	118·7	173	166	149	143·6	161·0	143	149·1
September	137·6	137·5	830	971	151	619·9	139·9	145	458	158	118·1	176	168	146	143·6	160·5	142	149·2
October	137·9	136·9	835	957	150	617·0	140·1	146	463	157	118·4	176	174	145	144·6	159·7	143	149·1
November	137·9	136·9	847	955	151	625·7	140·3	148	466	157	118·4	177	176	145	145·2	159·5	146	148·3
December	138·3	136·5	855	953	151	623·8	139·9	148	464	157	117·9	177	175	145	143·9	161·8	145	147·7
1929—January	138·3	136·1	867	950	151	630·6	138·9	146	461	154	115·5	177	171	144	142·5	164·2	145	147·7
February	138·4	137·3	865	964	159	638·5	139·3	146	463	155	117·1	178	173	145	142·9	163·4	144	149·5
March	140·1	138·1	869	963	154	639·4	139·6	147	461	155	117·3	179	174	144	141·8	164·7	...	150·2
April	138·8	135·0	862	940	150	626·7	137·1	144	455	154	116·5	...	...	141	140·1	...	...	147·0
May	135·8	131·5	851	...	...	...	135·5	...	...	152	...	...	...	...	139·0	...	...	...

a New index. b End of the month. c 15th of month. d Beginning of the following month. e Official. f Second half of month. g "Finanztidende." h 1914. i *Frankfurter Zeitung* index discontinued. j End year. k Average last week of month. l Since 1924, new series. m 000,000,000 omitted. p Since January, 1926, new index.

Wholesale Prices—*Continued.*

Monthly Average.	South Africa.	China.	Japan.	United States Bureau of Labour.
1913	100	100	100	100
1923	126·6	156·4	199·1	144·1
1924	128·7	153·9	206·5	140·5
1925	127·6	159·4	201·7	148·3
1926	123·3	164·1	178·9	143·3
1927	124·2	170·4	169·8	136·7
1928	129·8	...	170·9	140·0
		g		
1928—May	...	164·5	171·5	141·3
June	...	160·0	168·9	139·8
July	119·0	159·2	168·6	140·8
August	...	157·2	170·1	141·7
September	...	156·2	173·7	143·4
October	120·0	158·8	173·6	140·1
November	...	159·2	173·1	138·5
December	...	159·9	173·7	138·5
1929—January	119·9	160·1	172·2	139·3
February	...	162·4	171·0	138·5
March	...	164·2	171·0	139·7
April	...	...	169·6	138·7
May	...	...	168·6	...

Index Numbers of Retail Prices. Cost of Living.—(Base=100).

	U.K.	Irish Free State.	Austria.	Belgium.	Bulgaria.	France.	Germany.	Italy.	Spain.	Canada.	U.S.A.
No. of Towns and Localities.	630	105	Vienna.	59	12	Paris.	71	Milan.	Madrid.	60	32
Base.	July, 1914.	July, 1914.	July, 1914.	April, 1914.	1914.	1914.	Oct., 1913, Jan., April, June, 1914	Jan.–June, 1914.	1914.	1913.	1913.
			a								
1924—July	171	183	c s	s	d	h	b	v	e	d g	s
1925—July	173	188	97	133	3014	390	b 143·3	598	189	99·3	173
1926—July	170	182	103	174	2886	485	b 142·4	649	187	100·0	171
1927—July	164	171	106	204	2788	525	150·0	548	189	98·5	167
1928—July	165	173	108	205	...	105	152·6	145	...	99·1	166
					i		b				
1928—May	165	...	107	202	2857	...	150·6	144	171	98·4	...
June	165	...	109	204	2818	w 105	151·4	145	172	98·2	165
July	165	173	108	205	2861	...	152·6	143	173	98·4	...
August	165	...	108	206	2742	...	153·5	142	174	99·2	...
Sept.	166	...	109	209	2757	w 105	152·3	143	178	99·2	...
October	167	176	109	212	2796	...	152·1	144	179	99·9	...
Nov.	168	...	109	217	2826	...	152·3	146	181	99·7	...
Dec.	167	...	109	216	2816	w 108	152·7	147	187	99·7	166
1929—Jan.	165	177	109	216	2820	...	153·1	148	184	99·6	...
Feb.	166	...	111	217	2895	...	154·4	153	183	99·4	...
March	162	...	110	216	...	w 111	156·5	150	184	99·5	...
April	161	173	109	214	...	...	153·6	...	...	98·9	...
May	160	...	109	...	...	...	153·5	...	...	...	...

a The first of the following month. b Gold mark prices. c Since 1923 gold prices. d Yearly average. e Prices of foodstuffs average of quarter. g Last Wednesday of month. h Average of second quarter. q Revised. s 15th of month. t Excluding clothing and rent. w Since date stabilisation gold standard index. 1927, new series. Since November,

FINANCE.

Notes in Circulation. (000,000's omitted.)

Period.	United Kingdom.		Austria.	Belgium.	Bulgaria.	Czechoslovakia.	Denmark.	Finland.	France.	Germany.		Greece.	Hungary.	Jugo-Slavia.	Netherlands.	
End of	Bank of England Notes.	Currency Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Reichsbank Notes.	"Rentenbank."	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.
	£	£	Schilling.	Francs.	Leva.	Koruna.	Kron.	Markat.	Francs.	Reichsmark.	Rentenmks.	Drachmæ	Pengö.	Dinars.	Gulden.	Gulden.
1913	*a* 29·6	...	...	1,067	189	...	152	113	*y* 5,714	*g* 2,742	*i* ...	245	*k* ...	*u* ...	313	...
1922	102·1	*b* 295·4	*c*4,080,177	6,876	3,886	10,064	459	1,421	36,359	1,293,758	...	3,149	75,887	5,040	1,012	32
1923	105·1	*b* 292·7	713	7,537	4,139	9,599	473	1,352	39,114	/496507,424,772	...	4,681	931,337	5,790	1,066	32
1924	101·3	*b* 296·3	839	7,873	4,530	8,810	478	1,250	40,885	1,941	1,835	4,866	4,513,990	6,002	935	23
1925	88·5	*b* 296·8	890	7,814	3,655	8,408	438	1,309	51,085	2,960	1,476	5,395	416	6,063	875	17
1926	84·5	*b* 296·5	947	9,646	3,485	8,203	386	1,346	52,907	3,736	1,164	4,865	471	5,812	819	13
1927	82·5	*b* 299·8	1,005	10,951	3,727	8,417	354	1,514	56,551	4,564	716	4,966	487	5,743	797	12
1928	*x*378·3	*x*	1,067	11,608	4,173	8,466	360	1,513	63,916	4,930	530	5,690	513	5,528	854	11
	x	*b*		*e*							*i*					
1928—May	79·7	293·7	948	11,524	3,784	7,111	347	1,576	59,195	4,487	586	4,250	451	5,280	797	12
June	80·0	296·0	998	11,258	3,899	7,584	360	1,585	60,628	4,674	578	5,155	479	5,354	829	12
July	81·0	297·6	1,009	10,726	4,131	7,344	340	1,543	60,436	4,569	561	5,131	496	5,313	810	11
Aug.	79·2	296·9	1,003	11,121	4,285	7,549	341	1,565	62,184	4,673	570	5,258	497	5,562	792	11
Sept.	78·2	293·9	1,008	11,099	4,501	7,806	360	1,599	62,654	4,830	570	5,719	500	5,751	855	12
Oct.	78·3	291·6	1,007	11,625	4,610	7,825	361	1,539	62,759	4,672	543	5,759	542	5,786	829	12
Nov.	367·0	*x*	984	11,530	4,379	7,818	354	1,502	62,660	4,724	524	5,599	476	5,598	855	12
Dec.	378·3	*x*	1,067	11,608	4,173	8,466	360	1,513	63,916	4,930	530	5,690	513	5,528	854	11
1929—Jan.	355·6	*x*	965	12,097	3,898	7,115	336	1,431	63,867	4,454	513	5,514	485	5,194	776	11
Feb.	352·3	*x*	977	12,162	3,894	7,063	342	1,523	64,226	4,553	508	5,465	451	5,159	782	11
Mar.	361·8	*x*	1,004	12,062	4,101	7,333	357	1,596	64,575	4,822	504	5,488	458	5,265	835	12
Apl.	361·4	*x*	995	12,341	4,366	7,133	359	1,556	62,348	4,631	489	5,617	485	5,212	840	12
May	360·1	*x*	998	12,488	...	7,183	358	...	64,316	4,606	491	...	446	5,092	797	12

Period.	Italy.		Norway.	Poland.			Roumania.	Russia.		Sweden.	Switzerland.	Australia.	Canada.	South Africa.	Egypt.	United States.		Japan.
End of	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.		Token Notes and Coins.	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes and Dominion Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.
	Lire.	Lire.	Kroner.	Marki p.	Zloty.	Zloty.	Lei.	Gd.Rbls.	Rbles.	Kronor.	Francs.	£	Dollars.	£	£E	Dollars.	Dollars.	Yen.
1913	*d* 2,284	*w* 499	108	...	...	...	437	*v* ...	*v* ...	234	314	*o* *r* 10·0	*p* 116	*q* 2·3	2·2	726	343	*o* 426
1922	18,012	2,267	385	793,437	...	...	15,126	...	4	584	976	52·0	184	8·3	31·7	3,117	288	1,558
1923	17,247	2,428	396	125,371,955	...	...	17,917	...	237	576	982	52·2	187	8·8	34·3	2,951	308	1,704
1924	18,114	2,400	391	3,314,000	551	151	19,397	229	411	537	914	56·9	177	9·1	40·2	2,555	297	1,662
1925	19,349	2,100	363	*t* 2,770,200	381	440	20,222	388	727	530	876	53·9	176	7·2	33·5	2,458	294	1,668
1926	18,340	1,793	337	...	593	428	20,951	398	797	525	874	49·9	190	6·6	27·8	2,458	298	1,377
1927	17,992	783	331	...	1,003	309	21,025	480	1,003	526	917	51·8	192	7·2	27·5	2,387	294	1,682
1928	17,295	161	316	...	1,295	244	...	*o* 1,123	943	546	953	48·7	...	7·6	...	2,428	295	1,773
1928—May	17,105	343	313	...	1,133	252	21,049	454	943	494	831	44·6	177	7·2	25·4	2,240	294	1,263
June	17,324	291	325	...	1,184	250	21,042	494	1,019	539	860	44·5	194	7·4	23·6	2,281	297	1,463
July	17,395	250	319	...	1,159	246	21,039	543	985	497	860	44·1	184	7·2	22·1	2,233	300	1,271
Aug.	17,140	229	318	...	1,207	249	21,051	639	973	514	864	44·1	191	7·4	21·7	2,316	295	1,359
Sept.	17,476	205	313	...	1,261	254	21,054	711	1,064	565	892	44·6	206	7·4	27·1	2,351	302	1,308
Oct.	17,236	190	306	...	1,313	256	21,959	734	1,087	517	885	44·9	203	7·1	31·6	2,332	304	1,306
Nov.	17,119	175	302	...	1,270	246	21,479	728	1,092	538	878	45·4	202	7·6	31·4	2,424	302	1,389
Dec.	17,295	161	316	...	1,295	244	21,321	730	1,091	546	953	48·7	193	7·6	30·3	2,428	307	1,773
1929—Jan.	16,590	157	299	...	1,222	230	20,391	680	1,037	486	840	46·7	173	7·3	28·4	2,248	295	1,405
Feb.	16,197	120	301	...	1,249	231	20,325	701	*o* 1,056	499	843	45·4	177	7·5	27·5	2,277	283	1,278
Mar.	16,396	117	312	...	1,333	239	20,964	717	*o* 1,073	544	886	44·4	205	8·0	27·7	2,323	285	1,354
Apl.	16,274	104	308	...	1,274	231	26,528	...	*o* 1,155	518	875	...	...	7·6	...	2,296	278	1,335
May	...	...	305	...	1,244	*n*225	...	...	...	519	872	...	...	...	...	...	...	...

a From 1919 to October, 1928, excluding notes held on redemption account in respect of currency notes. *b* Includes notes called in, but not cancelled. *c* Kronen. One schilling = 10,000 paper kronen. *d* In terms of new lire = 8,373 million. *e* Excluding Government notes. *f* Milliards. *g* Marks—including Reichs- und Darlehenkassenscheine. *h* Since May, 1922, including Luxemburg. Since October, 1926, including Government notes of 5 and 20 francs to value of 700 to 750 million francs, replacing similar bank notes. *i* Excluding notes held by Reichsbank. *k* Until end 1924 paper kronen. (One pengö = 12,500 paper kronen.) *l* May 31st, 1925: ceased to be exchangeable against Zloty notes. *m* One Zloty = 1,800,000 P. Marks. *n* Token coin 138·5 million Zloty. *o* Gross issue. *p* Excluding notes held as reserve by Chartered Banks. *q* Circulation in Union only. *r* State notes. *t* Since January, 1926, excluding notes held by Bank of Poland. *u* Since 1920, including Austria-Hungarian and other notes converted after the war into National Currency. *v* Since 1926, excluding notes held by the State Bank. *w* In terms of new lire = 1,829 millions. *x* Amalgamation of Currency and Bank Note Issues came into effect November 22nd. *y* In terms of new francs.

LONDON RATES OF EXCHANGE.

	Paris.	Brussels.	Italy.	Switzerland.	Madrid.	Amsterdam.	Stockholm.	Oslo.	Copenhagen.	Berlin.	Vienna.	New York.	Buenos Aires.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kronor to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.	Dollars to £1.	Pence Dollars.
Par level	25·22½	*a* 35·00	25·22½	25·22½	25·22½	12·107	18·159	18·159	18·159	20·43	24·02	4·86⅝	47·58
Highest, 1928	124·31½	*a* 35·04	92·90	25·35	30·27	12·13	18·20	19·34½	18·22	20·48½	‡34·75	4·88⅛	47⅝
Lowest, „	123·87½	*a* 34·86½	91·93	25·15	28·03	12·07⅜	18·09	18·18	18·17	20·33½	‡34·38	4·84⅜	47⅛
Beginning of—													
July, 1914	25·15	† 25·35½	25·25½	21·16½	26·10	12·11⅜	18·30	18·25	18·30	20·49½	24·55	4·87⅜	47⅛
January, 1922	52·32½	54·65½	97½	21·70½	28·19½	11·44½	16·97½	17·37½	21·12½	791¼	13,000	4·20	43⅛
January, 1923	66·30	72·85	93¼	24·72½	29·73½	11·79	17·37½	25·12½	23·40	48,500	330,000	4·68	44
January, 1924	87·85	99·45	100⅛	24·63½	33·58½	11·36⅜	16·26½	29·82½	24·44½	19½ billions	305,500	4·29⅜	40⅞
January, 1925	87·40½	94·79½	112·35	24·34½	33·95½	11·71⅛	17·62½	31·37½	26·85½	19·94 gld. mks.	337,500	4·74⅛	46⅛
January, 1926	129·31½	107·00	120	25·08⅜	34·31½	12·05	18·08	23·83½	19·60½	20·37½ „	‡ 34·37½	4·85⅛	46⅛
January, 1927	122·81½	*a* 34·89	109·62½	25·14½	31·23½	12·12½	18·15½	19·04½	18·20	20·43¾ „	‡ 34·42½	4·85⅛	46⅛
January, 1928	124·00	*a* 34·92½	92·32½	25·27½	28·24	12·09½	18·11½	18·34½	18·20½	20·45¼ „	‡ 34·52	4·87⅜	47⅛
January, 1929	124·10½	*a* 34·88⅜	92·64	25·18½	29·74	12·08	18·13	18·19	18·17½	20·38½ „	‡ 34·44½	4·85⅛	47⅛
April, „	124·21½	*a* 34·95⅓	92·74½	25·22½	32·22½	12·10⅛	18·17½	18·19½	18·21⅛	20·46½ „	‡ 34·52½	4·85⅞	47⅛
May, „	124·17⅝	*a* 34·95½	92·61½	25·19	33·87½	12·07	18·16	18·19½	18·20	20·48 „	‡ 34·56½	4·85⅝	47⅛
June, „	124·03½	*a* 34·91⅞	92·68½	25·19½	34·76½	12·08	18·13½	18·19½	18·20⅝	20·33½ „	‡ 34·52	4·84⅞	47⅛

	Rio de Janeiro.	Monte Video.	Valparaiso.	Bombay.	Hong Kong.	Shanghai.	Japan.	Singapore.
	Pence to Milreis.	Pence to Dollars.	Pesos to £1.	Pence to Rupee.	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.
Par level	16	51	40	s. d. 1 6	s. d. ...	s. d. ...	s. d. 2 0⅛	s. d. ...
Highest, 1928	5¹¹⁄₁₆	51½	39·73	1 6½	2 1⅛	2 10⅝	1 11⅛	2 4⅞
Lowest, „	5⁵⁄₁₆	49⅛	39·34	1 5⅝	1 11½	2 6⅜	1 10⅛	2 3⅛
Beginning of—								
July, 1914	16·1/32	51½	§ 9⅜	1 3⅛	1 10⅜	2 6½	2 0⅛	...
January, 1922	7·1/32	41	40·20	1 4	2 7½	3 6½	2 3½	2 3⅞
January, 1923	5·1/32	44	34·70	1 4⅛	2 3⅛	3 0⅜	2 1	2 4⅛
January, 1924	5·1/32	43⅜	40·30	1 5½	2 4⅜	3 4·1/32	2 1⅛	2 4⅛
January, 1925	5·1/32	50⅛	40·30	1 6⅛	2 3⅞	3 1⅛	1 7·1/32	2 4⅛
January, 1926	7·1/32	50⅛	39·80	1 6·1/32	1 11⅛	2 5·1/32	1 9·1/32	2 4⅛
January, 1927	5·1/32	50⅛	39·65	1 6·1/32	2 0⅛	2 7·1/32	2 0·1/32	2 3⅛
January, 1928	5·1/32	51	39·35	1 6·1/32	2 0⅛	2 7·1/32	1 11·1/32	2 4⅛
January, 1929	5·1/32	51	39·64	1 6·1/32	2 0⅛	2 7·1/32	1 10·1/32	2 3⅛
February, „	5·1/32	50⅛	39·62	1 6	2 0⅛	2 7·1/32	1 10·1/32	2 3⅛
March, „	5·1/32	50⅛	39·46	1 6·1/32	2 0·1/32	2 7	1 10·3/32	2 3·1/32
April, „	5·1/32	50	39·55	1 6	2 0	2 6·1/32	1 10·5/32	2 3·1/32
May, „	5·1/32	47⅞	39·61	1 5·1/32	1 11·1/32	2 5·1/32	1 10·1/32	2 3·1/32
June, „	5·1/32	47⅞	39·58	1 5·1/32	1 11·1/32	2 4·1/32	1 9·1/32	2 3·1/32

† Francs to £1. § Pence to Peso. ‡ Schillings to £1. *a* Belga to £1. *b* New parity, 92·46 lire to £1. • Daily rates.

Place.	Method of Quoting.	May Quotations. Highest.	Lowest.	Average.•
New York.				
May, 1928	Dollars to £1.	4·88⅛	4·87·1/32	4·882
Apr., 1929		4·85·1/32	4·85·3/32	4·853
May, 1929		4·85·1/32	4·84·1/32	4·849
Paris.				
May, 1928	Francs to £1.	124·05	123·95	124·014
Apr., 1929		124·31½	124·12	124·188
May, 1929		124·25	124	124·125
Amsterdam.				
May, 1928	Florins to £1.	12·10·1/32	12·09·1/32	12·098
Apr., 1929		12·11·1/32	12·06·1/32	12·090
May, 1929		12·07·1/32	12·05·1/32	12·067
Berlin.				
May, 1928	Rchmks. to £1.	20·40·1/32	20·38·1/32	20·399
Apr., 1929		20·58	20·45·1/32	20·475
May, 1929		20·49	20·32·1/32	20·427

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugo-Slavia.	Netherlands.	Poland.	Swed'n.	Switz'rland.	Egypt.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Ekr.	Francs.	Markka	Mark.	Drachmæ.	Lire.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£E.	Dollars.
1913	54,931	...	386,384	*j* 15,775	64,785	*s* ...	701,778	*f* 41,035	897,474	*e* 14,828	303,803	*a* ...	325,231	*c* ...	70,545	*f* 159,985	2,271	147,932
1923	*t* 81,474	...	1,099,347	426,987	158,949	777,690	2,738,296	381,105	*d* 512,477	502,937	1,432,431	692,470	167,436	160,028	107,877	186,923	3,643	310,981
1924	*t* 94,789	5,632	1,475,061	463,109	184,874	683,684	3,346,901	385,817	*d* 756,901	671,149	1,615,056	685,145	196,961	211,875	118,708	207,000	4,086	297,926
1925	*t* 97,371	5,162	1,488,378	606,958	161,382	8,046	3,712,700	458,185	*h* 978,700	850,794	2,183,374	729,407	204,583	229,589	120,535	219,427	4,678	348,018
1926	*t* 93,105	5,043	1,920,460	520,578	127,319	7,964	4,968,923	470,582	*h* 808,500	833,745	2,155,945	635,982	203,496	128,242	124,151	201,209	4,199	367,340
1927	*t* 91,360	5,012	2,422,921	510,745	131,508	8,035	*p*4,420,823	529,001	*h*1,150,100	1,037,414	1,697,440	607,191	212,405	240,998	132,030	213,650	3,896	346,924
1928	89,657	4,889	2,620,430	†599300	135,205	10,953	*p*4,454,022	664,260	*h*1,137,000	...	1,832,797	659,078	223,658	280,180	142,507	£28,723	...	339,947
							g									*d*		
1928—April	85,841	4,814	2,390,033	568,587	132,325	10,567	4,604,248	597,661	1,174,702	1,014,030	1,922,470	657,906	210,729	265,626	135,745	213,461	4,348	326,929
May	87,591	4,601	2,536,747	600,509	130,902	10,465	4,051,553	761,071	1,086,022	1,080,429	1,971,521	659,480	219,881	296,470	153,860	222,944	4,055	348,404
June	87,898	5,082	2,607,815	541,397	129,701	11,504	4,701,036	686,371	1,108,384	938,335	*2,126,170	590,306	231,620	289,662	143,884	211,014	3,715	316,703
July	87,015	5,105	2,335,904	518,417	133,640	10,763	4,048,506	573,922	1,182,647	973,902	1,740,143	619,510	211,388	288,195	127,374	214,431	3,469	322,837
Aug.	88,944	4,816	2,528,563	570,402	145,103	12,817	4,164,142	710,531	1,083,419	813,921	1,551,654	645,407	223,971	258,794	151,684	224,879	3,755	352,639
Sept.	80,826	5,057	2,853,412	668,966	138,118	11,733	4,229,188	758,987	1,088,227	899,548	1,616,533	713,892	239,637	272,784	152,184	218,195	4,352	324,928
Oct.	93,757	*z* 5,401	2,861,274	635,825	140,745	14,108	4,730,519	879,222	1,213,321	1,192,630	1,812,527	778,880	233,697	277,300	157,984	262,789	4,838	367,647
Nov.	96,023	*z* 4,602	2,646,689	664,709	125,739	12,613	4,735,939	735,051	1,173,329	1,244,357	1,857,981	706,796	222,307	261,084	166,336	243,139	4,872	328,525
Dec.	92,373	*z* 4,547	2,776,140	600,307	135,133	9,917	5,212,912	586,127	1,100,870	1,027,224	*2,356,626	622,113	209,747	238,396	130,990	248,498	4,623	333,988
1929—Jan.	106,253	*z* 4,719	2,392,608	563,128	121,251	11,175	5,173,343	504,454	1,319,113	1,082,117	1,812,705	560,690	232,701	294,042	122,521	212,128	4,563	358,816
Feb.	81,048	*z* 4,245	2,698,172	443,006	87,325	6,322	5,162,237	333,831	1,016,863	901,867	1,804,916	403,986	177,434	264,911	87,035	188,515	4,002	364,188
Mar.	88,607	*z* 5,520	3,039,941	†645000	107,057	6,619	4,934,124	349,442	1,021,930	1,128,813	2,009,125	684,571	215,988	233,286	89,020	225,466	3,965	371,229
April	93,792	*z* 5,214	2,984,179	...	203,078	14,381	5,143,715	710,897	1,254,901	1,267,772	1,997,634	713,678	234,399	321,134	205,786	243,396	4,925	410,677
May	93,020	..	...	...	...	...	...	...	...	...	...	...	...	...	...	226,332	...	†401000

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1913	43,771	...	302,882	*j* 7,778	53,113	*s* ...	573,351	33,482	*f* 841,436	*e* 9,917	209,303	*a* ...	255,453	*c* ...	68,112	*f* 114,700	2,626	204,024
1923	*t* 63,938	...	807,718	294,761	128,217	475,996	2,572,236	363,787	508,527	212,092	924,418	670,737	108,602	171,366	95,175	146,684	4,863	340,893
1924	*t* 66,747	4,190	1,151,126	408,519	184,874	655,483	2,530,743	407,078	545,971	273,081	1,197,746	794,898	138,388	181,437	105,079	172,511	5,472	374,804
1925	*t* 64,424	3,615	1,228,662	470,206	149,067	8,054	3,882,676	462,684	*h* 744,200	378,447	1,522,855	742,045	150,641	182,235	113,318	169,895	4,928	401,560
1926	*t* 54,234	3,432	1,661,198	468,133	117,131	8,020	4,936,893	467,985	*h* 827,500	452,479	1,555,877	651,515	145,767	187,192	118,293	153,041	3,435	392,643
1927	*t* 59,092	3,681	2,218,975	552,262	120,546	8,815	4,577,063	523,876	*h* 864,600	503,118	1,301,232	533,346	158,309	209,562	134,715	168,604	3,977	396,572
1928	*t* 60,286	3,779	2,505,935	†538600	128,415	10,596	4,278,900	516,251	*h* 982,100	387,951	1,207,259	537,058	165,515	208,999	130,578	177,870	...	419,040
							p		*d*							*o*		
1928—April	55,268	2,962	2,158,396	450,688	120,322	8,233	4,291,078	235,185	920,396	508,009	1,072,926	428,538	152,031	184,521	87,462	167,788	4,868	356,057
May	58,554	3,513	2,363,105	446,691	130,886	11,570	3,985,452	484,511	893,927	299,310	1,104,387	431,660	169,335	201,775	134,760	172,382	4,537	413,829
June	59,472	4,225	2,456,978	370,547	128,965	13,144	4,214,438	522,308	890,376	237,052	*1,410,465	454,360	147,859	191,962	145,630	162,265	4,061	380,305
July	60,885	3,969	2,395,636	487,577	122,593	14,303	3,940,916	749,916	913,676	262,213	1,001,190	493,814	160,526	201,522	138,584	167,829	3,870	371,471
Aug.	62,217	4,011	2,297,883	731,204	136,005	13,465	4,170,011	821,144	1,025,269	292,771	1,115,252	693,801	187,627	196,333	148,701	167,895	3,326	371,312
Sept.	56,620	4,572	2,316,496	563,503	133,109	12,169	4,190,539	798,308	1,057,858	436,188	1,157,195	692,293	189,922	204,344	158,105	182,628	2,505	414,859
Oct.	64,313	*z* 4,753	2,914,030	569,935	132,963	12,208	4,448,456	734,176	948,999	680,661	1,299,512	666,068	179,984	238,695	165,569	206,234	5,542	543,157
Nov.	63,767	*z* 4,472	2,550,782	654,433	136,385	9,532	4,614,005	620,111	938,990	865,770	1,322,297	642,347	169,630	255,113	165,194	197,538	7,312	538,373
Dec.	60,394	*z* 3,711	3,355,204	502,057	134,511	8,995	4,733,095	495,461	977,509	1,184,690	*1,637,348	569,339	164,758	209,173	167,280	192,161	5,921	466,290
1929—Jan.	66,880	*z* 3,149	2,068,971	575,627	118,034	7,900	3,701,892	309,660	1,035,644	1,088,843	999,526	425,708	152,192	215,834	109,414	153,892	5,376	480,382
Feb.	55,665	*z* 2,986	2,391,585	379,755	98,871	5,585	4,117,941	184,156	920,859	629,980	1,088,384	385,074	123,615	167,465	77,448	163,024	4,472	434,523
Mar.	58,623	*z* 3,066	2,698,172	†553000	117,432	4,779	4,180,206	192,904	930,873	767,824	1,189,306	499,413	175,091	161,525	95,251	179,840	5,208	481,590
April	60,244	*z* 3,250	3,039,941	...	147,394	9,637	4,419,445	368,918	1,231,004	449,479	1,247,930	614,982	168,752	214,319	149,514	176,976	5,307	425,872
May	67,437	...	...	...	...	...	...	...	...	...	...	...	...	...	...	170,399	...	†387000

a Including bullion and specie. *b* Since 1922 declared values. *c* Including Dantzig. *d* Since January, 1922, gold marks valuation. *e* Until February, 1923, Julian Calendar. *f* Including bullion. *g* Declared values. *h* Returns have been officially revised. *i* Old Greece only. *j* Including bullion. *m* Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." *t* From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. *s* Including bullion: until end 1924 Eesti mk. (1 Ekr. = 100 E mk.). *x* Average of two months. *z* Excluding parcels post. † Provisional figures. • Including parcel post for the half-year.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	Value.							Quantity (Metric Tons).								
	Australia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	Belgium.	Czechoslovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Switzerland.	Brazil.
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis.										
1913	*q* 6,355	*b* 152,725	54,917	1,785	3,365	60,474	*a* 83,958	2,721	...	3,685	A6,069	*p* 84	...	3,739	...	661	*f* 494
1923	11,436	184,973	75,253	3,575	4,577	161,924	188,930	2,217	357	4,572	3,890	112	314	1,612	266	556	298
1924	11,960	196,493	67,350	3,995	5,302	240,726	232,463	2,784	482	4,716	3,216	150	376	1,888	201	564	369
1925	12,350	186,899	74,189	4,308	5,459	207,223	281,403	2,772	565	3,954	4,331	175	373	2,117	284	546	414
1926	13,429	196,673	84,028	4,074	5,848	192,101	225,463	2,859	554	3,783	3,506	156	461	2,362	203	590	412
1927	13,212	206,853	90,593	3,655	5,867	174,883	272,764	3,172	613	4,114	5,674	190	523	2,385	409	622	457
1928	...	207,275	101,860	3,674	6,290	...	...	3,293	778	4,092	5,498

CAPITAL ISSUES.—(000's omitted.)

Period.	United Kingdom.	Austria.	Czecho-Slovakia.	France.	Germany.	Italy.	Netherlands.	Poland.	Roumania.	Sweden.	Switzerland.	British India.	Japan.	United States.
Monthly Average.	£	Schilling.	Koruna.	Francs.	Mark.	Lire.	Gulden.	Zloty.	Lei.	Kroner.	Francs.	Rupees.	Yen.	Dollars.
		b		*d*	*m*	*f*	*ch*	*y*			*o*			*p*
1913	16·3	...	...	...	60	23	13	...	20	18	44	56	45	137
1922	47·8	4,227	98	1,274	6,609	232	33	...	245	27	67	37	180	285
1923	22·6	18,206	48	955	*p*	332	19	...	320	19	62	21	176	300
1924	17·4	26,392	31	605	15·0	504	30	3·1	262	20	51	19	219	268
1925	19·4		2·3	21	329	55·1	746	33	7·7	219	16	56	29	204	304
1926	19·2		2·4	24	412	74·8	473	48	6·1	541	13	59	16	228	307
1927	29·6		9·7	31	626	114·1	264	43	17·7	282	22	73	17	255	498
1928	30·8		10·3	60	896	110·0	450	48	23·0	384	31	57	24	335	604
1927.															
July-Sept.	17·4		9·3	21	413	82·7	350	40	21·9	196	9	71	15	202	336
Oct.-Dec.	35·1		14·5	37	870	103·4	177	42	28·3	253	20	43	16	365	644
1928.															
July-Sept.	15·3		6·9	60	726	108·0	580	24	16·7	463	24	23	22	376	369
Oct.-Dec.	26·1		7·2	41	1,310	128·3	415	70	39·1	283	26	38	18	228	714
1929.															
Jan-Mar.	32·3		14·4	35	1,089	118·8	492	49	...	318	14	104	37	...	...
Jan.	42·6		11·2	24	770	226·8	233	50	...	371	12	65	57	106	609
Feb.	25·5		11·5	62	1,092	77·0	470	73	...	175	14	115	37	179	909
Mar.	28·8		20·3	18	1,406	52·6	774	25	...	409	17	131	16	...	877
April	30·1		0·4	23	1,475	123·6	677	16	...	315	16	122	85	...	502
May	25·2		...	...	...	...	687	...	...	318	24	...	...	...	639

Unless otherwise stated, the figures represent authorised share issue of new joint stock companies at home, and the increase of capital of existing companies. Bonus shares are excluded from the figures of the U.S.A., Roumania, Switzerland and Czechoslovakia. In the case of the Netherlands and the U.K. both bonus shares and conversions are excluded. *b* Until end 1924, kronen. *c* Excluding Treasury Bills. *d* Exc. large railway issues. *f* "Rivista Bancaria." *h* Issues exceeding Fls. 100,000 on the Dutch market including Colonial, and since Jan., 1925, foreign issues. *m* Since 1924, excluding amalgamations and conversions. Until end 1922 paper mark. *o* "Société de Banque Suisse," invitation for subscriptions on Swiss market including obligations and Local Govt. loans. *p* "Journal of Commerce," subs. invited in home market by corporations for amounts exdg. $100,000. *y* Excluding Upper Silesia.

UNEMPLOYMENT.

Percentage of persons unemployed in trade unions or in official unemployment insurance schemes (Belgium and U.K.).

End of Month.	U.K.	Belgium.	Denmark.	Germany.	Netherlands.	Norway.	Sweden.	Australia.	Canada.
1921—June	17·8	9·9	16·8	3·0	8·1	20·6	27·7	12·5	13·2
December	16·2	6·6	25·2	1·6	16·6	23·4	33·2	9·5	15·1
	‡								
1923—June	11·3	0·8	8·1	4·1	10·8	7·9	9·8	7·1	3·4
December	10·7	1·7	19·6	28·2	17·3	14·0	14·1	6·2	7·2
1924—June	9·4	1·0	5·1	10·4	7·2	4·3	7·3	8·3	5·9
December	10·7	1·5	13·2	8·1	12·3	12·5	15·5	10·3	11·6
1925—June	11·9	1·0	9·3	3·5	6·6	8·9	8·2	10·2	6·1
December	10·4	2·8	31·1	19·4	16·0	23·7	19·4	8·1	7·9
1926—June	•14·6	0·9	15·8	18·1	5·9	22·6	9·6	6·7	4·1
December	•11·9	2·6	32·7	16·7	12·1	27·7	19·0	5·7	5·9
1927—June	8·8	1·4	18·5	6·3	6·0	22·5	9·5	6·4	3·2
December	9·8	3·6	30·5	12·9	14·9	28·0	18·6	8·9	6·6
1928—May	9·9	0·7	14·3	6·3	4·4	18·0	8·1	...	3·7
June	10·8	0·6	13·7	6·2	4·4	14·4	7·6	11·2	3·2
July	11·7	0·7	13·5	6·3	5·3	13·6	7·2	...	2·5
August	11·7	0·5	13·1	6·5	5·2	13·9	7·0	...	2·4
September.....	11·5	0·6	12·2	6·6	4·8	15·5	7·7	11·4	2·2
October.....	11·8	0·6	14·8	7·3	4·8	16·1	9·0	...	3·1
November	12·2	0·6	17·6	9·5	6·2	17·4	10·9	...	4·2
December	11·2	1·9	25·0	16·7	11·5	22·1	17·3	9·9	6·6
1929—January... ...	12·3	3·5	27·6	19·4	18·9	22·2	14·9	...	6·3
February	12·2	4·6	30·0	22·3	†20·9	21·0	14·6	...	6·8
March	10·1	0·9	23·3	16·9	†6·0	...	14·2	...	6·0
April	9·9	...	13·7	11·1	...	...	12·0	...	...
May	9·9	...	...	...	...	...	...	...	...
Number of Workers Covered by Last Returns.									
Millions	11·9	0·6	0·3	4·6	0·3	0·04	0·3	0·4	0·2

‡ Ex. Irish Free State since Mar., 1923.
• Workpeople in the coal mining industry, who ceased work on account of the dispute, are not included in this figure.
† Provisional figure.

BANK RATES.

	1923.	1924.	1925.	1926.	1927.	1928.	1929.
	End of	End of	End of	End of	End of	End of	End of
	June	Dec.	June	Dec.	June	Dec.	June	Dec.	June	Dec.	June	Dec.	Mar.	April	May
London ...	% 3	% 4	% 4	% 4	% 5	% 5	% 5	% 4½	% 4½	% 4½	% 5	% 5½	% 5½	% 5½
Paris	5	5	6	7	7	6	6	6½	5	5	3½	3½	3½	3½	3½
Berlin	18	90	10	10	9	9	6½	6	7	7	7	6½	7½	7½	7½
New York•	4½	4½	3½	3	3½	3½	3½	4	4	3½	4½	5	5	5	5
Amsterdam	4	4	5	4½	4	3½	3½	3½	5	4½	4	4	4	4	4
Brussels ...	5½	5½	5½	5½	5½	7	7	7	7	5	4½	4	4	4	4
Rome	5½	5½	5½	5½	7	7	7	7	7	7	5½	5½	7	7	7
Switzerland	3	4	4	4	4	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½
Vienna.....	9	9	12	13	11	9	7½	7	6	6½	6	6½	7½	7½	7½
Warsaw ...	12	48	12	12	12	12	12	8	8	8	8	8	9	9	9
Tokyo	8	8	8	8	7·3	7·3	7·3	6·57	5·84	5·48	5·48	5·48	5·48	5·48	5·48
Calcutta ..	4	7	5	6	5	6	4	5	7	6	7	8	7	6	6

• Federal Reserve. † 5% as from June 6.

LONDON BANKERS' CLEARING RETURNS.

(000's omitted.)

	Town.	Metropolitan.	Country.	Total.
	£	£	£	£
1913	14,191,275	855,648	1,389,481	16,436,404
1923	32,270,373	1,546,565	2,810,654	36,627,592
1924	35,038,605	1,594,114	2,900,145	39,532,864
1925	35,801,264	1,678,347	2,957,508	40,347,119
1926	35,346,429	1,660,757	2,817,868	39,825,054
1927	36,819,682	1,758,032	2,972,827	41,550,541
1928 (June 20)...	18,748,216	872,501	1,448,860	21,069,577
1929 (June 19)...	18,718,932	897,287	1,453,779	21,069,460

SECURITY VALUES.

	United Kingdom.		Netherlands.	Sweden.	Switzerland.	Canada.	United States.
	"Bankers' Magazine."		Official.	Official	Banque Nationale (*f*)	Official.	"Wall Street Journal."
	365 representative securities.		49 Ordinary Industrial Shares.	Industrial and Shipping Shares.	32 Industrial Shares.	79 (*i*) Common Industrial Shares	20 Common Industrial Shares.
Base.	Dec., 1921 = 100.		1921–25 = 100.	Nominal value = 100		1913 = 100.	
	(*a*)	(*b*)	(*c*)	(*e*)	(*f*) (*h*)	(*g*)	(*d*)
1925—June	108·6	125·5	114·1	96	113	134·4	...	128·8
Dec.	108·8	132·5	115·5	95	131	144·6	...	154·2
1926—June	110·0	136·5	118 7	91	146	176·9	93·2	160·1
Dec.	109·3	135·7	118·0	91	150	175·4	107·0	159·3
1927—June	110·1	141·5	120·4	102	153	189·9	121·5	169·2
Dec.	111·2	146·9	122·8	103	181	223·2	161·6	198·5
1928—May	112·4	157·8	127·2	117	226	248·8	184·4	217·2
June	112·4	152·7	125·4	111	226	243·6	170·0	209·1
July	112·1	151·7	124·9	109	214	239·9	169·6	211·1
Aug.	112·1	154·2	125·7	113	230	249·5	166·5	224·0
Sept.	111·7	156·7	126·3	115	239	256·1	185·3	239·8
Oct.	112·3	158·7	127·3	112	234	255·3	201·2	248·7
Nov.	112·1	159·4	127·4	113	249	251·3	229·3	273·8
Dec.	112·1	158·8	127·3	115	252	252·8	237·3	280·8
1929—Jan.	113·4	163·4	129·6	120	256	254·1	286·1	306·0
Feb.	111·7	162·0	128·1	124	253	249·3	292·9	309·9
Mar.	111·1	161·1	127·3	124	242	239·2	266·2	311·2
Apr.	111·9	159·5	127·3	119	244	231·3	269·3	307·9
May	110·4	157·4	125·6	116	240	...	...	...

(*a*) Fixed interest. (*b*) Variable dividend. (*c*) Total. (*d*) Monthly average. (*e*) Average of highest and lowest quotations on each Wednesday. (*f*) Shares of companies with a capital of more than 5 millions The composition of this class, therefore, is not invariable. (*g*) On 25th of month. (*h*) End of month. (*i*) Since Jan., 1929, 92 shares.

U.K. IMPORTS AND EXPORTS.—(000.000's omitted.)

	Food.		Raw Materials.		Manufactures.		Imports of			Exports of		
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Wheat.	Raw Cotton.	Sheep's & Lambs' Wool.	Cotton Piece Goods.	Iron and Steel.	Coal.
	£	£	£	£	£	£	Cwts.	Centals.	Centals.	Sq. Yds.	Tons.	Tons.
Monthly average, 1913	24·2	2·7	23·5	5·8	16·1	34·3	8·8	1·8	0·7	•589	0·41	6·1
1921	47·2	3·1	23·3	5·3	20·4	49·1	6·7	1·0	0·6	242	0·14	2·0
1922	39·3	3·0	24·8	8·5	19·1	47·3	8·0	1·2	0·9	349	0·28	5·3
1923	42·5	3·7	27·1	10·9	21·4	48·3	8·4	1·1	0·6	345	0·36	6·6
1924	47·6	4·7	33·4	8·9	25·0	51·5	9·9	1·3	0·6	370	0·32	5·1
1925	47·6	4·6	35·4	7·0	26·7	51·4	8·1	1·6	0·6	370	0·31	4·2
1926	41·9	4·2	32·7	3·9	26·3	44·9	8·1	1·5	0·7	319	0·26	1·7
1927	44·9	4·4	29·3	6·4	26·9	47·0	9·2	1·3	0·7	343	0·35	4·3
1928	44·3	4·5	27·9	5·8	25·7	48·2	8·6	1·1	0·7	322	0·36	4·2
1929	40·5	4·0	27·0	5·6	23·1	44·3	7·1	1·3	1·0	326	0·38	3·9
February, ...	42·1	3·8	28·5	6·6	27·2	47·0	9·5	1·4	0·8	334	0·35	4·8
March, ...	42·7	5·0	30·9	6·8	30·2	47·1	10·2	1·2	1·2	349	0·34	4·8
April, ...	44·2	4·6	29·2	7·8	29·2	53·4	9·7	1·1	1·0	321	0·44	5·3
May, ...												

• Yards.

RAILWAY STATISTICS—(000.000's omitted.)

	Great Britain (*g*).						Austria.	Germany.	Italy.	Canada.	United States.
	Gross Receipts.		Freight Traffic (*f*).								
	Passengers.	Freight.	Merchandise.•	Coal, &c.	Other Minerals.	Total.					
	£	£	Tons.	Tons.	Tons.	Tons.	Ton-Miles.	(*b*)	(*a*)	(*e*)	(*c*) (*d*) (*e*)	(*d*) (*e*)
1926—June	4·4	5·3	4·7	1·9	3·6	10·2	704	1,202	4,695	1,132	2,846	39,237
December	4·7	8·5	4·9	15·9	4·1	24·8	1,392	1,321	5,641	1,094	3,641	40,096
1927—June	6·1	8·8	5·1	15·5	5·8	26·4	1,401	1,249	5,126	...	2,611	38,483
December	4·8	8·7	5·1	17·2	4·8	27·2	1,400	1,209	5,398	928	4,128	34,580
1928—May.....	5·2	8·7	5·1	14·9	5·6	25·6	1,363	1,275	5,151	1,027	3,465	39,250
June	5·5	8·3	4·8	14·9	5·3	25·0	1,324	1,325	5,528	1,038	3,129	37,304
July.....	7·3	8·2	4·8	14·0	5·1	23·9	1,312	1,430	5,524	1,017	3,091	39,196
August	8·5	8·4	5·0	14·7	5·0	24·7	1,359	1,417	5,835	980	2,942	42,406
September	5·8	8·5	5·0	14·7	4·9	24·6	1,394	1,348	6,258	1,002	4,251	43,778
October	6·7	9·4	5·7	16·0	...	...	...	...	...	...	...	...

The Economist
COMMERCIAL HISTORY OF 1928.

Vol. CVIII. SATURDAY, FEBRUARY 9, 1929. No. 4,459.

CREDITO ITALIANO

Capital - - - Lire 400,000,000
Capital Paid-up - Lire 354,694,900
Reserve - - - Lire 190,000,000

HEAD OFFICE OF THE BANK: MILAN.

BRANCHES:

ACIREALE	CHIETI	MESSINA	SAMPIERDARENA
AREZZO	CIVITAVECCHIA	MILAN	S.GIOVANNI A TEDUCCIO
ASTI	COMO	MODENA	SASSARI
BARI	CREMONA	MOLA DI BARI	SAVONA
BARLETTA	FERRARA	MOLFETTA	SPEZIA
BERGAMO	FIUME	MONOPOLI	TARANTO
BIELLA	FLORENCE	MONZA	TORRE ANNUNZIATA
BOLOGNA	FOGGIA	NAPLES	TORRE DEL GRECO
BOLZANO	FORLI	NERVI	TRENTO
BRESCIA	FRATTAMAGGIORE	NOCERA INFERIORE	TRIESTE
BRINDISI	GENOA	NOVARA	TURIN
CAGLIARI	IGLESIAS	ORISTANO	UDINE
CARRARA	IMPERIA	PADOVA	VARESE
CASTELLAMMARE DI STABIA	LECCE	PALERMO	VENICE
	LECCO	PARMA	VERCELLI
CATANIA	LEGHORN	PINEROLO	VERONA
CATANZARO	LONDON	PISA	VICENZA
CHIAVARI	LUCCA	ROME	VOGHERA

Representative Offices: { NEW YORK—67 Wall Street. BERLIN—15 Jägerstrasse. PARIS—3 Rue Taitbout.

London Branch:

2, ROYAL EXCHANGE AVENUE, E.C.3

Correspondent of the Royal Italian Treasury.

The London Branch transacts a General Banking Business, and is specially prepared to grant facilities for the Development of Trade between the British Empire and Italy.
Documentary Credits opened.
Telegraphic and Mail Transfers effected to all parts of the World.
Clean and Documentary Bills collected. Tariff sent on application.
Approved Foreign Bills negotiated, and Advances granted against Documents.
Freights collected at principal Italian ports free of commission.
Circular Cheques issued, payable at any Branch or Correspondent of the Credito Italiano free of charge.

Telegrams: "ITALOCREDI LONDON." Telephones: AVENUE 3031-4.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

MARINE DEPARTMENT: 2-6, BILLITER SQUARE, LONDON, E.C.3.

ESTABLISHED IN 1824.

Assets exceed £30,000,000.

DIRECTORS:

CHARLES EDWARD BARNETT, *Chairman.*

LIONEL N. DE ROTHSCHILD, O.B.E., *Deputy-Chairman.*

SIR IAN HEATHCOAT AMORY, BART., C.B.E.
THE VISCOUNT BEARSTED, M.C.
FREDERICK CAVENDISH BENTINCK.
ALFRED FOWELL BUXTON.
JOHN CATOR.
LORD DALMENY, D.S.O., M.C.
MAJOR GERALD M. A. ELLIS.
FREDERICK CRAUFURD GOODENOUGH.
THE MARQUESS OF HARTINGTON, M.P.
C. SHIRREFF HILTON.
EDWARD RALPHE DOURO HOARE.
R. M. HOLLAND-MARTIN, C.B.
DAVID LANDALE.
COLONEL WILFORD N. LLOYD, C.B., C.V.O.
SIR CHRISTOPHER T. NEEDHAM.
WILLIAM HEARD SHELFORD.
ARTHUR JAMES STEWART TODD.
HENRY ALEXANDER TROTTER.
RICHARD DURANT TROTTER.

THE ALLIANCE grants INSURANCES OF ALL KINDS:—

LIFE (with and without Profits). Assurances with **Disability Benefits. Estate Duty** Policies. **Staff Assurance and Pension Schemes. Group Life Assurances. Children's Deferred Assurances and Educational Endowments. Annuities.**

SINKING FUND and CAPITAL REDEMPTION.

FIRE.

MARINE.

BURGLARY and THEFT.

ACCIDENTS of all Kinds: Personal Accident and Disease, Third Party, Drivers' Risks, Lift, Plate-Glass, and Workmen's Compensation, with Special Policies for Domestic Servants.

MOTOR CAR, MOTOR CYCLE.

FIDELITY GUARANTEE.

BOILER and MACHINERY INSURANCE and LIVE STOCK. INSPECTION.

COMPREHENSIVE POLICIES FOR BUILDINGS OR CONTENTS OF DWELLING-HOUSES.

THE COMPANY IS EMPOWERED TO ACT AS EXECUTOR AND TRUSTEE.

Particulars of any of the above will be sent on application to the Company.

The Economist

COMMERCIAL HISTORY & REVIEW OF 1928.

Being the Sixty-sixth of the Series, which Commenced in 1863.

Vol. CVIII. SATURDAY, FEBRUARY 9, 1929. [No. 4,459.

BROWN, SHIPLEY & COMPANY, LONDON.

FOUNDERS COURT, LOTHBURY, E.C.2.

OFFICE FOR TRAVELLERS:
123, PALL MALL, S.W.1.

ESTABLISHED 1810.

COMMERCIAL CREDITS & CONSIGNMENTS.
FOREIGN EXCHANGE.
CABLE TRANSFERS.
FOREIGN COLLECTIONS.
TRAVELLING CREDITS.
DIVIDENDS COLLECTED.
COUPONS PURCHASED.
DEPOSIT and CURRENT ACCOUNTS OPENED.
AGENTS and CORRESPONDENTS ALL OVER THE WORLD.

BROWN BROTHERS & COMPANY, NEW YORK.
59, Wall Street.

PHILADELPHIA. 1531, Walnut Street.
BOSTON. 60, State Street.
BALTIMORE. (Alexr. Brown & Sons.)

ESTABLISHED 1800

CONTENTS.

I. General Introduction—

	Page		Page
The Past Year	3	New Capital Issues	10
Overseas Trade	4	Gold Production	11
Home Trade	5	The Stock Exchange	11
Commodity Prices	7	The Agricultural Year	13
The Money Market	9	Labour Conditions	13
Foreign Exchanges	10		

	Page
II. Conditions in Principal Countries	14
III. Trade Reports	34
IV. Statistical Appendix	66

THE PAST YEAR.

No reader can rise from a conscientious study of the pages which follow this article without the predominant impression that, so far as Great Britain is concerned, 1928 was a year of disappointment. The outward and visible sign of this disappointment was that the year on balance showed an increase of around 14 per cent. in the volume of registered unemployed; and the disappointment was keener because the year started with an upward movement in trade and industry, which, after three or four months, faded away unaccountably and unexpectedly. Once again the dark side of the picture is represented by our basic industries, with coal still in the deepest depression of all. But while this *malaise* of our basic industries must necessarily loom large, it should not cause us to forget that a host of lesser industries enjoy activity and even prosperity. Apart from the coal-mining areas, the South of England may almost be said to have had a prosperous year. But looking at the situation as a whole, one has to admit that the total volume of production, after starting on a rising curve, ended the year below the level at which it started.

Having fully admitted the disappointments, we find some justification for regarding 1928 as a year of no small promise for the future. Quite possibly it will be remembered in history as a year in which the foundations of recovery were laboriously laid. It was a year of realisation and of facing facts. It seemed to bring a change in the mental attitude of industrialists from the idea that revival would come by itself to the painful conviction that it could only come through sacrifice and arduous self-help. This conviction was reflected in some very important beginnings of the great task of reorganising the chief industries of Britain on a basis of greater efficiency as regards both production and marketing. Hopeful, too, for the future is the spade-work that has been done by the Melchett-Turner Conference towards the establishment of secure peace and more effective co-operation between the partners in industry.

In the realm of domestic trade and finance there are perhaps three particular features arising out of the detailed reviews given on the later pages of this issue which call for special attention. In spite of a setback in the summer, the returns of overseas trade for the full year reveal at least some improvement on those of 1927, and there was a reduction of nearly £35 millions

in the import excess on the published merchandise figures. It is probable that the country's final balance of international payments was last year more favourable than for a number of years past. That is one feature. Another is that, thanks to the prescience of the Bank of England, money rates were stable throughout the year. The Bank has been severely criticised in some quarters because it failed to take advantage of the influx of gold early in the year to reduce its discount rate and broaden the basis of credit. The answer to that is that if the Bank had done so the subsequent drain on gold would in all probability have been intensified with the result of an autumn Bank rate higher than that which has actually been in force. The stability which the Bank secured in monetary conditions was definitely preferable in the national interests to a lowering and subsequent raising of the rate, which would have brought with it both disturbance and disappointment. The third feature to which we referred was the activity on the Stock Exchange and new capital markets, which ended with fluctuations until the close of the year, when the King's illness cast a shadow over markets. This activity was not from all points of view wholesome. It centred mainly in shares connected with luxury trades. Fierce speculation and a series of boom fluctuations will, as some events already show, leave a trail of trouble for many rash investors.

In public finance the year was possibly the least eventful since the war. Government conversion issues were limited to dealing with short-dated securities which had practically passed into money market hands, and the Budget introduced by Mr Churchill in April centred on one main idea which was favourable to trade and industry. The de-rating scheme around which Mr Churchill's fourth Budget was built has the sound aim of relieving productive industry from taxes levied in an unsatisfactory and illogical manner, and although it is open to substantial criticism from many points of view, it will in the course of time bring some relief where relief is wanted. The de-rating scheme, however, has this corollary; it means that Mr Churchill has mortgaged revenue to such an extent that it will be very difficult for him within the limits of sound finance to produce a popular Budget to lay before the electors.

In the international sphere there were one or two outstanding events—all of a favourable nature. The prosperity of the United States continue. M. Poincaré, by legally stabilising the French franc on a gold basis, rounded off the work of post-war financial reconstruction in Europe. The closing weeks of the year brought a very welcome change in China, and hopes are now high that the long years of civil war are over and are to be replaced by something approaching unified government and a growth of confidence and economic well-being. This change should redound to the advantage of our exporting industries, in particular to that of Lancashire. Last but not least the signature of the Kellogg Pact has provided the statesmen of the world with a new foundation on which, by their wisdom, they may rear a structure of firm international security.

On the whole the new year 1929 has started under fairly favourable omens, and of all omens the formation of the Lancashire Textile Corporation is perhaps the most favourable. This event adds a very important chapter to the story of reorganisation with which much progress was made last year. It is sometimes assumed that a general election must create a substantial disturbance to trade. But there seems to be little reason why this half-truth should be applicable to the election to be held during the summer. The Labour Party have unmistakably gravitated from revolutionary Socialism to a very much milder level of economic proposals. If we are not mistaken the country has in the past year come to realise more clearly than before that the causes of its troubles are many-sided and cannot be cured by any one specific remedy. With this realisation growing apace we expect to see the common sense of the electorate give short shrift to pro-proposals for wild and dangerous experiments.

OVERSEAS TRADE.

In comparing the 1928 figures with those of previous years, three important facts must be borne in mind. The first is that the early months of 1927 were governed by the abnormal conditions which were the aftermath of the coal stoppage. Imports of coal and iron, in particular, were unusually heavy. The next is that prices generally were lower in 1928 than in 1925, to an extent which probably more than accounts for the percentage decline in imports and exports between the two years. The third is that one cause of this year's fall in the value of re-exports is the collapse of rubber prices that occurred last spring :—

CALENDAR YEAR.

	1928.	Inc. or Dec. on 1927.		Inc. or Dec. on 1926.	
	£	£	%	£	%
Imports	1196940354	— 21,400,796	— 1·76	—123,774,836	— 9·4
British exports	723,427 455	+ 14,346,192	+ 2·0	— 49,053,247	— 6·5
Re exports	120,352,491	— 2,600,348	— 2·1	— 33,684,308	— 21·8
Total exports	843,779,946	+ 11,745,844	+ 1·4	— 83,637,555	— 9·0
Excess of imports over total exports	353,160,908	— 33,146,640	— 8·6	— 40,137,281	— 10·2

If due regard be paid to these factors, the 1928 figures compare quite favourably with those of preceding years. The improvement is not sensational, but there is distinct evidence of its existence. In particular, as the following table shows, the adverse balance was not only less than that in 1927 for the first four months of each year, when 1927 was subject to abnormal conditions, but also for the last eight months, when no distorting influence was at work. This table also illustrates both the unfortunate setback which occurred in the summer of 1928 and the extent to which the ground so lost was recovered in the autumn :—

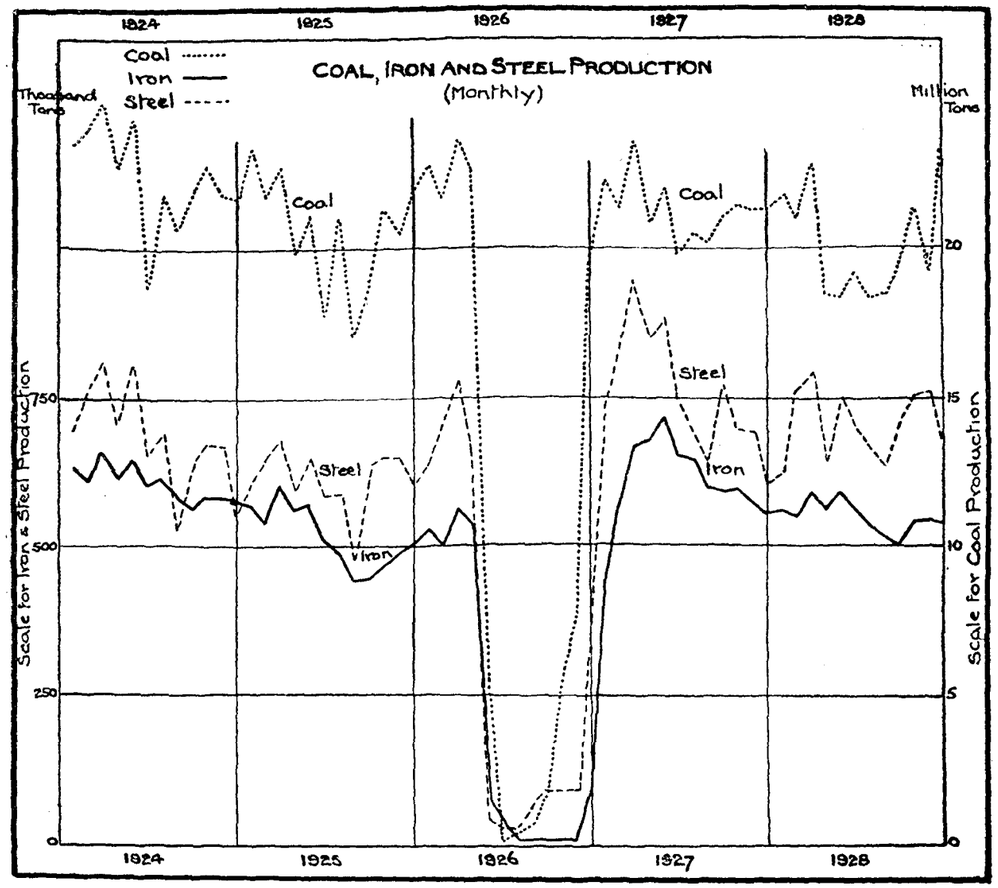
MOVEMENTS of MERCHANDISE TRADE BALANCE.

	Imports in 1928	Total Exports in 1928	Excess of Imports in 1928.	Excess of Imports in 1927.	Excess of Imports in 1925.
	Million £	Million £	Million £	Million £	Million £
January	100·4	70·0	30·4	48·3	46·6
February	98·8	68·9	29·9	30·2	27·0
March	110·5	76·2	34·3	40·6	29·7
April	96·8	66·2	30·6	36·3	37·1
First four months	406·5	281·3	125·2	155·3	140·4
May	99·4	70·4	29·0	20·8	25·6
June	99·4	71·0	28·4	32·7	41·5
July	95·4	69·3	26·1	27·6	22·5
August	97·7	71·0	26·7	21·9	17·2
September	87·7	63·5	24·2	32·7	26·7
October	102·6	73·2	29·4	34·4	28·4
November	106·8	74·6	32·2	26·2	40·1
December	101·4	69·5	31·9	36·3	53·9
Last eight months	790·4	562·5	227·9	232·6	255·9
Full year	1,196·9	843·8	353·1	387·9	396·3

To consider the 1928 returns in greater detail, the next table shows them distributed into the three main categories of foodstuffs, raw materials, and finished goods. The decline in foodstuffs is probably a matter of price. Raw material imports are discussed later. Trade in finished articles is on the whole reassuring. Comparing the 1927 and 1928 exports, we have recovered at least an appreciable part of our lost ground :—

	1925.		1927.		1928.	
	Retained Imp'rts	Exports.	Retained Imp'rts	Exports.	Retained Imp'rts	Exports.
	Mln. £	Mln. £	Mln. £	Mln. £	Mln. £	Mln. £
Food, drink, and tobacco	538·0	55·0	512·8	52·3	504·4	54·3
Raw materials and articles mainly manufactured	334·5	84·4	280·8	76·4	268·3	70·2
Articles wholly or mainly manufactured	288·1	616·6	297·3	564·0	292·0	578·6

These views are reinforced by the following table. This illustrates the falling-off in our coal exports, and also places in its proper perspective the present agitation for the safeguarding of iron and steel. Since 1927, imports have fallen from £33·7 to £23·9 millions, which is hardly evidence that "abnormal"



foreign competition exists to-day. In contrast to the imports, exports are moderately well maintained :—

	1925.		1927.		1928.	
	Retained Imports.	Exports.	Retained Imports.	Exports.	Retained Imports.	Exports.
	Mln. £.	Mln. £.	Mln. £.	Mln. £.	Mln. £.	Mln. £.
Coal	0·02	50·5	6·6	45·5	0·04	39·1
Iron and steel and manufactures thereof	23·7	67·9	33·7	69·4	23·9	66·8

Finally come two tables showing in detail imports and exports of some leading commodities. Taking imports first, 1928 does not perhaps compare very favourably with the previous years, though possibly if the 1927 returns were corrected for the abnormalities of the first four months of that year, the comparison would be more reassuring :—

SOME FOODSTUFFS and RAW MATERIAL IMPORTS.

	Quantity.			Value per Unit.		
	1925.	1927.	1928.	1925.	1927.	1928.
				£	£	£
Coal tons	10,944	2,419,310	27,252	1·85	2·73	1·45
Raw cotton centals	18,941,929	15,483,393	15,057,681	6·53	4·27	5·25
Sheep and lambs' wool ,,	7,268,591	8,219,899	7,807,141	9·88	7·29	7·75
Flax, hemp, and jute tons	336,281	399,826	332,284	52·1	38·4	39·0
Raw rubber centals	1,957,593	3,245,794	2,460,839	14·2	7·64	4·65
Beef cwts	13,740,607	14,464,452	13,334,194	2·68	2·39	1·09
Mutton and lamb ,,	5,474,392	5,522,557	5,645,883	4·10	3·16	3·46
Wheat ,,	96,854,178	110,435,815	103,578,380	0·710	0·616	0·556
Sugar ,,	42,301,979	32,912,686	38,638,396	0·784	0·824	0·700
Butter ,,	5,851,245	5,818 611	6,120,823	9·09	8·29	8·52
Tea lbs	490,566,747	537,001,747	509,975,917	0·077	0·077	0·070
Tobacco ,,	190,838,270	223,646,125	220,925,108	0·089	0·086	0·081

Exports are more satisfactory. Our coal shipments are little below the 1925 level, and iron and steel exports are the best since 1923, the year of the Ruhr occupation. The same applies to textile machinery, while machinery in general has in 1928 outstripped every year given in the table. The weak spot is textiles, all of which are relatively bad :—

SOME LEADING EXPORTS.
Quantity (000's omitted).

	1923.	1924.	1925.	1926.	1927.	1928.
Coal tons	79,489	61,651	50,817	20,596	51,149	50,955
Pig-iron and ferro-alloys ,,	893	600	559	31	331	456
Railway material ,,	493	370	421	306	729	610
Total iron and steel mfs. ,,	4,318	3,851	3,731	2,988	4,196	4,261
Textile machinery ,,	139	104	123	102	119	126
Total machinery ,,	433	463	516	476	512	566
Cotton yarns lbs	145,017	163,056	189,532	168,528	200,465	169,212
Cotton piece-goods sq. yds.	4,140,252	4,443,959	4,435,618	3,834,482	4,116,883	3,866,593
Wool tops centals	390	411	320	336	420	314
Woollen tissues sq. yds.	148,556	164,740	132,174	119,357	130,914	128,566
Worsted tissues ,,	52,935	56,843	47,302	42,950	39,980	42,111
Linen piece-goods ,,	89,566	110,786	83,696	75,282	73,911	66,110
Boots and shoes doz. prs.	796	998	986	986	950	1,079
Leather cwt.	260	327	316	312	413	403
Paper and cardboard ,,	4,341	4,757	4,989	4,724	4,317	4,539
Locomotives tons	35	24	30	34	27	41
Motor-car and chassis No.	6	15	29	33	76	3 5

The final point of interest is our real balance of trade. The official estimate has not yet been issued, but there seems no doubt that it will reveal a substantial improvement upon last year. In fact, the 1928 surplus may well turn out to be the largest since 1922.

HOME TRADE.

Industrially, the history of 1928 was disappointing During the first quarter of the year the steady expansion in business activity which characterised 1927 appeared to be continuing. After the Easter holidays, however, there came a check to progress, and, as the spring turned to summer, signs of a definite setback became more pronounced. The percentage of unemployment among insured workpeople rose from 9.6 per cent. at the end of April to 11.7 per cent. at the end of July, and at the end of the year was 11.2 per cent., in comparison with 9.8 per cent. at the end of 1927. The causes of the recession are obscure. On the whole it would appear to have been failure of the home market rather than of export demand, which occasioned a halt in industrial progress, since our manufactured exports continued throughout the year to make a rela-

tively satisfactory showing. At the end of the year there were indications of recovery, slow, partial, and hesitant.

* * * *

In the following table we summarise certain of our index numbers of business activity :—

(1924 = 100.)

Annual average.	1925.	1926.	1927.	1928.
Net imports, raw materials	107	107*a*	113*a*	101
Consumption of—				
Iron and steel	89	57	133	88
Cotton	116	98	113	103
Rubber	137	175	197	212
Consumption of fuel—				
Coal	93	72	106	99
Electricity	101	92	109	110
Employment in "heavy" industries	90	57	87	81·5
Total volume of employment	101	95·5	105	105
Postal traffic	103·5	103·5	109·5	114
Provincial clearings	102	94	102	100·5

a Excluding coal imports.

The foregoing figures corroborate on the whole the conclusion that trade expansion was definitely arrested last year, and that in some directions a fresh depression developed. On the other hand, the figures of total volume of employment and consumption of electricity suggest that the set back was partial, and that in many sections of industry a satisfactory rate of activity was maintained.

* * * *

Once again it has to be recorded that the least encouraging features in the industrial picture were provided by the "basic" trades. The coal industry, despite various schemes for "concerted selling," continued to make heavy losses though low prices. The iron and steel trades were depressed throughout the year, but during the last quarter faint signs of slight revival were apparent. The older textile trades, both cotton and wool, suffered from poor export business, but the rayon industry continued to progress. Building was quiet. Retail trade was fairly well maintained.

* * * *

Our statistics of the profits of joint stock industrial companies record for 1928 a substantial recovery in net earnings. The accounts of 1,709 concerns whose reports were analysed last year showed an increase in net profits of 7.2 per cent. over those earned by the same companies in their previous financial year. The quarterly figures are as follows :—

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

	Number of Companies.	Reports Published in 1927.	Reports Published in 1928.	Increase. £	Increase. %
First quarter	504	£ 53,645,330	£ 61,822,534	8,177,204	15·2
Second quarter	556	57,729,860	58,477,637	747,777	1·3
Third quarter	237	21,170,777	23,221,775	2,050,998	9·7
Fourth quarter	412	35,036,441	36,120,801	1,084,360	3·1
	1,709	167,582,408	179,642,747	12,060,339	7·2

A year ago an average decrease of 3 per cent. was disclosed, in comparison with an increase of 6.3 per cent. in 1926, and 8.7 per cent. in 1925. The present increase of 7.2 per cent., which reflects a satisfactory recovery from the set-back occasioned by the industrial troubles of 1926, was accounted for mainly by higher earnings of breweries, iron, coal, and steel, shops and stores, textiles, and "miscellaneous" companies. The profits of rubber-producing concerns, whose substantial increase in 1926 tended to obscure in these statistics the adverse effects of the coal stoppage, recorded last year a heavy decline, and oil earnings also showed a striking fall. Our analysed figures of profits may therefore be taken as indicative of distinctly better conditions in "home industries" proper, at least during periods up to June 30th of last year—since there is a "lag" of three to six months on the average between the end of the companies' working years and the publication of our quarterly statistics.

In 1928 the ratio of profits to total ordinary and preference capital rose from 10.5 to 11.1 per cent. On the other hand, as may be seen from the following table, there was a further fractional decline in the average rate of dividend paid on the nominal amount of ordinary capital :—

PROFITS on CAPITAL.

	Return on Preference & Ordinary Capital. %	Average Dividend on Preference Capital. %	Average Dividend on Ordinary Capital. %
1909	7·4	4·3	6·3
1910	8·2	4·5	7·0
1911	9·9	4·9	8·5
1912	10·2	5·2	8·5
1913	11·7	5·1	10·2
1914	10·9	5·0	10·0
1915	10·2	4·8	9·0
1916	13·2	5·1	11·0
1917	13·3	5·1	10·3
1918	13·6	5·1	11·1
1919	13·0	5·3	10·7
1920	15·2	5·0	12·6
1921	10·3	5·2	10·2
1922	7·0	5·2	8·4
1923	9·8	5·3	9·3
1924	10·3	5·4	9·8
1925	10·9	5·5	10·3
1926	11·3	5·4	11·1
1927	10·5	5·3	10·8
1928	11·1	5·4	10·6

The average rate of interest paid on debenture capital was 5.02 per cent., as compared with 5.08 per cent. last year, while the ratio to total ordinary and preference capital of the amounts carried to reserve was higher at 2.5 per cent., against 1.8 per cent. in 1927.

* * * *

Taking the year as a whole, whole-cargo shipping freights in 1928 were lower than in any year since 1911. Our index number of "tramp" charter rates shows a mean figure for the year of 98.8 (1913 = 100), as compared with 109.6 for 1927, 102.5 for 1925, and 113.4 for 1924. During the first six months of the year cargo tonnage available greatly exceeded demand. During the autumn, however, grain chartering was active, and an all round improvement in freights occurred. The total volume of traffic (laden and partly laden) was well maintained, and passenger lines are reported to have had a moderately good year. The total amount of tonnage in the world is still substantially in excess of current requirements.

Competition from road transport continued to effect the railway companies adversely, as regards both passenger and goods traffic. It will be seen from the following table that total freight train traffic declined in the first ten months of the year by no less than 7·3 per cent. in comparison with that of 1927, decreases being shared more or less evenly by merchandise, minerals, and coal.

Description.	Great Britain. (All Standard Gauge Railways.) Aggregate, Jan.-Oct., 1928.	Inc. (+) or Dec. (-), compared with the corresponding period of 1927. Units.	Per Cent.
Freight train traffic (excluding free hauled)—	Tons.	Tons.	
Merchandise	48,496,149	— 3,358,443	— 6·48
Minerals and merchandise	50,945,887	— 4,705,003	— 8·45
Coal, coke and patent fuel	152,917,343	— 11,930,562	— 7·24
Live stock	2,135,840	— 39,017	— 1·79
Total	254,495,219	— 20,033,425	— 7·30
Net ton-miles (excluding free-hauled)—			
Merch'ndise(includ. live stock	4,521,809,276	— 124,620,974	— 2·68
Minerals and Merchandise	2,842,628,035	— 171,091,801	— 5·68
Coal, coke and patent fuel	6,467,923,677	— 673,253,652	— 9·43
Total	13,832,360,988	— 968,966,427	— 6·55

Consequent upon the introduction of the new general railway classification on January 1, 1928, there is a small margin for inaccuracy in comparison of the figures of "merchandise" and "minerals and merchandise" in 1928 with those for 1927. It may be added that the total tonnage carried monthly in 1913

amounted on the average to about 30.5 million tons, so that the freight traffic of 1928 may be estimated at about 83 per cent. of the pre-war year, against 90 per cent. in 1927, and 87 per cent. in 1925.

* * * *

The year has been one of special interest in the railway world because on January 1, 1928, the new system of railway charging provided for under the Railways Act, 1921, began. The change from the old to the new system was effected with practically no disturbance, thanks to the satisfactory negotiations that had taken place between the railway companies and the traders, who were represented by the Traders' Co-ordinating Committee. The Government has made provision in the Local Government Bill, 1928, for the relief of 75 per cent. of the local rating on industrial undertakings, including railways, docks, harbours, and canals. In the case of transport concerns, the whole of the relief has to be passed on to their users in order to assist the trade of the country. In the case of the railways, the relief is to go solely to selected traffics of the coal, iron and steel, and agricultural industries. The railways, however, should benefit by the improved trade resulting from the relief given. The financial results of 1928 show a smaller revenue than in 1927 by nearly £9,000,000, and since the net revenue of 1927 fell short of the "standard" revenue provided for by the Act by £4,000,000, it is clear that there must be a serious deficit in the net revenue for distribution as dividends for 1928, even if the economies amount to half the loss of revenue in 1928 in the case of the L. and N.E. Railway, as forecast by Sir Ralph Wedgwood. Dock charges remained unaltered during the year.

The value of cheques, bills, &c., paid at the Bankers' Clearing House last year, constituted in the aggregate a fresh high record, the increase over 1927 amounting, as will be seen below, to 6.3 per cent. :—

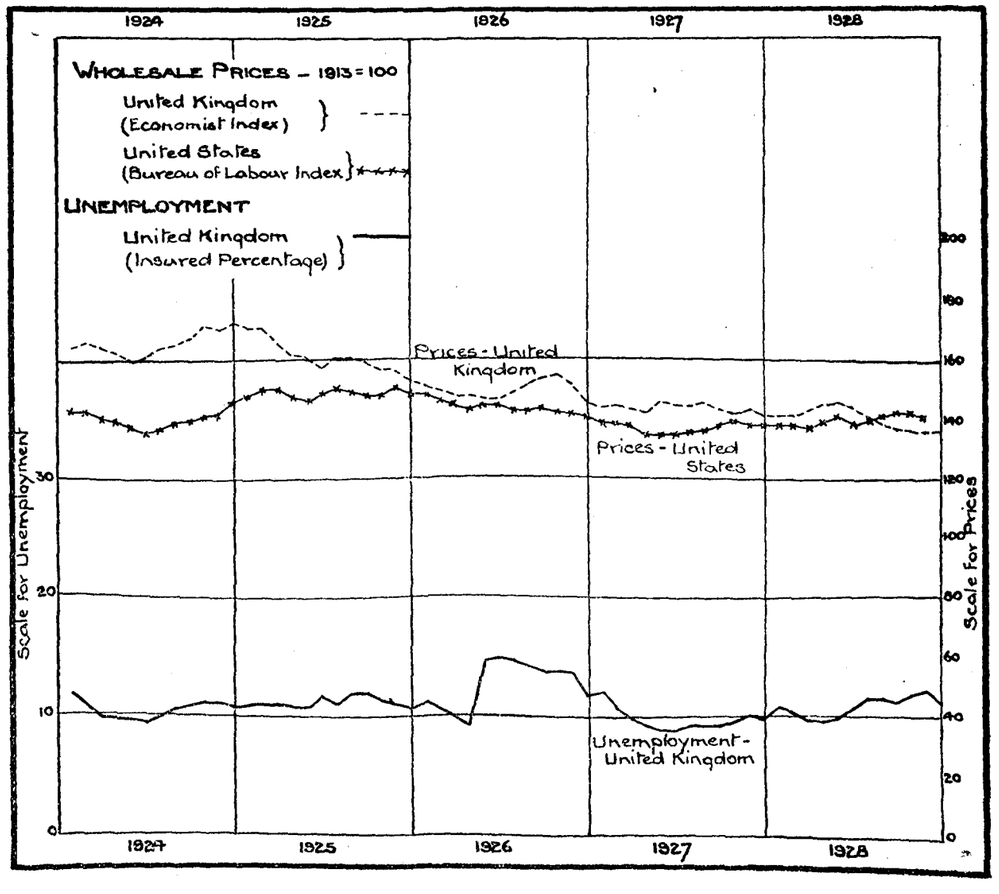
(000's omitted).

	1928. £	Increase in Comparison With 1927. £	%	Increase in 1927 Comparison With 1926. £	%
Town Clearing	39,311,117	+ 2,491,435	6·7	+ 1,473,253	4·1
Metropolitan Clearing	1,854,90	+ 96,158	5·4	+ 97,275	5·8
Country Cheque Clearing	3,039,422	+ 66,597	2·7	+ 154,959	5·4
Grand Total	44,204,729	+ 2,654,188	6·3	+ 1,725,487	4·3

It will be observed that nearly 94 per cent. of the increase in the grand total over 1927 was accounted for by the growth of Town clearings, which reflect activity in the short money market, the Stock Exchange, and the flow of new capital issues, rather than expansion of commerce. The Country clearings, which provide a more significant index of general trade conditions, failed to maintain the rate of increase recorded a year ago, but, considering the depression in many staple industries, it is satisfactory that there should have been an actual increase, albeit small. The aggregate of the eleven provincial clearings showed a fall of £36 millions, or 2.1 per cent., on the year, the most serious declines being recorded by Sheffield (11 per cent.) and Leeds (7.1 per cent.). Bradford, Manchester, and Newcastle clearings were also lower, whereas those of Birmingham and Bristol rose by over 3 per cent. in each case. The total of the provincial clearings showed marked increases in the first two quarters, and (considerably larger) decreases in the last two quarters of the year.

COMMODITY PRICES.

On the average, wholesale prices, as measured by our Index Number, were nearly 2 per cent. lower in 1928 than in 1927, increases in the price of cereals, meat, and textiles being more than offset by lower quotations in the "other foods," minerals, and "miscellaneous" groups. In its revised form (a full ex-



planation of which was given in the *Economist* of December 15, 1928) our Index Number yielded for 1928 an average figure of 98.1 (1927 = 100), as compared with 104.0 for 1926, 112.0 for 1925, and 115.7 for 1924. Fluctuations during the year were largest in the case of cereals and meat. Movements in the other groups were less pronounced, but, as will be seen from the following table, a general decline developed during the last seven months of the year, and at the end of 1928 the complete index figure was nearly 4 per cent. lower than a year ago :—

1927 = 100.

Date.	Cereals and Meat.	Other Foods.	Textiles.	Minerals.	Miscellaneous.	Complete Index.
Average, 1924	114·2	106·7	136·8	119·4	105·6	115·7
,, 1925	114·1	101·0	124·0	111·8	108·7	112·0
,, 1926	102·8	96·6	97·2	119·8	104·0	104·0
End Dec., 1926	98·1	99 8	88·3	117·0	103·6	101·0
,, ,, 1927	97 4	98·2	102·5	94·1	101·5	98·8
,, Jan., 1928	100·3	96·6	102·4	92·5	99·9	98·5
,, Feb., ,,	101·6	98·3	104·1	91·0	97·5	98·5
,, Mar., ,,	107·0	96·9	107·4	91·4	96·9	99·9
,, April ,,	111·4	95·0	109·2	91·8	98·3	101·4
,, May ,,	116·3	94·7	108·6	92·5	97·4	102·1
,, June, ,,	112·8	92·6	109·8	91·3	95·9	100·6
,, July, ,,	106·1	93·1	107·9	90·9	95·6	98·8
,, Aug., ,,	100·4	92·6	105·2	90·7	95·8	97·0
,, Sept., ,,	96·6	93·5	101·4	91·8	95·3	95·7
,, Oct., ,,	98 2	91·5	100·6	92·9	93·1	95·3
,, Nov., ,,	97·4	90·4	102·3	93·8	92·4	95·3
,, Dec., ,,	97·6	90·2	101·7	94·1	91·4	95·0
Average 1928	103·6	93·8	105·1	92·1	95·8	98·1

Wheat and flour prices were firm during the first four months of the year, but thereafter declined until October; they ended the year, although steadier towards the close, at a substantially lower level than at the end of 1927. Maize quotations rose during the first half of the year, broke sharply in the third quarter, and subsequently recovered. Rice, barley, and oats were all lower at the end of the year than at the beginning. Potatoes, following their normal seasonal trend, rose by 50 per cent. on balance in the first half of the year, and ended where they began. Beef and mutton were on the average both dearer in 1928 than in 1927. Between January and May the price of English sides of beef rose from under 5s to 7s 4d per 8 lb, increases also occurring in the prices of Argentine beef, and of both home-grown and imported mutton. From June onwards, however, meat prices generally re-acted, quotations at the end of December being only a little above the level of December, 1927. Among "other foods," butter and cheese were slightly dearer in 1928 than in the previous year, but there were appreciable reductions in the prices of tea, coffee, cocoa, and sugar.

After a weak opening in January, cotton prices advanced up to June, re-acted in July-August, and finished the year with American cotton (middling) about ½d per lb cheaper than at the close of 1927. The rise in wool values, which began in the summer of 1927, went on until May, 1928, after which a gradual recession took place. The price of silk moved within narrow limits during the year, but between spring and autumn flax fell (after an abrupt rise in the first quarter) by nearly 20 per cent.; jute fluctuated considerably, reaching a "peak" in August, without much change on balance at the end of the year; hemp, on the average, was considerably lower in price than in 1927.

In the minerals group coal prices were comparatively stable throughout the year round about the level established at the end of 1927. Iron and steel quotations were altered only by a rise of 1s per ton during March in the price of No. 3 Cleveland pig iron. Among metals, tin was prominent with a fall from £265 to £214 per ton in the first six months of the year. In the late autumn there was a recovery to £240, succeeded by another recession to £226. Lead and spelter were both cheaper in 1928 than in 1927. Copper prices, on the other hand, were firmer, a sharp increase being registered in the December quarter.

Among the "miscellaneous" articles included in our Index Number, No. 1 petrol rose in price by 3¾d after the Budget, whereas fuel oil prices were reduced by 2s 6d per ton in January, July, and again in October. Rubber fell from 1s 8d per lb at the beginning of the year to less than 8½d at the end of April. During the following eight months fluctuations were between 8½d and 9¾d. There was no change in timber prices during the year, but the price of cement was reduced by 7s per ton in October. Hides were dearer than in 1927, the quotation for best ox rising to over 10d per lb in August; subsequently, however, there was a sharp reaction. Creosote declined steadily in value throughout the year.

In the next table we give the figures of our Index Number converted (by the method explained in the *Economist* of December 15th last) to a percentage of the average level of 1913 :—

1913 = 100.

Date.	Cereals and Meat.	Other Foods.	Textiles.	Minerals.	Miscellaneous.	Complete Index.
Average, 1924	168·5	215·8	214·7	149·3	122·6	166·2
,, 1925	168·4	204·2	194·6	139·8	126·2	160·9
,, 1926	151·7	195·3	152·6	149·8	120·7	149·4
,, 1927	147·6	202·2	157·0	125·1	116·1	143·7
End June, 1927	155·5	199·4	157·3	123·9	113·9	144·1
,, Dec., ,,	143·7	198·6	160·9	117·8	117·8	141·9
,, June, 1928	166·4	187·3	172·3	114·2	111·3	144·5
,, Dec., ,,	144·0	182·4	159·6	117·7	106·1	136·5
Average, 1928	152·9	189·7	165·0	115·2	111·2	140·9

At the end of 1928, it will be observed, the average price-level, thus measured, was 36.5 per cent. higher than in 1913, whereas at the end of 1927 it was 41.9 per cent., and for the whole of 1924, 66.2 per cent. higher. At the end of last December the index figures for "other foods" and textiles were considerably above, and those for minerals and "miscellaneous" commodities much below the general average.

In the final table we show the annual changes which have occurred in each group of prices since 1924 :—

Yearly Averages (1924 = 100).

	1925.	1926.	1927.	1928.
Cereals and meat	99·9	90·0	87·5	90·7
Other foods	94·7	90 6	93·8	87·9
Textiles	90·6	71·1	73·1	76·8
Minerals	93·6	100·3	83·7	77·1
Miscellaneous	102·9	98·4	94·7	90·7
Complete index	96·8	89·9	86·4	84·8

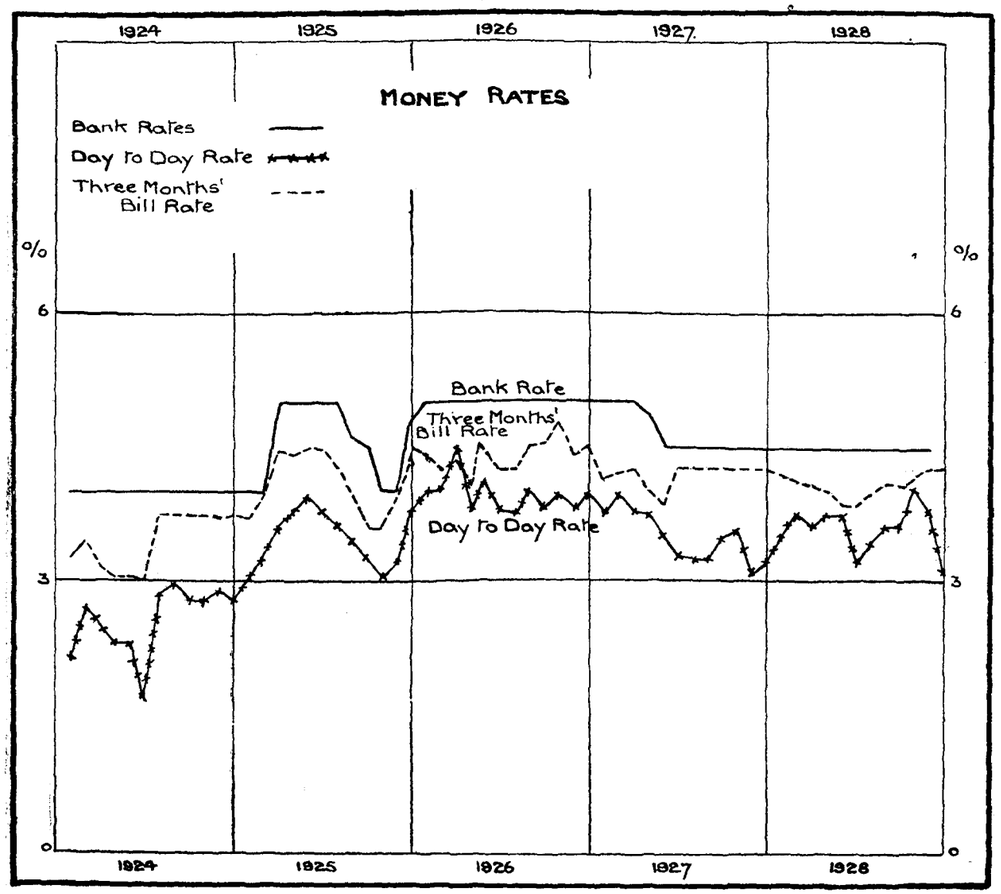
It will be noted that, as compared with 1924, the average figures for textiles and minerals in 1928 both indicate a fall of 23 per cent., against declines of 12 per cent. in the case of "other food," and 9.3 per cent. in the case of cereals and meat, and in the "miscellaneous" group.

Retail prices—allowing for their usual seasonal tendency to decline in summer—underwent little alteration in 1928. The following table shows the average percentage increase, as compared with July, 1914, for all the items included in the Ministry of Labour's cost of living figure for the past nine years :—

Average Percentage Increase since July, 1914.—All items.
(Food, Rent, Clothing, Fuel, and Light, &c.)

Month (beginning of)	1920.	1921.	1922.	1923.	1924.	1925.	1926.	1927.	1928.
	%	%	%	%	%	%	%	%	%
January	125	165	92	78	77	80	75	75	68
February	130	151	88	77	79	79	73	72	66
March	130	141	86	76	78	79	72	71	64
April	132	133	82	74	73	75	68	65	64
May	141	128	81	70	71	73	67	64	64
June	150	119	80	69	69	72	68	63	65
July	152	119	84	69	70	73	70	66	65
August	155	122	81	71	71	73	70	64	65
September	161	120	79	73	72	74	72	65	65
October	164	110	78	75	76	76	74	67	66
November	176	103	80	75	80	76	79	69	67
December	169	99	80	77	81	77	79	69	68

In no other year since 1914 has so little fluctuation in this index number been recorded as in 1928. The figure for retail food alone was 62 at the beginning of the year, declined to 54 on May 1st, and rose gradually to 60 at the beginning of December.



MONEY MARKET.

Apart from the unification of the note issue and the expansion of the Bank of England's weekly return, which both took place right at the end of the year, the fundamental fact of the history of 1928 is that it witnessed first a gain by the Bank of England of £24 millions in gold and then a loss of £22 millions, without any change in Bank rate.

Discount rates, of course, did not escape the influence of these gold movements. In the first week of January the market broke away from the "controlled" discount rate of 4 5/16 per cent. on three months' bank bills tacitly enforced by the Bank during the preceding autumn, and despite an immediate attempt by the Bank to regain control, and in the face of a rise in the New York rediscount rate from 3½ to 4 per cent. on February 2nd, market rate had fallen by the end of March to 4 per cent.

Monetary conditions were fairly easy in April, but difficult in May, partly because the New York rate went to 4½ per cent. in the middle of that month. June was a period of relative ease, due to a sudden influx of gold from the United States. The arrival of this new gold raised the total influx for the second quarter of the year to a round £15 millions, brought market rate down to 3⅞ per cent., and led to talk of an imminent reduction in Bank rate. Fortunately the Bank of England took the long view, and in the midst of the summer ease kept its eye on the approaching autumn strain. During the first half of the year it had already partially neutralised its acquisition of £21 millions in gold by the sale of £12 millions of its securities. In July and August it intensified its neutralisation policy, for against further gold acquisitions of only £3 millions it sold £19 millions of securities. The net result for the first eight months of the year was a sale of £31 millions of securities, against a gain of £24 millions in gold.

On July 7th, New York went to 5 per cent., and there followed a severe struggle between the American reserve banks and the Wall Street bulls. This struggle drove money rates up to a high level, so high that New York began to attract funds from all over the world. The movement of money to New York set in at the end of the summer and continued throughout the autumn. In September there was added the usual seasonal flow of money to America in payment for cotton and grain, and since this year London resumed its former function of financing American produce shipments, by the end of September the strain had become severe. The Bank's foresight was fully justified.

The history of the autumn was a simple one. During the last four months of the year the Bank lost £22 millions in gold. By no means all of this went to America, for financial cross-currents between London, Paris, Berlin and New York diverted much of it to Germany. Market rate, which had been 3¾ per cent. at midsummer and 4¼ per cent. at the end of August, rose by the end of the year to 4⅝ per cent., and whereas in June the market was talking of a lower bank rate, by November it was beginning to envisage an increase.

The Bank, however, continued its policy of gold neutralisation. Just as earlier in the year it had sold securities against its acquisition of gold, so in the autumn it bought securities to balance its gold losses. Between August 31st and December 19th it bought £16 millions of securities against its gold losses to date of £22 millions. These figures give the key to the Bank's technique. Last year it deliberately abandoned changes in its rate as an instrument of control. Instead it relied entirely on its open-market policy, which it used as an instrument of neutralisation.

We append our usual table of money rates :—

	Whole Year.									
	1919.	1920.	1921.	1922.	1923.	1924.	1925.	1926.	1927.	1928.
Changes Bank rate	one	one	four	four	one	none	four	none	one	none
Highest Bank rate	6 %	7 %	7 %	5 %	4 %	4 %	5 %	5 %	5 %	4½ %
Lowest Bank rate..	5	6	5	3	3	4	4	5	4½	4½
Average Bank rate	5/3/0	6/14/4	6/2/4	3/13/10	3/13/0	4/0/0	4/11/0	5	4/13/0	4/10/0
Avg. market rate—										
Best 3 mths' bills	3/9/7	6/7/11	5/4/3	2/13/0	2/13/0	3/10/9	4/2/0	4/10/3	4/4/10	4/3/0
Market below bank	1/13/5	6/5	18/1	1/0/10	1/0/10	9/3	9/0	9/9	8/2	7/0

BANK RATES per CENT., 1928.

Cities,	End of Months of 1928.												
	Jan.	Feb.	March.	April.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.	Average.
	%	%	%	%	%	%	%	%	%	%	%	%	%
London.....Bank rate ..	4½	4½	4½	4½	4½	4	4½	4½	4½	4½	4½	4½	4½
Paris .....Bank rate ..	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½
Berlin .....Bank rate ..	7	7	7	7	7	7	7	7	7	7	7	7	7
New York Federal Reserve	3½	4	4	4	4½	4½	5	5	5	5	5	5	4½
Amsterdam....Bank rate ..	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
Oslo .....Bank rate ..	6	6	5½	5½	5½	5½	5½	5½	5½	5½	5½	5½	5½
Stockholm ....Bank rate ..	3½	3½	3½	4	4	4	4	4½	4½	4½	4½	4½	4
Copenhagen ..Bank rate ..	5	5	5	5	5	5	5	5	5	5	5	5	5
Brussels .....Bank rate ..	4½	4½	4½	4½	4½	4½	4	4	4	4	4	4	4½
Madrid .....Bank rate .	5	5	5	5	5	5	5	5	5	5	5	5½	5⅛
Rome .....Bank rate ..	7	7	6½	6	6	6	5½	5½	5½	5½	5½	5½	5⅞
Swiss .....Bank rate ..	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½	3½
Helsingfors....Bank rate ..	6	6	6	6	6	6	6	6½	6½	6½	7	7	6½
Lisbon .....Bank rate ..	8	8	8	8	8	8	8	8	8	8	8	8	8
Prague .....Bank rate ..	5	5	5	5	5	5	5	5	5	5	5	5	5
Vienna .....Bank rate ..	6½	6	6	6	6	6	6	6½	6½	6½	6½	6½	6⅓
Tokyo .....Bank rate ..	5⅝	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛	5⅛
Calcutta .....Bank rate ..	7	7	7	7	7	6	5	5	5	5	6	7	6⅓
Athens .....Bank rate ..	10	10	10	10	10	10	10	10	10	10	10	9	9⅔
Bucharest.....Bank rate ..	6	6	6	6	6	6	6	6	6	6	6	6	6
Budapest .....Bank rate ..	6	6	6	6	6	6	6	6	6	7	7	7	6⅔
Belgrade .....Bank rate ..	6	6	6	6	6	6	6	6	6	6	6	6	6
Danzig .....Bank rate ..	6	6	6	6	6	6	6	6	6	6	6	6	6
Riga .....Bank rate ..	7	7	7	6	6	6	6	6	6	6	6	6	6⅓

FOREIGN EXCHANGES.

The past year provided the first real test of a general gold currency system under post-war conditions. The European exchanges are not, indeed, all stabilised, for Jugo-Slavia has still to complete negotiations for a stabilisation loan, similar plans in Roumania were interrupted by an internal political crisis, and Portugal finally decided to reject the terms of the proposed League loan; but the process of fixation of the exchanges was steadily continued with the restoration of the Norwegian krone to pre-war gold parity, at the cost of considerable deflation, with the stabilisation of the Greek and Bulgarian exchanges at 375 drachma to the £ and 675 leva to the £ respectively, and, most important of all, with the devalorisation of the franc. In order to strengthen the position, heavy holdings of foreign currencies were accumulated by the Banque de France, gold was imported in large quantities from New York, and when the rate was stabilised on June 24th at 124.21f to the £ a gold reserve of £232,950,000 was disclosed. These operations have been reflected in other foreign exchanges, particularly in the dollar, which weakened in the earlier part of the year on account of the big losses of gold to Paris, Berlin, and London. The New York rediscount rate at that time stood at the comparatively low figure of 3½ per cent., but the situation was completely altered by the outburst of bull speculation on the New York stock market. Money rates in Wall Street were forced to rise, call money standing at one time as high as 12 per cent., and the consequent influx of money caused the dollar quotation in London, which had been 4.88 15-32 on May 30th, to fall to 4.84¾ on October 5th, and in the latter part of the year to remain in the neighbourhood of gold export point. Up to September 10th the Bank of England had been increasing its gold supplies, but between then and the end of the year it lost nearly £23 millions, finishing with a net deficit of £1,321,962. Berlin as well as New York has been responsible for this efflux, for dear money in Wall Street deflected the Reichsbank purchases to London and Paris, who in her turn has withdrawn funds from London to lend to Berlin. Hence Reparation transfers have not been sufficient to prevent the movement of the mark against sterling, the rate actually moving from 20.48½ on January 9th to 20.33 on July 28th; the franc has been steady since the stabilisation, though still above par, and the only European currency in which there has been any real opportunity of speculation has been the peseta, which fluctuated considerably early in the year, but which has since been kept firm by energetic control of the exchange. The South American rates have not undergone any noteworthy movements. The continued political disturbances in China, and her very large imports of silver, have been reflected rather by the yen, which depreciated by 1½d in the second quarter of the year than by the tael, which has remained weak, but on the whole steady.

The following table is extracted from statistics published by Messrs Samuel Montagu and Co. :—

RATE of EXCHANGE as COMPARED with PRE-WAR PARITY of the £ STERLING.

	Pre-War Par Value.	December 31, 1927, Middle Rate.	December 31, 1928, Middle Rate.	Compared with its Pre-War Par Value the £ Sterling is at a Premium of		Purchasing Power of the £ Sterling as Compared with its Pre-War Value.	
				End 1927.	End 1928	End 1927.	End 1928.
				%	%	£ s d	£ s d
France	25·207	124	124·03	392	392	4 18 4½	4 18 5
Belgium ..	25·207	174·55*	174·42	592½	592	6 18 6	6 18 5
Italy	25·207	92·40	92·68	266⅛	268	3 15 3½	2 15 6⅝
Spain.....	25·207	28·89	29·74½	14·⅝	18	1 2 11	1 3 7½
Norway ..	18·13	18·34	18·19½	1·⅝	·⅝	1 0 3	1 0 8½
Denmark ..	18·13	18·21	18·17½	·⅝	·⅝	1 0 3	1 0 8½
Portugal ..	533d	2·5d	109½	2,088	2,328	21 17 7	24 5 6⅝
Greece	25·207	3664	375	1,354	1,388	14 10 9½	14 12 6⅝
Roumania..	25·207	790	8084	3,034	3,147	31 6 10	32 1 5⅝
Finland ..	25·207	1937	1922	669·⅛	665	7 13 10	7 13 0½
Czecho-Slovakia	24·02	164¾	163¾	585⅜	582	6 17 2	6 16 4
B. Aires ..	47d	47 7/32d	47 13/32d	⅛	⅜	0 19 11	1 0 1½
Rio de Janeiro	16d	5 29/32d	5 29/32d	170·⅜	171	2 14 2	2 14 2
Japan	2/0 5/16	1/11d	1/10 4/16d	6·⅛	8·⅛	1 1 4½	1 1 7½
				At Discount of			
New York..	4·874	4·88½	4·85½	%	%		
Montreal ..	4·874	4·89	4·86½	1/16	⅜	1 0 0½	0 19 11
Holland....	12·086	12·07½	12·07 13/16	1/16	⅜	1 0 0⅜	0 19 11½
Switzerland	25·207	25·27½	25·18¼	⅜	⅝	0 19 11½	0 19 11¼
Sweden	18·13	18·10	18·13	1/16	1/16	1 0 0⅜	0 19 11⅝
Germany ..	20·418	20·45	20·38½	·⅛	..	0 19 11½	
India	1/4	1/6 3/32d	1/6 7/32	1/16	1/16	1 0 0⅜	0 19 11½
Shanghai(a)	2/4	2/7 7/16d	2/7 9/16	11·⅜	11·⅜	0 17 8½	0 17 8½
				10·⅜	11·⅜	0 17 10⅛	0 17 9½

(a) Quotation, 31/7/14. * 1 Belga=5 Francs. † At discount of. ‡ At premium of. Comparisons cannot be made with pre-war parity for Poland and Austria, as the currency in these countries has been altered in the interval.

NEW CAPITAL ISSUES.

Like its predecessor, 1928 was an active year for new capital in the London market. Each of the first three quarters of the year showed an increase over the corresponding period of 1927. The last quarter fell considerably short, but the gloom cast over the City by the grave illness of the King must be taken into account, together with the fact that in the last quarter of 1927 an exceptionally high level was reached. The total of new capital raised during the year amounted to £369 millions, an increase of £14 millions on 1927. The British Government borrowing included in that total is £84 millions. Excluding this sum, which contrasts with £66 millions in the previous year, the aggregate amount raised in 1928 was £285 millions, as compared with £289 millions in 1927, £226 millions in 1926, and £196 millions in 1913. The total raised for use at home, apart from Government borrowing, increased by no less than £39 millions, whereas the amounts destined for use in the Dominions and in foreign countries fell by £37 millions and by £6 millions respectively. The figures for British Government borrowings do not include floating debt operations; they represent cash receipts of £86,961,000 from the 5 per cent. Treasury bonds, 1933-35, the results of whose issue were disclosed in January, 1928, less the excess of encashments over sales of Saving Certificates. The issue of Treasury bonds by tender last August is not included in the figures, nor is the conversion offer of 4½ per cent. Treasury bonds, made on November 29th, cash applications for which amounted to £46 millions. The other figures throughout represent new money, and exclude issues or portions of issues made for purposes of repayment, replacement, or conversion.

There has been a striking expansion year by year since 1925 in the amount of new capital, other than Government borrowings, raised for use at home. Excluding all operations by the British Government, the amount raised for domestic employment in 1928 represented 63 per cent. of the total, in comparison with 49 per cent. in the previous year, and 34 per cent. in 1912. As compared with the figures for the two pre-war years, the total raised for foreign countries last year shows a marked decline, while Dominion borrowing (particularly under the head of "other" purposes) fell sharply after the notable expansion recorded in 1927. Of the Dominion Government loans, approximately half, as was the case in 1927, went to Australia. The Government of India borrowed £7 millions early in the year, and in May the New Zealand Government raised £5 millions. The balance went to Kenya, Tanganyika, Southern Rhodesia, Newfoundland, and Fiji. The total foreign Government borrowing included £6½ millions for Greece, and £1½ millions for Bulgaria. The remainder was destined for South Africa—Brazil, Chile, and Peru. British corporations were less active in the market than in 1927—the largest issues being made, for £5 millions in each case, by the London County Council in May, and Birmingham in October. Only four foreign corporations, including three German cities, raised loans, but there were nine issues by Colonial corporations, the most prominent being for £2 millions on account of Sydney, New South Wales. Railways played a much smaller rôle than in the previous year, the only Home Railway issue being made by the Underground Electric Railways of London, and consisting of £4 millions in 5 per cent. debentures (of which £1,832,400 was for refunding). There was no issue by a Colonial railway in 1928, and only two foreign railways—the Buenos Aires Central and the Buenos Aires Gt. Southern—raised money in London. A great increase in issues by companies which can be classified under the heading "Exploration and Finance" was once more due to the vogue for investment trusts; an aggregate of £42½ millions was reached, against £28 millions in 1927. "Patents" were another group to show a striking increase. Film issues also were prominent, and great activity was displayed by promoters and companies formed to exploit new processes in the gramophone, radio, and artificial silk industries. A feature of the year was the repeated over-subscription of speculative issues, the attractions of whose deferred shares as gambling counters were more regarded by the public than their merits as an investment. In most instances, however, appeals to serious investors met with a fair response. Tables of new issue statistics will be found in an appendix.

GOLD PRODUCTION.

The estimated gold production of 1928 exceeds that of 1927 by one million pounds, the rise being attributable solely to the Transvaal output. The following table, compiled by Mr Joseph Kitchin, shows the steady rise in the relative and absolute importance of the Transvaal gold production :—

(In Millions of £'s at 84s 11½d per fine oz.)

Year.	Transvaal.	The Rest of the Empire.	Total British Empire.	Foreign Countries.	World
1913	37·4	21·2	58·6	36·1	94·7
1914	35·7	20·8	56·5	33·9	90·4
1915	38·6	22·0	60·6	35·8	96·4
1916	39·5	20·0	59·5	34·0	93·5
1917	38·3	17·8	56·1	30·2	86·3
1918	35·8	15·2	51·0	28·0	79·0
1919	35·4	14·7	50·1	24·9	75·0
1920	34·7	13·4	48·1	20·9	69·0
1921	34·5	12·9	47·4	20·6	68·0
1922	29·8*	14·8	44·6	20·9	65·5
1923	38·9	14·5	53·4	22·1	75·5
1924	40·7	15·3	56·0	25·0	81·0
1925	40·8	15·3	56·1	24·9	81·0
1926	42·3	15·2	57·5	24·5	82·0
1927	43·0	15·3	58·3	24·2	82·5
1928	44·0	15·3	59·3	24·2	83·5

* Output temporarily reduced by strike of white miners.

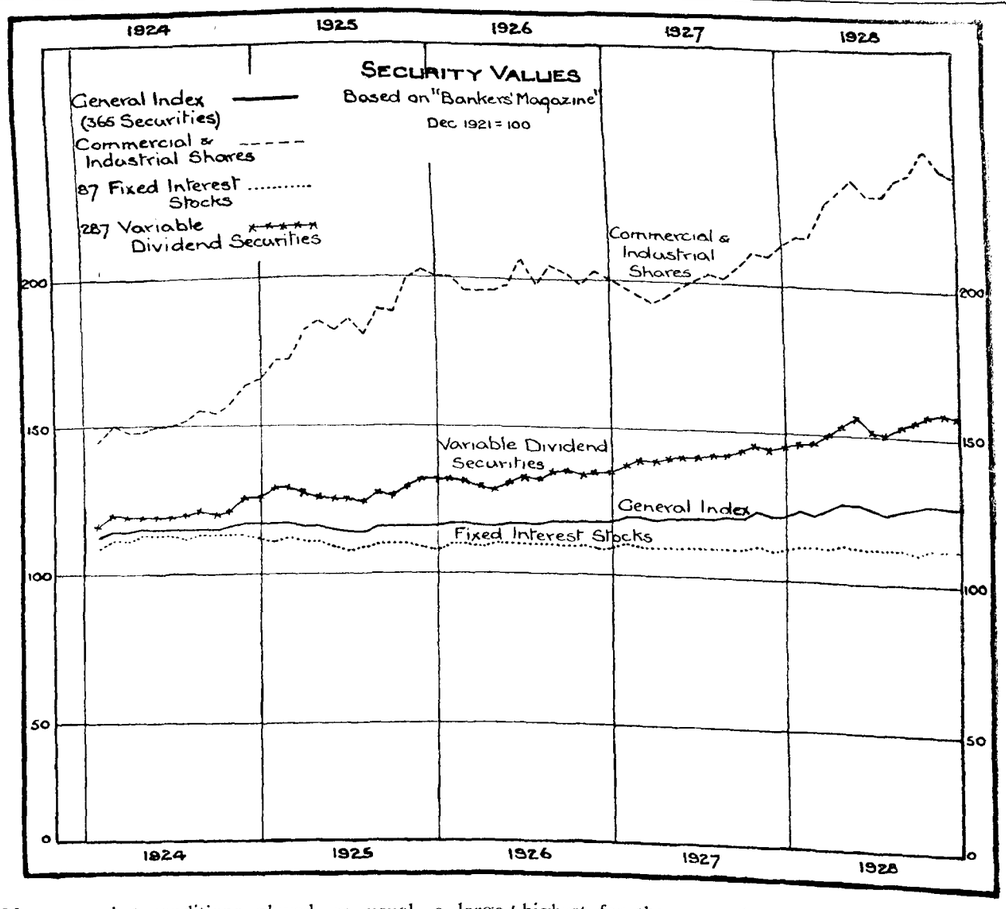
The chief events of the year which affect the demand for gold are summarised by Messrs Samuel Montagu and Co. in their annual bullion letter. The legal stabilisation in June of the French franc fixed its gold content at 65.5 milligrammes of gold 9/10ths fine, and ultimately the Mint is to strike gold coins of 100f. Meanwhile the Bank of France strikes coins at a seignorage of 40f per kilogramme. The Bank of Spain, as part of its stabilisation policy, shipped £2,000,000 to England at end of October, but this proved an isolated shipment, as other means were found of controlling the exchange. During the first seven months of the year the United States exported $500,000,000 in gold, of which $308,000,000 went to France, $94,000,000 to South America, $27,000,000 to Germany, and $32,000,000 to Great Britain. £4,000,000 arrived in the London market from Russia. The destination of the gold sold in London was rendered uncertain by frequent purchases made by undisclosed buyers, but the outstanding feature of the year was the steady outflow of gold from England to Germany. During the period July to December £20,000,000 was acquired in London by Germany. During the autumn shipments were also made from London to New York, to some extent coincident with the movements to Germany. This outward movement to the United States practically balanced the influx during the earlier part of the year. Official statistics reveal gold imports from all countries of £47,808,055, and exports of £60,523,701. The Bank of England's gold reserve against notes was £151,468,435 on December 28, 1927. It rose to a record level of £173,907,475 on September 12, 1928, and then reacted to £153,783,646 for December 26th.

THE STOCK EXCHANGE.

In spite of many spectacular features, the year 1928 was not such a period of all round appreciation as its predecessor had been. Movements became definitely selective, and a considerably higher degree of knowledge, of skill, and, indeed, of good fortune was required by the successful investor. The upward movement in a wide range of industrial stocks, which followed the settlement of the coal dispute, and persisted throughout 1927, notably increased its momentum in the early months of 1928. In June a set-back occurred in New York and the Continental bourses, as well as in London, accentuated by the tragic death of an international financier, Captain Loewenstein, early in July. The resulting shake-out was succeeded by a fresh rise in values after the summer holiday, but the movement was more professional in character and narrower in its range than before. While the earlier phase might claim both origin and justification in the improved earnings of British companies, comparison being in most cases with a period affected by the coal stoppage, the autumnal rise coincided with the general realisation of a set-back to industrial activity. The illness of the King was a further limiting influence, and stocks in December had a downward trend. Despite a moderate revival of activity on the eve of Christmas, the year closed on a note of caution.

For the rest, events of 1928 emphasised the increasingly international character of Stock Exchange dealings, a tendency exemplified by the growing American interest in certain British securities, and the manner in which America was apt on occasion to set the pace in the more speculative markets on this side. On the whole, however, Stock Exchange feeling was more conservative in London than in New York, the range of price fluctuations during the year being much less in the case of "domestic" than of "international" securities. A by-product of the year's activity and the increasing attention given to Stock Exchange matters in the popular Press was a flood of capital issues on behalf of new companies, whose deferred shares, frequently of low denomination, rose and fell in startling fashion, engrossing outside attention to an extent entirely disproportionate to their real importance in Stock Exchange life.

In contrast to the conditions prevailing in the market for ordinary shares, fixed interest stocks showed relatively small changes in value, but over the whole year a slight upward movement was discernible.



Money market conditions played, as usual, a large part in determining the course of gilt-edged values. No change was made in Bank rate, but whereas money was easy in the spring, it became much tighter in the autumn, when the exchanges moved against this country, and the Bank lost practically the whole of its earlier accessions of gold. The Treasury staged no large-scale conversion operation, being content to publish an offer at the end of November, designed to provide for £173,000,000 of impending maturities. A new departure was the quotation, from April onwards, of Funding Loan and Five per Cent. War Loan in New York. The firmness of corporation and public utility stocks reflected in part the absence of any considerable additions during the year to the sum total of these stocks outstanding. Dominion stocks did not receive any great attention, but the hope that a period of settled conditions, rendering overhaul and economic reconstruction possible, was in store for the country, caused a substantial rise in Chinese bonds. South American issues gained ground, for they were priced low at the beginning of the year.

A severe decline in the ordinary stocks of the home railway groups, a particularly serious matter to trustees and others of the very numerous body of holders of these securities, was due mainly to the fact that the weekly traffic figures ran consistently below those of 1927, as a result partly of unsatisfactory trade conditions and partly of increasing road transport competition. The falling off in quotations would probably have been less extensive had the railways seen fit to publish *net* instead of *gross* traffic figures, for the statements made in respect of the June half-year showed that substantial economies in costs had partially offset the drop in receipts. As it was, by November so little business was taking place that quite a small transaction would produce an altogether disproportionate price movement. The April prices were the highest for the year; the lowest were reached early in December. Increased traffic returns, on the other hand, strengthened London Electric and Metropolitan District stocks.

American and Dominion railways continued their 1927 upward movement. Canadian Pacific rose sharply to a maximum in November, falling away later. American lines enjoyed the sun of the whole country's prosperity and confidence, while the upward movement of Indian railways became more uniform. It was a fair year for Argentine lines, though the operation of the Mitre Law compelled two of the principal companies to reduce their charges. San Paulo continued prominent, but Central American railways were mostly out of favour.

The industrial markets again staged the larger part of the year's activity and fluctuations of fortune. There was a steady flow of investment resources into high-grade banking, insurance, and investment trust shares, and though the peak points were frequently not maintained, the yield on many of these stocks had been reduced to meagre dimensions by the end of the year. The meteoric leaps of certain less important miscellaneous shares, principally of low denomination, received more publicity than they deserved. Artificial silk, gramophone, and cable and wireless shares having a market in New York as well as in London, participated in the remarkable Wall Street boom, and were centres of great activity. A steady interest was taken in well-known industrials of most kinds. The iron, coal, and steel group was naturally dull, a field for skilled buyers only; textiles weakened in apprehension of the same industrial malady, and newspapers were less favoured. But these were weak patches; elsewhere the general tone was firm, and selected stocks here and there rose considerably.

The decision of the Government to terminate the rubber restriction scheme brought about a drop in the value of rubber shares from which the market at no time till after the close of the year showed any sign of recovery. The low prices which a heavy tea crop fetched made tea shares somewhat cheap. Oils, without becoming buoyant, made a better showing than in the previous year. The mining section was much less favoured than usual as a hunting-ground of the speculator, who was inclined to seek more profitable opportunities in the industrial group. The South African market seldom showed any features of interest. Rio Tinto, largely affected by Paris, was prominent among copper shares. Some attention was attracted to the tin market, where a sharp division of opinion existed, but did not greatly alter prices on balance either way. We append our usual table of seniority values compiled by "The Bankers' Magazine":—

December, 1921 = 100.

	Fixed Interest Securities.	Variable Dividend Securities.	Total
June, 1926	110·2	133·6	118·7
December, 1926	108·8	135·7	118·0
June, 1927	110·1	141·5	120·4
December, 1927	111·2	146·9	122·8
January, 1928	112·4	147·9	124·0
February, "	112·3	147·7	123·9
March, "	112·4	151·7	125·3
April, "	113·7	154·7	127·1
May, "	112·4	157·8	127·2
June, "	112·4	152·7	125·4
July, "	112·1	151·7	124·9
August, "	112·1	154·2	125·7
September, "	111·7	156·7	126·3
October, "	112·3	158·7	127·3
November, "	112·1	159·4	127·4
December, "	112·1	158·8	127·3

THE AGRICULTURAL YEAR.

The year 1928 will be remembered for unusually long spells of brilliant sunshine and heat. To the farmer, in spite of difficulties caused by drought, the year was one of high production with very favourable conditions for all farm operations, and an unusually quick and easy harvest. All the chief crops were estimated as above average in yield, with the exception of seeds hay. There was a reduction of no less than 239,000 acres, or 14.6 per cent., in the acreage of wheat, so that the total production was relatively small, notwithstanding the good yield. The reduction of arable land was 199,000 acres, or 1.9 per cent., the loss on wheat being nearly made up by the increased acreage of other corn crops, particularly barley. The returns of live stock have in recent years tended to compensate for reduction of cultivation, but in 1928 there was a reduction in all classes of farm animals with the exception of pigs. Cattle decreased by 249,200, and sheep by 686,200. For the first time for some years past the milking herd showed a diminution. The significance of this will be more apparent when the next returns are collected in June. There is no evidence of any falling off in the demand for milk, and it is probable that the reduction by 1.4 per cent. of cows and heifers is due to accidental causes. The reduction by 1.8 of ewes kept for breeding is attributable to uncertainty in the mutton market.

There was an appreciable improvement in the general level of prices of farm products. In 1927 the index number—taking 1911-13 as the base—ranged from 137 in November to 149 in January. In 1928 the range was from 139 in October to 154 in May. There was, as usual, a great difference in the figures for the various products. The index numbers for each of the chief products in December, 1928, with the comparative figures for the preceding year, were:—

	1927.	1928.		1927.	1928.
Wheat	134	131	Fat cattle	116	127
Barley	135	124	Fat sheep	144	150
Oats	131	129	Bacon Pigs	120	136
Hay	120	108	Milk	166	171
Potatoes	175	145	Butter	147	150
Wool	150	166	Cheese	155	179

The slump in the price of corn, and especially of wheat, in the autumn largely accounts for the fact that the record for the year was not more satisfactory. Live stock and dairy produce were again the backbone of the farmer's economic position.

The imports of agricultural products in 1928, as compared with 1927, are shown below (the figures representing thousands of tons):—

	1927.	1928.		1927.	1928.
Wheat	5,522	5,179	Oats	295	372
Flour	548	448	Maize	2,096	1,651
Barley	825	648	Corn offals	449	515
Chilled beef	521	478	Hams	45	48
Frozen beef	150	131	Fresh pork	16	19
Frozen mutton	276	281	Butter	291	306
Bacon	428	442	Cheese	147	150

The most significant event in connection with agriculture was the dispute between the National Farmers' Union, and the milk distributors. The representatives of the distributors put forward proposals for a decrease in the price paid for milk to the farmers. This was resisted, and a deadlock arose, both sides declaring that no compromise was possible. Wiser counsels prevailed, and a settlement was reached, but the incident marks an important stage in the growing solidarity of farmers. For the first time a powerful combination of middlemen was faced, and, in effect, defeated by organised agriculturists. The bickering of the National Farmers' Union against the Government continued during the year. In the Rating Bill proposals are included to take all farm land out of the area of rateability, but this does not become operative until October next.

The possibility of the introduction of foot-and-mouth disease from the Argentine, where it admittedly exists, was the subject of a scare which induced the Government to send Lord Bledisloe to ascertain the facts. He found that the precautions taken made the risk of the conveyance of the infection in refrigerated meat negligible.

LABOUR CONDITIONS.

The year 1928 has not equalled the peaceful record of 1927, but fewer days were lost through industrial disputes than in any other year on record. With the same exception, the number of workpeople involved was the smallest since 1905. These are the Ministry of Labour's figures for each year since 1919:—

Year.	Number of Disputes Beginning in Year.	Number of Workpeople Involved in Disputes Beginning in Year.		Aggregate Duration in Working Days of All Disputes in Progress during Year.
		Directly.	Indirectly.	
1919	1,352	2,401,000	190,000	34,970,000
1920	1,607	1,779,000	153,000	26,570,000
1921	763	1,770,000	31,000	85,870,000
1922	576	512,000	40,000	19,850,000
1923	628	343,000	62,000	10,670,000
1924	710	558,000	55,000	6,420,000
1925	603	401,000	40,000	7,950,000
1926	323	2,724,000	10,000	162,230,000
1927	308	90,000	18,000	1,170,000
1928	302	80,000	44,000	1,410,000

The unemployment rate at an average of 10.9 per cent. was worse than that of 1927 at 9.7 per cent., though for the first three months of the year it was better than in the corresponding period of 1927. The monthly figures of numbers unemployed are as follows:—

NUMBERS (INSURED and UNINSURED) REGISTERED at EMPLOYMENT EXCHANGES, &c.

1927.			
December 19	1,127,000	June 25	1,239,000
1928.		July 30	1,354,000
January 30	1,199,000	August 27	1,367,000
February 27	1,139,000	October 1	1,384,000
April 2	1,071,000	October 29	1,421,000
April 30	1,171,000	November 26	1,439,000
May 21	1,143,000	December 17	1,312,000

The set-back which occurred between March and June was almost entirely accounted for by increased unemployment in the coalmining, shipbuilding, textile, and boot and shoe industries. The following table shows

the movements of the unemployment percentage in recent years :—

PERCENTAGE UNEMPLOYED AMONG INSURED WORKPEOPLE IN GREAT BRITAIN and NORTHERN IRELAND.

End of—	1922. %	1923. %	1924. %	1925. %	1926. %	1927. %	1928. %
January	16·2	12·7	11·9	11·5	11·0	*12·1	10·7
February	15·7	11·8	10·7	11·3	10·4	10·9	10·4
March	14·6	11·1	9·9	11·1	9·8	9·9	9·5
April	14·4	10·9	9·7	10·9	9·1	9·4	9·5
May	13·5	10·7	9·5	10·9	*14·3	8·8	9·8
June	12·7	11·3	9·4	11·9	*14·6	8·9	10·7
July	12·3	11·5	9·9	11·2	*14·4	9·2	11·6
August	12·0	11·8	10·6	12·1	*14·0	9·3	11·6
September	11·9	11·7	10·8	12·0	*13·7	9·3	11·4
October	12·0	11·7	11·1	11·4	*13·6	9·5	11·8
November	12·4	11·5	11·0	11·0	*13·5	10·0	12·2
December	12·2	10·7	10·9	10·4	*11·9	9·8	11·2

* Excluding workpeople in the coal-mining industry who were disqualified for unemployment benefit owing to the dispute.

The Ministry of Labour reports that wage rates generally showed little change in 1928, and the great majority of workpeople were unaffected by wage movements. In the industries and services for which statistics are available there was a net reduction, affecting 1,608,000 workpeople, of £163,050 in weekly full-time wages, and a net increase, affecting 212,000 workpeople, of £21,150. The net decrease of £141,900 compares with a reduction of £357,800 in 1927. The coal mining, building, and transport industries together accounted for over 96 per cent. of the net decrease in 1928. The building industry underwent a reduction of ½d an hour in February under the cost-of-living sliding scale, and railway workers made an all-round sacrifice of 2½ per cent. of earnings as from August. The principal increases were in the shipyards, the electricity supply industry, and some branches of the jute, silk, and bleaching and dyeing industries. The *Ministry of Labour Gazette* states that when account is taken of all the information in possession of the department, including that relating to agricultural wage rates, which are not included in the foregoing figures, the weekly full time rates of wages of those classes of workpeople for whom information is available averaged from 70 to 75 per cent. above the level of July, 1914.

There was very little change in hours of labour during 1928. Increases were reported for 900 people, averaging about 3⅜ hours per week, and the hours of 1,500 workers were reduced by an average of nearly three per week. There was a net aggregate reduction of 1,150 hours per week, as compared with an increase of 59,000 in the preceding year. The principal change was a reduction of four hours per week for Cardiff tramway and omnibus workers.

II.—CONDITIONS IN PRINCIPAL COUNTRIES.

CONTENTS.

	Page
A. Europe—	
France	14
Germany	15
Italy	16
Russia	17
Poland	18
Holland	18
Belgium	18
Spain	19
Switzerland	20
S.E. Europe	20
Scandinavia	22
The New Baltic States	23
B. British Empire—	
Canada	24
Australia	25
New Zealand	26
India	26
South Africa	26
Irish Free State	27
C. Other Countries—	
United States	27
Argentina	28
Brazil	29
Chile	29
Other South American States	30
Mexico	30
West Indies and Central America	31
Malaya	31
Japan	32
The Dutch East Indies	32
China	32

A.—EUROPE.

FRANCE.

General.—The year 1928, like 1927, was devoted in France to the restoration of the nation's credit, at any cost; and with the success which the world now knows. The success may be gauged by the fact that the franc, which, in July, 1926, appeared to be likely to follow the German mark into hopeless bankruptcy, stood at the end of 1928 in as sound a position as the pound and the dollar. Legal stabilisation of the franc on June 25th, at practically the figure t which it had been maintained for the previous 18 nonths, brought to an end the period since the beginning of the war, during which the French currency unit had been arbitrarily maintained by law at its old legal nominal value of within a fraction of tenpence, and fixed it henceforward at a shade under twopence (124.21 to the £). This capital modification had no appreciable effect on the country's economic life, which had adapted itself to the pending legal change in the status of the franc during the 18 months' preparatory period of "stabilisation in fact." Prices, on the whole, remained stationary throughout the year; production increased appreciably; home and foreign trade remained good, although affected adversely, to a slight extent, by the coming into operation of certain new commercial treaties; wages and profits remained satisfactory; unemployment continued non-existent and there was no sign of popular discontent, with the exception of a small number of unimportant strikes due almost entirely to outside agitation. General elections in April resulted in a slight swing of the pendulum towards the Right, an appreciable loss of ground by both Communism and Socialism, and the advent of a new Poincaré Ministry, purged of the Radical-Socialist elements who had formed an appreciable proportion of the previous Cabinet.

Trade and Production.—French exports in 1928 totalled 51,346,799,000f (41,080,629 tons), against 54,924,759,000f (37,994,267 tons) in 1927, and 59,677,930,000f (32,548,504 tons) in 1926, there being a drop of 3,577,960,000f in value, and a rise of 3,086,363 tons. The difference in value was due to a falling off of 3,775,510,000f (with an increased tonnage of 2,854,806 tons) in exports of raw materials, and a drop of 644 millions in manufactured goods, exported foodstuffs having been 842 millions more. Imports totalled 53,448,265,000f (49,106,307 tons), against 53,049,878,000f (49,369,840 tons); the drop of 1,342,919,000f in imported foodstuffs (chiefly wheat), and of 381,140,000f in raw materials being more than compensated for by a rise of 2,122,445,000f in imported manufactured goods. The year's foreign trade resulted in a balance against France of 2,101,466,000f, as compared with a favourable balance of 1,874,881,000f in 1927 and of 80,000,000f in 1926. Coal production totalled 52,429,468 tons, as compared with 52,845,820 tons in 1927, 52,477,522 tons in 1926 and 40,840,000 tons in 1913 (since when the Alsace-Lorraine pits have been brought within the French frontiers and the northern collieries been re-equipped with modernised plant). The fractional falling off in 1928 was the outcome of the over-production (plus a general lowering of consumption), which followed the temporary spurt due to the suspension of production in Great Britain owing to the great coal strike. The French metallurgical industry in 1928 experienced a degree of prosperity which marks the year as one of the best yet registered, both in production (an index figure of 130 representing production in November, as against 100 in 1913), and business activity. The total output of iron was 10,097,000 tons, as against 1,326,000 tons in 1927 and 9,071,000 tons (Lorraine output included) in 1913. The total output of steel was 9,387,000 tons, as against 8,306,000 tons in 1927 and 6,976,000 tons (Lorraine steel plants included) in 1913. Quotations for iron rose 5 per cent. during the year, and those for rolled steel about 15of per ton. The

number of blast furnaces in activity rose from 144 in January to 153 in December, and most of the plants were appreciably improved. The textile industry suffered somewhat during the year from German and other competition resulting from the new tariffs, its index figure for production in November having been 100 (the same as before the war), compared with 99 in November, 1927, and 105 in March last. The motor-car industry showed remarkable progress, its production figure (based on 100 as representing 1913) being returned in November at 599, after 687 in July. Engineering trades had a production figure of 143 in November, against 118 at the end of 1927, and extractive industries one of 122, against 115 in 1927. The rubber trades index figure rose from 580 in December, 1927, to 637 in November; and that for the building industry from 69 to 114. The gross receipts of the seven French railway companies (including the State system) in 1928 totalled 14,576,975,000f, or 1,583,993,000f (12.10 per cent.) more than in 1927. It must be recalled, however, that the accounts for 1928 comprise 53 weeks owing to leap year, and that heavy additional taxation was imposed on the railways during the year. The number of trucks loaded during the year was 23,174,707, against 22,070,122 in 1927 and 23,410,271 in 1926. Shipping dropped fractionally during the year, both inward and outward bound tonnage figures being consistently lower.

Crops.—The 1928 wheat crop, according to Ministry of Agriculture figures, totalled 75,566,580 quintals, or 416,000 quintals more than in 1927, the average yield per hectare being returned as 14.59 quintals, against 14.22 in 1927, with a specific weight of 76.53 kilos against 74.36 (although the area under wheat was 273,150 acres less than in 1927). The crop of mixed wheat and rye (meteil) was also larger by 370,000 quintals, or about 37 per cent. The beet sugar crop for 1928 is estimated at between 750,000 and 775,000 tons, which, although larger than usual, will still render it necessary (after allowing for the normal quantity of exports of the native product) for France to import some 385,000 tons from her colonies or elsewhere to meet her requirements of 875,000 tons. The wine crop was again abundant.

Commodity Prices.—The mean general index figure for wholesale prices during 1928 was returned as 633 (based on 100 as representing similar prices in 1923), the monthly figure having varied from 646 (highest) and 629, as compared with a mean figure of 628 in 1927 and the record figure of 854 touched in July, 1926. The figure for retail prices in Paris at the end of 1928 was 596, as against 523 at the end of 1927, 599 at the end of 1926, 463 at the end of 1925, and 389 in 1924. The figure representing the cost of living by a Paris workman's family of four persons (based on 100 representing prices in 1914) was returned for the last quarter of 1928 as 531, against an average figure of 514 for 1927 and of 517 for 1926.

Money and Stocks.—The Bank of France discount rate, which was reduced from 7½ per cent. to 6½ per cent. on December 16, 1926, and then successively to 4 per cent. on December 29, 1927, was brought down to 3½ per cent. on January 19, 1928, and still remains at that figure. On the latter date also the rate for advances on securities was reduced from 6 per cent. to 5½. Owing to the conversion of one, three, six, and 12-month Defence Bonds into two-year descriptions, money for short-term loans was superabundant during the year, but for long-term loans was difficult to obtain at normal rates. The average rate offered by new issues of stocks and bonds during 1928 ranged from 7.25 per cent. in January to 6.05 per cent. in December (against 8.55 per cent. in 1925, 9.45 per cent. in 1926, and 7.65 per cent. in 1927). The balanced Budgets of 1927 and 1928 and the advent in June, 1928, of legal stabilisation (which wiped out the balance of the debt of 23,900,000,000f owing on January 5th to the Bank by the State) revolutionised the whole currency situation and confirmed the general feeling of renewed confidence in the State. The investing public again came into the market on a substantial scale, and quotations of public loan stocks steadily rose. Three per cent. Rentes, which stood at 51 on January 5, 1927 (against 44.20 in May, 1926), and closed the year at 62.60, reached 66 at the end of 1928; 5 per cent. Redeemable 1920 Rentes, which reached their lowest (58f) in July, 1926, opened 1927 at 78f, and reached 98 by the end of that year, were quoted at the end of 1928 at 110; 4 per cent. (Caillaux) Rentes (with guarantee against the exchange), which were quoted at 106.90 at the end of 1927, had soared to 122 by the end of 1928; 6 per cent. 1920's, which stood at 68.75 in January, 1927, reached 94½ on December 30 that year, and closed at 101½.

Public Finance.—The total revenue for the year, derived through the Budget, was 43,687,035,800f, against 41,246,467,000f in 1927, which latter year yielded 5,636,411,000f (or over 13 per cent. more than its predecessor. A further sum of 6,829,977,389f was received by the Caisse d'Amortissement for debt extinction purposes (including the yield from the tobacco monopoly and the special taxes now allocated to the Caisse). These figures do not include the revenue of the Postal Department, which is dealt with by an independent Budget. The year resulted in a realised surplus of 3,368,000,000f over and above Budget estimates, as compared with a surplus of some 1,500,000,000f in 1927, and of about 150,000,000f in 1926. The Caisse d'Amortissement at the end of the year had a liquid available balance of 6,342,000,000f, and the Treasury balances at the Bank of France amounted to 5,765,000,000f. The total amount of floating debt bonds (two-year National Defence Bonds) in circulation at the end of the year was 35,500,000,000, as compared with 49,000,000,000f in 1926, while the rate of interest paid on these bonds had been brought down from 6 per cent. to 4 per cent. The only Government loan issued during the year was an offer of 5 per cent. 75-year Rentes, for the conversion and consolidation of 6,700,000,000f of Treasury Bonds, and the balance of an issue of 10-year Credit National Bonds maturing for payment. The subscription was 20,850,000,000f, of which 10,640,000,000f was in fresh money, that sum being the maximum which the Treasury wished to obtain.

GERMANY.

Currency and Credit.—The credit situation was influenced by a continuous but moderate setback in trade activity. Credits declined considerably, the Reichsbank's combined discounts and advances dropping from 3,207 to 2,803 million marks; but there was a considerable inflow of foreign short-term credits. Late in the year the money market was very fluid, and interest rates declined sharply. The Reichsbank's discount rate, which was raised to 7 per cent. on October 4, 1927, was, nevertheless, maintained unchanged. The foreign exchanges were weak during the second half of the year, and the Reichsbank's resulting purchases of gold led, despite the contraction of credits, to an increase in circulation. At the end of the year the combined circulation of Reichsbank and Rentenbank notes was 5,460 million marks, as against 5,280 millions at the beginning. The Reichsbank's reserve increased, and its ratio (gold and exchange) to circulation rose from 47 to 58.5 per cent. The gold reserve increased from 1,865 to 2,729 million marks. The capital market did not improve. Home loans issued totalled approximately 1,038 million marks, as against 927 million marks in 1927; foreign long-term loans 1,549 million marks, against 1,529 million marks, of which 1,153 millions were subscribed by the United States and 186 millions by Great Britain. Bankruptcies numbered 8,048, as against 5,513 in 1927.

Public Finance.—Revenue receipts were satisfactory, and amounted in the first three-quarters of the financial year 1928-29 to 6,811 million marks out of the 8,862 million marks Budget estimate for the whole 12 months. The revenues controlled for Reparations purposes came in satisfactorily, the yield in the first nine months of the financial year being 2,095 million marks out of 2,760 millions estimated for the 12

months. The Budget for 1929-30 was not submitted before the end of the calendar year. The total is officially forecast at 9,900 million marks, or 358 millions more than in 1928-29, 312½ millions of the increase representing an addition to the Budget contribution to Reparations. Owing to the falling away of 125 millions coinage profits and of 175 millions surplus carried over from 1927-28, the total additional requirements will exceed 600 million marks. This will be made good by increasing the beer, spirits, property, and inheritance taxes, by retaining 120 millions out of the subventions due to the States and municipalities, and by increasing the contribution from posts; and a sum of 90 millions additional is expected from existing taxes.

Prices and Wages.—Prices and the cost of living were relatively stable. The official wholesale index number moved from 139.6 in December, 1927, to 139.9 in December, 1928. In December, 1928, the chief index groups were agricultural products, 134.1; raw and half-manufactured materials, 134.1; manufactured goods, 159.5. The cost-of-living index rose from 151.1 to 152.7. Owing to construction of new houses, in which rents are not controlled, the house-rents index rose slightly. Despite the trade set-back, the wages movement, which was influenced by numerous strikes and lock-outs, was upward. In December, 1928, the average weekly skilled wage in 12 industries (including railways) was 52.25 marks, as against 50.44 marks in December, 1927; unskilled, 40.47 marks, against 37.01 marks. These figures represented tariff wages, and the actual wages earned were considerably higher.

Agriculture.—The crops yield was larger than in 1927, and the quality was much better. The bread-cereals crop exceeded that of 1927 by around 23 per cent. The officially-estimated yields were :—

(Metric Tons. 000's omitted.)

	1927.		1928.
Wheat	3,280	....	3,854
Rye	6,833	....	8,522
Oats	6,347	....	6,996
Barley	2,738	....	3,347
Potatoes	37,550	....	41,269
Sugar-beet	10,854	....	11,011

Industry.—Industry was somewhat less active than in 1927. The industrial-production index (based on 100 as average of 1924-26) was only 116.5 in October, against 125 in October, 1927. The number of publicly-supported unemployed declined from 1,561,000 in January to 647,000 in July, but thereafter rose rapidly, and at the end of the year was 1,829,400, exceeding by more than half a million the number at the end of 1927. Early in the year the production of the heavy industries was well maintained, but it declined later. Production in the coal, iron, and steel branches was affected by a lock-out in November, which involved 220,000 persons. While output of coal declined slightly, there was a large increase in output of lignite. The potash industry enjoyed a very good year. Engineering suffered from a slight decline in the home demand, but its exports increased considerably. Manufacturers of railway rolling stock continued to suffer from lack of orders. The electro-technical industry was very well occupied. Paper manufacturers also enjoyed prosperity. The home market for manufactured goods showed some signs of saturation; and the textiles and footwear industries were seriously depressed, but signs of improvement were visible late in the year. The artificial silk industry was active, but there were complaints of foreign underselling in the home market. Production figures are :—

	Metric Tons. 1927.		1928.
Coal	153,595,443	..	150,875,814
Lignite	150,852,085	..	166,224,159
Potash (Syndicate's sales)	1,239,392	..	1,424,200
Pig-iron	13,102,528	..	11,804,330
Ingot steel	16,310,682	..	14,517,165

Coal prices were raised in May. Prices of steel and rolling-mill products were raised in January and again in May. Industrial fusions of first magnitude were not reported, but progress was made towards concentrating the locomotive-construction concerns. The shipbuilding industry was badly depressed, and suffered from a three months' shipyard strike in the last quarter of the year.

Foreign Trade.—The foreign-trade balance continued passive. The import surplus was considerably smaller than in 1927, but, owing to the continuing heavy demand for raw materials, it was larger than was anticipated early in the year. Imports of foodstuffs declined, those of materials increased, and imports of manufactured goods remained at almost the same level as in 1927. The export of foodstuffs increased considerably. Exports of raw and half-manufactured materials underwent a very small change. Exports of manufactured goods continued to increase. The considerable increase in total exports mainly fell to the manufactures group. The net exports of heavy iron and steel and of machinery considerably exceeded those of 1927. Comparative figures (without precious metals and Reparation deliveries in kind) are :—

(Millions of Marks.)

	Imports.		Exports.
1913	10,769	.....	10,097
1927	14,143	.....	10,218
1928	13,995	.....	11,640

A new commercial agreement was concluded with Russia. A Bill carrying out the recommendations of the Geneva Economic Conference of May, 1927, and reducing the import duties on certain goods, was submitted late in the year.

Stock Exchange.—The Bourse was in general dull, the turnover being smaller than in 1927. On a basis of 100 as average quotation of 125 selected stocks in 1926, the stocks index moved from 139.99 at the end of 1927 to 138.07 at the end of 1928.

ITALY.

Foreign Trade.—Excluding precious metals and Reparations deliveries and adopting the corrected figures of the Central Institute of Statistics, the figures for 1928 and previous years were as follows, those for November and December, 1928, being provisional :—

(In Millions of Lire).

	Imports.*		Exports.*	Excess of Imports over Exports.
1910-13	3,496	..	2,528	..(a) 968 ..(b) 968
1920	18,105	..	8,742	.. 9,363 .. 3,049
1921	17,227	..	9,300	.. 7,927 .. 2,012
1922	15,765	..	10,698	.. 5,067 .. 1,240
1923	17,189	..	12,757	.. 4,432 .. 1,055
1924	19,381	..	16,529	.. 2,852 .. 643
1925	26,200	..	21,015	.. 5,185 .. 1,071
1926	25,879	..	21,175	.. 4,704 .. 939
1927	20,374	..	15,615	.. 4,759 .. 1,259
1928	21,990	..	14,493	.. 7,497 .. 2,042

* In paper lire. (a) Paper lire. (b) Gold lire.

The increase in the imports was due partly to the bad agricultural yields in 1927, which caused abnormal imports of foodstuffs, and partly to the increase of raw material imports in comparison with 1927, when industry was shy of embarking on big imports owing to the revaluation process. The increase in raw material imports should, in due time, lead to increases in exports. Already in November and December, 1928, exports were higher than in the corresponding months of 1927. The excess of imports over exports was bigger than in the six preceding years and in the pre-war years. If, however, we calculate it not in present gold lire, but in gold pre-war lire, according to the indices of the Milan Economical Board, imports shrink to 4,354 millions lire, exports to 3,032, and the excess to 1,322, a proportion of imports not much higher than in 1910-13.

Crops.—Agricultural production had a mixed record in 1928 :—

(In Thousands of Tons).

	1909-13 (Average).		1923-29 (Average).		1927.		1928.
Wheat	4,989·8	..	5,727·7	..	5,329·1	..	6,221·5
Maize	2,548·6	..	2,592·6	..	2,219·6	..	1,650·7
Rice	475·0	..	627·6	..	696·1	..	631·5
Grapes	7,096·6	..	6,883·7	..	5,795·8	..	7,496·0
Cocoons	40·8	..	509·0	..	50·7	..	..
Potatoes	1,654·8	..	2,033·5	..	1,945·3	..	1,489·8
Hemp	83·5	..	92·5	..	83·0	..	85·7

Maize and potatoes felt the consequences of the terrible drought; grapes did well for the same reason; and better methods of cultivation brought good results for wheat, making it possible to surmount the difficulties of weather.

Industry.—Perhaps the best index of industrial activity is the production of electrical energy, which increased from 6,720.2 million kilowatts in the first 11 months of 1927 to 7,573.8 in the corresponding months of 1928. Imports of oil, benzine, and oil derivatives increased from 751,105 tons in the first 11 months of 1927 to 810,170 in the corresponding period of 1928; while coal decreased from 10,253,046 to 8,325,356 tons. But in 1927 stocks were being replenished after the British coal dispute. In the same period imports of jute increased from 46,688 to 50,484 tons; of raw cotton from 191,287 to 211,767; of natural wool from 32,434 to 40,599; of washed wool from 3,961 to 5,011 tons; of dried cocoons from 1,287 to 2,660 tons. Broken iron, steel, and pig-iron imports increased also from 651,526 to 801,906; copper from 53,821 to 69,575; lead from 14,424 to 24,575 tons; spelter from 8,821 to 9,304 tons; while aluminium fell from 2,918 to 668; and tin from 3,946 to 4,027 tons. Imports of nitrate of sodium increased from 46,119 to 70,452; of sulphate of ammonium from 12,344 to 13,475; of potash from 22,426 to 46,939; and other chemical fertilisers from 142,846 to 144,067; while those of mineral phosphates fell from 816,810 to 560,092 tons, and calciocyanamide from 29,593 to 21,196.

The Passing of the Revaluation Crisis.—The gradual passing of the revaluation crisis, which was at its worst in the concluding months of 1927 and in the first quarter of 1928, is indicated by the fact that the 1928 imports of raw materials, in contrast to those of 1927, show more increases than decreases. The liquidation of weak firms is continuing; monthly average failures, which were 617 in 1913 and 654 in 1926 and had risen to 886 in 1927, rose further to 933 in 1928. The number of unemployed, which varied in 1926 between 79,678 (June) and 181,493 (December), and in 1927 between 214,603 (June) and 414,283 (December), increased further in January, 1928, to a maximum of 438,211, decreasing regularly to a minimum of 234,210 in July, and rising in December to 363,551, or 51,000 less than the corresponding month of 1927.

Some index numbers are given below :—

	Bank Notes Issued.*	Paper Price of Gold.	Wholesale Prices. In Paper Lire. (average).	Wholesale Prices. In Gold Lire.	Cost of Living.
1913	100	100	100	100	100
1921	845	457	538	117	541
1922	788	409	529	129	500
1923	755	421	536	127	494
1924	793	443	553	125	526
1925	847	486	646	133	611
1926	803	501	654	131	653
1927	787	378	527	139	567
1928	757	367	491	134	532

* End of the year.

As to the wages, no up-to-date statistics are available for number index-making for 1928. It is probable that, while in 1926 wages varied between five and six times pre-war level, they are to-day about five times.

Savings and New Issues.—Deposits in postal saving banks, which had risen to 504 at the end of 1926 (basis 1913 = 100) had decreased during the revaluation crisis to 460 in October, 1927. In November, 1928, they were again at 494. Deposits in ordinary saving banks rose similarly from 475 in June, 1927, to 562 in November, 1928. Deposits in the six largest ordinary banks between October, 1927, and October, 1928, rose from 569 to 635; of the People banks from 652 to 676; of the regional banks from 776 to 816. Net increases in the capital of joint-stock companies, which amounted to 2,128 million lire in 1923, 4,895 in 1924, 8,032 in 1925, 3,931 in 1926, falling to 1,840 in 1927, increased again to 2,698 in 1928. In 1928 the issue was also authorised of 1,187 million lire of bonds and debentures.

Money and Stocks.—The official rate of discount, which had remained for years at 7 per cent., was lowered to 6.50 per cent. on March 5th, to 6 per cent. on April 1, and to 5.50 per cent. on June 25th, remaining there until, in the first days of the New Year, it was again raised to 6 per cent. Correspondingly, the private rate of discount from 8-8.50 per cent. at the beginning of the year decreased in summer and autumn to 5.25 per cent., again to rise slightly at the end of the year to 5.50 per cent. Prolongation rates, which had fallen to 5.50 and 6.25 in July and, October, hardened somewhat in November and December to 6 and 7 per cent. The Bourse improved. According to the Bachi index number (base December, 1913 = 100) the highest level was reached in February, 1925, at 183.05. After that date there was a more or less continuous sinking of quotations, until the low-water mark was reached at 97.80 in June, 1927. In December, 1927, the index number was 123, rising to 129.40 in January, 1928, to 151.28 in May, and closing the year at 141.34.

Public Finance.—The Treasury accounts for the financial years 1924-25 to 1927-28 closed with surpluses of 417, 468, 436, and 497 million lire. The first semester of the current 1928-29 financial year closed with a surplus of 21 million lire. State internal debt, which had reached a maximum of 96,163 million lire on June 30, 1924, and was 90,361 millions on June 30, 1927, had fallen, thanks to the cancellation of the Treasury debt to the Bank of Italy as a consequence of the revaluation of the bank's gold reserves, to 86,423 millions at December 31, 1927. At December 31, 1928, the total debt is 87,006 million lire, to which must be added the 100 million dollars of the Morgan Loan, reduced in the meantime to 95,177,650 dollars.

RUSSIA.

Currency and Credit.—The year witnessed further expansion of credit and increase in currency circulation. While the rouble exchange was formally maintained at Moscow, its internal value declined, and on Continental exchanges it was sold at a discount. In the business year ending September 30, 1928, the State Bank's circulation rose from 990 million tchervonetz-roubles to 1,064 million tchervonetz-roubles; circulation of unsecured Treasury notes from 461 to 711 millions; total circulation, including coins, from 1,628 to 1,971 millions. By December 31st the State Bank circulation had risen further to 1,122 millions, Treasury notes to 763 millions. In the expansion of credit the industries producing for consumption, in particular textiles and leather, had an increasing share.

Finances.—The public debt increased during the financial year by 555 million roubles, and was 1,298 million roubles on October 1, 1928. Revenue receipts in the financial year 1927-28 totalled 6,796 million roubles, and exceeded the estimate by 5 per cent. The Budget for 1928-29 totals 7,731 million roubles. It provides for a large increase of expenditure on capitalisation of industry and agriculture, and is balanced only with aid of 800 million roubles loans. According to the Budget Commission of the C.E.C., the finances are in a condition of serious strain.

Prices.—Both wholesale and retail prices rose. In the business year 1927-28 the wholesale index number moved from 1,700 (1,000 in 1913) to 1,761; retail index number from 1.98 (1.0 in 1913) to 2.11. In the first months of the new business year there was a further rise. Industrial prices were fairly stable, but agricultural prices rose very much, and in December (wholesale) were 1,664, against 1,872 industrial.

Agriculture.—Crops for the fourth year in succession were satisfactory. The cereals crop was returned at 74,750,000 metric tons, or 1 million tons more than in 1927. The geographical distribution of the crops was unfavourable, being best in Siberia and in other districts remote from the chief consuming centres and the ports. The State buying-up campaign met with great difficulties. An official plan, based largely upon extension of State and collective farming, for increasing

the crops yield by 30-35 per cent. in five years was published.

Industry.—The value of output of industry in 1927-28 was returned at 21½ per cent. higher than in 1926-27. Industry continued to suffer from shortage of capital and of raw materials, in particular foreign materials and iron. The average production cost was reported to have declined 5 per cent. The relative volume of private industry declined. The seven hours' day was introduced into numerous State concerns with varying results, and there were complaints of deterioration of labour discipline in certain branches, in particular coal and engineering. Pig-iron production in 1927-28 was 3,282,000 tons, steel 4,143,000 tons, rolled products 3,286,000 tons. Pig-iron production remained nearly 1 million tons behind the pre-war figures, whereas the other heavy metal branches nearly caught up. The engineering, paper, textiles, and leather branches all reported increased output. Oil output of the three trusts, Baku, Grozny, and Emba in 1927-28 was 11,399,137 tons, against 10,084,984 tons in 1926-27. The programme for 1928-29 was fixed at 12,960,000 tons. Production of 1927-28 exceeded that of 1913 by 31.3 per cent. Export of oil products in 1927-28 was 2,728,000 tons, against 2,038,000 tons in 1926-27 and 948,000 tons in 1913. Export of oil to most countries, in particular to India, Turkey, and Spain, greatly increased, but to Great Britain was stagnant and to France declined.

Foreign Trade.—Foreign trade in 1927-28 showed a considerable passive balance, imports (European frontiers) being 820,059,000 roubles, exports 635,841,000 roubles. Germany continued to lead as seller to Russia, her deliveries in 1927-28 being 242 million roubles, as against 45 million roubles by Great Britain, and 181 million roubles by the United States.

POLAND.

Agriculture and Industry.—Record figures have been registered in 1928 in all domains of production. In agriculture crops other than wheat yielded better results in 1928 than before the war. In the coal industry the pre-war level has been already reached. The output of coal amounted in 1913 to 3,393 million tons monthly, as compared with an average of 3,338 million tons during the first ten months of 1928. The same rapid expansion may be observed in other branches of industry as shown by the figures below :—

MONTHLY AVERAGES—'000 TONS

	Oil.	Pig Iron.	Steel.	Rolled Products.
1927	60·2	51·5	103·7	76·5
1928 (Sept.)	62·5	56·4	127 2	91·5
(October)	62·5	62·9	139·5	103·1

The sugar campaign has given much better results this year than in 1927-28. To the end of November 4,382,000 tons of white sugar have been produced, as compared with 3,813,000 tons during the same period in 1927-28. In the cotton industry the number of spindles is nearly as great as in 1914. The only important industry which has not recovered its pre-war importance is the wool industry.

Finance.—Financially the year 1928 has been very satisfactory. Revenues have increased rapidly. During the first seven months (April-October) revenues yielded 1,646.3 million zlotys, as compared with 1,419.6 millions during the same period of 1927-28. Expenditure increased from 1,253.9 millions in 1927-28 to 1,574.5. For the first eight months of the year the surplus of revenues amounts to 101 million zlotys, which corresponds to 150 millions for the whole year. Though in comparison with the previous year this surplus has decreased, it is nevertheless an indication of a sound financial policy.

Foreign Trade.—Foreign trade has been characterised by a great excess of imports. During the first eleven months of the year imports amounted to 3,123.7 million zlotys, exports to 2,298.8, so that the deficit reached 825 million zlotys. This excess of imports had no detrimental influence on the economic condition of the country. The efflux of foreign currencies was maintained within very narrow limits. At the end of 1928 the reserve of gold and foreign currencies amounted to 1,335 million zlotys, as compared with 1,391 on November 10, 1927. During this whole period the total decrease did not exceed 56 millions.

HOLLAND.

The development of financial and economic conditions in Holland during the past year has been very favourable. A great advance of trade and industry and an improvement in the financial position were apparent at the end of 1928.

Foreign Trade and Prices.—For the year 1928 imports and exports in comparison with those of 1927 were as follows :—

Quantity (in 1,000,000 Kg.).			Value (in Million Guilders).		
	Imports.	Exports.	Imports.	Exports.	Balance.
1926	28,346	15,822	2,441·9	1,749·2	692·7
1927	28,619	14,338	2,548·9	1,899·7	649·2
1928	29,821	15,725	2,684·0	1,986·0	697·7

Index figures of wholesale prices for the year in comparison with former years were :—

	General Index Figure. (1913 = 100.)	Foodstuffs Only. (1913 = 100.)
1922	160	160
1923	151	143
1924	156	156
1925	155	155
1926	145	144
1927	148	153
1928	149	157

Public Finances.—Receipts from direct taxes amounted to Fl. 492,305,000, as against Fl. 503,210,000 for 1927. The lowering of the income-tax and other duties have contributed to this decline.

Money and Stocks.—The quotation for "prolongation"—advance of money on stock collateral—moved between monthly averages of 4.7379 and 3.8105. The average for the year was 4.1613, against 3.8108 in 1927. Bank rate remained unchanged at 4½ per cent. Issues of new capital amounted to Fl. 669 millions, against Fl. 502 millions in 1927. Of the 1928 total, 309 millions, or 46 per cent. of the total, was raised on foreign account, as against 340 millions, or 68 per cent., in 1927. Private discount rate varied between the average of 3.84 for March and 4.39 for November. The international importance of the money and stock market in Holland increased. Business on the stock market during the year was very satisfactory. Prices improved, especially for industrials and oils. Colonial stocks, such as rubber and sugar, dropped sharply. The active business is reflected in the yield from the tax on Stock Exchange transactions, which rose to 6,988,847 guilders for the first eleven months of 1928, against 5,579,479 for the corresponding period of 1927. Shares of many different foreign companies received a good deal of attention on the Amsterdam stock market.

Shipping.—During 1928 the harbour traffic of the port of Amsterdam totalled 3,870 ships, of a tonnage of 9,217,128, as against 3,318 ships of a tonnage of 7,765,962 tons in 1927. The increase during 1928 is 552 ships, of a tonnage of 1,451,166. For the port of Rotterdam harbour traffic for 1928 totalled 12,291 ships, with a tonnage of 20,456,343, as against 13,155 ships, with a tonnage of 21,242,557 tons, in 1927. The decline in the Rotterdam tonnage during 1928 is 864 ships, with a tonnage of 786,413.

Bankruptcies.—The number of public bankruptcies during the eleven months of 1928 was 2,976, against 3,284 during the same period in 1927.

BELGIUM.

Prices, Production, Trade, and Traffic.—Wholesale prices have remained stable during the year 1928, at a gold level corresponding to about 123 (1914 = 100). A rise in the wholesale prices of export articles, such as steel, window-glass, materials for construction, was, however, to be noted at the end of the year. Retail prices and the cost of living are continuing to adapt themselves to the monetary stabilisation rate adopted in October, 1926. The index of retail prices has risen from 812 to 852 in a year, but the upward movement is partly due to the dry summer.

Industrial activity has been very satisfactory. The situation of industries working for national consumption has improved owing to a rise in the purchasing power of the population; but home markets do not yet seem to have recovered their full capacity. Export industries have enjoyed another good year, notwithstanding heavier costs of production. Metallurgy has ended the year well and the coal trade is in a satisfactory position in spite of higher wages.

Unemployment touches only certain branches, such as the textile industry. Out of 1½ million workmen there are only 4,000 totally and 20,000 partly unemployed. In many occupations there is a scarcity of labour.

PRODUCTION.
(Thousands of Metric Tons.)

	Coal.	Pig-iron.	Steel.
1913	22,842	2,485	2,467
1926	25,320	3,399	3,339
1927	27,574	3,751	3,705
1928	27,543	3,905	3,820

FOREIGN TRADE (Belgian-Luxembourg Customs Union).
(In Millions of Francs.)

	1927.	1928.
Imports	19,180	31,564
Exports	26,621	30,145
Excess of imports over exports	2,559	1,419

Sea-going vessels entered at Antwerp harbour were 23,604,000 tons, against 23,490,000 in 1927 and 14,139,000 in 1913. The traffic of Ghent was 2,256,000 tons, against 2,054,000 in 1927 and 1,061 in 1913. During the first 10 months the railways worked 6,468 millions of ton-kilometers, against 6,596 last year, and carried 189 million passengers, against 180 last year.

Money, Exchange, and Stocks.—Money has remained very easy in 1928. Bank rate, which reached 7½ per cent. in March, 1926, and had fallen to 4½ per cent. in November, 1927, was reduced to 4 per cent. in July, 1928. Short-loan capital, partly of foreign origin, is abundant in Belgium.

The situation of the National Bank of Belgium and of the Belgian franc is very strong. There has been a notable strengthening of the gold and gold exchange reserve, and a considerable increase of bank-notes in circulation :—

NATIONAL BANK of BELGIUM.
(In Millions of Francs.)

Reserve—	Jan. 5,1928.	Jan. 3, 1929.
Gold	3,665	4,519
Gold bills	2,571	3,075
Discount	2,924	3,361
Notes in circulation	10,382	11,965
Ratio of reserve to notes and deposits	55·05%	58·76%

It is known that the real reserve ratio is more than 58.76 per cent., some of the gold bills being included in the ordinary discounts.

The Brussels Stock Exchange witnessed a boom in May, followed by a depression, which is not yet ended. According to the index of the National Bank of Belgium (January, 1928, = 100), shares were at the beginning of May and June, 1928, at 129; at January 2, 1929, they were at 118. State securities and bonds have risen on the average 8 per cent. since January, 1928.

Shares issues have been particularly important in 1928, reaching 12,250 millions of francs (£72 millions), against 5,950 millions of francs in 1927. Issues of debentures have amounted only to £70,000.

Public Finance.—During 1928 fiscal receipts attained 9,260 million francs, against 7,730 millions in 1927. This increase is partially derived from arrears of taxes, but the ordinary receipts are more than satisfactory. The 1928 fiscal year will show an important surplus, notwithstanding the rise of expenses and the redemption of 1,800 million francs of public debt.

The public debt amounted at the end of September, 1928, to 56,000 million francs (£320 millions), against £200 millions at the beginning of the war.

SPAIN.

Last year marked another period of steady progress in the financial reconstruction of this country. The ordinary Budget, balanced in 1927, for the first time in twenty years, showed in 1928 a fair surplus of 183 million pesetas. The biennial Budget for 1929 and 1930 estimates expenses at 3,370 millions and revenue at 3,399; but this figure is very conservative, as the revenue actually collected in 1928 was 124 millions higher. The surplus will probably exceed 150 millions in 1929, and seems therefore consolidated. But there is, besides, the extraordinary Budget which required the issue of debt for 500 millions, mainly devoted to public works, and a further 300 millions of railway debt, included in the large plan of extension and coordination of the railway system which is being executed. At the beginning of the year a big operation was achieved with success, consisting in the conversion of 3,407 millions Internal Consolidated 4 per cent. Debt, into 3 per cent. and 4 per cent. issues, redeemable in 70 years.

Money and Business.—The year was one of cheap and plentiful money, record issues, and buoyant Bourses. The issues amounted to 2,220 millions, against 1,003 in 1927, and reached by far the largest figure since 1921. Government issues were made at 4.50 per cent., corporation and industrials at 5 and 5½ per cent. The mean rate works out at 4.936, against 5.753 last year, and is the lowest mean rate for many years.

Stimulated by the large supply of money, the Bourses of Madrid, Barcelona, and Bilbao were very active, and quotations rose all round. The Madrid Bourse alone negotiated 1,698 million pesetas, against 1,168 in 1927. The capital appreciation during the year amounts to about 300 millions for gilt-edged securities, 122 millions for the Monopolies (Tobacco, Telephones, Petrol, and Matches), 208 millions for banks, with an aggregate capital of 645 millions—*i.e.*, 33 per cent. Electric company shares were also attractive and railways very firm. On the other hand coal mines are in a difficult position, and the cotton and wool industries of Catalonia are languid. It is difficult to say, therefore, how far the apparent increase of wealth in the country is due to real economic development and how far to the inflation produced by the large Government expenditure on the big reconstruction schemes of railways, roads, water and irrigation, air-lines, steamship companies, foreign trade banks, &c., initiated, organised, and paid or guaranteed by the present Government in the formidable experiment of State intervention which they are carrying out.

In spite of this the price index does not point to a big inflation, but to a moderate increase. Compared with the mean prices for 1927, the index of last November shows the following changes :—

	Mean for 1927.	November, 1928.
Animal food	205	214
Vegetable food	167	176
Drinks, &c.	179	176
Fuel and electricity	163	149
Textiles and hides	141	150
Metals	154	157
Building materials	207	208
Chemicals, &c.	147	141
Total index numbers	172	176

The aggregate increase is of four points only, in spite of a bad harvest.

Exchanges.—Although some of the factors already mentioned are favourable to the value of the peseta, there remain two very important ones which act against it—*i.e.*, the bad harvest and the adverse trade balance, which has been as follows :—1925, 659 millions; 1926, 542 millions; 1927, 688 millions, and is probably bigger in 1928, owing to the large imports of wheat and maize to cover the insufficient

harvest. The peseta therefore lost ground throughout the year, the sterling rate increasing from 28.22 to 30.12 in October, until the Government decided to intervene, through the Bank of Spain, and arranged important credits in sterling and dollars. At the end of the year it was getting a hold on the market, and the rates were practically pegged at 29.76 to the pound and 6.12½ to the dollar. The Finance Minister then announced his intention of tackling the monetary question, and a Commission is already at work on the question whether the peseta should be stabilised or revalorised, and whether Spain should adopt the gold standard or the gold exchange standard. Most technical men are inclined to legal stabilisation, but others consider that some preliminary problems should be first settled, such as the total balancing of both Budgets, a definite foreign trade policy, and the reduction of the excess of imports over exports. Anyhow, the Finance Minister has announced that 1929 will see definite steps taken in that direction, and has already raised the discount rate to 5½ per cent.

SWITZERLAND.

From the economic point of view 1928 was the best of the past eight years in Switzerland. Trade and industry showed an increasing activity, conditions were particularly good for banking and hotels, all railway receipts were higher, unemployment continued to decrease, and the Federal, Cantonal and municipal finances further improved. The estimated deficit of 15,000,000f for 1927 in the Federal accounts was deduced to 1,580,000f. The ordinary Budget of the Confederation for 1928 showed estimated expenditure at 331,550,000f, and revenue at 322,230,000f leaving a deficit of 9,320,000f, which will be transformed into a surplus of at least 1,500,000f. The Budget for 1929 estimates expenditure at 350,800,000f and revenue at 352,800,000f., thus leaving a surplus of 2,000,000f, the first surplus recorded in a Federal Budget since 1898. At the end of 1927 the total debt of the Confederation was 2,184,142,000f, but it was reduced by about 20 millions in 1928, and will be further reduced by 45,000,000f in 1929. Traffic receipts are increasing year after year, and the Railway Board is now preparing for a reduction in goods transport rates. Receipts aggregated 418 million francs, against 390 millions in 1927, expenditure reached 254 millions, compared with 252 millions in 1927, thus leaving a surplus of 164 millions, against 135 millions the year before. At the end of 1928 the first stage of the electrification of the railways was completed; 1,035 miles out of a total of 1,806 miles, that is about 60 per cent., are now electrified, and the use of electricity resulted in a saving of 35 million francs in 1928.

The official discount rate remained unchanged at 3½ per cent., while unofficial rates oscillated between 3¼ and 3½ per cent. The sterling exchange opened at 25.30 in January, it rose to 25.34 in March, and closed at 25.17 at the end of December. There was great activity in the Swiss Bourses, and the average value of 109 State and industrial securities on the Swiss market rose from 242.59 per cent. in January to 256.12 in September, closing at 252.83 in December. Crops were unsatisfactory owing to the abnormally dry summer, but they were better than in 1927; the total value of agricultural production was about 1,456 million francs in 1928, as against 1,390 millions the year before. Exports totalled 2,134 million francs, compared with 2,023 millions in 1927, while imports aggregated 2,744 millions, compared with 2,563 the year before. The adverse balance was therefore 610 millions, against 501 millions in 1927. The number of unemployed fell from 14,212 in January to 5,373 in June, but it rose again from seasonal causes to 9,700 in December.

The index number of wholesale prices (July, 1914, = 100) was 145 in January and 144 in December, while that of retail prices (July, 1914, = 100) was 164 in January and 163 in December.

SOUTH-EASTERN EUROPE.

AUSTRIA.

The amount of foreign capital employed in Austria was considerably reduced in 1928. Short-term debts probably went down from 120 million dollars to 80 millions, but there was a slight increase in long-term debts. The gradual accumulation of capital afforded the banks the possibility of getting credits at home on more favourable conditions than were offered abroad. Savings deposits have risen from 1,500 to 2,000 million schillings, and amount to 30 per cent. of the pre-war level. The most recent statistical investigations show that no more than 1.5 per cent. of income is derived from capital investments and house ownership. Of the 2.1 million persons liable for income-tax 75 per cent. are in the category of staff employees and workers. By reason of the foreign tourist traffic, the higher dividends enjoyed by Austrian possessors of foreign shares, further sales of Austrian enterprises, land and real estate, and revenues from transit traffic and commission business it was possible to achieve a favourable balance of payments. The visible trade balance shows a deficit of 1,040 million schillings, as against 1,086 million schillings. However, exports of finished goods show an increase, and unemployment was kept down for a great part of the year. The output of ores, crude iron, and steel was greater, and a better course of business for the paper, electricity, and brewing industries permitted greater exploitation of the capacity of industrial plant. The degree of occupation in industry rose from 68 to 75 per cent. Seventy-six stock companies were liquidated, either voluntarily or compulsorily. Insolvencies and bankruptcies were not so numerous as in the previous year. The farmers had a good harvest, but prices were less satisfactory, and the indebtedness of all agricultural concerns rose. In recent trade-treaty negotiations farming interests gained the advantage over industry. The Stock Exchange was completely stagnant, even though individual companies have again declared dividends of 7 to 8 per cent. Speculators devoted their attention to foreign markets.

CZECHOSLOVAKIA.

In 1928 Czechoslovakia made further progress in her economic stabilisation and development. In many ways the year was even more prosperous than 1927. Production in all branches of industry has again increased in comparison with 1927, so that the number of unemployed reached the lowest figure in October, 1928, with a total of only 29,397, and in November, 29,919. There was unpredecented activity in the building trade. The volume of foreign trade increased to a total of 40,425 million crowns, compared with 38,062 million crowns in 1927.

(In Million Czech Crowns.)

	1927.		1928.
The exports amounted to	20,125	..	21,229
The imports amounted to	17,937	..	19,196
Export surplus	2,188	..	2,033

There was a large increase in the export of manufactured articles, especially in shoes. On the other hand, there was also a corresponding increase in the imports, both of raw materials and of manufactured goods, leaving, however, a surplus of 8,745 million crowns in the export of manufactured goods.

The currency remained stable, and the position of the Bank of Issue was considerably strengthened by the increase of the holdings of gold and gold currencies to some 3,500 million crowns, whereas the circulation of banknotes amounted to about 7,000 million crowns on the average. The official bank rate remained at 5 per cent. during the whole year. In 1928 the last remains of the Floating Debt were consolidated and the American Loan of 1925 was paid off through a conversion operation on the home market. The Budget shows again a surplus of 9 million crowns, and the State expenditure appears to be stabilised at around 9,500 million crowns a year. The wholesale

index number stood at 955 in December, 1928, as compared with 987 in June, 1928, and with 975 a year ago, whereas the index of retail prices was at 900 on November 1st and 928 on June 1, 1928. The total of capital issues in 1928 amounted to 300 million crowns. There was again a slight rise in the number of bankruptcies, but a decline in creditors' arrangements, whereas the total excess of liabilities over assets was again lower than in the previous year (353 million, as against 426 million). The harvest in 1928 was slightly better than in 1927, with an increase in the yield of wheat, barley, and rye, but a decrease in the yield of sugar-beet and oats.

HUNGARY.

General conditions were satisfactory in 1928. The financial part of the reconstruction which was worked out by the League made further progress. Treasury receipts in the budgetary year ending on June 30th amounted to 961.4 million pengös (£34,500,000), as against 901 million pengös in the previous fiscal year. Taxation is heavy; several tax remissions were made during 1928 without, however, endangering the equilibrium of the Budget, which produced a surplus of 95 million pengös in 1927-28. There will be a much smaller surplus this year owing to the increased pay of civil servants and the effect of the tax remissions.

The Government has appointed Dr Bud, the Finance Minister, to work out an economic programme as Minister of Economics without portfolio. Hungary, after trying a highly protective tariff policy in 1925, considerably lowered her tariffs without obtaining equivalent reductions from her neighbours for the agricultural surplus of the country. The high industrial tariffs proved to be an onerous burden on this mainly agricultural country, and it may be hoped that their reduction will improve economic conditions.

The grain harvest was excellent, but the fodder crop was very much behind last year's average. The large grain surplus brought very low prices, and farmers were so reluctant to part with their stocks that the year ended with a deficit of foreign trade amounting to 366 million pengös, as against 346 millions of 1927. Imports were at 1,185 millions pengös, as compared with 1,146 millions in 1927; exports totalled 819 million pengös, as against 800 millions. The heavy adverse balance is explained by the foreign borrowing of Hungary, amounting to 260 million pengös for long-term loans, and about 100 million pengös for short-term and merchandise credits. These credits were used mainly for investments in order to increase the productive capacity of the country. The money market was easy in the first half-year, but rates went up as the American short-term credits were withdrawn in the second half of the year, and the National Bank was compelled to raise its discount rate from 6 to 7 per cent. on October 1st. Owing to the scarcity of internal capital, and the withdrawal of the foreign short-term credits, the bills portfolio of the National Bank had increased at the end of December to 417 million pengös, as against 332 millions in 1927, whereas the metal cover had decreased, owing to the temporary stoppage of the grain export, to 255 millions, against 311 millions in 1927. Bank balance-sheets are very satisfactory. Profits and dividends are 10 to 15 per cent. higher than in 1927. The consumption of coal has increased, but that of iron has declined. Consumption of sugar, milk and liquor has so substantially increased that it is suspected of an adverse effect on the savings of the country. Wages and prices do not show any substantial change. The Stock Exchange was dull throughout the year.

ROUMANIA.

The event of outstanding importance is the fall of the Liberal Government under Monsieur Vintila Bratianu, and the coming to power of the National-Peasant party, led by Monsieur Maniu. The country has made an important step forward in democratic government by shaking off the iron grip of a party which had dominated the political situation since the war. The change was the direct result of the late Government's economic policy. Meanwhile, the economic situation of Roumania has not shown a change for the better. The stagnation of business prevalent in 1927 became more and more acute as the past depressing year wore on. The Treasury receipts to the end of December show a deficit of 7,500 million lei, which will be aggravated by an important loss in the administration of the railways. The foreign trade balance is deficient by over 5,000 million lei, against a favourable balance of about 4,000 million in 1927. The harvest of maize, the most important cereal for this country, amounted to 2.5 million tons only, against 3.5 million tons in 1927 and over 6 millions in 1926. The export of cereals is down to a minimum, owing to the low prices in the world markets. On the other hand, the production of petroleum has made good progress; but export has been unremunerative owing to the low world prices. The industries of the country have not done well, although protected by a high tariff. They are handicapped partly by the diminished purchasing power of the population, partly by lack of funds, The result of these adverse circumstances is seen in the enormous increase in protested bills, bankruptcies, and moratoria. Nevertheless, there is now hope that with the new direction of economic policy a gradual return to prosperity will be effected. effected. But the road will be hard.

JUGOSLAVIA.

The year 1928 marks an improvement on 1927. Maize and hay have been poor, but wheat yielded a bumper harvest of 28.7 million quintals, 47.5 per cent. above the average. Exports improved in quantity, but little in value, amounting for 11 months to 5,875 million dinars. With imports for the same period at 7,286 millions, as against 6,648 in 1927, a considerable trade deficit is certain. This partly explains the shrinkage of the National Bank covering from 452 million gold dinars at the end of 1927 to 339. Fortunately, the increased imports are chiefly in the form of investments, consisting of railway material, rolling stock, industrial plant, and hardware. Besides railway and road construction, other symptoms of activity have been the growth of municipal enterprise, the continued boom of the timber industry, and the rise of a new textile industry. The index figure remained stable at 1,566, as against 1,558 in 1927, but bankruptcies fell to 917, compared with 1,060 last year. The deficit in the Budget for the first half-year amounted to 768 million dinars. Banks are preparing to pay the same dividends as last year—*i.e.*, from 6 to 10 per cent., with occasional increases. Foreign capital helped the amalgamation of a number of bigger banks, and showed interest in industrial enterprise and mining. Government securities improved throughout the year, in spite of the severe political crisis, which much injured internal trade and for a time stopped the influx of foreign capital.

BULGARIA.

As a consequence of relatively poor crops and of unfavourable prices of agricultural products, the foreign trade balance closes with a deficiency of at least 800 million leva, as against a credit balance of 510 million leva for 1927. The earthquakes in April checked the slowly improving tendency of the financial situation. The conclusion of the Stabilisation Loan, on the other hand, was a timely help to the weakened position of the Treasury and the National Bank, and rendered possible the effective stabilisation of the currency. Monetary conditions improved further; the official discount rate was reduced from 10 to 9 per cent. Business has improved, and there has been a marked increase in buying on the part of peasant consumers. Agriculture showed increased activity, backed by a growing use of better methods of cultivation. In spite of a rise of 33⅓ per cent. in Customs duties, import trade has been, and continues to be, active.

SCANDINAVIA.

DENMARK.

In 1928 prices and foreign exchange quotations in Denmark were very stable. The official wholesale price index showed a figure of 153 in January, 155 in June, and 151 in December. For the entire year of 1928, as for 1927, the index figure was 153, but in the latter part of 1928 a considerable improvement in the prices of export goods took place, and this was very important to agriculture. For the first half-year the index for export goods showed a figure of 131 and for the last six months it was 146, while the figure for import goods was reduced from 149 to 145. The crops were considerably better than in 1927, and the general agricultural situation has thus improved in the latter part of 1928. The aggregate agricultural exports are estimated to amount to about Kr. 1,160,000,000, against about Kr. 1,100,000,000 in 1927. In the period January-November the exports of bacon reached a total of 250,100,000 kilos, against 230,700,000 kilos in the corresponding period of 1927. At the same time, the exports of butter were increased from 129,900,000 kilos to 135,400,000 kilos, while the exports of eggs declined from 39,500,000 scores to 36,400,000 scores. The deficit of the visible balance of trade is estimated at Kr. 100,000,000 for the entire year, against Kr. 111,000,000 in 1927 and Kr. 135,000,000 in 1913. For the first 11 months of 1928 the value of imports was Kr. 1,591,000,000, against Kr. 1,497,000,000 in the corresponding period of 1927, while at the same time the value of the exports was increased from Kr. 1,413,000,000 to Kr. 1,510,000,000. In the manufacturing trades there was some improvement, and the percentage of unemployed month by month was below the figure for the corresponding month of 1927, viz., 29.6 per cent., against 31.8 per cent. in January, 15.5 per cent., against 18 per cent. in June, and about 25 per cent., against 31.6 per cent. in December. The income of the mercantile marine in foreign trade will presumably have been a little less than last year, but is believed to be as much as Kr. 180,000,000 to Kr. 185,000,000. The Budget for 1929-30 shows income estimated at Kr. 320,000,000, against estimated expenditure Kr. 316,000,000.

NORWAY.

The return to the gold standard was made as from May 1st, the krone rising slowly from 18.31 to the pound in January to 18.22 in May. Since July the sterling quotation has been practically stationary at 18.19. Foreign-trade statistics show a surplus of imports over exports of about 325 million kroner, as against 306 million kroner in 1927. On the other hand, the net earnings of shipping, whaling, and tourist traffic exceed those of 1927 by several million kroner, so that the net deficit of the foreign balance of 1928 approximately equals that of 1927, viz., about 75 million kroner. Industry had a year of progress and increased activity, and in certain branches wage agreements secured peace for a couple of years ahead. It was a difficult year for agriculture and forestry. The fisheries recorded increased catches and net earnings, and whaling experienced a period of expansion and unusual public interest. To shipping the first half-year was a dead period, while the second half-year brought a considerable improvement of the position. The joint-stock banks had a year of consolidation and reconstruction, and the last stages of the return to normal conditions are now practically accomplished. With most of the banks the turnover has been on the increase. The money market was tight during the first quarter of the year, and Bank rate rose from 5 to 6 per cent. Later on the stringency relaxed, and since March 27th the Bank rate has been 5.5 per cent. Unemployment figures were lower than in 1927, and the cost-of-living index sank from 194 to 184.

SWEDEN.

The events which set their stamp on economic development of Sweden in 1928 were the labour disputes in the sawmills, pulp and paper mills, and the iron mines—the most important export industries of the country. These disputes broke out at the beginning of the year, and lasted in the three first-named branches until the middle of April, and in the mines until the end of August. As the value of the exports of these industries amounted in 1927 to about £50 millions, or 56 per cent. of the total exports of the country, it will be evident that the effects of the conflict must have been widespread. Production in the leading industries fell, according to *Svensk Finanstidning*, from 120 in 1923-4 (end of 1927 = 100) to 70 in February, and remained at a very low level until May. After the termination of the disputes there was a rapid recovery, and since October the index number maintained a remarkably high level. The final result of 1928 was therefore satisfactory, even if not so good as the exceptional year 1927.

As far as one can judge, the excess of imports will amount to about Kr. 170 millions, as compared with an excess of exports of Kr. 36 millions in 1927 and an excess of imports of Kr. 70 millions for 1926. The decline in shipments of iron ore was 56 per cent. to 4.25 million tons. Against this the mechanical industries show a continued and vigorous expansion; motors, 18 per cent.; ball-bearings, 20 per cent.; electrical machinery, 26 per cent., and telephones, 36 per cent. Similarly, in the iron and steel industry there is visible the beginning of a recovery. The considerable excess of imports is largely to be attributed to the poor harvest of 1927. Fortunately the 1928 harvest was considerably better. The demands on the money market connected with the unfavourable balance of payment, export of capital, and the rising tendency of discount rates abroad compelled the Riksbank, which at the beginning of 1928 lowered its discount rate to 3½ per cent to raise it to 4 per cent. in May and 4½ per cent. in August.

FINLAND.

The economic progress which marked the last few years reached its climax in 1928, only to slacken in some spheres, and even to fall off to some extent. Owing to a cold and rainy summer and autumn the harvest turned out less favourably, its value being estimated at 4,300 million marks, compared with 5,280 millions a year before. Imports were heavier than ever before; their value came to 8,012 million marks, as against 6,386 millions in 1927. Exports, on the other hand, amounted to approximately the same figure as for 1927, or 6,243 million marks, so that there was a surplus of imports amounting to 1,769 million marks. Industry worked at full pressure, and its gross production was estimated at 13,500 million marks, compared with 12,382 millions for the previous year. Owing to the worse position of the timber market, the output of the sawmills was restricted, and exports of sawn goods fell off to 1,146,500 standards from 1,283,100 standards in the record year 1927. At the same time, the production of the paper trade increased appreciably, and exports of cellulose increased 30 per cent., of mechanical pulp 35 per cent., and of paper 9 per cent. Plywood exports grew by 45 per cent. Building operations deserve special notice, as they were exceptionally active, and were considerably in advance of conditions during the preceding record year. Owing to the circumstances referred to, the demand for credit was extraordinarily large. During the first half of the year the banks were able, thanks to ample deposits received, and by increasing their own funds, to satisfy demands without difficulty, but since June there has been a growing stringency on the money market. The Bank of Finland was obliged on two occasions to raise the bank rate by altogether 1 per cent. to 7 per cent., but the stringency grew in spite of this up to the end of the year, when a considerable relaxation set in. The year was satisfactory for the banks, which generally show favourable annual results. Several of them have raised their dividends. During the year two large foreign loans were taken up, a Government loan of 15 million dollars in February at 5½ per cent. interest and a loan of 10 million dollars in October at 6 per cent. by the Municipal Mortgage Bank. The former was used entirely for redemption of older foreign indebtedness.

THE NEW BALTIC STATES.

The completion of the first decade of the independent existence of the New Baltic States offers a convenient opportunity to investigate the economic progress made in that period. Here we must emphasise the great difficulties which had in every case to be overcome, such as the creation and stabilisation of new currencies, erection of an efficient financial and administrative organisation, repair of war damage and communications, the introduction of agrarian reform, and the general consolidation of the machinery of the State. On the top of these difficulties there had in some instances also to be faced the problem of feeding and housing a large starving population. Bearing these facts in mind, the progress made has been remarkable if uneven; of necessity it has been slow, and by no means the least of the many obstacles has been that of interesting foreign trade and capital, and inspiring confidence abroad. It is, then, fair to say that perhaps the most difficult stage has been passed and that the auguries for the future, if no internal or external political complications supervene, are satisfactory.

ESTONIA.

The economic position showed a decided upward curve during the first half-year, but during the last six months there was a marked decline. Agriculture suffered from a partial if not general failure of the harvest, but full crop results are not yet to hand. Barley and oats especially showed a shortage, although other cereal crops are said to have been satisfactory, and the resulting necessity to import seed, corn, and animal foodstuffs led to a considerable expansion in the imports of foodstuffs and so helped to cause the first slightly unfavourable balance of trade since 1925. Details of flax production are not available, but the quality of the crop is said to have suffered from unfavourable weather. Potato production fell 25 per cent. below the normal. The financial position shows decided improvement with the reform of the currency and the erection of the State bank for long-term credits, and the strengthening of the position of the Eesti Bank credit conditions are much easier than in 1927, and money and other rates considerably lower all round. The general easing of credit conditions has also contributed in part to the increased import of agricultural machinery, manures and means of transport, so that given favourable conditions, trade and agriculture should show a better result next year. The trade balance shows a deficit of 4.2 million Ekr, imports being 131 million Ekr, and exports 127.1 million Ekr, a total turnover of 27.9 per cent. more than in 1927. In that year imports stood at 96.4 million Ekr, and exports at 105.8 million Ekr. Imports during 1928 were greater by 36.2 than in 1926 and 1927. Exports were higher by 20.1 per cent. Amongst exports dairy produce, timber, textiles, paper, and leather goods show the principal increases. Butter exports at 33 million Ekr showed an increase of 20 per cent. The cost of living index continued its previous rise, and on September 1st stood at 112, as against 105 on January 1, 1913, being taken as 100. As regards banking and finance, loans granted by the joint stock banks at end of September, 1928, totalled Ekr. 64.4 millions, an increase of 36 per cent. on the same period of 1927. Bills in circulation rose from 215 millions to 235 millions. Loans granted by the State banking institutions showed a similarly satisfactory expansion. Deposits were 40 per cent. higher in the joint stock banks, and 50 per cent. higher in the Co-operative banks. An important industrial development last year was the production of motor spirit from oil shale on a commercial basis, and the placing of this production on the market.

LITHUANIA.

Agriculture, cattle breeding and forestry are the principal industries of the country, and in agriculture, grain, and flax cultivation and dairy farming are the most important sections. The 1928 harvest was late, owing to a cold summer, and final results are not yet available. As compared with 1927, the production of the principal crops in 1,000 tons is approximately as follows:—

	1927.	1928.		1927.	1928.
Rye	540 ..	480	Oats	240 ..	286
Wheat	145 ..	198	Peas	56 ..	65
Barley	187 ..	160	Vetch.....	60 ..	54

Root crops as a whole are likely to be inferior to those of last year. Co-operative production and sale of agricultural and dairy products made further progress. Butter export is an important feature, and increased from 500 tons in 1924 to 2,000 tons in 1927, and satisfactory progress is expected to be recorded for 1928. Foreign trade is well maintained, but the visible trade balance has been unfavourable for the past two years. The values in millions of lits during recent years have been as follows:—

	Imports.	Exports.	Surplus (+) or Deficit (—).
1923	156	146	— 10
1924	206	266	+ 60
1925	252	246	— 6
1926	240	253	+ 13
1927	265	245	— 20
1928 (11 months) ..	272	234	— 38

The principal exports are flax, foodstuffs, cellulose, woodpulp, and rough timber. The absence of local industries accounts largely for the unfavourable trade balance, but over 3,000 tons of machinery were brought in during 1927, and industry is slowly developing, the chief hindrance being lack of capital. Factories of all kinds have increased from 3,000 before the war to 5,400 in 1927. The entrepôt trade is an important feature, and during 1927 over 22 per cent. more freight to a total of 1,500,000 tons was carried than in 1926. In banking the combined balance of 30 establishments showed an increase of 352 million lits or over 25 million lits on the 1927 figures. Foreign currencies—securities held were 67 million lits, as against 62 millions, and net profits were 3.5 millions, as against 2.6 millions. Discounts increased by 14 millions to 54 millions, and loans by 27 millions to 104 millions. The Budget has shown a favourable balance since 1918-19, revenue increasing from 95 millions to 185 millions between that date and 1928 (eight months), and expenditure from 90 millions to 172 millions. The excess of revenue over expenditure for the eight months of 1928 amounted to 13.5 millions. The continued failure to settle the disagreement with Poland, and the closing of this frontier to traffic and trade, still act as a clog to Lithuania's economic development, but it is hoped that the good offices of the League of Nations will lead to a satisfactory settlement.

LATVIA.

Progress has been made in the period under review, but the absence of recent statistics makes a correct estimate difficult to arrive at in some directions. Imports have increased in value from 107 million lats in 1922 to 130 millions in the first half of 1928; and exports from 101 million lats to 120 millions in the same periods. The monthly average of imports and exports has shown a constant increase month by month both in weight and value. A period of intensive development is indicated in the near future, and the importance of Latvia as the bridge between West and East should not be overlooked in view of possible developments in Russia. This transit trade totalled 472,000 tons in 1925, 626,000 tons in 1926, 846,000 tons in 1927, and 442,000 tons in the first six months of 1928. Railway and steamer traffic generally show a similar expansion; new railway extensions have been built or are projected, and the mercantile marine exceeds its former tonnage. The financial position of the Bank of Latvia is again satisfactory, an increase in turnover being recorded, whilst the general position is liquid to a satisfactory degree.

B.—BRITISH EMPIRE.

CANADA.

By common consent the year 1927 was reckoned the most prosperous in the Dominion's history, but according to all the accepted indices it has been surpassed by 1928. The Dominion Bureau of Statistics, in its monthly review, published a series of weighted indices of the seasonal volume of business based on the six-year period from 1919 to 1926 (= 100) and corrected where necessary for seasonal variation. The subjoined tables give some of the figures for November, 1928, as compared with November, 1927 :—

	November, 1927.		November, 1928.
Carloadings	121·0	....	133·5
Bank debits	152	....	160·1
Trade	124·5	....	132
Manufacturing	140·3	....	173
Building construction	184·5	....	167·0
Mining	151	....	169
Forestry	175	....	194
Newsprint	221·8	....	258
Pig iron	64·5	....	162
Steel	123·23	....	165·5
Automobiles	88·0	....	156·9

Only the construction figures show a decline, but it was due to temporary conditions, and in reality the country experienced a building boom—an increase of 18 per cent. over the total for the first eleven months of 1927. Many new enterprises in the field of hydro-electric development were launched. The majority of manufacturing plants were operated well up to their full capacity, and some of them for the first time in many years were compelled to reject orders. The iron and steel plants and railway equipment firms have had an excellent year, and the motor plants, the farm implement, furniture and cotton mills, were all busy as a result. The woollen mills also did not fare badly, but they are still agitating for better protection from British competition. Employment figures throughout the year were higher than ever before, and the problem of winter employment is not serious at present. The inflow of British immigration was again disappointing, but a large supply of cheap foreign labour was admitted.

Mining, Fishing, &c.—The mining industry in recent years has become an increasingly important factor in the national economy. Remarkable results were obtained during the year from some proven mines like the Frood properties of the International Nickel and Mond Nickel companies, and a great deal of exploration and development work was undertaken. The only real black spot in the economic horizon of Canada has been the newsprint industry, which, as the result of a sharp fall in the prices of newsprint caused by over-production, has been passing through a very difficult time. Both the great railway systems have had a record year and show a notable increase in their net earnings. The purchasing power of the rural community will be rather lower this winter than last; otherwise, all the signs count to a continuance and probable expansion of prosperity in 1929.

Foreign Trade.—The data for the twelve-month period ending November 30th, which are given below with parallel figures for 1927, will not be materially different from the calendar year's total :—

TWELVE MONTHS ENDING NOVEMBER 30.

	1927.		1928.
	$		$
Imports	1,085,630,230	..	1,210,959,686
Exports (Can.)	1,226,481,091	..	1,349,181,137
Exports (For.)	19,919,356	..	23,893,368
	2,332,030,677	..	2,584,034,191

There has accordingly been a gain of approximately 252 million dollars in the aggregate foreign trade, which is almost equally shared between imports and exports. The trade balance would have been substantially larger if the prices of grain, which constitutes the largest item of export, had not fallen. Canada's total trade with Britain in this period increased by some 47½ million dollars, of which 10 million represent increase in imports.

Banking and Federal Finances.—There was an abundance of domestic capital available for all reputable enterprises, and the money markets of the United States have not abated their partiality for Canadian investments, while London is also showing a kindlier disposition to them. During the twelve months ended November 30th demand deposits increased by 16 million dollars, and saving deposits by 93 million dollars. In the same period there was an advance of 158⅛ million dollars in current loans.

Despite the tax reductions of the last Budget Federal revenues amounted for the first three quarters of the current fiscal year to $347,838,102, as compared with $325,551,698 for the parallel period of 1927. Expenditures during the same period have risen from 259 to 269½ millions. The net national debt stood on December 31, 1928, at $2,218,603,434, as compared with $2,281,479,535 on December 31, 1927.

Commodity and Security Prices.—The downward price tendency revealed in 1927 continues, and the general wholesale index of the Dominion Bureau of Statistics is computed at 147 for the year, as compared with 152 in 1927. The decline was largely due to the fall in grain prices. The cost of living was practically unchanged as compared with 1928. Clothing was higher in price, but fuel was lower, and food, rent, and sundries were practically stationary. The stock markets have enjoyed another boom year. The investors' index of the Bureau of Statistics, which takes 100 as the base for 1926 and covers 103 of the best-selling industrial and public utility stocks rose from 152.2 in January to 193.4 at the end of December.

Crops.—The largest single industry of the Dominion is still agriculture, which, with its ancillary occupations, gives employment to almost half the population. The acreage planted to field crops in 1928, placed at 59,410,000 acres, showed a notable gain over the figures for the two preceding years, which were respectively 56,172,000 and 53,108,000 acres, and up to the beginning of August there was, particularly in the Western provinces, the promise of one of the best grain crops on record. The ultimate volume of the yield was well in excess of 500 million bushels, whereas the highest previous yield was 475 million bushels, and the average for the quinquennial period 1922-26 was about 390 million bushels. The yield of barley, estimated at about 135 million bushels, was also a record, and other crops were abundant. Unfortunately the quality of the crop was seriously impaired by the autumn weather, and the following figures, published by the Bureau of Statistics, reveal that the aggregate value of the field crop of Canada for 1928 will be substantially lower than the figure for 1927 and 1926 :—

VALUE OF AGRICULTURAL PRODUCTION.

	$
1928	1,051,043,000
1927	1,134,192,600
1926	1,104,983,100

The dairying industry had a good year, and there was a notable change in its orientation, as the butter export trade has practically vanished on account of heavier domestic consumption and an increased demand for milk and cream from the United States. Thanks to higher prices the livestock industry has improved its position.

WOOD, GUNDY
&
COMPANY LIMITED
(Incorporated in Canada)

HEAD OFFICE:
TORONTO, CANADA.

GOVERNMENT, MUNICIPAL, PUBLIC SERVICE AND INDUSTRIAL FINANCING

Branch Offices:

In Canada—
Montreal — Hamilton
Ottawa — Winnipeg
London — Vancouver

In United States—
14 Wall Street — New York

In Great Britain—
14 Cornhill — London, E.C.3

AUSTRALIA.

Production.—The dry weather prevailing at the beginning of the year 1927-28 did not affect production as seriously as was feared. The wool clip amounted to 2,670,000 bales, which was slightly in excess of the estimate, and only 42,000 bales below the previous year's figure. Prices were slightly higher this year, averaging 19.92d per lb. The 1928-29 clip is estimated at 2,800,000 bales. The area under wheat for the 1927-28 season was about 12¼ million acres, and the total yield 116,743,666 bushels. Better weather conditions cause the coming season's estimate to be placed at 160,000,000 bushels, from an area of 14 million acres. The production of butter totalled 280,770,000 lbs, compared with 252,531,059 lbs in 1926-27. Exports to the United Kingdom amounted to 82,924,500 lbs, valued at £5,710,062, representing 83.5 per cent. of the total exports. Wine production amounted to 16,000,000 gallons, a decrease of about 3½ million gallons on the previous year. The estimate for 1928-29 is over 19,000,000 gallons, a record vintage being expected.

Trade.—The following table shows Australia's total oversea trade, and reveals a continued excess of imports over exports :—

Year.	Imports. £		Exports. £
1913	79,749,653	....	78,571,769
1925-26	151,638,178	....	148,562,209
1926-27	164,744,927	....	144,775,541
1927-28	148,116,549	....	141,595,159

The value of imported goods decreased in most classes. The United Kingdom was not affected by the decrease to the same extent as the United States, where £5,000,000 less was spent on luxury goods, motor cars, &c. Australian imports from the United Kingdom amounted to £63,097,058, and exports to £52,809,000; for the United States the figures are £34,593,142 and £8,955,000 respectively. The principal items of export were :—

Commodity.	1926-27. Quantity.	Value.	1927-28. Quantity.	Value.
	Lbs.	£	Lbs.	£
Wool	770,071,100	60,053,358	742,689,400	66,066,545
Wheat	4,435,518,900	20,785,414	3,182,541,400	14,629,899
Flour	986,928,200	6,254,316	867,590,000	5,229,463
Butter	76,516,500	5,447,224	99,164,400	6,903,890
Frozen meat	205,713,300	3,685,414	215,758,300	3,565,297

Finance.—The following table shows the accounts of the Commonwealth and States as at June 30, 1928 :—

	Revenue.	Ordinary Expenditure.	Loan Expenditure.	Gross Public Debt.
	£	£	£	£
New South Wales	44,320,330	45,415,326	14,278,000	245,247,907
Victoria	26,566,864	26,730,217	9,016,208	158,033,469
Queensland	16,718,070	16,707,564	4,038,884	111,733,969
South Australia	11,346,903	11,621,834	4,932,317	90,612,402
Western Australia	9,807,909	9,834,415	4,680,259	76,427,764
Tasmania	2,962,687	2,867,605	404,486	24,872,785
Six States	111,722,763	113,176,961	37,350,154	706,928,296
Commonwealth	76,670,222	82,120,459	*33210588	494,129,100
Total	188,392,985	195,297,420	70,560,742	†1,201,057,396

* Including £24,497,985 loans to the States.
† After deducting £123,433,781 for debts twice counted, the total gross debt amounts to £1,077,623,615.

In the New South Wales Budget the figures of all business undertakings were separated from the ordinary Government finance. The figures given above are made up as follows :—

	Revenue. £		Ordinary Expenditure. £
Governmental	19,052,791	....	19,276,596
Business undertakings	25,267,539	....	26,138,730
	44,320,330	....	45,415,326

Another change is the reclassification of the sources of revenue into (1) revenue from taxation, (2) earnings of departments, and (3) receipts from the sale of State assets, such as land, timber, and minerals. The plan of the estimates of expenditure has been altered to show in much greater detail the cost of each department, and there are separate estimates of business and industrial undertakings. The public debt of Australia per head is £172. The Commonwealth raised six loans during the financial year 1927-28; three in London, totalling £22,000,000; two in New York, totalling £18,493,784; and one conversion and redemption loan in Australia of £36,000,000. Of the money raised in London and New York, the Commonwealth's liability is £13,600,165, and that of the States £26,893,619. The Financial Agreement for the co-ordination of all oversea borrowing, whether by Commonwealth or States, necessitated an amendment to the

Constitution, which was ratified by a majority of 1,462,982 on November 17, 1928. This agreement ensures freedom from clashing between Australian applicants to the London market, and an adequate sinking fund, which will extinguish all existing debts in 58 years, and all future debts within 53 years. The net earnings of all the railways for the year amounted to £9,942,000.

Banking and Prices.—The net profits of the Commonwealth Bank amount to £170,830 for the half-year and £493,640 for the year ending June 30, 1928. The reserve fund is £389,272. Under the Commonwealth Bank (Savings Bank) Act of 1927, all Savings Bank business is transferred from the Commonwealth Bank to the Commonwealth Savings Bank, whose profits for the half-year to June 30, 1928, are £179,994, and whose reserve fund is £1,165,295, of which £1,075,298 was transferred from the Commonwealth Bank. The retail cost of living figure, taking the year 1914 as 100, fluctuated during 1927-28 from 151.8 to 158.6 and stood at 149.7 in September last.

NEW ZEALAND.

In New Zealand the year witnessed a remarkable increase in production and export and a continued economy in purchases abroad, with the result that the year ended with an excess of exports over imports of £11,302,215. This, except for one abnormal post-war year, is a record trade balance for New Zealand. Two years previously the Dominion had an excess of imports over exports of £4,613,988 :—

FOREIGN TRADE of NEW ZEALAND.
(Million £'s.)

	1924.	1925.	1926.	1927.	1928.
Imports	48·5	52·6	49·8	44·7	44 8
Exports	52·6	55·2	45·2	48·4	56·1

Public Finance.—The following is a condensed statement of the national balance-sheet for the past two financial years, and only the principal items of revenue and expenditure and the respective total amounts are shown :—

(000's omitted.)

REVENUE.	Year Ended March 31.		EXPENDITURE.	Year Ended March 31.	
	1927.	1928.		1927.	1928.
	£	£		£	£
Customs	8,252	7,942	Interest	8,450	8,397
Beer Duty	621	609	Sinking Fund & Funded Debt Reduction	1,295	1,360
Stamp and Death Duty	3,379	3,504	Pensions	2,515	2,511
Post and Telegraphs	3,226	3,323	Post and Telegraph Expenses	2,343	2,297
Income & Land Tax	4,654	4,328	Education	3,900	3,756
Railways (interest on capital liability)	2,043	2,130			
Total Revenue	24,943	25,123	Total Expenditure	24,355	24,944

The gross debt at March 31, 1928, was held as under :—

Where Held.	Amount.
	£
New Zealand	107,470,429
Australia	4,168,850
London	139,756,973
	251,396,252
	Gross Annual Charge.
	£
Interest	11,070,353
Annual sinking funds	7,000
Repayment of funded debt	386,224
Public debt repayment account	1,053,559
Total gross charge	12,517,136

For the year 1926-27 revenue is estimated at £24,676,900 and expenditure at £24,498,549.

Production.—A healthy progressive increase in production was shown for the year in all the chief export lines. In dairy produce, wool, mutton and lamb, honey, apples, and skins and hides, besides smaller lines, there were substantial increases over 1927 in the quantities exported. This was a most satisfactory feature. Farmers have shown during the year a marked determination to improve their pastures by artificial manures applied, and also to cull out their flocks and herds. The present year opens with bright prospects. The following are the values of the principal exports for the past two calendar years :—

	1927.	1928.
	£	£
Wool	12,961,744	16,679,098
Butter	10,915,390	11,302,667
Cheese	5,582,596	6,695,951
Frozen meat	8,631,368	9,631,017

INDIA.

Trade.—After recovering approximately to pre-war level in 1927-28, India's grand total of exports, imports, and re-exports during the eight months April to November, 1928, amounted to Rs. 386 crores. While imports totalled 166 crores (−0.1 per cent.) exports, including re-exports, rose by 10 crores, or 5 per cent., to 220 crores; imports of treasure (private and Government) increasing by 294 lakhs to 23,93 lakhs, Exports of treasure advanced by 2,44 lakhs to 4,91 lahks, due mainly to larger shipments of silver. The total visible balance of trade in these eight months was 34,25 lakhs, against 27,13 lakhs in April-November, 1927, and 17,19 lakhs in 1926. In the same period a decline of Rs. 4 crores in imports from the United Kingdom has coincided with larger imports from Germany (plus one crore), France (plus half a crore), Italy (76 lakhs), and other European countries, purchases from Japan meanwhile declining by one crore and from the U.S.A. by three crores. Imports of cotton piece-goods declined in yardage and value, despite the prolonged suspension of production in Bombay mills resulting from labour troubles. Steel manufacture has been resumed, after a period of labour disputes, and it is calculated that, within a few years, the Indian output of finished steel will reach 600,000 tons, while the steady increase in consumption will prevent any decline in imports. In certain other cases, however—as, for example, matches and cement—expansion in local manufacture threatens eventually to eliminate imports.

Finance and Exchange.—The process of adjustment to the new ratio is proving difficult and prolonged, and compensatory measures are required in respect of industries whose difficulties have been accentuated. The chief economic requirement of India is an intensive and concerted effort to increase the very low purchasing power of the cultivator by implementing the recommendations of the Agricultural Commission. The financial outlook remains promising; the chief problem will be to satisfy the insistent demand for further sacrifices of Central revenues to meet Provincial exigencies. The appointment of a Banking Commission is forecast.

SOUTH AFRICA.

At various dates during 1928—some locally appropriate and some otherwise—almost the whole Union had good rain. In certain districts of the central Cape Province this had been so long delayed that its arrival served rather to assist in rehabilitation than to prevent disaster. The price of wool latterly showed some weakness, but it closed at more than 1s per pound as against the pre-war price of 6d. The 1928 maize crop was 19,169,613 bags, the third largest on record. It was exceeded in 1923 and 1925, but exceeded 1927 by 5.01 per cent. The actual result differs by less than 50,000 bags from the final estimate of the Agricultural Department.

Public Finance.—The Budget revealed a surplus of £1,750,000, revenue being £29,672,000 and expenditure £27,922,000. The policy of the Treasury appears to be to create surpluses by conservatism in estimating revenue, especially Customs Revenue.

Trade and Production.—According to figures published by the Department of Customs and Excise, direct overseas imports and exports of the Union of South Africa and the Mandated Territory of South West Africa are expected to amount respectively to about £75·3 millions and £39.6 millions (latter figure excluding gold and diamonds). Exports of gold amount to about £45·5 millions. The gross duty on the imports amounted to about £10 millions. Gold production will once again constitute a record for the industry, by a margin of some scores of thousands of ounces, although the exact figures are not yet available. The diamond trade is flourishing even amid the difficulties of constant fresh discoveries, whilst the prospects of platinum and an awakening interest in base metals adumbrate a sound future for the South African mineral industry. The recent prosperity of the primary industries might well make the Government cautious in the details of its policy of fostering manufactures in view of the comparatively elementary stage of development of the country as a whole.

Prices throughout the Union have been fairly steady with a tendency downward if anything. The Union's figures of cost of living increase in various parts of the country in relation to pre-war levels vary between 26 and 42 per cent.—much of which is due to internal policy in customs and railage matters.

IRISH FREE STATE.

Agriculture and Trade.—The economic recovery of the Irish Free State, which started in 1927, made more rapid headway in 1928. Cattle prices advanced substantially during the year, the size of herds reached record levels, and exports increased, both of live and dead meat. The dairying industry continued to expand, and the grading of butter on the same lines as that of eggs produced similar good results, the standards sold improving on this market, under the pressure of Government inspection. The new central butter marketing organisation started operations in the spring, and marketed about three-quarters of the Free State output. A minority within the scheme has caused some trouble, and the future of the project is in doubt. Crops on the whole were satisfactory, though with wide differences in various localities. The acreage under sugar beet and the output of the sugar factory was larger than in 1927. The Agricultural Credit Corporation also started granting credits in 1928; over 1,000 applications were received, and over £100,000 loaned to farmers.

The unfavourable balance of trade has been reduced by 25 per cent. in less than two years. The continued extension of road traffic has brought on a crisis on the railways, and certain sections will presently revert to single track. Clothing and boots and shoes were produced in greater quantities for the domestic market. The electricity board set up by the Government is proceeding with its programme to electrify the country. Both on construction and on finance the Shannon power project continues to hold to schedule. Ford's motor plant at Cork has been transferred to Manchester, and the tractor plant of the company shipped from Detroit to Cork, which, it is expected, will mean the employment of about 3,000 hands at the Cork works—three times as many as the motor production employed.

Finance.—By making earlier collection of certain excise duties, &c., on the lines of the devices adopted by Mr Churchill in his 1927 Budget, the Budget of the Irish Free State for 1928 was prepared without any large increase in taxes. With the further decline in excise concurrent with the drop in beer and spirits production, and the approaching disappearance of the pool of income-tax arrears, the 1929 Budget seems to demand either increased taxes or economy, though the commitments of new undertakings are already fixed. The new paper currency was issued. Bank clearings increased 4 per cent. in the year, the first break in the hitherto uninterrupted decline since 1922.

C.—OTHER COUNTRIES.

UNITED STATES OF AMERICA.

General Conditions.—The year 1928 witnessed unusually high industrial and business activity, and all previous records were surpassed. Beginning in an atmosphere of doubt with fairly heavy unemployment, the outlook for the year was uncertain. By March a marked and substantial industrial expansion had set in which was maintained throughout the year. Records of production were shattered in the basic industries, while increased corporation profits reflect the high rate of consumption. Net profits of the leading corporations (industrials, utilities, and railroads combined) during 1928 will probably set a new record for all time.

The favourable factors in the industrial situation at the end of the year were a widespread confidence in existing conditions; a relatively high rate of employment at high wages, with the cost of living fairly stationary; agricultural purchasing power improved; inventories low; and an expanding export trade. These factors were offset to a certain extent by high money rates, a frenzied stock market, and some evidences of price-cutting in order to secure sales volume.

Banking.—Money rates were considerably higher in 1928 than in the preceding year, although commercial credit was available throughout the year at fairly stable and moderate rates as a result of deliberate policy by the banks. Call loans in January averaged 4.25 per cent., contrasted with an average of 8.75 per cent. in December. Brokers' loans totalled $5,091,427,000 for the week ended December 26, 1928, compared with only $3,717,662,000 on December 28, 1927. Commercial loan rates rose from about 4 per cent. in January to 5½ per cent. at the close of the year. The volume of credit extended by the Federal Reserve banks was increased during the year from $1,598,000,000 on December 28, 1927, to $1,899,000,000 on December 26, 1928. Holdings of United States Government securities by the Reserve banks fell from $603,000,000 in

National Bank of Commerce
in New York

Chairman of the Board
JAMES S. ALEXANDER

President
STEVENSON E. WARD

Capital Paid up	$25,000,000
Surplus	$40,000,000
Undivided Profits	$5,000,000

The National Bank of Commerce in New York places complete banking services at the disposal of its customers throughout the world, bringing them into contact with all phases of commerce and industry in the United States.

LONDON REPRESENTATIVE
2 and 3, Crosby Square
Bishopsgate, E. C. 3

NATIONAL BANK OF COMMERCE IN NEW YORK 1839

1927 to $232,000,000 in 1928. Discounts and advances to member banks rose by $558,000,000 to $1,167,000,000, while open market bill purchases were greater by $104,000,000. The gold reserves of the Federal Reserve banks fell during the year by $155,000,000, which was a much smaller loss than the net loss of gold to the United States, the latter amounting to about $400,000,000. The ratio of reserve to the combined note and deposit liabilities of the twelve Federal Reserve banks fell to 61.6 per cent. on December 26th, as compared with 66.8 per cent. on December 28, 1927. Bank clearings for the year totalled $634,358,711,000, as compared with $555,151,414,000 in 1927.

Public Capital Issues.—These were slightly lower in volume than in the preceding year, judged by figures for the first eleven months of the year. The total will probably reach approximately $9,500,000,000, as compared with the record established in 1927 of $9,871,000,000. The total new foreign loans floated during 1928 numbered 210, and the nominal capital of the new issues amounted to $1,188,879,000, or $185,000,000 less than in 1927, with refunding operations amounting to $237,000,000 additionally during the same period. Foreign refunding operations in 1928 were on a larger scale than in any year since 1924. The total foreign capital issues for the year amounted to $1,425,789,000, as compared with $1,593,000,000 for 1927.

Production and Trade.—Steel production in the past year reached a new high level with a total output of ingots of 50,300,000 tons, a marked increase over last year's production of 43,041,000 tons, and 7 per cent. increase over the previous record year, 1926, when total output reached 46,936,000 tons. Contrary to precedent, the last half of the year made a better showing than the first, with operations at the close of the year at nearly 86 per cent. of capacity. Pig-iron output for the year was 37,837,804 tons compared with 36,232,306 tons in 1927. The total unfilled orders on the books of the United States Steel Corporation, on December 31, 1928, amounted to 3,976,712 tons, as against 3,972,874 tons on December 31, 1927, and 3,960,969 tons on the same date in 1926. Production of automobiles and trucks broke all records with a total of 4,630,000 units, of which 4,044,000 represent passenger cars, as compared with a total of 3,400,000 units and 3,066,000 passenger vehicles in 1927, and 4,300,000 units and 3,936,000 passenger cars in 1926, the previous record year.

The volume of new building construction in 36 States (the only States for which statistics are available) was the greatest of any year on record with contracts totalling $6,404,770,000, an increase of 5.3 per cent. over the 1927 figure, and 3.9 per cent. over the previous record total of $6,120,994,000, established in 1926. Engineering contracts awarded in the United States during 1928 totalled $3,578,585,000, as against $3,253,766,000 in 1927, the construction consisting chiefly of waterworks, sewers, bridges, streets and roads, &c. Railroad car loadings totalled 51,576,731 for the year, representing a decrease of 0.1 per cent. compared with 1927. though through greater operating efficiency freight traffic earnings were increased. Railway passenger traffic in 1928 was the lowest in twenty years. Production of bituminous coal was lower in 1928 than in 1927 or 1926, with 492,755,000 net tons last year, compared with 517,763,000 tons in 1927 and 573,367,000 tons in 1926. Merchandise exports for the year 1928 were valued at $5,129,132,000, against $4,865,375,000 for 1927. Total imports for the year were $4,089,930,000, against $4,184,742,000. This is the largest excess of exports since 1921. Commodity prices remained remarkably steady during the year.

Public Finance.—The gross public debt of the United States Federal Government has been reduced from a maximum of about $27,000,000,000 in 1919 to about $17,309,749,000 by December 31, 1928, representing a reduction during the calendar year 1928 of $726,603,315. The Government's financial position on December 31, 1928, was about $233,000,000 behind that of December 31, 1927. If the ratio of receipts to expenditure is maintained for the remaining half of the fiscal year, there will be a surplus on June 30, 1929, as the excess of receipts for the last fiscal year was $398,828,000. The principal Treasury operations during 1928 centred in the refunding and retirement of the Third 4½ per Cent. Liberty Loan, which matured September 15, 1928. This brought to a close the vast operations begun some eighteen months before by which over $5,000,000,000 in maturing issues of Liberty bonds were retired or refunded.

ARGENTINA.

Production and Export.—The year 1928 shows some increase in the volume of production and a well-maintained average of prices for the most important articles. Estimated values of the export trade for the first 11 months give a total of $950,979,000 gold, this being $25,436,000 gold above the 1927 total for same period, or 2.7 per cent. Comparative tabulation of the quantities shipped to the end of November for the last three years reads thus :—

Shipment.	First 11 Months, 1926.	First 11 Months, 1927.	First 11 Months, 1928.
Wheat.....tons	1,992,279	3,993,216	4,923,860
Maize ..... „	4,113,328	7,591,777	5,972,923
Linseed ..... „	1,662,652	1,799,837	1,850,691
Oats..... „	525,600	580,988	295,004
Quebracho extract .... „	208,558	229,445	240,302
Chilled beef.....quarters	4,395,154	5,543,563	4,965,084
Frozen „ ..... „	2,124,438	2,382,533	986,533
Mutton & lamb ....carcases	1,894,806	2,963,766	2,969,456
Wool .....bales	291,238	310,509	280,675
Cotton ..... „	109,088	44,503	80,689

Diminished demand by Great Britain, and restrictive measures enforced on the Continent, explain the drop in meat exports. According to recent indices, built up by the newly established Bureau of Economic Investigation attached to the Banco de la Nacion, prices of cereals and wool have risen as compared with 1927, all other produce showing a slight decline in values. Taking 100 as the basic figure for all agricultural and pastoral produce prices for 1926, the index figure for 1928 (October) is 109, as against 106.3 for 1927. Railway traffics (July 1st to December 28th) are up by £250,000 compared with same period in 1928.

Import Trade.—For the first 11 months of 1928 imports are valued at $825,584,000 gold, being $47,104,000 gold, or 6 per cent. above the 1927 returns for same period; in both instances estimated actual values, not tariff values, being considered. For the first 10 months of 1928 and 1927 the following table indicates, mainly in a quantitative sense, the chief increases in Argentina's purchases :—

(In gold dollars, 000's omitted.)

	1927.	1928.
Foodstuffs, tobaccos, liquors.....	61,700	66,800
Textiles	118,700	143,500
Chemicals and drugs	33,900	34,800
Paper	21,500	24,400
Wood	20,100	19,000
Iron and steel	68,300	89,800
Machinery, including motor-cars..	73,100	95,300
Non-ferrous metals.....	23,500	26,400
Stone, earth, glass, ceramics	23,300	27,600
Fuel and lubricants	96,700	107,800
Rubber and rubber goods	19,900	18,400
Sundries.....	34,300	40,800
Total	595,000	694,600
Specie	66,600	99,400

The increase in the values here shown springs from a considerable increase in the amount of merchandise imported, prices having steadily fallen. Taking 100 as basic for 1926 (imports first ten months), the 1927 index gives 97.6, and that for 1928 only 89.9. Total liabilities in commercial failures to year-end were $148,424,916 paper, as against $221,504,828 paper for the year 1927.

Banking and Finance.—During the first half of 1928 the exchange was favourable to Argentina, rates fell below specie point, permitting the import of approximately £20,000,000. The best rates touched were 102.80 N.Y. (January 2nd) and 47 57-64d

London (January 30th), banks' cable drawings. During the third quarter exchange fell away and approximately £2,000,000 gold was shipped. Gold stocks at the year-end are roughly £128,000,000, of which £98,000,000 is in the Conversion Office and £30,000,000 in banks (£28,000,000 with Banco Nacion). No national borrowing of importance marked 1928, and the various parcels of internal credit bonds offered to the market by the Ministry of Finance have been readily absorbed, prices of 6 per cent. national and mortgage bonds rising throughout the year until at the close they stand at or above parity. A marked increase in the number and importance of private local investors is characteristic of the year, but applies only to Cedulas of the National Mortgage Bank and to National and Provincial bonds. Dealing in shares of public companies—industrials, &c.—has declined 7.6 per cent., compared with 1927. The Budget for 1929, passed with a total of $732,797,000 paper cash and $158,000,000 paper bonds, means an increased outlay of about $55,000,000 paper; which sum additional revenue is expected to provide without fresh taxation. Customs receipts—Buenos Aires—to December 26th were $352,626,126 paper, or $34,540,208 over the 1927 figures. Local money market conditions have been easy to weak throughout 1928, with rates for discounts and advances averaging 6 per cent., and much business done under that figure. Competition accounts for the paradoxical fact that there has been no reduction in the rate paid for deposits—namely, 4 to 5 per cent. per annum. Total bank deposits on November 30, 1928, were $4,022 million paper, an increase of $372 million in twelve months, while discounts and advances at $2,970 million paper only shows an increase of $140 million.

BRAZIL.

The commercial situation was dull throughout the year. The new Minister of Finance (Senhor F. C. de Oliveira Botelho, ex-President of Rio de Janeiro State) adopted Dr Washington Luiz's financial reforms, as he considered a stabilised exchange essential for the country's welfare. Federal Government indebtedness was modified and amortisation and interest on numerous loans resumed. Further recourse to paper currency or treasury notes to balance public revenue and expenditure was arrested. Increased vigilance in tax collection considerably benefited revenue. The Caixa de Estabilizacao, working efficiently, received gold from various sources and issued convertible notes in increasing volume; a steady increase in the building-up of metallic reserve took place. In May the gold milreis value was officially established in terms of paper currency at Rs. 4.567, corresponding to a little over 5.116-128d to the milreis.

The foreign debt, amounting to £109,284,477, 335,553,830f, and $156,890,267, showed an increase of £6,853,657 and $36,506,433, and a decrease of 935,067f on the previous year's figures. The consolidated internal debt amounted to 2,435,367,300 milreis, or 43,306,000 milreis more than in the previous year. The inflow of gold resulting from State loans was substantial.

Agriculture and Industries.—Agricultural production was estimated at over 9,350,000 tons of various crops, the average value being £187,000,000, a slight increase. Coffee, notwithstanding long-continued frosts which damaged crops in Paraná and Sao Paulo, where snow fell for the first time since 1892, took first place, followed by maize, tobacco and sugar.

The Administration retained entire control over coffee shipments, but while the major part of the crop was disposed of by producers, it was considered improbable that they received the full benefit of the high range of currency prices maintained by the Coffee Defence Institute. Prices were well maintained throughout the year, despite the growth of production in other countries. At $220 a bag, coffee gave the planter and other coffee interests a handsome return on capital. The Brazilian 1929-30 crop, at first estimated at 20,000,000 bags, was later judged at 30 per cent. below that figure owing to lack of rain. From all other sources 7,000,000 bags, or a total of 27,000,000 bags, were estimated against world consumption of 24,000,000 bags. For the first half of the year sales realised £35,196,000, representing 75 per cent. of the value of Brazil's exported articles. For preserved meat and animal products export prices showed a rising tendency, similar improvements being recorded in the case of raw cotton, cacáo and oil-producing fruits.

The greater part of Brazilian raw cotton was consumed within the country, and several additional textile mills, fitted with British machinery, were erected. While production of raw cotton continued to decline, special attention was given to improving the standard of quality and also to constancy in classification of types. British exports of cotton fabrics decreased in comparison with those from the United States, which shipped also considerably larger quantities of cotton and rayon mixtures. Manufacturers reported more favourably regarding business, losses through failures being fewer, except in Rio. On the other hand, sales were substantially less in value than normally. New iron foundries were established, and the number of pottery, china, aluminium, glassware and furniture factories increased. Good quality cement was manufactured in two or three new centres. The Ford Industrial Company of Brazil was formed with a capital of 8,000 contos, the principal stockholder being the Ford Motor Company, the object of the company being the planting of rubber trees, the extraction of rubber and manufacture of rubber articles. Trade with Argentina continued to expand.

General economic conditions improved slightly, industrial stocks being disposed of more freely. The cost of living increased materially, touching 280 (1913 = 100).

CHILE.

Political conditions, except for certain unimportant Ministerial changes and a Communist plot—easily suppressed—earlier in the year, were tranquil; but an earthquake, one of the worst recorded, besides destroying hundreds of lives, caused £6,000,000 material damage. The National Treasury service was reorganised and provincial and communal treasuries placed under General Treasury's supervision. The 1928-29 Budget, estimating receipts at $1,123,000,000 and expenditures $1,068,000,000, showed a $55,000,000 (paper) surplus. To reduce extraordinary debt and provide funds for public works, fiscal 8 per cent. bonds for an unlimited amount at par were issued, occasioning decline in mortgage bond issues. All Government bonds, if accepted by the national Government at par for any guarantee, were exempted from income-taxes. The Central Bank assumed the duties of the Fiscal Treasury abroad, and superintendence of all Government requirements in foreign markets. State railways earned during seven months sufficient to defray all expenses, and leave 27,000,000 pesos net profit.

Banking.—Bank deposits increased by 38,000,000 pesos in the first half-year. The Central Bank showed increased profits and a large active balance. All banking operations were placed under the joint control of the superintendent of the Bank and Banco Central de Chile. The Instituto de Credito Industrial (Industrial Credit Institution) was established to aid small local industries by debenture loans. Cajá de Credito Hipotecário floated an American 6 per cent. (and 1 per cent. amortisation) loan for $20,000,000 (33 years), to amortise its 8 per cent. bonds. Taken over at 91¾, the issue was offered publicly at 95¾, and oversubscribed. For a local $25,000,000 7 per cent. (and 1 per cent. amortisation) loan, applications totalling $61,598,000 were received. Two other American loans for $45,912,000, 33 years, at 6 per cent. (and 1 per cent. amortisation), at 89½; and $4,000,000, 21 years, 7 per cent. (and 1 per cent.) at 100¼, were floated. Outstanding fiscal debts were paid off and the national finances put on a more solid basis. Twenty-three municipalities applied for permission to issue loans at varying interest and

amortisation rates. Contracting rates were unified at 7 per cent. for internal and 6 per cent. for foreign loans, while all foreign loans appreciated following a slight fall after the December earthquake.

Public works estimated to cost 1,575 million pesos (246,500,000 pesos during 1929) were started. All oil concessions, except to Chilian subjects, were suspended. Several measures affecting trade and shipping were passed, and a new Customs tariff was issued. A new insurance law was promulgated tending to further nationalisation of commercial activities. The harvest was delayed 45 days, and crops, while of average quantity, were inferior in quality. Diplomatic relations between Chile and Perú, severed since 1913, were resumed.

Nitrates.—The nitrate position greatly improved, nearly 70 of the oficinas, employing 45,000 men, being in operation at the close of the year. The Government, though it again helped the industry, refused to alter export duties during the year July, 1928, to June, 1929. Should the Stickstoff Syndicate reduce its prices, all deliveries for consumption are entitled to a bounty or premium equivalent to such price reduction, enabling the Chilian product to be marketed on equal terms. From July 1 duties were paid by 90 days' sight bills without interest, to keep the oficinas working and ease the immediate financial situation for the producers; in November the Finance Minister authorised credits to producers for payment of export duty. Under the new arrangement, the Nitrate Producers Association's "Sales Corporation" began in September, and prices were fixed for various markets. The industry's prospects seemed brighter than for several years, notwithstanding that some producers found difficulty in meeting expenses.

OTHER SOUTH AMERICAN STATES.

Colombia.

The year, generally, was favourable. National revenue for 1929, estimated at 65,658,668.96 pesos, and expenditure at 60,097,804.33 pesos, showed a surplus of 5,560,864.62 pesos. Banking was almost uniformly favourable, and several new branch establishments were opened. Exchange was steady throughout. In June, specie was the highest on record, at 97,986,396.24 pesos. Foreign loans contracted included the following:—In March, for public works, Federal 33-year, 6 per cent. issue for 35,000,000 pesos, in New York; Caldas Department, 12,000,000 pesos, 20 years, 7 per cent., at 13 per cent. discount; Cundinamarca Department, 12,000,000 pesos, 33½ years, 7½ per cent.; Mortgage Bank of Bogotá, £1,600,000 (£1,000,000 in London, £400,000 at Amsterdam, and £200,000 in Switzerland); Agricultural Mortgage Bank, $5,000,000, 6 per cent., 20 years; Antióquia Department, $12,350,000 for road construction. Coffee production was satisfactory, both in quality and quantity, with steady prices and good profits; the cattle and hides industries prospered and cotton cultivation was extended.

Ecuador.

The national Budget balanced at 51,588,000, and the extraordinary Budget at 12,327,450 sucres. Eight million sucres, loaned by a Swedish syndicate in return for the match monopoly, were used to found an agricultural mortgage bank. A mortgage bank, authorised capital 15,000,000 sucres, was started in Quito, with a branch at Guayaquil. The cacáo crop was small, coffee and hides realised lower prices.

Peru.

Economic conditions were at first dull, but they brightened considerably towards the close of the year, mainly as a result of the success of the $35,000,000 national loan. The 1928 Budget, balancing at £P11,113,650, was passed; that for 1929 showed £P12,450,636 revenue and £P12,927,472 expenditure. Exchange on London remained steady round about 23 until the autumn, when it rose to between 19 and 20 per cent. premium. The Deposit and Consignment Bank was appointed to collect all revenues excepting those serving as specific guarantees for foreign loans; a new tariff law went into effect, and the Emergency Law was suspended. The Peruvian Corporation returned its guano concession in exchange for a fee-simple title to the railways in operation; several new concessions for railways, irrigation, highway construction, silk, condensed milk factories, &c., were granted. Agriculture was fairly prosperous, and crops generally good. Oil, sugar and ore exports reached higher levels. Cotton production was affected by absence of rains. Sugar prices showed uncertainty, and a local planters' committee was formed to safeguard the industry. An agricultural experiment station was opened at Ica, and new coffee-raising areas were settled. Mining activities were normal. Unemployment lessened, full quotas of labour being engaged in mining, oil and textile industries and railway construction. Renewal of diplomatic relations with Chile beneficially affected business. The gold cover of the note circulation of the Banco de Reserva advanced from 84 to 91 per cent. The Peruvian Corporation for the first time in its history paid the full 5 per cent. preference dividend.

Uruguay.

The public debt, $215,751,856.06, compared with $218,144,479.85 in the previous year. Wheat, maize and linseed were fair; wool, especially higher qualities, sold at remunerative prices, but scab and worm were noticed in certain districts. A law was sanctioned conceding to the State bank free administration of gold held in excess of $55,000,000. Seventeen banks were in operation, and a new institution, Banco Constructor e Industrial del Uruguay, was launched with an initial capital of $1,000,000, to be increased to $3,000,000.

Bolivia.

Frontier disputes with Paraguay threatened trouble, but were peacefully arranged. Economic conditions remained depressed, and collections were difficult. The exchange was steady. Mining showed little change; a loan of 4,000,000 bolivianos was contracted for the construction of a highway from La Paz to Yungas.

Paraguay.

A $1,000,000 (Argentine paper) Government 7 per cent. loan, was raised for public works. The entire Budget was renewed owing to non-presentation of a fresh budget for the 1927-28 period. The City of Asunción Budget was authorised at 13,580,500 pesos. Money remained scarce and payments were delayed; wholesale houses restricted up-country credits. Export trade was poor, with lower prices for staple products; imports changed little. Tobacco and yerba maté were affected by heavy rains. The cotton crop, twice that of the previous year, realised an average price of $5.50 per kilo; ginned cotton reached 2,400 tons. Dr. José P. Guggiari was elected President. Threatened rupture with Bolivia was avoided.

Venezuela.

The Budget showed a favourable balance of 113,000,000 bolívars; the national debt was 78,000,000 bolívars. An agricultural bank, capitalised at 30,000,000 bolívars, and a labourers' bank capitalised at 6,000,000 bolívars, were initiated. Petroleum companies continued their development, and production exceeded 10,000,000 barrels monthly. The coffee crop, which is expected to reach 1,000,000 bags, was retarded by rains; a fair-sized cacáo crop of superior quality was garnered.

Mexico.

Political unrest continued. General Obregón, President-elect, was assassinated, and several foreigners murdered. An economic social consultative commission, with representatives of the Government, the workers, manufacturers, business men, farmers, bankers, scientific societies and consumers was appointed; 376 co-operative agricultural societies, 24 co-operative forestry societies, one co-operative transportation association, and nine agricultural banks were organised. Banking credits and the value of the peso were

regulated. Reserves for national petroleum deposits were created, and a petroleum law for settling foreign disputes was introduced. Land, over 4,000,000 hectares in area, was distributed between 500,000 holders. The financial situation improved: while petroleum tax returns remained disappointing, tax revenues exceeded estimates. Revenues increased 12,000,000 pesos (£1,200,000) compared with the previous year. The sum payable for the service of the foreign debt was fixed at 32,500,000 pesos (£3,250,000). The 1929 Budget, estimated at 270,000,000 pesos, showed a reduction of over 21,000,000 pesos from the Budget of previous year. The Anglo-Mexican Claims Commission sat and adjourned.

West Indies and Central America.

Exceptionally violent cyclones visited certain West Indian islands, occasioning widespread material damage and numerous fatalities. Haiti suffered severely, but Central American States escaped. The Costa Rica coffee harvest was 25 per cent. under normal, and price 8 per cent. lower. General trade was dull, but credit continued sound. San José Municipal Highway Commission raised 5,000,000 colónes for streets, sewerage and drainage system construction The public debt amounted to 80,047,942.41 colónes. Guatemala's public debt totalled 18,608,219.34 quetzales; business was poor, commercial credits restricted, and interest rates around 1 per cent. per month. The coffee crop promised well. An Economic Commission of seven members reported upon national finances. Panamá's foreign debt amounted to $10,245,500. A consolidation bill was passed, in March, and a New York 5 per cent. loan of $12,000,000 was raised to redeem outstanding 1914 and 1926 loans, the surplus being employed on public works. In El Salvador, premature coffee ripening, with heavy rains, caused anxiety; but conditions improved later. In Nicaragua political calm, after violent revolutions, was restored; business improved, retail sales increased, and credit conditions became better. The Budget of Honduras balanced at 10,705,620 pesos; trade conditions were normal, but banana shipments were excellent, and coffee and other food crops good. Cubá's foreign debt reached $83,379,300, and internal debt $10,064,200. A 50,000,000 pesos loan was raised in New York for public works construction. In Dominica, an English specialist arrived to co-operate with Government engineers in the extension of irrigation works.

MALAYA.

Malaya's economic position depends to a very great extent on the prosperity of her two staple products—rubber and tin. The uncertainty which has pervaded the rubber market during the whole of 1928, and more particularly since the announcement early in the year, that the restriction regulations would cease to operate on November 1st, has affected the price of the commodity, which fell from 1s 6d per lb to 1s within a month, and later to under 8d per lb. Since the removal of restriction the price has showed a tendency to improve, and the stocks in Malaya, 32,905 tons on December 31st, are not unduly high. The price of tin has not reached the abnormal heights of a few years ago, but has remained for the most part steady, and has offered a good return to its producers. The output of tin in the F.M.S. last year amounted to 61,898 tons, an advance on 1927 (52,176 tons), and on 1926 (45,946 tons). The estimated revenue of the Federated Malay States for 1928 was £11,165,625, and the expenditure £12,041,666. The expenditure of the Straits Settlements was assessed at £4,357,289; the actual figures in all three cases are not yet available. Malaya's financial position has been particularly sound for some years past, in spite of the fluctuations in the prices of rubber and tin, which have affected every section of the population. The financial

THE
LIVERPOOL
AND
LONDON
AND
GLOBE
INSURANCE COMPANY, LIMITED.
FIRE - LIFE - ACCIDENT - MOTOR - MARINE

FUNDS EXCEED
£22,000,000

CLAIMS PAID OVER
£141,000,000

HEAD OFFICE:
1, Dale Street, Liverpool.

LONDON:
Chief Office: Cornhill, E.C.3.

General Manager & Secretary - - HUGH LEWIS.

policy of the administration continues on sound lines, and progress is being made with extinguishing the public debt. Apart from rubber, exports of which amounted to 408,695 tons (gross) last year, some interest continues to be taken in the oil palm, for which a prosperous future is predicted if its cultivation is carried on on scientific lines. Exports of oil palm and oil palm kernels are increasing steadily each year, as the area in bearing expands. Interest is also being taken in the nipah palm, with the object of obtaining alcohol for industrial purposes. The Singapore pine canning industry has received encouragement from the efforts of the Empire Marketing Board, and the exports of Singapore pines are on the upward grade. The railways continue to provide a substantial source of income to the States, and further stretches of line have been opened duing the year. Upwards of 1,120 miles of line are now open. The system employed for licensing "chandu" (opium) shops has again resulted in satisfactory returns to the Government.

JAPAN.

The post-crisis financial consolidation has made good progress during 1928. But no general trade revival materialised. Many branches of staple industries continued working short time. The foreign trade record was discouraging during the latter half of the year. With less good crops of rice and cocoon the agricultural situation was far from reassuring.

Public Finance.—The working Budget for 1928-29 estimated expenditure at 1,709,126,000 yen, a decrease of 49.8 millions upon the preceding year, and of 70 millions upon the estimates which fell through owing to the dissolution of the Diet. The national accounts for the first six months ended September 30th last disclosed revenue amounting to 428,796,000 yen and expenditure to 609,337,000 yen, as compared respectively with 409,571,000 yen and 623,666,000 yen for the corresponding period of 1927. Tax revenue revealed a fairly large increase of 8.8 million yen. The Budget estimates for 1929-30 show estimated expenditure of 1,752,816,000 yen, against estimated revenue of 1,580,138,000 yen. This is an increase of 43.6 million yen upon the current year. Of the deficit of 172.6 millions, 91.2 millions is to be met by a new loan and the rest from the preceding year's surplus. The total national debt rose by 379 millions to 5,766 millions during the first 11 months of 1928.

Money.—Money remained easy throughout the year. Funds were in plentiful supply, and short loans were sometimes offered at as low as 1.1 per cent., the lowest on record. Despite the "emergency loans" advanced to combat the banking crisis of last spring, note expansion was checked by the successful attempt of the Bank to regain control by selling securities, and the note circulation did not rise far above the average level of 1,200 million yen except during month-ends. The yen exchange fluctuated very widely during the year, the range being from \$44$\frac{3}{4}$ to \$48$\frac{1}{4}$ in terms of the American dollar. The American dollar was quoted at \$45$\frac{7}{8}$ and sterling exchange at 1s 10$\frac{11}{16}$d on December 24, 1928, as compared with \$46$\frac{1}{4}$ and 1s 10$\frac{3}{4}$d at the same date in 1927.

Trade.—From January 1st to December 20th imports were valued approximately at 2,120,496,000 yen and exports at 1,909,781,000 yen. As compared with the corresponding period of 1927, imports rose by 17 millions, while exports fell by 16 millions, the apparent adverse balance being thus 33 millions higher at 210 millions. For the first 11 months imports of rice fell by 46.8 millions, raw cotton by 76.5 millions, oil cake by 13 millions, while raw wool rose by 14.9 millions, wheat by 11 millions, iron and steel by 11 millions, and machinery by 10 millions. On the export side, cotton yarns and manufactures fell by 40.5 millions and raw silk by 18.4 millions, while sugar rose by 8.8 millions and flour by 7.8 millions.

Production and Prices.—The rice crop is officially estimated at 59,701,000 koku, or a decrease of 2,403,000 koku against the actual yields of the preceding year, but 1,698,000 koku above the five years' average. The wheat crop is placed at 21,120,000 koku, against 20,938,000 koku in 1927. The output of cocoons totalled 89,893,000 kamme, or a decline of 1,083,000 kamme upon the preceding year.

The Bank of Japan's index number of wholesale commodity prices (taking the average for July, 1914, as a basis) was 182.2 for November last, as against 177.2 a year ago.

THE DUTCH EAST INDIES.

The present economic position of the Dutch East Indies is in most ways satisfactory. Good profits have been yielded by the principal agricultural undertakings as a whole, though the shadow and uncertainty due to the removal of rubber restriction in British territories has had its repercussions in Java, Sumatra, and other rubber-producing Dutch islands. The rice crop has greatly increased during the past two years, and only small imports from foreign sources are now necessary. According to the most recent reliable foreign trade estimates, imports have increased by about 17 per cent., and exports by 7 per cent. Import trade prospects have greatly improved during the last year. Exports from Java of some of the principal products for the first seven months of 1928 were:—Cinchona bark, 3,525 tons; robusta coffee, 22,050 tons; S.H. sugar, 339,541 tons; S.H. No. 16 sugar, 126,336 tons; dry milled tapioca, 136,648 tons; leaf tea, 35,936 tons; rubber, 34,211 tons; tin, 17,348 tons; native rubber continues to be produced in large quantities in Sumatra and Borneo. The railways and postal services have prospered, and the increase in railway traffic during the last twelve months for which figures are available was 5,000,000 fl. The Government coal mines, on the other hand, have not been so successful owing to the low price of imported coal and difficulties in obtaining native labour. Sumatra is becoming increasingly important as a trading centre, and as a productive territory. In the East Coast district there are upwards of 70,000 hectares of British rubber out of a total of 217,000 hectares. The oil palm is coming rapidly to the fore, and there are over 30,000 hectares under this crop in the East Coast district. This crop will soon be able to challenge the West African interests. Capital to the extent of upwards of 40,000,000 fl is sunk in oil palms on the East Coast, as compared with 305,000,000 fl in rubber, 120,000,000 fl in tea, and 7,000,000 fl in copra. Budget figures for the past year are estimated at: — Expenditure, 793,066,696 fl; revenue, 747,544,315 fl. The deficit is accounted for mainly by the fact that the colony provides substantially for naval needs, and that a substantial sum is sent home to Holland. Considerable extensions have been made in the trade relations between the Dutch East Indies and Australia, and special facilities are being granted to Australian exporters. Java and Sumatra tea and coffee find favour in Australia, and special tariff remissions have recently been made in favour of Dutch East Indian coffee.

CHINA.

The year now ended has witnessed a remarkable recovery from the ravages of anarchy and internal chaos. Its opening followed closely upon the dramatic break-away from Russian influence, and for twelve months the Chinese nation has been working out its own salvation without alien guidance. Progress towards the ultimate goal of national unity has undoubtedly been made, and although large areas of the country are still subject to militarist rule, there is, in Nanking, the nucleus of a national Government capable of development into a stable central authority. The present leaders have achieved no paltry triumph in concluding tariff treaties with the various Powers, and their success in this respect has strengthened their somewhat nebulous claims to represent the vast Chinese nation.

Beneath the froth of political strife trade has, as usual, carried on in the face of many serious obstacles. Manchuria and the surrounding provinces have enjoyed the protection of Japanese authority, and trade there has accordingly continued to progress. The final struggle for Peking caused serious interruption to the trade of Shantung and Chih-li, and for some months the coal-mining districts were the centre of hostilities. Railway communication between Nanking and Tientsin passed into the absolute control of the military, and is not yet completely restored to civil use. Trade on the Yangtsze has made further recovery from the blight which descended upon it two years ago, but piracy is still a menace, and irregular taxation has been a heavy burden on goods destined for the markets which lie hundreds of miles up the river. Canton and the provinces for which it is the centre have slowly gained ground since the expulsion of the communists in December, 1927, and although brigandage and piracy are rife, there has been a far greater volume of merchandise traversing the waterways than at any time during the past four or five years. The Province of Yunnan, which is practically an independent state, is reported to have had a poor year, chiefly by reason of the export of opium being hampered by an increasing demand for "squeeze" while in transit through neighbouring provinces.

The anti-Japanese boycott, following upon the Tsinan incident, has been maintained throughout the country, and has been particularly intense in Canton. As the year closes the boycott appears to be relaxing, and may soon die out. In the meantime the imports of Japanese goods have fallen off appreciably, and have, in some lines, been replaced by foreign goods. The substitution is, however, not likely to be permanent in view of the advantage held by Japanese manufacturers in low cost of production and short lines of communication.

As regards China's exports there has been some improvement during 1928, but produce from the interior is still hindered in its journey to the coast, except in Manchuria. The coolie traffic, a most important branch of the export trade, has received a set-back by reason of the state of the rubber industry in Malaya.

The outlook for the future is certainly brighter, and there is less apprehension as to the capabilities of the political leaders. The inauguration of tariff autonomy will, no doubt, give rise to a good many difficulties, and it is questionable whether Nanking's guarantee to abolish likin and all irregular duties can be made effective. Much will depend upon the co-operation of provincial authorities whose existence has been threatened by a decision of the Nationalist Government—a decision which appears likely to remain inoperative.

The Customs Revenue figures for 1928 testify once again to the amazing vitality of Chinese trade. The total collections for the year amounted to Haikwan Taels 82,332,000 (at exchange 2s 11$\frac{1}{16}$d, equivalent to £12,028,000), an increase over 1927 of Haikwan Taels 13,597,000, and exceeding the record figures of 1926 by Haikwan Taels 4,210,000. The twelve principal ports all show increases over 1927 except in the case of Harbin and Amoy, where the collections were less by Taels 16,000 and 54,000 respectively. Compared with 1926, the individual port collections are at about the same level with the exception of Canton, which collected Taels 4,618,000 in 1926, but only Taels 3,074,000 in 1928. The inability to recover the ground lost in 1927 may be partly due to the anti-Japanese boycott which has been enforced with greater strictness in Canton than at other ports. All foreign loan services secured upon the Customs revenue have been met, and interest on similarly secured domestic loans has been paid in full. The set-back of 1927, the first since 1918, has been more than made good, and provided the Customs service is kept immune from political interference there is every hope of the steady advance of trade revenue being resumed.

A.D.
1720.

THE LONDON ASSURANCE

Fire · Life · Marine · Accident

ASSETS EXCEED
£11,500,000
Third century of
active business.

1, KING WILLIAM STREET, E.C.4.

Marine Department:
157, Leadenhall Street, E.C.3.

Applications for Agencies invited.

III.—TRADE REPORTS.

The Corn Trade 34
Fruit 36
Livestock 36
Poultry 37
Fish 38

COLONIAL AND FOREIGN PRODUCE.

Tea 38
Coffee 40
Cocoa 40
Sugar 40
Frozen Meat 42
Tobacco 42
Rubber 42
The Oil Industry 43

BEER, WINES, AND SPIRITS 44

RAW MATERIALS.

Cotton 45
Wool 46
Jute, Flax, and Hemp .. 48
Silk 50
Artificial Silk 50
Hides and Leather 50
Chemicals 51
Jute Trade 52
Vegetable Oils & Oilseeds 52
Timber 53

METAL AND COAL TRADES.

The Coal Trade 53
Iron and Steel 55
Minor Metals—
Silver 56
Copper 57
Lead 57
Spelter 58
Tin 58

SHIPBUILDING AND SHIPPING.

Shipbuilding 59
Shipping 60

MISCELLANEOUS.

Engineering 60
Building Trades 62
Soap and Glycerine 62

TEXTILES.

The Cotton Trade 62
Woollen and Worsted Trades 64
Linen Trade 65

I.—THE CORN TRADE.

The fall in wheat prices has been the main event in the trade, after that the appreciation in maize. The Continent has taken Indian corn so freely that Argentina, the principal exporter of the staple, has had a highly prosperous year, placing grain to the extent of over fifty millions sterling. In barley there has been little change, but the excellent quality of the harvest in Great Britain and Ireland and on the Continent has been highly gratifying to maltsters, brewers and distillers. Thus far very little good barley has reached this country from the New World. The scarcity of good oats has continued, and with small imports the low price averaged for English oats must be attributed to other causes than those connected with Free Trade. India has increased her exports of oily nuts (arachis) by 40 per cent. Manchuria, under Japanese tutelage, continues to sell large quantities of oily (soya) beans. The exports of small pulse from India and British Colonies have been very disappointing. The most remarkable development of business during the year has been in Canadian breadstuffs, of which the twelvemonth's exports were 415,433,000 bushels, against 296,742,000 in 1927. As Canadian wheat is—or has been—in high favour with millers, the fall in wheat prices may be ascribed to the influence of these Dominion exports more than to any other single cause. The critical element in the position to-day resides in the low gradings of the Canadian crop, which have recently been about 23 per cent. fit for the loaf, 31 per cent. of "borderland" type, and 46 per cent. feed wheat. The borderland type, No. 4 in the Canadian scale, is just admissible by millers for bread-making purposes in poor years, but its admission of a percentage of frosted, imperfectly ripened and otherwise unfit grains removes it from the category of fair average milling wheat.

Production of Wheat.

An excellent summer from the Atlantic to the Vistula gave good wheat crops to Western and Central Europe, but Eastern Europe did not enjoy good conditions. In the New World a decidedly favourable wheat harvest was reported from the United States, and a first from Canada, where the dreaded late August frosts were escaped. The anticipated culmination of Canadian wheat area with the year 1927 proved erroneous. The 1927 crop was grown on 22,457,000 acres, that of 1928 on 24,115,000. The northward extension of wheat culture is facilitated by the "creation" of new rapidly maturing varieties of wheat. The Canadian farmer can now rely on a choice of sorts safe to ripen in 95 days, and agricultural botany still hopes "to create and fix" a 90-day wheat. The Indian wheat crop of April proved to be overestimated, and the agricultural situation in India is admittedly serious. Probably more wheat *per capita* is eaten, but this is assignable not to taste or prosperity, but to declines in the production of rice and small pulse. The Antipodean countries show Argentina ever increasing her wheat area, the remarkable agrarian law of August, 1925, powerfully promoting arable culture, though at the expense of sheep-farming. Australian wheat areas tend slightly to increase, but the question of freights is here dominant. The eight chief countries in the wheat trade show the following production, in millions of cwt:—

	1914.	1923.	1924.	1925.	1926.	1927.	1928.
British Isles..	33·4	30·0	27·0	26·0	27·6	29·9	26·0
U.S.A.	427·3	423·9	471·5	366·2	453·6	457·0	480·0
Canada	86·0	262·9	147·0	227·7	219·1	243·0	268·0
India	171·2	198·9	197·0	175·5	174·6	175·0	160·0
Argentina	85·6	139·5	112·9	119·0	117·0	120·0	140·0
Australia	20·0	64·8	83·2	65·0	90·0	68·0	80·0
Germany	77·4	56·7	50·4	59·0	60·0	70·0	75·0
France	154·8	156·6	153·0	177·3	135·0	152·0	160·0
	1,095·7	1,333·3	1,242·1	1,215·7	1,276·9	1,316·3	1,389·0

The British yield per acre, 18.1 cwt, was good, but the fall on the acre was serious. Canada had a yield of 20.8 bushels per acre, against 19.5 in 1927. The eight lesser producing regions have increased their total contribution from 300,000,000 cwts to 332,000,000 cwts, mainly in consequence of Italy growing 126,000,000 cwts against 105,000,000 cwts in 1927. Roumania and Bulgaria claim to have increased their wheat production, but the evidence in exports is lacking. Spain has not increased its wheat yield and North Africa is also stationary as a producer. Soviet Russia, to which were assigned by us 200,000,000 cwts for 1927, claimed to have produced rather more than double that quantity, but so far were the figures supplied to the Rome Institute from proving accurate that the lesser reckoning was almost certainly excessive; nor for the 1928 crop, confessedly smaller than that of 1927, do we venture to take a higher figure than 160,000,000 cwts. The Ministry of Agriculture in its report for August 31st on wheat at the end of a cereal year took the step of anticipating net imports by Soviet Russia in the trade year commencing September 1, 1928. Reckoning 332,000,000 cwts for the lesser Powers and 160,000,000 cwts for Soviet Russia, we have a total wheat yield of:—

	Cwt.
1924	1,641,100,000
1925	1,750,700,000
1926	1,776,900,000
1927	1,816,300,000
1928	1,881,000,000

The world production of wheat in 1928 was almost certainly a record since the war, but as extra population is estimated to require an extra supply of not less than 40,000,000 cwts annually, the fall in wheat prices cannot be assigned to increased production. The remarkable essay published by Sir Daniel Hall (formerly Permanent Secretary to the Ministry of Agriculture) on May 7th last asserted that more and not less wheat production was requisite, and was to be obtained through the cheapness and abundance of nitrogenous manure. The fall in prices, in his view, was due to "the weakened purchasing power" of civilised and wheat-eating peoples; in other words, the civilised world is rationing itself.

Supplies of Breadstuffs.

Deliveries of English wheat at the statute markets never afforded a very good clue to total supply into the mills, and since the poultry demand has grown so greatly the index is of still less value. We shall estimate for 1928 that a million tons of wheat grown within the British Isles—the official figures never envisaged Scotland or Ireland—reached purposes of human consumption. This probably is as near as estimates can get; it certainly can involve no degree of error sufficient to affect main conclusions from totals of all supply. These conclusions are that less bread is being eaten and that the 1927 recovery has not been maintained; "the bad figures" for 1926 are, of course, those of the Strike year. Imports in 1928 were large in March and April owing to heavy arrivals from Argentina and Australia; this feature is likely to repeat itself in 1929. The December heavy arrivals were from Canada, and this, too, is a feature which tends to recur. Winter freights come into force on December 1st, and a great effort is made to ship before that date. The small arrivals in September and October are the consequence of a certain slowness in getting the new crops of Canada and the U.S.A. despatched. Grading is requisite, and, as one may imagine, not a little bargaining. The total arrivals of 1928 have not only been very moderate in themselves, but have included less overseas flour than usual. Our mills in 1928 have held their own very well indeed.

Imports (Thousands of Tons)

	1925.	1926.	1927.	1928.
January	409	578	466	382
February	321	308	427	416
March	451	435	524	644
April	421	420	538	521
May	455	331	523	468
June	442	501	654	476
July	512	516	475	494
August	393	570	565	506
September	405	480	535	397
October	440	400	410	380
November	407	402	519	460
December	609	456	431	662
Total	5,265	5,396	6,067	5,695

Adding a million tons to the imports in order to cover the home wheat supply, we get the following totals of breadstuffs consumed in the British Isles:—

	Tons.
1924	7,511,000
1925	6,522,000
1926	6,467,000
1927	7,082,000
1928	6,696,000

It is probable that 310 lbs per capita now suffice for the population, where the new century began with 350 lbs. The diminution began before the war, but it was accelerated by the six years of State control.

The Production of Spring Corn.

Increased production of maize in the U.S.A. and Argentina has been achieved without loss of average quality; increased production of barley in Canada and the United States has accompanied a noteworthy lowering of the standard; reference was made in our review last year to this as a tendency; it has now become a marked fact of great seriousness. Oats were in 1928 a good crop almost all the world over so far as yield per acre goes, but quality in North America was much below the level of ordinary seasons.

Production (in Millions of Cwts).

	Maize.			Barley.			Oats.		
	1926.	1927.	1928.	1926.	1927.	1928.	1926.	1927.	1928.
British Isles..	none	none	none	21·7	21·0	24·0	53·0	54·0	56·0
United States	1,357·2	1,237·5	1,361·0	84·6	115·5	148·0	369·0	324·0	415·0
Canada	3·0	2·4	2·2	45·0	42·7	62·0	120·0	121·5	143·0
Australia	3·4	4·8	5·0	2·6	1·7	2·5	5·0	2·9	3·0
Argentina ..	142·0	152·0	200·0	8·0	10·5	14·0	28·0	35·5	30·0
Germany	none	none	none	52·2	43·0	48·0	130·5	137·3	150·0
France	7·0	10·7	12·0	23·4	25·0	27·0	114·3	115·0	112·0
Total	1,512·6	1,417·4	1,580·2	237·5	259·4	325·5	819·8	790·2	909·0

Australia might do much to supply us with barley and oats, but has apparently no chance of competing against Argentina as a shipper of maize. A freight only half as high, fine waterways to the coast, and wages less than half the Australian unite to make competition out of the question. The Rouse Institute attributes 390,000,000 cwts of barley to North Africa.

Market Prices.

The nation has saved about £7,000,000 in the year in the cost of bread, and it has obtained an improved loaf (in aspect at least) at the reduced price. This is due to the greatly increased percentage of Canadian wheat available. Owners of horses and users of oatmeal have had to pay old prices, and maize, owing to the keen Continental competition for Argentine supply, has advanced more than 10 per cent. in price. Feeding rice has kept up in demand, so that the comparatively high price appears to meet with acquiescence. Feeding sugar has fallen nearly 20 per cent. on the year, and the competition between growers of beet and cane looks like making 1929 a year of record use of this fattening food. The movement towards rapid growth and early maturity in live stock runs parallel with the demand for saccharine and sweetened feeds, of which an unique choice is now upon the market. Cheap potatoes are a substantial boon, especially to the poorer classes. This cheapness and plenty extends to the Continent. The low price of malting (which includes distilling) barley helps "the trade" to bear the very high rate of current taxation on all forms of alcohol. It is adverse unfortunately to arable culture in the barley counties, which, boasting soil and situation peculiarly adapted to the crop, are extremely reluctant to change their traditional forms of agriculture.

Mark Lane Prices per Cwt at the Beginning of Years Named.

	1914.	1924.	1925.	1926.	1927.	1928.	1929.
	s d	s d	s d	s d	s d	s d	s d
Wheat, English..	7 3..	10 0..	13 0..	12 6..	12 3..	11 0..	9 9
,, Canadian	8 6..	11 6..	16 0..	15 0..	13 6..	13 0..	10 9
Flour, English ..	9 0..	11 0..	18 0..	17 6..	17 0..	16 6..	13 3
,, London ..	10 0..	13 0..	20 0..	20 0..	17 9..	17 6..	13 9
,, Canadian	10 6..	14 0..	21 0..	21 0..	18 6..	17 9..	14 3
Barley, Malting..	9 0..	14 6..	20 0..	16 0..	18 0..	16 0..	14 0
,, feeding ..	6 0..	8 9..	12 6..	10 0..	9 6..	10 6..	9 3
Oats, English ..	7 0..	10 9..	10 0..	10 6..	9 0..	10 0..	10 0
,, Argentine	5 9..	8 9..	9 0..	9 0..	8 6..	8 3..	9 0
Maize, F.A.Q. ..	5 6..	9 9..	10 9..	10 0..	7 6..	8 9..	10 0
Rice, feeding....	8 0..	17 0..	18 6..	16 0..	16 6..	15 6..	15 9
Peas, maples	12 0..	22 0..	17 6..	17 0..	18 6..	16 0..	17 0
Sugar, feeding ..	8 0..	25 0..	17 6..	14 0..	15 9..	12 0..	10 0
Potatoes, F.A.Q.	4 0..	7 6..	20 0..	8 0..	7 0..	5 6..	4 6
Bread, household	14 0..	18 8..	23 4..	23 4..	22 2..	21 0..	18 8

The price of bread varies between 18s 8d and 23s 4d per cwt in the area of Greater London, and is usually 23s 4d at seaports and watering-places. Over the majority of British counties 18s 8d is the price. Before the war the ratio of fair average bread to like flour was as 7 to 5, but bakers now claim that it should be as 8 to 5. As regards Greater London two definitions are requisite: (1) what constitutes household bread; (2) what percentages of home and imported wheat are contained in the London flour mixture.

SCOTTISH AUTOMOBILE AND GENERAL INSURANCE COMPANY, LIMITED

HEAD OFFICE: 136 and 138, HOPE STREET, GLASGOW

BALANCE SHEET as at 31st December, 1928.

LIABILITIES.			ASSETS.		
Share Capital—			Investments—		
Authorised, 250,000 Shares of £1 each.			£26,292 19 8 4% Funding Stock at cost		£23,894 15 2
Issued and Subscribed, 150,000 Shares of £1 each on which has been called up 5s. per Share		£37,500 0 0	£26,400 3½% Conversion Stock at cost		19,658 11 0
Due to Reinsuring Companies and other Creditors		11,711 16 10	£117,000 5% War Stock 1929-47 at cost		118,872 3 9
General Reserve		45,000 0 0	£10,000 4% Consolidated Stock at cost		8,886 18 5
Other Reserves—			(*The Market Value at 31st December* 1928 *was* £173,667 0s. 10d.)		£171,312 8 4
For Outstanding Claims	£25,029 3 0				
For Unexpired Risks	79,773 10 5		Sundry Debtors—		
		104,802 13 5	Premiums	£28,931 19 9	
Balance—			General	3,709 15 9	
Brought forward from last year	£21,021 7 6				42,641 15 6
Deduct—			Cash in Bank		12,057 18 1
Income Tax, 1927 £2,298 4 0					
Directors' Fees, 1927 650 0 0					
Dividend, Final, 1927 2,625 0 0					
Transferred to General Reserve 7,500 0 0					
	13,073 4 0				
	£7,948 3 6				
Add—Amount at Credit of Revenue Account	21,674 8 2				
	£29,622 11 8				
Deduct—					
Interim Dividend, 1928	2,625 0 0				
		26,997 11 8			
		£226,012 1 11			£226,012 1 11

ROBERT J. SMITH, *Chairman.* GEORGE F. PAISLEY, *Director.*

GLASGOW, *4th January*, 1929.—We have audited the Books and Accounts of the Scottish Automobile and General Insurance Company, Limited, for the year ended 31st December, 1928, and we beg to report to the Shareholders that we have obtained all the information and explanations we have required. In our opinion the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the Books of the Company.

M'FARLANE, HUTTON & PATRICK, C.A., *Auditors.*

The price of flour made from sound English wheat gives the nation a clue to the cost at which "the staff of life" can be efficiently provided. Any price above this is a "comfort or luxury payment" for appearance and colour.

Imports of by-products, while showing steady increase of the past three years, do not reveal on a somewhat longer comparison any such "increasing dependence on the foreigner," as has been in some quarters asserted. In thousands of tons, imports for the last half-dozen years have been:—1923, 314; 1924, 517; 1925, 418; 1926, 346; 1927, 449; and 1928, 515. Imports of oilcake appear to have culminated in 1926, the returns, again in thousands of tons, being:—1923, 322; 1924, 372; 1925, 467; 1926, 507; 1927, 497; and 1928, 382 only.

Speculation has been less in 1928 than in 1927, and with a new cereal year from September 1st, disposition to buy forward has been below the average. On October 12th the speculative holdings of wheat "for orders" were just half a million quarters, against 1,290,000 a year previously. To-day a futures market in Canadian wheat is in contemplation, but this may fairly be regarded as a case where enterprise is to be distinguished from speculation. The creation in London of an entrepot for fine quality wheat is contingent on both British and Continental millers and merchants being able to arrange for supply beforehand. The Canadian wheat pool has somewhat reduced its range of operations; attempts to form a league of holders to embrace Soviet Russia and the Australian Commonwealth creation in London of an entrepot for fine quality wheat is fully adhered to, and on October 1st its members received 24s per quarter (480 lbs) on account of new crop. This enables them to tide over the winter, and further instalments are released to the farmers as the grain is actually placed. The following table shows the quantity and value of our imports of wheat, &c., in 1913, 1927 and 1928:—

	Quantity.			Value.		
	1913.	1927.	1928.	1913.	1927.	1928.
Wheat from—	Cwts.	Cwts.	Cwts.	£	£	£
Russia	5,011,100	..	..	1,984,964	..	..
Germany	447,800	..	..	162,038	..	..
Roumania	38,600	..	..	14,962	..	..
Turkey	41,000	..	..	11,261	..	..
United States	34,067,944	35,619,001	23,662,487	13,953,072	21,944,763	13,186,725
Chile	765,100	..	..	326,244	..	..
Argentine Rep.	14,756,200	19,452,492	24,399,294	6,137,518	11,752,641	13,838,330
BritishE'stInd	18,765,100	5,014,239	1,548,412	7,998,552	3,184,274	938,277
Australia	10,126,658	14,837,906	10,233,345	4,425,629	9,464,181	6,151,952
New Zealand	56,200	..	..	23,210	..	..
Canada	21,787,900	32,181,355	41,005,422	8,803,949	19,655,849	22,083,030
Other co'ntries	13,700	3,330,822	2,729,350	6,774	2,058,076	1,431,658
Total wheat	105,878,102	110,435,815	103,578,380	43,849,173	68,059,784	57,629,972
Wheat meal and flour:						
Germany	455,800	..	..	241,825	..	..
Belgium	32,100	..	..	17,144	..	..
France	301,700	69,705	103,169	137,803	45,424	59,981
Austria / Hungary	99,691	..	..	74,217	..	..
United States	6,157,644	2,915,726	1,913,686	3,247,423	2,343,607	1,419,123
Argentine Rep.	191,300	810,314	820,716	78,173	439,241	407,700
Australia	349,075	1,776,514	980,568	188,218	1,377,515	696,962
Canada	4,168,563	5,129,087	4,879,538	2,261,783	4,179,276	3,549,075
Other co'ntries	222,280	259,561	224,264	101,185	170,096	123,174
Total	11,978,153	10,960,907	8,926,941	6,347,771	8,555,159	6,266,005
Barley	22,439,248	16,418,510	12,964,167	8,077,100	8,838,592	6,685,034
Oats	18,168,663	5,907,035	7,444,406	5,671,959	2,454,832	3,736,800
Peas	1,978,215	1,463,204	1,701,952	1,006,735	1,764,042	1,907,280
Beans	1,853,468	830,113	1,260,412	806,874	536,913	804,533
Total of grain and flour	220,704,110	195,135,619	177,149,906	84,403,247	110,969,996	97,637,377

FRUIT.

As recorded by the Ministry of Agriculture, the acreage of fruit is maintained on the general level of recent years, but is not up to what it was in the pre-war year of 1913. The total acreage of orchards is returned at 248,000 acres, which is substantially the same as the 1927 figure. A greater decrease is recorded in small fruit, the 69,200 acres returned in 1927 having fallen to 64,700 acres, a reduction of 4,500 acres (or 6.5 per cent.) in the current year. This shrinkage is mainly due to a reduction in the strawberry acreage, which has gone down by 2,800 acres to 20,000 acres. There is every reason to believe that the 248,000 acres of top fruit are a more highly productive agency than the pre-war 243,000, and that the output stands for a much higher grade article. The acreage in potatoes decreased, but the yield estimated at 3,513,000 tons for England and Wales is nearly half a million tons more than in 1927, and to them are to be added 1,032,000 tons, the produce of Scotland, also on a less acreage. The yield per acre is 7.2 tons, compared with the ten-year average of 6 tons. The year will stand out in the history of the industry for two things, both of which are emphatically in the interest of the home-grower. We refer to the order under the Merchandise Marks (Imported Produce) Act, 1926, under which imported fresh apples have to bear an indication of origin, either "Foreign" or "Empire," and to the introduction and operation of national standardisation of grade and package in its application to the marketing of home-grown fruit. 1928 is no different from any other year with regard to adverse weather affecting the success of activities in food production. Pests have also played their part, but not to an epidemic extent, although aphis was troublesome and scab prevalent. In no kind of fruit was there actual scarcity, and, on the other hand, there were no gluts. —*The Fruit Grower.*

The following table shows the area and yield of potatoes in the last three seasons for this country and some of the largest of the world's producing areas, as estimated by the International Institute of Agriculture:—

	Area (Thousand Acres)			Yield (Thousand Centals of 100 lbs).		
	1926.	1927.	1928.	1926.	1927.	1928.
England and Wales	499	514	489	61,891	68,432	78,691
Germany	6,820	6,918	7,033	662,066	807,841	818,127
Poland	5,902	5,949	6,102	548,481	700,148	617,076
Czechoslovakia	1,605	1,608	1,666	111,261	200,826	151,485
U.S.A.	3,163	3,476	3,825	214,680	241,645	277,766
Totals for 22 countries	27,251*	22,802	23,467	2,393,565*	2,494,663	2,363,309

* 28 Countries.

LIVESTOCK.

By the courtesy of the Ministry of Agriculture we are able to give the following advance table, showing the numbers of livestock in England and Wales halfway through 1926, 1927 and 1928 respectively, as compared with the average for the years 1918 to 1927. The figures are collected annually as on June 4th:—

	Average 1918-27.	1926.	1927.	1928.
Horses—	No.	No.	No.	No.
Horses used for agriculture (a)	791,401	760,588	746,268	739,516
Stallions being used for service	5,646	3,275	3,174	2,995
Unbroken horses:				
One year and above	186,952	121,917	103,711	93,291
Under one year	72,476	41,010	40,214	38,161
Other horses on agricultural holdings	217,245	202,006	183,914	171,503
Total of horses	1,273,720	1,128,796	1,077,221	1,038,460
Cattle—				
Cows and heifers in milk	1,962,505	2,065,118	2,096,387	2,066,483
Cows in calf, but not in milk	286,273	294,590	307,059	301,774
Heifers in calf	355,100	389,578	387,257	355,231
Bulls being used for service	1,044,900	88,647	88,405	82,112
Other cattle:				
Two years and above		964,230	971,470	925,980
One year and under two	1,159,768	1,221,437	1,226,498	1,174,956
Under one year	1,150,473	1,229,485	1,198,164	1,119,897
Total of cattle	5,959,019	6,253,085	6,275,240	6,026,433
Sheep—				
Ewes kept for breeding	5,973,711	6,754,836	6,962,142	6,836,712
Rams and ram lambs to be used for service	2,854,149	190,295	196,351	191,491
Other sheep:				
One year and above		2,700,394	2,625,282	2,379,277
Under one year	6,255,758	7,213,160	7,288,500	6,981,930
Total of sheep	15,083,618	16,858,685	17,072,275	16,389,610
Pigs—				
Sows kept for breeding	331,557	300,842	392,934	380,063
Boars being used for service	2,035,411	21,317	25,524	26,222
Other pigs		1,877,853	2,273,056	2,564,758
Total of pigs	2,366,968	2,200,012	2,691,514	2,971,043

(a) Including mares kept for breeding.

Pedigree Cattle.—The year 1928 has been a time of anxiety for all breeders of pedigree live stock. The series of outbreaks of foot and mouth disease, the lack of demand for export in the early part of the year, and the crowning touch on the second day of the Royal Show at Nottingham of an outbreak (for the third year in succession) near York proved a severe blow to the industry. The recently opened quarantine station has been helpful as far as South Africa, Northern Rhodesia and Ireland are concerned, but, unfortunately, Australasia and Canada have so far not fallen into line. During the latter part of the year the export trade has been more vigorous, the Russian Government experts being keen buyers for their Department of Agriculture. There have been numerous public sales, many of which have been disappointing, but the trade has been of a more level description. There have been many inquiries for pure bred live stock from Australasia and the United States, but up to the time of writing export has not been allowed except through Scotland, after 60 days' quarantine. There have been fewer home sales of the red, white and roan shorthorns than usual, and prices and averages have been lower than in 1927, but prices of dairy shorthorns have on the whole been well maintained. A better trade has been experienced for Friesians during the past year. Bulls made up to 400 gs. and cows up to 480 gs., nearly forty animals reaching three figures. Herefords still maintain their popularity, and have recently found a fresh opening in Russia. Jerseys have made little improvement in the past two years.

Horses.—The heavy draft horse has been in demand, but at lower prices than in the preceding years, and the overseas trade has been small. High prices have been

the exception for Clydesdales. Suffolks have also felt the effect of the down trade. At the Society's show and sale in March prices averaged £51 5s for mares, £72 11s for stallions and £63 12s for geldings.

Pigs.—The trade continues to be depressed. The large whites have again proved the best sellers, and there has been a fair number of sales. There have been fewer public events among the middle whites and scarcely any Berkshire sales. Breeders of large blacks have also had a poor year, and among the other breeds there has been little doing. The cost of feeding stuffs still remains too high. Outstanding prices have been few and far between, but we understand the Russian Department of Agriculture paid three figures privately for some of their large whites. There has been a great drop in prices of middle and large whites since 1927. Scarcely any sales of Berkshires have been held. A number have been exported to Brazil and there has been a fair private trade. Prices of large blacks again are considerably down on last year's figures.

Sheep.—The sheep trade has again felt the general depression, although commercial prices have been maintained. In the first half of the year the export trade was slow, but during the time of the Royal Show many prospective buyers were present from distant parts of the world. Later in the season the Russian Department of Agriculture sent their representatives, who purchased several hundred Lincolns, Hampshires, Romneys and Oxford Downs. There was a great demand from South America at the Romney Marsh sale at Ashford. This has helped to stimulate the home trade. A fair number of sheep have been shipped from Scotland to Canada.—*Mr Harry Brown, in "The Farmers' Red Book."*

Fat Stock.—Fat cattle prices in 1927 had reached the low level of 27 per cent. above pre-war, and the index figures during the last three months of the year were considerably below the annual average, but from this point prices began to rise again, and by June, 1928, the average for second quality cattle was 55s per live cwt, as against 46s 9d in June, 1927. A decline has since occurred, but not to the same extent as in 1927, and the index for 1928 was 11 points higher at 38 per cent. above pre-war. A very similar movement occurred in the case of fat sheep, although the peak of the rise was in April and May, 1928, and the index for the year was 17 points higher at 67 per cent. above the base years. With fat pigs, however, prices showed little variation throughout 1928 except a slight rise in values during the period January to April, and the average prices of both bacon and pork pigs in December, 1928, were practically the same as those in January. As compared with 1927, the index figure for bacon pigs was 9 points lower at 35 per cent. and for pork pigs 17 points lower at 38 per cent. above pre-war.

PERCENTAGE INCREASE in the PRICES of FAT STOCK during the Years 1922 to 1928, as Compared with the Average of the Three Years, 1911-13.

Commodity.	1922.	1923.	1924.	1925.	1926.	1927.	1928.
Fat Cattle	63	51	53	51	41	27	38
Fat Sheep	100	87	87	83	57	50	67
Pigs, Baconers	80	57	33	63	80	44	35
Pigs, Porkers	92	71	39	64	84	55	38

The Agricultural Market Report.

POULTRY.

The following is extracted from an annual review by Mr Edward Brown, secretary of the National Poultry Council:—So far as evidence can be obtained, the consumption of eggs in 1928 was greater than ever before. Inclusive of dried and liquid supplies, the average is more than 170 eggs per unit of population per annum. The consumption of poultry, however, is about 1¼ fowl yearly per unit. During the year notable advances have been made. One of these is indicated by the passing of the Dogs Act (Amendment) Act, which, for the first time, has placed owners of poultry on an equality with those of larger stock, so far as worrying or killing by dogs is concerned. Steps taken by the Ministry of Agriculture have eventuated in adoption of regulations for grading and marking eggs. The season of 1928 was favourable. While profits have not been equal to those of the immediately post-war period, they have been satisfactory. Breeders of productive poultry report an excellent demand for stock, &c. Imports of eggs in shell at 26,467,410 great hundreds in 1928 were 8.7 higher than in 1927. Supplies from France, Egypt, Belgium, China, Canada and Australia showed the most marked increase, though the two last-named countries do not yet contribute very largely. The declared values of these imports, at £17,766,531, was 11.6 per cent. greater than in 1927. China, including Hongkong, is responsible for 98

SCOTTISH AMICABLE
LIFE ASSURANCE SOCIETY
Founded 1826.

AN OLD MUTUAL OFFICE
WITH
A GREAT BONUS RECORD

At the latest Division of Profits on 31st December, 1925, the Bonus Additions to ordinary participating Policies ranged from

£2 to £5 13s. per cent. per annum

on the original sums assured.

EXCEPTIONALLY LOW RATES FOR "NON-PROFIT" ASSURANCES.

Head Office:
35, ST. VINCENT PLACE, GLASGOW.
London Office:
17, TOKENHOUSE YARD, E.C.2.

THE STANDARD LIFE
ASSURANCE COMPANY
(A mutual office of over 100 years standing and offering Unrivalled Security).

issues
A New Form of Policy
under the
ANNUAL CASH BONUS PLAN
A With Profit Policy
at
A Non Profit Premium

Under this plan the cash bonus paid annually can be applied to reduce each premium payable.
The Bonus increases yearly and the Premium decreases yearly with the result that Life Assurance is obtained at Minimum cost.
Before effecting a Policy under terms obtained elsewhere ask for particulars of the terms available under this Scheme and compare the relative cost.

The results will surprise you.

Write to-day for booklet "A.J.19" stating age next birthday and class of Policy desired when full particulars will gladly be sent you without any obligation on your part.

The STANDARD LIFE ASSURANCE COMPANY
LONDON 48 QUEEN VICTORIA ST. E.C.4 / 15a PALL MALL S.W.1
ESTABLISHED 1825
DUBLIN 59 DAWSON STREET
HEAD OFFICE - 3 GEORGE STREET EDINBURGH

per cent. of the supplies of dried and liquid eggs. The following table shows net imports :—

	Quantities. Cwts.	Values. £	Per Cwt. s d
1927	640,028	3,066,344	95 9
1928	583,680	2,718,792	95 4

The imports of live and dead poultry into Great Britain and Northern Ireland in 1928 were :—

Country.	Quantities.	Values.
Alive—	No.	£
Irish Free State	1,020,768	180,043
Other countries	161,146	16,855
Total alive	1,181,914	196,898
Dead—	Cwts.	£
Latvia	71,512	321,180
France	70,349	459,163
Austria	31,422	161,044
Hungary	40,938	207,287
United States of America	19,013	123,509
Irish Free State	105,133	661,324
Other countries	150,646	751,246
Total dead	490,213	2,687,753
Less re-exports	21,399	120,632
Net total dead	468,814	2,567,121
Gross total, poultry		£2,764,019

Estimates based upon census returns and average values of eggs and poultry in 1928 are :—

	£
Estimated production in England and Wales	25,321,089
Estimated production in Scotland	2,685,914
Estimated production in Northern Ireland	3,429,992
Total production in Britain and Northern Ireland	31,436,995
Imports of eggs and poultry, including dried and liquid eggs, less re-exports	23,249,342
Total (wholesale) consumption	£54,686,337

On the above estimates the production in Britain and Northern Ireland was greater by £1,946,384 in 1928 than the previous year, and the total consumption by £3,307,805.

FISH.

Billingsgate Fish Market has passed through a satisfactory year, according to the *Fish Trades Gazette*. The official figures give the total weight of fish handled at Billingsgate up to the end of November as 171,148 tons, of which 21,311 tons arrived by water. With a fair average prevailing during this month, the grand total should not fall very far short of 200,000 tons, an enormous quantity of fish, which, perhaps, the mind finds difficulty in visualising. Despite keen competition, the country order trade has recovered much of its old stability, and this department appears to be definitely on the up grade. Undoubtedly the demand has existed chiefly for prime quality fish, though friers' classes constitute a by no means unimportant section of Billingsgate's trade. The shellfish trade, taken on the whole, can be regarded as having been satisfactory, though the enhanced prices ruling for oysters and some other classes has militated against a truly brisk demand. In the cured fish department there has been little development, though trade has maintained a fairly consistent standard. Undoubtedly the demand for cured classes is in need of a decided stimulus. Possibly no other port has done more in the past year to establish and popularise a regular service of Danish fish, and Dutch senders, too, have reason to pay tribute to the Metropolitan markets.

The salmon trade has not been really successful. Almost without exception the Scottish, Irish, English and Welsh rivers have done badly, the total catches falling very far short of 1927. Conditions in Canada, Newfoundland and the United States have been no better. Grimsby has enjoyed an exceptionally prosperous year. Altogether, over three-and-a-half million cwts of fish were marketed and disposed of by the wholesale merchants, curers, &c. The increase in value is more striking, for on a total of £4,447,000, there is a surplus over 1927 of over £146,000. Hull figures for the eleven months of 1928 show that there were 3,365 voyages, and that 2,255,105 cwts of fish, of the aggregate value of £2,127,680, were landed at Hull, as compared with 3,263 voyages which yielded 2,301,370 cwts of fish of the total value of £1,893,519 for the corresponding eleven months of 1927. Results were less good at Milford Haven and Scarborough, but the other chief ports enjoyed a successful year.

The Board of Trade returns of landings of sea fish of British taking in 1927 and 1928 include the following :—

TWELVE MONTHS ENDED DECEMBER 31.

Kinds of Fish. (England and Wales.)	Quantity. 1927.	Quantity. 1928.	Value. 1927.	Value. 1928.
	Cwts.	Cwts.	£	£
Cod	2,958,935	2,706,779	2,414,667	2,631,974
Haddock	1,967,226	1,945,045	2,003,098	2,066,026
Hake	903,104	741,173	1,653,900	1,553,717
Halibut	123,577	125,036	479,046	446,462
Lemon Soles	79,957	77,047	244,530	249,340
Ling	172,415	172,226	112,240	126,472
Plaice	646,723	695,743	1,429,260	1,373,960
Skates and Rays	430,508	424,693	573,644	573,202
Soles	63,819	69,607	492,311	551,246
Turbot	58,141	63,643	266,762	301,232
Whiting	300,312	306,348	218,684	248,513
Herrings	3,474,336	4,155,826	1,635,495	1,709,438
Mackerel	146,987	137,477	142,604	117,804
Total wet fish*	13,079,653	13,440,168	12,705,125	13,183,688
Oysters ....hundreds	97,123	79,107	101,480	83,751
Total shell fish*	..	..	430,433	425,337
Total value†	..	..	13,135,558	13,609,025
Scotland: Wet Fish	6,919,920	6,603,778	4,369,968	4,657,720
Great Britain: Wet Fish	19,999,573	20,043,946	17,075,093	17,841,808
Gt. Britain-Total imports of fresh fish	3,181,324	3,417,820	4,426 821	4,315,109

* Including other items not given above. † Fish of all kinds.

II.—COLONIAL AND FOREIGN PRODUCE.

TEA.

The following is extracted from Messrs Brooke Bond and Co.'s annual review :—The year has been one of persistent deflation, and now the tea market is probably in a more healthy condition than for some time past. At the end of November, 1927, the quotation for common tea was 1s 6½d. It has since been down to 9½d, and is now in the neighbourhood of 1s. The speculative fever of 1927 gave way to acute depression in January of the following year, and by April the price of all tea had fallen materially—good, fine, and indifferent were all being thrown overboard, and at this time good tea could be bought at very attractive prices. Eventually values were adjusted—really poor tea continued to decline, but there was a sharp reaction in better sorts, and the difference in the value of poor and good tea is now more clearly defined by price than ever before. The statistical position during the spring and early summer of this year looked very bad—the bonded stocks on March 31st being no less than 54 millions in advance of the previous year—but as the year progressed more tea went to markets outside the United Kingdom, and gradually month by month the surplus stock has been disappearing, until on November 30th the excess was only 11 millions. Direct shipments to outside markets from the countries of production show a gratifying increase of 30½ millions for the year to date against an increase in production of 27½ millions. India, too, is undoubtedly absorbing more of the present crop for local consumption, and total shipments to this country may be less than is generally expected. Consumption in this country continues to be very satisfactory, and with the lower prices demand is returning to Indian and Ceylon tea. We strongly emphasise the fact that it is only when the price of Empire-grown tea is high that the blenders increase their use of Java, Sumatra, and China tea.

Labour is still short in Northern India, but during the past year of over-production this has probably been an advantage. In other producing countries there is ample labour for all requirements.

The following table gives the exports from India :—

EXPORTS FROM NORTHERN INDIA TO ALL COUNTRIES. APRIL 1ST TO OCTOBER 31ST.

	Season 1927-28. Lbs.	Season 1928-29 Lbs.
U.K. (Calcutta and Chittagong)	178,352,157	171,273,117
Australia	1,454,224	2,991,606
Canada	5,350,410	6,617,558
United States	4,488,325	3,879,882
South America	685,788	940,495
Hamburg and Bremen	294,565	152,692
Continental ports	273,422	349,177
Constantinople	64,330	168,225
Hankow	1,905,528	4,056,511
Vladivostock	3,499,780	657,258
Odessa	3,364	1,916,441
Shanghai	3,480	2,100
Batoum	745,743	1,219,575
Persian Gulf	3,351,427	5,106,751
Straits Settlements	166,178	120,758
Egypt	2,001,414	3,300,010
Africa, North	92,300	231,443
" South	1,079,305	938,401
All other places	366,450	416,685
Total	204,176,290	204,340,659
Bombay by rail	3,093,434	2,836,536
" sea	1,355,262	2,217,801
Indian ports	396,355	663,666
Burma	1,709,430	1,903,102
Total	210,730,771	211,967,764
From SOUTHERN INDIA :—		
United Kingdom	19,213,477	24,766,404
Colombo	1,943,683	1,883,102
Other places	415,933	415,848
Total	21,573,093	

This year's crop has been disappointing in quality, the quantity of choice tea being very small. Tippy tea has also been in unusually small supply.

The following table gives the exports from Ceylon from January 1st to October 25th for the last two seasons :—

	1927. Lbs.	1928. Lbs.
United Kingdom	118,661,589	118,2-9,404
Continent	6,160,161	7,982,228
America	18,496,180	22,476,231
Australia	22,013,128	25,018,588
China	3,071,269	1,936,788
Other countries	18,580,328	25,792,041
Total	186,982,655	201,555,280

The tea growers of Ceylon are in a particularly happy position, as Ceylon tea is fetching relatively higher prices than any other growth. The quality of this year's crop has been above average, and latterly some very choice teas have been seen by the trade. Planting continues in Central Africa, and a few years hence quite important quantities will be available from this source. The first small consignment of Kenya tea was sold in London some months ago, and was favourably commented upon. Tea growing is developing in Malaya, and is reported to be doing well, production per acre being heavy. Another new tea growing centre is the Karen Hills, situated in Burma. A few small invoices have been sold in London and realised good prices. With improved manufacture this tea would compare with good Darjeeling.

The following tables give exports from the Netherland East Indies for the last two seasons :—

From JAVA (JANUARY to SEPTEMBER)—

	1927. Lbs.	1928. Lbs.
Holland	21,646,542	20,934,872
Great Britain	41,867,751	39,675,605
Australia	15,535,421	15,863,287
Canada	307,269	372,758
British South Africa	..	1,624,784
British India	2,085.758	3,849,293
United States	3,967,319	3,088,683
Singapore	551,104	485,751
South America	794,470	1,662,720
China	..	997,123
Russia	..	1,347,242
Mesopotamia	..	2,449,220
Continent	410,586	648,564
Other countries	3,619,275	2,533,132
Total	93,784,495	95,533,034

The figures for 1928 have been issued (by the Thee Expert Bureau) in greater detail than formerly.

From SUMATRA (JANUARY to SEPTEMBER)—

	1927. Lbs.	1928 Lbs.
United Kingdom	5,231,146	6.123,348
Holland	5,610,389	6,476,522
Australia	1,202,872	1,222,026
United States	429,235	275,549
Other countries	582,402	322,802
Total	13,056,044	14,420,247

The following tables give the exports of China tea—black and green—from the commencement of the season :—

From SHANGHAI (to OCTOBER 31st)—

	1927. Black. Lbs.	1927. Green. Lbs.	1928. Black. Lbs.	1928. Green. Lbs.
Great Britain	5,957,845	1,245,187	3,991,850	157,462
Continent	1,119,881	1,783,046	1,181,895	2,689,400
Bombay	293,326	1,367,062	900,355	2,007,597
Central Asia	17,331	2,866,929	14,666	27,330
N. African ports	563,859	6,818,865	1,852.257	8,958,121
S. African ports	6,399	Nil	55,733	Nil
United States	942,447	4,532,626	1,344,134	3,111,615
Canada	204,794	116,528	109,998	10,9 2
Russia	3,062,250	Not stated	3,809,782	3,770.631
Australia	34,265	Nil	50,799	Nil
Total	12,202,397	18,730,243	13,310,369	20,733,088
Total Black and green	30,932,640		34,043,457	

From FOOCHOW (to SEPTEMBER 30th)—

	1927. Lbs.	1928. Lbs.
London	1,601,129	721,262
France	457,630	129,427
Germany	572,585	522,844
Holland	1,121,588	688,898
Russia	239,239	
U.S.A. and Canada	83,302	129,111
Australia and New Zealand	132,445	118,850
South Africa	7,712	3,004
South America	57,020	1,304
Other countries	259,370	109,672
China coastwise	315,802	35 ,986
Total	4,850,922	2,776,348
To all countries—black and green	30,932,640	34,043,457
	4,850,922	2,776,348
Grand total	35,783,562	36,819,805

From FORMOSA (to OCTOBER 31st)—

	1927. Lbs.	1928. Lbs.
U.S.A.	8,770,741	5,757,780
London	1,387,501	1,058,334
Various	145,463	205,351
Total	10,303,705	7,021,465

YOUR HOME SAFEGUARDED

Can you say that your home is adequately safeguarded against your removal by premature death?

YOU can achieve this wise security conveniently and at small expense by effecting an assurance with the United Kingdom Provident Institution.

The premiums may be paid *Monthly* by an order on your Banker.

Write for particulars to the Secretary, at 196 STRAND, LONDON, W.C.2

FUNDS: OVER £17,000,000

Chairman: The Rt. Hon. Walter Runciman.

SECURITY FIRST

ROYAL INSURANCE COMPANY LIMITED

TOTAL FUNDS - - - £37,606,170

ALL CLASSES OF INSURANCE EFFECTED.

HEAD OFFICES:

LIVERPOOL: NORTH JOHN ST.

LONDON: LOMBARD ST.

The crop has been very disappointing in quality. Only limited supplies of good Keemun were available.

Russia has been China's best customer this year, the low prices ruling for common grades of Indian and Java tea militating against the demand for common Congou from the European and North American markets.

The Board of Trade figures for the United Kingdom for 1913, 1927, and 1928 are as follows :—

	1913. Lbs.	1927. Lbs.	1928. Lbs.
Imports—			
British East Indies (except Ceylon)	203,459,657	303,544,793	288,740,614
Ceylon	110,936,427	142,512,811	140,093,371
China (including Hong Kong and Macao)	16,272,548	12,504,219	6,653,534
Java, Sumatra, and other Dutch possessions in the Indian Seas, and Netherlands	32,052,717	74,791,928	71,524,392
Other countries	2,322,115	3,647,976	2,964,006
Total imports	365,043,464	537,001,747	509,975,917
Entered for home consumption—			
British East Indies (except Ceylon)	172,843,911	232,550,691	238,307,389
Ceylon	91,517,923	109,791,653	119,237,884
China (including Hong Kong and Macao)	9,682,515	10,652,896	8,092,352
Other countries	31,646,194	63,157,018	58,090,675
Total	305,690,543	416,152,258	423,728,291
Stock of all kinds at Dec. 31st	138,005,000	239,085,000	240 738,000
Re-exports total	57,555,651	85,587,060	96,030,492

COFFEE

The main feature of the coffee situation in the past year was the fact that the Brazilian Coffee Defence Institute retained complete control of the market in face of the production in Brazil for the 1927-28 season of the largest crop ever harvested. At the opening of the past season—that is on July 1, 1927, interior stocks in Brazil under the control of the institute amounted to 3,312,000 bags, and by the end of the season, June 30, 1928, the figure had increased to 11,672,000 bags. By means of the financial assistance of the institute the industry was able to hold this large surplus, and by regulating shipments from Brazil to accord with the requirements of consuming countries prices were maintained throughout last year at a level generally above that of 1927. Brazilian production for the 1927-28 season was 25,500,000 bags, and that of other countries 8,100,000 bags, making a total of 33,600,000 bags. Against this large supply there was a big increase in the world's consumption, which amounted to 23,500,000 bags, compared with 21,300,000 bags in the preceding twelve months. The crop now coming forward in Brazil is much smaller than the preceding one, and the interior stocks may be expected to show some reduction during the remainder of this season. —*The Times Annual Commercial Review.*

COCOA.

The world's requirements of cocoa during the past year failed to keep pace with the production, and a situation of oversupply was created which adversely affected values, especially in the latter six months, when there was a marked depreciation in values. After some ease in January firm markets were experienced until June. In July the market displayed signs of weakness and in August prices dropped 6s to 8d per cwt, West Indian and Central American varieties being chiefly affected. The main reason for the weakness was an excess of supply on dull markets, but the situation was aggravated by nervousness over the dissolution of the marketing agreement, which had been in force for some years, between four large firms in the export trade of the Gold Coast. With prospects of a larger West African crop, drooping markets were experienced during the remainder of the year, most varieties closing from 12s to 13s per cwt below the prices ruling at the close of 1927. A notable exception, however, was Ceylon cocoa, which, owing to shortness of supply, experienced firm markets throughout the year, prices recording an advance of 10s to 20s per cwt on the twelve months. The spot quotations in London of three varieties of cocoa at the close of each quarter of last year and at the close of the three preceding years are given below :—

	African, West Coast.	Trinidad, Good to Fine.	Ceylon, Good to Sup.
Dec. 31, 1925	43s to 45s	66s to 73s	90s to 100s
Dec. 31, 1926	70s to 71s	78s to 80s	80s to 87s
Dec. 31, 1927	62s to 66s	74s to 77s	85s to 93s
March 31, 1928	63s to 64s	76s to 80s	85s to 100s
June 30, „	63s to 68s	76s to 78s	95s to 115s
Sept. 30, „	54s to 58s	64s to 70s	95s to 112s
Dec. 31, „	48s to 52s	61s to 66s	95s to 114s

An innovation in the home market was the inauguration on May 21st of the London Cocoa Terminal Market for trading in future delivery, the basis of the contract being 10 tons of fair fermented Gold Coast cocoa, ex-wharf London, the seller having the option to deliver certain other varieties. This was followed by the opening in September of the new Liverpool Cocoa Exchange, also for the purpose of trading in futures.—*The Times Annual Commercial Review.*

The Board of Trade returns for 1913, 1927, and 1928 are as follows :—

IMPORTS, CONSUMPTION, and STOCKS.

	Quantity. 1913.	1927.	1928.	Value. 1913.	1927.	1928.
Raw cocoa—	Cwts.	Cwts.	Cwts.	£	£	£
Imports	669,639	1,281,151	1,266,848	2,282,573	4,321,278	3,864,896
Home consumption	543,227	1,116,947	1,111,355	..	..	..
Re-exports	135,560	89,802	144,474	475,013	296,355	454,706
Stocks	198,000	419,000	436,000	..	..	..
Cocoa or chocolate prepared—						
Imports	..	217,945	207,105	..	1,689,810	1,463,719
Re-exports	..	1,529	3,126	..	16,980	15,843
British exports	..	181,026	171,426	..	1,193,532	1,091,044

SUGAR.

The year opened in January with a steady tone and at a quotation of 13s, c.i.f., for 96 per cent. sugars—Cubans, Domingos, and Peruvians—and of 16s 6d to 17s, c.i.f., for B.W.I. preferential sugars, the equivalent of 13s to 13s 6d, c.i.f., with preference deducted. During February and March there was an easier tone, with a decline of 1s to 1s 3d per cwt, but in April this decline was fully recovered, and at the close of the month the opening quotations were again recorded of 13s and 17s, c.i.f., respectively. During these first four months the United Kingdom refiners were enabled to buy large parcels of Cuban sugars. These purchases enabled United Kingdom refiners to hold their own against their active competitors. The unsatisfactory condition of British sugar refineries had long been a matter of serious consideration. The competition of home grown beetroot sugars, which enjoyed an extravagant subsidy, and the active, and ever increasing, competition of foreign refined, had proved very disastrous. The Budget reduction of 2s per cwt on all raw sugar used in their refineries was highly appreciated by the British refiners, as it enabled them to monopolise all British markets to the extinction of foreign refined. The foreign sugars most affected by this change were those of Czechoslovakia. United Kingdom refiners, availing themselves of their good fortune, immediately began to increase their weekly outturn, both in London and Liverpool, and one of the closed Greenock refineries at once again began work. There was no change of importance in the quotations of raw sugar during May and June. In July there was an easier tone. It had become apparent that the Java crop, then being reaped, was likely to exceed all expectations, and there was the fear that this largely increased crop could not be disposed of unless at a reduction in values. Towards the close of July the Cuban Corporation, as they were making slow progress with the sale of their sugars to American refiners, resolved to make a further sale of 300,000 tons of their reserved sugars, and they were successful in placing the entire parcel with Messrs Tate and Lyle, of London, at 2.34 c, f.o.b., the equivalent of about 11s 9d, c.i.f., for the United Kingdom, for August-December shipment. This was the most important sale ever made to one firm at one time, involving, as it did, about £3,500,000 in payment. The Java trust succeeded in making important sales, as occasion occurred, to both West and East, and until recently they had only a balance of about 280,000 tons remaining unsold, and these they disposed of about the middle of December, at a price supposed to be about 12½ guilders. These large operations had a depressing effect on all markets, and raw Cubans continued to drop from 11s 9d, c.i.f., in August, to 9s 6d in November, the lowest price of the year, and the lowest since October, 1925, when a few transactions were made at 9s, c.i.f. There has since been a slight recovery, and the closing price is 10s, c.i.f., for January-February shipment. The outturn of the present Java crop has exceeded all early expectations, being 550,000 tons in excess of the last. This is accounted for by the scientific management of the cane cultivation, and the thorough and economical working of their factories, and above all by the wonderful yield of the new cane which they have adopted, POJ. 2878. Dr Mikusch, of Vienna, estimates that the European sugar consumption of the past year has been 9,589,000 tons, against 8,657,000 tons for the previous year, showing an increase of 930,000 tons. Home-grown sugar has this year produced about 220,000 tons, against about 210,000 tons last year, and the saccharine results in general have been extremely satisfactory, being in many cases 20 per cent. instead of the usual 16 to 18 per cent. Several factories have now resolved to work imported cane when the beetroot season is over, that they may have full work during the whole year. By their circular of December 6th, Messrs Willett and Gray estimate the crops of the world at 26,611,000 tons, against 25,250,000 tons.

CANE.	1925-26. Tons.	1926-27. Tons.	1927-28. Tons.	1928-29 Tons.
United States—Louisiana	124,447	42,112	63,207	150,000
Porto Rico	544,484	562,679	670,831	620,000
Hawaiian Islands	705,350	724,403	806,250	830,000
Virgin Islands, W.I.	5,664	7,077	10,562	7,500
Cuba	4,884,658	4,508,521	4,011,717	4,900,000
British West Indies—Trinidad	73,561	51,982	81,551	75,000
Barbados	47,535	58,685	59,000	55,000
Jamaica	57,675	65,280	67,350	65,000
Antigua	12,800	23,501	19,811	71,000
St Kitts	16,380	18,068	18,602	16,000
Other British W.I.	7,500	4,969	6,141	5,000
French W.I.—Martinique	48,121	45,039	41,879	40,000
Guadeloupe	32,998	35,673	33,462	25,000
San Domingo	354,720	303,524	376,785	345,000
Haiti	11,249	12,563	16,367	16,000
Mexico	190,282	181,858	175,000	180,000
Central America—Guatemala	25,151	32,432	30,000	32,000
Other Central America	62,500	78,740	67,129	60,000
South America—Demerara	107,580	97,425	114,609	109,000
Surinam	10,000	16,669	13,500	15,000
Venezuela	19,000	20,230	19,915	20,000
Ecuador	16,976	20,321	20,091	22,400
Peru	265,000	375,963	421,601	365,000
Argentine	395,733	475,695	650,000	675,000
Brazil	650,000	850,565	3,321,000	2,900,000
British India	2,923,000	3,256,000	2,359,050	2,944,200
Java	2,278,900	1,959,948	692,932	750,000
Formosa and Japan	498,460	523,054	596,033	675,000
Philippine Islands	436,000	584,238	493,049	530,000
Australia	522,344	415,611	95,114	108,000
Fiji Islands	90,000	69,071	92,000	90,000
Egypt	95,000	71,553	215,555	225,000
Mauritius	241,220	192,590	49,972	52,000
Réunion	59,015	56,579	220,803	250,000
Natal	214,152	216,305	73,000	70,000
Mozambique	70,000	63,970	9,000	..
Europe Spain	9,000	6,719		
Total	16,106,455	16,028,612	16,287,720	17,578,100

BEETROOT CROPS, with ESTIMATES for 1928-29.

	1925-26. Tons.	1926-27. Tons.	1927-28. Tons.	1928-29. Tons.
Germany	1,595,161	1,657,088	1,665,450	1,725,000
Poland	588,770	552,553	366,515	700,000
Czechoslovakia	1,487,920	1,043,259	1,253,163	1,050,000
Austria and Hungary	244,431	252,968	297,620	320,000
France	746,913	729,082	863,206	860,000
Belgium	332,170	233,421	273,113	260,000
Holland	306,970	287,427	259,966	310,000
Russia and Ukraine	1,050,000	871,020	1,471,320	1,380,000
Other countries	1,118,497	1,245,074	1,319,578	1,492,000
Total	7,470,832	6,871,892	7,969,928	8,097,000

World's Supplies.	1927-28. Tons.	1928-29. Tons.
Cane	16,287,720	17,578,100
Beet, European	7,969,928	8,097,000
„ U.S. and Canadian	992,453	958,000
	25,250,101	26,633,100

Consumption in the U.K., from Board of Trade returns for eleven months and estimating December, has been 1,820,000 tons, against 1,544,000 tons in 1927.

MELTINGS of SUGAR in CLYDE REFINERIES.

	West India.	Maur., Natal & Aust.	Brazil.	Cuba.	Beet-root.	Java.	Peru and other Foreign.	Total.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
1924	2,580	29,548	5,300	60,191	..	16,157	52,296	166,992
1925	1,000	9,862	..	71,473	3,050	7,701	58,110	151,196
1926	3,350	14,093	..	25,260	500	..	65,547	108,750
1927	..	8,194	..	22,250	..	..	70,830	101,274
1928	..	9,597	..	42,887	..	..	58,800	111,284

Increase in meltings of raw sugar in 1928, 10,010 tons.

Refined.—The changes in the sugar duties made by the Budget this year have greatly benefited home refiners. When the beet crop is finished the refining of imported raws will be resumed. The price of Greenock fine granulated at the beginning of the year was 29s, duty paid. For the first four months the price ranged between 29s and 28s, the latter figure being the quotation immediately before the Budget. Thereafter there was a constant sagging until the middle of October, when 24s 6d was the price, and now, at the end of the year, the quotation is 24s 3d. Foreign refined is now of little interest to the home trade, as since the Budget it has been held for prices above our parity. There is still a little business passing in special descriptions like cubes, and castor, and some to manufacturers who have an export business and get the full drawback. Dutch and Czecho granulateds were quoted at 16s early in January. By the middle of February the price was 15s, at the end of March 15s 6d, and at the time of the Budget 15s 3d for immediate delivery and 15s for November-December. Thereafter the market record was, "little doing," and at gradually easing prices. For ready Continental granulated the price is now 12s, f.o.b. Throughout the year buyers in all countries have acted very cautiously on account of the huge supplies of sugars available, and buying was generally restricted to actual requirements. There is more confidence now, and some show of interest in future deliveries.—*Messrs Wm. Connal and Co., Glasgow.*

THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION, LTD.
and its Associated Offices,
Clerical, Medical and General Life Assurance Society
and
The Merchants' Marine Insurance Co., Ltd.,
TRANSACT
INSURANCES OF ALL KINDS
CITY BRANCH:
13, King William Street, E.C.4.
Telephone No.: Central 8801.
WEST END BRANCH:
15, St. James's Square, S.W.1.
Telephone No.: Gerrard 0320.
HEAD OFFICE:
Hamilton House, Victoria Embankment, E.C.4.
Telephone No.: Central 5262.

THE CANADA LIFE ASSURANCE COMPANY.
Established 1847.
OUTSTANDING FEATURES FOR 1928:
Business in Force ... £181,201,500
Total New Business Paid for in Year ... £34,256,183
Assets £32,278,973
SURPLUS EARNED DURING THE YEAR £1,152,028
The rate of interest earned during the year was over £6 per cent.
The Company has increased the bonuses to Policyholders during the last six years, and has made arrangements to still further increase them during the next few years.
The undivided surplus at 31st December, 1928, was £2,036,643.
The Company issues most liberal Policy and Annuity Contracts, and has recently revised and considerably reduced its rates for non-profit Policies. Fullest particulars will be furnished on application to the nearest Branch Office, or to the Head Office for Great Britain:
2, ST. JAMES'S SQ., LONDON, S.W.1.
J. B. WANDLESS, F.I.A., Manager.

FROZEN MEAT TRADE.

The following table, showing the quantity of beef, mutton and lamb imports over the past three years and the total value of meat imports, has been compiled from the Board of Trade returns :—

	1926. Cwts	1927. Cwts	1928. Cwts
Beef—			
Fresh—			
From Denmark	24,988	.. ..	..
„ Other countries	16,438	23,849	84,466
Total	41,426	23,849	84,466
Chilled—			
From Uruguay	701,710	336,831	584,535
„ Argentine Republic	8,956,806	9,986,205	8,644,551
„ Other countries	21,446	81,939	335,434
Total	9,679,962	10,404,975	9,564,520
Frozen—			
From United States of America	84,822	78,020	40,764
„ Uruguay	259,527	248,281	188,669
„ Argentine Republic	1,448,182	1,562,208	767,753
„ Australia	1,148,978	642,743	1,015,816
„ New Zealand	540,828	324,250	458,721
„ Other countries	100,688	132,291	146,271
Total	3,583,025	2,987,803	2,617,994
Salted—			
From United States of America	6,829	5,058	2,646
„ Other countries	1,209	3,255	2,812
Total	8,038	8,313	5,458
Tinned, canned, &c. (including Tongues), & extracts & essences, &c.	1,116,793	1,039,512	1,061,756
Total of beef	14,429,244	14,464,452	13,334,194
Mutton and lamb—			
Fresh—			
From Netherlands	33,221	.. ..	..
„ Other countries	1,255	13,542	21,725
Total	34,476	13,542	21,725
Frozen—			
From Uruguay	318,369	317,252	402,815
„ Argentine Republic	1,269,543	1,536,483	1,511,468
„ Australia	750,874	624,817	548,227
„ New Zealand	2,680,992	2,726,972	2,795,079
„ Other countries	314,396	303,493	366,569
Total	5,334,174	5,509,017	5,624,158
Total of mutton and lamb, fresh and frozen	5,368,650	5,522,559	5,624,158
Tinned or canned (including tongues)	40,343	48,780	20,367
Other descriptions (tongues, hearts, livers, kidneys, &c.)	86,029	60,708	70,957
Total of mutton and lamb	5,495,022	5,632,047	5,737,207
	£	£	£
Total value of meat	114,267,166	103,464,070	109,248,909

TOBACCO.

The year 1928 was marked in the tobacco trade by few events of outstanding importance, according to the *Tobacco Trade Review*. It witnessed a considerable improvement in organisation in the distributive sections of the trade. According to recent official records, there has been a remarkable increase in the use of Empire-grown tobacco. It is stated that at least half the pipe tobacco now smoked in Great Britain is of Empire origin, and the figures continue to show a steady increase. The rate of progress is not so great as regards cigarettes, yet it is well known in the trade that a certain brand of cigarettes placed on the market by one of the branches of the "Imperial" has found a vast public. There can be little doubt that the preferential rate of import duty on tobacco of Empire origin has had much to do with this. Once the flavour of Empire tobacco is appreciated there is no doubt the demand for it will increase still further. A list of 491 brands of tobacco and cigarettes which are Empire grown has been prepared by the Empire Marketing Board. Importers of Havana cigars still complain of poor business. Before the war the average number of Havana cigars imported into this country was 75,000,000 per year. The post-war figures are between 35,000,000 and 40,000,000. The most conspicuous facts which emerge from the table below of our overseas trade in tobacco are the great increase in the entries of unmanufactured tobacco for home consumption, against a small decrease in entries of the manufactured product; the substantial rise in re-exports; and the rapidly increasing part played by British India as a source of the raw material.

IMPORTS and RE-EXPORTS of TOBACCO.

	Quantity.			Value.		
	1913.	1927.	1928.	1913.	1927.	1928.
IMPORTS—	Lbs.	Lbs.	Lbs.	£	£	£
Unmanufactured	162,365,926	222,265,323	219,530,512	6,709,082	17833926	16,505,133
Manufactured and snuff	3,587,988	1,380,802	1,393,596	1,323,480	1,344,547	1,320,082
Total	165,953,913	225,646,125	220,924,108	8,032,562	19178473	17,825,215
RE-EXPORTS—						
Unmanufactured	3,698,069	9,727,488	10,789,505	193,396	798,776	840,191
Manufactured and snuff	380,261	66,774	90,500	71,482	52,437	64,288

The following figures show the extent of our overseas trade in tobacco during the last three years.

	Quantities.			Value.		
	1925.	1927.	1928.	1925.	1927.	1928.
IMPORTS—	Lbs.	Lbs.	Lbs.	£	£	£
Unmanuf. tobacco: From United States of America	162,718,941	177,441,802	172,343,996	13,430,587	14,168,251	13,224,211
From Nyasaland Protectorate	7,070,485	13,781,373	13,440,397	490,148	1,078,819	944,126
From British India	7,785,421	8,432,684	10,363,828	310,380	370,092	406,258
From Other Countries	11,406,179	22,609,464	23,382,291	1,245,522	2,216,764	1,930,538
Total { Imports	188,981,026	222,265,323	219,530,512	15,476,637	17,833,926	16,505,133
Total { Entered for Home consumption	153,285,396	166,994,343	183,343,580	..	..	..
Manufact. tob'cco: Imports	1,857,244	1,380,802	1,393,596	1,565,995	1,344,547	1,320,082
Entered for home consumption	946,141	858,048	856,135	..	..	..
Re-Exports— Unmanufactured	12,382,864	9,727,488	10,789,505	1,035,087	798,776	840,191
Manufactured	181,670	66,774	90,500	95,464	52,437	64,288
Exports, total	28,117,755	35,152,772	39,597,694	7,056,920	8,404,526	9,366,791

RUBBER.

SHIPMENTS of PLANTATION RUBBER from CEYLON, INDIA, BURMAH MALAYA, SUMATRA, BORNEO, and JAVA, ETC.

Exported from—	1923.	1924.	1925.	1926.	1927.	1928.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Ceylon	37,000	37,350	46,000	59,000	56,000	58,000
Malaya, &c. (inc. re-exports)	252,000	259,750	319,000	391,000	371,000	409,000
Java (direct shipments)	33,500	38,500	45,000	50,000	53,000	† 57,000
Sumatra (East Coast) „	47,000	41,000	44,000	55,000	59,000	† 60,000
Other N.E.I. Ports	..	..	6,000	8,000	10,000	† 23,000
India, Burmah and Fr. Indo-China (direct shipments)	..	11,000	17,000	18,000	18,000	19,000
Total	369,500	387,600	477,000	581,000	567,000	626,000

† December shipments estimated.

The past year has been memorable for the removal of the restriction scheme, and the trend of the market has been entirely changed by the Government's decision. The three important associations connected with the trade—the Growers, the Manufacturers, and the Rubber Trade Association of London, which latter includes growers, dealers and brokers—gave evidence before the Committee of Civil Research, and were unanimous in their advice that the Government should take restriction off gradually over two or three years after lowering the pivotal price considerably. The action the Government took caused rubber to fall from 1s 6d to 8d per lb. The planting industry is now in a much better position financially to meet any difficulties ahead and to weather the storm than it was in November, 1922, when the scheme was inaugurated. Plantations have also benefited largely by the long rest to their trees. Full potential production has come two or three years earlier than was generally expected. The total native acreage in the Dutch East Indies is very uncertain, and what effect a low price for rubber will have on the output is also difficult to estimate.

Our production estimate turned out fairly correct up to the end of October during the Restriction year, though we had rather less from the Dutch East Indies on account of the low price stopping smuggling and probably tapping. There is a reduction in the imports into Singapore in the whole year 1928 of 33,000 tons, of which 30,000 tons were wet rubber. On December 10th last our London stocks were reduced to 16,517 tons from 63,200 tons at the beginning of the year, and the New York stocks to 61,950 on November 30th from 100,100 tons on January 1st, showing a total reduction of 84,000 tons. This great reduction in the stocks of England and America has been mostly discounted by the accumulated supplies on the estates, as the plantation companies, in view of the fact that restriction was to end in October, decided to start producing their full output at once, and to ship this extra quantity after the restriction year was finished. The stocks on estates of 100 acres and over were returned at the end of October, 1928, as :—Malay Estates, 69,100 tons; Ceylon Estates, 6,700 tons; Malay dealers, 5,400 tons; Ceylon dealers, 6,800 tons; Singapore and Penang, 12,000 tons.

We estimate the principal countries' consumption to be :—

	1926. Tons.	1927. Tons.	1928. Tons.
America	365,000	371,000	441,000
England	40,000	45,000	48,400
France	39,000	36,000	38,000
Germany	23,000	39,000	39,000
Belgium	2,500	6,500	8,000

We estimate the world's consumption as follows :—1925, 560,000 tons; 1926, 545,000 tons; 1927, 586,000 tons; 1928, 675,000 tons.

The use of reclaimed rubber has increased during 1928, in spite of the much lower price for crude, though there are distinct signs of a slackening in the demand during the past few months. We do not think that its use in tyres has been increased, although the percentage of reclaimed compared with crude increased from 45·4 per cent. in the first nine months of 1927 to 47·7 per cent. in the same period of 1928. According to the figures of the Rubber Associa-

tion of America 202,000 tons have been used, though these figures are of doubtful accuracy. We hear that the demand has been for the better-grade tyres, and at present prices this is likely to continue. We began the year with the price of spot standard crepe and ribbed smoked sheet at 1s 8d; with a slow market the price fell a penny during January, and on February 2nd declined to 1s 5⅜d, but recovered quickly to 1s 6⅛d until February 9th, the day of the Prime Minister's announcement, when prices fell 2d per lb to 1s 4d. The market then fluctuated rather sharply, and declined to 1s 1¼d before the end of the month; on March 14th business was done down to 11⅛d, advancing up to 1s 1⅜d by the 30th. On April 4th the Government announced in the House of Commons that restricton would cease at the end of October (the restriction year), and the price rapidly fell to 10¼d, and on April 11th to 8⅜d per lb, and on the 18th to 7⅜d, which was the lowest price of the year. With the knowledge of restriction coming off, and that producers were accumulating stocks on the estates, fluctuations have been very small; a good part of the surplus rubber was sold ahead and buyers simply waited for the large supplies to arrive. The market remained between 8d and 9d until the end of May, when it advanced to 9⅜d, and the market kept steady at 9d to 9½d until the end of August, and since then between 8⅞d and 9d per lb, closing the year with spot price for sheets at 8⅞d. During the last half of the year there has been a premium for crepe of ⅛d to ¼d per lb, which still continues. The consumption of plantation sole crepe has been about the same in quantity as in 1927—we believe about 4,000 tons. It has at times felt the competition of the home remilled. Prices have fallen from 2s 3d to 1s 1d in sympathy with the rest of the market, but after the slump in the spring the market was very disorganised, and sales were effected at very varying prices. During the past two months there has been a steadier and sounder trade, and a large part of the old stocks has been cleared.

UNITED KINGDOM STATISTICS, 1928.

	Plantation—London and Liverpool. Imports. Tons.	Deliveries. Tons.	Stock. Tons.
January	9,713	6,898	68,370
February	6,775	10,097	65,048
March	9,751	14,657	60.142
April	8,147	12,671	55,618
May	5,586	14,600	46,604
June	7,810	13,556	40,858
July	5,889	9,156	37,591
August	6,354	9,699	34,246
September	9,054	9,734	33,566
October	5,062	12,132	26,496
November	4,168	10,763	19,841
December	10,718	7,953	22,606
Totals	88,967	133,916	

—*Messrs S. Figgis and Co.*

THE OIL INDUSTRY.

Another year of over-production—that is the monotonous record of the oil industry in 1928, though the American oil industry redoubled its efforts to restrict the output of crude oil. The restriction in the Seminole fields in Oklahoma and in the Yates Pool in West Texas was continued and restriction was further imposed in Ventura and other fields in California and in the Hendricks Pool in West Texas. As a result the crude oil output of the United States began to fall. From a daily average of 2,419,800 barrels at the beginning of 1928 it had dropped to 2,333,900 barrels a day by the middle of May. At this time a temporary shortage in gasoline developed. Gasoline prices had begun to rise in February and went on rising until August. In September restriction broke down in Oklahoma when an independent operator contested the legal powers of the Oklahoma Corporation Commission to restrict the total output of that State to 700,000 barrels a day. Thereupon the output of Oklahoma began to rise. Meanwhile a series of deep sands had been tapped in the Santa Fé Springs in California under conditions which made restriction impossible. Finally the increase in pipeline facilities in West Texas led to a rising output in the Yates and Hendricks Pools. By the end of December the State of California was producing 714,000 barrels a day, against 624,000 barrels at the beginning of the year, West Texas was producing 340,000 barrels a day against 260,000 barrels, and the total output of the United States had risen to no less than 2,591,000 barrels a day. As the supply of gasoline increased the idea of a gasoline shortage vanished and gasoline prices fell and went on falling for the last three months of the year. One of the curious features of the market situation last year was that the rise in oil prices in America was not reflected in Great Britain or to any extent on the Continent. The price of petrol in Great Britain was actually reduced at the end of March by 1d a gallon ex pump in the London and Home Counties areas, and by 1½d a gallon ex pump outside those areas. The 4d petrol tax imposed in the Budget resulted in an increase in the price of petrol by 4½d a gallon (the ½d being added to cover the cost of collection of the duty) and at this level the price of petrol remained in spite of the increase in gasoline prices in America. Fuel oil and diesel

BANCA COMMERCIALE ITALIANA

Established in 1894. Head Office: MILAN. Capital: 700 million Lire. Reserves 540 millions.

Branches in every centre of commercial and industrial importance in Italy, and in most of the best known tourist resorts; also in London, New York, Constantinople and Smyrna.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Greece, Egypt, Morocco, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

ALL OF WHOM TRANSACT BANKING BUSINESS IN ALL BRANCHES.

TRAVELLERS' CHEQUES ISSUED payable in all parts of the world.

London Office:

32, Threadneedle St., E.C.2.

A. JOEL, Manager.

Correspondents to the Italian Treasury.

oil prices were reduced at the beginning of the year and in June, as the following table shows :—

FUEL OIL in U.K.

	Bunker Fuel Oil. Per Ton.	Bunker Diesel Oil. Per Ton.
	s d	s d
December 31, 1927	75 0	90 0
January 1, 1928	70 0	85 0
June 1, 1928	67 6	82 6

Fuel oil for internal use, 75s at the beginning of year, 72s 6d on January 30th, 70s on May 2nd and 67s 6d on October 11th.

As regards the world production of crude oil last year it is only possible to give estimated figures. The United States, as a result of the increase in output in the last half-year, produced practically the same amount as in 1927—namely, 900,000,000 barrels. The decline in the output of Mexico continued, but every other oil-producing country, with the exception of India, increased its output, Venezuela leading with a rise of 66.5 per cent., followed by Colombia with a rise of 37 per cent.

WORLD'S CRUDE OIL PRODUCTION.
(In Thousands of Barrels.)

Country.	1927.	1928.	% Rise or Fall in 1928.	% of Total.
United States	901,129	900,000	— 1·25	69·72
Venezuela	64,400	107,000	+ 66·56	8·28
Russia	72,400	80,000	+ 10·5	6·20
Mexico	64,121	47,000	— 26·7	3·64
Persia	36,800	37,300	+ 1·36	2·89
Roumania	26,100	28,000	+ 7·28	2·16
Dutch East Indies	21,400	21,500	+ 0·47	1·66
Colombia	14,600	20,000	+ 37·00	1·55
Peru	9,800	10,500	+ 7·07	0·81
Argentina	8,700	8,800	+ 1·15	0·68
India	8,200	8,000	— 2·44	0·62
Trinidad	5,200	6,200	+ 19·23	0·48
Poland	5,800	5,600	— 3·45	0·43
Sarawak	5,000	5,200	+ 4.00	0·40
Japan	1,700	1,700	..	0·13
Egypt	1,270	1,300	+ 2·36	0·10
Germany	700	720	+ 2·86	
Ecuador	450	700	+ 55·55	
Canada	500	600	+ 20·00	
France	525	540	+ 2·85	0·25
Sakhalin	200	220	+ 10·00	
Czecho-Slovakia	140	140	..	
Others	260	200	— 23·07	
Total	1,249,395	1,291,220	..	100

The record of oil history in 1928 cannot be closed without mention of the move taken by the big international oil combines towards world co-operation in marketing. The first step was taken by the Burmah Oil Company when it acquired rights to one million shares in Shell Transport and Trading Company, the junior member of the Royal Dutch-Shell group. As the Burmah Oil, next to the British Government, is the largest shareholder in the Anglo-Persian, its acquisition of Shell shares made an alliance between Anglo-Persian and Shell a practical possibility. It came, therefore, as no surprise that an agreement was entered into between the Anglo-Persian and the Asiatic Company of the Royal Dutch-Shell group for the pooling of their distributing organisations in the East outside India and China. Towards the end of 1928 the Standard Oil Company of New Jersey formed the American Oil Exporters' Association, which was subsequently joined by every American oil company of importance, including the Standard Oil Company of New York and the Vacuum Oil Company, which are responsible for the import of Russian oil into India. Whether the American Oil Exporters' Association will come to some arrangement with the Anglo-Persian-Burmah Oil alliance in the East is at present uncertain, but the object of all these co-operative arrangements is that each member of the combine should draw upon the nearest source of supply (belonging to any other member of the group) in order to meet the requirements of its particular market. Co-operation on these lines means enormous economy in transport and marketing expenditure. This movement has rightly been described as "rationalising" the oil industry on its marketing side. It has taken many years of over-production to make the leaders of the oil industry act so rationally.

III.—BEER, WINES AND SPIRITS.

BEER.—The Budget included two items of relief. One was a reduction in the sugar duty by ¼d per pound. The other was a proposal to give a relief of 75 per cent. toward local rates payable by productive industries. In the case of breweries, it was estimated that such relief would amount to about £400,000. The number of barrels brewed again shows an increase, and the rise in specific gravity has been continuous since 1923, as the following table shows :—

Year to March 31.	Duty. s d	Standard Barrels. Great Britain and all Ireland.	Bulk Barrels.	Average Gravity
1914	7 9	36,057,913	37,558,767	1,052·80
1915	23 0	33,099,411	34,765,780	1,052·35
1916	23 0	30,292,977	32,110,608	1,051·88
1917	24 0	26,626,039	30,163,998	1,048·54
1918	25 0	13,816,173	19,085,043	1,039·81
1919	50 0	12,925,087	23,764,533	1,030·55
1920	70 0	25,115,196	35,047,947	1,039·41
1921	100 0	26,729,883	34,504,570	1,041·61
1922	100 0	23,513,774	30,178,731	1,042·88
1923	*100 0	18,564,212	23,948,651	1,042·72
1924	*100 0	19,890,033	25,425,017	1,043·04
1925	*100 0	20,954,392	26,734,825	1,043·12
1926	*100 0	21,034,419	26,765,610	1,043·23
1927	*100 0	19,745,199	25,100,461	1,043·28
1928	*100 0	12,962,997	25,359,754	1,043·31

* *Less a rebate of 20/- per bulk barrel.*

The yield of beer duty in 1927-8 was £83,318,692, as compared with £84,196,090 in the previous year. The current rate of duty is 932 per cent. higher than the pre-war rate. The acreage, estimated yield, and average price of hops are set out in the following table for a number of years :—

Year.	Acreage.	Produce. Cwts.	Yield per Acre. Cwts.	Average Price. £ s d
1915	34,744	254,101	7·3	6 7 0
1917 *	16,946	225,763	14·4	8 15 0
1918 *	15,666	138,491	8·8	18 15 0
1919 *	16,745	187,795	11·1	20 5 0
1920 *	21,002	258,042	11·7	19 10 0
1921 *	25,133	236,172	9·3	19 10 0
1922 *	26,452	312,000	11·4	12 0 0
1923 *	24,893	229,000	9·2	14 10 0
1924 *	25,897	476,916	17·2	10 5 0
1925	26,256	355,000	13·5	10 15 0
1926	25,599	332,000	13·0	11 15 0
1927	23,004	255,500	11·1	12 10 0
1928	28,800	242,100	10·2	..

* Hop Controller's figures.

—Messrs White, Tomkins and Courage, Limited.

WINES AND SPIRITS.—The following information is extracted from *Ridley's Wine and Spirit Trade Circular* :—After an anxious time in 1927, when the duties on wines and spirits were increased, practically all sections of the trade found fresh business difficult to obtain. Various methods of stimulating a greater inflow of orders were tried by merchants, but none can succeed in the absence of moderate prices. As was anticipated, no further radical modification of the Chancellor's 1927 revenue-producing scheme were connoted in the 1928 Budget, but an increase was effected in the import duty on "British wines" (from 1s to 1s 6d per gallon), which have secured a large share of the business formerly held by Spanish red and other lower strength Portuguese wines. The enormous growth of the business in basis wines is shown by the fact that the Chancellor estimated the revenue from that source to yield £70,000 additional by the extra sixpence. During the first half of the year expansion in the wholesale section was much hindered owing to the very slow exhaustion of the heavy stocks accumulated in anticipation of the 1927 Budget. During the twelve months the importations of all wines totalled 13,654,889 gallons, which compares with 18,526,222 gallons in the preceding year and 17,976,007 gallons in 1926, thus revealing decreases of 4,871,333 gallons and 4,321,118 gallons respectively. The quantity of foreign and colonial wines on which duty was paid last year was 13,501,366 gallons, as compared with 16,947,550 gallons in 1927, a decline of 3,446,184 gallons, and 16,828,240 gallons in 1926, a fall amounting to 3,326,874 gallons. Of the wine from foreign and Empire sources cleared for consumption, the only countries recorded as showing an increase on the previous year were Italy and "other British countries." Wines of colonial origin have, taken as a whole, suffered a decline, although not of such extensive proportions as that of foreign wines. The consumption of Australian wines fell from 2,305,151 gallons to 2,161,842 gallons, a decrease of 143,309 gallons, while "other British countries" increased to the extent of 77,394 gallons, the quantities being 329,660 gallons and 252,266 gallons respectively. Business in foreign and colonial spirits during the past year has been on much the same lines as in recent years. Consumption shows a slight decline as compared with the preceding twelve months, but imports have been on a rather heavier scale. Clearances were 1,669,819 proof gallons as against 1,764,488, a decrease of 94,669 proof gallons, and imports rose by 536,755 to 4,379,970 on 1927's total of 3,843,215 prof gallons. The excessively heavy duty continues to militate against the consumption of rum and brandy, the respective losses being 74,513 and 27,997 proof gallons, but Geneva shows an increase of 5,502 proof gallons. The statistics relating to the home consumption during 1928 of British spirits are not yet published, but taking an estimate by adding the figure for the last quarter of 1927 to that for the first three quarters of last year, there has to be recorded a decline from 11,398,665 to 11,084,263 proof gallons, amounting to 314,402 proof gallons. The export trade in wines of both foreign and Empire origin shows a decrease of 61,235 gallons, last year's total being 761,630 gallons against 822,865 gallons in 1927. Imported spirits which were reshipped reveal a fair gain, the figures being, in 1928, 844,543 proof gallons as compared with 767,286 proof gallons in the preceding year. Home-made spirits exported amounted to 7,697,381 gallons, an improvement of 641,380 proof gallons over 1927, when 7,056,001 proof gallons were exported. Several countries participated in this increase, the chief of which were Canada and India. From the same source we extract the following table, showing the imports and clearances for the past two years of wines and spirits :—

	1927. Imports.	1927. Clearances.	1928. Imports.	1928. Clearances.
	Gallons	Gallons.	Gallons.	Gallons.
French (Still)	2,332,546	2,304,826	2,067,089	2,004,780
Do (Sparkling)	851,291	805,368	782,353	692,130
Port	6,498,181	6,889,684	5,012,196	5,014,519
Spanish (Red)	1,586,525	1,783,486	1,157,043	1,008,004
Do (White)	1,518,951	1,437,322	1,363,744	1,249,859
Italy	667,846	650,069	718,309	681,122
Germany	307,852	313,143	238,343	232,348
Madeira	55,514	46,173	38,642	28,355
Empire wines	4,666,159	2,557,399	2,191,322	2,491,502
Other countries	81,649	161,963	85,848	101,747
Total	18,566,514	16,949,433	13,654,889	13,501,366
Brandy	457,408	571,174	495,004	543,172
Rum	2,119,272	882,332	2,282,155	807,823
Other sorts	1,307,142	311,023	1,602,811	318,824
Total	3,883,822	1,764,529	4,379,970	1,669,819

Clearances of French still wines fell off by 299,459 gallons, and imports declined correspondingly. The decline in finer wines has been less, but clearances of champagne fell off 111,420 gallons as compared with 1927. The heaviest decrease is in the case of port, of which 1,874,759 gallons fewer were cleared last year. Scotch whisky has experienced a slightly more prosperous year. The French vintage was good.

IV.—RAW MATERIALS.

COTTON.

The year opened with cotton weak and demand lifeless. Conditions throughout the ensuing months were rarely free from disappointments of one kind or another. The first Bureau estimate published in August rather encouraged the prospect of lower prices and the September report was construed in a similar vein. Overseas customers doggedly refused to provide for anything beyond immediate necessities. Little could be accomplished either for India or China, and had it not been for a steady demand from the minor markets the prevailing apathy would have been still more pronounced. During November the shifting of speculative interest in the raw material in New York to extraordinary movements in stocks and shares was a notable feature, but mill activity in the industrial area of the United States was by this time showing definite signs of expansion, and prospective buyers found prices moving steadily against them. No change of any moment has occurred since, and the year finished with values well maintained, but with demand still lacking both in weight and variety.

The difference between the highest and lowest price of middling American spot cotton in 1928 was nothing like as great as in the preceding year. In 1927 the margin was nearly 6d per lb—6.80 to 12.67—in 1928 it was less than 3d—9.72 to 12.53. From 11.08 in the early days of January the quotation was under 10d before that month closed, but by the end of April, owing to the reported lateness and poor progress of the new crop, a recovery to 11.67 had taken place. Complaints of deterioration and infestation by boll-weevil carried the price to 12.53 in the first week in July, but this proved to be the highest point of the year; six weeks later the rate was down to 10.21 and in September the lowest point—9.72—was touched. The main cause of such a reversal in sentiment was the publication of the acreage figures, which were much larger than had been anticipated, and gave a cultivated area of 46,695,000 acres, compared with 42,683,000 a year previously and a final reckoning of 41,905,000. The consumption returns which appeared about the same time were a further blow to bullish enterprise, but the first Bureau estimate of the crop provided a surprise. Private reckonings had varied from 14½ to 15½ million bales, and 14,291,000 was therefore distinctly less than the market had expected. The September report called for an augmentation of the prevous forecast, and 14,439,000 bales was the revised figure given. Values tumbled down and hedging operations proved much too persistent for the limited buying which sought to bring about a readjustment.

In its October report the Bureau claimed unfavourable climatic developments as the reason for a drop to 13,993,000 bales, but public opinion was more or less prepared. An addition of 140,000 bales to the October estimate was shown in the November issue, and the final estimate published in December predicted a total of 14,373,000 bales. The 1927-28 crop was 12,955,000 bales, as against the first estimate of 13,492,000 bales and the final one of 12,789,000 bales. The 1926-27 crop amounted to 17,977,000 bales and that of 1925-26 to 16,104,000 bales.—*Messrs Robert Barbour and Brother, Limited, Manchester.*

NATIONAL PROVINCIAL BANK

Limited

Subscribed Capital	£43,617,080
Paid-up Capital	9,479,416
Reserve Fund	9,479,416
Deposits, &c. (31st Dec., 1928)	291,176,098

DIRECTORS:

The Right Hon. LORD AVEBURY.
Sir ARTHUR BALFOUR, K.B.E.
Brigadier-General The Hon. EVERARD BARING, C.V.O.
Sir HARCOURT BUTLER, G.C.S.I., G.C.I.E.
COLIN FREDERICK CAMPBELL, Esq.
CHARLES CAVE CAVE, Esq.
JOHN C. DENISON DENISON-PENDER, Esq.
MAURICE OTHO FITZGERALD, Esq.
Sir HARRY GOSCHEN, Bart., K.B.E.
CHARLES GIPPS HAMILTON, Esq.
The Right Hon. LORD ILLINGWORTH, P.C.
The Right Hon. The VISCOUNT INCHCAPE, G.C.S.I., G.C.M.G., K.C.I.E.
FRANCIS ALEXANDER JOHNSTON, Esq.
Colonel Sir CLAUDE VILLIERS EMILIUS LAURIE, Bart., C.B., D.S.O.
FRANCIS CHARLES LE MARCHANT, Esq.
Sir JOHN BUCK LLOYD.
Sir AUSTIN LOW, C.I.E.
RONALD MALCOLM, Esq.
Sir GEORGE JOHN MARJORIBANKS, K.C.V.O.
Sir WILLIAM BARCLAY PEAT, C.V.O.
The Most Hon. The MARQUESS OF READING, P.C., G.C.B., G.C.S.I., G.C.I.E., G.C.V.O.
JOHN ROBARTS, Esq.
Sir FELIX SCHUSTER, Bart.
EUSTACE ABEL SMITH, Esq.

CHIEF GENERAL MANAGER:
SIR ALFRED LEWIS.

JOINT GENERAL MANAGERS:
A. McCLELLAND. E. CORNWALL. G. H. WHITEHURST. H. S. ELTENTON. F. WALLER.

Head Office: 15, BISHOPSGATE, LONDON, E.C.2.

OVER 1,250 OFFICES. AGENTS EVERYWHERE.

EVERY DESCRIPTION OF BRITISH AND OVERSEAS BANKING BUSINESS TRANSACTED.

AFFILIATED BANKS:
COUTTS & CO. GRINDLAY & CO., LTD.

American Cotton.—The following table shows the production and consumption of American cotton during a number of years, and is based on the annual statements of the Liverpool Cotton Association, Limited :—

	Total Crop †	Total Deliveries.	American Consumption.		Exports to—				
			North.	South.	Great Britain.	France.	North Europe.	Other Countries	Total Exports.
1885–86	6,550	6,509	1,825	340	2,620	410	968	345	4,344
1905–06	11,320	11,569	2,576	2,411	2,903	778	1,978	920	6,580
1912–13	14,129	14,426	2,797	3,005	3,628	1,009	2,714	1,273	8,624
1913–14	14,610	14,849	2,867	3,133	3,455	1,059	3,129	1,226	8,849
1914–15	15,067	14,957	3,415	3,208	3,817	683	1,630	2,203	8,334
1915–16	12,953	13,599	3,547	4,022	2,866	928	207	2,029	6,030
1916–17	12,976	13,212	3,307	4,383	2,681	1,010	171	1,660	5,522
1917–18	11,982	11,802	3,242	4,334	2,276	645	16	1,289	4,226
1918–19	11,603	11,472	2,514	3,505	2,628	756	325	1,744	5,453
1919–20	12,218	13,394	3,281	3,725	3,071	556	987	1,775	6,388
1920–21	11,355	10,987	2,170	3,239	1,743	585	1,702	1,551	5,579
1921–22	11,495	12,722	2,572	4,002	1,779	772	1,800	1,779	6,129
1922–23	11,248	11,933	2,782	4,515	1,286	633	1,315	1,402	4,636
1923–24	11,327	11,566	1,829	4,059	1,719	720	1,866	1,372	5,678
1924–25	14,716	15,022	2,505	4,474	2,547	905	2,617	1,974	8,044
1925–26	15,452	15,470	2,722	4,801	2,291	917	2,423	2,316	7,947
1926–27	19,282	19,150	2,756	5,435	2,582	1,025	4,016	3,336	10,959
1927–28	14,373	15,037	2,071	5,367	1,447	897	3,049	2,206	7,599

† Including linters.

Egyptian and Other Cotton.—According to the computations of the International Institute of Agriculture, the following yields were obtained by certain producing countries other than America :—

PRODUCTION OF LINT (in Thousand Bales of 478 lbs).
(Seasons from August 1st to July 31st in each year.)

	1922-23 to 1926-27 (Average).	1927-28.	1928-29.
India	4,613	4,913	..
Egypt	1,498	1,257	1,491
Mexico	..	179	272
Korea	121	133	150
Uganda	121	112	..
Sudan	68	111	136

International Cotton Statistics.—The International Federation of Master Cotton Spinners reports the world consumption of American cotton for 1927-8 at 15,407,000 bales, as compared with 15,780,000 bales in the previous year. World spinners took 25,540,000 bales of all kinds of cotton, as against 25,881,000 bales in 1926-27. At July 31, 1928, the total mill stocks of American cotton were 2,212,000 bales, compared with 3,056,000 in 1927; of all kinds of cotton, 4,787,000 bales, against 5,407,000 in the preceding year. Probable consumption for the current season has been estimated at about half a million bales less than that of last year.

The following table shows the Board of Trade figures of total imports of raw cotton and the value theerof, during the years 1913, 1927, and 1928 :—

Cotton, Raw (except Linters).	Quantity.			Value.		
	1913.	1927.	1928.	1913.	1927.	1928.
Imports from—	Centals of 100lbs.	Centals of 100lbs.	Centals of 100lbs.	£	£	£
Egypt	4,026,694	3,162,889	3,035,894	17,642,358	17,734,565	20,584,554
United States of America	15,847,695	9,185,488	8,663,796	47,307,766	33,411,670	40,393,789
Brazil	618,036	214,306	139,198	1,992,268	965,886	731,026
Other foreign countries	531,421	1,432,455	1,289,484	1,696,192	6,398,178	6,532,995
Total from foreign countries	21,023,846	13,995,138	13,128,372	68,638,584	58,510,289	68,242,364
British Africa	173,891	976,064	903,021	490,484	5,550,122	6,705,476
British East Indies	514,102	481,540	964,256	1,128,831	1,684,943	3,743,310
British West Indies	29,895	22,354	23,967	209,422	214,767	244,974
Other British Possessions	1,262	8,297	38,065	3,226	49,148	189,914
Total from British Possessions	719,150	1,488,255	1,929,309	1,931,963	7,498,980	10,881,474
Total	21,742,996	15,483,393	15,057,681	70,570,547	66,009,269	79,123,838

WOOL.

The following information is extracted from the annual report of Messrs Schwartze, Buchanan and Co. :—The past year has proved disappointing. A year ago trade had improved both in England and on the Continent, and under this stimulus, coupled with the prospect of a material shortage in the Australian clip, prices had appreciated during the latter months of last year. Unfortunately, however, during the earlier months of this year, a strong buying movement developed with hardening prices due, in large part, to the fear that supplies would be short in the second half of the year. When, later on, it became apparent that the estimated decrease in production had been grossly exaggerated, consumers, who had all along protested that they could not pay any advance in prices, held back and bought only from hand to mouth. This state of affairs continued for months, manufacturers counting on securing their supplies at a lower level, topmakers holding firm in the belief that manufacturers would ultimately be obliged to come out with their orders. In July and August business was very dull and tops accumulated to such an extent that it became evident that lower prices would have to be accepted. The break occurred towards the end of August, but no one anticipated so marked a decline or such a lack of confidence as was shown in the September sales. At that time and in October tops were sold, at times, at extraordinarily low prices, and it was these low priced tops and the cheaper wool which enabled spinners and manufacturers to obtain fresh orders on a new basis and to put a lot more wool into consumption. This, with the strength of the Australian markets owing to Japanese competition, caused confidence to a large extent to be restored and, with stocks of tops reduced to normal proportions, the concluding sales of the year were marked by keen and well sustained demand at a somewhat higher level than in September. The first series of London sales opened with a strong tone and the demand throughout was keen, especially on the part of the home trade. Prices for all merinos, with the exception of poorly grown wools, showed a slight appreciation, shafty wools suitable for Yorkshire and short scoureds benefiting the most. Crossbreds showed rather a greater advance than merinos, especially the fine medium sorts. The strong demand continued in March, Yorkshire again taking a prominent part, with the result that broad haired wools and medium and coarse crossbreds appreciated still further, as did the general run of scoureds, especially short pieces and carbonising sorts. A lull took place in the consuming centres in April when it began to be known that the decrease in Australia would be materially less than anticipated. It was with considerable relief, therefore, that when the May sales opened, the decline was found to be less than expected, and the fact that prices hardened as the sales progressed went far to re-establish confidence for the time being. But business gradually became slacker during the interval and in July prices for merinos were barely maintained, though medium and coarse crossbreds were rather dearer. The fall, when it did come in the September series, was much more severe than anyone anticipated, amounting in the latter part of the series to an average decline of 15 per cent. from the highest point. Gradually the lower price level revived the demand and confidence was restored. The year closes with spinner wools 12, topmaking 8 to 9, fine crossbreds about 4 per cent. lower, but medium 8, and coarse about 5 per cent. higher than in December, 1927. As compared with July, 1914, spinner wools are about 60, the general run of topmaking wools about 55, medium and inferior pieces about 50, fine crossbreds 45, and medium and coarse crossbreds about 40 per cent. higher.

With the exception of Queensland, weather conditions in Australia have been, on the whole, fairly satisfactory, and the decrease in production in Australia turned out to be much less than expected. South America showed a smaller decrease than anticipated, and South Africa a slight increase, while New Zealand showed a considerable increase.

We give below our usual statement of the value per lb clean of a few representative descriptions in July, 1914, and in December in recent years :—

	N.S.W. Good.	Queensland. Good.	Victor'n. Good.	South Aust. Average.	Cape. Short Washing.	Australian and N.Z. Crossbred.			
						Fine (Sup'r)	Fairly Fine.	Med.	Coarse.
	d	d	d	d	d	d	d	d	d
July, 1914	32	30	31	29	23½	27	25	17	15½
Dec., 1919	135	110	138	108	68	95	70	40	29
,, 1921	46	39	45	33	23	35	21	10½	8½
,, 1923	65	63	65	58	48	52	42	23	19
,, 1924	82	78	80	68	60	65	58	37	33
,, 1925	57	54	52	45	36	40	32	21	19
,, 1926	52	49	48	42	34	42	33	19½	17½
,, 1927	57	55	55	47	38	44	35	23½	21½
,, 1928	50	49	48	43	34	41	35	25	22½

Average value of the colonial bale :—1928, £30; 1927, £27; 1926, £26; 1925, £29; 1924, £39; 1923, £28; 1922, £22; 1921, £18; 1920, £52; 1914, £17.

According to Messrs Charles Balme and Co., the quantities of wool catalogued in the London market during 1928 compare with the figures for 1927 as follows :—

	1927. Bales.		1928. Bales.
New South Wales	145,690	....	127,441
Queensland	68,162	....	66,079
Victorian	89,851	....	66,419
South Australian	30,425	....	22,890
West Australian	36,519	....	45,935
Tasmanian	3,096	....	2,546
New Zealand	293,170	....	221,136
South African	20,120	....	29,367
Punta Arenas and Falkland Islands	74,822	....	68,561
River Plate	5,156	....	11,217
Sundries	20,753	....	23,269
Total	787,764	....	684,859

The following table, compiled by *The Weekly Wool Chart*, shows the amount of wool retained in the United King-

LLOYDS BANK LIMITED.

Chairman: J. W. BEAUMONT PEASE.

Deputy-Chairman: Sir AUSTIN E. HARRIS, K.B.E.

HEAD OFFICE: LONDON, E.C. 3.

CAPITAL:
SUBSCRIBED - £73,302,076
PAID UP - - £15,810,252
RESERVE FUND - £10,000,000
(31st December, 1928.)
DEPOSITS, &c. - £353,638,942
ADVANCES, &c. - £187,155,085

Over 1,800 Offices in England and Wales, and others in India and Burma.

Colonial and Foreign Department: 80, GRACECHURCH ST., LONDON, E.C. 3.

Trustee Department: 39, THREADNEEDLE ST., LONDON, E.C. 2.

The Bank has Agents and Correspondents throughout the British Empire and in all parts of the World, and is associated with the following Banks:

THE NATIONAL BANK OF SCOTLAND LIMITED.
BANK OF LONDON & SOUTH AMERICA LIMITED.
LLOYDS & NATIONAL PROVINCIAL FOREIGN BANK LTD.
THE NATIONAL BANK OF NEW ZEALAND, LIMITED.
BANK OF BRITISH WEST AFRICA LIMITED.
THE BRITISH ITALIAN BANKING CORPORATION, LIMITED.

BARCLAYS BANK LIMITED.

Head Office - - 54, Lombard Street, London, E.C.3,
and over 1,950 Branches in England and Wales, and Agents and Correspondents in all the principal towns throughout the World.

FREDERICK CRAUFURD GOODENOUGH, Chairman.
SIR HERBERT HAMBLING, BART., Deputy-Chairman.
WILLIAM FAVILL TUKE, Vice-Chairman.
GENERAL MANAGERS:
EDWIN FISHER. HENRY THOMAS MITCHELL.
FOREIGN GENERAL MANAGER: WALTER OSBORNE STEVENSON.

Authorised Capital £20,000,000
Issued and Paid-up Capital £15,858,217
Reserve Fund £10,250,000
Deposits, etc. (31st Dec., 1928) £335,081,223

EXECUTORSHIPS AND TRUSTEESHIPS UNDERTAKEN.

EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED.

FOREIGN BRANCHES:

CHIEF FOREIGN BRANCH: 168, Fenchurch Street, London, E.C.3.

WEST END (LONDON): 1, Pall Mall East, S.W.1 | LIVERPOOL: 45, Castle Street. | BRADFORD: 13, Market Street. | MANCHESTER: 94, Portland Street. | BIRMINGHAM: 63, Colmore Row.

Affiliated Banks;

BARCLAYS BANK (DOMINION, COLONIAL AND OVERSEAS).
Head Office: 54, LOMBARD STREET, LONDON, E.C.3.
BARCLAYS BANK (FRANCE), LIMITED.
Chief Office: PARIS. Branches in France and Algeria.
BARCLAYS BANK S.A.I.: ROME AND GENOA.
THE BRITISH LINEN BANK.
Head Office: EDINBURGH. 194 Branches in Scotland.
THE UNION BANK OF MANCHESTER LIMITED.
Head Office: MANCHESTER. 165 Branches in Lancashire, Cheshire and the West Riding of Yorkshire.

dom in the years stated, the figures for 1928 being for the twelve months ending November:—

(In million lb.)

	1913.	1926.	1927.	1928.
Imports, foreign and colonial wool	801	811	822	794
Re-exports, ditto	307	338	346	337
Retained	494	473	476	457
British clip retained	95	61	57	73
Total retained by trade	589	534	533	530

The quantity of wool retained in 1928 was almost exactly the same as in each of the two preceding years. Probably the actual consumption did not differ materially from the quantity retained; whereas in 1927 it is estimated that about 555 million lb was consumed, and in 1926 about 515 million lb. The drop in the consumption has been greater than would appear from the above figures dealing with virgin wool, as there has been a decline in the consumption of pulled wool, though to what extent it is difficult to estimate.

JUTE, FLAX AND HEMP.

Only slight fluctuations were experienced during the first months of 1928. During the summer there was practically no speculation. Spinners, having received conflicting reports with regard to the crop, preferred to await the arrival of the first parcel before buying bulk. Thus little business was done in Italian hemp until October, and even then purchases were very meagre. PC/SB, which opened in September at £65 to £67, declined steadily, and the lowest price at which business was done in the U.K. was £62 15s c. and f. U.K. Though this price was far below the equivalent of the actual unselected hemp in Italy, only small orders were booked. A greater interest was shown both by German and U.K. spinners in November-December, when fair sales were effected and prices began to rise. An improvement of the yarn market in Italy, followed by heavier buying by the Italian mills, contributed to the strength, and PC/SB closed at the end of the year at £66 to £68. The crop has proved the most irregular experienced for many years.

Russian Hemp.—The demand for Siretz has been good throughout the year, and supplies arriving at Riga moved steadily into consumption at prices which gradually advanced during the season. The quality has been satisfactory. Towards the end of the year the scarcity of Central European peasant hemps and tows and the high prices asked for French hemp led to an expansion in the demand for Russian. Continental spinners have again been the chief buyers, and Germany in particular has secured large parcels on their arrival in Riga. Values of Siretz, which at the beginning of the year ranged from £35 to £48, now stand at from £42 to £55 per ton.

Flax.—The bulk of the season's buying took place towards the end of December, 1927, and in the early days of January, 1928, and a rise in prices of about £10 per ton ensued, bringing Livonian flax up to £110 basis R, and BKKO to £115 basis I. From the end of January until the beginning of May markets were dull, and only occasional purchases by spinners against actual requirements were recorded. Prices remained more or less stationary. From June onwards there was a tendency for prices to recede, and the first transactions of any note took place in October, when some 5,000 tons of Russian flax were sold at equivalent to £90 basis I for BKKO. Further large quantities were disposed of at an advanced price, and the sales of Russian flax to date amount to about 8,400 tons. This quantity is said to be more than 50 per cent. of the total allotted for export this season. Two outstanding items of general interest to the trade relieve what is otherwise a disappointing year. One is the establishment on a small scale of the export from Poland under standard marks of fully worked and correctly graded flax. The second item is the decision of the Lithuanian Government to establish control over the export of flax from Lithuania. It is hoped that this will result in an improvement of the standard.

East Indian Hemp.—Sawnee old crop rose from £25 to £34 per ton between January and June. The spot market was consistently bare throughout the year, and despite the absence of active demand from spinners, prices advanced sharply as the shipment period approached. Fine Sawnee closed at £31 per ton and Philibit at £24.

Jute.—The year closes with the price of firsts at £32, slightly higher than at the opening last January with £31. Fluctuations have been violent owing to conflicting reports as to the weight of the crop and uncertainty regarding the results of weather conditions which prevailed during the early growth of the plant. Extensive speculation by native dealers and heavy buying by the prospering industry in Calcutta have contributed to the extreme fluctuations. The actual outturn of the 1927-28 crop amounted to over 11,000,000 bales—an excess of between 800,000 and 900,000 bales over the estimate. Consumption, however, has been steadily increasing, and although we experienced depression in early March, firsts dropping to £28 per ton, the market quickly reacted on reports of smaller sowings, culminating in July at a price of £40 for August-September shipment. A month of great instability ensued. By the end of August it was reported that the Government forecast would, in all probability, exceed the general expectation; this proved correct, and the Directors figure was 9,916,000 bales, causing a rapid decline to £31 per ton; since then the market has been almost stationary. Arrivals in Calcutta to date indicate that the Government forecast is again likely to be exceeded, but this has had no appreciable effect on a market supported by substantial orders into autumn for the manufactured article. Of paramount interest is the announcement that the Calcutta mills have decided to adopt a 60-hour week from July 1, 1929.

Manila.—Prices fell continuously from January to October. S1 dropped from £66 10s to £44; J2 from £42 to £32 10s; K from £39 to £29; and L2 from £36 to £23 10s. Receipts at 1,400,000 bales show an approximate increase of 10 per cent. Trading conditions improved towards the end of the year and brought about a considerable reduction in supplies. The new year began with stocks of 121,000 bales in Manila and 15,130 bales in the United Kingdom.

FIBRE VALUES in the UNITED KINGDOM.

	Jan. 1, 1913.	Jan. 1, 1925.	Jan. 1, 1926.	Jan. 1, 1927.	Jan. 1, 1928.	Jan. 1, 1929.
Italian P.C.S.B. per ton	£ s	£ s	£ s	£ s	£ s	£ s
Russian F.S.P.R.H. "	45 0	103 10	71 10	52 0	63 10	67 0
Flax, Livonian Z.K. "	40 10	98 0	85 0	64 0	66 0	64 0
Flax, Bejetsky "	42 0	122 0	70 0	57 0	94 0	96 0
Kotelnitch Tow "	44 0	133 0	83 0	64 0	98 0	95 0
Bombay Hemp H.J.F. "	..	112 0	70 0	63 0	87 0	80 0
Bengal Sunn "	23 15	56 10	35 0	23 0	26 0	28 10
Benares "	28 0	60 0	46 0	34 0	38 0	34 0
Jute, first natives "	17 10	41 10	31 0	19 0	19 0	23 0
Manila, J. U.K. "	26 0	39 10	57 0	31 10	31 0	32 10
New Zealand, fair "	35 5	56 0	46 0	46 10	42 0	39 10
African sisal, No. 1 "	39 0	42 0	36 10	36 10	33 10	34 10
Cebu Maguey, No. 2 "	36 10	48 10	45 15	42 0	37 0	42 0
Manila Maguey, No. 2 "	..	39 10	40 0	38 0	32 10	34 10
Mauritius Hemp, prime "	..	38 10	38 10	37 0	32 0	34 0
Mexican Henequen per lb	31 10	48 0	44 10	35 10	37 10	39 10
Cotton Spot, Liverpool "	7·11d	13·50d	10·27d	6·89d	11·05d	10·58d

ESTIMATED PRODUCTION of EUROPEAN HEMPS.

	1926. Tons.	1927. Tons.	1928. Tons.
Italy	100,000	80,000	80,000
France and Spain	12,000	12,000	9,000
Central Europe	40,000	43,000	35,000
Soviet Russia	..	No statistics	..

ESTIMATED PRODUCTION of HARD FIBRES.

	1926. Tons.	1927. Tons.	1928. Tons.
Philippine manila	155,250	161,343	175,000
Philippine Maguey	18,138	17,385	16,000
Mexican henequen	110,000	120,000	127,000
Java and Sumatra sisal	38,000	44,000	46,000
African sisal	40,537	50,000	52,000
New Zealand hemp	29,750	21,896	15,000
Bahama sisal	1,800	1,500	1,500
Jamaica	1,500	1,000	1,000
Mauritius	700	800	1,000

—*Messrs Wigglesworth and Co., Limited.*

The following figures show our imports of flax, hemp and jute in 1913, 1927, and 1928:—

	Quantity.			Value.		
	1913.	1927.	1928.	1913.	1927.	1928.
FLAX.	Tons.	Tons.	Tons.	£	£	£
Russia	68,161	799	679	2,806,829	58,738	63,326
Esthonia	..	3,044	1,930	..	233,344	177,827
Latvia	..	12,729	9,303	..	827,511	854,038
Netherlands	1,442	2,432	1,654	87,059	199,494	181,900
Belgium	14,194	16,397	12,303	1,262,141	1,501,026	1,346,975
Other countries	473	4,705	3,201	24,100	367,973	274,583
Total	84,270	40,106	29,070	4,180,129	3,188,085	2,898,369
FLAX TOW OR CODILLA.						
Russia	13,416	193	279	503,160	13,939	17,617
Esthonia	..	841	231	..	50,454	16,992
Latvia	..	2,941	2,188	..	158,184	158,469
Belgium	3,812	1,655	932	65,335	83,081	43,629
Other countries	955	1,969	689	22,595	109,589	38,629
Total	18,183	7,599	4,319	591,090	415,247	275,336
HEMP.						
Russia	12,818	..	..	432,201	..	..
Germany	4,186	..	..	129,299	..	..
German East Africa	949	..	..	31,210	..	..
Italy	9,102	10,766	5,404	376,044	564,103	314,796
Philippine Islands	64,579	49,850	50,806	2,000,450	2,117,341	1,862,022
British East Africa	283	7,022	7,173	7,279	285,385	255,101
British East Indies	17,390	4,609	3,436	386,680	136,374	98,369
New Zealand	21,824	7,625	6,834	649,170	270,111	225,678
Other countries	6,571	12,670	11,970	179,492	496,571	433,194
Total	137,702	92,542	85,623	4,191,825	3,869,883	3,187,160
HEMP TOW OR CODILLA.						
Russia	2,208	..	..	51,686	..	..
Italy	754	2,852	2,378	22,020	129,308	120,891
New Zealand	4,906	..	..	69,789	..	..
Other countries	708	6,103	5,900	14,909	184,040	199,152
Total	8,576	8,955	8,278	158,404	313,348	289,943
JUTE, Raw	350,826	250,624	284,994	9,246,598	7,526,107	6,298,239
Total of flax, hemp, and jute	599,557	399,826	332,284	18368046	15312669	12949447

The BRITISH OVERSEAS BANK
LIMITED

CAPITAL AUTHORISED £5,000,000 ISSUED AND PAID UP £2,000,000
RESERVE FUND £200,000

THROUGH its world-wide connections and agencies the Bank is able to offer to its clients at home and abroad exceptional facilities in foreign exchange and in the financing of every form of foreign trade, and also to provide up-to-date credit reports and information as to international business conditions. Correspondence invited.

33, GRACECHURCH STREET, *Lombard Court*, LONDON, E.C. 3

TELEGRAPHIC ADDRESS
Inland: "SAESREVO, WIRE, LONDON" *Foreign:* "SAESREVO, LONDON"
TELEPHONE No. ROYAL 7111

Affiliated Institution in Poland: ANGLO-POLISH BANK, LIMITED, WARSAW

Glyn, Mills & Co.
(Established 1753)
Registered with unlimited liability, 1885.
incorporating
CHILD & CO. and HOLT & CO.
(Established before 1600) (Established 1809)
BANKERS
Army and Air Force Agents, Navy and Prize Agents.

Capital	£1,060,000
Reserve Fund	530,000
Current and Deposit Accounts	35,928,161
Cash in Hand and at Bank of England	5,601,751
Money at Call and Short Notice	7,620,250
Investments	7,618,874
Advances, etc.	12,843,483
Balances with and Cheques in course of collection on other Banks in the United Kingdom	1,766,901

31st December, 1928

Head Office - - - 67, LOMBARD STREET, E.C. 3

Managing Partners:
LORD WOLVERTON.
LAURENCE CURRIE.
LORD HILLINGDON.
General The Hon. SIR H. A. LAWRENCE, G.C.B.
Brigadier-General A. MAXWELL, C.B., C.M.G., D.S.O.
ERIC GORE BROWNE, D.S.O.
FREDERICK WILLIAM FANE.
MARTIN DRUMMOND VESEY HOLT.

Childs Branch - - - - - 1, FLEET STREET, E.C. 4
Partners:—
FREDERICK WILLIAM FANE.
SYDNEY ALEXANDER PONSONBY.

Holts Branch - - - - 3 & 4, WHITEHALL PLACE, S.W. 1
Partners:—
MARTIN DRUMMOND VESEY HOLT.
ARTHUR VAVASOUR BARBER.

The Bank conducts every description of Banking Business, both British and Foreign.
Letters of Credit issued. Home and Foreign Credits established. Executorships and Trusteeships undertaken.

SILK.

The year 1928 has recorded more sales in silk goods than any of its predecessors. Parallel to this the production is increasing. During the year July 1, 1927, to July 1, 1928, it has reached a total of 46 millions kilos, which shows an increase of 50 per cent. in six years. The balance between supply and demand has been fairly stable this year and there have been but few sudden fluctuations in quotations. The first months of the year were featureless. The favourable results of the legislative elections stimulated business in France during April; but soon the market became quiet again under the influence of the drop in Japan silks just before the cocoon markets. At the same time America was obliged to slow up her looms in order to guard against overproduction of woven silks. Prices became easier. From July it seemed likely that the quantity of silk from all parts at the disposal of European and American manufacturers during the year 1928-29 would be only slightly greater than that of 1927-28. Business became a little more lively and August saw prices very firm or rising for most sorts. On September 11 a Silk Exchange, organised by a group of business and financial men, was started in New York.

Things were calm during autumn, especially in Europe, but the production markets remained very firm. The news of a good wheat harvest in America strengthened the situation, without diminishing the resistance of buyers against an upward movement of prices. The Far Eastern markets have been kept up by American purchases, European consumption markets remaining dull. The steady increase in the consumption of silk in the world, the development of the resources and needs in America which is its chief outlet and the low level of market prices which favours transactions, suggest that the present condition of the silk trade is, on the whole, a healthy one.

RAW SILK PRICES—END OF DECEMBER.
(In Francs, Lyons Terms.)

	1913.	1925.	1926.	1927.	1928.
Italian, 2nd class, 10/14	49½-50½	415-425	345-355	285-295	285-295
Syrian, 2nd class, 9/11	45-46	390-395	340-350	280-290	290-295
Shanghai, steam filre., best 9/11	53-54	510-515	420-430	370-375	400-410
,, Tsatlee R. R. merit Pegasus 1.2.3	33-34	250-255	235-240	195-200	210-215
,, Szechuen filre., No. 1, 13/15.	41-43	365-375	310-320	250-255	270-275
,, native Tussah, best to good	8½-9	90-100	95-100	..	..
Japan filre., 1½ 10/12	45	420-425	345-355	300-310	310-315
,, 1½ 13/15	42½	405-410	330-335	275-280	285-290
Canton filre., best 1 13/15	40	325-330	220-230	230-235	235-240

SILK SUPPLY FROM ALL COUNTRIES.
(Metric Tons.)

	Seasons.					
	1913-14	1924-25	1925-26	1926-27	1927-28*	1928-29*
Export from Shanghai (including Tussah)	5,800	4,765	5,715	5,545	4,200	5,550
Do Canton	2,780	2,950	2,405	3,200	2,500	2,900
Do Yokohama	12,120	24,525	25,845	30,025	30,725	32,000
Do Persia and Central Asia	435	195	185	210	180	145
Do India and Indo-China	115	80	90	120	120	150
European crop	4,235	5,685	4,740	4,180	4,807	4,700
Levant crop	1,880	900	960	860	1,010	875
Total	27,365	39,100	39,940	44,140	43,542	46,320

* Estimates.

—Extracted from the annual review of Messrs. Chabrières, Morel et Cie., Lyons.

THE ARTIFICIAL SILK INDUSTRY.

The price situation in the rayon (artificial silk) industry has during the year been a matter of considerable concern and the stability which characterised 1927 was not completely continued. The supply of coarse yarns and poor qualities exceeded the demand, with the result that there was cutting among weaker holders. The leading viscose producers maintained prices fairly well until the end of the year, when they made reductions partially on account of competition, but chiefly from a desire to stabilise the market and develop consumption. Towards the end of the year a very serious position developed in Germany, where the relations between the members of the Viscose Convention became strained, resulting in the early part of 1929 in a break-up of the Convention and a period of uncertainty in prices. In America prices have been on the whole well maintained. The strength of the International Cartel will be severely tested during the critical period while the German and other European markets are working back to stability.

Progress on the technical side has been very marked both in regard to the production of better yarns and better fabrics. The strength of the new "Lilienfeld" yarn is very great, and it will be introduced under the auspices of Courtaulds, Limited, this year. Permanent dull lustre effects have been obtained, and above all the number of filaments has been increased, giving a yarn of better all-round appearance and feel. Progress has been made in the acetate side of the business, but primarily in the production of cheaper raw acetate.

Company developments have been many, and a large amount of new capital has been put into the industry in this as in other countries. There is a movement on foot to effect amalgamation of some of the smaller companies.

The total amount of yarn subjected to excise duty in the first nine months of 1928 was 38,006,408 lbs., against 27,450,019 lbs. in the corresponding period of 1927 and 18,755,422 lbs. in 1926. Imports during last year showed very little change, but there was an expansion in exports, though not proportionately to the increase in total sales, except in the third quarter of the year, when there was a slight fall in the amount of yarn consumed here. The export trade in manufactured goods has expanded well, and this applies especially to the mixtures of cotton and rayon, which have been in keen demand in the Colonies and in South America as well as in the Eastern markets. Threats of tariff revisions are in some cases imperilling this trade, notably in Brazil. Imports of manufactured goods have not increased to the same extent. The foreign trade in rayon hose has shown slow development, whilst lace in which rayon is used has increased materially in volume. Exports of rayon waste have been a feature of the year, but there are plans in hand to develop its use in this country on a large scale. In fabrics the use of silk and wool in conjunction with rayon is increasing and the all-rayon material is distinctly popular.

HIDE AND LEATHER TRADES.

Tanners and curriers will not look back on 1928 with much pleasure. Activity was marked in January, and prices reached high limits. Best English ox hides were making as much as 10½d to 11d per lb. in February, and Argentine fregorific ox at one period touched 15½d per lb. By the end of the year best market ox hides had fallen to 8¼d and South American fregorifics to 11¾d, the demand for leather being so poor that many tanners were working on a greatly reduced input of hides. Early in the year an inspired propaganda was launched in the Press, to the effect that as meat eating was on the decrease the supply of hides had become scarce, and hide sellers made the most of their opportunity. About March signs were evident that leather consumers would not follow the rising market, as shoe manufacturers especially were unable to pass on the advances in their materials to the large footwear buyers to a sufficient extent to cover themselves. By October it was evident that stocks of sole leather had accumulated owing to the cautious policy adopted by consumers. Tanners of dry hide bends at once reduced quotations by two or three pence per lb, whilst the tone of market hide and wet salted bends was weak and little business was done. A feature of the year's trading has been the increased competition of sole substitutes of rubber origin.

Imports of wet hides for 1927-28 totalled 810,282 cwts and 692,792 cwts, and of dry hides 722,086 cwts and 809,252 cwts, showing how great must have been the demand for a cheap bend from the shoe manufacturing side. Exports of British hides for the same periods reached a total of 151,588 cwts and 150,431, America taking about 16,000 cwts more in 1928 than in the previous year.

Last year British tanners exported sole leather valued at £1,369,232, as against £1,313,658 for 1927; a substantial proportion of this was sent to oversea countries which impose a duty on its entry—South Africa, for instance. On the other hand, imports of sole leather for 1927-28 were valued at £792,627 and £1,630,994, Continental tanners finding this a ready market for cheap parcels when they needed money badly. Tanners of rough dressing leather have also had a worrying time during the past year owing to fluctuations in prices of hides.

Curriers of kip leather had a harassing time of it last year, as values of rough tanned goods fluctuated a good deal and great difficulty was often found in obtaining leather under contracts made with shippers from India. Cheap semi-chrome met with a fair demand at low prices, but waxed and russet butts showed a further decline, probably due to the competition of chrome leathers, and to the lack of orders for stout boots from the mining districts. Chrome calf and side tanners have about held their own in special lines, but some idea may be gathered of the severity of foreign competition from the fact that the value of imported upper leathers for 1927-28 reached the huge totals of £7,510,757 and £7,786,992 respectively. The import of box and yellow calf from Germany last year was valued at the high figure of £1,111,401, though British tanners managed to export calf leathers last year to the value of £673,071.

Although distributors of footwear made large profits last year, manufacturers did not share in them much, and again some of the old-established firms went out of business. Big failures have been comparatively few, but it is certain tanners and merchants have had to "nurse" their customers a good deal. The demand for women's shoes has been fairly consistent during the year, whilst makers of sports and children's shoes have also been better supplied with orders than those who specialised on men's wear. The export section remained quite good, boots and shoes valued at £5,072,282 being sent overseas last year, as against £4,5959,573 for 1927. The value of imported footwear for 1927-28 totalled £1,867,299 and £1,894,132, the major part coming in from Switzerland and Czecho-Slovakia, where labour is apparently cheaper.

The following is a statement of imports and exports of hides and leather during 1913, 1927 and 1928:—

IMPORTS.	Quantity.			Value.		
	1913.	1927.	1928.	1913.	1927.	1928.
Wet Hides—	Cwts	Cwts	Cwts	£	£	£
Calf	32,942	38,033	48,516	145,451	185,662	286,960
Other sorts, including Ox and Cow—						
Russia	92,170	..	..	259,774	..	..
Germany	27,610	..	..	94,588	..	..
Netherlands	..	35,096	24,927	..	120,255	118,013
Belgium	10,007	4,294	3,915	33,691	17,097	16,839
France	36,754	20,499	6,407	122,879	73,700	28,929
Italy	119,702	112,488	116,870	513,502	494,778	657,639
Argentine Republic and Uruguay	188,097	131,198	94,516	874,781	552,286	555,163
Irish Free State	..	93,482	90,701	..	393,674	377,298
British South Africa	68,118	101,568	64,748	242,883	357,002	259,837
Australia	113,331	27,536	20,828	435,464	99,308	107,875
Other countries	142,592	246,088	221,364	436,812	897,624	1,039,646
Total	798,381	772,249	644,276	3,014,381	2,905,724	3,161,239
Total of Wet Hides	831,323	810,282	692,792	3,159,832	3,091,386	3,448,199
Dry and Drysalted—						
Calf	17,313	14,305	6,215	134,257	68,805	39,500
Other sorts, including Ox, Cow, and Kips—						
Russia	57,300	..	..	207,761	..	..
Argentine Republic and Uruguay	..	37,615	23,255	..	199,577	170,292
British South Africa	124,223	185,003	230,148	580,705	806,175	1,247,629
British India	70,554	37,426	61,976	263,951	165,181	375,856
Straits Settlements and Fed. Malay States	40,371	29,877	30,299	134,516	84,707	97,424
Australia	36,253	32,801	39,743	171,107	139,473	248,703
Other countries	276,665	385,059	417,616	1,195,585	1,858,293	2,703,353
Total	605,376	707,781	803,037	2,554,210	3,253,406	4,843,257
Total of Dry and Dry Salted Hides	622,689	722,086	809,252	2,688,467	3,322,211	4,882,847
Total of Leather	1,176,100	898,270	1,035,072	10,572,100	15,485,752	18,077,080

EXPORTS.	Dz. Prs.	Dz. Prs.	Dz. Prs.	£	£	£
Boots and shoes (wholly or mainly of leather)—						
Germany	33,666	..	..	122,206	..	..
Sweden, Norway, and Denmark	..	21,133	23,057	..	88,406	86,608
Netherlands	50,550	26,532	33,677	78,291	90,473	115,301
Egypt	..	10,958	17,948	..	51,463	71,950
United States	..	22,962	25,634	..	283,057	353,071
Irish Free State	..	308,544	324,727	..	1,482,264	1,608,084
British South Africa	387,510	158,001	178,579	1,160,800	724,556	768,532
British East Indies	189,656	54,391	55,901	531,471	245,385	253,769
Australia	210,353	67,501	53,403	317,758	162,794	144,134
New Zealand	99,523	118,435	129,179	305,399	588,555	632,670
Canada	..	63,483	69,249	..	205,465	238,277
Brit. West India Islands (including Bahamas) and British Guiana	37,384	47,155	54,160	73,094	192,230	226,263
Other countries	276,230	91,272	113,778	998,615	480,605	573,623
Total	1,452,815	990,367	1,079,370	4,194,275	4,595,573	5,073,282

† Under the designation of "Leather" are comprised the following articles, viz.: Hides, tanned, tawed, curried or in any way dressed; Goatskins, tanned or dressed as leather; Sheepskins, tanned or dressed as leather.

CHEMICALS.

Chemicals.—According to an article in the *Manchester Guardian Commercial Annual Review*, 1928 was a year of quiet, but sound constructive work. Imperial Chemical Industries formed, in conjunction with the Chase Securities Corporation, the Finance Corporation of Great Britain and America, with a capital of over two millions. Its main object is to bring the financial strength of America to the use of industrial purposes in the rest of the world, and great developments in processes and plant are foreshadowed. The I.C.I. has also linked six Scottish fertiliser manufacturers in Scottish Agricultural Industries, Limited, and other companies were also absorbed. The trade in chemicals was satisfactory during 1928, largely owing to the increased demands of the newer industries—artificial silk, motor and electrical engineering, fertiliser foods, &c., with their supply trades, such as the lacquer and enamel, solvent, safety glass, and oil manufactures. In heavy chemicals many plants have been improved, and some of the less efficient plants closed down, particularly among those manufacturing alkali products, while some extensions of manufacturing capacity, notably for ammonia soda and caustic, have taken place. The sulphuric acid industry has also been reorganised. Activity in the production of fertilisers grew throughout the year. Britain has maintained a leading position in the manufacture of synthetic nitrates, and a further increase in home production is foreshadowed in the

THE DOMINION OF NEW ZEALAND

THE LAND OF GREAT OPPORTUNITY.

New Zealand offers the best investment for

CAPITAL, INDUSTRY, ENTERPRISE.

Last year Gt. Britain received from New Zealand:

23% of her **BUTTER** Supplies from abroad.
53% ,, ,, **CHEESE** ,, ,, ,,
55% ,, ,, **MUTTON & LAMB** ,, ,,
33% ,, ,, **TALLOW** ,, ,, ,,
23% ,, ,, **WOOL** ,, ,, ,,

New Zealanders, per capita, are Britain's best customers. Last year they purchased manufactures, etc., from British Mills to the extent of £14 - 16 - 6 per head.

Offices of the HIGH COMMISSIONER FOR NEW ZEALAND.
415, STRAND, LONDON, W.C.2.

erection in Scotland of a plant capable of producing 10,000 tons a year. Further advances have been made in dyestuffs, and it is estimated that Great Britain now produces 10 per cent. of the world's output of aniline dyes. British exports of dyestuffs rose from £.8 millions in 1927 to £.9 millions in 1928; those of chemicals other than drugs and dyestuffs were £15.7 millions in 1927 and £17.5 millions in 1928.

Nitrates.—The steady improvement in the position of the Chilean product during the last two years, which has been due to the diminution of discrepancy between its price and those of synthetic nitrates, is now expected to make further headway as the result of a new selling agreement instigated and subsidised by the Chilean Government. A Nitrate Selling Corporation was formed in June to carry out the scheme, and already greater stability has been imparted to the market. The subsidy for the first twelve months is expected to approach £2,000,000. The following table shows the deliveries during recent years :—

	1925-26.	1926-27.	1927-28.	1928-29.
	Tons.	Tons.	Tons.	Tons.
Deliveries in Europe and Egypt for six months ending December 31	315,500	296,500	311,000	355,000
Do 12 months ending June 30	992,000	917,500	1,315,000	..
Deliveries in the United States for six months ending December 31	418,000	206,000	305,000	240,000
Do 12 months ending June 30	923,000	673,500	995,000	..
Deliveries in other countries for six months ending December 31	85,000	96,000	113,000	100,000
Do 12 months ending June 30	177,000	162,000	208,000	..
Shipments to Europe and Egypt for six months ending December 31	784,000	300,000	984,000	933,000
Do 12 months ending June 30	1,112,000	737,000	1,540,000	..
Shipments to United States for six months ending December 31	427,000	279,000	387,000	333,000
Do 12 months ending June 30	928,000	614,000	1,072,000	..
Shipments to other countries for six months ending December 31	96,000	102,000	130,000	112,000
Do 12 months ending June 30	172,000	169,000	213,000	..
Production in Chile for six months ending December 31	1,330,000	737,000	1,028,000	*1,630,000
Do 12 months ending June 30	2,578,000	1,297,000	2,507,000	..
Visible supply for Europe and Egypt at December 31	678,500	328,000	803,000	*917,500
Do United States at December 31	128,000	192,000	130,500	*204,000
Do other countries at December 31	35,000	25,000	43,000	*43,000
Stocks in Chile at December 31	879,000	1,274,000	519,000	*922,000
Total supply in sight at December 31	1,720,500	1,819,000	1,495,500	*2,086,500

* Estimating production in December at 285,000 tons, and shipments at 200,000 tons to Europe and Egypt, 70,000 to the United States, and 15,000 tons to other countries.

Messrs Aikman (London), Limited, estimate the production of nitrogenous fertilisers for the twelve months ending June 30, 1929, at 1,975,000 tons of pure nitrogen, of which Chilean nitrate will represent about 500,000 tons. Consumption is only expected to fall short of this figure by an amount sufficient to increase stocks to a level appropriate to the new selling arrangements. The German output of synthetic nitrogen products for 1928-29 has been forecast at 780,000 tons, an increase of 18.2 per cent.

JUTE TRADE.

Conditions of a more satisfactory character marked the course of the jute trade during 1928, states the *Glasgow Herald*. Spinners and manufacturers enjoyed freedom from standing machinery, and were permitted to work at capacity throughout the period. The year opened under very favourable prospects, as the result of a large amount of business done in the latter months of 1927. The activity of the past eighteen months was largely accounted for by unexpected requirements of both North and South America. This business is usually destined for Calcutta, and was therefore regarded as a fortunate stroke for the Dundee market. Dundee not only met the required delivery, but also accepted lower prices than Calcutta speculators hoped North and South America would be compelled to concede. This produced a general stimulating effect, and other markets that had still been intending to defer were forced into buying. The jute crop that did duty till the middle of 1928 was the second largest on record, amounting to 11,209,000 bales, as compared with the Government forecast of 10,229,700 bales, an excess of about 1,000,000 which has been registered for some years. The present crop, according to the Government forecast, is placed at 9,916,000 bales. About 8,000,000 bales have already been accounted for, forming a record quantity for the first half of the season. It is freely assumed that the Government forecast will again be exceeded. One of the great features of the raw material market during the latter part of the year was the maintenance of comparatively high prices alongside of imports of such very large dimensions. The yarn market was very encouraging all the time in respect of freedom in selling and forward contracting. Spinners are better booked up than manufacturers, and the trade at large is somewhat in a dilemma over future prospects, in view of Calcutta mills having decided to increase from 54 to 60 hours per week commencing July 1st. This has been a factor greatly responsible for the firm grip that has been kept on raw material prices, whereas it has tended to keener competition in the sale of cloth. Notwithstanding, there is nothing discouraging as regards the first half of 1929.

Exports.	Quantity.			Value		
	1925.	1927.	1928.	1925.	1927.	1928.
				£	£	£
Jute yarn .....Thous. lbs.	51,760	54,448	59,573	1,401,537	1,245,929	1,443,089
Jute carpets & rugs..Thous. sq. yds.	1,018	776	746	136,786	117,892	87,855
Piece goods..Thous. sq. yds.	183,882	172,190	192,265	3,960,068	3,206,861	3,430,156
Jute sacks and bags, empty, new .....Thous doz.	2,140	1,638	2,222	1,136,266	743,183	932,881
Other sorts ....Thous. cwts.	371	271	271	711,833	494,469	455,774
Total, jute manufactures*	..	..	..	5,944,953	4,562,405	4,906,666

* Other than cordage, cables, ropes, and twine.

VEGETABLE OILS AND OILSEEDS.

The oilseed crushing and extracting industry had rather a better year than in 1927. A considerably increased quantity of seed, &c., was dealt with in the mills, as a result of the stronger demand for oilcakes and meals on both home and export account. On the Continent, as well as here, the oilcake trade was the dominating factor, and the result was a production of oil in excess of demand. Gross imports of oilseeds were 1,207,991 tons, and of nuts and kernels 343,435 tons—together 1,553,426 tons, as against 1,321,020 tons in 1927, an increase of over 232,400 tons, equal to 17.5 per cent. The quantity of oilseeds re-exported was almost infinitesimal, while those of nuts and kernels (chiefly copra) were 24,145 tons, or 6.9 per cent. of the gross imports in that section. Imports of linseed at 348,567 tons were slightly down, but cottonseed, soya beans, rape-seed and ground nuts all showed a substantial advance. Palm kernels were 23,000 tons less, but this was more than compensated for by increased imports of other nuts and kernels, the net increase being 55,457 tons, or 19 per cent.

Supplies of practically all kinds of oilseeds were again ample to cover requirements. World shipments of linseed were approximately the same as in 1927: 2,148,475 tons, against 2,170,450 tons. Whereas Argentina shipped about 60,000 tons more, India shipped 50,000 tons less. Of the total shipments no less than 1,751,675 tons were destined for Europe, or 56,225 tons over the previous year, and 354,675 tons in excess of 1926. The quantity shipped to the United States and Canada to supplement the domestic crops was 396,800 tons, against 475,000 tons. The Plate crop is likely to prove a record and to permit of considerably more than two million tons being available for export. Egypt shipped a much smaller quantity of cotton seed, but the deficiency was more than offset by increased quantities from India. The average price of Plate linseed on the spot at Hull was £15 17s 6d per ton (delivered terms) and near shipment £15 12s 6d, almost the same as in 1927. Indian linseed was offered at practically prohibitive figures. Prices of Egyptian cottonseed (black) ranged from £12 per ton down to £9 5s. Raw linseed oil was in fair demand and values were stable, the average being about £29 ex Hull. Competition of Continental linseed oil was again very strong. Crude Egyptian cotton oil opened at £36 (the highest) and declined to £29, recorded in August and again at the end of December. Soya and other seed oils fluctuated but little and the general tendency was downwards. Palm kernel oil was again exported in bulk in moderately large quantities, mainly to the United States. There was a very substantial decrease in the imports of crude soya and rape oils from the mills of the Far East. Imports of linseed oil mainly from the Continent were slightly in excess of those of 1927, and were actually 500 tons more than the quantity of the English product exported. Palm, coconut and olive oils at 125,000 tons constituted 58 per cent. of the gross imports of vegetable oils. The export trade in vegetable oils produce or manufacture of the United Kingdom showed some little improvement on 1927, but did not attain the level of some preceding years. The following is a summary of the official returns :—

	1925. Tons.	1926. Tons.	1927. Tons.	1928. Tons.
Unrefined oils	111,197	104,304	90,024	96,193
Refined oils	24,419	19,906	16,645	16,570

The production of the mills of the United Kingdom, estimated from the commercial yield of oil from the net imports of oilseeds, nuts and kernels was 400,597 tons, an increase of 38,416 tons over the preceding year, but still a considerable way behind 1924, when a total of 519,374 tons was recorded. The comparative figures are as under :—

	1925. Tons.	1926. Tons.	1927. Tons.	1928. Tons.
Linseed oil	112,832	119,367	117,388	115,774
Cottonseed oil	101,344	89,471	89,441	95,576
Other seed oils	63,595	23,089	31,758	44,549
Palm kernel oil	105,766	96,872	82,593	72,186
Ground nut oil	49,568	38,655	18,626	47,908
Coconut, &c.	48,320	37,103	22,375	24,424
Total	482,025	404,557	362,181	400,597

The tendency in recent years for imports of vegetable oils to increase was checked to some extent. Net receipts were 16,508 tons less than in 1927, and consisted of refined 14,594 tons and unrefined 196,360 tons, as against 17,034 tons and 208,572 tons. The approximate position of Great Britain's vegetable oil supply is indicated by the following summary :—

	1925. Tons.	1926. Tons.	1927. Tons.	1928. Tons.
Home production	482,025	404,557	362,181	400,897
Deduct British exports	135,616	124,210	106,669	112,923
Net remaining	346,409	280,347	255,512	287,674
Add net imports	177,497	214,673	224,588	208,080
Total remaining in U.K.	523,906	495,020	480,100	495,754

The consumption of oilcakes and meals in the United Kingdom is estimated at 1,350,000 tons, or 30,000 tons more than in 1927. The c.i.f. value of the gross imports of oilseeds, nuts and kernels, vegetable oils and oilcakes was £33,895,554, against £31,159,650 in 1927, and the f.o.b. value of British exports of oils and cakes £5,893,503, against £5,588,582. Re-exports of all kinds were £971,071, against £821,395.

TIMBER.

The year may be summed up as a period of extreme difficulty, in which few encouraging features developed, says the *Glasgow Herald*. In all departments of the trade intense competition existed, owing to the absence of sufficient business to go round. The building trades, however, provided the market with its chief outlet, although the bulk of material going into consumption was of the cheaper class. Housing work in most parts of the country was inclined to taper off, and with the reduction in the subsidy no improvement can be looked for in this direction. Colliery requirements remained at a low ebb, while wagon builders in consequence likewise experienced a dull period. The railway companies proceeded with considerable work. In the furniture manufacturing trades demand continued to be restricted. In the softwood market building trade requirements in white and red pine formed the chief item in the consumption. Prices on the whole were fairly steady, but the unloading of cheap Russian stocks rather upset the market. Next in importance comes Oregon pine, the demand for which remained active throughout the year. Values fluctuated to some extent, touching their lowest in the early summer, and their highest during the last month of the year. Despite the advance in price, Oregon pine remains the cheapest finishing wood on the market. Among other Pacific Coast woods, clear spruce, Port Orford cedar, and Californian yellow and sugar pine were in more limited request. The outlet for Quebec yellow pine ruled on moderate lines. The pitch pine market witnessed variable activity throughout the year, partly owing to the fluctuations in the shipbuilding demand. The hardwood market generally experienced a somewhat lean year, the two outstanding exceptions being teak and mahogany. In the former the demand was substantial, particularly for shipbuilding specifications. A firm tendency characterised the market, prices gradually moving upward. Throughout the year the demand for mahogany ruled on fairly active lines, African wood of desirable quality being in best request.

V.—METAL AND COAL TRADES.

THE COAL TRADE.

United Kingdom.	Output.	Exports (Including Bunkers).	Average Export Prices (Board of Trade), F.O.B.	Unemployment in Coalmining Industry.
	Thous. Tons.	Thous. Tons.	£ s d	%
1913	287,430	94,424	0 13 10	0·4†
1922	233,889	85,013	1 2 7	11·5
1923	276,500	97,608	1 5 1	2·4
1924	269,694	79,338	1 3 5	4·3
1925	247,413	67,255	0 19 11	15·8
1926	131,386‡	28,184	1 0 0 (a)	9·1*
	1927. 1928.	1927. 1928.	1927. 1928.	1927. 1928.
January	22,218 21,727	5,359 5,272	1 1 0 0 15 9	16·3 18·1
February	21,374 20,926	5,480 5,312	0 19 1 0 15 9	16·1 18·5
March	23,648 22,706	6,205 5,490	0 18 6 0 15 9	16·8 17·2
April	20,837 18,490	5,433 5,085	0 18 4 0 15 8	17·8 17·9
May	22,056 18,378	6,237 5,941	0 18 4 0 15 8	17·2 21·1
June	19,829 19,167	5,679 5,692	0 17 10 0 15 8	19·0 25·7
July	20,543 18,387	5,560 5,586	0 17 3 0 15 8	21·5 29·1
August	20,292 18,410	5,834 5,651	0 16 8 0 15 6	20·4 26·6
September	21,163 19,580	5,769 5,409	0 16 11 0 15 5	19·1 22·5
October	21,406 21,304	5,510 6,071	0 16 9 0 15 8	18·7 25·1
November	21,357 19,213	5,618 5,740	0 16 7 0 15 6	18·5 25·3
December	21,344 25,310	5,303 5,536	0 16 1 0 15 6	18·5 19·1
Total	256,067 241,598	67,986 66,785	0 17 10 0 15 8	18·4 22·2

* Exclusive of those who ceased work on account of the dispute which commenced on May 1, 1926. † Trade Union figures.
‡ Coal strike. (a) May-Dec. figures entirely unrepresentative.

Specialists in Bank Construction Fitting Decoration & Maintenance

ASHBY & HORNER Ltd.

8, ALDGATE, LONDON.

ESTABLISHED - - - 1784

Pitman's Books

BUSINESS FORECASTING AND ITS PRACTICAL APPLICATION (2nd Edition)
By WILLIAM WALLACE, M.Com. (Lond.)
A clear exposition of the modern methods of forecasting business conditions and interpreting the cyclical movements of trade. The book takes a sane, common-sense view.
"Admirably presented."—*Economic Review.*
"Of decided practical value."—*The Economist.* Net 7/6

MODERN FINANCE & INDUSTRY
By A. S. WADE, City Editor of the *Evening Standard.*
A plain account of the British Financial System and of its functions in relation to Industry and Commerce, for the practical business man and the investor.
"The writer is constantly taking his readers behind the scenes and persuading them to view City institutions through his eyes."—*Economist.* Net 5/-

INDUSTRIAL COMBINATION IN ENGLAND (2nd Edition)
By PATRICK FITZGERALD, B.Sc. (Econ.)
An impartial and searching inquiry into the development and activities of industrial combines and associations. The standard British text-book on the subject.
"This book is most opportune."—*Economic Journal.*
"A dispassionate record of thorough investigation."—*Journal of Royal Statistical Society.* Net 10/6

INVESTMENT PRINCIPLES AND PRACTICES (English Edition)
By RALPH E. BADGER, Ph.D.
A comprehensive guide to the governing factors in investments, types of securities, the mathematics of investments, and how to proceed to buy or sell. A very complete work, full of enlightenment to the financially interested reader. Net 21/-

SIR ISAAC PITMAN & SONS Limited
Parker Street, Kingsway, London, W.C.2

Struggle—and—transition" states the *Iron and Coal Trades Review*, these are the outstanding characteristics of the coal industry at the moment. There has been for some time too large a capacity for output existing in the country; control of markets has therefore become impracticable under the existing organisation, and values of coal have been brought down so seriously as to become unprofitable. Apart from this, the cost of production has in many cases been increased by the irregular working of the collieries. The rehabilitation and the reconstruction that were carried out during 1927, partly in order to restore the industry from the state of disorganisation into which it had fallen during the long stoppage of 1926 and partly to make it possible for us to meet the fierce foreign competition with which we were faced after the first quarter of 1927, were also the leading features of the owners' policy in 1928. The producing side of the industry has been able to make some headway in the reduction of costs, and is now in a sounder economic condition. In the June quarter of 1927 the average net costs of production for the whole country were 16s 0¾d, while the commercial disposals averaged 15s, showing a debit to the industry of 1s 0¾d. The policy of the owners, on the lines of "rationalisation"—as it is popularly termed—were reflected by the corresponding figures for the June quarter of 1928, when net costs were brought down to 14s 6d, a decrease of 1s 6¾d during the twelve months. Unfortunately commercial disposals have shown an even greater decrease, and at 13s 1d per ton averaged 1s 11d less in the June quarter of 1928 than in the corresponding quarter of 1927, with the result that the average debit on the industry was actually increased by about 4¼ per ton, and averaged 1s 5d.

Notwithstanding the more economical consumption of coal in the production of power, and the increase in the output of hydro-electricity and the extended use of fuel oil, the world's production and the consumption of coal are greater now than fifteen years ago. But while there has been such marked progress towards maximum economy in coal consumption, there has been a rapid and widespread expansion of production, with the result that, notwithstanding the existing large demand for coal, it does not approach anything like the present-day capacity of the producing units. The progress which has been made in the economical employment of pulverised fuel not only holds out great hopes for an increased demand for coal for all industrial purposes, but promises to have a direct influence upon the demand for coal for ship's bunkers. There is now the promise that more efficient and economical results can be obtained than are forthcoming either from oil-fired boilers or from the use of the internal combustion engine.

There has been a notable movement during the past year towards the "rationalisation" of the coal industry on the selling side. The chief plan is that known as the "Five Counties Scheme," which claims to control about 100,000,000 tons per annum, or nearly one-half of the present national output. South Wales and Monmouthshire have also put a scheme into operation. Scotland has managed to secure restriction of output and thus to some extent the reduction of competition in her markets, by the voluntary agreement amongst her owners to close down some of their least effective units, compensation being given out of a tonnage levy on inland sales. Under the Midlands scheme, in place of the actual closing of the pits, control of output is secured by submitting all undertakings to the operation of a percentage quota on an agreed basis. Even in its modified extent the internal control thus established by the industry itself has met with a certain measure of success, and has prevented a continuance of the over-production, with its sequel of uneconomic price-cutting. It is generally known that inter-district negotiations are in hand with a view to enlarging the scope of the present local agreements.

The past year has seen some important amalgamations, particularly in the anthracite section of the industry, 90 per cent. of the anthracite production being now under one control. Altogether nearly 200 pits, normally employing about 136,000 workers, have been dealt with, resulting in a very substantial reduction in the original number of undertakings. The following district reports are from the same source:—

South Wales.—There is no doubt that the year 1928 will go down in history as the most disastrous ever experienced by the Welsh coal trade, but Welsh coalowners were greatly encouraged by the partial recovery in trade in the last few weeks in the year. December also brought with it some relief, estimated to average about 7½d per ton, resulting from the Government measure of de-rating. More regular working of the pits also meant some reduction of costs. Events abroad also appeared to be working in the direction of reducing competition. As to the position of the Welsh collieries that have come to grief, all the best-equipped of the enterprises passed into other hands that could provide ample funds to carry them on.

Northumberland.—Amalgamations of collieries have not extended to Northumberland, except in the case of one small group. An important development took place in February, however, the colliery owners by general agreement fixing minimum prices for shipment for practically all classes of coal. These prices were as follow:—Steam: Davisons, Cowpen, Bothal, 13s 6d; Newbiggin, Bentinck, 13s; Tyne primes, 12s 9d; Hastings, West Hartley Main, &c., 12s, f.o.b. Unscreened: Davisons, Cowpen, Bothal, 12s; Newbiggin, Bentinck, 11s 6d; Tyne primes, 11s 8d; Hastings, West Hartley Main, 10s 6d, f.o.b. Smalls: Tyne primes, 9s; Davisons, Cowpen, Bothal, 8s to 8s 6d; ordinary qualities, 8s, f.o.b. The scheme has justified itself, in spite of its inability to recover trade with the Scandinavian countries. This has practically ceased owing to Polish competition, but the collieries more or less resigned to this loss, but hoping that the trade would eventually be regained, set out to find other markets with a great measure of success. The general position is better than it was a year ago.

Durham.—Prices have been considerably higher than in Northumberland. Prime gas coals ranged between 14s 9d and 15s 3d f.o.b., and second-class gas coals from 12s 9d to 13s 6d. These prices have resulted in heavy losses.

South Yorkshire.—Though business in 1928 has been more encouraging, both owners and workers have suffered badly from the small volume of trade. There is evidence that already the foreign markets lost since the war have been to a material extent recovered by means of the Five Counties selling scheme.

The following tables, compiled from figures published by the Mines Department of the Board of Trade, covering about 96 per cent. of the industry, show output, costs and proceeds for the first three quarters of 1928, as compared with recent periods:—

Great Britain.	1927.	1928.		
	First Quarter.	First Quarter.	Second Quarter.	Third Quarter.
Tonnage disposable ....tons	58,222,345	56,829,836	50,662,183	49,460,446
Wages .....£	32,471,656	27,416,352	24,285,122	23,491,618
Stores and timber .....£	5,504,156	4,674,845	4,177,587	3,880,496
Other costs .....£	7,619,936	6,864,930	6,959,168	6,818,566
Royalties .....£	1,511,300	1,436,248	1,280,296	1,255,037
Net costs .....£	47,042,504	40,355,861	36,709,027	35,481,422
Commercial disposals .....£	50,539,967	38,143,822	33,115,381	32,161,851
Balance .....£	3,497,463	*Dr2,212,039*	*Dr3,593,646*	*Dr3,319,571*

Period.	Proceeds per Ton.	Wages per Ton.	Net Cost per Ton.	Net Balance Credit (+) or Debit (—) per Ton.	Output per Man-shift Worked.	Earnings per Manshift Worked.
1925.	s d	s d	s d	s d	Cwt.	s d
First quarter	18 6·30	12 11·75	18 0·17	+ 0 6·13	17·98	10 7·58
Second quarter	17 5·03	12 11·89	18 4·84	— 0 11·81	17·85	10 6·97
Third quarter	16 4·75	*12 8·97	16 7·57	— 0 2·82	17·85	10 6·97
Fourth quarter	15 11·65	*12 5·75	14 4·95	+ 1 6·70	17·88	10* 4·85
1926.						
First quarter†	15 9·42	*12 3·88	14 4·43	+ 1 4·99	18·31	10* 5·14
1927.						
First quarter	17 4·33	11 1·85	16 1·92	+ 1 2·41	18·46	10* 4·79
Second quarter	15 0·05	10 10·41	16 0·70	— 1 0·65	20·66	10 7·12
Third quarter	14 1·04	10 4·50	15 3·04	— 1 2·00	20·47	10 2·83
Fourth quarter	13 9·78	10 0·77	14 2·43	— 1 0·43	20·47	9 9·54
1928.						
First quarter	13 5·09	9 7·78	14 2·43	— 0 9·34	21·24	9 5·0
Second quarter	13 0·88	9 7·04	14 5·90	— 1 5·02	20·98	9 3·0
Third quarter	13 0·06	9 5·99	14 4·17	— 1 4·11	21·13	9 3·2

* Including subvention.
† Returns for rest of year incomplete owing to national stoppage.

The output, in recent years, of the chief producing countries is shown below:—

Thousands of Metric Tons.

Period. Monthly Average.	United Kingdom.	Belgium.	France.	Germany.	Poland.	United States.
	d		*a*	*g*		
1913	24,337	1,903	3,338	15,842	748	43,088
			c			
1922	21,134	1,767	2,595	10,834	*h* 1,849	36,057
1923	23,369	1,910	3,140	5,193	3,009	49,736
1924	22,617	1,947	3,668	9,897	2,685	43,213
1925	20,590	1,925	3,921	11,052	2,425	43,988
1926	10,692	2,110	4,285	12,108	2,979	49,729
1927	21,355	2,298	4,315	12,800	3,174	46,197
1928—January ..	21,889	2,378	4,350	13,421	3,454	45,266
February..	20,982	2,260	4,164	12,926	3,271	42,577
March ..	22,438	2,516	4,470	14,118	3,509	44,862
April	18,500	2,223	4,053	11,716	2,981	35,468
May	19,994	2,228	4,162	11,932	3,060	40,594
June.....	19,260	2,378	4,374	11,833	3,192	37,434
July	18,423	2,220	4,172	12,483	3,248	36,968
August ..	18,651	2,249	4,359	13,021	3,416	43,536
September	19,154	2,175	4,179	12,157	3,401	42,943
October ..	21,445	2,413	4,607	13,311	3,848	53,446
November.	20,969	2,328	*a* 4,477	12,141	3,767	48,532
December.	18,955	..	..	..	..	45,780

a Including lignite. *c* Including the production of Lorraine and Saar. *d* Saleable coal only. Irish Free State production omitted since 1921. *g* From 1919, excluding Alsace-Lorraine, and from 1920, excluding Saar and Palatinate; from June, 1922, excluding Upper Silesia. *h* Since July, 1922, including Upper Silesia.

The destination of our coal exports in 1913, 1927, and 1928 is shown in the following table:—

EXPORTS of COAL, COKE, and MANUFACTURED FUEL from the UNITED KINGDOM.

	Quantity.			Value.		
	1913.	1927.	1928.	1913.	1927.	1928.
To—	Tons.	Tons.	Tons.	£	£	£
Russia	5,998,434	19,162	24,452	4,336,582	16,830	18,105
Finland	..	542,725	369,607	..	379,326	235,548
Sweden	4,563,076	2,182,192	1,539,753	3,032,459	1,750,493	1,086,802
Norway	2,298,345	1,574,107	1,117,101	1,447,356	1,183,366	729,172
Denmark	3,034,240	2,150,111	1,731,123	1,990,740	1,706,204	1,212,295
Germany	8,952,328	4,241,032	5,367,903	5,327,733	3,105,656	3,549,648
Netherlands	2,018,401	2,314,451	2,434,438	1,266,863	1,785,346	1,686,422
Belgium	2,031,077	2,232,771	2,259,581	1,176,130	1,702,620	1,460,522
France	12,775,909	9,262,022	9,065,225	8,074,053	8,022,489	6,974,700
Portugal	1,201,722	850,395	961,538	877,827	746,524	717,741
Azores and Madeira	154,359	64,845	68,485	126,607	62,348	55,472
Spain	2,534,131	2,361,012	1,867,320	1,811,246	2,276,914	1,551,201
Canary Islands	1,114,629	532,336	447,616	847,085	487,550	360,166
Italy	9,647,161	6,792,244	6,622,331	6,887,721	6,315,701	5,307,389
Austria						
Hungary	1,056,634	..	..	724,237	..	..
Greece	727,899	678,955	636,746	540,875	627,899	517,263
Egypt	3,162,477	2,194,370	2,180,880	2,368,203	2,052,714	1,758,390
Algeria	1,281,664	1,462,261	1,736,775	875,190	1,179,924	1,255,691
French West Africa ..	149,107	131,043	271,187	132,564	120,011	224,819
Portuguese W. Africa	*233,015*	*330,514*	*239,885*	*203,098*	*294,850*	*185,984*
United States America	..	121,720	374,180	..	187,402	565,201
Chili	588,526	45,772	57,429	506,380	37,167	38,650
Brazil	1,886,871	1,415,286	1,751,403	1,681,475	1,363,166	1,470,354
Uruguay	723,936	391,254	508,056	616,413	383,220	259,653
Argentine Republic ..	3,693,572	2,949,867	2,659,411	3,090,000	3,030,760	2,366,994
Irish Free State.....	..	2,407,904	2,423,134	..	2,464,872	2,244,549
Channel Islands	167,862	215,024	191,933	122,453	266,578	213,124
Gibraltar	354,702	354,408	372,601	256,102	319,420	290,345
Malta	700,111	244,099	159,828	519,089	242,530	129,784
Aden & Dependencies	181,204	61,517	50,381	154,330	64,185	45,280
British India	179,192	56,033	27,959	146,696	53,491	23,393
Ceylon	239,657	116,202	79,913	203,384	125,811	74,513
Canada	..	834,691	629,045	..	1,281,104	784,014
Other countries	1,749,877	2,019,068	2,027,899	1,398,359	1,892,224	1,638,460
(*a*) Anthracite ..	2,976,389	3,129,546	3,157,355	2,374,353	4,128,040	3,762,794
(*b*) Steam	53,618,922	36,013,543	34,865,901	37,845,546	31,315,618	26,386,458
Total (*c*) Gas.....	11,527,686	6,569,712	6,518,057	7,154,427	5,395,499	4,740,398
(*d*) Household .	1,769,719	1,761,239	1,756,703	1,164,088	1,786,468	1,631,915
(*e*) Other Sorts	3,507,402	3,675,153	3,757,102	2,188,838	2,895,176	2,540,079
Total of Coal	73,400,118	51,149,193	50,055,118	50,727,252	45,530,795	30,061,644
†Coal, &c., shipped for the use of steamers engaged in the foreign trade	21,023,693	16,836,385	16,729,313	..	..	..

† Coal shipped for the use of steamers, &c., not being an export in the ordinary acceptation of the term, the value thereof is not included in these returns.

IRON AND STEEL.

United Kingdom.	Output (Thous. Tons).		Iron, Steel, and Manufactures Thereof (Thous. Tons).		Price of Cleveland. G.M.B. No. 3. Per Ton.	Unemployment.	
	Pig-Iron	Steel Ingots & Castings	Imports.	Exports		Pig-Iron	Steel.
					£ s d	%	%
1913	10,250	7,660	2,230	4,969	3 0 0	..	..
1922	4,899	5,820	881	5,397	4 18 0	22·1†	
1923	7,438	8,489	1,322	6,518	5 0 0*	19·0†	
1924	7,320	8,220	2,428	3,854	4 7 7	14·3	21·1
1925	6,238	7,397	2,721	3,731	3 6 5	20·3	25·5
1926	2,444	3,561	3,742	2,988	4 7 0	45·9	41·2

	1927	1928	1927	1928	1927	1928	1927	1928	1927	1928	1928	1927	1928	1927	1928
									£ s d	£ s d		*			
January ..	435	561	731	626	555	284	219	332	4 5 0	3 5 0		20·3	16·2	20·4	20·4
February .	571	551	827	764	443	287	252	317	4 2 6	3 5 0		15·8	14·2	16·9	19·3
March ..	672	593	950	793	478	272	353	409	4 0 0	3 5 6		12·5	14·6	15·4	20·3
April	680	563	850	644	405	253	335	344	4 0 0	3 5 6		13·5	14·0	17·3	21·2
May.....	720	592	885	753	356	237	422	359	3 10 0	3 5 6		11·5	13·2	16·5	20·5
June	651	564	747	709	333	210	366	366	3 10 0	3 5 6		12·7	15·4	16·8	20·5
July	646	538	687	667	336	219	390	333	3 10 0	3 5 6		12·3	21·2	18·2	24·4
August ..	596	519	643	648	286	272	342	370	3 7 6	3 5 6		16·5	19·9	18·3	24·4
Septemb'r	592	504	777	719	312	184	385	295	3 7 6	3 6 6		15·2	19·4	17·6	22·0
October ..	596	544	699	756	336	261	385	377	3 7 6	3 6 6		15·5	16·4	17·7	22·5
November	576	544	699	763	285	233	399	399	3 7 6	3 6 6		15·1	17·7	21·6	22·6
December	559	540	605	683	281	184	352	359	3 5 0	3 6 6		14·1	19·1	22·7	19·8
Total ..	7294	6613	9100	8525	4406	2896	4200	4260	3 12 9	3 5 10		14·6	16·8	18·3	21·5

* End of year. † Whole industry: Pig-iron and steel branches not separately classified before 1923.

Little apparent progress was made in 1928, and employment, production and prices alike were disappointing. At the same time there is reason to hope that 1928 will prove to have been a year in which the foundations for real progress were made, and though little more than a moderate improvement is anticipated in 1929, it is not impossible that the industry has already passed through its worst phase.

Last year falls into three parts. The first, which lasted until Easter, was relatively the best. As the preceding table shows, the production of pig-iron reached 592,000 tons in March, and that of steel 793,000 tons in the same month, while the number of furnaces then in blast was 150. These were the best figures for the year. In the same month the price of Cleveland No. 3 G.M.B. pig-iron was raised from 65s to 66s per ton, and the Board of Trade's price index number for iron and steel also touched its peak for the year.

Despite a relatively high level of pig-iron production in

JACK SHEPPARD, the Notorious Robber.

THE CHATWOOD SAFE

The value of a safe is the degree of service rendered when attacked by the burglar or tested by the ordeal of fire.

To appreciate this important fact it is only necessary just for once to see a Safe lying amongst the burning debris after the collapse of a building following a fire.

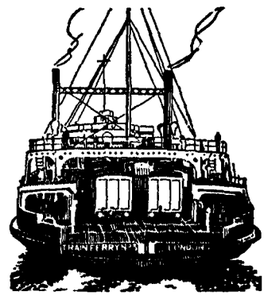
Then to visualise what your own safe contains and ask yourself what your position would be and how you would feel in similar circumstances.

The Chatwood Safe will give you contented confidence. It has stood the greatest of all tests—the test of time, and is the cheapest Safe that can be bought having regard to the degree of security offered.

THE CHATWOOD SECURITY

THE CHATWOOD SAFE Co., Ltd., Bankers' Engineers, SHREWSBURY, ENGLAND.

The Safer Way for your Goods to the CONTINENT



Via Harwich-Zeebrugge Train Ferries

Through Truck Service Daily

Saving Packing Handling and Time

Full particulars from Great Eastern Train Ferries Ltd 111, Hamilton House, 155. Bishopsgate, London, E.C.2.

May, the summer proved disappointing. It is not easy to detect the cause of this falling-off, for foreign competition, which has been so serious a factor in the preceding year, was by last summer steadily declining, imports for June, 1928, being only 210,000 tons of iron and steel, as against 284,000 in January. Exports, too, though below the March level, exceeded the January figure for each of the summer months right through to September, the worst month of the year. There is little doubt that the cause of the summer set-back in the industry was the general depressed state of internal trade, especially in the engineering and shipbuilding industries, which between them absorb so large a proportion of the output of iron and steel. In short, it was not so much a case of competition between makers in different countries as a general contraction in demand.

This second period of disappointment lasted until towards the end of September, when it was succeeded by the third period, which was one of renewed hope and slightly increased vigour. In October the number of furnaces in blast went up from 131 to 136, pig-iron production from 504,000 to 544,000 tons, and steel production from 719,000 to 756,000 tons. Pig-iron imports had by then become almost negligible, while the price rebates for steel plates, &c., granted in 1927 to such consumers of steel who pledged themselves to buy only from British makers, had by the autumn of 1928 succeeded in drawing into the scope of the scheme practically every shipbuilder in the country. November witnessed two further developments. The first was the lock-out in the German industry. During the few weeks of its duration the surplus of Continental material free for shipment to England was still further reduced, while British exports rose from 377,000 tons in October to practically 400,000 tons in November. The second and more far-reaching development was a revival in activity in the British shipyards. It is reported that two Tees-side builders have now sufficient orders to keep them occupied until the autumn, and if this experience becomes general it will make a radical alteration in the outlook for the steel trade. Already the revival in shipbuilding and also in trade generally has gone far enough to make prospects in the iron and steel trades hopeful for the next two or three months, though it remains to be seen if 1929 will be free from the usual summer set-back in this and other trades.

While steel-makers are insisting that rationalisation can only partially bridge the gap between British and foreign costs, it is equally true that in many instances 1928 witnessed the laying of the foundations of a better organisation in the industry. Many companies have lately recast their balance-sheets, writing down their capital to conform with their actual assets, and these have at least succeeded in earning a small profit. Besides this several important amalgamations either took place or were foreshadowed during the year. These schemes embrace such well-known firms as Vickers and Cammell Laird, Cargo Fleet Company and South Durham Company, and Dorman, Long and Bolckow, Vaughan. It looks as if steel production on the North-East coast will soon be under the control of a very limited number of large undertakings.

The following table, which is taken from the *Iron and Coal Trades Review*, shows the world production of pig-iron and steel:—

WORLD PRODUCTION of PIG-IRON.
(In Millions of Tons.)

	1913.	1924.	1925.	1926.	1927.	1928. Partly Estimated.
Great Britain	10·26	7·31	6·26	2·46	7·29	6·61
Germany	10·73	7·68	10·01	9·50	12·90	11·55
Saar	1·35	1·57	1·43	1·61	1·74	1·88
France	8·93	7·57	8·36	9·28	9·18	9·90
Belgium	2·45	2·80	2·50	3·35	3·69	3·80
Luxemburg	2·51	2·12	2·33	2·52	2·69	2·70
Total Western Europe	36·23	28·65	30·89	28·72	37·49	36·44
Other European Countries	9·02	3·76	4·87	5·72	7·11	7·78
United States	30·97	31·41	36·70	39·37	36·57	37·84
Australia, Canada, & India	1·28	1·92	1·93	2·15	2·47	2·59
Other countries	0·40	1·19	1·30	1·56	1·66	1·78
World total	77·90	67·13	75·69	77·52	85·30	86·43

WORLD PRODUCTION of STEEL.
(In Millions of Tons.)

	1913.	1924.	1925.	1926.	1927.	1928. Partly Estimated.
United Kingdom	7·66	8·20	7·39	3·60	9·10	8·53
Germany	11·99	9·68	12·00	12·15	16·06	14·10
Saar	2·05	1·45	1·55	1·71	1·86	2·00
France	6·86	6·79	7·33	8·30	8·18	9·10
Belgium	2·43	2·83	2·51	3·32	3·66	3·80
Luxemburg	1·31	1·86	2·05	2·21	2·43	2·52
Total Western Europe	32·30	30·81	32·83	31·29	41·29	40·05
Other European countries	10·16	5·82	7·56	8·70	10·08	11·48
United States	31·30	37·93	45·39	48·29	44·94	51·00
Australia, Canada, and India	1·11	1·36	1·61	1·67	2·01	2·17
Other countries	0·28	1·51	1·32	1·68	1·90	1·98
World total	75·15	77·23	88·95	91·75	100·22	106·68

Abroad, 1928 was a fairly good year for the American industry, steel production attaining a record in the history of the country. The German industry found 1928 a difficult year. The Swedish iron ore strike, which lasted for seven months, meant that Germany lost one of her main sources of ore. Home demand for iron and steel, too, was restricted, and at the end of the year came the lock-out in the industry itself, which caused further dislocation. France and Belgium enjoyed unabated activity, despite a rise of around 10 or 20 per cent. in Belgian prices during the year.

MINOR METALS.

SILVER.

The silver market during the year 1928 has been noteworthy for the way in which prices have been maintained. Supplies have been augmented to a large degree by the further demonetisation of silver coin by the Indian Government, France, and Belgium. In this maintenance of prices China has played the chief part and the political situation in that country was the dominant factor throughout the greater part of the year. Fluctuations in the prices fixed in the London market have generally been narrow; the widest fluctuation was in May, during which month there was a range of 2⅛d. In January the lowest prices of the year were reached, viz., 26⅛d for cash and 25⅝d for two months' delivery—quoted on January 19th, and it was not until the month of May that the market showed signs of greater activity. The situation in China had assumed a more disquieting appearance and the intervention of Japan caused a great deal of activity in the silver market. Speculative anticipation that silver might be needed for the payment of Japanese troops, should the situation develop to such an extent as to lead to their employment in China, was the immediate factor responsible for the sharp upward movement of prices.

The quotations rose steadily, and on May 21st the largest daily movement for more than a year was recorded—a rise of ⅜d in both quotations. The upward trend culminated on May 24th when the prices were fixed at 28⅞d and 28⅝d for the respective deliveries. These proved to be the highest quotations of the year. Shipments of Indian Government silver have been received in London from time to time, and official figures show that the imports of silver into the United Kingdom from India amounted during the year to about 22,000,000 ounces. In addition, about 4,500,000 ounces are known to have been purchased in Bombay and shipped to China. In the reports on the administration of mints at Calcutta and Bombay for the year 1927-28 reference is made to the establishment at the Bombay mint of an electrolytic silver refinery, the estimates for which have received the sanction of the Government of India. Although it may be some time before the refinery is in operation, it is apparent that the great silver using countries of the East may later have a source of supply from which silver will be obtainable in a form suited to their needs. Happily the crisis in China was passed without the serious outcome which at one time looked imminent, and prices at once began to reflect the more tranquil conditions in that country. Towards the end of June prices had sunk to slightly above 27d, the average for the next two months remaining at about the same level. The publication of the text of the French Stabilisation Bill revealed that provision had been made for a silver currency to take the place of the 5, 10 and 20 franc notes of the Bank of France, which were to be withdrawn from circulation before December 31, 1932, then ceasing to be legal tender. The announcement of these proposals was productive of a bullish feeling in the Indian Bazaars, where it was thought that the French Government might enter the silver market as a purchaser for coinage. It was apparent, however, that such a happening was extremely improbable. The returns of the Bank of France indicated that the silver then held was sufficient for their needs. It was stated in July that the French Government were willing to acquire old five franc pieces at 10 francs (new) per piece. This price being equivalent only to about 24¾d per standard ounce it was found more profitable to sell to refiners as, on the basis of London prices, even after allowing for cost of refining, &c., there still remained a substantial margin. Refineries on the Continent were unable to cope with all of the coin acquired, and a considerable proportion was treated in London. Thus refineries here enjoyed a period of more activity than for some time past.

Meanwhile stocks of ready silver in London had grown. These contracts were, in the main, of a speculative nature, and at maturity were either covered by sale, or in the majority of cases extended for a further period. The fact that actual delivery of the silver was not taken naturally caused an accumulation of stocks, and the price for cash was quoted at a discount—as much as 7/8d on August 27th and for several days following. Cash silver remained at a discount practically throughout the rest of the year.

The following is an estimate of the 1928 production compared with that of preceding years.

SILVER PRODUCTION (in thousands of fine ounces.)

	Mexico.	United States.	Canada.	Elsewhere.	World.
1912*	75,000	64,000	32,000	60,000	231,000
1919	66,000	57,000	16,000	41,000	180,000
1920	67,000	55,000	13,000	39,000	174,000
1921	64,000	53,000	13,000	41,000	171,000
1922	81,000	56,000	19,000	54,000	210,000
1923	91,000	73,000	18,000	64,000	246,000
1924	91,000	65,000	20,000	63,000	239,000
1925	93,000	66,000	20,000	66,000	245,000
1926	98,000	63,000	22,000	71,000	254,000
1927	105,000	60,000	23,000	63,000	251,000
1928 (estimated)	105,000	56,000	22,000	66,000	249,000

* Pre-war record year.

COPPER.

At the beginning of the year the price of standard copper was £61 1s 3d per ton cash and £61 per ton three months. Values advanced smartly, and on January 25th dealings took place at £63 5s cash and £62 16s 3d three months. During February the market had a drooping tendency, and on March 1st the lowest prices of the year were reached—viz., £60 cash and £59 17s 6d three months. The weakness of the London standard market was due to the weakness of the electrolytic market in New York. The more important American producers, however, refused to make any concessions in prices, with the result that values slowly recovered, and during the first half of June the price of both cash and three months standard copper rose to £64 7s 6d. For the next three months there were only minor fluctuations, but about the middle of September a great change came over the market. The strength of the statistical position of refined copper, due in part to the policy of restricting output adopted by the leading American producers and in part to the rapid expansion in American consumption, was suddenly realised. A world-wide buying movement ensued, and values rose rapidly until by the end of October cash standard was sold at £68 7s 6d and three months at £68 17s 6d. Between that date and the middle of December, quotations moved within narrow limits, but on December 18th, influenced by reports of damage caused by an earthquake in Chile, the market developed great strength, and by December 31st touched £74 10s for cash and £73 5s for three months, the highest prices of the year. The year witnessed a great expansion in demand. The excellence of American trade seems to have taken the big producers by surprise. Demand outran production, stocks fell to a dangerously low level, and works were at times unable to get the metal wanted for immediate requirements. Consumers throughout the world became alarmed, and a buying movement was started in the middle of September which in the course of six weeks raised values nearly £6 per ton. By the end of October the price of electrolytic copper in America had reached 16 cents per lb, a price which exceeded the expectations of producers when they formed the Copper Exporters Inc. in October, 1926. At this level the price would probably have been stabilised but for the earthquake in Chile.

* PRODUCTION OF COPPER.
(Tons of 2,000 lbs.)

	Mines U.S.A. 1927.	Mines U.S.A. 1928.	Refined N. and S. America. 1927.	Refined N. and S. America. 1928.
January	76,198	68,469	133,110	122,723
February	69,302	67,423	122,673	124,848
March	69,314	70,327	126,975	128,972
April	71,122	69,721	125,796	122,824
May	71,613	73,729	125,581	129,236
June	69,539	73,224	113,233	131 024
July	65.545	73,426	118,133	135,092
August	67,248	76,952	119,786	143,560
September	65,936	78,341	119,100	137,018
October	68,959	86,480	124,927	149,199
November	68,080	85,462	118,269	155,448
December	67,222	85,700	128,923	148,000
Totals	829,978	909,254	1,476,506	1,627,944

* American Bureau of Metal Statistics.

LEAD.

The highest prices were reached on the opening day, when £22 11s 3d per ton was paid for prompt and £22 13s 9d per ton for forward. The lowest prices were touched on March 1st, when prompt was sold at £19 3s 9d per ton and forward at £19 12s 6d. At the close of the year the value of prompt was £22 per ton and of forward £22 6s 3d per ton. As will be seen from the subjoined table production during the last two years has been very

THE UNION BANK OF AUSTRALIA Limited.

Established 1837. *Incorporated* 1880.

CAPITAL AUTHORISED AND ISSUED - £12,000,000
Capital Paid-up - £4,000,000 } **together £8,850,000**
Reserve Fund - £4,850,000 }

Reserve Liability of Proprietors - - £8,000,000

DIRECTORS:

HENRY P. STURGIS, Esq., *Chairman.*
The Rt. Hon. LORD EBURY, Brigadier-General ARTHUR D.S.O., M.C. MAXWELL, C.B., C.M.G., D.S.O.
HUGH D. FLOWER, Esq. ROBERT C. NESBITT, Esq.
The Rt. Hon. LORD HILLINGDON. FREDERICK G. PARBURY, Esq.
Sir MALCOLM HOGG. SOMERVILLE R. LIVINGSTONE. The Hon. EDMUND W. PARKER.
LEARMONTH, Esq. ALFRED W. TURNBULL, Esq.

HEAD OFFICE:

71, Cornhill, London, E.C.3.

Manager—W. A. LAING. *Assistant Manager*—G. S. GODDEN.
Secretary—F. H. MCINTYRE.

BRANCHES THROUGHOUT AUSTRALIA AND NEW ZEALAND, viz.:

In VICTORIA 51
„ SOUTH AUSTRALIA ... 15
„ NEW SOUTH WALES ... 51
„ WESTERN AUSTRALIA ... 22
„ QUEENSLAND 18
„ TASMANIA 3
„ NEW ZEALAND 48
Total 208

Drafts upon the Branches are issued by Head Office, and may be obtained from the Bank's Agents throughout England, Scotland and Ireland.
Commercial and *Circular Travelling Credits* issued—available throughout the World.
Telegraphic Remittances are also made.
Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.
Deposits are received at Head Office at rates of interest and for periods which may be ascertained on application.

DISCOVERY.

¶ Over 400 years ago, Balboa crossed the Isthmus of Panama from the Atlantic Coast and discovered the Pacific Ocean.

¶ To-day, the Isthmus is traversed by the Canal, while other vital arteries of modern commerce are provided elsewhere by the great railway systems which link the two Oceans.

¶ The great and growing trading development of the New World is also largely dependent upon complete international banking facilities, and these are afforded by

THE ANGLO-SOUTH AMERICAN BANK LTD
117 OLD BROAD ST., LONDON, E.C.2

stable, although there have been small variations in individual countries :—

WORLD'S PRODUCTION OF LEAD.*
(Tons of 2,000 lbs.)

	1926.		1927.		1928.†
United States	696,000	....	675,000	....	649,726
Mexico	220,879	....	274,025	....	256,446
Canada	141,586	....	155.815	....	165,797
Spain and Tunis	182,732	....	173.550	....	104,855
Italy	26,003	....	26,279	....	23,207
Germany	84,034	....	90,168	....	113,151
Polish Silesia	30,648	....	31,839	....	38,883
Australia	170,412	....	184,710	....	174 218
Burma	60,849	....	73,883	....	87,650
Rhodesia	4,292	....	6,561	....	5,199
Remaining Countries	153,000	....	166,581	....	184,466
Total	1,770,234	....	1,856,441	....	1,803,918

* American Bureau of Metal Statistics. † December estimated.

Messrs Lewis, Lazarus and Son report that reliable figures of consumption are not available, but during the last quarter of the year there was undoubtedly a substantial increase in demand in the U.S.A., and stocks in that country have shown a diminishing tendency for some time. Under existing conditions the current level of prices is reasonable—erring rather on the low side. As with other non-ferrous metals, there has been a tendency among producers towards some form of working arrangement. In the month of September a meeting was held in London at which delegates representing about 80 per cent. of the world's production of pig lead were present. A committee is now being formed to arrive at an accurate knowledge of the true statistical position. This is now being done and the conference will meet again in March. On November 14th a new organisation called the Lead Industries Association was established in New York by representatives of the leading lead mining, smelting and manufacturing companies. The main objects of the association are the collection of statistical information and the promotion of the welfare of the lead industry, but it will probably be found that the chief usefulness of the Association will be in eliminating uneconomic competition. It starts with strong support.

SPELTER.

At the beginning of the year the price of prompt spelter was £26 1s 3d per ton and of forward spelter £26 per ton. During January the tendency was towards slightly higher values, but early in February the market became weak, and by the latter part of the month the price of prompt had fallen to £25, and of forward to £24 18s 9d. Weakness continued during March and the first half of April, but reports that the efforts towards the formation of a zinc cartel were meeting with success induced a more confident tone, and by early May £26 7s 6d was paid for prompt and £26 for forward. On May 7th, write Messrs Lewis, Lazarus and Son, a meeting of European zinc producers was held in Brussels, and although complete agreement was said to have been secured no very tangible conclusions were arrived at. Before long values tended to ease, and for nearly six months the market was depressed, the lowest prices of the year being touched early in November when prompt spelter was sold at £23 15s and forward at £24 1s 3d. From this point there was a sharp rally consequent upon reports that American and overseas producers were favourable to an international zinc cartel, and by the middle of December the highest prices of the year were reached—viz., £26 18s 9d for prompt and £26 17s 6d for forward. At the close of the year the prices were respectively £26 17s 6d and £26 5s.

WORLD'S PRODUCTION of SPELTER.*
(Tons of 2,000 lbs.)

Country.	1926.		1927.		1928.†
United States	634,533	..	613,548	..	619,764
Mexico	6,550	..	7,500	..	12,289
Canada	61,727	..	73,527	..	81,188
Belgium	209,674	..	223,684	..	228,720
France	79,867	..	91.105	..	106,961
Germany	75,278	..	92,705	..	108.078
Upper Silesia	117,499	..	143,856	..	160,358
Great Britain	20,148	..	56,193	..	58,675
Netherlands	27,333	..	28,874	..	29 479
Poland	19,290	..	22,452	..	23,123
Spain	17,704	..	18,346	..	14,918
Australia	52,942	..	55,307	..	55.441
Rhodesia	..	..	..	..	10.705
Other countries	50,800	..	52,000	..	50,450
Totals	1,377,345	..	1,478,097	..	1,559,169

* American Bureau of Metal Statistics. † December estimated.

TIN.

The highest prices in 1928 were those at the beginning of the year—viz., £266 per ton for cash and £262 10s per ton for three months. From then until the middle of February there was a steady decline to £227 5s per ton for cash and £228 per ton for three months. In the early part of June, when the market became very weak, and towards the end of the month business in cash was done at £207 5s per ton and in three months at £204 10s per ton. Rumours that Chinese mines in the Federated Malay States were being forced to close down brought about a short-lived rally, but lack of confirmation of these rumours was followed by the market touching on July 3rd the lowest prices of the year—£205 15s per ton for cash and £203 10s per ton for three months. At this level bears began to cover freely not only against their short sales but also against a very large option position which was due to mature in the months of August and September. Prices rose rapidly until July 26th, when business was done at £223 10s per ton for cash and £220 per ton for three months. But the improvement was not maintained, and by the end of August values had fallen back to £208 15s per ton for cash and £205 5s per ton for three months. From this point the market came under the influence of the actions, actual or rumoured, of the "Group" and to a lesser extent of the impression that the opening of the National Metal Exchange in New York would be followed by a broadening of interest in the metal. From the end of August, apart from occasional periods of hesitation, values rose steadily until December 3rd, the opening day of the National Metal Exchange, when prices touched £241 15s per ton for cash and £240 15s per ton for three months. Unfortunately, the expectations of the immediate activities both of the "Group" and of the National Metal Exchange proved to have been exaggerated. Disappointed holders started to liquidate, and a heavy selling movement stimulated by weakness on Wall Street ensued, and on December 10th cash was done at £220 per ton and three months at £218 per ton. From this level there was a rally, but between that date and the end of the year values fluctuated between £229 and £222 15s.

From the subjoined table it will be seen how considerable the increase in production was during the year :—

SUPPLIES OF TIN.

	Shipments of Tin.					Tin Ore (Metallic Contents).			Total.
	Straits.	Banca.	Australia.	China.	Katanga (Estimated).	Bolivia Shipments.	Nigeria Arrivals.	Cornish Production (Estimated).	
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Total for 1926..	75,998	16,212	1,496	3,062	850	32,081	7,283	2,100	139082
Total for 1927..	82,064	15,612	1,316	1,183	1,200	36,848	7 592	2,400	148215
Total for 1928..	97,893	14,298	1,225	1,923	1,200	43,723	9,010	2,700	171912

STOCK of TIN in the UNITED KINGDOM.

	Tons
December, 1926	1,228
" 1927	2,012
" 1928	7,952

TOTAL VISIBLE SUPPLY.

December, 1926	15,004
" 1927	14,862
" 1928	23,508

—*Messrs Lewis, Lazarus and Son.*

Tinplate.—It has been a fairly satisfactory year to the works in general, in spite of the fact that none of them have been running to full capacity, and that they have been standing idle for definite periods from time to time under the stabilisation arrangement. The tinplate trade has been the most cheerful section of the steel trade during the year, and there is evidently an undercurrent of quiet confidence in the future of the trade, as more new mills have been, and are being, erected in South Wales. The same process is going on in other countries, and there appears to be an intelligent anticipation of an increasing demand for tinplates from all over the world, caused largely by the greater appreciation of the use of canned foods. Perhaps the most notable event in the year's history of the trade has been the agreement with the American makers (which came into force on October 1st), by which it is sought to allot to Britain and America their proportionate shares of the export trade of the world. It has been accepted by the great bulk of the British makers, who are allotted 70 per cent. as against the American 30 per cent. of the combined export trade of the two countries.

Prices.—At the opening of the year the current business figure was 18s, and this continued with slight variation for three or four months, when the market improved slightly, and 18s 3d, 18s 4½d, 18s 6d ruled till July. In August the ruling price became 18s, and this continued to the end of the year with little variation. Frequently, however, it has been possible to secure supplies at 1½d less than the official minimum.

Bars.—Opening at £5 12s 6d for Siemens quality, the price remained unchanged until April. By the beginning of June the price was £6, which remained unchanged to the end of the year. Foreign bars opened at £4 17s 6d, but reached £5 5s in March and £5 10s in June, about 10s below Welsh. In the second half of the year the prices varied between £5 5s to £5 12s 6d, which was the closing figure, only 7s 6d below the Welsh bars. The imports have been :—1926, 714,903 tons; 1927, 764,649 tons; 1928, 538,935 tons.

VI.—SHIPBUILDING AND SHIPPING.

SHIPBUILDING.

United Kingdom.	Output (Gross Tons 000's omitted). Commenced.	Under Construction.	Launched.	Price of a New, Ready 7,500 Ton Cargo Steamer. ‡	Unemployment.
	§	§		(Thou. £).§	%
1913	467	2,002	1,932	51·9	
1922	101	1,810	1,051	64·4	36·9
1923	238	1,374	646	62·0	37·5
1924	263	1,439	1,440	61·8	29·4
1925	204	1,038	1,085	55·2	34·1
1926	145	805	640	55·1	39·7

	1927.	1928.	1927.	1928.	1927.	1928.	1927.	1928.	1927.	1928.
January ..									36·9	20·6
February..	680	342	1,217	1,441	128	407	66·0	60·0	31·9	21·0
March									29·0	22·3
April									25·9	23·0
May	437	279	1,390	1,205	269	403	63·0	57·0	23·1	24·0
June									22·9	26·5
July									22·3	28·3
August....	370	245	1,536	1,090	356	386	62·0	57·0	22·5	28·0
September									21·8	30·7
October ..									21·0	33·1
November	377	432	1,580	1,243	499	246	62·0	62·0	21·7	32·6
December									21·6	30·3
Total	441§	325§	1,431§	1,244§	1,226	1,446	63·3§	59·0§	25·0	26·7

§ Average for four quarters. ‡ According to "Fairplay."

The total tonnage built in the world during the year 1928 amounted to 869 vessels of 2,699,239 tons gross, an increase of 414,000 tons, or 18 per cent., on the output in 1927. Launchings from British yards totalled 1,445,920 tons (220,000 tons more than a year ago), while foreign production was 1,253,319 tons, an increase of 194,000 tons in comparison with the previous year. It will be seen from the table above that British launchings were larger in the first three quarters of the year than the volume of new work commenced, which steadily declined under the influence of depression in the cargo freight market, until, in the December quarter, a moderate freight recovery engendered fresh confidence on the part of shipowners and led to the placing of substantial orders for new ships. At the beginning of the year tonnage under construction in this country amounted to 1,580,000 tons. By the end of September this figure had fallen to 1,090,000 tons, and at the end of the year, despite an improvement in the fourth quarter, work in hand was 337,000 tons less than the corresponding total twelve months earlier. The following table gives comparative figures of tonnage under construction in this and other countries at the end of each of the past four years :—

WORK in HAND DECEMBER 31.

	1925.		1926.		1927.		1928.
U.K.	885	....	760	....	1,580	....	1,243
Germany	234	....	211	....	472	....	388
Italy	310	....	240	....	183	....	93
France	167	....	143	....	115	....	163
Holland	109	....	145	....	175	....	182
Denmark	61	....	41	....	98	....	83
Sweden	55	....	39	....	101	....	99
World total	2,069	....	1,933	....	3,119	....	2,618

The British percentage of the total in hand at the end of 1928 was 47·5, against 51 per cent. at the end of 1927, and an average of 57 per cent. in 1913. Thus, despite the increase in output from British yards in 1928, it is difficult to say that the industry gained ground during the year. Moreover, it must be borne in mind that last year's production, as well as that of 1927, included a certain amount of arrears from the dislocation of 1926. The position is more clearly indicated, from a "long-period" point of view, by the following table, in which production at home and abroad during the past three years is shown in relation to (*a*) the average for 1908-10 (a period of shipbuilding depression), (*b*) the pre-war maximum of 1913, (*c*) the average of the post-armistice "boom" years 1919-20, and (*d*) the average of 1923-25 :—

OUTPUT of NEW TONNAGE.

Period.	Thousand Gross Tons Launched. U.K.	Abroad.	World Total.	British Percentage of World Output.	Output as Percentage of Average 1908-10. British	Foreign
Average 1908-10	1,021	777	1,798	57	100	100
1913	1,932	1,401	3,333	58	189	180
Average 1919-20	1,838	4,665	6,503	28	180	600
Average 1923-25	1,057	971	2,028	52	103	125
1926	640	1,035	1,675	38	63	133
1927	1,226	1,060	2,286	54	120	136
1928	1,446	1,253	2,699	54	141	161
Average 1926-28	1,104	1,116	2,220	50	108	142

It will be observed that, taking the mean of the past three years, British output has been only 8 per cent. greater than in the depression of 1908-10, whereas foreign production has been 42 per cent. larger. In 1928 alone the output from British yards was 41 per cent., and that from foreign yards 61 per cent. greater than the level of 1908-10, and the British proportion of the total was 54 per cent., in comparison with 57 per cent. in the pre-war period. An

BANCO ITALIANO

Established 1889.

Capital Authorised ... Lp. 1,000,000
Capital Paid up ... ... Lp. 600,000
Reserves ... ... Lp. 885,183

Head Office:

LIMA (Peru).

Branches at
AREQUIPA, CALLAO, CHICHLAYO,
CHINCHA-ALTA, MOLLENDO, TRUJILLO, etc.

AGENTS throughout PERU.
CORRESPONDENTS IN ALL PARTS OF THE WORLD.
BANKING BUSINESS of every description transacted.
Special attention given to trade between PERU and Foreign Countries.
Consignments of Goods supervised, etc., etc.

London Agents:
Banca Commerciale Italiana,
32, Threadneedle Street, E.C.2.

THE
MOSCOW NARODNY BANK LTD.
ESTABLISHED 1919.

Head Office: 300, High Holborn, London, W.C.1

PARIS BRANCH: 26, Rue Vivienne, Paris.
BERLIN BRANCH: Kurfurstenstrasse 33, Berlin.

Authorised Capital - - - - £1,000,000
Paid-up Capital - - - - - 800,000
Reserve Fund - - - - - 120,000

The Bank finances the Export and Import operations of the Russian Co-operative and other Societies.

Principal Foreign Agents of the All-Russian Co-operative Bank, Moscow and Branches.

London Correspondents of the State Bank of the U.S.S.R.

Every kind of Banking Business transacted.

Remittances to Russia effected. Letters of Credit and Drafts issued on Moscow and other centres in Sterling, U.S. Dollars and Tchervonetz. Collections undertaken.

CORRESPONDENTS IN ALL PRINCIPAL CENTRES OF EUROPE, THE U.S. OF AMERICA, AND EVERYWHERE IN THE U.S.S.R.

examination of the post-war figures as a whole leads to the conclusion that British yards are unlikely ever again to build as large a proportion of the world's new shipping as before the war.

As regards types of vessel, it is of interest to note that of the 2,699,000 tons launched in the world during the past year, only 34 per cent. is exclusively dependent on coal for propulsion, 560,000 tons of the steamers being fitted for oil-burning, and 1,183,229 tons representing motor-ships, whose growth may be seen from the following table :—

MOTOR TONNAGE OUTPUT (in Thousands)

	U.K.	Per Cent. of Total Output.	†Abroad.	Per Cent. of Total Output
1923	87	13	135	14
1924	237	16	262	32
1925	267	25	575	52
1926	202	32	500	48
1927	356	29	506	48
1928	428	30	753	60

† *Omitting wooden vessels.*

It is a significant tribute to the reliance placed on internal combustion engines by foreign builders that of the 82 vessels of 6,000 tons and over launched abroad last year no less than 61 were motorships. In this country there were 64 vessels launched of 6,000 tons and over, of which 34 were motorships. The tankers launched in the world in 1928 had a total tonnage of 646,851 tons (as compared with 542,437 tons in 1927), of which 300,348 tons were in this country.

The Clyde district occupied first place in 1928 amongst British shipbuilding centres, showing an output of 571,948 tons. Then follow the Tyne (300,508 tons), the Wear (207,646 tons), the Tees (132,966 tons), Belfast (75,738 tons), and the Mersey (73,197 tons). The largest increase, as compared with 1927, took place on the Clyde, the figures for which are 148,225 tons higher than those for the previous year. The figures for Belfast show a decrease of 31,443 tons. The largest vessels launched in this country during the year were three 20,000-ton liners for the Canadian Pacific service.

Turning to foreign countries, it will be seen from the first of the foregoing tables that at the end of 1928 a considerable increase had taken place in the tonnage building in France, while there were large decreases in Italy and Germany, as compared with the position at the end of 1927. German output in 1928 included the two largest vessels, the "Bremen" and "Europa" (46,000 tons), launched in the world during the year, and totalled 374,416 tons, an increase of 87,000 tons on 1927. Italian production, 58,640 tons, showed a fall on the year of 42,000 tons, and was lower than in any years since 1917. Denmark and Sweden—138,712 and 106,912 tons—both launched record outputs, and Dutch and Japanese launchings were also substantially higher than in the previous year.

As regards the future immediate prospects in British yards are favourable, and the orders placed during the past three months will ensure fair activity up to the end of the summer at least. Whether the freight market will be able to absorb the new tonnage launched and under construction without another onset of depression is somewhat doubtful, and prices have been cut to a comparatively unremunerative level in order to keep yards going. Unemployment in the industry remains severe.

SHIPPING.

	Tonnage Engaged in British Overseas Trade.		*Economist* Index of Freight Rates (1913 = 100).		Unemployment.			
	Entered (With Cargo).	Cleared (With Cargo).			Shipping Services.		Dock, &c., Services.	
	Thousand Tons.	Thousand Tons.			%		%	
1913	49,064	67,820	100		..		..	
1922	43,396	59,682	122·02		21·2		20·7	
1923	51,092	70,691	109·69		19·7		22·0	
1924	55,370	65,293	113·44		19·5		25·6	
1925	55,513	62,311	102·22		20·6		30·0	
1926	64,141	46,977	109·68*		20·5		30·0	
	1927.	1928.	1927.	1928.	1927.	1928.	1927.	1928.
January	5,004	4,578	4,950	4,932	118·59	98·47	20·3	16·6	26·9	25·6
February	4,084	4,163	4,617	4,753	120.54	94·33	17·7	16·3	26·8	27·6
March	4,813	4,737	5,38·	5,382	118·58	93·17	16·8	15·1	26·9	28·3
April	4,768	4,840	5,188	4,859	111·06	94·59	16·2	15·0	25·0	30·1
May	5,334	5,284	5,509	5,499	111·41	93·79	15·7	14·8	25·7	32·3
June	5,224	5,288	5,382	5,639	106·54	91·23	14·8	14·9	24·2	31·8
July	5,311	5,438	5,607	5,491	101·61	93·73	14·3	15·2	22·0	32·3
August	5,764	5,352	5,649	5,972	105·51	98·17	13·8	14·7	22·9	31·3
September	5,201	5,158	5,715	5,466	107·51	99·54	13·7	15·0	22·1	32·1
October	5,440	5,630	5,299	5,721	105·78	103·93	15·1	19·0	21·1	31·5
November	4,999	4,804	5,289	5,487	106·27	110·94	16·2	18·5	23·4	32·5
December	4,647	5,059	4,916	5,159	102·31	113·17	17·3	18·8	24·4	30·7
Total	60,589	60,331	63,501	64,420	109·64	98·76	16·0	16·2	24·3	30·5

* This figure, being based, in part, on averages for May to November, when no coal freights were obtainable, and homeward freights consequently at an abnormal level, is not comparable with the figures for preceding years.

From the point of view of gross earnings per ship-mile, there can be little doubt that 1928, the eighth successive year of depression, has been worse for most classes of cargo shipping than any of its seven lean predecessors. The reason for this unfortunate, but not altogether surprising, condition of affairs lies primarily within the shipping industry itself. Although the underlying cause of the prolonged post-war period of low freights has been, and still is, the failure of international trade to regain its pre-war rate of expansion, the factor immediately responsible for the set-back in freight rates during the past year, in comparison with 1927, was the somewhat over-optimistic placing of orders for new tonnage during the short-lived improvement of freights in the winter of 1926-27. Between July, 1927, and July, 1928, the total tonnage owned in the world increased by 1,762,000 tons gross, as compared with an average annual increase of only 400,000 tons gross during the three previous years, while the British increase was 600,000 tons, against an average in 1924-27 of only 70,000 tons a year. This great expansion in twelve months of the world's available carrying space—making due allowance for the fact that new tanker tonnage represented a considerable proportion of the total—proved to be more than world demand could absorb. The consequence has been, inevitably, a reaction in freights and increased unemployment of ships. The following table summarises the fluctuations during the past two years in the figure of idle tonnage in the principal ports of Great Britain and Ireland. Averages for each quarter of 1923-26 are added for purposes of comparison :—

Laid up on—	Average. 1923-26.	1927.	1928.
	Thousand Tons Net		
January 1	566	365	372
April 1	427	240	363
July 1	704	420	496
October 1	510	273	415

In contradiction to the evidence of a smaller volume of inward and outward cargoes, the returns of laden shipping entered and cleared at ports of this country indicate that the movement of ships was slightly more active in 1928 than a year ago. The percentage of the total, especially in the case of outward clearances, taken by British vessels is increasing. The year opened with quiet conditions in the outward coal market, but from July onwards the market recovered appreciably. In July the unusual chartering of a number of vessels to load grain for Russia alleviated the pressure of unfixed tonnage in European waters, and from August until the close of the year the normal seasonal activity of the overseas grain trade was sufficient to cause coal shippers to pay higher values for ready outward tonnage. Throughout the year the key to homeward rates has been temporary fluctuations in demand for space to load grain. Freights for other tramp cargoes, such as ore, timber and nitrates, underwent relatively little alteration from month to month.—*Mr A. Vallance, Secretary, National Maritime Board, writing in "Lloyd's List Annual Review."*

ENGINEERING.

United Kingdom.	Exports of Machinery.	Unemployment. General Engineering.	Electrical Engineering.	Marine Engineering.
	Tons.	%	%	%
1913	689,389	..	..	..
1922	401,437	..	20·61	..
1923	432,486	18·3*	5·6*	22·2*
1924	463,648	15·2	5·5	16·9
1925	515,896	12·6	5·5	20·9
1926	476,789	15·7	7·7	26·9
	1927. 1928.	1927. 1928.	1927. 1928.	1927. 1928.
January	39,572 50,176	14·2 9·8	6·8 4·7	24·8 11·3
February	36,146 43,617	12·6 9·8	6·5 4·8	22·2 11·8
March	43,169 51,085	11·3 9·6	6·2 4·7	18·9 11·6
April	36,522 44,062	10·7 9·8	5·6 4·7	17·8 12·0
May	48,145 50,031	9·6 9·6	5·1 4·9	16·2 12·3
June	38,816 53,328	9·4 9·5	4·7 4·9	14·7 13·1
July	38,044 48,241	9·2 9·7	4·8 5·0	13·2 13·4
August	38,889 45,172	9·3 10·2	4·7 5·2	13·3 13·5
September	45,826 40,531	10·0 10·3	4·6 5·2	12·7 14·5
October	46,241 43,570	9·7 9·7	4·7 5·2	12·4 16·4
November	58,243 49,331	9·9 10·5	4·3 5·2	11·3 16·5
December	42,847 47,009	9·4 9·8	4·2 4·7	11·7 15·3
Total	512,460 566,153	10·4 9·9	5·2 4·9	15·8 13·5

* End of year. † Whole industry: not classified separately before 1923.

The year 1928 was far from satisfactory in the engineering trades generally. Though exports of machinery were about 7 per cent. higher in value than in the preceding year employment remained slack throughout the year and there were 2,547 more unemployed in December than at the end of 1927, the percentage in marine engineering being much above the average for all trades. Wage rates in general engineering remained unchanged.

General Engineering.—At the close of the year some contracts were obtained for both home and oversea railways. Machine tool engineering works have been fairly well employed, especially in Scotland, where the trade is reported to be healthier than it has been for some years. The tube trade improved during the second half of the year, but without any recovery in prices. Structural steel has suffered from competition in its overseas markets and from curtailed public expenditure at home. The textile branch has been fairly well employed during the latter part of the year, but the agricultural machinery section remained stagnant almost throughout.

SWISS BANK CORPORATION

ESTABLISHED 1872.

BASLE, ZURICH, ST. GALL, GENEVA, LAUSANNE, LA CHAUX-DE-FONDS, NEUCHATEL, SCHAFFHOUSE.

LONDON OFFICE - 99, GRESHAM STREET, E.C.2
WEST END BRANCH: 11c, REGENT ST. (Waterloo Place), S.W.1

Capital paid-up - £5,600,000
Reserves - - - - £1,680,000

Every description of banking business. Current and deposit accounts. Purchase and sale of foreign exchanges for forward delivery.

ISSUES TRAVELLERS' CHEQUES IN DENOMINATIONS OF £2, £5 and £10, AVAILABLE FOR THE CONTINENT OF EUROPE AND ALL OTHER PARTS.

LIETUVOS BANKAS

(Bank of Lithuania).

KAUNAS, LITHUANIA.

Telegraphic Address: "EMISBANK—KAUNAS."

BALANCE SHEET

January 1st, 1928 and 1929.

1 Litas = 0,10 U.S.A. Dollars

ASSETS.	1929	1928
1. Gold reserve	34,265,409.73	33,200,351.37
2. Silver coins	4,363,068.—	4,643,080.—
3. State Treasury coins ...	1,843,281.53	1,850,497.43
4. Foreign currency ...	43,620,514.19	51,563,448.75
5. Loans and discounts ...	91,491,558.62	81,071,160.99
6. Other assets	19,921,983.02	13,521,301.52
	195,505,815.09	185,849,840.06
LIABILITIES.		
1. Capital	12,000,000.—	12,000,000.—
2. Reserve capital ...	1,200,000.—	1,000,000.—
3. Banknotes in circulation	84,773,628.—	96,607,843.—
4. Deposits	80,381,972.17	65,070,876.90
5. Other liabilities ...	17,150,214.92	11,171,120.16
	195,505,815.09	185,849,840.06

Management:
V. JURGUTIS, *Governor.*
J. PAKNYS, *Vice-Governor.*
P. GRAJAUSKAS, J. KAUPAS, Z. STARKUS, } *Directors.*
B. MINIATAS, *Bookkeeper.*

THE EQUITABLE TRUST COMPANY OF NEW YORK

Head Office: 11, Broad Street, New York.

Other New York City Offices.
40, Worth Street. Madison Avenue at 28th Street.
Madison Avenue at 45th Street. Madison Avenue at 79th Street.

Commercial Credits.

Foreign Exchange.

Every Description of Banking Business Transacted.

Information on American Securities.

Current and Fixed Deposits in Sterling or other Currencies Received at Rates which may be ascertained on application.

LONDON OFFICES:
(Resident Vice-President, J. M. Wallace.)

10 MOORGATE, E.C.2.

BUSH HOUSE, ALDWYCH, W.C.2.

Paris Office:— 41, Rue Cambon.
Mexico City Office:— Calle Condesa No. 3.

Total Resources exceed $670,000,000

THE MERCANTILE BANK OF INDIA, LIMITED.

HEAD OFFICE:
15 GRACECHURCH STREET, LONDON, E.C.3

Capital Authorised	...	£3,000,000
Capital Subscribed	...	£1,800,000
Capital Paid-up	... ...	£1,050,000
Reserve Fund and Undivided Profits	...	£1,584,846

Branches and Agencies in India, Ceylon, Burma, Siam, Straits Settlements, China, Port Louis, Mauritius and Dutch East Indies.

The Bank receives money on deposit, buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts Banking and Agency Business in connection with the East on terms which can be ascertained on application.

Fixed Deposit Rates will be quoted upon application.

On Current Accounts interest is allowed at 2 per cent. per annum on Daily Balances, provided accrued interest for the half-year amounts to £1.

JAMES STEUART, Chief Manager.

Electrical Engineering.—The year has been remarkable for the amount of British electrical plant installed in Colonial and foreign stations, though the value of total exports for 1928 fell slightly below that for 1927. At home large contracts were placed by the Central Electricity Board. The tendency to increasing size of generating units still continues. The following is an index of activity in the electrical industry of Great Britain, and is copyright by the Economic and Statistical Department of the British Electrical and Allied Manufacturers' Association :—

(1920 = 100.)

1926.	Home.	Export.	Total.	1927.	Home.	Export.	Total.
January	75	110	84	July	93	231	126
February	74	106	82	August	90	236	126
March	80	101	85	September	87	230	122
April	83	100	87	October	81	208	112
May	83	104	88	November	80	192	107
June	82	110	89	December	69	160	92
July	80	79	80	1928.			
August	84	83	84	January	68	148	88
September	87	70	83	February	68	143	87
October	89	86	88	March	71	141	89
November	93	103	95	April	70	122	84
December	94	143	106	May	68	108	79
1927.				June	68	105	78
January	95	152	109	July	71	80	74
February	92	159	108	August	74	86	78
March	89	163	107	September	81	102	88
April	90	181	112	October	83	107	91
May	88	200	116	November	85	105	93
June	94	234	128	December	93	103	96

The output of electricity in Great Britain expanded by approximately 7 per cent. last year, as compared with 1927. The following average figures of electrical production in the chief areas of the country are based on the index numbers which appear regularly in the Monthly Supplement of the *Economist* :—

INDEX of PRODUCTION of ELECTRICITY.*
(Monthly Average 1923-24 = 100.)

Date.	Britain, Excluding London and Wales.	Coal Mining, Iron and Steel, Shipbuilding, Railway Engineering.	General Engineering and Automobile Construction.	Chemicals.	Marine Transport, Docks, &c.	Textiles, Cotton and Wool.
Monthly Average.						
1924	114	122	111	132	112	102
1925	121	124	130	151	126	111
1926	119	100	138	162	134	120
1927	146	143	158	210	163	139
1928	156	150	177	237	190	147

* Prepared by the economic and statistical department of the British Electrical and Allied Manufacturers' Association.

Motor Vehicle Manufacture.—The past year has, on the whole been satisfactory, though both production and exports failed to reach the level of 1927. The Society of Motor Manufacturers and Traders estimates the total output of vehicles and chassis at 211,000, as compared with 213,000 in 1927, 132,000 in 1924, and 22,000 in 1912. Exports were as follows :—

	Number.	Value. £
1912	6,461	2,461,530
1924	15,596	4,861,060
1927	36,325	8,828,521
1928	33,090	7,249,260

The British proportion of exports to Empire markets has risen, in spite of a serious falling-off in certain directions, notably Australia. No progress is recorded in sales to Continental countries or their possessions, but some new markets have been opened elsewhere. Home consumption increased satisfactorily.

Marine Engineering.—One of the principal features of the marine engineering work of 1928 was the large number of methods which were adopted for increasing the economy of all types of propelling machinery. High pressure steam, superheating, and air preheating were all exploited much more than in previous years; exhaust steam turbines were fitted to a number of vessels having triple, and even quadruple, expansion steam engines, thus increasing greatly the fuel economy of the vessels concerned.

BUILDING TRADES.

At the beginning of 1928 there was a falling off in the speed with which houses were being built under the various Building Acts. In the early months the percentage of work carried out by the trade was, housing 62 per cent. and general building 38 per cent. There was, in fact, a general decline in the volume of building work during those early months of the year, but with the prospect of the cessation or diminution of the amount of the subsidy greater activity in housing became manifest as the year advanced. House construction became preponderant, the figures assuming the ratio of 68 per cent. for housing and 32 per cent. for general building. During the last three months of the year there has been considerably increased activity in housing, and this is likely to continue until the withdrawal and reduction of the subsidies at the end of the coming summer. The Ministry has notified that in September next the subsidy will be withdrawn from houses built by private enterprise, while that on houses built by local authorities will be reduced. The latest official return of housing is for the year ended September 30, 1928. This shows a considerable falling off in the number built compared with the corresponding period in the previous year, the figures being for the year 1927, completed houses, including non-subsidy houses, 289,151, while for 1928 the total number was 185,722. In February last there was a reduction in the wages of tradesmen and labourers alike of ½d per hour under the cost-of-living sliding scale of the National Joint Council for the Building Industry. There is no likelihood of any similar reduction until February of next year. This reduction in wages, however, represents a decrease of about 2 per cent. in building costs. During the year there has been a considerable fall in the prices of building materials of nearly all descriptions, and consequently during the latter half of 1928 there has been an increased tendency among industrialists to erect new buildings and extend existing premises. London, by reason of the falling in of leases and for extension purposes during recent years has enjoyed perhaps more than its share of building prosperity, although the inclination to build is fairly general in most thriving industrial centres.—*Chamber of Commerce Journal.*

SOAP AND GLYCERINE.

British trade in soap was well maintained during 1928, but glycerine was still suffering from the serious decline recorded a year or two ago, and no very substantial improvement is at present in sight. As will be seen from the following table, the total export of all classes of soap was 1,637,814 cwts, showing a slight increase in weight and a small decrease in value compared with 1927 :—

SOAP AND CANDLES.
IMPORTS.

	Quantities (cwts).			Values (£).		
	1926.	1927.	1928.	1926.	1927.	1928.
Soft	44,001	59,064	34,304	51,939	59,612	43,573
Hard, bars, or tablets	139,270	133,799	131,212	289,267	299,910	280,874
Abrasive	9,052	8,815	11,767	12,406	11,578	17,029
Toilet and shaving	58,718	68,175	73,994	296,701	304,355	302,567
Other	22,375	21,392	28,088	28,683	33,722	52,078
	273,416	291,245	281,365	678,986	709,177	696,119

EXPORTS.

Soft	44,064	41,482	40,263	66,386	78,156	61,966
Hard, bars, or tablets	1,351,569	1,434,528	1,445,407	2,653,051	2,780,641	2,728,897
Abrasive	23,942	25,732	28,610	66,361	70,029	70,881
Toilet and shaving	72,442	82,036	83,586	675,152	726,653	713,050
Other	44,810	40,582	39,948	177,136	169,063	173,089
Candles	121,562	140,640	126,226	312,701	335,044	306,202
	1,536,827	1,624,360	1,637,814	3,638,086	3,824,542	3,797,885

The greater part of the exports consist of household and laundry soap, two-thirds of which goes to the British Empire. Imports have dropped somewhat, the decline being most marked in the soft soap category, though the laundry and household class has also dropped. On the other hand, the imports of toilet and shaving soap again advanced, and now nearly equal the exports. A remarkable feature in the toilet soap trade is that the value per cwt of the exports is nearly £9, whilst for the imports it is only about £4 per cwt. The deduction that the quality exported is higher than that imported my be qualified by the possibility that in the exports there is a higher proportion of shaving soap than in the imports, and this would disproportionately raise the value of the exports. There is very keen competition for the toilet soap markets of the world, and especially for the British market in these soaps. America, France, and even Spain are redoubling their efforts to capture as much of it as possible. In order to stem the tide of foreign toilet soap one large British maker has recently introduced a good quality toilet soap under a well-known name and at a very low price. But, as a general rule, the British makers of toilet soap are concentrating on the highest qualities at good prices, for which there is a good market in many parts of the world, of which America itself is one of the most important. A considerable amount of scientific research is now being undertaken by the British soap industry.

VI.—TEXTILES.

THE COTTON TRADE.

During the first six or seven months of the year there were many occasions when strained relations between employers and operatives cast a cloud of uncertainty over the market and the whole industry. In the closing months of the year, however, happier relations were resumed. Meanwhile, possible means of increasing the volume of business and of restoring prosperity to the American section of the spinning trade were being actively discussed. Mills in the American section of the trade were recommended to curtail production by the equivalent of a fortnight's stoppage during the months of September and October, and this policy appears to have been followed in a great many instances; but there has been reason to believe that the Master Spinners' Federation has at last aban-

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank.) *Established 1889*

HEAD OFFICE : HELSINKI (Helsingfors), FINLAND.
BRANCHES : 160 all over Finland

PAID-UP CAPITAL and RESERVES - - - - - - Fmk. 403,000,000

Every kind of Banking and Exchange Business transacted at most favourable terms.
Deposits Received. Bills Collected.
Mail and Telegraphic Remittances Made.
TELEGRAPHIC ADDRESS : "Kansallispankki."

The National Bank of New Zealand, Ltd.

AUTHORISED and SUBSCRIBED CAPITAL - - - £6,000,000
PAID-UP CAPITAL - - - - - £2,000,000 } £4,165,572
RESERVE FUND and UNDIVIDED PROFITS - £2,165,572 }

Directors:
HON. W. PEMBER REEVES (*Chairman*).
HENRY F. FRESHWATER, Esq. — ROBERT LOGAN, Esq. — LINDSAY ERIC SMITH, Esq.
SIR AUSTIN E. HARRIS, K.B.E. — J. B. REID, Esq. — RICHARD DURANT TROTTER, Esq.

Head Office:—8, MOORGATE, LONDON, E.C.2. Chief Office in New Zealand:—WELLINGTON.
Manager: ARTHUR WILLIS. General Manager: J. T. GROSE.

94 Branches and Agencies throughout New Zealand and Correspondents in all parts of the World.

The National Bank of New Zealand, Limited, Receives Deposits for fixed periods at rates which may be ascertained on application, and conducts every description of Banking Business connected with New Zealand.

S. JAPHET & CO., LTD.
60, LONDON WALL,
LONDON - E.C.2.

MERCHANT BANKERS

FERRIER LULLIN & CIE.
GENEVA.
Established 1795.

Partners: A. LULLIN, F. BOISSIER, J. STRAESSLE, M. FERRIER, J. LULLIN.
Telegraphic Address: "FERULIN, GENEVA."

London Correspondents:
MIDLAND BANK LIMITED.
SWISS BANK CORPORATION.
Messrs. LAZARD BROTHERS & CO., Ltd.
Messrs. HELBERT WAGG & CO., Ltd.
Messrs. S. JAPHET & CO., Ltd.
Messrs. SELIGMAN BROTHERS, Ltd.

New York Correspondents:
NATIONAL CITY BANK OF NEW YORK.
Messrs. A. ISELIN & CO.
Messrs. HALLGARTEN & CO.

All kinds of banking business transacted.

doned its faith in organised short-time working. Its place has been taken by the idea of mill amalgamations, and the Cotton Yarn Association's project for a combine controlling 10,000,000 spindles has been in process of organisation ever since the early months of the year.

United Kingdom	Imports of Raw Cotton.	Exports. Yarn.	Exports. Piece Goods.	Prices—Middling American.	Unemployment.	Average Earnings.
	Thous. Centals.	Million lbs.	Million Sq. Yds.	Per Lb. d	%	Per Week. s d
1913 ..	19,167	210·1	*7,075·3	7·27	1·7†	20 5
1922 ..	14,320	202·0	4,183·7	12·71	10·1	*a* 34 4
1923 ..	12,919	145·0	4,140·2	16·27	16·9	*a* 35 11½
1924 ..	15,777	163·1	4,444·0	16·87	13·7	*a* 37 5½
1925 ..	18,912	189·5	4,433·7	12·72	8·3	*a* 36 11½
1926 ..	17,371	168·5	3,834·3	9·30	18·0	*a* 34 10
	1927. 1928.	1927. 1928.	1927. 1928.	† 1927. † 1928.	1927. 1928.	1927. 1928.
Jan. ..	2,367 880	15·9 14·9	322·3 337·4	6·89 10·87	11·3 9·7	36 0¾	36 6½
Feb. ..	1,681 1,304	14·3 14·5	298·8 316·2	7 37 9·95	8·2 8·7	36 9½	36 8½
Mar. ..	1,903 1,424	19·3 15·5	393·9 397·4	7·93 10·56	5·9 9·2	37 7½	37 2
April ..	1,888 1,340	17·3 13·8	316·9 314·8	7·79 10·96	6·8 10·1	37 4	37 2½
May ..	1,324 1,270	22·4 14·1	413·6 288·9	8·72 11·90	6·9 9·6	37 0	36 7½
June ..	1,044 1,136	17·2 14·4	330·1 277·9	9·26 11·48	7·0 12·9	36 11½	36 3½
July ..	668 839	14·0 11·4	335·2 338·6	9·17 12·33	9·4 15·2	37 0¾	36 5½
Aug. ..	568 843	16·6 15·8	362·9 341·3	9·23 11·12	10·0 16·5	37 3½	35 9½
Sept. ..	721 523	15·8 11·2	339·0 298·2	12·03 10·52	9·3 14·5	36 8¾	35 6½
Oct. ..	964 1,08*	15·3 15·1	312·1 334·0	11·46 10·71	11·0 13·1	36 8	36 7
Nov. ..	1,188 2,165	17·4 15·4	402·2 331·4	11·82 10·25	12·2 12·6	36 0	36 6½
Dec. ..	1,159 2,246	14·5 13·2	290·6 290·5	10·87 10·77	10·0 11·1	35 9½	37 0½
Total...	15,485 15,058	200·4 169·3	4,117·6 3,866·6	9·38 10·95	9·0 12·0	36 9½	36 6½

* Million linear yards. *a* End of year. † Beginning of each month.
‡ Trade Union figure; other figures are Unemployment Insurance returns.

A fair amount of business was done in the first three months of the year. During the first quarter of 1927 there was some really heavy buying, but the same scale was not reached in 1928, partly, no doubt, because American cotton was 2d or 3d a pound dearer in the later period. The cost of cotton restricted the effective demand for shirtings and other heavy styles of cloth, while business in light goods was affected by the embargo of the Marwari Chamber of Commerce at Calcutta on purchases of dhooties for April, May, and September shipment, and on light white goods for March, April, and May shipment. Nevertheless, both home and foreign customers provided useful orders, and the turnover was fairly satisfactory, though margins, as a rule, were very poor. Round about April and May better reports began to come in from Hongkong, but this phase did not last very long. April was not an encouraging month. The Marwari Chamber at Calcutta extended its ban on purchases of light white goods to cover shipments during June and July, and the Bombay mill strike, which began at the end of the month, also had a restrictive influence on Indian business. Home trade buying fell off sharply after Whitsuntide, and demand from this source remained very patchy right up to the end of the year. Towards the end of August, however, the market was helped by an appreciable increase in the demand for bleached goods, to which India, China, the Near East, Egypt, and, indeed, most of the foreign outlets contributed something. More demand came in from the smaller Far Eastern markets, helped by a revival of the anti-Japanese boycott, and business was done in some styles which had not been bought from Lancashire for many years. The market here reached a useful level of activity, chiefly owing to Eastern buying. By the beginning of December, however, this more satisfactory state of affairs showed signs of ending, as several mills were started again, while the demand for cloth fell off somewhat. Indian demand for dhooties and light whites, which after the end of October had reached very useful proportions, began to fall away.

The most conspicuous improvement of the year has been in trade with China. The year's shipments were nearly double those of 1927, and were back again to the level of 1925 and 1926, the increase being very marked in whites, dyed goods and greys. At times there was very heavy buying, especially in white shirtings and lighter bleached cloths, and there are grounds for hoping that these better conditions will continue. Of the South American markets the Argentine, already by far the largest buyer, did an increased business. Less and less mention was made of business with the United States, and in the second half of the year there was a very marked falling-off in business with all parts of the Continent. Buying for the home trade, which reached a fairly satisfactory level during the first three months of the year, was generally very cautious and restrained in the later months. The Egyptian section as well as the American experienced a falling-off in export business. Buying on the part of Germany and the Netherlands was on a more modest scale than in other recent years, and Indian business was restricted; but there was a slight improvement in the China market. The introduction of the new labour laws in Japan in the middle of 1929 should also reduce Lancashire's handicap.

The following is a list of cotton and yarn quotations for the year :—

1928.	Cotton. Middling American.	American Yarns. 32's Twist.	American Yarns. 40's Weft.	Cotton F.G. Fair Sakellaridis. Egyptian.	Egyptian Yarn. 60's Twist.
	d	d	d	d	d
January 4	10·87	15½	16½	17·65	27½
February 1	9·95	15	15½	16·60	26½
March 7	10·56	15½	16½	18·90	28
April 3.....	10·96	16½	16½	20·85	30½
May 2	11·90	17	17½	21·40	32
June 6.....	11·48	17	17½	21·70	31½
July 4	12·33	17½	17½	20·75	30½
August 1.....	11·12	16½	16½	18·95	29
September 5....	10·52	16	16½	19·05	29½
October 3	10·71	16	16½	17·70	28½
November 7	10·25	15½	16½	17·80	28
December 4	10·77	16½	16½	19·30	28½
December 24 ..	10·66	16½	16½	19·50	28

The following table shows variations in typical yarn and cloth quotations during the last three years :—

Beginning of	American Yarn, 32's Twist, Per lb.			Egyptian Yarn, 60's Twist, Per lb.			36 in Shirtings, 75 Yards, 19 by 19, 32's and 40's.						39 in Shirtings, 37½ Yards, 16 by 15 8½ Lbs.					
	1926	1927	1928	1926	1927	1928	1926.		1927.		1928.		1926.		1927.		1928.	
	d	d	d	d	d	d	s	d	s	d	s	d	s	d	s	d	s	d
January	16½	12⅜	15½	31	24½	27½	32	0	25	9	28	0	14	3	12	0	14	0
February	17½	12⅛	15	31	24½	26½	32	3	26	0	27	3	14	6	12	1½	13	7½
March	16½	13⅛	15½	30	24½	28	31	9	27	3	28	0	14	0	12	9	14	0
April	15½	12⅛	16½	29	25	30½	30	9	26	9	28	6	13	9	12	4½	14	3
May	16	13½	17	29	26½	32	30	3	27	0	29	6	13	9	12	9	14	9
June	16	15½	17	28½	28	31½	30	3	27	9	27	9	14	1½	13	4½	13	4½
July	15	15½	17½	27½	28	30½	29	3	28	3	30	0	13	6	13	6	14	9
August	15½	15½	16½	27	28	29	29	0	28	6	29	0	13	9	13	6	14	3
September	16½	17⅜	16	28	30	29½	29	9	30	9	28	9	14	1½	15	0	14	1½
October	14½	17⅜	16	26½	30	28½	28	3	30	3	28	3	13	0	14	9	13	9
November	13½	17½	15½	25½	29½	28	27	9	29	6	28	3	12	6	14	6	13	9
December	12½	15⅝	16½	24½	28	28½	26	0	27	9	28	9	12	0	13	10½	14	0
End of Dec. ..	12⅜	15½	16⅜	24½	27½	28	25	9	28	0	28	6	12	0	14	0	14	0

WOOLLEN AND WORSTED TRADES.

United Kingd'm	Imports. Sheep's & Lamb's Wool.	Exports. Woollen Tissues.	Exports. Worsted Tissues.	Price of Raw Wool.* Per Lb.	Unemployment (Woollen and Worsteds).	Earnings (Ministry of Labour Figures) Woollen Trade per Week.
	Thous. Centals.	Thous. Sq. Yds.	Thous. Sq. Yds.	s d	%	s d
1913	21,743	105.884*a*	62,490*a*	2 1	..	..
1922	11,055	121,591	62,338	3 4	5·1	..
1923	7,392	148,556	62,935	4 7	7·5	41 4½†
1924	7,650	164,752	56.832	5 6	6·9	39 9½†
1925	7,291	130,295	47,206	4 8¾	14·6	40 10†
1926	8,157	120,832	43,136	3 9	15·9	41 2‡
	1927. 1928.	1927. 1928.	1927. 1928.	1927 1928	1927 1928	1927. 1928.
Jan.	1,180 1,024	11,468 13,105	4,438 3,814	3 9 4 0	12·3 8·8	40 9¼ 40 0¾
Feb.	1,065 1,192	11,466 11,508	3,517 2,950	3 10 4 0	9·5 7·6	40 10¾ 40 9½
March ..	1,188 1,353	10,142 12,150	3,133 2,469	3 10 4 0	9·4 6·7	42 0¼ 40 7½
April ..	978 917	6,860 7,990	2,619 1,980	3 10 4 0	9·4 7·1	42 2¾ 40 10
May	748 986	8,482 9,286	2,924 2,503	3 9 4 0	8·4 8·7	42 10 40 1
June	644 519	10,385 12,015	3,174 2,667	5 9¼ 4 0	9·4 12·0	42 10¾ 39 3
July	443 283	12,276 13,380	3,701 4,574	3 10 3 11	9·5 15·1	43 5 38 8½
Aug.	251 267	13,719 13,989	3,741 5,406	3 10 3 10	9·4 14·7	43 2¾ 37 10
Sept.	274 186	11,474 9,459	2,922 3,314	3 11 3 9	8·2 16·9	43 3 38 8½
Oct.	334 207	10,280 9,050	2,781 3,662	3 11 3 7	8·0 15·8	42 10¾ 39 2½
Nov.	461 345	12,587 8,251	3,765 4,241	4 0 3 6	7·1 14·0	42 0¾ 39 1½
Dec.	658 529	11,777 8,374	3,264 4,032	4 0 3 8	6·9 13·2	41 6 39 8½
Total..	8,244 7,808	130,917 128,557	39,979 42,112	3 1 3 10½	9·0 11·7	42 4 39 6

Queensland scoured, super combing. † End of year. *a* Thousand linear yards.

The clouds of depression and difficulty which have hung about the wool textile trade in recent years, especially in the West Riding, were not dispelled during 1928, and the great majority of firms in all sections of the industry will regard it as a very unsatisfactory year. During the last quarter of 1927 and the first quarter of 1928 there were high hopes that a prolonged period of recovery had set in, but they were destined to be unfulfilled. There was a spurt of activity, and output was greater than at any time since the coal stoppage in 1926, whilst there was corresponding briskness on the Continent. This fleeting spell of prosperity created an atmosphere of optimism which was not justified by subsequent events, and it added new difficulties to those which remained unsolved. The chief of these was that values of raw material were carried to a higher point during the 1927-28 season than could be sustained, and the subsequent reaction involved heavy losses for those who held stocks and made it still more difficult for users at all stages of production to secure profitable business.

Trade leaders have submitted industrial conditions in this country and throughout the world to a keen and searching analysis with a view to finding out what is wrong and what would put things right, but they are far from unanimous in their conclusions. There is a notable effort being made internationally to secure a service of statistical information which will enable the probable course of supply and demand to be anticipated with a greater degree of accuracy; while other trade problems affecting the industry are being handled with an increasing prospect of

solution by the International Wool Conferences which have been held in recent years, the next meeting of which is to take place in Bradford in 1929. The only concrete proposal which has emerged so far is a renewal of the application for import duties with the support of the principal trade union organisation, acting on a majority vote. The following table shows the prices of tops on the dates given :—

AVERAGE PRICES of TOPS.

In Pence, per Lb.	July, 1914.	Dec.30, 1926.	Dec.29, 1927.	Mar 15, 1928.	Oct. 25, 1928.	Nov.22, 1928.	Dec. 27, 1928.	Dec. 27, 1928, as % of 1914.
	d	d	d	d	d	d	d	
70's merino	33	49	54	57½	49	50½	50	*151*
64's merino	32½	46	52	56½	46½	48½	47½	*146*
60's super.....	31½	43	49	54½	45	46	45½	*144*
58's crossbred....	26½	38	43½	49	40	41½	39½	*147*
56's crossbred....	24½	32	39	43½	34	36	35	*144*
50's crossbred....	20¾	25½	29½	34	27	30	29	*140*
46's carded	17	20½	23½	27	23½	25	24	*141*
40's prepared	16	19½	22½	26½	21½	23	22½	*141*

The following table shows the trend of prices for certain qualities of yarns :—

AVERAGE PRICES of YARNS.

Per Lb.	July, 1914.	Dec. 29, 1927.	Mar. 15, 1928.	Oct. 25, 1928.	Dec. 27, 1928.	Dec. 27, 1928, as % of 1914.
	s d	s d	s d	s d	s d	
1/16's super	1 7	2 5½	2 8	2 4½	2 5½	*155*
*1/60's botany (70's/80's)....	8 1½	16 0	17 4½	14 4½	14 6	*179*
2/16's worsted, med. (44's card)	1 8	2 5	2 7½	2 4	2 5½	*147*
2/24's worsted,low(40's cross-bred)	1 8	2 6	2 8½	2 6	2 7	*155*
2/32's wrstd., med. (46's/48's)	1 10	2 11	3 2	2 11½	3 0	*164*
2/40's (56's super)	2 10½	4 4	4 6	4 1	4 1	*142*
2/48's botany (64's)	3 3	5 10	6 1½	5 3	5 3	*162*
2/60's botany (super 70's) ..	3 5	7 3	7 6	6 8	6 9	*198*

* Per gross.

Imports of yarns were about the same as in 1927, and imports of tissues were slightly greater. In both cases they were about one-half of the pre-war imports. Exports showed very little change compared with 1927, apart from a decline in tops. Speaking generally, however, trade was better than in 1927 during the first half of the year, but this improvement was largely wiped out by a setback in the second half of the year. In the case of yarns the decline was mainly due to reduced shipments of worsted yarns to Germany and Japan, partially compensated for by increased exports of woollen yarns. There was a substantial increase in exports of tissues to Europe, whilst exports to China were the best since 1925. There was not much change in South and Central America, on the whole, nor in the Near East. Exports to Japan, the United States, and Australia, however, were down.—*Extracted from the Annual Review of "The Weekly Wool Chart," Bradford.*

LINEN TRADE.

Hopes of improvement during 1928 were negatived by the increasing price of flax. Imported flax, which cost under £50 a ton in 1913, was £85¾ in 1926, £79¼ in 1927, and no less than £99¾ in 1928. With the raw material again at double the pre-war price, it was hardly to be expected that the trade could flourish, and the following table shows that in the oversea business results achieved were decidedly better than could have been looked for in such adverse circumstances :—

EXPORTS AND IMPORTS OF LINEN MANUFACTURES.
(Not including Yarns.)

	1913.	1924.	1925.	1926.	1927.	1928.
EXPORTS—						
Piece goods { Thous. sq. yds†	193,681‡	110,786	83,694§	75,282	73,911	66,109
Piece goods { ..... Thous. £	5,969	3,433	6,868	5,495	5,213	4,961
Handkerchiefs‖ { Thous. dozs.	*	4,250	3,128	4,098	5,061	4,569
Handkerchiefs‖ { ....Thous. £	§	1,172	901	970	1,060	962
Finished thread { Thous. cwts.	24	24	25	23	22	22
Finished thread { .. Thous. £	350	888	864	792	637	644
Damask table linen Thous £	§	1,466	1,285	1,338	1,464	1,347
All other goods .. Thous. £	1,929	1,361	1,290	1,424	1,427	1,375
Total .....Thous. £	8,248	13,320	11,208	10,019	9,801	9,289
IMPORTS—						
Total‡ .....Thous.£	1,194	1,050	1,141	1,099	1,174	1,007
Re-exports	74	87	137	112	122	198
Net imports ....Thous. £	1,120	963	1,004	987	1,052	809

* Not recorded. † Linear yards in 1913. ‡ Linen-lace, and embroidery has been added to imports in 1920 and after. § Included in "All Other Goods." ‖ Not in the piece.

The most unsatisfactory sections are piece goods, handkerchiefs, and damask table linen, since these account for £407,000 out of the decrease of £512,000 in total exports. Shipments of finished thread were maintained remarkably well, and those of "all other goods" tolerably so. As regards handkerchiefs, however, it is worth noting that the quantity shipped, though lower than in 1927, was higher than in any other year since quantities were first recorded in 1920.

ITALO-BELGIAN BANK

(Banque Italo-Belge, Société Anonyme).

Capital subscribed and paid - Frs. 100,000,000
Reserve Funds - - - Frs. 90,000,000

Head Office: ANTWERP.

London Office:
100 OLD BROAD STREET, E.C.2.

Branches:
FRANCE—Paris. ARGENTINE—Buenos Aires.
URUGUAY—Montevideo.
BRAZIL—Sao Paulo, Rio de Janeiro, Santos, Campinas.

Correspondents in all the Principal Places in South America.

The Bank transacts every description of Banking Business. Clean Bills and Documentary Bills negotiated, advanced upon, or sent for collection. Drafts and Letters of Credit issued and Cable and Mail Transfers effected on Branches and Correspondents. Documentary Credits opened or Confirmed. Coupons and Drawn Bonds collected and negotiated.

Telegrams: "Itabelban, London."
Telephone: London Wall 6514 (5 lines).

Foreign Business

The various transactions incidental to foreign bills, their collection, protection, or negotiation; the shipping, landing, warehousing and customs formalities connected with imports and exports; the disposal of goods remitted on consignment; the purchase and sale of foreign currency; the arrangement of revolving or other credits, forward exchange contracts, and periodical payments by Agents abroad; the effecting of insurances, and every description of foreign banking, will be carried out by the Westminster Bank and by its Auxiliary abroad, the Westminster Foreign Bank

Information may be obtained through any office or from the Foreign Branch, 82 Cornhill London, E.C.3

WESTMINSTER BANK
LIMITED
Head Office: 41 Lothbury, London, E.C.2

APPENDIX.

(A) WHOLESALE PRICES OF COMMODITIES.—SELECTED DATES, 1924-1927; AND MONTHLY, 1928.

NOTE.—The following tables give the variations in prices of the commodities on which the *Economist* Index number is based.

CEREALS AND MEAT.

	Wheat.		Flour.	Barley.	Oats.	Maize.	Rice.	Potatoes.	Beef.	
	No. 2 Northern Manitoba.	English Gazette Average.	London Standard, Ex-Mill.	English Gazette Average.	English Gazette Average.	La Plata, Landed.	No. 2 Burma.	Good English.	English Sides.	Argentine Chilled Hind-Qrs
	Per Qr.	Per Cwt.	Per 280 lbs.	Per Cwt.	Per Cwt.	Per Qr.	Per Cwt.	Per Ton.	Per 8 lbs.	Per 8 lbs.
	s d	s d	s d	s d	s d	s d	s d	£	s	s
End of 1924	73 0	12 2	53 0	14 5	9 6	48 0	14 9	9·50	6·17	5·00
End of 1925	66 0	12 5	51 0	10 6	9 3	38 3	15 6	5·25	5·67	3·92
End of 1926	56 6	11 10	44 0	10 7	8 2	32 0	14 1½	6·50	4·83	4·00
„ Mar., 1927	59 3	11 7	43 0	10 11	8 2	31 6	14 10½	6·50	5·33	3·50
„ June „	61 0	12 9	45 0	11 5	10 0	32 6	15 3	7·00	6·00	5·00
„ Sept. „	58 9	10 6	42 6	13 0	8 11	34 0	14 6	5·50	4·83	4·67
End of 1927	58 0	9 10	41 0	11 4	9 3	38 0	14 3	6·00	4·67	4·17
„ Jan., 1928	57 6	9 11	40 6	11 3	9 11	41 0	14 6	6·00	5·00	4·50
„ Feb. „	58 0	9 4	40 0	10 9	10 3	43 9	14 3	6·50	5·58	4·25
„ Mar. „	59 9	10 0	41 0	10 11	11 0	46 6	13 9	7·50	6·00	4·67
„ April „	62 8	10 5	44 6	11 1	12 7	45 0	13 9	8·50	6·33	4·75
„ May „	57 0	11 2	42 0	10 8	13 1	44 3	13 7½	11·00	7·33	4·92
„ June „	55 0	10 10	41 0	10 10	12 7	42 6	13 6	9·00	6·50	5·58
„ July „	50 0	10 11	37 0	10 6	11 9	47 0	13 1½	6·50	5·83	5·08
„ Aug. „	47 9	9 9	35 0	14 0	9 4	37 9	12 7½	5·50	5·25	5·33
„ Sept. „	48 9	9 1	34 0	11 1	8 10	39 6	13 4½	5·50	5·00	4·67
„ Oct. „	50 6	9 9	36 6	10 10	8 10	43 3	14 6	6·00	5·00	4·83
„ Nov. „	50 0	9 11	35 6	10 5	9 1	42 9	14 4½	6·00	4·83	4·25
End of 1928	49 3	9 6	35 6	10 2	8 11	42 3	13 9	6·00	5·33	4·17

CEREALS & MEAT (*Con.*) / OTHER FOOD PRODUCTS.

	Mutton.		Bacon.	Tea.	Coffee.	Cocoa.	Sugar.		Cheese.	Butter.	Coconut Oil.	Tobacco.
	English Wethers.	N.Z. Frozen Wethers.	Danish.	Indian Auction Average.	Costa Rica, Good to Fine.	Trinidad.	B.W.I. Crystallised.	Refined Granulated, London.	Canadian.	Danish.	Crude.	Virginia Leaf. Common to Fine.
	Per 8 Lb.	Per 8 Lb.	Per Cwt.	Per Lb.	Per Cwt.	Per Cwt.	Per Cwt.	Per Cwt.	Per Cwt.	Per Cwt.	Per Ton.	Per Lb.
	s	s	s d	d	s d	s d	s d	s d	s d	s d	£	s
End of 1924	8·83	5·83	113 0	22·37	187 6	87 6	32 0	34 0	100 0	244 6	49·25	1·75
End of 1925	6·50	4·75	129 6	20·50	172 6	67 6	24 1½	23 7½	104 0	173 0	48·00	1·75
End of 1926	7·83	4·25	88 0	15·75	182 6	76 0	34 9	34 1½	94 0	185 0	45·50	1·75
„ Mar., 1927	7·33	4·25	93 6	16·75	185 0	92 6	33 0	32 7½	93 0	177 0	40·00	1·75
„ June „	7·00	4·17	89 0	19·25	175 0	84 6	32 3	30 7½	98 0	162 0	41·00	1·75
„ Sept. „	6·50	4·50	90 6	22·62	176 6	83 0	32 0	30 4½	104 0	195 0	41·00	1·75
End of 1927	6·67	4·75	79 6	18·62	177 0	74 0	31 3	29 9½	101 0	181 0	42·50	1·75
„ Jan., 1928	7·17	4·67	82 6	16·50	187 6	71 6	30 9	29 7	101 0	177 0	42·50	1·75
„ Feb. „	7·50	4·83	81 6	17·00	181 6	77 0	30 0	29 3	101 0	199 0	42·50	1·75
„ Mar. „	8·17	4·83	85 0	15·37	177 6	77 0	28 0	30 7	107 0	196 0	41·75	1·75
„ Apr. „	8·67	4·83	87 0	15·50	177 6	77 0	27 0	28 3	109 0	179 0	41·75	1·75
„ May „	8·67	5·17	98 0	16·50	177 6	79 0	25 6	27 8	111 0	170 0	41·75	1·75
„ June „	7·67	5·08	108 6	15·87	174 6	76 6	25 8	27 5	101 0	175 0	41·00	1·75
„ July „	7·17	5·08	111 0	15·25	175 0	76 0	25 6	26 8	109 6	182 0	40·00	1·75
„ Aug. „	6·67	5·08	109 0	16·37	174 0	67 0	25 6	26 9	110 6	187 0	39·00	1·75
„ Sept. „	6·67	4·92	106 0	17·37	174 0	67 0	25 6	25 10	112 0	195 0	39·00	1·75
„ Oct. „	6·67	4·75	88 0	16·87	171 6	65 0	24 6	24 7	108 0	197 0	39·00	1·75
„ Nov. „	6·83	4·58	98 0	16·00	163 0	62 6	24 6	25 0	109 0	199 0	39·00	1·75
End of 1928	7·00	5·00	98 0	17·50	160 0	60 6	24 3	24 7	105 0	200 0	39·00	1·75

TEXTILES.

	Cotton.				Wool.			Silk.	Flax.	Hemp.	Jute.
	American Middling.	Egyptian, f.g.f., Sak.	Yarn—32's Twist.	Cloth. 39-inch Shirtings.	English, Southdown, Washed.	Queensland, Scoured Super Combing	Tops, 64's.	Italian, Raw, fr. Milan.	Livonian Z.K.	Manila.	Native Firsts.
	Per Lb.	Per Lb.	Per Lb.	Per Piece.	Per Lb.	Per Lb.	Per Lb.	Per Lb.	Per Ton.	Per Ton.	Per Ton
	d	d	d	s d	d	d	d	s d	£	£	£
End of 1925	13·64	29·85	24·50	16 0	37·00	70·0	82	28 0	121·0	56·00	39·87
End of 1925	10·26	17·30	16·62	14 1½	24·00	50·0	48	28 9	71·5	46·00	59·00
End of 1926	6·90	14·00	12·37	12 0	21·00	45·0	45	26 3	54·0	47·00	31·25
„ Mar., 1927	7·82	13·35	12·50	12 6	21·50	46·0	48	26 3	87·0	41·00	31·00
„ June „	9·04	16·95	14·50	13 4½	22·00	45·5	48	25 3	109·0	43·00	30·25
„ Sept. „	11·57	18·75	17·50	15 0	26·50	47·0	49	22 0	109·0	42·50	31·00
End of 1927	11·06	17·75	15·25	14 0	28·50	48·0	51	20 3	92·0	41·50	31·75
„ Jan., 1928	9·94	16·70	15·25	13 9	28·50	48·0	53·0	21 0	102·0	40·25	29·87
„ Feb. „	10·36	18·00	15·50	13 9	29·00	48·0	55·0	21 0	107·0	39·50	28·75
„ Mar. „	10·77	20·15	16·25	14 3	29·00	48·0	55·0	22 0	107·0	38·00	31·87
„ April „	11·67	21·00	16·50	14 6	29·00	48·0	54·0	22 6	103·0	38·50	33·62
„ May „	11·47	21·35	16·75	14 3	28·00	48·0	54·0	22 6	102·0	37·75	33·12
„ June „	12·49	21·30	17·25	14 6	29·00	48·0	53·5	22 6	97·0	37·50	34·25
„ July „	11·58	19·70	16·75	14 6	29·00	47·0	52·5	22 6	97·0	37·25	35·75
„ Aug. „	10·47	18·85	15·50	14 0	29·00	46·0	51·0	22 6	97·5	37·00	36·62
„ Sept. „	10·61	17·90	15·75	14 0	29·00	45·0	47·0	22 6	95·5	33·00	31·75
„ Oct. „	10·48	17·75	16·00	13 9	27·50	43·0	46·0	22 6	87·0	38·00	31·87
„ Nov. „	10·97	19·40	16·25	14 0	27·50	44·0	48·0	22 6	92·0	34·50	32·00
End of 1928	10·59	19·45	15·50	14 0	27·50	44·0	46·0	22 6	91·0	36·00	32·25

A—WHOLESALE PRICES OF COMMODITIES.—*Continued*

MINERALS.

	Pig Iron	Steel Rails.	Iron Bars.	Tin Plates.	Coal.			Lead.	Tin.	Copper.	Spelter.
	Cleveland, G.M.B. No. 3.	Middlesbrough.	Middlesbrough.	I. C., S. Wales.	Welsh, Best Ad'ty.	Durh'm, Best Gas.	Sheffield Best House.	English Pig.	Standard.	Standard.	G.O.B.
	Per Ton.	Per Ton.	Per Ton.	Per Box.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.	Per Ton.
	s	£	£	s d	s d	s d	s d	£	£	£	£
End of 1924	81·5	9·00	12·00	23 6	27 0	22 0	27 0	45·00	267·00	67·44	38·45
End of 1925	66·5	8·00	11·25	20 0	22 9	16 6	28 0	36·50	287·25	59·31	38·30
End of 1926	87·5	8·50	12·25	21 9	29 3	23 0	30 0	30·25	300·37	56·19	32·75
„ Mar., 1927	80·0	8·50	11·75	19 7½	23 3	17 0	30 0	28·50	310·00	55·44	29·90
„ June „	70·0	8·50	11·25	18 10	20 6	15 4½	24 0	25·00	300·19	53·53	27·80
„ Sept. „	67·5	8·50	10·75	19 0	19 6	15 1½	21 0	21·75	265·12	53·41	26·75
End of 1927	65·0	8·25	10·25	18 6	19 1½	15 0	20 6	23·75	265·12	60·91	26·25
„ Jan., 1928	65·0	8·25	10·25	18 0	19 0	15 0	19 0	23·25	247·25	62·87	25·87
„ Feb. „	65·0	8·50	10·25	18 0	19 0	15 0	19 0	21·50	223·00	62·00	24·87
„ Mar. „	65·0	8·50	10·25	18 3	19 3	15 0	19 0	21·00	239·00	61·30	24·87
„ April „	66·0	8·50	10.25	18 3	19 3	15 0	19 0	21·75	230·75	61·52	26·00
„ May „	66·0	8·50	10.25	18 6	19 3	15 0	19 0	22·75	227·75	64·03	25·87
„ June „	66·0	8·50	10.25	18 4½	19 3	15 0	18 6	22·25	213·75	63·15	25·60
„ July „	66·0	8·50	10.25	18 4½	19 3	14 9	18 6	22·25	214·50	63·15	24·70
„ Aug. „	66·0	8·50	10.25	18 0	19 3	14 9	18 6	22·25	213·75	63·15	24·75
„ Sept. „	66·0	8·50	10.25	18 0	19 3	14 9	19 6	23·00	225·75	64·50	24·12
„ Oct. „	66·0	8·50	10.25	18 1½	19 3	14 9	20 6	23·25	227·25	68·12	24·00
„ Nov. „	66·0	8·50	10.25	18 0	19 4½	14 9	21 0	22·50	240·00	68·25	25·62
End of 1928	66·0	8·50	10.25	18 0	19 4½	14 9	21 0	22·25	225·75	74·00	26·67

MISCELLANEOUS.

	Timber.		Cement	Hides.	Leather	Petrol.	Petroleum.	Fuel Oil.	Linseed Oil.	Tallow.	Rubber.	Crystals.	Ammonia	Creosote.
	Eng. Oak Planks.	Swed. U/S 2½ × 7.	Best Portland	Market, Best Ox.	Sole Bends 8/14 Lbs.	No. 1 Spirit.		Inlaid Furnace Bx. Inst.	Naked, net.	Town.	Plant. Sheet.	Soda.	Sulphate.	London.
	Per c. ft.	Per St.	Per Ton.	Per Lb.	Per Lb.	Per Gal.	Per 8 Lb.	Per Ton.	Per Ton.	Per Cwt.	Per Lb.	Per Ton.	Per Ton.	Per Gal.
	s	£	s d	d	d	d	d	s d	£	s d	d	£	£	d
End of 1924	7	21	60 9	9·31	23½	15½	13	82 6	40·50	46 6	20·00	5·12	14·5	6·37
End of 1925	7	19	60 9	8·75	23½	15½	12	77 6	33·50	39 6	46·00	5·12	14·5	7·12
End of 1926	7	19	60 9	7·69	23½	15½	13	85 0	31·25	37 6	19·12	5·12	14·5	9·00
„ Mar., 1927	7	19	60 9	7·19	23½	13½	13	85 0	31·25	34 0	20·00	5·12	14·5	8·37
„ June „	7	19	60 9	7·19	23½	12½	12	80 0	33·25	30 0	17·00	5·12	14·5	8·50
„ Sept. „	7	19	60 9	7·19	23½	11½	12	75 0	30·50	33 0	16·25	5·12	14·5	8·25
End of 1927	7	19	54 0	9·12	25	11½	12	75 0	28·00	34 6	20·00	5·12	14·5	8·37
„ Jan., 1928	7	19	54 0	9·62	31	11½	12	75 0	28·25	35 6	17·50	5·12	14·5	8·75
„ Feb. „	7	19	54 0	9·94	31½	11½	10½	72 6	28·25	35 0	14·00	5·12	14·5	8·25
„ Mar. „	7	19	54 0	10·06	30	11½	10½	72 6	28·25	35 0	13·25	5·12	14·5	8·00
„ April „	7	19	54 0	9·62	30	11½	10½	72 6	29·50	35 0	8·37	5·12	14·5	7·75
„ May „	7	19	54 0	9·81	29½	15½	14½	72 6	31·25	36 0	8·37	5·12	14·5	7·75
„ June „	7	19	54 0	9·94	29½	15½	10½	72 6	31·75	36 6	9·75	5·12	14·5	7·75
„ July „	7	19	54 0	9·94	29½	15½	10½	72 6	29·50	36 6	9·31	5·12	14·5	7·62
„ Aug. „	7	19	54 0	9·62	28	15½	10½	70 0	28·50	37 6	9·31	5·12	14·5	7·50
„ Sept. „	7	19	54 0	9·50	28½	15½	10½	70 0	28·50	37 6	9·00	5·12	14·5	7·37
„ Oct. „	7	19	54 0	10·19	29	15½	10½	70 0	29·50	38 6	8·56	5·12	14·5	7·00
„ Nov. „	7	19	54 0	9·87	28½	15½	10½	67 6	29·75	39 6	8·75	5·12	14·5	6·25
End of 1928	7	19	47 0	9·25	28½	15½	10½	67 6	30·00	39 6	8·56	5·12	14·5	6·19
	7	19	47 0	8·50	28	15½	10½	67 6	29·00	38 6	8·69	5·12	14·5	6·25
End of 1928	7	19	47 0	8·25	26	15½	10½	67 6	29·00	38 6	8·69	5·12	14·5	6·25

BANCA NAZIONALE DI CREDITO

CAPITAL (fully paid) - - - - - L.300,000,000
RESERVE FUND - - - - - - L.50,000,000

Head Office: MILAN.

Branches:—

Abbiategrasso, Acqui, Alassio, Alessandria, Ancona, Aquila, Asti, Bari, Bedonia, Bergamo, Biella, Bologna, Brescia, Busto Arsizio, Cagliari, Cantù, Carrara, Caserta, Catania, Coggiola, Como, Cossato, Cuneo, Domodossola, Ferrara, Fiume, Florence, Gallarate, Genoa, Imperia, Lecce, Leghorn, Legnano, Lentini, Lucca, Meda, Messina, Milan, Monza, Mortara, Naples, Novi Ligure, Padua, Palerme, Parma, Piacenza, Pietrasanta, Pinerolo, Pisa, Pistoia, Prato, Riccione, Rimini, Riposto, Rome, Rovigo, Sampierdarena, San Remo, Santa Maria Capua Vetere, Saronno, Schio, Seregno, Spezia, Squinzano, Terni, Treviso, Trieste, Turin, Udine, Varese, Venice, Vercelli, Verone, Vicenza, Vigevano.

Affiliated Banks:—

BANQUE ITALO-FRANÇAISE DE CREDIT - Paris, Marseilles, Nice, Tunis, Grombalia (Tunis).
BANCO ITALO-EGIZIANO - - - - Alexandria, Beni-Mazar, Beni-Suef, Cairo, Fayum, Mansura, Minieh, Mit-Ghamr, Tantah.
BANCA DALMATA DI SCONTO - - - - - - - - - Zara, Sebenico, Spalato.
BANCA COLONIALE DI CREDITO - - - - - - - - - Asmara, Massaw.

THE BANK offers facilities for the transaction of every description of Banking Business in Italy.

WHOLESALE PRICES.

ECONOMIST INDEX NUMBER, 1924–1928.

A full description of the method of compilation of our revised index number of wholesale prices was published in "The Economist" of December 15, 1928. We give below the detailed monthly figures from January, 1924, onwards, expressed as percentages of 1927 and of 1913.

Date.	1927 = 100. Cereals and Meat.	Other Foods.	Textiles	Minerals.	Miscellaneous.	Complete Index.	1913 = 100. Cereals and Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous	Complete Index.
1924.							1924.					
End Jan.....	109·5	114·7	131·2	121·0	104·8	115·1	End Jan.....	161·6	231·9	205·9	151·3	121·6	165·4
„ Feb. ..	107·6	116·3	129·9	125·6	107·2	116·1	„ Feb. ..	158·8	235·2	203·9	157·1	124·4	166·8
„ March..	106·8	112·7	131·0	124·2	106·2	115·0	„ March..	157·6	227·9	205·6	155·3	123·3	165·2
„ April ..	108·5	103·5	134·6	119·7	106·5	113·9	„ April ..	160·1	209·3	211·3	149·6	123·6	163·6
„ May ..	111·5	97·0	133·8	115·6	104·7	112·0	„ May ..	164·5	196·2	210·0	144·5	121·5	160·9
„ June ..	110·9	100·2	133·2	116·4	104·8	112·6	„ June ..	163·6	202·6	209·1	145·5	121·6	161·8
„ July ..	115·8	98·1	139·3	117·7	105·2	114·6	„ July ..	170·9	198·4	218·6	147·1	122·1	164·6
„ Aug. ..	118·4	101·5	137·7	118·2	105·1	115·5	„ Aug. ..	174·7	205·3	216·1	147·8	122·0	165·9
„ Sept. ..	119·5	107·3	140·9	115·8	104·0	116·5	„ Sept. ..	176·3	217·0	221·2	144·8	120·7	167·4
„ Oct.....	119·0	110·3	143·6	118·0	105·9	119·2	„ Oct. ..	181·5	223·0	225·4	147·5	122·9	171·2
„ Nov. ..	118·7	110·9	142·6	119·5	106·3	118·5	„ Nov. ..	172·2	224·3	223·8	149·5	123·4	170·2
„ Dec. ..	122·7	109·7	144·2	121·8	106·8	120·0	„ Dec. ..	181·1	221·8	226·3	152·3	124·0	172·4
1925.							1925.					
End Jan.....	124·0	105·8	139·0	117·9	107·9	118·4	End Jan.....	183·0	213·9	218·2	147·4	125·2	170·1
„ Feb. ..	123·8	105·8	140·0	117·7	107·5	118·4	„ Feb. ..	182·7	213·9	219·7	147·2	124·8	170·1
„ March..	116·4	103·3	138·0	114·8	107·1	115·3	„ March..	171·8	208·9	216·6	143·6	124·8	165·7
„ April ..	117·0	100·8	130·8	112·1	104·7	112·7	„ April ..	172·6	203·8	205·3	140·1	121·5	161·9
„ May ..	118·9	99·1	120·5	111·2	103·3	111·9	„ May ..	175·4	200·4	189·1	139·0	125·7	160·8
„ June ..	119·3	99·1	118·4	108·8	103·3	109·3	„ June ..	163·5	200·4	185·8	136·0	125·7	157·0
„ July ..	113·1	100·3	123·4	110·9	110·8	111·9	„ July ..	166·9	202·8	193·7	138·7	128·6	160·8
„ Aug. ..	116·5	99·4	119·9	109·9	110·5	111·6	„ Aug. ..	171·9	201·0	188·2	137·4	128·3	160·3
„ Sept. ..	110·6	101·4	120·9	109·8	110·0	110·7	„ Sept. ..	163·2	205·1	189·8	137·3	127·7	159·0
„ Oct.....	105·2	100·8	117·0	110·4	110·2	108·8	„ Oct. ..	155·2	203·8	183·6	138·0	127·9	156·3
„ Nov. ..	108·1	101·2	114·9	109·3	110·9	109·1	„ Nov. ..	159·5	204·6	180·3	136·6	128·7	156·7
„ Dec. ..	107·1	95·8	109·4	108·8	109·0	106·5	„ Dec. ..	158·0	193·7	171·7	136·0	126·5	153·0
1926.							1926.					
End Jan.....	103·7	99·0	109·2	108·7	106·4	105·5	End Jan.....	153·0	200·2	171·4	135·9	123·5	151·6
„ Feb....	101·2	98·7	104·5	109·8	104·7	103·9	„ Feb. ..	149·3	199·6	164·0	137·3	121·5	149·3
„ March..	101·4	95·7	101·5	107·7	104·8	102·4	„ March..	149·6	193·5	159·3	134·7	121·6	147·1
„ April ..	106·1	95·6	100·7	107·2	103·3	102·9	„ April ..	156·6	193·3	158·1	134·0	119·9	147·8
„ May ..	103·3	95·4	99·0	107·9	102·4	102·0	„ May ..	153·2	192·9	155·4	134·9	118·9	146·5
„ June ..	103·5	95·2	97·8	110·4	103·0	102·2	„ June ..	152·7	192·5	153·5	138·0	119·6	146·8
„ July ..	106·6	94·7	95·4	115·9	103·8	103·5	„ July ..	157·8	191·5	149·7	144·9	120·5	148·7
„ Aug. ..	103·0	95·3	96·8	130·1	103·0	105·2	„ Aug. ..	152·0	192·7	151·9	162·7	119·6	151·1
„ Sept. ..	103·1	97·0	96·2	142·9	103·0	106·9	„ Sept. ..	150·7	196·2	151·0	178·7	119·6	153·6
„ Oct. ..	104·1	96·7	90·0	147·8	105·5	107·3	„ Oct.....	153·6	195·5	141·3	184·8	122·2	154·2
„ Nov. ..	100·4	96·9	89·1	142·8	104·3	105·3	„ Nov. ..	148·2	196·0	139·9	178·6	121·1	151·3
„ Dec. ..	98·1	99·8	88·3	117·0	103·6	101·0	„ Dec. ..	144·8	201·8	138·6	146·3	120·2	145·1
1927.							1927.					
End Jan.....	97·7	100·9	89·7	108·5	102·0	99·6	End Jan.....	144·2	204·0	140·8	135·6	118·4	143·1
„ Feb. ..	98·3	102·2	91·9	109·0	102·8	100·7	„ Feb. ..	145·1	206·7	144·2	136·3	119·3	144·7
„ March .	98·2	99·7	93·0	107·9	101·2	99·9	„ Mar. ..	144·9	201·6	146·0	134·9	117·5	143·5
„ April ..	100·3	97·1	93·5	104·9	100·3	99·4	„ April ..	148·0	196·4	146·8	131·1	116·4	142·8
„ May ..	105·7	100·0	98·2	100·9	100·5	101·2	„ May ..	156·0	202·2	154·1	126·2	116·7	145·4
„ June ..	105·4	98·6	100·2	99·1	98·1	100·3	„ June ..	155·5	199·4	157·3	123·9	113·9	144·1
„ July ..	101·6	98·5	105·5	97·9	98·2	100·3	„ July ..	149·9	199·2	165·6	122·4	114·0	144·1
„ Aug. ..	103·0	100·0	109·5	96·4	97·4	101·0	„ Aug. ..	152·0	202·2	171·9	120·5	113·1	145·1
„ Sept. ..	99·2	102·8	107·4	93·5	97·9	99·8	„ Sept. ..	146·4	207·9	168·6	116·9	113·6	143·4
„ Oct.....	96·3	100·7	106·6	94·3	99·5	99·2	„ Oct.....	142·1	203·6	167·3	117·9	115·5	142·5
„ Nov.....	97·4	101·3	104·3	95·3	100·6	99·6	„ Nov. ..	143·7	204·8	163·7	119·2	116·8	143·1
„ Dec. ..	97·4	98·2	102·5	94·1	101·5	98·8	„ Dec ..	143·7	198·6	160·9	117·8	117·8	141·9
1928.							1928.					
End Jan.....	100·3	96·6	102·4	92·5	99·9	98·5	End Jan.....	148·0	195·3	160·7	115·7	116·0	141·5
„ Feb. ..	101·6	98·3	104·1	91·0	97·5	98·5	„ Feb. ..	149·9	198·8	163·4	113·8	113·2	141·5
„ March..	107·0	96·9	107·4	91·4	96·9	99·9	„ March..	157·9	196·0	168·6	114·3	112·5	143·5
„ April ..	111·4	95·0	109·2	91·8	98·3	101·4	„ April ..	164·4	192·1	171·4	114·8	114·1	145·7
„ May ..	116·3	94·7	108·6	92·5	97·4	102·1	„ May ..	171·6	191·5	170·5	115·7	113·1	146·7
„ June ..	112·8	92·6	109·8	91·3	95·9	100·6	„ June ..	166·4	187·3	172·3	114·2	111·3	144·5
„ July ..	106·1	93·1	107·9	90·9	95·6	98·8	„ July ..	156·6	188·3	169·4	113·7	111·0	141·9
„ Aug. ..	100·4	92·6	105·2	90·7	95·8	97·0	„ Aug. ..	148·2	187·3	165·1	113·4	111·2	139·4
„ Sept. ..	96·6	93·5	101·4	91·8	95·3	95·7	„ Sept. ..	142·5	189·1	159·2	114·8	110·6	137·5
„ Oct. ..	98·2	91·5	100·6	92·9	93·1	95·3	„ Oct. ..	144·9	185·0	157·9	116·2	108·0	136·9
„ Nov. ..	97·4	90·4	102·3	93·8	92·4	95·3	„ Nov. ..	143·7	182·8	160·6	117·3	107·2	136·9
„ Dec. ..	97·6	90·2	101·7	94·1	91·4	95·0	„ Dec. ..	144·0	182·4	159·6	117·7	106·1	136·5

Commerz- und Privat-Bank
Aktiengesellschaft
HAMBURG BERLIN
and at 200 other places throughout Germany
CAPITAL AND SURPLUS RM 94.000.000
ALL BANKING TRANSACTIONS
Cable address for main offices and branches "Hanseatic"
Affiliation in Amsterdam: N.V. Hugo Kaufmann & Co's Bank / Represented in New York by: Konrad von Jlberg, 50, Broadway

(B) INDEX NUMBERS OF WHOLESALE PRICES IN OTHER COUNTRIES.

Extracted from the League of Nations *Monthly Bulletin of Statistics.*

(Percentage of 1913.)

Period.	France. Official.	Italy. *Bachi.*	Sweden. Official.	Norway. Official.	Netherlands. Official.	Switzerland. Official (c).	Germany. *Frankfurter Zeitung.*	United States. Bureau of Labour Statistics.	Canada. Official.	B. India. Calc'tta. Official.	Australia. Official.	South Africa. Official.	Japan. Bank of Japan.
Base.	1913.	1913.	1913.	1913.	1901-1910.	July, 1914.	1913.	1913.	1913.	July, 1914.	1913.	1913.	1913.
Average.							(c)						
1913.....	100	100	100	100	100	..	100	100	100	..	..	100	100
1921.....	345·0	531	222	..	182	191·2	4217	139·8	171·8	178	174·9	160·4	200·4
1922.....	326·6	508	173	..	160	167·5	205417	138·5	152·0	176	161·6	128·4	195·8
1923.....	418·9	512	163	232	151	180·6	(j) 140·1	144·1	153·0	172	178·7	126·6	199·1
1924.....	488·5	512	162	267	156	174·6	146·9	140·5	155·2	173	173·3	128·7	206·5
1925.....	549·8	596	161	253	155	151·6	143·6	148·3	160·3	159	169·5	127·6	201·7
1926.....	702·6	603	149	198	145	144·5	136·8	143·3	156·2	148	168·4	123·3	178·9
1927.....	617·2	495	146	167	148	142·2	138·3	136·7	151·6	148	167·0	124·2	169·8
	(b)	(b)		(f)		(f)	(d)			(b)			
November, 1927..	594·3	466	148	166	151	146·7	138·5	138·5	152·2	148	173·9	..	168·5
December „ ..	603·9	463	148	166	151	146·2	138·3	138·7	151·8	148	169·9	..	168·0
January, 1928..	606·7	463	148	164	153	144·7	138·3	138·0	151·3	145	171·0	123·4	169·4
February „ ..	608·8	461	147	163	150	144·2	137·0	138·1	150·8	144	168·1	..	169·2
March „ ..	622·8	464	149	164	152	144·9	137·7	137·5	152·8	144	168·2	..	169·2
April „ ..	623·8	464	151	162	153	145·6	139·6	139·5	153·2	146	169·5	120·8	169·7
May „ ..	632·3	465	152	162	152	145·1	140·5	141·3	152·9	147	166·4	..	171·5
June „ ..	626·0	462	151	161	153	145·2	139·7	139·8	150·2	145	166·1	..	168·9
July „ ..	623·8	453	150	162	148	144·1	139·3	140·8	149·6	148	165·0	119·0	168·7
August „ ..	617·0	456	149	162	144	143·6	137·9	141·7	149·1	143	160·9	..	170·1
September „ ..	619·9	458	146	158	145	143·6	138·3	143·4	149·7	142	160·5	..	173·7
October „ ..	617·0	463	145	157	146	144·6	138·1	140·1	150·2	143	159·7	120·0	173·6
November „ ..	625·7	466	145	157	148	145·2	138·2	138·5	148·6	..	..	..	173·1

(b) End of the month. (c) Until end 1925 "Lorenz." (d) End of the year. (f) 15th of the month. (j) Since January, 1923, gold mark prices.

English, Scottish & Australian Bank, Limited.

Head Office: 5, GRACECHURCH ST., E.C.3,
and 434 Branches and Agencies throughout Australia.

Subscribed Capital - - - -	£5,000,000
Paid-up Capital - - - -	£3,000,000
Further Liability of Proprietors	£2,000,000
Reserve Fund - - - - -	£3,000,000

Board of Directors:

ANDREW WILLIAMSON, Esq., *Chairman.*
JOHN PATERSON, Esq., *Deputy Chairman.*
THE HON. SIR JOHN A. COCKBURN, K.C.M.G.
THE RIGHT HON. LORD FORSTER OF LEPE, P.C., G.C.M.G.
THE RIGHT HON. VISCOUNT KNUTSFORD.
THE HON. SIR ARTHUR LAWLEY, G.C.S.I.
SIDNEY M. WARD, Esq.
SIR FREDERICK W. YOUNG.

Manager & Secretary—E. M. JANION.
Asst. Mgr.—A. A. SHIPSTON. *Sub.-Mgr.*—J. A. ROBERTSON.
Accountant—F. C. HOUNSFIELD.

Bankers: Bank of England; Westminster Bank Limited.

Chief Office in Australia:
COLLINS STREET, MELBOURNE.

Letters of Credit and Drafts on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank in the Chief Provincial Towns throughout the United Kingdom.
Remittances made by Telegraphic Transfer.
Bills Negotiated or forwarded for Collection.
Banking and Exchange Business of every description transacted with Australia.

MARTINS BANK
LIMITED

Head Office:
7, WATER STREET, LIVERPOOL.
London Office:
68, LOMBARD STREET, E.C.3.
Manchester District Office:
43, SPRING GARDENS.

CAPITAL SUBSCRIBED	£20,602,272
CAPITAL PAID UP AND RESERVES	7,729,413
DEPOSITS, ETC., at 31st Dec., 1928	82,932,881

The Bank has over 560 Offices, and Agents in all the principal towns at home and abroad.

All descriptions of Banking, Trustee and Foreign Exchange Business Transacted.

(C) RATES OF EXCHANGE ON LONDON—SELECTED DATES, 1919—1927;—MONTHLY, 1928; AND HIGHEST AND LOWEST OF 1927 AND 1928.

	Paris.	Brussels.	Italy.	Switzerland.	Madrid.	Amsterdam.	Stockholm.	Oslo.	Copenhagen.	Berlin.	Vienna.
	Francs to £1.	Francs to £1. *t*	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kronor to £1.	Kroner to £1.	Kroner to £1.	Marks to † £1.	Schillings to £1.
Par level	25·22½	25·22½	*u* 92·46	25·22½	25·22½	12·107	18·159	18·159	18·159	20·43	34·58½
Highest, 1927	124⅛	*t* 35	115¼	25·30½	31·71	12·14½	18·18½	19·22	18·22½	20·54	34·65
Lowest ,,	121·95	*t* 34·87	83·20	25·10½	26·78	12·06½	18·06½	18·82	18·14	20·37½	34·35
Highest, 1928	124·6/16	*t* 35·04	92·90	25·35	30·27	12·13	18·20	18·34½	18·22	20·48½	34·75
Lowest ,,	123⅝	*t* 34·86¾	91·93	25·15	28·03	12·07⅜	18·09	18·18	18·17	20·33½	34·38
Beginning of—											
January, 1919	27·97½	27·60	30·31½	22·95½	23·67½	11·15	16·29½	16·85	17·67½	..	..
July ,,	30·35	32·34	35·75	24·82½	23·10	11·79	17·90½	18·46	19·60½	..	..
January, 1920	40·92½	40·42½	50·00	21·16½	19·72½	10·07	17·50	18·60	19·66½	187⅜	..
July ,,	47·22½	44·67½	65/8	21·38½	24·17½	11·18	17·91½	23·77½	23·97½	149½	..
January, 1921	61·06½	58·07½	104½	23·55	27·46½	11·36½	17·56	22·42½	22·17½	262	1,500*a*
July ,,	46·57½	46·87½	75/8	22·16	28·85½	11·36½	17·00	26·20½	22·20½	278	2,150*a*
January, 1922	52·32½	54·65½	97/16	21·70½	28·19½	11·44½	16·97½	26·99½	21·12½	791½	13,000*a*
July ,,	52·79⅜	55·59½	94·1/16	23·24½	28·32½	11·48	17·14	26·87½	20·58½	1,661	84,000*a*
January, 1923	66·30	72·85	93½	24·72½	29·73½	11·79	17·37½	25·12½	23·40	48,500	330,000*a*
July ,,	78·20	98·55	106/16	26·54½	32·02½	11·62½	17·25½	28·28½	26·19½	890,000	320,000*a*
January, 1924	87·85	99·45	100·1/16	24·63½	33·58½	11·36⅝	16·26½	29·82½	24·44½	*b* 18·31	305,500*a*
July ,,	85·10	96·50	101⅛	24·31	32·85	11·49½	16·34½	32·37½	27·25	*b* 18⅛	307,500*a*
January, 1925	87·40½	94·79½	112⅜	24·36½	33·95½	11·71½	17·62½	31·37½	26·85½	19·94½	337,500*a*
July ,,	103·25	104·45	135·1/16	25·05½	33·41	12·13⅜	18·13½	26·77½	23·82½	20·42½	34·56½
January, 1926	129·6/16	107·00	120	25·08½	34·31½	12·05	18·08	23·83½	19·60½	20·37½	34·37½
July ,,	181⅛	182½	137⅜	25·14	30·35½	12·11½	18·13½	22·15½	18·34½	20·43½	34·42½
January, 1927	122·11/16	*t* 34·89	107·15/16	25·11½	31·75½	12·12⅝	18·16	19·22½	18·19	20·40½	34·37½
April ,,	123·99½	*t* 34·93½	102·15/16	25·24½	27·02	12·13⅝	18·13	18·66½	18·20½	20·48	34·52½
July ,,	124	*t* 34·94½	87·5/16	25·23	28·28½	12·12½	18·12½	18·75½	18·17	20·48⅜	34·52
October ,,	124	*t* 34·94½	89·07½	25·25	27·91	12·13⅜	18·08½	18·47	18·17	20·42½	34·51
January, 1928	124	*t* 34·92½	92·32½	25·27⅜	28·24	12·09½	18·11⅜	18·34½	18·20½	20·45⅛	34·52
February ,,	124	*t* 34·98	91·99½	25·33	28·48⅛	12·08⅜	18·15½	18·32	18·20½	20·44	34·57½
March ,,	124	*t* 35·01⅛	92·21½	25·34½	28·88	12·12½	18·17½	18·31½	18·21	20·42⅜	34·62½
April ,,	124	*t* 34·95½	92·40⅜	25·33⅝	29·03	12·11⅜	18·17⅜	18·27½	18·20½	20·41⅜	34·69½
May ,,	124	*t* 34·94½	92·64½	25·31½	29·32	12·09⅞	18·18⅜	18·22⅜	18·19½	20·40	34·66⅜
June ,,	124·15	*t* 34·97½	92·72½	25·32⅜	29·32	12·09⅜	18·13½	18·22½	18·19½	20·42½	34·70
July ,,	124·25	*t* 34·92½	92·77½	2 ·28½	29·52	12·09½	18·16½	18·21½	18·19⅜	20·40⅜	34·65
August ,,	124	*t* 34·90⅜	92·78½	25·22½	29·52⅛	12·06⅜	18·15½	18·19½	18·18⅜	20·35⅞	34·43½
September ,,	124·25⅛	*t* 34·90	92·72½	25·19⅞	29·28	12·09⅞	18·12⅞	18·18⅞	18·18⅞	20·36½	34·42½
October ,,	124·02½	*t* 34·89½	92·69½	25·19½	29·73	12·09½	18·13	18·19½	18·19½	20·36½	34·44½
November ,,	124·12½	*t* 34·88⅜	92 58½	25·20	30·04	12·09⅜	18·13⅜	18·19½	18·18⅜	20·35½	34·47
December ,,	124·16⅜	*t* 34·89½	92·62½	25·18	30·03	12·07⅞	18·14⅜	18·19½	18·18⅜	20·35½	34·47
January, 1929	124·10½	*t* 34·88⅛	92·64	25·13⅜	29·74	12·08	18·13	18·19	18·17⅜	20·38⅜	34·44½
February ,,	124·09⅜	*t* 34·89⅛	92·64½	25·21½	30·28½	12·10½	18·14½	18·19⅛	18·18 6/16	20·41⅜	34·51

† Currency now quoted in gold Reichsmarks, the Reichsmark being equal to one billion paper marks or one Rentenmark.
a Krone to £. *b* Billions. *t* Belgas to £. From October, 1926, quoted in Belgas which equals 5 francs. The par value of the Belga is 35 to the £. *u* As from December 21, 1927, Italy returned to the gold standard at a parity of 92·46 to the pound sterling.

(C) RATES OF EXCHANGE ON LONDON—*Continued.*

	New York.	Buenos Aires.	Rio de Janeiro.	Monte Video.	Valparaiso.	Bombay.	Hong Kong.	Shanghai.	Kobe.	Singapore.
	Dollars to £1.	Pence to Dollars.	Pence to Milreis.	Pence to Dollars.	Dollars to £.	Per Rupee (b)	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.
						s d	s d	s d	s d	s d
Par level	4·86⅝	47·58	16	51	40·00	1 6 (b)	..	..	2 0⅜	..
Highest, 1927	4·88 1/16	48	5·61/64	51⅜	39·88	1 6⅜	2 2 1/16	2 9⅛	2 0⅜	2 4 7/32
Lowest ,,	4·84⅞	46½	5·57/64	48⅜	39·34	1 5 31/32	1 11 13/16	2 4⅜	1 10 29/32	2 3 29/32
Highest, 1928	4·88 5/16	47 49/64	5·61/64	51⅛	39·73	1 6⅛	2 1 5/16	2 10½	1 11⅜	2 4 3/32
Lowest ,,	4·84⅜	47 9/32	5·55/64	49⅞	39·34	1 5 31/32	1 11⅞	2 6⅜	1 10 3/4	2 3 11/16
Beginning of—										
January, 1919	4·76⅞	51⅜	13/9	61½	§10 3/16	†1 6 3/32	3 4½	5 2	2 1/16	2 4⅜
July ,,	4·50⅜	51⅜	14 1/16	54⅜	§10⅜	†1 8 1/32	3 6⅜	5 3½	2 2 11/16	2 4 7/32
January, 1920	3·78⅜	62⅜	17 11/16	65⅜	§12 1/32	†2 4¼	4 10½	7 8½	2 8	2 4 5/16
July ,,	3·95 15/16	57 11/32	14 5/16	59¼	§12 31/32	1 9 1/16	3 8	5 1⅜	2 4½	2 3¼
January, 1921	3·54½	51⅛	9 1/16	50	§9 11/32	1 5½	3 2 6/16	4 1⅛	2 6⅜	2 3 3/16
July ,,	3·72⅜	44½	7 3/16	41½	*a*35·60	1 3½	2 7⅜	3 6½	2 6⅜	2 3⅛
January, 1922	4·20	43 1/16	7 1/16	41	*a*40·20	1 4	2 7⅜	3 6⅜	2 3½	2 3⅛
July ,,	4·41⅜	44 9/16	7 9/16	44½	*a*35·00	1 3 11/16	2 7¼	3 7 3/16	2 2⅜	2 3 3/16
January, 1923	4·68	44	5 15/16	44	*a*34·70	1 4 3/32	2 3⅜	3 0⅝	2 1	2 4 5/16
July ,,	4·56½	41⅝	5 29/32	42⅞	*a*34·90	1 4 3/32	2 3	3 0⅛	2 1⅛	2 4 5/16
January, 1924	4·29⅜	40 7/16	5⅝	43½	*a*40·30	1 5½	2 4⅜	3 4 3/16	2 1⅜	2 4⅜
July ,,	4·33⅛	40 3/32	6 1/32	43	*a*19·50	1 5	2 4 1/16	3 3¼	1 11 7/16	2 4
January, 1925	4·74 3/8	46 3/32	5 29/32	50½	*a*40·30	1 6 1/16	2 3 7/16	3 2	1 7½	2 4 5/16
July ,,	4·86⅛	45 9/16	5 5/16	48½	*a*41·50	1 6¼	2 4	3 3½	1 8½	2 4½
January, 1926	4·85 9/32	46 1/16	7 9/32	50 3/4	*a*39·80	1 6 3/16	2 4⅛	3 3⅛	1 9 3/16	2 4 5/16
July ,,	4·86¼	45 11/16	7 11/32	49¼	39·90	1 5 15/16	2 3 1/16	3 1 13/16	1 9⅜	2 4 5/16
January, 1927	4·85 11/32	46 1/16	5 27/32	50½	39·63	1 6 1/32	1 11 21/32	2 5⅞	1 11⅛	2 3 13/16
April ,,	4·85⅜	47 1/16	5⅞	50½	39·36	1 5 29/32	2 0⅛	2 6 13/16	2 0 7/32	2 3 13/16
July ,,	4·87 7/32	47⅜	5 25/32	48⅝	39·84	1 5 31/32	2 0 1/16	2 6⅞	2 0 5/16	2 3⅜
October ,,	4·86 1/8	47⅞	5⅞	49 15/16	39·40	1 5 31/32	2 0⅛	2 6⅞	1 11 9/16	2 3⅜
January, 1928	4·88 29/32	47⅜	5⅞	50⅞	39·35	1 6 1/16	2 0⅛	2 7⅛	1 11 1/16	2 3⅜
February ,,	4·87 5/32	47⅝	5⅞	50⅝	39·44	1 6 3/32	2 0⅛	2 7⅛	1 11 1/32	2 4 3/32
March ,,	4·87 7/32	47⅛	5 29/32	50⅞	39·41	1 6	2 0⅛	2 7⅛	1 11⅛	2 4 3/32
April ,,	4·88 9/32	47 13/16	5 29/32	51	39·38	1 6	2 0⅛	2 7⅛	1 11 1/16	2 3 27/32
May ,,	4·87 15/16	47 11/16	5 29/32	51	39·60	1 6	2 0 1/16	2 7 1/16	1 11 3/32	2 3 13/16
June ,,	4·89 7/32	47 31/32	5 29/32	50¼	39·44	1 6	2 1⅛	2 8⅛	1 10 31/32	2 3⅜
July ,,	4·87 9/32	47 11/32	5 7/8	50½	39·69	1 5 29/32	2 0⅛	2 8⅛	1 10 31/32	2 3⅜
August ,,	4·85 19/32	47⅛	5 29/32	50⅜	39·69	1 5 29/32	2 0 1/16	2 8⅛	1 10 31/32	2 3⅜
September ,,	4·85 7/32	47 1/32	5 29/32	50½	39·56	1 5 31/32	2 0⅛	2 7⅞	1 10 31/32	2 3⅜
October ,,	4·84 27/32	47 5/16	5 29/32	50⅜	39·51	1 6 1/32	2 0 1/16	2 8	1 10 15/16	2 4 3/32
November ,,	4·84 15/16	47 1/32	5 29/32	50¼	39·63	1 6 1/32	2 0⅛	2 7⅞	1 10 31/32	2 4
December ,,	4·85 7/32	47 1/32	5 29/32	50⅜	39·68	1 6 1/16	2 0 1/16	2 7 31/32	1 10 31/32	2 4
January, 1929	4·85 1/16	47⅜	5 29/32	51	39·64	1 6 1/16	2 0⅛	2 7⅞	1 10⅞	2 3 15/16
February ,,	4·84 7/32	47¼	5 29/32	50⅜	39·61	1 6 1/16	2 0⅛	2 7⅞	1 10 15/16	2 3 15/16

† Sterling to Rupee. § Pence to Peso. *a* Peso to £.
(b) From March 22, 1927. Prior to that date par value was 10 to Gold Sovereign.

ALL-RUSSIAN CO-OPERATIVE BANK.

	Gold Roubles.
Authorised Capital - - -	30,000,000
Paid-up Capital, 1st Oct., 1928 -	28,463,563
Total Assets, 1st Oct., 1928 -	399,417,107

The Shareholders of the All-Russian Co-operative Bank are 12,651 co-operative societies, all central organisations included.

Head Office: **Ilyinka, Ribny Per. 3, MOSCOW**
***Cable Address:* "VSEKOBANK."**

54 Branches and 1,019 Correspondents throughout the U.S.S.R. Correspondents in all principal foreign centres.

Affiliated Banks:

1. THE MOSCOW NARODNY BANK, LTD., Lincoln House, 300, High Holborn, London, W.C.1.

PARIS BRANCH:
26, rue Vivienne, Place de la Bourse.

BERLIN BRANCH:
Kurfuerstenstrasse 33.

CAPITAL - - - - £1,000,000

2. THE CO-OPERATIVE TRANSIT BANK, Sarajnaia Str. 30/32, RIGA (Latvia).

CAPITAL - - Gold Lats 3,000,000

ALL KINDS OF RUSSIAN AND FOREIGN BANKING BUSINESS TRANSACTED.

THE
PIONEER LIFE
ASSURANCE COMPANY, LTD.

Chief Offices,
67, Dale Street, LIVERPOOL.

Established 1891.

Life Assurance Funds: £650,000.
Total Claims Paid: £1,000,000.

THE BANK OF ADELAIDE
(Established 1865.)

Authorised Capital - - - -	£2,000,000
Paid-up Capital - - - -	£1,250,000
Reserve Fund	970,000
	£2,220,000
Reserve Liability of Shareholders -	1,250,000
	£3,470,000

Head Office: Adelaide, South Australia.
MELBOURNE OFFICE: 267, COLLINS STREET.
SYDNEY OFFICE: 279, GEORGE STREET.
BRISBANE OFFICE: 305, QUEEN STREET.
PERTH (Western Australia) OFFICE: ST. GEORGE'S TERRACE.
FREMANTLE OFFICE: 78/80, HIGH STREET.

London Office:
11, LEADENHALL STREET, E.C.3.

Accounts opened in Australia for Overseas Banks.
Bills on Australasia purchased or collected.
Drafts and Letters of Credit issued, and **Remittances cabled.** Every other description of Banking and Exchange business transacted.
Enquiries regarding Australian Trade invited.

THE AUSTRALIAN BANK OF COMMERCE, LIMITED
(Incorporated in New South Wales).

Authorised Capital - - - -	£5,000,000
Capital Subscribed and Paid-up	£2,208,000
Reserve Fund - - - - -	£1,046,880
Aggregate Assets, June 30, 1928 -	£18,623,453

DIRECTORS:
SIR MARK SHELDON, K.B.E., Chairman.
FRANK N. YARWOOD, Esq., F.C.P.A.
GEO. J. SLY, LL.D.
Lt.-Col. T. L. F. RUTLEDGE, M.L.A.
JAMES KELL, Esq.
HERBERT R. LYSAGHT, Esq., O.B.E.
LONDON BRANCH DIRECTORS:
A. DODDS FAIRBAIRN, Esq. ALFRED SHEPHERD, Esq.
JAMES TUKE, Esq.
GENERAL MANAGER:
C. M. C. SHANNON, Sydney.
FOREIGN DEPARTMENT:
A. J. CARROLL, Manager.

HEAD OFFICE: SYDNEY, NEW SOUTH WALES.
GEORGE H. HOWELL, Manager, with 155 Branches & Agencies in New South Wales.
BRISBANE OFFICE:
G. E. ALEXANDER, Manager, with 25 Branches & Agencies in Queensland.
MELBOURNE OFFICE: 325, Collins Street.
M. BURTON FINNEY, Manager.
ADELAIDE OFFICE: 35, Rundle Street.
R. T. MOODIE, Manager.
PERTH, W. A., OFFICE: 73, St. George's Terrace.
A. C. DIBDIN, Manager.
LONDON OFFICE: 62, Bishopsgate, E.C.2.
ARTHUR F. JENKINS, Manager.

The London Office is prepared to transact every description of Banking Business, including:—
CURRENT ACCOUNTS opened.
FIXED DEPOSITS received for periods of one month and upwards at rates of interest ascertainable on application.
ADVANCES MADE on approved Securities, and against shipments of all kinds of marketable produce and merchandise.
MAIL AND TELEGRAPHIC remittances made to all parts of the world.
DRAFTS issued at current rates of exchange.
FOREIGN or other Bills negotiated or collected.
The issue of LETTERS OF CREDIT, Circular or Commercial.

For the convenience of its Customers the Bank has special arrangements, where not directly represented, with other Bankers throughout Australasia, New Zealand, the United Kingdom, the Far East and elsewhere, whereby it is able to carry out all requirements with promptitude and to best advantage.

ARE YOUR SAVINGS SMALL?
No matter—Every £5 can earn you interest.

Perfect security and a first-class return. This is no longer the prerogative of the wealthy investor. You too may have it, even though your capital be but a few pounds, by putting your money into the 1st, 2nd and 3rd Co-operative Investment Trusts. Any money so invested is spread over no less than 700 different concerns in 37 different countries chosen by a board of experts and watched day in, day out, with constant vigilance. A Withdrawable Preference Share in the Co-operative Investment Trusts costs £5. *It pays 5% interest and if* held for certain periods 5½%. Interest is paid even over the shortest period and you can withdraw your money at the shortest notice. For every £5 Preference Share issued the Trusts hold £20 of investments. Already more than 30,000 small investors have benefited from the Trusts. Your *own savings are sufficient.* Fill in the coupon below and get full particulars.

1ST 2ND & 3RD CO-OP INVESTMENT TRUSTS

CAPITAL EXCEEDS £2,500,000

DIRECTORS:
Alderman A. Emil Davies, L.C.C. *(Chairman)*
Ernest Martin, F.C.I.S. *(Managing Director)*
Sir D. Drummond Fraser, K.B.E.
F. W. Cruttenden, F.C.I.S.
Ernest A. Davies

The big company for the small man

FIRST, SECOND AND THIRD CO-OPERATIVE INVESTMENT TRUSTS
BROAD STREET HOUSE, LONDON, E.C.2.

Please send me complete information about your Trusts including new booklet, "500 Investments in One."

Name.....
Address.....
.....

A C H.R. 9/2/29

(D) THE FOREIGN TRADE OF THE UNITED KINGDOM.

	Imports.		Exports.	
	1927.	1928.	1927.	1928.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	110,969,996	97,637,377	5,597,815	5,338,013
B. Feeding-stuffs for animals	8,418,242	9,185,875	2,955,391	3,333,116
C. Meat	103,464,070	109,248,909	1,669,532	1,629,978
D. Animals, living, for food	15,510,297	16,034,355	142,261	172,728
E. Other food and drink, non-dutiable	164,741,934	173,879,043	33,508,977	34,434,135
F. Other food & drink, dutiable	116,243,609	108,101,783		
G. Tobacco	19,178,475	17,825,215	8,404,526	9,363,791
Total, Class I.	538,526,621	531,912,557	52,278,502	54,271,761
II.—Raw Materials and Articles mainly Unmanufactured—				
A. Coal	6,611,420	39,496	45,530,795	39,061,644
B. Other non-metallic mining and quarry products and the like	6,258,372	5,606,703	1,895,654	1,898,816
C. Iron ore and scrap	5,702,578	4,822,484	877,620	1,104,564
D. Non-ferrous metalliferous ores and scrap	15,700,099	16,542,609	1,949,330	1,785,722
E. Wood and timber	49,666,787	42,565,213	539,738	445,980
F. Raw cotton & cotton waste	67,751,604	80,707,021	1,217,901	1,382,618
G. Wool, raw, and waste, and woollen rags	63,816,344	63,922,920	10,471,194	10,290,034
H. Silk, raw, knubs and noils	1,828,518	1,899,967	72,382	37,508
I. Other textile materials	16,131,464	13,981,365	233,489	540,757
J. Oil seeds, nuts, oils, fats, resins, and gums	45,090,534	44,746,420	5,449,147	5,378,994
K. Hides and skins, undressed	23,018,506	26,057,403	2,579,480	3,088,716
L. Paper-making materials	12,788,863	10,181,792	1,367,363	1,429,547
M. Rubber	25,417,228	11,839,360	293,276	255,613
N. Miscellaneous raw materials and articles mainly unmanufactured	11,954,452	11,936,907	3,874,800	3,468,019
Total, Class II.	351,739,719	334,819,690	76,352,169	70,168,532
III.—Articles Wholly or Mainly Manufactured—				
A. Coke & manufactured fuel	134,936	9,609	3,656,561	3,671,419
B. Earthenware, glass, abrasives, &c.	11,865,882	10,895,429	13,011,648	13,076,303
C. Iron & steel & manufactures thereof	34,032,026	24,158,492	69,383,416	66,801,576
D. Non-ferrous metals and manufactures thereof	32,592,542	33,115,018	19,862,012	16,373,730
E. Cutlery, hardware, implements, and instruments	7,304,644	7,632,408	8,828,534	9,137,605
F. Electrical goods & appar.	4,256,833	4,711,335	11,878,275	11,629,139
G. Machinery	15,919,046	16,731,445	49,920,843	53,749,151
H. Manufac. of wood & timber	7,313,937	8,425,869	2,316,957	2,502,790
I. Cotton yarns & manufacs.	9,915,407	10,732,848	148,794,942	145,304,242
J. Woollen and worsted yarns and manufactures	16,096,809	17,288,115	56,755,955	56,896,582
K. Silk and silk manufactures	16,181,161	14,465,141	2,426,087	2,406,061
L. Manufactures of other textile materials	15,784,665	15,613,307	27,060,722	29,464,139
M. Apparel	18,659,308	19,606,026	25,824,536	26,182,731
N. Chemicals, drugs, dyes, and colours	15,502,422	15,367,796	23,402,723	25,414,223
O. Oils, fats, and resins manufactured	38,620,362	37,822,129	9,162,860	8,958,598
P. Leather and manufactures thereof	16,759,934	19,506,931	8,344,068	9,369,946
Q. Paper and cardboard	16,429,946	17,269,991	9,132,264	9,292,897
R. Vehicles (including locomotives, ships, & aircraft)	12,130,721	9,565,349	35,414,273	46,965,401
S. Rubber manufactures	2,531,683	3,349,368	3,297,029	3,444,968
T. Miscellan'sarticles, mainly or wholly manufactured	30,320,306	31,749,859	35,436,877	37,990,042
Total, Class III.	322,412,540	318,016,455	563,913,782	578,628,519
IV.—Animals, not for food	2,653,196	3,064,520	1,898,016	1,995,333
V.—Parcel Post, non-dutiable articles	3,009,074	9,127,132	14,638,794	18,363,310
Total	1,218,341,150	1,196,940,354	709,081,263	723,427,455

(E) ANALYSIS OF CAPITAL APPLICATIONS ON LONDON MONEY MARKET.

Analysis of New Capital Applications.

	Whole Year 1925.	Whole Year 1926.	Whole Year 1927.	Whole Year 1928.
	£	£	£	£
British Government Loans	45,685,700	4,666,800	66,003,800	83,861,000
Colonial Government Loans	30,699,200	31,866,000	55,697,200	40,223,000
Foreign Government Loans	nil	23,818,000	11,822,500	15,938,900
British Corporations, &c.	21,323,000	41,833,900	27,114,100	14,871,000
Colonial Corporations	2,623,900	1,223,000	5,136,700	7,296,100
Foreign Corporations	1,350,000	5,235,000	5,683,800	4,332,000
British Railways	20,184,000	nil	14,207,500	2,080,900
Colonial Railways	1,681,200	nil	16,592,600	nil
Foreign Railways	3,785,000	8,217,200	5,397,500	3,070,000
Australasian Mines	95,000	nil	38,400	695,000
South African Mines	480,200	791,100	622,900	1,766,000
Other mines	3,411,800	3,238,000	4,315,000	4,810,300
Exploration, Financial, &c.	14,128,500	22,923,300	28,420,800	42,513,700
Breweries	929,400	210,000	6,261,700	5,789,900
Merchants, Importers, &c.	nil	201,500	1,678,600	1,117,500
Stores and Trading	1,203,800	7,302,300	3,757,500	6,101,000
Estate and Land	3,185,400	2,214,100	5,749,800	2,817,100
Rubber	13,856,800	5,602,100	2,094,400	3,125,000
Oil	5,299,100	693,800	9,259,800	5,623,400
Iron, Coal, Steel, & Engin'ring	4,094,800	4,918,100	2,772,000	2,413,000
Elect. Light, Power & Teleg.	7,910,900	13,667,800	12,764,700	15,179,200
Tramway and Omnibus	76,700	232,500	356,000	1,381,700
Motor Traction & Manuf'ing	258,200	5,722,200	1,609,400	4,623,600
Gas and Water	665,400	241,400	448,900	1,368,000
Hotels, Theatres, and Entertainments	596,600	495,000	4,248,600	14,650,700
Patents and Prop. Articles	580,000	675,000	1,413,000	8,582,800
Docks, Harbours, & Shipping	2,250,500	5,659,500	14,761,500	2,900,000
Banks and Insurance	3,264,500	1,987,300	13,072,500	9,404,600
Manufacturing & Miscellan's	42,598,900	36,141,700	34,438,100	62,502,700
	232,214,500	230,782,600	355,166,000	369,058,100

Destination of New Capital.

Years.	United Kingdom. £	British Possessions. £	Foreign Countries. £
1909	18,681,400	74,758,200	88,917,200
1910	68,296,500	92,378,100	114,764,500
1911	26,145,900	64,994,800	100,618,700
1912	45,335,300	72,642,400	92,872,300
1913	35,951,200	76,137,200	84,448,600
1920	328,021,400	31,639,800	7,888,400
1921	276,176,500	90,577,800	22,223,900
1922	443,518,300	74,924,200	55,233,100
1923	133,915,600	92,722,300	44,754,700
1924	84,612,400	72,276,900	52,436,800
1925	155,018,300	60,919,000	16,276,508
1926	129,175,700	53,174,300	48,432,600
1927	205,883,600	99,812,400	48,470,000
1928	263,583,100	63,158,400	42,316,600

New Capital Applications (since 1906).

Year.	Total for Whole Year. £	Year.	Total for Whole Year. £	Year.	Total for Whole Year £
1906	120,173,206	1914	512,522,600	1922	573,675,600
1907	123,630,000	1915	685,241,700	1923	271,393,200
1908	192,203,700	1916	585,436,400	1924	209,326,100
1909	182,356,800	1917	1,318,596,000	1925	232,214,500
1910	267,439,100	1918	1,393,381,400	1926	230,782,600
1911	191,759,400	1919	1,036,059,400	1927	355,166,000
1912	210,850,000	1920	367,549,600	1928	369,058,100
1913	196,537,000	1921	388,978,200		

(F) DAILY AVERAGE MONEY RATES IN PAST TEN YEARS.

Years.	Bank Rate.	Market Rate, 3 Months' Bills.	Deposit Rate, Banks.	Short Loans.
	£ s d	£ s d	£ s d	£ s d
1919	5 3 0	3 18 10	3 3 10	3 9 7
1920	6 14 4	6 7 11	4 14 4	5 3 7
1921	6 2 4	5 4 3	4 2 4	4 12 8
1922	3 13 10	2 13 0	1 13 10	2 5 11
1923	3 9 9	2 14 1	1 9 9	1 16 8
1924	4 0 0	3 10 9	2 0 0	2 12 5
1925	4 11 0	4 2 0	2 11 0	3 9 3
1926	5 0 0	4 10 3	3 0 0	4 1 1
1927	4 13 0	4 4 10	2 13 0	3 15 0
1928	4 10 0	4 3 0	2 10 0	3 12 6

(G) STOCK MARKET PRICES IN 1928.

	Prices. End of Year 1927.	Prices. End of Year 1928.	Rise or Fall.	Highest & Lowest of Year 1928. Highest.	Lowest.
British Funds.					
War Loans 5% Redeemable 1929-47	101½	102⅜	+ 1⅛	103⅛	100½
War Loans 4% Redeemable 1929-42	101	100⅜	— ⅛	102	99⅜
War Loans 4% Funding, 1960-90	88½	90	+ 1⅜	93⅛	88
War Loans 4% Victory Bonds	94½	94⅜	+ ⅛	95⅞	92⅞
Consols 2½%, red. at Govt. option	55⅝x	56½x	+ ⅜	56⅜	54½
Consolidated Loan, 4%	85⅞xd	86½x	+ ⅜	88⅛	85⅛
Conversion Loan, 3½%	77	79⅛	+ 2⅛	79⅞	75⅛
Conversion Loan, 4½%, 1940-1944	96⅜	99	+ 2⅝	100	96⅜
Local Loans, 3%	64½	65x	+ ½	65⅞	63½
India 3½%	72½	70½x	— 2	73⅜	70
Do 3%	62½	60½x	— 2	63⅜	60
Foreign Govt. Stocks.					
Argentine Rescission 4%	87	88	+ 1	90	84½
Austrian 6% Sterling Bonds	99½	102	+ 2½	104¼	99⅜
Belgian 3%	82	83	+ 1	86	80½
Do 7% Stabilisation Loan	108	109	+ 1	111	107⅜
Brazilian 5% Funding Bonds 1914	84	86	+ 2	91	83½
Chilian 4½% Gold Loan, 1889	88½	91	+ 2⅜	92⅜	86⅝
Chinese 5% Gold Loan, 1912	39⅜	53	+ 13⅝	55⅝	37⅛
Czechoslovakia 8%	109	112	+ 3	115½	108½
Dutch East Indies, 5%	102	102	..	103½	99½
Egyptian Unified	86	85	— 1	90⅛	83⅜
Finland 6%, 1923	94	97	+ 3	99⅜	94
French 3% Rentes	12	13	+ 1	14½	12
Do 5%	17⅜	19	+ 1⅝	19⅝	17
German 7% Sterling Bonds, 1924	104	106	+ 2	108½	103½
Greek 7% Refugee Loan	99	101⅛	+ 2⅛	103⅜	98⅜
Guatemala New Ext.	59	58	— 1	59	55⅜
Hungarian 7½%, 1924	102½	103	+ ½	105½	100⅜
Italian 3½%	19	19	..	20	18½
Japanese 6%, 1924	98	98½	+ ½	101½	96⅜
Mexican 5% Cons. Ext., 1899	41½	35½	— 6	46⅜	34
Portuguese 3%	39⅜	43	+ 3⅜	43⅞	35⅜
Spanish 4%	78	82	+ 4	83½	76⅞
Turkish Unified 4%	23⅜	23	— ⅜	26⅛	21½
British Railways.					
Great Western Cons. Ord. Stock	97½	81⅜	— 16	103½	77⅜
London & North-Eastern Def. Stock	17⅜	11⅜	— 6⅛	17⅜	9⅜
Do Preferred Ord. Stock	43⅜	24⅜	— 19	44⅜	21
London, Mid., & Scottish Ord. Stock	76	54	— 22	76⅜	49⅜
Metropolitan Cons. Stock	74	65	— 9	75½	64
Metropolitan District Ord. Stock	68	80⅜	+ 12½	81	67½
Southern Railway Def. Ord.	37⅛	31⅛	— 6	40	29
American & Dominion Rlys.					
Canadian Pacific	214	243	+ 29	254	205
Atchison Shares	197	201	+ 4	207	188
New York Central	168	191	+ 23	194	160
Pennsylvania $50 Shares	66	73	+ 7	75½	64½
Union Pacific	198	225	+ 27	230	190
Bengal & North-Western, Ord. Stock	263½	303½	+ 40	303½	263½
Nizam's State Railways, Ord. Stock	231½	239½	+ 8	245½	231
Rohilkund & Kumaon, Ord. Stock	248½	281½	+ 33	281½	246½

	Prices. End of Year 1927.	Prices. End of Year 1928.	Rise or Fall.	Highest & Lowest of Year 1928. Highest.	Lowest.
Foreign Railways.					
Antofagasta (Chile, Bolivia) Cons. Stk	84	89½	+ 5⅜	96	83
Argentine North-Eastern Ord. Stock	34	41	+ 7	41½	33½
Buenos Ayres Great Southern Stock	109	108	— 1	111½	99½
Buenos Ayres Pacific Stock	93	98	+ 5	98	86½
Buenos Ayres Western Stock	95½	97	+ 3½	97	85½
Central Argentine Ordinary Stock	97	99	+ 2	102⅜	90½
Do Deferred Stock	88½	91	+ 2½	96½	84
Central Uruguay Ordinary Stock	86	89	+ 3	94½	84
Cordoba Central Ordinary Stock	36½	38½	+ 2	40⅜	30½
Entre Rios Ordinary Stock	78½	96½	+ 18	96½	78
Great Western of Brazil (£10)	3	3⅜	+ ⅜	4⅛	3
Leopoldina Ordinary Stock	61	56	— 5	70⅜	53½
Mexican 1st Preference Stock	17	16	— 1	22⅜	15
San Paulo Stock	192½	200	+ 7½	211¼	192
United of Havana Stock	65	40	— 25	70⅜	34
Miscellaneous Shares.					
Midland Bank (£12, with £2½ paid)	9⅛	9½	— ⅛	10⅞	8⅜
Anglo-Dutch Plantations, Java (£1)	2⅛	1⅞	— ⅛	2⅛	1⅝
United Serdang Rubber (2/)	⅜	⅜	— 0	⅜	5/16
Jhanzie Tea (£1)	5⅛	5⅜	+ ⅛	6⅛	5
Jorehaut Tea (£1)	5⅛	4⅜	— ⅛	5⅜	3⅞
Chartered (British S. Africa) (15/)	1⅝	1⅛	+ ⅜	1⅛	1⅜
Forestal Land, Ord. (£1)	1⅞x	1⅝x	..	1⅝	1⅜
Hudson's Bay (£1)	4⅞x	5⅜x	+ 1⅞	6⅜	1⅞
Peruvian Corporation Ord. Stock	15⅜	20⅜	+ 5	22⅜	1⅞
Do Pref. Stock	53⅜x	61x	+ 7⅞	65⅝	52⅜
Brazilian Traction Co. (No par)	55⅜	78½	+ 22⅜	79⅛	53⅜
Gas Light and Coke Ord. (£1)	⅜	⅝	— ⅛	1	⅝
J and P. Coats (£1)	3⅜	3⅞	+ ⅛	3⅜	3⅛
Courtaulds (£1)	3⅝	4⅛	+ ⅛	4⅛	3⅝
English Sewing Cotton (£1)	2⅜	2⅝	+ ⅛	2⅝	2⅜
Birmingham Small Arms, Ord. (£1)	⅜	⅜	— 0	⅜	⅜
Lautaro Nitrate, Ord (£5)	4	4½	+ ½	5⅛	3⅞
Guest, Keen & Nettlefolds, Ord. (£1)	1⅞	1⅞	..	2⅛	1⅝
Vickers (6/8)	⅞	⅞	..	⅞	⅞
Columbia Graphophone Ord. 10/	7⅛	15½	+ 7⅜	22⅝	6⅜
Gramophone Co. Ord. £1	9⅜	13⅜	+ 3⅛	15⅜	9
Mond Nickel, Ord. (10/)	3⅛	9⅜	+ 5⅜	9⅜	1⅞
Anglo-Persian Oil, Ord. (£1)	3⅜	4⅜	+ ⅛	4⅜	2⅛
Shell Transport (£1)	4⅛	5⅛	+ 1⅛	6⅛	4
Imperial Chemical Indus. ord. (£1)	1⅜	1⅝	+ ⅛	2⅛	1⅜
Cunard Steamship (£1)	1⅛	1⅛	+ 0	1⅜	1⅛
P. and O., Deferred (£1)	2⅜	3	+ ⅜	3⅛	2⅜
Royal Mail, Ord. Stock	7⅝	6⅜	— ⅛	8⅛	6⅜
Dunlop Rubber (6/8)	1⅝	1⅞	— ⅛	1⅞	1⅜
Eastern Telegraph Ord. Stock	140	267½	+ 127½	273	138
Marconi Wireless (10/)	2⅛	3⅝	+ 1⅜	5⅛	1⅝
Guinness (A.), Ord. Stock	470	415	— 55	520	410
Watney Deferred £1)	2⅜	3⅛	+ ⅝	3⅛	2⅜
Mines.					
Burma Corporation (Rs.10)	⅞	⅞	+ 0	⅞	⅞
De Beers Deferred (£2½)	13	11⅛	— 1⅞	15⅜	11⅛
Modderfontein (10/)	5⅛	5⅛	— ⅛	6⅜	5⅛
Rand Mines (5/)	3⅜	3⅛	— ⅛	3⅜	3⅛

STOCKHOLMS ENSKILDA BANK

BANK WITH UNLIMITED LIABILITY.

Established in 1856.

TELEGRAPHIC ADDRESS HITTON-STOCKHOLM. —— STOCKHOLM. —— **HEAD OFFICE: STOCKHOLM 16.**

CAPITAL AND RESERVES - - - Kr. 100,000,000:—

Banking and Exchange Business of every description.
Bills negotiated or forwarded for Collection.
Letters of Credit issued available in the principal Cities of the World.
Remittances made by Telegraphic Transfer.
Deposits received for fixed periods or at notice.

LONDON AGENTS:

WESTMINSTER BANK LIMITED, LOTHBURY, E.C.; HAMBROS BANK, LIMITED; FREDK. HUTH & CO.

PANSTWOWY BANK ROLNY

(THE STATE LAND BANK).

Head Office: **WARSAW, NOWOGRODZKA STR. 50.**
Branches: Warsaw, Grudziadz, Gdynia (Agency), Katowice, Kielce, Kraków, Luck, Lublin, Lwów, Pinsk, Poznan, Wilno.

Telegraphic Address: "Centropebrol."

Capital Paid up - - - - - Zlotys 130,000,000

THE STATE LAND BANK

grants short term credits for turnover to small and middle size rural holdings through the medium of co-operative and municipal savings banks;

grants long term mortgage loans in 7 per cent. Mortgage Bonds for the purchase of ground from the allotment of land estates and for agricultural investments;

long term mortgage loans are also granted in 7 per cent. Improvement Debenture Bonds for all kinds of agricultural improvements;

7 per cent. Improvement Debenture Bonds of the State Land Bank are valued in gold zlotys and in their equivalence of U.S. Dollars; they are secured by real estate improved, by the personal property of the debtors as well as by a special Reserve Fund and by the guarantee of the State Treasury.

The Mortgage Bonds of the State Land Bank as well as its Improvement Debenture Bonds have all the rights of trustee securities.

BANK OF NEW ZEALAND

Incorporated by Act of the General Assembly, 29th July, 1861.

BANKERS TO THE NEW ZEALAND GOVERNMENT

Authorised Capital, £7,561,238.

Paid-up Capital, as at 31st March, 1928	£6,771,198
Reserve Fund and Undivided Profits	3,732,525
	£10,503,723

Aggregate Assets at 31st March, 1928, **49,879,550.**

Head Office: WELLINGTON, N.Z.

London Office: 1, QUEEN VICTORIA STREET, E.C.4.

Branches and Agencies at over 220 points in New Zealand.

And at MELBOURNE—VICTORIA. SYDNEY—NEW SOUTH WALES.
SUVA AND LEVUKA—FIJI. APIA—SAMOA.

THE LONDON OFFICE GRANTS DRAFTS on any of its Branches; MAKES TRANSFERS by mail or telegraph; ISSUES TRAVELLERS' LETTERS OF CREDIT available in all parts of the World; ESTABLISHES COMMERCIAL CREDITS by Mail or Cable; OPENS CURRENT ACCOUNTS for the convenience of its Overseas Constituents; NEGOTIATES AND COLLECTS BILLS payable in any part of Australasia, Fiji and Samoa; and UNDERTAKES every description of General Banking and Monetary Business.

ROBERT MILL, *Manager.*

BANK OF CZECHOSLOVAK LEGIONS

PRAGUE

Code Address: "LEGIOBANKA."

21 Branches and 6 Exchange Offices in Czechoslovakia.

FOREIGN BANK AFFILIATIONS.

SVOBODA & CO., VIENNA I., Schottenring 18.

KOMERCIJALNA BANKA, D.D., ZAGREB AND LJUBLJANA, JUGOSLAVIA; LATVIJAS PRIVATBANKA, RIGA, LATVIA.

Capital Paid Up - - -	**Kc 70,000,000**
Reserves - - - - -	**Kc 41,000,000**

COMPLETE BANKING SERVICE

THE P. & O. BANKING CORPORATION

LIMITED.

Head Office: 117-122, LEADENHALL STREET, LONDON, E.C.3.

Authorised Capital -	**£5,000,000**	**Subscribed Capital -**	**£2,594,160**
Paid-up Capital - -	**£2,594,160**	**Reserve Fund - - -**	**£180,000**

Every description of Banking Business transacted. Correspondents in all parts of the World.

BRANCHES: 16 Cockspur Street, London, S.W.1; Bombay; Calcutta; Calicut; Colombo; Hongkong; Karachi; Madras; Shanghai; Singapore.

Affiliated Bank: **Head Office:**

ALLAHABAD BANK, LIMITED. CALCUTTA; with 36 Branches and Sub-Agencies in India.

Authorised Capital - - -	**Rs. 40,00,000**	**Subscribed Capital - - -**	**Rs. 40,00,000**
Paid-up Capital - - -	**Rs. 35,50,000**	**Reserve Fund - - - -**	**Rs. 44,50,000**

NATIONAL BANK OF INDIA,

LIMITED.

Registered in London under the Companies Act of 1862 on the 23rd of March, 1866.

***Established in Calcutta 29th September,* 1863.**

Bankers to the Government in KENYA (B. E. Africa) and UGANDA.

Subscribed Capital - - - - - - - -	**£4,000,000**
Paid-up Capital - - - - - - - -	**£2,000,000**
Reserve Fund - - - - - - - -	**£2,950,000**

Head Office: 26 BISHOPSGATE, LONDON, E.C. 2.

BRANCHES:

ADEN	CHITTAGONG	MADRAS	ELDORET	Kenya Colony, B.E.A.	ENTEBBE	Uganda.
ADEN STEAMER POINT	COCHIN (S. India)	MANDALAY	KISUMU		JINJA	
AMRITSAR	COLOMBO	NUWARA ELIYA	MOMBASA		KAMPALA	
BOMBAY	DELHI	RANGOON	NAIROBI		DAR-ES-SALAAM	Tanganyika Territory.
CALCUTTA	KANDY	TUTICORIN	NAKURU		TANGA	
CAWNPORE	KARACHI	ZANZIBAR				
	LAHORE					

The Bank grants Drafts and Telegraphic Transfers on all places where it is represented; negotiates and collects Bills of Exchange; collects Pay, Pensions, and generally transacts every description of Eastern Banking business. The Bank receives Deposits for fixed periods, not exceeding one year, at rates to be obtained on application.

The Bank opens Current Accounts, and, provided they do not fall below £200, allows Two per cent. per annum interest on the minimum monthly balances.

Trusteeships and Executorships also undertaken.

BRITISH TRADE WITH SOUTH AMERICA

BANK OF LONDON & SOUTH AMERICA · LIMITED ·

Estd. 1862

Appointing Overseas Agents

Not only is it important to your export trade that an overseas agent should be of good financial standing, but his sales organisation must be adequate, and he must have the confidence of his public.

In order to help those firms entering the South American Market, or extending their existing connections, this Bank is prepared to arrange suitable commercial introductions and give relevant statistical information.

✱

A Monthly Review of Market information in English or French is issued free on application.

BANK OF LONDON & SOUTH AMERICA
LIMITED

6, 7 and 8, Tokenhouse Yard, London, E.C.2.

MANCHESTER: 36, Charlotte Street. BRADFORD: 33, Hustlergate.

Affiliated to Lloyds Bank Limited.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

Incorporated by Royal Charter and Act of Parliament. *Established 1825.*

Affiliated with Lloyds Bank Limited.

Capital Subscribed, £5,000,000. Paid-up, £1,100,000. Uncalled, £3,900,000.

RESERVE FUND - - - - £1,500,000

DEPOSITS, 1st November, 1928 - £31,652,171

Head Office: ST. ANDREW SQUARE, EDINBURGH.
London Office: 37, NICHOLAS LANE, LONDON, E.C.4.
Glasgow Office: 47, ST. VINCENT STREET, GLASGOW.

Branches in all the principal towns and places in Scotland.
Correspondents in all the leading towns in England and Ireland, and in the principal towns in all parts of the World.

Every description of banking business transacted, including the collection of Dividends and Coupons, whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of remittances to all parts.
The Bank is prepared, in approved cases, to act as Trustee, Executor or Administrator, and also as Trustee for Debenture or other Issues, etc.
FOREIGN CURRENCIES bought and sold for immediate or forward delivery.
CLEAN and DOCUMENTARY Foreign Drafts negotiated or collected.
All classes of Overseas business transacted at all the Bank's Branches.

PROEHL & GUTMANN

Bankers,

AMSTERDAM.

Telegraphic Address: DRESDAGENT.

THE EASTERN BANK LIMITED.

Head Office:

CROSBY SQUARE, BISHOPSGATE, LONDON, E.C.3

Authorised Capital	...	£2,000,000
Paid-up Capital	... ...	£1,000,000
Reserve Fund	... ...	£425,000
Reserve Liability of Shareholders		£1,000,000

BOARD OF DIRECTORS.

Chairman.
J. S. HASKELL, Esq.
Deputy Chairman.
Sir JAMES LEIGH-WOOD, K.B.E., C.B., C.M.G.
J. H. BATTY, Esq. G. BROMLEY-MARTIN, Esq.
EMILE FRANCQUI, Esq. Sir PERCY WILSON NEWSON, Bt.
Sir THOMAS STRANGMAN.

Branches—
BOMBAY, CALCUTTA, KARACHI, MADRAS, COLOMBO, SINGAPORE, BAGDAD, AMARA, BAHREIN, BASRA, MOSUL, KIRKUK.

The Bank issues Drafts, Telegraphic Transfers and Letters of Credit, purchases, grants advances against or collects Bills of Exchange, and transacts Banking and Agency Business in connection with the East.

Deposits are received for one year and for shorter periods at rates which can be ascertained on application. On current accounts Interest is allowed at 2 per cent. per annum on the minimum monthly balances.

F. H. SUTTON, Manager.

NATIONAL DISCOUNT COMPANY, LIMITED.

ESTABLISHED 1856.

35, CORNHILL, LONDON, E.C.3.

Telegrams: "NATDIS, STOCK, LONDON." Telephones: AVENUE 1464, 1485, 1831.

Subscribed Capital	- -	£2,153,335	0 0
Paid-up Capital	- -	£1,000,000	0 0
Reserve Fund	- - - -	£865,000	0 0

DIRECTORS.

Col. The Hon. SIDNEY PEEL, D.S.O., Chairman.
The Hon. ARTHUR M. ASQUITH, D.S.O. | Sir SIGISMUND F. MENDL, K.B.E.
FREDERICK W. GREEN. | BERTRAND T. PETLEY.
H. S. H. GUINNESS. | CHARLES D. SELIGMAN.
WALTER J. HERIOT. | PHILIP H. WADE.

Manager.—FRANCIS GOLDSMITH.
Sub-Manager.—SYDNEY N. LIGHTON.
Foreign Dept. Manager.—OSCAR H. LIST.
Secretary.—CHARLES H. GOUGH.

AUDITORS.

FRANCIS W. PIXLEY (Jackson, Pixley & Co.).
Sir ALBERT WYON, K.B.E. (Price, Waterhouse & Co.).

BANKERS.

BANK OF ENGLAND.
NATIONAL PROVINCIAL BANK, LIMITED.

Treasury Bills, Bank and Mercantile Bills Negotiated.
Money received on Deposit at Call and Short Notice at the Current Market Rates of Interest, and for longer periods upon specially agreed terms.
Loans granted upon Approved Securities.
All communications to be addressed to the Manager.

ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter, 1727.

Capital (fully paid), £2,500,000. Reserve Fund, £2,795,787

Deposits, £44,674,151

Total Number of Offices 230.

OVER 200 YEARS OF COMMERCIAL BANKING.

Correspondents throughout the World.

A COMPLETE BRITISH COLONIAL AND FOREIGN BANKING SERVICE.

CONDITIONS FOR THE OPENING OF ACCOUNTS FURNISHED ON APPLICATION.

LONDON OFFICES—City: 3, BISHOPSGATE, E.C.2.
West End: 49, CHARING CROSS, S.W.1, and 64, NEW BOND STREET, W.1.

HEAD OFFICE - - EDINBURGH.

General Manager—SIR ALEXANDER KEMP WRIGHT, K.B.E., D.L.

BANK OF SCOTLAND.

CONSTITUTED BY ACT OF PARLIAMENT, 1695.

AUTHORISED CAPITAL - - - - - - - - -	£4,500,000
PAID-UP CAPITAL - - - - - - - - -	£1,500,000
RESERVE FUND and BALANCE CARRIED FORWARD - -	£1,924,301
DEPOSITS and CREDIT BALANCES as at 29th February, 1928 -	£30,984,420

Governor: The Rt. Hon. LORD ELPHINSTONE, K.T. Deputy-Governor: Sir RALPH ANSTRUTHER OF BALCASKIE, Bart.
GEORGE J. SCOTT, Treasurer.

Head Office: THE MOUND, EDINBURGH.

GLASGOW, Chief Office: 2, ST. VINCENT PLACE. A. W. M. BEVERIDGE, Manager.
LONDON Office: 30, BISHOPSGATE, E.C.2. J. W. JOHNSTON, Manager.

235 Branches and Sub-Branches in Edinburgh, Glasgow, and throughout Scotland. Every description of British and Foreign Banking Business transacted.

THE BRITISH LINEN BANK

Incorporated by Royal Charter, 1746.

CAPITAL (PAID UP) £1,250,000 RESERVE & UNDIVIDED PROFITS £2,104,731

Governor: THE RIGHT HON. THE EARL OF ROSEBERY AND MIDLOTHIAN, K.G., K.T.
Deputy-Governor: THE RIGHT HON. THE EARL OF HOME.

HEAD OFFICE:—38 ST ANDREW SQUARE, EDINBURGH.
REES GRIFFITH THOMAS, General Manager. R. W. STEVENSON, Secretary.

FOREIGN DEPARTMENT: 110 QUEEN STREET, GLASGOW.
For all classes of Overseas Business.

Over 190 Branches throughout Scotland.

London Office: 38 THREADNEEDLE STREET, E.C.2.
Where accounts may be opened on usual London terms.
Manager - JAMES FORREST. *Deputy-Manager* - W. F. BLACK.

Every description of Banking Business transacted.

The Bank is prepared to undertake the duties of Executor or Trustee, and to act as Trustee for Debenture Stockholders, Public Institutions, &c.

AFFILIATED TO BARCLAYS BANK LIMITED.

The Commercial Bank of Scotland Ltd.

ESTABLISHED 1810.

Subscribed Capital - - - - - - -	£5,500,000
Paid up - - - - - - - -	£1,750,000
Reserve Fund - - - - - - -	£2,000,000
Deposits (31st October, 1928) - - - - -	£33,834,405

Head Office: 14 GEORGE STREET, EDINBURGH.
General Manager, ALEX. ROBB. Secretary, MAGNUS IRVINE.
London, City Office: 62 LOMBARD STREET, E.C.3.
Manager, ANDREW W. RUSSELL. Asst. Manager, JOHN M. ERSKINE.
Kingsway Branch: IMPERIAL HOUSE, KINGSWAY, W.C.2.
Manager, JAMES O. DAVIDSON.
Glasgow, Chief Office: 113-115 BUCHANAN STREET.
Manager, ANDREW SCOTT. Asst. Manager, WILLIAM COCHRANE.
Princes Street, Edinburgh, Branch: 118 PRINCES STREET.
Agent, JAMES THOMSON.

The Bank has 334 Branches and Sub-Branches throughout Scotland, and Banking Correspondents in the principal Towns in the World.
Every description of British Banking and Foreign Exchange business transacted.
Deposits of One Shilling and upwards received. Interest allowed and Passbooks issued.
The Bank is prepared to undertake the duties of Executor or Trustee under wills and settlements, and to act as Trustee for Debenture Holders, and for Public Bodies and Institutions.

IONIAN BANK, LIMITED

(ESTABLISHED 1839)

CAPITAL AUTHORISED - -	£1,000,000	RESERVE FUND - - -	£250,000
CAPITAL PAID UP - - -	£600,000	TOTAL ASSETS - - -	£6,028,832

HEAD OFFICE: 25/31, Moorgate, LONDON.

EGYPT: *Central Office*—ALEXANDRIA. 10 Branches and Agencies.

GREECE: *Central Office*—ATHENS. 28 Branches and Agencies.

CYPRUS: *Central Office*—NICOSIA. 4 Branches and Agencies.

EVERY FORM OF INTERNATIONAL BANKING SERVICE.

THE BRITISH BANK FOR THE NEAR EAST.

BANK OF NEW SOUTH WALES

(ESTABLISHED 1817).

Paid-up Capital - - - - - -	£7,500,000
Reserve Fund - - - - - -	5,900,000
Reserve Liability of Proprietors - - -	7,500,000
	£20,900,000

Aggregate Assets to 30th September, 1928, £88,982,585 : 1 : 9

Head Office—SYDNEY, NEW SOUTH WALES.

General Manager—A. C. DAVIDSON.

LONDON DIRECTORS:

H. L. M. TRITTON, ESQ., *Chairman.* WALTER S. M. BURNS, ESQ. I. C. GEDDES, ESQ.

J. S. CAMPBELL, *Manager.* D. GEDDIE, *Assistant Manager.* A. L. KENNEDY, *Secretary.* G. S. KETT, *Accountant.*

The Bank has 535 BRANCHES AND AGENCIES in the Australian States, New Zealand, Fiji, Papua, Mandated Territory of New Guinea, and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit. Also issues drafts on demand. Makes Mail and Cable transfers. Negotiates and Collects Bills of Exchange. Arranges Wool and other Produce Credits. Receives Deposits for Fixed Periods, on terms which may be known on application, and transacts every description of Australasian Banking Business.

London Office: 29, THREADNEEDLE STREET, E.C.2.

HUNGARIAN COMMERCIAL BANK OF PEST, BUDAPEST.

ROYAL CHARTER 1841. Telegrams: COMMERZ.

46 BRANCHES AND AFFILIATED BANKS IN HUNGARY.

Affiliated Banks in Bulgaria, Czecho-Slovakia, Poland, Roumania and Yougoslavia.

LONDON CORRESPONDENTS:—Barclays Bank Ltd., Lloyds Bank Ltd., Midland Bank Ltd., National Provincial Bank Ltd., Westminster Bank Ltd., J. Henry Schröder & Co., Guinness, Mahon & Co., Kleinwort, Sons & Co.

The EXPORT DEPARTMENT supplies, free of charge, information concerning exporters and importers; endeavours to encourage exchange of goods, and facilitate export and import.

ZEMSKÁ BANKA

(FORMERLY ROYAL BANK OF BOHEMIA)

PRAGUE, CZECHOSLOVAKIA.

Branch at BRATISLAVA.

CAPITAL	Kc. 40,000,000	DEPOSITS	Kc. 3,136,000,000
WORKING CAPITAL OF THE BRANCH AT BRATISLAVA	Kc. 16,000,000	SECURITIES IN CUSTODY	Kc. 7,284,000,000
RESERVE FUNDS	Kc. 126,000,000	COMMUNAL, LAND DEVELOPMENT AND RAILWAY LOANS	Kc. 1,798,000,000

All business transactions are guaranteed by the Country of Bohemia, the most developed Province of the Czechoslovak Republic. Mortgage Loans. Credit for Construction of Buildings. All Banking, Discount and Stock Exchange Transactions. Transfers effected on all places of the Republic and abroad. Safe custody of Securities, Legal Safe Custody, Safes.

Issue of 4% and 4½%

Communal, Land Development, and Railway Bonds guaranteed by the Country of Bohemia.

The Communal Bonds issued for the purposes of the Municipalities in Slovakia and Carpathian Ruthenia are also guaranteed by the Republic.

BANK OF BRITISH WEST AFRICA LIMITED.

ESTABLISHED 1894.

Authorised Capital	£4,000,000
Subscribed Capital	£3,000,000
Paid-up Capital	£1,200,000
Reserve	£400,000

Chairman:

The Right Hon. THE EARL OF SELBORNE K.G., G.C.M.G.

HEAD OFFICE:

37, GRACECHURCH STREET, LONDON, E.C.3.

GENERAL MANAGER:

LESLIE COUPER, C.M.G.

Liverpool, Manchester, Hamburg, West Africa, Morocco, Canary Islands.

PRINCIPAL SHAREHOLDERS:

Lloyds Bank Ltd.
National Provincial Bank Ltd.
Standard Bank of South Africa Ltd.
Westminster Bank Ltd.

Hongkong and Shanghai Banking Corporation

AUTHORISED CAPITAL	$50,000,000
ISSUED AND FULLY PAID UP	$20,000,000
RESERVE FUNDS STERLING	£6,000,000
RESERVE FUNDS SILVER	$14,000,000
RESERVE LIABILITY OF PROPRIETORS ...	$20,000,000

Head Office - - HONGKONG.

COURT OF DIRECTORS:

A. H. COMPTON, *Chairman.*
N. S. BROWN, *Deputy Chairman.*
Hon. Mr. B. D. F. BEITH. W. L. PATTENDEN.
W. H. BELL. J. A. PLUMMER.
B. L. LEWIS. T. G. WEALL.
C. G. S. MACKIE. H. P. WHITE.
CHIEF MANAGER - - Hon. Mr. A. C. HYNES.

BRANCHES AND AGENCIES:

Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo, Colombo, Dairen (Dalny), Foochow, Haiphong, Hamburg, Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe, (Hiogo), Kowloon, Kuala Lumpur, London, Lyons, Malacca, Manila, Moukden, Nagasaki, New York, Peping (Peking), Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Sungei Patani, Tientsin, Tokyo, Tsingtao, Yloilo, Yokohama.

COMMITTEE IN LONDON:

Sir Charles Addis, K.C.M.G., Chairman. David Landale.
Hon. Cecil Baring. *Sir George Macdonogh, G.B.E., K.C.B., K.C.M.G.*
A. H. Barlow. Sir Geo. Sutherland.
C. A. Campbell. A. M. Townsend.
C. F. Whigham.

MANAGERS IN LONDON:

Sir Newton J. Stabb, H. D. C. Jones.
Sub-Manager, R. E. N. Padfield. Accountant, A. Moncur.

9, GRACECHURCH ST., LONDON, E.C.3

THE CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA.

38, BISHOPSGATE, LONDON, E.C.2.

Incorporated by Royal Charter.

CAPITAL - - - - -	£3,000,000
RESERVE FUND - - - -	£4,000,000

COURT OF DIRECTORS.

Sir MONTAGU CORNISH TURNER, Chairman. EDWARD FAIRBAIRN MACKAY, Esq.
HENRY BATESON, Esq. Sir HENRY PELHAM WENTWORTH MACNAGHTEN.
COLIN FREDERICK CAMPBELL, Esq. WILLIAM FOOT MITCHELL, Esq., M.P.
Sir WILLIAM HENRY NEVILLE GOSCHEN, Bt., K.B.E. ARCHIBALD ROSE, Esq., C.I.E.
ARCHIBALD AULDJO JAMIESON, Esq. JASPER BERTRAM YOUNG, Esq.
W. E. PRESTON, *Chief Manager.* J. S. BRUCE, G. MILLER, *Managers.*

AGENCIES AND BRANCHES.

ALOR STAR (Malay States)	HARBIN	PESHAWAR
AMRITSAR	HONG KONG	RANGOON
BANGKOK	ILOILO	SAIGON
BATAVIA	IPOH	SEMARANG
BOMBAY	KARACHI	SEREMBAN
CALCUTTA	KLANG	SHANGHAI
CANTON	KOBE	SINGAPORE
CAWNPORE	KUALA KANGSAR	SOURABAYA
CEBU	KUALA LUMPUR	TAIPING (F.M.S.)
COLOMBO	KUCHING (Sarawak)	TAVOY
DAIREN (Manchuria)	MADRAS	TIENTSIN
DELHI	MANILA	TOKYO
HAIPHONG	MEDAN	TSINGTAO
HAMBURG	NEW YORK	TONGKAH (Bhuket)
HANKOW	PEKING	YOKOHAMA
	PENANG	ZAMBOANGA (Philippine Islands)

BANKERS.

THE BANK OF ENGLAND.
MIDLAND BANK, LIMITED.
WESTMINSTER BANK, LIMITED.
NATIONAL PROVINCIAL BANK, LIMITED.
THE NATIONAL BANK OF SCOTLAND, LIMITED.

The Corporation buy and receive for collection Bills of Exchange, grant Drafts payable at the above Agencies and Branches, and transact general Banking business connected with the East. Deposits of Money are received for fixed periods at terms which may be ascertained on application; interest payable half-yearly, 30th June and 31st December. On Current Accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances provided they do not fall below £200. The Bank is prepared to undertake Trusteeships and Executorships.

THE COMMERCIAL BANKING COMPANY OF SYDNEY LIMITED

(with which is amalgamated THE BANK OF VICTORIA LTD.)

Established 1834. Incorporated in New South Wales.

AUTHORISED CAPITAL . .	£12,000,000: 0:0
CAPITAL PAID-UP . . .	£4,739,012:10:0
RESERVE FUND . . .	£4,075,000: 0:0
RESERVE CAPITAL . . .	£4,739,012:10:0
	£13,553,025: 0:0
TOTAL DEPOSITS, 30th June, 1928	£51,824,699: 0:0
TOTAL ASSETS, " " "	£63,154,170: 0:0

HEAD OFFICE: 343, George Street, Sydney.

General Manager: J. R. DRYHURST.

LONDON OFFICE: 18, Birchin Lane, Lombard Street, E.C.3.

London Directors:

H. S. H. GUINNESS, ESQ., *Chairman.* J. N. BUCHANAN, ESQ., D.S.O., M.C.
HON. H. S. LITTLETON. H. O. HAMBLIN, ESQ.
L. W. G. BUTLER, ESQ. E. CLIVE MILLER, ESQ.

Manager: V. B. JONES.

456 Offices and Branches in New South Wales, Queensland, Victoria, South Australia and Federal Capital Territory Agencies throughout Australia and New Zealand and all other parts of the world.

Drafts payable on demand and Letters of Credit are issued by the London Branch on the Head Office, Branches and Agencies of the Bank in Australasia and elsewhere. Bills on Australasia negotiated and collected, Remittances cabled and mailed.

THE BANK OF NOVA SCOTIA

Incorporated 1832.

Capital Authorized - - - $15,000,000.00
Capital Paid Up - - - - $10,000,000.00
Reserve Fund - - - - $20,000,000.00

HEAD OFFICE - - HALIFAX, N.S.

S. J. MOORE, Esq., Toronto, Ont., *President.*
HECTOR McINNES, Esq., K.C., Halifax, N.S., *Vice-President.*
J. A. McLEOD, Esq., Toronto, Ont., *Vice-President.*

GENERAL MANAGER'S OFFICE - - TORONTO.

J. A. McLEOD, *General Manager.*

NINETY-SEVENTH ANNUAL REPORT

Statement of the result of the business of the Bank for the year ending December 31st, 1928.

PROFIT AND LOSS

Balance December 31st, 1927		$479,207.12
Net Profits for year, losses by Bad Debts estimated and provided for ...		2,535,518.54
		$3,014,725.66
Dividend No. 233 at 16 per cent. per annum paid 2nd April, 1928		$400,000.00
Dividend No. 234 at 16 per cent. per annum paid 3rd July, 1928 ...		400,000.00
Dividend No. 235 at 16 per cent. per annum paid 1st October, 1928 ...		400,000.00
Dividend No. 236 at 16 per cent. per annum payable 2nd January, 1929		400,000.00
Dominion Government Tax on circulation to December 31st, 1928 ...		100,000.00
Contribution to Officers' Pension Fund		100,000.00
Written off Bank Premises Account		300,000.00
Balance carried forward December 31st, 1928		914,725.66
		$3,014,725.66

General Statement as at December 31st, 1928

LIABILITIES.

Capital Stock paid in	$10,000,000.00	
Reserve Fund ...	20,000,000.00	
Balance of Profits, as per Profit and Loss Account ...	914,725.66	
Dividends declared and unpaid ...	401,384.00	
		$31,316,109.66
Notes of the Bank in circulation ...	$16,098,054.59	
Deposits not bearing interest	$43,679,749.03	
Deposits bearing interest, including interest accrued to date	168,807,380.31	212,487,129
Advances under the Finance Act ...		5,000,000.00
		$233,585,183.33
Balances due to other Banks in Canada		3,246,884.42
Balances due to Banks and Banking Correspondents in the United Kingdom and foreign countries		1,929,317.03
Bills Payable ...		1,150,971.02
		239,912,356.40
Letters of Credit outstanding ...		7,959,343.65
Other Liabilities not included in the foregoing ...		315,256.27
		$279,503,065.98

ASSETS.

Current Coin	$ 9,227,684.47	
Dominion Notes	17,821,895.00	
United States and other foreign currencies	1,779,196.50	
Notes of other Banks	1,479,650.03	
Cheques on other Banks	15,182,860.01	
Balances due by Banks and Banking Correspondents elsewhere than in Canada ...	4,579,718.41	
	$50,071,004.42	
Deposit in the Central Gold Reserves	6,500,000.00	
Dominion and Provincial Government securities, not exceeding market value	28,745,748.53	
Canadian municipal securities and British, Foreign and Colonial public securities other than Canadian, not exceeding market value	11,602,382.95	
Railway and other bonds, debentures and stocks, not exceeding market value ...	9,543,228.10	
Call and short (not exceeding thirty days) loans in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	34,462,410.31	
Call and short (not exceeding thirty days) loans elsewhere than in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	11,997,375.95	
		$153,922,150.26
Other current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	$89,685,059.08	
Other current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	21,160,454.51	
Liabilities of Customers under Letters of Credit, as per contra	7,959,343.65	
Non-current loans, estimated loss provided for	175,078.22	
Bank Premises at not more than cost, less amounts written off	6,844,873.23	
Deposit with the Minister of Finance for the purposes of the circulation fund	479,451.46	
Other assets not included in the foregoing	276,655.57	
		126,586,915.72
		$279,503,065.98

S. J. MOORE, President. J. A. McLEOD, General Manager.

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have examined the above General Statement of Liabilities and Assets as at December 31st, 1928, and compared it with the books at the Chief Office and with the certified returns from the Branches. The Bank's investments and cash on hand at the Chief Office and at the Toronto and Montreal Branches were verified by us at the close of business on December 31st, 1928. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

We certify that in our opinion the above statement discloses the true condition of the Bank and is as shown by the books of the Bank.

TORONTO, CANADA, 16th January, 1929.

D. McK. McCLELLAND, F.C.A., of Price, Waterhouse & Co.
A. B. SHEPHERD, C.A., of Peat, Marwick, Mitchell & Co. } Auditors.

LONDON OFFICE: 108, OLD BROAD STREET, E.C.2.

E. C. MACLEOD, Manager.

The Bank of Nova Scotia conducts a general banking business. Fully equipped for Exchange, Collection and Letter of Credit Transactions with all parts of the World. Particular attention is devoted to business with Canada, Newfoundland and the West Indies where Branches of the Bank have long been established—over 300 Branches.

London: Printed for the Proprietors by G. E. Hart, St. Clements Press, Ltd., Newspaper Buildings, Portugal Street, Kingsway, W.C.2, and Published by the Proprietors at 6, Bouverie Street, Fleet Street, E.C.4.

THE CASE FOR FREE TRADE

Supplement to "THE ECONOMIST"

SATURDAY, APRIL 13, 1929.

CONTENTS.

	PAGE
[redacted]	1
Summary	1
What Bank ... Think ...	2
SECTION II.—THE N...	3
"Safeguarding" *is* ...	3
How We Live ...	5
Unemployment and ... Tariff	6
The Protectionist Exp...ment ...	6
"Safeguarding" Procedure Old ...	7
"Safeguarding" Duties ...	8
Motors and Silk ...	9
The Case of Iron and Steel ...	10
Invisible Exports—The City ...	10
Protection and Agriculture ...	11
The Candle-Makers' Petition ...	12
SECTION III.—THE INTERNATIONAL ASPECT ...	12
The Economic Conference and Free Trade ...	12
Protection and Poverty ...	13
Imperial Preference ...	13
SECTION IV.—SOME GENERAL POINTS ...	14
Free Trade and the Export of Capital ...	14
Protection and Large-Scale Production ...	14
Protection, Corruption and Distraction ...	15
Lessons from Protectionist Countries ...	15
The World Looks to Britain ...	16

THE CASE FOR FREE TRADE.

The public memory is short, and although it is only six years since the country definitely rejected Mr. Baldwin's plea for power to instal a general Tariff, no apology is needed for an attempt to re-state the fundamentals of the case for Free Trade. In effect, Mr. Baldwin, having learnt nothing from his disaster in 1923, is again asking the electorate this year to empower him to revolutionise the fiscal system of this country. The plea is less direct and more insidious than in 1923. He asks now for authority "to extend the 'safeguarding' experiment." To some this may sound harmless. But the bare fact is that if Mr. Baldwin and his party are returned to power at the General Election, they will regard themselves as in-possession of a mandate to extend customs protection to any and every industry upon whose individual application a Committee, without reviewing the needs of the country as a whole, may pronounce favourably.

"Safeguarding," as even the Home Secretary and the Chief Conservative Whip have in terms admitted, is Protection. It is haphazard and high Protection that the people of this country are asked to allow Mr. Baldwin to extend indefinitely. While, therefore, the line of advance adopted by Mr. Baldwin and his colleagues makes it necessary to meet and refute particular arguments relating to the Government's several experiments in Protection, there is at the same time urgent necessity to realise that the attack is against the foundations of our fiscal system and to refresh our memories as to what those foundations are. It is the object of the following pages to re-state, in the simplest terms, the underlying principles of the Free Trade case, and at the same time to refute the misleading arguments from the particular to the general which Ministers are inviting us to accept as a result of our recent experience of spasmodic Protection.

SECTION I.—INTRODUCTORY.

SUMMARY OF THE CASE.

THE arguments for Free Trade as contrasted with a policy of Trade Restriction are partly economic and partly political, and may be summarised under these heads:—

ECONOMIC.

Foreign trade is the exchange of goods (or services) which a nation is better fitted to produce for those which it cannot produce so efficiently. It is, in effect, the result of international division of labour, analogous to division of labour between individuals. It leads to a greatly increased production, and is a benefit to both parties.

This exchange cannot be one-sided—that is to say, exports cannot continue without corresponding imports except as a loan, in which case the imports will come later, when the interest has to be paid.

Great Britain lives by exchange to a greater extent than any other great country. Nearly 30 per cent. in value of the goods and services produced in Great Britain are exported in exchange for imports. Indeed, the physical resources of these islands could not maintain a population of 47 millions in any other way—still less so at the comparatively high standard of living enjoyed to-day.

Exports include not only merchandise, but also the work of the British mercantile marine, while the commercial activities of London are also among the most important of our exports, by means of which we buy our necessary imports. The prosperity of these activities depends now, as it has always depended, upon the maintenance of free markets.

To restrict imports means curtailing the ability of our customers overseas to purchase our goods and services. It would compel capital, enterprise, and labour now engaged in export business to try to find occupation in supplying the home market. Particular trades might benefit, but the total production of the country would be diminished, employment as a whole reduced, and the standard of living lowered.

The policy of Trade Restriction is therefore a policy of impoverishment. Under Free Trade, in spite of all the difficulties of the times, the standard of living in Great Britain is (with one small exception) the highest in Europe.

These arguments are not rendered invalid by the disturbances resulting from the war.

The tragedy of unemployment, however, remains in consequence of the reduced volume of world trade and the small volume of commerce sailing the seas. This particularly affects shipping and shipbuilding. The greater part of unemployment is in export trades or those dependent upon shipping.

This, so far from being cured, would be aggravated by a restriction of imports. It is obviously impossible to transfer Labour and Capital from these trades to others without a great loss of efficiency, fixed capital, acquired skill, &c. We cannot mend the troubles of Lancashire by fostering the home output of lace, silks, cinema films, or even fine chemicals.

This Supplement can be obtained in pamphlet form from "The Economist" Office, 6 Bouverie Street, E.C.4. Price 4d.

Terms for Quantities by Arrangement.

(Ready Tuesday, April 16th.)

POLITICAL.

Imperial Preference is not of practical importance as a remedy for unemployment. While every attempt to increase trade with the Dominions, or any other country, is welcome, it is not possible to create a sudden or great diversion of national trade routes.

It is equally idle to suppose that the Dominions are prepared to see an enormous increase in their purchases of British manufactures. On the contrary, their tariffs are designed more and more, especially since the war, to create and bolster up their own home industries. British goods have a preference in the Dominions, it is true, but this means that while British goods pay, say, a 20 per cent. duty, others pay a 30 per cent. duty. The post-war changes of Dominion tariffs, even after allowing for the preferences granted, have meant a rising duty on British goods. In view of the determination of the Dominions to establish their own industries, the idea of "Free Trade Within the Empire" is outside the sphere of practical politics.

In spite of the recent industrial efforts of the Dominions, it remains true that without food duties there can be no real Imperial Preference.

The argument that while it is a good thing to have Free Trade, we can only attain it by putting on a tariff to use as a weapon to push down other people's tariffs is belied by history. The raising of tariffs provokes yet another layer of bricks on the tariff walls of neighbouring countries, and frequently leads to tariff wars. The history of the last 30 or 40 years shows that we have been at least as successful as Protectionist countries in securing favourable terms for the entry of our goods.

A more hopeful method of lowering tariff walls is to use our diplomatic and financial position to encourage greater freedom of commerce in Europe, and to continue to serve as the chief inspiration of those sections of opinion abroad which are constantly striving, sometimes successfully, sometimes unsuccessfully, to modify the restrictive policies of their respective countries. This movement has been set in force by the World Economic Conference of 1927, and is slowing gathering momentum.

It is essential for Britain to help on this movement with all her power. It is only possible to develop a policy of political co-operation between nations if there is some degree of economic co-operation. Free Trade in economic affairs is the counterpart of the work of the League of Nations in political matters. They stand as a joint policy against the alternatives of Protection, competition in armaments and aggressive nationalisation.

Protection leads to political corruption.

These points are expanded and illustrated in the following pages.

WHAT BANKERS AND BUSINESS MEN THINK.

One of the best short summaries of the general case for Free Trade is to be found in an Appeal, signed by practically all the greatest bankers of London, issued in May, 1921. The following are some extracts from this document:—

"It is as true as it was a hundred years ago that foreign commerce conduces to the wealth and prosperity of a country by enabling it to import the commodities which other countries are best able to supply, and to export in payment those articles which from its own situation it is best adapted to produce: that freedom from restraint is calculated to give the utmost extension to foreign trade and the best direction to capital and industry: and that the maxim of buying in the cheapest market and selling in the dearest, which regulates every merchant in his individual dealings, is the best rule for the trade of the whole nation.

"The policy of trying to exclude the productions of other countries, with the well-meant design of encouraging our own, cannot increase the volume of commerce or the total volume of employment here. But it may well compel the consumers, who form the bulk of our population, to submit to privations in the quality or quantity of the goods they buy. The importation of foreign goods does not diminish the activities of our people, because such goods can only be paid for by the produce of British capital and labour. The advocates of a restrictive system are too apt to lose sight of the elementary fact that nations, or rather individual members of nations, buy foreign goods because they need them, not to benefit others, but to benefit themselves, and pay for [redacted] producing goods which the foreigner in his turn **We cannot limit imports into this country witho[redacted] our export trade, and striking a grave blow at [redacted] wide commerce on which this island kingdom principally depends.**

"Trade is exchange. No nation which lives by trading with others can prosper unless other nations prosper too. We hold to-day great stocks of goods. We are ready to manufacture more. There is a large and insistent demand for them abroad. But owing to the paralysis of Continental commerce—due in part to the restrictive barriers which the new States have set up between themselves—the would-be buyers of our goods have not the means to pay for what they want. **We have to build up the market that we need by encouraging Continental nations to export to us. For it is only by exports that they can re-establish their credit and provide funds for the payment of their debts.** In such a situation we believe that all expedients to control and hamper imports into this country, whether by licences, tariffs, or any other means, can only . . . prevent the natural recovery of trade. Legislation of this nature, while it may increase the profits of a few selected industries, cannot fail to check our output as a whole, and to increase the costs of production to a level which may make it increasingly difficult for British traders to compete successfully with others in the markets of the world."

The following is an extract quoted from a memorandum signed in 1927 by leading manufacturers, bankers and business men in every country in Europe:—

"There can be no recovery in Europe till politicians in all territories, old and new, realise that trade is not war but a process of exchange, that in time of peace our neighbours are our customers, and that their prosperity is a condition of our own well-being. If we check their dealings, their power to pay their debts diminishes and their power to purchase our goods is reduced. **Restricted imports involve restricted exports, and no nation can afford to lose its export trade. Dependent as we all are upon imports and exports, and upon the processes of international exchange, we cannot view without grave concern a policy which means the impoverishment of Europe.**

"Happily, there are signs that opinion in all countries is awaking at last to the dangers ahead. The League of Nations and the International Chamber of Commerce have been labouring to reduce to a minimum all formalities, prohibitions and restrictions, to remove inequalities of treatment in other matters than tariffs, to facilitate the transport of passengers and goods. In some countries powerful voices are pleading for the suspension of tariffs altogether. Others have suggested the conclusion for long periods of commercial agreements embodying in every case the most-favoured-nation clause. Some States have recognised in recent treaties the necessity of freeing trade from the restrictions which depress it. And experience is slowly teaching others that the breaking down of the economic barriers between them may prove the surest remedy for the stagnation which exists. On the valuable political results which might flow from such a policy, from the substitution of goodwill for illwill, of co-operation for exclusiveness, we will not dwell. But we wish to place on record our conviction that the establishment of economic freedom is the best hope of restoring the commerce and the credit of the world."

SECTION II.—THE NATIONAL ASPECT.

"SAFEGUARDING" *IS* PROTECTION.

Before considering the demerits of Protection in detail, it is necessary to consider one fruitful ground of misconception. This is that a policy of Safeguarding, as enunciated in recent Ministerial utterances, is not inconsistent with a belief in the "abstract doctrine" of Free Trade. Mr Churchill is an exponent of this theory, as witness a [redacted] delivered by him at Manchester on January 21st [redacted] which he said: "So far as the Government were [redacted] there was no question of a revolution in the fiscal system—the establishment of a general system of Protection being made an issue at the next election. He agreed that there was the question of safeguarding industries which established their case, but that was a matter for business men. He presumed that in that audience the majority were Free Traders, as he was himself." Mr Baldwin himself has taken a similar view. At Newcastle a few days later he said: "Protection, as we use the term in politics, is a different thing. Protection is made applicable to everything: Safeguarding is made applicable to the things that need it and can prove that they need it."

Utterances such as these contain two major fallacies. The first is the claim that "Safeguarding" should be regarded from a "business" as opposed to a "political" standpoint. Such a plea is a favourite device of party politicians trying to foist unpopular and unsound proposals upon the electorate, and in this instance, as in others, can be rebutted very easily. Any proposal that calls for action on the part of Parliament necessarily comes within the sphere of politics, and the only ground on which it can be removed from this sphere is that the measure in question is an agreed measure approved by members of all parties.

The second claim that there is a distinction between "Safeguarding" and Protection is as fallacious as the first. It can be answered in two ways. The first is that of quoting admissions by other members of the Government. Two will suffice. In a debate with Sir Herbert Samuel on February 19th, Sir William Joynson-Hicks said:—"I agree there is no difference between 'Safeguarding' and Protection, but there is a difference between a general tariff and Protection granted under certain conditions." This admission goes half way towards bridging the gap that Mr Baldwin claims to exist. The second half of the bridge was built the previous autumn by Commander Eyres-Monsell, the Government Chief Whip. In his own constituency he said: **"I have always been a Tariff Reformer, but it is no use kicking against the pricks. The country will not have it all at once, so they will have to take it a bit at a time—which is being done by 'Safeguarding.'"**

Apart from such confessions of the Tariff Reformer's true faith, the real answer to this claim lies in a consideration of the procedure adopted by admittedly protectionist countries such as the United States of America. There, a permanent Tariff Commission is charged with the investigation of definite trading conditions and claims for amendment of the tariff and with the consequent recommendations to the Government and Legislature. The distinction between such a body and the permanent Safeguarding tribunal now proposed by the British Government is simply one of scope and efficiency, with the advantage on this score heavily in favour of the protectionist country. Again, Mr Baldwin's belief that a "general tariff" necessarily imposes duties upon all imported articles is hopelessly wide of the mark. Apart from the fact that the term "general tariff" possesses a totally different meaning, not even the most highly protectionist country imposes duties upon all imports. To cite the United States again, the list of "free imports" in the Fordney Tariff of 1922 comprises more than two hundred paragraphs, some of which include a large number of separate articles, while the late President of the United States has declared that this free list comprises no less than 65 per cent. of American imports.

Evidence such as this is amply sufficient to dispose of the claim that there is any real difference between "Safeguarding" and Protection. If returned to power Mr Baldwin promises almost unlimited scope for extension of "Safeguarding," for he has stated that no industry, except agriculture, shall be debarred from claiming a duty before the tribunal. In plainer words, he will open the door wide to General Protection.

And, be it remembered, the Tariff history of all countries clearly proves that, once duties are imposed, it is a matter of almost insuperable difficulty to remove them.

HOW WE LIVE.

A nation, like an individual, lives by producing those goods and performing those services for which, by tradition, experience and general capabilities, she is best qualified, and by exchanging them for those goods and services which she needs and which other nations can produce or perform more efficiently than she can. The process of exchange is known as foreign trade, and the wider and freer the opportunities for foreign trade are, the greater will be the prosperity of that nation and the comfort and well-being of her citizens.

The fundamental principle of foreign trade is that the more a country buys from the world, the more she can sell to the world. It does not follow that she will sell to the same countries as those from which she buys, for trade circulates through many channels before it returns to its starting-point. Mr. McKenna, addressing the shareholders of the Midland Bank in 1922, said: "Modern industrial and transport conditions have brought all countries into such close trading relationship as to make each an integral part of the trading world as a whole. . . . If Russia fails to buy tea in China or India, our Eastern market for cottons is narrowed, the United States sells less raw cotton to us, and our shipping, banking and insurance business is impaired. Illustrations could be multiplied indefinitely, showing how the trade of each country is linked up with that of the whole world."

Before the war, a well-known example of triangular trade lay between England, India and Germany. England sent cotton goods to India, who paid for them by sending her low-grade raw cotton to Germany, who, in turn, paid by exports of dyes to England. Since the war, England has severely restricted her imports of German dyes. This has broken the whole circuit, and it is significant that, since the war, Indian purchases of Lancashire piece-goods have fallen below their former volume.

The Empire Marketing Board have recently issued a series of posters for exhibition in British factories. They read somewhat as follows: "A contract is now in execution in these works for Australia. When it is complete, how are we to get more contracts from Australia? By buying, and getting your wife to buy, Australian products." They conclude with a list of such products as Australia sends to England. Now, the underlying argument of these posters is undeniably true, and they possess a distinct educative value. **But there is no especial magic about Empire as opposed to world trade, and a similar poster could be exhibited with equal force if the contract had happened to have come from Czechoslovakia.**

There is no mystery as to the broad essentials of the goods and services with which we supply other nations, and the goods and services which are received from them in return. Approximate figures of the country's balance of payments are published each year by the Board of Trade, and those for 1924 and 1928 are given below.

These two years are selected, not with any reference to the term of office of the present Government, but because they represent the year of the last Census of Production and the latest year available:—

	1924. £ million.	1928. £ million.
Goods and services supplied by the United Kingdom:—		
(1) Exports of British produce	801	723
(2) Net exports of bullion	12	Nil
(3) Net earnings of British ships	140	130
(4) Commissions of British merchants, bankers, insurance houses, &c.	75	80
(5) Interest on British investments overseas	220	285
(6) British Government receipts from overseas	Nil	13
	1,248	1,231
Goods and services supplied to the United Kingdom:—		
(1) Imports of foreign goods, less *re-exports*	1,137	1,076
(2) Net imports of bullion	Nil	6
(3) British Government expenditure overseas	25	Nil
	1,162	1,082
Surplus	86	149

The first lesson of this table is that the more goods we import, the more goods we export. Between 1924 and 1928, imports fell by £61,000,000; exports likewise fell by £78,000,000. The next is that it is futile to argue that our exported goods and services can be paid for otherwise than by imported goods. They cannot be paid for in the buyer's currency, for that is no use to the British manufacturer, merchant or shipowner, who must have sterling with which to pay his wages, rent, rates, taxes, &c. They cannot be paid for in gold, for the world's gold stocks are quite inadequate to meet the turnover of a single year of international trade. Britain's share of the world's gold is only £150,000,000 to set against her share of the world's foreign trade turnover of over £1,000,000,000. The next lesson is that, so far from Great Britain importing too many foreign goods, what she does import falls short by £100,000,000 or so of what she needs to pay for the goods and services she supplies to the world. This deficit is made up by Britain's loans made each year to the world, or, in other words, one-tenth of the goods and services she supplies the world with each year are sold by her on credit and not for cash. There is clearly a limit to the amount of credit Great Britain can give to the world, and so it is equally clear that any policy designed to prevent the rest of the world selling goods to Britain—and selling such goods as the rest of the world, taken country by country, is best able to supply—will render it difficult for the rest of the world to buy from Britain as much as it has done in the past.

The next point to consider is this: Of what do our £1,076 millions' worth of imports consist? Their broad composition is as follows:—

Description.	£ million.
Food, drink and tobacco	504
Raw materials	268
Manufactured goods	292
Animals and parcel post	12
Total retained imports	1,076

To this must be added £120 millions' worth of re-exports, raising the total of imports to £1,196 million. Now, no advocates of Protection to-day suggest seriously the imposition of duties upon food, though in agricultural districts they are hard put to it to explain why Protection is rejected because it will raise the price of foods, when in industrial districts they have already argued that Protection does not mean higher prices. Nor do they advocate the taxing of foreign raw materials, most of which cannot be produced in this country. So the point at issue really narrows down to the £292 million of imported manufactures—or, adding the £26 million of re-exports, the grand total of £318 million.

Of what is the total composed? This is shown in the following table:—

Description.	£ million.
Manufactured oils, fats and resins	38
Non-ferrous metals and manufactures thereof	33
Iron and steel	24
Apparel	20
Leather and manufactures thereof	20
Paper and cardboard	17
Woollen and worsted yarns and manufactures	17
	169

These seven categories account for more than half the total, and the list is a very fair sample upon which to work.

The most obvious point about this list is that many of these articles are "manufactured" goods only in name; in reality many are raw materials. The exact distinction between raw materials and manufactured goods is an almost impossible one to draw, for the simple reason that one man's finished product is another's raw material; and the Protectionist who declares himself in favour of only taxing manufactured goods and not raw materials inevitably impales himself upon the horns of this dilemma. This list by itself illustrates the point, and elsewhere it is calculated that, of the total of £292 million of imports of manufactured goods, £65 million beyond question consist of raw materials. If such border-line cases as leather, steel billets and worsted yarn be also classed as raw materials, this last figure would be greatly expanded. In fact, it is probably true to say that well over half the total of imported manufactured goods consists of the raw material of some important trade.

In such cases taxation is open to the same objections as in the case of goods which are actually classified as raw materials. Their exclusion by means of a Customs duty might conceivably help the industries concerned in their production; but it would be at the expense, firstly, of the industries that use these goods as their raw material, and, secondly, of the export industries and merchanting, distributing and shipping interests of the nation as a whole.

There is no evidence that an expansion in imports of manufactured goods entails increased unemployment; in fact, so far as the evidence is conclusive, it points to the contrary conclusion. This is shown in the following table:—

	Imports of Manufactured Goods. £ million.	Average Unemployment Percentage.
1922	230	13·3
1923	257	11·4
1924	300	10·5
1925	320	11·3
1927	322	9·7
1928	318	10·9

(The year 1926 is omitted, as the coal stoppage vitiates all statistics relative to that year.)

The average of imported manufactured goods for these six years was £291 million, and of unemployment 11.2 per cent. In 1922 and 1923, imports were below the average, and unemployment above the average. In 1924, 1927 and 1928 imports were above the average and unemployment below. **Thus, in these five years the statistics definitely show that imports of manufactured goods helped rather than hindered employment at home.** The only exception to the rule was 1925, when relatively large imports coincided with an unemployment percentage just above the six-year average.

It is no accident that this is the case, for it follows from the undeniable fact that the trades where unemployment is severest are either the export trades of those trades such as building and distributing, which, by their very nature, are entirely free from foreign competition.

We come now to the most essential factor in Britain's economic position. To Britain export is more vital than to any other country in the world. The importance of the export trades to the country's economic welfare and also the volume of employment available cannot easily be overemphasised. The following paragraphs contain the expert and unassailable estimate of the importance of Britain's export trade made for the *Economist* by Professor Bowley: The "

1924 is estimated at £1,630 million, or, including agriculture and fisheries, £1,870 million, after allowing for goods transferred from industry to agriculture and *vice versa*. The gross value of exports was £800 million, f.o.b. From this must be subtracted the cost incurred between the factories and the ports and the value of imported raw materials, &c., contained in the exports; and a rough estimate leaves £530 million as the value of the "net output" for export at the time the goods leave the factories or other places of production. **On this basis it appears that between 25 and 30 per cent. of the whole product of industry, mining, and agriculture is exported; of industry and mining alone the proportion is over 30 per cent.**

Professor Bowley, after reviewing other factors which come into play in estimating our total national income, reaches the conclusion that **as much as one-quarter of the national income depends on the existence of foreign trade. This aspect of the problem is vital. Of our total material production nearly 30 per cent. is exported. In the case of America the percentage probably does not exceed 7½ per cent. The calculation shows the overwhelming importance of our export trade, whose position Protection could not help and could hardly fail to jeopardise.**

The Professor's analysis drives home the old lesson that, whereas our economic life is so adjusted as to render it necessary for one person out of four to derive his livelihood from foreign trade, to-day only one person in five is able to do so. **To recover our prosperity and to reduce unemployment we must in the long run sell more to the world. We can only do so by buying more from the world.**

UNEMPLOYMENT AND PROTECTION.

The Protectionist, ignoring the fact that as a nation we cannot sell abroad unless we buy, puts forward the specious plea that in proposing to restrict imports he has a "cure for unemployment." Admittedly unemployment is our most serious problem, and if it were true that Protection offered even the faint hope of any cure for this disease, we should be the first to plead for its trial. **But an examination of recent unemployment returns and of the relation borne by our imports of manufactured goods to employment in different industries completely demolishes this argument.**

In order to compare last year's trade figures with those of unemployment at the end of the year, we have taken the Ministry of Labour's return relating to a date just before the Christmas holidays. On December 17, 1928, the number of persons, aged 16 to 64 inclusive, recorded as unemployed in all industries other than fishing was 1,329,135. From this total we may at once deduct the number out of work in occupations palpably "unprotectable." By this term we mean industries (*a*) in which there is no "import problem," *e.g.*, mining and shipbuilding; or (*b*) in which labour is essentially "sheltered," *e.g.*, building and internal transport; or (*c*) in whose case "safeguarding" would on any grounds be self-evidently useless as a stimulus to employment, *e.g.*, shipping, food and distribution:—

INDUSTRIES TO WHICH PROTECTION CANNOT BE APPLIED.

	Number Unemployed Dec. 17, 1928.	Percentage of Total Unemployment.
1. Mining and by-products	230,867	17·3
2. Building, public works, and constructional engineering	165,844	12·5
3. Distribution and commerce	99,719	7·5
4. Internal transport	93,080	7·0
5. Hotel, entertainment and various services	76,636	5·8
6. Shipbuilding and marine engineering	69,773	5·2
7. Food, drink and tobacco	39,751	3·0
8. Government	34,655	2·6
9. Shipping	26,180	2·0
10. Printing and publishing	10,336	0·8
11. Gas, water and electric supply	10,016	0·8
Total of above	856,857	64·5

Here is an enormous mass of unemployment, nearly two-thirds of the total, concentrated in these 11 industries and occupations clearly debarred by their character from encouragement by import duties. There remains, then, the balance of 472,278 persons unemployed in other manufactures.

INDUSTRIES IN WHICH PROTECTION IS TECHNICALLY POSSIBLE.

	Number Unemployed, Dec. 17, 1928.	Percentage of Total Unemployment.
1. Metal industries	157,826	11·9
2. Textiles	153,852	11·5
3. Apparel	63,205	4·7
4. Bricks, pottery, earthenware, glass	27,882	2·1
5. Vehicles	23,395	1·8
6. Woodwork	14,412	1·1
7. Chemicals, oils, &c.	12,791	1·0
8. Leather	6,198	0·5
9. Rubber	4,572	0·3
10. Paper	4,527	0·3
11. Miscellaneous	3,618	0·3
Total of above	472,278	35·5

Observing at once that the number out of work in the first two categories represents two-thirds of the total unemployment in this group, and that the aggregate unemployment in categories 3—11 represents only 12 per cent. of the total unemployment in the country, we may now turn to an examination of our manufactured imports and exports.

In 1928 the total value of our retained imports of articles described in the Board of Trade Returns as "wholly or mainly manufactured" amounted to £292 millions, against corresponding exports totalling £579 millions. From the import side of the account we may start by deducting £65 millions, the value of unfabricated non-ferrous metals, mineral oil, plywood, and undressed hides and skins (all essentially raw materials rather than manufactures), leaving retained "manufactured" imports at £227 millions. The export total requires also to be reduced for purposes of comparison by the omission of £26 millions made up of unfabricated non-ferrous metals, coke, and ships. Adjusted thus, the total import and export figures can be analysed as under:—

	Retained Imports. £ Miln.	Exports. £ Miln.
1. Textiles	51·3	234·1
2. Metal industries	57·9	151·2
3. Chemicals, oils, &c.	18·0	34·4
4. Vehicles	8·7	31·4
5. Apparel	18·2	26·2
6. Earthenware, pottery, glass	10·7	13·1
7. Leather	8·5	9·4
8. Paper	17·0	9·3
9. Rubber	3·2	3·4
10. Woodwork	5·8	2·5
11. Miscellaneous	27·7	38·0
Total	227·0	553·0

In our concluding table we show for the eleven manufacturing groups—in which we have arranged our sets of figures so as to obtain as accurate a basis for comparison as possible—firstly, the percentage of the total "manufactured exports"; secondly, the percentage of the surplus of exports over retained imports; and, thirdly, the proportion of the total unemployment in these industries (35.5 per cent. of the national aggregate) attributable to each group:—

FOREIGN TRADE AND UNEMPLOYMENT.

	Percentage of "Manufactured" Exports.	Percentage of "Export Surplus."	Percentage of Total Unemployment in these Industries.
1. Textiles	42·4	56·1	32·6
2. Metal industries	27·3	28·6	33·2
3. Chemicals, oils, &c.	6·2	5·0	2·7
4. Vehicles	5·7	7·0	5·1
5. Apparel	4·7	2·5	13·4
6. Earthenware, pottery, glass	2·4	0·7	5·9
7. Leather	1·7	0·3	1·3
8. Paper	1·7	—2·4	1·0
9. Rubber	0·6	0·1	1·0
10. Woodwork	0·4	—1·1	3·0
11. Miscellaneous	6·9	3·2	0·8
Total of above	100	100	100

It will be seen that 92.9 per cent. of unemployment in industries where protective duties are a possibility lies

in groups 1—6, which in turn account for 88.7 per cent. of our total " manufactured exports " and 99.9 per cent. of the net " manufactured export surplus." In other words, " safeguarding," if confined to industries not predominantly " exporting," would affect only 11.3 per cent. of the unemployment in the whole of these groups of trades, a figure which represents about one-fortieth part of the country's aggregate unemployment. **Hence it follows that when " safeguarders " claim to have a *remedy for unemployment, they are ipso facto either* claiming that " exporting " industries can be stimulated by a tariff (a "reductio ad absurdum"), or, alternatively, are propounding a nostrum inapplicable, as we have shown, to 39-40ths of the disease it professes (illogically, at that) to cure.**

THE PROTECTIONIST EXPERIMENT.

OUR PRESENT TARIFF.

Duties levied on goods entering the United Kingdom at the present time can be broadly divided under two headings, those Protectionist in intention or effect, and those of a purely revenue character, to which countervailing duties exist in the case of British-produced goods. There are also certain duties which rest on the border-line between the two classes, these being the duties on silk, *artificial silk*, and refined sugar.

Duties of the " Protectionist " order are as follows:—

(*a*) " McKenna Duties," first imposed during the war to check importation of what were then classed as luxury articles. They were repealed by the Labour Government in 1924, and re-imposed by the present Government in the following year. Their scope was extended in subsequent years. They are at the rate of 33⅓ per cent. *ad valorem* on the following goods, those of Empire origin receiving a preference of one-third:—

Clocks, watches and component parts; cinematograph films; motor cars, commercial vehicles, motor cycles and accessories, component parts and tyres for all motor vehicles; musical instruments and accessories.

(*b*) " Key Industry Duties," imposed under the Safeguarding of Industries Act of 1921, and renewed and modified by the Budget of 1926. They are due to expire *in August, 1936, unless their tenure is prolonged* by further legislation. No duty is payable on imports from the Empire. Imports from all other oversea countries are charged *ad valorem* duties at the rate of 33⅓ per cent., unless otherwise specified, in the following list:—

Optical glass and *optical instruments and components* thereof 50 per cent. *ad valorem*; scientific glassware, lamp-blown ware and laboratory porcelain; galvanometres, gauges and scientific measuring instruments; component parts of dutiable scientific instruments; wireless valves; ignition magnetos; arc lamp carbons (1s. per lb.); hosiery latch needles, metallic tungsten and compounds of thorium and other rare earth metals; amorphous carbon electrodes, excluding primary battery carbons and arc lamp carbons (*v. supra*); molybdenum and vanadium compounds; and all synthetic organic chemicals (other than synthetic organic dyestuffs, colours, and organic intermediate products imported for use as such), analytical re-agents, fine chemicals, and chemicals manufactured by fermentation processes.

(*c*) " Safeguarding Duties," imposed under the procedure laid down in the White Paper issued in the spring of 1925. These duties are as follows:—

Lace and embroidery, 33⅓ per cent. *ad valorem*, as from July 1, 1925; fabric and leather gloves, 33⅓ per cent. *ad valorem*, as from December 22, 1925; gas mantles, 6s. per gross, as from December 22, 1925; cutlery, 33⅓ per cent. *ad valorem*, as from December 22, 1925; packing and wrapping paper, 16⅔ per cent. *ad valorem*, as from May 1, 1926; translucent pottery tableware, .28s. per cwt., as from April 19, 1927; buttons, 33⅓ per cent. *ad valorem*, as from April 28, 1928; enamelled hollow-ware, 25 per cent. *ad valorem*, as from June 13, 1928.

In every case under this heading the duties were imposed after an investigation and recommendation by an *ad hoc* Safeguarding Committee appointed to inquire into the matter.

(*d*) Next come several border-line cases. These include:—

(1) Hops, a duty of £4 per cwt. on imported hops was imposed in 1925, to last for four years.

(2) Silk and artificial silk. These duties were imposed in 1925, and vary according to the class of material and the stage of manufacture. In every case, however, the *Customs* duty upon the imported article is heavier than the corresponding Excise duty upon the home article, and so they are a distinct border-line case.

(3) Refined sugar. The changes in the sugar duties made in the 1928 Budget gave a definite measure of preference to home-refined sugar.

(4) Petrol. The tax of 4d. per gallon on petrol and kindred oils imposed in the 1928 Budget does not apply to oil of home origin.

Duties of the " Revenue " order, in addition to the border-line cases of silk, artificial silk, refined sugar and petrol, cited above, are these:—

Beer, playing cards, coffee and chicory,* cocoa,* preserved fruit, matches, spirits,* sugar,* molasses,* glucose,* saccharine,* articles containing sugar or sweetening matter,* table waters, and wine.* In the case of those items marked with an asterisk, a preferential duty is imposed on articles of Empire origin, which as a rule equals five-sixths of the full duty. Preserved fruit of Empire origin is admitted free, spirits only enjoy a small preference, Empire wines enjoy preferences at varying rates, while the preference upon Empire sugar was stabilised in 1925 at 4s. 3½d. *per cwt. for a period of ten* years, unless the duty upon foreign sugar is reduced below that level.

For the financial year 1927-28 the net receipts from Customs duties were as follows:—

	£
(*a*) McKenna duties	3,563,181
(*b*) Key industry duties	632,510
(*c*) Safeguarding duties	1,507,977
Protection duties	5,703,668
Protection duties	5,703,668
Border-line cases†	5,084,543
Revenue duties	101,159,266
Total	111,947,477

The receipts from purely protective duties are thus only £5,700,000 out of a total Customs revenue of £111,900,000. The border-line case of £5,084,543 comprises £317,135 for hops, which is a purely protective duty; the balance of £4,767,408 represents the yield of the Customs duties upon silk and artificial silk.

" SAFEGUARDING " PROCEDURE OLD AND NEW.

The Safeguarding policy pursued by the present Government, during 1925-29, is embodied in the White Paper entitled: " Procedure and Enquiries," which was laid before Parliament in February, 1925. An essential feature has been that the Board of Trade retained a preliminary right of veto over all applications. None has been referred to a committee unless the Department was satisfied that the applicant industry could " reasonably be regarded as of substantial importance," and that there was *prima facie* evidence of abnormal, unfair competition, &c. Cases that have survived this preliminary scrutiny have been examined by Committees in the light of evidence, counter-evidence and cross-examination, designed to ascertain whether the retained imports complained of are abnormal in quantity; offered for sale here at prices below those at which similar *goods* could be profitably manufactured in the United Kingdom, and seriously prejudicial to employment in the applicant industry: also, whether the " exceptional competition," if any, comes mainly from countries " where the *conditions* are so different from those in this country as to render the competition unfair " (e.g., by reason of depreciated currencies, subsidies, or inferior conditions of employment in the matter of wages or hours). The question of reasonable efficiency and economy in the applicant industry has also been raised, and the further question (important to note) " whether the imposition of a duty on goods of the class or description in question would exert a seriously adverse effect on unemployment in any other industry, *being an industry using goods of that class or description in production.*"

† Excluding refined sugar, which is included under revenue duties. The petrol duty, estimated to yield £12,000,000, was not in force in that year.

As rules of procedure, these " instructions to committees " have been seriously criticised because of their vagueness, notably in the matter of the words " abnormal " and " exceptional," which, being undefined in the White Paper, have given rise to endless arguments and have, in fact, been differently construed by different committees. But, though this may have been inconvenient (and in any case some such limiting terms were obviously *necessary if Mr Baldwin's* pledge was to be conserved) more serious criticism could be levelled at the policy involved in the particular instruction quoted above as to the probable effect of a duty on *employment* in other industries. **The instruction is so circumscribed that, as the Balfour Committee has pointed out, it affords quite inadequate safeguards for the interests of third parties, including those of the general consumer.** It might be difficult for the latter to be a party at the Enquiry, but at least it seems indefensible to consider the tariff application of a particular industry in practical isolation from the broad interests of our national industries generally, and to confine the right of consideration to such industries (if any) as may happen to be direct customers of the applicants for raw material. The dangers inherent in such a policy have been accentuated by the practice of appointing *ad hoc*, and quite unrelated, amateur committees to conduct the Enquiries.

The principal changes proposed by the Government (House of Commons, November 14, 1928), to take effect if and when Mr Baldwin is returned to power, are:—

1. The removal of the preliminary Board of Trade veto;

2. The establishment of a single standing tribunal to hear all cases.

3. The repeal of the clause which at present requires an applicant industry to be of substantial importance (thus opening the door to a flood of small Enquiries which must rapidly overwhelm the time-table of any such Tribunal);

4. The removal of all reference to " abnormal " or " exceptional " competition—it merely being required henceforth to show that the foreign imports complained of are being imported for sale in the United Kingdom " in quantities substantial in proportion to consumption in this country "—a very different matter. As against this the applicant industry will have to show " that it could *materially* increase its present output." Presumably, this is meant to safeguard the position where the home industry is quite unlikely to be able to supply the needs of the country; but, if this is the object, the wording will require to be very much more strict, for surely almost any industry could successfully maintain that it " *could* materially increase its present output."

With regard to the potential effect on other industries, the wording of the rule is to be varied to read as follows: " Whether the imposition of a duty . . . would exert a seriously adverse effect upon employment or costs of production in any productive *industry*, including agriculture." **The difficulties of constructing a tariff by this " piecemeal " method are only surpassed by the grave danger that in practice one tariff after another will be recommended as not being calculated (in itself) " seriously " to injure employment elsewhere, while the cumulative effect of such innocent looking duties will be to create at no distant date a new fiscal environment poisonous in the extreme to industries—some of them large exporting industries—to whom these tariff favours are inapplicable or denied.**

" SAFEGUARDING " DUTIES.

In the vigorous attempt that is being made to create an illusion of triumph for the policy of Safeguarding, a principal method adopted is to lump together the import and export figures respectively of all trades which have *in recent years become subject to protective duties*, even though many of these duties were not imposed either for safeguarding purposes or under such conditions as are insistently declared to be necessary to justify safeguarding. In this way the silk and artificial silk, the motor-car and the gramophone figures are habitually trotted out as if they were all of a piece with the figures of those trades which have been protected in pursuance of the declared policy of the Government. **This does not suggest on the part of these apologists an over-confidence in the actual " Safeguarding " material which is at their disposal.**

The illusion, however, tends to become formidable when we are now informed, on the basis of total figures recently given in the House of Commons, that (if we compare the year 1924 with 1928) " the exports of Safeguarded articles have gone up by nearly £10 million, while the exports of non-Safeguarded articles have gone down by about £50 million." Therefore, it is worth while (though it seems lamentable that it should be necessary) to point out that the £10 million increase is amply accounted for by the returns for artificial silk, motor-cars and gramophones (all of which from well-known natural causes are expanding trades)—with the necessary corollary that the " Safeguarded " trades show a decreased and not an increased return in exports. With regard to the so-called " non-Safeguarded " industries the £50 million decline only looks imposing until we are reminded that one single item, *viz.*, " cotton yarns and manufactures," is responsible for a decline of nearly £54 million! **Surely nothing more need be said to discredit this method of hotch-potch statistics. It is worthless as a sign-post for fiscal deductions.**

In a series of articles last autumn the *Economist* surveyed in some detail the particular Safeguarding experiments conducted by the present Government in respect of lace, cutlery, gloves, gas mantles, wrapping paper, pottery, buttons and enamelled hollow-ware. Nothing has since transpired to modify in any essential points the impressions we then gathered. A piece-meal survey, however useful in itself, still leaves open for debate the more serious question of the cumulative effect of these detailed adventures on the structure and well-being of our national trade as a whole. It would be quite possible for duties in every *case materially* to benefit particular industries (selected irrationally for tariff favours) and yet to prove a disastrous national liability in the end. But so far as we have gone at present *the quantum of benefits* accrued even to the alleged beneficiaries is none too clear.

Lace.—The Lace Duty was born out of misleading figures and seems doomed to maintain its reputation. Before the 1925 Tribunal the Applicants submitted percentage estimates of home sales which yielded a result now known to have been wrong to the extent of about £2 million! This makes us cautious in accepting at their face value the estimates of their current propaganda, which claim (*e.g.*) that their home sales have actually increased by 125 per cent. during the duty period. Indeed, the claim is incredible, for after allowing for the fall in exports, this would mean that the sale of Nottingham products had enjoyed a net increase of over £3 million. This, in view of the trifling increase in employment, is absurd. Obviously the returns on which the claim is based are no true index to the state of the industry as a whole. Are they confined to the fancy trimmings section (*which is the only section* that is subject to competition from imports)? If so, we have to note that imports in 1928 were actually higher than in 1924, and that therefore an increase in *Nottingham home sales* can only have been due to an extension of demand. The suggestion is made (we understand) that though fashion is indeed the cause of this expanded demand, the enlarged orders would, but for the duty, have been captured by the foreigner instead of by Nottingham. We think, however, this claim has been much over-stated, especially in view of the proportionately large increases in sales of

artificial silk lace trimmings—an item in which the evidence at the 1925 Enquiry tended to show that Nottingham needed no price protection. Happily the revival of the fashion for lace is likely still further to help the trimmings factories. The major part of the industry (curtain goods and plain net) needed no safeguarding, as at no time have imports equalled 1 per cent. of the British production. **Our re-export trade has certainly suffered.**

Cutlery.—Here again very wrong figures were submitted to the Tribunal. The production was given as 2½ million dozen instead of over 6½ million dozen pieces. It is hard to be patient with discrepancies so wide. As recently as February this year it was admitted by the Government in the House of Lords that there was no perceptible improvement in this safeguarded industry except in the matter of safety razor blades. This is not surprising, since the bulk of the imports that were complained of were cheap pen-knives, scissors, etc., separated in price and quality by a very wide gulf from the Sheffield products, and these imports continue.

The recent expansion of the safety razor trade is well known, but the claim that it is due to safeguarding will not bear investigation. The only "imported" blade which competes with the safety razor blades made in this country is the Gillette, which is merely "finished" in America from Sheffield Wafer Blanks exported for the purpose, and the safeguarding duty, being calculated only on the small value of the American finishing process, is so small that it has not affected the selling price of the article. The import of these blades manufactured in Sheffield and edged in the U.S.A. is vastly higher than it was before the duty. The very cheap German blades (which can be bought as cheaply as 1s. per packet) cater for quite different markets and do not affect the question.

Gloves.—There has been some improvement in employment in the leather glove industry. British production is higher than it was just before the duty, though the increase is by no means so marked as is pretended, since the J.I.C. estimate persists in giving the 1924 British production as only 433,000 dozen pairs, when, in fact, the Census of Production shows that it was 533,000. On the other hand, the case of fabric gloves seems to be a supreme example of safeguarding failure. After years of safeguarding there is a production of less than 300,000 dozen pairs per annum in this country against an importation of nearly 1½ million dozen pairs. **The public, who are buying five pairs of foreign gloves to every one pair of English, are bearing directly or indirectly a tax of nearly £300,000 per annum paid to the Treasury.** Such employment returns as are available seem to indicate that there are actually fewer workers employed on fabric gloves than there were when the safeguarding enquiry took place, though less short time is being worked. The annual consumption of fabric gloves is much higher than it was, but the share of the trade enjoyed by the British glove makers is distinctly less than it was in 1924.

Gas Mantles.—Though foreign imports have been practically stopped—not by the duty but by the payment of a substantial annual British subsidy to the German manufacturers—British production has not materially increased. The industry, which is too diffuse and is over-capitalised, enjoys a practical monopoly of this market, without, however, improving its export trade.

Packing and Wrapping Paper.—Here we are dealing with an article which is an essential raw material to many British industries. The effects of the duty are a little obscure. Stress is being laid upon the increased manufacture of kraft papers in this country; but it is well known in the trade, firstly, that we had already lagged terribly behind in this matter, and, secondly, that a factor more important than the duty was the advent in 1926 of the Sale of Food (Weights and Measures) Act, which practically destroyed the demand for "Royal Hands" and produced in the grocery trades a substitute demand for coloured sulphites, etc.

A fall in the price of wood pulp has, of course, affected all wood-pulp papers. The landed value of Scandinavian wrapping paper has fallen by over 10 per cent. This clearly is not due to "the foreigner dropping his price to meet our duty"; for the price fall is even more marked in the case of printing and writing papers, which are not dutiable. **But the British industrial user of imported kraft has been robbed of the benefits of the price fall (which his Scandinavian competitor enjoys) by reason of the Customs duty of 16⅔ per cent.**

Pottery.—We have not seen it claimed that Longton unemployment has been relieved by the heavy safeguarding duty on imported felspar china. On the other hand, clamour has arisen against a certain quantity of foreign earthenware which is now being imported in place of the cheapest foreign china. The broad facts are that there is less foreign domestic pottery being imported to-day than there was before the duty; but nevertheless unemployment in the domestic section of the British industry is worse to-day than it was. A heavy fall in the export trade (which is a very substantial matter for the Potteries) is the ostensible cause. How far this fall is due to increased competition which British earthenware is meeting in foreign imports of felspar china is a matter of controversy; but it is significant that Czecho-Slovakia reports a fall of 67 per cent. in her china exports to England since our duty, but that this loss of trade has been "more than made up" by increased sales in neutral markets.

Of the remaining two duties (buttons and enamelled hollow-ware) it is too early to attempt an estimate.

It remains, therefore, unproven, as the Balfour Committee has said, whether on balance even the protected industries themselves have gained; while of the disturbing effects of the duties in other branches of the national life no estimate is possible.

MOTORS AND SILK.

The Prime Minister and his colleagues now publicly link the McKenna with the Safeguarding duties. Indeed, they quote motor cars and artificial silk as striking examples of the "success" of "Safeguarding"! But is there any justification for the Safeguarders' claim that these industries owe their expansion to Protection? Let us examine some of the facts and figures relating to these three industries.

MOTOR CARS.

With the spread of the motoring habit, and the increasing use of motor vehicles for commercial purposes, the expansion of the motor industry was inevitable whatever the fiscal system in operation. The industry has been protected since 1915, except for eleven months, August 1, 1924, to June 30, 1925. It was only after 1922, however, that the industry began to expand on a big scale. Here are the production figures of British cars (excluding commercial) since 1922:—

1922	38,419	1925	133,500
1923	64,000	1926.....	158,699
1924	107,000	1927.....	161,920

(It has been stated recently by representatives of the trade that the production for 1928 fell below that of 1927.)

These figures show that the output more than quadrupled in five years. It is significant that the greatest increase occurred in 1924 and 1925, which included the Free Trade period. **Thus the prophecies of disaster so confidently made by Protectionists in 1924, when the duties were removed, were completely falsified by events.** Why did the production of cars increase so rapidly after 1922? Solely because of the coming into vogue of the small car. This is proved by the fact that of the 161,920 cars produced in 1927 no fewer than 121,400, or 75 per cent., were produced by three firms—Morris, Austin, and Singer. The other 45 firms produced only 40,500 cars between them. The "Big Three," of course, specialise in the small car. Nearly 90 per cent. of the cars produced in this country are of 14 horse-power or less.

The effective Protection enjoyed by British manufacturers—especially the manufacturers of small cars—is the horse-power tax, which has meant concentration on engines of low horse-power to ensure a low tax. American cars, on the other hand, are of high horse-power, which means a high tax. The reason why English people do not buy American cars to any extent was explained recently by Sir Herbert Austin, who said that they "could not afford to pay the heavy tax necessitated by their big horse-power."

It has already been shown that the greatest increase in production of cars took place in 1924 and 1925. What of exports? Here are the official figures (to the nearest thousand):—

July to June.	£	July to June.	£
1922–23	3,000,000	1925–26	9,700,000
1923–24	4,900,000	1926–27	10,400,000
1924–25	8,600,000	1927–28	9,200,000

It will be seen that the increase during the year ending June, 1925, which was the Free Trade year, was nearly £4,000,000—a far greater increase than in any year under Protection. In fact, since 1925 there has been only a comparatively small increase, and in the year ending June, 1928, the exports declined considerably, and were only £600,000 more than in the Free Trade year three years earlier. And if we take the calendar years the exports in 1928 were £800,000 less than in 1925. **Obviously the restoration of the McKenna duties has not assisted our export of cars.**

There are no separate official figures of employment for the motor industry; the Ministry of Labour groups them with those for cycles and aircraft, neither of which is protected. In this combined group the yearly increases have been as follows:—

Year ending June.	Increase on previous year.
1925	13,705 or 7·6 per cent.
1926	10,102 or 5·2 per cent.
1927	6,548 or 3·2 per cent.
1928	7,015 or 3·3 per cent.

Thus, the greatest increase in employment took place during the Free Trade year ending June, 1925. The increase in 1928 was less than half what it was under Free Trade.

Safeguarders generally quote the total figures as though they related only to the motor-car industry. This is erroneous and misleading. A considerable proportion belongs to the motor-cycle industry. Though coming under the McKenna duties this industry is practically unaffected by them, as there is little or no foreign import. In this industry we are supreme, and are ousting competitors from foreign markets. Since 1922 our exports of motor cycles have increased eight-fold. Furthermore, the enormous expansion of the pedal-cycle industry—which is not protected—also accounts for a large part of the increase. Exports of cycles increased from 201,000 in 1924 to 339,000 in 1928. Then there is the aircraft industry—also not protected—which is expanding, and must be given credit for part of the increase. Moreover, it must be remembered that the employment figures include workers in the innumerable garages and repair shops throughout the country, and these form a substantial proportion of the total. These facts should be borne in mind when Safeguarders quote figures of employment in what they call the "motor industry."

A review of all the facts and figures reveals no justification for the claim that Protection has caused the expansion of the motor industry. It made its biggest stride in the Free Trade year.

ARTIFICIAL SILK.

Safeguarders claim that the development of the artificial silk industry is due to Protection. But it was expanding rapidly before the duties were imposed in 1925. In fact, it was the phenomenal prosperity of this industry that attracted a Chancellor of the Exchequer in need of additional revenue. Although his professed object in imposing the silk duties was the raising of revenue Mr Churchill gave them a protective turn of about 20 per cent. in favour of the home producer. With the increasing popularity of artificial silk fabrics the continued expansion of the industry was natural and inevitable, whether it had Free Trade or Protection.

Protectionists boast about the growth of artificial silk exports since the duties were imposed. Of course, they have increased, but they increased at a much greater rate under Free Trade. During the three years ending 1924 the exports of artificial silk yarns and manufactures increased by 153 per cent. During the three years ending 1928 they increased by only 88 per cent. Thus the rate of increase under Free Trade was nearly double what it has been under Protection.

Take re-exports. During the three years ending 1924 re-exports increased by 400 per cent. During the three years ending 1928 they decreased by 4 per cent. The rate of increase in imports has certainly declined under the duties, but the value increased from £5,500,000 in 1924 to £7,000,000 in 1928.

The price of artificial silk is certainly lower than in 1925, but this cannot be attributed to Protection. In the first place, there has been a drop in the world price. And Mr Churchill has himself admitted that his tax has intercepted a reduction in price which otherwise would have reached the consumer in this country. Moreover, as Mr Courtauld pointed out recently, several new producers, being short of cash, last year "incontinently" threw their productions on the market at any price they would fetch, "well below any possible true cost." In consequence, Messrs Courtaulds themselves had to reduce their prices last December by an average of over 15 per cent, which, as Mr Courtauld said, "has cut a very big slice off our margin of profit." This fall in price, therefore, had nothing to do with Protection, except that new producers came into the industry without adequate financial resources—hoping probably to benefit under the shelter of Protection—and found themselves in difficulties.

THE CASE OF IRON AND STEEL.

The Prime Minister has promised that, if the Conservative party is returned to power at the General Election, a Committee shall be appointed to hear the case of the iron and steel industry for protective import duties. The advocates of Protection for the Iron and Steel industry claim that imports are large and "abnormal"; that they come mainly from countries which enjoy "unfair" competitive advantages—lower wages, smaller capital costs, and lighter taxes and social charges—and pursue an unfair commercial policy—"dumping" in one form or another; that this substitution of foreign for British steel reduces the output of British plants, lessens British employment, hurts profits, and is generally harmful to the British industry. All these disadvantages could—so the safeguarders allege—be swept away if a duty were levied on imported iron and steel. Such a duty, suitably framed, would—so they assert—neither raise prices nor injure the consuming trades; but it would enable production in British works to expand, it would increase employment, and its beneficial effects would gradually percolate throughout the iron and steel industry, and, indeed, the whole nation.

The protectionists' case—which we have tried to state as fairly as the limitations of space will allow—bears at first glance a plausible aspect; but it is really based on faulty reasoning and a fundamental misunderstanding of the present situation.

In the first place, in so far as their case rests on the exceptional conditions of the years immediately following the war, when world-wide disturbance and disorganisation loosed many hurtful forces, or on the confused circumstances of the later years of currency inflation and stabilisation abroad and the return to the gold standard at home, the steady march of events towards stability has undermined its foundations. In the conditions of the post-war world, where vast territorial changes have been made, and the iron and steel industry in France, Belgium and Germany reorganised almost from top to bottom, current imports of iron and steel, though larger than just after the war or in 1913, are probably not "abnormal." And the slow but very persistent increase in real wages which has proceeded in Europe ever since the stabilisation of the Continental currencies is relentlessly decreasing any such spurious advantages as remain from the earlier epoch

of inflation and disorder and bringing all producing countries abroad down to the bedrock of natural advantages, skilled, efficiency and organisation.

In the second place the advocates of protection appear to misunderstand the effects of a tariff on iron and steel, and they, therefore, greatly underestimate the injury it would cause. They claim that a properly framed duty—though neither its amount nor the range of products it would cover has ever been stated—would exclude the great bulk of imported iron and steel, and yet would not raise prices. But where would the excluded iron and steel go? Foreign producers would not see themselves shorn of their British markets without making the most strenuous efforts to find other outlets elsewhere. **Competition on the international markets would become ruinously intensive, and, in the outcome, British exports would probably fall more or less commensurately with the volume of excluded imports.** To-day Great Britain makes roughly 8½ million tons of steel, imports three million tons, and exports 4½ million tons. Under protection she might import only one million tons; but her exports would fall probably by about two million tons, and her total output would remain stable at roughly 8½ million tons. Her lost two million tons of exports would be divided between Germany, France and Belgium, who would have to find markets for that tonnage in order to maintain their own output at their present figures; and during the period of readjustment the struggle in terms of prices would be calamitous. Moreover, as we show elsewhere, the policy of trade restriction must hamper seriously the activity of our merchant shipping, and hence lead to a contraction in British shipbuilders' demand for iron and steel.

Turn to the claim that an import duty would not raise prices. A large volume of production is expected (though that, as has just been shown, would not be obtained by Protection); and it is asserted that increased output, by enabling overhead charges per unit of product to be reduced, would keep prices down to their existing level. If this were so, then either it would be possible for steel masters to do this to-day and so take over tonnage now bought abroad; or else, if impossible to-day, it will still be impossible under Protection, and prices will rise. From this dilemma there is no escape. And since the mere introduction of a tariff would of itself bring in no cheapening influence, it follows that, in all likelihood, prices would rise under protection. At present about 50 per cent. of the British output of steel is exported directly, and between 65 and 75 per cent. indirectly. A rise in the price of steel in consequence of Protection would jeopardise the exporting position of all the using trades. But these trades, on a conservative computation, employ seven times as many workers as the heavy iron and steel industry alone, and the value of their net output is nearly six times as large. **Hence, neither employment nor production nor the nation's income would be increased by a tariff on iron and steel; on the contrary, apart from other contemporaneous influences, they would be diminished.** To impose a tariff on iron and steel at the advice of the Safeguarding Committee, which would have listened simply to the appellant industry and not reviewed the broad requirements of the nation's economic life as a whole, would be to take a dangerous leap in the dark. **Moreover, once having granted Protection to a major industry such as this, the country would be on the high road to a complete reversal of its fiscal system.**

The third mistake made by those who prescribe Protection as a remedy for the iron and steel industry's present ills springs from faulty diagnosis. They claim that to-day foreign competition is unfair. They overlook the fact that before the war wages and social charges, and perhaps also the cost of capital, were lower abroad than in Great Britain, and that the British steel trades, in the decade before the war, nevertheless prospered marvellously. Even though since the war there may have been changes in these factors of production to Britain's disadvantage, the changes are by no means sufficient to explain the present depression. The true cause lies in the change in **relative** costs, a change which has come about primarily—as the Balfour report asserts and as outstanding British steel masters have admitted—because the **average** foreign plant has been made far more efficient in recent years than the **average** British plant, and also because the organisation of the industry on the Continent is much closer knit and much stronger than in Britain. It is no answer to these statements to claim that the best British concerns are at least equal to the best concerns abroad, or to explain Britain's relative inferiority by pointing to history. The fact remains that, for reasons by no means wholly discreditable, Britain's iron and steel industry has not advanced as far or as fast as that of her rivals, aided by the events of the war or the currency inflation of the peace.

Because this relative backwardness of the British industry and the existence of excessive productive capacity are the tap roots of the present difficulties and discontents—and not "unfair" foreign competition as the safeguarders erroneously claim—Protection, which could do nothing for these troubles, is no remedy. Only by drastic reorganisation and sweeping modernisation can the industry be restored to health. **Protection would probably not even remove the symptoms; it would certainly leave the full adaptation of the iron and steel industry to the new conditions of the modern world, it would hamper the nation as a whole in its current task of industrial reorganisation, upon the successful completion of which depends the reattainment of full national prosperity.**

INVISIBLE EXPORTS—THE CITY.

We, as a people, live not only by producing goods, but also by rendering service. Those within the latter category have as much right to claim that their livelihood should not be interfered with as have those within the former category. The shipper, the merchant, the distributor, on the one hand, and the banker, the financier and the underwriter on the other, all perform a necessary service, and the equally vital services of those engaged in transport, both by land and sea, must not be forgotten. Without services such as those specified it is safe to say that firstly no goods could be produced at all, and secondly, if they were, they would be left to moulder in the manufacturers' warehouses, and the consumers' needs would go unfilled.

London renders these services not only to our manufacturers and exporters, but also to importers of foreign goods and to the world at large, and the widespread field covered by these services decreases their cost to all who make use of them. Our exporters need ships to carry their wares overseas. Without imports those ships would have to return in ballast, and the exporter would quickly find that his freight for the outward voyage would be fixed so as to cover the cost of the trip both ways. Our manufacturers and exporters both depend on the banks for financial aid, and the banks make them advances, open for them credits, and accept and discount their bills. Our banks also perform these services for manufacturers and traders all over the world, and as with the shipowner, the widespread nature of their business enables them to offer to all their clients the finest rates.

It is no accident that Great Britain has become the world's carrier and financier. It is due to three essential things. The first is Britain's geographical situation at the gateway of Europe to the West. The second is the long maritime traditions and experience of the British nation. The third is that Free Trade throws the ports of Britain wide open to the world. **Close our ports with barriers of Customs duties, red tape and formalities, and our maritime and financial supremacy would speedily become endangered. Once that were lost, a large source of the national income would disappear, and with it our power to finance and carry our own trade at the cheapest rates.**

In 1928 British ship-owners earned for the country £130,000,000 from abroad. British bankers, financiers and insurance houses earned another £65,000,000, and "other services," including expenditure by visitors to our shores, accounted for a further £15,000,000. Finally, interest on British capital invested overseas brought us in £285,000,000, making, with £13,000,000 of Government receipts from abroad, a grand total of "invisible exports" of £508,000,000. This sum fell due to us in 1928, and was just as much an export item in the nation's trading account as were the £723,000,000 of British goods shipped overseas. For every seven pounds' worth of goods we sell abroad we sell five pounds' worth of services, and those who render the services are just as important and have just as much claim to consideration as those who make the goods.

A glance at the Stock Exchange Official List, crammed with securities of all climes and countries, should be a sufficient argument to convince any open-minded person who doubts whether Free Trade is good for the City, and his conviction would be still more emphatically confirmed if he could turn over the contents of the portfolios of the discount houses. The City maintains its great population with a standard of prosperity that is the envy of humbler centres, because its bankers, financiers, accepting houses, discount houses, produce merchants and all the subsidiary industries that live on them have assisted in the financing of world development, world production and world trade. British capital has been poured out all over the globe, increasing its productive power, and British credit supplies all the world, through our acceptance and discount machinery, with unrivalled facilities for financing the period between production in one part of the earth and consumption in another. Any restriction on the free passage of goods between one country and another, and especially across the borders of Great Britain, the great *entrepôt* of international trade, tends at the same time to restrict the profits of the City, which earns so much of its livelihood from the free movement of goods and of capital and of credit.

London's business has been built on international trade and the international connections, in finance and credit that trade has brought with it. **To lend money to all the world and then try to restrict our imports is to invite all our debtors to repudiate their obligations, by making it difficult and expensive for them to pay their debts by the only means by which international debts can finally be paid, namely, by the delivery of goods and services.** For the present it is understood that we only propose to tax manufactured articles, and so all those to whom we have lent money to produce food and materials will not, at first sight, be directly affected. But the manufacturers, shut out of our market, will, if the proposed tariff be at all effective, be less eager buyers of food and material, and examples have of late years been plentiful that show how trade dislocation, wherever it may be, has an effect that spreads in widening circles and makes itself felt in most unlikely places. British investors and financiers having given hostages to fortune by lending money all over the world, would indeed be blind to their interests if they favoured any policy that restricted the paying and purchasing power of the customers whose solvency affects their own prosperity so closely. In fact, the interests of the City are so international that this country has been accused of following a bankers' and financiers' policy in allowing borrowers to come here for money and leaving them free to spend it wherever they like. It is true that is a bankers' policy, because our international banking has often got financial business in competition with foreign centres owing to the absence of restrictions on the spending of the money lent. But bankers are not so shortsighted as to favour a policy which would be bad for British trade and their home customers, and in practical fact we cannot lend money abroad without stimulating our exports. There is no need to restrict borrowers in this respect, because when they borrow in London they, or somebody else to whom they hand the credit on, can only take the proceeds in British goods and services. As the City editor of *The Times* aptly observed some years ago, we lend British legal tender, and it can only, ultimately, be spent in Great Britain. **By restricting the movement of British capital we increase unemployment by restricting British trade. By restricting foreign trade we do likewise, and tariff tinkerings can only have the effect of leaving the City with fewer loans to float, fewer securities to deal in, and fewer bills to accept and discount.**

PROTECTION AND AGRICULTURE.

Protection for agriculture might appear to be ruled out of consideration by the repeated assurances of Protectionists that they have no intention of imposing duties on food. **For the immediate future, no doubt, it is. But in the long run the growth of protective duties on manufactured imports is the road that leads to food duties; for the simple reason that you cannot go on indefinitely making farmers pay more for what they have to buy and at the same time resist their plea for artificial raising of the prices of the goods they have to sell.**

It is therefore as well to examine the effects which might be expected from the imposition of duties on agricultural produce. It is perhaps superfluous to labour the depressing economic consequences which would result from such an artificial raising of the cost of living, with its repercussions on wages and on the cost of the social services. But in case there are people who believe that this would not be too great price to pay for the restoration of British agriculture, it may be worth noting that the evidence is all against the belief that import duties would materially help the farmer. The prices of agricultural products are fixed in the international market by the size of the surpluses available in the exporting countries, and as the amount of these surpluses is largely beyond the control of the producers, the necessity of disposing of them somehow is likely to override the effect of a tariff. Countries like Switzerland and Norway, which have attempted to check the effect of surpluses on the home market, have seen the uselessness of duties and have tried to meet the situation in other ways.

Granted, then, that there is no case for "Safeguarding" agriculture, what are Protectionists asking of the farmer? They are asking him, as a class one of the most distressed groups of producers in the country, to sit by and watch—or rather not even that, but to work strenuously on—while one by one other industries, some more needy and many very much less needy than himself, receive palliative measures which raise the price of everything he has to buy. The wider the Protectionist net is spread, the more tightly the farmers are squeezed between the upper and the nether millstone, as witness the plight of the farmers in the United States. Fertilisers, tools, machinery, labour, dairy equipment, household appliances, building materials, power, almost everything the farmer uses, will cost him more, whereas his products will at best remain stationary, and are more likely to fall in consequence of the general reduction of purchasing power. Further, Protection may very well intensify the competition of foreign agricultural products with his own, since the partial closing of a given market to certain commodities, in so far as it is not balanced by a diminution of exports, must lead to greater imports of those commodities to which the market is still open. The farmer will stand a good deal, but he is already becoming vocal, and it is hardly to be expected that he will stand this. Then what are the Protectionists going to do?

So much for the economic aspects of the question. It is, however, not uncommon for persons who are too acute to suppose that purely economic benefit could accrue from protecting agriculture to contend that such Protection is none the less desirable on other grounds. Arguments of this kind are mainly two, of which one is almost exploded. We grow at present about one-fifth of our wheat requirements, and it has been demonstrated often enough that it is out of the question for us to produce the remaining four-fifths, as would be necessary if we were to be able to withstand complete economic isolation in time of war. But in the event of such isolation, how could we prosecute a war without supplies of those minerals which are indispensable to the manufacture of munitions, and which no amount of Protection would enable us to produce for ourselves? No, the seas must be kept open at all costs, and since complete self-sufficiency is absolutely unattainable, merely to diminish, in a small

degree, and at great expense, our dependence on foreign grain, would be about as useful as adding a few more yards to a fire-escape that did not reach within hundreds of feet from the ground.

The argument that agriculture should be preserved and extended for the sake of the national health is appealing, but vital statistics are far from supporting the view that our rustic population is healthier than that in urban areas. The idea that we need agriculture in order to preserve a national balance of occupations and retain the amenities of the countryside is also attractive to most people; but so is the belief that people whose occupations are sedentary should dig their own gardens, wash their own cars, and walk to their place of business. Yet most of us are driven by financial considerations to employ jobbing gardeners and mechanical transport, in order to earn money in the time thereby saved. To support Protection for agriculture on this ground alone is to assert that this country can afford an expensive national hobby.

It seems clear that the agricultural problem alone is sufficient to place the Protectionist on the horns of a dilemma. It is equally out of the question to grant tariff Protection to agriculture or to protect other industries and leave agriculture permanently to pay the piper.

THE CANDLE-MAKERS' PETITION.

Bastiat's parody of the Protective fallacy may be *vieux jeu*, but so is Protection; and if our rulers propose to feed us on mildewed straw, as Mr Lloyd George once pleasantly put it, we have the right to answer them with logic that is as old as their effort, and likely to be much more effective. Bastiat, then, in his *Sophismes Economiques*, translated and published under the title "Fallacies of Protection" (Cassell and Co.), gives a petition to the Chamber of Deputies, alleged to have been presented by the Manufacturers of Candles, Wax Lights, Lamps, Candlesticks, Snuffers, and of the Producers of Oil, Tallow, Resin, Alcohol, and generally of Everything connected with Lighting. This petition complains of the intolerable competition of a foreign rival who "absolutely inundates our national market" with light at a fabulously reduced price. This rival is the sun, and the petitioners pray for the exclusion of sunshine by the shutting up of all openings, holes, clefts, or fissures by which it enters houses. The petitioners show that if this is done all forms of French production will be encouraged. More tallow consumed will mean more oxen and sheep, and there will be multiplication of meadows, meat, wool, hides and, above all, manure—the basis and foundation of agricultural wealth. Navigation is to hum; thousands of vessels will proceed to the whale fishery, and France will rejoice in a navy capable of maintaining her honour. "Only have the goodness to reflect, gentlemen, and you will be convinced that there is, perhaps, no Frenchman, from the wealthy coalmaster to the humblest vendor of lucifer matches, whose lot will not be ameliorated by the success of this our petition." This parody is nearly 80 years old, but it is an amazingly close echo of Protectionist bleatings of to-day.

SECTION III.—THE INTERNATIONAL ASPECT.

THE ECONOMIC CONFERENCE AND FREE TRADE.

It is frequently assumed by protectionists that Free Trade is a British idiosyncracy, shared perhaps by one or two other insignificant little countries, but not subscribed to by enlightened and progressive economic powers. A complete answer to these people lies in the fact that, when the League of Nations called a World Conference of economic experts representing the educated public opinion of almost all civilised countries, the result was a report of which by far the largest section was devoted to recommendations tending to increase the freedom of international commerce. The Conference reported that tariffs, which are now for the most part higher than before the war, are seriously hampering trade. For the most part they have arisen out of abnormal circumstances created by the war. Some were imposed in an attempt to ward off imports promoted by depreciated currencies; others in an attempt to keep in being industries which had been abnormally expanded; others were imposed for bargaining purposes and never adequately reduced in the subsequent negotiations, while the argument in favour of protecting certain industries required for national defence, has, says the report, "often been abused to cover exclusively economic objectives." The result is that the nations find themselves in "a situation which is equally harmful to their own economic life and to their international economic relations." The case for Free Trade could scarcely be more clearly and emphatically stated than in these, the actual words of the Report: **"It is too often overlooked that the attempt to stimulate artificially industries which would not otherwise flourish in a country may check the development of those activities for which it is most naturally suited. . . . In such cases the loss is borne by consumers, who have to pay more for the products of the protected industry, and by those engaged in the industries that would otherwise have a larger possibility of export."**

In pursuance of this unequivocal principle the Conference goes on to recommend, among a number of other measures for diminishing the obstacles to international trade, the following lines of action:—

1. That nations should take steps forthwith to remove or diminish those tariff barriers that gravely hamper trade, starting with those which have been imposed to counteract the effects of disturbances arising out of the war.

2. That States should proceed to the conclusion of commercial treaties on lines and under conditions calculated to ensure the attainment of the aims mentioned herein.

3. That, in future, the practice of putting into force, in advance of negotiations, excessive duties established for the purpose of bargaining, whether by means of *tarifs de combat* or by means of general duties, should be abandoned.

4. That the Council of the League of Nations should be requested to instruct its Economic Organisation to examine, on the basis of the principles enunciated by the present Conference, the possibility of further action by the respective States with a view to promoting the equitable treatment of commerce by eliminating or reducing the obstructions which excessive Customs tariffs offer to international trade.

That is what world public opinion is aiming at. It is generally conceded that, in such a concerted movement, Great Britain, by reason of the peculiarities of her economic situation, stands to gain more than any other country. She should, therefore, if only out of the purest selfishness, be its most eager supporter, and for her to put any obstacle in its way would be sheer insanity. Such, however, is the intricacy of the various tariff systems of the countries involved that progress is bound to be slow. The work is going on, and has been going on ever since the Conference in 1927, as the minutes of the International Chamber of Commerce show. That it is not even more difficult than it is is due to the existence of one or two countries like our own which have a long tradition of Free Trade, or at least of moderation in tariffs, which form a nucleus of the development towards which the League of Nations is endeavouring to guide the world. **Could anything burke this movement more effectively than the defection of that country which has always been the chief standard-bearer of liberty in international trade? If, while other countries are slowly and painfully trying to move in the right direction, the vanguard of the movement begins to backslide, what must be the effect?** And what sort of respect for British integrity shall we command if we appear to be trying to go one better than Æsop's fox, and, while recommending other countries to cut off their tails, furtively visit a surgeon in the hope of regrafting our own?

PROTECTION AND POVERTY.

One of the most unfair advantages which Protectionists take of the lack of economic education among that section of the electorate which is most keenly touched by the prices of the necessities of life is that of assuring them that only through tariffs can their standard of living be maintained. They are, for example, told that unless imports from countries having lower real wage rates can be excluded, their own remuneration will sink to the level of that in competing countries, and it is easy to construct a specious argument on these lines, especially as Protectionists can always appeal to the convenient case of the United States. It is true that the United States workman has the highest real wages in the world, in spite of living behind the world's second highest tariff wall. The case of the United States is entirely peculiar, and that country is in itself the greatest Free Trade area in the world. But if Protectionists choose the line of argument which consists in correlating the tariff levels of various countries with their standards of living, they will be well advised to stop short at America, or they will find that they are holding a two-edged weapon. We give below the tariff level indices for certain European countries prepared for the Geneva Economic Conference. The indices, which relate to the year 1925, represent "the average of the percentages which the duties imposed by any given country constitute of the values of the commodities which go to compose the whole catena of goods normally entering into international trade." Side by side with these we give the indices of real wages, based on food only, as compiled by the International Labour Office, for an important town in each of these countries, for October, 1928. The countries are arranged in descending order of tariff levels:—

Country.	Tariff Index.	Real Wage Index.	City.
Spain	41	52	Madrid.
Poland	21	42	Warsaw.
Czechoslovakia	19	47	Prague.
Italy	16	46	Rome.
Germany	13	70	Berlin.
Austria	12	43	Vienna.
France	12	58	Paris.
Sweden	12	88	Stockholm.
Belgium	9	51	Brussels.
Denmark	6	108	Copenhagen.
United Kingdom	5*	100	London.
Holland	4	83	Amsterdam.

* Owing to the narrow range of goods covered by the British tariff this figure has little significance.

Note the marked rise in the level of the indices in the real wage column as it is traced down into the less protected countries. The United Kingdom, Denmark and Holland, which are the most nearly Free Trade countries surviving in a Protectionist Europe, are three of the four most prosperous countries as measured by working-class consumption of food, and the fourth, Sweden, is decidedly one of the less Protectionist countries on the list. **The four most highly protected countries, on the other hand, have a real wage level averaging less than half that of Great Britain. Whatever the casual relation may be, it is evident that Protection and high wages are not, in Europe, to be found in conjunction.**

IMPERIAL PREFERENCE.

The conception of a zollverein or customs union of the British Empire is not a new one, and to some it possesses many attractions. Many who are prepared to concede that a tariff wall around Great Britain alone would be an absurdity are drawn to the idea of making the British Empire a self-contained economic unit surrounded by a tariff wall, much as the United States of America are to-day. **Such a conception, however, is both economically and politically false, and also impracticable.**

Firstly, the idea of the world being split up into three or four large economic units, each having as few dealings as possible with its fellows is one that no supporter of the cause of world peace can view with equanimity. From commercial rivalry, the tariff war and the competition for raw materials it would only be a short step to international suspicion, hatred and distrust, culminating in the threat of war. The Economic Conference at Geneva in attacking trade barriers was laying the foundations of world peace just as much as those of world trade, and any attempts to divide the world into large watertight compartments is not only doomed to failure, but is also running counter to the spirit of Geneva.

Still on more immediate and practical grounds, the conception of Imperial Preference stands condemned. **It remains as true to-day as when Mr Joseph Chamberlain said it a generation ago, that, without taxes on staple foodstuffs real Imperial Preference is impossible.** Six years ago, Mr. Bruce, of Australia, made no secret of the fact that preference on foods and wool chiefly interest his country, and this contention is amply proved by the following table to be equally true to-day:—

BRITISH IMPORTS FROM AUSTRALIA.

(In £'s million)

	1922.	1928.
Wheat	10·2	6·2
Meat:—		
Frozen beef	2·2	2·2
Frozen mutton	3·7	1·8
Wool	27·4	20·1
Total of above	43·5	30·3
Total imports of all kinds	64·9	54·5

Last year these four items, none of which even the most enthusiastic trade restrictionist proposes to tax, comprised nearly three-fifths of our imports from Australia, while of the remaining two-fifths a substantial proportion falls within the same categories of foodstuffs and raw materials. The same is true of Canada, as the following table bears witness:—

BRITISH IMPORTS FROM CANADA.

(In £'s million)

	1922.	1928.
Wheat	13·8	22·1
Wheatmeal and flour	5·3	3·5
Bacon	4·3	1·4
Cheese	4·5	4·9
Barley and oats	2·7	1·7
Butter	1·5	...
Total of the above	32·1	33·6
Total imports of all kinds	54·9	57·1

Both these tables show that unless we are prepared to impose customs duties upon imported foodstuffs and raw materials, the preferences we can grant to the Dominions will not satisfy them, but will certainly cause discontent and irritation to our trade as a whole.

Besides, if we cannot give a real measure of preference to the Dominions without going against our own vital interests, neither can they give us a preference upon our own goods without departing from the tariff policy to which rightly or wrongly they are committed. This policy has as its main purpose the giving of what they consider to be adequate protection to their own industries. Their common practice is to reckon out what the net duty will be on British goods—that is the full duty less the preferential rebate—and fix the full duty sufficiently high to make the net duty protective. The tendency has always been for the net rates of duty charged upon British goods to advance in every revision in the Dominion tariffs. The fact of the matter is that Australia, at least, is committed to an artificial stimulation of her manufacturing industries, and with this general policy the preferential treatment of goods of British origin will not be allowed to interfere. Such a policy we believe to be misguided, from Australia's own standpoint as well as from that of ourselves. But we hold with still greater emphasis that it is Australia's right to pursue this or any other policy, if she thinks fit to do so. **We have, then, to dismiss from the realm of practical politics the idea that Empire Free Trade is possible.**

Some people appear to be attracted to the project of Imperial Preference mainly by the idea that national safety demands that we should make certain of an adequate supply of foodstuffs from within the Empire in case of war. In the first place, as we have seen, Safeguarding does not seriously touch this question, because foodstuffs are excluded from its scope. But those who harbour this idea of securing adequate food supply from the Empire in war time would do well to study what happened in the course of the Great War, 1914-18. At the crisis of the war considerations of distance and shipping scarcity made it impossible for us to take the usual quantities of wheat from Australia and India, and we had consequently to take more from countries nearer at hand. When the great stress of the war came, we found it necessary to take less from the Empire and more from foreign countries, and learnt the danger of relying in war-time on supplies from the Antipodes.

Another main lesson of the war was that we were dependent not only on men and food, but also upon raw materials and munitions; and for safety in regard to the supply of these the only logical policy is to keep open for ourselves the widest possible field from which to draw them.

The final objection to Imperial Preference is like the first, based upon higher, if less tangible, grounds. The British Empire is a family of independent peoples. Now it is well-known that in any family the introduction of money matters is a fruitful source of friction, and, at times, of ultimate disruption. This argument applies with equal force to any attempt to found the unity of the Empire upon the basis of tariffs and preferences with the inevitable consequence that sooner or later the interests of various members of the Empire will diverge. To urge upon the Empire the introduction and maintenance of Imperial Preference is to do no service to the Empire, but is very much the reverse.

SECTION IV.—SOME GENERAL POINTS.

FREE TRADE AND THE EXPORT OF CAPITAL.

Correspondence in the columns of the *Economist* has revealed a new line of Protectionist argument. It is that the increased modern mobility of capital has, for some obscure reason, knocked the bottom out of the case for Free Trade. The question which agitates the waters of controversy is this: Is the investment of a given sum abroad necessarily followed by a corresponding export of goods? Plainly, in so far as the capital is used in the direct purchase of British goods a fresh export is set up. It is suggested, however, that, even with the addition of the financial and trade commissions which are invariably reaped by a country like Great Britain over this sort of transaction, the direct stimulus to exports, visible and invisible, only accounts for what may be a small portion of the amount invested. **The answer is that since an export of capital at bottom consists in placing a sterling credit with the foreigner, the realisation of that credit must eventually react to the extent of its full amount in favour of the outward balance of trade.**

The Protectionist's next argument is that the supply of British capital under present conditions is inadequate for home purposes, and that Protection would encourage the concentration of investment in our own industries. **Once more Protection stands naked of defence, for the greatest need of capital reorganisation and development is in those trades which cannot be protected.** Moreover, the number of speculative issues successfully floated in the London Stock Exchange proves that there is more free capital ready to expand and refit British industry than British industry is ready to absorb. No reason for Protection can be found in the easy flitting of capital abroad. With or without Protection, the artificial silk and motor industries, and all other protected and protectable trades would not want for all the British capital which their genuine competitive position warranted, and a redirection in their favour of new capital investment will only accentuate the difficulties of the unprotectable trades.

You have forgotten, breaks in the Protectionist, the capital now exported to develop Britain's industrial competitors. We have already suggested that to interfere with that capital export is to prejudice our exporting industries. That argument would, of course, be nullified if the retention of capital were caused by the expansion or reconditioning of those industries themselves, or by the general advancement of the nation's industrial prosperity. **But, on the contrary, our assertion is that Protection diminishes the aggregate production of the country, and by harming the unprotected trades in larger measure than it benefits its favourites, in no way increases the average return on capital invested here compared with investment overseas.** That is the key to the direction of new capital movements, and even were that balance further altered by natural processes in favour of home industry, we should continue to believe that in the development of overseas markets, by our continued investment abroad, lies greater advantage to the whole industry of the country than is offered by spoon-feeding with deleterious patent medicines.

PROTECTION AND LARGE-SCALE PRODUCTION.

One of the most specious arguments advanced by industries which prefer a claim to protective duties is that which is based on the economies to be realised from large-scale production. They point out that at present their plant is occupied to an extent very far short of its full capacity, and contend that if the home market were secured to them, the resultant spreading of overhead costs over a larger output would so lower the price per unit that they would at one and the same time benefit the home consumer and recapture their foreign market. The number of unwarranted assumptions contained in this argument is remarkable.

In the first place, a protective duty can only protect if, at the outset, it results in a rise in price. Now the home producer, in casting covetous eyes at that part of the home market which is at present supplied by imported goods, cheerfully assumes that it would still be there if the price were very substantially raised. But would it? Many things would not be bought at all if it were not for the availability of cheap foreign supplies, and it is quite possible that the elasticity of demand for many commodities may be such that the total amount purchased after the price has been raised by the imposition of a duty is less than that part of the total consumption which was formerly purchased from home producers. The home manufacturer that is, gets the whole market, only to find that it has shrunk to smaller dimensions than that part of the market which previously fell to his share.

Supposing, however, that the demand for the protected commodity is not so elastic as that, and that the British manufacturer secures his market without much loss by shrinkage. The result, at best, could only mean a substantial increase in his output if the former imports bore a very substantial proportion to the total production, so that the new outlet for his product was considerable. But considering the size of the British market, and the large proportion of our staple manufactures which is exported, these conditions are not likely to be fulfilled in many cases. It is for the countries with a vast internal market like that of the United States to talk about the economies of large scale production which result from exclusive access to the home market. As regards this little island the argument cannot possibly have any general application.

Apart, however, from the difficulty of securing the home market by the proposed means, and from the size of the market when it is secured, this line of argument overlooks the very essence of our present trade. A

degree of specialisation so high that, while exporting some 129 million square yards of woollen tissues we import 33 million square yards of a different type, surely lends itself more to large-scale economies than a system in which we should aim at making every possible variety for the home market, and not so much of any one kind.

It is a typical flaw in Protectionists' arguments that the case for each industry is argued as though that were the only industry under consideration, but when the effect of simultaneously protecting a large number of industries is contemplated, the whole picture is transformed. **It may be possible, in certain circumstances, artificially to curtail the imports of a certain commodity without detriment to exports of that commodity, but it certainly cannot be done without checking exports of some kind, and the protection of industries as a whole must check exports as a whole.** Then what becomes of the large market which is to reduce unit costs? Again, the price rise, even if it were as protectionists allege, only temporary, when extended to commodities in general, by its effect, both directly and indirectly through wages, on general costs of production, would act anything but favourably upon our competitive power in international markets.

Considering that a favourite line of attack upon Free Trade is that which consists in calling it theoretical and doctrinaire (" all very well on paper, but out of touch with practical considerations "), it seems surprising that Protectionists should have been guilty of one of the oldest and most frequently exposed errors of the early economists. In talking so lightheartedly of building up large industries by artificial means, they gaily assume that capital and labour are completely liquid things which at once take the shape of any mould into which they are poured. But actually, capital is highly specialised machinery, and labour is supplied by highly localised human beings, often with highly specialised skill. Beating swords into ploughshares may be comparatively easy, but the beating of high explosives into sugar, or silkmills into blastfurnaces, is a tax on the ingenuity even of tariff reformers. The flow of national resources into the right channels is sluggish enough in all conscience; if every Government is to be allowed its own system of dams and sluices to deflect it into the courses which its supporters prefer, how much of the fluid will escape absorption into the sand?

There is, however, one clinching argument which renders all others unnecessary. Those members of the Balfour Committee, who favoured the protectionist view, were prepared to make the benefit to the consumer a condition of the granting of a duty. **If any industry is so confident of the results on prices and exports of a given increase in the scale of production that it is prepared to accept protection on the understanding that prices are ultimately to be lowered, what is to prevent its going ahead without a duty, planning for a substantial increase in output at a consequently lower cost per unit, and capturing the market at once? Its demand for a duty is a precise measure of its lingering uncertainty. Failure to accept this challenge gives away the whole case; acceptance of it would render Protection unnecessary.**

PROTECTION, CORRUPTION AND DISTRACTION.

We are apt to be proud of the comparative purity of the public political life of this country. There is a vital danger that Protection would introduce a prevalence of lobbying, log-rolling, and even of actual corruption. In the hey-day of the old Tariff Reform campaign of 25 years ago, this danger was explained in very graphic terms by no less a person than the brother of Mr Joseph Chamberlain. Mr Arthur Chamberlain said that " under protection he could earn more in a day in the lobby of the House of Commons than by a year in his factory." These were the words not of a politician, but of a sober business man, and the little experience this country has so far had of protection indicates that this assertion has a certain basis of truth.

Mr Arthur Chamberlain's statement is merely an echo of the experience in protectionist countries with which every student is familiar. One notable quotation must suffice. Mr Thomas Walter Page, lately Chairman of the Tariff Board of the United States, in the book which we quote elsewhere, says:—**" Liberal campaign contributions, expensive and misleading propaganda, costly and expert lobbying, astute distortion of evidence, and the personal prestige and consideration enjoyed by men in control of great affairs, are among the means at the disposal of ' big business ' for securing duties needlessly high.** And the power to divert the effects of the law is as important as the power to make it. The more monopolistic the control of an industry may be, the more completely it is able to dictate the prices that consumers must pay, and producers must receive for its raw material. Accordingly, duties which have been declared necessary for the maintenance or expansion of an industry may merely swell the profits of those who control it. This obvious advantage explains why the American tariff has been called " the mother of trusts."

Safeguarding is bad for the manufacturer, bad for the merchant and bad for the politician as well. The moment it is known that a trade has submitted to the Board of Trade an application for a safeguarding duty, a spirit of unsettlement pervades the whole trade. Merchants who are accustomed to draw their supplies from both home and foreign sources immediately find themselves in a state of uncertainty. Their temptation is to load themselves up with stocks of foreign goods, so that they can be well prepared for the duty, should it be imposed. On the other hand, should the application be turned down, they will find their warehouses hopelessly over-stocked, and their working capital sunk in goods, of which it will take them months to dispose. The manufacturer in his turn finds himself conducting his business with one eye on his works and the other on the Safeguarding Committee which is investigating his claim. There will be frequent consultations with his Trade Association and the counsel arguing his case, frequent journeys to London to give evidence before the Committee, or merely to see how things are going. During all this time, his mind will be distracted from his main job, and until the question of the duty is settled, he will be unable to lay his plans ahead, and get on with his job. **A man who is lying on his back waiting for sweets to be dropped into his mouth can hardly be an effective pursuer of industrial efficiency.**

LESSONS FROM PROTECTIONIST COUNTRIES.

The Protectionist would have us believe that large-scale unemployment is the peculiar property of Britain, and is due to the effect of our adherence to the policy of free imports. This, of course, is absurd. One only has to look to Germany to find a counterpart of our unemployment problem, while it is not so long ago that the United States herself had an unemployment figure compared with which ours is insignificant.

Approaching the matter from the opposite angle, the Protectionist also tells us that the prosperity of America is due to Protection. This is equally misleading. The difference in the circumstances of America and this country can hardly be over-emphasised. The size of its territories is twenty-five times, and of its population nearly three times, that of the British Isles. Within its borders are produced the vast bulk of the food and raw materials required by its people. Its home market is of preponderating importance. It has been estimated that over 90 per cent. of the total trade of the United States is in the home market, and its trade, let it be remembered, is carried on between a large number of constituent States under conditions of free and unhampered exchange. **The fact is that the United States is the finest example that history has yet provided of a great Free Trade Unit nearly self-dependent.** If Protectionist theories are sound, why should not the Northern cotton mills of New England have protection against goods made by cheap negro labour in the Southern mills, and why has no one attempted to

cut up the United States into twenty tariff zones? **The United States indeed is a standing sermon to Europe on the obstacles to prosperity presented by a series of tariff walls.**

But the United States has an even more important lesson to teach the British Protectionist, for her own experience of the working of tariffs bears out in almost every important point the arguments which lie at the base of the case against trade restriction. The truth of this will quickly be realised by anyone who reads a very notable book entitled "Making the Tariff in the United States." Its author, Mr Thomas Walker Page, was Chairman of the United States Tariff Commission in 1921. He speaks, therefore, with unassailable authority, and, in producing this book, he had the assistance of the trained staff of the American Institute of Economics, who can hardly be suspected of unfairness or bias. Here are some of the points which Mr Page deduces clearly from American experience. He first of all demolishes the idea that it is possible to make the foreigner pay, "with rare or merely temporary exceptions." He writes: "The effect of American tariffs has been to raise the price that must be paid for imports in the American market." Again, **"The only way in which a tariff can give protection to domestic industries is by keeping the price of imports in the domestic market above the foreign level, and the only intelligible reason for doing this is that it enables domestic producers also to sell at better prices."** Mr. Page is equally clear on the effect of import duties on export trade, and here his words imperatively demand British attention. Although he is speaking of America, to whom foreign trade is of comparatively small importance, he writes: "The effects of duties on imports upon commercial relations are frequently injurious to export trade, and, therefore, indirectly to domestic industry." Among the other important points that he makes, is to dispel the delusion that any country can help its trade by tariff bargaining. A study of its experience, he tells us, led the Tariff Commission to disapprove of the use of the tariff for bargaining purposes.

Mr Page's book is a veritable gold mine for the Free Trader, but we must reluctantly leave it in order to advance another example of tariff experience. This example we take from protectionist Australia. The official Tariff Board of Australia in 1926 warned its Government "as to the danger of the tariff being used to bolster up an ever-increasing cost of production irrespective of any consideration being given to the ever-widening gaps between the standards maintained in the Commonwealth on the one hand, and the Continent of Europe on the other." This warning was not heeded, and a year later the Commissioners described the situation as "critical." "The situation," they say in their report for 1927, "calls for the serious consideration of all parties, classes, and individuals, of the Commonwealth, otherwise it can see nothing but disaster ahead." A remarkable chapter in this report deals with what the Commissioners call "the abuse of protection"—abuse by industrial unions, abuse by the protective manufacturers, and abuse even by the primary producer. The Report states that one feature of the situation is "the use made by manufacturers of profits arising as result of a high degree of protection." The consumer, it is made clear, does not get the benefit. Again, **"The Protectionist system under such circumstances can be made a convenient shelter for obsolete plants and methods."** As for the Australian farmer, his plight is very black, as it is painted: "Whilst frequently protesting against alleged burdens heaped upon him by the secondary producer, he himself demands complete immunity at any costs from overseas competition, and is not always on his guard against sheltering inferior products and inefficient methods." This report, too, like Mr Page's book, lays stress upon the hampering effect of the tariff on exports of manufactured goods.

When we remember that Britain relies on the export of manufactured goods as the basis of her livelihood, and that her greatest industrial need to-day is to press on with reorganisation instead of waiting for favours from the State, these lessons from actual tariff experience become of infinitely enhanced importance. They are lessons that Britain cannot possibly afford to ignore.

THE WORLD LOOKS TO BRITAIN.

To compress within the space allotted to this Supplement even the main arguments against Trade Restriction is as impossible as to put a gallon of water into a pint pot. We have, for instance, been able to give all too inadequate space to the vast range of international considerations involved. The circumstances have constrained us mainly to look at our problems from the view-point of British national advantage, for it is mainly from that angle that the British electorate will regard it when, in a few weeks, they have to make a great decision.

From the purely national point of view our brief discussions of certain outstanding points have led us to these, among other, main conclusions:—That to our livelihood as a nation export of goods and services is vital, and Protection (which is synonymous with "extension of Safeguarding") will jeopardise our exports. That Protection cannot remove or even decrease unemployment. That Protection would gravely hinder that work of industrial reorganisation for efficiency, which is the only road to recovery of prosperity. That Protection means log-rolling and corruption. That our greatest and most distressed industry, agriculture, has everything to fear and nothing to hope from Mr Baldwin's fiscal policy. Such great considerations, if generally comprehended, should alone be sufficient to cause the British people to record once again their wholesale condemnation of a policy of Trade Restriction.

Even in our discussions of the international aspect of Free Trade we have in these pages approached the matter mainly from the standpoint of the material advantage of this country. A great movement is on foot in Europe towards a saner fiscal policy, and from that movement Britain above all nations stands to benefit. **It is almost inconceivable that any British Government should choose this moment for a British backsliding into Protection, which would deal a death-blow to that movement and would lead Europe back into the rut of exclusive and embittered nationalism, which was the most dangerous legacy of the Great War.** Yet that is precisely what Mr Baldwin proposes. The importance of that grim, stark truth cannot be over-emphasised.

In the few lines that remain to us we would venture to lift the matter for a moment on to a broader and a higher plane. A writer in a great American publication recently said:—"Suggest to an American or an Englishman that he has no right to create tariffs, which, while of dubious benefit to himself, are ruinous to this or that group of foreigners, and he would stare in genuine amazement at the suggestion that the ruin and misery of foreigners is any concern of his or should influence his conduct in the slightest degree." Here, indeed, is food for thought. The economic interdependence of the nations of the world has grown so greatly that it is no longer possible or desirable to consider policy on purely national lines. Britain, from her own view-point, of all nations, can only be prosperous in a prosperous world, and the broader view goes hand in hand with the narrower. **The policy of economic liberalism is Britain's tradition and her mission to the world. It is the only policy which harmonises with the world's desire for Peace and Security.**

The Geneva resolutions were a *cri du cœur* from the peoples of all nations who have suffered from the narrow nationalistic policy of trade restrictions. It is in the power of Britain to help them at the same time as she helps herself. **If Britain now refuses to stray from the path of true economic statesmanship, history may say of her that she saved her own people by her fiscal constancy and the world by her example.**

London: Printed for the Proprietors The ECONOMIST NEWSPAPER, Ltd., by EYRE & SPOTTISWOODE, Ltd., His Majesty's Printers, East Harding Street, London, E.C. 4. Published by the Proprietors at 6, Bouverie Street, Fleet Street, E.C. 4.—Saturday, April 13, 1929.

The Economist

BULGARIAN SUPPLEMENT.

SATURDAY, MAY 4, 1929.

CONTENTS.

MODERN BULGARIA 1
PUBLIC FINANCE. By M. Nicholas Stoyanoff, Director of the Public Debt Office 2
THE NATIONAL BANK. By M. Asen Ivanoff, Governor of the National Bank of Bulgaria 3
BANKING. By M. Nicholas Momtchiloff, General Manager of the Bulgarska Banka 5
AGRICULTURE. By M. Ianaki Moloff, Professor of the University of Sofia 9
TRANSPORT. By M. L. Bojkoff, General Manager of the State Railways and Ports 13
INDUSTRY. By Dr Asen Tchakaloff, Head of the Economic Research Department, National Bank of Bulgaria 13
FOREIGN TRADE. By Dr Slavtcho Zagoroff, Lecturer in Statistics, University of Sofia 16

MODERN BULGARIA.

THE first twenty-five years of its existence as an independent State witnessed a remarkable advance in the economic organisation of Bulgaria. In the years which followed, the *tempo* of economic expansion was unfortunately checked by the political aspirations of an ambitious ruler. Many Bulgarians lived outside the frontiers of the State, and the achievement of national unity called for an increase in military equipment; the Balkans became an armed camp. The attitude of the Great Powers towards the Eastern Question was not exactly calculated to inspire moderation amongst the newly-liberated Christian peoples of the Peninsula, and, in this atmosphere of mutual distrust, disaster overtook the Bulgarian nation. The Second Balkan War deprived the country of much of the territory which had been so hardly won from the Turks, and also led to the loss of the Dobrudja, the granary of Bulgaria. Two years later the peasantry found themselves engaged, as allies of the Turks, in a war against Russia—which they still regarded as the liberator of 1878—and, when the Armistice came in October, 1918, Bulgaria stood alone, defeated and discredited, and faced with the suspicion and distrust of all her neighbours.

The war was disastrous in every sense. National aspirations remained unsatisfied, and the people suffered from the systematic exploitation of their food supplies by their German allies. The old political parties were completely discredited, and the lead passed into the hands of the Agrarians under the late M. Stambouliski. The new *régime* certainly stressed the fact that the peasantry were the dominant power in the State, but unfortunately it was based upon the opposition between town and country, which the Agrarian Party exploited to the utmost. Faced with the danger of complete extinction, the intellectual classes forced the issue, with the aid of the Macedonian element and the military, in the *coup d'état* of June 9, 1923, and for the next two years terrorist methods continued in force. In the throes of economic reconstruction, Bulgaria thus suffered, for six years, the anguish of party strife raised almost to the point of civil war. Since the advent to power of the present Prime Minister, M. Lyaptcheff, however, there has been a marked improvement in the general situation. Passions have been calmed, and political life has returned to more normal channels. The importance of a policy of economic development is being realised as never before, and serious attention is at last being paid to those problems of reconstruction which still await solution.

One of the most pressing needs of the country was the settlement of large numbers of refugees from Macedonia and elsewhere who had sought a new home in Bulgaria as a consequence of the peace settlement. More than 200,000 of these refugees were homeless and without any real hope of being absorbed in the economic life of the nation. The Bulgarian Government therefore appealed to Geneva for assistance in dealing with a problem which its own limited resources made it impossible for it to solve itself, and, in 1926, a Refugee Settlement Loan* was issued under the auspices of the League of Nations. The application of the scheme of settlement was entrusted to a Special Commissioner of the League of Nations in Bulgaria. This post has been held since its inception by M. René Charron, and he, and his devoted band of fellow-workers, Bulgarian and foreign alike, are to be congratulated upon the excellent work they have accomplished. The land was given by the Government, but it had to be surveyed, prepared for settlement, and allotted to the refugees, for whom seed, cattle, houses and materials have also had to be provided by the League Commissariat. Up to the present 1,121,247 decares of land have been surveyed, of which 863,074 decares have already been allotted to 24,454 families. Nearly 160,000 persons have thus been established in what are virtually model villages, and their activities will this year contribute to the national wealth. It is noteworthy that the overhead expenditure in 1928 only amounted to 3.6 per cent. of the general total expenditure. Indeed, the whole enterprise has been conducted in a remarkably efficient manner, and when land has been allotted to the remaining 10,000 families, which have not yet been provided for—a process which should be finished by the middle of next year—it is to be hoped that the technical experience and efficiency embodied in the organisation of the Commissariat will not be allowed to go to waste. It might well be preserved by the Bulgarian Government in order to carry out the all-important task of the consolidation of peasant strip-holdings. It is only when this problem, and that of afforestation—for which the existing system of compulsory labour service might well be utilised—are taken seriously in hand that Bulgarian agriculture will be placed upon a really satisfactory footing.

It should be noted that part of the proceeds of the Refugee Settlement Loan was used for the redemption of 1912-13 Treasury Bonds, while certain sums have also been made available for railway construction and the drainage of marshes. The issue of the loan and the advent to the country of considerable sums of foreign exchange out of the proceeds greatly eased the situation of the National Bank, which had become somewhat critical in 1926, and thus helped to save Bulgaria from a serious financial crisis.

In the main, this first League loan was issued in order to deal with a specific problem, which has now been solved. It assisted, of course, in the general re-establishment of the financial and economic life of the country, but much still remained to be done. With a view to the

*Nominal amount, £2,400,000 and $4,500,000. The net amount realised was £2,112,000 and $3,915,000. One of the conditions of the Loan was that Bulgaria should come to terms with her pre-war creditors. This was effected by a consolidated loan agreement concluded in 1927.

solution of these wider problems, the Bulgarian Government appealed once again to the Council of the League, and the Financial Committee elaborated a plan of reconstruction which was finally accepted by Sofia. Towards the end of last year a second and larger loan was therefore issued under the auspices of the League, and this provided a net yield of £5,001,931.* The proceeds of this loan are earmarked for certain specific purposes, which are summarised below:—

	£
1. For the National Bank of Bulgaria	1,500,000
2. For the Agricultural Bank	500,000
3. For the Central Co-operative Bank	150,000
4. For the Reimbursement of Certain Budget Liabilities	1,100,000
5. For Means of Communication	1,250,000
6. For Repairing Damage caused by the Earthquakes	500,000

An essential feature of the scheme is that the National Bank should be independent of political control, and should be in a position to guarantee the stability of the national currency. The Agricultural Bank and the Central Co-operative Bank have been provided with new working capital, and provision has been made for improving the railway system of the country. To help in the general application of the reform programme, a special adviser has been appointed by the Council of the League to the National Bank of Bulgaria. This post is filled at present by M. Charron, the Commissioner of the League in Bulgaria. Considerable progress has already been made towards making the position of the Bank much more liquid and towards maintaining it in its *rôle* of a central bank of issue. In the financial sphere, the introduction of the system of monthly budget estimates has produced excellent results, and, with the assistance of the League, Bulgaria is now well on the way towards complete recovery.

The situation of recent years has been complicated by the fact that the harvest yields have been decidedly poor, while the earthquake shocks of 1928 caused very considerable damage. These factors have had a marked effect on the trade position, as the following figures show:—

	1928.	1927.
	(In million Leva.)	
Imports	7,192	6,174
Exports	6,379	6,684
Balance	− 813	+ 510

Export figures were still further reduced last year because considerable quantities of cereals were held back in the hope of obtaining higher prices, which did not, in fact, materialise, while the increase in imports was stimulated by the over-readiness of certain foreign houses to grant excessive credits to Bulgarian importers. These factors are not likely to be permanent, and a good harvest this year would do much to redress the balance. So long as such conditions remain, however, it is clear that the National Bank must keep a watchful eye over its stock of foreign exchange. A more cheerful picture is presented by recent Budget returns. For the first eleven months of the financial year revenue is higher and expenditure less than was anticipated. The actual receipts for the period April 1, 1928, to February 28, 1929, amounted to 6,470 million Leva, as against 6,021 million Leva for the corresponding period of 1927-28.

There can be no doubt that things have taken a decided turn for the better in Bulgaria. The lean years cannot last for ever, and the programme of reconstruction, now well in hand, offers considerable promise for the future. Budgetary progress would be still greater if the organisation for the assessment and collection of taxes were thoroughly overhauled, while the needs of agriculture must perforce receive greater attention at the hands of the Government. But, in the main, a visit to Bulgaria at the present time gives one the definite impression that things are settling down, and that the will to work on more modern lines, and the will to succeed in the process, are much greater to-day than they were even two years ago.

* 7½ per cent. Stabilisation Loan. (*a*) London issue of £1,800,000 nominal, of which £100,000 was taken up in Czechoslovakia and £200,000 subscribed in Amsterdam; (*b*) New York issue of $13,000,000 nominal, of which $1,000,000 were placed in Belgium, $1,500,000 in Italy and $1,500,000 in Switzerland; (*c*) Paris issue of 130,000,000 francs nominal.

PUBLIC FINANCE.

By M. Nicholas Stoyanoff, Director of the Public Debt Office.

Since the War the Bulgarian budget has been burdened by a number of expenses such as the liquidation of war costs and the obligations undertaken in accordance with the terms of the Treaty of Neuilly. In addition, the National Bank had credit balances, amounting to some 800 million marks, with a number of German banks, and these lost practically all value as a result of the depreciation of the German currency. A substantial part of the cover for Bulgarian paper money thus disappeared at a time when the existence of budget deficits made inflation almost inevitable. The loss of parts of Thrace and the Dobrudja reduced the national revenue, while the advent of considerable numbers of refugees from the ceded territories added to the expenditure. Efforts to increase the yield of taxation and to reduce government expenditure proved entirely inadequate to meet this abnormal situation.

Before discussing the budgetary situation as a whole it will be as well to summarise some of the heavy external charges which the country has had to meet. From 1919 to the end of 1928 Bulgaria has paid the following sums:—

In respect of	Million gold francs.
Foreign Debts	
Reparations (Art. 121, Treaty of Neuilly)	155·2
Occupation Expenses (Art. 133, Treaty of Neuilly)	36·0
Expenses of Inter-allied Commission, International Court of Arbitration, and other obligations under the Treaty and the Greco-Bulgarian Convention for the Settlement of Minorities	15·5
	128·3

This total of 335 million gold francs represented a heavy burden for the national finances and, as many of the payments began in 1919, they made for inflation and budgetary disorder. In 1922, however, a Law was passed restricting the note issue and limiting the debt owed by the State to the National Bank. This measure, combined with a settlement of the Reparations question which, while in many respects unsatisfactory, nevertheless marked an important step forward, enabled the Government to stabilise the Lev at the approximate level of 4 Swiss centimes in the following year. Further progress was made in December, 1923, when a Law was passed concentrating transactions in foreign exchange exclusively in the hands of the National Bank, while the value of the Lev was fixed at 3.74 Swiss centimes. This level remained unchanged for five years, and was maintained by the Law of November 28, 1928. The present gold parity is established at 0.04545 gr. of pure gold to the Lev, which gives an equivalent of 673.66 Leva to the £ sterling.

BRITISH-BULGARIAN CHAMBER OF COMMERCE
7, Ulitza 15. Noemvri,
SOFIA.
This institution aims at encouraging economic relations between Great Britain and Bulgaria. It publishes a monthly bulletin in English and provides an information service on all questions likely to be of interest to British industry and trade. Further particulars will be gladly furnished on application to the above address.

The advent of more stable currency conditions was accompanied by a noticeable improvement in the budgetary situation. The closed accounts for ordinary and extraordinary receipts and expenditure, calculated in gold francs according to the parity of the Lev, present the following picture over the last three financial years:—

(In millions of gold francs.)

Year.	Total Receipts.	Total Expenditure.	Deficit.
1925–26	239·9	267·9	28·0
1926–27	246·8	254·0	7·2
1927–28	250·3	250·6	0·3

Even when allowance is made for the fact that the deficit in the first two of these years was swollen by the inclusion of certain sums on account of war requisitions debt which had actually been repaid in previous years, but was only then included in the Treasury accounts, the tendency towards budgetary equilibrium stands out clearly from these figures.

The Geneva protocol of March 11, 1928, granting Bulgaria a Stabilisation Loan under the auspices of the League of Nations, fixed the following limits to the total expenditure of the country:—

Financial Year.	Million Leva = Million gold francs.	
1928–29	6,750	252·7
1929–30	7,000	262·1

Expenditure out of the proceeds of the Stabilisation Loan itself is excluded from these totals in both cases.

For the financial year 1928-9, the gold franc equivalent of receipts, which are estimated to cover ordinary expenditure, fall into the following main categories:—

	Million gold francs
Direct Taxation	34·4
Indirect Taxation	99·1
Other Taxes and Imposts	23·8
Railways and Ports	43·7
Posts, Telegraphs and Telephones	9·9
State Properties	14·8
Municipal Contributions towards Education	16·7
Other Sources	11·7
Total	254·1

If to the 99 millions of indirect taxes we add 15 millions obtained from stamp duties (included above under the heading "Other Taxes and Imposts"), we arrive at a total of 114 millions, or approximately 45 per cent. of ordinary revenue. The yield from direct taxes, on the other hand, only accounts for 13½ per cent. of the total.

The problem of Reparations is one of considerable importance for Bulgarian public finance. Article 121 of the Treaty of Neuilly fixed the amount at the enormous total of 2,250 million gold francs, spread over 37 years and bearing interest at the rate of 5 per cent. This would have necessitated an annuity of over 134 million gold francs, which would have swallowed up almost the whole of the budgetary receipts for the financial year 1921-2. An arrangement was, therefore, come to, and incorporated in the Sofia Protocol of March 21, 1923, which was signed by the Bulgarian Government and the Inter-Allied Commission. The debt was divided into two parts. Part "A" was fixed at 550 million gold francs, with interest at 5 per cent., and was to be paid by means of half-yearly instalments in 60 years as from October 1, 1920. The schedule of payments then arrived at was the following:—

Financial Year.	Yearly Instalments payable half-yearly. Gold Francs.
1923–24	5,000,000
1924–25	6,000,000
1925–26	7,000,000
1926–27	8,000,000
1927–28—1931–32	10,000,000
1932–33	20,000,000
1933–34	32,805,336
1934–35—1982–83	43,395,336

The total amount payable according to this schedule, in respect of capital and accumulated interest, between 1923 and 1983 is 2,255,266,800 gold francs. Up to the present the fixed instalments have been paid regularly, though, in consequence of the very heavy damage caused by earthquake in Southern Bulgaria in April, 1928, the instalment due on October 1st last was postponed in agreement with the Reparations Commission. The balance of Reparations, the so-called Part "B," amounting to 1,700 million gold francs, bears no interest and does not fall due until 1953.

In December, 1927, an agreement was arrived at for the payment of the pre-war foreign debts of the country according to certain agreed percentages of their gold value. Beginning with 35 per cent., 37 per cent. and 49 per cent. in 1927—the amount varying with the different loan issues in question—interest payments are to be made on a sliding scale, the full amounts being reached in 1948, in certain cases, and in 1951 in the others.

On December 31, 1928, Bulgaria's total foreign indebtedness amounted to 1,308 million gold francs—including the sum of 664 millions in respect of Reparations Part "A," with interest accumulated to that date: 382 millions of consolidated pre-war debt: and 222.5 millions for the two loans issued under the auspices of the League of Nations. The internal debt amounted to less than 183 million gold francs. The total debt, external and internal, works out at 236 gold francs *per capita*, while the average yearly income has been estimated at 320 gold francs *per capita*. The expenditure for the service of the public debt in the financial year 1928-9 stands at 17.4 million gold francs in respect of the foreign debt: 14 millions for reparations and occupation debts: and 27.3 millions for internal debts and pensions. This total of 58.7 millions compares with total budgetary receipts for the same year—including the gross receipts of State undertakings such as railways, &c.—of 254.1 millions.

Of recent years the efforts made by Bulgaria to re-establish order in the financial sphere have been crowned with a considerable measure of success. This has been due to the hard work of her population and, in part, to the assistance of foreign capital. At the same time the burdens of the Peace Settlement swallow up a substantial proportion of the results of these efforts, and the situation will become still more difficult when the annual instalment of reparations is increased in 1932.

THE NATIONAL BANK.

By M. Asen Ivanoff, Governor of the National Bank of Bulgaria.

The reorganisation of the National Bank is one of the essential features of the programme of financial consolidation which Bulgaria has taken in hand under the auspices of the League of Nations. The National Bank itself was founded in the early days of national independence, and it will shortly be celebrating its fiftieth anniversary. It played a great part in developing the country after centuries of Turkish misrule, though this necessarily involved a departure in several directions from its normal functions as a central bank of issue. The period of war and currency inflation made its situation somewhat precarious, as almost the whole of its assets were immobilised. It was thus most difficult for it to fulfil its fundamental duties of safeguarding the national currency and controlling the financial life of the country. From 1918 to 1922 an unfavourable balance of trade led to a great diminution in its supply of foreign exchanges, and the Lev depreciated rapidly. The fixing of a definite limit to the advances made by the Bank to the Government, the introduction of restrictions on imports, and the concentration of all foreign exchange transactions in the hands of the Bank brought about a considerable improvement in the situation, and, apart from certain slight variations, the currency has, in point of fact, been stabilised since the beginning of 1924. The National Bank may well be proud of the manner in which it handled the difficult problems of these critical years. Its reserves of foreign exchange were at times reduced almost to nothing.

NATIONAL BANK OF BULGARIA

(Bank of Issue of the State.)

Capital - - Leva 500,000,000 fully paid up

Reserves - - Leva 1,164,167,000

Head Office - - SOFIA

BRANCHES:

Bourgas, Varna, Vidin, Vratza, Gabrovo, Gorna-Orehovitza, Doupnitza, Kustendil, Kirdjali, Lom, Plovdiv, Pleven, Roustchouk, Svistov, Sliven, Sofia, Stara-Zagora, Tatar-Pazardjik, Tirnovo, Haskovo, Shoumen, Yambol.

AGENCIES:

Aitos, Anhialo, Balbounar, Berkovitza, Breznik, Brezovo, Bela, Bela-Slatina, Borisovgrad, Belogradtchik, Vasiliko, Belovo, Kaspitchan, Levsky, Mezdra, Trambesh, Tcherven-Breg, Gorna-Djoumaya, Dara-Dere, Drenovo, Diovlen, Egri-Dere, Elena, Elhovo, Eski-Djoumaya, Ihtiman, Kavakli, Kazanlik, Kara-Bounar, Karlovo, Karnobat, Kemanlar, Kneja, Kozlodoui, Kotel, Kochou-Kavak, Koula, Lovetch, Loukovit, Lubimetz, Ladjane, Malko-Tirnovo, Nevrokop, Nikopol, Nova-Zagora, Novi-Pazar, Novoseltzi, Orehovo, Osman-Pazar, Ortakeuy, Orhanie, Pavlikeni, Panagurishte, Pashmakli, Petritch, Peshtera, Pernik, Pirdop, Popovo, Preslav, Provadia, Radnevo, Radomir, Razgrad, Razlog, Samokov, Sveti-Vratch, Svilengrad, Sevlievo, Smedovo, Stanimaka, Strajitza, Straldja, Souhindol, Teteven, Troyan, Trin, Trevna, Tirnovo-Seimen, Ferdinand, Harmanli, Slivnitza, Tchirpan, Tchepelare, Yablanitza, Zemen, Mastanli.

The Bank undertakes the collection of foreign bills, coupons, etc., and has specially organised services for commercial and travellers' letters of credit and transfers of money, and facilities for submitting tenders to the State and Administrative Services. Foreign Exchange transactions, etc. Correspondence invited.

Cable address: NATIONALBANK

Thanks, however, to its business relations abroad, more particularly with London, and to the good repute it had always enjoyed in earlier days, it never failed to obtain the resources which it so badly needed.

In one of the most critical periods, at the end of 1926, Bulgaria concluded a loan, with the blessing of Geneva, for the settlement of her refugees. Without making it an actual condition of the issue in question, the Financial Committee requested that the Statutes of the Bank should be modified in certain particulars. Considerable improvements were introduced in consequence by a Law passed in November, 1926. The application of these new principles, together with the advent of foreign exchange into the country as a result of the loan, greatly eased the situation of the Bank, but it was not until the issue of the Stabilisation Loan proper that really fundamental reforms were introduced. The Financial Committee rightly insisted upon the absolute necessity of establishing the National Bank on thoroughly up-to-date lines, and this was accomplished by a Law passed in October, 1928, which embodied much of the experience in central banking obtained since the war in a number of European States. The Bank is still a State Bank, but the Government undertakes, in the Protocol, to guarantee its independence from every kind of political influence. A technical adviser, with well-defined powers, is appointed to the National Bank by the League of Nations. The Protocol also contains a plan for the definitive reorganisation of the Bank as a joint-stock concern, and the Government undertakes to apply this "at a time to be fixed by common agreement between the Council of the League of Nations and the Bulgarian Government." The new statutes lay down that a cover of 33⅓ per cent. must be maintained in respect of notes in circulation and other sight liabilities of the Bank. This cover may be either in gold coin or bullion, or else in bills on gold countries. There is no stipulation as to the proportion which these two types of cover should bear to one another.

The Loan, which was issued towards the end of 1928 in the United States, in London, and in certain Continental centres, produced a net sum of approximately £5,000,000. Of this, £1,500,000 was specially earmarked for the National Bank for the repayment of advances made by it with or without State guarantee, and for the partial amortisation of the debt owed to it by the State. When this sum was paid over to the Bank on December 5, 1928, the "Law concerning the stabilisation of the Lev and the currency circulation of the Kingdom of Bulgaria" came at once into force. The Lev was stabilised at the rate of 92 Leva to one gramme of pure gold, while, as from the same date, the six months' limit set to the further duration of the restrictions in force concerning the purchase and sale of foreign currency came into existence. It should, however, be noted that this limit may be extended with the consent of the Technical Adviser appointed to the Bank. On December 7th, for the first time, the Bank published its weekly balance sheet in the form laid down by the new statutes. Thanks to the assistance of a portion of the proceeds of the loan, the stock of foreign exchange at the end of December was double that of the previous month, while, by the same date, the Bank had been relieved of over a thousand million Leva of its non-liquid assets. The percentage of cover advanced from 36.46 per cent. at the end of November to 49.38 per cent. at the end of December, and to over 50 per cent. at the end of January last. Under these conditions, the Council of Administration felt justified in reducing its rate of discount from 10 per cent., which had been the rate for over four years, to 9 per cent. on December 15, 1928. Since that time the cover has diminished somewhat in consequence of an unfavourable balance of payments, which, it may be added, is not unusual at this time of the year.

Relieved of the "frozen" assets which had previously made its position so difficult, the Bank is now much better able to satisfy the economic needs of the country. Its discount portfolio reached a total of 620 million Leva in January—or approximately double the average level of 1927 and the first half of 1928—and, on March 15th last, it exceeded 700 million Leva. Part of this total is made up of agricultural bills with more than three months to run—the limit permitted actually being nine months. This type of discounting is authorised provided that it does not amount to more than one-third of the total of bills discounted. Facilities of this kind are, of course, indispensable for a country where agriculture provides the lion's share of the national wealth.

The transactions which are no longer permitted under the new statutes are being slowly liquidated. The most important of these is the granting of long-term credits, such as mortgages, for which the Government founded a special Mortgage Bank last year. Certain transactions, however, such as advances against merchandise, are authorised provisionally for a period of two years. This is a fortunate proviso, since warrant-credits, which are so urgently needed in the country, are virtually unobtainable.

The Bank, as we have seen, is now in a position to take its proper part in the economic life of the country. Its assets are already much more liquid, and will become still more so as "forbidden transactions" are gradually eliminated, and as the State pays back its debt to the Bank. Its reserves of foreign exchange have been greatly increased—and it has to be borne in mind that important sums from the two loans do not yet figure in its balance sheet. The influence of the Bank is slowly leading to the establishment of more normal financial conditions, and the reduction in the rate of discount last December has not been without effect in this direction. Its influence will be even greater if and when the Government, for its part, introduces certain changes in the laws regulating commercial transactions. It must, of course, be admitted that the chances of the harvest represent a certain risk for a predominantly agricultural country like Bulgaria. But much can be done to increase the efficiency of the rural population and to augment their production. An agricultural policy is, indeed, the necessary complement to the work of financial reconstruction. In this wider sphere the National Bank, which has itself undergone a salutary process of reconstruction and regeneration, will be able to play a part not unworthy of its past traditions.

BANKING.

By M. Nicholas Momtchiloff, General Manager of the Bulgarska Banka.

During its relatively short existence as an independent State, Bulgaria has made considerable progress in the world of banking, both as regards the number of institutions and their capital and resources. There are three distinct categories of banks, differing from one another not so much in their methods of operation, but rather in the way in which their capital is constituted. The National Bank, which has already been described, and the Agricultural Bank are State institutions; the Central Co-operative Bank and the Union of Popular Banks represent the interests of a number of member societies; while the Joint Stock Banks engage in deposit banking and are beginning to take a larger part in industrial and financial enterprises.

The Agricultural Bank, which is the oldest banking institution in the country, is owned entirely by the State, and exists primarily to provide credit accommodation for the land-owning peasantry. Its situation on December 31, 1928, may be summarised as follows:—

	Million Leva.
Capital	421
Reserves	28
Loans against promissory notes	617
Loans against securities	1,073
Mortgage Loans	209
Advances to Co-operatives	1,025
Loans under State guarantee to Municipalities and Refugees	420
Total Assets	4,026
Deposit and Current Accounts	3,586

This Bank has been instrumental in providing credits for agriculture in many difficult years, and is undoubtedly responsible for much of the progress that has been made during the present century. The credit requirements of agriculture, however, call for considerable new resources which the Agricultural Bank, at at present constituted, does not possess. Its own resources are certainly inadequate for the proper organisation of long-term credits for the rural population.

UNION OF POPULAR BANKS

Sofia, Place Slaveikoff 7.

Co-operative Society, transacting banking business of every description. Possesses the largest banking organisation in the country owing to its 142 Affiliations and 50 Correspondent Banks.

Capital and Reserves Leva 500 millions.
Assets aggregating Leva 1,500 millions.

"ZADRUGA" Limited Liability Company

Affiliated to the UNION OF POPULAR BANKS.

Sofia, Place Slaveikoff 7.

Export of Cereals and Agricultural produce of every kind. Import of Electrical Engineering Implements, Electro-Motors, Dynamos, etc., Machinery and Tools for handicrafts and industrial uses. Specialises in the construction of Electric Power Stations. The Company is in touch with most of the Power Stations established with the assistance of the Popular Banks or financed by them.

BULGARSKA BANKA

Joint Stock Company

SOFIA

Capital - Leva 30,000,000 paid up
Reserves - Leva 4½ millions

Branches at PHILIPPOPOLIS, SLIVEN, VARNA & PERNIK

Extensive connections throughout the country and abroad. Every kind of home and international banking transactions effected. Specially organised for collecting foreign clean and documentary drafts and outstanding payments of every description.

Commercial and financial information as well as legal advice given to correspondents free of charge.

Cable address: PROMICHLENBANK. Codes used: Peterson's 1st and 2nd

The Central Co-operative Bank is an association of 373 co-operative societies situated in all parts of the country. The principal items in its balance sheet of December 31, 1927, were the following:—

	Million Leva.
Capital and reserves	44
Deposits and sundry creditors	323
Loans and advances	350

In spite of the difficulties inherent in the organisation of credit on a co-operative basis, this Bank has succeeded in making considerable progress during the past five years. It has provided cheap and easily accessible credit facilities for its member societies and has thus helped to spread a knowledge of banking methods even in out-of-the-way country districts. The Union of Popular Banks performs very similar functions as a central agency for 112 small co-operative banks. The aggregate capital and reserve funds of its member banks amount to 257 million Leva, those of the Union itself to 22 millions. Its deposit accounts amount to 101 millions, as against loans and investments of 116 millions. The number of popular banks has been increasing steadily and the accommodation they provide for small traders, artisans and the like is slowly circumscribing the activities of rural money-lenders.

Joint Stock Banks have made considerable progress in Bulgaria during the past twenty years. Certain items from their combined published balance sheets will be found in the following table (gold Leva for 1911, paper Leva thereafter):—

Joint Stock Banks.	1911.	1919.	1924.	1927.
Number	38	87	117	116
Capital (million Leva)	33·4	292	577	791
Reserves (million Leva)	4·5	56	77	128
Deposit and current accounts (million Leva)	96·6	1,144	3,439	4,983
Net profit (million Leva)	3·5	34	69	87

These banks vary in importance. Side by side with relatively large concerns with considerable resources at their disposal, there are a number of very small banks, more especially in the provinces, which work exclusively with local credits and are occupied chiefly in discounting small bills and in making direct loans to traders and private individuals. The combined published balance sheets of the principal Joint Stock Banks are summarised in the next table:—

(In million Leva).

	1911.	1919.	1924.	1927.
Number of banks	4	7	9	9
ASSETS.				
Cash in hand and with other Banks	3·3	112·8	414·2	468·2
Bills discounted	25·4	108·0	547·8	1,421·8
Debtor accounts	60·0	654·6	1,836·4	1,991·7
Securities	2·8	39·8	19·9	31·7
Participations	...	11·5	27·6	29·0
Sundry assets	0·3	2·8	22·7	63·3
LIABILITIES.				
Premises, &c.	1·1	3·7	52·4	69·3
Capital paid up	19·0	99·2	235·7	331·7
Reserves	2·2	17·0	36·0	65·4
Deposit and current accounts	70·0	709·8	2,495·3	2,537·5
Sundry liabilities	0·1	15·7	122·3	116·0
Net profit	1·7	11·5	31·7	48·2
Dividends	1·3	7·5	23·2	31·5

Of the nine principal banks, three are entirely Bulgarian undertakings with no participation of foreign capital. As to the rest, French interests are represented in five, German, Italian and Belgian in one each, Austrian in three, and Hungarian in two. There is no British participation in any Bulgarian bank.

It is unfortunately not possible to give statistics of the aggregate volume of deposits in all Bulgarian credit institutions. The data in the next table were compiled at the National Bank and every effort was made to

BANQUE BULGARE DE COMMERCE

Joint Stock Company

ESTABLISHED 1895.

CAPITAL - - Leva 60,000,000 fully paid up.
RESERVES - - Leva 25,000,000

Central Administration - - SOFIA
Head Office - ROUSTCHOUK
Paris Committee - 280 Bd. St. Germain

3 Branches in Sofia: Central Branch, 14, Ul. Graf Ignatieff; Youtch Bounar Branch, 60, Ul. Pirotska; City Hall Branch, 35, Bd. Maria Louisa.

16 Branches in the following Towns in the Provinces: Bourgas, Ferdinand, Gabrovo, Haskovo, Lom, Philippopolis, Popovo, Roustchouk, Shoumen, Sliven, Stara-Zagora, Tcherven-Breg, Tirnovo, Trevna, Varna and Yamboli.

Cable Address: BULCOMBANK.

Board of Directors: Ivan D. Bouroff (*Chairman*), G. Goubidelnikoff and Jacques Kulp, Director of Banque de Paris and des Pays-Bas (*Vice-Chairmen*), Dr. A. Antonoff, Peter Bacloff, Henri Goulley, Evstr. Iv. Guechoff, Henry Jahan (Manager of the Banque de Paris et des Pays-Bas), Jacques E. May, Emile Oudot (Manager of the Banque de Paris et des Pays-Bas).

General Manager - G. Goubidelnikoff.

BANKING BUSINESS OF EVERY DESCRIPTION TRANSACTED.

AGRICULTURAL BANK OF BULGARIA

Established 1864

Capital and Reserves Leva 522,000,000

Head Office - - SOFIA

97 Branches and 64 Agencies in all parts of the country.

The Bank grants credits exclusively to agriculturists, purchases for its customers agricultural machinery and implements, sulphate of copper, seeds, etc., and has its own storehouses for silk cocoons as well as 15 modern cocoon drying plants in the silk-growing centres of the country. All attar of roses distilling co-operatives work under the direct control of the Bank.

The Agricultural Bank acts as an intermediary for the co-operatives in marketing tobacco, silk cocoons, attar of roses, cereals and other produce.

It also finances, controls and directs agricultural credit co-operatives and their federations, as well as other co-operative bodies and water-power syndicates.

eliminate overlapping. The figures must not, however, be regarded as more than approximate.

(Million Gold Leva).

	1911.	1912.	1926.	1927.
Postal Savings Offices	55·3	60·8	13·3	19·0
Joint Stock Banks	96·6	118·1	156·5	185·8
Popular Banks	1·0	1·5	21·2	30·9
Agricultural Bank.....	62·4	65·7	75·3	83·7
Central Co-operative Bank..	0·6	3·0	4·1	6·5
National Bank	108·2	115·4	107·6	97·3
Total	324·1	364·5	378·1	423·2

While there are gratifying signs of an upward movement in recent years, the total deposits have not yet reached the pre-war level if allowance is made for the change in the value of gold itself.

Deposit business predominates in Bulgaria and branch banking has made considerable headway in the last few years. On the other hand, fifty small provincial banks have recently formed a "Central Institute of Provincial Banks," which is of great assistance to them in rediscounting their bill portfolio and providing cheap credit facilities. There is no bank of an exclusively industrial character in Bulgaria, though some of the larger banks have industrial interests and are beginning to enter into financial combinations for the issue of State and municipal loans. It is intended that long-term mortgage credits should gradually be concentrated in the hands of the "Banque Hypothécaire de Bulgarie." This institution was established in 1928 with foreign capital and enjoys special privileges, which are designed to strengthen the security behind its mortgages and to guarantee a minimum profit for its shareholders.

Like most Bulgarian institutions, banking is of very recent growth and is still engaged in adapting itself to local conditions. There is a certain dispersion of effort and lack of co-ordination in general policy, though, so far as the larger banks are concerned, the position can certainly be described as sound. Their earning power remains satisfactory, and, if the process of amalgamation could be speeded up, the situation would soon become even more promising in this respect.

AGRICULTURE.

By M. Ianaki Moloff, Professor of the University of Sofia, former Minister of Agriculture.

Bulgaria is essentially an agricultural country. Three-quarters of its population are engaged in this oldest of occupations, and agriculture provides 94 per cent. of the total exports, as well as the lion's share of the raw materials used in industry. Capital investments in land improvements, agricultural machinery, cattle, buildings, and the like, are of infinitely greater importance than those in industrial undertakings and handicrafts. Moreover, small holdings predominate throughout the countryside. A law passed in 1924 (The Agricultural Exploitations Act) fixed the maximum amount of land which might be owned by any one proprietor at 300 decares (75 acres), though exceptions are made in the case of rationally organised rural holdings, where a maximum of 2,000 decares (500 acres) is allowed. Larger undertakings of this kind are not, however, numerous; there are only eighty of them in the whole country.

A comparison of the results of agricultural activity before and after the War is somewhat complicated by the fact that the pre-war years showed a number of quite good harvests, while the post-war period has had an unusually large number of indifferent seasons to face. The financial results are further influenced by the world-wide fall in the prices of agricultural as compared with industrial products. Even when account is taken of these factors, the situation has not, however, been a very cheerful one. If we compare the period 1921-5 with the years 1906-10, we find that each acre of land has only yielded five-sixths of the revenue, and each individual actively engaged in agriculture has only produced

CENTRAL CO-OPERATIVE BANK OF BULGARIA SOFIA

Established by Special Law in 1910.

Capital, Reserve and other Funds Leva 130,000,000

Member institutions financed by the Bank:

164 Popular Banks with aggregate capital, reserve and other funds	Leva 540 millions
69 Consumers Co-operatives - - - - - -	Leva 30 „
77 Producers Co-operatives - - - - - -	Leva 35 „
21 Associations for Co-operative Purchases - - -	Leva 35 „
75 other Co-operatives - - - - - -	Leva 800 „

General banking business transacted. The Bank orders and purchases, for account of its member organisations, various products and materials such as copper, timber, fuel, lubricating oils, etc., and sells for their account Bulgarian goods and produce such as leather, tanned sheep and goat skins, carpets, etc.

There is at the Bank a special Department for Agricultural Insurance.

BANQUE FRANCO-BELGE ET BALKANIQUE

Joint Stock Company

Capital - Leva 150,000,000 fully paid up.

Affiliated to the Banque Belge pour l'Etranger (a foundation of the Société Générale de Belgique), Banque de l'Union Parisienne, Wiener Bank Verein, Oesterreichische Credit Anstalt für Handel und Gewerbe, Ungarische Allgemeine Creditbank.

Head Office: SOFIA.

Branches at Doupnitza, Haskovo, Lom, Pleven, Roustchouk, Varna, Vidin.

Affiliated Banks:

BANQUE DE PLOVDIV AT PHILIPPOPOLIS.
BANQUE BULGARO-BELGE AT BOURGAS.
BANQUE BULGARE DU NORD AT SVISTOV.

Banking business of every description transacted. Discounting of trade bills. Advances against securities. Endorsements and guarantees issued. Dealings in foreign exchange, securities, coupons, etc. Special service of private safes.

Cable Address: FRANCOBELG.

BANCA COMMERCIALE ITALIANA E BULGARA S.A.

Established 1919.

CAPITAL (fully paid) - - Lv. 40,000,000
RESERVE FUND - - Lv. 8,500,000

Tel. Address: Bulcomit.

Head Office: Sofia, Legay Str. Nr.2
Branches: Varna, Bourgas, Plovdiv.

Affiliated to the BANCA COMMERCIALE ITALIANA, MILANO.

Capital (fully paid): Lir. 700,000,000. Reserve Fund: Lir. 560,000,000

108 Branches in Italy and London, New York, Constantinople and Smyrna.

REPRESENTATIVE IN BERLIN: Mr. Guido Ansbacher, NW 7, Friedrichstr. 103.

AFFILIATED AND ASSOCIATED INSTITUTIONS:

BANQUE FRANCAISE ET ITALIENNE POUR L'AMERIQUE DU SUD.
Paris, Buenos Aires, Rio de Janeiro, etc.
BANCA COMMERCIALE ITALIANA TRUST COMPANY.
New York.
BANCO ITALIANO.
Lima, Callao, etc.
BANCA COMMERCIALE ITALIANA (France).
Marseilles, Nice, Mentone, Monaco, Cannes, etc.
BANCA COMMERCIALE ITALIANA TRUST COMPANY OF BOSTON.
Boston.
BANCA DELLA SVIZZERA ITALIANA.
Lugano, Locarno, Bellinzona, Chiasso, etc.
SOCIETÀ ITALIANA DI CREDITO.
Milano, Vienna, Trieste.
BANCO UNGARO-ITALIANA.
Budapest and 16 Branches in Hungary.
BANCA COMMERCIALE ITALIANA E ROMENA.
Bucarest, Constanza, Chisinau, Braila, etc.
BANCA COMMERCIALE ITALIANA PER L'EGITTO.
Alexandria, Cairo, etc.
BANK HANDLOWY W WARSZAWIE.
Warszawa and 16 Branches in Poland.
BÖHMISCHE UNION-BANK.
Praha and 25 Branches in Czechoslovakia.
HRVATSKA BANKA.
Zagreb, etc.
BANCO ITALIANO
Guayaquil (Ecuador).
BANCA COMMERCIALE ITALIANA E GRECA.
Athens, Salonica, etc.

Correspondents in all parts of the world. Every description of Banking Business transacted. Issue and cash of the "Traveller's Checks" of the Banca Commerciale Italiana. Safes.

some three-quarters of the value of the output of the earlier period. These conditions have led to a diminution in the real well-being of the peasant population, and have greatly hampered the normal economic development of the country and of its finances.

The backwardness of Bulgarian agriculture is due, in no small measure, to a lack of co-ordination between the different factors of production. While there is an abundance of labour, there is a chronic shortage of capital equipment, in the form of agricultural machinery, horses and manure. This disproportion has been growing greater of recent years. If the amount of labour applied to 100 acres of agricultural land in 1900 be taken as 100, it is calculated that the corresponding figure for 1910 was 111.1, and for 1920, 133.6. The number of cattle and horses has diminished markedly during the post-war period, and three times as much fodder as is now produced would be required for the proper feeding of the cattle. Wooden ploughs are still very common, and number 452,560, as against 278,075 iron ploughs in use in the country.

Extensive cultivation predominates, at the expense of a more intensive utilisation of the soil. Cereals occupy 59.8 per cent. of the total agricultural area, over 18 per cent. of which lay fallow each year, on an average, during the period 1922-6. The cultivation of fodder grass is relatively very limited, while industrial plants, with 2.3 per cent., vegetables, with 1.85 per cent., and vineyards, with 1.3 per cent., only play a very subordinate *rôle* in the agricultural economy of the country. Stock-raising is also very much neglected, the first place being taken by sheep, which provide meat, wool and milk for the peasantry. The cattle are small and unproductive, and here, as in the case of poultry, little care is taken in the selection and improvement of the breeds.

Under these conditions the output of Bulgarian agriculture must necessarily be unsatisfactory. The following table shows the average yield, in quintals per hectare, of the principal crops before and after the War:—

	Annual Averages.	
	1908–12.	1922–26.
Wheat	10·3	9·0
Rye	9·5	8·6
Mixed Grain	10·9	9·5
Barley	10·3	9·5
Oats	7·5	7·1
Maize	10·7	9·9
Rape-Seed	9·2	7·3
Tobacco	7·6	8·7
Potatoes	38·8	38·5
Sugar-Beet	176·3	155·0

In judging these figures, account must be taken of the poor harvests experienced since the War, but, in any case, the absence of any proper order in the utilisation of the land, and the fact that no scientific rotation is followed, go far to explain the extremely low level of these yields.

The total annual value of the agricultural production of the country for the period 1922-6 has been estimated at 664.4 million gold Leva (francs). The principal items entering into this figure are:—

Cereals	440·7	million gold francs.
Industrial plants, including tobacco	72·5	do.
Fodder	36·1	do.
Beans and lentils	11·6	do.

The relative importance of the various crops in the export trade of the country has changed considerably. The percentual share of the different categories in the years before the Balkan Wars and after the Great War is shown in the following table:—

	1906–10.	1921–26.
Cereals and products thereof	77·1%	40·3%
Fruit, vegetables and products thereof	1·4%	1·9%
Tobacco	1·6%	37·2%
Animals and animal products	19·9%	20·6%

It should be noted that the new territories kept by Bulgaria after the Second Balkan War contain rich tobacco areas which make a notable contribution to the foreign trade of the country.

It is now generally realised that a turning point has come in the history of Bulgarian agriculture. The changes to be expected must include the reclamation of waste land, the reduction of the area left fallow, and the devotion of greater attention to cattle and hogs in place of sheep. Due attention must be paid to the special conditions prevailing in the different localities. With this end in view, a special section has been instituted at the University of Sofia and a number of experimental stations have been established in various parts of the country. Stud farms have also been started, and much care is being devoted to the raising of breeds of cattle, horses, hogs, poultry and silk-worms suited to Bulgarian conditions. Agricultural education is also an obvious need, and schools and special classes are being organised with permanent and itinerant teachers.

State encouragement is also given to the co-operative movement, which is full of promise for the future well-being of the rural population. At present there are 2,927 co-operative societies in the country, of which 1,211 are credit societies. The entire organisation is supervised by the Agricultural Bank and by the Central Co-operative Bank. In addition to its normal banking functions, the Agricultural Bank purchases and distributes machinery, seeds, artificial fertilisers and the like to the agricultural population and also aids in the marketing of such products as tobacco and cocoons. Rural insurance is also being organised and the veterinary system overhauled. There can be little doubt that these measures, combined with undertakings for irrigation, reclamation of waste land, and afforestation, will, in due course, produce considerable results and will help the country, in the near future, to overcome its present financial difficulties and enter upon a new era of prosperity.

BANQUE GÉNÉRALE DE BULGARIE

Established 1906.
(1898 as Banque de Commerce.)

Affiliated to:

PESTER UNGARISCHE COMMERCIAL-BANK, BUDAPEST.
BANQUE DE PARIS & DES PAYS-BAS, PARIS.
ALLGEM. OESTERR. BODEN-CREDIT-ANSTALT, VIENNA.

HEAD OFFICE: SOFIA.
BRANCHES: BURGAS, LOM, PHILIPPOPOLIS, ROUSTCHOUK, VARNA.

Correspondents all over the Country.

EVERY DESCRIPTION OF BANKING BUSINESS ON LIBERAL TERMS.

Banque Internationale de Bulgarie

JOINT STOCK COMPANY.

Established by Law of January 15th, 1922, under the auspices of the National Bank and the Agricultural Bank of Bulgaria.

Head Office: SOFIA.

Capital Leva 32,275,000
Reserves „ 4,000,000

GENERAL BANKING BUSINESS TRANSACTED.

Cable Address: BULGARBANK.

EMPLOYEES SAVINGS AND INSURANCE CO-OPERATIVE SOCIETY.

Established May 1st, 1905.

SOFIA.

Life, Fire & Accident Insurances.

The Balance Sheet, dated December 31st, 1928, shows:

Capital Insured (Life Branch)	**Leva**	**1,197,702,150**
Premiums collected in 1928 for all Branches	„	**68,253,000**
Reserve and other funds	„	**220,000,000**
Revenue from investments, real estate, etc.	„	**17,277,900**
Profits for 1928	„	**6,805,368**

Bank Nikola K. Ivanoff S.A.
SOFIA

Capital 30,000,000 Leva
(fully paid)
Reserves 1,500,000 Leva

Head Office - - Targovska St. 28
City Branch: Zar Boris St. 95

All banking transactions. Correspondents in all important cities of Bulgaria.

TECHNICUS
Engineering & Machinery Agents,
SOFIA, Exarch Iossif/35.

ESTABLISHED 1921

REPRESENTING FIRST CLASS BRITISH AND CONTINENTAL FIRMS.
CORRESPONDENCE INVITED.

Banque de Crédit National
Founded with the assistance of the group of Insurance Companies, "BALKAN."
Head Office: SOFIA.

Branches at VARNA, BOURGAS, PLOVDIV, T. PAZARDJIK.
Agencies at SOFIA (Utchbounar) PLOVDIV (Philippopolis), STANIMAKA, PROVADIA.

Capital Fully Paid - Leva 30,000,000. Reserves - Leva 3,500,000

Telegrams: "CREDIONAL."

BANKING OPERATIONS OF EVERY DESCRIPTION.

CENTRAL BANK OF THE BULGARIAN PROVINCIAL BANKS
JOINT STOCK COMPANY.
SOFIA.
ULITZA AKSAKOFF 5.

CAPITAL - Leva 30 millions

88 Member Banks and seven of their branches in following towns in Bulgaria: Aïtos, Anhialo, Belogradtchik, Burgas, Varna, Vidin, Vratza, Gabrovo, G.-Orehovitza, Eski-Djoumaya, Kazanlik, Karlovo, Karnobat, Levsky, Lovetch, Lom, Nova-Zagora, Orehovo, Pavlikeni, Pestera, Pleven, Plovdiv, Popovo, Provadia, Roustchouk, Sarambei, Svilengrad, Svistov, Stanimaka, Stara-Zagora, Straldja, T.-Pazardjik, Trevna, Trambesh Gara, Tirnovo, Ferdinand, Tcherven-Breg, Shumen, Yambol, Lukovit, Sevlievo, Ladjene, Troyan, Mezdra, Drenovo.

Correspondent Banks in all important towns in the country. Transacts the entire banking business of its members. Accepts deposits on sight and notice deposits, savings accounts, etc., on most convenient terms.

Depositors may draw on their accounts at any one of the member Banks. Money transfers and collection of bills effected all over the country on most reasonable terms.

Cable address: PROVINZBANK.

TRANSPORT.

By M. L. Bojkoff, General Manager of the State Railways and Ports.

In 1878 the territories comprised within the modern Kingdom of Bulgaria had less than 340 miles of railways, which were exploited by private companies on a concession basis. After fifty years of national independence the country has a railway network of 1,812 miles, owned entirely by the State. Normal-gauge lines account for 83.5 per cent. of this total, and, at the present time, 505 miles of new line are actually under construction, of which approximately 70 per cent. are normal gauge.

	1911.	1926-27.
Length of system (kilometres)	1,908	2,305
Locomotives	196	440
Passenger carriages	275	458
Freight wagons	4,486	6,596
Passengers carried (thousands)	3,486	8,530
Passenger kilometres (millions)	234	578
Goods traffic (thousand tons)	2,037	2,880
Ton kilometres (millions)	270	481
Capital invested (gold francs)	293	389
Coefficient of exploitation	63%	74%

While these figures bear witness to a considerable increase in the activity of the railways, much still remains to be done to enable the system as a whole to meet the needs of the country. A number of urgent repairs are called for, and new lines are essential. The Stabilisation Loan floated under the auspices of the League in 1928 provides the following sums for the transport services:—

	Million Leva.
Railways:	
For the needs of exploitation	568·5
For construction of new lines	72·3
Ports:	
For certain specified purposes	31·5
Roads:	
For making new roads	172·7
Total	845·0

Thanks to these provisions, it is now possible to purchase abroad certain quantities of rails, switches and road material, together with a limited amount of rolling stock.

Bulgaria possesses two main harbours—Varna and Bourgas—and a number of secondary ports on the Black Sea, together with eight or nine ports worth mentioning on the Danube. The traffic of these ports for the year 1926-27 is summarised in the following table:—

	Ports.		
	Black Sea.	Danube.	Total.
Vessels arriving	3,939	11,535	15,474
Net registered tonnage (thousands)	1,551	2,294	3,845
Passengers arriving (thousands)	25·8	62·8	88·6
Goods unloaded (thousand tons)	110·5	225·9	336·4
Goods loaded (thousand tons)	225·6	130·5	356·2

Considerable development is taking place in road transport. In 1878 the total length of paved roads (*chaussées*) in the country was only 2,300 miles. To-day this has increased to 8,785 miles, and a further 3,860 miles are now in course of construction. The number of motor cars, lorries and motor cycles has increased from 425 in 1920 to 2,116 in 1928. While these figures still remain extremely small in comparison with those of Western Europe, it is nevertheless interesting to note that regular motor services are now run on some 3,750 miles of road. There is as yet no regular air service in Bulgaria, though aeroplanes of the *Cidna* line land at the air port of Sofia on their way from Paris, *via* Bucarest, to Constantinople. The organisation of air transport on a more adequate basis is, however, expected in the near future.

INDUSTRY.

By Dr Asen Tchakaloff, Head of the Economic Research Department, National Bank of Bulgaria.

When Bulgaria became an independent country in 1878 her economic activities were confined to primitive agriculture and a number of well-developed handicrafts. Domestic industries, however, were not able to face the competition of manufactured imports from more advanced countries. In the country itself there was an abundance of raw materials and a plentiful supply of cheap labour, but there were no adequate facilities for exploiting them to the full. A certain number of small industrial undertakings sprang up to take the place of the old handicrafts, and some of these received a certain amount of official encouragement, but it was not until 1895 that the State actively intervened to support industry. A law passed in that year created a series of privileges, such as the granting of Customs exemptions on imported machinery, the reduction of railway rates on articles manufactured in the country, and a certain number of tax concessions, with a view to encouraging home industry. The policy thus initiated was on the same lines as that adopted by Hungary, Roumania and Serbia, where conditions were very similar to those of Bulgaria. In the main these privileges were only accorded to larger undertakings using mechanical power and working up raw materials produced at home. The law of 1895 expired in 1928, but it was then renewed, with slight modifications, for another fifteen years.

The law for the encouragement of industry, passed in June, 1928, protects such undertakings as work up raw materials or semi-manufactured products with machinery using at least ten horse power, employing at least ten workmen, and having a minimum capital of £800. These concerns enjoy, in addition to the privileges already enumerated in connection with the law of 1895, the grant of facilities for the acquisition of land for building purposes, the use of materials on favourable conditions, and a preference in all contracts for the delivery of goods to the State and its administrative undertakings.

Of recent years Bulgarian industry has shown marked signs of expansion, as will be seen from the following

GENERAL REINSURANCE COMPANY
"BALKAN."
NATIONAL INSURANCE COMPANY
"BALKAN-LIFE."
NATIONAL INSURANCE COMPANY
"BALKAN-FIRE & MARINE."

Established 1895 at SOFIA (Bulgaria).

Joint Capital	**Leva**	**22,000,000**
Joint Capital and Surplus	**Leva**	**136,500,000**
Joint Capital and Reserve Fund	**Leva**	**218,000,000**

G. N. GHIONDOFF & SON

Chocolate and Bonbons
:: Manufacturers ::

Sofia, Ul. Alabinska 9.

ESTABLISHED 1872.

The oldest undertaking of its kind in Bulgaria.

By appointment to H.M. The King of Bulgaria

FABRIQUES DE TABAC REUNIES

Joint Stock Company

The most important cigarette manufacturing concern; producing 40 per cent. of the whole cigarettes and smoking tobacco manufactured in Bulgaria.

Sole producers of the renowned "Bourchier" cigarettes.

Special Department for the export of leaf tobacco.

Cable Addresses:
For the Cigarette Manufacturing Depts.: KARTEL.
For the Export Department: KARTELEX.

By Appointment to H.M. The King of Bulgaria

V. PEEFF & CO. Ltd.

Established 1901.

Sofia

CHOCOLATE AND BISCUIT MANUFACTURERS

Largest undertaking of this kind in the country.

ORIENTABAKO

Joint Stock Company,

Leaf Tobacco Merchants & Exporters,
SOFIA.

Established 1864, transformed into a Joint Stock Company in 1921.

Capital, Leva 20 millions fully paid up.

BRANCHES AT:
Doupnitza, Gorna Djoumaya, Haskovo, Philippopolis, Melnik, Nevrokop, Koshu-Kavak, Kirdjali, Kustendil, Stanimaka, Tchirpan, Stara-Zagora, Shoumen, Samokov, Yambol, Varna and Borissovgrad.

Cable address: ORIENTABACO.

G. STEFANOFF SONS,

Sliven, Bulgaria.

WOOL SPINNING & WEAVING.

Largest Textile Works in Bulgaria.

Sofia Office - 18, Place Tzar Kaloyan.

Cable Address - - STEFANOVI.

table, which refers to industrial concerns enjoying State protection:—

	1911.	1921.	1927.
No. of undertakings	345	469	1,052
Capital invested (£ millions)...	3·6	5·0	8·0
Workers employed	15,886	55,717	90,326

In the year 1927 the value of the industrial output amounted to over £11 million, of which the flour mills, which use local raw material exclusively, accounted for some 27 per cent., and textile factories, three-quarters of whose raw materials have to be imported from abroad, contributed 16 per cent. About 30 per cent. of the capital invested in Bulgarian industries is in foreign hands, but the sugar industry, with an annual output estimated at some £900,000, works almost entirely with foreign capital. The production of cigarettes is worth some £400,000, while the manipulation of tobacco for export represents a total of £900,000. The vegetable oil industry, which uses Bulgarian raw materials almost exclusively, has shown considerable progress since the War, and its yearly output is now valued at £350,000.

With the exception of certain special industries, such as the distillation of rose oil, practically the whole industrial output of Bulgaria is destined for home consumption. With the introduction of high protective duties in Turkey and Greece the export of flour to those countries has dwindled away almost to nothing. While industrial products represented 10 per cent. of total exports in 1910, the figure had fallen to 4.8 per cent. by 1926. Manufactured goods still account for about three-quarters of the total imports of Bulgaria, though their share fell from 77 per cent. in 1926 to 74 per cent. in the following year, while imported raw materials rose from 18 per cent. to 21 per cent. during the same period.

There is little doubt that the protection granted to local industries results in a loss of revenue for the State (estimated at £300,000 in 1925) and an increase in prices to the consumer. The disadvantages of the system are being realised more and more in official quarters, as well as amongst the general public, and there are already signs of a new orientation of policy.

The general mineral resources of the country are as yet but little known, though coal, copper and lead are already worked, and salt deposits have recently been discovered at Provadia, in Northern Bulgaria. The principal undertakings at present are the three collieries which exploit the lignite deposits of the Pernik-Vladaia district. They belong to the State, and are responsible for 83 per cent. of the total coal output of the country. The Pernik basin covers a territory of some 300 square kilometres, and offers considerable possibilities for increased production in the future. The development of the coal industry is summarised in the following table:—

	(In Thousands of Metric Tons.)			
	1911.	1926.	1927.	1928.
State Collieries	252	1,051	1,065	1,239
Private Collieries	17	155	173	180
Exports	...	37	10	9
Imports of Coal	184	4	...	...
Imports of Coke	5	7	7	...

In 1927, 7,493 workers were employed in the coal-mining industry, and the capital invested in the State mines was approximately £500,000. The average wholesale price per ton was 17s., while the railways took over 43 per cent. of the total coal produced.

The ore output of the country is as yet very small. In 1927 it only amounted to 10,943 tons of copper ore, 1,229 tons of lead ore, 16,789 tons of copper and lead ore, and 6,720 tons of lead and zinc ore. This is nearly all exported, Belgium being the principal customer.

SAPOUN

JOINT STOCK COMPANY.

Established 1913.

Soap Manufacturers.

Specialities: Soap for domestic and industrial use. Production organised on the most modern lines.

"Standard"
Technical & Industrial Company, Ltd.

Sofia, Boul. Vitoscha 5.

The largest technical enterprise in the country.

Sole Agents for Bulgaria of the National Gas Engine Company, Ltd., Ashton-under-Lyne (England).

All kinds of industrial installations. Large stocks of tool making and wood working machinery, engines and pumps. Leather and Balata beltings, all kinds of steam and water valves, technical goods, etc.

THE USTREM TRADE COMPANY LIMITED

3, Ulitza Moskovska, SOFIA.

Agents of Foreign Industrial, Engineering and Building Concerns.

SPECIALLY ORGANISED FOR TAKING PART IN ADJUDICATIONS FOR DELIVERIES TO THE STATE AND ADMINISTRATIONS.

CORRESPONDENCE INVITED.

FOREIGN TRADE.

By Dr Slavtcho Zagoroff, Lecturer in Statistics, University of Sofia.

The value figures of Bulgaria's foreign trade show an enormous increase since the war, on account of the depreciation of the Lev. When allowance is made for this factor by calculating the post-war returns on the basis of the average price level for the years 1900-10 (which, incidentally, was the same as that for the year 1908), the following results are obtained:—

(Million Leva of 1900–10).*

Year.	Imports.	Exports.	Balance.
1919	61	39	−22
1920	93	87	− 6
1921	119	116	− 3
1922	120	180	+60
1923	163	137	−26
1924	156	176	+20
1925	202	161	−41
1926	151	152	+ 1
1927	171	185	+14
1928	189	167	−22
Average, 1919–23	111	112	+ 1
Average, 1924–28	174	168	− 6

Both imports and exports are now higher than they were in the period 1908-12, but the population has increased still faster. This stands out clearly in the following table:—

	Index Numbers.		Per Head in Leva of 1900–10.	
	Imports.	Exports.	Imports.	Exports.
1908–12	100	100	...	...
1911	110	130	41	38
1912	110	103	40	30
1919	38	32	12	8
1920	58	69	18	19
1921	73	92	25	24
1922	74	142	24	36
1923	101	108	32	27
1924	96	139	30	34
1925	125	127	38	31
1926	93	120	28	28
1927	105	145	31	34
1928	117	131	34	30

The total value of Bulgaria's foreign trade in 1928 amounted to approximately £20,000,000, and thus works out at some 70s. per head of population.

Since the war the balance of trade has been more or less in equilibrium. In the first five years (1919-23) there was a slight surplus of exports over imports. This was due in part to the depreciation of the Lev, which encouraged exports, and in part to the Greco-Turkish War, which provided, for the time being, a favourable market for Bulgarian products. In the last five years (1924-28), the balance of trade has, on the whole, been unfavourable, a state of affairs made possible by the obtaining of foreign credits by the Government and by private individuals.

The foreign trade of the country may be summed up by saying that Bulgaria imports cotton and iron goods, and exports tobacco and cereals. Textile goods alone account for a third of total imports and amounted, during the past five years, to an annual average of some 2,000 million Leva. They came mainly from England, Italy and Germany. Metal goods, machinery and the like, together accounted for a further 2,000 million Leva, and were imported from Germany, Belgium, Austria and England. The remaining third of Bulgaria's imports was made up of a variety of articles, of which leather and leather goods (300 millions), petroleum, chemicals and vegetable oils (approximately 200 millions each) and dyestuffs (150 millions) were the most important. On the export side, agricultural products predominated to the virtual exclusion of all others. The basic commodity, tobacco, amounted to an annual average of approximately 2,000 million Leva, and was sent, above all, to Germany, Italy, Czechoslovakia and Austria. Cereals came next, with a total of some 1,500 millions, the principal customers being Greece, France, Germany and Belgium. Viewed very generally, Bulgaria's imports consisted as to 70 per cent. of manufactured articles, compared with 20 per cent. of raw materials and semi-manufactured goods, and the balance of foodstuffs. Her exports were made up of 50 per cent. foodstuffs and animals, 47 per cent. raw materials, and only 3 per cent. of manufactured articles. Considerable changes have taken place in this respect since the War. The acquisition of important tobacco lands, the growth of population, and the loss of the cereal districts of the Dobrudja are sufficient to explain the advance in the absolute and relative importance of raw materials and semi-manufactured goods, much the most important of which is tobacco, and the fall in the export of cereals.

In the period immediately before the Balkan Wars, Bulgarian imports came, for the most part, from Austria-Hungary (25 per cent.), Germany (19 per cent.), England (15 per cent.), Turkey (10 per cent.), and France (8 per cent.). Since the War the direction of foreign trade has changed considerably. This is shown in the next table, which indicates the percentual share of the most important countries in the import trade:—

Country.	Annual Averages.	
	1919–23.	1924–28.
	Per Cent.	Per Cent.
Germany	17	21
Italy	20	14
England	15	12
Czechoslovakia	3	10
Austria	8	9
France	8	7
Turkey	7	2

Immediately after the war communications with Central Europe were cut off almost completely, and Italy was the first country to renew transport and credit relations with Bulgaria. In later years, imports from Germany have increased steadily in importance.

On the export side there have been even greater changes. The three countries which were formerly the most important markets for Bulgarian products—Turkey (23 per cent.), Belgium (23 per cent.), and England (11 per cent.)—now only play a very secondary *rôle*. The situation in this respect during the past ten years is summarised below:—

Country.	Annual Averages.	
	1919–23.	1924–28.
	Per Cent.	Per Cent.
Germany	15	22
Greece	5	12
Austria	9	11
Italy	14	10
France	7	7
Turkey	14	3

The decline in the importance of Constantinople, the growth of foreign competition in Turkey and Belgium, and the change in the nature of the commodities now available for export, have resulted in a greater diversity of customers than was previously the case. Germany's share, which is made up, for the most part, of tobacco, eggs, skins and rape-seed, is, however, steadily increasing, while England hardly imports anything worth mentioning from Bulgaria.

* These and the other statistical data in this article were calculated in the Statistical Seminar of the University of Sofia. They differ from the official returns, which need correction in two important particulars—(*a*) the value of tobacco exports, (*b*) the division, according to years, of goods imported for account of the State.

London: Printed for the Proprietors The Economist Newspaper, Ltd., by Eyre & Spottiswoode, Ltd., His Majesty's Printers, East Harding Street, London, E.C. 4. Published by the Proprietors at 6, Bouverie Street, Fleet Street, E.C. 4.—Saturday, May 4, 1929.

The Economist
BANKING SUPPLEMENT.
Vol. CVIII.] SATURDAY, MAY 11, 1929 [No. 4,472.

ALLIANCE
ASSURANCE COMPANY, LIMITED.
HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C. 2.
Marine Department: 2-6 Billiter Square, London, E.C. 3.
ESTABLISHED IN 1824.

Assets exceed £30,000,000.

DIRECTORS:

Charles Edward Barnett, *Chairman.*
Lionel N. de Rothschild, O.B.E., *Deputy-Chairman.*

Sir Ian Heathcoat Amory, Bart., C.B.E.
The Viscount Bearsted, M.C.
Frederick Cavendish Bentinck.
Alfred Fowell Buxton.
John Cator.
Lord Dalmeny, D.S.O., M.C.
Major Gerald M. A. Ellis.
Frederick Craufurd Goodenough.
The Marquess of Hartington, M.P.
C. Shirreff Hilton.
Edward Ralphe Douro Hoare.
R. M. Holland-Martin, C.B.
David Landale.
Colonel Wilford N. Lloyd, C.B., C.V.O.
Sir Christopher T. Needham.
William Heard Shelford.
Arthur James Stewart Todd.
Henry Alexander Trotter.
Richard Durant Trotter.

THE ALLIANCE grants INSURANCES OF ALL KINDS:—

LIFE (with and without Profits). Assurances with **Disability Benefits. Estate Duty** Policies. **Staff Assurance and Pension Schemes. Group Life Assurances. Children's Deferred Assurances and Educational Endowments. Annuities.**

SINKING FUND and **CAPITAL REDEMPTION.**
FIRE.
MARINE.
BURGLARY and THEFT.
ACCIDENTS of all Kinds: Personal Accident and Disease, Third Party, Drivers' Risks, Lift, Plate-Glass, and Workmen's Compensation, with Special Policies for Domestic Servants.
MOTOR CAR, MOTOR CYCLE.
FIDELITY GUARANTEE. **LIVE STOCK.**
BOILER and MACHINERY INSURANCE and INSPECTION.

COMPREHENSIVE POLICIES FOR BUILDINGS OR CONTENTS OF DWELLING-HOUSES.

THE COMPANY IS EMPOWERED TO ACT AS EXECUTOR AND TRUSTEE.

Particulars of any of the above will be sent on application to the Company.

Guinness, Mahon & Co.

ESTABLISHED 1836.

53, Cornhill, LONDON, E.C.3.

17, College Green, DUBLIN.

CAPITAL ISSUES NEGOTIATED.

COMMERCIAL CREDITS.

DEPOSIT AND CURRENT ACCOUNTS OPENED IN ALL CURRENCIES.

ADMINISTRATION AND SUPERVISION OF TRUST FUNDS.

AGENTS AND CORRESPONDENTS THROUGHOUT THE WORLD.

The Economist Banking Supplement

A SURVEY OF BRITISH AND FOREIGN BANKING

Vol. CVIII.] SATURDAY, MAY 11, 1929. [No. 4,472.

BROWN, SHIPLEY & COMPANY,
LONDON.

FOUNDERS COURT, LOTHBURY, E.C.2.

OFFICE FOR TRAVELLERS:
123, PALL MALL, S.W.1.

ESTABLISHED 1810.

COMMERCIAL CREDITS & CONSIGNMENTS.
FOREIGN EXCHANGE.
CABLE TRANSFERS.
FOREIGN COLLECTIONS.
TRAVELLING CREDITS.
DIVIDENDS COLLECTED.
COUPONS PURCHASED.
DEPOSIT and CURRENT ACCOUNTS OPENED.
AGENTS and CORRESPONDENTS ALL OVER THE WORLD.

BROWN BROTHERS & COMPANY,
NEW YORK.
59, Wall Street.

PHILADELPHIA.
1531, Walnut Street.

BOSTON.
60, State Street.

BALTIMORE.
(Alexr. Brown & Sons.)

ESTABLISHED 1800.

CONTENTS.

The Past Twelve Months 4
Wall Street and the Banks 5
The Amalgamation Movement in American Banking 6
German Banking during the Past Year 7
The Bank Balance Sheets 9
Banking Profits 11
British Bank Shares 13
Comparative Statements—
Joint Stock Banks of England and Wales (excluding Bank of England) 14
Private Banks 14
Joint Stock Banks of Scotland 15
Joint Stock Banks of Ireland 15
English Joint Stock Banks 16
Scottish Banks 16
Northern Irish Banks 16
Private Banks 16
Discount Companies 17
Bank of England 18
Bank Rate since 1848 18

JOINT STOCK BANKS OF ENGLAND AND WALES.

Barclays Bank, Limited 19
British Mutual Banking Co., Lim. 19
Baring Brothers & Co., Limited ... 20
Coutts and Company 20
District Bank, Limited 21
Glyn, Mills and Company 21
Isle of Man Bank, Limited 22
Lloyds Bank Limited 22
London Merchant Bank, Limited... 23
Martins Bank, Limited 23
Midland Bank, Limited 24
Manchester and County Bank, Lim. 25
National Provincial Bank, Limited. 25
Union Bank of Manchester, Limited 26
Westminster Bank, Limited 26
Williams Deacon's Bank, Limited... 27

PRIVATE BANKS.

B. W. Blydenstein and Co., London 28
Hoare (Chas.) and Co. 28
Baker, Duncombe and Co., Limited 28
Grace Brothers and Co., Limited ... 28
S. Japhet and Co., Limited 30

LONDON DISCOUNT COMPANIES.

Alexanders Discount Company, Lim. 30
National Discount Company, Lim. 30
Union Discount Company of London, Limited 32
Gillett Brothers Discount Co., Lim. 32

JOINT STOCK BANKS OF SCOTLAND.

Bank of Scotland 34
The British Linen Bank 34
The Clydesdale Bank, Limited 36
Commercial Bank of Scotland, Lim. 36
National Bank of Scotland, Lim.... 38
North of Scotland Bank, Limited 38
Royal Bank of Scotland 40
Union Bank of Scotland, Limited... 40

JOINT STOCK BANKS OF NORTHERN IRELAND.

Belfast Banking Co., Limited 42
Northern Bank, Limited 42
Ulster Bank, Limited 44

LATEST BALANCE-SHEETS OF DOMINION BANKS HAVING LONDON OFFICES.

Barclays Bank (Dominion, Colonial and Overseas) 44

IRISH FREE STATE BANKS.

Bank of Ireland 44
Hibernian Bank, Limited 46
Munster and Leinster Bank, Lim. 46
National Bank, Limited 46
Provincial Bank of Ireland, Limited 46
Royal Bank of Ireland, Limited..... 48

AFRICAN BANKS.

Bank of British West Africa, Lim. 48
Netherlands Bank of South Africa... 48
Standard Bank of South Africa, Lim. 48

AUSTRALASIAN BANKS.

Australian Bank of Commerce, Lim. 48
Bank of Adelaide 50
Bank of Australasia 50
Bank of New South Wales 50
Bank of New Zealand 50
Commercial Bank of Australia 50
Commercial Banking Company of Sydney, Limited 50
Commonwealth Bank of Australia... 52
English, Scottish, and Australian Bank, Limited 52
National Bank of Australasia, Lim. 52
National Bank of New Zealand, Limited 52
Queensland National Bank, Lim. 52
Union Bank of Australia, Limited 54

CANADIAN AND W.I. BANKS.

Bank of Montreal 54
Bank of Nova Scotia 56
Canadian Bank of Commerce 56
Dominion Bank 56
Royal Bank of Canada 58

INDIAN BANKS.

Chartered Bank of India, Australia and China 58
Eastern Bank, Limited 58
Imperial Bank of India 60
Mercantile Bank of India, Limited 60
National Bank of India, Limited... 60
P. & O. Banking Corporation, Lim. 62

LATEST BALANCE-SHEETS OF FOREIGN BANKS HAVING LONDON OFFICES AND OF BRITISH BANKS TRADING ABROAD.

Anglo-Czechoslovakian Bank 62
Anglo-International Bank, Limited 62
Anglo-South American Bank, Lim. 62
Banca Commerciale Italiana 62
Banco de Bilbao 64
Bank of Athens 64
Banco de Chile 64
Banco Espanol del Rio de la Plata 64
Banco di Roma 64
Banco Nacional Ultramarino 64
Bank of London and South America, Limited 64
Bank of Roumania, Limited 65
Bank for Russian Trade, Limited... 65
Bank of Taiwan, Limited 65
Banque Belge Pour l'Etranger 65
Banque du Congo Belge 65
British Bank for Foreign Trade, Lim. 65
British Italian Banking Corporation, Limited 66
British Overseas Bank, Limited... 66
British Bank of South America, Lim. 66
Commercial Bank of the Near East, Limited 66
Thos. Cook and Son (Bankers), Lim. 68
Com. Nat. d'Escompte de Paris ... 68
Commercial Bank of Spanish-America, Limited 68
Crédit Foncier d'Algerie et de Tunisie 68
Crédit Lyonnais 68
Credito Italiano 68
Equitable Trust Co. of New York... 68
Farmers' Loan and Trust Co. 68
Guaranty Trust Co. of New York... 68
Gillett Brothers Discount Co., Lim. 68
Hambros Bank, Limited 68
Hongkong and Shanghai Bkg. Corp. 70
Imperial Bank of Persia 70
International Banking Corpn. 70
Jonian Bank, Limited 70
Italo-Belgian Bank 70
Mitsubishi Bank, Limited 72
London and Eastern Trade Bank, Limited 72
Mitsui Bank, Limited 72
Moscow Narodny Bank, Lim. 72
National Bank of Egypt 72
National City Bank of New York... 74
Ottoman Bank 74
Reliance Bank, Limited 74
Société Belge de Crédit Industriel et Commercial et de Depôts 74
Société Generale 74
Société Générale de Crédit Industriel et Commercial 74
Sumitomo Bank, Limited 74
Swiss Bank Corporation 74
Yokohama Specie Bank, Limited ... 74
Yorkshire Penny Bank, Limited ... 74

THE PAST TWELVE MONTHS.

THE past twelve months have been a momentous period in the history of British banking and of the London money market. They have witnessed the amalgamation of the Treasury and Bank of England note issues, the withdrawal of money from all over the world into the New York stock market and the long-drawn and, in the end, vain fight of the Bank of England to maintain stable money rates. On the more theoretical side of central banking and international finance, they have seen the development and fresh interpretation of old-established monetary theories, and in particular of the use of the discount rate and of open market policy as different and to some extent rival methods of exercising control.

To take first the purely domestic question of the amalgamation of the note issues under the Bank of England. This has already received ample treatment in the pages of the *Economist*, and there is no need to cover the ground again. There is, however, one important result of the amalgamation which merits some consideration. Under the terms of the 1928 Act the fiduciary limit of the Bank's note issue was fixed at £260,000,000. Thus the total number of notes issued by the Bank was equal to this amount, plus the gold held by the Bank in its Issue Department. Out of its total issue, the Bank was bound to supply to the banks and to the public such notes as were required, and the balance of notes not required constituted the reserve held in the banking department. This, of course, is in accordance with its traditional practice, but the result to-day is very different from what it was a year ago. The reason is that the country's demand for notes is a fluctuating one, rising above normal at holiday periods and tending to fall below normal during the early months of the year, when the bulk of the taxes are being collected. While the currency note issue was in being, the brunt of these fluctuations fell upon the currency notes, which expanded or contracted in number accordingly. Now it falls upon the Bank of England's note issue, and as the total issue only varies with the Bank's gold stocks, it falls in particular upon the Banking Department's reserve. Hence, while in the past the reserve depended wholly upon the Bank's gold stocks, to-day it depends jointly upon the Bank's gold stocks and the extent of the country's demand for currency.

An example of this is found in the week before Easter. Then the following changes occurred:—

Bank's gold stocks	+ £907,699
Note circulation	+£7,917,371
Reserve	−£7,009,672

This shows how seasonal demands for currency to-day deplete the Bank's reserve in the same way as a loss of gold. The only difference is that the depletion is of an internal character, and the loss is automatically made good when the special demand for notes is over. Hence it is less permanent and severe than a loss of gold to foreign centres, which is not necessarily made good at an early date or even at all. The important points for the general public to realise are that a depletion of the Bank's reserve at holiday periods need cause no anxiety, but that a permanent growth in the country's demand for currency would have serious reactions.

Turning now to more general monetary history, during most of the past twelve months the Bank of England has had to contend with the flow of money to Wall Street, complicated by cross-currents between various European centres, in their turn largely the aftermath of the completion of the stabilisation of Continental currencies. As matters turned out, several European central banks felt it advisable to add to their gold reserves just at the time when the flow of money to New York was at its height, and this added to the difficulties of the situation. In so far as Germany was concerned, subsequent history has shown that the Reichsbank's gold acquisitions in the autumn of 1928 were more than justified, for April witnessed heavy gold withdrawals, which culminated in the sensational events of the last week of the month. Other central banks, however, have succeeded in retaining their gold acquisitions of last year.

Still, Europe was only a complicating factor, and the main external influence upon London was beyond question New York. In the early days of the past twelve months the Wall Street stock boom had comparatively little effect, for between April 4th and September 5, 1928, despite a net rise in New York call rate from 5 to 7½ per cent., and despite two increases in the New York rediscount rate, the Bank gained £19.4 millions of gold, part of which came from New York itself. Money in London was, on the whole, easy, with the market rate of discount at times down to 4 per cent., or even lower, and at mid-summer the Bank was subjected to severe criticism for not making money more plentiful and for not lowering its rate.

As those in control shrewdly suspected, these summer months were but the calm before the storm, and by the end of the year the position had completely changed. Between September 5th and January 9, 1929, the Bank lost £22.1 million of gold, and by February 6th another £4.6 million had gone. A day later the Bank gave up the struggle, and raised its rate from 4½ to 5½ per cent. The next seven weeks were a time of great anxiety. Some time elapsed before any substantial amount of gold was obtained by the Bank, and for several weeks it was feared that the New York rediscount rate might go up again, and drive London up to 6½ per cent. It was not until after Easter that the situation began to clear and that these fears were dispelled, and the main cause of this was the deliberate action of American banks directed towards excluding foreign money from Wall Street and driving it back home.

This is the history of the past twelve months. It remains to consider the policy the Bank pursued during the critical period. To begin with, the Bank relied mainly on the open-market weapon which it used to carry out a policy of "neutralisation." Thus, from January to September of 1928, it "neutralised" its gold acquisitions of £21.6 million by reducing its earning assets by £17.2 million, while during the autumn it tried to continue its neutralisation policy by adding to its earning assets in proportion to its gold losses. The whole object of the policy was the maintenance of monetary stability at home, and in the summer months at least it had the effect of reducing the Bank's earning assets sufficiently to affect its year's profits. Despite the self-restraint involved by this policy, in the end it broke down, for the Bank found that conditions did not permit of its replacing its earning assets to the full extent justified by its gold losses. Worse still, the open-market weapon itself in the end proved ineffective, and the Bank had to raise its rate.

The period has not been without its lessons, the chief of which is that changes in money rates may have effects very different from the ordinary teaching of monetary theory. Thus, in the late summer, the rise in call rate in New York did not have the effect of damping down speculation, but, on the contrary, simply acted as a magnet to attract money from all over the world and to pour it into Wall Street, where it merely served as fresh fuel to the fire. To come to more recent days, the rise in the Reichsbank's rate was initially taken as a warning that conditions in Germany had become unsound. This view of the situation was hardly justified, but it did not prevent the rise in the German bank rate from being the signal not for an improvement, but for a momentary collapse in the mark exchange. A few weeks earlier, the increase in the Dutch bank rate was not so much a warning to London that foreign rates were rising, as an assurance that Amsterdam was aligning herself with London in her demonstration against New York.

The final lesson is perhaps the most important. It is that when stock prices are rapidly rising, high money rates are only an ineffective deterrent which penalises the innocent without troubling the guilty. The only remedy against rampant speculation is to cut off funds altogether. It is probably true to say that what saved London and brought Wall Street more under control during March and April were the steps taken in New York to prevent foreign funds from gaining any access to Wall Street at all. In short, a new weapon in international finance was tried, which in the peculiar conditions prevailing this year proved effective where open-market policy had failed, and the discount rate weapon was hardly sufficient. Credit restriction and higher rates penalise innocent and guilty alike, except that the innocent trader suffers keenly, and the guilty speculator can often afford to laugh at the restraint. The events of the past year have seen the beginnings of a new technique, which, if maintained and developed, may succeed in rationing the speculator without injuring the trader. If such a new weapon can be forged, and also if international action can be taken towards making better use of the world's limited supplies of gold, the excitements of the past twelve months will not have been in vain.

WALL STREET AND THE BANKS.

(BY A CORRESPONDENT.)

BEFORE January, 1928, the Federal Reserve authorities in America were using their influence in favour of easier credit to help the European exchanges and to try to counteract some slackening in the autumn of 1927 in the rate of industrial activity in the United States. The result of that policy, in the words of Governor W. Harding, of the Boston Federal Reserve Bank, was that "it undeniably served as an encouragement to speculation," which was fostered in turn by the unusually high industrial and business activity in America that in March, 1928, had become a marked industrial expansion. Security prices rose and the general public, attracted to Wall Street by the possibilities of making large paper profits in security speculation, set up a snowball effect on Stock Exchange prices; higher security values attracting more public speculation and this in turn further advancing prices by its added demands for securities. This development is well reflected in the following figures:—

Date.	Security Price Index.*	Total Demand Loans to Brokers.† $ millions.	New Call Money Rate. %	Borrowings at Federal Reserve Banks of Reporting Member Banks. $ millions.
Nov., 1927	131·3	3,134	3·60	276
Dec., 1927	135·5	3,481	4·43	388
Jan., 1928	137·4	3,393	4·15	314
March, 1928	141·1	3,580	4·48	362
July, 1928	147·8	3,768	6·06	854
Sept., 1928	161·6	4,690	7·40	822
March, 1929	196·1	6,210	9·80	740

* As compiled by Standard Statistics Co. for 340 industrials (1926 = 100).
† As reported by New York Stock Exchange.

They show, apart from special year-end and other influences, that security prices were advancing, an increased proportion of securities was being dealt in by the aid of credit in the form of loans to brokers through member banks, and these member banks were in turn increasing their borrowings from the Reserve Banks, chiefly to meet an increase in demand for currency and security sales by the Reserve Banks.

The Reserve authorities consider that their business under the Federal Reserve Act is "effectively to discharge their function of so managing the credit facilities of the Federal Reserve system as to accommodate commerce and business." They decided that too great a proportion of credit facilities was being diverted to Stock Exchange speculation, and accordingly, in July, 1928, started that struggle with Wall Street which has continued since. The policy of cheaper credit was abandoned, discount was raised progressively to 5 per cent. and Government securities sold in the open market. Call money rates in New York were so driven up above those existing elsewhere by these means that funds began to flow into New York from all over the world to take advantage of the high yield obtainable on call loans. Speculation was unchecked and unrepentant. Capital appreciation more than repaid high interest charges to carry stocks, and the Reserve Board found itself, after an attempt to do so, unable to shake the optimism of Wall Street, where from July, 1928, onwards security prices steadily advanced. The higher call money has been forced, the more foreign funds, officially unwanted, have been attracted. The result has been to draw so much credit from other centres that many European countries have been forced to protect their reserves by raising their official discount rates. At first England took practically the whole brunt of this strain from New York, but since the Bank rate increase here on February 7, 1929, other countries have been forced to use the same weapon, and Holland, Italy, Poland, Hungary, Austria and Germany have all increased their discount rates since, while in Canada an unofficial embargo on gold exports exists.

Quite obviously so long as there was a sufficient interest differential caused by high call money rates between New York and other centres, funds would be transferred to New York if there were no restrictions on such procedure. The average rate on new call money loans in New York rose steadily from July, 1928, while in addition demand increased as speculation became greater. Brokers' loans grew, and increasing security prices made more funds necessary to carry the same nominal value of a security. For July 6.06 per cent. was the average call money rate, for August 6.91 per cent., September 7.40 per cent, December 8.86 per cent.

These rates certainly gave a good interest differential, and even by June, 1928, it was estimated in certain quarters that funds transferred to New York from Europe were around £50 million. This would seem at first sight a high figure, as foreign banks did not make a profit immediately there was a disparity in interest rates by transferring funds to New York. Such funds have had to bear a tax of 12 per cent. and a bankers' commission of 5 per cent. on the interest they earned when loaned to brokers, so that at least one-sixth of the rate at which they were employed was swallowed by taxation. Moreover, unless an exchange risk was taken the lending banks had to sell forward dollars against their spot purchases, and differences on these transactions had to be taken into account one way or the other in obtaining the net yield of the full transaction. The first transfers in the early part of 1928 were, however, effected more cheaply since sterling exchange was tending to fall, and so afforded the chance of an increased profit if the first transfer were left uncovered. In addition, banks here placed the funds through the London offices of the New York banks at a fixed charge, and so evaded the tax payment on foreign funds employed directly in New York. Thus, up to June, 1928, there was a considerable attraction in transferring funds, and the figure already mentioned becomes understandable on such an explanation.

In that month, however, the practice of lending in London was somewhat abruptly stopped after protests had been lodged by New York banks not possessing offices here. The cheapness of discounts here in June and July, however, when the rates for prime three-months bills averaged only 3.82 per cent. and 3.99 per cent. respectively against a call money rate in New York of over 6 per cent., made it profitable to leave the funds already transferred in Wall Street and started the second phase of the flight of credit westwards. The very cheapness of discount in London enabled American banks to borrow here by drawing and discounting sterling bills in August and September around 4⅜ per cent., so that even though the loss on the covering forward exchange transaction was substantial, there

was a net balance of profit in so borrowing and lending in call loans in New York at over 6 per cent. A large volume of purely finance bills covered by American Stock Exchange collateral was in consequence negotiated on London, and further substantial transfers of funds thus took place at this time. It is perhaps worth noticing from this point of view, even allowing for the re-transfer of acceptance business to London from New York, that the London clearing banks' statements showed an increase in acceptances of £24,000,000 from June to August, 1928.

At this time the sterling dollar exchange was helped by American purchases of War Loan and Funding Loan, and discounts consequently remained weak and uninfluenced instead of firming up and making American borrowing less profitable, as they did later when exchange fell away in the early part of this year, no longer supported to the same extent by such transactions. Such a method of American borrowing thus probably received some help from New York itself.

During all this time the Reserve Board dallied with the situation and succeeded only in maintaining call money at a high rate, and thus attracting further foreign funds. Although it was thought in September that foreign banks had invested as much as they cared to do in call loans, November saw further transfers from England despite amendments made to the New York Clearing House rules aiming at a curtailment of private lending in Wall Street.

Voluntary transfers in the latter part of 1928 were, so far as can be ascertained, on the small scale, but a third and possibly the final phase of the credit flight westwards was inaugurated. High call money rates caused depreciation of the exchanges in New York, and over £9,000,000 in gold was drawn into New York in January alone this year from this cause. A great part of this came from London, but more recently Germany has also in effect sold gold in New York. The loss of gold, or fear of such loss, has been the proximate cause of European discount rate increases, which in turn have rendered further transfers of funds to New York less profitable, and so checked that flight of credit to New York which was fraught with disadvantage for all nations.

The Reserve Board, moreover, seems to have realised recently that a policy of increasing call money rates to stop speculation is likely to defeat its own ends, and different measures have in consequence been adopted. There was evidence in March this year that pressure was being brought to bear on member banks, while New York banks announced to foreign customers that further loans to brokers would be at the lenders' risk. This has driven foreign funds out of Wall Street, and recent high call money rates have, in fact, been in the nature of famine rates offered for money not there. Furthermore, the Reserve Banks are now believed to insist that for every call money loan made a proportion of acceptances must be bought, thus automatically reducing the amount that can be lent on Wall Street and bringing down the rate on commercial paper. Both these developments have led to the re-transfer of considerable sums to London, and the recent weakness in discounts is in part attributable to the investment demand here of such repatriated sums.

An estimate of the volume of foreign funds lent in Wall Street at the height of the boom puts the figure at one billion dollars, but this is probably considerably too high. It is not possible to break down sufficiently the American statistics to find out how much foreign money has actually gone into brokers' loans in the ways described, but briefly there was an increase in brokers' demand loans in 1928, made by reporting member banks in New York City of 1,800 million dollars. Of this increase 70 per cent. was for account of "others," including foreign customers and non-banking sources. A great part of this latter increase thus represents the European funds attracted by the high call money rates in Wall Street, but it would not be safe to assume that the total increase of around £250 million all represents foreign funds so employed. Some part of the increase in the total of brokers' loans represents the financing of business turnover formerly carried out by commercial paper or bank advances, as Mr Szarvasy recently pointed out, and thus the full increase cannot be considered as an increase to carry securities on credit or as representing a large inflow of funds from foreign banks for this purpose. "Loans for account of others," as the one division of brokers' loans is called, and which includes the sums lent by foreign banks, also includes the cash surpluses of prosperous corporations in America which report large sums in cash, undoubtedly to a considerable extent lent on call.

Recently, except at month ends and on other special occasions, call money rates in New York have not offered sufficient attraction for foreign funds, and the position seemed to be that those employed there were being repatriated as they fell due. In this connection it is interesting to compare the estimate already mentioned with the statement by Mr Lamont, Secretary of the Department of Commerce, that a recent survey revealed that only 207 million dollars foreign funds were now utilised in brokers' loans in the United States. This seems to show that the first estimate was unduly high, and that probably there was a fair repatriation of funds from Wall Street during April. This month the tendency has been less decided.

THE AMALGAMATION MOVEMENT IN AMERICAN BANKING.

(BY OUR NEW YORK CORRESPONDENT.)

AMERICAN banks have reached the two thousand million dollar class for the first time this year, an event which has meant the passing of another financial milestone, while the new institutions created by recent mergers in New York have broken into the exclusive ranks of the big five banks of London. In order of total resources, the leading banks of the two countries stand now as follows:—Midland, Lloyds, the National City Bank, Guaranty Trust Company, Barclays, Westminster, National Provincial, and Chase National Bank.

The National City Bank of New York has long been the largest in capitalisation. For a few days this year it was surpassed in resources by the Guaranty Trust Company following the latter's merger with the National Bank of Commerce, but with the acquisition of the Farmers' Loan and Trust Company the National City jumped back into the lead of American banks.

The accompanying table indicates the capital, deposits, and total resources of the principal English and American banks according to their published statements of December 31st, and after giving effect to the National City and Guaranty Trust mergers:—

(Dollars converted into pounds sterling at $4·87.)

Bank.	Capital.	Deposits.	Resources.*
	£	£	£
Midland	13,432,868	394,591,227	497,714,034
Lloyds	15,810,552	352,161,963	439,790,378
National City Bank of New York	22,587,268	316,284,763	430,928,900
Guaranty Trust Co. of New York	14,373,716	303,586,529	408,937,124
Barclays	15,858,217	335,081,222	386,063,756
Westminster	9,320,157	294,086,580	340,508,305
National Provincial	9,479,416	290,310,253	329,698,671
Chase National Bank of New York	12,320,328	231,372,001	293,697,790

* Includes customers' liability for acceptances, etc.

The growth of American banks through mergers is the natural response to the demands of growing industry and increasing personal wealth. Because loans that may be made to any single borrower are restricted by law to 10 per cent. of the bank's capital, surplus and undivided profits, the capitalisation must grow to meet the requirement for higher commercial loans. And because of the rapid expansion of the trust department of banking, large-scale organisation and the wise guidance that can be commanded by large institutions have been sought in many bank consolidations.

The union of a national bank with a trust company has been the most common marriage recently. Therein lies a threat against the integrity of the Federal Reserve Bank system, for the tendency has been towards the preservation of the trust company's charter and the abandonment of the national bank's charter. Membership in the Reserve system is compulsory for the national bank but optional for State banks. There has been no sign yet of the withdrawal of trust companies from the Reserve system, but in any crisis or even in a period of mild dissatisfaction with Reserve Bank policies there is the danger that withdrawals may occur, weakening the power of the organisation that was created to unify and stabilise American finance.

The merger movement in New York has been gathering momentum for many years. In the first quarter of this century, in fact, more than seventy-five banks were gathered up into twenty units that are being still further reduced in number and enlarged in size. The principal unifications this year have been the National City Bank with the Farmers' Loan and Trust; the Guaranty Trust with the National Bank of Commerce; the Hanover National Bank with the Central Union Trust Company; the Chase National Bank with the American Express Company; the Bank of America N.A. with Blair and Company, Inc.; and the Chemical National with the United States Trust.

The Blair acquisition by the Bank of America marked a new departure. It was the absorption of one of the oldest and largest security underwriting and distributing organisations by a commercial bank. It is likely that similar mergers will be made between other security dealers and banks as a defensive move against the increasing strength of security company affiliates of powerful banks. Two years ago there were only four major securities corporations belonging to New York banks, but their number has increased and their influence has been felt by many of the independents. There is, of course, some question as to the wisdom or even the ethics of combining a trust company with an organisation devoted to the underwriting of new securities. A few of the trust companies have avowed their intention never to submit to such an affiliation.

The ultimate object in the consolidation movement is larger banking profits. Larger resources accommodate larger customer demands, with the economies that are expected to go hand in hand with mass production, whether of automobiles or credit facilities. The truly economic merger, an ideal rarely met, avoids duplication of facilities, permits expansion and development of good accounts, adds new services, and provides greater diversification of executive control.

No matter how large American banks may grow in dollars, it is unlikely that they will ever attain the power of the great English banks. For one thing, chain banking in the United States is hampered at present by the difficulty in crossing State boundaries, and in addition a few experiments in the linking of scattered banks under single ownership have not proved fortunate. But aside from the legal and business difficulties, bankers have a genuine respect for public opinion which would cry out against a "money trust" if the nationalisation of a powerful institution were to be attempted. The field for growth is in the extension of branch banking within a community and the centralisation of direction of individual banks. Along these lines it will not be surprising to see the expansion of several more financial organisations within a very few years into the two thousand million dollar group.

GERMAN BANKING DURING THE PAST YEAR.

(BY A CORRESPONDENT.)

THE year 1928 was for the German banks, as far at least as domestic developments were concerned, comparatively free from sensational happenings. It was, however, by no means devoid of interest. While trading activity considered over the whole year was on a slightly higher level than in 1927, witness the higher yield of the turnover tax, as the year progressed a decline in the volume of business became evident, showing itself mainly in continually falling statistics of production. This tendency was not reflected in the figures of the banks. Creditors (mainly time and demand deposits) increased steadily, the total on December 31st for the six principal banks (representing three-fourths of the private banking strength of the country) being 28 per cent. higher than at the end of the previous year. Turnover, while not increasing proportionately with deposits, showed nevertheless an average rise of 16 per cent., and in the case of some individual banks, notably the Darmstädter und Nationalbank with 30 per cent., the rise was considerably greater. Although towards the end of the year the money market became somewhat easier, probably as a result of the release of funds owing to the declining activity of business, it is evident that in Germany to-day the demand for credit is always largely in excess of the supply. There is thus constant pressure to take up the slack, as it were, and this explains why apparently no diminution of the volume of outstanding bank credit ever takes place without sharply restrictive measures.

The continued demand for credit could only be supplied by extensive recourse to the foreign money markets, and, in fact, the developments in this respect were the most interesting features of the banking year. There has been some discussion regarding the advisability of allowing short-term credits from abroad to flow into the country through the agency of the banks. The latter decided, however, that even if they were to refrain from accepting foreign deposits to a large extent, foreigners wishing to take advantage of the interest rates in Germany would find other and less satisfactory methods of doing so, so that harm rather than good would result. During the year the banks' liabilities towards foreigners increased very largely. It is, in fact, probable that the greater part, if not the whole, of the rise in deposits is to be attributed to foreign credits in one form or another. Early in the year a large part of the inflowing funds came from the United States, but when in the summer the well-known developments on the American markets supervened and withdrawals took place, London, Paris and Brussels stepped in to fill the gap. The net result was, according to the *Frankfurter Zeitung*, an increase in the proportion of foreign creditors to total creditors for the principal banks from 35 per cent. at the end of 1927 to 43 per cent. on December 31, 1928. During the same time the funds held by Americans probably declined both absolutely and relatively, while those held by European centres, particularly by the newcomers to this field, France and Belgium, increased very largely.

The dangers inherent in this position were fully realised. They have, indeed, manifested themselves somewhat unpleasantly in the developments of the last few weeks, which will be referred to in a later paragraph. The banks, however, have been exceedingly cautious in building up a reserve position sufficient to protect themselves, independently of recourse to the Reichsbank, against heavy withdrawals from abroad. In view of the international situation, it is obvious that an international run on the banks is far more probable than any domestic difficulties of the kind, and the banks have made their preparations accordingly. In the published balance sheets, which are analysed in the second of the annexed tables, no distinction is made between domestic and foreign

assets, but references in the annual reports enable an approximate idea of the position in this respect to be gained. The first line of reserve against foreign liabilities consists of demand deposits with first-class foreign banks entered under the item "Balances with banks." Probably over 80 per cent. of this item, or approximately one milliard marks, consists of deposits of this kind. The utility of this reserve is, of course, enhanced by the fact that it is available on demand, while foreign liabilities are mainly fixed-time deposits and acceptance credits falling due on definite dates. The second line of reserve is formed by considerable holdings of sterling and dollar bills. Although no indication of their amount is given by the banks, it is a matter of common knowledge that these holdings are very considerable, though they may vary somewhat according to the prevailing market rates. Another important reserve item is formed by the advances against goods, which are mainly in foreign currencies and secured on readily saleable merchandise. It is probable that the holdings under these three heads together amount to some 60 or 70 per cent. of the total liabilities in foreign currencies. The remainder is mainly, probably entirely, covered by other assets in foreign currencies of a less liquid nature, since, as a matter of principle, most banks only relend foreign currency deposits in the same currency. While, of course, in the event of a currency crisis debtors might have difficulty in obtaining the necessary foreign exchange to meet their liabilities, the first and second line reserves would be sufficient to give the banks a considerable breathing space, and, in fact, there seems little doubt that they would be able to cope with any conceivable situation.

There were some interesting changes in the distribution of assets during the year. Discounts and Treasury bills rose by 35 per cent. Advances against goods rose by nearly 80 per cent., this being due not so much to any increase of trade as to a more extensive employment of foreign acceptances for financing internal trade. This is, in fact, an important development of German banking practice. Foreign acceptance houses place acceptance lines at the disposal of German banks for very low commissions. The German banks pass these lines on to their customers, who draw on the acceptance house, the bills being then discounted in the markets concerned. Since the cost of financing by this method is considerably less than by using the German acceptance market, this method has become more and more popular. The item on the assets side corresponding to these credits is the "Advances against goods," while on the liabilities side they are entered under the general heading of "Creditors." Debtors rose by some 15½ per cent., but as this was not proportionate to the total increase in resources, liquidity improved. The method employed by banks in Germany to calculate their liquidity deserves attention. This may be seen from the annexed Table No. II. Cash, deposits with banks, discounts and Treasury bills are reckoned as first-class liquid assets, and their proportion to liabilities remained unchanged at 40 per cent. during the year. Collateral stock advances, advances against goods and quoted securities are looked on as second-class liquid assets. It will be seen that the proportion of first and second-class liquid assets to liabilities rose to some 62 per cent., a rise of over 3 per cent. since December 31, 1927. This compares favourably with the proportion customary in other countries.

Table No. 1 gives the combined results of the principal banks for the year. Gross profits remained almost unchanged in spite of the increase in turnover. This was mainly due to the reduction in the margin between debit and credit rates of interest and a fall in profits on securities, syndicate holdings and permanent investments. Expenses of management and taxes rose slightly, and net profits were also somewhat higher. Dividends remained unchanged in each case. The Darmstädter und Nationalbank, by making a reserve appropriation of 5 million marks, brought its reserves on a level with its capital—at 60 millions each. The Deutsche Bank and the Handelsgesellschaft also made considerable appropriations to reserve out of refunds by the American Alien Property Custodian. The most important fusion to take place was that of the Commerz-und Privatbank with the Mitteldeutsche Kreditbank, the culminating point of a period of expansion by the Commerz-und Privatbank which has placed it nearly on a level with the four D-Banks.

Before concluding, the developments since the New Year deserve attention. The main feature from the banking point of view was that foreign funds ceased to flow in on balance. This was due mainly to the reduction in the margin between German and foreign interest rates. On January 11th the Reichsbank discount was lowered to 6½ per cent. At the same time, higher rates prevailed in London and New York. During January and February the German banks, on their own initiative, allowed a part of their time deposits to run off, since the interest demand was, after the easing of the German money market, too high to permit profitable employment of the funds. In March, however, foreign bankers, mainly in European centres, began to withdraw funds largely in connection with the high rates in New York. This continued in April. In the meantime, the Reichsbank had suffered heavy losses of gold and foreign currencies, and had been obliged to raise the discount rate to 7½ per cent. These losses were due mainly to the deficit on the balance of payments and to Reparations transfers; the withdrawals of foreign credits from the banks played but a small part, particularly as they were to some extent met out of the banks own reserves. The attacks by the Paris Press on the German discount policy and the apparent deadlock reached by the Reparations Conference resulted in still heavier withdrawals, mainly by French and Belgian banks. Taken in conjunction with a certain nervousness on the part of some German circles, leading to conversions of marks into dollars, this produced a serious position on the foreign exchange market. The situation was immediately brought under control and confidence restored by the combined action of the banks and the Reichsbank, the great value of the independent exchange reserves of the banks being immediately apparent. In spite of the successful handling of the position, the action of French and Belgian banks has given food for thought, particularly as at the same time the French Press was blaming German manœuvres for the situation French banks had largely created. These events show the inherent difficulties of a banking and business situation so dependent upon sensitive international factors. The Darmstädter und Nationalbank, indeed, pointed out in its annual report that the trade depression might bring compensating advantages by enabling Germany to rely more upon her own resources. Nevertheless the stability of the currency has been proved once again, and the banks have shown conclusively that there are no grounds for timidity regarding the safety of foreign deposits.

TABLE I.

Combined Table of Earnings and Distribution of Profits for Deutsche Bank, Disconto-Gesellsch., Dresdner Bank, Darmstädter-u. Nat. Bank, Commerz- u. Privat Bank, Berliner Handelsgesellschaft in 1928:—

	In Mill. RM.	As % of 1927 Figures.
Turnover in milliards	981·87	116·26
Profits on securities, syndicate investments and permanent holdings	22·02	68·93
Profit on commissions	231·13	101·48
Profit on interest, &c.	194·80	107·10
Net profit without carry-forward	447·95	101·43
Management expenses	316·65	101·65
Taxes	52·08	105·28
Total taxes and expenses	368·73	102·15
Net profit	87·97	102·30
Dividends	54·94	100·00

TABLE II.

Combined table of the balance sheets of the above banks:—

LIABILITIES.	In Mill. RM.	As % of 1927 Figures.
Share capital	533·00	101·14
Reserves	280·62	107·30
Reserves as percentage of share capital	52·6%	49·6%
Total internal liabilities	813·62	103·18
Acceptances, cheques	445·15	104·45
Deposits, creditors	10173·82	127·99
Total external liabilities	10618·97	126·79
ASSETS.		
Cash and Reichsbank	391·16	118·20
Other bank credits	1226·02	114·10
Discounts and Treasury bills	2634·08	135·05
Total first-class liquid assets	4251·26	126·67
Total first-class liquid assets as percentage of liabilities	40·0%	40·0%
Stock collateral advances	702·20	120·17
Advances on goods	1558·17	178·50
Marketable shares	110·83	94·68
Marketable fixed interest securities	17·59	78·95
Total second-class liquid assets	2371·20	150·62
Total first and second class	6622·46	134·32
Total first and second class as percentage of liabilities	62·3%	58·9%
Debtors	4500·07	115·60
Of which unsecured	1180·51	104·48
Unquoted securities	10·94	108·64
Syndicate holdings	137·10	110·10
Permanent investments	133·59	112·37
Premises	182·39	100·45
Guarantees	503·59	119·00

THE BANK BALANCE SHEETS.

THE general monetary history of the past twelve months has already been discussed, but as it is concerned primarily with the Bank of England and the London money market, it is advisable to supplement it with a more detailed consideration of the experience of the joint-stock banks. The tables given later on perforce only refer to the end of 1927 and 1928, for more recent figures, of course, are only available in the form of the clearing banks' monthly averages. Taking these last, and comparing March with March, the following results for the nine English clearing banks emerge:—

	March, 1928. £ million	March, 1929. £ million	Difference. £ million
Deposits	1,672·6	1,739·3	+66·7
Acceptances	156·5	222·1	+65·6
Cash	238·8	239·5	+ 0·7
Call money	145·6	131·3	−14·3
Bills	195·5	214·3	+18·8
Investments	259·5	268·9	+ 9·4
Advances	928·8	980·3	+51·5

In interpreting these results, it must be remembered that March is the last month of the Exchequer year, and that owing to the completion of revenue collection, deposits and bills are both at a seasonal minimum. This, of course, does not vitiate the comparison shown in the last column of the tables.

The first lesson to be drawn from this table is that the clearing banks have merited a great tribute from the nation for increasing the supply of credit granted by them to their customers during a year when their own supplies of cash remained virtually unchanged. Call money is slightly down on the year, but the market knows that it is in the position of a buffer-state, and that it can only have what is left after other demands have been satisfied. On the other hand, the increase of £66.7 million in deposits shows that the

NINETY-SECOND YEAR OF PROGRESS

1836		1928
£10,851	TOTAL INCOME	£12,892,792
£65,602	TOTAL FUNDS	£23,141,526

THE
LIVERPOOL
AND
LONDON
AND
GLOBE
INSURANCE COMPANY LIMITED

HEAD OFFICE: 1, Dale Street, LIVERPOOL.

FIRE - LIFE - ACCIDENT - MOTOR - MARINE

Branches and Agencies Throughout the World.
General Manager and Secretary—HUGH LEWIS.

LONDON; Chief Office: 1, Cornhill, E.C.3.

country's supply of money has kept pace with the growth in trade, while the corresponding rise of £51.5 million in advances suggests that the banks have played their part in fostering an improvement in trade. The growth of £18.8 million in bills also appears hopeful, though it may be in part due to the fact that there were more Treasury bills outstanding last March than in the previous year. Finally comes the increase of £9.4 million in investments. This may represent acquisitions of new Government stock, but it may equally reflect purchases from the general public, who have used the money so obtained for more directly productive purposes. In any case, the clearing banks have beyond question done well by the country.

The comparison for British banks as a whole can, as stated, only cover the calendar year of 1928. To take capital first, the English joint stock banks have increased their capital by £1,270,492. Part of this increase arises from Martin's absorption of the Lancashire and Yorkshire Bank, while £767,000 was due to the Midland Bank's new issue to shareholders and staff. The increase in reserves calls for no additional comment, in view of the traditional practice of British banks of equating their published reserves to their paid-up capital. The Scottish figures also call for little comment, and the contrary movements in the Irish figures are largely explained by the changes made in the balance sheet of the Ulster Bank.

CAPITAL and RESERVES.

		1927.	1928.	
		£	£	
English joint-stock	Capital	76,443,600	77,714,092	+1,270,492
	Reserves	63,000,200	63,802,413	+ 802,213
English private (Capital and Reserves)		2,775,000	3,300,000	+ 525,000
Scottish	Capital	11,409,500	11,491,000	+ 81,500
	Reserves	13,755,700	14,393,288	+ 637,588
Northern Irish	Capital	1,800,000	2,200,000	+ 400,000
	Reserves	2,600,000	2,300,000	− 300,000
		171,784,000	175,200,793	+3,416,793

The increase in deposits corresponds fairly closely with those of the clearing banks for the year ended last March, and the differences are not great enough to call for any further notice.

CURRENT and DEPOSIT ACCOUNTS.

	1927.	% of Liabilities.	1928.	% of Liabilities.	Inc. or Dec.	
	£		£			%
English joint-stock	1,892,948,300	86·8	1,951,477,697	83·5	+58,529,397	+3·5
Private	30,366,800	78·5	31,004,479	77·2	+ 637,679	+2 1
Scottish	241,965,600	81·1	248,800,247	81·0	+ 6,834,647	+2·8
Northern Irish	49,341 500	82·4	49,649,399	82·5	+ 307,899	+0·6
	2,214,622,200	86·0	2,280,931,822	83·0	+66,309.622	+2·9

The next table shows the cash holdings and call money of the banks of Great Britain and Northern Ireland. The most striking feature of the year was the increase of 12.7 per cent. in the cash held by private banks.

CASH in HAND and at BANK of ENGLAND, and MONEY at CALL and SHORT NOTICE.

	1927.	% of Assets.	1928.	% of Assets.	Inc. or Dec.	
	£		£			%
English joint-stock banks	492,652,300	22·6	493,841,201	21·1	+1,188,901	+ 0·2
Private banks	3,613,600	9·3	4,072,927	9·8	+ 459,327	+12·7
Scottish banks	61,223,800	20·5	63,322,077	20·5	+2,098,277	+ 3·4
Northern Irish banks	7,657,900	12·8	7,306,211	12·1	− 351,689	− 4·6
	565,147,600	22·0	568,542,416	20·7	+3,394,816	+ 4·6

Most of the banks distinguish cash in hand and at the Bank of England from money at call and short notice, and as far as is possible the distinction is made in the following table:—

ENGLISH BANKS (EXCLUDING BANK OF ENGLAND).

Year, December 31.	(1) Total Cash in Hand and Money at Call and Notice.	Cash in Hand and Money at Call where Shown Separately. (2) Together.	Per Cent. of (1).	(3) Cash in Hand and at Bank of England.	Per Cent. of (2).	(4) Cash at Call and Short Notice.	Per Cent. of (2).
	£	£		£		£	
1908	194,134,000	172,774,600	89·2	91,740,600	53·1	81,034,000	46·9
1913	235,957,800	212,752,100	90·5	115,489,600	54·4	97,262,500	45·6
1914	276,045,900	250,722,700	90·8	169,520,500	67·5	81,202,200	32·5
1915	262,453,200	247,313,700	94·2	178,919,500	72·4	68,394,200	27·6
1916	369,459,900	343,429,600	93·0	247,973,500	72·2	95,456,100	27·8
1917	427,855,200	404,036,700	94·1	238,500,400	59·0	165,536,300	41·0
1918	481,220,000	464,701,200	94·5	270,135,700	59·4	184,565,500	40·6
1919	452,755,400	429,569,100	94·8	320,194,400	74·7	109,374,700	25·3
1920	449,153,400	428,678,800	95·6	304,510,400	71·0	124,168,400	29·0
1921	438,519,100	413,735,100	94·1	304,341,300	73·4	109,393,800	26·6
1922	423,091,700	402,081,300	95·0	289,023,000	71·9	113,058,300	28·1
1923	413,531,700	395,651,000	95·5	293,555,400	73·2	106,095,600	26·8
1924	437,889,000	418,775,100	95·6	298,777,300	71·4	119,997,800	28·6
1925	441,787,400	419,335,397	94·9	291,512,412	69·5	127,822,985	30·5
1926	444,014,400	422,955,570	95·2	294,221,862	69·6	128,733,708	30·4
1927	492,652,373	471,351,662	95·7	305,169,423	64·7	166,182,239	35·3
1928	493,841,201	474,508,373	96·0	289,492,870	61·0	185,016,507	39·0

Comparing 1928 with previous years, the English banks were rather more generous to the market than they have been since the war, the percentage of call money having risen to 39 per cent. The interesting point, however, for 1928 is the extent to which the aggregate of bankers' deposits now shown in the Bank of England's return enables an idea to be formed as to the composition of bank cash on the one hand and as to the number of notes in the hands of the public on the other hand. The cash holdings of the English banks which show them separately, amounted, on December 31st, to £289 million. To allow for the few banks who do not show cash separately, the cash holdings of English banks should be raised to £303 million. Add, say, £45 million for Scotch and Irish banks, and the total of British bank "cash" becomes £348 million. Now the Bank return best related to December 31, 1928, was that for January 2, 1929, though owing to the practice of window-dressing for the end of the year, and then releasing surplus cash at once, the relation is a very loose one. Still, on January 2nd, the Bank returned a note circulation of £378 million, and bankers' deposits of £84 million. These figures suggest that the banks' holdings of notes and subsidiary coinage were around £250 million, and that the distribution of the note issue between the banks and the public was something in the ratio of £3 held in the tills of the banks to £2 held in the note cases of the public. More than this cannot be deduced until the banks think fit to divide their cash holdings into the three items of "coin," "notes" and "balance at the Bank of England."

Coming to the chief earning assets of the banks, investments for the whole country show an insignificant decline of £2,379,000. The English banks have added to their investments, but this is more than offset by the decline in those held by the Scottish banks.

INVESTMENTS.

	1927.	% of Assets.	1928.	% of Assets.	Increase or Decrease.	
	£		£		£	%
English joint-stock banks	290,544,200	13·3	293,156,061	12·5	+ 2,611,861	− 0·9
Private banks	6,417,700	16·6	5,820,754	13·9	− 596,946	− 9·1
Scottish banks	86,592,300	29·7	83,378,785	27·1	− 5,213,515	− 5·8
Northern Irish banks	18,818,900	31·4	19,638,930	32·6	+ 820,030	+ 4·4
	404,373,100	15·7	401,994,530	14·6	− 2,378,570	− 0·6

Discounts and advances show a satisfactory expansion in England and Scotland alike. It is unfortunately impossible to distinguish discounts from advances for the whole country, but the subsidiary table for the English joint-stock banks shows that the increase is fairly well spread.

DISCOUNTS and ADVANCES.

	1927.	% of Assets.	1928.	% of Assets.	Increase or Decrease.	
	£		£		£	%
English joint-stock banks	1,220,983,100	56·0	1,268,803,457	54·2	+ 47,820,357	+3·9
Private banks	22,912,500	59·2	24,169,112	57·7	+ 1,256,612	+5·5
Scottish banks	138,745,800	46·5	149,622,489	48·6	+ 10,876,689	+7·8
Northern Irish banks	32,813,700	54·8	32,653,916	54·2	− 159,784	−0·5
	1,415,455,100	55·0	1,475,248,974	53·6	+ 59,793,874	+4 2

The English joint-stock banks, however, do make the distinction, and the result is shown below:—

ENGLISH JOINT-STOCK BANKS.

	1927.	1928.	Increase or Decrease.
	£	£	£
Discounts	237,376,400	259,250,704	+ 21,874,304
Advances	983,606,700	1,009,552,753	+ 25,946,053
Total	1,220,983,100	1,268,803,457	+ 47,820,357

Lloyds Bank goes further and divides its bill portfolio into three main classes. At the end of December last, its holding of Treasury bills was £40.6 million, an increase on the year of £5.2 million; of British bills, £10.3, an increase of £0.9 million, and of foreign bills, £1.2 million, or a decrease of £3.2 million. Treasury bills, therefore, more than account for the net increase of £2.9 million in bills of all kinds, which confirms a previous passage in this review relative to the growth in the bill portfolios of the nine English clearing banks. At the same time, Lloyds bank may not at that time have had a typical bill portfolio, and in this connection Mr Tennant's remarks at last January's Westminster Bank meeting may be recalled. He said: "We do not separate our Treasury bills, for the simple reason that it is a mere matter of chance how many we happen to hold at a particular date." This argument directs attention to the need of interpreting changes with care.

Last year, Lloyds Bank meeting was the occasion for some revelations as to the composition of bankers' advances, and this year both Mr Beaumont Pease, at Lloyds Bank, and Mr McKenna, at the Midland Bank, gave copious details. Space precludes the reproduction of these, which will be found in our issues of February 2nd and 9th, but Mr McKenna succeeded fairly in proving that the claims of trade and industry received adequate attention, and that last year's activity on the stock exchange had not diverted an undue amount of credit from commerce.

We conclude with a table giving the aggregate liabilities and assets of the banks of the United Kingdom, excluding the Bank of England, whose figures are summarised elsewhere.

LIABILITIES.—(000's omitted.)

	1926.	1927.	1928.	Inc. or Dec.
	£	£	£	£
Capital and reserves	170,170	171,784	175,201	+ 3,417
Undivided profits	8,728	8,499	8,786	+ 287
Deposits	2,167,566	2,214,622	2,280,942	+ 66,320
Acceptances	118,488	150,586	244,233	+ 93,647
Notes, drafts, &c.	28,486	30,884	28,625	− 2,259
	2,493,438	2,576,375	2,737,787	+ 161,412

ASSETS.—(000's omitted).

	1926.	1927.	1928.	Inc. or Dec.
	£	£	£	£
Cash in hand and money at call and notice	513,625	565,148	568,542	+ 3,394
Investments	422,482	404,373	401,994	− 2,379
Discounts and advances	1,399,515	1,415,455	1,475,249	+ 59,794
Premises and cover for acceptances	157,816	191,399	293,857	+ 102,455
	2,493,438	2,576,375	2,739,642	+ 163,267

The most striking increase of all is that in acceptances, which reflects the return of this class of business from New York to London, consequent upon the lower rates ruling here last autumn. Banking practice in the compilation of these items, however, is not uniform, and so it is hardly safe to interpret that increase at its full face value.

BANKING PROFITS.

BANKING profits are among the most stable phenomena of the universe, and the experience of the great British institutions in 1928 proved no exception to the general rule. The tables given in another column show that the English, Scottish and Irish banks all reported a slight increase in aggregate net earnings, though the variation, as compared with the figures for 1927, was no more than 3.3 per cent., 2.2 per cent., and 4.3 per cent. in the three cases respectively. The English banks thus recovered the greater part of the slight falling-off in earnings recorded in 1927, while the figures of the Irish banks were the highest since 1923, and of the Scottish the highest for any year shown in our table. General working conditions were rather more favourable to the banks than in 1927. Short-loan rates in the money market were slightly lower, but the margin between this rate and that paid by the banks on their deposits was £1 2s. 6d., as against £1 2s. The margin between deposit rate and market rate, however, was the lowest for six years, as the following tables show:—

	Average Bank Rate.	Average Market Rate (3 months)	Average Short Loan Rate.	Average Deposit Rate.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1914	4 0 9	2 17 7	2 4 3	2 2 4
1918	5 0 0	3 11 9	3 5 6	3 1 3
1919	5 3 0	3 18 10	3 9 7	3 3 10
1920	6 14 4	6 7 11	5 3 7	4 14 4
1921	6 2 4	5 4 3	4 12 8	4 2 4
1922	3 13 10	2 13 0	2 5 11	1 13 10
1923	3 9 9	2 14 1	1 16 8	1 9 9
1924	4 0 0	3 10 9	2 12 5	2 0 0
1925	4 11 0	4 2 0	3 9 3	2 11 0
1926	5 0 0	4 10 3	4 1 1	3 0 0
1927	4 13 0	4 4 10	3 15 0	2 13 0
1928	4 10 0	4 3 0	3 12 6	2 10 0

	Margin Between: Bank Rate and Market Rate.	Deposit Rate and Market Rate.	Deposit Rate and Short Loan Rate.
	£ s. d.	£ s. d.	£ s. d.
1914	1 3 2	0 15 3	0 1 11
1918	1 9 3	0 10 6	0 4 3
1919	1 4 2	0 15 0	0 5 9
1920	0 6 5	1 12 7	0 9 3
1921	0 18 1	1 1 11	0 10 4
1922	1 0 10	0 19 2	0 12 1
1923	0 15 8	1 4 4	0 6 11
1924	0 9 3	1 10 9	0 12 5
1925	0 9 0	1 11 0	0 18 3
1926	0 9 9	1 10 3	1 1 1
1927	0 8 2	1 11 10	1 2·0
1928	0 7 0	1 3 0	1 2 6

It would seem that the possibility of a return to a narrower margin than 2 per cent. between bank rate and deposit rate is not seriously entertained by any of the English institutions. The depression of the "heavy" trades had doubtless an adverse influence on bank earnings last year, but the figures published each month by the London Clearing Banks showed a considerable, and fairly consistent, rise in such "profitable" items as deposits, advances and discounts. The large amount of business accruing, directly and indirectly, as a result of the activity of the Stock Exchange, should have brought in additional revenue, and no allocations are likely to have been necessary, at the time the annual accounts were drawn up, for depreciation of security values.

The following tables show the aggregate net profits and appropriations of the three geographical groups of banks in each year since 1908:—

ENGLISH.

Year	Profits.	Per Cent. of Resources.	Dividends.	Per Cent. of Profits.	Investments Depreciation.	Reserve Funds.	Premises.	Staff.	Movement of Carry Forward.
	£		£		£	£	£	£	£
1908	7,743,491	·96	6,904,254	89	14,350	325,742	295,960	177,353	+ 25,832
1909	7,453,626	·91	6,721,554	90	92,700	162,930	235,689	162,006	+ 76,324
1910	8,241,490	·94	6,760,889	82	1,105,766	222,517	237,000	107,500	— 192,182
1911	8,214,213	·93	6,818,162	83	842,215	116,138	240,404	91,205	+ 105,089
1912	9,124,327	·99	6,883,634	75	1,578,026	111,606	367,817	120,000	+ 63,244
1913	10,377,225	1·13	6,938,720	67	2,487,535	319,325	406,811	243,000	— 18,166
1914	9,120,656	·94	6,697,295	73	1,190,900	112,000	317,200	109,728	+ 693,533
1915	9,828,732	·86	6,288,456	64	3,647,607	20,100	132,500	40,687	— 300,618
1916	10,734,850	·82	5,937,606	55	4,406,101	18,000	256,500	66,582	+ 50,061
1917	11,678,477	·73	5,915,733	46	224,000	3,354,500	417,500	284,000	+1482744
1918	12,578,524	·71	6,106,495	48	167,500	4,247,960	747,000	740,101	+ 569,468
1919	14,639,643	·69	7,014,262	48	3,421,500	2,103,896	742,500	867,500	+ 489,985
1920	17,399,028	·79	8,426,466	49	4,930,000	1,930,718	945,000	520,000	+ 646,844
1921	13,740,616	·63	8,642,260	63	...	3,153,560	1,445,000	320,000	+ 179,796
1922	12,028,280	·58	8,934,266	74	...	1,514,868	1,225,000	270,000	+ 84,146
1923	11,690,549	·57	9,168,298	79	...	937,500	1,080,000	320,000	+ 184,751
1924	13,023,593	·62	9,456,273	73	...	1,338,027	1,585,000	645,000	— 707
1925	13,892,452	·67	9,856,930	71	...	1,208,000	1,390,000	965,000	+ 472,522
1926	13,843,451	·66	10098602	73	...	1,429,312	1,485,000	910,000	— 79,483
1927	13,348,772	·62	9,854,313	74	...	1,269,000	1,380,000	900,000	— 54,541
1928	13,783,812	·59	10274012	75	...	990,040	1,480,000	941,000	+ 120,639

SCOTTISH.

Year.	Profits.	Per Cent. of Resources.	Dividends.	Per Cent. of Profits.	Investments Depreciation.	Reserve Funds.	Premises.	Staff.	Movement of Carry-Forward.
	£		£		£	£	£	£	£
1908..	1,737,373	1·26	1,395,853	80	42,000	175,750	47,500	17,500	+ 56,770
1909..	1,773,302	1·27	1,437,587	81	65,000	165,750	51,500	29,196	+ 24,269
1910..	1,779,664	1·29	1,436,620	81	192,889	105,750	54,000	31,500	— 41,095
1911..	1,796,794	1·24	1,457,787	81	153,798	115,750	51,500	31,517	— 317
1912..	1,869,525	1·22	1,467,833	78	308,084	97,500	59,000	19,000	— 81,892
1913..	1,885,414	1·18	1,437,203	76	229,931	87,500	70,500	49,000	+ 11,280
1914..	1,907,077	1·13	1,352,075	71	269,118	20,000	46,500	30,000	+ 189,384
1915..	1,937,952	1·09	1,188,967	61	682,779	...	46,500	38,935	— 19,229
1916..	2,015,154	0·97	1,108,141	55	690,132	80,000	51,500	30,000	+ 55,381
1917..	2,127,076	0·85	1,075,015	49	140,000	557,500	135,000	65,000	+ 154,561
1918..	2,250,466	0·82	1,074,188	48	40,000	785,000	170,000	85,000	+ 96,278
1919..	2,387,941	0·75	1,086,424	46	646,085	383,805	100,000	100,000	+ 71,627
1920..	2,392,975	0·71	1,136,124	47	986,491	50,000	120,000	105,000	— 4,640
1921..	2,437,024	0·71	1,203,430	49	...	877,501	170,000	140,000	+ 46,093
1922..	2,545,377	0·79	1,277,110	50	...	861,959	220,000	170,000	+ 16,308
1923..	2,600,745	0·87	1,334,683	51	...	737,226	245,000	210,000	+ 73,836
1924..	2,438,964	0·82	1,308,388	54	...	546,432	285,000	240,000	+ 59,144
1925..	2,441,469	0·82	1,377,099	56	...	542,310	260,000	246,392	+ 15,668
1926..	2,695,911	0·90	1,608,510	60	...	581,545	270,000	235,000	+ 856
1927..	2,732,256	0·92	1,720,510	63	...	386,977	330,000	250,000	+ 44,769
1928..	2,793,449	0·91	1,659,845	59	...	587,561	285,000	245,000	+ 16,043

IRISH.

Year.	Profits.	Per Cent. of Resources.	Dividends.	Per Cent. of Profits.	Investments Depreciation.	Reserve Funds.	Premises.	Staff.	Movement of Carry-Forward.
	£		£		£	£	£	£	£
1908..	969,050	1·24	846,262	87	10,000	38,000	38,953	6,259	+ 29,576
1909..	958,247	1·20	848,261	88	15,000	27,500	29,164	5,145	+ 33,177
1910..	989,459	1·20	837,911	85	35,000	91,000	14,471	12,921	— 1,844
1911..	1,006,860	1·18	807,452	80	93,500	73,500	22,545	19,484	— 9,621
1912..	1,053,684	1·22	761,376	72	170,000	123,500	17,757	5,220	— 24,169
1913..	1,101,043	1·21	759,964	64	184,000	125,000	13,253	3,750	+ 16,720
1914..	1,104,836	1·03	750,033	68	150,000	165,000	22,678	10,605	+ 6,520
1915..	1,225,926	1·17	712,264	58	438,000	81,500	6,299	6,350	— 18,486
1916..	1,103,493	·96	639,060	58	361,000	75,000	8,230	13,100	+ 7,109
1917..	1,193,190	·88	616,377	51	110,000	370,000	30,318	5,000	+ 61,495
1918..	1,401,660	·79	662,432	47	15,608	537,500	12,000	64,030	+ 110,090
1919..	1,428,444	·68	690,251	48	295,000	365,309	14,920	65,300	— 2,336
1920..	1,701,534	·71	699,946	41	383,000	516,003	25,781	40,000	+ 36,804
1921..	1,632,968	·66	729,330	45	102,500	627,299	69.429	50,000	+ 54,410
1922..	1,827,227	·75	768,754	42	...	923,502	119,907	52,004	— 36,940
1923*	547,274	·89	197,082	36	...	270,000	84,907	40,000	— 43,394
1924*	466,600	·77	206,511	44	...	300,000	14,342	20,000	+ 15,850
1925*	442,693	·75	222,342	50	...	200,000	9,434	30,000	+ 20,655
1926*	453,949	·76	225,300	50	...	200,900	5,053	50,000	— 34,702
1927*	451,280	·75	225,300	50	...	90,000	5,387	152,800	— 19,538
1928*	470,497	·78	277,100	59	...	240,000	5,527	...	— 19,547
						150 000	5.088	...	+ 38,309

* Three banks of Northern Ireland.

Dividend policy last year was, as usual, conservative, the banks appropriately setting the example to all other British companies in this respect. The English 74¼ per cent. of last year's profits, the Scottish banks no more than 59½ per cent., and the Irish 59 per cent., the corresponding ratios for 1927 being 74, 63 and 50 per cent. respectively.

Differences may, however, be discerned between the policies of different institutions. Among the "Big Five" English banks, for instance, Barclays distributed 72½ per cent. of the net earnings of 1928, Lloyds 78 per cent., the Midland 72½ per cent., the National Provincial 81 per cent., and the Westminster 63 per cent. Changes in the rate of dividend were again few and far between. The Bank of Scotland raised its rate by a further 1 per cent. to 18 per cent., while the Royal Bank of Scotland paid 18 per cent. against a

PROFITS OF BANKS FOR LAST COMPLETED FINANCIAL YEAR.

BANK.	Year Ended.	Profits.	Dividend.	Rate.	Reserve.	Premises.	Staff.	To Carry Forward. Increase.	To Carry Forward. Decrease.	Profits a Year Ago.
ENGLISH.		£	£	%	£	£	£	£	£	£
Barclays	Dec. 31	2,301,285	1,666,349	A10 B&C14	500,000	100,000	50,000	...	15,064	2,306,329
British Mutual	Dec. 31	17,781	9,600	12	8,000	...	...	181	...	16,363
District	Dec. 31	455,132	347,600	18⅓	...	...	40,000	67,532	...	452,521
Lloyds	Dec. 31	2,528,143	1,973,886	A 16⅔ B 5	...	250,000	300,000	4,257	...	2,475,674
London Merchant	Dec. 31	71,845	47,250	A 7 B 5	20,000	...	...	4,595	...	67,011
Manchester and County	Dec. 31	188,681	177,456	16¼	12,040	...	6,000	...	6,815	188,860
Martins	Dec. 31	825,434	665,607	16	...	150,000	...	9,827	...	555,229
Midland	Dec. 31	2,656,554	1,923,788	18	...	500,000	220,000	12,766	...	2,554,650
National Provincial	Dec. 31	2,108,664	1,706,295	18	200,000	100,000	100,000	2,369	...	2,093,452
Union of Manchester	Dec. 31	176,545	146,000	16	...	5,000	25,000	545	...	195,283
Westminster	Dec. 31	2,148,408	1,356,275	20 12½	200,000	375,000	200,000	17,133	...	2,132,815
Williams Deacons	Dec. 31	305,340	253,906	A 13¾ B 12½	50,000	...	...	1,434	...	310,585
Totals		13,783,812	10,274,012		990,040	1,480,000	941,000	98,760	...	13,348,772
SCOTTISH.										
Bank of Scotland	Feb. 28	374,283	216,000	18	125,000	30,000	...	3,283	...	372,335
British Linen	Jan. 15	330,040	160,000	16	50,000	50,000	50,000	20,040	...	321,361
Clydesdale	Dec. 31	340,136	225,000	18	50,000	20,000	35,000	10,136	...	335,485
Commercial of Scotland	Oct. 31	344,600	200,000	A 16 B 10	100,000	50,000	25,000	...	30,400	335,126
National of Scotland	Nov. 1	291,222	140,800	16	50,000	35,000	65,000	422	...	286,060
North of Scotland	Dec. 31	274,368	198,045	18	50,000	10,000	15,000	1,323	...	270,407
Royal of Scotland	Oct. 13	502,561	340,000	18	112,561	20,000	30,000	...	...	481,977
Union of Scotland	April 2	336,239	180,000	18	50,000	70,000	25,000	11,239	...	329,505
Totals		2,793,449	1,659,845		587,561	285,000	245,000	16,043	...	2,732,256
IRISH.										
Belfast Banking		110,800	61,600	11	...	...	...	49,200	...	104,762
Northern		134,922	87,500	A 17½ B 8¾	50,000	5,088	...	...	7,666	135,700
Ulster		224,775	128,000	20	100,000	...	...	...	3,225	210,818
Totals		470,497	277,100		150,000	5,088	...	38,309	...	451,280

"regular" 16 per cent., the additional 5 per cent. (making 21 per cent.) paid a year ago being a special bicentenary bonus from sums set aside, but no longer required, for depreciation on investments. The District Bank celebrated its centenary this year by issuing a bonus of one fully-paid £1 share, carrying a maximum dividend of 10 per cent., for every two existing shares. The figures for the individual banks, set out on page 12, suggest, finally, that the continuous process of annual enhancement of reserves, "visible" and "internal," was fully maintained in respect of the year 1928.

BRITISH BANK SHARES.

THERE would be little to say about the Stock Exchange values of bank shares during the last twelve months had it not been for the rise in Bank rate on February 7th. British bank shares are essentially of an investment character, and make slight appeal to the speculator. In practice, the investor takes the stability of the bank for granted, even though he discriminates between fully-paid shares and those on which there is an uncalled liability. He expects of the bank directors that they will see to profits being maintained at a stable level, and in general he expects dividends, in the case of the "Big Five," at any rate, to remain largely unchanged. His real reason for buying the shares is that they offer him a security that is virtually "gilt-edged" nowadays, and a yield round about ¼ per cent. higher than that of British Government stocks. That relation to Government stocks is a permanent one; the two can be classed together in examining the effect of an alteration in money rates. A rise in Bank rate does not lessen the security of either Government or bank issues, but it does permit of money being employed with comparable safety in other and more profitable directions. For a time, consequently, sellers predominate over buyers, and prices fall. As an influence on Stock Exchange quotations, this is far more important than the likelihood that with dearer money it will be easier for banks to make their profits. Figures compiled by the "Banker's Magazine" show that the market value of 13 typical British bank shares, with a par value of £59,685,000, decreased from £194,983,000 in the middle of April, 1928, to £194,976,000 at a similar date in April, 1929—a negligible difference, but important when compared with a rise of 2 per cent. in the previous twelve months. Just before the change in Bank rate their value was over £202,000,000. What our own computations bring out is that a distinct fall occurred in English bank shares over the year, whereas those of Scottish banks appreciated on balance actually more than in 1927-28. Our index figures represent the price of £100 of stock or shares, taking the average of ten English and five Scottish banks:—

At April 30.	Average Price of Bank Shares. English.	% of 1909.	Scottish.	% of 1909.	Price of Consols.	% of 1909.
1909	322	100	364	100	85	100
1910	316	98	369	101	81½	96
1911	315	98	359	99	81½	96
1912	299	93	354	97	78½	92
1913	296	92	343	94	74⅝	88
1914	307	95	336	92	75	88
1915	281	87	319	88	71	83
1916	239	74	235	65	58	68
1917	241	75	237	65	55	65
1918	257	79	256	70	55½	65
1919	311	97	289	79	55½	65
1920	282	88	269	74	47	55
1921	229	71	211	58	47½	56
1922	280	87	240	66	59	69
1923	297	92	258	71	59½	70
1924	299	93	286	79	55	65
1925	305	95	323	88	57	67
1926	308	96	322	88	55	65
1927	302	94	321	88	55	65
1928	321	100	335	92	56½	66
1929	319	99	352	97	55	65

The explanation of these contrasting movements is made clear by the following tables, which show separately, for the principal English and Scottish institutions, the rates of dividend paid during the last two years, together with share prices and yields at the end of April, 1928 and 1929, respectively. Since the former date the Westminster has split its £20 shares, £5 paid, into four £5 shares, £1 paid, and their readier marketability in the new form has brought their yield nearer to that of the £1 fully-paid shares. The District celebrated its centenary by issuing, as a bonus, one new fully-paid £1 "B" share, with limited dividend rights, for every two existing shares; the latter were then each split into three so as to become £5 shares, £1 paid.

ENGLISH BANKS.

Banks.	Share. Amount.	Share. Paid Up.	End of April, 1928. Div. inc. Bonus.	Price.	Yield.	End of April, 1929. Div. inc. Bonus.	Price.	Yield.
	£	£	%	£	£ s. d.	%	£	£ s. d.
Bk. of England	Stock	100	12	264	4 11 0	12	252	4 15 3
Barclays, A....	4	4	10	8⅝	4 17 9	10	7¼	5 1 9
Do. B...	1	1	14	2⅛	4 16 6	14	2⅛	4 19 0
District.....	5	1	18½	(t)11¼	4 12 9	(s)18½	3⅛	5 14 0
Lloyds	5	1	16⅔	3⅛	5 0 0	16⅔	3⅛	5 2 9
Manchester & County	20	4	16½	12½	5 6 0	16½	12½	5 7 0
Martins Bank	20	2½	16	7½	5 6 9	16	7½	5 6 9
Ditto	1	1	...	3½	...	16	3½	4 18 6
Midland.....	12	2½	18	9⅜	4 16 0	18	9⅜	4 14 0
Ditto	2½	2½	18	9½	4 15 0	18	9⅜	4 11 9
National Provincial	25	3½	18	12	5 5 0	18	12½	5 4 0
Ditto	20	4	18	13⅜	5 5 0	18	13⅜	5 3 0
Westminster .	4	1	20	(m)19½	5 4 0	20	3⅛	5 1 6
Ditto	1	1	12½	2⅜	4 16 0	12½	2½	5 0 0
Wms. Deacon's "A"	5	1	13¾	2⅜	5 11 6	13¾	2⅜	5 11 6
Do. "B"...	1	1	12½	2⅛	5 1 6	12½	2½	5 0 0

(s) Also bonus of 1 new £1 "B" share, fully paid, for 2 existing shares. (t) £15 shares with £3 paid. (m) £20 with £5 paid.

SCOTTISH BANKS.

Banks.	Share. Amount.	Share. Paid Up.	End of April, 1928. Div. inc. Bonus.	Price.	Yield.	End of April, 1929. Div. inc. Bonus.	Price.	Yield.
	£	£	%	£	£ s. d.	%	£	£ s. d.
Bank of Scotland	150	100	17	354	4 15 6	18	337½	4 16 6
British Linen.....	Stock	100	16	350	4 11 6	16	337⅛	4 15 3
Commercial of Scotland.....	20	5	16	15⅞	5 2 3	16	16½	4 17 0
Do.....	1	1	10	2⅛	4 18 6	10	1⅛	5 0 0
Royal Bank of Scotland.....	8tock	100	21(t)	330	4 17 0	17	360	4 14 6
Union Bank of Scotland.....	5	1	18	4⅜	4 9 0	18	4⅜	4 6 0

(t) Includes 5% special bicentenary bonus. Yield worked on 16% basis.

The chief reason of the rise in the Scottish index number is now seen to be the increased dividends declared by the Bank of Scotland and the Royal Bank of Scotland (if the bicentenary bonus distributed by the latter in respect of 1927 is ignored).

Our final table sets out the prices, dividends and yields of a number of fully-paid shares of small denominations, and has interest as showing, by comparison of yields with those in the tables above, the way in which the feeling against investment in partly-paid shares still exists. The Commercial Bank of Scotland is not a genuine exception, for though in the table the fully-paid shares have the appearance this year of being the cheaper of the two classes, the dividend on them is limited to a maximum of 10 per cent., the rate which is at present being paid, whereas the £20 shares, to which all surplus profits belong, were split on May 7, 1929, into 5 £4 shares, £1 paid, with a maximum liability for calling of an additional £1 8s., while new £4 shares, £1 paid, ranking *pari passu* in all respects, are being offered at 30s. premium to holders of these £4 shares, as split, in the proportion of two for five.

Name.	Amount.	Paid Up.	Price End of April, 1928.	Price End of April, 1929.	Dividend.	Present Yield.
	£	£			%	£ s. d.
Barclays Bank.....	1	1	2⅜	2⅛	14	4 19 0
Do.	4	4	8⅞	7¼	10	5 1 9
Commercial Bank of Scotland, "B"	1	1	2⅛	1⅝	10	5 0 0
Lloyds Bank, "B"	1	1	1⅛	1⅛	5	4 11 6
Martins Bank	1	1	3½	3½	16	4 18 6
Midland Bank.....	1	1	3⅜	3⅜	18	4 12 0
Do.....	2½	2½	9⅜	9⅜	18	4 11 9
National Provincial Bank.....	5	5	18½	18	18	5 0 0
Westminster Bank	1	1	2⅜	2⅛	12½	5 0 0
Williams Deacon's Bank.....	1	1	2⅜	2½	12½	5 0 0

At the prices of a year ago no share in this list, except Williams Deacon's, offered a yield exceeding £4 18s. 6d. per cent.

COMPARATIVE STATEMENTS.

JOINT STOCK BANKS OF ENGLAND AND WALES (EXCLUDING BANK OF ENGLAND).

Year.	Banks.	No. of Brchs.	Capital and Reserves.	% of Liabilities.	Deposits.	% of Liabilities.	Acceptances.	% of Liabilities.	Total Liabilities.	Cash in Hand and Money at Call & Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
			£		£		£		£	£		£		£	
1890	104	2,203	67,826,000	14·5	368,663,000	79·4	22,693,000	4·9	464,075,000	83,955,000	18·0	182,816,000	17·8	269,507,000	58·0
1895	99	2,690	69,213,000	12·4	455,561,000	81·6	23,724,000	4·2	558,744,000	111,208,000	19·9	107,498,000	19·2	311,678,000	56·7
1900	77	3,757	73,847,000	11·3	586,726,000	84·0	21,530,000	3·0	698,762,000	144,400,000	20·7	127,766,000	18·3	395,313,000	**56·6**
1905	59	4,558	82,010,000	10·8	627,529,000	82·6	39,225,000	5·2	758,712,000	179,530,000	23·6	131,731,000	17·3	401,485,000	52·9
1906	55	4,722	82,186,000	11·0	647,890,000	82·6	41,715,000	5·3	782,353,000	178,710,000	22·8	130,980,000	16·8	425,559,000	54·3
1907	52	4,822	81,551,000	10·4	648,596,000	82·8	44,403,000	5·7	782,813,000	174,491,000	22·1	125,772,000	16·1	431,209,000	55·1
1908	50	4,903	82,248,000	10·2	674,660,000	83·5	42,244,000	5·2	806,727,000	194,134,000	24·1	136,765,000	17·0	427,739,000	53·0
1909	46	5,022	81,255,000	9·9	685,040,000	84·0	41,303,000	5·0	815,767,000	199,749,000	24·4	137,253,000	16·8	433,595,000	53·1
1910	45	5,202	80,946,000	9·4	720,687,000	83·6	52,263,000	6·0	862,134,000	199,724,000	23·0	137,711,000	16·0	467,880,000	54·3
1911	44	5,410	79,775,000	9·0	748,641,000	84·6	48,839,000	5·5	885,058,000	211,064,000	23·8	133,757,000	15·1	485,415,000	55·0
1912	44	5,577	81,154,000	8·8	773,974,000	83·6	61,295,000	6·6	925,927,000	216,110,000	23·4	127,645,000	13·7	515,902,000	55·7
1913	43	5,797	82,068,000	8·5	809,352,000	84·0	61,705,000	6·4	963,051,000	235,958,000	24·3	121,238,000	12·6	539,800,000	56·0
1914	38	5,869	81,904,000	7·9	895,561,000	86·6	47,802,000	4·6	1,034,486,000	276,046,000	27·6	146,493,000	14·2	553,499,000	53·5
1915	37	6,027	81,731,000	7·1	992,555,000	86·4	62,512,000	5·5	1,146,807,000	262,453,000	22·9	310,771,000	27·0	503,617,000	43·9
1916	35	5,993	81,089,000	6·2	1,154,877,000	87·9	68,726,000	5·2	1,316,220,000	369,460,000	28·0	323,002,000	24·6	542,773,000	41·4
1917	34	6,004	84,475,000	5·5	1,365,297,000	89·2	65,775,000	4·3	1,528,631,000	427,855,000	28·0	339,631,000	22·2	685,677,000	44·9
1918	26	6,501	92,902,000	5·3	1,583,412,000	90·9	58,850,000	3·4	1,742,724,000	481,220,000	27·6	347,230,000	20·0	834,668,000	47·9
1919	21	7,195	106,273,000	5·0	1,874,184,000	87·9	151,138,000	7·1	2,137,908,000	452,755,000	21·3	398,611,000	18·7	1,129,582,000	53·0
1920	20	7,612	128,154,000	5·8	1,961,527,000	89·0	102,920,000	4·7	2,200,317,000	449,153,000	20·4	368,734,000	16·7	1,263,091,000	57·4
1921	20	7,963	129,131,000	5·9	1,974,898,000	90·0	74,166,000	3·4	2,185,438,000	438,519,000	20·0	375,564,000	17·1	1,280,171,000	58·3
1922	20	8,235	129,173,000	6·3	1,833,971,000	89·0	85,687,000	4·2	2,056,242,000	423,092,000	20·6	424,413,000	20·6	1,102,643,000	53·7
1923	19	8,491	129,004,000	6·2	1,822,067,000	88·1	111,490,000	5·4	2,069,847,000	413,532,000	20·0	404,392,000	19·5	1,116,866,000	54·0
1924	18	8,676	132,103,000	6·3	1,813,513,000	86·9	132,318,346	6·3	2,085,016,802	437,889,000	20·9	361,416,000	17·3	1,132,070,000	54·3
1925	18	8,873	134,846,000	6·5	1,806,810,000	87·1	125,005,000	6·0	2,073,810,000	441,787,000	21·3	317,572,000	15·3	1,167,952,000	56·3
1926	18	9,105	138,717,000	6·6	1,848,174,000	87·9	108,686,000	5·2	2,102,747,000	444,014,000	21·1	307,661,000	14·6	1,208,975,000	57·5
1927	17	9,381	139,444,000	6·4	1,892,948,000	86·8	140,159,000	6·4	2,179,372,000	492,652,000	22·6	290,544,000	13·3	1,220,983,000	56·0
1928	16	9,595	141,516,505	6·1	1,951,477,697	83·5	237,140,923	10·1	2,337,234,765	493,841,201	21·1	293,156,061	12·5	1,268,803,457	54·3

PRIVATE BANKS.

Year.	Number of Banks.	LIABILITIES. Capital and Reserves.	Per Cent. of Liabilities.	Notes.	Per Cent. of Liabilities.	Miscellaneous.	Per Cent. of Liabilities.	Deposits.	Per Cent. of Liabilities.	Total Liabilities or Assets.	ASSETS. Cash in Hand and Money at Call and Notice.	Per Cent. of Liabilities.	Investments.	Per Cent. of Liabilities.	Discounts and Advances.	Per Cent. of Liabilities.
		£		£		£		£		£	£		£		£	
1895	38	11,834,400	13·9	412,600	0·5	2,864,800	3·4	70,372,000	82·2	85,483,700	20,476,300	23·9	25,099,700	29·4	36,320,000	42·5
1900	19	6,192,800	12·8	151,750	0·3	1,264,100	2·6	40,420,500	84·3	48,029,200	10,523,400	21·8	14,633,700	30·5	20,919,600	43·5
1905	12	4,393,900	13·2	83,500	0·3	1,018,000	3·1	27,775,000	83·4	33,270,400	7,271,500	21·8	10,150,500	30·5	14,738,600	44·3
1906	11	4,225,100	13·1	74,025	0·2	1,061,800	3·3	26,749,000	83·4	32,139,900	6,662,100	20·6	9,076,600	28·2	15,238,400	47·4
1907	11	4,156,600	12·9	75,230	0·2	1,048,900	3·2	26,957,700	83·7	32,238,400	7,350,800	22·8	8,647,400	26·8	15,049,000	46·8
1908	10	3,474,800	12·3	66,940	0·2	968,900	3·4	23,634,200	84·1	28,144,800	6,462,200	22·9	7,394,000	26·2	13,247,200	47·0
1909	9	3,507,100	11·6	62,650	0·2	1,110,000	3·7	25,690,100	84·5	30,369,900	7,017,600	23·2	8,119,000	26·8	14,234,200	47·2
1910	9	5,535,100	11·2	57,920	0·2	1,096,700	3·5	26,808,000	85·1	31,497,700	6,478,000	20·6	8,113,100	25·8	15,912,700	50·3
1911	9	3,561,000	11·1	54,920	0·2	1,309,000	4·1	27,099,300	84·6	32,024,500	6,865,700	21·4	7,975,100	24·8	16,071,700	50·1
1912	9	3,637,760	11·4	55,900	0·2	1,473,900	4·6	26,753,380	83·8	31,920,940	7,113,230	22·4	7,243,510	22·7	16,403,540	51·3
1913	8	3,616,590	11·2	45,810	0·1	1,522,370	4·7	27,089,810	84·0	32,274,570	6,468,700	20·0	7,819,440	24·2	16,803,530	52·0
1914	8	3,269,406	8·8	58,990	0·2	955,795	2·6	32,874,025	88·4	37,158,216	6,641,997	17·8	8,038,863	21·7	21,360,580	57·1
1915	7	3,180,707	8·6	60,400	0·2	786,018	2·1	32,890,739	89·1	36,917,864	10,176,174	23·5	8,879,329	24·0	18,635,160	50·7
1916	7	3,182,584	7·4	77,495	0·2	591,666	1·4	39,183,354	90·9	43,035,099	12,007,542	24·6	8,785,019	20·3	22,855,849	53·0
1917	7	3,189,219	6·6	93,755	0·2	675,379	1·4	44,696,800	91·8	48,655,153	16,249,863	29·0	10,190,618	21·0	25,135,069	51·7
1918	7	3,735,082	6·7	122,930	0·2	821,153	1·5	51,271,230	91·6	55,950,395	13,183,181	21·4	13,356,332	23·9	24,625,406	44·0
1919	6	3,536,591	5·8	153,690	0·3	1,188,226	1·9	56,246,064	92·0	61,124,571	11,537,610	21·3	14,325,897	23·4	31,728,358	52·7
1920	5	3,123,098	5·7	...	...	1,024,656	1·9	50,864,631	92·4	55,012,385	8,484,742	16·2	6,186,350	11·2	35,501,368	64·0
1921	5	3,186,738	6·1	...	...	970,412	1·9	48,306,822	92·0	52,463,972	8,593,043	15·4	6,108,554	11·6	36,214,429	69·2
1922	8	3,813,420	6·8	...	...	1,124,254	2·0	50,955,682	91·2	55,893,356	3,185,610	8·2	11,524,744	20·6	33,301,819	59·0
1923	5	2,816,442	7·2	...	...	2,557,537	6·6	33,485,334	86·2	38,859,363	2,590,161	7·2	5,159,713	13·3	27,756,144	71·4
1924	4	2,575,000	7·1	...	...	4,431,214	12·3	29,151,063	80·6	36,157,277	2,809,784	7·9	6,021,018	16·7	22,933,848	63·4
1925	4	2,625,000	7·4	...	...	4,968,029	14·1	27,780,929	78·5	35,373,958	3,597,586	9·7	5,131,034	14·5	22,287,452	63·1
1926	4	2,675,000	7·2	...	...	4,573,707	12·3	29,928,971	80·5	37,177,678	3,613,589	9·3	4,670,175	12·6	24,104,002	64·7
1927	4	2,775,000	7·2	...	...	5,530,068	14·3	30,366,826	78·5	38,671,894	4,072,927	9·8	6,417,668	16·6	22,912,522	59·2
1928	4	3,300,000	7·9	...	...	7,398,759	17·7	31,004,479	74·4	41,703,238	5,820,754	13·9	6,417,668	16·6	24,169,112	57·9

JOINT STOCK BANKS OF SCOTLAND.

Year.	Banks.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Deposits.	% of Liabilities.	Notes.	% of Liabilities.	Total Liabilities.	Cash in Hand and Money at Call.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
			£		£		£		£	£		£		£	
1890	10	975	14,755,000	12·6	91,610,000	77·9	6,468,000	5·5	117,874,000	21,427,000	18·2	29,349,000	24·9	60,103,000	51·4
1895	10	1,013	15,090,000	12·3	94,592,000	77·8	7,264,000	5·9	122,525,000	22,795,000	18·6	30,770,000	25·3	62,241,000	51·1
1900	10	1,075	16,217,000	11·8	107,154,000	77·9	8,056,000	5·9	137,498,000	26,438,000	19·2	33,401,000	24·3	70,395,000	51·2
1905	11	1,159	17,246,000	13·0	100,643,000	76·1	7,545,000	5·7	132,261,000	23,937,000	18·1	31,396,000	23·7	68,714,000	51·9
1906	11	1,176	17,339,000	12·6	105,232,000	76·5	7,569,000	5·5	137,556,000	26,107,000	19·0	31,195,000	22·8	71,203,000	52·0
1907	10	1,155	17,069,000	12·1	108,723,000	77·2	7,411,000	5·3	141,054,000	26,973,000	19·0	31,954,000	22·6	73,023,000	51·9
1908	10	1,178	17,280,000	12·5	105,787,000	76·5	7,162,000	5·2	137,562,000	25,695,000	18·7	33,456,000	24·2	69,478,000	50·3
1909	9	1,185	17,472,000	12·5	106,736,000	77·5	7,192,000	5·2	139,246,000	25,749,000	18·6	34,479,000	24·7	69,411,000	49·9
1910	9	1,221	17,559,000	12·7	106,652,000	77·5	7,126,000	5·2	137,850,000	25,604,000	18·6	33,322,000	24·2	70,661,000	51·5
1911	9	1,225	17,670,000	12·2	112,209,000	77·5	7,331,000	5·0	145,043,000	30,129,000	20·8	33,944,000	23·4	71,559,000	49·5
1912	9	1,225	17,350,000	11·3	118,795,000	77·6	7,651,000	5·0	153,228,000	33,882,000	22·1	36,617,000	23·9	72,437,000	47·3
1913	9	1,240	17,296,000	10·8	125,887,000	78·8	7,744,000	4·8	159,803,000	33,961,000	21·3	38,049,000	23·9	77,764,000	48·7
1914	9	1,253	16,684,000	10·0	132,504,000	79·0	9,502,000	5·7	167,841,000	34,598,000	20·6	44,815,000	26·8	78,363,700	46·7
1915	9	1,251	16,205,000	9·1	140,569,000	82·0	12,555,000	7·1	177,004,000	36,730,000	20·7	67,019,000	37·9	64,621,000	36·5
1916	8	1,243	15,631,000	7·5	166,620,000	80·2	15,461,000	7·5	207,376,000	42,026,000	20·3	69,693,000	33·5	85,136,000	41·1
1917	8	1,242	16,064,000	6·7	196,538,000	81·7	19,023,000	7·9	240,550,000	47,788,000	19·8	71,584,000	29·6	112,159,000	46·5
1918	8	1,249	16,577,000	6·6	222,055,000	81·1	25,141,000	9·2	273,658,000	57,250,000	20·9	93,889,000	34·3	113,961,000	41·6
1919	8	1,264	17,009,000	5·3	259,610,000	81·2	28,032,000	8·8	318,754,000	65,556,000	20·6	111,985,000	35·0	129,962,000	40·6
1920	8	1,283	17,911,000	5·3	279,228,000	82·1	29,363,000	8·7	339,167,000	72,974,000	21·5	102,968,000	30·4	153,122,000	45·0
1921	8	1,308	18,521,000	5·4	291,060,000	84·6	25,188,000	7·3	344,974,000	70,232,000	21·0	114,531,000	32·2	150,850,000	43·9
1922	8	1,423	19,731,000	6·1	267,791,000	83·2	23,321,000	7·3	321,781,000	63,814,000	19·8	126,025,000	39·2	122,366,000	38·1
1923	8	1,467	20,468,000	6·8	247,226,600	82·5	22,106,500	7·4	299,359,100	64,015,300	21·4	112,137,800	37·5	114,277,300	38·1
1924	8	1,535	22,632,000	7·6	242,572,000	81·3	22,181,000	7·4	298,693,000	61,330,000	20·5	103,927,000	34·8	122,977,000	41·2
1925	8	1,563	23,947,000	8·0	240,945,000	81·0	21,668,000	7·3	297,839,000	60,341,000	20·3	95,204,000	32·0	131,309,000	44·1
1926	8	1,587	24,578,200	8·4	238,821,400	81·4	20,716,800	7·1	293,678,000	59,592,900	20·3	91,208,300	31·1	133,057,000	45·3
1927	8	1,612	25,165,200	8·4	241,965,600	81·1	21,165,000	7·1	298,421,400	61,223,800	20·5	88,592,300	29·7	138,745,500	46·5
1928	8	1,624	25,884,288	8·4	248,800,347	80·7	21,053,087	6·8	308,091,180	63,322,077	20·5	83,378,875	27·0	149,622,489	48·5

JOINT STOCK BANKS OF IRELAND.

Year.	Banks.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Deposits.	% of Liabilities.	Notes.	% of Liabilities.	Total Liabilities.	Cash in Hand, Money at Call and Short Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
			£		£		£		£	£		£		£	
1890	9	456	10,374,000	18·5	38,521,000	68·8	6,642,000	11·8	56,132,000	9,086,000	16·1	17,144,000	32·2	28,791,000	51·0
1895	9	496	10,200,000	16·5	44,390,000	72·0	6,143,000	9·9	61,663,000	11,253,000	18·3	17,934,000	29·1	31,182,000	50·5
1900	9	543	10,894,000	16·0	49,449,000	72·8	6,708,000	9·9	67,988,000	11,697,000	17·2	17,719,000	26·1	37,464,000	55·0
1905	9	627	11,320,000	15·7	53,556,000	74·4	5,966,000	8·3	71,967,000	10,396,000	14·4	18,961,000	26·3	41,568,000	57·7
1910	9	663	11,475,000	13·9	62,508,000	76·0	7,211,000	8·8	82,150,000	13,762,000	16·7	23,215,000	28·2	44,127,000	53·7
1911	9	679	11,443,000	13·4	65,465,000	77·0	7,058,000	8·3	85,014,000	14,516,000	17·0	24,362,000	28·5	44,991,000	52·7
1912	9	683	11,164,000	12·9	66,901,000	77·1	7,228,000	8·4	86,363,000	14,030,000	16·3	24,026,000	27·8	47,161,000	54·7
1913	9	710	11,095,000	12·2	70,657,000	77·9	8,074,000	8·9	90,905,000	17,189,000	19·0	23,935,000	26·3	48,600,000	53·5
1914	9	693	11,203,000	11·5	74,501,000	76·3	10,918,000	11·2	97,809,000	22,382,000	22·9	25,970,000	26·6	48,149,000	49·9
1915	9	703	11,013,000	10·5	77,722,000	74·0	15,000,000	14·3	104,799,000	23,313,000	22·2	35,330,000	33·6	44,706,000	42·6
1916	9	708	10,844,000	9·4	83,746,000	72·8	19,112,000	16·6	115,205,000	32,561,000	28·3	38,148,000	33·2	42,972,000	37·2
1917	9	773	11,262,000	8·4	99,310,000	73·8	22,336,000	16·6	134,515,000	40,088,000	29·8	42,113,000	31·4	50,622,000	37·5
1918	9	848	11,837,000	6·7	131,610,000	74·9	30,896,000	17·6	175,739,000	56,813,000	31·8	65,307,000	37·2	51,993,000	29·6
1919	9	869	12,832,000	6·1	166,231,000	79·2	29,054,000	13·9	209,632,000	55,090,000	26·3	77,242,000	37·0	75,303,000	36·0
1920	9	912	12,899,000	5·4	200,441,000	83·2	24,717,000	10·3	240,391,000	46,698,000	19·4	80,959,000	33·5	109,623,000	45·5
1921	9	947	13,154,000	5·3	212,860,000	86·1	19,052,000	7·7	246,881,000	42,887,000	17·4	81,670,000	33·0	119,275,000	44·1
1922	9	986	13,779,000	5·7	209,777,000	86·0	17,321,000	7·1	242,199,000	31,834,000	13·1	103,019,000	42·5	104,554,000	43·1
1922	3*	267	3,350,000	5·1	56,686,000	86·4	4,989,000	7·6	65,596,000	8,173,500	12·5	23,221,500	35·4	33,572,000	**51·2**
1923	3*	248	3,750,000	6·1	51,962,000	84·7	5,016,000	8·2	61,329,000	6,857,000	11·2	21,263,000	34·7	32,450,000	52·9
1924	3*	249	4,100,000	6·8	51,100,000	84·3	4,864,000	8·0	60,687,000	6,723,000	11·1	21,532,000	35·5	31,747,000	**52·3**
1925	3*	252	4,200,000	7·1	50,057,000	84·7	4,399,000	7·4	59,153,000	5,956,000	10·1	18,947,000	32·1	33,543,000	**56·7**
1926	3*	254	4,200,000	7·0	50,643,000	84·6	4,137,000	6·9	59,836,000	6,420,000	10·7	18,943,000	31·7	33,379,000	**55·8**
1927	3*	255	4,400,000	7·3	49,342,000	82·4	4,037,000	6·7	59,909,000	7,658,000	12·8	18,819,000	31·4	32,814,000	**54·8**
1928	3*	255	4,500,000	7.5	49,649,399	82.5	3,909,809	6.5	60,253,773	7,306,211	12·1	19,638,930	32.6	32,653,916	**54.2**

* Northern Ireland.

ENGLISH JOINT STOCK BANKS.

1 Name of Bank.	Date.	2 No. of Branches & sub branches.	3 Capital Subscribed.	4 Uncalled Capital. Callable.	4 Uncalled Capital. Reserved	5 Capital Paid up.	6 Reserve Funds.	7 Undivided Profits.	8 Notes in Circulation (d)	9 Drafts, &c.	10 Acceptances and Endorsements.	11 Miscellaneous Credits, Rebate, Staff Funds,&c.
			£	£	£	£	£	£	£	£	£	£
1 Barclays Bank.....	Dec 31	1,979	*15,858,217*	Nil	Nil	15858217	10250000	...	...	...	24,874,317	...
2 Baring Bros. & Co.	Dec 31	1	*1,025,000*	Nil	Nil	1,025,000	1,000,000	17,266	...	...	9,253,107	...
3 Brit.Mut. Bnkg. Co.	Dec 31	None	*200,000*	*120,000*	Nil	80,000	83,000	18,175	...	...	...	...
4 Coutts & Co.....	Dec 31	2	*1,000,000*	Unlimited	...	1,000,000	1,000,000	...	...	...	463,613	...
5 District Bank.....	Dec 31	387	*9,480,000*	*1,264,000*	*6,320,000*	1,896,000	2,000,000	499,499	...	...	2,464,878	...
6 Glyn Mills & Co....	Dec 31	2	*1,060,000*	Nil	Nil	1,060,000	530,000	...	...	...	2,081,205	200,000
7 Isle of Man Bank..	Dec 31	8	*150,000*	Nil	*100,000*	50,000	144,000	13,470	*d* 80,896	12,958	...	...
8 Lloyds Bank.....	Dec 31	1,813	*73,302,076*	*3,593,239*	*53,898,585*	15810252	10000000	1476980	*d* 4,5430	...	60,341,184	...
9 London Merchnt Bk	Dec 31	None	*1,350,000*	*525,000*	Nil	825,000	...	45,066	...	...	3,377,291	...
10 Manchester Cty Bk	Dec 31	182	*5,460,200*	*273,010*	*4,095,150*	1,092,040	1,080,000	174,597	...	...	560,071	...
11 Martins Bank.....	Dec 31	560	*20,602,272*	*5,167,558*	*11,274,672*	4,160,042	3,457,872	445,915	*d* 16,751	...	10,949,041	...
12 Midland Bank.....	Dec 31	2,013	*10,689,218*	*7,172,697*	*20,083,553*	13432968	13432968	1815737	...	...	74,441,134	...
13 National Provincial	Dec 31	1,277	*43,617,080*	*5,839,611*	*28,298,053*	9,479,416	9,479,416	865,846	...	...	19,563,740	...
14 Union Bk of Mchstr	Dec 31	165	*1,500,000*	*750,000*	Nil	750,000	675,000	11,874	...	...	713,185	...
15 Westminster Bank	Dec 31	1,009	*30,533,127*	*7,070,990*	*14,141,980*	9,320,157	9,320,157	1230333	*d* 13,038	...	26,538,040	...
16 Willms Deacons Bk	Dec 31	197	*8,125,000*	*1,562,500*	*4,687,500*	1,875,000	1,350,000	156,696	...	...	1,520,117	...
Totals		9,595	*253952190*	*33338605*	*142899493*	77714092	63802413	6771454	115,228	12,958	237140923	200,000

SCOTTISH BANKS.

1 Bank of Scotland ..	Feb.28	188	*2,250,000*	*750,000*	Nil	1,500,000	1,882,500	278,084	2,776,147	266,951	834,124	
2 British Linen Bank	Jan. 15	195	*1,250,000*	Nil	Nil	1,250,000	2,150,000	154,772	2,560,190	941,171	721,271	
3 Clydesdale Bank ...	Dec.31	192	*5,250,000*	Nil	*4,000,000*	1,250,000	1,500,000	317,420	2,742,946	537,139	1,009,351	
4 Com. Bk. of Scot. ..	Oct. 31	326	*5,500,000*	*1,750,000*	*2,000,000*	1,750,000	2,000,000	151,569	3,132,671	1024556	429,927	
5 Nat. Bk. of Scotland	Nov. 1	140	*5,000,000*	*900,000*	*3,000,000*	1,100,000	1,500,000	209,680	2,503,143	...	1,033,779	
6 N. of Scotland Bk..	Dec.31	158	*3,260,000*	*163,000*	*1,956,000*	1,141,000	1,065,000	206,162	2,174,254	...	...	
7 Royal Bk. of Scot.	Oct. 13	230	*2,500,000*	Nil	Nil	2,500,000	2,795,788	180,000	2,685,251	746,607	1766,599	
8 Union Bk. of Scot..	Apr. 2	195	*5,000,000*	Nil	*4,000,000*	1,000,000	1,500,000	305,743	2,478,485	17,461	1,221,092	
Totals		1,624	*30,010,000*	*3,563,000*	*14,956,000*	11491000	14393288	1803430	21053087	3533885	7,016,143	

NORTHERN IRISH BANKS.

1 Belfast Banking Co.	Dec.31	50	*2,500,000*	*300,000*	*1,500,000*	700,000	600,000	92,981	928,585	...	...	1800000
2 Northern Bank A	Aug.31	91	*3,500,000*	*700,000*	*2,100,000*	700,000	800,000	46,158	1,445,857	...	75,626	62,976
,, B shares	Nov.30	114	*3,000,000*	*200,000*	*2,000,000*	800,000	900,000	72,215	1,535,367	...	...	44,609
3 Ulster Bank			*9,000,000*	*1,200,000*	*5,600,000*	2,200,000	2,300,000	211,354	3,909,809	...	75,626	1907585
Totals.....												

PRIVATE BANKS.

	Date.	1 Partners' Capital and Reserve.	2 Deposit and Current Accounts.	3 Miscellaneous.	4 Total Liabilities.	5 Cash on Hand, &c., and at Call and Short Notice.	6 Investments.	7 Advances, Bills, Loans, and Other Securities.	8 Miscellaneous. (Premises, &c.).	9 Total Assets.
		£	£	£	£	£	£	£	£	£
1 Baker, Duncombe and Co.	Mar. 31	250,000	7,731,264	...	7,981,264	104,437	883,300	6,974,960	18,567	7,981,264
2 Blydenstein (B. W. & Co.)	Dec. 31	700,000	12,872,105	92,387	13,664,492	200,049	1,869,054	11,563,789	31,600	13,664,492
3 Hoare (Chas.) and Co. ...	July 5	500,000	3,093,254	...	3,593,254	1,097,214	1,231,378	1,164,662	100,000	3,593,254
4 S. Japhet & Co.	Dec. 31	1,850,000	7,307,856	7,306,372	16,464,228	2,671,227	1,837,022	4,465,701	7,490,278	16,464,228
Totals	...	3,300,000	31,004,479	7,398,759	41,703,238	4,072,927	5,820,754	24,169,112	7,640,445	41,703,238

ENGLISH JOINT STOCK BANKS.

12 Deposit and Current Accounts.	13 Total Liabilities.	14 Cash. In Hand and at Bank of England(x).	14 Cash. At Call and Short Notice.	15 Investments. British Govt. Secs. Where Stated Separately.	15 Investments. Bonds, Stocks and Other Investments.	16 Discounts and Advances. Discounts Where Stated Separately.	16 Discounts and Advances. Advances, Loans, &c.	17 Buildings and Sundries, including Cover for Acceptances.	18 Total Assets.	19 Name of Bank.
£	£	£	£	£	£	£	£	£	£	
335,081,222	386,063,756	60,914,638	23,988,400	54,521,243	9,385,077	38,258,569	168,620,475	30,375,354	386,063,756	Barclays.
22,096,857	33,392,230	*c* 7,393,421	...	...	1,066,301	11,331,487	4,220,914	9,380,107	33,392,230	Barings.
713,599	894,774	68,361	...	52,515	57,967	...	712,941	2,990	894,774	Brit. Mutual.
17,715,988	20,179,601	2,938,070	1,717,000	3,099,893	674,541	935,586	9,978,898	835,613	20,179,601	Coutts & Co.
52,254,949	59,115,326	8,043,460	4,724,125	14,454,101	332,749	5,146,318	23,249,695	3,164,878	59,115,326	District.
35,928,161	39,799,366	7,368,652	7,620,250	6,986,835	632,040	1,571,902	12,843,483	2,776,204	39,799,366	Gln.Mills&Co.
2,293,065	2,594,389	366,127	300,000	959,751	400,147	...	538,364	30,000	2,594,389	Isle of Man.
352,157,419	439,790,378	55,457,101	29,005,684	35,111,947	9,441,864	49,281,472	194,373,479	67,118,831	439,790,378	Lloyds.
1,437,214	5,684,571	74,544	705,000	...	162,753	480,977	843,924	3,417,373	5,684,571	Lon. M'rchant
19,587,527	22,494,235	*c* 5,381,752	...	...	4,207,647	849,083	10,995,681	1,060,072	22,494,235	Man.&County
82,932,881	101,962,502	12,116,604	5,420,745	23,497,201	1,607,567	3,702,147	42,600,479	13,017,759	101,962,502	Martins.
394,591,227	497,714,034	45,440,918	47,928,380	35,338,339	1,530,359	63,347,503	214,050,972	90,077,563	497,714,034	Midland.
290,310,253	329,698,671	44,170,901	25,920,942	32,056,526	8,160,672	43,547,739	150,523,520	25,318,371	329,698,671	Nat. Prov.
18,069,360	20,219,419	*c* 6,557,651	...	2,465,950	171,709	619,913	9,258,142	1,146,054	20,219,419	U.Bk.ofMan.
294,086,580	340,508,305	47,313,929	34,813,607	38,178,020	3,252,670	36,626,735	149,098,900	31,224,444	340,508,305	Westminster.
32,221,395	37,123,208	5,219,565	2,871,374	4,481,240	868,437	3,551,273	17,642,886	2,488,433	37,123,208	Wms. Deacon.
1951477697	2337234765	308,825,694	185,015,507	251,203,561	41,952,500	259,250,704	1009552753	281,434,046	2337234765	Totals.

c Includes Call Money.

SCOTTISH BANKS.

£	£	£	£	£	£	£	£	£	£	
32,068,386	39,606,192	4,896,234	2,430,000	10,750,653	191,825	2,813,638	17,229,718	1,294,124	39,606,192	Bk. of Scotld.
27,236,608	35,014,012	*c* 8,679,982	...	10,345,930	446,355	...	14,369,274	1,172,471	35,014,012	Brit. Lin. Bk.
30,242,808	37,599,664	5,480,733	2,555,300	9,103,569	397,530	2,712,275	15,653,866	1,696,391	37,599,664	Clydesdle Bk.
33,834,406	42,323,129	6,090,678	3,712,567	9,219,550	646,673	2,127,689	19,332,023	1,193,949	42,323,129	Com.Bk.ofSc.
31,652,172	37,998,774	4,641,518	3,057,000	10,691,778	227,282	3,260,600	14,499,517	1,621,079	37,998,774	Ntl. Bk. of Sc.
21,811,626	26,398,042	*c* 3,578,531	...	9,443,038	311,246	402,944	12,477,961	184,322	26,398,042	North of Scot.
44,674,152	55,348,397	4,994,471	6,619,234	11,031,814	1,351,341	5,824,968	22,730,958	2,795,611	55,348,397	Ryl. Bk.of Sc.
27,280,189	33,802,970	2,957,433	3,628,396	6,079,754	3,140,447	2,649,341	13,537,717	1,809,882	33,802,970	UnionBkof Sc
248,800,347	308,091,180	41,319,580	22,002,497	76,666,086	6,712,699	19,791,455	129,831,034	11,767,829	308,091,180	Totals.

c Includes Call Money.

NORTHERN IRISH BANKS.

14,779,530	18,901,096	3,327,480	...	4,273,354	855,717	325,518	10,063,430	55,597	18,901,096	Belfast Bkg.
13,832,164	16,962,781	1,591,621	...	3,288,051	713,114	...	10,994,369	375,626	16,962,781	NorthernBk.
21,037,705	24,389,896	2,387,110	...	9,759,535	749,159	...	11,270,599	223,493	24,389,896	Ulster Bank.
49,649,399	60,253,773	7,306,211	...	17,320,940	2,317,990	325,518	32,328,398	654,716	60,253,773	Totals.

DISCOUNT COMPANIES.

	Date.	Capital and Reserves.	Loans, Deposits, &c. (inc. Undivided Profits).	Bills Rediscounted.	Rebate, &c.	Total Liabilities.	Cash at Bankers.	Investments.	Bills Discounted.	Loans and Sundry Accts.	Total Assets.
		£	£	£	£	£	£	£	£	£	£
Alexanders	Dec. 31	1,350,000	21,500,457	6,666,883	236,108	29,753,448	569,687	5,107,044	23,827,160	249,557	29,753,448
National.....	Dec. 31	1,865,000	25,479,201	17,526,606	521,966	45,392,773	602,311	3,205,021	40,239,735	1,345,706	45,392,773
Union of Lond.	Dec. 31	3,000,000	46,246,896	15,634,655	585,005	65,466,556	1,339,129	8,963,231	54,842,540	321,656	65,466,556
Totals		6,215,000	93,226,554	39,828,144	1,343,079	140,612,777	2,511,127	17,275,296	118,909,435	1,916,919	140,612,777

BANK OF ENGLAND.

The Bank of England received its first charter in 1694. Its capital is now £14,553,000, in fully-paid stock, which is a "trustee" security. For each year from 1904 to 1913 the dividend was 9 per cent., free of income tax. From 1914 to 1921 it was 10 per cent., less tax, for 1921-22 11½ per cent., and since then 12 per cent. The price of the stock on April 30, 1929, was 252, giving a yield of £4 15s. 3d. per cent. The authorised note issue against securities is now £260,000,000, this being the amount laid down by the Currency and Bank Notes Act of 1928. The Government Debt of £11,015,100 forms part of the security. All notes issued in excess of this amount must be covered by an equal amount of gold, unless the Bank obtains authority in accordance with the procedure laid down in the Currency and Bank Notes Act, 1928, to exceed this limit.

Last Return of Year.	Number of Branches.	LIABILITIES. Capital.	Per Cent.	Rest.	Per Cent.	Note Circulation.	Per Cent.	Post Bills.	Per Cent.	Deposits.	Per Cent.	Total Liabilities or Assets.	ASSETS. Coin and Bullion.	Per Cent.	Govt. Securities.	Per Cent.	Other Securities.	Per Cent.
		£		£		£		£		£		£	£		£		£	
1890.....	11	14,553,000	17·6	3,241,083	3·9	25,114,170	30·4	178,281	0·2	39,814,589	47·9	82,901,123	23,465,834	28·3	26,256,433	31·7	33,178,856	40·0
1895.....	11	14,553,000	13·1	3,111,056	2·8	26,468,425	23·8	88,775	0·1	66,460,839	60·2	110,682,095	44,960,056	40·5	31,736,164	28·7	33,985,875	30·8
1900.....	11	14,553,000	15·9	3,215,471	3·5	29,813,280	32·5	153,097	0·2	43,797,846	47·9	91,532,694	28,541,163	31·1	33,962,060	37·0	29,029,471	31·9
1904.....	11	14,553,000	14·6	3,198,909	3·2	28,204,210	28·4	70,180	0·1	53,424,743	53·7	99,451,042	29,927,272	30·0	34,059,872	34·3	35,463,898	35·8
1905.....	11	14,553,000	14·6	3,273,248	3·3	28,304,210	28·7	99,413	0·1	52,038,005	52·5	99,314,726	28,530,251	28·7	31,348,989	31·4	39,535,486	39·9
1906.....	11	14,553,000	14·9	3,342,437	3·4	28,795,255	29·8	68,544	0·1	50,336,717	51·8	97,095,953	29,064,478	30·0	33,908,516	34·8	34,122,959	35·2
1907.....	11	14,553,000	15·1	3,282,951	3·4	29,514,250	30·6	81,377	0·1	49,131,248	50·8	96,562,826	30,745,846	31·8	32,782,136	34·0	33,034,844	34·2
1908.....	11	14,553,000	13·4	3,132,924	2·9	29,751,030	27·3	35,548	...	61,526,865	56·4	108,999,367	30,732,402	28·3	33,180,533	30·5	45,086,432	41·2
1909.....	11	14,553,000	13·5	3,138,824	2·9	28,858,325	26·9	16,601	...	60,992,787	56·7	107,559,537	32,628,075	30·4	33,161,788	31·0	41,769,674	38·6
1910.....	11	14,553,000	14·2	3,187,804	3·1	28,610,215	28·0	24,848	...	55,962,860	54·7	102,338,727	31,355,727	30·6	34,349,568	33·6	36,633,614	35·8
1911.....	11	14,553,000	13·5	3,173,994	3·0	29,192,790	27·1	31,408	...	61,122,628	56·4	108,073,820	32,438,163	30·0	33,721,183	31·2	41,914,475	38·8
1912.....	11	14,553,000	12·8	3,315,847	2·9	29,200,255	25·5	27,021	...	67,119,687	58·8	114,215,810	31,300,487	27·4	33,285,422	29·2	49,629,901	43·4
1913.....	11	14,553,000	12·3	3,252,192	2·7	29,607,635	25·0	13,568	...	71,343,555	60·0	118,769,950	34,983,149	28·4	31,649,062	26·7	52,137,739	44·9
1914.....	10	14,553,000	7·0	3,283,353	1·5	36,139,180	17·3	23,844	...	154,987,891	74·1	208,987,268	69,493,610	33·2	33,257,551	15·9	106,236,107	50·9
1915.....	10	14,553,000	6·8	3,312,122	1·5	35,309,255	16·5	17,882	...	161,649,874	75·2	214,842,135	51,476,407	24·0	51,290,016	23·9	112,075,710	52·1
1916.....	10	14,553,000	6·1	3,310,501	6·1	39,675,535	16·7	21,952	...	178,843,038	75·8	236,404,026	54,304,915	23·0	75,637,707	32·0	106,461,404	45·0
1917.....	10	14,553,000	6·3	3,301,135	1·4	45,943,965	20·0	10,335	...	166,170,777	72·3	229,979,212	58,337,469	25·4	76,753,020	33·4	94,888,723	41·2
1918.....	10	14,553,000	5·6	3,257,496	1·2	70,306,930	27·0	9,551	...	172,679,658	66·2	260,806,635	79,110,764	30·3	89,555,744	34·4	92,140,127	35·3
1919.....	10	14,553,000	4·7	3,272,195	1·1	91,349,990	29·5	12,631	...	199,851,122	64·7	309,038,936	91,342,155	29·6	110,919,207	35·9	106,777,576	34·5
1920.....	10	14,553,000	4·3	3,338,587	1·0	132,851,150	39·0	7,639	...	189,859,334	55·7	340,610,710	128,267,670	37·6	126,314,798	37·2	86,028,242	25·2
1921.....	10	14,553,000	5·4	3,334,313	1·2	126,520,245	47·4	14,362	...	122,589,335	46·0	267,011,255	128,434,359	48·1	55,411,987	20·7	83,164,909	31·2
1922.....	10	14,553,000	5·2	3,345,073	1·2	124,877,670	45·1	16,064	...	133,227,231	48·5	276,019,038	127,443,007	46·1	70,417,900	25·5	78,158,131	28·4
1923.....	10	14,553,000	5·2	3,279,847	1·2	128,142,780	46·1	9,185	...	132,462,063	47·5	278,446,875	128,019,382	46·1	69,354,532	31·4	81,072,961	36·5
1924.....	10	14,553,000	4·5	3,342,741	1·0	128,295,915	40·1	7,675	...	174,290,577	54·4	320,489,908	128,560,002	40·1	88,329,552	27·6	103,500,354	32·3
1925.....	10	14,553,000	4·4	3,344,666	1·1	144,730,510	43·6	2,021	...	169,044,292	51·0	331,674,489	144,556,367	43·6	83,837,526	25·3	103,280,596	31 1
926.....	10	14,553,000	4·8	3,380,348	1·1	140,784,940	46·7	1,959	...	142,974,783	47·4	301,695,030	151,118,648	50·1	53,917,539	17·9	96,658,843	32·0
1927.....	10	14,553,000	4·9	3,382,834	1·1	138,711,420	47·0	2,515	...	138,536,802	47·0	295,186,571	152,408,849	51·6	59,594,092	20·2	83,183,630	28·2
1928.....	10	14,553,000	2·8	3,381,508	0·6	388,242,899	73·8	2,500	...	119,970,102	22·8	526,150,059	159,306,490	30·3	311,882,028	59·2	54,961,541	10·5

POSITION OF THE BANK OF ENGLAND FROM APRIL 18, 1928, TO APRIL 17, 1929.

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold In or Out at Bank.	Reserve.	% of Reserve to Liabilities.	Bank Rate.	Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold In or Out at Bank.	Reserve.	% of Reserve to Liabilities.	Bank Rate.
1928.	£	£	£	£	£	£	%	%	1928.	£	£	£	£	£	£	%	%
April 18	158,610,370	134,659,285	117,939,364	91,910,878	788,000 in	43,710,085	37	4½	Aug. 15	174,147,577	135,794,140	115,705,799	75,752,838	240,000 out	58,103,437	50½	4½
25	160,466,753	134,743,260	112,795,757	84,996,771	1,777,000 in	45,473,493	40	4½	22	174,823,209	134,920,590	114,505,932	73,062,113	626,000 in	59,652,619	52	4½
May 2	160,730,414	135,755,950	115,089,727	88,082,339	143,000 in	44,724,464	38½	4½	29	175,867,362	135,441,400	114,532,334	72,584,429	1,081,000 in	60,175,962	52½	4½
9	161,905,405	135,218,305	113,856,940	85,152,681	1,000,000 in	46,437,100	40½	4½	Sept. 5	176,576,650	135,368,090	112,870,778	85,192,273	738,000 in	80,958,560	47½	4½
16	161,946,830	134,834,125	114,541,656	85,423,150	73,000 out	46,862,705	40½	4½	12	176,584,789	134,607,285	111,960,067	68,541,524	11,000 in	61,727,504	55½	4½
23	162,187,482	135,064,485	113,613,315	84,596,920	9,000 out	46,872,997	41½	4½	19	176,080,242	133,772,350	116,689,253	72,963,546	497,000 out	62,057,292	53½	4½
30	162,902,473	135,984,760	111,852,107	82,951,970	572,000 in	46,667,713	41½	4½	26	173,204,657	134,494,350	113,435,883	73,259,264	2,943,000 out	58,460,307	51½	4½
June 6	164,073,965	135,661,835	119,125,392	88,765,975	1,014,000 in	48,168,130	40½	4½	Oct. 3	168,226,578	135,006,755	112,452,120	77,778,041	4,909,000 out	52,969,823	47½	4½
13	168,099,528	135,073,700	121,043,201	86,107,790	3,828,000 in	52,775,828	43½	4½	10	167,501,083	134,193,840	111,685,879	76,293,597	500,000 out	53,057,243	47½	4½
20	171,691,040	135,026,540	122,555,474	84,040,919	3,429,000 in	56,414,500	46	4½	17	167,147,224	133,500,675	111,229,193	75,504,851	71,000 out	53,396,549	48	4½
27	172,287,120	136,256,120	129,466,008	91,647,283	405,000 in	55,781,000	43	4½	24	166,736,795	133,178,785	112,293,481	76,691,694	180,000 out	53,308,010	47½	4½
July 4	173,428,234	137,166,490	146,515,771	108,510,072	942,000 in	56,011,744	38½	4½	31	164,920,677	134,502,205	117,656,357	85,185,817	1,575,000 out	50,168,472	42½	4½
11	174,356,917	136,361,115	120,913,180	81,217,209	916,000 in	57,745,802	47½	4½	Nov. 7	64,989,383	133,935,880	117,328,789	84,243,928	300,000 in	50,803,503	43½	4½
18	175,943,909	135,891,050	123,380,907	81,629,447	1,542,000 in	59,802,859	48½	4½	14	162,467,073	133,344,390	114,960,906	83,818,927	2,446,000 out	48,872,683	42½	4½
25	176,020,387	136,015,840	118,375,310	76,697,084	66,000 in	59,754,547	50½	4½	21	162,084,589	132,802,375	114,370,294	83,097,818	385,000 out	49,032,214	42½	4½
Aug. 1	173,659,029	137,216,190	115,711,528	77,625,368	2,331,000 out	56,192,839	48½	4½	28	159,845,986	367,001,148	121,016,663	85,981,475	2,260,000 out	52,844,838	43½	4½
8	174,432,054	136,777,930	117,445,253	78,160,792	760,000 in	57,404,124	48½	4½									

Date.	Issue Department. Notes Issued.	Circulation.	Banking Department. Public Deposits.	Bankers' Deposits.	Other Deposits.	Gold in or out of Bank.	Bank Rate	Issue Department. Govt. Debt and Securities.	Other Securities.	Both Depts. Gold Coin and Bullion and Reserve Ratio.	Banking Department. Govt. Securities.	Discounts and Advances.	Other Securities.	Reserve and the "Proportion."
1928.	£	£	£	£	£	£	%	£	£	£	£	£	£	%
Dec. 5	417,830,873	371,455,989	8,690,791	78,039,974	36,892,748	1,274,655 out	4½	244,584,427	10,176,975	158,544,766 32½	63,870,327	10,904,358	19,600,333	47,488,777 38½
12	416,654,319	374,821,061	7,628,750	67,418,777	36,727,355	1,179,054 out	4½	244,584,427	10,171,608	157,191,056 32½	59,106,855	11,185,832	17,009,328	42,369,995 37½
19	415,210,986	384,110,999	11,143,434	60,247,772	35,964,016	1,472,105 out	4½	244,581,466	10,177,049	155,507,575 31½	57,756,855	15,667,010	20,485,605	31,396,576 29½
26	413,783,646	388,242,899	12,969,050	69,894,708	37,511,394	1,429,295 out	4½	244,585,173	10,175,611	154,067,274 30½	67,296,855	25,931,966	18,853,964	25,824,375 21½
1929.														
Jan. 2	413,123,339	378,294,483	22,336,385	84,016,042	38,030,396	785,764 out	4½	244,588,281	10,175,611	153,329,533 29½	62,636,855	47,745,162	16,962,554	35,035,050 24½
9	414,284,469	369,517,787	10,944,607	67,491,247	36,813,416	1,157,054 in	4½	244,644,115	10,170,725	154,479,280 31½	57,736,855	14,687,357	15,969,429	44,961,493 38½
16	414,171,272	360,682,536	15,148,359	67,549,972	36,665,759	114,308 out	4½	244,848,035	10,172,176	153,342,962 32½	55,121,855	13,058,329	15,540,096	53,723,549 45
23	413,103,414	355,366,406	16,850,494	60,841,865	37,481,693	1,078,579 out	4½	244,884,208	10,170,568	152,978,126 32½	49,486,855	10,763,570	15,061,023	57,976,556 50½
30	412,714,393	355,644,424	19,229,555	58,210,774	37,862,617	394,507 out	5½	244,994,469	10,016,515	149,917,446 31½	50,501,855	96,572,27	15,946,436	57,333,702 49½
Feb. 6	409,626,177	357,519,235	8,351,338	68,500,861	37,003,522	3,091,745 out	5½	245,524,998	9,491,737	150,154,375 32½	55,386,855	8,714,097	15,528,000	52,398,211 46
13	409,837,878	352,698,006	19,635,679	58,199,877	36,437,556	133,139 in	5½	245,520,727	9,487,456	150,850,938 32½	47,876,855	10,446,657	16,686,558	57,456,367 50½
20	410,503,734	351,819,064	15,076,218	65,694,762	37,133,249	651,702 in	5½	245,540,332	9,464,764	151,255,517 32½	46,331,855	12,056,083	18,692,087	59,031,874 50
27	410,897,002	352,253,215	13,966,895	57,940,301	36,661,690	570,581 in	5½	245,889,099	9,266,559	151,828,798 32½	42,976,855	8,353,509	15,593,988	59,002,302 54½
March 6	411,473,325	355,088,201	8,283,015	54,183,525	37,286,117	222,872 in	5½	245,947,010	9,214,076	152,068,880 32½	44,796,855	10,379,411	16,115,462	56,740,597 51½
13	411,704,273	355,004,507	11,933,957	63,384,137	37,631,060	736,976 in	5½	246,087,611	9,082,594	152,825,852 32½	44,836,855	12,517,418	16,809,283	57,064,373 50½
20	412,442,839	353,868,645	19,423,868	62,332,186	37,262,399	883,050 in	5½	246,193,740	8,977,312	153,733,551 32½	48,916,855	12,582,128	17,885,667	58,957,207 49½
27	413,331,566	361,786,016	19,704,899	58,240,243	36,354,799	702,684 in	5½	246,215,843	8,955,581	154,467,255 31½	50,586,855	13,003,543	17,065,519	51,947,535 45½
April 3	414,045,537	353,119,286	17,795,531	67,268,161	37,307,929	963,053 in	5½	246,507,820	8,663,950	155,482,700 32½	53,276,855	13,221,208	16,358,125	51,147,969 41½
10	415,042,703	362,130,979	17,205,719	63,900,072	36,617,576	760,357 in	5½	246,741,657	8,430,376	156,271,783 32½	48,346,855	11,028,809	15,621,612	57,330,825 46½
17	415,836,622	358,940,958	17,876,233	60,779,118	36,016,599									

BANK RATE SINCE 1848.

Year.	No. of Changes.	Highest.	Lowest.	Average.	Year.	No. of Changes.	Highest.	Lowest.	Average.	Year.	No. of Changes.	Highest.	Lowest.	Average.	Year.	No. of Changes.	Highest.	Lowest.	Average.
				£ s. d.					£ s. d.					£ s. d.					£ s. d.
1848.....	3	5	3	3 14 5	1869...	7	4	2½	3 2 0	1890.....	11	6	3	4 10 6	1911...	4	4½	3	3 9 4
1849.....	1	3	2½	2 18 11	1870...	10	6	2	2 17 8	1891.....	12	5	2½	3 6 5	1912...	4	5	3	4 3 5
1850.....	1	3	2½	3 0 0	1871...	10	5	2	2 10 5	1892.....	4	3½	2	2 10 5	1913...	2	5	4½	4 15 5
1851.....	...	3	3	3 0 0	1872...	14	7	3	4 1 11	1893.....	12	5½	2½	3 1 2	1914...	8	10	3	4 0 9
1852.....	2	2½	2	3 13 10	1873...	24	9	3	4 15 11	1894.....	2	3	2	2 2 4	1915...	None	5	5	5 0 0
1853.....	6	5	2	3 13 10	1874...	13	6	2½	3 13 10	1895.....	...	3	2	2 2 4	1916...	1	6	5	5 9 3
1854.....	2	5½	5	5 2 4	1875...	12	6	2	3 4 8	1896.....	3	4	2	2 0 0	1917...	1	6	5	5 9 7
1855.....	8	7	3½	4 17 9	1876...	5	5	2	2 12 2	1897.....	6	4	2	2 9 7	1918...	None	5	5	5 0 0
1856.....	7	7	4½	6 1 4	1877...	7	6	2	2 18 0	1898.....	6	4	2½	2 12 9	1919...	1	6	5	5 3 0
1857.....	9	10	5½	6 13 2	1878...	10	6	2	3 15 7	1899.....	6	6	3	3 4 11	1920...	1	7	6	6 14 4
1858.....	6	6	2½	3 4 7	1879...	5	5	2	2 10 3	1900.....	6	6	3	3 15 1	1921...	4	7	5	6 2 4
1859.....	5	4½	2½	2 14 10	1880...	2	3	2½	2 15 3	1901.....	6	5	3	3 19 3	1922...	4	5	3	3 13 9
1860.....	11	8	3	4 3 7	1881...	6	5	2½	3 9 7	1902.....	3	4	3	3 14 5	1923...	1	4	3	3 9 9
1861.....	11	8	3	5 4 11	1882...	6	6	3	4 2 11	1903.....	3	4	3	3 6 7	1924...	None	4	4	4 0 0
1862.....	5	8	3	4 8 3	1883...	6	5	2	3 11 7	1904.....	2	4	3	3 15 0	1925...	4	5	4	4 11 0
1863.....	12	8	3	4 7 0	1884...	7	5	2	2 19 1	1905.....	3	4	2½	3 5 11	1926...	None	5	5	5 0 0
1864.....	15	9	6	7 7 0	1885...	7	5	2	2 18 4	1906.....	6	6	3½	3 0 2	1927...	1	5	4½	4 13 0
1865.....	16	7	3	4 15 5	1886...	7	5	2	3 1 1	1907.....	7	7	4	4 18 6	1928...	None	5	4½	4 10 0
1866.....	14	10	3½	6 19 0	1887...	7	5	2	3 6 1	1908.....	6	7	2½	3 0 3					
1867.....	3	3	2	2 10 10	1888...	9	6	2½	3 11 1	1909.....	5	5	2½	3 0 0					
1868.....	2	3	2	2 1 11	1889...	8				1910.....	9	5	3	3 14 5					

JOINT STOCK BANKS OF ENGLAND AND WALES.

BARCLAYS BANK, LIMITED.

ESTABLISHED AS A PRIVATE BANK PRIOR TO 1729. INCORPORATED 1896 AS BARCLAY AND COMPANY, LIMITED, NAMED CHANGED AS ABOVE FEBRUARY 1917.

1896—Formed by amalgamation of 20 private banks.
1897—Absorbed Woods and Co.
1899—Swaledale and Wensleydale Banking Co., Limited, taken over.
1900—Milbanke, Woodbridge, and Co., Woodbridge, Lacy, and Co., and Parsons, Thomson, and Co. absorbed.
1902—York Union Banking Co., Limited, Marten Part and Co., J. and J. W. Pease, and Roper and Priestman absorbed.
1904—Absorbed Thomas Ashby and Co., Staines, &c.
1905—Absorbed Bolitho, Williams, Foster, Coode, Grylls, and Co., Limited, Hammond and Co., Newmarket.
1906—Absorbed Leatham, Tew, and Co.
1909—Wootten and Co., Oxford, absorbed.
1911—Stamford, Spalding, and Boston Banking Co., Limited, acquired.
1913—Absorbed Messrs J. and C. Simonds and Co.
1914—Messrs Nevile, Reid, and Co. acquired.
1916—Absorbed United Counties Bank, Limited.
1918—Absorbed London, Provincial and South-Western Bank, Limited.
1919—Absorbed Gillett and Co., Oxford, &c. Affiliated with Union Bank of Manchester, Limited, and The British Linen Bank.
1920—Absorbed Tubb and Co., Bicester.
1922—Sole control secured of Cox and Co. (France), Limited, and business now conducted under the title of Barclays Bank (France), Limited.

	CAPITAL. Subscribed.	Paid-up.	Callable.	Reserved.
	£	£	£	£
"A" Shares	3,430,356	3,430,356	Nil.	Nil.
"B" Shares	11,760,811	11,760,811	Nil.	Nil.
"C" Shares	667,050	667,050	Nil.	Nil.
Per Share "A"	£4	£4	Nil.	Nil.
Per Share "B"	£1	£1	Nil.	Nil.
Per Share "C"	£1	£1	Nil.	Nil.

1925—Barclays Bank, S.A.I., Rome, established. (See page 473, *Economist*, March 7, 1925.)
1925—Affiliation with Barclays Bank (Dominion, Colonial and Overseas), formerly the Colonial Bank, with which are amalgamated the Anglo-Egyptian Bank, Limited, and the National Bank of South Africa, Limited.

PROFITS AND DIVIDENDS.

Year Ended June 30.	Net Profits.	Per Cent. of Resources.	Dividends. Amount.	Dividends. Rate.	Reserve, Investments, &c.	Carried Forward.
	£	%	£	%	£	£
1912 ...	593,284	0·95	400,000	*12½	185,000	153,064
1913 ...	754,726	1·13	418,404	13½	364,025	125,361
1914 ...	823,400	1·12	486,750	A Shs 10 / B Shs 18½	321,340	140,671
1915 ...	890,968	1·08	446,015	A Shs 10 / B Shs 17½	515,000	70,624
†1915 ...	484,268	1·19	207,281	A Shs 10 / B Shs 17½	275,000	72,611
Dec. 31, 1916	1,111,044	0·95	512,716	A Shs 10 / B Shs 17½	550,000	120,938
1917 ...	1,182,143	0·81	546,708	A Shs 10 / B Shs 20	470,000	186,373
1918 ...	1,788,697	0·69	854,382	A Shs 10 / B Shs 20	950,000	278,428
1919 ...	2,122,192	0·65	992,169	A Shs 10 / B Shs 20	900,000	508,450
1920 ...	2,927,523	0·81	1,420,371	A Shs 10 / B & C 14‡	1,450,000	565,602
1921 ...	2,201,651	0·61	1,432,002	A Shs 10 / B & C 14	800,000	535,251
1922 ...	1,873,731	0·56	1,508,717	A Shs 10 / B & C 14	350,000	500,266
1923 ...	1,891,066	0·57	1,572,646	A Shs 10 / B & C 14	300,000	518,686
1924 ...	2,067,281	0·61	1,585,431	A Shs 10 / B & C 14	480,000	520,536
1925 ...	2,289,837	0·66	1,623,789	A Shs 10 / B & C 14	650,000	536,584
1926 ...	2,427,162	0·69	1,651,462	A Shs 10 / B & C 14	800,000	512,285
1927 ...	2,306,329	0·65	1,666,349	A Shs 10 / B & C 14	600,000	552,265
1928 ...	2,301,285	0·60	1,666,349	A Shs 10 / B & C 14	650,000	537,201

* Free of income tax. † For six months ended Dec. 31, 1915.
‡ After reorganisation of capital—equivalent to 21% formerly.

Dec. 31	Number of Branches.	LIABILITIES. Capital and Reserves.	Per Cent.	Acceptances and Endorsements.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank, &c. (a).	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Investments. (b)	Per Cent.	Discounts	Per Cent.	Advances.	Per Cent.	Buildings and Sundries, including Cover for Acceptances.	Per Cent.
		£		£		£		£	£		£		£		£		£		£	
1900 ...	269	3,416,800	9·0	250,184	0·7	34,323,736	90·3	37,990,720	4,836,678	12·7	3,893,500	10·2	9,232,398	24·4	...	...	*18,750,483	49·4	1,277,661	3·3
1905 ...	404	4,596,608	9·5	193,543	0·4	43,345,592	90·1	48,135,743	6,406,560	13·3	4,592,000	9·5	10,563,611	21·9	4,267,058	8·9	20,686,924	43·0	1,619,590	3·4
1910 ...	497	4,400,000	8·2	346,483	0·6	48,881,845	91·2	53,628,328	7,024,625	13·1	4,983,550	9·3	11,650,167	21·8	4,856,702	9·1	23,370,213	43·4	1,743,071	3·3
1913 ...	570	5,200,000	7·8	436,552	0·7	60,805,754	91·5	66,442,306	9,154,593	13·8	6,812,500	10·2	11,214,812	16·8	9,602,176	14·4	27,339,746	41·3	2,318,479	3·6
1914 ...	606	5,200,000	7·1	637,562	0·9	67,425,433	92·0	73,262,995	11,929,518	16·2	5,098,850	6·9	14,741,968	20·1	9,649,227	13·2	29,390,108	40·2	2,453,324	3·4
1915 ...	620	5,200,000	6·4	2,229,805	2·8	73,342,191	90·8	80,771,996	14,181,269	17·4	4,470,000	5·5	25,908,497	32·1	3,721,689	4·6	28,408,026	35·3	4,082,515	5·1
1916 ...	817	6,794,443	5·8	2,861,428	2·5	107,290,830	91·7	116,946,701	23,983,218	20·4	5,526,400	4·7	27,041,404	23·1	16,880,286	14·4	38,203,822	32·9	5,311,571	4·5
1917 ...	816	6,794,443	4·9	2,151,136	1·6	129,067,902	93·5	138,013,481	24,526,865	17·8	10,171,963	7·4	26,266,878	19·0	28,089,055	20·4	44,201,242	31·9	4,757,478	3·5
1918 ...	1332	†14,160,743	5·5	4,211,796	1·6	239,660,041	92·9	258,032,580	43,922,371	17·0	29,222,675	11·3	50,559,988	19·6	47,442,254	18·4	78,854,583	30·6	8,030,709	3·1
1919 ...	1449	15,820,356	4·9	13,588,825	4·2	296,059,132	90·9	325,468,313	65,174,350	20·0	20,031,495	6·2	62,341,380	19·2	30,253,309	9·3	130,095,257	39·9	17,572,522	5·4
1920 ...	1510	23,842,372	6·6	6,239,151	1·7	330,942,299	91·7	361,023,822	61,710,646	17·0	21,313,395	5·9	63,936,119	17·6	44,860,805	12·4	155,560,920	43·1	14,476,411	4·0
1921 ...	1578	23,842,372	6·6	5,458,603	1·6	303,185,535	91·2	332,486,510	58,283,897	16·1	20,041,300	5·6	63,668,610	17·6	74,839,526	20·6	133,350,925	37·1	10,839,564	3·0
1922

BRITISH MUTUAL BANKING COMPANY, LIMITED—*Continued from page 19.*

Year Ended December 31.	LIABILITIES. Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bankers.	Per Cent.	Investments.	Per Cent.	Loans and Advances.	Per Cent.	Premises.	Per Cent.
	£		£		£		£	£		£		£		£	
1890	70,663	16·2	7,362	1·7	357,047	82·1	435,072	27,099	6·2	20,000	4·6	364,709	83·9	23,264	5·3
1900	87,080	14·1	3,907	0·6	532,858	85·3	623,845	60,689	9·7	50,000	8·0	505,966	81·2	7,190	1·1
1910	125,791	16·8	5,794	0·8	610,872	82·4	742,457	83,098	11·2	141,675	19·0	511,994	69·0	5,690	0·8
1915	115,104	17·0	4,951	0·7	553,425	82·3	673,480	56,483	8·4	158,672	23·6	453,385	67·3	4,940	0·7
1916	116,104	18·1	4,789	0·7	521,854	81·2	642,747	64,867	10·1	147,450	22·9	425,640	66·3	4,790	0·7
1917	117,603	18·8	5,312	0·9	503,490	80·3	626,405	63,597	10·2	144,666	23·1	413,502	66·0	4,640	0·7
1918	119,103	17·5	5,390	0·8	557,180	81·7	681,673	112,697	16·5	171,926	25·2	392,560	57·6	4,490	0·7
1919	120,603	17·8	6,944	1·0	546,778	81·2	674,325	67,862	10·1	184,625	27·4	417,498	61·9	4,340	0·6
1920	122,603	18·2	6,898	1·0	545,737	80·8	675,238	62,317	9·3	152,391	22·6	456,340	67·5	4,190	0·6
1921	124,603	18·6	7,639	1·1	535,682	80·3	667,924	91,880	13·8	124,923	18·6	447,081	67·0	4,040	0·6
1922	127,603	18·7	7,956	1·2	544,901	80·1	680,460	102,242	15·0	169,420	24·9	404,908	59·5	3,890	0·6
1923	130,603	19·6	7,628	1·1	526,648	79·3	664,879	84,211	12·6	158,925	23·8	418,003	63·0	3,740	0·6
1924	130,603	18·2	7,830	1·1	579,465	80·7	717,898	101,267	14·1	125,456	17·5	487,585	67·9	3,590	0·5
1925	135,603	17·5	11,022	1·4	630,238	81·1	776,863	113,039	14·6	65,948	8·5	594,436	76·5	3,440	0·4
1926	140,604	17·5	13,832	1·7	650,880	80·8	805,316	99,728	12·4	91,142	11·3	611,156	75·9	3,290	0·4
1927	155,000	18·3	17,995	2·1	671,217	79·6	844,212	118,291	14·0	78,126	9·3	644,655	76·3	3,140	0·4
1928	163,000	18·2	18,175	2·1	713,599	79·7	894,774	68,361	7·6	110,482	12·6	712,941	79·5	2,990	0·3

BARING BROTHERS AND CO., LIMITED.

ESTABLISHED 1890.

	CAPITAL Subscribed.	Paid-up.	Callable.	Reserved.
	£	£	£	£
Ordinary	25,000	25,000	Nil.	Nil.
5% 1st Pref.	500,000	500,000	Nil.	Nil.
6% 2nd Pref.	500,000	500,000	Nil.	Nil.

Year ended Dec. 31.	Number of Branches.	LIABILITIES. Capital and Reserves.	Per Cent.	Balance Carried Forward.	Per Cent.	Acceptances.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash in Hand, at Call and Short Notice.	Per Cent.	Investments.	Per Cent.	Bills Receivable.	Per Cent.	Advc's & Liability of Customers on Acceptances.	Per Cent.	Premises.	Per Cent.
		£		£		£		£		£	£		£		£		£		£	
1895	1	1,125,000	13·0	75,191	0·9	4,912,729	56·7	2,554,091	29·4	8,667,011	1,318,993	15·2	902,854	10·4	2,394,975	27·6	3,923,189	45·3	127,000	1·5
1900	1	1,125,000	11·7	83,454	1·0	4,532,186	47·3	3,826,175	40·0	9,566,815	2,294,171	24·0	1,428,737	15·0	1,477,840	15·4	4,239,067	44·3	127,000	1·3
1910	1	1,125,000	4·4	12,481	..	7,498,544	42·1	9,177,763	51·5	17,813,788	2,728,345	15·3	2,370,125	13·3	4,722,952	26·5	7,865,366	44·2	127,000	0·7
1911	1	1,125,000	6·9	11,232	0·1	6,049,830	37·1	9,096,558	55·9	16,282,620	3,077,752	18·9	2,470,642	15·2	3,388,793	20·8	7,218,433	44·3	127,000	0·8
1912	1	1,125,000	6·9	12,350	0·1	6,584,794	40·0	8,693,647	53·0	16,415,797	2,968,915	18·0	1,464,994	8·9	3,928,225	23·8	7,926,663	48·5	127,000	0·8
1913	1	1,125,000	7·1	11,121	0·1	6,636,589	42·0	8,042,292	50·8	15,815,002	3,029,015	19·1	1,503,519	9·5	2,909,320	18·4	8,215,639	52·2	127,000	0·8
1914	1	1,125,000	6·9	12,232	0·1	3,723,682	22·9	11,377,869	70·1	16,238,783	7,378,471	45·4	1,489,299	9·2	1,493,550	9·2	5,750,463	35·4	127,000	0·8
1915	1	1,125,000	4·9	11,009	..	6,781,991	29·1	15,275,245	66·0	23,193,245	4,306,533	18·6	1,692,023	7·3	8,095,535	34·8	8,972,154	38·8	127,000	0·5
1916	1	1,125,000	4·8	12,110	0·1	4,613,591	19·8	17,602,610	75·3	22,353,311	7,611,963	32·6	1,651,942	7·1	7,031,403	30·4	6,931,003	29·4	127,000	0·5
1917	1	1,125,000	4·0	12,399	..	5,939,554	21·2	20,934,869	74·8	28,011,822	5,587,500	19·9	1,656,941	5·9	12,291,060	43·9	8,349,321	29·8	127,000	0·5
1918	1	1,125,000	4·8	12,658	0·1	3,064,047	13·0	19,245,252	82·1	23,446,957	5,385,994	22·9	1,607,306	6·9	11,317,959	48·3	5,008,698	21·4	127,000	0·5
1919	1	1,125,000	2·9	13,923	0·1	11,257,865	29·0	26,304,836	68·0	38,701,624	6,985,389	18·0	2,011,257	5·2	15,661,723	40·4	13,916,255	36·1	127,000	0·3
1920	1	2,025,000	8·3	13,360	0·1	3,731,786	15·4	18,590,883	76·2	24,271,031	6,139,984	27·3	830,481	3·4	10,468,677	43·0	6,204,939	25·8	127,000	0·5
1921	1	2,025,000	6·8	13,836	..	8,101,960	27·2	19,624,855	66·0	29,765,661	6,572,050	22·0	984,079	3·3	12,119,467	40·6	9,963,055	33·7	127,000	0·4
1922	1	2,025,000	7·5	13,766	0·1	6,642,229	24·6	16,411,775	69·2	23,727,350	7,067,110	29·8	2,861,040	12·1	6,584,029	27·7	7,088,171	29·9	127,000	0·5
1923	1	2,025,000	8·5	14,080	0·1	5,276,495	22·2	20,275,491	65·0	31,174,516	7,301,244	23·4	1,153,924	3·7	12,303,855	39·5	10,288,493	33·0	127,000	0·4
1924	1	2,025,000	6·5	15,060	..	8,856,965	28·5	26,406,295	68·7	38,477,181	10,342,058	26·9	1,024,797	2·7	15,433,059	40·1	11,550,267	30·0	127,000	0·3
1925	1	2,025,000	5·2	16,146	..	10,029,740	26·0	26,406,295	68·7	38,477,181	10,342,058	26·9	1,024,797	2·7	15,433,059	40·1	11,550,267	30·0	127,000	0·3
1926	1	2,025,000	6·3	16,839	..	7,661,022	23·8	22,512,055	69·9	32,214,916	8,259,914	25·6	1,058,237	3·3	13,529,522	42·0	9,240,248	28·7	127,000	0·4
1927	1	2,025,000	6·3	16,964	..	7,638,264	23·8	22,462,368	69·9	32,142,596	7,651,115	23·8	2,088,308	6·5	12,349,739	38·4	9,926,434	30·9	127,000	0·4
1928	1	2,025,000	6·1	17,266	0·1	9,253,107	27·8	22,096,857	66·1	33,392,230	7,393,421	22·1	1,066,301	3·2	11,331,487	33·9	13,474,021	40·4	127,000	0·4

COUTTS AND COMPANY,

440 Strand, W.C.

(Members of London Clearing.)

(Affiliated with National Provincial Bank, Limited.)

City Office: 15 Lombard Street (formerly Robarts, Lubbock, and Co.). Branches: 1 Park Lane, and 16 Cavendish Square. Established 1692, and Incorporated 1892 as a Joint Stock company, with unlimited liability. The businesses of Coutts and Company and Robarts, Lubbock, and Co. were amalgamated in 1914.

Year Ended Jan.18.	LIABILITIES. Capital and Reserve.	Per Cent.	Acceptances.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank, &c. a	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Investments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings & Sundries, Including Cover for Acceptance's	Per Cent.
	£		£		£		£	£		£		£		£		£	
1901	1,000,000	11·6	....	....	7,622,611	88·4	8,622,611	643,601	7·5	1,402,000	16·2	2,871,800	33·3	3,705,210	43·0	....	....
1906	1,000,000	10·9	....	....	8,204,579	89·1	9,204,579	649,608	7·0	1,600,000	17·4	2,734,078	29·7	4,000,893	43·5	220,000	2·4
1910	1,000,000	10·7	337,487	3·6	8,031,263	85·7	9,368,750	795,619	8·5	1,310,000	14·0	2,306,266	24·6	4,393,378	47·0	557,487	5·9
1911	1,000,000	10·4	176,231	1·8	8,472,404	87·8	9,648,681	964,488	10·0	1,270,000	13·2	2,547,077	26·5	4,443,116	46·2	395,231	4·1
1912	1,000,000	10·3	165,931	1·7	8,572,404	88·0	9,738,335	1,009,305	10·4	1,126,907	11·6	2,653,707	27·1	4,562,485	46·9	385,931	4·0
1913	1,000,000	9·9	110,907	1·1	9,003,403	89·0	10,114,310	1,160,387	11·5	1,704,307	16·8	2,488,213	24·6	4,430,496	43·8	330,907	3·3
1914	1,000,000	10·1	104,663	1·1	8,792,208	88·8	9,896,871	1,055,973	10·7	1,163,879	11·8	2,791,310	28·1	4,561,046	46·1	324,663	3·3
1914*	1,000,000	10·0	386,744	2·7	12,666,393	87·0	14,553,137	2,064,964	14·2	2,334,407	16·0	3,313,774	22·8	6,112,948	42·0	727,044	5·0
1915*	1,500,000	10·3	243,914	1·6	13,385,762	88·5	15,129,676	2,366,702	15·6	2,078,439	13·8	4,705,530	31·1	5,394,791	35·6	584,214	3·9
1916*	1,500,000	9·9	419,056	2·3	16,145,790	89·4	18,064,846	2,956,304	16·4	3,463,018	19·1	5,739,465	31·6	5,146,703	28·7	759,356	4·2
1917*	1,500,000	8·3	404,500	2·2	16,852,100	89·8	18 756,600	3,056,963	16·4	3,499,815	18·6	5,612,369	30·0	5,842,653	31·0	744,800	4·0
1918*	1,500,000	8·0	385,243	1·9	18,426,905	90·7	20,312,148	3,616,010	17·7	3,912,011	19·3	6,057,667	29·8	6,000,917	29·6	725,543	3·5
1919*	1,500,000	7·4	690,207	3·2	19,153,247	89·8	21,343,454	3,500,550	16·4	2,281,585	10·7	7,074,326	33·1	7,456,486	35·0	1,030,507	4·8
1920*	1,500,000	7·0	596,118	2·5	21,255,775	90·7	23,461,893	3,103,702	13·2	2,855,222	12·2	9,236,787	39·5	7,329,764	31·1	936,418	4·0
1921*	1,600,000	6·8	193,666	0·9	19,283,951	91·5	21,077,617	2,430,623	11·5	3,503,025	16·6	4,581,290	21·6	10,022,583	47·8	540,096	2·5
1922*	1,600,000	7·6	58,745	0·3	19,118,624	91·3	21,001,617	2,773,721	14·5	2,717,750	14·2	4,660,588	24·4	8,591,390	44·8	405,175	2·1
1923*	1,600,000	8·4	62,997	0·3	17,141,946	91·3	18,368,943	2,790,975	15·2	1,775,157	9·6	4,190,775	22·8	9,202,609	50·2	409,427	2·2
1924*	1,600,000	8·7	20,555	0·1	17,164,935	91·4	18,785,490	2,807,370	14·9	2,502,700	13·3	4,183,729	22·2	8,924,706	47·7	366,985	1·9
1925*	1,600,000	8·5	983	....	17,083,565	91·4	18,684,548	2,635,667	14·1	1,932,600	10·3	4,293,483	23·0	9,475,385	50·7	347,413	1·9
1926*	1,600,000	8·6	265,272	1·4	17,119,599	90·2	18,984,871	2,908,814	15·3	1,548,450	8·1	4,257,807	22·4	9,658,098	51·0	611,702	3·2
1927*	2,000,000	8·4	270,456	1·4	16,996,453	88·2	19,266,909	2,730,859	14·2	1,635,950	8·5	4,226,708	21·9	10,030,936	52·1	642,456	3·3
1928*	2,000,000	9·9	463,613	2·3	17,715,988	87·8	20,179,601	2,938,070	14·6	1,717,000	8·5	3,774,434	18·7	10,914,484	54·0	835,613	4·2
Weekly Av'rs. March 1929.	2,000,000	9·7	423,500	2·0	18,301,750	88·3	20,725,250	2,219,500	10·7	2,483,500	12·0	3,783,250	18·3	11,443,500	55·2	795,500	3·8

a Includes balances with, and cheques in course of collection on, other banks in the United Kingdom.

DISTRICT BANK LIMITED.

ESTABLISHED 1829.

1863—Business of Loyd, Entwisle, Bury, and Jervis, of King Street, Manchester, acquired.
1891—Business of Wm. John and Thos. Brocklehurst, Macclesfield, taken over.
1907—Amalgamation with Lancaster Banking Co., Limited.
1916—Absorbed Bank of Whitehaven, Limited.
1924—Title shortened from Manchester and Liverpool District Banking Company Limited, to above.

*CAPITAL Subscribed.	Paid-up	Callable.	Reserved.	Market Value.
£	£	£	£	£
9,480,000	1,896,000	1,264,000	6,320,000	6,399,000
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
£15	£3	£2	£10	£10½

* According to a resolution of April 16, 1929, the following changes were made: Subscribed capital, £9,796,000, A shares £5, B shares, £1; paid-up £2,212,000, A shares £1, B shares £1; callable 13s. 4d. per share; reserved £3 6s. 8d. per share.

Year Ended Dec. 31	PROFITS AND DIVIDENDS. Net Profits.	Per Cent. of Resources.	Dividends Amount.	Dividends Rate.	Reserve, etc.	Carried Forward.
	£	%	£	%	£	£
1910	374,793	1·30	331,800	*17½	90,000	10,987
1911	374,524	1·28	331,800	*17½	25,000	28,711
1912	380,920	1·20	331,800	*17½	35,000	42,831
1913	378,435	1·17	331,800	*17½	40,000	49,465
1914	370,547	1·12	317,975	‡17½	20,000	65,672
1915	380,804	1·21	331,800	17½	....	114,676
1916	403,896	0·96	331,800	17½	....	102,140
1917	419,574	0·88	331,800	17½	50,000	139,914
1918	468,835	0·94	339,700	17½	100,000	126,389
1919	510,878	0·75	347,600	18½	100,000	135,197
1920	561,783	0·86	347,600	18½	....	264,152
1921	539,275	0·80	347,600	18½	100,000	236,406
1922	465,245	0·75	347,600	18½	....	267,833
1923	428,606	0·69	347,600	18½	....	348,840
1924	448,073	0·73	347,600	18½	140,000	309,313
1925	458,993	0·76	347,600	18½	140,000	280,706
1926	450,139	0·78	347,600	18½	86,000	297,245
1927	452,521	0·77	347,600	18½	144,000	258,167
1928	455,132	0·77	347,600	18½	40,000	325,699

* Free of income-tax. ‡ Free from income-tax at June.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES. Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Acceptances.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Investments.	Per Cent.	Bills of Exchange Less Rebate	Per Cent.	Advances.	Per Cent.	Buildings and Sundries, including Cover for Acceptances.	Per Cent.
		£		£		£		£		£	£		£		£		£		£		£	
1890	68	2,015,000	13·2	109,898	0·8	341,108	2·2	12,691,257	83·8	15,157,263	908,907	6·0	1,888,254	12·4	1,478,430	9·7	....	....	*10,581,314	69·9	300,358	2·0
1895	78	2,060,000	11·6	116,892	0·7	977,808	5·5	14,599,590	82·2	17,754,290	1,843,882	10·4	1,765,262	9·9	2,052,249	11·6	....	....	*10,848,114	61·1	1,244,783	7·0
1900	95	2,695,000	12·6	138,713	0·6	1,737,178	8·1	16,815,019	78·7	21,385,910	1,989,219	9·3	1,867,395	8·7	2,760,522	12·9	....	....	*12,725,745	59·5	2,043,029	9·6
1905	106	3,325,000	15·8	168,697	0·8	1,679,778	8·0	15,869,253	75·4	21,042,728	1,967,263	9·4	1,813,805	8·6	3,317,974	15·8	3,307,380	15·7	8,656,528	41·1	1,979,778	9·4
1907	179	3,581,000	13·4	217,614	0·8	1,668,486	6·2	21,443,822	79·6	26,910,922	2,509,839	9·4	1,378,220	5·1	4,546,882	16·9	3,740,486	13·9	12,567,008	46·6	2,168,487	8·1
1908	184	3,601,000	13·2	220,644	0·8	1,231,683	4·5	22,278,182	81·5	27,323,509	2,324,618	8·5	2,475,350	9·0	4,216,805	15·4	3,565,516	13·1	13,009,537	47·7	1,731,683	6·3
1909	195	3,621,000	13·1	224,631	0·8	1,361,281	4·9	22,321,490	81·2	27,528,402	2,448,473	8·9	3,187,845	11·5	3,932,892	14·2	2,913,190	10·7	13,184,721	47·9	1,861,281	6·8
1910	197	3,646,000	12·6	177,588	0·6	2,402,032	8·4	22,522,459	78·4	28,748,079	2,718,816	9·4	2,736,117	9·5	3,826,792	13·3	3,589,255	12·5	12,975,067	45·0	2,902,032	10·3
1911	201	3,556,000	12·1	195,679	0·6	2,168,551	7·4	23,497,271	79·9	29,417,501	3,007,057	10·3	3,326,965	11·3	3,727,365	12·6	3,815,631	13·0	12,871,932	42·7	2,668,551	9·1
1912	202	3,576,000	11·2	210,129	0·7	2,960,356	9·3	25,970,072	78·8	32,318,170	3,480,025	10·8	3,741,597	11·6	3,530,352	10·9	4,806,296	14·9	13,571,143	41·9	3,188,757	9·9
1913	208	3,496,000	10·8	215,365	0·7	2,690,116	8·3	25,916,689	80·2	33,191,014	3,601,141	10·8	3,793,922	11·4	4,502,552	13·6	4,762,626	14·4	13,977,811	42·1	2,552,962	7·7
1914	212	3,506,000	10·6	219,065	0·7	2,052,962	6·2	27,412,987	82·5	34,464,711	4,100,476	11·9	2,213,109	6·4	10,839,262	31·5	1,682,944	4·9	13,118,378	38·0	2,510,542	7·3
1915	211	3,506,000	10·2	281,470	0·8	2,010,542	5·8	28,666,699	83·2	41,805,570	5,325,210	12·8	4,220,929	10·1	9,900,237	23·6	6,646,967	15·9	12,417,274	29·7	3,295,953	7·9
1916	217	3,396,000	8·1	268,040	0·6	2,795,954	6·7	35,346,576	84·6	47,606,635	6,185,094	13·0	3,033,861	6·4	8,942,616	18·8	11,075,009	23·3	14,608,120	30·6	3,761,935	7·9
1917	217	3,446,000	7·2	305,814	0·6	3,261,935	6·8	40,592,886	85·4	49,343,781	7,192,479	14·4	3,562,409	7·1	8,903,719	17·9	14,705,232	29·5	13,412,863	26·9	2,067,079	4·2
1918	221	3,446,000	6·9	300,189	0·6	1,567,079	3·2	44,530,513	89·3	49,843,781	9,725,270	14·3	3,357,570	4·9	10,676,119	15·7	15,432,706	22·7	23,172,182	34·0	5,759,016	8·4
1919	291	3,446,000	5·0	308,997	0·5	5,259,016	7·7	59,108,850	86·8	68,122,863	7,195,514	10·9	3,305,970	5·0	7,272,306	11·1	12,476,005	19·0	33,172,113	50·6	2,096,659	3·2
1920	326	3,446,000	5·3	437,952	0·7	1,596,659	2·4	60,037,956	91·6	65,518,567	7,912,384	11·7	3,689,490	5·5	12,162,796	18·0	12,918,934	19·1	28,889,379	42·7	1,993,834	3·0
1921	339	3,546,000	5·2	410,206	0·6	1,493,834	2·2	62,116,777	92·0	67,566,817	8,431,414	13·6	5,003,490	8·1	17,475,779	28·1	5,073,270	8·2	24,052,740	38·7	2,102,899	3·4
1922	343	3,546,000	5·7	441,634	0·7	1,602,899	2·6	56,549,059	91·0	62,139,592	8,078,025	13·1	3,363,890	5·4	17,446,779	28·2	4,917,289	8·0	24,310,210	39·4	3,636,927	5·9
1923	351	3,546,000	5·7	522,640	0·8	3,136,927	5·1	54,547,553	88·4	61,753,120	9,335,374	15·2	4,782,240	7·8	16,381,628	26·7	3,668,431	6·0	24,048,403	39·1	3,186,752	5·2
1924	361	3,646,000	5·9	483,113	0·8	2,486,753	4·1	54,786,962	89·2	61,402,828	7,997,849	13·3	5,331,360	8·9	14,565,211	24·1	4,101,395	6·8	25,555,233	42·4	2,735,112	4·5
1925	367	3,746,000	6·2	454,506	0·8	2,035,112	3·4	54,050,541	89·6	60,286,159	7,791,947	13·6	4,590,420	8·0	14,544,836	25·..	4,768,582	8·3	24,188,792	42·1	1,599,450	2·8
1926	378	3,792,000	6·6	471,045	0·8	899,450	1·6	52,321,532	91·0	59,078,861	8,246,430	14·0	5,786,620	9·8	14,793,705	25·..	3,402,174	5·8	25,120,405	42·4	1,729,527	2·9
1927	382	3,896,000	6·6	433,967	0·7	1,029,527	1·7	53,721,367	91·0	59,115,326	8,043,460	13·6	4,724,125	8·0	14,786,850	25·0	5,146,318	8·7	23,249,695	39·3	3,164,878	5·4
1928	387	3,896,000	6·6	499,499	0·8	2,464,878	4·2	52,254,949	88·4	....	....	....	....	....	....	....	....	....	....	....	....	....

* Includes bills of exchange.

GLYN, MILLS AND CO.

ESTABLISHED 1753. Incorporated as Unlimited Liability Company, 1885.
1923—Acquired Holt and Co.—1 Branch. 1924—Acquired Child and Co.—1 Branch.
Members of London Clearing.

Capital Subscribed and Paid-up..... £1,060,000 | Number of Stockholders 15

Year Ended Dec. 31.	LIABILITIES. Capital and Reserve.	Per Cent.	Reduction of Premises Account.	Per Cent.	Acceptances.	Per Cent.	Deposit and Current Accounts	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank, etc. (a)	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Investments.	Per Cent.	Discounts, Loans and Other Securities.	Per Cent.	Premises and Cover for Acceptances.	Per Cent.
	£		£		£		£		£	£		£		£		£		£	
1885*	1,500,000	13·7	....	....	....	....	9,459,627	86·3	10,959,627	1,313,573	12·0	1,564,000	14·3	2,757,785	25·2	5,224,269	47·6	100,000	0·9
1891*	1 500,000	9·7	60,000	0·4	....	....	12,325,401	88·8	13,885,401	1,662,741	12·0	2,654,750	19·1	3,172,018	22·8	6,215,892	44·8	180,000	1·3
1896*	1 500,000	10·8	60,000	0·4	....	....	13,998,068	90·0	15,558,068	1,663,449	10·7	2,012,000	13·0	3,092,803	19·9	8,609,816	55·2	180,000	1·2
1901	1,500,000	9·6	60,000	0·4	....	....	15,457,875	91·1	16,967,875	2,702,769	16·0	6,052,527	35·7	2,709,402	16·0	5,133,177	30·1	370,000	2·2
1905	1,500,000	8·9	....	....	....	....	14,863,608	90·7	16,383,910	2,312,934	14·2	4,556,144	27·9	2,701,090	16·6	6,443,742	39·9	370,000	2·3
1906	1,500,000	9·2	20,302	0·1	....	....	14,247,921	90·3	15,778,871	2,402,012	15·3	3,553,291	22·6	2,656,084	16·9	6,797,484	42·9	370,000	2·3
1907	1,500,000	9·5	30,950	0·2	....	....	15,301,097	90·9	16,842,944	2,064,020	12·2	5,251,750	31·0	2,644,879	15·6	6,512,295	39·0	370,000	2·2
1908	1,500,000	8·9	41,847	0·2	....	....	15,326,391	90·8	16,879,510	2,685,931	15·9	4,190,800	24·8	4,346,590	25·6	5,286,189	31·5	370,000	2·2
1909	1,500,000	8·9	53,119	0·3	....	....

ISLE OF MAN BANK, LIMITED.

(Late Isle of Man Banking Company, Limited.)
ESTABLISHED 1865. Incorporated in the Isle of Man.

CAPITAL				
Subscribed.	Paid-up.	Callable.	Reserved.	Market Value.
£	£	£	£	
150,000	50,000	Nil	100,000	£232,500
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
£10	£3 6s. 8d.	...	£6 13s. 4d.	£15½

Authorised note issue, £110,000.

Year Ended Dec. 31.	Net Profits.	PROFITS AND DIVIDENDS. Per Cent. of Resources.	Dividends Amount.	Dividends Rate.	Reserves, Investments, etc.	Carried Forward.
	£		£	%	£	£
1910	8,020	0·89	4,500	15	5,000	1,715
1911	8,151	0·87	4,500	15	3,000	2,367
1912	8,262	0·86	4,500	15	4,000	2,129
1913	8,610	0·86	4,500	15	4,000	1,839
1914	8,464	0·85	4,500	15	4,000	1,803
1915	9,197	0·92	4,500	15	4,500	2,000
1916	10,038	0·93	4,500	15	5,000	2,538
1917	12,355	0·96	4,500	15	7,500	2,893
1918	14,991	0·99	6,000	20	8,500	3,279
1919	18,299	0·94	6,750	22½	11,000	3,828
1920	18,927	0·83	6,750	22½	12,000	3,805
1921	18,909	0·86	6,750	22½	12,000	3,964
1922	19,016	0·81	6,750	22½	12,000	4,230
1923	19,232	0·84	6,750	22½	12,000	4,713
1924	19,948	0·84	7,500	25	12,000	5,161
1925	20,117	0·81	7,500	25	12,000	5,778
1926	21,523	0·90	9,000	18	12,000	6,301
1927	22,258	0·89	9,500	19	12,000	7,059
1928	22,911	0·89	9,500	19	12,000	8,470

Year Ended Dec. 31.	Number of Branches.	LIABILITIES. Capital and Reserves.	%	Undivided Profits.	%	Notes.	%	Miscellaneous Credits. etc.	%	Deposit and Current Accounts.	%	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bankers.	%	Investments.	%	Discounts and Advances.	%	Premises.	%
		£		£		£		£		£		£	£		£		£		£	
1890	4	70,000	9·8	10,687	1·5	19,645	2·8	4,975	0·7	608,095	85·2	713,402	167,730	23·6	207,223	29·0	334,480	46·8	3,969	0·6
1895	5	80,000	8·5	6,326	0·7	16,690	1·8	14,505	1·6	819,412	87·4	936,933	127,662	13·6	507,436	54·2	296,281	31·6	5,554	0·6
1900	7	74,000	7·4	6,121	0·6	30,341	3·0	10,465	1·0	880,377	88·0	1,001,304	142,268	14·2	399,292	39·9	439,054	43·8	20,690	2·1
1905	7	71,500	7·7	6,665	0·8	28,292	3·0	7,412	0·8	821,728	87·7	935,597	124,819	13·4	392,731	41·9	382,487	40·8	35,560	3·9
1910	8	68,000	7·5	3,965	0·5	26,340	2·9	2,814	0·3	803,536	88·8	904,655	123,019	13·6	377,636	41·7	370,425	41·0	33,575	3·7
1911	8	68,000	7·3	5,617	0·6	25,179	2·7	2,003	0·2	834,798	89·2	935,597	140,183	15·0	353,474	37·8	408,365	43·6	33,575	3·6
1912	8	68,000	7·1	5,379	0·6	25,122	2·6	2,730	0·3	856,798	89·4	958,029	166,845	17·4	346,813	36·2	410,755	42·9	33,616	3·5
1913	8	68,000	6·8	4,089	0·4	25,488	2·5	3,554	0·3	893,203	90·0	994,334	176,802	17·5	329,387	33·1	455,386	46·1	32,759	3·3
1914	8	68,000	6·8	8,053	0·8	38,649	3·9	3,251	0·3	876,174	88·2	994,127	232,561	23·4	370,374	37·4	358,433	35·9	32,759	3·3
1915	7	63,000	6·3	4,250	0·4	57,850	5·8	5,770	0·6	858,037	85·9	998,907	233,658	23·4	359,083	36·0	373,666	37·4	32,500	3·2
1916	7	98,500	9·1	4,788	0·4	63,086	5·9	5,959	0·6	903,138	84·0	1,075,471	222,204	20·7	406,706	37·9	414,561	38·4	32,000	3·0
1917	7	100,000	8·5	5,143	0·4	68,395	5·8	12,782	1·0	993,390	84·3	1,179,710	206,657	17·5	438,914	37·3	502,639	42·5	31,500	2·7
1918	7	108,000	7·2	7,029	0·5	84,174	5·6	23,957	1·6	1,232,912	85·1	1,506,072	283,328	18·8	830,297	55·1	361,447	24·1	31,000	2·1
1919	7	118,000	6·1	7,578	0·4	88,643	4·5	17,019	0·9	1,710,976	88·1	1,942,216	335,607	17·2	1,177,041	60·5	399,568	20·8	30,000	1·5
1920	7	118,000	5·2	7,555	0·3	90,362	4·0	11,223	0·5	2,038,803	90·0	2,265,943	535,608	23·6	1,267,288	56·0	433,047	19·1	30,000	1·3
1921	7	90,000	4·1	7,714	0·4	85,743	3·9	8,450	0·4	2,000,344	91·2	2,192,251	326,065	14·9	1,081,289	49·4	754,897	34·3	30,000	1·4
1922	7	102,000	4·3	7,981	0·3	88,299	3·7	4,860	0·2	2,154,463	91·5	2,357,603	302,445	12·8	1,600,125	67·9	425,033	18·0	30,000	1·3
1923	7	114,000	5·0	8,463	0·3	83,869	3·7	5,639	0·2	2,075,317	90·8	2,287,288	290,115	12·6	1,485,344	65·1	481,829	21·0	30,000	1·3
1924	8	126,000	5·3	9,661	0·4	80,606	3·4	7,098	0·3	2,152,668	90·6	2,376,033	*600,481	25·3	1,199,103	50·5	546,449	22·9	30,000	1·3
1925	8	138,000	5·6	10,278	0·4	82,186	3·3	23,834	1·0	2,216,731	89·7	2,471,039	*608,859	24·6	1,289,790	52·2	542,390	22·0	30,000	1·2
1926	8	170,000	7·1	11,551	0·5	84,864	3·5	11,974	0·5	2,119,450	88·4	2,397,839	*517,487	21·6	1,243,537	51·8	606,815	25·3	30,000	1·3
1927	8	182,000	7·2	12,059	0·5	86,028	3·4	14,309	0·6	2,221,728	88·3	2,516,124	*738,013	29·3	1,192,044	47·4	556,067	22·1	30,000	1·2
1928	8	194,000	7·5	13,470	0·5	80,896	3·1	12,958	0·5	2,293,065	88·4	2,594,389	*666,127	25·6	1,359,899	52·4	538,364	20·8	30,000	1·2

* Includes money at call.

LLOYDS BANK LIMITED.

FORMED 1765. INCORPORATED 1865.

With this Bank have been incorporated the undermentioned companies and firms :—

1865—Lloyds and Co., Birmingham Old Bank.
1865—Moilliet and Sons, Birmingham.
1865—P. and H. Williams, Wednesbury Old Bank.
1866—Stevenson, Salt and Co., Stafford Old Bank.
1866—Warwick and Leamington Banking Co.
1868—A. Butlin and Son, Rugby Old Bank.
1872—R. and W. F. Fryer, Wolverhampton Old Bank.
1874—Shropshire Banking Co.
1879—Coventry and Warwickshire Banking Co.
1880—Beck and Co., Shrewsbury and Welshpool Old Bank.
1884—Barnetts, Hoares and Co., London.
1884—Bosanquet, Salt and Co., London.
1888—Pritchard, Gordon and Co., Broseley and Bridgnorth.
1889—Birmingham Joint Stock Bank, Limited.
1889—Worcester City and County Banking Co., Limited.
1890—Wilkins and Co., Old Bank, Brecon, Cardiff, &c.
1890—Beechings and Co., Tunbridge Wells, Hastings, &c.
1891—Praeds and Co., London.
1891—Cobb and Co., Margate, &c.
1891—Hart, Fellows and Co., Nottingham.
1892—R. Twining and Co., London.
1892—Bristol and West of England Bank, Limited.
1893—Curteis, Pomfret and Co., Rye.
1893—Herries, Farquhar and Co., London.
1894—Bromage and Co., Old Bank, Monmouth.
1895—Paget and Co., Leicester Bank.
1897—County of Gloucester Bank, Limited.
1897—Williams and Co., Chester, &c.
1898—Jenner and Co., Sandgate and Shorncliffe Bank.
1899—Burton Union Bank, Limited.
1899—Stephens, Blandy and Co., Reading, &c.
1900—Vivian, Kitson and Co., Torquay Bank.
1900—Liverpool Union Bank, Limited.
1900—Cunliffes, Brooks and Co., Manchester, &c.
1900—Brooks and Co., London.
1900—William Williams, Brown and Co., Leeds.
1900—Brown, Janson and Co., London.
1902—Bucks. and Oxon. Union Bank, Limited.
1902—Pomfret, Burra and Co., Ashford Bank.
1903—Hodgkin, Barnett and Co., Newcastle-upon-Tyne, &c.
1903—Grant and Maddison's Union Banking Co., Limited.
1905—Hedges, Wells and Co., Wallingford Bank.
1906—Devon and Cornwall Banking Co., Limited.
1908—Lambton and Co., Newcastle-upon-Tyne, &c.
1909—David Jones and Co., Llandovery, &c.
1911—Hill and Sons, West Smithfield, E.C., &c.
1912—Peacock, Willson & Co., Sleaford, &c.
1914—Wilts. and Dorset Banking Co., Limited.
1918—Capital and Counties Bank, Limited.
1919—West Yorkshire Bank, Limited.
1921—Fox, Fowler and Co., Wellington (Som.), &c.
1923—Cox and Co., London, &c.
1923—Henry S. King and Co., London, &c.

CAPITAL (December 31, 1928).					Market Value.
	Subscribed.	Paid-up.	Callable.	Reserved.	
	£	£	£	£	April 30, 1929.
"A" shares...	71,864,780	14,372,956	3,593,239	53,898,585	£45,993,400
"B" shares...	1,437,296	1,437,296	Nil.	Nil.	£1,581,000
	Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
	£5	£1	5s.	£3 15s.	£3 4s. 0d.
	£1	£1	Nil.	Nil.	£1 2s. 0d.

Year Ended Dec. 31.	Net Profits.	PROFITS AND DIVIDENDS. Per Cent. of Resources.	Dividends Amount.	Dividends Rate.	Reserve, Investments, etc.	Carried Forward.
	£		£	%	£	£
1910	982,102	1·05	711,996	18½	270,000	77,929
1911	884,620	0·91	716,910	18½	167,500	78,138
1912	991,413	0·95	718,324	18½	275,000	76,226
1913	1,183,912	1·11	718,324	18½	465,000	76,814
1914	1,175,590	0·88	837,844	18½	310,000	104,558
1915	1,359,190	0·84	786,779	18½	470,000	106,969
1916	1,283,798	0·75	703,562	18½	580,000	107,205
1917	1,463,126	0·75	680,866	18½	600,000	289,464
1918	2,358,381	0·79	1,014,631	18½ Bonus 1½	1,160,460	472,755
1919	2,876,302	0·76	1,293,637	18½ Bonus 1½	1,550,000	505,420
1920	3,237,741	0·83	1,649,297	*16½	1,550,000	543,864
1921	2,529,124	0·66	1,676,845	16½	850,000	546,143
1922	2,068,875	0·55	1,766,675	16½	350,000	498,343
1923	2,047,116	0·53	1,841,535	16½	200,000	503,923
1924	2,468,934	0·64	1,856,506	16½	600,000	516,351
1925	2,569,366	0·67	1,901,422	†16½	650,000	534,295
1926	2,523,582	0·65	1,973,886	A 16½ / B 5	550,000	533,992
1927	2,475,674	0·58	1,973,886	A 16½ / B 5	550,000	485,780
1928	2,528,143	0·58	1,973,886	A 16½ / B 5	550,000	490,037

* After re-arrangement of the capital, this dividend is the equivalent of the previous rate. † Also share bonus.

Continued on page 23.

LLOYDS BANK LIMITED—*Continued from page 22.*

Year ended December 31.	Number of Offices.	LIABILITIES. Paid-up Capital and Reserves.	%	Undivided Profits.	%	Acceptances and Endorsements.	%	Deposit and Current Accounts.	%	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank, etc. (a)	%	Cash at Call and Short Notice.	%	Investments. (b)	%	Bills of Exchange.	%	Advances.	%	Buildings and Sundries, including Cover for Acceptances.	%
		£		£		£		£		£	£		£		£		£		£		£	
1895	201	2,780,000	8·7	142,894	0·4	434,161	1·4	28,786,096	89·5	32,143,151	3,602,508	11·2	2,978,076	9·3	7,153,615	22·2	3,554,558	11·1	13,730,911	42·7	1,123,483	3·5
1900	311	4,748,000	8·2	349,352	0·6	2,124,078	3·6	51,017,342	87·6	58,238,772	8,243,180	14·1	3,926,543	6·8	10,230,912	17·6	6,061,493	10·4	26,548,749	45·6	3,227,895	5·5
1905	496	6,151,600	9·0	421,843	0·7	3,894,901	5·7	57,609,599	84·6	68,077,943	9,960,617	14·7	4,419,852	6·5	10,657,118	15·7	7,374,926	10·8	30,194,866	44·3	5,470,564	8·0
1910	589	7,171,600	7·6	433,927	0·5	8,227,468	8·7	78,116,468	83·2	93,949,463	14,104,395	15·0	5,498,865	5·8	11,709,417	12·5	8,758,707	9·3	43,741,880	46·6	10,136,199	10·8
1911	612	7,108,672	7·3	437,299	0·4	5,939,819	6·1	84,221,328	86·2	97,707,118	14,168,939	14·5	7,365,183	7·5	11,092,356	11·3	10,810,515	11·1	46,305,979	47·4	7,964,145	8·2
1912	620	7,108,672	6·8	435,388	0·4	7,889,140	7·5	89,396,993	85·3	104,830,193	15,582,549	14·8	8,446,919	8·1	10,979,213	10·5	9,481,148	9·1	50,347,649	48·0	9,992,715	9·5
1913	679	7,208,672	6·8	435,976	0·4	7,462,309	7·0	91,511,992	85·8	106,618,949	16,176,860	15·1	8,617,330	8·1	10,456,561	9·8	10,829,874	10·2	50,871,241	47·8	9,667,083	9·0
1914	880	8,608,672	6·5	515,914	0·4	6,226,218	4·7	117,657,945	88·4	133,008,749	24,634,181	18·6	10,072,645	7·5	16,373,142	12·3	13,420,193	10·1	59,439,647	44·7	9,068,941	6·8
1915	893	8,608,672	5·8	487,120	0·3	9,497,082	6·4	130,017,379	87·5	148,610,253	30,419,416	20·4	3,964,170	2·7	42,825,433	28·8	4,042,326	2·7	55,008,883	37·1	12,350,025	8·3
1916	890	8,608,672	5·0	447,638	0·3	11,207,870	6·5	151,368,307	88·2	171,632,487	38,115,549	22·3	6,430,339	3·7	41,882,389	24·4	15,306,653	8·9	55,856,841	32·5	14,040,716	8·2
1917	887	9,008,672	4·6	629,898	0·3	10,375,536	5·3	174,068,047	89·8	194,082,153	34,684,836	17·8	7,191,892	3·7	37,760,074	19·4	39,901,359	20·6	61,466,709	31·8	13,077,283	6·7
1918	1,389	17,954,056	6·0	1,158,300	0·4	14,764,992	4·9	266,808,139	88·7	300,685,487	48,767,706	16·2	15,570,977	5·1	62,522,683	20·8	74,340,196	24·8	81,072,135	27·0	18,411,790	6·1
1919	1,486	19,095,649	5·1	1,226,681	0·3	32,079,843	8·5	324,711,756	86·1	377,113,929	57,587,215	15·2	14,621,756	3·9	75,765,779	20·1	57,491,864	15·2	135,763,591	36·1	35,883,724	9·5
1920	1,530	24,137,796	6·2	1,368,569	0·4	17,867,530	4·6	345,028,984	88·8	388,402,879	51,153,076	13·2	14,747,688	3·8	73,376,529	18·9	76,037,123	19·6	161,079,174	38·8	22,009,289	5·7
1921	1,593	24,372,956	6·4	1,384,566	0·4	8,174,114	2·1	347,507,410	91·1	381,439,046	50,296,370	13·3	15,952,886	4·2	80,996,736	21·2	90,619,462	23·7	130,847,130	34·3	12,726,462	3·3
1922	1,613	24,372,956	6·5	1,396,652	0·4	15,560,149	4·1	330,556,815	89·0	371,886,572	47,234,842	12·7	17,310,497	4·6	99,085,269	26·8	64,405,252	17·3	123,388,679	33·1	20,462,033	5·5
1923	1,649	24,372,956	6·3	1,432,177	0·4	19,176,523	5·0	340,168,551	88·3	385,150,207	50,629,775	13·1	15,979,470	4·1	98,489,682	25·5	54,403,792	14·1	141,405,774	36·9	24,241,714	6·3
1924	1,667	24,372,956	6·3	1,444,604	0·4	22,701,941	5·8	339,989,727	87·5	388,509,228	53,343,189	13·7	21,913,353	5·6	76,497,001	19·7	43,890,956	11·3	164,714,331	42·5	28,150,398	7·2
1925	1,685	24,372,956	6·4	1,492,492	0·4	20,686,775	5·4	337,178,515	87·8	383,730,738	51,548,595	13·5	20,507,062	5·3	60,303,790	15·7	41,624,130	10·9	183,330,726	47·7	26,416,435	6·9
1926	1,712	25,810,252	6·0	1,520,935	0·4	16,950,606	4·3	346,132,523	88·7	390,414,316	55,641,977	14·2	16,458,305	4·2	53,038,139	13·6	47,182,971	12·1	194,757,519	49·9	23,335,405	6·0
1927	1,772	25,810,252	5·9	1,472,723	0·3	43,768,116	10·2	357,189,821	83·5	428,240,912	57,945,584	13·5	27,797,328	6·5	46,149,711	10·8	52,048,834	12·1	187,798,225	43·9	56,501,230	13·2
1928	1,813	25,810,252	5·9	1,476,980	0·3	60,341,184	13·7	352,161,962	80·1	439,790,378	55,457,101	12·6	29,005,684	6·6	44,553,811	10·1	49,281,472	11·2	194,373,479	44·2	67,113,831	15·3
Weekly Averages, Mar.,1929		25,810,252	6·0	...	...	68,514,061	15·8	339,224,443	78·2	433,548,756	45,995,785	10·6	28,735,197	6·6	43,398,881	10·0	39,767,492	9·2	200,281,258	46·2	75,370,143	17·4

a Includes balances with, and cheques in course of collection on, other banks in the United Kingdom. *b* Includes investments in affiliations.

LONDON MERCHANT BANK, LIMITED.

Late LONDON AND HANSEATIC BANK, LIMITED.

ESTABLISHED 1873.

The Bank has no Branches.

By a special resolution passed on February 3, 1916, the minimum number of directors was reduced from 12 to 4.

CAPITAL				
Subscribed.	Paid-up.	Callable.	Reserved.	Market Value.
£	£	£	£	April 30, 1929.
1,350,000	825,000	525,000	Nil.	£729,400
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
"A" £5	£5	Nil.	Nil.	£5½
"B" £7	£3 10s.	£3 10s.	...	2⅛

Year Ended Dec. 31.	Net Profits.	PROFITS AND DIVIDENDS. Per Cent. of Resources.	Dividends Amount.	Dividends Rate.	Reserve, &c.	Carried Forward.
	£		£	%	£	£
1910	68,704	1·19	50,000	8	16,000	19,800
1914	45,051	0·83	45,000	6	...	25,443
1915	38,989	0·92	37,500	5	...	26,932
1916	39,823	0·99	37,500	5	...	29,255
1917	40,329	1·11	37,500	5	...	32,084
1918	41,227	...	37,500	5	...	35,811
1919	61,733	1·69	45,000	6	...	52,544
1920	60,044	1·46	45,000	6	...	67,588
1921	46,195	1·21	45,000	6	50,000	18,783
1922	36,876	1·07	18,750	2½	36,909	Nil.
1923	24,576	0·70	3,656	"A" 7	...	20,902
1924	71,807	1·46	44,801	"A" 7 / "B" 5	25,000	22,906
1925	76,318	1·47	47,250	"A" 7 / "B" 5	25,000	26,994
1926	70,216	1·59	47,250	"A" 7 / "B" 5	25,000	24,960
1927	67,011	1·37	47,250	"A" 7 / "B" 5	20,000	24,721
1928	71,845	1·26	47,250	"A" 7 / "B" 5	20,000	29,317

Year Ended Dec. 31	LIABILITIES. Capital and Reserves.	%	Undivided Profits.	%	Acceptances.	%	Rebate.	%	Deposit & Current Accounts (inc. Pensions Fund)	%	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank.	%	Cash at Call and Short Notice.	%	Investments.	%	Discounts and Advances.	%	Premises and Cover for Acceptances.	%
	£		£		£		£		£		£	£		£		£		£		£	
1890...	487,000	20·1	25,015	1·2	...	...	1,581	...	*1,899,018	78·7	2,412,614	42,893	1·8	225,000	9·3	221,450	9·1	1,923,169	79·0	100	...
1895...	490,000	15·7	31,503	1·0	...	...	1,155	...	*2,610,163	83·3	3,132,097	59,289	1·9	95,000	3·0	282,464	9·0	2,694,944	86·1	400	...
1900...	525,000	18·2	38,590	1·3	...	...	1,362	...	*2,323,254	80·5	2,887,990	49,456	1·7	301,600	10·5	211,179	7·3	2,325,754	80·5	10	...
1905...	550,000	17·4	28,136	0·9	2,504,629	79·0	3,676	...	89,162	2·7	3,173,289	68,930	2·2	315,000	9·9	209,072	6·6	2,580,277	81·3	...	...
1910...	860,000	14·9	67,051	1·2	4,196,683	72·9	1,277	...	637,784	11·0	5,765,194	42,765	0·7	509,000	8·8	284,380	4·9	4,929,049	85·6	...	...
1911...	875,000	12·0	72,549	1·0	5,120,006	70·6	2,979	...	1,198,164	16·4	7,266,996	33,925	0·5	640,000	8·8	307,199	4·2	6,285,872	86·5	...	...
1912...	895,000	11·4	85,536	1·1	5,447,003	69·7	3,616	...	1,391,755	17·8	7,822,273	103,007	1·3	632,000	8·1	276,005	3·5	6,810,661	87·1	...	...
1913...	1,100,000	13·2	64,891	0·8	5,749,836	68·5	2,155	...	1,460,054	17·5	8,378,397	52,867	0·6	532,700	6·4	311,217	3·7	7,481,613	89·3	...	...
1914...	1,100,000	20·1	47,943	0·9	4,126,415	75·5	1,478	...	192,653	3·5	5,469,166	47,638	0·9	398,540	7·3	340,742	6·2	4,682,246	85·6	...	...
1915...	1,100,000	26·0	45,682	1·1	2,877,206	68·6	2,888	0·1	182,147	4·3	4,206,513	39,272	0·9	183,000	4·4	309,968	7·3	3,674,273	87·4	...	...
1916...	1,100,000	27·4	48,005	1·2	2,471,913	61·5	282	...	393,638	9·8	4,016,444	54,608	1·4	160,000	4·0	286,903	7·1	3,514,933	87·5	...	...
1917...	1,100,000	30·3	50,834	1·4	2,131,601	58·6	328	...	352,420	9·7	3,635,147	54,484	1·5	160,000	4·4	250,500	6·9	3,170,163	87·2	...	...
1918...	1,100,000	31·9	73,312	2·1	1,911,497	55·2	464,492	12·8	374,851	10·8	3,459,988	63,705	1·8	145,000	4·2	188,547	5·5	3,062,736	88·5	...	...
1919...	1,100,000	30·4	78,794	2·2	1,988,340	54·6	1,001	...	718,957	17·4	4,174,831	46,944	1·3	186,000	5·1	114,924	3·1	3,284,759	90·5	...	...
1920...	1,100,000	28·7	45,033	1·2	1,662,314	41·0	2,418	...	1,117,547	29·1	3,824,894	106,999	2·8	150,000	3·9	72,568	1·9	1,933,013	50·4	1,562,314	41·0
1921...	1,100,000	21·8	...	...	1,608,687	46·6	a242,227	7·0	846,997	24·6	3,447,911	135,550	3·9	350,000	10·2	86,068	2·5	1,267,566	36·8	1,608,687	46·6
1922...	750,000	24·7	24,576	0·7	1,806,877	51·9	...	...	860,542	24·7	3,481,540	84,312	2·4	305,000	8·8	267,901	7·7	972,969	27·9	1,851,358	53·2
1923...	789,545	22·7	38,676	0·8	3,093,894	63·0	...	...	987,073	20·1	4,909,658	93,860	1·9	530,000	10·8	181,338	3·7	967,167	19·6	3,137,293	64·0
1924...	790,015	16·1	42,744	0·8	3,224,434	61·9	...	...	1,119,862	21·5	5,212,040	65,186	1·3	735,000	14·1	158,519	3·0	986,614	18·9	3,266,721	62·7
1925...	825,000	15·8	40,710	0·9	2,068,502	46·9	...	...	1,476,824	33·5	4,411,036	115,890	2·6	845,000	19·2	148,414	3·4	1,192,098	27·0	2,109,634	47·8
1926...	825,000	18·7	40,471	0·8	2,614,522	53·7	...	...	1,393,204	28·6	4,873,197	69,511	1·4	715,000	14·7	166,519	3·4	1,266,267	26·0	2,655,900	54·5
1927...	825,000	16·9	45,066	0·8	3,377,291	59·4	...	...	1,437,214	25·3	5,684,571	74,544	1·3	705,000	12·4	162,753	2·9	1,324,901	23·3	3,417,373	60·1
1928...	825,000	14·5																			

* Includes acceptances. *a* Advances under Government Scheme of Sept., 1914, since liquidated.

MARTINS BANK, LIMITED.

Member of the London Bankers' Clearing House.

ESTABLISHED in 1831 as the Bank of Liverpool.

Absorbed :—
1883—Arthur Heywood, Sons and Co., Liverpool.
1889—Liverpool Commercial Banking Co., Limited.
1893—Wakefield, Crewdson and Co., Kendal, &c.
1906—Craven Bank, Limited.
1911—Carlisle and Cumberland Banking Co., Limited.
1914—North-Eastern Banking Co., Limited.
1918—Martins Bank, Limited, London; and name changed to Bank of Liverpool and Martins, Limited.
1919—Palatine Bank, Limited, Manchester.
1919—Cocks, Biddulph and Co., London.
1920—Halifax Commercial Banking Co., Limited.
1923—C

MARTINS BANK, LIMITED—*Continued from page 23.*

CAPITAL

On completion of amalgamation with Lancashire and Yorkshire Bank.

Subscribed.	Paid-up.	Callable.	Reserved.	Market Value, April 30, 1929.
£	£	£	£	£
20,602,272	4,160,042	5,167,558	11,274,672	12,934,700
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
939,556 shares of £20	£2 10s.	£5 10s.	£12	£7½
1,811,152 shares of £1	£1	...	...	£3½

PROFITS AND DIVIDENDS.

Year ended June 30,	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Dividends Rate.	Reserve, Investments, &c.	Carried Forward.
	£		£	%	£	£
1919	494,416	0·68	327,422	16	250,000	110,879
Dec. 31,						
1919	325,320*	0·38	171,911	8	150,000	114,288
1920	735,948	0·80	375,822	16	350,000	124,414
1921	548,528	0·63	375,822	16	150,000	147,119
1922	504,802	0·63	375,822	16	150,000	126,099
1923	486,965	0·63	375,822	16	100,000	137,242
1924	530,442	0·72	375,822	16	150,000	141,862
1925	572,316	0·81	375,822	16	200,000	138,356
1926	542,731	0·77	375,822	16	200,000	105,265
1927	555,229	0·75	383,822	16	175,000	101,671
1928	825,434	6·81	665,607	16	150,000	111,499

* Half-year.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES. Capital and Reserves.	%	Undivided Profits.	%	Acceptances.	%	Deposit and Current Accounts.	%	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank, &c. a	%	Cash at Call and Short Notice.	%	Investments.	%	Bills of Exchange.	%	Short Loans on Stocks and Advances.	%	Buildings & Sundries including Cover for Acceptances.	%
		£		£		£		£		£	£		£		£		£		£		£	
1919	283	3,548,890	4·1	287,096	0·3	15,623,631	18·0	67,530,621	77·6	86,990,238	7,930,264	9·1	11,006,969	12·7	16,089,713	18·5	3,768,631	4·3	31,399,236	36·0	16,795,425	19·4
1920	312	3,748,890	4·1	313,318	0·3	6,518,294	7·1	81,206,768	88·5	91,787,270	12,604,557	13·7	9,973,071	10·9	14,159,582	15·4	7,081,836	7·7	40,185,509	43·8	7,782,715	8·5
1921	320	3,748,890	4·3	336,447	0·4	3,683,244	4·3	78,645,611	91·0	86,414,192	9,509,230	11·0	10,665,851	12·3	15,840,532	18·3	5,307,605	6·1	40,015,644	46·4	5,075,330	5·9
1922	335	3,848,890	4·8	315,028	0·4	7,290,049	9·1	68,301,352	85·7	79,755,319	11,261,658	14·1	6,041,418	7·6	12,500,425	15·6	4,459,005	5·6	36,759,400	46·2	8,733,413	10·9
1923	355	3,948,890	5·1	326,095	0·4	7,852,472	10·2	64,537,818	84·3	76,665,275	10,437,199	13·6	4,888,198	6·4	10,131,320	13·2	3,944,024	5·1	37,927,980	49·5	9,336,554	12·2
1924	366	4,048,890	5·5	330,817	0·4	8,254,768	11·2	61,290,020	82·9	73,924,495	10,217,143	13·8	3,606,664	4·9	9,503,748	12·9	3,415,813	4·6	37,431,444	50·6	9,749,683	13·2
1925	379	4,198,890	5·9	327,355	0·5	6,618,372	9·3	59,819,627	84·3	70,964,244	9,693,371	13·7	4,741,132	6·7	8,677,097	12·2	4,315,722	6·1	35,413,245	49·9	8,123,177	11·4
1926	389	4,348,890	6·2	294,189	0·4	6,078,122	8·6	59,819,326	84·8	70,540,527	8,046,100	11·4	5,826,728	8·3	9,349,216	13·2	2,981,480	4·2	36,702,937	52·1	7,634,066	10·8
1927	*417	4,698,890	6·3	298,731	0·4	6,389,255	8·6	62,890,872	84·7	74,277,748	9,976,920	13·4	6,679,533	9·0	10,421,736	14·0	2,646,294	3·6	36,572,971	49·3	7,980,294	10·7
1928	560	7,617,914	7·5	445,915	0·4	10,949,041	10·7	82,932,881	81·4	101962502	12,116,604	11·9	5,420,745	5·3	25,104,768	24·6	3,702,147	3·6	42,600,479	41·8	13,017,759	12·8
Weekly Averages Mar., 1929		7,617,914	8·4	...	...	6,792,350	7·4	76,959,969	84·1	91,369,230	10,128,988	11·1	4,107,729	4·5	22,284,429	24·4	4,094,351	4·5	41,848,361	45·8	8,905,372	9·7

a Includes balances with, and cheques in course of collection on, other banks in the United Kingdom. * Exclusive of Lancashire and Yorkshire Branches.

MIDLAND BANK LIMITED.

Member of the London Bankers' Clearing House.

ESTABLISHED 1836 as The Birmingham and Midland Bank.

Amalgamations and absorptions have been as follows:—

1851—Bate and Robins, Stourbridge.
1862—Nichols, Baker and Crane, Bewdley.
1883—Union Bank of Birmingham, Limited.
1889—Coventry Union Banking Co.
1889—Leamington Priors and Warwickshire Banking Co., Limited.
1890—Leeds and County Bank, Limited.
1890—Derby Commercial Bank, Limited.
1890—Exchange and Discount Bank, Limited, Leeds.
1891—Central Bank of London, Limited. New title—The London and Midland Bank, Limited.
1891—Lacy, Hartland, Woodbridge and Co., West Smithfield.
1892—Manchester Joint Stock Bank, Limited.
1893—Bank of Westmorland, Limited.
1894—Preston Banking Co., Limited.
1896—Carlisle City and District Banking Co., Limited.
1897—Channel Islands Bank, Limited.
1897—Huddersfield Banking Co., Limited.
1897—North-Western Bank, Limited.
1898—Oldham Joint Stock Bank, Limited.
1898—City Bank, Limited. New title—The London City and Midland Bank, Limited.
1899—City of Birmingham Bank, Limited.
1900—Leicestershire Banking Co., Limited.
1901—Sheffield Union Banking Co., Limited.
1901—Yorkshire Banking Co., Limited.
1905—Nottingham Joint Stock Bank, Limited.
1908—North and South Wales Bank, Limited.
1910—Bradford Banking Co., Limited.
1913—Sheffield and Hallamshire Bank, Limited.
1913—Lincoln and Lindsey Banking Co., Limited.
1914—Metropolitan Bank (of England and Wales), Limited.
1917—Belfast Banking Co., Limited. Purchase of share capital.
1918—London Joint Stock Bank, Limited. New title—London Joint City and Midland Bank, Limited.
1920—Clydesdale Bank, Limited. Purchase of share capital.
1923—New title—Midland Bank, Limited.
1924—North of Scotland Bank, Limited. Purchase of share capital.

CAPITAL, April, 1929.

Authorised. No. of Shares.	Authorised. Denomination.	Subscribed.	Paid-up.	Callable.	Reserved.	Market Value, April 30, 1929.
2,859,079	£12	£ 34,428,948	£ 7,172,697½	£ 7,172,697½	£ 20,083,553	£ 27,435,600
2,000,000	2½	4,804,192½	4,804,192½	Nil	Nil	18,856,500
5,771,052	1	1,456,078	1,456,078	Nil	Nil	5,678,700
...	...	Per Share. £12	Per Share. £2 10s.	Per Share. £2 10s.	Per Share. £7	Per Share. £9½
...	...	£2 10s.	£2 10s.	Nil	Nil	£9½
...	...	£1	£1	Nil	Nil	£3½

PROFITS AND DIVIDENDS.

Year ended Dec. 31.	Net Profits. Amount	Net Profits. % of Resources at end of Year.	Dividend, less tax. Amount.	Dividend, less tax. Rate.	Allocations to Reserve and other Funds.	Carried Forward.
	£		£	%	£	£
1910 ...	801,782	0·91	718,062	*18	161,158	102,301
1911 ...	788,754	0·87	718,062	*18	50,000	122,993
1912 ...	968,063	0·98	718,062	*18	240,000	132,993
1913 ...	1,161,410	1·07	750,410	*18	396,000	147,993
1914 ...	1,079,086	0·76	785,794	‡18	20,000	421,285
1915 ...	1,130,976	0·68	745,803	18	692,860	113,598
1916 ...	1,429,362	0·75	666,921	18	632,501	243,538
1917 ...	1,663,197	0·69	672,950	18	500,000	733,785
1918 ...	2,211,198	0·61	919,886	18	1,350,000	675,098
1919 ...	2,354,258	0·56	1,052,503	18	1,250,000	726,852
1920 ...	2,831,861	0·67	1,367,094	18	1,450,000	741,619
1921 ...	2,454,084	0·59	1,368,449	18	1,050,000	777,253
1922 ...	2,253,492	0·56	1,441,778	18	800,000	788,967
1923 ...	2,210,972	0·53	1,502,870	18	700,000	797,069
1924 ...	2,424,993	0·58	1,670,594	18	750,000	801,467
1925 ...	2,522,469	0·61	1,760,770	18	750,000	813,166
1926 ...	2,535,730	0·59	1,823,874	18	720,000	825,022
1927 ...	2,554,650	0·58	1,823,874	18	720,000	835,797
1928 ...	2,656,554	0·53	1,923,788	18	720,000	848,563

* Free of income-tax. ‡ 1914, first half, free, second half, less tax.

THE LONDON CITY AND MIDLAND BANK LIMITED.

December 31.	Number of Offices, Dec. 31.	LIABILITIES. Capital and Reserve Fund.	%	Profit Balance and Dividend Payable.	%	Acceptances, &c.	%	Current Deposit and Other Accounts.	%	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank of England.	%	Money at Call and Short Notice. (*a*).	%	Investments.	%	Bills Discounted.	%	Advances.	%	Buildings and Sundries, including Cover for Acceptances.	%
		£		£		£		£		£	£		£		£		£		£		£	
1900	315	5,046,450	11·1	515,670	1·1	1,920,406	4·2	37,844,949	83·6	45,327,475	6,996,216	15·4	6,057,998	13·4	5,568,589	12·3	4,118,627	9·1	19,773,977	43·6	3,812,068	6·2
1905	483	6,285,700	10·3	401,858	0·7	4,115,867	6·7	50,259,088	82·3	61,062,513	8,795,945	14·4	7,291,651	11·9	7,392,492	12·1	4,713,333	7·7	27,402,317	44·9	5,466,675	9·0
1906	485	6,285,700	9·9	454,373	0·7	4,578,991	7·2	52,223,799	82·2	63,542,863	9,783,832	15·4	8,299,375	13·2	6,745,001	10·6	4,733,489	7·4	28,040,495	44·1	5,940,671	9·3
1907	499	6,285,700	9·8	454,914	0·7	3,962,775	6·2	53,282,061	83·3	63,985,450	11,340,058	17·7	6,734,961	10·6	6,629,335	10·4	4,945,360	7·7	28,992,425	45·2	5,343,311	8·4
1908	630	7,218,290	9·1	518,042	0·7	5,103,990	6·4	66,974,403	83·8	79,814,725	11,654,202	14·7	9,190,416	11·5	9,530,320	12·0	8,503,128	10·7	34,002,461	42·5	6,844,198	8·6
1909	659	7,218,290	8·8	521,659	0·7	5,128,918	6·2	69,644,520	84·4	82,513,387	13,063,800	15·8	9,868,196	12·0	8,988,303	10·9	6,795,327	8·2	36,897,233	44·7	6,900,528	8·4
1910	689	7,579,552	8·6	461,332	0·5	6,461,941	7·4	73,414,509	83·5	87,917,334	13,332,567	16·2	9,810,744	11·0	8,697,124	9·9	6,686,140	7·6	41,088,146	46·8	8,302,613	9·5
1911	716	7,379,552	8·1	482,024	0·5	6,037,094	6·6	77,707,785	84·6	91,606,455	13,690,685	14·9	9,806,744	10·7	8,757,243	9·6	7,883,357	8·6	43,434,769	47·4	8,033,657	8·8
1912	768	7,379,552	7·5	492,023	0·5	6,741,032	6·9	83,664,327	85·1	98,276,934	13,877,240	14·1	10,412,539	10·6	8,289,211	8·4	10,460,534	10·6	46,441,982	47·4	8,795,428	8·9
1913	867	8,048,650	7·4	539,371	0·5	6,162,612	5·7	93,835,580	86·4	108,584,213	17,241,279	15·9	11,946,769	11·0	7,824,892	7·2	11,790,641	10·8	51,309,563	47·3	8,471,069	7·8
1914	1,028	8,780,792	6·1	815,701	0·6	7,210,915	5·1	125,732,736	88·2	142,540,144	33,196,459	23·2	9,865,226	6·8	13,078,221	9·2	14,085,806	9·9	62,424,616	43·8	9,889,816	6·9
1915	1,063	8,780,792	5·3	473,950	0·3	3,15*,602	5·5	147,750,702	88·9	166,163,046	30,881,201	18·6	8,651,258	5·2	38,829,434	23·4	9,961,546	6·0	65,921,541	39·6	11,918,066	7·2
1916	1,035	8,780,792	4·6	566,242	0·3	7,220,781	3·8	174,620,725	91·3	191,184,540	47,973,686	25·0	8,844,378	4·6	37,190,296	19·4	23,336,817	12·2	63,868,857	33·6	9,974,506	5·2
1917	1,026	9,531,666	4·0	1,084,032	0·5	8,826,866	3·7	220,551,768	91·8	239,994,332	44,110,354	18·4	31,003,560	12·9	36,254,814	15·1	35,052,992	14·6	81,155,897	33·8	12,416,715	5·2

Continued on page 25.

MIDLAND BANK LIMITED.

Continued from page 24.

| | £ | £ | £ | £

NATIONAL PROVINCIAL BANK LIMITED.—*Continued from page 25.*

Year Ended Dec. 31.	Number of Branches.	LIABILITIES. Capital and Reserves.	%	Undivided Profits.	%	Acceptances.	%	Deposit and Current Accounts.	%	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank, &c. a	%	Cash at Call and Short Notice.	%	Investments. b	%	Discounts and Advances.	%	Buildings and Sundries including Cover for Acceptances.	%
		£		£		£		£		£	£		£		£		£		£	
1918.....	708	10,326,884	4·8	487,318	0·2	3,891,343	1·8	200,864,639	93·2	215,570,184	33,576,003	15·0	13,221,591	6·1	44,925,251	20·8	117,359,508	54·4	6,487,831	3·1
1919.....	880	15,045,905	5·5	630,859	0·2	5,968,448	2·2	251,751,125	92·1	273,396,337	35,685,632	13·1	10,997,504	4·0	53,531,285	19·6	164,305,656	60·1	8,876,260	3·2
1920.....	1,003	18,187,457	6·0	824,070	0·3	4,404,104	1·5	278,335,366	92·2	301,750,997	41,954,105	13·9	11,850,947	3·9	56,437,173	18·7	183,439,432	60·8	8,069,340	2·7
1921.....	1,001	18,187,457	6·2	889,250	0·3	2,863,921	1·0	272,937,344	92·5	294,873,972	45,050,674	15·3	12,294,328	4·2	48,109,727	16·4	182,666,169	61·8	6,753,074	2·3
1922.....	1,070	18,309,416	6·3	931,974	0·3	7,909,282	2·7	263,037,433	90·7	290,188,155	41,613,577	14·3	13,900,102	4·8	55,317,905	18·9	167,334,766	57·8	12,021,805	4·2
1923.....	1,098	18,309,416	6·2	933,755	0·3	10,708,228	3·6	263,, 86,055	89·9	293,737,454	40,896,749	13·9	15,872,368	5·4	54,188,932	18·4	167,918,446	57·2	14,950,959	5·1
1924.....	1,116	18,958,832	6·6	911,575	0·3	12,948,375	4·5	254,92,144	88·6	287,740,024	40,427,702	14·0	15,997,119	5·5	45,750,570	15·9	168,336,608	58·6	17,227,825	6·0
1925.....	1,130	18,958,832	6·7	916,960	0·3	9,166,822	3·2	259,249,807	89·9	288,251,780	37,930,824	13·2	18,769,651	6·5	40,098,804	13·9	177,290,858	61·5	14,161,643	4·9
1926.....	1,171	18,958,832	6·6	876,319	0·3	12,024,760	3·9	273,597,202	89·6	305,444,270	41,816,515	13·7	21,817,455	7·1	38,640,115	12·7	185,708,682	60·8	17,461,503	5·7
1927.....	1,217	18,958,832	6·2	863,476	0·3	19,563,740	5·9	290,310,253	88·0	329,698,671	44,170,901	13·4	25,920,942	7·9	40,217,198	12·2	194,071,259	58·8	25,318,371	7·7
1928.....	1,277	18,958,832	5·8	865,846	0·3															
Weekly Averages, March, 1929 ...		18,958,832	6·3	...		...		19,760,663	6·5	264,145,456	87·2	302,864,951	37,184,939	12·3	17,964,897	6·0	38,136,028	12·6	184,012,305	60·7	25,566,782	8·4

a Includes balances with, and cheques in course of collecton on, other banks in the United Kingdom. *b* Includes investments in affiliations.

UNION BANK OF MANCHESTER, LIMITED.

ESTABLISHED 1836.

1888—Sewell and Nephew absorbed.
1904—E. W. Yates and Co., Liverpool, absorbed.
1906—Blackburn Bank absorbed.
1907—Downes and Co. (Nantwich) absorbed.
1917—Halifax and District Permanent Banking Co. absorbed.
1918—East Morley and Bradford Deposit Bank, Limited, acquired.
1919—Affiliated with Barclays Bank.

CAPITAL Subscribed.	Paid-up.	Callable.	Reserved.
£	£	£	£
1,500,000	750,000	750,000	Nil.
Per Share.	Per Share.	Per Share.	Per Share.
£5	£2 10s.	£2 10s.	Nil.

PROFITS AND DIVIDENDS.

Year Ended Dec. 31	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Dividends Rate.	Reserves, &c.	Carried Forward.
	£		£	%	£	£
1910	83,905	1·24	62,370	*10½	24,000	5,128
1911	86,632	1·15	64,740	12½	19,000	8,020
1912	95,895	1·27	64,740	12½	19,000	20,175
1913	108,984	1·34	64,740	12½	48,000	12,113
1914	100,948	1·22	63,379	12½	35,000	8,182
1915	120,821	1·38	59,583	12½	25,000	25,319
1916	152,025	1·30	68,750	*12½	50,000	25,594
1917	178,254	1·37	75,000	18¾	38,500	40,448
1918	191,035	1·08	97,812	20	90,000	18,670
1919	277,248	0·90	105,000	20	175,000	15,918
1920	341,027	1·25	105,000	20	240,000	11,945
1921	293,738	1·11	105,000	20	180,000	20,683
1922	247,188	1·10	110,625	20	140,000	17,246
1923	227,047	1·01	115,313	20	110,000	18,980
1924	221,395	1·02	116,250	20	105,000	19,125
1925	214,221	1·04	119,062	20	95,000	18,284
1926	205,762	1·04	120,000	20	85,000	19,046
1927	195,283	0·99	108,000	18	95,000	11,330
1928	176,545	0·87	96,000	16	80,000	11,874

* Free of income-tax.

Year ended Dec. 31	Number of Branches.	LIABILITIES. Capital and Reserves.	%	Undivided Profits.	%	Acceptances, &c.	%	Deposit and Current Accounts.	%	Total Liabilities or Assets.	ASSETS. Cash in Hand, at Call, and Short Notice.	%	Investments.	%	Bills of Exchange	%	Advances.	%	Buildings and Sundries, including Cover for Acceptances.	%
		£		£		£		£		£	£		£		£		£		£	
1890*	43	530,000	16·9	38,487	1·2	53,217	1·7	2,526,868	80·2	3,148,572	524,110	16·6	213,593	6·8	With Advances	...	†2,317,479	73·6	93,390	3·0
1895*	49	610,000	16·8	39,290	1·1	89,667	2·3	2,900,376	79·8	3,632,333	486,742	13·4	42,130	1·1	Do.	...	†2,951,540	81·3	151,921	4·2
1900*	62	925,000	16·8	48,524	0·9	320,329	5·9	4,195,229	76·4	5,489,082	582,754	10·6	172,175	3·1	Do.	...	†4,216,459	76·8	517,694	9·5
1905 ...	72	874,000	15·5	34,298	0·6	417,378	7·4	4,317,193	76·5	5,642,868	845,596	15·0	620,336	11·0	738,623	13·1	2,770,960	49·1	667,353	11·8
1906 ...	75	882,000	14·0	42,064	0·7	467,567	7·4	4,915,586	77·9	6,307,487	716,034	11·4	700,236	11·1	1,080,476	17·1	3,085,050	48·9	725,691	11·5
1907 ...	78	892,000	13·8	40,046	0·6	479,276	7·4	5,035,101	78·2	6,446,423	1,127,257	17·4	692,224	10·8	771,742	12·0	3,099,491	48·1	755,709	11·7
1908 ...	80	905,000	14·5	40,057	0·6	374,160	6·0	4,901,961	78·9	6,221,178	766,031	12·3	1,016,288	16·3	715,660	11·5	3,065,254	49·4	657,945	10·5
1909 ...	83	915,000	14·6	37,593	0·6	340,963	5·5	4,968,076	79·3	6,261,632	1,147,071	18·4	808,699	12·9	509,403	8·1	3,167,087	50·6	629,372	10·0
1910 ...	85	920,000	13·6	37,498	0·6	596,344	8·8	5,213,193	77·0	6,767,035	1,119,547	16·6	829,968	12·2	622,628	9·2	3,304,644	48·8	890,248	13·2
1911 ...	85	880,000	13·0	40,390	0·6	332,663	4·9	5,530,732	81·5	6,783,785	1,396,443	20·6	713,193	10·5	577,259	8·5	3,468,003	51·1	629,887	9·3
1912 ...	85	890,000	11·8	52,545	0·7	610,929	8·1	6,009,553	79·4	7,563,027	1,502,372	20·0	743,995	9·8	789,839	10·6	3,617,223	47·6	909,596	12·0
1913 ...	88	900,000	11·2	44,483	0·6	674,181	8·4	6,428,858	79·8	8,047,522	1,592,993	19·8	801,779	10·0	795,345	9·9	3,884,297	48·2	973,108	12·1
1914 ...	88	905,000	11·0	39,534	0·5	665,556	8·1	6,594,015	80·4	8,203,905	1,344,255	16·4	736,095	9·0	718,005	8·7	4,440,240	54·2	965,310	11·7
1915 ...	88	905,000	10·3	54,709	0·6	764,545	8·7	7,053,582	80·4	8,777,836	821,664	9·3	2,166,738	24·6	520,747	5·9	4,204,289	48·1	1,064,398	12·1
1916 ...	88	905,000	7·7	60,069	0·5	1,556,936	13·3	9,117,392	78·5	11,639,397	2,048,042	17·4	2,866,537	24·5	876,968	7·5	3,999,731	34·8	1,848,119	15·8
1917 ...	97	905,000	6·9	77,948	0·6	901,654	6·9	11,127,088	85·6	13,011,690	1,725,031	13·1	4,026,180	30·9	955,205	7·3	5,113,620	39·5	1,201,654	9·2
1918 ...	111	1,275,000	7·2	71,170	0·4	1,150,084	6·5	15,212,193	85·9	17,708,447	2,393,458	13·5	7,212,890	40·7	1,093,485	6·2	5,508,530	31·1	1,500,084	8·5
1919 ...	130	1,325,000	4·3	68,418	0·2	3,896,157	12·7	25,578,022	82·8	30,667,597	3,050,848	9·9	4,417,171	14·4	1,302,541	4·2	17,600,880	57·5	4,296,157	14·0
1920 ...	139	1,425,000	5·3	64,445	0·2	3,424,881	12·6	22,294,412	82·0	27,208,738	2,416,827	8·8	3,367,106	12·3	1,489,335	5·5	16,110,589	59·4	3,824,881	14·0
1921 ...	145	1,425,000	5·3	73,183	0·3	1,990,302	7·5	23,002,017	86·8	26,490,502	4,209,575	16·0	2,799,702	10·6	1,263,316	4·8	15,827,607	59·6	2,390,302	9·0
1922 ...	149	1,425,000	6·4	17,246	0·1	1,524,181	6·8	19,522,479	86·7	22,488,906	2,425,802	10·8	2,595,628	11·5	1,016,288	4·5	14,526,807	64·6	1,924,181	8·6
1923 ...	162	1,425,000	6·3	18,980	0·1	1,539,752	6·8	19,591,486	86·8	22,575,218	1,607,848	7·1	2,654,121	11·8	934,667	4·1	15,438,830	68·4	1,939,752	8·6
1924 ...	158	1,425,000	6·0	19,125	0·2	1,287,714	6·0	18,840,503	87·3	21,572,342	1,710,381	7·9	2,678,774	12·4	1,091,966	5·1	14,403,507	66·8	1,687,714	7·8
1925 ...	162	1,425,000	6·9	18,284	0·1	818,391	4·2	17,434,522	88·5	20,644,250	2,608,341	12·6	2,659,160	12·9	1,010,940	4·9	13,047,353	63·2	1,317,857	6·4
1926 ...	162	1,425,000	7·2	19,046	0·1	643,162	3·2	17,734,302	89·5	19,696,959	3,478,419	17·7	2,670,102	13·6	754,596	3·8	11,548,019	58·6	1,245,823	6·3
1927 ...	165	1,425,000	7·2	11,329	0·1	713,185	3·5	18,069,360	89·4	19,813,793	4,551,541	23·0	2,664,208	13·4	743,228	3·8	10,780,258	54·4	1,074,558	5·4
1928 ...	165	1,425,000	7·0	11,874	0·1					20,219,419	6,557,651	32·4	2,637,659	13·0	619,913	3·1	9,258,142	45·8	1,146,054	5·7

* Year ended June 30th. † Includes bills.

WESTMINSTER BANK LIMITED.

ESTABLISHED 1836.

Members of London Bankers' Clearing House.

1834—London and Westminster Bank established.
1836—London and County Banking Co. established.
1909—The above two banks amalgamated as London County and Westminster Bank, Limited.
1917—Ulster Bank, Limited, affiliated.
1918—Parr's Bank, Limited, (established 1865), amalgamated under combined title of London County Westminster and Parr's Bank, Limited.
1919—Nottingham and Nottinghamshire Banking Co., Limited, absorbed.
1921—Beckett and Co. absorbed.
1923—Title changed to Westminster Bank, Limited.
1923—Stilwell and Sons absorbed.
1924—Guernsey Commercial Banking Co., Limited, absorbed.

Continued on page 27.

WESTMINSTER BANK LIMITED—*Continued from page 26.*

CAPITAL Subscribed.	Paid-up.	Callable.	Reserved.	Market Value, April 30, 1929.
£	£	£	£	£
28,283,960	7,070,990	7,070,990	14,141,980	£27,842,000
2,249,167	2,249,167	Nil	Nil	£5,622,900
*Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
£4	£1	£1	£2	£3⅛
£1	£1	Nil	Nil	£2½

* In February, 1929, the £20 shares of the Bank were sub-divided into five shares of £4 each (£1 paid).

PROFITS AND DIVIDENDS.

Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Dividends Rate.	Reserves and other Appropriations.	Carried Forward.
	£		£	%	£	£
1918 2,206,202		0·77	973,240	20	1,040,000	377,560
1919 2,455,007		0·71	1,052,620	20 †6½	1,365,721	414,226
1920 2,915,708		0·85	1,115,302	20 12½	1,753,718	460,914
1921 2,167,846		0·61	1,159,052	20 12½	950,000	519,708
1922 1,888,021		0·61	1,221,144	20 12½	650,000	536,585
1923 1,804,783		0·60	1,272,888	20 12½	500,000	568,480
1924 2,013,502		0·65	1,287,887	20 12½	700,000	594,095
1925 2,205,393		0·72	1,319,045	20 12½ *	450,000	457,565
1926 2,157,233		0·68	1,356,275	20 12½	750,000	508,522
1927 2,132,815		0·68	1,356,275	20 12½	750,000	535,063
1928 2,148,408		0·63	1,356,275	20 12½	775,000	552,196

* Also bonus of 1 £1 share for every 5 £20 shares held. † For half-year.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES. Capital and Reserves.	%	Undivided Profits.	%	Acceptances and Endorsements.	%	Miscellaneous Credits, Rebate, &c.	%	Deposit and Current Accounts.	%	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank, &c. a	%	Cash at Call and Short Notice.	%	Investments. b	%	Discounts and Advances.	%	Buildings and Sundries, including Cover for Acceptances	%
		£		£		£		£		£		£	£		£		£		£		£	
1918...	694	14,261,076	5·0	855,730	0·3	9,276,488	3·2	*289,369	0·1	262,857,781	91·4	287,540,444	47,476,604	16·5	36,970,159	12·8	49,384,942	17·2	141,501,913	49·2	12,206,826	4·3
1919...	779	17,253,718	5·0	971,877	0·3	23,704,366	6·8	*318,698	0·1	304,547,726	87·8	346,796,385	58,766,910	16·9	18,794,487	5·4	65,058,988	18·8	177,442,468	51·2	26,733,532	7·7
1920...	873	17,507,436	5·1	1,018,566	0·3	19,034,317	5·6	*492,842	0·1	305,380,814	88·9	343,433,975	49,124,145	14·3	22,937,762	6·7	57,984,694	16·8	190,874,245	55·6	22,515,129	6·6
1921...	896	18,007,436	5·1	1,099,234	0·3	16,755,101	4·7	*505,452	0·1	317,655,838	89·8	354,023,061	44,491,298	12·6	19,814,891	5·6	56,931,120	16·0	212,120,835	59·9	20,664,917	5·6
1922...	899	18,007,436	5·8	1,157,506	0·4	9,923,238	3·2	*276,642	...	280,820,292	90·6	310,185,114	42,501,014	13·7	19,816,167	6·4	58,385,523	18·8	175,653,514	56·5	13,828,896	4·3
1923...	901	18,007,436	6·0	1,210,098	0·4	12,099,401	4·0	*244,020	...	269,502,053	89·6	301,063,047	41,616,836	13·8	18,872,671	6·3	58,568,371	19·4	165,956,209	55·2	16,048,960	5·6
1924...	906	18,103,436	5·9	1,238,038	0·4	16,430,325	5·3	*14,616	...	272,832,400	88·4	308,618,815	44,494,145	14·4	23,399,949	7·5	56,299,378	18·2	163,916,498	53·3	20,508,945	6·6
1925...	909	18,103,436	5·9	1,695,158	0·6	13,562,790	4·5	*15,487	...	271,379,668	89·0	304,756,539	42,343,822	13·9	28,301,235	9·3	49,930,231	16·4	166,515,556	54·6	17,665,695	5·8
1926...	932	18,640,314	5·9	1,186,660	0·4	11,543,630	3·6	*13,728	...	280,612,020	89·6	313,052,337	42,727,387	13·6	36,520,212	11·7	43,024,466	13·7	173,893,812	55·6	16,886,460	5·4
1927...	956	18,640,314	6·0	1,213,200	0·4	12,572,869	4·0	*13,934	...	294,086,580	86·3	340,508,305	47,313,929	13·9	34,813,607	10·2	41,430,690	12·2	185,725,635	54·5	31,224,444	9·2
1928...	1009	18,640,314	5·5	1,230,333	0·4	26,538,040	7·8	*13,038	...													
Weekly Averages, Mar., 1929		18,640,314	5·7	...	...	26,878,741	8·3	*13,036	...	278,198,785	86·0	323,730,876	36,788,141	11·3	26,582,335	8·2	40,416,016	12·5	188,270,025	58·6	31,674,359	9·8

* Includes notes in circulation in the Isle of Man.

a Includes balances with, and cheques in course of collection on, other banks in the United Kingdom. *b* Includes investments in affiliations.

WILLIAMS DEACON'S BANK, LIMITED.

ESTABLISHED 1836.—Member of London Clearing.

1874—Absorbed Heywood Brothers and Co., Manchester.
1878—Absorbed Hardcastle, Cross, and Co., Bolton.
1881—Absorbed Clement Royds and Co., Rochdale.
1890—Manchester and Salford Bank amalgamated with Williams, Deacon and Co. New title—Williams Deacon and Manchester and Salford Bank, Limited.
1901—Title changed to Williams Deacon's Bank, Limited.
1907—Sheffield and Rotherham Joint Stock Banking Co., Limited, absorbed.

CAPITAL Subscribed.	Paid-up.	Callable.	Reserved.	Market Value, April 30, 1929.
£	£	£	£	£
8,125,000	1,875,000	1,562,500	4,687,500	4,648,400
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
A £5	A £1	A £1	A £3	£2⅜
B £1	B £1	B *nil*	B nil	£2½

* Free of income tax. † Equivalent to 15⅔% on the old shares.

PROFITS AND DIVIDENDS.

Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Dividends Rate.	Reserves, &c.	Carried Forward.
	£		£	%	£	£
1910	211,958	1·17	187,500	*15	20,000	26,059
1911	221,041	1·23	187,500	15	30,000	29,600
1912	231,542	1·20	187,500	15	40,000	33,642
1913	243,286	1·23	187,500	15	55,000	34,429
1914	221,480	1·06	181,250	14½	...	74,659
1915	238,048	1·06	175,000	14	125,000	12,708
1916	280,188	1·01	175,000	14	100,000	17,896
1917	297,916	0·79	175,000	14	120,000	20,811
1918	319,191	0·91	185,156	14¾	125,000	29,846
1919	399,481	0·95	234,375	12½†	175,000	19,932
1920	463,653	1·07	234,375	12½	225,000	24,230
1921	365,231	0·83	234,375	12½	125,000	30,086
1922	337,175	0·81	244,140	A 13⅛ B 12½	80,000	43,121
1923	327,247	0·80	253,906	A 13⅜ B 12½	80,000	36,462
1924	338,893	0·82	253,906	A 13⅜ B 12½	80,000	41,449
1925	344,859	0·90	253,906	A 13⅜ B 12½	90,000	42,402
1926	330,856	0·88	253,906	A 13⅜ B 12½	75,000	44,352
1927	310,585	0·83	253,905	A 13⅜ B 12½	75,000	26,031
1928	305,340	0·82	253,906	A 13⅜ B 12½	50,000	27,465

Year Ended Dec. 31.	Number of Branches.	LIABILITIES. Capital and Reserves.	%	Undivided Profits.	%	Acceptances, etc.	%	Rebate Account.	%	Deposit and Current Accounts.	%	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank, etc. (a)	%	Cash at Call and Short Notice.	%	Investments.	%	Discounts and Advances.	%	Buildings and Sundries, including Cover for Acceptances.	%
		£		£		£		£		£		£	£		£		£		£		£	
1890 ...	51	1,360,000	12·0	65,001	0·6	694,223	6·1	22,980	0·2	9,207,222	81·1	11,349,426	*1,141,072	10·1	...	...	1,887,625	16·6	7,388,873	65·1	931,858	8·2
1895 ...	67	1,460,000	10·8	77,534	0·6	592,232	4·4	18,773	0·1	11,394,379	84·1	13,542,918	1,813,402	13·4	2,621,059	19·3	1,539,552	11·4	6,718,848	49·6	850,057	6·3
1900 ...	75	1,575,000	10·9	103,506	0·7	340,595	2·4	23,651	0·2	12,542,046	84·8	14,384,798	1,973,991	13·7	1,326,145	9·3	2,221,945	15·4	8,198,157	57·0	664,562	4·6
1905 ...	82	1,650,000	12·1	86,417	0·6	317,058	2·3	23,524	0·2	11,531,776	84·8	13,608,775	1,753,429	12·9	1,743,468	12·9	2,319,042	17·0	7,094,840	52·1	697,996	5·1
1910 ...	106	2,000,000	11·1	120,994	0·7	737,494	4·1	30,712	0·2	15,156,575	83·9	18,045,775	2,316,092	12·8	1,698,536	9·4	2,679,715	14·9	10,178,793	56·4	1,172,639	6·5
1911 ...	108	1,950,000	10·9	125,036	0·7	797,728	4·4	31,006	0·2	15,055,199	83·8	17,958,969	2,421,606	13·5	1,794,084	10·0	2,628,961	14·6	9,865,923	50·9	1,248,395	7·0
1912 ...	110	1,950,000	10·1	129,651	0·7	850,847	4·4	32,207	0·2	16,393,582	84·6	19,356,287	2,471,941	12·8	2,583,875	13·4	2,584,027	13·4	10,415,907	53·7	1,300,537	6·7
1913 ...	115	1,900,000	9·6	129,537	0·7	549,556	2·8	32,470	0·2	17,188,009	86·7	19,799,572	3,043,372	15·4	2,418,332	12·2	2,464,867	12·5	10,873,818	54·8	1,000,183	5·1
1914 ...	118	1,900,000	9·1	163,988	0·8	407,503	2·0	32,029	0·2	18,349,552	87·9	20,853,072	2,949,932	14·1	3,314,042	15·9	3,360,104	16·1	10,361,708	49·8	867,286	4·1
1915 ...	114	1,900,000	8·4	102,299	0·5	623,665	2·8	31,944	0·1	19,855,853	88·2	22,513,761	3,356,432	14·9	1,347,270	6·0	7,090,885	31·4	9,623,982	42·9	1,095,192	4·8
1916 ...	115	1,900,000	6·8	107,002	0·4	1,327,834	4·8	68,803	0·2	24,419,301	87·8	27,822,940	5,921,012	21·5	1,928,508	6·9	6,780,830	24·4	11,387,723	40·7	1,804,867	6·5
1917 ...	115	2,000,000	6·2	110,091	0·3	1,443,159	4·5	50,948	0·2	28,443,616	89·1	32,047,814	6,193,199	19·2	2,541,770	7·9	6,130,644	19·1	15,280,962	47·9	1,901,589	5·9
1918 ...	120	2,100,000	6·0	129,320	0·3	941,029	2·7	56,768	0·2	31,778,651	90·8	35,007,768	5,641,141	16·1	5,909,730	16·9	6,586,806	18·8	15,493,117	44·3	1,376,774	3·9
1919 ...	138	2,775,000	6·6	138,997	0·3	2,150,023	5·1	46,391	0·1	37,001,415	87·9	42,111,826	5,690,600	15·8	2,779,453	6·6	7,904,150	18·8	22,116,238	52·6	2,621,385	6·2
1920 ...	151	2,875,000	6·6	143,588	0·3	1,539,193	3·5	...	...	38,870,845	89·6	43,428,624	7,420,349	17·1	3,585,269	8·3	7,034,199	16·2	23,266,806	53·5	2,122,001	4·9
1921 ...	162	2,975,000	6·7	149,343	0·3	1,243,847	2·8	...	...	39,917,598	90·2	44,285,788	7,222,552	16·3	4,930,831	11·1	5,746,798	13·0	24,495,282	55·3	1,890,325	4·3
1922 ...	170	3,025,000	7·3	172,498	0·4	751,121	1·8	...	...	37,626,708	90·5	41,575,327	6,964,704	16·7	2,934,895	7·1	7,353,780	17·7	22,910,683	55·1	1,411,265	3·4
1923 ...	170	3,075,000	7·5	165,490	0·4	3,104,070	7·6	...	...	34,372,244	84·5	40,716,804	6,297,354	15·5	3,220,481	7·9	6,310,770	15·5	21,083,867	51·8	3,804,332	9·3
1924 ...	184	3,125,000	7·6	170,748	0·4	2,970,574	7·2	...	...	34,836,370	84·8	41,102,792	6,034,050	14·7	3,514,495	8·5	5,631,107	13·7	22,108,176	53·8	3,814,964	9·3
1925 ...	188	3,175,000	8·2	171,417	0·4	2,359,453	6·1	...	...	32,787,663	85·2	38,493,532	5,543,461	14·4	2,985,794	7·8	4,745,249	12·3	22,008,402	57·2	3,210,626	8·3
1926 ...	192	3,225,000	8·6	173,488	0·5	1,800,918	4·8	...	...	32,438,363	86·1	37,637,769	5,481,713	14·6	2,957,233	7·9	5,049,670	13·4	21,425,732	56·9	2,723,421	7·2
1927 ...	197	3,225,000	8·6	155,188	0·4	1,393,259	3·7	...	...	32,662,567	87·3	37

YORKSHIRE PENNY BANK, LIMITED.

BALANCE-SHEET—DECEMBER 31, 1927.

LIABILITIES.	£
Share Capital—250,000 shares of £5 each, £3 paid, capital paid up	750,000
Reserve fund	750,000
Amount due to depositors and other accounts	27,768,843
Uncalled capital, £500,000.	
	29,268,843

ASSETS.	£
Cash in hand, at Bank of England, and at short notice	6,943,310
British Government Treasury Bills	500,000
British Government Bonds, &c., due 1928	2,694,576
British Government Treasury, National and Exchequer Bonds	11,170,905
British Government 5 per cent. Stock	1,995,379
British Government 4 per cent. Stock	768,253
Other securities	766,491
Loans on security and other accounts	3,893,439
Bank premises	536,490
	29,268,843

PRIVATE BANKS OF ENGLAND AND WALES.

B. W. BLYDENSTEIN AND CO., LONDON.

Year Ended Dec. 31.	LIABILITIES. Partners' Capital and Reserves.	Per Cent.	Miscellaneous.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank.	Per Cent.	Investments.	Per Cent.	Advances, Loans, Bills, &c.	Per Cent.	Premises, &c.	Per Cent.
	£		£		£		£	£		£		£		£	
1895	260,000	16·9	1,174,237	76·2	106,948	6·9	1,541,185	70,462	4·6	367,130	23·8	1,099,059	71·3	4,534	0·3
1900	500,000	21·3	530,695	22·7	1,313,832	56·0	2,344,527	111,084	4·8	851,898	36·3	1,377,420	58·8	4,125	0·1
1905	500,000	11·9	726,473	17·3	2,969,441	70·8	4,195,914	126,571	3·0	1,260,439	30·3	2,805,129	66·9	3,775	0·1
1910	566,000	7·9	763,699	10·7	5,836,767	81·4	7,166,466	129,904	1·8	1,202,478	16·8	5,820,902	81·2	13,182	0·2
1911	594,000	8·4	926,794	13·0	5,580,003	78·6	7,100,797	109,050	1·5	1,119,636	15·8	5,843,067	82·3	29,044	0·4
1912	623,000	9·3	1,044,932	15·4	5,032,348	75·3	6,760,280	227,844	3·4	792,996	11·7	5,706,810	84·4	32,630	0·5
1913	625,000	7·6	1,064,829	12·9	6,544,282	79·5	8,234,111	361,184	4·4	1,887,473	22·9	5,954,091	72·3	31,363	0·4
1914	625,000	8·3	438,543	5·8	6,446,690	85·9	7,510,233	267,678	3·6	1,287,729	17·1	5,924,685	78·9	30,141	0·4
1915	625,000	12·3	27,431	0·5	4,447,703	87·2	5,100,134	137,255	2·7	120,229	2·4	4,813,683	94·3	28,967	0·6
1916	625,000	8·3	61,907	0·8	6,815,307	90·9	7,502,214	78,817	1·1	...	...	*7,395,549	98·5	27,848	0·4
1917	625,000	7·9	60,296	0·8	7,216,015	91·3	7,901,311	69,931	0·9	...	...	*7,804,598	98·8	26,782	0·3
1918	625,000	6·2	63,909	0·6	9,439,590	93·2	10,128,499	1,861,597	18·4	882,142	8·7	*7,358,995	72·6	25,765	0·3
1919	625,000	5·6	118,994	1·0	10,378,973	93·4	11,122,967	57,082	0·5	1,217,981	10·9	*9,823,108	88·4	24,796	0·2
1920	625,000	4·7	194,719	1·5	12,442,235	93·8	13,261,954	94,674	0·7	167,548	1·3	*12,974,805	97·8	24,927	0·2
1921	625,000	4·6	155,302	1·1	12,810,760	94·3	13,591,062	90,461	0·7	362,598	2·7	*13,114,076	96·4	23,927	0·2
1922	625,000	4·7	65,104	0·5	12,525,787	94·8	13,215,891	122,380	0·9	2,348,370	17·8	*10,722,252	81·1	22,889	0·2
1923	625,000	4·7	106,926	0·8	12,607,170	94·5	13,339,096	171,057	1·3	234,185	1·8	*12,906,337	96·7	27,517	0·2
1924	625,000	4·6	105,554	0·8	12,954,867	94·6	13,686,421	102,913	0·7	2,829,170	20·7	*10,720,005	78·4	34,333	0·2
1925	625,000	4·6	118,776	0·9	12,899,571	94·5	13,643,347	89,638	0·7	1,415,610	10·4	*12,102,582	88·7	35,517	0·2
1926	625,000	4·6	126,311	0·9	12,986,426	94·5	13,737,737	115,707	0·8	1,067,425	7·8	*12,520,440	91·1	34,165	0·3
1927	625,000	4·7	103,680	0·8	12,525,450	94·5	13,254,130	186,997	1·4	2,755,149	20·8	*10,279,114	77·6	32,870	0·2
1928	700,000	5·1	92,387	0·7	12,872,105	94·2	13,664,492	200,049	1·5	1,869,054	13·7	*11,563,789	84·6	31,600	0·2

* Includes Treasury Bills.

HOARE (CHAS.) & CO.

Year Ended July.	LIABILITIES. Partners' Capital and Reserves.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash in Hand, at Bank, and at Call and Short Notice.	Per Cent.	British Government Securities.	Per Cent.	Other Securities and Investments.	Per Cent.	Discounts and Advances.	Per Cent.	Premises, &c.	Per Cent.
	£		£		£	£		£		£		£		£	
1895	435,805	13·7	2,750,221	86·3	3,186,026	552,801	17·4	282,000	8·8	751,610	23·7	1,499,615	47·0	100,000	3·1
1900	475,000	13·4	3,075,875	86·6	3,550,875	876,699	24·7	325,500	9·1	950,580	26·9	1,298,096	36·5	100,000	2·8
1905	485,000	15·6	2,618,050	84·4	3,103,050	941,432	30·3	276,000	8·9	744,863	24·1	1,040,755	33·5	100,000	3·2
1906	485,000	16 8	2,413,143	83·2	2,898,143	801,639	27·8	273,000	9·4	521,704	18·0	1,201,800	41·3	100,000	3·5
1907	485,000	14·6	2,838,602	85·4	3,323,602	1,044,874	31·4	276,450	8·3	518,082	15·5	1,384,196	41·8	100,000	3·0
1908	485,000	16·5	2,447,338	83·5	2,932,338	785,648	26·7	277,000	9·5	521,532	17·8	1,248,158	42·6	100,000	3·4
1909	485,000	15·2	2,710,611	84·8	3,195,611	1,058,315	33·1	288,000	9·1	659,968	20·6	1,089,328	34·1	100,000	3·1
1910	485,000	14·7	2,818,680	85·3	3,303,680	926,826	28·1	285,000	8·6	727,083	22·0	1,264,771	38·3	100,000	3·0
1914	485,000	15·0	2,752,753	85·0	3,237,753	988,704	30·5	*	...	719,513	22·1	1,429,536	44·3	100,000	3·1
1915	485,000	15·3	2,683,411	84·7	3,168,411	1,070,766	33·7	*	...	618,945	19·4	1,378,700	43·7	100,000	3·2
1916	485,000	17·1	2,348,755	82·9	2,833,755	842,805	29·7	*	...	844,142	29·8	1,046,808	37·0	100,000	3·5
1917	485,000	18·8	2,089,841	81·2	2,574,841	661,581	25·7	*	...	544,700	21·1	1,268,560	49·3	100,000	3·9
1918	485,000	15·3	2,688,628	84·7	3,173,628	571,587	18·0	*	...	1,533,053	48·3	968,988	30·5	100,000	3·2
1919	485,000	13·1	3,213,275	86·9	3,698,275	882,394	23·9	1,323,274	36·0	83,723	2·3	1,308,884	35·1	100,000	2·7
1920	485,000	10·3	4,221,675	89·7	4,706,675	1,051,158	22·3	2,173,685	46·1	179,471	3·8	1,202,361	25·7	100,000	2·1
1921	500,000	11·4	3,889,230	88·6	4,389,230	993,370	22·6	1,812,349	41·3	232,486	5·3	1,251,025	28·5	100,000	2·3
1922	500,000	11·7	3,791,627	88·3	4,291,627	1,029,307	24·0	1,701,669	39·6	185,964	4·3	1,274,687	29·8	100,000	2·3
1923	500,000	13·7	3,152,521	86·3	3,652,521	825,174	22·6	1,036,875	28·3	526,156	14·4	1,160,316	32·0	100,000	2·7
1924	500,000	14·0	3,066,343	86·0	3,566,343	867,916	24·3	928,750	26·1	480,935	13·5	1,188,742	33·3	100,000	2·8
1925	500,000	13·3	3,267,513	86·7	3,767,513	1,029,176	27·3	1,150,625	30·5	586,459	15·6	901,253	23·9	100,000	2·7
1926	500,000	13·4	3,236,729	86·6	3,736,729	1,163,360	31·1	1,166,500	31·2	362,381	9·7	944,488	25·3	100,000	2·7
1927	500,000	14·1	3,051,358	85·9	3,551,358	1,051,250	29·6	1,006,750	28·3	377,481	10·6	1,015,876	28·7	100,000	2·8
1928	500,000	13·9	3,093,254	86·1	3,593,254	1,097,214	30·5	1,166,936	32·5	64,442	1·8	1,164,662	32·4	100,000	2·8

* Not shown separately.

BAKER, DUNCOMBE, AND CO., LIMITED.

BALANCE SHEET—March 30, 1929.

LIABILITIES.	£
Capital—32,000 fully-paid "A" shares of £5 each	160,000
8,000 fully-paid "B" shares of £5 each	40,000
Reserve	50,000
Liability on deposits and loans and bills re-discounted (including rebate and sundry accounts)	7,731,264
	7,981,264

ASSETS.	£
Investments—4½ per cent., 5 per cent. and 5½ per cent. Treasury Bonds, and Indian Railway Debentures	883,300
Bills discounted (including re-discounts)	6,974,960
Sundry accounts	18,567
Assets to the value of £7,694,104 are held by bankers and others as cover for liabilities, per contra.	
Cash in hand and at bankers	104,437
	7,981,264

GRACE BROTHERS AND CO., LIMITED.

ESTABLISHED 1889. INCORPORATED 1899.

ISSUED CAPITAL.	£
Ordinary shares	750,000
Preference shares	250,000
Deferred shares	15,000

Dec. 31.	Number of Branches	LIABILITIES. Capital and Reserves.	Per Cent.	Acceptances.	Per Cent.	Deposit, Current, and Other Accounts.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash at Call, at Bankers, and in Hand.	Per Cent.	Foreign Bankers—Balances on Loan, Current, & Deposit Accounts.	Per Cent.	Investments, including Treasury Bills.	Per Cent.	Bills Receivable.	Per Cent.	Properties and Sundries, including Cover for Acceptances.	Per Cent.
		£		£		£		£	£		£		£		£		£	
1924	1	1,065,000	48·7	749,622	34·2	373,528	17·1	2,188,150	451,466	20·6	...	...	309,143	14·1	443,449	20·2	984,072	45·1
1925	1	1,065,000	43·9	696,387	29·7	665,368	27·4	2,426,755	387,061	15·9	33,388	1·4	341,457	14·1	394,672	16·3	1,270,177	52·3
1926	1	1,065,000	40·3	1,001,200	37·9	576,704	21·8	2,642,904	400,512	15·2	239,879	9·1	400,568	15·1	305,702	11·6	1,296,243	49·0
1927	1	1,065,000	36·5	1,061,578	36·3	794,044	27·2	2,920,622	349,393	12·0	354,462	12·1	322,046	11·0	283,028	9·7	1,611,693	55·2
1928	1	1,065,000	27·6	1,995,099	51·6	802,142	20·8	3,862,241	356,166	9·2	300,030	7·8	378,874	9·8	359,259	9·3	2,467,912	63·9

HIGGINSON & CO.

Merchant Bankers,

80 Lombard Street
LONDON, E.C. 3

Acceptance Credits.

Foreign Exchange.

Every description of Banking business transacted.

Special Facilities between United Kingdom and U.S.A.

Proposals entertained for financing Governments, Municipalities, and Established Industrial Companies.

CORRESPONDENTS OF

LEE, HIGGINSON & CO.,

Bankers,

BOSTON, NEW YORK
CHICAGO, U.S.A.

BANCA COMMERCIALE ITALIANA

Established in 1894. Head Office: MILAN. Capital: 700 million Lire. Reserves 560 millions.

Branches in every centre of commercial and industrial importance in Italy, and in most of the best known tourist resorts; also in London, New York, Constantinople and Smyrna.

Affiliated and Auxiliary Institutions in France (Paris and Riviera), Switzerland, Czecho-Slovakia, Poland, Austria, Hungary, Bulgaria, Roumania, Greece, Egypt, Morocco, Brazil, Argentina, Chile, Uruguay, Peru, Colombia, Ecuador, etc.

ALL OF WHOM TRANSACT BANKING BUSINESS IN ALL BRANCHES.

TRAVELLERS' CHEQUES ISSUED in Pounds Sterling, Dollars, Lire and Francs, payable in all parts of the world.

London Office:

32, Threadneedle St., E.C. 2

A. JOEL, Manager.

Correspondents to the Italian Treasury.

S. JAPHET AND CO., LIMITED.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	£	ASSETS.	£
Share capital issued—1,250,000 shares of £1 each, fully paid	1,250,000	Cash in hand and at bankers in United Kingdom	468,257
Reserve account	600,000	Cash at call and at short notice	2,202,970
Deposit, current, and other accounts	7,307,856	Treasury bills and other British Government securities	1,140,961
Acceptances for customers, per contra	7,306,372	Colonial, Foreign Government, and other securities	696,061
		Bills discounted	886,126
		Advances to customers, balances at bankers abroad, and other accounts	3,579,575
		Freehold premises	183,906
		Liability of customers for acceptances, per contra	7,306,372
	16,464,228		16,464,228

Note.—There are contingent liabilities in respect of bills rediscounted of £1,335,219 (of which £911,996 had run off by February 28, 1929), and guarantees on behalf of customers of £273,683.

LONDON DISCOUNT COMPANIES.

ALEXANDERS DISCOUNT COMPANY LIMITED.

(Formerly Alexanders and Company, Limited.)

ESTABLISHED 1810. REGISTERED 1891.

	CAPITAL. Subscribed.	Paid-up.	Callable.	Reserved.
	£	£	£	£
Ordinary	1,150,000	575,000	Nil.	575,000
Preference	200,000	200,000	Nil.	Nil.
	Per Share.	Per Share.	Per Share.	Per Share.
Ordinary	£10	£5	Nil.	£5
Preference	£10	£10	Nil.	Nil.

Price of Ordinary Shares, April 30, 1929 (now £2, with £1 paid), £3⅜; Market Value, £2,048,400.

PROFITS AND DIVIDENDS.

Year Ended Dec. 31.	Net Profits. £	Per Cent. of Resources.	Ordinary Dividends. Amount. £	Rate. %	Reserves, &c. £	Carried Forward. £
1913	66,925	0·54	40,000	10	20,000	12,050
1914	68,980	0·66	40,000	10	20,000	15,030
1915	47,990	0·46	40,000	10	...	17,020
1916	67,007	0·52	40,000	10	20,000	18,020
1917	89,002	0·60	48,000	*12	30,000	23,027
1918	89,992	0·54	52,000	†13	30,000	25,021
1919	75,860	0·41	60,000	13⅓	15,000	25,881
1920	115,941	0·56	74,250	*16½	35,000	26,571
1921	141,015	0·63	76,500	*17	55,000	30,087
1922	188,202	0·91	100,000	‡20	80,000	32,289
1923	136,208	0·62	100,000	‡20	30,000	32,496
1924	136,510	0·59	100,000	‡20	30,000	33,006
1925	106,113	0·45	100,000	‡20	...	33,119
1926	106,045	0·43	100,000	‡20	...	33,165
1927	109,051	0·41	100,000	‡20	...	36,216
1928	138,773	0·47	127,000	‡20	...	47,989

* Bonus 2 per cent., free of tax. † Bonus 1 per cent., free of tax.
‡ Bonus 5 per cent., free of tax.

Year Ended Dec. 31.	LIABILITIES. Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Loans, Deposits, and Other Accounts.	Per Cent.	Bills Re-discounted.	Per Cent.	Rebate, &c.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash at Bankers.	Per Cent.	Investments.	Per Cent.	Bills Discounted.	Per Cent.	Loans and Sundry Accounts.	Per Cent.
	£		£		£		£		£		£	£		£		£		£	
1911	570,000	4·9	33,793	0·3	9,311,741	80·5	1,587,997	13·7	70,307	0·6	11,573,838	277,765	2·4	1,024,777	8·8	9,878,739	85·4	392,557	3·4
1912	580,000	4·8	34,126	0·3	9,731,880	80·3	1,685,154	13·9	81,392	0·7	12,112,552	284,685	2·4	1,083,006	8·9	10,416,363	86·0	328,498	2·7
1913	600,000	4·9	35,050	0·3	10,134,947	82·0	1,497,231	12·1	86,334	0·7	12,353,562	293,726	2·4	944,221	7·7	10,798,650	87·3	316,965	2·6
1914	620,000	5·9	38,030	0·4	9,427,422	90·3	281,748	2·7	76,935	0·7	10,444,135	350,144	3·4	1,341,713	12·8	8,684,172	83·1	68,106	0·7
1915	620,000	5·9	40,021	0·4	9,439,747	90·3	272,535	2·6	86,555	0·8	10,458,858	367,437	3·5	1,141,307	10·9	8,885,693	85·0	64,421	0·6
1916	640,000	5·0	41,027	0·3	10,978,632	84·9	1,145,851	8·9	118,000	0·9	12,923,510	389,560	3·0	1,673,906	12·9	10,856,120	84·1	3,924	...
1917	670,000	4·5	54,029	0·4	12,668,671	85·2	1,348,701	9·0	128,270	0·9	14,869,671	409,895	2·7	1,790,859	12·0	12,616,556	84·9	52,361	0·4
1918	700,000	4·2	56,021	0·3	13,826,917	83·2	1,912,260	11·5	124,205	0·8	16,619,403	420,496	2·5	2,235,363	13·4	13,798,181	83·1	165,363	1·0
1919	715,000	3·9	56,881	0·3	15,991,169	87·8	1,327,012	7·3	130,015	0·7	18,220,077	423,057	2·3	1,347,582	7·4	16,346,470	89·7	102,968	0·6
1920	820,000	4·0	72,321	0·4	17,196,230	83·7	2,255,865	11·0	175,881	0·9	20,520,297	448,111	2·2	1,818,289	8·8	18,063,470	88·1	190,427	0·9
1921	870,000	3·9	75,837	0·3	18,931,993	83·7	2,523,491	11·2	195,176	0·9	22,596,497	477,954	2·1	2,511,776	11·1	18,955,449	83·9	651,318	2·9
1922	1,000,000	4·8	97,788	0·5	17,756,879	85·6	1,692,619	8·2	191,990	0·9	20,739,276	471,141	2·3	2,553,308	12·4	17,412,608	83·8	302,219	1·5
1923	1,030,000	4·7	97,997	0·4	18,393,625	83·3	2,368,861	10·7	193,617	0·9	22,084,100	492,591	2·2	3,063,586	13·8	17,733,836	80·4	794,087	3·6
1924	1,060,000	4·6	98,506	0·4	17,862,592	76·7	4,076,038	17·5	196,076	0·8	23,293,212	504,450	2·2	2,900,383	12·4	19,473,923	83·6	414,456	1·8
1925	1,060,000	4·5	98,619	0·4	17,525,655	74·0	4,812,533	20·3	200,044	0·8	23,696,851	502,364	2·1	2,726,828	11·5	20,169,517	85·1	298,142	1·3
1926	1,060,000	4·3	98,665	0·4	17,344,837	71·1	5,709,378	23·4	197,063	0·8	24,409,943	505,411	2·1	2,544,915	10·4	21,021,784	86·1	337,833	1·4
1927	1,350,000	5·1	101,716	0·4	19,109,251	72·0	5,756,939	21·7	210,372	0·8	26,528,278	506,639	1·9	3,335,269	12·6	21,995,533	82·9	690,837	2·6
1928	1,350,000	4·5	125,864	0·4	21,374,593	71·9	6,666,883	22·4	236,108	0·8	29,753,448	569,687	1·9	5,107,044	17·2	23,827,160	80·1	249,557	0·8

NATIONAL DISCOUNT COMPANY, LIMITED.

ESTABLISHED 1856.

CAPITAL. Subscribed.	Paid-up.	Callable.	Reserved.	Market Value, April 30, 1929.
£	£	£	£	£
2,153,335	1,000,000	1,153,335	Nil.	3,042,700
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
A £2 10s.	£2 10s.	Nil.	Nil.	£4 1⅛
B £7 10s.	£2 10s.	£5	Nil.	£9¾

PROFITS AND DIVIDENDS.

Year Ended Dec. 31.	Net Profits. £	Per Cent. of Resources.	Dividends. Amount. £	Rate. %	Reserves, &c. £	Carried Forward. £
1913	104,787	0·45	84,666	*10	20,000	21,685
1914	86,517	0·52	82,109	10½	...	26,093
1915	80,072	0·47	73,378	10	...	32,787
1916	66,681	0·26	65,617	10	...	33,852
1917	81,733	0·25	69,850	11	...	45,735
1918	120,906	0·43	69,321	11½	50,000	47,320
1919	135,050	0·40	71,120	12	64,000	47,250
1920	123,005	0·35	82,973	14	10,000	77,282
1921	165,305	0·42	94,826	16	10,000	137,760
1922	190,682	0·47	100,330	16	15,000	213,112
1923	108,225	0·26	107,526	A 10 / B 23	...	213,810
1924	159,545	0·30	108,267	A 10 / B 23	50,000	215,088
1925	147,588	0·29	139,060	A 10 / B 23	...	223,615
1926	153,081	0·27	139,973	A 10 / B 23	...	226,723
1927	178,007	0·32	139,973	A 10 / B 23	60,000	204,757
1928	175,860	0·39	139,973	A 10 / B 23	25,000	215,644

* Free of tax.

Continued on page 32.

THE LONDON & LANCASHIRE INSURANCE Co LTD

Security - £13,606,358.

Chief Administration: 7, CHANCERY LANE, W.C.2.

GOVERNOR: F. W. PASCOE RUTTER.

ToEMPLOYERS

A word about

Group Insurance

GROUP Insurance will give your employees insurance at wholesale rates.

For about 1 per cent. of the annual wages bill, all your employees can be insured for a full year's salary and other benefits. This takes the place of charitable disbursements or gratuities to widows and other dependants, and makes your liability constant and readily determined.

The proved effect of Group Insurance has been to establish a new bond between an employer and his workers. It is a generous response to modern demands, and a copy of the new booklet showing the direct use of Group Insurance to every large employer will be posted on request.

The PRUDENTIAL ASSURANCE COMPANY LTD.
HOLBORN BARS, E.C.1.

P.P.1113.

REFUGE
ASSURANCE CO. LTD.

ESTABLISHED 1864

Chief Office:
OXFORD STREET
MANCHESTER

ANNUAL INCOME EXCEEDS
£10,300,000

ASSETS EXCEED
£42,000,000

CLAIMS PAID EXCEED
£56,000,000

NATIONAL DISCOUNT COMPANY, LIMITED—*Continued from page 30.*

Year Ended Dec. 31.	LIABILITIES. Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Deposits and Sundry Balances.	Per Cent.	Bills Re-discounted.	Per Cent.	Rebate.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash at Bankers.	Per Cent.	Securities.	Per Cent.	Loans at Call, Short and Fixed Dates.	Per Cent.	Bills Discounted.	Per Cent.	Buildings and Sundries.	Per Cent.
	£		£		£		£		£		£	£		£		£		£		£	
1900	1,306,665	10·0	52,161	0·4	*8,757,155	67·6	2,833,197	22·0	...	...	12,949,178	†1,829,994	14·1	...	...	1,725,544	13·4	9,262,729	71·5	130,910	1·0
1905	1,246,665	8·3	54,109	0·4	*10,420,018	69·5	3,263,484	21·8	...	...	14,984,276	171,500	1·1	1,831,387	12·2	2,369,945	15·8	10,448,539	69·8	162,903	1·1
1910	1,296,665	6·9	62,229	0·3	14,312,200	75·9	3,051,121	16·2	129,033	0·7	18,851,248	311,670	1·6	2,631,868	14·0	1,524,683	8·1	14,178,757	75·2	204,269	1·1
1913	1,351,665	5·9	64,018	0·3	15,757,480	68·5	5,656,538	24·5	178,274	0·8	23,007,975	503,251	2·2	1,851,125	8·0	669,501	2·9	19,785,395	86·0	198,703	0·9
1914	1,351,665	8·0	64,546	0·4	13,010,539	77·0	2,285,466	13·5	186,603	1·1	16,898,819	427,865	2·5	1,851,902	11·0	761,450	4·5	13,690,459	81·1	167,143	0·9
1915	1,351,665	7·9	68,241	0·4	11,667,210	68·7	3,705,487	21·6	238,697	1·4	17,031,300	464,144	2·7	1,375,907	8·1	328,608	1·9	14,702,812	86·4	159,829	0·9
1916	1,296,665	5·0	65,602	0·3	16,784,316	64·9	7,361,649	28·6	320,906	1·2	25,829,738	490,045	1·9	1,038,146	4·0	1,960,165	7·6	22,104,645	85·6	236,737	0·9
1917	1,296,665	4·0	83,835	0·3	21,141,491	65·0	9,597,240	29·5	404,499	1·2	32,523,730	653,424	2·0	1,153,225	3·5	2,393,287	7·4	28,000,608	86·1	323,186	1·0
1918	1,346,665	4·8	82,880	0·3	17,973,136	63·9	8,388,687	29·8	323,783	1·2	28,115,151	515,646	1·8	2,368,987	8·4	1,445,295	5·2	23,491,363	83·6	292,860	1·0
1919	1,346,665	4·0	82,810	0·2	22,753,164	67·4	9,151,250	27·1	454,938	1·3	33,788,827	577,067	1·7	1,472,785	4·4	1,538,840	4·5	29,824,042	88·3	376,093	1·1
1920	1,346,665	3·8	124,695	0·4	21,231,476	60·0	12,174,743	34·4	507,146	1·4	35,384,725	614,179	1·7	575,855	1·6	1,682,161	4·8	32,406,636	91·6	105,895	0·3
1921	1,346,665	3·4	197,027	0·5	22,412,026	57·2	14,703,190	37·5	547,243	1·4	39,206,151	530,082	1·3	1,890,717	4·8	2,223,457	5·6	34,125,925	87·2	435,970	1·1
1922	1,346,665	3·3	276,612	0·7	21,852,475	53·4	16,911,235	41·4	491,332	1·2	40,878,319	644,119	1·6	3,138,439	7·7	1,465,118	3·6	35,497,409	86·8	133,234	0·3
1923	1,346,665	3·2	276,146	0·7	23,333,716	55·3	16,673,991	39·5	546,147	1·3	42,176,665	667,985	1·6	2,138,452	5·1	1,886,469	4·5	37,363,756	88·5	120,003	0·3
1924	1,396,665	2·6	277,424	0·5	26,826,096	49·7	24,785,957	46·0	624,073	1·2	53,910,215	661,308	1·2	1,728,854	3·2	2,860,633	5·3	48,543,666	90·1	115,754	0·2
1925	1,800,000	3·5	305,136	0·6	28,681,949	55·4	20,339,298	39·3	611,302	1·2	51,737,685	624,527	1·2	1,912,008	3·7	4,234,528	8·2	44,848,452	86·7	118,170	0·2
1926	1,800,000	3·1	308,243	0·5	29,135,562	50·7	25,706,910	44·7	579,479	1·0	57,530,294	702,662	1·2	2,277,647	4·0	2,033,556	3·5	52,393,603	91·1	122,826	0·2
1927	1,850,000	3·3	286,277	0·5	29,208,384	52·0	24,201,139	43·1	597,965	1·1	56,143,765	595,713	1·1	2,847,684	5·1	2,213,187	3·9	50,357,207	89·7	129,974	0·2
1928	1,865,000	4·1	297,164	0·7	25,182,037	55·5	17,526,606	38·6	521,966	1·1	45,392,773	602,311	1·3	3,205,021	7·1	1,225,388	2·7	40,239,735	88·6	120,318	0·3

* Includes rebate. † Includes investments.

UNION DISCOUNT COMPANY OF LONDON, LIMITED.

ESTABLISHED 1885.

CAPITAL Authorised and Subscribed.	Paid-up.	Callable.	Reserved.	Market Value.
£	£	£	£	£
2,250,000	1,125,000	1,125,000	Nil	3,937,500
Per Share.	Per Share.	Per Share.		Per Share.
£5	£2 10s.	£2 10s.	...	£8¾

PROFITS AND DIVIDENDS.

Year Ended Dec. 31.	Net Profit.	Per Cent. of Resources.	Dividend—Amount.	Dividend—Rate.	Allocations to Reserves, &c.	Carried Forward.
	£		£	%	£	£
1913	143,350	0·45	93,750	13	35,000	98,915
1914	123,975	0·58	100,961	13	...	121,929
1915	147,259	0·61	95,767	13	80,000	93,421
1916	118,251	0·45	94,138	14*	10,000	107,534
1917	125,390	0·45	91,375	14*	25,000	116,549
1918	116,779	0·34	87,231	14*	25,000	121,096
1919	155,579	0·39	100,650	14*	50,000	126,025
1920	197,019	0·42	118,000	16†	50,000	155,044
1921	245,606	0·50	135,000	18††	115,000	149,651
1922	316,070	0·72	160,625	20**	138,596	166,499
1923	248,993	0·51	165,312	20**	60,000	190,180
1924	253,753	0·47	172,487	20**	70,000	201,486
1925	221,275	0·41	190,195	20**	...	232,566
1926	220,240	0·40	191,250	20**	10,000	251,556
1927	232,915	0·39	191,250	20**	70,000	223,221
1928	245,365	0·36	196,980	15**	30,000	241,607

* Bonus of 1 per cent., free of tax. † Bonus of 2 per cent., free of tax.
** Bonus of 5 per cent., free of tax. †† Bonus of 3 per cent., free of tax.

Year Ended Dec. 31.	LIABILITIES. Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Loans and Deposits.	Per Cent.	Bills Rediscounted.	Per Cent.	Rebate.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash at Bankers.	Per Cent.	Securities.	Per Cent.	Loans at Call and Short Date, and Other Accounts.	Per Cent.	Bills Discounted, &c.	Per Cent.	Buildings and Sundries.	Per Cent.
	£		£		£		£		£		£	£		£		£		£		£	
1900 ..	1,144,600	5·7	82,446	0·4	*12,605,208	62·2	6,414,149	31·7	...	...	20,246,403	417,241	2·0	2,084,728	10·3	1,941,523	9·6	15,692,206	77·5	110,705	0·6
1905 ..	1,211,619	5·5	105,020	0·5	*14,957,518	67·5	5,865,486	26·5	...	...	22,139,643	480,289	2·2	2,798,292	12·7	2,926,802	13·2	15,826,984	71·4	107,276	0·5
1910 ..	1,421,928	5·7	126,617	0·5	*17,163,143	68·5	6,321,697	25·3	...	...	25,033,385	829,556	3·3	3,449,238	13·8	1,782,289	7·1	18,854,427	75·3	117,875	0·5
1913 ..	1,549,147	4·9	152,665	0·5	20,662,330	65·6	8,966,329	28·3	229,830	0·7	31,560,301	886,339	2·8	2,213,542	7·0	954,500	3·0	27,363,391	86·7	142,529	0·5
1914 ..	1,758,968	8·2	172,574	0·8	16,223,359	75·4	3,113,506	14·6	209,979	1·0	21,478,386	918,652	4·3	2,786,718	13·0	980,741	4·6	16,634,946	77·4	157,329	0·7
1915 ..	1,763,976	7·3	139,693	0·6	17,836,515	73·7	4,155,122	17·2	280,937	1·2	24,176,243	965,685	4·0	2,184,397	9·0	576,082	2·4	20,286,413	83·9	163,666	0·7
1916 ..	1,769,150	6·7	157,471	0·6	19,261,601	73·3	4,765,204	18·1	335,380	1·3	26,288,806	1,040,703	4·0	1,975,879	7·5	807,554	3·1	22,302,551	84·8	162,119	0·6
1917 ..	1,799,508	6·0	166,486	0·6	23,343,383	77·5	4,450,769	14·8	326,822	1·1	30,086,968	1,043,251	3·5	2,655,404	8·8	363,730	1·2	25,868,582	86·0	156,001	0·5
1918 ..	1,830,303	5·3	168,271	0·5	27,577,516	79·6	4,823,455	13·9	243,918	0·7	34,643,463	1,065,677	3·1	4,249,108	12·3	2,491,569	7·2	26,657,036	76·9	180,073	0·5
1919 ..	2,132,138	5·3	185,025	0·5	30,792,022	76·5	6,723,646	16·8	345,150	0·9	40,177,981	1,173,981	2·9	3,796,422	9·4	1,307,943	3·2	33,689,891	84·0	209,744	0·5
1920 ..	2,138,666	4·5	224,044	0·5	36,669,304	67·3	12,661,765	26·8	424,480	0·9	47,118,259	1,259,557	2·7	3,019,944	6·4	1,558,415	3·3	41,079,453	87·2	200,890	0·4
1921 ..	2,254,609	4·6	235,651	0·5	33,417,986	67·8	12,660,346	25·8	643,535	1·3	49,212,127	1,256,490	2·6	4,517,666	9·2	2,339,478	4·8	40,882,932	83·0	215,561	0·4
1922 ..	2,377,005	5·4	272,749	0·6	34,139,416	77·7	6,795,272	15·4	393,404	0·9	43,977,846	1,274,375	2·9	4,819,974	11·0	230,940	0·5	37,484,422	85·2	168,136	0·4
1923 ..	2,437,689	5·0	298,305	0·6	36,345,007	75·2	5,694,704	18·0	564,761	1·2	48,340,466	1,293,887	2·7	5,088,622	10·5	569,859	1·2	41,208,472	85·2	179,626	0·4
1924 ..	2,798,732	5·1	315,848	0·6	40,100,868	73·3	11,053,918	20·2	423,485	0·8	54,692,851	1,320,683	2·4	5,724,642	10·5	474,524	0·9	47,023,680	85·9	149,322	0·3
1925 ..	2,800,111	5·2	356,316	0·7	40,794,107	76·3	8,840,656	16·5	688,583	1·3	53,479,773	1,303,690	2·4	5,868,991	11·0	695,564	1·3	45,464,614	85·0	146,914	0·3
1926 ..	2,803,673	5·0	375,306	0·7	41,455,141	74·4	10,467,234	18·8	608,861	1·1	55,710,215	1,311,175	2·4	6,985,282	12·5	124,716	0·2	47,088,122	84·5	200,920	0·4
1927 ..	2,650,000	4·5	346,971	0·6	44,801,420	75·8	10,554,812	17·8	786,228	1·3	59,139,431	1,328,062	2·2	7,494,791	12·7	1,175,192	2·0	48,908,891	82·7	232,495	0·4
1928 ..	3,000,000	4·6	371,086	0·6	45,875,810	70·0	15,634,655	23·9	585,005	0·9	65,466,556	1,339,129	2·0	8,963,231	13·8	123,231	0·2	54,842,540	83·7	198,425	0·3

* Includes rebate.

GILLETT BROTHERS DISCOUNT CO., LIMITED.

BALANCE-SHEET—JANUARY 31, 1928.

LIABILITIES.	£
Capital issued, fully paid—20,000 "A" shares of £5 each, £100,000; 10,000 "B" shares of £10 each, £100,000	200,000
Reserve fund	100,000
Deposits, loans, bills re-discounted, and sundry accounts, including rebate on bills and investments reserve fund	12,756,625
	13,056,625

ASSETS.	£
Cash at bankers and in hand	71,493
Investments—British Government securities (maturing 1929-1934), £1,302,300; Colonial Government securities (maturing 1929), £100,000	1,402,300
Bills discounted (including re-discounts)	11,195,892
Loans on security and sundry accounts	386,940
Note.—Assets of the face value of £12,807,300 are held by depositors and others as cover for liabilities per contra.	
	13,056,625

ESTABLISHED 1809.

NORTH BRITISH & MERCANTILE

INSURANCE COMPANY, LTD.

FIRE LIFE

BURGLARY - ACCIDENT - ANNUITIES - MARINE

TOTAL FUNDS EXCEED - - - - £35,690,800

TOTAL INCOME EXCEEDS - - - £10,462,000

Chief Offices:

LONDON: 61, Threadneedle St., E.C. 2. EDINBURGH: 64, Princes St.

SCOTTISH AMICABLE

LIFE ASSURANCE SOCIETY

Founded 1826.

President:
The Right Hon. LORD STAMFORDHAM, P.C., G.C.B., G.C.I.E., G.C.V.O.

AN OLD MUTUAL OFFICE WITH

A GREAT BONUS RECORD

At the latest Division of Profits on 31st December, 1925, the Bonus Additions to ordinary participating Policies ranged from

£2 to £5 13s. per cent. per annum on the original sums assured.

Interim Bonus increased from 1st January, 1929 to £2 2s. % compound.

EXCEPTIONALLY LOW RATES FOR "NON-PROFIT" ASSURANCES.

Head Office:
35, ST. VINCENT PLACE, GLASGOW.
London Office:
17, TOKENHOUSE YARD, E.C.2.

SECURITY FIRST

ROYAL INSURANCE COMPANY LIMITED

TOTAL FUNDS - - £37,606,170

ALL CLASSES OF INSURANCE EFFECTED.

HEAD OFFICES:
LIVERPOOL: NORTH JOHN ST.
LONDON: LOMBARD ST.

JOINT STOCK BANKS OF SCOTLAND.

BANK OF SCOTLAND.

ESTABLISHED 1695.

1868—Acquired the business of the Central Bank of Scotland. | 1907—Absorbed Caledonian Banking Co., Limited.

CAPITAL				
Subscribed.	Paid-up	Callable.	Reserved.	
£	£	£	£	
2,250,000	1,500,000	750,000	Nil.	
Stock.	Stock.	Stock.	Stock.	
£150	£100	£50	Nil.	

Authorised note issue, £396,852.

Year Ended Feb. 28.	Net Profits	PROFITS AND DIVIDENDS. Per Cent. of Resources	Dividends Amount.	Dividends Rate.	Reserves, Investments, &c.	Carried Forward.
	£		£	%	£	£
1910	288,160	1·28	231,875	*17½	55,000	13,547
1912	306,145	1·16	251,750	*19	55,000	12,646
1914	320,825	1·20	265,000	*20	55,000	12,030
1915	294,099	1·04	219,707	18	75,000	11,422
1916	267,255	0·97	181,613	16	85,000	12,064
1917	258,369	0·78	161,208	16	85,000	24,224
1918	285,508	0·82	159,000	16	115,000	35,732
1919	312,327	0·79	149,447	16	145,000	53,612
1920	319,722	0·71	148,400	16	170,000	54,934
1921	309,603	0·68	148,400	16	140,000	76,137
1922	320,242	0·71	148,400	16	175,000	72,978
1923	345,178	0·83	157,955	16	175,000	85,202
1924	355,727	0·88	163,779	16	175,000	102,149
1925	365,975	0·94	164,300	16	175,000	128,824
1926	368,164	0·97	171,641	16	175,000	150,347
1927	370,119	0·93	192,000	16	175,000	153,466
1928	372,335	0·95	204,000	17	155,000	166,801
1929	374,283	0·95	216,000	18	155,000	170,084

* Free of income-tax.

Year Ended Feb. 28.	Number of Branches.	LIABILITIES. Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Notes.	Per Cent.	Acceptances.	Per Cent.	Miscellaneous Credits, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank.	Per Cent.	Investments and Money at Call.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries, including Cover for Acceptances.	Per Cent.
		£		£		£		£		£		£		£	£		£		£		£	
1891	113	2,050,000	10·3	102,154	0·5	937,165	4·7	1,131,560	5·8	223,713	1·1	15,516,050	77·6	19,960,642	1,312,095	6·6	7,690,983	38·5	9,433,789	47·2	1,523,775	7·7
1896	117	2,050,000	10·8	108,563	0·6	1,012,494	5·3	1,147,030	6·1	186,729	1·0	14,415,554	76·2	18,920,370	1,431,051	7·6	5,784,622	30·5	9,957,622	52·7	1,747,075	9·2
1901	124	2,025,000	9·9	86,116	0·4	1,073,920	5·2	1,213,022	5·9	201,198	1·0	15,887,972	77·6	20,487,228	1,610,824	7·9	7,877,159	38·5	9,167,175	44·6	1,832,070	9·0
1906	130	2,250,000	11·0	106,784	0·5	1,067,088	5·2	1,509,691	7·4	423,287	2·1	15,097,363	73·8	20,454,213	1,535,556	7·5	7,191,180	35·2	9,599,374	46·9	2,128,103	10·4
1911	164	2,575,000	10·9	132,501	0·6	1,172,060	5·0	1,676,828	7·1	314,625	1·3	17,648,362	75·1	23,519,376	1,773,740	7·5	8,096,915	34·5	11,283,951	48·0	2,364,770	10·0
1912	165	2,625,000	10·0	145,146	0·6	1,180,669	4·5	2,849,495	10·8	221,834	0·8	19,249,180	73·3	26,271,324	1,763,256	6·7	9,109,529	34·7	11,864,891	45·2	3,533,648	13·4
1913	165	2,675,000	9·8	143,704	0·5	1,296,789	4·7	2,742,799	10·1	311,984	1·1	20,172,278	73·8	27,342,554	1,876,099	6·9	9,800,440	36·0	12,243,448	44·6	3,422,567	12·5
1914	165	2,725,000	10·2	144,530	0·5	1,238,666	4·6	2,609,030	9·8	420,989	1·6	19,639,635	73·3	26,777,850	1,808,776	6·8	9,643,567	36·0	12,028,203	44·9	3,297,304	12·3
1915	165	2,525,000	8·9	106,910	0·4	1,556,979	5·5	2,522,997	8·9	566,184	2·0	21,103,759	74·3	28,381,829	2,165,207	7·6	11,694,313	41·3	11,309,582	39·7	3,212,727	11·4
1916	165	2,375,000	8·7	100,043	0·4	2,119,702	7·7	1,052,042	3·8	284,764	1·0	21,552,004	78·4	27,483,555	3,217,393	11·7	12,547,245	45·6	9,981,646	36·4	1,737,271	6·3
1917	165	2,075,000	6·3	103,724	0·3	2,492,623	7·5	1,184,764	3·6	248,407	0·7	26,912,606	81·6	33,017,124	3,821,053	11·6	13,907,055	42·1	13,424,172	40·7	1,864,844	5·6
1918	165	2,075,000	6·0	115,232	0·3	3,074,872	8·8	996,398	2·8	234,943	0·7	28,456,735	81·4	34,953,180	4,582,375	13·1	15,450,213	44·3	13,254,548	37·9	1,666,044	4·7
1919	166	1,875,000	4·8	127,812	0·3	4,022,757	10·1	676,162	1·8	292,626	0·8	32,275,869	82·2	39,270,226	5,863,229	15·0	19,681,684	50·2	12,387,339	31·6	1,337,974	3·2
1920	167	1,875,000	4·1	129,134	0·3	4,228,825	9·3	673,307	1·5	1,446,699	3·2	36,943,953	81·6	45,296,918	6,565,604	14·5	19,345,243	42·6	18,064,236	40·0	1,321,835	2·9
1921	167	1,875,000	4·1	150,337	0·3	4,328,175	9·6	841,751	1·9	415,979	0·9	37,687,358	83·2	45,298,600	6,574,003	14·5	16,882,834	37·4	20,362,823	44·9	1,478,940	3·2
1922	170	2,000,000	4·4	147,178	0·3	3,575,429	7·9	276,426	0·6	698,000	1·5	38,624,814	85·3	45,321,847	5,970,654	13·2	20,711,141	45·7	17,762,485	39·2	877,567	1·9
1923	175	2,125,000	5·1	164,702	0·4	3,338,804	8·0	653,019	1·6	563,193	1·4	34,695,037	83·5	41,539,755	6,174,005	14·8	19,818,780	47·8	14,296,690	34·3	1,250,280	3·0
1924	180	2,250,000	5·6	184,299	0·5	3,305,833	8·2	460,598	1·1	642,668	1·6	33,232,600	83·0	40,075,998	5,700,699	14·2	19,998,407	49·9	13,338,642	33·3	1,038,250	2·6
1925	183	2,375,000	6·1	210,974	0·5	3,231,858	8·3	635,396	1·6	946,830	2·4	31,429,270	81·1	38,829,328	5,752,535	14·8	15,604,177	40·2	16,277,070	41·9	1,195,546	3·1
1926	186	3,007,500	8·0	237,709	0·6	3,046,114	8·1	768,123	2·0	843,818	2·2	29,903,512	79·1	37,806,776	5,378,899	14·2	14,596,936	38·6	16,526,920	43·8	1,304,021	3·4
1927	187	3,132,500	7·9	249,466	0·6	3,015,709	7·6	1,045,003	2·6	269,877	0·7	31,936,520	80·6	39,649,075	5,710,749	14·4	14,480,219	36·5	17,890,869	45·1	1,567,238	4·0
1928	187	3,257,500	8·3	274,801	0·7	2,874,100	7·4	864,579	2·2	784,256	2·0	30,984,420	79·4	39,039,656	5,414,397	13·9	15,876,227	40·6	16,387,454	42·0	1,361,578	3·5
1929	188	3,382,500	8·5	278,084	0·7	2,776,147	7·0	834,124	2·1	266,951	0·7	32,068,386	81·0	39,606,192	4,896,234	12·4	13,372,478	33·8	20,043,356	50·5	1,294,124	3·3

THE BRITISH LINEN BANK.

ESTABLISHED 1746. 1919—AFFILIATED WITH BARCLAYS BANK, LIMITED.

CAPITAL				Market
Subscribed.	Paid-up.	Callable.	Reserved.	Value.
£	£	£	£	£
1,250,000	1,250,000	Nil	Nil	4,218,750

Fully-paid stock, April 30, 1929, price £337½.

Note issue, £438,024.

Year Ended Jan. 15	Net Profits.	PROFITS AND DIVIDENDS. Per Cent. of Resources.	Dividends Amount.	Dividends Rate.	Reserves, Investments, &c.	Carried Forward.
	£		£	%	£	£
1911 ...	276,798	1·67	250,000	20	32,889	32,063
1912 ...	269,305	1·62	250,000	20	3,797	47,570
1913 ...	267,916	1·51	237,500	19	40,442	37,545
1914 ...	257,679	1·46	225,000	18	40,981	29,242
1915 ...	266,318	1·34	207,506	18	25,227	62,827
1916 ...	280,585	1·33	172,980	16	140,922	29,509
1917 ...	266,047	1·07	154,466	16	85,712	55,378
1918 ...	296,234	1·02	150,000	16	120,000	81,612
1919 ...	297,873	0·89	142,233	16	170,000	67,252
1920 ...	307,215	0·85	140,000	16	186,086	48,382
1921 ...	340,428	0·89	140,000	16	220,352	28,457
1922 ...	285,646	0·73	140,000	16	120,000	54,104
1923 ...	294,340	0·84	147,767	16	150,000	50,676
1924 ...	309,665	0·94	153,884	16	150,000	56,457
1925 ...	317,812	0·90	155,000	16	150,000	69,270
1926 ...	320,234	0·94	158,883	16	175,000	55,621
1927 ...	317,750	0·93	160,000	16	170,000	43,371
1928 ...	321,361	0·94	160,000	16	150,000	54,732
1929 ...	330,040	0·94	160,000	16	150,000	74,772

Year Ended Jan. 15.	Number of Branches.	LIABILITIES. Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Notes.	Per Cent.	Acceptances and Parliamentary Deposits.	Per Cent.	Miscellaneous Credits, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash in Hand, at Bankers, and at Call or Notice.	Per Cent.	Investments.	Per Cent.	Discounts and Advances (including Short Loans).	Per Cent.	Buildings and Sundries, including Cover for Acceptance's	Per Cent.
		£		£		£		£		£		£		£	£		£		£		£	
1890*	117	1,825,000	12·5	89,097	0·6	753,274	5·2	86,723	0·6	206,666	1·4	11,609,223	79·7	14,569,983	2,345,363	16·1	3,464,034	23·8	8,331,596	57·1	428,990	3·0
1895*	118	2,650,000	16·2	153,967	1·0	838,662	5·0	268,351	1·7	143,806	0·9	12,268,720	75·2	16,323,506	2,504,181	15·3	4,489,458	27·5	8,582,077	53·3	647,790	3·9
1900*	125	2,950,000	16·2	142,723	0·8	918,670	5·1	598,742	3·3	160,586	0·9	13,415,885	73·7	18,186,586	2,809,669	15·4	3,963,401	21·8	10,327,187	56·8	1,086,329	6·0
1905*	138	3,050,000	18·2	170,561	1·0	840,105	5·0	562,434	3·4	203,186	1·2	11,917,009	71·2	16,743,295	1,873,179	11·2	4,037,149	24·1	9,238,241	55·2	1,594,726	9·5
1910	141	3,050,000	18·5	163,155	1·0	738,763	4·5	384,834	2·3	320,097	1·9	11,853,342	71·8	16,510,191	1,989,013	12·0	4,097,831	24·8	9,007,563	54·6	1,415,784	8·6
1911	145	3,050,000	18·3	157,063	1·0	737,170	4·4	339,096	2·0	221,007	1·3	12,118,184	73·0	16,622,520	1,743,056	10·5	3,910,618	23·5	9,603,441	57·8	1,365,405	8·2
1912	147	3,000,000	17·5	172,570	1·0	810,145	4·7	201,007	1·2	142,124	0·8	12,776,504	74·8	17,102,350	2,902,964	17·0	3,744,913	21·9	9,234,429	53·9	1,220,044	7·2
1913	147	2,900,000	16·4	150,045	0·8	792,017	4·5	113,450	0·6	222,395	1·3	13,495,696	76·4	17,673,603	3,360,140	19·0	4,195,109	23·6	9,008,880	51·1	1,109,474	6·3
1914	150	2,750,000	15·1	141,743	0·8	796,620	4·6	193,936	1·1	231,214	1·3	14,108,626	77·1	18,222,139	3,485,205	19·1	4,615,591	25·3	8,938,399	49·1	1,182,944	6·5
1915	153	2,600,000	13·1	164,655	0·8	1,048,215	5·3	661,350	3·3	488,163	2·5	14,929,671	75·0	19,892,054	3,773,140	19·0	5,123,449	25·8	9,349,312	47·1	1,646,153	8·1
1916	151	2,500,000	11·9	113,126	0·5	1,441,925	6·9	419,191	2·0	505,139	2·4	16,023,675	76·3	21,003,056	4,292,842	20·4	6,902,746	33·0	8,409,752	40·0	1,397,716	6·6
1917	150	2,450,000	9·9	130,378	0·5	1,889,913	7·6	866,401	3·5	293,089	1·2	19,257,797	77·3	24,887,578	5,887,066	23·6	7,017,585	28·3	10,147,641	40·7	1,835,286	7·4
1918	146	2,500,000	8·6	156,612	0·5	2,334,137	8·0	545,428	1·8	924,705	3·2	22,747,306	77·9	29,208,188	6,589,704	22·5	6,913,311	23·6	14,260,697	48·9	1,444,476	5·0
1919	146	2,600,000	7·7	137,252	0·4	3,182,911	9·5	391,180	1·2	876,032	2·6	26,425,026	78·6	33,612,401	6,608,777	19·7	9,578,353	28·5	16,202,493	48·2	1,222,778	3·6
1920	141	2,600,000	7·2	118,382	0·3	3,399,800	9·4	593,283	1·6	673,194	1·9	28,631,068	79·6	36,015,727	6,643,488	18·4	10,578,908	29·2	17,380,266	48·5	1,413,065	3·9
1921	141	2,600,000	6·8	98,457	0·3	3,622,276	9·4	605,759	1·6	1,343,294	3·5	30,187,012	78·4	38,456,798	8,819,159	23·0	10,141,320	26·3	18,008,593	46·8	1,487,726	3·9
1922	142	2,600,000	6·7	124,103	0·3	3,099,332	7·9	298,626	0·8	870,383	2·2	31,987,836	82·1	38,980,880	8,610,221	22·1	11,624,428	30·0	17,591,802	44·9	1,154,429	3·0
1923	149	2,700,000	7·7	125,676	0·4	2,890,140	8·2	208,001	0·6	341,979	1·0	28,849,249	82·1	35,115,045	6,732,003	19·2	16,996,386	48·4	10 421,575	29·7	965,081	2·7
1924	152	2,800,000	8·5	133,957	0·4	2,704,165	8·2	167,967	0·5	391,416	1·2	26,794,343	81·2	32,991,848	7,263,232	22·0	15,098,055	45·8	9,748,501	29·5	882,060	2·7
1925	185	2,900,000	8·6	146,770	0·4	2,682,525	8·0	534,785	1·6	615,299	1·8	26,654,369	79·6	33,533,748	7,962,760	23·7	14,210,545	42·4	10,190,063	30·4	1,170,380	3·5
1926	189	3,050,000	9·0	135,621	0·4	2,698,952	7·9	657,338	1·9	423,200	1·2	27,078,222	79·6	34,043,333	7,361,185	21·6	13,816,258	40·6	11,588,479	34·0	1,277,411	3·8
1927	192	3,200,000	9·4	123,371	0·4	2,666,322	7·8	641,097	1·9	425,777	1·2	27,001,897	79·3	34,058,464	7,506,891	22·1	12,553,639	36·9	12,762,957	37·4	1,234,977	3·6
1928	195	3,300,000	9·6	134,732	0·4	2,659,123	7·8	607,669	1·8	407,915	1·2	27,084,333	79·2	34,193,772	7,726,685	22·6	11,659,644	34·1	13,679,951	40·0	1,127,492	3·3
1929	195	3,400,000	9·7	154,772	0·4	2,560,196	7·3	721,271	2·7	941,171	2·0	27,236,608	77·9	35,014,012	8,679,982	24·8	10,792,285	30·8	14,369,274	41·0	1,172,471	3·4

* Year ended 31 March.

IS YOUR INCOME SAFE?

Dividends have a habit of crumbling. No matter how carefully you arrange your investments, you can never be sure that next year will not find you worse off than you are to-day. Can you afford to take the risk?

You can get a guaranteed income for life if you purchase a Canada Life Annuity. It is, humanly speaking, equivalent in safety to a Government pension. It cannot shrink. What you contract to get is paid you punctually, And you get a much larger income.

FOR INSTANCE—

A man of 62 who takes out a Canada Life Annuity for £1,000 gets a yearly income of £100 16s. 2d. A woman of 67 gets a yearly income of £102 0s. 10d. for the same investment.

OVER 10% PER ANNUM

Other ages pro rata, on equally generous terms. You can invest any amount from £100.

The Assets of the Canada Life Company are £33,000,000 and are under direct Government supervision. The Company also issues very attractive Life and Endowment Policies, full particulars of which will be sent on application. Write at once to the Canada Life—the oldest Dominion Life Office, and the office that gives the best value for Annuities.

Write to-night (stating age) to J. R. Wandless, F.I.A.

CANADA LIFE ASSURANCE Co.

Assets £33,000,000

(Established 1847.)

2 St. James's Square, LONDON, S.W.1.

(E.)

STATE BANK OF THE U.S.S.R.

Created by Decree of the Soviet Government of October 12th, 1921.

	Chervonetz.
Capital	25,000,000
Bank Note Issue on May 1st, 1929	115,449,961
Issue Dept.'s Gold, Platinum and Silver Reserve on May 1st, 1929	22,34,7234
Issue Dept.'s Foreign Currency Reserve on May 1st, 1929	8,890,787

N.B.—1 Chervonetz contains 119.4826 grains of pure gold and equals £1 1s. 1¾d. or $5.14¾.

Head Office and Foreign Department, MOSCOW.

500 BRANCHES.

FOREIGN BANKING BUSINESS OF EVERY DESCRIPTION TRANSACTED.

Deposits and Current Accounts in Foreign and Soviet Currency. Mail and Cable Remittances effected throughout the territories of the Soviet Union. Collections. Letters of Credit. Bills of exchange. The Bank is specially interested in facilitating trade with the Soviet Republics.

AGENTS AND CORRESPONDENTS IN ALL PARTS OF THE WORLD.

LONDON CORRESPONDENTS.—Lloyds Bank Ltd.; Barclays Bank Ltd.; Midland Bank Ltd.; National Provincial Bank Ltd.; Westminster Bank Ltd.; Bank for Russian Trade Ltd.; Equitable Trust Co. of New York; Hambros Bank Ltd.; Fredk. Huth & Co.; S. Japhet and Co., Ltd.; Kleinwort, Sons and Co.; Samuel Montagu and Co.; Moscow Narodny Bank Ltd.; National City Bank of New York; N. M. Rothschild and Sons; J. Henry Schröder and Co.

WHY CAN THE "PEARL" OFFER YOU A BETTER INVESTMENT?

THREE REASONS:

Its management is strikingly efficient and economical. EXPENSES, 1928, 10.53%

Skill in the control of its investments gives high interest with perfect security.

NET INTEREST YIELD, 1928, £4 13 0.

The Reserves are ample and profits are divided annually.

PROGRESSIVE BONUSES DECLARED:

1924 £2 0 0 per cent.
1926 £2 2 0 ,,
1928 £2 6 0 ,,

SEND FOR A PROSPECTUS.

PEARL ASSURANCE

COMPANY, LIMITED,

HIGH HOLBORN, W.C.1.

ASSETS - - £54,000,000

THE MERCANTILE BANK OF INDIA, LIMITED.

HEAD OFFICE:

15 GRACECHURCH ST., LONDON, E.C. 3

Authorised Capital ... £3,000,000
Subscribed Capital ... £1,800,000
Paid-up Capital... ... £1,050,000
Reserve Fund and Undivided Profits ... £1,612,047

Branches and Agencies in: INDIA, CEYLON, BURMA, SIAM, STRAITS SETTLEMENTS, CHINA, PORT LOUIS, MAURITIUS, and DUTCH EAST INDIES.

The Bank buys and sells Bills of Exchange, issues Letters of Credit, and conducts every description of Banking Business both at Home and Abroad.

FIXED DEPOSIT RATES will be quoted upon application.

EXECUTORSHIPS and TRUSTEESHIPS accepted.

On CURRENT ACCOUNTS interest is allowed at 2 per cent. per annum on Daily Balances, provided accrued interest for the half-year amounts to £1.

JAMES STEUART, *Chief Manager.*

THE CLYDESDALE BANK, LIMITED.

ESTABLISHED 1838.

Affiliated with Midland Bank, Limited, 1920.

CAPITAL Subscribed. £	CAPITAL Paid-up. £	CAPITAL Reserved. £
5,250,000	1,250,000	4,000,000

	Per Share.	Per Share.
100,000 shares of £50	£10	£40
25,000 shares of £10	£10	

Authorised note issue, £274,321.

Year Ended Dec. 31.	Net Profits. £	PROFITS AND DIVIDENDS. Per Cent. of Resources.	Dividends Amount. £	Dividends Rate. %	To Reserve, etc. £	Carried Forward. £
1910 ...	212,954	1·34	130,000	13	75,000	25,313
1911 ...	217,222	1·36	140,000	14	75,017	27,518
1912 ...	230,099	1·26	150,000	15	80,000	27,617
1913 ...	237,512	1·28	150,000	15	95,000	20,129
1914 ...	250,654	1·26	150,000	15	95,000	25,783
1915 ...	255,616	1·14	150,000	15	105,000	26,419
1916 ...	265,391	0·96	150,000	15	115,000	26,810
1917 ...	286,258	1·08	160,000	16	125,000	28,068
1918 ...	315,683	0·83	180,000	18	120,000	43,751
1919 ...	330,836	0·78	180,000	18	150,000	44,587
1920 ...	336,975	0·73	180,000	18	155,000	46,562
1921 ...	331,009	0·74	180,000	18	150,000	47,571
1922 ...	334,855	0·81	180,000	18	150,000	52,426
1923 ...	330,971	0·87	180,000	18	150,000	53,398
1924 ...	345,643	0·88	198,000	18	150,000	51,041
1925 ...	341,567	0·90	225,000	18	100,000	67,608
1926 ...	334,191	0·91	225,000	18	100,000	76,799
1927 ...	335,485	0·91	225,000	18	105,000	82,284
1928 ...	340,136	0·91	225,000	18	105,000	92,420

Year Ended Jan. 15	Number of Branches.	LIABILITIES. Capital and Reserves	Per Cent.	Undivided Profits.	Per Cent.	Notes.	Per Cent.	Acceptances.	Per Cent.	Miscellaneous Credits, etc.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank.	Per Cent.	Investments and Money at Call.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries, including Cover for Acceptances.	Per Cent.
		£		£		£		£		£		£		£	£		£		£		£	
1890	107	1,450,000	11·8	141,146	1·2	741,960	6·5	1,088,845	8·9	140,439	1·1	8,642,684	70·5	12,205,074	1,336,175	11·0	3,633,978	29·8	5,766,427	47·2	1,468,494	9·0
1895	112	1,430,335	11·4	140,112	1·1	817,779	6·5	741,048	5·9	129,817	1·0	9,311,835	74·1	12,570,926	1,456,672	11·6	3,942,796	31·4	5,988,696	47·6	1,182,762	9·4
1900	122	1,580,000	10·3	187,210	1·2	989,219	6·4	190,262	1·2	167,138	1·1	12,310,515	79·8	15,424,344	1,740,977	11·2	6,332,721	41·1	6,733,723	43·7	616,923	4·0
1905	135	1,780,000	12·7	153,559	1·1	836,427	5·9	167,708	1·2	172,474	1·2	10,923,453	77·9	14,033,621	1,783,731	12·7	5,222,018	37·2	6,425,291	45·8	602,581	4·3
1906	137	1,810,000	12·0	140,945	0·9	865,005	5·7	358,479	2·4	153,859	1·0	11,740,556	78·0	15,068,844	1,642,985	10·9	5,127,850	34·1	7,504,563	49·7	793,446	5·3
1907	139	1,810,000	11·4	143,112	0·9	856,863	5·4	337,158	2·1	229,455	1·4	12,534,996	78·8	15,911,584	2,213,917	13·9	5,151,817	32·4	7,778,195	48·9	767,655	4·8
1908	141	1,860,000	12·2	143,822	0·9	843,212	5·5	244,296	1·6	191,123	1·2	12,015,897	78·6	15,298,350	1,764,547	11·6	5,262,016	34·4	7,599,492	49·6	672,295	4·4
1909	143	1,910,000	12·3	154,942	1·0	769,484	4·9	160,177	1·0	218,555	1·4	12,345,624	79·4	15,558,782	1,897,740	12·2	5,443,845	35·0	7,625,998	49·0	591,199	3·8
1910	146	1,950,000	12·3	155,313	1·0	772,947	4·9	165,145	1·0	187,108	1·2	12,583,533	79·6	15,820,046	1,830,974	11·6	5,897,208	37·3	7,493,657	47·4	598,207	3·7
1911	146	2,000,000	12·6	159,351	1·0	823,963	5·2	232,269	1·4	198,918	1·2	12,492,327	78·6	15,896,828	1,880,629	11·8	5,531,333	34·8	7,831,952	49·3	672,914	4·1
1912	147	2,030,000	11·1	168,867	0·9	907,875	5·0	436,745	2·4	325,818	1·8	14,382,212	78·8	18,251,517	2,324,192	12·7	6,630,338	36·4	8,425,764	46·1	871,223	4·8
1913	149	2,050,000	11·1	161,379	0·9	913,847	4·9	208,260	1·1	241,551	1·3	14,992,012	80·7	18,567,049	2,180,687	11·8	6,854,661	37·0	8,885,572	47·7	645,129	3·5
1914	153	2,070,000	10·4	164,258	0·8	1,165,321	5·9	182,986	0·9	223,631	1·1	16,029,688	80·9	19,835,884	2,443,657	12·3	8,458,950	42·4	8,312,554	42·2	620,723	3·1
1915	155	2,000,000	9·0	156,522	0·7	1,415,425	6·3	352,486	1·6	331,782	1·5	18,066,557	80·9	22,322,772	3,331,757	14·9	11,223,737	50·4	6,976,311	31·2	790,967	3·5
1916	158	2,000,000	7·2	143,245	0·5	1,776,614	6·4	538,963	1·9	603,081	2·2	22,685,445	81·8	27,747,348	4,284,480	15·4	12,045,963	43·5	10,440,266	37·6	976,639	3·5
1917	158	2,070,000	6·6	148,068	0·5	2,266,315	7·2	357,436	1·1	282,032	0·9	26,426,240	83·7	31,550,091	4,932,216	15·6	10,407,184	33·0	*15,419,942	48·9	790,749	2·5
1918	158	2,170,000	6·0	172,094	0·5	3,092,333	8·6	251,110	0·7	506,429	1·4	29,747,572	82·8	35,939,538	5,561,418	15·5	16,585,495	46·1	13,117,862	36·5	674,763	1·9
1919	158	2,200,000	5·2	224,587	0·5	3,534,066	8·4	720,717	1·7	717,036	1·7	34,813,809	82·5	42,210,215	7,470,286	17·7	18,406,566	43·7	15,187,784	35·9	1,145,579	2·7
1920	161	2,200,000	4·8	226,562	0·5	3,712,881	8·1	512,308	1·1	907,830	2·0	38,341,333	83·5	45,900,914	7,357,432	16·0	15,959,341	34·7	21,623,447	47·2	960,694	2·1
1921	167	2,200,000	4·9	227,571	0·5	3,073,430	6·9	758,635	1·7	768,317	1·7	37,833,774	84·3	44,861,727	5,501,081	12·3	15,085,657	33·6	22,984,437	51·2	1,290,552	2·9
1922	183	2,300,000	5·6	232,427	0·6	3,018,723	7·3	1,081,958	2·6	671,030	1·6	34,102,092	82·3	41,406,230	5,380,696	13·0	13,310,077	32·1	21,025,817	50·8	1,689,640	4·1
1923	185	2,400,000	6·3	233,398	0·6	2,846,831	7·5	817,070	2·1	418,148	1·1	31,319,196	82·4	38,034,643	5,373,640	14·1	10,136,117	26·6	21,055,867	55·4	1,469,019	3·9
1924	187	2,400,000	6·1	399,041	1·0	2,849,020	7·3	1,587,148	4·0	946,384	2·4	31,070,379	79·2	39,251,972	5,803,635	14·8	10,011,407	25·5	21,125,772	53·8	2,311,158	5·9
1925	188	2,600,000	6·9	292,508	0·8	2,713,604	7·1	1,751,418	4·6	384,843	1·0	30,181,161	79·6	37,923,634	5,358,809	14·1	10,201,832	26·9	19,883,838	52·5	2,479,155	6·5
1926	189	2,650,000	7·2	301,799	0·8	2,472,469	6·7	869,573	2·4	548,812	1·5	29,887,391	81·4	36,730,044	5,081,493	13·8	11,659,934	31·7	18,407,164	50·2	1,581,453	4·5
1927	192	2,700,000	7·4	307,284	0·8	2,724,466	7·4	951,880	2·6	410,003	1·1	29,619,723	80·7	36,713,356	5,072,075	13·8	11,154,593	30·4	18,837,781	51·3	1,648,907	4·3
1928	192	2,750,000	7·3	317,420	0·8	2,742,946	7·3	1,009,351	2·9	537,139	1·4	30,242,808	80·3	37,599,664	5,480,733	14·6	12,056,399	32·1	18,366,141	48·8	1,696,391	4·5

* Includes Treasury Bills.

COMMERCIAL BANK OF SCOTLAND, LIMITED.

ESTABLISHED 1810.

	CAPITAL Subscribed. £	CAPITAL Paid-up. £	CAPITAL Callable. £	CAPITAL Reserved. £	Market Value. £
A	5,000,000	1,250,000	1,750,000	2,000,000	4,187,500
B	500,000	500,000	nil	nil	984,400
	Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
A	£20	£5	£7	£8	£16¼
B	£1	£1	nil	nil	£2 3/32

Note issue, £3,070,995. Authorised issue, £374,880.

Year Ended Oct. 31.	Net Profits. £	PROFITS AND DIVIDENDS. Per Cent. of Resources.	Dividends Amount. £	Dividends Rate. %	Reserves, etc. £	Carried Forward. £
1910	226,893	1·22	200,000	20*	45,000	22,465
1911	230,456	1·23	188,333	20	40,000	24,588
1912	239,250	1·20	188,333	20	55,000	20,505
1913	240,569	1·10	188,333	20	50,000	22,741
1914	249,536	1·10	180,000	18	75,000	30,355
1915	240,923	1·03	140,546	16	105,000	25,732
1916	247,908	0·89	126,667	16	105,000	41,973
1917	282,536	0·88	120,000	16	160,000	44,509
1918	312,255	0·83	122,589	17	185,000	49,176
1919	317,456	0·70	119,000	17	195,000	52,632
1920	302,039	0·59	157,500	"A" 14 "B" 10	145,000	52,171
1921	341,896	0·65	166,250	"A" 15 "B" 10	170,000	57,817
1922	349,600	0·71	182,285	"A" 16 "B" 10	170,000	55,132
1923	347,217	0·78	191,129	"A" 16 "B" 10	155,000	56,220
1924	335,117	0·78	193,750	"A" 16 "B" 10	125,000	72,587
1925	334,897	0·78	197,336	"A" 16 "B" 10	135,000	75,149
1926	326,695	0·79	200,000	"A" 16 "B" 10	125,000	76,844
1927	335,126	0·80	200,000	"A" 16 "B" 10	130,000	81,970
1928	344,600	0·81	200,000	"A" 16 "B" 10	175,000	51,570

* Free of income-tax.

Year ended Oct. 31.	Number of Branches.	LIABILITIES. Capital and Reserves.	Per Cent.	Notes.	Per Cent.	Acceptances and Endorsements.	Per Cent.	Miscellaneous Credits, Staff Fund, etc.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Investments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries, including Cover for Acceptances.	Per Cent.
		£		£		£		£		£		£	£		£		£		£		£	
1890	135	1,600,000	11·0	912,305	6·2	149,776	1·0	227,634	1·6	11,499,591	79·7	14,464,402	1,325,909	9·2	2,712,316	18·8	2,757,124	19·0	6,978,592	48·3	690,461	4·7
1895	142	1,800,000	10·8	949,847	5·7	184,702	1·1	237,449	1·4	13,363,525	80·4	16,625,033	1,518,929	9·1	2,802,418	16·8	3,933,649	23·7	7,727,466	46·5	642,571	3·9
1900	142	2,000,000	11·1	1,077,959	6·0	164,049	0·9	220,924	1·2	14,418,109	80·1	18,001,462	1,827,067	10·2	2,303,643	12·8	3,475,536	19·3	9,731,070	54·1	664,146	3·6
1905	152	2,000,000	11·8	1,008,934	5·6	295,913	1·7	434,244	2·4	14,024,773	78·4	17,885,210	1,834,579	10·2	2,705,935	15·2	3,142,634	17·5	9,390,199	52·5	811,863	4·6
1910	166	1,900,000	10·8	997,229	5·4	404,421	2·2	431,700	2·3	14,687,812	79·2	18,543,627	1,849,214	9·9	2,872,352	15·5	3,580,760	19·3	9,322,212	50·3	919,079	5·0
1911	167	1,900,000	10·2	994,620	5·3	352,616	1·9	448,122	2·4	14,861,356	79·6	18,675,469	2,151,194	11·5	3,327,589	17·8	3,623,503	19·4	8,706,775	46·6	866,408	4·7
1912	167	1,900,000	9·5	1,017,495	5·1	388,956	2·0	410,673	2·1	16,094,867	80·8	19,926,663	2,131,929	10·7	4,512,790	22·7	4,066,519	20·4	8,310,822	41·7	904,603	4·5
1913	170	1,900,000	8·8	1,107,342	5·1	216,399	1·0	366,303	1·7	18,056,150	83·0	21,763,102	2,458,852	11·3	4,382,004	20·1	4,345,219	20·0	9,842,623	45·2	734,394	3·4
1914	174	1,800,000	7·9	1,278,330	5·6	310,054	1·4	278,516	1·2	18,953,227	83·2	22,723,361	2,962,291	13·0	3,079,702	13·6	4,860,134	21·4	10,993,283	48·8	827,951	3·2
1915	173	1,800,000	7·7	1,754,857	7·5	274,677	1·2	398,994	1·7	19,036,911	81·9	23,358,860	3,039,178	13·1	2,984,026	12·8	8,726,997	37·4	7,740,108	33·0	868,551	3·7
1916	172	1,700,000	6·1	2,109,716	7·5	683,019	2·5	473,196	1·7	22,873,082	82·0	27,940,986	2,292,700	8·2	3,809,192	13·6	8,190,493	29·3	12,376,744	44·7	1,271,857	4·2
1917	174	1,700,000	5·3	2,421,155	7·5	718,578	2·7	619,839	1·9	26,659,325	82·9	32,223,406	4,968,824	15·4	2,109,913	6·5	9,210,079	28·5	14,637,245	45·6	1,297,395	4·0
1918	178	1,850,000	4·9	3,307,838	8·7	1,023,858	2·7	812,669	2·2	30,698,529	81·2	37,805,284	6,545,786	17·3	3,430,348	9·1	10,216,612	27·0	16,062,262	42·5	1,550,276	4·1
1919	191	2,000,000	4·4	3,988,975	8·8	2,151,287	4·7	878,061	1·9	36,071,163	80·0	45,205,118	7,672,181	17·0	4,110,783	9·1	14,059,646	31·0	16,685,833	37·0	2,676,655	5·9
1920	196	2,760,000	5·4	4,350,944	8·5	2,034,586	3·9	878,578	1·7	41,096,568	80·0	51,241,597	8,227,119	16·0	5,332,423	10·4	13,484,567	26·3	21,581,707	42·2	2,615,781	5·1
1921	206	2,875,000	5·5	3,874,263	7·4	1,083,326	2·1	1,042,286	2·0	43,711,678	83·1	52,731,870	7,028,231	13·3	5,654,770	10·7	13,972,480	26·4	24,394,021	46·4	1,682,368	3·3
1922	277	3,350,000	6·8	3,741,381	7·1	1,040,927	2·1	1,004,429	2·0	40,071,556	81·4	49,091,595	6,125,877	12·5	5,135,315	10·4	16,035,541	32·6	20,048,125	41·0	1,755,737	3·3
1923	288	3,450,000	7·8	3,342,556	7·5	753,865	1·7	684,032	1·5	35,822,541	81·1	44,106,029	6,485,545	14·7	4,272,764	9·7	14,720,792	33·3	17,152,999	39·0	1,473,929	3·3
1924	300	3,500,000	8·1	3,303,929	7·6	704,085	1·6	809,032	1·9	34,716,735	80·3	43,203,244	6,423,626	14·9	2,820,250	6·5	13,727,452	31·8	18,807,556	43·5	1,424,350	3·3
1925	308	3,550,000	8·2	3,121,271	7·2	1,075,792	2·5	1,046,793	2·4	34,153,619	79·2	43,122,824	6,494,525	15·1	3,420,851	7·9	10,977,668	25·4	20,335,917	47·2	1,893,863	4·4
1926	315	3,600,000	8·7	3,005,315	7·2	808,363	1·9	764,966	1·8	33,180,028	79·8	41,635,515	5,783,481	13·9	3,224,683	7·8	9,911,595	23·9	20,978,927	50·5	1,636,829	3·9
1927	326	3,650,000	8·7	3,070,995	7·3	331,510	0·8	1,127,440	2·3	33,616,659	80·5	41,796,604	6,037,998	14·4	4,156,829	9·9	9,480,803	22·7	20,991,270	50·3	1,130,004	2·7
1928	326	3,750,000	8·9	3,132,671	7·4	429,927	1·0	1,176,125	2·8	33,834,406	80·0	42,323,129	6,090,678	14·4	3,712,567	8·8	9,866,223	23·3	21,489,712	50·7	1,193,949	2·8

Receive £1,000 more than you pay!

A whole-life Policy for £1,000, with profits, at age 30 next Birthday, premiums ceasing at age 65,

will cost annually 25 16 4
less rebate of Income Tax at 2/- in the £ 2 11 7
Net Cost £23 4 9

Assuming that the current rate of Bonus is maintained, the sum assured will be increased by £24 each year—an amount in excess of the annual net cost, as above!

Consequently, no matter when a claim occurs, a sum of about £1,000 in excess of the premium payments will become payable.

Write for particulars suitable to your age.

WESLEYAN & GENERAL ASSURANCE SOCIETY

Chief Offices : : Birmingham

ITALO-BELGIAN BANK

(Banque Italo-Belge, Société Anonyme).

Capital subscribed and paid - Frs. 100,000,000
Reserve Funds - - - Frs. 90,000,000

Head Office: ANTWERP.

London Office:
100 OLD BROAD STREET, E.C.2.

Branches:
FRANCE—Paris. ARGENTINE—Buenos Aires.
URUGUAY—Montevideo.
BRAZIL—Sao Paulo, Rio de Janeiro, Santos, Campinas.

Correspondents in all the Principal Places in South America.

The Bank Transacts every description of Banking Business. Clean Bills and Documentary Bills negotiated, advanced upon, or sent for collection. Drafts and Letters of Credit issued and Cable and Mail Transfers effected on Branches and Correspondents. Documentary Credits opened or Confirmed. Coupons and Drawn Bonds collected and negotiated.

Telegrams: "Itabelban, London."
Telephone: London Wall 6514 (5 lines)

THE IMPERIAL BANK OF PERSIA

(Incorporated by Royal Charter, 1889.)

And under a Special Concession Bankers to the Imperial Government of Persia.

CAPITAL FULLY CALLED UP - £650,000
(With power to increase to £4,000,000)
RESERVE ACCOUNT - - - £570,000
RESERVE LIABILITY OF PROPRIETORS UNDER THE CHARTER - £1,000,000

LONDON OFFICE:
33/36, King William Street, London, E.C. 4.

CHIEF OFFICE IN PERSIA:
TEHERAN.

BRANCHES IN PERSIA:
Abadan, Ahwaz, Barfrush, Birjand, Bunder Abbas, Burujird, Bushire, Dizful, Duzdab, Hamadan, Isfahan, Kazvin, Kerman, Kermanshah, Masjid-Suleiman, Meshed, Mohammerah, Nasratabad (Seistan), Pehlevi, Resht, Shiraz, Sultanabad, Tabriz, Yezd.

BRANCHES IN IRAQ (*Mesopotamia*): Baghdad, Basra, Kirkuk.
BRANCH IN INDIA: Bombay.

The Bank is prepared to transact Banking business of every description in and connected with Persia, Mesopotamia, India and the Near East.

DISCOVERY.

¶ Over 400 years ago, Balboa crossed the Isthmus of Panama from the Atlantic Coast and discovered the Pacific Ocean.

¶ To-day, the Isthmus is traversed by the Canal, while other vital arteries of modern commerce are provided elsewhere by the great railway systems which link the two Oceans.

¶ The great and growing trading development of the New World is also largely dependent upon complete international banking facilities, and these are afforded by

THE ANGLO-SOUTH AMERICAN BANK LTD
117 OLD BROAD ST, LONDON, EC2

THE NATIONAL BANK OF SCOTLAND, LIMITED.

ESTABLISHED 1825.

CAPITAL			
Subscribed.	Paid-up.	Callable.	Reserved.
£	£	£	£
5,000,000	1,100,000	900,000	3,000,000
STOCK			
£500	£110	£90	£300

Year Ended Nov. 1.	Net Profits.	PROFITS AND DIVIDENDS. Per Cent. of Resources.	Dividends Amount.	Dividends Rate.	Reserve, etc.	Carried Forward.
	£		£	%	£	£
1910	222,685	1·13	188,333	20	32,500	65,917
1911	228,058	1·14	188,333	20	65,000	40,641
1912	230,580	1·15	188,333	20	50,000	32,888
1913	232,050	1·08	169,500	18	60,000	35,438
1914	237,045	1·05	169,069	18	15,000	88,413
1915	250,980	1·01	140,547	16	135,000	63,847
1916	266,541	0·92	126,800	16	140,000	54,365
1917	288,597	0·84	120,000	16	160,000	62,962
1918	284,867	0·77	115,400	16	160,000	72,429
1919	326,664	0·79	112,000	16	120,000	167,093
1920	295,310	0·67	123,200	16	175,000	64,203
1921	285,458	0·63	123,200	16	160,000	66,461
1922	291,063	0·69	128,263	16	165,000	64,261
1923	296,229	0·77	134,531	16	160,000	65,959
1924	291,583	0·79	136,400	16	155,000	66,142
1925	288,397	0·79	138,926	16	151,392	64,221
1926	284,777	0·79	140,800	16	140,000	68,198
1927	286,060	0·79	140,800	16	140,000	68,458
1928	291,222	0·77	140,800	16	150,000	68,880

Year Ended Nov. 1.	Number of Branches.	LIABILITIES. Capital and Reserves.	%	Notes.	%	Acceptances.	%	Drafts Outstanding.	%	Deposit and Current Accounts.	%	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank.	%	Cash at Call and Short Notice.	%	Investments.	%	Discounts and Advances.	%	Buildings and Sundries, including Cover for Acceptances.	%
		£		£		£		£		£		£	£		£		£		£		£	
1890	100	1,725,000	10·0	760,015	4·4	790,944	4·6	143,350	0·8	13,693,571	79·2	17,287,859	1,175,139	6·8	3,746,567	21·6	2,761,369	16·0	8,557,240	49·5	1,047,544	6·1
1895	108	1,820,000	10·4	901,225	5·2	609,358	3·5	93,884	0·5	13,822,328	79·4	17,428,503	1,340,010	7·7	3,409,877	19·6	3,181,707	18·3	8,535,951	48·9	960,958	5·5
1900	113	2,000,000	10·1	953,468	4·9	742,814	3·6	124,920	0·6	15,738,707	79·3	19,776,326	1,568,583	7·9	4,297,675	21·7	3,308,018	17·0	9,425,236	47·6	1,176,814	5·8
1905	119	2,030,000	11·2	891,527	5·0	710,424	3·9	67,640	0·4	14,133,647	78·1	18,072,990	1,396,167	7·7	2,270,402	12·6	3,260,379	18·0	9,905,618	54·8	1,240,424	6·9
1910	121	1,900,000	9·7	836,720	4·2	705,162	3·7	76,685	0·4	15,893,223	80·9	19,666,039	1,494,932	7·5	3,315,914	16·9	3,178,597	16·2	10,359,034	52·6	1,317,562	6·8
1911	122	1,950,000	10·0	859,031	4·2	531,060	2·6	66,878	0·4	16,413,349	81·9	20,049,292	1,510,754	7·5	3,862,104	19·3	3,400,548	17·0	10,138,126	50·5	1,137,760	5·7
1912	123	1,900,000	9·5	923,508	4·6	899,526	4·4	123,969	0·6	15,945,021	79·3	20,013,245	1,632,068	8·1	3,690,639	18·4	3,140,017	15·6	10,037,895	50·4	1,512,626	7·5
1913	124	1,900,000	8·8	910,084	4·2	1,019,688	4·7	47,285	0·2	17,426,661	80·9	21,508,656	1,823,180	8·5	3,824,837	17·8	3,047,798	14·1	11,185,503	52·1	1,627,338	7·5
1914	125	1,900,000	8·4	1,098,453	4·8	1,210,380	5·3	46,441	0·2	18,116,314	80·0	22,629,070	2,036,110	9·0	3,621,697	16·0	3,234,862	14·3	11,919,422	52·7	1,816,979	8·0
1915	125	1,800,000	7·3	1,531,533	6·2	763,774	3·1	43,703	0·2	20,442,025	82·3	24,785,429	2,468,556	9·9	2,997,335	12·1	7,746,123	31·2	10,204,441	41·3	1,368,374	5·5
1916	125	1,700,000	5·9	1,851,085	6·4	1,150,510	4·0	44,781	0·2	23,957,116	83·0	28,884,657	3,520,895	12·2	3,383,792	11·7	7,201,751	25·0	13,026,708	45·0	1,751,511	6·1
1917	125	1,800,000	5·2	2,254,494	6·6	1,173,909	3·4	55,455	0·2	29,005,324	84·2	34,472,144	4,324,005	12·6	2,699,733	7·8	7,072,247	20·5	18,603,150	53·9	1,773,009	5·2
1918	126	1,900,000	5·1	3,167,678	8·5	1,127,175	3·0	153,874	0·4	30,594,496	82·4	37,131,051	4,095,277	11·0	5,355,690	14·4	8,923,913	24·8	17,006,746	45·8	1,749,425	4·7
1919	126	2,000,000	4·9	3,248,797	7·8	1,444,468	3·5	103,477	0·3	34,294,546	83·0	41,370,381	5,236,080	12·7	4,887,026	11·8	11,922,405	28·8	17,246,002	41·7	2,078,868	5·0
1920	128	2,100,000	4·8	3,798,878	8·6	898,782	2·0	84,014	0·2	36,973,590	83·8	44,042,667	6,028,528	13·7	6,208,469	14·0	11,554,984	26·1	18,714,804	42·7	1,535,882	3·5
1921	130	2,200,000	4·9	3,065,644	6·8	861,788	1·9	51,713	0·1	38,590,983	85·9	44,959,789	4,823,594	10·7	5,754,159	12·8	12,378,915	27·5	20,513,533	45·7	1,489,588	3·3
1922	133	2,300,000	5·5	2,654,630	6·3	1,210,397	2·9	84,797	0·2	35,638,251	84·7	42,080,599	3,610,680	8·6	4,320,088	10·3	15,715,620	37·4	16,607,014	39·4	1,827,197	4·3
1923	134	2,350,000	6·1	2,476,488	6·5	1,004,587	2·6	67,034	0·2	32,314,689	84·1	38,413,288	3,565,086	9·3	4,092,709	10·7	14,149,691	36·9	14,997,605	38·9	1,608,197	4·2
1924	136	2,400,000	6·5	2,590,657	7·0	874,313	1·8	90,732	0·2	31,018,368	83·9	36,976,612	3,710,916	10·0	3,951,467	10·7	12,372,084	33·5	15,673,292	42·4	1,268,853	3·4
1925	138	2,450,000	6·7	2,446,797	6·7	313,349	0·9	71,639	0·2	31,200,756	85·0	36,685,689	3,272,639	8·9	4,229,378	11·5	11,889,064	32·4	16,388,608	44·7	906,000	2·5
1926	139	2,500,000	6·9	2,312,536	6·4	300,217	0·8	57,173	0·2	30,884,577	85·2	36,263,500	3,147,385	8·7	4,528,022	12·5	11,433,452	31·5	16,241,254	44·8	913,387	2·5
1927	140	2,550,000	7·0	2,349,470	6·5	380,902	1·1	51,626	0·1	30,745,611	84·7	36,286,867	3,119,351	8·6	4,264,426	11·7	10,920,445	30·1	17,001,243	46·9	981,402	2·7
1928	140	2,600,000	6·8	2,503,143	6·2	1,033,779	2·7	—	—	31,652,172	83·4	37,998,774	4,641,518	12·2	3,057,000	8·1	10,919,060	28·7	17,760,117	46·7	1,621,079	4·3

NORTH OF SCOTLAND BANK LIMITED.

ESTABLISHED 1836.

1908—North of Scotland Bank amalgamated with Town and County Bank, Limited, and the title changed to North of Scotland and Town and County Bank, Limited.
1923—Title shortened as above.
1924—Controlling interest acquired by Midland Bank, Limited.
1925—Transfer of capital to Midland Bank, Limited, completed.

CAPITAL			
Subscribed.	Paid-up.	Callable.	Reserved.
£	£	£	£
3,260,000	1,141,000	163,000	1,956,000
Per Share. £20	Per Share. £7	Per Share. £1	Per Share. £12

Year Ended Sept. 30.	Net Profits.	PROFITS AND DIVIDENDS. Per Cent. of Resources.	Dividends Amount.	Dividends Rate.	Reserve, &c.	Carried Forward.
	£		£	%	£	£
1910	106,254	1·16	81,500	*12½	23,000	11,038
1911	107,372	1·16	81,500	*12½	23,000	13,909
1912	108,581	1·10	81,500	*12½	23,000	15,490
1913	109,422	1·04	81,500	*12½	25,500	17,912
1914	115,664	1·06	81,500	*12½	Nil.	52,076
1915	117,830	0·98	76,406	†12½	Nil.	93,500
1916	122,648	0·85	64,181	12½	Nil.	134,647
1917	126,799	0·77	66,015	13½	47,500	125,926
1918	159,260	0·76	69,519	14½	110,000	79,016
1919	180,764	0·60	73,024	16	67,000	88,460
1920	152,645	0·44	73,024	16	65,000	71,785
1921	186,792	0·65	107,580	17	68,000	82,998
1922	202,020	0·76	110,840	17	85,000	89,178
1923	206,062	0·84	117,360	18	85,000	92,880
1924 and 1925	Profits and appropriations not disclosed.					
§1926	268,084	1·11	152,568	18	75,000	97,452
§1927	270,407	1·11	152,568	18	75,000	102,149
§1928	274,368	1·039	158,436	18	75,000	103,472

* Free of income tax. † Second half less income tax. § Dec. 31.

Year Ended Sept. 30.	Number of Branches.	LIABILITIES. Capital and Reserves.	%	Undivided Profits.	%	Notes.	%	Miscellaneous Credits, etc.	%	Deposit and Current Accounts.	%	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bank.	%	Cash at Call and Short Notice.	%	Investments.	%	Discounts and Advances.	%	Buildings and Sundries.	%
		£		£		£		£		£		£	£		£		£		£		£	
1910 ...	148	1,039,500	11·4	74,788	0·8	749,368	8·2	226,981	2·5	7,033,931	77·1	9,124,568	1,152,881	12·7	903,227	9·9	1,788,269	19·6	5,003,917	54·8	276,274	3·0
1911 ...	147	1,054,500	11·3	77,659	0·8	755,579	8·1	142,822	1·5	7,252,324	78·1	9,282,884	1,083,669	11·7	1,153,000	12·4	1,797,030	19·4	4,970,688	53·5	278,497	3·0
1912 ...	145	1,069,500	10·9	81,740	0·8	780,667	8·0	120,337	1·2	7,738,960	79·1	9,791,204	1,164,016	11·9	1,693,000	17·3	1,736,888	17·7	4,915,319	50·2	281,980	2·9
1913 ...	148	1,087,000	10·2	84,162	0·8	791,178	7·5	130,010	1·2	8,374,742	79·9	10,467,092	1,246 251	11·9	2,019,000	19·2	1,817,257	17·3	5,120,848	49·1	263,736	2·5
1914 ...	149	1,104,500	10·2	92,826	0·8	903,277	8·3	100,693	0·9	8,670,580	79·8	10,871,876	1,451,213	13·3	1,886,790	17·4	1,951,541	17·9	5,323,849	49·0	258,483	2·4
1915 ...	149	1,104,500	9·3	129,156	1·1	1,054,560	8·9	210,947	1·8	9,406,915	78·9	11,906,078	1,664,055	14·0	805,588	6·7	4,518,611	38·0	4,660,958	39·2	256,866	2·1
1916 ...	148	1,104,500	7·6	182,529	1·3	1,354,308	9·4	197,478	1·6	11,611,969	80·1	14,450,784	2,282,058	15·8	552,342	3·8	7,468,811	51·7	3,891,259	26·9	256,313	1·8
1917 ...	148	1,104,500	6·7	230,884	1·4	1,546,002	9·4	177,746	1·1	13,416,415	81·4	16,475,547	2,602,003	15·8	429,375	2·6	8,817,669	53·6	4,372,193	26·5	254,307	1·5
1918 ...	148	1,152,000	5·5	254,624	1·2	2,114,062	10·1	681,632	3·2	16,845,707	80·0	21,048,025	3,400,181	16·1	...	...	13,261,543	63·0	4,121,479	19·6	254,822	1·3
1919 ...	149	1,252,000	5·0	223,269	0·9	2,513,741	10·0	288,450	1·1	20,810,862	83·0	25,088,322	3,431,551	13·6	...	...	14,958,138	59·6	6,451,243	25·8	247,390	1·0
1920 ...	152	1,304,000	4·7	204,593	0·7	2,644,222	9·5	594,158	2·1	23,125,584	83·0	27,872,557	4,032,148	14·5	...	...	17,329,905	62·2	6,283,801	22·5	226,703	0·8
1921 ...	152	1,304,000	4·6	222,066	0·8	2,436,027	8·6	258,954	0·9	24,359,195	85·1	28,580,242	3,683,682	12·9	...	...	17,278,577	60·5	7,407,853	25·9	210,130	0·7
1922 ...	156	1,352,000	5·1	246,224	0·9	2,242,993	8·4	320,683	1·2	22,428,517	84·4	26,590,417	3,001,440	11·3	...	...	17,631,896	66·3	5,719,145	21·5	237,936	0·9
1923 ...	158	1,402,000	5·7	253,675	1·0	2,137,550	8·7	269,681	1·1	20,528,331	83·5	24,591,237	3,481,365	14·2	...	...	16,069,256	65·3	4,808,697	19·6	231,919	0·9
1924 ...	158	1,909,500	7 8	94,227	0·4	2,168,431	8·9	...	...	20,285,257	82·9	24,457,415	3,078,985	12·6	...	...	13,502,320	55·2	7,638,034	31·2	238,076	1·0
1925*	157	1,974,500	7·-	95,078	0·4	2,351,600	9·4	...	...	20,538,810	82·3	24,959,988	3,210,092	12·9	...	...	10,838,482	43·4	10,738,802	43·0	172,612	0·7
1926*	157	2,024,500	8·3	192,807	0·8	2,208,853	9·1	...	...	19,853,442	81·8	24,279,602	3,152,093	13·0	...	...	10,319,753	42·5	10,644,409	43·8	163,347	0·7
1927*	155	2,074,500	8·5	197,504	0·8	2,223,345	9·2	...	...	19,791,999	81·5	24,287,348	3,016,216	12·4	...	...	10,001,913	41·2	11,094,493	45·7	174,726	0·7
1928*	158	2,206,000	8·4	206,162	0·8	2,174,254	8·3	...	...	21,811,626	82·5	26,398,042	3,578,531	13·5	...	...	9,754,284	37·0	12,880,905	48·8	184,322	0·7

* December 31.

The British Crown and the Indian States: An Outline Sketch drawn up on behalf of the Standing Committee of the Chamber of Princes by the Directorate of the Chamber's Special Organisation.

Demy 8vo. 272 pp. Map. **10s. 6d.**

I. A Consideration of the Evolution of Political Relationship between the Crown and the States. II. An Examination of some aspects of the Fiscal Questions at issue between the States and the Government of India.

A Study of Interest Rates.

By KARIN KOCK.

Demy 8vo. 264 pp. Cloth, **12s. 6d.**

This book is an examination of the factors governing the rates of interest on different kinds of loan in a modern loan market. In studying the changes in the margin between the different rates, the author has analysed the development during the after-war boom and depression of the American, English and Swedish loan markets.

Just Published.

England and the New Gold Standard, 1919 to 1926.

By WILLIAM ADAMS BROWN, Junr.

320 pp. 11 Charts. Cloth, **15s.**

An account of the Transition from the Old Gold Standard to the New: 1919 to June 1920, Gold Regains a World Market. The Sterling-Dollar Exchange finds its Own Level—June, 1920, to February, 1922. Gold—as an Instrument of Deflation. The Sterling-Dollar Exchange reflects Unsolved Problems of Reconstruction—March, 1922, to February, 1924. Gold Inflation begins and is checked. The Sterling-Dollar Exchange-Marking Time—February, 1924, to April, 1925. The Disappearance of the Gold "Premium." England Returns to the Gold Standard. The Conflict of Opinion and Economic Interest in England. The New Gold Standard. The New Gold Standard begins.

P. S. KING & SON, LTD.,
14 Great Smith Street, Westminster.

MONETARY STABILITY
and the
GOLD STANDARD
By
Sir HENRY STRAKOSCH, G.B.E.
Reprinted from "The Economist."
Price 1/-

A NEW INDEX OF
BRITISH NATIONAL PROSPERITY.
By G. D. ROKELING,
With a foreword by SIR JOSIAH STAMP.
Reprinted from "The Economist."
This booklet contains an attempt to construct from existing published data a measure of the real national income of Great Britain and of the income per head. The Index is based upon a new calculation of industrial production, the statistics of employment and the income from national investments.
Price 2/6
Obtainable from:—
"THE ECONOMIST" OFFICE,
6, Bouverie Street, Fleet Street,
LONDON, E.C. 4.

PITMAN'S
NEW BOOKS

THE BILLS OF EXCHANGE ACT, 1882.

By Maurice H. Megrah, B.Com. (Lond.), Cert. A.I.B., Sir Edward Stern Scholar in Commerce at London University, 1922.

AN ANALYTICAL APPROXIMATION: With Brief Notes on Analogous Instruments and the Stamp Laws.

6/- net. An exceptionally useful book for all banking men and banking students. It comprises an easily followed analysis of the 1882 Act, rearranging the code in clear language.

THE STOCK EXCHANGE GAZETTE SAYS: "The book is not a legal treatise on bills of exchange, but is a thoroughly good explanation of the law that governs such instruments. . . an open sesame to what in the past has been an Act of Parliament to be regarded with awe."

BANKERS AND THE PROPERTY STATUTES OF 1925 AND 1926.

By R. W. Jones, Cert. A.I.B.

Carefully prepared by a recognized expert on the subject, this book sets forth the principles in the new Property Statutes which more particularly affect Bankers when dealing with land as security. A most useful work.

(*Ready Immediately.*) **Price about 10/6 net.**

DICTIONARY OF THE WORLD'S CURRENCIES AND FOREIGN EXCHANGES.

By William F. Spalding, F.I.B., F.R.Econ.S.

The popularity of this complete work of reference, embracing every known currency and exchange in the world, is confined not only to banking circles, but to all interested in the subject. **30/- net.**

Send for Pitman's Complete Catalogue of Banking Books, post free
SIR ISAAC PITMAN & SONS, LTD.,
Parker Street, Kingsway, London, W.C. 2.

SWISS BANK CORPORATION
ESTABLISHED 1872.
BASLE, ZURICH, ST. GALL, GENEVA, LAUSANNE, LA CHAUX-DE-FONDS, NEUCHATEL, SCHAFFHOUSE.
LONDON OFFICE - 99, GRESHAM STREET, E.C.2
WEST END BRANCH: 11, REGENT STREET, (WATERLOO PLACE), S.W.1
Capital paid-up - - £6,400,000
Reserves - - - - £1,960,000
Every description of banking business. Current and deposit accounts. Purchase and sale of foreign exchanges for forward delivery.
ISSUES TRAVELLERS' CHEQUES IN DENOMINATIONS OF £2, £5 and £10, AVAILABLE FOR THE CONTINENT OF EUROPE AND ALL OTHER PARTS.

ROYAL BANK OF SCOTLAND.

ESTABLISHED 1727.

1924—Acquired Messrs Drummond.

Capital Subscribed.	Capital Paid-up.	Capital Callable.	Capital Reserved.	Market Value.
£	£	£	£	£
2,500,000	2,500,000	Nil.	Nil.	9,000,000

Fully-paid stock. Market price on April 30, 1929, £360.

Year Ended October.	Net Profits.	Profits and Dividends. Per Cent. of Resources.	Dividends Amount.	Dividends Rate.	Reserve, &c.	Carried Forward.
	£		£	%	£	£
1911	247,167	1·26	207,167	11	40,000	1,013,565
1912	267,809	1·30	207,167	11	60,642	951,565
1913	275,932	1·27	207,167	11	59,700	960,630
1914	266,308	1·22	206,667	11	59,641	960,630
1915	293,732	1·19	176,875	10	116,856	800,986
1916	338,420	1·21	157,500	10	180,920	800,986
1917	303,982	0·93	150,000	10	40,000	914,968
1918	310,503	0·86	145,000	10	50,000	1,030,471
1919	325,805	0·74	154,000	11	120,000	1,082,276
1920	375,139	0·79	154,000	11	50,000	1,082,276
1921	377,501	0·78	168,000	12	50,000	1,241,777
1922	401,959	0·83	190,000	13	50,000	1,403,736
1923	426,226	0·92	214,000	14	50,000	1,565,962
1924	452,370	0·92	280,938	14½	50,000	2,347,394
1925	472,623	0·94	305,313	15½	50,000	2,464,704
1926	476,545	0·96	320,000	16	50,000	2,571,250
1927	481,977	0·89	420,000	21	50,000	2,683,227
1928	502,561	0·91	340,000	17	50,000	2,795,788

* Includes "Rest" or Reserve Funds.

Year Ended October.	No. of Branches.	Liabilities: Capital and Reserves.	%	Notes.	%	Acceptances.	%	Drafts Outstanding.	%	Deposit and Current Accounts.	%	Total Liabilities or Assets.	Assets: Cash in Hand and at Bank.	%	Cash at Call and Short Notice.	%	Investments.	%	Discounts and Advances.	%	Buildings and Sundries, including Cover for Acceptances.	%
		£		£		£		£		£		£	£		£		£		£		£	
1890	123	2,794,691	16·2	843,995	4·9	327,491	1·9	336,200	1·9	12,844,269	74·4	17,236,646	1,101,915	6·4	2,559,414	14·8	2,652,508	15·4	10,128,044	58·8	794,765	4·6
1895	127	2,757,638	15·8	910,079	5·2	295,582	1·7	344,829	2·0	13,061,342	74·9	17,449,470	1,320,303	7·5	1,904,362	11·0	3,919,168	22·5	9,504,962	54·4	800,675	4·6
1900	137	2,844,079	15·0	1,056,670	5·5	550,655	2·8	381,627	2·0	14,157,122	74·0	19,100,153	1,530,848	8·0	2,591,519	13·6	3,052,480	16·0	10,807,892	56·6	1,117,414	5·8
1905	148	2,933,440	15·8	996,431	5·3	547,313	2·9	467,097	2·5	13,606,172	73·0	18,660,453	1,390,233	7·4	2,596,935	14·1	2,823,889	15·1	10,684,368	57·3	1,165,028	6·1
1910	160	3,013,565	16·3	976,860	5·3	204,614	1·1	276,617	1·5	13,920,173	75·1	18,501,829	1,402,607	7·6	3,177,043	17·2	3,529,051	19·1	9,551,609	51·6	841,519	4·5
1911	162	3,013,565	15·5	994,036	5·1	332,966	1·7	624,572	3·2	14,455,195	74·2	19,533,334	1,518,129	7·8	3,910,071	20·0	3,586,383	18·4	9,559,492	48·9	959,259	4·9
1912	161	2,951,565	14·4	1,001,125	4·9	380,720	1·8	703,310	3·4	15,406,007	75·0	20,555,727	1,599,073	7·8	3,886,419	18·9	3,848,002	18·6	10,215,484	49·8	1,006,749	4·9
1913	164	2,960,630	13·7	1,041,019	4·8	319,454	1·5	580,532	2·7	16,654,482	77·0	21,669,117	1,609,336	7·4	3,858,101	17·8	4,013,517	18·5	11,247,390	51·9	940,773	4·4
1914	166	2,960,630	13·5	1,233,729	5·2	394,265	1·8	326,871	1·5	16,948,700	77·0	21,976,695	2,277,832	10·4	2,872,477	13·1	4,438,583	20·2	11,369,588	51·7	1,018,215	4·6
1915	167	2,800,986	11·4	1,640,239	6·6	442,193	1·8	580,579	2·3	19,144,394	77·2	24,695,787	3,119,279	12·6	3,256,317	13·2	7,959,894	32·3	9,294,498	51·7	1,065,799	4·3
1916	167	2,800,986	10·0	2,091,083	7·5	540,333	1·9	522,894	1·9	22,041,711	78·7	27,997,007	3,097,167	11·0	3,882,937	13·9	7,224,669	25·8	12,631,734	45·1	1,160,500	4·2
1917	167	2,914,968	8·9	2,590,251	7·9	335,034	1·0	771,042	2·3	26,177,865	79·8	32,864,160	3,930,482	12·0	4,184,063	12·8	7,005,120	21·4	16,798,203	50·9	946,292	2·9
1918	167	3,030,471	8·4	3,266,556	9·0	193,925	0·6	536,389	1·5	29,202,380	80·5	36,299,721	4,849,075	13·4	4,360,800	12·0	7,766,285	21·4	16,798,203	50·9	946,292	2·9
1919	172	3,082,276	7·2	3,637,299	8·2	347,589	0·8	1,367,461	3·1	35,548,823	80·5	44,067,448	5,158,547	11·7	5,783,604	13·1	12,766,093	28·8	19,438,362	44·3	920,842	2·1
1920	177	3,082,276	6·7	3,539,685	7·4	311,772	0·6	1,328,825	2·8	39,114,127	82·5	47,460,685	5,376,180	11·3	5,533,477	11·2	10,537,570	22·3	25,353,227	53·4	860,231	1·8
1921	177	3,241,777	6·7	3,222,760	6·6	318,139	0·7	1,116,555	2·3	40,740,032	83·7	48,737,263	4,885,476	10·1	5,742,195	11·8	12,180,193	24·9	25,084,688	51·5	844,711	1·7
1922	184	3,403,736	7·0	3,036,687	6·3	428,425	0·9	1,227,875	2·5	40,265,016	84·0	48,481,739	5,133,175	10·6	5,643,111	11·7	15,663,628	32·4	21,077,516	43·3	964,309	2·0
1923	192	3,565,962	7·7	2,876,175	6·2	593,706	1·3	1,032,552	2·2	37,880,519	82·1	46,072,914	4,877,340	10·6	5,885,828	12·7	14,453,679	31·3	19,682,831	42·9	1,173,236	2·5
1924	207	4,847,394	9·9	2,800,696	5·7	828,254	1·7	626,242	1·3	39,719,332	81·1	48,967,230	4,842,807	9·9	5,347,809	10·9	16,632,194	34·0	20,357,121	41·5	1,787,299	3·7
1925	212	4,964,704	9·9	2,663,730	5·3	734,827	1·5	814,901	1·6	40,790,229	81·4	50,128,391	4,731,859	9·4	5,722,329	11·4	15,147,063	30·2	22,828,676	45·6	1,698,464	3·4
1926	218	5,071,250	10·2	2,529,189	5·1	592,837	1·2	868,333	1·7	40,457,711	81·5	49,679,319	4,670,080	9·4	6,169,886	12·4	13,870,199	27·9	23,388,561	47·1	1,580,593	3·2
1927	224	5,183,227	9·6	2,707,112	5·0	1,134,344	2·1	687,422	1·3	44,186,574	81·6	54,158,679	5,062,622	9·3	6,620,857	12·2	13,883,103	25·6	26,453,671	48·9	2,138,426	4·0
1928	230	5,295,788	9·6	2,685,251	4·9	1,766,599	3·2	746,607	1·4	44,674,152	80·6	55,348,397	4,994,471	9·0	6,619,234	11·9	12,383,155	22·4	28,555,926	51·6	2,795,611	5·1

UNION BANK OF SCOTLAND, LIMITED.

ESTABLISHED 1830.

Capital Subscribed.	Capital Paid-up.	Capital Callable.	Capital Reserved.	Market Value.
£	£	£	£	£
5,000,000	1,000,000	Nil.	4,000,000	4,187,500
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.
£5	£1	Nil.	£4	£4 ⅛

Authorised note issue, £454,346.

Year Ended April.	Net Profits.	Profits and Dividends. Per Cent. of Resources.	Dividends Amount	Dividends Rate.	Reserve, &c.	Carried Forward.
	£		£	%	£	£
1912	202,786	1·27	150,000	15	50,000	33,392
1913	206,731	1·06	150,000	15	55,000	35,124
1914	209,886	1·02	150,000	15	50,000	45,010
1915	225,873	1·03	150,000	15	20,000	100,883
1916	229,507	1·08	150,000	15	78,935	101,456
1917	249,830	1·12	150,000	15	140,000	61,286
1918	279,167	0·97	150,000	15	130,000	60,452
1919	284,349	0·87	150,000	15	140,000	54,801
1920	310,775	0·79	160,000	16	170,000	35,576
1921	312,132	0·80	160,000	16	140,000	47,708
1922	308,480	0·76	170,000	17	135,000	51,188
1923	326,362	0·87	180,000	18	145,000	52,550
1924	328,648	0·94	180,000	18	105,000	96,198
1925	330,464	0·99	180,000	18	145,000	101,662
1926	315,587	0·96	180,000	18	145,000	92 249
1927	317,750	1·01	180,000	18	145,000	89,504
1928	336,239	0·99	180,000	18	145,000	100,743

Year Ended April.	No. of Branches.	Liabilities: Capital and Reserves.	%	Notes.	%	Acceptances.	%	Drafts on London.	%	Deposit and Current Accounts.	%	Total Liabilities or Assets.	Assets: Cash in Hand and at Bank.	%	Cash at Call and Short Notice.	%	Investments.	%	Discounts and Advances, including Short Loans on Stocks.	%	Buildings and Sundries, including Cover for Acceptances.	%
		£		£		£		£		£		£	£		£		£		£		£	
1891	132	1,440,000	10·4	820,702	6·0	60,061	0·4	52,513	0·4	11,237,632	82·0	13,758,093	1,062,583	7·7	1,827,612	13·3	4,168,376	30·4	6,274,695	...	424,824	...
1896	134	1,515,000	10·6	949,244	6·6	74,263	0·5	94,745	0·7	11,443,482	80·5	14,235,357	1,362,186	9·6	2,464,572	17·3	3,207,583	22·5	6,770,539	47·6	430,477	3·0
1901	144	1,660,000	10·2	1,039,266	6·4	105,571	0·6	88,469	0·5	13,253,604	82·8	16,343,669	1,426,119	8·7	3,185,485	19·5	2,950,120	18·1	8,349,995	51·1	431,950	2·6
1906	151	1,875,000	11·7	981,811	6·2	20,463	0·1	131,324	0·8	12,740,020	79·9	15,913,988	1,632,440	10·2	3,230,609	20·3	2,933,414	18·4	7,779,322	49·0	338,203	2·1
1910	156	2,000,000	12·4	866,795	5·3	246,364	1·5	99,945	0·6	12,833,038	79·4	16,220,354	1,633,501	10·1	2,957,173	18·2	3,396,544	21·0	7,569,668	46·6	663,468	4·1
1911	158	2,000,000	12·6	883,747	5·6	134,587	0·9	67,616	0·4	12,586,538	79·0	15,853,094	895,589	5·6	3,164,915	20·0	3,233,142	20·4	7,980,300	50·3	579,148	3·7
1912	161	2,000,000	11·1	912,724	5·0	320,139	1·8	71,361	0·4	14,573,356	80·2	18,070,972	1,299,978	7·2	3,748,135	20·8	3,067,258	17·0	9,193,989	50·8	761,614	4·2
1913	162	2,000,000	10·3	931,909	4·8	729,784	3·7	240,069	1·2	15,409,195	79·0	19,496,081	1,170,499	6·0	4,817,782	24·7	3,106,351	15·9	9,218,724	47·3	1,182,725	6·6
1914	162	2,000,000	9·7	945,432	4·6	889,972	4·3	137,020	0·7	16,458,022	79·9	20,650,456	1,231,406	6·0	4,009,781	19·5	3,617,892	17·6	10,454,922	50·4	1,336,455	6·5
1915	160	1,800,000	8·4	1,217,971	5·6	401,845	1·9	97,893	0·5	17,751,946	82·3	21,530,539	1,570,532	7·3	4,427,429	20·6	4,948,724	22·9	9,726,851	45·2	857,003	4·0
1916	160	1,800,000	8·5	1,594,494	7·5	691,890	3·3	176,934	0·8	16,739,330	78·7	21,284,104	1,755,536	8·2	3,780,048	17·8	7,281,138	34·2	7,299,513	34·4	1,147,889	5·4
1917	158	1,800,000	8·1	1,895,883	8·5	955,362	4·3	219,649	1·0	17,219,195	77·2	22,311,375	2,348,179	10·5	2,317,049	10·4	6,554,556	29·3	9,688,233	43·5	1,403,358	6·3
1918	159	1,900,000	6·6	2,535,731	8·8	373,726	1·3	124,485	0·4	23,648,883	82·1	28,803,278	3,163,006	11·0	3,272,810	11·4	6,708,027	23·3	14,813,168	51·4	846,267	2·9
1919	160	2,000,000	6·1	2,987,221	9·2	418,547	1·3	666,717	2·0	26,265,016	80·7	32,552,302	3,362,649	10·3	3,816,321	11·7	7,875,340	24·2	16,525,790	50·8	972,202	3·0
1920	160	2,000,000	5·1	3,480,280	8·8	907,566	2·3	410,847	1·0	32,495,518	82·2	39,499,787	4,258,644	10·8	4,338,481	11·0	9,947,705	25·3	19,508,755	49·2	1,446,202	3·7
1921	161	2,000,000	5·1	3,366,092	8·7	397,556	1·0	209,047	0·6	32,702,296	84·1	38,892,700	3,796,640	9·8	3,693,093	9·5	9,273,312	23·8	21,193,369	54·5	936,286	2·4
1922	164	2,100,000	5·1	2,840,934	7·0	273,423	0·7	138,018	0·3	35,211,965	86·3	40,800,528	3,297,867	8·1	4,710,250	11·6	16,869,451	41·4	15,110,727	36·9	812,233	2·0
1923	164	2,200,000	5·9	2,667,304	7·1	360,186	1·0	249,538	0·7	31,740,997	84·9	37,475,575	3,048,875	8·1	4,174,224	11·2	16,187,467	43·1	13,170,242	35·2	894,767	2·4
1924	172	2,250,000	6·4	2,516,933	7·2	523,549	1·5	147,054	0·4	29,334,378	83·7	35,073,122	3,177,930	9·1	4,187,000	11·9	13,163,964	37·5	13,492,151	38·5	1,052,077	3·0
1925	179	2,300,000	6·9	2,554,092	7·6	589,119	1·8	45,876	0·1	27,677,789	82·7	33,473,538	3,077,720	9·2	3,548,824	10·6	12,875,213	38·4	12,907,692	38·6	1,064,089	3·2
1926	181	2,350,000	7·1	2,626,224	7·9	751,024	2·3	45,284	0·1	27,098,455	81·7	33,168,236	3,004,699	9·1	3,311,831	10·0	12,580,791	37·9	13,017,562	39·2	1,253,353	3·8
1927	189	2,400,000	7·6	2,506,379	8·0	572,135	1·8	94,216	0·3	25,619,821	81·5	31,482,550	2,780,595	8·8	2,753,680	8·7	12,063,410	38·4	12,742,896	40·5	1,141,969	3·6
1928	195	2,500,000	7·4	2,478,485	7·3	1221092	3·6	17,461	...	27,280,189	80·6	33,802,970	2,957,433	8·8	3,628,396	10·7	9,220,201	27·2	16,187,058	47·9	1,809,882	5·4

THE AUSTRALIAN BANK OF COMMERCE, LIMITED

(Incorporated in New South Wales).

Authorised Capital - - - - - - £5,000,000
Capital Subscribed and Paid-up - - £2,208,000
Reserve Fund - - - - - - £1,046,880
Aggregate Assets, June 30, 1928 - - £18,623,453

DIRECTORS:
SIR MARK SHELDON, K.B.E., Chairman. | Lt.-Col. T. L. F. RUTLEDGE.
FRANK N. YARWOOD. | JAMES KELL.
GEO. J. SLY, LL.D. | HERBERT R. LYSAGHT, O.B.E.

LONDON BRANCH DIRECTORS:
A. DODDS FAIRBAIRN. ALFRED SHEPHERD.
JAMES TUKE.

GENERAL MANAGER:
C. M. C. SHANNON, Sydney.

FOREIGN DEPARTMENT:
A. J. CARROLL, Manager.

HEAD OFFICE: SYDNEY, NEW SOUTH WALES.
GEORGE H. HOWELL, Manager, with 154 Branches and Agencies in New South Wales.

BRISBANE OFFICE:
G. E. ALEXANDER, Manager, with 25 Branches & Agencies in Queensland.

MELBOURNE OFFICE: 325, Collins Street.
M. BURTON FINNEY, Manager.

ADELAIDE OFFICE: 36, Rundle Street.
R. T. MOODIE, Manager.

PERTH, W.A., OFFICE: 73, St. George's Terrace.
A. C. DIBDIN, Manager.

LONDON OFFICE: 62, Bishopsgate, E.C.2.
ARTHUR F. JENKINS, Manager.

The London Office is prepared to transact every description of Banking Business, including:—

CURRENT ACCOUNTS opened.
FIXED DEPOSITS received for periods of one month and upwards at rates of interest ascertainable on application.
ADVANCES MADE on approved Securities, and against shipments of all kinds of marketable produce and merchandise.
MAIL AND TELEGRAPHIC remittances made to all parts of the world.
DRAFTS issued at current rates of exchange.
FOREIGN or other Bills negotiated or collected.
The issue of LETTERS OF CREDIT, Circular or Commercial.

For the convenience of its Customers the Bank has special arrangements, where not directly represented, with other Bankers throughout Australasia, New Zealand, the United Kingdom, the Far East and elsewhere, whereby it is able to carry out all requirements with promptitude and to best advantage.

THE
YOKOHAMA SPECIE BANK,
LIMITED.

Established 1880

(Registered in Japan).

Capital Subscribed and Fully Paid - Yen 100,000,000
Reserve Fund - - - „ 105,500,000

Head Office - - YOKOHAMA.

BRANCHES AT

ALEXANDRIA.
BATAVIA.
BOMBAY.
BUENOS AYRES.
CALCUTTA.
CANTON.
CHANGCHUN.
DAIREN (Dalny).
FENGTIEN (Mukden).
HAMBURG.
HANKOW.
HARBIN.
HONOLULU.
HONG KONG.
KAI YUAN.
KARACHI.
KOBE.
LONDON.
LOS ANGELES.
LYONS.
MANILA.
NAGASAKI.
NAGOYA.
NEWCHANG.
NEW YORK.
OSAKA.
PEKIN.
RANGOON.
RIO DE JANEIRO.
SAIGON.
SAMARANG.
SAN FRANCISCO.
SEATTLE.
SHANGHAI.
SHIMONOSEKI.
SINGAPORE.
SOURABAYA.
SYDNEY.
TIENTSIN.
TOKYO.
TSINANFU.
TSINGTAU.
VLADIVOSTOCK (temporarily closed).

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit and transacts General Banking on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

LONDON OFFICE:
7, BISHOPSGATE, LONDON, E.C.2. D. NOHARA, Manager.

GREGG PUBLICATIONS

For Commercial and Professional Students.

BANKER AND CUSTOMER

By S. Evelyn Thomas, B.Com.

"A very comprehensive and up-to-date exposition of the principles and practice of banking as conducted in this country."
—*Bankers' Magazine*

Invaluable to the practical bankman, as well as to students preparing for banking examinations. 733 + xiv pages; bound in cloth ... **12s. 6d.** net.

ELEMENTS OF ECONOMICS

By S. Evelyn Thomas, B.Com.

"A half-guinea for such a work is well spent."
—*Financial News.*

A comprehensive work dealing in clear style with the whole field of economic theory. 683 + viii pages; bound in cloth ... **10s. 6d.** net.

From all Booksellers and

DEPT. S.T.,

The GREGG PUBLISHING COMPANY, Ltd.,
Kern House, 36-38 Kingsway, London, W.C. 2.

BANCO ITALIANO

Established 1889.

Capital Authorised Lp. 1,000,000.0.00
Capital Paid up - Lp. 800,000.0.00
Reserves - - - Lp. 1,114,612.9.43

Head Office:

LIMA (Peru)

Branches at
AREQUIPA, CALLAO, CHICHLAYO, CHINCHA ALTA, MOLLENDO, TRUJILLO, etc.

AGENTS throughout PERU.

CORRESPONDENTS IN ALL PARTS OF THE WORLD.

BANKING BUSINESS of every description transacted.

Special attention given to trade between PERU and Foreign Countries.

Consignments of Goods supervised, etc., etc.

London Agents:
Banca Commerciale Italiana,
32, Threadneedle Street, E.C.2.

JOINT STOCK BANKS OF NORTHERN IRELAND.

BELFAST BANKING CO., LIMITED.

ESTABLISHED 1827.

(Affiliated with Midland Bank, Limited.)

	Capital Subscribed.	Capital Paid-up.	Capital Callable.	Capital Reserved.
	£	£	£	£
	2,500,000	700,000	300,000	1,500,000
Per Share	£12 10s.	£3 10s.	£1 10s.	£7 10s.

Authorised note issue, £281,611.

PROFITS AND DIVIDENDS.

Year Ended July 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Dividends Rate. % Old.	Dividends Rate. % New.	Reserves, &c.	Carried Forward.
	£		£			£	£
1910	69,891	1·02	55,000	*20	*8	25,638	42,889
1911	69,452	0·95	55,000	*20	*8	10,667	41,858
1912	69,273	0·90	55,000	*20	*8	25,720	30,411
1913	73,141	0·89	55,000	*20	*8	750	47,802
1914	75,982	0·91	55,000	*20	*8	22,055	46,729
1915	70,958	0·79	53,791	†20	†8	25,000	33,546
1916	69,799	0·64	48,163	†20	†8	30,215	24,967
1917	68,870	0·56	44,687	†20	†8	...	49,150
Dec. 31.							
1918	80,850	0·68	43,745	†20	†8	...	86,255
1919	(a)105,991	0·52	59,087	†20	†8	70,000	63,159
1920	122,403	0·56	41,708	†20	†8	70,000	73,854
1921	111,102	0·52	41,708	†20	†8	70,000	73,247
1922	110,580	0·55	43,943	†20	†8	70,000	69,884
1923	109,293	0·61	45,805	†20	†8	50,000	83,373
1924	106,797	0·59	51,150	11		50,000	89,020
1925	104,534	0·59	52,387	11		50,000	91,167
1926	106,252	0·59	52,700	11		52,800	91,819
1927	104,762	0·56	52,800	11		100,000	43,781
1928	110,800	0·59	61,600	...		...	92,981

* Free of income-tax. † And bonus. (a) 17 months.

Year ended July 31.	No. of Branches.	LIABILITIES: Capital and Reserves.	%	Undivided Profits.	%	Notes.	%	Bills for Collection.	%	Staff Funds.	%	Deposit and Current Accounts.	%	Total Liabilities or Assets.	ASSETS: Cash in Hand and at Call.	%	Investments.	%	Discounts and Advances.	%	Buildings.	%
		£		£		£		£		£		£		£	£		£		£		£	
1890 ...	37	700,000	17·8	65,984	1·7	473,191	12·0	...	...	10,025	0·2	2,691,731	68·3	3,940,931	554,260	14·1	1,117,786	28·3	2,221,813	56·4	77,072	1·2
1895 ...	40	775,000	16·5	36,309	0·8	511,654	10·9	...	...	14,670	0·3	3,341,587	71·5	4,679,220	804,478	17·2	790,679	17·0	3,011,151	64·3	72,912	1·5
1900 ...	43	800,000	14·8	52,283	1·0	523,434	9·7	...	...	28,011	0·5	4,000,245	74·0	5,403,973	734,625	13·6	1,157,573	21·4	3,433,371	63·5	78,404	1·5
1905 ...	45	1,000,000	17·2	18,322	0·3	479,492	8·2	37,507	0·6	37,256	0·6	4,257,684	73·1	5,830,271	832,703	14·2	1,255,466	21·5	3,666,035	63·0	76,067	1·3
1906 ...	45	1,000,000	16·8	27,007	0·4	499,449	8·4	35,672	0·6	37,645	0·6	4,350,242	73·2	5,960,015	703,268	11·8	1,330,192	22·3	3,853,158	64·6	73,397	1·3
1907 ...	46	950,000	14·8	25,147	0·4	510,586	8·0	40,795	0·6	38,166	0·6	4,834,740	75·6	6,399,434	862,063	13·5	1,497,118	23·4	3,967,593	62·0	72,660	1·1
1908 ...	46	950,000	14·6	40,230	0·6	491,098	7·5	33,767	0·5	38,497	0·6	4,981,590	76·2	6,535,182	653,711	10·0	1,530,405	23·4	4,276,739	65·5	74,327	1·1
1909 ...	46	950,000	14·3	53,630	0·8	495,792	7·5	39,945	0·6	38,670	0·6	5,044,773	76·2	6,622,866	778,386	11·8	1,529,796	23·1	4,241,128	64·0	73,508	1·1
1910 ...	46	950,000	13·9	42,889	0·6	543,104	8·0	35,921	0·5	38,772	0·6	5,215,246	76·4	6,825,932	732,992	10·7	1,400,993	20·5	4,520,659	67·7	71,288	1·1
1911 ...	47	950,000	12·9	41,858	0·6	560,166	7·7	29,766	0·4	48,097	0·7	5,692,655	77·7	7,322,542	1,328,410	18·1	1,439,166	19·7	4,480,243	61·2	74,723	1·0
1912 ...	47	950,000	12·4	30,411	0·4	565,702	7·4	38,756	0·5	47,257	0·6	6,045,837	78·7	7,677,963	1,420,590	18·5	1,469,846	19·2	4,713,552	61·3	73,975	1·0
1913 ...	47	950,000	11·6	47,802	0·6	631,257	7·8	35,402	0·4	45,892	0·6	6,428,194	79·0	8,134,547	1,720,494	21·1	1,536,957	18·8	4,811,034	59·2	70,062	0·9
1914 ...	49	950,000	11·4	46,729	0·6	656,288	7·9	27,603	0·3	47,779	0·6	6,636,032	79·2	8,364,431	2,028,097	24·3	1,485,606	17·8	4,782,061	57·1	68,667	0·8
1915 ...	49	950,000	10·6	33,546	0·4	986,368	11·0	31,417	0·4	47,926	0·5	6,945,533	77·1	8,994,790	1,617,206	18·0	2,817,236	31·4	4,485,378	49·8	74,970	0·8
1916 ...	49	950,000	8·7	24,967	0·2	1,378,990	12·6	427,331	3·9	48,112	0·4	8,103,492	74·2	10,932,892	3,199,605	29·2	2,855,734	26·1	4,802,897	44·0	74,656	0·7
1917 ...	49	950,000	7·8	49,150	0·4	1,664,591	13·7	228,273	3·7	48,276	0·4	9,258,176	75·8	12,198,466	2,946,392	24·1	2,850,985	23·5	6,326,979	51·8	74,110	0·6
Dec. 3																						
1918 ...	60	1,000,000	6·5	86,255	0·6	2,253,720	14·6	77,617	0·5	48,343	0·3	11,947,054	77·5	15,412,989	6,205,843	40·3	2,875,984	18·6	6,259,624	40·6	71,538	0·5
1919 ...	66	1,050,000	5·2	63,159	0·3	2,108,389	10·4	...	...	...	...	17,001,418	84·1	20,222,966	4,054,562	20·0	4,694,765	23·2	11,409,619	56·5	64,020	0·3
1920 ...	67	1,050,000	4·9	73,854	0·3	1,661,679	7·7	...	...	...	...	18,742,243	87·1	21,527,776	3,970,972	18·4	3,038,190	14·1	14,452,097	67·2	66,517	0·3
1921 ...	67	1,050,000	4·9	73,247	0·3	1,274,655	5·9	...	...	...	...	19,142,592	88·9	21,540,494	5,309,157	24·6	3,021,649	14·0	13,142,598	61·1	67,090	0·3
1922 ...	67	1,050,000	5·2	69,884	0·3	1,257,618	6·2	...	...	...	...	17,908,049	88·3	20,285,551	3,053,343	15·0	5,455,779	27·4	11,704,785	57·2	71,644	0·4
1923 ...	48	1,200,000	6·7	83,373	0·5	1,304,998	7·3	...	...	...	...	15,258,943	85·5	17,847,314	1,735,285	9·7	5,122,493	28·7	10,941,398	61·3	48,138	0·3
1924 ...	48	1,200,000	6·7	89,020	0·5	1,271,630	7·1	...	...	...	...	15,432,713	85·7	17,993,363	1,658,244	9·2	5,767,361	32·1	10,516,284	58·4	51,474	0·3
1925 ...	50	1,200,000	6·8	91,167	0·5	1,049,927	5·9	...	...	...	...	15,381,372	86·8	17,722,466	1,691,239	9·5	4,574,073	25·8	11,403,846	64·4	53,308	0·3
1926 ...	50	1,200,000	6·6	91,819	0·5	941,055	5·2	...	...	...	...	15,916,350	87·7	18,149,224	2,054,257	11·3	4,769,418	26·1	11,270,540	62·3	55,009	0·3
1927 ...	50	1,300,000	7·0	43,781	0·2	960,317	5·1	1,800,000*	9·6	...	...	14,576,969	78·1	18,681,067	3,259,121	17·4	4,577,919	24·5	10,785,597	57·8	58,430	0·3
1928 ...	50	1,300,000	6·9	92,981	0·5	928,585	4·9	1,800,000*	9·5	...	...	14,779,530	78·2	18,901,096	3,327,480	17·6	5,129,071	27·2	10,388,948	54·9	55,597	0·3

* Midland Bank Limited (Government of Northern Ireland Guaranteed Loans Account).

NORTHERN BANK, LIMITED.

ESTABLISHED 1824.

1888—Absorbed Ball and Co., Dublin.

	Capital Subscribed.	Capital Paid-up.	Capital Callable.	Capital Reserved.
	£	£	£	£
	3,500,000	700,000	700,000	2,100,000
"A" Shares.....	£10	£2	£2	£6
"B" Shares.....	£10	£2	£2	£6

Authorised note issue, £243,440.

PROFITS AND DIVIDENDS.

Year Ended Aug. 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Dividends Rate. % "A"	Dividends Rate. % "B"	Reserves, &c.	Carried Forward
	£		£			£	£
1911	62,920	0·96	51,000	*12	*6	21,931	18,381
1912	65,108	0·95	51,000	*12	*6	16,757	15,732
1913	70,753	1·03	51,000	*12	*6	21,253	14,053
1914	75,388	1·00	51,000	*12	6	20,678	17,763
1916	75,545	0·83	44,153	13	6¼	26,299	20,106
1917	81,420	0·81	41,435	13	6¼	31,230	20,269
1918	90,399	0·67	43,856	13	6¼	36,318	23,935
1919	94,433	0·57	48,344	14¼	7¼	43,108	27,370
1920	146,764	0·68	61,417	17¼	8¼	30,920	42,538
1921	134,099	0·67	64,317	17¼	8¼	80,781	47,104
1922	238,682	1·26	66,190	17¼	8¼	29,429	87,457
1923	234,393	1·31	69,847	17¼	8¼	209,907	50,043
1924	148,425	0·85	73,017	17¼	8¼	164,342	50,247
1925	121,779	0·70	85,881	17¼	8¼	59,434	66,221
1926	136,970	0·86	87,500	17¼	8¼	55,053	47,066
1927	135,700	0·81	87,500	17¼	8¼	45,387	51,150
1928	134,922	0·80	87,500	17¼	8¼	45,527	53,823

* Free of income-tax.

Year Ended Aug.31	No. of Branches.*	LIABILITIES: Capital and Reserves.	%	Undivided Profits Carried Forw'd.	%	Notes.	%	Staff Funds.	%	Deposit and Current Accounts, &c.	%	Total Liabilities or Assets.	ASSETS: Cash in Hand and at Bankers.	%	Investments.	%	Discounts and Advances.	%	Premises.	%
		£		£		£		£		£		£	£		£		£		£	
1895	51	690,000	15·2	16,726	0·3	512,387	11·3	21,960	0·5	3,298,911	72·7	4,539,984	802,853	17·7	959,931	21·3	2,652,200	58·4	125,000	2·7
1900	53	800,000	16·0	25,040	0·5	570,501	11·4	32,970	0·7	3,573,533	71·4	5,002,044	823,212	16·4	1,086,685	21·7	2,997,147	60·0	95,000	1·9
1905	55	800,000	14·7	27,000	0·5	500,178	9·2	48,631	0·9	4,069,228	74·7	5,445,037	846,784	15·6	1,296,730	23·8	3,191,523	58·6	110,000	2·0
1906	57	800,000	14·3	21,882	0·3	548,108	9·8	51,153	0·9	4,195,765	74·7	5,616,908	916,546	16·3	1,423,493	25·3	3,168,869	56·4	110,000	2·0
1907	57	800,000	13·7	15,969	0·3	572,790	9·8	53,235	0·9	4,400,253	75·3	5,842,247	751,044	12·8	1,535,973	26·3	3,444,230	58·9	111,000	2·0
1908	58	800,000	13·3	18,101	0·3	525,936	8·7	55,334	0·9	4,616,531	76·7	6,015,902	902,794	15·0	1,591,243	26·5	3,413,865	56·7	108,000	1·8
1909	59	800,000	13·0	23,639	0·4	552,112	9·0	57,701	0·9	4,700,724	76·6	6,134,176	871,199	14·2	1,741,312	28·4	3,417,665	55·7	104,000	1·7
1910	59	805,000	12·7	28,392	0·4	624,994	9·9	59,575	0·9	4,834,552	76·1	6,352,463	1,021,963	16·1	1,750,186	27·6	3,477,314	54·7	103,000	1·6
1914	62	860,000	11·4	17,763	0·2	828,394	10·9	70,206	0·9	5,811,803	76·6	7,588,166	1,666,413	22·0	2,036,586	26·8	3,770,167	49·7	115,000	1·5
1915	62	885,000	10·6	20,106	0·2	926,826	11·1	71,808	0·9	6,418,633	77·2	8,322,373	1,431,627	17·2	3,421,139	41·1	3,354,607	40·3	115,000	1·4
1916	62	915,000	10·1	20,268	0·2	1,258,942	13·7	73,585	0·8	6,875,169	75·2	9,142,964	1,847,653	20·2	4,083,573	44·7	3,096,738	33·8	115,000	1·3
1917	64	945,000	9·4	23,935	0·2	1,355,851	13·6	75,453	0·7	7,610,176	76·1	10,010,415	2,386,099	23·8	3,258,326	32·6	4,253,990	42·5	112,000	1·1
1918	75	985,000	7·3	27,370	0·2	2,043,604	15·1	79,470	0·6	10,361,605	76·8	13,497,049	3,039,796	22·5	6,120,493	45·4	4,216,760	31·2	120,000	0·9
1919	77	1,085,000	6·5	42,538	0·3	2,472,011	14·8	82,165	0·5	13,014,325	77·9	16,696,039	3,570,428	21·4	6,819,033	40·9	6,176,578	36·9	130,000	0·8
1920	82	1,080,000	5·0	47,104	0·2	2,572,945	12·0	88,627	0·4	17,675,181	82·4	21,463,857	3,580,083	16·7	4,915,426	22·9	11,965,582	55·7	†1,002,766	4·7
1921	84	1,100,000	5·5	87,457	0·4	1,794,866	9·0	52,204	0·3	16,843,909	84·8	19,878,436	3,255,447	16·4	4,390,432	22·1	11,673,121	58·7	†559,436	2·8
1922	86	1,200,000	6·4	50,043	0·3	1,643,266	8·7	53,553	0·3	15,864,697	84·3	18,811,560	2,247,027	11·9	5,786,527	30·6	10,412,748	55·6	†365,258	1·9
1923	86	1,250,000	7·0	50,247	0·3	1,597,347	9·0	55,819	0·3	14,893,423	83·4	17,846,836	2,402,764	13·5	5,116,362	28·6	9,806,500	55·0	†521,210	2·9
1924	87	1,500,000	8·6	62,221	0·4	1,554,594	8·9	58,202	0·3	14,259,107	81·8	17,438,121	2,048,218	11·8	4,750,268	27·3	10,195,526	58·3	†444,109	2·6
1925	87	1,500,000	8·7	47,066	0·3	1,569,848	9·1	59,204	0·3	14,114,283	81·6	17,290,401	1,850,181	10·7	4,116,504	23·8	10,869,673	62·9	454,043	2·6
1926	88	1,500,000	8·6	51,150	0·3	1,491,658	8·5	60,911	0·3	14,428,394	82·3	17,532,113	1,805,251	10·3	4,056,423	23·1	10,846,748	61·9	823,691	4·7
1927	90	1,500,000	8·9	53,823	0·3	1,416,003	8·4	62,134	0·4	13,810,351	82·0	16,842,311	1,714,756	10·2	4,012,455	23·8	10,771,409	64·0	343,691	2·0
1928	91	1,500,000	8·8	46,168	0·3	1,445,857	8·5	62,976	0·4	13,907,790	82·0	16,962,781	1,591,621	9·4	4,001,165	23·6	10,994,369	64·8	375,626	2·2

* Excluding agencies. † Includes cover for acceptances.

A Complete Banking Service

The Midland Bank offers exceptional facilities for the transaction of banking business of every description through more than 2000 branches covering all important agricultural, commercial, industrial and residential districts in England and Wales.

The Overseas Branch at 122 Old Broad Street, London, E.C. 2, is specially organised and equipped to meet the financial requirements of modern commerce. It is the centre of control for the foreign business of the Bank's home branches and has agents and correspondents in all parts of the world.

The prudent administration of the Bank's immense resources and its unique representation at home and abroad afford customers and depositors the combined advantages of

¶ Perfect Security
¶ Finest Rates
¶ A Complete Home and Foreign Banking Service

Affiliations: Belfast Banking Co. Ltd., Northern Ireland; The Clydesdale Bank Ltd. and North of Scotland Bank Ltd., Scotland; Midland Bank Executor and Trustee Co. Ltd.

MIDLAND BANK

LIMITED

HEAD OFFICE: 5 THREADNEEDLE STREET, LONDON, E.C. 2

THE

STANDARD BANK OF SOUTH AFRICA LIMITED.

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

CAPITAL AUTHORISED & SUBSCRIBED	£10,000,000
CAPITAL PAID-UP	£2,500,000
RESERVE FUND	£3,164,170
CAPITAL UNCALLED	£7,500,000

Head Office: 10, CLEMENTS LANE, LOMBARD STREET,
and 77, KING WILLIAM STREET, LONDON, E.C.4

LONDON WALL BRANCH: 63, London Wall, E.C.2. WEST END BRANCH: 9, Northumberland Ave., W.C.2.

New York Agency: 67, WALL STREET.

Hamburg Agency: BANK OF BRITISH WEST AFRICA, Ltd., 49-53, SCHAUENBURGERSTRASSE.

Over 350 Branches, Sub-Branches, and Agencies in South and East Africa.

EXECUTORS AND TRUSTEESHIPS UNDERTAKEN.

COMMERCIAL SERVICE

The Bank has over 350 Branches in Africa and Agents and Correspondents throughout the world. The closest touch with Trade and Industrial conditions is maintained, with special attention to Commercial and Credit Intelligence. This service is available to Exporters, Importers and others wishing to develop trade between South and East Africa, the United States of America and the Continent of Europe.

THE STANDARD BANK MONTHLY REVIEW is sent post free on application. It gives the latest information on all South and East African matters of trade and Commercial Interest.

BERTRAM LOWNDES, *London Manager.*

ULSTER BANK, LIMITED.

ESTABLISHED 1836.

Affiliated to Westminster Bank, Limited, in October, 1917.

CAPITAL			
Subscribed.	Paid-up.	Callable.	Reserved.
£	£	£	£
3,000,000	800,000	200,000	2,000,000
Per Share.	Per Share.	Per Share.	Per Share.
£15	£4	£1	£10

Authorised note issue, £311,079.

Year Ended Aug. 31.	Net Profits.	PROFITS AND DIVIDENDS. Per Cent. of Resources.	Dividends Amount.	Dividends Rate.	Reserves, &c.	Carried Forward.
	£		£	%	£	£
1911....	115,975	1·06	100,000	*20	15,500	37,566
1912....	116,641	1·10	100,000	*20	33,000	21,207
1913....	121,943	1·06	100,000	*20	17,000	26,150
1914....	122,940	0·96	100,000	*20	33,550	15,540
1915....	130,484	0·95	95,589	21¼	35,000	15,436
1916....	134,083	0·87	84,891	21¼	41,500	23,028
1917....	135,181	0·74	79,688	21¼	34,000	36,561
Nov. 30.						
†1918....	206,359	0·93	96,147	21¼	20,000	108,734
1919....	174,816	0·62	74,375	21¼	105,300	103,875
1920....	210,306	0·71	74,375	21¼	133,000	106,806
1921....	195,581	0·70	74,375	21¼	135,000	93,013
1922....	190,245	0·72	77,862	21¼	115,000	90,397
1923....	203,588	0·79	81,430	21¼	120,000	92,555
1924....	211,378	0·84	82,344	21¼	130,000	91,589
1925....	216,380	0·90	84,074	21¼	150,000	73,895
1926....	210,727	0·87	85,000	21¼	150,000	49,621
1927....	210,818	0·86	85,000	21¼	100,000	75,439
1928....	224,775	0·92	128,000	*16	100,000	72,215

* Free of income tax. † 15 months.

Year Ended Aug. 31.	Number of Branches.*	LIABILITIES. Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Notes.	Per Cent.	Bills for Collection.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	ASSETS. Cash in Hand and at Bankers.	Per Cent.	Investments.	Per Cent.	Discounts, Advances and Short Loans.	Per Cent.	Premises.	Per Cent.
		£		£		£		£		£		£	£		£		£		£	
1890....	56	1,000,000	16·6	14,378	0·2	672,025	11·2	62,907	1·0	4,251,850	71·0	6,001,160	694,240	11·6	1,238,654	20·6	4,018,130	67·0	50,136	0·8
1895....	61	1,000,000	14·1	19,010	0·3	699,367	10·0	66,614	1·0	5,229,294	74·6	7,014,285	1,236,132	17·6	1,511,716	21·5	4,214,309	60·1	52,128	0·8
1900....	63	1,200,000	15·2	30,065	0·4	860,100	11·0	59,094	0·7	5,748,186	72·7	7,897,445	1,222,928	15·3	1,767,070	22·3	4,877,447	62·0	30,000	0·3
1905....	70	1,200,000	13·4	18,489	0·2	825,537	9·2	85,669	1·0	6,832,159	76·2	8,962,496	1,276,439	14·3	2,070,660	23·1	5,614,755	62·6	Nil	...
1910....	73	1,200,000	11·3	37,091	0·4	1,042,394	9·8	135,995	1·3	8,182,556	77·2	10,598,036	1,617,327	15·3	2,797,132	26·4	6,183,577	58·3	Nil	...
1911....	75	1,200,000	10·9	37,586	0·3	1,025,861	9·4	149,471	1·4	8,567,213	78·0	10,979,911	1,633,184	14·9	2,853,742	26·0	6,492,985	59·1	Nil	...
1912....	75	1,200,000	10·5	21,207	0·2	1,054,895	9·2	154,002	1·4	8,972,287	78·7	11,402,391	1,555,808	13·6	2,879,017	25·3	6,967,566	61·1	Nil	...
1913....	76	1,200,000	9·9	28,150	0·2	1,221,042	10·1	150,137	1·2	9,533,961	78·6	12,131,290	1,919,257	15·8	2,892,534	23·8	7,319,499	60·4	Nil	...
1914....	78	1,200,000	9·5	15,541	0·1	1,306,488	10·3	141,635	1·1	9,829,187	79·0	12,612,853	2,563,904	20·3	2,883,892	22·8	7,165,057	56·9	Nil	...
1915....	79	1,200,000	8·8	15,436	0·1	1,709,803	12·5	148,583	1·0	10,553,480	77·6	13,627,302	2,758,126	20·1	4,897,599	36·0	5,971,577	43·9	Nil	...
1916....	80	1,200,000	7·8	23,028	0·2	2,417,187	15·7	194,858	1·3	11,544,114	75·0	15,379,187	3,706,924	24·1	6,484,752	42·3	5,187,511	33·6	Nil	...
1917....	83	1,200,000	7·0	36,562	0·2	2,883,831	16·6	175,421	1·0	12,877,151	75·2	17,172,965	4,173,029	24·3	6,524,383	38·0	6,475,553	37·7	Nil	...
Nov. 30																				
1918....	98	1,200,000	4·9	108,734	0·4	4,804,918	19·9	171,272	0·8	17,892,704	74·0	24,177,628	6,222,771	25·7	11,133,541	46·1	6,821,316	28·2	Nil	...
1919....	106	1,200,000	4·2	103,875	0·4	4,492,374	15·8	138,858	0·5	22,522,850	79·1	28,457,957	6,234,530	22·0	11,974,698	42·0	10,248,729	36·9	Nil	...
1920....	112	1,200,000	4·0	106,806	0·4	3,530,334	11·9	104,125	0·4	24,800,893	83·3	29,742,158	5,577,857	18·7	10,246,765	34·5	13,782,494	46·3	135,042	0·5
1921....	113	1,200,000	4·3	93,013	0·3	2,075,418	7·5	99,735	0·4	24,287,432	87·5	27,755,598	3,660,175	13·2	11,336,765	40·9	12,558,967	45·2	199,691	0·7
1922....	114	1,200,000	4·5	90,397	0·3	2,088,182	7·9	81,724	0·3	23,039,108	87·0	26,499,411	2,873,133	10·9	11,979,153	45·0	11,454,623	43·4	192,502	0·7
1923....	114	1,300,000	5·1	92,555	0·4	2,113,502	8·2	78,357	0·3	22,050,621	86·0	25,635,035	2,719,182	10·6	11,024,253	43·0	11,702,043	45·7	189,557	0·7
1924....	114	1,400,000	5·6	91,589	0·4	2,037,707	8·1	159,207	0·7	21,567,007	85·2	25,255,510	3,016,798	11·9	11,014,453	43·6	11,034,702	43·7	189,557	0·8
1925....	114	1,500,000	6·2	73,895	0·3	1,779,184	7·4	66,688	0·3	20,720,742	85·8	24,140,509	2,414,263	10·0	10,256,472	42·5	11,269,617	46·7	200,157	0·8
1926....	115	1,500,000	6·2	49,621	0·2	1,703,922	7·0	77,488	0·3	20,823,751	86·3	24,154,782	2,560,243	10·6	10,116,897	41·9	11,261,533	46·6	216,109	0·9
1927....	114	1,600,000	6·6	75,439	0·3	1,660,984	6·8	51,026	0·2	20,997,853	86·1	24,385,302	2,684,047	11·0	10,228,493	42·0	11,256,853	46·1	216,109	0·9
1928....	114	1,700,000	7·0	72,215	0·3	1,535,367	6·3	44,609	0·2	21,037,705	86·2	24,389,896	2,387,110	9·8	10,508,694	43·1	11,270,599	46·2	223,493	0·9

* Excluding agencies.

LATEST BALANCE SHEETS OF DOMINION BANKS HAVING LONDON OFFICES.

BARCLAYS BANK (DOMINION, COLONIAL AND OVERSEAS).

The report states that the net profit for the year ended September 30, 1928, amounted to the sum of £494,823, to which has to be added the sum of £122,479 brought forward from September 30, 1927, making a total of £617,302, which has been appropriated as follows:—Provision for income tax, &c., £120,000; reserve fund, £150,000; interim dividends paid July 19, 1928, at the rate of 8 per cent. per annum on the cumulative preference shares, and at the rate of 3½ per cent. per annum on the "A" and "B" shares, less income tax, £101,931; final dividend at the rate of 8 per cent. per annum on the cumulative preference shares of £1 each fully paid, less income tax, payable January 18, 1929, £57,376; final dividend at the rate of 4½ per cent. per annum on the "A" shares of £1 each fully paid, and the "B" shares of £5 each, £1 paid, less income tax, payable January 18, 1929, £57,285; balance to be carried forward, £130,710—£617,302.

BALANCE-SHEET—September 30, 1928.

LIABILITIES.	£	ASSETS.	£
Current, deposit and other accounts (including balance of profit and loss account).....	59,675,657	Cash in hand and with bankers, and gold bullion...	10,771,837
Notes in circulation	942,549	Money at call and short notice	3,115,000
Acceptances and other liabilities on account of customers	4,687,223	Remittances in transit.....	1,180,319
Capital, viz.—1,793,000 8% cum. pref. shares of £1 each, fully paid, £1,793,000; 2,682,500 "A" shares of £1 each, fully paid, £2,682,500; 500,000 "B" shares of £5 each, £1 paid, £500,000.....	4,975,500	Bills discounted.....	17,415,119
Reserve fund	1,400,000	Investments—Securities of the British and of the Dominion and Colonial Governments (including securities lodged with the Crown Agents for the Colonies as security for note issue, and with others), £8,721,058; other investments, £528,589	9,249,647
Liability on bills rediscounted, £1,625,515 5s. 3d., of which £1,623,687 14s. has since run off.		Advances to customers and other accounts	23,305,538
		Liability of customers for acceptances, &c.	4,687,223
		Bank premises account	1,956,245
	71,680,929		71,680,929

PROFIT AND LOSS ACCOUNT.

DR.	£	CR.	£
Provision for income tax, &c.	120,000	Profit unappropriated on 1st October, 1927.....	122,479
Reserve fund	150,000		
Interim dividends, less income tax	101,931	Net profit, full provision having been made for rebate, and bad and doubtful debts	494,823
Final dividend on preference shares, less income tax.....	57,376		
Final dividend on "A" and "B" shares, less income tax	57,285		
Balance, carried forward	130,710		
	617,302		617,302

IRISH FREE STATE BANKS.

BANK OF IRELAND.

The report for the year ended December 31, 1928, is as follows:—The net profits of the bank for the year ended December 31, 1928, after meeting all charges and providing for bad and doubtful debts, interest due on deposits, and rebate on bills not at maturity, amount to £564,667, to which must be added a sum of £83,350 brought forward from December, 1927, making a total of £648,017. Out of this total an interim dividend of 8½ per cent., less income tax, absorbed £200,077. The governors and directors having transferred £150,000 to the rest, now recommend that a final dividend of 9 per cent., less income tax, be declared for the year ended December 31, 1928, which will absorb £211,846, making, together with the dividend paid on August 1, 1928, a distribution of 17½ per cent., less income tax, for the year, leaving a surplus of £86,094 to be carried forward.

BARCLAYS BANK

LIMITED.

Head Office - - 54, Lombard Street, London, E.C.3,

and over 2,000 Branches in England and Wales, and Agents and Correspondents in all the principal towns throughout the World.

FREDERICK CRAUFURD GOODENOUGH, Chairman.
SIR HERBERT HAMBLING, BART., Deputy-Chairman.
WILLIAM FAVILL TUKE, Vice-Chairman.

GENERAL MANAGERS:
EDWIN FISHER. HENRY THOMAS MITCHELL.
FOREIGN GENERAL MANAGER: WALTER OSBORNE STEVENSON.

Authorised Capital	£20,000,000
Issued and Paid-up Capital...	£15,858,217
Reserve Fund	£10,250,000
Deposits, etc. (31st December, 1928)	£335,081,223

EXECUTORSHIPS AND TRUSTEESHIPS UNDERTAKEN.

EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED.

FOREIGN BRANCHES:

CHIEF FOREIGN BRANCH: 168, Fenchurch Street, London, E.C.3.

WEST END (LONDON): 1, Pall Mall East, S.W.1 | LIVERPOOL: 45, Castle Street. | BRADFORD: 13, Market Street. | MANCHESTER: 94, Portland Street. | BIRMINGHAM: 63, Colmore Row.

Affiliated Banks:

BARCLAYS BANK (DOMINION, COLONIAL AND OVERSEAS).
Head Office: 54, LOMBARD STREET, LONDON, E.C.3.
BARCLAYS BANK (FRANCE), LIMITED.
Chief Office: PARIS. Branches in France and Algeria.
BARCLAYS BANK S.A.I.: ROME AND GENOA.
THE BRITISH LINEN BANK.
Head Office: EDINBURGH. 194 Branches in Scotland.
THE UNION BANK OF MANCHESTER LIMITED.
Head Office: MANCHESTER. 165 Branches in Lancashire, Cheshire and the West Riding of Yorkshire.

Glyn, Mills & Co.

(Established 1753)
Registered with unlimited liability, 1885.
incorporating
CHILD & CO. (Established before 1600) and HOLT & CO. (Established 1809)

BANKERS

Army and Air Force Agents, Navy and Prize Agents.

Capital	£1,060,000
Reserve Fund	530,000
Current and Deposit Accounts	35,928,161
Cash in Hand and at Bank of England	5,601,751
Money at Call and Short Notice	7,620,250
Investments	7,618,874
Advances, etc.	12,843,483
Balances with and Cheques in course of collection on other Banks in the United Kingdom	1,766,901

31st December, 1928

Head Office - - - 67, LOMBARD STREET, E.C.3

Managing Partners:
LORD WOLVERTON.
LAURENCE CURRIE.
LORD HILLINGDON.
General The Hon. SIR H. A. LAWRENCE, G.C.B.
Brigadier-General A. MAXWELL, C.B., C.M.G., D.S.O.
ERIC GORE BROWNE, D.S.O.
FREDERICK WILLIAM FANE.
MARTIN DRUMMOND VESEY HOLT.

Childs Branch - - - 1, FLEET STREET, E.C.4
Partners:—
FREDERICK WILLIAM FANE.
SYDNEY ALEXANDER PONSONBY.

Holts Branch - - - 3 & 4, WHITEHALL PLACE, S.W.1
Partners:—
MARTIN DRUMMOND VESEY HOLT.
ARTHUR VAVASOUR BARBER.

The Bank conducts every description of Banking Business, both British and Foreign.
Letters of Credit issued. Home and Foreign Credits established. Executorships and Trusteeships undertaken.

BALANCE-SHEET—December 31, 1928.

Liabilities.	£	Assets.	£
Capital paid up	2,769,231	Cash at head office, branches, and Bank of England	1,759,906
Rest	3,220,000	Cash at call and short notice	2,692,099
Notes and post bills in circulation	4,264,358	British Government debt	2,630,769
Government and other public accounts	2,674,464	Government securities	16,527,636
Deposit, current and other accounts	29,995,961	Other securities	3,954,322
Profit and loss account, balance as below	297,940	Bills discounted, advances to customers, &c.	14,829,602
		National City Bank, Ltd.—406,000 shares of £1 each, 10s. paid, £203,000; 18 shares of £1 each, fully paid, £18	203,018
		Bank premises, head office, and branches—at cost, less depreciation	624,602
	43,221,954		43,221,954

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Amount transferred to rest	150,000	Balance brought forward from last year	83,350
Interim dividend paid Aug. 1st of 8½ per cent., less income tax	200,077	Net profit for the year, after meeting all charges, and providing for bad and doubtful debts, interest on deposits and rebate on bills not at maturity, pension fund and other contingencies	564,667
Proposed final dividend for the year ended Dec. 31st, of 9 per cent., less income tax, £211,846; balance carried forward to next year, £86,094	297,940		
	648,017		648,017

HIBERNIAN BANK, LIMITED.

The report for the half-year ending December 31st states that, after providing for rebate on bills, interest on deposits, bad and doubtful debts and contingencies, the net profits for the half-year amount to £52,284; to which has to be added balance of undivided profits from last account, £34,579—£86,863. The directors have transferred to the reserve fund the sum of £10,000; and they recommend that the balance be applied as follows, viz.: in payment (subject to deduction of income tax) of a dividend for the half-year at the rate of 12½ per cent. per annum (£31,250), and a bonus of 1 per cent. (£5,000) for the year 1928, £36,250; in reduction of bank premises account, £7,500; to next account, £33,113—£86,863.

BALANCE SHEET—December, 31, 1928.

Liabilities.	£	Assets.	£
Capital, viz.:—100,000 shares of £20 each, £2,000,000; amount paid up, £5 per share	500,000	Cash in hand and with bankers	766,381
Reserve fund	650,000	Investments, viz.:— War Loan and other Government stocks	5,077,876
Deposit, current, and other accounts, including interest due on deposits	11,832,208	Corporation stocks, railway debenture stocks, and other securities	181,816
Sundry agents	24,612	Bills discounted, advances on current accounts, loans, &c.	6,838,550
Rebate on bills discounted not at maturity	8,943	Sundry agents	15,155
Profit and loss account, £86,863; *less* transferred to reserve fund, £10,000	76,863	Bank premises and furniture (head offices and 58 branches) written down to	212,848
	13,092,626		13,092,626

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenses of management, including directors' fees, salaries, pensions and allowances, bonuses and grants to staff, rents, rates, repairs, revenue taxes, and all other outlay	97,377	Balance from last account	34,579
Amount transferred to reserve fund	10,000	Gross profits for half-year, after providing for rebate on bills, interest on deposits, bad and doubtful debts and contingencies	149,661
Dividend to be paid in February, 1929, subject to deduction of income tax, £31,250; bonus of 1 per cent. for year 1928, do., £5,000; bank premises account, £7,500; balance to next account, £33,113	76,863		
	184,240		184,240

MUNSTER AND LEINSTER BANK, LIMITED.

BALANCE-SHEET—December 31, 1928.

Liabilities.	£	Assets.	£
Capital—375,000 shares of £5 each, £2 paid	750,000	Cash on hand and with other bankers	2,075,548
Reserve fund	1,000,000	Money at call and at short notice	1,950,000
Deposit, current and other accounts	24,845,985	Investments—War Loan and other British and Irish Government stocks, £8,983,016; corporation stocks, railway debenture and preference stocks, and debenture bonds, £235,204	9,218,220
Profit and loss—Balance from June 30, 1928, £48,151; net profit for half-year ended Dec. 31, 1928, 90,644—£138,795: *less* amount transferred to contingencies account, premises account and staff pension fund, £40,000	98,795	Bills discounted	1,435,581
		Advances on securities and current accounts	11,664,032
		Bank premises, head office and branches	351,399
	26,694,780		26,694,780

The report of the directors for the half-year ended December 31, 1928, states that the profits, after deducting expenses, providing for interest on deposits, rebate on bills, and for all bad and doubtful debts, amount to £90,644; to which has to be added the balance from the last account, £48,151; making a total of £138,795. The directors recommend the payment of a dividend for the half-year at the rate of 14 per cent. per annum, free of income tax, £52,500; and, after transferring to contingencies accounts £10,000, and applying in reduction of premises account £20,000, and placing to staff pension fund £10,000, there will remain to be carried to the next account £46,295—£138,795.

NATIONAL BANK, LIMITED.

The report for the half-year ended December 31, 1928, states that the profit and loss account, including £25,825 brought forward from June 30th last, shows a balance of £191,693 available for distribution. The board have declared a dividend for the past half-year at the rate of 14 per cent. per annum, or 14s. per share (£10 paid), less British tax at 4s. in the £. The dividend absorbs £84,000, leaving a balance of £107,693 to be dealt with. Of this sum the directors have transferred £15,000 to the reserve fund, £15,000 in reduction of bank premises account, and £50,000 to income tax and contingencies account. £27,693 has been carried forward to profit and loss new account.

BALANCE SHEET, December 31, 1928.

Liabilities.	£	Assets.	£
Capital paid-up on 150,000 shares	1,500,000	Cash on hand at head office, branches, and Bank of England	3,698,033
Reserve fund (Government securities)	1,425,000	Money at call and at short notice, including Stock Exchange loans and British Treasury Bills	5,499,400
Notes in circulation	2,203,241	Exchequer Bonds, maturing 1930, and War Loan 5 per cent., 1929/47	9,005,792
Amount due by the Bank on deposit, current and other accounts	37,476,108	Government securities, including reserve fund	5,589,995
Acceptances to bankers' drafts and on security	57,359	Corporation, railway and other investments	535,141
Net profits for the half-year £165,868; brought forward from the 30th June, 1928, £25,825	191,693	Advances on securities at sundry dates, and current accounts	15,393,677
		Bills discounted	2,292,965
		Bankers' guarantee and securities held against acceptances, per contra	57,360
		Bank Premises — London, Dublin, and branches, freehold and leasehold (at cost, *less* depreciation)	781,038
	42,853,401		42,853,401

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Total expenditure at head office and branches, including salaries, rent, taxes, maintenance of bank premises, &c.	277,299	Amount brought from last account	25,825
Half-year's dividend to December 31, 1928, being at the rate of 14 per cent. per annum, £105,000; Less British tax at 4s. in the £, £21,000—£84,000; Amount carried to reserve fund, £15,000; Amount transferred in reduction of bank premises, £15,000; Amount carried to income tax and contingencies account, £50,000: Balance to credit of profit and loss new account, £27,693	191,693	Gross profits for the half-year ended December 31, 1928, after payment of interest, income tax, duty on circulation, allowance for rebate on bills not due, and full provision for bad and doubtful debts	443,167
	468,992		468,992

PROVINCIAL BANK OF IRELAND, LIMITED.

BALANCE SHEET—December 31, 1928.

Liabilities.	£	Assets.	£
Capital paid up	540,000	Cash at head office, branches, and in London	799,927
Reserve fund	620,000	Money at call and short notice	760,000
Notes in circulation	1,046,363	British Government Treasury bills	920,000
Deposit receipts, current and other accounts	14,733,355	Investments, viz.:—British Government and Colonial securities, £7,402,530; corporation stocks and other investments, £180,939	7,583,469
Net profits for the half-year, including £36,431 brought forward from June 30, 1928, £93,442; *less* £10,000 added to reserve fund, £10,000 written off bank premises and £10,000 placed to contingency account—£30,000	68,442	Advances to customers and other accounts	5,732,067
		Bills discounted	1,002,735
		Bank premises, freehold and leasehold	209,962
	17,008,160		17,008,160

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Total expenditure at head office and branches, including rents, repairs of premises, salaries, pensions, &c., for the half-year	153,668	Balance, June 30, 1928	36,431
Added to reserve fund	10,000	Gross profits for the half-year after providing for interest on deposits, income tax, corporation profits tax in Irish Free State, duty on notes and post bills in circulation, law costs, rebate on bills discounted not yet due, and bad and doubtful debts	215,679
Placed to contingency account	10,000		
Written off bank premises	10,000		
Dividend at the rate of 14½ per cent. per annum, for the half-year to December 31, 1928, payable on and after February 1st next, less income tax	31,320		
Carried to new account	37,122		
	252,110		252,110

The report for the half-year ending December 31, 1928, is as follows:—Including £36,431 brought forward from last account, there remains a profit of £98,442. Out of this the directors have declared a dividend for the half-

LLOYDS BANK LIMITED.

Chairman: J. W. BEAUMONT PEASE.

Deputy-Chairman: Sir AUSTIN E. HARRIS, K.B.E.

HEAD OFFICE: LONDON, E.C. 3.

CAPITAL:
SUBSCRIBED - £73,302,076
PAID UP - - £15,810,252
RESERVE FUND - £10,000,000
(31st December, 1928.)
DEPOSITS, &c. - £353,638,942
ADVANCES, &c. - £187,155,085

Over 1,800 Offices in England and Wales, and others in India and Burma.

Colonial and Foreign Department: 80, GRACECHURCH ST., LONDON, E.C. 3.

Trustee Department: 39, THREADNEEDLE ST., LONDON, E.C. 2.

The Bank has Agents and Correspondents throughout the British Empire and in all parts of the World, and is associated with the following Banks:

THE NATIONAL BANK OF SCOTLAND LIMITED.
BANK OF LONDON & SOUTH AMERICA LIMITED.
LLOYDS & NATIONAL PROVINCIAL FOREIGN BANK LTD.
THE NATIONAL BANK OF NEW ZEALAND, LIMITED.
BANK OF BRITISH WEST AFRICA LIMITED.
THE BRITISH ITALIAN BANKING CORPORATION, LIMITED.

Codes: Peterson International (2nd Edition).

Telegrams: Eurogen Cannon London.

Telephone: Mansion House 5222 (4 lines).

EUROPEAN & GENERAL FINANCE CORPORATION, LTD.,

82, King William Street, LONDON, E.C.4.

(Capital - - £500,000)

GENERAL COMMERCIAL AND FINANCIAL BUSINESS AND ISSUES.

Bankers: LLOYDS BANK LTD., 39, Threadneedle Street, LONDON, E.C.2.

year at the rate of 14½ per cent. per annum, less income tax, which will require £31,320; they have added to reserve fund £10,000; written off bank premises account £10,000; placed to contingency account £10,000; and carried forward £37,122—£98,442.

ROYAL BANK OF IRELAND, LIMITED.

The report states that the net profits of the bank for the year ended August 31, 1928, after making provision for all bad and doubtful debts, amounted to £68,657, which, with the amount brought forward from last year of £10,388, make together £79,045. From this an interim dividend at the rate of 8 per cent. per annum (less tax) for the first six months of the year has been distributed to the shareholders, £10,200, leaving a balance of £68,845, out of which the board have appropriated to reserve fund, bank premises, officers' superannuation and other contingencies £42,000, leaving available a balance of £26,845, which they recommend should be appropriated as follows:—A further dividend at the rate of 12 per cent. per annum (less tax) for the six months ended August 31st last, £15,300. The balance to be carried forward to the credit of next year's account, £11,545.

BALANCE SHEET—August 31, 1928.

Liabilities.	£	Assets.	£
Proprietors' capital, £1,500,000, divided into 30,000 shares of £50, on each of which £10 has been paid up	300,000	Investments—British Government securites (including war issues)	1,925,418
Reserve fund	230,000	Colonial Government stocks, railway debenture stocks, &c.	246,642
Current, deposit and other accounts including officers' superannuation fund	6,758,579	British Treasury bills	49,713
Profit and loss, balance after paying interim dividend at the rate of 8 per cent. per annum (less tax) as per account below, £68,845; less appropriated to reserve fund, bank premises, officers' superannuation, and other contingencies, £42,000	26,845	Bankers' balances and cash at head office and branches	521,874
		Bills discounted	125,770
		Advances on current and other accounts	4,221,007
		Bank premises (head office and 42 branches)	225,000
	7,315,424		7,315,424

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend at the rate of 8 per cent. per annum (less income tax) for the half-year to February 29, 1928	10,200	Balance brought forward from last year	10,388
Balance carried to balance sheet	68,845	Net profits for the year after providing for all expenses, bad and doubtful debts, &c.	68,657
	79,045		79,045

AFRICAN BANKS.

BANK OF BRITISH WEST AFRICA, LIMITED.

BALANCE SHEET—March 31, 1928.

Liabilities.	£	Assets.	£
Capital, 400,000 shares of £10 each, £4,000,000; of which there have been issued 300,000 shares on which £4 per share has been paid up	1,200,000	Cash in hand and at bankers, including branches and agencies, £1,870,745; cash in transit, £20,540	1,891,285
Reserve	400,000	Investments—British Government securities, £1,480,708; other securities, £58,744; West Africa Buildings Co., Ltd., £50,000 (50,000 shares of £1 each, fully paid)	1,589,452
Current, deposit and other accounts	6,717,224	Bills of exchange—Treasury bills, £345,000; other bills, £1,601,102	1,946,102
Draft issued	290,160	Loans, advances and other accounts	2,929,833
Bills for collection	947,670	Bills for collection contra	947,670
Rebate on bills	8,949	Liability of customers for acceptances	323,944
Liability on acceptances for customers	323,944	Premises and furniture	359,941
Final dividend, payable June 29, 1928	48,000		
Balance of profit carried forward	52,280		
There are contingent liabilities on bills re-discounted and outstanding forward exchange contracts, most of which have since run off, also in respect of engagements on behalf of customers.			
	9,988,227		9,988,227

NETHERLANDS BANK OF SOUTH AFRICA.

BALANCE SHEET—December 31, 1927.

Liabilities.	£	Assets.	£
Capital subscribed and paid up	468,542	Cash in hand and with bankers (including obligatory balance with the South African Reserve Bank)	344,998
Reserve fund	166,667	British Treasury bills	50,000
Current accounts, deposits and other liabilities	1,845,832	Bills discounted	1,229,848
Acceptances	252,521	Securities	39,096
Acceptances by correspondents	351,236	Investments	10,504
Bills payable	38,516	Liabilities of customers on acceptances	601,177
Bills for collection per contra	25,385	Loans and advances to customers	807,692
Appropriation account for 1927 (including taxes)	45,922	Bank premises	83,333
Balance carried forward	1,080	Furniture	...
		Properties in South Africa	3,668
		Bills for collection	25,385
	3,195,701		3,195,701

All the bills discounted, amounting to £1,229,847 and also all bills rediscounted, amounting to £1,497,109, have since been paid, with the exception of about £2,800, which will only mature during the next few weeks. Contingent liability on guarantees, £175,214.

STANDARD BANK OF SOUTH AFRICA, LIMITED.

The directors declared an interim dividend of seven shillings per share (being at the rate of fourteen per cent. per annum), subject to income tax, out of the profits for the half-year ended September 30, 1928. The Bank's investments stand in the books at less than the market value as at September 30, 1928, and all usual and necessary provisions have been made.

BALANCE SHEET—September 30, 1928.

Liabilities.	£	Assets.	£
Capital subscribed — 445,833 shares of £20 each, £8,916,660; called up £5 per share	2,229,165	Cash in hand and with bankers (including deposit of £2,383,700 with South African Reserve Bank in terms of the Union of South Africa "Currency and Banking Act, 1920.")	5,955,073
Reserve fund	2,893,335	Cash at call and short notice	2,975,000
Notes in circulation	611,015	Native gold in hand and in transit	58,576
Deposit, current, and other accounts (including profit and loss account and provision for contingencies)	53,379,870	*Investments—British Government securities, Colonial Government, municipal and other securities, £5,082,379; Bank of British West Africa, Ltd., 33,334 £10 shares £4 paid, £125,003	5,207,382
Drafts outstanding and acceptances under credits	2,367,554	Bills of exchange purchased and current at this date	8,169,674
Customers' bills for collection, per contra	10,953,369	Bills discounted, advances to customers and other accounts	35,906,078
		Remittances in transit	1,730,511
		Customers' bills for collection, per contra	10,953,369
		Bank property and premises (including furniture and fittings) at cost, *less* amounts written off	1,440,859
		Stamps, stationery, and open policies	37,786
	72,434,308		72,434,308

* These investments appear at, or under cost, and below market values as at September 30, 1928.

AUSTRALASIAN BANKS.

AUSTRALIAN BANK OF COMMERCE, LIMITED.

The report presented at the meeting on July 24, 1928, states that the balance of profit and loss for the year, after making full provision for all bad and doubtful debts, deducting rebate on current bills, and expenses of management, directors' and auditors' fees, interest on fixed deposits, rates, etc., amounts to £276,724, less graduated land and income taxes for the year, £59,983—£216,741. From this amount the following appropriations have been made:—Transfer to reserve fund, £40,000; interim half-yearly dividend at the rate of 8 per cent. per annum was paid in January, absorbing £88,320; and a final half-yearly dividend at the rate of 8 per cent. per annum is now recommended, amounting to £88,320—£176,640—£216,640; balance, £101; brought forward from last year, £26,664; leaving to be carried forward, £26,765.

BALANCE SHEET, June 30, 1928.

Liabilities.	£	Assets.	£
Capital paid-up	2,208,000	Coin and bullion	786,887
Reserve fund	1,046,880	Australian notes and cash with Commonwealth Bank	1,124,059
Customers' deposits and other liabilities	13,960,406	Cash at London bankers and at short call in London	1,439,192
Government deposits	58,529	British Treasury bills and other Government and municipal securities	730,211
Bills in circulation and other amounts payable	1,026,936	Balances due by other banks	512,379
Balances due to other banks	207,617	Bills receivable and remittances in transit	2,259,246
Profit and loss account: Balance for dividend, £88,320; to increase amount carried forward, £101; £88,421; brought forward from June 30, 1927, £26,664	115,085	Bills discounted, loans, advances, all other debts due to the bank, and other assets	11,406,259
Contingent liabilities, consisting of letters of credit, &c.; for which customers are responsible to the bank, £963,031 19s. 1d.		Bank premises	365,220
	£18,623,453		£18,623,453

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Transfer to reserve fund (now £1,046,880 5s. 0d.)	40,000	Profit for the year ended June 30, 1928, £276,724; less graduated land and income taxes, £59,983	216,741
Interim half-yearly dividend paid	88,320	Balance to be brought down—after payment of dividend £88,320 recommended	101
Final half-yearly dividend recommended	88,320	Balance brought forward from last year	26,663
Balance to be carried down	101		
	£216,741	To be carried forward	£26,765

BARCLAYS BANK (DOMINION, COLONIAL AND OVERSEAS)

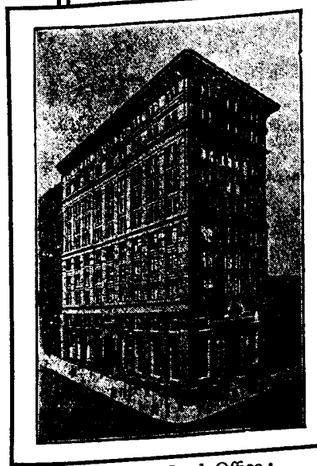
OVER 400 BRANCHES IN
THE UNION OF SOUTH AFRICA
(NATAL . CAPE PROVINCE . TRANSVAAL . ORANGE FREE STATE)
PORTUGUESE EAST AFRICA . SOUTH WEST AFRICA
KENYA . TANGANYIKA . UGANDA . NYASALAND
NORTHERN & SOUTHERN RHODESIA . EGYPT . SUDAN . PALESTINE
BRITISH WEST AFRICA . BRITISH WEST INDIES
MALTA . GIBRALTAR . MAURITIUS
LONDON . LIVERPOOL . MANCHESTER . HAMBURG
BRITISH GUIANA

Agency: NEW YORK

THE BANK'S WORLD-WIDE ORGANISATION IS AT THE DISPOSAL OF MERCHANTS, SHIPPERS AND TRAVELLERS.

Head Office: **54, LOMBARD STREET, LONDON, E.C.3**

Commonwealth Bank of Australia



Head Office:
Sydney, New South Wales.

HEAD OFFICE - - - SYDNEY
E. C. RIDDLE, *Governor.* H. T. ARMITAGE, *Deputy-Governor.*

Guaranteed by the Australian Commonwealth Government.

BRANCHES IN
The Principal Cities and Towns of Australia
and at
36-41, New Broad Street, E.C., and Australia House, Strand, W.C.
LONDON.

Agents and Correspondents throughout the World.

BANKING AND EXCHANGE BUSINESS OF EVERY DESCRIPTION TRANSACTED.

Bankers to:
GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA.
GOVERNMENT OF THE STATE OF QUEENSLAND.
GOVERNMENT OF THE STATE OF SOUTH AUSTRALIA.
GOVERNMENT OF THE STATE OF TASMANIA.
COMMONWEALTH SAVINGS BANK OF AUSTRALIA.

Branches in the Chief Centres and 3,542 Agencies at Post Offices throughout Australasia.

As at 31st December, 1928.

General Bank Balances	£42,250,947
Savings Bank Balances	49,376,915
Note Issue Department	48,698,226
Rural Credits Department	1,035,257
Other Items	6,688,935
	£148,050,280

LONDON BRANCH: 36-41 NEW BROAD STREET, E.C. 2.
J. S. SCOTT, Manager.

BANK OF ADELAIDE.

BALANCE SHEET—March 26, 1928.

LIABILITIES.	£	ASSETS.	£
Capital paid up	1,250,000	Specie, bullion and cash balances	271,890
Reserve fund	950,000	Australian notes and cash with Commonwealth Bank	945,405
Profit and loss	115,964	Government securities	712,910
Notes in circulation	6,755	Municipal debentures	3,800
Bills in circulation and other liabilities	180,710	Money at short call and Imperial Government Treasury bills	197,500
Balances due to other banks	464,413	Balances due from other banks	296,958
Deposits	6,084,129	Notes of other banks	2,594
Interest accrued on fixed deposits and rebate on bills discounted	82,835	Remittances in transitu	700,491
		Bank premises and furniture	347,509
		Bills receivable and all other advances	5,655,750
	9,134,807		9,134,807
Contingent liabilities, consisting of letters of credit, &c.	345,884	Liabilities of customers on letters of credit, &c., as per contra	345,884

BANK OF AUSTRALASIA.

The report for the year ended October 15th last states that, after providing for rebate on bills current, for British, Australian and New Zealand rates and taxes, and making provision for bad and doubtful debts and other contingencies, the net profit for the year amounted to £675,192. To this has to be added £139,568 brought forward from the previous year's account, making a total of £814,760. From this £280,000 was paid as an interim dividend on October 5th last, and the directors have now appropriated a further sum of £315,000 to pay (on the increased capital of £4,500,000) a final dividend of 7s. per share, making, in all, £595,000, equal to 14s. per share, and representing for the year a distribution at the rate of 14 per cent., free of income tax. The directors have also transferred £80,000 to bank premises account. There will remain £139,760 to be carried forward to the next account. The amount of the premium received on the 100,000 new shares issued last year, viz., £600,000, has been added to the reserve fund.

BALANCE SHEET—October 15, 1928.

LIABILITIES.	£	ASSETS.	£
Circulation	428,622	Specie, bullion, Government notes and cash balances	7,385,811
Deposits	33,876,329	Loans at call and at short notice	120,000
Bills payable, and other liabilities, including provision for contingencies	3,909,217	British Government securities	3,641,295
Capital	4,500,000	Government securities of Australasia and other investments	1,440,788
Reserve fund	4,450,000	Bills receivable and remittances in transit	3,307,544
Dividend payable March 22, 1929	315,000	Advances on securities, and other assets	31,564,314
Profit account balance	139,760	Bank premises in Australia, New Zealand and London	159,176
	£47,618,928		£47,618,928

BANK OF NEW SOUTH WALES.

The report for the year ended September 30th is as follows:—The net profits for the year, after deducting rebate on current bills, interest on deposits, and paying income, land and other taxes (amounting to £294,345 4s. 10d.), reducing valuation of bank premises, providing for bad and doubtful debts, and fluctuations in the value of investment securities, and including recoveries from debts previously written off as bad, amount to £1,184,943; to which is added—undivided balance from September 30, 1927, £170,616—£1,355,559. Interim dividends at the rate of 10 per cent. per annum for quarters ended December 31, 1927, March 31, 1928, and June 30, 1928, paid out of the year's profits, in terms of Clause 105 of Deed of Settlement, £561,905, leaving a balance of £793,654, which the directors recommend to be dealt with as follows:—To payment of a quarter's dividend to September 30, 1928, at the rate of 10 per cent. per annum out of the year's profits, £187,500; bonus of 10s. per share out of the year's profits, £187,500; augmentation of the reserve fund, £250,000; balance carried forward, £168,654—£793,654.

BALANCE SHEET—September 30, 1928.

LIABILITIES.	£	ASSETS.	£
Notes in circulation	633,262	Coin, bullion, Government legal tender notes and cash at bankers	15,271,586
Deposits, accrued interest and rebate	64,514,555	Notes of other banks	14,397
Bills payable and other liabilities (which include reserves held for doubtful debts, amount at credit of investments fluctuation account, and amounts due to other banks	7,200,130	Money at short call in London	700,000
Paid-up capital	7,500,000	Short-dated British Treasury bills	2,000,000
Reserve fund	5,650,000	Investments—	
Profit and loss, £1,355,559; less interim dividends to June 30, 1928, £561,905	793,654	British and Colonial Government securities	9,940,441
	86,291,601	Municipal and other securities	461,229
Contingent liabilities—		Due by other banks	657,078
Outstanding credits as per contra	2,690,984	Bills receivable in London and remittances in transit	4,668,502
		Bills discounted and loans and advances to customers	51,353,358
		Bank premises	1,225,000
		Liabilities of customers and others on letters of credit, as per contra	2,690,984
	88,982,585		88,982,585

PROFIT AND LOSS ACCOUNT.

DR.	£	CR.	£
Interim dividends for quarters ended December 31, 1927, March 31, 1928, and June 30, 1928, at 10 per cent. per annum, paid in terms of clause CV. of deed of settlement out of the year's profits	561,905	Amount from last account	170,616
Balance proposed to be dealt with as follows: Quarter's dividend to September 30, 1928, at the rate of 10 per cent. per annum out of the year's profits, £187,500; Bonus of 10s. per share out of the year's profits, £187,500; augmentation of the reserve fund, £250,000; balance carried forward, £168,654	793,654	Balance of year's profits after deducting rebate on current bills, interest on deposits, paying income, land and other taxes, amounting to £294,345 4s. 10d., reducing valuation of bank premises, providing for bad and doubtful debts, and fluctuations in the value of investment securities, and including recoveries from debts previously written off as bad	1,184,943
	1,355,559		1,355,559

BANK OF NEW ZEALAND.

BALANCE SHEET—March 31, 1928.

LIABILITIES.	£	ASSETS.	£
Capital—4% guaranteed stock	529,989	Coin, cash balances, and deposits with bankers	7,527,426
Preference A fully-paid £1 shares issued to the New Zealand Government	500,000	Government notes—Commonwealth, Fijian and Samoan Administration	81,629
C long-term mortgage shares issued to the New Zealand Government—paid up	175,781	Notes of other banks (legal tender)	40,603
D long-term mortgage shares—paid up, £351,486; paid in advance, £88,942	440,429	Balances due by other banks	195,635
Preference B fully-paid £1 shares issued to the New Zealand Government	1,375,000	Bullion on hand and in transit	5,531
Ordinary shares of £1, fully paid	3,750,000	Money at call and short notice, Government securities and other securities in London	7,119,805
Reserve fund	3,025,825	Bills receivable in London and in transit	2,885,327
Notes in circulation	3,797,080	New Zealand Government securities	3,644,300
Deposits	30,339,033	Australian Government securities	2,068,385
Balances due to other banks	30,426	Municipal and other local bodies' securities	979,586
Bills payable and other liabilities (including provision for contingencies)	3,954,877	Bills discounted	1,294,654
Reserve for taxes	426,000	Other advances and securities and debts due to the bank, after deducting provision for bad and doubtful debts	21,453,565
London office acceptances under credits	89,501	Remittances in transit between branches	1,343,798
Transfers from long-term mortgage department	296,448	Landed property, premises, &c.	533,597
Balance of profit and loss	1,149,162	Liabilites of customers for acceptances, per contra	89,500
		Long-term mortgage department	616,210
	49,879,551		49,879,551

COMMERCIAL BANK OF AUSTRALIA, LIMITED.

BALANCE SHEET—June 30, 1928.

LIABILITIES.	£	ASSETS.	£
211,735 Preference shares paid in cash to £10 per share, £2,117,350; 2,743,217 ordinary shares paid in cash to 10s. per share, £1,371,609; 4,806 ordinary shares paid in cash to 7s. 6d. per share, £1,802; 249,042 ordinary shares paid in cash to 5s. per share, £62,260: 2,935 ordinary shares paid in cash to 2s. 6d. per share, £367	3,553,388	Coin, bullion, Australian notes and cash at bankers	3,322,597
Reserve fund	1,600,000	Money at call and short notice in London	750,000
Profit and loss account	230,489	Short-dated British Treasury bills	3,305,000
Notes in circulation	226,775	Government, municipal, and other public stocks and funds, and other debentures	871,671
Bills payable and other liabilities, including reserves for contingencies	1,716,109	Bills receivable in London and balance of remittances and drafts in transit	1,880,273
Government deposits — not bearing interest, £132,336; bearing interest, £345,369; other deposits—not bearing interest, £9,921,029 bearing interest, £11,909,151	22,307,885	Notes and bills of other banks	230,982
Balances due to other banks	1,855	Balances due from other banks	161,191
Contingent liabilities, as per contra	812,285	Stamps	14,866
		Bills discounted, and other advances, exclusive of provision for bad or doubtful debts	18,331,201
		Real estate, consisting of bank premises	768,720
		Liabilities of customers and others in respect of contingent liabilities, as per contra	812,285
	30,448,786		30,448,786

COMMERCIAL BANKING COMPANY OF SYDNEY, LIMITED.

BALANCE SHEET, June 30, 1928.

LIABILITIES.	£	ASSETS.	£
Capital paid-up	4,739,013	Coin, bullion, Australian Commonwealth notes and cash at bankers	8,806,256
Reserve fund	3,950,000	Money at short call	885,000
Notes in circulation	14,244	Short dated British Treasury bills	2,795,000
Bills in circulation	2,149,049	British and Australian Government stocks and other securities	6,576,852
Deposits and other liabilities	51,824,699	Bills receivable in London and remittances in transit	5,041,444
Profit and loss account	477,166	Notes and bills of other banks	375,691
		Bills discounted, and other debts due to the Bank	37,316,784
		Bank premises, furniture, &c.	1,357,144
	63,154,171		£63,154,171

BANQUE NATIONALE DE CRÉDIT

Head Office: 16, Boulevard des Italiens, Paris.

Chairman: A. Vincent. General Manager: E. Level.

550 BRANCHES IN FRANCE

Authorized Capital	- -	Frs. 367,500,000
Paid-up "	- -	Frs. 262,500,000
Reserves	- - - -	Frs. 125,000,000
Deposits	- - - -	Frs. 4,630,762,000

FOREIGN DEPARTMENT: 15, rue Scribe, Paris

LONDON REPRESENTATIVE:
FRED. E. COTTIER, 33, Cornhill, E.C. 3.
Phone: Mansion House 8468-8469

Every kind of Banking and Exchange business transacted.

IMPERIAL BANK OF INDIA

Constituted under the Imperial Bank of India Act, 1920.

For the purpose of taking over the undertakings and business of the Bank of Bengal, the Bank of Bombay, and the Bank of Madras.

BANKERS TO THE GOVERNMENT OF INDIA.

AUTHORISED CAPITAL:	225,000 Shares of Rs. 500 each	Rs.	11,25,00,000
	75,000 Shares of Rs. 500 each—Fully Paid	"	3,75,00,000
	150,000 Shares of Rs. 500 each—Rs. 125 Paid	"	1,87,50,000
		Rs.	5,62,50,000
PAID-UP CAPITAL as on June 30th, 1928		"	5,22,50,000
RESERVE FUND as on June 30th, 1928		"	5,62,50,000

RESERVE LIABILITY OF SHAREHOLDERS as on June 30th, 1928

Managing Governors:—Sir O. A. SMITH, Kt.; K. M. MACDONALD, Esq., M.C.

Local Head Offices: CALCUTTA, BOMBAY, MADRAS.

London Office:—22, Old Broad Street, E.C. 2. Sir S. A. H. SITWELL, Manager.

BRANCHES:

Burra Bazaar, Calcutta
Clive Street, Calcutta
Park Street, Calcutta
Byculla, Bombay
Mandvi, Bombay
Sandhurst Road, Bombay
Mount Road, Madras
Abbottabad
Adoni (Sub-Agency)
Agra
Ahmedabad
Ahmedabad City
Ahmednagar
Ajmer
Akola
Akyab
Aligarh
Allahabad
Alleppey
Ambala
Ambala Cant.
Amraoti
Amritsar
Asansol
Bangalore
Bareilly
Basseín
Bellary
Benares
Berhampore (Ganjam)
Bezwada
Bhagalpur
Bhopal
Broach
Bulandshahr
Calicut
Cawnpore
Chandpur
Chapra
Chittagong
Cocanada
Cochin
Coimbatore
Colombo
Cuddalore
Cuddapah
Cuttack
Dacca
Darbhanga
Darjeeling
Dehra Dun
Delhi
Dhanbad
Dhulia
Dibrugarh
Ellore
Erode
Etawah
Farrukhabad
Ferozepore
Fyzabad
Gaya
Godhra
Gojra
Gorakhpur
Gujranwala
Guntur
Gwalior
Hathras
Howrah
Hubli
Hyderabad (Deccan)
Hyderabad (Sind)
Indore
Jaipur
Jalgaon
Jalna
Jalpaiguri
Jamshedpur
Jhansi
Jodhpur
Jubbulpore
Jullundur City
Karachi
Kasur
Katni
Khamgaon
Khandwa
Kumbakonam
Lahore
Larkana
Lucknow
Ludhiana
Lyallpur
Madura
Mandalay
Mangalore
Masulipatam
Meerut
Mirzapore
Montgomery
Moradabad
Moulmein
Multan
Murree
Mussoorie
Muttra
Muzaffarnagar
Muzaffarpur
Myingyan
Mymensingh
Nadiad
Nagpur
Naini Tal
Nandyal
Naraingunge
Nasik
Negapatam
Nellore
New Delhi
Nowshera
Ootacamund
Parbhani (Sub-Agency)
Patna
Peshawar
Peshawar City (Sub-Agency)
Poona
Poona City
Purnea
Quetta
Raichpur
Raipur
Rajahmundry
Rajkot
Rangoon
Rangpur
Rawalpindi
Saharanpur
Salem
Sargodha
Secunderabad
Seraigunge
Shillong
Sholapur
Sialkot
Simla
Sitapur
Srinagar (Kashmir)
Sukkur
Surat
Surat City
Tellicherry
Tinnevelly
Tirupur
Trichinopoly
Trichur
Trivandrum
Tuticorin
Ujjain
Vellore
Viramgaum
Vizagapatam
Vizianagram
Wardha
Yeotmal

CURRENT ACCOUNTS.—Opened free of charge. Interest allowed.
SAVINGS BANK DEPOSITS.—Received and Interest allowed.
GOVERNMENT AND OTHER SECURITIES—Received for safe custody, Interest and Dividends collected and credited to account or remitted in accordance with instructions.
CASH CREDITS—Granted, and approved Mercantile Bills discounted.
LOANS AND CASH CREDITS—Granted, and approved Mercantile Bills discounted.
FIXED DEPOSITS.—Received at Interest.
Rates, copies of rules, Power of Attorney, &c., may be had on application at any of the Local Head Offices or Branches of the Bank.

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend for the half-year ended December 31, 1927, at the rate of 10 per cent. per annum, paid on January 24, 1928	236,261	Amount brought forward from last year	60,184
Balance proposed to be dealt with as follows:		Profit for year ended June 30, 1928	653,243
Dividend for past half-year at the rate of 10 per cent. per annum, £236,951; reserve fund, £125,000; bank premises account, £50,000; balance carried forward, £65,215	477,166		
	713,427		713,427

COMMONWEALTH BANK OF AUSTRALIA.

BALANCE-SHEET—December 31, 1928.

Liabilities.	£	Assets.	£
Capital account	4,000,000	Coin, bullion and cash balances	1,195,037
Reserve fund	498,406	Australian notes	3,191,955
Rural Credits Department—		Money at short call in London	16,438,000
Capital account	954,463	Short-term loans in Australia	2,129,313
Reserve fund	40,897	Investments—British, Colonial and Government securities (face value, £9,826,500)	9,826,500
Development fund	39,897	Commonwealth Government securities (face value, £429,530)	429,707
Deposits, accrued interest and rebate	39,409,587	Bills receivable in London and remittances in transit	2,019,544
Bills payable and other liabilities	2,841,360	Bills discounted, loans and advances to customers and other sums due to the bank	12,085,436
Contingent liabilities—Outstanding credits per contra	509,404	Bank premises	469,119
		Liabilities of customers and others on letters of credit per contra	509,403
Total general bank and rural credits departments	48,294,014	Total general bank and rural credits department	48,294,014
Note issue department	48,698,227	Note issue department	48,698,227
	96,992,241		96,992,241

PROFIT AND LOSS.

	£		£
General Banking Department:		By profits for half-year ended 31st December, 1928:	
To reserve fund	109,134	Banking business	218,267
To National Debt sinking fund	109,134	Rural Credits Department	20,529
Rural Credits Department:		Note Issue Department	449,095
To reserve fund	10,264		
„ Development fund	10,264		
Note Issue department:			
To Commonwealth Treasury	336,821		
„ Rural Credits department capital account	112,274		
	687,891		687,891

NOTE ISSUE DEPARTMENT.

Liabilities.	£	Assets.	£
Notes in circulation	48,658,227	Gold coin and bullion	22,281,497
Property reserve account	40,000	Debentures and other securities	25,319,929
		Other assets	1,096,801
	48,698,227		48,698,227

ENGLISH, SCOTTISH AND AUSTRALIAN BANK, LIMITED.

BALANCE SHEET—June 30, 1928.

Liabilities.	£	Assets.	£
Paid-up capital—1,000,000 shares (£3 per share)	3,000,000	Cash and bullion	6,306,331
Reserve fund (used in the business of the bank)	2,944,249	Cash at bankers and at short notice	3,609,678
Perpetual stocks—Debenture stock, £983,547; preferred inscribed deposit stock, £889,419; deferred inscribed deposit stock, £59,500	1,932,466	Investments (British and Colonial Government Securities)	2,390,770
Deposits at interest (including Government balances)	20,422,890	Bills receivable and remittances in transit	5,176,839
Current accounts	12,968,377	Advances and other assets (after making provision for bad and doubtful debts and contingencies)	26,272,106
Notes in circulation	1,083	Security for note issue (colonial Government securities)	3,625
Bills payable, rebate on bills, and other liabilities	2,531,983	Bank premises and furniture	753,429
Profit and loss—Balance as per last balance sheet, £654,211; less transferred to reserve fund, £85,000; E. S. & A. bank officers' provident fund, £10,000; final dividend free of income tax, £182,813; applied to the cancellation of deferred inscribed deposit stock, £98,437 — £376,250 — £277,961; balance for the year as per profit and loss account, £433,769	711,730		
	44,512,778		44,512,778

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenses of management in London and Australia, including directors' and auditors' fees, &c.	808,472	Profit, after deducting interest on perpetual stocks and making provision for bad and doubtful debts and contingencies	1,627,995
Income and other taxes	220,754		
Interim dividend	150,000		
Reserve fund	15,000		
Balance	433,769		
	1,627,995		1,627,995

The report for the year ended June 30, 1928, is as follows:—The profits for the year, after making provision for bad and doubtful debts and contingencies, amount to £1,627,995, less expenses of management, £808,472; income and other taxes, £220,754—£1,029,226, leaving £598,769. From this the following deductions have been made: An interim dividend of 5 per cent free of income tax, £150,000; reserve fund, £15,000—£165,000, leaving £433,769; and it is proposed to make further appropriations as follows: To reserve fund, additional, making, with £375,000 premium on issue of new shares and £4,249 profit on the sale of fractions, £450,000 for the year, when the fund will stand at £3,000,000, £55,751; to the E. S. and A. Bank officers' provident fund, £10,000; to the payment of a further 7½ pr cent., making a dividend of 12 per cent. for the year, free of income tax, £225,000; to the purchase and cancellation of deferred inscribed deposit stock in accordance with the articles of association, £59,500; to contingency account, £50,000—£400,251; unappropriated from the profits of the year, £33,518; brought forward from June 30, 1927, £277,961; leaving a balance to be carried forward of £311,479.

THE NATIONAL BANK OF AUSTRALASIA, LIMITED.

BALANCE SHEET—March 31, 1928.

Liabilities.	£	Assets.	£
Capital	5,000,000	Coin, bullion, Australian notes and cash at bankers	6,421,243
Reserve fund account	3,000,000	Government, municipal, and other public stocks, debentures and funds	6,462,548
Profit and loss account	398,495	Bills and remittances in transitu	2,965,286
Notes in circulation	47,956	Notes and bills of other banks	103,993
Bills in circulation	788,793	Balances due from other banks	118,488
Government deposits — not bearing interest, £247,670; bearing interest, £849,590	1,097,260	Duty stamps	32,386
Other deposits—not bearing interest, £13,699,462; bearing interest, £20,723,357	34,422,819	Real estate, consisting of bank premises	1,155,413
Interest accrued and rebate on current bills	418,285	Other real estate	73,402
Balances due to other banks	448,448	Bank furniture	66,803
Contingent liability, as per contra, in regard to obligations of customers and others on letters of credit and guarantees, £2,170,831.		Bills discounted and other advances, exclusive of provision for bad and doubtful debts	28,222,494
		Liabilities of customers and others on letters of credit, drafts, and guarantees, as per contra, £2,170,831.	
	45,622,056		45,622,056

NATIONAL BANK OF NEW ZEALAND, LIMITED.

BALANCE SHEET—March 31, 1928.

Liabilities.	£	Assets.	£
Capital issued—800,000 shares of £7 10s. each, £2 10s. paid	2,000,000	Coin and bullion at head office and branches, £968,053; cash at bankers and money at call and short notice, £1,110,334	2,078,387
Reserve fund	2,000,000	Investments in British Treasury bonds and New Zealand Government securities	2,129,749
Notes in circulation	1,173,482	Bills receivable in London and in transit	3,732,394
Deposit and current accounts	12,088,015	Bills discounted	975,792
Bills payable and other liabilities (including provision for doubtful debts and depreciation of investments)	1,384,647	Advances on securities and current accounts	9,212,388
Profit and loss account	335,572	Remittances in transit between branches	280,854
		Landed property, premises and furniture	572,152
	18,981,716		18,981,716

QUEENSLAND NATIONAL BANK, LIMITED.

BALANCE SHEET, June 30, 1928.

Liabilities.	£	Assets.	£
Capital paid up	1,749,958	Coin, bullion, Australian Notes, and cash at bankers	1,403,705
Reserve fund	785,000	British Treasury bills	250,000
Profit and loss	52,421	Commonwealth loans (at or under market value)	1,239,914
Interminable Inscribed Deposit stock	3,091,669	Government stocks:—	
Bills payable and other liabilities	431,621	Queensland Government	100,000
Deposits	9,026,995	Victorian Government (short dated)	400,000
		Cash balances	114,331
		Bills remitted and *in transitu*	704,250
		Money in London at call and on short notice	170,000
		Advances to customers on current account, bills discounted and other debts due to the bank	10,229,185
		Bank premises, furniture and stationery (of the bank premises figures £170,000 is revenue producing)	526,279
	15,137,664		15,137,664

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividends paid Nov. 17, 1927, £41,997; Feb. 16, 1928, £42,728; May 17, 1928, £43,664	128,390	Balance from June 30, 1927	13,851
Transfer to reserve fund	35,000	Net profit for year ended June 30, 1928	201,960
Balance at June 30, 1928	52,421		
	215,811		215,811

The BRITISH OVERSEAS BANK
LIMITED

CAPITAL AUTHORISED £5,000,000 ISSUED AND PAID UP £2,000,000
RESERVE FUND £200,000

THROUGH its world-wide connections and agencies the Bank is able to offer to its clients at home and abroad exceptional facilities in foreign exchange and in the financing of every form of foreign trade, and also to provide up-to-date credit reports and information as to international business conditions. Correspondence invited.

33, GRACECHURCH STREET, *Lombard Court*, LONDON, E.C. 3

TELEGRAPHIC ADDRESS
Inland: "SABSREVO, WIRE, LONDON" *Foreign:* "SABSREVO, LONDON"
TELEPHONE No. ROYAL 7111

Affiliated Institution in Poland: ANGLO-POLISH BANK, LIMITED, WARSAW

OTTOMAN BANK
Founded 1863.

Capital - £10,000,000. Paid-up - £5,000,000.
Reserve Fund - - - £1,250,000.

London Office: 26, THROGMORTON STREET, E.C.2.
Manager: E. W. H. Barry.
Deputy Manager: R. S. C. Pearce.
Assistant Manager and Secretary: W. P. Sheppard.
Sub-Managers: F. Fisher, G. F. Kerr.

MANCHESTER: 56-60 Cross Street. | PARIS: 7 Rue Meyerbeer. | MARSEILLES: 41-43 Rue Grignan. | NICE: 13 Place Massena.

CONSTANTINOPLE (Galata, Pera & Stamboul).

EGYPT.
Alexandria. Cairo Ismailia. Mansourah. Minieh. Port Said.

PALESTINE.
Caiffa. Jaffa. Jerusalem. Nablous.

CYPRUS.
Nicosia. Larnaca. Limassol. Famagusta. Paphos.

PERSIA.
Hamadan. Kermanshah. Teheran.

IRAK.
Bagdad. Basrah. Mossoul. Tuz.

SMYRNA.

TUNIS.

ALONICA.

SYRIA.
Banque de Syrie et du Grand Liban—(*Affiliated Bank.*)
Aleppo. Alexandretta. Aley. Antioch. Beyrout. Damascus. Hamah. Homs. Lattakia. Saida. Tripoli. Zahle.

YUGO-SLAVIA
Banque Franco-Serbe—(*Affiliated Bank.*)
Belgrade Skoplye (Uskub) Bitolj (Monastir) Nish.

ATHENS—British French Discount Bank, Ltd.—(*Affiliated Bank.*)

The Bank has its own Branches or Agents in every important town in the Near East.
Letters of Credit granted.
Drafts and Telegraphic Transfers issued.
Exchange and Insurance operations effected.

UNION BANK OF AUSTRALIA, LIMITED.

BALANCE SHEET—February 29, 1928.

LIABILITIES.	£	ASSETS.	£
Capital issued, £12,000,000: *Less* reserve liability thereon £8,000,000: paid up	4,000,000	Specie on hand and cash balances	7,311,929
Reserve fund	4,850,000	Bullion and advances on bullion	76,858
Balance of undivided profits	399,404	Money at call and short notice in London	760,000
Circulation	572,394	Investments on account of reserve fund—British Government securities	1,000,000
Deposits	33,978,582	Other investments, British Government, Australian Government and municipal securities	1,863,062
Bills payable and other liabilities (including reserves held against contingencies)	3,343,909	Balance of remittances and drafts in transit, and bills receivable at London office.	8,144,168
		Bills discounted, loans and other securities at the branches and in London	27,600,997
		Bank premises in Australia and New Zealand	286,600
		London leasehold premises, £142,305; reserves against same and accrued interest, £41,630	100,675
	47,144,289		47,144,289

CANADIAN AND W.I. BANKS.

BANK OF MONTREAL.

The report for the year ended October 31, 1928, is as follows:—Balance of profit and loss account, October 31, 1927, $154,800; profit for the year ended October 31, 1928, after deducting charges of management, and making full provision for all bad and doubtful debts, $5,847,327—$6,002,127. Quarterly dividend 3 per cent. paid March 1, 1928, $897,501; quarterly dividend 3 per cent. paid June 1, 1928, $897,501; quarterly dividend 3 per cent. paid September 1, 1928, $897,501; quarterly dividend 3 per cent. payable December 1, 1928, $897,501; bonus 2 per cent. payable December 1, 1928, $598,334—$4,188,338; provision for taxes, Dominion Government, $400,000; reservation for bank premises, $700,000—$5,288,338; balance of profit and loss carried forward, $713,789.

BALANCE SHEET—October 31, 1928.

LIABILITIES.	$	ASSETS.	$
Capital stock	29,916,700	Gold and subsidiary coin current	33,595,263
Rest	30,916,700	Dominion notes	60,391,802
Balance of profits carried forward	713 789	Deposit in the central gold reserves	25,000,000
Unclaimed dividends	12,831	Deposits made with and balances due from other banks in Canada, $4,323; balances due by banks and banking correspondents elsewhere than in Canada, $14,120,539; call and short (not exceeding thirty days) loans in Canada, on bonds, debentures and stocks, and other securities of a sufficient marketable value to cover, $39,147,086; call and short (not exceeding thirty days) loans in Great Britain and United States on bonds, debentures and stocks, and other securities of a sufficient marketable value to cover, $138,965,168	192,237,119
Quarterly dividend, payable 1st December, 1928	897,501		
Bonus of 2% payable 1st December, 1928	598,334		
Notes of the bank in circulation	46,967,574		
Deposits not bearing interest	149,779,431		
Deposits bearing interest, including interest accrued to date of statement	571,685,582	Dominion and Provincial Government securities not exceeding market value	79,704,087
Advances under the Finance Act	15,000,000	Railway and other bonds, debentures and stocks not exceeding market value	3,693,024
Deposits made by and balances due to other banks in Canada	2,629,397	Canadian municipal securities, and British, foreign and Colonial public securities other than Canadian not exceeding market value	26,054,893
Balances due to banks and banking correspondents elsewhere than in Canada	9,394,770	Notes of other banks	4,091 698
Bills payable	305,309	United States and other foreign currencies	921,683
Letters of credit outstanding	13,125,227	Cheques on other banks	48,208,713
Liabilities not included in the foregoing	1,839,379	Current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	308,752,389
		Loans to cities, towns, municipalities and school districts	22,416,666
		Current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	35,496,447
		Non-current loans, estimated loss provided for	2,012,920
		Bank premises at not more than cost (less amounts written off)	11,500,000
		Real estate other than bank premises	586,975
		Mortgages on real estate sold by the bank	1,117,450

NATIONAL PROVINCIAL BANK

Limited

Subscribed Capital	£43,617,080
Paid-up Capital	9,479,416
Reserve Fund	9,479,416
Deposits, &c. (31st Dec., 1928)	291,176,098

DIRECTORS:

Sir ARTHUR BALFOUR, K.B.E.
Brigadier-Gen. The Hon. EVERARD BARING, C.V.O.
Sir HARCOURT BUTLER, G.C.S.I., G.C.I.E.
COLIN FREDERICK CAMPBELL, Esq.
CHARLES CAVE CAVE, Esq.
JOHN C. DENISON DENISON-PENDER, Esq.
MAURICE OTHO FITZGERALD, Esq.
Sir HARRY GOSCHEN, Bart., K.B.E
CHARLES GIPPS HAMILTON, Esq.
The Right Hon. LORD ILLINGWORTH, P.C.
The Right Hon. The VISCOUNT INCHCAPE, G.C.S.I., G.C.M.G., K.C.I.E.
FRANCIS ALEXANDER JOHNSTON, Esq.
Colonel Sir CLAUDE VILLIERS EMILIUS LAURIE, Bart., C.B., D.S.O.
FRANCIS CHARLES LE MARCHANT, Esq.
Sir JOHN BUCK LLOYD.
Sir AUSTIN LOW, C.I.E.
RONALD MALCOLM, Esq.
Sir GEORGE JOHN MARJORIBANKS, K.C.V.O.
Sir WILLIAM BARCLAY PEAT, C.V.O.
The Most Hon. The MARQUESS OF READING, P.C., G.C.B., G.C.S.I., G.C.I.E., G.C.V.O.
JOHN ROBARTS, Esq.
Sir FELIX SCHUSTER, Bart.
EUSTACE ABEL SMITH, Esq.
Captain EVAN CADOGAN ERIC SMITH, M.C.

CHIEF GENERAL MANAGER:
SIR ALFRED E. LEWIS.

JOINT GENERAL MANAGERS:
A. McCLELLAND. E. CORNWALL. G. H. WHITEHURST. H. S. ELTENTON. F. WALLER.

Head Office: 15, BISHOPSGATE, LONDON, E.C.2.

OVER 1,250 OFFICES. AGENTS EVERYWHERE.

Every description of BRITISH and OVERSEAS BANKING Business transacted.

AFFILIATED BANKS:
COUTTS & CO. GRINDLAY & CO., LTD.

BANCO DI ROMA

Established 1880.

Head Office: ROME.

Capital Paid-up - - Lit. 200,000,000
Reserves - - - Lit. 50,000,000

The Bank is prepared to transact every class of approved banking business in and connected with ITALY and COLONIES, FRANCE, SPAIN, SWITZERLAND, MALTA, RHODES, SYRIA, LEBANON, PALESTINE, EGYPT, ASIA MINOR, and TURKEY.

Affiliated Banks:

BANCO DI ROMA (France) S.A. Head Office; PARIS, and Branch at LYONS.
BANCO DI ROMA (España). Head Office: BARCELONA.
BANCO ITALO EGIZIANO S.A. Head Office: ALEXANDRIA.

CORRESPONDENCE INVITED.

London Representative:

Gresham House, 24, Old Broad Street, E.C.2.

Telephones: LONDON WALL 9656-9657.

SOCIÉTÉ GÉNÉRALE

POUR FAVORISER LE DÉVELOPPEMENT DU COMMERCE ET DE L'INDUSTRIE EN FRANCE.

Société Anonyme Fondée en 1864.

Subscribed Capital	Frs. 500,000,000
Paid-up Capital	Frs. 250,000,000
Reserve Fund and Undivided Profits	Frs. 121,427,573
Deposits at 31st December, 1928	Frs. 12,608,457,413

Subject to confirmation at a shareholders' meeting on 17th June next, the reserve will be increased by Frs. 187,500,000 resulting from the premium on shares recently issued.

Head Office: 29 BOULEVARD HAUSSMANN, PARIS.
LONDON Office: 105 OLD BROAD STREET, E.C.2.
West End Branch: 65 REGENT STREET, W.1.

OVER 1,350 BRANCHES IN FRANCE AND NORTH AFRICA.
SUBSIDIARY BANKS or Correspondents in all parts of the World.

This Bank transacts every description of English and Foreign Banking business, including the sale of Drafts and Telegraphic Transfers. It also issues Circular Letters of Credit and undertakes the purchase and sale of Stocks and Shares on the Continental Exchanges, the collection and cashing of Dividends, Coupons, Bill of Exchange, Drawn Bonds, arrangements for Documentary Credits, etc., etc.

The West End Branch has been specially fitted with Safe Deposits for the use of Customers. This Office buys and sells Foreign Exchange.

		Liabilities of customers under letters of credit (as per contra)	13,125,227
		Deposit with the Minister for the purposes of the circulation fund	1,407,093
		Shares of and loans to controlled companies	3,013,002
		Other assets not included in the foregoing	456,073
	$873,782,524		$873,782,524

BANK OF NOVA SCOTIA.

Statement for the year ending December 31, 1928:—Profit and loss: Balance December 31, 1927, $479,207; net profits for year, losses by bad debts estimated and provided for, $2,535,519—$3,014,726. Dividend No. 233 at 16 per cent. per annum paid April 2, 1928, $400,000; dividend No. 234 at 16 per cent. per annum paid July 3, 1928, $400,000; dividend No. 235 at 16 per cent. per annum paid October 1, 1928, $400,000; dividend No. 236 at 16 per cent. per annum payable January 2, 1929, $400,000; Dominion Government tax on circulation to December 31, 1928, $100,000; contribution to officers' pension fund, $100,000; written off bank premises account, $300,000; balance carried forward December 31, 1928, $914,726—$3,014,726.

BALANCE SHEET—December 31, 1928.

Liabilities.	$	Assets.	$
Capital stock paid in	10,000,000	Current coin	9,227,684
Reserve fund	20,000,000	Dominion notes	17,821,895
Balance of profits, as per profit and loss account	914,726	United States and other foreign currencies	1,779,197
Dividends declared and unpaid	401,384	Notes of other banks	1,479,650
Notes of the bank in circulation	16,098,055	Cheques on other banks	15,182,860
Deposits not bearing interest $43,679,749; Deposits bearing interest, including interest accrued to date $168,807,380	212,487,129	Balances due by banks and banking correspondents elsewhere than in Canada	4,579,718
Advances under the Finance Act	5,000,000	Deposit in the Central Gold reserves	6,500,000
Balances due to other banks in Canada	3,246,884	Dominion and provincial government securities, not exceeding market value	28,745,749
Balances due to banks and banking correspondents in the United Kingdom and foreign countries	1,929,317	Canadian municipal securities and British, Foreign and Colonial public securities other than Canadian, not exceeding market value	11,602,383
Bills payable	1,150,971	Railway and other bonds, debentures and stocks, not exceeding market value	9,543,228
Letters of credit outstanding	7,959,344	Call and short (not exceeding thirty days) loans in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	34,462,410
Other liabilities not included in the foregoing	315,256	Call and short (not exceeding thirty days) loans elsewhere than in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	11,997,376
		Other current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	89,685,059
		Other current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	21,160,455
		Liabilities of customers under letters of credit, as per contra	7,959,344
		Non-current loans, estimated loss provided for	175,078
		Bank premises at not more than cost, less amounts written off	6,844,873
		Deposit with the Minister of Finance for the purposes of the circulation fund	479,451
		Other assets not included in the foregoing	276,656
	279,503,066		279,503,066

CANADIAN BANK OF COMMERCE.

The report of the directors for the twelve months ending November 30, 1928, was as follows:—The balance at credit of profit and loss account, brought forward from last year, was $1,423,925; the Standard Bank of Canada profit and loss balance transferred November 3, 1928, after payment of the usual dividend up to October 31, 1928, was $517,489; the net profits for the year ending November 30th, after providing for all bad and doubtful debts, were $3,964,482—$5,905,896. This has been appropriated as follows:—Dividends Nos. 164, 165, 166 and 167, at 12 per cent. per annum, including one month's dividend on new shares issued to Standard Bank of Canada shareholders, $2,448,234; bonus of 1 per cent., payable December 1st, $248,234; Dominion and Provincial Government taxes and tax on bank note circulation, $475,000; donations and subscriptions, $50,000; transferred to pension fund, $206,692; written off bank premises, $250,000; transferred to rest account, $1,923,400; balance carried forward, $304,336—$5,905,896.

GENERAL STATEMENT—November 30, 1928.

Liabilities.	$	Assets.	$
Notes of the bank in circulation	36,273,087	Gold and silver coin current on hand, $24,785,513; Gold deposited in central gold reserves, $8,000,000	32,785,513
Deposits not bearing interest, $144,381,688; deposits bearing interest, including interest accrued to date, $417,609,123	561,990,811	Dominion notes on hand, $29,119,277; Dominion notes deposited in central gold reserves, $7,000,000	36,119,277
Balances due to other banks in Canada	972,982	Notes of other banks	1,813,105
Balances due to banks and banking correspondents in the United States, the United Kingdom and foreign countries	48,759,805	United States and other foreign currencies	1,023,275
Advances under the Finance Act	18,000,000	Cheques on other banks	32,486,557
Bills payable	8,469,834	Balances due by other banks in Canada	1,271
Letters of credit outstanding	19,357,580	Balances due by banks and banking correspondents elsewhere than in Canada	23,790,314
Dividends unpaid	10,915	Dominion and Provincial Government securities, not exceeding market value	61,715,346
Dividend No. 167 and bonus, payable December 1st	896,468	Canadian municipal securities and British, foreign and Colonial public securities exceeding market value	19,303,395
Capital paid up, $24,823,400; Rest account, $24,823,400; Balance of profits as per profit and loss account, $304,336	49,951,136	Railway and other bonds, debentures and stocks, not exceeding market value	12,206,112
		Call and short loans (not exceeding 30 days) in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	55,848,240
		Call and short loans (not exceeding 30 days) elsewhere than in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	79,031,916
		Deposit with the Minister of Finance for the purpose of the circulation fund	1,250,000
		Other current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	313,318,182
		Other current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	28,133,572
		Liabilities of customers under letters of credit, as per contra	19,357,580
		Non-current loans (estimated loss provided for)	2,094,030
		Real estate other than bank premises	2,513,788
		Mortgages on real estate sold by the bank	1,570,182
		Bank premises at not more than cost, less amounts written off	15,615,033
		Shares of and loans to controlled companies	4,326,274
		Other assets not included in the foregoing	379,656
	744,682,618		744,682,618

DOMINION BANK.

The report for the year ended December 31, 1928, is as follows:—Balance of profit and loss account, December 31, 1927, $120,525; profits for the year, after deducting charges of management, interest accrued on deposits and making full provision for all doubtful assets, $1,408,088—$1,528,613; which amount has been disposed of as follows:—dividends (quarterly) at 12 per cent. per annum, $720,000; bonus, 1 per cent., $60,000; total distribution to shareholders of 13 per cent. for the year, $780,000; contribution to officers' pension fund, $50,000; Dominion and Provincial Government taxation, $176,326; written off bank premises, $250,000; balance of profit and loss account carried forward, $272,287—$1,528,613.

BALANCE SHEET—December 31, 1928.

Liabilities.	$	Assets.	$
Capital stock paid in	6,000,000	Gold and silver coin	1,460,602
Reserve fund	8,000,000	Dominion Government notes	10,534,537
Balance of profit and loss account carried forward	272,287	Deposit in the Central gold reserves	2,300,000
Dividend No. 185, payable January 2, 1929	180,000	Notes of other banks	1,140,115
Bonus, one per cent., payable January 2, 1929	60,000	United States and other foreign currencies	232,214
Former dividends unclaimed	3,381	Cheques on other banks	12,068,784
Notes of the Bank in circulation	8,207,237	Balances due by banks and banking correspondents elsewhere than in Canada	4,524,081
Deposits not bearing interest, $25,877,881; deposits bearing interest, including interest accrued to date, 89,462,706	115,340,587	Dominion and Provincial Government securities, not exceeding market value	16,755,040
Advances under the Finance Act	2,000,000	Canadian municipal securities, and British, foreign and Colonial public securities other than Canadian, not exceeding market value	3,843,959
Balances due to other banks in Canada	4,514,865	Railway and other bonds, debentures and stocks, not exceeding market value	2,105,631
Balances due to banks and banking correspondents elsewhere than in Canada	2,462,794	Call and short (not exceeding thirty days) loans in Canada on stocks, debentures and bonds and other securities of a sufficient marketable value to cover	14,439,122
Bills payable	90,717	Call and short (not exceeding thirty days) loans elsewhere than in Canada on	
Liabilities not included in the foregoing	467,901		
Letters of credit outstanding	5,205,378		

IRVING TRUST COMPANY

NEW YORK CITY

Chairman of the Board, LEWIS E. PIERSON — *President*, HARRY E. WARD

Chairman, Executive Committee, LEWIS L. CLARKE

Our Foreign Office, in New York, has every facility to handle business transactions in the United States, or any other part of the world, for correspondent banks in other countries. Its officers and staff are thoroughly familiar with the banking problems and requirements of international business.

STATEMENT OF CONDITION, DECEMBER 31, 1928

Resources		Liabilities	
Cash on Hand and Due from Banks	$327,121,064.44	Deposits	$611,151,282.33
Call Loans, Commercial Paper and Loans eligible for Rediscount with Federal Reserve Bank	199,070,088.07	Official Checks	123,304,141.63
United States Obligations	30,051,245.30	Acceptances (including Acceptances to Create Dollar Exchange)	60,687,543.36
Short Term Securities	37,223,266.91	Discount Collected but not Earned	1,260,351.88
Loans due on demand and within 30 days	105,849,406.72	Reserve for Taxes, Interest, etc.	3,251,117.79
Loans due 30 to 90 days	67,401,644.48	Dividend Payable January 2, 1929	1,400,000.00
Loans due 90 to 180 days	38,886,322.85	Capital Stock	40,000,000.00
Loans due after 180 days	2,128,338.58	Surplus and Undivided Profits	54,083,962.90
Customers' Liability for Acceptances (anticipated $2,972,149.80)	57,715,393.56		
Bonds and Other Securities	16,116,227.46		
New York City Mortgages	12,579,240.00		
Bank Buildings	996,161.52		
	$895,138,399.89		$895,138,399.89

FOREIGN OFFICE

Woolworth Building, New York

Vice-President, H. A. MATHEWS

Vice-President, JAMES HECKSCHER

Representative in Great Britain—H. H. COWARD, 106 Old Broad Street, London, E. C. 2

Dominion and Provincial Government,

Municipal,

Public Utility

and

Industrial Financing.

Foreign Issues Underwritten.

DOMINION SECURITIES CORPORATION LIMITED

(Incorporated in Canada)

Established 1901

E. R. WOOD, President

MONTREAL OFFICE
189 St. James Street

LONDON OFFICE
6 Austin Friars, E.C.2

NEW YORK OFFICE: 40 Exchange Place

Head Office: 26 King Street East
TORONTO 2

stocks, debentures and bonds and other securities of a sufficient marketable value to cover	8,066,304
Other current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	62,667,815
Other current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	1,185,819
Non-current loans, estimated loss provided for	66,799
Bank premises, at not more than cost, less amounts written off	5,642,737
Real estate other than bank premises	5,521
Mortgages on real estate sold	32,506
Deposit with the Minister of Finance for the purposes of the circulation fund	314,650
Other assets not included in the foregoing	213,532
Liabilities of customers under letters of credit, as per contra	5,205,378
	$152,805,147

ROYAL BANK OF CANADA.

The statement for the year ended November 30, 1928, is as follows: Balance of profit and loss account, November 30, 1927, $1,809,832; profits for the year, after deducting charges of management, accrued interest on deposits, full provision for all bad and doubtful debts and rebate of interest on unmatured bills, $5,881,254, appropriated as follows: dividends Nos. 162, 163, 164 and 165 at 12 per cent. per annum, $3,600,000; bonus of 2 per cent. to shareholders, $600,000; contribution to officers' pension fund, $200,000; appropriation for bank premises, $400,000; reserve for Dominion Government taxes, including tax on bank note circulation, $530,000; balance of profit and loss carried forward, $2,361,086—$7,691,086.

BALANCE-SHEET—November 30, 1928.

Liabilities.	$	Assets.	$
Capital stock paid up	30,000,000	Gold and subsidiary coin on hand	29,033,569
Reserve fund	30,000,000	Gold deposited in central gold reserves	8,400,000
Balance of profits carried forward	2,361,086	Dominion notes on hand	37,424,455
Dividends unclaimed	14,412	Dominion notes deposited in central gold reserves	9,000,000
Dividend No. 165 (at 12% per annum), payable Dec. 1, 1928	900,000	United States and other foreign currencies	25,196,677
Bonus of 2%, payable Dec. 1, 1928	600,000	Notes of other Canadian banks	3,248,813
Deposits not bearing interest, $183,814,938; deposits bearing interest, including interest accrued to date of statement, $523,651,908; total deposits	707,466,846	Cheques on other banks	37,352,273
Notes of the bank in circulation	43,829,869	Balances due by other banks in Canada	1,546
Advances under the Finance Act	15,000,000	Balances due by banks and banking correspondents elsewhere than in Canada	30,664,337
Balances due to other banks in Canada	1,068,051	Dominion and Provincial Government securities (not exceeding market value)	85,257,914
Balances due to banks and banking correspondents elsewhere than in Canada	22,872,694	Canadian municipal securities, and British, foreign and colonial public securities other than Canadian (not exceeding market value)	16,730,643
Bills payable	6,873,156	Railway and other bonds, debentures and stocks (not exceeding market value)	16,640,108
Liabilities not included in the foregoing	280,000	Call and short (not exceeding thirty days) loans in Canada on bonds, debentures and stocks and other securities of a sufficient marketable value to cover	56,265,327
Letters of credit outstanding	48,129,771	Call and short (not exceeding thirty days) loans elsewhere than in Canada on bonds, debentures and stocks and other securities of a sufficient marketable value to cover	43,646,422
		Current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	292,315,473
		Current loans and discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	145,422,395
		Non-current loans, estimated loss provided for	2,224,752
		Bank premises at not more than cost, less amounts written off	14,497,184
		Real estate other than bank premises	1,626,757
		Mortgages on real estate sold by the bank	1,478,486
		Liabilities of customers under letters of credit as per contra	48,129,771
		Shares of and loans to controlled companies	2,780,845
		Deposit with the Minister for the purposes of the circulation fund	1,510,000
		Other assets not included in the foregoing	548,138
	909,395,885		909,395,885

INDIAN BANKS.

CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA.

According to the report for the year ended December 31st last, net profit, after providing for all bad and doubtful debts, was £834,156, inclusive of £206,893 brought forward from the previous year. The interim dividend at the rate of 14 per cent. per annum paid in September last absorbed £210,000. The amount now available is therefore £624,156, and the directors propose to pay a final dividend at the rate of 14 per cent. per annum, together with a bonus of 6s. 3d. per share, making 20¼ per cent. per annum for the whole year, free of income tax; to set aside £40,000 on account of contingencies, and to carry forward the balance of £186,656.

BALANCE SHEET—December 31, 1928.

Liabilities.	£	Assets.	£
Capital, 600,000 shares of £5 each, paid up	3,000,000	Cash in hand and at Bankers	4,551,931
Reserve fund	4,000,000	Bullion on hand and in transit	809,265
Notes in circulation	1,749,125	Government and other securities	9,238,054
Current and other accounts, including provision for bad and doubtful debts and contingencies	26,514,994	P. and O. Banking Corporation, Ltd., 208,566 shares of £10 each, fully paid, at cost	2,276,333
Fixed deposits	17,489,917	Security lodged against note issue and Government deposits	2,250,250
Bills payable	3,360,275	Bills of exchange, including Treasury Bills	14,816,216
Acceptances on account of customers	2,620,424	Bills discounted and loans	22,947,901
Loans payable, against security, per contra	811,262	Liability of customers for acceptances, per contra	2,620,423
Due to agents and correspondents	5,000	Due by agents and correspondents	102,764
Sundry liabilities, including rebates	816,217	Sundry assets including exchange adjustments	283,772
Profit and loss	624,156	Bank premises and furniture at the head office and branches	1,094,461
Liability on bills of exchange re-discounted, £7,554,963 14s. 11d., of which £7,075,127 18s. 8d. has run off at 11th March, 1929. Outstanding forward exchange contracts for purchase and sale of bills and telegraphic transfers, &c., £42,588,834 0s. 9d.			
	£60,991,370		£60,991,370

PROFIT AND LOSS.

For the year ended December 31, 1928.

Dr.	£	Cr.	£
Interim dividend at 30th June, 1928	210,000	Balance at 31st December, 1927, £729,393; *less* Dividend for half-year to 31st December, 1927, £210,000; bonus of 6s. 3d. per share, £187,500; officers' pension fund, £100,000; bank premises, £25,000—£522,500	206,893
Balance proposed to be dealt with as follows:—			
Dividend, at the rate of 14 per cent. per annum, for the half-year to date	210,000	Net profits after deduction of expenses of management, and after providing for bad and doubtful debts, taxation, &c.	627,263
Bonus of 6s. 3d. per share	187,500		
Contingencies account	40,000		
Carried forward to profit and loss new account	186,656		
	£834,156		£834,156

EASTERN BANK, LIMITED.

The report for the year ending December 31, 1928, is as follows:—The net profits to December 31, 1928, after providing for contingencies and including the balance brought forward from the last account, as shown by the annexed statements, amount to £164,470. An interim dividend at the rate of 4s. a share was paid in October, absorbing £40,000, and the directors now recommend a final dividend of 5s. a share, less income tax, at 3s. 8.627d. in the £ (after allowing for relief in respect of Indian taxation). They propose to add £25,000 to the reserve fund, which will then stand at £450,000, and to write £5,000 off premises account, leaving a balance of £44,470 to be carried forward to the next account.

BALANCE SHEET—December 31, 1928.

Liabilities.	£	Assets.	£
Capital paid up, £5 per share	1,000,000	Cash on hand and at bankers	1,405,905
Reserve fund	425,000	Bullion on hand and in transit	77,581
Current and deposit accounts	6,170,098	British Government, Indian Government and other securities, of which £20,000 4½% Treasury Bonds have been deposited as security for Government accounts—valued at, or under, prices current on December 31, 1928	3,722,247
Bills payable	500,770	Bills receivable	1,605,919
Acceptances on account of customers	907,562	Customers' liability for drafts against shipments, per contra	907,562
Loans payable against bills and securities	2,363,148	Loans receivable and advances	3,609,821
Sundry accounts, including exchange adjustments	110,844	Due by agents and correspondents	5,420
Profit and loss account	124,470	Sundry accounts, including exchange adjustments	72,860
Bills receivable, rediscounted, £629,579, of which up to March 6, 1929, £582,123 had run off.		Premises and furniture	194,577
Forward contracts outstanding for the purchase and sale of sterling bill and telegraphic transfers £4,636,160.			
	11,601,892		11,601,892

B. W. BLYDENSTEIN & Co.,

54-55-56, Threadneedle Street, London, E.C.2.

BANKERS

ALL BANKING AND DISCOUNT BUSINESS TRANSACTED.

Dealers in British Treasury Bills of any Maturity.

Deposits received for short and longer periods at rates to be obtained on application.

Special Facilities for Business with Holland.

FORWARD CONTRACTS IN FOREIGN CURRENCIES.

The
ANGLO-FRENCH BANKING CORPORATION LIMITED

CAPITAL

Authorised £2,000,000 — Subscribed & Paid up £1,250,000

President:
The Rt. Hon. The Earl of Derby, K.G., G.C.B., G.C.V.O., P.C.

Directors:
Vice-President: Charles Laurent

F. A. Szarvasy, *Chairman*
S. Christopherson
R. Olaf Hambro
R. M. Holland-Martin, C.B.
S. Metz
Pierre Mirabaud
Lord Charles Montagu, C.V.O., D.L.
Vicomte de la Panouse, K.C.M.G., K.C.V.O., C.B.
Jean Parmentier
Henri Pouyanne, C.B.E.

The Bank undertakes commercial banking business of every description throughout the world and is specially equipped to assist in the development of trade between Great Britain and France.

Telephone: Mansion House 7711. (5 lines). **31, LOMBARD ST. LONDON. E.C.3.** Cable Address: "Angfrebank," London.

THE MITSUI BANK, LIMITED, JAPAN.

(The Oldest Banking Institution in Japan—Founded in 1680.)

Capital Subscribed	Yen 100,000,000·00	Special Reserve Fund	Yen 27,000,000·00
Capital Paid up	60,000,000·00	Reserve Fund for Dividend	9,000,000·00
Reserve Fund	28,000,000·00	Undivided Profits	3,007,821·29

HEAD OFFICE: No. 1-5, HONKAWAYACHO NIHONBASHIKU, TOKYO, JAPAN.

Inland Branches:
Dojima (Osaka), Fukuoka, Hiroshima, Kawaguchi (Osaka), Kobe, Kyoto, Marunouchi (Tokyo), Moji, Nagasaki, Nagoya, Nihonbashi (Tokyo), Osaka, Osaka Nishi (Osaka), Otaru Shimonoseki, Wakamatsu, Yokohama.

Foreign Branches: Bombay, London, New York, Shanghai, Sourabaya.

Foreign Agents:
Paris—Comptoir National d'Escompte de Paris; Banque de l'Union Parisienne.
Hamburg—Commerz- und Privat-Bank, A.G.
Bombay—National Bank of India, Ltd.; Lloyds Bank, Ltd., Cox's Branch.

Foreign Bankers:
London—Barclays Bank, Ltd.; Midland Bank, Ltd.
New York—The National City Bank of New York; Bankers Trust Company; The Chase National Bank.

CONDENSED BALANCE SHEET.

31st December, 1928.

Dr. Liabilities.	Yen.	Cr. Assets.	Yen.
Deposits (current, fixed, etc.)	605,609,498·53	Cash in hand and at the Bank of Japan	48,669,385·00
Foreign bills sold	1,841,089·01	Money at call and short notice	8,000,000·00
Due to foreign banks (including discounts)	64,026,295·58	Japanese and Foreign Government Bonds	118,149,166·59
Due to inland correspondents	540,355·67	Municipal and other Bonds	118,508,611·60
Outstanding cheques	537,141·38	Stocks	525,000·00
Liabilities under L/C, etc.	17,009,501·04	Loans and Discounts	394,009,963·56
Interest accrued on deposits not due	7,208,478·14	Foreign Bills purchased	111,628,212·38
Rebate on bills not due	2,599,962·97	Due from Foreign Banks	8,313,515·38
Provisional receipts, etc.	246,081·19	Due from Inland Correspondents	198,152·70
Capital	100,000,000·00	Customers' Liabilities under L/C, etc., per contra	17,009,501·04
Reserve Funds	63,500,000·00	Provisional Payments	337,162·86
Pension Fund	2,387,286·80	Bank Premises and Real Estates	7,547,240·64
Profit for the half-year	7,390,221·29	Capital uncalled	40,000,000·00
Including: Balance from last account, £2,697,635·45. Transfer from Pension Fund, £162,731·13.	872,895,911·60		872,895,911·60

APPROPRIATION OF PROFIT.

Dr.	Yen.	Cr.	Yen.
Reserve Fund	500,000·00	Profit for the half-year	7,390,221·29
Pension Fund	507,000·00		
Bonus	375,400·00		
Dividend to Shareholders	3,000,000·00		
Balance carried forward to next Account	3,007,821·29		
	7,390,221·29		7,390,221·29

The Bank sells Drafts and Telegraphic Transfers, buys approved inward and outward Bills, grants Commercial Credits, issues Travellers' Letters of Credit available in all important places in the World, and makes collections.

London Office: WINCHESTER HOUSE, OLD BROAD STREET, E.C.2.

Telephone Nos. London Wall 3221, 3222.
Foreign Exchange: London Wall 4239.

Inland Telegram Address: "Mitsuigink, Stock, London."
Cable Address: "Mitsuigink, London."

PROFIT AND LOSS ACCOUNT.

DR.	£	CR.	£
Interim dividend paid October 1, 1928	40,000	Balance at December 31, 1927, £120,351; less dividend at 5s. per share paid March 31, 1928, £50,000: transferred to reserve fund, £25,000; transferred to premises, £5,000: balance brought forward	40,351
Balance	124,470	Net profits for the year ended December 31, 1928, after deducting expenses of management and general charges at head office and branches, and providing for bad and doubtful debts, depreciation and income tax	124,119
	164,470		164,470

IMPERIAL BANK OF INDIA.

The report for the half-year ended December 31, 1928, states that the net profit of the Bank for the half-year amounted to Rs. 40,51,095 which, with Rs. 29,63,120 brought forward from the half-year ended June 30, 1928, made a total of Rs. 70,14,215. This sum the Governors of the Bank disposed of as follows:—(1) In payment of a dividend to the shareholders at the rate of 16 per cent. per annum, free of income tax, Rs. 45,00,000; (2) transferred to reserve fund, Rs. 5,00,000; (3) transferred to pension funds, Rs. 3,42,000; (4) carried forward to the profit and loss account of the current half-year, Rs. 16,72,215—total Rs. 70,14,215.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	Rs.	ASSETS.	Rs.
Capital paid up	5,62,50,000	Government securities	19,04,04,397
Reserve	5,22,50,000	Other authorised securities under the Act	2,72,33,012
Public deposits	7,94,85,639	Loans	21,62,28,943
Other deposits	71,30,44,347	Cash credits	27,50,72,659
Loans against securities per contra	...	Inland bills discounted and purchased	12,44,92,069
Loans from the Government of India under Section 20 of the Paper Currency Act, against Inland Bills discounted and purchased per contra	7,00,00,000	Foreign bills discounted and purchased	2,45,949
Contingent liabilities	...	Bullion	...
Sundries	28,22,407	Dead stock	2,81,29,625
		Liability of constituents for contingent liabilities per contra	...
		Sundries	55,35,664
		Balances with other banks	7,52,503
		Cash	10,57,57,572
	97,38,52,393		97,38,52,393

MERCANTILE BANK OF INDIA, LIMITED.

The report for the year ending December 31, 1928, states that the net profits for the year, after providing for bad and doubtful debts, and including £164,846 brought forward from last account, amount to £415,047. From this sum has to be deducted £84,000, being the interim dividend of 8 per cent., less income tax, on the "A," "B" and "C" shares paid in September last. The directors have added £30,000 to the reserve fund, £15,000 to the officers' pension fund, and written £40,000 off freehold banking premises. They now recommend a final dividend on the "A," "B" and "C" shares of 8 per cent., less income tax (making 16 per cent. for the year), leaving a balance of £162,047 to be carried forward.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	£	ASSETS.	£
Capital issued—		Cash in hand and at bankers	1,767,867
30,000 "A" shares, £12 10s. paid	375,000	Bullion	321,586
30,000 "B" shares, £12 10s. paid	375,000	Securities and coin deposited against note issue	290,025
60,000 "C" shares, £5 paid	300,000	Government and other stocks—Treasury bonds, National War bds., Indian Government rupee paper and other securities	4,937,400
Reserve fund	1,450,000	Bills receivable	3,706,033
Notes in circulation	228,271	Bills discounted	92,517
Current, fixed deposit and other accounts, including rebates and provision for bad and doubtful debts	13,493,253	Loans receivable and advances	6,897,746
Bills payable	621,678	Freehold banking premises	333,627
Loans payable against security per contra	1,600,000	Liabilities of customers for acceptances per contra	300,160
Acceptances on account of customers, per contra	300,160	Sundry accounts, including amounts due by agents	342,448
Profit and loss account	246,047		
	18,989,409		18,989,409

Contingent liability on bills receivable re-discounted £3,759,898 16s. 11d., of which up to March 11, 1929, £2,921,079 10s. 10d. have run off. Forward exchange contracts outstanding for purchase and sale of bills and telegraphic transfers, £14,131,255 11s. 3d.

NOTE.—The rupee assets and liabilities included in the above are converted at 1s. 6d. per rupee.

PROFIT AND LOSS ACCOUNT.

DR.	£	CR.	£
Ad interim dividend of 8 per cent. on 30,000 "A" shares, 30,000 "B" shares and 60,000 "C" shares	84,000	Balance from December 31, 1927	248,847
Amount transferred to reserve fund	30,000	*Less* final dividend for year 1927 of 8 per cent., making 16 per cent. for the year on the "A," "B" and "C" shares	84,000
Amount transferred to officers' pension fund	15,000	Net profit for the year ending December 31, 1928, after providing for bad and doubtful debts	250,200
Amount written off freehold banking premises	40,000		
Balance	246,047		
	415,047		415,047

NATIONAL BANK OF INDIA LIMITED.

The report for the year ending December 31st last states that the net profits for the year, after providing for all bad and doubtful debts, amount to £530,829, and adding £276,500 brought forward, the available total is £807,329. An *ad interim* dividend at the rate of 20 per cent. per annum, free of income tax, was paid on September 14th last, amounting to £200,000. The directors now recommend a further dividend at the same rate, and an addition of £50,000 to the reserve fund, raising it to £3,000,000. They propose to write £30,000 off house property account and to add £50,000 to the officers' pension fund, leaving a balance of £277,329 to be carried forward.

BALANCE SHEET—December 31, 1928.

(The rupee assets and liabilities have been converted at the rate of 1s. 6d. per Rupee.)

LIABILITIES.	£	ASSETS.	£
Capital—Paid up £12 10s. per share	2,000,000	Cash on hand, at call and at bankers	4,590,003
Reserve fund	2,950,000	Bullion on hand and in transit	743,825
Current, fixed deposit and other accounts, including provision for bad and doubtful debts and contingencies	34,088,230	Indian Government rupee securities	6,589,807
Bills payable	1,040,331	British Government securities, Indian Government guaranteed debentures and other securities (of which £300,000 War Loan lodged with Bank of England as security for	
Acceptances for customers	953,448		
Profit and loss account, as under	607,329		

BANCA NAZIONALE DI CREDITO

CAPITAL paid up - - - - L.300,000,000
RESERVE FUND - - - - L.60,000,000
DEPOSITS (28th February, 1929) over L.2,325,000,000

Head Office: MILAN.

Branches:—

Abbiategrasso, Acqui, Alassio, Alessandria, Ancona, Aquila, Asti, Bari, Bedonia, Bergamo, Biella, Bologna, Bolzano, Brescia, Busto Arsizio, Cagliari, Cantù, Carrara, Caserta, Catania, Coggiola, Como, Cossato, Cuneo, Domodossola, Ferrara, Fiume, Florence, Gallarate, Genoa, Imperia, Lecce, Leghorn, Legnano, Lentini, Lucca, Meda, Messina, Milan, Monza, Mortara, Naples, Novi Ligure, Padua, Palerme, Parma, Piacenza, Pietrasanta, Pinerolo, Pisa, Pistoia, Prato, Rimini, Riposto, Rome, Rovigo, Sampierdarena, San Remo, Santa Maria Capua Vetere, Saronno, Schio, Seregno, Spezia, Squinzano, Terni, Treviso, Trieste, Turin, Udine, Varese, Venice, Vercelli, Verone, Vicenza, Vigevano.

Affiliated Banks:—

BANQUE ITALO-FRANÇAISE DE CRÉDIT - { PARIS: 1, Boulevard des Capucines. MARSEILLES: 50, Rue Cannebière. NICE: 7, Boulevard Victor Hugo. } TUNIS: 3, Avenue de France. GROMBALIA (Tunis).

BANCO ITALO-EGIZIANO - - - - { Alexandria, Beni-Mazar, Beni-Suef, Cairo, Fayum, Mansura, Minieh, Mit-Ghamr, Tantah.

BANCA DALMATA DI SCONTO - - - - - - Zara, Sebenico, Spalato,
BANCA COLONIALE DI CREDITO - - - - - - Asmara, Massaw.

THE BANK offers facilities for the transaction of every description of Banking Business in Italy.

ANGLO-INTERNATIONAL BANK, LTD.

24-28, Lombard Street, London, E.C. 3.

Telegrams: "Anglank, London."
Telephone: Mansion House 6543 (9 lines).

CAPITAL:

Authorised - - £2,000,000
Paid Up - - - £1,960,008

BOARD OF DIRECTORS:

Chairman—GENERAL THE HON. SIR HERBERT LAWRENCE, G.C.B.
Managing Director—PETER BARK, ESQ.

E. W. H. BARRY, ESQ.
JULIAN DAY, ESQ., M.C.
A. G. M. DICKSON, ESQ.
THE LORD FARINGDON, C.H.
SIR HARRY GOSCHEN, BART., K.B.E.
ZOLTAN HAJDU, ESQ.
DR. PAUL HAMMERSCHLAG.
SIR J. GORDON NAIRNE, BART.
LUDWIG VON NEURATH, ESQ.
SIR OTTO NIEMEYER, G.B.E., K.C.B.
SIR WILLIAM PEAT, C.V.O.
KUNES SONNTAG, ESQ.
SIR HENRY STRAKOSCH, G.B.E.

In virtue of its Affiliation and Connections in Central Europe, the Bank is in a position to afford special facilities for business with that region.

DARMSTÄDTER UND NATIONALBANK

KOMMANDITGESELLSCHAFT AUF AKTIEN

Berlin W 8, Behrenstraße 68/70

Telegraphic Address: Danatbank

Over 100 Branches / Correspondents at all important places of the world

Balance Sheet per December 31, 1928

Assets	Reichsmark	Pf	Liabilities	Reichsmark	Pf
Cash in Hand, foreign currency, and interest and dividend coupons due for payment	23 089 203	43	Share capital	60 000 000	—
Credit balances with banks of issue and banks with a clearing organisation (Abrechnungsbanken)	69 301 309	14	Reserves	55 000 000	—
Cheques, Bills and Treasury Bills	556 862 890	97	Creditors	2 082 620 310	45
Credit balances of the Bank ("Nostro" balances) with banks and banking firms payable within three months	270 096 881	02	Acceptances	80 465 647	86
Contango and other loans against securities admitted to quotation on the Stock Exchange	138 651 357	41	Pension Fund for employees	4 000 000	—
Advances on goods consigned or warehoused	266 380 901	97	Other liabilities	15 864 141	13
Securities in the possession of the Bank	25 000 000	—	Net Profits	16 710 549	20
Holdings in syndicates and joint operations	25 000 000	—			
Permanent holdings in other banks and banking firms	24 000 000	—			
Loans and advances on current account ("Debitoren")	889 247 904	71			
Bank Premises	25 000 000	—			
	2 312 660 448	65		2 312 660 448	65

Dividend for the year 1928: 12 per cent

		Government accounts).....	6,261,486
		House property and furniture	507,679
		Bills of exchange.....	7,768,527
		Discounts, loans receivable, and other sums due to the bank.....	14,224,563
		Customers for acceptances per contra	953,448
	£41,639,338		£41,639,338

To bills receivable, re-discounted, £6,701,156 8s. 3d., of which up to March 16, 1929, £5,227,079 16s. 7d. have run off. Forward contracts outstanding for the purchase and sale of sterling bills and telegraphic transfers £12,860,467 5s. 0d.

PROFIT AND LOSS ACCOUNT.

	£		£
Ad interim dividend at the rate of 20 per cent. per annum for the half-year ended June 30, 1928	200,000	Balance at December 31, 1927, £596,500, deduct dividend at the rate of 20 per cent. per annum for the half-year ended December 31, 1927, £200,000; amount written off house property account, £30,000; officers' pension fund, £40,000; amount carried to reserve fund for the year ended December 31, 1927, £50,000—£320,000 ; balance brought forward...	276,500
Expenses of management at head office and branches....	618,340		
Balance.....	607,329		
		Gross profits for the year ended December 31, 1928, after providing for all bad and doubtful debts.....	1,149,169
	£1,425,669		£1,425,669

THE P. & O. BANKING CORPORATION, LIMITED.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	£	ASSETS.	£
Capital — issued — 259,416 shares of £10 each, fully paid up.....	2,594,160	Cash at bankers and in hand...	1,486,858
Reserve fund	180,000	Bullion in hand and in transit	296,179
Current, deposit and other accounts, including provision for bad and doubtful debts, rebate on bills not due, income tax, contingency reserve, etc.....	7,843,865	Money at call and short notice.....	78,750
Loans payable against security	6,405,000	Bills receivable in hand and in transit, including Treasury bills	4,659,842
Acceptances, endorsements, etc., as per contra	803,736	Investments — British and Colonial Government securities at or below market value, £1,927,076; Indian Government securities at market value, £548,057: Indian Port Trust, foreign Government and municipal and other securities at market value, £254,830: Indian Railway debentures, guaranteed by Indian Government, £174,250	2,904,213
Bills receivable for collection, as per contra	598,231	Allahabad Bank, Limited—23,403 ordinary shares of Rs. 100 each, of which 14,665 are fully paid and 8,738 are paid up to the extent of Rs. 50 per share, at cost.....	589,569
Profit and loss account—Balance brought forward from March 31, 1927, £19,380; net profit for the year ended March 31, 1928, £107,632 ...	127,012	Loans receivable against security.....	3,444,000
		Advances to customers on current and other accounts	3,509,827
		Bank premises and furniture...	180,799
		Liabilities of customers for acceptances, endorsements, etc., as per contra.....	803,736
		Bills receivable for collection, as per contra	598,231
	18,552,004		18,552,004

NOTE.—There is a contingent liability in respect of bills re-discounted amounting to £7,623,536, of which £7,355,230 had run off by June 27th. Outstanding forward exchange contracts for purchase and sale of bills and telegraphic transfers, etc., £14,694,659. The rupee, tael, Straits dollar and Hong Kong dollar assets and liabilities are converted at the rates of 1s. 6d., 2s. 6d., 2s. 4d. and 2s. respectively, with the exception of the Allahabad Bank, Ltd., investment, which is at cost, viz., 1s. 5½d.

LATEST BALANCE-SHEETS OF FOREIGN BANKS HAVING LONDON OFFICES AND OF BRITISH BANKS TRADING ABROAD.

ANGLO-CZECHOSLOVAKIAN BANK.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	Kč.	ASSETS.	Kč.
Share capital paid.....	120,000,000	Cash in hand	73,290,459
Reserves	88,065,892	Balances at call with National Bank and other local banks.....	73,035,825
Staff pension fund.....	18,000,000	Foreign currency balances with banks	51,478,214
Deposits and other creditors on current accounts	1,636,506,988	Foreign bills and cheques...	58,363,806
Transitory liabilities	14,578,803	Bills receivable	99,071,851
Contrast — Acceptances Kč. 99,923,744; guarantees and other obligations, Kč. 315,456,265 Kč. 415,380,010.		Investments	141,748,101
		Participations	98,000,000
		Debtors	1,250,335,920
Net profit	19,369,388	Bank premises at head office and branches	40,672,298
		Transitory assets	10,524,597
		Contrast — Liabilities of Customers for acceptances as per contra, Kč. 99,923,744; liabilities of Customers for guarantees and other obligations as per contra. Kč. 315,456,265, Kč. 415,380.010.	
	1,896,521,071		1,896,521,071

ANGLO-INTERNATIONAL BANK, LIMITED.

The report submitted at the meeting held on Friday, March 15, 1929, covers the year ended December 31, 1928. The period under review, it is stated, has shown steady development, while substantial progress has been made in liquidating the the affairs of our predecessors. The profits for the year amount to £103,085, to which must be added the balance brought forward from the previous year's accounts, £52,447, making an available balance of £155,532, from which it is proposed to place £10,000 to premises amortisation and £125,000 to contingency reserve, leaving a balance to be carried forward of £20,532.

BALANCE-SHEET—December 31, 1928.

LIABILITIES.	£	ASSETS.	£
Capital issued— 1,960,008 shares of £1 each, fully paid	1,960,008	Cash with bankers in London and cash in hand—London and branches	111,851
Current, deposit and other accounts	5,139,035	Money at call.....	350,000
Acceptances and guarantees for account of customers.....	3,147,924	Balances with bankers abroad	345,561
Profit and loss account	155,532	Bills receivable.....	488,509
		British Government bonds and Treasury bills	531,340
Note.—There are contingent liabilities in respect of bills of exchange re-discounted amounting to £716,624.		Investments—in banking, industrial and other undertakings in England and abroad	751,363
		Advances to customers and other accounts, less reserves	4,438,783
		Customers for acceptances and guarantees on their behalf, as per contra	3,147,924
		Premises abroad and furniture and fittings	237,168
	10,402,499		10,402,499

ANGLO-SOUTH AMERICAN BANK, LIMITED.

The report presented to the shareholders at the meeting held on Tuesday, October 16, 1928, states that the net profit, after making provision for all charges, rebate, &c., amounts to £480,440, which, together with £454,810 brought forward, makes a total of £935,250, of which £174,693 was absorbed by the interim dividend paid on April 30th. There is now an available balance of £760,557, of which the directors recommend that £174,693 be applied to the payment of a final dividend of 5s. per share, less income tax, making a total distribution for the year of 10 per cent.; £23,963 be placed to legal reserves in Chile, Colombia and Ecuador; £30,000 be added to the staff pension fund; £25,000 be applied in reduction of bank premises account, and that the balance of £506,901 be carried forward.

BALANCE-SHEET—June 30, 1928.

LIABILITIES.	£	ASSETS.	£
Issued capital, 873,466 shares of £10 each, £5 paid.....	4,367,330	Cash in hand, at bankers and at short notice.....	6,931,437
Reserve fund	3,200,000	Balances with auxiliary banks	812,569
Legal reserves in Chile, Colombia and Ecuador.....	56,422	British Government securities	8,308,934
Sight drafts on head office and branches	868,035	Foreign Government, railway and other securities	2,889,709
Bills payable—drafts on head office and branches at usance	2,641,161	Bills receivable.....	10,199,889
Acceptances and engagements on account of custo: ers.....	6,155,473	Holdings in foreign and auxiliary banks, &c., at cost....	2,287,747
Current, deposit and other accounts	49,341,126	British Bank of South America, Limited, 99,810 shares at £23 10s.....	2,345,535
Bills for collection.....	8,957,147	Commercial Bank of Spanish America, Limited, 498,768 shares at cost.....	463,691
Rebate of interest on bills, &c., not due.....	126,417	Liability of customers for acceptances and engagements, per contra.....	1,155,474
Profit and loss, as per account below, £935,250; *less* interim dividend paid on April 30, 1928, £174,693; transfer to legal reserves, £23,963.....	736,594	Advances, &c.....	26,490,357
To liability on bills re-discounted and on uncalled capital on investments held £7,870,277, of which £6,481,486 has run off.		Bank premises and office furniture	607,216
		Bills for collection, per contra...	8,957,147
		Certain of the above assets have been lodged with other parties on which a lien exists to the amount of £855,864.	
	76,449,705		76,449,705

PROFIT AND LOSS ACCOUNT.

DR.	£	CR.	£
Charges at head office and branches including British and other income taxes.....	1,454,963	Balance brought forward from last account	454,810
Rebate of interest on bills, &c., not due.....	126,417	Gross profits and credits, after providing for bad and doubtful debts	2,061,820
Balance as per balance sheet...	935,250		
	2,516,630		2,516,630

BANCA COMMERCIALE ITALIANA.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	Lire.	ASSETS.	Lire.
Capital	700,000,000	Cash in hand	540,715,499
Reserve funds	540,000,000	Bills receivable, Treasury bonds and Government securities (Littorio Loan)	4,328,252,843
Bills payable	299,400,088	Bills for collection	159,459,870
Commercial acceptances...	665,564,181	Contango and loans	667,874,684
Deposits and current accounts	7,422,555,016	Participations in other banks and syndicates ...	469,757,619
Creditors on collection accounts	295,415,847	Government securities, railway and other bonds and shares	437,110,051
Guarantees	435,015,953	Current accounts.....	3,416,071,231
Securities deposited	5,369,694,867	Bank premises	70,304,023
Other liabilities	430,048	Guarantees as per contra	435,015,953
Rebate on bills	23,311,443	Securities as per contra...	5,369,694,867
Net profit (including Lire 28,707,807 brought forward from December 31, 1927)	142,869,197		
	15,894,256,640		15,894,256,640

NATIONAL BANK OF GREECE

Established in 1841.

Capital paid-up and Reserves - Drs. 1,205,000,000
Deposits - - - - - - „ 5,700,000,000
Total Resources - - - - „ 7,362,310,823.58

HEAD OFFICE IN ATHENS. Branches throughout Greece.

New York Agency: 7 WALL STREET. Correspondents in all parts of the World.

COMPLETE INTERNATIONAL BANKING SERVICE OF EVERY DESCRIPTION.
Correspondence Invited.

Erlangers Ltd.

Bankers,

4, Moorgate,
London,
E.C.2.

THE DOMINION OF NEW ZEALAND

THE LAND OF GREAT OPPORTUNITY.

New Zealand offers the best investment for
CAPITAL, INDUSTRY, ENTERPRISE.

Gt. Britain received from New Zealand in 1927 :

23% of her BUTTER Supplies from abroad.
53% „ „ CHEESE „ „ „
55% „ „ MUTTON & LAMB „ „
33% „ „ TALLOW „ „ „
23% „ „ WOOL „ „ „

The Dominion's exports last year were £12,000,000 higher than the imports. New Zealanders, per capita, are Britain's best customers. Last year they purchased manufactures, etc., from British Mills to the extent of £14-10-0 per head.

Offices of the HIGH COMMISSIONER FOR NEW ZEALAND,
415, STRAND, LONDON, W.C.2.

BANCO DE BILBAO.

BALANCE-SHEET—December 31, 1928.

LIABILITIES.	Pesetas.	ASSETS.	Pesetas.
Capital	100,000,000	Cash in hand and at Bank of Spain	77,269,774
Reserve funds	65,000,000	Foreign money and notes, cash value	438,979
Deposits	658,226,622	Cash at other banks and bankers	66,440,255
Bills payable	24,734,349	Bills receivable	79,620,626
Acceptances for account of customers, as per contra	15,981,846	Government securities	211,370,259
Sundry creditors	68,630,040	Railway and other industrial debentures	64,344,294
Profit and loss	1,572,864	Other securities	82,282,339
	934,145,721	Advances to customers against security	60,631,529
Depositors of securities, nominal value, as per contra	3,089,094,124	Other loans	31,111,937
		Banking correspondents, &c.	66,587,260
		Banking correspondents, &c., in foreign money (equivalent)	27,537,683
		Premises account	19,969,909
		Furniture and fittings	2,180,065
		Liabilities of customers for acceptances, as per contra	15,981,847
		Unissued shares	40,000,000
		Sundry debtors	88,378,965
			934,145,721
	4,023,239,845	Securities deposited, nominal value	3,089,094,124
			4,023,239,845

BANK OF ATHENS.

BALANCE-SHEET—December 31, 1928.

LIABILITIES.	Drs.	ASSETS.	Drs.
Capital fully paid	72,000,000	Cash in hand and at banks, Treasury bonds and coupons	400,273,122
Statutory reserves	24,000,000	Balances with banks abroad	401,459,371
Special reserve	68,200,000	Bills receivable	478,271,501
Current and other accounts	3,116,908,060	Discounts, advances, and other accounts	2,096,028,103
Cheques payable	118,415,719	Investments	9,283,586
Dividends payable	37,999,863	Freehold premises, &c.	56,667,342
Profit and loss account (balance forward)	4,459,484	Furniture, &c.	101
	3,441,983,126		3,441,983,126

BANCO DE CHILE.

BALANCE-SHEET—December 31, 1928.

LIABILITIES.	Chilian Currency. $	ASSETS.	Chilian Currency. $
Public obligations, at sight or 30 days' notice—		Cash and deposit with central bank	41,298,174
Current accounts	190,096,226	Cash, foreign currency	15,745,446
Sight deposits, judicial deposits, etc.	14,515,855	Cheques on local banks	9,613,781
Guarantees at sight	77,800	Foreign banks and correspondents	17,486,590
Other obligations (dividends, drafts, and telegraphic transfers pending)	18,683,116	Remittances in transit	5,474,212
Public obligations, at over 30 days—		Advances in account current and loans—(a) loans, guaranteed	200,334,665
Term deposits	180,652,832	(b) loans, without special guarantee	115,157,342
Guarantees	14,557,682	Discounts	145,433,247
Other obligations	9,722,520	Loans to directors and employees	5,359,205
Other credit accounts—		Obligation against guarantees given	14,469,802
Mortgage debt	12,254,960	Other advances	29,674,076
Income tax retained	70,202	Buildings and real estate	19,588,143
Re-discounts with Bco Central	1,476,507	State and municipal bonds	7,033,460
Branches	4,703,255	Shares—Banco Central de Chile	20,809,058
Exchange operations	2,982,084	Other bonds and shares	49,192,452
Letters of credit	2,608,856	Deposit with superintendency of banks	600,000
Operations pending, etc.	22,318,729	Furniture and office material	2,128,266
Interest pending	2,751,413	Exchange operations	2,982,084
Profit and loss	8,216,715	Clients for letters of credit	2,608,856
Capital and reserves—		Suspense, etc.	893,649
Paid-up capital	100,000,000	Interest pending	4,961,927
Statutory reserves	25,000,000		
Other reserves	100,155,681		
	710,844,434		710,844,434

BANCO ESPAÑOL DEL RIO DE LA PLATA.

BALANCE-SHEET—June 30, 1928.

LIABILITIES.	£	ASSETS.	£
Capital subscribed	4,365,080	Shareholders (liability on uncalled capital)	1,890,391
Reserve fund	18,977	Cash	4,706,049
Contingency fund	1,372,234	Bills discounted, bills receivable and advances in current account	25,262,986
Deposits	31,472,287	Mortgages against credits	1,896,035
Re-discounts	5,006,886	Loan on Bolsa de Comercio premises, Buenos Aires	541,698
Rebate — Corresponding to next half-year	208,361	Accounts overdue and in process of liquidation	2,701,609
Sundries	191,157	Furniture and fittings	136,042
Profit and loss	109,853	Bank premises	1,182,982
Argentine Government Treasury bills	2,837,302	Freehold properties received in payment of advances— Head office	1,615,298
		Branches	158,847
		Operations in suspense (branches and agencies)	1,163,006
		Securities	1,385,485
		Investments in National Loans— Account reserve	18,971
		Account contingency fund	10,014
		Conversion — Gold dollars, $380,127·44 at 80·44	75,422
		Argentine Government Treasury bills	2,837,302
	45,582,137		45,582,137

PROFIT AND LOSS ACCOUNT.

DR.	£	CR.	£
Interest, general charges, taxes, salaries, &c.	754,662	Balance brought forward	3,386
Furniture and fittings—amortization, $225,000; bad and doubtful debts, do., $3,500,000; balance, $1,258,312	435,052	Interests and discounts—balance, less rebate corresponding to next half-year	866,172
		Exchange and commissions	208,893
		Dividends and interest on securities	111,263
	1,189,714		1,189,714

BANCO DI ROMA.

BALANCE-SHEET—December 31, 1928.

LIABILITIES.	Lire.	ASSETS.	Lire.
Share capital	200,000,000	Cash	159,907,689
Reserve fund	45,000,000	Portfolio and Treasury bills	1,025,556,641
Deposits in current and savings account	438,888,939	Investments	221,962,412
Deposit securities in current account	105,176,050	Securities in deposit	105,176,050
Ordinary cheques	10,151,237	Banking participations	49,333,988
Circular cheques	75,292,454	Short loans	316,002,119
Correspondents — credit balances	1,648,123,136	Real estate	29,500,000
Sundry creditors	10,133,135	Secured advances	89,388,002
Rediscount	3,800,469	Correspondents	549,520,560
Acceptances on behalf of customers, per contra	128,966,700	Sundry debtors	9,924,751
Guarantees for third parties, per contra	86,975,169	Cover for acceptances	128,966,700
Profits carried forward from preceding year	1,022,990	Liabilities of customers, per guarantees	86,975,169
Net profits for current year	18,683,802	Securities deposited	1,110,691,178
Sundry deposits	1,110,691,178	Deposit of securities with lien	403,422,938
Deposits with third parties	403,422,938		
	4,286,328,197		4,286,328,197

BANCO NACIONAL ULTRAMARINO.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	Esc.	ASSETS.	Esc.
Capital paid up	50,000,000$00	Cash in hand and with other banks	74,610,252$31
Reserves	49,000,000$00	Investments	65,187,369$99
Cash deposits	202,832,371$91	Foreign bills	19,800$80
Fixed deposits	149,678,783$75	Inland bills discounted	104,080,178$99
Cheques and bills payable	28,805,048$61	Bills receivable	123,647,478$63
Unclaimed dividends	547,953$81	Advances against bills	108,781,168$69
Obligations, 4½%	917,739$00	Agents and correspondents	20,211,273$49
Predial Colonial obligations, 6%	391,523$40	Current accounts	451,044,912$68
Current accounts	417,047,495$35	Premises	40,187,178$07
Do warrants	2,107,503$02	Furniture, &c.	311,078$06
Do agents	2,244,128$94	Predial mortgage loans	368,432$08
Securities deposited	407,649,304$25	Mortgage and municipal loans	2,031,948$17
Securities deposited as cover (shares of the bank) as per contra	586,933$00	Securities	407,649,304$25
Sundry impersonal accounts	585,853,236$58	Securities deposited as cover (shares of the bank) as per contra	586,933$00
Pension fund	1,335,780$82	Sundry impersonal accounts	585,853,236$58
Sundry accounts	74,383,466$36	Interim dividends	3,361,383$00
Notes in circulation	102,987,385$68	Head office and branches —Amounts in transit	102,387,259$54
Govt. Treasury acct.	66,391,281$69	Government Treasury account	66,391,281$69
Provision for liquidation of certain colonial transactions	4,463,135$00	Provision for liquidation of certain colonial transactions	4,463,108$01
Profit and loss	13,950,506$86		
	2,161,173,578$03		2,161,173,578$03

BANK OF LONDON AND SOUTH AMERICA, LIMITED.

The report for the year ended September 30, 1928, states that the net profit, after making ample allowance for bad and doubtful debts, income tax and rebate of interest on bills not due, amounts to £456,997, to which has to be added £201,231 brought forward from last year, making a total of £658,228, out of which an interim dividend of 4 per cent., paid in June last, amounted to £141,600. From the unappropriated balance, viz., £516,628, the directors recommend the following distribution:—To dividend of 7 per cent., payable December 17, 1928, making 11 per cent. for the year, subject to income tax, £247,800; to contingency reserve account, £60,000; to profit and loss carried forward, £208,828—£658,228.

BALANCE-SHEET—September 30, 1928.

LIABILITIES.	£	ASSETS.	£
Capital, 708,000 shares of £5 each, fully paid	3,540,000	Cash in hand, at bankers and at call	9,032,196
Reserve	3,000,000	Bills receivable	15,467,676
Current accounts, deposits, &c.	38,734,743	Advances, securities, &c., after making provision for bad and doubtful debts	23,169,740
Bills payable	3,291,339	Liability of customers for acceptances, per contra	2,407,953
Acceptances on account of customers	2,407,952	Bills for collection, per contra	13,456,978
Bills for collection on account of customers	13,456,978	Bank premises, including furniture	1,610,384
Rebate of interest on bills not due	197,287		
Profit and loss account, as per statement below	516,628		
NOTE.—Contingent liability as endorsers of foreign bills discounted £4,435,368, of which £3,135,366 has since run off.			
	£65,144,927		£65,144,927

PROFIT AND LOSS ACCOUNT.

DR.	£	CR.	£
Charges at head office and branches	1,330,723	Balance brought forward	201,231
Interim dividend	141,600	Gross profit after providing for bad and doubtful debts	1,787,720
Balance carried down	516,628		
	£1,988,951		£1,988,951

BANK OF ROUMANIA, LIMITED.

BALANCE SHEET—December 31, 1927.

LIABILITIES.	£	ASSETS.	£
Capital	300,000	Cash in hand and at bankers, London	80,951
Reserve account, old, £19,693; new, £60,307	80,000	British Treasury bills	60,000
Current accounts, sight drafts, balance of continency account, &c.—sterling	283,720	British Government and other securities (at or under market value)	326,693
Current accounts, sight drafts, &c.—Lei 239,035,772·83 at 792 per £	301,813	Bills receivable, loans, current accounts, &c.—Sterling	168,136
		Bills receivable, loans, current accounts, &c.— Lei 182,926,362·39 at 792 per £	230,968
		Cash in hand and at bankers, Bucarest—Lei 78,237,433 at 792 per £	98,785
	965,533		965,533

BANK FOR RUSSIAN TRADE, LIMITED.

December 31, 1928.

LIABILITIES.	£	ASSETS.	£
Capital issued—550,000 Shares of £1 each, fully paid	550,000	Cash in hand and with bankers in London	503,893
Reserve	190,000	Cash with bankers abroad (United States of America, Germany, &c.)	180,360
Loans against investments and other security	934,400	Loans at call	300,000
Current, deposit and other accounts (including balance of profit and loss account)	1,462,098	Bills receivable	634,737
Acceptances, endorsements and guarantees, &c., on account of customers including bills rediscounted £1,461,902 9s. 2d.	3,559,053	Investments (British Government securities)	640,994
Bills and documents for collection, per contra	731,926	Loans, advances and other accounts	876,424
		Liabilities of customers for acceptances, endorsements and guarantees, &c., including bills rediscounted, as per contra	3,559,053
		Bills and documents for collection	731,926
	7,427,387		7,427,387

BANK OF TAIWAN.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	Yen	ASSETS.	Yen
Capital subscribed	15,000,000	Cash account— In hand	7,321,846
Notes in circulation	55,721,062	At bankers	5,634,255
Current accounts, fixed deposits, &c.	234,191,793	Bullion and foreign money	15,950,597
Bills payable	76,316,420	Bills discounted, loans and overdrafts	281,738,666
Bills rediscounted	118,826,870	Interest bills and exchange bought, and exchange overdrafts	58,639,101
Exchange sold	261,348	Customers' liabilities	25,620,729
Acceptances	25,620,729	Government bonds, &c.	130,661,506
Correspondents' cr.	2,629,548	Correspondents' dr.	3,225,857
Suspense accounts	14,486,706	Suspense accounts	2,088,550
Dividend unclaimed	43,960	Bank's premises, property, furniture, &c.	9,371,921
		Capital uncalled	1,875,000
		Net loss	970,408
	543,098,436		543,098,436

BANQUE BELGE POUR L'ETRANGER.

Since publication of the report the following changes have been made:—With the co-operation of friends in several countries we have converted our Egyptian branches into an independent bank under the style of Banque Belge and Internationale en Egypte. Our Rumanian branches have been taken over by the Banque Commerciale Roumaine, one of the leading banks in that country, and our ally, the Allgemeiner Boehmischer Bankverein, is about to be amalgamated with the Boehmische Union Bank. The Banque Franco-Belge de Bulgarie has joined forces with the Banque Balkanique, which was formed many years ago by the Wiener Bankverein. The new institution, the Banque Franco-Belge et Balkanique, thus represents a union of the Bulgarian interests of our group. In all of these new connections we retain an appreciable interest. Finally, our Constantinople branches have been transferred to the Banque Francaise des Pays d'Orient.

BALANCE SHEET—June 30, 1928.

LIABILITIES.	Frs.	ASSETS.	Frs.
Capital	200,000,000	Premises	18,551,270
Reserves	100.000.000	Shareholders' Liability	53,012,062
Sundry Creditors— Current Account	2,723,144,040	Cash in hand and with Bankers	737,201,272
Deposit Account	1,083,183,801	Bills Receivable	668,077,640
Note Issue in China	13,909,551	Treasury Bills	205,018,393
Obligations	4,500,000	Sundry Debtors—	
Acceptances	559,274,933	Bankers	744,901,203
Profit and Loss Account	28,760,948	Clients	1,533,726,196
		Government and Government Guaranteed Securities	46,796,722
		Shares of Allied or Affiliated Banks	110,228,620
		Financial Participations	35,984,962
		Liability of Customers on Acceptances	559,274,933
	4,712,773,273		4,712,773,273

PROFIT AND LOSS ACCOUNT.

	Frs.		Frs.
Reserves	10,000,000	Balance on July 1, 1927	1,755,147
Provision for Taxes	1,500,000	Net profit of the business year	27,005,801
Dividend, free of Tax	14,409,031		
Directors' fees (tantiemes)	1,437,517		
Balance forward	1,414,400		
	28,760,948		28,760,948

BANQUE DU CONGO BELGE.

BALANCE SHEET—June 30, 1928.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital	20,000,000	Property and premises	6,650,000
Furniture and fixtures	40,350,000		850,000
Reserves	134,047,297	Cash in hand and at bank	210,037,706
Notes	7,151,164	Government securities	57,289,625
Due to Colonial Treasury	452,043,496	Bills receivable	285,031,916
Creditors	10,891,334	Debtors	108,497,019
Bills payable	3,872,975		
Profit and loss			
	668,356,266		668,356,266

BRITISH BANK FOR FOREIGN TRADE, LIMITED.

BALANCE-SHEET—April 30, 1928.

LIABILITIES.	£	ASSETS.	£
Capital issued, 240,000 shares of £1 each	240,000	Cash in hand, at bankers in London and abroad, and at call	72,077
Current, deposit and other accounts	655,715	Premises account	46,000
		Investments at cost or under	247,211
		Loans to customers	442,969
		Profit and loss account—Loss for year, £73,866; *add* debit from previous year, £13,592	87,458
	895,715		895,715

ALL-RUSSIAN CO-OPERATIVE BANK

AUTHORISED CAPITAL - - - - - Gold Roubles 40,000,000
PAID-UP CAPITAL, 1st January, 1929 - " 30,174,130
TOTAL ASSETS, 1st January, 1929 - " 455,713,053

The Shareholders of the All-Russian Co-operative Bank are 13,664 co-operative societies, all central organisations included.
Head Office: Ilynka, Ribny Pr. 3, Moscow. Cable Address: "Vsekobank, Moscow."
39 Branches and 1,022 Correspondents throughout the U.S.S.R. Correspondents in all principal foreign centres
Affiliated Banks: 1. THE MOSCOW NARODNY BANK LTD., London and Branches.
2. THE CO-OPERATIVE TRANSIT BANK, Scheunenstrasse 30/32, Riga (Latvia).
CAPITAL, GOLD LATS 3,000,000.

All kinds of Russian and foreign banking business transacted.

THE MOSCOW NARODNY BANK, LTD.

(Established 1919.)

AUTHORISED CAPITAL - - - - - - - £1,000,000
PAID-UP CAPITAL - - - - - - - £800,000
RESERVE FUNDS - - - - - - - £120,000

Head Office: 300, High Holborn, London, W.C.1.
Paris Branch: 26, rue Vivienne, Paris. Berlin Branch: 33, Kurfurstenstrasse, Berlin, W.35.
The Bank finances the export and import operations of the Russian Co-operative and other societies.
Principal foreign Agents of the All-Russian Co-operative Bank, Moscow and Branches.
London Correspondents of the State Bank of the U.S.S.R. Every kind of banking business transacted.
Correspondents in all principal centres in Europe, the U.S.A., and everywhere in the U.S.S.R.

PROFIT AND LOSS.

DR.	£	CR.	£
Interest, &c., paid	7,143	Gross profit	8,010
Office charges, including rent, salaries, directors' fees, and other expenses	11,054	Transfer fees	11
Net loss on investments realised	3,245	Balance carried to balance sheet	73,866
Bad debts written off	60,445		
	81,887		81,887

BRITISH ITALIAN BANKING CORPORATION, LIMITED.

The report presented to the meeting held on March 27, 1928, states that the net profits for the year 1927 as shown by the balance sheet amount to £75,844, from which is to be deducted the additional remuneration of the directors, free of income tax, in accordance with the Articles of Association, viz., £3,792—£72,052; and, adding the undivided balance carried forward from 1926, £32,960, the amount available for allocation is £105,012. The directors recommend the following allocations:—Dividend of 6 per cent., £60,000, less tax 4s. in the £, £12,000—£48,000; to reserve account (raising it to £225,000), £25,000; to new account, £32,012—£105,012.

BALANCE SHEET—December 31, 1927.

LIABILITIES.	£	ASSETS.	£
Capital—Issued 50,000 shares of £20 each fully paid	1,000,000	Cash in hand	5,928
Reserve Account	200,000	Cash at call and short notice	1,090,000
Investment reserve	51,791	Balances with bankers in London	384,453
Current, deposit and other accounts, including rebate of bills and provision for contingencies	2,940,227	Balances with bankers abroad, including Banca Italo-Britannica	288,565
Acceptances, confirmed credits and guarantees — Acceptances, £3,648,291; acceptances of foreign correspondents, £255,150; confirmed credits, £423,599; guarantees, £55,910	4,382,950	Bills receivable	628,488
Profit & loss account—Balance at Dec. 31, 1926, £123,486; less directors' additional remuneration for the year 1926, £4,525 14s. 9d.; transfer to income tax reserve account, £13,000; transfer to reserve account, £25,000; dividend for the year 1926, less tax, £48,000—£90,526: £32,960; add net profit for the year 1927 as per profit and loss account, £75,844	108,804	Investments — Banca Italo-Britannica — 50,000 "A" shares, 48,800 "B" shares of Lit. 500 each, fully paid... At lire cost, viz., Lit 50,900,000 converted at exchange £1 = 92·46.	550,508
NOTE.—There were contingent liabilities on December 31, 1927, on Foreign Exchange contracts amounting to £4,734,396; and on endorsements amounting to £386,303.		Advances to customers, including Banca Italo-Britannica and other accounts	1,318,387
		Liabilities of customers for acceptances, confirmed and guarantees as per contra —Italian and other foreign banks, £2,875,601; other customers, £1,507,349	4,382,950
		Premises account	34,492
		Office furniture	1
	8,683,772		8,683,772

THE BRITISH OVERSEAS BANK, LIMITED.

The report to the meeting held on December 4, 1928, is as follows:—The profits, after allowing rebate of interest and providing for all bad and doubtful debts, and income tax, for the year ended October 31, 1928, amounts to £150,615; balance available from last account, £57,587; making a total of £208,202. Interim dividend paid on the "A" ordinary shares at the rate of 6 per cent. per annum (less income tax) for the half-year ended April 30, 1928, and income tax thereon, £30,000; leaving a balance of £178,202, which has been appropriated as follows:—In payment of a dividend on the "A" ordinary shares at the rate of 6 per cent. per annum (less income tax) for the half-year ended October 31, 1928, which together with income tax thereon amounts to £30,000; in payment of a dividend on the "B" ordinary shares at the rate of 6 per cent. per annum (less income tax) for the year ended October 31, 1928, which together with income tax thereon amounts to £60,000; to reserve fund, £25,000; to reduction of premises account, £5,000; leaving a net balance to be carried forward to next year of £58,202—£178,202.

BALANCE SHEET, October 31, 1928.

LIABILITIES.	£	ASSETS.	£
Subscribed and paid in full— 200,000 "A" ordinary shares of £5 each	1,000,000	Cash in hand and at bankers	292,621
200,000 "B" ordinary shares of £5 each	1,000,000	Money at call and short notice	1,909,715
Current, deposit and other accounts	4,588,988	Balances with bankers abroad	270,244
Reserve fund	200,000	Bills discounted	857,965
Acceptances, &c., for account of customers (per contra)	4,089,165	Government securities	255,270
Balance of profit and loss account	58,202	Other investments, including shareholding interests in foreign banks	581,775
NOTE.—Contingent liability on account of Endorsements on bills discounted, £858,592.		Advances to customers and other accounts	2,335,360
		Liability of Customers for acceptances, &c. (per contra)	4,089,166
		Premises account	344,239
	£10,936,355		£10,936,355

PROFIT AND LOSS ACCOUNT.

DR.	£	CR.	£
Interim dividend on the "A" ordinary shares at the rate of 6 per cent. per annum, and income tax thereon	30,000	Balance brought forward	57,587
Final dividend on the "A" ordinary shares at the rate of 6 per cent. per annum, and income tax thereon	30,000	Net profit, after allowing rebate of interest and providing for all bad and doubtful debts, and income tax, for the year ended October 31, 1928	150,615
Dividend on the "B" ordinary shares at the rate of 6 per cent. per annum, and income tax thereon	60,000		
Reserve fund	25,000		
Reduction of premises account	5,000		
Balance carried to balance sheet	58,202		
	£208,202		£20802,2

BRITISH BANK OF SOUTH AMERICA, LIMITED.

According to the report for the year ended December 31, 1928, the gross profits, after allowing for rebate of interest on current bills and drafts, for interest on deposits, and after making ample provision for bad and doubtful debts and contingencies, amount to £364,992; this, with the balance of £107,930 brought forward from the previous year, makes £472,922. After deducting all charges at the head office and branches, amounting to £264,274, there remains £208,648 available. A dividend on account of 10s. per share, amounting to £50,000, was paid in September last, and it is recommended that a further dividend of 10s. per share, amounting to £50,000, be now declared, payable on May 3rd, making, for the year, a distribution of 20s. per share, or 10 per cent., subject to income tax, on the paid-up capital of the bank of £1,000,000. After making this transfer and paying this dividend, there will remain the sum of £108,648, which the directors propose to carry forward. On July 1st last the Monte Video branch of the bank was taken over by the Anglo-South American Bank, Limited.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	£	ASSETS.	£
Capital—Paid up £10 per Share	1,000,000	Cash in hand, and at bankers	2,414,561
Reserve, as per balance sheet of December 31, 1927	1,000,000	Bills receivable in hand	1,820,501
Liabilities, viz.:—		Other accounts	4,886,434
Amount due on current and deposit accounts	5,349,690	Freehold and leasehold premises in South America at cost	530,487
Bills payable	7,071	Bills for collection as per contra	1,949,356
Other accounts	2,136,574	The contingent liability on bills re-discounted at the date of the balance sheet was £1,502,021 14s. 3d., which has since run off.	
Bills for collection	1,949,356		
Profit and loss account, as per statement below	158,648		
	£11,601,339		£11,601,339

PROFIT AND LOSS ACCOUNT.

DR.	£	CR.	£
General charges at head office and the branches, including directors' remuneration, Government taxes in Brazil, &c.	264,274	Balance from last account	107,930
Dividend on account for the half-year ended June 30, 1928	50,000	Gross profits, after allowing for rebate of interest on current bills and drafts, interest on deposits, and after making ample provision for bad and doubtful debts and contingencies	364,992
Balance carried down	158,648		
	£472,922		£472,922

COMMERCIAL BANK OF THE NEAR EAST, LIMITED.

BALANCE-SHEET—December 31, 1928.

LIABILITIES.	£	ASSETS.	£
Capital issued and fully paid: 40,000 shares of £5 each	200,000	Cash in hand and at London bankers	31,118
Reserve fund	13,000	Money at call and short notice	68,880
Current, deposit, and other accounts	299,920	Remittances in transit	5,593
Bills for collection, per contra	141,206	Balances with foreign bankers and correspondents	13,522
Liability under guarantees and endorsements	30,828	Bills discounted	93,942
Profit and loss account— Balance brought forward as at December 31, 1927, £434; add profit for year, £10,533—£10,967, less interim dividend at 6% per annum, less tax, paid for half-year to June 30, £4,800	6,167	Investments — British Government securities, £60,100; Foreign Government Securities, whereof £4,844 held by Commercial Bank of Greece, £20,456; shares of Commercial Bank of Greece (held by that Bank in safe custody) £1,265; securities held by branches, £5,088	86,909
		Advances to customers and other accounts	217,149
		Bills for collection	141,206
		Liability of customers for guarantees and endorsements, per contra	30,828
		Furniture and fittings (less depreciation)	1,974
	691,121		691,121

The following is a statement of the profits for the year 1928:—Net profit for the year, £10,533; add balance brought forward from the year ended December 31, 1927, £434—£10,967; deduct interim dividend at 6 per cent. per annum, less income tax for the half-year ended June 30, 1928, which was paid on September 4, 1928, £4,800; leaving a balance of £6,167. The directors recommend the distribution of this amount as follows:—To transfer to reserve fund, including the 5 per cent. required by the articles of association.

THE MITSUBISHI BANK, LTD.

(Incorporated in Japan.)

Subscribed Capital: Yen 100,000,000.
Paid-up Capital: Yen 50,000,000. Reserve Fund: Yen 36,532,000.

General Banking and Foreign Exchange Business. Deposit Rates on Application.

Head Office: TOKYO.

Branches: TOKYO, OSAKA, KOBE, KYOTO, NAGOYA, OTARU, SHANGHAI, DAIREN, NEW YORK, LONDON.

London Office: 3, BIRCHIN LANE, CORNHILL, E.C. 3.

PANSTWOWY BANK ROLNY

(THE STATE LAND BANK)

Head Office: WARSAW, NOWOGRODZKA STR. 50.

Branches: Warsaw, Grudziadz (Agency), Katowice, Kielce, Kraków, Luck, Lublin, Lwów, Pińsk, Poznań, Wilno.

Telegraphic Address: "Centropebrol."

Capital Paid up - - - - - Zlotys 130,000,000

THE STATE LAND BANK

grants short term credits to small and middle size rural holdings through the medium of co-operatives and municipal savings banks;
grants long term mortgage loans in 7 per cent. Mortgage Bonds for the purchase of ground from the allotment of land estates and for agricultural investments;
grants long term loans in 7 per cent. Improvement Debenture Bonds for all kinds of agricultural improvements;
7 per cent. Mortgage Bonds of the State Land Bank are valued in gold zlotys and in their equivalence of U.S. Dollars and Pounds sterling and are secured by mortgage on rural holdings, by the special Reserve Fund, by the Bank's whole property and by the guarantee of the State Treasury;
7 per cent. Improvement Debenture Bonds of the State Land Bank are valued in gold zlotys and in their equivalence of U.S. Dollars and Pounds sterling; they are secured by real estate, improved by the personal property of the debtors as well as by a special Reserve Fund and by the guarantee of the State Treasury.
The Mortgage Bonds of the State Land Bank as well as its Improvement Debenture Bonds have all the rights of trustee securities.

THE PHILADELPHIA NATIONAL BANK

Organized 1803.

CAPITAL, SURPLUS AND PROFITS - - - $54,500,000

The Philadelphia National Bank represents a merger, effective April 9, 1928, of The Philadelphia-Girard National Bank and the Franklin Fourth Street National Bank.
It is the largest bank in the State of Pennsylvania.

Complete International Banking Service of every Description.

Deposit Accounts solicited.
Credit Reports rendered.
Collections made on all points.
Commercial and Circular Letters of Credit issued.
Trade Information available for use of our clients wherever located.

LONDON CORRESPONDENTS:
Barclays Bank, Ltd.
Lloyds Bank, Ltd.
Westminster Bank, Ltd.
Midland Bank, Ltd.
National Provincial Bank, Ltd.

£1,000; to payment of a final dividend for the half-year to December 31, 1927, at the rate of 6 per cent. per annum, less income tax at 4s. per £, making a total payment for the year of 6 per cent., £4,800; to carry forward to the current year, £367—£6,167.

THOS. COOK AND SON (BANKERS), LIMITED.

BALANCE-SHEET—October 31, 1928.

Liabilities.	£	Assets.	£
Issued, 250,000 shares of £1 each, 10s. paid	125,000	Cash at bankers and in hand...	489,621
Reserve fund	100,000	Currencies in hand	43,350
Current, deposit and other accounts, including liability on travellers' cheques, letters of credit, and drafts sold; rebate on bills not due, provision for bad and doubtful debts, contingencies, &c., and the balance of profit and loss account	2,912,815	Remittances in transit	343,109
		Money at call and short notice	512,643
		Bills discounted—British and Indian Government Treasury bills, £1,007,057; bank and other acceptances, £87,400	1,094,457
		Investments—British Government securities, £231,712; corporation and county stocks, Great Britain, £6,341; Indian and Colonial Government securities, £95,097; foreign Government and other securities, £13,792	346,942
Liabilities to customers on account of bills receivable for collection and other engagements, as per contra	61,081	Advances to customers and other accounts	250,574
		Bank premises and furniture...	57,119
		Bills receivable for collection, &c., as per contra	61,081
	3,198,896		3,198,896

COMPTOIR NATIONAL D'ESCOMPTE DE PARIS

BALANCE SHEET—December 31, 1928.

Liabilities.	Fr.	Assets.	Fr.
Current and deposit accounts	9,104,533,666	Cash in hand and at bank...	1,038,120,494
Fixed deposits	71,906,300	Bills of exchange discounted and French Treasury bills	5,723,558,816
Acceptances	152,530,269	Credit balances with banking correspondents	901,650,590
Sundry Accounts	40,199,870	Advances against collateral	584,580,697
Reserves	144,577,875	Investments	7,680,577
Profit and loss account	46,916,218	Current accounts	1,208,848,931
Capital	250,000,000	Liability of customers on acceptances	152,442,796
		Branches abroad	164,883,502
		Sundry accounts	13,897,795
		Bank premises	15,000,000
	9,810,664,198		9,810,664,198

COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

BALANCE-SHEET—June 30, 1928.

Liabilities.	£	Assets.	£
Capital issued, 500,000 shares of £1 each, fully paid	500,000	Cash at bankers and in hand	427,665
Bills payable	1,547	Bills receivable	480
Deposit and other accounts	19,697	Loan and other accounts, less contingency account	92,925
Bills for collection	60,683	Furniture	753
Profit and loss account	579	Bills for collection, per contra	60,683
	582,506		582,506

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenses at head office and branches, including taxes, directors' fees, salaries, &c.	13,729	Balance brought forward	181
Balance carried to balance sheet	579	Gross profits for the year	14,127
	14,308		14,308

CREDIT FONCIER D'ALGERIE ET DE TUNISIE.

BALANCE SHEET—December 31, 1927.

Liabilities.	Francs.	Assets.	Francs.
Capital	125,000,000	Cash	104,700,046
Reserves	23,943,351	Bills	989,355,564
Superannuation fund	350,000	Correspondents	78,034,133
Crédit Foncier de France	144,848,082	Investments	24,458,976
Crédit Foncier d'Orient	19,487,750	Premises, &c.	39,487,160
Caisse Hypothe. d'Egypte	30,000,000	Crédit Foncier de France	144,848,082
Current and deposit accts.	1,027,558,977	Crédit Foncier d'Orient and Caisse Hyp. d'Egypte	42,314,880
Deposits	200,194,997	Advances against securities	68,931,660
Correspondents & creditors	192,127,304	Current accounts	281,609,694
Acceptances, &c.	29,069,496	Syndicates	30,463,039
Sundry accounts	8,478,438	Cover for acceptances	29,069,496
Dividends payable and profit and loss	8,901,811		
Letters of credit and cheques payable	23,312,524		
	1,833,272,730		1,833,272,730

CREDIT LYONNAIS.

BALANCE-SHEET—January 31, 1929.

Liabilities.	Francs.	Assets.	Francs.
Deposits at call	5,002,310,945	Cash in hand and at banks	988,321,725
Current accounts	6,838,702,699	Bills discounted & French Treasury bills	8,254,901,176
Accounts payable after collection	212,085,296	Loans and advances	768,472,378
Acceptances	370,722,853	Current accounts	3,350,487,379
Deposits for fixed periods	344,821,994	Investments	4,303,428
Sundry liabilities	309,977,047	Sundries	177,926,967
Profit and loss	18,542,219	Premises	35,000,000
Reserve fund	227,250,000		
Capital fully paid	255,000,000		
	13,579,413,053		13,579,413,053

CREDITO ITALIANO.

BALANCE-SHEET—December 31, 1928.

Liabilities.	Lire.	Assets.	Lire.
Capital	354,777,700	Cash and balances at call with banks	425,976,992
Reserve fund	190,000,000	Bills receivable on Italy, England, and other countries	2,669,359,115
Deposits and saving accounts	1,169,300,698	Loans against collateral securities	487,727,585
Current accounts	4,067,685,335	Current accounts	1,790,915,145
Acceptances on account of customers	319,595,999	Liabilities of customers for acceptances	319,595,999
Cheques outstanding	185,443,119	Investments	307,472,436
Sundry creditors	31,982,911	Participations	206,491,440
Guarantees on account of customers	226,350,115	Freehold bank premises	12,500,000
Rebate on bills receivable maturing next year	16,711,237	Sundry debtors	171,737,362
Net profit	56,279,075	Customers' liabilities against guarantees	226,350,115
	6,618,126,189		6,618,126,189
Clerks' provident fund, as per contra	41,965,605	Securities belonging to clerks' provident fund	41,965,605
	Lire 6,660,091,794		Lire 6,660,091,794

EQUITABLE TRUST COMPANY OF NEW YORK.

BALANCE-SHEET—March 22, 1929.

Liabilities.	$	Assets.	$
Capital	30,000,000	Cash on hand and in banks	46,359,573
Surplus and undivided profits	27,724,979	Exchanges for Clearing House	33,394,839
Accrued dividend payable March 30	900,000	Due from foreign banks	9,391,111
Reserve for contingencies	2,168,231	Bonds and mortgages	5,749,650
Reserve for taxes, interest, &c.	2,909,038	Public securities	32,684,511
Deposits	430,287,403	Other stocks and bonds	18,382,193
Acceptances (less in portfolio)	48,570,789	Demand loans	82,251,085
Notes payable (foreign offices)	5,713,300	Time loans	128,911,093
Due to foreign offices	2,503,492	Bills discounted	129,606,863
Other liabilities	2,535,446	Customers' liability on acceptances (less anticipations)	47,045,928
		Real estate	16,624,237
		Accrued interest receivable	2,128,830
		Other assets	782,765
	553,312,678		553,312,678

THE FARMERS LOAN AND TRUST COMPANY.

BALANCE-SHEET.—March 22, 1929.

Liabilities.	$	Assets.	$
Deposits	170,436,932	Cash on hand and in bank	48,789,956
Accrued interest, reserve for taxes, dividend, &c.	2,104,491	U.S. Government securities	16,263,338
Liability as acceptor or endorser on domestic and foreign acceptances	13,295,901	Bills purchased	30,687,418
Capital stock	10,000,000	Call loans—collateral	75,303,744
Surplus and undivided profits	23,212,698	Time loans—collateral	14,409,267
		Accrued interest	1,182,815
		Bonds, stocks, &c.	12,630,695
		Bonds and mortgages	4,040,552
		Liabilities of customers for acceptances	13,252,124
		Real estate	2,490,113
	219,050,022		219,050,022

GILLETT BROTHERS DISCOUNT CO., LIMITED.

BALANCE-SHEET—January 31, 1929.

Liabilities.	£	Assets.	£
Issued fully paid — 20,000 "A" shares of £5 each, £100,000; 10,000 "B" shares of £10 each, £100,000	200,000	Cash at bankers and in hand	84,753
Reserve fund	100,000	British and Colonial Government securities (maturing 1929-1935)	1,572,950
Deposits, loans, bills re-discounted and sundry accounts, including rebate on bills and investments reserve fund	12,159,809	Bills discounted (including re-discounts)	10,519,724
		Loans on security and sundry accounts	282,382
		NOTE.—Assets of the face value of £12,172,391 12s. 4d. are held by Depositors and others as cover for liabilities *per contra*.	
	£12,459,809		£12,459,809

GUARANTY TRUST COMPANY OF NEW YORK.

BALANCE SHEET—March 22, 1929.

Liabilities.	$	Assets.	$
Capital	40,000,000	Cash on hand, in Federal Reserve Bank, and due from banks and bankers	171,031,148
Surplus	50,000,000	U.S. Government bonds and certificates	75,558,498
Undivided profits	15,078,324	Public securities	7,365,759
Accrued dividend	1,445,000	Other securities	21,767,079
Outstanding bills	624,965	Loans and bills purchased	457,304,383
Bills payable	3,000,000	Real estate bonds and mortgages	327,977
Accrued interest, reserve for taxes, &c.	9,643,931	Items in transit with foreign branches	8,276,114
Acceptances	86,854,138	Credits granted on acceptances	86,854,138
Deposits, $600,589,620; outstanding cheques, $39,252,770	639,842,390	Real estate	9,675,656
		Accrued interest and accounts receivable	8,327,996
	846,488,748		846,488,748

HAMBROS BANK, LIMITED.

The report for the year ended March 31, 1928, states that after payment of all expenses, making provision for rebate on bills discounted, bad and doubtful debts, and income tax, the accounts show a profit of £370,979, to which falls to be added the balance brought forward from last year of £86,624, making an available total of £457,603. After setting aside £150,000 to contingency reserve account, £35,000 to premises account, and allowing the sum of £60,000 for the interim dividend of 6 per cent., free of income tax, paid on October 28, 1927, the directors now recommend the payment of a further dividend of 12 per cent., free of income tax, making a total of 18 per cent. for the year, free of income tax, and that the balance of £92,603 be carried forward.

GILLETT BROTHERS DISCOUNT CO., LTD.

27, CLEMENTS LANE, E.C.4.

BALANCE SHEET, 31st January, 1929.

Liabilities	£ s. d.	£ s. d.
CAPITAL AUTHORISED—		
20,000 "A" Shares of £5 each,	100,000 0 0	
10,000 "B" Shares of £10 each,	100,000 0 0	
20,000 "C" Shares of £5 each,	100,000 0 0	
	£300,000 0 0	
ISSUED FULLY PAID—		
20,000 "A" Shares of £5 each,	100,000 0 0	
10,000 "B" Shares of £10 each,	100,000 0 0	
		200,000 0 0
		100,000 0 0
RESERVE FUND...		
DEPOSITS, LOANS, BILLS re-discounted and Sundry Accounts, including Rebate on Bills and Investments Reserve Fund...		12,159,809 9 4
		£2,459,809 9 4

Assets.	£ s. d.
CASH AT BANKERS AND IN HAND	84,752 17 11
BRITISH AND COLONIAL GOVERNMENT SECURITIES (Maturing 1929-1935)	1,572,950 0 0
BILLS DISCOUNTED (including re-discounts) ...	10,519,724 13 3
LOANS ON SECURITY AND SUNDRY ACCOUNTS ...	282,381 18 2
NOTE.—Assets of the face value of £12,172,391 12s. 4d. are held by Depositors and others as Cover for Liabilities *per contra*.	
	£12,459,809 9 4

H. GURNEY AGGS, J. R. BETHELL, } *Directors.*

We report to the Shareholders that we have obtained all the information and explanations we have required. We have verified the Securities representing Investments of the Company, those held against Loans made by the Company, and all Bills discounted in hand. We have also verified the Cash Balances and vouched the Securities and Bills given as collateral Security for Loans, and we have now to report to the Shareholders that the foregoing accounts agree with the books, and that, in our opinion, the above Balance Sheet is properly drawn up, so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us, and as shewn by the books of the Company.

DELOITTE, PLENDER, GRIFFITHS & CO., *Chartered Accountants.* } *Auditors.*

5, LONDON WALL BUILDINGS, LONDON, E.C. 2. 9th *February*, 1929.

BANCO ITALO EGIZIANO

Subscribed Capital - £1,000,000 Paid up - - - £500,000

Head Office: ALEXANDRIA.

Branches in: ALEXANDRIA, CAIRO, BENHA, BENI-MAZAR, BENI-SUEF, FAYUM, MANSURA, MIT-GHAMR, MINIA and TANTA.

ALL BANKING OPERATIONS TRANSACTED.

Savings Bank in Egyptian and Italian Currencies.

Cable Address: "KANEYAMA, OSAKA."

Codes: A.B.C. 5th & 6th: Lieber's & Bentley's omplete Phrase Codes.

YAMASHITA SHOTEN

IMPORTERS, EXPORTERS & GENERAL MERCHANTS.

10, KITAKYUTARO-MACHI, OSAKA, JAPAN.

BALANCE SHEET—March 31, 1928.

LIABILITIES.	£	ASSETS.	£
Paid-up capital—£2 10s. per share on 400,000 shares ...	1,000,000	Cash in hand, at bankers, and at call	5,542,956
Reserve	1,050,000	Bills of exchange	3,802,382
Profit and loss account.....	212,603	Investments—Valued at or below prices current at March 31, 1928—	
Current, deposit and other accounts.....	18,918,559	British Government securities, £3,030,143; other investments, £930,797	3,960,940
Acceptances	10,872,317	Loans, advances, and other accounts	7,421,397
Memorandum—Contingent liability as endorsers of bills discounted, £2,743,930, and on guarantees given covered by counter guarantees or securities, £737,463.		Liabilities of customers for acceptances, as per contra	10,872,317
		Bank premises	453,487
	32,053,479		32,053,479

PROFIT AND LOSS ACCOUNT.

DR.	£	CR.	£
Interim dividend of 6 per cent., free of income tax	60,000	Balance brought forward from last account	86,624
Contingency reserve account	150,000	Net profit for the year	370,979
Premises account	35,000		
Balance carried to balance sheet	212,603		
	457,603		457,603

HONGKONG AND SHANGHAI BANKING CORPORATION.

BALANCE-SHEET—December 31, 1928.
Sterling exchange taken at 2s. 0¼d.

LIABILITIES.	£	ASSETS.	£
Authorised capital—400,000 shares of $125 each, $50,000,000.		Cash (including $25,900,000 coin lodged with the Hongkong Government and $7,600,000 coin lodged with H.B.M. Consul-General, Shanghai, against authorised and/or excess note circulation).....	10,059,792
Issued and paid-up capital—160,000 shares of $125 each	2,020,833	Bullion in hand and in transit	877,753
Reserve liability of proprietors—$125 per share on 160,000 shares issued, $20,000,000.		British Government, Indian, Colonial and other securities	11,827,384
Sterling reserve	6,000,000	Bills discounted, loans and credits.....	27,129,317
Silver reserve.....	1,414,583	Bills receivable and balance of remittances and drafts in transit	19,420,901
Notes in circulation (authorised and additional issue against securities and coin amounting to $63,216,437·36 deposited with the Crown Agents for the Colonies, their trustees, and the Hongkong Government) ...	4,887,238	Liabilities of constituents for acceptances, per contra	569,396
Current accounts.....	38,016,601	Bank premises	1,936,932
Fixed deposits	17,354,199		
Bills payable (including call loans and short sight drawings on London office and drafts on London bankers)	339,523		
Acceptances on account of constituents	569,396		
Profit and loss account.....	1,219,102		
Liability on bills of exchange re-discounted, £5,717,648, of which £5,481,150 have since run off.			
	£71,821,475		£71,821,475

PROFIT AND LOSS ACCOUNT.

DR.	$	CR.	$
Interim dividend paid on August 7, 1928, of £3 per share on 160,000 shares= £480,000 at 2/0½=.....	4,726,154	Balance of undivided profits, December 31, 1927	3,411,431
Remuneration to directors ...	50,000	Amount of net profits for the year ending December 31, 1928, after making provision for bad and doubtful debts and contingencies, deducting all expenses and interest paid and due	13,430,062
Final dividend of £3 per share on 160,000 shares=£480,000 at 2/0½=$4,750,515·46; bonus of £2 per share on 160,000 shares=£320,000 at 2/0½=$3,167,010·31 ...	7,917,526		
Transfer to bank premises account	750,000		
Balance forward to next year	3,397,813		
	16,841,493		16,841,493

INTERNATIONAL BANKING CORPORATION.

BALANCE-SHEET.—December 31, 1928.

LIABILITIES.	$	ASSETS.	$
Capital	2,500,000	Cash on hand and in local depositaries	9,801,204
Surplus	2,500,000	Due from banks and bankers	15,845,904
Undivided profits	2,000,000	Loans, discounts and advances	18,062,488
Deposits.....	37,426,808	Bonds and securities.....	2,468,842
Notes in circulation in China.	2,770,156	Bank buildings	1,000,000
Acceptances	7,666,922	Items in transit with branches	1,230,923
Reserves for—		Customers' liability account of acceptances	7,655,652
Accrued interest, $159,502; taxes, accrued expenses, &c., $567,535; contingencies, $520,066.....	1,247,103	Other assets	95,626
Other liabilities	49,650		
	56,160,639		56,160,639

THE IMPERIAL BANK OF PERSIA.

BALANCE SHEET—March 20, 1928.

LIABILITIES.	£	ASSETS.	£
Capital — 99,800 ordinary shares of £6 10s.; 200 founders' shares of £6	650,000	Cash in hand, at bankers, and in transit and money at call and short notice, and bullion	5,153,685
Reserve account	570,000	Investments in British and Colonial Government and other securities taken at or under prices ruling at March 20, 1928	*3,003,720
Notes in circulation	2,527,471	Bills discounted, loans and advances, including adjustments, past due bills, loans and sums due from other banks	4,661,199
Deposits	7,804,441	Bills receivable	1,490,265
Bills payable, endorsements, adjustments and sums due to other banks	2,710,936	Bank premises, furniture and stationery	23,626
Profit and loss account	69,647	*This includes £182,310 9 9 value of Funding and Treasury bonds deposited at Bank of England under Government regulations.	
	14,332,495		14,332,495

IONIAN BANK, LIMITED.

The report presented at the meeting on January 23, 1929, states that the profits (provision having been made for expenses of management, losses, all bad and doubtful debts, bonus for staff, rates, taxes and income tax at the branches and in England) amount to £53,680, to which has to be added, balance brought forward from last year, £13,332—£67,012; from which there has been paid interim dividend for the year ended August 31, 1928, at 3s. per share, free of income tax, paid June 5, 1928, £18,000, leaving available for distribution £49,012. This, the directors propose, should be disposed of as follows:—Final dividend for the said period at 3s. per share, free of income tax, £18,000; bonus at 2s. per share, free of income tax, £12,000; leaving a balance to be carried forward of £19,012.

BALANCE-SHEET, August 31, 1928.
The exchange for drachmas is taken at 375·00 per £, for £E. at 97·50 per £100, and for £T. at 9·32 per £.

LIABILITIES.	£	ASSETS.	£
Capital issued—120,000 Shares of £5 each, fully paid	600,000	Cash in hand, at bankers, and in transit	663,111
Reserve fund	250,000	Agents' balances, including remittances in transit	157,281
Current accounts, including accounts without interest, £3,394,270; deposits bearing interest, £384,596	3,778,866	Investments—Securities of, or guaranteed by the British Government, £597,226; British Dominions, Colonial and Foreign Government Securities and other Investments, £228,009	825,235
Other liabilities and credit accounts, including outstanding advices, exchange contracts, letters of credit, documentary credits, balances due Bankers abroad, and other accounts	1,137,981	Bills receivable	939,449
Bills payable	204,453	Loans and advances	2,301,917
Rebate on bills discounted not due	8,520	Other assets, including outstanding advices, exchange contracts, letters of credit, documentary credits, and other accounts	947,038
Profit and loss—Balance of account as below	49,012	Mortgaged property in possession, at or below valuation...	5,306
There are contingent liabilities for £5,484 11s. 10d. and Drs. 750,000 representing uncalled instalments on a participation in the General Hellenic Company (late General Company of Enterprises), at Athens.		Freehold bank premises abroad and bank furniture, at or below cost	189,495
	£6,028,832		£6,028,832

ITALO-BELGIAN BANK.

BALANCE-SHEET—June 30, 1928.

LIABILITIES.	Frs.	ASSETS.	Frs.
Capital.....	100,000,000	Premises.....	21,000,000
Reserves.....	85,000,000	Furniture and fittings	1
Current and deposit accounts.....	1,244,677,622	Cash in hand and with banks	422,038,117
Bankers and correspondents	782,639,128	Bankers and correspondents	334,759,546
Bills payable	118,904,231	Bills receivable	842,013,592
Dividends not claimed.....	123,172	Securities:	
Re-discount on bills.....	4,217,415	Government stock and Treasury bonds, 69,722,904f.; shares and bonds 7,776,201f.	77,499,105
Profit and loss	21,407,758	Current accounts.....	659,658,965
	2,356,969,326		2,356,969,326

J. HORSTMAN & COMPANY, LTD.

Bankers

— LONDON —

TELEPHONE AVENUE 6532

CABLES—HORSTMAN

GRACE BROTHERS & COMPANY
LIMITED

BANKERS

147, LEADENHALL STREET
LONDON, E.C.3.

9, TITHEBARN STREET
LIVERPOOL

CAPITAL (PAID UP) AND RESERVE £1,065,000

GENERAL BANKING
COMMERCIAL AND TRAVELLERS' CREDITS
FOREIGN EXCHANGE

ESTABLISHED 1871.

THE DOMINION BANK.

Head Office: TORONTO.

CAPITAL PAID UP - - - - - - $6,000,000.00
RESERVE FUND and UNDIVIDED PROFITS - - - - $8,200,000.00

A. W. AUSTIN, *President.* C. A. BOGERT, *Vice-President & General Manager.*
C. S. BLACKWELL, *Chairman of the Board.*

BRANCHES THROUGHOUT CANADA.
Agents and Correspondents throughout the World.
Agency in NEW YORK: The Dominion Bank, 49, WALL STREET. ROBERT RAE, *Agent.*

The LONDON BRANCH, at 3, King William St., E.C.4,
undertakes monetary business of every description, deals in all Foreign Exchanges, accepts Deposits, makes Collections promptly, and issues Letters of Credit and Travellers' Cheques available in all parts of the world.
PERCIVAL HUFFMAN, *Manager, London Branch.*

BANCO NACIONAL ULTRAMARINO

STATE BANK OF THE PORTUGUESE COLONIES.
HEAD OFFICE: LISBON. Established in 1864.
CAPITAL RESERVES:
Esc. 50,000,000 fully paid. Esc. 50,800,000

OFFICES IN THE FOLLOWING COUNTRIES:
Portugal, Portuguese East and West Africa, India, China, Timor, and Brazil.
PARIS: 8, Rue du Helder.
Angola, Belgian Congo, } Banco de Angola.
NEW YORK: Trust Co. of N. America, 93, Liberty Street.
AGENTS AND CORRESPONDENTS IN ALL PARTS OF THE WORLD.
London Office - - - - - 9, BISHOPSGATE, E.C.2.
Telephone: London Wall 0295. *Telegrams:* "Ultranacio, London."

BANQUE BELGE POUR L'ETRANGER

SOCIÉTÉ ANONYME
(*Filiale de la Société Générale de Belgique.*)

CAPITAL (subscribed) ... ... Frs. 200,000,000
CAPITAL (paid up) ... ... Frs. 158,386,625
RESERVES ... ... Frs. 110,000,000

HEAD OFFICE: BRUSSELS, 66, rue des Colonies.
Branches:—PARIS (12, Place de la Bourse), NEW YORK (67, Wall Street), PEKING, SHANGHAI, TIENTSIN, HANKOW.
LONDON OFFICE ... ... 4, Bishopsgate, E.C.2.
Manager: A. S. Donnay (Director).
London Committee: Messrs. J. S. Haskell, A. F. Buxton, G. Grinnell Milne, Emile Francqui, Chevalier de Wouters, F. Haegler (Honorary General Manager), and A. S. Donnay.
AFFILIATED BANKS throughout BELGIUM and LUXEMBURG, and also in FRANCE and GERMANY.
ALLIED BANKS in Austria, Bulgaria, Czecho-Slovakia, Egypt, Holland, Hungary, Italy (Tyrol), Morocco, Poland, Rumania, Spain and Yugo-Slavia.
CORRESPONDENTS IN ALL PARTS OF THE WORLD.
AGENTS IN THE UNITED KINGDOM FOR THE BELGIAN POSTAL CHEQUE SERVICE.
COLLECTION OF CLEAN AND DOCUMENTARY DRAFTS.
LETTERS OF CREDIT.
FOREIGN EXCHANGE business a speciality; FOREIGN CURRENCIES bought and sold for immediate or forward delivery, enabling traders to secure the exchange for their contracts in the currency of the country of their customers.
ALL KINDS OF BANKING BUSINESS UNDERTAKEN.

PROFIT AND LOSS ACCOUNT.

DR.	Francs.	CR.	Francs.
Balance.....	21,407,758	Brought forward from the business year 1926-1927	512,904
		Net profit for the year.....	20,894,854
	21,407,758		21,407,758

THE MITSUBISHI BANK, LIMITED.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	Yen.	ASSETS.	Yen.
Deposits	562,252,577	Cash on hand and in banks...	51,952,580
Foreign bills sold.....	1,376,311	Money at call and short notice	15,520,000
Due to foreign banks	32,485,803	Government and municipal bonds	143,944,939
Due to inland correspondents	1,146,698	Other bonds	143,635,387
Acceptances and guarantees	928,942	Securities	35,313,180
Interest accrued on deposits	6,176,801	Loans and bills discounted...	241,857,834
Rebate on bills discounted not yet due	995,567	Bonds loaned to customers	1,772,407
Suspense accounts	341,773	Foreign bills bought.....	28,851,980
Bills payable	291,723	Due from foreign banks.....	493,917
Accounts *eh route*	261,364	Due from inland correspondents	986,347
Capital	50,000,000	Acceptances and guarantees as per contra	928,942
Reserve funds	34,282,375	Bank premises and real estates	11,434,151
Balance brought forward from last profit and loss account	2,463,706	Temporary payments	512,380
Net profit for the current half-year	4,200,404	Capital uncalled	20,000,000
	697,204,044		697,204,044

APPROPRIATION.

DR.	Yen.	CR.	Yen.
Legal reserve fund	1,000,000	Net profit for the current half-year	4,200,404
Special reserve fund	1,000,000	Balance brought forward from last profit and loss account	2,463,706
Pension reserve fund	250,000		
Bonus	250,000		
Dividend at 10 per cent. per annum	1,500,000		
Balance carried forward to next half-year	2,664,110		
	6,664,110		6,664,110

LONDON AND EASTERN TRADE BANK, LIMITED.

BALANCE SHEET—June 30, 1928.

LIABILITIES.	£	ASSETS.	£
Paid-up capital—60,000 shares of £10 each, fully paid.....	600,000	Cash in hand and at bankers in London.....	128,284
Current, deposit and other accounts (including customers' currency deposits)...	1,150,451	Money at call.....	605,000
Acceptances per contra	1,712,651	Treasury bills	150,000
Profit and loss account.....	37,408	Bills discounted.....	72,984
NOTE.—Contingent liabilities — rediscounted bills, £66,149; guarantees, credits opened and forward foreign exchange contracts, £257,254.		Sundry securities (at market value).....	82,773
		Loans, overdrafts and other balances (including currency with bankers abroad), less reserve for doubtful debts...	748,818
		Customers' liabilities for acceptances	1,712,651
	3,500,510		3,500,510

MITSUI BANK LTD.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	Yen.	ASSETS.	Yen.
Deposits (current, fixed, etc.)	605,609,499	Cash in hand and at the Bank of Japan.....	48,669,385
Foreign bills sold.....	1,841,089	Money at call and short notice	8,000,000
Due to foreign banks (including discounts)	64,026,296	Japanese and foreign government bonds.....	118,149,167
Due to inland correspondents	540,356	Municipal and other bonds...	118,508,612
Outstanding cheques	537,141	Stocks	525,000
Liabilities under I./C, etc....	17,009,501	Loans and discounts.....	394,009,963
Interest accrued on deposits not due.....	7,208,478	Foreign bills purchased	111,628,212
Rebate on bills not due	2,599,963	Due from foreign banks.....	8,313,515
Provisional receipts, etc.	246,081	Due from inland correspondents.....	198,153
Capital	100,000,000	Customers' liabilities under I./C, etc., per contra	17,009,501
Reserve funds	63,500,000	Provisional payments.....	337,163
Pension fund	2,387,287	Bank premises and real estates.....	7,547,241
Profit for the half year	7,390,221	Capital uncalled	40,000,000
	872,895,912		872,895,912

PROFIT AND LOSS ACCOUNT.

DR.	Yen.	CR.	Yen.
Reserve fund	500,000	Profit for the half-year	7,390,221
Pension fund	507,000		
Bonus	375,400		
Dividend to shareholders.....	3,000,000		
Balance carried forward to next account.....	3,007,821		
	7,390,221		7,390,221

THE MOSCOW NARODNY BANK LIMITED.

BALANCE SHEET, June 30, 1928

LIABILITIES.	£	£	ASSETS.	£
Capital—Issued, 50,000 shares of £10 each, fully paid, £500,000; 50,000 shares of £10 each, £5 paid, £250,000		750,000	Cash at banks on current account and in hand.....	438,784
Reserve account.....		115,000	Deposits at banks	183,112
Clients' current and deposit accounts		898,331	Loans at short notice (secured by British Government securities)	200,000
Correspondents of the bank...		418,322	Investments—	
Bills re-discounted		708,675	British Government securities (at market value), £321,500; foreign government securities (at market value), £10,500; Co-operative Transit Bank, Riga: 9,000 fully-paid shares of 100 gold lats each (at cost), £38,035	370,135
Advances against merchandise		544,517	Loans and advances to clients	31,964
Advances against bills of exchange.....		619,607	Correspondents of the bank ..	328,233
Acceptances by banks		480,379	Bills receivable	56,180
Miscellaneous creditors and accrued charges		58,050	Bills discounted (including bills of £170,400 deposited as collateral security against advances)	870,877
Liabilities of the bank (as per contra) in respect of—			Advances against—	
Guarantees.....	1,248,057		Goods and documents	1,228,283
Acceptances	169,697		Bills of exchange.....	882,898
Forward exchange	30,757		Miscellaneous debtors.....	9,489
Documentary credits, creditors for bills and documentary collections, as per contra ...	1,229,764		Office furniture and fittings (less depreciation)	5,336
Profit and loss account—			Leasehold premises, Paris (less depreciation)	3,985
Balance as at Dec. 31, 1927, £4,835; *add* profit for six months ended June 30, 1928, £29,560 – £34,395; *less* transferred to reserve account, £15,000; *less* transferred to income tax account, £3,000, £18,000	16,395		Liabilities of customers (as per contra) in respect of—	
			Guarantees issued	1,248,057
			Bank acceptances	169,697
			Forward exchange	30,757
			Debtors in respect of documentary credits, bills and documentary collections, as per contra	1,229,764
	7,287,551			7,287,551

NATIONAL BANK OF EGYPT.

The report presented at the meeting held in Cairo on March 21, 1929, states that the gross profit for the year ended December 31, 1928, after providing for depreciation on the bank's buildings and furniture, for rebate of discount and for doubtful debts, amounts to £1,127,579; after deducting from this sum: for directors' fees £14,000, for current expenses £461,957—£475,957—there remains £651,622. In conformity with Article 49 of the bank's statutes, a dividend of 4 per cent. is payable on the share capital, £120,000; after this distribution there remains £531,622; adding to this the balance brought forward from last year, £210,173, the amount available is £741,795. The directors consider it prudent to allocate to special reserve for contingencies a sum of £100,000, which leaves £641,795. From this amount the directors recommend the payment of an additional dividend of 14 per cent. on the share capital, which will absorb £420,000, and to carry forward the balance of £221,795. The total dividend for the year will thus be at the rate of 18 per cent., equivalent to £1 16s. per share.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	£	ASSETS.	£
Share capital—300,000 fully-paid shares of £10 each.....	3,000,000	Government securities and securities guaranteed by the Egyptian Government	20,598,523
Statutory reserve fund	1,500,000	Sundry securities	521,702
Special reserve.....	1,375,000	Advances on merchandise	5,881,268
Current, deposit, and other accounts	16,016,704	Advances on securities	5,802,867
Egyptian Government	18,787,181	Advances otherwise secured...	1,404,430
Sudan Government.....	142,869	Sundry other advances	701,477
Mixed Tribunals.....	1,917,428	Bills of exchange.....	4,965,800
Bankers' accounts.....	394,549	Local bills discounted	480,789
Cheques and bills payable.....	236,797	Buildings, furniture, &c.	220,523
Rebate of discount on bills not yet due	33,910	Money at call and at short notice	1,100,000
Dividends unclaimed.....	23,685	Bankers' accounts.....	398,375
Acceptances, &c.	957,791	Clients' liability for acceptances, &c., as per contra ...	957,791
Provision for payment of final dividend at the rate of 13 per cent. per annum	420,000	Cash: Notes, £E1,452,472·000; gold and silver coin, &c., £E491,839.175	1,994,165
Profit and loss account balance	221,795		
	45,027,709		45,027,709

"; There is a contingent liability in respect of bills rediscounted of £1,939,061.

Commerz- und Privat-Bank

HAMBURG Aktiengesellschaft BERLIN

and at 250 other places throughout Germany

CAPITAL AND SURPLUS RM 94.000.000

CAPITAL: RM 75,000,000 RESERVES: RM 40,000.000

ALL BANKING TRANSACTIONS

Cable address for main offices and branches "Hanseatic"

Affiliation in Amsterdam: N.V. Hugo Kaufmann & Co's Bank / Represented in New York by: Konrad von Jiberg, 50, Broadway

UNION DE BANQUES SUISSES

Union Bank of Switzerland

ZURICH.

AARAU, BADEN, BASLE, BERNE, LA CHAUX-DE-FONDS, GENEVA, LAUSANNE, LOCARNO, LUGANO, MONTREUX, RAPPERSWIL, ST. GALL, VEVY, WINTERTHUR, &c.

CAPITAL (fully paid)	Swiss Francs 100,000,000
RESERVES	30,000,000
DEPOSITS	610,000,000
TOTAL ASSETS	808,000,000

WELL EQUIPPED TO HANDLE YOUR SWISS BANKING BUSINESS.

BORGES & IRMÃO,

Bankers.

Established 1884.

LISBON. OPORTO. RIO DE JANEIRO.

Telegraphic address: BORGIRMÃO.

EVERY KIND OF BANKING TRANSACTIONS.
SPECIAL SERVICE OF COLLECTIONS ON PORTUGAL.

SHIPPING AGENTS AND BROKERS.

KANSALLIS-OSAKE-PANKKI

Established 1889

(National Joint Stock Bank.)

HEAD OFFICE: HELSINKI (Helsingfors), FINLAND.
BRANCHES: 162 all over Finland

PAID-UP CAPITAL and RESERVES - - - - - Fmk. 417,000,000

Every kind of Banking and Exchange Business transacted at most favourable terms.
Deposits Received. Bills Collected.
Mail and Telegraphic Remittances Made.

TELEGRAPHIC ADDRESS: "Kansallispankki."

DRESDNER BANK, Head Office: BERLIN, W.56.

BALANCE SHEET AS PER DECEMBER 31st, 1928.

ASSETS.	RM	RM
Cash in hand, Foreign Currencies, Coupons, Balances with Issuing and Clearing Banks	62 747 389·24	
Bills discounted, Treasury Bills.....	507 334 065·21	
Due from other Banks and Bankers	310 343 859·03	
Advances against Stock Exchange Securities.....	114 334 983·40	
Advances on stored goods and shipments	379 442 426·—	
	1 374 202 722·88	
Investments	28 976 873·13	
Interest in Syndicates	11 315 455·82	
Permanent participations in other Banks and Banking Firms	31 243 605·75	
Debtors on current account	868 698 808·61	
In addition: Debtors' liabilities for guarantees given RM 82 920 717·35	29 643 000·—	
Bank Premises	400 000·—	
Other Real Estate	1·—	
Furniture	2 294 134·65	
Investments of Pension Fund	2 346 774 601·84	

LIABILITIES.	RM	RM
Share Capital	100 000 000·—	
Open Reserves	32 000 000·—	
Creditors on current and deposit account	2 112 543 722·33	
Acceptances	86 458 346·17	
In addition: Guarantees on account of customers RM 82 920 717·35		
Contingent liabilities from Bills rediscounted:		
(*a*) Prime Bankers' acceptances RM 167 982 118·20		
(*b*) Good commercial paper..... RM 95 397 729·12		2 300 000·—
Pension Fund		58 961·34
Dividends Unpaid		13 413 572·—
Net Profit		2 346 774 601·84

PROFIT & LOSS ACCOUNT, DECEMBER 31st, 1928.

LOSS.	RM
General Expenses.....	58 049 188·41
Taxes	7 534 636·45
Net Profit	13 413 572·—
	78 997 396·86

PROFIT.	RM
	686 078·—
Brought forward from 1927	36 039 836·24
Bills, Interest, Foreign Exchange and Dividend Warrants Accounts	39 955 167·26
Commission Account	1 997 729·25
Profits from permanent participations in other Banks and Banking Firms	318 586·11
Various Receipts	78 997 396·86

ISSUE DEPARTMENT.

	£		£
Notes issued	31,800,000	Gold	3,339,570
		*British Treasury bills	12,560,430
		Securities—	
		Egyptian Government securities and securities guaranteed by the Egyptian Government	1,500,000
		British Treasury Bills and British War Loan	14,400,000
	31,800,000		31,800,000

* By authority of the Egyptian Government these Treasury Bills are deposited in lieu of gold. (See "Journal Officiel" of October 30, 1916.)

THE NATIONAL CITY BANK OF NEW YORK.

INCLUDING DOMESTIC AND FOREIGN BRANCHES.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	$	ASSETS.	$
Capital	90,000,000	Cash in vault and in Federal Reserve Bank	152,251,571
Surplus	65,000,000	Due from banks, bankers and United States Treasurer	309,510,975
Undivided profits	11,993,906	Loans, discounts and acceptances of other banks	995,574,262
Deposits	1,349,024,386	United States Government bonds and certificates	142,293,793
Liability as acceptor, endorser, or maker on acceptances and foreign bills	236,273,784	State and municipal bonds	11,030,725
Circulation	99,345	Stock in Federal Reserve Bank	4,200,000
Due to Federal Reserve Bank	75,000,000	Other bonds and securities	56,209,880
Reserves for:		Subsidiaries—	
Accrued interest, discount and other unearned income	3,848,102	International Banking Corporation	6,000,000
Taxes and accrued expenses, &c.	7,488,284	Bank of Haiti, Inc.	2,000,000
Dividend payable Jan. 2, 1929	3,150,000	Bank buildings	26,365,720
Contingencies	5,759,761	Items in transit with branches	3,342,217
Other liabilities	67,980	Customers' liability account of acceptances	132,479,852
		Other assets	6,446,553
	1,847,705,548		1,847,705,548

OTTOMAN BANK.

BALANCE SHEET—December 31, 1927.

LIABILITIES.	£	ASSETS.	£
Capital	5,000,000	Cash in hand and at bankers	2,335,078
Statutory reserve	1,250,000	Money at call and notice	865,910
Bank notes in circulation	588,201	Bills receivable	4,080,275
Bills payable and sight drafts	1,217,686	Investments	2,915,196
Current accounts of sundries	11,606,366	Current accounts of sundries	7,792,871
Deposits for fixed terms	1,927,712	Advances on securities	3,249,630
Profit and loss account	274,244	Bank premsise and real estate	625,249
	21,864,209		21,864,209

RELIANCE BANK.

BALANCE-SHEET—March 31, 1928.

LIABILITIES.	£	ASSETS.	£
Capital issued—60,000 shares of £1 each, fully paid	60,000	Cash at head office, £8,860; at Bank of England and other banks, £112,708	121,568
Reserve account	30,000	Investments — At or under market price on this date	321,795
Deposits fixed for a term of years, £21,436; ordinary (subject to notice), £360,930	382,366	Loans on mortgage	156,740
Current accounts	156,139	Short loans	43,134
Sundry creditors (for interest accrued, etc.)	5,256	Sundry debtors (including interest and dividends accrued)	5,319
Profit and loss account (balance)	14,795		
	648,556		648,556

SOCIÉTÉ BELGE DE CRÉDIT INDUSTRIEL ET COMMERCIAL ET DE DEPOTS.

BALANCE SHEET—December 31, 1927.

LIABILITIES.	Francs.	ASSETS.	Francs.
Subscribed capital	20,000,000	Cash	3,693,193
Reserve funds	6,500,000	Due from other banks	18,319,364
Deposits and current accounts	94,786,625	Bills receivable	37,741,114
Other accounts	1,452,198	Loans, &c.	40,153,818
Profit and loss	2,269,126	Current accounts	7,917,942
		Exchange agents	1,863,545
		Coupons for collection	564,583
		Buildings	1,032,790
	111,286,349		111,286,349

SOCIÉTÉ GÉNÉRALE.

(Pour Favoriser le Développement du Commerce et de l'Industrie en France.)

BALANCE-SHEET—January 31, 1929.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital	500,000,000	Cash in hand and at Bank of France	508,274,683
Reserves	105,975,919	At banks and correspondents	2,764,908,109
Cheque accounts	442,617,426	Bills and National Defence Bonds	6,077,188,276
Deposits for fixed periods	3,150,545,600	Coupons for encashment	120,361,889
Acceptances due or to be met	388,770,264	Contangoes	296,753,233
Diverse current accounts	8,616,322,095	Advances on security	538,390,815
Sundry accounts	290,756,336	Diverse current accounts	2,736,576,205
Interest and dividends	4,040,768	Government stocks, shares, bills and debentures	33,960,195
Profit and loss	15,451,654	Investments	22,924,469
		Real Estate and "Immobilière Parisienne et Départementale"	56,897,039
		Sundry accounts	98,245,149
		Calls on shares	250,000,000
		Interest on shares	10,000,000
	13,514,480,062		13,514,480,162

SOCIÉTÉ GÉNÉRALE DE CRÉDIT INDUSTRIEL ET COMMERCIAL.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	Francs.	ASSETS.	Francs.
Deposit accounts	295,392,808	Cash in hand	115,123,137
Current accounts	651,692,231	Due from other banks	125,263,075
Fixed Deposits	368,570,209	Coupons for collection	18,158,764
Acceptances guaranteed	21,903,256	Bills receivable and "Bons de la Défense Nationale"	738,276,749
Unclaimed interest and dividends	223,455	Current accounts	84,753,251
Transitory and sundry accounts	26,619,044	Advances guaranteed	269,004,046
Debate	2,252,352	Acceptances guaranteed	21,903,256
Reserve fund:		Payments made on account of interest and dividends for 1928	1,790,000
Statutory Frs. 10,000,000		Transitory account	1,288
Extraordinary 60,000,000	70,000,000	Investments	42,061,876
Capital subscribed	100,000,000	Shares of affiliated societies	70,681,675
Brought forward from 1927	2,879,775	Ban't premises	6,000,000
Profit and loss account for 1928	9,733,987	Uncalled capital	56,250,000
	1,549,267,117		1,549,267,117

SUMITOMO BANK, LIMITED.

BALANCE-SHEET—December 31, 1928.

LIABILITIES.	Yen.	ASSETS.	Yen.
Deposits	642,862,109	Cash in hand	67,659,272
Exchange sold, &c.	56,375,026	Money at call and short notice	26,360,000
Exchange adjustment	51,031	Bonds, debentures and other securities	235,690,621
Due to other banks	7,520,808	Bills discounted	104,095,686
Foreign credits, acceptances and guarantees	8,604,921	Loans	291,113,183
Accrued interest, unearned discount, &c.	8,482,431	Securities lent	2,356,469
Subscribed capital	70,000,000	Exchange purchased	49,539,306
Reserve fund	25,000,000	Due from other banks	4,302,141
Pension reserve	2,028,677	Customers' liabilities on foreign credits, acceptances and guarantees	8,604,921
Balance of profit brought forward from previous half-year	1,832,820	Bank premises	16,168,425
Net profit for this half-year	3,132,201	Capital unpaid	20,000,000
	825,890,024		825,890,024

PROFIT AND LOSS ACCOUNT.

DR.	Yen.	CR.	Yen.
Reserve fund	500,000	Balance of profit brought forward from previous half-year	1,832,820
Dividend	2,250,000	By net profit for this half-year	3,132,201
Pension reserve	100,000		
Bonus	120,000		
Balance carried forward to next half-year	1,995,021		
	4,965,021		4,965,021

SWISS BANK CORPORATION.

After deduction of expenses and taxes, making provision for bad and doubtful debts, &c., the net profit for the year ended December 31, 1928, amounts to £615,892. The board propose to allocate to pension fund, £20,000; to the reserve fund for the extension of the head office premises in Basle, £40,000; to pay a dividend of 5 per cent. on the paid-up capital (according to Art. 36 of the articles of association), £280,000—£340,000; leaving a balance of £275,892. After deduction of the statutory participation of directors, £27,589, the remainder, £248,303, together with the amount £276,611 is at the disposal of the general meeting. The board propose to pay a further dividend of 3 per cent. (making in all 8 per cent. for the year 1928), which will absorb £168,000; to place to reserve fund, £80,000—£248,000; and to carry forward, £28,611.

BALANCE-SHEET—December 31, 1928.

(£1 = 25 Francs.)

LIABILITIES.	£	ASSETS.	£
Share Capital	5,600,000	Cash	2,798,958
Reserves	1,680,000	Banks and bankers	9,770,102
Fixed Deposits	7,345,698	Bills receivable	9,696,192
Current accounts, &c.—sight deposits, £19,549,088; time deposits, £16,795,834	36,343,922	Loans at short dates on securities	2,919,591
Acceptances	4,699,567	Advances to customers, &c.	27,024,927
Profit	644,200	Permanent investments	846,350
		Government, railway and other securities	2,009,280
		Syndicates	644,401
		Bank premises and other property	603,588
	£56,313,387		£56,313,387

PROFIT AND LOSS ACCOUNT.

DR.	£	CR.	£
General expenses and taxes	936,963	Balance from 1927	28,308
Provision for bad and doubtful debts (less return of amounts previously written off) and depreciation on buildings	50,677	Discounts	656,248
Net profit available	644,200	Interest	267,596
		Commissions	465,288
		Investments and syndicates	156,116
		Coupons, foreign moneys, &c.	60,286
	£1,631,840		£1,631,840

YORKSHIRE PENNY BANK, LIMITED.

BALANCE SHEET—December 31, 1928.

LIABILITIES.	£	ASSETS.	£
Share capital—250,000 shares of £5 each, £3 paid	750,000	Cash in hand, at Bank of England and Short Notice	7,977,641
Reserve Fund	750,000	British Govt. Treasury bills	270,000
Amount due to Depositors and other Accounts	28,311,857	British Govt. Treasury and Exchequer bonds	11,339,305
Uncalled capital £500,000		British Govt. 5% War Loan	3,000,000
		British Govt. 4% War Loan	768,253
		British Govt. 4½% Conversion Loan	1,408,599
		Other securities	766,374
		Loans on security and other accounts	3,732,506
		Bank premises	549,179
	29,811,857		29,811,857

YOKOHAMA SPECIE BANK, LIMITED.

The report for the half-year ended December 31, 1928, states that the net profit of the bank, after providing for all bad and doubtful debt, rebate on bills, &c., shows 17,346,622 yen, inclusive of 8,281,611 yen brought forward from last account. The directors propose that 3,000,000 yen be added to the reserve fund, and recommend a dividend at the rate of 10 per cent. per annum, which will absorb 5,000,000 yen. The balance, 9,346,622 yen, will be carried forward to the credit of next account.

BALANCE-SHEET—December 31, 1928.

LIABILITIES.	Yen.	ASSETS.	Yen.
Capital	100,000,000	Cash account—in hand, 41,494,594 Y; at bankers, 27,668,903 Y	69,163,497
Reserve fund	102,500,000	Investments in public securities and debentures	278,335,736
Reserve for doubtful debts	4,266,844	Bills discounted, loans, advances, &c.	291,579,833
Notes in circulation	13,064,701	Bills receivable and other sums due to the bank	571,662,255
Deposits (current, fixed, &c.)	510,515,074	Bullion and foreign money	2,830,474
Bills payable, bills rediscounted, acceptances, and other sums due by the bank	488,474,856	Bank's premises, properties, furniture, &c.	22,627,444
Dividends unclaimed	31,141		
Balance of profit and loss brought forward from last account	8,281,612		
Net profit for the past half-year	9,065, 11		
	1,236,199,239		1,236,199,239

THE BANK OF NOVA SCOTIA

ESTABLISHED 1832.

General Executive Office—TORONTO.

Capital Paid Up - - - $10,000,000
Reserve Fund - - - $20,000,000
Total Assets - - - $279,000,000

Address enquiries to—
London Branch: 108, OLD BROAD STREET, E.C.2.

A GENERAL BANKING BUSINESS IS TRANSACTED.

Fully equipped for Foreign Exchange, Collection and Letter of Credit business with all parts of the World.
Particular Attention is devoted to Business with CANADA, NEWFOUNDLAND, and the WEST INDIES, where Branches of the Bank have been established many years. 320 Branches.

THE BANK OF AUSTRALASIA.

(Incorporated by Royal Charter, 1835.)

Head Office: 4 THREADNEEDLE STREET, LONDON E.C. 2.

West End Branch: 17 NORTHUMBERLAND AVENUE, W.C. 2.

Paid-up Capital	*£4,500,000*
Reserve Fund	*4,450,000*
Reserve Liability of Proprietors under the Charter	*4,500,000*
	£13,450,000

DIRECTORS:

RIGHT HON. LORD ALDENHAM.
CHARLES EDWARD BARNETT, ESQ.
J. F. G. GILLIAT, ESQ.
KENNETH GOSCHEN, ESQ.
CHARLES GIPPS HAMILTON, ESQ.
T. R. JOHNSON, ESQ.
FREDERICK V. C. LIVINGSTONE-LEARMONTH, ESQ., D.S.O.
RIGHT HON. THE EARL OF MIDLETON, K.P.
HAROLD NELSON, ESQ.
HORACE PEEL, ESQ.
JOHN SANDERSON, ESQ.
ARTHUR WHITWORTH, ESQ.

Numerous Branches throughout the States of VICTORIA, NEW SOUTH WALES, QUEENSLAND, SOUTH AUSTRALIA, WESTERN AUSTRALIA, TASMANIA, and the Dominion of NEW ZEALAND.

Letters of Credit and Bills of Exchange granted. Bills Negotiated or sent for Collection. Telegraphic Transfers made. Banking Business of every description transacted with Australia and New Zealand.

Deposits received in London at interest for fixed periods on terms which may be ascertained at the Office.

DISTRICT BANK

LIMITED

Every Banking Facility

Established 1829.

HEAD OFFICE:
Spring Gardens,
Manchester.

DISTRICT BANK 1829 A CENTURY of BANKING 1929 CENTENARY YEAR

LONDON OFFICES:
75, Cornhill, E.C.3
45, Old Bond St., W.1

BRITISH MUTUAL BANKING COMPANY, LIMITED,

LUDGATE CIRCUS, LONDON, E.C.

(ESTABLISHED 1857.)

Telegraphic Address—"Brimful, London." *Telephone—City 7831, 7832.*

CAPITAL, £300,000 (fully subscribed), in 60,000 SHARES OF £5 EACH. PAID UP £120,000.

DIRECTORS:

Sir EDGAR HORNE, Bart, (*Chairman*).
FREDERICK SCHOOLING, Esq., F.I.A.
Sir WILLIAM H. DAVISON, K.B.E., M.P.
J. ROY LANCASTER, Esq.
JAMES MOON, Esq.
A. E. LEONARD, Esq.
Manager—G. KIRWOOD TAYLOR.

Banking business of every description transacted. Current Accounts are kept in conformity with the practice of London Bankers, **Interest** being allowed on minimum monthly balances by arrangement and credited to the accounts half-yearly on the 30th of June and 31st of December.

Deposits received in sums of not less than £10. No charge is made for keeping an Account when a remunerative balance is maintained.

Every information can be obtained on application to the Manager.

THE COMMERCIAL BANK OF AUSTRALIA, LIMITED.

(INCORPORATED IN VICTORIA, AUSTRALIA.)

Registered Capital - -	£5,000,000	0s. 0d.
Subscribed Capital - -	£3,590,326	13s. 6d.
Reserve Fund (used in the business) - - -	£1,600,000	0s. 0d.

DIRECTORS:

John L. Webb, Esq., Chairman.
R. C. Meares, Esq. George Kettlewell, Esq.
A. W. Palfreyman, Esq. W. H. Swanton, Esq.
General Manager: Herbert Ledlie Heron.
Chief Inspector: E. T. Bailey.

HEAD OFFICE: 335-7-9, COLLINS ST., MELBOURNE.

Manager: C. H. Tranter. Accountant: G. A. Malloch.

LONDON OFFICE: 17, MOORGATE, E.C.2.

LONDON BOARD:

George Niven, Esq. Joseph White, Esq.
Manager: P. H. Gardner.

DRAFTS AND LETTERS OF CREDIT are issued by the London Office on the Head Office of the Bank and the Branches throughout Australia and New Zealand.

REMITTANCES made by CABLE TRANSFER, BILLS NEGOTIATED or sent for COLLECTION, BANKING and EXCHANGE BUSINESS of every description transacted with the various Australian States and New Zealand.

INDEX

SHOWING THE HANDELSBANK'S POSITION
ON 31ST DECEMBER 1928
IN PERCENTAGE OF ALL SWEDISH COMMERCIAL BANKS COMBINED

Total Resources	23.4 %
Deposits	25.6 %
Comprising:	
Deposit and Capital Accounts	26.5 %
Savings Accounts	26.4 %
Cheque Accounts	21.8 %
Advances	24.9 %
Comprising:	
Domestic Bills	23.5 %
Loan Accounts	25.0 %
Cash Credit Accounts and Current Accounts	26.5 %

Svenska Handelsbanken
Stockholm
Sweden

5% to 7% STERLING DEPOSITS.

Dawsons Bank, Limited,

Head Office: PYAPON, BURMA.

Branches in RANGOON and DELTA.

BANKERS IN LONDON:
Lloyds Bank, Limited, Eastern Dept., 14, King William Street, London, E.C.4.

Progressive Figures since 1918—Quinquennial Periods.

	1918.	1923.	1928.
Capital	Rs.3,16,700	Rs.5,50,000	Rs.7,50,000
Reserves	62,050	2,50,000	6,80,000
Deposits	6,63,906	24,74,616	86,32,327
Investments	2,18,775	6,20,615	30,13,723
Liquid Assets	4,02,822	10,79,967	35,88,015
Advances	7,72,319	24,84,487	66,41,898
Amount paid in Dividends	28,336	61,750	1,09,000
Net Profits	51,255	1,27,507	2,38,759
Dividend Rate on Ordinary Shares	10%	12½%	16%

Proportion of Capital and Reserves to Public Liabilities 15.6%
Proportion of Liquid Assets to Public Liabilities ... 41.5%

The Bank is prepared to receive money or Sterling Deposit at the following rates:—

For 1 year at 5% per annum. For 3 years at 6% per annum
„ 2 years „ 5½% „ „ „ 4 „ „ 6½% „ „
For 5 years at 7% per annum.

All further particulars may be obtained from HOSSACK & HAMILTON, W.S., 22, Duke Street, Edinburgh; or CRASTON THOMSON & ALLISON, C.A., 219, St. Vincent Street, Glasgow, Deposit Agents.

E. A. HEATON, General Manager.

THE UNION BANK OF AUSTRALIA Limited.

Established 1837. *Incorporated* 1880.

CAPITAL AUTHORISED AND ISSUED . £12,000,000
Capital Paid-up - £4,000,000
Reserve Fund - £4,000,000 together £8,850,000

Reserve Liability of Proprietors - - £8,000,000

DIRECTORS:

The Hon. EDMUND PARKER, *Chairman.*
The Rt. Hon. LORD EBURY, D.S.O., M.C.
HUGH D. FLOWER, Esq.
The Rt. Hon. LORD HILLINGDON.
Sir MALCOLM HOGG.
SOMERVILLE R. LIVINGSTONE-LEARMONTH, Esq.
Brigadier-General ARTHUR MAXWELL, C.B., C.M.G., D.S.O.
ROBERT C. NESBITT, Esq.
FREDERICK G. PARBURY, Esq.
ALFRED W. TURNBULL, Esq.

HEAD OFFICE:
71, Cornhill, London, E.C.3.

Manager:—W. A. LAING. *Assistant Manager*:—G. S. GODDEN.
Secretary:—F. H. MCINTYRE.

BRANCHES THROUGHOUT AUSTRALIA AND NEW ZEALAND viz.:

In VICTORIA	51
„ SOUTH AUSTRALIA	15
„ NEW SOUTH WALES	52
„ WESTERN AUSTRALIA	21
„ QUEENSLAND	18
„ TASMANIA	3
„ NEW ZEALAND	48
Total	208

Drafts upon the Branches are issued by Head Office, and may be obtained from the Bank's Agents throughout England, Scotland and Ireland.
Commercial and Circular Travelling Credits issued—available throughout the World.
Telegraphic Remittances are also made.
Bills on the Australian States and Dominions of New Zealand are purchased or sent for collection.
Deposits are received at Head Office at rates of interest, and for periods which may be ascertained on application.

MARTINS BANK LIMITED.

Head Office:
7, WATER STREET, LIVERPOOL.
London Office:
68, LOMBARD STREET, E.C.3.
Manchester District Office:
43, SPRING GARDENS.

CAPITAL SUBSCRIBED	£20,602,272
CAPITAL PAID UP AND RESERVES ..	7,729,413
DEPOSITS, ETC., AT 31ST DEC., 1928	82,932,881

The Bank has over 560 Offices, and Agents in all the principal towns at home and abroad.

All descriptions of Banking, Trustee and Foreign Exchange Business Transacted.

ANGLO-CZECHOSLOVAKIAN BANK.

Head Office: 5, Hybernska, PRAGUE.

London Office:
118, OLD BROAD STREET, E.C.2.
Telephones: London Wall 0731 (4 lines).
Telegrams: "Anpraglon, London."

Branches in all the principal towns in Czechoslovakia.

Capital Fully Paid - 120,000,000 Czech Crowns
Reserves - - - 87,257,365 Czech Crowns

President:
KUNES SONTAG.
Vice-Presidents:
PETER BARK, Dr. HEINRICH SCHICHT, JOSEF SIMONEK.

BANKING BUSINESS OF EVERY DESCRIPTION TRANSACTED.
CORRESPONDENCE INVITED.

THE EQUITABLE TRUST COMPANY OF NEW YORK

Head Office: 11, Broad Street, New York.
Other New York City Offices:
40, Worth Street. Madison Avenue, at 28th Street.
Madison Avenue, at 45th Street. Madison Avenue, at 79th Street.
368 East 149th Street.

Commercial Credits.

Foreign Exchange.

Every Description of Banking Business Transacted.

Information on American Securities.

Current and Fixed Deposits in Sterling or other Currencies Received at Rates which may be ascertained on application.

LONDON OFFICES:
(Resident Vice-President, J. M. Wallace)
10, MOORGATE, E.C.2.
BUSH HOUSE, ALDWYCH, W.C.2.

Paris Office:— 41, Rue Cambon.
Mexico City Office:— Calle Condesa No. 3.

Total Resources exceed $550,000,000

National Central Savings Bank of Hungary

UNGARISCHE LANDES CENTRAL SPARKASSA.

Budapest IV.
Deák Ferenc-utca 7.
Cable Address: MOKTÁR.
Established 1872.

Every description of Banking Business transacted.
Our foreign department furnishes all kinds of information.

Eleven Branches in Budapest, and Branches in Debrecen, Miskolc and Diósgyör.

Exchange Offices:
Central Exchange Office, Limited, Budapest, IV. Apponyi-tér 1, and V. Szabadság-tér 3.

Central Wechselstuben A.G. Niederlassung in Wien, I. Kärntnerstrasse 43.

English, Scottish & Australian Bank, Limited.

Head Office: 5, GRACECHURCH ST., E.C.3,
and 1434 Branches and Agencies throughout Australia.

Subscribed Capital - - -	**£5,000,000**
Paid-up Capital - - - -	**£3,000,000**
Further Liability of Proprietors	**£2,000,000**
Reserve Fund - - - -	**£3,000,000**

Board of Directors:

ANDREW WILLIAMSON, Esq., *Chairman.*
JOHN PATERSON, Esq., *Deputy Chairman.*

THE HON. SIR JOHN A. COCKBURN, K.C.M.G.
THE RIGHT HON. LORD FORSTER OF LEPE, P.C., G.C.M.G.
THE RIGHT HON. VISCOUNT KNUTSFORD.
THE HON. SIR ARTHUR LAWLEY, G.C.S.I.
SIDNEY M. WARD, Esq.
SIR FREDERICK W. YOUNG.

Manager & Secretary—E. M. JANION.
Asst. Mgr.—A. A. SHIPSTON. *Sub-Mgr.*—J. A. ROBERTSON
Accountant—F. C. HOUNSFIELD.

Bankers: Bank of England; Westminster Bank Limited.

Chief Office in Australia:
COLLINS STREET, MELBOURNE.

Letters of Credit and Drafts on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank in the Chief Provincial Towns throughout the United Kingdom.
Remittances made by Telegraphic Transfer.
Bills Negotiated or forwarded for Collection.
Banking and Exchange Business of every description transacted with Australia.

LEU & CO.'S BANK.

LIMITED.

ZURICH :: :: Switzerland

ESTABLISHED 1755

Capital - - Fr. 50,000,000

BANKING BUSINESS OF EVERY DESCRIPTION TRANSACTED.

Special facilities extended for Trade.

Goldman, Sachs & Co.

NEW YORK.

CHICAGO
SAN FRANCISCO
ST. LOUIS.
BOSTON
PHILADELPHIA

Commercial Credits & Foreign Exchange

Travellers' Letters of Credit available in all parts of the World

Commercial Paper

London correspondents — Kleinwort, Sons & Co.

Harrods LTD

LONDON

Capital Authorised	Capital Issued & Fully Paid
£6,500,000	**£6,213,396**

Reserve Fund
£1,000,000

DIRECTORS

SIR WOODMAN BURBIDGE, BART., C.B.E., *Chairman and Managing Director.*
EDGAR COHEN. RICHARD BURBIDGE (*General Manager*).
SIR H. K. NEWTON, BART. CHARLES E. WILES.
FRANK R. CHITHAM. THOMAS ANTHONY.
ALLAN HEPWORTH. JOHN TAYLOR.

SECRETARY
R. H. GRIFFITH.
BANK MANAGER
F. W. ATKINSON.

BANKING DEPARTMENT

Current Accounts are opened for Shareholders and Customers or Friends introduced by them. Interest at the rate of 2½ per cent. per annum, credited annually, is allowed upon the minimum monthly balance, provided it is not under £20. No commission is charged for keeping Accounts, but the opening lodgment must not be less than £20, nor the minimum balance less than £10.

Money is received on Deposit in sums of £1 up to £500 subject to seven days' notice of withdrawal. Amounts over £500 are received on special terms as to notice. Interest is allowed from date of deposit to date upon which withdrawal notice expires, and is credited or paid half-yearly, on 30th June and 31st December.

The Directors reserve to themselves the power to return Deposits or change the rate of Interest.

Country and Foreign Drafts, Dividends, Coupons, Annuities, Pensions, etc., received and placed to credit. Drafts, Circular Notes and Letters of Credit issued.

American and Canadian Express cheques cashed and Foreign money exchanged.

Income Tax and Super-Tax Returns prepared and claims for recovery undertaken.

Head Office—BROMPTON ROAD LONDON SW 1

THE PIONEER LIFE

ASSURANCE COMPANY, LTD.

Chief Offices:
67, Dale Street, LIVERPOOL.

Established 1891.

Life Assurance Funds:
£650,000.
Total Claims Paid:
£1,000,000.

THE BANK OF ADELAIDE

(Incorporated by Act of Parliament, 1865, and registered under the Companies Act, 1892, of South Australia.)

Paid-up Capital - - - - -	**£1,250,000**
Reserve Fund - - - - -	**985,000**
	£2,235,000
Reserve Liability of Shareholders -	**1,250,000**
	£3,485,000

Head Office: Adelaide, South Australia.
MELBOURNE OFFICE: 267, COLLINS STREET.
SYDNEY OFFICE: 279, GEORGE STREET.
BRISBANE OFFICE: 305, QUEEN STREET.
PERTH (Western Australia) OFFICE: ST. GEORGE'S TERRACE.
FREMANTLE OFFICE: 78/80, HIGH STREET.

London Office:
11, LEADENHALL STREET, E.C.3.

Bills on Australasia purchased or collected. **Drafts and Letters of Credit** issued, and **Remittances cabled.** Accounts opened in Australia for Overseas Banks. Every other description of Banking and Exchange business transacted.
Enquiries regarding Australian Trade invited.

D

JAMES DUNNING & CO. LTD.

TWENTY-TWO ABCHURCH LANE

JAMES DUNNING
J. E. DUNNING
J. H. READER

PUBLIC ISSUES OF BRITISH INDUSTRIALS
REORGANISATIONS AND AMALGAMATIONS
GENERAL FINANCIAL BUSINESS

TELEGRAMS:
MERCABANCO, CANNON, LONDON (INLAND)
MERCABANCO, LONDON (FOREIGN)
TELEPHONES
ROYAL 6517 & 6518

Truth

"Truth lies at the bottom of a well," said a philosopher, but this is only half a truth.

Truth may be a living thing both in our ordinary and business life, for a sincere attachment to truth, modern and scientific, is a sure bulwark for the mind.

The habit of truth makes a man exact in all his relations with his fellow men. His word is his bond. It means that in business the thing he sells is exactly what he says it is without equivocation.

The Chatwood Security stands for truth. It is exactly what we say it is. It is not offered on a price competitive basis, but to those who desire to have the best. We refuse business offered at a price which would require us to lower our standard of craftsmanship.

J.E.S.

THE CHATWOOD SECURITY

THE CHATWOOD SAFE Co., Limited,
Bankers' Engineers,
SHREWSBURY, England.

BANK OF NEW ZEALAND

Incorporated by Act of the General Assembly, 29th July, 1861.

BANKERS TO THE NEW ZEALAND GOVERNMENT

Authorised Capital, £7,561,238.

Paid-up Capital, as at 31st March, 1928	£6,771,198
Reserve Fund and Undivided Profits	3,732,525
	£10,503,723

Aggregate Assets at 31st March, 1928, **49,879,550.**

Head Office: WELLINGTON, N.Z.

London Office: 1, QUEEN VICTORIA STREET, E.C.4.

Branches and Agencies at over 220 points in New Zealand.

And at MELBOURNE—VICTORIA. SYDNEY—NEW SOUTH WALES.
SUVA AND LEVUKA—FIJI. APIA—SAMOA.

THE LONDON OFFICE GRANTS DRAFTS on any of its Branches; MAKES TRANSFERS by mail or telegraph; ISSUES TRAVELLERS' LETTERS OF CREDIT available in all parts of the World; ESTABLISHES COMMERCIAL CREDITS by Mail or Cable; OPENS CURRENT ACCOUNTS for the convenience of its Overseas Constituents; NEGOTIATES AND COLLECTS BILLS payable in any part of Australasia, Fiji and Samoa; and UNDERTAKES every description of General Banking and Monetary Business.

ROBERT MILL, *Manager.*

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862 on the 23rd of March, 1866.
Established in Calcutta 29th September, 1863.

Bankers to the Government of KENYA (B. E. Africa) and UGANDA.

Board of Directors.

SIR CHARLES C. McLEOD, BART., *Chairman.*
R. LANGFORD JAMES, ESQ., *Deputy Chairman.*
HON. E. JULIAN HAWKE.
SIR JOHN P. HEWETT, G.C.S.I., K.B.E., C.I.E.
ROBERT MILLER, ESQ.
C. NICOLL, ESQ.
W. SHAKSPEARE, ESQ.
J. A. TOOMEY, ESQ.
General Manager - W. ROSS MUNRO, ESQ.
London Manager - E. H. LAWRENCE, ESQ.
Sub-Manager - G. B. LINTON, ESQ.

Subscribed Capital - - - - - -	£4,000,000
Paid-up Capital - - - - - -	£2,000,000
Reserve Fund - - - - - - -	£3,000,000

Head Office: 26 BISHOPSGATE, LONDON, E.C.2.

BRANCHES:

ADEN	CHITTAGONG	MADRAS	ELDORET	Kenya Colony, B.E.A.
ADEN STEAMER POINT	COCHIN (S. India)	MANDALAY	KISUMU	
AMRITSAR	COLOMBO	NUWARA ELIYA	MOMBASA	
BOMBAY	DELHI	RANGOON	NAIROBI	
CALCUTTA	KANDY	TUTICORIN	NAKURU	
CAWNPORE	KARACHI	ZANZIBAR	ENTEBBE, JINJA, KAMPALA	Uganda.
	LAHORE		DAR-ES-SALAAM, TANGA	Tanganyika Territory.

The Bank grants Drafts and Telegraphic Transfers on all places where it is represented; negotiates and collects Bills of Exchange; collects Pay, Pensions, and generally transacts every description of Eastern Banking business. The Bank receives Deposits for fixed periods, not exceeding one year, at rates to be obtained on application.

The Bank opens Current Accounts, and, provided they do not fall below £200, allows Two per cent. per annum interest on the minimum monthly balances.

Trusteeships and Executorships also undertaken.

BRITISH TRADE WITH SOUTH AMERICA

SOUTH AMERICAN TRAVEL

If you are travelling to South America, either for business or pleasure, get in touch with the Bank of London & South America, which has branches and agencies throughout the Continent, where every assistance is given both in regard to banking facilities and information.

Drafts and Letters of Credit are issued to provide you with funds in any of the Latin-American Countries. Up-to-date information on firms and statistical details supplied free on application. For the convenience of business men, a Monthly Review of Market information in English or French is issued free on application.

Estd. 1862

BANK OF LONDON & SOUTH AMERICA LIMITED

6, 7 and 8, Tokenhouse Yard, London, E.C.2.
MANCHESTER: 36, Charlotte Street. BRADFORD: 33, Hustlergate
Affiliated to Lloyds Bank Limited

NEDERLANDSCHE HANDEL-MAATSCHAPPIJ, N.V.

(NETHERLANDS TRADING SOCIETY.)

Established by Royal Charter A.D. 1824.

BANKERS.

Capital Paid Up - - -	f.80,000,000 Neth. Currency	(£6,666,666)
Statutory Reserve Fund	f.40,000,000 „ „	(£3,333,333)

Head Office: AMSTERDAM.

Branches: ROTTERDAM, THE HAGUE.
Branches in the NETHERLANDS INDIES: BATAVIA, SOURABAYA, SAMARANG, MEDAN, and further Principal Ports.
Branches in the STRAITS SETTLEMENTS, BRITISH INDIA, CHINA, JAPAN and ARABIA, SINGAPORE, PENANG, RANGOON, CALCUTTA, BOMBAY, HONGKONG, SHANGHAI, KOBE and YIDDAH.

Grant Drafts and Issued Letters of Credit on all their Branches and Correspondents in the East, on the Continent, on Great Britain, Africa, America and Australia, and transact Banking Business of every description.

LONDON CORRESPONDENTS: National Provincial Bank, Ltd., LONDON.

STOCKHOLMS ENSKILDA BANK

BANK WITH UNLIMITED LIABILITY.

Established in 1856.

TELEGRAPHIC ADDRESS: NITTON-STOCKHOLM. — STOCKHOLM. — **HEAD OFFICE: STOCKHOLM 16**

CAPITAL AND RESERVES - - - Kr. 100,000,000:—

Banking and **Exchange** Business of every description.
Bills negotiated or forwarded for Collection.
Letters of Credit issued available in the principal Cities of the World.
Remittances made by **Telegraphic Transfer.**
Deposits received for fixed periods or at notice.

LONDON AGENTS:

WESTMINSTER BANK LIMITED, LOTHBURY, E.C.; HAMBRO'S BANK LIMITED; FREDK. HUTH & CO.

AIDS *to the* EXPORT TRADE

WILLIAMS DEACON'S BANK LIMITED offer to customers an extensive service for assisting the development of the Export Trade. Particulars of part of this service are given below.

Up-to-date information can be supplied on matters relative to :—

¶ The financial standing of individuals or companies at home and abroad.

¶ Prevailing conditions in Trade and Economics throughout the world.

¶ Conditions governing such questions as Tariffs and Customs, Freight and Warehousing charges and regulations in reference to commercial documents and trade customs.

Enquiries may be made at any branch of :

WILLIAMS DEACON'S BANK LIMITED

LONDON OFFICE: 20, BIRCHIN LANE, E.C.3.—MANCHESTER OFFICE: MOSLEY STREET.
Other Offices throughout London, Lancashire, Yorkshire, Cheshire, Derbyshire, Staffordshire and North Wales.

BARMER BANK-VEREIN

HINSBERG, FISCHER & COMP.

Established 1867.

CAPITAL AND RESERVES - Reichsmark 54,000,000.

Head Office - - - DÜSSELDORF.

50 Branches at all important places of the Rhineland and of Westphalia.

Branch Establishments :

Von der HEYDT-KERSTEN & SÖHNE, Elberfeld: SIEGFRIED FALK, Düsseldorf.

Correspondents in all parts of the World.

EVERY DESCRIPTION OF BANKING BUSINESS TRANSACTED.

THE SUMITOMO BANK, LIMITED

(INCORPORATED IN JAPAN).
Head Office: OSAKA, JAPAN.

Capital Subscribed	**Yen 70,000,000.00**
Paid-up Capital	**Yen 50,000,000.00**
Reserve Fund	**Yen 27,620,000.00**

HOME BRANCHES.—Fukuoka (2), Hiroshima (3) Kobe (3), Kokura, Kumamoto, Kure, Kurume (2), Kyoto (3), Moji, Nagoya (2), Nihama, Okayama, Onomichi, Shimonoseki, Tokyo (16), Wakamatsu, Yanai and Yokohama.

FOREIGN BRANCHES.—Shanghai, Hankow, Bombay, London, New York, San Francisco, Seattle, Honolulu, Los Angeles, Sacramento.

LONDON BANKERS.—Lloyds Bank Limited.

Correspondents in all important places at Home and Abroad.

GENERAL BANKING AND EXCHANGE BUSINESS.

London Office: 67, BISHOPSGATE, E.C.2.

Telephone: London Wall 1511 and 1512. *Cable Address:* "Sumitbank, London." **T. IMAI, Manager.**

N.V. Hugo Kaufmann & Co's Bank

AMSTERDAM

Telephone: A.O. Tel. Addr.: "Hanseatic"

MERCHANT BANKERS

Affiliation of the Commerz- und Privat-Bank Aktiengesellschaft, Berlin-Hamburg

NATIONAL BANK OF EGYPT

Head Office - - - CAIRO.

FULLY PAID CAPITAL	**£3,000,000**
RESERVE FUND	**£2,875,000**

LONDON AGENCY:

6 & 7, KING WILLIAM STREET, E.C.4.

Branches in all the Principal Towns in EGYPT and the SUDAN.

STOCKHOLMS INTECKNINGS GARANTI AKTIEBOLAG

STOCKHOLM

ESTABLISHED 1869.

Paid-up Capital and Reserve Funds Kr. 33,000,000

Telegraphic Address: SIGAB, STOCKHOLM.

London Agents:

HAMBROS BANK, Ltd., LAZARD BROTHERS & Co., Ltd., WESTMINSTER BANK, Ltd. CORNHILL.

All kinds of Banking Business Transacted.

ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter, 1727.

Capital (fully paid), £2,500,000. **Reserve Fund, £2,795,787**

Deposits, £44,674,151

Total Number of Offices 230.

OVER
200 YEARS OF COMMERCIAL BANKING

Correspondents throughout the World.

A COMPLETE BRITISH COLONIAL AND FOREIGN BANKING SERVICE.

CONDITIONS FOR THE OPENING OF ACCOUNTS FURNISHED ON APPLICATION

LONDON OFFICES—City: 3, BISHOPSGATE, E.C.2.
West End: 49, CHARING CROSS, S.W.1, and 64, NEW BOND STREET, W.1.

HEAD OFFICE - - EDINBURGH.

General Manager—SIR ALEXANDER KEMP WRIGHT, K.B.E., D.L.

BANK OF SCOTLAND

CONSTITUTED BY ACT OF PARLIAMENT, 1695.

AUTHORISED CAPITAL	£4,500,000
PAID-UP CAPITAL	£1,500,000
RESERVE FUND and BALANCE CARRIED FORWARD	£2,052,584
DEPOSITS and CREDIT BALANCES as at 28th February, 1929	£32,068,385

Governor: The Rt. Hon. LORD ELPHINSTONE, K.T. Deputy Governor: Sir RALPH ANSTRUTHER OF BALCASKIE, Bart. GEORGE J. SCOTT, Treasurer.

Head Office: THE MOUND, EDINBURGH.

GLASGOW, Chief Office: 2, ST. VINCENT PLACE. A. W. M. BEVERIDGE, Manager.
LONDON Office: 30, BISHOPSGATE, E.C.2. J. W. JOHNSTON, Manager.

238 Branches and Sub-Branches in Edinburgh, Glasgow, and throughout Scotland. Every description of British and Foreign Banking Business transacted.

THE BRITISH LINEN BANK

Incorporated by Royal Charter, 1746.

CAPITAL (PAID UP) £1,250,000 **RESERVE & UNDIVIDED PROFITS £2,224,771**

Governor: THE RIGHT HON. THE EARL OF ROSEBERY AND MIDLOTHIAN, K.G., K.T.
Deputy-Governor: THE RIGHT HON. THE EARL OF HOME.

HEAD OFFICE: 38 ST. ANDREW SQUARE, EDINBURGH.

REES GRIFFITH THOMAS, General Manager. R. W. STEVENSON, Secretary.

FOREIGN DEPARTMENT: 110 QUEEN STREET, GLASGOW.
For all classes of Overseas Business.

Over 190 Branches throughout Scotland.

London Office: 38 THREADNEEDLE STREET, E.C.2.

Where accounts may be opened on usual London terms.

Manager: JAMES FORREST. *Deputy-Manager:* W. F. BLACK.

Every description of Banking Business transacted.

The Bank is prepared to undertake the duties of Executor or Trustee, and to act as Trustee for Debenture Stockholders, Public Institutions, &c.

AFFILIATED TO BARCLAYS BANK LIMITED.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

Incorporated by Royal Charter and Act of Parliament. *Established 1825.*

Affiliated with Lloyds Bank Limited.

Capital Subscribed, £5,000,000. **Paid-up, £1,100,000.** **Uncalled, £3,900,000.**

RESERVE FUND	£1,500,000
DEPOSITS, 1st November, 1928	£31,652,172

Head Office: ST. ANDREW SQUARE, EDINBURGH.
London Office: 37, NICHOLAS LANE, LONDON, E.C.4.
Glasgow Office: 47, ST. VINCENT STREET, GLASGOW.

Branches in all the principal towns and places in Scotland.
Correspondents in all the leading towns in England and Ireland, and in the principal towns in all parts of the World.

Every description of banking business transacted, including the collection of Dividends and Coupons, whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of remittances to all parts.
The Bank is prepared, in approved cases, to act as Trustee, Executor or Administrator, and also as Trustee for Debenture or other issues, etc.
FOREIGN CURRENCIES bought and sold for immediate or forward delivery.
CLEAN and DOCUMENTARY Foreign Drafts negotiated or collected.
All classes of Overseas business transacted at all the Bank's Branches.

The Commercial Bank of Scotland Ltd.

ESTABLISHED 1810.

Subscribed Capital	£5,500,000
Paid up	£1,750,000
Reserve Fund	£2,000,000
Deposits (31st October, 1928)	£33,834,405

Head Office: 14 GEORGE STREET, EDINBURGH.
General Manager, ALEX. ROBB. Secretary, MAGNUS IRVINE.

London, City Office: 62 LOMBARD STREET, E.C.3.
Manager, ANDREW W. RUSSELL. Asst. Manager, JOHN M. ERSKINE.

Kingsway Branch: IMPERIAL HOUSE, KINGSWAY, W.C.2.
Manager, JAMES O. DAVIDSON.

Glasgow, Chief Office: 113-115 BUCHANAN STREET.
Manager, ANDREW SCOTT. Asst. Manager, WILLIAM COCHRANE.

Princes Street, Edinburgh, Branch: 118 PRINCES STREET.
Agent, JAMES THOMSON.

The Bank has 334 Branches and Sub-Branches throughout Scotland, and Banking Correspondents in the principal Towns in the World Every description of British Banking and Foreign Exchange business transacted. The Bank is prepared to undertake the duties of Executor or Trustee under wills and settlements, and to act as Trustee for Debenture Holders and for Public Bodies and Institutions

CREDIT FONCIER D'ALGERIE ET DE TUNISIE

CAPITAL Frs. 150 MILLIONS

OVER 120 BRANCHES IN

ALGERIA, TUNIS, MOROCCO, & NEAR EAST

HEAD OFFICE PARIS
REGD OFFICE ALGIERS

The Bank transacts every kind of International Banking business and offers facilities for the financing of trade with the above countries.

Accounts opened in English and Foreign Currencies. Collection of clean and documentary drafts.

Mail and Cable Transfers—Cheques and Letters of Credit issued in all Currencies. Forward exchange rates quoted against future contracts.

18, ST SWITHINS LANE LONDON, E.C.4. TELEPHONE: MANSION HOUSE 6251 (FIVE LINES)

TEL.: "FONCALTUN, LONDON"

COMMERCIAL BANK OF THE NEAR EAST LIMITED.

Head Office - - - 4, LONDON WALL BUILDINGS, LONDON, E.C.2.

Branches at ALEXANDRIA and CONSTANTINOPLE.

Associated Bank: The Commercial Bank of Greece (Athens and Branches).

Authorised Capital, £200,000. Paid Up Capital, £200,000.

Banking and Foreign Exchange Business of every description transacted.
Current Accounts opened and interest allowed on Daily Balances.
Deposits are received for Fixed Periods at rates which can be ascertained on application.
Loans granted on Approved Securities, Goods and Produce.

Bills negotiated or sent for collection. **Special facilities for business with the near East.**

HUNGARIAN COMMERCIAL BANK OF PEST, BUDAPEST.

Telegraphic Address: "COMMERZ, BUDAPEST."

OLDEST BANK OF HUNGARY.

EVERY KIND OF BANKING BUSINESS TRANSACTED.

46 Branches and Affiliated Banks in Hungary.

AFFILIATED BANKS IN
CZECHO-SLOVAKIA, YUGOSLAVIA, BULGARIA, ROUMANIA.

THE

LONDON & EASTERN TRADE BANK LTD.

(Established 1920)

61/62, GRACECHURCH STREET, LONDON, E.C. 3.

Telegraphic Address: "EASTRABANK, LONDON"

CAPITAL: Authorised - - - £1,000,000

Subscribed and paid-up - £700,000

BANKING SERVICE FOR INTERNATIONAL TRADE.

Enquiries invited from Merchants and Shippers for every description of banking business.

BANCA MOLDOVA S.A.

Principal Head Office: JASSY, ROUMANIA

Head Office: BUCHAREST

Capital paid up and reserves Lei 170,000,000

Cable Address: MOLDOBANCA

BRANCHES:

Galatz, Braila, Czernowitz, Kischineff, Beltzi, Cetatea-Albă, Reni, Roman, Tighina, Vaslui.

AGENCIES:

Tarutino, Jassy-Hala, Jassy-Socola, Jassy-Gara.

AFFILIATIONS:

Piatra-Neamtz, Tărgu-Neamtz, Soroca, Orhei, Podul-Illoaiei.

Every description of Banking business transacted

BANK OF CZECHOSLOVAK LEGIONS

PRAGUE

Code Address: "LEGIOBANKA."

21 Branches and 5 Exchange Offices in Czechoslovakia.

FOREIGN BANK AFFILIATIONS.

SVOBODA & CO., VIENNA I., Schottenring 18.

KOMERCIJALNA BANKA, D.D., ZAGREB AND LJUBLJANA, JUGOSLAVIA;
LATVIJAS PRIVATBANKA, RIGA, LATVIA.

Capital Paid Up - - - Kc 70,000,000

Reserves - - - - - Kc 41,000,000

COMPLETE BANKING SERVICE

BANK GOSPODARSTWA KRAJOWEGO

(NATIONAL ECONOMIC BANK)

WARSAW, POLAND.

ul. KRÓLEWSKA 5.

Chairman: Roman Górecki. *Telegraphic Address:* Krajobank. *General Manager:* Vacant.

Capital paid up, Zlotys 150.000.000 **Reserve Fund, Zlotys 44.760.000**

20 Branches in Poland. Correspondents all over the world.

Handling of banking transactions of every description. Issues of 7% mortgage bonds in gold Zlotys as well as 7% municipal and 7½% bank bonds, the latter for the requirements of Polish industry, in gold Zlotys, U.S. Dollars, Pounds Sterling, Swiss Francs and Dutch Florins.

All issues of the Bank Gospodarstwa Krajowego are secured by the First Mortgage on properties, resp. by the properties owned by municipalities as well as by total assets of the Bank Gospodarstwa Krajowego and are guaranteed by the Polish Government.

SPECIAL FACILITIES FOR:

FOREIGN EXCHANGE TRANSACTIONS.
TRAVELLERS' LETTERS OF CREDIT.
DEPOSITS IN ZLOTYS AND FOREIGN CURRENCY.
FINANCING OF EXPORTS AND IMPORTS.
COLLECTIONS.
REMITTANCES.
CREDIT INFORMATIONS.

THE EASTERN BANK

LIMITED.

Head Office:

CROSBY SQUARE, BISHOPSGATE, LONDON, E.C.3

Authorised Capital - £2,000,000
Paid-up Capital - - £1,000,000
Reserve Fund - - - £450,000
Reserve Liability of Shareholders £1,000,000

BOARD OF DIRECTORS.

Chairman.
J. S. HASKELL, Esq.
Deputy Chairman.
Sir JAMES LEIGH-WOOD, K.B.E., C.B., C.M.G.
J. H. BATTY, Esq. G. BROMLEY-MARTIN, Esq.
EMILE FRANCQUI, Esq. Sir PERCY WILSON NEWSON, Bt.
Sir THOMAS J. STRANGMAN.

Branches—

BOMBAY, COLOMBO, BAHREIN, CALCUTTA, SINGAPORE, BASRA, KARACHI, BAGDAD, MOSUL, MADRAS, AMARA, KIRKUK.

The Bank issues Drafts, Telegraphic Transfers and Letters of Credit, purchases, grants advances against or collects Bills of Exchange, and transacts Banking and Agency Business in connection with the East.

Deposits are received for one year and for shorter periods at rates which can be ascertained on application. On current accounts Interest is allowed at 2 per cent. per annum on the minimum monthly balances.

F. H. SUTTON, Manager.

THE CANADIAN BANK OF COMMERCE

Established 1867.

Head Office: TORONTO

SIR JOHN AIRD, *President.*
RT. HON. SIR THOMAS WHITE, K.C.M.G.
E. R. WOOD
ARTHUR F. WHITE } *Vice-Presidents.*
S. H. LOGAN, *General Manager.*

Branches throughout Canada and Newfoundland

OTHER BRANCHES:—

Kingston, Jamaica.
Bridgetown, Barbados.
Port of Spain, Trinidad.
Rio de Janeiro, Brazil.
Havana, Cuba.
San Francisco, Cal.
Seattle, Wash.
Portland, Ore.
Mexico City, Mexico.
St. Pierre-Miquelon.

NEW YORK, 16, Exchange Place.

London Office - **2, LOMBARD STREET, E.C.3**

CHARLES CAMBIE, *Manager.* A. R. PHIPPS, *Assistant Manager.*

Telegraphic Transfers made to all principal points of America; Commercial and Travellers' Letters of Credit and Travellers' Cheques issued; Collections made at all points: a general Banking and Exchange Business conducted with Canada, Newfoundland, the United States, the West Indies, Mexico, and South America.

THE UNION BANK OF SCOTLAND, Ltd.

ESTABLISHED 1830.

SUBSCRIBED CAPITAL -	£5,000,000
PAID-UP - - - -	£1,000,000
RESERVE FUND - - -	£1,500,000
DEPOSITS - - - -	£27,300,000

HEAD OFFICES:

GLASGOW—St. Vincent Street. EDINBURGH—George Street.
195 Branches throughout Scotland.

LONDON OFFICE: 62, CORNHILL, E.C.3.

Manager: JOHN THOMSON. *Asst. Manager:* JOHN A. MORRISON.

HAS FOREIGN EXCHANGE DEPARTMENT.

London: West End Branch, 1, Regent Street, S.W.1.
ROBERT DICK, *Manager.*

Adapted in every way to carry through all forms of Banking Business in London and Scotland

Every description of Home and Foreign Banking transacted.

Letters of Credit issued on all places at Home and Abroad; Cable Remittances, Freight Collections, Ship's Disbursements Credits, Commercial Credits, &c., arranged. Bills of Exchange and Shipping Documents collected or negotiated subject to approval.

The Bank also undertakes the duties of TRUSTEE and EXECUTOR.

SMALL DEPOSIT ACCOUNTS BEARING INTEREST. Sums of 1/- and upwards received. PASS BOOKS and HOME SAFES ISSUED.

At London Offices Current Accounts and other business conducted on the usual terms of London Banks.
Deposits received at Interest.

NORMAN L. HIRD, *General Manager.*

THE COMMERCIAL BANKING COMPANY OF SYDNEY LIMITED

(with which is amalgamated THE BANK OF VICTORIA LTD
Established 1834. Incorporated in New South Wales.

AUTHORISED CAPITAL - -	£12,000,000: 0:0
CAPITAL PAID-UP - - -	£4,739,012: 10:0
RESERVE FUND - - -	£4,075,000: 0:0
RESERVE CAPITAL - - -	£4,739,012: 10:0
	£13,553,025: 0:0
TOTAL DEPOSITS, 6th June 1928 -	£51,824,699: 0:0
TOTAL ASSETS, " " "	£63,154,170: 0:0

HEAD OFFICE: 343, George Street, Sydney.
General Manager: J. R. DRYHURST.
LONDON OFFICE: 18, Birchin Lane, Lombard Street, E.C.3.

London Directors:

H. S. H. GUINNESS, ESQ., *Chairman.*
HON. H. S. LITTLETON.
L. W. G. BUTLER, ESQ.
J. N. BUCHANAN, ESQ., D.S.O., M.C.
H. O. HAMBLIN, ESQ.
P. CLIVE MILLER, ESQ.
Manager: V. B. JONES.

460 Offices and Branches in New South Wales, Queensland, Victoria, South Australia, New Zealand and all other parts of the throughout Australia a[sia]

[de]mand and Letters of Credit are issued by [wo]rld.

Drafts payab[le] on the Head Office, Branches and Agencies of the London Br[anch] Australasia and elsewhere. Bills on Australasia [the] Bank in[vited] collected. Remittances cabled and mailed. negotiated.

IONIAN BANK, LIMITED

(ESTABLISHED 1839)

CAPITAL AUTHORISED - -	£1,000,000	RESERVE FUND - - - - -	£250,000
CAPITAL PAID UP - - -	£600,000	TOTAL ASSETS - - - - -	£6,028,832

HEAD OFFICE: 25/31, Moorgate, LONDON, E.C. 2.

EGYPT: *Central Office*—ALEXANDRIA. 10 Branches and Agencies.

GREECE: *Central Office*—ATHENS. 28 Branches and Agencies.

CYPRUS: *Central Office*—NICOSIA. 4 Branches and Agencies.

EVERY FORM OF INTERNATIONAL BANKING SERVICE.

THE BRITISH BANK FOR THE NEAR EAST.

BANK OF NEW SOUTH WALES

(ESTABLISHED 1817.)

Paid-up Capital - - - - - - -	£7,500,000
Reserve Fund - - - - - - -	5,900,000
Reserve Liability of Proprietors - - -	7,500,000
	£20,900,000

Aggregate Assets to 30th September, 1928, £88,982,585 : 1 : 9

Head Office—SYDNEY, NEW SOUTH WALES.

General Manager: A. C. DAVIDSON.

LONDON DIRECTORS:

H. L. M. TRITTON, Esq., *Chairman.* WALTER S. M. BURNS, Esq. I. C. GEDDES, Esq. OSCAR LINES, Esq.

J. S. CAMPBELL, *Manager.* D. GEDDIE, *Assistant Manager.* A. L. KENNEDY, *Secretary.* G. S. KETT, *Accountant.*

The Bank has 535 BRANCHES AND AGENCIES in the Australian States, New Zealand, Fiji, Papua, Mandated Territory of New Guinea, and London, and Agents and Correspondents all over the World, on whom the London Office grants Circular Letters of Credit. Also issues drafts on demand. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Arranges Wool and other Produce Credits. Receives Deposits for Fixed Periods, on terms which may be known on application, and transacts every description of Australasian Banking Business.

London Office: 29, THREADNEEDLE STREET, E.C. 2.

THE CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA.

38, BISHOPSGATE, LONDON, E.C.2.

Incorporated by Royal Charter.

CAPITAL - - - - - -	£3,000,000
RESERVE FUND - - -	£4,000,000

COURT OF DIRECTORS.

Sir MONTAGU CORNISH TURNER, Chairman.
HENRY BATESON, Esq.
COLIN FREDERICK CAMPBELL, Esq.
Sir WILLIAM HENRY NEVILLE GOSCHEN, Bt., K.B.E.
ARCHIBALD AULDJO JAMIESON, Esq.
EDWARD FAIRBAIRN MACKAY, Esq.
Sir HENRY PELHAM WENTWORTH MACNAGHTEN.
WILLIAM FOOT MITCHELL, Esq., M.P.
ARCHIBALD ROSE, Esq., C.I.E.
JASPER BERTRAM YOUNG, Esq.
W. E. PRESTON, *Chief Manager.*
J. S. BRUCE, G. MILLER, } *Managers.*

AGENCIES AND BRANCHES.

ALOR STAR (Malay States)	HONG KONG	PESHAWAR
AMRITSAR	ILOILO	RANGOON
BANGKOK	IPOH	SAIGON
BATAVIA	KARACHI	SEMARANG
BOMBAY	KLANG	SEREMBAN
CALCUTTA	KOBE	SHANGHAI
CANTON	KUALA KANGSAR	SINGAPORE
CAWNPORE	KUALA LUMPUR	SOURABAYA
CEBU	KUCHING (Sarawak)	TAIPING (F.M.S.)
COLOMBO	MADRAS	TAVOY
DAIREN	MANILA	TIENTSIN
DELHI	MEDAN	TOKYO
HAIPHONG	NEW YORK	TONGKAH (Bhuket)
HAMBURG	PEKING	TSINGTAO
HANKOW	PENANG	YOKOHAMA
HARBIN		ZAMBOANGA (Philippine Islands)

BANKERS.

THE BANK OF ENGLAND.
MIDLAND BANK, LIMITED.
WESTMINSTER BANK, LIMITED.
NATIONAL PROVINCIAL BANK, LIMITED.
THE NATIONAL BANK OF SCOTLAND, LIMITED.

The Corporation buy and receive for collection Bills of Exchange, grant Drafts payable at the above Agencies and Branches, and transact general Banking business connected with the East. Deposits of Money are received for fixed periods at terms which may be ascertained on application; interest payable half-yearly, 30th June and 31st December. On Current Accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances provided they do not fall below £200. The Bank is prepared to undertake Trusteeships and Executorships.

NATIONAL DISCOUNT COMPANY, LIMITED

ESTABLISHED 1856.

35, CORNHILL, LONDON, E.C. 3

Telegraphic Address: "NATDIS, STOCK, LONDON." Telephones: MANSION HOUSE 5241 (3 lines)

SUBSCRIBED CAPITAL -	£2,153,335
PAID-UP CAPITAL - -	£1,000,000
RESERVE FUND - - -	£865,000

DIRECTORS:

Col. The Hon. SIDNEY PEEL, D.S.O., Chairman.

Hon. ARTHUR M. ASQUITH, D.S.O.
FREDERICK W. GREEN.
H. S. H. GUINNESS.
Sir SIGISMUND F. MENDL K.B.E.
BERTRAND T. PETLEY.
CHARLES D. SELIGMAN.
PHILIP H. WADE.

Manager—FRANCIS GOLDSMITH.

Sub-Manager—SYDNEY N. LIGHTON.

Foreign Dept. Manager—OSCAR H. LIST.

Secretary—CHARLES H. GOUGH.

Auditors:

FRANCIS W. PIXLEY (Jackson, Pixley & Co.).
Sir ALBERT WYON, K.B.E. (Price, Waterhouse & Co.).

Bankers:

BANK OF ENGLAND.
NATIONAL PROVINCIAL BANK, LIMITED.

Treasury Bills, Bank and Mercantile Bills negotiated.

Money received on Deposit at Call and Short Notice at the Current Market Rates of Interest, and for longer periods upon specially agreed terms.

Loans granted upon approved securities.

All communications to be addressed to the Manager.

THE P. & O. BANKING CORPORATION, LIMITED.

Head Office: 117-122, LEADENHALL ST., LONDON, E.C.3

AUTHORISED CAPITAL	£5,000,000
SUBSCRIBED CAPITAL	£2,594,160
PAID-UP CAPITAL	£2,594,160
RESERVE FUND	£180,000

Every description of Banking Business transacted. Correspondents in all parts of the World.

BRANCHES:

16, Cockspur Street, London, S.W.1;
Bombay; Calcutta; Calicut;
Colombo; Hongkong; Karachi;
Madras; Shanghai; Singapore.

AFFILIATED BANK:

THE ALLAHABAD BANK, LTD.

Head Office: CALCUTTA; with 36 Branches and Sub Agencies in India.

AUTHORISED CAPITAL	Rs. 40,00,000
SUBSCRIBED CAPITAL	Rs. 40,00,000
PAID-UP CAPITAL	Rs. 35,50,000
RESERVE FUND	Rs. 44,50,000

ALEXANDERS DISCOUNT CO. LIMITED,

24 Lombard Street, E.C. 3.

Capital Authorised - -	£1,500,000
Subscribed - - - - -	1,350,000
Paid-up Preference Shares	200,000
Paid-up Ordinary Shares	575,000
Reserve Fund - - - -	575,000

DIRECTORS.

COLIN FREDERICK CAMPBELL, *Chairman.*
GEORGE CLEVERLY ALEXANDER.
ERIC GORE BROWNE, D.S.O.
Sir AUSTIN EDWARD HARRIS, K.B.E.
FRANK NEWCOMB.

Manager—F. NEWCOMB.

Sub-Manager—B. F. CREWDSON, C.B.E.

Secretary—A. K. BRUCE.

Approved Mercantile Bills discounted. Loans granted on negotiable securities. Money received on deposit at call and short notices at current market rates advertised from time to time in the daily papers. For longer periods on specially agreed terms.

Loans in British Treasury Bills at maturity.

Telegraphic Address: "Compdebary, Amsterdam."

Handel-Maatschappij

H. Albert de Bary & Co., N.V.

AMSTERDAM

Merchant Bankers

Capital - Fl. 9,000,000
Reserves Fl. 4,500,000

Hongkong and Shanghai Banking Corporation

AUTHORISED CAPITAL	... ...	$50,000,000
ISSUED AND FULLY PAID UP	... ...	$20,000,000
RESERVE FUNDS { STERLING	... ...	£6,000,000
RESERVE FUNDS { SILVER	... ...	$14,000,000
RESERVE LIABILITY OF PROPRIETORS	...	$20,000,000

Head Office - - HONGKONG.

COURT OF DIRECTORS:

N. S. BROWN, *Chairman.*
W. H. BELL, *Deputy-Chairman.*
B. D. F. BEITH. W. PATTENDEN.
A. H. COMPTON. T. E. PEARCE.
B. L. LEWIS. J. A. PLUMMER.
C. G. S. MACKIE. J. P. WARREN.
CHIEF MANAGER - - Hon. Mr. A. C. HYNES.

BRANCHES AND AGENCIES:

Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo, Colombo, Dairen (Dalny), Foochow, Haiphong, Hamburg, Hankow, Harbin, Hongkew (Shanghai), Ipoh, Kobe (Hiogo), Kowloon, Kuala, Lumpur, London, Lyons, Malacca, Manila, Moukden, Nagasaki, New York, Peking (Pekin), Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Sungei Patani, Tientsin, Tokyo, Tsingtao, Yloilo, Yokohama.

COMMITTEE IN LONDON:

Sir Charles Addis, K.C.M.G., *Chairman.*
A. H. Barlow.
C. A. Campbell.
David Landale.
Sir George Macdonogh, G.B.E., K.C.B., K.C.M.G.
Lord Revelstoke.
Sir Geo. Sutherland.
A. M. Townsend.
C. F. Whigham.

MANAGERS IN LONDON:

Sir Newton J. Stabb. H. D. C. Jones.
Sub-Manager, R. E. N. Padfield. Accountant, A. Moncur.

9, GRACECHURCH ST., LONDON, E.C 3.

THE DAI-ICHI GINKO, LIMITED

TOKYO, JAPAN

(FORMERLY THE FIRST NATIONAL BANK.)
Established 1873.

CAPITAL (PAID UP) - -	Yen 57,500,000.00
RESERVE FUNDS - - -	Yen 57,500,000.00
SPECIAL RESERVE FUNDS -	Yen 5,300,000.00

Y. SASAKI, President.
K. ISHII, Vice-President.
S. SUGITA, Managing Director.
Y. OHSAWA, Managing Director.
T. AKASHI, Managing Director.

Head Office:
No. 1 KABUTO-CHO, NIHONBASHI-KU, TOKYO
T. AKASHI, Manager.

City Branches:
Akasaka, Asakusa, Azabu, Fukagawa, Ginza, Gofukubashi, Hibiya, Hongo, Honjo, Horiecho, Komagata, Kyobashi, Marunouchi, Mita, Muromachi, Shinjuku, Shin-Osakacho, Tomizawacho, Ushigome.

Home Branches:
Ashikaga, Ashikaga-Nishi, Chofu, Fukuoka, Fushimi, Gojo (Kyoto) Hakodate, Hiroshima, Honmachi (Osaka), Hyogo (Kobe), Kiryu, Kobe, Kokura, Kumamoto, Kurume, Kyomachi (Kobe), Kyoto, Marutamachi (Kyoto), Minamiku (Osaka), Moji, Muroran, Nagoya, Nishijin (Kyoto), Nishiku (Osaka), Osaka, Otaru, Sano, Sapporo, Shimonoseki, Tamayacho (Nagoya), Tatebayashi, Tochigi, Toyohashi, Utsunomiya, Yokkaichi, Yokohama.

Branches in Korea:
Seoul, Fusan.

London and New York Bankers:

LONDON.	NEW YORK.
Westminster Bank, Ltd.	The National City Bank of New York.
Midland Bank, Ltd.	The National Bank of Commerce in New York.
The Yokohama Specie Bank, Ltd.	The Yokohama Specie Bank, Ltd.

Correspondents:
The Bank, in addition to its own Branches, has numerous Agencies or Correspondents in the principal Cities and Towns at Home and Abroad.

HUNGARIAN LAND MORTGAGE INSTITUTE

Crédit Foncier de Hongrie.
Magyar Földhitelintézet.

BUDAPEST.

THE OLDEST FARM MORTGAGE BANK AND MORTGAGE BOND ISSUING HOUSE IN HUNGARY.

ESTABLISHED 1863.

Every Description of Banking Business transacted.

Telegraphic Address:—HUMUS.

LONDON CORRESPONDENTS:
Swiss Bank Corporation, Hambros Bank Limited, Anglo-International Bank Limited, M. Samuel & Co., Ltd.

NEW YORK CORRESPONDENTS:
Guaranty Trust Company of New York, Irving Trust Company.

ISSUES from 1st JAN., 1926, to 31st DEC., 1928.

£2,000,000.—7½% Sterling Land Mortgage Bonds. Paying Agents; Hambros Bank Limited, London, and Anglo-International Bank, Limited, London.

$6,000,000.—7½% Sinking Fund Land Mortgage Gold Bonds. Paying Agents: Guaranty Trust Company of New York, New York.

BANCO DE BILBAO

(ESTABLISHED 1857.)

Head Office, BILBAO.

BRANCHES:—

ALCOY	LEON	SANGUESA
BARACALDO	MADRID	SAN SEBASTIAN
BARCELONA	MEDINA DE POMAR	SEVILLA
BERMEO	MELILLA	TAFALLA
BRIVIESCA	MIRANDA DE EBRO	TANGER
BURGOS	ORDUNA	TARRASA
CASTRO-URDIALES	PALENCIA	TUDELA
CORDOBA	PAMPLONA	VALENCIA
DURANGO	PARIS	VIGO
ELIZONDO	REUS	VITORIA
ESTELLA	SABADELL	ZARAGOZA
GUERNICA	SAGUNTO (Puerto)	

LONDON, BILBAO HOUSE, 36, New Broad Street, E.C. 2

AUTHORISED CAPITAL -	Pesetas	100,000,000
PAID-UP CAPITAL - -	„	60,000,000
RESERVE FUND - - -	„	65,000,000

The only Spanish Bank operating in England.

The London Branch has been established with a view to the development of Anglo-Spanish Commerce.

Current Accounts opened in Sterling, Pesetas, and Francs, at sight, bearing interest, and every description of banking business transacted on most advantageous terms, including acceptances, domiciliations, commercial credits, payments and collections on goods, etc.

Foreign Exchange, Stock Exchange, Custody of Securities, Collection of Coupons, etc. LIMITED, Lists of Exch... and transact... of Money are r... on application; i... On Current Accou... imum monthly balar... Londorepared to undertake exchange).

Terms on application.

Telegraphic Address: BANCOBAO, AVE, LONDON.

Hire-Purchase Financing

Manufacturers and Distributors of merchandise whose products are adaptable to Hire-purchase distribution are invited to consult United Dominions Trust Ltd. regarding their particular problems.
The experience and organisation of this Company enables it to offer comprehensive facilities and service to meet individual requirements.

Funds now employed exceed £2,000,000.

SIR EDWARD M. MOUNTAIN, BT., J.P., *Chairman.*
J. GIBSON JARVIE, *Managing Director.*

KING'S HOUSE, KING ST., LONDON, E.C. ...ated.
and at MANCHESTER, GLASGOW, ...tice at the
LEEDS, BIRMINGHAM, ...nd ... longer periods
NEWCASTLE-ON-T...
...courities.
...addressed to the Manager.

THE

YASUDA BANK,

LIMITED.
ESTABLISHED IN ...4.

Head Office:
Eiraku Building, Tokyo, Japan.

Capital Subscribed -	Yen 150,000,000
Capital Paid up -	„ 92,750,000
Reserve Funds - -	„ 60,633,000
Deposits - - -	„ 722,000,000

Chairman of the Board:
ZENJIRO YASUDA.

Joint Managing Directors:
HISASHI HYOSU, DAITARO SUGAWARA, TSUGUO MARUYAMA, HISOMU SONOBE.

The Bank is now in command not only of 141 Branches in Japan but also of the services which it has secured from many correspondents throughout the world, and is able to offer accommodation for every kind of banking facilities, foreign and domestic.

Foreign Business:
TOKYO HEAD OFFICE, KOBE OFFICE, OSAKA OFFICE, YOKOHAMA OFFICE.

London Bankers:
LLOYDS BANK, LTD., and MIDLAND BANK, LTD.

New York Agents:
GUARANTY TRUST COMPANY OF NEW YORK, NATIONAL CITY BANK OF NEW YORK, and IRVING TRUST COMPANY.

BANCO DE CHILE

94 GRACECHURCH STREET, E.C. 3

	Chilean Dollars.
PAID-UP CAPITAL - - - - - -	$100,000,000.00
STATUTORY RESERVE - - - - -	25,000,000.00
SPECIAL RESERVE - - - - -	33,000,000.00
FUND FOR CONTINGENCIES - - -	20,000,000.00
EXTRAORDINARY RESERVE - - -	40,000,000.00
DIVIDEND FUND - - - - - -	7,372,395.69
(Equivalent to £5,634,310)	$225,372,395.69

Head Offices—SANTIAGO & VALPARAISO.

BRANCHES.

Santiago (Estacion), Santiago (Matadero), Santiago (San Pablo), Valparaiso (Almendral), Antofagasta, Arica, Chillan, Concepcion, Copiapó, Coquimbo, Curicó, Iquique, La Calera, Lautaro, Linares, Los Andes, Los Angeles, Mulchen, Nueva Imperial, Osorno, Ovalle, Puerto Montt, Quillota, Rancagua, Rengo, San Antonio, San Carlos, San Fernando, San Felipe, San Javier, Santa Cruz, Serena, Tacna, Talca, Talcahuano, Temuco, Tocopilla, Traiguen, Valdivia, Vallenar, Victoria, Vina del Mar.

The London Agency transacts every class of Banking business with Chile. Current Accounts also opened and Deposits received.

PERCY C. WEST, Manager.

AGENTS OF { BANCO DE LA NACION ARGENTINA. BANCO DO BRAZIL. BANCO CENTRAL DE CHILE.

Adherence to the soundest principles of banking and of business has given the Mellon National Bank an enviable place among the leading financial institutions of the country. Reared in the spirit of initiative and progress characteristic of its community, this bank offers a complete and efficient service to the Pittsburgh district and to its correspondents throughout the world.

MELLON NATIONAL BANK,

PITTSBURGH, Pa., U.S.A.

Cable Address: MELLONSON, PITTSBURGH

London Agents:
National Provincial Bank, Ltd.

NETHERLANDS BANK OF SOUTH AFRICA

Authorised Capital	£750,000
Subscribed and ...	
Paid-up Capital -	£468,541 13s. 4d.
Reserve - -	£166,666 13s. 4d.

Head Office:
AMSTERDAM, HEERENGRACHT, 546.

London Agency:
201, SALISBURY HOUSE, FINSBURY CIRCUS, E.C. 2.
LONDON MANAGER: J. COST BUDDE.

Hamburg Agency:
SCHAUENBURGERSTRASSE 32, HAMBURG.

Head Office in South Africa:
PRETORIA.

London Bankers: NATIONAL PROVINCIAL BANK, LTD., MIDLAND BANK LIMITED and Messrs. B. W. BLYDENSTEIN & CO.

BRANCHES IN SOUTH AFRICA:
Bethlehem, Bloemfontein, Brits, Capetown, Dullstroom, Durban, East London, Ermelo, Hartebeestfontein, Johannesburg, Pietersburg, Port Elizabeth, Potchefstroom, Premier Mine, Pretoria, Witbank.

The Bank is prepared to issue Drafts and Letters of Credit, and to make Telegraphic Transfers upon its branches, as well as upon its Agencies in the Cape Province, Natal, Orange Free State, and Transvaal. Bills negotiated and collected, and every description of Banking business transacted in connection with South Africa. Current Accounts ... Deposits received for fixed periods.

CREDITO ITALIANO

Capital ... Lire 400,000,000
(... 77,700
K... ...00,000

HEAD OFFICE OF THE BANK: MILAN

BRANCHES:

ACIREALE, AREZZO, ASTI, BARI, BARLETTA, BERGAMO, BIELLA, BOLOGNA, BOLZANO, BRESCIA, BRINDISI, CAGLIARI, CALUSO, CARRARA, CASTELLAMMARE DI STABIA, CATANIA, CATANZARO, CHIAVARI, CHIETI, CIVITAVECCHIA, COMO, CREMONA, FERRARA, FIUME, FLORENCE, FOGGIA, FORLI, FRATTAMAGGIORE, GENOA, IGLESIAS, IMPERIA, LECCE, LECCO, LEGHORN, LODI, LONDON, LUCCA, MESSINA, MILAN, MODENA, MOLA DI BARI, MOLFETTA, MONOPOLI, MONZA, NAPLES, NERVI, NOCERA INFERIORE, NOVARA, ORISTANO, PADOVA, PALERMO, PARMA, PIACENZA, PINEROLO, PISA, ROME, SAMPIERDARENA, S. GIOVANNI A TEDUCCIO, SASSARI, SAVONA, SESTO S. GIOVANNI, SONDRIO, SPEZIA, TARANTO, TORRE ANNUNZIATA, TORRE DEL GRECO, TRAPANI, TRENTO, TRIESTE, TURIN, UDINE, VARESE, VENICE, VERCELLI, VERONA, VICENZA, VOGHERA

Representative Offices: NEW YORK—67 Wall Street. BERLIN—15 Jägerstrasse. PARIS—3 Rue Taitbout.

London Branch:

2, ROYAL EXCHANGE AVENUE, E.C.3

Correspondents of the Royal Italian Treasury.

The London Branch transacts a General Banking Business, and is specially prepared to give facilities for the Development of Trade between the British Empire and Italy.

Documentary Credits opened.

Telegraphic and Mail Transfers effected to all parts of the world.

Clean and Documentary Bills collected. Tariff sent on application.

Approved Foreign Bills negotiated, and Advances granted against Documents.

Freights collected at principal Italian ports free of commission.

Circular Cheques issued, payable at any Branch or Correspondent of the Credito Italiano free of charge.

Telegrams: "ITALCREDI, LONDON." Telephones: AVENUE 3031-4

69227

JL
XMB6N29
N29.108

London: Printed for the Proprietors The ECONOMIST NEWSPAPER, Ltd., by EYRE & SPOTTISWOODE, Ltd., His Majesty's Printers, East Harding Street, London, E.C.4. Published by the Proprietors at 6, Bouverie Street, Fleet Street, E.C.4.—Saturday, May 11, 1929.

(1)	(2)	(1)	(2)